

Press Release

Office of the President/Chief Executive

Standard & Poors assigns investment grade rating to Albaraka Banking Group

Manama, 24 March 2007: Standard & Poors (S&P) has assigned an investment grade rating to the Bahrain based international Islamic banking conglomerate, Albaraka Banking Group. As quoted in a recent press release by S&P, "March 20, 2007 - Standard & Poor's Ratings Services said today that it assigned its 'BBB-/A-3' long-and short-term counterparty credit ratings to Bahrain-based Albaraka Banking Group B.S.C. (ABG). The outlook is Stable. The ratings on ABG reflect the group's geographic diversification, as a full-fledged Islamic banking group operating in the Middle East and North Africa, its good liquidity profile, and satisfactory capitalization."

Commenting on the rating, Sheikh Saleh Abdulla Kamel, Chairman of ABG, expressed his pleasure at ABG obtaining the investment grade rating from S&P, the reputed international rating agency. This is the first time that ABG is being rated so we consider it as an excellent achievement for the Group. The rating follows the successful private placement and public offering of ABG in 2006 when a total amount of US\$ 1 billion was raised in the transaction, and will enable the Group to position itself in the international market in terms of expansion and growth.

Mr. Adnan Ahmed Yousif, President & Chief Executive of ABG said that the securing of this good rating has enabled us to fulfill the promise made to our shareholders and customers to transform the Group from a regional bank to an international group that is managed in accordance with the practices prevalent internationally in respect of professional standards. This complements the strong foundation that ABG has built for itself.

The President & Chief Executive added that by obtaining an international rating, ABG has the ability to tap the international market with greater ease and confidence to raise financial resources. Because we are the only Islamic financial group that has such broad diversity in terms of geographical presence and market expertise, an international rating now enhances our capabilities to successfully introduce more innovative products and services to the Islamic banking market.

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, while the total equity amounts to about US\$1.0 billion. The Group has a wide geographical presence in the form of subsidiary banking Units in ten countries, which in turn provide their services through more than 230 branches. These banking Units are Banque Al Baraka D'Algerie, Algeria; 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.

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