

Business

Crisis-hit Nissan upgrades annual forecast despite its Q3 net loss

Global auto industry shows signs of recovery from pandemic

TOKYO: Crisis-hit Japanese carmaker Nissan yesterday upgraded its full-year forecast for the second straight quarter, as the global auto industry shows signs of recovery from the coronavirus pandemic. The embattled firm beat market expectations to return an operating profit for the first time in four quarters, but said net loss for the quarter expanded. It now projects a net loss of 530 billion yen (\$5.1 billion) for the fiscal year to March, smaller than its earlier estimate of a 615 billion yen net loss.

For the three months to December, its net loss expanded to 37.8 billion yen from 26.1 billion yen a year earlier. Operating profit for the third quarter came in at 27.1 billion yen, beating market expectations of an operating loss. Even before the crisis, Nissan was battling weak demand as well as the fallout from the arrest of former boss Carlos Ghosn, currently an international fugitive after jumping bail and fleeing Japan.

It suffered a massive loss in the previous fiscal year and its recovery has been slower than some of its rivals. Earlier yesterday, Honda said net profit had more than doubled in the third quarter and it revised up its full-year forecast. Toyota, which overtook Volkswagen last year as the world's biggest selling automaker, releases its earnings today.

The pandemic has taken a heavy toll on the auto sector worldwide, but demand recovered swiftly in the second half of last year, most notably in the US and China. "Japan's auto industry showed a steady performance as major markets are recovering from the negative impact of the new coronavirus globally," said Satoru Takada, auto analyst at TIW, a Tokyo-based research and consulting firm.



YOKOHAMA: A man rides his bicycle past signage at the Nissan Motor global headquarters in Yokohama, Kanagawa prefecture yesterday. — AFP

"Nissan is showing signs of recovery from its disastrous results for the previous fiscal year, but the recovery appears to lack strength," Takada told AFP before the announcement. Nissan executives talked up the figures, saying in a statement that "the recovery in each quarter is evident, with improved retail sales and a strengthened financial base as outlined in the Nissan NEXT business transformation plan".

"Nissan returned to a positive operating profit in the third quarter, versus previous quarters," the firm noted.

'Uncertainties will continue'

Nissan CEO Makoto Uchida said the firm recognized "that uncertainties will continue". "But through the ongoing implementation of our Nissan NEXT plan we will ensure steadily increased growth and we hope

to turn (Nissan) into a profitable company," he told reporters. But while the operating profit beat analyst expectations for a loss of 46.7 billion yen, Takada said the firm wasn't out of the woods yet.

Sales increased in Asia, including in China and Japan, but declined in the rest of the world. "Nissan's full recovery is not yet in sight. It may take more time for its brand to shine again," Takada said.

Nissan has been buffeted by a series of problems, ranging from weak demand and the pandemic, to the ongoing saga over its former chief Ghosn. The firm faces court proceedings over the case in Japan, and the drama has underscored longstanding tensions in Nissan's alliance with Mitsubishi Motors and France's Renault. Ghosn has claimed that his arrest was orchestrated by Nissan executives opposed to his plans to more closely integrate the Japanese firm with its French partner.

After a rocky period, the alliance partners agreed last year to a joint transformation plan, with each member taking the lead in a specific market.

"Nissan is still struggling to rebuild the Renault-Nissan-Mitsubishi alliance in the post-Ghosn era," Takada said. The company has also been hit by a global semiconductor shortage, which it cited among its reasons for downgrading its sales forecast.

"We detected this in the months of November and December and since then we are working very closely with the suppliers on getting out of this situation," chief operating officer Ashwani Gupta told reporters. "Nobody has a crystal ball, but... we think that by May or June we should be out from this (semiconductor) crisis." — AFP

KIB reveals winners of 5 final 'KIBPay campaign' draws

KUWAIT: Kuwait International Bank (KIB) recently announced the names of nine lucky winners of the final five draws of the KIBPay campaign, which was launched back in November 2020. The five final draws were held at the Bank's headquarters on January 26 in the presence of a representative from the Ministry of Commerce and Industry, as well as KIB staff members and managers.

Among the winners, Ahmad Mohammed Taqi won the monthly prize of KD 1,000, while 8 others won the weekly prize of KD 250 each, the winners were: Mouayad Rommel Al-Hariri, Mohammed Saber Mohammed, Suha Mesfer Al-Khathaami, Abdullah Ali Al Shammari, Mohammed Saeed Al-Atili, Mena Makram Iskandar, Salama Rabih Mhanna and Manal Ali Al-Ajmi. Cash prizes will be credited into the winning customers' accounts within 10 business days from the date of the draw.

