

COMMERCIAL BANK OF DUBAI

INVESTOR PRESENTATION

December 2016

بنك دبي التجاري
Commercial Bank of Dubai



Disclaimer



In accessing the Information in this document, you agree to be bound by the following terms and conditions.

The Information is provided to you solely for your information and may not be retransmitted, further distributed to any other person or published, in whole or in part, by any medium or in any form for any purpose. The opinions presented herein are based on general information gathered at the time of writing and are subject to change without notice. The Bank relies on information obtained from sources believed to be reliable but does not guarantee its accuracy or completeness. The financial information contained within this presentation is, unless otherwise specified, taken from the Bank's annual audited consolidated financial statements and the unaudited condensed consolidated interim financial statements as at and for the year ended 31st December 2016.

This presentation contains data compilations, writings and information that are proprietary and protected under copyright and other intellectual property laws, and may not be redistributed or otherwise transmitted by you to any other person for any purpose.

The Information has not been independently verified and no responsibility is accepted, and no representation, undertaking or warranty is made or given, in either case, expressly or impliedly, by CBD or any of its officers or advisers as to the accuracy, reliability or completeness of the Information or as to the reasonableness of any assumptions on which any of the same is based or the use of any of the same. Accordingly, no such person will be liable for any direct, indirect or consequential loss or damage suggested by any person resulting from the use of the Information or for any opinions expressed by any such person, or any errors, omissions or misstatements made by any of them. The statements contained in this presentation are made as at the date of this presentation, unless another time is specified in relation to them, and delivery of this presentation shall not give rise to any implication that there has been no change in the facts set forth in this document since that date. Save as otherwise expressly agreed, none of the above persons should be treated as being under any obligation to update or correct any inaccuracy contained herein or be otherwise liable to you or any other person in respect of any such information. Market data used in the Information not attributed to a specific source are estimates of the Bank and have not been independently verified. No reliance may be placed for any purpose whatsoever on the information contained in this document or on its completeness.

Nothing contained in this presentation shall be deemed to be a forecast, projection or estimate of CBD's future financial performance. This presentation may contain statements, statistics and projections that include words such as "intends", "expects", "anticipates", "estimates" and words of similar import. All statements included in this presentation other than statements of historical facts, including, without limitation, those regarding financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives) are forward-looking statements. By their nature, such statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. No assurances can be given that such expectations will prove to be correct and actual results may differ materially from those projected because such statements are based on assumptions as to future economic performance and are not statements of fact. CBD expressly disclaims to the fullest extent permitted by law any obligation or undertaking to disseminate any updates to these forecasts, projections or estimates to reflect events or circumstances after the date hereof, nor is there any assurance that the policies, strategies or approaches discussed herein will not change. Nothing in the foregoing is intended to or shall exclude any liability for, or remedy in respect of, fraudulent misrepresentation.

For any enquires, please contact investor relations team investor.relations@cbd.ae

Overview of the United Arab Emirates

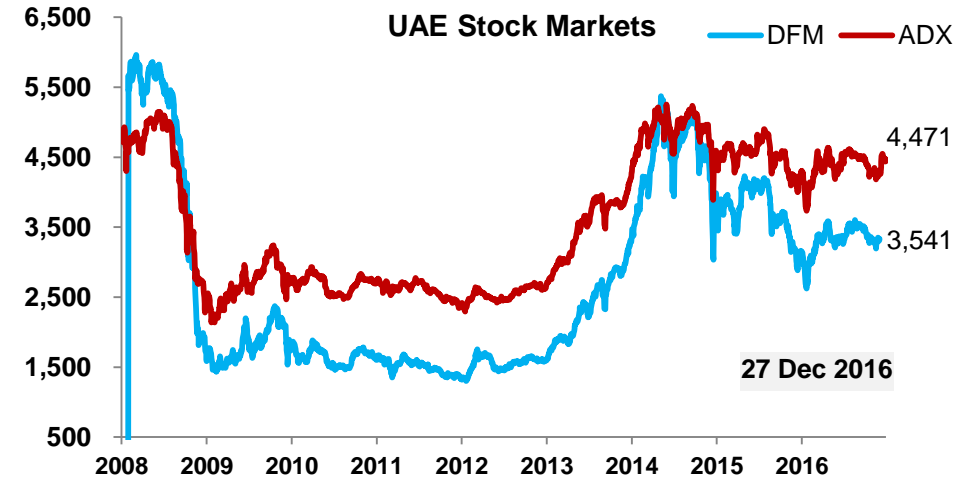


Snapshot of the UAE

- ▶ The United Arab Emirates (rated Aa2 by Moody's) comprises seven Emirates with Abu Dhabi and Dubai being the largest contributors to its gross domestic product ("GDP").
- ▶ The UAE benefits from several buffers, including a rapid non-oil growth, robust external reserves (estimated at USD 95.26 bln)¹ and a relatively low fiscal breakeven oil price.
- ▶ Abu Dhabi Investment Authority (ADIA) does not disclose its total assets under management but the US-based Sovereign Wealth Fund Institute, which tracks the industry, estimates them at USD 792 bln.
- ▶ For instance, and although oil has been the mainstay of the UAE economy (with 98 bln barrels of proven oil reserves and a reserves-to-production ratio of 93 years²) and continues to contribute significantly to economic prosperity, a determined and far-seeing policy of economic diversification has ensured that non-oil sectors now account for approximately 65% of the gross domestic product, with the oil sector comprising the remaining portion.

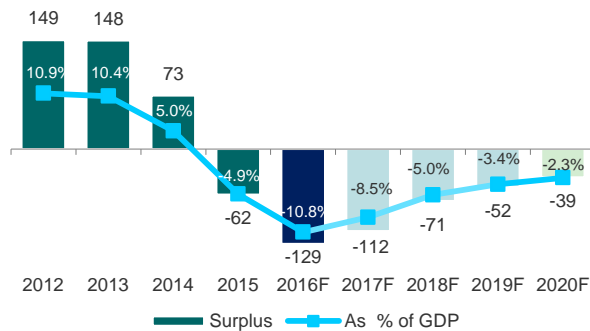
Source: ¹International Monetary Fund, UAE Interact; ²OPEC

UAE Stock Market



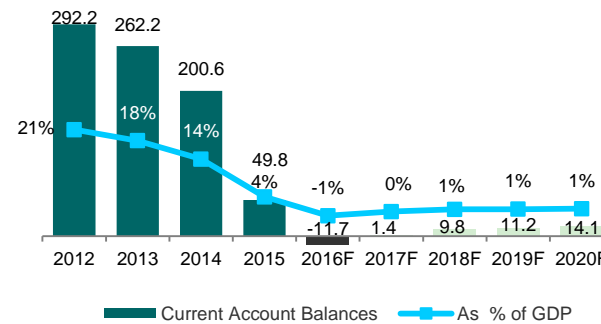
Source: Abu Dhabi financial market, Dubai financial market

Limited Fiscal Deficit to be Posted (AED bln)



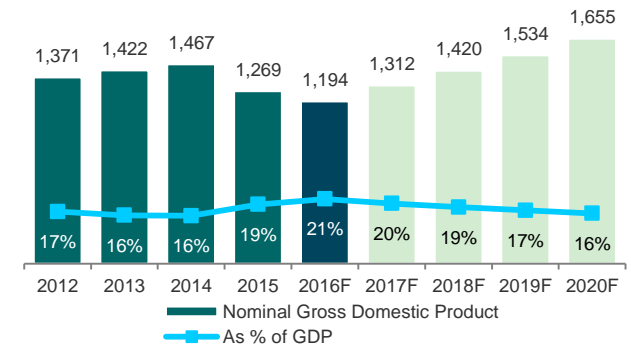
Source: International Monetary Fund, April 2016

Positive Current Account Balances (AED bln)



Source: International Monetary Fund, April 2016

UAE GDP and Public Debt (AED bln)



Source: International Monetary Fund, April 2016

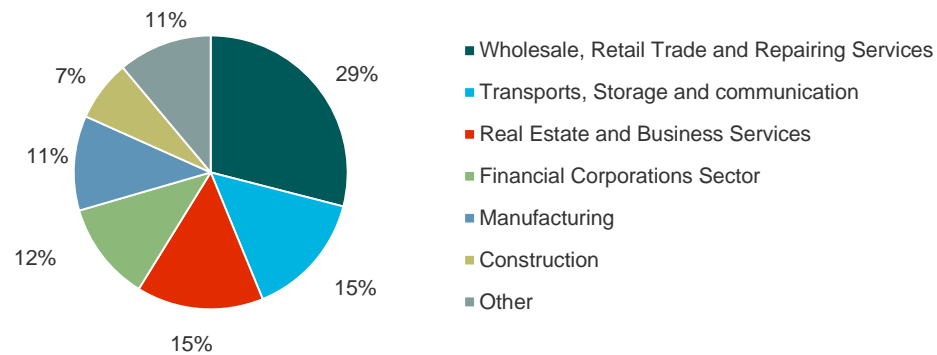
Overview of Dubai



Snapshot of Dubai

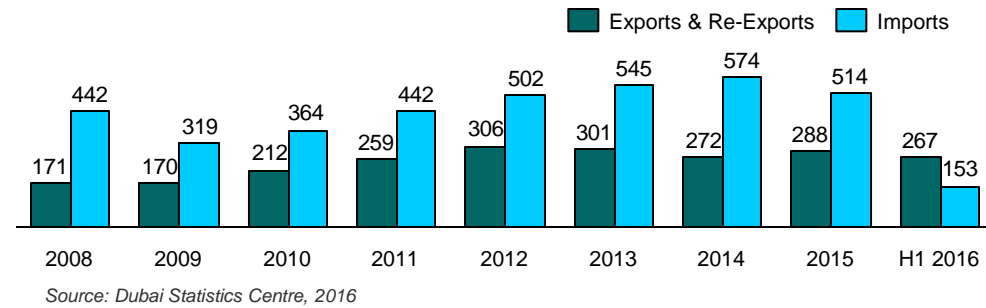
- ▶ The Emirate of Dubai is the second largest Emirate in the UAE after the Emirate of Abu Dhabi. Dubai is situated on the west coast of the UAE in the south-western part of the Arabian Gulf.
- ▶ Reflecting the Emirate's strategic geographic location, rising levels of international trade and the Government's long-standing strategy of positioning Dubai as a trading centre, Dubai's GDP has increasingly shifted away from reliance on the oil and gas sectors.
- ▶ Dubai's diversified economy has exhibited robust growth levels in recent years on the back of Government initiatives and policies which were aimed to improving the economic and business environment.

