

PRESS RELEASE

To be released for coverage on: 1st July, 2008

Subject: Burgan Bank Second AGA 2008



Burgan Bank to raise capital by KD 200 million

- Receives shareholders approval to raise KD 200 million through new shares -

Kuwait City, 30 June 2008: Burgan Bank – having recently embarked upon an aggressive regional MENA expansion plan, Burgan Bank held its 39th Annual General Assembly & 22nd Extraordinary General Assembly for shareholders at the Burgan Tower, Kuwait City today at which it received shareholders approval to raise the capital by KD 200 million. Further, Shareholders approved to increase the Bank's Board Members from seven to nine.

The capital raise comes in the wake of the Bank's announcement to acquire a majority stake in the operations of four commercial banking entities in the MENA region from United Gulf Bank (UGB) for US\$ 725 million. The proposed transaction is still subject to regulatory approval from the relevant authorities in Kuwait, Bahrain and four other MENA countries.

Burgan Bank's Vice Chairman Mr. Majed Essa Al Ajeel: "We are extremely pleased with the confidence that our shareholders have vested in us. We look forward to yet another excellent year ahead and an even brighter future. This expansion will strengthen and extend our corporate strategy, making us one of the few Kuwaiti commercial banks to have a strong presence in the MENA region. As part of our vision to significantly accelerate our stakeholders' value, the Bank's regionalization comes as a natural and positive step forward in its evolution."

About Burgan Bank

Burgan Bank is a subsidiary of KIPCO (Kuwait Projects Company). Amongst the youngest and most dynamic 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 21 branches, over 100 ATMs and one of the widest drive-through 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. It also received the 'Best Corporate Finance Bank Award' from Al Mazaya Holding at the latter's Third Finance Transparency Conference held earlier this year.
