

Press Release

Dubai Islamic Bank Group first half 2013 net profit up by 25 per cent to AED 739 million

- *Total assets rose by 13 per cent against year end 2012 to AED 111 billion*
- *Customer deposits reach AED 82 billion, up 23 per cent compared with the end of 2012*
- *Robust overall capital adequacy ratio of 18.1 per cent*
- *First half 2013 net revenue of AED 2.072 billion reflects year-on-year growth of 10 per cent*

Dubai, UAE; August 1, 2013: Dubai Islamic Bank Group (DIB) today announced its financial results for the first half of 2013, demonstrating a strong performance consistent with the overall growth in the UAE economy.

The Group's net profit for the six months ending June 30, 2013, was AED 739 million, up from AED 592 million when compared to the same period of 2012, an increase of 25 per cent. In the second quarter of 2013, net profit was AED 437 million, an increase of 31 per cent compared to AED 334 million for the same period of 2012.

Net revenue of the Group for the first half of 2013 increased to AED 2.1 billion from AED 1.9 billion in the same period of 2012, an increase of 10 per cent. As at June 30, 2013, the bank's total assets stood at AED 111.1 billion, compared to AED 98.7 billion as at December 31, 2012, an increase of 13 per cent.

Liquidity remained high as customer deposits grew to AED 82.4 billion, an increase of 23 per cent from December 31, 2012. Current and Savings account deposits also witnessed strong growth, reaching AED 33.7 billion at June 30,



2013, an increase of 16 per cent compared to the figure reported on December 31, 2012.

Through the period under review, DIB maintained a robust capital adequacy ratio of 18.1 per cent, compared to the figure of 17.4 per cent reported at December 31, 2012. The bank's Tier 1 capital ratio improved to 18.1 per cent from 13.9 per cent on December 31, 2012 due to the capital market hybrid Tier 1 Sukuk issue which was executed in the first quarter of 2013 and was highly oversubscribed.

Gross investing and financing assets increased by 1.4 per cent to AED 59.6 billion as at June 30, 2013, as the asset quality continues to improve.. The first half of 2013 also witnessed DIB's continued conservative provisioning with AED 545 million set aside for impairments bringing further improvement in the Group's overall coverage ratio.

"The bank's business model has innovation, efficiency and prudence at its core and this is clearly evident in the consistent performance over the last few years," said His Excellency Mohammed Ibrahim Al Shaibani, Director-General of His Highness The Ruler's Court of Dubai and Chairman of Dubai Islamic Bank. "Due to our strong liquidity and robust balance sheet, DIB is superbly placed to meet the banking needs of individuals, businesses and government entities across the UAE."

The first half of 2013 saw the continued expansion of DIB's retail franchise, with 3 branches and 23 ATMs added to its network. DIB's ongoing investment in its consumer banking operations was recognised in June 2013 when the bank was named as the 'Best Islamic Retail Bank' at the Banker Middle East Industry Awards 2013. DIB was also awarded "Best Sukuk Arranger" at the Banker Middle East Product Awards 2013 and "Best Sukuk House" by EMEA Finance



Middle East. The bank won the Dubai Human Development Award at the 18th Business Excellence Awards, hosted by the Department of Economic Development, recognizing DIB's efforts in developing and nurturing UAE National talent.

"DIB has continued to innovate through this period, launching new products and services which are tailored to our customers' requirements", said Abdulla Al Hamli, Managing Director, DIB. "Given the positive economic outlook, I am confident that DIB is on a strong platform to pursue dynamic growth in the coming years."

Dr. Adnan Chilwan, Chief Executive Officer, DIB, added "With a consistent positive trend in revenue and net profits over the last few quarters, growth is our clear strategic theme going forward. All activities during the first half of 2013, such as the Tamweel acquisition, the Tier 1 Capital issuance as well as the continuous expansion of the consumer franchise have been geared towards positioning DIB on a robust growth platform. The strength of DIB's franchise and the bank's highly competitive positioning in the financial sector has been recognized by key stakeholders in the market. Most recently, this was evidenced by Moody's reaffirmation of DIB's ratings as well as the positive coverage by market analysts."

In the first half of 2013, DIB successfully raised a US\$1 billion Tier 1 Capital-eligible issuance at the best yield ever achieved by a GCC bank on a public Tier 1 transaction and provided a significant boost to the bank's tier 1 Capital ratio. The issuance was extremely well received by investors across the globe, evidenced by the fact that it was oversubscribed 14 times. The bank's Long Term Issuer ratings were affirmed in May 2013 by Moody's at Baa1 and the outlook



moved to “Stable” reflecting the bank’s strong capitalization and improving asset quality.

The bank also repaid the AED 3.753 billion deposit, in full and well ahead of contractual maturity, which it received from the Ministry of Finance in 2008 citing robust financial position and strong liquidity as the key drivers for the decision.

During the course of this year, DIB completed the acquisition of Tamweel, the largest home finance provider in the UAE, enabling DIB to take advantage of the opportunities offered by the recovery and growth of the UAE real estate sector.

Serving the needs of the wider community was again at the forefront of DIB’s operation in the second half of 2013, with the bank making zakat payments of AED 161 million to 17 Charity and humanitarian organizations through its charitable arm, the DIB Foundation. The Foundation also signed an agreement with the Dubai Health Authority to provide financial assistance for treatment of Cancer patients on an annual basis.

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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 82 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 100 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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