



البنك العربي المتحد  
UNITED ARAB BANK

# PRESS RELEASE

18 July 2011

## United Arab Bank

### Robust Financial Results for the six months ended 30 June 2011

#### **Operating Income up by 11% to AED 257 million**

- **Net interest income up 14% to AED 183 million**
- **Non-interest income up 3% to AED 75 million**
- **Loans & Advances up by 20% to AED 6.6 billion**
- **Customer Deposits up by 13% to AED 5.5 billion**
- **Expanded branch footprint with 4 new branches**

**July 18 2011, Sharjah, UAE:** United Arab Bank P.J.S.C. ("UAB" or "the Bank") announces its financial results for the six months ended 30 June 2011.

In ongoing challenging market conditions, UAB recorded a net profit of AED 133 million for the half-year ended 30 June 2011.

Commenting on the first half's results, Paul Trowbridge, the Bank's Chief Executive Officer, said: "The Bank registered strong first half results and is well positioned to take advantage of expected improvements in the business sector and capitalize on future growth opportunities. From an operational perspective, despite a continued challenging credit environment, our half year results have seen a return to top-line growth in lending, based on our strong core banking franchise, long-standing customer relationships, new product offerings in both corporate and retail segments, and our staff expertise."

Total operating income grew by 11% to AED 257 million for the six months ended 30 June 2011, compared with AED 233 million during the same period last year.

The Bank achieved significant growth in volumes in the first six months of the year with total Loans and Advances increasing by 20% to AED 6.6 billion at 30 June 2011 from AED 5.5 billion at the end of December 2010, due principally to growth in the retail and trade sectors. Customer Deposits also grew by 13% to AED 5.5 billion compared with AED 4.8 billion at 31 December 2010.

Net interest income was up by 14% to AED 183 million in the first half of 2011 compared with AED 160 million in the same period in 2010. Non-interest income grew by 3% to AED 75 million due to a strong increase in income from Islamic Financing/ investing assets and in fees and commission income on new loan disbursements.

The Bank took provisions amounting to AED 36 million, compared with AED 10 million in the corresponding period last year. UAB maintains a conservative provisioning policy and has aligned its provisions according to the Central Bank's new provisioning guidelines.

Paul Trowbridge added: "The Bank remains committed to its prudent and disciplined approach to risk management. Despite current challenging market conditions, we remain optimistic about long-term growth prospects in the UAE and as such we will continue to invest in expanding the Bank's branch network and are determined to take UAB to its full potential as a top long-standing local bank and to achieve growth in all areas of our operations."

The Bank's ambitious branch network expansion program includes, in addition to four branches recently opened in Sharjah Corniche, Fujairah, Sharjah Industrial, and Ras Al Khaimah, two more state-of-the art branches to be opened in Jebel Ali Free Zone and Abu Dhabi Airport Road. UAB is currently refurbishing all existing branches with a view to better serving its customers and will be opening four additional branches in the Emirate of Abu Dhabi by the end of 2011.

UAB's CEO attributed much of the Bank's success to the strategic Alliance with The Commercial Bank of Qatar ("CBQ"). UAB became part of a GCC regional banking alliance in December 2007 upon the acquisition of a 40% interest in UAB by CBQ. With CBQ concluding a similar alliance with the National Bank of Oman two years previously, all three banks are more strongly positioned for future growth.

The Bank is rated by Moody's with a stable outlook.

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**About United Arab Bank**



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Incorporated in 1975 with its headquarters in Sharjah, United Arab Bank (UAB) offers a range of financial services in both corporate and retail banking through fourteen offices and branches throughout the UAE. Acknowledged as a leading solutions provider to the growing commercial and industrial base across the seven emirates, the UAB has gained strong recognition in the corporate sector for the provision of structured finance solutions for complex banking transactions. With the launch of its Wealth Management and Islamic Banking Services, UAB has grown its retail customer base, aiming to expand further.

Formerly established as a joint venture between UAE investors and Société Générale (SG), UAB became part of a GCC regional banking alliance in December 2007 on the acquisition of 40% interest in UAB by The Commercial Bank of Qatar ("Commercialbank"), Qatar's second largest bank. With Commercialbank concluding a similar alliance with National Bank of Oman (SAOG) two years previously, the alliance provides for operational excellence and synergies ensuring that all three banks are strongly positioned for future growth.

For more information please consult [www.uab.ae](http://www.uab.ae)