

CBK posts Q1 profit before provisions of KD 25.2m

KUWAIT CITY, May 10: Commercial Bank of Kuwait announced a profit before provisions for the three months to 31st March 2009 of KD 25.2million.

Chairman & Managing Director Abdulmajeed AlShatti commented "Commercial Bank has reported a profit before provisions

of KD 25.2 million which is in line with expectations given the current economic climate. The Bank's Board of Directors has allocated the majority of this profit as provisions against the loan and investment portfolios reporting KD 3.1 million net profit for the period and will continue this prudent policy during the year.

It is sensible to be very conservative in this period given the state of uncertainty both locally and internationally to ensure the Bank's continuity as a leading financial institution in the State of Kuwait. However we remain optimistic that the Economic Stability Law will have a positive effect on the general economic conditions".

Chairman and Managing Director Abdulmajeed AlShatti further explained "While we believe that the Government and the Central Bank of Kuwait have taken the right action to support the economy the future is still uncertain. Since the passing of the law asset prices are stabilising and there are encouraging signs from lending activities".

Dividends

Commercial Bank's total assets are KD 4.0 billion at the end of March 2009 and its shareholders equity stood at KD 450.7 million after distribution of the 2008 cash dividend of KD 50.9 million. The Bank is continuing the process of building provisions and conserving capital. As at March 2009 the Bank has a total of KD 198 million of loan provisions with KD 111 million of specific provisions and KD 87 million of general provisions. In addition to the loan and investment provisions, the Bank has approximately KD 92 million in the retained earnings account available as an additional cushion. The capital adequacy ratio was 15.40% which comfortably exceeds the minimum 12% requirement of the Central Bank of Kuwait; the Bank continues to have a strong capital base.

Chairman and Managing Director Abdulmajeed AlShatti took the opportunity on behalf of the Board of Directors "to thank the Banks valued customers for their trust and confidence, the Executive Management team headed by Jamal Al Mutawa and the Banks staff for their hard work and loyalty and shareholders for their continued support and faith".

With 55 branches Commercial Bank of Kuwait operates the second largest full service network in Kuwait.

CBK reported that it had obtained the approval of the Central Bank of Kuwait to the interim financial statements for the period ending March 31, 2009 dated May 10, 2009. CBK earned a profit of KD 3.1 million with earning per share (EPS) valued at 2.6 fils. The net profit includes outstanding expenses amounting to KD 59,000 and unrealized revenue worth KD 564,000.

During the first quarter period of 2008 the company earned a profit of KD 34.1 million with EPS valued at 27 fils.

Particulars	March 31 2009	March 31 2008
(3 mths ending)	2009	2008
Total current assets (KD) (mn)	3,323	3,328
Total assets (KD) (mn)	4,038	4,228
Total current liabilities (KD) (mn)	3,543	3,188
Total liabilities (KD) (mn)	3,586	3,768
Total Equity (KD) (mn)	451	441

In the first quarter of 2008, Kuwait's third-biggest bank by market value had posted a 22 percent rise in net profit to KD 34.12 million (\$115.5 million) after it sold its stake in the Bank of Bahrain and Kuwait.

