



FGB Investor Presentation

August 2016



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This presentation should be read in conjunction with other publicly available material. Rounding differences may appear in some tables and charts.

Further information including historical results and a description of the activities of FGB is available on our website, www.fgbgroup.com

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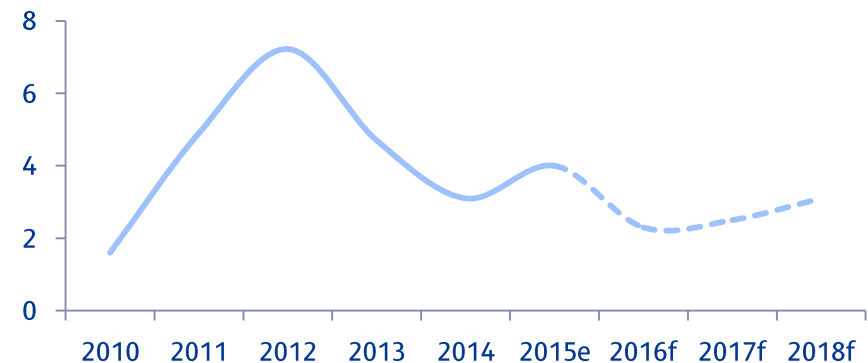
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UAE Economic Overview

FUNDAMENTALS REMAIN SOLID IN SPITE OF LOWER OIL PRICES

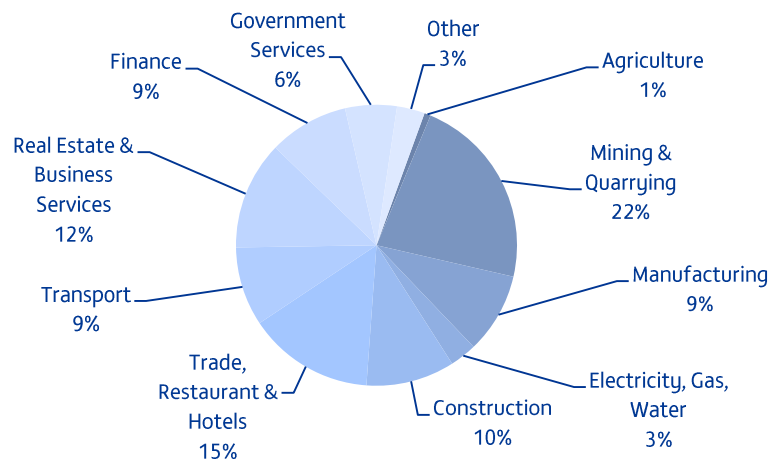
- UAE federation was established in 1971 and comprises of seven Emirates; Politically stable country and highly favorable and competitive business environment¹.
- Second largest economy in the GCC; 8th largest oil reserves in the world (97.8 Bn boe²); Total population estimated at 9.8 Million.
- Real GDP growth is seen at 2.3% in 2016 and 2.5% in 2017.
- 2016 fiscal deficit is estimated at 3.5%⁴ of GDP; measures towards gradual fiscal consolidation are being implemented including subsidy reforms, reductions in non-current expenditure, and introduction of a VAT framework across the GCC by 2018.

REAL GDP GROWTH FORECASTED TO SLOW DOWN TO 2.3% IN 2016



Source: IMF 2016 Article IV Mission - July 2016

A DIVERSIFIED ECONOMY³



Economic Structure and Performance	2015e	2016f	2017f	2018f
Real GDP Growth (%)	4.0	2.3	2.5	3.1
Nominal GDP (USD Bn)	370.3	375.7	405.8	431.2
Inflation (CPI, % change)	4.1	3.3	2.8	3.1
General government revenue (% GDP)	28.5	26.4	27.0	27.5
General government expenditure (% GDP)	30.6	29.9	28.3	27.3
Fiscal balance (% GDP)	(2.1)	(3.5)	(1.3)	0.2
Gross Debt (% GDP)	16.6	18.3	17.8	17.2

Source: IMF 2016 Article IV Mission - July 2016

¹UAE ranked 17/140 in WEF 2015/2016 Global Competitiveness Report

²BP report June 2016

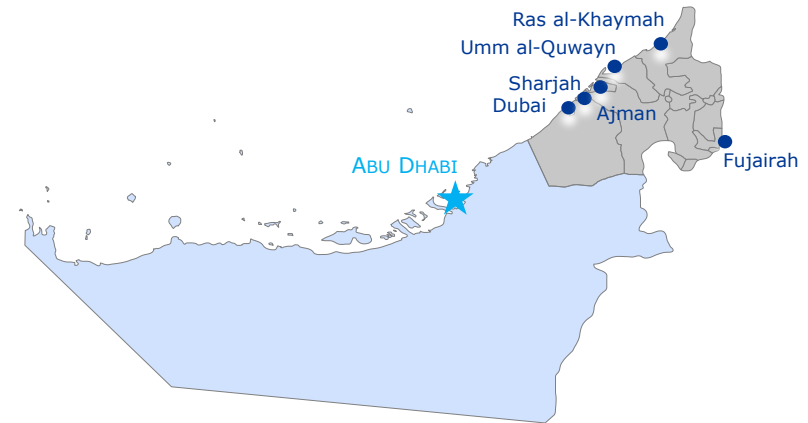
³UAE National Bureau of Statistics, 2015 GDP

⁴IMF 2016 Article IV Mission (revised estimates of IMF July 2016)

Abu Dhabi Economic Overview

ABU DHABI AT A GLANCE

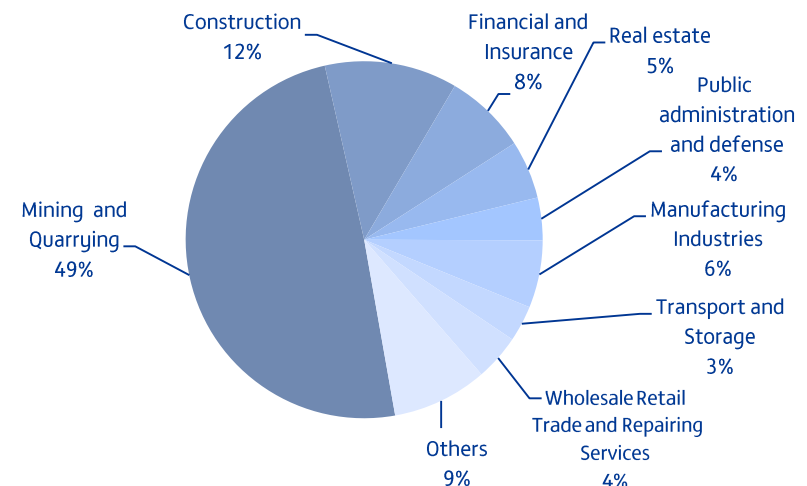
- Largest Emirate in the UAE accounting for more than 80% of the country's total land area; Population estimated at 2.8 Million¹.
- Abu Dhabi Nominal GDP estimated at USD 202Bn in 2016f¹, that's 54% of UAE overall nominal GDP.
- 49% of 2015² GDP generated from the hydrocarbon sector; major non-oil GDP contributors include: construction, financial services, public administration and defense, and manufacturing.
- Transition underway towards a more diversified economy with a particular focus on the infrastructure and services sectors inline with Abu Dhabi Plan 2030.
- Budget deficit in 2016 is expected to be financed by existing cash balances and by international bond issuance.
- In April, the emirate of Abu Dhabi issued USD 5Bn in 2 tranches (5-year and 10-year).



ABU DHABI – KEY STATISTICS¹

<i>Economic Structure and Performance</i>	2015e	2016f	2017f
Nominal GDP (USD Bn)	224	202	218
Real GDP growth (%)	6.3	1.5	2.0
Inflation Rate (CPI, % change)	5.4	2.8	2.5
Revenue/ GDP	32.1	28.0	26.1
Expenditures/ GDP	36.3	33.0	30.5
Balance/ GDP	(4.1)	(5.0)	(4.4)
Liquid Assets/ GDP (%)	241.0	276.7	264.7

GDP BREAKDOWN BY SECTOR 2015²

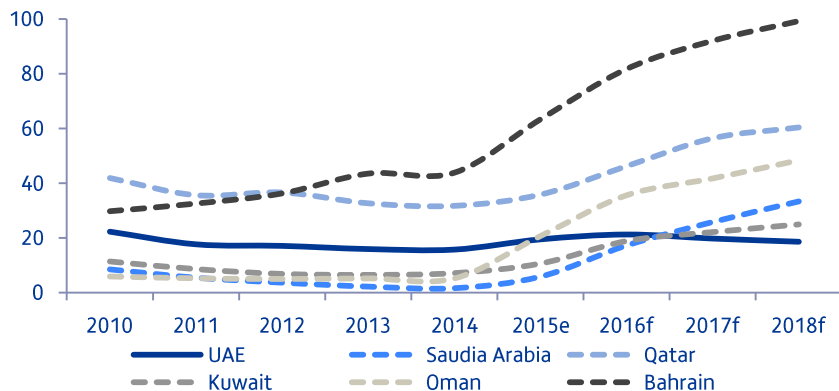


¹ S&P, August 2016

² Statistics Center Abu Dhabi (SCAD) 2015, preliminary estimates

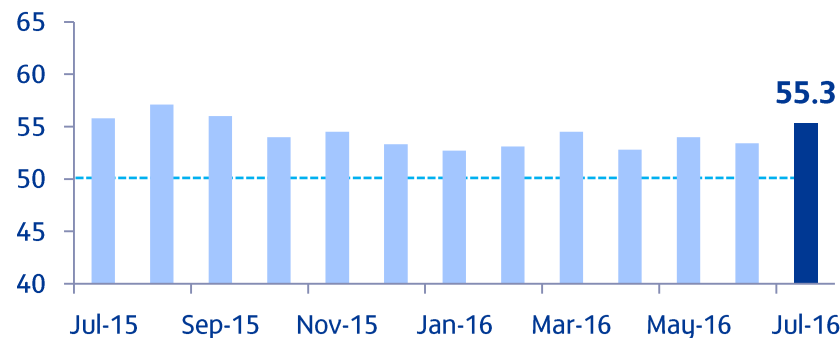
UAE – Other Macro Indicators

GROSS DEBT OF GCC COUNTRIES (% OF GDP)



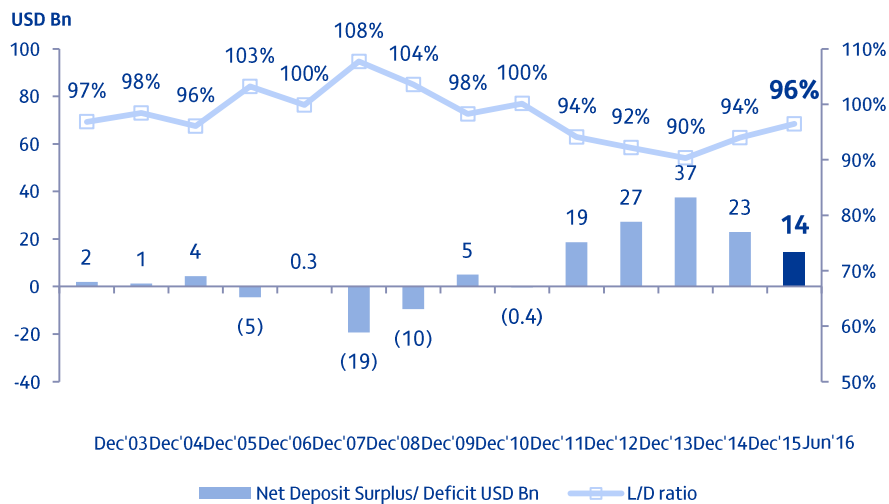
Source: IMF, Apr. 2016

UAE PMI¹ REMAINS IN EXPANSIONARY TERRITORY

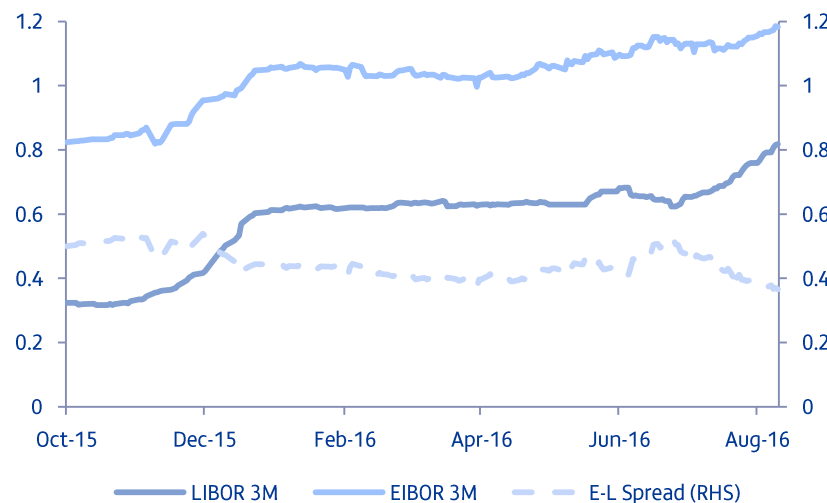


Source: Markit Economics

USD 14Bn NET DEPOSIT SURPLUS AS OF JUN'16



EIBOR VS LIBOR



¹UAE Purchasing Manager Index is a composite indicator designed to provide an overall view of activity in the UAE's non-oil private sector economy. The indicator is derived from individual diffusion indices which measure changes in output, new orders, employment, suppliers' delivery and stocks of goods purchased.

A sound and highly capitalised banking system

KEY HIGHLIGHTS

- UAE banking sector comprises 49 banks (23 local, 26 foreign); top 5 local banks hold more than 60% of system loans and deposits.
- Strong track record of systemic support as evident through the preventive measures taken at the onset of the global financial crisis.
- Strengthened macro prudential policies through the implementation of: maximum LTVs on mortgages, 50% Debt Burden Ratio, minimum General Provisions at 1.5% of CRWA.
- UAE Central Bank introduced in May 2015 a glide path on Liquidity Coverage Ratio (LCR) in the context of gradual migration to Basel III regulatory framework. The minimum for the current year is 70%.
- As of Jun'16, system loan book grew by 3.9% YTD (+USD 15Bn) while customer deposits added 1.5% YTD (+USD 6Bn).
- UAE Banking System is highly capitalized with Jun-end 2016 total CAR and tier 1 capital at 18.4% and 16.8% respectively.

