



البنك العربي المتحد
UNITED ARAB BANK

PRESS RELEASE

Financial Results UAB reports Net Profit of AED36m for Q1 2018

Q1 2018 Highlights

- **AED36m** Net Profit in Q1 2018 (29% uplift vs. Q1 2017)
- **13%** Q-on-Q uplift in Net Interest Income
- **8%** Q-on-Q uplift in Total Income
- Capital Adequacy above **15%** following the successful completion of Rights Issue
- Robust liquidity profile with UAB comfortably above regulatory requirements

Sharjah, UAE, 24 April 2018 - United Arab Bank P.J.S.C ("UAB" or "the Bank") announces its Financial Results for the three months ended 31st March 2018.

Strong performance is evidenced across the period with the Bank reporting a Net Profit of **AED36m** for Q1 2018 representing a **29%** uplift against the same period in prior year with UAB continuing to: strengthen its core businesses; streamline the cost base; and maintain key banking fundamentals.

Sheikh Faisal Bin Sultan Bin Salem Al Qassimi, Chairman of the Board of Directors, said, "We are pleased to see the improved operating performance in Q1 2018 which demonstrates the strength of our 'core' business.

We have significantly strengthened the Balance Sheet, concentrated on our core businesses, de-risked the business and captured bank-wide cost savings through the successful execution of our transformation strategy, all of which have enabled the Bank to report a **29%** uplift in Net Profit.

For UAB, our low risk and efficient UAE focused business model positions us well to continue doing the right thing for our customers and deliver sustainable returns for our shareholders."

Sheikh Mohamed Bin Abdulla Al Nuaimi, Acting Chief Executive Officer, commented, "I am pleased to report that our financial performance is aided by a significant progress within our 'core' businesses recording a **13%** Q-on-Q uplift in Net Interest Income and **8%** Q-on-Q uplift in Total Income, whilst Operating Expenses continue to be robustly managed.

These positive results provide tangible evidence that our revised business model is appropriate with UAB returning to its traditional Corporate Banking roots, complimented by Retail and Treasury propositions."



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Financial Review

UAB reported a Net Profit of **AED36m** for the three months to 31st March 2018, primarily driven by growth in Net Interest Income and reduction in provision charges following a transition to a lower risk business model.

Total Income was **AED174m** in Q1 2018 representing **8%** increase compared to Q4 2017 given the strategic emphasis placed on deepening relationships within our core Corporate Banking unit and supported by proactive cost of funds management.

Provision for Credit Losses for the three months were **AED54m** being **4%** lower than the same period in 2017, driven by prudent risk management. Going forward, with UAB's transition to a lower risk model should see these moderate further.

The Bank remains committed to ensuring the business is supported by an efficient operating model and will continue to invest in its people, processes, systems and other critical infrastructure. Our primary objectives remain unchanged: to leverage capabilities; improve efficiencies; and eliminate non-essential expenditure.

To know more about UAB, please visit our corporate webpage at: www.uab.ae

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