

Press Release

AHLI UNITED BANK B.S.C. REPORTS A NET PROFIT OF US\$ 377.5 MILLION ATTRIBUTABLE TO OWNERS OF THE BANK FOR H1/2019

Release Date: 29 July 2019

Ahli United Bank B.S.C. (AUB) reported a net profit attributable to its equity shareholders of US\$ 377.5 million for the first half of 2019. The net profit reflected an increase of 5.6% in H1/2019 as compared to the net profit of US\$ 357.4 million achieved in H1/2018. The Q2/2019 net profit of US\$ 184.7 million represents a 1.1% improvement over the Q2/2018 reported profit of US\$ 182.7 million. The Basic Earnings per Share in H1/2019 were US 4.1 cents (+5.1%), compared to US 3.9 cents in H1/2018 (EPS: US 1.9 cents in Q2/2019 versus US 1.9 cents in Q2/2018).

Operating income grew by 2.9% to US\$ 630.1 million during first six months of 2019 compared to US\$ 612.4 million in H1/2018 mainly driven by an increase in net interest income by US\$ 22.9 million (+4.9%) to US\$ 490.2 million in H1/2019 compared to US\$ 467.2 million in H1/2018 attributable to growth in average loans and investments. Net operating income increased (+4.5%) from US\$ 570.1 million in H1/2018 to US\$ 595.8 million in H1/2019. Cost to income ratio stood at 26.5% (H1/2018: 26.1%) reflecting the continuous focus on the rigorous implementation of broad based cost discipline and of an intelligent spend approach.

Solid asset quality levels were maintained with a non-performing loans ratio of 2.0% (31 December 2018: 1.9%) with specific provision coverage ratio of 85.1% (31 December 2018: 85.5%) and total provision coverage ratio of 188.6% (31 December 2018: 214.7%).

The Group's total assets at 30 June 2019 increased by 7.1% to US\$ 38.0 billion (31 December 2018: US\$ 35.5 billion). Return on Average Assets was at 2.2% for H1/2019 (H1/2018: 2.3%). The Group's equity attributable to owners at 30 June 2019 stood at US\$ 3.9 billion (31 December 2018: US\$ 3.9 billion). The Group's Return on Average Equity (ROAE) achieved for H1/2019 was 18.4% (H1/2018: 18.8%).

Mr. Meshal Al-Othman, AUB Chairman, commented: "Despite mounting geopolitical tension in the region and subdued operating environments in AUB's major markets, AUB continued its robust performance in first half of 2019 maintaining prudent and healthy growth in core earnings and operating net profit. AUB's continued positive core performance is a testament to its well-managed business model based on diversification and cross border flows through its strategic investments across the Gulf and MENA region. Growth was underpinned by robust risk management and continuous focus to ensure the effective deployment of capital resources across the AUB Group's current and targeted markets."

Ends

The press release and full set of the interim condensed consolidated financial statements for the period ended 30 June 2019 are available on the Bahrain Bourse, Boursa Kuwait and AUB websites.
www.ahliunited.com

