

FGB Investor Presentation

March 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.fgb.ae

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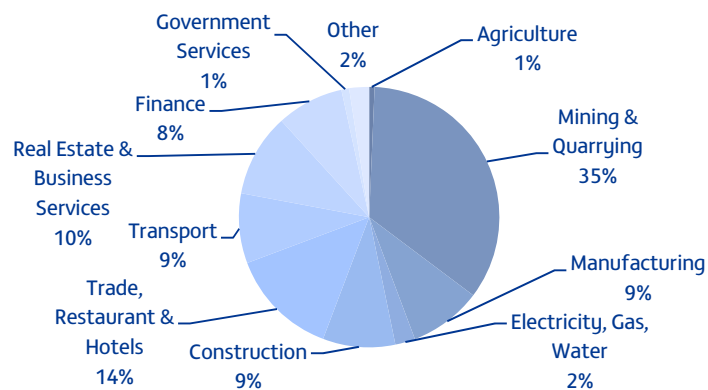
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UAE Economic Overview

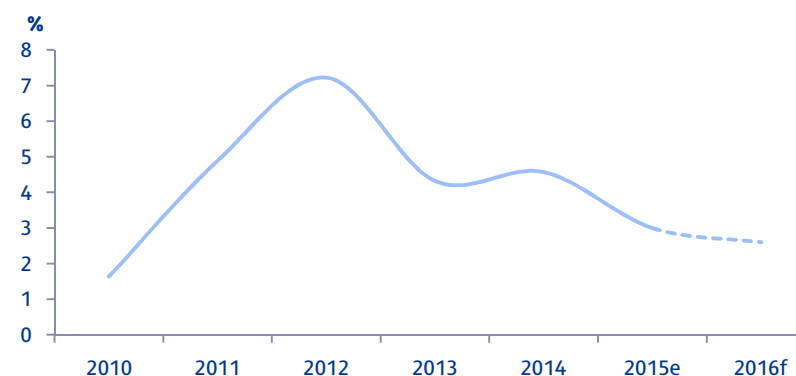
FUNDAMENTALS REMAIN SOLID IN SPITE OF LOWER OIL PRICES

- 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; 7th largest oil reserves in the world (97.8 Bn boe²); Total population estimated at 9.8 Million
- Strong financial position thanks to years of large fiscal and external surpluses
- In January 2016 and in the context of continued oil price weakness, the IMF revised UAE real GDP growth forecast to 2.6% in 2016, down from a previous forecast of 3.1%
- 2016 fiscal deficit is estimated at 7.5% 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.

A DIVERSIFIED ECONOMY³



REAL GDP GROWTH FORECASTED TO SLOW DOWN TO 2.6% IN 2016



Economic Structure and Performance

	2014	2015e
Real GDP Growth (%)	4.6	3.0
Nominal GDP (USD Bn)	399.5	339.1
Inflation Rate (CPI, % change)	2.3	3.7
General government revenue (% GDP)	37.7	31.3
General government total expenditure & Net Lending (% GDP)	32.8	36.8
Fiscal Balance (% GDP)	5.0	(5.5)
Gross Debt (% GDP)	15.7	18.9

Source: IMF, WEO Database, October 2015

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

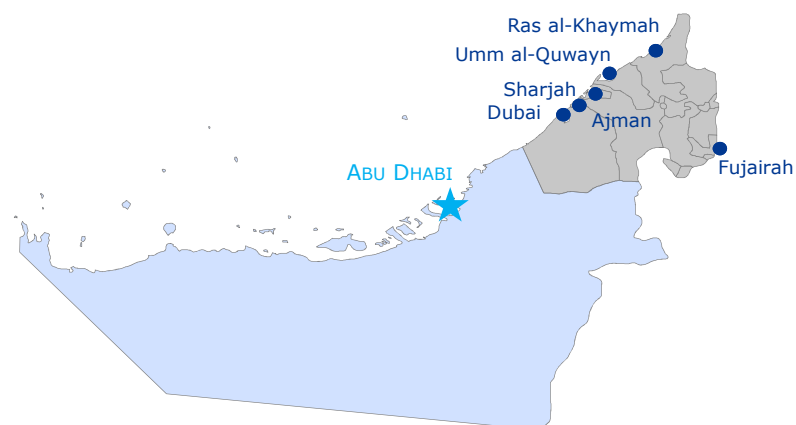
²BP report June 2015

³ UAE National Bureau of Statistics, 2014 GDP

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 185Bn in FY16f¹, that's 52% of UAE overall nominal GDP.
- 51% of 2014² 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.
- Strong net asset position providing a robust buffer to mitigate impact of lower oil prices.



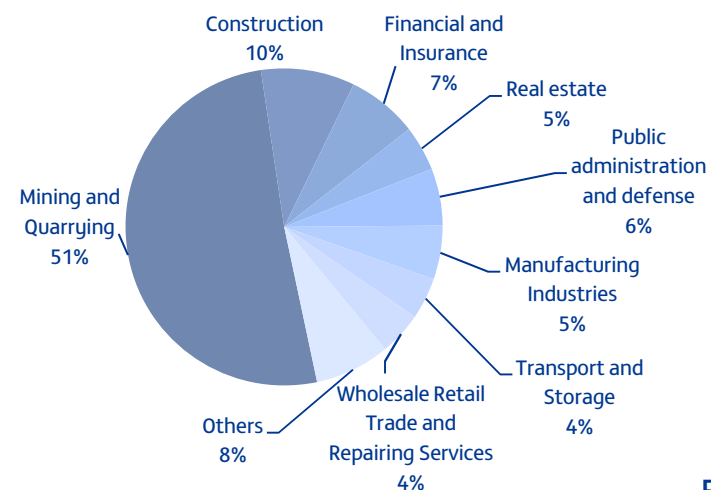
ABU DHABI – KEY STATISTICS¹

<i>Economic Structure and Performance</i>	2014	2015e	2016f
Nominal GDP (USD Bn)	259	206	185
Real GDP growth (%)	4.7	4.2	2.0
Inflation Rate (CPI, % change)	3.2	5.0	3.5
Revenue/ GDP	39.7	35.8	34.3
Expenditures/ GDP	39.6	38.2	42.5
Balance/ GDP	0.1	(2.5)	(8.2)
Liquid Assets/ GDP (%)	230.5	300.8	343.7

¹ S&P, February 2016

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

GDP BREAKDOWN BY SECTOR 2014²



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

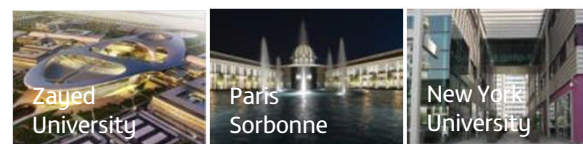
Hotels

- 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

		LT Ratings ⁽¹⁾ (Moody's, S&P, Fitch)	Oil Production ⁽²⁾	GDP Per Capita ⁽³⁾
	Abu Dhabi	Aa2, AA, AA	2.8mn bpd	USD 74,927
	Saudi Arabia	Aa3, A-, AA(-)	11.5mn bpd	USD 20,139
	Kuwait	Aa2, AA, AA	3.1mn bpd	USD 29,983
	Qatar	Aa2, AA, AA	2.0mn bpd	USD 78,829
	Bahrain	Baa3(-), BB, BBB-	0.4mn bpd	USD 23,899
	Oman	A1(-), BBB-, A	0.9mn bpd	USD 15,672

¹ Source: Bloomberg

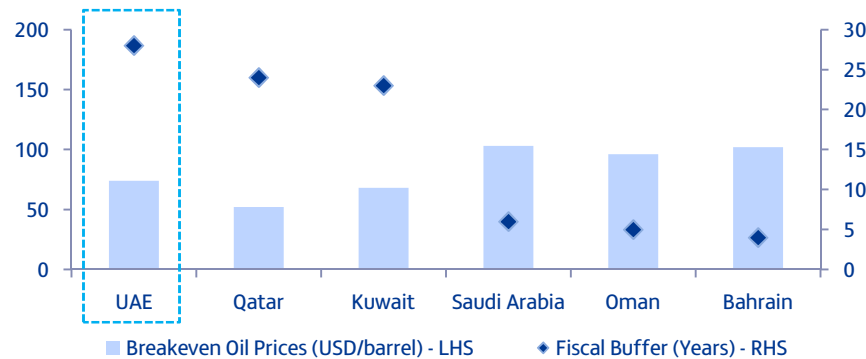
² Source: BP Statistical Review of World Energy (June 2015), except Abu Dhabi (Opec statistical year book 2015)

³ 2015 forecasts - Source: October 2015 IMF data for all, except Abu Dhabi (Moody's, Jan'15 report)

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

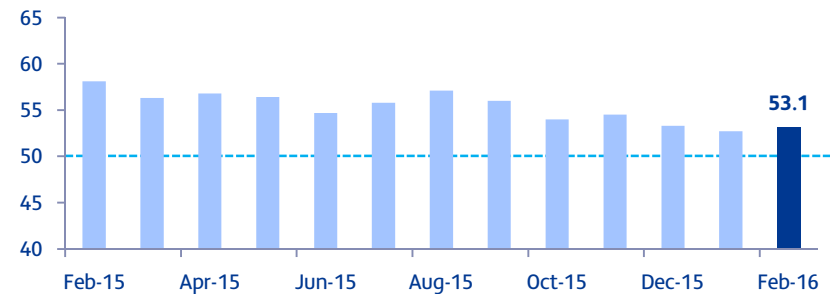
The UAE in the context of lower oil prices

UAE ENJOYS STRONG FISCAL BUFFER TO COUNTERACT IMPACT OF LOWER OIL PRICES



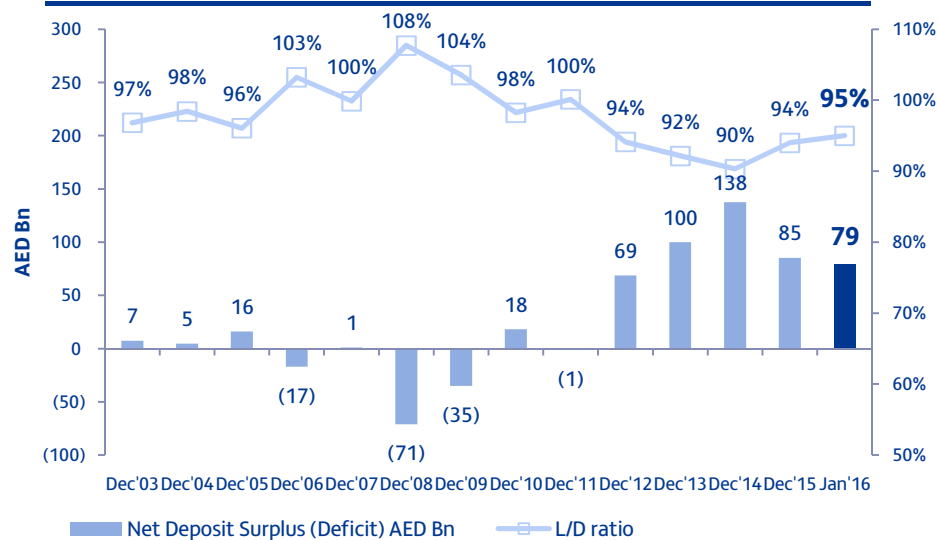
Source: IMF, Oct. 2015

UAE PMI¹ REMAINS IN EXPANSIONARY TERRITORY

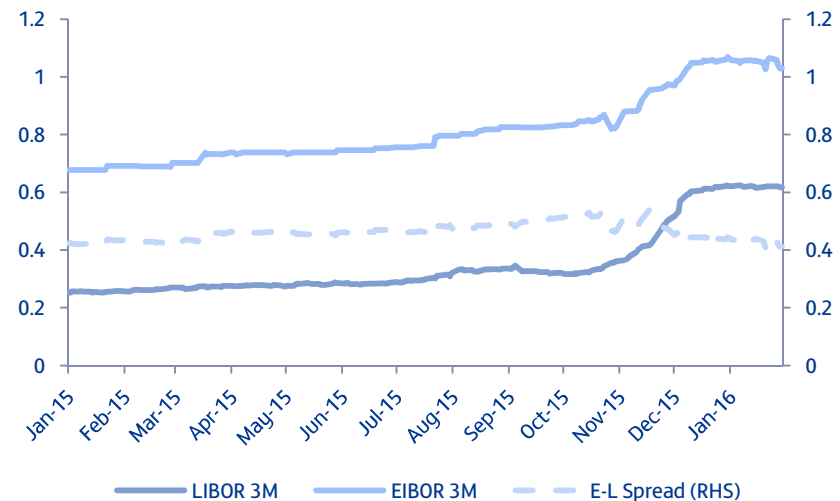


Source: Markit Economics

AED 79BN NET DEPOSIT SURPLUS AS OF JAN'16



EIBOR RISING BUT SPREAD OVER LIBOR IS STABLE



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 macroprudential 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%, up from 60% in 2015.
- As of Jan'16, system loan book grew by 7.6% YoY (+AED 99Bn) while customer deposits added 4.2% YoY (+AED 59Bn). According to estimates, system loan growth in 2016 should slow down to mid single-digit.
- UAE Banking System is highly capitalized with Dec-end 2015 total CAR and tier 1 capital at 18.3% and 16.6% respectively.

