

## **Al Mazaya announces a net profit of KWD1.71 million and EPS of 2.77 Fils in Q1 2015**

Al Mazaya Holding's operational revenues jump 175% to KD9.59 million

Al-Saq'abi: Al Mazaya boosted its operational revenues by focusing on sale and lease operations and on ensuring delivery on time

- 311.3% growth in operational revenues from sales.
- 24.9% increase in rental revenues.
- 90.1% growth in total profit from operational activities.
- 16.6% growth in net profit in Q1 2015.
- Shareholders equity totaled KD106.3 million in Q1 2015.
- Total assets stood at KD261.2 million by end of Q1 2015.

Al Mazaya Holding Company (KSC) announced its financial results for the first quarter of 2015. The company reported a net profit of KD1.71 million, a 16.6% increase compared to the net profit of KD1.47 million reported in the corresponding period of 2014. Earnings per share amounted to 2.77 Fils, as compared to 2.37 Fils in Q1 2014.

Following the board meeting held yesterday in presence of board members and the CEO, Eng. Ibrahim Al-Saq'abi, Group CEO of Al Mazaya Holding, said: "In the first quarter of 2015, Al-Mazaya Holding continued to substantially improve its financial results, thanks to its focus on sales and lease operations,

as well as on maintaining delivery of units in accordance with the predetermined schedules. The company has managed to increase sales on its offered-to-sale projects and to increase the occupancy rate in its income-generating projects, which has ultimately led to an impressive 175% jump in operational revenues – which totaled KD9.59 million over the first quarter of 2015, compared to KD3.49 million during the same period last year. He stressed that the company's significant rise in revenues was a direct result of its well-studied marketing campaigns and huge sales transaction recently completed. The company reported KD8.07 million in revenues from sale – a surge of 311.3% compared to the KD1.96 million it posted in the same period a year ago. Rental revenues climbed by 24.9% to KWD1.47 million, compared to KWD1.17 million in Q1 2014.

Commenting on the operational activities, Al-Saq'abi said that the company has continued to see a high occupancy rate in its income-generating projects. These include the Sky Gardens project at Dubai International Financial Centre, which has an occupancy rate of 95%, the three Mazaya Towers in the heart of Kuwait's capital, which have a 100% occupancy rate, and its other projects in the region – such as in the KSA and Dubai – where the company has achieved a 100% occupancy rate. Moreover, the company has achieved excellent sales in its properties which are offered for sale, including the office spaces at Mazaya Business Avenue, the final phase of the Villa residential project, and the sale and delivery of a large number of residential units at its Queue Point project. At Queue Point, the company has developed about 3,131 residential apartments – 75% of which have been sold – while the project's final phase's units are being marketed and sold.

#### Financial Results:

Speaking about the company's financial results in the first quarter of 2015, Al-Saq'abi said it had been able to maintain its strong growth in operational performance and net profits as part of its carefully-planned and astute objectives. He presented the remaining financial statements for the first quarter of 2015, noting that the company's total assets stood at KD261.19 million at the end of the first quarter of 2015, representing growth of 15.4% compared to the assets of KD226.24 million recorded in the first quarter of 2014. Total Shareholders' equity amounted to KD106.26 million in Q1 2015, climbing 8.4% from the KD98.07 million reported in the same period in 2014.

#### First Quarter Achievements:

Al Saqa'abi summarized Al Mazaya's most important achievements in the first quarter, as follows:

- Al Mazaya Holding has launched Ritim Istanbul, which is the first joint venture of the 50/50 strategic alliance agreement signed between Al Mazaya Holding and Dumankaya Real Estate. The 40,000 square meter project consists of six towers – three residential towers and three office

towers – in addition to a shopping mall. Construction work is 65% completed and 45% of the project has been sold so far, while marketing campaigns are underway to sell the remaining units inside and outside Turkey.

- Al Mazaya has completed its project which serves the logistics sector in the Kingdom of Bahrain. The KD6 million project offers storage solutions and warehouse spaces for lease at Bahrain Investment Wharf. The project is 100% completed and leasing is underway, with noticeable results.
- Al Mazaya has made significant progress at the Queue Point project in Dubai Land. The 38-plot project is underway with a completion rate of over 75%.
- Al Mazaya has completed the design works of its new medical centre. Strategically situated at Sabah Al Salem district in Kuwait, and spanning an area of more than 2,000 square meters, the project is conceived to be similar to the high-level Clover Medical complex in Al Jabriya district. The company is selecting contractors in order to commence construction work.
- Design work on Al Mazaya's new residential project on the 23,193 square meter plot acquired by the company in the Al Mawaleh area in Al Seeb, a city in the Governorate of Muscat in the Sultanate of Oman, is 80% completed. The company will soon announce construction bidding and will invite contractors to submit their tenders to commence the construction work.
- Al Mazaya has completed construction bidding for four buildings in Dubai Land in Dubai. The works will be awarded to the construction contractor and is scheduled for completion by the end of 2017.

Al Al Saqa'abi concluded that Al Mazaya has a number of investment opportunities being currently examined in the GCC and Turkish markets, as these markets meet the company's goals of expansion into the most stable, growing markets. He added that Al Mazaya's growth in these markets will include the signing of strategic partnerships with leading investors to achieve the best returns and serve the interests of the company and shareholders.