



Clarification Regarding GFH Financial Group's Financial Results for Year 2015

Bahrain – 28th February 2016: GFH Financial Group (GFH) would like to inform its shareholders and the markets that, as per the request of the Capital Markets Supervision Directorate of the Central Bank of Bahrain, it would like to further clarify the results of its financials for the year ended December 2015.

The consolidated profit before provisions of US\$17 million for year 2015 was US\$ 29 million, and the consolidated net profit was US\$ 12 million for 2015 as compared to US\$ 27.3 million for 2014. The net loss attributable to GFH shareholders for year 2015 was US\$ 5.5 million, as compared to a profit of US \$15 million in 2014. The loss per equity share was 0.25 cents in year 2015, as compared to a profit of 1.02 cents in 2014. 2015's performance was impacted because of higher provisions in 2015 and a one-off recovery income from a previously discontinued project in 2014. The unaudited preliminary results that were issued on 14th and 15th February 2016 in Dubai Financial Market and Bahrain Bourse, respectively, reflected different figures for year 2014 as compared with the audited financial results issued on 24th February 2016, because of audit consolidation adjustments of Khaleeji Commercial Bank, GFH's subsidiary in which it owns 47%.

Total consolidated revenue for 2015 was US\$85 million, as compared to US\$90 million in 2014. Operating profit before provisions was US\$29 million, as compared to US\$41.5 million in 2014. Total provisions in 2015 stood at US\$ 17 million as against US\$14.1 million in 2014. Operating expenses were US\$62.1 million in 2015, in comparison to US\$59 million in 2014. Commercial banking income was US\$57.8 million and investment banking income was US\$20.1 million, while real estate has contributed US\$5.6 million. Investment banking income of 34 percent increase is due to successful placements of new products by GFH over the past year. The Group reported a loss of US\$ 5.95 million for the last quarter of 2015 compared to a profit of US\$ 4.2 million for the last quarter of 2014.

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About GFH Financial Group B.S.C.

GFH is one of the most recognised financial groups in the Gulf region. Its businesses include Asset Management, Wealth Management, Commercial Banking and Real Estate Development. The Group's operations are focused in the GCC, North Africa and India. GFH is listed in Bahrain Bourse, Kuwait Stock Exchange and Dubai Financial Market.

For more information, please visit www.gfh.com

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