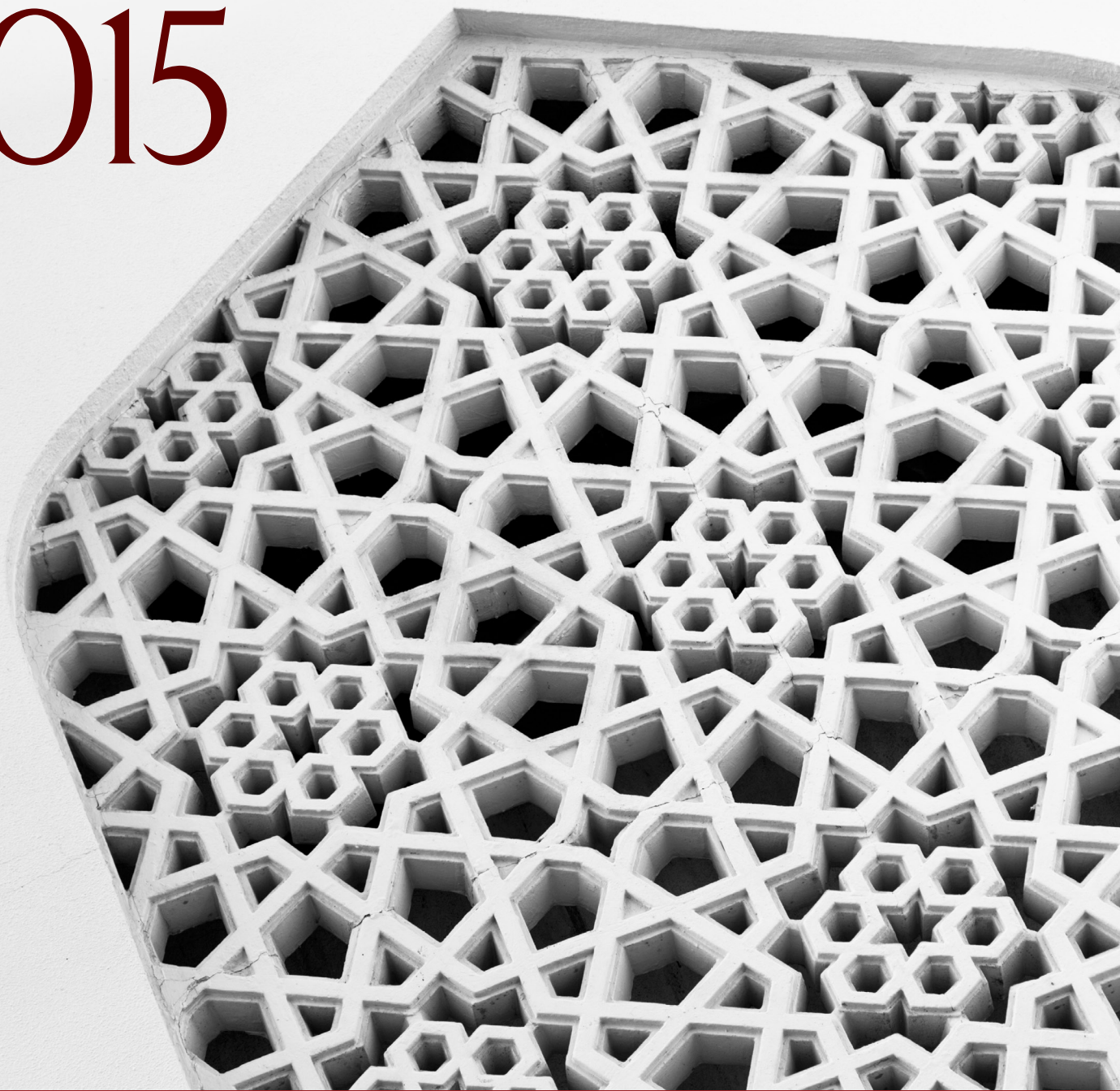


GCC Commercial Bank Performance Ranking 2015



the **darien analytics** survey
FINANCIAL MARKET ANALYSIS

darien analytics is a London-based consulting firm, founded by Andrew Cunningham
For more information visit www.darienmiddleeast.com

UAE banks remain best performers in the GCC for second year

Sharjah's Investbank was the best performing commercial bank in the GCC for the second year in a row in 2014, according to a comprehensive survey conducted by **darien analytics**. National Bank of Ras al-Kheimah took second place, again, the same as last year, while Qatar's Masraf al-Rayan moved up into third, replacing Saudi Arabia's Al-Rajhi Bank which this year ranks fifth.

UAE banks continue to dominate the rankings, providing six of the top ten ranked banks. Saudi Arabia provided two of the other top ten, with Bahrain and Qatar contributing one each. These four countries also provided all of the best 20 performing banks: 11 from the UAE and three each from Bahrain, Qatar and Saudi Arabia.

Taken as a whole, GCC commercial banks performed well in 2014, and continued to display strong capital levels and funding.

Only three banks declared net losses for 2014. Two of those were alizz and Bank Nizwa, the recently created Omani Islamic banks whose financial performance is still constrained by the economics of business start-ups. The third was Bahrain's Ithmaar Bank, which was able to declare a smaller loss than in 2013, but whose financials remain precarious.

Of the 71 banks declaring net profits, all but eight reported higher net profits than in 2013.

Capital levels are high: the median equity to asset ratio was 13.14% (the asset figure does not include a credit conversion factor for off balance sheet instruments); and balance sheet funding is strong: the median ratio of customers' deposits and equity to total liabilities was 84.53%.

But the picture was not entirely rosy. One third of banks reported lower net profit to average assets ratios than in 2013, and nearly half showed a deterioration in their cost to income ratios. How far this was due to falling international interest rates – many GCC banks are particularly vulnerable to this because they hold large amounts of non-interest bearing deposits – will become apparent during the course of 2015.

The Darien Analytics GCC Commercial Bank Performance Ranking is based on analysis of publicly available financial statements of commercial banks in the GCC states. To be eligible for inclusion, banks must be either primarily funded by customers' deposits and/or primarily engaged in extending credit (as opposed, for example, to direct investments). On this basis, 75 banks were eligible for inclusion although one, Abu Dhabi's Al-Hilal Bank, has not been included because it had not published its financial statements for 2014 by 31 May 2015.

The ranking of the best performing banks is based on six financial ratios that address capital strength and the ability to absorb losses; profitability and efficiency; and funding strength. The six ratios are equity to assets, operating profits to loans and investments, return on average assets, return on average equity, costs to income, and equity and customers' deposits to assets. The banks are scored on each of these ratios, relative to the other banks.

A bank's scores for each ratio are then summed to give an overall score and a position in the Ranking.

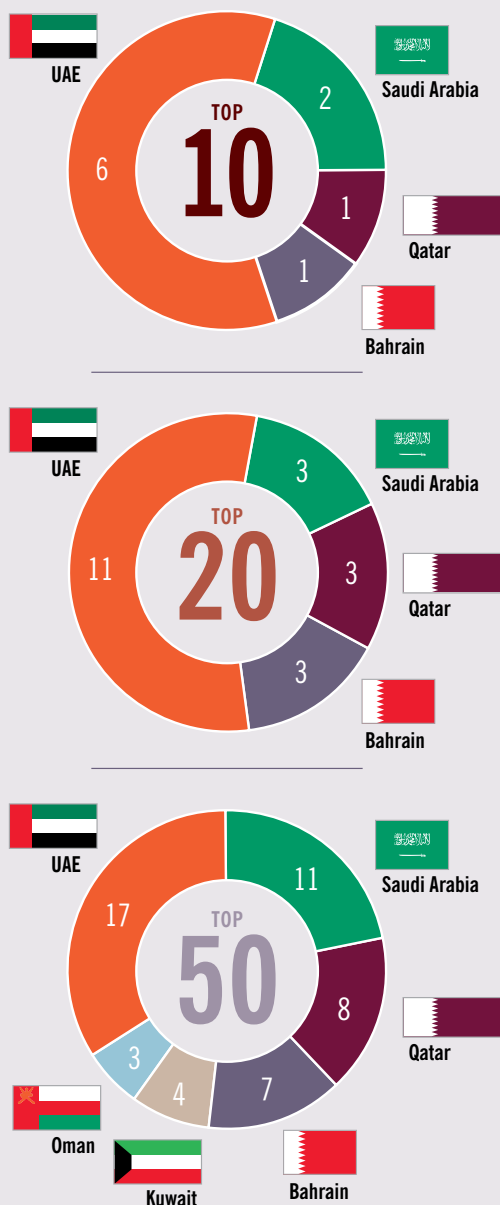
Banks that achieve the same score are ranked according to the scores that they achieve on three of the six ratios: return on average assets, return on average equity, and costs to income.

More information on how the Ranking is compiled, and the basis for selecting the ratios, is given in the Appendix on the back page.

The use of net profits as the basis for two of our ratios opens the possibility that a bank could earn a high ranking as a result of high non-recurring earnings (such as the sale of a subsidiary), or could suffer a low ranking due to exceptionally large impairment charges. But the other four ratios are based either on balance sheet numbers or on operating profits and in practice high net profits have not been sufficient, on their own, to take a bank to the top of the rankings.

Many of the banks that appear at the top of this year's ranking also appeared at the top last year. Most obviously, the top two banks are the same. But nine out of the banks in this year's top 10 appeared in the top 10 last year (though not necessarily in the same order). Samba Financial Group, which placed 10th last year is 12th this year. Saudi British Bank takes 10th position this year, rising from 12th last year.

BREAKDOWN OF BEST PERFORMING BANKS BY COUNTRY



PERFORMANCE OF BAHRAINI BANKS IMPROVES

Two banks have been included in the ranking for the first time this year: Bahrain Middle East Bank (BMB) and Alubaf Arab International Bank, both based in Bahrain. Both banks have faced difficulties in recent years, added to which BMB historically was an investment bank rather than a commercial bank. However, both have now been commercially active for some time, and both have balance sheet structures that are consistent with commercial banking (even if they also engage in investment banking activity). Both are performing well, with Alubaf taking 11th place and BMB 22nd.

