

**CAPITAL MANAGEMENT HOUSE AND NOVUS AVIATION ANNOUNCE  
ESTABLISHMENT OF AIRCRAFT LEASING INVESTMENT VEHICLE AND CONCLUSION  
OF PURCHASE & LEASEBACK AGREEMENT OF BOEING 777 AIRCRAFT WITH  
EMIRATES AIRLINE**

**Kingdom of Bahrain – 24 April 2011** - Capital Management House ("CMH"), the Bahrain based investment bank, in partnership with Novus Aviation and Muzun Partner Ltd today announced that it has acquired a Boeing 777-200ER airliner from Emirates Airlines. According to the terms of the agreement, the aircraft, fitted with Rolls Royce Trent 8900 engines, will be leased back to Emirates for a fixed six year-term.

The lease agreement will be managed by Geneva based Novus Aviation Services, CMH's partner in the transaction and a specialist in aircraft sourcing, trading, leasing and other related services. Financing for the acquisition was provided by the London branch of DVB Bank, one of the largest transportation finance banks in the world, with Trowers & Hamblins acting as the legal advisors and Avitas having conducted the valuation and inspection of the aircraft.

The global aviation industry has shown consistent long-term growth despite the various challenges in the global financial markets, with the Middle East region representing one of the fastest growing travel hubs in the world today. Over the past 30 years, the industry has shown average traffic yearly growth of over 6% and loads are back to record highs after dips recorded in the second half of 2008 and 2009 in the midst of the global economic downturn. Overall, the aviation industry is performing favourably compared to other asset classes as a result of long-term demand and industry sustainability.

Commenting on the announcement, Mr. Khalid A. Al Bassam, Chairman of CMH, said: "We are delighted to close another transaction in the region's transportation sector, where we see opportunities to acquire income yielding assets that will not only provide CMH and our strategic investors with strong potential for capital appreciation but, importantly, recurring and sustained income streams. Aviation has shown to be a resilient sector and leasing a lucrative sub-segment with relatively limited downside risk. We are pleased to conclude this acquisition and leasing agreement with Emirates, one of the world's leading airlines. We continue to look for ways to further diversify our portfolio in promising sectors and asset classes such as this and as seen in our steady flow of recent deals in the logistics and transportation space including the recent purchase in December 2010 of a 30% stake in Skaugen Gulf Petrochem Carriers, a GCC-based petrochemical shipping company. CMH is targeting to replicate such transactions throughout 2011 and has a strong pipeline of opportunities for our investors in these and other sectors in the year ahead."

Within the aviation industry, the operating leasing segment has grown significantly in recent years with expectations for further growth both in absolute and relative terms expected to continue. These factors serve to position aircraft as real and mobile assets, which offer opportunities for relatively high absolute returns and downside protection as a result of their ability to generate stable and predictable cash flows from reputable airlines. The Boeing 777-200ER in particular is considered one of the most high-demand wide body aircraft models on the market and is currently in use amongst 39 operators worldwide.

Mr. Safwan Kuzbari, President of Novus, added: "This transaction marks Novus' long-term commitment to growing its aircraft leasing investments in partnership with prominent institutions such as CMH. Working together, we look forward to building on the success of this leasing agreement with Emirates and adding further quality aircraft assets to be leased to other top-tier airlines in the coming months."

"This acquisition underscores CMH's continued focus and strategy of building a strong and diversified income yielding portfolio, said Mr. Khalid M. Najibi, Managing Director of CMH. "Having partnered with Novus, a market leader in the aviation leasing industry, we are confident that we are well positioned to effectively leverage this asset and generate strong and stable cash flows from our investment. We are further pleased to be in the position to offer our clients this unique opportunity that allows them to gain exposure to the aviation industry at such an opportune time. We believe this is the right point to deploy capital and make investments in this cyclical industry, which is poised to benefit and grow as a result of the expected economic upturn in the region and the resumption of air traffic growth worldwide. We are currently in the process of structuring a product that will enable our investors to participate in the deal during the first half of 2011 and will continue to structure similar transactions with other government owned airline companies in the GCC."

CMH has an established track record of developing excellent long-term investment opportunities that provide for strong returns and which have historically been difficult for Shari'ah investors to access, helping to set CMH and its products apart. CMH is particularly active in sectors that are of fundamental importance to the development of the region's economies and has made significant investments in key sectors including: Transportation, Infrastructure, Energy, Power, Financial Services, Real Estate and Capital Markets.

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#### **About Capital Management House**

Capital Management House is an Islamic investment bank incorporated in the Kingdom of Bahrain in May 2006 and regulated by the Central Bank of Bahrain. CMH's shareholders include some of the most reputable Islamic financial institutions and investors from across the GCC region.

In March 2009, CMH successfully concluded a capital raising exercise increasing its paid in capital to \$100 million and subsequently in October 2009 upgraded its licence to a wholesale investment banking licence.

The Bank provides unique and creative solutions to clients' financial and investment requirements through the offering of a broad range of services from private equity and venture capital to asset management, real estate and investment advisory.

Since its establishment and, importantly, in spite of the challenging global economic conditions of recent years, CMH has continued to originate and close a steady flow of transactions across all of its lines of business. Since 2008 in particular, the Bank has concluded key transactions in sectors including: Transportation, Infrastructure, Energy, Power and Capital Markets.

CMH continues to focus on its vision to be the investment bank of choice by maintaining a high level of integrity, diversity and product quality. In recognition of these characteristics and its market leadership, CMH has been awarded Best GCC Private Equity Firm 2010 by World Finance, the influential global business publication.

For further information please visit our website: [www.capitalmh.com](http://www.capitalmh.com)

### **About Novus Aviation**

Novus Aviation enjoys over 30 years of global experience in the aviation industry, covering different segments of commercial jet aircraft business including trading, leasing, financing, management and remarketing. At present, Novus' co-owned and managed portfolio has an aggregate value of around US\$ 1 billion and comprises modern Airbus and Boeing aircraft types including A319/320/321, A330, A340, B737NG, B747, B767, B777, and MD11CF.

For further information please visit: [www.novus.aero](http://www.novus.aero)

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