

BUSINESS

Sony's profit zooms to record

Sony's January-March profit zoomed eight-fold to 107 billion yen (\$982 million) from a year earlier as people stuck at home during the coronavirus pandemic turned to the Japanese electronics and entertainment company's video games and other visual content.

Sony Corp. reported a record profit of 1.17 trillion yen (\$11 billion) for the fiscal year

that ended March 31, roughly doubling from 582 billion yen the previous fiscal year.

The popularity of the "Demon Slayer" animation film also helped, along with solid sales in mobile game applications and digital content. Demand persists for the PlayStation 5 game console, which went on sale last year. Sony said it has sold 7.8 million PlayStation 5 machines glob-

ally. Tokyo-based Sony's quarterly sales rose 27% from 1.7 trillion yen to 2.2 trillion yen (\$20 billion). Sony had reported a January-March profit of 12.6 billion yen last year.

Sony's financial services division, including banking and insurance, also contributed to healthy profits and sales for the fiscal year.

Among the top-selling Sony

musical artists in the latest fiscal year were Harry Styles, AC/DC, Luke Combs and Doja Cat.

But Sony projected a 44% decline in profit for the fiscal year through March 2022, at 660 billion yen (\$6 billion), as factors that boosted profit for the fiscal year just ended, such as the megahit "Demon Slayer," would be missing. (AP)



A man stands by promotional pictures of PlayStation 5 at an electronics retail chain store in Tokyo, Wednesday, April 28, 2021. (AP)

stc reports KD 69.8mn revenue for Q1

Company posts KD 8.0mn net profit, customer base reaches 1.8mn at end of March 2021

KUWAIT CITY, April 28: Kuwait Telecommunications Company (stc), a world-class digital leader providing innovative services and platforms to customers, enabling the digital transformation in Kuwait, announced its financial results for the three-month period ending 31 March 2021.

On this occasion, Dr. Mahmoud Ahmad Abdulrahman – stc's Chairman, stated: "stc has demonstrated its resilience and viability in providing the best services and products to the individual and business sectors on a continuous basis, throughout the potential risks and critical economic conditions resulted from the continued global spread of COVID-19 pandemic. Accordingly, as the negative effects of COVID-19 continue to significantly hit most of the vital sectors worldwide, stc is constantly keen on developing precautionary plans that enable the company to maintain its operations during the curfew and lockdown periods in order to ensure service delivery and customer satisfaction. In line with the industry global



Dr. Mahmoud Abdulrahman, Chairman



Maziad Alharbi, CEO

first quarter of 2021 compared to KD 72.2 mn during the same period of 2020. The overall drop in revenues for Q1-2021 is contributed to the continuing repercussions of the current crisis, which continues to strain the operational and financial results of the Telecommunications sector, in particular the individual sector, as a result of the continued partial curfew imposed in Kuwait due to COVID-19 pandemic. Furthermore, the continued imposed restrictions on the airport and the suspension of flights have also contributed to the drop in stc's revenues due to the decline in the number of residents in the State of Kuwait over the past year, resulting in a decline in the demand for the individual sector in addition to the significant and almost total decline in the roaming services. Despite the

end of March 2021".

Dr. Abdulrahman noted, "stc's financial results for the first three-month period of 2021 demonstrates its ability to compete and enhance its position as the second largest telecom operator in the Kuwaiti telecom market with a revenue market share of approx. 35%. With the ongoing repercussions and challenges we are facing due to the COVID-19 crisis, the significant increase in Company's financial results is attributed to the decline in stc's bad debt and its implementation of the cost optimization program in order to achieve the best results and enhance profitability through adopting a balanced and effective financial policy in relation to the operational and capital expenditure".

In regards to the Company's financial results, engineer Maziad Alharbi – Chief Executive Officer of stc, said: "stc was able to achieve these results due to the great efforts provided and the dedication of its employees in addition to being flexible in implementing the company's digital transformation strategy and providing integrated advanced technical solutions that serve the Kuwaiti government's outlook with regards to the social distancing for the individual and enterprise segments. stc has focused its efforts on building on the 5G network to deliver a range of services, including entertainment and digital services, meeting the growing demand for broadband high-speed networks, in addition to the corporate and institutional requirements for online institutional and educational interaction with the highest quality and efficiency. Accordingly, stc proved its ability to overcome potential unprecedented challenges due to the great efforts provided and the dedication of its employees and their determination to provide services to customers with the same quality standards through

the digital platforms".

Alharbi added, "stc's EBITDA increased by 10.9% in the first three months of 2021 to reach KD 18.9 mn compared to KD 17.0 mn during the same period of 2020. EBITDA margin reached 27% in Q1-2021 compared to 24% in Q1-2020. Accordingly, stc reported an increase in the net profit by 22.6% to reach KD 8.0 mn (earnings per share of 16 fils) with a profit margin of 11% compared to KD 6.5 mn (earnings per share of 13 fils) with a profit margin of 9% in 2020.

stc demonstrated its ability to overcome the potential challenges and risks with the ability to keep up its operations and open its doors to serve its customers in such circumstances. Whereby, in order to maintain its operations and continue delivering uninterrupted services to customers, stc carried on its comprehensive business continuity plan. Earlier in the year, the Company was certified with the latest version of the ISO Certification in Business Continuity (ISO 22301:2019) after completing a rigorous auditing process performed by TopCertifier. The certification comes as a testament to the diligent approach taken by stc to implement protocols and guidelines across all business-related aspects during the pandemic.

