FAB Q1'18 Financial Results

- *Management Discussion & Analysis*
- *Pro forma Condensed Consolidated Financial Statements*

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Management Discussion & Analysis Report

for the first quarter ended 31 March 2018

Please note that FAB pro forma condensed consolidated interim financial statements as at 31 March 2018 serve as the main basis of reference for our Management Discussion & Analysis Report (MDA) and Investor Relations presentation.

FAB's unaudited condensed consolidated interim financial statements at 31 March 2018 are prepared on the basis that the FGB/NBAD merger was declared effective on 1st April 2017 with FGB being the accounting acquirer as per IFRS 3. Therefore, these financials reflect the consolidation of NBAD since 1st April 2017 only, while prior period comparative financial information relates to FGB.

Abu Dhabi, 29th April 2018

Management Discussion and Analysis Report
(based on pro forma interim consolidated financials)

FAB reports record first quarter 2018 Group Net Profit of AED 3.0 Billion

First Abu Dhabi Bank (FAB), the UAE's largest bank and one of the world's largest and safest financial institutions, reported its financial results for the first quarter ended 31 March 2018 today.

2018 off to a solid start …

- Q1'18 Group Net Profit at AED 3.0 Billion, up 2% year-on-year and 6% quarter-on-quarter
- Annualised Earnings per Share (EPS) at AED 1.06, compared to AED 1.04 in Q1'17
- Operating income at AED 4.9 Billion, compared to AED 5.2 Billion in the first quarter of 2017 (which included opportunistic investment gains of around AED 400 Million)
- Cost discipline and sustained synergy realisation continue to support market-leading cost-to-income ratio (excluding integration costs) of 25.8%, improving from 27.2% in the same period of 2017
- Impairment charges (net) at AED 439 Million compared to AED 641 Million in Q1'17

… driven by healthy business momentum

- Total assets at AED 678 Billion, up 1% quarter-on-quarter and 3% year-on-year
- Loans and advances (net) and customer deposits both grew 2% quarter-on-quarter to AED 338 Billion and AED 404 Billion, respectively
- CASA deposits represent 41% of total customer deposits, up from 38% as of December-end 2017
- Robust asset quality with Non-Performing Loan ratio at 3.1% and strong provision coverage at 127%

… *whilst maintaining strong liquidity and capital ratios, and improving returns*

- Liquidity position remains highly comfortable with loan-to-deposit ratio at 84% and Liquidity Coverage Ratio (LCR) at 112%
- Common Equity Tier-1 (CET1) ratio comfortably in excess of regulatory requirements at 12.4%
- Return on Tangible Equity (RoTE) at 17.2%, up from 16.1% in Q1'17

Commenting on the bank's performance, Abdulhamid Saeed, Group Chief Executive Officer of FAB, said:

"I am pleased to announce that we started 2018 on a positive note with FAB realising a record Group Net Profit of AED 3.0 Billion. During the quarter, we continued to build on the many successes we have achieved to-date, whilst delivering strong revenues and healthy balance sheet growth. We also maintained a strong capital position even after the distribution of AED 7.6 Billion of cash dividends earlier this year.

"As we enter our second year, FAB continues to make significant progress in delivering on its business objectives and integration milestones, with IT integration activities in particular moving forward at a steady pace and according to plan. As part of our business expansion strategy we are also extending our presence into Saudi Arabia, after receiving commercial and investment banking licenses from the Saudi Arabian Monetary Authority and Capital Market Authority.

"Looking ahead to the remainder of 2018, we remain steadfast in our commitment to support the growth ambitions of our shareholders, customers, employees and all other stakeholders. We will continue to contribute to the late Sheikh Zayed bin Sultan Al Nahyan's vision of a strong and prosperous UAE, as we put our customers first and remain ahead of market trends."

