

The image features a vibrant red background with intricate, white, stylized Arabic calligraphy patterns. The patterns are dense and geometric, resembling traditional Islamic art. The background is partially obscured by a white, wavy, ribbon-like shape that curves across the middle of the frame. Below this shape, a blue sky with scattered white clouds is visible. The text is positioned in the upper left and lower left areas of the image.

Abu Dhabi Commercial Bank PJSC

Earnings presentation

Q1'12 results

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Our strategy...

- Growth through a UAE centric approach and controlled ‘internationalisation’
- Sustainability through liability growth
- Maintaining a culture of service excellence and efficiency
- Managing ADCB’s risk in line with a predefined risk strategy
- Attracting, developing and retaining the best talent with incentives aligned with the strategic objectives

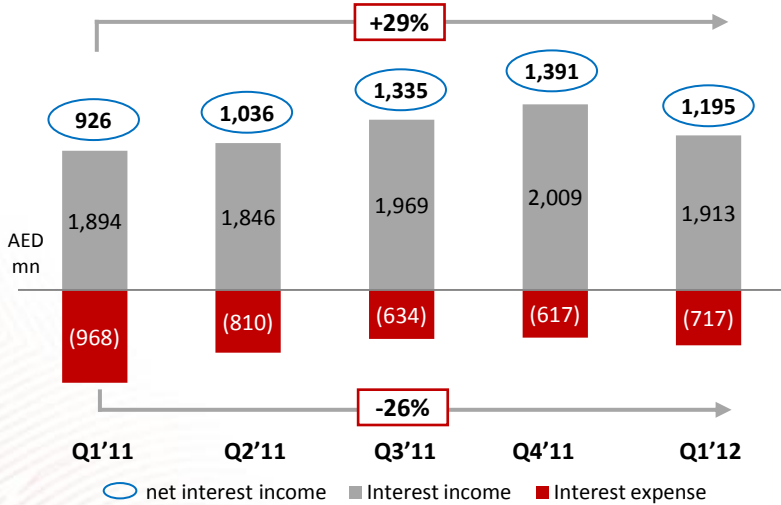
Analysis of ADCB's first quarter results...

AED million	Q1'12	Q4'11	Q1'11	Q4'11	Q1'11
Income statement highlights				QoQ % Change	YoY% Change
Total net interest and Islamic financing income	1,195	1,391	926	(14)	29
Non-interest income	389	231	400	68	(3)
Operating income	1,584	1,623	1,326	(2)	19
Operating expenses	(506)	(548)	(427)	(8)	18
Operating profit before impairment allowances	1,078	1,075	899	0	20
Net impairment allowances	(287)	(549)	(399)	(48)	(28)
Share of (loss)/profit of associates	12	(9)	84	(236)	(86)
Overseas income tax expense	(2)	(2)	(2)	NM	NM
Net profit for the period	802	514	583	56	38
Balance sheet highlights	March'12	Dec'11	March'11	QoQ % Change	YoY% Change
Total assets	182,914	183,726	180,705	NM	1
Gross loans and advances	129,786	130,467	126,101	(1)	3
Deposits from customers	114,462	109,887	109,132	4	5

- ✓ Sustainable revenue generation
- ✓ Strong balance sheet
- ✓ Position of capital strength
- ✓ Conservative risk management

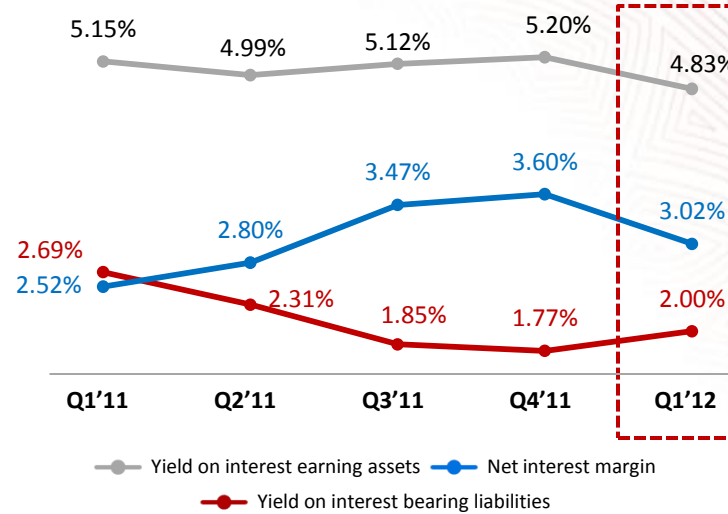
Sustainable revenue generation, diversified streams of income...

