

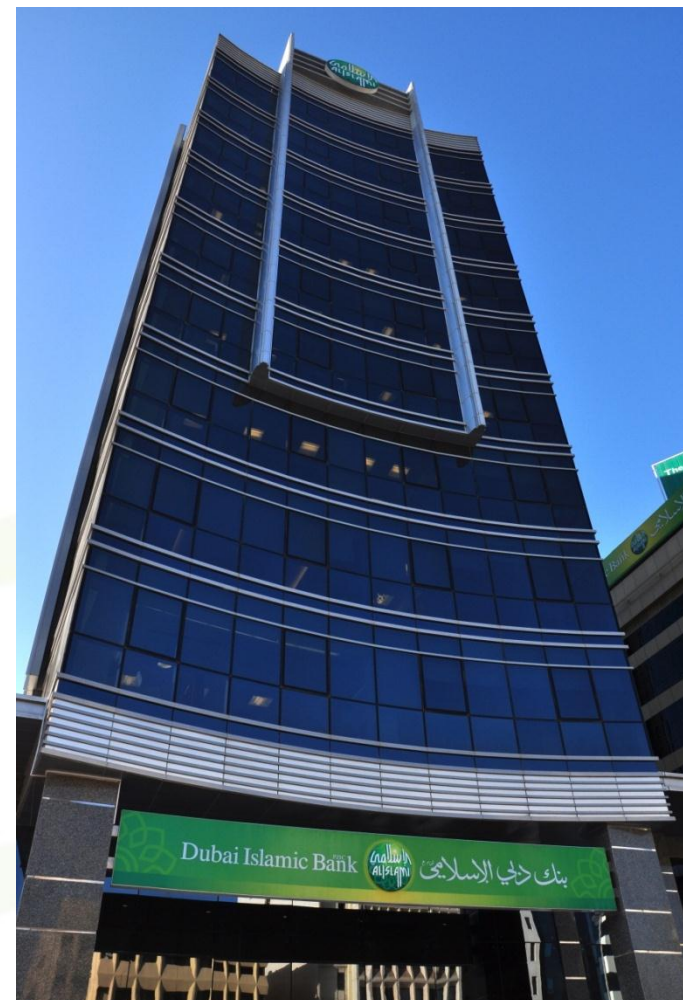


Dubai Islamic Bank

"The Better Way to Bank"

Investor Relations

YE 2011



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About DIB



بنك دبي الإسلامي
Dubai Islamic Bank

The world's first Islamic Bank
Established in 1975

UAE ▶74 Branches
▶Reaching 1,400,000 customers

Pakistan ▶60+ Branches in 30+ cities

Jordan ▶Jordan Dubai Islamic Bank

Turkey ▶DIB Representative office



Formidable Name in Islamic Banking

Significant government ownership –
Government of Dubai 29.81% and
Federal Pension Fund 4.29%

3rd largest Islamic bank in the world
and largest in the UAE

Innovators and drivers of Islamic
Banking trends

Strong geographical coverage within
UAE (branches, ATMs,) internet and
online, mobile banking

Choice employer for Islamic Banking
Professionals

Strong in deposits and market leader
in auto finance

Leader in home finance and cards
among Islamic banks

Only bank offering Salam (Personal
Finance) proposition to individuals
and consumers

Huge cross-sell opportunity to one of
the largest retail and corporate
customer base

Strong liquidity compared to peers

Qualified and Experience Staff in all
segments

Strong Islamic Bank with a large and
loyal customer base

DIB Group Structure



بنك دبي الإسلامي
Dubai Islamic Bank



100 % owned



Strategic Stakes

DIB's Core Businesses

Retail & Business Banking

- Largest business Group within DIB
- Full range of products and services
- Customer segments: Mass Affluent, HNWI, SMEs
- One of the largest Retail customer base in UAE
- Market leaders: Deposits products and Auto finance, Islamic mortgages, Islamic credit cards

Investment Banking

- DIB Capital incorporated in Dubai International Financial Centre
- Investment banking activities such as project finance, loan syndication, capital markets, asset management and structured finance as well as Corporate Advisory Services
- Lead numerous key Islamic investment banking transaction since inception
- Global leaders in Sukuk issuance: #3 in the Bloomberg league table in 2006

Real Estate, Contracting Finance

- Financing to contractors in the real estate, oil, gas, power and water sectors

Corporate Banking

- Focus on Large & Middle Market
- Bankers to top corporate houses in UAE
- Financing for Trade and Manufacturing and Infrastructure
- Strong transactional banking capabilities including Cash Management, FI's corresponding bank, etc.

Treasury

- Foreign exchange services
- Asset-liability management
- Islamic derivatives

Mega Deals: Capital Market Transactions



AED 1.1 Billion Sukuk
Joint Lead Manager &
Bookrunner
2011



AED 1.1 Billion Sukuk
Joint Lead Manager &
Bookrunner
July 2008



AED 3.75 Billion Sukuk
Joint Lead Manager &
Bookrunner
June 2008



AED 3.20 Billion Sukuk
Joint Lead Manager &
Bookrunner
June 2008



AED 3.60 Billion Sukuk
Joint Lead Manager &
Bookrunner
May 2008



AED 7.50 Billion Sukuk
Joint Lead Manager &
Bookrunner
Nov 2007



\$ 1.5 billion Sukuk
Joint Lead Manager
& Joint Bookrunner
June 2007

\$ 1.00 billion
Sukuk
Joint Lead Manager
& Book runner
June 2007



\$3.52 Billion Sukuk
Joint Lead Manager &
Bookrunner
Nov 2006

Ports, Customs &
Free Zone Corp.,
UAE

\$3.5 billion Sukuk
Lead Manager & Joint
Bookrunner
June 2006



Qatar Real Estate
Investment Co.

\$270 million Sukuk
Joint Lead Arranger
and Bookrunner
Aug 2006



\$550 million Sukuk
Mandated Lead
Manager & Joint
Bookrunner
June 2005



\$1 billion Debut Intl.
Sukuk
Mandated Lead
Manager & Joint
Bookrunner
Nov 2004



Government of
Pakistan
\$600 million Debut
International Sukuk
Co-Manager
Jan 2005



Govt. of Malaysia
\$600 million Sukuk
Co-Lead Manager
2002



LMC - Bahrain
\$250 mn Sukuk
Co-Lead Manager
Jun 2004



Islamic
Development Bank
\$500 million Sukuk
Joint Lead Manager
Jun 2005

\$1.25 billion
Sukuk
Co – Manager
Jun 2007

PF & Syndications Transactions



AED 3.6 billion
Islamic and
Conventional
syndicated financing
facility
December 2011



\$ 2.2 billion equiv.
Multi currency
Multi Tranche Ijara &
Conventional
Facilities
Joint Mandated Lead
Arranger &
Bookrunner



\$ 2.50 billion
Dual currency
Conventional &
Islamic Facility
Joint Mandated Lead
Arranger &
Bookrunner




