



**Growing in
Strength**

Disclaimer

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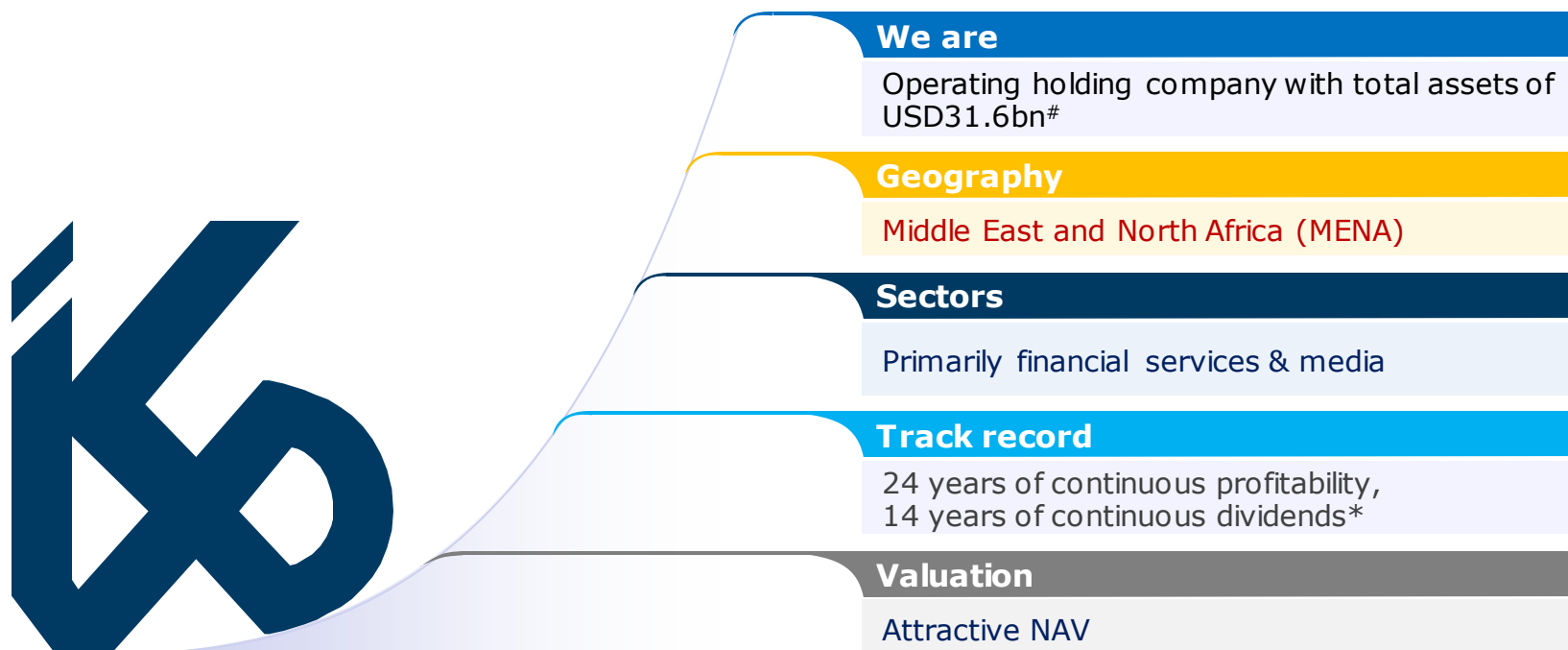
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Executive Summary

A diversified company with deep regional expertise and roots



Majority owned
by ruling family
of Kuwait

A transparent
company with
an experienced
management
team

Listed on
Kuwait Stock
Exchange with a
market cap of
USD2.6bn**

Credit ratings:
S&P: BBB-
Moody's: Baa3

Gateway to MENA with superior access to opportunities













* Subject to approval of 2015 dividends by annual general assembly

** As on 02 March 2016

[#] As on 31 December 2015

Note: Exchange rate of KD/ USD of 0.3035 has been used in the presentation for yearly financial numbers

Our presence by geographies & sectors

Geography	Major Sectors							Revenue (2015) ¹
	Commercial banking	Media	Insurance	Real Estate	AMIB	Industrial	Others	
Kuwait 	●	●	●	●	●	●	●	46%
KSA 		●	●			●		8%
UAE 		●	●	●	●			7%
Bahrain 		●	●	●	●			4%
Turkey 	●							11%
Jordan 	●	●	●	●				8%
Egypt 		●	●	●			●	7%
Algeria 	●	●	●					3%
Iraq 	●	●	●					2%
Malta 	●				●			2%
Lebanon 		●	●	●			●	0.5%
Tunisia 	●	●			●			0.5%
Others	●	●	●	●	●		●	1%
Revenue (2015) ²	45%	21%	12%	8%	6%	5%	3%	
Assets (2015) ³	75%	5%	3%	7%	7%	2%	1%	

Attractive presence in high growth economies and promising sectors

1. Based on total revenue from continuing operations and assuming consolidation of GIG & OSN

2. Total revenue of USD3.2bn, based on reported segmental revenue (before inter group eliminations) post consolidation of 100% revenue of GIG & OSN

3. Total assets of USD36.2bn, based on reported segmental assets (before inter group eliminations) post consolidation of 100% assets of GIG & OSN

Core Holdings

All core holdings are market leaders in their space



#2

conventional bank
in Kuwait¹



#1

Digital satellite premium
Pay TV operator² in MENA
region



#1

Insurer in Kuwait³, Bahrain⁴,
Jordan⁴ & Egypt⁵



#1

Asset Manager in Kuwait with
highest AuM



#3

listed real estate
player on Kuwait Stock
Exchange¹



Leading industrial company
In Kuwait with investments
across petrochemicals, food
and healthcare sectors

KIPCO aims at investing in companies which have potential to be market leaders

1. In terms of assets 2. In terms of revenues and countries of operations 3. By Gross Premium Written (GPW) and Direct premiums 4. By GPW 5. By Technical profit among private sector players (all ranking is as of 31 December 2015)

Best in Class: Performance vs. Key Indices

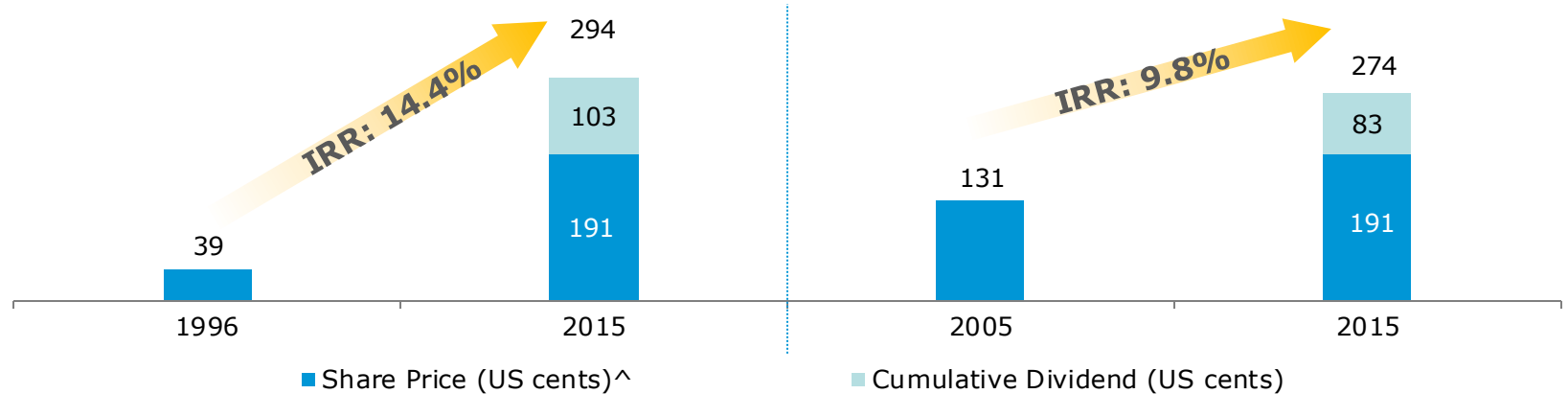
Total return*	1 year	3 year	5 year	7 year	10 year
Kuwait Stock Exchange	(10%)	6%	(4%)	(9%)	NA
MSCI Emerging Markets	(15%)	(18%)	(21%)	69%	46%
S&P 500	1%	53%	81%	163%	102%
MSCI Frontier EM Index	(18%)	(9%)	(8%)	47%	NA
KIPCO	(14%)	82%	101%	120%	157%
KIPCO Rank vs. Key Indices	3	1	1	2	1

Data Source: Bloomberg; for period ending 31 December 2015

* Absolute return adjusted for dividend reinvestment

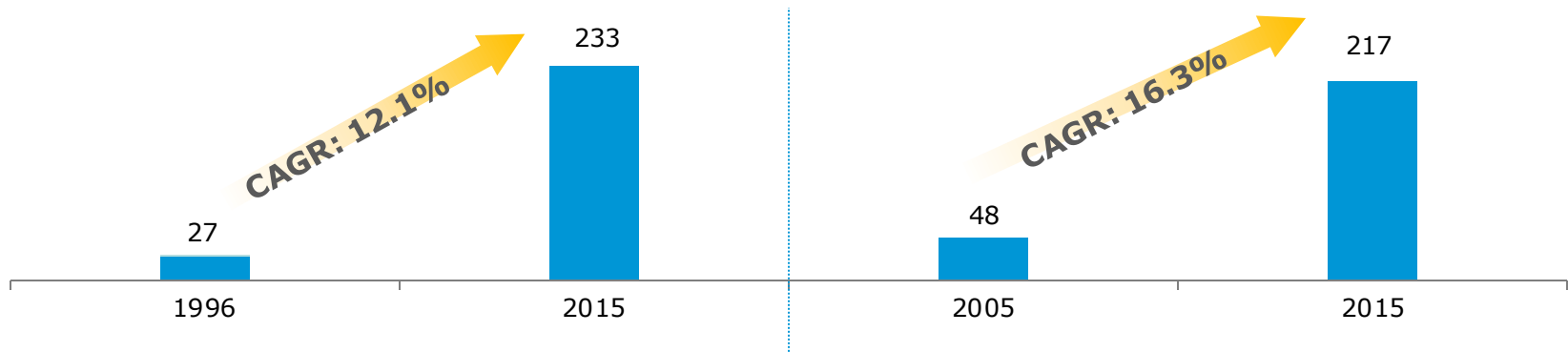
Attractive returns

Total Shareholders' Return Growth



Note: Data adjusted for stock dividend

Book Value Per Share Growth (in US cents)



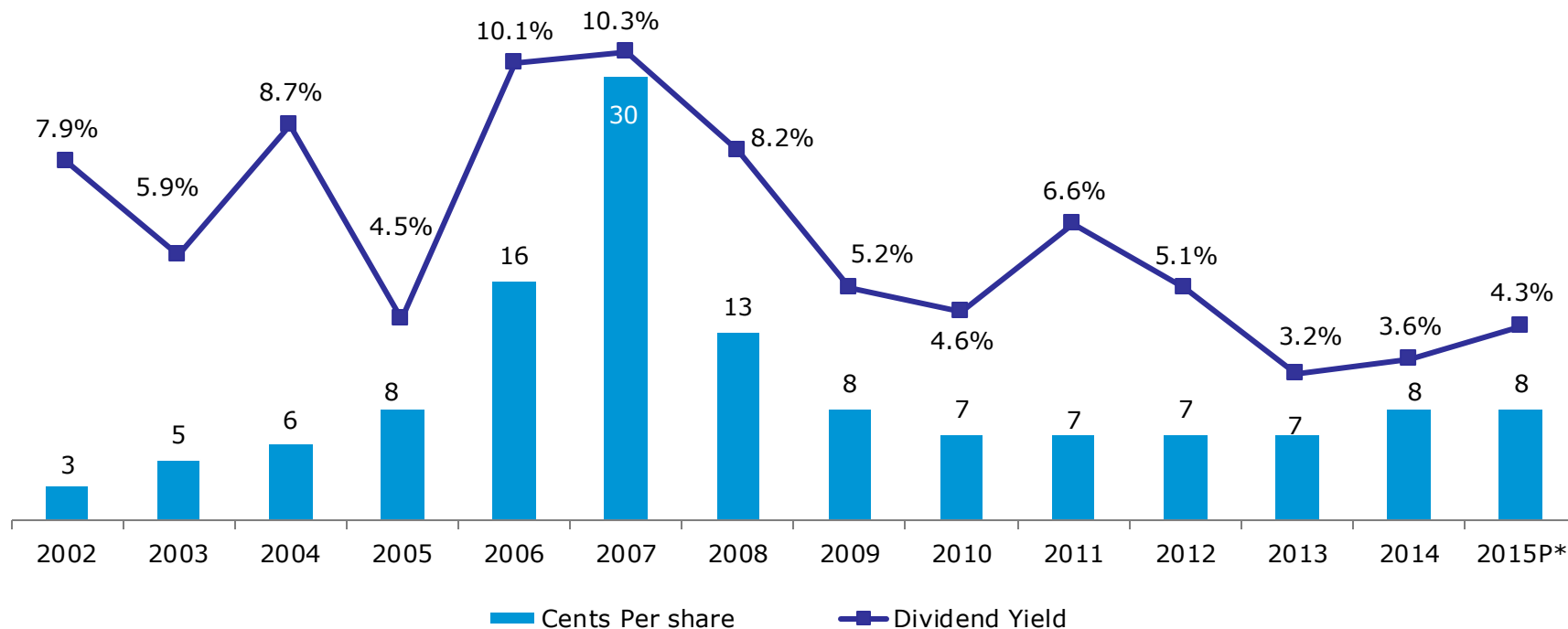
Note: Assuming no dividend was paid



^Represents adjusted share price

Continuous dividends

KIPCO: USD1.5bn in cash dividends paid by KIPCO since 2002



13 years of continuous dividend payments and ~7% average dividend yield

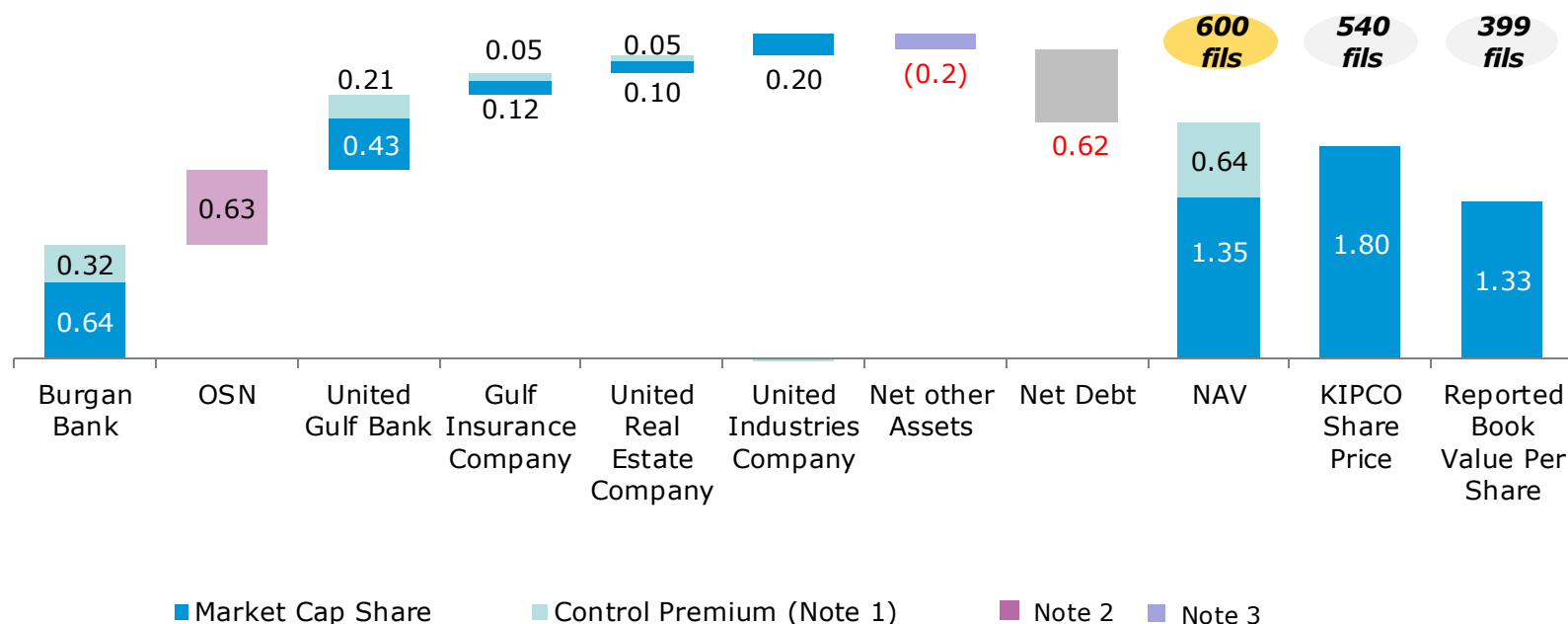
Note: In addition to the above cash dividends, KIPCO also paid stock dividends in 2007 (10%), 2009 (5%), 2010 (5%), 2011 (5%), 2012 (5%) and 2013 (5%).

