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FGB and NBAD shareholders approve the merger to create UAE's largest bank

- General assembly meetings of FGB and NBAD held on December 7th
- Combined bank has total assets of approximately AED655 billion (US\$178 billion), representing a 27% market share of UAE banking sector¹
- Shareholders approve combined bank's board of directors from effective merger date
- Effective date of merger towards the end of Q1 2017 as initially planned.

Abu Dhabi, 7 December 2016: Shareholders in First Gulf Bank PJSC (FGB) and National Bank of Abu Dhabi PJSC (NBAD) have approved a proposed merger of the two banks, which will create the largest financial institution in the United Arab Emirates (UAE) with assets of approximately AED655 billion (US\$178 billion).

At separate general assembly meetings held on December 7, shareholders in FGB and NBAD voted in favour of the merger, which was recommended by the board of directors of both banks on July 3. The approval of at least 75 per cent by value of the shares represented at FGB and NBAD quorate general assembly meetings was required to proceed with the merger.

His Highness Sheikh Tahnoon Bin Zayed Al Nahyan, Chairman of FGB, commented:

"The overwhelming vote of support from FGB and NBAD shareholders to approve this historic merger is a clear testament to the compelling rationale and value proposition for creating a bank with the financial strength, scale and expertise to deliver benefits for our customers, our shareholders and for the wider UAE economy."

His Excellency Nasser Ahmed Alsowaidi, Chairman of NBAD, said:

"The resounding endorsement for the combined bank from both sets of shareholders represents a significant milestone. The new larger bank will be in an excellent position to invest in our people, in technology, in products and services that our increasingly sophisticated client base demands, while capitalising on growth opportunities in the UAE and beyond".

Shareholders from both banks voted in favour of all agenda items at each general assembly meeting, including the authorisation of the combined bank's board of directors once the merger becomes effective. His Highness Sheikh Tahnoon Bin Zayed Al Nahyan is the Chairman designate, while His Excellency Nasser Ahmed Alsowaidi is the Vice Chairman designate. Mr. Abdulhamid M. Saeed, who is currently Board Member and Managing Director of FGB, is the Chief Executive Officer designate for the combined bank.

Mr. Abdulhamid M. Saeed, Chief Executive Officer Designate, added:

"Since the announcement of the planned merger in July, both banks have made strong progress towards integration. The vote of confidence from shareholders to create the largest bank in the UAE is based on an understanding that bringing together the best talents from FGB and NBAD and will create a market-leading

¹ Based on Q3 2016 pro forma numbers and UAE Central Bank data as of 30 September 2016

product offering both in Personal Banking as well as in Corporate and Investment Banking locally and overseas.”

The recommended transaction will involve a share swap, in which FGB shareholders receive 1.254 NBAD shares for each FGB share they hold. Following the issue of new NBAD shares, FGB shareholders will own approximately 52 percent of the combined bank, with NBAD shareholders owning approximately 48 percent. The Government of Abu Dhabi and Government related entities will own approximately 37 percent of the merged entity.

On the effective date of the merger, FGB shares will be delisted from the Abu Dhabi Securities Exchange (ADX) and the company dissolved.

The merger has been approved by the Central Bank of the UAE, and requires further approval from international regulators and the Securities and Commodities Authority (SCA) before it becomes effective, which is expected to occur towards the end of the first quarter of 2017. Following the shareholder approval, a 30-day creditor objection period will be triggered on December 12, 2016.

For further information on the transaction, please visit: www.bankfortheUAE.com.

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About FGB

As a major leading bank in the UAE, FGB had Shareholder Equity of AED 36.0 Billion as of September 30th, 2016 making it one of the largest equity based banks in the UAE. Established in 1979 and headquartered in Abu Dhabi, the bank offers a full range of financial services to business and consumer sectors through a network of branches across the UAE. Internationally, FGB has branches in Singapore and Qatar, representative offices in India, Hong Kong, United Kingdom, Seoul- Korea and a subsidiary in Libya.

FGB is recognised as a world-class organisation committed to maximising value for shareholders, customers and employees as it focuses on delivering banking products and services that meet client needs and support the UAE's dynamic economy. In line with its commitment to excellence the bank continues to invest significantly in people and technology to provide superior service standards.

For more information

Visit FGB's corporate website: www.fgbgroup.com

Follow FGB on social media



About NBAD

NBAD has one of the largest networks in the UAE, with 106 branches and cash offices and 527 ATMs across the country. NBAD's growing international presence consists of 45 branches and offices in 16 countries stretching across five continents from the Far East to the Americas, giving it the largest global network among all UAE banks.

Since 2009, NBAD has been ranked consecutively as one of the World's 50 Safest Banks by the prestigious Global Finance magazine, which also named NBAD the Safest Bank in the Emerging Markets and the Middle East.

NBAD is rated senior long term/short term AA-/A-1+ by Standard & Poor's (S&P), Aa3/P1 by Moody's, AA-/F1+ by Fitch, A+ by Rating and Investment Information Inc (R&I) Japan, and AAA by RAM (Malaysia), giving it one of the strongest combined rating of any Global financial institution.

A comprehensive financial institution, NBAD offers a range of banking services including retail, investment and Islamic banking. NBAD grows strategically toward its vision to be recognised as the World's Best Arab Bank.

For more information please visit website: www.nbad.com.

FURTHER INFORMATION

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