Press release

Dubai Islamic Bank's Q1 profit up 127% to AED 695 Million

Total assets reach AED 63 billion, up by 109%

Dubai, April 17, 2006: Dubai Islamic Bank (DIB) today announced a record 127% increase in its 1st Quarter profit of 2006 (including depositors' share of profit) to AED 695 million, compared to AED 305 million in the corresponding period of 2005.

Net profit attributed to shareholders also rose to AED 332 million, a 118% increase as compared to AED 152 million in the 1st Quarter of 2005. The Bank's total assets grew by a record 109% to AED 63.4 billion at the end of the 1st Quarter of 2006, as compared to AED 30.3 billion at the end of Q1 2005.

Customer deposits also showed strong growth of 37% to reach AED 35.3 billion at the end of the 1st Quarter of 2006, as compared to AED 25.8 billion by the end of Q1 2005.

Dr. Mohamed Khalfan bin Khirbash, UAE Minister of State for Finance and Industry and Chairman of DIB, said: "The Bank's impressive performance during the first three months of this year reflects the success of our strategy to diversify our products and services range to meet the growing demands of the market. This success came due to the high growth of our core banking services across all business units such as retail, corporate, real estate & investment banking activities and not one-off benefits."

"The Bank has continued to pursue an ambitious expansion plan in the UAE as well as internationally, in new markets and sectors supported by our strategic alliances and partners. For the first time in its history, DIB successfully started operations in Pakistan. The Bank's local and international branch network will cross 70 branches by the end of 2007," he added.

He noted: "A crucial decision was taken by the Board of Directors during this quarter when DIB increased its paid up capital to US $2.5 billion. This enhanced capital will enable the Bank to expedite its expansion plans and operations. Besides, the Bank continues to consolidate its leadership position in the banking and finance sector by lead managing and arranging a series of landmark deals worth AED 70 billion in various economic and business sectors during the last 16 months. Recently, the Bank also announced the US $5 billion family of sector specific private equity funds in partnership with Dubai World, which will be launched over the next 18 months."

Dr. Khirbash also highlighted the ongoing investment in national human capital and Emiratisation programs at the Bank. He said: "Within the UAE, we are rated as the Employer of Choice not only amongst UAE nationals, but also in the industry. We proud to be the Number One Bank in Emiratisation with the highest ratio of 43%."

DIB has been awarded the Best Islamic Bank in the Middle East and the Best Global Sukuk House at the Euromoney 2006 Islamic Finance Awards. DIB also won the Best Islamic Bank in Middle East Award at the Gulf Wealth Forum, as well as the "Sharjah Human Development Award for Banking sector" during the 8th National Career Exhibition. In addition, DIB won the Regional Continuing Contribution to Islamic Finance Award and Global Continuing Contribution to Islamic Finance in Islamic Retail Development Award at the International Islamic Finance Forum recently.

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