بنك دبي الإسلامي
Dubai Islamic Bank

Press Release

Dubai Islamic Bank Ratings Affirmed by Moody's

- *Long Term Issuer Ratings maintained at Baa1*
- *Ratings Outlook upgraded to Stable*
- *Capital Adequacy, Easing Asset Quality Pressure and Profitability Outlook cited as reasons for decision*
- *Tamweel's Long Term Issuer Rating also affirmed at Baa3 with Outlook upgraded to Positive*

Dubai, UAE; May 15, 2013: Dubai Islamic Bank Group (DIB) today announced that its Long Term Issuer ratings have been affirmed by Moody's at Baa1. The bank ratings, put on a review late last year when Moody's took action on all major Dubai-based banks, have now been affirmed and the outlook has been moved to "Stable" indicating no further pressure on the ratings.

"The confirmation of DIB's ratings reflects the recent capital injection and our expectation that asset quality pressure will ease which, in turn, should support profitability," said the agency in their recent press release. The systemic importance of the bank to the banking sector and the government ownership of 34% were also cited as some of the factors for the decision.

Moody's also affirmed the long term issuer ratings of Tamweel, which is a subsidiary of the bank (86.5% owned by DIB) at Baa3 and with the recent move by DIB to take over the company, Tamweel's outlook on ratings has been upgraded to "Positive."

Abdulla Alhamli, the Chief Executive Officer, said, "During the last 5 years we have focused on building a strong organization with the aim to weather the storm posed by the difficult market conditions. These efforts have allowed DIB to emerge as a strong player and enabled it to be recognized by external parties including rating agencies."

Alhamli added by stating, "This recent rating further reinforces the confidence in our organization and is an acknowledgement for the efforts we have put so far. It will encourage us to work harder in delivering our promise to our shareholders."

DIB's Tier 1 capital ratio strengthened significantly in the first quarter of the year, from 13.9 per cent on December 31, 2012, to 17.7 per cent on March 31, 2013. Similarly, the bank's total capital adequacy improved from 17.4 per cent on December 31, 2012, to reach 21.2 per cent on March 31, 2013.

Dr. Adnan Chilwan, the Deputy CEO, said, "Since the advent of the global financial crisis, we had set up a clear strategy focusing around our core business, strengthening the balance sheet, maintaining liquidity, enhancing capital adequacy and improving asset quality. Today, DIB has implemented a well-defined strategy in managing these challenges and has emerged an even stronger and robust player ready to take advantage of the improving market conditions in Dubai and the UAE."

He further added, "We strongly believe in openness and transparency with all our stakeholders which leads to informed decision making. Moody's has been with DIB since it first got rated in 2007 and we truly appreciate their approach to the ratings process as well as their understanding of the local and regional environment which is critical to accurately reflecting an entity's position in markets that it operates in."

In April 2013, the bank also repaid the AED 3.752 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.

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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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