



الإمارات الإسلامية
EMIRATES ISLAMIC

ANNUAL REPORT 2016





In the name of Allah,
The Merciful,
The Very Merciful



HEAD OFFICE

Emirates Islamic Bank
(Public Joint Stock Company)

Head Office

3rd Floor, Building 16,
Dubai Health Care City, Dubai
Tel.: +97 1 4 3160336
Fax: +97 1 4 3582659
P.O. Box: 6564, Dubai, United Arab Emirates
emiratesislamic.ae

Consolidated Financial Statements
As at 31 December 2016



His Highness Sheikh Khalifa Bin Zayed Al Nahyan
President of the United Arab Emirates



His Highness Sheikh Mohammed Bin Rashid Al Maktoum
Vice President and Prime Minister
of the United Arab Emirates and Ruler of Dubai

CONTENTS



Chairman's Message	15
CEO's Message	19
Corporate Social Responsibility	23
List of District Branches	26
List of Offsite ATMs	28



**We seek out and
try new things
for growth**



INNOVATION





OUR VISION

To be the leading provider of high standard Shari'a-compliant innovative financial products, quality service and superior value for our customers, shareholders, employees and the community.





OUR MISSION

Providing innovative and high standard financial products and services governed by Islamic Shari'a provision to enrich the society.



CHAIRMAN'S MESSAGE



Hesham Abdulla Al Qassim
Chairman of Emirates Islamic

Foresight and planning are crucial to economic success, and the United Arab Emirates (UAE) has clearly set an example for other nations to follow. UAE's economic diversification policies, under the direction of our wise leadership, have enabled the country to record continued growth and position itself as one of the best performing economies across the region. Emirates Islamic is proud to partner the nation in this journey of growth, reporting positive financial results for 2016.

Despite global and regional economic challenges, Emirates Islamic reported robust growth, with a year on year increase in total income. The Bank continued to deliver on its commitment of a customer-first experience, resulting in a 5 per cent increase in deposits and a greater demand for our product and service offerings with total assets increasing by 11 per cent. Cost control measures taken have resulted in a total costs decrease over the last three quarters of 2016.

Emirates Islamic has always attracted strong interest from international and local investors. Our record breaking US\$ 750 million 5-year Sukuk in May was three times oversubscribed and was followed by an equally successful tap issuance of US\$ 250 million in August. The Bank also successfully completed a Rights issue for AED 1.5 billion, providing solid capitalization to support our growth over the coming years.

With a stronger balance sheet and a focused medium term strategy, we aim to cement our position as a leader in the nation's Islamic banking sector. We have noted genuine growth in demand for Islamic banking in the country with increasing awareness about the ethical nature of Shari'a-compliant products. Emirates Islamic will continue to lead the way with a single-minded focus on innovation in the development of products and services and in delivering these across our various customer segments.

The UAE's President His Highness Sheikh Khalifa bin Zayed Al Nahyan has declared 2017 as the Year of Giving. Since our inception in 2004, Emirates Islamic has been at the forefront in providing support to the less fortunate in the community. Through the Emirates Islamic charity fund, we will continue our support to various humanitarian causes, and also to inspire and motivate other organisations and individuals to extend their support to worthy causes, which will eventually lead to a better and happier society.

I would like to thank our Board of Directors, the CEO and all Emirates Islamic employees for their contribution to the Bank's performance in 2016. I am also grateful to our customers and shareholders for their support in our success and look forward to greater achievements in 2017.



**We strive to
exceed customer
expectations and
help them realise
their dreams**



CUSTOMER FIRST



CEO'S MESSAGE



Jamal Bin Ghalaita
CEO, Emirates Islamic

I am pleased to report the 2016 financial results for Emirates Islamic, on the back of our achievements in product and service innovation. In a significant year for the Bank, we demonstrated resilience in the face of challenging markets to achieve sound results and continue to play a leading role in the growth of Islamic banking in the UAE.