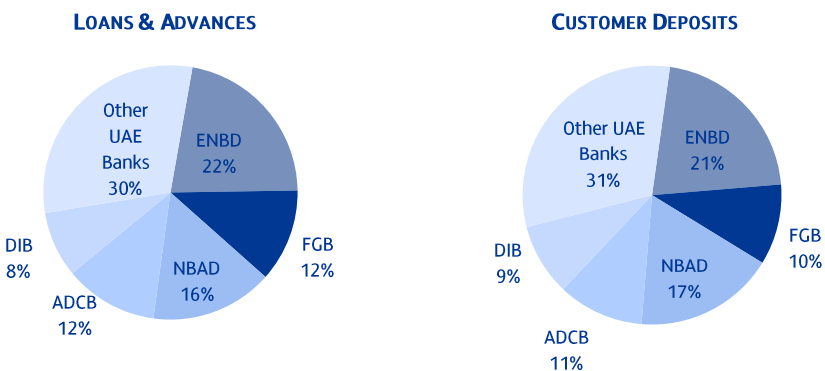
UAE BANKING SECTOR KEY INDICATORS²

Figures in USD Bn	Jun'16	Mar'16	Dec'15	YTD %	YoY %	QoQ %
Total Assets, net	658	651	648	1.5%	3.9%	1.1%
Loans and Advances, net	392	386	377	3.9%	6.6%	1.7%
Customer Deposits	406	409	401	1.5%	3.4%	-0.6%
LDR	96%	94%	94%	+200bps	+200bps	+200bps
Lending to Stable Resources Ratio*	87.7%	86.8%	87.1%	+60bps	+10bps	+90bps
CAR**	18.4%	18.0%	18.3%	+10bps	+10bps	+40bps
Tier 1 capital**	16.8%	16.3%	16.6%	+20bps	+30bps	+50bps

*Total advances (net lending + net financial guarantees & stand-by LC+ Interbank placements more than 3 months)/ sum of (net free capital funds + total other stable resources)

**Basel 2

JUN'16 LOAN AND DEPOSIT MARKET SHARES¹



¹UAE banks financials, a pool out of 19 listed UAE banks

²Source: UAE Central Bank

DEPOSIT AND LOAN GROWTH TREND



FGB Summary Profile

- ✓ Leading UAE franchise; #1 UAE Bank by market capitalisation, #3 by net profit and #4 by total assets; 11% and 9% market shares in loans and deposits respectively.
- ✓ Superior fundamentals in terms of cost efficiency, asset quality and profitability.
- ✓ Strong Credit Ratings: A+ by Fitch, A2 by Moody's, and A by S&P.
- ✓ Comfortable liquidity position and access to multiple funding channels.
- ✓ Strong risk management culture and stable management team.
- ✓ Robust capital position: Basel II total CAR at 18.8% and Tier 1 capital ratio at 17.5% as of Jun'16.

Three-Pillar Strategy

Our Vision:

To Be Recognised as a World-Class Organization Maximizing Value For All Stakeholders

1

ORGANIC GROWTH OF CORE BANKING ACTIVITIES

- Build deeper client relationships, providing solutions and high quality service
- Continue to target large creditworthy UAE-based customers
- Develop and strengthen a customer-centric approach emphasizing on bespoke service quality and product range

2

SELECTIVE REGIONAL AND INTERNATIONAL EXPANSION

- Geographic diversification through expansion of existing operations and penetration in key markets
- Focus on trade and financial flows through the UAE into target international locations
- Sourcing and distribution of trade and financing opportunities across the FGB network

3

SYNERGIES WITH SUBSIDIARIES AND ASSOCIATES

- Aseel Finance to provide innovative Islamic products to a broad base of customers and businesses
- Dubai First to provide specialist credit card propositions to the expanding UAE customer base
- Enhance fee income through comprehensive property management of residential and commercial real estate assets across the UAE

Our Mission:

To Be the “First Choice” for customers

Business Segments

Core Banking Revenue Drivers

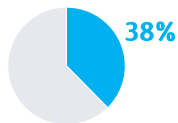
Incremental Revenue Streams

WHOLESALE BANKING

% of Assets

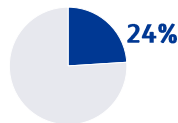


% of Revenue

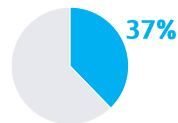


CONSUMER BANKING

% of Assets

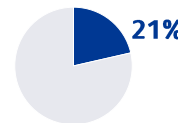


% of Revenue

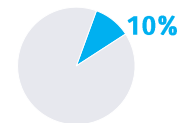


TREASURY & GLOBAL MARKETS

% of Assets

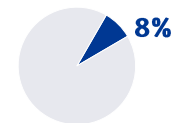


% of Revenue

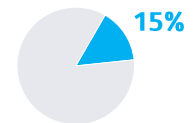


SUBSIDIARIES & OTHER

% of Assets



% of Revenue



- Original core business of the Bank
- Customer base includes large corporate & multi-national clients and financial institutions
- Services include debt markets (advisory, bilateral, & syndicated loans, DCM, project and structured finance), transaction banking (cash, trade, liabilities), Corporate Finance, and Islamic Finance (bilateral trading, trade finance) supported by treasury sales (hedging, FX, rates, commodities)
- Organized geographically across UAE and international locations (Singapore, Libya, Hong-Kong, Qatar, India, UK and South Korea)

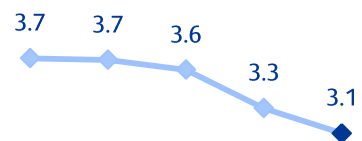
- Focus on key customer segments: Emirati, Mass, SME, Wealth
- Leverage product innovation, analytics, and alliances to create differentiation
- Investing for the future and enhancing customer experience through technology and process improvements
- Positioning as Bank of Choice for UAE Nationals
- Manage National Housing Loan program for Abu Dhabi government

- Manages FGB's wholesale funding activities and liquidity, interest rate and foreign exchange risk, and proprietary investment portfolio
- Provides bespoke risk management solutions to the Bank's clients across FX, Interest Rate, Credit and Commodity asset classes
- Also provides client investment solutions via structured products, asset management, equity brokerage and margin trading
- Strong growth opportunities providing an access point to the global markets by leveraging on strong correspondent banking relationships

- Subsidiaries: First Gulf Libyan Bank, First Gulf Properties, Aseel Finance, Dubai First, Mismak Properties, First Merchant International, FGIT
- Associate companies: Green Emirates Properties
- Head Office support units: Audit, Financial Control, HR, Operations, Strategy and Planning, PMO, Admin, Legal, Risk Management, Corporate Communications

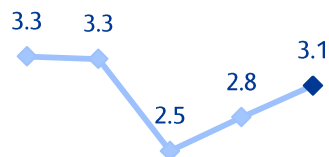
Key Achievements

NET INTEREST MARGIN (%)



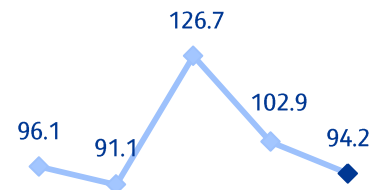
2012 2013 2014 2015 Jun'16

NPL RATIO (%)



2012 2013 2014 2015 Jun'16

PROVISION COVERAGE (%)



2012 2013 2014 2015 Jun'16

COST TO INCOME RATIO (%)



2012 2013 2014 2015 Jun'16

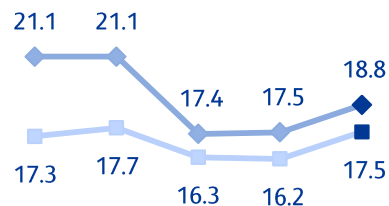
NET PROFIT /REVENUES (%)



2012 2013 2014 2015 H1'16

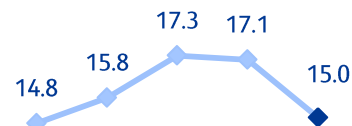
BASEL II CAPITAL RATIOS (%)

— Basel II CAR — Tier 1 Capital



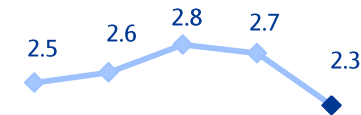
2012 2013 2014 2015 Jun'16

RoAE (%)



2012 2013 2014 2015 H1'16

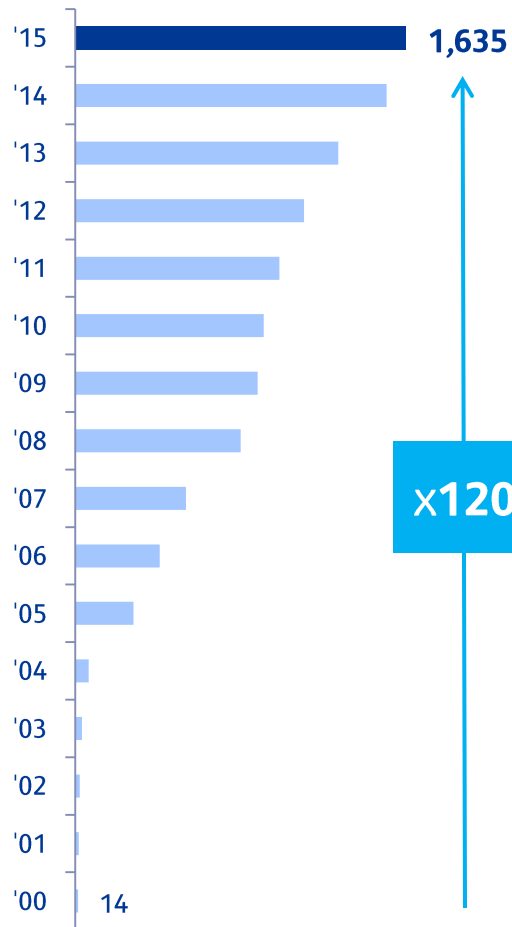
RoAA (%)



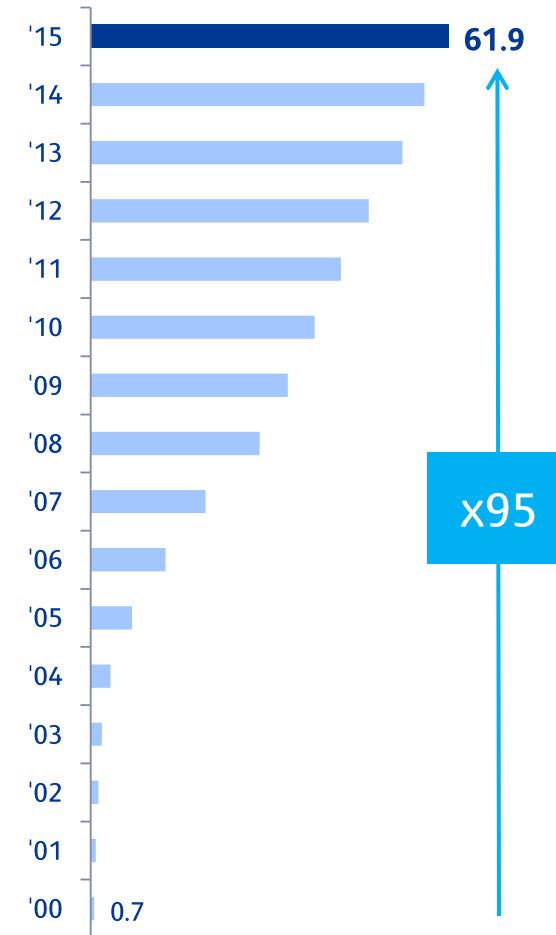
2012 2013 2014 2015 H1'16

An impressive journey of consistent growth and value creation over the past 16 years

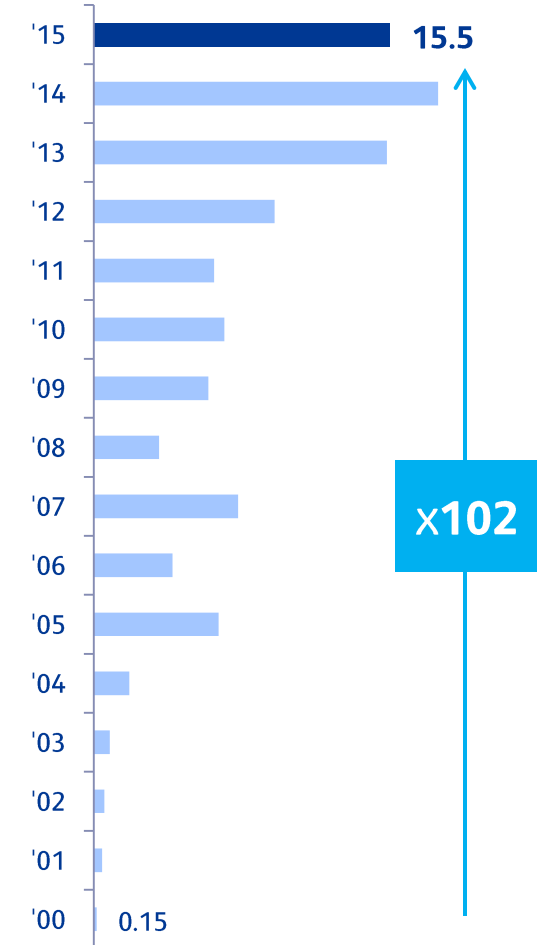
Net Profit (in USD Mn)



Total Assets (in USD Bn)



Market Cap (in USD Bn)



FGB vs. large domestic peers – Q2/H1'16

							Ranking
Profitability & Efficiency	Return on Average Equity	%	15.0	12.3	14.5	15.0	#1
	Return on Average Assets	%	2.3	1.3	1.8	1.8	#1
	Cost to Income	%	21.1	37.3	32.0	33.0	#1
	Net Interest Margin	%	3.1	2.0	2.6	3.1	#2
	Earnings Per Share	USD	0.33	0.27	0.33	0.22	#2
Asset Quality	NPL ratio	%	3.1	2.8	6.6	2.7	#3
	Provision Coverage	%	94.2	112.0	118.5	132.9	#4
Liquidity	Net Loans to Total Assets	%	67.7	48.4	67.2	64.3	#4
	Loans to Deposits	%	110.1	83.4	96.1	103.9	#4
	Liquid Asset Ratio	%	13.4	24.1	22.2	17.0	#4
Solvency	Tier 1 Capital	%	17.5	15.5	17.8	15.1	#2
	Capital Adequacy	%	18.8	16.4	20.5	18.4	#2

ROAE, ROAA and EPS are annualized

Mid-Year Financial Guidance Review

H1'16A
REVISED FY16 FINANCIAL GUIDANCE
LOAN BOOK GROWTH

+3%

Mid single-digit

REVENUE GROWTH

-3%

Flat

NIMs

3.1%

3.0% - 3.2%

COST/INCOME RATIO

21.1%

<23%

ASSET QUALITY

 NPL ratio: 3.1%
 Cost of risk: 98bps

 <3.0%
 <100bps

NET PROFIT GROWTH

-8%

Low single-digit negative

FGB-NBAD Merger Update

On 3 July 2016 FGB and NBAD announced that their boards of directors voted unanimously and recommended to shareholders a merger of the two Abu Dhabi-listed banks

Progress since merger announcement

- Zulfiqar Ali Sulaiman, currently COO of FGB, appointed as Chief Integration Officer
- Initial meetings between CEO designate, Abdulhamid Saeed, and the leadership at both FGB and NBAD have taken place
- Appointment of external consultants for different aspects of the integration process under way
- Legal and regulatory work in progress

Timeline

Q3/Q4 2016

- Distribution of the shareholder circular on the proposed merger
- General Assembly Meetings
- Filing of Special Resolution
- Creditor objection period

