

KCVC posts KD 0.133 mln profit

Board of Directors of Kuwait Cable vision Company met on July 29, and adopted the financial statements of the company for the first half period ending June 30, 2009.

The board stated that for the three months ending June 30, 2009, the company posted a profit of KD 133 thousand with EPS valued at 2.33 fils compared to a loss of KD 601 thousand incurred during the three months ending June 30, 2008.

Particulars (6 mths ending)	June 30, 2009	June 30, 2008
Profit (Loss) (KD)	(248,836)	(457,098)
EPS (LPS) (fils)	(4.35)	(3.99)
Total current assets	3,008,991	7,799,538
Total assets	6,284,188	9,494,544
Total current liabilities	3,190,120	2,899,217
Total liabilities	3,267,043	3,001,252
Total equity	3,017,145	6,493,292

The net profit includes total unpaid expenses amounting to KD 37,800.

Dulaqan reports profit

Kuwait Stock Exchange announced that the governing council of Dulaqan Real Estate Company (Dulaqan) met on Tuesday and adopted the interim financial statements of the Company for the six month period ending June 30, 2009.

Particulars (6 mths ending)	June 30, 2009	June 30, 2008
Profit (Loss) (KD)	121,411	171,144
EPS (LPS) (fils)	3.52	4.96
Total current assets	656,204	512,687

Total assets	4,253,971	4,111,464
Total current liabilities	116,191	57,366
Total liabilities	274,035	345,144
Total equity	3,979,936	3,766,320

Dulaqan reported that for the three months ending June 30, 2009, it earned a profit of KD 61 thousand or 1.80 fils compared to a profit of KD 111 thousand or 3.23 fils earned for the same period ending June 30, 2008.

dinar falls

Following are details of the latest dinar reference rate versus the dollar set by Kuwait's central bank.

Mid point: 0.28700; Change from day earlier: -0.07 pct; Change since May 19, 2007: +0.75 pct.

The central bank severed the dinar's peg to the dollar on May 20, 2007 and started tracking a basket of currencies. It has declined to give the composition of the basket, saying only that the dollar is its biggest component. (RTRS)

Market Movements 29-07-2009

	Points	Closing pts		Points	Closing pts		
EUROPE	- DJ Stoxx	+15.26	2,256.21	AUSTRALIA	- ASX 100	-23.90	3,391.10
FRANCE	- CAC	+34.65	3,365.62	HONG KONG	- Hang Seng	-489.04	20,135.50
GERMANY	- DAX	+95.58	5,270.32	NORWAY	- OSE Industry	-0.37	185.04
NETHERLANDS	- AEX	+3.08	277.32	SWEDEN	- OMX	-2.11	852.51
PHILIPPINES	- PSE All	+27.47	1,781.32	INDIA	- Sensex	-158.48	15,173.46
				SOUTH KOREA	- KRX 100	-4.20	3,195.13

Business

Kuwait market update

Global Investment House

Banking sector sees substantial erosion in profits

KIA-linked KCIC eyes investments in Asia's farming, agribusiness

Ethiopia sets aside land for foreign investors

KUWAIT CITY, July 29, (RTRS): Kuwait China Investment Co (KCIC), a firm linked to the Gulf Arab state's sovereign wealth fund, is eyeing investments in Asia's agriculture sector, the company's managing director said on Wednesday.

Gulf investors have spent billions of petrodollars on buying foreign farmland to help secure food supplies.

KCIC is looking to invest in Asian agribusiness and farming projects and could consider buying farmland to grow crops such as rice, wheat and corn for purely commercial reasons, said Ahmad al-Hamad.

"We think that there are opportunities in the agri sector not because of food scarcity or for food security," Hamad told Reuters in an interview.

Commercial

"But we think that for purely commercial reasons there are interesting opportunities in the agricultural sector in Asia," he said.

The company sees investment opportunities from funding projects to improve farming productivity, said Hamad, adding that government reforms were needed to attract foreign agri-investors.

"(But) I believe in the long term the agri sector would be a very exciting sector in Asia," he added without giving details on how much the company plans to invest in the sector.

