



Burgan Bank announces record first quarter 2008 net profit of KD 24.5 million, up by 9%

Kuwait City, 16th April 2008: Burgan Bank - amongst the fastest growing and youngest commercial banks in the state of Kuwait, with a 38% average profit growth rate since 2003 - announced a record first quarter financial growth for the year 2008. For the first three months ended March 31st 2008, the Bank registered an increase in net profit of 9%, reaching KD24.5 million for the period as compared to the first quarter for the previous year. With a Return On Equity of 27.5%, earnings per share improved to 26.0 fils compared to 25.3 last year.

Although the banking scenario was quite challenging during first quarter, Burgan Bank's dynamic strategy ensured continued improvement in all areas. Productivity grew further as reflected by a sharp reduction in Cost : Income ratio to 18.8 from 22.3 in the previous year. An enlarged, diversified customer base led to a 6 % growth in loans, 7 % growth in deposits and 12 % increase in fees & commissions. With a KD 312 million shareholders equity base, the Basel II capital adequacy ratio stands at 15.1%, strongly positioning the Bank's capitalization both by local as well as international standards. The Bank is pursuing its efforts in centralizing its operational capabilities with the goal of both enhancing the delivery of quality services as well as continuing cost efficiencies. These indicators are strongly supportive of Burgan Banks' growth strategy to position itself not only as the fastest growing but as one of the leading banks in Kuwait.

Commenting on the results and the Bank's performance, *Chairman Mr. Tariq Mohammed AbdulSalam* said, "Our strong financial indicators for the first quarter of this financial year are reflective of our prudent investment and risk management capabilities as well as the confidence that our customers and shareholders have vested in us. I invite our patrons and partners to share in our vision as we work towards further collective growth."

Having recently unveiled its new customer-centric corporate identity, Burgan Bank seeks to extend more value to customers throughout the year. Presently enjoying a wide network of 20 branches, as well as one of the largest drive-through ATM service networks in the Middle East, the Bank will continue to focus on reaching customers through multiple touch-points as per their need and convenience. In keeping with the specific banking and financial needs of different segments of customers, the Bank successfully implemented its unique 'Branch Strategy' as part of its 'Bright Future' program over the past two years by introducing specialized branch types - Financial Centers, Solutions Branches and Transactions Branches - which have received a positive response by customers and staff alike, thereby enhancing the banking experience. What's more, Burgan Bank is committed to sustaining positive and rapid growth in its market share within Kuwait, and over the course of its 3 year aggressive expansion strategy, establish its presence across key markets within the MENA region.

About Burgan Bank

Burgan Bank is a subsidiary of KIPCO (Kuwait Projects Company). Amongst the youngest commercial banks in the State of Kuwait, established in 1977, the Bank has acquired a leading role in the retail, corporate and investment banking sector through innovative product offers and technologically advanced delivery channels. It has continuously improved its performance over the years by applying an expanded revenue structure, good asset quality, diversified funding sources and a strong capital base. The adoption of state-of-the-art services and ground-breaking technology has positioned it as a trendsetter in the domestic market. At present it enjoys a wide reach through our network of 20 branches and over 80 ATM's making it one of the widest ATM networks in the GCC.

The brand has been created on a foundation of real values - of trust, commitment, excellence and progression to remind us of the high standards to which we aspire. 'People come first' is the foundation on which its products and services are developed and are further augmented by its three pillars of innovative technology, staff competency and customer service. It is committed to offering an enhanced banking experience.

The Bank was recertified and is still the only bank in the GCC with ISO 9001:2000 certification in all its banking businesses. It also has to its credit the distinction of being the only bank in Kuwait to have won the JP Morgan Chase Quality Recognition Award, 10th year in succession and was also acknowledged as the 'Best Local Private Bank' in Kuwait in the Fourth Annual Euromoney Private Banking Survey 2007. Further, for two consecutive years, it was conferred the COMMERZBANK Recognition Award, for maintaining high standards of quality, efficiency and reliability while processing Euro currency transactions as well. The Bank's commitment to uphold best practices was recognized when it won the region's first Hawkamah-UAB Bank Corporate Governance Award 2007 while its marketing excellence was recognized as amongst the best in the region by the Middle East Business Achievement Awards 2007.
