



National Bank of Kuwait

Investor Presentation

October 2023

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NBK is Kuwait's Leading Banking Group

Snapshot

Background	<ul style="list-style-type: none"> Established in 1952 as the first local and home-grown GCC bank, and first shareholding company in Kuwait The leading conventional banking group in Kuwait in terms of assets, customer deposits and customer loans and advances More than 30% market share of assets in Kuwait Named the most valuable banking brand in Kuwait and has featured among the biggest Middle East brands by Brand Finance
Ownership	<ul style="list-style-type: none"> Established by a group of leading Kuwaiti merchants, NBK has retained the same core shareholder base since its inception NBK's shares are listed on the Kuwait Stock Exchange since 1984 with only one shareholder owning more than 5% of the Bank's share capital (PIFSS owns 5.74% as of December 2022) NBK's market capitalization at 31 December 2022 was USD 26.6 bn.
Operations	<ul style="list-style-type: none"> The Bank's core businesses are (i) consumer and private banking, (ii) corporate banking, (iii) Islamic banking and (iv) investment banking and asset management The Bank operates across 13 countries with a predominant focus on the MENA region.

Credit Ratings

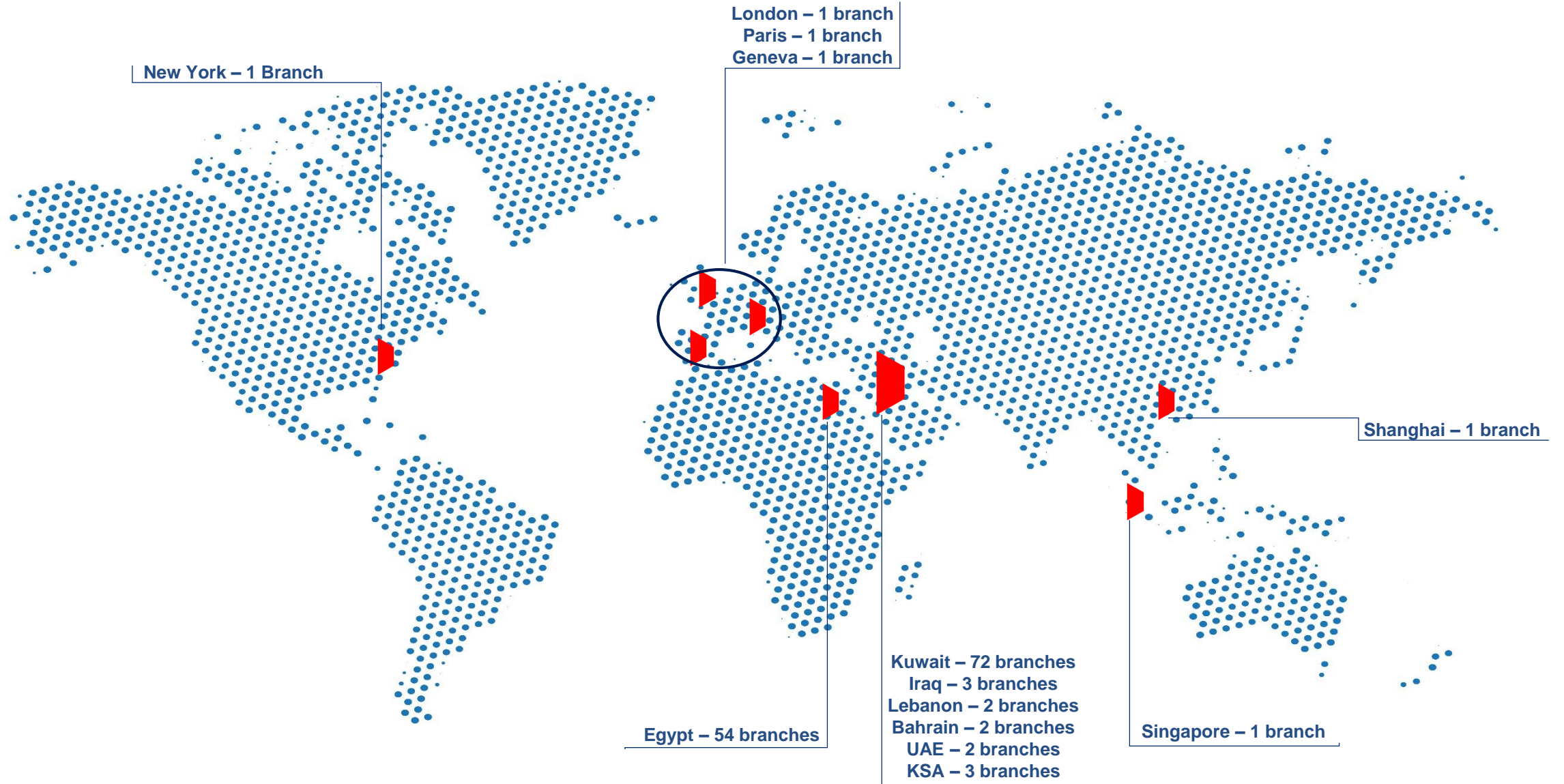
Rating Agency	Long Term Rating	Standalone Rating	Outlook
MOODY'S	A1	a3	Stable
STANDARD & POOR'S	A	a-	Stable
FitchRatings	A+	a-	Stable

Financial snapshot

USD million	2020	2021	2022
Total Assets	97,021	108,575	118,637
Loans, Advances & Islamic financing	57,148	64,389	68,555
Customer Deposits	55,841	59,683	65,877
Total Equity	13,520	14,584	15,132
Net Operating Income	2,739	2,938	3,297
Net Profit attributable	804	1,183	1,662
Cost to Income (%)	36.7%	39.2%	38.2%
Net Interest Margin (%)	2.21%	2.21%	2.30%
NPL Ratio (%)	1.72%	1.04%	1.42%
Loan Loss Coverage Ratio (%)	220%	300%	267%
Return on Average Equity (%)	7.0%	10.2%	14.3%
Tier 1 Ratio (%)	16.0%	15.7%	15.0%
Capital Adequacy Ratio (%)	18.4%	18.1%	17.4%



Regional and International Geographic Presence





Key Strengths

High credit ratings and among the top brand values regionally

- NBK has one of the highest credit ratings in the MENA region
- Named the most valuable banking brand in Kuwait and has featured among the biggest Middle East brands by Brand Finance

A Leading market position in Kuwait

- NBK enjoys a dominant market share across various business segments in Kuwait
- The Bank has one of the largest and most diversified distribution networks, including its digital channels

Sound and consistent financial performance

- Long history of profitability, even throughout the global financial crisis
- Excellent asset quality with an NPL ratio standing at 1.42% at end-2022
- Strong liquidity serving as a buffer in times of need

Only banking group in Kuwait to provide both conventional and Islamic banking

- Following its consolidation of Boubyan Bank in 2012, NBK became the only banking group in Kuwait to offer both conventional and Islamic banking services
- This has allowed the Bank to leverage off the opportunities across both markets, particularly given the growing importance of Islamic Finance in Kuwait

Stable shareholder base and strong management team

- Established in 1952 by a group of leading Kuwaiti merchants and has retained the same core shareholder base since its inception
- NBK's stable shareholder base is complemented by a strong and stable Board of Directors and a long-serving executive team with in-depth experience



A strong regional and international network

- Operations in 13 countries, 7 of which are in the MENA region
- The Bank focuses on organic growth in its key growth markets in the MENA regions with special emphasis on digital banking
- And remains opportunistic for any potential transaction that has strategic synergies and creates value


Strong wealth management capability

- NBK has established a strong global wealth management platform that builds on client accessibility in the region, offering best-in-class products and services and a seamless client experience throughout its global network

A well-defined sustainability strategy

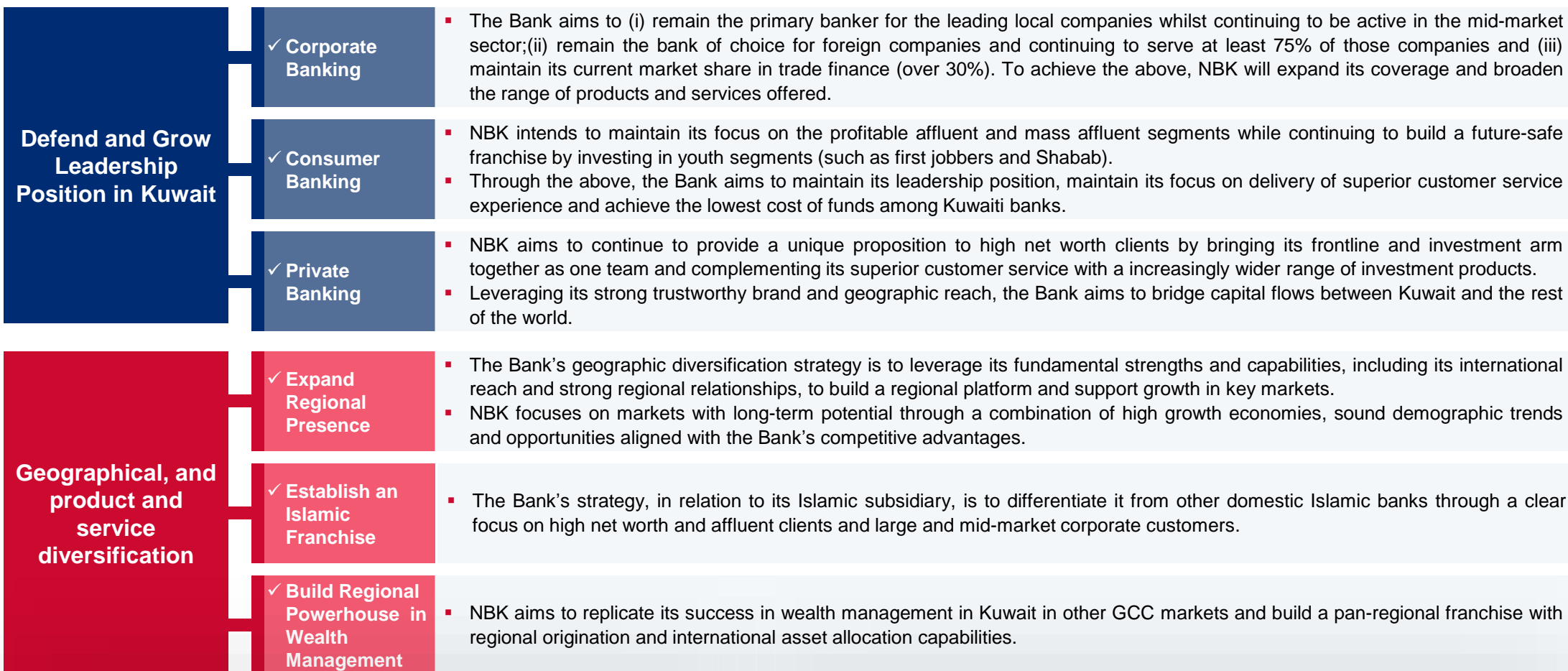
- NBK's leadership is deeply committed to the bank's sustainability journey and views sustainability as integral to business performance
- Very ambitious and transformational ESG strategy with full management ownership and board oversight

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NBK's Strategy



Digital Transformation

ESG Transition



Kuwait Operations

NBK



Corporate Banking



Consumer Banking



Private Banking

- Remain the primary banker for local blue-chip companies
- Remain bank of choice among foreign corporations; serving 75% of them active in the Kuwaiti market
- Maintain current market share in excess of 30% in trade finance
- Increase market share in medium corporate segment
- Focus on project finance benefiting from NBK's large capital base
- Maintain asset quality

