

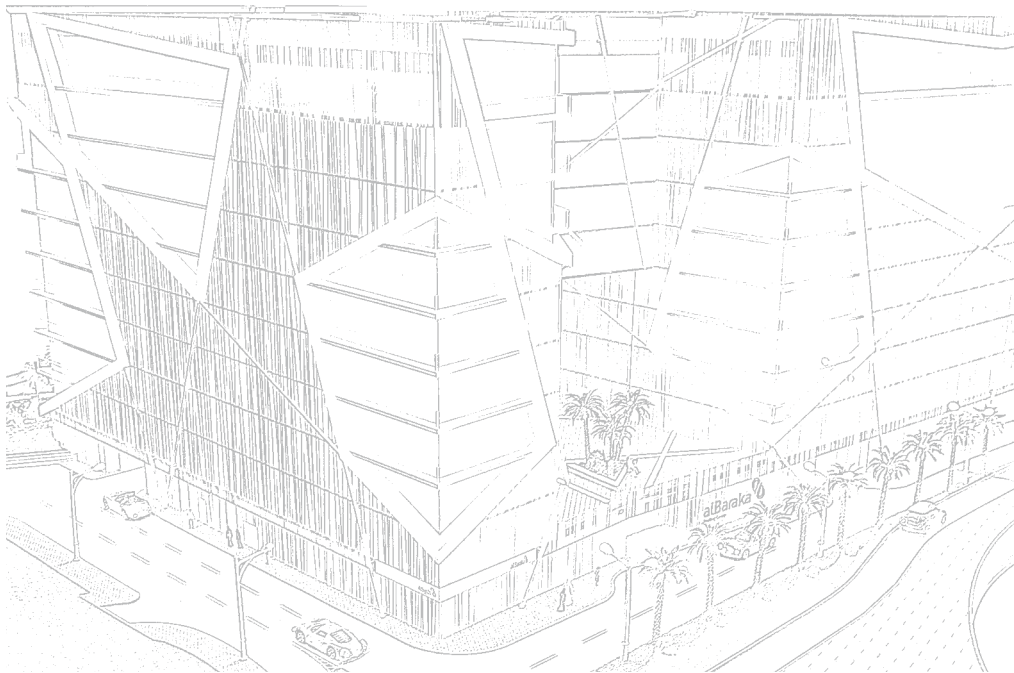
## Al Baraka Banking Group B.S.C.

# Summary Documents of Ordinary and Extraordinary General Meetings

Tuesday, 19th March 2013

Al Taj Ballroom, Sheraton Bahrain Hotel

Manama, Kingdom of Bahrain



*Your Partner Bank*

The enclosed Financial Statements have been extracted from the Consolidated Financial statements audited by Ernst & Young- Bahrain, who expressed an unqualified opinion on 20th February 2013. Full Financial statements and the details of the AGM's agenda are embodied in the 2012 Annual Report which is available ,for the shareholders and others, in the meeting venue, and at AlBaraka website [www.albaraka.com](http://www.albaraka.com) and with the Shares Registrar office "Fakhro Karvy Computer Share"

## Invitation to The Ordinary and Extraordinary General Meetings

The Board of Directors of Al Baraka Banking Group is pleased to invite you to attend the Group's Ordinary and Extraordinary General Meetings to be held successively at 12:30pm on Tuesday 19 March 2013 at AlTaj Ballroom, Sheraton Bahrain Hotel, Manama, Kingdom of Bahrain. In case of the absence of a quorum the second or the third meeting will be held as per the notes below. The Agenda for both the AGM & EGM meetings shall be respectively as follows:

