



First Abu Dhabi Bank vs Peer Banks

17 May 2018

Disclaimer

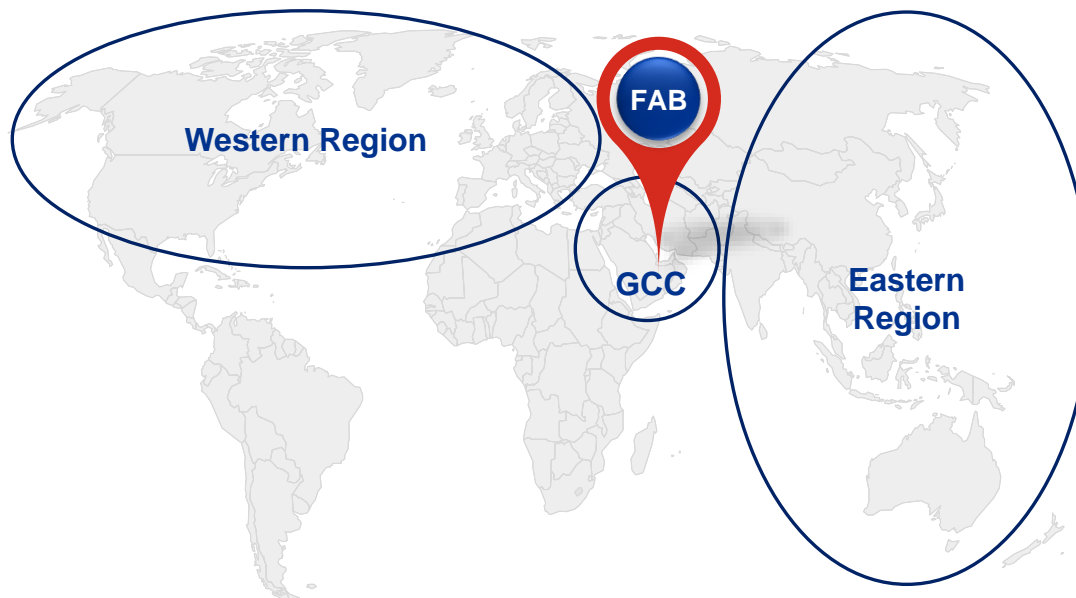
The information contained herein has been prepared by First Abu Dhabi Bank P.J.S.C (“FAB”). FAB relies on information obtained from sources believed to be reliable but does not guarantee its accuracy or completeness.

This presentation has been prepared for information purposes only and is not and does not form part of any offer for sale or solicitation of any offer to subscribe for or purchase or sell any securities nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever.

Some of the information in this presentation may contain projections or other forward-looking statements regarding future events or the future financial performance of FAB. These forward-looking statements include all matters that are not historical facts. The inclusion of such forward-looking information shall not be regarded as a representation by FAB or any other person that the objectives or plans of FAB will be achieved. FAB undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Welcome to our “First Abu Dhabi Bank vs Peer Banks” report. In this document we compare FAB with some of the best known banks in the world – from the West (US, Canada, UK, Europe, Scandinavia, etc) to the Middle East region (GCC) and Asia (China, Hong Kong, Japan, Korea, India, Australia, etc) using only factual information and data. The approach we have followed for this analysis is as follows:

- We compare the peer banks across various parameters such as credit ratings, CDS spreads, RoE, Capital Adequacy, etc.
- We have used “composite ratings” for this analysis – i.e. the average of the ratings assigned by three leading rating agencies Moody’s, S&P and Fitch – in order to provide a holistic view of the credit strength of each bank.
- We have deliberately made the report text-light and chart-based in an attempt to make it easier to digest. Hopefully you will find it both interesting and useful.



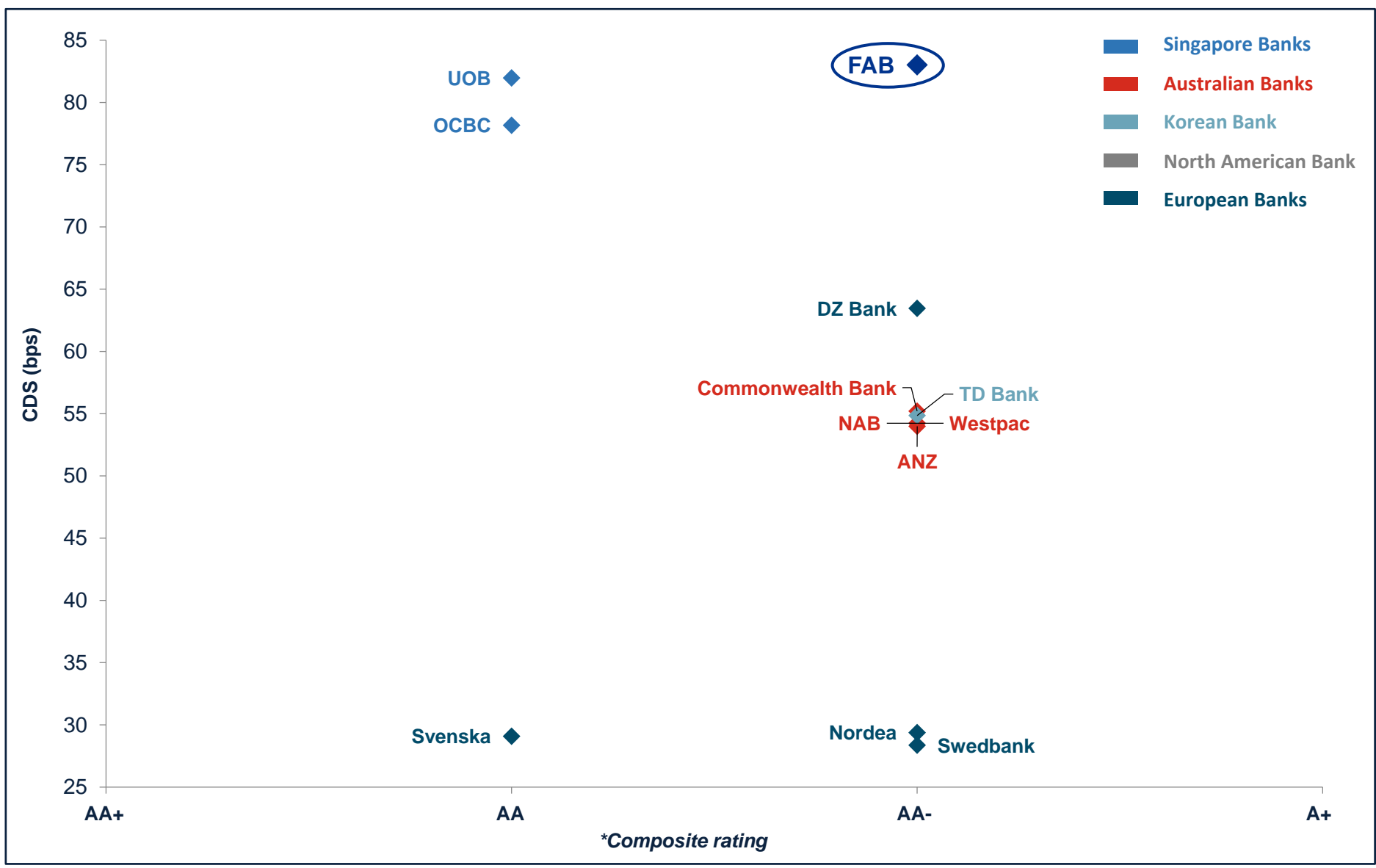
FAB is one of the top rated commercial banks in the world

There are only 14 commercial banks in the world rated AA- or higher by all three major rating agencies. FAB is proud to be one of them.

