

## **PRESS RELEASE**

### **ALBARAKA BANKING GROUP (ABG) IPO BEGIN TODAY ABG IS THE REGION'S BIGGEST ISLAMIC BANKING IPO**

**All arrangements taken for smooth subscription**

**Manama 27 May 2006:** The Bahrain-based leading Islamic banking group Al Baraka Banking Group (ABG) announced that the Groups IPO will commence today. Officials confirmed that all preparatory work for the IPO has been completed. In order to ease the process, we have taken up all necessary arrangements so that every one could participate easily through a network of more than 117 receiving bank branches in GCC. This process is lead by 13 leading banks in the region.

Shaikh Saleh Kamel, Chairman of Albaraka Banking Group, said "The ABG IPO is one of the largest IPO transactions in the region in the recent past, which is offered by a financial Group that has been into existence for more than 26 years and owns more than 10 banking units in various Islamic and Arab countries.

Shaikh Saleh Kamel added, "The funds raised will principally be used for expanding our operations in the markets of the countries in this region especially Saudi Arabia and the U.A.E, and other countries in the far east as well as in enhancing the capital of our banks that achieved good results for the Group such as the Group's banks in Turkey, Egypt, Algeria and Jordan."

Shaikh Saleh Kamel expressed his sincere thanks and appreciation to the Ministry of Industry and Commerce, Bahrain Monetary Agency and Bahrain and Dubai Stock Exchanges for the support they extended to Albaraka Banking Group in launching its IPO in the best possible manner. He also expressed his appreciation for all banks and financial institutions who subscribed at the private placement phase as strategic partners, and as such they represent an added value which will benefit everyone, God willing.

On his part, Mr. Adnan Ahmed Yousif, Chief Executive of Albaraka Banking Group, said that the Group would, at this public subscription phase, which starts on Saturday 27th May 2006, offer 188.9 million shares comprising 120 million new shares and 68.9 million existing shares for public subscription. The existing shares comprise 43.5 million shares belonging to strategic shareholders and 25.4 million shares belonging to founding shareholders. The IPO process, which it will be carried out through 117 bank branches in all GCC countries, will close on 15th June 2006. A communication centre has also been set up to answer all enquiries of investors in connection with IPO.

**Albaraka Banking Group** is a leading international Islamic bank. It offers retail, corporate and investment banking and treasury services strictly in accordance with the principles of the Shari'a. The authorized capital of ABG is US\$1.5 billion. The Group has a wide geographical presence in the form of subsidiary banking Units in ten countries, which in turn conduct business through more than 200 branches. These banking Units are Banque Al Baraka D'Algerie, Al Amin Bank, Bahrain, Al Baraka Islamic Bank, Bahrain, the Egyptian

Saudi Finance Bank, Egypt, Jordan Islamic Bank, Jordan, Al Baraka Bank Lebanon, Lebanon, Al Baraka Bank Ltd, South Africa, Al Baraka Bank Sudan, Sudan, Bank Et-tamweel Al Saudi Al Tunisi, Tunisia, Al Baraka Turk Participation Bank, Turkey and Al Baraka Bank, Pakistan.