



MARKET

Union National Bank PJSC (UNB) is a United Arab Emirates-based public joint stock company that offers banking and financial services to individuals and corporates through a network of 54 branches and six Corporate Banking Centres across the United Arab Emirates.

Drawing upon a rich experience of serving customers for more than 29 years, UNB has developed a strong presence in the UAE across all the sectors of the economy providing a range of services designed to be of assistance in your commercial endeavours. If you are looking to establish a business in this country, UNB can help you to register a company and open the right accounts for you. Should you wish to avail credit facilities for your existing businesses in the UAE, or seek ways to make sound investments with assured safety and returns, UNB has the requisite expertise to help you reach your goals.

Union National Bank recorded an operating profit for 2010 of AED 1,839.9 million (2009: AED 1,469.6 million), an increase of 25.2% year-on-year, reflecting the UNB Group's resilient strategy and strength of its core businesses to create sustainable value for its stakeholders. The profit for the year ended 31 December 2010 was AED 1,350.0 million (2009: AED 1,157.6 million), up an impressive 16.6% compared to that for the previous year.

The operating income for the year 2010 was AED 2,554.8 million (2009: AED 2,118.3 million), an increase of 20.6% compared to the corresponding period, led by a double digit growth in both net interest income and non-interest income. The net interest income for

2010 was up by 18.4% to AED 1,950.9 million (2009: AED 1,648.1 million) while non-interest income grew by 28.4% to AED 603.9 million (2009: AED 470.2 million). Fees and commission income, the single most significant contributor to the non-interest income increased in 2010 by 25.9% to reach AED 559.8 million (2009: AED 444.6 million). With a view to optimally invest for the future, the Group continued to invest in its key resources as also to selectively expand its branch network resulting in an increase in operating expenses in 2010 by 10.2% to AED 715.0 million (2009: AED 648.6 million).

The loans and advances increased to AED 56.6 billion as at 31 December 2010 (31 December 2009: AED 50.8 billion), up by 11.4% compared to 31 December 2009, with the focus being on prudent and selective lending. Customers' deposits grew by 13.0% to AED 57.9 billion (31 December 2009: AED 51.3 billion), with the loan to deposit ratio as at 31 December 2010 being 97.6% (31 December 2009: 99%). Adequate liquidity was maintained during the whole of 2010, with liquid assets (cash and balances

with central banks and due from banks) constituting 21.2% of the total assets as at 31 December 2010 (31 December 2009: 22.2%). In 2010, the Bank repaid its medium term borrowings of AED 1.6 billion under the Euro Medium Term Note programme through its existing funding base, without having to resort to refinance this borrowing.

The Group bolstered its credit impairment allowance by recognizing an impairment charge of AED 482.4 million for 2010 (2009: AED 288.5 million), an increase of 67.2% over the previous year, which included AED 147.4 million towards collective impairment allowance, representing 30.6% of the impairment charge for 2010.

The return on average equity,

excluding the Tier 1 capital notes for 2010 was 14.9% (2009: 14.5%) with the return on average assets for 2010 being 1.7% (2009: 1.6%). The overall Basel II capital adequacy ratio computed in accordance with the Central Bank of UAE guidelines, remained strong, at 20.1% as at 31 December 2010 (31 December 2009: 20.7%) with the Tier 1 capital adequacy ratio being 15.2% as at 31 December 2010 (31 December 2009: 15.5%).

UNB has received an approval from the Central Bank of Kuwait to open a branch in Kuwait, which would further expand the Bank's growing presence in its targeted markets and the GCC.

ACHIEVEMENTS

In its quest for excellence, UNB has adopted the Total Quality Management concepts and systems and business excellence framework. In the process it has received several prestigious accolades and third party validations. The Sheikh Khalifa Excellence Award (SKEA) received in 2002 was followed by SKEA Gold in 2005 and again in 2009, thereby becoming the only

organisation to have won the SKEA Gold twice. UNB is also a winner of the prestigious Dubai Quality Award in 2006 and 2009 as well as the MRM Business Award in 2009. In 2010 UNB received the Bank of the Year award at the 2010 Arabian Business Achievements award. In addition, the UNB CEO received the CEO of the Year Award at the CEO Middle East Awards 2010, Banking Category. UNB also received the Superbrand Status in the UAE for the year 2011. In 2011 UNB has become the first commercial bank in the world to be certified by M/s Lloyd's Register Quality Assurance (LRQA) Ltd. to the Integrated Management System (IMS) comprising of three standards, ISO 9001, ISO 14001 and OHSAS 18001