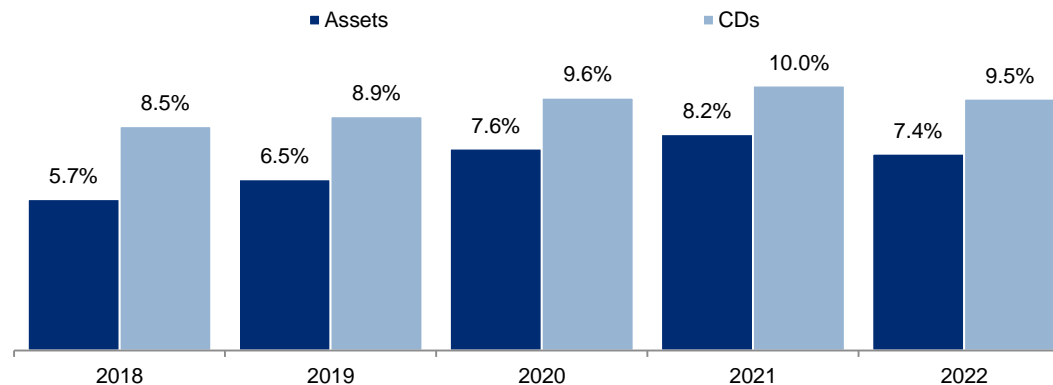
- Maintain leadership with largest market share and highest customer penetration
- Maintain focus on customer service
- Aim to attract new bankable clients such as SMEs
- Pioneer innovative products and services utilizing the latest tools and technologies
- Proactive attrition management
- Meet evolving banking demands

- Continue to provide a unique proposition to HNW
- Provide access to best of breed international funds leveraging NBK's wealth management expertise
- Leverage NBK's strong brand to acquire new clients and retain onshore relationships
- Broaden the product portfolio to accommodate growing needs

Islamic Banking (Boubyan Bank 60.4% owned subsidiary)

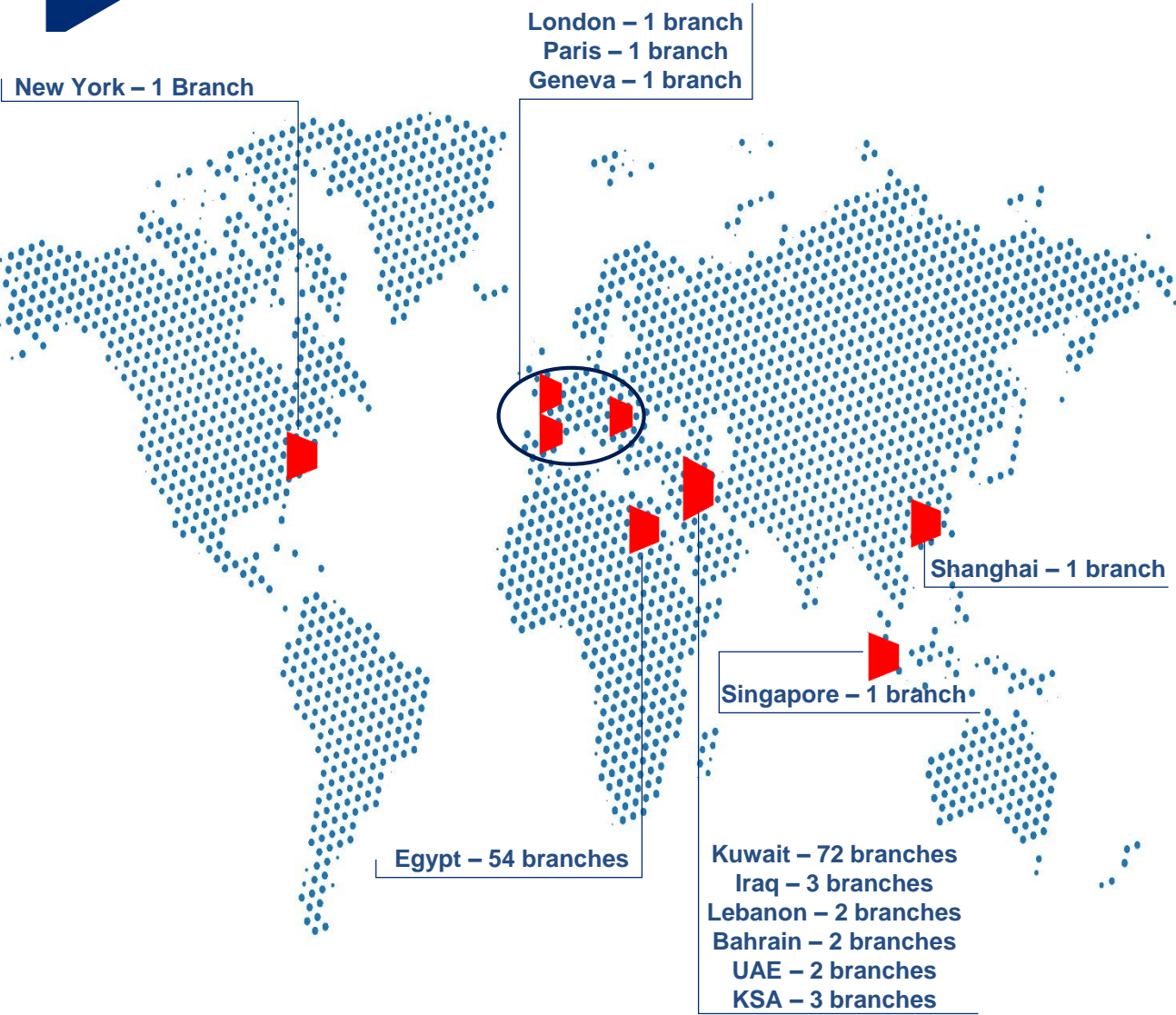
- After a series of gradual share acquisitions since 2009, NBK's stake in Boubyan bank reached 58.4% in 2012. Through Boubyan, NBK aims at diversifying its income stream, complementing its product offering as well as targeting a new segment of clients.
- The size and market share development of Boubyan relative to other Islamic banks leaves significant room for repositioning the bank and acquiring market share.
- NBK is committed to the future growth and transformation of Boubyan Bank and establishing a strong presence in the growing Islamic banking segment.
- The Bank's transformation and strategy implementation is led by a highly proficient management team with extensive regional banking experience, with key positions filled by NBK veterans aligned with the NBK culture.

Market Share of Assets and Customer Deposits



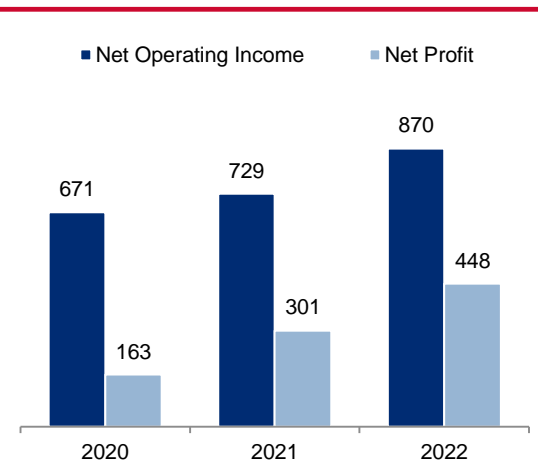


International Operations

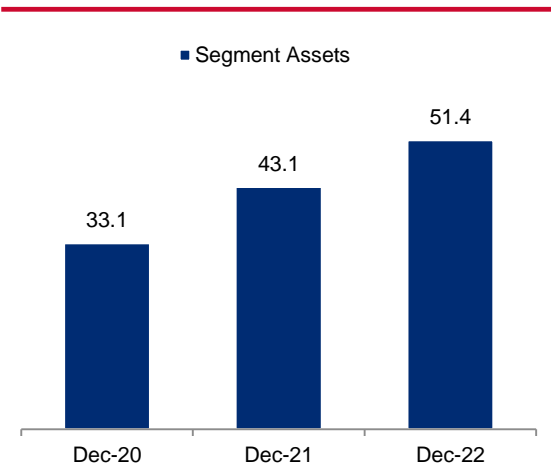


- NBK's international operations have been traditionally contributing 25% of the Group's bottom line.
- NBK's international presence is a differentiating factor for the Group, enabling better service and strengthening client relationships.
- The Bank is focused on growing its business in existing and new markets; meanwhile, across the international locations, the Bank's focus is on:
 - increasing its market share in Egypt and transforming the retail business in Egypt with enhanced digital capabilities.
 - building a regional powerhouse in wealth management
 - servicing its GCC-based corporate and private customers who are active internationally and growing its business with international corporates active in the MENA region
 - exploring expansion of the Bank's digital proposition in regional markets
- Within its international network, NBK is focused on managing risks and costs to improve efficiency and achieve long-term cost savings and productivity gains.

Revenue Trends (USD mn)



Balance Sheet Trends (USD bn)



Digital Transformation Underpinning the Strategy of the Group

We developed our digital agenda with strong ambitions



Being and perceived as the digital leader and trendsetter in Kuwait



Building “next generation digital banking” to deliver the best experience to our customers



Establishing a digital working environment by building digital skillsets and tools to work efficiently

Digital Transformation programs across all segments

Leveraging the change through six main pillars

Enhancing Existing Channels Experience

Developing New Channels

Building New Digital Capabilities

Fully Digital Value Proposition

New Way of Working

Trendsetting Innovation

NBK has embraced the changing business environment and evolving customer demands resulting from technological advances by launching a digital transformation plan adopting a two-pronged approach:

1.

Digital transformation of the core (comprehensive program to transform our business in Kuwait)

2.

Business diversification leveraging digital disruption (building new businesses outside the core)

NBK ESG Strategy Framework

Ambition

To support the transition to a sustainable economy and become a role model in our own transformation.

Strategic Initiatives

- Support the transition to a low carbon economy by delivering on our net zero ambitions.
- Capitalize on sustainable business opportunities and develop a best-in-class Sustainable Finance proposition.
- Engage with our clients to accelerate their transition plans and support them in achieving their net zero ambitions.
- Embed ESG across our supply chain.



Ambition

To drive sustainable business growth achieved through organizational resilience.

Strategic Initiatives

- Promote diversity, equity, and inclusion in the workplace.
- Promote group-wide ESG transformation through enhanced employee engagement and development programs.
- Cultivate and retain local talent by providing rewarding career development opportunities.
- Establish a digital and agile work environment.



STRATEGY PILLARS



Ambition

To commit to the highest standards of governance by embedding ESG across the Group.

Strategic Initiatives

- Build and implement the highest standards of ESG governance and accountability.
- Enhance stakeholder engagement, emphasizing our ESG narrative and commitments.
- Develop economic, environmental, and social risk resilience.



Ambition

To deliver a positive impact on the communities we serve.

Strategic Initiatives

- Empower communities to achieve financial independence, confidence, and security.
- Continued and enhanced focus to providing optimal customer experience and service excellence.
- Support national development plans to promote and nurture local talent.
- Expand our community investment efforts for optimal impact.
- Support equitable community and economic development.



