

BLME Holdings plc

London, 17 December, 2015 – BLME Holdings plc has announced that its 100% owned subsidiary, Bank of London and The Middle East plc (“BLME”) has reduced its Share Premium account by £25 million with the resulting credit balance being transferred into Retained Earnings.

This was conducted by way of a special resolution of BLME passed in accordance with section 283 of the Companies Act 2006 at a general meeting of BLME duly convened and held on 24 November 2015.

This process was formally approved by the High Court of Justice in London on 16 December 2015 and became effective on 16 December 2015.

This transaction has no impact on the issued share capital of BLME Holdings plc.

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NOTES TO EDITORS

About BLME

BLME is an independent wholesale Sharia'a compliant bank based in London and is a leading provider of finance to the UK mid-market. BLME received FSA authorisation in July 2007 and is the largest of its peers in Europe. BLME 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, providing a wide range of financing solutions and investment opportunities.

- **Corporate Banking** consists of four business units, Property Finance, which includes the funding of investment and development properties; Leasing which provides finance primarily for the UK market; Corporate and Structured Finance which funds corporate growth and acquisition; and Asset Backed Finance which includes ABL structured facilities and trade finance.
- **Wealth Management** consists of Private Client Services and Asset Management.
- **Treasury** which funds the financing activities in Corporate Banking and Wealth Management, provides BLME's Premier Deposit Accounts and manages the Group's capital and liquidity.

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’s specific regulation and governance is in addition to the conventional regulation that applies to all UK based financial institutions.