

Kuwait: 26<sup>th</sup> of March 2018

Head of Disclosure Department  
Capital Markets Authority  
State of Kuwait

Dear Sir,

As per article (4-4) of the Tenth Module of the Executive Bylaws of Law No.7/2010 regarding the Establishment of Capital Markets Authority and Regulating Securities Activities and its amendments.

We would like to inform you; it came to NBK's attention that there are speculations among some traders that increasing Bank's authorized capital from KD 600,000,000 to KD 750,000,000 will be followed by imminent rights issue to increase its issued and fully paid-up capital.

In response to these speculations, the Bank would like to advise that issued and fully paid-up capital has been increased recently as a result of Bonus shares, where the Ordinary and Extra-Ordinary General Assembly - which convened on 10/3/2018 - decided to distribute 5% Bonus shares to the registered shareholders in Bank's shareholders register at the end of the due date on Thursday 29/3/2018.

As the Bank has a strong Capital base and its Capital Adequacy Ratio exceeds the regulatory requirement, the Bank has not made any decision or have any intentions – for the time being – to get another increase in Bank's issued and fully paid-up capital through rights issue.

Our bank has disclosed the same to Boursa Kuwait Company.

Sincerely yours,

 On behalf of National Bank of Kuwait (S.A.K.P)

  
Isam J. Al-Sager

Group Chief Executive Officer