



**Emirates NBD**  
FY 2020 Results Presentation



March 2021

# Important Information

## **Disclaimer**

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## **Forward Looking Statements**

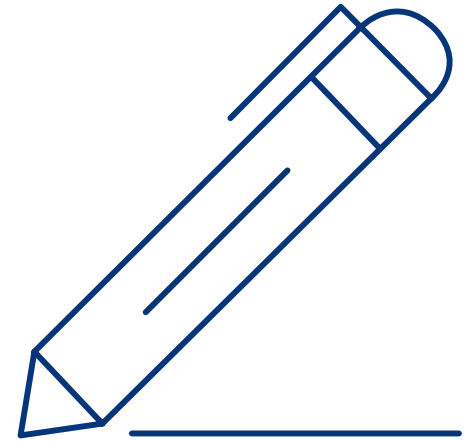
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- 1. Emirates NBD Profile**
- 2. Financial & Operating Performance**
- 3. Economic Environment**
- 4. Divisional Performance**



# Emirates NBD is a Leading Bank in the MENAT Region

Key Highlights as of December 2020

## Emirates NBD at a Glance

**USD 190 Bn**  
Total Assets

**USD 130 Bn**  
Gross Customer Loans

**USD 126 Bn**  
Total Customer Deposits

**13**  
Countries

**915**  
Branches

**17+ million**  
Customers

**3<sup>rd</sup>**  
Largest in GCC\*

**2<sup>nd</sup>**  
Largest in the UAE\*

**~20%**  
Market Share in UAE  
(Assets, Loans, Deposits)

**56%**  
Government of Dubai  
Shareholding

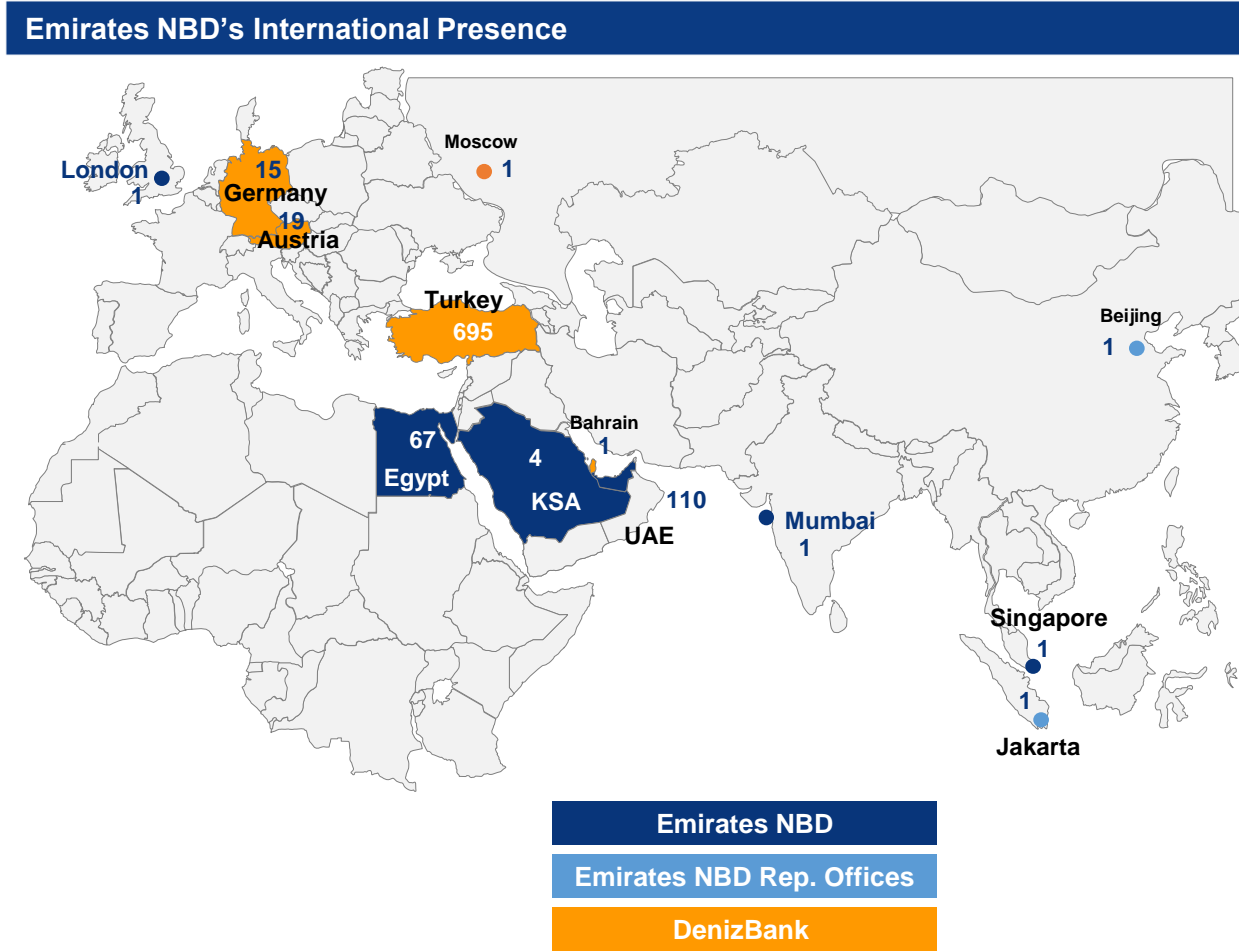
**40%**  
Foreign  
Ownership Limit

**USD ~20 Bn**  
Market  
Capitalization\*\*

# Emirates NBD at a glance

- Market share** in the UAE\*

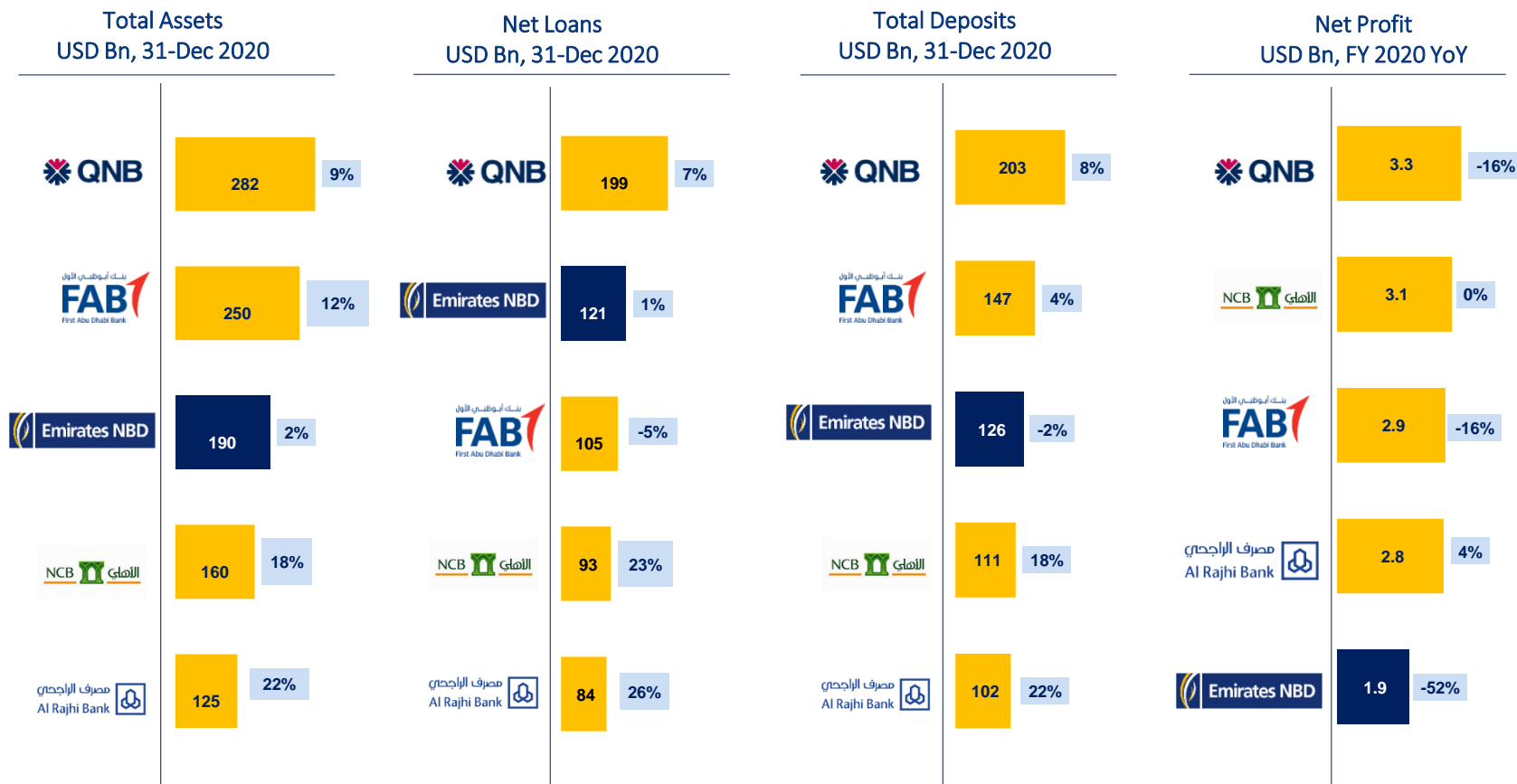
  - Assets 17.5%; Loans 21.8%; Deposits 19.9%
- **Largest financial institution in Dubai**, 3<sup>rd</sup> largest in the GCC
- **Leading retail banking franchise** with a branch network of over 900 branches throughout the MENAT region with operations in 13 countries
- **Leader in digital banking:** 6th best Finance app worldwide by FinTech Magazine with expanding customer acquisition
- **55.8%** indirectly owned by the Government of Dubai through ICD
- **Credit ratings**  
Rated A3 / A+ by Moody's / Fitch



