For immediate release

Emirates Islamic reports net profit of AED 342 million for Q1 2022

Dubai, 21 April 2022

Emirates Islamic, a leading Islamic financial institution in the UAE, today announced its results for the period ending 31 March, 2022.

Total Income	Expenses	Provisions	Net Profit
AED 652 million	AED 281 million	AED 30 million	AED 342 million
↑ 14% y-o-y	↑ 10% y-o-y	↓ 72% y-o-y	↑ 62% y-o-y

NFIM	Cost: Income Ratio	NPF Ratio	CET-1 Ratio
2.90%	43.0%	7.6%	17.7%

Key Highlights – Q1 2022

➢ **Strong operating performance on higher income coupled with reduction in provisions**

- **Total income** up 14% y-o-y driven by higher funded and non funded income
- **Operating expenses increased by** 10% y-o-y
- **Impairment Allowances** reduced 72% y-o-y
- **Operating profit** improved 17% y-o-y
- **Net profit** increased to AED 342 million
- **Net profit margin** at 2.90%

➢ **Strong capital and liquidity combined with a healthy deposit mix enabled the Bank to support customers**

- **Total assets** remained robust at AED 70.1 billion, increased 8% from end 2021
- **Customer financing** at AED 45.2 billion, increased 6% from end 2021
- **Customer deposits** at AED 51.4 billion, increased 9% from end 2021 with CASA balances at 80% of total deposits
- **Credit Quality:** Non-performing financing ratio improved to 7.6% with strong coverage ratio at 117.6%
- **Capital:** Tier 1 ratio at 17.7% and Capital adequacy ratio at 18.8% reflect the strong capital position of the Bank
- **Headline Financing to Deposit ratio** at 88%, remains within the management's target range



Hesham Abdulla Al Qassim, Chairman, Emirates Islamic said:

- We are very pleased to announce a strong performance by Emirates Islamic in the first quarter of 2022. The Bank's net profit grew by 62% year-on-year to AED 342 million, driven by a 14% growth in income and a 72% improvement in provisions.
- As the UAE steadily delivers higher economic growth, customer confidence is at an all-time high. This was reflected in increased appetite for retail products, growth in card spending and 9% growth in customer deposits.
- We were honoured to be a part of Expo 2020 Dubai, a milestone event for the UAE and the Arab world. Demonstrating our pioneering vision for the future of global banking through our on-site presence 'Future Banking by Emirates NBD and Emirates Islamic', we enabled millions of visitors from around the world to experience innovative and futuristic concept-driven banking exhibits to meet the evolving needs of customers.
- As a leading Islamic bank in the region, we were proud to support the landmark DEWA IPO, one of the largest and most significant listings in the region.
- Emirates Islamic supported those in need by contributing AED 51 million in 2021 through the Emirates Islamic Charity Fund. The bank will continue to support a number of charitable institutions and deserving causes in 2022, especially during the holy month of Ramadan.



Salah Mohammed Amin, Chief Executive Officer, Emirates Islamic said:

- Emirates Islamic's balance sheet remains strong with total assets growing by 8% during Q1 2022 to reach AED 70.1 billion, demonstrating the strength of our operating capabilities and prudent risk management.
- Total income for the quarter was 14% higher at AED 652 million, while Customer financing grew by 6% to AED 45.2 billion. We kept investing as we look to expand our reach and footprint.
- Our strong results are a reflection of our relentless focus on providing innovative financial solutions to our customers while enhancing the overall customer service experience.
- In line with our vision to be the most innovative Shariah-compliant bank for our customers, people, and communities, Emirates Islamic is at the forefront of Islamic Banking development. We will continue to play a pioneering role in the Islamic banking sector, helping further increase the uptake of Islamic banking products in the UAE.
- The success of Expo 2020 Dubai delivered a significant economic boost to the region and, as the official Islamic banking partner Emirates Islamic was proud to support the event.

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About Emirates Islamic:
Emirates Islamic (DFM: EIB), part of Emirates NBD Group, is one of the fastest growing banks in the UAE. Established in 2004 as Emirates Islamic Bank, the bank has established itself as a major player in the highly competitive financial services sector in the UAE.

Emirates Islamic offers a comprehensive range of Shari'a-compliant products and services across the Personal, Business and Corporate banking spectrum with a network of 41 branches and 190 ATMs/CDMs across the UAE. In the fast-growing area of online and mobile banking, the bank is an innovator, being the first Islamic bank in the UAE to launch a mobile banking app and offer Apple Pay, as well as being the first Islamic bank in the world to launch Chat Banking services for customers via WhatsApp.

Emirates Islamic has consistently received local and international awards, in recognition of its strong record of performance and innovation in banking. The bank was named 'Best Islamic Bank in Customer Experience, UAE, 2020' at the World Finance Islamic Finance Awards 2021 and received the 'Best Digital Innovation in Islamic Banking' award at MEA Finance Banking Technology Summit & Awards, in recognition of its commitment to service excellence and digitisation.It was awarded 'Best Credit Card in the UAE' for its Skywards Black Credit Card and also received the 'Best Credit Card' award for its Emarati Visa Signature credit card at the 2021 International Finance Awards.
As part of its commitment to the UAE community, the Emirates Islamic Charity Fund provides financial aid to those in need, with a focus on food, shelter, health, education and social welfare contributions.

For further information please visit www.emiratesislamic.ae

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