### A. The Ordinary General Meeting:

1. To review the report of the Board of Directors on the activities of the Bank for the Financial Year ended 31/12/2012.
2. To review the Sharia Supervisory Board's report for the financial year ended 31/12/2012.
3. To review the External Auditors' report for the financial year ended 31/12/2012.
4. To review and approve the consolidated financial statements for the financial year ended 31/12/2012.
5. To approve the proposed distribution of profits for the financial year ended 31/12/2012, after obtainment of the required official approvals, as follows:
  - (a) To approve the transfer of 10% of the Net Income amounting to US\$13,302,751 to the Statutory Reserve.
  - (b) To approve the distribution of cash dividend to the shareholders registered as of the date of this meeting, amounting to US\$35,506,625 (3.5 cents for each share).
  - (c) To approve the transfer of US\$84,218,130 to the Retained Earnings.
6. To approve the proposed distribution of one bonus share for every 30 fully paid up shares to the shareholders registered as of the date of this meeting (amounting to US\$33,815,833) from the retained earnings after obtainment of the required official approvals.
7. To absolve the Directors from liability for the Financial Year ended 31/12/2012.
8. To approve a remuneration of US\$1 Million to the Members of the Board of Directors.
9. Subject to the approval of the Central Bank of Bahrain, to reappoint Messrs Ernst and Young as Auditors for the Financial year ending 31/12/2013 and to authorize the Board of Directors to fix their remuneration.
10. To review the evaluation of ABG's Board, its members, the President & Chief Executive, and Board Committees (enclosed in the distributed Annual Report).
11. To review the Corporate Governance report as per the CBB's instructions (enclosed in the distributed Annual Report).

### B. The Extraordinary General Meeting:

1. To approve the increase of the issued and paid up share capital by transferring US\$33,815,833 to the Share capital and issue bonus shares of one share for every 30 fully paid up shares to the shareholders registered as of the date of this meeting.
2. To approve the amendment of the Memorandum and Articles of Association as per the Resolution passed pursuant to item (1) of this Agenda.
3. To authorize and empower the Board of Directors or its delegate to take the necessary action, to effect amendment to the Memorandum and Articles of Association for the purpose of attesting and publicizing the increase in the share capital and the necessary amendment to the Memorandum and Articles of Association.



Saleh Abdullah Kamel  
Chairman

#### Notes:

1. The Annual General Meeting (AGM) shall be valid if attended by shareholders representing more than 50% of the issued capital. If the said quorum is not obtained, the AGM shall be called for a second Meeting with the same agenda to be held after a period of seven days. The Second Meeting shall be valid if attended by shareholders representing 30% of the issued capital. If the said quorum is not obtained the Third Meeting shall be valid irrespective of the number of shareholders present after a period of seven days in the same time and place.
2. The Extraordinary General Meeting (EGM) shall be valid if attended by shareholders representing more than two thirds of the issued capital. If the said quorum is not obtained, the EGM shall be called for a second Meeting with the same agenda to be held after a period of seven days. The Second Meeting shall be valid if attended by shareholders representing one third of the issued capital, If the said quorum is not obtained the Third Meeting shall be valid if attended by shareholders representing one fourth of the issued capital.
3. In case of Proxy, shareholders are required to deposit the Proxy Form (Copy available at our website [www.albaraka.com](http://www.albaraka.com)) at least 24 hours prior to the proposed date for holding the AGM & EGM with the Shares Registrar (Fakhro Karvy Computershare) AlZamil Tower, Manama, Kingdom of Bahrain, Tel: +973 17215080, Fax: +973 17212055, Email: [Bahrain.helpdesk@karvy.com](mailto:Bahrain.helpdesk@karvy.com).
4. Copies of the Meetings Document will be available on the meeting date, with the Share Registrar and at our website: [www.albaraka.com](http://www.albaraka.com).



## Proxy form for the Ordinary and Extraordinary General Meetings

I, the undersigned \_\_\_\_\_, being a shareholder in AlBaraka Banking Group B.S.C. appoint Mr. / Ms. \_\_\_\_\_ to represent me and vote on my behalf in the Annual General Meeting and the Extraordinary General Meeting to be successively held at ALTaj ballroom, Sheraton Bahrain Hotel, Manama, Kingdom of Bahrain on Tuesday 19 March 2013, or any subsequent adjournment of these meetings.

