



For immediate release

PRESS RELEASE



AlBaraka Türk Katılım Bankası A.Ş., Turkey

USD 245,000,000 & Euro 60,000,000 Syndicated Murabaha Financing Facility

Arab Banking Corporation B.S.C., Dubai Islamic Bank PJSC, Emirates NBD Capital Limited, Mashreqbank psc, Noor Bank PJSC, Sharjah Islamic Bank PJSC and Standard Chartered Bank (collectively the “Initial Mandated Lead Arrangers and Bookrunners”) were appointed to arrange a USD210,000,000 Syndicated Murabaha Financing Facility.

Bank ABC and EMCAP acted as Joint-Coordinators on the Facility. USD 245,000,000 & Euro 60,000,000 Dual Currency Facilities were signed on 19th April 2018.

The Facility has been structured as a Shari’a compliant Murabaha Facility with a 370 days tenor, and carries a Profit Margin of LIBOR + 1.25% p.a. for USD commitments and EURIBOR + 1.15% p.a. for EUR commitments over 3-month LIBOR.

Despite the market volatility, the Facilities achieved a strong response with the participation of 17 international banks across Europe and Middle East. Due to the oversubscription, Albaraka Türk decided to increase the facility size to USD 319,000,000 equivalent.

The Facility has given AlBaraka Türk the opportunity to broaden and diversify its funding base, develop new bank relationships and strengthen existing ones. The proceeds will be used to expand its financing activities in Turkey.

About AlBaraka Türk Katılım Bankası A.Ş.

AlBaraka Türk is amongst the first participation banks in Turkey and one of the pioneers in the field of interest-free banking. It completed its establishment in 1984 and commenced operations in the beginning of 1985. AlBaraka Türk continues its operations in compliance with the Law of Banking numbered 5411. AlBaraka Türk was founded by Al Baraka Banking Group, Bahrain (“ABG”), one of the prominent groups of the Middle East, Islamic Development Bank (“IDB”) and local partners (“Alharthy Family”). As of December 2017, 65,87% of the shares are held by international shareholders (ABG: 54.06%; IDB: 7.84%; Alharthy Family: 3.46%; Others: 0.52%), 8.97% are held by local shareholders and 25.16% are publicly traded on Borsa Istanbul. AlBaraka Türk is rated “BB-



” with stable outlook by S&P as of 17th August 2017 and “BBB-” with stable outlook by JCR Eurasia Rating as of 15th May 2017.

As a prominent participation bank in Turkey, AlBaraka Türk enjoys a market share of 22.6% in the participation banking segment by asset size in FY 2017. Compared to the same period of the previous year, AlBaraka Türk balance sheet grew by 10.28% in the FY 2017 with total assets of TL 36,229 MM compared to total assets of TL 32,851 MM as of FY 2016. The Bank had shareholders' equity of TRY 2,482 Million at the end of Q4 2017, TL 2,280 Million at the end of 2016 and TL 2,104 Million at the end of 2015.

As at the end of Q4 2017, AlBaraka Türk had an NPL ratio of 4.68% compared to 4.75% as at the end of 2016. As at the end of Q4 2017, the NPL ratio of the Turkish banking sector dropped to 2.95% compared to 3.30% as at the end of 2016. As at the end of Q4 2017, NPL ratio of the Turkish Participation banking sector reached 3.60% compared to 5.95% as at the end of 2016.