



Gulf Hotels Group Announces a Consolidated Net Profit of BD 16.133 Million in 2016,
The Board of Directors Recommend a Cash Dividend of 25% and 10% Bonus Shares.

Manama, Kingdom of Bahrain: Gulf Hotels Group (GHG) has reported 2016 financial results, announcing a consolidated net profit of BD 16.133 million for the year. The Group owns Gulf Hotel and recently acquired Bahrain Tourism Company (BTC) and operates The K Hotel, Asdal Gulf Inn, The Ocean Paradise Resort (Zanzibar)(part owned) and Gulf Residence Amwaj.

Chairman, Farouk Y Almoayyed stated that year 2016 was very challenging with more hotels opening on the island. The group has managed to achieve a Gross Operating Revenue of BD 36.377 million and a Net Profit of BD 16.133 million after consolidating the results of BTC with GHG, including one time provisional bargain profit of BD 6.126 million.

Mr. Almoayyed also announced that for the standalone results (excluding BTC) for the year ended 31st December 2016 GHG achieved a total Gross Operating Revenue of BD 33.134 Million (Published figure of BD 36.377 million less BD 3.243 million BTC Gross Operating Revenue from June to December 2016) compared to BD 32.370 Million in same period 2015, an increase of BD 763,512 or 2.36% and has generated a Net Profit of BD 9.134 Million (Published figure of BD 16.133 million less BD 873,231 BTC Profit from June to December 2016 & BD 6.126 Million one-time Bargain Profit) in comparison with BD 9.197 Million achieved in the same period 2015, a decrease of BD 63,281 or 0.69 % on 2015.

Mr. Almoayyed also announced that for the three months period from October to December 2016 the group has achieved a Gross Operating Revenue of BD 10.322 million and a Net Profit of BD 3.785 million after consolidating the results of (Bahrain Tourism Company) BTC with GHG, including bargain profit of BD 1.159 million.

For standalone results (Excluding BTC) for the three months period from October to December 2016, GHG achieved a total Gross Operating Revenue of BD 8.802 Million compared to BD 7.817 Million in same period 2015, an increase of BD 984,432 or 12.59% and has generated a Net Profit of BD 1.988 Million in comparison with BD 1.409 Million achieved in the same period 2015, an increase of BD 578,571 or 41.05 % on 2015.

Mr. Almoayyed added that based on the results, the Board of Directors have recommended during the Board Meeting held on February 15, 2017 a cash dividend of 25% or 25 fills per share on the paid up capital for the approval of the shareholders and 10% bonus shares (one for every 10 shares).

Mr. Almoayyed also revealed the Group's expansion strategy which includes expanding the existing hotel portfolio and establishing a number of stand-alone restaurants.

- He confirmed that the company has commenced the development of the 230 rooms, five star Gulf Hotel Business Bay in Dubai, a waterfront property located 1.5km from Burj Khalifa and Dubai Mall, and expected to be completed end 2019.

Mr. Almoayyed expressed his thanks and appreciation to retired Chief Executive Officer and Director, Mr. Aqeel Raees, who led the company for the full year 2016 and executive management for continuously upholding an excellent standard of service, while diversifying the Group's activities.

Adding to sentiments of the Chairman, CEO Garfield Jones expressed his satisfaction with the results taking into consideration testing market conditions. He also added comments about the future projects viz:

- The Group's plans to enter into the stand-alone restaurant market in both Bahrain and KSA, having already acquired Block 338 in Adliya Tourism Zone for developing it into a multi-unit restaurant and leisure facility, and pursuing Joint Venture proposals for opportunities in Saudi Arabia.
- The construction of 108 unit Gulf Executive Residence Juffair, which is well underway and expected to be completed by Q1 2018.

Mr. Jones concluded by expressing his appreciation towards the management and staff of all of the Group's divisions whose hard work and efforts have contributed towards achieving these results in difficult times. He also stated that the success of any company comes down to its customer base, thanking the Groups valued customers for their continuous support.