

Press Release:

Dubai Islamic Bank Nine Month 2024 Group Financial Results

- **Balance Sheet** expands to AED 329 billion, up almost 5% YTD.
- Strong growth in **Total Income** by 17% YoY to AED 17 billion.
- **Pre-Tax Profit** of AED 6 billion, a robust growth of 23% YoY.
- **Upgrade** in the bank's **Viability Rating (VR)** to 'bbb-' from 'bb+', from Fitch Ratings.
- **Upgrade** in the bank's **MSCI ESG Rating** to 'A' from 'BBB.'

Dubai, November 5, 2024

Dubai Islamic Bank (DFM: DIB), the largest Islamic bank in the UAE, today announced its results for the period ending September 30, 2024.

9M 2024 Highlights:

- **Group Pre-Tax Profit** registered AED 6,002 million up 23% YoY, while **Group Net Profit** came in at AED 5,448 million, up 13% YoY. **3Q 2024 Pre-Tax Profit** is AED 2,281 million up 32.1% YoY.
- **Net financing and sukuk investments** reached AED 286 billion, up 7% YTD. Net financing growth picked up on a YTD basis at 3.7%. Gross new underwriting and sukuk investments recorded AED 68.8 billion in 9M 2024.
- **Total income** reached AED 16,995 million compared to AED 14,548 million, a solid expansion of 16.8% YoY.
- **Net Operating Revenues** showed a robust increase of 6.3% YoY to reach AED 9,085 million.
- **Group Net Profit** stood at AED 5,448 million, a 13.0% YoY increase compared to AED 4,823 million in 9M 2023.
- **Balance sheet** rose by 4.7% YTD to reach AED 329 billion.
- **Customer deposits** increased to AED 237 billion, up 6.7% YTD with CASA deposit contributing over 38.1%, up more than 150 bps from 36.6% at the beginning of the year.
- **Impairment charges** came at AED 530 million, significantly declining by 62% YoY against AED 1,409 million in 9M 2023.
- **NPF** improved to 4.27% compared to 5.40% in YE 2023, lower by 113 bps YTD. **Cash Coverage** now at 97%.
- **Cost to income** ratio up by 160 bps YoY to 28.1%, as the bank continue to strengthen its key areas and functions in line with its growth strategy.
- **LCR** remains robust at 140.1%.
- **ROA** is stable at 2.3% while **ROTE** to 20% up 200 bps YoY. Pre-tax RoA and RoTE at 2.5% and 22% respectively.
- **CET1** at 13.9% (+110 bps YTD) and **CAR** at 18.3% (+100 bps YTD), denotes a well-capitalized entity to leverage growth opportunities.

- Fitch Ratings has upgraded the bank's Viability Rating (VR) to 'bbb-' from 'bb+', citing the DIB's improved asset quality metrics coupled with the bank's solid business, earnings and funding profiles.

Management's comments for the period ended 30th September 2024:



**His Excellency Mohammed
Ibrahim Al Shaibani**

**Director-General of His
Highness The Ruler's
Court of Dubai and
Chairman of Dubai Islamic
Bank**



Dr. Adnan Chilwan

**Group Chief Executive
Officer**

- *The UAE continues its robust progress towards economic growth & development despite global uncertainties and regional conflicts. With inflation now showing signs of moderation, central banks have now embarked on lowering rates generating more favorable financial market and economic conditions. UAE's growth projections remain amongst the strongest in the region driven by rising population, growing tourism and enhanced trading volumes.*
- *Accordingly, DIB's nine-month performance has been remarkable with total income of nearly AED 17 billion, a robust 17% YoY rise. The bank continues to secure strong new origination from our growing customer base across the country and the region at large.*
- *A strong nine-month performance for the bank with Group profit (pre-tax) of AED 6 billion up 23% YoY, supported by improving operating conditions and continued strong underwriting on new business. Return ratios continue to improve with RoA at 2.3% (+10 bps YoY) and RoTE at 20% (+ 200 bps YoY).*
- *The UAE banking system remain robust despite the global market and regional volatilities as exhibited by rising lending as well as deposit volumes. The strong performance of the sector is driven by a positive economic outlook with increasing business activities, improving asset quality, as well as rising profitability.*
- *All business units achieved positive performance with both corporate and consumer portfolios adding new net lending of more than AED 7 billion across several sectors. Along with a solid growth in the fixed income book, the bank's financing and sukuk portfolio reached AED 286 billion, up 7% beating year end guidance by 180 bps.*
- *The recent upgrade of the bank's viability rating is a clear demonstration of our persistent efforts to protect and grow the*

franchise across strengthening key areas such as asset quality, earnings, capital as well as funding & liquidity.

