

## **Press Release**

### **Al Khalij Commercial Bank (al khaliji) P.Q.S.C. prices U.S.\$ 500 million Senior Unsecured Issuance**

Doha, Qatar, 3 October 2018: Al Khalij Commercial Bank (al khaliji) P.Q.S.C. (hereinafter “al khaliji” or “the Bank”), recently announced the successful issuance and pricing of benchmark Reg S USD 500 million five-year senior unsecured bonds under the Bank and its subsidiary AKCB Finance Limited’s USD 2.5 billion European Medium Term Note (“EMTN”) Programme. The issue was arranged and offered through a syndicate of Joint Lead Managers comprising Standard Chartered Bank, Barclays Bank PLC, QNB Capital LLC and The Commercial Bank, and attracted significant global interest.

To support the issue, senior representatives from al khaliji held roadshows with the Joint Lead Managers and met investors in Singapore, Hong Kong and London, meeting a wide variety of investors including financial institutions, pension funds, asset managers and insurance companies.

Following the end of the roadshow, the transaction saw very strong demand, with an order book above USD 1.6 billion in size (an oversubscription of more than three times of the offering amount) allowing the bank to tighten the final spread and the coupon below the initial price guidance sought for the transaction. The issue was finally priced at a spread of 175 basis points over 5-year mid-swaps, carrying a fixed coupon of 4.75% per annum, reflecting strong investor appetite. The net proceeds of the issue will be used for general corporate purposes of the bank.

High quality investors from the global community participated in this issue, including investors from MENA accounting for 50%, Europe and off-shore USA 35%, followed by Asia 15%, with allocations outside Qatar accounting for 61%. The investor base is diversified, including some of the world’s leading fixed income investors, with strong demand from fund managers, agencies/SWFs, other banks and Qatari institutions.

**Commenting on the announcement, al khaliji's Group CEO, Mr. Fahad Al Khalifa said:**

*"This USD 500 million transaction was the second benchmark issue by the bank after its debut issuance in 2013. The bank regularly accesses capital markets under its EMTN and CP/CD programmes and I am pleased to say the diversified international and regional participation in this transaction and its attractive pricing is a clear indication of the continuing confidence of international investors in the strength and economic stability of Qatar in general, and in particular in the strategic direction of our bank, which is anchored around our Qatar-centric business strategy, supporting and growing with our clients businesses. We are thankful to them for this trust and confidence."*

al khaliji established its \$ 2.5 billion EMTN programme in 2013. Both the bank and the issuer are rated A3 by Moody's and A by Fitch with a stable outlook. The bonds will be listed on the Irish Stock Exchange and are expected to be rated A3 by Moody's and A by Fitch.

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