

**EMIRATES NBD BANK PJSC**

**GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2017**



# EMIRATES NBD BANK PJSC

## GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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## **REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF EMIRATES NBD BANK PJSC**

### ***Introduction***

We have reviewed the accompanying condensed consolidated interim financial statements of Emirates NBD Bank PJSC (the “Bank”) and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated interim statement of financial position as at 31 March 2017 and the related consolidated interim statements of income and comprehensive income, cash flows and changes in equity for the three month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Financial Reporting Standard IAS 34, Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

### ***Scope of Review***

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34.

For Ernst & Young



Joseph Murphy  
Partner  
Registration No. 492

18 April 2017

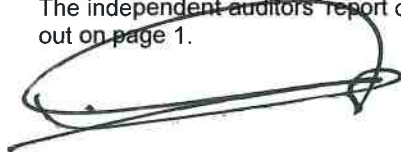
Dubai, United Arab Emirates

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2017 (UNAUDITED)

	Notes	Unaudited	Audited
		31 March 2017	31 December 2016
		AED 000	AED 000
<b>ASSETS</b>			
Cash and deposits with Central Bank	3	62,568,914	57,214,660
Due from banks	4	52,362,767	57,082,148
Trading securities		1,794,110	1,575,279
Investment securities	5	13,269,132	13,573,622
Loans and receivables	6	248,394,075	242,612,617
Islamic financing receivables	7	46,900,882	47,783,692
Investments in associates and joint ventures		1,719,130	1,680,362
Positive fair value of derivatives	20	2,374,167	3,153,972
Investment properties		549,878	553,812
Customer acceptances		5,836,985	6,941,585
Property and equipment		2,377,333	2,397,196
Goodwill and intangibles	8	5,708,292	5,827,150
Other assets	9	8,116,391	7,607,917
<b>TOTAL ASSETS</b>		<b>451,972,056</b>	<b>448,004,012</b>
<b>LIABILITIES</b>			
Due to banks		18,188,111	18,856,571
Customer deposits		263,842,447	254,698,202
Islamic customer deposits		55,353,375	56,054,237
Repurchase agreements with banks		1,382,952	45,906
Debt issued and other borrowed funds	10	36,148,608	38,695,734
Sukuk payable	11	5,530,578	7,368,138
Negative fair value of derivatives	20	2,231,565	2,824,708
Customer acceptances		5,836,985	6,941,585
Other liabilities	12	10,108,686	8,658,013
<b>TOTAL LIABILITIES</b>		<b>398,623,307</b>	<b>394,143,094</b>
<b>EQUITY</b>			
Issued capital		5,557,775	5,557,775
Treasury shares		(46,175)	(46,175)
Tier I capital notes	14	9,477,076	9,477,076
Share premium reserve		12,270,124	12,270,124
Legal and statutory reserve		2,778,888	2,778,888
Other reserves		2,869,533	2,869,533
Fair value reserve		229,554	110,791
Currency translation reserve		(1,240,095)	(1,103,009)
Retained earnings		21,444,570	21,938,659
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY AND NOTE HOLDERS OF THE GROUP</b>		<b>53,341,250</b>	<b>53,853,662</b>
Non-controlling interest		7,499	7,256
<b>TOTAL EQUITY</b>		<b>53,348,749</b>	<b>53,860,918</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>451,972,056</b>	<b>448,004,012</b>

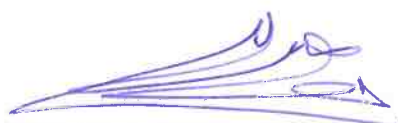
The attached notes 1 to 24 form an integral part of these Group condensed consolidated interim financial statements.

The independent auditors' report on review of the Group condensed consolidated interim financial statements is set out on page 1.



Director

18 APR 2017



Director



Chief Executive Officer



**GROUP CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2017 (UNAUDITED)**

	Notes	Unaudited three months period ended 31 March 2017 AED 000	Unaudited three months period ended 31 March 2016 AED 000
Interest and similar income		3,190,487	2,997,029
Interest and similar expense		(1,149,094)	(840,214)
<b>Net interest income</b>		<b>2,041,393</b>	<b>2,156,815</b>
Income from Islamic financing and investment products		648,568	625,000
Distribution on Islamic deposits and profit paid to Sukuk holders		(203,966)	(226,894)
<b>Net income from Islamic financing and investment products</b>		<b>444,602</b>	<b>398,106</b>
<b>Net interest income and income from Islamic financing and investment products net of distribution to depositors</b>		<b>2,485,995</b>	<b>2,554,921</b>
Fee and commission income		962,940	920,728
Fee and commission expense		(232,435)	(194,881)
<b>Net fee and commission income</b>		<b>730,505</b>	<b>725,847</b>
Net gain / (loss) on trading securities		43,610	44,938
Other operating income	15	357,352	579,654
<b>Total operating income</b>		<b>3,617,462</b>	<b>3,905,360</b>
General and administrative expenses	16	(1,116,341)	(1,250,043)
<b>Operating profit before impairment</b>		<b>2,501,121</b>	<b>2,655,317</b>
Net impairment loss on financial assets	17	(639,070)	(829,468)
<b>Operating profit after impairment</b>		<b>1,862,051</b>	<b>1,825,849</b>
Share of profit of associates and joint ventures		38,634	26,841
<b>Group profit for the period before taxation</b>		<b>1,900,685</b>	<b>1,852,690</b>
Taxation charge		(27,224)	(44,699)
<b>Group profit for the period after taxation</b>		<b>1,873,461</b>	<b>1,807,991</b>
<b><u>Attributable to:</u></b>			
Equity holders of the Group		1,873,218	1,807,941
Non-controlling interest		243	50
<b>Group profit for the period</b>		<b>1,873,461</b>	<b>1,807,991</b>
<b>Earnings per share</b>	19	<b>0.31</b>	<b>0.30</b>

The attached notes 1 to 24 form an integral part of these Group condensed consolidated interim financial statements. The independent auditors' report on review of the Group condensed consolidated interim financial statements is set out on page 1.

