

# Investor Presentation

## 30 September 2013 results

Abu Dhabi: November 2013

# Agenda

Introduction

Financial Review

Business Review

Appendix

# ADIB at a glance

## Overview

- Incorporated in **1997** to serve as first Islamic Bank in the Emirate of Abu Dhabi.
- Majority owned by members of the ruling family of Abu Dhabi and sovereign wealth fund
- Listed on Abu Dhabi Securities Exchange (ADX).

## Ratings

	Long term rating	Short term rating	Outlook
Fitch	<b>A+</b>	<b>F1</b>	<b>Stable</b>
Moody's	<b>A2</b>	<b>P1</b>	<b>Stable</b>
RAM	<b>AAA</b>	<b>P1</b>	<b>Stable</b>

Stock Info (Price and Ratio as of 30 Sept 2013)	Market Cap (Price @ AED 4.75)	<b>AED 11.2 bn</b> <b>(US\$ 3.1 bn)</b>
	Diluted EPS / share (AED) - annualised	<b>0.474</b>
	PE Ratio	<b>10.0 times</b>
	Price / Book Ratio	<b>1.54</b>
	Shares Issued (@ AED 1)	<b>2,365 Mn</b>

## ADIB - Timeline and milestones

Early History  
(1997 - 2000)

- Established by the Govt. of Abu Dhabi in **1997**
- Licensed in 1998 as an Islamic bank by the Central bank and commenced operations.
- Listed on Abu Dhabi securities Exchange in 2000

Intermediary years  
(2001 - 2007)

- Established Abu Dhabi Islamic Securities Company (ADIBS) and Burooj Properties in **2005**
- New strategic shareholder (EIIC) introduced in **2007**.
- **2007** - Acquired 49% of National Bank for Development based in Egypt.

Growth  
(2008 - Present)

- **2008** - Arrival of new management and adoption of new strategic vision and mission.
- **2012** - Acquired 51% of Saudi Installment House based in Saudi Arabia.
- **2012** - Issued world's first Shari'a-compliant hybrid perpetual Tier 1 sukuk amounting to USD 1 billion.
- **2013** - Fully repaid AED 2.2 billion Tier 2 wakala capital.

## Presence

- Domestic - 77 Branches and 579 ATMs (a 24 hour branch at Abu Dhabi International Airport).
- Overseas - presence in UK, Saudi Arabia, Qatar, Iraq and Sudan

# Ratings Excerpts

*“ADIB’s BCA (standalone credit assessment) reflects the bank’s strong and expanding Islamic franchise in the UAE particularly in the retail segment and strong core profitability and improved capitalization [...] Moody’s assessment of a very high probability of systemic support, in the event of need, is based on ADIB’s strong relationship with the Abu Dhabi government; ADIB’s importance within the domestic banking system; and the UAE’s strong track record of supporting banks in times of stress.”*



**Moody's Investors Service**

*“A2” Stable*  
October 2013

*“ADIB’s Viability Rating is driven by its robust pre-impairment operating profit, sound balance-sheet liquidity and its growing franchise in the UAE [...] Income from retail and corporate financing continues to drive ADIB’s income performance and the bank’s net profit and margins compare well with peers.”*

**FitchRatings**

*“A+” Stable*  
November 2012

*“The rating reflects the extremely high likelihood of support from the Bank’s influential shareholders, and systemic support from both the governments of Abu Dhabi and the UAE. The rating also reflects ADIB’s established franchise, sound pre-provision profits and capitalization as well as healthy funding and liquidity.”*



RATINGS

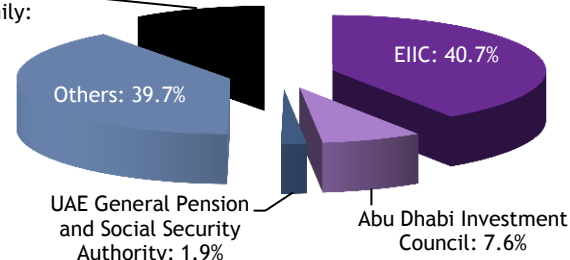
*“AAA” Stable*  
December 2011

# Ownership & Corporate Structure






## ADIB Ownership

- ADIB is mainly owned by over 46,000 UAE nationals and companies.
- The Bank's main shareholder is National Holding via EIIC, which is a private holding company, wholly-owned by members of the Abu Dhabi Royal Family.
- ADIB enjoys strong Abu Dhabi support in the form of royal family, sovereign wealth fund, Pension and Government shareholding and capital participants.




Other members and associates of the Abu Dhabi Royal family: 10.1%



## Subsidiaries

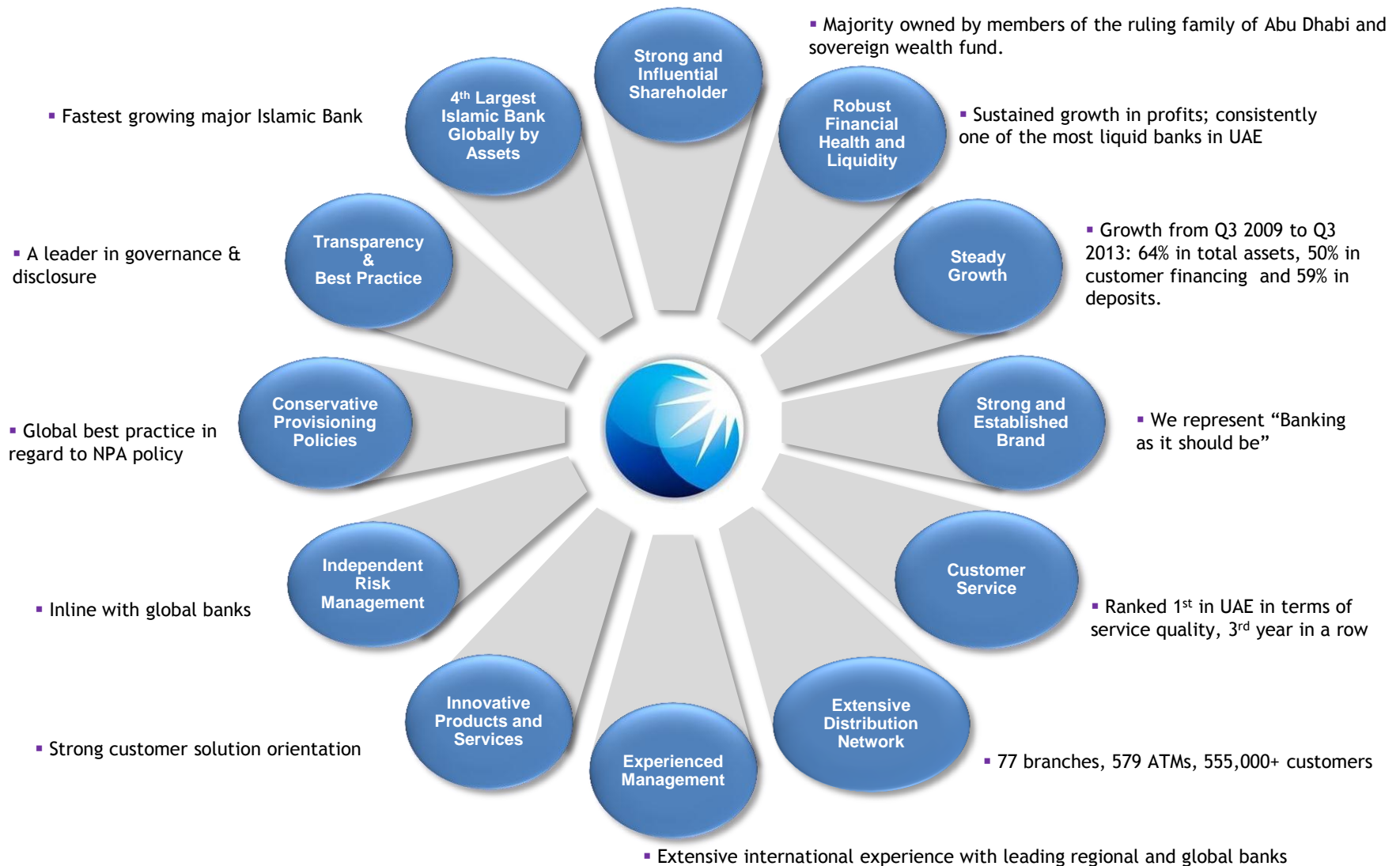
- 
 Abu Dhabi Islamic Securities Company (95%) is a brokerage firm established in 2005
- 
 Burooj Properties (100%) is a real estate company established in 2005
- 
 Kawader Services Company (100%) is a recruitment company, dedicated solely to ADIB
- 
 Saudi Installment House (SIH) (51%) is a retail finance company working in Saudi Arabia, acquired in 2012.
- 
 ADIB UK Limited (100%) was established to offer banking services to HNWI established in 2012.

## Associates and Joint venture

- 
 ADIB Egypt (49%) provides banking services in Egypt\*
- 
 Bosna Bank International (27%) is an Islamic bank based in Bosnia
- 
 Abu Dhabi National Takaful (40%) offers insurance services

- Since inception the Financial Services and Non Financial Services business have been run independently, and on an arms-length basis of each other.

# Key Strengths



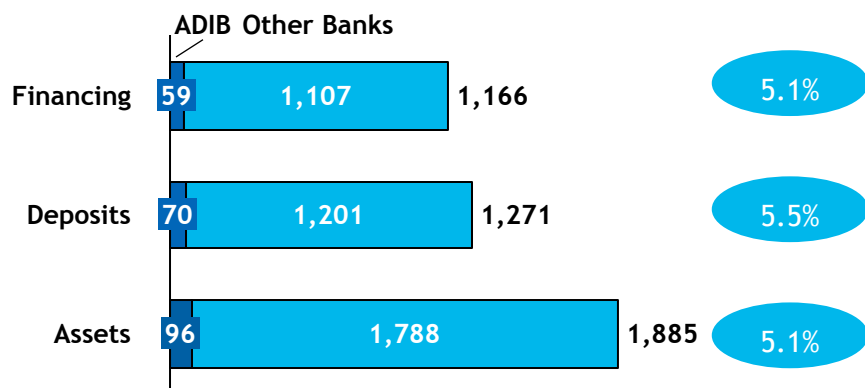
# UAE Banking Sector

## Highlights

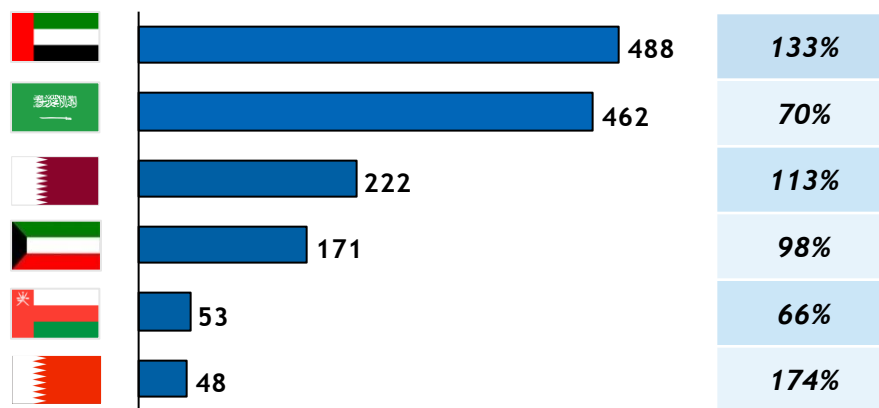
- UAE Banking sector is the largest by assets in the GCC; the UAE banking sector accounts for ~30% of the GCC total.
- Banking assets are over 133% of GDP, the second highest in the region after Bahrain.
- Strong growth in 2013 - deposits have grown by 8.9% and total assets by 5.2% upto Aug 2013
- Strong Capital Adequacy Ratio of 19.0% as of June 2013. (Tier 1 ratio of 17.4%)
- ADR ratio for UAE banking sector is at 91.7% as of Aug 2013.

