

Business

FRIDAY, OCTOBER 11, 2019

NBK reports 10.9% increase in 9M 2019 net profit

KUWAIT: The National Bank of Kuwait (NBK) announced its financial results for the 9-month period that ended on September 30, 2019. NBK reported a net profit of KD 302.2 million (USD 993.8 million), increasing by 10.9 percent compared to September 30, 2018 with total assets increasing by 6.6 percent to reach KD 28.9 billion (USD 95.1 billion).

Performance highlights: 9M 2019

- Operating income reached KD 672.8 million (USD 2,212.6 million), growing by 1.7 percent

- Customer loans and advances reached KD 16.4 billion (USD 53.8 billion), increasing by 6.2 percent year-on-year

- Customer deposits increased by 12.2 percent to reach KD 15.8 billion (USD 51.9 billion)

- Capital Adequacy Ratio of 15.8 percent, in excess of regulatory requirements



Isam Al-Sager



Nasser Musaed Al-Sayer

- NPL to gross loans ratio at 1.37 percent and an NPL coverage ratio of 227 percent demonstrate maintenance of strong asset quality indicators

Consistently positive long-term credit ratings reflect conservative approach to risk

Commenting on the interim results, NBK Group Chairman, Nasser Al-Sayer, said: "The bank continues to operate in a challenging macroeconomic environment,

but we are pleased that despite headwinds we are growing our business - and its profitability - across the region. Although there has been slower demand for credit in Kuwait, we have seen growth in our loan book, and we expect this trend to continue until the end of the year. By continuing to focus on our strategy to diversify and digitalize our operations we have seen incremental and continuous top- and bottom-line growth across business units and

- Net profit for the 9-month period ended 30 September 2019 was KD 302.2 million (USD 993.8 million)
- Total assets reached KD 28.9 billion (USD 95.1 billion), increasing by 6.6% year-on-year
- International operations contributed 26% to Group profits
- NBK has been recognized for excellence in digital services and its sustainability initiatives
- Al-Sayer: NBK is on track to record another year of strong earnings
- Al-Sayer: We achieved solid results across business units demonstrating the positive impact of our strategy of diversification

geographies. Key metrics demonstrate the Bank's strong position, with 9-month net profit growth of nearly 11 percent and a 6.6 percent increase in total assets."

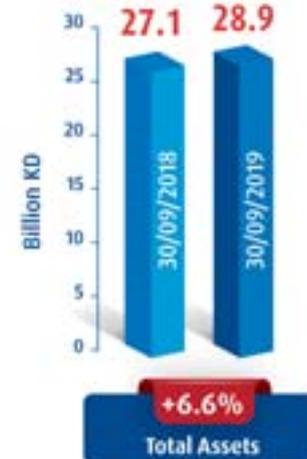
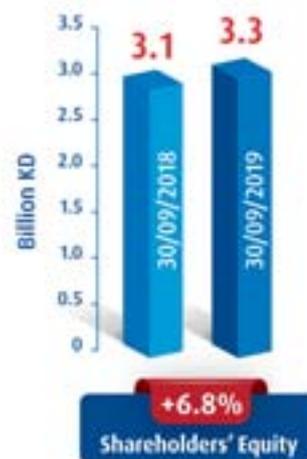
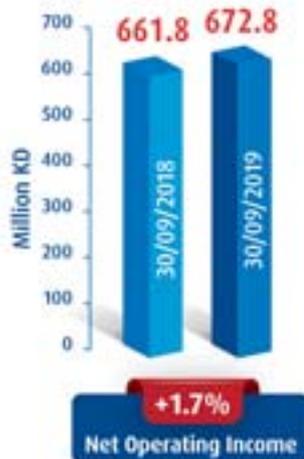
NBK Group CEO, Isam Al-Sager, commented: "We're achieving solid results across business units, demonstrating the positive impact of our strategy of diversification, to mitigate risk and navigate market headwinds. Our digitalization initiatives continue to be rolled out across the bank, optimizing back- and front-end operations and creating a more seamless experience for customers. This year we have been formally recognized by Global Finance magazine for

our leadership in the digital arena - in areas including online banking, consumer digital banking and real-time transaction tracking.

In terms of income diversity, it is particularly pleasing to have achieved solid growth across units, with robust bottom-line contributions made by international operations, consumer banking and our Islamic subsidiary - Boubyan Bank - for the period ended 30 September. Meanwhile, we are making significant progress on our ESG goals, with the Bank now a constituent of the FTSE4Good Index Series, the only Kuwaiti bank included in the benchmark."

302.2

Million KD Net Profit for the 9 Months, 2019



Moody's Aa3 FitchRatings AA- S&P Standard & Poor's A+