	Moody's			S&P			Fitch			Composite Rating	Composite Score	5-yr CDS level**
	Rating	Outlook	Score*	Rating	Outlook	Score*	Rating	Outlook	Score*			
First Abu Dhabi Bank (FAB) *	Aa3	Stable	4	AA-	Stable	4	AA-	Stable	4	AA-	4	83
Singapore Banks												
Oversea-Chinese Banking Corp (OCBC)	Aa1	Stable	2	AA-	Stable	4	AA-	Stable	4	AA	3	78
United Overseas Bank (UOB)	Aa1	Stable	2	AA-	Stable	4	AA-	Stable	4	AA	3	82
Australian Bank												
National Australia Bank LTD	Aa3	Stable	4	AA-	Negative	4	AA-	Stable	4	AA-	4	54
Commonwealth Bank of Australia	Aa3	Stable	4	AA-	Negative	4	AA-	Negative	4	AA-	4	55
Australia & New Zealand Banking Group	Aa3	Stable	4	AA-	Negative	4	AA-	Stable	4	AA-	4	54
Westpac Banking Corp	Aa3	Stable	4	AA-	Negative	4	AA-	Stable	4	AA-	4	54
North American Banks												
Toronto-Dominion Bank (Canada)	Aa2	Negative	3	AA-	Stable	4	AA-	Stable	4	AA-	4	55
AgriBank (US)	Aa3	Stable	4	AA-	Stable	4	AA-	Stable	4	AA-	4	NA
European Banks												
Svenska Handelsbanken (Sweden)	Aa2	Stable	3	AA-	Stable	4	AA	Stable	3	AA	3	29
Swedbank AB (Sweden)	Aa2	Stable	3	AA-	Stable	4	AA-	Stable	4	AA-	4	28
Nordea Bank AB (Sweden)	Aa3	Stable	4	AA-	Stable	4	AA-	Stable	4	AA-	4	29
DZ Bank (Germany)	Aa3	Stable	4	AA-	Stable	4	AA-	Stable	4	AA-	4	63
Deutsche Apotheker- und Aerztebank (Germany)	Aa3	Stable	4	AA-	Stable	4	AA-	Stable	4	AA-	4	NA

Notes: * Scoring is derived based on the rating assigned by the rating agencies. AAA or equivalent being the best with rank "1", followed by AA+ or equivalent as "2", AA or equivalent as "3" and so on; ** CDS levels are for 15-May-18 & in basis points; Source: Bloomberg; Global Finance magazine survey of "Safest 25 Commercial Banks In The World"

Banks rated AA- or higher by all three ratings agencies



Notes: * Scoring is derived based on the rating assigned by the rating agencies. AAA or equivalent being the best with rank "1", followed by AA+ or equivalent as "2", AA or equivalent as "3" and so on; ** CDS levels are for 15-May-18 & in basis points; Source: Bloomberg

Rating comparison – FAB vs Western banks

	Moody's			S&P			Fitch			Composite Rating	Composite Score	5-yr CDS level**
	Rating	Outlook	Score*	Rating	Outlook	Score*	Rating	Outlook	Score*			
First Abu Dhabi Bank (FAB) *	Aa3	Stable	4	AA-	Stable	4	AA-	Stable	4	AA-	4	83
U.K. Banks												
HSBC	A2	Stable	6	A	Stable	6	AA-	Stable	4	A+	5	23
Standard Chartered (StanChart)	A2	Stable	6	BBB+	Stable	8	A+	Negative	5	A	6	69
Lloyds Banking Group (Lloyds)	A3	Stable	7	BBB+	Stable	8	A+	Stable	5	A-	7	33
Barclays	Baa3	Stable	10	BBB	Stable	9	A	Stable	6	BBB+	8	47
Royal Bank of Scotland (RBS)	Baa3	Stable	10	BBB-	Stable	10	BBB+	Positive	8	BBB	9	83
European Banks												
Svenska Handelsbanken	Aa2	Stable	3	AA-	Stable	4	AA	Stable	3	AA	3	29
Banque Cantonale Vaudoise	Aa2	Stable	3	AA	Stable	3	NA	NA	NA	AA	3	NA
Swedbank	Aa2	Stable	3	AA-	Stable	4	AA-	Stable	4	AA-	4	28
Skandinaviska Enskilda Banken (SEB)	Aa2	Stable	3	A+	Stable	5	AA-	Stable	4	AA-	4	29
Rabobank	Aa3	Stable	4	A+	Positive	5	AA-	Stable	4	AA-	4	23
UBS AG	A1	Watch Pos	5	A+	Stable	5	AA-	Stable	4	A+	5	34
Credit Agricole	A1	Stable	5	A	Positive	6	A+	Stable	5	A+	5	28
BNP Paribas	Aa3	Stable	4	A	Stable	6	A+	Stable	5	A+	5	31
Societe Generale (SocGen)	A1	Stable	5	A	Stable	6	A	Stable	6	A	6	36
ING Groep NV	Baa1	Stable	8	A-	Stable	7	A+	Stable	5	A-	7	48
Credit Suisse	Baa2	Stable	9	BBB+	Stable	8	A-	Stable	7	BBB+	8	62
Deutsche Bank	Baa2	Negative	9	A-	Watch Neg	7	BBB+	Stable	8	BBB+	8	112
North American Banks												
Royal Bank of Canada (RBC)	A1	Negative	5	AA-	Negative	4	AA	Stable	3	AA-	4	NA
Toronto-Dominion Bank (TDBank)	Aa2	Negative	3	AA-	Stable	4	AA-	Stable	4	AA-	4	55
Bank of Nova Scotia	A1	Negative	5	A+	Stable	5	AA-	Stable	4	A+	5	NA
Bank of Montreal (BMO)	A1	Negative	5	A+	Stable	5	AA-	Stable	4	A+	5	NA
JP Morgan Chase	A3	Stable	7	A-	Stable	7	A+	Stable	5	A	6	45
Morgan Stanley	A3	Stable	7	BBB+	Stable	8	A	Stable	6	A-	7	58
Citigroup Inc	Baa1	Positive	8	BBB+	Stable	8	A	Stable	6	A-	7	50
Goldman Sachs	A3	Stable	7	BBB+	Stable	8	A	Stable	6	A-	7	60
Bank of America	A3	Stable	7	A-	Stable	7	A	Stable	6	A-	7	49

Notes: * Scoring is derived based on the rating assigned by the rating agencies. AAA or equivalent being the best with rank "1", followed by AA+ or equivalent as "2", AA or equivalent as "3" and so on; ** CDS levels are for 15-May-18 & in basis points; Source: Bloomberg

Rating comparison – FAB vs GCC banks

	Moody's			S&P			Fitch			Composite Rating	Composite Score	5-yr CDS level**
	Rating	Outlook	Score*	Rating	Outlook	Score*	Rating	Outlook	Score*			
First Abu Dhabi Bank (FAB) *	Aa3	Stable	4	AA-	Stable	4	AA-	Stable	4	AA-	4	83
UAE Banks												
Union National Bank (UNB)	A1	Stable	5	NA	NA	NA	A+	Stable	5	A+	5	NA
Abu Dhabi Commercial Bank (ADCB)	A1	Stable	5	A	Stable	6	A+	Stable	5	A+	5	77
Emirates NBD (ENBD)	A3	Stable	7	NA	NA	NA	A+	Stable	5	A	6	111
Mashreqbank	Baa1	Stable	8	BBB+	Stable	8	A	Stable	6	A-	7	93
Qatar Banks												
Qatar National Bank (QNB)	Aa3	Negative	4	A	Negative	6	A+	Negative	5	A+	5	123
Doha Bank	A2	Negative	6	BBB+	Negative	8	A	Negative	6	A-	7	NA
Commercial Bank of Qatar (CBQ)	A2	Negative	6	BBB+	Negative	8	A	Negative	6	A-	7	197
Saudi Banks												
Samba Financial Group	A1	Stable	5	BBB+	Stable	8	A-	Stable	7	A-	7	135
National Commercial Bank (NCB)	A1	Stable	5	BBB+	Stable	8	A-	Stable	7	A-	7	139
Banque Saudi Fransi	A1	Stable	5	BBB+	Stable	8	A-	Stable	7	A-	7	NA
Bahrain Banks												
Arab Banking Corporation (ABC)	NA	NA	NA	BBB-	Negative	10	BBB-	Stable	10	BBB-	10	93
National Bank of Bahrain (NBB)	B2	Negative	15	NA	NA	NA	BB-	Stable	13	B+	14	NA
Kuwait Banks												
National Bank of Kuwait (NBK)	Aa3	Stable	4	A+	Stable	5	AA-	Stable	4	AA-	4	NA
Commercial Bank of Kuwait (CBK)	A3	Stable	7	NA	NA	NA	A+	Stable	5	A	6	NA
Oman Banks												
Bank Muscat SAOG	Baa3	Negative	10	BB	Stable	12	BBB-	Negative	10	BB+	11	NA
National Bank of Oman	Baa3	Negative	10	NA	NA	NA	BBB-	Negative	10	BBB-	10	NA

