



البنك العربي المتحد
UNITED ARAB BANK

PRESS RELEASE

United Arab Bank Announces Financial Results for Q3 2018

Q3 2018 Highlights

- **AED105m** Net Profit, up **111%** vs. Q3 2017.
- Operating Expenses decreased **4%** vs. Q3 2017.
- Provision for Credit Losses decreased **29%** vs. Q3 2017.
- Robust liquidity profile with UAB comfortably above regulatory requirements.
- Loan: Deposit Ratio managed to **97%**.
- Tier 1 ratio comfortably in excess of regulatory requirements at **14.5%**.

Sharjah, UAE, 1st November 2018 - United Arab Bank P.J.S.C ("UAB" or "the Bank") reported Net Profit for the nine months to 30th September 2018 of **AED105m**, representing an uplift of **111%** compared with the same period last year, primarily driven by growth in 'Core' Income and reduction in provision charges following a transition to a lower risk business model.

Total Income for the nine months recorded **AED501m**, with income generated from core businesses showing an uplift of **2%** over Q3 2017.

Operating Expenses for the nine months were **AED246m**, representing **4%** reduction against Q3 2017 as the Bank continues to capture the benefits of the comprehensive review and subsequent overhaul of its cost base.

Provision for Credit Losses for the nine months were **AED150m**, **29%** lower than the same period in 2017 as high yield 'Non-core' portfolio continued on its downward trajectory and now represent **1.3%** of the total loan base.

Sheikh Faisal Bin Sultan Bin Salem Al Qassimi, Chairman of the Board of Directors, said, "The Board is pleased to see the improved operating performance continue into the third quarter, demonstrating the strength of our 'core' business.

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, "We have seen another period of good financial and operating performance in Q3 2018 with the Bank reporting Net Profit of AED105m, supported by robust capital, funding and liquidity profile.

Our focus remains on growing the core business and reduce operating expenses whilst maintaining the cost of risk at acceptable levels."

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