\* ENBD as at 31-Dec-20 excluding DenizBank

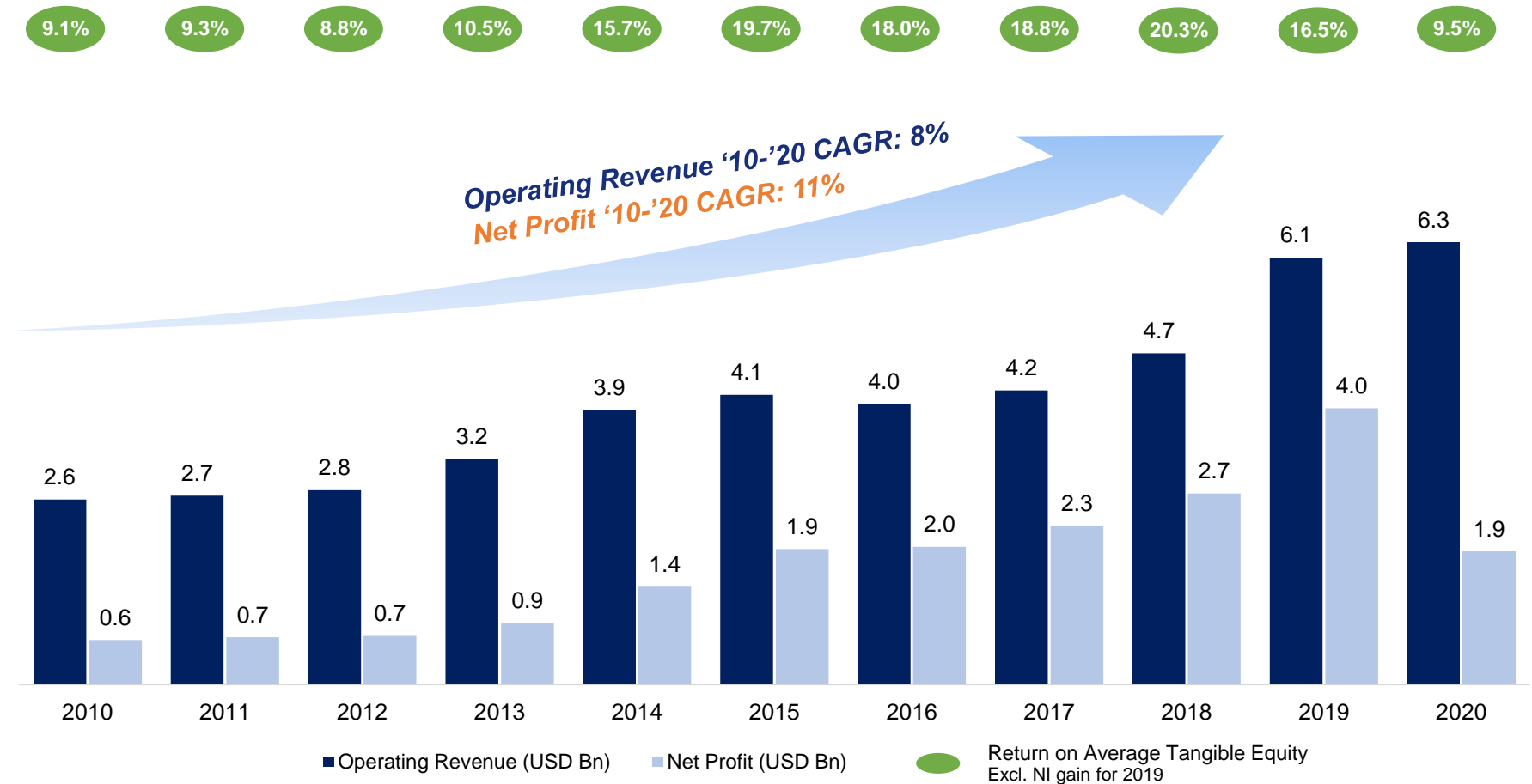
# Emirates NBD is one of the largest banks in the GCC

% FY20 vs. FY19



# Strong track record of profitability

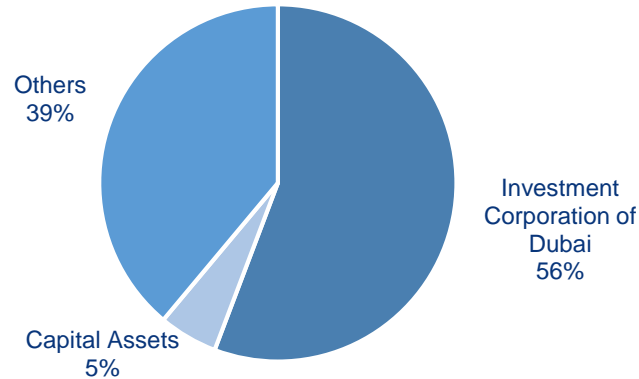
Consistently profitable due to diversified and resilient business model



# Stable Shareholder Base and Diversified Business Model

## Split of ownership – Anchored by the Government of Dubai

Ownership structure as at 31 Dec 2020

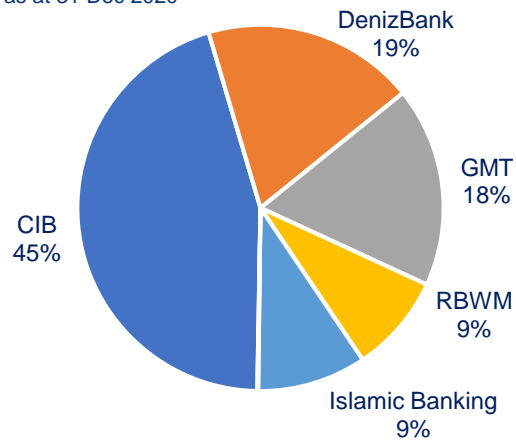


## Highlights

- A flagship bank for the Government of Dubai and the UAE
- Strong and supportive shareholder base from the Government of Dubai via Investment Corporation of Dubai
- International presence in Asia, Europe and MENAT across 13 countries. DenizBank acquisition further enhanced geographic profile
- Well diversified and balanced asset composition between corporate, consumer and Islamic banking
- Foreign ownership limit raised to 40% from 20% in July 2020 with foreign ownership at 11.6% at 15-Feb-2021

## Balanced asset composition

% by segment as at 31 Dec 2020



## Equity Analysts Coverage

	Buy	Hold	Sell
Recommendation	7	3	1

## In AED

Target Price	12.60
Price at 8-February-2021	11.70
Adjusted EPS 31-December-2020	1.00



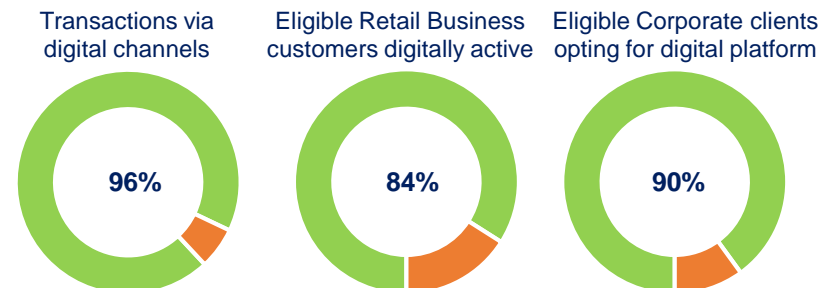
# Leader in Digital Banking and Innovation



- The lifestyle digital bank for millennials - launched its innovative **digital credit card** offering a truly customized experience, and personal loans to Liv. customers
- UAE's **largest digital bank with 400K+ customers**; adding 10,000 customers every month despite economic slowdown
- Shifting from a digital bank to **first super-app in the region** - Best-in-class lifestyle offering in partnership with leaders in gaming, entertainment, dining, travel, music, videos, etc.
- In partnership with AECB, now enables instant access to **credit scores** to help customers for a healthier financial future
- Expanded product suite to offer **personal loans** to customers
- Launched in KSA this year in the SAMA Sandbox and reached a **milestone of 25,000 customers** despite launch during Covid-19
- Continues to attract an overwhelming base of millennials as their primary spend account; **Strong customer engagement**

## Key Digital Developments

- Committed to continue with **safe operations during C-19 situation** – leveraging contactless sales and servicing processes
- Instant **mobile account opening** without the need to visit a branch represents **20%** of customer account openings for Emirates NBD. New TruID launched to enhance digital identify verification
- Emirates NBD mobile app released on Huawei gallery
- Extended **push notification based sales processes** to 70% of all overdraft conversions and 42% of all credit card balance conversions
- **New website account opening** reached 3,700 accounts on-boarded in 2020
- 99% of digitally active customers enrolled to **smart pass** - secure soft token
- Chat Banking service via **WhatsApp** simplifies banking experience
- Digital business **bank E20 live for all DED licenses**



## Emirates NBD maintains good profitability and a strong balance sheet despite challenging conditions in 2020

Key Metrics					2021 Macro themes		
		2020 Guidance	FY 2020	2021 Guidance		Regional	Global
<b>Profit</b>	Operating Profit		USD 2.0bn -29% y-o-y		+	<ul style="list-style-type: none"> <li>Continued strong Government and Regulatory support to mitigate effects of Covid-19</li> <li>Improving economic activity with 2021 expected real GDP growth of 3% in Dubai and 1.4% in the UAE</li> </ul>	<ul style="list-style-type: none"> <li>Roll-out of vaccination across many countries</li> <li>Strong central bank and government efforts to cushion Covid-19 effects through monetary and fiscal stimulus</li> </ul>
	Net Profit		USD 1.9bn -52% y-o-y				
	NIM	2.55-2.65%	2.65%	2.35-2.45%			
Cost to income	33 %	33.8%	35%				
<b>Credit Quality</b>	NPL Ratio	Increasing	6.2%	Increasing	-	<ul style="list-style-type: none"> <li>Ongoing economic impact from Covid-19</li> <li>Oil demand expected to be flat in Q1-21 compared to previous quarter</li> </ul>	<ul style="list-style-type: none"> <li>Continued uncertainty from new strains of virus</li> <li>Financial market volatility due to uncertain outlook over economic growth</li> </ul>
	Coverage Ratio	Strong	117.3%	Strong			
<b>Capital</b>	CET 1		15.0%				
	Tier 1		17.4%				
	CAR		18.5%				
<b>Liquidity</b>	LCR		165.0%				
	ADR	Increasing	95.6%	95-100%			
<b>Assets</b>	Loan Growth	Low single digit	1%	Low/mid-single Digit			