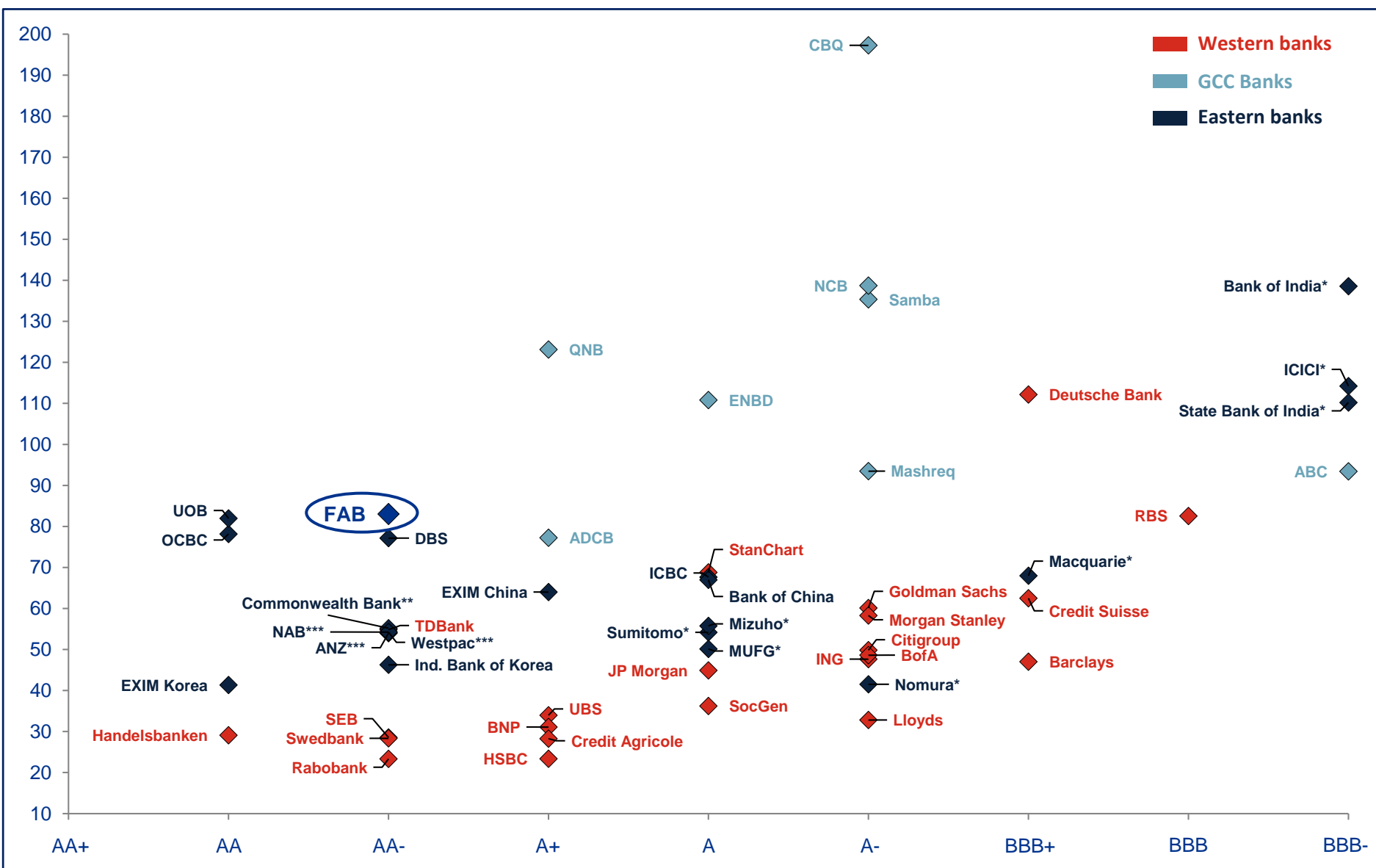
Notes: * Scoring is derived based on the rating assigned by the rating agencies. AAA or equivalent being the best with rank "1", followed by AA+ or equivalent as "2", AA or equivalent as "3" and so on; ** CDS levels are for 15-May-18 & in basis points; Source: Bloomberg

Rating comparison – FAB vs Eastern banks

	Moody's			S&P			Fitch			Composite Rating	Composite Score	5-yr CDS level**
	Rating	Outlook	Score*	Rating	Outlook	Score*	Rating	Outlook	Score*			
First Abu Dhabi Bank (FAB) *	Aa3	Stable	4	AA-	Stable	4	AA-	Stable	4	AA-	4	83
Japanese Banks												
Sumitomo Mitsui Financial Group	A1	Stable	5	A-	Positive	7	A	Stable	6	A	6	54
Mitsubishi UFJ Financial Group Inc (MUFG)	A1	Stable	5	A-	Positive	7	A	Stable	6	A	6	50
Mizuho Financial Group Inc	A1	Stable	5	A-	Stable	7	A-	Stable	7	A	6	56
Nomura Holdings	Baa1	Stable	8	A-	Negative	7	A-	Stable	7	A-	7	42
Australian Banks												
Commonwealth Bank of Australia	Aa3	Stable	4	AA-	Negative	4	AA-	Negative	4	AA-	4	55
National Australia Bank (NAB)	Aa3	Stable	4	AA-	Negative	4	AA-	Stable	4	AA-	4	54
Australia & New Zealand Bank (ANZ)	Aa3	Stable	4	AA-	Negative	4	AA-	Stable	4	AA-	4	54
Westpac Banking Corp	Aa3	Stable	4	AA-	Negative	4	AA-	Stable	4	AA-	4	54
Macquarie Group	A3	Stable	7	BBB	Stable	9	A-	Stable	7	BBB+	8	68
Other Asian Banks (ex Japan & Australia)												
Oversea-Chinese Banking Corp (OCBC)	Aa1	Stable	2	AA-	Stable	4	AA-	Stable	4	AA	3	78
United Overseas Bank (UOB)	Aa1	Stable	2	AA-	Stable	4	AA-	Stable	4	AA	3	82
DBS Group	Aa2	Stable	3	NA	NA	NA	AA-	Stable	4	AA-	4	77
Export-Import Bank of China (EXIM China)	A1	Stable	5	A+	Stable	5	A+	Stable	5	A+	5	64
Ind. & Commercial Bank of China (ICBC)	A1	Stable	5	A	Stable	6	A	Stable	6	A	6	68
Bank of China	A1	Stable	5	A	Stable	6	A	Stable	6	A	6	67
Export-Import Bank of Korea (EXIM Korea)	Aa2	Stable	3	AA	Stable	3	AA-	Stable	4	AA	3	41
Industrial Bank of Korea	Aa2	Stable	3	AA-	Stable	4	AA-	Stable	4	AA-	4	46
ICICI Bank	Baa3	Stable	10	BBB-	Stable	10	BBB-	Stable	10	BBB-	10	114
State Bank of India	Baa2	Stable	9	BBB-	Stable	10	BBB-	Stable	10	BBB-	10	110
Bank of India	Baa3	Stable	10	BB+	Stable	11	BBB-	Stable	10	BBB-	10	139

Notes: * Scoring is derived based on the rating assigned by the rating agencies. AAA or equivalent being the best with rank "1", followed by AA+ or equivalent as "2", AA or equivalent as "3" and so on; ** CDS levels are for 15-May-18 & in basis points; For OCBC, UOB & DBS the CDS are at subordinate level as Senior CDS quotes are not available; Source: Bloomberg

Composite credit rating vs 5-year CDS spread



Notes: * X-axis represents the composite rating. The ratings have been arranged from higher to lower starting from 'AA+', followed by 'AA' and so on; CDS levels are for 15-May-18; For OCBC, UOB & DBS the CDS are at subordinate level as Senior CDS quotes are not available; Source: Bloomberg

Common equity tier 1 ratio – CET1

Western Banks (FY 2017)