Building A Leading Journey In ESG

ESG Ratings



NBK is at 27.5 – Medium Risk



MSCI upgraded NBK ESG ratings to 'BBB' in August 2023



Listed on Refinitiv AFE Low Carbon Select Index MENA



FTSE4Good

Constituent of the FTSE4Good Index Series



"C" score for 2022 for both the Climate Change and Forests Categories



NBK Headquarters awarded the Gold LEED Certification

ESG Awards

Global Finance

- Best SME Bank Award - Kuwait 2023
- Best Private Bank for Sustainable Investing- Middle East 2023
- Best Financial Innovation Labs 2023 – NBK Group Digital Office
- Best Consumer Digital Bank - Kuwait 2023
- Best Innovation and Transformation - Kuwait 2023
- Best Innovation and Transformation – Middle East 2023
- Best Bank for Sustainable Finance - Kuwait 2022

Euromoney

- Best Bank for Corporate Responsibility in the Middle East 2023
- Best Bank for ESG in Kuwait 2022
- Best Bank for Diversity & Inclusion in Kuwait 2022
- Best Bank for Digital Solutions in Kuwait 2022

MEED

- Best Youth Programme Initiative – 2023
- Best Initiative for Women in Business 2023
- Best Implementation of Diversity & Inclusion Initiatives 2023

National and Global Frameworks



WE SUPPORT





2022-2023 Key ESG Achievements

We measure our progress against well-defined metrics and targets to achieve the greatest impact.

> Strategy Pillars

> Key Highlights

Responsible Banking

- Launched **NBK Sustainable Financing Framework** and received **SPO by S&P Global**.
- Developed a **roll-out plan for sustainable products** for 2023.
- **Committed to become carbon neutral by 2060** in line with the State of Kuwait's pledge to achieve carbon neutrality by 2060.
- **Established interim goals to reduce its gross operational emissions by 25% by 2025** through increasing dependency on renewable and clean energy solutions and transforming local branches to become eco-friendly.
- Installed **12 EV charging stations** at different levels of the multi-story car park attached to NBK's green Headquarters.
- Achieved the **LEED Gold Certification** for NBK Kuwait new Headquarters.

Governance for Resilience

- Approved the **new Group ESG Strategy**.
- Elected **first female Board Member**.
- Finalized and approved **ESG Governance Structure and Framework** that assigns ESG responsibility across members of the Executive Management.
- Established management-level **Sustainability Committee** headed by the Vice Chairman & GCEO and with direct oversight from the Board of Directors.
- Integrated **ESG metrics** into the **Board of Directors'** and **Executive Management responsibilities, charters, oversight, and affairs**.
- Joined the **United Nations Global Compact (UNGC)**.
- Received our **first CDP Score of 'C'** for both the Climate Change and Forest categories for the Financial Services sector.
- Aligned our operational environmental footprint with **GHG Protocol** global framework.
- Constituent in **Refinitiv AFE Low Carbon Select Index MENA**.


Investing in our Communities

- Launched **new designs for all our cards** with **customer-tailored features**, including design themes **especially for the visually impaired**.
- Launched **new mobile banking experience** for NBK customers themed "Tailored for You", to provide them with the latest and most advanced digital services.
- Launched the **"Bankee" financial literacy program** in Kuwait's public and private schools.
- **Community Investments** totaled **USD 75 million in 2022, a 45% increase from 2021**.
- Committed **KD 13 (USD 42) million for the expansion of NBK Kuwait Hospital**.
- In May 2023, **committed KD 3 (USD 9.7) million** for the restructuring of Shuwaikh Beach Waterfront in line with NBK's corporate responsibility and sustainability principles.
- Launched **"She's Next" initiative in partnership with Visa**, a global advocacy program that aims to support women-owned small businesses.
- **NBK Academy** named **"Best Youth Programme Initiative" by MEED** (MENA Banking Excellence Awards) international magazine.
- Received the **"Job Replacement and Nationalization Award"** on the GCC level. **Nationalization** rate stands at **75.1%** as of 31 December 2022.

Capitalizing on our Capabilities

- **Women in workforce 44.0%**, women in **management 29.3%**.
- Launched **NBK RISE**, a global leadership initiative designed to **elevate women** to more significant leadership roles.
- Provided key **Sustainability Champions** across the Bank with a **Global Reporting Initiative (GRI) Standards training program**.
- Engaged with external consultants to design a **specialized training module focused on Sustainability** that is planned to launch during 2023 for all employees.
- In 2022, **each employee** received an average of **5.7 hours of training**.
- In 2023, launched first of its kind **NBK Tech Academy** to provide the Kuwaiti youth with a **best-in-class and innovative program in digital transformation**.
- Named **"Best Financial Innovation Lab in Kuwait 2023" by Global Finance**, for the consecutive year, for pioneering innovation in the country and the region.
- Awarded **"Best Implementation of Diversity & Inclusion Initiatives 2023" by MEED** (MENA Banking Excellence Awards) international magazine.

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Kuwait Overview

Key Highlights

- Kuwait is a constitutional monarchy, headed by H.E. the Emir, Sheikh Nawaf Al-Ahmad Al-Sabah, with a population of 4.7 million (2022).
- It is a founding member of the Organization of the Petroleum Exporting Countries (OPEC) and the Gulf Cooperation Council (GCC).
- Kuwait has the 6th largest proven crude oil reserves in the world (101.5 billion barrels) and was the 8th largest oil producer in 2022 (2.4 mb/d).
- GDP is estimated at USD 177 billion and USD 51,471 on a per-capita basis in 2022, the 35th highest in the world, according to the IMF.
- The oil sector's share of GDP is around 50%, and Kuwait has one of the lowest industry breakeven oil prices in the world. Oil exports constitute around 90% of both total exports and government revenues.
- Kuwait is an open, oil-dependent economy dominated by the government sector. Private non-oil activity is centered on finance, construction, trade, logistics and real estate.
- The Kuwaiti banking sector comprises 22 banks, including 11 domestic banks (5 conventional, 5 Sharia-compliant and 1 specialized), and branches of 11 international banks (10 conventional and 1 Islamic).
- The banking sector is well regulated by the Central Bank of Kuwait (CBK), with a number of regulations and supervisory norms to ensure the safety of the banking sector including through strict supervision and imposition of prudential ratios, such as lending limits and concentrations, investment limits, liquidity and capital adequacy.

Key Indicators

Indicator	2021	2022	2023 ^f	2024 ^f
Nominal GDP (USD billion)	139.4	177.4	162.4	171.9
Real GDP (% y/y)	-8.9	8.4	-0.7	3.3
Real non-oil GDP (incl. refining, % y/y)	-8.8	4.3	3.6	3.4
Consumer price inflation (% y/y, avg.) ¹	3.4	4.0	3.5	2.5
Fiscal balance (KD billion) ¹	-4.3	6.5	-2.2	-0.7
Fiscal balance (% of GDP) ¹	-10.3	11.8	-4.4	-1.4
Fiscal break even oil price (USD/bbl)	90.0	80.0	93.0	89.0
Public debt (% of GDP)	4.4	3.0	3.0	2.7

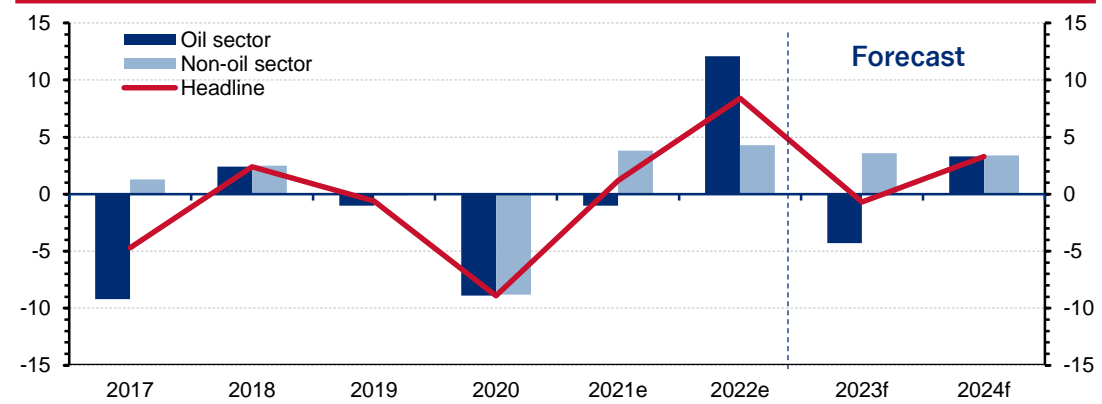
Sovereign Credit Ratings

Rating Agency	FC credit rating	Outlook	Rating Action/date
S&P Global	A+	Stable	Affirmed/Jun'23
Moody's	A1	Stable	Affirmed/Jun'23
Fitch	AA-	Stable	Affirmed/Jan'23

Sources: ¹Official sources and only to 2022; all other figures are NBK estimates/forecasts

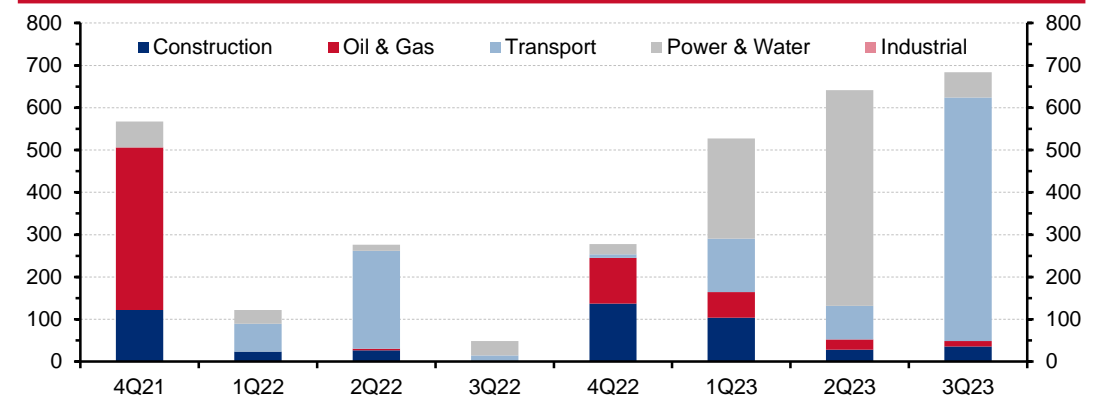
Kuwait's Economy

Real GDP Growth¹ (% y/y)



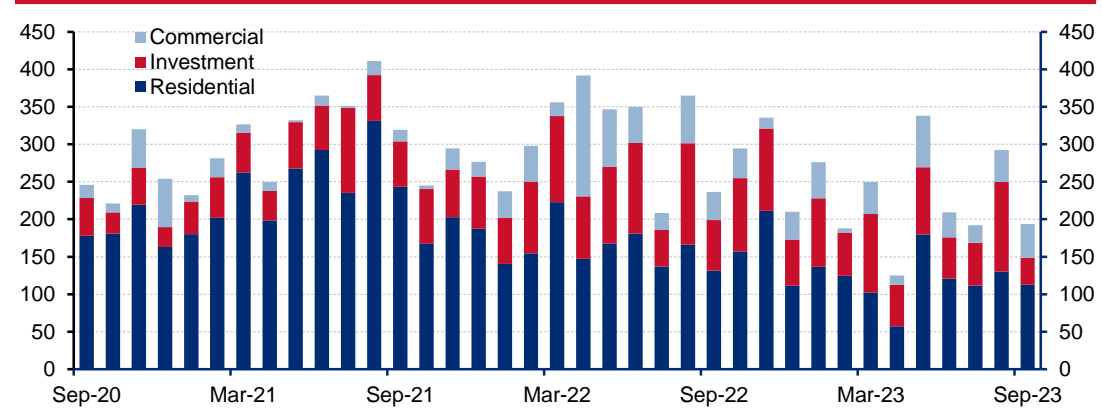
With oil production capped by OPEC+ policy obligations, non-oil GDP gains of 3.5% y/y (including refining) on average are driving economic growth in 2023.

