



CONTENTS

08

MESSAGE
FROM THE
CHAIRMAN

10

BOARD OF
DIRECTORS

15

CORPORATE
PROFILE

16

CORE
BODIES

18

AREAS OF
BUSINESS

36

THE YEAR
IN REVIEW

53

LOOKING
AHEAD



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



Sheikh Maktoum bin Mohammed bin Rashid Al Maktoum
Deputy Ruler of Dubai and President of Dubai International Financial Centre

MESSAGE FROM THE CHAIRMAN



In the 12 years since the Dubai International Financial Centre (DIFC) launched, we have seen oil prices skyrocket and then plummet. We've seen globalisation become the norm and populism gain traction around the world. In 2016 more specifically, we saw global and regional uncertainty and only muted economic growth – and yet, DIFC maintained strong growth momentum, highlighted by a number of developments that helped characterise 2016 as “a year of firsts” for the Centre.

As described in the pages to follow, the DIFC's accomplishments during 2016 demonstrate the enduring wisdom of the vision that His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice-President and Prime Minister of the United Arab Emirates, and Ruler of Dubai, has for DIFC and Dubai more broadly.

DIFC has grown every year since our launch and the particular series of 'firsts' during 2016 reflects the unmatched offering that we provide confirms the Centre's clear position as the leading financial centre for the Middle East, Africa and South Asia (MEASA) region. It has become the natural choice, and the preferred choice, for firms looking to tap regional and international markets.

Our success also speaks to the hard work and professional excellence of the many teams that contribute to creating the overall the Centre ecosystem – including the DIFC Authority, the Dubai Financial Services Authority and the Dispute Resolution Authority.

During the year, we surpassed the 1,600 mark in the total number of active registered companies in the Centre, as well as the 21,000 level, regarding the total workforce in DIFC.

Our organisational agility, forward-thinking and innovation were demonstrated in a variety of ways, including DIFC signing on as a founding member of the Global Blockchain Council. We also welcomed the first crowd-funding investment platform in the region, and our facilities management team initiated a district-wide energy savings programme that will cut electricity use by more than two-thirds.

One of the most significant developments during 2016 was the start of construction on Gate Avenue at DIFC, a regional first-of-its-kind development that will extend the elegant architecture of the district and add to the lifestyle offerings that make DIFC such an attractive place to work, live and visit.

Perhaps most significantly - our results in 2016 signal that we are well on our way to achieving our 2024 Strategy that seeks to triple the size of the Centre between 2014 and 2024. Some of our metrics are strong, we may exceed them prior to 2024.

All of this work is being executed in alignment with, and in support of, the broader Dubai Vision 2021. This Vision seeks to make Dubai a top-five global centre for trade, logistics, tourism and finance, as well as the most business-friendly city in the world and a top destination for foreign investment. Given these goals, it's clear that our success can quite directly support the realisation of these goals.

DIFC is proud to play its role in helping Dubai fulfil its ambition. At the same time our success results from being an enabling partner to the thousands of companies based in the Centre. We are committed to helping these companies grow and serve their own regional and international clients, as they form part of the most diverse and most developed financial services ecosystem in MEASA region.

DIFC AUTHORITY BOARD OF DIRECTORS

H.E. Essa Kazim
Chairman

His Excellency Essa Kazim is the Governor of Dubai International Financial Centre (DIFC), Chairman of Borse Dubai, Chairman of Dubai Financial Market (DFM), Deputy Chairman of Supreme Legislation Committee in Dubai and a member of the Dubai Supreme Fiscal Committee.

His Excellency Kazim began his career as a Senior Analyst in the Research and Statistics Department of the UAE Central Bank in 1988 and then moved to the Dubai Department of Economic Development as Director of Planning and Development in 1993. He was appointed Director General of the DFM from 1999 to 2006.

His Excellency Kazim holds an honorary Doctorate from Coe College, a Master's degree in Economics from the University of Iowa, a Master's Degree in Total Quality Management from the University of Wollongong and Bachelor's Degree from Coe College.



His Excellency Kazim currently sits on a number of official advisory committees and boards; he is a Member of the Higher Board of Directors of DIFC, Chairman of the Board of Directors of DIFC Investments, Board Member of the Dubai Economic Council, Board Member of Nasdaq Dubai, Board Member of Free Zones Council, Board Member of Noor Bank, Board Member of Nasdaq,

Member of the Board of Etisalat, and Member of the Board and Secretary General of the Dubai Islamic Economy Development Centre.

His Excellency Kazim also serves as a board member for a number of educational institutions, both within the region and around the world.



Hussain Al Qemzi
Board Member

A seasoned banker with proven expertise in adopting, steering and managing strategic projects, business development and innovation initiatives, Mr Hussain Al Qemzi has more than 29 years of experience in the banking and financial services sector. He has worked with leading financial institutions in the UAE, and currently is the Chief Executive Officer of the Noor Investment Group and its flagship entity Noor Bank.

Under his leadership, Noor Bank has received more than 20 prominent industry awards, and as a result of his achievements with the bank, Mr Al Qemzi was named 'Islamic Banking CEO of the Year' at the prestigious CEO Middle East Awards 2015.

Prior to his current role, Mr Al Qemzi was the Chief Executive of Sharjah Islamic Bank and a former board member of the Dubai Financial Market (DFM) and Dubai International Financial Exchange (DIFX).

He also served as Chief Operating Officer of DIFC, and is credited with laying the groundwork for the world-class financial hub.

In addition to his current responsibilities leading Noor Investment Group, Mr Al Qemzi is the Chairman of the Board of Directors of the Awqaf and Minors Affairs Foundation, Chairman of Emirates Institute for Banking and Financial Studies, Vice Chairman of Emaar Properties, and a Member of the Board of Directors of the DIFC Supreme Council. He is a member of the Dubai Higher Committee for the Development of the Islamic Economy Sector.

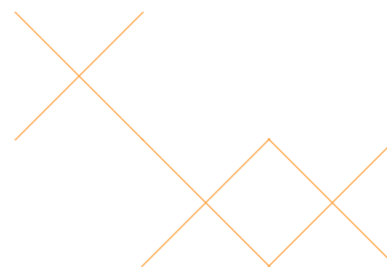


Rashid Saif Al-Jarwan
Board Member

Rashid Al-Jarwan is the Vice Chairman of the Board of Dana Gas, and a Board Member of the Emirates General Petroleum Corporation (Emarat), Oman Insurance Company, DIFC Investments (DIFCI), Mashreq Bank, and Chairman of the Al Ghurair Holding company.

His extensive oil and gas experience extends to over 35 years, having latterly held the position of General Manager in Dana Gas for 3 years and ADGAS for 8 years and held various executive and technical positions in the Adnoc Group of companies for 28 years in Abu Dhabi.

Mr. Al-Jarwan holds Bachelor's Degree in Petroleum & Natural Gas Engineering from Pennsylvania State University.





Abdulla J M Kalban
Board Member

Mr Abdulla Kalban is a highly accomplished business executive who joined Dubai Aluminium (DUBAL) in 1985 as a graduate trainee and today is Managing Director & Chief Executive Officer of Emirates Global Aluminium, one of the world's leading aluminium producers.

In the course of his career, Mr Kalban progressed through the ranks at DUBAL to become CEO in 2005, then President & CEO in 2008. Following the integration of DUBAL and Emirates Aluminium (EMAL) in 2014, coincident with the formation of EGA, Abdulla was appointed to his current post of Managing Director & Chief Executive Officer.

Abdulla was responsible for DUBAL's strategic joint venture developments worldwide, comprising additional smelter complexes in the MENA region, notably EMAL, built in collaboration with Mubadala Investment Company, and DUBAL's upstream investments in bauxite mining and alumina refining in the Republic of Guinea.

Mr Kalban also is Chairman of the Gulf Aluminium Council (GAC); Chairman of Guinea alumina Corporation; Vice Chairman of Federal Electricity & Water Authority (FEWA), a Director of the International Aluminium Institute (IAI), UK.

He is active on various committees, such as the Dubai Executive Council Committee for Infrastructure & Environment, as well as the Supreme Council of Energy in the UAE. Mr Kalban has also served as a key policymaker on several committees established to lead EGA and the country's transformation into the ranks of world-class competitiveness by bringing together the best industrial practices and the potential of UAE manpower.



