



# Burgan Bank declares net profit of KD 6.2 million

## Operating Profit increases by 27%

**Burgan Bank, amongst the leading and most dynamic commercial banks in the state of Kuwait, announced a net profit of KD 6.2 million for the year 2009. The results are after additional specific and general provisions KD 82.8 million taken during the year. These provisions are in addition to the KD 37.3 million of unallocated general provisions available in the bank books and booked in previous years. During the period, the Bank's operating income of KD 155 million grew by 28% and operating profit grew to KD 111 million with a growth of 27% over the operating income and profit of 2008 and EPS stood at 6.1 fils after provisions.**

The results have been consolidated with the bank's subsidiaries, namely Gulf Bank Algeria and Jordan Kuwait Bank, in which Burgan Bank has a majority stake and includes a share of the net profit from Bank of Baghdad, which was an associate bank in 2009. During 2009, all of the subsidiaries and associates demonstrated growth across key business indicators, in line with Bank's Regional Expansion Strategy.

Mr. Tariq AbdulSalam, Chairman of Burgan Bank said, "Despite the challenging environment in 2009, we are happy with our year end financial results. This is attributable to our prudent investment, risk management and provisioning policies as well as our focus on strategic goals. The results reiterate our foremost commitment to our shareholders and our customers and we are optimistic that we will achieve good financial results in 2010 despite the uncertainty in the global and regional economic climate."

"In 2009, we continued to focus on our customer centric approach towards business to address the banking and financial priorities for customers and investors alike. We have continued to uphold due diligence and prudent risk mitigation which have enabled us to successfully avert the implications that have resulted from the global turmoil and its impact locally. The Bank's Basel II capital adequacy ratio of 16.9% stands above the required levels and strongly positions the Bank's capitalization. These indicators are supportive of Burgan Bank's growth strategy to position itself as one of the leading banks in Kuwait.

With the recent approval to increase our capital, we are confident and ambitious that during 2010 and beyond we will maintain better growth rates and continue our expansion strategy as well as adopt best practices across our business lines."

"On behalf of the Board and myself, I would also like to take this opportunity to extend our thanks to all our customers for their loyalty, and to our dedicated staff for their continued support and commitment", concluded Mr. AbdulSalam.