Savola Group swings to first-quarter loss

Savola Group, Saudi Arabias largest food products company, swung to a first-quarter loss, hit by lower sales within food and retail and a higher share of a loss from an associate, it said on Wednesday.

The company reported a net loss of 84.3 million riyals ($22.5 million) in the three months to the end of March 31, compared with a net profit of 4.8 million riyals in the same period a year earlier, Savola said in a statement.

Analysts at EFG Hermes had forecast the company would make a net profit of 41.1 million riyals, while Al Rajhi Capital expected a net profit of 78.0 million riyals.

Savola attributed the loss due to lower sales within food and retail, the higher share of losses from an associate and higher net finance costs. It also said its first quarter 2017 results were boosted by a non-recurring gain from discontinued operations. Savola, like many other retailers in Saudi Arabia, has struggled in the past few years as consumer spending has been sluggish because of a government austerity drive. The company is one of the few listed Gulf companies with operations in Iran. It has an edible oil business in Iran, which had revenues of 2.59 billion riyals last year, as well as smaller food and confectionery operations. The United States has decided to withdraw from the Iran nuclear deal, leading to new US sanctions on Tehran and pressure on the free market rate of the Iranian rial. (RTRS)

top shareholder in Sok ups demand for IPO

The largest shareholder in Turkish discount grocer Sok Marketler has placed an order for a further $100 million in its upcoming stock market listing, one of the bookrunners said on Wednesday, a move that could help boost demand for the flotation.

The outlook for Sok's 2.6 billion lira ($608 million) initial public offering has been clouded after two Turkish clothing retailers — Beymen Magazacilik and DeFacto — cancelled their plans to list, citing low demand. The cooling sentiment has not been confined to Turkey. Springer Nature, the publisher of science magazines Nature and Scientific American, this week cancelled a 3.2 billion euro ($3.80 billion) flotation on weak investor demand, dealing a heavy blow to Germanys vibrant IPO season.

The bookrunner on the Sok deal said the companys shareholder, Gozde Girisim, has placed a further order in the international bookbuilding for $100 million. Any shares acquired by it will be subject to a lockup of 18 months, it said. Gozde Girisim is the investment arm of food giant Yildiz Holding, which owns Godiva chocolate and McVitie's biscuits.

Sok said on Monday it planned to allocate 85 percent of its shares to foreign investors. It is due to start trading on the Istanbul bourse on May 16. Bookrunners have previously said that proceeds from the flotation would be used to repay all of its current debt. (RTRS)

EQUATE Q1 net profit rises 41% to $435mn

EBITDA up 22% to $577mn

KUWAIT CITY, May 9: The EQUATE Group, a global petrochemical producer, today reported its Q1, 2018 financial results (unaudited), with EBITDA of $577 million, up by 22 percent from Q1, 2017, net profit of $435 million, up 41 percent from Q1, 2017 and NIAT of $425 million, up from $308 million in Q1, 2017.

These were the EQUATE Group's best quarterly results since the Group's inception. The EQUATE Group combines the Kuwait-based EQUATE Petrochemical Company and its subsidiaries MEGlobal, Equipolymers and The Kuwait Olefins Company (TKOC).

EQUATE's performance was driven by a robust polyethylene (PE) market demand in all regions, a sharp price increase in Monoethylene Glycol (MEG) due to tight global supply conditions and excellent operational reliability in Kuwait, Canada and Germany.

"This remarkable achievement demonstrates the ability of EQUATE personnel across the globe to deliver operational excellence consistently," said the EQUATE Group's President & CEO, Dr Ramesh Ramachandran. "We have been able to deliver on the cost and growth synergies identified after the MEGlobal acquisition, and our shared strategies on innovation and optimization of the ethylene glycol plants enabled several operational breakthroughs in Q1. Our focus remains on safe and reliable operations as we head into the next quarter."

EQUATE's construction on its new world-scale MEGlobal ethylene glycol plant in Oyster Creek, TX, remains on track, with completion expected in the 2nd half of 2019.

The EQUATE Group is a global producer of petrochemicals and the world's second largest producer of Ethylene Glycol (EG). The Group has industrial complexes in Kuwait, North America and Europe that annually produce over 5 million tons of Ethylene, EG, Polyethylene (PE) and Polyethylene Terephthalate (PET). The products are marketed throughout Asia, the Americas, Europe, the Middle East and Africa. The EQUATE Group's shareholders include Petrochemical Industries Company (PIC), The Dow Chemical Company (Dow), Boubyan Petrochemical Company (BPC) and Qurain Petrochemical Industries Company (QPIC).