Salem Al Sharhan
Board Member

Mr. Salem Ali Al Sharhan worked in Emirates Telecommunication Corporation (ETISALAT) for 23 years until May 2011. During his time with Etisalat, Mr. Al Sharhan served as Group Chief Financial Officer for seven years, where he was responsible for all aspects of group financial strategy and served as a member of the corporate management team, evaluating both technology and potential acquisition targets.

As part of his role in Etisalat, Mr. Al Sharhan also represented the company on the boards of a number of international telecom companies. He served as a board member of Mobily in Saudi Arabia and as a member of Sudatel in Sudan for ten years. In addition, Mr. Al Sharhan was a board member of EMTS in Nigeria, a board member of Atlantique Telecom in West Africa and was Chairman of Zantel in Tanzania.

Mr. Al Sharhan also served as a trusted advisor to His Highness Sheikh Saud Bin Saqr Al Qasimi, Ruler of Ras Al Khaimah.

At present, Mr. Al Sharhan is a Chairman of RAK Insurance, Board member of the National Bank of Ras Al Khaimah as well as Member of Board of Trustees of the American University of Ras Al Khaimah.

Mr. Al Sharhan holds a BSc in Accounting and Business Administration from United Arab Emirates University, UAE.



Hesham Abdulla Al Qassim
Board Member

Mr. Hesham Abdulla Al Qassim is the Chief Executive Officer for wasl Asset Management Group and is responsible for leading the organisation's transformation into a world-class asset management company. He is also the Vice Chairman and Managing Director of Emirates NBD Bank PJSC, the Chairman of Emirates Islamic, one of the leading Islamic banks in the region and Emirates NBD Egypt; both are subsidiaries of Emirates NBD PJSC.

Mr. Al Qassim's leadership role at wasl has seen him spearhead asset management, real estate, hospitality and project development. Under his stewardship, wasl has achieved remarkable success in the management and ownership of large-scale real estate projects undertaken for the government of Dubai. This portfolio of achievements, combined with a wealth of financial sector experience from over 18 years in the banking industry, makes him one of the most experienced CEOs in the region.

Mr. Al Qassim's current Chairmanship roles at Emirates NBD and Emirates Islamic reflect his prominent role in shaping the future direction of these prestigious institutions. His senior level financial experience and innovations within the banking industry, led these banks to become leading financial institutions in the United Arab Emirates.

Mr. Al Qassim's board memberships include DIFC Investments, National General Insurance Co., Amlak Finance, Emirates Institute for Banking and Financial Services (EIBFS), International Humanitarian City as well as the National Human Resources Development Committee in the Banking and Financial Sector. His professional and vocational qualifications include a Bachelor's Degree in Banking and Finance, a Master's Degree in International Business and an Executive Leadership Degree.



Hamad Buamim
Board Member

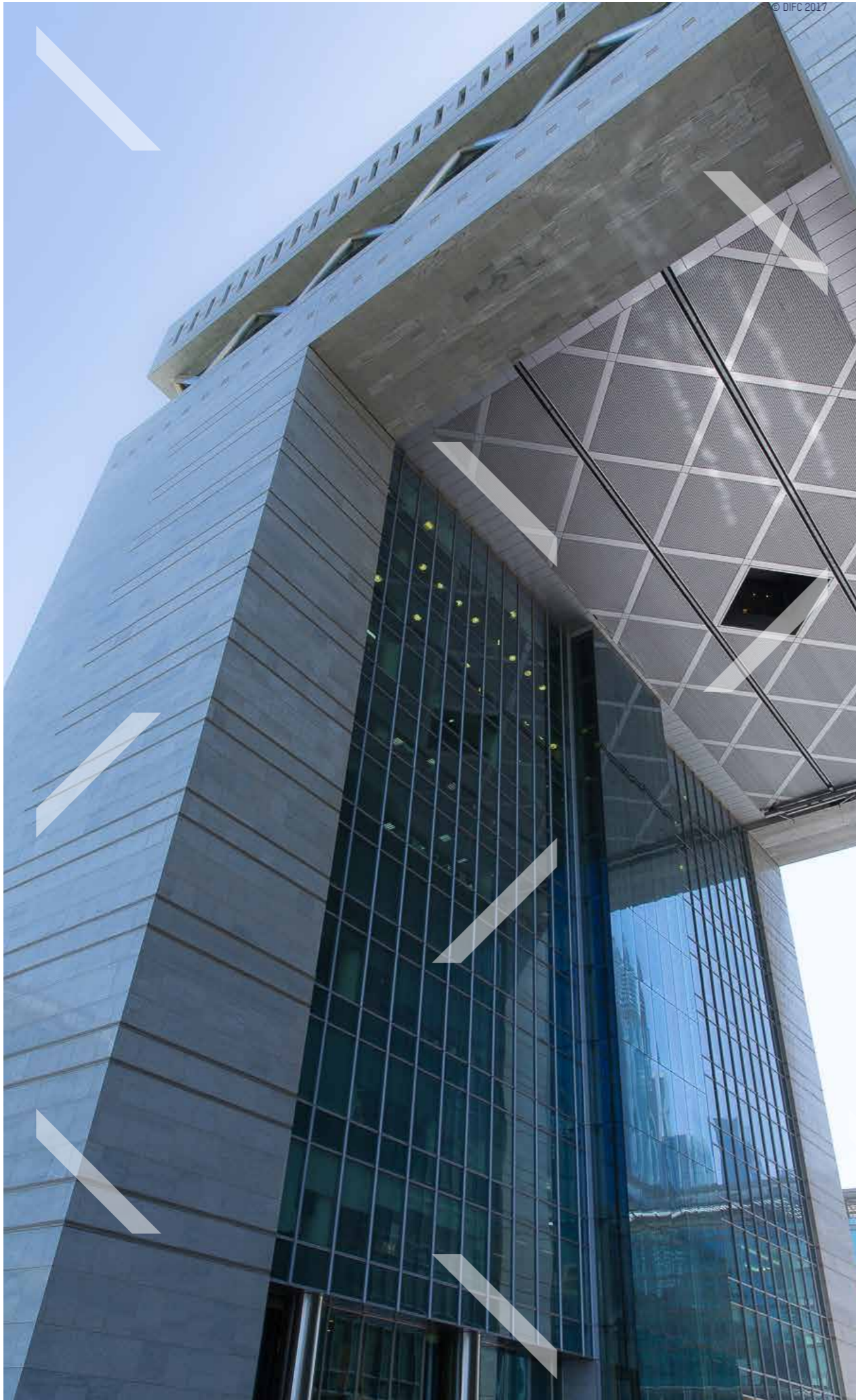
Holding his current position since 2006, Hamad Buamim is the President and Chief Executive Officer of Dubai Chamber of Commerce and Industry. In his current capacity, he is responsible for representing, supporting and protecting the interests of the business community in Dubai.

Mr. Buamim also acts as Deputy Chair of the World Chambers Federation – ICC in Paris.

In previous roles, Mr. Buamim was the Chairman of Emirates Financial Services, Chairman of Emirates NBD Capital, and Board Member of Emirates NBD Bank and Network International.

In addition to his role on the Dubai International Financial Centre Authority Board, he also sits on the Board of Directors of the UAE Central Bank and serves as the Managing Director and Board Member of Dubai World.

Mr. Buamim holds a Master's of Business Administration (MBA) in Finance from the University of Missouri – Kansas City, United States. He also obtained a Bachelor of Science with Magna Cum Laude in Electrical Engineering from the University of Southern California, Los Angeles.



CORPORATE PROFILE

The Dubai International Financial Centre (DIFC) is the financial hub for the Middle East, Africa and South Asia. A free zone established by Federal Decree, DIFC provides a world-class platform that connects the region's markets with the economies of Europe, Asia and the Americas.

It is helping transform the Dubai and the broader United Arab Emirates into a hub for institutional finance and a gateway to attract capital and investments into the region.

VISION

To be a global financial hub

MISSION

To promote growth and development of financial services within the UAE by providing world-class infrastructure and business opportunities

VALUES

Integrity
Transparency
Efficiency

The Dubai International Financial Centre Authority (DIFC Authority) is the entity responsible for the guiding strategy, ongoing development and overall public administration of DIFC. It also is charged with promulgating and administering those laws and regulations for the Centre that do not relate to the regulation of financial services.

Central to the role of the DIFC Authority is continuing to strengthen Dubai's position as the financial hub for the US\$7.4 trillion Middle East, Africa and South Asia (MEASA) region and a truly global international financial centre.