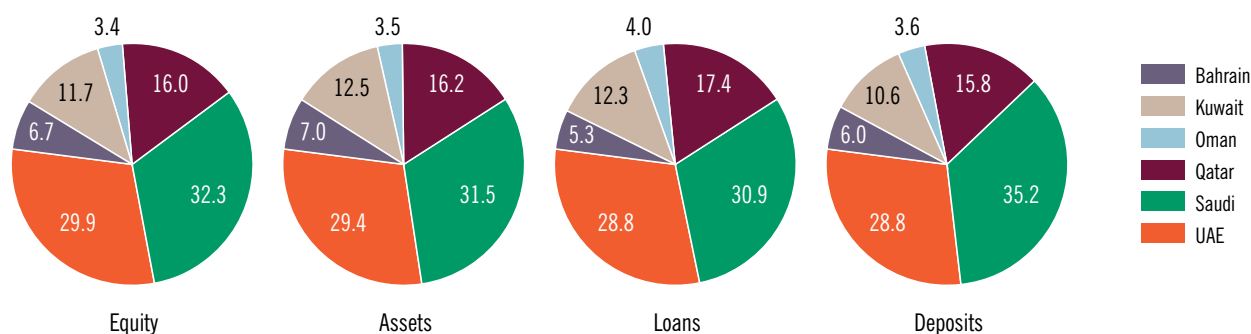
Future Bank was the best performing Bahraini bank in 2014, in 7th place (17th in 2013). In April 2015 the Central Bank of Bahrain put the bank into administration, although at the time of writing the bank

50 BEST PERFORMING COMMERCIAL BANKS IN THE GCC, 2015*

1	Investbank	UAE
2	National Bank of Ras Al Khaimeh	UAE
3	Masraf al-Rayan	Qatar
4	First Gulf Bank	UAE
5	Al-Rajhi Bank	Saudi Arabia
6	National Bank of Umm al-Qaiwain	UAE
7	Future Bank	Bahrain
8	Commercial Bank of Dubai	UAE
9	Union National Bank	UAE
10	Saudi British Bank	Saudi Arabia
11	Alubaf Arab International Bank	Bahrain
12	Samba Financial Group	Saudi Arabia
13	Arab Bank for Investment and Foreign Trade (Al Masraf)	UAE
14	United Arab Bank	UAE
15	Duabi Islamic Bank	UAE
16	Mashreq Bank	UAE
17	Qatar National Bank	Qatar
18	Qatar International Islamic Bank	Qatar
19	National Bank of Bahrain	Bahrain
20	National Bank of Fujairah	UAE
21	Riyad Bank	Saudi Arabia
22	Bahrain Middle East Bank	Bahrain
23	Saudi Hollandi Bank	Saudi Arabia
24	Noor Bank	UAE
25	Banque Saudi Fransi	Saudi Arabia
26	Bank Albilad	Saudi Arabia
27	Abu Dhabi Commercial Bank	UAE
28	National Commercial Bank	Saudi Arabia
29	Ahli Bank of Qatar	Qatar
30	Arab National Bank	Saudi Arabia
31	Bank of Sharjah	UAE
32	Emirates NBD	UAE
33	Alinma Bank	Saudi Arabia
34	Doha Bank	Qatar
35	Qatar Islamic Bank	Qatar
36	International Bank of Qatar	Qatar
37	Al-Ahli United Bank	Bahrain
38	Commercial Bank of Kuwait	Kuwait
39	Abu Dhabi Islamic Bank	UAE
40	Sharjah Islamic Bank	UAE
41	Bank Muscat	Oman
42	Eskan Bank	Bahrain
43	Oman Arab Bank	Oman
44	Barwa Bank	Qatar
45	Al Ahli Bank of Kuwait	Kuwait
46	Saudi Investment Bank	Saudi Arabia
47	National Bank of Kuwait	Kuwait
48	National Bank of Oman	Oman
49	AlAhli Bank	Oman
50	Bank of Bahrain and Kuwait	Bahrain

* Rankings are based on banks' performance in 2014, relative to their peers, on six financial ratios. See Appendix for more details, and the accompanying text.

LOCATION OF EQUITY, ASSETS, LOANS AND DEPOSITS*



* The percentages are culatuated by summing the figures of individual banks and as such contain some “double counting” of assets (when banks consolidate onto their own financial statements the figures of subsidiary or affiliate banks). As a result, these figures do not equate to country-by-country market shares, although they can be used as a reasonable proxy for such shares.

was appealing against this decision. Future Bank is included in our ranking because it compares the performance of banks during 2014; and during 2014 Future Bank was a fully functioning institution.

Bahrain’s BMI Bank has not been included in this year’s rankings following its incorporation into Al Salam Bank

As is evident from the preceding paragraphs, there has been a lot happening in Bahraini banking. Bahrain’s banking system is still adjusting to its changed role within GCC banking and financial markets, and to the collapse in asset prices that accompanied the global financial crisis of 2007-2009.

Many Bahraini banks were formed as offshore banking units (OBUs) with the aim of using Bahrain as a base from which to conduct business in other GCC countries (particularly Saudi Arabia) where it was difficult, or impossible, to acquire a banking license. But that has changed. The Central Bank of Bahrain no longer offers offshore status, and it is far easier to conduct business directly with other GCC states. There is no need to use Bahrain as a springboard and the domestic business that can be done in Bahrain is limited.

As for the effects of the global financial crisis: many new banks were created during the years of high oil prices in the years preceding the crisis, and some of these had weak business models and were ill prepared to withstand a collapse in asset prices and tightening liquidity.

After years of underperformance, Bahraini banks are now showing some more positive signs, and this is reflected in the banks’ positions in the Darien Analytics ranking. Seven of the 14 Bahraini banks included in the rankings appear in the top 50, compared to three last year (although two of the seven are the newly-included banks, BMB and Alubaf).

KUWAITI BANKS UNDERPERFORM

Kuwaiti banks continue to underperform. No Kuwaiti bank appears in the top 20 and only three appear in the top 50, the lowest number contributed to the top 50 by any of the six GCC states. There is no single factor that contributes to the low ranking of Kuwaiti banks. Both their balance sheet indicators, as well as their earnings, consistently appear towards the lower end of the range.

During 2014, four Kuwaiti banks appointed new CEOs. It will be interesting to see whether these high-level appointments lead to different financial performance in 2015.

As we noted last year, the strong performance of banks from the UAE, Saudi Arabia and Qatar is hardly surprising, since those three countries have the most vibrant economies in the region and they are also the largest.

Three GCC banks had balance sheets larger than \$100bn at the end of 2014: Qatar National Bank with \$134bn, National Commercial Bank with \$115bn and National Bank of Abu Dhabi with \$102bn. Six had equity greater than \$10bn. Again, Qatar National Bank leads with \$15.9bn. Following it are Emirates NBD, National Commercial Bank, Al-Rajhi, Samba Financial Group and National Bank of Abu Dhabi.

There continues to be heavy concentration in GCC banking markets: at the end of 2014, the largest ten banks accounted for 46% of combined equity of the 74 banks surveyed, 47% of total assets, 44% of loans and 48% of customers’ deposits. (There is some double counting in these figures, since a few larger banks consolidate the figures of their subsidiary banks in the GCC, which are also listed separately, but the effect of such double counting is not great.)

BANKS FROM SAUDI ARABIA AND THE UAE DOMINATE THE GCC MARKET

The combined assets of the 74 banks listed in this survey was \$1,775.3bn at the end of 2014, and equity was \$238.7bn. Saudi Arabia and the UAE dominate, accounting for about 30% each. Qatar is the third largest GCC banking market, accounting for about 16% of the GCC total, followed by Kuwait with a share of about 12%. It is noticeable that Kuwaiti banks’ share of customers’ deposits is low, compared to their share of equity, assets and loans, and this is reflected in the profiles of individual Kuwaiti banks, which tend to show lower ratios of customers deposits and equity to total liabilities. (Please see the table above for more details.)

The Darien Analytics performance ranking does not take account of non-financial factors such as management quality, corporate strategy, or earning sustainability and diversification, all of which are essential components of good governance. But we believe that these non-financial factors must ultimately find expression in a strong balance sheet and healthy profitability.

The large, well-known (and sometimes highly rated) banks that languish in the lower half of our performance rankings, should ask themselves why their above-average size and sophistication is not being converted into superior financial performance.

Looking forward, it will be interesting to see how Gulf banks’ performance is affected by lower oil prices. Historically, Gulf banks have been vulnerable. But many GCC governments now have huge financial reserves with which to soften the impact of lower oil revenues. Perhaps this time, GCC banks will be able to ride out low oil prices without any loss of financial performance. ■

Assessing the performance of Islamic Banks

The quality of Islamic banks' financial performance, relative to their conventional peers, is a controversial issue.

Islamic banks argue that their ethical foundation, and the business model that follows, results in them having a lower risk profile than conventional banks. They point out that Islamic banks' financing must be based on real transactions, and that because their returns are tied to the success of the ventures they finance, banks are more careful about who they provide that financing to. Islamic banks also point out – correctly – that they may not invest in complex financial investments, or highly leveraged transactions, that have caused sometimes considerable losses for conventional banks.

It is also often assumed that Islamic banks hold large amounts of non-interest bearing deposits, although the evidence for this is not always clear.

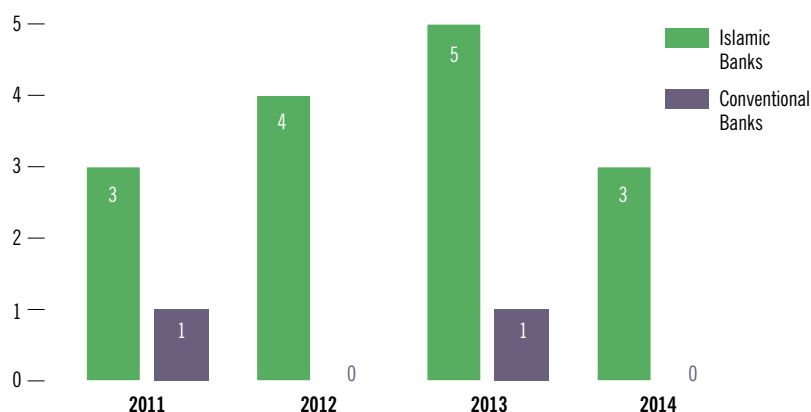
Darien Analytics believes that the surest way to judge the strength and performance of banks is to look at their financial results. If Islamic banks have a lower risk profile than conventional banks then they should show more consistent earnings and net profitability should be higher, reflecting lower impairment charges.

WHAT DO THE FINANCIAL RESULTS SHOW?

In recent years, Islamic banks have declared net losses more frequently than conventional bank, and by some margin. But the figures have to be treated with caution. Two of the Islamic banks declaring losses in 2014 and 2013 were the new start-up Islamic banks in Oman, Bank Nizwa and alizz. One of the others was long-troubled Ithmaar Bank. The fact remains that more Islamic banks have been declaring net losses than conventional banks, but the number of examples is too small to draw firm conclusions.

A review of six ratios that determine our GCC commercial bank ranking offers a more nuanced picture. Based on the median ratios of the banks surveyed, Islamic banks show stronger equity to asset ratios than conventional banks. The 24 wholly-Islamic banks in the ranking had a median equity to asset ratio of 14.135% compared to 13.585% for conventional banks.

NET LOSSES DECLARED BY GCC COMMERCIAL BANKS*



* Figures for 2014 and 2013 include Bank Nizwa and alizz Islamic bank, whose losses are attributable to the economics of start-ups (both were recently established) rather than to any inherent lack of earning power. Both are Islamic banks.

