

GFH Financial Group Q4 2017 Results

Presentation to Investors and Analysts

For the Period Ended December 31st 2017



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Agenda

1. **Group Q4 and FY 2017 Highlights**
2. **Q4 2017 Financial Performance Review**
3. **Q&A**

Group Q4 and FY 2017 Highlights

<i>(in \$ million)</i>	Q4 2016	Q4 2017	FY 2016	FY 2017
Commercial Banking	18.0	9.1	63.6	56.1
GFH Capital	(5.0)	35.8	1.5	135.5
GFH Real Estate	21.7	(5.7)	48.8	14.9
Others ⁽¹⁾	(15.1)	3.3	(4.7)	5.2
Operating Income	19.6	42.6	109.1	211.6
Income from Settlement of Litigations	454.8	0.0	464.6	0.0
Total Income	474.4	42.6	573.7	211.6
Operating Expenses	(55.0)	(21.2)	(119.5)	(99.1)
Profit Before Impairment	419.4	21.4	454.2	112.6
Impairment Allowances & Others	(196.1)	(9.2)	(221.1)	(9.4)
Net Profit	223.3	12.1	233.0	103.2
<i>Attributable to Shareholders of the Group</i>	213.2	16.9	217.1	104.2
<i>Attributable to Minority Interest</i>	10.2	(4.8)	15.9	(1.0)
Return on Equity			23.9%	9.1%
Total Income Growth				93.9%
Total Assets			3,303	4,110
Total Equity			908	1,150

Group operating income has increased by 94%, with a return on equity of 9.1%. The Group will return cash to shareholders of \$155m (\$85m proposed cash dividend and \$70m treasury shares buyback during 2017)

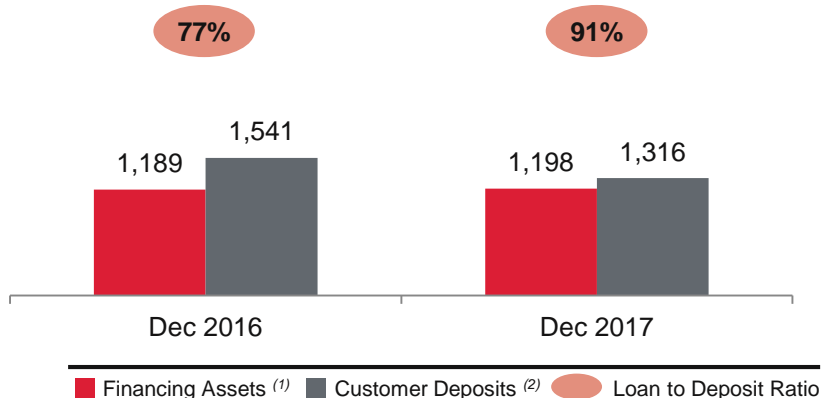
(1) Includes net profit from operations of non-banking subsidiaries

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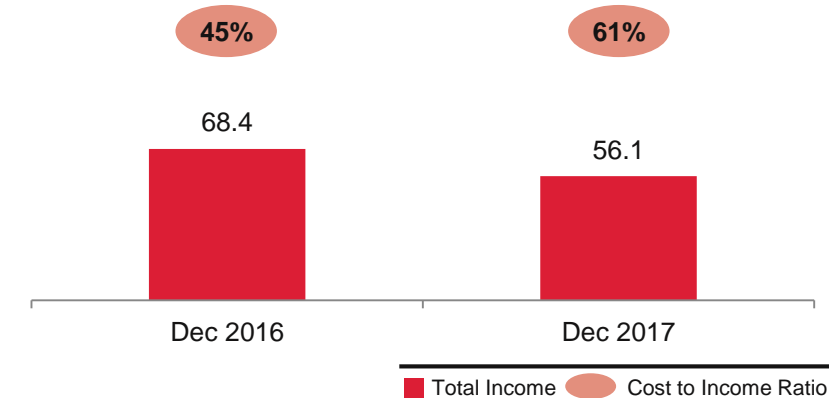
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Commercial Banking – Market Outlook Impacting Loan Growth & Margins. Significant Milestone Achieved During 2017 With Cross-Listing on the Dubai Financial Market