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2017 (UNAUDITED)

	Unaudited three months period ended 31 March 2017 AED 000	Unaudited three months period ended 31 March 2016 AED 000
Group profit for the period after tax	1,873,461	1,807,991
<b>Items that may be reclassified subsequently to Income statement:</b>		
<b>Other comprehensive income</b>		
Cash flow hedges:		
- Effective portion of changes in fair value	65,420	128,302
Fair value reserve (available-for-sale financial assets):		
- Net change in fair value	95,557	(190,065)
- Net amount transferred to income statement	(42,214)	(174,131)
Currency translation reserve	(137,086)	(165,859)
Other comprehensive income for the period	(18,323)	(401,753)
<b>Total comprehensive income for the period</b>	<b>1,855,138</b>	<b>1,406,238</b>
<b>Attributable to:</b>		
Equity holders of the Bank	1,854,895	1,406,188
Non-controlling interest	243	50
<b>Total comprehensive income for the period</b>	<b>1,855,138</b>	<b>1,406,238</b>

The attached notes 1 to 24 form an integral part of these Group condensed consolidated interim financial statements.

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**GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2017 (UNAUDITED)**

Notes	Unaudited three months period ended 31 March 2017 AED 000	Unaudited three months period ended 31 March 2016 AED 000
<b><u>OPERATING ACTIVITIES</u></b>		
Group profit before tax for the period	1,900,685	1,852,690
<b><u>Adjustment for non cash items</u></b>		
Impairment loss on loans and receivables	495,046	307,212
Impairment loss on Islamic financing receivables	122,862	501,146
Impairment loss on investment securities	15,858	42,281
Amortisation of fair value	25,350	24,035
Discount on Investment securities	12,490	15,953
Unrealised foreign exchange gain	(69,147)	(37,143)
Amortisation of intangibles	9,250	20,123
Depreciation of property and equipment / Investment property	81,035	79,243
Share of profit of associates and joint ventures	(38,634)	(26,841)
Unrealized (gain)/loss on investments	22,973	3,171
Unrealized (gain)/loss on FV Hedged item	126,395	106,551
Gain on sale of properties (inventories)	(2,606)	(14,767)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>2,701,557</b>	<b>2,873,654</b>
(Increase)/decrease in statutory deposits	455,938	4,642,037
(Increase)/decrease in certificate of deposits with Central Bank maturing after three months	(6,611,525)	(6,455,250)
(Increase)/decrease in amounts due from banks maturing after three months	(54,332)	(3,206,142)
Increase/(decrease) in amounts due to banks maturing after three months	(1,646,040)	571,269
Increase/(decrease) in deposits under repurchase agreements	1,337,046	373,134
(Increase)/decrease in other assets	632,260	(1,782,337)
Increase/(decrease) in other liabilities	337,061	2,121,296
(Increase)/decrease in positive fair value of derivatives	830,987	(735,132)
Increase/(decrease) in negative fair value of derivatives	(578,905)	250,063
Increase/(decrease) in customer deposits	9,144,245	4,982,685
Increase/(decrease) in islamic customer deposits	(700,862)	(1,285,895)
(Increase)/decrease in trading securities	(248,684)	253,058
(Increase)/decrease in loans and receivables	(6,276,504)	(6,209,415)
(Increase)/decrease in Islamic financing receivables	759,948	(3,074,148)
	<b>82,190</b>	<b>(6,681,123)</b>
Taxes paid	(18,214)	(40,117)
<b>Net cash flows from/(used in) operating activities</b>	<b>63,976</b>	<b>(6,721,240)</b>

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2017 (UNAUDITED)

	Notes	Unaudited three months period ended 31 March 2017 AED 000	Unaudited three months period ended 31 March 2016 AED 000
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<b><u>INVESTING ACTIVITIES</u></b>			
(Increase)/decrease in investment securities		335,558	(65,229)
Addition of property and equipment		(61,659)	(50,997)
Disposal of property and equipment		487	3,125
<b>Net cash flows from/(used in) investing activities</b>		<b>274,386</b>	<b>(113,101)</b>
<b><u>FINANCING ACTIVITIES</u></b>			
Issuance of debt issued and other borrowed funds	10	3,451,242	1,994,948
Repayment of debt issued and other borrowed funds	10	(6,138,673)	(1,570,576)
Repayment of sukuk borrowing	11	(1,836,250)	-
Interest on Tier I capital notes		(146,558)	(147,276)
Dividends paid		(2,220,749)	(2,220,749)
<b>Net cash flows from /(used in) financing activities</b>		<b>(6,890,988)</b>	<b>(1,943,653)</b>
<b>Increase/(decrease) in cash and cash equivalents (refer Note 23)</b>		<b>(6,552,626)</b>	<b>(8,777,994)</b>

The attached notes 1 to 24 form an integral part of these Group condensed consolidated interim financial statements. The independent auditors' report on review of the Group condensed consolidated interim financial statements is set out on page 1.



GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2017 (UNAUDITED)

