Press Release

Dubai Islamic Bank shareholders approve 100 per cent acquisition of Tamweel

Dubai, UAE; March 4, 2013: Following the conclusion of its Extraordinary General Assembly Meeting (EGM), Dubai Islamic Bank (DIB) announced that the assembly has approved its 100 per cent acquisition of Tamweel PJSC, the Islamic home finance provider.

DIB is the majority shareholder in Tamweel with 58.2 per cent of the issued equity. The assembly voted in favor of DIB's formal offer to acquire the remaining 41.8 per cent of the issued shares in Tamweel it does not currently own. This bid, which was announced on January 3, 2013, is based on the offer of 10 new DIB shares for 18 existing Tamweel shares held. The fair value of each share for DIB and Tamweel underlying the intended swap is set at AED 2.25 and AED 1.25 respectively.

Following the approval of all regulators, including the Ministry of Economy, the Securities and Commodities Authority of the UAE, Central Bank of the UAE and the Dubai Financial Market, Tamweel shareholders received a copy of the Offer, the Offer Statement and the Acceptance Form by mail. In order to participate in the offer, qualifying shareholders have to submit acceptance forms directly to an appointed broker or custodian. Alternatively, acceptance forms will be accepted at the DIB head office, if delivered by hand and accompanied by valid proof of identification. The offer will remain open until 5pm on Saturday, March 16, 2013.

The assembly also approved DIB's proposal to issue new shares by way of a capital increase of the bank's issued share capital in accordance with the

Commercial Companies Law. The new DIB shares will be issued to the shareholders of Tamweel who will accept to transfer their shares in Tamweel.

Further, the assembly approved the issuance of non-convertible Sharia compliant Hybrid Tier 1 and Tier 2 capital instruments to raise the bank's Tier 1 and Tier 2 capital and strengthen its capital adequacy ratio.

His Excellency Mohammed Ibrahim Al Shaibani, Director-General of His Highness The Ruler's Court of Dubai and Chairman of Dubai Islamic Bank, said: "We believe that the home finance market is set to grow over the next few years.The 100 per cent acquisition of Tamweel by DIB will not only support the recovery and growth of the sector, but also create strong synergies for both businesses. We thank our shareholders for their approval to the acquisition and believe that it will unlock new opportunities for both entities."

After the closing of the share swap offer, DIB intends to apply to the Securities and Commodities Authority of the UAE for the delisting of Tamweel shares from the Dubai Financial Market.

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