

press release

GULF AIR AND STANDARD CHARTERED BANK CONCLUDE NEW CREDIT ARRANGEMENT

Gulf Air and Standard Chartered Bank (SCB) have closed a 3 year syndicated term loan facility of USD 75 million that will be used to finance continued ongoing investment and growth in the New Year. The deal will be signed in early January.

In terms of the agreement, Standard Chartered Bank, acting as the arranger and agent for the consortium of lenders, will extend credit facilities valued at USD75 million to the airline. The loan is repayable over a period of three years.

In formulating its new ten-year strategy, the airline identified a requirement for further credit facilities that will allow it to maintain the momentum of the growth and change achieved by during the implementation of its three-year restructuring programme, Project Falcon.

“Despite significant challenges from fuel and competition within the region, we have made positive progress re-engineering our business,” said James Hogan, Gulf Air’s President and Chief Executive. “Abu Dhabi’s withdrawal has necessitated a rethink of our strategy around a two-hub approach. This will require changes to our network, routes, fleet, and allocation of resources.”

“This means that we have to keep investing in the core areas of our business. In some areas, consolidation and traditional style cut backs will be necessary, but in principle we are confident that we can build on what we have achieved to date and this will require a bold, progressive strategy underscored by significant investment.”

“Gulf Air’s Project Falcon initiatives reinstated the airline’s commitment to position itself as a leading service brand and a unique regional airline,” said John Iossifidis Regional Head, Client Relationships, Wholesale Banking at SCB and signatory to the agreement. “We are delighted to be working with Gulf Air again and look forward to supporting their strategy in the future.”

“Standard Chartered Bank works in partnership with several leading multinational companies in the Middle East and has a growing portfolio of structured trade finance facilities, which demonstrate the success of our commitment to bringing our global expertise and range of products to our customers in this region,” he said.

About Standard Chartered

Standard Chartered – leading the way in Asia, Africa and the Middle East

Standard Chartered is one of the world's most international banks, employing over 40,000 people, representing 80 nationalities, across its network. Standard Chartered operates in over 1,200 locations (including subsidiaries, associates and joint ventures) in more than 50 countries in the Asia Pacific Region, South Asia, the Middle East, Africa, the United Kingdom and the Americas.

Standard Chartered PLC is listed on both the London Stock Exchange and the Stock Exchange of Hong Kong and is in the top 25 FTSE-100 companies, by market capitalisation.

It serves both Consumer and Wholesale Banking customers. Consumer Banking provides credit cards, personal loans, mortgages, deposit taking and wealth management services to individuals and small to medium sized enterprises. Wholesale Banking provides corporate and institutional clients with services in trade finance, cash management, lending, securities services, foreign exchange, debt capital markets and corporate finance.

Standard Chartered is well-established in growth markets and aims to be the right partner for its customers. The Bank combines deep local knowledge with global capability.

The Bank is trusted across its network for its standard of governance and corporate responsibility as well as its commitment to making a difference in the communities in which it operates.

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