PFZW
\$ 1.25 billion
Dual currency
Conventional &
Islamic Facility
Joint Mandated Lead
Arranger &
Bookrunner



\$ 6 billion
Dual Tranche
Conventional
& Islamic Murabaha
Facility
Joint Mandated Lead
Arranger & Bookrunner
Sep 2008



\$ 2.2 billion equiv.
Dual currency Ijara
Facility
Joint Mandated
Lead Arranger &
Bookrunner
April 2008



Al Jaber Group
\$ 400 million equiv.
Dual currency Ijara
Facility
Joint Mandated Lead
Arranger &
Bookrunner



\$ 2.1 billion
Finance Facility
Joint Lead Arranger
and Bookrunner
April 2008



\$ 1.85 billion
Syndicated Ijarah
Facility
Arranger &
Bookrunner
Aug 2007



\$1 billion Istisna' &
Ijara
Mandated Lead
Arranger & Joint
Bookrunner
Sep 2005



Tabreed, Abu Dhabi
\$100 million Ijarah
Sole Arranger
April 2007



BAPCO – Bahrain
\$330 million Ijara
Mandated Lead
Manager



**Aluminum
Bahrain**
\$150 million
financing
Co-Lead Arranger




\$2.35 billion
financing
Joint Lead Arranger
Oct 2004




Qatargas II
\$530 million
financing
Mandated Lead
Arranger
Dec 2004



Pertamina
\$322 million financing
Co-Lead Arranger
Dec 2004



**Umm Al Nar, Abu
Dhabi**
\$ 250 million
Facility
Co-Arranger



**Dubai Ports
Authority**
\$150 million
financing
Sole Lead Arranger

Key Awards

2006



Best Islamic Bank in the Middle East
Best Global Sukuk House
 Euromoney Islamic Finance Award



Best Debt House in UAE
 Euromoney Award for Excellence



Bank of the Year (UAE)
 The Banker Awards

2007



Best Islamic Bank in the Middle East and PCFC deal recognized as the Deal of the Year
 Euromoney Islamic Finance Award



Banker Middle East Award
Best Islamic Bank (3rd consecutive time)

2008



Best Islamic Retail Bank
Best Islamic Bank in the UAE
 Global Finance inaugural World's Best Islamic Financial Institutions Awards



Best Islamic Credit Card
 Banker Middle East Product Awards



Best Islamic Bank (4th consecutive time)
 Banker Middle East Award

2009



Best Sukuk Bank
Best Islamic Bank in the UAE (2nd year in a row)
 Global Finance Award



Best Wealth Management Firm
Best Globalization Effort,
Best Sukuk Structuring (for JAFZA Sukuk)
Lifetime Achievement Award for Dr. Hussain
 Islamic Business & Finance Award

2010



The Banker's Top 500 Islamic Financial Institutions ranks **DIB as No.1 in the UAE and 7th in the World** (By Shaira compliant assets)



Best Islamic Finance Bank in the UAE
 Global Finance

Key Awards - Recent



Mudaraba Deal of The Year - ENOC
AED 1.1 billion
Islamic Finance News Award



Forbes Middle East's Credit Cards Ranking: Dubai Islamic Bank ranked No. 1 in Gold and Classic Cards Tiers and No. 2 in the Platinum Cards Tier in the UAE

2011

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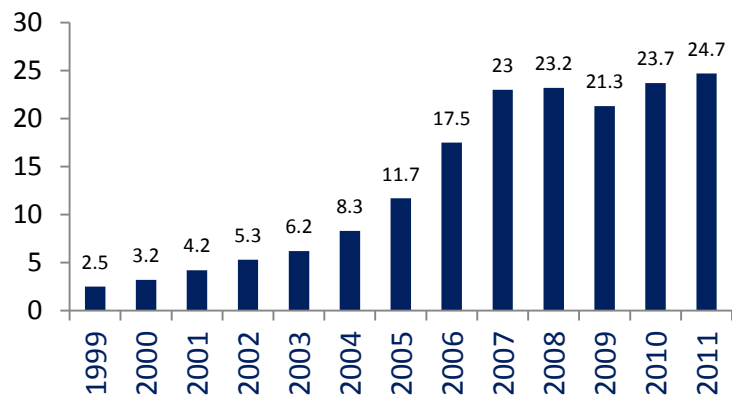
DIB Financials

Bank Business Strategy

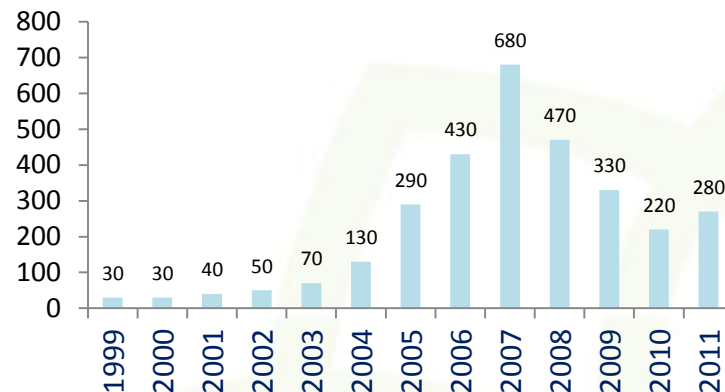
Stock Information

Key Financials Year End 2011

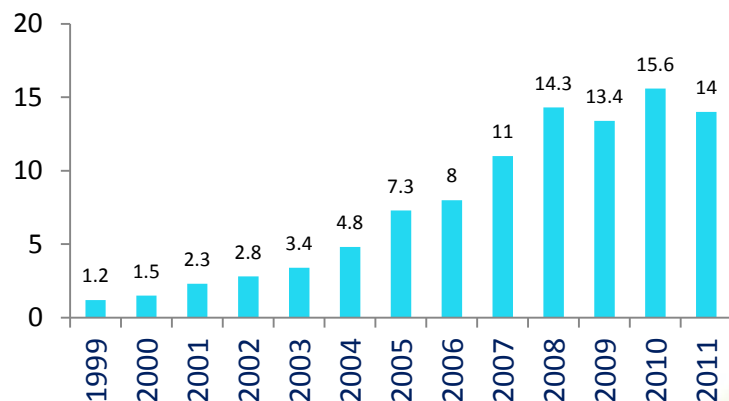
Assets (USD Bln)



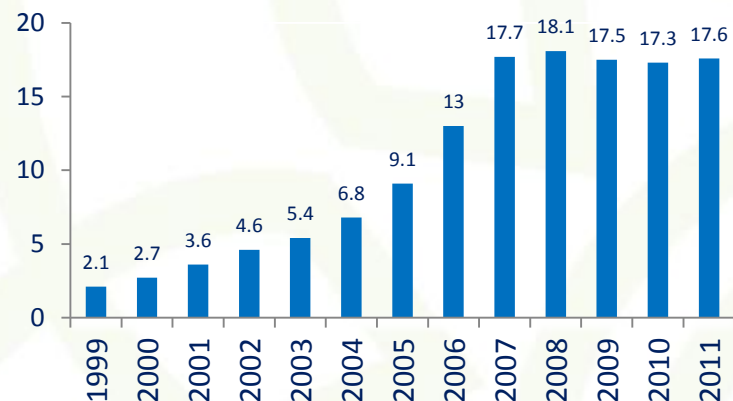
Net Profit (USD Mil)