Net interest income*



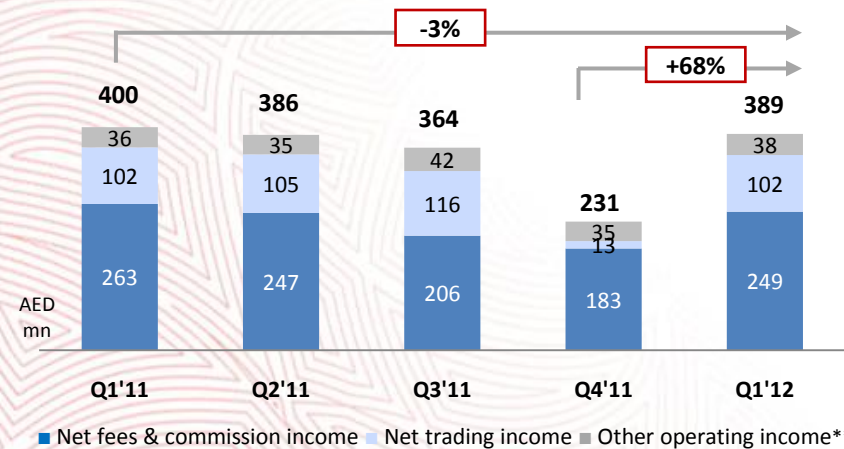
* Includes income from Islamic financing

Evolution of yields



Sustainable revenue generation
Strong balance sheet
Position of capital strength
Conservative risk management

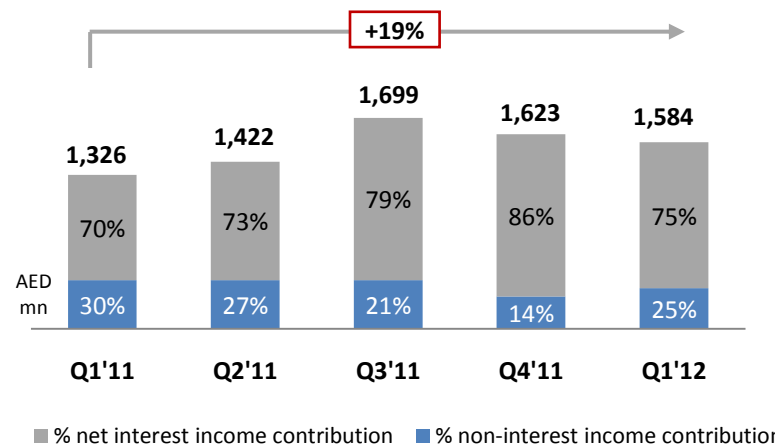
Non-interest income*



* Excludes share of profit of associates

** Other operating income includes decrease in fair value of investment properties

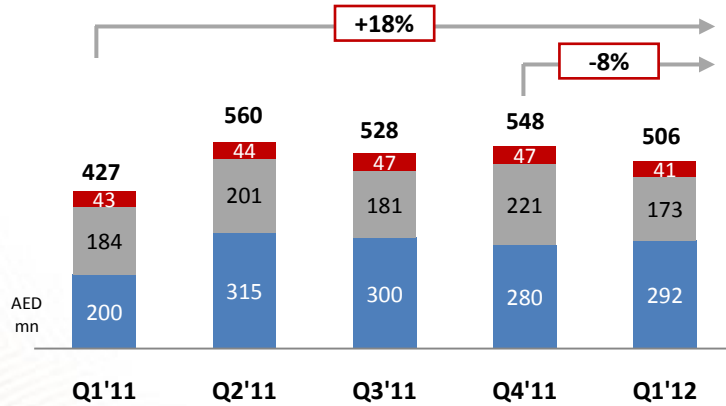
Operating income contribution breakdown



Carefully managed cost of funds resulted in lower interest expenses and NIM of **3.02%**

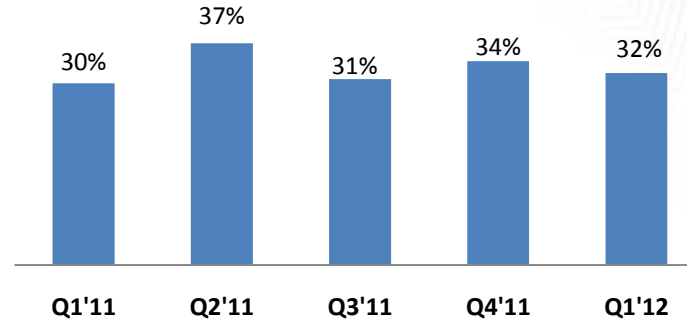
Strong core banking franchise delivering solid results...

Operating expenses



■ Staff costs ■ General admin expenses ■ Depreciation and amortisation

Cost to income ratio*

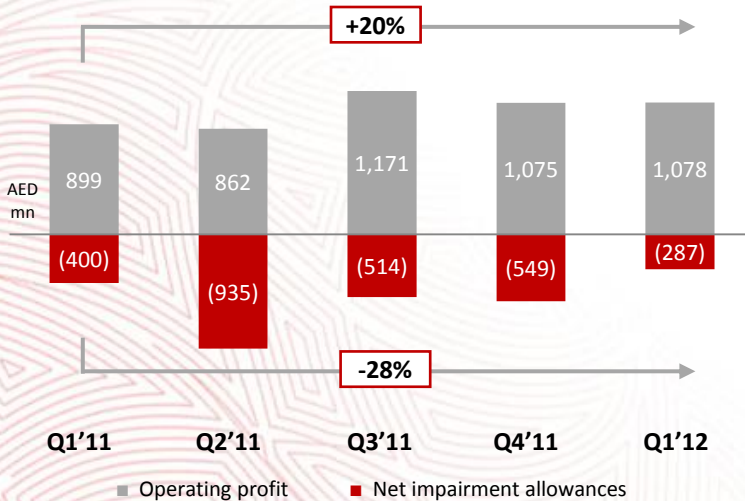


* Includes share of profit of associates

Sustainable revenue generation
Strong balance sheet
Position of capital strength
Conservative risk management

