

Sukuk Listing On the Luxembourg Stock Exchange

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What opportunities do Sukuk represent for Luxembourg?

- The Luxembourg stock exchange has developed into a leading centre for listing International securities, with over **4,200** issuers and more than **49,000** listings. In terms of value, Luxembourg comes out as a clear winner in comparison with other European jurisdictions, with regards to the costs associated with listing procedures.
- Today, there are **16** Sukuk issues listed on the Luxembourg stock exchange, representing more than **USD 7.3 billion** in value. In fact, the only other jurisdiction with the same number of Sukuk listings is London.
- These listings are in Luxembourg thanks to its very competent and competitive infrastructure. An example which confirms this trend is the recent Sukuk which have been listed by **Petroliam National**, an oil company owned by the Malaysian government. This proves that Luxembourg is on the radar of the international securities market as a serious location.

What opportunities do Sukuk represent for Luxembourg?

- Up until the latter part of 2008, sukuk issuances had been growing at double digit rates.
- Up until 2007 a record high was reached with 129 sukuks raising funds of approximately US\$34 billion.
- This growth has not gone unnoticed by international investors.
- With regards to Luxembourg, this growth rate in Sukuk represent a major opportunity both in terms of securitization and growth opportunities for funds.

Anticipate 2010

- While growth is not anticipated until the latter half of 2009 or early 2010, there are several factors that lead economists to be optimistic about the future prospects of the industry. For example;
- Muslims worldwide are eager to enter the fixed income market, which in its conventional state is prohibited. Sukuk provide a Sharia compliant alternative;
- Islamic Finance in general has grown increasingly popular.
- The latest statistics shows that there are more than 300 Islamic institutions scattered over 75 countries. The growing number of institutions will increase the demand for new issuances;
- Continued plans in the GCC countries for massive infrastructure projects, which require significant financing, suggests that additional issuances are likely;
- And finally, the increased openness of governments and regulators around the world has widened the demand for Sukuk and its issuers.

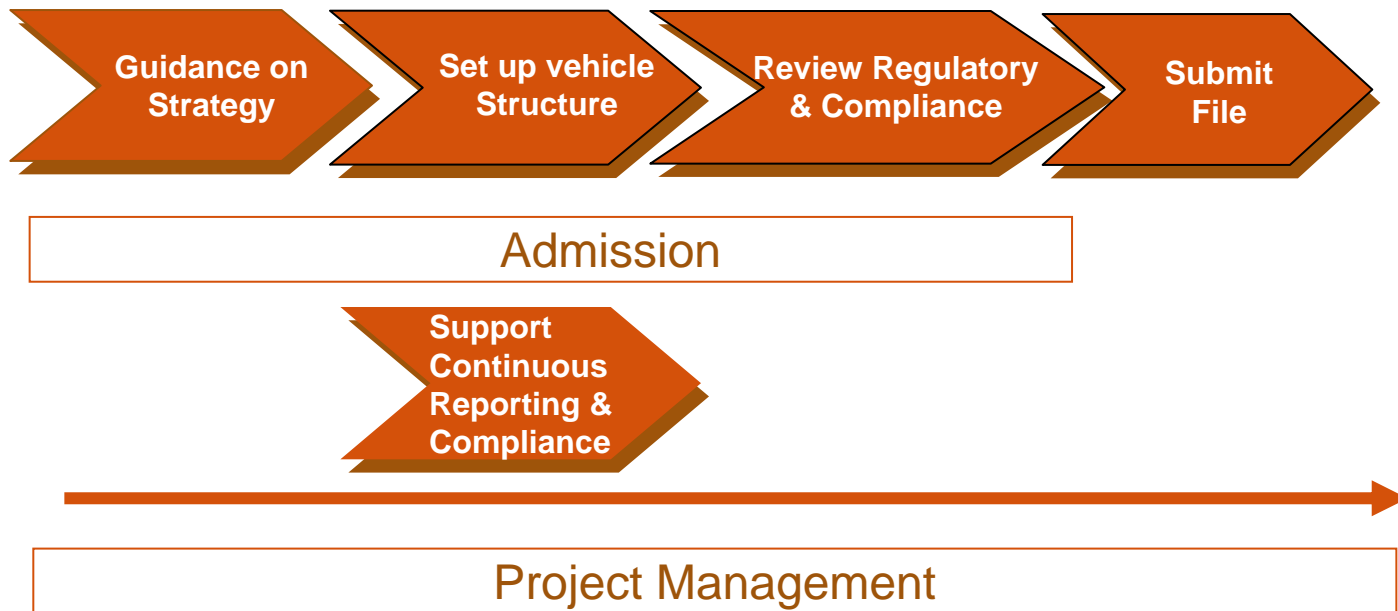
What PwC Luxembourg can offer to assist its clients?

We recommend that Sukuk listing is viewed as a four step process, where people should think about ;

1. Listing Strategy
2. Filing and communication with the competent authorities
3. Continuous Reporting
4. Coordination of the listing process

What PwC Luxembourg can offer to assist its clients?

PwC Luxembourg can support its clients throughout the complete value chain, starting from guidance on where to list to the final admission on exchange.



Questions

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