

# *How National Bank of Kuwait Can Serve You*

For your business ventures in Kuwait, we feel that NBK is the most appropriately positioned of all domestic banks to serve your needs. NBK can offer you:

***A proven track record*** - NBK has a proven track record of serving its clients with the highest level of professionalism as demonstrated by its market dominance.

***Team work*** - NBK works as a team with its clients, delivering the highest quality of service in the shortest time frame possible.

***Customized solutions*** - NBK provides its clients with customized and proactive solutions tailor made to meet their specific needs.

***Knowledge of the local market*** - NBK has the in depth knowledge of the Kuwaiti market, a result of over 50 years of experience.

***Strong public sector relationships*** - NBK maintains strong ties with all government ministries and oil sector institutions in Kuwait.

***Leadership in project and structured finance*** - NBK is the only local banks with the necessary proven expertise to structure, manage, syndicate and advise on complex transactions.

***A unique presence in major financial markets*** - NBK is well-positioned to serve your international needs through its extensive network of overseas branches and subsidiaries, including offices in New York, London, Paris, Geneva, Lebanon, Bahrain, Singapore, Bangkok, and Vietnam.

***The most advanced package of integrated services*** - NBK can provide you with the most advanced and integrated package of bonding, foreign exchange hedging, financing and asset management services available in Kuwait, delivered accurately and efficiently.

***A state-of-the-art online banking service*** - NBK's *Watani Online Corporate* service gives clients convenient and secure access to their accounts.

***Key access to the Iraqi market*** - As part of the consortium to establish and run the Iraq Trade Bank and our longstanding experience in the region, NBK can give its clients the critical access they require in their commercial dealings in Iraq.

We welcome the opportunity to discuss your banking requirements and look forward to serving your banking needs.

*For additional information please contact:*

**National Bank of Kuwait**

P.O. Box 95  
Safat 13001, Kuwait  
Tel: +965 242 2011  
Fax: +965 246 5190

Corporate Banking Group

General Manager  
Ms. Shaikha Khaled Al Bahar  
Tel: +965 244 0761  
Tel: +965 242 2011, ext. 2166  
Fax: +965 245 9032  
Email: shaikhab@nbk.com

Foreign Corporate Department

Assistant General Manager  
Mr. Pradeep Handa  
Tel: +965 241 9445  
Tel: +965 242 2011, ext. 2307  
Fax: +965 242 6813  
Email: pradeeph@nbk.com

*Highest Rated Bank in the Middle East & Emerging Markets*  
*Leader in Introducing Innovative Solutions & Technologies*  
*Pioneer in Value-Added Corporate & Project Finance*  
*Dominant in Retail Banking*

*Long  
Standing  
Record*

National Bank of Kuwait (NBK) was founded by leading local businessmen in 1952 as the first indigenous bank and the first joint stock company in Kuwait and the Gulf. It has an unbroken record of rising profits reaching \$354 million in 2002, and an ROE in excess of 24%. Market capitalization recently hit \$6.5 billion, with the share price outperforming the market over the last three years.

*Financial  
Strength*

NBK has consistently received the highest all-round credit ratings awarded to any bank in the Middle East by the major rating agencies including Moody's, Standard & Poor's, FitchRatings, and Capital Intelligence. Recently, it topped the list of emerging market banks. Among the strengths that rating agencies recognize are the Bank's solid financial position; conservative approach to risk management; well diversified high-quality asset base and income sources; in addition to its well recognized and strong franchise, dominant market share, technological sophistication, stable and capable management team.

NBK's strength among GCC banks was recently demonstrated in February 2002 when it set a benchmark with its US\$450 million three year Floating Rate Notes (FRN) that was lead managed by JP Morgan and Morgan Stanley and co-led by a syndicate of eight regional and international banks. The FRNs, the first to be issued by the GCC private sector, were rated A2 by Moody's, which was at that time two notches above the sovereign ceiling, and carried a favorable pricing of 25 basis points over LIBOR.

