



A Year of Intensity

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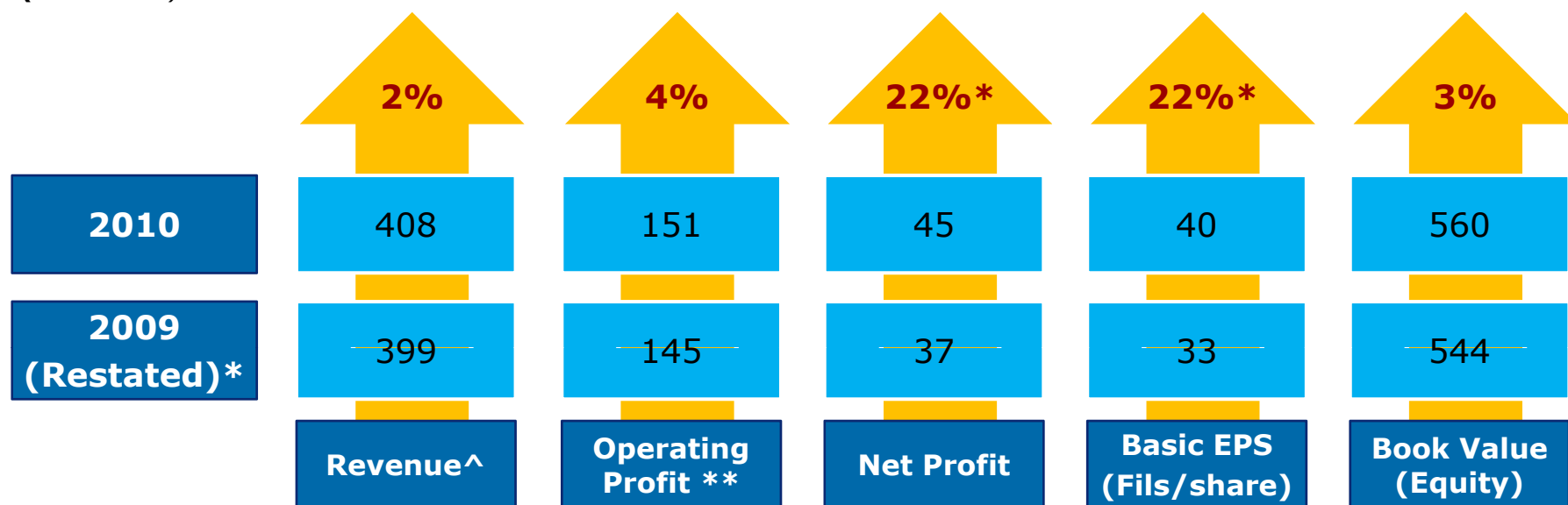
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2010: Year in Review

2011: Opportunities

Delivered profitability

(KD million)



Solid performance in difficult times

- ❖ Reflects KIPCO's long-term investment strategy, financial discipline and solid foundation
- ❖ Steady operating performance despite global, regional and local challenges

[^] Including profit from discontinued operations

** Operating Profit before provisions and impairment, including profit from discontinued operations

Delivered on promises

Profitability

- ❖ 2010 was KIPCO's 19th consecutive year of profitability
- ❖ All listed core companies were profitable
- ❖ Strengthened market share:
 - GIC in KSA, Jordan, Egypt and Bahrain
 - OSN closed the platform

Liquidity & Capitalization

- ❖ Equity issue by Burgan, UREC & UIC
- ❖ 10 year bond issue by KIPCO
- ❖ 10 year subordinated bond issue by Burgan

New Initiatives

- ❖ KIPCO signed MOU with Munich Re for Savings & Pension Project (Taka'Ud)
- ❖ GIC partnered with Fairfax Financial Holdings

Integration & Standardization

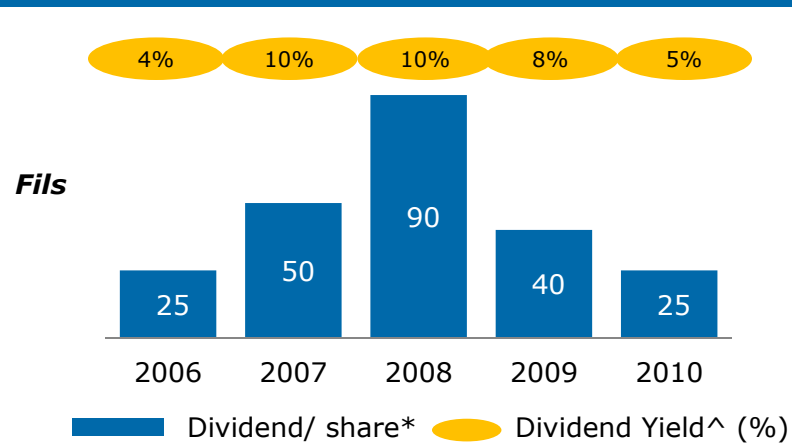
- ❖ GIC signed group wide reinsurance treaty with Munich Re
- ❖ OSN realized 104% of targeted merger synergies in 2010