# FY 2020 Financial results highlights

Highlights	Key performance indicators			
<ul style="list-style-type: none"> <li>Total income improved 4% y-o-y on higher net interest income from the full-year inclusion of DenizBank, partially offset by a decline in non-funded income due to lower transactional activity in 2020</li> <li>Net interest income improved 8% y-o-y due to loan growth and full-year inclusion of DenizBank, or declined 13% y-o-y excluding DenizBank due to lower NIMs on account of lower interest rates</li> <li>NIMs of 2.65% declined 24 bps y-o-y as lower interest rates fed through to the loan book</li> <li>Non-funded income declined 8% y-o-y, or 19% excluding DenizBank on lower fee income due to the impact of Covid-19</li> <li>Costs increased 9% y-o-y due to the full-year inclusion of DenizBank and improved 6% y-o-y excluding DenizBank as a result of management actions during 2020 in response to Covid-19 and lower income</li> <li>Impairment allowance of USD 2,162m increased 65% y-o-y driven primarily by the impact of Covid-19 and as DenizBank continues to boost coverage levels. Excluding DenizBank, impairment allowances increased 40% y-o-y</li> <li>Operating profit of USD 2,021m was down 29% y-o-y, or 39% excluding DenizBank, mainly due to lower interest rates &amp; transaction volumes, and higher provisions</li> <li>FY-20 results include DenizBank income of USD 1,977m and net profit of USD 373m (FY-19 includes income of USD 993m and net profit of USD 166m for the five months since acquisition)</li> <li>Net profit of USD 1,898m was down 52% y-o-y, or 60% excluding DenizBank, mainly due to no repeat of the gain on disposal of Network International shares in 2019. Net profit down 31% excluding NI gain</li> <li>NPL ratio increased to 6.2% in Q4-20</li> <li>LCR of 165.0% and ADR of 95.6% demonstrate Group's healthy liquidity</li> <li>2020 net cost of risk of 163 bps reflects higher expected credit loss impact from Covid-19 (FY-19: 117 bps)</li> </ul>	<b>USD million</b>	<b>FY 2020</b>	<b>FY 2019</b>	<b>Better / (Worse)</b>
	Net interest income	4,765	4,411	8%
	Non-funded income	1,560	1,698	(8)%
	<b>Total income</b>	<b>6,324</b>	<b>6,109</b>	<b>4%</b>
	Operating expenses	(2,141)	(1,964)	(9)%
	<b>Pre-impairment operating profit</b>	<b>4,184</b>	<b>4,145</b>	<b>1%</b>
	Impairment allowances	(2,162)	(1,313)	(65)%
	<b>Operating profit</b>	<b>2,021</b>	<b>2,832</b>	<b>(29)%</b>
	Gain on disposal of stake in NI	-	1,196	n/a
	Share of profits from associates	3	5	(37)%
	Gain on bargain purchase	-	25	n/a
	Taxation charge	(127)	(106)	(19)%
	<b>Net profit</b>	<b>1,898</b>	<b>3,952</b>	<b>(52)%</b>
	Cost: income ratio	33.8%	32.1%	(1.7)%
	Net interest margin	2.65%	2.89%	(0.24)%
	<b>USD billion</b>	<b>31-Dec-20</b>	<b>31-Dec-19</b>	<b>%</b>
Total assets	190.2	186.2	2%	
Loans	120.9	119.2	1%	
Deposits	126.5	128.7	(2)%	
ADR (%)	95.6%	92.6%	(3.0)%	
LCR (%)	165.0%	160.0%	5.0%	
NPL ratio (%)	6.2%	5.6%	(0.6)%	

# Q4-20 Financial results highlights

## Highlights

- Total income down 28% y-o-y due to lower net interest income and lower volumes as a result of Covid-19 and declined 13% q-o-q
- Net interest income down 20% y-o-y as lower interest rates fed through to the loan book. Net interest income declined 2% q-o-q
- NIMs of 2.42% declined 69 bps y-o-y as lower interest rates fed through to loan book. NIMs declined 6 bps q-o-q
- Non-funded income declined 51% y-o-y on lower transactional activity from the Covid-19 impact. Q-o-q down 41% due to lower foreign exchange and derivative income from hedging and swaps
- Costs improved 18% y-o-y on lower staff and operating expenses, and lower costs from DenizBank. Costs higher 13% q-o-q due to completion of cost management initiatives and digital and marketing investment
- Impairment allowances of USD 429m were lower 24% y-o-y and 27% lower q-o-q having been proactive on ECL and stage 3 provisioning in the first three quarters, and continue to maintain strong coverage ratios
- Operating profit of USD 357m down 43% y-o-y and 22% q-o-q
- Q4-20 results include DenizBank income of USD 367m and net profit of USD 35m (Q4-19 includes income of USD 650m and net profit of USD 112m)
- Net profit of USD 359m was down 35% y-o-y and 15% q-o-q
- NPL ratio increased to 6.2% in Q4-20
- LCR of 165.0% and ADR of 95.6% demonstrate Group's healthy liquidity
- Q4-20 net cost of risk is 128 bps (Q4-19: 91 bps)

## Key performance indicators

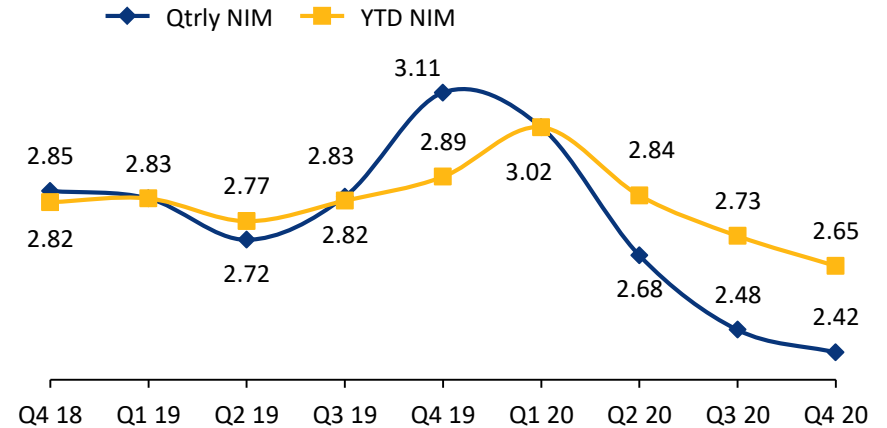
USD million	Q4-20	Q4-19	Better / (Worse)	Q3-20	Better / (Worse)
Net interest income	1,102	1,380	(20)%	1,127	(2)%
Non-funded income	242	494	(51)%	412	(41)%
<b>Total income</b>	<b>1,344</b>	<b>1,874</b>	<b>(28)%</b>	<b>1,539</b>	<b>(13)%</b>
Operating expenses	(558)	(681)	18%	(493)	(13)%
<b>Pre-impairment operating profit</b>	<b>787</b>	<b>1,193</b>	<b>(34)%</b>	<b>1,046</b>	<b>(25)%</b>
Impairment allowances	(429)	(562)	24%	(586)	27%
<b>Operating profit</b>	<b>357</b>	<b>630</b>	<b>(43)%</b>	<b>460</b>	<b>(22)%</b>
Share of profits from associates	1	0	100%	2	(56)%
Gain on bargain purchase	-	(13)	n/a	-	n/a
Taxation charge	1	(67)	101%	(38)	102%
<b>Net profit</b>	<b>359</b>	<b>551</b>	<b>(35)%</b>	<b>424</b>	<b>(15)%</b>
Cost: income ratio	41.5%	36.4%	(5.1)%	32.0%	(9.5)%
Net interest margin	2.42%	3.11%	(0.69)%	2.48%	(0.06)%
USD billion	31-Dec-20	31-Dec-19	%	30-Sep-20	%
Total assets	190.2	186.2	2%	188.6	1%
Loans	120.9	119.2	1%	120.5	0%
Deposits	126.5	128.7	(2)%	124.8	1%
ADR (%)	95.6%	92.6%	(3.0)%	96.6%	1.0%
LCR (%)	165.0%	160.0%	5.0%	161.7%	3.3%
NPL ratio (%)	6.2%	5.6%	(0.6)%	6.0%	(0.2)%

# Net interest income

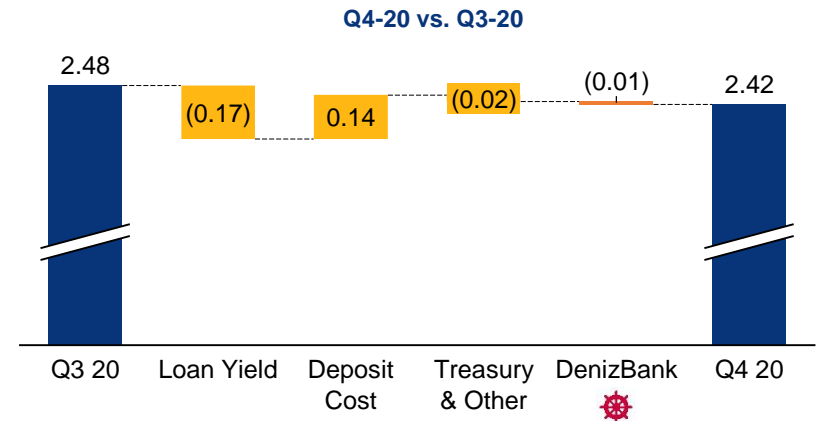
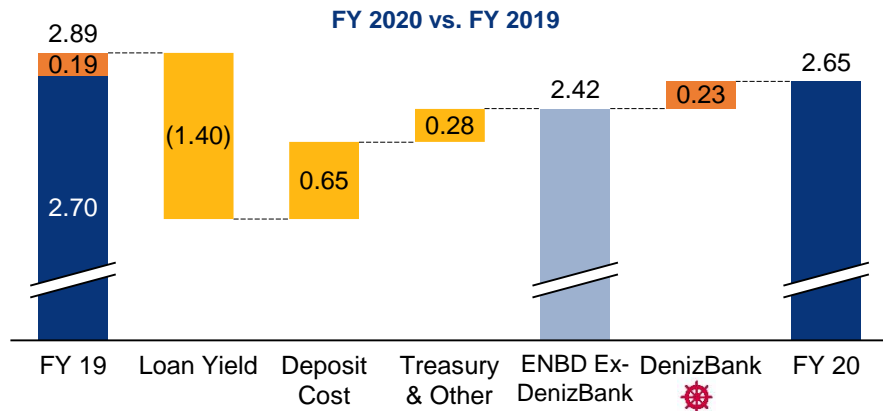
## Highlights

- FY 2020 NIM of 2.65% declined 24 bps as reduction in loan yields more than offset lower funding costs following base rate cuts in H1-20 and DenizBank positive contribution
- Loan yields declined 140 bps y-o-y which offset the 93bps improvement in deposit and funding costs and a 23 bps contribution from DenizBank
- Q4-20 NIM of 2.42% declined 6 bps q-o-q as loans repricing caught up with earlier falls in interest rates offset by a further improvement in deposit mix
- Fall in loan yields reflect 1 and 3-month EIBOR falling 173 and 170 bps respectively in 2020, with Q4-20 movements of -2 and +2 bps respectively
- NIM guidance of 2.35-2.45% amid a lower interest rate environment in the UAE and rising rates in Turkey