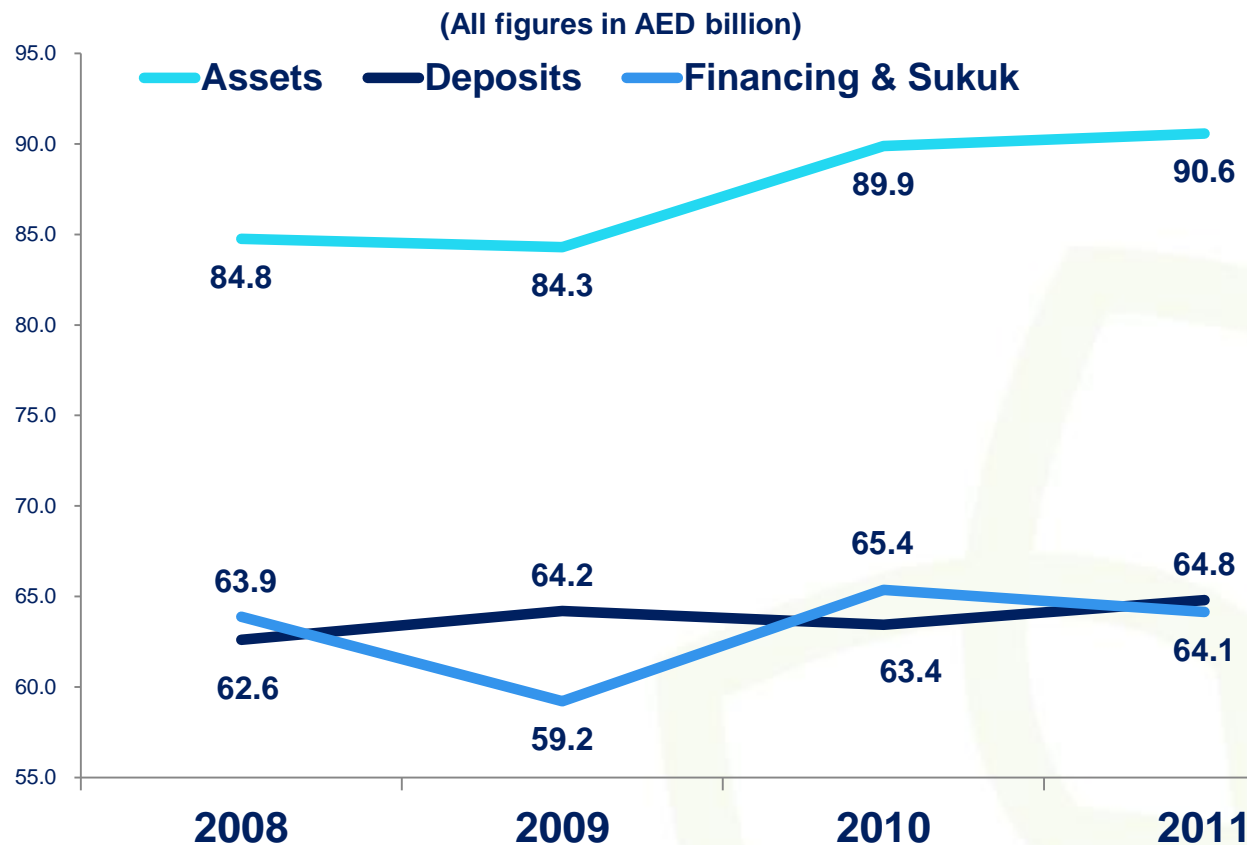
Financing (USD Bln)



Deposits (USD Bln)



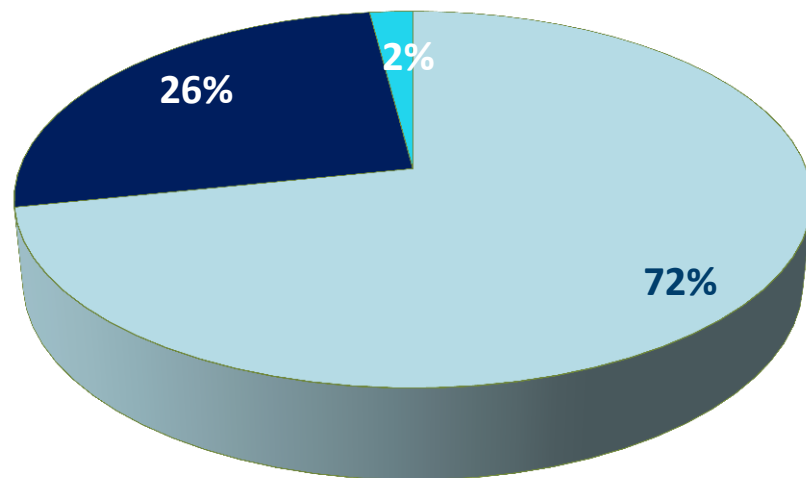
Balance Sheet Summary



- Total assets grew by 7% from 2008 to 2011
- Deposits increased by 9% from 2008 to 2011
- Financing & Sukuk remained flat due to lack of demand for credit and strategy to de-risking balance sheet

Portfolio Snapshot Year End 2011

Deposit Breakdown



- Retail Banking
- Corporate Banking
- Real Estate & Contracting Finance

A large and stable deposit base providing core funding for the bank

Banking generation of UAE Nationals

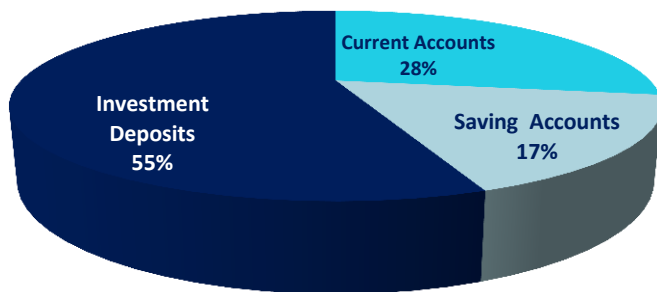
Primary funding coming from Retail deposits and hence well diversified

Branch expansion strategy and franchise value have been instrumental deposit growth

