

BLME'S LEASING BUSINESS PASSES £500 MILLION IN FIVE YEARS

London, 24 August 2012: Bank of London and The Middle East ("BLME"), the largest fully Islamic wholesale investment bank in Europe, has reached the £500 million milestone in new leasing business since its FSA authorisation in 2007. BLME offers leasing solutions to the mid cap and SME market in Europe and the US.

Graeme Laing, Head of Leasing at BLME, said:

"The current environment has created the perfect storm for lease finance, as companies move to diversify their funding base and free up working capital in a challenging economic climate. At BLME, we have provided capital at a critical time for SME's, as traditional funding sources have dried up.

After five years, we have built a robust and successful leasing business and made recent franchise developments in the transportation sector, while also increasing our growing presence in the renewable energy sector."

The UK leasing market has shown notable growth over the last year. According to the FLA (Finance Lease Association) new business was in excess of £5.5 billion,ⁱ meaning that in the three months to June 2012 new business grew by 6% when compared with the same period in 2011.

Graeme added:

"We expect to see further growth from the industry and BLME is well positioned to take advantage of the opportunities that the current market brings. We have a strong pipeline of new business that builds on the quality client base we currently have, which includes Eddie Stobart, Ocado Limited, Castlebridge Plant Limited, Global Marine Ltd and covering many asset classes and industry sectors."

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NOTES TO EDITORS

About BLME

Bank of London and The Middle East plc (“BLME”) is an independent UK wholesale Islamic bank based in London, with a strong and established reputation as a quality provider of specialised financing solutions to institutions and high net-worth individuals across Europe and the GCC regions. BLME received FSA authorisation in July 2007 and is the largest of its peers in Europe. It is 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 that includes Asset Management and Private Banking.

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.

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.

ⁱ FLA Industry Statistics, August 2012