



البنك العربي المتحد
UNITED ARAB BANK

PRESS RELEASE

United Arab Bank Surges Ahead With Highest Ever Net Profit

Highlights vs. FY 2012

- Net Profit up 35% to AED552m
- Operating Profit up 36% to AED721m
- Total Income up 36% to AED1.04bn
- Earnings per Share up 35% to AED0.54

Growth in 2013

- Customer Loans and Advances increased by 40% to AED15.29bn
- Customer Deposits recorded growth of 49% to AED15.03bn

Sharjah, January 22, 2014 - United Arab Bank P.J.S.C ("UAB" or "the bank") announces its Financial Results for the year ended 31 December 2013.

UAB, the fastest growing bank in the Middle East, has announced full year 2013 Net Profits of AED552m, an exceptional increase of 35% over 2012. This impressive performance represents the highest ever annual Net Profits for the bank, again emphasizing the continuing success and momentum UAB has generated in recent years.

A cash dividend of 20% of paid up capital amounting to AED 199.3m and a scrip dividend of 10% of paid up capital amounting to AED 99.6m are proposed by the directors for approval by the Bank's shareholders, subject to the prior approval of the Central Bank.

The Bank's Chairman of the Board of Directors, Sheikh Faisal Bin Sultan Bin Salem Al Qassimi, commented: "UAB's record full year net profits and performance are testament to the bank's ability to build on the momentum of past years, achieve continued growth and generate value for our shareholders. The bank's sustained growth and strong traction in a highly competitive market can be attributed to the dynamic strategy and effective leadership that is focused on delivering to all stakeholders."

Paul Trowbridge, the bank's Chief Executive Officer, said of the year's results, "I am very pleased with our 2013 results. This strong finish to an amazing year is a clear demonstration of the consistency and discipline in the execution of our strategy. Backed by strong fundamentals and the commitment of our management team in an improving economic landscape, the bank was successful in growing the loan book and customer deposits significantly. We continue to reap the benefits of our strategic alliance with Commercial Bank of Qatar. Our associations with National Bank of Oman and Alternatifbank in Turkey have positioned us well for future growth and created opportunities for integrated services across the GCC and Turkey."



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In the twelve months ended 31 December 2013, Customer Loans & Advances increased by 40% to AED15.29bn, from AED10.88bn as at 31 December 2012; while Customer Deposits recorded equally impressive growth to reach AED15.03bn, surging 49% in the same period. This growth ensures the bank will continue to benefit from a solid and sustainable platform to support future expansion plans moving forward.

The bank recorded Operating Profit of AED721m, a 36% increase over profits of AED531m reported in 2012. Total Income also improved at the same rate to AED1.04bn, with robust underlying performance across both Net Interest Income and Other Income, up 39% and 26% respectively versus prior year.

Provision charges across the full year were AED168m, compared to AED122m for the same period in 2012. The bank continues to take a prudent and proactive approach to risk management, with the loan loss coverage ratio standing at 117% and in full compliance with UAE Central Bank regulations.

Even after its impressive performance in recent years, the bank is relentlessly striving to build upon its fundamentals to support further growth. UAB's successful network expansion programme continued in 2013, with the bank now benefiting from 25 fully operational branches across the UAE. Going forward UAB will continue to invest in its people and infrastructure to ensure it remains the bank of choice for its customers.

The bank's customer-centric approach is evident by the prestigious accolades it received in 2013, as well as the continued improvements to its products and services offerings for individuals, small businesses and larger corporates. Building on recognition at the Banker Middle East Awards in categories including 'Best Customer Loyalty Program in the Middle East' and 'Best Domestic Retail Bank', UAB was recently awarded two further accolades by the UK's International Finance Magazine: 'Best Home Finance Provider' and 'Best Trade Finance Bank'.

UAB was extremely proud to announce its landmark alliance with FC Barcelona, distinguishing it as the first and exclusive financial partner of the club in the UAE. Stemming from the partnership with the renowned football club, the bank launched the region's first FC Barcelona credit and debit card and has focused its efforts on engaging football followers as well as customers through a series of campaigns and promotions that reward them for banking with UAB. Both products and promotions have enjoyed a tremendous response from its existing customer base as well as new customers.

Mr Trowbridge concluded: "our 2013 results are outstanding. With a customer-centric winning strategy we aim to find innovative ways to exceed our customers' expectations and provide them with exceptional customer service. By truly understanding what our customers want from a bank we are able to fulfil their needs in meaningful ways. With this in mind, we are certainly set to become the bank of choice for customers in the UAE."

The bank is rated by Moody's as Baa1 with a stable outlook.

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About UAB:

United Arab Bank (UAB) was established in 1975 as a joint venture between UAE investors and Societe Generale. As of the end of 2013, the bank is operating with a network of 25 branches and offices spread across the UAE with its headquarters in Sharjah. UAB offers a range of financial services in both Corporate and Retail and is acknowledged as a leading solutions provider to the growing commercial and industrial base across the seven emirates.

Through the provision of a comprehensive range of Corporate Banking, Retail Banking, Trade Finance, SME Banking and Treasury services, UAB is the Bank of choice among major corporate clientele segments in the UAE. With the launch of its 'Sadara' premium banking service, Islamic Banking Services and 'UAB Rewards' loyalty programme, the Bank has grown its retail customer base, aiming to expand further. All these initiatives and a consistent year on year performance has positioned UAB as one of the fastest growing banks in the region.

The bank is ranked 23rd amongst the top listed companies in the UAE and is one of the top 50 banks in the GCC in terms of market capitalization. UAB announced a record net profit of AED410m for the year ended 31 December 2012, an increase of 24% over 2011 and the highest annual net profit ever reported by UAB. For the first half of 2013, UAB announced its highest half yearly net profit of AED260m, an increase of 35% over the same period in 2012.

In December 2007, UAB became part of a GCC regional banking alliance upon the acquisition of 40% interest by The Commercial Bank of Qatar (CBQ), Qatar's largest private sector bank. United Arab Bank's strong financial performance in 2012 is also indicative of the benefits gleaned from its strategic alliance with the Qatari Bank.

The Commercial Bank of Qatar has a similar alliance with National Bank of Oman (NBO), which has positioned all three banks more strongly for future growth. Most recently, the Commercial Bank of Qatar acquired a 70.84% stake in Alternatifbank in Turkey, enabling all four banks involved in these strategic alliances to offer integrated services across the GCC and Turkey, including cross border services for corporate banking and capital markets; support on trade services; private banking services; and syndicated loans.

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