The most liquid bank in the country

Portfolio Snapshot Year End 2011

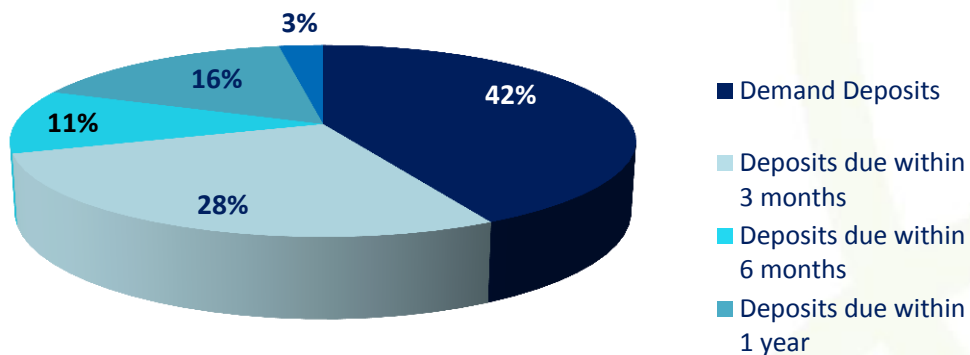
Deposit by Type



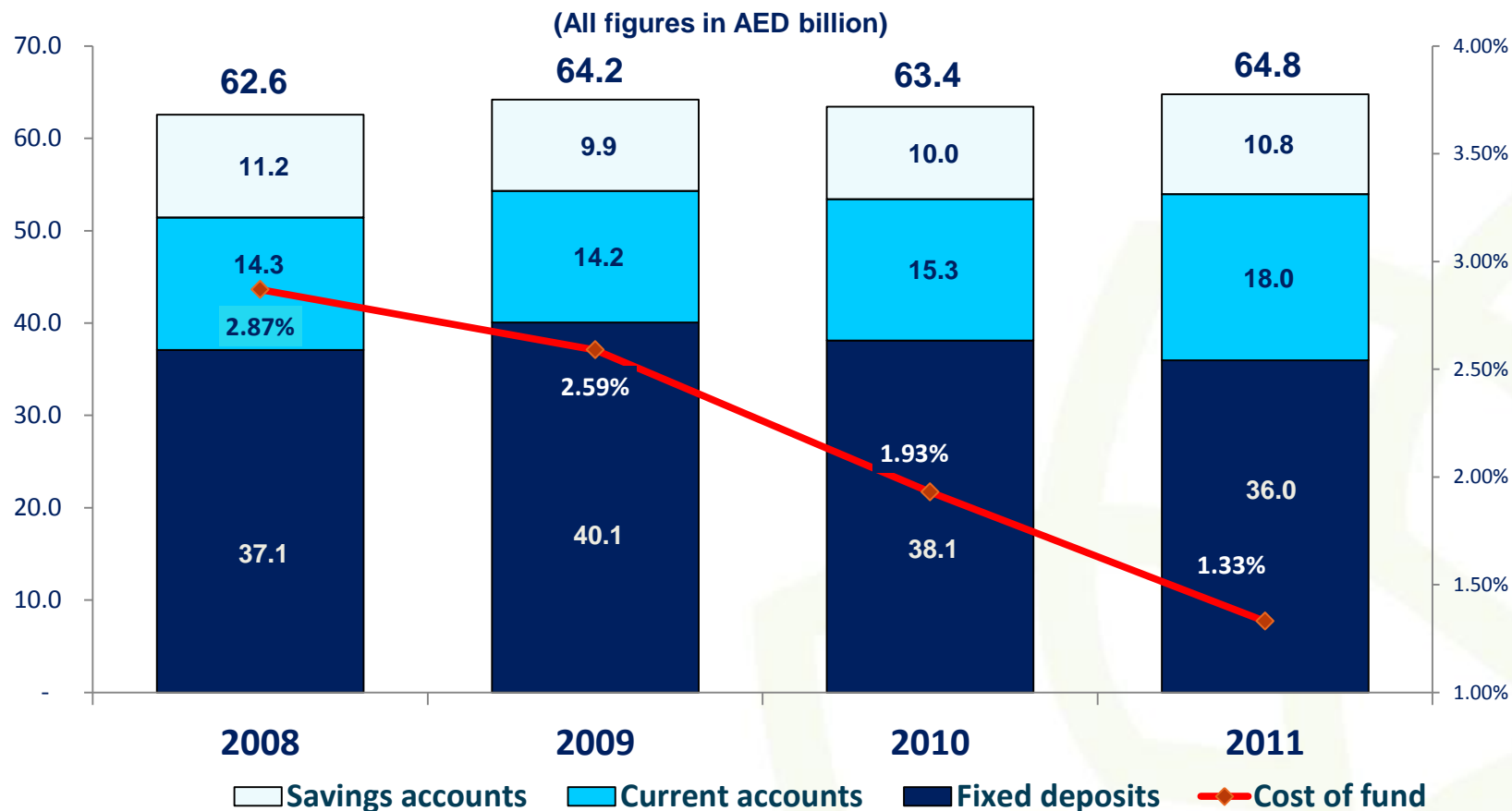
Large Chunk of low cost deposits (45%)

Stable deposit base

Customer loyalty reflects franchise value



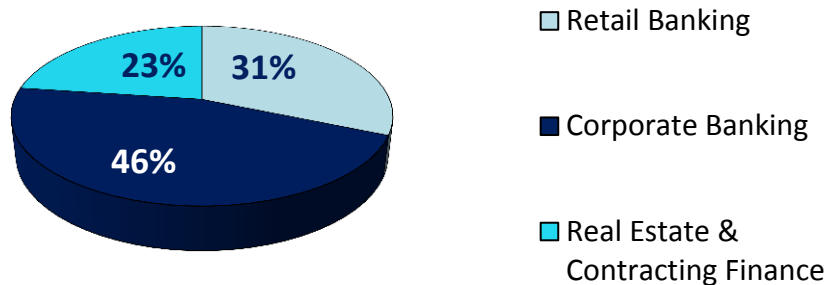
Deposit Profile



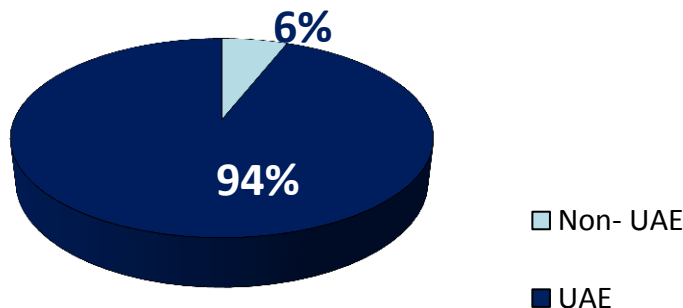
- Current accounts increased by 26% from 2008 to 2011
- One of the best deposit mix in the market with 44% of deposits in savings & current (low cost deposits) improved from 41% in 2008.
- One of the highest Savings account portfolio in the banking industry