Limited Oil Contribution to Dubai's GDP (2015)

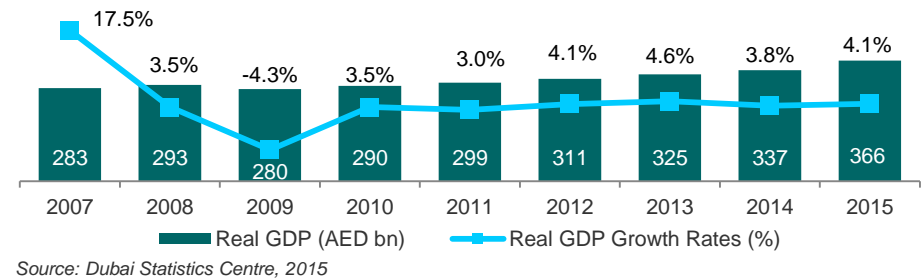


Source: Dubai Statistics Centre

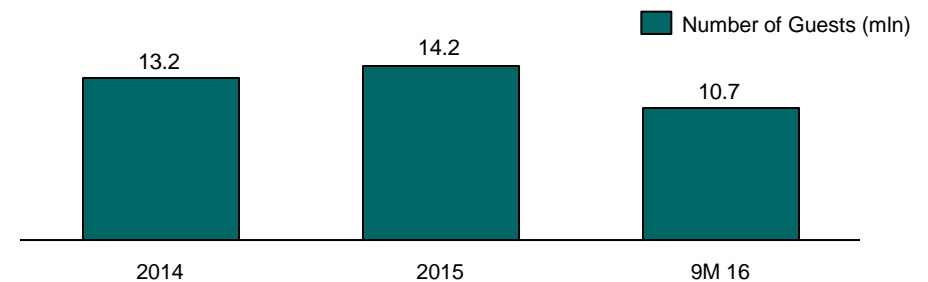
Foreign Trade (AED bln)



Growth in Economy



Tourism Remains Robust



Overview of UAE Banking Sector



Snapshot of the UAE Banking Industry

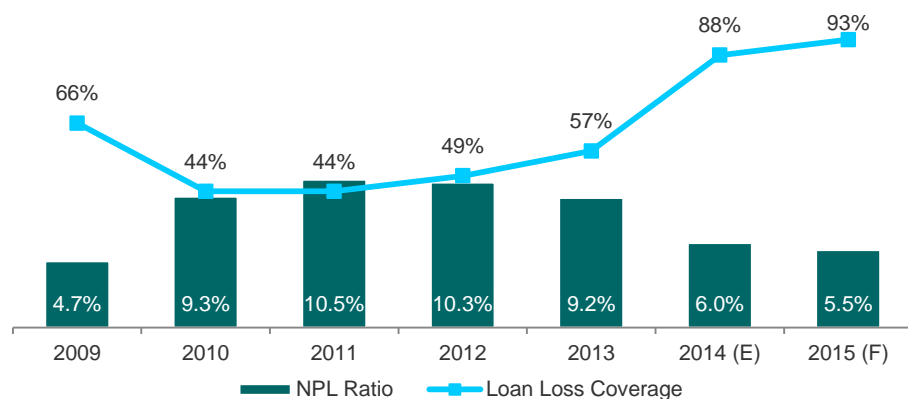
- ▶ The UAE banking industry, which is the largest banking industry in the GCC, comprises 49 banks, 23 of which are domestically-incorporated banks while the remaining are 26 foreign banks.
- ▶ The industry is regulated by the UAE Central Bank, which was established in 1980 and is considered the lender of last resort. The UAE Central Bank has a strong track record of providing systemic support to the banking industry, as and when needed.
- ▶ In 2016, total Loans and Advances increased by 6.0% over 2015, while deposits increased by 6.2%. Overall Loan to Deposit Ratio stood at 100.7% as of end of 2016.

Key Industry Indicators (AED bln)

	2012	2013	2014	2015	2016
Total Assets	1,877	2,124	2,305	2,478	2,611
Deposits	1,168	1,279	1,421	1,472	1,563
Loans & Advances	1,185	1,276	1,378	1,485	1,574
Specific Provision	68	78	72	73	79
General Provision	18	19	24	27	29
Loan to Deposit (%)	101.4%	99.7%	97.0%	100.9%	100.7%
CAR (%)	21.0%	19.3%	18.2%	18.3%	19.0%
Tier 1 Ratio (%)	17.6%	16.9%	16.2%	16.6%	17.3%

Source: UAE Central Bank

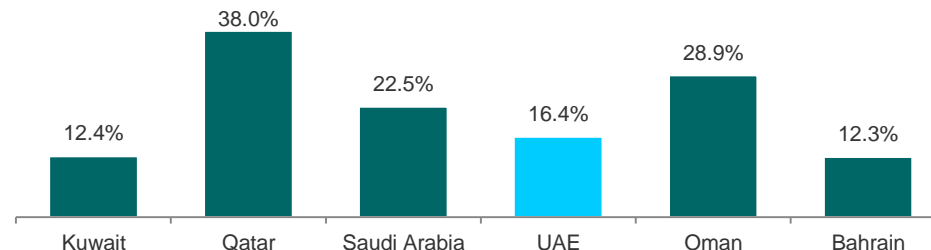
Improving Industry Asset Quality



²Source: Moody's Financial Institutions: Dubai World's Second Debt Restructuring is a Credit Positive for the UAE Banking System

UAE Banking Sector in Context (Govt. Deposits as % of Total Deposits)

The UAE banking system is one of the least dependent amongst GCC countries on Government deposits making it relatively less vulnerable than the others



¹Source: Moody's Financial Institutions GCC Banks: Oman and Bahrain Most Vulnerable to Lower Oil Prices

CBD Profile & Ratings



1969

Public Shareholding Company by an Emiri Decree issued by His Highness the late Sheikh Rashid Bin Saeed Al Maktoum and owned by three foreign banks (Chase Manhattan, Commerzbank & Commercial Bank of Kuwait) whose combined shareholding was 78%.



1982

With the introduction of restrictions on foreign banks' operations in the UAE, CBD converted into a national Public Shareholding Company.



2016

CBD is owned by UAE entities and nationals

- CBD shareholders: Government of Dubai (via the Investment Corporation of Dubai) 20% and UAE nationals 80%. In accordance with CBD's articles of association, the shares which are listed on the Dubai Financial Market are currently owned and shall be owned by, and may only be acquired by, natural persons having UAE nationality or legal persons or corporations fully owned by UAE nationals.
- CBD is managed by business segments namely Corporate Banking, Commercial Banking, Personal Banking and Treasury & Investments. As of 31 December 2016, the assets of the Corporate Banking segment and Commercial Banking segment together accounted for approximately AED 35.1 bln, or 55% of its total assets.
- CBD has Launched full fledged Islamic Banking, "Attijari Al Islami", on September 18, 2008 to offer Shari'a compliant banking and financial services.
- CBD has two wholly-owned subsidiaries: CBD Financial Services LLC (CBDFS), which provides brokerage facilities for local shares and bonds; and Attijari Properties LLC which provides services for self-owned property management. It also has one associate (17.8% shareholding) National General Insurance Co. PSC (NGI), which underwrites life and general insurance business as well as certain reinsurance business.

Credit Rating

	Long Term IDR	Outlook	Date
MOODY'S INVESTORS SERVICE	Baa1	Stable	Sep-16
FitchRatings	A-	Stable	Jul-16
CI CAPITAL INTELLIGENCE	A-	Stable	Jun-16

Board of Directors and management team



Board of Directors



Mr. Saeed Ahmed Ghobash
Chairman



Mr. Khalid Abdul Wahed Al Rostamani
Vice-Chairman



Mr. Omar Abdulla Al Futtaim
Director



Mr. Shehab Mohamed Gargash
Director



Mr. Abdulla Saif Al Hathboor
Director



Mr. Ali Fardan Al Fardan
Director



Mr. Hamed Ahmed Kazim
Director



Mr. Mohamed Ali Alabbar
Director



H.E. Humaid Mohammad Al Qutami
Director



H.H. Sheikh Maktoum Hasher Al Maktoum
Director



Mr. Buti Saeed Al Ghandi
Director

Shareholders

Government of Dubai* 20%

Al Futtaim Private Co. 10.51%

Arab Orient Insurance Co. 8.84%

Abdulla Hamad Al Futtaim 6.95%

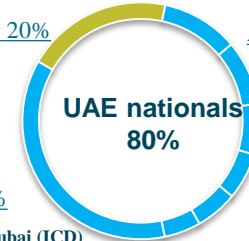
Ghobash Trading & Inv. 6.37%

General public 36.58%

Abdul Wahed Al Rostamani 5.75%

Al Majid Investments 5%

*Investment Corporation of Dubai (ICD)



Management Team



Mr. Peter Baltussen *
Chief Executive Officer



Dr. Bernd van Linder
Chief Executive Officer



Mr. Thomas Pereira
Chief Financial Officer



Mr. Alain Renaud
General Manager – Corporate, Commercial and Investment Banking Group



Mr. Murray Sims
General Manager – Personal Banking Group



Mr. Fahad Al Muheiri
General Manager – Attijari Al Islami



Mr. Walter Lironi
Chief Transformation Officer



Mr. Anand Sharma
Chief Risk Officer



Mr. Asem Fikree
Head of Information Technology and Operations



Mr. Gareth Powell
Chief Human Resource Officer

* Mr. Baltussen is scheduled to step down from his role as CEO in early 2017. Dr. Bernd Van Linder, previously CEO of Saudi Hollandi Bank has assumed his role as CEO of CBD in Jan 2017.

