Press Release

DUBAI ISLAMIC BANK PRICES US$ 1 billion 6.250% TIER 1 CAPITAL ISSUANCE

Transaction heavily oversubscribed to reach an orderbook in excess of USD 14bln

Dubai, UAE; March 13, 2013: On Wednesday, 13 March 2013, Dubai Islamic Bank announced the successful pricing of a US$1 billion Tier 1 Capital-eligible issuance, with a perpetual (non-call 6) maturity. The issuance, which carries a profit rate of 6.25%, reflects the strong faith and confidence investors have in the institution and represents the best yield ever achieved by a GCC bank on public Tier 1 transaction.

This landmark RegS transaction was effectively executed following a global roadshow covering key financial centers (London, Singapore, Hong Kong, Geneva, Zurich, Abu Dhabi and Dubai). The issuance ultimately received 360 orders amounting to more than US$14 billion on the back of demand from a diverse investor base.

More specifically, the transaction was allocated to investors across the Middle East (38%), Asia (29%), Europe (29%) and US Offshore (4%). In addition, the types of accounts were also well balanced, with Banks (33%), Private Banks (32%), Fund Managers (29%), Hedge Funds (5%) and Other (1%) investors anchoring the orderbook.

Initial price thoughts of 7.00% area were released at 12:45PM London time on Tuesday 12 March 2013 to the market. Following the strong demand generated by the transaction, the issuance was priced at a profit rate of 6.25%.

Abdulla Al Hamli, Chief Executive Officer of Dubai Islamic Bank, commented: “Being the largest Islamic bank in the UAE, DIB has a special role in promoting the development of Islamic financing and this innovative transaction is further evidence of the same. Simultaneously, this immense interest of investors shows the positive outlook that the market has with regards to Dubai and the UAE. ”

Dr Adnan Chilwan, Deputy Chief Executive Officer of Dubai Islamic Bank, added: “The success of the transaction is a testament to the confidence that regional and international investors have in the strength of DIB's credit. The strong positive response and significant interest received from the investor community is clearly highlighted by an orderbook in excess of USD 14bn generated on the transaction. The appeal of the transaction ultimately allowed us to price the issuance at the best yield (6.25%) ever achieved by a GCC bank on a public Tier 1 offering. The transaction, which was subscribed to by a variety of investors from across Asia, Europe and the Middle East, will allow the Bank to shore its capital base and put us on a strong footing to capitalize on the expected growth in Dubai and the UAE."

Dubai Islamic Bank, Emirates NBD Capital, HSBC, National Bank of Abu Dhabi and Standard Chartered Bank acted as Joint Lead Managers on the offering.

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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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