ISLAMIC AND CONVENTIONAL BANKS: COMPARISON OF MEDIAN FINANCIAL RATIOS, END 2014 (%)*

	Equity % Assets	Operating profit % Avg. Loans and investments	Net profit % Avg. assets	Net profit % avg. equity	Operating expenses % operating income	Equity and Customer Deposits % Assets
Islamic banks (24)	14.135	2.61	1.04	8.09	50.805	86.785
Conventional banks (50)	13.585	3.07	1.905	13.22	34.35	84.02
All 74 GCC commercial banks	13.74	3.01	1.75	12.72	37.845	84.53

* Banks surveyed and the ratios used are the same as those in the main Darien Analytics Ranking. "Islamic Banks" are the 24 GCC banks that self-define as wholly-Islamic banks or are designated as such by their regulator. (Darien Analytics recognises that most "Conventional" banks in the GCC conduct Islamic banking, and that sometimes this business is substantial.)

Islamic banks also show a higher median ratio for customers' deposits and equity to total assets: 86.785% compared to 84.02%. A higher ratio is to be expected, because raising interbank funding is more cumbersome for Islamic banks than for conventional banks, and the sukuk market (the Islamic equivalent of debt capital markets) is less developed. But whatever the reason, Islamic banks have stronger funding profiles than conventional banks: Darien Analytics firmly believes that customers' deposits (and equity) are the safest forms of financing.

Islamic banks perform less well on indicators based on earnings. Based on the median ratio of the banks surveyed, Islamic banks underperform against conventional banks when measured on

net profits to average assets, equity to average assets, and costs to income. It is not intuitively clear why this should be the case.

In presenting these figures, Darien Analytics implies no criticism of Islamic banks. We have many friends who work in the Islamic banking industry and we have frequent contact with Islamic banks. Islamic banks are a huge success story and, in our view, one of the most positive aspects of the long-term revival in Islamic sentiment that has been seen since the 1970s.

It is to everyone's benefit, and most particularly those in the industry itself, to understand the drivers of Islamic banks' financial performance, and the ways in which their particular business model either facilitates or impedes financial performance. ■

CGG Commercial Banks: Financial Results 2012-2014

LISTED BY EQUITY SIZE

		BALANCE SHEET INDICATORS (\$MN)					INCOME STATEMENT (\$MN)			
		Equity	Assets	Net Loans	Investments (net)	Customers' Deposits	Operating Income	Operating Expenses	Operating Profit	Net Profit
1 Qatar National Bank QATAR	2014	15,929.4	133,664.4	92,927.6	18,604.7	99,031.0	4,236.4	922.2	3,314.2	2,890.5
	2013	14,764.7	121,873.7	85,386.2	21,518.2	92,208.9	3,970.2	844.9	3,125.2	2,620.9
	2012	13,182.0	92,529.6	68,654.3	13,747.6	74,176.6	3,086.9	530.1	2,556.8	2,313.7
2 Emirates NBD UAE	2014	12,733.9	98,853.0	66,980.3	4,169.6	70,325.6	3,932.6	1,195.1	2,737.5	1,399.4
	2013	11,359.1	93,143.3	64,901.1	4,768.1	65,250.1	3,228.4	1,142.1	2,086.3	886.7
	2012	9,937.3	83,938.1	59,397.6	4,216.4	58,245.1	2,781.8	1,022.2	1,759.6	695.4
3 National Commercial Bank SAUDI ARABIA	2014	12,505.7	115,906.9	58,828.6	40,752.8	88,779.1	4,325.3	1,688.3	2,637.0	2,343.6
	2013	11,342.8	89,941.8	50,049.1	33,411.2	80,159.2	3,963.4	1,545.6	2,417.8	2,130.4
	2012	10,520.2	92,178.4	43,641.3	31,084.2	73,027.8	3,631.8	1,395.1	2,236.7	1,765.6
4 Al-Rajhi Bank SAUDI ARABIA	2014	11,166.5	82,013.6	54,888.6	11,340.6	68,251.5	3,642.6	1,204.4	2,438.2	1,822.0
	2013	10,265.9	74,631.0	49,816.1	10,552.7	61,756.1	3,691.9	1,082.0	2,610.0	1,983.4
	2012	9,736.5	71,386.5	45,905.4	10,824.1	59,108.5	3,733.2	1,009.0	2,724.3	2,105.1
5 Samba Financial Group SAUDI ARABIA	2014	10,371.1	57,942.7	33,070.6	17,195.2	43,655.8	1,968.3	595.2	1,373.1	1,335.4
	2013	9,314.7	54,675.6	30,254.3	16,090.6	42,222.4	1,866.8	569.9	1,296.9	1,202.7
	2012	8,473.7	52,614.1	27,400.7	14,036.9	39,710.1	1,787.2	550.9	1,236.3	1,156.6
6 National Bank of Abu Dhabi UAE	2014	10,337.7	102,414.2	52,903.6	22,579.3	66,220.8	2,836.0	1,006.4	1,829.5	1,519.2
	2013	9,441.0	88,514.3	50,051.9	14,565.9	57,481.8	2,559.1	879.6	1,679.4	1,291.7
	2012	8,476.4	81,842.5	44,814.6	9,682.0	51,812.9	2,360.1	780.8	1,579.3	1,179.5
7 National Bank of Kuwait KUWAIT	2014	9,818.0	74,508.7	40,731.6	8,529.3	38,511.8	2,260.8	735.7	1,525.1	936.1
	2013	9,625.9	66,023.4	37,964.3	8,342.3	37,193.0	2,223.8	735.1	1,488.7	892.7
	2012	9,293.1	58,587.9	35,028.8	5,602.5	33,775.5	2,308.7	652.6	1,656.1	1,096.3
8 Riyadh Bank SAUDI ARABIA	2014	9,471.6	57,193.9	35,578.8	12,517.0	43,731.6	2,135.4	747.9	1,387.4	1,160.0
	2013	9,031.9	54,731.5	34,983.6	11,610.0	40,852.7	1,886.4	687.5	1,198.8	1,052.5
	2012	8,533.7	50,775.0	31,362.7	9,679.2	39,036.8	1,811.8	627.4	1,184.4	925.4
9 First Gulf Bank UAE	2014	9,459.1	57,774.9	38,043.6	4,549.6	38,469.3	2,516.2	580.1	1,936.1	1,553.5
	2013	8,651.1	53,972.7	34,199.4	4,660.0	37,564.7	2,292.9	480.9	1,812.0	1,307.6
	2012	8,130.7	47,655.4	31,213.6	4,704.3	32,482.4	1,979.3	388.2	1,591.1	1,135.6
10 Abu Dhabi Commercial Bank UAE	2014	7,194.0	55,555.9	38,276.0	5,950.3	34,313.7	2,050.3	697.9	1,352.4	1,144.1
	2013	6,758.8	49,869.7	35,847.9	5,919.6	31,431.0	1,993.1	642.1	1,351.0	985.6
	2012	6,727.0	49,224.2	33,541.7	5,269.6	29,735.9	1,795.6	563.4	1,232.2	765.1
11 Kuwait Finance House KUWAIT	2014	7,172.4	58,767.7	38,790.9	4,684.1	37,217.9	2,573.1	1,318.9	1,254.2	547.6
	2013	6,933.1	54,267.0	35,594.9	4,768.2	35,865.4	2,695.9	1,240.9	1,455.0	529.2
	2012	5,823.8	52,232.0	33,719.7	4,436.2	33,366.6	2,689.2	1,349.2	1,340.0	438.0
12 Banque Saudi Fransi SAUDI ARABIA	2014	7,055.3	50,314.2	31,061.3	12,021.0	38,719.8	1,542.1	507.5	1,034.6	937.2
	2013	6,191.0	45,347.7	29,681.4	9,146.2	35,093.1	1,347.3	449.1	898.2	641.5
	2012	6,057.0	42,123.8	27,441.9	7,341.5	30,855.7	1,337.5	414.4	923.0	805.0
13 Saudi British Bank SAUDI ARABIA	2014	6,948.7	50,003.0	30,709.5	12,068.6	38,878.5	1,733.0	505.3	1,227.8	1,137.0
	2013	6,088.6	47,279.8	28,296.9	9,973.1	37,055.8	1,550.3	458.9	1,091.4	1,006.3
	2012	5,357.1	41,823.5	25,656.6	7,365.3	32,153.7	1,379.4	426.7	952.6	865.1
14 Arab National Bank SAUDI ARABIA	2014	5,501.1	43,888.6	27,645.3	9,028.9	34,550.3	1,467.8	561.5	906.3	766.9
	2013	5,116.8	36,782.2	23,587.9	7,532.8	28,365.6	1,362.5	531.4	831.1	673.3
	2012	4,781.6	36,480.3	23,048.2	6,493.8	28,716.8	1,270.0	505.1	764.9	633.1
15 Commercial Bank of Qatar QATAR	2014	4,863.0	31,782.2	19,934.9	3,193.6	16,917.5	1,072.4	445.3	627.1	533.2
	2013	4,549.5	31,084.1	18,374.4	4,041.4	17,428.3	943.7	395.0	548.7	441.2
	2012	4,103.7	21,985.4	13,348.3	3,066.1	11,368.1	819.7	282.5	537.2	552.8
16 Dubai Islamic Bank UAE	2014	4,821.5	33,735.4	20,144.3	4,943.9	25,146.3	1,516.4	556.7	959.7	763.5
	2013	4,450.0	30,848.4	15,268.0	3,723.0	21,528.2	1,153.1	459.8	693.3	467.8
	2012	3,183.6	26,848.3	15,024.3	3,558.4	18,167.0	1,056.0	441.0	615.0	330.4
17 Alinma Bank SAUDI ARABIA	2014	4,781.3	21,551.9	14,295.7	2,142.1	15,839.1	698.2	315.8	382.4	337.0
	2013	4,488.4	16,800.1	11,979.4	1,439.8	11,403.2	607.8	263.9	343.9	267.9
	2012	4,449.1	14,420.9	9,928.2	523.3	8,600.5	487.5	247.0	240.6	195.8
18 Union National Bank UAE	2014	4,608.7	25,450.7	17,445.6	3,167.1	18,364.1	953.4	260.2	693.2	550.2
	2013	4,176.4	23,838.8	16,351.2	2,164.4	17,723.4	874.5	232.6	641.9	475.9
	2012	3,844.6	23,724.6	15,612.6	1,622.5	17,271.9	841.6	214.2	627.4	436.3
19 Mashreq Bank UAE	2014	4,607.0	28,821.0	15,806.2	2,937.9	18,635.1	1,591.6	601.7	989.9	677.0
	2013	4,117.3	24,413.0	13,732.4	2,171.4	15,957.8	1,317.2	556.0	761.3	512.4
	2012	3,762.8	20,796.5	11,273.9	1,945.9	12,919.7	1,112.0	505.1	606.9	373.2
20 Arab Banking Corporation BAHRAIN	2014	4,426.0	29,356.0	14,819.0	4,627.0	13,945.0	888.0	439.0	449.0	318.0
	2013	4,359.0	26,545.0	13,653.0	5,116.0	13,030.0	857.0	440.0	417.0	297.0
	2012	4,204.0	24,527.0	12,860.0	4,005.0	12,029.0	816.0	403.0	413.0	263.0
21 Qatar Islamic Bank QATAR	2014	3,894.5	26,410.9	16,401.0	4,384.4	18,303.6	843.3	300.5	542.9	458.5
	2013	3,757.4	21,257.6	12,954.3	4,081.4	13,840.2	740.7	280.7	460.0	364.3
	2012	3,584.9	20,105.0	11,849.3	3,668.6	13,020.5	726.3	267.1	459.2	309.2
22 Al-Ahli United Bank BAHRAIN	2014	3,830.2	33,444.9	18,464.5	5,771.9	23,006.8	1,041.3	309.2	732.1	531.3
	2013	3,565.1	32,651.9	17,305.7	5,528.0	22,028.5	958.3	287.7	670.6	624.2
	2012	3,161.5	29,872.6	15,972.2	5,147.8	18,769.7	848.7	267.2	581.5	377.7
23 Abu Dhabi Islamic Bank UAE	2014	3,727.0	30,472.2	19,880.1	1,750.7	23,085.2	1,248.0	564.9	683.1	476.7
	2013	3,560.0	28,090.6	16,813.9	1,680.1	20,565.1	1,070.5	463.1	607.4	394.9
	2012	3,444.7	23,437.6	13,939.0	1,158.5	16,696.9	970.8	425.3	545.5	327.0
24 Bank Muscat OMAN	2014	3,418.7	25,347.3	17,680.8	1,930.2	16,413.2	998.2	411.4	586.8	425.2
	2013	3,158.3	22,108.9	16,003.1	1,464.4	14,466.3	886.3	374.4	511.9	396.5
	2012	2,745.1	20,565.7	14,555.6	1,573.3	13,835.8	832.4	349.8	482.6	361.7
25 Burgan Bank KUWAIT	2014	3,269.5	26,512.3	15,003.2	1,658.5	16,103.9	943.0	417.6	525.4	248.7
	2013	2,200.1	25,396.8	14,038.1	1,495.8	16,470.6	900.2	400.4	499.8	113.9
	2012	2,201.8	21,218.1	11,988.6	1,104.8	13,836.9	675.3	252.9	422.4	222.7

