

# AL-MAZAYA REPORTS KD 9.32M NET PROFIT FOR 2015

## OPERATING REVENUE JUMPS 258.9% TO KD 59.82M

**KUWAIT:** Al-Mazaya Holding has announced its financial results for the fiscal year ended December 31, 2015. The announcement was made following a meeting of the board of directors that was held January 28, 2016. The meeting was chaired by Chairman Rashid Al-Nafisi and attended by members of the board and the group's CEO.

Addressing the meeting, Rashid Al-Nafisi said: "The Company has continued to achieve positive leaps in its financial results and reported a net profit of KD 9.32 million by end of 2015, with a growth of 15.2 percent, compared to KD 8.09 million at the end of 2014. Earnings per share (EPS) was calculated at 15.04 fils for 2015, compared to 13.05 fils for 2014," said Al Nafisi.

"This achievement was made by increasing sales on available projects and increasing the occupancy rate of its income generating projects, which ultimately led to a 258.9 percent growth in the operating revenues to KD 59.82 million, for 2015 - up from KD 16.66 million for 2014," he added.

Stressing that this significant leap in revenue was a direct result of its comprehensive marketing plan, Al-Nafisi furthered that the huge demand for the units available for sale and investor confidence in the company brand has resulted in a 385.6 percent growth in sales revenue. Revenue went from KD 10.97 million, in 2014, to KD 53.27 million in 2015. Total rental revenues jumped by 16.4 percent, from KD 5.30 million to KD 6.17 million over the same period.

Al-Nafisi added that Al-Mazaya's board of directors has recommended 7 percent cash dividend - a clear sign of its commitment to share the company's excellent results with shareholders and a proof of the company's current financial strength and solvency, as well as the company's balanced future plans. The

recommendation will be submitted to the annual general assembly for approval and will comply with all the requirements of the Capital Markets Authority and the governmental regulators.

**Financial statements**  
With regard to Al-Mazaya's financial



Chairman Rashid Al-Nafisi

**2015 accomplishments**  
Al-Soqabi said that Al-Mazaya's major achievements in 2015 included:

\* The acquisition of a commercial tower in Riyadh, KSA, through a subsidiary company. The tower is situated in the Al-Olia area and was acquired for SR130m (KD10.5 million). The tower has an annual investment yield of up to 9



Eng Ibrahim Al-Soqabi

percent. position in 2015, Al-Nafisi said that the company was able to maintain a steady growth in balance sheet and financial solvency and showed a keenness to fulfill its obligations to third parties, while taking care of the growth in shareholders' equity by entering new projects, as well as completing and handing over existing projects.

Al-Nafisi presented the other details of financial results for the period ended December 31, 2015, disclosing that the total assets of the company stood at KD 251.04 million, while the total equity is KD 111.45 million, as of December 2015.

From his side, Eng Ibrahim Al-Soqabi, Group CEO of Al-Mazaya Holding, said: Al-Mazaya Holding is immune to economic and geopolitical fluctuations in the surrounding region and internationally.

\* Through one of its subsidiaries (Al-Mazaya Real Estate Development), Al-Mazaya purchased a plot of land, located in the Sharq area of Kuwait City, which worth KD 8 million. Master plan and concept design of the project is currently being developed and an engineering firm will be appointed to commence the design and licensing works.

\* Al-Mazaya had awarded the construction contract for its 17-storey medical facility in Sabah Al-Salem, Kuwait to a leading contractor. Drilling and piling works on the 2,000 square metre project commenced in preparation for the structural works, which will take 20 months to completion.

\* Al-Mazaya had achieved 35 percent completion on the first phase of Queue Line residential project, which consists of

four new buildings in Dubailand, Dubai. Construction works are progressing by leaps and bounds with handover of the first phase of this project expected by the end of 2016.

\* As a result of its strategic alliance for the Ritim Istanbul development (a joint venture project with Dumankaya Real Estate - Turkey), over 70 percent of units were sold. The project is 85 percent completed and the project's full completion is expected next April 2016.

\* Al-Mazaya continued its extensive promotional campaigns to sell Queue Point project, in Dubai. The project is 85 percent completed and 80 percent sold out, which is positively reflected on the operating revenue generated from sales in the company's financial results in 2015.

\* The completion of the Logistics Services Project in Bahrain, culminated in a spectacular ceremony attended by press, media and businessmen. Which witnessed also the launch of the marketing campaign to lease the project, which provides storage solutions, the current occupancy rate is 45 percent.

\* Al-Mazaya is about to award construction contract for the Al Mazaya Residence project in Al-Mawaleh, Al-Seeb Governorate, in Muscat to a leading contractor. Al-Mazaya has launched the off-plan sale.