UAE Banking Sector (AED Bn)	Dec 11	Dec 12	Aug 13
Total Assets (net of provisions)	1,662.1	1,791.6	1,884.7
Certificates of deposit held by Banks	80.4	95.1	91.2
Investments by Banks	143.0	155.2	163.3
Bank Deposits	1,069.7	1,167.8	1,271.2
Bank Credit - net	1,071.0	1,099.1	1,165.6
Specific Provision	55.3	67.9	74.3
General Provision	16.3	17.5	18.4
Capital Adequacy ratio	20.8%	21.0%	19.0%*
<b>Branches</b>			
- 23 National Banks	768	805	827
- 28 Foreign Banks	83	85	86

## UAE Banking Sector, ADIB Market Share Aug 2013 (AED Bn)



## GCC Banking Sector Assets Dec 2012 (USD Bn) Assets as % of GDP



# Agenda

Introduction

**Financial Review**

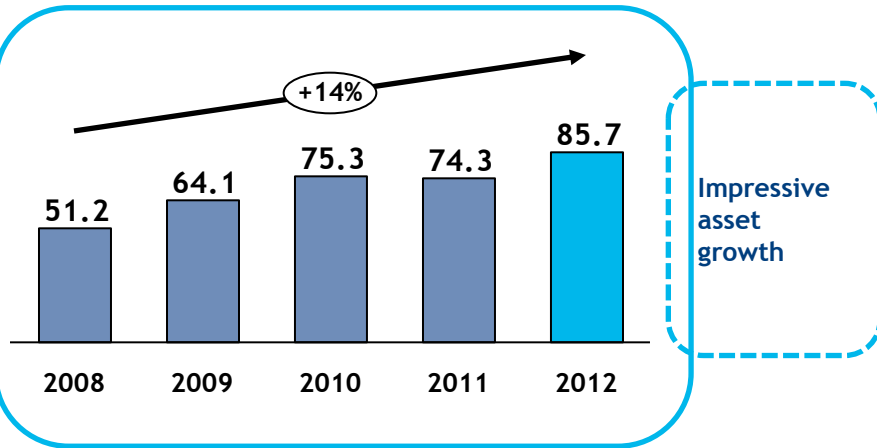
Business Review

Appendix

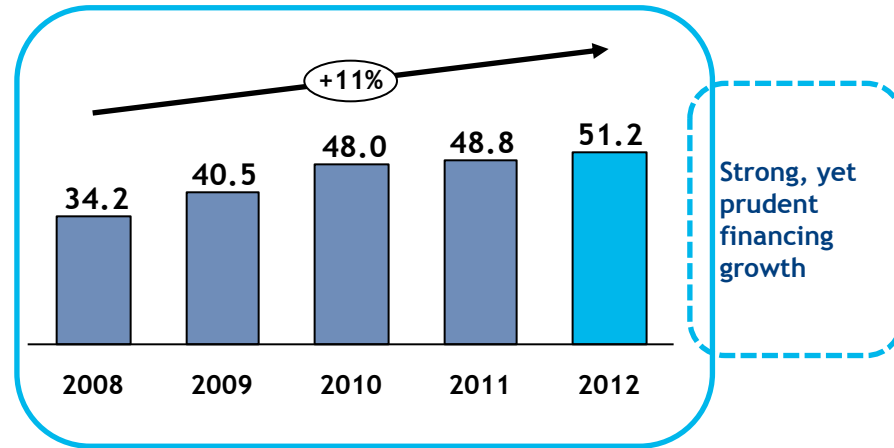


# Financial Snapshot (1/2)

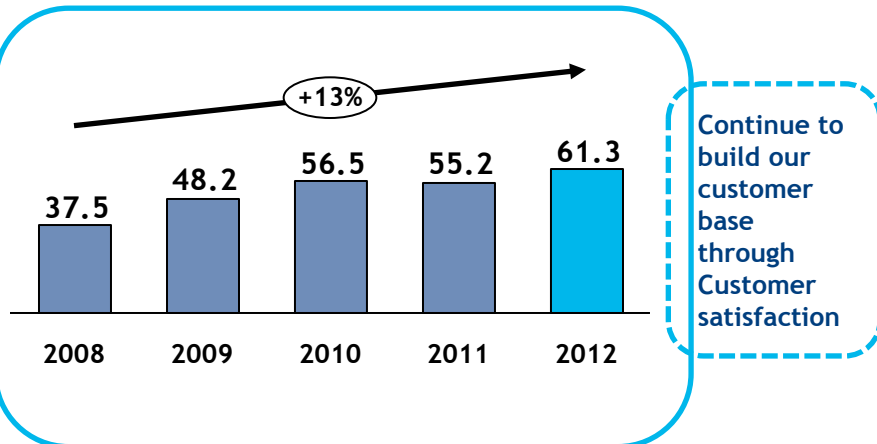
## Total Assets (AED Bn)



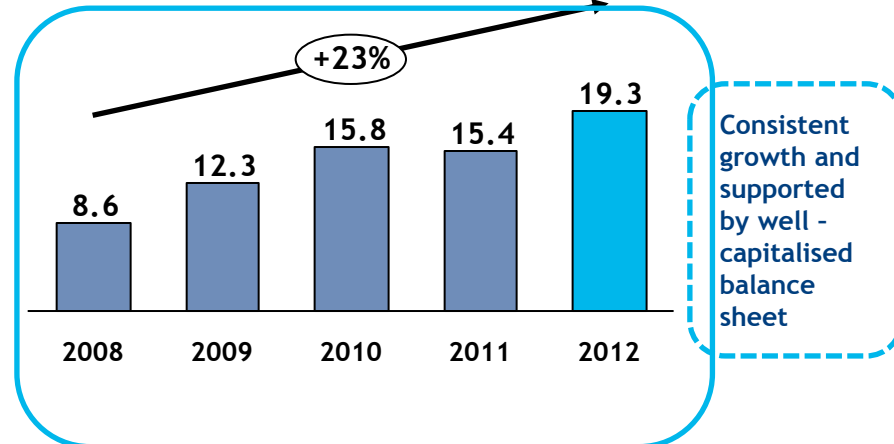
## Net Customer Financing (AED Bn)



## Customers' Deposits (AED Bn)

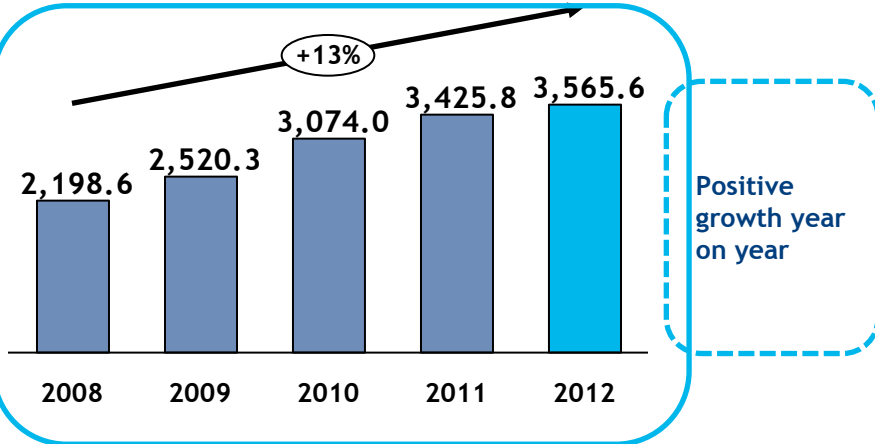


## Capital Resources (AED Bn)

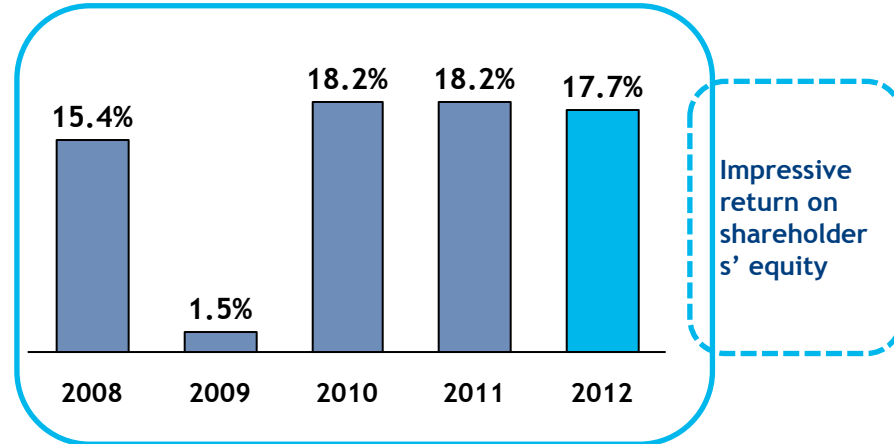


# Financial Snapshot (2/2)

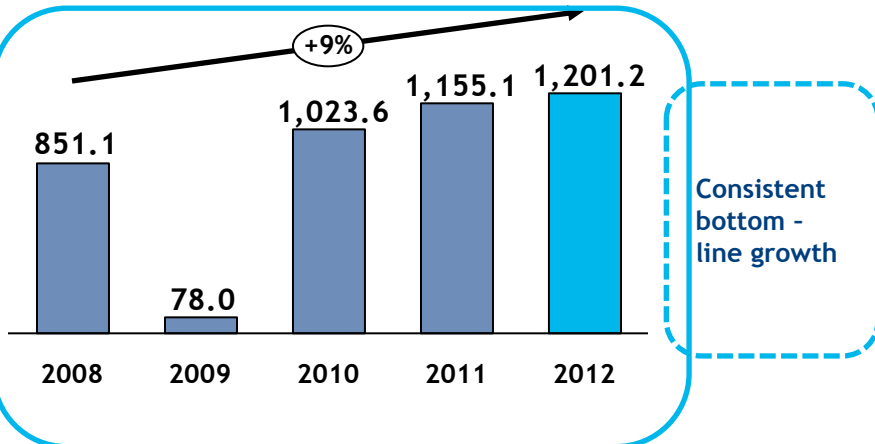
## Revenues (AED Mn)



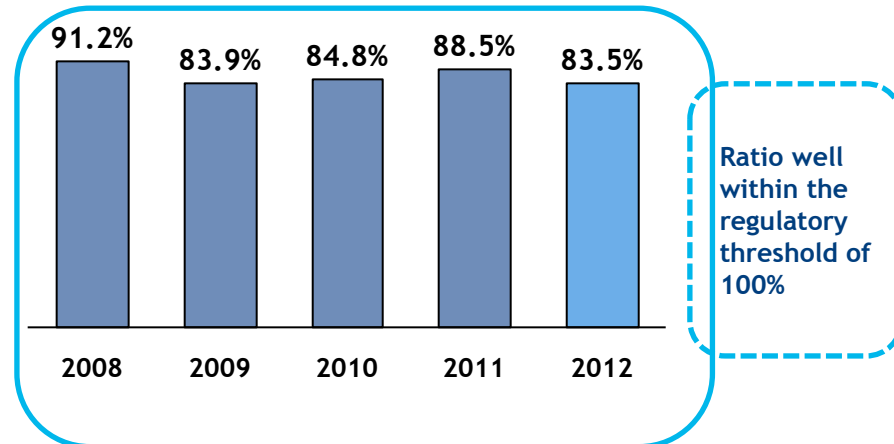
## Return on Average Shareholders' Equity (%)



## Net Profit (AED Mn)



## Customer Financing to Customers' Deposits (%)



# Sept 2013 in review - key financial highlights

## Balance sheet highlights

AED Bn	Sept 12	Sept 13	Change %
Total assets	81.5	<b>96.4</b>	18%
Net customer financing	50.9	<b>58.9</b>	16%
Customers' deposits	61.2	<b>70.2</b>	15%
Total equity	9.0	<b>12.9</b>	44%
Total capital resources	15.8	<b>17.5</b>	11%

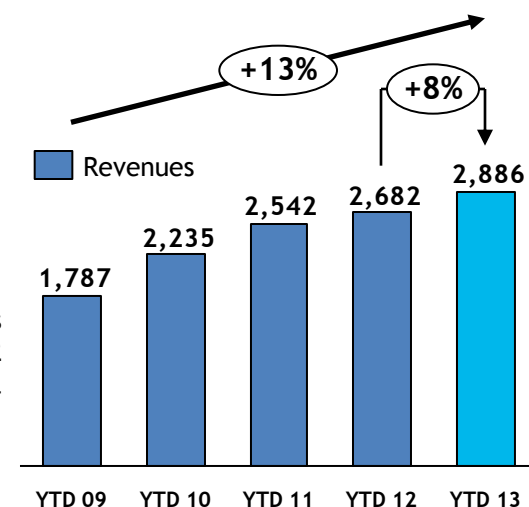
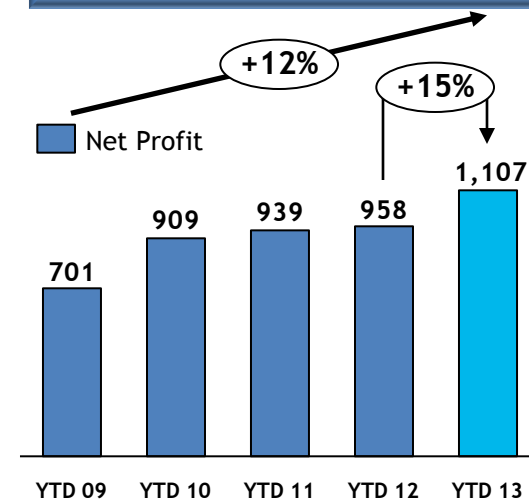
- **Total assets** increased by 18% over Q3 2012 to reach AED 96.4 Bn.
- **Customer financing** increased by 16% from Q3 2012 to reach AED 58.9 Bn.
- **Customer deposits** increased by 15% over Q3 2012 and Advances to Stable Funds Ratio at 30 Sept 2013 strengthened to 79.0%.
- **Capital adequacy ratio** at 30 Sept 2013 was 17.12% - Basel II. Tier 1 ratio at 30 Sept 2013 was 16.67%.
- **Capital resources** reached AED 17.5 Bn, a increase of 11% vs. Q3 2012.

