



Notice to Shareholders

Seventeenth annual general meeting

Notice is hereby given that the seventeenth annual general meeting of members of Albaraka Bank Limited will be held on Thursday, 21 June 2007 at the offices of Albaraka Bank, First floor, 134 Dr A B Xuma Street*, Durban at 09h00 to conduct the following business:

1. Special resolution

To consider and pass, with or without amendments, the following special resolution. It is proposed that, subject to the approval of the Registrar of Banks, the following special resolution be considered and passed as a Special Resolution to amend the Memorandum of Association of the Company:

Clause 4 (a) be amended to increase the company's authorised share capital from one hundred and fifty million Rand (R150 000 000) to three hundred million Rand (R300 000 000) by creating fifteen million (15 000 000) new par value ordinary shares of ten Rand (R10) each which will in all respects rank pari passu with the existing fifteen million (15 000 000) par value ordinary shares of ten Rand (R10) each.

REASON

The reason for the proposed increase in the authorised share capital of the company is to create the capacity to raise additional share capital by issuing additional shares and thereby contribute to the strengthening of its capital structure.

EFFECT

The effect of the passing of the proposed special resolution is that the company will have the power and the capacity, in terms of its Memorandum and Articles of Association, to issue additional shares and to consequently raise additional share capital to the extent of at least an additional one hundred and fifty million Rand (R150 000 000).

2. Ordinary resolutions

- 2.1 To receive and adopt the group and company annual financial statements for the year ended 31 December 2006.
- 2.2 (a) To elect directors in the place of the following persons, who in terms of Article 74 of the company's Articles of Association are retiring by rotation and, being eligible, offer themselves for re-election:

M S Paruk

Age: 52

Appointed: 24/06/2004

Occupation: Chartered Accountant

Committee member: Audit committee (chairman), board property committee (chairman), board credit committee and risk committee.

Y M Paruk

Age: 48

Appointed: 14/02/2003

Occupation: Businessman/director of companies

Committee member: Risk committee (chairman), board property committee and directors' affairs committee.

A A Yousif

Age: 51

Appointed: 22/03/2005

Occupation: President and chief executive of Albaraka Banking Group.

* Formerly Commercial Road

- (b) To elect directors in the place of the following persons, who have been appointed as additional directors during the year by the board of directors and who are retiring in terms of Article 81 of the company's Articles of Association and being eligible, offer themselves for re-election:

F Kassim

Age: 48

Appointed: 14/07/2006

Occupation: Businessman/director of companies.

A Lambat

Age: 48

Appointed: 24/07/2006

Occupation: Chartered Accountant

Committee member: Remuneration committee (chairman).

- 2.3 (a) To approve the auditors' remuneration for the year ended 31 December 2006.
(b) To authorise the board of directors to determine the auditors' remuneration for the year ending 31 December 2007.
(c) To authorise the board of directors to appoint auditors for the year ending 31 December 2007.
- 2.4 To confirm the dividend of 20 cents per share declared by the board of directors on 27 October 2006 and paid on 18 December 2006 to shareholders registered in the books of the company at close of business on 27 October 2006.
- 2.5 To renew, in terms of Section 221 of the Companies Act, 1973, the directors' authority to allot the unissued shares, if any, of the company at their discretion until the next annual general meeting.
- 2.6 In terms of Article 49 of the company's Articles of Association to approve the directors' remuneration.

3. Other business

To consider such other business as may be transacted at the annual general meeting.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, to speak, and on a poll, vote in his/her stead. A proxy need not be a member of the company. Proxy forms must reach the registered office of the company by not later than 48 hours before the time fixed for the meeting.

A proxy form is on a separate page included in the annual report.

By order of the board



C T BREEDS

Company Secretary

Durban

16 March 2007