

GFH Financial Group Q3 2017 Results

Presentation to Investors and Analysts

For the Period Ended September 30th 2017



Important Notice and Forward-Looking Statements

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Agenda

1. **Group Q3 2017 Highlights**
2. **Q3 2017 Financial Performance Review**
3. **Q&A**

Group Q3 2017 Highlights

<i>(in \$ million)</i>	Q3 2016	Q3 2017
Commercial Banking	45.6	47.0
GFH Capital	6.5	99.7
GFH Real Estate	27.1	20.6
Others	20.1	1.9
Total Income	99.3	169.0
Operating Expenses	(64.6)	(77.8)
Profit Before Impairment	34.8	91.2
Impairment Allowances & Others	(25.1)	(0.2)
Net Profit	9.7	91.0
<i>Attributable to Shareholders of the Group</i>	3.9	87.2
<i>Attributable to Minority Interest</i>	5.8	3.8
Annualized Return on Equity	0.7%	10.3%
Total Income Growth		70.2%
Net Profit to Shareholders Growth		21.1x
Total Assets	2,803	3,997
Total Equity	704	1,130

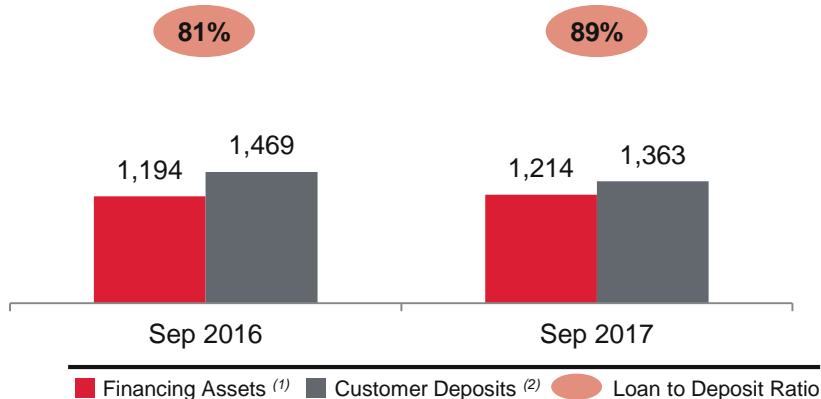
Group net profit to shareholders has increased by 21.1x, with an annualized return on equity of 10.3%

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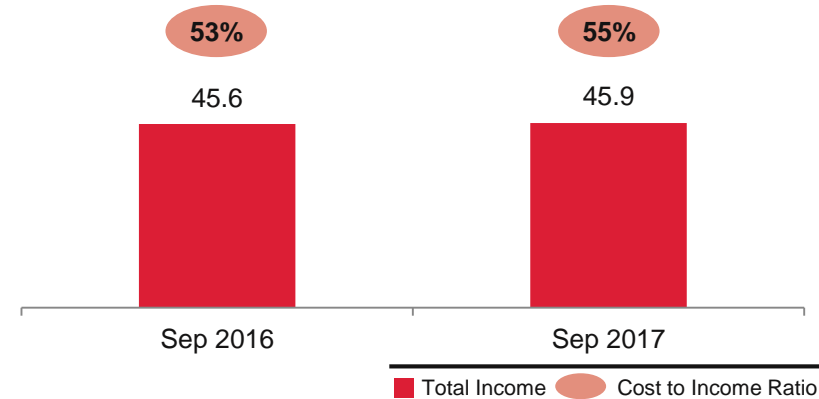
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Commercial Banking – Market Outlook Impacting Loan Growth & Margins

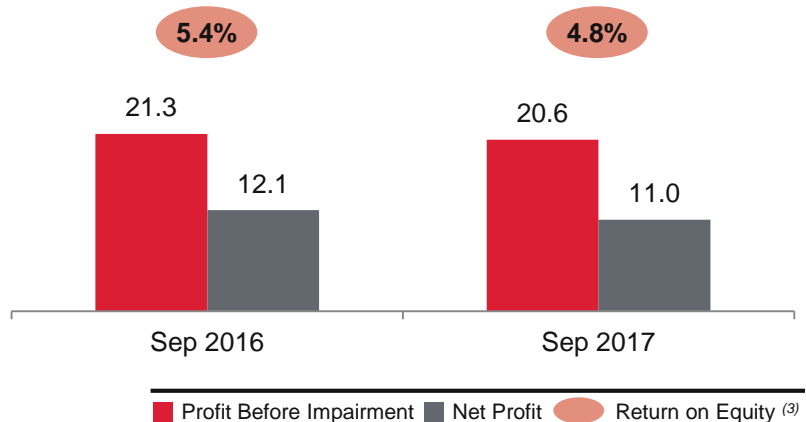
Financing Assets & Customer Deposits (\$m)