	ATTRIBUTABLE TO EQUITY AND NOTE HOLDERS OF THE GROUP											
	Issued Capital	Treasury shares	Tier I Capital Notes	Share premium reserve	Legal and Statutory reserve	Other reserves	Fair value reserve	Currency Translation Reserve	Retained earnings	Total	Non-controlling interest	Group Total
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
Balance as at 1 January 2017	5,557,775	(46,175)	9,477,076	12,270,124	2,778,888	2,869,533	110,791	(1,103,009)	21,938,659	53,853,662	7,256	53,860,918
Total comprehensive income for the period	-	-	-	-	-	-	118,763	(137,086)	1,873,218	1,854,895	243	1,855,138
Interest on Tier 1 capital notes	-	-	-	-	-	-	-	-	(146,558)	(146,558)	-	(146,558)
Dividends paid	-	-	-	-	-	-	-	-	(2,220,749)	(2,220,749)	-	(2,220,749)
<b>Balance as at 31 March 2017</b>	<b>5,557,775</b>	<b>(46,175)</b>	<b>9,477,076</b>	<b>12,270,124</b>	<b>2,778,888</b>	<b>2,869,533</b>	<b>229,554</b>	<b>(1,240,095)</b>	<b>21,444,570</b>	<b>53,341,250</b>	<b>7,499</b>	<b>53,348,749</b>
Balance as at 1 January 2016	5,557,775	(46,175)	9,477,076	12,270,124	2,778,888	2,869,533	476,375	(207,411)	17,566,680	50,742,865	5,662	50,748,527
Total comprehensive income for the period	-	-	-	-	-	-	(235,894)	(165,859)	1,807,941	1,406,188	50	1,406,238
Interest on Tier 1 capital notes	-	-	-	-	-	-	-	-	(147,276)	(147,276)	-	(147,276)
Dividends paid	-	-	-	-	-	-	-	-	(2,220,749)	(2,220,749)	-	(2,220,749)
<b>Balance as at 31 March 2016</b>	<b>5,557,775</b>	<b>(46,175)</b>	<b>9,477,076</b>	<b>12,270,124</b>	<b>2,778,888</b>	<b>2,869,533</b>	<b>240,481</b>	<b>(373,270)</b>	<b>17,006,596</b>	<b>49,781,028</b>	<b>5,712</b>	<b>49,786,740</b>

Note: No allocation to legal and statutory and other reserves has been made for the three months period ended 31 March 2017 as this will be effected at the year end.

The attached notes 1 to 24 form an integral part of these Group condensed consolidated interim financial statements.

The independent auditors' report on review of the Group condensed consolidated interim financial statements is set out on page 1.

## 1 CORPORATE INFORMATION

Emirates NBD Bank PJSC (the “Bank”) was incorporated in the United Arab Emirates on 16 July 2007 consequent to the merger between Emirates Bank International PJSC (“EBI”) and National Bank of Dubai PJSC (“NBD”), under the Commercial Companies Law (Federal Law Number 8 of 1984 as amended) as a Public Joint Stock Company. The Federal Law No. 2 of 2015, concerning Commercial Companies has come into effect from 1 July 2015, replacing the existing Federal Law No. 8 of 1984. The Bank is currently assessing the impact of the new law and expects to be fully compliant on or before the end of grace period on 30 June 2017.

The condensed consolidated interim financial statements for the period ended 31 March 2017 comprise the financial statements of the Bank and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates and joint ventures.

The Bank is listed on the Dubai Financial Market (TICKER: “EMIRATESNBD”). The Group’s principal business activities are corporate banking, consumer banking, treasury and Islamic banking. The Bank’s website is [www.emiratesnbd.com](http://www.emiratesnbd.com).

The registered address of the Bank is Post Box 777, Dubai, United Arab Emirates (“UAE”).

The parent company of the Group is Investment Corporation of Dubai, a company in which the Government of Dubai is the majority shareholder.

## 2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”.

The accounting policies applied by the Group in the preparation of the condensed consolidated interim financial statements are consistent with those applied by the Group in the annual consolidated financial statements for the year ended 31 December 2016. The adoption of the new and amended IFRS and IFRIC interpretations with effect from 1 January 2017 has had no effect on the condensed consolidated interim financial statements of the Group.

These condensed consolidated interim financial statements do not include all the information and disclosures required for full annual consolidated financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Group’s financial statements as at and for the year ended 31 December 2016. In addition, results for the three months period ended 31 March 2017 are not necessarily indicative of the results that may be expected for the full financial year ending 31 December 2017.

In preparing these condensed consolidated interim financial statements, significant judgments made by the management in applying the Group’s accounting policies and the key sources of estimation were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2016.

### (a) Estimates

The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

### (b) Financial Risk Management

The Group’s financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2016.

### 3 CASH AND DEPOSITS WITH CENTRAL BANK

	Unaudited 31 March 2017 AED 000	Audited 31 December 2016 AED 000
Cash	2,887,661	3,076,809
Statutory and other deposits with Central Banks	29,021,380	29,477,318
Interest bearing placements with Central Banks	186,548	895,770
Murabahas and Interest bearing certificates of deposits with Central Banks	30,473,325	23,764,763
	<u>62,568,914</u>	<u>57,214,660</u>

The reserve requirements which are kept with the Central Banks of the countries in which the Group operates are not available for use in the Group's day to day operations and cannot be withdrawn without the approval of the Central Banks. The level of reserves required changes periodically in accordance with the directives of the Central Banks.

### 4 DUE FROM BANKS

	Unaudited 31 March 2017 AED 000	Audited 31 December 2016 AED 000
Due from banks in UAE	8,109,489	11,558,945
Due from foreign banks	44,253,278	45,523,203
	<u>52,362,767</u>	<u>57,082,148</u>

EMIRATES NBD BANK PJSC

 NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2017 (UNAUDITED)

**5 INVESTMENT SECURITIES**

<u>Unaudited 31 March 2017</u>	Domestic AED 000	Regional AED 000	International AED 000	Total AED 000
<b><u>HELD TO MATURITY:</u></b>				
Government bonds	11,075	1,058,835	-	1,069,910
Corporate bonds	44,884	14,800	-	59,684
	55,959	1,073,635	-	1,129,594
<b><u>AVAILABLE-FOR-SALE:</u></b>				
Government bonds	721,614	5,129,586	1,367,783	7,218,983
Corporate bonds	1,077,886	849,338	1,549,088	3,476,312
Equity	282,595	590,293	84,345	957,233
Others	72,914	56,014	204,517	333,445
	2,155,009	6,625,231	3,205,733	11,985,973
<b><u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u></b>				
Others	65,590	137	87,838	153,565
	65,590	137	87,838	153,565
	2,276,558	7,699,003	3,293,571	13,269,132

EMIRATES NBD BANK PJSC

 NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2017 (UNAUDITED)