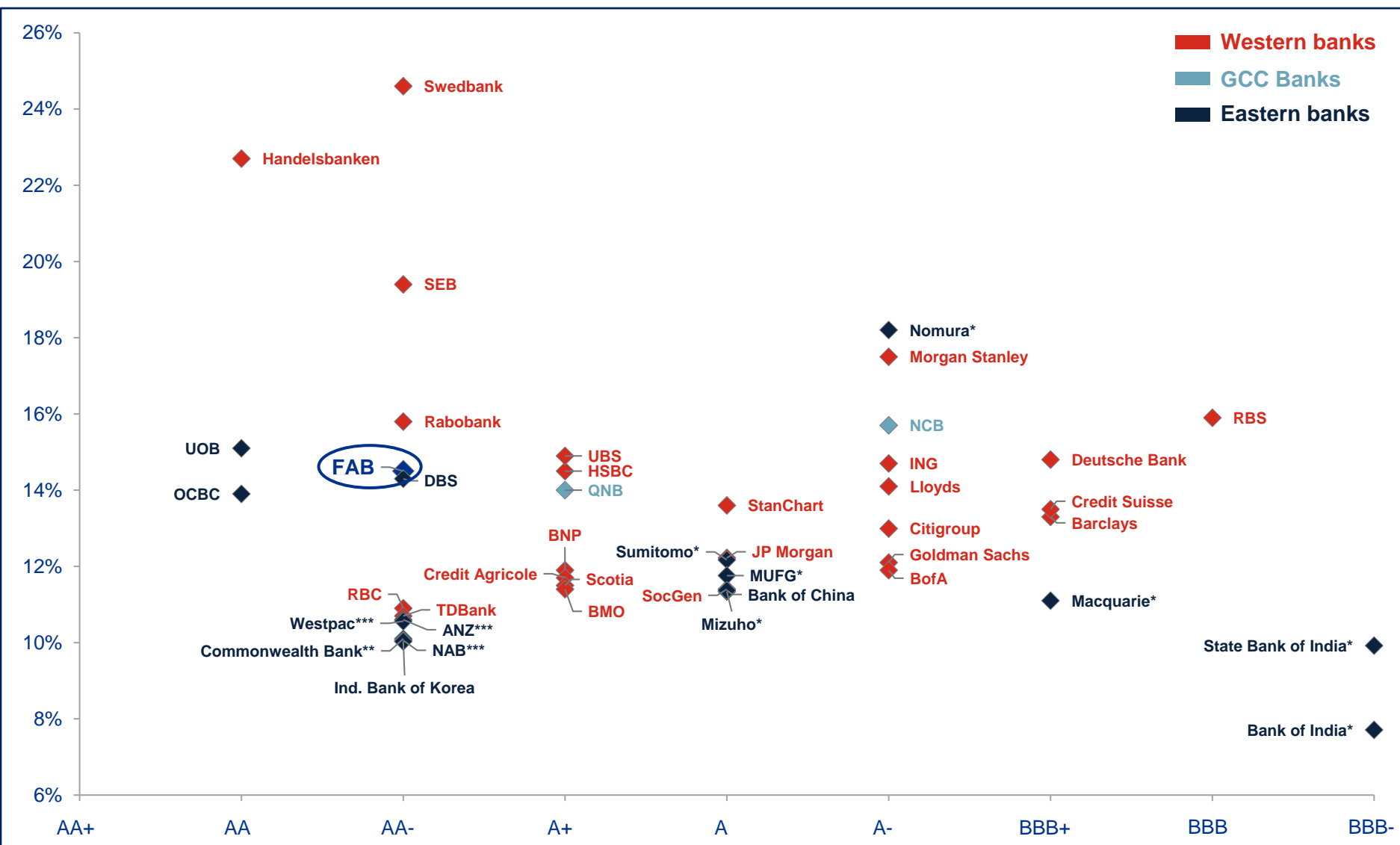
First Abu Dhabi Bank (FAB) *	14.5%
U.K. Banks	
Royal Bank of Scotland (RBS)	15.9%
HSBC	14.5%
Lloyds Banking Group (Lloyds)	14.1%
Standard Chartered (StanChart)	13.6%
Barclays	13.3%
European Banks	
Swedbank	24.6%
Svenska Handelsbanken	22.7%
Skandinaviska Enskilda Banken (SEB)	19.4%
Banque Cantonale Vaudoise	17.1%
Rabobank	15.8%
UBS AG	14.9%
Deutsche Bank	14.8%
ING Groep NV	14.7%
Credit Suisse	13.5%
BNP Paribas	11.9%
Credit Agricole	11.7%
Societe Generale	11.4%
North American Banks	
Morgan Stanley	17.5%
Citigroup Inc	13.0%
JP Morgan Chase	12.2%
Bank of America	11.9%
Bank of Nova Scotia	11.5%
Bank of Montreal (BMO)	11.4%
Goldman Sachs	10.9%
Royal Bank of Canada (RBC)	10.9%
Toronto-Dominion Bank (TDBank)	10.7%

Eastern Banks (FY 2017^)

First Abu Dhabi Bank (FAB) *	14.5%
Japanese Banks	
Nomura Holdings*	18.2%
Sumitomo Mitsui Financial Group*	12.2%
Mitsubishi UFJ Financial Group Inc (MUFG)*	11.8%
Mizuho Financial Group Inc*	11.3%
Australian Banks	
Macquarie Group*	11.1%
Australia & New Zealand Bank (ANZ)***	10.6%
Westpac Banking Corp***	10.6%
Commonwealth Bank of Australia**	10.1%
National Australia Bank (NAB)***	10.1%
Other Asian Banks (ex Japan & Aus)	
United Overseas Bank (UOB)	15.1%
DBS Group	14.3%
Oversea-Chinese Banking Corp (OCBC)	13.9%
Bank of China	11.4%
Export-Import Bank of China (EXIM China)	NA
Industrial & Commercial Bank of China (ICBC)	NA
Industrial Bank of Korea	10.0%
Export-Import Bank of Korea (EXIM Korea)	NA
State Bank of India*	9.9%
Bank of India*	7.7%
ICICI Bank*	NA

Notes: FAB's CET1 ratio is as per UAE Central Bank's Basel III framework (without considering the transitional arrangements for 2017); Many GCC banks yet to start reporting the CET1 ratios; ^Banks in the Asian group have different financial year ending; FY ending other than 31-Dec-17 are highlighted with special characters: * for 31-Mar-17; ** for 30-Jun-17; & *** for 30-Sep-17; We have taken the latest available annual ratios for comparison; Source: Bloomberg

Common equity tier 1 ratio (CET1) vs Composite rating



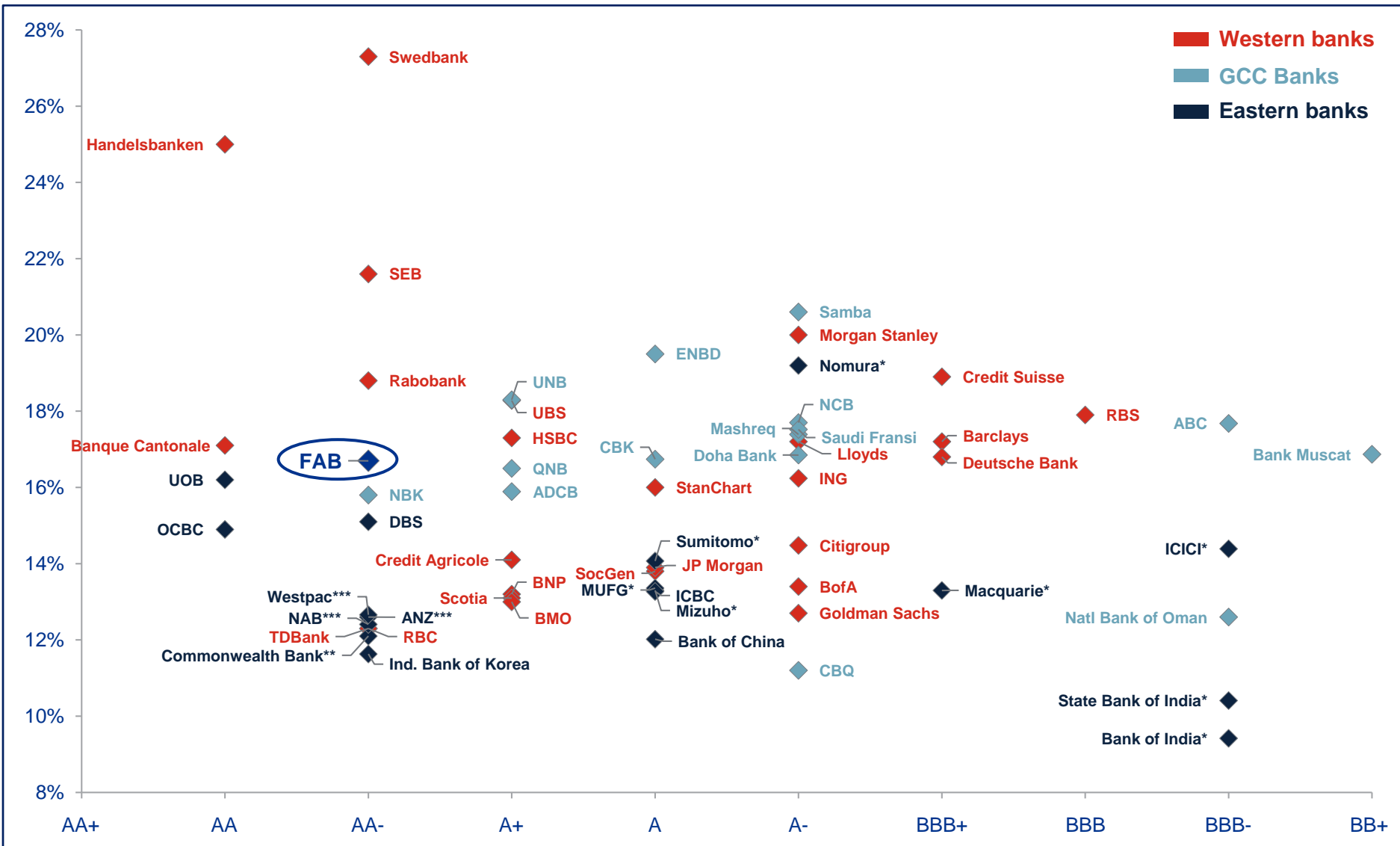
Notes: FAB's CET1 ratio is as per UAE Central Bank's Basel III framework (without considering the transitional arrangements for 2017); Many GCC banks yet to start reporting the CET1 ratios; ^Banks in the Asian group have different financial year ending; FY ending other than 31-Dec-17 are highlighted with special characters: * for 31-Mar-17; ** for 30-Jun-17; & *** for 30-Sep-17; We have taken the latest available annual ratios for comparison; Source: Bloomberg