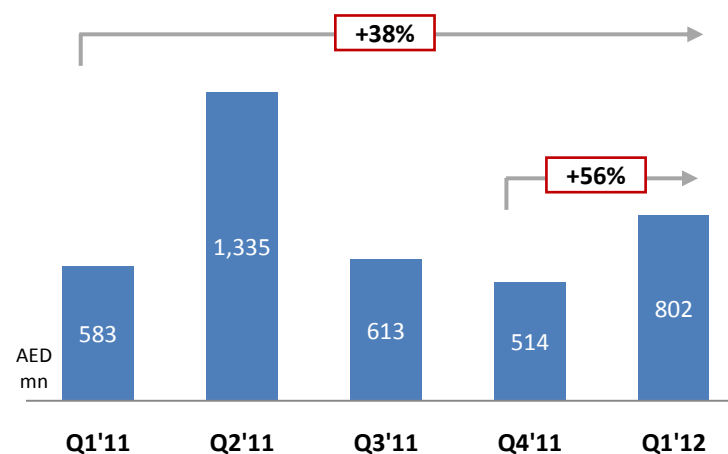
Cost / Income ratio
32%
Q1'12

Operating profit and impairment allowances



■ Operating profit ■ Net impairment allowances

Net profit



Solid operating profit generation with net impairment allowances substantially reduced

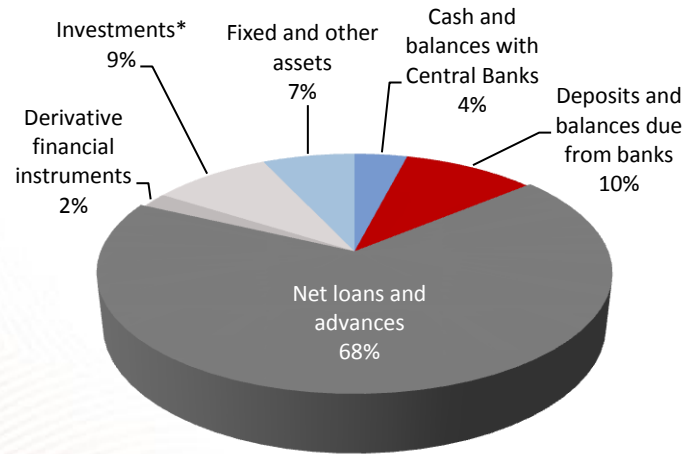
-28%
YoY

Sustained profitability
+56% **+38%**
QoQ YoY

ROE 14.74%
ROAA 1.49%

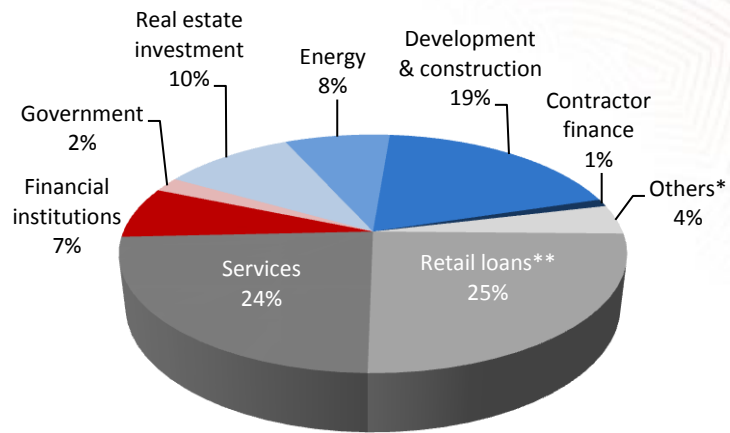
Effective management of balance sheet with a UAE centric approach...

Composition of assets (AED 183 bn)



*Investments include: investment securities, trading securities, investment in associates, investment properties

Split of the loan portfolio, gross (AED 130 bn)



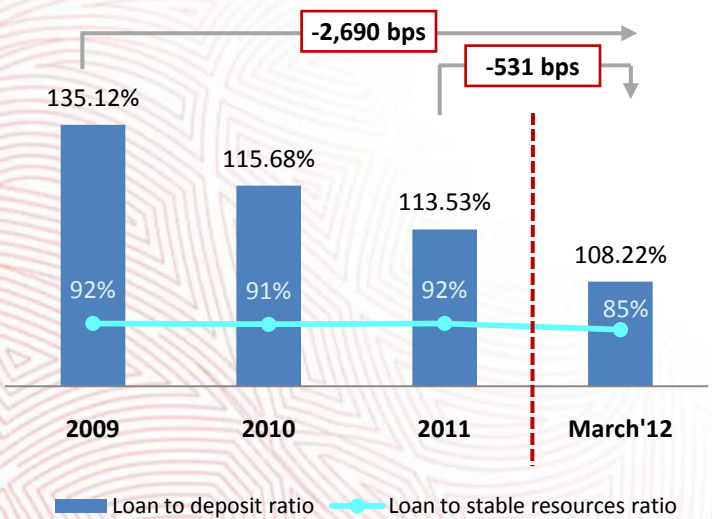
* Agriculture, trading, manufacturing and transport
** Retail loans include personal retail loans and personal collateralised loans

Sustainable revenue generation
Strong balance sheet
Position of capital strength
Conservative risk management