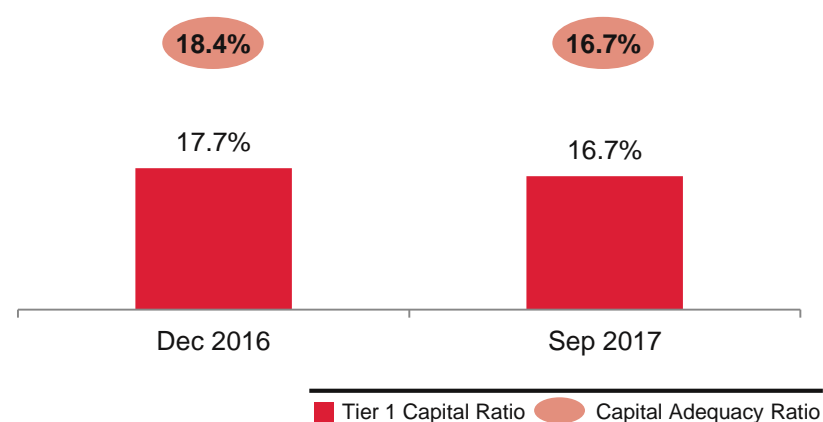
Total Income (\$m)



Profit Before Impairment & Net Profit (\$m)



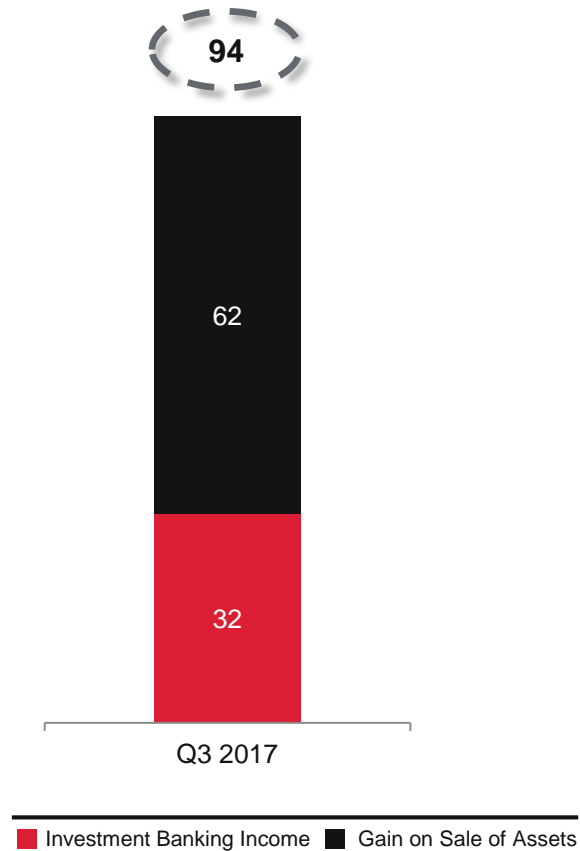
Capital Ratios



(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. (3) Annualized.

GFH Capital – Strong Levels of Income Generation

Q3 2017 Income Generation (\$m)



- Strong levels of investment banking income for the Group in the first nine months of 2017 of \$32 million
 - Positively impacted by Group's role in launching new Private Equity & Asset Management opportunities including AMA International Investments and US-based Data Centre



- In the first half of 2017, the Group also recognized a gain on sale of assets worth \$62m in the education sector.

GFH Real Estate & Strategic Acquisitions

Significant Progress in GFH Real Estate

- Piling and foundation works for the East Wing within the Harbour Row project is complete. The Harbour Row project is a luxurious water-facing mixed-use project within Bahrain Financial Harbour
- The Group has realized sales on Harbour Row of c. \$47 million (27% of the project). Based upon percentage of completion, the Group will realize the associated income in subsequent quarters.
- Rixos Hospitality Group will operate the hotel property within the development



- The Group also recorded real estate sales in another development project in Bahrain and recorded income of \$18 million from the project.

Strategic Acquisitions

- Substantial inorganic growth expected in the future from strategic acquisitions
- Several late-stage discussions with different targets in the Investment Banking, Asset Management and Insurance Sectors
- Acquisitions will accelerate GFH's growth profile and augment its current product offering and geographic reach
- Aim to deliver on the Group's vision to create a leading regional financial group

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Q&A

**Thank You
Q&A**