## Net Interest Margin (%)



## Net Interest Margin Drivers (%)

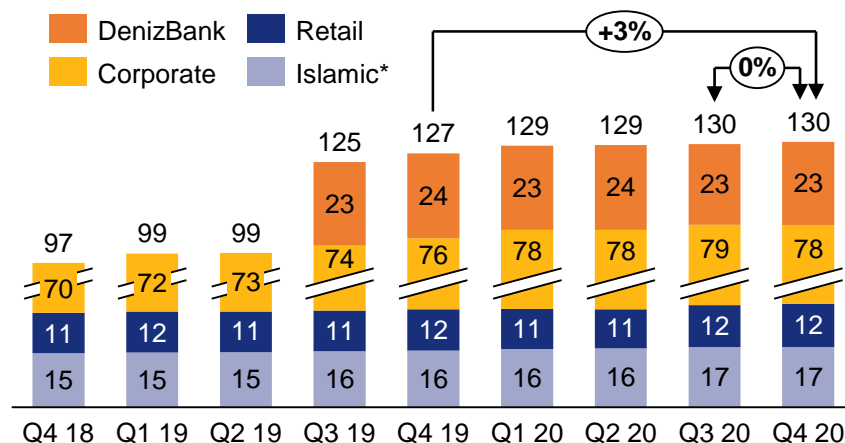


# Loan and deposit trends

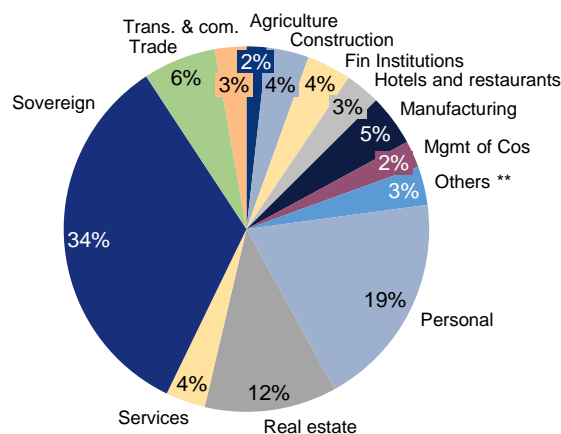
## Highlights

- Gross loans grew 3% in 2020 mainly from Corporate and Islamic financing
- Corporate lending grew 3% during 2020 mainly in manufacturing, transport and communication, real estate and financial institutions sectors
- Retail lending grew 4% during 2020 mainly in personal loans and mortgages due to improved volumes post Covid-19 impact
- Islamic financing grew 7% from during 2020 across a range of sectors
- DenizBank gross loans and deposits up 20% and 8% respectively in local currency terms and down 2% and 14% respectively in AED terms due to 25% decline in Turkish lira during 2020
- Deposit mix continues to improve with USD 10bn increase in CASA replacing USD 8bn of more expensive Fixed Deposits
- CASA deposits represent 52% of total Group level deposits
- Domestic CASA engine remains strong at 60%

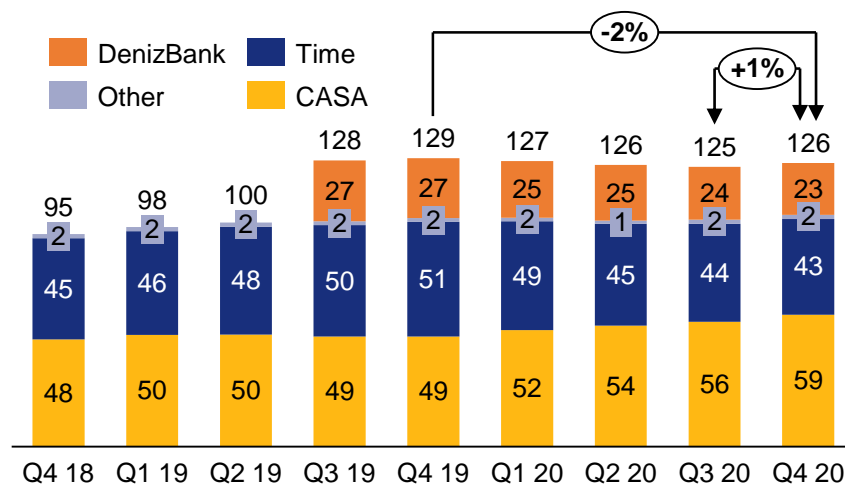
## Trend in Gross Loans by Type (USD billion)



## Total Gross Loans by Sector



## Trend in Deposits by Type (USD billion)



\* Gross Islamic Financing Net of Deferred Income

# Non-funded income

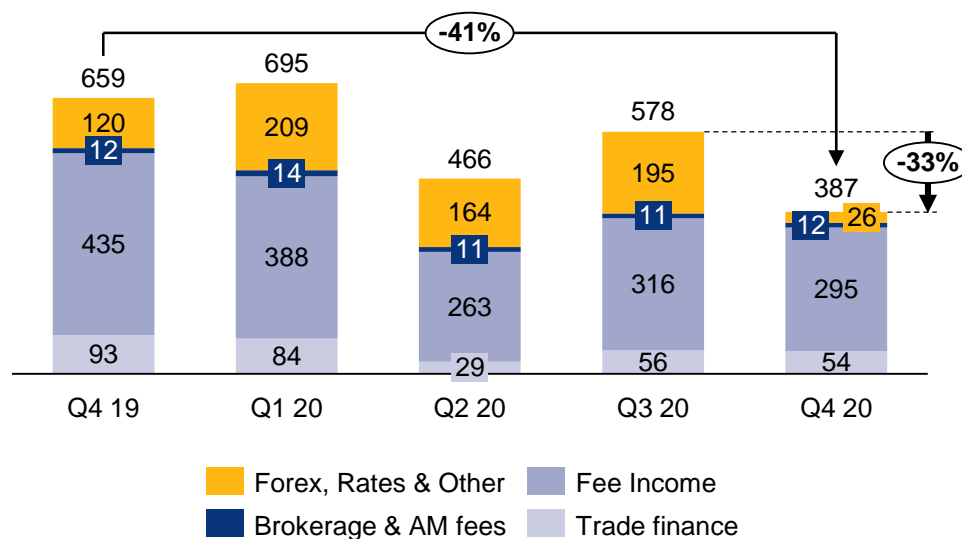
## Highlights

- YTD core gross income declined 2% y-o-y on account of lower transactional activity from the Covid-19 impact offsetting the increase from full year inclusion of DenizBank
- Q4-20 core gross income down 33% q-o-q due to the sharp rise in interest rates in Turkey, while fee income still up 12% on the Q2-20 low point
- Investment securities income declined 125% y-o-y mainly due to mark to market valuation on the investment portfolio
- FY-20 total non-funded income declined 8% y-o-y due to lower core gross income amid the adverse impact of Covid-19

## Composition of Non-Funded Income (USD million)

USD million	FY 2020	FY 2019	Better / (Worse)
Core gross income	2,126	2,178	(2)%
Fees & commission expense	(537)	(508)	(6)%
<b>Core income</b>	<b>1,590</b>	<b>1,670</b>	<b>(5)%</b>
Property income / (loss)	(19)	(16)	(16)%
Investment securities & other income	(11)	44	(125)%
<b>Total Non-Funded Income</b>	<b>1,560</b>	<b>1,698</b>	<b>(8)%</b>

## Trend in Core Gross Income (USD million)

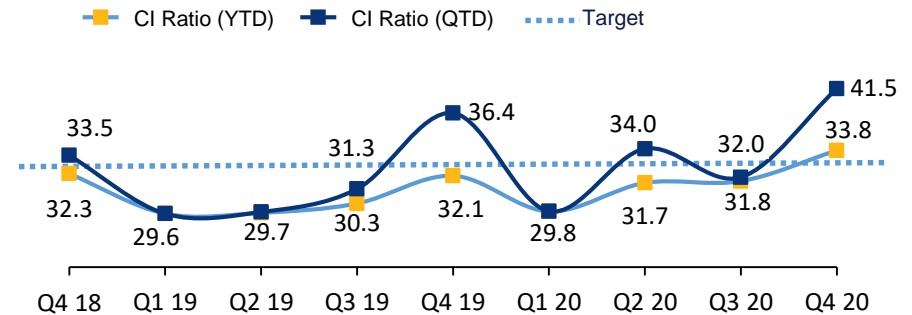


# Operating costs

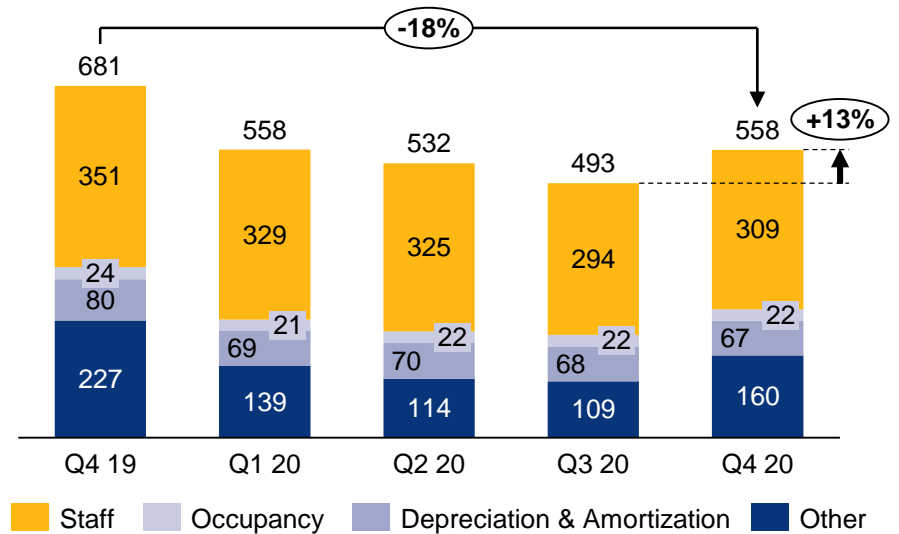
## Highlights

- Q4-20 costs y-o-y improved 18% on lower staff and operating expenses, and lower costs from DenizBank
- Q4-20 costs q-o-q up 13% due to completion of cost management initiatives, and digital and marketing investment
- FY-20 costs increased 9% y-o-y due to full year inclusion of DenizBank and improved 6% y-o-y excluding DenizBank after management actions during 2020 in response to Covid-19 and lower income
- The year-to-date cost to income ratio of 33.8% in Q4-20 is broadly in line with the guidance, with increase in cost to income ratio reflecting reduced income, partially offset by management cost actions

