For immediate release

Emirates Islamic's profit sharply increases to AED 1,054 million for the first nine months of 2022

Dubai, 27 October 2022

Emirates Islamic's net profit jumped to AED 1,054 million for the first nine months of 2022 on higher funded and non-funded income with a significant reduction in the cost of risk reflecting improved business sentiment.

Total Income (YTD)	Expenses (YTD)	Provisions (YTD)	Net Profit (YTD)
AED 2,185 million ↑ 22% y-o-y	AED 987 million ↑ 22% y-o-y	AED 144 million ↓ 23% y-o-y	AED 1,054 million ↑ 31% y-o-y
Total Income (Q3)	**Expenses (Q3)**	**Provisions (Q3)**	**Net Profit (Q3)**
AED 815 million ↑ 32% y-o-y	AED 393 million ↑ 39% y-o-y	AED 69 million ↓ 32% y-o-y	AED 353 million ↑ 50% y-o-y
NFIM	**Cost: Income Ratio**	**NPF Ratio**	**CET-1 Ratio**
3.09 %	45.2 %	6.9 %	17.5%

Key Highlights – First nine months of 2022

➢ **Strong operating performance on higher funded and non-funded income coupled with reduction in cost of risk**

- **Total income** up 22% y-o-y driven by higher funded and non-funded income
- **Expenses increased** 22% y-o-y as EI invests for future growth
- **Impairment Allowances** reduced 23% y-o-y reflecting improved business sentiment
- **Operating profit** improved 21% y-o-y
- **Net profit** increased to AED 1,054 million on the back of higher funded and non-funded income, disciplined cost management action and lower impairment allowances
- **Net profit margin** improved to 3.09% following stable profit rates in the first nine months of 2022

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

- **Total assets** increased to AED 73 billion maintaining a solid asset base
- **Customer financing** at AED 48 billion, increased 12% from 2021
- **Customer deposits** at AED 55 billion, increased 16% from 2021 with CASA balances at 77% of deposits

- **Credit Quality:** Non-performing financing ratio improved to 6.9% with strong coverage ratio at 124%
- **Capital:** Tier 1 ratio at 17.5% and Capital adequacy ratio at 18.7% reflect the strong capital position of the Bank
- **Headline Financing to Deposit ratio** at 87% reflects continued healthy liquidity in the UAE



Hesham Abdulla Al Qassim, Chairman said:

- "We are extremely pleased with our performance for the first nine months of 2022 as Total Income grew 22% year-on-year and net profit jumped to AED 1,054 million.
- Our results are a strong indication of Emirates Islamic's role as a key driver in the growth of Islamic banking in the UAE, empowering our customers to benefit from a buoyant UAE economy.
- Followng earlier IPOs on the Dubai Financial Market, we were pleased in the third quarter to support Salik and act as a Receiving Bank in its very successful public offering, as we remain committed to providing seamless access for local investors to the UAE capital markets.
- We have consistently invested in innovation and infrastructure, the results of which are now evident in our financial performance and strong balance sheet. Shariah-compliant banking continues to set new milestones in the overall banking sector, and Emirates Islamic aims to contribute substantially to the sector's growth and the Government's goal of making Dubai the global capital of the Islamic economy."



Salah Mohammed Amin, Chief Executive Officer said:

- "At Emirates Islamic, we continue to see an improvement in performance across all our business segments, including Retail, Business and Wholesale Banking.
- The successful performance is reflected in higher funded and non-funded income and lower impairment allowances.
- We have increased customer financing by 12% and grown the diversified deposit base by 16% during the first nine months of 2022, supporting customers and fulfilling their banking requirements
- We will continue to strengthen our value proposition through best-in-class innovative offerings backed by the latest technology, with a clear objective to provide our customers with the best customer experience across all touchpoints."

Key Highlights

- The Bank won three awards at the World Finance Islamic Finance Awards this year - namely "Best Islamic Bank in UAE"; "Best Islamic Bank in Customer Experience, UAE" & "Best Credit Card in UAE" for our Etihad Guest Credit Cards - a range of exclusive, co-branded credit cards with Etihad Airways.
- Launch of 'Businesswomen Account' offering a host of benefits and privileges to support women entrepreneurs in the UAE.
- Launch of cardless cash withdrawal via our global cash management platform, businessONLINE as part of our commitment to support UAE businesses with seamless business-friendly solutions.
- Collaboration with Tradeling, the largest eMarketplace focused on B2B transactions in the MENA region.

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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 206 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. Emirates Islamic is the Official Banking Partner to Expo 2020 Dubai.

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For further information please visit www.emiratesislamic.ae

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