Portfolio Snapshot Year End 2011

Financing Breakdown



Financing Breakdown



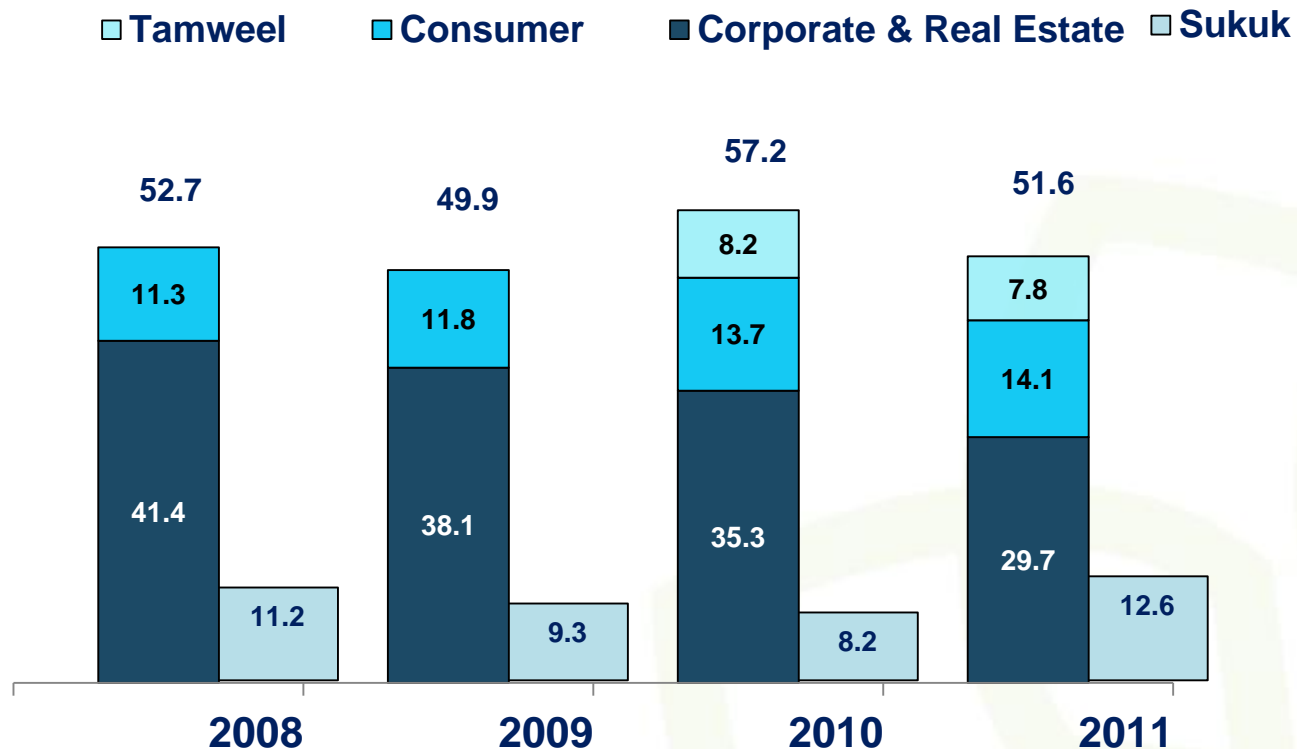
The retail financing base has grown to more than a quarter of total bank financing on its own and more than a third with Tamweel mortgages consolidated

Still significant growth opportunity in Retail through cross selling of existing and new finance products to a base of 1.4 million customers and constantly growing

Commercial real estate financing book continues to be in a run-off mode

Financing & Sukuk Investment Portfolio

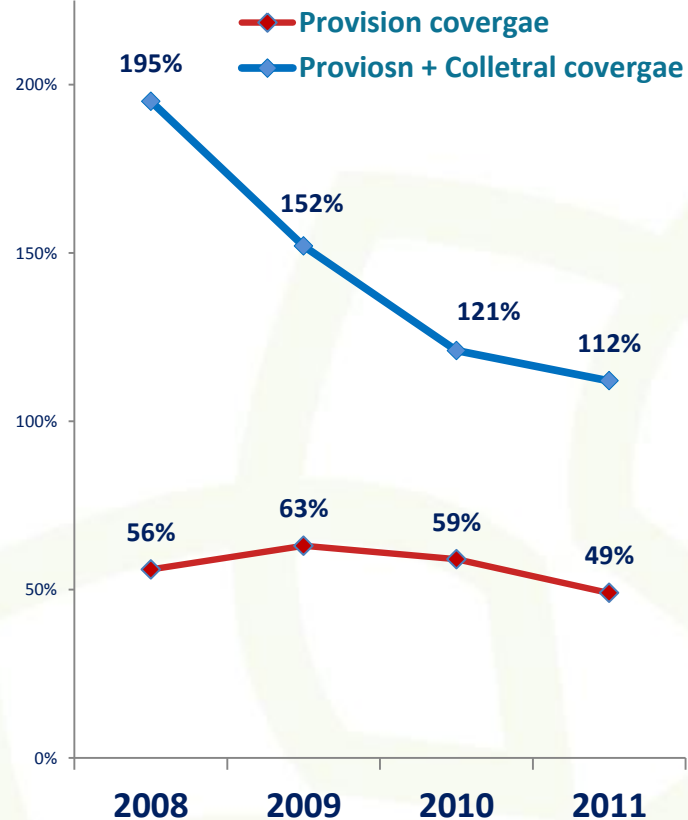
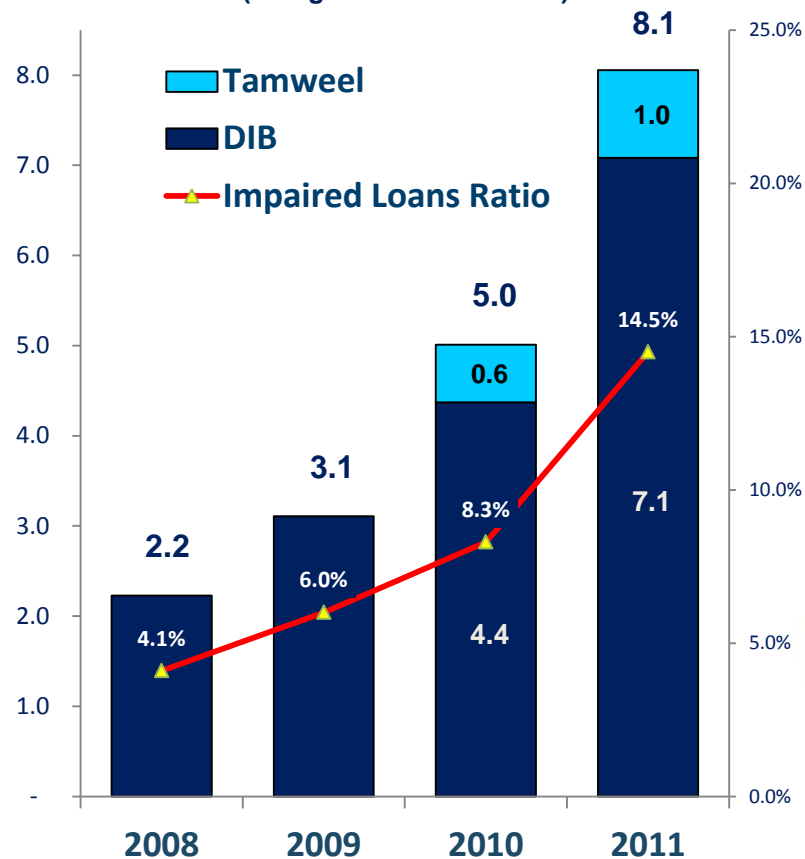
All figures in AED billion