Team Upgrade

- ❖ New CEOs For Burgan Bank and OSN

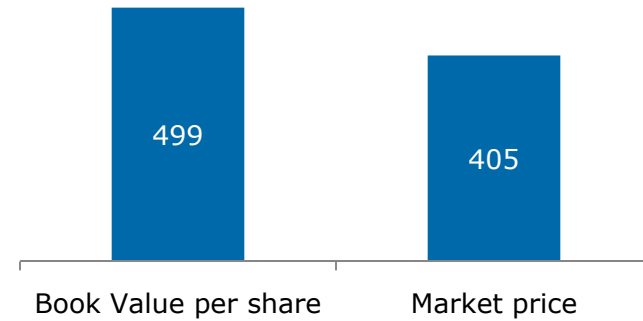
Created value for shareholders

Dividends Paid

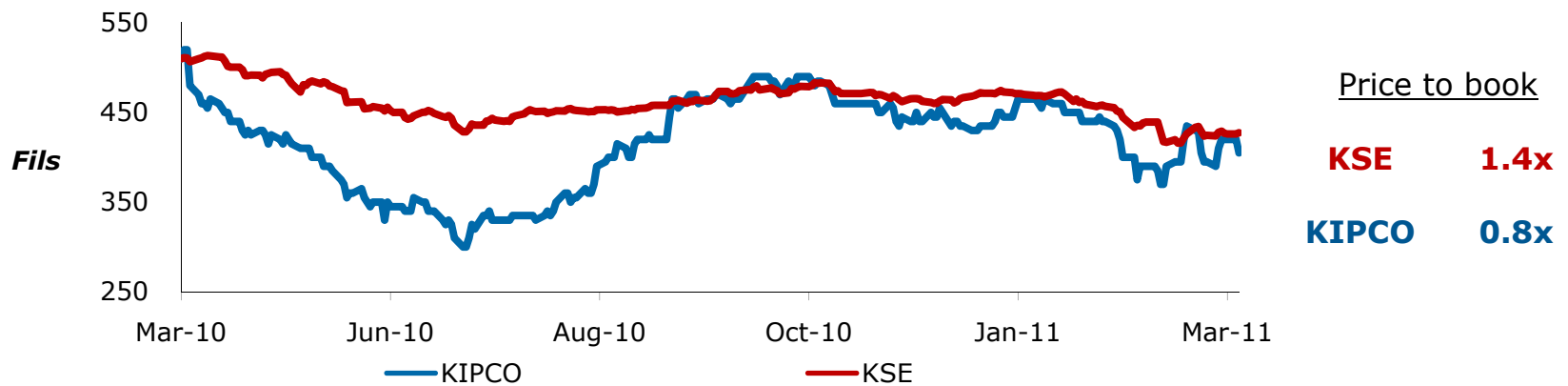


Price to Book

Fils



KIPCO Share Price vs. market

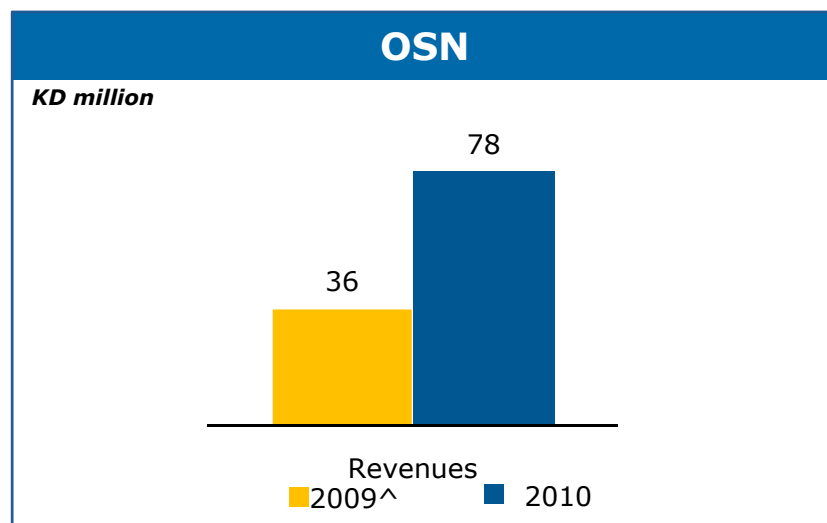