Project Awards² (KD million)



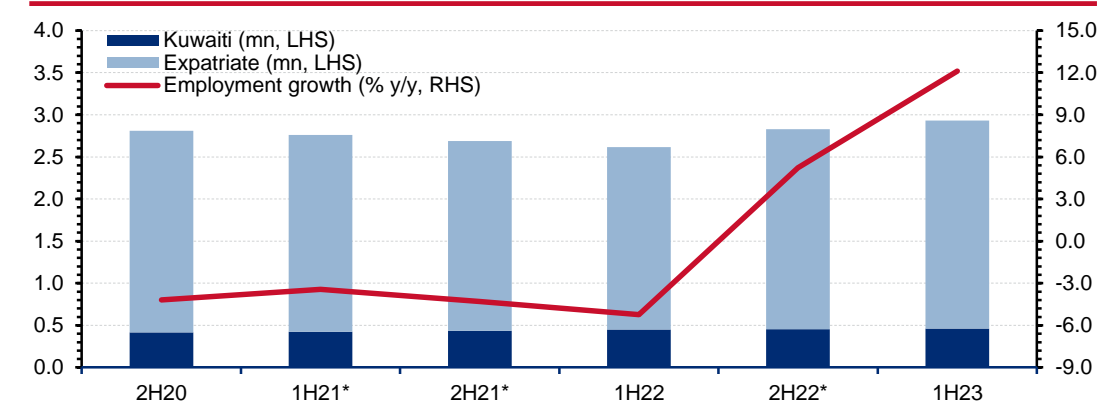
Projects activity strengthened in Q3 2023 as the value of awarded projects, largely transport-related, rose to a 7-year high of KD683m. With a cumulative KD1.86 bn to end-Sep, awards this year have far exceeded 2022 levels.

Real Estate Sales³ (KD million)



Real estate sales (by value) continue to trend lower, largely due to a pull-back in the residential sector amid high valuations and higher borrowing costs.

Employment⁴ (million, *estimated, annualized)



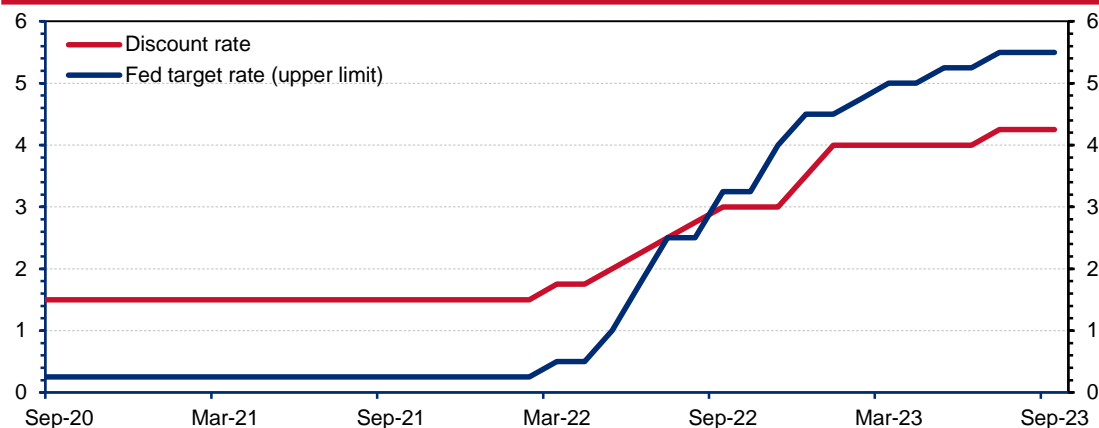
Employment growth accelerated in 1H23 on increased expatriate inflows. This has helped ease some labor shortages and likely reflects improved business activity.

Sources: ¹ CSB, NBK estimates; ² MEED Projects; ³ Kuwait Ministry of Justice (MOJ); ⁴ PACI



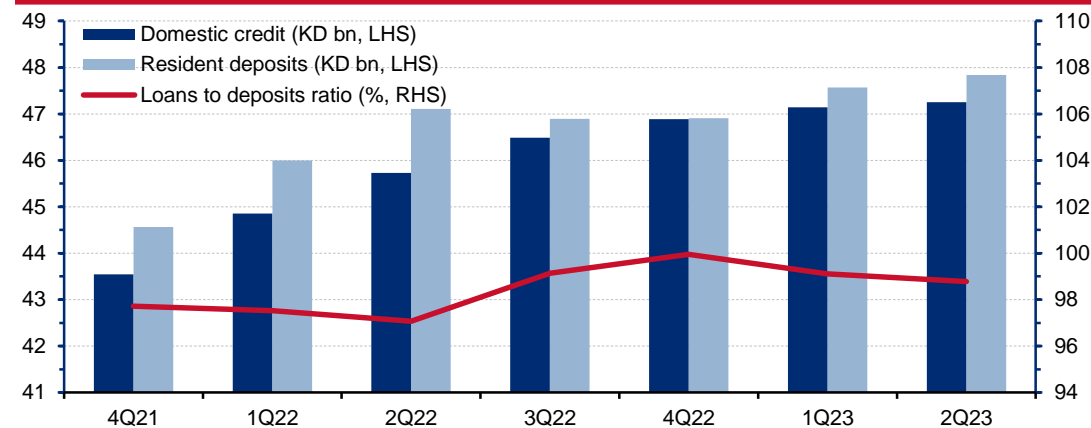
Kuwait's Banking Sector

Kuwait Discount Rate¹ (%)



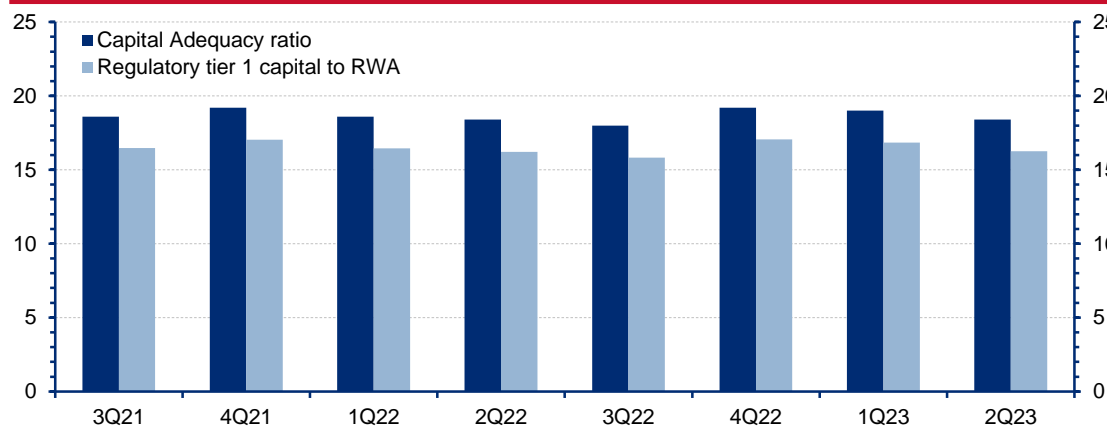
Policy rates have risen in line with US rates, but the extent and timing has differed, with the CBK raising its discount rate by a cumulative 275 bps to 4.25% as of September (vs. +525 bps to 5.5% at the upper limit for the US Fed).

Loans and Deposits²



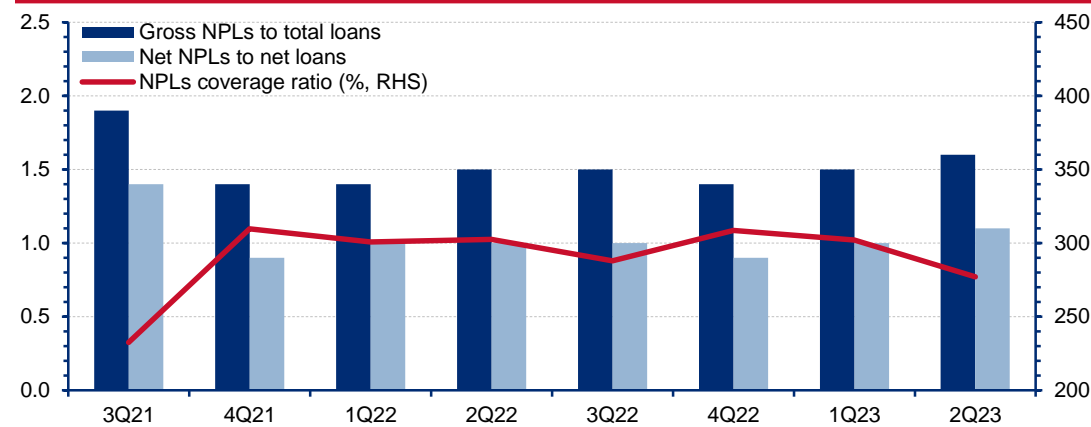
The domestic loans-to-deposits ratio stood at around 99% as of June, slightly higher than the same period last year.

Capital Adequacy Ratio³ (%)



The capital adequacy ratio was 18.4% as of June 2023, more than five percentage points higher than the minimum requirement.

NPLs to Gross Loans³ (%)



The NPL ratio stood at a very low 1.6% as of June 2023, while NPL coverage remains at around 277%.

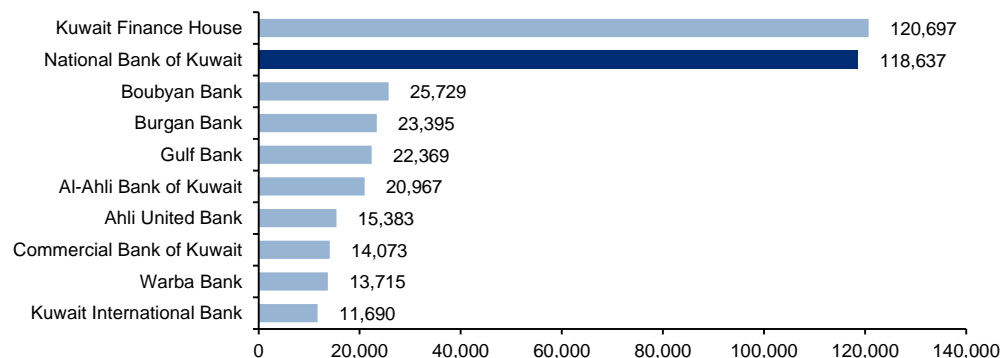
Sources: ¹As per latest Central Bank of Kuwait (CBK) rate hike on 26/07/2023; ²As per latest published CBK Monthly Statistical Bulletin (Aug-23); ³As per latest published CBK "National Summary Data Page"



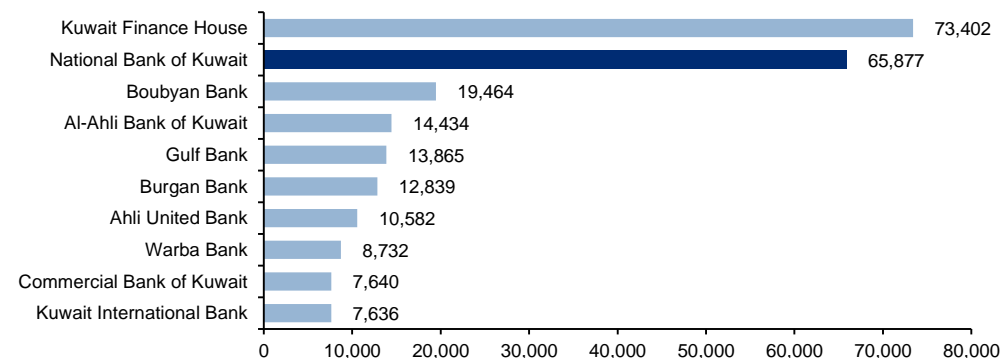
Dominant Kuwaiti Franchise

NBK is the leading banking group in Kuwait with a market leading position across its business segments