Corporate Governance



CBD has adopted a Corporate Governance Framework consistent with international best practices. The framework is created on principles of fair treatment of all stakeholders, forming the basis of an effective relationship between CBD, its Board of Directors, its shareholders and other stakeholders including customers, regulators and supervisors.

Board of Directors

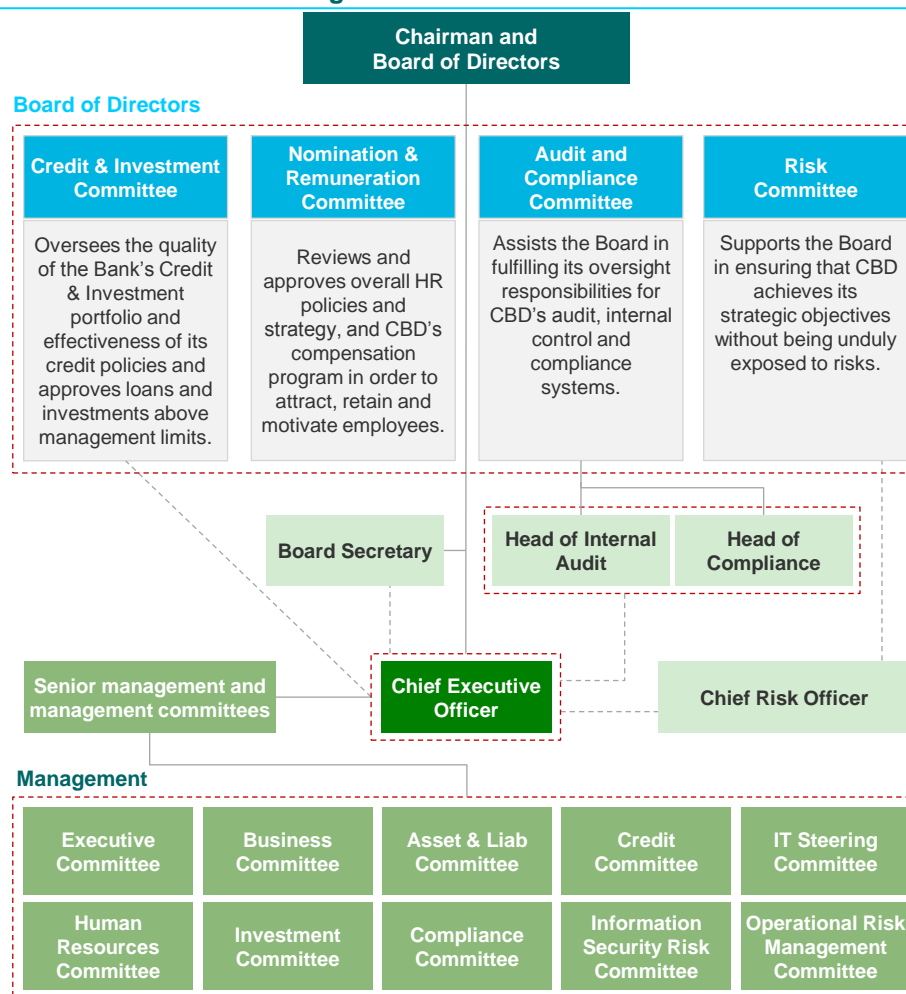
The formation of the Board of Directors is governed by the Federal Law No. 2 of 2015 (as amended). The Board comprises of 11 Directors, each elected for a tenure of three years.

The Board of Directors has the collective responsibility to ensure the long term success of CBD and to provide overall direction, supervision and control. It has complete responsibility for CBD's operations and financial stability.

The Board sets CBD's strategic objectives and oversees the senior management. It also ensures the effectiveness of internal control systems and keeps a watch on the extent to which CBD abides by the strategic plans and approved policies. In addition, it is responsible for the credibility of CBD's financial reports, the application of appropriate risk policies as well as compliance with all laws in force.

The Board of Directors has delegated authority to CBD's executive management to enter into transactions which are consistent with the Bank's Risk Strategy and policy guidelines.

Organisational Structure



Credit Strengths





- ▶ Total assets up 10.7% YoY to AED 64.1 bln
- ▶ Loans and advances up 7.5% YoY to AED 42 bln
- ▶ Customers' deposits up 8.2% YoY to AED 43.8 bln
- ▶ Total revenue up 4.7% to AED 2.5 bln
- ▶ Operating expenses increased by 1.4% to AED 871 mln
- ▶ Operating profit up 6.6% to AED 1.6 bln
- ▶ Net impairment allowances increased by 38% to AED 588 mln
- ▶ Net profit lower by 5.9% to AED 1 bln
- ▶ Strong liquidity (Loan to Deposit Ratio at 95.9%) and Robust Capital Adequacy position (CAR at 15.8%)
- ▶ Asset Quality metrics stable; Non Performing Loans Ratio stable at 6.9% and NPL coverage ratio improved to 101.6%

2016 Financial Results



Income Statement (AED Mln)	FY 2016	FY 2015	YoY	Q416	Q316	QoQ	Q415	YoY
Net Interest Income & Islamic Financing Income	1,725	1,640	5%	477	422	13%	419	14%
Net Fees, Commission and FX Income	630	615	2%	172	150	14%	148	16%
Other Operating Income	107	97	10%	21	26	-20%	17	26%
Total Revenue	2,462	2,352	5%	669	598	12%	583	15%
Operating Expenses	871	859	1%	229	222	3%	231	-1%
Operating Profit	1,591	1,493	7%	441	376	17%	352	25%
Net Impairment Allowances	588	427	38%	139	161	-14%	201	-31%
Net Profit	1,003	1,066	-6%	302	216	40%	151	100%

Balance Sheet (AED Mln)	Dec-16	Dec-15	YoY	Sep-16	QoQ
Total Assets	64,080	57,864	11%	62,214	3%
Net Loans and Advances	41,963	39,021	8%	41,290	2%
Customers' Deposits	43,774	40,475	8%	41,959	4%
Shareholders' Equity	8,680	8,229	5%	8,447	3%

Key Ratios (%)	Dec-16	Dec-15	YoY (bps)
Cost to Income	35.4%	36.5%	(113)
Net Interest Margin	2.97%	3.33%	(36)
Loan to Deposit	95.9%	96.4%	(55)
Advance to Stable Resources	83.7%	84.6%	(90)
Non Performing Loan (NPL)	6.9%	6.9%	-
Provision Coverage	101.6%	92.4%	920
Return on Average Assets	1.6%	2.0%	(40)
Return on Average Equity	12.3%	13.8%	(150)
Tier 1 Ratio	14.6%	15.5%	(90)
Capital Adequacy	15.8%	16.6%	(80)

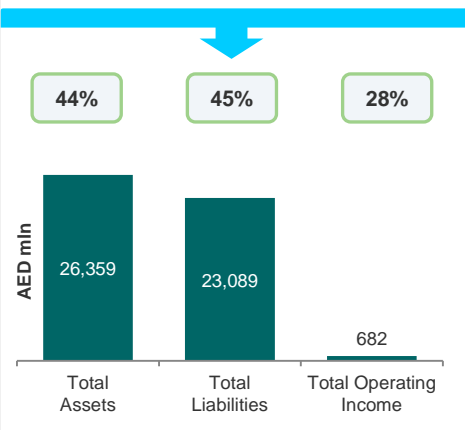
Overview of Business Segments



- ▶ CBD categorizes its business into four main business segments: Corporate Banking, Commercial Banking, Personal Banking (including Business Banking) and Treasury & Investments

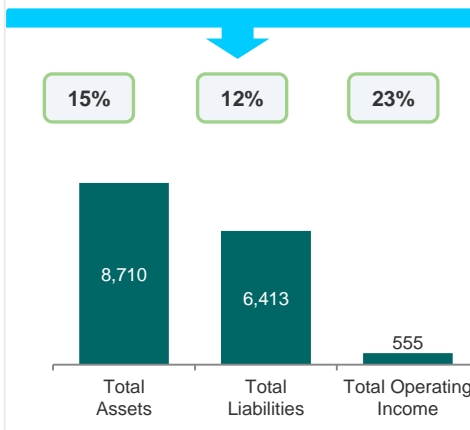
Corporate Banking

- ▶ Provides a range of credit and non-credit banking products and services to large corporate clients (including government related entities).
- ▶ Focuses on its core competencies in lending, specifically in trade finance and in short and medium term funding for working capital and financing of fixed assets, respectively.



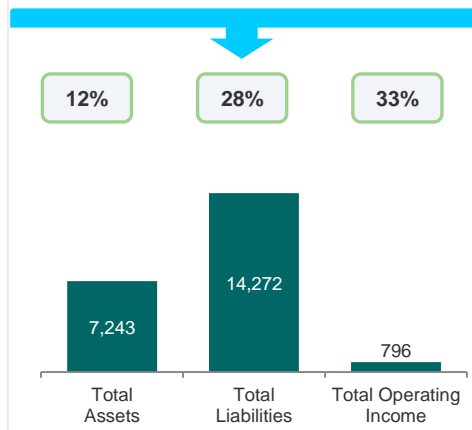
Commercial Banking

- ▶ Provides overdrafts, loans working capital finance, trade finance & deposit products to commercial (mid-sized) clients with annual sales between AED 40 mln to AED 250 mln.
- ▶ Offers a new corporate credit card payment product which is expected to become increasingly profitable as UAE Government moves towards e-services.