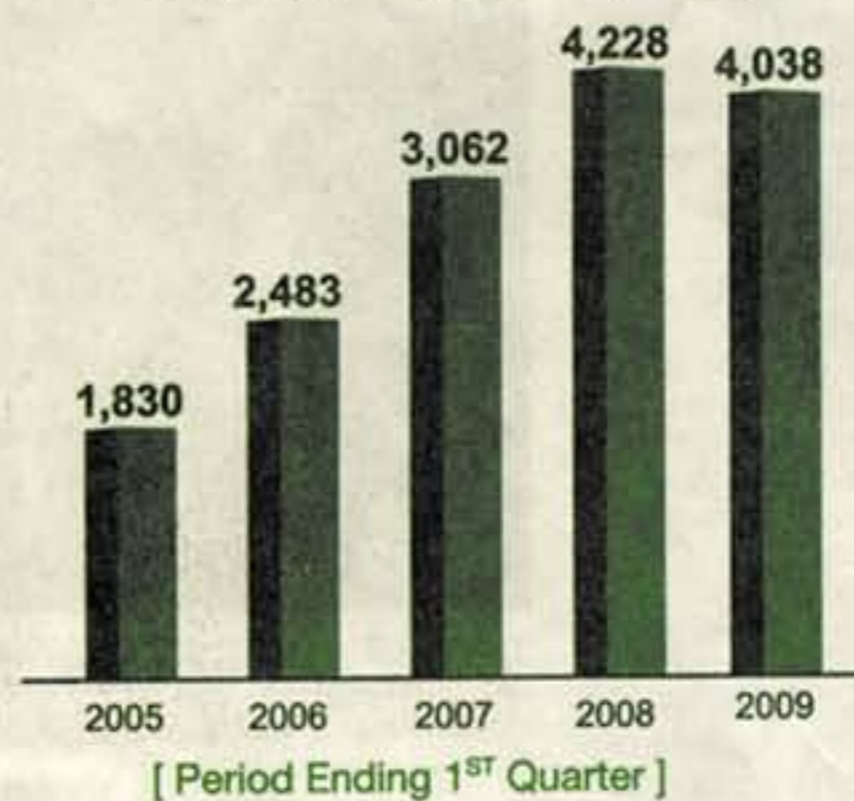
HSBC in March had cut CBK's rating to "underweight" from "neutral" on forecast of lower 2009 earnings due to higher loan-loss provisions and investment impairments. The lender in March had said that it has put on hold plans to buy Iraqi and Yemeni lenders due to the global economic.



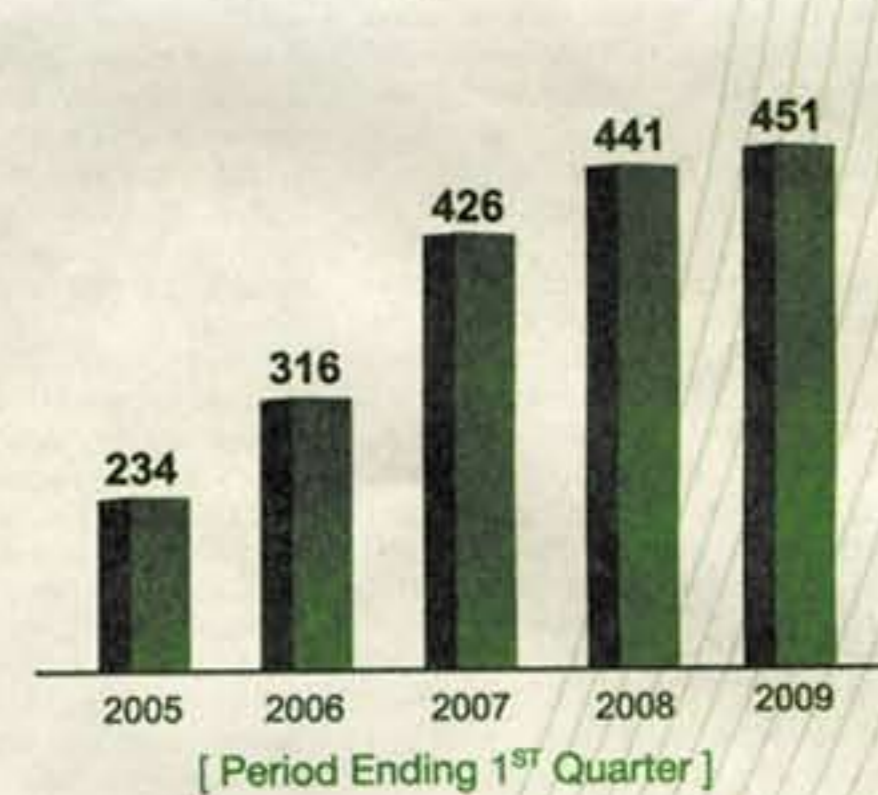
AlShatti

Maintaining A Solid Position In The Market Profit Before Provisions KD 25 Million