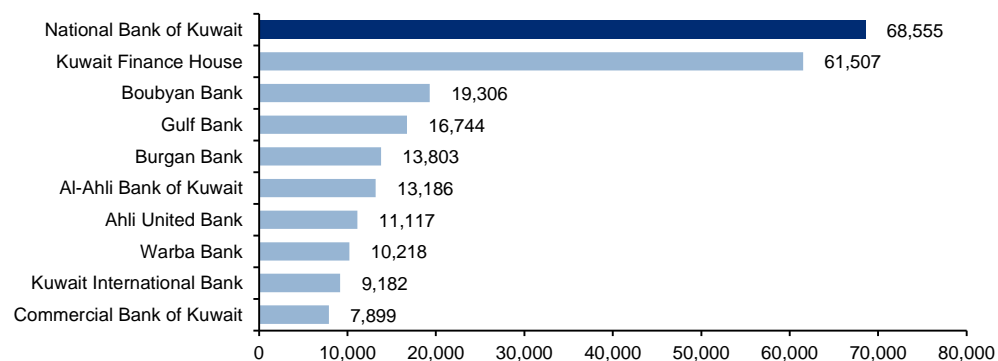
Total Assets (USD mn)



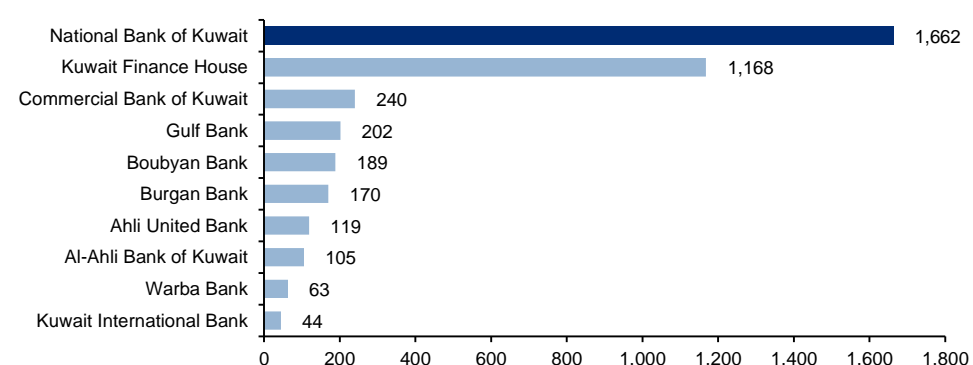
Customer Deposits (USD mn)



Customer Loans & Advances (USD mn)




Net Profit attributable to shareholders (USD mn)



Sources: Banks' annual reports. All data as of 31 December 2022 for Balance Sheet items and Income Statement Items.

Note: Kuwait Finance House, Boubyan Bank, AUB, KIB and Warba Bank are Islamic banks while Burgan Bank, Gulf Bank, Commercial Bank of Kuwait and Al-Ahli Bank of Kuwait are conventional banks.

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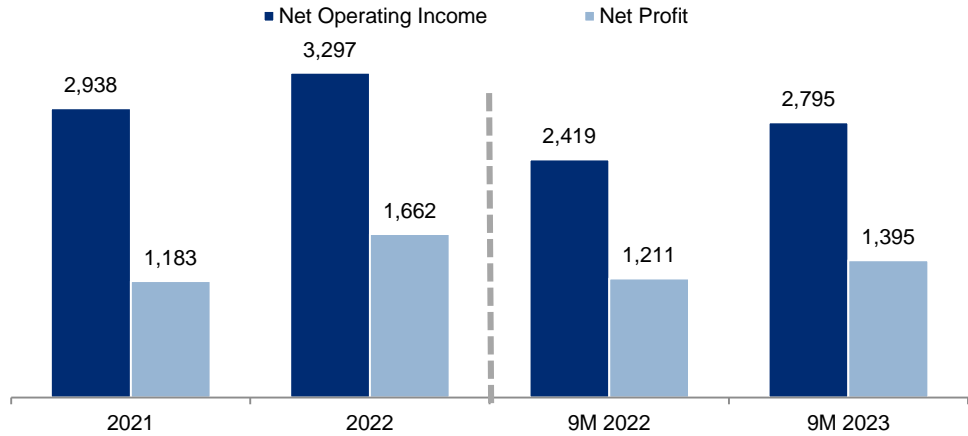


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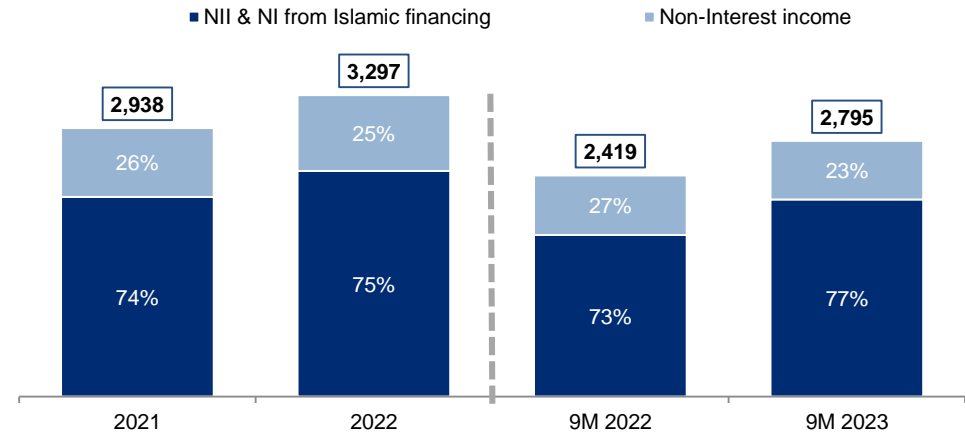


Operating Performance & Profitability

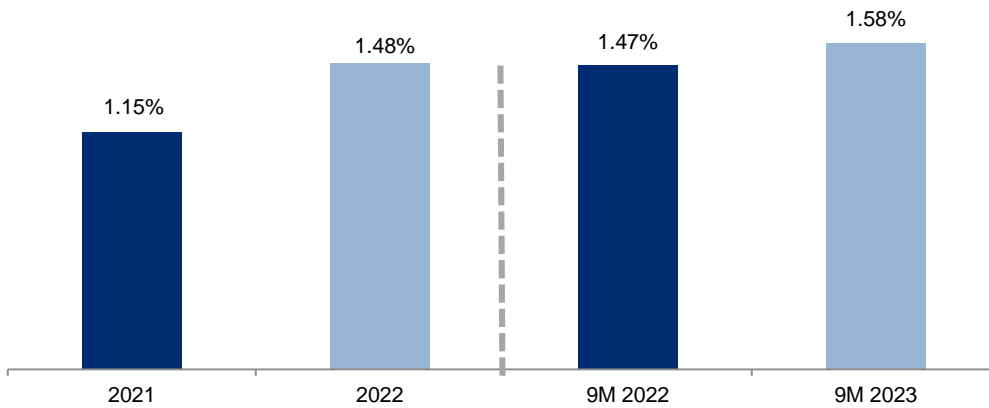
Profitability (USD mn)



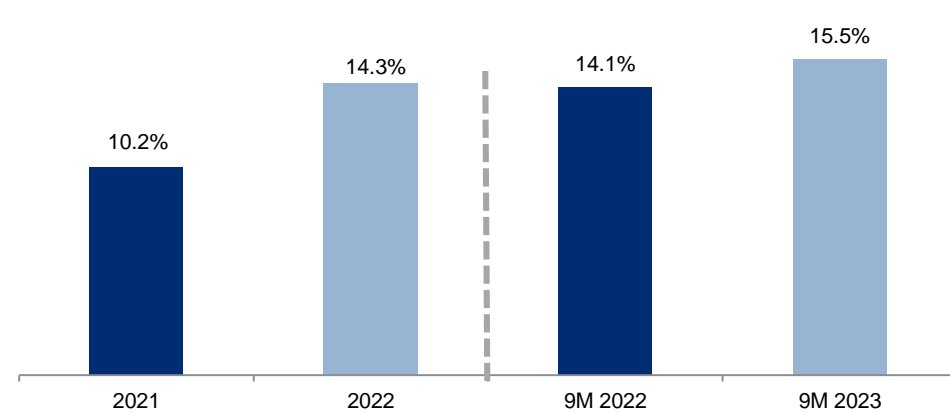
Operating Income Composition (USD mn)



Return on Average Assets (%)



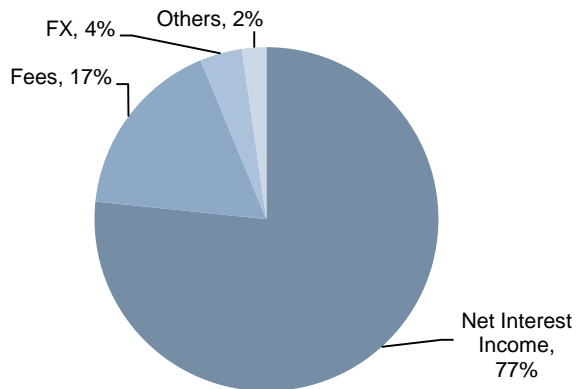
Return on Average Equity (%)



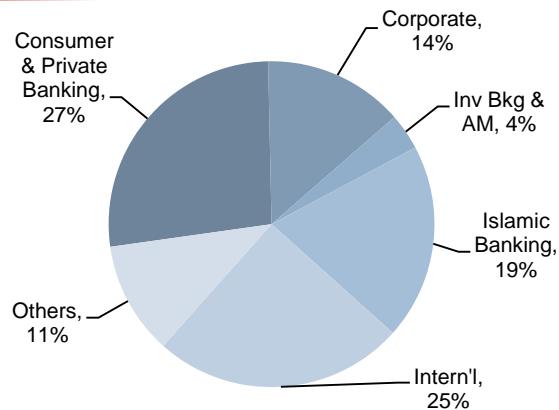


Operating Performance & Profitability (cont'd)

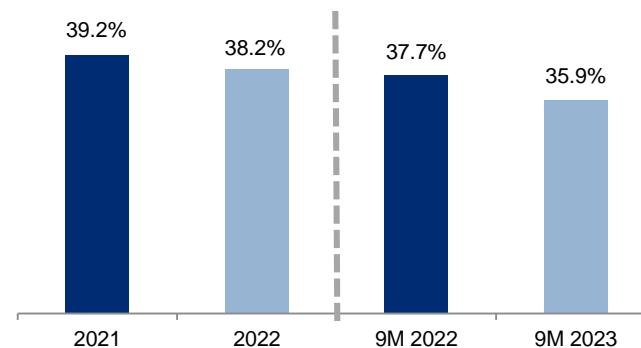
9M 2023 Op. Income by Type (%)



