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Press Release

Al Baraka Bank Egypt Increase its Net Profits by 42% in 2017

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Al Baraka Bank Egypt, a subsidiary banking unit of Al Baraka Banking Group B.S.C.(ABG) and its investment arm in Egypt, continued its growth and progress in all its activities in 2017 and announced achieving distinguished financial results and growth in businesses, services and products, where total income increased by 51% in 2017 to reach EGP 5.43 billion and net profits jumped by 42% to reach EGP 725.3 million in 2017 compared to 2016. Total assets of Al Baraka Bank Egypt stood at EGP 50.3 billion at the end of 2017, growing by 19% compared to the end of 2016. Total financing and investments portfolio reached EGP 33.1 billion at the end of 2017, up by 23% compared to the end of December 2016. Customer deposits increased by 17% to EGP 44.2 billion at the end of 2017 compared to the end of previous year.

Commenting on these results, Mr. Adnan Ahmed Yousif, Chairman of the Board of Directors of Al Baraka Bank Egypt and President & Chief Executive of Al Baraka Banking Group said "We are glad to see the steady and distinguished growth in businesses and profits of Al Baraka Bank Egypt, where the Bank was able, by the grace of Allah Almighty and thanks to large efforts of the executive management and all employees of the Bank, to achieve distinguished operating and high earning results during 2017, despite all surrounding financial and economic conditions".

He added that "Al Baraka Bank Egypt was able to firmly establish itself as an outstanding Islamic bank in the banking sector in Egypt, thanks to the range and quality of its services, where income from fees and commissions

increased by 39% in 2017 compared to 2016. Also, the Bank launched many savings and investment products that suit the needs of all groups and segments of the community and innovative and unprecedented financing schemes designed to meet the needs of the different sectors of the Egyptian market, all in strict compliance with the principles of the Shari'a."

Mr. Adnan added "Moreover, the strategy of the Bank, which was approved by the Board of Directors, is based on several axes, the most important is the multiplicity and diversity of the income sources and to maximize commissions and other income and offer more banking services. On the other hand, the Bank has not ignored its strong commitment to social responsibility towards the society, where it has a fund for Zakat that is strengthened annually from the profits of the Bank and has already established three medical units to provide free medical treatment to the needy people, namely: a specialized unit in the brain, nerves and spine in Ein Shams University's hospital, intensive care unit in Cairo University's hospital, and the dialysis unit in Mansoura University's hospital, in addition to the contribution in the new 57357 Hospital in Tanta, Gharbia, as well as the development of slums and the organization of an annual competition for the Holy Quran for various ages at the level of the Republic, as well as a donation to Long live Egypt Fund to contribute to the advancing the national economy and other business stemmed from the social responsibility of the Bank.

Mr. Adnan Ahmed Yousif stated that Bank provided its services through its 32 branches spread over main Egyptian provinces and cities in addition to foreign exchange offices. We are now arranging to move to the new headquarters of the Bank in the New Cairo area by the end of the first quarter of 2018, which represents a qualitative and civilized shift. The continued achievement of the excellent income and business results by the Bank came as a direct result of the improvement in all performance indicators, quality of service provided to clients and the balanced policy that the Bank follows to maintain moderate and acceptable risk levels, backed by focusing on ambitious strategy and the application of international standards and most updated technologies in providing banking services to clients, in addition to the large economic improvement, which Egypt witnesses now with testimony from all world institutions..

For his part, Mr. Ashraf El Ghamrawi Vice Chairman of the Board of Directors and Chief Executive Officer of the Bank said that "The Bank has an integrated range of savings products (deposits, certificates, Sukuk) and the structure of the deposit is characterized by a broad base of the household sector with stable savings and that means the huge confidence by the customers in the Bank, as a leading financial institution, enjoying full

support of the parent company, Al Baraka Banking Group, a leader of the Islamic banking in the region. The Bank has several developed retail financing programs in the Egyptian market that meet the needs of different segments of society, all of which are compatible with the Islamic Sharia, including the financing of private education, clubs, surgeries and tours in addition to auto finance, mortgage finance, furnishing clinics, not to mention the provision of direct financing to institutions and companies as well as joint financing of major projects, which create new job opportunities for young people.

Mr. Ghamrawi added that the Bank puts on its priorities list the expansion in the financing of small and medium-sized enterprises in line with the Central Bank of Egypt guidance. The Bank issued also the first Shariah-compliant credit card in the Egyptian market (Al Baraka Card). He added that the Bank's achievements and expansions are a clear indication of the strength and efficiency of the Bank and the Egyptian banking sector and their ability to support the Egyptian economy and drive the development locomotive.

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\$ 2.1 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.