The KIBPay campaign was designed to reward users of the KIBPay service, as customers were eligible to enter the weekly draws for a chance to win KD 250 upon receiving a transfer worth KD 200 or more through the service - given that they deposit it into their account during the specified period of the draw. Customers were also then eligible to enter the monthly draw of KD 1,000, provided that the total transfers received through KIBPay and deposited in the customer's account exceeded or were equivalent to KD 2,000 during the specified period.

On this occasion, Othman Tawfeeq, General



Othman Tawfeeq

Manager of KIB's Retail Banking Department congratulated all KIBPay campaign winners and wished them and other customers luck in future campaigns.

Tawfeeq also spoke about the campaign, noting: "We are delighted with the high turnout of customers who participated in the KIBPay campaign which was designed in line with the direction set by KIB's recent digital transformation strategy. Since the launch of this campaign, we saw a significant increase in customer demand for KIBPay - an e-banking service that enables customers to receive transfers within minutes with utmost speed and security, either through the smartphone app or by sharing the payment link through email, WhatsApp and other mobile applications."

Tawfeeq further noted that KIB continuously strives to reward a variety of customer segments and provide them with a premium set of banking services and products. "KIB is keen to launch innovative marketing campaigns for customers enabling them to enjoy a world of banking services at a tap of their phone, in addition to valuable prizes that meet their expectations and suit their lifestyle, and we certainly promise our customers more of such campaigns in the near future."

It serves to note that KIB seeks to enhance its customer loyalty and meet customer's financial and banking needs, by constantly launching a new suite of services and products, in addition to rewarding them with attractive deals and lifestyle privileges through marketing campaigns tailored to fit their unique requirements.



Huawei founder and CEO Ren Zhengfei speaks during a press briefing in Taiyuan, in China's northern Shanxi province yesterday. — AFP

fourth quarter of 2020, according to industry tracker IDC, as the supply-chain disruptions curbed production. It fell to number five in the world in smartphones in the quarter-behind Chinese rivals Xiaomi and Oppo.

Diversification

With China's huge domestic market, Huawei will likely survive but not without major changes, said Nicole Peng, analyst with Canalys. "They will not go away. I believe they will come back, but need to rethink the business model," she said. To this end, Huawei in November spun off budget smartphone line Honor to free that brand's access to needed components.

But Ren insisted Tuesday it would hold on to its main premium phone brands. "We have decided we absolutely will not sell off our consumer devices, our smartphone business," he said. Despite his apparent overture to the White House, Ren admitted it would be "extremely difficult" for Biden to lift the sanctions.

There is pressure in Washington to stay firm on China, and Biden's commerce secretary nominee Gina Raimondo has pledged to "protect" America from potential Chinese threats, including Huawei. Huawei is fast diversifying to encompass enterprise and cloud computing, Internet-Of-Things devices and networks, and other business segments related to the advent of 5G networks, an area of Huawei strength. "We have more means to overcome the difficulties (we face)," Ren said. Huawei also is building an alternative operating system after the US barred it from using Google's Android. But Ren appeared to shoot down recent reports that Huawei is seeking self-sufficiency in semiconductors-long an Achilles Heel for China-either by acquiring stakes in chip companies or setting up its own plant.—AFP

Ooredoo Kuwait uplifts its Xpress prepaid brand

KUWAIT: Driven from the notion of exceptional journey fuels growth, Ooredoo Telecom, the first to introduce innovative digital services in Kuwait, has elevated its Xpress prepaid brand to better serve its customers and help them Xpress themselves with a variety of voice and internet plans.

We live in a time where people compare their behind-the-scenes lives with everyone else's highlight reel. It makes them forget that each one of them, regardless of their economic or social status, brings value to their family, friends, community and the world at large. Xpress is now helping its customers take center stage, soak up the spotlight, and start shining like no other.

It is a brand that introduces flexible bundles with competitive prices which helps its customers to talk endlessly, connect constantly and enjoy the internet with no unnecessary charges while also controlling and managing renewal with ease on My Ooredoo App. It does not stop here, as a customer-oriented brand, it offers its customers constant inimitable offers with Ooredoo surprise and Fun Friday.

Xpress has held a leading position in the Kuwait's pre-paid market for a number of years and now it is coming in strong with its new uplift. Customers can subscribe to a variety of bundle that includes internet and local calls, starting at KD 5 per month, and have the freedom to subscribe to add-on at competitive prices that include internet, international minutes or local calls.

Ooredoo Kuwait skillfully manages the complete customer journey, analyzes it, and redesigns its products and services accordingly to meet the changing demands of its customers.

Ooredoo Kuwait said: "We adapted a whole new way of managing our service operations in order to reinvent the customer journeys that mattered the most. We adapted a journey-centric approach that allowed us to be more innovative and maintain high quality customer service."

"Providing an added value to the customer, is the DNA of an outstanding customer experience. Xpress is a brand that is here to show each one of its customer that they are one-of-a-kind, a true original." Ooredoo added.

