

AIR ARABIA POSTS STRONG Q3 NET PROFIT OF AED 297M

SHARJAH: Air Arabia, the first and largest low-cost carrier (LCC) in the Middle East and North Africa, today announced its financial results for the third quarter ending September 30, 2016, as the success of the company's expansion strategy continued to be reflected in strong performance figures.

Air Arabia's net profit for the third quarter of 2016 was AED 297 million, up 26 percent compared to AED 235 million reported in the corresponding period of 2015. For the three months ending September 30, 2016, the airline posted a turnover of AED 1.12 billion, in line with the revenue generated in the same period of 2015. Air Arabia served over 2.27 million passengers in the third quarter of 2016, a 14 percent increase compared to 2 million passengers in the same period of last year. The average seat load factor - or passengers carried as a percentage of available seats - for the same quarter stood at an impressive 81 percent.

Sheikh Abdullah Bin Mohammed Al-Thani, Chairman of Air Arabia said: "The strong third quarter and year to date performance is a reflection of Air Arabia's commercial and operational strengths supported by the company's commitment to deliv-



er high value air travel to its customers and return on investments to its shareholders."

He added: "Despite challenging trading conditions driven by excess capacity in the market, political instability in some markets and the effect of lower oil price in the regional economies, we remain confident about the long-term prospects for the low cost industry in region and our ability to continue with our growth plans while delivering our value-for-money promise to our customer's everyday".

Air Arabia's net profit for the first nine months of 2016 stood at AED 542 million, up 15 percent compared to AED 472 million reported in the corresponding period of 2015. For the nine months ending September 30, 2016, the airline posted a turnover of AED 2.96 billion, an increase of 3 percent compared to AED 2.86 billion in the same period of 2015. The low-cost aviation pioneer served over 6.3 million

passengers in the first nine month of 2016, a 14 percent year-on-year increase. The average seat load factor - or passengers carried as a percentage of available seats - for the same period stood at an impressive 80 percent.

Air Arabia completed 13 years last month, maintaining its continuous record of profitability since its first year of operations. The carrier added five new routes to its global network during the first nine months of 2016 from its operating hubs in the UAE, Morocco and Jordan.

Air Arabia also added to its impressive list of international accolades in the third quarter of 2016 when it was ranked third among the top 50 airlines in the world following a report compiled by Airfinance Journal surveying 137 carriers across the globe. The carrier was also named "Low Cost Airline of the Year" at the Aviation Business Awards and took home the 'Corporate Social Responsibility Initiative of the Year' award in recognition for its 'Charity Cloud' program. Air Arabia's Group Chief Executive Officer Adel Al Ali has also won 'Airline CEO of the Year' award at the 10th CEO Middle East Awards that took place in September 2016.



AUB NAMED 'BEST PRIVATE BANK IN BAHRAIN 2016'

KUWAIT: Ahli United Bank has been named "Best Private Bank in Bahrain" at the prestigious Global Private Banking Awards 2016 ceremony held recently in London. The award is jointly announced by The Banker and PWM (Professional Wealth Management) magazines, the industry's leading publications of the Financial Times Group.

In recognition of its excellent services in the private banking and wealth management sector, AUB has received the award for the third consecutive year amidst the numerous local and international banks operating in the Kingdom. The winners were selected by an international panel of experts based on a set of criteria that included progress made in accordance with the business model and growth strategies, client relationship management, and adaptability of product offering to meet changing clients' needs.

Prakash Mohan, Acting Group Head -

Private Banking & Wealth Management, AUB said: "We are honoured to win this distinction as Bahrain's best private bank for three years in a row now. The award is a testimony to our clients' trust in us as well as to our track record in supporting their goals to protect, grow and diversify their wealth and investments, both at home and overseas. It is with AUB's strong cross-border reach and expertise, that we are able to meet our clients' high expectations and connect them to key markets and opportunities worldwide".

"Our on-the-ground teams in key markets in the region and the UK are better positioned to understand the unique needs of our clients from the region, and to cater to their requirements for trusted advice and effective investment, wealth management and trust planning solutions, all delivered with an attentive and personalized approach".

AL-TIJARIA ACHIEVES A NET PROFIT OF KD 8,383,474 AT END OF Q3, 2016

KUWAIT: Abdulfatah M R Marafie, Chairman of The Commercial Real Estate Company has stated that the business outcome of the company for the period which ended on 30.09.2016 resulted in achieving net profits of KD 8,383,474 (Eight million three hundred & eighty three thousand & four hundred & seventy four Kuwaiti dinar).



Abdulfatah M R Marafie

With 9 percent growth compared to the same period of 2015. The outcomes has also resulted in achieving a growth in shareholders' equity with a percent of 5.4 percent and growth in return on shareholders' equity with a percent of 3.4 percent and a growth in return on Capital with a percent of 9 percent compared to the same indicators of the same period in 2015.