- *DIB earned significant improvements with several of its external ESG ratings, including from some of the top raters such as MSCI which has recently upgraded DIB to “A” from “BBB.” The Bank has been recognized for both making progress against its ESG strategy, and for enhancing disclosures and increasing transparency in our sustainability reporting.*

Financial Review

Income statement summary

AED millions	Sep 2024	Sep 2023	YoY % change
Total Income	16,995	14,548	17%
Depositors' / Sukuk holders share of profit	(7,910)	(6,001)	32%
Net Operating revenue	9,085	8,547	6%
Operating expenses	(2,554)	(2,262)	13%
Profit before impairment losses	6,531	6,286	4%
Impairment losses	(530)	(1,409)	(62%)
Pre tax income	6,002	4,877	23%
Income tax	(553)	(54)	932%
Net profit for the period	5,448	4,823	13%

Key Ratios (%)	Sep 2024	Sep 2023	Change (bps)
Net Profit Margin %	3.0%	3.1%	(10 bps)
Cost to income ratio %	28.1%	26.5%	160 bps
Pre-tax return on average assets %	2.5%	2.2%	30 bps
Pre-tax return on tangible equity %	22%	18%	400 bps
Return on average assets %	2.3%	2.2%	10 bps
Return on tangible equity %	20%	18%	200 bps

Balance Sheet Summary

AED millions	Sep 2024	Dec 2023	YTD % change
Net Financing and Sukuk Investments	285,782	267,626	7.0%
Equities & Properties Investments	9,060	9,954	(9.0%)
Other Assets	9,378	8,209	14.2%
Due from banks and financial institutions	4,176	4,484	(6.9%)
Cash & CB Balances	20,773	24,020	(13.5%)
Total assets	329,169	314,292	4.7%
Customers' deposits	236,868	222,054	6.7%
Sukuk financing instruments	24,158	20,481	18.0%
Other liabilities	19,179	24,322	(21.1%)
Total liabilities	280,205	266,885	5.0%
Shareholder Equity & Reserve	37,756	36,293	4.1%
Tier 1 Sukuk	8,264	8,264	0.0%
Non-Controlling interest	2,945	2,877	2.4%
Total liabilities and equity	329,169	314,292	4.7%

Key Ratios (%)	Sep 2024	Dec 2023	Change (bps)
Liquidity Coverage Ratio (LCR)	140.1%	188.7%	(4,860 bps)
CET 1	13.9%	12.8%	110 bps
Capital Adequacy Ratio (CAR)	18.3%	17.3%	100 bps
Non-Performing Financing (NPF)	4.27%*	5.4%	113 bps
Coverage	132%	121%	1,100 bps

* NPFs are adjusted with a large account settlement post quarter end.

Operating Performance

The bank's **Total Income** rose to AED 16,995 million in 9M 2024 demonstrating a solid growth of 16.8% YoY compared to AED 14,548 million. Non-funded income advanced by 32% YoY over the reporting period supported by income from investment properties, properties held for sale, other income and associate income. **Net Operating Revenue** grew by 6.3% YoY to reach AED 9,085 million compared to AED 8,547 million last year.

Pre-impairment profit increased by 3.9% YoY reaching AED 6,531 million compared to AED 6,286 million. **Impairment charges** stood at AED 530 million down by a significant 62.4% YoY.

Operating expenses amounted to AED 2,554 million for the year vs AED 2,262 million in 9M 2023, exhibiting 12.9% YoY increase. **Cost income ratio** registered 28.1%, up 160 bps YoY.

