

Burgan Bank posts KD 29.3 million operating profit for the first quarter of 2010



Mr. Majed Essa Al Ajeel – Chairman, Burgan Bank

Operating Income KD 43.2 million, up 37%

Kuwait City, May 2010: Burgan Bank - announced a net profit of KD 1.9 million for the first quarter of 2010 after taking additional provisions of KD 22.5 million. This is excluding KD 44.1 million unallocated general provisions available in the bank books and booked in previous years. During the period, the Bank's operating income of KD 43.2 million grew by 37% and operating profit surged to KD29.3 million with a growth of 39% and EPS stood at 1.9 fils.

The consolidated results encompass share of results from its subsidiaries, namely Bank of Baghdad, Gulf Bank Algeria and Jordan Kuwait Bank, in which Burgan Bank has a majority stake as part of its regional expansion strategy.

During the first quarter the subsidiaries have demonstrated steady growth in assets and across key business indicators as per their prosperous forecast.

“Burgan Bank foresees positive growth as we progress into 2010. The results reiterate our foremost commitment to our shareholders and our customers”, says Burgan Bank Chairman Mr. Majed Essa Al-Ajeel. “On behalf of the Board, I take this opportunity to thank our customers and shareholders for their confidence in our capabilities, and Burgan Bank staff for their continued support and commitment.”

The Bank reported a healthy 15.9% capital adequacy ratio on a consolidated basis without taking into consideration the capital increase which was completed this week. These indicators are strongly supportive of Burgan Bank's growth strategy to position itself as one of the leading regional banks. The Bank is committed to sustaining steady growth in its market share within Kuwait and across key markets within the MENA region.

Burgan Bank recently announced the successful completion of its KD 100.8 million capital increase through a rights issue. It aims to further strengthen its business locally and capitalize on its expansion strategy in the MENA region.