## Income statement highlights

AED Mn	YTD Sept 12	YTD Sept 13	Change %
Revenue	2,681.6	<b>2,885.5</b>	8%
Expenses	1,148.4	<b>1,219.7</b>	6%
Operating profit	1,533.2	<b>1,665.8</b>	9%
Provision for impairment	574.7	<b>558.9</b>	-3%
Net profit	958.5	<b>1,107.0</b>	15%

- **Revenues** up by 8% on the back of higher fees and commission (up 44%).
- **Expenses** up by 6% mainly due to continuous investment in our franchise, network, systems and people.
- **Operating profit** up by 9%.
- **Provision for impairment** down by 3%. This includes AED 108.9 Mn (Sept 2012: AED 124.2 Mn) pertaining to Burooj Properties LLC, a real estate subsidiary of the Bank.
- **Net profit** up by 15% on continued growth in core operations.

## Key performance indicators



# Sept 2013 - Key ratios

Ratios		Sept 2012	Sept 2013
Efficiency	Diluted Earnings per share (EPS in AED)	0.38	0.40
	Return on Average Shareholders' Equity (excluding GoAD - Tier 1 capital)	19.0%	20.8%
	Net profit margin (%)	4.5%	4.2%
	Cost / income ratio	42.8%	42.3%
Liquidity	Percentage lent (Financing / Total Assets)	62.4%	61.1%
	Financing to Deposits ratio	83.1%	83.9%
	Advances to Stable funds ratio	78.6%	79.0%
	Liquid Assets to Total Assets ratio	26.1%	27.2%
Solvency	Capital Adequacy	16.9%	17.1%
	Tier -1 ratio	13.7%	16.7%
	Leverage ratio (Assets / Equity)	906%	745%
Asset Quality	Non - performing ratio (NPA / Gross Financing)	7.6%	7.3%
	Total provision coverage (Total provisions / NPA)	80.1%	74.6%
	Specific provision coverage (Specific provisions / NPA)	60.3%	54.8%
	Total provisions / Gross Customer Financing	6.1%	5.4%

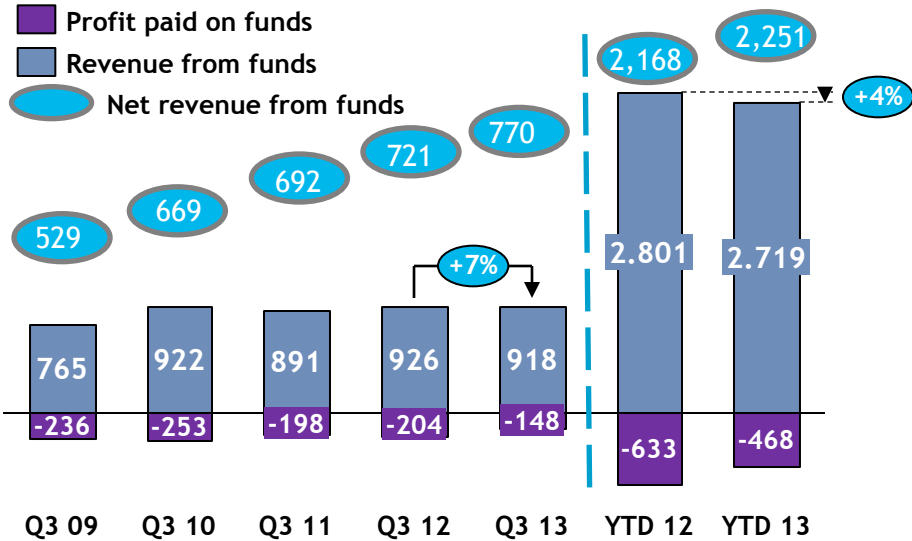
# Competitive landscape – ADIB vs UAE Banks

## Peer Group Analysis for YTD Sep 2013

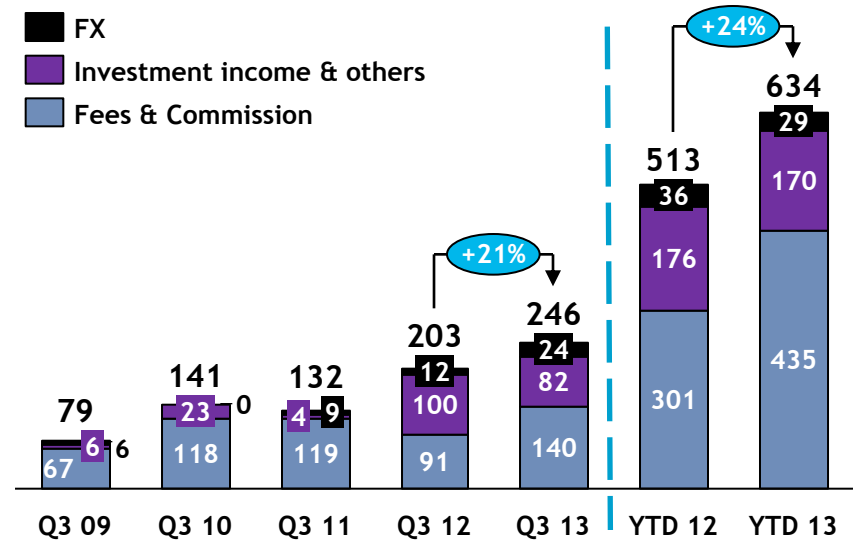
		ADIB	ADCB	FGB	NBAD	UNB	MASHREQ	DIB	CBD	ENBD	RAK
Revenue - YTD	AED Mn	2,886	5,556	5,945	7,067	2,462	3,500	3,175	1,469	8,695	2,335
Operating Profit - Margin - YTD	AED Mn	1,666	3,882	4,712	4,744	1,836	1,994	1,954	1,012	5,728	1,321
Net Profit - YTD	AED Mn	1,107	2,741	3,414	3,656	1,441	1,328	1,200	752	2,584	1,137
Total assets	AED Bn	96.4	174.7	189.6	345.1	85.8	83.0	107.4	42.3	332.3	28.9
Customer deposits	AED Bn	70.2	112.0	132.6	229.5	64.3	53.0	79.6	28.7	228.6	21.7
Customer assets	AED Bn	58.9	120.2	126.9	182.5	60.6	48.7	55.4	30.4	234.4	21.7
Net due from Banks	AED Bn	12.5	15.2	12.6	-16.7	9.4	6.7	17.2	2.6	2.9	0.5
Financing to deposit ratio	%	83.9%	107.3%	95.7%	79.5%	94.2%	91.9%	69.6%	106.0%	102.5%	100.1%
Return on Average Shareholders' Equity <sup>(1)</sup>	%	20.8%	17.6%	18.2%	17.7%	15.4%	12.9%	15.3%	14.7%	10.6%	26.2%
Capital Adequacy Ratio	%	17.1%	21.1%	19.3%	17.8%	19.7%	18.2%	18.7%	19.8%	19.0%	26.6%
Branches	#	77	50	23	124*	63	70**	85	31**	120**	34

# Key income parameters - Group

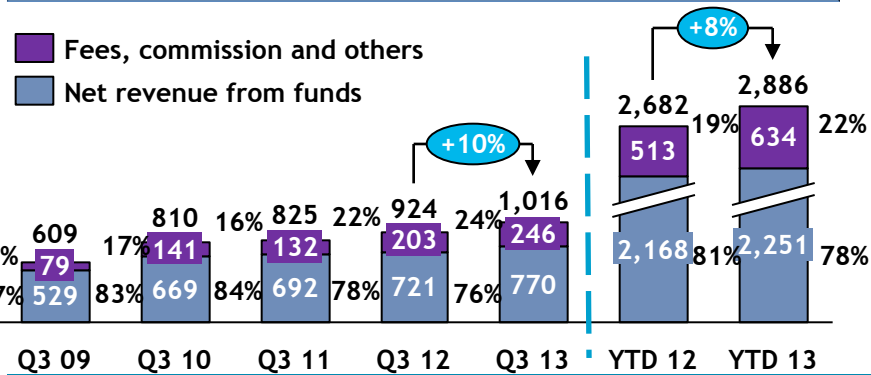
## Net Revenue from Funds (AED Mn)



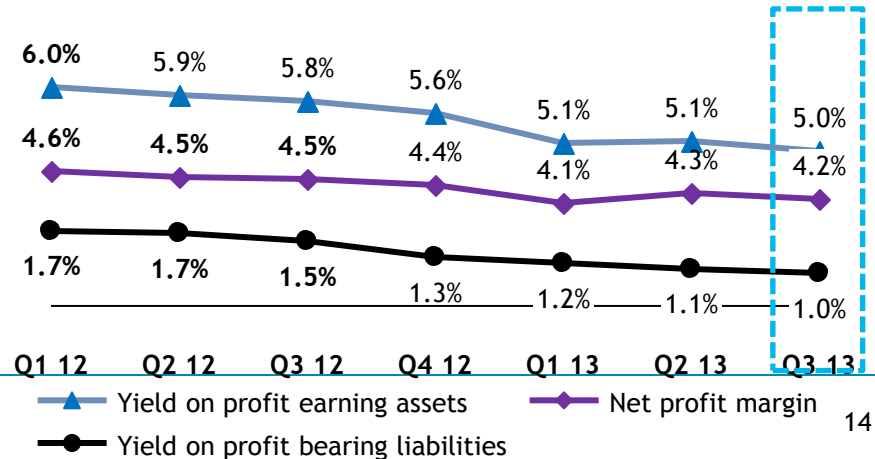
## Fees, commission and others (AED Mn)



## Revenues (AED Mn)

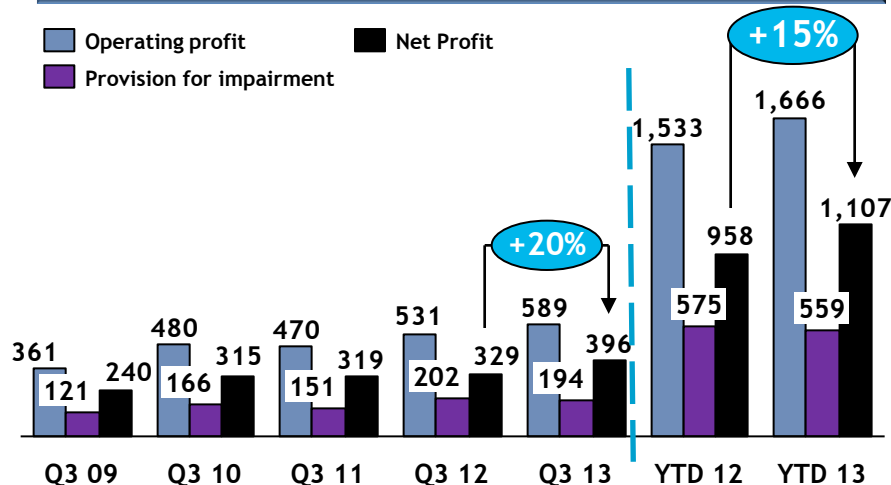


## Evolution of Yields (%)

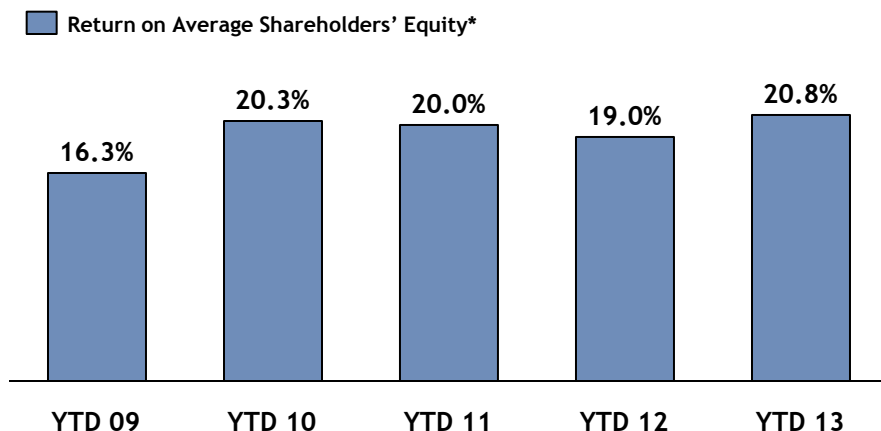


# Key income parameters - Group

## Net Profit (AED Mn)



## Return on Average Shareholders' Equity (%)



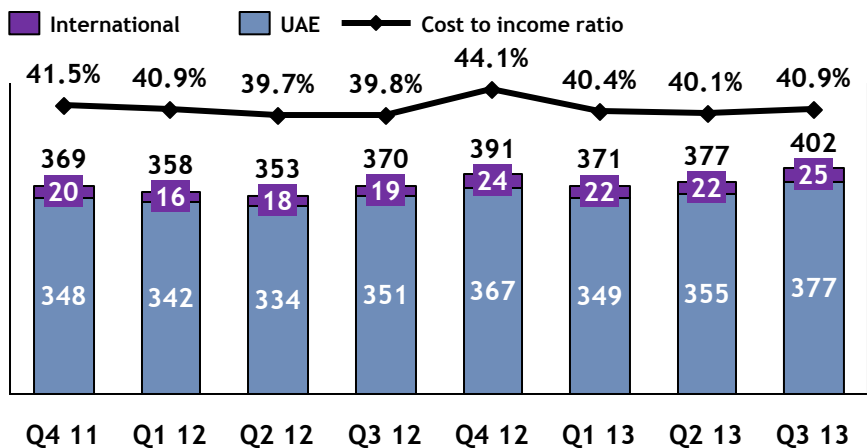
## Highlights

- Bottom line (net profit) up by 15% y-o-y.
- Top line (revenue) grew by 8% y-o-y.
- Operating profit up by 9% y-o-y.
- Fees and commission up by 44% y-o-y mainly due to corporate finance deals booked in 2013.
- YTD 13 Fees, commission and other income revenues contribution to operating income was at 22% compared to 19% for YTD 12.
- CASA growth of 22% y-o-y and repayment of AED 2.2 Bn Tier wakala capital in Q2 13 resulting a drop in funding cost by 26% y-o-y.
- YTD 13 provision for impairment includes AED 108.9 Mn relating to Group's real estate subsidiary (YTD 12 : AED 124.2 Mn) .