Authorization for the following:

### A. The Ordinary General Meeting:

	Yes	No
1. To review the report of the Board of Directors on the activities of the Bank for the Financial Year ended 31/12/2012.	<input type="checkbox"/>	<input type="checkbox"/>
2. To review the Sharia Supervisory Board's report for the financial year ended 31/12/2012.	<input type="checkbox"/>	<input type="checkbox"/>
3. To review the External Auditors' report for the financial year ended 31/12/2012.	<input type="checkbox"/>	<input type="checkbox"/>
4. To review and approve the consolidated financial statements for the financial year ended 31/12/2012.	<input type="checkbox"/>	<input type="checkbox"/>
5. To approve the proposed distribution of profits for the financial year ended 31/12/2012, after obtainment of the required official approvals, as follows:		
a. To approve the transfer of 10% of the Net Income amounting to US\$13,302,751 to the Statutory Reserve.	<input type="checkbox"/>	<input type="checkbox"/>
b. To approve the distribution of cash dividend to the shareholders registered as of the date of this meeting, amounting to US\$35,506,625 (3.5 cents for each share).	<input type="checkbox"/>	<input type="checkbox"/>
c. To approve the transfer of US\$84,218,130 to the Retained Earnings.	<input type="checkbox"/>	<input type="checkbox"/>
6. To approve the proposed distribution of one bonus share for every 30 fully paid up shares to the shareholders registered as of the date of this meeting (amounting to US\$33,815,833) from the retained earnings after obtainment of the required official approvals.	<input type="checkbox"/>	<input type="checkbox"/>
7. To absolve the Directors from liability for the Financial Year ended 31/12/2012.	<input type="checkbox"/>	<input type="checkbox"/>
8. To approve a remuneration of US\$1 Million to the Members of the Board of Directors.	<input type="checkbox"/>	<input type="checkbox"/>
9. Subject to the approval of the Central Bank of Bahrain, to reappoint Messrs Ernst and Young as Auditors for the Financial year ending 31/12/2013 and to authorize the Board of Directors to fix their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
10. To review the evaluation of ABG's Board, its members, the President & Chief Executive, and Board Committees (enclosed in the distributed Annual Report).	<input type="checkbox"/>	<input type="checkbox"/>
11. To review the Corporate Governance report as per the CBB's instructions (enclosed in the distributed Annual Report).	<input type="checkbox"/>	<input type="checkbox"/>



## Proxy form for the Ordinary and Extraordinary General Meetings

### B. The Extraordinary General Meeting:

	Yes	No
1. To approve the increase of the issued and paid up share capital by transferring US\$33,815,833 to the Share capital and issue bonus shares of one share for every 30 fully paid up shares to the shareholders registered as of the date of this meeting.	<input type="checkbox"/>	<input type="checkbox"/>
2. To approve the amendment of the Memorandum and Articles of Association as per the Resolution passed pursuant to item (1) of this Agenda.	<input type="checkbox"/>	<input type="checkbox"/>
3. To authorize and empower the Board of Directors or its delegate to take the necessary action, to effect amendment to the Memorandum and Articles of Association for the purpose of attesting and publicizing the increase in the share capital and the necessary amendment to the Memorandum and Articles of Association.	<input type="checkbox"/>	<input type="checkbox"/>

Shareholder Name : \_\_\_\_\_

Number of Shares: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ / \_\_\_\_\_ / 2013

#### Important Notes to the Shareholders:

- 1- This proxy form should be deposited at least 24 hours prior to the proposed date for holding the AGM and the EGM with the Share Registrars (Fakhro Karvy Computershare), P.O. Box 514, Manama, Kingdom of Bahrain, Tel: +973-17215080, Fax: +973-17212055
- 2- The appointed proxy shall neither be the Chairman nor a director or an employee of the Company and shall not represent as proxy more than 5 % of the issued and paid up share capital of the Company.