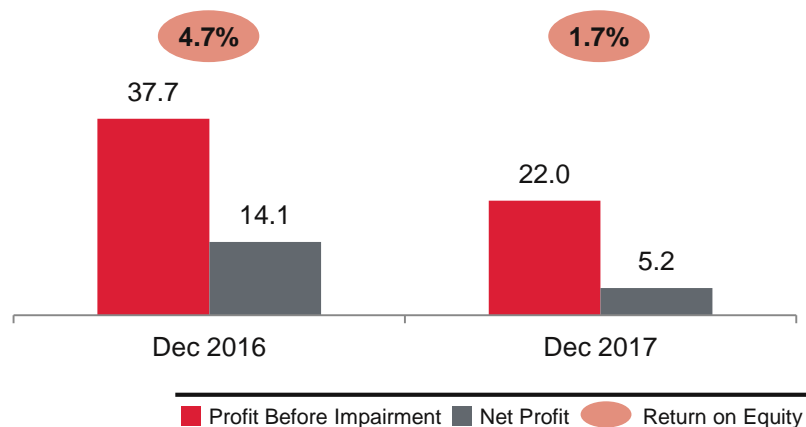
Financing Assets & Customer Deposits (\$m)



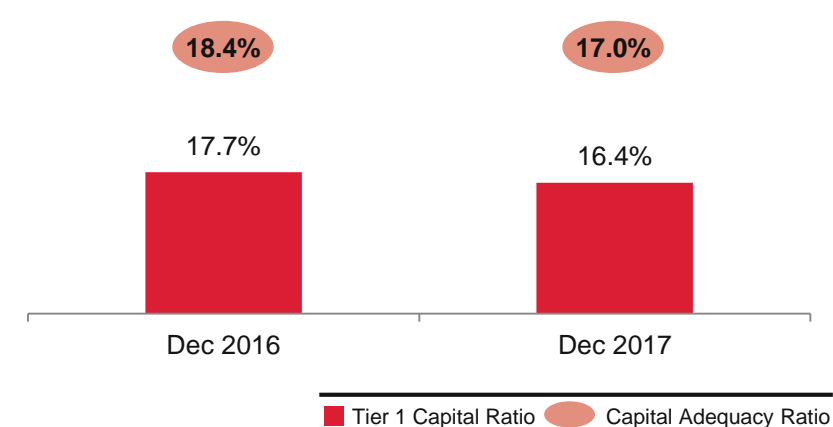
Total Income (\$m)



Profit Before Impairment & Net Profit (\$m)



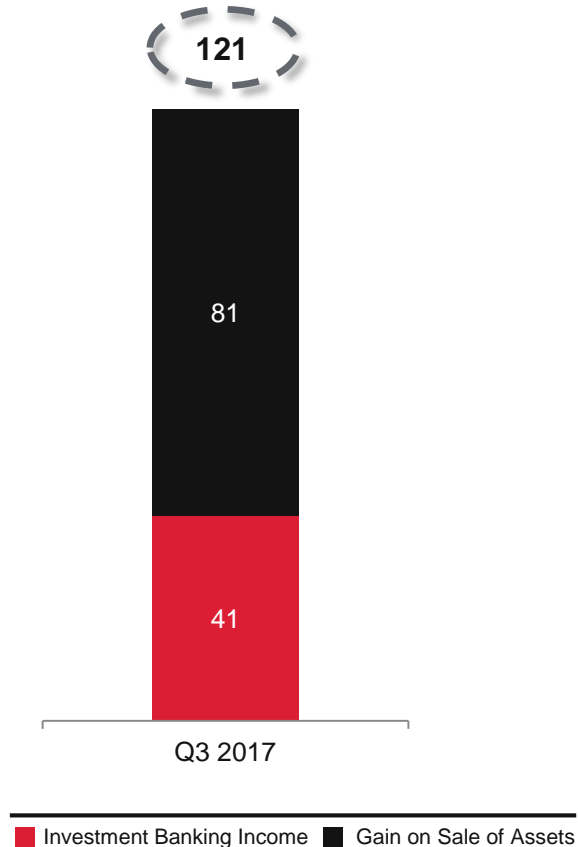
Capital Ratios



(1) Includes financing assets and assets acquired for leasing. (2) Includes customers' current accounts, placements from non-FIs & individuals and equity of investment account holders.

GFH Capital – Strong Levels of Investment Banking Income Generation

FY 2017 Income Generation (\$m)



- Strong levels of investment banking income for the Group in 2017 of \$121 million
 - Positively impacted by Group's role in launching new Private Equity & Asset Management opportunities including AMA International Investments and US-based Data Centre



- The Group also recognized a gain on sale of assets worth \$81m in the education sector.

Significant Progress in GFH Real Estate

- The Harbour Row project located in the Bahrain Financial Harbour, made significant progress in 2017.
 - Onsite works reached approximately 30% completion and the first phase of sales saw more than 40% of offered stocks sold within an eight-month period.
 - Based upon percentage of completion, the Group will realize the associated income in subsequent quarters.



- In the UAE, California Village, a mixed-use development and gated community located in Dubailand, further progressed in 2017. Following mobilization, which commenced in 2016, site work has moved swiftly ahead. A full marketing strategy has been developed in 2017 and is now being finalized in support of the offering of built units for sale in 2018.

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**Thank You
Q&A**