

**AHLI UNITED BANK B.S.C. REPORTS H1/2017 PROFIT OF
US\$ 311.3 MILLION ATTRIBUTABLE TO THE EQUITY
SHAREHOLDERS**

Release Date: 30 July 2017

Ahli United Bank B.S.C. (AUB) reported a record net profit of US\$ 311.3 million for the half year ended 30 June 2017, up 3.4% compared to the net profit of US\$ 301.2 million in H1/2016. The Q2/2017 net profit of US\$ 151.9 million represents a 3.6% improvement over the Q2/2016 reported profit of US\$ 146.6 million. The Basic Earnings per Share in H1/2017 were US 3.9 cents, as compared to US 3.8 cents in H1/2016.

Net Interest income improved by 2.1% year-on-year driven by loan growth and improved margins. Despite generally weak operating conditions, loans recorded moderate growth across the AUB Group funded through an increase in customer deposits, while deploying the additional liquidity surplus into investment grade securities. Operating results were supported by the Bank's sustained cost efficiencies achieving a cost to income ratio of 27.5% (H1/2016: 27.5%).

Press Release

The non-performing loans ratio stood at 2.4% (31 December 2016: 2.3%) with an unchanged 85% specific coverage ratio. The total provision coverage ratio, inclusive of collective impairment provisions, was 153.3% as at 30 June 2017 (31 December 2016: 155.6%).

The AUB Group's Return on Average Equity (ROAE) for H1/2017, increased to 16.7%, compared to the ROAE of 16.6% achieved in the half year of 2016. Return on Average Assets also improved to 2.1% (H1/2016: 1.9%).

Mr. Hamad Al-Humaidhi, AUB Chairman, commented: "Our results demonstrate AUB's ability to deliver sustainable core earnings on a consistent basis through its diversified strategic investments across the Gulf and MENA region. Growth was prudently achieved across all our business segments, assisted by robust risk management, tight cost containment measures and focus on the sourcing of cross border opportunities".

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