



Burgan Bank Group Announces 2017 First Quarter Earnings

Selective Growth Approach & Operating Efficiencies Focus continues

Reported net income up 25% reaching KD17.8 million (USD58.4 million)

Loans and advances grew by 3% YoY reaching KD4.3 billion (USD 14.1 billion) while deposits grew by 1% YoY reaching KD3.9 billion (USD 12.9 billion)

Kuwait – May 03 , 2017: Burgan Bank Group announced today its first quarter earnings of financial year 2017. The selective growth approach clubbed with the focus on operating efficiencies enabled earnings strength to continue at both top line & bottom line levels, amid regional operating environment complexities.

Reported net income grew by 25% reaching KD17.8 million (USD58.4 million) from KD14.3 million reported in first quarter last year. Underlying net income (excluding precautionary reserves & after AT1 cost) grew by 8% reaching KD18.1 million (USD59.3 million).

Compared to the same period last year, loans and advances grew by 3% to reach KD4.3 billion (USD 14.1 billion) while deposits grew by 1% to reach KD3.9 billion (USD 12.9 billion). Capital adequacy ratio under Basel III stands at 16.5% as of March 31, 2017.

Mr. Majed Essa Al Ajeel, Chairman of Burgan Bank Group said: “ We continued out of prudence, during the first quarter with our approach of selective growth focusing on high quality earnings clubbed with a focus on operating efficiencies.”

“Our operations in Kuwait and the region continued to demonstrate and as planned, healthy trends almost on all indicators. International Operations are now contributing 49% of the Group’s total revenues, confirming that Burgan Bank Group is the most diversified commercial bank in the sector.” Added Mr. Al-Ajeel

“Maintaining high quality top line earnings, focusing on operating efficiencies, and improved cost of risk, led to an impressive bottom line growth ” Added Mr. Al-Ajeel.

Mr. Majed Essa Al-Ajeel also said: “Our leading financial indicators continue to point to the right direction both in Kuwait and international operations. I remain confident and optimistic of the group’s strong performance going forward. ”

"On behalf of the board, I take this opportunity to thank our customers and shareholders for their confidence in our capabilities and our regulators; the Central Bank of Kuwait, for their support. I would also like to thank our executive management team for their leadership and the excellent execution of the corporate strategy, and to our staff for their continued support and commitment." concluded Al Ajeel.

The consolidated financials encompass the results of the Group’s operations in Kuwait, and its share from its regional subsidiaries, namely Burgan Bank – Turkey, Gulf Bank Algeria, Bank of Baghdad, Tunis International Bank. Burgan Bank Group has one of the largest regional branch networks with more than 180 branches across Kuwait, Turkey, Algeria, Iraq, Tunis, Lebanon and representative offices in Dubai-United Arab Emirates.



About Burgan Bank

Established in 1977, Burgan Bank is the youngest commercial Bank and second largest by assets in Kuwait, with a significant focus on the corporate and financial institutions sectors, as well as having a growing retail, and private bank customer base. Burgan Bank has majority owned subsidiaries in the MENAT region supported by one of the largest regional branch networks.

The Bank has continuously improved its performance over the years through an expanded revenue structure, diversified funding sources, and a strong capital base. The adoption of state-of-the-art services and technology has positioned it as a trendsetter in the domestic market and within the MENA region. Burgan Bank's brand has been created on a foundation of real values – of trust, commitment, excellence and progression, to remind us of the high standards to which we aspire. 'People come first' is the foundation on which its products and services are developed.

The bank was re-certified with the prestigious ISO 9001:2008, making it the first bank in the GCC, and the only bank in Kuwait to receive such accreditation for the third consecutive year. The Bank also has to its credit the distinction of being the only Bank in Kuwait to have won the JP Morgan Chase Quality Recognition Award for twelve consecutive years.

Burgan Bank, a subsidiary of KIPCO (Kuwait Projects Company), is a strongly positioned regional Bank in the MENA region.