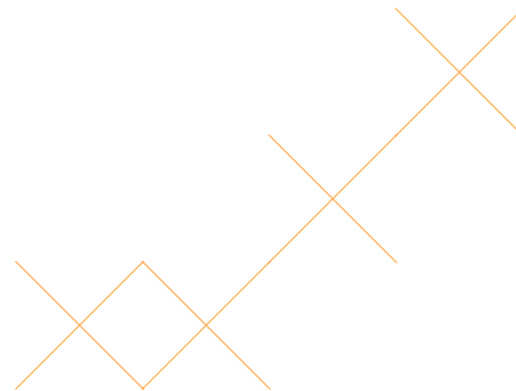
In pursuing this, the DIFC Authority assesses and benchmarks all aspects of the Centre. This includes hard and soft infrastructure from laws and regulations to the quality of IT infrastructure.

INTERNATIONAL OUTREACH

The DIFC Authority also develops international relationships with its peers and with other organisations in order to share best practices, as well as to identify and promote business development opportunities for companies operating in the Centre and to improve the attractiveness of the DIFC as a place to conduct business.

The Authority works to raise the profile of the Centre, highlight both the compelling benefits of setting up operations in DIFC and the business opportunities offered by the MEASA region, and represent the broad-based appeal of Dubai and the UAE as a business location – all in a move to attract new companies to the Centre.

1 DUBAI INTERNATIONAL FINANCIAL CENTRE AUTHORITY



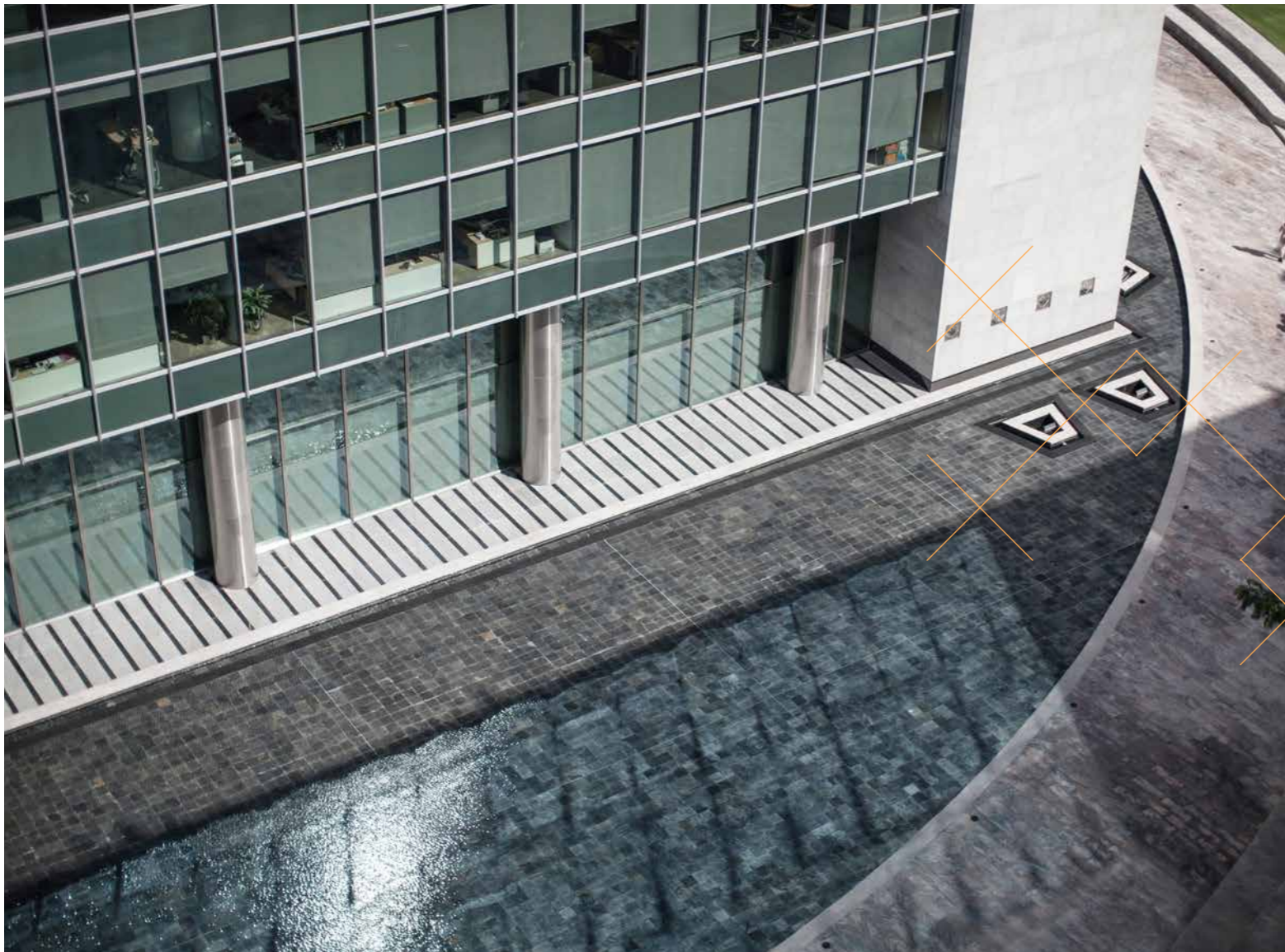
INFRASTRUCTURE DEVELOPMENT

Central to DIFC's appeal is creating a world-class business and lifestyle destination that offers a vibrant mix of premium food and beverage outlets, high-end retail shops, a flourishing art scene, and luxury residential accommodations – all tailor-made to the requirements of the international financial and professional services community.

Delivering such an environment includes developing and executing the master plan for the entire DIFC district, coordinating DIFC-owned real estate development and leasing with that of third-party developers, and ensuring delivery of property in line with market requirements. This includes guaranteeing the necessary diversity of office, retail and residential property to meet the wide range of businesses looking to establish operations in the Centre.

CLIENT CENTRIC

Across everything the DIFC Authority does, the focus is on the client. The goal is to support the business success and growth of companies operating in the Centre by providing business process streamlining, continual service improvement, and enhanced management structures regarding all aspects of the licensing, administration and regulation processes related to operating in DIFC. Many of these priorities are achieved through cooperation with the two other core bodies that comprise DIFC: the Dubai Financial Services Authority and Dubai Resolution Authority.



2 DUBAI FINANCIAL SERVICES AUTHORITY

The Dubai Financial Services Authority (DFSA) is the independent regulator of financial and some (DNFBP) Designated Non-Financial Businesses and Professionals or from DIFC.

The DFSA's regulatory mandate includes asset management, banking and credit services, securities, collective investment funds, custody and trust services, commodities futures trading, Islamic finance, insurance, an international equities exchange, and an international commodities derivatives exchange.

As of December 31, 2016, there were 447 DFSA Authorised Firms, 117 Designated Non-Financial Businesses and Professions, 64 DFSA Recognised Members, 16 DFSA Registered Auditors, seven DFSA Recognised Bodies, three Credit Rating Agencies, and two DFSA Authorised Market Institutions.

Across all of its activities, the DFSA pursues a risk-based regulatory approach that works to avoid unnecessary regulatory burden.

In addition to regulating financial and ancillary services, the DFSA is responsible for supervising and enforcing anti-money laundering (AML) and counter-terrorist financing (CTF) requirements applicable in DIFC. The DFSA has also accepted a delegation of powers from the DIFC Registrar of Companies (RoC) to investigate the affairs of DIFC companies and partnerships where a material breach of DIFC Companies Law is suspected and to pursue enforcement remedies available to the Registrar.

The DFSA has established, and strives to maintain, an environment that fosters the DIFC guiding principles of integrity, transparency and efficiency. It does so by embedding uncompromisingly high standards in a clear, succinct and flexible regulatory framework based on international best practices relevant to a modern international financial centre.

3 DISPUTE RESOLUTION AUTHORITY

The Dispute Resolution Authority (DRA) is a platform for delivering legal excellence in the Middle East and the gateway to a suite of services available to businesses operating in Dubai and beyond.

The DRA is comprised of four divisions: DIFC Courts, DIFC-LCIA Arbitration Centre, the Academy of Law, and the DIFC Wills & Probate Registry.

The divisions of the DRA work in partnership to provide businesses with unparalleled choice about how to resolve their commercial disputes, to develop legal talent and to protect individuals investing or living in Dubai.