Cyberpunk 2077 video game developer hit by hack attack

WARSAW: Polish video game maker CD Projekt RED, the company behind The Witcher and Cyberpunk 2077, said yesterday hackers had stolen data in a "targeted cyberattack". "An unidentified actor gained unauthorized access to our internal network, collected certain data belonging to CD PROJEKT capital group, and left a ransom note," the company said on Twitter.

The game developer said the incident happened on Monday and it had contacted the police. CD Projekt published a copy of the ransom note in which the hackers claimed to have stolen the source codes for Cyberpunk 2077 and The Witcher 3 as well as internal administrative documents.

"If we will not come to an agreement, then your source codes will be sold or leaked online," it read, giving the company 48 hours to respond.



Huawei founder and CEO Ren Zhengfei speaks during a press briefing in Taiyuan, in China's northern Shanxi province yesterday. — AFP

Norwegian fertilizer maker Yara steps into green energy

OSLO: Norwegian fertilizer producer Yara International yesterday announced it was betting on green energy, as it reported higher annual profits. The company said it was creating a new business unit, dubbed "Yara Clean Ammonia," in order "to capture growth opportunities within carbon-free food solutions, shipping fuel and other clean ammonia applications."

The base component for nitrogen fertilizer, the compound of nitrogen and hydrogen is an efficient vector for energy storage and distribution. It can be used to extract hydrogen but also directly as a carbon neutral fuel in thermal power plants and industrial furnaces.

Yara is working on a pilot project to produce what it calls clean ammonia at a plant in Porsgrunn, south-eastern Norway, that is now fuelled by natural gas. The company aims to connect the plant to the Norwegian power grid, which relies primarily on hydroelectric power, on condition that it qualifies for public subsidies. The fertilizer producer made the announcement as it published its financial results for 2020, which held up well despite the impact caused by COVID-19.

In 2020, net profit was \$691 million (571 million euros), compared to \$599 million a year earlier, despite a 9.3 percent drop in turnover to \$11.73 billion. Excluding special items, gross operating profit (EBITDA) was virtually unchanged at \$2.16 billion, as lower gas prices, increased deliveries of high-end products and a stronger dollar offset lower prices and slightly higher costs, the company explained. Shares in Yara were trading up by around 1.3 percent in morning deals on the Oslo Stock Exchange. — AFP

Huawei CEO hopes for reset with US

TAIYUAN, China: The CEO and founder of Chinese telecom giant Huawei called yesterday for a reset with the United States under President Joe Biden, after the firm was battered by sanctions imposed by Donald Trump's administration. In his first appearance before journalists in a year, Ren Zhengfei said his "confidence in Huawei's ability to survive has grown" despite its travails across much of the western world where it is maligned as a potential security threat. The comments come as the firm struggles under rules that have effectively banned US firms from selling it technology such as semiconductors and other critical components, citing national security concerns. Insisting that Huawei remained strong and ready to buy from US companies, Ren called on the Biden White House for a "mutually beneficial" change of tack that could restore its access to the goods. Continuing to do so, he warned, would hurt US suppliers. "We hope the new US administration would have an open policy for the benefit of American firms and the economic development of the United States," said Ren, 76.

"We still hope that we can buy large volumes of American materials, components and equipment so that we can all benefit from China's growth." Ren was speaking during a visit to the city of Taiyuan in China's northern coal belt to open a laboratory for technologies that automate coal production to boost safety in a notoriously dangerous industry. Founded by Ren in 1987, Huawei largely flew under the global radar for decades as it became the world's largest maker of telecoms equipment and a top mobile phone producer.

That changed under Trump, who targeted the firm as part of an intensifying China-US trade and technology standoff. Trump from 2018 imposed escalating sanctions to cut off Huawei's access to components and bar it from the US market, while he also successfully pressured allies to shun the firm's gear in their telecoms systems. The former president raised fears that China's government could potentially use "back doors" in Huawei gear for espionage, which the company strenuously denies. The US campaign is hurting Huawei. Once a top-three smartphone supplier along with Samsung and Apple, its shipments plummeted more than 40 percent in the

"Investors will lose trust in your company and the stock will dive even lower." CD Projekt's shares were down 5.2 percent on the Warsaw stock exchange at around 0900 GMT. The company's stock has taken a beating after a series of problems surrounding the release of the much-hyped Cyberpunk 2077 in December. The shares rose again last month after tech billionaire Elon Musk praised its design.

The company said it would not "give in to the demands nor negotiate with the actor" even though it was aware that data could be released.

"We are taking necessary steps to mitigate the consequences of such a release," it said. "At this time we can confirm that-to our best knowledge-the compromised systems did not contain any personal data of our players or users of our services." — AFP