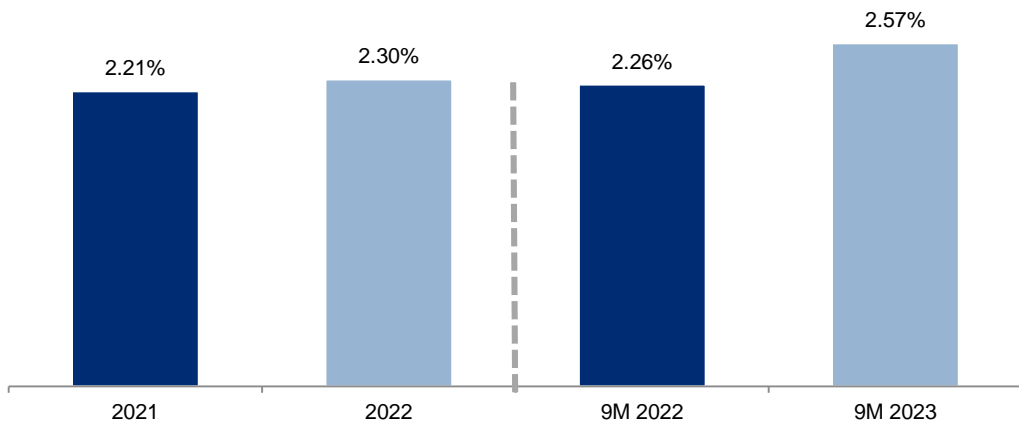
9M 2023 Op. Income by Business Line (%)



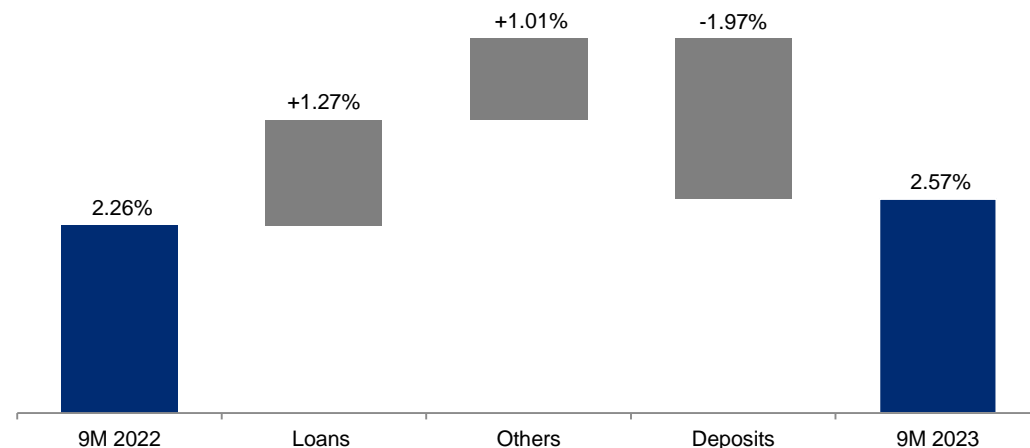
Cost to Income (%)



Net Interest Margin (%)



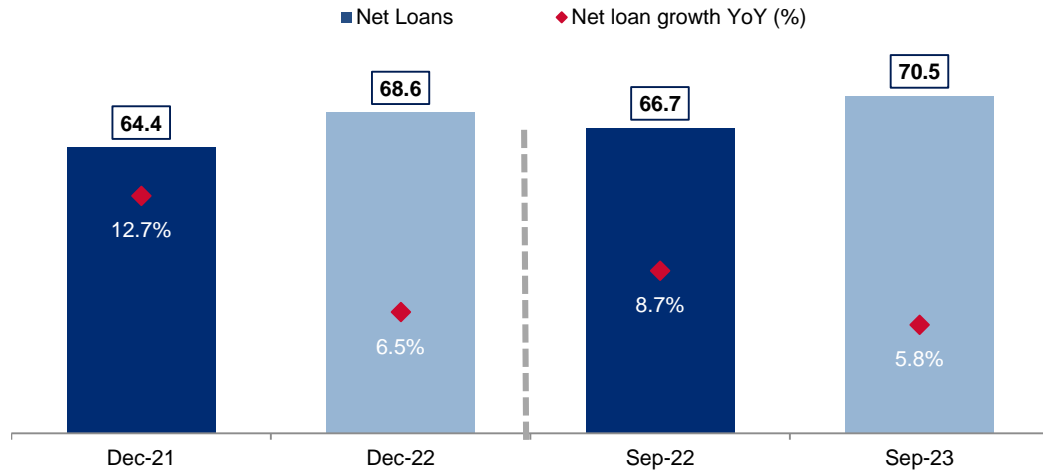
Net Interest Margin Drivers



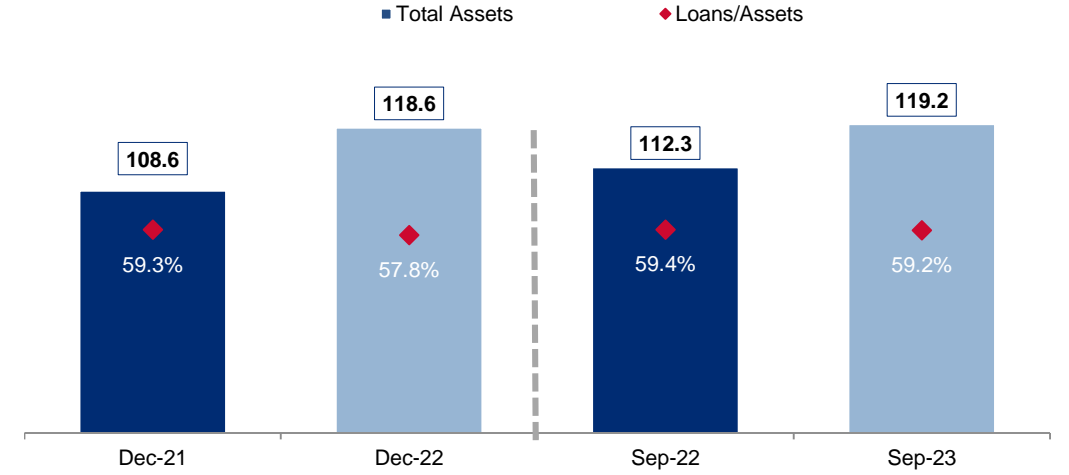


Balance Sheet Parameters

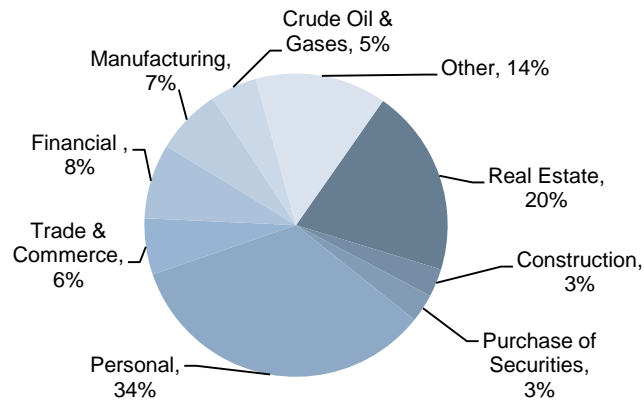
Net Loan Portfolio (USD bn)



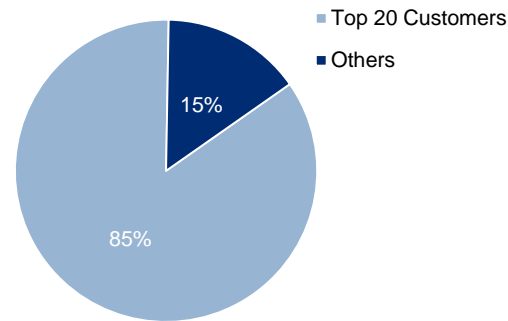
Loans to Assets (USD bn)



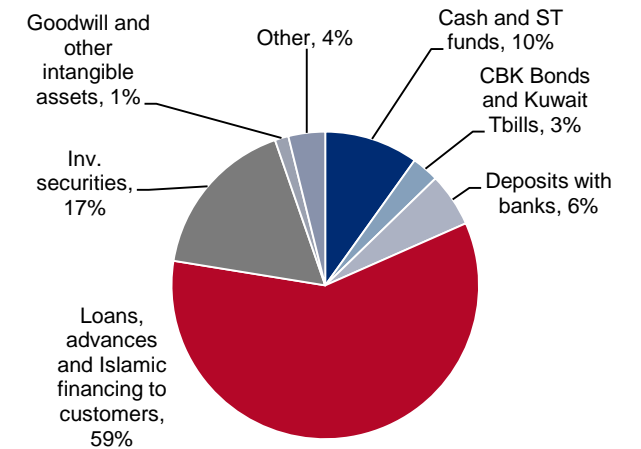
Loan Exposure by Sector (%) (as at 30 Sep. 2023)



Low Loan Concentrations (as at 30 Sep. 2023)



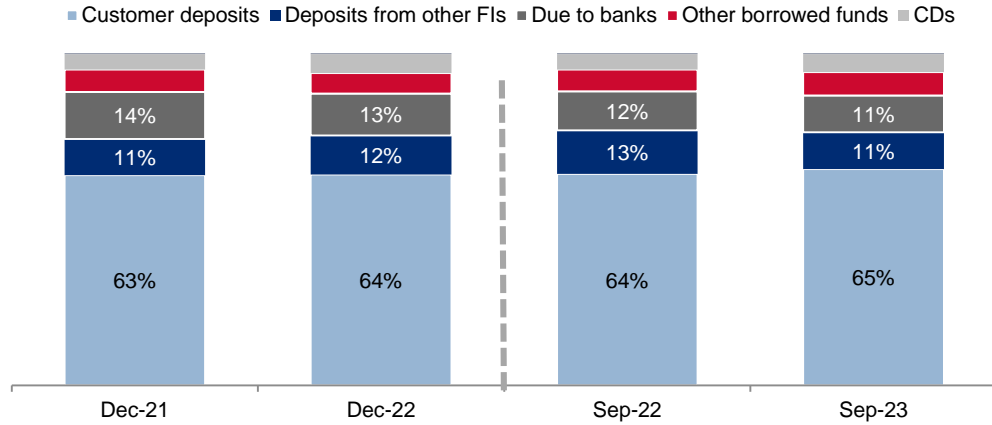
Assets by Type (as at 30 Sep. 2023)



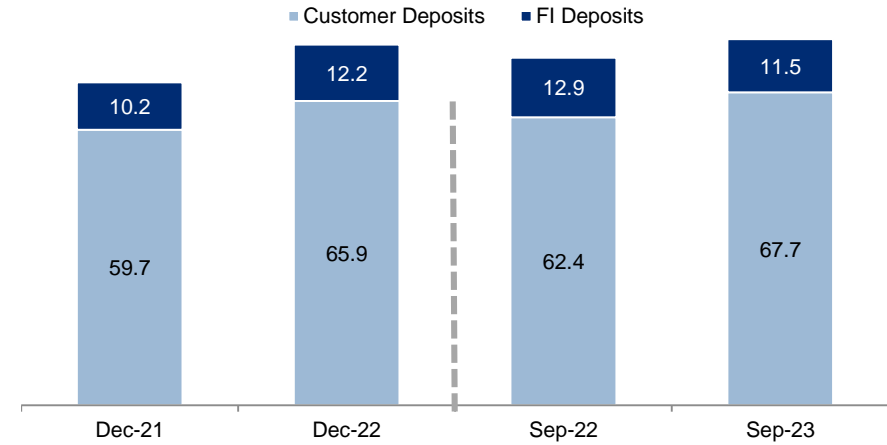


Funding and Liquidity Positions

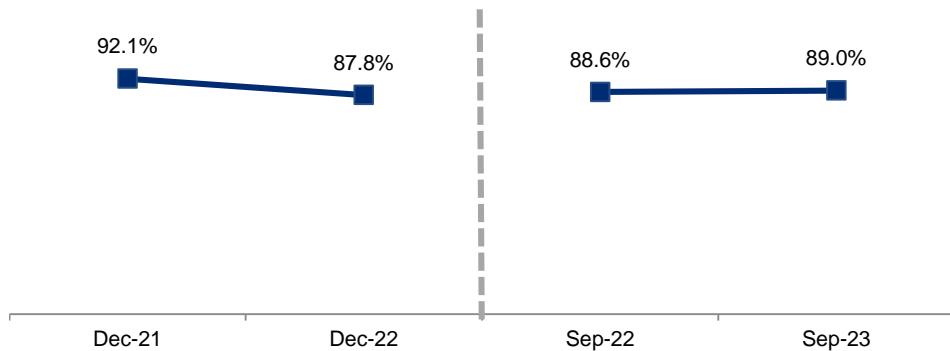
Funding Mix (Total Liabilities)