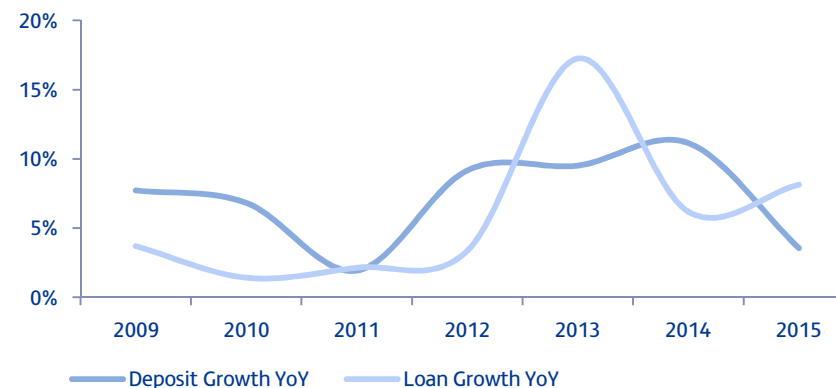
UAE BANKING SECTOR KEY INDICATORS¹

Figures in AED Bn	Jan'16	Dec'15	MoM %	YoY %
Total Assets, net	2,381	2,375	0.2%	7.7%
Loans and Advances, net	1,392	1,386	0.4%	7.6%
Customer Deposits	1,471	1,472	-0.03%	4.2%
LDR	95%	94%		+300bps
Lending to Stable Resources Ratio*	86.9%	86.9%	-	+90bps
CAR**		18.3%		
Tier 1 capital**		16.6%		

*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)

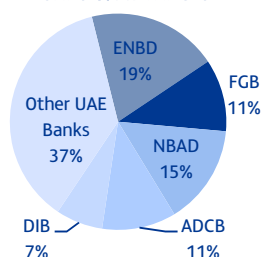
**Basel 2

CREDIT GROWTH EXPECTED TO SLOW DOWN IN 2016

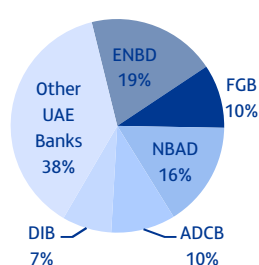


DEC'15 LOAN AND DEPOSIT MARKET SHARES

LOANS & ADVANCES



CUSTOMER DEPOSITS



¹ Source: UAE Central Bank

FGB Summary Profile

- ✓ Leading UAE franchise; #1 UAE Bank by market capitalisation, #2 by net profit and #4 by total assets; 11% and 10% 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; Stable outlook
- ✓ Comfortable liquidity position and access to multiple funding channels
- ✓ Strong risk management culture and stable management team
- ✓ Business model re-aligned to drive sustainable value creation
- ✓ Robust capital position: Basel II total CAR at 17.5% and Tier 1 capital ratio at 16.3% as of Dec'15

FGB Overview

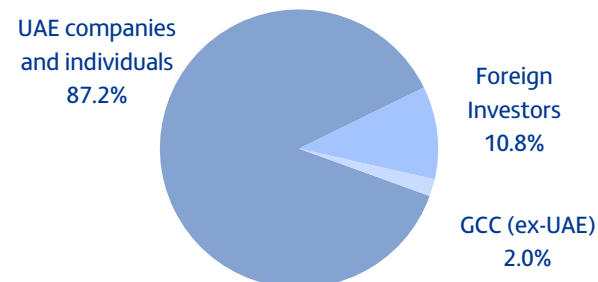
A LEADING UAE FRANCHISE

- Incorporated in 1979 and headquartered in Abu Dhabi
- Wide range of financial products and services offered through a network of 21 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.
- 1,436 employees
- Listed in 2002; Market cap of AED 56.9Bn (USD 15.5Bn) as of December 31st, 2015

RATINGS

	RATING	OUTLOOK
	A+ (Since 2007)	Stable
	A2 (Since 2007)	Stable
	A (Since Feb'16)	Stable

OWNERSHIP STRUCTURE* (AS OF DEC'15)



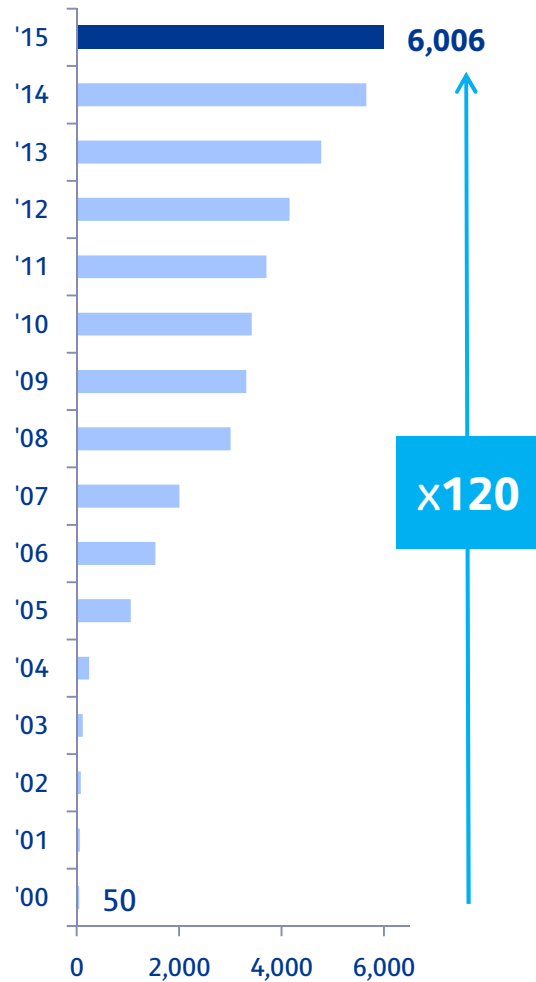
* FGB's Foreign Ownership Limit (FOL) is at 25%

GLOBAL FOOTPRINT

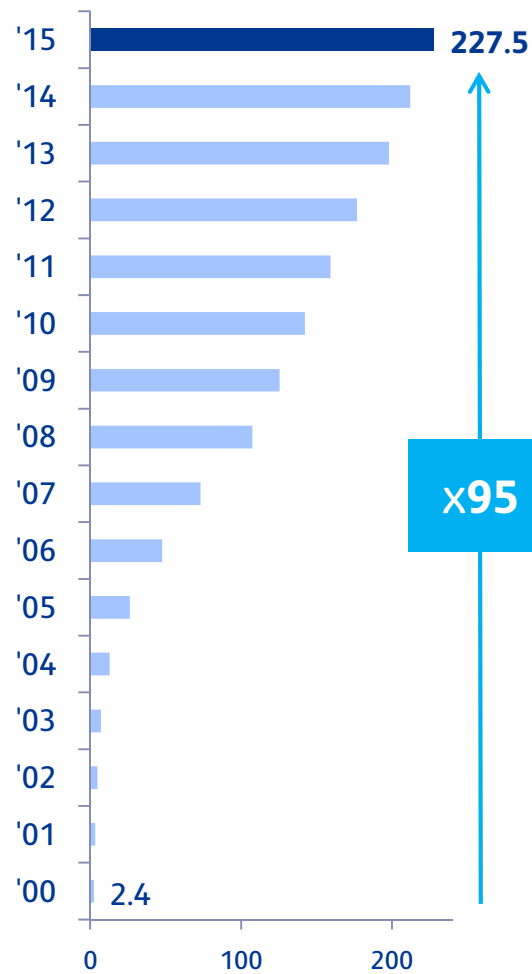


An impressive journey of consistent growth and value creation over the past 16 years

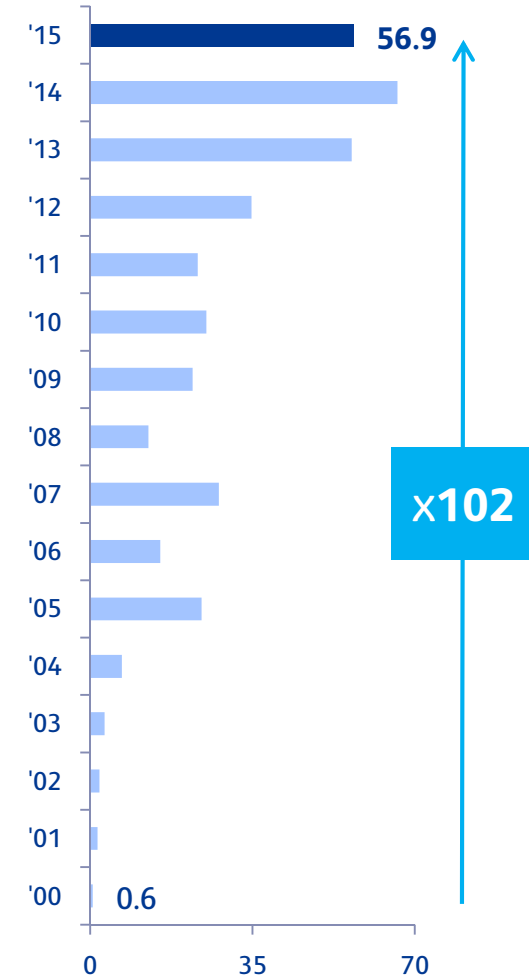
Net Profit (in AED Mn)



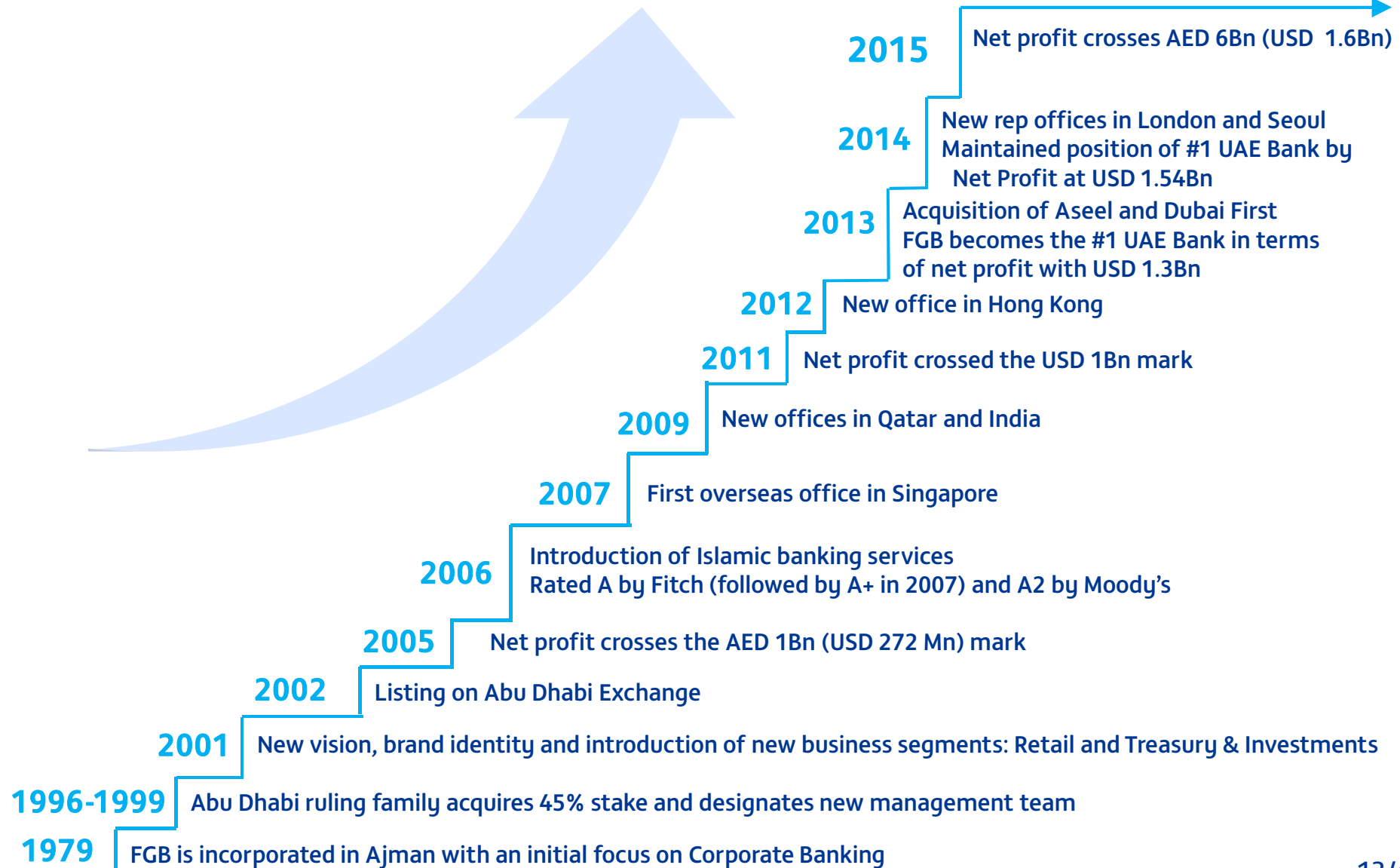
Total Assets (in AED Bn)