FAB Q1'18 Pro forma Summary Financials

Income Statement - Summary (AED Mn)	Note	**Q1'18**	**Q4'17**	*QoQ %*	**Q1'17**	*YoY %*
Net interest Income		3,268	3,363	*(3)*	3,256	*0*
Fees & commissions, net		934	932	*0*	782	*19*
FX and investment income, net		656	464	*41*	1,097	*(40)*
Other non-interest income		13	289	*(95)*	53	*(76)*
Total Operating Income		**4,871**	**5,049**	***(4)***	**5,188**	***(6)***
Operating expenses		(1,326)	(1,616)	*(18)*	(1,516)	*(13)*
Incl: Integration costs		*(70)*	*(198)*	*(65)*	*(104)*	*(32)*
Amortisation of intangibles (merger-related)		*(44)*	*(138)*	*(68)*	*-*	*-*
Impairment charges, net		(439)	(562)	*(22)*	(641)	*(31)*
Non Controlling Interests and Taxes		(108)	(48)	*126*	(106)	*2*
Net Profit		**2,998**	**2,822**	***6***	**2,926**	***2***
Basic Earning per Share (AED)	a	1.06	1.00	*6*	1.04	*2*

a) Basic EPS based on attributable profits to equity shareholders' excluding Tier-1 notes coupon (Q1'18: AED 120 Mn) and outstanding shares

Balance Sheet - Summary (AED Bn)	Note	**Mar'18**	**Dec'17**	*QoQ %*	**Mar'17**	*YoY %*
Loans and advances		338	330	*2*	345	*(2)*
Customer deposits		404	396	*2*	394	*3*
CASA (deposits)	b	166	150	*11*	150	*11*
Total Assets		678	669	*1*	660	*3*
Equity (incl Tier-1 capital notes)		94	102	*(8)*	94	*(0)*
Tangible Equity	c	63	71	*(11)*	68	*(7)*

b) CASA deposits include current, savings and call accounts; periods prior to Mar-2018 have been reclassified to include call accounts

c) Tangible equity is shareholders' equity net of Tier-1 capital notes, goodwill & intangibles

Key Ratios (%)	Note	**Q1'18**	**Q4'17**	*QoQ (bps)*	**Q1'17**	*YoY (bps)*
Net Interest Margin		2.49	2.42	*7*	2.45	*4*
Cost-Income ratio (ex-integration costs)		25.8	28.1	*(230)*	27.2	*(143)*
Cost of Risk (bps)	d	49	66	*(17)*	73	*(24)*
Non-performing loans ratio	d	3.1	3.1	*4*	2.6	*51*
Provision coverage	d	127	120	*714*	122	*545*
Loans-to-deposits ratio		84	83	*23*	88	*(392)*
Return on Tangible Equity (RoTE)	e	17.2	15.0	*218*	16.1	*108*
Return on Risk-weighted Assets (RoRWA)		2.4	2.3	*10*	2.4	*0*
CET1 ratio	f	12.4	14.5	*(210)*	13.9	*(150)*
Capital Adequacy ratio	f	15.6	17.8	*(220)*	17.2	*(159)*

d) As Q1'18 ratios are based on IFRS9 accounting and ratios for prior periods are based on IAS39 accounting, they may not be fully comparable

e) Return on Average Tangible Equity, annualised; based on attributable profit to equity shareholders' excl coupon on Tier-1 capital notes

f) As per UAE Central Bank's Basel III framework; Q4'17 figure is without considering the transitional arrangements for 2017-end; Q1'17 ratio is based on UAE CB's Basel II framework

Rounding differences may appear in above table

Financial Review

FAB delivered a solid set of results in the first quarter of 2018 with a Group Net Profit of AED 3.0 Billion, up 2% year-on-year and 6% quarter-on-quarter, capitalising on a healthy business momentum in an improving environment, and underpinned by continued synergy realisation and lower impairment charges. Group profitability improved during the period with an annualised return on average tangible equity of 17.2%, up from 16.1% in Q1'17, and an annualised return on risk-weighted assets of 2.4%.

Group Revenue was 6% lower year-on-year primarily on lower investment income as opportunistic gains realised in the first quarter of 2017 of around AED 400 Million were not repeated. Excluding this extraordinary item, operating income was up 2% supported by a double-digit growth in fees and commissions.

Group Net Interest Margin (NIM) was positively impacted by rate increases expanding 4 basis points (bps) year-on-year and 7bps quarter-on-quarter to 2.49%. **Net Interest Income (including Islamic Financing Income)** increased marginally year-on-year as margin expansion was offset by competitive pricing and risk-asset optimisation.

Fees and commissions (net) recorded a 19% increase year-on-year on the back of higher syndication and trade-related fees. **FX and investment income** came in lower primarily due to the extraordinary gains recorded in Q1'17.

Operating expenses reduced 13% year-on-year and 18% quarter-on-quarter to AED 1.3 Billion, demonstrating cost discipline and continued synergy realisation in the context of the rigorous execution of the integration agenda. As a result, **cost-to-income ratio** (ex-integration costs) landed at an industry-leading level of 25.8%, compared to 27.2% in the first quarter of 2017, indicating considerable improvements in operating efficiency across the Group.

