

ADCB records exceptional performance and profits for the year 2006

ADCB's profit in 2006 increases to AED 2.147 billion, a 12% increase compared to 2005, and increases the cash dividend to AED 1.21 billion or 30.25 fils per share representing 60% of the Net Profit.

Abu Dhabi, Jan 22, 2007: ADCB announced a record net profit for the year ended in December, 31, 2006 of AED 2.147 billion against AED 1.921 billion for the year 2005, an increase of 12 per cent. The positive results were reflected in the Board's recommendation to distribute AED1.21 Billion as cash dividend, which is 30.25 Fils per share representing 60% of net profit and reflecting an increase of almost 4 times the previous cash dividend of AED 312.5 million. This recommendation is subject to shareholders approval at the forthcoming AGM. Several factors contributed to the strong results, including strong growth in recurring fees and commissions and rapid loan growth to all sectors.

Operating profit in 2006 has risen to AED 3.1 billion, a 16 per cent increase over 2005. Total Assets also increased by 41 per cent from AED 57.7 billion to AED 81.1 billion. Loans and advances lead the balance sheet expansion, rising by 48 per cent to AED 62.4 billion.

Reflecting on the results, Eirvin Knox, CEO of ADCB said: "The exceptional figures and performance achieved by ADCB are the result of focusing on expanding our core businesses lines and generating recurring business by offering superior products to our customers. Going forward we intend to continue with above average profitability generating returns on equity in excess of 20% and continue to pay a high rate of cash dividends to our shareholders".

"Many new initiatives were launched to support our growth and to secure such outstanding performance in all areas of business, i.e. the launch of our new Excellency program, the internet banking service for companies, ADCB@ctive which is easy and secured through our internet banking platforms, treasury and investment banking joint ventures with Macquarie Bank, the Nokhitha Fund and Al Dhabi Brokerage Services were also added to the bank's portfolio in 2006. In addition, our new product launches for consumer mortgages, credit cards and personal loans played a substantial role in driving our core revenues positively", concluded Knox.

Saeed Al Hajeri, Chairman of ADCB, added "the outstanding financial results of ADCB in the past year reflects clearly the coherence and the close working relationship between the Board and management that has been a critical contributor to the rapid improvement and growth of the bank during the past few years."

The last two years witnessed intensified efforts to enhance the nationalization of key positions in ADCB where national staff were entrusted with leading responsibilities in various banking areas. Our endeavors proved successful as reflected in the

increase of UAE national manpower from --% in 2005 to --% in 2006. Our strategies focused on improving our service quality and enhance our customers' satisfaction where we tended to strengthen our internal governance standards throughout the Bank which gave us competitive edge on both local and regional levels enabling us to realize these outstanding results in 2006.

ADCB had effective and widely recognized contributions in the development of private sector projects in all business sectors and on all levels reflecting the Bank's strong commitment to serve the national economy.

These important steps are carefully planned and implemented to secure the best interest of our shareholders and to support the bank taking a bigger role in serving the economic development of the emirate of Abu Dhabi and the country, concluded the Chairman, Saeed Al Hajeri.

About ADCB:

Abu Dhabi Commercial Bank – ADCB is a diversified full service bank. Other than banking services that span corporate, retail and commercial banking ADCB is active in the areas of treasury derivatives, infrastructure finance, private banking and wealth management.

Since 1985 ADCB has reported successive years of record profits and consistent growth. Our approach is driven by the ability to create value for our customers by leveraging our skills and expertise. Amongst UAE banks, ADCB has the second largest deposit base with total assets as at 31/12/2006 of AED 81.1 billion and net profit of AED 2,147 million in 2006.

Our strong franchise, supported by a network of 43 branches in UAE and 2 branches in India is reflected in our recent rating of Aa3, which is the highest awarded to a bank instrument in the Middle East.

The Government of Abu Dhabi, through Abu Dhabi Investment Authority (ADIA), holds 65% of the capital while the rest is held by various UAE Institutions and Nationals. ADCB's market capitalization as of 31/12/2006 was AED 22.8 Billion (US\$6.2 Billion).