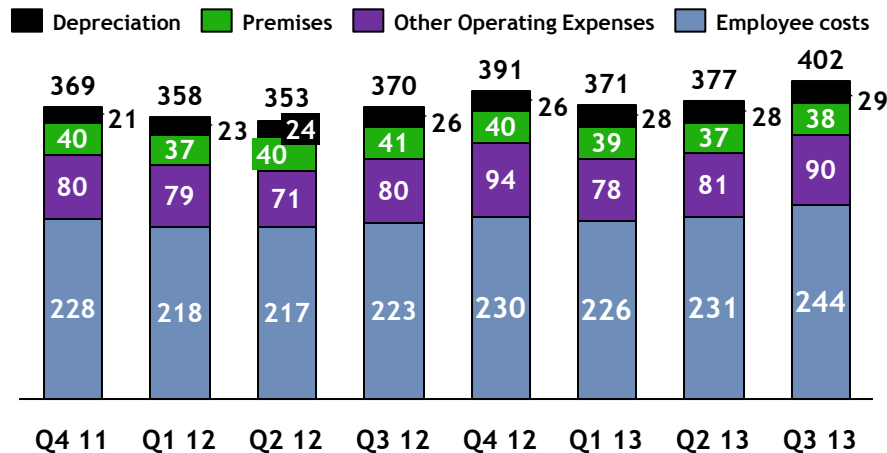
# Operating expenses drivers - Bank only

Expense base relatively constant over last 2 years, despite increase in international presence, due to tight expense management

## Improved cost to income ratio (AED Mn)



## Operating expenses by type (AED Mn)



## Network

Branches / ATM	Q4 11	Q4 12	Q3 13
Branches - UAE	69	75	77
International Presence	1	4	5
ATMs	460	549	579

## Highlights

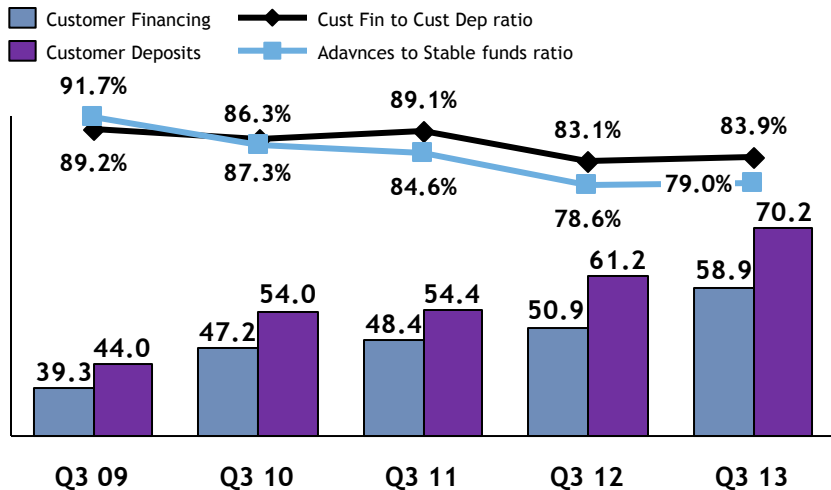
- 9 months (year-on-year) growth of 5% for UAE Bank Operations keeping cost to income ratio below 40% i.e. 39.1% for YTD 2013 (YTD 2012 - 39.4%).
- Overall ADIB bank only expense growth of only 6.4% (YTD 13 vs. YTD 12) despite continuous investment in domestic and international network.
- International presence increased from 1 branch in Q4 11 to 5 in Q3 13.



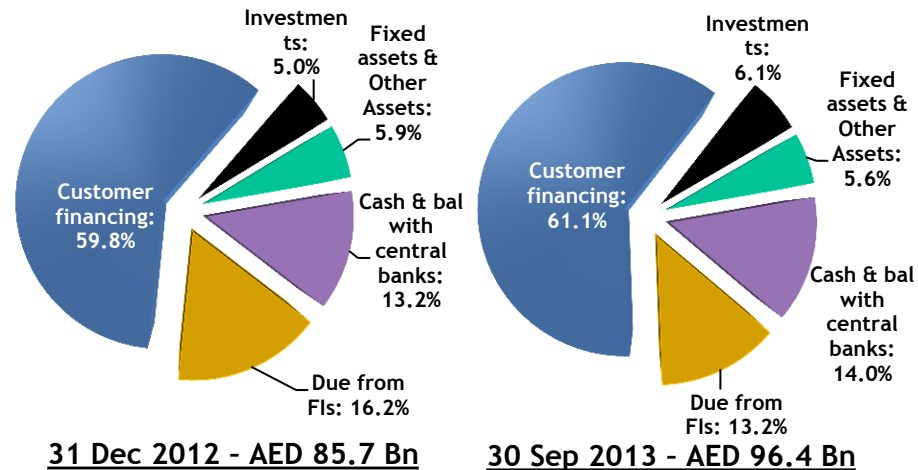
# Balance Sheet Strength

Consistently remains one of the most liquid banks in the UAE

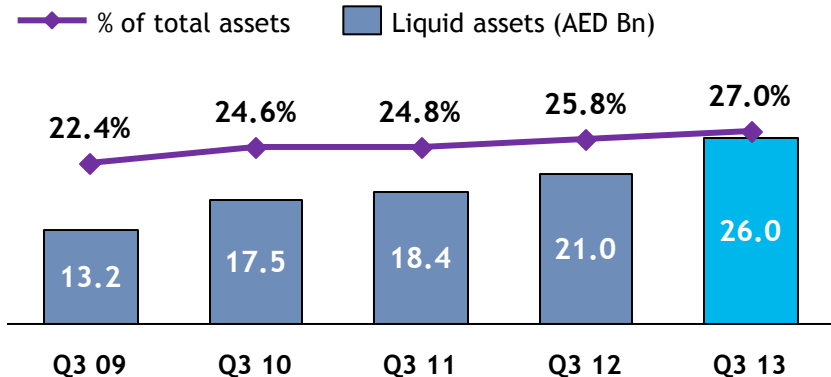
## Net Customer Financing & Customers' Deposits (AED Bn)



## Composition of Total Assets - AED Bn



## Liquidity ratio\* (%)



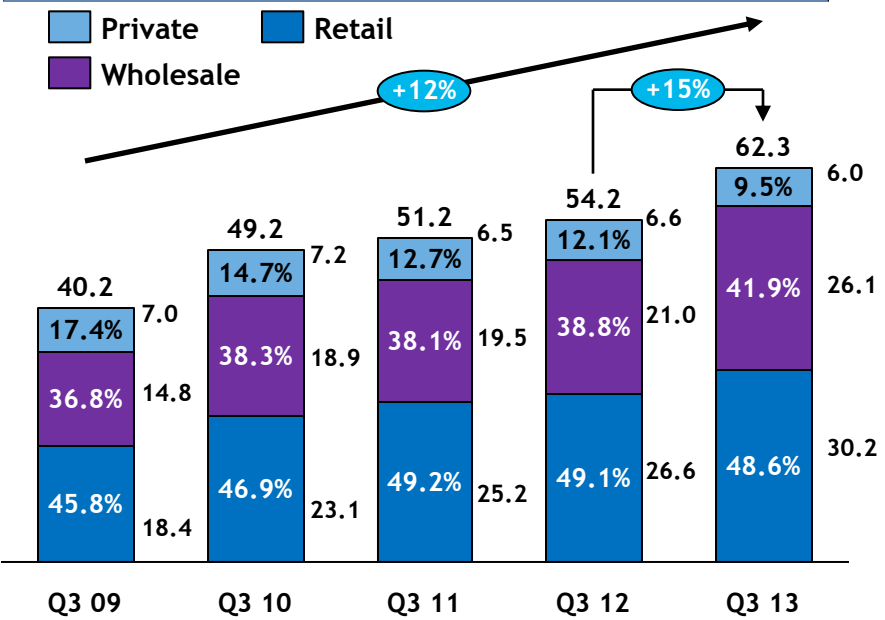
## Highlights

- One of the most liquid banks, with Net interbank assets & Central Bank CD's of AED 12.5 Bn as of Q2 2013.
- 4 year CAGR (Q3 2009 - Q3 2013)
  - Total Assets 13.2%
  - Customer financing 10.7%
  - Customers' Deposits 12.4%
- Net Profit Margin (NPM) was 4.2% for Q3 13.
- Advances to Stable Funds ratio was 79.0% as of Q3 13 compared to 78.6% as of Q3 12 (31 Dec 12 : 75.7%).

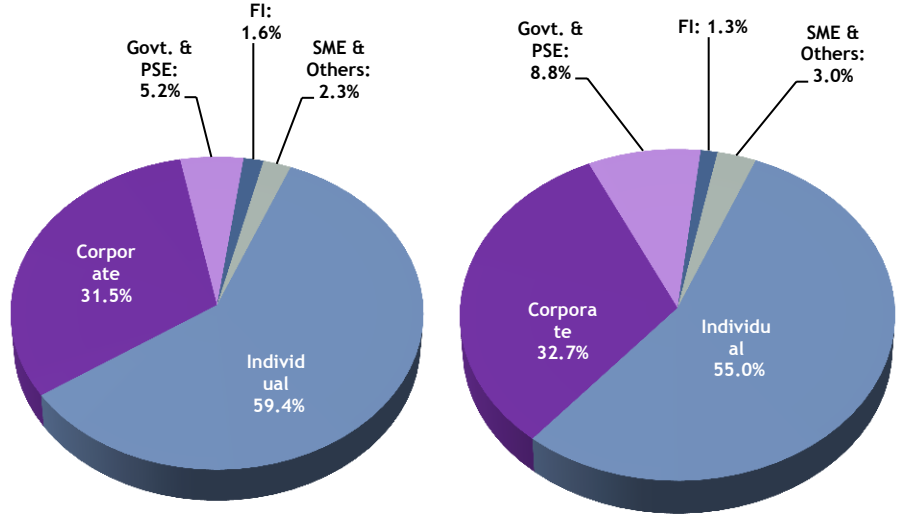
# Customer Financing Assets

Portfolio growth of 15.0% since Q4 12 driven by strong performance from Wholesale bank and Retail

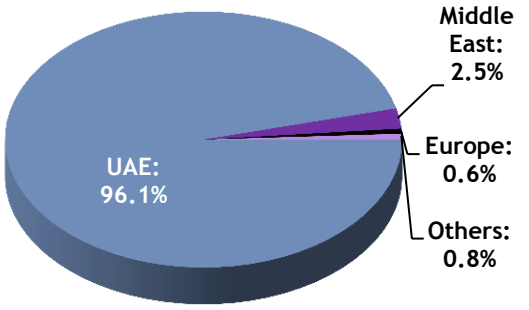
## Gross Customer Financing by Segment



## Gross Customer Financing by Customer Segment



## Gross Customer Financing by Geographic Region

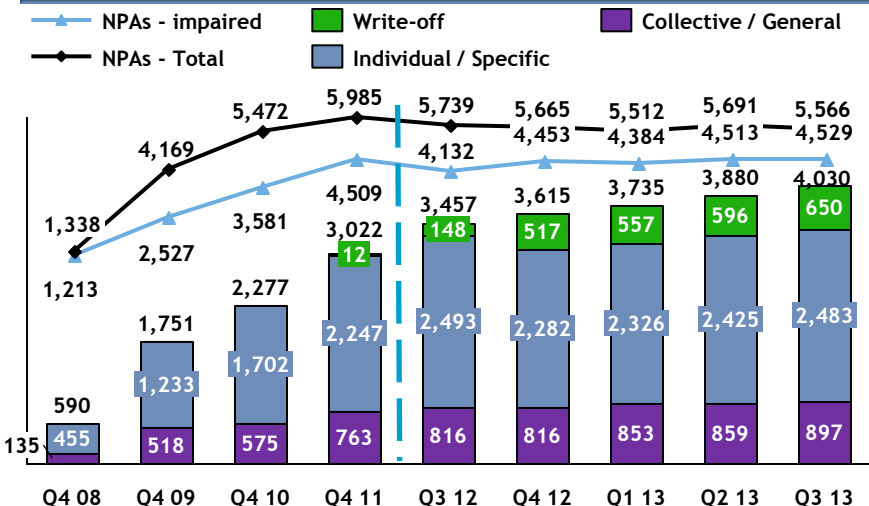


## Highlights

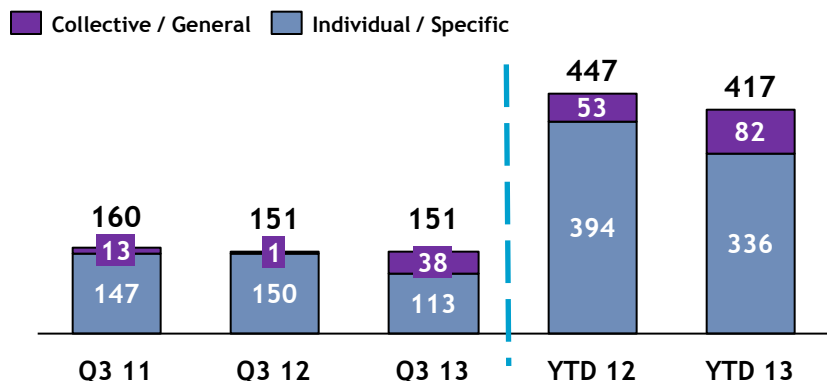
- Universal banking model under pinned by strong Retail franchise.
- Diversified portfolio across various segments.
- Top 3 retail bank in the UAE.
- Support the vision of Govt. of Abu Dhabi and development of the UAE.

