Dubai Islamic Bank بنك دبي الإسلامي

Press Release

DUBAI ISLAMIC BANK ISSUES US$ 1 billion SENIOR UNSECURED SUKUK

- Priced at 3.625% Profit Rate
- *The successful deal was concluded on the back of the bank's strong financial performance and attractive market positioning reflected in a diversified and strong order book of 1.83 USD billion*

Dubai, UAE; January 31, 2018. Dubai Islamic Bank has announced the successful pricing of US$ 1 Billion Sukuk issued with a 5 year tenor, maturing on 6th February 2023. The issuance emanating from DIB's USD 5 billion Sukuk Programme carries a profit rate of 3.625 % and is the first US$ benchmark Sukuk transaction from the GCC in 2018, once again reopening the regional FI and corporate Debt Capital Markets, as was done a year earlier. The deal clearly points towards the continued existence of the strong demand for DIB's credit as well as the confidence which global investors have in the UAE's largest Islamic bank.

This landmark RegS transaction was executed following investor meetings in Asia last year and a deal related roadshow in London on 29th January 2018. The issuance received 120 orders from a diverse investor base as part of a USD 1.83 billion order book indicating nearly 2 times oversubscription. The instrument will carry a dual listing on the Irish Stock Exchange and Nasdaq Dubai.

Initial price thoughts of MS+130bps area were released at 09:00 AM UAE time on Tuesday 30th January 2018 to investors. The early guidance was further tightened following the strong demand generated for the transaction. With a final price guidance at MS+115bps , the issuance was subsequently priced at a profit rate of 3.625% (MS+115bps spread), coming in at the tightest end of price guidance, representing solid demand for DIB's paper.

The orderbook was driven by strong demand across the globe, including Middle East, Europe, Asia and North America, and across a broad spectrum of investors base, including banks, sovereign wealth funds, asset managers and other financial institutions to name a few.

"We are delighted with our successful return to the market with this landmark Sukuk issuance of USD $1 billion", said Dr. Adnan Chilwan. Group CEO DIB. "This is the second time that DIB has raised a billion dollar senior Sukuk in as many years effectively leading with the first deal of 2018 and re-opening the market in the GCC. The tremendous investor interest from across the globe is clearly exhibited by the strong and widespread subscription demonstrating not only the continued attraction of DIB as a quality credit, but also the resilience of the Sukuk market in general."

"2018 will see us continue to progress on our growth 2.0 strategy highlighted at the start of last year" he added. "Our success has been built around early and timely capacity creation and this transaction is another example of the team's extraordinary execution capabilities that has led to the bank's market beating performance over the recent past. We remain committed towards our aspirations as we continue to pursue the enhancement of the bank's business and Islamic finance in general in our domestic as well as key international markets".

Bank ABC, Dubai Islamic Bank, First Abu Dhabi Bank, HSBC, J.P.Morgan, KFH Capital, Sharjah Islamic Bank and Standard Chartered Bank acted as Joint Lead Managers and Joint Bookrunners while Union National Bank and Boubyan Bank acted as Co-Managers on the offering.

About Dubai Islamic Bank

Established in 1975, Dubai Islamic Bank is the largest Islamic bank in the UAE by assets and a public joint stock company listed on the Dubai Financial Market. Spearheading the evolution of the global Islamic finance industry, DIB is also the world's first full service Islamic bank and the fourth largest Islamic bank in the world. The Bank currently operates 90 branches across the UAE, is present in seven markets worldwide and is expanding its global footprint to further grow and develop the industry. Serving close to 1.7 million customers, DIB offers its growing consumer base an increasing range of innovative Sharia compliant products and services.

In addition to being the first and largest Islamic bank in the UAE, DIB has a significant international presence as a torchbearer in promoting Shari'ah-compliant financial services across a number of markets worldwide. The bank has established DIB Pakistan Limited, a wholly owned subsidiary which is the first Islamic bank in Pakistan to offer Priority & Platinum Banking, as well as the most extensive and innovative portfolio of Alternate Distribution Channels. The launch of Panin Dubai Syariah Bank in Indonesia early in 2017 marks DIB's first foray in the Far East, the bank owns a nearly 40% stake in the Indonesian bank. Additionally, in May 2017, Dubai Islamic Bank PJSC was given the license by the Central Bank of Kenya (CBK) to operate its subsidiary, DIB Kenya Ltd.

The Bank's ultimate goal is to make Islamic finance the norm, rather than an alternative to conventional banking worldwide. DIB has won a range of accolades that are testament to these efforts across diversified areas, including retail, corporate and investment banking, as well as CSR and consultancy services. A clear indication of the bank's leadership position in the Islamic finance sector, DIB named the Best Islamic Bank in the various prestigious ceremonies. In 2017, DIB won the coveted Global Islamic Business Award in its first edition in the region and was presented to the bank during the 23rd edition of the Business Excellence Awards Ceremony.

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