

Bank's total assets at KD4.0 billion

# CBK reports KD25.2m profit before provisions for Q1 '09



**Chairman and Managing Director Abdulmajeed AlShatti**

**KUWAIT:** Chairman and 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 KD3.1 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 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 stabilizing and there are encouraging signs from lending activities".

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 provi-

sions, 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 Bank's valued customers for their trust and confidence, the Executive Management team headed by Jamal Al-Mutawa and the Bank's 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.