*Dominant  
& Growing*

By far the largest private sector institution in Kuwait, NBK is more than twice as large as the next bank in terms of assets, capital and profits. During 2002, NBK succeeded in increasing its already dominant market share in practically all business segments that ranges between 35% and 40% of commercial bank loans and deposits. Market share of foreign corporates doing business in Kuwait has stayed consistently between 80% and 90% over the last ten years. NBK also has a disproportionately large share of assets under management supported by three subsidiaries focused on the wealth management business including a wholly owned Swiss banking subsidiary, NBK (Suisse), and NBK Global Assets Management, which offers retail investors a large family of conventional and Islamic mutual funds that span all asset classes. NBK's dominance reflects its corporate image as the trusted bank in Kuwait. NBK also ranks fourth among Arab banks in terms of earnings and fifth in terms of capital resources.

### *In a League of its Own*

NBK pursues a differentiation strategy relative to other banks in the region that is most visible in its strategic initiatives, products and services, and well focused international activities and presence. NBK has been a leader and first to offer innovative banking solutions including retail and corporate online banking, telebanking, online trading, online shopping card and online shopping mall, and insurance wrapped deposits. NBK's international network includes branches, subsidiaries and representative offices in London, New York, Paris, Geneva, Bahrain, Beirut, Singapore, Vietnam and Thailand. As part of a regional expansion strategy, NBK will be opening new branches in Jordan and Saudi Arabia this year, and is actively seeking opportunities to enter Qatar, Egypt and other regional markets. NBK is also part of the consortium that was recently chosen to establish and run the Trade Bank of Iraq, the only bank in that country that will be providing trade finance and other banking services in the near future.

### *Strong Franchise & Brand Recognition*

NBK has a well-established franchise and the highest brand recognition in Kuwait according to independent research. The Bank's customer-centric strategy stresses on quality, convenience, rich product array, and utilization of technology. NBK is virtually a "one-stop shop" revolving around the customer needs and wants with personalized services offered through a complete spectrum of delivery channels fully integrated with CRM tools, including the largest local branch, ATM & POS network, the first and most advanced online service in the region, technology enabled telebanking center, online trading and mobile banking.

### *Banking on Technology*

Given the convenience of these channels, 85% of all transactions are completed outside the branches. NBK has launched a broad campaign to position its e-payment gateway with strategic merchants and schools, enabling it to offer unique facilities to customers to pay their bills securely on-line. NBK is also the established market leader in both debit and credit card issuance as well as merchant acquisition. A focused service quality program coupled with the recent adoption of a balanced scorecard to track key performance indicators helps NBK in maintaining the highest service standards according to internal and external auditors.

### *Trusted Local Partner*

The undisputed leader in Kuwait, NBK offers a full range of banking facilities to its corporate customers whose ranks include the most prominent blue chip companies in the country. Debt and project financing are core services with NBK's large capital base providing it with unmatched underwriting abilities. Through technology and re-engineering of business processes, NBK strives to keep the efficiency of its services unrivaled. Differentiated services include an advanced internet-based banking tool designed for corporate and institutional customers to complete their transactions securely on-line including transfers and salary processing around the clock; an e-payment gateway that serves as a useful tool in corporate cash management; highly valued advisory services on trade finance issues with efficient and prompt execution of L/C's normally issued and

transmitted within 30 minutes; and cash management services from treasury to money market to FX to hedging and managing currency exposure all coordinated through the Bank's international network. NBK's roster of corporate deals include financing and advising major business groups on their foreign business activities and investments in all GCC countries, as well as Egypt, Lebanon, Jordan, Syria, South Africa, US, Europe and China, to name a few.

