

UAE banks to pay \$5.1 billion Dividends for FY 2018

A total of \$5.1 billion of dividends have been proposed by 18 listed UAE national banks for 2018—12.2% up from \$4.5 billion in 2017.

The growth in dividend distribution reflects the robust solvency position of the UAE banking sector, reckoned to be among MENA's most resilient, with an estimated \$790 billion of assets by the end of 2018.

Increased profits in the banking sector and increased distribution of profits were the main reasons for the increased dividends.

The combined profits for the banks stood at \$11.4 billion, and the banks gave 44% of those profits back to their shareholders.

FAB, the country's biggest bank that earned \$3.3 billion in profits, gave its shareholders 66% of profits or \$2.2 billion in dividends. FAB was by far the largest dividend payer among banks in the UAE, single handedly accounting for 65% of the dividends distributed by banks in the country.

Abu Dhabi Commercial Bank, Dubai Islamic Bank and Emirates NBD bank, which distributed \$653 million \$626 million and \$596 million in dividends respectively, came in second, third and fourth.

In a related development, the Average Annual Return for Investment in the country's banking sector amounted to 5.07%, with free-flowing share dividends valued at around \$2.72, which accounts for 53.7% of the total dividends proposed by all the national banks.

<https://www.forbesmiddleeast.com/uae-banks-to-pay-51-billion-dividends-for-fy-2018>