Dividend Yield is computed as (Dividends paid for the year/ Closing share price of the year)

* Subject to approval of 2015 dividends by annual general assembly

Net asset value

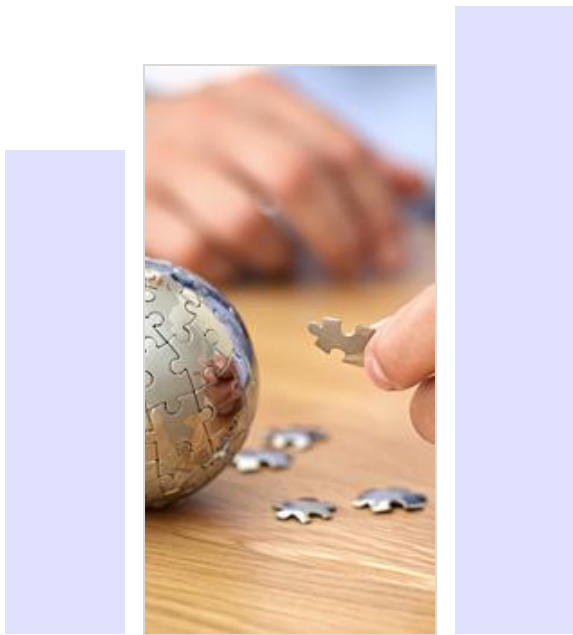
NAV Computation (USD per Share)



Sensitivity to OSN Value

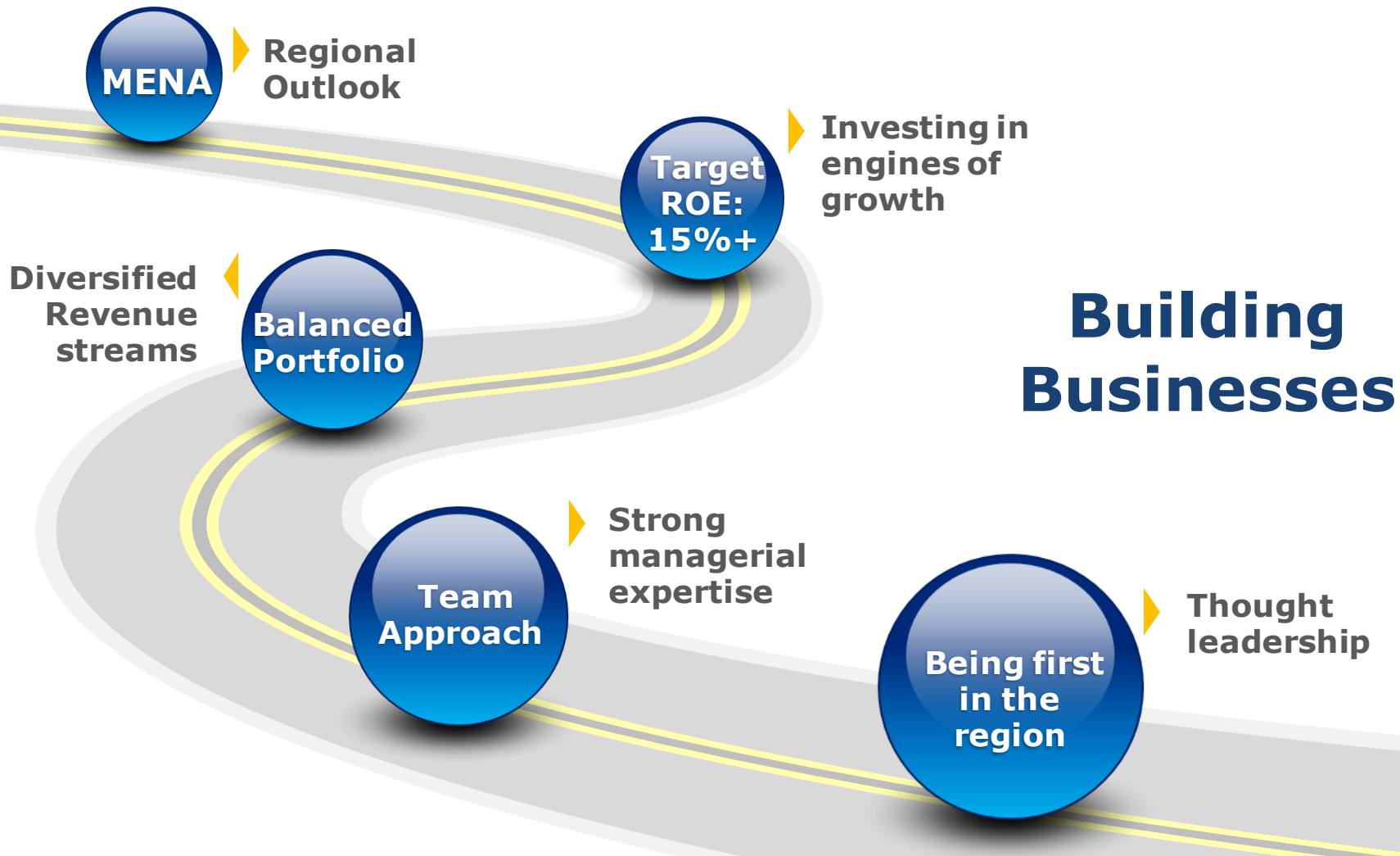
OSN Value - USDbn	1.5	3.0	4.5
NAV - Fils per Share	600	788	977
Current Stock Price (Fils)	540	540	540
Upside Potential (%)	-	31%	63%

1. Control Premium has been assumed at 50% to the respective market prices to reflect the value of significant stakes in these entities.
2. OSN has been taken at fair value (~USD1.5bn) used for Joint venture accounting in audited financials of KIPCO (notes 9 & 22 of annual financial statements for year ending 2009), further to merger of Orbit and Showtime in August 2009. Other components of the NAV are at book value as of 31 December 2015
3. Operating expenses of USD0.02 per share adjusted with net other assets; Prices are as of 02 March 2016









Strategy

Strategic roadmap



Invest in companies with sustainable and predictable cashflows

Controlling or majority stakes

Main Entities	 بنك بروتيان BURGAN BANK		 بنك الخليج المتحدة United Gulf Bank S.S.C.	 KAMCO كامكو	 Gulf Insurance gig GULF INSURANCE GROUP	 شركة العقارات المتحدة United Real Estate Co
KIPCO Effective Stakes ¹	64.8%	60.5%	96.7%	83.3% ³	45.8%	71.1%
Board Representation	6 of 9	2 of 7 ⁵	4 of 7	5 of 5	4 of 10 ⁴	4 of 7
Market Cap (USDmn) ²	2,319	Unlisted	849	84	417	332
Credit Ratings	S&P: BBB+ / A2 Moody's: A3 / P2	Unrated	CI*: BBB	Unrated	S&P: A- (GIRI) ^; BBB+ (GIG) AM Best: A-	CI*: BBB
	Commercial Banking	Media	Asset Management & Investment Banking (AMIB)		Insurance	Real Estate

Solid & well managed portfolio of fast growing and attractive industries






Notes:

1. Effective Stakes given are as of 31 December 2015
2. Market Capitalisation as of 02 March 2016 (Source: Bloomberg)
3. Stake in KAMCO is held through UGB
4. GIG has 10 board members – 4 from KIPCO, 3 from Fairfax and 3 independent directors
5. OSN has 7 board members – 2 each from KIPCO and Mawarid and 3 independent directors

* Capital Intelligence ^ Gulf Insurance & Reinsurance Company (GIRI), the core Kuwaiti subsidiary of Gulf Insurance Group (GIG).

Active management

Key businesses – progress indicators

Businesses	Parameters	Then*	Now	Active Management – KIPCO Support & Action
	Net Interest Margin	1995 1.3%	2015** 2.3%	<ul style="list-style-type: none"> Transformed from a local player to regional player Hired new management in 2010/11 to execute regional strategy Focused on growth with prudent loan underwriting
	Sub. Base	1996 —	2015 > 1.0 Mn^	<ul style="list-style-type: none"> Merged with Orbit in 2009 to create leading pay TV operator in MENA Acquired Pehla in Aug'13 and consolidation of PayTV continues Gained access to premium content and rolled out anti-piracy initiatives Focused on subscriber acquisition
	Book Value	1998 193Mn \$	2015 394Mn \$	<ul style="list-style-type: none"> Incubated pan-MENA commercial banking network Equipped to assess / develop opportunities identified by KIPCO Refining strategy to add more value to financial services sector
	Rank# (by GPW)	1997 # 3 of 5	2015 # 1 of 32	<ul style="list-style-type: none"> Transformed from a local player to regional player Gained market leadership in 3 key geographies Partnered with Fairfax to strengthen operations and enhance growth
	AuM	2000 USD 0.7 Bn	2015 USD 11.1 Bn	<ul style="list-style-type: none"> Spun-off AM/IB division to separate client funds from KIPCO funds Full range of asset management & investment advisory services in Kuwait Streamlined operation in 2012 to focus on core business

Number of success stories demonstrating consistent track record of value creation

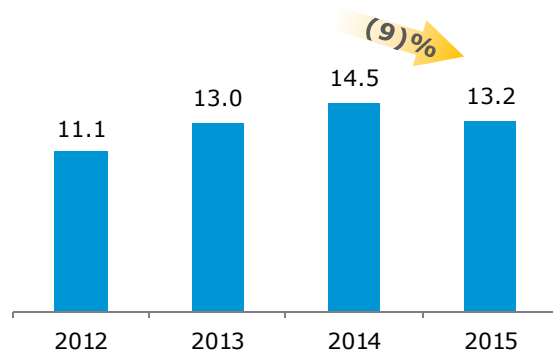
* Year of Incorporation/acquiring substantial stake # Represents rank in Kuwait ** 2015 estimate excluding Jordan Kuwait Bank
^ Represents subscriber base post merger of Showtime & Orbit in 2009 and acquisition of Pehla in 2013 and including integrated TFC subscribers



Performance Update

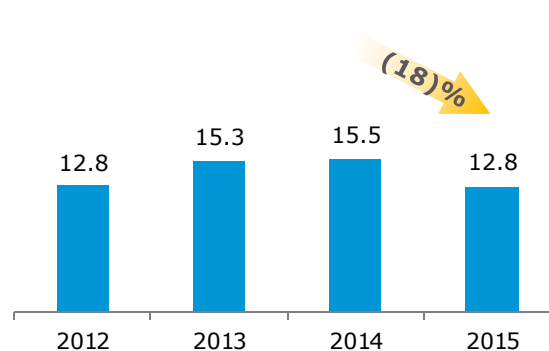
Loan Growth

USDbn



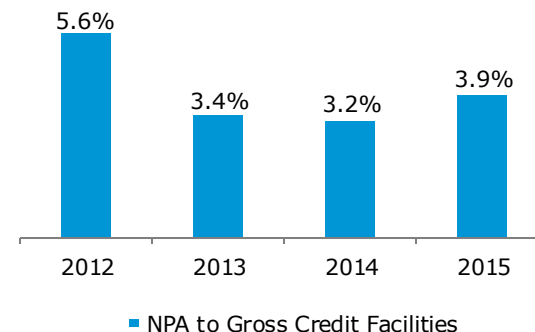
Deposit Growth

USDbn



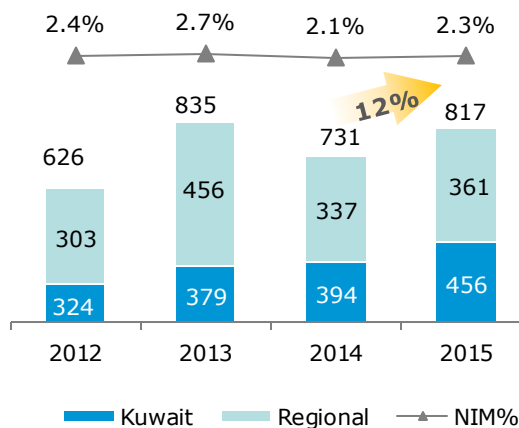
Asset Quality

NPA Coverage with collateral^			
144%	175%	184%	184%
NPA Coverage without collateral			
76%	123%	131%	120%



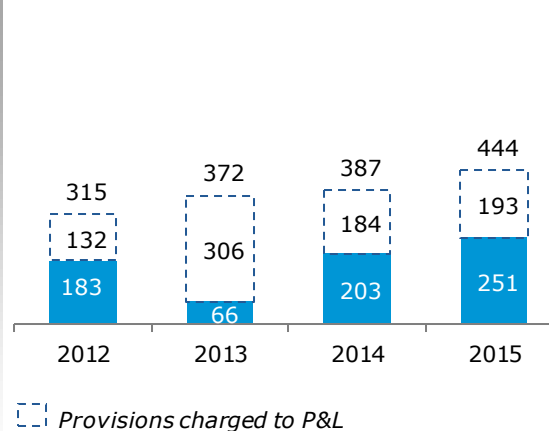
Operating Income

USDmn



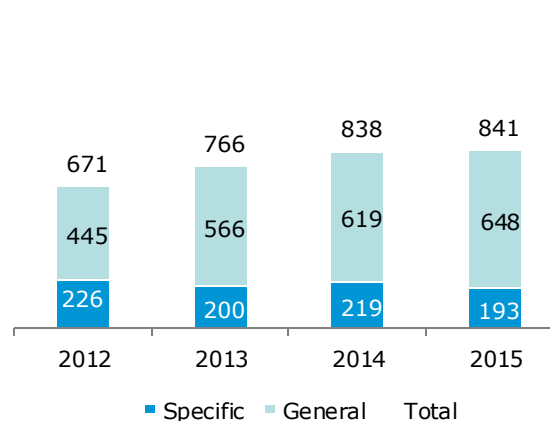
Net Profit & Provisions

USDmn



Total Provision

USDmn



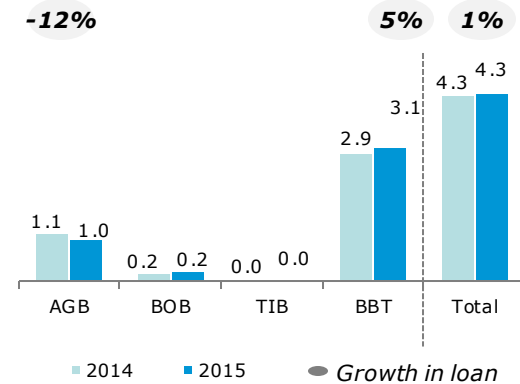
Solid Performance with strict focus on asset quality; Basel III CAR at 15.6%*

^ NPA coverage with collateral calculated as (loan loss reserve + value of collateral)/NPA * Excludes 2015 net profit accrual

Burgan Bank: Regional operations*

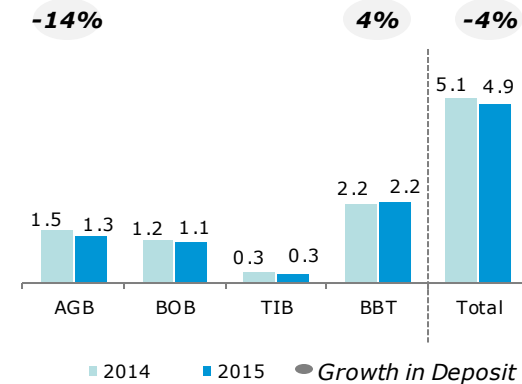
Loan Growth

USDbn



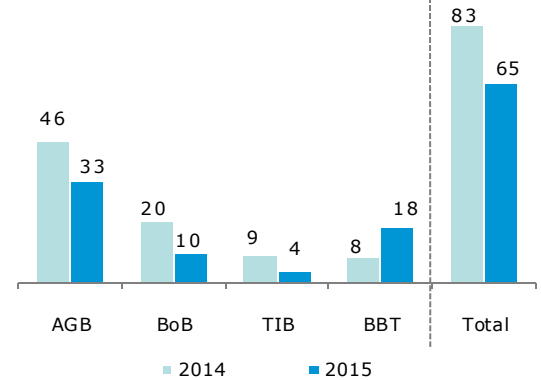
Deposit Growth

USDbn



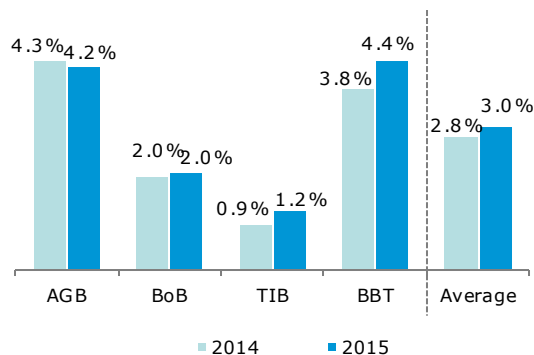
Net Profit^

USDmn



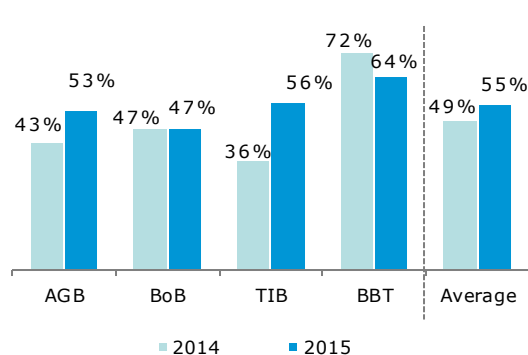
Net Interest Margin

Percentage



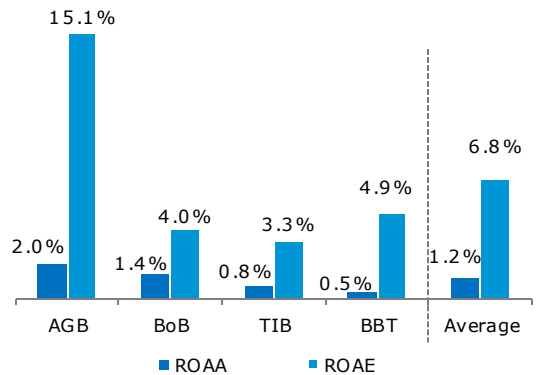
Cost to Income

Percentage



Return on Avg. Assets & Equity

Percentage



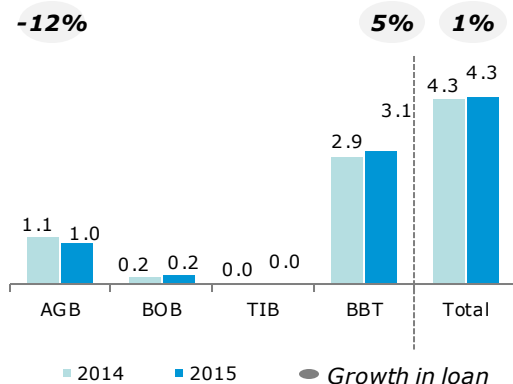
Regional operations contributing towards improved growth profile