DIFC COURTS

The DIFC Courts administer an English-language, common-law system offering swift, independent justice to settle local and international commercial and civil disputes. The Courts provide certainty through transparent, enforceable judgments from internationally recognised judges, who adhere to the highest global legal standards. There is a Court of First Instance and a Court of Appeal.

DIFC-LCIA ARBITRATION CENTRE

The DIFC-LCIA combines the international best practices and reputation of the London Court of International Arbitration (LCIA) with the unique understanding of the local and regional legal and business cultures in the Gulf and wider MENA region. It seeks to establish Dubai as the regional hub for international commercial arbitration.

ACADEMY OF LAW

The DIFC Dispute Resolution Authority Academy – the Academy of Law – provides world-class ancillary services to the UAE legal community, primarily through the training and regulating of lawyers, publishing and disseminating legal information, hosting events for the legal community, and providing free legal advice for people in need.

DIFC WILLS & PROBATE REGISTRY

The DIFC Wills & Probate Registry provides the first service of its kind in the Middle East and North Africa region, by allowing eligible individuals greater choice in the distribution of assets following their death and the selection of guardian for their children. The Registry delivers operational speed, efficiency and cost effectiveness, alongside the certainty of judicial enforcement through DIFC Courts.





ADMINISTRATIVE BODIES

REGISTRAR OF COMPANIES (ROC)

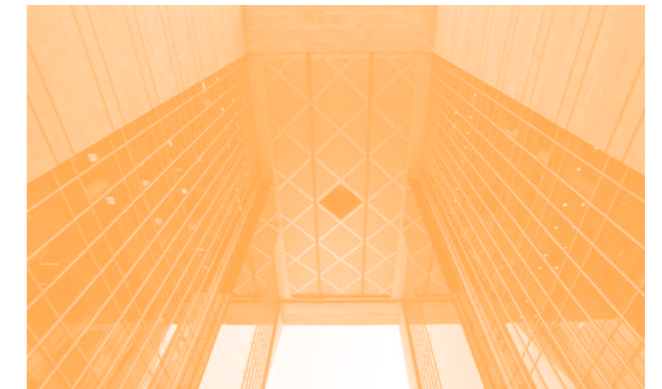
The RoC is responsible for all matters related to incorporation and registration of companies based in DIFC. The RoC is also responsible for administering DIFC's Companies Law and Regulations.

REGISTRAR OF SECURITY (ROS)

The RoS administers the recording and registering of security interests, and establishes priority of collateral pledged against loans, guarantees and other financial transactions. The RoS enables any entity inside or outside DIFC to register any security interest that they may take against facilities they have extended to borrowers in DIFC.

REGISTRAR OF REAL PROPERTY (RORP)

The RoRP administers the Real Property Law and the Strata Title Law, and registers all land and units in DIFC in the DIFC Land Register. The RoRP ensures the protection of the rights of buyers, sellers and leaseholders of all property in DIFC.



COMMISSIONER OF DATA PROTECTION

The Office of the Commissioner of Data Protection is the independent regulator responsible for upholding information rights in the public interest and data privacy for individuals in or from DIFC.

OUR AREAS OF BUSINESS

WITH A DIVERSE CLIENT PORTFOLIO,
DIFC HOSTS A RANGE OF FINANCIAL
AND NON-FINANCIAL FIRMS FROM
ACROSS THE GLOBE

01
BANKS &
CAPITAL
MARKETS

02
INSURANCE &
REINSURANCE

03
WEALTH
& ASSET
MANAGEMENT

04
PROFESSIONAL
SERVICES
PROVIDERS

05
CORPORATE
OFFICES

06
RETAIL

AREAS OF BUSINESS

01 BANKS & CAPITAL MARKETS

Attracted to the region by its growing wealth; cross-border trade, investment and M&A activity; and ongoing restructuring by state-owned enterprises, corporations and family conglomerates, a large number of banks and brokerage firms have established a presence in DIFC.

From DIFC, investment banks are able to service the region's expanding financing needs and support the growing sophistication of businesses operating in and from the region. Regional debt capital markets are deepening, as governments and corporates across the region diversify their funding bases.

Banks operating in DIFC enjoy a well-established legal framework that supports cross-border financial products that might otherwise face multijurisdictional risks or regional restrictions on foreign financial institutions providing wholesale banking services. This creates a highly conducive and secure environment for the growth of banks offering a wealth of services, including:

- > Commercial banking
- > Investment banking
- > Trade and export finance
- > Project and infrastructure funding
- > Treasury services
- > Correspondent banking

DIFC not only hosts one of the region's most significant international electronic trading platforms – NASDAQ Dubai – but also provides an ideal environment for financial intermediaries to service the capital markets of the region in areas such as underwriting, M&A advisory, venture capital, private equity, private banking, trade finance, and brokerage services.

Nasdaq - DIFC is home to Nasdaq Dubai, which lists equities, equity derivatives, structured products, sukuk (Islamic bonds) and conventional bonds. Through the exchange, regional and international issuers can access regional and international liquidity, while international issuers can access capital from the region through a primary or dual listing.

02

INSURANCE & REINSURANCE

With the Middle East, Africa and South Asia region having one of the lowest insurance penetration rates in the world, as well as one of the strongest growth rates, DIFC offers reinsurers, brokers, independent managing general agents and Lloyd's coverholders a world-class regulatory environment to access this important market.

The DIFC regulatory environment addresses both conventional and Islamic (takaful) insurance, and is not only robust but also designed to help firms manage their set-up costs, time to market, and accessibility to regional markets.

Regulated by the Dubai Financial Services Authority (DFSA), the insurance and reinsurance platform in DIFC offers a single location to support growth across the region. It allows providers and brokers to avoid the complexity of wide regional disparities on issues of compliance, supervision and reporting.

In many cases, international players tie up with regional firms to establish a new entity to cater to the region's demand for insurance and reinsurance services.

Captives - As regional companies grow and diversify, they are increasingly exploring the benefits of self-insurance to write some or all of their risks. DIFC offers an attractive environment for the setup of captive insurance companies by providing flexibility that permits single parent, association and group captives.

DIFC also offers a unique captive-like opportunity for smaller companies that don't have sufficient size to justify formation of their own captive company. The Protective Cell Companies (PCC) structure has lower formation costs and capital requirements, while losses are restricted to the assets of the cell.





03 WEALTH AND ASSET MANAGEMENT

The MEASA region is home to a vast pool of wealth and a growing appetite from institutional clients and high-net-worth individuals for specialist investment products and tailor-made wealth management solutions. DIFC's legislative and regulatory regime provides the ideal platform for all types of wealth managers and fund-related activities such as domiciling, distributing, administering and managing all types of collective investment products.

The DFSA provides a comprehensive, world-class and tested regulatory framework designed to take into account costs associated with fund set up, time to market and accessibility.

DIFC's regulatory framework enables:

- > Special purpose companies for financing transactions that facilitate the economic ownership of GCC real assets by non-GCC investors
- > Sophisticated investor vehicles with tailored regulatory requirements
- > DIFC-domiciled alternative investment funds to be marketed in the European Union through private placement regimes
- > Establishment of DIFC trusts for estate planning and related purposes.

04

CORPORATE OFFICES

With an independent and internationally-recognised common law system, combined with a robust and dynamic regulatory environment, DIFC provides an attractive jurisdiction to locate corporate and management offices. The Centre also offers firms free capital movement and flexible labour regulations. Through their headquarters and regional offices, these companies can centralise strategic leadership and the regional or global management of business activities.

Corporates can also run their treasury operations, including foreign exchange hedging and liquidity management through the DIFC.



05

PROFESSIONAL SERVICES PROVIDERS

A core element of DIFC's success as a world-class international financial centre is the well-developed and still growing professional services ecosystem that includes many of the world's largest legal and accounting firms, as well as top regional players.

They are attracted by the region's need for increasingly sophisticated financial services activities, growing cross-jurisdictional trade and transactions, and continued restructuring by state-owned enterprises, corporations and private entities.

DIFC-based professional service firms operate in the areas of law, accounting and audit, consulting, compliance, recruitment, risk management, and data and research.

By locating in DIFC, these firms not only benefit from the world-class infrastructure but also can centralise and consolidate their resources used to service the region, thereby gaining a competitive cost of operation. In addition to the regional opportunities, professional service firms also can benefit from the large and captive business and financial clientele located within the Centre.