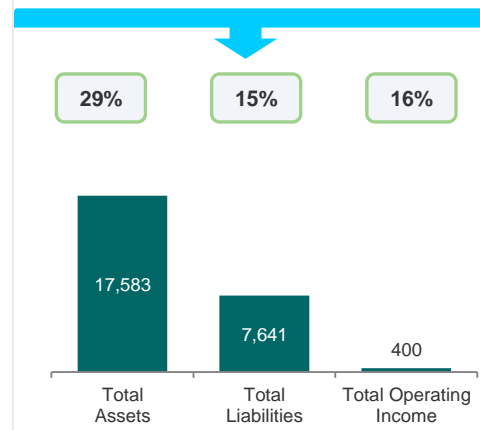
Personal Banking

- ▶ Offers a range of banking products and services including loans, cards, deposits and payment services to affluent and mass affluent customers depending on their income and wealth.
- ▶ It also offers small businesses with sales turnover up to AED 40 mln a broad portfolio of business banking products and services across multiple delivery platforms.



Treasury & Investment

- ▶ Services corporate and commercial clients, offering hedging solutions and wholesale investment products in foreign exchange, interest rates and commodities.
- ▶ Ensures proactive balance sheet management, adequate funding and prudent liquidity management to support the Bank's asset growth.



% of Total

Note: Data as at 31 December 2016

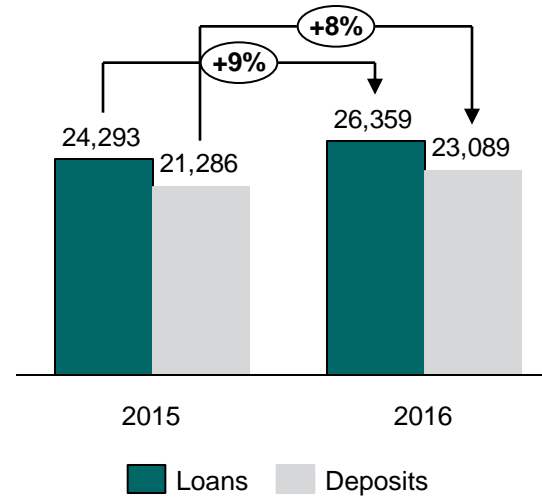
Divisional Performance (1/2)



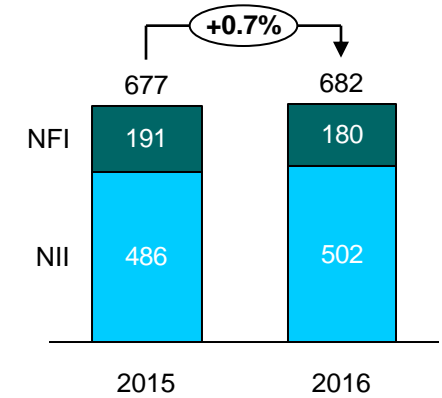
Corporate Banking

- ▶ 9% increase in loans registered by Corporate banking to reach AED 26.4 bln as at 31st December 2016.
- ▶ Deposits increased to reach AED 23 bln.
- ▶ Total revenue increased by 0.7% from AED 677 mln in 2015 to AED 682 mln in 2016:
 - ▶ NII increased by 3%, while NFI decreased by 6%.

Balance Sheet Trends AED mln

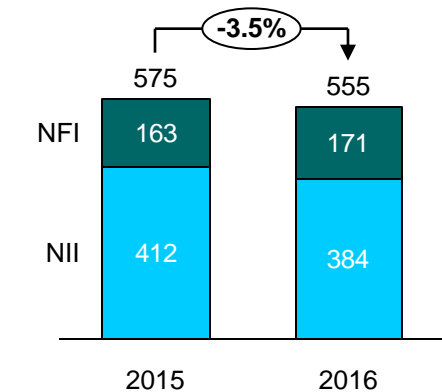
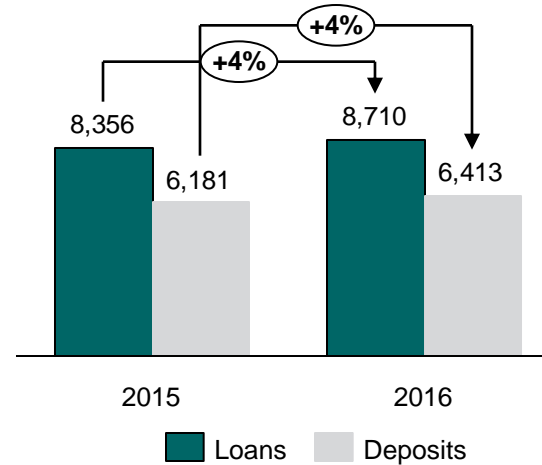


Revenue Trends AED mln



Commercial Banking

- ▶ Commercial banking loans increased by 4% to reach AED 8.7 bln at 31st December 2016 in comparison with AED 8.4 bln as at December 2015.
- ▶ Deposits increased by 4% over December 2015 to reach AED 6.4 bln
- ▶ Total revenue decreased by 4% from AED 575 mln in 2015 to AED 555 mln in 2016



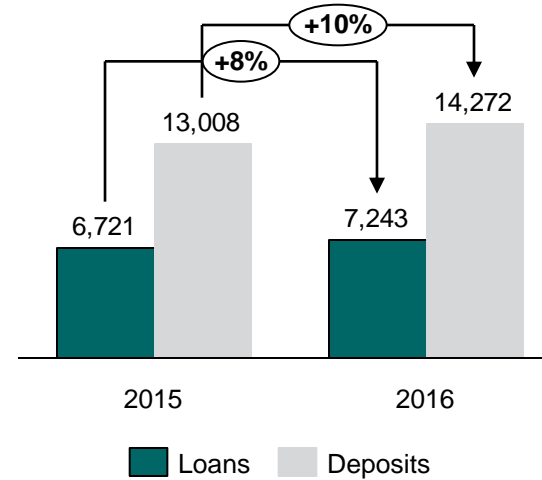
Divisional Performance (2/2)



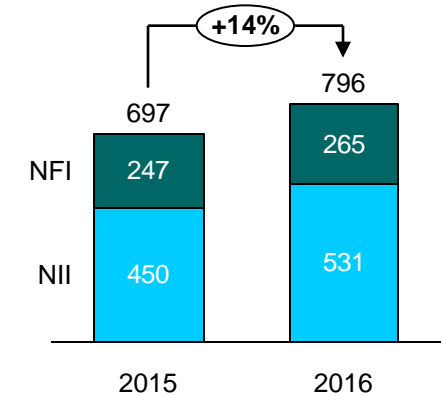
Personal Banking & Business banking groups

- ▶ Personal and Business banking loans increased by 8% over Dec 2015 to AED 7.2 bln.
- ▶ Deposits registered a 10% increase from AED 13 bln at Dec 2015 to AED 14.3 bln at end of Dec 2016.
- ▶ Total revenue increased by 14% from AED 697 mln in 2015 to AED 796 mln in 2016:
 - ▶ NII registered an increase of 18%.
 - ▶ NFI increased by 7%.

Balance Sheet Trends AED mln

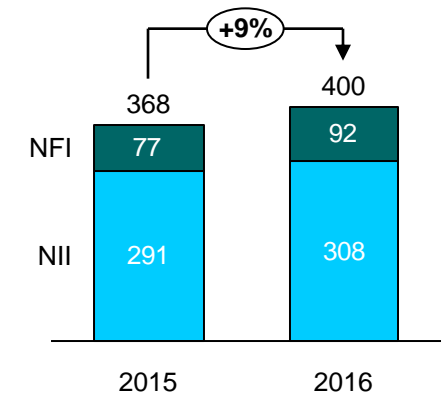
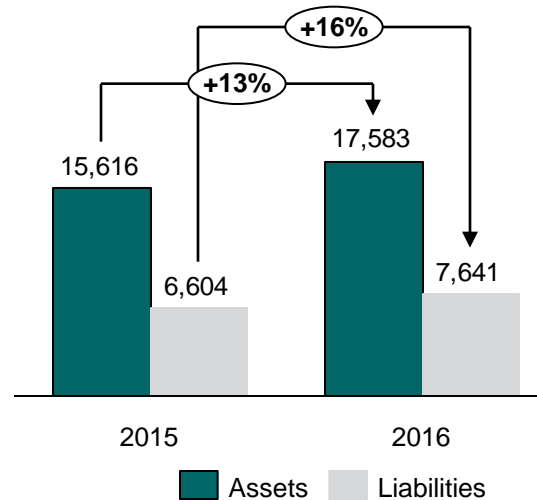


Revenue Trends AED mln



Treasury & Investment

- ▶ Treasury assets increased by 13% to reach AED 17.6 bln as at 31st December 2016.
- ▶ Total treasury revenues increased by 9% from AED 368 mln in 2015 to AED 400 mln in 2016:
 - ▶ NII increased by 6%.
 - ▶ NFI registered an increase of 19%.

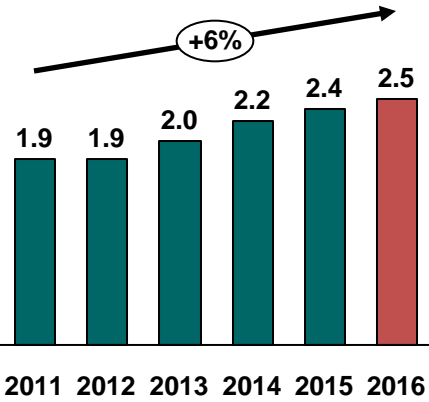


CBD Balance sheet and Profit growth over the years

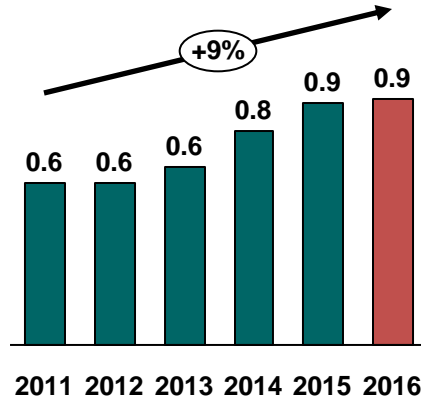


Revenues and Costs (AED bln)