Market Cap (in AED Bn)



History & Key Milestones



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 ALSIEDDIQI
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

Board Committees

Executive Committee

Risk & Compliance Management Committee

Remuneration & Nomination Committee

Audit Committee

Management Committees

Executive Management Committee

Wholesale Banking Credit Committee

First Gulf Consumer Credit Committee

Asset Liability Committee

Investment Committee

Compliance Committee

IT Steering Committee

Operational Risk Committee

HR Steering Committee

Real Estate Committee

Enterprise Risk Management Group

Group CRO

Head of Risk Management & Compliance

ERM

Credit Risk

Market Risk

ALM Risk

Operational Risk

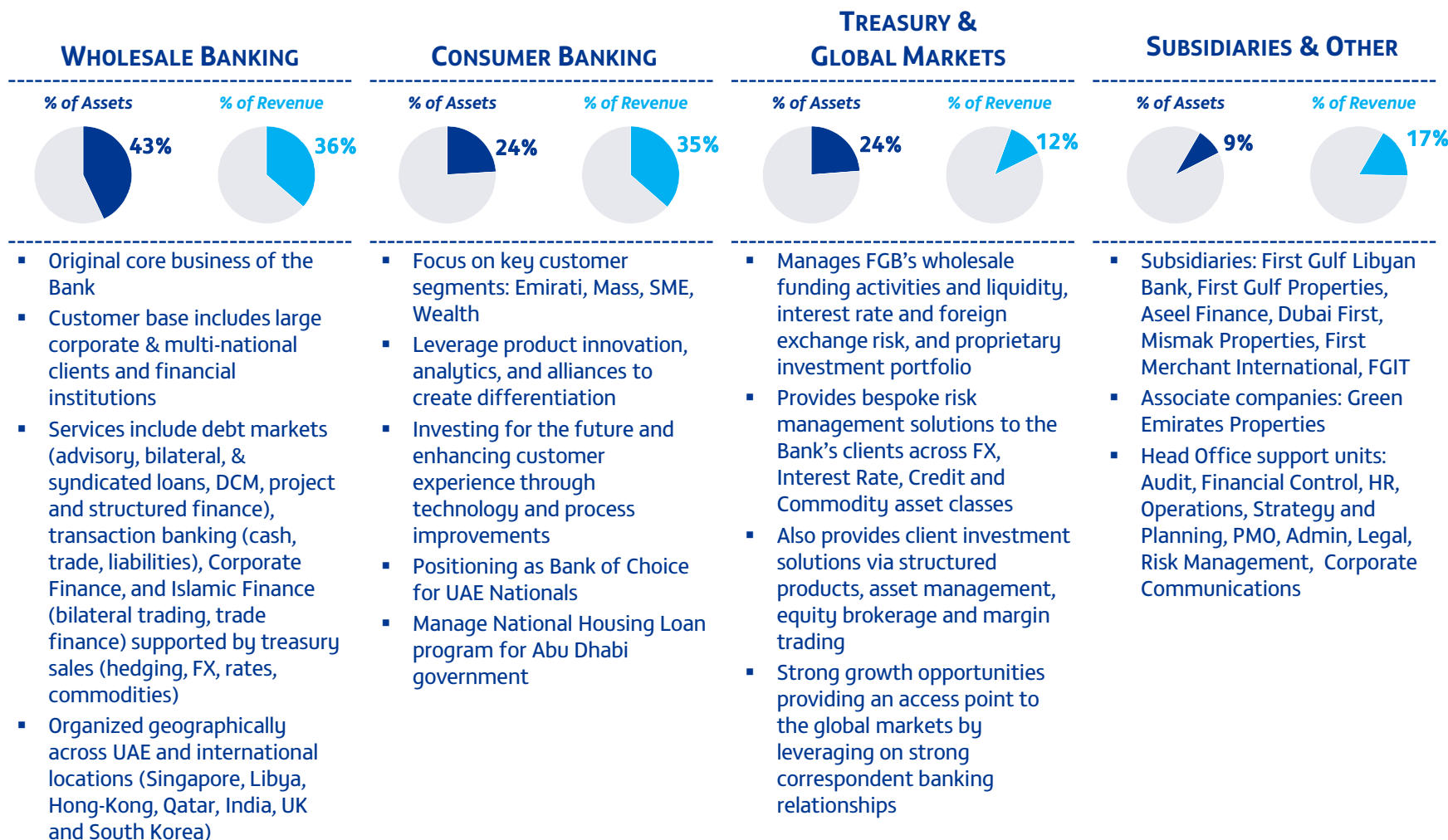
Compliance Risk

Basel / IFRS

Business Segments

Core Banking Revenue Drivers

Incremental Revenue Streams



Note: % of Assets as of December-end 2015. % of FY'15 Revenue

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

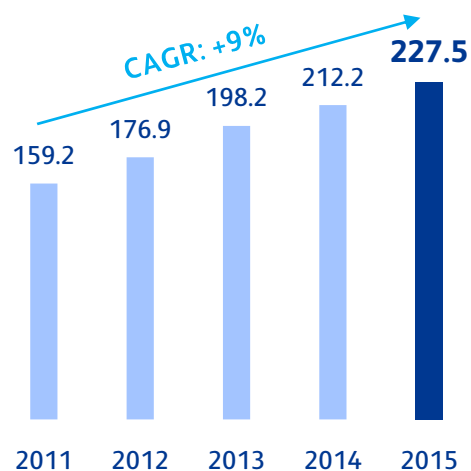
SYNERGIES WITH SUBSIDIARIES AND ASSOCIATES

- 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

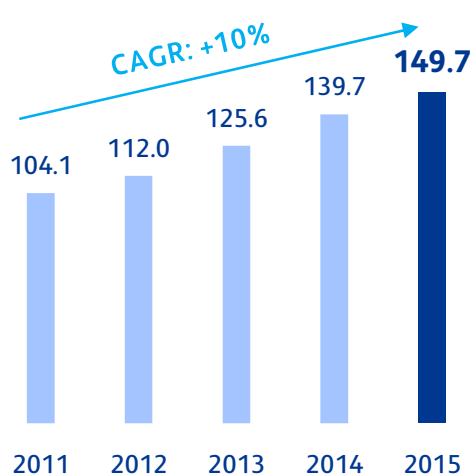
Our Mission:
To Be the “First Choice” for customers

Key Achievements (1/2)

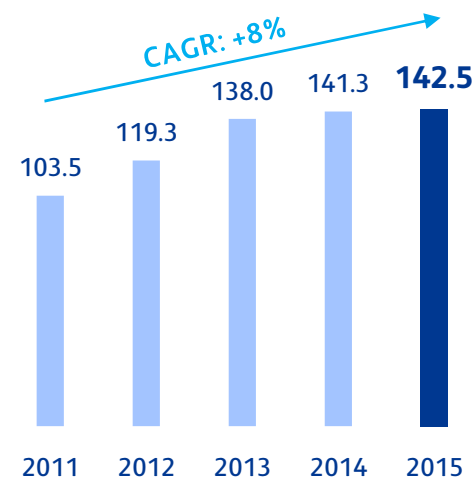
TOTAL ASSETS (AED BN)



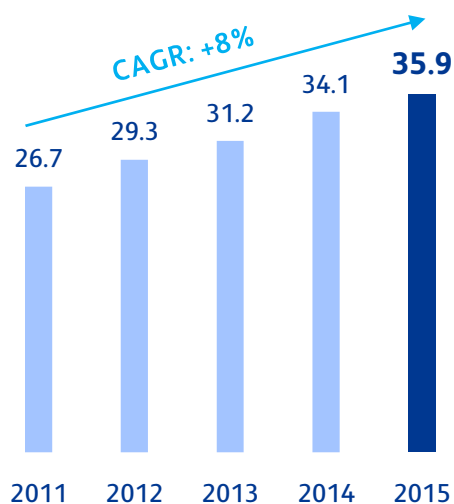
LOANS & ADVANCES (AED BN)



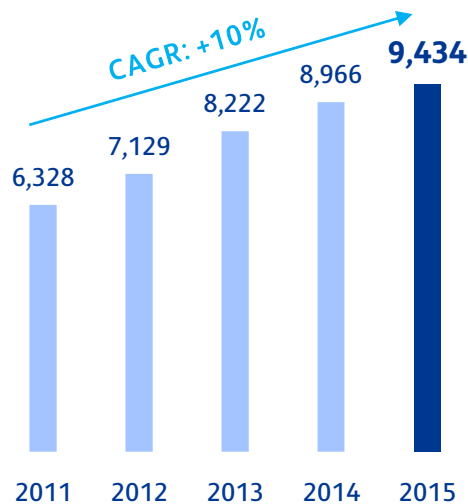
CUSTOMER DEPOSITS (AED BN)



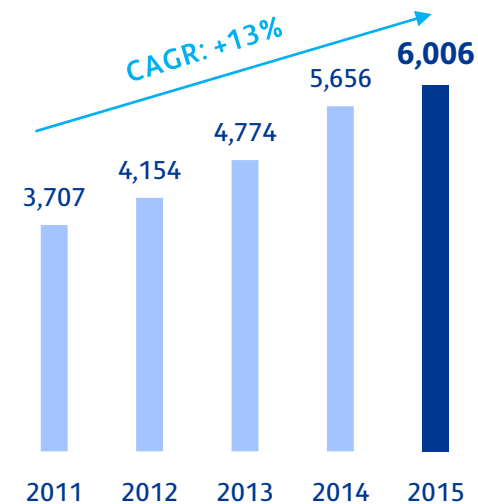
SHAREHOLDERS' EQUITY (AED BN)



OPERATING INCOME (AED MN)



NET PROFIT (AED MN)



Key Achievements (2/2)

NET INTEREST MARGIN (%)



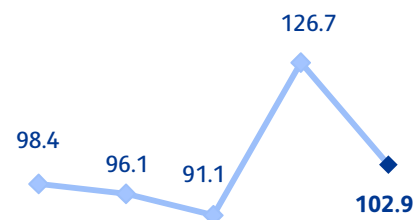
2011 2012 2013 2014 2015

NPL RATIO (%)



2011 2012 2013 2014 2015

PROVISION COVERAGE (%)



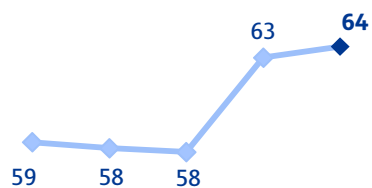
2011 2012 2013 2014 2015

COST TO INCOME RATIO (%)



2011 2012 2013 2014 2015

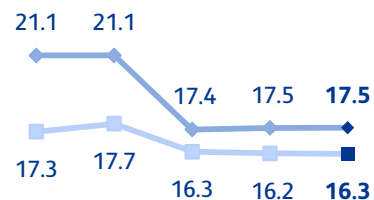
NET PROFIT /REVENUES (%)



2011 2012 2013 2014 2015

BASEL II CAPITAL RATIOS (%)

— Basel II CAR — Tier 1 Capital



2011 2012 2013 2014 2015

RoAE (%)