**5 INVESTMENT SECURITIES (CONTINUED)**

<u>Audited 31 December 2016</u>	Domestic AED 000	Regional AED 000	International AED 000	Total AED 000
<u>HELD TO MATURITY:</u>				
Government bonds	11,156	1,048,108	-	1,059,264
Corporate bonds	145,543	14,882	-	160,425
	<u>156,699</u>	<u>1,062,990</u>	<u>-</u>	<u>1,219,689</u>
<u>AVAILABLE-FOR-SALE:</u>				
Government bonds	605,260	5,187,454	868,087	6,660,801
Corporate bonds	1,332,958	891,164	1,942,655	4,166,777
Equity	281,356	667,940	84,685	1,033,981
Others	72,992	57,189	204,179	334,360
	<u>2,292,566</u>	<u>6,803,747</u>	<u>3,099,606</u>	<u>12,195,919</u>
<u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u>				
Others	76,393	137	81,484	158,014
	<u>76,393</u>	<u>137</u>	<u>81,484</u>	<u>158,014</u>
	<u>2,525,658</u>	<u>7,866,874</u>	<u>3,181,090</u>	<u>13,573,622</u>



**6 LOANS AND RECEIVABLES**

	Unaudited 31 March 2017 AED 000	Audited 31 December 2016 AED 000
Overdrafts	115,626,205	112,410,660
Time loans	134,169,953	133,066,809
Loans against trust receipts	9,447,657	8,169,257
Bills discounted	3,318,227	2,652,915
Credit card receivables	5,107,045	5,218,498
Others	622,441	624,025
Gross loans and receivables	268,291,528	262,142,164
Other debt instruments	63,814	63,649
Total loans and receivables	268,355,342	262,205,813
Less: Allowances for impairment	(19,961,267)	(19,593,196)
	248,394,075	242,612,617
Total of impaired loans and receivables	14,503,652	14,773,140

**6 LOANS AND RECEIVABLES (CONTINUED)**

	Unaudited 31 March 2017 AED 000	Audited 31 December 2016 AED 000
<u>Analysis by economic activity</u>		
Agriculture and allied activities	96,495	101,771
Mining and quarrying	503,572	450,232
Manufacturing	7,953,976	7,715,992
Construction	7,300,532	7,604,678
Trade	14,757,445	14,033,786
Transport and communication	3,490,699	3,435,041
Services	3,957,992	3,775,024
Sovereign	133,460,863	130,678,906
Personal	39,498,819	38,812,673
Real estate	33,053,774	32,346,722
Financial institutions and investment companies	23,475,026	22,673,121
Others	806,149	577,867
Total loans and receivables	268,355,342	262,205,813
Less: Allowances for impairment	(19,961,267)	(19,593,196)
	248,394,075	242,612,617

**6 LOANS AND RECEIVABLES (CONTINUED)**

	Unaudited three months period ended 31 March 2017 AED 000	Unaudited three months period ended 31 March 2016 AED 000
<u>Movement in allowances for specific impairment</u>		
Balance as at 1 January	13,355,890	13,139,731
Allowances for impairment made during the period	334,050	243,602
Write back / recoveries made during the period	(209,974)	(166,508)
Amounts written off during the period	(125,442)	(101,298)
Exchange and other adjustments	(943)	(1,685)
Balance as at 31 March	13,353,581	13,113,842
<u>Movement in allowances for collective impairment</u>		
Balance as at 1 January	6,237,306	5,530,397
Allowances for impairment made during the period	370,970	230,118
Exchange and other adjustments	(590)	(8,004)
Balance as at 31 March	6,607,686	5,752,511
Total	19,961,267	18,866,353

**7 ISLAMIC FINANCING RECEIVABLES**

	Unaudited 31 March 2017 AED 000	Audited 31 December 2016 AED 000
Murabaha	30,597,457	31,667,600
Ijara	18,311,317	18,696,462
Credit cards receivable	1,058,840	1,096,076
Wakala	1,335,022	1,306,991
Istissna'a	1,981,384	1,909,133
Others	862,297	550,445
<b>Total Islamic financing receivables</b>	<b>54,146,317</b>	<b>55,226,707</b>
Less: Deferred income	(2,556,516)	(2,688,915)
Less: Allowances for impairment	(4,688,919)	(4,754,100)
	<b>46,900,882</b>	<b>47,783,692</b>
<b>Total of impaired Islamic financing receivables</b>	<b>5,620,530</b>	<b>5,492,156</b>

Corporate Ijara assets amounting to AED 4.0 billion [2016: 5.9 billion] and Murabaha assets amounting to AED 1.5 billion [2016: 1.5 billion] were securitised for the purpose of issuance of Sukuk liability (refer Note 11).

**7 ISLAMIC FINANCING RECEIVABLES (CONTINUED)**

	Unaudited 31 March 2017 AED 000	Audited 31 December 2016 AED 000
<u>Analysis by economic activity</u>		
Agriculture and allied activities	34,536	32,278
Mining and quarrying	90,520	392
Manufacturing	1,044,097	1,044,157
Construction	2,228,801	2,060,770
Trade	3,430,860	3,151,623
Transport and communication	1,303,065	1,326,706
Services	3,723,652	3,622,537
Sovereign	70,266	298,455
Personal	28,152,411	28,871,866
Real estate	9,866,643	10,229,054
Financial institutions and investment companies	1,545,207	1,926,268
Others	2,656,259	2,662,601
Total islamic financing and receivables	54,146,317	55,226,707
Less: Deferred Income	(2,556,516)	(2,688,915)
Less: Allowances for impairment	(4,688,919)	(4,754,100)
	46,900,882	47,783,692