Tier 1 capital adequacy ratio

Western Banks (FY 2017)		GCC Banks (FY 2017)		Eastern Banks (FY 2017 [^])	
First Abu Dhabi Bank (FAB) *	16.7%	First Abu Dhabi Bank (FAB) *	16.7%	First Abu Dhabi Bank (FAB) *	16.7%
U.K. Banks		UAE Banks		Japanese Banks	
Royal Bank of Scotland (RBS)	17.9%	Emirates NBD (ENBD)	19.5%	Nomura Holdings*	19.2%
HSBC	17.3%	Union National Bank (UNB)	18.3%	Sumitomo Mitsui Financial Group*	14.1%
Lloyds Banking Group (Lloyds)	17.2%	Mashreqbank	17.4%	Mitsubishi UFJ Financial Group Inc (MUFG)*	13.4%
Barclays	17.2%	Abu Dhabi Commercial Bank (ADCB)	15.9%	Mizuho Financial Group Inc*	13.3%
Standard Chartered (StanChart)	16.0%				
European Banks		Qatar Banks		Australian Banks	
Swedbank	27.3%	Qatar National Bank (QNB)	16.5%	Macquarie Group*	13.3%
Svenska Handelsbanken	25.0%	Doha Bank	16.9%	Westpac Banking Corp***	12.7%
Skandinaviska Enskilda Banken (SEB)	21.6%	Commercial Bank of Qatar (CBQ)	11.2%	Australia & New Zealand Bank (ANZ)***	12.6%
Credit Suisse	18.9%			National Australia Bank (NAB)***	12.4%
Rabobank	18.8%	Saudi Banks		Commonwealth Bank of Australia**	12.1%
UBS AG	18.3%	Samba Financial Group	20.6%		
Banque Cantonale Vaudoise	17.1%	National Commercial Bank (NCB)	17.7%	Other Asian Banks (ex Japan & Aus)	
Deutsche Bank	16.8%	Banque Saudi Fransi	17.5%	United Overseas Bank (UOB)	16.2%
ING Groep NV	16.2%			DBS Group	15.1%
Credit Agricole	14.1%	Bahrain Banks		Oversea-Chinese Banking Corp (OCBC)	14.9%
Societe Generale	13.8%	National Bank of Bahrain (NBB)	36.3%	Industrial & Commercial Bank of China (ICBC)	13.3%
BNP Paribas	13.2%	Arab Banking Corporation (ABC)	17.7%	Bank of China	12.0%
North American Banks		Kuwait Banks		Export-Import Bank of China (EXIM China)	NA
Morgan Stanley	20.0%	National Bank of Kuwait (NBK)	15.8%	Industrial Bank of Korea	11.6%
Citigroup Inc	14.5%	Commercial Bank of Kuwait (CBK) [^]	16.7%	Export-Import Bank of Korea (EXIM Korea)	NA
JP Morgan Chase	13.9%			ICICI Bank*	14.4%
Bank of America	13.4%	Oman Banks		State Bank of India*	10.4%
Bank of Nova Scotia	13.1%	Bank Muscat SAOG	16.9%	Bank of India*	9.4%
Bank of Montreal (BMO)	13.0%	National Bank of Oman	12.6%		
Goldman Sachs	12.7%				
Royal Bank of Canada (RBC)	12.3%				
Toronto-Dominion Bank (TDBank)	12.3%				

Notes: FAB's Tier 1 ratio is as per UAE Central Bank's Basel III framework (without considering the transitional arrangements for 2017); [^]Banks in the Asian group have different financial year ending; FY ending other than 31-Dec-17 are highlighted with special characters: * for 31-Mar-17; ** for 30-Jun-17; & *** for 30-Sep-17; We have taken the latest available annual ratios for comparison; [^]CBK ratio is for FY 2016 as 2017 ratio is not yet available; Source: Bloomberg

Tier 1 capital adequacy ratio vs Composite rating



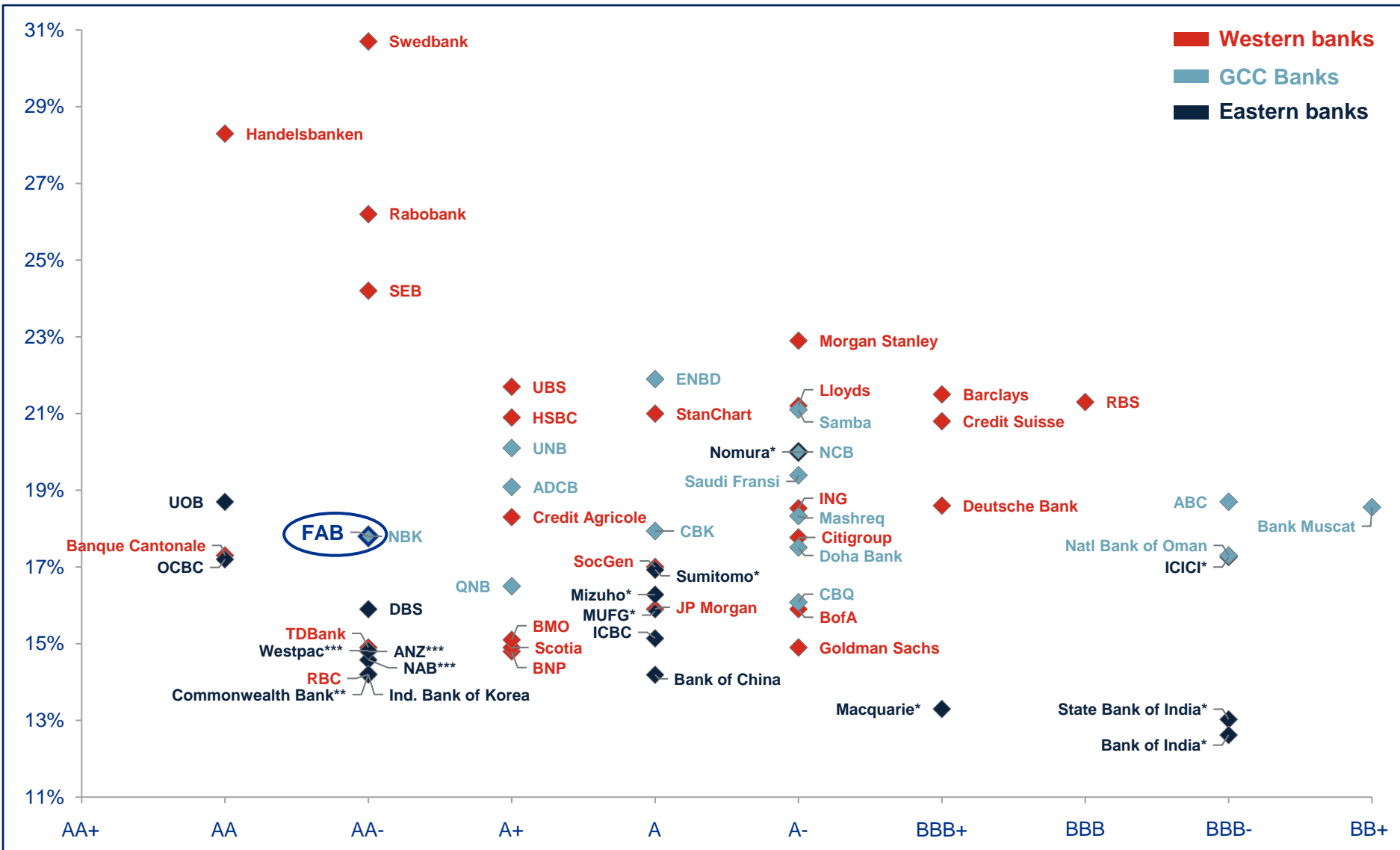
Notes: FAB's Tier 1 ratio is as per UAE Central Bank's Basel III framework (without considering the transitional arrangements for 2017); ^Banks in the Asian group have different financial year ending; FY ending other than 31-Dec-17 are highlighted with special characters: * for 31-Mar-17; ** for 30-Jun-17; & *** for 30-Sep-17; We have taken the latest available annual ratios for comparison; ^CBK ratio is for FY 2016 as 2017 ratio is not yet available; Source: Bloomberg