*Valued  
Advice &  
Placement  
Power*

Completed numerous pioneering deals in Kuwait and the region, spearheaded by NBK's lead role in designing, arranging and underwriting a \$1.2 billion financing deal for EQUATE Petrochemical company, a joint venture between Union Carbide, now part of Dow Chemicals, and Petroleum Industries Company of Kuwait. NBK subsequently played the lead role in two refinancings for EQUATE. A unique feature offered by NBK in this deal was a political risk indemnity for \$540 million, the first in the region. NBK's expertise in structuring complex transactions won it the mandate to twice arrange aircraft lease financing deals for Kuwait Airways for a total of \$720 million. A leader in Kuwait's privatization activities, NBK also raised \$291 million for Bahrain-based Arab Insurance Group (ARIG) through a pan-Arab equity offering, simultaneously listing the shares of ARIG on 4 regional stock exchanges as well as a GDR listing in London. Advisory services also included the trade sale of an industrial company in Bahrain, local mergers and acquisitions, share swaps, IPOs, and financial restructuring. NBK's relationships with leading international financial institutions, prime customers in Kuwait and large branch network afford it unrivalled placement power.

In 2002, NBK took the lead in structuring the largest ever non-recourse domestic currency facility for the first major BOT project in the utility sector in Kuwait, the Sulaibiya Waste Water Treatment and Reclamation Plant. The \$380 million financing had a tenor of 25 years. Last year, NBK also acted as sole financial advisor to the leading mobile telecommunications company in Kuwait in two cross-border deals: a \$424 million acquisition of Fastlink, Jordan's leading mobile operator; a successful bid for the second mobile license in the Kingdom of Bahrain. NBK had previously assumed the advisory role in the financing of the first BOT project in Lebanon. NBK also underwrote 3 bond issues for local companies worth a total of \$145 million.

*Customized  
Wealth  
Management*

Through its fully licensed Swiss banking subsidiary, NBK (Suisse), its London based joint venture with Morgan Stanley, NBK Investment Management Ltd., and the growing "Watani" and "Al-Kawthar Islamic" mutual fund families, NBK has a broad offering of wealth management services that cater to the individual needs of its private banking, institutional and retail customers. A strong track record and focus on quality service no doubt contributed to growing assets under management to more than \$4.5 billion.

