



28 September 2016

Diyar Al Muharraq Signs USD 366 Million Murabaha Contract to finance “Deerat Al Oyouun” project

Diyar Al Muharraq, one of the leading urban developers in the Kingdom of Bahrain, announced the signing of a Murabaha Contract worth USD 366 million with a group of local banks including Al Salam Bank – Bahrain, Kuwait Finance House, Bank of Bahrain and Kuwait and Al Baraka Islamic Bank of Bahrain, and in order to provide financial liquidity to develop the ‘Deerat Al Oyouun’ project.

The signing ceremony took place on September 19th 2016 at the Four Seasons Bahrain Bay Hotel, attended by senior officials including Mr. Yousif Abdulla Taqi, Director and Group Chief Executive Officer of Al Salam Bank – Bahrain; Mr. Abdulhakeem Al Khayyat, Managing Director and CEO of Kuwait Finance House; Mr. Reyadh Yousif Sater, Chief Executive Business Group of Bank of Bahrain and Kuwait; Mr. Mohamed Isa Al Mutaweh, Chief Executive Officer of Al Baraka Islamic Bank; Sheikh Ahmed Bin Isa Al Khalifa, Chief Financial Resources of the Ministry of Housing and Dr. Maher Al Shaer, CEO of Diyar Al Muharraq.

The participating banks will fund the ‘Deerat Al Oyouun’ Social Housing project with USD 366 million in the form of partial funding, which approximately costs USD 700 million. Diyar Al Muharraq will bear the responsibility for financing and constructing all units of ‘Deerat Al Oyouun’ as well as the initial infrastructure and public utilities.

Located in the heart of Diyar Al Muharraq, the ‘Deerat Al Oyouun’ community will span across 1.2 million square meters and will comprise an idea residential community with integrated community services centers and green pack spaces. Its strategic location also places it in close proximity to schools, shopping malls, public beaches, recreational facilities, mosques, medical facilities, and a modern transportation network. The anticipated date for the Project’s first phase completion is February 2018.

On this occasion, Al Salam Bank Deputy Group CEO – Banking, Mr. Anwar Murad commented: “We are delighted to have played a key role in co-financing the project worth of BHD 138 million (USD 366 million) and acting as the “Mandated Investment and Security Agent” of the Deerat Al Oyouun project which will offer affordable social housing units in accordance to the standards of the Ministry of Housing. He also commented on the agreement being a milestone in terms of organizing and financing a project of this magnitude, stressing on the cooperation between Islamic and conventional banks in the

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region. He also highlighted their continuous effort to support real estate development projects, providing significant opportunities and effectively contributing to the housing needs in the Kingdom of Bahrain.”

He further added: “Being one of the pioneering Shari’a compliant banks in the Kingdom, we always strive towards building long-lasting relationships with the public and private sector and the citizens of Bahrain, reflecting the importance of supporting such initiatives that are designed to improve the Kingdoms infrastructure and real estate sector. Al Salam Bank – Bahrain will continue to put its efforts in exploring new and innovative Shari’a compliant products and services tailored to meet the changing needs of the market place and our customers.”

Commenting on the agreement, Managing Director and CEO of Kuwait Finance House, Mr. Abdulhakeem Al Khayyat stated: “It is our pleasure to play a key role in supporting this housing project by offering financial solutions and services that are Shari’a compliant. We are honoured to consolidate our participation in the growth of development projects in the Kingdom of Bahrain and supporting innovative initiatives that aim to attract huge funding that contributes to the Kingdoms economy and provides suitable housing solutions for Bahrainis. I would also like to extend our gratitude towards the Ministry of Housing, the Central Bank of Bahrain and the participating banks for their continuous efforts in supporting this initiative.”

From his side, Executive Manager and Head of Corporate Banking Group of Kuwait Finance House Bahrain, Mr. Sattam Al Gosaibi commented: “We are extremely appreciative to be a major contributor and organizer of this co-financing project that aims to facilitate the social requirements of Bahraini citizens. In this regard, we extend our thanks to Al Baraka Islamic Bank and the Bank of Bahrain and Kuwait for their financial contribution and Al Salam Bank – Bahrain for playing the role of the investment and security agent as well as being a financial contributor.”

Chief Executive Officer of Diyar Al Muharraq, Dr. Maher Al Shaer commented: “We are delighted to sign this agreement with the participating banks, which will ensure Deerat Al Oyoun Social Housing adequate funding and operation in accordance to schedule. Part of our strategy at Diyar Al Muharraq is to attract huge investment opportunities which will reinvigorate the northeastern coast of Muharraq, making it an ideal residential area for Bahraini citizens, offering them integrated services including recreational facilities, medical facilities, shopping malls, a modern transportation network and more.”

“We look forward to achieving this ambitious housing project and the strategic partnership between the public and private sector in deep cooperation with the Ministry of Housing, which aims to provide suitable and convenient housing solutions for Bahrainis. During the past week only, we launched the reservations and sales of the first phase Deerat Al



Oyoun's project for the beneficiaries of the Mazaya Scheme, with 133 units put up for sale." he further added.

Diyar Al Muharraq is a unique master planned city for the people of Bahrain offering a range of housing options and quality lifestyle. Diyar Al Muharraq offers a cohesive mix of residential and commercial properties with a strong lineup of projects aimed at creating a long term and sophisticated township.

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Notes to the Editor:

Diyar Al Muharraq is one of the most visionary and progressive urban developments in the Kingdom of Bahrain; an all comprehensive, fully integrated modern city best described as a complete society incorporating a strong line-up of projects which include a vast variety of residential and commercial properties, ideal for both personal and investment purposes. Aimed at creating a long term and sustainable township, Diyar Al Muharraq is located on the northern shores of Muharraq and comprises of 7 islands with a total of 10 square kilometers of reclaimed land. Upon completion, Diyar Al Muharraq will encompass over 40 kilometers of waterfront with sandy beaches, and all the elements of a vibrant community ranging extensively from fully equipped educational facilities and schools, medical centres, recreation facilities, shopping malls, expansive parklands, hotels and marinas. Diyar Al Muharraq is to be a first of its kind development, one that aims to offers its occupants a safe haven for the ideal life.

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Note to Editors:

About Al Salam Bank-Bahrain

Headquartered in the Kingdom of Bahrain, Al Salam Bank-Bahrain (B.S.C.) is a dynamic, diversified and differentiated Islamic bank.

Incorporated on 19 January 2006 in the Kingdom of Bahrain and commenced commercial operations on 17 April 2006, the Bank operates under Shari'a principles in accordance with regulatory requirements for Islamic banks set by the Central Bank of Bahrain.

Al Salam Bank-Bahrain was listed on the Bahrain Bourse on 27 April 2006, and subsequently on the Dubai Financial Market on 26 March 2008.

The Bank's high caliber management team comprises highly qualified and internationally-experienced professionals with proven investment expertise in key areas of banking, finance and related fields; all supported by a world-class Information Technology (IT) infrastructure and the latest 'smart' working environment.

Al Salam Bank-Bahrain adopts internationally recognized standards and best practices in Corporate Governance and operates with highest levels of integrity, transparency and trust.

The Bank is committed to its role as a concerned corporate citizen, actively seeking ways to contribute and add value to the social and economic well-being of the local communities in which it invests and operates.

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