Revenues

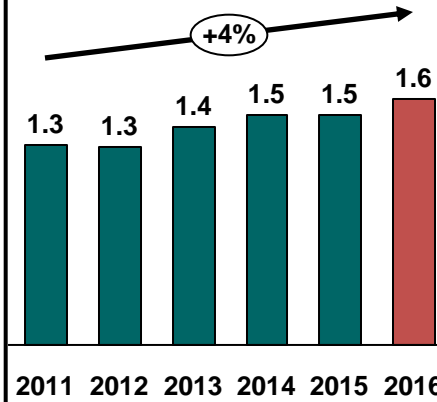


Costs

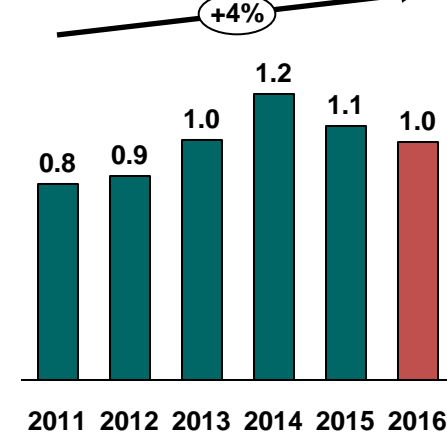


Profits (AED bln)

Operating profits

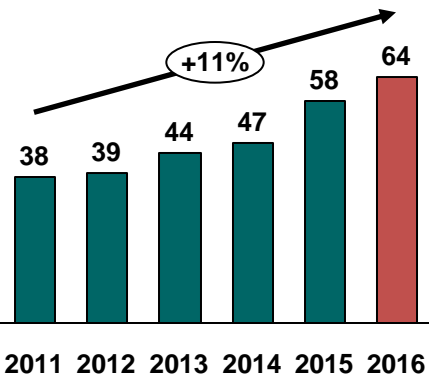


Net Profits

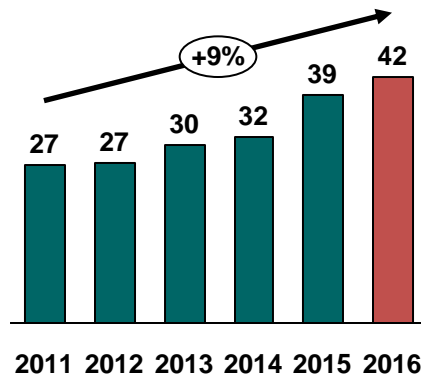


Assets and Loans (AED bln)

Assets

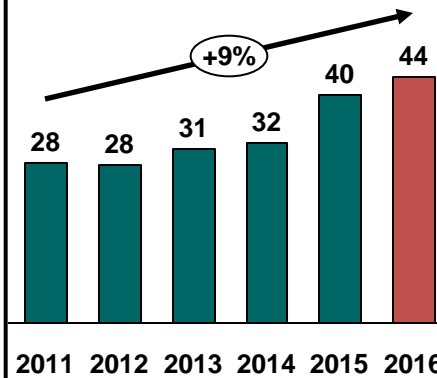


Net Loans

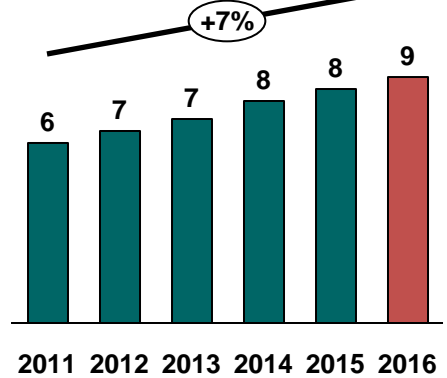


Deposits and Equity (AED bln)

Deposits



Equity

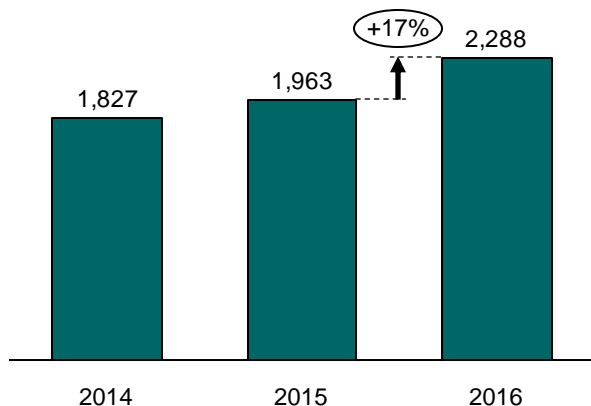


Net Interest Income

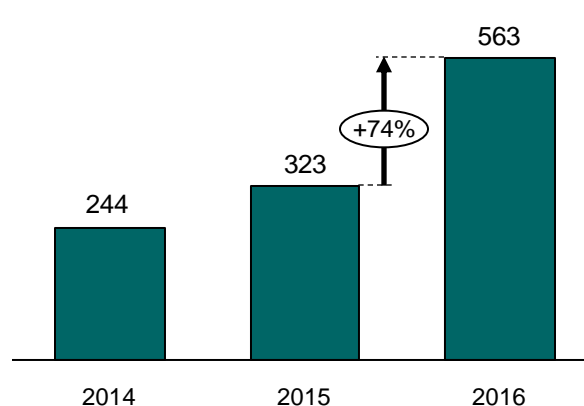


▶ Interest income increased by 17% over 2015, however rising cost of funds impacted NII

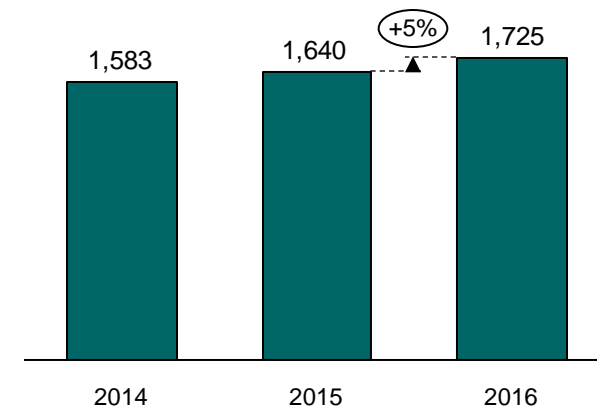
Interest income (AED mln)



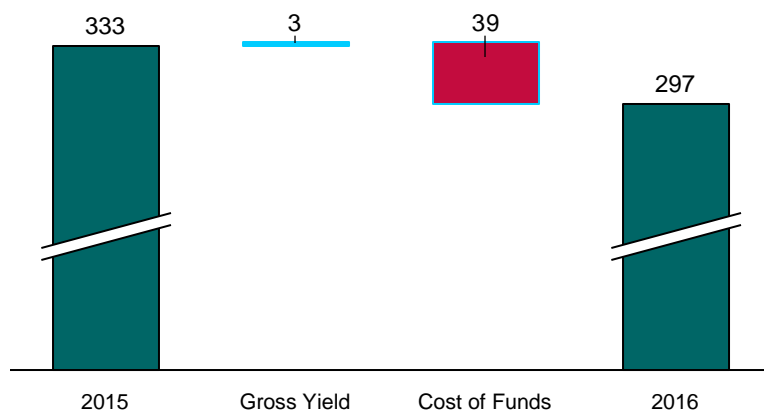
Interest expense (AED mln)



Net Interest Income (AED mln)



Movement in Net Interest Margin b.ps



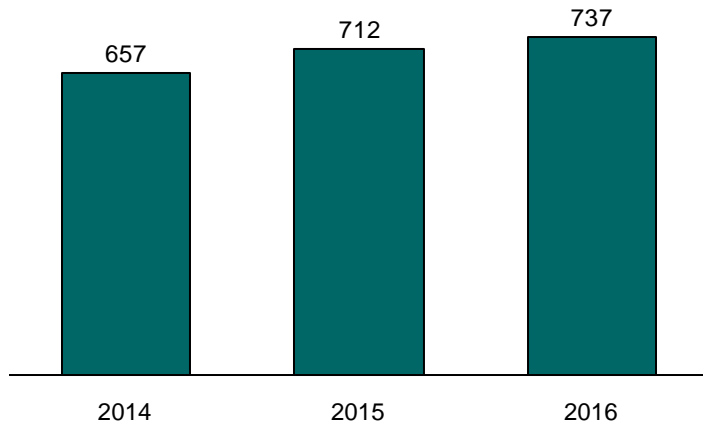
Highlights

- ▶ Net interest income increased by AED 85.1 mln, as higher interest income was partially offset by higher interest expense
- ▶ Interest income increased by AED 324.8 mln due to the :
 - ▶ Higher average volume of loans and fixed income securities and
 - ▶ increase in yield on loans
- ▶ Interest expense increased by AED 240 mln due to :
 - ▶ Higher volume of time deposits and increase in the cost funds and
 - ▶ Full year impact of EMTN and REPO issuances

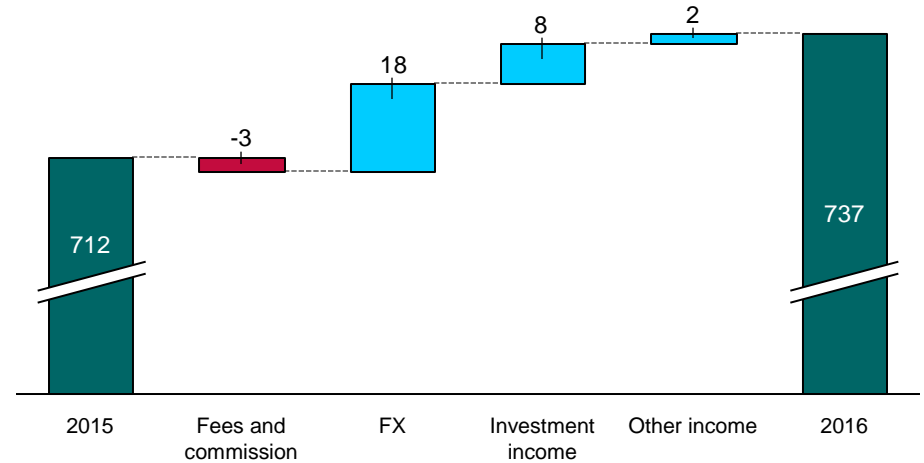
Non Interest Income



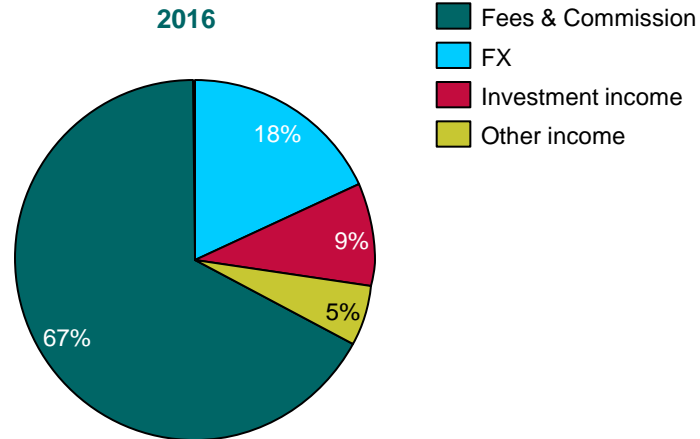
Non interest income (AED mln)



