



## **BANK OF LONDON AND THE MIDDLE EAST COMPLETES £75 MILLION FUND RAISING**

London (4 March, 2008) – The Bank of London and The Middle East Plc (“BLME”), the London based wholesale Sharia’a compliant bank, today announced that it has completed its scheduled private placement of £75 million, taking the Bank to a fully paid up capital base of £250 million.

The additional capital was provided by existing and new investors from a range of international jurisdictions. The fund raising, which was over subscribed, will provide BLME with a greater capacity to meet clients’ financing requirements, enabling the bank to underwrite, syndicate and distribute a higher volume of business and further develop its strong balance sheet as the Islamic Financial market continues to grow in the UK.

Humphrey Percy, Chief Executive Officer, BLME, commented:

“At a challenging time for global financial markets, demand for Islamic finance in the UK remains robust to the extent that it has exceeded our initial growth projections over the past year. The additional round of fund raising will enable us to capitalise on this demand and strengthen our market leading position ahead of the competition. It is true testament to the confidence our investors have in BLME and our ambitions in building the business.”

Since receiving its banking licence in July 2007, BLME has established a dynamic deal pipeline, completing a variety of deals resulting in total assets of £297million at the end of December 2007.

- END -

### **For More Information Contact:**

**Capital MS&L London**  
Olivia Tomlin/ Rebecca Clark  
+44 (0) 20 7307 5333  
firstname.lastname@capitalmsl.com

**Capital MS&L Middle East**  
Neil Doyle/ Daniela Fleischman  
+971 4 367 6164  
firstname.lastname@capitalmsl.com

### **NOTES TO EDITORS**



### **About BLME:**

- The Bank of London and The Middle East Plc ("BLME") launched in the UK on 9 July 2007, having received FSA authorisation to trade as a standalone, wholesale, Sharia'a compliant bank based in the City of London.
- BLME is focused on four main business lines: Islamic Treasury and Financial Institutions, Corporate Banking, Private Banking and Investment Management, Investment Banking.
- To ensure that all BLME's services and operations are wholly Sharia'a compliant, BLME has a dedicated Sharia'a Supervisory Board whose role is to review contracts and agreements relating to all of BLME's transactions to ensure they are consistent with the principles of Islamic jurisprudence.

### **About Islamic banking**

Islamic finance is based on the principles underlying Islamic law (known as Sharia'a). The key difference between Islamic finance and conventional finance is the avoidance of interest (riba) – all transactions and agreements must be structured in such a way as to avoid interest, as well as any investments in activities that are contrary to Sharia'a law such as illicit drugs, alcohol, tobacco and gambling.

Transactions must also avoid uncertainty (gharar), speculation (maysir), or anything that leads to the unjust enrichment or unfair exploitation of one of the parties to the contract.

To ensure Sharia'a compliance, Islamic Banking and Finance institutions, including BLME, have a board of Islamic scholars that advises, reviews, and issues a decree on compliance with Sharia'a principles with regard to the institution's activities, proposed transactions and contracts.

The first Islamic bank was founded in 1975. However, over the last decade the Islamic Banking and Finance industry has experienced a period of sustained asset growth at around 10-15% per annum, and assets now total in excess of US\$500 billion.