## Cost to Income Ratio (%)



## Cost Composition (USD million)



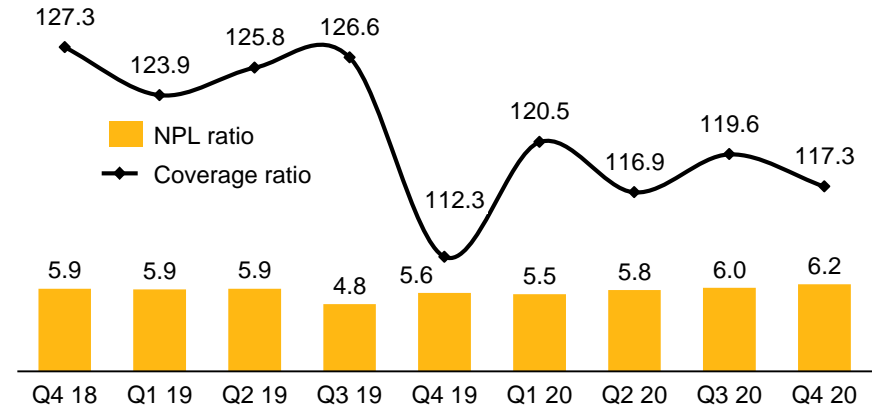


# Credit quality

## Highlights

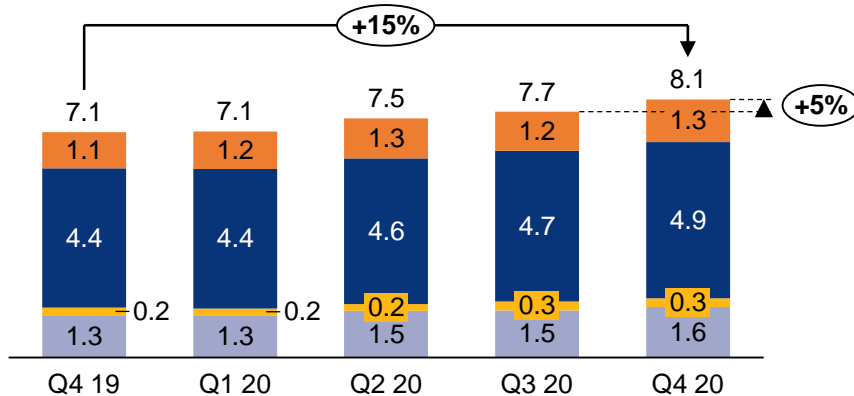
- NPL ratio increased 20 bps to 6.2% in Q4-20
- Coverage ratio at 117.3% remains strong
- 2020 cost of risk increased to 163 bps (383 bps for DenizBank and 114 bps Emirates NBD) from 117 bps in 2019 reflecting weaker credit environment impact from Covid-19
- USD 159m of write backs and recoveries in 2020 compared to USD 414m in 2019
- Stage 1 and 2 ECL allowances amount to USD 2.8bn or 2.6% of CRWA
- Full impact of Covid-19 impact on credit quality not expected to be fully evident until future periods

## Impaired Loan & Coverage Ratios (%)

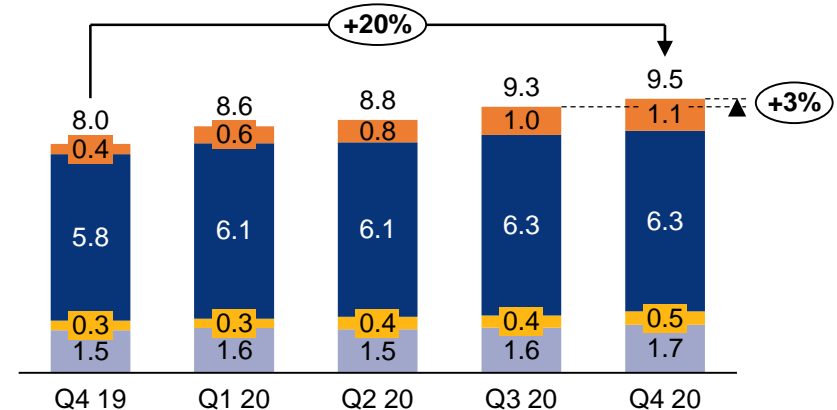


## Impaired Loans and Impairment Allowances (USD billion)

### Impaired Loans\*



### Impairment Allowances



DenizBank Core Corporate Retail Islamic

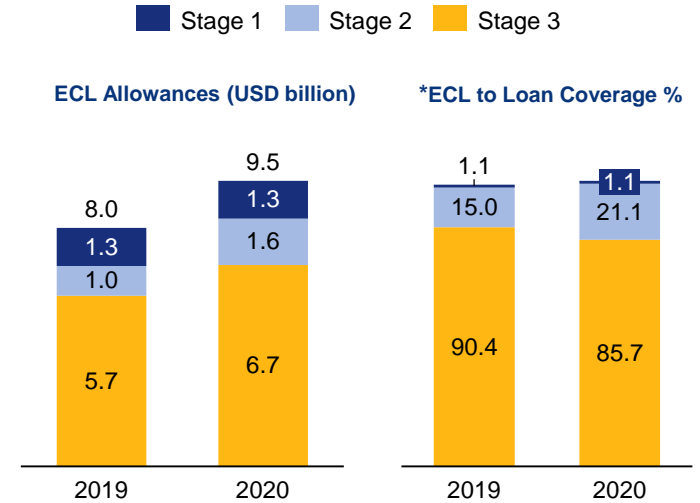
\*Includes purchase originated credit impaired loans of USD 0.6bn (Dec-19: USD 0.8bn) acquired at fair value

# Impairment allowances and Stage 1, 2 and 3 Coverage

## Highlights

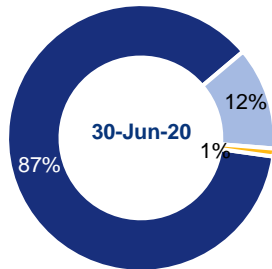
- Stage 1 coverage ratio maintained at healthy 1.1% in 2020 with USD 1.3bn of Stage 1 impairment allowances
- Stage 2 coverage ratio improved to 21.1% in 2020 from 15% at end 2019 as Stage 2 impairment allowances increased to USD 1.6bn
- Continued strong Stage 3 coverage ratio at 86% after NPL ratio increased to 6.2% from 5.6%
- The Bank has supported 103,094 customers with USD 2.5 billion of deferrals, of which USD 1.1 billion has been repaid, resulting in a net support of USD 1.4 billion as at 31 December 2020
- Exposure at default transition analysis shows modest deterioration in credit quality of customers receiving forbearance

## Impairment allowances and Coverage %

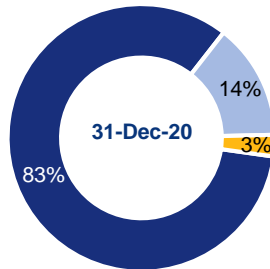


## UAE Customers receiving payment deferrals

Exposure at Default USD 14bn



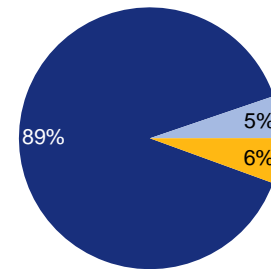
Exposure at Default USD 15bn



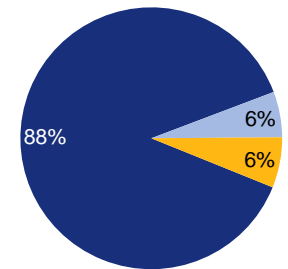
■ Stage 1 ■ Stage 2 ■ Stage 3

## Total Gross Loans

2019 (USD 127bn)



2020 (USD 130bn)



■ Stage 1 ■ Stage 2 ■ Stage 3

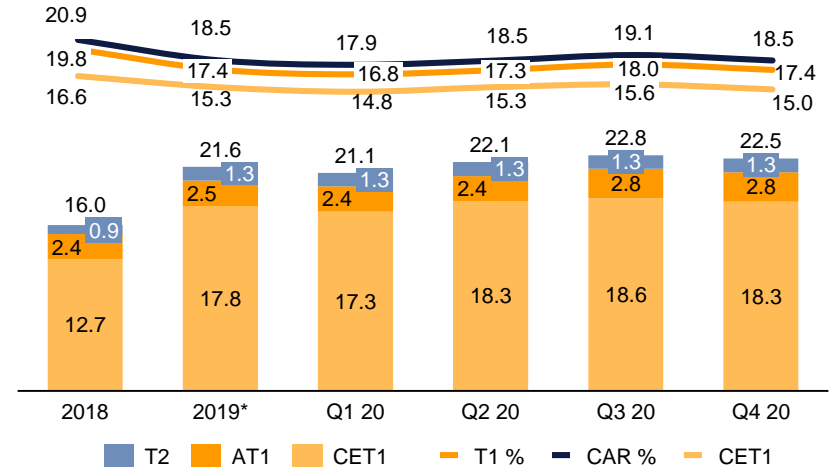
\*Stage 3 coverage adjusted for purchase originated credit impaired loans acquired at fair value

# Capital adequacy

## Highlights

- In Q4-20, Capital ratios declined by 0.6% due to allowance for 2020 Proposed Dividend
- USD 0.4 billion increase in retained earnings in Q4-20 offset the 2% increase in RWAs
- Capital ratios increased between 0.3-0.6% during 2020 after adjusting 2019 capital ratios for the 2019 dividend
- Capital ratios remain above original minimum regulatory requirements of 11% for CET-1 ratio, 12.5% for Tier 1 ratio and 14.5% for CAR
- TESS provides temporary relief of 3% from minima (1.5% CCB and 1.5% D-SIB)
- ECL add-back of USD 0.5 billion improved Q4-20 capital ratios by 0.5%

