



# JAZEERA AIRWAYS SHAREHOLDERS APPROVE VOLUNTARY REDUCTION OF CAPITAL

News / Finance



**Jazeera Airways Shareholders** approve **voluntary reduction of capital**, and cash payouts totaling KD32.7 million before year-end, bringing total payouts in 2015 to KD52.7 million

In an Extraordinary General Meeting of shareholders held today, Jazeera Airways shareholders approved a board recommendation to reduce the company's capital from KD42 million to KD20 million through a share buyback program to readjust the company's capital to match the size of current operations after exiting the aircraft leasing business.

The company will buy back 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.

Jazeera Airways Chairman Marwan Boodai said, "Today's shareholder approval to adjust the company's capital is the last step of the company's successful strategic exit from the capital-intensive aircraft leasing business earlier in the year. Going forward, our focus will be on the growth opportunities available in our home market within the passenger airline business, which generated over 80% of the company's net profit last year. We believe that passenger airline business in Kuwait will continue to grow strong and we are well prepared to take advantage of this growth".

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 420 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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