Q1 2017

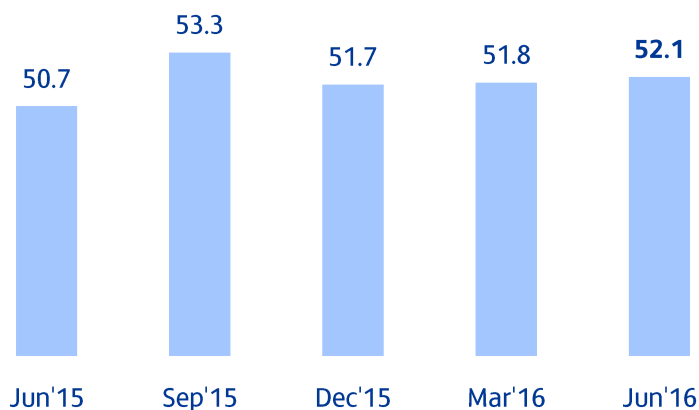
- Expected effective merger date

Capital Strength (Basel II)

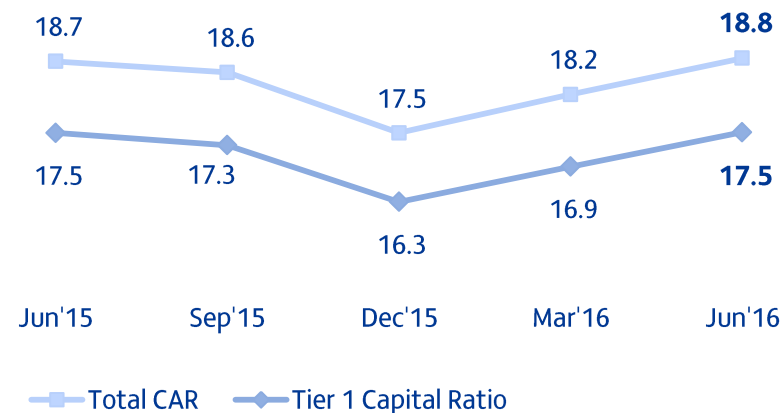
HIGHLIGHTS

- As of June-end 16, FGB enjoys a robust capital position with Basel II CAR and Tier 1 capital ratio at 18.8% and 17.5% respectively
- Tier 1 capital ratio strengthened to 17.5% from 16.9% QoQ, driven by strong capital generation during the period and steady RWAs
- FGB's medium term Tier 1 capital floor under Basel II remains at 14%

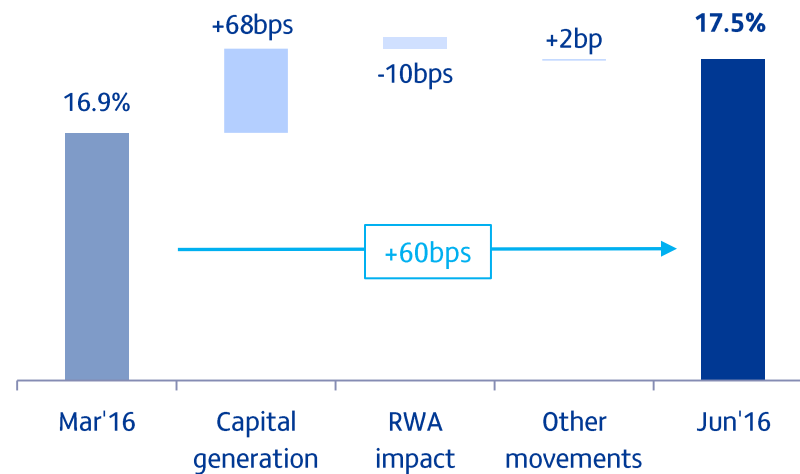
RISK WEIGHTED ASSETS (USD BN)



CAPITAL ADEQUACY RATIO (%)



QOQ MOVEMENT IN TIER 1 CAPITAL RATIO



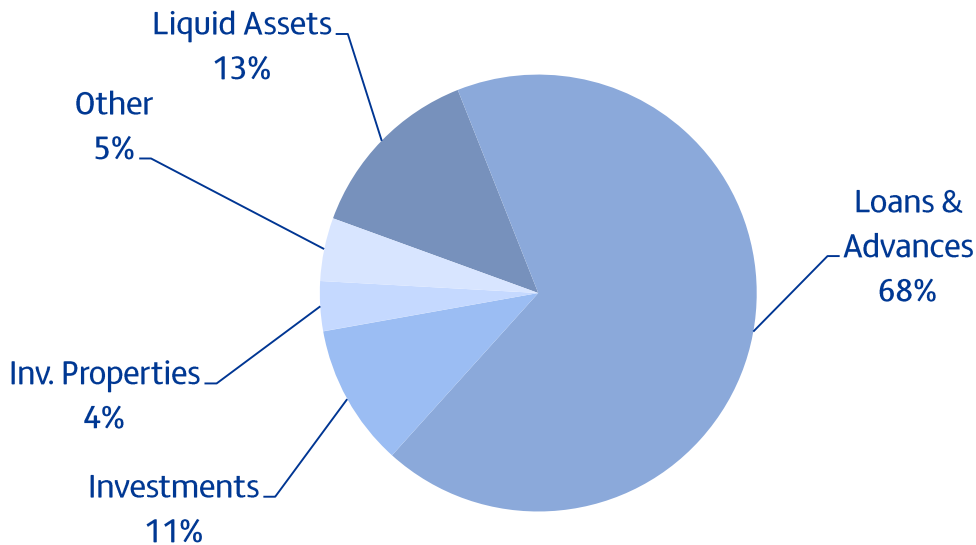
Regulatory Environment

	BASEL III GUIDELINES	FGB
LIQUIDITY	Short-term resilience of the liquidity risk profile - sufficient HQLA to survive a significant stress scenario lasting 30 calendar days (LCR)	<ul style="list-style-type: none"> FGB Group LCR as of June-end 2016 stood at 86.03%, above the minimum requirement of 70% for current year.
FUNDING	Structural ratio aiming to ensure banks have sufficient long term funding to meet funding of long term assets & a portion of contingent liability drawdowns during market wide stress (NSFR) i.e. Available Stable Funding to be > Required Stable Funding (w.e.f. 2018)	<ul style="list-style-type: none"> Currently managed through internal strategy of funding 35% of term assets with term liabilities of the respective tenor; major initiatives underway for moving towards NSFR prior to the Basel implementation date of 2018
CAPITAL	UAE CB expected to release Basel III guidelines in the course of 2016	<ul style="list-style-type: none"> Basel II Total CAR and Tier 1 ratio of 18.8% and 17.5% respectively as of June-end 2016. FGB's ability to comply with Basel III requirements does not raise any concerns given its comfortable liquidity and capital positions
LEVERAGE RATIO	Minimum Basel III Leverage Ratio of 3%	<ul style="list-style-type: none"> FGB Leverage Ratio stands above the Basel III minimum as of Jun'16

Asset / Liability Mix

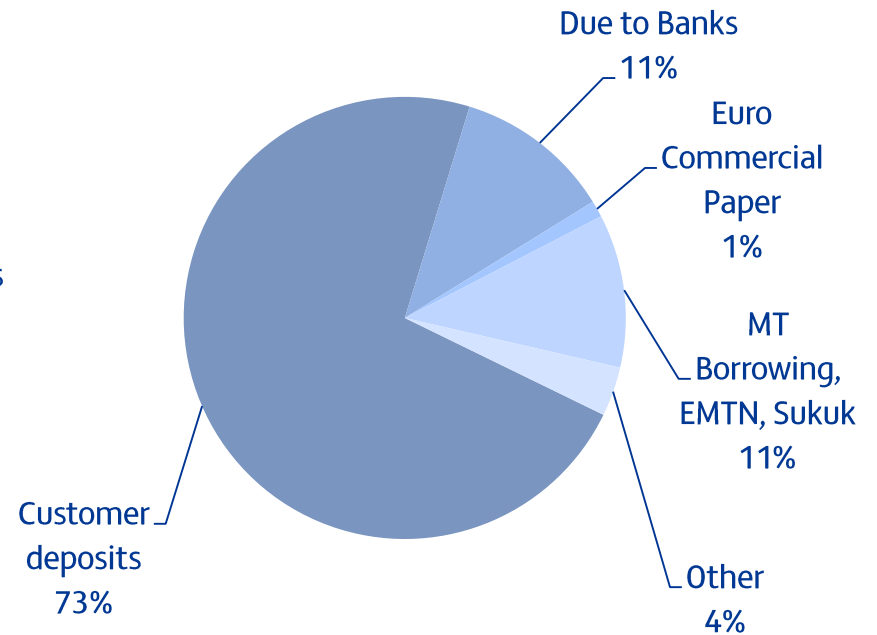
JUN'16 ASSET MIX

Total Assets: USD 61.9Bn



JUN'16 LIABILITY MIX

Total Liabilities: USD 52.4Bn

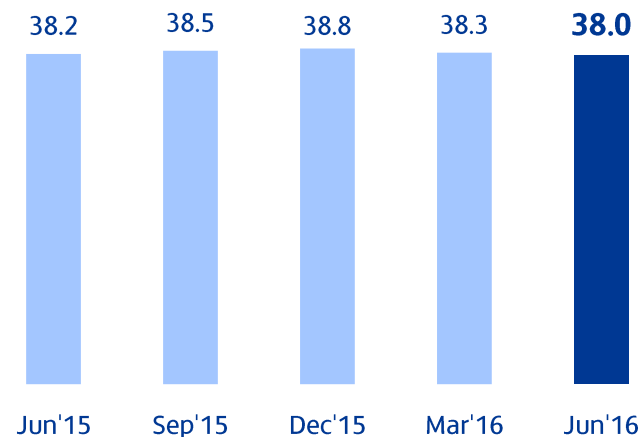


Liquidity

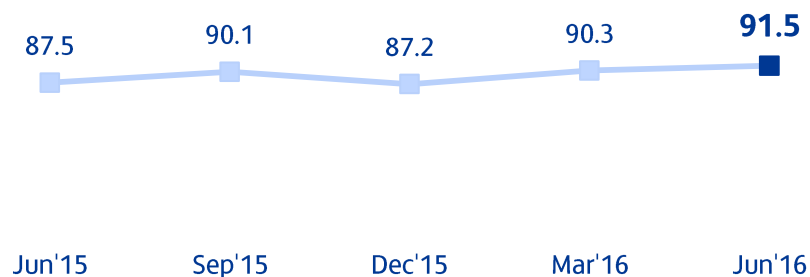
HIGHLIGHTS

- Customer deposits were quasi-stable YoY at USD 38.0Bn. Focus on funding diversification and cost optimisation led to a 39% increase in international deposits, bringing their contribution to 8% of total deposits vs. 2% in June last year
- CASA deposits stood at 23% of total customer deposits against a medium-term target of 25%
- Advances to Stable Resources Ratio (ASRR) at 91.5% remains well below the regulatory ceiling of 100%.
- As of Jun'16, FGB displays a Group LCR of 86.8% against a minimum requirement of 70% for the current year

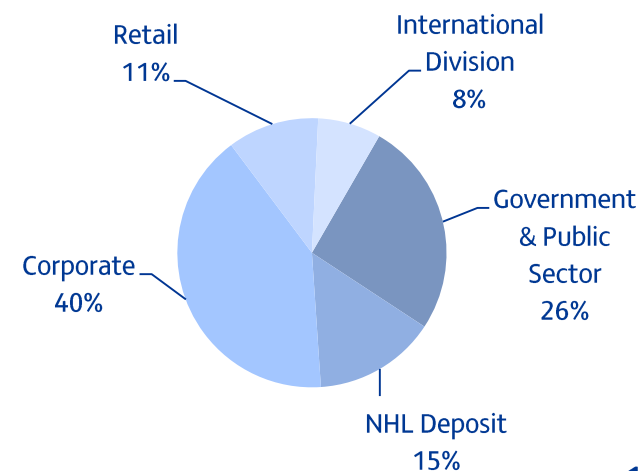
CUSTOMER DEPOSITS TREND (USD Bn)



ADVANCES TO STABLE RESOURCES RATIO (%)



DEPOSITS BY SECTOR

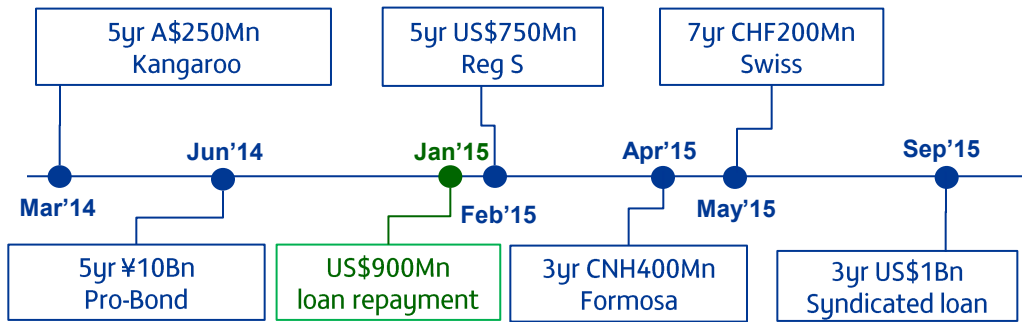


Funding Diversification

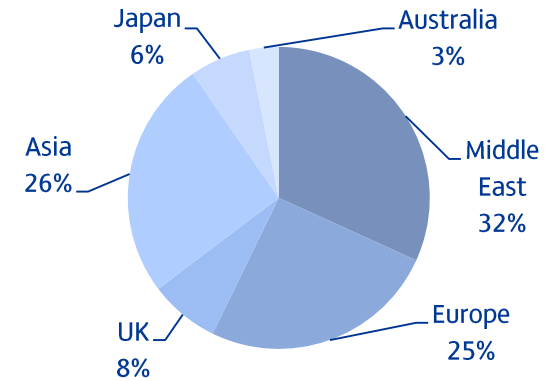


In 2015, FGB raised USD 2.2Bn of term funding against an annual target of USD1.6Bn. 2016 sees US\$1.1bn of term maturities with FGB raising US\$690m of term funding year to date.

