

NBB Q1 profit rises 3.6pc

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National Bank of Bahrain (NBB) yesterday reported a 3.6 per cent increase in its first quarter 2019 net profit helped by higher net interest income and core banking activities.

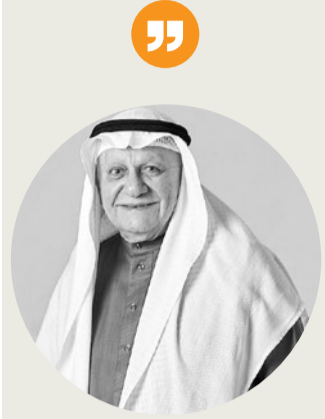
Net profit was BD20.4 million (US\$54.3m) for the first quarter, compared to BD19.7m (US\$52.4m) in the year earlier quarter.

Net interest income increased 21.4pc y-o-y to BD23.8m (US\$63.3m) compared with BD19.6m (US\$52.1m) in the prior-year period. The improvements were attributed to prudent asset liabilities management and the acquisition of new customers from various sectors across the Bank's business lines during the quarter.

Farouk Yousuf Khalil Almoayyed, Chairman of NBB, said, "Operating profit showed a very robust growth of 17.4pc compared with the same quarter last year mainly driven by a great contribution from our core banking activities.

"We look forward to rolling out further positive changes and innovation in line with our strategy and our commitment to creating value for our shareholders and customers and supporting the further development of the local and regional economies through enhanced participation, which remains NBB's primary focus."

Operating profit rose by 17.4pc y-o-y to BD23.6m (US\$62.8m)



During the quarter, manifestations of the progress we are making and the new direction in which are taking the Bank was also seen in the launch of NBB's new brand, which is an important part of the evolution of the Bank and our efforts to sustain our market leadership. The new brand represents the NBB of the future and underscores our dedication to serving our customers and the community with a brand promise to get closer to you

FAROUK YOUSUF KHALIL ALMOAYYED, CHAIRMAN OF NBB



In the first quarter, we continued to expand our support for local businesses and retail customers, maintaining strong levels of loans and financing across individuals, SMEs and corporates as well as through financing for major national projects. Through product innovation and effective promotions, we also reported a very healthy increase in both retail and institutional customer deposits

JEAN-CHRISTOPHE DURAND, CHIEF EXECUTIVE OFFICER OF NBB

compared with BD20.1m (US\$53.5m) in the prior-year period.

Operating income rose by 13.6pc y-o-y to BD34.2m (US\$91.0m) compared with BD30.1m (US\$80.1m) in the prior-year period. Other income stood almost at the same level at BD10.4m (US\$27.7m).

Operating costs were up to BD10.6m (US\$28.2m) compared to BD10.0m (US\$26.6m), an increase of 6.0pc in line with the ongoing investments in human capital and technology to support the Bank's transformation strategy.

Total comprehensive income for the period was BD25.7m (US\$68.4m) compared with BD10.2m (US\$27.1m) in the prior-year period.

Average loans and advances stood almost at the same level of BD1,209.3m (US\$3,216.2m).

Average customer deposits increased by 2.8pc to BD2,157.4m (US\$5,737.8m) compared with BD2,099.4m (US\$5,583.5m) as at 31 March 2018.

Earnings per share during the period stood at the same level of 13 fils (US\$35 cents).

Jean-Christophe Durand, Chief Executive Officer of NBB, added, "Increased profitability and income generation, despite competitive market conditions, is the direct result of our focus on the strengthening of core banking activities, product diversification and the introduction of new business lines last year, which are now showing positive results."

GHG reports Q1 results



CEO Garfield Jones



Farouk Almoayyed

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Gulf Hotels Group (GHG) yesterday announced financial results for the first quarter of 2019 reporting a net profit of BD2.299 million compared to BD2.892m in the year ago quarter, a decrease of BD593K or 20.51 per cent.

The decrease in the net profit was attributed to increased depreciation (BD400K) from the new Dubai property and major projects executed in 2018, together with pre-opening expenses of the newly opened Gulf Executive Residence Juffair (BD134K) which opened in January 2019 and interest costs (BD243K), which are offset by better revenues which helped to reduce the overall shortfall.

Earnings per shares was 10 fils compared to 13 fils in the year ago quarter.

The group achieved revenues of BD10.082m, compared to BD8.711m in first quarter, achieving an increase of

BD1.371m or 15.74pc.

Gross Operating Profit was BD3.555m, compared to BD3.074m in first quarter 2018, an increase of BD481K or 15.65pc.

The Chairman, Farouk Almoayyed stated that the Group is now focusing on enhancing the hotel operations in Dubai, beverage operations in Sri Lanka and Gulf Executive Residence Juffair in Bahrain in addition to the existing properties.

CEO Garfield Jones stated that the overall Q1 business in the Kingdom was supported by the Formula 1 event, boosting hotel occupancies and directly benefitting the Gulf Hotel who carry out catering activities at Bahrain International Circuit.

