Important Notice to the Shareholders

We would like to bring to the attention of our esteemed shareholders that the agenda of the AGM has been amended by adding new items to it. Please find below the complete items of the agenda.

The Chairman of the Board of Directors of Al Salam Bank-Bahrain (BSC) cordially invites the shareholders to attend the Annual Ordinary General Meeting to be held on Sunday 22 February 2009, at 1:30 pm at the Dana Hall in the Gulf Convention Center at the Gulf Hotel, Kingdom of Bahrain, to discuss the agenda below. If the required quorum is not available, a second meeting will be announced at a later date.

Agenda of the Annual Ordinary General Meeting:

1. To approve the minutes of the previous AGM meeting held on 22 February 2008.
2. To discuss and approve the Board of Director's report on the bank's activities for the year ended 31 December 2008.
3. To receive the Shari'a Supervisory Board report for the year ended 31 December 2008.
4. To receive the auditor's report for the year ended 31 December 2008.
5. To review and approve the Financial Statements for the year ended 31 December 2008.
6. To appropriate the net profit for the year upon the recommendations of the Board of Directors as follows:

a. Transfer of BD 2,554,268 to the Statutory Reserve.
b. Transfer of BD 2,050,309 from the Investment Reserve.
c. The distribution of cash dividend of 10% of paid-up capital, at 10 fils per share (BD12,000,000)
d. Allocation of BD 320,000 for the Board of Directors remuneration for the year 2008.
e. Allocation of BD 822,525 for Zakah.
f. Allocation of BD 100,000 for Charities and Donations.

7. To absolve the members of the Board from liability for their actions during the year ended 31 December 2008.
8. To elect the members of the Board of Directors for the next three years.
9. To appoint or re-appoint members of the Shari'a Supervisory Board.
10. To appoint or re-appoint external auditors for the year ending 31 December 2009 and authorize the Board of Directors to determine their remuneration.

Mohamed Ali Rashid Alabbar
Chairman

Note:

1. The shareholders or their proxies who wish to attend the meeting are requested to go to the share registrar KPMG Fakhro located on the 5th floor at Al-Hidaya Building (2), Government Avenue, Tel: +973 17215080, Fax: +973 17212055/ +973 17919591, and bring with them the original share certificates or Letters of Allocation in order to receive the attendance cards, and that should be 48 hours prior to the meeting date 22 February 2009. Proxies should be handed to the registrar office 24 hours before the meeting. Only those who own shares on the date of the meeting, 22 February 2009, or their proxies are allowed to attend the meeting or any postponed meetings of it.

2. Shareholders who wish to nominate themselves for the Board of Directors are invited to present their details, resumes and the number of Bank shares they own to the Board Secretary before 12 February 2009 in order to present the nominations to the Central Bank of Bahrain.