<div><div>darien analytics</div><div>FINANCIAL MARKET ANALYSIS</div></div>												
Financial Strength Indicators (%)					Profitability Indicators (%)			Funding Strength (%)				
Equity % Assets	Equity % Loans & Investments	Operating Profit % Avg. Assets	Operating Profit % Avg. Loans & Investments	Equity & Operating Profit % Avg. Loans & Investments	Net profit % avg. assets	Net profit % avg. equity	Operating expenses % operating income	Customer Deposits % Assets	Equity and Customer Deposits % Assets	Loans % assets	Loans % deposits	
11.92	14.28	2.59	3.03	17.62	2.26	18.83	21.77	74.09	86.01	69.52	93.84	
12.11	13.81	2.91	3.30	18.90	2.44	18.75	21.28	75.66	87.77	70.06	92.60	
14.25	16.00	2.91	3.42	21.05	2.64	18.59	17.17	80.17	94.41	74.20	92.56	
12.88	17.90	2.85	3.89	21.97	1.46	11.62	30.39	71.14	84.02	67.76	95.24	
12.20	16.30	2.36	3.13	20.17	1.00	8.33	35.38	70.05	82.25	69.68	99.47	
11.84	15.62	2.18	2.85	18.96	0.86	7.15	36.74	69.39	81.23	70.76	101.98	
10.79	12.56	2.56	2.88	16.55	2.28	19.66	39.03	76.60	87.38	50.76	66.26	
12.61	13.59	2.66	3.06	17.41	2.34	19.50	39.00	89.12	101.73	55.65	62.44	
11.41	14.08	2.59	3.13	17.84	2.05	17.64	38.41	79.22	90.64	47.34	59.76	
13.62	16.86	3.11	3.85	21.50	2.33	17.01	33.06	83.22	96.84	66.93	80.42	
13.76	17.01	3.58	4.46	22.00	2.72	19.84	29.31	82.75	96.50	66.75	80.67	
13.64	17.16	4.18	5.21	23.84	3.23	22.54	27.03	82.80	96.44	64.31	77.66	
17.90	20.63	2.44	2.84	24.32	2.37	13.57	30.24	75.34	93.24	57.07	75.75	
17.04	20.10	2.42	2.96	24.19	2.24	13.53	30.53	77.22	94.26	55.33	71.65	
16.11	20.45	2.38	3.04	23.89	2.22	14.47	30.82	75.47	91.58	52.08	69.00	
10.09	13.70	1.92	2.61	17.37	1.59	15.36	35.49	64.66	74.75	51.66	79.89	
10.67	14.61	1.97	2.82	18.67	1.52	14.42	34.37	64.94	75.61	56.55	87.07	
10.36	15.55	2.09	2.99	19.04	1.56	15.06	33.08	63.31	73.67	54.76	86.49	
13.18	19.93	2.21	3.25	24.17	1.36	9.81	32.54	51.69	64.86	54.67	105.76	
14.58	20.79	2.39	3.43	25.58	1.43	9.44	33.06	56.33	70.91	57.50	102.07	
15.86	22.87	3.10	4.43	29.26	2.05	12.46	28.27	57.65	73.51	59.79	103.71	
16.56	19.69	2.48	2.93	22.94	2.07	12.54	35.03	76.46	93.02	62.21	81.36	
16.50	19.38	2.27	2.74	23.36	2.00	11.99	36.45	74.64	91.14	63.92	85.63	
16.81	20.79	2.39	2.93	24.00	1.87	11.16	34.63	76.88	93.69	61.77	80.34	
16.37	22.21	3.47	4.75	27.98	2.78	17.16	23.05	66.58	82.96	65.85	98.89	
16.03	22.26	3.57	4.85	27.98	2.57	15.58	20.97	69.60	85.63	63.36	91.04	
17.06	22.64	3.51	4.58	27.96	2.51	14.73	19.61	68.16	85.22	65.50	96.09	
12.95	16.27	2.57	3.15	19.88	2.17	16.40	34.04	61.76	74.71	68.90	111.55	
13.55	16.18	2.73	3.35	20.13	1.99	14.62	32.22	63.03	76.58	71.88	114.05	
13.67	17.33	2.48	3.21	20.71	1.54	12.01	31.38	60.41	74.08	68.14	112.80	
12.20	16.50	2.26	3.05	20.46	0.99	7.91	51.26	63.33	75.54	66.01	104.23	
12.78	17.18	2.73	3.71	21.37	0.99	8.30	46.03	66.09	78.87	65.59	99.25	
11.15	15.26	2.68	3.63	19.38	0.88	7.71	50.17	63.88	75.03	64.56	101.06	
14.02	16.38	2.16	2.53	19.76	1.96	14.15	32.91	76.96	90.98	61.73	80.22	
13.65	15.94	2.05	2.44	19.27	1.47	10.48	33.34	77.39	91.04	65.45	84.58	
14.38	17.41	2.32	2.89	21.85	2.02	14.24	30.99	73.25	87.63	65.15	88.94	
13.90	16.24	2.52	3.03	20.18	2.34	17.45	29.15	77.75	91.65	61.42	78.99	
12.88	15.91	2.45	3.06	20.15	2.26	17.59	29.60	78.38	91.25	59.85	76.36	
12.81	16.22	2.42	3.09	20.49	2.19	17.41	30.94	76.88	89.69	61.34	79.79	
12.53	15.00	2.25	2.67	18.91	1.90	14.45	38.25	78.72	91.26	62.99	80.01	
13.91	16.44	2.27	2.74	19.62	1.84	13.61	39.00	77.12	91.03	64.13	83.16	
13.11	16.19	2.25	2.73	19.83	1.87	13.69	39.77	78.72	91.83	63.18	80.26	
15.30	21.03	2.00	2.75	24.11	1.70	11.33	41.52	53.23	68.53	62.72	117.84	
14.64	20.30	2.07	2.83	26.25	1.66	10.19	41.85	56.07	70.70	59.11	105.43	
18.67	25.00	2.58	3.46	29.85	2.65	13.80	34.46	51.71	70.37	60.71	117.42	
14.29	19.22	2.97	4.35	26.23	2.36	16.47	36.71	74.54	88.83	59.71	80.11	
14.43	23.43	2.40	3.69	27.38	1.62	12.26	39.88	69.79	84.21	49.49	70.92	
11.86	17.13	2.39	3.36	20.75	1.28	11.10	41.76	67.67	79.52	55.96	82.70	
22.18	29.09	1.99	2.56	34.60	1.76	7.27	45.23	73.49	95.68	66.33	90.26	
26.72	33.45	2.20	2.88	40.51	1.72	6.00	43.42	67.88	94.59	71.31	105.05	
30.85	42.57	1.98	2.66	51.79	1.62	4.50	50.66	59.64	90.49	68.85	115.44	
18.11	22.36	2.81	3.54	27.10	2.23	12.53	27.29	72.16	90.26	68.55	95.00	
17.52	22.56	2.70	3.59	26.95	2.00	11.86	26.60	74.35	91.87	68.59	92.26	
16.21	22.31	2.72	3.66	26.09	1.89	11.79	25.45	72.80	89.01	65.81	90.39	
15.99	24.58	3.72	5.71	32.31	2.54	15.52	37.80	64.66	80.64	54.84	84.82	
16.87	25.89	3.37	5.23	33.50	2.27	13.01	42.21	65.37	82.23	56.25	86.05	
18.09	28.46	2.86	4.64	33.44	1.76	10.30	45.42	62.12	80.22	54.21	87.26	
15.08	22.76	1.61	2.35	25.51	1.14	7.24	49.44	47.50	62.58	50.48	106.27	
16.42	23.22	1.63	2.34	26.81	1.16	6.94	51.34	49.09	65.51	51.43	104.78	
17.14	24.93	1.67	2.37	26.46	1.06	6.40	49.39	49.04	66.18	52.43	106.91	
14.75	18.74	2.28	2.87	23.46	1.92	11.98	35.63	69.30	84.05	62.10	89.61	
17.68	22.06	2.22	2.83	25.90	1.76	9.92	37.90	65.11	82.78	60.94	93.60	
17.83	23.10	2.54	3.31	29.18	1.71	8.69	36.77	64.76	82.59	58.94	91.00	
11.45	15.80	2.22	3.11	19.39	1.61	14.37	29.69	68.79	80.24	55.21	80.26	
10.92	15.61	2.15	3.05	19.27	2.00	18.56	30.02	67.46	78.38	53.00	78.56	
10.58	14.97	2.00	2.84	18.26	1.30	12.44	31.48	62.83	73.42	53.47	85.10	
12.23	17.23	2.33	3.40	21.98	1.63	13.08	45.27	75.76	87.99	65.24	86.12	
12.67	19.25	2.36	3.62	24.81	1.53	11.27	43.26	73.21	85.88	59.86	81.76	
14.70	22.82	2.50	3.78	27.67	1.50	11.32	43.81	71.24	85.94	59.47	83.48	
13.49	17.43	2.47	3.16	21.60	1.79	12.93	41.22	64.75	78.24	69.75	107.72	
14.29	18.08	2.40	3.04	21.82	1.86	13.42	42.24	65.43	79.72	72.38	110.62	
13.35	17.02	2.45	3.27	21.85	1.84	14.45	42.02	67.28	80.62	70.78	105.20	
12.33	19.62	2.06	3.32	24.00	0.98	9.23	44.29	60.74	73.07	56.59	93.17	
8.66	14.16	2.15	3.49	18.87	0.49	5.18	44.48	64.85	73.52	55.27	85.23	
10.38	16.82	2.26	3.91	24.27	1.19	10.58	37.45	65.21	75.59	56.50	86.64	

