

Blue City Company 1 Announces Forthcoming Sales Release at Al Madina A'Zarqa

Muscat, Oman: 1st April 2008 - Blue City Company 1 SAOC (BCC1) today announced that the much anticipated next sales release of Al Madina A'Zarqa will take place in the next 3 months. Following on the heels of the rapid sell out of the previous sales launches, the next release will include some of the most unique and prestigious properties in the Gulf, including Foster + Partners designed sea view residences and a selection of golf course villas.

Al Madina A'Zarqa is the most significant metropolitan development in Oman – a unique 32 square kilometer project. It will create an entirely new city of more than 200,000 people and represents an estimated \$15 - \$20 billion total investment. The project is already attracting direct foreign investment through its international partnerships; greatly contributing to the development of the country.

Globally renowned Foster + Partners is bringing this international excellence to Oman as the designers of the master plan. Gerard Evenden, Senior Partner, Foster + Partners commented: "It is the first time we have been engaged in Oman and we were immediately inspired by the country and its authenticity. We are committed to contributing to the development of Oman as an international destination while showcasing the heritage of the country through this master plan and the contemporary interpretation of the original Omani architecture." The design by Foster + Partners includes buildings developed with all modern amenities but with original architectural features, such as the use of low-rise buildings.

The first phase is one of the most vital components of the entire project due to its value and the unique key tourism related elements it encompasses. It represents a substantial project in its own right, but is also intended to fit as a component of the overall development. It will accommodate 27,000 residents, as well as local, regional and international visitors and is primarily a residential and tourism development with leisure and retail components.

Anees Issa Al Zadjali, Chairman of the board at Blue City Company 1, commented: "The design of the project is currently well underway and on schedule; the first residential units will commence delivery in 2010 and Phase 1 will be completed by end 2012. On the site, construction progress is clearly visible and the contractor has completed construction of 85 per cent of the temporary site facilities. This includes a compound that will house a 7,000-strong labour force, 500 staff, auxiliary facilities such as batching plants, a reinforcement yard, a pre-cast yard, warehouses and site offices, as well as social and welfare facilities. Ground improvement works are set to commence during the course of next month, on track with the project schedule."



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AL MADINA A'ZARQA

When asked about whether the project would be affected by the current proceedings brought against one of the project sponsors, Anees Issa replied: "This is a matter which continues to be dealt with by the Omani courts and as of date the matter remains sub-judicious. You have to remember that this project has been financed through a \$925 million international bond issue, and therefore the project company is set up as an independent legal entity, managed and controlled very strictly by bondholders, which are some of the world's foremost financial institutions. As far as Blue City Company 1 is concerned, it is business as usual as we move forward in making this project one of the foremost developments in the Gulf."

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