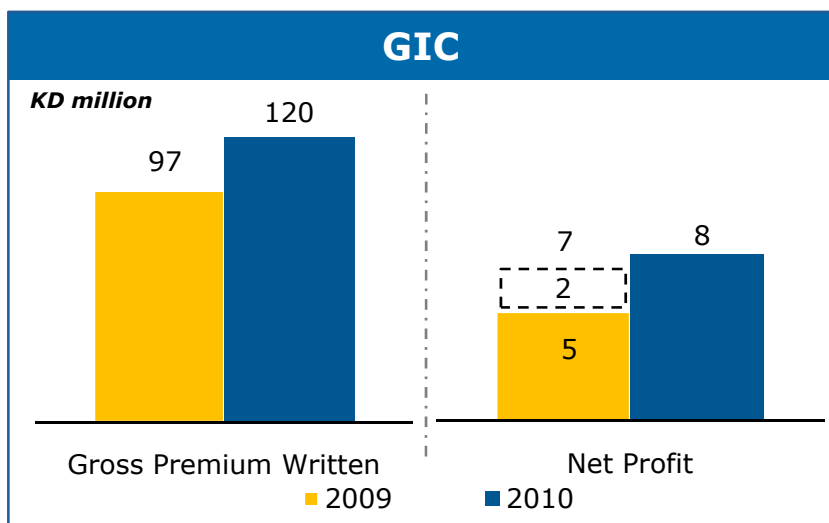
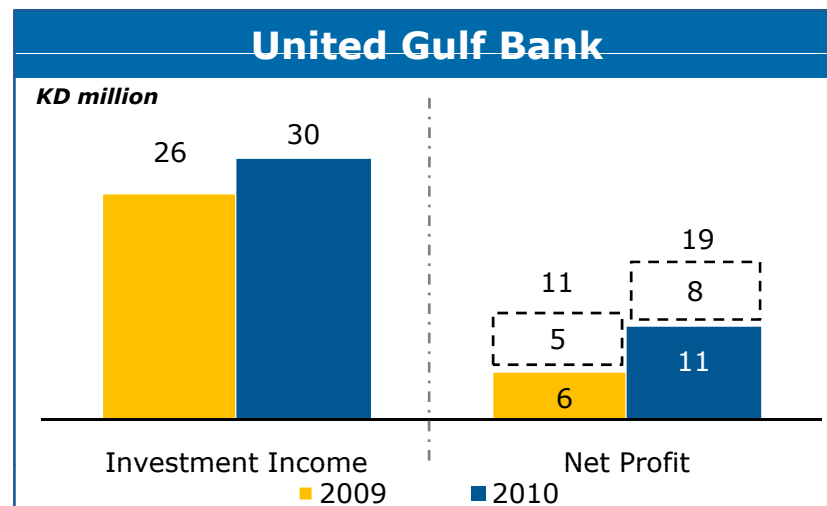
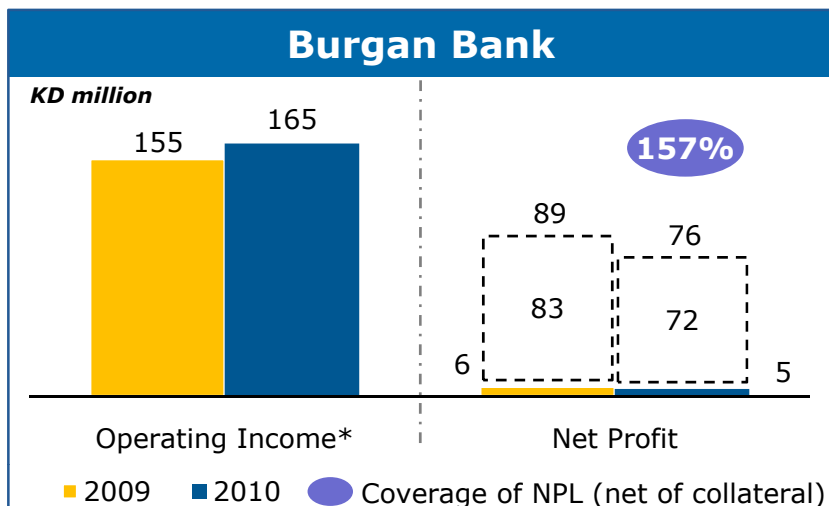


KSE & share price data updated as of March 28, 2011

* Dividend paid during the year pertains to dividend declared for the previous year