Customer and FI Deposits (USD bn)

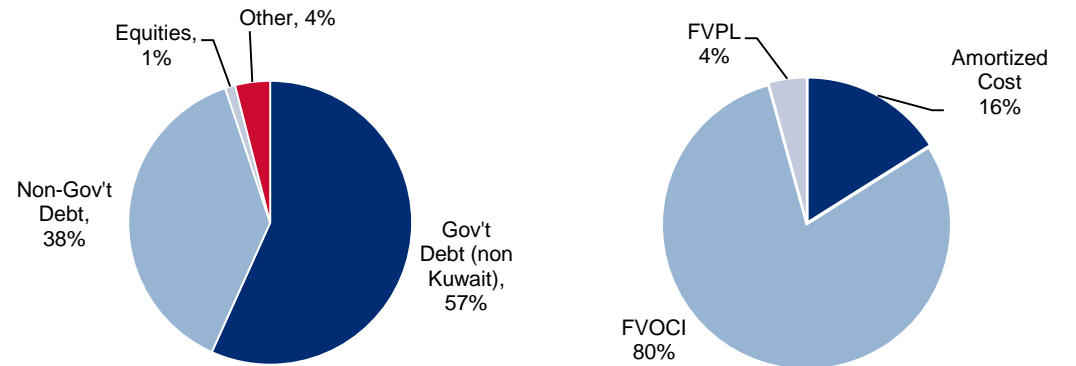


Loans to Customer and other FI Deposits Ratio (%)



Overview of Investment Securities¹ – USD 20.4 bn

As at 30 September 2023

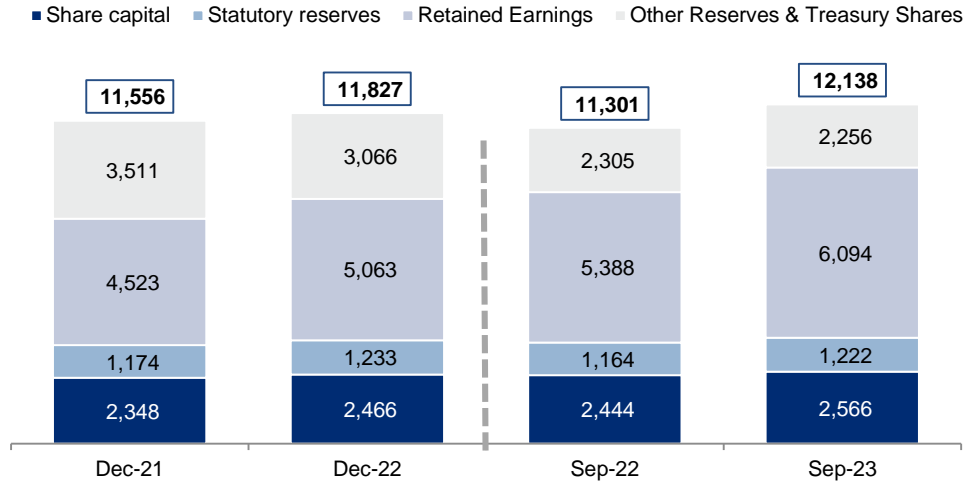


Notes:¹Excludes investments in Central Bank of Kuwait Bonds and Kuwait Government Treasury Bonds

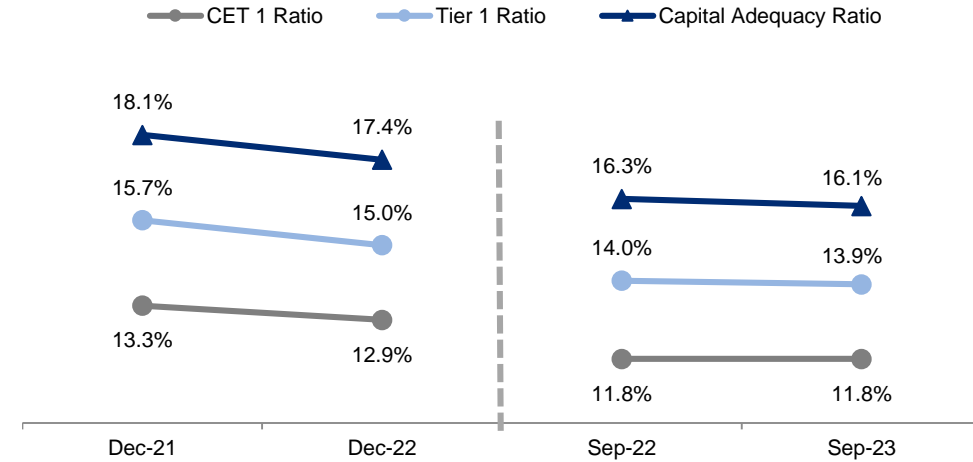


Capitalization and Asset Quality

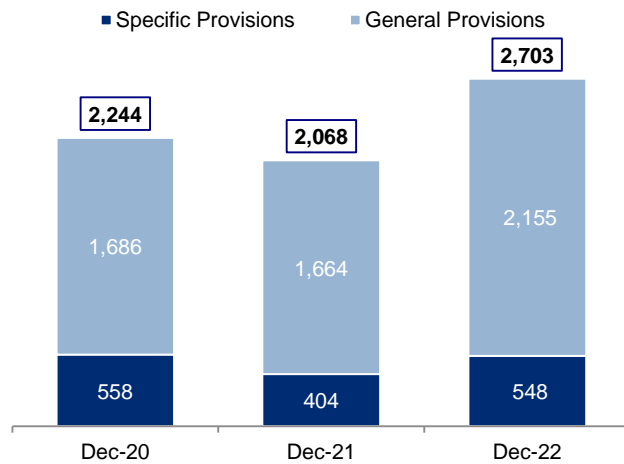
Total Equity¹ Breakdown (USD mn)



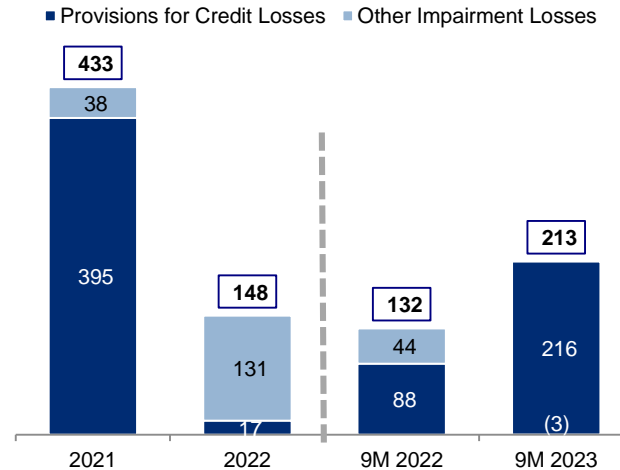
Prudent Capitalization (%)



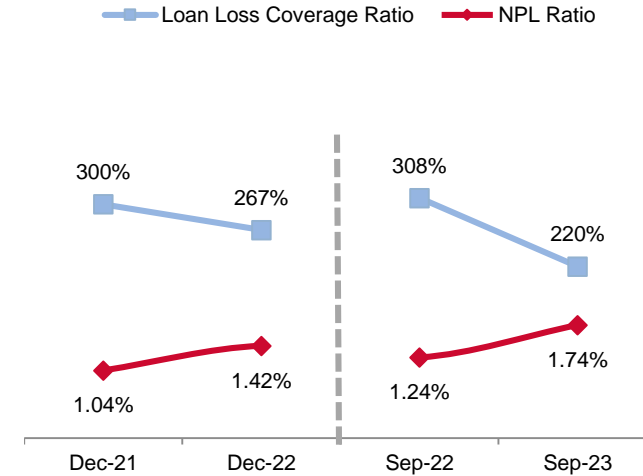
Prudent Provisioning (USD mn)



Provisions and Impairments Charges (USD mn)



Asset Quality Ratios (%)



Notes:¹ Equity here refers to total equity attributable to the shareholders of National Bank of Kuwait S.A.K.P.

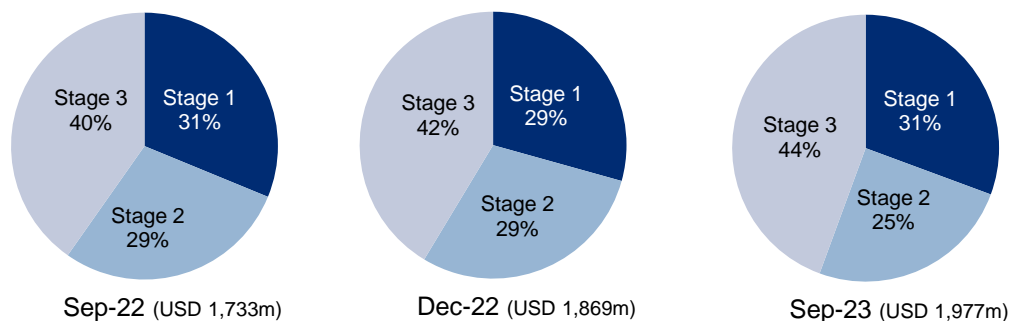


Expected Credit Losses (ECL) 9M 2023

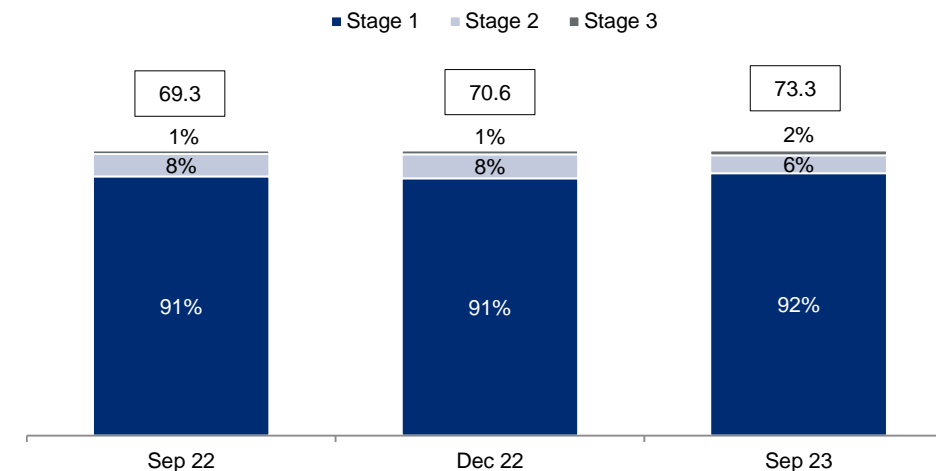
Financial Statements ECL Disclosure (USDm)