Movement in non interest income (AED mln)



Components of non interest income %



Highlights

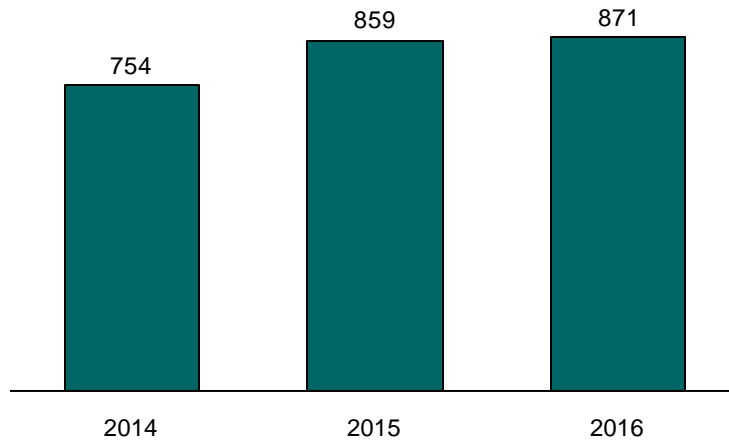
- ▶ Fees and commission decreased by 0.6% due to lower one off syndication fees in 2015 and lower lending commission on account of drop in new loans. The same were offset by higher cards and FI fees
- ▶ FX income higher by 15.2% due to rise in FX trading
- ▶ Investment income increased due to higher proceeds from sale of securities and higher dividend income

Profitability

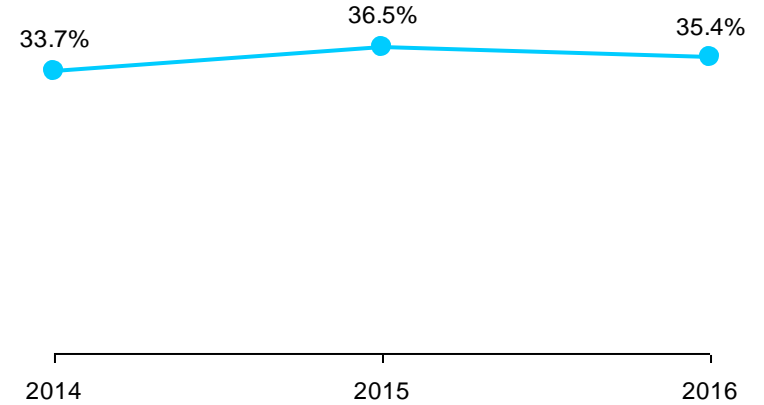


- ▶ Despite a challenging economic environment, CBD continues to maintain a low and stable cost to income ratio and solid net profit

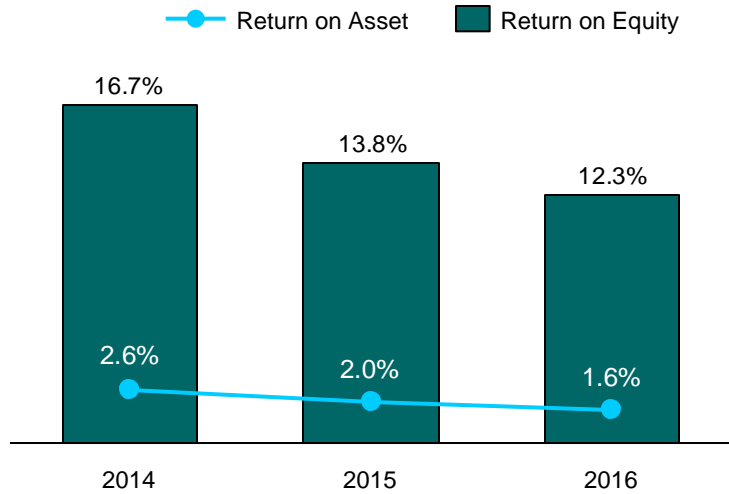
Operating Expense (AED mln)



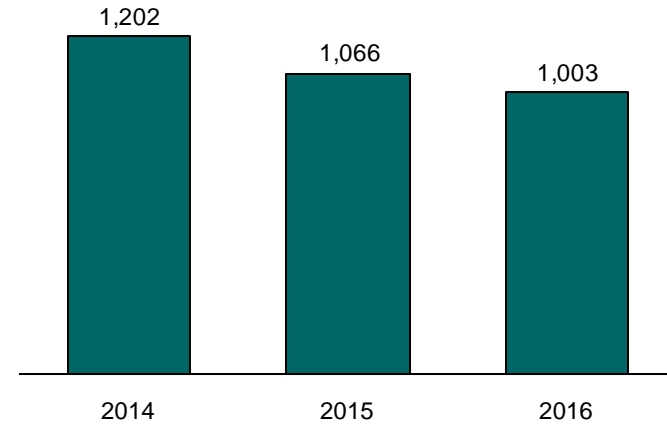
Cost Efficiency (Cost to Income Ratio, %)



Consistent Returns (%)



Net Profit (AED mln)

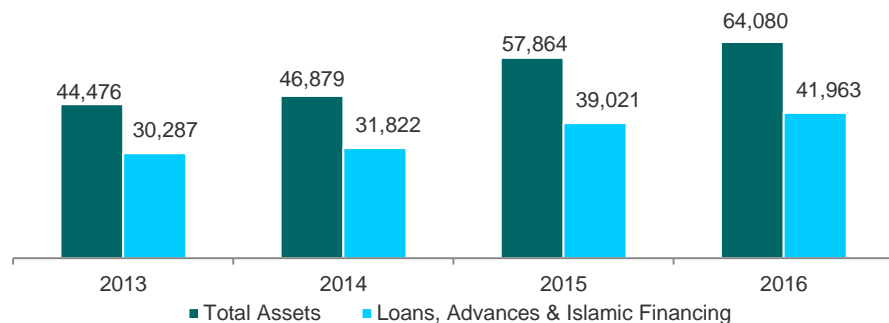


Balance Sheet Parameters



► CBD's loan portfolio has maintained the growth of recent years, by focusing on selected sectors.

Assets and Loans (AED mln)



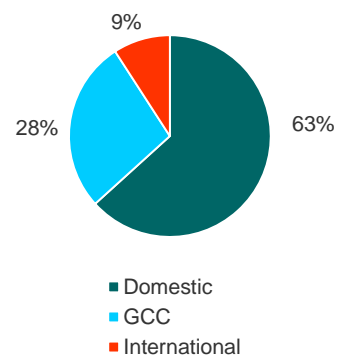
Breakdown of Gross Loans, Advances & Islamic Financing

AED mln	Dec-16	Dec-15	Δ % 16/15
Manufacturing	1,183	1,509	-22%
Construction	1,412	1,148	23%
Real estate	4,551	3,864	18%
Trade	7,363	7,345	0%
Services	6,666	5,797	15%
Business and investment ¹	11,993	10,406	15%
Financial institutions	910	772	18%
Government and public sector	5,056	5,460	-7%
Personal – mortgage	2,309	2,296	1%
Personal – schematic	3,277	2,697	21%
Others	393	404	-3%

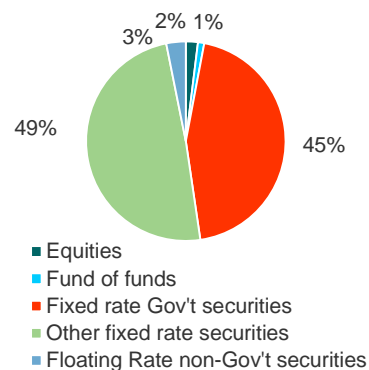
¹ - Business and investment comprise of loans to high net worth individuals for investment in businesses in their personal capacity

Investment Securities Portfolio (AED 7.4 bln, as at 31st December 2016)

By Geography



By Type



Key Highlights

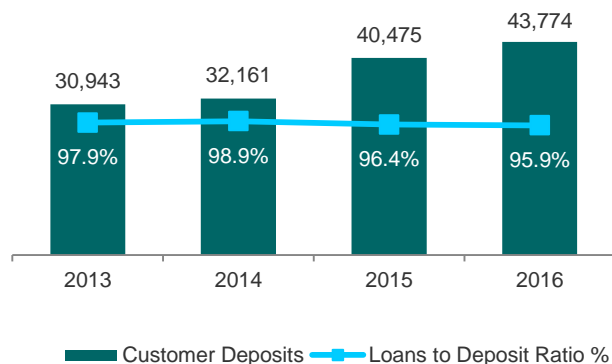
- Total Assets were 10.7%, AED 6.2 bln higher compared to December 2015.
- Increase in total assets as at end of Dec 2016 is mainly attributed to higher:
 - Due from banks by 43.7%, AED 1.1 bln.
 - Investment securities increased by 12% to AED 795 mln.
- Loans and Advances of AED 2.9 bln as at 31st December 2016 registered an increase of 7.5% compared to December 2015.
- Islamic financing assets recorded an increase of 43% over 2015 and have grown at a CAGR of 35% since 2013

