FAB achieves record 2023 with AED 16.4 billion net profit, proposes 50% payout - AED 7.8 billion cash dividend

Abu Dhabi, 1 February 2024: First Abu Dhabi Bank has delivered a record full year 2023 and fourth quarter results, consolidating a three-year journey of disciplined acceleration in business momentum, while demonstrating remarkable growth and profitability as the regional banking powerhouse.

FAB's Board of Directors is proposing a total cash dividend of AED 7.8 billion for 2023, representing a cash dividend per share of 71 fils- the highest payout since 2020. The 50% payout is subject to shareholder approval at the bank's General Assembly Meeting, scheduled to be held on 5 March 2024. Net profit for FY2023 reached AED 16.4 billion, up 56% on an underlying basis when excluding non-recurring gains from the sale of stake in subsidiaries. Total income was at AED 27.8 billion with broad-based growth across all core businesses. Total assets increased 5% yoy to AED 1.2 trillion (USD 318 billion) ensuring FAB remains the largest bank in the UAE. Loans, advances, and Islamic financing grew 5% yoy to AED 484 billion - and 8% on average over the past three years, outperforming the UAE banking sector and demonstrating market share gains across segments and geographies. Customer deposits grew 8% yoy to AED 760 billion with a 21% increase in CASA balances.

His Highness Sheikh Tahnoon Bin Zayed Al Nahyan, Chairman, said: "The UAE economy continues to be a compelling story of growth and diversification, with deepening trade ties and economic relationships. As the UAE's leading bank and a regional banking powerhouse, we have a clear strategy to deliver for our shareholders while supporting the UAE's strengthening position as a recognised international financial centre, a global trade hub, a nexus of innovation and advanced technology within a thriving business environment.

2023 was an outstanding year for First Abu Dhabi Bank. We further consolidated our leading position as one of the largest global banks, with total assets increasing to AED 1.2 trillion and an impressive Return on Tangible Equity (RoTE) in 2023 which represented the culmination of a three-year journey of accelerated business momentum."

Hana Al Rostamani, Group Chief Executive Officer of FAB, said: "FAB's outstanding performance in 2023 marks the third consecutive year of higher improved profitability, driving greater cash returns for our shareholders.

During that time, we have been focused on diversifying our global franchise internationally and across business lines, products, funding sources and income streams. Simultaneously, we have facilitated over AED 125 billion of sustainable finance projects to date. These strategic achievements will enable us to keep developing our business further, while capitalising on new sources of value creation.

We have built a strong platform for future growth, one that is ideally placed to facilitate the growing trade and investment flows that support our clients' ambitions, leaving us well positioned for continued growth, while enhancing sustainable returns to our shareholders. We are determined to be the regional financial institution of choice to current and prospective clients."

Lars Kramer, Group Chief Financial Officer at FAB, said: "Collectively we have delivered a very strong set of results. Group revenue and net profit reached new record highs and performance was consistent across our core business segments.

We achieved this while managing capital efficiently and costs prudently, maintaining our superior credit ratings profile and delivering attractive returns to our shareholders.

The strength of our franchise, rock-solid capital base, leading liquidity position, and high-quality risk profile, bolster confidence in our outlook for 2024 and beyond".

FY 2023 selected financials

Net Profit	**Earnings Per Share**	**Proposed Cash Dividend**	**Total Income**
AED 16.4 billion	**AED 1.43**	**71 fils per share**	**AED 27.8 billion**
+56%[1] yoy	2022: AED 1.18	2022: 52 fils	+32%[1] yoy
RoTE	**Total Assets**	**LCR ratio**	**CET1 ratio**
17.6%	**AED 1.2 trillion**	**145%**	**13.8%**
2022: 15.7%	+5% yoy	2022: 154%	2022: 12.6%

[1]*On an underlying basis excluding gains on sale of stake in subsidiaries*

Three Consecutive Years of Improved Rote Driving Higher Cash Returns to Shareholders



Further Business Diversification

The 2023 results showed strong delivery across all core business and client segments. Investment Banking revenue grew 35% yoy to a record AED 12 billion (44% of Group revenue); Corporate and Commercial Banking revenue grew 38% yoy to AED 6.9 billion (25% of Group revenue); Consumer Banking revenue grew 4% yoy to AED 3.8 billion (14% of Group revenue); Global Private Banking achieved revenue of AED 1.2 billion, a 14% yoy growth (4% of Group revenue). Revenue from international operations grew 11% yoy to AED 5.3 billion, reflecting healthy activity across FAB's strategic footprint.

Regional Pacesetter for Sustainability

In March 2023, FAB became the first MENA bank to set financed emissions-reduction targets relating to its three 'Wave 1' sectors: oil & gas, aviation, and power generation. In November 2023, it expanded its financed emissions reduction targets to include five additional sectors: agriculture, aluminium, cement, commercial real estate (CRE), and steel.

The combined targets for the eight sectors cover 90% of FAB's financed emissions for corporates and forms part of the Group's sustainable growth strategy.

FAB is committed to supporting clients across the GCC region with their net zero transition. At COP28, the Group significantly upsized its sustainable finance commitment to AED 500 billion by 2030, representing half of the UAE banking sector's pledge (of AED 1 trillion).

Sustainable finance commitment by 2030
AED 500bn (USD 135bn)

Sustainable finance investment since 2022
over AED 125bn (USD 34bn)

Leading position in green bond market
USD 3.2bn outstanding

Notes to Editors

About First Abu Dhabi Bank (FAB)

Headquartered in Abu Dhabi with a strategic global footprint across 20 markets, FAB is the finance and trade gateway to the Middle East and North Africa region (MENA). With total assets of AED 1.2 trillion (USD 318 billion) as of December-end 2023, FAB is among the top 50 banks globally by market capitalisation and one of the world's largest banking groups. The bank provides financial expertise to its wholesale and retail client franchise across four business units: Investment Banking, Corporate and Commercial Banking, Consumer Banking, and Global Private Banking. FAB is listed on the Abu Dhabi Securities Exchange (ADX) and rated Aa3/AA-/AA- by Moody's, S&P and Fitch, respectively, with a stable outlook. On sustainability, FAB holds an MSCI rating of 'A', also ranked among the top 10% of banks globally by Refinitiv's ESG Scores and the best performer in the MENA region.

For further information, visit: www.bankfab.com