

Bahrain Duty Free announces 'excellent' 2018 results



Many new brands and initiatives were introduced in Bahrain Duty Free's perfumery and cosmetics area during 2018

Bahrain Duty Free Shop Complex has posted double-digit growth in revenues and operating profits for year ended December 31, 2018.

The company achieved a 5.3% increase in net profit to US\$19,813,172 compared to the previous year. Operating profit climbed by 13.1% to US\$16,179,721, while revenue rose 13.8% to US\$96,557,995.

For the fourth quarter, revenues totaled US\$24,661,698, up by 9.3% year-on-year. Operating profits were up 21.7% to US\$4,047,469, boosted by strong sales growth in the quarter.

Net profits dropped by 36.7% to US\$2,067,565 due to impairment charges of US\$1,835,645 taken during the quarter on investments. Total comprehensive income was US\$2,188,276 compared to US\$704,533 in the same period of last year, an increase of 210.6%.

Commenting on the figures, Chairman Farouk Al Moayyed said that 2018 had produced excellent results with double-digit growth in revenues and operating profits. He added that the company had made important strategic progress to ensure continued success.

Managing Director Abdulla Buhindi said sales growth had surpassed budget and prior-year expectations. He noted that the operator's excellent growth in sales and operating profits were a testament to the company's decision in 2016 to make a significant capital investment in renovating the shops at the airport.

Many new brands and initiatives were introduced in the perfumery and cosmetics area as well as a new premium watch boutique, all contributing to the shop's overall performance.

The company remains focused on delivering first-class customer service and a unique shopping experience for its customers, he said.

Meanwhile, Buhindi spoke about the Bahrain International Airport Development Program, which consists of several projects, including the expansion of the Duty Free Zone.

The business will be operated by Bahrain Duty Free Company, a new company established in January 2018 as a joint venture between Bahrain Duty Free Shop Complex and Gulf Air Holding Company. The project is expected to be completed in the fourth quarter of 2019.