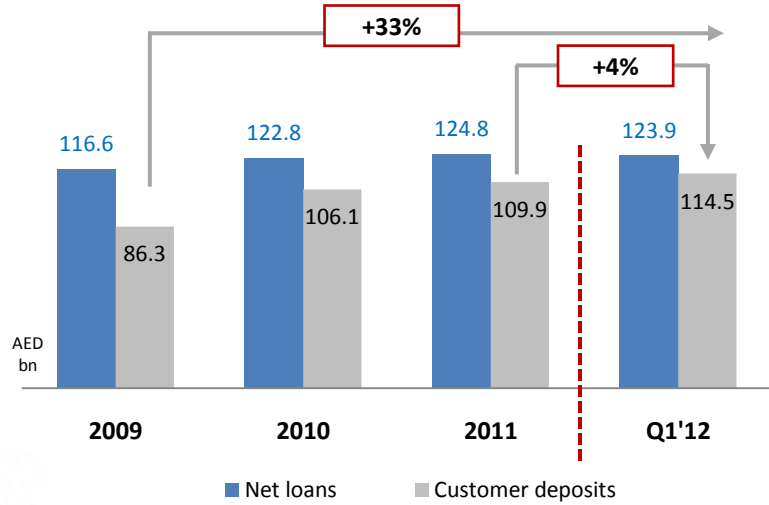
Domestic focus

96%
of gross loans within the UAE

Loan to deposit ratio



Net loans and customer deposits



Real estate investment, contractor finance, development & construction

30%

Loan split Abu Dhabi

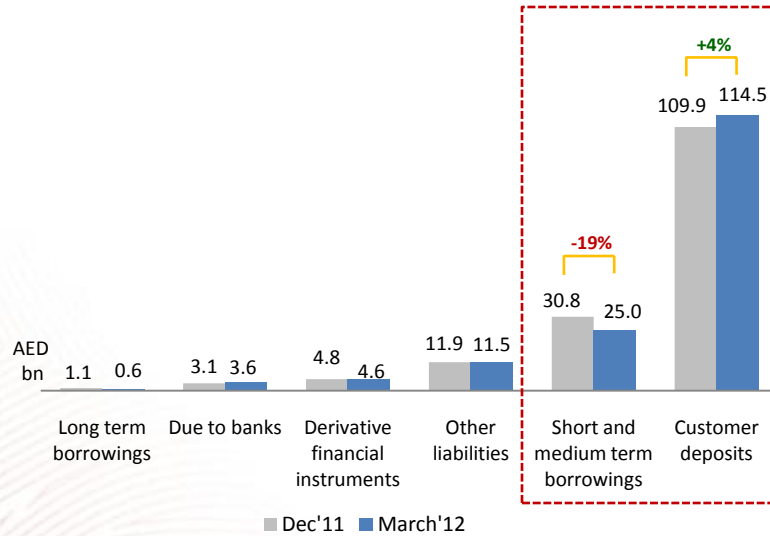
65%

& Dubai

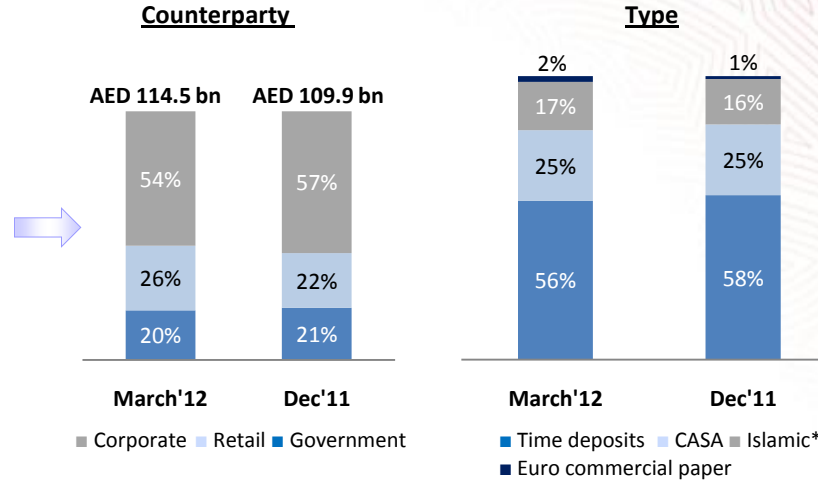
26%

Sustainability through liability growth, diversified sources of funding...

Composition of liabilities (AED 160 bn)



Customer deposits by:



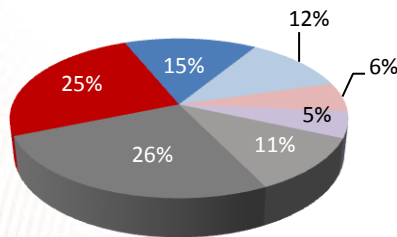
Sustainable revenue generation
Strong balance sheet
Position of capital strength
Conservative risk management

