



## **BURGAN BANK SUCCESSFULLY ISSUED US\$400 million SUBORDINATED BOND. More than 3.5 x oversubscribed.**

Joint Lead Managers: JP Morgan, KIPCO Asset Management Company (KAMCO), Morgan Stanley and Standard Chartered Bank.

Burgan Bank, Kuwait September 26, 2010 one of the leading and most dynamic banks in the state of Kuwait and the commercial banking arm of Kuwait Projects Company (KIPCO), has announced its successful issuance of a subordinated bond worth US\$400 million to enhance its capital base. The transaction was well supported across multiple regions and investor types with over 140 orders received and was more than 3.5 times oversubscribed at close. This is Burgan Bank's first bond financing in the global markets, the first LTII issuance out of Kuwait and the first LTII issuance out of the GCC in 2010.

Burgan Bank enjoys a rating of A2 by Moody's and BBB+ by Standard & Poors while the issue ratings will be A3 by Moody's and BBB by Standard & Poors.

The bond maturity date will be 29 September 2020, a tenure of 10 years with a fixed coupon rate at 7.875%.

Mr. Majed Essa Al Ajeel, the chairman of Burgan Bank commented that: 'The Bank's decision to issue the bond comes from our efforts to strengthen the Bank's capital and support its business growth'. The proceeds from the bond issuance will be utilized to further strengthen the Bank's business locally as well as supporting its expansion strategy which has primarily targeted high growth markets in the MENA region.

The joint lead managers for the transaction are JP Morgan, KIPCO Asset Management Company (KAMCO), Morgan Stanley and Standard Chartered Bank.