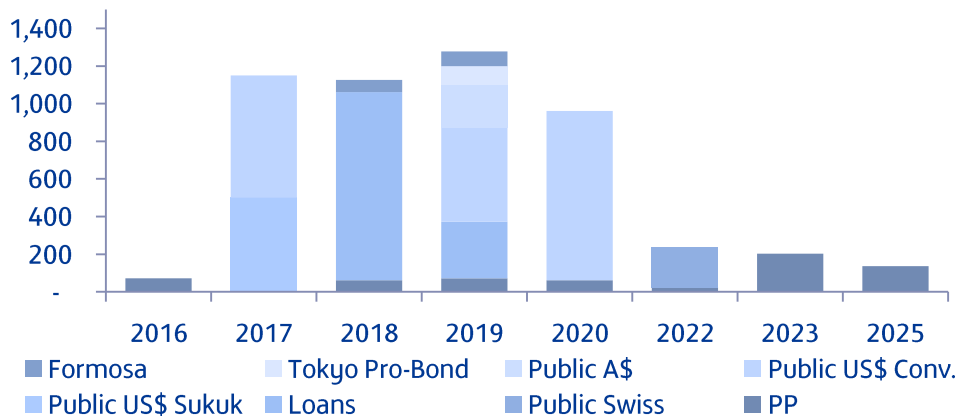
Recent Notable Public Trades



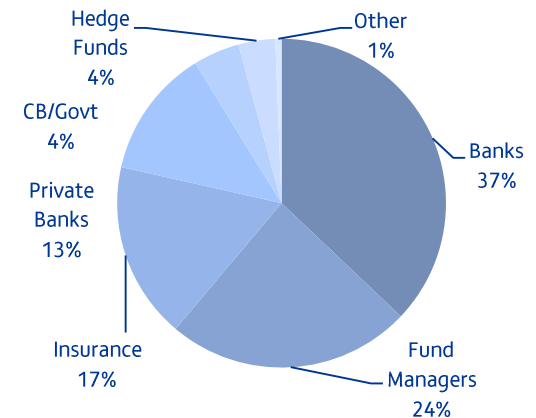
Bond investor base by geography*



Wholesale Funding Maturity Profile (USD 5.2Bn)



Bond investor base by type*



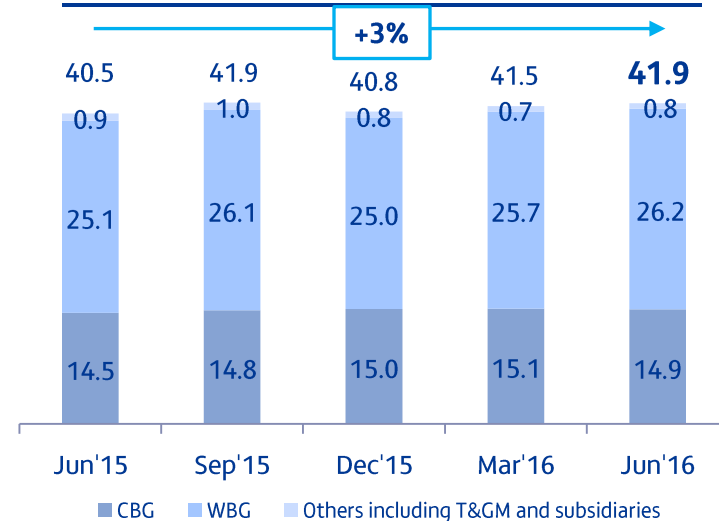
*Since November 2013

Asset Mix and Lending Activity

HIGHLIGHTS

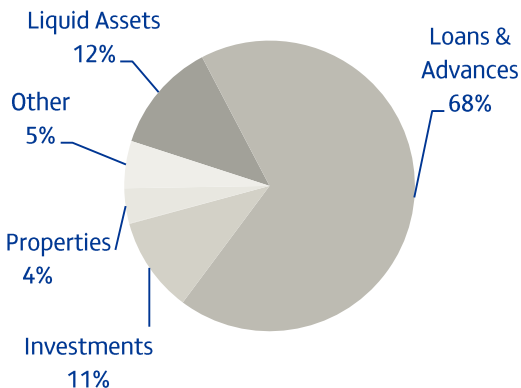
- Loans and advances added 3% YoY (+USD 1.4Bn) driven by positive momentum across WBG (+USD 1.1Bn), CBG (+USD 0.5Bn) and Dubai First (+USD 82Mn)
- In anticipation of a healthy pipeline in H2'16, we revised FY16 loan growth guidance from low single-digit to mid single-digit
- Sector-wise, trading, public sector, other services and construction supported loan growth during H1'16. FGB's loan portfolio remains well diversified across economic sectors with a mix of 63% wholesale / 37% consumer
- Liquid assets (cash and balances with CB, and due from Banks and Financial Institutions) represent 13% of total assets as of Jun'16. Reflecting FGB's compliance with LCR requirements, High Quality Liquid Assets (HQLA) amounted to USD 5.9Bn as of June-end.

LOAN BOOK TREND (USD Bn)

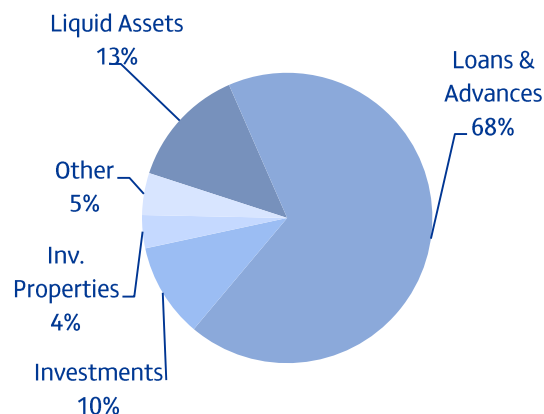


ASSET MIX

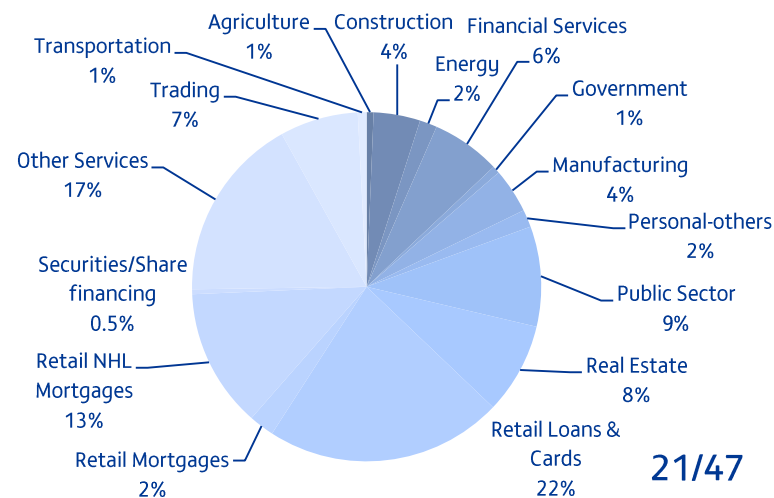
JUN'15



JUN'16



GROSS LOAN BREAKDOWN BY SECTOR

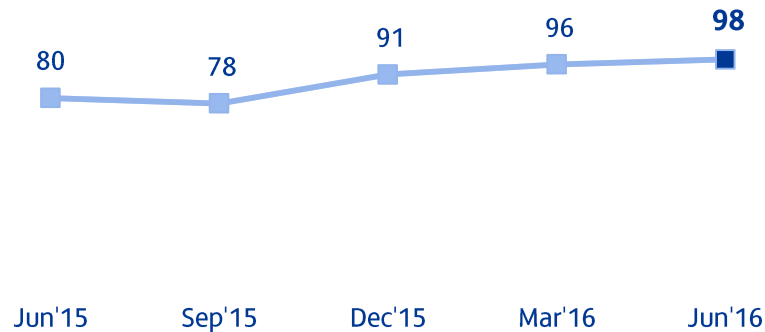


Asset Quality

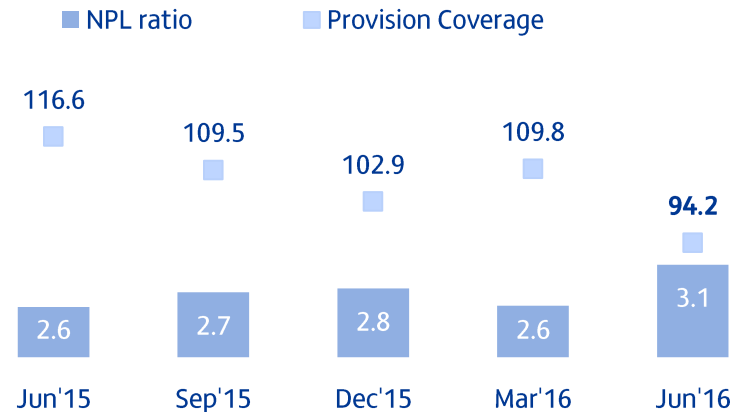
HIGHLIGHTS

- Jun'16 NPL ratio stood at 3.1% up from 2.6% as of Mar'16 primarily due to the technical downgrade of a wholesale exposure
- In anticipation of improvement in asset quality by year-end, we revised FY16 NPL ratio guidance from <3.5% to <3.0%
- Provision coverage landed at 94.2% within management range of 90%-100%. At USD 0.7Bn, general provisions represent 1.5% of total CRWA
- Credit impairments increased by 26% YoY to USD 211Mn implying an annualized cost of risk of 98bps, within current year guidance of <100bps

ANNUALIZED COST OF RISK (BPS)



NPL RATIO AND PROVISION COVERAGE (%)



NPLS AND PROVISIONS (USD Mn)

	Jun'16	Jun'15	YoY %	Mar'16	QoQ %
NPLs	1,316	1,075	22%	1,104	19%
Provisions	1,240	1,254	-1%	1,213	2%
Specific	524	556	-6%	496	6%
General	716	698	3%	717	0%



Appendix

Appendix Content

- Q2/H1'16 Summary Financials
- Revenue Mix & Cost Efficiency
- Business Segment Contributions
- Dividend History
- FGB Overview
- History & Key Milestones
- Key Achievements
- Board of Directors
- Corporate Governance
- ERM Framework
- Abu Dhabi Plan 2030
- UAE Real Estate Overview
- FGB Awards

Q2/H1'16 Summary Financials

Income Statement (USD Mn)	Q2'16	Q1'16	QoQ	Q2'15	YoY	H1'16	H1'15	YoY
Net Interest and Islamic Financing Income	426	432	-1%	438	-3%	858	870	-1%
Fees & Commission Income, Net	126	100	26%	121	4%	225	232	-3%
Other Operating Income	53	53	-1%	52	2%	106	124	-15%
Operating Income	605	584	3%	611	-1%	1,189	1,226	-3%
G&A expenses	(133)	(119)	12%	(143)	-7%	(251)	(269)	-6%
Provisions/ Impairments	(108)	(102)	6%	(70)	54%	(211)	(172)	23%
Taxes	(3)	(0)	NA	(1)	NA	(3)	(3)	25%
Minority Interest	(5)	(0)	NA	(1)	NA	(5)	(2)	NA
Net Income	355	363	-2%	395	-10%	718	781	-8%
Earnings Per Share (USD)	0.08	0.08	-1%	0.09	-8%	0.16	0.17	-6%

Balance Sheet (USD Bn)	Jun'16	Mar'16	QoQ	Jun'15	YoY
Loans & Advances	41.9	41.5	1%	40.5	3%
Customer Deposits	38.0	38.3	-1%	38.2	0%
Total Assets	61.9	61.9	0%	59.7	4%
Shareholders' Equity	9.3	8.9	4%	9.0	4%

Key Ratios (%)	Jun'16	Jun'15	YoY (bps)
Net Interest Margin	3.1	3.4	(30)
Cost-to-Income	21.1	21.9	(80)
Non-Performing Loan (NPL)	3.1	2.6	50
Provision Coverage	94.2	116.6	(2,240)
Advances to Stable Resources Ratio (ASRR)	91.5	87.5	400
Return on Average Equity	15.0	17.1	(210)
Return on Average Assets	2.3	2.7	(40)
Capital Adequacy	18.8	18.7	10

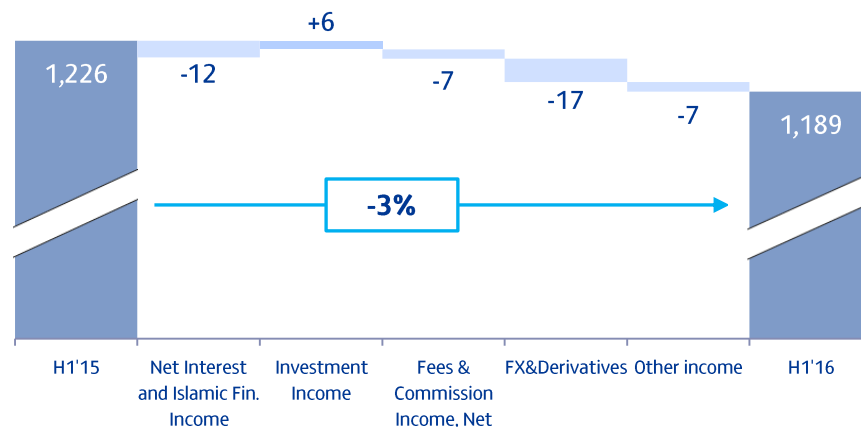
Note: Rounding differences may appear in the above table

Key Revenue Movements and NIMs

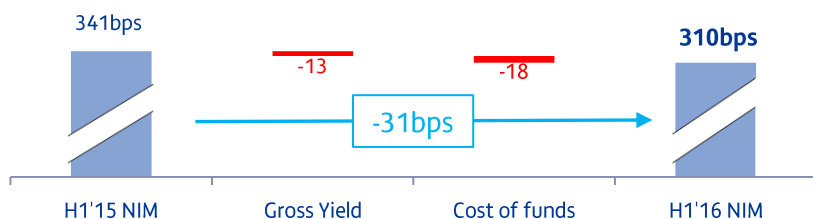
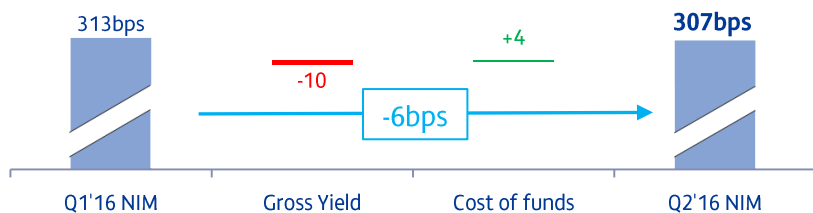
HIGHLIGHTS

- H1'16 revenues were 3% lower YoY mainly due to margin compression and slower business activity
- Net interest income marginally declined YoY by USD -12Mn (-1%) as USD 43Mn positive volume impact was offset by USD 56Mn impact of margin contraction
- Jun'16 NIM stood within management range at 3.10%, down 31bps YoY driven by a 13bps contraction in asset yields combined with a 18bps increase in funding costs
- During Q2'16, funding costs improved by 4bps thanks to actions taken towards further funding diversification. Sequentially, NIMs contracted by 6bps due to yield contraction driven by competitive pressures

KEY MOVEMENTS IN OPERATING INCOME (USD MN)



NET INTEREST MARGIN – QOQ AND YOY MOVEMENT



H1'16 NII: YOY VOLUME & RATE IMPACT (IN USD MN)

	Volume Impact	Rate Impact	Total
Interest Income	+55	-6	+49
Interest Expense	-12	-50	-62
Total	+43*	-56	-13

