

Press Release

Emirates Islamic Announces First Half 2019 Financial Results

Dubai, 17 July, 2019: Emirates Islamic, one of the leading Islamic financial institutions in the UAE, announced its financial results for the period ending June 30, 2019. The Bank reported a net profit of AED 673 million for the first half of 2019, an increase of 39% year-on-year. The strong set of results were supported by balance sheet growth, higher funded income, growth in foreign exchange income, a tighter control on cost and lower cost of risk.

Financial Highlights – H1 2019:

- Net profit of AED 673 million, up 39% y-o-y.
- Total Income of AED 1.3 billion, increased by 10% y-o-y.
- Funded Income margins improved by 21 bps year-on-year to 3.16%, supported by profit rate rise.
- Total assets at AED 61.1 billion, increased by 5% from end 2018.
- Financing and investing receivables at AED 36.6 billion, up 1% from end 2018.
- Customer accounts at AED 43.8 billion, up 5% from end 2018.
- Current and Savings accounts balances, up 3% from end 2018.
- Impaired Financing ratio is at 8.6% with a strong Coverage ratio of 115%.
- Headline financing to deposit ratio at 83% demonstrates a healthy liquidity position.
- Tier 1 capital ratio at 17.8% and Capital adequacy ratio at 18.9%.

Hesham Abdulla Al Qassim, Chairman of Emirates Islamic, Vice Chairman and Managing Director of Emirates NBD commented: “Continuing the growth momentum from 2018, we are pleased that Emirates Islamic has announced another strong set of results for the first half of 2019. Emirates Islamic has driven the growth of Islamic banking in the UAE, setting benchmarks in customer experience and innovation. Our success is a reflection of the increasing appetite for Shari’a-compliant banking in the UAE and the

region, and we will continue to support the vision of the Government to make Dubai the global capital of the Islamic economy.”

Hesham Al Qassim added: “As a bank that has always played a key role in the development of the UAE society, and in keeping with the ‘Year of Tolerance’ initiative launched by His Highness Sheikh Khalifa bin Zayed Al Nahyan, we will continue to support charitable and humanitarian activities through the Emirates Islamic Charity Fund”.

Salah Mohammed Amin, Chief Executive Officer of Emirates Islamic commented: “At Emirates Islamic, we continue to deliver robust and profitable growth, recording a net profit of AED 673 million for the first half of 2019, a 39% year-on-year increase. Our performance is a result of core business growth, with both financing and customer deposits higher compared to end 2018. Foreign exchange income showed an upward trend, with a growing number of customers availing foreign exchange services from the Bank. The Bank’s balance sheet remains healthy with a further strengthening in capital due to retained earnings, stable credit quality and liquidity.”

Salah Amin added: “Our investment in technology and infrastructure with ongoing product innovations have contributed in strengthening customer perception of Emirates Islamic as a truly innovative Islamic bank. This was reinforced when we were recognized by Islamic Finance News as the “Most Innovative Islamic Bank” in the UAE. Following on from being the first Islamic bank in the U.A.E. to offer all 3 major wallets, namely Apple Pay, Google Pay and Samsung Pay, we became the first Islamic bank in the world to launch WhatsApp Banking to our customers. Our award-winning Mobile App remains one of the most highly-rated apps among customers, as we constantly update the App with new features and benefits for our customers.”

Salah Amin concluded, “As the official Islamic banking partner of Expo 2020 Dubai, we will aim to expand the footprint of Islamic banking in the UAE and provide innovative solutions that will support the growing needs of individuals, corporates and SMEs.”

The Bank was recognised for its focus on Emiratization and providing career growth opportunities to UAE Nationals by winning the 'Human Resources Development' award from the Emirates Institute for Banking and Financial Studies. Emirates Islamic's Kunooz Savings Account continues its popularity in the UAE as a preferred option to save for the future and was named 'Best Banking Product' by Global Banking & Finance Review.

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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 58 branches and 210 ATMs/CDMs across the UAE. In the fast growing area of online and mobile banking, the bank has the reputation as an innovator, being the first Islamic bank to launch a mobile banking app and the first Islamic bank to offer Apple Pay in the UAE.

Emirates Islamic has consistently received local and international awards, in recognition of its strong record of performance and innovation in banking. The bank won the prestigious Euromoney award for innovation in Islamic Finance in 2015 and Global Finance's Innovator in Islamic Finance award for EI trade, the world's first Shari'a-compliant online trade finance and supply chain platform. The bank has won several industry accolades in 2017, including Service Olympian Award for 'Most Improved Website' and 'Best Social Media Reach'. In 2018, Emirates Islamic was named 'Best Islamic Bank' in the UAE by Global Finance and 'Best Islamic Banking Brand' by Global Brands Magazine. The bank has also claimed the 'Best Mobile Banking app' award, and the 'Best Islamic Card' for its Emarati Credit Card at the Banker Middle East Product Awards 2018.

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.

For further information please visit www.emiratesislamic.ae

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