

PRESS RELEASE

In one of the largest IPO's in the region, Albaraka Banking Group (ABG): Ready to Go



Manama, 19th April 2006: Albaraka Banking Group (ABG), the leading Islamic Banking Group based in Bahrain, continues its preparations to launch its IPO, in one of the largest IPO transactions in the region in the recent past. It is the first time a Group established more than a quarter of a century ago offers part of its shares in an IPO in the region.

His Excellency Shaikh Saleh Abdulla Kamel, Chairman of the Board of Directors, said “The Group, in coordination with the IPO financial advisor, Gulf International Bank, has completed all preparatory work for the IPO, in which shares will be offered to investors in the countries of this region.” His Excellency stressed that “The IPO subscription process will be carried out in a smooth, fast and efficient manner reflecting high expertise, efficiency and market trust in all the parties involved in the structuring of this IPO.”

His Excellency Shaikh Saleh Kamel added that the IPO will comprise two stages. In the first stage, a number of strategic investors were invited to subscribe to the IPO, including major investors from the region as well as institutional and government investors. The invitation was met with an overwhelming response, considering the attractive investment opportunity offered coupled with the investors’ confidence in the business of the Group, its activities and the expected return on investment. His Excellency stressed that all investors in this stage were major investors who have prominent positions in the financial and banking industries and in the financial markets in the countries of this region. In this regard, His Excellency explained that based on the structure of the transaction and in accordance with the recommendations of the Financial Advisor, it was decided to allocate more than US\$ 400 million to the investors in this private placement stage.

On his part, Mr. Adnan Ahmed Yousif, Chief Executive Officer, said that according to the timetable agreed with the Financial Advisor, the Group intends, once the formalities of listing the Group’s shares in Bahrain Stock Exchange and Dubai International Financial Market are completed, to offer the shares allocated for the IPO towards end of this month.

Mr. Adnan Yousif expressed his confidence that this step will represent a major landmark in the Islamic banking industry, considering that it comes as a fitting response to the rapid developments that this industry is going through. This step also comes after the Group had taken all the necessary measures to structure the IPO in accordance with the highest professional standards based on strategic plans laid down more than five years ago, with a view to expanding into new markets and pursuing the major financing and investment opportunities that are now available to it.

Albaraka Banking Group is a leading international Islamic bank, offering retail, corporate and investment banking and treasury services strictly in accordance with the principles of 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 have 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 Ettamweel Al Saudi Al Tunisi, Tunisia; Al Baraka Turk Participation Bank, Turkey and Al Baraka Islamic Bank, Pakistan.

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