Islamic product deposits*

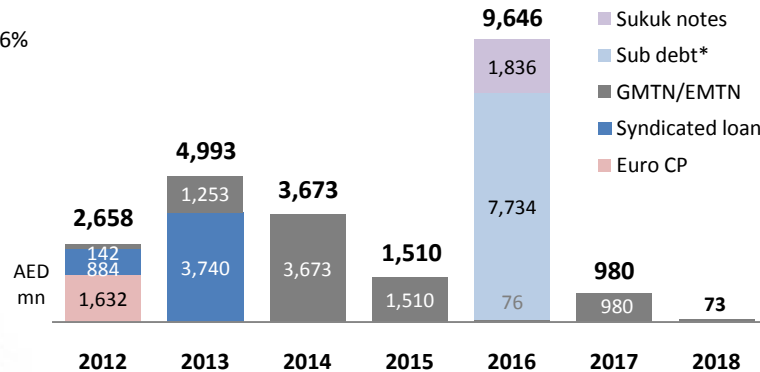
AED 20 bn
March'12

Composition of wholesale funding

Source of funds	AED mn
GMTN/EMTN	8,010
Sub. FRN ¹	7,734
Syndicated loans	4,619
Interbank ²	3,588
Islamic Sukuk notes	1,836
Euro Commercial paper	1,632
Other ³	3,422
Total	30,841



Maturity profile as at 31 March 2012



AED 18 bn
Dec'11

* Includes Murabaha deposits

Customer Deposits

72%
of total liabilities
(Dec'11: 68%)

Total sources of wholesale funding
AED 31 bn

* Includes AED 6,617 mn Tier II loan

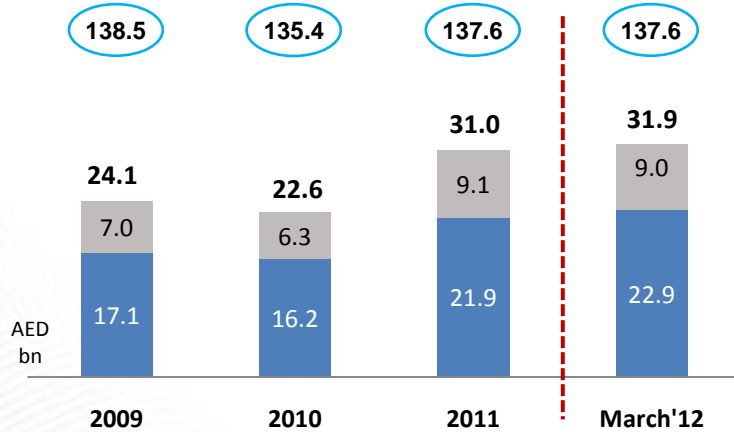
¹ Includes AED 6,617 mn Tier II loan from UAE Ministry of Finance

² Includes due to Central Banks

³ Includes AED 2,981 mn of borrowing through total return swaps and AED 441 mn of borrowing through repurchase agreement

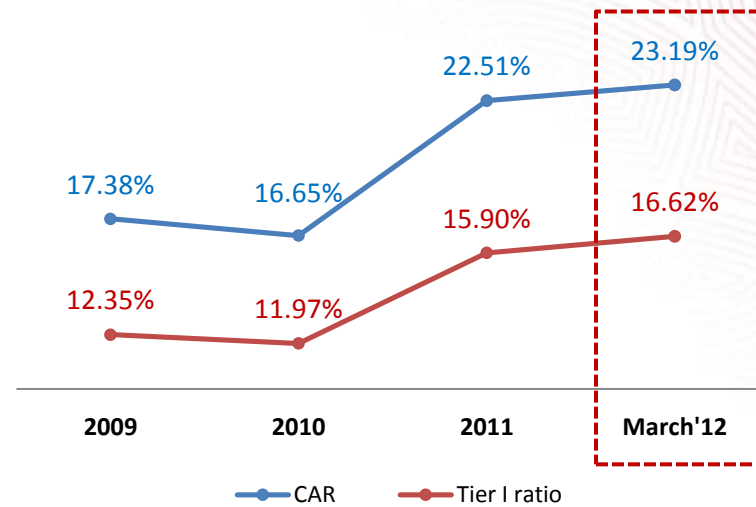
Strong capital position and liquidity levels...

Capital position and risk weighted assets



○ Risk weighted assets (AED bn) ■ Tier 1 capital ■ Tier 2 capital

Capital adequacy ratio and Tier I ratio



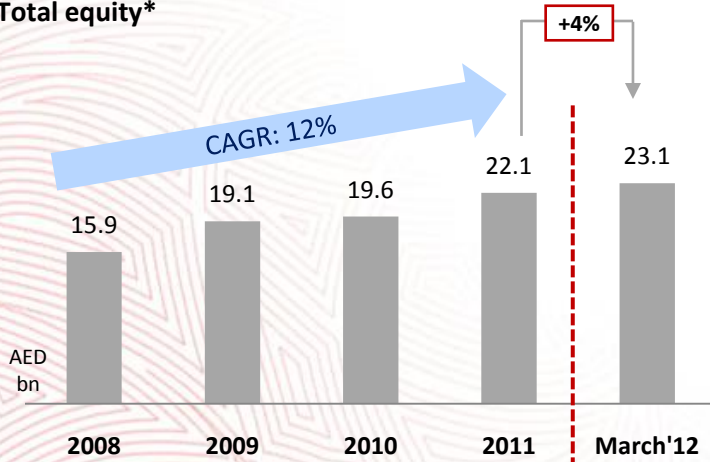
Sustainable revenue generation
Strong balance sheet
Position of capital strength
Conservative risk management