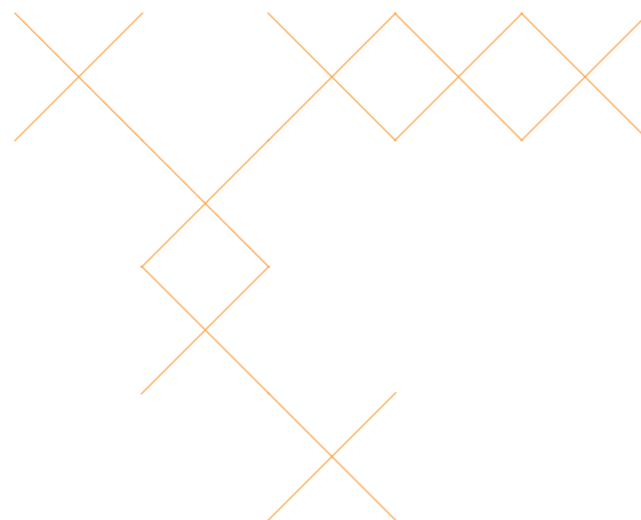
06

RETAIL

DIFC provides a distinctive retail offering with a wide range of shopping, food and cafe options across an easily walkable and interconnected open-air and air-conditioned district. Designed to meet the discerning needs of worldly financial professionals, the retail mix in the Centre includes lifestyles amenities such as urban shopping, upscale dining, and personal care and health and fitness services.

A dynamic community of art, culture and cuisine with the iconic The Gate building at its centre, DIFC offers professionals and visitors a choice of three distinct retail zones:

- > Gate Village, located adjacent to The Gate, is home to art galleries and fine dining outlets.
- > Marble Walk, located beneath The Gate, primarily hosts outlets offering takeaway meals, fast casual dining, retail convenience and essential services.
- > The Balcony, the terrace surrounding The Gate, focuses on casual dining options.



OUR YEAR
IN REVIEW

DIFC REPORTED
STRONG
PERFORMANCE
FOR 2016

01
BY THE
NUMBERS:
STRONG
GROWTH

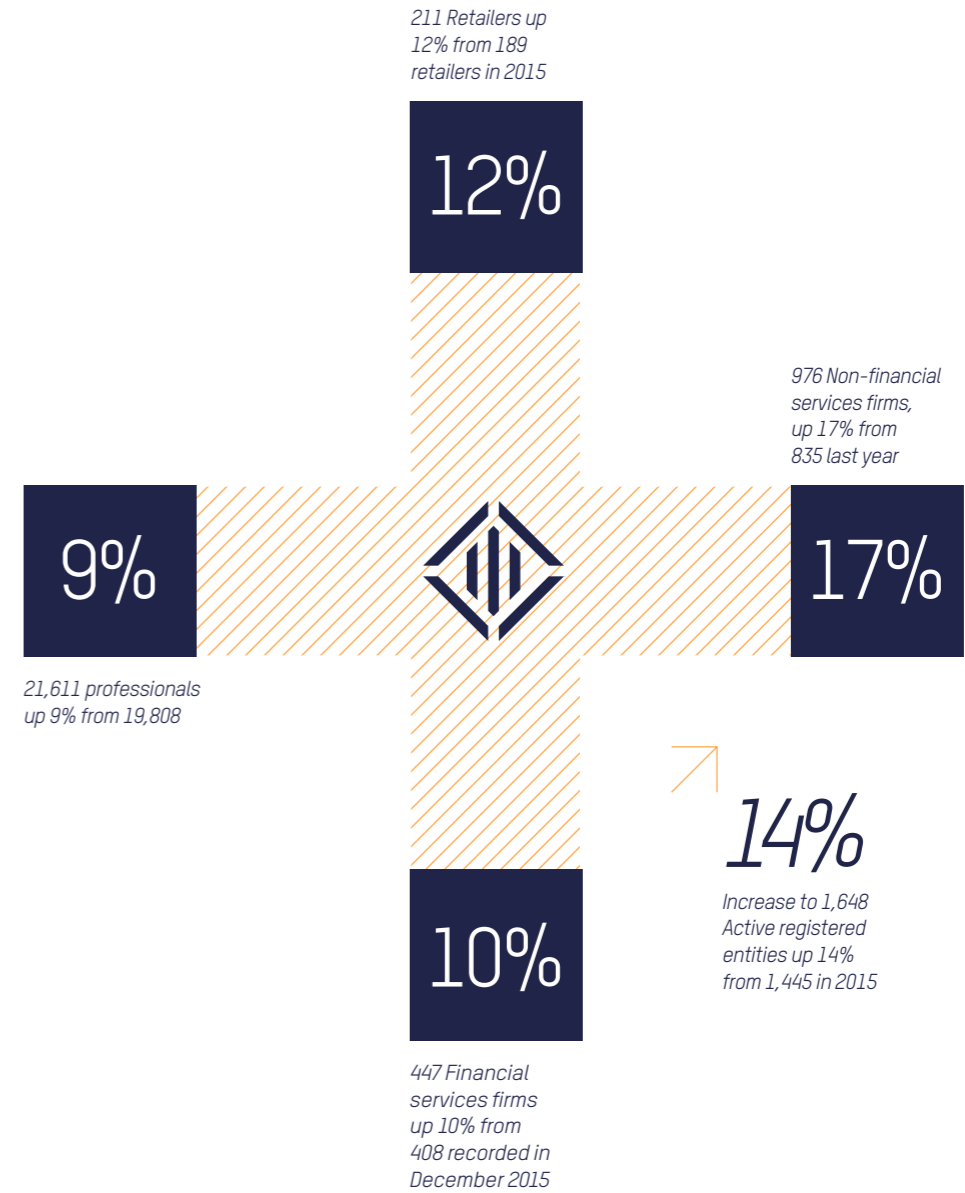
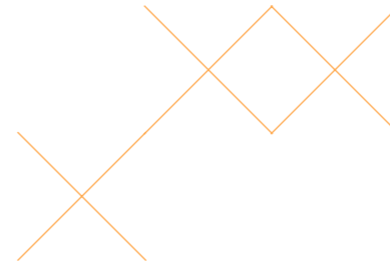
02
DIFC 2024
STRATEGY