# Asset quality - Customer financing only

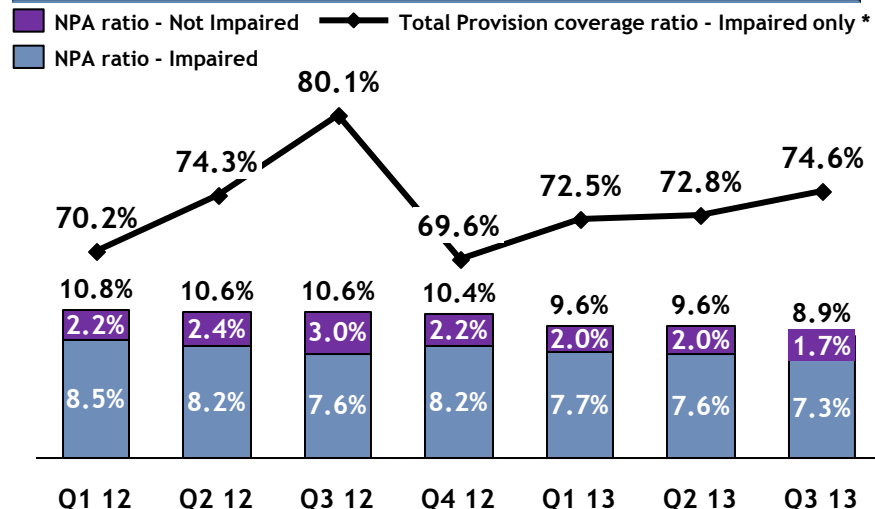
## Provisions and NPAs - Customer financing (AED Mn)



## Impairment charge - Customer financing (AED Mn)



## NPA ratio and provision coverage ratio



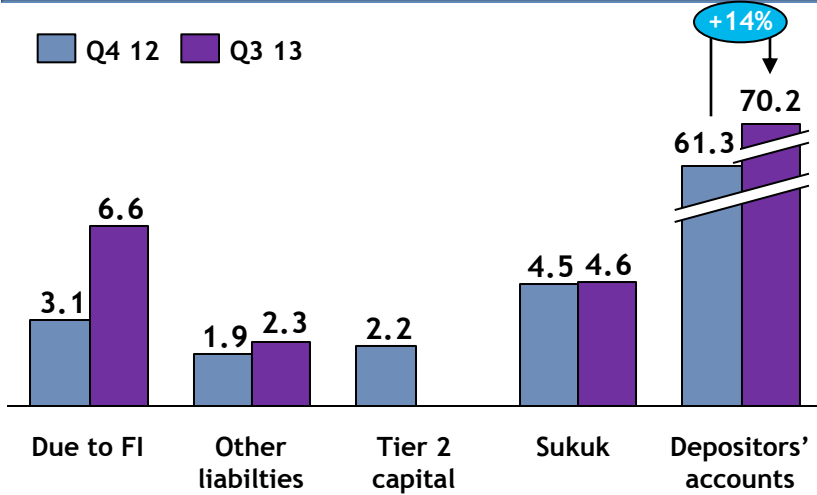
## Key points

- Total NPAs decreased by AED 99 Mn during YTD 2013 to reach AED 5,566 Mn (31 Dec 12: AED 5,665 Mn).
- Impaired NPAs ratio at 7.3% as at 30 Sep 2013 (8.2% at end Q4 2012) with coverage improving to 74.6% (31 Dec 2012: 69.6%).
- Collective provisions of AED 897 Mn at end of Q3 2013 represents 1.60% of Customer Credit RWAs.
- Individual provisions of AED 2,483 Mn at 54.8% of impaired NPAs at end of Q3 2013 (31 Dec 2012: 51.2%).
- Total provisions of AED 3,380 Mn (net of write-off of AED 650 Mn), represents 5.43% (31 Dec 2012: 5.71%) of Gross Financing portfolio.

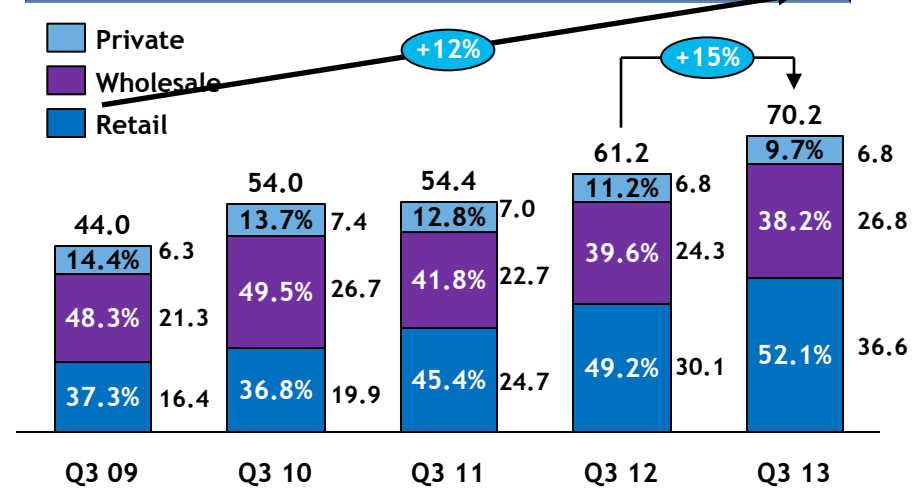
# Funding Profile

Customer deposits up 15% yoy, focus on CASA deposits

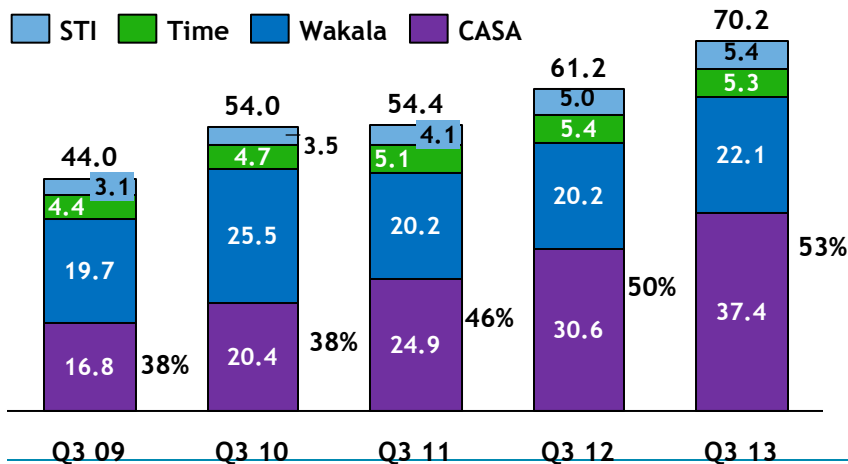
Composition of Liabilities (AED Bn)



Customers' Deposits by Segment (AED Bn)



Customers' Deposits by Type (AED Bn)

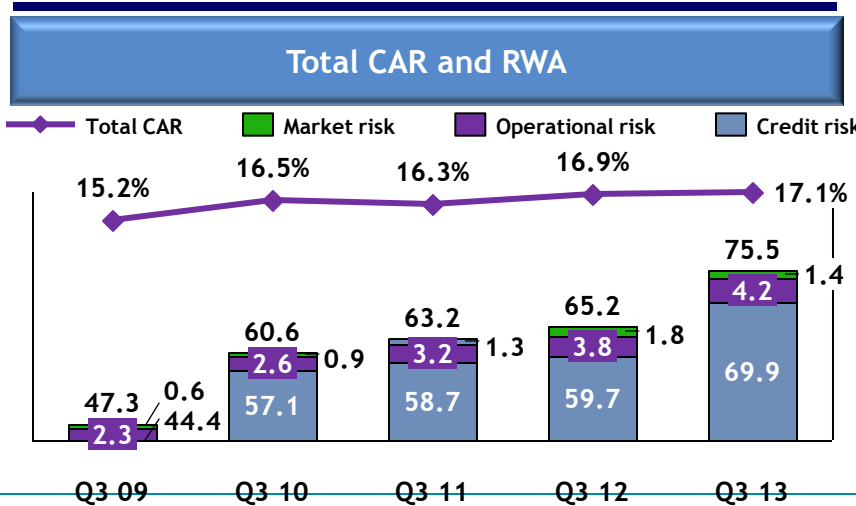
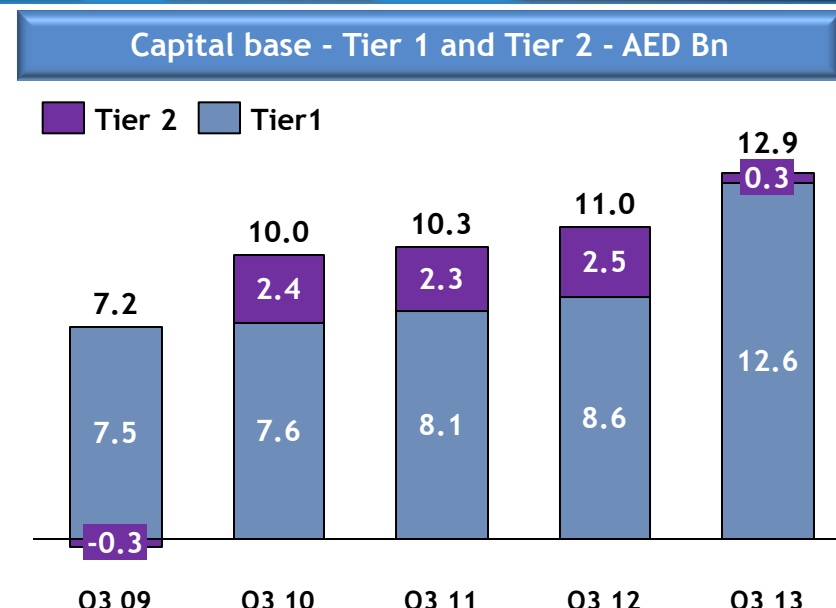
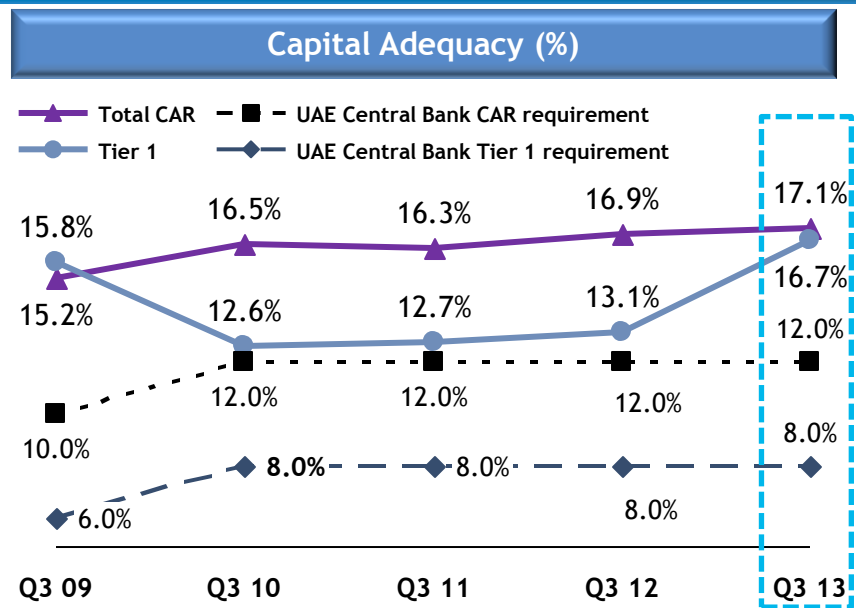


Highlights

- Deposits from customers/ total liabilities constitute 84% as of 30 Sep 2013.
- Current and Savings accounts (CASA) growth of 22.3% year on year has resulted in significant improvement in cost of funds.
- We have highest proportion of CASA deposits (53%) among the peer banks.
- Retail and Wholesale segment to remain as major source of deposits.