UNB was the first



bank of its size in the Middle East to be certified to ISO 9001 standards in 2002 for a complete range of banking services across the Head Office and Branches. The ISO 9001 certification has been successfully renewed in 2005 and again in 2008 with enhanced scope. In 2009, UNB's ISO 9001 certification has been upgraded to the 2008 version becoming the first bank in the region to receive this certification from M/s Lloyd's Register Quality Assurance.

UNB won the Best Savings product award for its "Everyday Interest Savings Account product at the 2011 Banker Middle East Product Awards ceremony. In addition the Bank's Extra Credit Card received the award for Best Credit Card in the Middle East.

HISTORY

Established as a Public Joint Stock Company in 1982 UNB is one of the leading domestic banks in the United Arab Emirates and is headquartered in Abu Dhabi.

The Bank offers a variety of products and services addressing the needs of individual customers and corporate clients. UNB is 50% owned by Abu Dhabi government and 10% by the Dubai government and has a board of directors consisting of prominent business figures; headed by H. H. Sheikh Nahayan Mubarak Al Nahayan, Minister of Higher Education and Scientific Research.

PRODUCT

UNB offer a variety of products and services, addressing needs ranging from basic requirements of individuals to the more complex requirements of corporate entities. Electronic delivery channels, ably supported by an extensive network of Banking Centres spread across the emirates, offer greater banking convenience to their customers.

UNB SUBSIDIARIES

Union Brokerage Company (UBC), one of the oldest brokerage firms in UAE is a subsidiary of UNB. Besides being a leading player in the Brokerage industry, it was amongst the first national companies to deal in the brokerage field in the country. Besides its head office in Khalidiya, Abu Dhabi, it has a well diversified branch network.

The Al Wifaq Finance Company, a subsidiary of UNB that has been established with the purpose of offering Sharia compliant financial products and services both organisations and individuals in compliance with the rules and principals of the Islamic Sharia.



As part of the Bank's vision, to be "a key player in the region", UNB has now a presence in the Egyptian banking sector through its successful acquisition of the Alexandria Commercial and Maritime Bank now known as UNB Egypt. UNB also has a presence in Qatar, China and Kuwait and is reviewing other geographic locations for

a presence or strategic alliances that will add to shareholder value.

RECENT DEVELOPMENTS

As a responsible corporate citizen, UNB plays an active role in supporting the development of the local and international community by sponsoring various events in different categories such as sports, education and the environment.

PROMOTION

UNB utilise a variety of channels to get across their message to the general public, ranging from conventional advertising in newspapers to sponsorship programmes for worthy causes. All UNB's communications channels consistently maintain the corporate ethic in order to strengthen the brand.

BRAND VALUES

Vision Statement

To be the best in class for the banking industry in the UAE

Mission Statement

To deliver superior customer service, grow market share and shareholder value and establish the Bank as the

employer of choice in the UAE

Customer Satisfaction is an important ingredient of UNB's vision and is embedded in UNB's plan to excel in customer satisfaction. UNB conducts extensive research exercises to measure and enhance customer satisfaction. External customer satisfaction surveys, internal customer satisfaction surveys, benchmarking surveys and mystery shopping surveys are carried out regularly to help achieve their Vision.

Recently a benchmarking survey by a reputed market research company revealed that UNB is rated as one of the leading banks in terms of customer satisfaction. UNB was rated as one of the

top banks in terms of 'fulfilling customer commitments' and 'transparency' and received a high overall satisfaction rating. The survey also showed that UNB is considered to be very strong on customer care, the single most important element to individuals today, and that staff are rated highly on their responsiveness to customer enquiries, friendliness and professionalism.

www.unb.ae

Things you didn't know about UNION NATIONAL BANK

UNB is the only bank that is jointly owned by the Governments of Abu Dhabi and Dubai.

UNB won the title 2010 Bank of the Year at Arabian Business Achievement Awards.

The Bank's headquarter is in Abu Dhabi and it has 54 branches located across the Emirates.

The Bank's vision is to be the best in class for the banking industry in the UAE

