Press Release

DIB Board approves increase of Foreign Ownership to 25%

- **FOL increased from 15% to 25% subject to relevant regulatory approvals**
- **Decision taken in light of the high demand witnessed from Foreign Institutional Investors**
- **Increase in FOL makes DIB a strong candidate for inclusion in MSCI basket of securities**

Dubai, UAE; December 25, 2013: In a meeting held today, the Board of Directors of Dubai Islamic Bank approved to increase the foreign ownership limit (FOL) from the current level of 15% to 25%, subject to necessary regulatory approvals. The decision was taken to address the huge demand for DIB shares by large foreign institutional investors. With the market up on the rise, DIB has become one of the most sought after scrips signifying the rising investor confidence in the bank's growth story and strategy over the coming years. Although a highly liquid scrip on the exchange with approximately 60% free float, the foreign ownership cap was restricting the large global institutional investors keen to participate in the organization's success.

With the MSCI upgrade taking effect next year, the decision to raise the cap has opened doors for numerous global investors to take advantage of their emerging market allocations and invest in one of the top picks on the exchange.

"We have always had strong confidence in the DIB franchise, its vintage and the deep-rooted nature of its relationship with all stakeholders", said Dr. Adnan Chilwan, CEO DIB. "Following a well-crafted strategy during the economic downturn, we ensured that, while aligning the bank to the adverse market conditions prevailing at the time, we remain cognizant of stakeholders' expectations from the organization. Hence, the strategy and the business model shift was squarely aimed to improve and maximize returns for the benefit of stakeholders, including local, regional and global investors".

"With the improved overall economic climate as well as the spectacular performance of DFM over the last year, we were under increasing pressure to allow greater liquidity for foreign investors, particularly the institutional funds," he added. "Further, our open and transparent stance with the investment community and the active involvement in various deal and non-deal roadshows across the globe has been a major contributor in creating awareness of and belief in the DIB story. The bank's stock is up significantly so far this year and we remain confident that, with a return to growth, we will continue to fulfill our commitments to all stakeholders"

With the Board approval for FOL increase in place, the bank will now proceed to follow the required regulatory process to formalize this decision in due course.

- Ends -

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 more than 85 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 more than 100 branches across 36 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 115 local, regional and international accolades that it has won since 2008. 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 Retail Bank, UAE", "Best Sukuk Arranger" and "Best Islamic Credit Card" by *Banker Middle East* magazines, and being named "Best Sukuk House" by EMEA Finance Middle East Banking Awards 2012.

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