بنك دبي الإسلامي
Dubai Islamic Bank

Press Release

DIB announces second quarter 2010 net profit of AED 301 million, up 50 per cent from previous quarter

- *Total assets stand at AED 83.8 billion*
- *Customer deposits reach AED 64.8 billion*
- *Healthy financing-to-deposit ratio of 77 per cent*

Dubai, August 14, 2010: Dubai Islamic Bank (DIB) announced today its financial results for the three months ending June 30, 2010, demonstrating the bank's operational resilience, as well as the success of its conservative and prudent approach of building strong cushion through a deliberate provisioning policy.

For the second quarter of 2010, DIB reported a net profit of AED 301 million, an increase of 50 per cent compared to AED 201 million in the first quarter of this year. Total income during this quarter increased to AED 1,108 million compared to AED 1,079 million in the first quarter of 2010.

The bank's total assets as of June 30, 2010, stood at AED 83.8 billion compared to AED 84.3 billion at December 31, 2010. Customer deposits stood at AED 64.8 billion compared to AED 64.2 billion as of December 31, 2009.

DIB reported a healthy financing-to-deposit ratio of 77 per cent as of June 30, 2010, providing a clear indication of the bank's healthy liquidity position. The bank also reported a robust Basel II capital adequacy ratio of 18.5 per cent as of the same date. Continuing its conservative approach, the bank provisioned AED 145 million in the second quarter of 2010, with total provisioning of AED 320 million in the first six months of this year.

“Dubai Islamic Bank is very pleased to share its positive financial results for the second quarter of this year, which show clearly that the bank remains on a growth trajectory during a period of ongoing challenges for the financial services sector worldwide,” said His Excellency Mohammed Ibrahim Al Shaibani, Director-General of His Highness The Ruler’s Court of Dubai and Chairman of Dubai Islamic Bank.

“Despite conservative financing and provisioning policy, the retail and corporate banking division has registered positive growth, reflecting the strength and robustness of our business strategy during the current economic scenario.”

In line with its long-term domestic retail expansion strategy, Dubai Islamic Bank continues to focus on the opening of strategically located branches and express banking centres, while also increasing its total customer base.

In the last quarter, the bank launched a series of Shariah-compliant products to cater to its diverse customer base. The bank introduced three new account variants to its product portfolio, which are tailored to meet the needs of different customer segments. The bank launched Al Islami Salam Finance, a new product that offers liquidity through personal financing to DIB customers. DIB also launched a two-year Islamic Certificate linked to the RBS Crescent Dynamic Middle East 2 Strategy.

In a move to enhance customer service and add to the ease of banking with DIB, the bank launched Al Islami Mobile Banking, as well as a new booking payment method for flydubai and DIB customers via Al Islami Online Banking.

The bank’s solid performance especially during these challenging times for financial services has not gone unrecognised. DIB was named the “Best Islamic Bank” in the UAE for 2010 by Global Finance magazine for the third consecutive year. DIB was also named “Best Islamic Retail Bank” by the International Islamic Finance Forum, and the “Best Takaful Distributor in the UAE” for the second quarter of 2010 by FWU AG, a global leader in Takaful product development,.

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