**7 ISLAMIC FINANCING RECEIVABLES (CONTINUED)**

	Unaudited three months period ended 31 March 2017 AED 000	Unaudited three months period ended 31 March 2016 AED 000
<u>Movement in allowances for specific impairment</u>		
Balance as at 1 January	3,971,709	4,029,366
Allowances for impairment made during the period	307,561	465,825
Write back /recoveries made during the period	(154,138)	(59,740)
Amounts written off during the period	(188,177)	(47,846)
Exchange and other adjustments	124	113
Balance as at 31 March	3,937,079	4,387,718
<u>Movement in allowances for collective impairment</u>		
Balance as at 1 January	782,391	539,947
Allowances for impairment made during the period	(30,561)	95,061
Exchange and other adjustments	10	16
Balance as at 31 March	751,840	635,024
Total	4,688,919	5,022,742

## 8 GOODWILL AND INTANGIBLES

	Goodwill	Intangibles on Acquisition			Total	
		Banking license	Software	Customer relationships	Core deposit intangibles	
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
<u>Unaudited</u>						
<u>31 March 2017</u>						
<u>Cost</u>						
Balance as at 1 January	5,581,678	218,157	9,281	157,490	659,392	6,625,998
Foreign exchange movement	(29,913)	(84,063)	-	-	4,368	(109,608)
	<b>5,551,765</b>	<b>134,094</b>	<b>9,281</b>	<b>157,490</b>	<b>663,760</b>	<b>6,516,390</b>
<u>Less: Amortisation and impairment</u>						
Balance as at 1 January	4,903	-	9,281	157,490	627,174	798,848
Amortisation and impairment for the period	-	-	-	-	9,250	9,250
<b>Balance as at 31 March</b>	<b>4,903</b>	<b>-</b>	<b>9,281</b>	<b>157,490</b>	<b>636,424</b>	<b>808,098</b>
<b>Net Goodwill and Intangibles</b>	<b>5,546,862</b>	<b>134,094</b>	<b>-</b>	<b>-</b>	<b>27,336</b>	<b>5,708,292</b>
<u>Audited</u>						
<u>31 December 2016</u>						
<u>Cost</u>	5,581,678	218,157	9,281	157,490	659,392	6,625,998
Less: Amortisation and impairment	4,903	-	9,281	157,490	627,174	798,848
<b>Net Goodwill and Intangibles</b>	<b>5,576,775</b>	<b>218,157</b>	<b>-</b>	<b>-</b>	<b>32,218</b>	<b>5,827,150</b>

## 9 OTHER ASSETS

	Unaudited 31 March 2017 AED 000	Audited 31 December 2016 AED 000
Accrued interest receivable	1,384,504	1,444,469
Islamic Profit receivable	105,767	94,023
Prepayments and other advances	255,986	242,947
Sundry debtors and other receivables	2,088,009	1,028,472
Inventory	1,515,436	1,595,633
Fair value of deposit (a)	198,519	216,659
Others	2,568,170	2,985,714
	<u>8,116,391</u>	<u>7,607,917</u>

- (a) On acquisition of Dubai Bank in October 2011, the Group received a deposit from the Ministry of Finance of the UAE amounting to AED 2.8 billion at a discount compared to the market available interest rate. As per the Group policy, the financial liability should be recognised initially at its fair value plus the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Since the deposit was received at an interest rate which is below the market available interest rate, a fair value gain of AED 543 million was recognised in the financial statements in 2011, which will be amortised over the term of the deposit (8 years) at the effective interest rate.

**10 DEBT ISSUED AND OTHER BORROWED FUNDS**

	Unaudited 31 March 2017 AED 000	Audited 31 December 2016 AED 000
Medium term note programme*	28,422,024	31,139,525
Term loans from banks*	6,426,875	6,243,250
Borrowings raised from loan securitisations	1,299,709	1,312,959
	<u>36,148,608</u>	<u>38,695,734</u>

\*Includes Tier 2 notes amounting to AED 3,936 million (2016: AED 3,752 million) raised through public and private placements.

	Unaudited 31 March 2017 AED 000	Audited 31 December 2016 AED 000
Balance as at 1 January	38,695,734	31,287,342
New issues	3,451,242	16,709,587
Repayments	(6,138,673)	(9,243,619)
Other movements*	140,305	(57,576)
Balance at end of period	<u>36,148,608</u>	<u>38,695,734</u>

\*Represents exchange rate movement on debts issued in foreign currency. The Group hedges the foreign currency risk on public issuances through derivative financial instruments.

As at 31 March 2017, the outstanding medium term borrowings totaling AED 36,149 million (31 December 2016: AED 38,696 million) is falling due as below:

	Unaudited 31 March 2017 AED millions	Audited 31 December 2016 AED millions
2017	3,083	9,176
2018	4,158	1,826
2019	12,797	12,666
2020	5,346	4,745
2021	1,358	1,358
2022	4,781	4,552
2023	3,679	3,642
2024	565	540
2025	157	114
2026	115	77
2027	110	-
	<u>36,149</u>	<u>38,696</u>

**11 SUKUK PAYABLE**

	Unaudited 31 March 2017 AED 000	Audited 31 December 2016 AED 000
Balance as at 1 January	7,368,138	3,672,500
New issues	-	3,696,948
Repayments	(1,836,250)	-
Other movements	(1,310)	(1,310)
Balance at end of period	5,530,578	7,368,138

As at 31 March 2017, the outstanding Sukuk payable totaling AED 5,531 million (31 December 2016: AED 7,368 million) is falling due as below:

	Unaudited 31 March 2017 AED millions	Audited 31 December 2016 AED millions
2017	-	1,836
2018	1,836	1,836
2021	3,695	3,696
	5,531	7,368

**12 OTHER LIABILITIES**

	Unaudited 31 March 2017 AED 000	Audited 31 December 2016 AED 000
Accrued interest payable	1,465,261	1,518,050
Profit payable to Islamic depositors	233,875	259,376
Managers' cheques	1,233,891	1,164,080
Trade and other payables	2,814,886	1,557,161
Staff related liabilities	811,093	1,029,034
Provision for taxation	64,677	55,666
Others	3,485,003	3,074,646
	10,108,686	8,658,013

**13 EQUITY HOLDER FUNDS**

At the Annual General Meeting held on 12 February 2017, shareholders approved payment of a cash dividend of 40% of the issued and paid up capital amounting to AED 2,223 million which has been recognised in the interim financial statements as of 31 March 2017.