For the year ending 31 December, 2016, we reported a growth of 3% in total income (net of customers' share of profit and distribution to Sukuk holders) amounting to AED 2.5 billion compared to AED 2.4 billion in 2015. Financing and investing receivables grew by 6% to AED 36.3 billion and customer deposits grew by 5% to AED 41.1 billion. Our focused approach to improve our liabilities mix led to a significant increase in current account and savings account balances which now represent 67% of our total customer deposits. The Bank declared a net profit of AED 106 million for the year ended 31 December, 2016.

Investor confidence in Emirates Islamic remained high as Fitch affirmed our Long-Term Issuer Default Rating (LT IDR) of 'A+' with a Stable Outlook, Short-Term IDR (ST IDR) of 'F1', and a Viability Rating (VR) at 'bb-' for the second consecutive year. The rating agency also affirmed the Bank's Support Rating of '1'.

In 2016, we remained committed to driving innovation in Islamic banking, delivering industry-leading products and services across our retail and wholesale customer base. We also invested in state-of-the-art technology to launch our new core banking system, aimed at providing our customers with superior customer service and the best banking experience. Our thought leadership initiative, the ISLAMIC BANKING INDEX by EMIRATES ISLAMIC also gained momentum this year showing a positive increase in penetration, perception, knowledge and intention of UAE consumers when it comes to Shari'a compliant banking, indicating that public acceptance, awareness and demand for Islamic banking in the UAE is increasing. Going forward, we remain focused on organic growth and increased market share by serving the evolving needs of our individual, commercial and corporate customers.

Our efforts to advance excellence in Islamic banking also saw us win industry accolades, including Innovator in Islamic Finance by Global Finance magazine for EI trade, the world's first of its kind Shari'a-compliant online Trade Finance and Supply Chain platform and Fastest Growing Bank – UAE at the Banker Middle East Industry Awards 2016.

In conclusion, I would like to express my sincere gratitude to our Chairman and Board of Directors who continue to lead and guide us on the path to further growth. I would also like to thank all the employees of Emirates Islamic for their hard work and contribution in the Bank's performance in 2016, as we look ahead to another successful year, Insha'Allah.



**Our vision is
limitless and we
work together to
make it a reality**



AMBITION



CORPORATE SOCIAL RESPONSIBILITY

At Emirates Islamic, we continuously work on supporting the community as we believe that in order to bring a sustainable change, communities must be economically and socially empowered. This commitment reflects our Corporate Social Responsibility strategy and can be seen in the way we run our organization, the inclusive and supportive workplace we create for our employees, the responsible products and services we offer our customers, and the impact we make in helping the local economy thrive.



In line with this belief and values, Emirates Islamic set up the 'Emirates Islamic Charity Fund' in 2016 to provide financial aid under several main areas, especially food, shelter, health, education and social welfare. In 2016 alone, Emirates Islamic has distributed over AED 50 million to various charitable causes including Emirates Red Crescent Society, Dar Al Ber Society, Beit Al Khair, Dubai Charity Association, Fujairah Welfare Association and more. In healthcare, Emirates Islamic has disbursed funds towards medical and rehabilitation equipment to government and privately run institutions including Ministry of Health, Ajman Club for disabled and Al Ihsan Medical Complex.

The Bank has also extended charitable aid to the police departments in Dubai, Ajman, Sharjah and Ras Al Khaimah to improve prison facilities, upgrade the prisons' pharmaceutical and medical equipment and help support prisoners to pay off their Diyya (financial compensation for victims' families).

Moreover, our employees play an important part in implementing our Corporate Social Responsibility strategy by devoting their time, knowledge and experience to charitable institutions and organizations. Emirates Islamic has set up an optional "Monthly Automatic Salary Deduction" programme



whereby employees can choose to dedicate any amount they want for a noble cause. The Bank collaborated with Beit Al Khair to launch "EI Charity Car", with employees helping in the distribution of food boxes to the less fortunate across the UAE. Over 500 Emirates Islamic employees also participated in a number of events including a large response to a blood donation drive, visits to Dubai Autism Centre, Dubai Hospital, Latifa Hospital Thalassaemia Centre, and many more.