- Consumer financing increased by 25% from 2008 to 2011
- Sukuk investment increased by 12% from 2008 to 2011
- Corporate and real estate financing reduced by 28% in line with de-risking strategy and lack of credit demand from corporate sector

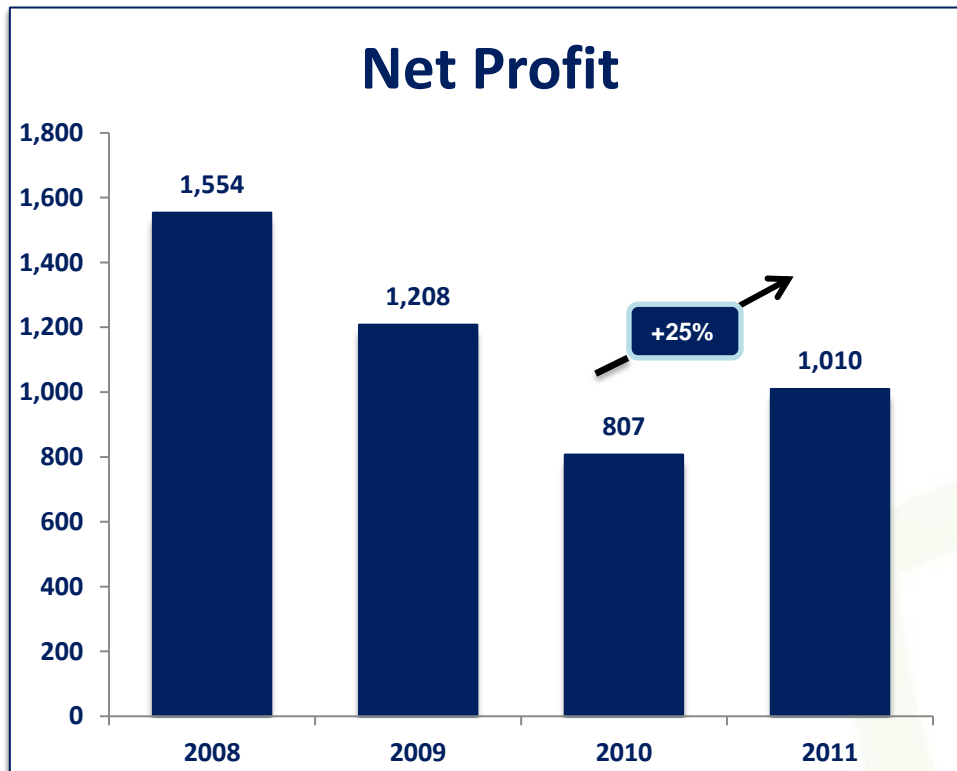
Impaired Financing Portfolio

(All figures in AED billion)



- Increase in impaired loans is mainly due to:
 - Real Estate Financing portfolio
 - Consolidation of Tamweel

Portfolio Snapshot Year End 2011



➤ **Net Profit declined from 2008 to 2010**

due to:

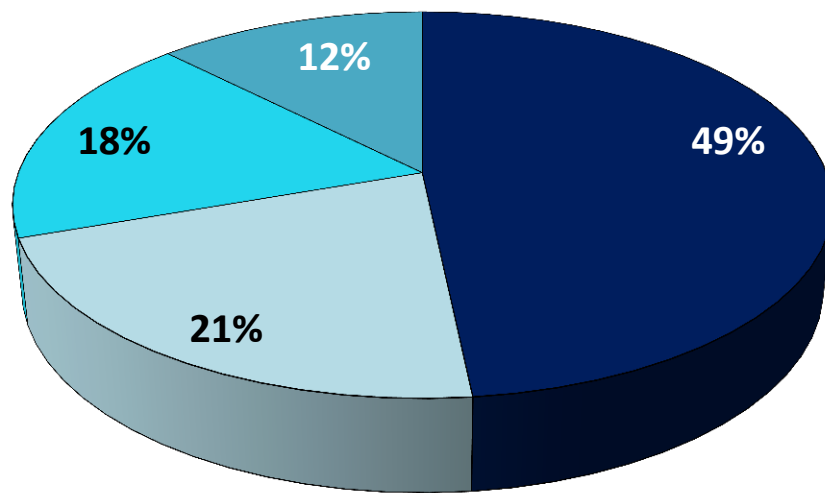
- Increase in provision for impairment
- Decline in profits and losses from associates and other investments

➤ **Core profit increased from 2009 to 2011 by 32% due to:**

- Growth in core revenue
- Better cost management

Portfolio Snapshot Year End 2011

Revenue Breakdown



- *Retail Banking
- °Corporate Banking
- Commercial Real Estate & Contracting Finance
- Treasury

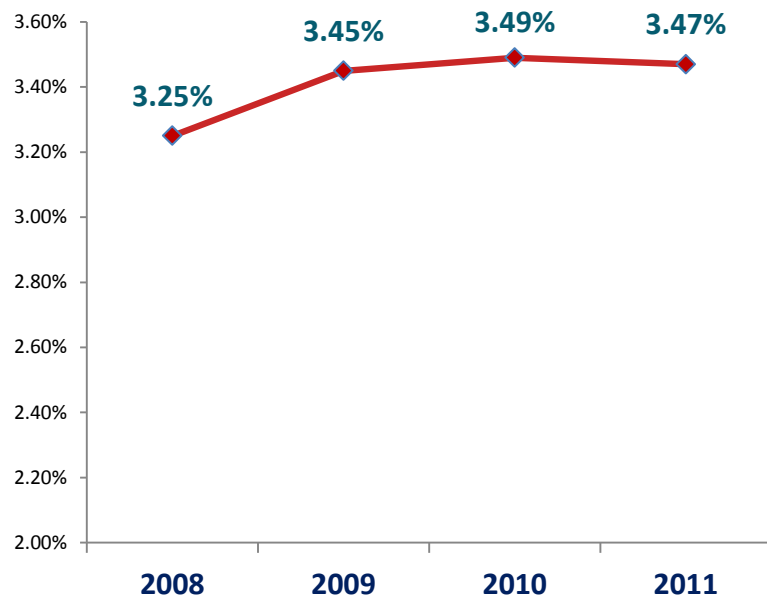
Retail focused strategy paying rich dividends

Retail focus is real visible as retail revenues has grown to almost half of the overall financing portfolio including Tamweel.