03
A YEAR OF
FIRSTS

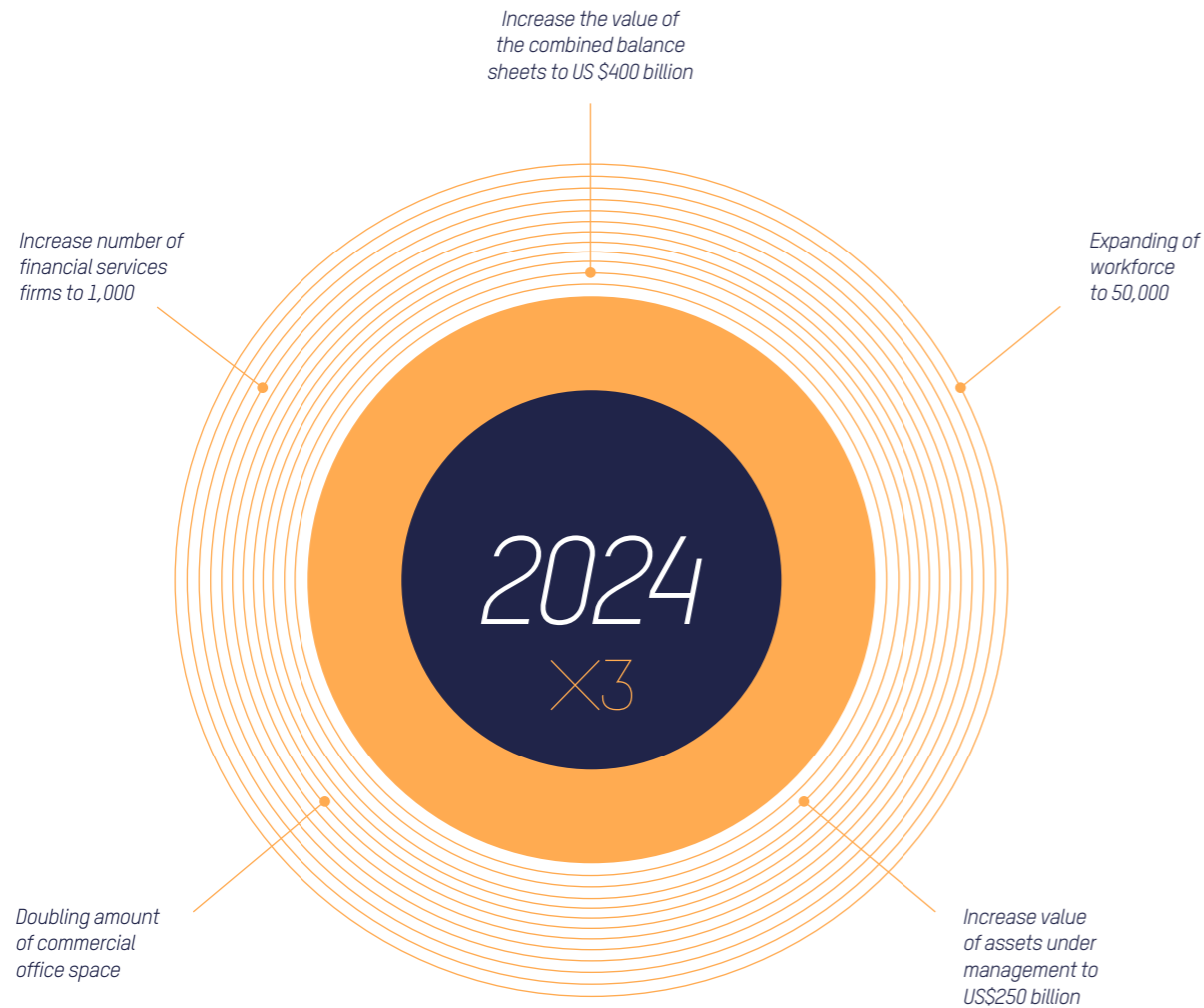
01 BY THE NUMBERS: STRONG GROWTH

During 2016, the many global and regional challenges served to reinforce the importance of DIFC's commitment to innovation, long-term vision, and delivering results. The pioneering spirit that led to the founding of DIFC more than a decade ago continued to infuse all of the Centre's work during 2016, as it maintained its focus on further expanding and enhancing the region's leading banking, finance and professional services ecosystem.

The strong inflow of all types of companies into the Centre, despite a background defined by low oil prices and tepid global growth, positioned DIFC not only to achieving its 2024 Strategy but even to exceed some of its key targets (see box). During 2016, all of DIFC's main growth metrics continued to rise:



A YEAR OF GROWTH



DIFC 2024 STRATEGY

Announced in 2015, the DIFC 2024 Strategy seeks to triple the size of the Centre by deepening core client synergies, building relevance in key global sectors, and facilitating trade and investment across the South-South trade corridor.

These initiatives are supported by the continued enhancement of the Centre's physical and regulatory infrastructure.

Key metrics include:

- > Increasing the number of active registered financial services firms to 1,000 by 2024, up from 408 in 2015
- > Expanding the workforce of DIFC-registered companies to 50,000, from 19,808 in 2015
- > More than doubling the amount of commercial office space being leased to 5.5 million sq. ft.
- > Increasing the value of assets under management in the Centre more than 20-fold to US\$250 billion
- > Increasing the value of bank balance sheets in the Centre by more than 500% to US\$400 billion

02 DIFC 2024 STRATEGY



FOCUSED ON THE FUTURE



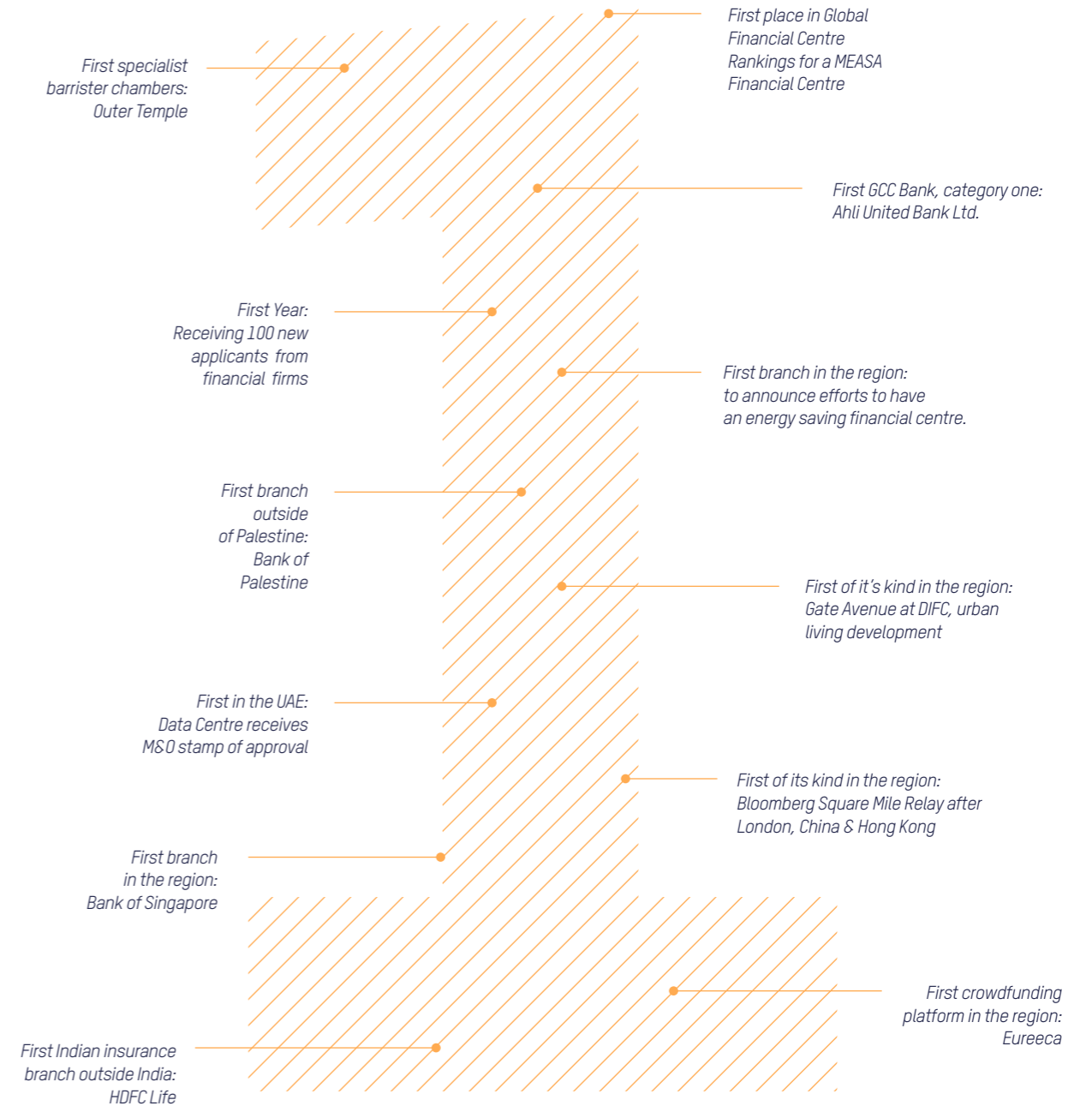
03 A YEAR OF FIRSTS

During the year, DIFC achieved a number of firsts – from the expanding range of firms setting up in the Centre to the extent of its sustainability to the quality of its IT infrastructure. DIFC maintained its first-place ranking across a vast geography stretching from Zurich to Singapore in the September 2016 Global Financial Centres Index.

This positions DIFC as the leading international financial hub for the US\$7.4 trillion Middle East, Africa and South Asia (MEASA) region.

Among the many new companies establishing operations in DIFC, one of the most significant was the relocation of the head office of HSBC Bank Middle East Limited (HBME) from Jersey to DIFC. As a result of the move, HBME is now lead-regulated by the Dubai Financial Services Authority (DFSA), the independent regulator of the Centre.

The move highlights the appeal of DIFC, and the broader Dubai and UAE pro-business environment, to international players in the banking and financial services sector. It also provides an additional vote of confidence in the world-class, risk-based character of DIFC's regulatory regime.



LEADING THE WAY

REGIONAL BANKS EXPAND TO DIFC

In another first, Ahli United Bank Limited (AUBL), a fully owned subsidiary of Ahli United Bank B.S.C, became the first GCC bank to receive a Category 1 license from the DFSA. With this license, AUBL became the first GCC bank to be able to offer the full scope of banking services in DIFC, including corporate banking, private banking, wealth management, trade finance, treasury and cross-border financial products and services to clients based in the UAE and wider Middle East region.