Company announces its intent for IPO

JTC net profit surges 25% to KD 7.8mn in 2017

KUWAIT CITY, May 9: Jassim Transport & Stevedoring Co K.S.C.C. (JTC), a leading provider of equipment and logistics services in the GCC, today announced its earnings for 2017 and its intent for an initial public offering and listing on Boursa Kuwait.

In an AGM held last week, JTC shareholders approved the distribution of KD 6.6 million as cash dividends for 2017, as well as a resolution to start the IPO process for the company. JTC registered a net profit of KD 7.8 million in 2017, up 25% from the previous year. The company had registered a net profit of KD 6.3 million in 2016, and KD 5.2 million in 2015.

FY2017 Investor Highlights:

- Revenue: KD 24.1 million, up 14%
- Net Profit: KD 7.8 million, up 25%
- Cash Dividend: KD 6.6 million, bringing the total cash dividend payout for the last four years to KD 25.7 million
- Total shareholder equity: KD 43.0 million

Sulaiman Al Rubaie, Chairman

Adel Kohari, CEO

JTC CEO Adel Kohari said, "All business lines performed well in 2017, driven by favorable market conditions and consistent demand especially in Kuwait. Our bottom line growth was driven by a 14% rise in revenue, as well as continued improvement in operational efficiency, which saw the net margin increase to 32.5% from 29.6% a year ago. Our outlook for 2018 is positive. We forecast healthy growth in both top line and the bottom line earnings".

Established in 1979 as an inland transportation company in Kuwait, JTC has over the years grown into a reputed regional organization with a unique portfolio of four successful businesses – Ports Management, Contract Logistics, Equipment Leasing and Power Rental. Today, JTC is a significant participant in various mega and landmark projects in Kuwait and the Gulf. Current projects include the Clean Fuel Project, Al Zour Refinery project and the Doha Metro project.

JTC Chairman Sulaiman M. Al Shaheen Al Rubaie said, "the company is well-placed to remain on a high growth trajectory in the coming years, based on a well-established market position, positive economic outlook, strong management team, and healthy balance sheet. We have seen significant growth in the past five years, with revenue and net profit growing at CAGRs of around 13% and 31%, respectively, during the period from 2014 to 2017".

JTC has considerably expanded its capabilities in all its businesses in recent years. Since 2014, JTC has doubled its tonnage capacity by adding around 80 new cranes to its equipment leasing fleet.

JTC's current fleet consists of around 1,500 units of various types of equipment, which makes it a strong market player in all its business segments. Such investments have helped JTC expand its market share in key segments. Notable investments during 2017 include the addition of a new 700 Ton mobile crane, and the purchase of over 100 generators.

All the above-mentioned investments were funded from cash flows generated from operations, while also distributing healthy cash dividends to shareholders in the last four years totaling KD 25.7 million in cash payouts, while maintaining a healthy and debt-free balance sheet.

JTC enjoys strong and longstanding relationships with government bodies, national oil companies, blue-chip corporates and SMEs in its core geographies. JTC today hold several high value contracts with marquee clients, such as a 5-year contract with Kuwait National Petroleum Company (KNPC).

Co to launch new, innovative products

Kuwait Insurance Co posts KD 4.9 million Q1 net profit

KUWAIT CITY, May 9: Kuwait Insurance Company S.A.K.P. announced its financial results for the first quarter ending 31 March 2018. The results showed a net profit of KD 4.9 million for the first quarter of 2018 compared to KD 4.5 million for the first quarter of 2017 showing an increase of 9.7%. This resulted in Earning Per Share (EPS) of 26.96 fils, compared to 24.58 fils per share for the same period of 2017.

In a press release, Sami Sharif, CEO of Kuwait Insurance Company said that the company continued to maintain growth in operational performance during the first quarter of 2018 due to the implementation of a business plan, which includes definite objectives to achieve precise results and outcomes in accordance with specific timelines. Shareholders equity reached KD 71.3 million in the first quarter of 2018 compared to KD 65.1 million in the first quarter of 2017, a growth of 9.5%. This indicates the company's ability to protect its assets and shareholders' interests.

Sami Sharif, CEO

Sami Sharif added that Gross Written Premium reached KD 11.8 million compared to KD 11.6 million recorded in first quarter of 2017 that shows an increase of KD 0.2 million, i.e. 1.7% growth.

Total Assets reached KD 171.7 million, compared to KD 162.2 million in the first quarter of 2017, showing an increase of KD 9.5 million i.e. 5.8% growth. Technical Reserves reached KD 76.5 million for the current period, compared to KD 76.9 million for the same period last year.

He stated that the company has always been eager to maintain credibility and to show transparency by complying with the rules and regulations of corporate governance issued by the Capital Markets Authority, which strengthens the company's position to manage the risks, its ability to adapt to the unstable economic environment and to adhere to the targets given by its Board of Directors for 2018.

