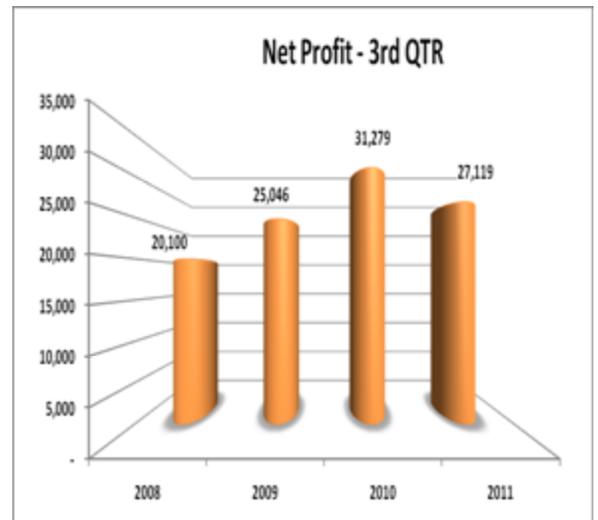


BBK reports net profits of BD 27.1 million for the 3rd Quarter 2011

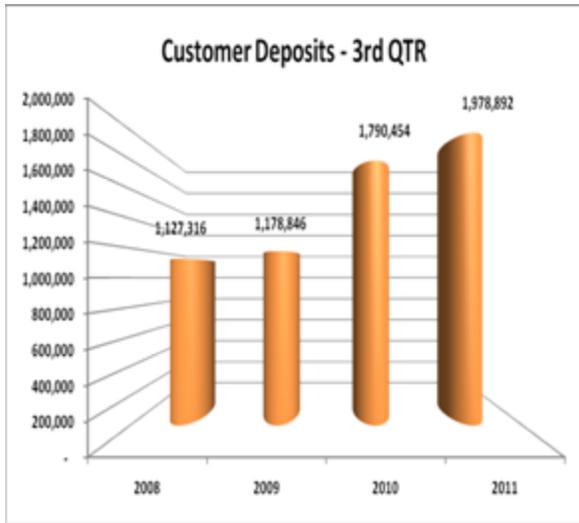
BBK board of directors announced yesterday that the bank has reported BD 27.1 million net profits for the period ended 30th September 2011, compared to BD 31.3 million for the same period of last year. Mr. Murad Ali Murad, Chairman of the board of directors commented on the results saying “comparing the performance for the current year, with the performance of last year, we are pleased with the achieved results, given the difficult operating market in the global financial markets in general and Bahrain in particular, specially that last year net profit included some exceptional income. 2011 witnessed major financial events led by USA facing difficulty paying back debt which resulted in downgrading the county for the first time, followed by downgrade of other developed countries, and difficulties faced by major financial and non financial institutions in repaying their financial obligations, for which equity markets responded aggressively by a drastic fall for all major equity markets worldwide.”

For the nine months ended September 2011, the bank reported net interest income of BD 44.0 million compared to BD 42.8 million for the same period of last year which included BD 2.2 million gain on redemption of sub-debt (September 2011: BD 543M). Fees and commissions contributed significantly to total operating income increasing by 4.7% compared to September 2010 to reach BD 19.5 million. Investment & Fx income stood at BD 9.1 million compared to BD 26.9 million for the period ended 30th September 2010, which included BD 17.1 million non-recurring investment income arose from the sale of non-trading investments. Excluding the exceptional income during the same period of last year, BBK operating revenues would have increased 4.5% compared to September 2010. The net provisioning requirements during the year amounted to BD 9.7 million, compared to BD 23.4 million for the same period of last year.



The net profit for the three months ended September 2011 stood at BD 4.0 million compared to BD 7.8 million for the same period of last year, with net interest income of BD 16.7 million compared to BD 13.3 million as of September 2010, while other income stood at BD 7.4 million compared to BD 10.4 million for last year. Provision charges at BD 7.7 million were higher than last year charges by BD 3.2 million.

