

# Business

TUESDAY, OCTOBER 10, 2017

**18** US economist Thaler wins Nobel Prize for Economics



**21** GAC Motor retains position as highest ranking Chinese brand



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## NBK reports KD 238.4m net profits for 9M

### Al-Sayer: Net operating income grew at 11.7% in 2017

**KUWAIT:** National Bank of Kuwait (NBK) reported net profits of KD 238.4 million (\$788.9 million) for the first nine months of 2017 compared with KD 219.3 million (\$725.7 million) for the same period in 2016. NBK's profits during the first nine months of 2017 grew by 8.7 percent compared to the same period last year.

NBK's 3Q 2017 net profits reached KD 73.7 million (\$243.8 million), compared to KD 68.6 million (\$227.2 million) for the same period in 2016 recording an increase of 7.3 percent YoY.

Net operating income grew at 11.7 percent year on year to reach KD 609.9 million (\$2,018.5 million). As of end of September 2017, NBK's total assets grew by 3.4 percent on annual basis, to reach KD 25.6 billion (\$84.8 billion), while total shareholders' equity increased by 1.0 percent to KD 3.0 billion (\$9.8 billion). Customer loans and advances, as of end of September 2017, have also grown by 4.2 percent compared to the same period last year, to reach KD 14.5 billion (\$47.9 billion) while customers' deposits grew by 4.6 percent to reach KD 13.3 billion (\$44.2 billion).

Non-performing Loans (NPLs) reached 1.42 percent as of end of September 2017, while coverage ratio reached to 323 percent. Capital adequacy ratio remained at 17.5 percent as of end of September 2017 ahead of all regulatory requirements.

NBK's Chairman Nasser MUSAED Al-Sayer, said: "NBK's performance during the 9M 2017 is a reflection of the Bank's capacity to generate recurring revenues and yet another evidence and confirmation of the strength and soundness of the Bank's financial position and its prudent operational vision and successful strategy which the Bank has consistently adopted."

Al-Sayer reiterated that NBK's results in the 9M 2017 reflect the solid growth of the real banking activities, indicating the increase in the net operating income by 11.7 percent YoY, which asserts the strong position of the bank in all its markets, capitalizing on emerging opportunities domestically, and regionally.

Al-Sayer highlighted that growth in Kuwait's economic activity is improving, supported by healthy project implementation. He added that Kuwait has substantial buffers and thus its fiscal position is better than most of peers in the region despite some pressure on the government's budget as a result of deterioration in oil prices. This has allowed the government to remain committed to capital spending plans which has increased credit growth and created positive sentiment towards private sector.

Al-Sayer added that in recognition of the Bank's strong funding base, strong deposit franchise and healthy liquidity profile: NBK has been

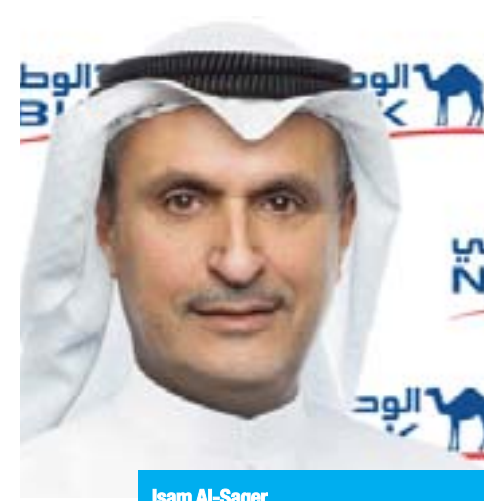
and will continue to be at the forefront of this project financing market as the largest and most capable institution in Kuwait in structuring and underwriting such large transactions for mega infrastructure projects. On the other hand, NBK Group CEO Isam Al-Sager emphasized that NBK is very well positioned to play a key role in financing the government infrastructure development plan. This is mainly due to the size of the Group's balance sheet, its expertise in structuring large and complex transactions as well as its international reach; placing the bank in a unique position to be the prime partner for companies' expansionary plans domestically, regionally and globally.

In addition, Al-Sager praised that diversification of assets, funding and sources of income are key pillars of NBK's strategy. NBK remains focused on continuous improvements and enhancements to strengthen the Bank's position domestically and regionally through developing product and service offerings to clients. Domestically, NBK maintained its high market share and continued to build diversified regional and international operations, with non-Kuwaiti business generating 29 percent of profits during the 9M 2017. This is a testimony to the success of the Bank's diversification strategy in its income, product offering and client base.

NBK continues to enjoy collectively one of the



Nasser MUSAED Al-Sayer



Isam Al-Sager

highest ratings among all banks in the Middle East from the three international rating agencies Moody's, Fitch Ratings and Standard and Poor's. The Bank's ratings are supported by its high capitalization, prudent lending policies, and its disciplined approach to risk management, in addition to its highly recognized and very stable management team. NBK was also named among Global Finance's list of the 50 safest banks in the world

for twelve consecutive times and was awarded as the Best Bank in Kuwait in 2016 by the Banker, Euromoney and Global Finance.

NBK enjoys the widest banking presence with a local and international network reaching 4 continents. NBK's international presence spans many of the world's leading financial centers including New York, Europe, GCC, Middle East, Singapore as well as China (Shanghai).

# 238.4

## Million KD Net Profit for the 9 Months, 2017

30/09/2017

Net Profit

**238.4**  
Million KD

Net Operating Income

**609.9**  
Million KD

Shareholders' Equity

**3.0**  
Billion KD

Total Assets

**25.6**  
Billion KD

Moody's  
Aa3

FitchRatings  
AA-

Standard & Poor's  
A+