



Immediate Release

QPIC posts 46% increase in net profits to reach KD16.57 million (US\$ 54.15 million) for the nine months period ended 31 December 2016

- Stable and positive growth in share of profits from QPIC subsidiaries and associates
- 20% increase in investments in associates

Kuwait City, 22 January 2017: QPIC - Qurain Petrochemical Industries Company K.S.C.P. - announced a net profit of KD 16.57 million (US\$ 54.15 million) for the nine months ended 31 December 2016. This compares favorably to a net profit of KD 11.35 million (US\$ 37.09 million) posted during the same period last year, representing an increase of 46 per cent.

Earnings per share (EPS) for the said period amounted to 15.94 fils (US\$ 52.09 cents) compared to 10.84 fils (US\$ 35.42 cents) during the same period last year.

Consolidated gross profit increased by 11% to reach KD 46.82 million (US\$ 153.01 million) from KD 42.36 million (US\$ 138.43 million) reported for the same period last year attributed to the reduction in cost of sales during the period.

Investments in associate companies increased by 20 per cent or KD 16.61 million (US\$ 54.28 million) during the said period, owing to the net increase in share of profits from Kuwait Aromatics Co. (KARO) and National Petroleum Services Co. (NAPESCO). This brings total assets to KD 548.37 million (US\$ 1.79 billion) as of 31 December 2016, compared to KD 521.47 million (US\$ 1.71 billion) on 31 March 2016.

Commenting on the results, QPIC's Chairman, Sheikh Mubarak Abdullah Al-Mubarak Al-Sabah, said:

"The results achieved showcase the soundness and diversification of QPIC's investments, which can withstand the current economic circumstances that the region has encountered given the instability of oil market. QPIC is actively seeking new local and regional investment opportunities, in partnership with well reputed international players within the field."

QPIC's Vice Chairman and Chief Executive Officer, Mr. Sadoun Ali, said:

"The achieved results are in line with our expectations and our policy to diversify QPIC's main sources of income, adopted over the past few years. All of our subsidiaries and associates performed positively during the current financial year and showed stable growth. The Saudia Dairy & Foodstuff Co. (SADAFCO) and KARO are the two main contributors in achieving these positive results, in addition to the improved performance from the remaining associates and subsidiaries. We expect that the performance of our subsidiaries will continue to be enhanced."

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Notes to Editors:

Established in 2004, Qurain Petrochemical Industries Company (QPIC) is a public shareholding company with a total capital of one hundred and ten million Kuwaiti dinars distributed over a billion and one hundred million shares.

QPIC Investments portfolio combines stakes of Kuwait's largest petrochemical projects such as Equate Petrochemicals, The Kuwait Olefins Company (TKOC) and Kuwait Aromatics (KARO). In addition to our significant stakes being a majority shareholder in Saudia Dairy & Foodstuff Company (SADAFCO), National Petroleum Services Company (NAPESCO), as well as United Oil Projects (UOP). QPIC financial year starts on April 1st, and ends in March 31st of every year.

QPIC is part of Kuwait Projects Company (KIPCO) group - one of the biggest holding companies in the Middle East and North Africa, with consolidated assets of US\$ 33 billion as at 30 September 2016. The Group has significant ownership interests in over 60 companies operating across 24 countries. The group's main business sectors are financial services, media, real estate and manufacturing. Through its core companies, subsidiaries and affiliates, KIPCO also has interests in the education and medical sectors.

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