**14 TIER I CAPITAL NOTES**

The Group has issued a number of regulatory Tier 1 capital notes with details mentioned in the table below. The notes are perpetual, subordinated and unsecured. The Group can elect not to pay a coupon at its own discretion. Note holders will not have a right to claim the coupon and such event will not be considered an event of default. The notes carry no maturity date and have been classified as equity.

Issuance Month/year	Issued Amount	Coupon rate
September 2014	USD 500 million (AED 1.83 billion)	Fixed interest rate with a reset after six years
May 2013	USD 1 billion (AED 3.67 billion)	Fixed interest rate with a reset after six years
June 2009	AED 4 billion	Fixed interest rate for the first five years and on a floating rate basis thereafter.

**15 OTHER OPERATING INCOME**

	Unaudited three months period ended 31 March 2017 AED 000	Unaudited three months period ended 31 March 2016 AED 000
Dividend income	6,394	10,109
Gains from sale of available-for-sale investment securities	42,214	174,131
Gain / (loss) from investment securities designated at fair value through profit or loss	7,734	(5,775)
Rental income	13,311	20,633
Gain on sale of properties (Investment properties / inventories)	2,606	14,767
Foreign exchange income*	339,458	274,839
Derivative income	19,807	21,079
Other income (net)	(74,172)	69,871
	357,352	579,654

\*Foreign exchange income comprises trading and translation gain and gain on dealings with customers.

**16 GENERAL AND ADMINISTRATIVE EXPENSES**

	Unaudited three months period ended 31 March 2017 AED 000	Unaudited three months period ended 31 March 2016 AED 000
Staff cost	738,050	848,075
Occupancy cost	85,948	88,132
Equipment & supplies	29,687	38,321
Information technology cost	46,383	37,087
Communication cost	37,999	40,702
Service, legal and professional fees	17,222	17,005
Marketing related expenses	21,549	27,028
Depreciation	81,035	79,243
Amortisation of intangibles	9,250	20,123
Others	49,218	54,327
	1,116,341	1,250,043

**17 NET IMPAIRMENT LOSS ON FINANCIAL ASSETS**

The charge to the income statement for the net impairment loss on financial assets is made up as follows:

	Unaudited three months period ended 31 March 2017 AED 000	Unaudited three months period ended 31 March 2016 AED 000
Net impairment of loans and receivables	495,046	307,212
Net impairment of Islamic financing receivables	122,862	501,146
Net impairment of investment securities	15,858	42,281
Net impairment of due from banks / other assets	(76)	-
Bad debt written off / (recovery) – net	5,380	(21,171)
Net impairment loss for the period	639,070	829,468

**18 COMMITMENTS AND CONTINGENCIES**

At 31 March 2017, the Group's commitments and contingencies are as follows:

	Unaudited 31 March 2017 AED 000	Audited 31 December 2016 AED 000
Letters of credit	10,492,031	9,726,912
Guarantees	47,786,671	47,168,713
Liability on risk participations	286,169	256,183
Irrevocable loan commitments*	28,746,467	29,099,863
	<u>87,311,338</u>	<u>86,251,671</u>

\*Irrevocable loan commitments represent a contractual commitment to permit draw downs on a facility within a defined period subject to conditions precedent and termination clauses. Since commitments may expire without being drawn down, and as conditions precedent to draw down have to be fulfilled the total contract amounts do not necessarily represent exact future cash requirements.

**19 EARNINGS PER SHARE**

The Group presents basic and diluted Earnings Per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders (further adjusted for interest expense on Tier I capital notes) of the Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all diluted potential ordinary shares, if any.

	Unaudited three months period ended 31 March 2017 AED 000	Unaudited three months period ended 31 March 2016 AED 000
Profit for the period attributable to equity holders	1,873,218	1,807,941
Deduct : Interest on Tier 1 capital notes	(146,558)	(147,276)
Net profit attributable to equity holders	1,726,660	1,660,665
Weighted average number of equity shares in issue ('000)	5,557,775	5,557,775
Earnings per share* (AED)	<u>0.31</u>	<u>0.30</u>

\*The diluted and basic Earnings per share were the same for the three months period ended 31 March 2017.

**20 DERIVATIVES**

	Unaudited 31 March 2017			Audited 31 December 2016		
	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional amount
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
Derivatives held for trading	2,251,821	(1,972,347)	414,531,874	3,081,512	(2,415,689)	409,587,747
Derivatives held as cash flow hedges	120,209	(17,335)	8,566,084	69,027	(31,573)	8,532,333
Derivatives held as fair value hedges	2,137	(241,883)	3,035,454	3,433	(377,446)	3,191,316
<b>Total</b>	<b>2,374,167</b>	<b>(2,231,565)</b>	<b>426,133,412</b>	<b>3,153,972</b>	<b>(2,824,708)</b>	<b>421,311,396</b>

**21 OPERATING SEGMENTS**

The Group is organised into the following main businesses:

- Corporate banking represents structured financing, current and savings accounts, customer deposits, overdrafts, trade finance and term loans for government, corporate, commercial customers, investment banking and Islamic products under Al Watani Al Islami;
- Consumer banking represents retail loans and deposits, private banking and wealth management, equity broking services, asset management and consumer financing;
- Treasury activities comprises of managing the Group's portfolio of investments, funds management, and interbank treasury operations;
- Islamic banking activities represent the income and fees earned and expenses paid by the Islamic banking subsidiaries; and
- Other operations of the Group include Emirates NBD Egypt, Tanfeeth, property management, operations and support functions.

