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PUBLIC INVESTMENT FUND AGREES TO CONTRIBUTE TO HOME FINANCE

The Public Investment Fund (PIF) issued its approval to contribute 20% of the new home finance company's total capital of SR2bn. This represents the single largest investment in a mortgage company in the history of PIF. Mr. Khaled Al-Aboodi, CEO of ICD. The Islamic Corporation for the Development of the Private Sector (ICD), a member of the Islamic Development Bank Group, is currently attracting founding sponsors for the new home financing company and are scheduled to close remaining investments by the end of February 2010. Mr. Khaled Al-Aboodi, CEO of ICD, announced PIF's approval and confirmed that the company is being established to facilitate home ownership by providing households across the Kingdom with affordable financing options. According to estimates the demand for new housing in the country is at least 150,000 units per year over the next 10 years. Mortgage currently makes up only 1% of bank assets underscoring a large funding gap for home financing in Saudi Arabia. ICD and PIF have established the company's formation committee to complete the company's set up, prepare establishment documents, design the company's action plan and formulate internal regulations in cooperation with Capitas Group International (CGI), the manager of the new company. Over the coming period, representatives of parties subscribing to the new company's capital will join the formation committee. The company's official launch is scheduled before the end of 2010.