

**BASE PROSPECTUS SUPPLEMENT DATED 31 MARCH 2017  
TO THE BASE PROSPECTUS DATED 24 MARCH 2017**



**Dar Al-Arkan Sukuk Company Ltd.**

*(incorporated in the Cayman Islands with limited liability)*

**U.S.\$1,800,000,000**

**Trust Certificate Issuance Programme**

This base prospectus supplement (the **Supplement**) supplements, and must be read in conjunction with, the base prospectus dated 24 March 2017 (the **Base Prospectus**) prepared by Dar Al-Arkan Sukuk Company Ltd. (the **Trustee**) and Dar Al-Arkan Real Estate Development Company (**Dar Al-Arkan**) in connection with the Trust Certificate Issuance Programme (the **Programme**) established by the Trustee for the issuance of up to U.S.\$1,800,000,000 in aggregate face amount of trust certificates (the **Trust Certificates**).

Terms defined in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement has been approved by the Central Bank of Ireland (the **Irish Central Bank**), as competent authority under Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) (the **Prospectus Directive**). The Irish Central Bank only approves this Supplement as meeting the requirements imposed under Irish and European Union law pursuant to the Prospectus Directive. This Supplement constitutes a supplement for the purposes of Article 16 of the Prospectus Directive.

Each of the Trustee and Dar Al-Arkan accepts responsibility for the information contained in this Supplement. To the best of the knowledge of each of the Trustee and Dar Al-Arkan (each having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

The purpose of this Supplement is to update the disclosure in the section entitled "*Use of Proceeds*" and the sub-section entitled "*Financial Review - Borrowings*" of the Base Prospectus.

## **IMPORTANT NOTICE**

The information included in this Supplement supplements the information contained in the Base Prospectus regarding Dar Al-Arkan. Capitalised terms not defined in this Supplement have the meanings ascribed to them in the Base Prospectus.

Information which is updated by reference to one section of the Base Prospectus may be repeated or referred to in other sections of that document. Accordingly, to the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in the Base Prospectus, the statements in this Supplement will prevail.

Save as disclosed in this Supplement, no other significant new fact, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Trust Certificates issued under the Programme has arisen or been noted, as the case may be, since publication of the Base Prospectus.

Copies of this Supplement and the Base Prospectus can be: (i) viewed on the website of the Irish Central Bank at [www.centralbank.ie](http://www.centralbank.ie); and (ii) obtained on written request and without charge from the registered office of the Trustee at P.O. Box 1093, Queensgate House, George Town, Grand Cayman, KY1-1102, Cayman Islands and from the registered office of the Principal Paying Agent at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom.

## USE OF PROCEEDS

By virtue of this Supplement, the section entitled "*Use of Proceeds*" on page 88 of the Base Prospectus is deleted and replaced with the following:

"Pursuant to the Investment Management Agreement, the net proceeds of each Series will be invested by the Trustee through the Investment Manager to invest in a single portfolio of investments comprising a Sale and Purchase Agreement between Dar Al-Arkan and the Investment Manager, and an Ijara Agreement and Murabaha Agreement entered into between the Investment Manager and other subsidiaries of Dar Al-Arkan, all in accordance with the relevant Investment Plan.

The net proceeds of each Series, once received by subsidiaries of Dar Al-Arkan from the Investment Manager in accordance with the relevant Investment Plan, shall be applied towards the general corporate purposes of the Group, including, without limitation, for refinancing the liabilities of the Group falling due for repayment from time to time, provided that this is in accordance with the terms of the Guarantee."

## BORROWINGS

By virtue of this Supplement, in the sub-section entitled "*Financial Review - Borrowings*" beginning on page 101 of the Base Prospectus, the following paragraphs shall be inserted at the end of such sub-section:

### *"Incurring Financial Indebtedness*

Pursuant to clause 2.1(a) (*Limitation on Indebtedness*) of the Guarantee, Dar Al-Arkan has agreed that it will not, and will not permit any Restricted Subsidiary to, Incur, directly or indirectly, any Indebtedness; provided, however, that the Guarantor and any Restricted Subsidiary will be entitled to Incur Indebtedness if, on the date of such Incurrence and after giving effect thereto on a pro forma basis, the Consolidated Coverage Ratio is (for so long as any 2019 Sukuk Certificate is outstanding) at least 2.5 to 1.0 and (at any time thereafter) at least 2.0 to 1.0.

As at 31 March 2017, the 2019 Sukuk Certificates remain outstanding and the Consolidated Coverage Ratio is below 2.5 to 1.0. Therefore, from 31 March 2017 and only for so long as the circumstances existing as at 31 March 2017 as detailed above continue to exist, Dar Al-Arkan or any Restricted Subsidiary may only Incur further Indebtedness by relying on the exceptions set out in clause 2.1(b) (*Limitation on Indebtedness*) of the Guarantee to the extent that such exceptions: (i) have not been fully utilised (and have not subsequently become available) on the date of Incurrence; and/or (ii) are available on the date of Incurrence by virtue of the terms of the guarantee dated 17 May 2013 entered into by Dar Al-Arkan and which applies to all outstanding Trust Certificates issued under the Programme (including the 2019 Sukuk Certificates)."