Funding Sources & Liquidity

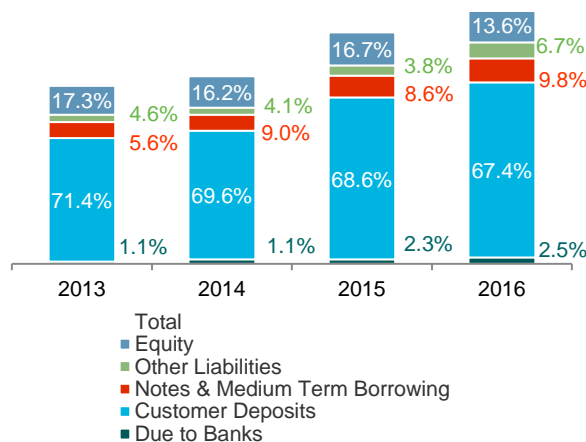


► CBD grew its deposit base to maintain liquidity ratios in tight market conditions

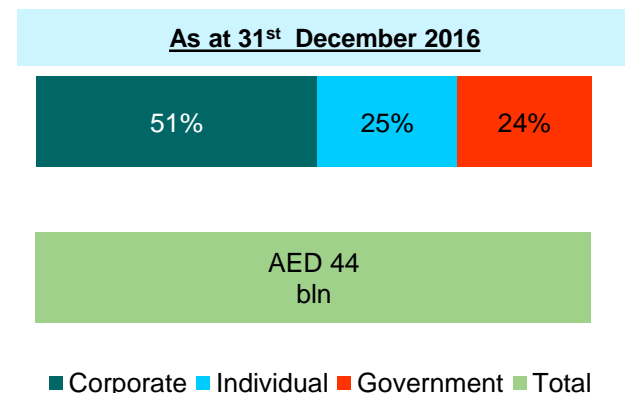
Steady Growth in Deposit Base (AED mln)



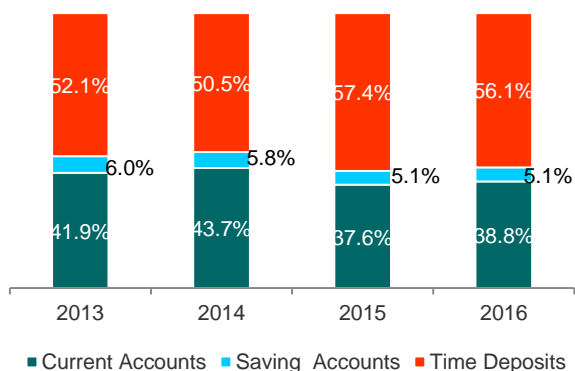
Overview of Funding Sources (AED mln)



Breakdown of Customer Deposits (%)



Breakdown of Customer Deposits by Type (%)



Medium Term Funding

	AED Mln	Maturity
3 Year Syndicated Loan	1,653	Jun-19
EMTN (2013)	1,837	May-18
EMTN (2015)	1,469	Nov-20
REPO	551	Jul-22
REPO	592	Jun-21

Key Highlights

- Customer deposits constitute 68% of the Bank's funding sources as at 31st December 2016.
- Corporate customer deposits constitute the majority of the Bank's deposits, accounting for 51% of total deposits.
- Customers' deposits increased by 8.2% to AED 43.8 bln compared to 31st December 2015
- CASA constituted 43.9% of total deposits as at 31st December 2016 compared to 42.6% as at 31st December 2015
- CBD strives to maintain less than 100% loans to deposit ratio.
- CBD tracks its liquidity ratios based on Basel 3 published guidelines by Central Bank of the UAE. As at 31st December 2016, CBD was compliant with all the liquidity ratio requirement.

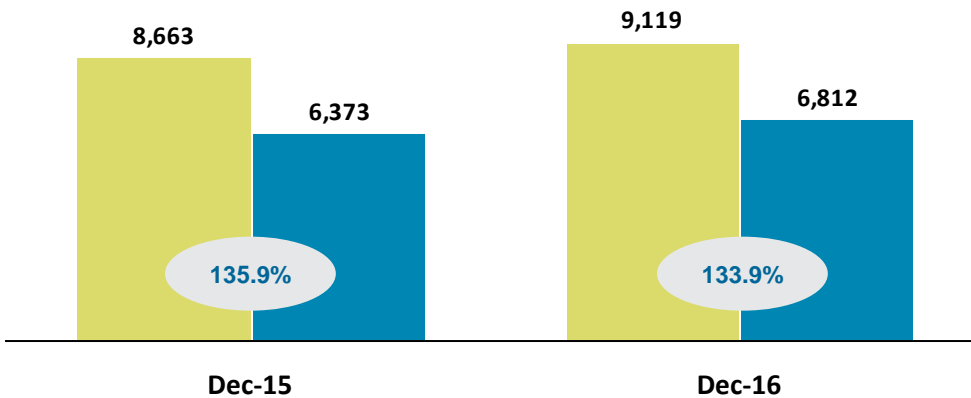
BASEL – III Liquidity Ratio



- ▶ On 2nd June 2015, Central Bank UAE (CBUAE) issued the revised regulations for liquidity requirements. The regulations became effective from 1st July 2015 with a phase wise adoption of Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR).
- ▶ This year, CBUAE issued the guidance manual which explains how the Banks are expected to comply with the Basel III liquidity framework requirements.

LIQUIDITY COVERAGE RATIO

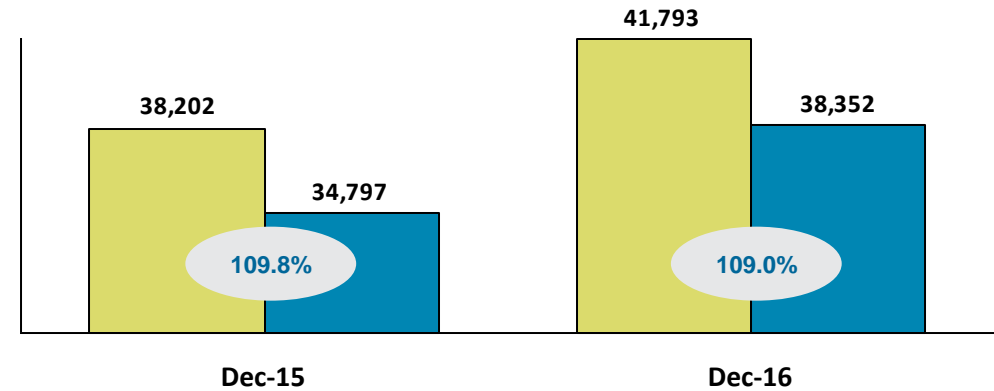
Eligible Liquid Assets Uses of cash



- ▶ Liquidity Coverage Ratio (LCR) to withstand potential disruptions within 30 day timeframe.
- ▶ The Bank ratio of 133.9% as at Dec-16 is well above the CBUAE norm of minimum 70% by 2016.
- ▶ Increase in liquid assets when compared with Dec-15 is mainly because of higher US and GCC sovereign bonds.
- ▶ Transition to LCR has started from Jan-16 with final implementation in 2018 for 100%.

NET STABLE FUNDING RATIO

Available stable funding Required stable funding



- ▶ Net Stable Funding Resources Ratio (NSFR) to ensure long term liquidity (Min level: 100%). The Bank ratio of 109% as at Dec-16 is above the CBUAE norm of minimum 100%.

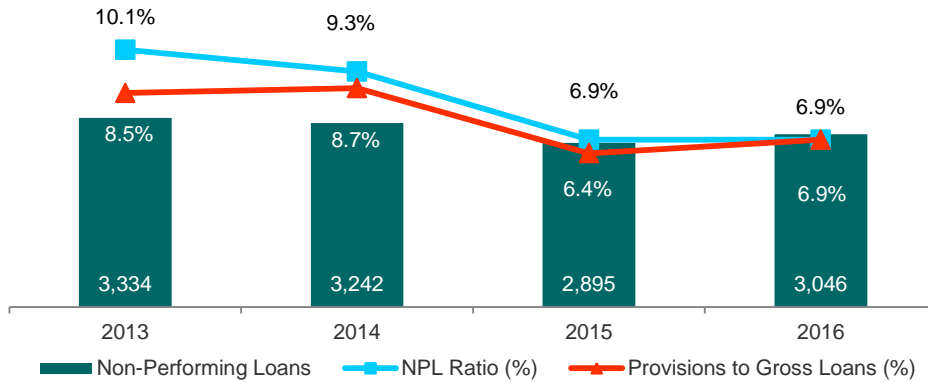
NSFR remained stable at Dec-15 levels mainly due to:

- ▶ Increase in required stable funding was due to increase in loans & advances and investments securities by AED 2.9 and 0.9 bln respectively.
- ▶ However, the above increase in required stable funding was offset by higher customer deposits by AED 3.3 bln.
- ▶ This ratio will become effective from 1st January 2018.

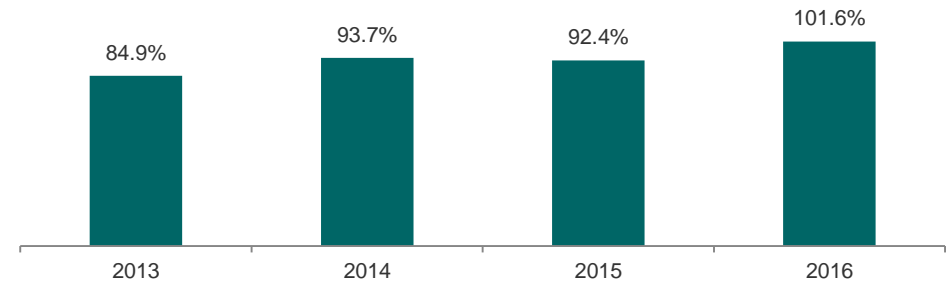


▶ CBD's asset quality has improved since 2013. Loan loss coverage has increased to 101.5% in line with the bank's prudent risk management policy.