2011 2012 2013 2014 2015

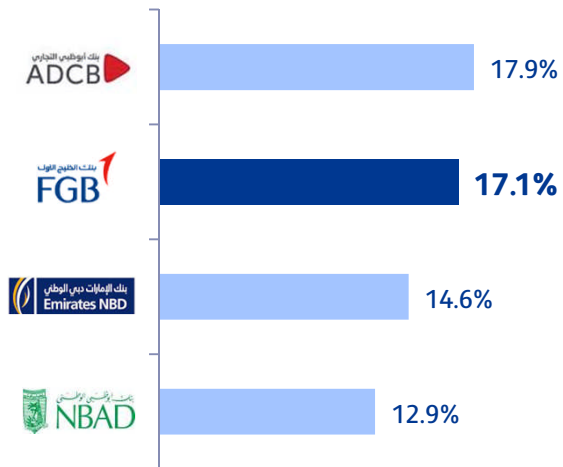
RoAA (%)



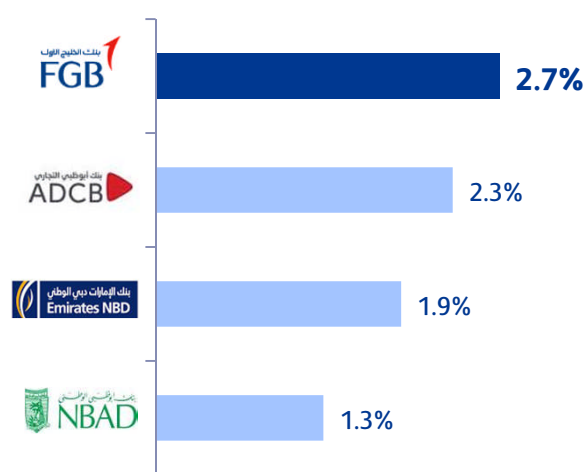
2011 2012 2013 2014 2015

FGB vs. large domestic peers – FY'15

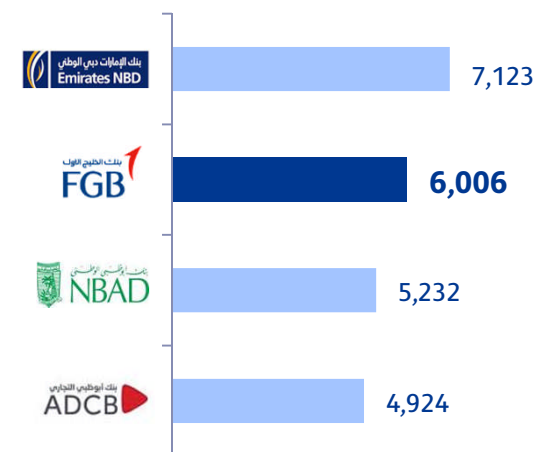
RETURN ON AVERAGE EQUITY



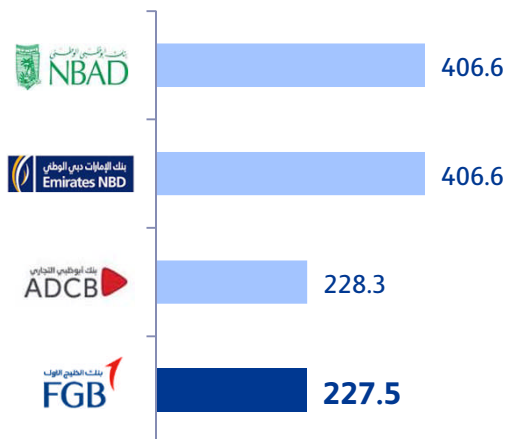
RETURN ON AVERAGE ASSETS



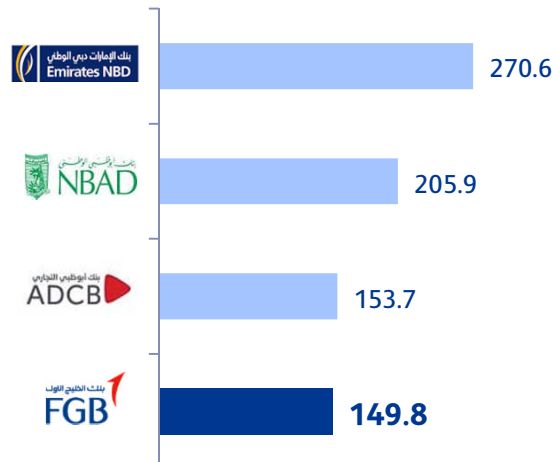
NET PROFIT (AED Mn)



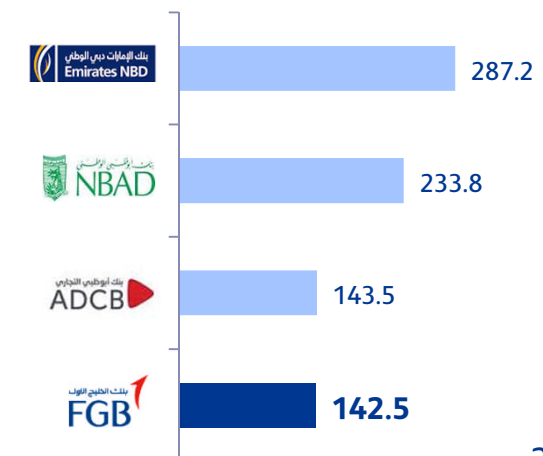
TOTAL ASSETS (AED Bn)



LOANS & ADVANCES (AED Bn)



CUSTOMER DEPOSITS (AED Bn)



FGB vs. large domestic peers – FY'15

Profitability & Efficiency	Return on Average Equity	%	17.1	12.9	14.6	17.9	#2
	Return on Average Assets	%	2.7	1.3	1.9	2.3	#1
	Cost to Income*	%	20.6	38.7	30.7	34.2	#1
	Net Interest Margin	%	3.3	2.0	2.9	3.3	#1
	Earnings Per Share	AED	1.3	1.0	1.2	0.9	#1
Asset Quality	NPL ratio	%	2.8	2.8	7.1	3.0	#2
	Provision Coverage	%	102.9	105.0	111.5	128.5	#4
Liquidity	Net Loans to Total Assets	%	65.8	50.6	66.6	67.3	#3
	Loans to Deposits	%	105.1	88.1	94.2	107.1	#3
	Liquid Asset Ratio	%	15.2	24.7	23.3	17.3	#4
Solvency	Tier 1 Capital	%	16.3	15.7	18.0	16.3	#2
	Capital Adequacy	%	17.5	16.7	20.7	19.8	#3

*23.1% before retail expenses reclassification

FY15 Performance Highlights

- **FY'15 Net Profit up 6% YoY to AED 6.01Bn**; FY'15 EPS up 8% to AED 1.32; Q4'15 net profit increased by 21% QoQ to AED 1.72Bn
- Dividend distribution: **AED 1/share implying 75% pay-out** (vs. 69% in 2014)
- **Robust capital position even after dividend distribution** : total CAR at 17.5% and Tier 1 capital at 16.3%
- Key Ratios: NIM at 3.27%, Net Profit/ Revenue at 64%, 2.8% NPL ratio, 102.9% coverage, 91bps cost of risk
- **Superior operating efficiency** with a C/I ratio of 20.6%
- **Solid returns** with RoAE at 17.1% and RoAA at 2.7%

Dividend History

	2015	2014	2013	2012	2011
NET PROFIT (AED MN)	6,006	5,656	4,774	4,154	3,707
CASH DIVIDEND (AED MN)	4,500	3,900	3,000	2,500	1,500
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

FY15 Financial Guidance vs. Actual Results

➤ In spite of a challenging year, we delivered on most elements of FY15 guidance

	FY15 FINANCIAL GUIDANCE	ACTUAL RESULTS
LOAN BOOK GROWTH	10-12%	7%
REVENUE GROWTH	Low-single digit	5%
NIMs	25bps – 35bps decrease YoY	31bps decrease
EXPENSES	C/I Ratio: 23%-24%	20.6%*
ASSET QUALITY	CoR: 80-90bps	91bps
NET PROFIT GROWTH	Mid-single digit	6%

*23.1% before the reclassification of retail-related expenses

Q4/FY15 Summary Financials

Income Statement (AED Mn)	FY'15	FY'14	YoY	Q4'15	Q3'15	QoQ	Q4'14	YoY
Net Interest and Islamic Financing Income	6,429	6,470	-1%	1,658	1,575	5%	1,626	2%
Fees & Commission Income, Net*	1,700	1,635	4%	394	455	-13%	420	-6%
Other Operating Income	1,304	862	51%	681	167	308%	264	158%
Operating Income	9,434	8,966	5%	2,733	2,198	24%	2,310	18%
G&A expenses	(1,947)	(1,856)	5%	(500)	(461)	8%	(540)	-7%
Provisions/ Impairments	(1,454)	(1,372)	6%	(507)	(317)	60%	(177)	186%
Taxes	(13)	(33)	-61%	(4)	0	NA	(14)	-71%
Minority Interest	(13)	(49)	-73%	(4)	(2)	100%	(29)	-86%
Net Income	6,006	5,656	6%	1,718	1,419	21%	1,550	11%
Earnings Per Share (AED)	1.32	1.22	8%	0.38	0.31	23%	0.34	13%

*Net of related expenses, previously classified under G&A expenses

Balance Sheet (AED Bn)	Dec'15	Dec'14	YoY	Sep'15	QoQ
Loans & Advances	149.8	139.7	7%	154.1	-3%
Customer Deposits	142.5	141.3	1%	141.5	1%
Total Assets	227.5	212.2	7%	228.5	0%
Shareholders' Equity	35.9	34.1	5%	34.3	5%

Key Ratios (%)	FY'15	FY'14	YoY (bps)
Net Interest Margin	3.3	3.6	(30)
Cost-to-Income	20.6	20.7	(10)
Non-Performing Loan (NPL)	2.8	2.5	30
Provision Coverage	102.9	126.7	(2,380)
Regulatory Advances-to-Deposits Ratio	87.2	83.5	370
Return on Average Equity	17.1	17.3	(20)
Return on Average Assets	2.7	2.8	(10)
Capital Adequacy	17.5	17.5	-

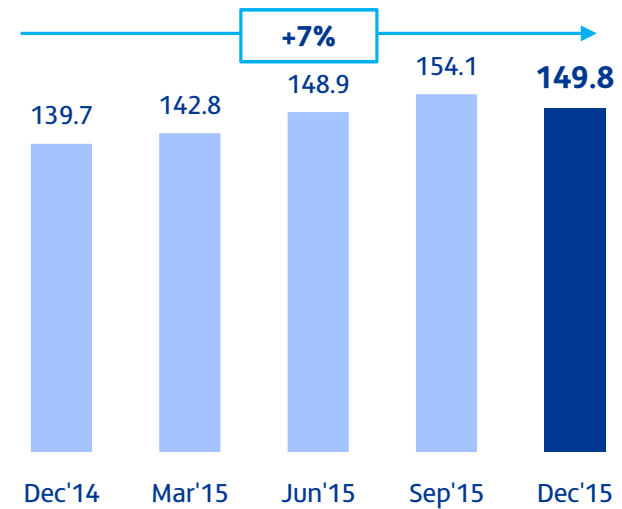
Note: Rounding differences may appear in the above table

Asset Mix and Lending Activity

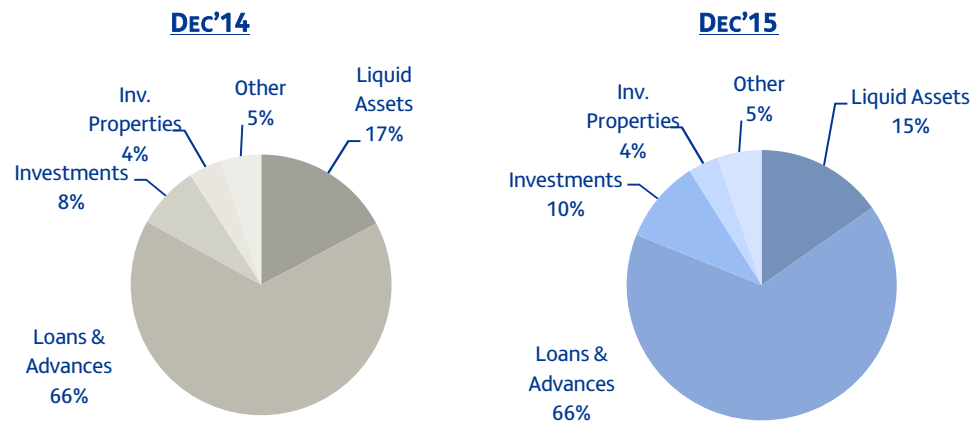
HIGHLIGHTS

- During Q4, loan payments offset new underwritings reflecting a more cautious growth strategy and resulting in a 3% contraction in the loan book
- Year-on-Year, loans and advances grew by 7% vs. our initial guidance of 10-12%
- FGB's loan portfolio remains well diversified across economic sectors with a mix of 61% wholesale / 39% consumer
- Liquid assets (cash and balances with CB, and due from Banks and Financial Institutions) represent 15% of total assets as of Dec'15, against 17% last year. This reflects the growth momentum over the period, in parallel with FGB's compliance with LCR requirements.

