Press Release

DUBAI ISLAMIC BANK PRICES US $1 billion 6.750% TIER 1 CAPITAL ISSUANCE

Pricing tightened after strong investor interest with order book topping USD $2.5 billion
Transaction opens the 2015 debt capital markets in MENA and is the first Perpetual Sukuk of the year

Dubai, UAE; January 19, 2015: On Wednesday, 14th January 2015, 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 6.75% reflects the strong demand and confidence investors have in the institution and also represents both the debut deal of the year and the first capital transaction of 2015.

This landmark RegS transaction was effectively executed following a global roadshow covering key financial centers (London, Singapore, Hong Kong, Abu Dhabi and Dubai). The issuance ultimately received 80 orders amounting to more than US $2.5 billion on the back of demand from a diverse investor base and is listed on the Irish Stock Exchange and NASDAQ Dubai.

Initial price thoughts of 7.00% area were released at 09:00 AM London time on Tuesday 13th January 2015 to the market. Following the strong demand generated for the transaction, the guidance was tightened and issuance was priced at a final profit rate of 6.75%.

Dr. Adnan Chilwan, Chief Executive Officer of Dubai Islamic Bank, commented "The success of this transaction reflects DIB's strong credit positioning and unwavering confidence of regional and international investors, despite challenging market conditions. The 2014 DIB growth story is unparalleled with nearly 28% growth in the financing book during the first nine months of the year. Given the significant growth in core business, and the fact that this momentum is expected to continue into 2015, we tapped the market for additional Tier 1 capital and executed the first such deal of 2015”.

He further added: “Over the recent past, we have continuously engaged with the global investor community and adopted an extremely transparent and open approach to imparting critical information to the market allowing our stakeholders to make far more informed decisions about the bank. The success of this deal is not only a testament to the faith of the market in the bank but also demonstrates the confidence of the local, regional and global investors in Dubai and the UAE growth story. With a continuously improving financing standing and stronger capitalization, we are now ready to embark on a journey which promises to conclude another successful year for the bank and its stakeholders.”

HSBC and Standard Chartered Bank acted as Structuring Advisors for the transaction. Al Hilal Bank, Dubai Islamic Bank, HSBC, Emirates NBD Capital, National Bank of Abu Dhabi, Noor Bank, Sharjah Islamic Bank and Standard Chartered Bank acted as Joint Lead Managers on the offering.

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Sukuk House" at the EMEA Finance Middle East Banking Awards, "Best Islamic Card" and "Best SME Card" at the Banker Middle East Products Awards as well as being chosen as the "Islamic Bank of the Year –UAE" and "Most Established Bank of the Year – UAE" at 2014 Business Excellence Awards. Dubai Islamic Bank has been also declared the winner of the "Best Islamic Bank, UAE – 2014" by World Finance - Islamic Finance Awards 2014.

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