CGG Commercial Banks: Financial Results 2012-2014

LISTED BY EQUITY SIZE

		BALANCE SHEET INDICATORS (\$MN)					INCOME STATEMENT (\$MN)			
		Equity	Assets	Net Loans	Investments (net)	Customers' Deposits	Operating Income	Operating Expenses	Operating Profit	Net Profit
26 Masraf al-Rayan	2014	3,220.9	22,010.6	15,913.3	3,926.5	17,194.9	705.2	146.7	558.5	554.3
QATAR	2013	2,941.7	18,287.8	11,388.1	4,126.7	13,281.8	606.3	131.2	475.1	477.9
	2012	2,673.8	16,928.6	11,459.7	3,574.0	12,363.6	532.9	124.4	408.5	417.5
27 Saudi Investment Bank	2014	3,158.9	24,954.0	15,318.0	5,969.4	18,852.4	674.6	251.3	423.3	382.9
SAUDI ARABIA	2013	2,734.0	21,465.1	12,684.3	4,719.0	15,211.4	537.8	203.1	334.7	343.1
	2012	2,504.0	15,769.8	9,090.9	2,913.3	10,789.7	459.6	168.8	290.9	243.5
28 Doha Bank	2014	3,103.4	20,752.9	13,344.3	2,597.7	12,626.5	785.8	280.3	505.5	373.4
QATAR	2013	3,097.3	18,403.9	11,297.1	3,216.2	11,685.5	698.3	245.8	452.5	360.7
	2012	2,074.2	15,166.2	9,277.5	2,631.8	9,449.6	664.5	229.3	435.2	358.5
29 Saudi Hollandi Bank	2014	2,863.0	25,751.7	17,363.7	5,006.4	20,473.0	848.1	269.5	578.6	485.3
SAUDI ARABIA	2013	2,507.0	21,457.9	14,189.5	4,493.0	16,499.8	697.6	238.7	458.9	400.4
	2012	2,217.6	18,289.8	12,088.0	3,037.9	14,394.0	592.5	226.1	366.4	334.5
30 Gulf International Bank	2014	2,350.7	21,300.2	7,931.5	4,017.2	12,897.8	257.6	164.9	92.7	85.6
BAHRAIN	2013	2,264.0	21,156.9	8,317.2	3,776.7	13,451.3	278.3	151.6	126.7	121.5
	2012	2,130.0	17,704.8	7,110.3	3,660.6	9,471.9	255.0	136.1	118.9	117.9
31 Commercial Bank of Dubai	2014	2,126.8	12,775.9	8,759.3	1,521.6	8,757.7	610.1	205.4	404.6	327.4
UAE	2013	1,965.0	12,110.9	8,247.3	1,151.5	8,425.7	553.6	170.9	382.7	275.1
	2012	1,854.3	10,699.4	7,406.0	647.5	7,637.6	505.8	155.8	350.1	233.8
32 National Bank of Ras Al Khaimeh	2014	1,941.8	9,484.5	6,880.2	1,030.8	6,712.7	968.1	409.9	558.2	396.1
UAE	2013	1,774.3	8,203.5	5,979.5	734.1	6,281.7	857.8	375.5	482.4	389.6
	2012	1,550.6	7,419.2	5,522.4	432.1	5,641.2	787.7	348.9	438.9	381.9
33 Al Ahli Bank of Kuwait	2014	1,909.6	11,967.7	8,285.0	1,180.0	6,629.6	402.2	120.1	282.2	128.6
KUWAIT	2013	1,919.6	11,334.3	7,771.5	895.2	6,912.2	410.3	121.0	289.3	125.7
	2012	1,835.5	10,561.3	7,058.3	673.2	6,531.8	413.5	127.9	285.6	106.6
34 Commercial Bank of Kuwait	2014	1,894.2	14,409.1	7,934.1	714.5	8,736.5	493.9	118.3	375.6	168.3
KUWAIT	2013	1,998.1	13,948.2	8,224.5	1,261.9	9,337.3	476.0	115.0	361.0	84.1
	2012	1,964.5	13,030.6	7,558.4	1,403.6	8,018.8	444.8	104.4	340.3	4.3
35 Barwa Bank	2014	1,765.9	10,497.0	6,333.2	2,758.0	6,006.9	372.8	156.1	216.7	196.0
QATAR	2013	1,575.5	9,241.0	5,316.7	2,125.4	5,834.3	324.2	162.5	161.8	138.5
	2012	1,434.3	6,938.6	4,211.4	1,827.3	4,077.8	257.5	127.5	130.0	94.8
36 Gulf Bank	2014	1,749.2	18,233.4	12,255.4	281.5	12,524.2	556.8	191.5	365.3	121.4
KUWAIT	2013	1,714.8	17,978.1	11,931.0	440.2	11,807.1	592.8	204.1	388.7	114.3
	2012	1,595.7	17,217.4	11,802.8	434.8	11,536.8	638.0	206.7	431.3	109.8
37 Bank Al Jazira	2014	1,641.3	17,738.4	10,992.8	3,021.1	14,544.2	593.3	339.7	253.7	152.6
SAUDI ARABIA	2013	1,527.6	15,993.5	9,331.8	3,359.2	12,821.8	490.5	280.3	210.1	173.5
	2012	1,338.1	13,557.8	7,981.9	2,401.3	10,859.6	426.5	246.9	179.7	133.6
38 Al Khalij Commercial Bank	2014	1,589.1	14,081.8	7,386.0	4,568.3	7,541.6	278.5	117.0	161.5	154.7
QATAR	2013	1,549.0	11,338.3	5,687.8	3,819.4	5,474.0	259.0	105.2	153.8	151.4
	2012	1,557.8	9,249.3	3,579.6	4,357.9	4,764.7	266.1	102.6	163.6	140.7
39 Bank Albilad	2014	1,570.2	12,055.0	7,557.5	702.4	9,787.9	558.9	330.6	228.3	230.3
SAUDI ARABIA	2013	1,360.2	9,686.1	6,244.0	444.6	7,761.9	511.2	271.5	239.7	194.5
	2012	1,166.9	7,950.1	4,874.0	410.4	6,338.6	463.9	238.5	225.3	251.4
40 Qatar International Islamic Bank	2014	1,475.2	10,552.0	6,001.6	1,538.3	7,320.4	340.7	99.3	241.3	226.9
QATAR	2013	1,411.7	9,354.6	5,227.1	1,857.8	6,728.9	329.8	86.5	243.3	206.2
	2012	1,383.3	7,844.8	4,031.1	1,374.6	5,441.8	264.2	59.7	204.5	186.5
41 Sharjah Islamic Bank	2014	1,249.5	7,083.5	3,941.6	430.6	3,973.5	286.3	116.5	169.8	102.7
UAE	2013	1,235.1	5,917.6	3,409.0	336.2	3,240.6	216.7	105.4	111.3	83.6
	2012	1,209.9	4,986.8	2,926.7	233.2	3,086.0	175.9	91.6	84.2	74.1
42 International Bank of Qatar	2014	1,248.1	8,486.7	5,456.8	812.0	5,828.6	239.1	78.6	160.5	159.2
QATAR	2013	1,222.6	7,881.0	4,680.8	2,056.1	5,998.2	249.9	86.0	163.9	152.1
	2012	1,162.4	8,842.4	5,438.6	1,216.1	6,122.6	244.7	96.8	148.0	144.1
43 Bank of Sharjah	2014	1,201.6	6,822.5	3,834.1	480.3	4,847.3	213.5	72.8	140.7	77.9
UAE	2013	1,185.2	6,800.0	3,576.6	478.4	5,003.3	214.5	67.4	147.1	96.1
	2012	1,138.6	6,216.5	3,388.1	494.5	4,485.9	183.5	57.3	126.1	75.4
44 Ahli Bank of Qatar	2014	1,146.3	8,624.2	5,856.0	1,355.9	5,467.2	256.7	77.0	179.7	165.3
QATAR	2013	979.2	7,193.7	4,757.6	1,378.9	5,191.3	233.5	75.4	158.1	144.5
	2012	945.5	5,660.2	3,849.4	1,131.6	3,832.8	189.7	58.7	130.9	127.8
45 National Bank of Umm al-Qaiwain	2014	1,033.4	3,601.7	2,174.2	401.6	2,190.0	170.2	46.8	123.5	85.2
UAE	2013	1,008.2	3,403.3	1,916.1	369.5	2,026.4	165.6	45.4	120.2	100.2
	2012	931.1	3,332.3	1,852.4	274.4	1,981.9	152.7	52.0	100.7	89.4
46 Boubyan Bank	2014	1,029.9	9,056.7	6,174.0	433.0	7,124.2	268.2	121.1	147.1	97.5
KUWAIT	2013	956.6	7,780.8	5,248.8	244.6	5,883.1	238.2	108.3	129.9	45.1
	2012	910.1	6,695.2	4,511.5	537.1	4,962.7	209.2	101.2	108.0	33.7
47 National Bank of Bahrain	2014	1,011.2	7,325.5	2,089.2	2,675.2	5,764.4	238.6	78.1	160.5	142.8
BAHRAIN	2013	971.3	7,354.1	2,298.9	2,670.5	5,573.4	226.6	73.6	153.0	137.5
	2012	845.9	7,041.4	2,356.2	2,011.4	5,511.7	229.7	72.4	157.3	126.0
48 Bank of Bahrain and Kuwait	2014	955.0	9,341.5	4,927.0	2,100.5	6,593.6	313.5	123.3	190.3	134.2
BAHRAIN	2013	890.5	8,642.2	4,329.5	1,990.2	6,294.0	300.7	145.5	155.2	121.2
	2012	768.4	8,243.0	3,975.3	1,903.4	5,848.3	288.1	134.0	154.1	112.7
49 National Bank of Oman	2014	941.8	7,753.3	6,035.7	384.3	5,673.3	297.5	141.7	155.8	131.0
OMAN	2013	854.8	7,545.4	5,388.0	345.4	5,677.2	270.7	126.6	144.1	107.9
	2012	791.3	6,595.1	4,967.8	287.7	4,903.3	256.2	121.4	134.9	105.8
50 Arab Bank for Investment and Foreign Trade (Al Masraf)	2014	937.3	3,903.6	2,003.3	169.8	2,377.9	157.3	51.8	105.6	99.7
UAE	2013	872.1	3,447.1	1,451.7	56.0	1,697.1	142.9	43.7	99.2	70.8
	2012	839.0	3,429.6	1,506.4	26.2	1,928.9	157.5	42.6	114.9	83.5