Credit quality

As of March-end 2018, FAB's credit quality remained strong across the portfolio. **Impairment charges (net)** for the first quarter were at AED 439 Million, down from AED 641 Million in the first quarter of 2017, implying a **cost of risk** (annualised) of 49bps.

In line with regulatory requirements, the Group successfully implemented the IFRS9 methodology related to credit loss recognition on the basis of expected losses. During the period, IFRS9 transition was effected through shareholders' equity and amounted to AED 3.1 Billion, within estimates.

Non-Performing Loan ratio stood at 3.1% in line with December-end 2017, with impaired loans at AED 11.0 Billion (FY'17: AED 10.6 Billion). Total provisions against loans and advances were AED 13.5 Billion as of March-end 2018 translating to a strong provision coverage of 127%.

Balance sheet trends

Loans and advances (net) grew 2% from December-end 2017 to AED 338 Billion (+AED 8 Billion) driven by a healthy business momentum in Corporate and Investment Banking (CIB) in a competitive market.

Customer deposits also added 2% during the quarter to AED 404 Billion, driven by an increase in both corporate and retail liabilities. At AED 166 Billion, Current Accounts and Saving Accounts (CASA) grew 11% sequentially contributing 41% to overall deposits and reflecting the Group's strong liability franchise.

With loans and deposits growing at the same pace during the period, **loan-to-deposit ratio** remained at a highly comfortable level of 84% against an industry average of 90% (as of February 2018). Further demonstrating a strong liquidity position, **Group LCR** as of March-end 2018 was at 112%, well above the minimum of 90% for the current year as per the Basel III glide path.

During the period and in line with its funding diversification strategy, FAB concluded its first public issuances since legal merger raising over USD 1.4 Billion at a competitive pricing through the Formosa and Sukuk bond markets. These transactions were oversubscribed and received strong investor endorsement, further demonstrating the Bank's robust credit profile and superior ratings, while cementing its position as a market-leading funding platform. The Group also raised medium term funding through a number of private placements during the period.

Shareholders' equity, capital and returns

The Group's **shareholders' equity** stood at AED 93.7 Billion, compared to AED 101.7 Billion as of December-end 2017.

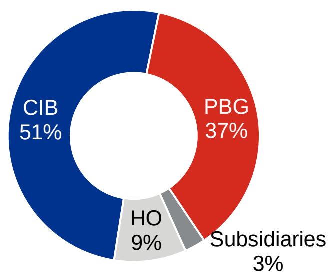
Basel III Common Equity Tier 1 (CET1) remains strong and comfortably above regulatory requirements at 12.4%, down from 14.5% as of December-end 2017. This decrease reflects the payment of dividends for 2017 and the impact of IFRS9 implementation.

Business performance

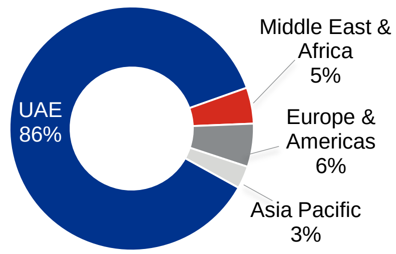
As of March-end 2018, the Corporate & Investment Banking (CIB) Group continued to be a major revenue contributor, generating 51% of Group operating income, followed by the Personal Banking Group (PBG) with 37%. Head Office (HO) and Subsidiaries contributed 9% and 3% to total operating income respectively.

While UAE operations generated 86% of Group revenues, international operations contributed 14% and remain a key differentiator, supporting both liquidity and risk diversification. International revenues in the first quarter grew 4% year-on-year, partly driven by a strong performance in Libya and sustained momentum in key strategic growth markets. While loans and advances grew 7%, liquidity remained strong with loan-to-deposit ratio averaging 74%, providing ample room for future asset growth.

Revenues by Segment



Revenues by Geography



Corporate & Investment Banking (CIB) Group

CIB continued to capitalise on a market-leading position, delivering a solid performance during the first three months of 2018 in spite of an increasingly competitive regional loan market.