# Capital

Well capitalised and strong capital base after Tier 1 Hybrid issue



### Highlights

- Basel II Total Capital Adequacy ratio at end of Q3 2013 at 17.12% well above the regulatory requirement of 12% (31 Dec 12: 21.42%).
- Basel II Tier I ratio at 16.67% at the end of Q3 2013 well above the regulatory requirement of 8% (31 Dec 12: 18.43%).

# Shareholders' Return

- 30 September 2013 share price was AED 4.75 per share (31 Dec 2012: AED 3.18 per share).
- FYR 2012 Cash dividend of 50% of net profit (25.40% of share capital).
- Total dividend yield of ADIB share - 8.0%. (2011: 7.7%)

## ADIB vs ADX



# Dividend Distribution History

	2007	2008	2009	2010	2011	2012
<b>Net Profit (Mn)</b>	769.0	851.1	78.0	1,023.6	1,155.1	1,201.2
<b>Cash Dividend Payout Ratio (% of Net Profit)</b>	51.2%	50.0%	-	50.0%	50.0%	50.0%
<b>Total Dividend Yield</b>	3.2%	8.3%	6.9%	7.3%	7.7%	8.0%
<b>Cash Dividend (% of Share Capital)</b>	20.0%	21.6%	-	21.6%	24.4%	25.4%
<b>Bonus Shares (% of Share Capital)</b>	-	-	20.0%	-	-	-

# Agenda

Introduction

Financial Review

**Business Review**

Appendix



# ADIB Strategy

To become a top tier regional bank  
by  
Providing Islamic financial solutions for everyone

## Build Market Leadership within the UAE

- The key customer service sectors are Personal Banking, Business Banking, Wholesale Banking, Private Banking and Community Banking supported by Cards, Treasury, Corporate Finance and Investment Banking, Wealth Management and Transaction Banking.
- ADIB's retail presence will continue to build towards market leadership.
- At the heart of ADIB's customer-centric approach is a Bank-wide focus on customer service excellence.

## Create an Integrated Financial Services Group

- ADIB continues to build a diversified Islamic financial services model.
- Currently ADIB provides customers access to brokerage (through ADIB Securities), Takaful insurance (through Abu Dhabi National Takaful Company) and Real Estate Management (through MPM) and is building its merchant acquiring and foreign exchange business propositions.

## Pursue International Growth Opportunities

- With the growing acceptance of Islamic banking worldwide, ADIB is increasingly turning its attention to replicating its business model through systematic geographic expansion.
- ADIB's international expansion began in Egypt with the acquisition via a joint venture structure of National Bank of Development followed by the establishment of Iraq, UK, Saudi Arabia operations and will continue with the new operations in Qatar and Sudan.
- ADIB is also in the process of applying for banking licenses in a range of other countries.

Simple & Sensible

Transparency

Mutual Benefit

Hospitality & Tolerance

Shari'a Inspired

# Business unit contribution

Retail banking		Wholesale banking		Private banking		Capital markets		Real estate		Other operations	
YTD 12	YTD 13	YTD 12	YTD 13	YTD 12	YTD 13	YTD 12	YTD 13	YTD 12	YTD 13	YTD 12	YTD 13

## Total Assets

Amount (Bn)	26.9	31.0	20.0	24.9	6.0	5.3	24.6	29.8	2.6	2.7	1.6	2.6
Contribution %	32.9%	32.1%	24.5%	25.9%	7.4%	5.5%	30.1%	30.9%	3.2%	2.8%	1.9%	2.7%

## Total Liabilities

Amount (Bn)	30.1	36.9	16.6	17.0	4.3	2.4	18.2	22.9	0.3	0.3	3.0	4.0
Contribution %	41.5%	44.2%	22.9%	20.4%	6.0%	2.9%	25.1%	27.4%	0.4%	0.3%	4.1%	4.8%

## Revenues

Amount (Mn)	1682.3	1,892.9	735.8	760.5	154.5	141.1	68.7	75.9	(32.3)	1.8	72.6	13.4
Contribution %	62.7%	65.6%	27.4%	26.4%	5.8%	4.9%	2.6%	2.6%	-1.2%	0.1%	2.7%	0.5%

## Net Profit

Amount (Mn)	773.8	846.6	390.6	430.2	(21.9)	34.0	22.9	34.9	(212.9)	(158.3)	6.0	(80.4)
Contribution %	28.9%	29.3%	14.6%	14.9%	-0.8%	1.2%	0.9%	1.2%	-7.9%	-5.5%	0.2%	-2.8%

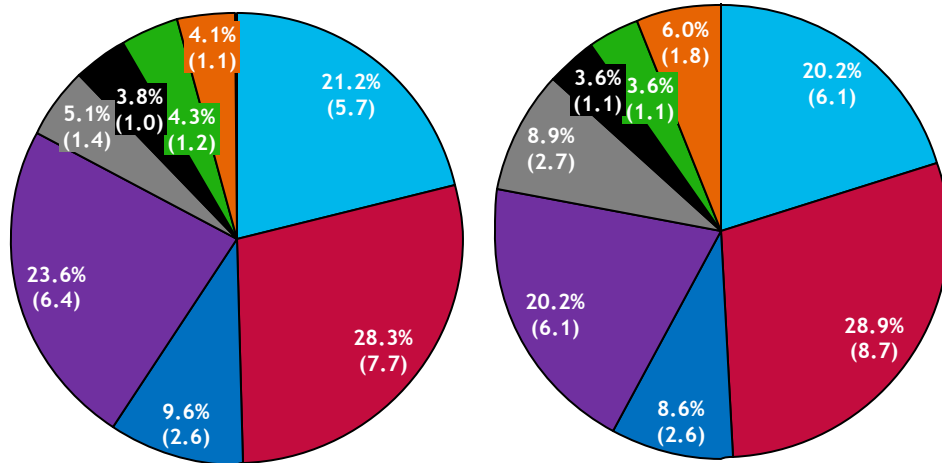
# Retail Banking overview

## Retail Banking contributes 66% of Net Revenues

- Personal Banking Division provides services for individuals clients, while the Business Banking Division services the needs of SMEs.
- These services include a variety of Shari'a compliant financing.

### Gross Retail Financing Portfolio

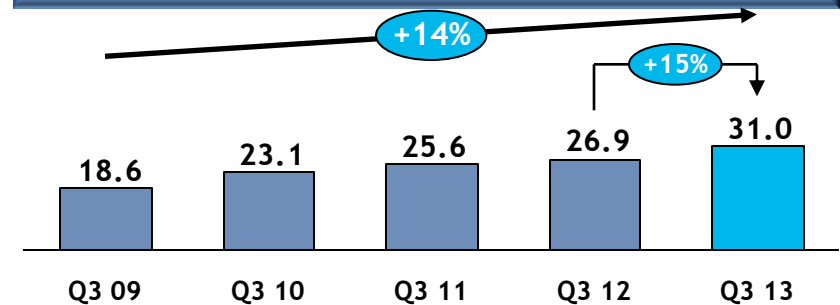
■ Car Finance    ■ Personal Finance    ■ Home Finance    ■ Others  
■ Shares Finance    ■ Mortgage    ■ Covered Cards    ■ SME



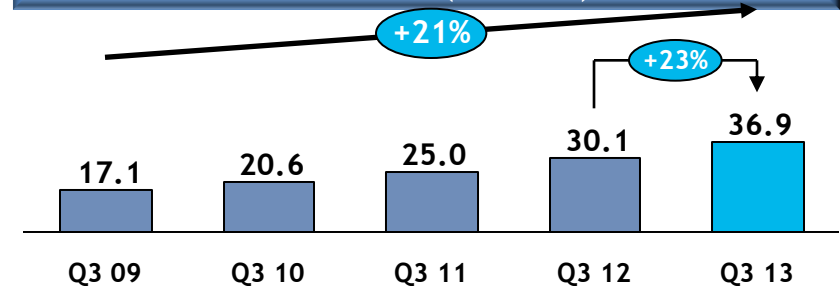
31 Dec 2012- AED 26.7 Bn

30 Sep 2013 - AED 30.1 Bn

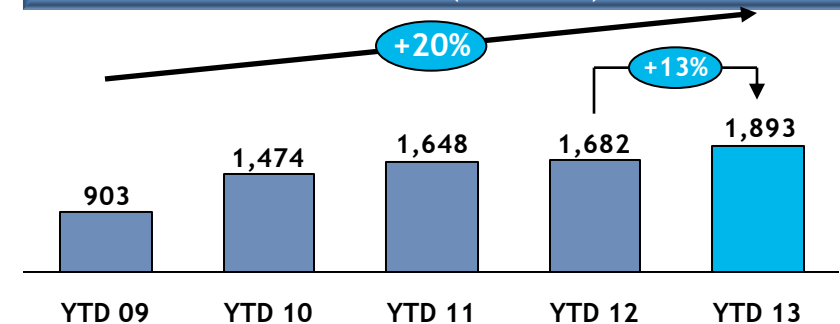
### Assets (AED Bn)



### Liabilities (AED Bn)



### Revenues (AED Mn)



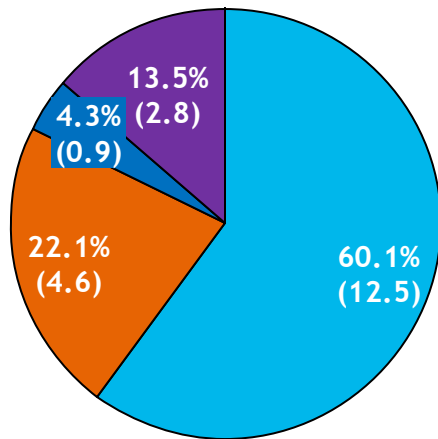
# Wholesale Banking overview

Wholesale Banking contributes 26% of Net Revenues

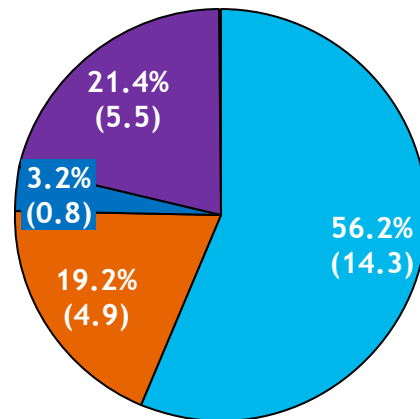
- Wholesale Banking encompasses the large corporates, emerging corporates and financial institutions divisions of the Bank. The array of services includes Transaction Banking and Corporate Finance and Investment Banking.

## Gross Wholesale Financing Portfolio

■ Corporate- AUH ■ FI  
■ Corporate- Dubai ■ Government and Public sector

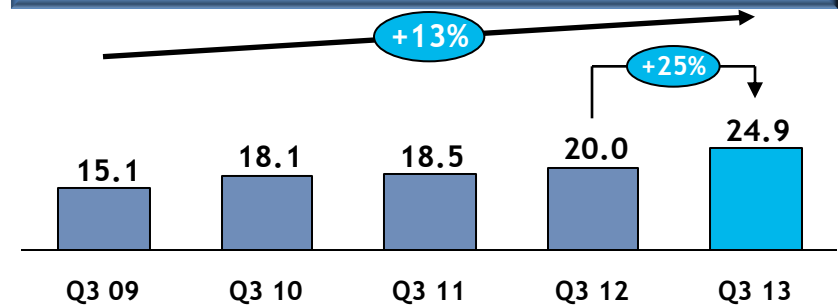


31 Dec 2012- AED 20.8 Bn

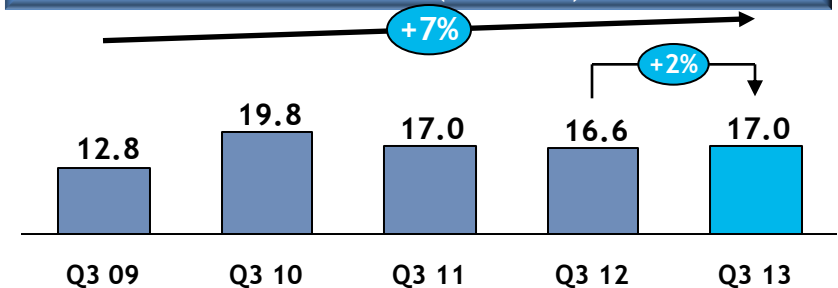


30 Sep 2013 - AED 25.5 Bn

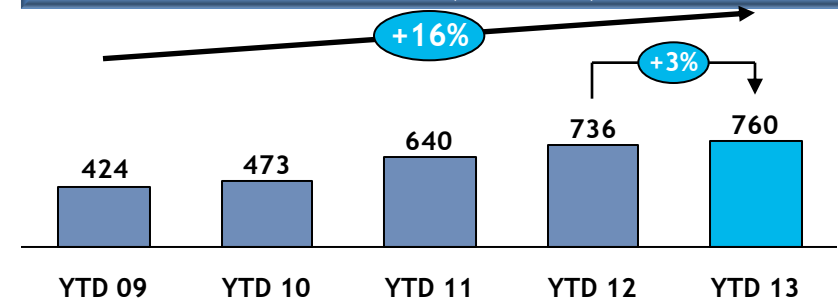
## Assets (AED Bn)