*Volume impact includes 1 day impact of USD 5Mn

Non-Interest Revenues and Cost Efficiency

HIGHLIGHTS

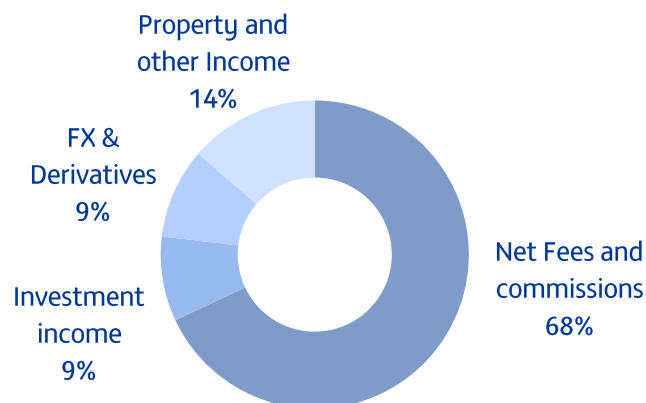
- Commission income increased by 12%, thanks to strong recovery in trade finance activity during the second quarter
- Fee income shows a decline of 15% mainly due to slower business activity compared to the first half of 2015. Fees and commissions on credit cards continued to show positive momentum supported by higher business volumes
- Investment income increased by 25% YoY on the back of gains on disposal of AFS investments. FX and derivatives declined by 35% YoY due to slower activity overall
- G&A expenses decreased by 6% YoY on the back of lower staff expenses. H1'16 C/I ratio landed at 21.1%, within management guidance for the current year (<23%)

H1'16 NON-INTEREST REVENUES

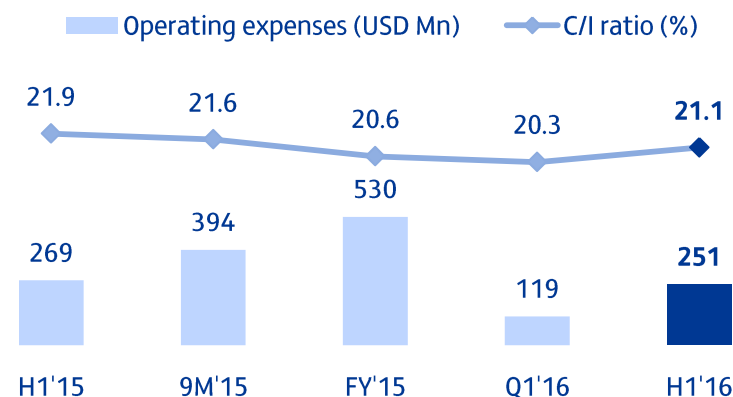
In USD Mn	H1'16	H1'15	YoY %
Commission income	75	67	12%
Fee income	99	117	-15%
Fees and commissions on credit cards	91	83	10%
Brokerage and fund management fee income	-	1	-100%
Fees & commission income	264	267	-1%
Fees & commission expenses	(39)	(35)	+11%
Fees & commission income, Net	225	232	-3%
Investment income	30	24	25%
FX & Derivatives	31	48	-35%
Property and other income*	45	52	-13%
Total	331	356	-7%

*Including share of profit from associates

H1'16 NON-INTEREST REVENUE BREAKDOWN



COST EFFICIENCY

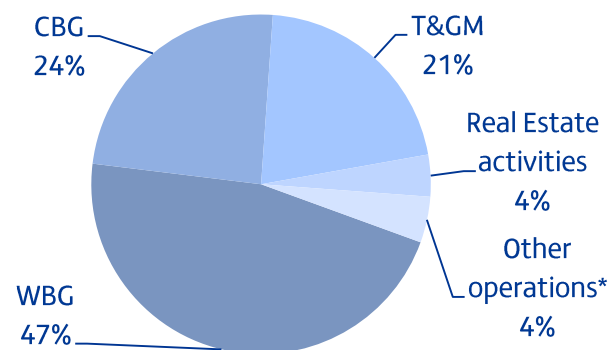


Business Segment Contributions

HIGHLIGHTS

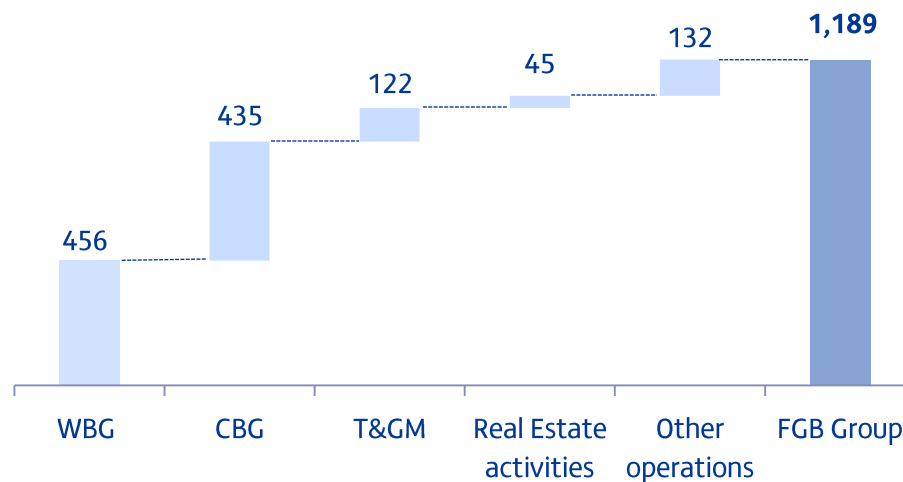
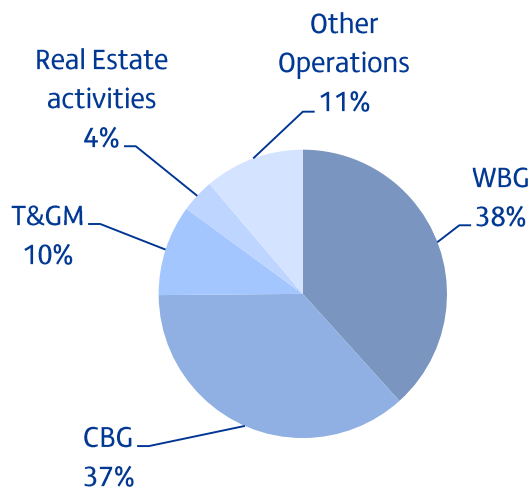
- Continued focus on enhancing core capabilities and on maximizing synergies between the three core businesses: Wholesale & International Banking Group (WBG), Consumer Banking Group (CBG), and Treasury & Global Markets Group (T&GM)
- These three pillars represent 92% of Group total assets as of Jun'16
- WBG generated 38% of H1'16 Group revenues, followed by CBG (37%) and T&GM (10%)

ASSETS BREAKDOWN



*Other Operations include subsidiaries and associates (other than real estate), and the Head Office

SEGMENTAL REVENUE BREAKDOWN AND CONTRIBUTIONS TO GROUP REVENUE (USD Mn)

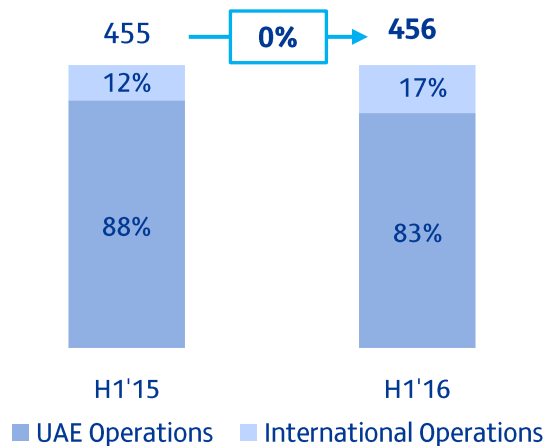


Wholesale Banking Group - WBG

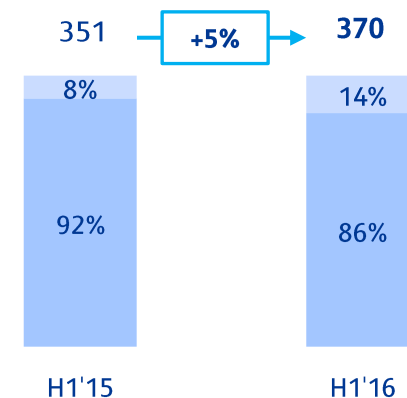
HIGHLIGHTS

- Healthy commercial momentum supported by 9% growth in assets
- Income from UAE Operations remained stable YOY. Revenues from international operations increased by 36% YoY on the back of enhanced market share and share of wallet in Asia Pacific Countries loan markets, as well as increased trade finance activity
- Net profit grew by 5% to USD 0.4Bn thanks to diligent risk management and expense control

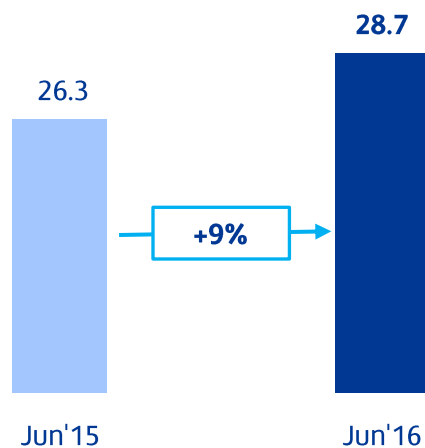
OPERATING INCOME (USD Mn)



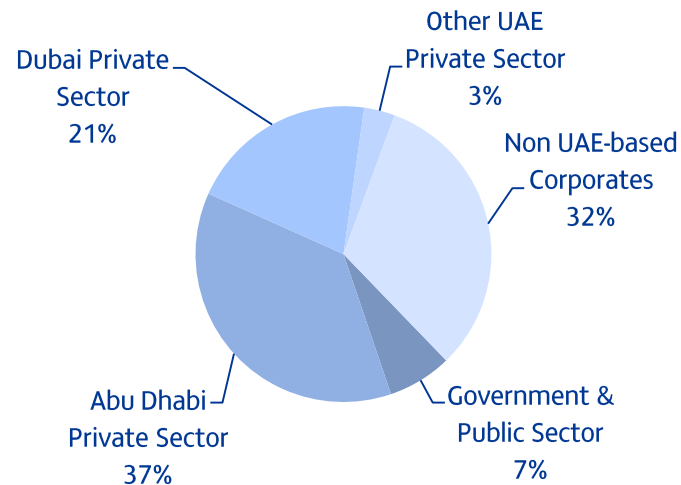
NET PROFITS (USD Mn)



TOTAL ASSETS (USD Bn)



WHOLESALE GROSS LOAN PORTFOLIO (JUN'16)

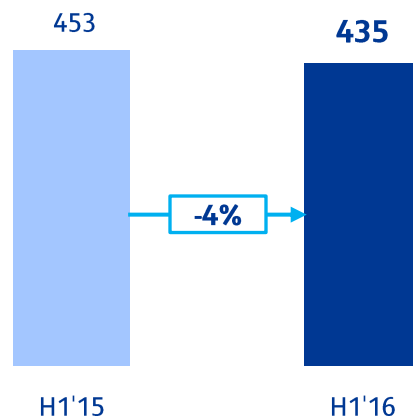


Consumer Banking Group - CBG

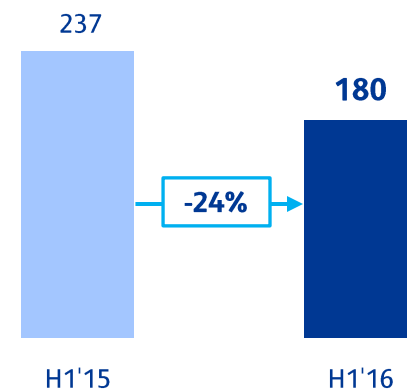
HIGHLIGHTS

- Continued focus on product innovation and enhanced customer experience through digitisation
- CBG revenues declined by 4% YoY to USD 0.4Bn. Net Profit decreased by 24% YoY due to higher impairments, as well as a change in cost allocation methodology starting Jan'16
- Wealth Management , SME loans and credit cards remain key growth drivers representing 24% of Jun'16 gross loan portfolio

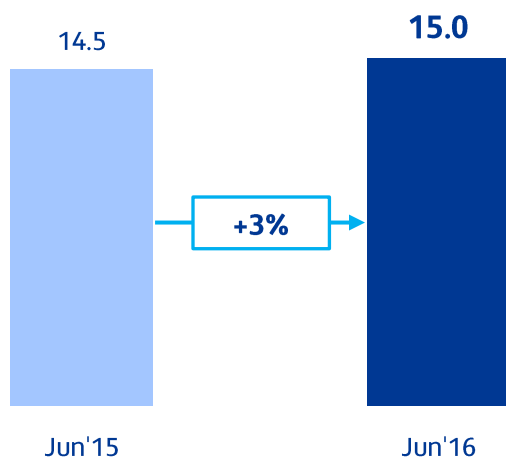
OPERATING INCOME (USD Mn)



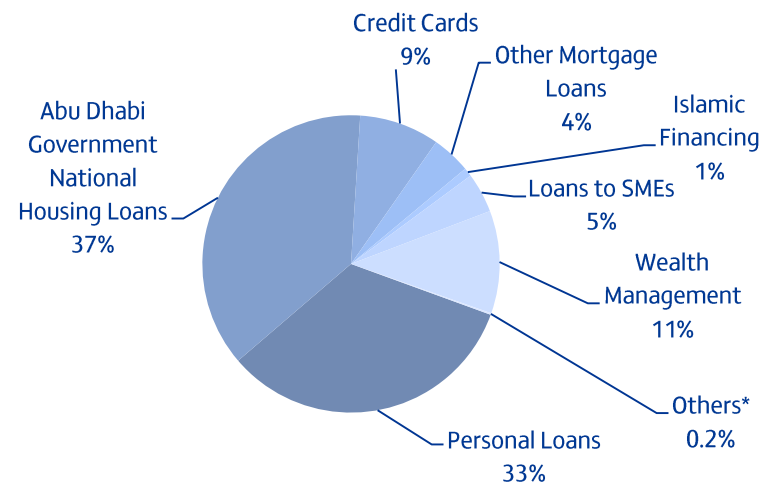
NET PROFITS (USD Mn)



TOTAL ASSETS (USD Bn)



CONSUMER GROSS LOAN PORTFOLIO (JUN'16)



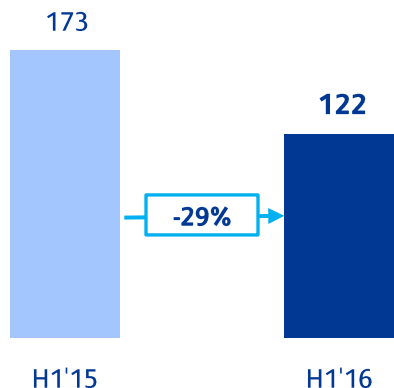
*Auto loans and overdrafts

Treasury & Global Markets – T&GM

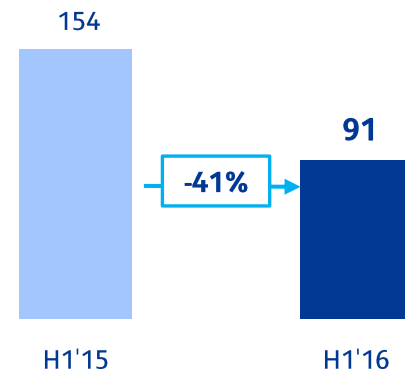
HIGHLIGHTS

- T&GM net profits were down by 41% YoY due to lower revenues and impairments taken against CRWA as per CB UAE guidance
- Approx. 84% of FGB's investment portfolio is invested in investment grade fixed income bonds, of which 48% is allocated to GCC.
- The average duration of the AFS portfolio which represents 85% of the total portfolio is 3.1 years.
- 41% of the Fixed Income portfolio is rated A- & above, 43% is rated between BBB+ & BBB-, the remaining 16% is non-rated/sub-investment grade.
- The WARF of the Fixed Income portfolio is BBB-