Revenues grew 5% sequentially driven by strong performances in Global Markets, Cash Management, and in our Loan and Debt Capital Markets businesses. Operating income was marginally down year-on-year due to strategic trading gains in Global Markets realised in the first quarter of 2017 which were not repeated. This was partially offset by higher fees from Loan Capital Markets and Global Trade Finance on the back of renewed activity. Continued momentum in capturing new client mandates, higher cash balances and rising rates also led to a significant increase in Cash Management revenues year-on-year.

On the balance sheet, the loan book grew 2% sequentially with a healthy pipeline expected for the remainder of the year both in the UAE and across our strategic growth markets.

Liquidity position remained strong. Loan-to-deposits ratio was highly comfortable at 79%, with customer deposits adding 2% from December-end 2017. This was supported by higher CASA balances as a result of new cash management mandates, and enhanced client experience through product innovation and process improvement.

Operating expenses reduced 10% sequentially and 20% year-on-year demonstrating ongoing synergy realisation and cost discipline. Impairment charges increased year-on-year reflecting higher recoveries and write-backs in Q1'17. Although 5% lower year-on-year, profit after taxes improved 16% sequentially.

Key highlights in the first quarter of 2018 include:

- On February 26th 2018, FAB Global Corporate Finance hosted the inaugural "Abu Dhabi Fixed Income Investor Day", bringing together Abu Dhabi's leading corporate and financial institution issuers in front of an audience of regional and international fixed income investors.
- From February 27-28th 2018, FAB Global Markets hosted the 9th edition of the Global Financial Markets Forum (GFMF) under the patronage of His Highness Sheikh Mohamed Bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces. As the region's premier financial markets conference, the event brought together more than 1,600 delegates to discuss global and regional economic trends, as well as challenges and opportunities ahead.
- Notable awards received in first quarter of 2018:
    - "Best Arranger of Loans in the Middle East", Global Capital 2017
    - "Best Equity Bank in the Middle East", Global Finance 2018
    - "Best Equity House in the Middle East", EMEA Finance 2017
    - "Best M&A House in the Middle East", EMEA Finance 2017
    - "Best Investment Bank in the UAE", Global Finance 2018

Personal Banking Group (PBG)

During the first quarter of 2018, PBG continued to focus on improving efficiency and productivity across the business, while enhancing customer experience.

Profitability significantly improved year-on-year with profit after taxes growing 59% on the back of notable reductions in impairment charges and operating expenses, offsetting a modest drop in revenue due to risk asset optimisation and tightened risk appetite.

While net loans and advances were 5% lower from year-end 2017, targeted efforts to attract retail liabilities resulted in a 3% growth in CASA balances.

During Q1 2018, PBG successfully launched the UAE's first fully-featured digital wallet, 'Payit', which allows its users to send and receive money instantly (24/7), make payments through merchant partner applications, websites or by scanning QR codes, as well as split bills with friends and track their spending. PBG also continued to build on its strong merchant portfolio, launching its online analytics tool, Merchant Portal, earlier this year, whilst the Business Banking team witnessed significant growth across liabilities.

FAB's domestic network comprised 89 branches and cash offices as of March-end 2018, compared to a count of 103 as of December-end 2017, as the Bank continues to improve operating efficiency and leverage digital solutions through a multichannel and "smart" distribution model.

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Following its re-organisation and adoption of a new client coverage model last year, the Private Banking and Wealth Management business launched four new Investment products and expanded its team across Abu Dhabi.

FAB's strong PBG franchise was recognised through the "Best SME Value Proposition" award from Banker Middle East.

Subsidiaries

Subsidiaries generated profit after taxes of AED 82 Million in the first quarter of 2018 (vs. net loss of AED 11 Million in Q1'17), driven by lower operating expenses and provision write-backs while revenues were broadly stable.

As part of the Group's continued progress in rolling out the FAB brand across UAE and international locations, a new brand identity for FAB Properties (formerly First Gulf Properties) was launched during the first quarter, further reinforcing its positioning as an entity of choice for real estate services in the UAE.

Economic Overview

Overall sentiment across the MENA region continues to improve, supported by the recent uptick in oil prices on the back of OPEC and non-OPEC production cuts. It is also underpinned by the prospect of ongoing economic and structural reforms, which in turn sits with the assumption of a gradual rise in rates over the coming quarters. This should be supportive to bank earnings amidst persistent competitive pressures.