Corporate finance and corporate banking activity expected to take a more positive turn going into 2012

Key Performance Ratios

Net Spread



Cost vs Income



Spread improved due to:

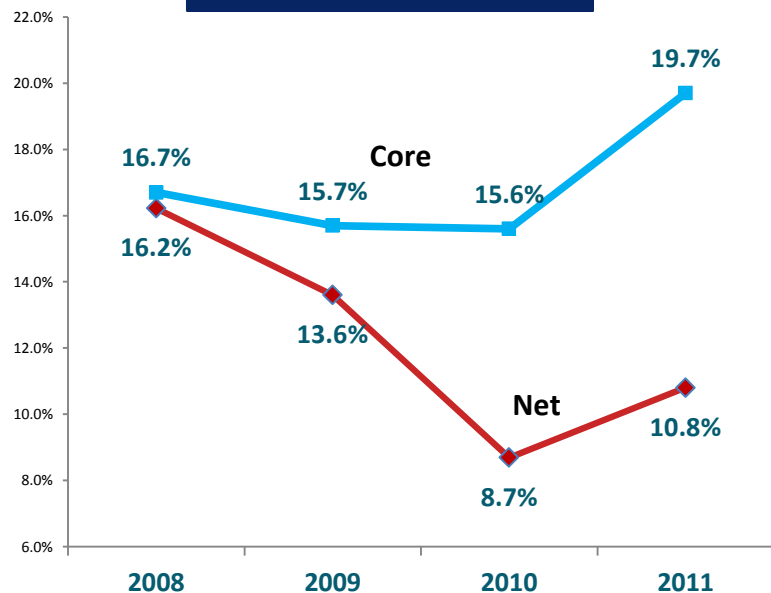
- **Reduction in COF as a result of:**
 - Reduction in rates on deposits
 - Change in mix of deposits – Current & Savings increased
- **Yield on financing assets maintained despite reduction in EIBOR**
 - Change in mix of assets – Growth in Consumer financing
 - Reduction in market rates withheld from Corporate

Cost to income ratio improved due to:

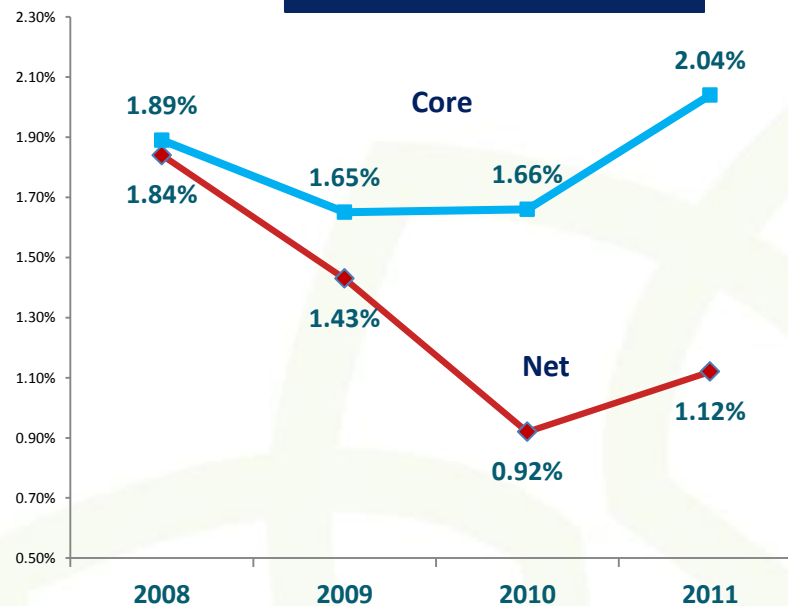
- Cost rationalization through
 - Tamweel synergy & spare capacity redeployed in other growth areas within DIB
 - Cost reduction through natural attritions
 - Cutting non strategic / unproductive costs
 - Effective cost controls HR/Admin. etc.
- **Core revenue improved at faster pace than cost**

Portfolio Snapshot Year End 2011

Return on Equity



Return on Asset



ROE and ROA declined sharply from 2008 to 2010 due to:

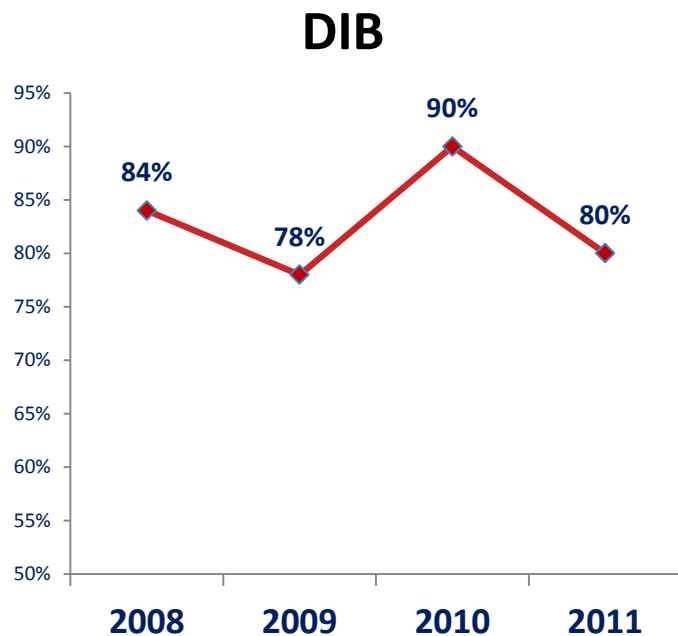
- Increase in provision for bad debt
- Losses on equity investments

Excluding non core net losses ROE and ROA improved due to:

- Growth in core revenues due to efficient balance sheet management with improvement in margins
- Better cost management

Key Balance Sheet Ratios

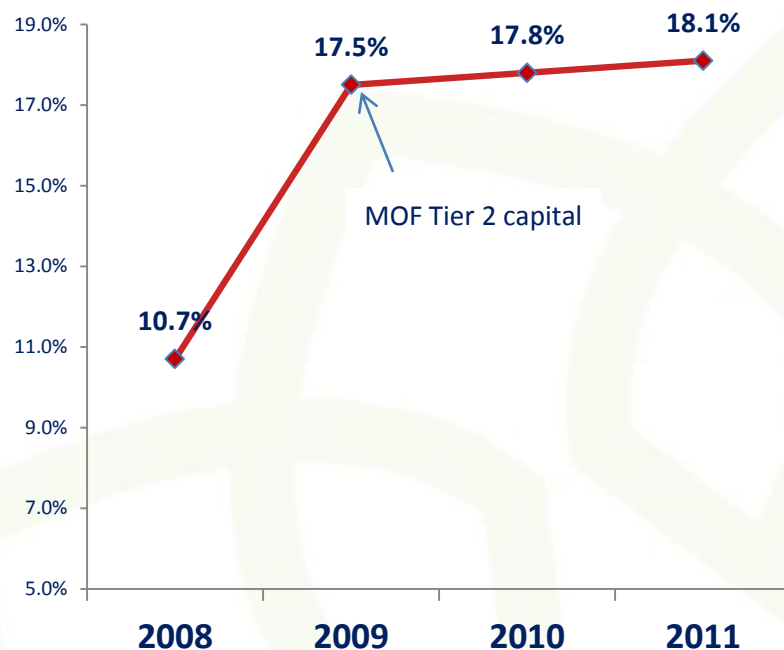
Finance to Deposit Ratio



Strong liquidity position with healthiest FDR ratio in the market:

