



# Investor Presentation

## Q3 2022

*November 2022*



**“CREATE  
OPPORTUNITIES  
TO PROSPER”**

# Important Information

## Disclaimer

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## Rounding

Rounding differences may appear throughout the presentation.



# Table of Content

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- 1. Emirates NBD Profile**
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- 3. Financial & Operating Performance**
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# Emirates NBD is a leading bank in the MENAT Region

Key Highlights as of September 2022

AED 13.25  
Share Price  
As of 28 Oct 2022

AED 721bn  
Assets  
As of 30 Sep 2022

AED 481bn  
Total Deposits  
As of 30 Sep 2022

AED 419bn  
Total Loans  
As of 30 Sep 2022

900  
Branches

17+ Million  
Customers

13 Countries

35,000+  
Exchange Hour

28,000+  
Employees

56%  
Government of Dubai  
Holding

4<sup>th</sup>  
Largest Bank in GCC

2<sup>nd</sup>  
Largest Bank in UAE

USD 4.13bn  
Brand Value

18.5%  
Capital Ratio

40%  
Foreign Ownership  
Limit

AED 84bn  
Market Cap  
As of 28 Oct 2022

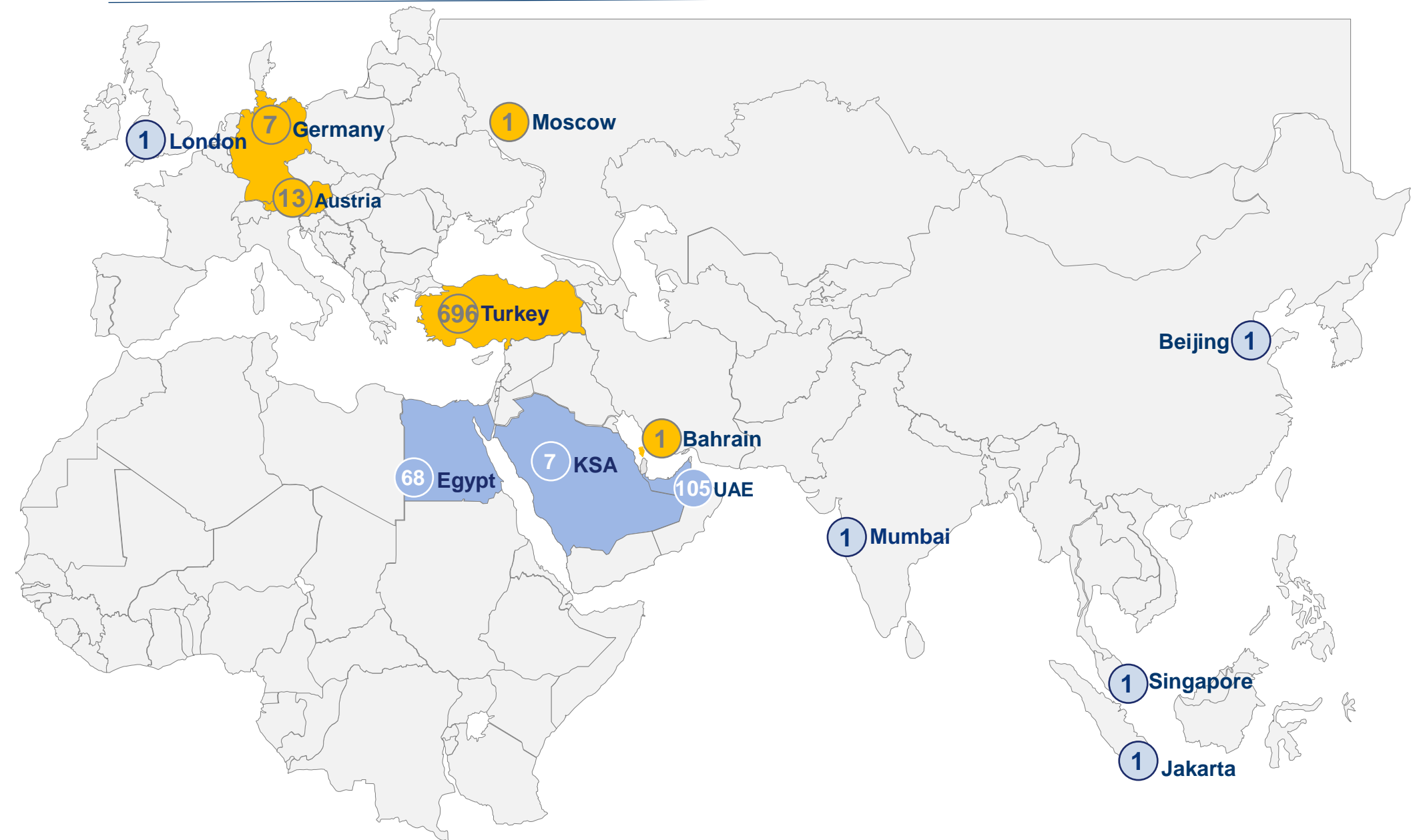


# Emirates NBD at a glance

## Key Highlights

- Largest financial institution in Dubai, 4th largest in the GCC
- Leading retail banking franchise with a branch network of 900 branches throughout the MENAT region with operations in 13 countries
- Leader in digital banking: largest digital lifestyle bank in the region
- 55.8% indirectly owned by the Government of Dubai through ICD

