

**PRESS RELEASE**

**17 July 2007**

## **The National Commercial Bank Acquires 60% Stake in Türkiye Finans Katılım Bankası, Turkey's leading Participation Bank**

The National Commercial Bank (NCB), the largest bank by total assets in the Kingdom of Saudi Arabia, announced today that it has reached an agreement to acquire a 60% stake in Türkiye Finans Katılım Bankası, Turkey's leading Participation Bank, from preeminent Turkish groups Ulker and Boydak. Ulker and Boydak groups will each retain a 20% interest in Türkiye Finans and will remain strategic shareholders of the bank. The transaction is subject to regulatory approval and is expected to be completed by the end of 2007.

Under the terms of the agreement, NCB will acquire the 60% stake in the Bank for a cash consideration of US\$1,080 million valuing Türkiye Finans at US\$1,800 million. Through this agreement, NCB acquires control of the market leader in the rapidly developing participation banking sector in a large and fast growing market. Ulker and Boydak groups are among the preeminent industrial concerns in Turkey. NCB's Interest-free banking expertise in the Kingdom of Saudi Arabia (KSA) combined with Ulker and Boydak groups' extensive business presence in the Turkish market, will accelerate Türkiye Finans' development, and expand its offering to a wide spectrum of high quality Interest-free banking products and services to both businesses and retail customers.

"Joining forces with Türkiye Finans marks another milestone in our strategy to further develop our banking business and a major step towards executing our regional expansion strategy. The co-operation is another example of the mutually-beneficial relationship between Turkey and the Kingdom of Saudi Arabia," said Sheikh Abdullah Bahamdan, Chairman of NCB.

"We have witnessed a highly talented and motivated team at Türkiye Finans over the past months. I have the highest confidence in their ability in continuing to drive the business. I look forward to providing every support to pursue success going forward," commented Abdulkareem Abu Alnasr, Chief Executive Officer of NCB.



“NCB’s interest in Türkiye Finans is a testimony to the work accomplished since the creation of Türkiye Finans in 2005 which has established the bank to be the leader of Turkey’s participation banking sector. NCB’s Interest-free banking expertise and broad product offering will further accelerate Türkiye Finans’ development.” said Mustafa Boydak, Türkiye Finans' Chairman.

In 2006, Türkiye Finans made profits of US\$97 million and at the year end it had total assets of US\$2.9 billion. Similarly, NCB announced a net profit of \$1.67 billion in 2006, an increase of 25 percent over the same period in 2005 (\$1.33 billion). Total assets amounted to \$41.5 billion, making NCB the largest bank in Saudi Arabia..

Türkiye Finans Katılım Bankası, established through a merger of Anadolu Finans and Family Finans in 2005, is Turkey’s largest Participation bank by total assets and branches and Turkey’s most profitable bank by return on equity. The Bank provides banking services to more than 156,000 retail and credit card customers and 30,000 commercial clients.

HSBC Bank plc through its investment banking offices in London and Istanbul, acted as sole financial advisers to the Ulker and Boydak groups throughout the entire transaction. Goldman Sachs International and NBK Capital advised NCB.

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