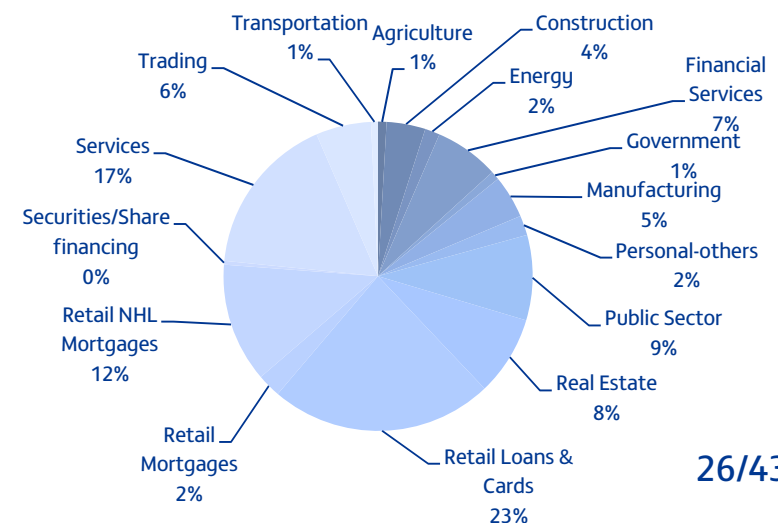
LOAN BOOK TREND (AED Bn)



ASSET MIX



LOAN BOOK BREAKDOWN BY SECTOR

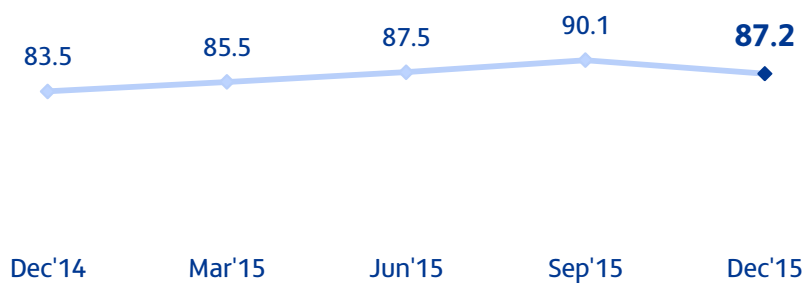


Liquidity

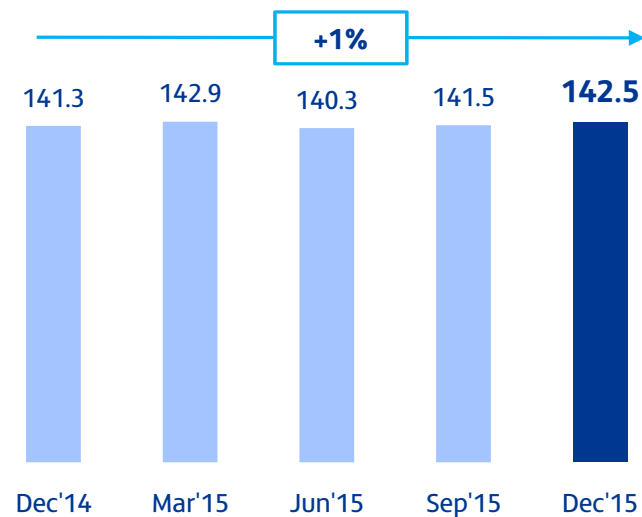
HIGHLIGHTS

- Customer deposits grew by 1% year-to-date to AED 142.5Bn
- By sector, deposit base comprises of 39% Corporate, 31% Government & Public Sector, 14% NHL-related deposit, 12% Retail, and 4% International division
- CASA deposits represent 21% of total customer deposits as of Dec'15
- Regulatory Advances-to-Deposits ratio at 87.2% remains well below the regulatory ceiling of 100%
- As of Dec'15, FGB displays a Group LCR of 97.3% which is comfortably above the Basel III glide path of 60% for 2015

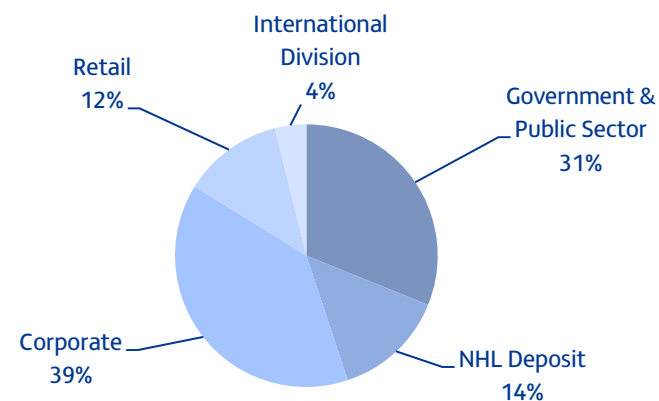
REGULATORY ADVANCES-TO-DEPOSITS RATIO (%)



CUSTOMER DEPOSITS TREND (AED Bn)



DEPOSITS BY SECTOR

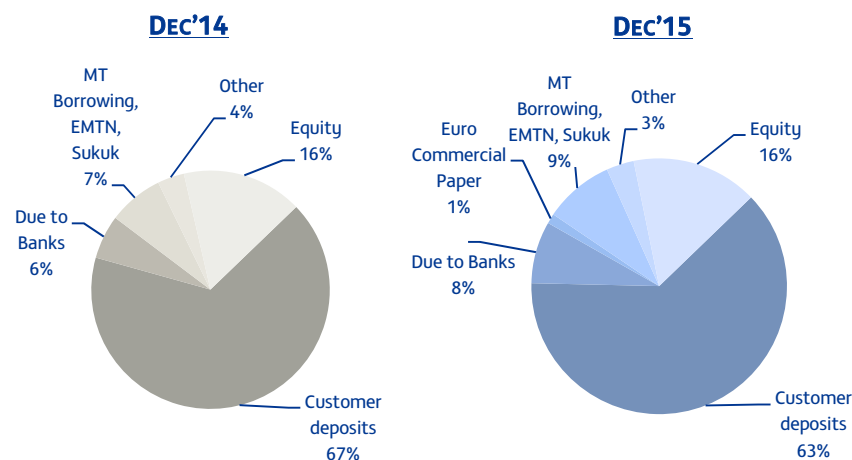


Funding Mix

HIGHLIGHTS

- In 2015, FGB successfully raised a total of USD 2.2 Billion of senior term funding including USD 600 Million of pre-funding for 2016, providing the Bank with flexibility to navigate volatile markets.
- Notes outstanding under FGB's Euro Commercial Paper (ECP) programme (established in June 2015) amounted to AED 2.83Bn as of December-end 2015.

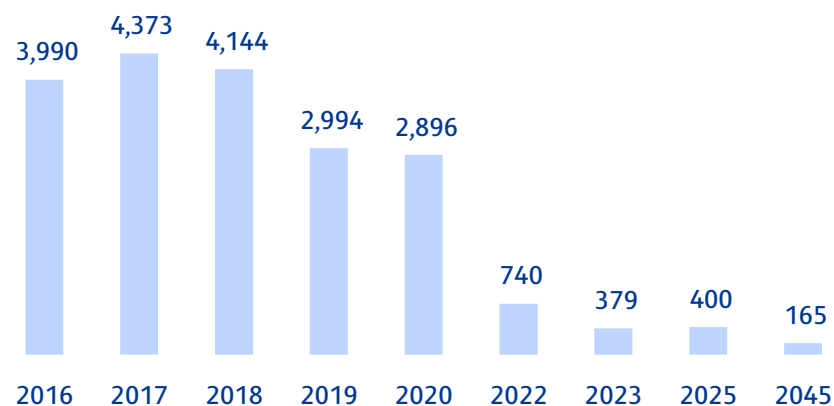
LIABILITY MIX



WHOLESALE FUNDING (AED Mn)

	Dec'15
Syndicated loan	3,673
Bank loans	184
EMTN	10,001
Medium term bonds	1,792
Repurchase agreements	208
Sukuk	4,224
Total	20,081

MATURITIES (AED Mn)

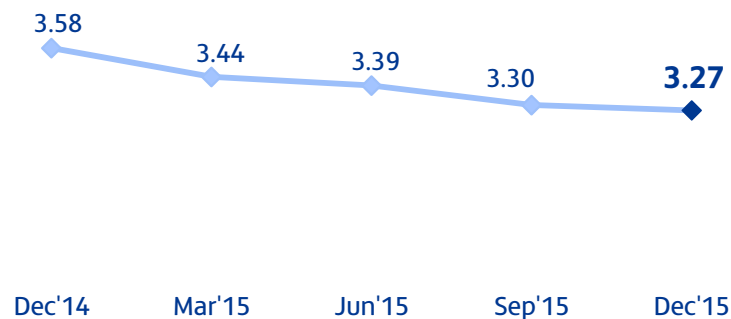


Key Revenue Movements and NIMs

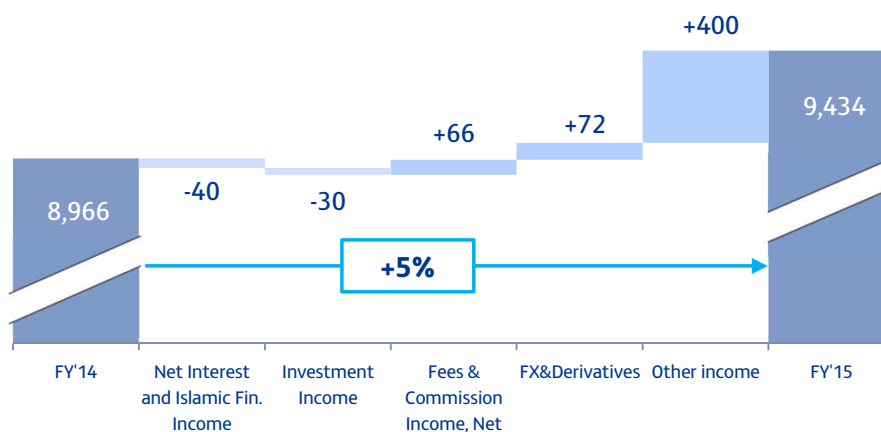
HIGHLIGHTS

- Resilient FY'15 operating performance despite increased market volatility, with revenues adding 5% YoY (+AED 468Mn) as a result of :
 - +AED 400Mn increase in Other Income supported by property gains
 - +AED 72Mn increase in FX & Derivatives income
 - +AED 66Mn addition in net fees and commission income driven by higher revenues related to wealth management, syndications and retail lending activities
 - AED 30Mn decline in investment income due to volatile global market conditions
 - AED 40Mn reduction in net interest and Islamic Financing income primarily due to 31bps NIM contraction YoY, within management guidance
- Non-interest revenues increased their contribution in total operating income to 32% in FY'15 up from 28% in FY'14, reflecting the Bank's successful revenue diversification strategy.