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**21 OPERATING SEGMENTS (CONTINUED)**Unaudited 31 March 2017

	Corporate banking AED 000	Consumer banking AED 000	Treasury AED 000	Islamic Banking AED 000	Others AED 000	Total AED 000
Net interest income and income from Islamic products net of distribution to depositors	823,667	1,044,540	6,472	419,799	191,517	2,485,995
Net Fees, commission and other income	318,311	625,172	168,224	178,921	(159,161)	1,131,467
Total operating Income	1,141,978	1,669,712	174,696	598,720	32,356	3,617,462
General and administrative expenses	(101,569)	(440,445)	(29,170)	(246,392)	(298,765)	(1,116,341)
Net impairment loss on financial assets	(275,460)	(154,694)	3,622	(134,885)	(77,653)	(639,070)
Share of profit of associates and joint ventures	-	-	-	-	38,634	38,634
Taxation charge	(1,628)	(1,629)	(186)	-	(23,781)	(27,224)
Group Profit for the Period	763,321	1,072,944	148,962	217,443	(329,209)	1,873,461
Segment Assets	255,011,650	53,270,293	57,395,748	55,803,153	30,491,212	451,972,056
Segment Liabilities and Equity	106,271,763	154,723,353	37,730,183	56,312,630	96,934,127	451,972,056

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**21 OPERATING SEGMENTS (CONTINUED)**

<u>Unaudited 31 March 2016</u>	Corporate banking AED 000	Consumer banking AED 000	Treasury AED 000	Islamic Banking AED 000	Others AED 000	Total AED 000
Net interest income and income from Islamic products net of distribution to depositors	778,066	917,686	22,024	448,258	388,887	2,554,921
Net Fees, commission and other income	316,754	594,898	137,360	154,162	147,265	1,350,439
Total operating Income	1,094,820	1,512,584	159,384	602,420	536,152	3,905,360
General and administrative expenses	(105,380)	(467,881)	(31,234)	(298,446)	(347,102)	(1,250,043)
Net impairment loss on financial assets	(279,549)	(190,925)	32,956	(353,459)	(38,491)	(829,468)
Share of profit of associates and joint ventures	-	-	-	-	26,841	26,841
Taxation charge	(5,082)	(4,461)	(3,247)	-	(31,909)	(44,699)
Group Profit for the Period	704,809	849,317	157,859	(49,485)	145,491	1,807,991
Segment Assets	237,712,137	46,602,955	45,906,156	48,760,017	35,525,249	414,506,514
Segment Liabilities and Equity	112,877,180	123,942,032	31,113,011	51,177,942	95,396,349	414,506,514

## 22 RELATED PARTY TRANSACTIONS

Emirates NBD Group is partly owned by Investment Corporation of Dubai (55.8%), a company in which the Government of Dubai is the majority shareholder.

Deposits from and loans to government related entities, other than those that have been individually disclosed, amount to 4% (December 2016: 6%) and 6% (December 2016: 6%) respectively, of the total deposits and loans of the Group.

These entities are independently run business entities, and all financial dealings with the Group are on normal commercial terms.

The Group has also entered into transactions with certain other related parties who are non-government related entities. Such transactions were also made on substantially the same terms, including interest rates and collateral, as those prevailing at the same time for comparable transactions with third parties and do not involve more than a normal amount of risk.

Related party balances and transactions are carried out on normal commercial terms and are as follows:

	Unaudited 31 March 2017 AED 000	Audited 31 December 2016 AED 000
<b><u>Loans and receivables:</u></b>		
To majority shareholder of the parent	133,460,863	130,578,874
To parent	1,469,200	1,470,482
To directors and related companies	125,662	148,073
	135,055,725	132,197,429
<b><u>Customer and Islamic deposits:</u></b>		
From majority shareholder of the parent	2,433,708	2,356,193
From parent	4,149,623	3,955,674
From associates and joint ventures	177,738	238,662
	6,761,069	6,550,529
Investment in Government of Dubai bonds	19,341	36,122
Loans to and investment in funds managed by the Group	218,458	235,942
Commitments to associates and joint ventures	21,017	20,989

**22 RELATED PARTY TRANSACTIONS (CONTINUED)**

	Unaudited three months period ended 31 March 2017 AED 000	Unaudited three months period ended 31 March 2016 AED 000
Payments made to associates and joint ventures	35,088	32,742
Payments received from associates and joint ventures	1,228	1,228
Payments made to other related parties	14,809	24,096
Fees received in respect of funds managed by the Group	8,949	6,662
Interest paid to funds managed by the Group	449	1,370
Interest (paid by) / paid to joint ventures	901	832
Directors sitting fee	2,561	2,007

The total amount of compensation paid to key management personnel of the Group during the period was as follows:

	Unaudited three months period ended 31 March 2017 AED 000	Unaudited three months period ended 31 March 2016 AED 000
<u>Key management compensation:</u>		
Short term employment benefits	35,323	40,594
Post employment benefits	317	303

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

No impairment losses have been recorded against balances outstanding during the period with key management personnel, and no specific allowance has been made for impairment losses on balances with key management personnel and their immediate relations at the period end.



**23 NOTES TO THE GROUP CONSOLIDATED CASH FLOW STATEMENT**

	Unaudited three months period ended 31 March 2017 AED 000	Unaudited three months period ended 31 March 2016 AED 000
(a) Analysis of changes in cash and cash equivalents during the period		
Balance at beginning of period	43,633,819	31,828,539
Net cash inflow/(outflow)	(6,552,626)	(8,777,994)
Balance at end of period	<u>37,081,193</u>	<u>23,050,545</u>
(b) Analysis of cash and cash equivalents		
Cash and deposits with Central Bank	62,568,914	46,269,853
Due from banks	52,362,767	46,069,148
Due to banks	(18,188,111)	(20,680,374)
	<u>96,743,570</u>	<u>71,658,627</u>
Less : deposits with Central Bank for regulatory purposes	(29,021,380)	(25,751,210)
Less : certificates of deposits with Central Bank maturing after three months	(15,829,500)	(12,755,250)
Less : amounts due from banks maturing after three months	(18,985,349)	(16,413,679)
Add : amounts due to banks maturing after three months	4,173,852	6,312,057
	<u>37,081,193</u>	<u>23,050,545</u>

