

## United Arab Bank

### Financial Results for the nine months ended 30 September 2012

## Record Net profit up by 32%

- Operating profit up 36% to AED 382 million
- Total operating income up 33% to AED 551m million
- Net interest income up 34% to AED 407 million
- Customer Loans and advances up 24% to AED 10.0 billion
- Customer deposits up 11% to AED 8.7 billion

October 18 2012, Sharjah, UAE: United Arab Bank P.J.S.C. (“UAB” or “the Bank”) announces its financial results for the nine months ended 30 September 2012.

UAB, one of the fastest-growing banks in the UAE, today announced a record net profit of AED 298 million for the nine months ended 30 September 2012, an increase of 32% over the same period of 2011 and the highest net profit ever for UAB in the first nine months of the year.

Paul Trowbridge, the Bank’s Chief Executive Officer, commented on the year-to-date performance, “The Bank’s outstanding performance in the first half of the year has successfully continued into the third quarter delivering a record profit over the nine month period. The Bank continues to grow and deliver excellent financial results whilst not compromising on its prudent approach to credit or value to its customers. Our strategic growth plans remain embedded in the way we conduct our business and successfully translates into providing value to our traditional customers, whilst also reaching new customers through our expanded branch network, new SME business segment and product offerings. The benefits of our regional “best practice” partnership and Shareholder alliance with the Commercial Bank of Qatar are clearly evident.”

In the nine months ended 30 September 2012, customer loans and advances increased by 24% to AED 10.0 billion from AED 8.1 billion at 31 December 2011. Customer deposits also increased by 11% to AED 8.7 billion compared with AED 7.8 billion for the same period in 2011.

The Bank has delivered a year-to-date operating profit of AED 382 million, a 36% increase over AED 281 million achieved for the same period in 2011. Total operating income was up 33% to AED 551 million, driven by a 34% increase in net interest income to AED 407 million and 30% growth in non-interest income to AED 145 million, attributable to the growth in both Corporate and Retail businesses.

The provision charge for the nine months of 2012 was AED 85 million, compared with AED 57 million for the same period in 2011, and reflects the prudent and proactive approach adopted by the Bank towards management of its risk and growing asset portfolio.

UAB's growth is well supported through the recruitment of top Emirati and international talent. A number of new branches are also targeted for launch in 2012, which will significantly expand the Bank's presence in Abu Dhabi and the Northern Emirates. Investment in the future continues with the success of the new SME business segment and the launch of the new "Ultimate Rewards Program", which is a first of its kind in the UAE. These initiatives follow on from the Bank's successful implementation of a new core banking system and the outsourcing of many back-office processes to a globally recognised third-party service provider.

Mr. Trowbridge further added, "UAB's results continue to be extremely positive. We are building the foundations for further growth and success, supported by regular feedback and recognition that we receive from customers, partners and the financial community. In 2011, we received the award as the UAE Bank of the Year 2011 from the "Financial Times" and we will continue to uphold this achievement throughout 2012."

He acknowledged the ongoing benefits derived from the strategic alliance with The Commercial Bank of Qatar ("CBQ"). CBQ acquired 40% of UAB in 2007 after concluding a similar alliance with National Bank of Oman two years previously. The alliance of the three banks provides synergies across a range of business and support areas, which facilitates commercial growth.

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

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