

Press Release

DIB reports net profit of AED 854 million

- *Total assets stand at AED 93.7 billion, up 3.5 per cent*
- *Operating profit up by 4.9% to AED 1.67 billion*
- *Customer deposits reach AED 66.9 billion, up 3.3 per cent*
- *Robust capital adequacy of 18.4%*

Dubai, November 4, 2012: Dubai Islamic Bank (DIB) today announced its financial results for the period ending September 30, 2012, reflecting the bank's continued focus on strengthening its core operations through optimal utilization of its large balance sheet while simultaneously ensuring a prudent approach to growth.

For the first nine months of 2012, DIB reported a net profit of AED 854 million, compared to AED 850 million for the corresponding period of 2011. For the third quarter of 2012, the bank reported a net profit of AED 298.5 million, thereby maintaining its profitability over the same period last year.

The bank's total assets as of September 30, 2012, stood at AED 93.7 billion, compared to AED 90.6 billion on December 31, 2011, an increase of 3.5 per cent. DIB's operating profit i.e net profit before impairment losses, has increased by 9.6 per cent in the third quarter of 2012 compared with the corresponding period in 2011.

The third quarter of 2012 saw DIB continue with its conservative approach to provisioning, with AED 309 million set aside for impairments, compared to AED 217 million in the same quarter of 2011, an increase of 43 per cent. For the first nine months of 2012, DIB made provisions of AED 849 million, compared to AED 718 million over the same period of 2011, highlighting the management's focus to continuously strengthen the balance sheet of the bank.



Growth in customer deposits, which increased by 3.3 per cent to AED 66.9 billion as of September 30, 2012, further demonstrates the bank's healthy liquidity position that continues to be the best in the UAE banking sector with a financing to deposit ratio of around 82%. Further, the strength of the balance sheet is clearly depicted in the robust capital adequacy ratio (CAR) of 18.4% under Basel II and a Tier 1 CAR of 14.3%.

"The performance of Dubai Islamic Bank in the third quarter of 2012 was notable for delivering strong results while continuing with its conservative approach to provisioning, as demonstrated by increases in key balance sheet ratios," said His Excellency Mohammed Ibrahim Al Shaibani, Director-General of His Highness The Ruler's Court of Dubai and Chairman of Dubai Islamic Bank. "This prudent business strategy positions the bank well to benefit from positive economic conditions in the UAE."

Abdulla Al Hamli, Chief Executive Officer, Dubai Islamic Bank, said: "Alongside actively enhancing the efficiency of our operations, the focus for DIB over the past quarter has been the introduction of innovative products to the market, such as our Shaatir children's savings account. Thanks to our stable, well-diversified funding base and innovative product mix, DIB remains uniquely placed to serve the financing needs of individuals and businesses across the UAE."

The third quarter of 2012 witnessed the launch of the Shaatir savings account, DIB's first account developed specifically for children. The account is designed to help young people understand financial responsibility from an early age, and includes a number of innovative features that encourage children to save towards specific goals in their lives.



The period also saw a number of significant initiatives in support of DIB's ambitious Emiratisation targets, including the launch of the annual Iktaseb summer training programme, offering professional training opportunities to 105 young UAE nationals aspiring to careers in Islamic banking and finance. DIB also welcomed 20 female UAE nationals each from Dubai and Abu Dhabi to the latest edition of its six-month long Emarati Programme, a customised training course to enhance their skills and knowledge of the banking industry.

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About Dubai Islamic Bank:

Dubai Islamic Bank (DIB), established in 1975, is the first Islamic bank to have incorporated the principles of Islam in all its practices and is the largest Islamic bank in the UAE. DIB is a public joint stock company, and its shares are listed on the Dubai Financial Market. The bank enjoys a reputation as a leader and innovator in maintaining the quality, flexibility and accessibility of its products and services. The bank currently operates 75 branches in the UAE.

DIB has been proactive in creating partnerships and alliances at both the local and international level. The bank has established DIB Pakistan Limited, a wholly owned subsidiary which has a network of 93 branches across 30 major cities in Pakistan. DIB has also started operations in Jordan, with the establishment of Jordan Dubai Islamic Bank.

Alongside its accomplishments as a commercial organisation, DIB has always recognised its wider role in society. The bank supports the communities in which it operates through the DIB Foundation, a non-profit social, humanitarian and charitable organisation which distributes millions of dirhams to good causes at home and abroad each year.

DIB has earned the respect of its peers around the world for many years, and its leading position has been reaffirmed by the 92 local, regional and international accolades that it has won between 2008 and 2012. DIB has won awards across diversified areas, including retail, corporate and investment banking, as well as CSR and consultancy services. The bank's most recent awards include being named "Best Islamic Bank, UAE" by *World Finance* and *Banker Middle East* magazines, "Best Distance Banking Service" (Electronic Banking Services) by *Banker Middle East*, and being named among *The Banker's* "Deals of the Year for 2012."

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