

BLME Holdings plc¹ 2014 Half Year Financial Results

London, 27th August, 2014 – BLME Holdings plc today announced its Half Year financial results to 30th June 2014. BLME reported an Operating Profit before Tax for the Group of £5.1 million².

	% increase	H1 2014	H1 2013
Total Assets	↑ 13%	£1.3 billion (\$2.2 billion ³)	£1.1 billion (\$1.7 billion)
Total Operating Income	↑ 32%	£33.4 million (\$57.1 million)	£25.3 million (\$38.4 million)
Net Operating Profit before Impairment Charges	↑ 177%	£6.8 million (\$11.6 million)	£2.5 million (\$3.8 million)
Net Operating Profit before Tax	↑ 253%	£5.1 million (\$8.7 million)	£1.5 million (\$2.3 million)

Highlights of the Half Year results are:

- 84% increase in Net Fee Income
- 55% increase in Net Margin Income
- Customer deposits increased by 59%
- Corporate Banking's Operating Income grew by 33%

Notable Group achievements in Half Year 2014:

- Appointed for the second time as Co-Lead Manager by the Islamic Development Bank, this time on their \$1.5 billion Sukuk
- Named by The Banker in the top 25 Banks in the World for soundest Capital Adequacy Ratio in their 2014 Top 1000 Banks report
- Awarded 'Outstanding Contribution to Islamic Finance' at the UK Sukuk Summit
- Listed by Euromoney as the Best Islamic Bank in the UK and named by Islamic Finance News as the Best Islamic Bank in Europe

Adel Al Majed, Chairman of BLME, commented on the results:

"This is my first interim report as Chairman of BLME Holdings plc and I am pleased with the progress and performance that the Group has made during the first half of 2014. The Group's half year performance demonstrates the viability of our business model and the Bank continues to be recognised as an industry leader receiving several high level industry awards. BLME's Corporate Banking division continues to service the UK Mid-Market's financing needs while our Wealth Management arm focuses on the GCC region. BLME's future looks very promising."

Humphrey Percy, CEO of BLME, commented on the results:

"With business operations in both the UK and the GCC, BLME has made significant progress in the first half of the year, building sustainable relationships in our key markets. I am further encouraged by our transaction pipeline which is supported by a strong liquidity position and a robust balance sheet. I am confident of BLME's ability to deliver sustainable results consistently and grow our business in the medium and long terms through the provision of competitive and innovative financial products to our target markets."

¹ In this press release, the expression "the Company" refers to BLME Holdings plc which is the ultimate parent company of the BLME Group and is listed on NASDAQ Dubai. The expression "BLME", "the Group" or "the BLME Group" refers to BLME Holdings plc and its subsidiaries.

² Unless otherwise stated, results are a comparison between the first half of 2014 to the first half of 2013.

³ For ease of reference, we have quoted US dollar amounts for pro forma information purposes. For Half Year 2014 the closing exchange rate as at 30 June 2014 of \$1.709750 and for the Half Year 2013 the closing exchange rate as at 30 June 2013 of 1.516650.

Results overview

BLME Holdings plc reported an Operating Profit before Tax for the Group of £5.1 million for the six month period ending on 30th June 2014. The Group increased its Operating Profit before Impairment charges by 177% in the first half of 2014. There was strong Operating Income, Margin Income and Profit growth to 30th June 2014, particularly in Corporate Banking. This was reflected in a 13% increase in Total Assets compared with 30th June 2013. It is also pleasing to note that Net Fee Income increased by 84% to £2.2 million, reflecting a more mature product offering, and increased earnings diversification. Treasury have succeeded in diversifying the Bank's liability base with 47% of deposits being Customer Deposits.

Investment in product development and personnel is fundamental to the Bank's future success. These costs, along with the implementation of new technology solutions that will support growth and increase efficiency, resulted in a 16% increase in Operating Expenses. Despite these investments the overall cost to income ratio has continued its downward trend.

During the period there was a 32% increase in Group Operating Income from £25.3 million to £33.4 million for the six month period ended 30th June 2014. The Balance Sheet increased from £1.1 billion to £1.3 billion. BLME's Capital Adequacy Ratio remains within the impending Basel III standards.

BLME Group Growth

BLME has posted consistent annual growth in Operating Profit before Impairments since 2007. From inception with a project team based between London and Kuwait, BLME has emerged as one of the world's most respected Islamic banks with more than 100 staff in London and a representative office in Dubai. With a capital base of £250 million and a balance sheet of £1.3 billion, BLME is demonstrating considerable progress, underlining the validity of the original business plan.

BLME's expertise in Islamic finance

BLME has received a number of awards in the first half of 2014, including those of 'Outstanding Contribution to Islamic Finance' by the UK Sukuk Summit, 'Best Islamic Bank in the UK' by Euromoney and Islamic Finance News named BLME as the 'Best Islamic Bank in Europe'. This recognition, together with the Bank's latest role as Co-Lead Manager on the US\$1.5 billion Islamic Development Bank Sukuk, underlines the Bank's strong position in the Islamic Finance sector.

For a full copy of BLME's Interim 2014 Financial Results go to: <http://www.blme.com/#/page/financial-information>

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NOTES TO EDITORS

Statutory accounts

The information in this press release does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 December 2013 have been delivered to the Registrar of Companies in England and Wales in accordance with section 447 of the Companies Act 2006. The auditors have reported on those accounts. The report was unqualified; did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report; and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The full Interim 2014 Financial Statements are available <http://www.blme.com/#/page/financial-information>

About BLME

BLME is an independent wholesale Sharia'a compliant bank based in London and is a leading provider of alternative finance to the UK mid-market. BLME received FSA authorisation in July 2007 and is the largest of its peers in Europe. Led by a management team that brings together a combination of experienced international bankers and leading experts in Islamic finance, BLME has three key business areas: Corporate Banking, Treasury and Wealth Management, which includes Asset Management, Private Banking and Islamic Capital Markets.

BLME is dedicated to offering innovative Islamic investment and financing products to businesses and high net-worth individuals in the European, US, Asian and MENA regions. To ensure that BLME's services and operations are wholly Sharia'a compliant, the Bank has a dedicated Sharia'a Supervisory Board ("SSB"). The SSB's role is to review contracts and agreements relating to all transactions, ensuring that they are consistent with the principles of Islamic jurisprudence.

Website: www.blme.com

About Islamic banking

Islamic finance upholds the principles of fairness, integrity and transparency. The principle of fairness is reflected in the risk and reward-sharing element that forms the foundation of every Islamic financial transaction.

Islamic finance aims to create business activities that generate a fair and equitable profit from transactions that are backed by real assets. This method of financing avoids speculation, short selling and excessive credit creation whilst encouraging sound risk management procedures.

Islamic banking has a robust system of risk management and self-regulation to ensure that each transaction is transparent and that the appropriate due diligence and higher standards of disclosure required are observed. To ensure compliance with these requirements, each transaction and agreement is reviewed and approved by a Sharia'a Supervisory Board. This Sharia'a specific regulation and governance is in addition to the conventional regulation that applies to all UK based financial institutions.