Innovation was also part of Emirates Islamic's 2016 Corporate Social Responsibility. During Ramadan, the Bank launched the unique "Bring Happiness" campaign on its social media, aimed to connect members of the community

in need with those who can offer their support - the initiative was launched to coincide with Zayed Humanitarian Work Day, and honor the memory of Sheikh Zayed bin Sultan Al Nahyan, the founding father of the United Arab Emirates. During the same period, Emirates Islamic announced a collaboration with Careem, the region's leading chauffeur-driven car booking service, to provide complimentary rides to the mosque during the holy month of Ramadan.

Emirates Islamic also partnered with a number of organizations to promote fitness and a healthy lifestyle for the nation's youth and introduced the 'Emirates Islamic National School League Football' - an annual interschool football league championship, that witnessed over 250 games and over 90 schools participate.

LIST OF DISTRICT BRANCHES

Branch Name	Branch Location	P. O. Box	Branch Telephone Number
Abu Dhabi & Al Ain			
Abu Dhabi Main Branch	Sheikh Rashid Bin Saeed Al Maktoum Street	46077 Abu Dhabi	02-4464000
Abu Dhabi Corniche	Corniche Street, nearest landmark - Ministry of Energy	46077 Abu Dhabi	02-6160888
Abu Dhabi Mall	Abu Dhabi Mall, ground floor, next to Yateem Optician	46077 Abu Dhabi	02-6145194
Al Ain Main Branch	Jawazat Street, near Sheikha Salama Mosque	15095 Al Ain	03-7511159
Al Ain Souq	Oud Al Touba Street, nearest landmark - NBQ	15095 Al Ain	03-7511112
Al Khalidiya	Street No.26, intersecting with Zayed 1st Street, Al Khalidiya	108330 Abu Dhabi	02-6134710
Al Mutaradh	Arabian Centre, Show Rooms No. 14, 15 & 16, Al Mutaradh Area, Al Ain	15095 Al Ain	03-7559840
Al Wahda Tower	Unit G-3, Ground Floor, Al Wahda City 1, Commercial Tower, Hazaa Bin Zayed Street	46077 Abu Dhabi	02-6134713
Boutik Mall	Sanaiyya - Khalid Ibn Sultan Street. Nearest landmark: Next to Etisalat - Beside LuLu	15095 Al Ain	03-7034590
Khalifa City	Villa No. 104, Sector SE-02, Khalifa City 'A'	46077 Abu Dhabi	02-6134711
Tourist Club	Al Zarooni Building, Al Meena Street 10	46077 Abu Dhabi	02-6448820
Dubai - Bur Dubai			
Al Barsha Mall	Al Barsha Mall, Barsha	6564 Dubai	04-3733211
Al Diyafah	Diyafa Street, opp. Dune Centre, Satwa	6564 Dubai	04-3733205
Al Khaleej Centre	Al Khaleej Centre, Al Mankhool Road, next to Choithram, opp. Ramada Hotel	6564 Dubai	04-3550993
Al Mina Road	Al Mina Road, Bur Dubai, Al Hudaiba	6564 Dubai	04-6093802
Bur Dubai	Bank Street, next to Sun & Sand Sports Shop, Atrium Centre	6564 Dubai	04-3597888
Dragon Mart	Dragon Mart Complex II - Dubai - Hatta Road, International City, Ground Floor - Zone GB	6564 Dubai	04-2803846
Dubai Health Care City	Building No.16, ground floor, Dubai Health Care City	6564 Dubai	04-3834726
Dubai Investment Park	Dubai Investment Park Building	6564 Dubai	04-8855005
Dubai Mall	Dubai Mall, ground floor	6564 Dubai	04-3828010
Dubai Silicon Oasis	SIT Tower, ground floor, Dubai Silicon Oasis	6564 Dubai	04-3733054
Dubai Souq	Al Souq Al Kabeer Area, Al Falah Street. Toronto Building, Bur Dubai	6564 Dubai	04-3192200
DWC Al Maktoum Airport Pay Office & FX Counter	DWC Al Maktoum Airport, Departure Hall	6564 Dubai	04-8879443
Oud Metha	Eleganza Apartments, Showroom No. 2 & 3	6564 Dubai	04-3733208
Port Rashid Pay Office & FX Counter	New Cruise Terminal, Zone 4, Ground floor	6564 Dubai	04-3597888
Umm Suqeim	Villa A, Jumeirah Beach Road, near Jumeirah Beach Park, Umm Suqeim	6564 Dubai	04-3733209
Dubai - Deira			
Al Garhoud	Sunshine Building, next to Al Tayer Showroom, Garhoud	6564 Dubai	04-2822454
Al Mamzar	Arabila Building, ground level, next to Grand Service Station	6564 Dubai	04-2622444
Al Mizher	Aswaq Centre, near Al Mizhar Mall, Al Mizhar 1	6564 Dubai	04-2845799
Al Riqqa	Omar Bin Al Khattab Street, near Ibis Hotel, Riqqa, Deira	6564 Dubai	04-2248442
Al Twar	Dubai Municipality Building, ground level, opp Al Twar Centre	6564 Dubai	04-7023880
Al Twar Centre	Al Nahda Road, near Al Twar Centre	6564 Dubai	04-2575983
Baniyas	Baniyas Road, Al Sabkha Area, Al Sabkha Building	6564 Dubai	04-2023900