## Emirates NBD's International Presence



## Stable Credit Ratings

	Short-term	Long-term	Outlook
Moody's	P-1	A2	Stable
Fitch	F1	A+	Stable
CI	A1	A+	Stable

Emirates NBD
Emirates NBD Rep. Offices
DenizBank



# Leader in Digital Banking and Innovation

## Overview

**liv.** digital bank by Emirates NBD further strengthened its proposition growing its customer base to more than 660,000 customers in UAE & KSA

Liv. during 2022 has launched **Liv. Young**, the region's first banking app and debit card for kids aged 8-18 years. Liv. Young helps kids build good money habits with features such as saving with goal accounts, tracking their spends, and earning by completing tasks/chores assigned by parents

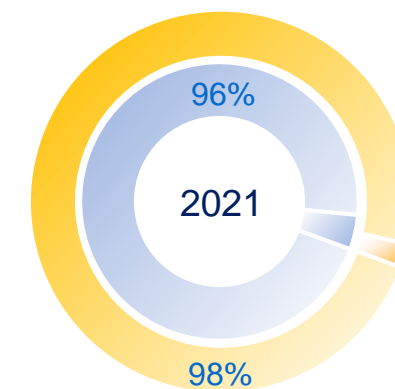
**Liv. Prime** the subscription-based membership programme, offering customers an enhanced banking and lifestyle experience & **Liv. credit cards** which offers customers the flexibility to choose and easily switch between reward programmes along with added lifestyle benefits continued to gain traction in the year

Liv. continued to engage customers through various marketing campaigns including the roll out of Liv. Blog to help customers stay up-to-date on money matters

## Key Digital Developments

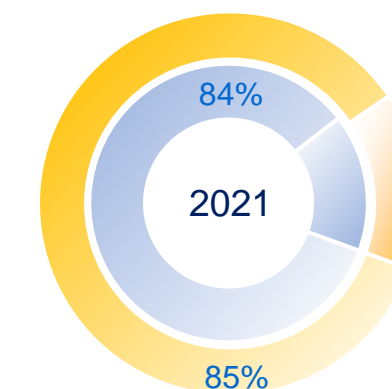
- 90% of all face-to-face card payment transactions now 'contactless' through Mobile wallet
- Continued to develop its digital platforms with enhancements to the mobile digital account opening process in UAE and roll out of a self-service tablet banking proposition for account opening & credit cards in KSA
- The mobile app was enhanced with new features for payments and transfers
- An enhanced tablet banking solution for new credit card sourcing was launched
- Launched DEWA & TECOM IPO portal on Emirates NBD website with real time direct integration with Dubai Financial Market (DFM)

Transactions via digital channels



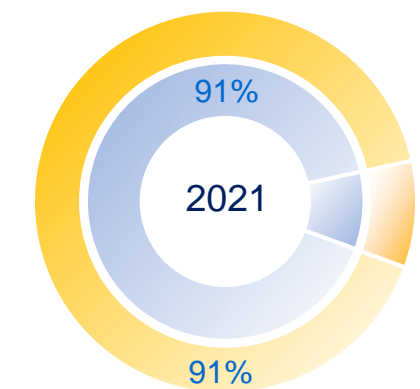
H1 2022

Eligible Retail Business customers digitally active



H1 2022

Eligible Corporate clients opting for digital platform



H1 2022



## Key Developments

- **First female director** elected to the Board in February 2022.
- First UAE banking Group to commit to female leadership target, aiming for **25% women in senior management by 2027**



### Environmental Sustainability

- **4 LEED\* GOLD** certified branches in the UAE
- **First LEED GOLD** certified bank branch in Saudi Arabia
- **6 LEED** certified engineers in Procurement & Facility Management



### Energy Efficiency

- **ISO 14001:2015** certified for our environmental management system
- **4% reduction** in electricity consumption compared to 2021
- **3% reduction** in Greenhouse Gas (GHG) emissions



### Social Impact

- **78 nationalities** make up diverse workforce of full-time employees
- **41%** of our employees are Women
- Contributed **AED 64m** to **local community** in 2021
- **605 volunteer deployments** via corporate volunteering programme

EmCap raised USD 9 bn of **sustainable capital from 14 syndicated loan and debt capital market**

