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Mr. Hassan Abdulrahman Al Serkal
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Dubai Financial Market
PO Box 9700
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Subject: Announcement of Ithmaar Bank

With reference to the above-mentioned subject, we inform you that Ithmaar bank B.S.C. (c) a subsidiary of Ithmaar Holding B.S.C. has published the attached press release.

Yours sincerely,



Saqib Mustafa
Authorized signatory

Stable, consistent financial performance for Ithmaar Bank in 2017 and 2018, with USD226 million shareholders' equity

Ithmaar Bank is a separate legal entity from Ithmaar Holding. Shares of Ithmaar Holding are suspended from Boursa Kuwait

The Chief Executive Officer of Ithmaar Bank, one of the biggest retail banks in Bahrain, Ahmed Abdul Rahim stressed on the strong financial position of the Bank and its ability to adapt to local and regional financial and banking developments.

He said that the announcements, which was published recently about Ithmaar Holding, an investment holding company that is listed on the Bahrain Bourse, Boursa Kuwait and Dubai Financial Market, does not affect Ithmaar Bank as it is a legally distinct entity. Ithmaar Bank has reported total net profits of USD8 million for 2017 and 2018. Its investment account holders (customers' deposits) stood at USD2.6 billion at the end of 2018, and the assets reached USD8.3 billion by the end of the same period. Currently, the Bank has shareholders' equity of USD226 million.

Abdul Rahim clarified that Ithmaar Bank is a closed shareholding company, not listed on any stock exchanges and is licensed by the Central Bank of Bahrain (CBB) as an Islamic retail bank. The Bank is one of the biggest retail banks as it operates 16 branches and 45 ATMs across Bahrain. Ithmaar Bank also owns 67 percent of Faysal Bank Limited, which operates more than 450 branches spread over 100 cities across Pakistan.

Ithmaar Group Chief Executive Officer said that Ithmaar Holding is a public shareholding company, listed on the Bahrain Bourse, Boursa Kuwait and Dubai Financial Market and the trading of its shares on Boursa Kuwait was suspended on Thursday 14/03/2019 in accordance with the Stock Exchange's rules relating to companies whose accumulated losses exceed 75 percent of the share capital.

"Meanwhile, Ithmaar Holding has a shareholders' equity of USD116 million, which was decreased during the last two years due to the provision of implementing a new accounting standard and the foreign exchange impact of the devaluation of the Pakistan rupee in 2018," he said.

Ithmaar Holding's major shareholder has informed the Board that it is considering injection of new capital of up to USD300 million during the second half of 2019 to enhance Ithmaar Holding's capital.

Ithmaar Group CEO stressed on the Bank's strong position and ability to continue being a pioneered Bank in providing the best banking services locally and in the region.

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