<div><div>darien analytics</div><div>FINANCIAL MARKET ANALYSIS</div></div>												
Financial Strength Indicators (%)					Profitability Indicators (%)			Funding Strength (%)				
Equity % Assets	Equity % Loans & Investments	Operating Profit % Avg. Assets	Operating Profit % Avg. Loans & Investments	Equity & Operating Profit % Avg. Loans & Investments	Net profit % avg. assets	Net profit % avg. equity	Operating expenses % operating income	Customer Deposits % Assets	Equity and Customer Deposits % Assets	Loans % assets	Loans % deposits	
14.63	16.23	2.77	3.16	21.38	2.75	17.99	20.81	78.12	92.75	72.30	92.55	
16.09	18.96	2.70	3.11	22.36	2.71	17.02	21.64	72.63	88.71	62.27	85.74	
15.79	17.79	2.41	2.93	22.10	2.47	15.61	23.35	73.03	88.83	67.69	92.69	
12.66	14.84	1.82	2.19	18.52	1.65	13.00	37.25	75.55	88.21	61.38	81.25	
12.74	15.71	1.80	2.28	20.88	1.84	13.11	37.76	70.87	83.60	59.09	83.39	
15.88	20.86	1.96	2.69	25.86	1.64	10.17	36.71	68.42	84.30	57.65	84.26	
14.95	19.47	2.58	3.32	23.70	1.91	12.04	35.67	60.84	75.80	64.30	105.68	
16.83	21.34	2.70	3.42	26.86	2.15	13.95	35.20	63.50	80.32	61.38	96.68	
13.68	17.42	2.93	3.87	22.29	2.42	17.84	34.51	62.31	75.98	61.17	98.18	
11.12	12.80	2.45	2.82	16.77	2.06	18.08	31.78	79.50	90.62	67.43	84.81	
11.68	13.42	2.31	2.72	17.55	2.02	16.96	34.22	76.89	88.58	66.13	86.00	
12.12	14.66	2.18	2.60	18.34	1.99	15.95	38.15	78.70	90.82	66.09	83.98	
11.04	19.67	0.44	0.77	20.33	0.40	3.71	64.01	60.55	71.59	37.24	61.49	
10.70	18.72	0.65	1.11	20.91	0.63	5.53	54.47	63.58	74.28	39.31	61.83	
12.03	19.78	0.69	1.15	21.67	0.68	5.76	53.37	53.50	65.53	40.16	75.07	
16.65	20.69	3.25	4.11	25.73	2.63	16.00	33.67	68.55	85.20	68.56	100.02	
16.23	20.91	3.35	4.38	26.90	2.41	14.40	30.87	69.57	85.80	68.10	97.88	
17.33	23.02	3.32	4.41	27.77	2.22	13.08	30.80	71.38	88.71	69.22	96.97	
20.47	24.55	6.31	7.63	34.19	4.48	21.32	42.34	70.78	91.25	72.54	102.50	
21.63	26.43	6.17	7.61	35.63	4.99	23.43	43.77	76.57	98.20	72.89	95.19	
20.90	26.04	6.23	7.79	35.30	5.42	27.00	44.29	76.04	96.94	74.43	97.89	
15.96	20.17	2.47	3.17	24.60	1.12	6.84	29.85	55.40	71.35	69.23	124.97	
16.94	22.15	2.64	3.53	26.95	1.15	6.70	29.50	60.98	77.92	68.57	112.43	
17.38	23.74	2.66	3.63	26.93	0.99	5.95	30.93	61.85	79.23	66.83	108.06	
13.15	21.90	2.70	4.22	25.52	1.21	8.81	23.96	60.63	73.78	55.06	90.82	
14.32	21.06	2.68	3.92	25.58	0.62	4.25	24.16	66.94	81.27	58.96	88.08	
15.08	21.92	2.60	3.77	25.55	0.03	0.22	23.48	61.54	76.61	58.01	94.26	
16.82	19.42	2.20	2.62	23.98	1.99	11.73	41.87	57.22	74.05	60.33	105.43	
17.05	21.17	2.00	2.40	25.77	1.71	9.20	50.11	63.13	80.18	57.53	91.13	
20.67	23.75	2.13	2.63	31.60	1.56	6.86	49.50	58.77	79.44	60.70	103.28	
9.59	13.95	2.05	2.99	17.29	0.68	7.14	34.40	68.69	78.28	67.21	97.85	
9.54	13.86	2.21	3.16	17.10	0.65	6.91	34.43	65.67	75.21	66.36	101.05	
9.27	13.04	2.52	3.53	16.58	0.64	7.03	32.41	67.01	76.27	68.55	102.31	
9.25	11.71	1.50	1.90	14.20	0.90	9.63	57.25	81.99	91.25	61.97	75.58	
9.55	12.04	1.42	1.82	15.07	1.17	12.12	57.16	80.17	89.72	58.35	72.78	
9.87	12.89	1.50	1.99	16.82	1.12	10.27	57.87	80.10	89.97	58.87	73.50	
11.28	13.29	1.27	1.51	16.31	1.22	9.86	42.00	53.56	64.84	52.45	97.94	
13.66	16.29	1.49	1.76	19.52	1.47	9.74	40.62	48.28	61.94	50.16	103.90	
16.84	19.63	1.96	2.32	24.37	1.68	9.25	38.54	51.51	68.36	38.70	75.13	
13.03	19.01	2.10	3.06	24.07	2.12	15.72	59.15	81.19	94.22	62.69	77.21	
14.04	20.34	2.72	4.01	26.74	2.21	15.40	53.11	80.14	94.18	64.46	80.44	
14.68	22.08	2.94	4.89	30.21	3.28	24.19	51.43	79.73	94.41	61.31	76.89	
13.98	19.57	2.42	3.30	23.47	2.28	15.72	29.16	69.38	83.36	56.88	81.98	
15.09	19.93	2.83	3.90	26.50	2.40	14.75	26.23	71.93	87.02	55.88	77.68	
17.63	25.59	2.87	4.31	33.48	2.62	13.68	22.60	69.37	87.00	51.39	74.08	
17.64	28.58	2.61	4.18	34.97	1.58	8.27	40.69	56.10	73.73	55.64	99.20	
20.87	32.98	2.04	3.22	39.00	1.53	6.84	48.65	54.76	75.63	57.61	105.20	
24.26	38.29	1.72	2.72	41.75	1.51	6.15	52.11	61.88	86.14	58.69	94.84	
14.71	19.91	1.96	2.47	21.66	1.95	12.89	32.88	68.68	83.39	64.30	93.62	
15.51	18.15	1.96	2.45	20.70	1.82	12.75	34.41	76.11	91.62	59.39	78.04	
13.15	17.47	1.81	2.37	21.03	1.76	12.52	39.54	69.24	82.39	61.51	88.83	
17.61	27.85	2.07	3.36	32.08	1.14	6.52	34.10	71.05	88.66	56.20	79.10	
17.43	29.23	2.26	3.71	33.57	1.48	8.27	31.42	73.58	91.01	52.60	71.48	
18.32	29.33	2.12	3.29	33.01	1.27	6.61	31.24	72.16	90.48	54.50	75.53	
13.29	15.89	2.27	2.69	19.87	2.09	15.55	29.99	63.39	76.69	67.90	107.11	
13.61	15.96	2.46	2.84	20.46	2.25	15.01	32.29	72.17	85.78	66.14	91.65	
16.70	18.98	2.47	2.88	23.67	2.41	15.62	30.96	67.71	84.42	68.01	100.43	
28.69	40.12	3.52	5.08	47.59	2.43	8.34	27.48	60.80	89.50	60.37	99.28	
29.62	44.11	3.57	5.45	51.14	2.98	10.34	27.43	59.54	89.17	56.30	94.56	
27.94	43.78	3.09	4.74	48.54	2.74	9.75	34.07	59.47	87.42	55.59	93.46	
11.37	15.59	1.78	2.47	19.78	1.18	9.99	45.15	78.66	90.03	68.17	86.66	
12.29	17.41	1.80	2.47	20.62	0.62	4.83	45.45	75.61	87.91	67.46	89.22	
13.59	18.03	1.77	2.35	22.19	0.55	3.77	48.39	74.12	87.72	67.38	90.91	
13.80	21.22	2.19	3.30	24.07	1.95	14.41	32.74	78.69	92.49	28.52	36.24	
13.21	19.55	2.12	3.26	23.99	1.90	15.07	32.47	75.79	88.99	31.26	41.25	
12.01	19.37	2.35	3.63	23.13	1.88	16.00	31.52	78.28	90.29	33.46	42.75	
10.22	13.59	2.12	2.85	17.18	1.49	14.56	39.32	70.58	80.81	52.74	74.72	
10.30	14.09	1.83	2.53	17.07	1.43	14.55	48.40	72.83	83.13	50.10	68.79	
9.32	13.07	1.98	2.78	16.61	1.45	16.11	46.50	70.95	80.27	48.23	67.97	
12.15	14.67	2.04	2.56	18.06	1.71	14.59	47.64	73.17	85.32	77.85	106.39	
11.33	14.91	2.04	2.62	18.16	1.52	13.09	46.78	75.24	86.57	71.41	94.91	
12.00	15.06	2.18	2.74	18.82	1.71	13.90	47.36	74.35	86.35	75.33	101.31	
24.01	43.13	2.87	5.74	56.67	2.71	11.02	32.90	60.92	84.93	51.32	84.25	
25.30	57.84	2.89	6.53	63.89	2.06	8.27	30.56	49.23	74.53	42.11	85.54	
24.46	54.74	3.37	7.14	59.32	2.45	10.47	27.04	56.24	80.71	43.93	78.10	