Total capital adequacy ratio

Western Banks (FY 2017)		GCC Banks (FY 2017)		Eastern Banks (FY 2017 [^])	
First Abu Dhabi Bank (FAB) *	17.8%	First Abu Dhabi Bank (FAB) *	17.8%	First Abu Dhabi Bank (FAB) *	17.8%
U.K. Banks		UAE Banks		Japanese Banks	
Barclays	21.5%	Emirates NBD (ENBD)	21.9%	Nomura Holdings*	20.0%
Royal Bank of Scotland (RBS)	21.3%	Union National Bank (UNB)	20.1%	Sumitomo Mitsui Financial Group*	16.9%
Lloyds Banking Group (Lloyds)	21.2%	Abu Dhabi Commercial Bank (ADCB)	19.1%	Mizuho Financial Group Inc*	16.3%
Standard Chartered (StanChart)	21.0%	Mashreqbank	18.3%	Mitsubishi UFJ Financial Group Inc (MUFG)*	15.9%
HSBC	20.9%	Qatar Banks		Australian Banks	
European Banks		Doha Bank	17.5%	Westpac Banking Corp***	14.8%
Swedbank	30.7%	Qatar National Bank (QNB)	16.5%	Australia & New Zealand Bank (ANZ)***	14.8%
Svenska Handelsbanken	28.3%	Commercial Bank of Qatar (CBQ)	16.1%	National Australia Bank (NAB)***	14.6%
Rabobank	26.2%	Saudi Banks		Commonwealth Bank of Australia**	14.2%
Skandinaviska Enskilda Banken (SEB)	24.2%	Samba Financial Group	21.1%	Macquarie Group*	13.3%
UBS AG	21.7%	National Commercial Bank (NCB)	20.0%	Other Asian Banks (ex Japan & Aus)	
Credit Suisse	20.8%	Banque Saudi Fransi	19.4%	United Overseas Bank (UOB)	18.7%
Deutsche Bank	18.6%	Bahrain Banks		Oversea-Chinese Banking Corp (OCBC)	17.2%
ING Groep NV	18.5%	National Bank of Bahrain (NBB)	36.2%	DBS Group	15.9%
Credit Agricole	18.3%	Arab Banking Corporation (ABC)	18.7%	Industrial & Commercial Bank of China (ICBC)	15.1%
Banque Cantonale Vaudoise	17.3%	Kuwait Banks		Bank of China	14.2%
Societe Generale	17.0%	National Bank of Kuwait (NBK)	17.8%	Export-Import Bank of China (EXIM China)	NA
BNP Paribas	14.8%	Commercial Bank of Kuwait (CBK) [^]	17.9%	Industrial Bank of Korea	14.2%
North American Banks		Oman Banks		Export-Import Bank of Korea (EXIM Korea) [^]	10.8%
Morgan Stanley	22.9%	Bank Muscat SAOG	18.6%	ICICI Bank*	17.3%
Citigroup Inc	17.8%	National Bank of Oman	17.3%	State Bank of India*	13.0%
JP Morgan Chase	15.9%			Bank of India*	12.6%
Bank of America	15.9%				
Bank of Montreal (BMO)	15.1%				
Goldman Sachs	14.9%				
Toronto-Dominion Bank (TDBank)	14.9%				
Bank of Nova Scotia	14.9%				
Royal Bank of Canada (RBC)	14.2%				

Notes FAB's capital adequacy ratio is as per UAE Central Bank's Basel III framework; [^]Banks in the Asian group have different financial year ending; FY ending other than 31-Dec-17 are highlighted with special characters: * for 31-Mar-17; ** for 30-Jun-17; & *** for 30-Sep-17; We have taken the latest available annual ratios for comparison; [^]EXIM Korea & CBK ratio is for FY 2016 as 2017 ratio is not yet available; Source: Bloomberg /FAB

Total capital adequacy ratio vs Composite rating



Notes FAB's capital adequacy ratio is as per UAE Central Bank's Basel III framework; ^Banks in the Asian group have different financial year ending; FY ending other than 31-Dec-17 are highlighted with special characters: * for 31-Mar-17; ** for 30-Jun-17; & *** for 30-Sep-17; We have taken the latest available annual ratios for comparison; ^EXIM Korea & CBK ratio is for FY 2016 as 2017 ratio is not yet available; Source: Bloomberg /FAB

Return on tangible equity (RoTE)

Western Banks (FY 2017)		GCC Banks (FY 2017)		Eastern Banks (FY 2017 [^])	
First Abu Dhabi Bank (FAB) *	14.8%	First Abu Dhabi Bank (FAB) *	14.8%	First Abu Dhabi Bank (FAB) *	14.8%
U.K. Banks		UAE Banks		Japanese Banks	
Lloyds Banking Group (Lloyds)	7.8%	Emirates NBD (ENBD)	18.7%	Nomura Holdings*	9.1%
HSBC	6.5%	Abu Dhabi Commercial Bank (ADCB)	15.1%	Sumitomo Mitsui Financial Group*	8.4%
Royal Bank of Scotland (RBS)	3.3%	Mashreqbank	10.5%	Mizuho Financial Group Inc*	8.2%
Standard Chartered (StanChart)	1.9%	Union National Bank (UNB)	9.4%	Mitsubishi UFJ Financial Group Inc (MUFG)*	6.6%
Barclays	-3.9%	Qatar Banks		Australian Banks	
European Banks		Qatar National Bank (QNB)	21.1%	Commonwealth Bank of Australia**	19.3%
Swedbank	16.7%	Doha Bank	8.8%	Macquarie Group*	14.8%
Svenska Handelsbanken	12.4%	Commercial Bank of Qatar (CBQ)	2.3%	Westpac Banking Corp***	16.6%
Skandinaviska Enskilda Banken (SEB)	12.4%	Saudi Banks		Australia & New Zealand Bank (ANZ)***	12.5%
ING Groep NV	10.1%	National Commercial Bank (NCB)	17.7%	National Australia Bank (NAB)***	12.1%
Banque Cantonale Vaudoise	9.4%	Samba Financial Group	11.5%	Other Asian Banks (ex Japan & Aus)	
BNP Paribas	9.4%	Banque Saudi Fransi	10.5%	Oversea-Chinese Banking Corp (OCBC)	13.1%
Rabobank	6.9%	Bahrain Banks		United Overseas Bank (UOB)	11.7%
Credit Agricole	8.6%	National Bank of Bahrain (NBB)	14.1%	DBS Group	10.7%
Societe Generale	4.3%	Arab Banking Corporation (ABC)	5.0%	Industrial & Commercial Bank of China (ICBC)	14.6%
UBS AG	2.3%	Kuwait Banks		Bank of China	12.8%
Deutsche Bank	-2.0%	National Bank of Kuwait (NBK)	12.9%	Export-Import Bank of China (EXIM China)	1.6%
Credit Suisse	-2.7%	Commercial Bank of Kuwait (CBK)	8.9%	Industrial Bank of Korea	7.8%
North American Banks		Oman Banks		Export-Import Bank of Korea (EXIM Korea)	-13.2%
Royal Bank of Canada (RBC)	22.8%	Bank Muscat SAOG	10.9%	ICICI Bank*	10.3%
Toronto-Dominion Bank (TDBank)	20.9%	National Bank of Oman	8.2%	State Bank of India*	0.1%
Bank of Nova Scotia	19.1%			Bank of India*	-4.4%
Bank of Montreal (BMO)	17.4%				
JP Morgan Chase	13.4%				
Morgan Stanley	10.3%				
Bank of America	10.6%				
Goldman Sachs	6.2%				
Citigroup Inc	-4.1%				