Although, the improving macro backdrop is also expected to support increased infrastructure and government spending over the medium term, including momentum from Expo 2020, in their latest publication, the IMF has revised the UAE's 2018 real GDP growth forecast to 2.0% from an earlier forecast of 3.4%. The forecast revision is a direct consequence of a revised estimate for real GDP growth for 2017 to 0.5% from an earlier estimate of 1.3%, which in itself appears to be the result of the perceived impact of the OPEC oil production cuts as well as softer revisions to MENA economic expansion in 2018, the overhang of global trade uncertainties and persistent geopolitical risk.

UAE inflation expectations for 2018 as a whole remain anchored, notwithstanding the spike seen in the first two months of this year (+4.8% in January and +4.8% in February) amid the implementation of VAT. Price increases eased to 3.4% in March 2018 with inflation now expected to remain around these levels for the remainder of 2018.

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About First Abu Dhabi Bank (FAB)

FAB, the UAE's largest bank and one of the world's largest and safest institutions, offers an extensive range of tailor-made solutions, and products and services, to provide a customised experience. Through its strategic offerings, it looks to meet the banking needs of customers across the world via its market-leading Corporate and Investment Banking and Personal Banking franchises.

Headquartered in Abu Dhabi in Khalifa Business Park, the bank's international network spans over 19 countries outside the UAE, providing the global relationships, expertise and financial strength to support local, regional and international businesses seeking to do business at home and abroad.

In line with its commitment to put customers first, to Grow Stronger, FAB will continually invest in people and technology to create the most customer-friendly banking experience, and will support the growth ambitions of its stakeholders across countries in which the bank operates.

To empower its customers and clients to Grow Stronger, FAB initiated a powerful movement, which goes beyond banking. The Grow Stronger movement represents the bank's promise to support its stakeholders' goals and growth ambitions, providing ideas, tools and expertise to help them become stronger, today and in the future.

With total assets of AED 678 Billion (USD 185 Billion) as of March-end 2018, FAB is rated Aa3/AA-/AA- by Moody's, S&P and Fitch respectively, the strongest combined ratings of any bank in the MENA region. The Bank has been ranked by Global Finance® as the safest bank in the UAE and the Middle East, 4th in emerging markets, 17th amongst commercial banks worldwide, and 31st in the world.Through a strong, diversified balance sheet, leading efficiency and a solid corporate governance structure in place, FAB is set to drive growth forward.

For further information, visit: www.bankfab.com

For investor-related queries, please contact FAB Investor Relations team on ir@bankfab.com

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Pro forma Condensed Consolidated Financial Statements

March 31, 2018

PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The following pro forma condensed consolidated financial information (“Pro forma financial information”) illustrates the effects on the statement of financial position and financial performance of the combination (Merger) between National Bank of Abu Dhabi and its subsidiaries (together referred to as “NBAD”) and First Gulf Bank and its subsidiaries (together referred to as “FGB”).

The Pro forma financial information consists of the unaudited Pro Forma Condensed Consolidated Statement of Financial Position of NBAD and FGB (together referred to as “the Group”) as at 31 March 2018, and its unaudited Pro forma Condensed Consolidated statement of Profit or Loss for the period then ended. These statements are prepared as if the Merger has taken place as at 1 Jan 2017.

The purpose of the Pro forma financial statements is to show the material effects that the Merger of NBAD and FGB would have had on the historical consolidated statement of financial position if the Group had already existed in the structure created by the Merger as at 31 March 2018 and on the historical consolidated statement of profit or loss for the financial period ended 31 March 2018. They are not representative of the financial situation and performance that could have been observed if the indicated business combination had been undertaken at an earlier date.

The presentation of the Pro forma financial information of the Group is based on certain pro forma assumptions and has been prepared for illustrative purposes only and, because of its nature, the pro forma consolidated statement of financial position and financial performance addresses a hypothetical situation and, therefore, does not represent and may not give a true picture of the financial position and financial performance of the Group. Furthermore, the Pro forma financial information is only meaningful in conjunction with the historical consolidated financial statements of NBAD and FGB as at and for the financial year ended 31 December 2017.

The Pro forma financial information has been compiled based on the accounting policies adopted by the Group for the preparation of 31 March 2018 financial information. Any impact due to change in the accounting policy and adjustment have been reflected in prior comparative periods. The Pro forma financial information does not take into consideration the effects of expected synergies or costs incurred to achieve these synergies as a result of the Merger. The Pro forma financial information gives no indication of the results and future financial situation of the activities of the Group.