# Select Credentials

<p>Sep 1996</p>  <p><b>EQUATE</b></p> <p>US\$ 1.2 billion 10 years, LIBOR + 1.625% Loan Syndication</p> <p>The undersigned acted as Lead Arranger, Underwriter, Agent, and Intercreditor Agent in the above transaction</p> 	<p>Nov 1996</p>  <p><b>Securities Group Co. K.S.C.</b></p> <p>KD 47,653,568 Secondary Public Offering</p> <p>The undersigned acted as Lead Underwriter and Manager in the above transaction</p> 	<p>Mar 1997</p>  <p><b>Kuwait Shipbuilding and Repairyard Company</b></p> <p>KD 11,800,000 Secondary Public Offering</p> <p>The undersigned acted as Lead Arranger, Underwriter, Agent, and Intercreditor Agent in the above transaction</p> 	<p>Nov 1996</p>  <p><b>Salmiya Real Estate Company &amp; Tamdeen Real Estate Co. (K.S.C.)</b></p> <p>KD 44,000,000 Merger</p> <p>The undersigned acted as Exclusive Financial Advisor in the above transaction</p> 
<p>Jun 1997</p> <p><b>GISCO</b></p> <p>Acquisition of the Inheritance Division of Sakhar Software (Egypt)</p> <p>The undersigned acted as Advisor in the above transaction</p> 	<p>Dec 1997</p>  <p><b>DRIG</b></p> <p>US\$ 290,880,000 Initial Public Offering</p> <p>The undersigned acted as Financial Advisor, Global Coordinator and Lead Manager in the above transaction</p> 	<p>Mar 1998</p>  <p><b>KUWAIT AIRWAYS</b></p> <p>US\$ 283 million 12 years, LIBOR + 0.46% Loan Syndication (Lease Structure)</p> <p>The undersigned acted as Lead Manager and Underwriter in the above transaction</p> 	<p>Mar 1998</p>  <p><b>KUWAIT AIRWAYS</b></p> <p>US\$ 440 million 12 years, LIBOR based Loan Syndication (Lease Structure)</p> <p>The undersigned acted as Lead Manager and Underwriter in the above transaction</p> 
<p>May 1998</p>  <p><b>Lebanese Utilities Co.</b></p> <p>US\$ 16 million 7 years, LIBOR + 4.5% BOT Project Financing</p> <p>The undersigned acted Arranger, and Agent, in the above transaction</p> 	<p>Sep 2000</p>  <p><b>KPC</b></p> <p>Trade Sale US\$ 183,000,000</p> <p>The undersigned acted as Financial Advisors to KPC on the sale of Gulf Industrial Investment Co. E.C.</p> 	<p>Jun 2001</p>  <p><b>Burgan Bank</b></p> <p>KD 30 million 5 years 6.75% Bond Issue</p> <p>The undersigned acted as Lead Manager and Underwriter in the above transaction</p> 	<p>Oct 2001</p>  <p><b>EQUATE</b></p> <p>US\$ 900 Million Loan Refinancing</p> <p>The undersigned acted as Lead Arranger, Underwriter, Agent, and Intercreditor Agent in the above transaction</p> 
<p>May 2002</p>  <p><b>COMMERCIAL FACILITIES CO.</b></p> <p>KD 18 million 5 years, 5.875% Bond Issue</p> <p>The undersigned acted as Lead Manager and Underwriter in the above transaction</p> 	<p>Jun 2002</p>  <p><b>U D C</b></p> <p>KD 114,250,000 25 year non recourse BOT Project Financing</p> <p>The undersigned acted as Arranger, Underwriter, Facility Agent, Security Agent and Account Bank in the above transaction</p> 	<p>Jan 2003</p>  <p><b>mtc Vodafone Fastlink</b></p> <p>US\$ 423,900,000 Acquisition of Fastlink by MTC</p> <p>The undersigned acted as Sole Financial Advisor to MTC</p> 	<p>Apr 2003</p>  <p><b>mtc Vodafone</b></p> <p>The Second Mobile License in the Kingdom of Bahrain</p> <p>The undersigned acted as Sole Financial Advisor to MTC</p> 

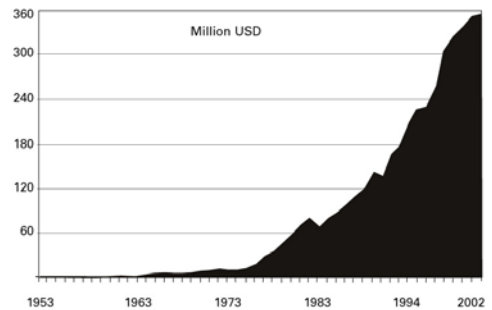
## NBK Facts and Figures

Key figures	2002	2001	2000	1999
(In USD 000s except where noted)				
Net interest income	395.4	401.7	360.8	349.8
Non-interest income	141.1	136.3	143.2	135.0
Operating expenses	160.2	161.2	167.5	165.5
Net profit	354.5	350.7	327.5	304.4
Return on average shareholders equity (%)	24.3	24.8	24.8	24.0
Market capitalization	5,218.5	4,726.2	3,562.8	2,886.1
Total assets	17,614.4	14,928.4	13,355.8	12,389.1
Shareholders equity excluding proposed dividends	1,465.0	1,450.9	1,349.3	1,296.7
Capital Adequacy - estimated BIS (%)	13.9	15.7	17.2	18.1
Assets under management	4,268.0	3,920.7	4,281.0	4,118.0
Head count	1,624	1,600	1,578	1,561
Per share data	2002	2001	2000	1999
Basic earnings per share (USD)	0.24	0.24	0.22	0.21
Proposed dividends (USD)	0.22	0.20	0.19	0.17

NBK's share price versus KSE index



Profits since establishment



### Excellent Fundamentals

NBK has obtained the highest ratings among Arab banks from all leading international rating agencies. Among the strengths that rating agencies recognize are NBK's dominant business franchise in Kuwait, strong and stable management, clear strategy, advanced technology, strong capital base, high asset quality, stringent risk management policies, as well as a consistent, diverse and strong earning power.

