

Automatic Teller Machines

Albaraka Bank is currently involved in a project to provide Automatic Teller Machines (ATM's). When implemented clients will enjoy the convenience of being able to access the Bank's services in areas where the Bank is not represented. Good progress has been made and the Bank is currently focusing on the economic feasibility of the project.

EXPANSION OF ALBARAKA BANK'S BRANCH NETWORK

The growth experienced in the Gauteng area has resulted in the need for substantially larger premises. As a result the Fordsburg branch was relocated to new, larger and more suitable premises in Fordsburg.

As part of the strategy to achieve wider representation and improve

improved credit assessment and controls. Our productivity will be improved further with the assistance of technology and by placing greater emphasis on multi-skilling.

APPRECIATION

I would like to express my personal gratitude for the support and advice extended to me by our Chairman and my other colleagues on the Board as well as the management and staff of Albaraka Bank.

To our shareholders and customers, I add my appreciation for their support and for the confidence they have shown in the Bank. The Dallah Albaraka Group continues to provide us with the benefits of their expertise and their support and I am personally looking forward to an even closer relationship with them as we progress into the envisaged new structure.

Above all, I thank Almighty Allah and pray that He will continue to grant us success in the future.

E E Vawda
Chief Executive Officer
Durban, 7 June 2002

Credit/ Debit Cards and Cheque Accounts

Management is looking at the introduction of some form of credit or debit card. Clearly, any system adopted will be structured to avoid the conventional interest-linked practice.

While it would be a major venture for the Bank, the fee income generated by cheque accounts is another option currently being explored.

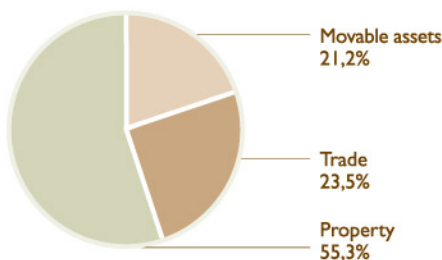
service to clients, Albaraka plans to introduce service centres which could be upgraded to fully fledged branches. The first of these are planned for Pietermaritzburg and Lenasia (Johannesburg).

THE YEAR AHEAD

Priorities in the current year are likely to be focused on fine-tuning all aspects of our operations to achieve and retain differential advantages. The pleasing achievement in the reduction of bad and doubtful debts needs to be consolidated through



Investments



Deposits