Notes: * FAB's RoTE ratio is as per UAE Central Bank's Basel III framework; Based on the available financials on Bloomberg, RoTE for peer banks are estimated as: {net attributable profit less Tier-1 interest or Coupon payable on capital securities} / [average tangible equity]; [^]Banks in the Asian group have different financial year ending; FY ending other than 31-Dec-17 are highlighted with special characters: * for 31-Mar-17; ** for 30-Jun-17; & *** for 30-Sep-17; We have taken the latest available annual ratios for comparison; Source: Bloomberg

Return on tangible equity (RoTE) vs Composite rating



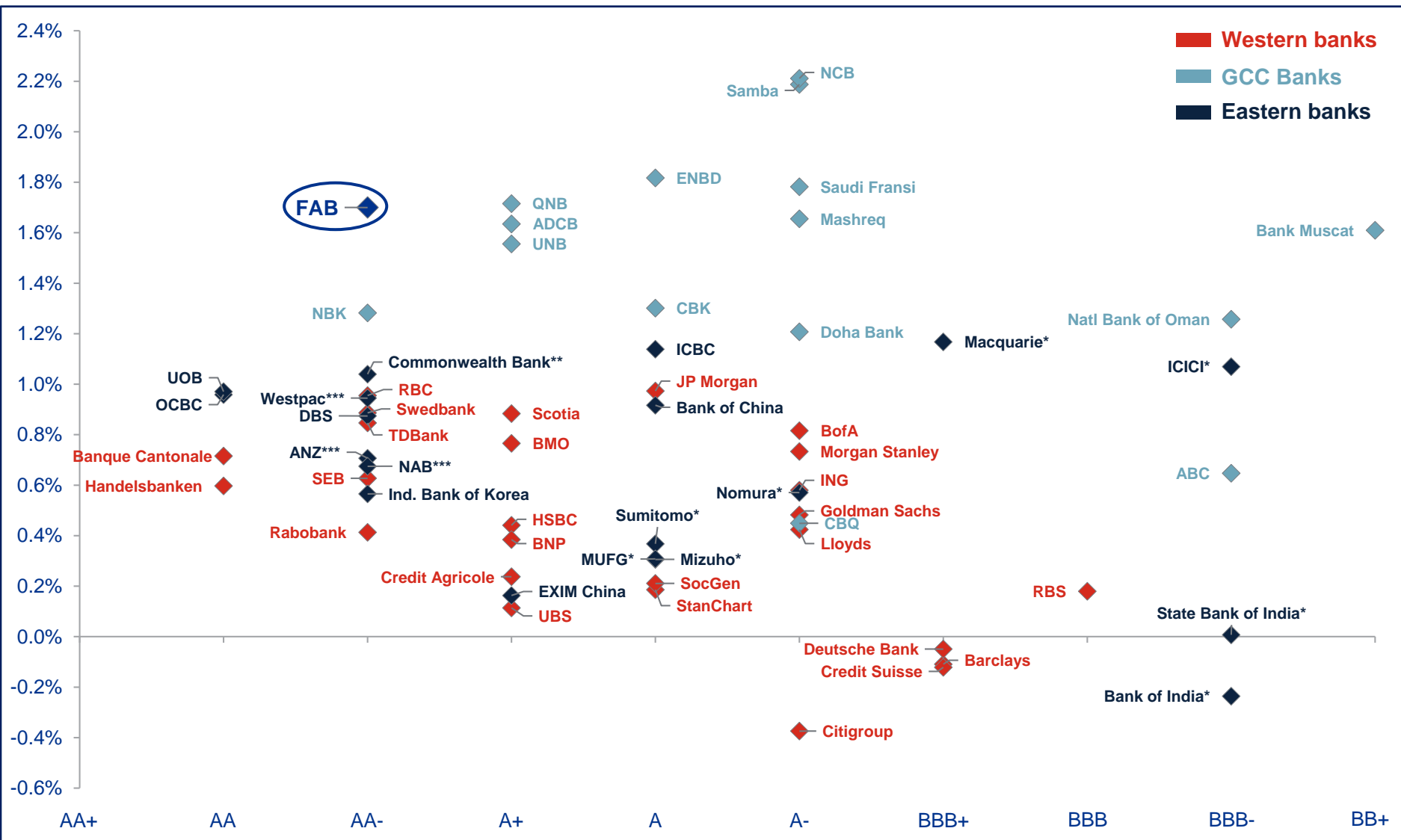
Notes: * FAB's RoTE ratio is as per UAE Central Bank's Basel III framework; Based on the available financials on Bloomberg, RoTE for peer banks are estimated as: {net attributable profit less Tier-1 interest or Coupon payable on capital securities} / [average tangible equity]; ^Banks in the Asian group have different financial year ending; FY ending other than 31-Dec-17 are highlighted with special characters: * for 31-Mar-17; ** for 30-Jun-17; & *** for 30-Sep-17; We have taken the latest available annual ratios for comparison; Source: Bloomberg

Return on assets

Western Banks (FY 2017)		GCC Banks (FY 2017)		Eastern Banks (FY 2017 [^])	
First Abu Dhabi Bank (FAB) *	1.7%	First Abu Dhabi Bank (FAB) *	1.7%	First Abu Dhabi Bank (FAB) *	1.7%
U.K. Banks		UAE Banks		Japanese Banks	
HSBC	0.4%	Emirates NBD (ENBD)	1.8%	Nomura Holdings*	0.6%
Lloyds Banking Group (Lloyds)	0.4%	Mashreqbank	1.7%	Sumitomo Mitsui Financial Group*	0.4%
Standard Chartered (StanChart)	0.2%	Abu Dhabi Commercial Bank (ADCB)	1.6%	Mitsubishi UFJ Financial Group Inc (MUFG)*	0.3%
Royal Bank of Scotland (RBS)	0.2%	Union National Bank (UNB)	1.6%	Mizuho Financial Group Inc*	0.3%
Barclays	-0.1%				
European Banks		Qatar Banks		Australian Banks	
Swedbank	0.9%	Qatar National Bank (QNB)	1.7%	Macquarie Group*	1.2%
Banque Cantonale Vaudoise	0.7%	Doha Bank	1.2%	Commonwealth Bank of Australia**	1.0%
Svenska Handelsbanken	0.6%	Commercial Bank of Qatar (CBQ)	0.4%	Westpac Banking Corp***	0.9%
ING Groep NV	0.6%			Australia & New Zealand Bank (ANZ)***	0.7%
Skandinaviska Enskilda Banken (SEB)	0.6%	Saudi Banks		National Australia Bank (NAB)***	0.7%
BNP Paribas	0.4%	Samba Financial Group	2.2%		
UBS AG	0.1%	National Commercial Bank (NCB)	2.2%	Other Asian Banks (ex Japan & Aus)	
Rabobank	0.4%	Banque Saudi Fransi	1.8%	United Overseas Bank (UOB)	1.0%
Societe Generale	0.2%			Oversea-Chinese Banking Corp (OCBC)	1.0%
Credit Agricole	0.2%	Bahrain Banks		DBS Group	0.9%
Deutsche Bank	-0.05%	National Bank of Bahrain (NBB)	2.0%	Industrial & Commercial Bank of China (ICBC)	1.1%
Credit Suisse	-0.1%	Arab Banking Corporation (ABC)	0.6%	Bank of China	0.9%
North American Banks		Kuwait Banks		Export-Import Bank of China (EXIM China)	0.2%
JP Morgan Chase	1.0%	National Bank of Kuwait (NBK)	1.3%	Industrial Bank of Korea	0.6%
Royal Bank of Canada (RBC)	1.0%	Commercial Bank of Kuwait (CBK)	1.3%	Export-Import Bank of Korea (EXIM Korea)	-1.7%
Bank of Nova Scotia	0.9%	Oman Banks		ICICI Bank*	1.1%
Toronto-Dominion Bank (TDBank)	0.8%	Bank Muscat SAOG	1.6%	State Bank of India*	0.01%
Bank of America	0.8%	National Bank of Oman	1.3%	Bank of India*	-0.2%
Bank of Montreal (BMO)	0.8%				
Morgan Stanley	0.7%				
Goldman Sachs	0.5%				
Citigroup Inc	-0.4%				

