

“Inovest” Announces a Net Profit of US\$5.4 million for the First Half of 2016

The Inovest Group announced today its financial results for the first half of 2016, with a clear continuation of its marked improvement in performance, by recording a net profit of US\$5.4 million in comparison to a net loss of US\$1.9 million for the same period last year. For the three months ending June 30th 2016, the Group realized a net profit of US\$2.1 million in comparison to a net loss of US\$1.9 million for the same period in 2015.

Within the first six months of 2016, Inovest was also able to report an increase of 96% in its operating income amounting to US\$9.2 million in comparison to US\$4.7 million in the first half of 2015. Further, the Group’s operating expenses saw a 36% decline, standing at US\$3.8 million as compared to US\$5.9 million for the same period. The Earnings Per Share for the first six months of 2016 **amounted to** US cents 1.89 compared to a Loss Per Share of US cents 0.68 for the same time period in 2015.

Speaking in reference to these results, Mr. Khaled AlSanaousi, the Chairman of the Board of Directors said, “Inovest’s second quarter of positive results is a testament to our commitment towards implementing our 2016-2018 business plan; specifically towards ensuring a return to profitability this year, enhancing our financial position and sustaining growth in the following years. To that end, the Group has continued to exit legacy investments, to improve performance in its ongoing projects, as well as to manage its operating expenses. Further, our executive management has made good progress with the collection of long outstanding receivables which have enhanced our liquidity position. Today our cash to paid-up capital ratio has risen to 40%, while our debt to equity ratio stands at 17.2%. Furthermore, we have started diversifying our investment portfolio geographically, exemplified with our recent acquisition of an income generating property portfolio in the Sultanate of Oman. We are also evaluating a strategic acquisition which will have a positive impact on the group’s portfolio”

Commenting on the results further Mr. Murad Al Ramadan CEO of Inovest said, “True to our intent, we are moving now in the right direction, with a greater sense of clarity and focus. Having overcome a series of difficulties and challenges, it is with great pride that our return to profitability coincides with our 15th anniversary. This represents a great deal, it is reflective of remarkable growth; from years of record development, to the implementation of landmark projects, to lessons learned from overcoming significant challenges and several difficult years, and now, ultimately, a return to profitability.” Mr Al Ramadan continued to explain that the backing **and** support of the Board of Directors has delivered on its own prerogatives with timely decision making **on strategic initiatives**, all of which are reflected in our ability to deliver improved results. Ultimately, these factors will also contribute towards ensuring the achievement of the group’s strategic objectives.”

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About Inovest

Established in 2002, Inovest is a shariah compliant category 1 investment company regulated by the Central Bank of Bahrain. Inovest’s business spans three principle areas: direct investment, asset management, and real estate investment. Based in the Kingdom of Bahrain, Inovest is the parent company for Al Khaleej Development Company “Tameer” and Tamcon Contracting Co. Inovest has been listed on both the Bahrain Bourse and Kuwait Stock Exchange since 2005. For more information, please visit www.inovest.bh