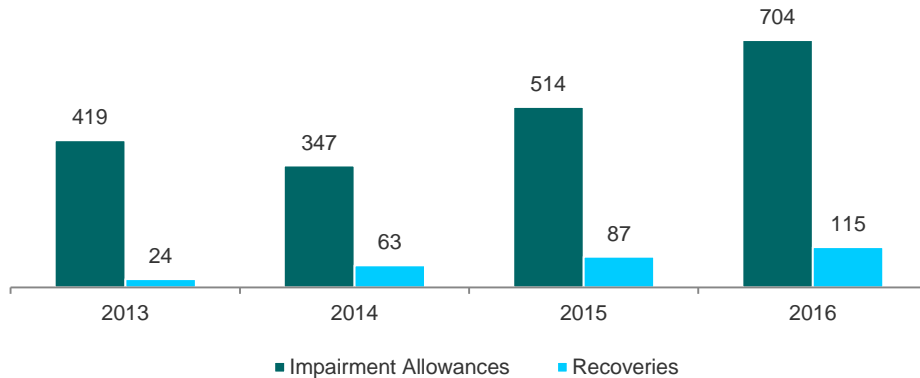
Marginally better Asset Quality (AED mln)



Loan Loss Coverage Ratio(%)



Impairment Allowances & Recoveries (AED mln)



Key Highlights

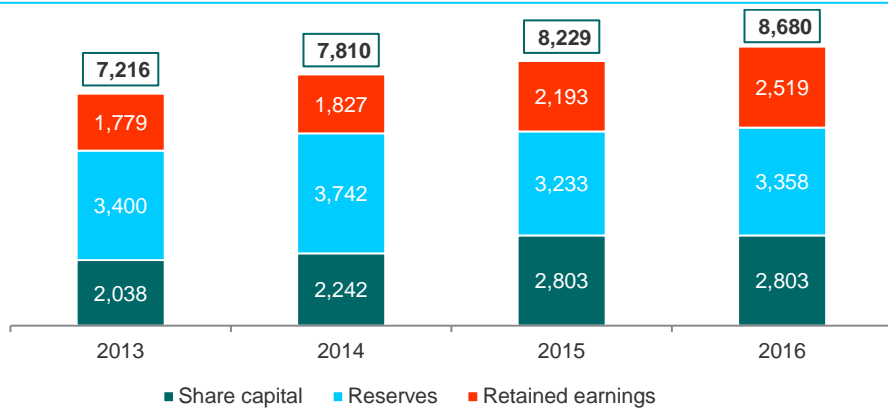
- ▶ Asset quality :
 - ▶ NPL ratio decreased to 6.9% as at end of 2016 from 10.1% as at end of 2013;
 - ▶ Impairment allowances increased by 38% from AED 514 mln in 2015 to AED 704 mln in 2016.
- ▶ As a result, loan loss coverage ratio increased to 101.6% as at 31st December 2016 from 92.4% as at end of 2015 highlighting the Bank's prudent provisioning policy.

Overview of Capitalisation

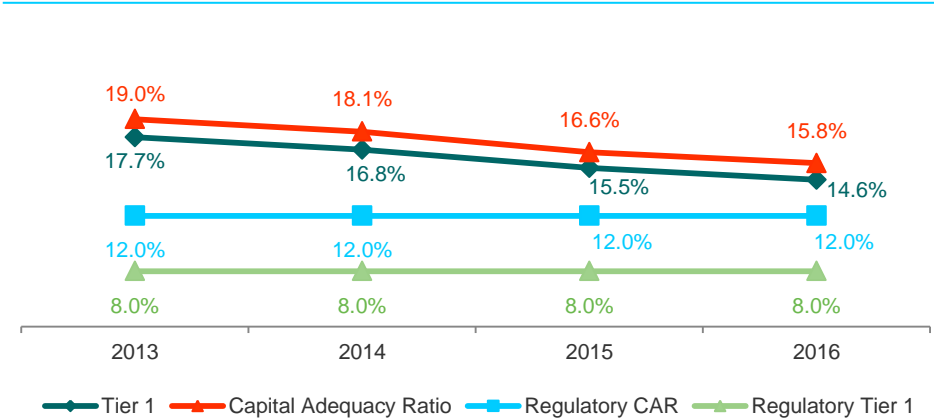


► CBD has maintained a strong capital base to support the growth of its business

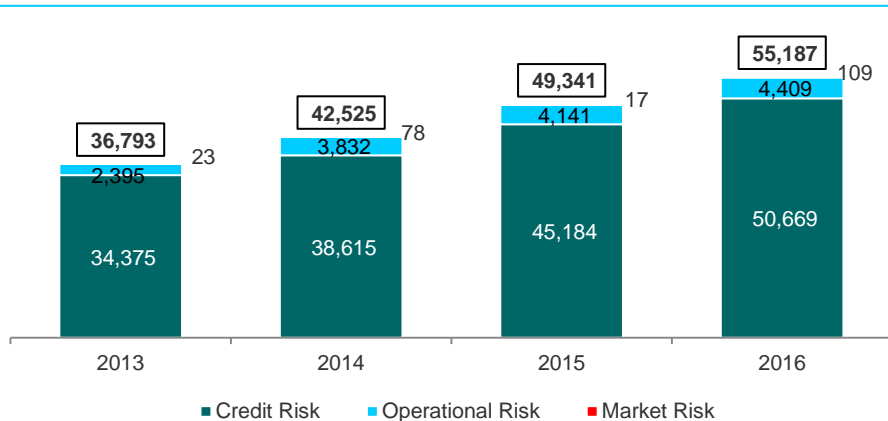
Composition of Equity¹ (AED mln)



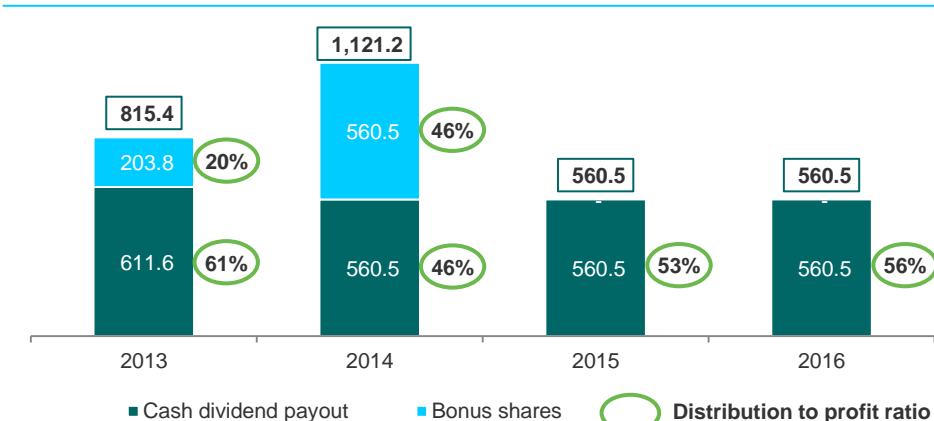
Overview of Capitalisation (%)



Risk Weighted Assets (AED mln)



Consistent Dividend Payments (AED mln)



¹Equity attributable to equity holders of the parent



Purpose

Building sustainable prosperity through extraordinary banking experiences.



Mission

To be loved for our passion and excellence.



- A** *uthenticity*
- S** *implicity*
- P** *artnership*
- I** *nnovation*
- R** *esponsibility*
- E** *xcellence*



Banker Middle East Awards



- Best new SME Product
- Best SME loan
- Best Islamic card

Gulf Digital Experience Awards 2015



- Best Integrated Approach / Best Use of Mobile
- Best Use of SEO category

SouqAlmal.com award



- Most popular personal loan

Dubai Service Excellence Scheme

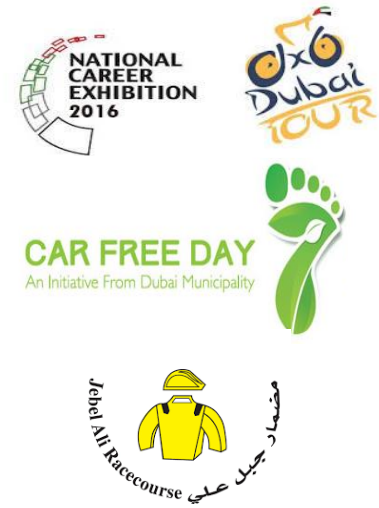


- Best performance outlet for 2016award

Corporate Social Responsibility: 2016



- CBD sponsored the Dubai Tour 2016, for the second year in a row, which witnessed the participation of teams composed of the world's elite cyclists, professional continental and national teams.
- CBD volunteered at Al Noor Training Center for Persons with Disabilities.
- CBD sponsored to the **National Careers Exhibition 2016** 2016 as Gold Sponsor in April.
- CBD participated in the **Car Free day** on 21st Feb 2016, encouraging the bank staff to find alternative transportation methods.
- CBD sponsored **Jabel Ali horse race** for season 2015/2016.
- CBD participated in the **Humanitarian Work day**, encouraging the Bank's staff to participate in volunteering activities.



The four elements of CBD's CSR framework :

Governance and Transparency

The Bank has established and adopted policies and procedures for governance, risk management, professional ethics and code of conduct, compliance and AML, security and data protection, consumer protection and product responsibility etc.

Employees

The Bank proactively implements the Emiratisation initiative to recruit, train and develop as well as retain Emirati staff at all levels. The Bank also strictly adheres to 'SA8000' norms, proactively seeks and addresses employee concerns through various channels, including the Employee Engagement Survey, imparts training and nurtures career development for all employees, ensures health and safety of all stakeholders in all its premises, and has extended various benefits and measures to boost staff welfare etc.

Society and Culture

The Bank promotes awareness of Social Accountability amongst its partners and suppliers, extends philanthropy generously for the needy, supports and participates in creating awareness of issues concerning health, promotes education and sports among youth, and supports and celebrates the local UAE culture etc.

Environment and Sustainability

The Bank supports and participates in creating awareness of environmental issues, has inducted CSR into its core business i.e. lending, by extending credit facilities to green projects and has implemented internal measures to conserve resources by recycling, reducing, reusing etc.

Participated in the Humanitarian Work day



Volunteer day at Al Noor Training Center





Main sponsor of Dubai Tour