NET INTEREST MARGIN (%) - YTD

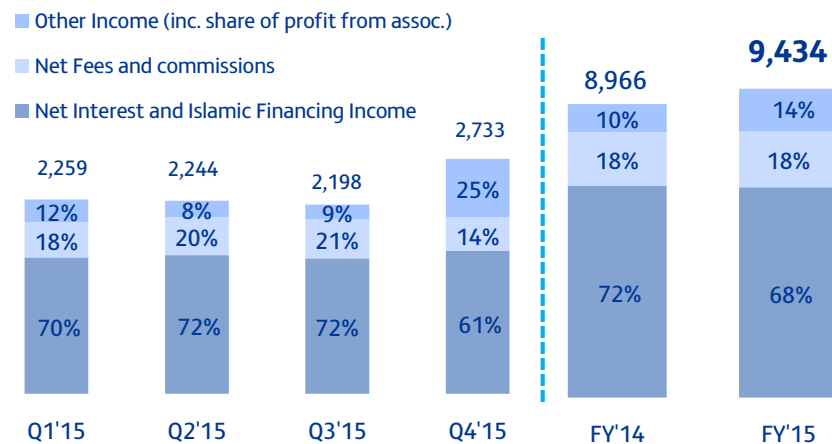


KEY MOVEMENTS IN OPERATING INCOME* (AED Mn)



*2015 revenues include fees and commissions presented net of related expenses previously classified under G&A expenses (AED 298Mn)

REVENUE BREAKDOWN (AED Mn)

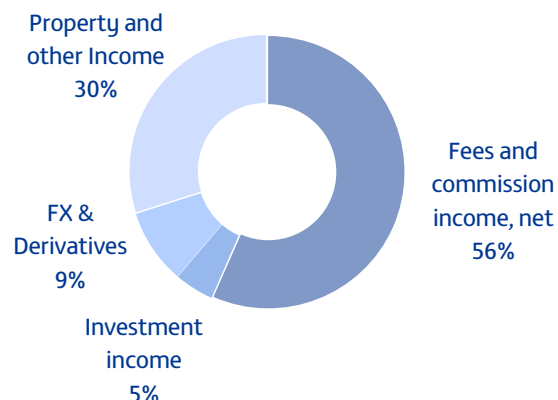


Non-Interest Revenues and Cost Efficiency

HIGHLIGHTS

- Non-interest revenues grew by 20% YoY in spite of deteriorating operating conditions and increased markets volatility
- Fee income and fees and commissions on credit cards showed a positive trend thanks to higher wealth management, credit card and corporate & syndication fees, offsetting the decline in trade finance-related income
- Fees & commission expenses of AED 298Mn include credit card expenses (AED 164Mn), insurance on retail products (AED 41Mn), collection commissions (AED 39Mn), and draw and other expenses (AED 54Mn)
- During Q4, property income was supported by MTM gains and compensation fees on project completion delays for a total amount of AED 534Mn (more details on slide 38/43)
- G&A expenses increased by 5% YoY reflecting higher business volumes and continued investments in key strategic projects. FY'15 C/I ratio landed at 20.6% (or 23.1% before retail expenses reclassification), well below management medium term target of 25%

FY'15 NON-INTEREST REVENUE BREAKDOWN

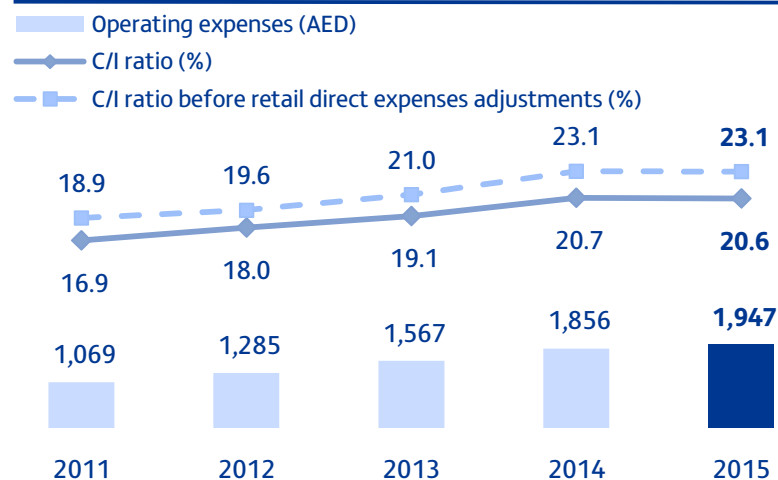


FY'15 NON-INTEREST REVENUES

In AED Mn	FY'15	FY'14	YoY %
Commission income	496	575	-14%
Fee income	844	749	13%
Fees and commissions on credit cards	650	572	14%
Brokerage and fund management fee income	8	14	-42%
Fees & commission income	1,998	1,908	+5%
Fees & commission expenses	(298)	(274)	+9%
Fees & commission income, Net	1,700	1,635	+4%
Investment income	139	169	-18%
FX & Derivatives	267	195	+37%
Property and other income*	898	498	+80%
Total	3,004	2,496	+20%

*Including share of profit from associates

COST EFFICIENCY

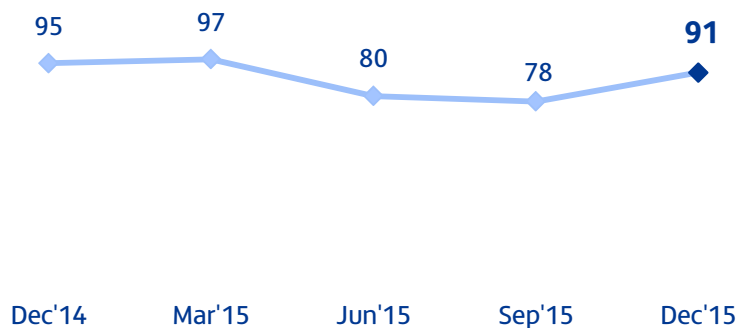


Credit Quality

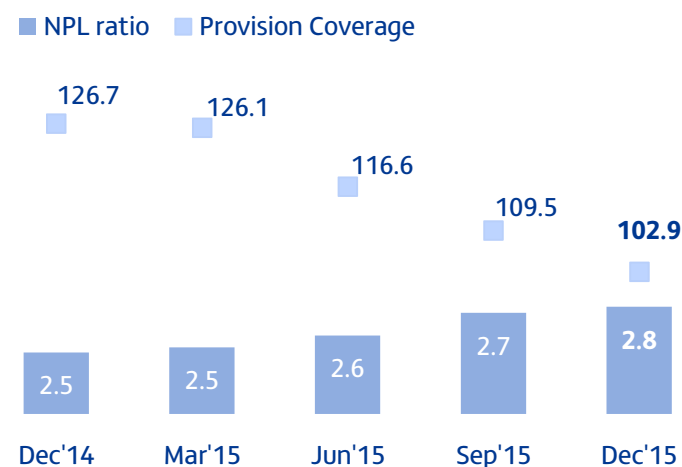
HIGHLIGHTS

- During Q4, the settlement of a large corporate account was offset by the downgrade of a large international exposure. This resulted in NPLs of AED 4.3Bn as of Dec'15, implying a NPL ratio of 2.8%
- Provision coverage remained healthy at 102.9% of NPLs, with general provisions representing 1.56% of total CRWA
- Credit impairments increased by 3% YoY to AED 1,407Mn implying an annualized cost of risk of 91bps down from 95bps last year and within management target range

ANNUALIZED COST OF RISK (BPS) - YTD



NPL RATIO AND PROVISION COVERAGE (%)



NPLS AND PROVISIONS (AED Mn)

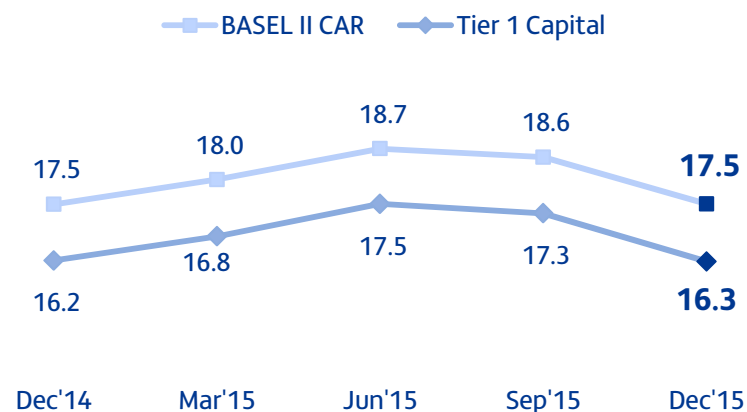
	Dec'15	Dec'14	YoY %	Sep'15	QoQ %
NPLs	4,294	3,533	22%	4,352	-1%
Provisions	4,420	4,478	-1%	4,768	-7%
Specific	1,728	1,975	-13%	2,060	-16%
General	2,692	2,503	8%	2,708	-1%

Capital Strength (Basel II)

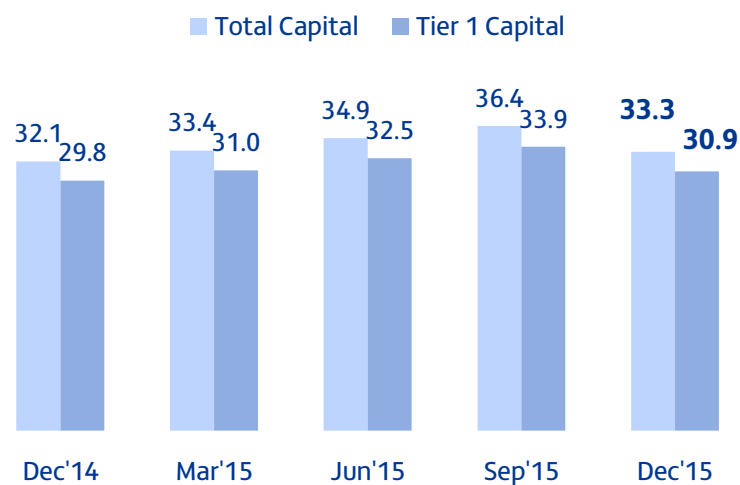
HIGHLIGHTS

- Basel II total CAR and Tier 1 capital ratios after dividend distribution remained robust at 17.5% and 16.3% respectively
- RWA grew by 3% YoY to AED 190.0Bn reflecting the growing balance sheet.
- FGB's medium term Tier 1 capital floor under Basel II remains at 14%

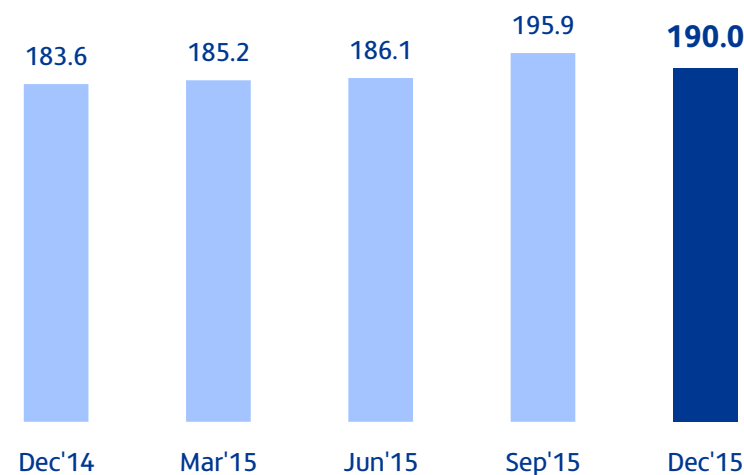
CAPITAL ADEQUACY RATIO (%)



CAPITAL BASE (AED Bn)



RISK WEIGHED ASSETS (AED Bn)

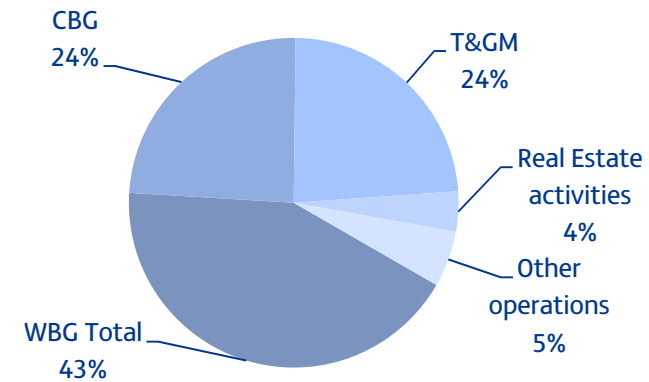


Business Segment Contributions

HIGHLIGHTS

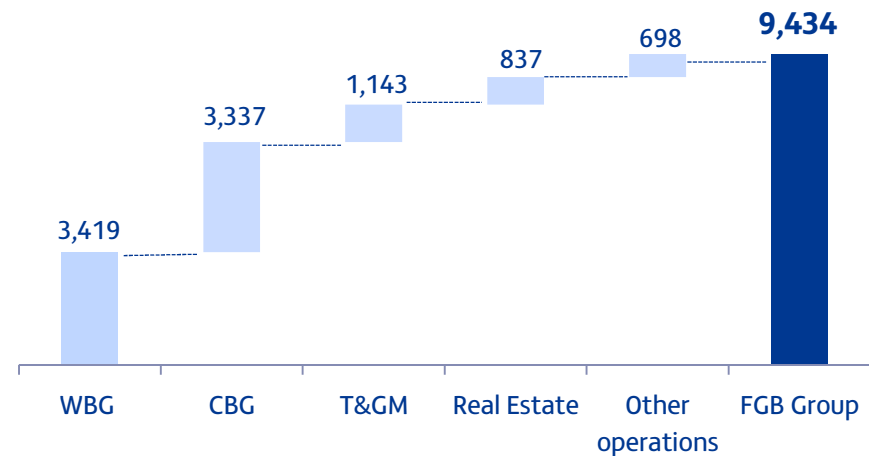
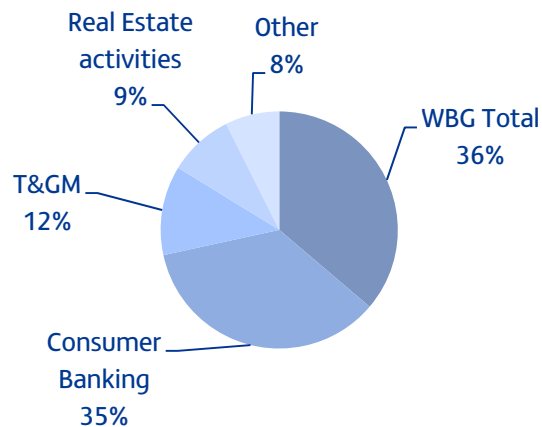
- Continued focus on enhancing core capabilities and on maximizing synergies between the three core businesses: Wholesale & International Banking Group (WBG), Consumer Banking Group (CBG), and Treasury & Global Markets Group (T&GM)
- These three pillars represent 91% of Group total assets as of Dec'15
- WBG generated 36% of FY'15 Group revenues, followed by CBG (35%) and T&GM (12%).