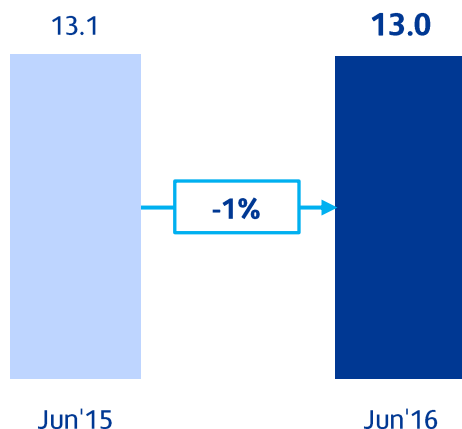
OPERATING INCOME (USD Mn)



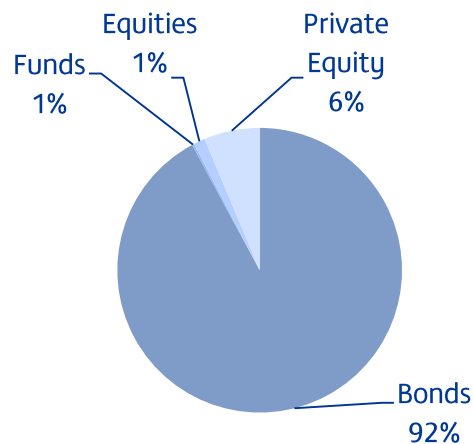
NET PROFITS (USD Mn)



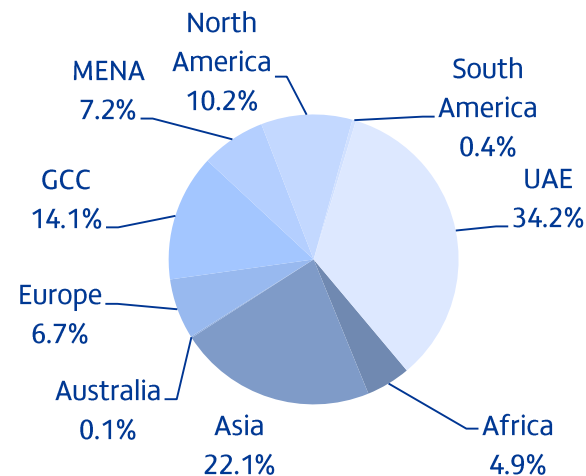
TOTAL ASSETS (USD Bn)



INVESTMENTS¹ BY TYPE



INVESTMENTS¹ BY REGION



¹Excluding Treasury Bills and bonds related to LCR portfolio

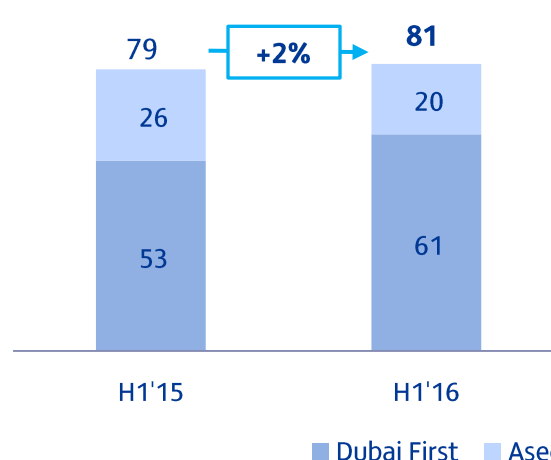
Consumer Finance Subsidiaries

Dubai First and Aseel Islamic Finance

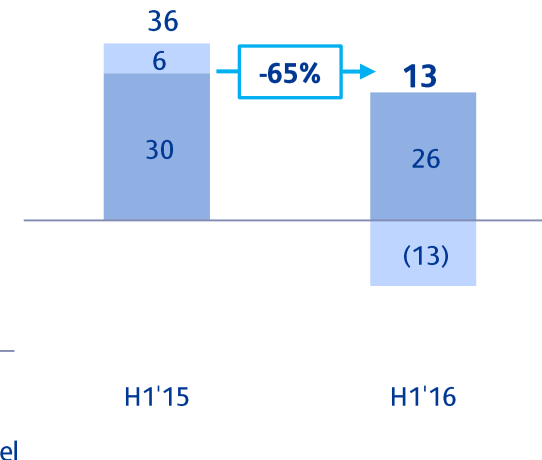
HIGHLIGHTS

- Dubai First and Aseel are FGB's consumer finance subsidiaries specialised in credit cards and SME islamic financing respectively
- Both companies generated combined revenues of USD 81Mn, up 2% YoY, contributing 7% to H1'16 Group revenue
- Aseel recorded a net loss of USD 13Mn in H1'16 due to its continued transition to an islamic business finance company

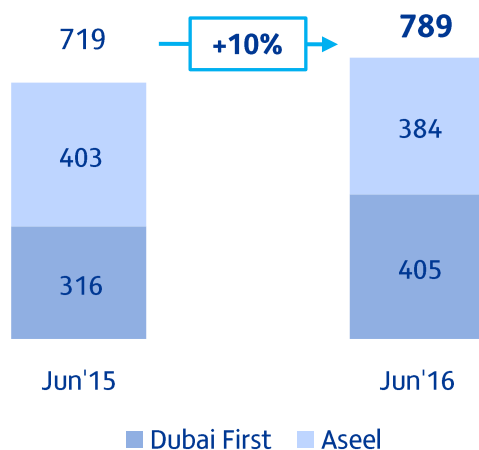
OPERATING INCOME (USD Mn)



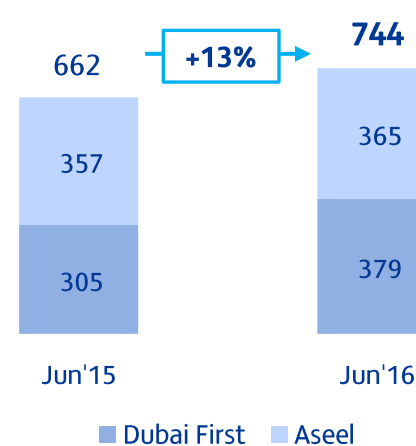
NET PROFITS (USD Mn)



TOTAL ASSETS (USD Mn)



TOTAL LOANS (USD Mn)

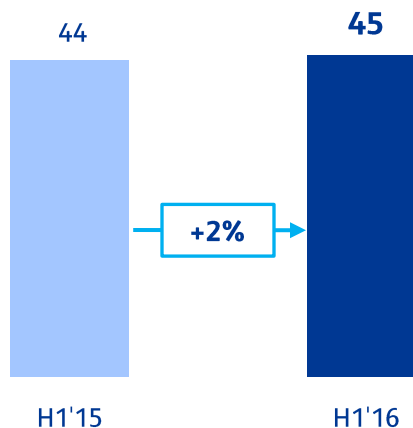


Real Estate Subsidiaries

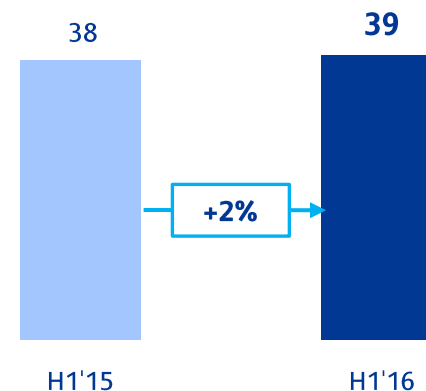
HIGHLIGHTS

- Real estate revenues grew by 2% YoY to USD 45Mn
- During H1'16, the Bank continued to reduce its real estate exposure through selective sale of properties in Dubai and Abu Dhabi
- As of Jun'16, 97% of FGB's investment properties portfolio is comprised of assets located in Abu Dhabi or generating rental income
- Rental yield in H1'16 landed at 5.4%

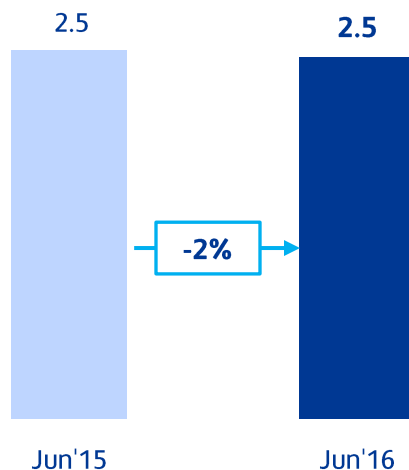
OPERATING INCOME (USD Mn)



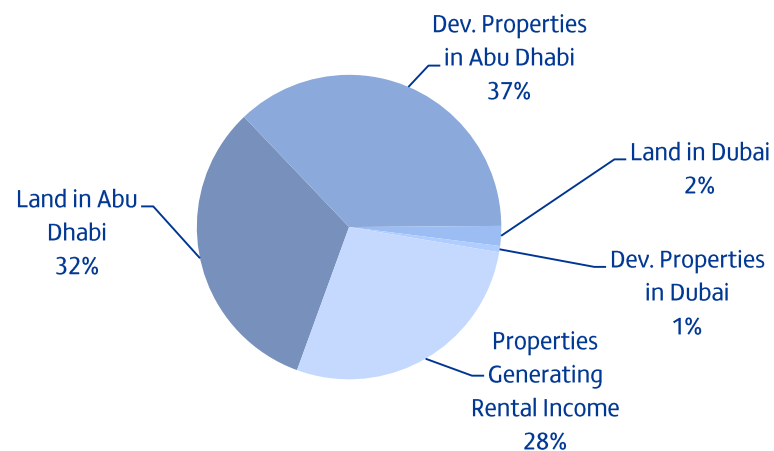
NET PROFITS (USD Mn)



TOTAL ASSETS (USD Bn)



INVESTMENT PROPERTIES PORTFOLIO¹ (JUN'16)



¹USD 2.3Bn as of June-end 2016

Dividend History

	2015	2014	2013	2012	2011
NET PROFIT (USD Mn)	1,635	1,540	1,300	1,130	1,009
CASH DIVIDEND (USD Mn)	1,225	1,062	817	681	408
CASH DIVIDEND (% OF CAPITAL)	100%	100%	100%	83%	100%
BONUS SHARES (% OF CAPITAL)	-	15.38%	30%	-	100%
DIVIDEND PAYOUT RATIO (% OF NET PROFIT)	75%	69%	63%	60%	40%
BASEL II CAPITAL ADEQUACY AFTER DIVIDEND DISTRIBUTION ¹	17.5%	17.5%	17.4%	18.7%	18.0%

¹ CAR adjusted from Tier 2 MoF Loan of USD 1.2Bn repaid in March 2013

FGB Overview

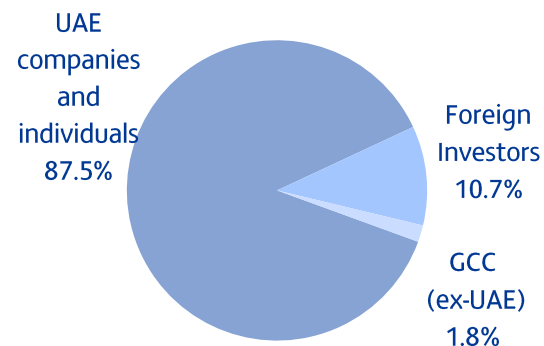
A LEADING UAE FRANCHISE

- Incorporated in 1979 and headquartered in Abu Dhabi
- Wide range of financial products and services offered through a network of 23 branches in the UAE. In addition, FGB is present through branches in Doha and Singapore, and rep offices in Mumbai, Hong Kong, Seoul and London. The Bank also has a JV in Libya.
- 1,367 employees
- Listed in 2002; Market cap of USD 15.4Bn as of June 30th, 2016

RATINGS

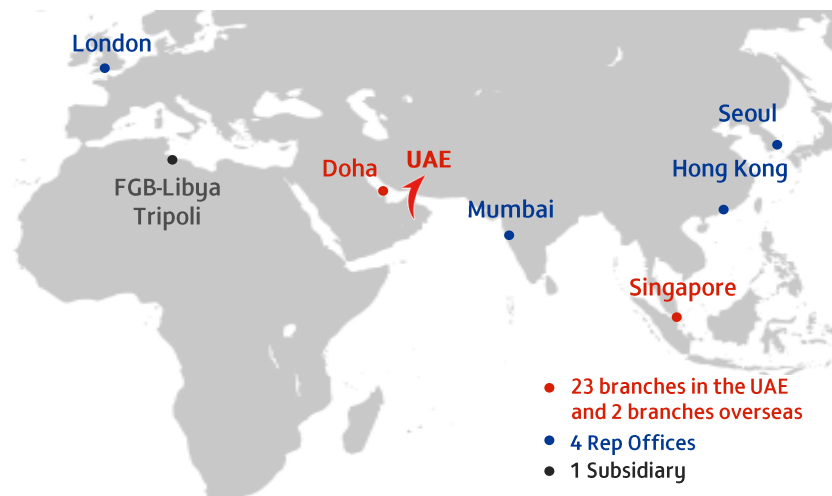
	RATING	OUTLOOK
	A+ (Since 2007)	Rating Watch Positive
	A2 (Since 2007)	Positive
	A (Since Feb'16)	Credit Watch Positive

OWNERSHIP STRUCTURE* (AS OF JUN'16)