Mr. A.Karim Bucheery, Chief Executive said that the bank has recently been awarded “The Quality Recognition Award” by JP Morgan for the year 2011. The award came in light of the

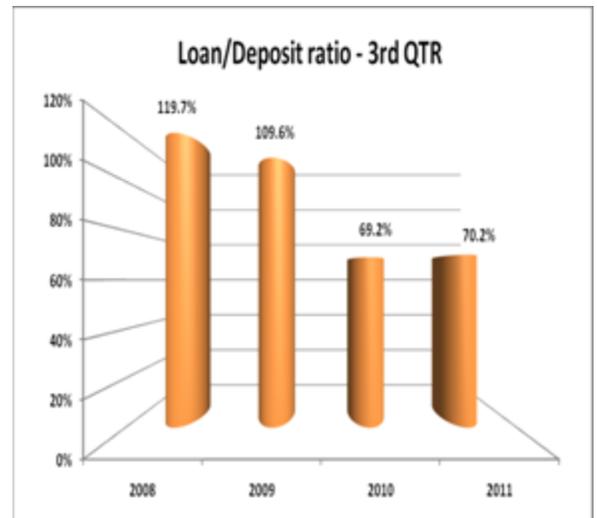


bank outstanding performance in achieving a very high Straight-Through-Processing (STP) for funds transfers of 95.88%, achieved by investing in the latest technology solutions available in the markets. He said that this reflects that BBK continuous investments in technological advancement and customer service are being well valued by bank’s customers, which makes the bank management even more eager to continue offering best and latest financial solutions available in the markets”. He also added that BBK has recently signed an agreement with the Geojit BNP Paribas Financial Services Ltd (India) and JZ Associates LLC

(Kuwait) to form a new joint venture headquartered in Kuwait city, to meet the needs of the burgeoning NRI population in accessing Indian Capital Markets.

The bank opened a new modern branch in Suq Wagif, and another one in Al Seef area, while its credit card subsidiary “CrediMax” has moved to a new head office suitably located at Al Seef District to provide better quality service and outreach for the bank customers. All these initiatives and others resulted in increasing the bank operating expense by 7.5% compared to the same period of last year.

BBK’s balance sheet stood at BD 2,732 million, a growth of 10.3% compared to the same period of last year, and 11.6% compared to December 2010. Customer deposits at BD 1,979 million, grown 10.5% compared to September 2010, and 24.2% compared to December 2010. The growth in customer deposits compared to last year was mainly driven by the growth in retail and corporate deposits. Loans & advances on the other hand grew by 12.1% to BD 1,390 million, compared to BD 1,239 million in September 2010, while non-trading investment portfolio increased by 16.5% compared to September 2010 to reach BD 506 million which made significant contribution to the bank income during the year.



Liquid assets (Cash and balances with central banks, Treasury bills, trading investments, and placement with financial institutions) to total assets stood at a comfortable level of 27.0%, while loan to customer and Banks' deposit ratio stood at 70%, compared to 80% as of December 2010, whereas Capital Adequacy remained at a very comfortable level, well above regulatory requirements.

- Ends -

Editors notes:

About BBK

BBK has been the pioneer in Commercial Banking for 40 years in the Kingdom of Bahrain. As a revolutionary market leader, BBK has built a name and reputation which is respected locally as well as internationally. To maintain this reputation, BBK has been at the forefront, incorporating the latest technologies to provide the finest services. One example of which is the e-banking solutions offered by BBK, which provide new generation services through its user friendly award winning website www.bbkonline.com, along with the telebanking, cash depository machines and automated teller machines services. BBK is proud to be awarded the "Distinguished Corporate Governance" at the "Hawkamah-UAB 2010 Bank Corporate Governance Award". This award has become a prestigious, competitive and highly coveted bank award that highlights the industry's strong commitment to good corporate governance.

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