LIST OF DISTRICT BRANCHES (CONTINUED)

Dubai - Deira <i>(continued)</i>			
Business Village	Business Village Building, Block A, ground level, next to Clock Tower, Deira	6564 Dubai	04-2367878
Dubai Festival City	Dubai Festival Centre, opp Ikea, next to Hyper Panda, Level 1	6564 Dubai	04-3733201
Hamriya Souq	Shop no. 007, Central Al Hamriya Market Building, Hor Al Anz East, near Union Coop, Abu Hail Road	6564 Dubai	04-3733504
Land Department	Dubai Land Dept Building, ground level, Baniyas Street, opp Dubai Chamber of Commerce	6564 Dubai	04-2215301/ 04-2212321
Main Branch	Al Gurg Tower 2, Riggat Al Buteen, near Hilton Creeek Hotel	6564 Dubai	04-2131660
Mirdif City Centre	Level 1, Mirdif City Centre	6564 Dubai	04-3733055
Nad Al Hamar	Bel Rumaitha Club Building, Showrooms no. S-8 & S-9, Al Rebat Street	6564 Dubai	04-2845999
Dubai - New Dubai			
Al Quoz	Khalifa Bin Dismal Building, Show Room no. 1, Al Quoz 3 Area	6564 Dubai	04-3809952
Convention Centre	World Trade Centre, Exhibition Hall 1	6564 Dubai	04-3830020
Jebel Ali	Banking Complex, Jafza Main Gate, Jebel Ali	6564 Dubai	04-8811133
Jebel Ali Jafza	Gate No.4, Jafza 16, Jebel Ali	6564 Dubai	04-8872555
Jumeirah Beach Residence	Amwaj 3	6564 Dubai	04-4233777
Jumeirah Lakes Towers	Almas Tower, ground floor	6564 Dubai	04-3733225
Media City	Business Central Towers, Showroom No.16, Dubai Media City, Sheikh Zayed Road	6564 Dubai	04-4380200
Sheikh Zayed Road	Al Wasl Tower, Showroom 2	6564 Dubai	04-3312020
Sheikh Zayed Road 2	Al Kharbash Building	6564 Dubai	04-3438882/ 04-3439192
Sharjah & Northern Emirates			
Ajman	Sheikh Khalifa Bin Zayed Road	6688 Ajman	06-5064012
Al Nadiyah	Ali Abdulla Al Nuaimi Building, Showroom No. 2, Al Nadiyah	5198 Ras Al Khaimah	07-2359482
Fujairah	Near Choithram Supermarket, Sheikh Hamad Bin Abdulla Street	1472 Fujairah	09-2235553
Halawan	Wasit Street, Sheikh Ismail Building	67621 Sharjah	06-5064009
Khorfakkan	Corniche Street	18969 Khorfakkan	09-2371122
Mega Mall	Mega Mall, ground floor	5169 Sharjah	06-5064022
Muwaileh	Dr. Faisal Al Qasimi Building, Showrooms No. 6 & 7, Maleeha Street, near National Paints Industrial Area no. 15	5169 Sharjah	06-5358855
Nasseriya	My City Center, ground floor, Shop No. G012, Nasseriya	67622 Sharjah	06-5064018
Qasimiyah	Al Otaiba Building, King Abdul Aziz Road, Sharjah	67622 Sharjah	06-5720002
Ras Al Khaimah	Emirates Islamic Bank Tower, ground floor, Al Muntaser Street, Al Nakheel Area	5198 Ras Al Khaimah	07-2260044
Sahara Centre	Al Nahda Street, Sahara Centre, Basement, Unit No. B2 + B3	5169 Sharjah	06-5255532
Sharjah	Al Bourj Avenue, Al Arooba Bank Street, near Rolla Square	5169 Sharjah	06-5064015
Sharjah Corniche	Ground Floor, EIB Tower, Buheira Corniche, Al Majaz Area	5169 Sharjah	06-5064008
Sharjah Court Pay Office	Al Meena Street	5169 Sharjah	06-5282248
Sharjah Crystal Plaza	Crystal Plaza Tower, Sharjah Buhairah Corniche Road	60666 Sharjah	06-5064001
Umm Al Quwain	Near Umm Al Quwain Broadcasting Station, King Faisal Road	315 Umm Al Quwain	06-5064020