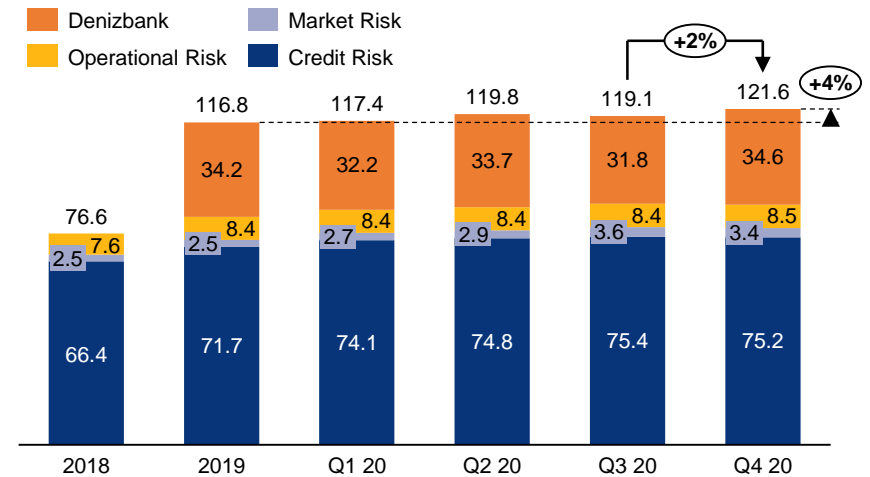
## Capitalisation



## Capital Movements

USD billion	CET1	Tier 1	Tier 2	Total
<b>Capital as at 31-Dec-2019</b>	<b>17.8</b>	<b>20.3</b>	<b>1.3</b>	<b>21.6</b>
Net profits generated	1.9	1.9	-	1.9
2019 Dividend	(0.7)	(0.7)	-	(0.7)
2020 Proposed Dividend	(0.7)	(0.7)	-	(0.7)
T1 Issuance	-	0.7	-	0.7
Repayment of T1 Instruments	-	(0.5)	-	(0.5)
Interest on T1 securities	(0.2)	(0.2)	-	(0.2)
ECL add-back	0.5	0.5	-	0.5
Other	(0.3)	(0.2)	-	(0.2)
<b>Capital as at 31-Dec-2020</b>	<b>18.3</b>	<b>21.1</b>	<b>1.3</b>	<b>22.4</b>

## Risk Weighted Assets (USD billion)



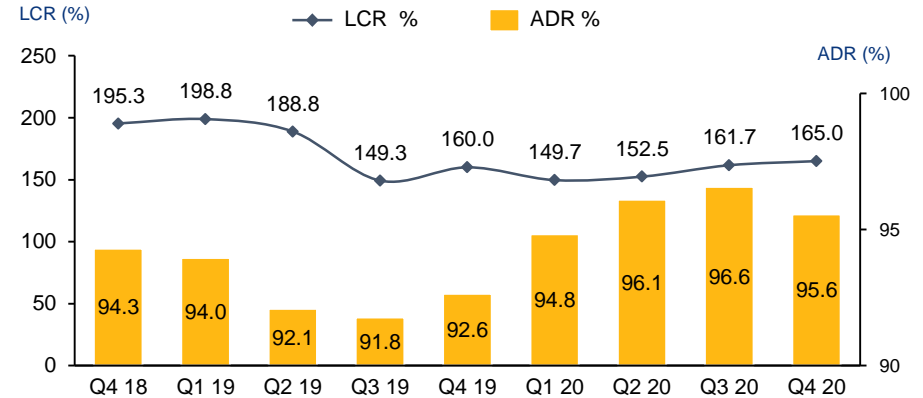
\*2019 CET1, Tier 1 and CAR adjusted for 2019 dividends are 14.7%, 16.8% and 17.9% respectively

# Funding and liquidity

## Highlights

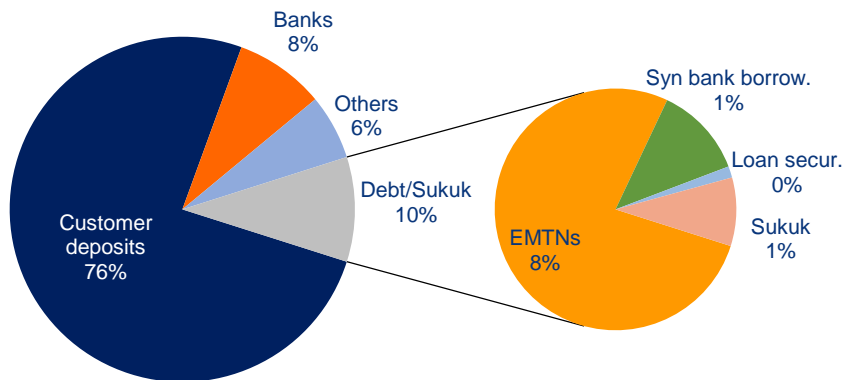
- Q4-20 LCR of 165.0% and AD ratio of 95.6% demonstrate the Group's continuing healthy liquidity position
- Liquid assets\* of USD 27.5bn at Q4-20 (16% of total liabilities and 22% of total deposits)
- 2020 issuances of USD 5.0bn of term debt in seven currencies with a 9.9 year weighted average life including three benchmark senior public bond & sukuk issues and private placements with maturities out to 30 years
- Excess 2020 issuance covers 40% of 2021 maturities
- DenizBank established an EMTN programme and successfully issued a number of private placements

## Advances to Deposit and Liquidity Coverage Ratio (%)



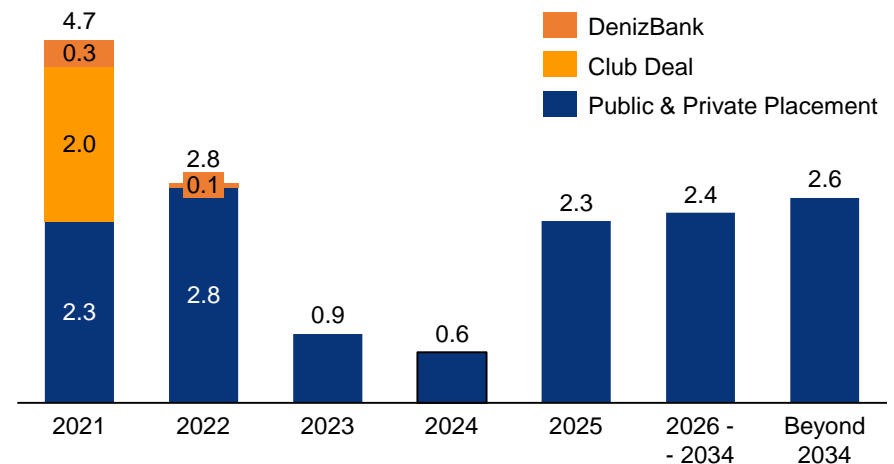
## Composition of Liabilities/Debt Issued (%)

### Liabilities (USD 167.2bn) Debt/Sukuk (USD 16.4bn)



## Maturity Profile of Debt Issued (USD billion)

### Maturity Profile of Debt/ Sukuk Issued USD 16.4bn



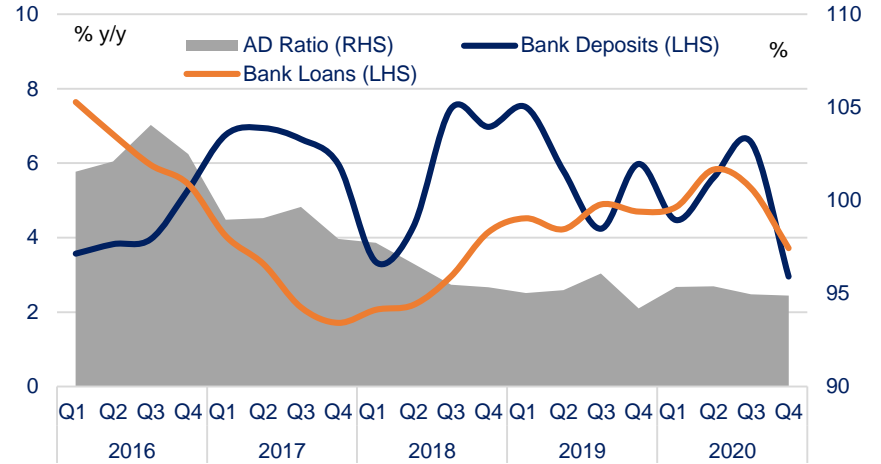
\*Including cash and deposits with Central Banks but excluding interbank balances and liquid investment securities

# Liquidity within the UAE banking system remains healthy

## Highlights

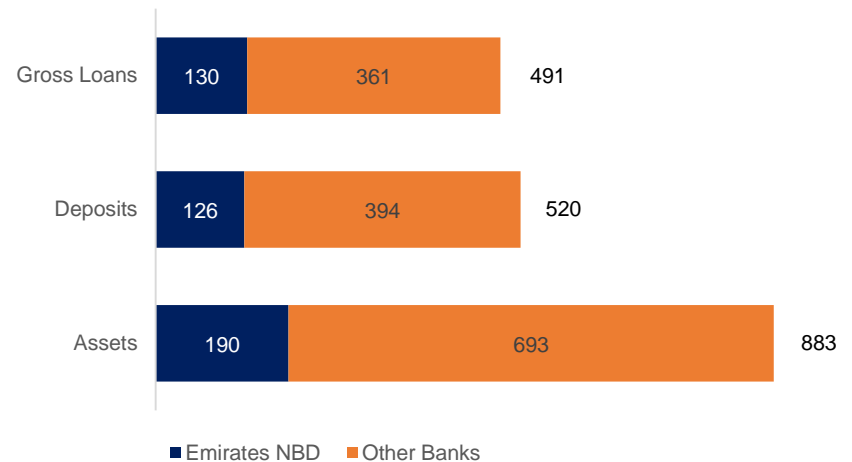
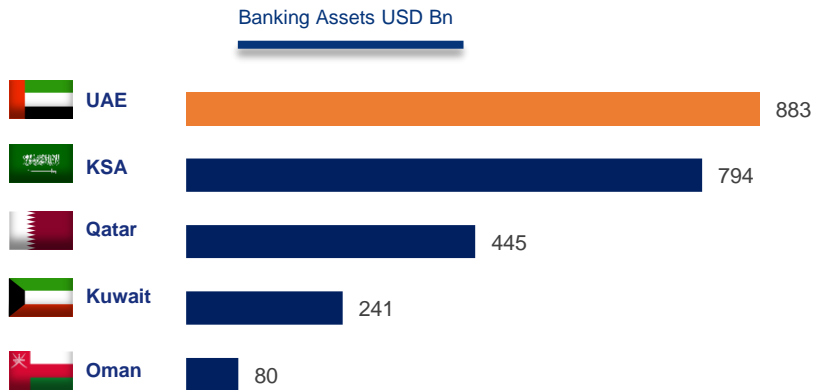
- The gross advances to deposits ratio for the UAE remained healthy at 94.4% in December 2020
- Growth in the UAE bank deposits was up 0.8% y-o-y in December. Deposit growth averaged 4.9% in 2020
- Gross loans increased 1.1% y-o-y in December. Bank credit growth averaged 4.9% in 2020

