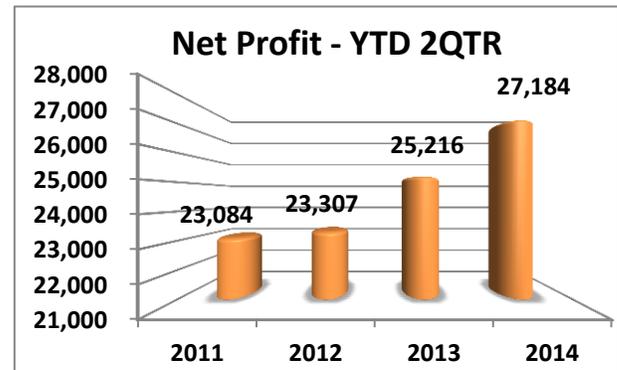


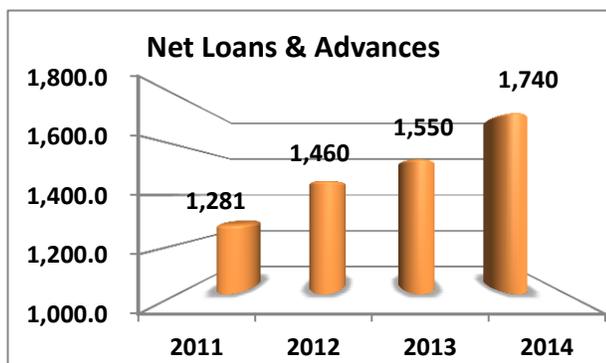
BBK reports net profit of BD 27.2 million for the first half of 2014

Mr. Murad Ali Murad, Chairman of the Board of Directors of BBK, announced that the Bank's Board of Directors has yesterday approved the financial results for the six months ended 30th June 2014, where the Bank registered net profit of BD 27.2 million, a growth of 7.8% compared to BD 25.2 million reported for the corresponding period of last year; with earnings of 27fils per share (2013: 25fils per share).



Commenting on the Bank's performance and future outlook, Mr. Murad Ali Murad, Chairman of the Board of Directors said, "I am pleased to announce these excellent results for the first half of 2014. Our financial results are testament to the strength of our business model, and the steady and sustained improvements in our, profitability and efficiency. We are proud of moving forward in our journey towards achieving more success and excellence in our work, and we are hopeful that the rest of the year will see further consolidation on positive momentum built up during 2013"

Business volumes grew in line with BBK's plans, resulting in improved revenues generated from the Bank's core business activities. Fees and commission income witnessed a notable growth of 9.8% to reach BD 13.7 million, compared to BD 12.4 million reported in the same period of last year. Net interest income remained buoyant at BD 34.8 million (June 2013: 34.6 million), while FX and Investments income amounted to BD 9.2 million, compared to BD 9.6 million reported in June 2013.



Following conservative approach to provisions, the Bank has increased its provisions reserve, chiefly general provisions to BD 7.0 million compared to BD 6.5 million for the six month ending June 2013, to account for any potential volatility that may occur as a result of market and economic turbulences.

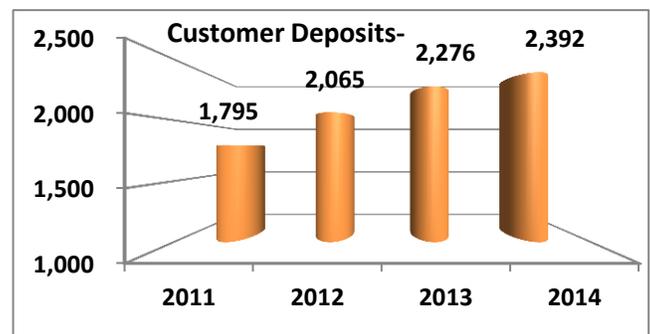
Comprehensive income witnessed substantial growth from BD15.6 million in June 2013 to an amount of BD 41.6 million in June 2014, which was mainly driven by the improvement in the

fair market value of the Bank's available for sale investment portfolio, reflecting a successful and well diversified investment policy of the Bank.

Benefiting from the cost optimization initiative undertaken by BBK during 2013 and early 2014, the Bank reduced its operating costs by 5.7% to stand at BD 23.4 million in June 2014, , while at the same time continued to invest in the latest technological breakthroughs and the highest quality talents. Improved revenues, combined with lower operating cost resulted in an improved cost to income ratio from 43.8% as of June 2013 to 40.5% as of June 2014.

For the three months ended 30th June 2014, the Bank reported a growth in net profits of 8.6% to reach BD 13.2 million compared to BD 12.1 million reported for the same period of last year. Net interest income amounted to BD 17.7 million (2013: BD 17.6 million), while other income, including fees and commission, FX and investment income has recorded a positive growth of 13.4% to reach BD 11.3 million. Provision requirements for the second quarter of 2014 amounted to BD 4.1 million, compared to BD 3.0 million reported in June 2013, mainly on account of increasing the general provisions reserve.

Commenting on the Bank's performance, Mr. A.Karim Bucheery, Chief Executive, said "BBK continues to flourish and enhance shareholders' value by delivering steady and robust results. The success story of the Bank was the embodiment of the power of BBK and the successful implementation of its strategy"



He also added "I'm much honored to mention that BBK was named the Best Retail Bank in Bahrain in 2014 for its outstanding achievements in many areas of the Retail Banking sector by the Global Banking and Finance Review. The Bank was evaluated for its products and services offered, transactional loans, mortgages, growth in assets, online banking, and according to the judging panel, scored high in innovative technology, adherence to high standards in Corporate Governance and commitment to Corporate Social Responsibility."

Backed by adequate and conservative risk management practices, BBK's balance sheet witnessed a growth of 3.5% to reach BD 3,323 million as of end of June 2014, compared to BD 3,211 reported in the corresponding period of last year. This was mainly driven by the growth in the net loans & advances portfolio by 12.3% to amount to BD 1,740 million (2013: BD 1,550 million), and the increase in non-trading investment securities portfolio by 5.3% to reach BD 762 million in the first half of 2014 (2013: BD 724 million). Supporting BBK's growth strategy, customer deposits increased by 5.1% to reach BD 2,392 million in June 2014 compared to BD 2,276 million which was reported in the same period of last year.

Liquidity position continued to remain at comfortable levels with liquid assets (Cash and balances with central banks, treasury bills, Financial assets at fair value through statement of income, and Deposits and due from banks and other financial institutions) to total assets standing at 20.7%, and loan to total deposit ratio at 67.1%.BBK's capital base remained very strong with a capital adequacy ratio of well above regulatory requirements.