Kuwait, the world's fourth largest oil exporter, had said it was interested in investing in agriculture and farmland abroad, in both Asia and Africa, as it looks to diversify food sources.

The OPEC member, which imports most of its food, had said it was talking with Asian countries about securing food supplies and investing in agriculture.

Boost

A delegation headed by the country's prime minister and including the sovereign wealth fund and the Kuwait Investment Authority (KIA), visited eight Asian countries last year to boost trade ties and discuss food imports.

KCIC, which was established in 2005 with a capital of 80 million dinars (\$278.7 million), is also looking at investments in the energy sector and equities and wants to buy stakes in firms in the financial and real estate sectors, said Hamad.

"We look at sectors that we think are going to succeed in Asia and specifically China, such as the real estate sector because of urbanization that is taking place there," he said, adding that the financial services and energy sectors were also being eyed.

KCIC, an asset management firm, was set up to become an investment vehicle in Asia to tap into the emerging market economies' potential growth. It is currently managing assets worth about \$450 million.

The KIA owns a 15 percent



Hussam Rajeh receiving the \$2,000 cheque from Hassan Saadat-founder and president of Hassan's Optician Co.

Colorize collection showcases new side of brand

Hassan's Optician honors 1st Ray Ban fan

By Paul Francis X. Fernandes
Arab Times Staff

KUWAIT CITY, July 29: Hassan's Optician Co, Kuwait held a press conference at its headquarters in the Free Zone to honor the first Ray Ban fan on the occasion of winning \$2,000 in cash.

The winner is a UAE resident, Hussam Rajeh. He won the prize when he decided to add to his Ray Ban collection a pair of shades from the all new Ray Ban Colorize range and kicked off his summer in style.

The Ray Ban Colorize collection showcases the colorful side of the brand's iconic set and the campaign includes all the old and new icons with an update on a new colorize scheme.

The point of sale campaign created around the launch of the Ray Ban Colorize collection in June offered an instant win promotion both in store and via the distribution of 500,000 postcards throughout the Middle East through mall activities and magazines.

stake in KCIC. Other investors include Kuwait's family-owned conglomerate Al-Ghanim Industries.

Also:

ADDIS ABABA: Ethiopia has marked out 1.6 million hectares of land for investors willing to develop commercial farms, an investment official said on Wednesday.

Companies from Gulf and east Asian nations have rushed to buy up farmland around the world to secure food supplies. Africa has become a favorite target, despite concerns about the effects of investment on host countries.

Although Ethiopia has rivers

Other prizes included special offers on Ray Ban sunglasses, complementary sunglasses, Ray Ban T-shirts and baseball caps, as well as the ultimate prizes of \$2,000 in cash or a trip to New York.

Commenting on winning the prize, Hussam said, "I have always been a fan of Ray Ban and was happy to add Ray Ban Colorize to my collection. I am delighted to have won the \$2,000 prize and I thank Ray Ban for that. I couldn't think of a better start to my summer vacation."

Response

Marco Bonapace, Marketing Manager of Luxottica Middle East said, "We have been delighted by the response so far to Ray Ban Colorize in the Middle East region as people express their style and experiment with color for the summer season." He also thanked Hussam for winning the \$2,000 prize.

Hassan Saadat, the founder and president of Hassan's Optician Co. congratulated the winner and thanked him for choosing Ray

Ban as his first choice.

The Ray Ban brand has a history of high quality and style - beginning in the late 1920s the company began developing eyewear for military pilots who were suffering from headaches due to the glare of the high-altitudes.

By the 1950s sunglasses were seen as a fashion accessory and the Ray Ban brand was at the top of the list. By the 1960s Ray Ban entered Hollywood with the appearance in the movie Breakfast at Tiffany's and the rest is history.

From Tom Cruise in Top Gun to Dan Akroyd and the Blues Brothers - Ray Ban eyewear has appeared on some of the most famous faces in Hollywood. It carries a history that takes it from utility to fashion to Hollywood.

Ray Ban in Kuwait is represented by Hassan's Optician Co. since the 1957 and genuine Ray Ban is sold at all Hassan's outlets in addition to few authorized retail shops in Kuwait.

