Abu Dhabi Islamic Bank – Egypt Announces Q1 2013 Financial Results

ADIB – Egypt Achieves Profit for the First Time since Emirati Consortium Acquisition in 2007

EGP 109 Million Increase in Net Income Compared to the Same Period Last Year

Nevine Loutfy: Results reaffirm success of the bank's policies over the previous years and reflect the massive improvements that the bank has experienced in all areas

Cairo – May 7 2013 – The Q1 financial results for Abu Dhabi Islamic Bank – Egypt (ADIB – Egypt- Previously the National Bank for Development) revealed that the bank has achieved profit forthe first time since the Emirati consortium acquired the bank in 2007. After five years of dedicated efforts and strict adherence to professional banking practices, ADIB – Egypt successfully transformed annual losses into profit and started to achieve a solid position in the Egyptian banking market. Supported by the efforts exerted to execute the restructuring plan, renovation of the bank's infrastructure, improvement of human resources together with the support of the bank's parent company Abu Dhabi Islamic Bank in United Arab Emirates, ADIB – Egypt was able to achieve profit in the first quarter of the current year after the bank paid off EGP 956 million to cover the provisions gap in one bullet payment, two years ahead of the assigned date.

Nevine Loutfy, CEO & Managing Director of ADIB – Egypt, said "the positive results achieved by the bank in the first quarter of 2013 and the realization of profit for the first time in five years stands as a strong confirmation of the huge improvements that the bank has witnessed in all areas since the acquisition by the Emirati consortium in the third quarter of 2007."

The bank also recently announced a historic milestone when it changed its name to Abu Dhabi Islamic Bank – Egypt, and commenting on this Nevine Loutfy stated "changing the bank's name from the National Bank for Development to Abu Dhabi Islamic Bank – Egypt is not simply a legal change of name, but reflects a core transition for the bank in the Egyptian market that already started this year with the bank's large investments in branches and infrastructure, and more importantly with the training of the bank's staff over the last few years."

The bank achieved net income of EGP 11.4 million in the first three months of 2013, compared to a loss of 97.6 million EGP for the same period last year, an improvement of EGP 109 million. The driver for this improvement was the substantial balance sheet growth of the New Bank assets, which increased by EGP 1.9 billion or 56% since Q1 2012, together with core customer deposits growing by EGP 800 million or 7.6% over the same period in addition to not adding provisions after closing the provision gap at the end of 2012.

Below are the key highlights for ADIB – Egypt's Q1 2013 f :

Income Statement Q1 2013 vs Q1 2012

1. Net Income of 11.4 million EGP, 109 million EGP better than Q1 2012

2. Net Profit Income (NRFF) of 87.4 million EGP, 26.8 million EGP or 44.3% higher than Q1 2012

3. Customer Net Revenue of 109.6 million EGP, LE 34.8mn or 46.4% higher than Q1 2012

4. Operating Leverage - revenue growth of 46.4% whilst expenses growth of 22.8% - an operating leverage of 23.2%

Balance Sheet 31st March 2013 vs. December 2012

1. Headline financings grew by 221 million EGP or 4% to reach 5.6 billion EGP.

2. The Bank continued to be highly liquid; the Finance to Deposit Ratio was 46% in 31st March 2013 compared to 41% in 31/12/2012.

3. Shareholder dividends grew by 12 million EGP, reflecting the bank's increased profitability in Q1 2013.

4. Capital Adequacy was 10.77% for BASEL I and 10.4% for Basel II

Retail asset portfolio grew by EGP 420 million or 28.4% compared to the same period in 2012 to reach EGP 1.88 billion at the end of Q1 2013, while the deposit portfolio grew by EGP 1.25 billion or 14.8% compared to the same period last year to reach EGP 9.76 billion.

Despite of the challenging economic and political circumstances in Egypt, the wholesale asset portfolio also grew by 1.56 billion EGP or 85% compared to the same period last year to reach 3.4 billion EGP at the end of Q1 2013.

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