Also during 2016, Bank of Palestine, the largest financial institution in Palestine, selected DIFC for its first-ever international representative office. Similarly, Kuwait's KAMCO Investment Company opened its first international office in DIFC.

In the field of insurance, DIFC welcomed DFC International Life and Re Company Limited, the first Indian reinsurance firm to be licensed to operate in DIFC, parent company HDFC Life's first international subsidiary.

In a move that reinforces DIFC as a regional centre for Chinese financial institutions, Agricultural Bank of China (ABC Bank) was selected as the first Yuan/Renminbi Clearing Centre in the region.

FINTECH AND BLOCKCHAIN

In the wake of DIFC's ongoing investments in building an ecosystem for financial technology (fintech), blockchain and other internet- and IT-mediated platforms, DIFC became home to Eureeca, the first equity crowdfunding platform in the region. Eureeca is the first multi-regulated global equity crowdfunding platform, and with its DIFC operations, began DFSA-regulated activities that link high-growth businesses with much needed capital.

With blockchain an area of intense interest for the financial services sector, DIFC became one of the founding members of the Global Blockchain Council. This membership reinforces DIFC's commitment to being a regional fintech hub. At the same time, the Centre continued work on creating a "proof of concept" for registering wills on the Blockchain.

SECURE IT INFRASTRUCTURE

Further strengthening its IT credentials, the DIFC Co-Location Data Centre became the first data centre in the UAE to receive the internationally recognised Management and Operations (MSO) Stamp of Approval from Uptime Institute, a leading IT standards and certification organisation.

DIFC and the Data Centre also received ISO/IEC 27001 accreditation in Information Security Management Systems, providing confidence to clients that their information can be shared with DIFC for regulatory purposes and adds an additional layer of confidence to organisations using the Data Centre.



GLOBAL BARRISTERS SET UP SHOP

Pioneering a legal first for the region and demonstrating international confidence in the Centre's legal structures DIFC welcomed London-based Outer Temple Chambers (OTC), the first specialist barristers' chambers in the region. OTC is a leading set of experts, global barristers (lawyers who practice in international and English common law courts and arbitral tribunals), and their services will benefit all regional businesses using DIFC Courts.

A FOCUS ON 'ENERGY'

Leading the way in environmental initiatives, DIFC became the first district in the UAE to implement a complete makeover of its lighting infrastructure with the signing of an energy performance contract with Etihad ESCO. The contract guarantees that DIFC will be able to realise energy reductions of 72% across the Centre by 2022.

A different kind of energy was the focus as the Bloomberg Square Mile Relay was hosted for the first time in the Middle East at DIFC. This inaugural event was added to the established global race series that already includes London, Singapore, Hong Kong, and Shanghai. Five hundred business professionals from 50 of Dubai's largest companies participated in the 10-person relay race across the DIFC district.

ATTRACTING COMPANIES FROM AROUND THE WORLD

In addition to these firsts, hundreds of new companies joined DIFC during 2016. The sector and geographic breadth of these firms demonstrates the strong logic that leads so many firms to choose DIFC.



A MAGNET FOR ASSET MANAGERS

In the field of Asset and Wealth Management, DIFC welcomed the Bank of Singapore and Pictet Asset Management as new clients, growing to around 180 the number of firms focused on serving the significant pool of emerging wealth in the region. As well, Jardin Lloyd Thompson expanded its operations in the Centre to better service its high-net-worth clients.

Looking to further grow the number of firms in this sector, DIFC established the Wealth Management Working Group, to explore ways to enhance the Centre as a platform for wealth management and succession planning to GCC families, as well as the broader international wealth management community.

The attractive regulatory environment continued to draw firms to set up under the Centre's Qualified Investor Fund regime, including TVM Capital Healthcare Partners, which has established a healthcare-focused investment fund, and Hometown Fund Management Limited (Cayman Islands) and Gateway Investment Management Services, which have launched a hospitality focused fund.

FROM AFRICAN BANKS TO OIL MAJORS

In the Bank and Capital Markets sector, DIFC welcomed a number of new firms, including Zenith Bank (UK), one of Nigeria's leading commercial banks. The Insurance and Reinsurance sector welcomed Starr Underwriting Agents.

In the area of Corporate and Service Providers, 2016 saw DIFC welcome a number of new companies, including Exxon Mobil, Mayer Brown LLP, and Larsen & Toubro. As well, more than 20 family offices registered in the Centre during the year to take advantage of DIFC's ecosystem to more effectively structure and manage family wealth.

In supporting an IT infrastructure that delivers day in and day out against the exceptionally demanding requirements of the banking and finance sector, as well as Dubai's vision to become a smart city, DIFC upgraded its state-of-the-art IT infrastructure, including its first mobile app, which gives DIFC-registered clients access to a wide variety of online services, and a property listings website properties.difc.ae

DRIVING GLOBAL CONNECTIONS

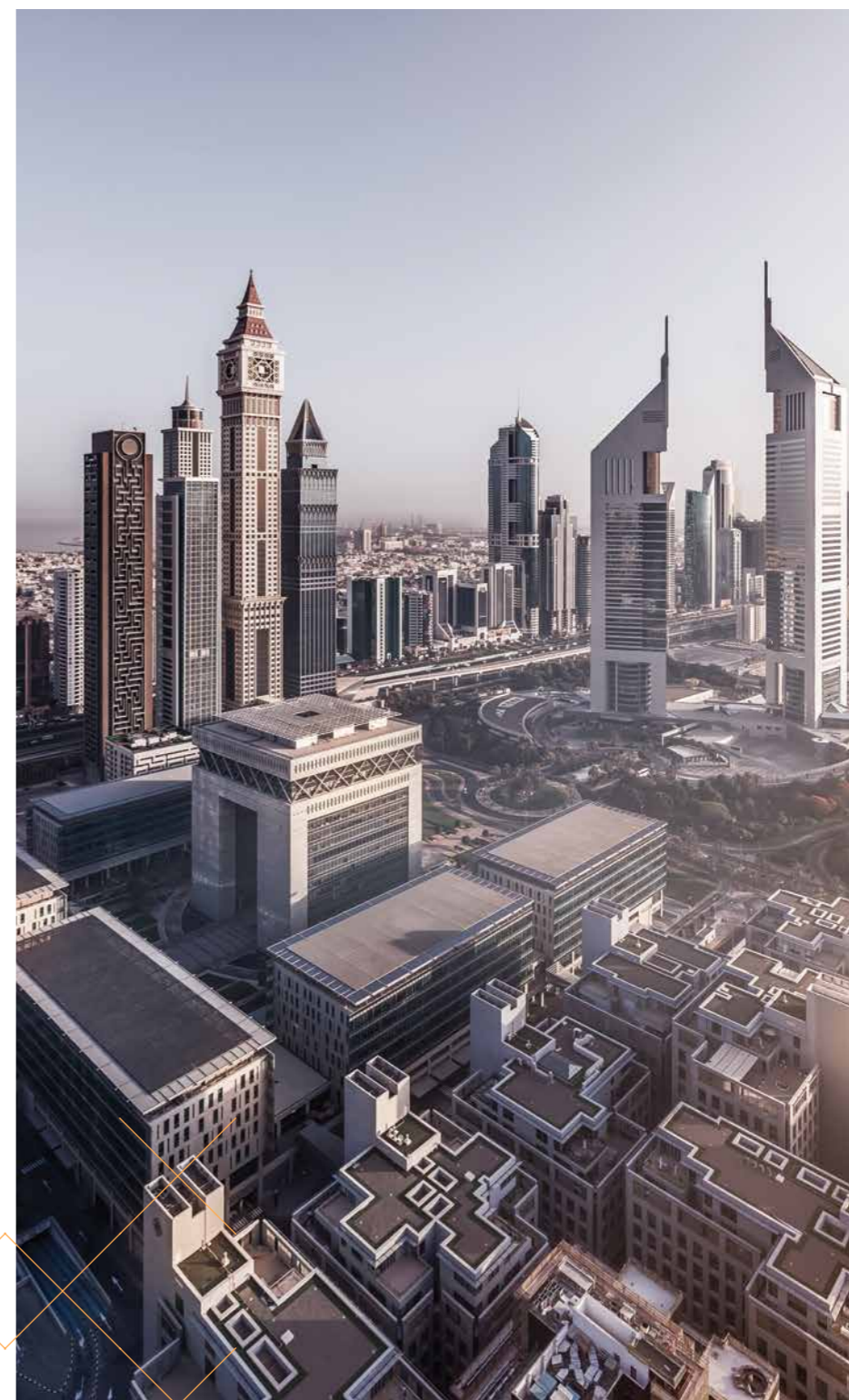
At the heart of DIFC's ability to attract so many firms from across the globe is its capacity to create opportunities for international business linkages the world over. The success of this project is reflected in the well-diversified global list of financial services firms operating from the Centre.