ASSETS BREAKDOWN



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

SEGMENTAL REVENUE BREAKDOWN AND CONTRIBUTIONS TO GROUP REVENUE* (AED Mn)



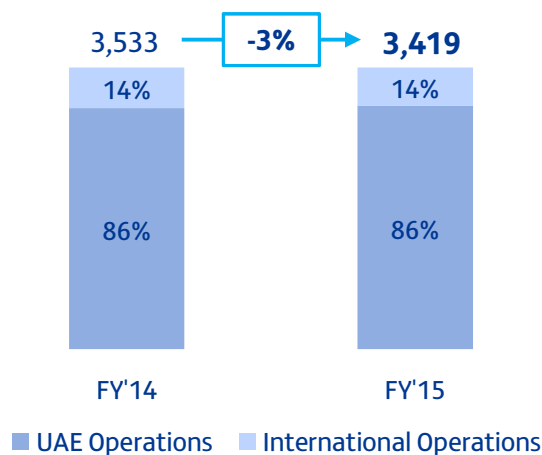
***Effective 1st January, 2015, the Bank has changed its Funds Transfer Pricing Methodology ("FTP"). As a result of the change in the FTP, comparative figures relating to net interest income and income from Islamic financing as well as profit attributable to equity holders of the Bank for 2014 have been adjusted for consistency purposes.

Wholesale Banking Group - WBG

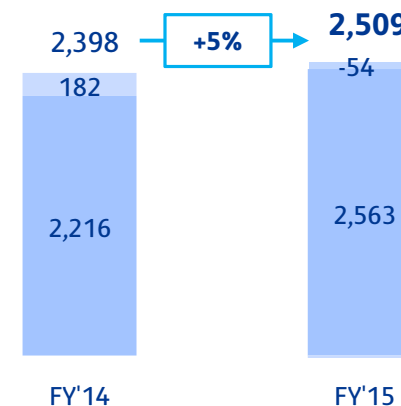
HIGHLIGHTS

- Healthy commercial momentum supported 6% YoY assets growth
- Successful diversification strategy supported solid fee income growth, partially offsetting impact of contracting NIMs on interest revenues.
- Net profit grew by 5% to AED 2,509Mn (AED +111Mn) thanks to diligent risk management and expense control

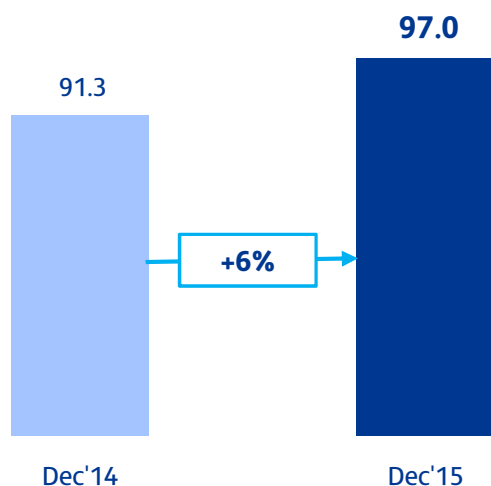
OPERATING INCOME (AED Mn)



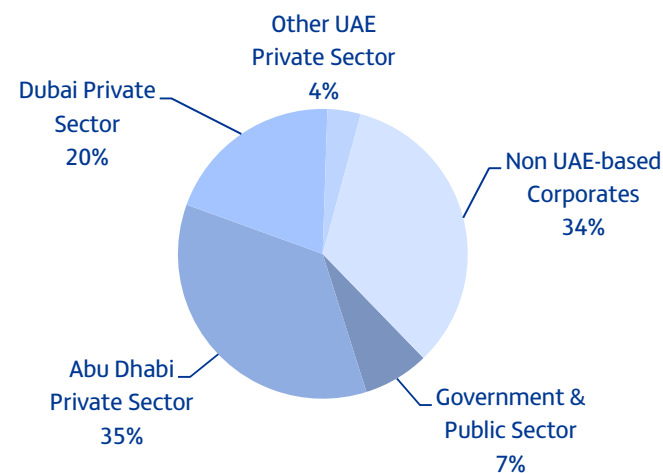
NET PROFITS (AED Mn)



TOTAL ASSETS (AED Bn)



WHOLESALE GROSS LOAN PORTFOLIO (Dec'15)

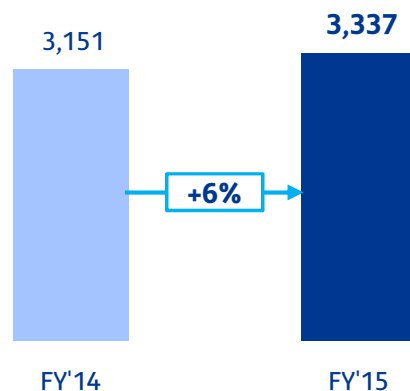


Consumer Banking Group - CBG

HIGHLIGHTS

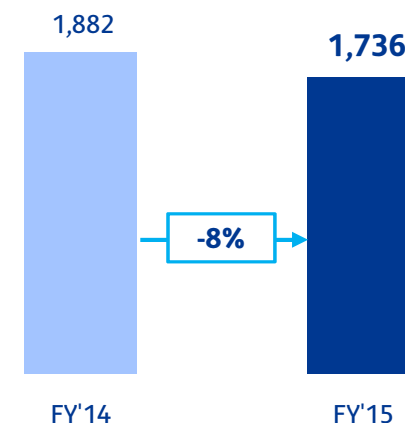
- Continued focus on product innovation and enhanced customer experience
- CBG revenues grew 6% YoY to AED 3,337Mn while Net Profit shows a -8% YoY decrease due to higher impairments
- Wealth Management, SME loans and credit cards remain key growth drivers representing 24% of Dec'15 gross loan portfolio

OPERATING INCOME¹ (AED Mn)



¹Net of retail direct expenses

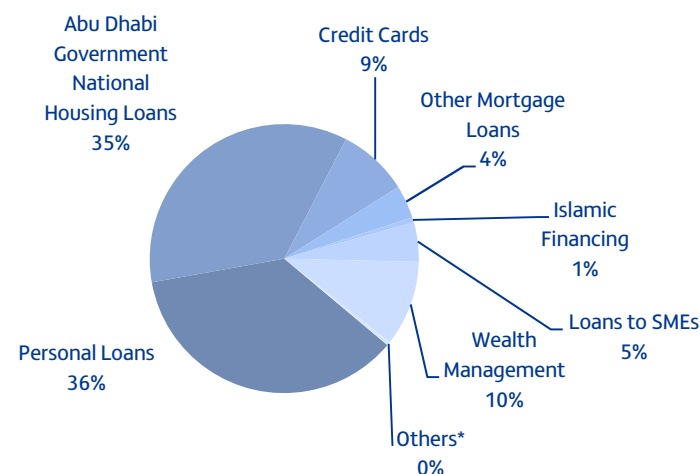
NET PROFITS (AED Mn)



TOTAL ASSETS (AED Bn)



CONSUMER GROSS LOAN PORTFOLIO (DEC'15)



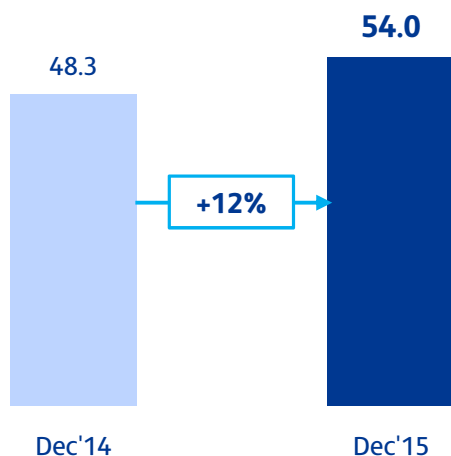
*Auto loans and overdrafts

Treasury & Global Markets – T&GM

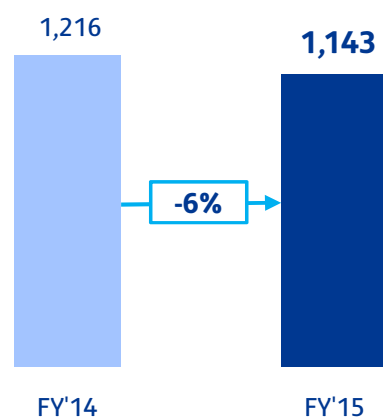
HIGHLIGHTS

- Due to market volatility, T&GM revenues decreased by 6% YoY. Net profits were down by 28% reflecting the impact of the allocation of General Provisions as per CB UAE's guidance to provide 1.50% of total CRWA
- 92% of FGB's investment portfolio is invested in investment grade fixed income bonds, of which 62% is allocated to GCC.
- The average duration of the AFS portfolio which represents 79.1% of the total portfolio is 3.05 years.
- 53% of the Fixed Income portfolio is rated A- & above, 38% is rated between BBB+ & BBB-, the remaining 8% is non-rated/sub-investment grade.
- The WARF of the Fixed Income portfolio is BBB

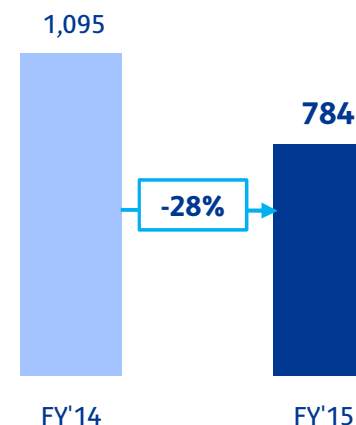
TOTAL ASSETS (AED Bn)



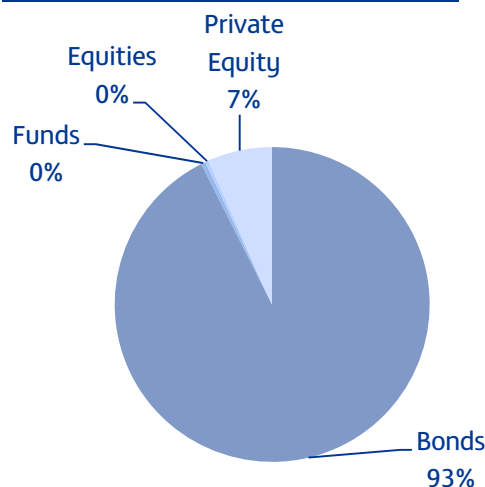
OPERATING INCOME (AED Mn)