### International Recognition

NBK has systematically received the award for Best Bank in Kuwait from reputable international institutions such as Euromoney, The Banker, Global Finance and Emerging Markets. In addition, Euromoney named NBK as Best Bank in the Middle East in 2002 besides Best Smaller Bank in the World in 1994. The Banker also named NBK "The Bank of the Year 2002 in the Middle East".

### Long Term Ratings

Moody's  
A2

Standard & Poor's  
A

FitchRatings  
A +

Capital Intelligence  
A



## National Bank of Kuwait

### Head Office: National Bank of Kuwait SAK

Abdullah Al-Ahmed Street  
Kuwait City  
Kuwait

Tel: (965) 242 2011  
Fax: (965) 243 1888  
Tlx: 22043 NATBANK

### Overseas Offices:

#### National Bank of Kuwait (International Plc)

13 George Street  
London W1U 3QJ  
United Kingdom

Tel: (44) 20 7224 2277  
Fax: (44) 20 7224 2101

#### National Bank of Kuwait (International Plc)

Portman Square Branch  
7 Portman Square  
London W1H 6NA  
United Kingdom

Tel: (44) 20 7224 2277  
Fax: (44) 20 7486 3877

#### National Bank of Kuwait (International Plc)

Paris Branch  
90 Avenue des Champs-Elysees  
75008 Paris  
France

Tel: (33) 1 5659 8600  
Fax: (33) 1 5659 8623

#### National Investment Management Limited

13 George Street  
London W1U 3QJ  
United Kingdom

Tel: (44) 20 7224 2288  
Fax: (44) 20 7224 2102

#### National Bank of Kuwait (Suisse) S.A.

21 Quai du Mont Blanc  
P O Box 1923, CH 1211  
Geneva 1 - Switzerland

Tel: (41) 22 906 4343  
Fax: (41) 22 906 4399

#### National Bank of Kuwait (Lebanon) SAL

B.A.C. Building  
Justinien Street-Sanayeh  
P O Box 11-5727,  
Riad El-Solh – 1107 2200  
Beirut - Lebanon

Tel: (961) 1 741111/742222  
Fax: (961) 1 747846/747866

#### National Bank of Kuwait SAK New York Branch

299 Park Avenue  
New York, N.Y. 10171  
U.S.A.

Tel: 1 (212) 303 9800  
Fax: 1 (212) 319 8269

#### National Bank of Kuwait SAK Bahrain Branch

Seef Tower, Office 1 Bldg 2080  
Road 2825, Al-Seef District 428  
P O Box 5290 - Bahrain

Tel: (973) 583 333  
Fax: (973) 587 111

#### National Bank of Kuwait SAK Singapore Branch

20 Collyer Quay Hex 20-00  
Tung Centre  
Singapore 049319

Tel: (65) 6222 5348  
Fax: (65) 6224 5438

#### National Bank of Kuwait SAK Thailand Representative Office

Suite 3241, 24th Floor  
Sindhom Bldg Tower III  
130-132 Wireless Road  
Patumwan, Bangkok 10330

Tel: (662) 263 3838  
Fax: (662) 263 3840

#### National Bank of Kuwait SAK Vietnam Representative Office

69 Vo Van Tan  
District 3  
Ho Chi Minh City  
Vietnam

Tel: (84) 8 930 3944  
Fax: (84) 8 930 3945

#### National Investors Group Holdings Ltd.

C/O National Bank of Kuwait  
P.O. Box 95  
Safat 13001  
Kuwait

Tel: (965) 246 4158  
Fax: (965) 241 9528