^ Represents 100% profits attributable to parent for each of the subsidiary; * Excludes earnings and assets of Jordan Kuwait Bank (JKB)
AGB = Algeria Gulf Bank, BOB = Bank of Baghdad, TIB = Tunis International Bank, BBT = Burgan Bank Turkey

Burgan Bank: Regional operations*

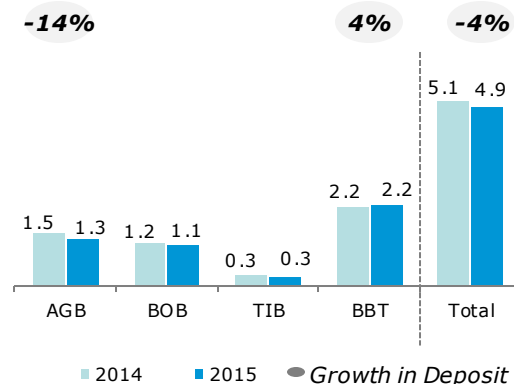
Loan Growth

USDbn



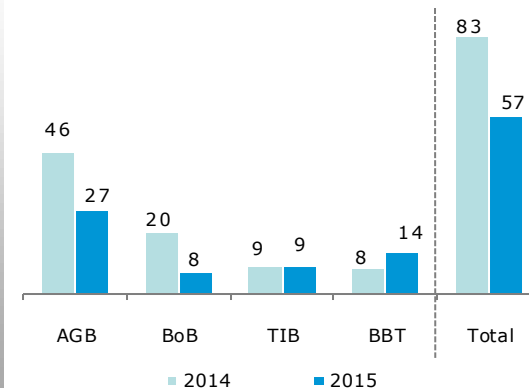
Deposit Growth

USDbn



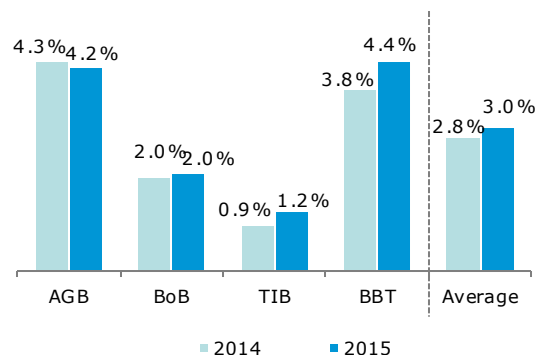
Net Profit^

USDmn



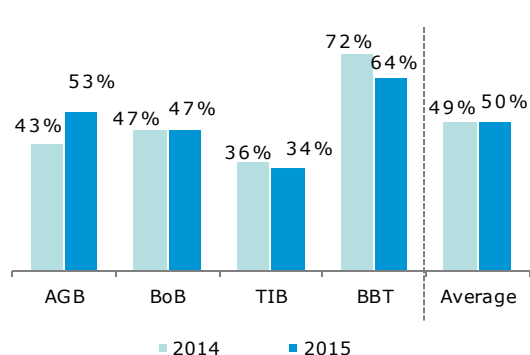
Net Interest Margin

Percentage



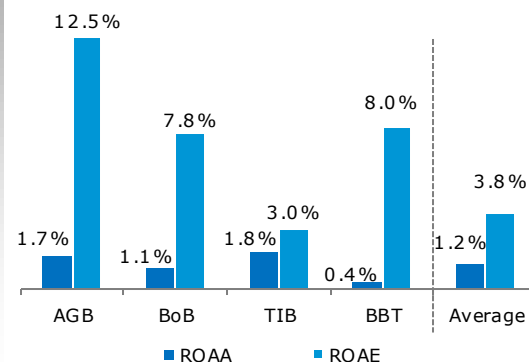
Cost to Income

Percentage



Return on Avg. Assets & Equity

Percentage



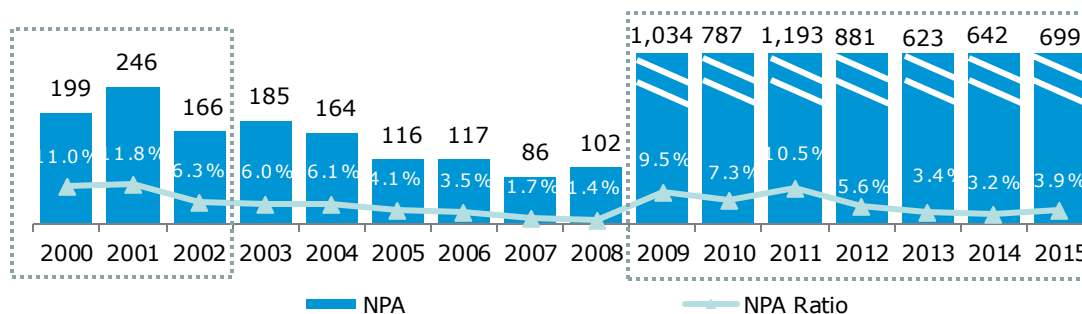
Regional operations contributing towards improved growth profile

^ Represents 100% profits attributable to parent for each of the subsidiary; * Excludes earnings and assets of Jordan Kuwait Bank (JKB)
AGB = Algeria Gulf Bank, BOB = Bank of Baghdad, TIB = Tunis International Bank, BBT = Burgan Bank Turkey

Burgan Bank: NPA cyclical & not structural

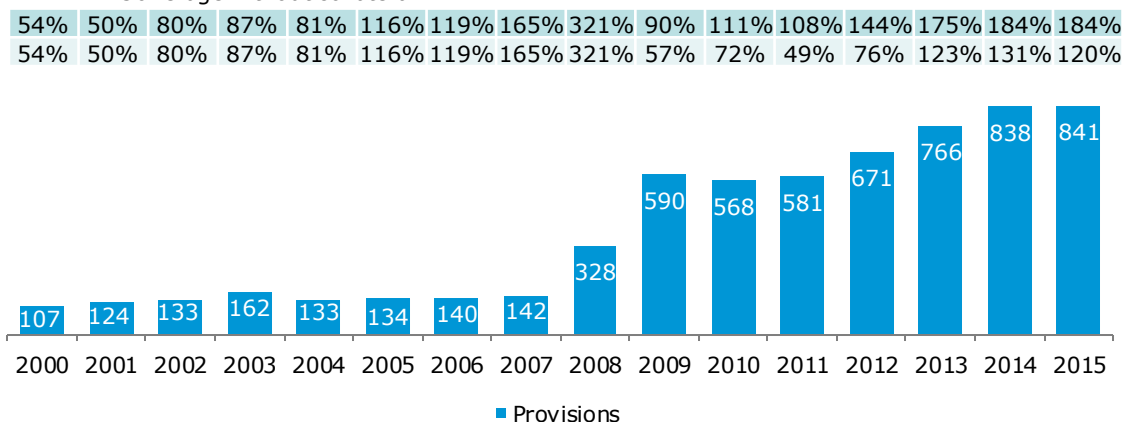
NPA Trend

NPA (USDmn)
NPA Ratio (Percentage)



Provisions Trend

■ NPA Coverage with collateral
■ NPA Coverage without collateral



► As on Dec'15, the combined coverage of non performing assets (NPA) **is 184%**

► NPA Ratio is 3.9% as on Dec'15











► ~77% provisions in general category as on Dec'15

► Prudent approach to credit cycle

– Loan Loss Reserves (against Loans and Advances to Customers) created during 2008-09 **higher than those created during 2000-01 cycle**

OSN : Overview

MENA Pay TV Potential

		 MENA Region ¹	 Latin America	 UK	 India	 US
	Population (Mn)	335	596	65	1,260	319
	Pay TV (Mn; Est.)	5	30	14	139	101
	TV Households (Mn)	69	55	27	168	120
	TV Households / Households (%)	96%	NA	96%	61%	85%
	Pay TV / TV Households (%)	~8%	55%	54%	82%	86%

Low Pay TV penetration in MENA region indicates huge market potential

Notes:

1. MENA Region represents data of: Bahrain, KSA, Kuwait, Oman, Qatar, UAE, Algeria, Egypt, Iraq, Jordan, Lebanon, Libya, Morocco, Sudan, Syria, Tunisia and Yemen (OSN's core and target markets)

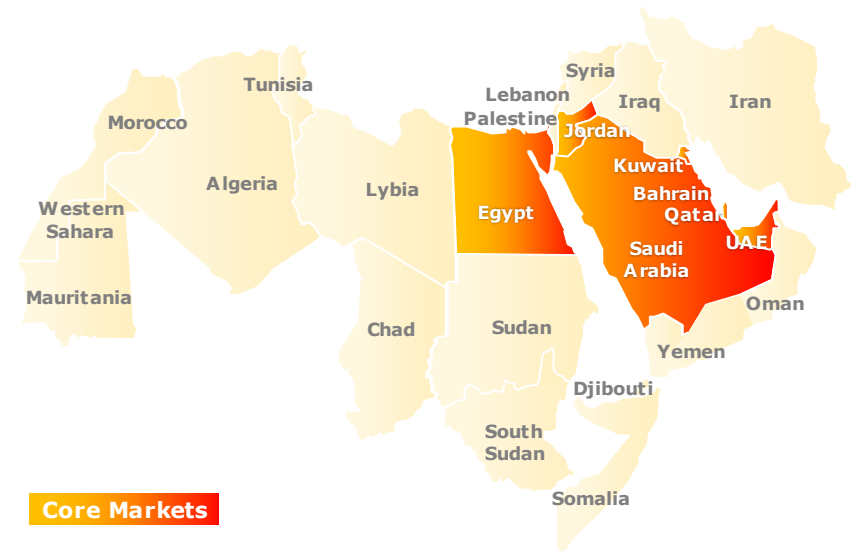
Source: IMF WEO Database, Euromonitor, IHS Technology and Company research 2014

OSN: Overview...cont'd

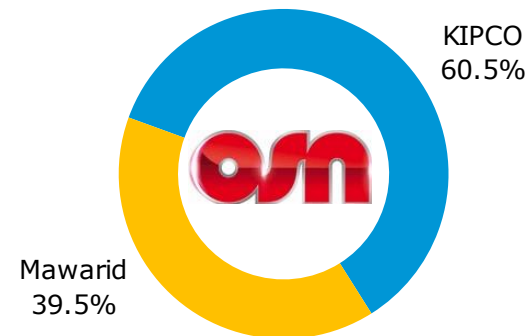
Overview

- Largest premium Pay TV operator in MENA region (HQ in Dubai), created by the merger of Showtime and Orbit in 2009
- Licensed to operate in 24 countries in MENA with focus on 7 core markets
- Market leadership position in MENA (approximately 50% share in terms of MENA Pay TV subscription revenues in 2015)
- Subscriber base of over 1mn+ and 270K+ digital platform users
- Exclusive long term contracts with all 8 major Hollywood studios
- Premium content offerings with 154 channels incl. 64 HD channels (highest in the region)
- ~2000 employees in 13 offices, 15 warehouses and 144 retail locations
- Top management average service of 7+ years

Pan Arab reach



Strong shareholders

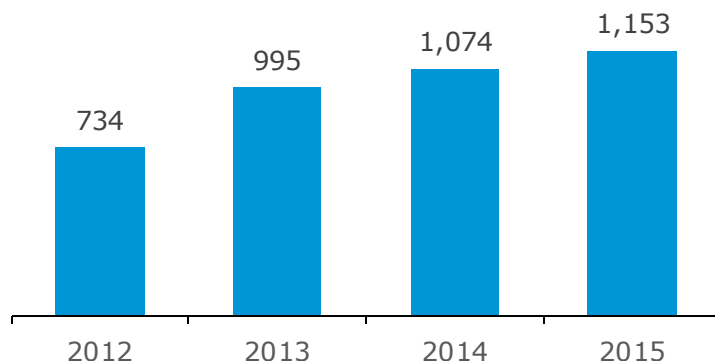


As of 31 December 2015

Operating and financial performance

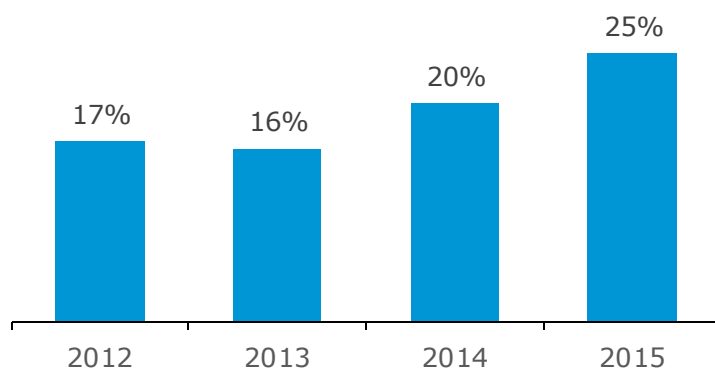
Subscribers

Thousand



Churn

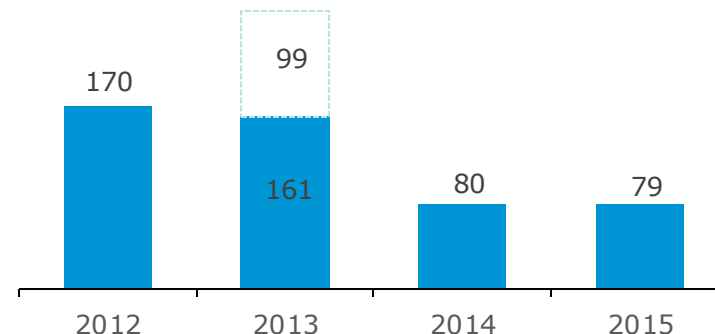
Percentage



Net Adds

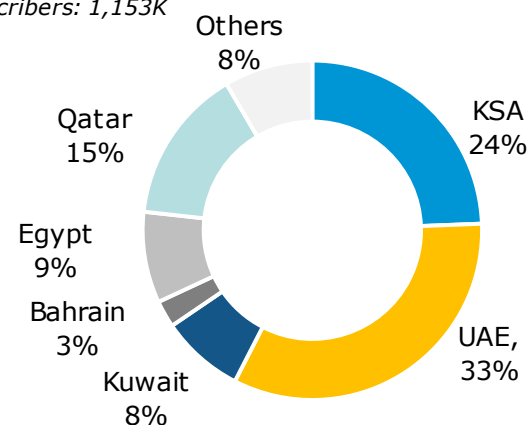
Thousand

Effect of Pehla Acquisition



Diversified subscriber base (2015)

