

EVERYONE'S A WINNER

CAPITAL MANAGEMENT HOUSE INTRODUCES NEW IDEAS TO INVESTMENT BANKING

An interview with Mohamed A. Aljasim, Chief Investment Officer of Capital Management House (CMH). CMH is an investment firm regulated by the Central Bank of Bahrain (CBB) focused on providing its clients with innovative Shari'ah products and investment solutions.



What is CMH's business strategy?

We've identified core investment themes which we will exploit over the next five years in line with our income and profit objectives. These include infrastructure and real estate development; private equity and venture capital; asset management; financial and investment advisory; and capital market activities. We focus our activities in the GCC and MENA region and opportunistic investments in other regions on a highly selective basis.

What is your view of the GCC private equity market?

There are clear opportunities for private equity in the region. There is an abundance of companies, including family-owned establishments and private companies, seeking investors and looking to exploit opportunities presented by policy reforms. Investors in the GCC region have an appetite for private equity investment. Experts estimate that approximately US\$2 billion were raised in private equity funds between 2002 and 2005; and that private equity investment in the Middle East, North Africa

and South Asia recorded a 90 per cent growth in 2007 to US\$17 billion. Industry practitioners further estimate that the private equity market in the Middle East could be worth as much as US\$60 billion by 2015.

Our proprietary private equity focuses on equity investment and provides capital to small- and medium-sized enterprises, along with start-up and/or early stage companies that have clear growth dynamics and strong profit potentials. We target companies in various sectors including but not limited to energy, retail, manufacturing and petrochemicals, food and beverages, financial services, healthcare services and medical products, and technology.

We look for businesses that have proprietary technologies and customer bases. We look at companies with strong management teams, healthy margins, and clear value propositions. CMH typically acts as the lead investor in target companies and, where appropriate, CMH will seek strategic partners that can bring additional capital, market reach and overall support to the portfolio company.

What is CMH's view of the real estate market in the GCC?

The regional real estate sector will continue to grow due to increases in domestic liquidity in the regional markets. The market in the UAE and Qatar has grown strongly over the past five years. We are positive about Bahrain as the market is still relatively underdeveloped relative to the GCC and

Bahrain is a leading centre for Shari'ah investment products