Pre-tax profit grew by 23.1% YoY to reach AED 6,002 million. Despite the introduction of corporate tax, **Group Net Profit** increased by 13.0% YoY to reach AED 5,448 million vs AED 4,823 million in 9M 2023.

Net profit margin stable at 3.0%. Separately, post tax **ROA** is stable at 2.3% while **ROTE** stands at 20%. **Pre-tax ROA and ROTE** stood at 2.5% and 22% respectively.

Balance Sheet Trends

Net financing & Sukuk investments stood at AED 286 billion, up 7% YTD from AED 268 billion in FY 2023.

DIB witnessed strong gross new underwriting of 22% YoY in the consumer portfolio during the 9M 2024 period to AED 19 billion. Similarly, the bank's corporate net new underwriting added AED 2 billion despite being impacted by AED 17 billion of early settlements. This contributed to the bank's financing portfolio growth over the 9M 2024 period to AED 206.8 billion, up 3.7%.

Customer deposits registered AED 237 billion up by 6.7% YTD. **CASA** reached AED 91 billion up 11% YTD and comprising 38% of deposits. Investment deposits contribution remained stable at 62%. **Liquidity coverage ratio (LCR)** at 140.1%, remains above regulatory requirement, depicting strong liquidity position.

Non-performing financing (NPF) ratio improved to 4.27%, down by 113 bps compared to FY 2023. The NPF absolute amount decreased by 18.5% from AED 11.5 billion during YE 2023 to AED 9.36 billion. NPFs are adjusted with a large account settlement post quarter end.

Stage 1 financing is up by 5% to AED 192 billion while Stage 2 financing ended the period at AED 12.5 billion down 13% due to some accounts moving to stage 1. Similarly, Stage 3 coverage is stable at 67.1% as stage 3 exposure dropped to just over AED 9 billion, the lowest level over the past 3 years.

Cash coverage ratio now stands at 97% and overall coverage including collateral at 132%. **Cost of risk** came in at 26 bps compared to 57 bps in FY 2023.

Capital ratios continue to remain strong with **CAR** at 18.3% and **CET 1 ratio** at 13.9%, both well above the regulatory requirement.

Business Performance (9M 2024)

Consumer Banking portfolio reached AED 61 billion up 9% YTD. The portfolio's total new underwriting of AED 19.5 billion during the year increased from AED 16 billion, up 22% YoY. All consumer segments particularly credit cards and auto finance were up by 23% and 17% on a YTD basis. Despite routine repayments of AED 14.4 billion, the portfolio added nearly AED 5.1 billion of net new underwriting in 9M 2024 versus AED 3.1 billion in 9M 2023. Blended yield on consumer financing grew by 33 bps YoY to reach to 7.0%. Separately, on the funding side, consumer deposits increased by 2% YTD to AED 90 billion while consumer CASA remained sticky at AED 46.8 billion.

Corporate banking portfolio reached AED 145.6 billion up 3% YTD. Revenues increased by almost 5% YoY to AED 2.2 billion. Yield on corporate financing portfolio expanded by 30 bps YoY to 6.7% compared to 6.4% during 9M 2023. On the funding side, corporate deposits increased by 11% on a YTD basis while CASA advanced by a healthy rate of 28% YTD, as the bank continued to attract strategic corporate clients.

Treasury continued to provide a strong engine for growth as the curator of the bank's fixed income book. The sukuk investment portfolio now stands at AED 79 billion, up a solid 16% YTD. Having said that, net new sukuk investments during the year amounted to AED 16 billion. The portfolio carries an attractive yield of 4.8% up 18 bps YoY.

Key Highlights (Q3 2024)