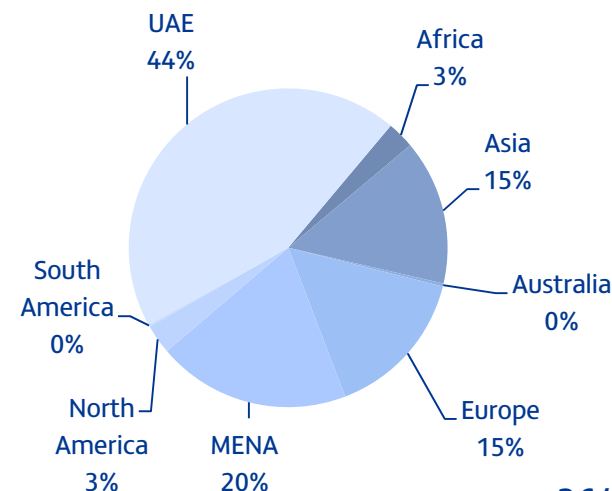
NET PROFITS (AED Mn)



INVESTMENTS¹ BY TYPE



INVESTMENTS¹ BY REGION



¹Excluding Treasury Bills and bonds related to LCR portfolio

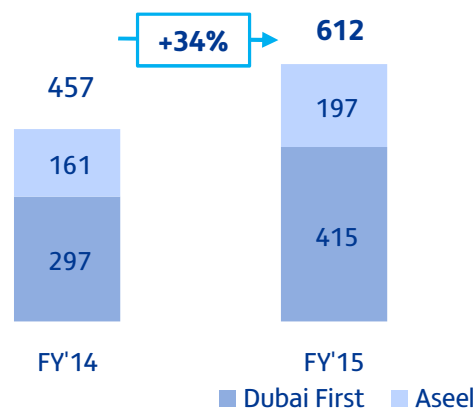
Consumer Finance Subsidiaries

Dubai First and Aseel Islamic Finance

HIGHLIGHTS

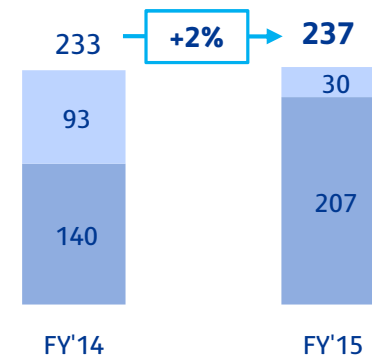
- Dubai First and Aseel are FGB's consumer finance subsidiaries specialised in credit cards and SME islamic financing respectively
- Both companies generated combined revenues of AED 612Mn, up 34% YoY, contributing 6% to FY'15 Group revenue
- Dubai First continued to perform strongly recording a 48% YoY increase in net profits
- Aseel continued its transition to an islamic business finance company during 2015. As a result, net profits were limited to AED 30Mn against AED 93Mn in FY'14.

OPERATING INCOME¹ (AED Mn)

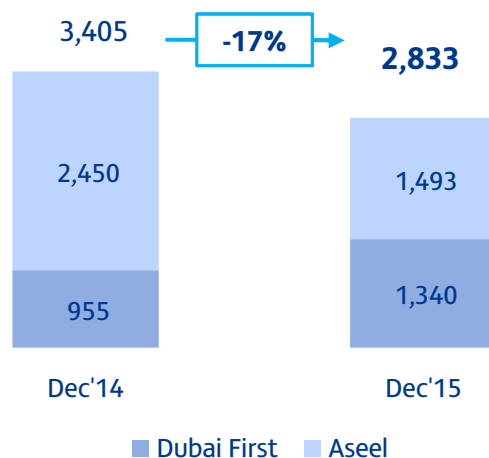


¹Net of retail direct expenses

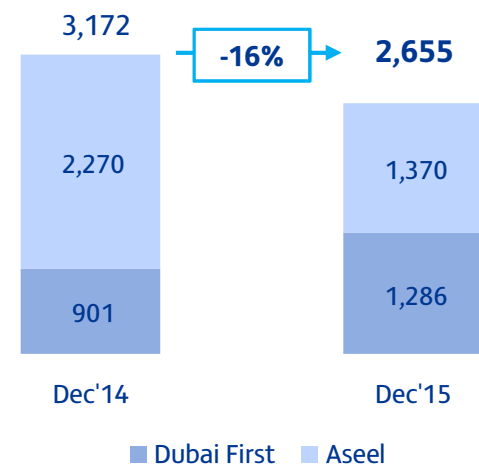
NET PROFITS (AED Mn)



TOTAL ASSETS (AED Mn)



TOTAL LOANS (AED Mn)

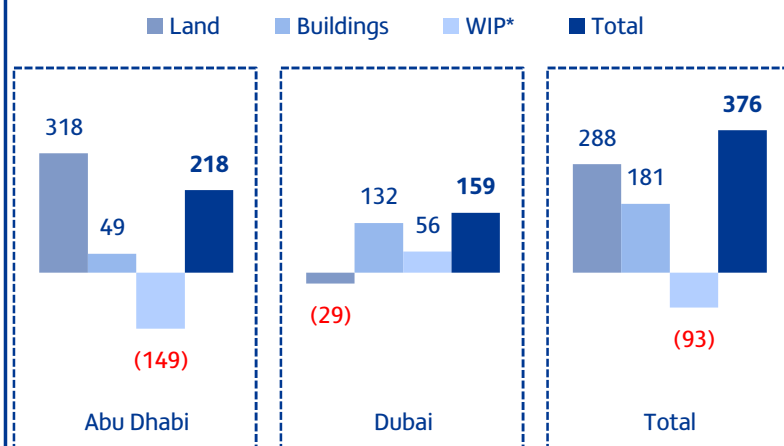


Real Estate Subsidiaries

HIGHLIGHTS

- Real estate revenues grew by 79% YoY to AED 837Mn.
- During Q4, the Bank recorded AED 534Mn of property income including: AED 376Mn MTM gains and AED 158Mn compensation fees related to completion delays on a real estate project
- Average value/sqft of FGB's property portfolio increased by AED 5 YoY to AED 244 in 2015
- As of Dec'15, 95% of FGB's investment properties portfolio is comprised of assets located in Abu Dhabi or generating rental income.
- FY'15 rental yield stood at 5.1%

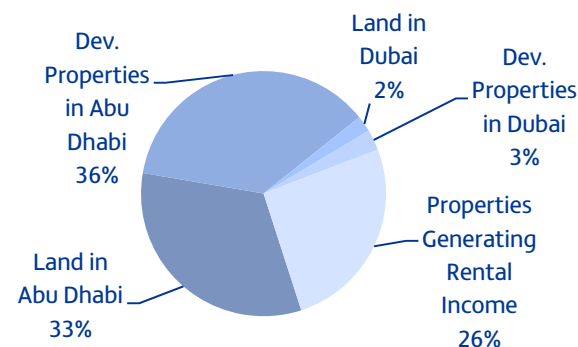
Q4'15 MTM GAINS (AED Mn)



*WIP = Work In Progress

INVESTMENT PROPERTIES PORTFOLIO¹ (Dec'15)

Description	Location	2015			2014
		Area (in Sqft)	Value (AED Mn)	Value/ Sqft (AED)	Value/ Sqft (AED)
Land - Airport area	Abu Dhabi	21,283,356	1,552	73	65
Land Reem Island	Abu Dhabi	3,826,385	883	231	187
Land city area	Abu Dhabi	167,389	243	1,454	1,368
Land	Dubai	862,208	187	216	184
Leased Properties	Abu Dhabi	783,790	741	946	861
Leased Properties	Dubai	3,572,260	1,267	355	312
Leased Properties	Other Emirates	285,456	111	387	-
Development Properties	Dubai	295,929	222	749	1,318
Development Properties	Abu Dhabi	2,526,100	3,000	1,188	1,021
Total		33,602,873	8,206	244	239
Land Held by an Associate (Mismak)	Abu Dhabi	118,902	35	294	285
Total		33,721,776	8,241	244	239



¹AED 8.2Bn as of December-end 2015, representing 3.6% of total Bank assets

Action Plan for 2016

- Amidst persistent uncertainties in a testing operating environment, FGB will continue to maximize value for shareholders through the following actions:
 - **Prudent growth of RWAs** through more selective business origination based on risk appetite framework and pricing
 - **Focus on high-quality funding and cost optimization**
 - **Efficient allocation of resources** and cost discipline: continued investments in key projects designed to drive future operational efficiencies, recruiting talent in key areas

FY16 Financial Guidance

FY16 FINANCIAL GUIDANCE

LOAN BOOK GROWTH

Low single-digit

REVENUE GROWTH

Flat to low single-digit

NIMs

3.0% - 3.2%

EXPENSES

C/I Ratio < 23%

ASSET QUALITY

NPL ratio < 3.5%

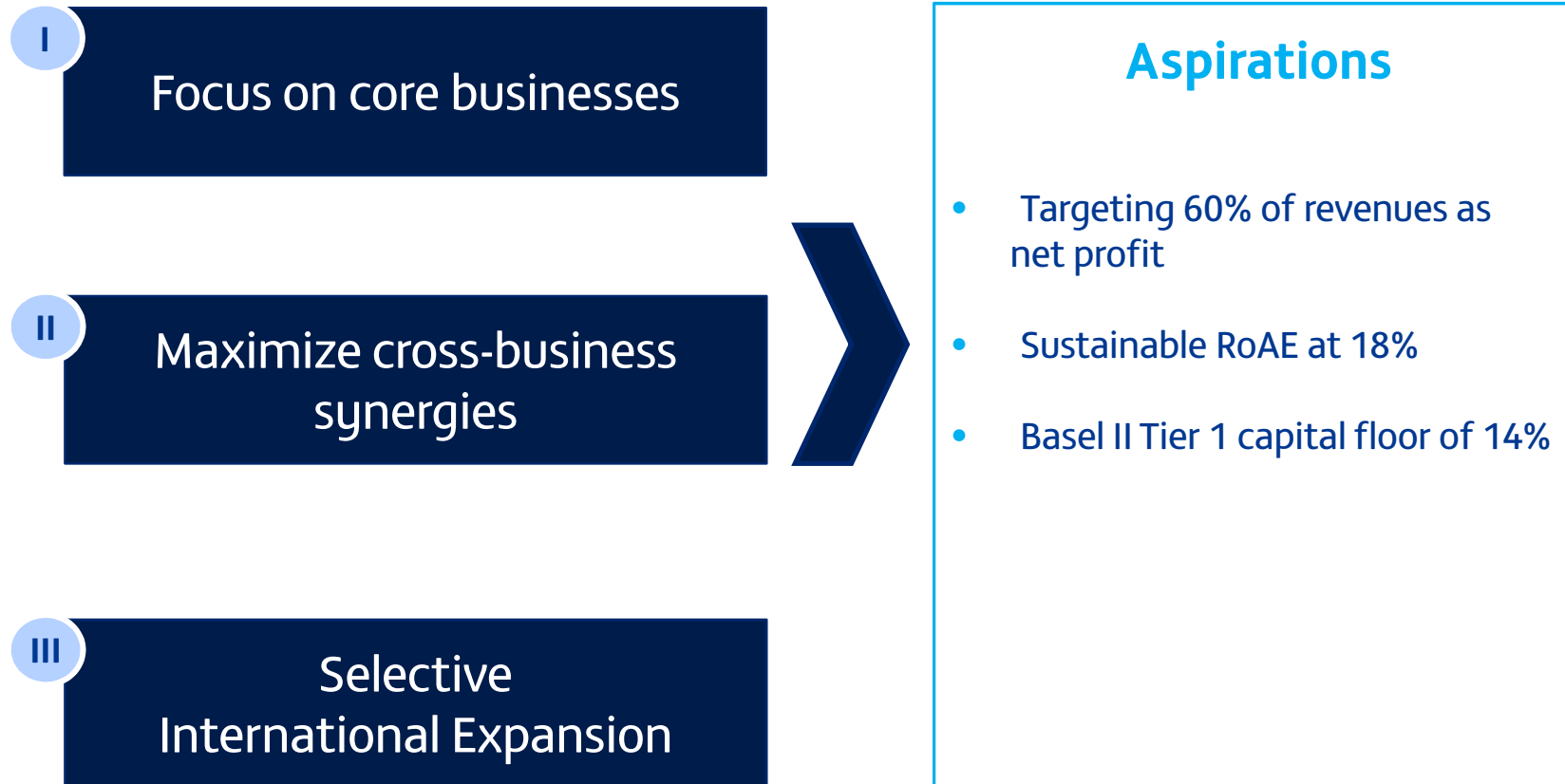
Cost of risk < 100bps

NET PROFIT GROWTH

Flat to low single-digit

Medium-term ambitions

► OUR MEDIUM TERM STRATEGIC PRIORITIES ARE INTACT



FGB 2015 Awards



The Banker Middle East: **“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.fgb.ae

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