

Supplementary Prospectus

The National Commercial Bank

This Supplementary Prospectus must be read in connection with the Prospectus dated 26/11/1435H (corresponding to 21 September 2014G), issued by The National Commercial Bank in connection with the subscription of five hundred million (500,000,000) ordinary shares, representing 25% of The National Commercial Bank's issued share capital (the "**Subscription**") for subscription in accordance with the directive of His Majesty and the Resolution of the Board of Directors of the Public Investment Fund No. 10/118/1435H dated 2/6/1435H (corresponding to 2/4/2014G), at a price of forty five (45) Saudi Riyals per share (the "**Prospectus**").

Financial Advisers and Lead Managers



Receiving Agents



Important Notice:

This Supplementary Prospectus includes information given in compliance with the Listing Rules of the Saudi Arabian Capital Markets Authority (the "**CMA**"). The directors of the Company (the "**Directors**"), whose names appear on page 91 of the Prospectus, collectively and individually accept full responsibility for the accuracy of the information contained in this Supplementary Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. The CMA and the Tadawul do not take any responsibility for the contents of this Supplementary Prospectus, do not make any representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Supplementary Prospectus.

This unofficial English language translation of the official Arabic language Supplementary Prospectus is provided for information purposes only. The Arabic language Supplementary Prospectus published on the CMA's website (www.cma.org.sa) remains the only official, legally binding version and shall prevail in the event of any conflict between the two texts.

This Supplementary Prospectus has been issued on 21/12/1435H (corresponding to 15/10/2014G).

1. The Company

The National Commercial Bank (the “Company” or “NCB”) is a Saudi joint stock company incorporated in the Kingdom pursuant to Royal Decree No. M/19 dated 23/11/1417H (corresponding to 31 March 1997G) and Council of Ministers Resolution No. 186 dated 22/11/1417H (corresponding to 30 March 1997G) approving NCB’s conversion from a general partnership (originally established in 1939G and commencing its business as a partnership on 28/7/1369H (corresponding to 15 May 1950G)) to a joint stock company, which occurred on 25/2/1418H (corresponding to 1 July 1997G) with commercial registration number 4030001588 dated 27/12/1376H (corresponding to 25 July 1957G). NCB’s head office and registered office is The National Commercial Bank Head Office, Jeddah, Kingdom of Saudi Arabia.

2. Subscription Period

From Sunday 25/12/1435H (corresponding to 19 October 2014G) until Sunday 9/1/1436H (corresponding to 2 November 2014G).

3. Important Notice

The Directors whose names appear on page 91 of the Prospectus, confirm that this Supplementary Prospectus was presented to the CMA and issued on 21/12/1435H (corresponding to 15/10/2014G), and that it supplements the prospectus issued by the Company dated 26/11/1435H (corresponding to 21 September 2014G).

This Supplementary Prospectus should be read in conjunction with the Prospectus and all readers should seek independent professional advice since this Supplementary Prospectus was prepared without taking into account the individual goals of each investor and his financial position.

Defined terms used in this Supplementary Prospectus shall have the same meaning ascribed to them in the Prospectus.

This Supplementary Prospectus may not be distributed and the Subscription Shares may not be sold to any person other than the Subscribers described in the Prospectus or in any country other than the Kingdom of Saudi Arabia. The Company, the Substantial Shareholders and the Financial Advisers draw the attention of the recipients of this Supplementary Prospectus to the importance of becoming familiar with and abiding by all such restrictions.

4. Reason for the Issuance of this Supplementary Prospectus

An issuer must submit a supplementary prospectus to the CMA if at any time after the prospectus has been published and before listing, an issuer becomes aware that:

- 1) there has been a significant change in material matters contained in the prospectus or any document required by the Rules; or
- 2) additional significant matters have become known which would have been required to be included in the prospectus.

The Company has become aware of additional matters that it considers to be an important change to material information in the Prospectus. The Company and the Directors whose names appear on page 91 of the Prospectus confirm that no significant changes in material matters nor additional significant matters have arisen other than what has been disclosed in this Supplementary Prospectus.

5. Additional Matters

In order to ensure an efficient subscription process at the Receiving Agents for all prospective Individual Subscribers, the methods of applying for the Retail Allocation appearing in the Prospectus on page xi of the Summary of the Subscription, the "*Subscription Process*" section on page xiii, and in section 12-2 "*Subscription Terms and Conditions – Submission of the Subscription Application Form*" have been confirmed as described below.

Individual Subscribers may obtain Subscription Application Forms during the Subscription Period at the branches of the Receiving Agents and the Prime Subscriber must pay the full Subscription Price of the Shares to which he and members of his family subscribed at a branch of a Receiving Agent by means of a deduction from the Prime Subscriber's current bank account with the Receiving Agent. The Subscription Price may not be deducted from the account of a third party. In any case, an Individual Subscriber may not alter or cancel a Subscription Application Form once submitted to a Receiving Agent. Subscription Application Forms must be completed in accordance with the instructions set forth in section 12- "*Subscription Terms and Conditions*" of the Prospectus.

In addition, subscription will be available through the internet, telephone banking and automated teller machines at the branches of the Receiving Agents that provide some or all of these services to Individual Subscribers who have participated in recent initial public offerings provided that:

- 1) the Individual Subscriber maintains a current account with the relevant Receiving Agent which provides such services; and
- 2) no changes have occurred to the Individual Subscriber's details since the last recent initial public offering to which such Individual Subscriber subscribed.

In order to further ensure an efficient subscription process at the Receiving Agents for all prospective Individual Subscribers, the mechanism for subscription using powers of attorney appearing in section 12-2 "*Subscription Terms and Conditions – Submission of the Subscription Application Form*" of the Prospectus has been confirmed as described below.

The use of powers of attorney for subscription is only accepted for immediate family members only (children and parents). The Subscription Price must be debited from the Prime Subscriber's current account with the Receiving Agent, and the name of the person authorized to signed on behalf of the Subscriber must be stated. In addition, the power of attorney must be valid and must expressly authorize the attorney to subscribe on behalf of the principal. The power of attorney must also be issued by the Notary Public for Saudi Individual Subscribers residing within the Kingdom. In the case of Saudi Individual Subscribers residing outside the Kingdom, the power of attorney must be legalized and apostilled by an embassy or consulate of the Kingdom in the applicable jurisdiction. A person may subscribe in the names of persons under his guardianship or support pursuant to *Shari'ah* principles.

In order to further ensure an efficient subscription process at the Receiving Agents for all prospective Individual Subscribers, the mechanism for refunding excess subscription monies, if any, appearing in the Prospectus on page xii of the Summary of the Subscription and in section 12-2 "*Subscription Terms and Conditions – Submission of the Subscription Application Form*" have been confirmed as described below.

Excess subscription monies, if any will be returned to the Prime Subscriber's account with the Receiving Agent from which the Subscription Price was deduced in the first instance, and without any commission, charge or withholding by the Lead Managers or the Receiving Agents. Excess subscription monies may not be refunded in cash or to the account of a third party.