LIST OF OFFSITE ATMS

Abu Dhabi	Dubai <i>(Continues)</i>
Al Raha Mall	Dubai Taxi ATM
Awqaf Abu Dhabi	Dubai World Central
Capital Mall	Emaar Boulevard
Carrefour, Abu Dhabi Mall	Emaar Business Park
Deerfields Mall	Emirates Living, The Lakes
Khalidiyah Mall	Etihad Mall
The Galleria Mall	Golden Mile
Yas Mall	Hyatt Regency Dubai Creek Heights
Ajman	Ibn Battuta Mall
Ajman Police	Karama Centre
City Center, Ajman	Lulu Hypermarket, Al Qusais
Union Coop, Ajman	Mall of Emirates, near Home Center
Al Ain	Mall of the Emirates, Metro link
Al Ain Mall	Marina Mall
Al Jimi Mall	Mega Mart, Al Qusais
Bawadi Mall, near Carrefour	Meiaisam City Centre
Bawadi Mall, near Style Studio	Mirdiff City Centre
Hili Mall	My City Centre, Al Barsha
Dubai	Nawaes Al Madina - Al Nahda
Al Ahli Driving school	RITAJ, Dubai Investment Real Estate Company
Al Bustan Center	Saudi German Hospital
Al Ghurair Center	Sheikh Ahmed Mosque
Al Mulla Plaza	Shindagha Carrefour
American Hospital, Oud Metha	Sky Gardens DIFC
Aswaaq Supermarket, Umm Sequim	Souk Al Wasl
Bin Sougat Center, Airport Road	The Beach, JBR
City Walk 2	Union Coop, Jumeirah
Deira City Center, Etisalat	Union Coop, Karama
Deira City Center, near New Look	Union Coop, Rashidya
Dubai Airport Terminal 1	Union Co-operative - Al Hamriya
Dubai Airport Terminal 2	Union Co-operative - Al Twar
Dubai Airport Terminal 3	Union Co-operative Al Wasl
Dubai Cruise Port and Customs	Union Co-operative - Umm Suqeim
Dubai Driving Centre	Union Co-operative- Al Aweer
Dubai Health Care City, Building 16	Fujairah
Dubai Immigration	Fujairah Drive Through (outside the Branch)
Dubai Mall, Atrium Souq	Khalifa Khamis Matar Al Kaabi
Dubai Mall, Food court	Ras Al Khaimah
Dubai Mall, Ice Rink	Al Murjan Resort
Dubai Mall, Kidzania	RAK Municipality
Dubai Mall, near Costa Café	Sharjah
Dubai Marina Mall	Al Saqr Business Centre
Dubai Marina Walk	Ansar Mall
Dubai Taxi, Jebel Ali	Mega Mall
Dubai Wholesale Plaza	Rolla Mall
Dubai Women's College	Sahara Centre
Dubai Municipality, Al Manara Centre Offsite	Sharjah International Airport
Dubai Police Head Quarters	Sharjah Pay Office
Dubai Port and Customs	