Pro forma Condensed consolidated interim statement of financial position

As at

Assets	31 Mar 2018 AED'000	31 Dec 2017 AED'000
Cash and balances with central banks	**136,572,952**	138,111,054
Investments at fair value through profit or loss	**20,439,765**	19,320,764
Due from banks and financial institutions	**17,175,141**	13,829,490
Reverse repurchase agreements	**17,350,026**	21,346,974
Derivative financial instruments	**14,208,398**	11,399,432
Loans and advances	**338,227,476**	330,465,888
Non-trading investments	**85,904,954**	88,457,710
Investment properties	**6,956,891**	6,927,692
Property and equipment	**3,626,653**	3,535,501
Intangibles	**19,852,294**	19,901,374
Other assets	**17,501,430**	15,672,416
Total assets	**677,815,980**	668,968,295
Liabilities		
Due to banks and financial institutions	**37,008,507**	30,576,336
Repurchase agreements	**30,581,633**	37,674,016
Commercial paper	**22,676,132**	24,124,097
Derivative financial instruments	**17,399,530**	14,941,331
Customer accounts and other deposits	**404,005,698**	395,843,664
Term borrowings	**44,010,501**	42,145,718
Subordinated notes	**440,245**	420,381
Other liabilities	**27,483,752**	21,033,339
Total liabilities	**583,605,998**	566,758,882
Equity		
Share capital	**10,897,545**	10,897,545
Share premium	**53,060,713**	53,026,644
Treasury shares	**(38,445)**	(42,433)
Statutory and special reserves	**7,081,074**	7,081,074
Other reserves	**456,391**	962,736
Tier 1 capital notes	**10,754,750**	10,754,750
Share option scheme	**259,450**	256,265
Convertible notes - equity component	**108,265**	108,265
Retained earnings	**11,121,350**	18,677,552
Total equity attributable to shareholders of the Group	**93,701,093**	101,722,398
Non-controlling interest	**508,889**	487,015
Total Equity	**94,209,982**	102,209,413
Total liabilities and equity	**677,815,980**	668,968,295

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Pro forma Condensed consolidated statement of profit or loss

For the three month period ended 31 March

	Note	(Unaudited) 31 Mar 2018 AED'000	(Unaudited) 31 Mar 2017 AED'000
Interest income		**4,918,011**	4,619,384
Interest expense		**(1,649,532)**	(1,363,774)
Net interest income		**3,268,479**	3,255,610
Fee and commission income		**1,267,118**	1,129,980
Fee and commission expense		**(333,373)**	(348,156)
Net fee and commission income		**933,745**	781,824
Net foreign exchange gain		**335,504**	116,175
Net gain on investments and derivatives	*1*	**320,266**	981,209
Other operating income	*2*	**13,034**	53,383
Operating income		**4,871,028**	5,188,201
General, administration and other operating expenses		**(1,326,069)**	(1,515,871)
Profit before net impairment charge and taxation		**3,544,959**	3,672,330
Net impairment charge	*3*	**(439,128)**	(640,549)
Profit before taxation		**3,105,831**	3,031,781
Overseas income tax expense		**(94,260)**	(105,225)
Net profit for the period		**3,011,571**	2,926,556
Profit attributable to:			
Shareholders of the Group		**2,997,920**	2,925,683
Non-controlling interests		**13,651**	873
		3,011,571	2,926,556

Segmental information

	Business Segment					Geographic Segment				
	Corporate and Investment Banking AED'000	Personal Banking AED'000	Subsidiaries AED'000	Head Office AED'000	Total AED'000	UAE AED'000	Middle East And Africa AED'000	Europe and Americas AED'000	Asia - Pacific AED'000	Total AED'000
For the three month period ended 31 March 2018										
Net Interest income	1,461,269	1,307,539	43,094	456,577	**3,268,479**	2,821,173	133,226	245,045	69,035	**3,268,479**
Net non-interest income	1,009,575	511,461	87,952	(6,439)	**1,602,549**	1,392,971	99,704	34,065	75,809	**1,602,549**
Operating income	2,470,844	1,819,000	131,046	450,138	**4,871,028**	4,214,144	232,930	279,110	144,844	**4,871,028**
General administration and other operating expenses	434,196	660,999	71,218	159,656	**1,326,069**	1,094,629	83,884	77,584	69,972	**1,326,069**
Net impairment charge	238,643	234,609	(31,038)	(3,086)	**439,128**	418,438	(11,046)	(46,054)	77,790	**439,128**
Profit before taxation	1,798,005	923,392	90,866	293,568	**3,105,831**	2,701,077	160,092	247,580	(2,918)	**3,105,831**
Overseas taxation	57,500	27,932	8,670	158	**94,260**	807	26,111	55,946	11,396	**94,260**
Net profit for the period	1,740,505	895,460	82,196	293,410	**3,011,571**	2,700,270	133,981	191,634	(14,314)	**3,011,571**
As at 31 March 2018										
Segment total assets	455,855,776	95,649,219	20,543,943	134,989,560	**707,038,498**	555,737,086	28,710,027	130,170,472	26,187,540	**740,805,125**
Inter segment balances					**(29,222,518)**					**(62,989,145)**
Total assets					**677,815,980**					**677,815,980**
Segment total liabilities	454,007,565	97,759,356	10,406,205	50,655,390	**612,828,516**	476,890,218	20,385,176	126,659,062	22,660,687	**646,595,143**
Inter segment balances					**(29,222,518)**					**(62,989,145)**
Total liabilities					**583,605,998**					**583,605,998**

