

Ithmaar Bank Pakistan subsidiary reports increased profits of US\$40.8 million

MANAMA, BAHRAIN – 08 April 2018 - Ithmaar Bank, a Bahrain-based Islamic retail bank, announced today (ed note: 08/04/18) that its retail banking subsidiary in Pakistan, Faysal Bank Limited (FBL), Annual General Meeting approved 2017 results with profits of US\$ 40.8 million. Ithmaar Bank owns 66.6 percent of FBL, which is listed on the Pakistan Stock Exchange and is mainly engaged in corporate, commercial, retail and consumer banking activities.

The announcement, by Ithmaar Bank Chief Executive Officer and FBL Vice Chairman, Ahmed Abdul Rahim, follows the review and approval by the FBL Board of Directors of the financial results for the year ended 31 December 2017.

“I am pleased to announce that FBL registered a profit after tax of US\$40.8 million (PKR 4.51 billion) during the year ended 31 December 2017, compared to a profit of US\$38.9 million (PKR 4.30 billion) during the corresponding period in 2016,” said Abdul Rahim. “This performance is commendable as the Pakistan banking industry is witnessing a period of low interest rates which has affected banking spreads. The Bank’s performance is testimony to its ability to address the challenge by realigning its strategy,” he said.

“The Bank is now working to further build capacity in the key areas of Human Resources and Product development,” said Abdul Rahim. “It is also promoting Digital Banking as solution to providing secure, user-friendly banking services to customers. Meanwhile, the Bank continues to play an important role in contributing to the economic growth of the country by extending loans to all segment of industry including large corporates, Small and Medium Enterprises, and individual customers,” he said.

“In 2017, FBL added 50 new branches to its retail banking network, and plans further expansion of its branch network in 2018 as it continues to further consolidate its position in the financial sector,” said Abdul Rahim. “The Bank’s footprint now spreads over to 124 cities with 404 branches across country. The Bank’s deposits have reached US\$3.4 billion and assets have crossed the US\$4.4 billion mark with a capital base of more than US\$355 million,” he said.

FBL’s financial performance has earned the Bank “AA” and “A1+” ratings for the long and short terms respectively, with stable outlook from JCR-VIS Credit Rating Company Limited and Pakistan Credit Rating Agency Limited.

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About Ithmaar Bank:

Ithmaar Bank B.S.C. (closed) (“Ithmaar Bank”) is a Bahrain-based Islamic retail bank that is licensed and regulated by the Central Bank of Bahrain and provides retail, commercial, treasury & financial institutions and other banking services.

Ithmaar Bank is a wholly owned subsidiary of Ithmaar Holding B.S.C. (formerly named Ithmaar Bank B.S.C.) which is listed on the Bahrain Bourse, Bourse Kuwait and Dubai Financial Market.

Ithmaar Bank provides a diverse range of Sharia-compliant products and services that cater to the financing and investment needs of individuals and institutions. Ithmaar also maintains a presence in overseas markets through its subsidiary, Faysal Bank Limited (Pakistan).

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