FIRMS FROM FIVE CONTINENTS

More specifically, by the end of 2016, 35% of financial services firms in DIFC originated from the Middle East, 17% from Europe, 16% from the United Kingdom, 11% from Asia, 11% from the United States, and 10% from the rest of the world.

This range of firms, and the attendant opportunities it offers to existing and new companies, is no accident. It reflects a proactive commitment by DIFC to nurture all types of alignments, partnership and business outreach arrangements with organisations in Asia, Europe, Africa and the Americas. DIFC also helps build awareness and the reputation of DIFC and the broader UAE through local and international knowledge sharing and thought leadership opportunities.

Overall, the high-level DIFC delegations participated in 122 events around the world, including multiple visits to China, Europe, the United Kingdom, India, Africa, the United States and a number of countries in the Middle East. Centre officials also received 32 international delegations at the Centre.





A DISTRICT FOR BUSINESS AND FOR LIFE

The neighbourhood in which a company's offices are located is increasingly recognised as a significant factor when it comes to competing for talent, particularly in knowledge-intensive industries such as banking, finance, insurance and professional services.

That's why DIFC has prioritised making the Centre a beautiful vibrant oasis within the bustling city of Dubai, and why the continually expanding lifestyle features of DIFC are a significant part of its international appeal. In short, the DIFC district is a great place to work.

TRANSFORMATIVE GATE AVENUE AT DIFC

The Centre is already recognised for the diverse range of retail, food, café and service offerings available in both open air and indoor settings, and during 2016, DIFC began work on a major addition to the district: Gate Avenue at DIFC, a first-of-its-kind urban living development in the region.

With the first phase set for completion by the end of 2017. The full project will offer more than 200 dining, retail, cultural and entertainment options, as well as an iconic new mosque. Running 880 metres down the length of the district, Gate Avenue at DIFC will link all buildings in DIFC. They will be connected through a series of spacious, aesthetically appealing, indoor and outdoor areas and walkways.

REACHING OUT TO THE WORLD

In China, highlights included participation in events such as the 2016 G20 conferences, sponsorship of Dubai Week in China and a partnership with the Shanghai Stock Exchange (SSE), to host the China Capital Market Forum.

Europe and the UK, another important area of focus for DIFC, was the venue for the UAE-Luxembourg Council Event in Luxembourg and participation from DIFC in the City Week London 2016.

Africa, an important pillar of DIFC's South-South strategy, saw participation from DIFC delegations at the 2016 IIF Africa Financial Summit in Johannesburg and the Super Return Africa, in Cape Town.

DIFC delegations also focused on building strong relationships with U.S. and global regulators and banking community through participation in IMF and World Bank Meetings and the UAE Banks reception in Washington D.C, as well as the US-UAE Business Council Event in New York City.



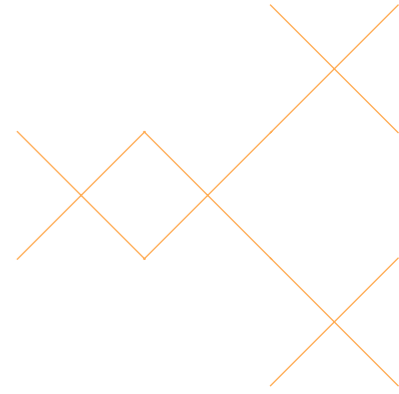
LOOKING AHEAD

For more than two years, Arif Amiri – the Chief Executive Officer of the DIFC Authority – has led the organisation as it has continued to expand its portfolio of projects and initiatives, and welcome hundreds of new companies. Recognising that standing still in the banking and finance sector is detrimental, Mr. Amiri leads an organisation that is focused on exploring both conventional and innovative ways of enhancing the Centre's offering. In this interview, Mr. Amiri discusses what's ahead for the Centre.

Q What are the top priorities for DIFC over the next few years?

A In terms of focus areas, we are really excited about the opportunities that technology offers the financial services field. From fintech to blockchain, the opportunities for our clients are substantial and our mission is to enhance the legal and physical infrastructure – not to mention the critical mass of relevant players – to help companies innovate and thrive in these new fields.

That's why we've made it an ongoing priority to ensure our IT infrastructure and data centre are world class and reflect the cutting edge of what's possible and what's enabling for our clients. It's also why we've joined the Global Blockchain Council and why we continue to work with the Dubai Financial Services Authority to continuously develop our regulatory framework.



Q In terms of geographies and sectors, what's DIFC's focus?

A Geographically, we continue to focus on developing the South-South economic corridor – stretching from South Asia to the Middle East, Africa and Latin America. The pace of growth and opportunities – and the need for financial services – create exciting opportunities.

From a sector perspective, we are looking to support all areas, as we find this creates virtuous synergies across areas of expertise. That said, we are seeing high levels of interest from family offices and wealth managers, and in our structures, including Special Purpose Companies and Intermediate Special Purpose Vehicles.

Q What lies ahead for real estate development in DIFC?

A Our top priority is the opening of the first phase of Gate Avenue at DIFC by April 2018, and then additional phases in the years to follow. We've worked with many partners to create a unique and extremely exciting retail and lifestyle destination that extends the already exceptional character of DIFC's existing built environment and leisure-lifestyle offering. Gate Avenue at DIFC reaffirms DIFC leadership in creating real estate experiences that are iconic because they are unmatched in the region.

Construction also continues on The Exchange, whose 200,000 sq ft of office, retail and food and beverage space is set to open in 2018.

Q How do you see DIFC progressing over the next few years?

A With a track record of 12 years of remarkable success behind us, including the past two years of particularly strong growth despite a less-than-robust global backdrop, we are extremely optimistic about the future.

We have a clear strategy roadmap and district-wide master plan that ensures we are ready to meet steady influx of new firms and organisations coming to DIFC. At the same time, we have the flexibility to accommodate new technologies and market requirements, as well as new opportunities that arise.

This will ensure we meet our 2024 targets, growing the workforce of the Centre to over 50,000 professionals and increasing the number of financial firms to more than 1,000.



Q Looking beyond DIFC itself, what external factors are supporting the Centre's growth?

A We remain fundamentally bullish about the enormous market and economic opportunities across the US\$7.4 trillion Middle East, Africa and South Asia region, driven by demographic growth, increasing wealth and an expanding middle class.

As well, the ongoing, long-term shift in the global economy's centre of gravity eastward also is driving opportunities for DIFC and the companies operating here.

Initiatives from countries located along the South-South corridor, such as China's One Belt One Road vision, which our own strategy aligns with, will also continue to play an integral role in the Centre's development and focus.

Q Given your views on this shift, why the focus on 'South-South' trade in particular?

A We believe that DIFC is uniquely positioned to serve this vital component of global trade and investment. We are located at the crossroads of Europe, Africa and Asia, while also having strong air and sea connectivity with the Americas and Australasia. With our location amidst these regions and offering a world-class legal and regulatory environment, alongside a critical mass of finance professionals unmatched in the region stretching from Switzerland to Singapore, we offer an advantage to firms serving the growing South-South trade and investment linkages.

Q With oil prices far below their average for the past decade, what's your view on opportunities in the region?

A It's important to note that while oil prices and hydrocarbon revenues play an important role for countries in the Gulf Cooperation Council, companies in DIFC are serving a much wider geography. And even in the GCC states, demographics, infrastructure requirements and ambitious development programmes present huge opportunities for financial services firms.

Elsewhere, markets in Africa and Asia are growing at much higher rates than mature markets in Europe, North America and Far East Asia, creating another tremendous basket of opportunity. I would also note that in many of these countries, there is a business-friendly commitment by government leaders to support growth and entrepreneurship. Government leaders and business executives are embracing the future by exploring all types of projects and initiatives that create jobs and build local expertise in an increasingly globalised world.