Segmental information *(continued)*

	Business Segment					Geographic Segment				
	Corporate and Investment Banking AED'000	Personal Banking AED'000	Subsidiaries AED'000	Head Office AED'000	Total AED'000	UAE AED'000	Middle East And Africa AED'000	Europe and Americas AED'000	Asia - Pacific AED'000	Total AED'000
For the period ended 31 March 2017										
Net Interest income	1,504,298	1,398,013	57,065	296,234	3,255,610	2,868,981	164,711	148,887	73,031	3,255,610
Net non-interest income	997,314	475,890	77,943	381,444	1,932,591	1,689,747	65,860	107,973	69,011	1,932,591
Operating income	2,501,612	1,873,903	135,008	677,678	5,188,201	4,558,728	230,571	256,860	142,042	5,188,201
General administration and other operating expenses	542,862	779,257	81,021	112,731	1,515,871	1,306,408	85,626	77,329	46,508	1,515,871
Net impairment charge	70,074	484,133	64,544	21,798	640,549	631,525	18,901	(6,848)	(3,029)	640,549
Profit before taxation	1,888,676	610,513	(10,557)	543,149	3,031,781	2,620,795	126,044	186,379	98,563	3,031,781
Overseas taxation	54,819	48,885	540	981	105,225	1,401	27,887	67,141	8,796	105,225
Net profit for the period	1,833,857	561,628	(11,097)	542,168	2,926,556	2,619,394	98,157	119,238	89,767	2,926,556
As at 31 December 2017										
Segment total assets	450,430,907	97,980,652	21,782,636	126,431,598	696,625,793	544,299,763	21,240,671	129,441,066	23,406,626	718,388,126
Inter segment balances					(27,657,498)					(49,419,831)
Total assets					668,968,295					668,968,295
Segment total liabilities	438,220,833	95,001,870	11,430,776	49,762,901	594,416,380	456,642,109	13,808,673	126,033,661	19,694,270	616,178,713
Inter segment balances					(27,657,498)					(49,419,831)
Total liabilities					566,758,882					566,758,882

Notes to the condensed consolidated Pro-forma financial statements

1 Net gain on investments and derivatives

	(Unaudited) Three month period ended 31 Mar 2018 AED'000	(Unaudited) Three month period ended 31 Mar 2017 AED'000
Net realised and unrealised gain on investments at fair value through profit or loss and derivatives	**235,190**	340,577
Net gain from sale of non-trading Investments	**71,238**	618,509
Dividend income	**13,838**	22,123
	320,266	981,209

2 Other Operating Income

	(Unaudited) Three month period ended 31 Mar 2018 AED'000	(Unaudited) Three month period ended 31 Mar 2017 AED'000
Investment property income	**1,524**	11,510
Leasing related income	**21,800**	23,303
Other income	**(10,290)**	18,570
	13,034	53,383

3 Net impairment charge

	(Unaudited) Three month period ended 31 Mar 2018 AED'000	(Unaudited) Three month period ended 31 Mar 2017 AED'000
Impairment charge on loans and advances	**654,674**	776,211
Impairment charge on other financial assets	**12,447**	951
Impairment charge on unfunded exposures	**(187,459)**	-
Recoveries	**(57,213)**	(148,376)
Write-off of impaired financial assets	**16,679**	11,763
	439,128	640,549