Subscribers: 1,153K

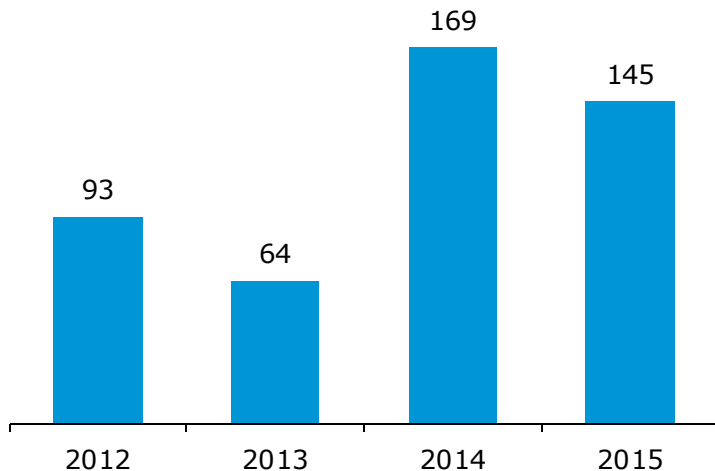


Quarterly Revenue run rate is c.USD170mn

Note: 2015 numbers are as per draft financial statements

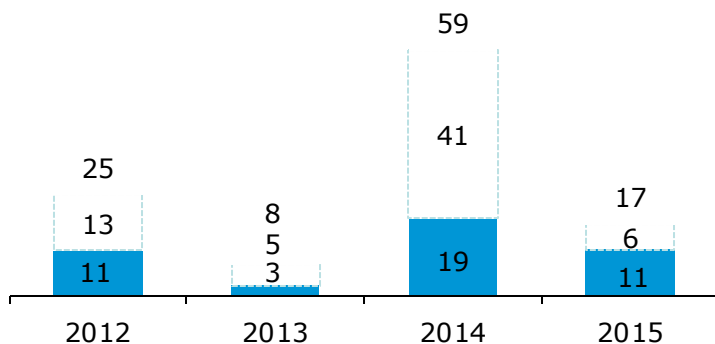
Revenue

USDmn



Net Profit & Provisions

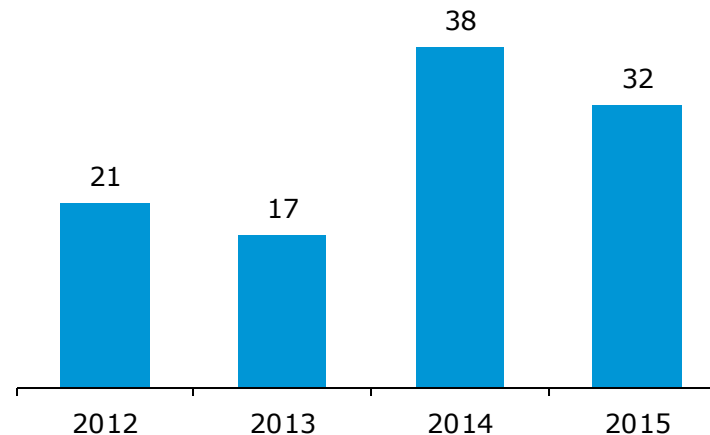
USDmn



Provisions Charge to P&L

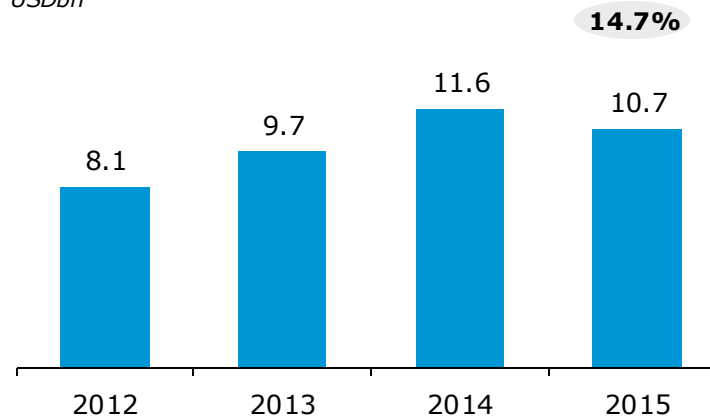
Fees & Commission Income

USDmn



AuM & Capitalisation

USDbn

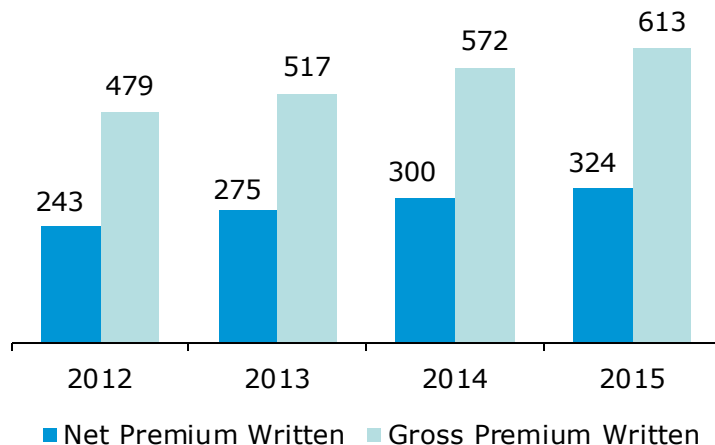


Basel III CAR

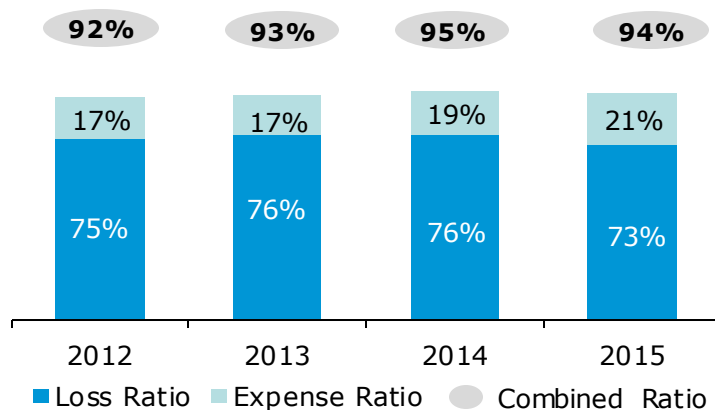
Gulf Insurance Group

Gross & Net Premium Written

USDmn

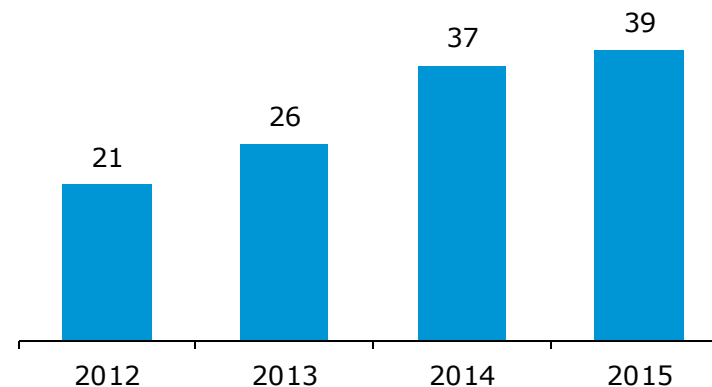


Combined Ratio



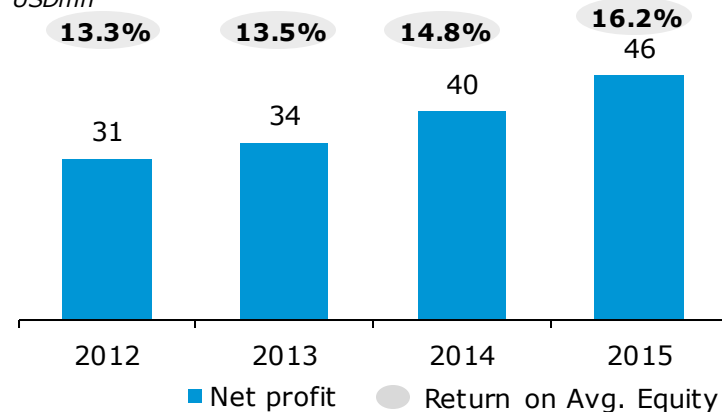
Net Investment Income

USDmn



Net Profit & ROE

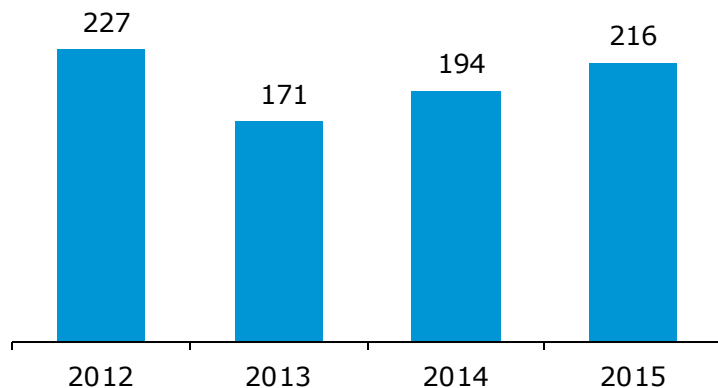
USDmn



United Real Estate Company (URC)

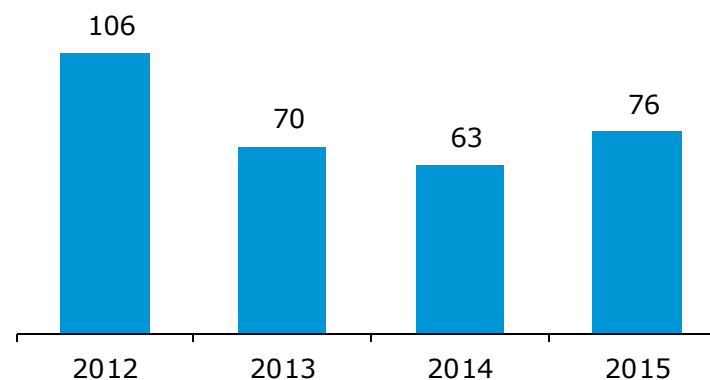
Total Revenue¹

USDmn



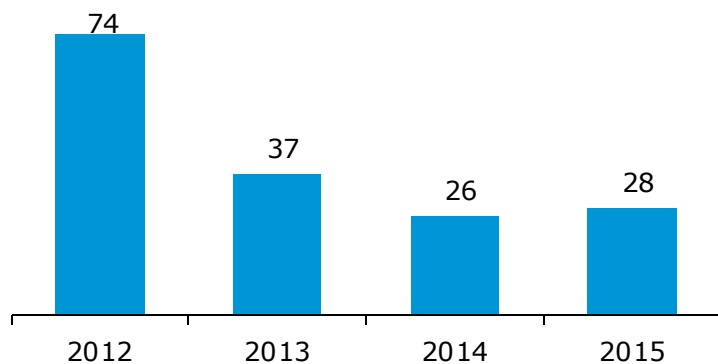
Operating Profit²

USDmn



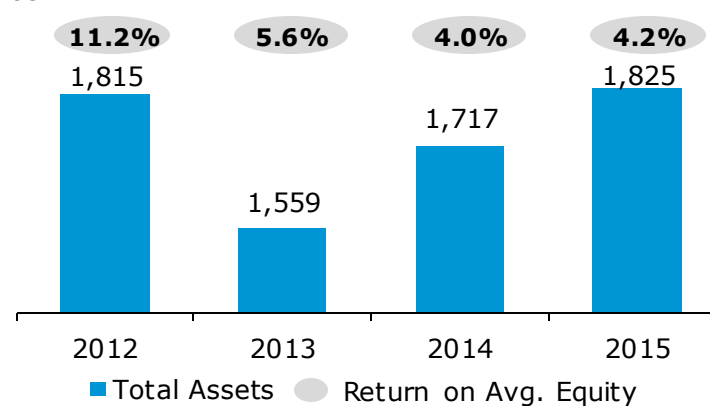
Net Profit

USDmn



Total Assets & ROE

USDmn

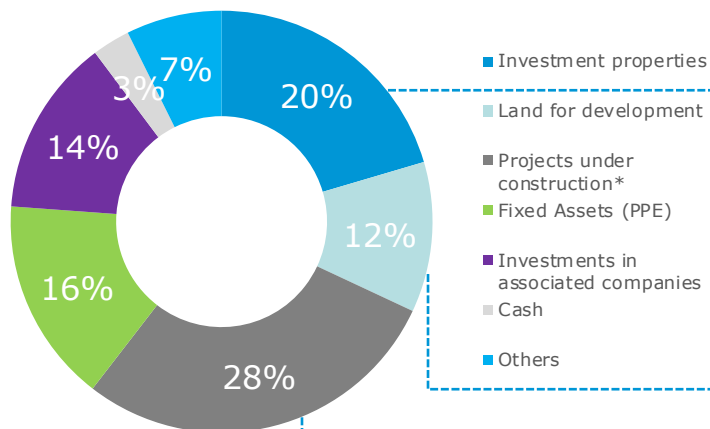


1. Revenue includes income from operational properties, gain on sale of properties, fixed assets & associates, valuation gain on properties, investment income, share in associates' income, interest income & forex 2. Operating Profit includes gain on sale of fixed assets & associate, share in associates' income & interest income

URC: Balance Sheet (Break-up) as of 31 December 2015

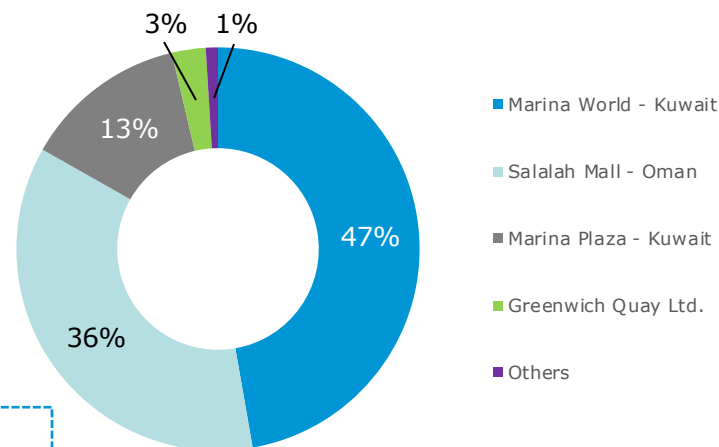
Total Assets

Total Assets USD1,825mn



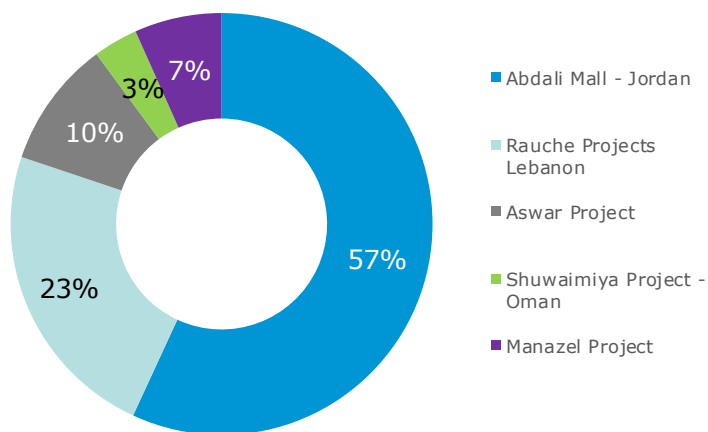
Investment Properties

Total: USD373mn



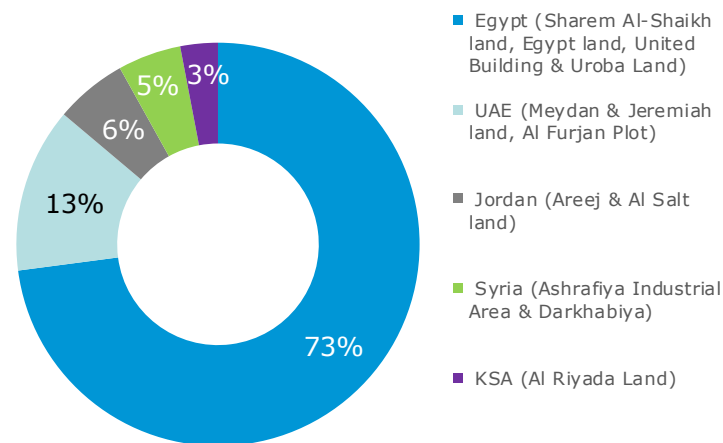
Project Under Construction*

Total: USD520mn



Land for Development

Total: USD210mn

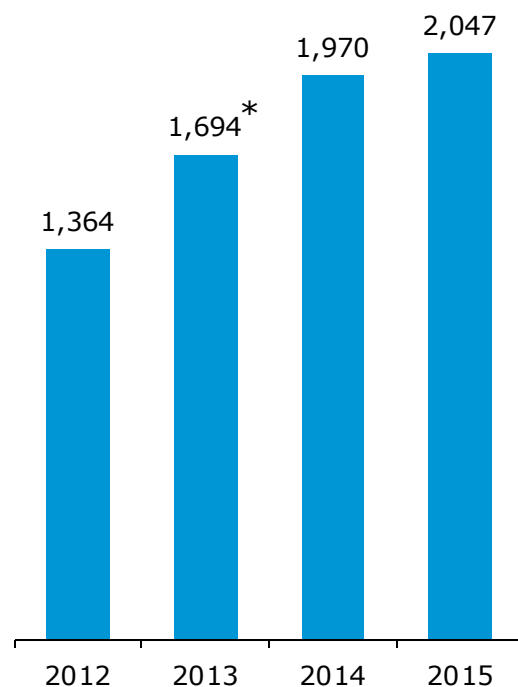


* Includes Raouche, Aswar & Manazel which are reported under inventory in the financials

