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One Of UK's Largest Islamic Finance Deals Concluded
Property funding secured for Grosvenor House Apartments refurbishment

In a landmark arrangement representing the second largest Islamic finance deal in the UK, the purchase of the Grosvenor House Apartments Ltd by Park Lane Properties Ltd, co-owned by Kuwait based ADEEM Investment Company (ADEEM) and The Investment Dar (TID), has been successfully refinanced with Lloyds TSB Corporate Markets.

Structured in accordance with Shariah principles and using a series of sequential Murabaha transactions, Lloyds TSB Corporate Markets has agreed to provide funding in excess of £100 million.

Mustafa Al-Saleh, Managing Director and Chief Executive Officer of ADEEM comments: “We are delighted to have secured such a significant deal with Lloyds TSB, allowing our vision for one of London’s most historic buildings to be progressed. Working in strategic partnership with SPARC Group, our specialist Development Managers and Lloyds TSB Corporate Markets, we are now confident the building’s transformation into a super deluxe apart-hotel can be realised.”

Rob Milne, property relationship director at Lloyds TSB Corporate Markets, said: “This is a landmark Murabaha deal that required a specially tailored and individually structured finance package. We were able to bring together our commercial property experience, our track record in Islamic finance and our financial markets expertise to ensure we arranged the best deal for ADEEM.”

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Notes to Editors:

Murabaha (Cost-plus finance) - Murabaha essentially is undertaking a contract of sale based on cost plus an agreed mark-up , and is one of the most widely adopted forms of finance within Islamic banking. Such contracts involve the sale and subsequent re-purchase of an asset, structured in such a way that it is essentially similar to a loan granted by the seller to the buyer. The difference in the sale and re-purchase price earning the seller a return which is broadly equivalent to interest.

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Lloyds TSB

Lloyds TSB Corporate Markets provides comprehensive expert financial services to businesses ranging from privately-owned firms to multinational corporations and financial institutions. The wide range of services and innovative solutions includes: dedicated relationship banking, capital market funding, debt and equity finance; treasury and risk management services, structured finance solutions, import and export trade finance and structured credit investments and securitisation facilities.

Adeem Investment Company

Adeem Investment Company (ADEEM) is the fastest growing Investment & Corporate Finance and Wealth & Asset Management Company in Kuwait. ADEEM nurtures real opportunities, creating viable and credible investments across numerous market sectors, spanning several countries and continents. Since founding in April 2005, ADEEM has rapidly grown its equity base from US\$50m to US\$150m with proprietary assets exceeding US\$ 300m with assets under management exceeding US\$ 1 Billion.

ADEEM and The Investment Dar Company (TID) co-own Park Lane Properties Ltd, who acquired Grosvenor House Apartments Ltd; the owner of the lease of the Grosvenor House Apartments, Park Lane, London.

SPARC Group

SPARC Group is a leading Development Management company whose core business is to provide Development Management, Client Representation and Asset Enhancement consultancy services for project opportunities related to the real estate, property and infrastructure related property markets. With offices in London, Dubai and Bahrain, SPARC brings to the GCC and Middle East markets, integrated specialist skills encompassing Development Design and Planning, Development Finance and Commercial Management of major development and investment projects, with many high profile, large scale projects within its current portfolio.

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