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Press Release

ALBARAKA TURK PARTICIPATION BANK TO EXERCISE CALL OPTION ON USD 200 MILLION SUBORDINATED SUKUK 2023s

In accordance with the Terms and Condition of its U.S. \$200,000,000 outstanding sukuk certificates due 2023, and following the optional exercise by Albaraka Türk Participation Bank of its rights under the Amended and Restated Master Murabaha Agreement dated 1 February 2017, the Istanbul-based bank has sent its certificate holders a Notice of redemption on 06 April 2018.

The redemption date of the sukuk will be 07 May 2018 and will be redeemed at the aggregate of the outstanding face amount plus accrued but unpaid periodic distribution. Commenting on the planned redemption, Malek K. Temsah, Assistant General Manager of Treasury & Financial Institutions, said: "Considering this sukuk's diminishing contribution to our capital levels moving forward, its higher cost of funding, as well as its relative illiquidity, this is an opportune time for the bank to redeem the issue."

Issued in May 2013 as a Tier 2 subordinated and USD-denominated sukuk al murabaha, the certificates were rated CCC+ by S&P and carried a coupon of 7.75% per annum.

"Given our recently concluded Tier 1 sukuk which has materially strengthened our bank's capital ratios, the early redemption of our Tier 2 sukuk before its maturity in 2023 is a reflection of our efforts in re-enforcing our partnership-centric approach to sukuk investors," said Melikşah Utku, General Manager & Board Member of Albaraka Turk Participation Bank.

Al Baraka Banking Group (B.S.C) is licensed as an Islamic wholesale bank by the Central Bank of Bahrain, listed on Bahrain Bourse and Nasdaq Dubai stock exchanges. It is a leading international Islamic banking group providing

its unique services in countries with a population totaling around one billion. It is jointly rated BBB+ (long term) / A3 (short term) on the international scale and A+ (bh) (long term) / A2 (bh) (short term) on the national by Islamic International Rating Agency & Dagong Global Credit Rating Company Limited, and by Standard & Poor's at BB+ (long term) / B (short term).

Al Baraka offers retail, corporate, treasury and investment banking services, strictly in accordance with the principles of the Islamic Shari'a. The authorized capital of Al Baraka is US\$ 1.5 billion, while total equity is at about US\$ 2.5 billion.

The Group has a wide geographical presence in the form of subsidiary banking units and representative offices in 16 countries, which in turn provide their services through over 700 branches. Al Baraka currently has a strong presence in Turkey, Jordan, Egypt, Algeria, Tunisia, Sudan, Bahrain, Pakistan, South Africa, Lebanon, Syria, Iraq, Saudi Arabia and Morocco, including two representative offices in Indonesia and Libya.