



JAZEERA AIRWAYS GROUP ANNOUNCES Q3 EARNINGS, REPORTS 11.7% RISE IN YEAR-TO-DATE NET PROFIT

News / Finance



Jazeera Airways today announced its third quarter financial results. The company recorded a 2.4% **rise in net profit** for the quarter, bringing its nine-month net profit to KD14.5 million, reflecting an 11.7% increase over the same period last year.

Q3 Financial Highlights:

- ? Operating revenue: KD21.0 million, less 0.9% from Q3 2014
- ? Operating profit: KD8.5 million, up 14.9% from Q3 2014
- ? Net profit: KD8.3 million, up 2.4% from Q3 2014

Nine-month Financial Highlights:

- ? Operating revenue: KD47.6 million
- ? Operating expenses: KD34.4 million, less 7.2% from the same period in 2014
- ? Operating profit: KD13.2 million, up 25.5% from the same period in 2014
- ? Net profit: KD14.5 million, up 11.7% from the same period in 2014

Jazeera Airways Chairman, Marwan Boodai, said: “We are pleased with this quarter’s results and we forecast the last quarter to be in line with expectations. As for our previously announced capital reduction scheme and shareholder payout program we are well on track and expect the last payout by early December.”

Last month, the board gained shareholder approval to reduce the company’s capital following the exit from the aircraft leasing business last January. Today, the company is in the process of reducing capital from KD42 million to KD20 million through a share buyback program of 220 million shares at the nominal share price of 100 fils, resulting in a KD22 million shareholder payout, which when combined with the company’s special dividends payout of KD20 million in June, and with KD10.7 million in 2015 accumulated earnings and other reserves that are required by law to be distributed as part of the capital reduction, the company’s cash payout to shareholders in 2015 will total KD52.7 million.

Cash payouts to Jazeera Airways shareholders in 2015: KD52.7 million

Distributed:

? KD20 million in special dividends for 2014. Approved in May 2015, and distributed in June 2015.

To be distributed by year-end:

? KD22 million to buy back 220 million shares

? KD10.7 million in accumulated earnings up to June 30, 2015, and other reserves

The capital reduction process will also include the settlement of all debts held by the company, resulting in a debt-free company by year-end.

The company’s share buyback program will be the first voluntary share buyback program exercise in Kuwait based on the new share buyback procedures stated by Kuwait’s new Commercial Companies Law (97/2013).

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