He further added that steps are also underway to further expand operations in Saudi Arabia during 2019. This year also represents the 50th anniversary of the Gulf Hotel which will enjoy a year full of celebratory events".

Germany further slashes 2019 growth forecast

Berlin, Germany

Berlin halved its economic growth forecast for 2019 on Wednesday as Europe's largest economy cools off, but ministers are unlikely to bend to foreign demands to boost activity with extra government spending.

"The federal government expects an increase of 0.5 per cent in gross domestic product (GDP) this year and 1.5 per cent" in 2020, economy minister Peter Altmaier told a press conference in Berlin.

"The German economy has not yet overcome the weakening in the economic upturn" that had been visible until mid-2018, he added, although "over the remainder of the year there are prospects of a significant recovery."

It is the second downgrade in a row, after Altmaier's January prediction of 1.0 growth for 2019 was 0.8 points lower than an autumn forecast.

Global factors including slowing trade, Brexit and US President Donald Trump's commercial confrontations with Europe and China have hit the eurozone powerhouse particularly hard.

And a string of local one-off factors including tough new emissions tests on car manufacturers and a drought that lowered water levels in the Rhine inland waterway, put a brake on activity.

But more structural challenges are also present, including an ageing population



German Chancellor Angela Merkel poses with toy wind wheel during the opening of the Arkona wind park in Sassnitz, northern Germany

and a chronic lack of public investment in infrastructure and high-tech innovations.

The International Monetary Fund (IMF), in its April economic outlook, repeated its long-running call for Germany to spend its way out of a downturn.

To avoid the German slowdown contaminating the rest of the eurozone, "the available fiscal space can be used to increase public investment in physical and human capital or reduce the labour tax wedge", the IMF judged.

The Washington-based fund also slashed the country's growth forecast to 0.8 percent, in line with domestic bodies such as Berlin's "Wise Men" council of economic advisers and leading think-tanks.

Ramadan Experience awaits at Four Seasons

Manama

Four Seasons Hotel Bahrain Bay has unveiled details of its delectable dining experiences and seasonal getaway packages to celebrate the Holy Month of Ramadan.

The Hotel's offerings embody the notion of spending precious time together with family and friends while thoughtfully observing the Holy Month.

Iftar or Ghabga Gathering

The Four Seasons Ramadan Tent at Al Bahrain Ballroom has been redesigned and features a fresh colour theme, with Arabian hanging lamps and a carpet and wooden parquet floor setting the scene for a delightful celebration. Entertainment will be provided by a four-piece Arabic band with an opera singer from Cairo. This creates the perfect setting for a delicious Iftar or Ghabga feast crafted by Executive Chef Hyung Gyu



Kim and Executive Pastry Chef Imad Boukli.

Meanwhile, dedicated live cooking stations will be serving up a range of local favourites. To end the meal on a sweet note, an assortment of family favourites can be found at the dessert buffet.

Younger guests will be kept entertained by a range of fun activities at the special kids' tent. Conveniently located in Al Bahrain Ballroom, it will be open daily from sunset until 10:00 pm.

Children's Gergaoun Event

The Hotel invites young guests to embrace the spirit of the Holy Month by joining a traditional Gergaoun celebration on the 15th day of Ramadan. Kids can enjoy an array of festive activities, including spreading candies, singing traditional songs, and taking part in a special kid's talent show to receive the Best Gergaoun Talent Award. Chocolates and balloons will also be provided for all attendees.

Children's Gergaoun event will take place during Iftar on the 15th day of Ramadan until 8:30 pm.

re/Asian Cuisine by Wolfgang Puck

For non-fasting guests, the Hotel's innovative Asian restaurant re/Asian Cuisine by Wolfgang Puck will offer à la carte service from 7:00 am to 3:00 pm. A delicious range of breakfast and lunch items will be available. In the evenings, the restaurant will provide a relaxing alternative to the traditional



Ramadan buffets, with an à la carte dinner menu. Dinner will be served from sunset to 11:00 pm on weekdays, and sunset to 12:00 midnight on Thursdays and Fridays.

Additional Dining Options

The Hotel's Bay View Lounge will be serving an assortment of refreshing beverages, freshly brewed coffee and aromatic teas from sunset to 1:00 am on weekdays and until 2:00 am on weekends throughout Ramadan

Meanwhile, CUT by Wolfgang Puck, CUT Lounge, Blue Moon Lounge, Vento and Bahrain Bay Kitchen will be closed for the duration of the Holy Month, and

will re-open on the first day of Eid Al-Fitr.

Eid Al-Fitr Brunch at Bahrain Bay Kitchen

Guests can celebrate a gracious end to the Holy Month in the inviting ambience of the Hotel's Bahrain Bay Kitchen with a sumptuous brunch during the first three days of Eid Al-Fitr. Diners can choose from an extensive range of buffet offerings.

Beach Getaway this Eid

Guests can enjoy a 20 per cent savings on the Hotel's standard room rate with the Hotel's Bahrain Getaway package for stays of two or more nights.