Strong capital base

CAR

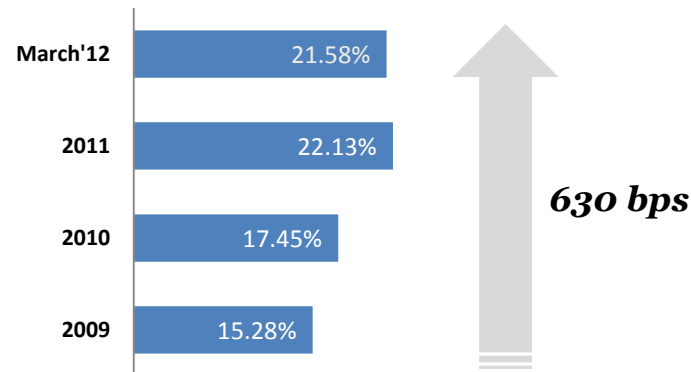
23.19%

Total equity*



* Tier I capital notes of AED 4 bn included in equity since March 2009

Liquidity ratio*



* Liquid assets include cash and balances with Central Banks, deposits and balances due from banks, trading securities, and liquid investments (liquidity ratio is calculated as follows: liquid assets divided by total assets)

**Net interbank lender of*
16 bn

* Certificate of deposits with Central Bank is considered as due to banks for the purpose of calculating net position in interbank market

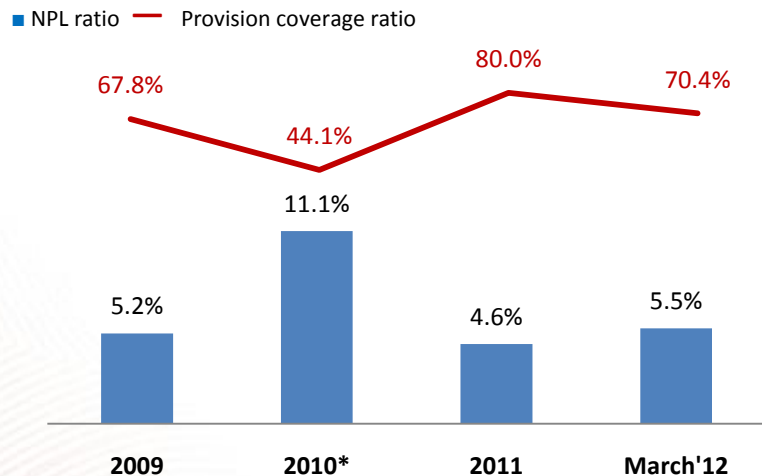
Total equity

AED 23.1 bn
 March'12

AED 22.1 bn
 Dec'11

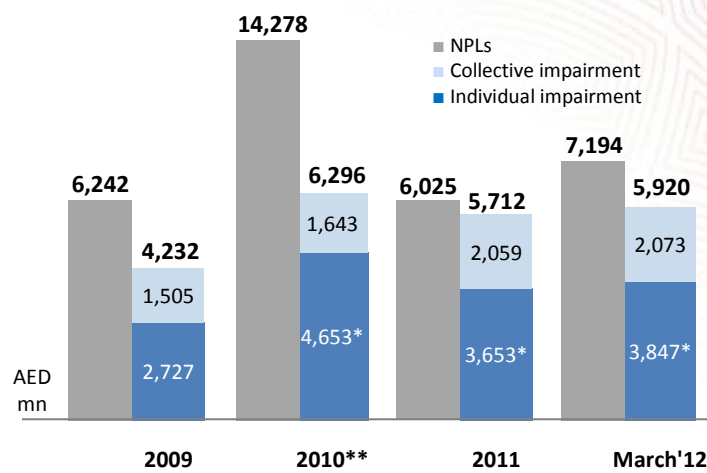
Asset quality...

NPL ratio and provision coverage ratio



* Includes Dubai World exposure and related provisions

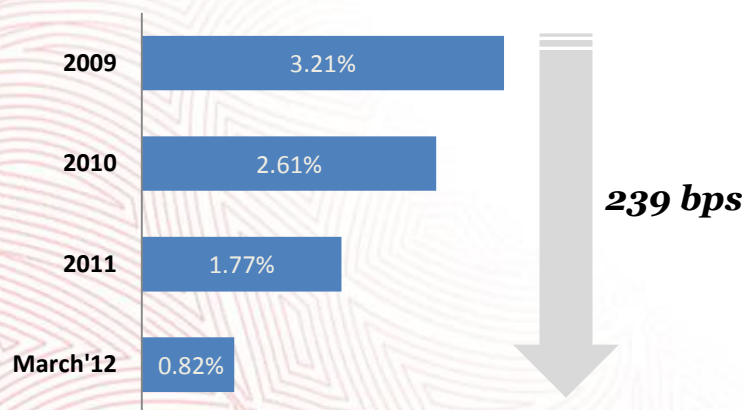
NPLs and impairment allowances



* Includes provision for Dubai World exposure
 ** Includes Dubai World exposure

Sustainable revenue generation
Strong balance sheet
Position of capital strength
Conservative risk management