Marafie also added that, "The Commercial Real Estate Company has been able to strengthen its position as a real estate pioneer and an integral part of the overall construction growth in the state of Kuwait. Al-Tijaria continues this march with success, maintaining its commitment, innovation and development for a better future with significant accomplishments and innovative real

estate solutions by delivering real estate projects (residential and commercial) with high quality that delivers luxury and development."

Marafie also announced that, "The Company has entered a new real estate investment in the kingdom of Netherland worth 5 million Euros equivalent to KD 1,699,600 (One million and six hundred and ninety nine thousand and six hundred Kuwaiti dinar) in alliance with a group of investors. This acquired property is the head quarter of Heerema Marine Contractors".

Nevertheless, he added that diversifying Al-Tijaria's international investment portfolio will follow the company's strategy in diversifying income generating real estate investments in terms of geographic and sectorial location for the purpose of maintaining our investment portfolio and guarantee continuous good results.

Marafie further stated, Al-Tijaria continues organizing and supporting social responsibility initiatives as part of its corporate governance principles including "Rafad" weekly meal distributions. It's worth mentioning that "Rafad" as a nonprofit project aims at raising awareness about the consumption of food. "Rafad" volunteers work on weekly basis to distribute dates and extra food from Symphony Style Hotel restaurants and special occasions or the freshly cooked food in the hotel's kitchen.

Marafie concluded by announcing that The Commercial Real Estate Company is devoting all its resources towards achieving its future vision based on strong capabilities and potentials. The Company works continuously on developing and investing these capabilities based on strategic plans made to achieve continuous growth and exceptional profits along with an added value to the shareholders.

KFH-TURKEY WINS TURKEY'S SUKUK ISSUER AWARD 2016

TSPB ORGANIZES 'CAPITAL MARKETS AWARDS' EVENT

KUWAIT: Turkish Capital Markets Association (TSPB) has this year nominated Kuwait Finance House-Turkey (KFH-Turkey) for its contribution to the market at its award ceremony where the companies adding value to capital markets each year.

KFH-Turkey issued Tier-II sukuk of \$350 million in February, domestic lease certificate of 300 million Turkish Liras in May and international sukuk of \$500 million in October this year holding its title of being the largest sukuk issuer in Turkey.

Expressing their pleasure that they have contributed to the Turkish economy with the highest amount "sukuk" issues performed by the private sector and that they have been deemed worthy of that award, Ufuk Uyan, CEO of KFH-Turkey stated that they were pleased with the demand for the sukuk issuance and regional diversity of the demand. Emphasizing that the sukuk issuance was the indication of international investors' confidence in KFH-Turkey, Uyan said, "this reveals their KFH-Turkey and their appetite for taking the medium-long term risk of KFH-Turkey and Turkey. In this respect, we are very pleased that we bring in new resources to our country. It is seen that our issuance will serve as a benchmark for other overseas issues to take place in Turkey. As a matter of fact, when all the issues of other banks in 2016 are compared, this is the most successful issue in terms of the demand level and the cost. Ongoing development and improvement of investment banking and confidence of sukuk investors in the sector and our country as well as the strong equity structure and quality asset structure of KFH-Turkey have become influential in successful closing of this issue".

KFH-Turkey had issued 20 sukuk issuance of around 1 million 400 thousand TL and lease certificate of 200 million TL with a tenor of 179 days in 2015 to the eligible investors in the country as well as in terms of initial public offering which is the highest-amount lease certificate issuance made so far by the private sector in Turkey. So far, KFH-Turkey has issued lease certificates of a total of TL 9.8 billion in domestic and overseas markets in different currencies such as US dollar, Ringgit



President Recep Tayyip Erdogan handed the award to Ufuk Uyan.

Malaysia and Turkish Lira, and 5,6 billion TL is currently circulated in various markets.

KFH was established in Kuwait in 1977 and is enlisted in the Kuwait Stock Exchange. KFH Group is a global pioneer in the field of Islamic banking services, where it offers a wide array of Islamic products and services, not to mention a high standard of innovation and client service.

KFH manages its operations in the GCC, Asia, and Europe through over 446 branches, including KFH-Turkey, in order to offer services for the bank's clients in Turkey, Malaysia, Saudi Arabia, Bahrain, Germany, Jordan, and Dubai. KFH's mission is to achieve highest levels of excellence and innovation in the field of client service, while developing common interest for all those concerned with the financial institution.

KFH's vision is to spearhead the global development in Islamic financial services, and to upgrade the bank into the level of becoming the most sustainable profitable Islamic bank in the world.

KFH's values include cementing leadership through all its businesses, including leadership in the Islamic banking services worldwide, through innovation and in client service and the development of its employees. In addition, KFH is committed to all its procedures, and to setting up long-life partnerships with the concerned authorities.