\* Al-Mazaya boosted income, generated from existing fully occupied projects, by renewing lease contracts and increasing rates to reflect the current market prices and the quality services provided by the Property Management Department. This step helped to increase the operating revenue generated from lease operations.

\* Al-Mazaya participated in seven real estate exhibitions in 2015, establishing its visibility and status as a leading real estate company and a regional brand

that offers the very best real estate products.

\* NBK Capital estimated the fair value of Al-Mazaya stock at KD 0.165, after taking all the precautionary measures of the valuation standards into consideration and following an in-depth study of the company's projects and financial position.

Al-Soqabi also elaborated on the company's five-year borrowing plan, saying: "Al-Mazaya has successfully accomplished one of its key objectives for 2015; converting all its loans into Islamic financing, these facilities will be used in new investment opportunities that will drive growth in accordance with the corporate strategic plan. Al-Mazaya has managed to convert all of its loans into Sharia-compliant financing."

Besides, Al-Soqabi added that the company's success in getting these facilities reflects its strong financial position compared to its peers. Borrowing in Al-Mazaya Holding is less costly than the average rate for the Kuwaiti market.

The company has structured its facilities' maturities into medium and long-term maturities and has cut finance cost, which boosted the company revenues and reduced its periodic financial obligations. In conclusion, Al-Soqabi said that Al-Mazaya is currently studying many investment opportunities in the markets in which it operates, particularly in the GCC and Turkey, which are the most appropriate to the company's expansion strategy.

Al-Mazaya has gained great confidence in these markets following the completion of many real estate projects. He further underlined that the company's growth in these markets will result in additional strategic partnerships with elite investors who are set to achieve the highest returns, while serving the interest of the company and investors alike.

## NBK THE MOST VALUABLE BANKING BRAND IN KUWAIT: BRAND FINANCE

**KUWAIT:** National Bank of Kuwait (NBK) was recognized as the most valuable banking brand in Kuwait in 2016 according to Brand Finance, the renowned brand valuation agency. NBK ranks among the Top Tier of the Most 500 Valuable Banking Brands in the world. According to Brand Finance, NBK's Brand value reached \$1.39 billion, up 33 percent year-on-year. Also, NBK's brand rating is ranked AA, among the top in the region.

This recognition reflects customers and shareholders' trust in NBK as well as the bank's strong reputation locally and regionally.

David Haigh, Brand Finance CEO, said: "NBK has performed exceptionally well again this year. Brand value is up 33 percent, the fastest growth of any of the larger GCC banks. At the global level, its performance is equally impressive, rising 26 places up the international rankings to 127th. After joining the 'billion dollar brands club', NBK has the potential to become one of the world's top 100 banking brands too. In its home country, NBK is unrivalled. It has overtaken its competitors to become the nation's premier banking brand."

Brand Finance's valuation assesses the dol-

lar value of the reputation, image and intellectual property of the brand. It considers a number of relevant attributes such as financial performance, revenue forecasts, growth rates, brand strength index, sustainability and analysts' insights, amongst others.

NBK continues to collectively enjoy the highest ratings 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 the tenth consecutive time.

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 London, Paris, Geneva, New York and Singapore, as well as China (Shanghai). Meanwhile, regional coverage extends to Lebanon, Jordan, Iraq, Egypt, Bahrain, Saudi Arabia, the UAE, and Turkey.



## LINCOLN ADDS PREMIUM SOUND OF REVEL AUDIO SYSTEMS TO ITS LUXURY VEHICLES

**DUBAI:** A listening experience comparable to what's offered only through very high-end home audio systems is now available in the all-new Lincoln MKX midsize utility.

Revel, HARMAN International's most exclusive loudspeaker brand, worked with Lincoln engineers and designers to craft a 13-speaker Revel audio system and a 19-speaker Revel Ultima system for the all-new Lincoln MKX.

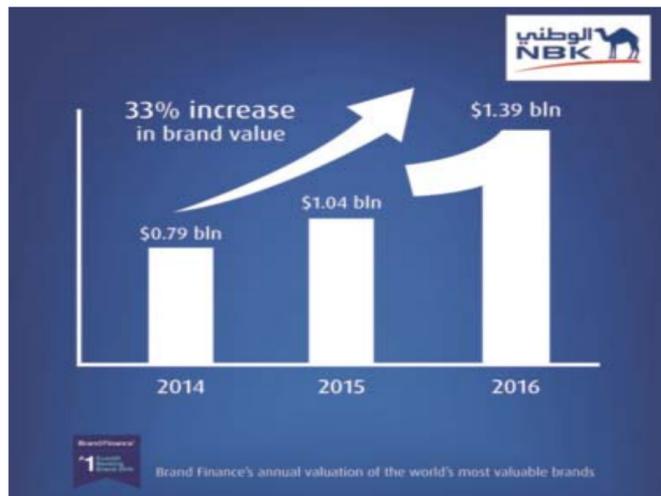
Since 1996, Revel has served its audiophile customer base with exceptional, award-winning home-audio equipment. Emphasising science-based speaker architecture and acoustic precision, Revel systems are designed to re-create a musical performance as precisely and purely as it was recorded.