Cost of risk*



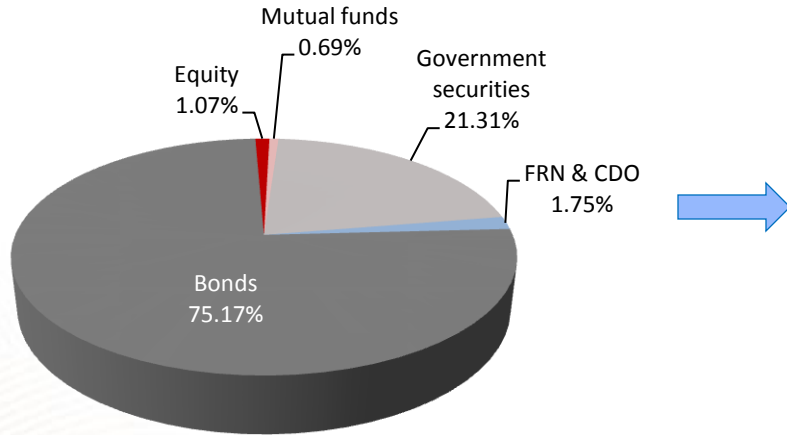
* Total provisions including investments/ average loans & advances and investments

Highlights

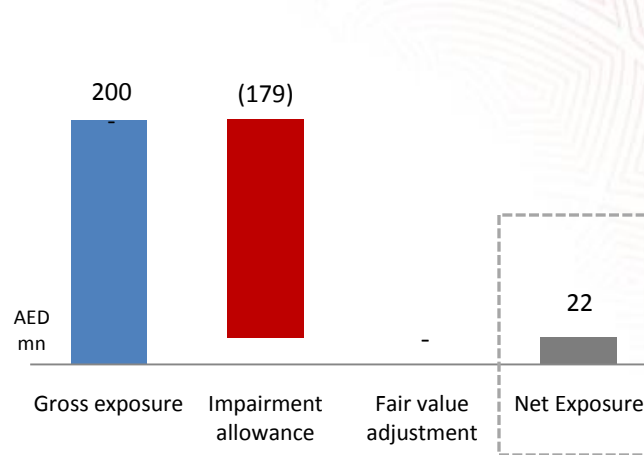
- Portfolio impairment allowance balance was AED 2,073 mn and 1.61% of credit risk weighted assets as at 31 March 2012. The UAE Central Bank directive requires banks to increase the level of collective provisions to 1.50% of credit risk weighted assets by 2014
- In Q1'12, charges for impairment allowance on loans and advances, net of recoveries amounted to AED 287 mn
- In 2011 a loan of AED 6,749 mn was transferred from impaired to performing category based on the performance of agreed renegotiated terms.

Investment portfolio...

Available for investments (AED 17 bn)

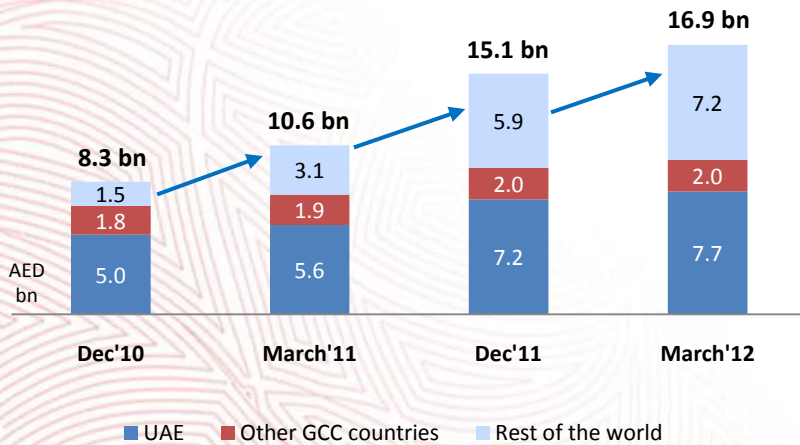


Remaining funded FRN & CDO exposure

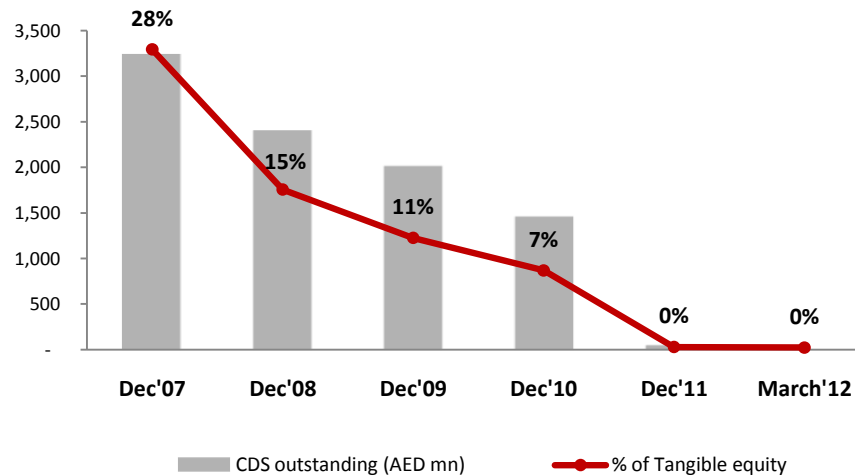


Sustainable revenue generation
Strong balance sheet
Position of capital strength
Conservative risk management

Available for sale investment: Geographical split



Outstanding CDS exposure



Awards in Q1'12...