"The contribution to the country's economy, of those companies which began work is yet to be quantified. They are just beginning," he said.

Foreign firms that have started large scale commercial farming include Indian companies in sugar cane, tea and cotton production, a Saudi Arabian company in palm oil plantation and Chinese companies in sesame seeds, Esayas said.

Esayas said his country enjoyed balmy weather, unlimited water resources and infrastructure such as roads, power and telephone lines.

The government considered

inviting those with technological knowledge and finances to develop its resources was an effective way to eliminate hunger and poverty.

"Production in quality and quantity of food and other exportable commodities are our topmost priority," he said.

The land set aside was in Benishangul - Gumuz and Gambella in western Ethiopia and in the Southern Nations, Nationalities and People's region and Afar.

The land can be used to grow coffee, cotton, sesame, soya beans, forage crops, sugar cane, palm oil and horticulture, Esayas said.

During four weeks since listed companies started to provide their financial statements for the first half ending on June 30, 2009, 32 companies have announced their results out of 168 companies listed on KSE excluding Non-Kuwaiti companies, those with fiscal year not ending on December 31st, and companies whose shares are already suspended from trading (6 companies up till the date this report is published). Aggregate profits for the 32 companies which announced their 1H-2009 results stood at KD459.20mm for the 6-months ending on June 30 2009, registering a decline of 44.15% compared to KD822.22mm reported in the same period in 2008.

Profitability

Banking sector exhibited substantial erosion in profitability due to provisions taken by all Kuwaiti local banks by transferring huge amounts from their net profits to provisions to face current critical status. Aggregate profits of the 6 banks, which announced their results, stood at KD229.89mm for the first half of 2009, registering a decline of 55.59% compared to KD517.65mm reported in the same period in 2008. Absence of support from non-interest income, due to low comparative investment gains, further bogged the profitability down. However, very high provisions, general voluntary provisions in most cases, could be deemed as the main culprit behind the slide witnessed in earnings.

An in depth look into the financials of the two largest banks in Kuwait, National Bank of Kuwait (NBK) and Kuwait Finance House (KFH), reveals that those two banks reported a 28.00% and 54.19% decline in their 1H-2009 profits respectively. The retreat in NBK's profits can be attributed to impairment losses for investment securities amounting to KD18.17mm, whereas there was no corresponding loss in 2008. In addition to that administrative expenses jumped 62.43% higher, reaching KD44.73mm. As for KFH's results, the decline in the Islamic bank's profits can be attributed to a 885.09% increase in its impairment provisions which stood at KD102.20mm for 1H-2009. In the meantime, Kuwait International Bank reported a loss of KD3.49mm. These losses can be attributed to huge provisions amounting to KD12mm during the period ending on June 30, 2009.

Looking at the Services sector, the sector as a whole reported marginal increase of 1.93%, with an aggregate profit of KD167.47mm reported in the period ending on June 30, 2009. The good performance of the sector as a whole can be attributed to the sound profits announced by the heavy-weight services companies like Zain. Zain is the biggest company listed on KSE in terms of market

capitalization. The telecom giant reported net profits of KD154.50mm for 1H-2009, up 4.41% from the corresponding period of last year. The group's CEO mentioned that the total revenues of the company reached KD1.16bn up by 24% compared to the corresponding period in 2008. Zain (Mobile Telecommunications Company) achieved a Year-on-Year (Y-o-Y) growth of 37% in total customer base, serving 69.5mm managed active customers as of June 30, 2009. The company's consolidated EBITDA increased by 46.3% for the same period to reach KD512.2mm, resulting into EBITDA margin of 44.2%. While making Y-o-Y comparison for 1H-2009 results one needs to consider that in H1-2008 there was an extraordinary gain of KD26.6mm from the IPO of its Zambia operations.