## Bank loan and deposit growth



## GCC banking market, December 2020

## UAE banking market (USD Bn), December 2020\*

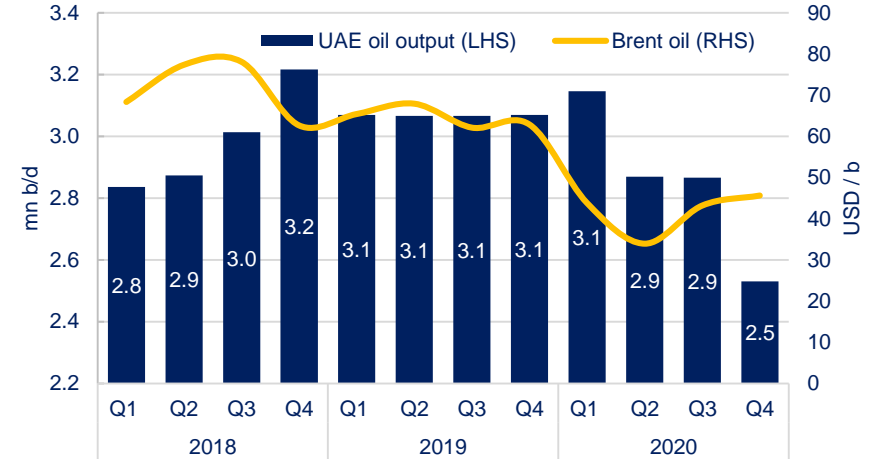


# UAE economy expected to grow to 1.4% in 2021

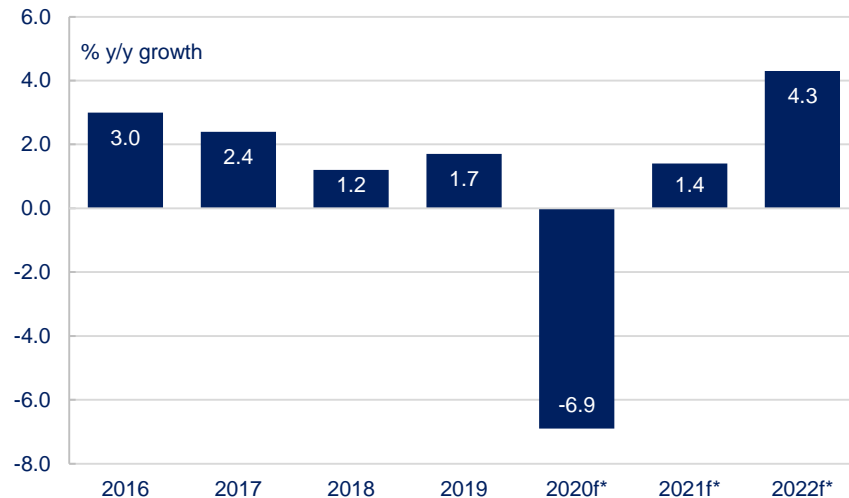
## Highlights

- Emirates NBD's research team expects real GDP growth for 2021 to recover to 1.4% in the UAE, with the non-oil sector expected to grow by 3.5%. Economic growth is also expected to return to other countries where Emirates NBD has a presence
- PMI survey data indicated a relatively flat Q4 with the headline index averaging just 50.1 for the quarter. However, travel and tourism was a bright spot in December after an extraordinarily difficult year for the sector
- Residential real estate prices declined by -1.6% q/q and -9.5% y/y in Q4, according to data from ASTECO. The commercial property market has also seen sales prices drop by an average of -8.9% in 2020
- Oil demand growth in Q1 2021 is expected to be sluggish, with the IEA projecting it flat from Q4 2020 levels

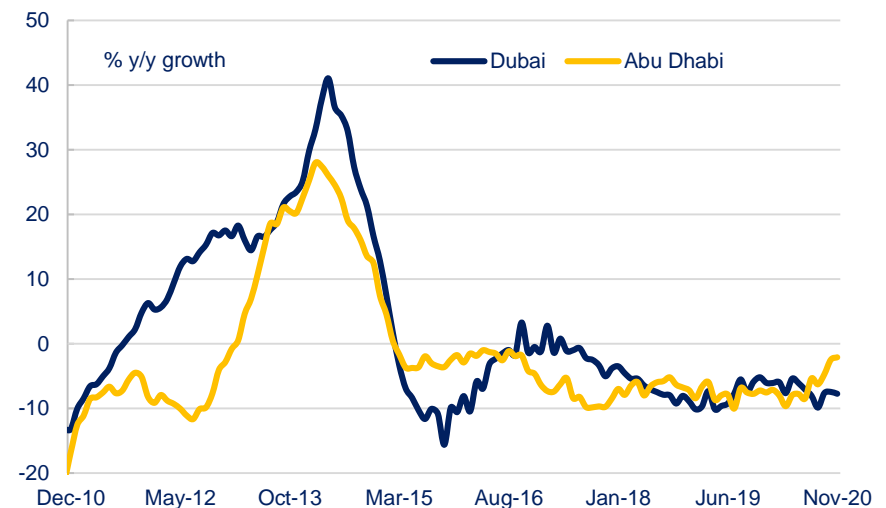
## UAE oil production and prices



## UAE GDP growth



## Residential property prices

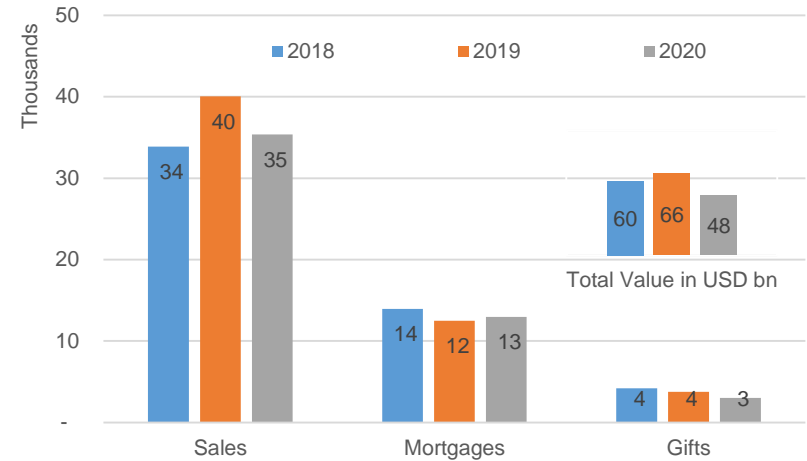


# Dubai: reasons for optimism in the second half of the year

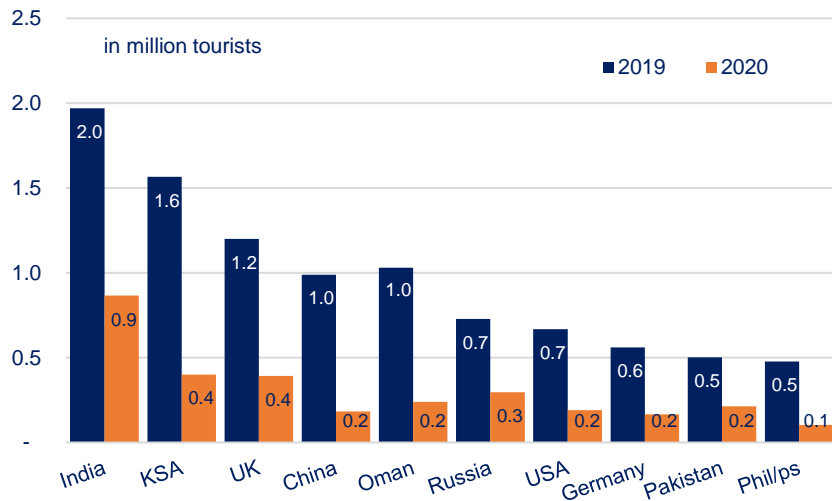
## Highlights

- Dubai Land Department figures show that property transaction volumes are back to pre-pandemic levels, with Q4-20 transactions up 8% compared to Q1-20 just before the lockdown began
- In 2020, sales values overall are down 10% while transaction volumes are 12% lower compared to 2019. New supply and population dynamics driven by the employment environment will remain headwinds in the near to medium term
- Visitor numbers have continued to recover in Q4, reaching 5.5mn in 2020 although this is around 70% lower than the number of international visitors to Dubai a year ago
- Average hotel occupancy rates have declined to 47% in 2020 from 75% in 2019. RevPAR also dropped sharply. Data from STR global also showed average RevPAR almost halving to USD 58 in 2020 from USD 111 in 2019