RATING AGENCY CI RAISES RATING OF ALARGAN BONDS TO 'BBB'

KUWAIT: Capital Intelligence (CI), the international credit rating agency, yesterday announced that it has raised its rating on the KD26.5 million bond issued by ALARGAN International Real Estate Company in April 2012 to "BBB" and revised the outlook to "stable" from a previous "BBB-" rating and "positive" outlook issued in December last year. The raise was supported by identified resources (cash plus unutilized committed funding lines) in place to repay the obligation. The rating upgrade also reflects the increase in equity and the fall in debt (and therefore leverage).

The rating agency also said in its report that ALARGAN enjoys a sound financial profile, a geographically diversified business model, and a good funding structure with close to no reliance on short-term bank borrowing (though the bond has now become a current liability as it matures in April 2017). CI also highlighted that the company's ongoing changes to the business model have already begun to lower the overall risk generated from the sector in which it operates through the proportion of revenues coming from recurring rental income steadily increasing over time.

CI said that the remaining borrowing amount of the company is not considered large enough to impact the rating, while more than three quarters is repayable after the maturity date of the bond. In addition, ALARGAN has a solid balance sheet with improved financial ratios, which are forecast to remain strong throughout the short remaining life span of the bond.



Khaled Al-Meshaan, ALARGAN International Real Estate

Commenting on the rating, Khaled Al-Meshaan, CEO and Vice Chairman of the Board of Directors of ALARGAN International Real Estate Company, said: "The Capital Intelligence rating confirms once again the company's stable position. ALARGAN is committed to delivering sustainability in every aspect of its business, including ensuring the business model is sustainable financially and operationally for the benefit of shareholders and stakeholders. As we move forward, ALARGAN will continue to focus on generating steady revenue through developments that add value to their surrounding communities."

EGYPTIAN POUND SOARS AS DOLLAR LIQUIDITY RISES

CAIRO: The Egyptian pound strengthened slightly yesterday and importers reported increased dollar liquidity at banks days after the International Monetary Fund (IMF) approved a \$12 billion loan the government hopes will jump-start the economy. Banks were selling the pound at around 15.7 to the dollar and buying it at around 15.2 compared with a sell price of around 16 and a buy price of around 15 on Sunday.

Egypt floated the pound on Nov. 3 in a dramatic move welcomed by businesses as the key to unlocking investment. It devalued the currency by about a third from the former peg of 8.8 against the dollar and allowed it to drift lower.

The pound initially fell to a rate of roughly 18 to the dollar, in line with prices quoted on the country's currency black market just days before the float. The currency has been strengthening since last Wednesday, however, when IMF Managing Director Christine Lagarde said she would recommend the international lender approve Egypt's lending program.

Monday's stronger pound rate is in line with reports that importers of strategic goods are increasingly able to source their dollar needs from banks. One importer said he had been receiving his full currency requests on the same day, a dramatic improvement from the lengthy queues experienced before the float.

Moody's said in a report yesterday that increasing dollars sales to banks was credit positive "because it increases the availability of US dollars to them, which, in turn, will help service their customers' need for foreign currency, allow the banks to improve their dollar liquidity and reduce their net foreign liability position."—REUTERS

ETIHAD AIRWAYS AWARDED BEST FIRST CLASS, BEST LONG-HAUL AIRLINE IN MIDEAST AND AFRICA

KUWAIT: Etihad Airways has won awards for Best First Class and Best Long Haul Airline Middle-East and Africa in the AirlineRatings.com 2017 Airline Excellence Awards. The Abu Dhabi-based airline was also named in the global Top Ten.

AirlineRatings.com Editor-in-Chief and Publisher, Geoffrey Thomas, said: "Etihad Airways' attention to excellence at every level has resulted in a third consecutive win for Best First Class and Best Long Haul Airline Middle-East and Africa as well as a placing in AirlineRatings.com Top Ten.

"It's an outstanding achievement to win an

AirlineRatings.com award but Etihad Airways has taken that to another level by winning each category three years in a row.

"The airline is only one of a handful that has also achieved a seven-star ranking for both product and safety with AirlineRatings.com."

Etihad Airways' Chief Executive Officer, Peter Baumgartner, said: "To win Best First Class and Best Long Haul Airline Middle-East and Africa for the third consecutive year is a great honour and cements our position as a leader in innovative products, intuitive service and world-class hospitality.

"The awards also underscore our uncompromising commitment to engineering and operational excellence as well as safety which is, and will always be, our number one priority."

The 2017 AirlineRatings.com awards come just weeks after the UAE flag carrier received a Skytrax Certified 5-Star Airline Rating. This followed Skytrax awards for the World's Best First Class Airline, World's Best First Class Onboard Catering, and World's Best First Class Airline Seat for its Airbus A380 First Apartment in July 2016.