In the Real Estate sector, 8 companies have announced their results out of 34 real estate companies listed on KSE (excluding companies whose shares are already suspended from trading). Aggregate profits of the 8 companies, which announced their results, stood at KD19.03mm for the first half of 2009, registering a decline of 70.44% compared to the same period in 2008. Non of these companies recorded growth in their profits, while Aqar Real Estate Investment Company and Tijara & Real Estate Investment Company, they both witnessed losses. On the other hand, Al-Mazaya Holding Company reported a net profit of KD9.90mm for the first half ending on June 30, 2009. The company profits its massively declined by 59.55% when compared to the corresponding period of last year. Revenues for the first half of 2009 stood at KD48.27mm declining by 17% from KD57.94mm reported in the same period in 2008. The company's gross profit margin dropped significantly from 43% in H1 2008 to 16% in H1 2009. The company reported a loss from the disposal of a subsidiary of KD0.56mm in H1 2009 compared to a gain of KD3.4mm in H1 2008.

Contribution

Investment and Food sector showed less contribution in first half profits announced among all KSE sectors, as only one company declared its 1H-2009 results in each sector. Investment sector-wise, Al Salam Holding Group reported net profit of KD0.25mm for the first half period ending on June 30, 2009 registering enormous increase of 602.08% compared to KD0.04mm reported in the same period in 2008. It's worth noting that, the company increased its capital from KD6.14mm to KD24mm. On the food sector's front, Livestock Transport & Trading Company posted 294.71% increase in first half profits to reach KD6.92mm when compared to KD1.75mm reported in the corresponding period of 2008.

Profit of listed Companies for the first half ended June 2009 by sector

Sectors	Total listed Companies	Companies which released results	Net profit June 09 KD mn	Net profit June 08 KD mn	change
Banking	9	6	229.89	517.65	-55.59%
Investment	46	1	0.25	0.04	-
Insurance	7	3	10.76	24.54	-56.17%
Real Estate	35	8	19.03	64.40	-70.44%
Industrial	28	5	24.88	49.55	-
Services	57	8	167.47	164.29	1.93%
Food	6	1	6.93	1.75	294.71%
Non Kuwaiti	15	5	13.57	48.01	-71.73%
Parallel profits (PM)	14	1	-0.26	1.17	0.00%
Aggregate profits excluding PM	203	32	472.77	870.23	-45.67

Source: Kuwait Stock Exchange & Global Research

Safat Invest gets buyback extension

Al Ahleia posts KD 3.37 mln profit

KUWAIT CITY, July 29: Al-Ahleia Insurance Company (AINS) met on July 28, 2009 and adopted the financial statements of the company for the first half period ending June 30, 2009.

The board stated that for the three months ending June 30, 2009, the company earned a profit of KD 3.37 million with EPS valued at 22.3 fils compared to a profit of KD 5.76 million or 37.92 fils earned during the three months ending June 30, 2008.

Particulars (6 mths ending)	June 30, 2009	June 30, 2008
Profit (Loss) (KD)	6,102,010	12,760,412
EPS (LPS) (fils)	40.25	83.78
Total current assets	65,353,722	110,607,684
Total assets	145,275,981	175,593,403
Total current liabilities	22,411,478	32,654,193
Total liabilities	71,018,327	86,811,947
Total equity	74,257,654	88,781,456

The net profit includes unrealized revenue worth KD 944.813 and total unpaid expenses amounting to KD 716.971.

Governing council of Mena Real Estate Company met on Tuesday and adopted the

interim financial statements of the Company for the first quarter period ending June 30, 2009.

Particulars (6 mths ending)	June 30, 2009	June 30, 2008
Profit (Loss) (KD)	107,644	1,151,393
EPS (LPS) (fils)	0.55	5.86
Total current assets	7,867,803	4,917,806
Total assets	38,167,711	37,743,449
Total current liabilities	9,699,337	8,150,334
Total liabilities	10,682,096	11,232,927
Total equity	27,485,615	26,510,522

The net profit includes total unrealized revenue worth KD 29,548.

The Central Bank of Kuwait (CBK) has approved a request for renewing a prior CBK consent to Al Safat Investment Company for purchasing no more than 10 percent of its own issued shares for six months.

Kuwait Stock Exchange (KSE), in a statement posted on its website on Wednesday, stressed the importance of abiding to regulations and conditions placed by CBK in this regard. (KUNA)