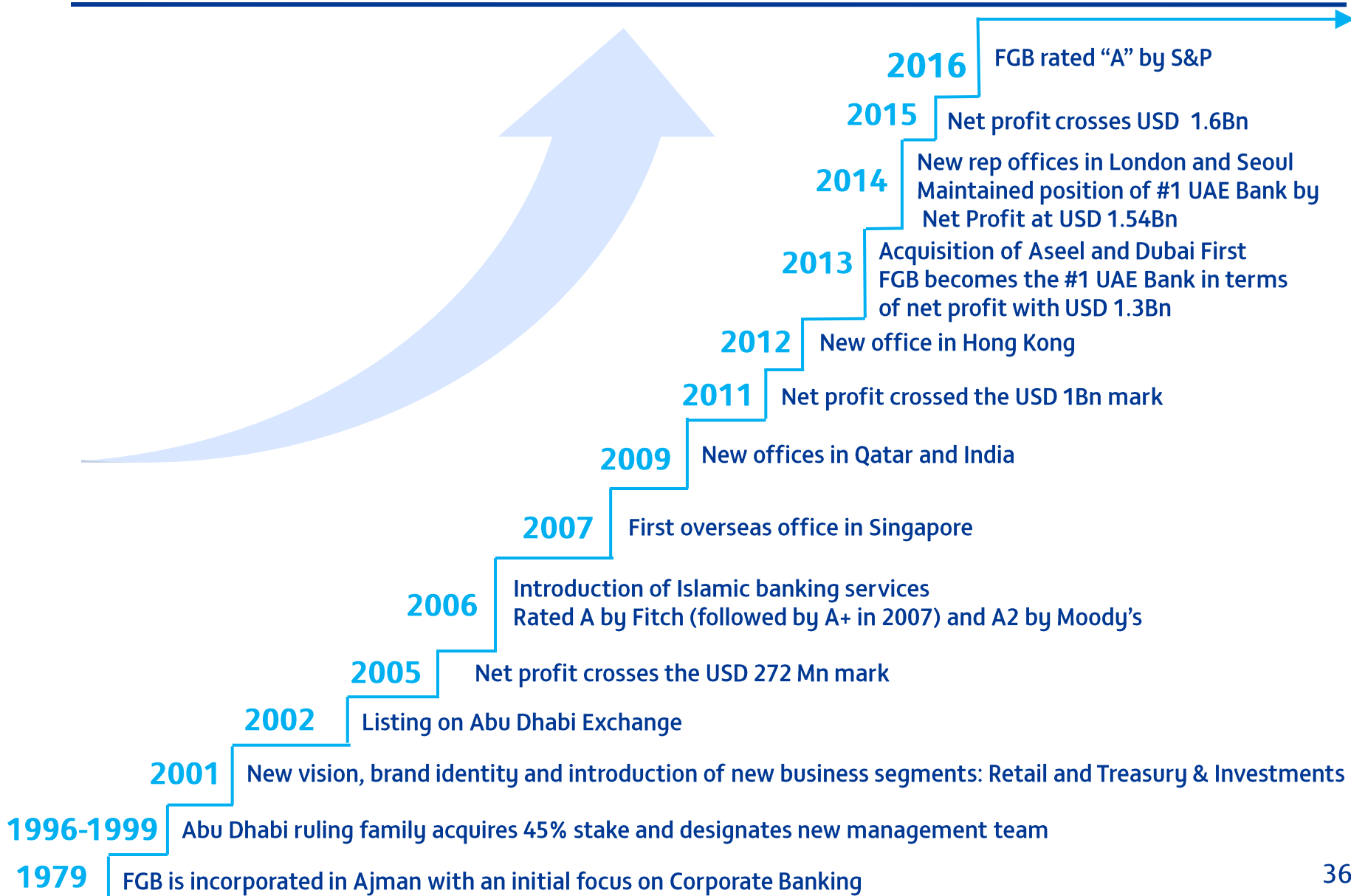


* FGB's Foreign Ownership Limit (FOL) is at 25%

GLOBAL FOOTPRINT

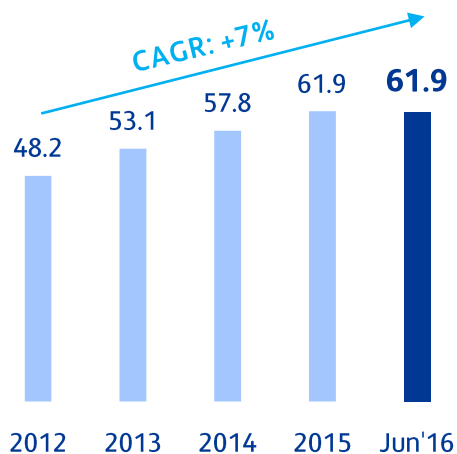


History & Key Milestones

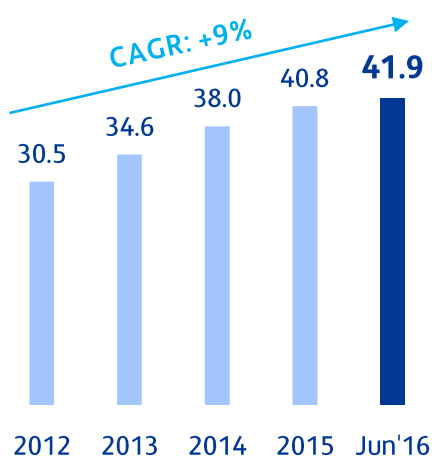


Key Achievements

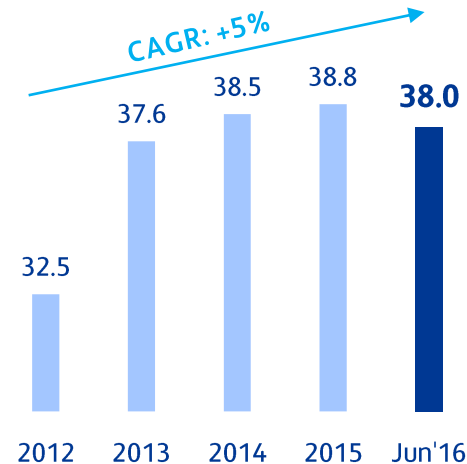
TOTAL ASSETS (USD Bn)



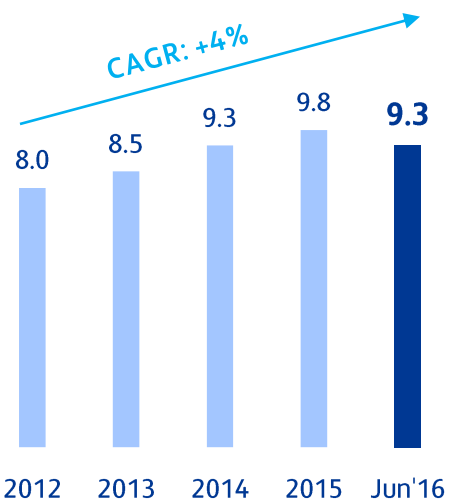
LOANS & ADVANCES (USD Bn)



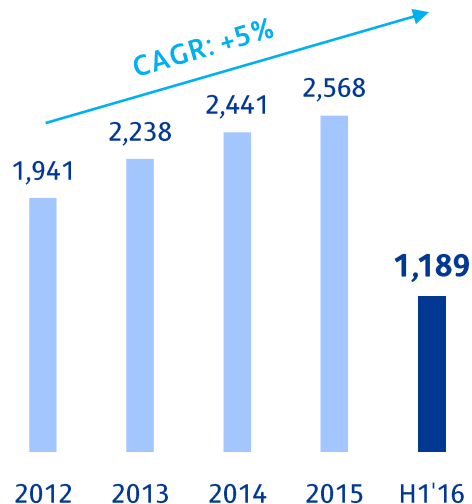
CUSTOMER DEPOSITS (USD Bn)



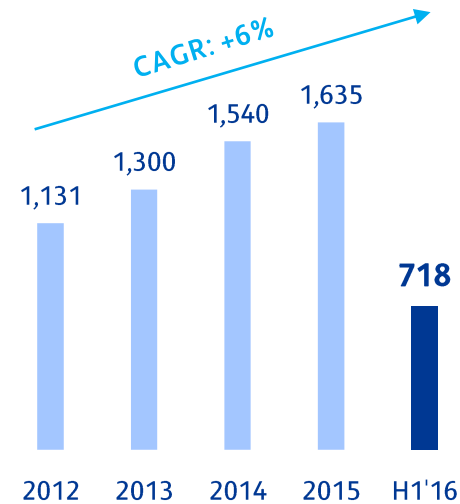
SHAREHOLDERS' EQUITY (USD Bn)



OPERATING INCOME (USD Mn)



NET PROFIT (USD Mn)



Board of Directors

FGB Board Members are prominent stakeholders of the Abu Dhabi Business Community



H.H. SHEIKH TAHNOON BIN ZAYED AL NAHYAN – CHAIRMAN

CHAIRMAN OF AMIRI FLIGHT

CHAIRMAN OF ROYAL GROUP



**AHMED ALI
AL SAYEGH**

VICE CHAIRMAN

CHAIRMAN OF ABU DHABI
GLOBAL MARKET
MANAGING DIRECTOR OF
DOLPHIN ENERGY

*Board Member of:
Etihad Airways
Abu Dhabi National
Insurance Company*



**ABDULHAMID
MOHAMMED SAEED**

BOARD MEMBER

FGB MANAGING DIRECTOR

*Board Member of:
Emirates Investment
Authority
Mubadala Development
Company*



**KHALDOON KHALIFA
AL MUBARAK**

BOARD MEMBER

GROUP CEO AND MANAGING
DIRECTOR OF MUBADALA
DEVELOPMENT COMPANY

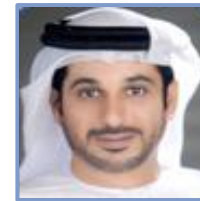
*Member of:
Abu Dhabi Executive Council
Abu Dhabi Council for Economic
Development
Abu Dhabi Executive Affairs
Authority (Chairman)*



**SULTAN KHALFAN
ALKTEBI**

BOARD MEMBER

*Board Member of
Al Ain Holding LLC
(Vice Chairman)*



**MOHAMMED SAIF
AL SUWAIDI**

BOARD MEMBER

DIRECTOR GENERAL OF ABU
DHABI FUND FOR
DEVELOPMENT

*Vice Chairman of the board
of Al Masraf (ARBIFT)
Chairman of Al Ain Farms
for Livestock production
Board member of the
center of food security
of Abu Dhabi*



JASSIM ALSEDDIQI

BOARD MEMBER

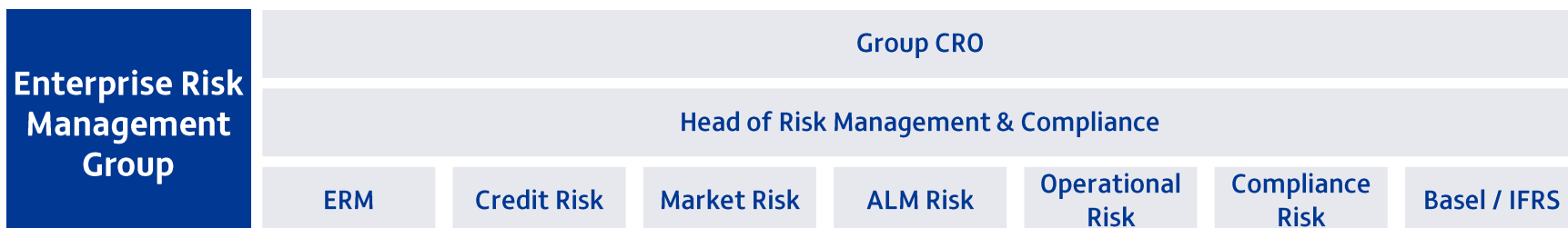
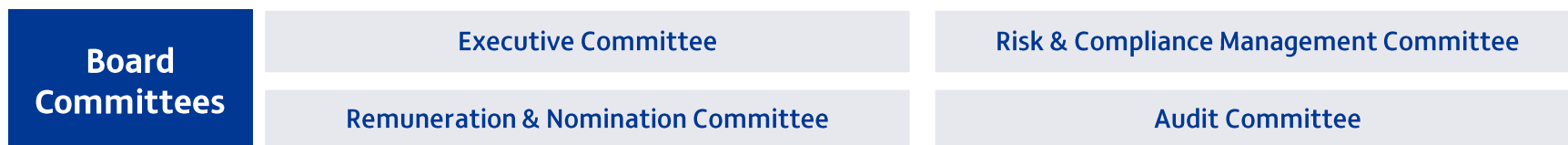
MANAGING DIRECTOR AND CEO
OF ABU DHABI FINANCIAL GROUP

*Chairman of Reem Finance,
Integrated Capital PJSC and
Integrated Securities LLC
Board Member at Tourism and
Development Investment
Company, Qannas Investments
Limited, Abu Dhabi Capital Group
and Northacre Plc*

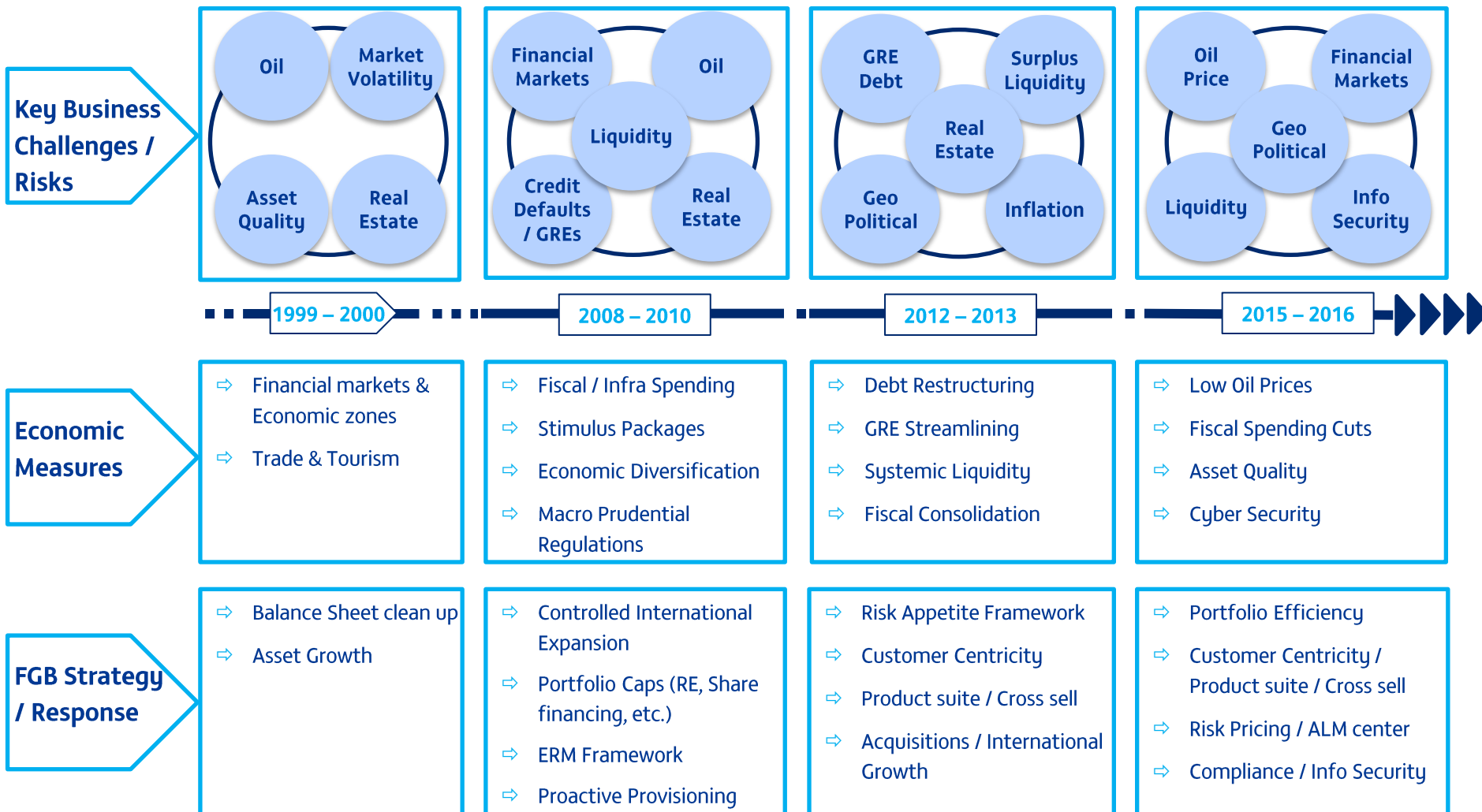
Corporate Governance

Strong & Independent Governance framework covering all material risks across the Group