KIPCO Consolidated: Financial performance

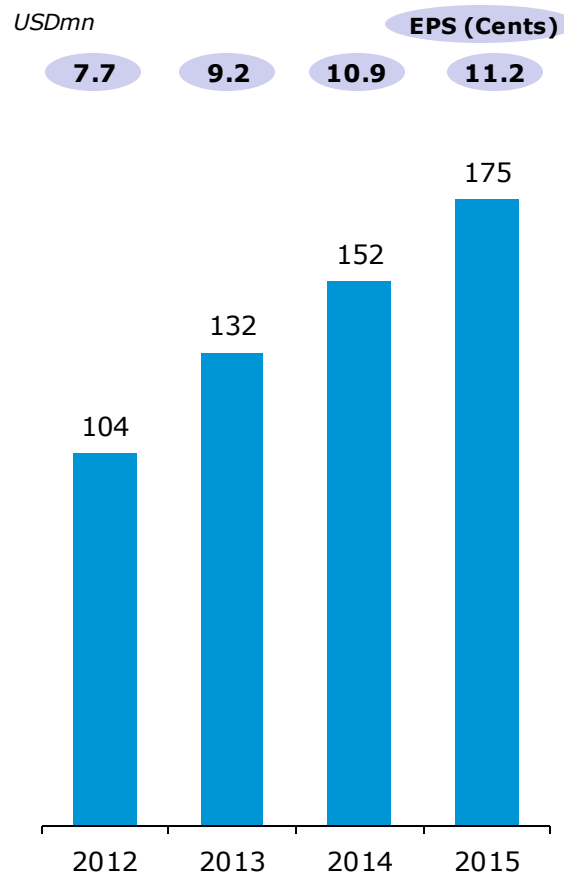
Revenue

USDmn



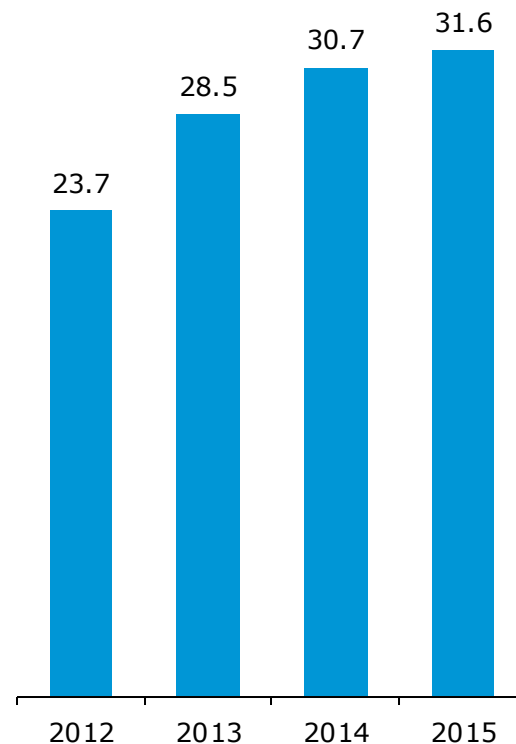
Net Income

USDmn



Consolidated Assets

USDbn

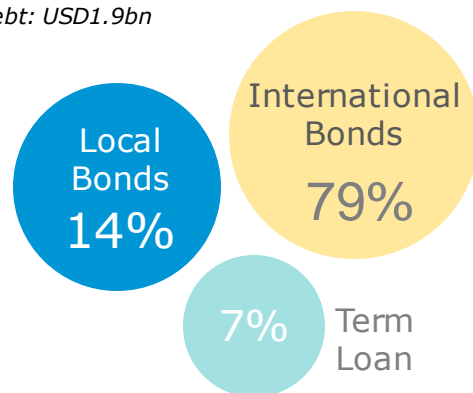


*Revenue excluding income from discontinued operations

KIPCO Parent debt profile: As at 31 December 2015

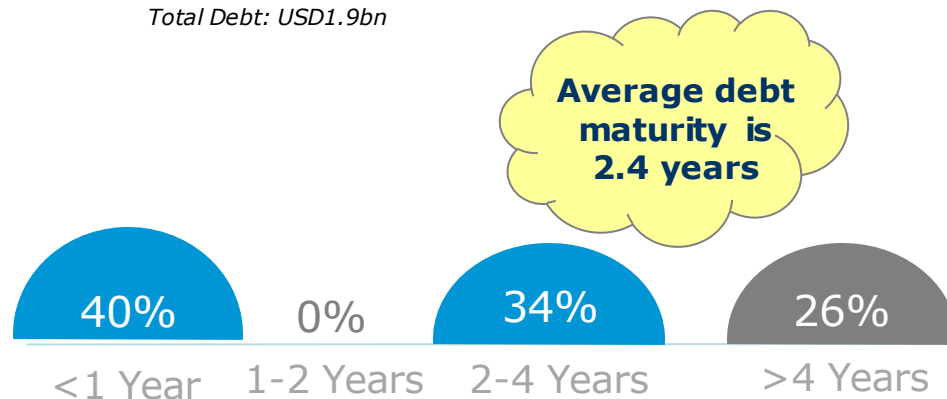
Debt Type*

Total Debt: USD1.9bn



Debt Maturity*

Total Debt: USD1.9bn



* As 31 of December 2015

Liquidity

- ▶ KIPCO has cash & bank balance of USD1,009mn
 - The current cash balance covers all debt obligations due till December 2018 (1.3x coverage for 2016)
- ▶ Placements are with investment grade rated domestic institutions
- ▶ Placements are of short duration and are typically rolled over on a monthly basis

Subsequently, KIPCO has paid its USD264mn (KD80mn) bond due in January 2016



Why KIPCO

KIPCO Best in Class: Last 10 Years

		Rank		
		Global Peers	Kuwait	CAGR
	Asset Growth	3	1	28%
	Return on Equity (ROE)	1	3	20%
	Total Shareholders Return (TSR)	4	3	161%
	Dividend Yield	1	2	6%

Data Source: Bloomberg

Notes: Kuwait includes all KSE listed companies with a market cap of >USD500mn. Global Peers includes Investor AB, Lundbergs AB, Industrivarden, Bouygues, Exor, Franz Haniel, CIR SPA, Wendel, Berkshire, Kingdom Holding Co, Fairfax. TSR is for last 10 years ending Dec'15 and others for last 10 years ending Dec'2014.

Why KIPCO?



Well positioned to deliver 15%+ return in medium term



Thank you



Annexure 1: Portfolio Companies

Burgan Bank (BB): Overview



Overview

- Kuwait based commercial bank with regional presence in eight countries
- 2nd largest conventional bank in Kuwait in terms of assets (Total Assets of USD23bn as of 31 December 2015)
- Offers a wide range of corporate, retail & treasury products through a network of 185 branches & 328 ATMs*
- Listed on the Kuwait Stock Exchange with a market cap of USD2,319mn as of 02 March 2016
- BBB+ rating from S&P and A3 from Moody's
- KIPCO Group holds 64.8% stake, while KIPCO directly holds 39.8% stake (as on 31 December 2015)
- First and only ISO certified Bank in GCC to achieve certification for all its banking operations



Recent Highlights

Key highlights of 2015 results, over 2014 results:

- ▶ Net Interest Income grew by 6% to USD516mn in 2015
- ▶ Operating income grew by 12% to USD817mn in 2015
- ▶ Operating profit grew by 9% to USD438mn in 2015
- ▶ Net profit grew by 23% to USD251mn in 2015
- ▶ Basel III CAR of 15.6%** as on 31 December 2015

A regional player with presence in growth markets



*Represents draft figures as on 31 December 2015 **Excludes 2015 Net Profit accrual

United Gulf Bank (UGB): Overview



Overview

- Asset management and investment banking (AMIB) business
- Offers asset management, investment banking, brokerage and advisory services
- Listed on the Bahrain Stock Exchange with a market cap of USD849mn as of 02 March 2016
- Credit rating of BBB from Capital Intelligence
- KIPCO Group Holds 96.7% Stake, while KIPCO directly holds 72.7% stake (as on 31 December 2015)



Recent Highlights

Key highlights of 2015 results, over 2014 results:

- ▶ Basel III CAR of 14.7% as on 31 December 2015
- ▶ Assets Under Management of USD10.7bn as on 31 December 2015
- ▶ 23% increase in share of income from associates in 2015 vs. 2014

Focused on growing the financial services network across the MENA region

Gulf Insurance Group (GIG): Overview



Overview

- Multi-line insurance provider with presence across 10 MENA countries through subsidiaries
- Provides marine, aviation, property, engineering, casualty, life & health insurance, & micro finance insurance
- Operates through a network of 50 branches across the region
- Market leader in Kuwait (by GPW and Direct premiums) for 14 consecutive years
- Market leader in Bahrain and Jordan (by GPW) & Egypt (by Technical profit) among private sector players
- Listed on the Kuwait Stock Exchange with a market cap of USD417mn as of 02 March 2016
- A- rating (GIRI) and BBB+ Rating (GIG)^ from S&P; A- Rating from AM Best
- KIPCO Group Holds 45.8% Stake, while KIPCO directly holds 40.5% stake (as on 31 December 2015)



Recent Highlights

Key highlights of 2015 results, over 2014 results:

- ▶ Net profit grew by 17% to USD46mn in 2015 on the back of a 11% increase in revenue
- ▶ Composition of GPW
 - Line of business: 45% Life & Medical; 55% Non-Life (5% Marine & Aviation, 13% Property, 23% Motor, 7% Engineering and 7% General)

Gulf Insurance Group is ranked 8th among the Private sector players in the MENA (by GPW)



[^] Gulf Insurance & Reinsurance Company (GIRI), the core Kuwaiti subsidiary of Gulf Insurance Group (GIG).

United Real Estate Company (URC): Overview

Overview



- Leading integrated real estate company with presence in Kuwait & MENA
- Sizeable portfolio of good quality properties; Large unencumbered asset base
- Stable rental income; growth to be supported by newly completed KIPCO Tower and Salalah Mall
- Listed on the Kuwait Stock Exchange with a market cap of USD332mn as of 02 March 2016
- Major real estate player in Kuwait, ranked third in real estate sector on KSE (total asset basis)
- KIPCO Group holds 71.1% stake, while KIPCO directly holds 42.1% stake (as on 31 December 2015)



Recent Highlights

Key highlights of 2015 results, over 2014 results:

- ▶ 30% growth in rental income in 2015 to reach USD213mn
- ▶ Net profit grew 8% to reach USD28mn in 2015
- ▶ Over the next few years, targets to develop projects spread over Oman, Jordan, Lebanon and Egypt in various segments including residential, office hospitality and commercial

URC is devoted to excellence in securing and managing the best prospect developments, providing the best quality services and allegiance to entrusted clients

Major Real Estate Properties Developed & Operated by URC



Acquired
Fairmont Hotel,
Egypt

1979



Developed
Al Khour Resort,
Kuwait as BOT

1994



Developed Saleh Shehab,
Kuwait as BOT

1997



Developed
Al Shaheed Tower,
Kuwait

1999

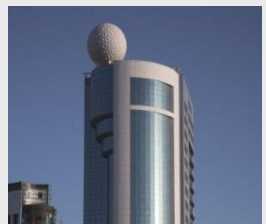


Developed Marina Hotel,
Kuwait as BOT

1999

2001

Acquired
City Tower,
Kuwait



2003

Acquired
Bhamdoun Hotel,
Lebanon



2003

Acquired
Marina Plaza,
Kuwait



2005

Developed
Marina World,
Kuwait as BOT



2012

Developed
KIPCO Tower,
Kuwait



2013

Developed
Salalah Mall,
Oman



United Industries Company (UIC): Overview



Overview

- Established in 1979, UIC invests in the industrial sector in Kuwait and the region
- Major investments are QPIC (31%) & ATC (29%)
- KIPCO Group holds 80.6% consolidated stake, while KIPCO directly holds 60.2% (as on 31 December 2015)



Recent Highlights

Key highlights of 2015 results, over 2014 results:

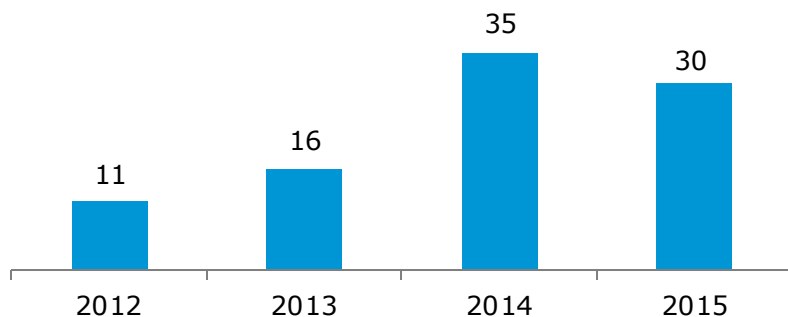
- ▶ Total Assets increased by 16% from USD646mn in 2014 to USD748mn in 2015

UIC aims to be a leading regional investment house with specialized activities in the Industrial sector

United Industries Company: Financial performance

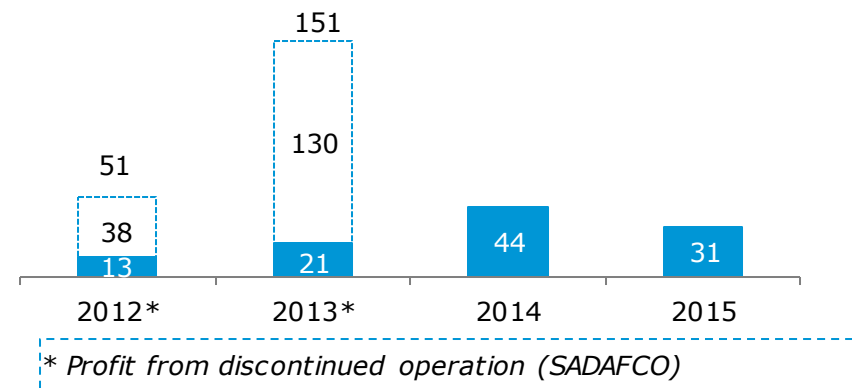
Income from Associates

USDmn



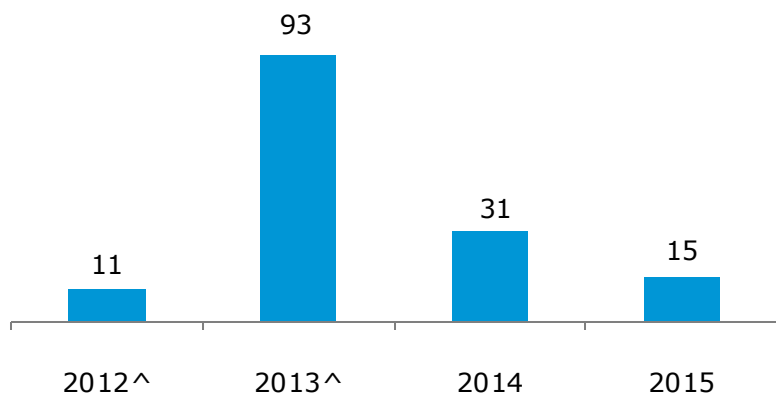
Total Revenue*

USDmn



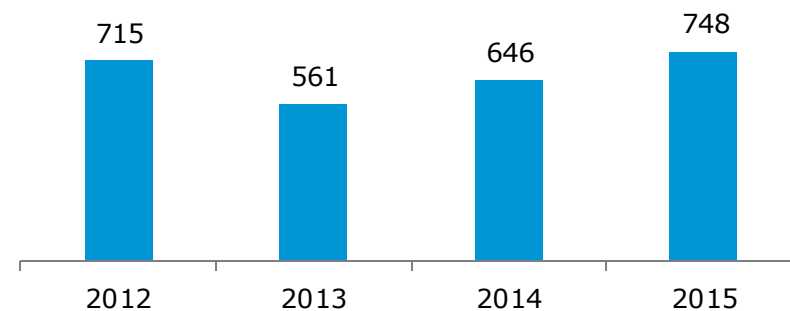
Net Profit^

USDmn



Total Asset

USDmn



^ Includes profit of USD108mn in 2013 and USD15mn in 2012 from discontinued operation

Qurain Petrochemicals Industries Co. (QPIC): Overview

Overview



- Holding company focusing on investment opportunities in food, petrochemicals, oil, gas & energy related sectors
- Four petrochemical investments in Kuwait i.e. EQUATE, TKOC, KARO & TKSC
- Listed on the Kuwait Stock Exchange, with a market cap of USD702mn as of 02 March 2016
- KIPCO Group through UIC holds 31% stake as on 31 December 2015



Recent Highlights

Key highlights of Q3'14/15 results, over Q3'15/16 results:

- ▶ 78% increase in total income in Q3'15/16 to reach USD408mn
- ▶ 271% growth in share of income from associates in Q3'15/16 to reach USD32mn

QPIC aims to become a leading company in the energy and petrochemical sectors through direct investments/ JVs/ alliances as well as through the creation of new, innovative investment opportunities in the petrochemical and related sectors

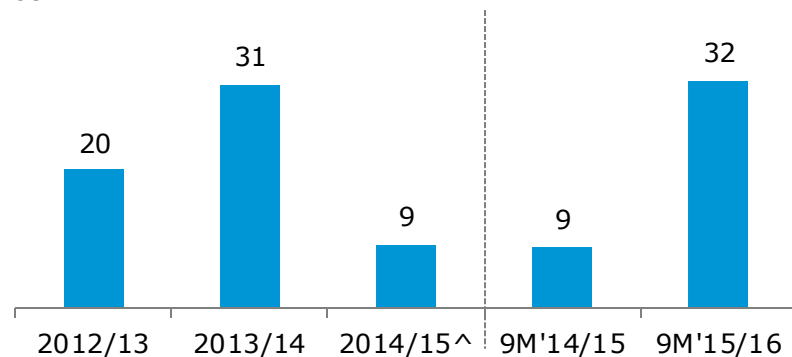


TKOC = The Kuwait Olefins Company, KARO = The Kuwait Aromatics Company, TKSC = The Kuwait Styrene Company
Financial Year Ended : March

Qurain Petrochemicals Industries Co: Financial performance

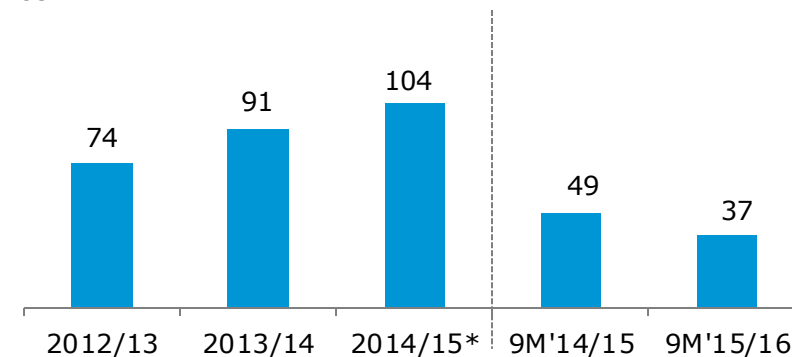
Share of Income from Associates

USDmn



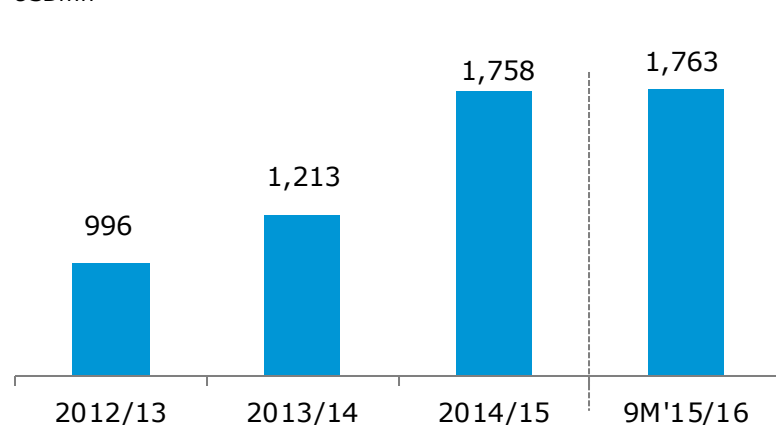
Net Profit

USDmn



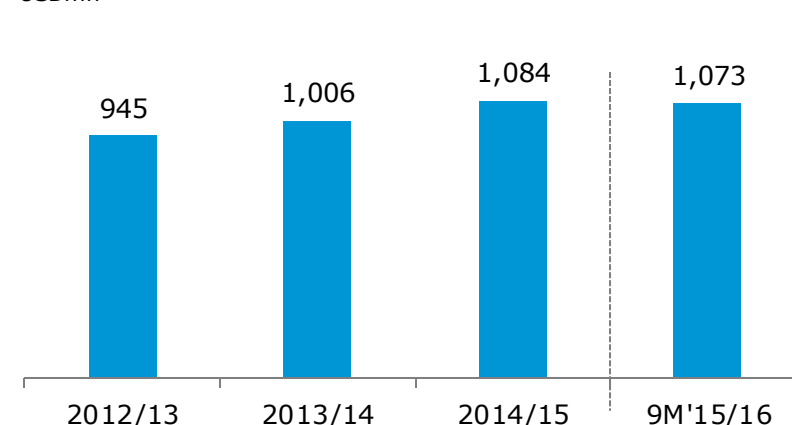
Total Asset

USDmn



Total Shareholder's Equity

USDmn



On 27th June 2012, the company has changed its financial year end from 31 December to 31 March.