CGG Commercial Banks: Financial Results 2012-2014

LISTED BY EQUITY SIZE

		BALANCE SHEET INDICATORS (\$MN)					INCOME STATEMENT (\$MN)			
		Equity	Assets	Net Loans	Investments (net)	Customers' Deposits	Operating Income	Operating Expenses	Operating Profit	Net Profit
51 National Bank of Fujairah UAE	2014	916.1	6,695.0	4,446.3	162.9	4,882.9	279.2	105.5	173.7	137.6
	2013	824.9	5,843.1	3,775.4	154.8	4,083.7	240.9	88.2	152.7	107.0
	2012	617.7	4,776.8	3,320.5	212.0	3,387.0	206.8	76.2	130.6	83.3
52 Noor Bank UAE	2014	891.3	7,900.4	4,911.6	784.6	6,494.8	275.8	133.1	142.7	184.7
	2013	665.3	6,304.2	3,906.2	493.2	5,082.1	172.3	105.7	66.5	69.5
	2012	594.5	4,888.4	2,961.4	467.3	4,035.8	150.3	84.4	65.9	20.6
53 Al Salam Bank BAHRAIN	2014	877.3	5,217.3	1,633.0	764.2	3,439.2	123.0	70.4	52.6	42.2
	2013	658.3	2,911.2	1,069.7	580.5	1,820.9	69.8	30.5	39.3	33.2
	2012	552.0	2,499.2	869.0	740.6	1,655.4	63.9	30.5	33.4	27.3
54 Bank Dhofar OMAN	2014	847.6	8,322.3	5,874.7	460.9	6,467.4	257.7	120.4	137.3	105.5
	2013	790.9	6,787.5	4,954.8	463.7	5,293.0	233.4	118.0	115.4	152.1
	2012	679.6	5,571.2	4,346.4	291.1	4,247.9	218.6	96.2	122.4	98.0
55 Kuwait International Bank KUWAIT	2014	823.6	5,686.6	3,666.6	209.0	3,375.2	199.4	86.9	112.5	46.9
	2013	807.2	5,336.5	3,477.9	204.5	3,334.2	202.3	87.7	114.7	46.9
	2012	769.4	4,438.7	2,777.3	245.5	2,787.9	159.5	82.1	77.4	46.9
56 HSBC Oman OMAN	2014	807.3	5,843.2	3,025.4	1,735.6	4,825.6	185.0	144.1	40.9	31.8
	2013	796.7	5,785.9	2,554.4	2,144.8	4,670.3	179.0	150.6	28.4	28.4
	2012	764.3	6,270.3	3,104.0	1,769.0	4,811.9	157.2	126.6	30.7	15.1
57 United Arab Bank UAE	2014	792.9	7,000.8	4,885.4	677.1	5,097.1	373.9	107.2	266.7	164.9
	2013	675.7	5,868.0	4,162.2	439.9	4,094.0	283.1	86.8	196.3	150.4
	2012	612.0	4,251.7	2,962.6	363.9	2,748.3	208.3	63.6	144.7	111.6
58 Investbank UAE	2014	758.2	3,765.9	2,683.8	264.2	2,775.9	181.1	44.1	137.1	98.1
	2013	707.0	3,349.1	2,386.5	243.0	2,452.9	165.6	36.8	128.7	89.3
	2012	638.9	3,106.4	2,315.1	226.2	2,319.5	154.0	33.6	120.4	88.4
59 Commercial Bank International UAE	2014	637.1	5,359.9	3,566.5	545.6	3,959.0	226.5	99.7	126.7	36.4
	2013	596.4	4,034.0	2,891.9	325.9	2,859.0	191.1	100.4	90.7	48.1
	2012	545.8	3,468.5	2,379.9	394.5	2,420.2	192.2	77.6	114.6	68.2
60 Eskan Bank BAHRAIN	2014	608.6	1,629.5	1,160.2	12.8	671.1	44.1	15.3	28.8	28.0
	2013	562.8	1,541.3	1,070.5	12.8	622.7	40.8	13.0	27.8	21.4
	2012	520.8	1,264.0	833.7	9.3	414.1	36.8	15.2	21.7	19.4
61 Oman Arab Bank OMAN	2014	554.6	4,731.3	3,282.0	195.1	3,825.2	187.1	97.4	89.6	74.0
	2013	517.9	3,794.2	2,804.0	139.1	2,993.9	166.2	88.1	78.2	65.1
	2012	478.4	3,561.3	2,429.3	106.3	2,679.6	158.0	74.1	83.9	65.7
62 Ithmaar Bank BAHRAIN	2014	523.4	7,860.9	3,583.0	1,767.6	3,374.6	227.8	198.8	29.0	-8.8
	2013	531.6	7,403.1	3,378.8	1,306.1	3,256.0	200.0	195.1	4.8	-79.3
	2012	589.1	7,225.7	3,480.9	1,053.1	2,944.8	232.1	198.1	34.0	-26.8
63 AlAhli Bank OMAN	2014	519.8	4,285.6	3,618.8	360.1	2,804.1	134.4	46.1	88.3	65.4
	2013	481.7	3,489.6	2,878.5	210.0	2,488.2	121.4	41.2	80.2	59.9
	2012	435.3	2,856.5	2,410.1	296.5	1,918.9	109.1	34.3	74.8	56.4
64 Bank Sohar OMAN	2014	500.5	5,406.8	3,707.4	626.5	4,042.5	183.1	81.5	101.6	77.9
	2013	446.3	4,912.3	3,251.3	537.2	3,628.0	154.2	71.6	82.6	70.1
	2012	376.6	4,644.5	2,978.2	396.8	3,475.6	135.9	61.6	74.3	59.8
65 Future Bank BAHRAIN	2014	356.8	1,597.5	417.6	98.7	452.6	57.2	14.4	42.8	47.9
	2013	309.2	1,548.3	303.1	126.0	420.8	54.8	12.0	42.8	29.4
	2012	277.2	1,449.3	299.2	143.5	376.9	54.4	11.1	43.2	21.0
66 Bank Nizwa OMAN	2014	343.9	659.5	307.1	163.4	244.5	19.5	38.3	-18.8	-20.1
	2013	362.4	510.6	79.7	155.5	73.2	7.6	32.6	-25.0	-32.0
	2012									
67 Alubaf Arab International Bank BAHRAIN	2014	331.9	1,205.0	485.3	151.0	25.2	62.0	13.5	48.5	40.7
	2013	316.1	1,107.8	363.0	151.9	7.7	51.4	10.8	40.6	36.6
	2012	300.6	1,112.1	378.7	38.9	21.1	39.3	7.0	32.3	30.0
68 Warba Bank KUWAIT	2014	314.3	2,034.4	1,327.8	181.3	1,183.8	51.3	44.3	7.0	0.3
	2013	321.6	1,439.4	773.8	876.4	876.4	29.4	32.7	-3.3	-13.1
	2012	339.3	794.0	294.5	78.5	277.8	26.6	29.8	-3.2	-6.7
69 Ajman Bank UAE	2014	300.4	3,058.4	2,324.5	141.2	2,317.0	97.3	56.7	40.6	19.4
	2013	282.9	1,931.3	1,574.8	135.6	1,492.0	68.5	48.5	20.0	2.9
	2012	287.3	1,494.7	1,235.4	117.3	1,181.0	61.9	44.5	17.3	9.1
70 Khaleeji Commercial Bank BAHRAIN	2014	275.1	1,579.4	927.8	258.6	1,031.8	39.0	29.4	9.6	8.0
	2013	267.5	1,450.4	773.9	241.8	831.7	18.7	29.4	-10.7	-51.4
	2012	316.7	1,255.2	715.1	267.6	604.2	28.4	23.9	4.5	2.1
71 alizz Islamic Bank OMAN	2014	238.1	311.6	182.4	19.3	40.0	5.0	20.1	-15.1	-14.3
	2013	252.2	259.7	10.3	64.9	2.9	1.8	10.2	-8.3	-8.3
	2012									
72 Bahrain Islamic Bank BAHRAIN	2014	211.1	2,335.3	1,399.3	329.8	1,878.5	114.5	57.6	56.8	24.8
	2013	208.9	2,435.1	1,209.4	286.2	1,935.1	95.2	52.7	42.5	16.3
	2012	185.1	2,209.0	1,136.9	292.8	1,752.5	65.0	52.0	13.0	-96.0
73 Al Baraka Islamic Bank BAHRAIN	2014	170.8	1,845.9	355.7	441.6	1,510.4	50.0	46.4	3.6	2.1
	2013	166.1	1,645.1	219.8	338.4	1,297.6	43.9	40.1	3.7	0.9
	2012	168.7	1,418.3	232.9	400.8	1,096.6	40.8	40.0	0.8	-13.5
74 Bahrain Middle East Bank BAHRAIN	2014	31.0	172.8	117.0	9.6	15.0	12.2	5.2	7.0	4.5
	2013	28.7	169.5	98.0	22.2	10.2	11.9	6.3	5.6	-4.7
	2012	30.4	55.3	21.0	26.5	5.1	9.1	6.4	2.7	2.2

