

Emirates Islamic delivers record AED 1.7 billion profit in first half of 2024 Total Assets surpass the AED 100 billion mark in 2024

18 July 2024

Emirates Islamic achieved its highest ever half-year profit, with a remarkable 37% increase to AED 1.7 billion in the first half of 2024. This exceptional performance was propelled by superior levels of both funded and non-funded income, underlining the Bank's consistent growth trajectory. Total income saw a notable 15% improvement, reaching 2.7 billion, while operating profits surged by 40%. The Bank's strong capital and liquidity base enabled the balance sheet to surpass the AED 100 billion landmark. As Emirates Islamic celebrates its 20th anniversary, its valuable contribution to the development of the U.A.E's economy is recognised with the 'Best Overall Islamic Bank' and 'Most Innovative Islamic Bank' awards at the Islamic Finance News Awards 2024 and 'Most Innovative Islamic Bank' award at the prestigious Euromoney Islamic Finance Awards 2024.

<p>Total Income AED 2,698 million ↑ 15% y-o-y</p>	<p>Expenses AED 776 million ↓ 20% y-o-y</p>	<p>Provisions AED 85 million ↓ 46% y-o-y</p>	<p>Net Profit AED 1,664 million ↑ 37% y-o-y</p>
<p>Net Profit Margin 4.56 %</p>	<p>Cost: Income Ratio 28.8%</p>	<p>NPF Ratio 5.2%</p>	<p>CET-1 Ratio 18.4%</p>

Key Highlights – First Half 2024

- **Strong operating performance on higher funded income and non-funded income**
 - **Total income** up 15% y-o-y driven by higher funded and non-funded income
 - **Expenses** decreased 20% y-o-y. Cost to income ratio at 28.8%
 - **Impairment Allowances** decreased by 46% y-o-y on buoyant and healthy U.A.E. economy
 - **Operating profit** improved 40% y-o-y
 - **Net profit** sharply increased to AED 1,664 million on higher income and lower impairment allowances
 - **Net profit margin** at 4.56%

- **Strong capital and liquidity combined with a healthy deposit mix empowering the Bank to provide improved products to customers**
 - **Total assets** surpass the AED 100 billion mark at AED 102 billion, increasing 16% in 2024
 - **Customer financing** at AED 62 billion, increased 15% from end 2023
 - **Customer deposits** at AED 70 billion, increased 14% from end 2023 with Current and Saving Account balances at 73% of deposits
 - **Credit Quality:** Non-performing financing ratio improved to 5.2% with strong coverage ratio at 135%
 - **Capital:** Common Equity Tier 1 ratio at 18.4% and Capital adequacy ratio at 19.6% reflect the rock solid capital base of the Bank
 - **Headline Financing to Deposit ratio** at 88% comfortably within the management's target range



Farid AlMulla, Chief Executive Officer of Emirates Islamic said:

- “Emirates Islamic delivered a record AED 1.7 billion of profit in the first half of 2024, driven by higher funded and non-funded income. Total assets crossed the AED 100 billion mark, growing by a substantial 16% in the first half of 2024, to AED 102 billion.
- Strong capital and liquidity, combined with a healthy deposit mix, enabled the Bank to continue supporting customers as customer financing increased by 15% to AED 62 billion, testimony to Emirates Islamic’s successful, customer-centric strategy. This year Emirates Islamic proudly celebrates 20 years of serving the U.A.E. The Bank’s strategic investment in technology and innovation contributed to Emirates Islamic being recognized as one of the U.A.E’s leading Islamic banks, playing a prominent role in the country’s progress.
- We are proud to support the U.A.E’s positive economic growth, as we registered strong growth across the Retail, SME and Corporate segments.
- We continue to introduce innovative ESG-linked financial solutions and Emirates Islamic launched its first ever 5-Year USD 750 million Sustainability Sukuk, reaffirming our commitment to sustainable Islamic financing and marking a significant milestone in our Group wide sustainability journey.
- Emirates Islamic continues to lead in digital banking innovation. The launch of EI + has enhanced the banking experience for customers, with over 150 features including digital account opening.
- Earlier this year, reinforcing our digital-first approach, Emirates Islamic became the first Islamic bank in the U.A.E. to introduce a Shariah-compliant digital wealth and equity trading platform on our EI + Mobile Banking App. Digital Wealth provides a valuable opportunity as an investment tool in global and local Shariah-compliant stocks and mutual funds.
- We are dedicated to pioneering Shariah-compliant products and services to meet the growing demand for ethical banking solutions. Emirates Islamic became the first Islamic bank in the region to launch Fractional Sukuk, an innovative new product that broadens investment opportunities for customers.
- As the preferred bank for U.A.E. nationals, we are dedicated to delivering innovative, value-driven propositions and superior service to our customers. We recently revamped our Emarati Visa Signature Credit Card, with enhanced tailored features and exclusive privileges to meet the preferences and lifestyle needs of U.A.E. National customers. In collaboration with Mattar bin Lahej, the renowned Emarati painter, photographer and sculptor, the card’s design embodies the love for our country and a deep sense of belonging to the U.A.E.
- Emirates Islamic was recognized as ‘Best Overall Islamic Bank’ and ‘Most Innovative Islamic Bank’ at the Islamic Finance News Awards 2024. The Bank was also named the ‘Most Innovative Islamic Bank’ at the prestigious Euromoney Islamic Finance Awards 2024. Further, the Bank achieved double wins at the International Finance Award 2024 for ‘Best Islamic SME Bank’ and ‘Best Islamic Retail Bank’ for its innovative and business-friendly banking propositions.
- We are proud that the Bank’s Switch Cashback Visa Credit Card was recognised as the ‘Best Islamic Card’ by The Digital Banker Global Islamic Finance Awards 2024. The innovative Card offers customers the flexibility to choose and instantly switch between travel and lifestyle categories.”

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About Emirates Islamic:

Emirates Islamic (DFM: EIB), part of Emirates NBD Group, is a leading Islamic financial institution in the U.A.E. 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 U.A.E.

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 40 branches and 221 ATMs/CDMs across the U.A.E. In the fast-growing area of online and mobile banking, the bank is an innovator, being the first Islamic bank in the U.A.E. to launch a mobile banking app and offer Apple Pay, as well as being the first Islamic bank in the world to launch Chat Banking services for customers via WhatsApp.

Emirates Islamic has consistently received local and international awards, in recognition of its strong record of performance and innovation in banking. Emirates Islamic was recognized as 'Best Overall Islamic Bank' and 'Most Innovative Islamic Bank' at the Islamic Finance News Awards 2024. The Bank was also named the 'Most Innovative Islamic Bank' at the prestigious Euromoney Islamic Finance Awards 2024.

As part of its commitment to the U.A.E. 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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