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Press Release

Albaraka Türk Participation Bank Raises Additional Tier 1 Capital by Successfully Issuing the Turkish Banking Sector's First Exchange-Listed Tier 1 Sukuk

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Albaraka Türk Participation Bank (a subsidiary banking unit of Al Baraka Banking Group B.S.C.) announces it has successfully issued Turkey's first-ever Tier 1 perpetual sukuk and the country's first Basel 3 compliant publically-listed Tier 1 instrument. This pioneering transaction marks a key milestone for the Turkish Participation Banking Sector and a significant and critical innovation for the Turkish Banking Sector.

The USD 205 million sukuk was priced at a profit rate of 10% and was privately placed amongst several regional and international banks. Commenting on the transaction, Mr. Meliksah Utku, General Manager of Albaraka Türk, stated: "As the first participation bank in Turkey, we are proud to have issued such an innovative transaction which once again re-affirms and reflects the pioneering ambitions of our institution. The successful closure of our transaction will ensure that Albaraka Turk will be amongst the highest capitalized institutions in the Turkish banking sector and this puts us in a great position moving forward in re-enforcing our support for the Turkish economy."

The sukuk certificates were issued by Bereket One Ltd, a special purpose company, and are listed on the Irish Stock Exchange. Mr. Malek Temsah, Assistant General Manager of Treasury and Financial Institutions further added: "Our hope is that this transaction will serve as a stepping stone for

the Turkish banking sector at large to see the benefits of boosting capital vis-a-vis the issuance of such Basel 3-compliant hybrid instruments as a viable long-term capital raising alternative.”

Standard Chartered Bank, acting as Global Coordinator, was joined by Bank ABC, Emirates NBD, QInvest and Noorbank, whom were the joint lead managers for the sukuk offering.

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.