^ Dividend yield is computed as dividend paid during the year divided by previous calendar year end closing share price

Core Companies: Satisfactory performance



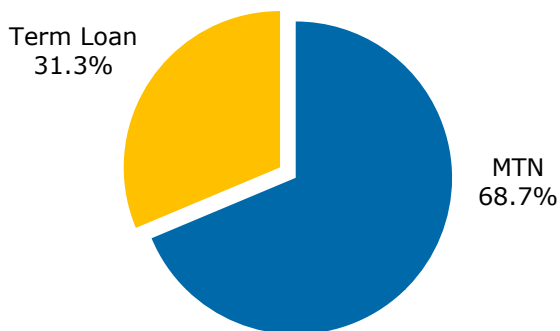
Emerging strong in the challenged environment

* Operating income includes net interest income, net fee & commission income and other income
[^] 2009 represents revenues from OSN for Aug-Dec 2009

--- Provisions & impairments against assets

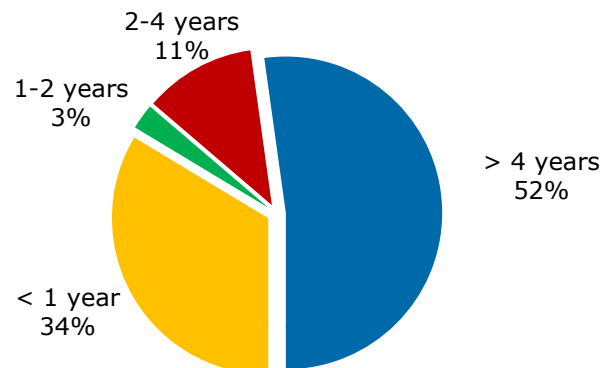
Extended debt maturity; maintained liquidity

Debt Type: As on Dec 31, 2010

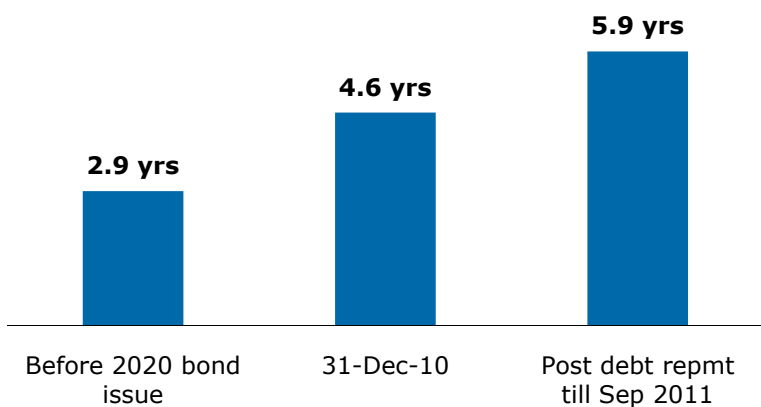


Debt Maturity: As on Dec 31, 2010

Total Debt: KD528 million



Enhanced Debt Maturity Profile



Placements

- ❖ Year end cash balance of KD285 million
- ❖ Short term placements with investment grade rated domestic institutions

Maintained holding company ranking by Standard & Poor's

2010: Year in Review

2011: Opportunities

2011 so far: Limited impact of political crisis

❖ Bahrain

- 90% of UGB assets are outside Bahrain, primarily in the region

❖ Egypt

- Negligible insurance claims
- All companies are operating

❖ Tunisia, Syria, Algeria and Jordan

- All companies are operating - negligible impact

❖ Libya

- No exposure

All core operating companies are performing as per plan

2011: KIPCO core companies outlook

Burgan Bank

- ❖ Return to pre-crisis level of profitability
- ❖ Expand regional franchise through organic and inorganic means
- ❖ Monetize Kuwait development plan

United Gulf Bank

- ❖ Divest non-core assets and deleverage
- ❖ Diversify/lengthen funding base/maturity
- ❖ Expansion of AMIB network funded with available cash resources

Gulf Insurance

- ❖ Monetize Kuwait development plan
- ❖ Increase market share in all geographies
- ❖ Implement new ERM framework

OSN

- ❖ Increase market share/subscriber base
- ❖ Maintain content supremacy

Key assumptions:

- ❖ Improving economic environment in Kuwait
 - Implementation of Phase I of Kuwait Development Plan
- ❖ Political uncertainty in MENA is reduced
 - Minimum potential domino effect on Kuwait

Outlook:

- ❖ Operating fundamentals remain strong
- ❖ Continue to enhance book value in 2011

2011 will be 20th consecutive year of profitability

THANK YOU