Notes: * FAB's RoA ratio is as per UAE Central Bank's Basel III framework; Return on assets is calculated as: [Net income available to shareholders for latest financial year / (Total assets for latest financial year + Total assets for previous financial year) / 2]*100; [^]Banks in the Asian group have different financial year ending; FY ending other than 31-Dec-17 are highlighted with special characters: * for 31-Mar-17; ** for 30-Jun-17; & *** for 30-Sep-17; We have taken the latest available annual ratios for comparison; [^]EXIM China & EXIM Korea ratio are for FY 2016 as 2017 ratio is not yet available; Source: Bloomberg

Return on assets vs Composite rating

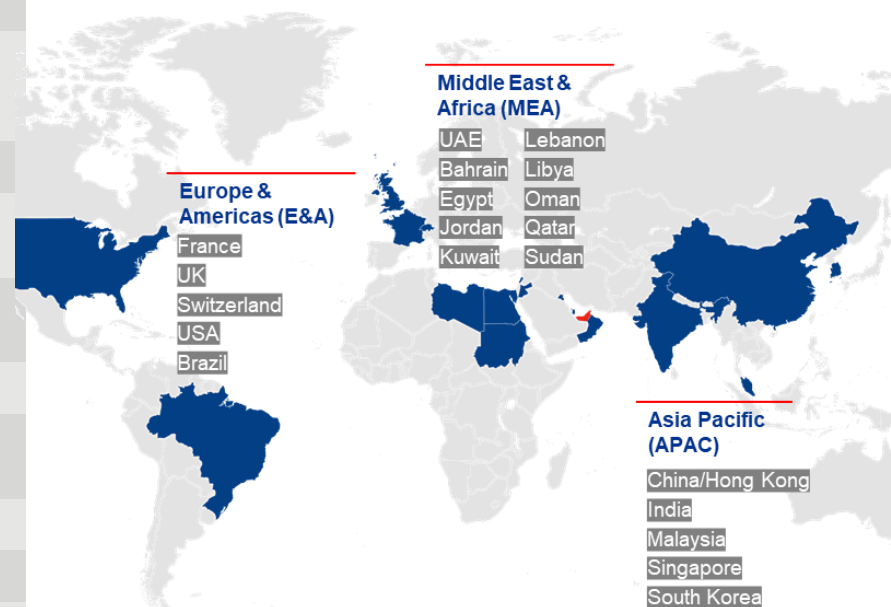


Notes: * FAB's RoA ratio is as per UAE Central Bank's Basel III framework; Return on assets is calculated as: $[\text{Net income available to shareholders for latest financial year} / (\text{Total assets for latest financial year} + \text{Total assets for previous financial year}) / 2] * 100$; ^Banks in the Asian group have different financial year ending; FY ending other than 31-Dec-17 are highlighted with special characters: * for 31-Mar-17; ** for 30-Jun-17; & *** for 30-Sep-17; We have taken the latest available annual ratios for comparison; ^EXIM China & EXIM Korea ratio are for FY 2016 as 2017 ratio is not yet available; Source: Bloomberg

FAB has a strong international footprint

	Country	International footprint outside local operation
First Abu Dhabi Bank *	UAE	19 countries
Union National Bank	UAE	4 countries (Qatar, Kuwait, Egypt & China)
Abu Dhabi Commercial Bank	UAE	4 countries (India, Jersey, UK & Singapore)
Emirates NBD	UAE	9 countries (Saudi Arabia, Qatar, UK, Singapore, China, Jersey, India, Iran & Egypt)
Mashreqbank	UAE	11 countries (Bahrain, Egypt, Kuwait, Qatar, Hong Kong, India, UK, US, Bangladesh, Nepal & Pakistan)
Banque Saudi Fransi	Saudi Arabia	Local presence only
Samba Financial Group	Saudi Arabia	4 countries (UK, UAE, Qatar, & Pakistan)
National Commercial Bank	Saudi Arabia	5 countries (Bahrain, Beirut, Singapore, South Korea & China)
Qatar National Bank	Qatar	25 countries (Kuwait, Oman, UAE, Iran, Iraq, Jordan, Lebanon, Syria, Yemen, Egypt, Libya, Mauritania, South Sudan, Sudan, Togo, Tunisia, China, Indonesia, India, Singapore, Vietnam, France, Switzerland, UK & Turkey)
Commercial Bank of Qatar	Qatar	3 countries (Oma, UAE & Turkey)
Doha Bank	Qatar	15 countries (Kuwait, UAE, India, Japan, China, Singapore, South Korea, Australia, Turkey, UK, Germany, Hong Kong, Canada, South Africa & Bangladesh)
National Bank of Kuwait	Kuwait	14 countries (Bahrain, Egypt, Iraq, Jordan, Lebanon, Saudi Arabia, UAE, France, Switzerland, Turkey, UK, USA, China & Singapore)
Commercial Bank of Kuwait	Kuwait	Local presence only
Arab banking Corporation	Bahrain	17 countries (Manama, Algeria, Brazil, Egypt, France, Germany, Iran, Italy, Jordan, Libya, Russia, Singapore, Sweden, Tunisia, Turkey, UK & US)
National Bank of Bahrain	Bahrain	2 countries (UAE & Saudi Arabia)
Bank Muscat SOAG	Oman	4 countries (Saudi Arabia, Kuwait, UAE & Singapore)
National Bank of Oman	Oman	2 countries (UAE & Egypt)

FAB has one of the largest international networks amongst the Middle East banks and is also governed by some of the key regulators around the world – including PRA/FCA (U.K.), OCC (U.S.), ACPR (France), FINMA (Switzerland), HKMA (Hong Kong), MAS (Singapore), & Bank Negara (Malaysia) – in addition to the U.A.E. Central Bank.



Note: * FAB's international footprint shows the combined international presence of National Bank of Abu Dhabi & First Gulf Bank; International branches include representative offices; Source: Bank websites; Zawya

Based on its 2017 survey Global Finance Magazine has announced the following rankings for First Abu Dhabi Bank:

- Safest bank in the Middle East
- 4th safest bank in Emerging Markets
- 17th in the ranking of World's 50 safest commercial banks
- 31st in the World's 50 safest banks

Safest Banks in the Middle East: 2017
1. First Abu Dhabi Bank (UAE)
2. National Bank of Kuwait (Kuwait)
3. Qatar National Bank (Qatar)
4. Abu Dhabi Commercial Bank (UAE)
5. Union National Bank (UAE)
6. Al Hilal Bank (UAE)
7. Kuwait Finance House (Kuwait)
8. Qatar Islamic Bank (Qatar)
9. Abu Dhabi Islamic Banks (UAE)
10. Al Ahli Bank of Kuwait (Kuwait)

Safest Banks in the EM: 2017
1. Korea Development Bank (South Korea)
2. Export-Import Bank of Korea (South Korea)
3. Industrial Bank of Korea (South Korea)
4. First Abu Dhabi Bank (UAE)
5. National Bank of Kuwait (Kuwait)
6. China Development Bank (China)
7. Agricultural Development Bank of China (China)
8. Export-Import Bank of China (China)
9. Qatar National Bank (Qatar)
10. Banco del Estado de Chile (Chile)

Source: Global Finance Magazine

- As mentioned at the start of this report, we have used “composite ratings” for this analysis – i.e. the average of the ratings assigned by three leading rating agencies Moody’s, S&P and Fitch – in order to provide a more representative view of the credit strength of each bank.

- The composite rating is calculated as follows:
 - A score is assigned to the rating from each rating agency: AAA or equivalent being the best with a score of “1”, followed by AA+ or equivalent as “2”, AA or equivalent as “3”, AA- or equivalent as “4” and so on;
 - For example FAB is rated Aa3/AA-/AA- by Moody’s/S&P/Fitch. So the scores are 4/4/4;
 - Hence the average of the scores is “4” which indicates a composite rating of “AA-” for FAB;
 - In case the average score is not an absolute number – e.g. 4.33 (average of 4, 5, & 4) – the final score is derived by rounding off the average score to the nearest whole number. In this case “4”.



Contact:

Chavan Bhogaita / Rakesh Sahu

Market Insights & Strategy

Global Markets

First Abu Dhabi Bank

Tel: +971 2 6110 127

Chavan.Bhogaita@bankfab.com

Thank You

Market Insights & Strategy, FAB Global Markets

Please click [here](#) to view our recent publications on MENA and Global Markets