- Fitch Ratings has affirmed Dubai Islamic Bank's Long-Term Issuer Default Rating (IDR) at 'A' with a Stable Outlook. Fitch has also **upgraded the bank's Viability Rating (VR)** to 'bbb-' from 'bb+'. This reflects DIB's improved asset-quality metrics, stronger risk management as well as strong earnings and funding profiles. The improved VR rating demonstrates the strengthening financial and credit position of the bank supported by improving operating conditions of the UAE.
- Dubai Islamic Bank led the **landmark \$3.25 Billion financing transaction for GEMS Education**. The bank played a pivotal role in spearheading the facility for GEMS Education, the largest private K-12 education provider in the world. This transaction underscores DIB's leadership in the financial sector, particularly in structuring and underwriting significant deals that foster growth and development in key industries. The multi-billion-dollar, sustainability linked facility was underwritten by a UAE bank consortium led by DIB.
- The bank provided financial support towards the development of the Hamdan Bin Rashid Cancer Hospital, with **a substantial pledge to healthcare** in Dubai with an AED15 million contribution to Al Jalila Foundation, which leads the Giving mission of Dubai Health. The contribution will support the development of Dubai Health's Hamdan Bin Rashid Cancer Hospital, the first comprehensive cancer care hospital in Dubai, underscoring their commitment to the community's well-being and advancing healthcare infrastructure.
- DIB signed an MOU with Mohamed bin Rashid Fund to **empower UAE National-Owned SMEs**. The bank, signed an MOU with the Mohamed bin Rashid Fund for the Support of Small and Medium-Sized Enterprises, represented by His Excellency Abdulbaset Al Janahi, CEO of Dubai SME. This partnership aims to provide Sharia-compliant strategic financing solutions through a Credit Guarantee Scheme to empower UAE National-owned SMEs.
- The bank successfully achieved significant upgrades and increases in most of its **ESG scores & ratings**. This move by external agencies indicates robust progress on the ESG agenda and significantly enhance transparency via public disclosure.

DCM and Syndication Deals (9M 2024)

Sukuk (USD)				
Issuer /Obligor	Type	Coupon (%)	Amount Issued (US\$m)	Tenor (Y)
First Abu Dhabi Bank	Financial Institution	4.779	800	5
Kuwait Finance House	Financial Institution	5.011	1,000	5
Omantel	Corporate	5.375	500	7
Kingdom of Bahrain	Sovereign	6	1,000	7
Saudi Electricity Company	Corporate	4.942/5.194	800 / 1,400	5 &10
ESIC	Corporate	5.831	700	5
Saudi National Bank	Financial Institution	5.129	850	5
Bingatthi	Corporate	9.625	300	3
Dubai Islamic Bank	Financial Institution	5.243	1,000	5
Public Investment Fund	SWF	5.171	2,000	7
Arabian Center	Corporate	9.5	500	5
Al Rajhi Bank	Financial Institution	5.047	1,000	5
Kuwait International Bank	Financial Institution	6.625	300	Perp
Aldar Properties	Corporate	5.584	500	10
Islamic Development Bank	Supranational	4.754	2000	5
Al Rajhi Bank AT1	Financial Institution	6.375	1,000	5.5
Emirates Islamic Bank	Financial Institution	5.431	750	5
Arada	Corporate	8	400	5
Damac Properties	Corporate	8.375	100	3
Govt. of Indonesia	Sovereign	5.1 / 5.2 / 5.5	750 / 1,000/ 600	05/10/30
Energy Development Bank	Corporate	5.662	750	7
Sharjah Islamic Bank	Financial Institution	5.25	500	5
Warba Bank	Financial Institution	5.351	500	5
Binghatti Sukuk Tap	Corporate	9.625	200	3
PIF	SWF	4.488	1500	3

Sobha TAP	Corporate	7.8	230	4
QIIB	Financial Institution	5.45	300	6
Arada tap	Corporate	8	150	5
Saudi Aramco	GRE	'4.25 / 4.75	1,500 / 1,500	'5 / 10
Aercap	Corporate	4.65	500	5
Dukhan Bank	Financial Institution	4.56	800	5
Islamic Development Bank	Supra National	4.05	1250	5
Government of Sharjah	Sovereign	5.433	750	10.5
Dubai Islamic Bank	Financial Institution	5.25	500	Perp

SUKUK (AED)					
Issuer / Obligor Name	Issuer Type	Coupon (%)	Amount Issued (AED mn)	Tenor	ESG
Government of Sharjah	Sovereign	5.500	1,000	5Y	No

