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Page: 3

CEO OF ICD: WE'VE ACCUMULATED \$133 MILLION/ SAUDI ARABIA: THE PUBLIC INVESTMENT FUND TO PUMP \$107 MILLION TO SET UP HOME FINANCE COMPANY'S CAPITAL



Translated - The Islamic Corporation for the Development of the Private Sector (ICD), a member of the Islamic Development Bank Group, announced that its accumulated SR 500 million [\$133 million] for the new home financing company that is expected to begin operations in the coming July. Mr. Khaled Al-Aboodi, CEO of ICD, announced that approximately SR 500

million [\$133 million] have been provided after the Public Investment Fund's [part of the Ministry of Finance] approval and confirmation for the provision of SR 400 million [\$107 million] representing approximately 20% of the capital of SR 2 billion [\$533 million]. The Islamic Corporation for the Development of the Private Sector (ICD) is currently attracting founding sponsors for the new home financing company and are scheduled to close remaining investments by the end of February 2010. The CEO of ICD announced that he is currently meeting with a number of potential investors especially major real estate businesses in Saudi Arabia and some of the trade families to convince them to enter the company. He confirmed what makes this company unique is its management, which is handled in full by Capitas – the American company specialized in real estate and real estate financing. Concerning the set up of a company with very high capital prior to the official announcement of the real estate finance mortgage law, Mr. Al-Aboodi commented that they will be continuing the project. A number of studies have been conducted that confirmed the success of the project based on the market's need for residential housing units in Saudi Arabia. This is before the announcement of the new regulations / laws; because they will be depending on financial support approved by Sharia and implementing the project in various regions of the Kingdom. The CEO confirmed that a committee has been formed made up of ICD and PIF for the completion of the necessary paperwork and finalization of the next steps to be undertaken. In addition, the preparation of the establishment documents; at the same time setting the action plan including internal organization in cooperation with Capitas Group International the manager of the new company. The coming period will witness inclusion of the founders interested in taking part in the IPO regarding capital for the company's launch by the end of 2010. The new home finance mortgage company is working on the development of designing new programs and products to ease home ownership by building bridges between real estate development companies and buyers. Real estate developers always aim to build homes and residential units for those at mid income level; with potential to own homes when the opportunity comes for them. ICD was launched in November 1999 as per the directive of the Governors meeting for the Islamic Development Bank. A capital of \$1 billion aiming to enhance the economic growth of the 44 members countries; through the establishment and expansion of private sectors establishments was pumped into the business. ICD aims to invest in projects of the private sector – small and medium sized businesses by providing financial products and services that are aligned with Islamic Sharia. ICD is looking into sectors such as technology, energy, health, education, finance, SME's, long term and short term investment for public and private sectors.