## Liabilities (AED Bn)



## Revenues (AED Mn)

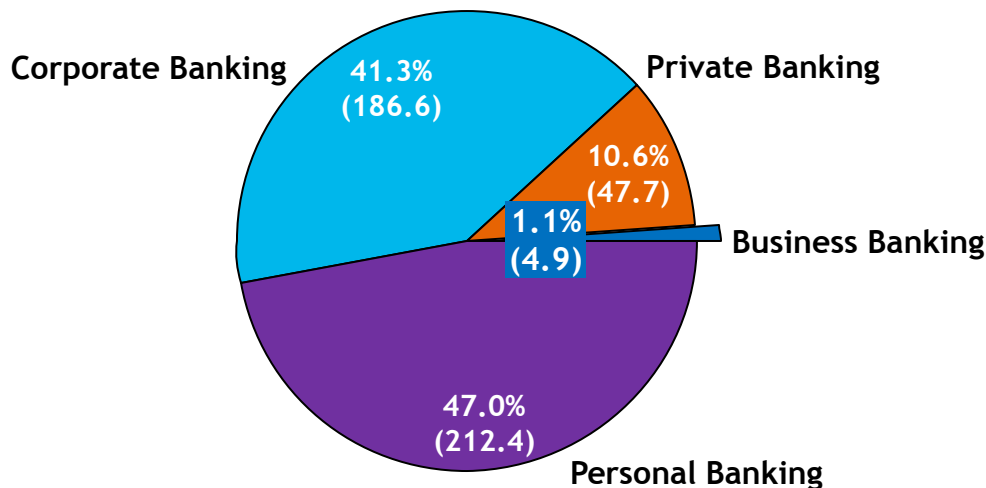


# Private Banking overview

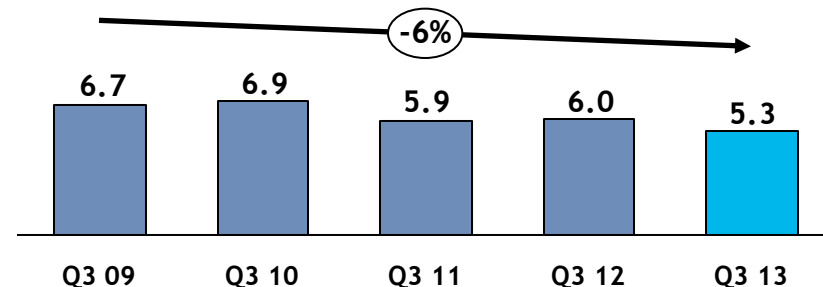
## Private Banking contributes 5% of Net Revenues

- Private Banking focuses on high and ultra high net worth individuals.
- Wealth Management concentrates on developing, marketing and servicing a wide range of wealth management products (including third party and ADIB proprietary funds) for high net worth, affluent and mass market.

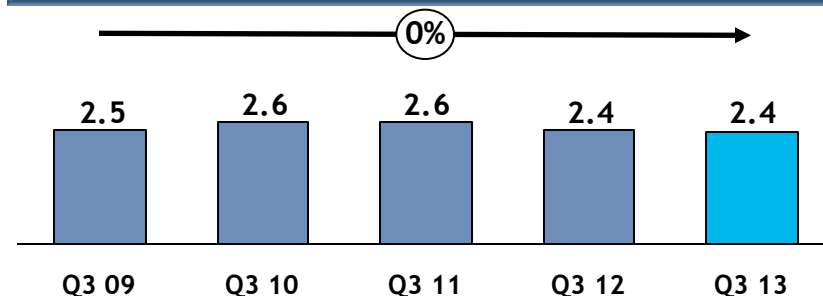
WM AuM - AED 451.6 Mn



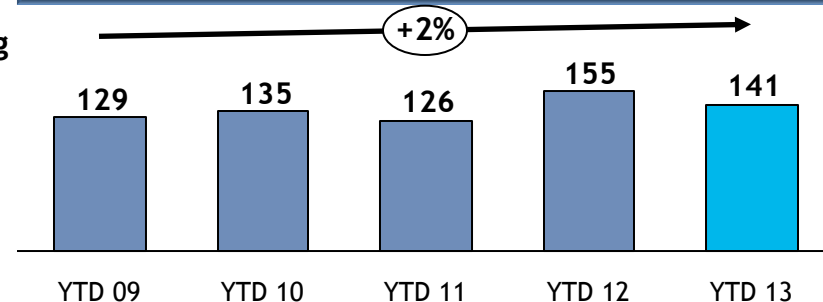
## Assets (AED Bn)



## Liabilities (AED Bn)



## Revenues (AED Mn)



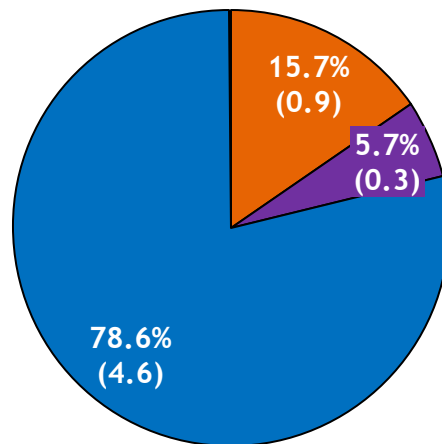
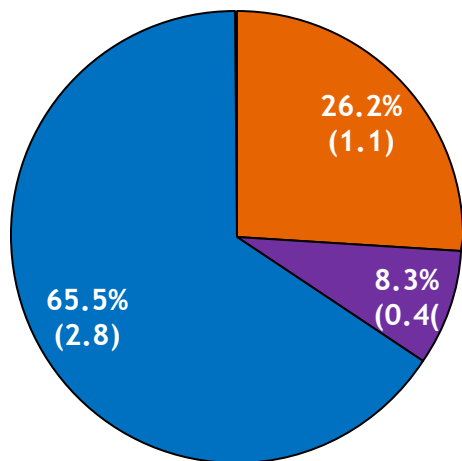
# Treasury overview

## Treasury contributes 8% of Net Revenues

- Treasury principally handles money market brokerage, trading and treasury services, as well as the management of the Bank's funding operations by use of investment deposits

### Investments

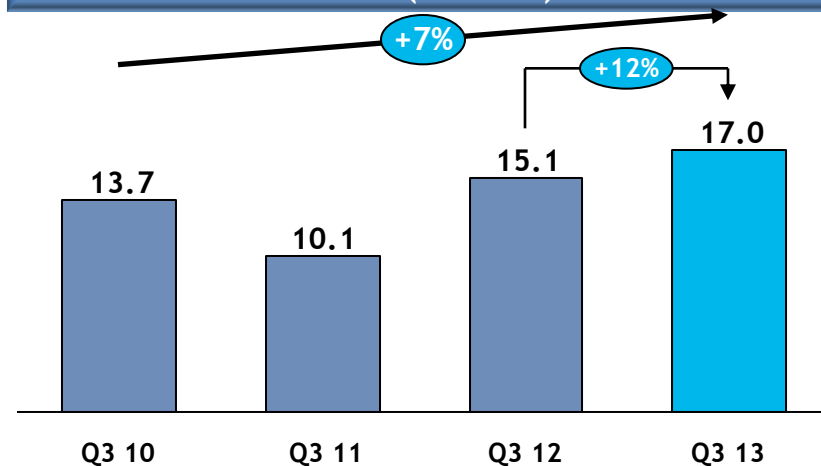
- Fair value through P&L
- Amortised cost
- Fair value through OCI



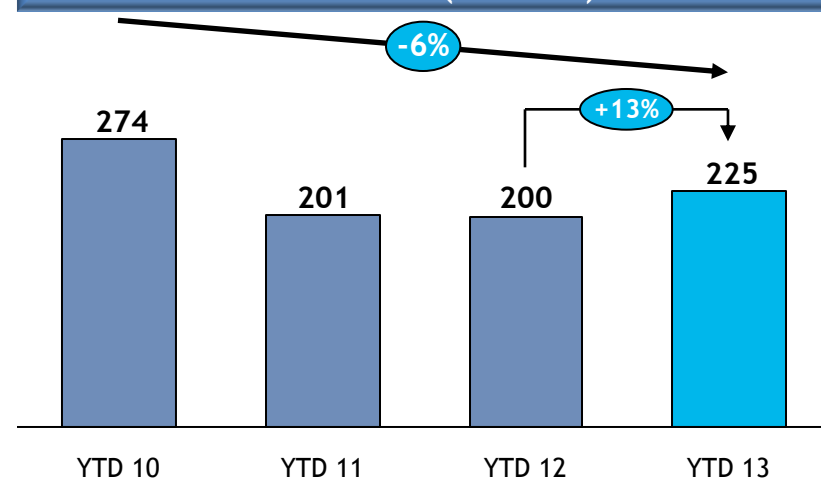
31 Dec 2012- AED 4.3 Bn

30 Sep 2013 - AED 5.9 Bn

### Assets (AED Bn)



### Revenues (AED Mn)



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# Consolidated Statement of Income

AED Mn	Q3 12	Q2 13	Q3 13	% chg Q3 13 vs Q3 12	% chg Q3 13 vs Q2 13	YTD 12	YTD 13	% chg YTD13 vs YTD12
<b>Revenues</b>	924.1	950.6	1,015.9	9.9%	6.9%	2,681.6	2,885.5	7.6%
Net Revenue from Funds	721.5	755.8	769.8	6.7%	1.9%	2,168.4	2,251.3	3.8%
Fees & commission	90.5	143.1	139.6	54.2%	-2.4%	301.3	434.5	44.2%
Investment income	99.7	32.1	80.9	-18.8%	152.0%	174.4	166.1	-4.7%
Foreign Exchange	11.7	16.6	24.5	110.1%	47.1%	36.2	29.3	-19.0%
Other income	0.8	3.0	1.2	52.9%	-61.1%	1.3	4.3	223.8%
<b>Expenses</b>	393.5	399.4	426.9	8.5%	6.9%	1,148.4	1,219.7	6.2%
Employee cost	231.5	243.3	258.8	11.8%	6.4%	679.0	740.3	9.0%
Premises	41.5	38.1	38.7	-6.8%	1.6%	119.3	116.7	-2.2%
Depreciation	31.0	32.8	34.3	10.9%	4.8%	85.4	98.9	15.8%
Other Operating expenses	89.5	85.2	95.0	6.1%	11.5%	264.7	263.8	-0.4%
<b>Operating Profit - Margin</b>	530.6	551.2	589.1	11.0%	6.9%	1,533.2	1,665.9	8.7%
<b>Provision for impairment</b>	202.1	179.8	193.5	-4.2%	7.6%	574.7	558.9	-2.8%
- Individual / Specific	150.6	138.3	113.0	-25.0%	-18.3%	394.4	331.4	-16.0%
- Collective / General	0.8	6.2	38.3	5004.3%	517.6%	52.9	81.5	54.2%
- Others	50.7	35.3	42.2	16.7%	19.7%	127.5	145.9	14.5%
<b>Net Profit</b>	328.5	371.4	395.5	20.4%	6.5%	958.5	1,107.0	15.5%



# Consolidated Balance Sheet

AED Mn%	30 Sep 2012	31 Dec 2012	30 Sep 2013	% chg 30 Sep 2013 vs 31 Dec 2012	% chg 30 Sep 2013 vs 30 Sep 2012
Cash and balances with Central Banks	12,189	11,287	13,446	19.1%	10.3%
Due from financial institutions	9,131	13,876	12,785	-7.9%	40.0%
Net Customer financing	50,857	51,197	58,877	15.0%	15.8%
Investments	4,168	4,255	5,860	37.7%	40.6%
Investment in associates	846	766	748	-2.4%	-11.6%
Investment and development properties	1,146	1,144	1,123	-1.8%	-2.0%
Other assets / fixed assets	3,204	3,140	3,544	12.9%	10.6%
<b>TOTAL ASSETS</b>	<b>81,540</b>	<b>85,665</b>	<b>96,382</b>	<b>12.5%</b>	<b>18.2%</b>
Due to financial institutions	2,570	3,134	6,351	102.7%	147.1%
Customers' deposits	61,188	61,326	70,165	14.4%	14.7%
Other liabilities	1,985	1,874	2,333	24.5%	17.6%
Tier 2 wakala capital	2,207	2,207	-	-100%	-100%
Sukuk payable	4,591	4,471	4,591	2.7%	-
<b>TOTAL LIABILITIES</b>	<b>72,541</b>	<b>73,013</b>	<b>83,440</b>	<b>14.3%</b>	<b>15.0%</b>
Share capital	2,365	2,365	2,365	-	-
Tier 1 sukuk	2,000	5,629	5,631	0.03%	181.6%
Proposed dividend	-	601	-	-100%	-
Reserves	4,634	4,057	4,946	21.9%	6.7%
<b>TOTAL EQUITY</b>	<b>8,999</b>	<b>12,652</b>	<b>12,942</b>	<b>2.3%</b>	<b>43.8%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>81,540</b>	<b>85,665</b>	<b>96,382</b>	<b>12.5%</b>	<b>18.2%</b>

