

Impala urges EU to block Sony's \$2.3bn bid for EMI

Independent music labels group Impala has called on EU antitrust regulators to block Sony Corp's bid to become the world's largest music publisher with its \$2.3 billion offer for control of EMI, saying the combination would have too much market power.

Sony announced the deal in May, the boldest strategy move by its new CEO Kenichiro Yoshida, which would give it rights

to 2.1 million songs from artists such as Drake, Sam Smith, Pharrell Williams and Sia.

The Japanese conglomerate, which currently owns a 30 percent stake in EMI, wants to buy Mubalada Investment Co's 60 percent stake. Last month, it acquired the estate of Michael Jackson's minority share of EMI.

The growing popularity of fixed-price music streaming ser-

vices such as Spotify, Apple Music, Google Play, SoundCloud and YouTube has boosted the industry.

"The market needs big operators, but not when they are allowed to acquire so much power that they start to strangle it and squeeze out the independents who are the ones taking the risks," she said, adding that 80 percent of new releases come from independent labels. (RTRS)

VF breaks off denim to focus on activewear

The clothing company that makes Wrangler and Lee jeans is breaking off its denim division to focus on its fast-growing outdoor and activewear business.

Consumers are swapping out jeans for yoga pants and other active wear, and that can be seen clearly at VF.

In the most recent quarter, revenue from activewear surged 25 percent and outdoor revenue rose 6 percent. Revenue from denim

increased 3 percent.

The company expects 6 percent to 8 percent revenue growth in its outdoor business this fiscal year and 13 percent to 14 percent growth in its active division. Revenue in denim is expected to be flat, VF Corp. said last month.

The company said Monday that it expects the tax-free spin-off of its denim business to generate annual revenue of \$2.5 billion.

The yet-to-be-named outdoor

and activewear division, which includes The North Face and Timberland, Altra, Icebreaker and Williamson-Dickie, is expected to generate annual revenue of around \$11 billion.

That division will move from North Carolina to the Denver area in the next year. The new company that operates the denim and also its outlet businesses, called NewCo, will remain in Greensboro, North Carolina. (AP)

Deal to fund 10 scholarships over a period of 5 years

Zewail City and NBK ink EGP 6.25 mln cooperation protocol

KUWAIT CITY, Aug 13: Zewail City of Science and Technology and NBK ink EGP 6.25 million cooperation protocol to fund 10 scholarships over a period of 5 years.

Prof Sedky: A valuable partnership that highlights the importance of concerted efforts between the private and public sectors to drive development... we hope for continuous flow of support to complete the various stages of the city and achieve a breakthrough in the field of scientific research.

Dr Hassan: Our cooperation with Zewail City is an integral part of the bank's corporate social responsibility... the City sets an ideal model of the trustworthy institutions that strive to utilize the support and assistance they receive in the best way possible.

Zewail City of Science and Technology and National Bank of Kuwait inked a cooperation protocol worth EGP 1.25 million annually for a term of 5 years to provide 10 scholarships to the City's students in 2018.

The protocol comes in line with the strategy adopted by both parties aimed to support and develop scientific research and to empower innovative scientists by providing all the required prerequisite for success to develop the Egyptian society, in line with the Sustainable Development Strategy: Egypt's vision 2030. One of the main objectives of Zewail City is aimed at keeping abreast of scientific development and contribute towards scientific research to propel Egypt to a leading position among developed countries in the areas of science and research. Meanwhile, NBK is a firm believer that advanced education is the first step on the road to promote the country and head towards a better future, in addition to the importance of education for the Egyptian society's progress and advancement.

The protocol was signed by Zewail



Zewail City's Executive President, Prof Sherif Sedky and Managing Director at National Bank of Kuwait – Egypt, Dr Yasser Hassan signing the protocol

City's Executive President, Prof Sherif Sedky and the Managing Director at National Bank of Kuwait – Egypt, Dr Yasser Hassan. The signing ceremony was attended by a number of Zewail City faculty members and management, as well as representatives of the National Bank of Kuwait.

The protocol stipulates that a number of students shall be selected to benefit from receiving the scholarships according to a specific criteria in order to ensure equal opportunities for all qualified students, and to provide a continuous resource to benefit them. Additionally, students are required

to maintain academic excellence and outstanding academic performance throughout their term at the university.

"Research has shown that there is no higher return on investment than science and scientific development, but we have to admit that no matter how large budgets get, Zewail City won't be able to accomplish this difficult task on its own" said Zewail City's Executive President, Prof Sherif Sedky.

"Hence we are witnessing today the importance of the close cooperation between the private sector represented by National Bank of Kuwait and civil society organizations

represented by Zewail city, as a scientific research institution that promotes scientific research and innovation, in line with the objectives set forth by the higher education system and scientific research in order to achieve sustainable development in society".