- FRD ratio improved in 2011 due to:
 - Growth in deposits
 - Financing portfolio declined as a result of further de-risking
 - FDR ratio increased in 2010 due to consolidation of Tamweel

Capital Adequacy Ratio



Capital adequacy ratio remained healthy at 18% compared to a minimum of 12% required by CB:

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Bank Business Strategy

Client Focus	Employee Engagement	Brand & Product Development	Business Growth
<p>To get close to our customers by understanding their needs, meeting their demands and delivering exceptional levels of customer service in order to exceed their expectations.</p> <p>Customer Service improvement : Focus on tangible initiatives and assign accountability</p>	<p>To ensure our people are fully engaged and committed. Introduce appropriate reward, recognition and benefit packages in order to attract and retain the very best people.</p> <p>Up-tiering/Up-skilling & Recruitment of quality personnel</p>	<p>To develop innovative Islamic financial products and services by conducting relevant market, customer and competitor research analysis</p> <p>Branch network expansion</p> <p>Increasing cross – sell, target ratio of +10% for each of the next three years</p>	<p>Strategy for existing non-UAE franchise (Egypt, Lebanon, Sudan, Turkey, Bosnia & Pakistan)</p> <p>Partner with regional and international banks to benefit from the increasing opportunities in Shariah compliant corporate finance deals</p> <p>Organic growth forecast limited – Do we go beyond borders</p>

Bank Business Strategy

Dubai Islamic Bank

Key Operation Areas

1. Consumer Banking
2. Corporate Banking (including Real Estate & Contracting)
3. DIB Capital (Equity & Other Investments)
4. Treasury

Strategic Initiatives

1. Optimally grow its balance sheet and funds under management
2. Ensure superior asset allocation and diversification
3. Build strong client relationship
4. Build strong brand name
5. Build an extensive business network

Goals

- To become a leading regional player in retail banking services, Islamic finance and investments within 3-years
- To remain at the top of Islamic banking and Shari'ah-compliant financing in the UAE
- To maintain its position amongst the top five banks in UAE in terms of balance sheet size
- To expand the franchise to GCC with at least three new operations outside of the UAE in the next 3 years
- To become a leading innovator and top quality service provider in the GCC banking sector

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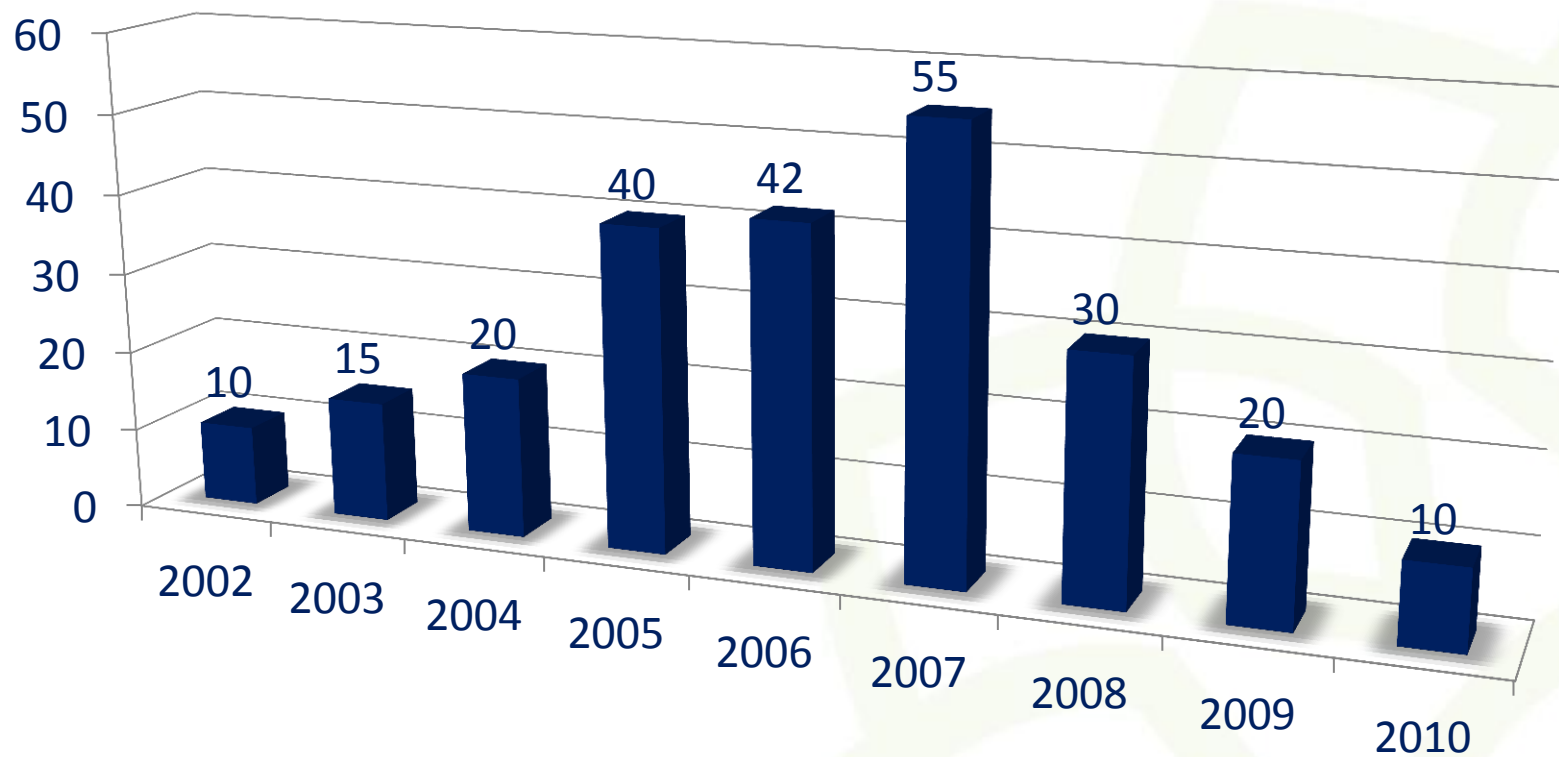
DIB Financials ✓

Bank Business Strategy ✓

Stock Information

Dividend payments

Dividend Payment History (%)



Proposed dividend of 10% for 2011



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Dubai Islamic Bank

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"The Better Way to Bank"

THANK YOU