# An award winning Islamic Bank - 2013 and 2012 (1/2)



“Islamic Bank of the Year - Middle East Regional Winner 2013”  
by **Banker Financial Times**



“Best Islamic bank in the UAE for 2012 ”  
by **Euromoney**



“Best Overall Islamic Bank”  
by **Islamic Finance News**



“Best Islamic Bank”  
in the UAE for three consecutive years  
by **Islamic Finance News**



“Best Islamic Bank in the World”  
by **Islamic Finance News**



“Best Global Islamic Retail Bank”  
by **Islamic Finance News**



“Best Islamic Bank”  
in the UAE for three consecutive years  
by **Global Finance**



“Excellence in Islamic Banking”  
by **International Alternative Investment Review**

# An award winning Islamic Bank - 2013 and 2012 (2/2)



“Best Overall Bank in Customer Service” in the UAE for three consecutive years by **Ethos Consultancy**



“Best Call Center Award” in the UAE by **Ethos Consultancy**



“Best Islamic Bank” in the UAE for three consecutive years by **EMEA Finance**



“Best Islamic Bank” in the UAE by **EuroMoney**



“Best Corporate Finance Deal” of the year by **Islamic Finance News**



“Best Mudarabah Deal” of the year for Tier 1 Sukuk by **Islamic Finance News**



“Best Syndicated Deal” of the year by **Islamic Finance News**



“Deal of the Year” by **EuroMoney**

# Key deals in YTD Sep 2013 (1/2)



**USD 1Bn Sukuk**

Joint Lead Manager & Bookrunner

ADIB    
 Feb 2013

- The Largest corporate Sukuk issue from Dubai since 2007
- The lowest profit rate ever achieved by a Dubai corporate entity in the international Debt Capital Markets.



**USD 82,000,000**

MLA, Bookrunner, & Documentation Agent for a Syndicated Facility

ADIB    
 Mar2013

- Highly structured transaction that reaffirms ADIB's commitment to the growth & development of the UAE
- The transaction attracted Islamic and conventional financiers with major allocation from UAE banks with 1.45x oversubscription



**USD 142,000,000**

Mandated Lead Arranger & Bookrunner

ADIB    
 March 2013

- ADIB's first Islamic Aircraft financing mandate
- Highly important transaction for ADIB with continuous support to Dubai Government Entities



**AED 500,000,000**

Mandated Lead Arranger for a Syndicated Facility

ADIB    
 March 2013

- Highly important transaction for ADIB with continuous support to Dubai Government Entities



**USD 1Bn Sukuk**

Joint Lead Manager & Bookrunner

ADIB    
 March 2013

- The first amortizing senior unsecured Sukuk offering by an airline globally;
- The first unrated senior unsecured amortizing Sukuk issued by a GCC-based entity;



**USD 525,000,000**

Mandated Lead Arranger & Bookrunner

ADIB    
 March 2013

- The Largest corporate syndicated multi tranche facility issue in 2013 to date
- Largest education sector financing to build state of the art schools in UAE & GCC

# Key deals in YTD Sep 2013 (2/2)



الإمارات للألمنيوم  
Emirates Aluminium

**USD 4,000,000,000**

MLA, Islamic Structuring & Documentation Bank  
**Emirates Aluminium Phase II Expansion**

ADIB   
May 2013

- The project is considered the largest aluminum smelter led and this year's biggest PF deal in the region
- ADIB has been strongly supporting Abu Dhabi Government entities in achieving the Government 2030 vision



INVESTMENT CORPORATION OF DUBAI

**USD 2,550,000,000**

Mandated Lead Arranger & Bookrunner

ADIB   
June 2013

- Highly important transaction for ADIB with continuous support to Dubai Government Entities
- The transaction attracted Islamic and conventional financiers



**GMS**  
OFFSHORE CONTRACTOR

**USD 340,000,000**

Mandated Lead Arranger & Sole Bookrunner

ADIB   
March 2013

- The transaction was fully underwritten by ADIB and witnessed a strong demand from regional & Local banks with 2.17x oversubscription
- 100% Islamic facility is a testament of the wide acceptability of Islamic structures in major financing transactions



بنك دبي الإسلامي  
Dubai Islamic Bank

**USD 1Bn T1 Sukuk**

Co Lead Manager

ADIB   
March 2013

- The lowest coupon/profit rate USD Tier 1 issuance compliant with Basel III issued under Regulation S
- The deal was extremely well received by investors across the globe, evidenced by the fact that it was oversubscribed 14 times



الإتجاه  
**ETIHAD**  
AIRWAYS


**USD 168,000,000**

Lead Arranger for Aircraft Financing

ADIB   
May 2013

- Highly important transaction that reaffirms ADIB's commitment and support to Abu Dhabi Government Entities


# Key Deals in 2012



MAF Sukuk

**USD 400,000,000**

Joint Lead Manager/  
Bookrunner/Arranger



Feb 2012

- The 1st issuance by an investment grade privately-owned company in the GCC;
- The 1st Bond/Sukuk by a UAE-based privately-held company in over four years;
- The 1st corporate issuance from the region in the international markets; and
- The 1st corporate Sukuk issuance in 2012



**USD 1,850,000,000**

Joint Lead Manager &  
Bookrunner  
For Refinancing Sukuk /  
Syndication



June 2012

- The largest non-sovereign Sukuk issuance out of Dubai in over four years
- The first secured Sukuk transaction from the region in over four years
- The largest syndicated facility closed in 2012 to date
- 100% Islamic facility is a testament of the wide acceptability of Islamic structures in major financing transactions



Dubai Duty Free

**USD 1,750,000,000**

Mandated Lead Arranger  
& Bookrunner for a  
Syndicated Facility



June 2012

- The first Debt and Standalone Islamic Syndicated facility for the client
- Transaction with significant interest from the market due to strategic importance to Dubai Vision
- Purpose of transaction is Strategic "Expansion of Dubai Airport" with highly Sustainable cash flows



The Private Department  
of H.E. Sheikh  
Mohammed Bin Khalid  
Al Nahyan PJSC

**AED 525,000,000**

Mandated Lead Arranger /  
Bookrunner/ Facility &  
Documentation Agent for a  
Syndicated Facility



Mar 2012

- The first standalone Islamic syndicated facility for the client
- Success in re-profiling PVT dept's existing debt resulting in consolidation / optimization of their various facilities and optimization of their security, assets and cash flows
- Ring fenced structured deal with assignment of cash flows from prime real estate in AD with low LTV ratios



**USD 80,000,000**

Mandated Lead Arranger /  
Bookrunner /Facility &  
Documentation Agent for a  
Syndicated Facility



June 2012

- Highly visible project finance transaction given strategic importance of project
- ADIB acted as sole bookrunner in this key transaction and structured the deal in a manner that was perceived with high appetite in the market



**USD 175,000,000**

Mandated Lead Arranger &  
Bookrunner for a Syndicated  
Facility



June 2012

- The first standalone Islamic syndicated facility for the client
- Highly structured transaction and largest Facility in history of client
- Ring fenced structured deal with assignment of cash flows from tickets of sales of multiple destinations

## Executive Management Biographies

# Executive Management Profile (1/3)

Tirad Mahmoud  
Chief Executive Officer

Joined ADIB in March 2008. He holds a Bachelor degree (major in Corporate Finance) from Loyala of Concordia University in Montreal, Canada and has also completed the Executive Management Program at Wharton. He has previously worked at Citibank for 22 years on various assignments. His previous position was General Manager and Head of the Corporate and Investment Banking with Samba Financial Group, KSA.

Andrew Moir  
Global Head of Strategy  
& Finance

Joined ADIB on 1 October 2007. He holds B.Com (Hons.) Degree from Rhodes University and MBA from University of Cape Town. He previously worked at HSBC (1990-2007). His previous position was Chief Operating Officer, Sub Saharan Africa with HSBC Bank (2003-2007).

Sarvesh Sarup  
Global Head of  
Retail Banking

Joined ADIB on Dec 2008. He holds Master of Business Administration from University of Delhi, India. He has 23 years of banking experience . Previously worked Citibank as Country Manager, India; Division Executive , UK / Germany and Retail Banking Head, EMEA.

Arif Usmani  
Global Head of  
Wholesale Banking

Joined ADIB on 6 March 2012. He holds a First Class B.Sc (Hons) degree from Imperial College, University of London and is an Associate of the Royal College of Science. He has previously worked for over 30 years with Citibank in 6 different countries including a stint as CRO of Samba Financial Group from October 2003 till August 2007. His last position was Chief Executive Officer with Citibank in Pakistan.

Abdul Qader Khanani  
Treasurer, UAE & Acting  
Global Head of Treasury

Joined ADIB on 28 August 2012. He holds a Bachelor of Commerce Degree from University of Karachi & is a CFA Charter Holder as well as a Certified Financial Risk Manager (FRM). He has over 25 years of experience in Treasury & Financial Markets and was with NCB of Saudi Arabia where he was Head of Investment, responsible for Money Market/ALM/Foreign Exchange and Treasury Operations of Bahrain and Beirut.

Abdul Rahman Abdullah  
Head of Strategic Clients  
And Community Banking

Joined ADIB on 12 September 1998. He holds a Bachelor in Science. He has 29 years banking experience His previous position was Deputy Head of Private Banking Department at the National Bank of Abu Dhabi.

Abdulla Al Shahi  
Head of New Country  
Expansion

Joined ADIB in November 1998. He holds an MBA from the UAE University. He has 19 years banking experience. His previous position was as a branch manager for Oman Housing Bank.



# Executive Management Profile (2/3)

Masarrat Husain  
Global Head of Risk

Joined ADIB on 3 June 2008. He holds a Masters in Business Administration from Tulane University, Louisiana, USA and BS of Science Chemical Engineering from Texas A&M University, Texas, USA. He has 33 years experience working with Citibank and SAMBA Financial Group, Riyadh. His previous position was GM/Deputy Chief Risk Officer with SAMBA Financial Group, Riyadh.

Majaz Khan  
Global Head of Operations  
& Technology

Joined ADIB on 8 November 2009. He holds an MBA from Central Michigan University and a Bachelors in Commerce from University of Karachi. He has worked with Citigroup in 5 countries (1981-2007). His previous position was Chief Operating Officer for Arab Bank, Plc - Amman Jordan (2007-2009).

Dr. Osaid Kilani  
Global Head of Shari'a

Holds a B.A. in Shari'a and Law and a Diploma in Islamic law. He has 16 years of banking experience. He is a member of Shari'a Standard Committee related to Accounting and Auditing Organisation for Islamic Financial Institutions in Bahrain

Noble Powar  
Global Head of Human  
Resources

Joined ADIB on 1 January 2012. He hold a Master's degree in Personnel Management & Industrial Relations and has worked for over 20 years with Global Banks in the Middle East, UK, USA, Europe, Asia and Africa. His previous position was Managing Director of Talent First Limited a UK based HR Consulting company.

Waheeb Al Khazraji  
Head of Human Resource,  
UAE

Joined ADIB on 10 December 2005 . He holds Chemical Engineering and MBA degrees along with Chartered Human Resource Consultant (CHRC), Canada and Chartered in Personal Development (CIPD), UK. He has 6 years banking experience. His previous position was HR & Training Manager with ADCO, Abu Dhabi.

Badaruzzaman Ahmed  
Global Head of Corporate  
Governance & Compliance

Joined ADIB on 12 January 1998. He holds a Bachelor of Commerce degree and professional certifications from The Institute of Internal Auditors (USA), Institute of Chartered Accountants (PAK), He has 19 years banking experience. His previous position was Assistant Manager - Internal Audit with Kuwait Finance House

Abdul Hakim Kanan  
Global Head of Audit  
and Risk Review

Joined ADIB on 18 April 2010. He holds a Certified Public Accountant (CPA) from State Board of Accountancy, New Hampshire, US. He also holds professional qualification CIA, CISA, CITP, CFE and CGEIT. He has over 24 years of experience. His previous positions were Group Chief Internal Auditor of Dubai Islamic Bank.

# Executive Management Profile (3/3)

Dr. Adnan Said Abraham  
Head of Legal, UAE

Joined ADIB on May 2012. He has 30 years of banking experience in managing in-house legal departments and acting as general legal counsel to various banks and investment companies over the span of his career.

Ahsan Ahmad Akhtar  
Group Financial Controller

Joined ADIB on 9 April 2008. He is a Chartered Accountant from the UK and holds a Bachelor of Science degree in Accounting & Finance from the London School of Economics and Political Science. He has previously worked with Pricewaterhouse Coopers (1991- 1998) and Citibank (1998-2008). His previous position was Country CFO with Citibank, Pakistan.

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