



Islamic bank BLME to acquire SME-focused leasing business

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(Reuters) - Bank of London and The Middle East (BLME), one of Britain's five full-fledged Islamic banks, said on Monday it would acquire Renaissance Asset Finance as part of efforts to grow its leasing business.

Dubai-listed BLME said in a statement the acquisition would be finalised in early April, without disclosing a deal size.

The Islamic lender helped launch Renaissance in 2014 when it provided a financing line of 35 million pounds, with both firms seeking to fill a funding gap for mid-sized companies.

"Our two businesses share the joint objective of filling this funding gap, with BLME focusing on the mid-market and Renaissance targeting the smaller ticket end," said Fred Yue, head of leasing at BLME.

Renaissance offers financing solutions including sale and leaseback transactions, with a maximum advance of 2 million pounds.

Rental-based contracts are commonly used in Islamic finance, which follows religious principles such as a ban on interest and pure monetary speculation.

(Reporting by Bernardo Vizcaino; Editing by Eric Meijer)