Sami Sharif ended the statement by saying that during 2018, Kuwait Insurance Company will introduce new and innovative insurance products to cater for the clients' needs, and which will create new market segments, grow the size of insurance market in Kuwait, and accordingly increase the company's market share.

Emirates posts boost in annual profits to $762m

DUBAI, United Arab Emirates, May 9, (AP): Emirates the Middle East's largest airline, said Wednesday the long-haul carrier's revenue improved over the past fiscal year, reaching $25.2 billion, with profits rising to $762 million.

The Dubai-based airline credited a recovery in the global air cargo industry and the strengthening of key currencies against the US dollar for the boost.

Emirates said in spite of political challenges impacting traveler demand and fare adjustments due to a competitive business environment, the decline of the US dollar against currencies in most of Emirates' key markets had a $180 million "positive impact to the airline's bottom line."

Emirates Airline and Group chairman and chief executive, Sheikh Ahmed bin Saeed Al Maktoum, said President Donald Trump's announcement to withdraw from a nuclear accord with Iran will not present too many new challenges for Emirates, which has flights to Tehran and other cities in Dubai's Persian Gulf neighbor.

"I think this is not really new to us," he told reporters, explaining that the airline dealt with issues of sanctions on Iran in the past.

"I can say that we went through a lot of tough times in the past 30 years since the start of the airline and we will always manage," Al Maktoum added.

Last year, the airline's profits fell by more than 80 percent from the previous year to $340 million as it grappled with a slump in demand linked to a range of headwinds, from political upheaval and terrorism in Europe to tougher travel restrictions to the US.

Over the 2017-2018 fiscal year, Emirates announced two major purchases: A $15.1 billion agreement for 40 Boeing 787-10 Dreamliners and a $16 billion deal to buy 20 A380 double-decker jets, with the option to buy 16 more of the Airbus jumbo jets.

Toyota Sora fuel cell bus

First FC bus in Japan to receive vehicle type certification

Toyota launches production model Sora fuel cell bus

KUWAIT CITY, May 9: Toyota expects to introduce over 100 fuel cell buses, mainly within the Tokyo metropolitan area, ahead of the Olympic and Paralympic Games Tokyo 2020. As the number of FC buses in operation within the metropolitan area increases, Toyota anticipates greater awareness of the vehicle among the public.

Last year, Toyota launched the "Start Your Impossible" global corporate initiative to transform the company from an automobile company to a mobility service company. This was guided by the company's desire to contribute to the improvement and enhancement of customers' lives and society as a whole through support of the creation of a more inclusive and sustainable society in which everyone feels inspired to challenge his or her impossible. In developing the Sora, Toyota has sought to design buses that provide customers with freedom of mobility and become enduring town icons.

Toyota aims to create a bus that works for and supports society, so the Toyota Fuel Cell System (TFCS) has been leveraged in the Sora for its environmental friendliness and ability to serve as a power source in the event of a disaster.

The Sora features human-centric universal design and functions, reflecting Toyota's desire that when riding the Sora, mobility no longer presents an impediment to customers challenging the impossible, which helps enable them to achieve their dreams.

The Sora offers the following specific features:

High environmental performance and the joy that is derived from FC technology

The Toyota Fuel Cell System (TFCS), which was developed for the Mirai fuel cell electric vehicle (FCEV), has been leveraged to realize high environmental performance with no CO_2 emissions or Substances of Concern (SoC) emitted when in operation, as well as quiet comfort with minimal vibration.

The Sora is equipped with a high-capacity external power output device, which can provide high output and a large capacity of electricity supply (9 kW maximum output, and electricity supply of 235 kWh*2) and has potential use as an emergency power source following disasters.

Universal design and function that provides everyone with greater freedom of movement

Horizontal seats with an automatic storage mechanism (first in Japan*3)

The Sora's seats are automatically stored when not in use, improving comfort and convenience for passengers with strollers and wheelchairs as well as other passengers.

Field of vision support camera system (bus peripheral monitoring function) (first in Japan*3)

Eight high-definition cameras fitted inside and outside the vehicle detect pedestrians and bicyclists around the bus providing a field of vision support camera system. When at bus stops, the system warns the driver of surrounding pedestrians and bicyclists through sound notifications and images thereby improving safety.

Acceleration control function delivers improved safety (first in Japan*3)

The acceleration control function suppresses sudden acceleration and enables smooth acceleration from complete stops in consideration of the safety of standing passengers. Also, as the bus is not motor operated, there is no gear shifting, resulting in minimal lurching.

Design

The design pursues stereoscopic shaping that significantly differs from the hexahedron (box shape) of conventional buses. It also uses LED technology for the front and rear lights. Such design features make the FC bus instantly recognizable.

Photos of the Sora fuel cell bus from Toyota