Board of Directors

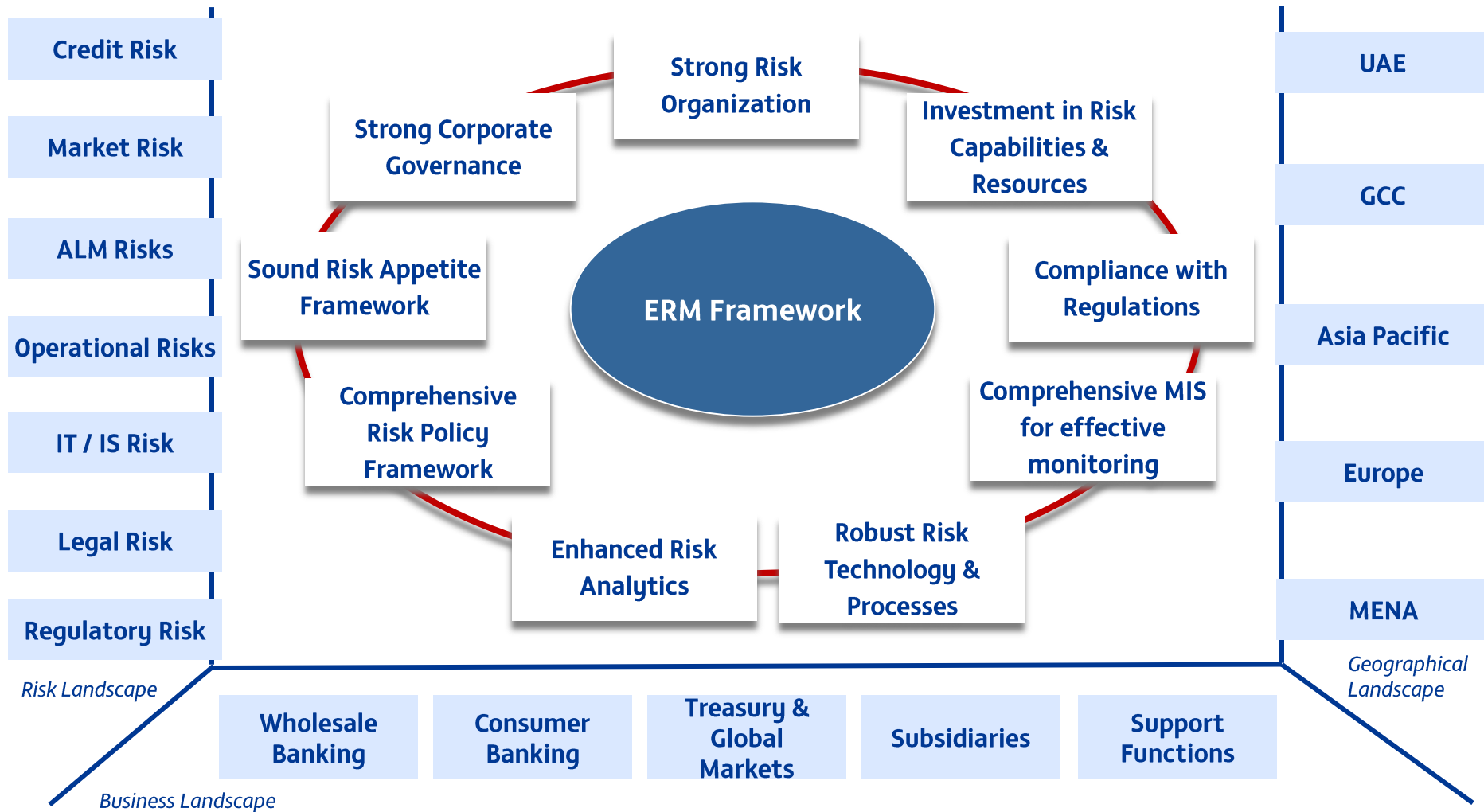


Economic Measures & FGB Strategy



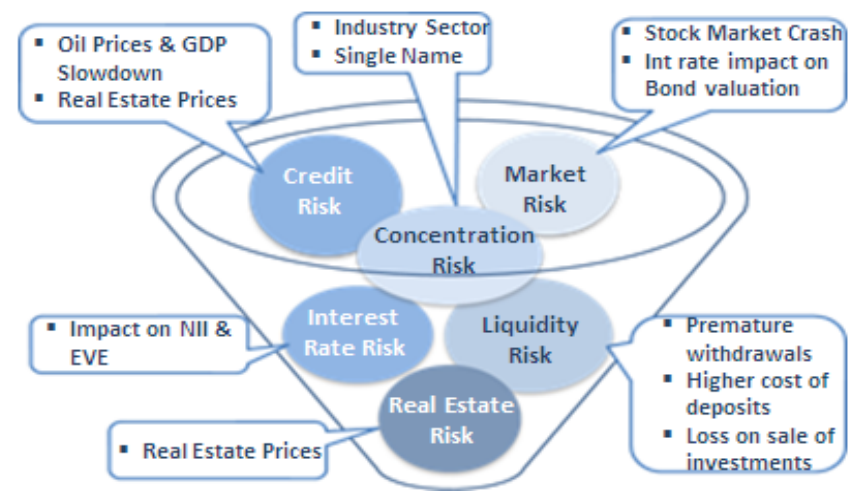
... THROUGH PROACTIVE MANAGEMENT OF DIVERSE RISKS IN AN INTEGRATED MANNER

Enterprise Risk Management Framework



Strong fundamentals and risk bearing capacity

- Comprehensive Stress testing framework:**
- ❑ Drop in Oil prices and its impact on GDP and other sectors
 - ❑ Real Estate slow down
 - ❑ Volatility in financial markets
 - ❑ Liquidity stress
 - ❑ Interest Rate shocks
 - ❑ Concentration of Balance Sheet



SURPLUS CAPITAL AND ADEQUATE LIQUIDITY UNDER STRESS SITUATIONS

USD Mn	2012	2013	2014	2015	H1' 16	USD Mn	2014	2015	H1' 16
Pillar II CAR (Moderate Stress)	17.6%	14.7%	15.0%	13.9%	14.7%	1 M Stress Gap (Moderate Stress)	6,021	3,922	4,407
Surplus Capital (Moderate Stress)	2,271	1,262	1,514	979	1,400	1 M Stress Gap (Extreme Stress)	7,629	5,459	6,014
Pillar II CAR (Extreme Stress)	15.8%	12.9%	13.3%	12.2%	12.8%	Available Liquid Cushion (Liquid assets + 1/3rd of Market lines available)	7,058	9,748	8,737
Surplus Capital (Extreme Stress)	1,501	415	651	122	402				

Plan Abu Dhabi 2030

ENERGY

- Masdar City - the world's first carbon neutral, zero-waste to landfill, car-free city powered entirely by alternative energy sources.
- Masdar Institute – an institute developed with Massachusetts Institute of Technology (MIT) with the aim to develop the emirate's human capital and develop research in alternative energies.



AVIATION, AEROSPACE & DEFENCE

- Strata is a composite aero structures manufacturing facility, wholly-owned by Mubadala, which has formed partnerships with a number of leading aerospace companies to establish manufacturing programs at a new plant in Al Ain.



TOURISM

Entertainment

- Yas Marina Circuit
- Ferrari World Abu Dhabi
- Yas Waterworld Abu Dhabi
- Al Ain Wildlife Park
- Shopping malls
- Louvre Abu Dhabi
- Zayed National Museum

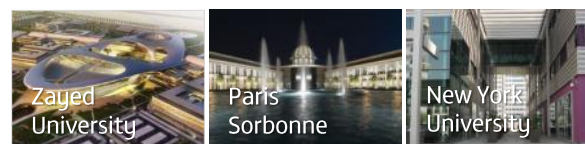
Hotels

- Etihad Towers
- Emirates Palace
- St. Regis Abu Dhabi
- Rocco Forte Hotel
- Qasr Al Sarab Desert Resort
- Ritz-Carlton Abu Dhabi
- Eastern Mangroves Hotel



EDUCATION

- Universities: Paris Sorbonne Abu Dhabi, New York University, and Zayed University



HEALTHCARE, EQUIPMENT & SERVICES

- Cleveland Clinic Abu Dhabi will offer a 364-bed hospital organized into five institutes, digestive disease, eye, heart & vascular, neurological, respiratory and critical care.



Abu Dhabi in the GCC context

		Long Term Ratings ⁽¹⁾ (Moody's, S&P, Fitch)		Oil Production ⁽²⁾	GDP Per Capita ⁽³⁾
		2014	Current	2015	2016f
	Abu Dhabi	Aa2 , AA, AA	Aa2(-) , AA, AA	2.8mn bpd	USD 67,800
	Saudi Arabia	Aa3, AA-, AA	A1, A-, AA- (-)	12.0mn bpd	USD 19,313
	Kuwait	Aa2, AA, AA	Aa2 (-), AA, AA	3.1mn bpd	USD 25,142
	Qatar	Aa2, AA, NR	Aa2 (-), AA, AA	1.9mn bpd	USD 66,265
	Bahrain	Baa2 (-), BBB, BBB	Ba2 (-), BB, BB+	0.4mn bpd	USD 22,798
	Oman	A1, A, NR	Baa1, BBB-, NR	1.0mn bpd	USD 13,060

¹ Source: Bloomberg

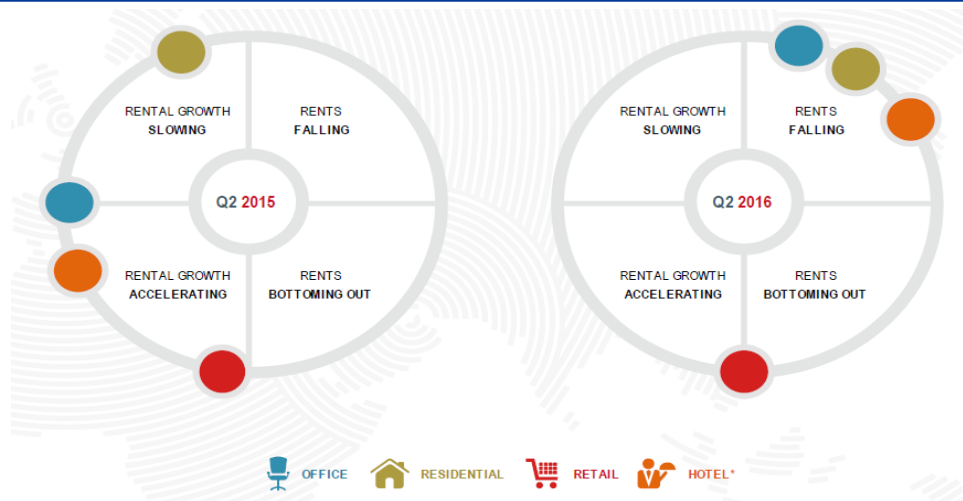
² Source: BP Statistical Review of World Energy (June 2016), except Abu Dhabi (Opec statistical year book 2015)

³ 2016 forecasts - Source: April 2016 IMF data for all, except Abu Dhabi (S&P, Aug'16 report)

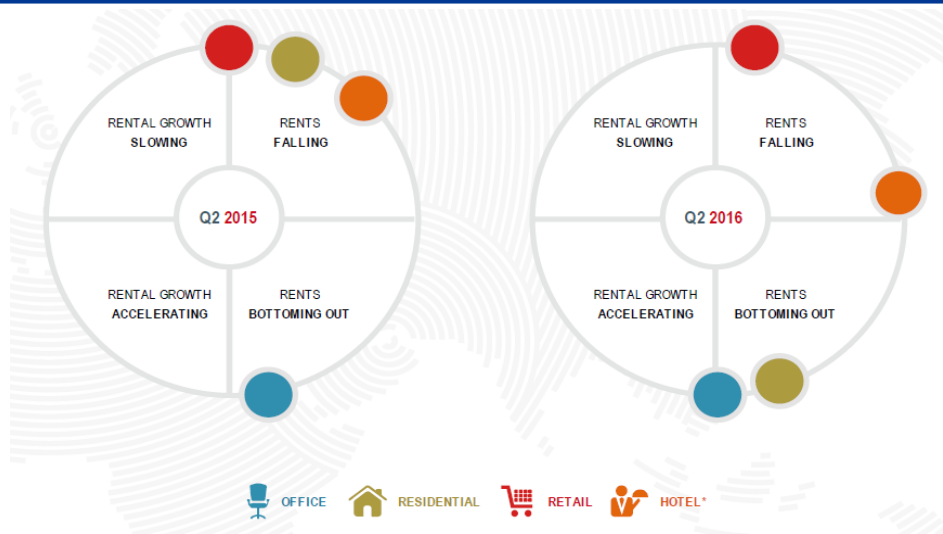
Note: Unless otherwise indicated, all outlooks are stable; (-) Negative outlook

Real Estate Trends – Q2'16 Rental Clocks

ABU DHABI PRIME RENTAL CLOCK



DUBAI PRIME RENTAL CLOCK



Awards



2016 : ‘Best Co-branded Credit Card’, ‘Best Onshore Wealth Proposition’ ‘Best SME Trade Finance Offering’ and ‘Best Bancassurance Product’

2015 : “Best Bank in the UAE” and “Best Bank in the Middle East”



Seven Banker Middle East UAE Product Awards: ‘Best Call Centre’, ‘Best Credit Card’, ‘Best Personal Loan’, ‘Best Wealth Management Service/Proposition’, ‘Best Offshore Wealth Proposition’, ‘Best Deposit Account Product’ and ‘Best Bancassurance Product’



‘Most Innovative Service Provider’ - 2015 MENA IR Insurance Awards



The Banker 2015 Islamic Banker of the Year Awards – ‘Shariah-Compliant Window’



2015 Trade Finance Awards for Excellence: ‘Best Islamic Trade Finance Bank EMEA’

THE ASIAN BANKER®

Asian Banker 2015 Middle East and Africa Country Awards: ‘Best Wealth Management in the Middle East Award’ and ‘Best Mortgage and Home Loan Product in the Middle East Award’



2015 Global Capital Bond Market Awards: ‘Most Impressive Middle East Borrower Award’



2015 Smart Card and Payments Middle East Awards: ‘Best Commercial Card Across Middle East’



Chartered Institute of Purchasing & Supply: ‘Best Procurement Start-up Function in the Middle East’



Interactive Media Awards: ‘Best in Class’ for FGB’s My FGB Card website; ‘Outstanding Achievement’ for the FGB Wealth website



UAE Excellence Awards: ‘Golden Award for www.FGBWealth.com’

Thank you!

For more Information:

Contact FGB Investor Relations Department: ir@fgb.ae

Visit our corporate website: www.fgbgroup.com

Follow FGB on social media:



Or download FGB's Investor Relations app: <https://www.myirapp.com/fgb/>

Please visit www.bankfortheUAE.com for further information about the proposed FGB-NBAD merger