CLUB / SYNDICATED TRANSACTIONS			
Obligor Name	Obligor Type / Sector	Total Deal Value (USD or USD eqv. In Mn)	Closing Date
Sharjah Airport	Airport/Contracting	218	Jan 2024
Saudi Electricity	Power Generation electricity	3000	Jan 2024
Gov. of Egypt	Sovereign	1304	Jan 2024
Gov. of Bahrain	Sovereign	1000	Sep 2024

Awards List (9M 2024)

Date	Award Giving Body	Award Received
February 2024	Capital Markets & ESG Finance Saudi Arabia Awards	• Acquisition Finance Deal of the Year • ECA, DFI, IFI Deal of the Year • Transport Finance Deal of the Year • Power Finance Deal of the Year • Corporate Bond Deal of the Year
March 2024	Middle East Banking Award	• Middle East - Best Product Launch (Retail) • Oman - Best Foreign Investment Bank, recognized for the successful issuance of the Energy Development Oman Sukuk, alongside other participating banks. • United Arab Emirates - Best Sukuk House
March 2024	Lexzur Legal Tech Innovation Award 2024	• Lexzur Legal Tech Innovation Award 2024
March 2024	DIB Legal ISO Certification Event	• ISO 9001:2015 Certification
April 2024	Forbes Middle East	• DIB Ranked 14th amongst the Middle East's 30 Most Valuable Banks 2024
April 2024	Islamic Finance News Awards (IFN)	• Best Overall Deal of the year • Best Islamic Retail Bank • Best Islamic Bank in the UAE • Social Impact, SRI ESG Deal • Indonesia Deal of the Year • Sovereign & Multilateral Deal of the Year • UAE Deal of the Year • Best Islamic Bank in Kenya • Corporate Finance Deal of the Year • Real Estate Deal of the Year • Syndicated Finance Deal of the Year • IFN Hybrid Deal of the Year 2023
May 2024	MEA Finance Banking Technology Awards	• Best Innovation in Retail Banking for Evolve • Best Digital Innovation in Islamic Banking of the Year for 'alt'
May 2024	Euromoney Awards for Excellence 2024	• UAE's Best Bank for Diversity & Inclusion
June 2024	Forbes Middle East	• DIB Ranked 21st amongst the Middle East's Top 100 Listed Companies 2024
June 2024	MEA Business Achievement Awards 2024	• Banking and Finance - Outstanding Sustainability Initiative Dubai Islamic Bank • Outstanding New Product/Service Launch DIB Nest • Banking and Finance - Exceptional Products/Services DIB 'alt'
July 2024	Centre of Assessments for Excellence	• ISO 45001 Certification

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 second largest Islamic bank in the world. With Group assets in excess of USD 80bln and market capitalization of nearly USD 9bln, the group operates with a workforce of more than 10,000 employees and around 500 branches in its vast global network across the Middle East, Asia and Africa. Serving over 3 million customers across the Group, DIB offers an increasing range of innovative Shariah compliant products and services to retail, corporate and institutional clients.

In addition to being the first and largest Islamic bank in the UAE, DIB has a significant international presence as a torchbearer in promoting Shariah-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 25% 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. DIB has been designated as D-SIB (Domestic Systemically Important Bank) in 2018 in UAE. In early 2020, DIB completed the acquisition of Noor Bank, which solidifies its position as a leading bank in the global Islamic finance industry.

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. DIB has been named the Best Islamic Bank in various prestigious ceremonies and recognized for its outstanding performance amongst the world's Islamic Banks, marking it a clear indication of the bank's leadership position in the Islamic finance sector.

For more information, please visit us at www.dib.ae

Please follow us on DIB's social channels:



<https://www.facebook.com/dib.uae/>



<https://www.linkedin.com/company/dubai-islamic-bank>



https://www.instagram.com/dubai_islamic_bank/



<https://x.com/dibtoday>



<https://www.youtube.com/user/DubaiIslamicBank>

For more PR information, please contact:

Dubai Islamic Bank

Kashif Moosa

Head of Investor Relations & Strategic Communication

Direct: +971.4.2075454

Email: kmoosa@dib.ae

Weber Shandwick

Tameem Alkintar

Account Director

Direct: +971 56 149 1094

Email: TAlkintar@webershandwick.com

Download the DIB Investor Relations (IR) App

