

PRESS RELEASE

Isuzu East Africa and Gulf African Bank ink deal to facilitate Shari'ah compliant asset finance

New strategic partnership allows customers to access Shari'ah compliant structured financing to buy Isuzu trucks and pick-ups to expand their transportation businesses

Tuesday 7th May 2019, Nairobi: Isuzu East Africa (Isuzu EA) has today signed and announced the first ever Shari'ah compliant asset finance partnership with Gulf African Bank targeting Muslim owned SMEs and business. The partnership will see Muslim and non-Muslim clientele alike enjoy up to 95 per cent Shari'ah compliant structured financing on all Isuzu models including Isuzu D-Max, N series trucks and F series trucks.

Speaking at the signing ceremony, Isuzu EA Managing Director, Rita Kavashe, mentioned the numerous benefits the partnership is set to offer borrowers at a time when Shari'ah compliant financing is still low in the country.

"We are delighted to be signing and announcing this unique partnership to the country. We strongly believe this partnership has come at the right time and will provide numerous opportunities for Muslim owned SMEs to access Shari'ah compliant asset financing to grow their business," said Rita. "The partnership will allow customers keen to buy Isuzu models enjoy up to 100% financing with funds being released within a day after a 72-hour approval process. This will serve to enlarge, as well as expand and diversify our business base," added Rita.

Rita noted that innovation and forging partnerships is at the forefront of this Islamic financing program in order to meet the requirements of Muslim owned business that prefer Shari'ah compliant banking.

"Through innovation and a strategic partnership with Gulf African Bank, to guide us on Islamic financing, we have stepped in to service Muslim clients who demand Isuzu financed products consistent with Islamic financial principles," noted Rita. Gulf African Bank CEO, Abdalla Abdulkhalik, expressed the bank's delight in signing the partnership noting that it will be a big win for Muslim business owners who continue to miss out on such opportunities.

"We are very excited to be signing this partnership that will see our customers enjoy business growth. Kenya's Islamic finance industry is over a decade old but is yet to realize its full potential and make the desired impact in promoting linkages between financing and the real economy. Through this partnership, we are confident that more Muslim business owners stand to benefit and grow their businesses," said Mr. Abdalla.

Mr. Abdalla further noted that customers will also benefit from the Murabaha Scheme where there is 100 per cent financing, a financing period of up to 60 months and a 60-day moratorium on brand new trucks where there is a body to be built or a trailer. Islamic banks make a profit through equity participation which requires a borrower to give the bank a share in their profits rather than paying interest.

Isuzu EA mentioned that the various asset finance partnerships signed with other leading conventional banks has seen growth in vehicle sales and financing of up to Ksh 1.9 billion worth of assets to the market.

Notes to Editors

Isuzu East Africa Ltd (Isuzu EA)

Isuzu East Africa is the leading motor vehicle assembler in East Africa, selling a wide range of Isuzu vehicles. The company is starting out from a solid foundation established by the Isuzu brand's automotive excellence over the last 40 years. The brand has attained strong leadership in this market, selling over 80,000 units since the first Isuzu vehicle rolled out of its Nairobi assembly plant in 1977.

With over 15 models in its line-up, the Isuzu brand has dominated the new vehicle segment for five years in a row since 2012, achieving a market share of 39.1% by end of 2018. This is a testimony to customer confidence in its vehicles and excellent aftersales service. With the financial and technical support resources behind it, Isuzu East Africa is well established to meet customers' needs through an extensive dealer network (Sales, Parts and Service) in all the major towns in East Africa.

About Gulf African Bank

Gulf African Bank is the Premier Shari'ah compliant SME bank in Kenya, offering products that address the needs of not just Muslims, but everyone in the country through fair, safe and ethical banking practices. Gulf African Bank is a pioneering Islamic Bank not only in Kenya but also in the entire East African region, whose shareholders include: Istithmar (the investment arm of the Government of Dubai); BMI Bank (a leading regional bank headquartered in Bahrain); Sheikh Abdullah Mohammed Al Romaizan (a leading investor from Saudi Arabia); Trade Development Bank (Previously PTA Bank), GulfCap (UAE), IFC (The Private Investment Arm of World Bank) and prominent Kenyan nationals.
www.gulfafribanbank.com

For More information

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