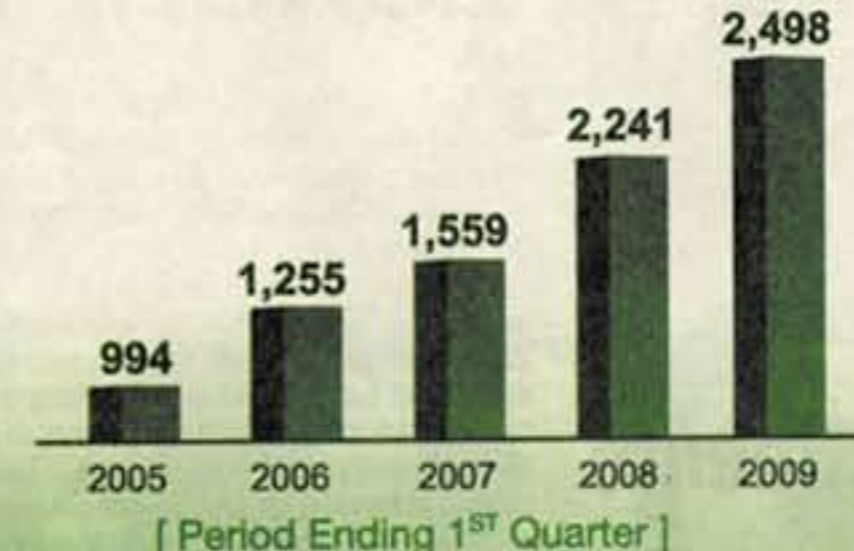
TOTAL ASSETS [KD MILLION]



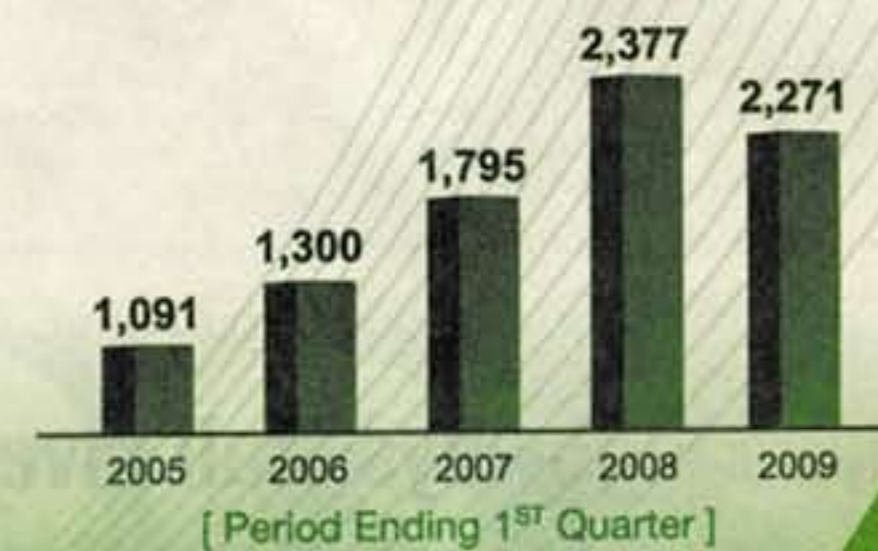
EQUITY [KD MILLION]



LOANS [KD MILLION]



CUSTOMER DEPOSITS [KD MILLION]



Within the Bank's conservative policy, the Board of Directors has allocated the majority of this profit as provisions against the loan and investment portfolios, reporting KD 3.1 million net profit for the period.

Chairman and Managing Director

Al-Tijari... My Choice



Al-Tijari
1-888-225 cbk.com