

1ST QUARTER 2008 FINANCIAL HIGHLIGHTS



NET PROFIT UP 7.1% TO USD 121.5 MILLION
EARNINGS PER SHARE OF 9.8 CENTS

Major Highlights (Q1-2008)	2008 USD Millions	2007 USD Millions	Growth %
Operating Income	174.7	158.9	10.0
Operating Profit	138.9	129.0	7.6
Net Profit	121.5	113.4	7.1
Total Assets	19,165	15,765	21.6
Customer Loans	12,438	9,790	27.0
Customer Deposits	12,102	10,910	10.9
Earnings Per Share (Cents)	9.8	9.3	5.8
Return on Assets (%)	2.55	2.96	-13.9
Return on Equity (%)	30.2	33.80	-10.7

Gulf Bank Posts Profits of US\$ 121.5 m for First Quarter of 2008

Gulf Bank has reported a record net profit of US\$ 121.5 million for the first three months of 2008, an increase of 7.1 % over the corresponding period last year. Operating income rose by 10.0 % to US\$ 174.7 Million, on the strength of a 24% increase in non-interest income. The Bank's total assets grew 21.6% to US\$ 19.2 Billion.

Mr. Bassam Alghanim, Chairman stated, "We are especially pleased to report record earnings for the first quarter of 2008. Our results reflect excellent progress across all business lines including Retail, Corporate, Treasury and International. While these results confirm that our strategy continues to create value for our shareholders, it also signals that the banking environment is in a transition phase. It is clear that we are entering a period of measured credit growth as a result of recent regulatory and monetary policy changes aimed at controlling inflation in Kuwait. Gulf Bank is well positioned to prosper in this environment given the efficient platform we have for delivering the highest quality banking services to our growing customer base."

Gulf Bank's earnings per share increased 5.8% to 9.8 cents over the first quarter of 2007. Return on Assets and Return on Equity remained very strong at 2.6% and 30.2 %, respectively.

Gulf Bank CEO & CGM Louis Myers commented, "We continue to see opportunities to grow locally and are concentrating on expanding our range of products further to serve our targeted customer segments in a number of areas. Our plan to invest in technology is on track to ensure we serve our clients' needs effectively by offering speed and convenience when they do business with us."

"The Bank's ongoing commitment to delivering the best customer services is demonstrated by our policy to strategically place our branches in the most convenient locations. Most recently, we opened two new full-service branches in Ahmadi and Shuaiba, growing our network to 43 branches, as we continue our dedication to providing the best local service for our customers allowing them to undertake their everyday banking needs." Mr. Myers added.

Gulf Bank introduced three major campaigns since the start of 2008. The new Salary account promotion encourages new and existing customer salary transfers. The Bank has also launched the new red Experiences promotion for University and College students. The Al Danah One Million Dinar draw, launched in late 2007, is continuing due to the positive overwhelming customer response.

Gulf Bank has continued in its award-winning ways in 2008 and has already received the accolade of having the 'Best Branch Concept Design and Environment' from Banker Middle East and recently 'Best Bank in Kuwait' from Arabian Business. This follows the Bank's strong continuous recognition in its dedication to high standards of excellence and its quality banking services with the awards of 'Best Retail Bank in the Middle East' for three years in a row by Banker Middle East, 'Best Bank in Kuwait', 'Best Internet Bank in Kuwait' and 'Best Foreign Exchange Bank in Kuwait' by Global Finance, and 'Best Retail Bank in Kuwait' by Asian Banker.

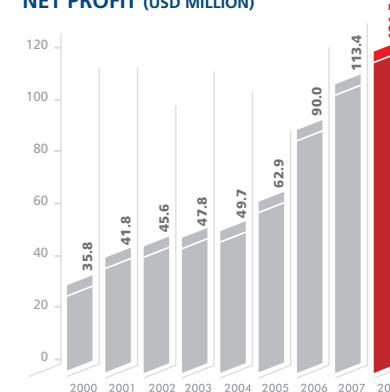
Gulf Bank remains one of the highest rated banks in the region. It is one of only seven banks in the GCC assigned an 'Aa3' long-term foreign currency deposit rating from Moody's Investors Service and enjoys strong

ratings from Fitch Rating and Capital Intelligence ('A') and Standard & Poor's ('A-'). Maintaining these globally recognized benchmarks clearly displays Gulf Bank's ongoing commitment to set, meet and then exceed the highest standards of service and performance in the banking industry.

Mr. Alghanim said: "These high ratings reflect the continuing excellence of our financial performance, the quality of our assets and our employees and the fact that we are undertaking a clear and focused business strategy for the development of the Bank."

"Our results for the first quarter of 2008 show once again that Gulf Bank can look to the future with great confidence. In recent months, the market globally and locally has delivered additional challenges which require banks to be flexible and fast-moving. The professional team of executives and staff we have at Gulf Bank are well-positioned to confront this rapidly evolving environment and capture the opportunities it presents. Our continuing investment in people remains the cornerstone of our success and they benefit from the guidance of one of the most experienced senior management teams in the region."

NET PROFIT (USD MILLION)



EARNINGS PER SHARE (CENTS)

