

## Al Baraka Syria unit IPO opens

The Gulf News- Posted on » Sunday, October 04, 2009

MANAMA: Bahrain-based Al Baraka Banking Group will launch a \$100 million initial public offer (IPO) for its Syrian unit today.

Group president and chief executive Adnan Yousif said that the launching of Al Baraka Bank Syria with a capital of \$100m reflects our full confidence in our abilities and financial position to proceed with the implementation of the plans to expand our geographical network through the setting up of new banking units and the opening of more branches for the existing units.

The Al Baraka Bank Syria shares will be offered to Syrian investors from today until November 4. The capital of Al Baraka Bank Syria will be five billion Syrian pounds (\$100m).

Promoters have subscribed to 65 per cent of the capital (6.50m shares amounting to 3.25bn pounds) of which 50pc, amounting to 1.625bn pounds, has already been paid.

The shares that will be offered for public subscription will amount to 3.50m shares with a value of 1.750bn pounds representing 35pc of the bank's capital. The issue price is 500 pounds per share and the subscribing shareholders will be required, upon subscription, to pay 50pc of the nominal value of the share, and the remainder of the subscription amount within a period not exceeding three years from the date on which the bank commences its operations.

The IPO will be managed by Banque Bemo Saudi Fransi, Syria International Islamic Bank, Arab Bank (Syria) and the Commercial Bank of Syria.

Mr Yousif said that Al Baraka Bank Syria, which we hope will begin its operations during this year, will offer all Islamic banking products and services to both individuals and corporate customers through a network of branches that will cover all of the main cities in Syria.

He said that the Syrian market was witnessing significant growth because of the continuing economic reforms which resulted in the liberalisation of the regulations governing investments by local private sector and foreign investors. He also said that substantial amounts of money were flowing into many infrastructures, industrial, commercial and service sectors and projects and this would create good opportunities to banks and investors which in turn would make the Syrian market an attractive destination for investors including a number of foreign banking institutions.

However, what makes Al Baraka Bank Syria different from other banks is that it is committed to providing services and products that comply fully with the Sharia principles.

The bank will also be strongly supported by the vast banking expertise of the group as well as its strong financial resources and technical capabilities.

Mr Yousif thanked the Central Bank of Bahrain and the regulatory and monetary authorities in Syria for their support and facilities that they extended to the group and to Al Baraka Bank Syria, which again highlights their keen interest in supporting Arab banking institutions and joint Arab banking businesses.