

PRESS RELEASE

Proclamation of Al Baraka Bank Syria and the Election of its First Board of Directors

Manama, 20 December 2009: The Constituent General Meeting of Al Baraka Bank Syria was held in Damascus on 16 December 2009 in the presence of the founding shareholders or their representatives and representatives from the Ministry of Economy and Commerce, Central Bank of Syria, the Commission for Securities and Financial Markets and other representatives of concerned public authorities and bodies. Representatives of more than 66.6% of the shareholders attended meeting which meets the legal quorum.

The meeting discussed the topics listed on its agenda, of which the most important topic was discussing the report of the promoters about the stages that the establishment of the Bank went through and the supporting documents. The Meeting also discussed the promoters' report on offering 35% of the bank's shares for public subscription (IPO). The IPO was a great success as it was oversubscribed by 4.5 times and the number of subscribers exceeded 7000 shareholders. The meeting discussed the incorporation expenses to date which were audited by the inspector of accounts and took appropriate decisions related thereto. The Meeting appointed the members of the Sharia Supervisory Board after they were approved by the Central Bank of Syria.

The Meeting elected the first Board of Directors of the Bank which comprised Mr. Adnan Ahmed Yousif, Eng. Mohamed Al Shae'r, Mr. Ibrahim Shamsi, Mr. Mahmoud Al-Nouri, Abdul Salam Al Shawaf, Ghassan Sukkar, Basim Al Taji, Mohammed Imad Al Mawlawi and Tariq Kazim.

The Meeting also appointed the office of the Ali Abdel Qader Azza as Bank auditor for one financial year and authorized the Board of Directors to fix its fees. It also approved the Administrative and Technical Services Agreement with the Bahrain-based Al Baraka Banking Group BSC and authorized the Board of Directors to sign it after obtaining the approval of the Monetary and Credit Board. The Meeting also authorized the Board of Directors to amend and renew this Agreement for a number of times as may be required. The Meeting was concluded by declaring the formal incorporation of Al Baraka Bank Syria.

After the meeting, the Board of Directors held its first meeting at which the Chairman of the Founding Committee of the Bank and President & Chief

Executive of Al Baraka Banking Group Mr. Adnan Ahmed Yousif was elected Chairman of the Board of Directors and Vice-Chairman of the Founding Committee Eng. Mohamed Al Shae'r Vice-Chairman of the Board of Directors.

On this occasion, HE Sheikh Saleh Abdullah Kamel, Chairman of Al Baraka Banking Group, expressed his thanks to His Excellency President Bashar Al Assad, the Syrian government, Ministry of Economy and Commerce, Central Bank of Syria and the Syrian Commission of Securities and Financial Markets for their support to Islamic banking in the Syrian Arab Republic. He also extended his thanks to the Central Bank of Bahrain for its support and the facilities it provided to Al Baraka Bank Syria and Al Baraka Banking Group. It is this support and encouragement that made the incorporation of the bank a success. The Bank will in turn contribute to the promotion of the flow of investment and trade between Syria and its sister countries in the region.

For his part, Mr. Adnan Ahmed Yousif, Chairman of Al Baraka Bank Syria said that "Al Baraka Bank Syria will provide all kinds of Islamic banking services and products to its individual and corporate clients through a network of branches, which will cover all major cities in Syria".

The Chairman of the Board of Directors added that the Syrian market were witnessing significant growth as a result of the continuing economic reforms which resulted in the liberalization of the regulations governing investments by local private sector and foreign investors. Substantial amounts of money were flowing into many infrastructure, industrial, commercial and service sectors and projects and this would create good opportunities to banks and investors. This in turn made the Syrian market an attractive destination for investors including a number of foreign banking institutions. He added "However, what makes Al Baraka Bank Syria different from other banks is that it is committed to providing services and products that comply fully with the Sharia principles. The Bank will also be strongly backed by the vast banking expertise of the Group as well as its strong financial resources, technical capabilities and the extensive network of subsidiary banking units that it has in 12 countries around the globe with more than 300 branches".

The capital of Al Baraka Bank Syria amounts to Syrian pounds (SYP) 5 billion (US\$ 100 million). Promoters have subscribed to 65% of the capital (6.50 million shares amounting SYP 3.25 billion) of which 50%, amounting to SYP 1.625 billion, has already been paid. The shares offered for public subscription amounted to 3.50 million shares with a value of SYP 1.750 billion representing 35% of the bank's capital. The IPO was oversubscribed 4.4 times which reflects the outstanding success of the IPO. The issue price was SYP 500 per share of which the subscribing shareholders paid upon subscription 50% of the nominal value of the share. The remainder of the subscription amount will be paid within a period not exceeding 3 years from the date on which the bank commences its operations. The IPO was offered to Syrian investors only.

Al Baraka Banking Group is a Bahrain Joint Stock Company listed on Bahrain and NASDAQ Dubai stock exchanges. It is a leading international Islamic bank with Standard & Poor's long and short-term credit ratings of BBB- and A-3 respectively. Al Baraka Banking Group offers retail, corporate and investment banking and treasury services strictly in accordance with the principles of the Islamic Shari'a. The authorised capital of Al Baraka Banking Group is US\$1.5 billion, while total equity amounts to about US\$1.6 billion. The Group has a wide geographical presence in the form of subsidiary banking Units and representative offices in twelve countries, which in turn provide their services through more than 300 branches. These banking Units are Jordan Islamic Bank, Jordan; Al Baraka Islamic Bank, Bahrain; Al Baraka Islamic Bank, Pakistan; Banque Al Baraka D'Algerie, Algeria; Al Baraka Bank Sudan, Sudan; Al Baraka Bank Limited, South Africa; Al Baraka Bank Lebanon, Lebanon; Bank Et-Tamweel Al-Tunisi Al-Saudi, Tunisia; the Egyptian Saudi Finance Bank, Egypt; Al Baraka Turk Participation Bank, Turkey; AlBaraka Bank Syria and a representative office in Indonesia.

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