

## FIRST ENERGY BANK RAISES \$1 Billion

*Manama, Bahrain 15 June 2008*

The first energy-focused investment bank in the world, First Energy Bank's (FEB), initial private placement received an overwhelming response, Gulf Finance House (GFH) said yesterday in a statement.

The private placement raised \$1 billion against the initially planned capital size of \$750 million, which marks an increase of 25 per cent.

Shareholders of the bank include leading Middle Eastern and North African (MENA) companies and high profile investors.

Middle Eastern companies investing in the project include Abu Dhabi Water & Electricity Authority, Tasameem Real Estate, Dubai Investments, Emirates Islamic Bank, Gulf Finance House, Khaleeji Commercial Bank, **Capital Management House**, Bahrain Islamic Bank and Al Jabr Trading Company.

Shaikh Dhiab bin Zayed Sultan Al Nehayan and Shaikh Mohammed Al Amoudi are also shareholders of the FEB.

The Libyan Investment Authority will be the primary North African investor who shares a common vision with FEB - to protect and enhance the value of Libya's oil revenue and reserves, for the benefit of future generations of Libyans.

"The accumulated experience of these shareholders working together in the energy field will immediately give us a foundation to build a truly special kind of bank," said Esam Janahi, Chairman of GFH.

"First Energy Bank also benefits from the different core competencies each of them brings across financial services, the oil and gas industry and the high net worth market." "For this kind of response within weeks of the initial announcement demonstrates how GFH's loyal investors support our vision of contributing to socio-economic change through innovative projects," said Janahi.

The bank's core activity in the oil and gas sector will include direct investment, the purchase of shares in private companies, Islamic financing, financial advisory and asset management.

After obtaining regulatory approvals, the proceeds of the capital raising will be used to implement the business plan of the bank. With a focus on the energy industry, FEB will seek to provide capital and expertise to private sectors with sound project concepts. At the same time, regional companies already serving the energy sector, but lacking the necessary resources to expand, will also be targeted for investment.

First Energy Bank is to be incorporated as an Islamic Wholesale Bank regulated by the Central Bank of Bahrain and to be constituted as a closed Bahrain Joint Stock company. The founders believe that significant and unique opportunities for private investment currently exist in the GCC region due to the paradigm shift in global energy consumption and the projected growth in demand of industrial capacity.

Gulf Finance House is a recognised global pioneer in 21st century energy projects with their visionary concept of a network of Energy Cities. Following the announcement of the fourth Energy City project in Libya that succeeded Energy City Qatar and the announcements of Energy City India and the Caspian Energy Hub in Kazakhstan, establishing a bank focused on the provision of tailored services to the energy marketplace was the logical next step in its continued commitment to the sector.

Highlighting the importance for the establishing of such a specialised bank, Janahi said: "You start with the fact that Bahrain is consistently rated amongst the freest economies in the Middle East and the Arab world. On top of that, there is a need for significant investment in refinery construction in order to eliminate the current capacity crunch in the global refining sector.

"We as the founders will help the Bank establish its operational infrastructure swiftly and effectively in order to take advantage of that strong sector knowledge and a wide network of client and investor relationships,"

"The strong regulatory requirements and principles of the Central Bank of Bahrain (CBB) have been

essential in increasing the interest and comfort levels of investors. They have helped establish a truly strong base from which to build. We are also grateful to The Kingdom of Bahrain, which has supported our initiatives as a whole and paved the way for us to make FEB, the first energy focused Islamic investment bank in the world."