#### Al Baraka Banking Group B.S.C.

CR No. 48915 (Licensed as an Islamic Wholesale Bank by CBB)

P.O Box 1882,

Manama, Kingdom of Bahrain

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Fax: (+973) 17536533 / 17910911

Website: www.albaraka.com

#### Shares Registrar:

**Fakhro Karvy Computershare W.L.L.**

Office 74, 7th Floor, AlZamil Tower,

PO Box 514,

Manama, Kingdom of Bahrain

Tel: (+973) 17215080

Fax: (+973)17212055

Email : Bahrain.helpdesk@karvy.com



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## AT 31 DECEMBER 2012

	2012 US\$ '000	2011 US\$ '000
<b>ASSETS</b>		
Cash and balances with banks	3,927,583	4,633,280
Receivables	10,462,501	8,213,057
Mudaraba and Musharaka financing	953,554	950,935
Investments	2,183,754	2,090,253
Ijarah Muntahia Bittamleek	719,619	563,721
Property and equipment	386,496	313,933
Other assets	421,624	388,864
<b>TOTAL ASSETS</b>	<b>19,055,131</b>	<b>17,154,043</b>
<b>LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>		
<b>LIABILITIES</b>		
Customer current and other accounts	3,820,735	3,560,317
Due to banks	972,280	653,462
Other liabilities	689,808	675,196
<b>TOTAL LIABILITIES</b>	<b>5,482,823</b>	<b>4,888,975</b>
<b>EQUITY OF INVESTMENT ACCOUNTHOLDERS</b>		
<b>OWNERS' EQUITY</b>		
Share capital	1,014,475	869,550
Treasury shares	(8,475)	(7,319)
Share premium	16,352	16,420
Reserves	121,253	104,607
Cumulative changes in fair values	(3,636)	(10,910)
Foreign currency translations	(133,591)	(112,163)
Retained earnings	218,222	167,584
Proposed appropriations	69,323	175,359
<b>Equity attributable to parent's shareholders</b>	<b>1,293,923</b>	<b>1,203,128</b>
Non-controlling interest	673,757	596,022
<b>Total owners' equity</b>	<b>1,967,680</b>	<b>1,799,150</b>
<b>TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>	<b>19,055,131</b>	<b>17,154,043</b>



Saleh Abdullah Kamal  
Chairman



Adnan Ahmed Yousif  
Member of the Board and  
President and Chief Executive

## CONSOLIDATED STATEMENT OF INCOME

### YEAR ENDED 31 DECEMBER 2012

	2012 US\$ '000	2011 US\$ '000
<b>INCOME</b>		
Net income from jointly financed contracts and investments	1,018,482	895,682
Return on equity of investment accountholders before Group's share as a Mudarib	(874,470)	(796,826)
Group's share as a Mudarib	261,609	236,159
Return on equity of investment accountholders	(612,861)	(560,667)
Group's share of income from equity of investment accountholders (as a Mudarib and Rabalmaal)	405,621	335,015
Mudarib share for managing off-balance sheet equity of investment accountholders	4,320	4,172
Net income from self financed contracts and investments	204,613	168,220
Other fees and commission income	184,746	167,702
Other operating income	80,470	54,878
<b>TOTAL OPERATING INCOME</b>	<b>879,770</b>	<b>729,987</b>
Staff expenses	262,327	222,450
Depreciation and amortisation	35,299	29,251
Other operating expenses	160,440	134,069
<b>TOTAL OPERATING EXPENSES</b>	<b>458,066</b>	<b>385,770</b>
<b>NET INCOME FOR THE YEAR BEFORE PROVISIONS AND TAXATION</b>	<b>421,704</b>	<b>344,217</b>
Provisions	(99,323)	(50,812)
<b>NET INCOME BEFORE TAXATION</b>	<b>322,381</b>	<b>293,405</b>
Taxation	(87,139)	(81,111)
<b>NET INCOME FOR THE YEAR</b>	<b>235,242</b>	<b>212,294</b>
Attributable to:		
Equity holders of the parent	133,028	118,370
Non-controlling interest	102,214	93,924
	235,242	212,294
Basic and diluted earnings per share - US cents	13.21	11.75

## CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 31 DECEMBER 2012

	2012 US\$ '000	2011 US\$ '000
Net cash (used in) from operating activities	(801,200)	1,007,869
Net cash used in investing activities	(168,268)	(784,099)
Net cash used in financing activities	(45,994)	(66,719)
Foreign currency translation adjustments	(31,234)	(148,761)
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	<b>(1,046,696)</b>	<b>8,290</b>
Cash and cash equivalents at 1 January	2,996,990	2,988,700
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>1,950,294</b>	<b>2,996,990</b>

## CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY YEAR ENDED 31 DECEMBER 2012

	Attributable to equity shareholders of the parent US\$ 000	Non-controlling interest US\$ 000	Total owners' equity US\$ 000
Balance at 1 January 2012	1,203,128	596,022	1,799,150
Dividends paid	(30,434)	-	(30,434)
Movement in treasury shares	239	-	239
Net movement in cumulative change in fair value	7,274	1,160	8,434
Net movement in other reserves	2,082	1,079	3,161
Foreign currency translation	(21,428)	(9,806)	(31,234)
Net income for the year	133,028	102,214	235,242
Effects of acquisition of non-controlling interest	34	(34)	-
Dividends of subsidiaries and Net movement in non-controlling interest	-	(16,878)	(16,878)
<b>Balance at 31 December 2012</b>	<b>1,293,923</b>	<b>673,757</b>	<b>1,967,680</b>

Balance at 1 January 2011	1,223,727	592,854	1,816,581
Dividends paid	(39,525)	-	(39,525)
Movement in treasury shares	73	-	73
Net movement in cumulative change in fair value	(7,076)	(2,244)	(9,320)
Net movement in other reserves	(4,925)	(4,012)	(8,937)
Foreign currency translation	(87,823)	(60,938)	(148,761)
Net income for the year	118,370	93,924	212,294
Effects of acquisition of non-controlling interest	307	(307)	-
Dividends of subsidiaries and Net movement in non-controlling interest	-	(23,255)	(23,255)
<b>Balance at 31 December 2011</b>	<b>1,203,128</b>	<b>596,022</b>	<b>1,799,150</b>



## AL BARAKA GLOBAL NETWORK ( e-network.albaraka.com )

### Al Baraka Banking Group B.S.C.

ADDRESS: Al Baraka Tower, Diplomatic Area  
P.O. Box 1882  
Manama  
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TEL: +973 17 541 122  
FAX: +973 17 536 533  
albaraka.com

### Al Baraka Türk Participation Bank

ADDRESS: Saray Mahallesi  
Dr. Adnan Büyükdeniz Caddesi, No. 6  
34768 Ümraniye, Istanbul, Turkey  
TEL: +90 216 666 01 01  
FAX: +90 216 666 16 00  
albarakaturk.com.tr

### Jordan Islamic Bank

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FAX: +9626 566 6326  
jordanislamicbank.com

### Al Baraka Bank Egypt

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### Banque Al Baraka D'Algerie S.P.A.

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FAX: +92 21 34546465  
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### Al Baraka Bank Tunisia

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### Al Baraka Bank Limited - South Africa

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### Al Baraka Bank Sudan

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### Al Baraka Bank Lebanon S.A.L

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FAX: +9611 806499  
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### Itqan Capital

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FAX: +966 2 234 7222  
itqancapital.com

### Al Baraka Banking Group

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### Al Baraka Banking Group

#### Representative Office - Libya

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