Financial Strength Indicators (%)					Profitability Indicators (%)			Funding Strength (%)			
Equity % Assets	Equity % Loans & Investments	Operating Profit % Avg. Assets	Operating Profit % Avg. Loans & Investments	Equity & Operating Profit % Avg. Loans & Investments	Net profit % avg. assets	Net profit % avg. equity	Operating expenses % operating income	Customer Deposits % Assets	Equity and Customer Deposits % Assets	Loans % assets	Loans % deposits
13.68	19.88	2.77	4.07	25.52	2.20	15.81	37.79	72.93	86.62	66.41	91.06
14.12	20.99	2.88	4.09	26.20	2.02	14.84	36.61	69.89	84.01	64.61	92.45
12.93	17.49	2.95	3.99	22.84	1.88	14.12	36.87	70.91	83.84	69.51	98.04
11.28	15.65	2.01	2.83	20.48	2.60	23.72	48.27	82.21	93.49	62.17	75.62
10.55	15.12	1.19	1.70	18.70	1.24	11.04	61.38	80.62	91.17	61.96	76.86
12.16	17.34	1.39	1.97	19.76	0.43	3.65	56.17	82.56	94.72	60.58	73.38
16.82	36.60	1.29	2.60	46.00	1.04	5.50	57.27	65.92	82.73	31.30	47.48
22.61	39.89	1.45	2.40	42.62	1.22	5.46	43.68	62.55	85.16	36.75	58.75
22.09	34.29	1.35	2.19	38.35	1.10	5.04	47.72	66.24	88.33	34.77	52.49
10.18	13.38	1.82	2.34	16.76	1.40	12.88	46.71	77.71	87.90	70.59	90.83
11.65	14.60	1.87	2.29	18.01	2.46	20.67	50.56	77.98	89.63	73.00	93.61
12.20	14.65	2.30	2.77	18.17	1.84	15.36	44.00	76.25	88.45	78.02	102.32
14.48	21.25	2.08	3.03	25.22	0.87	5.85	43.57	59.35	73.84	64.48	108.63
15.13	21.92	2.35	3.42	27.51	0.96	5.95	43.33	62.48	77.60	65.17	104.31
17.33	25.46	1.84	2.71	29.60	1.11	6.22	51.45	62.81	80.14	62.57	99.62
13.82	16.96	0.70	0.86	17.93	0.55	3.96	77.89	82.59	96.40	51.78	62.70
13.77	16.95	0.47	0.59	17.22	0.47	3.63	84.13	80.72	94.49	44.15	54.69
12.19	15.68	0.70	0.90	23.23	0.34	2.84	80.50	76.74	88.93	49.50	64.51
11.33	14.25	4.15	5.25	20.85	2.56	22.45	28.67	72.81	84.13	69.78	95.85
11.52	14.68	3.88	4.95	22.00	2.97	23.36	30.65	69.77	81.28	70.93	101.67
14.39	18.40	4.02	5.09	26.63	3.10	19.15	30.54	64.64	79.04	69.68	107.80
20.13	25.72	3.85	4.92	32.10	2.76	13.38	24.32	73.71	93.85	71.26	96.68
21.11	26.89	3.99	4.98	32.32	2.77	13.28	22.24	73.24	94.35	71.26	97.30
20.57	25.14	4.06	5.00	31.50	2.98	14.53	21.81	74.67	95.24	74.52	99.81
11.89	15.49	2.70	3.46	20.84	0.77	5.89	44.04	73.86	85.75	66.54	90.09
14.78	18.54	2.42	3.03	22.93	1.28	8.42	52.55	70.87	85.66	71.69	101.15
15.73	19.67	3.49	4.37	25.16	2.08	13.43	40.37	69.78	85.51	68.62	98.34
37.35	51.89	1.82	2.56	56.57	1.77	4.79	34.59	41.18	78.53	71.20	172.88
36.52	51.95	1.87	2.72	57.78	1.44	3.86	31.83	40.40	76.92	69.46	171.91
11.72	15.95	2.10	2.79	20.07	1.74	13.80	52.09	80.85	92.57	69.37	85.80
13.65	17.60	2.12	2.85	21.73	1.77	13.06	52.98	78.91	92.56	73.90	93.66
13.43	18.87	2.60	3.51	23.50	2.04	14.66	46.88	75.24	88.67	68.21	90.66
6.66	9.78	0.38	0.58	11.01	-0.12	-1.67	87.28	42.93	49.59	45.58	106.18
7.18	11.35	0.09	0.15	16.78	-1.57	-21.04	97.55	43.98	51.16	45.64	103.77
8.15	12.99	0.48	0.77	14.13	-0.38	-4.60	85.37	40.75	48.91	48.17	118.20
12.13	13.06	2.27	2.50	17.21	1.68	13.06	34.30	65.43	77.56	84.44	129.06
13.80	15.60	2.53	2.77	19.37	1.89	13.05	33.91	71.30	85.11	82.49	115.68
15.24	16.08	2.84	3.00	20.46	2.14	15.09	31.43	67.18	82.41	84.37	125.60
9.26	11.55	1.97	2.50	14.82	1.51	16.46	44.52	74.77	84.02	68.57	91.71
9.08	11.78	1.73	2.30	14.75	1.46	17.01	46.45	73.85	82.94	66.19	89.62
8.11	11.16	1.78	2.38	14.43	1.43	16.81	45.32	74.83	82.94	64.12	85.69
22.34	69.12	2.72	9.05	84.55	3.04	14.38	25.23	28.33	50.67	26.14	92.26
19.97	72.07	2.84	9.78	80.42	1.96	10.00	21.95	27.18	47.15	19.57	72.03
19.13	62.61	3.02	9.46	70.09	1.46	7.86	20.49	26.01	45.13	20.64	79.38
52.15	73.11	-3.21	-5.32	92.15	-3.43	-5.68	196.00	37.08	89.23	46.56	125.57
27.54	52.16	4.19	8.43	66.09	3.52	12.56	21.77	2.09	29.63	40.27	1,925.79
28.53	61.39	3.66	8.71	76.50	3.30	11.87	21.01	0.70	29.23	32.77	4,714.29
27.03	71.98	3.06	9.22	95.01	2.84	11.09	17.81	1.90	28.93	34.05	1,794.79
15.45	20.83	0.41	0.57	26.02	0.02	0.11	86.36	58.19	73.64	65.27	112.16
22.34	32.24	-0.29	-0.48	46.47	-1.18	-3.98	111.12	60.89	83.23	53.76	88.29
42.73	90.95	-0.52	-1.38	145.54	-1.10	-1.97	112.00	34.99	77.72	37.09	106.01
9.82	12.18	1.63	1.94	16.33	0.78	6.67	58.29	75.76	85.58	76.00	100.32
14.65	16.54	1.17	1.30	19.77	0.17	1.01	70.84	77.25	91.90	81.54	105.55
19.22	21.24	1.34	1.54	26.98	0.71	3.26	71.98	79.02	98.24	82.66	104.61
17.42	23.19	0.63	0.87	25.89	0.53	2.95	75.34	65.33	82.75	58.74	89.91
18.44	26.34	-0.79	-1.07	25.59	-3.78	-17.50	157.14	57.34	75.78	53.36	93.05
25.23	32.23	0.37	0.49	34.72	0.17	0.67	84.11	48.14	73.37	56.97	118.35
76.42	118.09	-5.29	-10.92	161.12	-5.02	-5.84	405.26	12.85	89.27	58.53	455.62
9.04	12.21	2.39	3.53	16.63	1.04	11.83	50.35	80.44	89.48	59.92	74.49
8.58	13.97	1.82	2.90	17.12	0.70	8.25	55.34	79.47	88.05	49.66	62.50
8.38	12.95	0.59	0.93	14.22	-4.33	-42.31	80.00	79.33	87.72	51.46	64.87
9.25	21.42	0.21	0.53	25.75	0.12	1.24	92.83	81.82	91.07	19.27	23.55
10.10	29.76	0.24	0.62	28.37	0.06	0.55	91.49	78.88	88.98	13.36	16.94
11.89	26.62	0.05	0.12	26.64	-0.90	-7.79	98.11	77.31	89.21	16.42	21.24
17.94	24.49	4.09	5.67	30.79	2.63	15.08	42.62	8.68	26.62	67.71	780.00
16.93	23.88	4.98	6.68	40.91	-4.18	-15.91	52.94	6.02	22.95	57.82	960.78
54.97	64.00	4.27	5.27	64.65	3.48	7.41	70.33	9.22	64.20	37.97	411.76

Appendices

APPENDIX A: THE SIX RATIOS

The Darien Analytics ranking of GCC commercial banks is based on banks' performance, relative to their peers, according to six ratios. We believe that these six ratios, taken together, provide a good overall picture of how well a bank is performing.

1. Equity to Assets: this is an unweighted ratio and measures a bank's ability to absorb large and unexpected balance sheet losses. We note that the financial community has taken more interest in unweighted leverage ratios, as opposed to risk-adjusted capital ratios, since the global financial crisis of 2007-2009.

2. Operating profit to loans and investments: this ratio measures a bank's ability to absorb credit losses and adjustments to the value of securities without declaring a net loss or writing down the value of equity. Although risks exist in other areas of a bank's asset portfolio, historically, it is in their loan books and securities portfolios that banks generally suffer the greatest losses.

3. Net profit to average assets: this measures the return that a bank is able to generate on the assets that it holds.

4. Net profit to average equity: this measures a bank's ability to generate capital internally. Note that the inclusion of this ratio alongside the unweighted equity to assets ratio limits the ability of a bank to receive a high overall score simply on the basis that it holds large amounts of equity. To score highly on both ratios 1. and 4. a bank has to be using its equity efficiently.

5. Cost to income: this measures the efficiency with which a bank employs its operating expenses.

6. Equity and customers' deposits to assets: this measures a bank's funding strength, or, conversely, the extent to which it is not reliant on market funding. Of course, it is possible that a bank that funds itself almost entirely from equity and deposits does so because it is unable to raise commercial funding. Nevertheless, we believe customers' deposits provide the most secure form of funding. There have rarely been retail-based runs on banks in the Gulf.

APPENDIX B: METHODOLOGY

The purpose of this edition of Darien Analytics Ltd's GCC Commercial Bank Performance Ranking is to report and compare the performance of commercial banks in the six GCC States.

When deciding whether to include a bank in the survey, three criteria were used:

1. We reviewed the lists of licensed commercial banks that are published by each of the six GCC central banks.

2. Only banks which are headquartered within the GCC were included. We did not include wholly-owned subsidiaries or branches of

banks whose headquarters lie in another GCC state.

3. We have confined the survey to banks that are predominantly funded by customers' deposits (as opposed to equity) and which are predominantly engaged in extending credit (as opposed to making direct investments). An exception is made for newly-created banks that, in their initial years, are likely to be funded primarily by shareholders' equity. (Shari'a-compliant products such as murabaha are considered credit instruments.) As a result of this third criterion, this survey omits a large number of Bahrain-based investment banks. Some of these are fairly recent creations, but some, such as Investcorp and United Gulf Bank, are venerable institutions and important landmarks within the GCC financial industry. Omitting them implies no disrespect on our part – simply an attempt to remain true to the survey's aim of ranking commercial banks.

This year's survey includes two Bahraini banks, Alubaf Arab International Bank and Bahrain Middle East Bank, that were not included last year. Bahrain's BMI bank is not included this year following its incorporation into Al Salam Bank.

Al-Hilal Bank is not included because it had not published its financial statements by 31 May 2015. Development banks are not included in this survey.

Some of the banks listed in the ranking are subsidiaries of other banks that are listed. We have generally included such subsidiaries in the survey if they publish their own full financial statements. Readers may have counterparty relationships with the subsidiary and so may be interested in its stand-alone financial performance, even when it falls squarely under the protection of its parent. An important consequence of this approach is that some double counting occurs of balance sheet assets/liabilities, and of income/expenses (as a result of accounting consolidation). As a result, for example, the sum of all the loan figures for all the 74 banks in the Survey overstates the total value of loans extended by the banks.

Despite international efforts to harmonise the presentation of financial reporting, significant differences remain in the way banks present their financial statements. In this survey, the desire to remove apparent inconsistencies has been balanced against the danger that adjustments to published figures could lead to different, but no less material, distortions. All the figures from this report are taken from publicly-available financial statements and it is recognised that even after consulting the notes to the accounts, a third party may not fully understand, in the absence of a discussion with a bank's management, why an item has been classified in one way or another. As a result, we have taken a

conservative approach to adjusting banks' financial figures as presented in their published reports.

One exception has been the treatment of Islamic banks' restricted investment accounts and the return paid on them to investors. Such accounts are always treated as customers' deposits and the return paid on them is always treated as a cost of funds.

The financial ratios published in this survey have been calculated from the currency in which the bank reports (that is, local currency in all cases except for some Bahraini banks that report in dollars). Figures shown in dollars have been converted from local currency using exchange rates quoted on Oanda for 31 December of the years in question.

The figure given for Eskan Bank's customers' deposits includes government deposits. Dubai Bank and Emirates Islamic Bank, which are 100% and 99.9% owned by Emirates NBD, are not analysed in this survey even though they retain separate banking licences. Bank Nizwa and alizz Islamic Bank, both based in Oman, recently began operations so only their end 2013 and 2014 have been used and as a result we show financial ratios only for 2014.



Andrew Cunningham has spent more than 25 years writing, training and consulting on banking and finance, both in the Middle East and in Europe and the U.S.

Darien Analytics advises clients on international financial regulation, corporate governance and bank risk management, and has a particular focus on Middle Eastern and emerging markets, and Islamic finance. More analysis on Middle East finance can be seen on the website www.darienmiddleeast.com

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