Al Salam Bank–Bahrain (BSC)

Invitation to the Annual Ordinary General Meeting - 2013

The Chairperson of the Board of Directors of Al Salam Bank-Bahrain (BSC) cordially invites the shareholders to attend the **Annual Ordinary General Assembly Meeting** to be held on **Wednesday 20 February 2013**, at 10:00 a.m. at Al Murjan Ballroom 1 & 2, Movenpick Hotel - Kingdom of Bahrain to discuss the agenda below. If the required quorum is not available, a second meeting will be announced at a later date.

HH Shaikha Hessa bint Khalifa Al Khalifa
Chairperson

Proxy

I/ we ……....sign below as a shareholder of Al Salam Bank - Bahrain (BSC)

authorize …… to attend and vote on my behalf at the bank's **Annual Ordinary General Meeting**, to be held on Wednesday 20 February 2013, or any postponement thereof.

Shareholder No.: …… No. of Shares: ….....……

Date: …….….. Signature: …….....…

The agenda:	**Yes**	**No**
1. To approve the minutes of the previous AGM meeting held on 20 March 2012.		
2. To discuss and approve the Board of Directors' report on the Group's activities for the year ended 31 December 2012.		
3. To receive the Shari'a Supervisory Board report for the year ended 31 December 2012.		
4. To receive the external auditor's report for the year ended 31 December 2012.		
5. To review and approve the financial statements for the year ended 31 December 2012.		
6. To appropriate the net profit for the year ending 2012 upon the recommendations of the Board of Directors as follows: a. Transfer of BD1,027 thousands to statutory reserves. b. Distribution of dividends of 5 fils per share or 5% of the paid up share capital, amounting to BD7,485 thousands, for the year ended 31 December 2012		
7. To receive report on the Bank's compliance with the Corporate Governance Guidelines and the Central Bank of Bahrain's requirements.		
8. To absolve the members of the Board from liability for their actions during the year ended 31 December 2012.		
9. Appointment of Ernst & Young as external auditors for the year ending 31 December 2013 and authorize the Board of Directors to determine their remuneration.		
10. Approve Board of Directors remuneration in the aggregate amount of BD 100,000 for the year ending 31 December 2012.		
11. Increase Shari'a Board remuneration and approve their remuneration for the year ending 31 December 2012.		

Note:

1. You can download the Consolidated Financial Statements for the year ended 31 December 2012 and a copy of the Proxy letter through the Bank's web site: www.alsalambahrain.com.
2. Shareholders whose names are registered in the share register of the Bank on the date of the Meeting are entitled to attend in person, or appoint a Proxy to attend, the meeting and vote on behalf of such shareholder provided (a) such Proxy is not a director or employee of the Bank (unless the Proxy is a first degree relative of that shareholder) and (b) such Proxy, if representing more than one shareholder, does not hold proxies totaling in excess of 5% of the issued share capital of the Bank. The appointed Proxy need not be a shareholder of the Bank and should be appointed in writing. The written appointment must be submitted prior to the Submission Deadline.
3. In the case of an institutional shareholder, the representative attending the meeting must submit a letter of appointment of representative duly appointing the relevant person as the respective shareholders representative. The appointment must be in writing, issued by an authorized person of the institution, sealed under the company's stamp and provided prior to the Submission Deadline.
4. For submission of Proxy or representative authorization documents ("Appointment Documents"), the "Submission Deadline" shall mean receipt of the relevant documents by Al Salam Bank-Bahrain, P.O. Box 18282, Manama, Kingdom of Bahrain, **no later than 24 hours before meeting date**. Appointment Documents may be provided by hand delivery, post, or facsimile transmission (fax no.: 00973-17560223) or by E-mail: investors@alsalambahrain.com provided same are received prior to the Submission Deadline. Appointment Documents received after the Submission Deadline shall be invalid for the purposes of the meeting.
5. For any inquiry please contact the Investor Relations Departmetn on: +973 17560222.