



## Oasis Capital Bank posts \$7.5m profit

Manama

Bahrain's private and investment bank Oasis Capital Bank BSC (OCB), has posted a net income of \$7.5 million for the year 2010, which is the second full year of the bank's operation.

The operating income for 2010 increased sharply to \$21.5m from \$6.6m in the previous year. There was a \$13.2m increase in value of real estate investments, reflecting the bank's effective management of its investment assets.

Commenting on the performance of the bank, Shaikh Mohamed bin Isa Al Khalifa, Chairman of the Board of Directors, said: "The board is encouraged by the results in this challenging environment and by the prospects of deal flows coming to the bank. The accent is to be patient, but also to continue to make progress in building the franchise into a successful venture. We are confident that with the joint efforts and support of shareholders, clients and staff, we will achieve that objective."

Dr. Farid Al Mulla, CEO, added: "Given the stress in the global financial markets and economies over the past two years and the uncertainties associated with the recoveries, OCB's results are quite encouraging. The bank has achieved profitability in a short period of time, operating under a business model which typically has a long payback period."

"We have made acquisitions in corporate investment and forged new strategic alliances with partners who are leading players in their respective fields. We continue to build the bank's core capabilities and hire new talents as we position our business to take advantage of the global recovery and return of the investor confidence."

"I want to also take the opportunity to thank our shareholders and our clients for their continuing and steadfast support. Special thanks also go to our staff, who have continued to perform well to build the franchise into a successful venture."

The excess funds were invested in highly-rated and liquid financial assets, on which the bank earned interest income of \$3.5m. Fee income increased by 62pc to \$4.8m as the bank continued to build up its investment portfolio.

During 2010, OCB's private equity division completed its first direct investment with the acquisition of a controlling stake in New York-based speciality finance company CapitalSpring.

The company provides senior debt, mezzanine capital and preferred equity to franchise operators, and is particularly well-positioned to capitalise on the growing need for bespoke financing solutions by small and mid-sized enterprises across the US.

The bank's private equity division also established its first diversified investment vehicle, OCB Global Co-Investment Opportunities L.P., a \$100m target-fund seeded and managed by OCB in partnership with Credit Suisse, which will co-invest in mid-market private equity transactions alongside best-in-class managers in Europe, the US and Asia.

Earlier in the year, the group completed a partnership with Zouk Ventures, a leading Cleantech investor, with a view to exploit a growing number of opportunities in areas such as renewable energy, energy efficiency, waste and water technologies in Europe and the MENA region.

In 2011, OCB's Private Equity division has already begun to expand upon its early successes of 2010, and will continue to seek to deploy capital selectively in new and compelling opportunities.

During the year, OCB's Property & Infrastructure Investment division consolidated its student accommodation investment position in London, by completing its three projects in joint venture with UNITE Plc, before time and under budget.

OCB had contributed early development management advice to the joint venture which enabled these projects to be developed and opened in just over one year, using construction techniques which delivered the projects approximately a year quicker than by using traditional building methods. OCB's Property & Infrastructure Investment division will continue to look at strategies which will grow OCB's geographic and sector reach into regions which provide a sustainable pipeline of interesting and profitable opportunities offering growth.

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