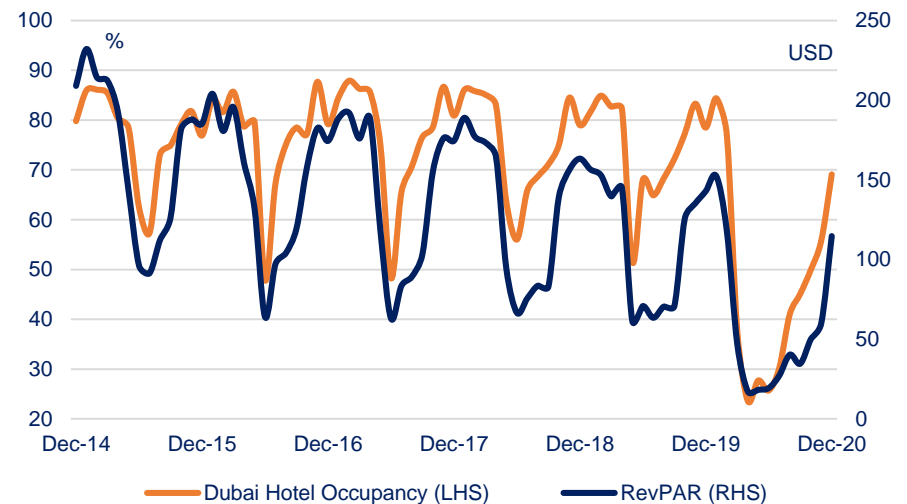
## Dubai Residential transactions



## Top 10 visitors by nationality in 2020



## Dubai occupancy rates and RevPAR

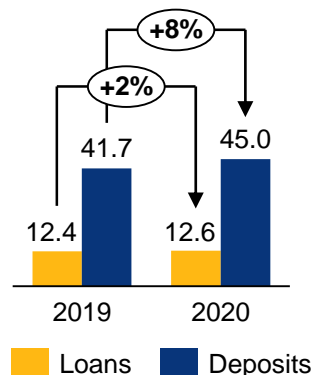


# Divisional performance (Excluding DenizBank)

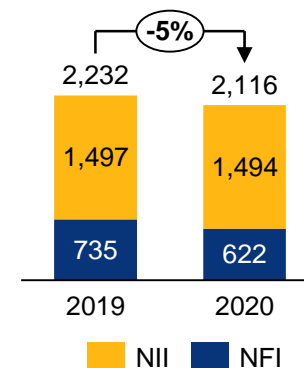
## Retail Banking & Wealth Management

- RBWM income declined 5% y-o-y due to lower fee income as volumes were impacted by Covid-19, whilst net interest income maintained 2019 levels
- Liabilities grew 8% backed by customer campaigns and customer advances were up 2% compared to 2019
- YTD Cost to income ratio improved to 26.4% from 27.8% y-o-y
- Relief measures rolled out for customers to minimize the impact of ongoing Covid-19 pandemic
- E20., the digital business bank was launched, enabling start-ups, entrepreneurs and SMEs to manage their banking needs conveniently through a mobile app

Balance Sheet Trends USD billion



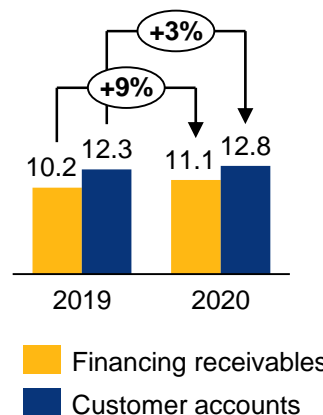
Income Trends USD million



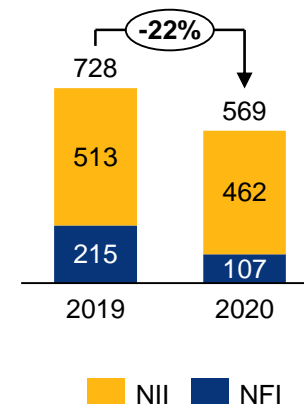
## Emirates Islamic

- EI total income declined 22% y-o-y due to the impact from Covid-19 on business activity and investment revaluations
- Total assets at USD 19.2bn, increased by 9% at the end of 2020
- Financing and Investing Receivables up 9% to USD 11.1bn in 2020
- Customer accounts at USD 12.8bn increased by 3% during the year
- CASA balances represented 69% of customer accounts compared to 63% at the end of 2019
- EI successfully issued a benchmark five-year Sukuk in Q3, further improving the liquidity profile of the Bank

Balance Sheet Trends USD billion



Income Trends USD million



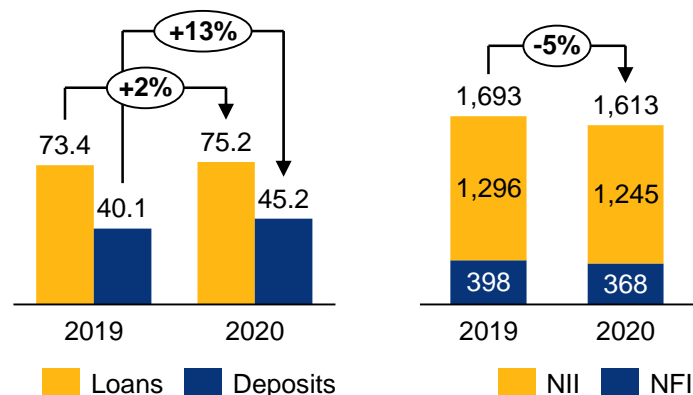


# Divisional performance (Excluding DenizBank)

## Corporate and Institutional Banking

- CIB income was down 5% y-o-y due to a 4% decline in net interest income on lower interest rates that was partially offset by lending growth
- Non-funded income declined 7% y-o-y as higher investment banking activity partially offset lower lending fee and trade commission income
- The division continued to invest in digitization programmes and technology to enhance the Transaction Banking Services product offering
- Loans grew 2% during the year with stable momentum in lending activity as the division continues to provide support to customers affected by Covid-19
- Deposits grew 13% with continued focus on growing CASA balances reflecting the Group's aim to reduce the average cost of funding while maintaining liquidity at an optimum level

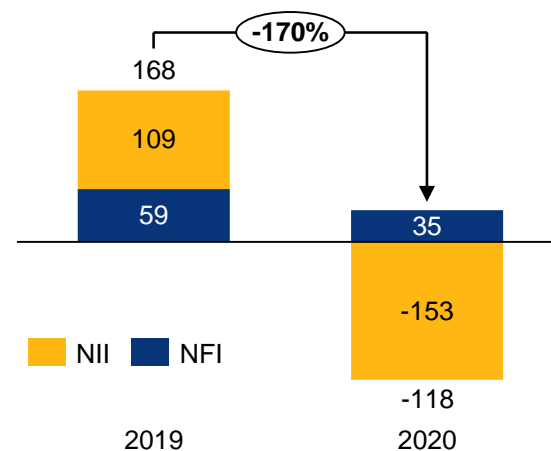
Balance Sheet Trends USD billion    Income Trends USD million



## Global Markets & Treasury

- GM&T income declined 170% y-o-y primarily due to the decrease in net interest income on account of lower interest rates. NFI declined 40% y-o-y
- Trading and Sales desks continued to deliver a solid performance despite significant market volatility with credit trading revenue growing by 58% in 2020
- Group Funding helped raise USD 5.0bn of term funding in seven currencies through three benchmark senior public bond issues including a successful benchmark Sukuk by Emirates Islamic and USD 3.5bn of private placements with maturities out to 30 years

Income Trends USD million



# DenizBank Business Overview



## Business Overview

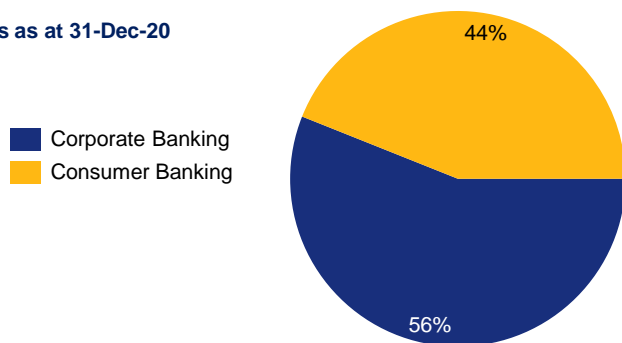
- DenizBank contributed total income of USD 367m and net profit of USD 35m to the Group for Q4-20
- DenizBank contributed total income of USD 1,977m and net profit of USD 373m to the Group in 2020
- 2020 net cost of risk of 383 bps compared to 411 bps in 2019
- Total assets of USD 36bn, net loans of USD 22bn and deposits of USD 23bn at the end of Q4-20
- DenizBank is the fifth largest private bank in Turkey with a wide presence through a network of 730 branches and over 3,100 ATMs
- Operates with 695 branches in Turkey and 35 in other territories (Austria, Germany, Bahrain)
- Servicing around 14m customers with full services of Corporate banking, Retail banking and Treasury, through 14,000+ employees

## Financial Highlights

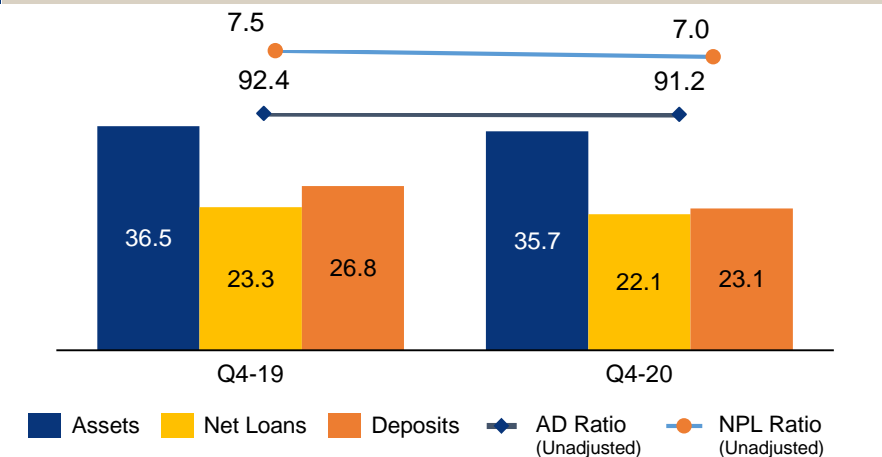
USD million**	Q4-20	Q4-19	Better / (Worse)	FY-20	Aug-Dec 2019
Net interest income	360	454	(21)%	1,544	690
Non-funded income	6	196	(97)%	433	302
<b>Total income</b>	<b>367</b>	<b>650</b>	<b>(44)%</b>	<b>1,977</b>	<b>993</b>
Operating expenses	(150)	(227)	34%	(617)	(340)
<b>Pre-impairment operating profit</b>	<b>216</b>	<b>423</b>	<b>(49)%</b>	<b>1,360</b>	<b>653</b>
Impairment allowances	(196)	(252)	22%	(912)	(417)
<b>Operating profit</b>	<b>20</b>	<b>171</b>	<b>(88)%</b>	<b>448</b>	<b>235</b>
Taxation charge	16	(60)	126%	(75)	(69)
<b>Net profit</b>	<b>35</b>	<b>112</b>	<b>(68)%</b>	<b>373</b>	<b>166</b>
Cost: income ratio	41.0%	34.9%	(6.1)%	31.2%	34.2%
Net interest margin	4.27%	5.04%	(0.77)%	4.47%	4.64%

## Segment breakdown

Net Loans as at 31-Dec-20



## Financial Highlights (USD billion\*\*)



All financial numbers post acquisition (1-Aug-19) include the fair value adjustments, unless otherwise stated.  
 \*\*Metrics converted to USD using spot / average exchange rate for balance sheet / income statement



## INVESTOR RELATIONS

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