**24 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE**
Fair Value of assets and liabilities

The table below analyses assets and liabilities measured at fair value on a recurring basis. The different levels in the fair value hierarchy have been defined as follows:

- Level 1: quoted prices (unadjusted) in principal markets for identified assets or liabilities.
- Level 2: valuation using inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: valuation using inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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**24 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (CONTINUED)**Unaudited 31 March 2017

	Level 1 AED 000	Level 2 AED 000	Level 3 AED 000	Total AED 000
<b><u>Trading securities</u></b>				
Debt Securities	1,623,760	38,165	92,606	1,754,531
Others	39,579	-	-	39,579
	1,663,339	38,165	92,606	1,794,110
<b><u>Investment Securities</u></b>				
<b><u>AVAILABLE-FOR-SALE:</u></b>				
Debt Securities	7,875,055	2,820,240	-	10,695,295
Investment in equities	125,656	145,505	686,072	957,233
Others	25	111,798	221,622	333,445
	8,000,736	3,077,543	907,694	11,985,973
<b><u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u></b>				
Others	146,588	6,977	-	153,565
	146,588	6,977	-	153,565
<b><u>Derivatives held for trading</u></b>				
Positive fair value of derivatives	-	2,251,821	-	2,251,821
<b><u>Derivatives held as cash flow hedges:</u></b>				
Interest rate swaps	-	120,209	-	120,209
<b><u>Derivatives held as fair value hedges:</u></b>				
Interest rate swaps	-	2,137	-	2,137
	-	2,374,167	-	2,374,167
<b><u>Derivatives held for trading</u></b>				
Negative fair value of derivatives	-	(1,972,347)	-	(1,972,347)
<b><u>Derivatives held as cash flow hedges:</u></b>				
Interest rate swaps	-	(17,335)	-	(17,335)
<b><u>Derivatives held as fair value hedges:</u></b>				
Interest rate swaps	-	(241,883)	-	(241,883)
	-	(2,231,565)	-	(2,231,565)
	9,810,663	3,265,287	1,000,300	14,076,250

**24 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (CONTINUED)**

The following table shows a reconciliation from the beginning balances to the ending balances for the fair value measurements in Level 3 of the fair value hierarchy.

	Available for sale financial assets AED 000	Financial assets designated at fair value through profit or loss AED 000	Financial assets held for trading AED 000	Total AED 000
Balance as at 1 January 2017	1,106,579	-	-	1,106,579
Total gains or losses:	-	-	-	-
- in profit or loss	-	-	(1,410)	(1,410)
- in other comprehensive income	6,229	-	-	6,229
Purchases	-	-	94,016	94,016
Settlements and other adjustments	(205,114)	-	-	(205,114)
Transfers into Level 3	-	-	-	-
Transfers out of Level 3	-	-	-	-
<b>Balance as at 31 March 2017</b>	<b>907,694</b>	<b>-</b>	<b>92,606</b>	<b>1,000,300</b>

The fair value of financial instruments classified as level 3 are, in certain circumstances, measured using valuation techniques that incorporate assumptions that are not evidenced by the prices from observable current market transactions in the same instrument and are not based on observable market data. The Group employs valuation techniques, depending on the instrument type and available market data. For example, in the absence of active market, an investment's fair value is estimated on the basis of an analysis of the investee's financial position and results, risk profile and other factors. Favourable and unfavourable changes in the value of financial instruments are determined on the basis of changes in the value of the instruments as a result of varying the levels of the unobservable parameters, quantification of which is judgemental.

There have been no transfers between Level 1 and Level 2 during the period ended 31 March 2017 (2016: AED Nil).

EMIRATES NBD BANK PJSC

 NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2017 (UNAUDITED)
**24 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (CONTINUED)**Audited 31 December 2016

	Level 1	Level 2	Level 3	Total
	AED 000	AED 000	AED 000	AED 000
<b><u>Trading securities</u></b>				
Debt Securities	1,472,944	56,154	-	1,529,098
Others	25,245	20,936	-	46,181
	1,498,189	77,090	-	1,575,279
<b><u>Investment Securities</u></b>				
<b><u>AVAILABLE-FOR-SALE:</u></b>				
Debt Securities	7,929,599	2,714,165	183,814	10,827,578
Investment in equities	182,637	150,826	700,518	1,033,981
Others	27	112,086	222,247	334,360
	8,112,263	2,977,077	1,106,579	12,195,919
<b><u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u></b>				
Others	151,046	6,968	-	158,014
	151,046	6,968	-	158,014
<b><u>Derivatives held for trading</u></b>				
<u>Positive fair value of derivatives</u>	-	3,081,512	-	3,081,512
Derivatives held as cash flow hedges:				
Interest rate swaps	-	69,027	-	69,027
Derivatives held as fair value hedges:				
Interest rate swaps	-	3,433	-	3,433
	-	3,153,972	-	3,153,972
<b><u>Derivatives held for trading</u></b>				
<u>Negative fair value of derivatives</u>	-	(2,415,689)	-	(2,415,689)
Derivatives held as cash flow hedges:				
Interest rate swaps	-	(31,573)	-	(31,573)
Derivatives held as fair value hedges:				
Interest rate swaps	-	(377,446)	-	(377,446)
	-	(2,824,708)	-	(2,824,708)
	9,761,498	3,390,399	1,106,579	14,258,476

**24 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (CONTINUED)**

	Available for sale financial assets	Financial assets designated at fair value through profit or loss	Financial assets held for trading	Total
	AED 000	AED 000	AED 000	AED 000
Balance as at 1 January 2016	1,270,578	-	177,669	1,448,247
Total gains or losses:				
- in profit or loss	-	-	-	-
- in other comprehensive income	15,814	-	-	15,814
Purchases	-	-	-	-
Issues	-	-	-	-
Settlements and other adjustments	(207,889)	-	(177,669)	(385,558)
Transfers into Level 3	28,076	-	-	28,076
Transfers out of Level 3	-	-	-	-
Balance as at 31 December 2016	1,106,579	-	-	1,106,579