It is worth noting that the first quarter of 2021 carried extraordinary events for stc, whereby, the Company received the approval from the Communication and Information Technology Regulatory Authority's (CITRA) to launch the first-of-its-kind mobile virtual network operator (MNVO) license to launch Virgin Mobile Kuwait in partnership with Virgin Mobile Middle East & Africa. Virgin Mobile Kuwait will operate using stc's network, with stc acting as a Host Facilities Based Provider "FBP" with Virgin Mobile Kuwait, offering prepaid plans to users, and making it the first virtual telecom service in the country.

In addition, solutions by stc, the Company's specialized business arm, launched its ultimate solution in cyber security and protection, "Shield". The pioneering service ensures online protection for businesses by identifying risks in possible data breaches, offering 360 degrees protection, and assessing critical assets to enable worry-free environments for businesses to thrive digitally".



stc headquarters

The financial results for the three-month period ended 31 March 2021	
Total Revenue	KD 69.8 mn
EBITDA	KD 18.9 mn
Net Profit	KD 8.0 mn
EPS	16 Kuwaiti fils
Assets	KD 383.0 mn
Shareholder's Equity	KD 200.2 mn
Book Value	401 Kuwaiti fils
Customer base	1.8 mn

trends, market changes and the company's corporate strategy, stc updated its strategic framework to enhance its position as a leader in the digital arena. Over the past couple of years, stc's corporate strategy has enabled the company to optimize its operations, invest in developing the largest 5G network in Kuwait and enhance its digital channels to provide its customers with an unrivalled experience".

Commenting on the financial results for the three months period ended 31 March 2021, Dr. Abdulrahman said: "stc's revenues reached KD 69.8 mn in the

decline in revenues, stc recorded a growth in EBITDA by 10.9% and net profit by 22.6% in the first three months of 2021 compared to the same period in 2020.

Considering the Company's financial position as of 31 March 2021, total assets reached KD 383.0 mn, while total shareholders' equity reached KD 200.2 mn, with a book value of 401 Kuwaiti fils per share. Furthermore, stc boasts a strong financial solvency position, considered to be amongst the best in comparison to telecom companies in the Middle East. Furthermore, stc's customer base stood at 1.8 mn customers at the

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Deutsche Bank shows best quarter in 7 years

FRANKFURT, Germany, April 28, (AP): Deutsche Bank saw its strongest quarterly profits in seven years as the bank's long-running restructuring achieved lower costs and as the bank suffered fewer loan losses in an economy that is rebounding from the worst of the pandemic recession.

The quarterly results showed a distinctly different narrative for the bank, which had struggled for years with high costs and low profits as it faced heavy fines and trouble with regulators over matters such as manipulating interest benchmarks, lax money laundering protections and selling mortgage-based bonds that went bad.

CEO Christian Sewing has led a two-year effort to exit riskier lines of business, cut costs and restore steady profitability. The bank on Wednesday was able to announce stronger profits and progress in shedding risky assets at a time when competitors such as Credit Suisse, UBS and Nomura have to explain losses connected to the collapse of hedge fund Archegos Capital Management. Deutsche Bank - in the front rank of previous scandals such as the one over US subprime mortgage bonds - this time appears to be among the financial institutions that avoided serious trouble.

Profit attributable to Deutsche Bank shareholders was 908 million euros (\$1.1 billion) in the first three months of the year. That compared with a loss of 43 million euros in the year-earlier period. Top-line revenues rose 14 percent to 7.23 billion euros.

Asked on a conference call with journalists if the bank was now less risky and "boring," Chief Financial Officer James von Moltke said that "we don't shy away from your characterization of 'boring' as being a desirable thing for the company." He said that the bank was "very focussed on risk management and we were very, very pleased to see that pay dividends in terms of our ability to navigate that particular situation."

He said the bank "took no pleasure" in competitors' troubles over "an unwelcome event in the industry."

Among the factors contributing to the improved result was releasing money that had been set aside to cover loans that aren't expected to be repaid. Provisions for credit losses fell 86% to only 69 million euros in the first quarter, down from 506 million euros in the year-ago period reflecting what the bank said was "an improved macroeconomic outlook."

The bank said Wednesday it had reduced its cost base for 13 straight quarters and cut its internal workforce to 84,400, down by 2,300 from a year ago.

Total Revenues

69.8

KD Million

The Board of Directors of Kuwait Telecommunications Company (stc) is pleased to announce to its shareholders that the company has achieved a net profit of KD 8.0 million for the three months ended 31 March 2021.

EBITDA

Q1-2021

18.9

KD Million

Net Profit

Q1-2021

8.0

KD Million

EPS

Q1-2021

16

Kuwaiti Fils

Subscribers

31 March 2021

1.8

Million Subscribers

stc