Prof Sedky expressed his happiness for signing the protocol and stressed on the importance of such steps as a milestone toward the successful completion of the project that Dr Ahmed Zewail had long dreamed of establishing to be a beacon for research in the Middle East responsible for graduating highly educated cadres

with heightened awareness towards science and technology so that they would contribute to the development of the Egyptian economy and face its challenges. It also strives to propelling Egypt to a leading position among developed countries in the areas of science and research.

Moreover, Prof Sedky highlighted that this partnership complements Zewail City's cooperation efforts with private and public institutions and civil society organizations. He also expressed his hopes for continuous flow of support to complete the various stages of the city and achieve a breakthrough in the scientific research arena both in Egypt and the Middle East.

Meanwhile, Dr Yasser Hassan said that signing this agreement comes in line with NBK's corporate social responsibility aimed at carrying out the bank's prominent role to serve the society by directing its support and contributions to many non-profit organizations aimed at developing the society and the people through various means.

Dr Hassan explained that the University of Science and Technology at Zewail City of Science, through its free scholarships program, sets an ideal model of trustworthy institutions that strive to utilize the support and assistance they receive in the best way possible. He added that this initiative constitutes an important part of NBK's social corporate responsibility program as the bank strives to support such constructive developmental activities to enrich the community and contribute towards the advancement of its skillful students to showcase their scientific talents and enrich them academically in one of the best scientific research hubs in the country.

Dr Hassan stressed that all civil society institutions in Egypt should

extend their support and develop governmental institutions to aid them in supporting the citizens who need them the most, especially at this crucial time in the country's history as it seeks to pave the way for a brighter future.

He also added that NBK Group's overall policy, on the local, regional and international levels, is focused on social corporate responsibility covering the fields of education and health care as it firmly believes in their important role in building societies, developing nations and the prosperity in various fields and aspects.

Zewail City of Science and Technology is a nonprofit, independent institution of learning, research and innovation. Its strategy is to build a new generation of leaders, scientists and entrepreneurs capable of having a significant impact on society. It also aims to introduce new cutting-edge fields of endeavor. The City has established a five-component structure consisting of the University of Science and Technology, Research Institutions, the Technology Pyramid, the Academy, and the Center for Strategic Studies. Zewail City has been able to register about 380 research papers and obtain 12 patents in the fields of health and environment, which is no small feat by any means.

NBK - Egypt (previously known as Al-Watany Bank of Egypt) is a member of NBK Group and was established in 1980. The bank has a network of 45 branches situated at various strategic locations across Egyptian governorates and cities including Cairo, Giza, Alexandria, Delta, Sinai, the Red Sea, and Upper Egypt, as well as industrial areas like Sixth of October, and Tenth of Ramadan. NBK-Egypt is also one of the few banks licensed to offer Sharia compliant solution in addition to the conventional products through its two Islamic branches.



Nawaf Najia and other officials at the Green Banking Forum

Bank undergoing a new phase of its banking and social vision: Najia

KIB participates in Green Banking Forum

KUWAIT CITY, Aug 13: In cooperation with the Central Bank of Egypt and the Federation of Egyptian Banks, KIB recently participated in the "Green Banking Forum: The Road to Sustainable Development" which was held in Hurgghada. The Forum was organized by the Union of Arab Banks, with the attendance of a select group of banking and financial experts from all over the Arab world.

Over the course of three days, the event shed light on the concept of "Green Banking and Sustainable Development", and its economic, social and environmental aspects. The Forum also explored the impact of climate change on banking and financial services, as well as the role central and local banks plays in sustainable development through green banking. Furthermore, the Forum addressed the importance of digital transformation and the commitment to implementing government regulations to promote more advanced forms of technology, as well as the role social responsibility plays in achieving sustainable development.

Manager of the Corporate Communications Unit at KIB, Nawaf Najia, partook in the third session of the Forum, discussing KIB's leading role in social responsibility and sustainable development, a key component of its commitment to being a "Bank for Life".

"KIB is currently embarking on a new phase of its storied history, and

we are witnessing many changes that serve to realize its banking and social vision. KIB's new strategy focuses on becoming more customer-centric by offering an integrated customer banking experience that delivers much more than just "banking" in the traditional sense – but rather establishes KIB as a partner in every aspect of its customers' lives," said Najia.

Najia added that over a short period of time, the Bank managed to establish its reputation as a "Bank for Life" by participating in a number of national and community-based initiatives, activities, and events that serve all segments of the local

community. These includes national, health, sports, environmental, cultural and educational, youth empowerment programs, and many more.