"The Revel audio system available in the all-new Lincoln MKX represents a new approach to ensure all occupants - not just the driver - enjoy the best listening experience," said Kevin Voecks, Revel product development manager. "Over the course of three years and hundreds of hours of tuning and refining, our collaboration with Lincoln has created the most authentic audio experience possible."

Lincoln and Revel designers worked closely to establish a speaker grille design that complements luxurious Lincoln interiors while passing rigorous acoustical testing for optimal performance. Vehicles equipped with a Revel Ultima sound system will include upgraded aluminium speaker grilles for an elegant experience.

### Lincoln MKX

The exterior of the MKX luxury midsize SUV embodies elegance in motion, complemented by a dramatic design with a modern, contemporary silhouette and well-balanced proportions. The interior design blends functionality with fluid, flowing forms to inspire a sense of luxurious adventure. Powered by the 2.7-litre twin-turbocharged Ti-VCT EcoBoost V6, the MKX also comes with a line-up of innovative features including a revolutionary 360 degree camera.



## BURGAN BANK ANNOUNCES NAMES OF WINNERS OF YAWMI ACCOUNT

**KUWAIT:** Burgan Bank announced yesterday the names of the lucky winners of its Yawmi account draw, each taking home a prize of KD 5,000.

The lucky winners for the daily draws took home a cash-prize of KD 5,000 each, and they are:

1. **Mohammad Abdullah Ali**
2. **Anita Bukharey**
3. **Alaweyah Hazaa Sari Al Enzi**
4. **Omar Ali Fahad Al Zumai**
5. **Jasem Issa Ahmad Al Yaqoub**

To further add to the anticipation of Yawmi account customers, Burgan Bank now offers a Quarterly Draw with more chances to win higher rewards, entitling one lucky customer to

win KD 125,000 every three months. The Yawmi Account now offers daily and quarterly draws, the quarterly draw requires customers to maintain a minimum amount of KD 500 in their account for 2 months prior to draw date. Additionally, every KD 10 in the account, will entitle customers to one chance of winning. If the account balance is KD 500 and above, the account holder will be qualified for both the quarterly and daily draws.

Burgan Bank encourages everyone to open a Yawmi account and/or increase their deposit to maximize their chances to becoming a winner.

The more customers deposit, the higher the chances they receive of winning.

For more information on opening a Yawmi account or about the new quarterly draw, customers are urged to visit their nearest Burgan Bank branch and receive all the details, or simply call the bank's Call Center at 1804080 where customer service representatives will be delighted to assist with any questions on the Yawmi account or any of the bank's products and services. Customers can also log on to Burgan Bank's [www.burgan.com](http://www.burgan.com) for further information.

## QALAA HOLDINGS MENA GLASS LTD CLOSES SALE OF MGM AND UGC

**KUWAIT:** Qalaa Holdings (CCAP.CA on the Egyptian Exchange), an African leader in energy and infrastructure, announced yesterday that its subsidiary MENA Glass Ltd. has reached financial close on the sale of the entirety of its stake in Misr Glass Manufacturing Company (MGM), a leading regional producer and exporter of glass containers, and the entirety of its stake in United Glass Company (UGC) to Middle East Glass Manufacturing Company, a combined equity value for 100 percent of both MGM and UGC of c. EGP 828 million.

Qalaa Holdings had maintained an effective ownership of 15.2 per-

cent in MGM and UGC.

"Our exit from MGM and UGC marks the year ahead of us as one where Qalaa will continue to push forward in the delivery of its strategy and the execution of our asset divestment program," said Qalaa Co-Founder and Managing Director Hisham El-Khazindar. "We are confident that MGM will continue its growth trajectory under the stewardship of Middle East Glass as we ourselves devote maximum attention to high-growth business - buoyed by Qalaa's now more liquid and increasingly deleveraged balance sheet - in the sectors deemed vital for the region's development

such as refining, energy distribution and transportation and logistics."

The exit is helping accelerate the delivery of Qalaa's strategy, with its key elements being deleveraging at the holding and platform company levels; acquisition of additional stakes in key platform companies; selective investments within existing platform companies; and share buybacks so long as the company's shares trade at a significant discount to their fair market value.

Pharos Holding acted as financial advisers, and Zaki Hashem Law Office acted as legal counsel, to the sellers on the transaction.