"Best Woman Award in the Banking & Financial Sector 2011 "

by
 Human Resources Development Committee in
 Banking & Financial Sector
 At
 the 14th edition of the National Career Exhibition



February 2012

"Human Resources Award in the Banking & Financial Sector 2011"

by
 Human Resources Development Committee in
 Banking & Financial Sector
 At
 the 14th edition of the National Career Exhibition



February 2012

"Best SME Account"

for BusinessEdge Free Zone Platinum Account
 By
 Banker Middle East product awards 2011



March 2012

"Best SME Trade Finance"

for Business Edge Trade 360
 By
 Banker Middle East product awards 2011



March 2012

"Most Improved Islamic Bank in the Middle East"

by
 Euromoney



March 2012

"Best Retail Bank in the UAE"

By
 The Asian Banker



March 2012

"Best Retail Bank in the Gulf Region"

By
 The Asian Banker



March 2012

Summary...

- Clearly defined strategy
- Leading core banking franchise
- Healthy balance sheet
- Strong capital and liquidity levels

Appendix

- Franchise overview
- Financial statements

ADCB – a leading bank in the UAE...

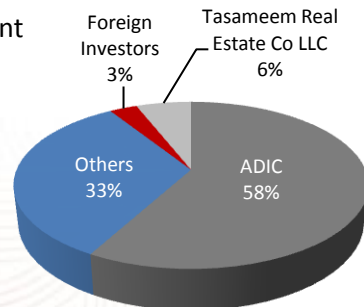
Overview

- Third largest bank in the UAE and second largest in the Emirate of Abu Dhabi in terms of total assets, 11.65% market share by loans and 10.27% market share by deposits as at 31 December 2011 *
- Serving over 450,000 retail customers and over 34,000 corporate and SME clients in 47 branches and 4 pay offices and 1 service center in the UAE, 2 branches in India and 1 offshore branch in Jersey
- The Bank is listed on the Abu Dhabi Securities Exchange, with a market cap of AED 17 bn as at 31 March 2012

* Source: UAE Central Bank

Strong and supportive government ownership

- 58.08% owned by the Government of Abu Dhabi through the Abu Dhabi Investment Council (ADIC)
- Second largest bank shareholding by the Government of Abu Dhabi
- Strong government representation on ADCB’s board including one member from the Department of Finance, two members from Abu Dhabi Investment Authority (ADIA) and three members from ADIC
- Government support provided to local banks including ADCB, AED 4 bn Tier I capital notes in Q1’09



* As at 31 March 2012

Investment grade rating

	Long term rating	Short term rating	Outlook
S&P	A	A-1	Stable
Moody's*	A1	P-1	Stable
Fitch	A+	F1	Stable
RAM	AAA	P1	Stable

* As at 24 April 2012, Moody's outlook changed to stable from negative as a result of the continued improvement in the bank's financial fundamentals since 2009

ADCB – recent timeline and milestones

1985	• Established following merger of three local Abu Dhabi banks
2001	• Listed on Abu Dhabi Securities Market
2003	• Bank-wide reorganization designed to create competitive, contemporary and full-service bank
2005	• Established treasury and corporate finance joint ventures with Australia's Macquarie Bank
2006	• Developed "ADCB Fast Forward" programme to restructure and overhaul Bank's products
2008	• Acquired 25% of Malaysia's RHB Capital Berhad
2010	• Completed acquisition of RBS' UAE retail, wealth management and SME banking businesses • Terminated treasury joint venture arrangement with Macquarie Bank
2011	• Sale of RHB Capital Berhad Stake

Group performance – balance sheet

AED mn	31 Mar'12	31 Dec'11	Variance (%)
Cash and balances with Central Banks	7,556	6,630	14
Deposits and balances due from banks	17,664	20,840	(15)
Loans and advances, net	123,866	124,755	(1)
Derivative financial instruments	4,533	4,845	(6)
Investment securities*	17,035	15,068	13
Investment in associates	94	82	15
Investment properties	435	397	10
Other assets	10,667	10,021	6
Property and equipment, net	947	965	(2)
Intangible assets	116	124	(6)
Total assets	182,914	183,726	NM
Due to Central bank	7	48	(85)
Due to banks	3,581	3,090	16
Deposits from customers	114,462	109,887	4
Mandatory convertible securities -liability component	-	-	NA
Wholesale borrowings including Tier II	25,621	31,897	(20)
Derivative financial instruments	4,636	4,822	(4)
Other liabilities	11,548	11,904	(3)
Total liabilities	159,855	161,648	(1)
Total shareholders' equity	23,051	22,072	4
Non -controlling interest	7	6	32
Total liabilities and shareholders' equity	182,914	183,726	NM

* Includes trading securities

Group performance - income statement

AED mn	31 Mar'12	31 Mar'11	Variance (%)
Interest and income from Islamic financing	1,913	1,894	1
Interest expense and profit distribution	(717)	(968)	(26)
Net interest and Islamic financing income	1,195	926	29
Net fees and commission income	249	263	(5)
Net trading income	102	102	0
Other operating income	38	36	4
Non interest income	389	400	(3)
Operating income	1,584	1,326	19
Staff expenses	(292)	(200)	46
Other operating expenses	(173)	(184)	(6)
Depreciation	(33)	(36)	(9)
Amortisation of intangible assets	(8)	(7)	12
Operating expenses	(506)	(427)	18
Operating profit before impairment allowances & taxation	1,078	899	20
Impairment allowance on loans and advances	(349)	(360)	(3)
Recovery of loans	61	34	78
Other impairment	1	(74)	(101)
Share of profit of associates	12	84	(86)
Overseas income tax expense	(2)	(2)	NM
Net profit	802	583	38