^ On 21st July 2014, QPIC acquired additional stake (11%) in SADAFCO and change its classification from associates to subsidiaries

* Includes gain on purchase of additional stake in SADAFCO

Overview



- Jordan based commercial bank with Operations in Jordan, Palestine and Cyprus
- 4th largest conventional bank in Jordan in terms of assets (Total Assets of USD4bn as of 31 December 2015)
- Offers a wide range of corporate, retail & treasury products through a network of 60 branches & 78 ATMs*
- Listed on the Amman Stock Exchange with a market cap of USD557mn as of 02 March 2016
- KIPCO Group holds 51.2% stake(as on 31 December 2015)



Key highlights of 2015 results, over 2014 results:

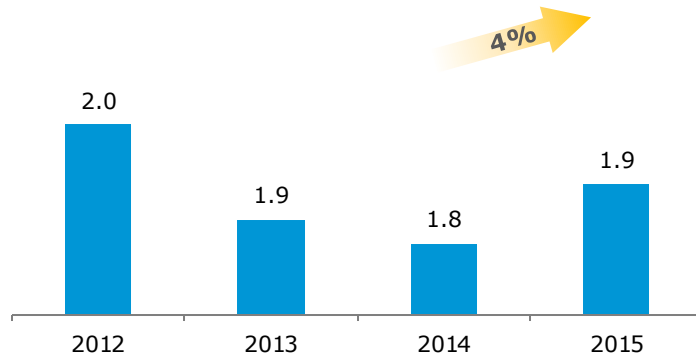
- ▶ Operating income was almost same at USD175mn in 2015
- ▶ Deposits from customers grew by 19% to USD2,801mn in 2015
- ▶ Loans grew by 4% to USD1.9bn in 2015

A regional player with stable growth in loans

Jordan Kuwait Bank

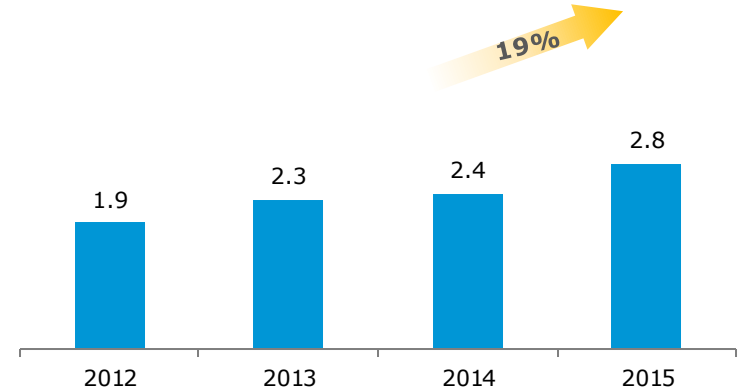
Loan Growth

USDbn



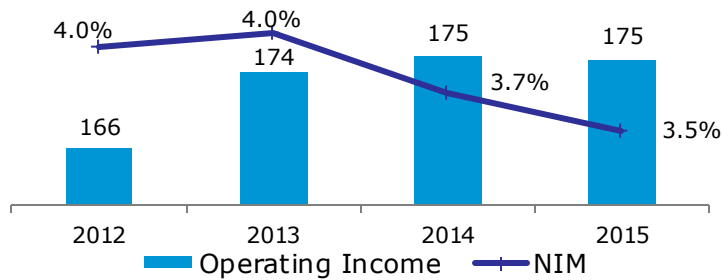
Deposit Growth

USDbn



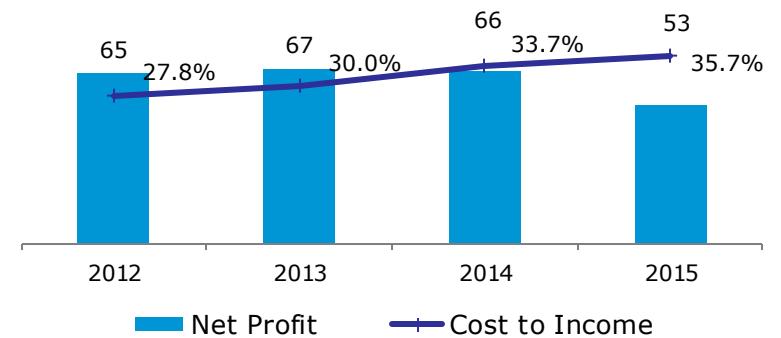
Operating Income & NIM

USDmn



Net Profit & Cost to Income

USDmn



Note: 2015 numbers are as per draft financial statements



Annexure 2: Executive Management

KIPCO: Executive management



Faisal Hamad Al Ayyar
Vice Chairman

- ▶ Joined KIPCO Board in 1990
- ▶ Recipient of Arab Bankers Association of North America Achievement Award (2005)



Pinak Maitra
Group CFO

- ▶ Joined KIPCO in 1988
- ▶ Recipient of the MENA Private Sector CFO of the Year Award (2008)



Tariq Abdulsalam
CEO – Investment

- ▶ Joined KIPCO in 1992 and became in charge of KIPCO's Investment Division from 1996 to 1999
- ▶ BSc in Accounting from Kuwait University



Mohsen Ali Husain
Group Chief Audit Executive

- ▶ Joined KIPCO in 2006, previously worked at KPMG
- ▶ Holds a CPA, CISA, CIA and B.Sc. in Accounting



Declan Sawey
Group Treasurer

- ▶ Joined KIPCO in 2007, previously Head Asset & Liability Management for HBoS Corporate in Edinburgh, Scotland
- ▶ Fellow of ICA, CFA and member of ACT



Osama Al Ghousein
SVP - Banking

- ▶ Joined KIPCO Group in 2013, previously Senior Vice President in Pictet & Cie.
- ▶ Over 30 years of experience in global and regional banking



Eman Al Awadhi
Group Communications Director

- ▶ Joined KIPCO in 2010
- ▶ Over 10 years of experience in communications, media relations and journalism



Samer Subhi Khanachet
Group COO

- ▶ Joined KIPCO in 1990; Board and committee member of American University of Kuwait, MIT
- ▶ BSc from MIT and MBA from Harvard University



Masaud Hayat
CEO - Banking

- ▶ Joined KIPCO Group in 1997; appointed as KIPCO's Banking CEO in 2010
- ▶ Graduate in Accounting from Kuwait University and Diploma in Banking Studies, Kuwait



Khaled Al Sharrad
Group Chief HR & Admin. Officer

- ▶ Joined KIPCO in 2012, previously Head of Human Resources at the Kuwait Foreign Trading Contracting Investment Company (KFTCIC). He is on the Board of the American Management Association International in New York.



Mazen Hawwa
Group SVP
Finance & Operations

- ▶ Joined KIPCO in 2001, previously worked at Anderson & Co.
- ▶ Graduate of Lebanese American University, Holds CPA and CMA



Robert Drolet
Senior Vice President
Technology & Media

- ▶ Joined KIPCO in 2006, previously held leadership positions for Cable & Wireless and Bell Canada
- ▶ B.LL from Laval, LL.M Osgoode, M.Litt. Oxford



Adel Al Waqayan
Treasurer

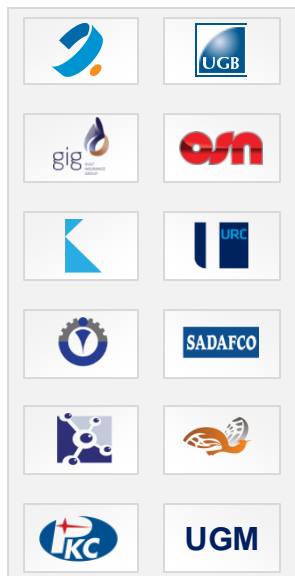
- ▶ Joined KIPCO in 1995, previously with Burgan Bank Treasury
- ▶ MBA in 1986 from USI University



Iqbal Mohamed
President
UGM Boston, USA

- ▶ Joined KIPCO Group in 1993
- ▶ Associate Member of the ICA in England and graduate of Hull University

KIPCO Board of Directors is actively involved in overseeing the management and strategy of the Company under the Chairmanship of Sheikh Hamad Sabah Al Ahmad Al Sabah



Annexure 3: Key Companies

KIPCO Group companies



Eduardo Eguren
CEO
Burgan Bank



Burgan Bank is one of Kuwait's leading commercial banks. Burgan has 23 branches in Kuwait and one of the biggest ATM networks in the country. Burgan is one of the MENA region's fastest growing banks and has controlling stakes in Gulf Bank Algeria, Jordan Kuwait Bank and the Bank of Baghdad. Burgan is listed on the Kuwait Stock Exchange.

www.burgan.com



Hussain A. Lalani
Acting CEO
UGB



United Gulf Bank (UGB) is KIPCO's investment banking operation based in Bahrain. Offering a range of commercial and investment banking and asset management services, the bank also manages a diversified portfolio of investments in private equity funds, private equities, structured products, trading portfolios and provides a range of treasury activities. UGB is listed on the Bahrain Stock Exchange.

www.ugbbah.com



Khaled Al Hassan
Vice-Chairman
GIG



The Gulf Insurance Company (GIG) is the leading insurance company in Kuwait and has become one of the MENA region's biggest insurance networks with operating companies in Saudi Arabia, Jordan, Lebanon, Syria, Egypt and Bahrain. GIG offers a full range of products including life, motor, accident and medical insurance. The company is listed on the Kuwait Stock Exchange.

www.gulfins.com.kw



David Butorac
CEO
OSN



OSN is the leading pay-TV operator in the MENA region. The company is a result of the merger between Showtime and Orbit which was completed in 2009. The company offers 85 channels providing the latest premium entertainment including the latest Hollywood movies and series, international sports and Arabic content.

www.osnetwork.com



Faisal Sarkhou
CEO
KAMCO



KAMCO is KIPCO's asset management and fund management company. Its business includes brokerage services, tailored portfolio management, forward trading and local and international fund management. KAMCO also provides corporate finance advisory services, mergers and acquisition services, IPOs, private placements, debt issuance and investment research and evaluation. KAMCO is listed on the Kuwait Stock Exchange.

www.kamconline.com



Tariq Abdulsalam
Chairman
URC



The United Real Estate Company (URC) is KIPCO's real estate development company. URC is currently developing properties in Kuwait, Oman, Egypt, Qatar, Jordan, Syria, the UAE and Lebanon. These properties include residential, commercial, leisure and retail projects. The company is listed on the Kuwait Stock Exchange.

www.urconline.com

KIPCO Group companies (cont'd)



**Sheikh Khalifa
Abdulla Al Jaber Al
Sabah**
Chairman
UIC



The United Industries Company (UIC) is KIPCO's industrial holding company. UIC has holdings in a variety of industrial sectors including stakes in SADAFCO – one of the leading food manufacturers in Saudi Arabia – and the Qurain Petrochemical Industries Company.

www.uickw.com



Wout Matthijs
CEO
SADAFCO



The Saudi Dairy and Foodstuff Company (SADAFCO) is one of the most profitable companies in the United Industries Company's investment portfolio. SADAFCO was established in 1976 and is a leader in the region's dairy and foodstuff industry producing almost 700 million items every year. The company is listed on the Saudi Stock Exchange

www.sadafco.com



Sadoun Al Ali
CEO
QPIC



The Qurain Petrochemicals Industries Company (QPIC) is one of the leading private investors in petrochemical projects both inside and outside Kuwait. QPIC has invested in the projects such as the expansion of Kuwait's ethylene and benzene production plants. The company is listed on the Kuwait Stock Exchange.

www.qpic-kw.com



Fawzi Al Musallam
CEO
KHC



The Kuwait Hotels Company (KHC) is KIPCO's hotel and hospitality services company. KHC is the holding company for Safir International Hotels – one of the region's premier hotel companies with a total of 15 hotels throughout the Middle East and North Africa.. KHC is listed on the Kuwait Stock Exchange.

www.khc.com.kw



Iqbal Mohamed
President
UGM

United Gulf Management, Boston, USA

United Gulf Management is KIPCO's subsidiary in the United States. The company – based in Boston – is responsible for identifying strategic resources to support KIPCO's financial services, real estate and media operations.

www.kipco.com



Narendra Baliga
CEO
PKC



Pulsar Knowledge Centre

Pulsar Knowledge Centre is KIPCO's consulting company based in India. PKC offers services and solutions in business advisory, financial research and analysis. It also provides KIPCO Group Companies and external clients with website design and management services