30 September 2023	Stage 1	Stage 2	Stage 3	Total
Loans, advances and Islamic financing to customers	67,524	4,547	1,276	73,347
Contingent liabilities	12,765	2,335	41	15,142
Commitments (revocable and irrevocable) to extend credit	25,332	3,293	0	28,625
ECL allowance for credit facilities	606	493	878	1,977

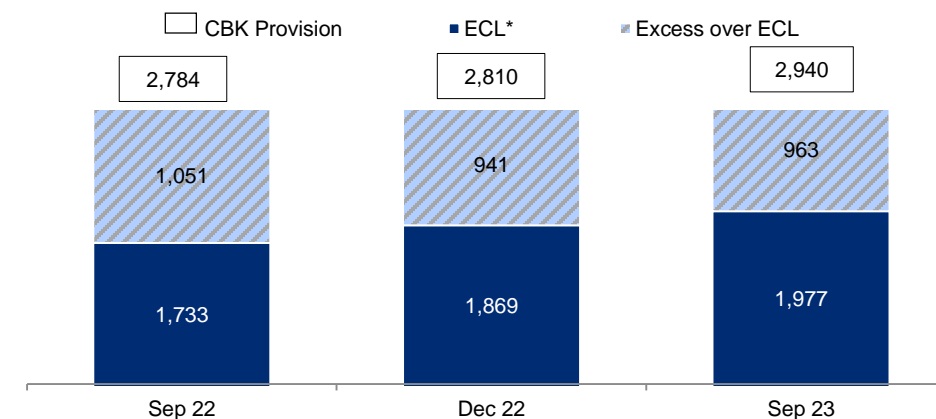
ECL Allowance for Credit Facilities



Total Gross Loans (USDbn)




CBK Credit Provisions vs IFRS 9 ECL (USDm)



* ECLs as per CBK guidelines

Contents



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Section 2	Strategy and Business Overview
Section 3	Operating Environment
Section 4	Financial Performance Highlights
Section 5	Appendix



Kuwait Selected Mega Projects

Project	Sector	Budget (KD bn)	Scope	Status
South Al Mutlaa City	Construction	6.0	30,000 residential units, schools and other facilities	Underway: The main contract bid submission deadline has been extended from September 17, 2023, to early October for Public Buildings in Multaa Residential City.
Jahra & Sulaibiya Low Cost Housing City	Construction	0.4	Low cost housing project north of Kuwait City; 824 Hectares	Underway: Project was in the execution stage as per latest update in August 2019. Construction works on an infrastructure package are completed.
Kuwait Environmental Remediation Programme (KERP)	Oil & gas	0.5	Environmental remediation project to address the environmental damage resulting from the Gulf War	Underway: The bid submission date for the North & South Kuwait Revegetation Project is extended from April 16, 2023 to June 18, 2023.
Clean Fuels Project (CFP)	Oil & gas	3.70	Specification upgrade and expansion of 2 existing refineries to produce 800,000 b/d	Complete: Overall progress 100%. The project is currently under operation and the time for its shutdown mechanical maintenance is still unknown.
Jurassic Non Associated Oil & Gas Reserves Expansion: Phase 2	Oil & gas	0.8	Production of 120,000 b/d of wet crude and more than 300 million cubic feet a day (cf/d) of sour gas	Underway: JPV IV Off-Plot Works & Production Facilities: The construction works are still ongoing on the project and is expected to be completed by 2024.
Petrochemical Facility at Al-Zour	Oil & gas	2.0	Petrochemical plant to be integrated with Al-Zour refinery	Planning/Underway: FEED works completed. Project Engineering and Management Services for 6 years contract has been awarded. KIPIC qualified 7 bidders for the main contract tender expected before end-2021. The Fire Station and Training Center tender is yet to be issued.
North Shuaiba Power Plant	Power & Water	0.4	Dual-fuel plant with a net power generation capacity of 778 MW and includes 3 desalination units with a capacity of 45 MIGD	Bidding/Planning: Consultancy contract bid submission deadline in November 2021.
Al-Zour North (IWPP) – P2 to P5	Power & water	5.0	1800 MW of power generation capacity and 464,100m ³ /day of desalination capacity	Complete/Planning: Al Zour North IWPP Phase 2 & 3: The request for qualifications (RFQ) has been issued with submission due on July 11, 2023.
Al-Khairan Power & Desalination Plant (IWPP)	Power & water	1.0	Power and desalination plants; project involves three phases.	Bidding/Planning: Al Khiran IWPP Phase I: The SOQ (statement of qualification) submission remains unchanged and is expected to be submitted by July 11, 2023.
Umm Al Hayman Waste Water (PPP)	Power & water	0.4	Initial treatment capacity of 500,000 m ³ /d. Plant may replace Riqqa WWTP in future	Underway (pending): The Construction works are ongoing and the project is expected to be completed by November 2025.
Kabd Municipal Solid Waste Project	Power & water	0.2	Waste to energy facility; 50% of all the municipal solid waste produced in Kuwait will be processed at the facility	On Hold: The project has been put on hold and the client is likely to cancel the project. Team led by France's CNIM is understood to have officially withdrawn from this project, which was planned to be developed under a PPP model.
Kuwait Metropolitan Rapid Transit	Transport	5.4	165 km transit line running across Kuwait.	Planning: Feasibility study for the project has been completed stating the PPP models is more economically viable than the traditional tendered approach.
Airport Expansion (New Passenger Building)	Transport	2.6	To increase the annual handling capacity of the airport to 20 million passengers and new runways and infrastructure expansion	Underway/Bidding: The Directorate General of Civil Aviation has invited the companies to bid by October 10, 2023, for the contract to operate the New Passenger Terminal 2 project.

Consolidated Financials 9M 2023 (USD mn)

<i>Income Statement (USD mn)</i>	9M 2022	9M 2023	YoY Growth (%)	<i>Balance Sheet (USD mn)</i>	Sep-22	Sep-23	YoY Growth (%)
Interest Income	2,034	3,835	89%	Cash and short term funds	12,383	11,778	(5%)
Interest Expense	689	2,111	NM	Central Bank of Kuwait bonds	3,358	2,790	(17%)
Net Interest Income	1,345	1,724	28%	Kuwait Government Treasury bonds	690	618	(10%)
Murabaha and other Islamic financing income	657	955	45%	Deposits with banks	5,659	6,732	19%
Distribution to depositors and Murabaha costs	233	525	NM	Loans, advances and Islamic financing to customers	66,679	70,539	6%
Net Income from Islamic financing	424	431	2%	Investment securities	17,583	20,434	16%
NII and NI from Islamic financing	1,769	2,155	22%	Land, premises and equipment	1,507	1,608	7%
Net fees and commissions	442	481	9%	Goodwill and other intangible assets	1,844	1,713	(7%)
Net investment income	42	62	47%	Other assets	2,611	2,995	15%
Net gains from dealing in foreign currencies	162	95	(41%)	Total Assets	112,314	119,208	6%
Other operating income	4	3	(23%)	Due to banks	11,474	11,556	1%
Non-interest income	650	640	(1%)	Deposits from other financial institutions	12,881	11,516	(11%)
Net Operating Income	2,419	2,795	16%	Customer deposits	62,389	67,748	9%
Staff expenses	530	556	5%	Certificates of deposit issued	4,573	5,665	24%
Other administrative expenses	283	337	19%	Other borrowed funds	4,116	4,323	5%
Depreciation of premises and equipment	94	107	14%	Other liabilities	2,321	2,979	28%
Amortisation of intangible assets	4	4	0%	Total Liabilities	97,754	103,786	6%
Operating Expenses	911	1,004	10%	Share capital	2,444	2,566	5%
Pre-provision profits (and impairments)	1,507	1,792	19%	Proposed bonus shares	-	-	NA
Provision charge for credit losses and impairment losses	132	213	61%	Statutory reserve	1,164	1,222	5%
Operating profit before taxation	1,375	1,578	15%	Share premium account	2,599	2,599	0%
Taxation	112	119	7%	Treasury share reserve	113	113	0%
Non-controlling interest	52	64	23%	Other reserves	4,981	5,637	13%
Profit attributable to shareholders of the Bank	1,211	1,395	15%	Equity attributable to shareholders	11,301	12,138	7%
				Perpetual Tier 1 Capital Securities	1,421	1,421	0%
				Non-controlling interests	1,838	1,863	1%
				Total equity	14,560	15,422	6%
				Total liabilities and equity	112,314	119,208	6%



Consolidated Statement Of Income (USD mn)

<i>USD mn</i>	2020	2021	2022
Interest Income	2,471	2,158	3,094
Interest Expense	871	506	1,188
Net Interest Income	1,600	1,653	1,906
Murabaha and other Islamic financing income	735	744	939
Finance cost and Distribution to depositors	267	211	377
Net Income from Islamic financing	468	532	562
Net interest income and net income from Islamic financing	2,068	2,185	2,468
Net fees and commissions	483	551	593
Net investment income	7	91	51
Net gains from dealing in foreign currencies	107	97	181
Other operating income	75	13	3
Non-interest income	671	753	829
Net Operating Income	2,739	2,938	3,297
Staff expenses	570	657	719
Other administrative expenses	322	377	410
Depreciation of premises and equipment	109	111	127
Amortisation of intangible assets	5	5	5
Operating Expenses	1,006	1,151	1,261
Op. profit before provision for credit losses and impairment losses	1,733	1,787	2,036
Provision charge for credit losses	711	395	17
Impairment losses	94	38	131
Operating profit before taxation	929	1,354	1,888
Taxation	84	111	155
Directors' remuneration	-	0	3
Non-controlling interest	40	60	68
Profit attributable to shareholders of the Bank	804	1,183	1,662

Consolidated Statement Of Financial Position (USD mn)

<i>USD mn</i>	2020	2021	2022
Cash and short term funds	12,744	16,592	17,380
Central Bank of Kuwait bonds	2,711	2,710	2,877
Kuwait Government treasury bonds	1,511	1,361	691
Deposits with banks	3,354	2,890	4,865
Loans, advances and Islamic financing to customers	57,148	64,389	68,555
Investment securities	15,438	16,033	18,396
Investment in associates	17	12	10
Land, premises and equipment	1,394	1,489	1,550
Goodwill and other intangible assets	1,900	1,898	1,746
Other assets	804	1,201	2,566
Total Assets	97,021	108,575	118,637
Due to banks	9,965	13,381	13,118
Deposits from other financial institutions	9,563	10,237	12,213
Customer deposits	55,841	59,683	65,877
Certificates of deposit issued	3,000	4,373	5,882
Other borrowed funds	2,640	4,135	4,060
Other liabilities	2,491	2,182	2,355
Total Liabilities	83,501	93,991	103,504
Share capital	2,236	2,348	2,466
Proposed bonus shares	112	117	123
Statutory reserve	1,118	1,174	1,233
Share premium account	2,622	2,622	2,622
Treasury share reserve	114	114	114
Other reserves	4,604	5,180	5,271
Equity attributable to shareholders of the bank	10,806	11,556	11,828
Perpetual Tier 1 Capital Securities	1,431	1,433	1,433
Non-controlling interests	1,282	1,595	1,870
Total equity	13,520	14,584	15,132
Total liabilities and equity	97,021	108,575	118,637

Contact

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Useful information

Download copies of NBK's:

- [Financial statements](#)
- [Earnings release](#)
- [Annual report](#)



National Bank of Kuwait

Investor Presentation

October 2023