He also pointed out that the Bank's pioneering social responsibility program is currently focusing on two main areas: the KIB financial literacy program – which was launched as a unique initiative in Kuwait, aimed at enhancing financial and banking awareness among all segments of society, especially youth and children, who represent the future of this country. KIB also dedicates a big part of its efforts to supporting youth empowerment. The Bank is keen on capitalizing on its capabilities as a banking institution to support youth and students, maintaining this as one of its top priorities. KIB continues to be a firm believer in the importance of investing in national talents and the necessity of arming youth with skill and knowledge, given that they are the most important asset a country has.

KIB was also recognized for its efforts and contributions by a number of distinguished international bodies. One of the most notable achievements recently for KIB in this area was receiving the "Distinction in Social Responsibility in Islamic Banking 2017" award from the Regional CSR Network. KIB also garnered the "Best CSR 2017" Award by Banker Middle East, marking the third consecutive time the Bank received the honor.



Photo from the event

NREC reports H1 financial results

Co posts 46.05% rise in operating revenue

KUWAIT CITY, Aug 13: National Real Estate Company (NREC), a real estate developer managing over \$2 billion in properties in Kuwait, UAE, Egypt and other markets in the Middle East and North Africa region, today announced total operating revenue of KD 14.02 million for the first half ending June 31, 2018, up 46.05% from the same period last year.

The Company's EBITDA stood at KD 11.94 million, up 35.17%, while net profit was KD 6.77 million and EPS 6.57 fils in H1 2018.

NREC Vice Chairman and Chief Executive Officer, Faisal Jamil Sultan Al-Essa, said: "Our improved operational performance was supported by income from rents of properties owned in Kuwait, Jordan and Libya where security stability has improved, in addition to continued sales of residential units in our developing mixed-use project in Egypt as well as positive earnings announced by our associates."

"Today, NREC maintains a healthy balance between its existing income-generating assets and upcoming developments that will in turn generate steady



Faisal Jamil Sultan Al-Essa, NREC Vice-Chairman and CEO

revenues in the coming years."

Financial Highlights in H1 2018:

- Operating revenue: KD 14.02 million, up 46.05%
- EBITDA: KD 11.94 million, up 35.17%
- Net Profit: KD 6.77 million, down 9%
- EPS: 6.57 fils
- Total Assets: KD 478.51 million
- Shareholder's Equity: KD 221.09 million

Sultan added: "With a positive operational performance, NREC embarked

on a bullish restructure plan to enable it to reduce its debt to below KD 100 million, improve its efficiency and grab new opportunities on the long term. The company reduced debt by KD 19.36 million at half-end and is expected to further strengthen its debt position by year-end after completing the conversion of its KD 31 million convertible loan from its associate Agility Public Warehousing Company K.S.C.P. On the other hand, the adoption of IFRS standards resulted in a decrease in reported earnings."

Operations Highlights in H1 2018:
Kuwait: Sale of three properties and proceeds used to reduce existing debt.

UAE: Reem Mall progresses as planned and is expected to become a leading leisure destination in Abu Dhabi once completed.

Egypt: Sale of close to 1,000 residential units in Grand Heights, and delivery of half of these by end of H1 2018.

Libya: Rents occupancy in the Palm City Residences increased from 24% by end of 2017 to 40% by June 30, 2018. The project is the residence of choice for multinational companies and government-owned agencies.

Sultan concluded: "NREC will focus in the coming period on decreasing debt, divesting some of its properties, maintaining promising assets under management and progressing as per schedule in the development of its two landmark projects, the Grand Heights in Egypt and Reem Mall in UAE."

Investors flee emerging market currencies in favour of safer assets

Risk aversion hits eurozone bonds

PARIS, Aug 13, (AFP): Borrowing rates for southern eurozone nations pushed higher Monday as the crisis in Turkey dampened appetite for risk among investors who were also keeping a wary eye on Italy.

The crash in the value of the lira has reverberated far beyond Turkey as investors have fled other emerging market currencies in favour of safer assets, while the shares of European banks with units in Turkey have taken a lashing.

The aversion to risk has also begun to be felt in the borrowing costs of southern eurozone nations, in par-

ticular Italy where a populist governing coalition is preparing its first budget.

Deputy Prime Minister Luigi Di Maio, in an interview with the Corriere della Sera daily, called on Europe to allow the country to pursue reforms that would boost the economy and reduce debt.

He said that in any case after European elections next year "we will be finished with the austerity era and we'll begin a seven-year period of rising budgets."

At 1210 GMT the rate of return for investors on 10-year Italian gov-

ernment bonds in trading in the secondary markets rose to 3.082 percent from 2.993 percent on Friday.

The yield on 10-year Spanish bonds climbed to 1.505 percent from 1.407 percent, while those on Portugal's 10-year bonds rose to 1.864 percent from 1.778 percent.

Meanwhile, the yield on 10-year German government bonds, which are the benchmark in the eurozone and are safe-haven asset, dropped to 0.308 percent from 0.317 percent.

The yield on similar maturity French bonds climbed to 0.684 percent from 0.670 percent.