www.pulsarkc.com

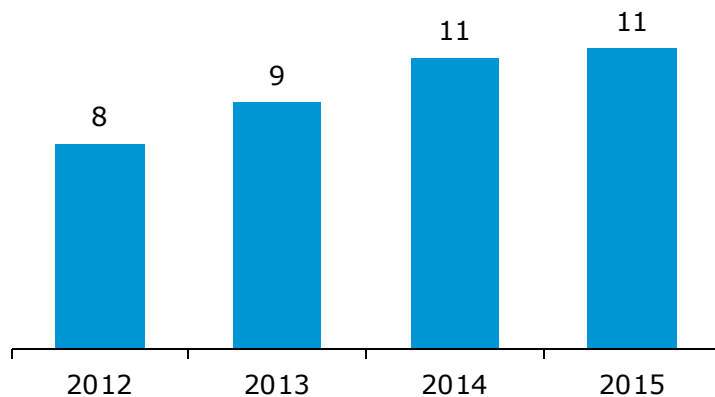


Annexure 4: Per Share Return

KIPCO: Per share return

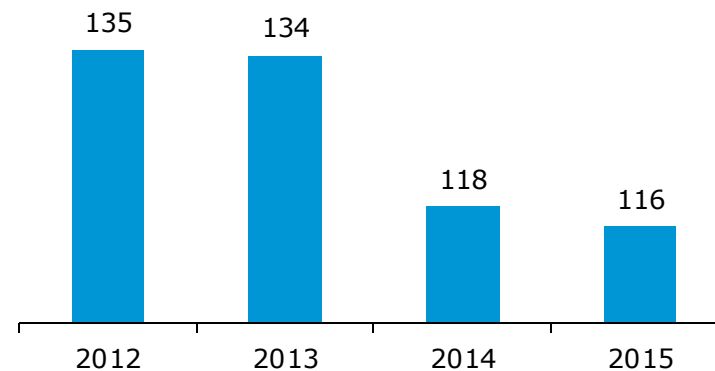
EPS

Cents per share



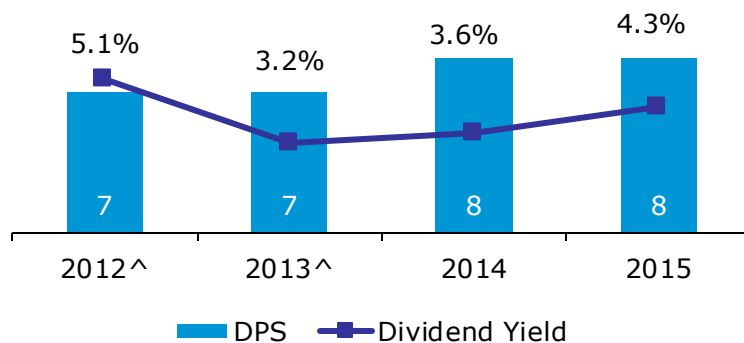
Book Value

Cents per share

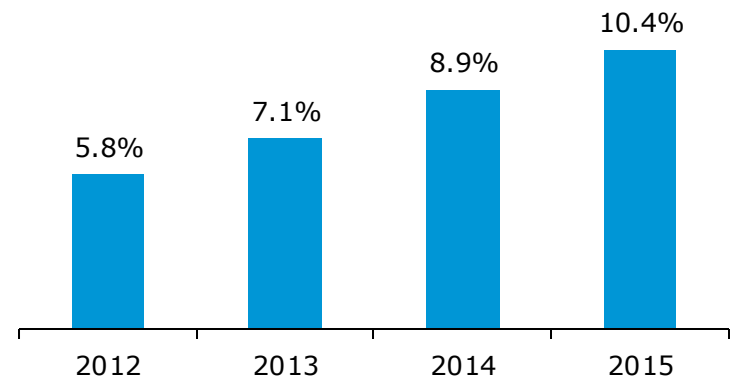


DPS

Cents per share



ROE



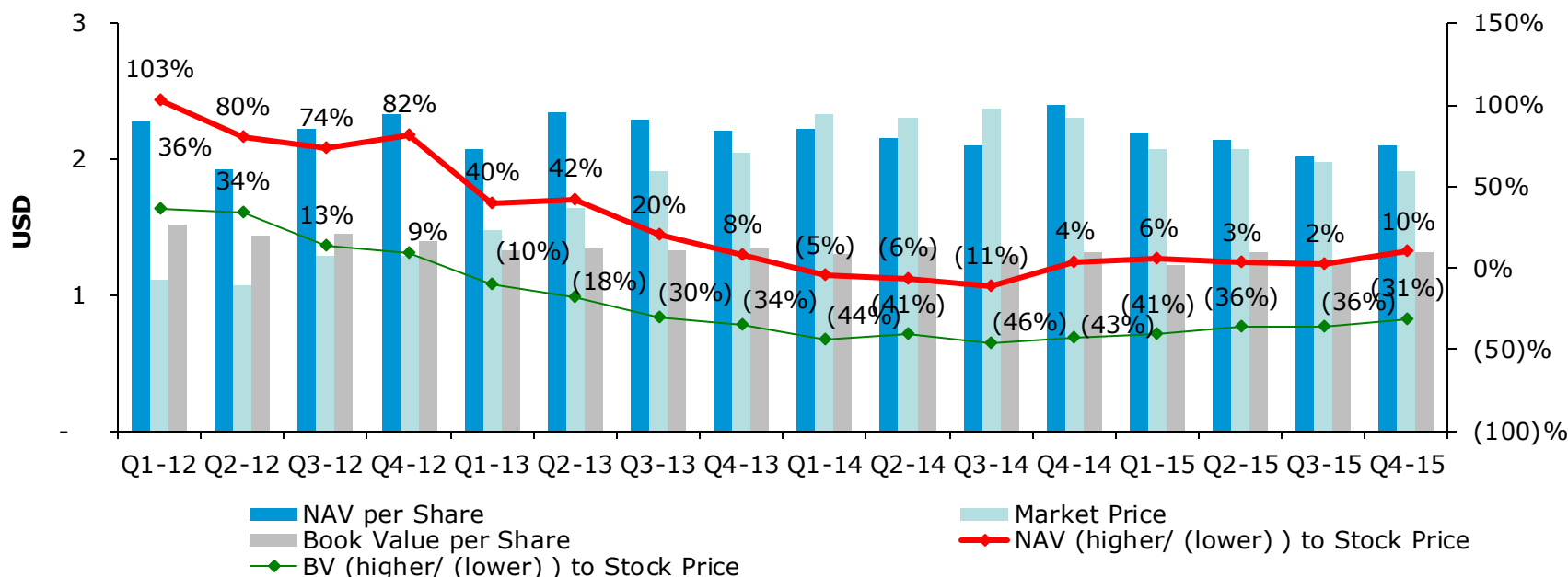
^ An additional 5% stock dividend was paid in 2012 and 2013



Annexure 5: Trends

KIPCO: Net asset value (NAV)

NAV/Share Position*

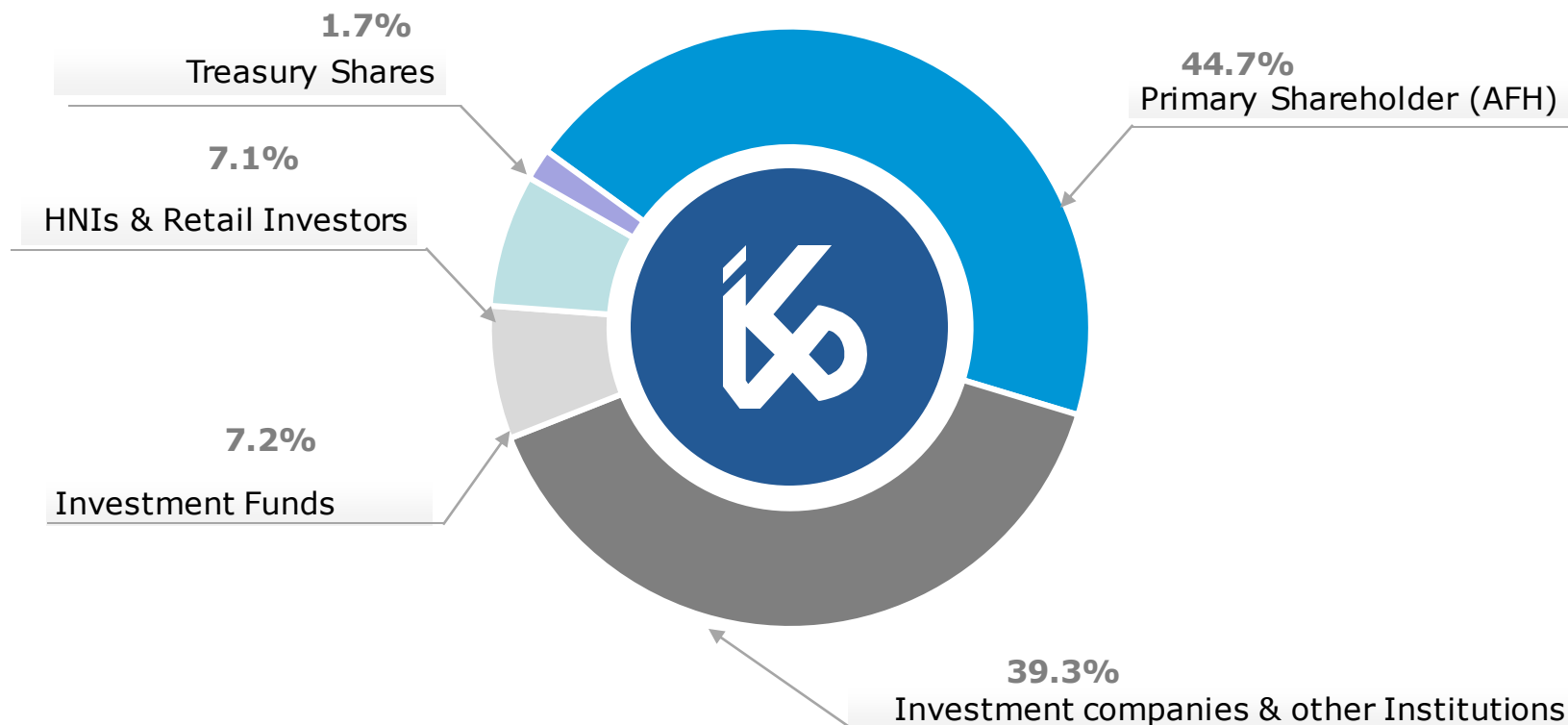


As at December 2015, KIPCO's NAV was USD2.10 per share vis-à-vis the market price of USD1.91 per share and the book value of USD1.32 per share

* Control Premium has been assumed at 50% to the respective market prices to reflect the value of significant stakes in these entities. OSN (Panther) has been taken at fair value used for Joint venture accounting in audited financials of KIPCO (note 9 of Annual financial statements for year ending 2009), further to merger of Orbit and Showtime in August 2009. Other components of the NAV are at book value. as of 31 December 2015

Note: At the CMP (as on 02 March 2016), KIPCO's NAV is USD1.99 per share vis a vis the market price of USD1.80 per share (refer slide 10 for details).






Shareholding Profile



Major shareholders of KIPCO are members of ruling family of Kuwait

They hold their ownership interest in KIPCO through an investment vehicle Al Futtooh Holding Company K.S.C. (AFH)

KIPCO Group: Market data

Entity	P/B		P/E		Market Cap (USDmn) ¹	
	2015	Current ²	2015	Current ²	2015	Current ²
 كيبكو KIPCO شركة مشاريع الكويت (القياسية) Kuwait Projects Company (Holding)	1.8	1.7	16.6	15.4	2,843	2,602
 بنك بروقتان BURGAN BANK	1.2	1.1	10.9	9.8	2,624	2,319
 بنك الخليج المتحد United Gulf Bank B.S.C.	2.1	2.1	49.1	49.1	871	849
 gig GULF INSURANCE GROUP	1.6	1.5	9.9	9.2	467	417
 شركة العقارات المتحدة United Real Estate Co	0.6	0.6	13.6	13.3	376	332

Notes:

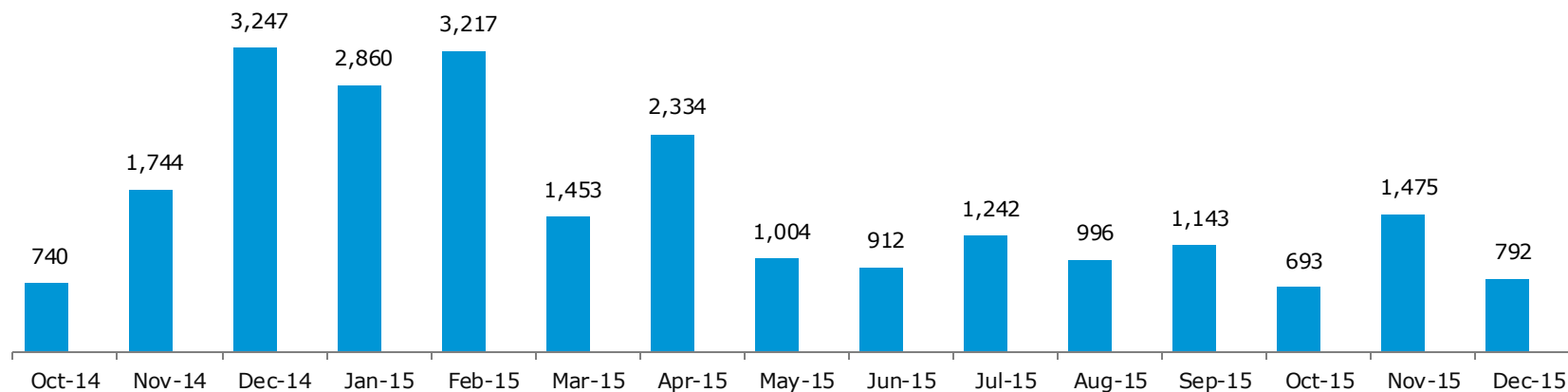
1. Market Cap for 2015 and the current number converted at 0.30065

2. P/B, P/E and Market Cap as of 02 March 2016

Source: KAMCO Research

KIPCO: Average Daily Traded Value

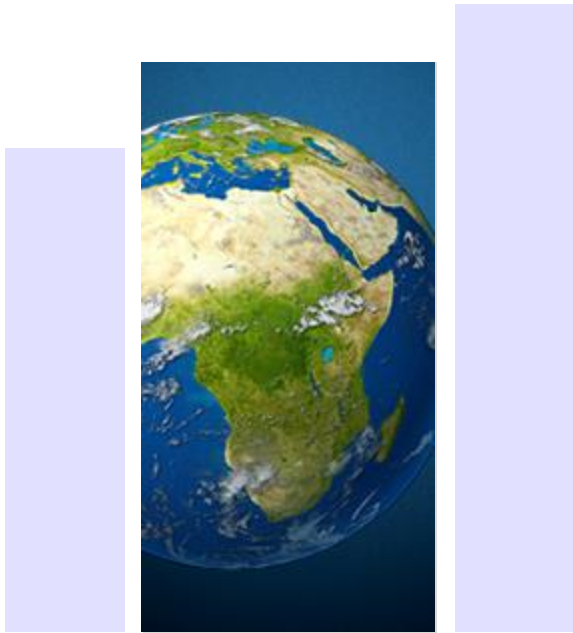
Avg. Daily Traded Value (USD'000)



KIPCO stock has maintained an average daily traded value of USD1.5mn in the last 12 months

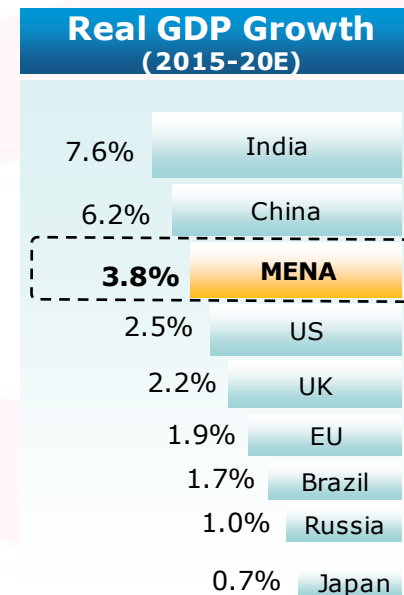


Source: KSE; Exchange rate used across the periods is at end of 31 December, 2015 (KD/USD = 0.3035)



Annexure 6: About the region

MENA Region: Poised for strong economic growth

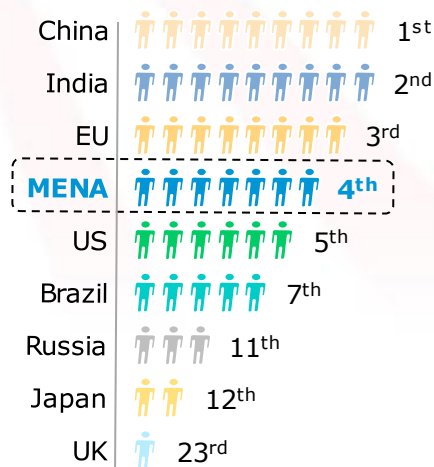


MENA region is characterized by favourable demography and business climate

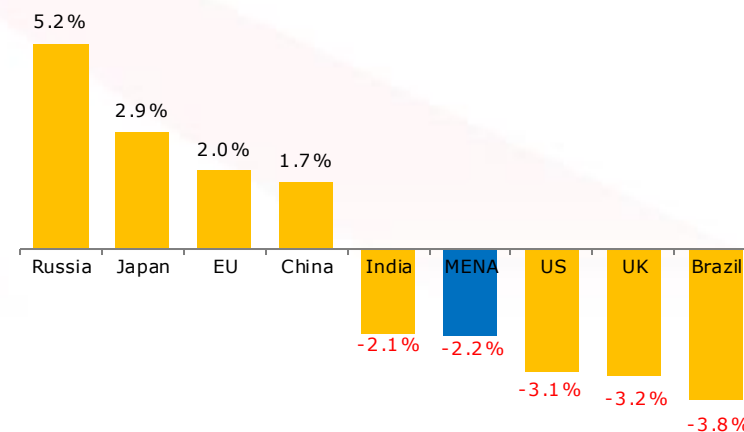
Currently low level of competition and under penetration

Small but consistently growing non-oil economy

Population 2015E



Current Account Balance as a % of GDP (2015-20E)



GCC Region: Well positioned to deliver growth

One of the highest per capita income, large sovereign wealth funds,

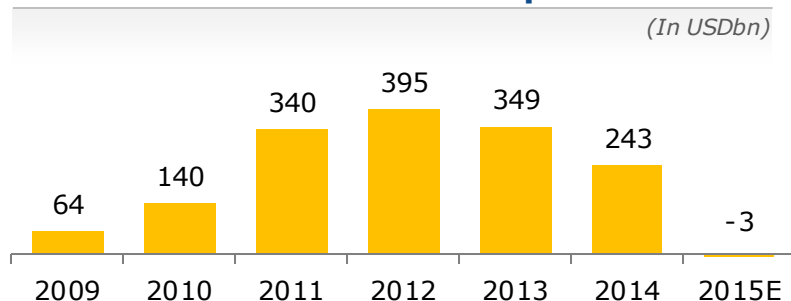
30% of world's proven **oil reserves**,
along with robust and growing non-oil sector activity ...

....All contribute to

STRONG GROWTH

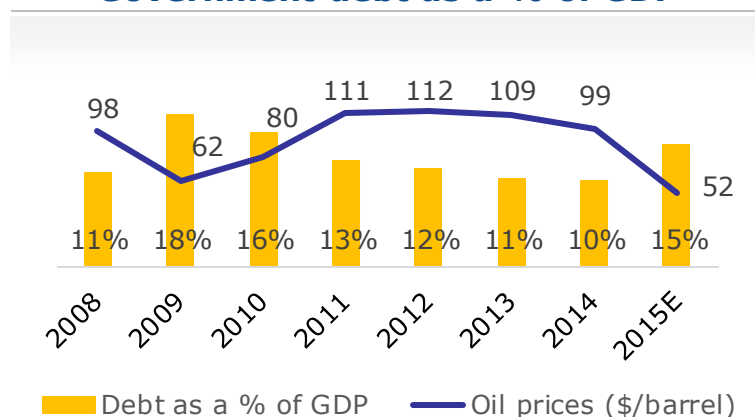
fundamentals in the **GCC**....

Current Account Surplus

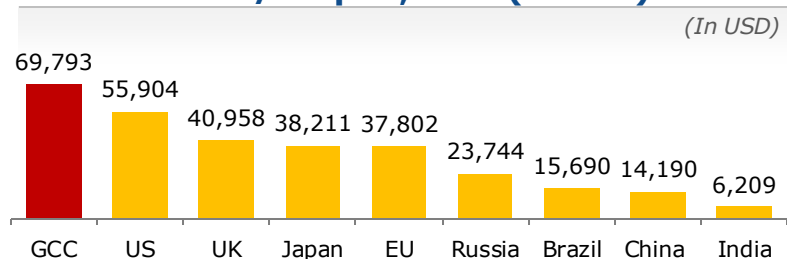


"Accumulated current account surplus of over USD1.5tn from 2009 to 2015"

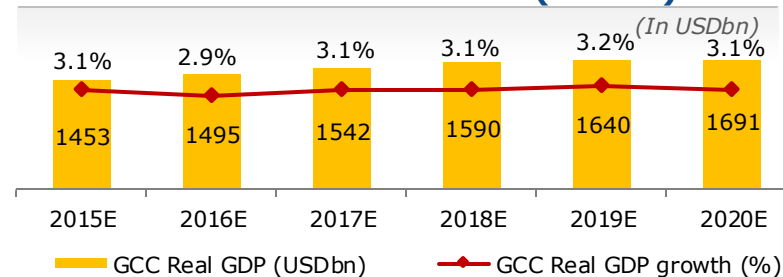
Government debt as a % of GDP



GDP / Capita, PPP (2015E)



Real GDP & GDP Growth (2015E)



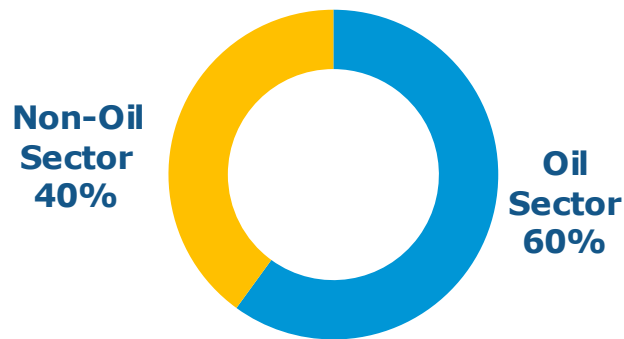
Kuwait: Protected against oil price decline

Prudent Oil Wealth Management

- ▶ Kuwaiti government's Reserve Fund for Future Generations (RFFG) expected to stand at USD535bn at the end of 2015
- ▶ 25% of total revenue contributed to RFFG during periods of high oil prices and 10% during low oil prices
- ▶ Oil output to remain above 2.8mn barrels/day until 2019
- ▶ Net external asset position estimated to be more than 500% of current account receipts
- ▶ With high financial buffers—estimated at c.320% of GDP at end-2014—and substantial borrowing space, the government intends to smooth the fiscal adjustment in response to the decline in oil prices, and continue to support growth through large investment spending

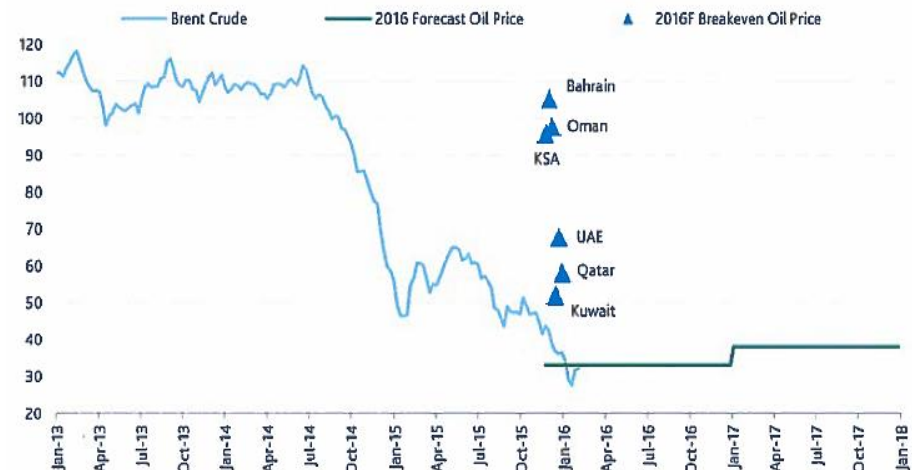
Source: S&P Rating on Kuwait, February 2016; WEO Database, IMF, October 2015

Composition of Kuwait's Nominal GDP – FY 2014



Source: OPEC

GCC Fiscal Breakeven Prices (USD)



Source: Moody's, February 2016

Kuwait has the lowest breakeven oil price in the GCC region for 2016F

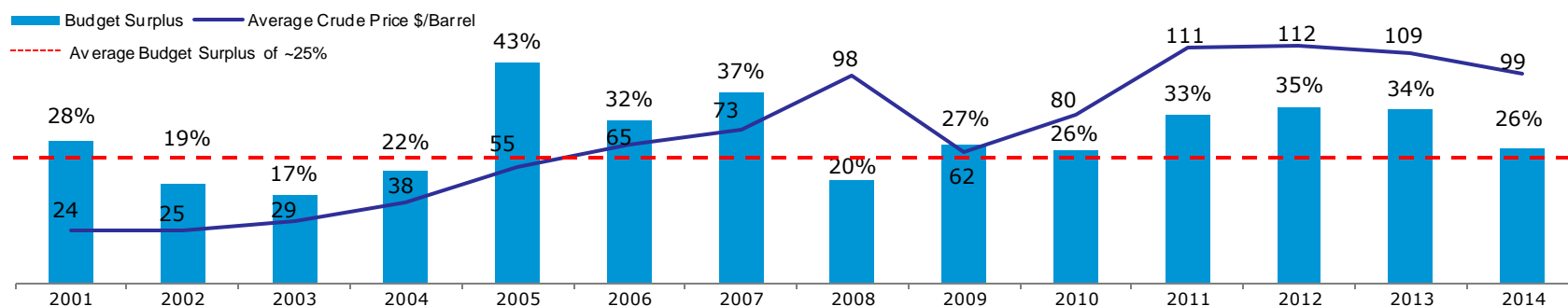
Kuwait: Stable macro-economic environment

Healthy Annual Budget Surplus

- ▶ Average budget surplus of 25%¹ of GDP from 2001 to 2014
- ▶ Average budget surplus expected to be 8%¹ from 2016 to 2019
- ▶ After excluding investment income from RFFG, on average Kuwait, will run single-digit fiscal deficits between fiscal years 2015/16 and 2018/19 (April-March)
- ▶ Current account balance is expected to grow at a CAGR of 22.6% to USD17bn from 2016 to 2019
- ▶ Real GDP is expected to increase at a CAGR of 2.8% to USD148bn from 2016 to 2019

Source: S&P Rating on Kuwait, February 2016; WEO Database, IMF, October 2015

Kuwait's budget surplus² as a % of GDP (2001-2014)



Source: WEO Database, IMF, October 2015, Bloomberg

“Kuwait Development plan in progress with USD235bn worth of projects underway”

“Kuwait sovereign ratings: ‘AA’ affirmed by S&P in February 2016 Aa2 (Moody’s)”

“CMA is in place for transparent supervision of capital markets”

6%³ of world's oil reserves (6th largest in the world); sufficient to last for 100+ years

Large fiscal and external net asset position to weather low oil price environment

¹ After including investment income from RFFG

² Government Revenue less Expenditure ³CIA

Kuwait development plan overview

Purpose

In February 2010, the Kuwaiti authorities announced a series of five-year plans stretching to 2035 aimed at diversifying the economy and expanding the role of the private sector while tackling much needed investments in health, education and infrastructure and improving the efficiency of the country's oil industry.

Progress

During the year 2015, contracts for an estimated USD32bn worth of projects, 20% more than the previous year, were awarded. The total amount of projects in the planning stage or awarded and under way in Kuwait rose to USD235Bn at beginning of August 2015 vs. USD214bn at end of May 2014. Projects worth USD55bn are expected to be signed during 2016.

Government Policy Initiatives

**Government
pledged bank
guarantee for
funding**

**Formation of
Mini-Cabinet to
monitor the
plan**

**PPPs¹ model to
finance large
scale project**

**Kuwait
Municipality
collaborations
with
stakeholders**

1. Public-Private Partnership

KDP: Projects in action

Key Projects under the plan

Khairan City

- ▶ 140 million m² residential city, including 10,000 houses, 22,000 apartments
- ▶ Planning: Consultancy contract awarded to McKinsey & Co. Cost: **USD13.9bn**

Kuwait Metro (PPP)

- ▶ 200km long running across Kuwait
- ▶ Planning: Prequalification process to start in Q1 2016. Cost: **USD7.0bn**

Kuwait National Railroad (PPP)

- ▶ Railroad system linking Kuwait to rest of GCC
- ▶ Planning: Prequalification process to start in Q1 2016. Cost: **USD7.9bn**

Umm Al Hayman Waste Water (PPP)

- ▶ Initial treatment capacity of 500,000 m²/d
- ▶ Bidding: Prequalification round done. Shortlist announced. Cost: **USD1.3bn**

Oil & Gas Projects

- ▶ Kuwait oil Company awarded 63 different work requests in Q3 2015
- ▶ Awarded: This is above the 39 contracts awarded in Q2'15. Cost: ~**USD3.5bn**

Kuwait Health Assurance Co. (PPP)

- ▶ Three hospitals & 15 clinics
- ▶ Awarded: Board of directors formed but ministerial approval awaited

New Refinery Project (NRP)

- ▶ New 615,000 bpd refinery by KNPC
- ▶ Awarded: The ceremony took place in Oct 13, 2015. A small package left to tender soon. Project duration 45 months. Cost: **USD13.0bn**

Airport Expansion

- ▶ Project includes new terminal building and a new runway
- ▶ Awarded: New terminal building to start within 3 months. Shortlisting for pre-qualified companies announced. Bid submission deadline for Passenger Support Building was pushed to Nov 3, 2015. Cost: **USD6.0bn**

Al-Jahra Hospital

- ▶ Capacity 1,157 beds, parking for 3000 cars
- ▶ Underway: 15% has been completed. Completion date set for Jun 2018. Cost: **USD1.3bn**

Clean Fuels Project (CFP)

- ▶ Specification upgrade and expansion of two existing refineries
- ▶ Underway: Client to select project financier within 2 months. Mina Abdullah Phase 1 to be completed in Jan 2018. Cost: **USD12.2bn**

Mubarak Al-Kabeer Seaport Project - Phase 1

- ▶ Building a seaport on Bubiyan Island
- ▶ Underway: Construction work on Package one to start in Q1 2016. Main tender for package 3A delayed to December. Cost: **USD2.3bn**

Sheikh Jabar Al Ahmed Al Sabah Causeway

- ▶ 37 km causeway linking Kuwait City with Subiya area in northern Kuwait
- ▶ Underway: Progress is at 44%. Cement work to commence soon. Cost: **USD2.3bn**

Al Zour North IWPP - Phase 1 (PPP)

- ▶ 1500 MW power generation, 100 MIGPD desalination capacity
- ▶ Underway: A part of the plant is operational & started supplying power to the national grid. The project is scheduled for completion before 2016. Cost: **USD2.0bn**

Value of Key Projects shown above in USDbn

Bidding	Planning	Awarded	Underway	Total
1.3	28.8	22.5	20.1	72.7

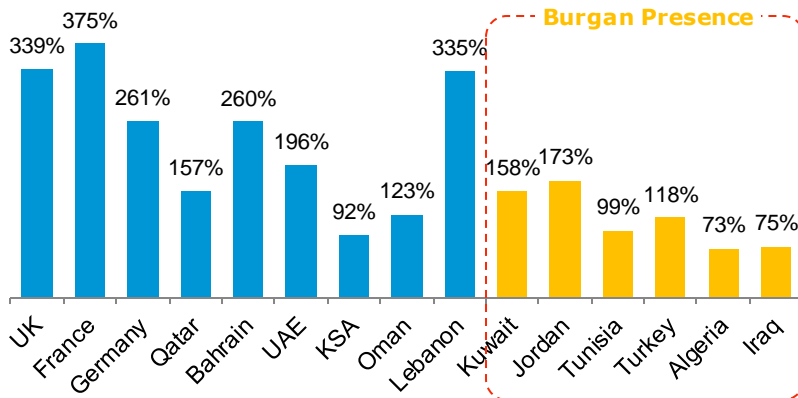
Source: NBK report dated September 2015; RSM Quarterly newsletter Oct'15; Value of above mentioned projects is USD72.7bn representing 31% of total amount to be invested under KDP



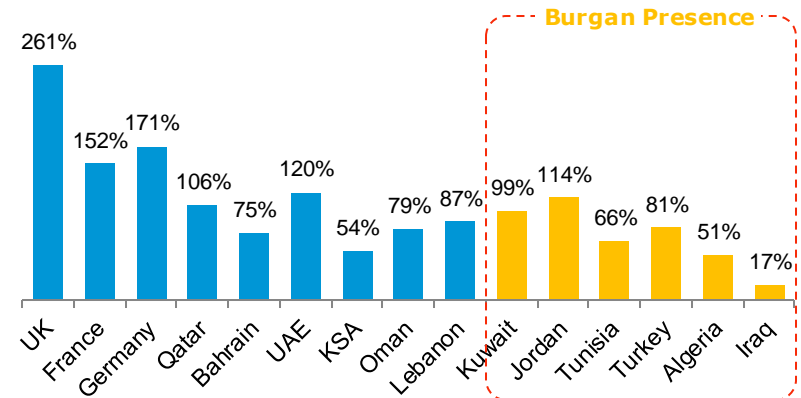
Annexure 7: Market opportunity

Burgan Bank: Banking Sector Opportunity

Banking Penetration: Assets/GDP












Banking Penetration: Loan/GDP



Source: Central Banks & IMF, World Economic Outlook Database

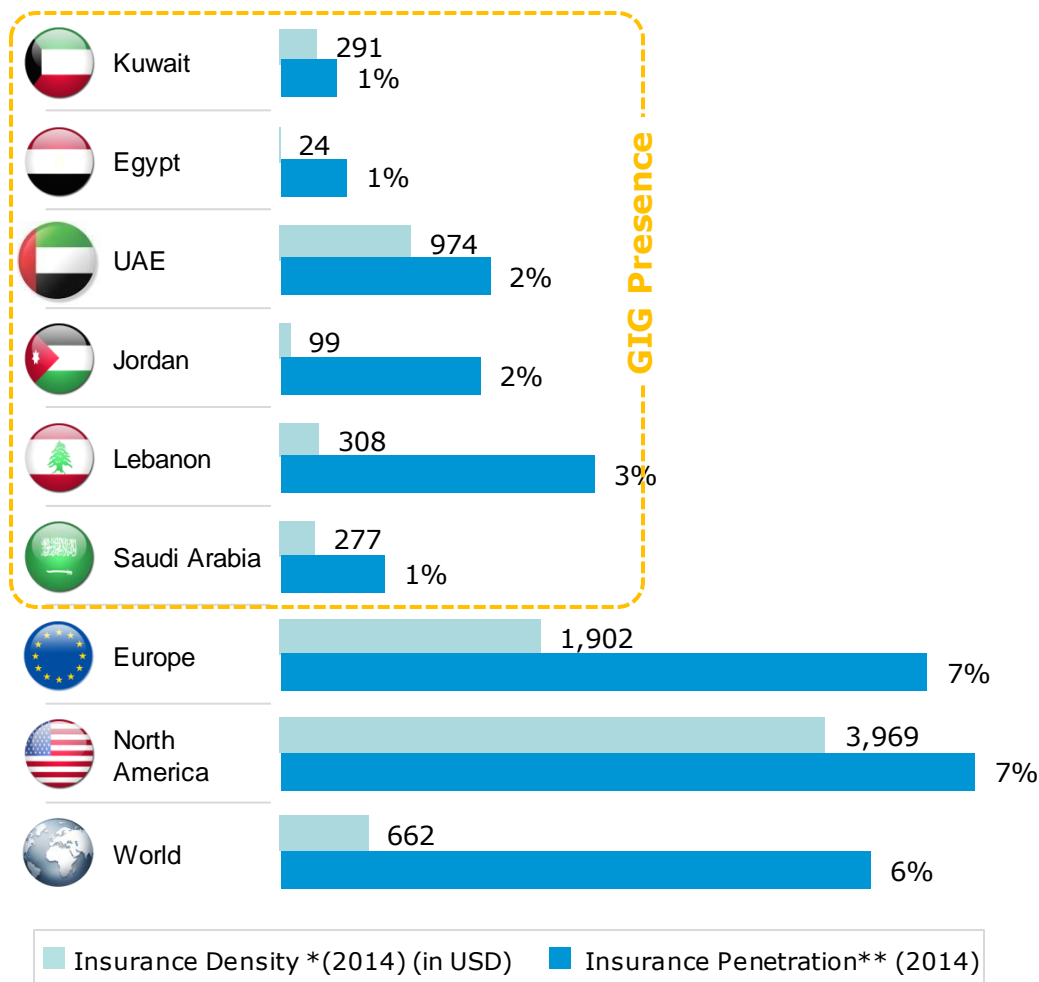
Countries

Countries								
		Kuwait	Jordan	Tunisia	Turkey	Algeria	Iraq	
	Population	Size (mn) (2015E)	4	7	11	78	40	35
		CAGR (15-20)	2.8%	2.2%	1.0%	1.0%	1.7%	2.6%
	Per Capita income	USD (2015E)	29,983	5,600	3,985	9,290	4,345	4,694
	Real GDP Growth Rate	CAGR (15-20)	2.8%	4.3%	4.3%	3.4%	3.7%	7.5%

Low penetration & healthy expected growth rate creates significant opportunity for banking sector in GCC region

Source: WEO Database, IMF, Oct 2015

Gulf Insurance Group: Market Opportunity



- ▶ Low insurance density in MENA region
- ▶ Double digit growth in insurance market in all MENA countries
- ▶ Increased acceptance of Sharia-compliant takaful insurance to further boost the insurance sector
- ▶ Fundamentals remain strong for life business driven by improving economic outlook and growing population
- ▶ Non-life lines of business to be driven by compulsory health and motor insurance and growth in infrastructure projects

Under-penetration and low insurance density coupled with growing population and favorable economic outlook signify strong growth prospects for the sector