**transactions** for clients in UAE, Saudi Arabia, India, China, Singapore and Turkey

Raised **first Sustainability-linked loan**

from a bank from the Gulf region:

- KPI 1: Women in Senior Management
- KPI 2: Reduction in Water Consumption



**ESG Certification** for 130 employees across the UAE, KSA, Singapore, and London

ENBD Asset Management won contract to create and manage **Masdar Green REIT** - UAE's first 'green' REIT

**Wealth Management and Sustainable Investment Framework** development

ENBD Asset Management signed up to **UN PRI - Principles for Responsible Investment**



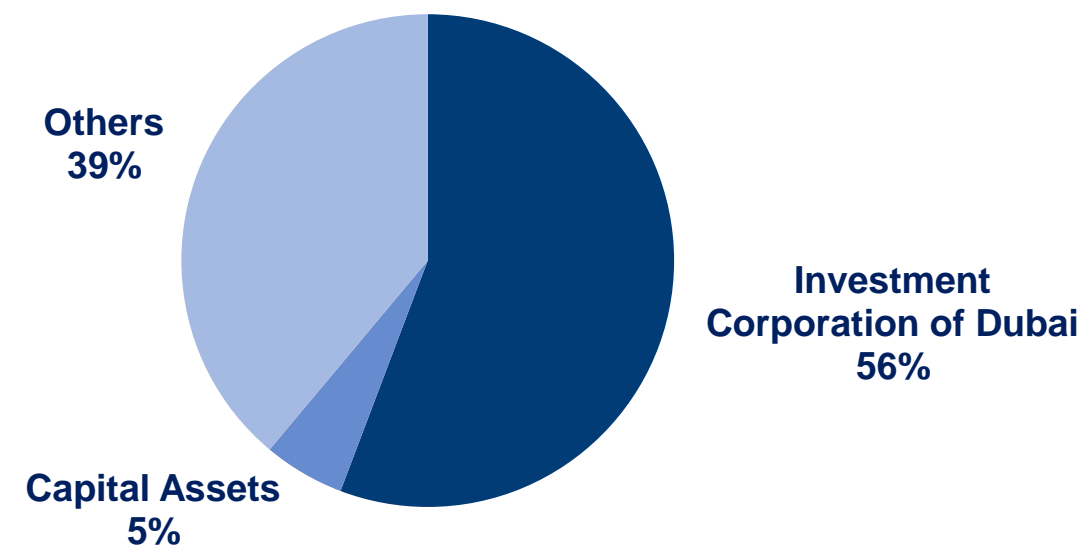
For more about ESG report, please visit:



# Stable Shareholder Base and Diversified Business Model

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

Ownership structure as of 30 September 2022

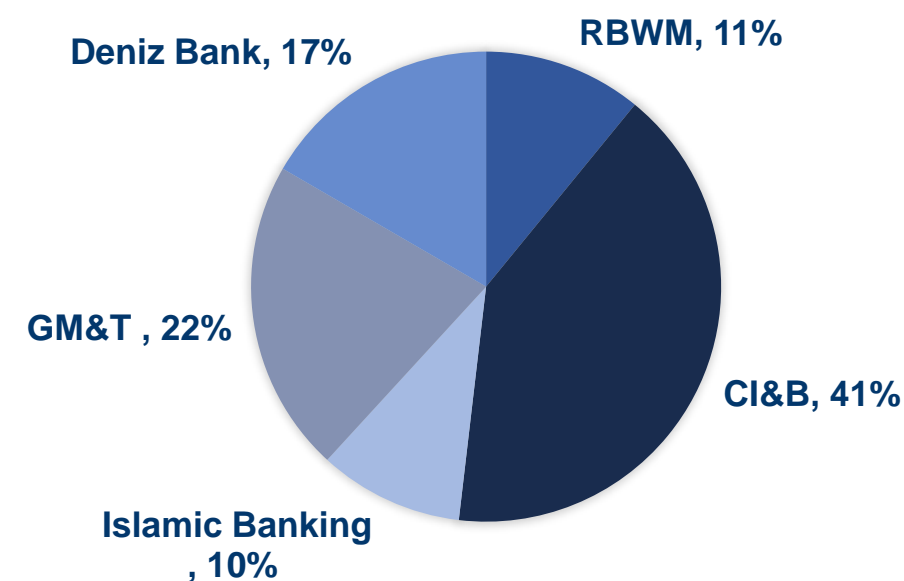


## Key Highlights

- 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 12.4% at 1 Nov 2022

## Balanced Asset Composition

% by segment as of 30 September 2022



## Equity Analysts Coverage

	Buy	Hold	Sell
Recommendation	13	-	-

All figures in AED

Target Price	17.1
Price as of 28 October 2022	13.25
EPS as of 30 September 2022	1.38



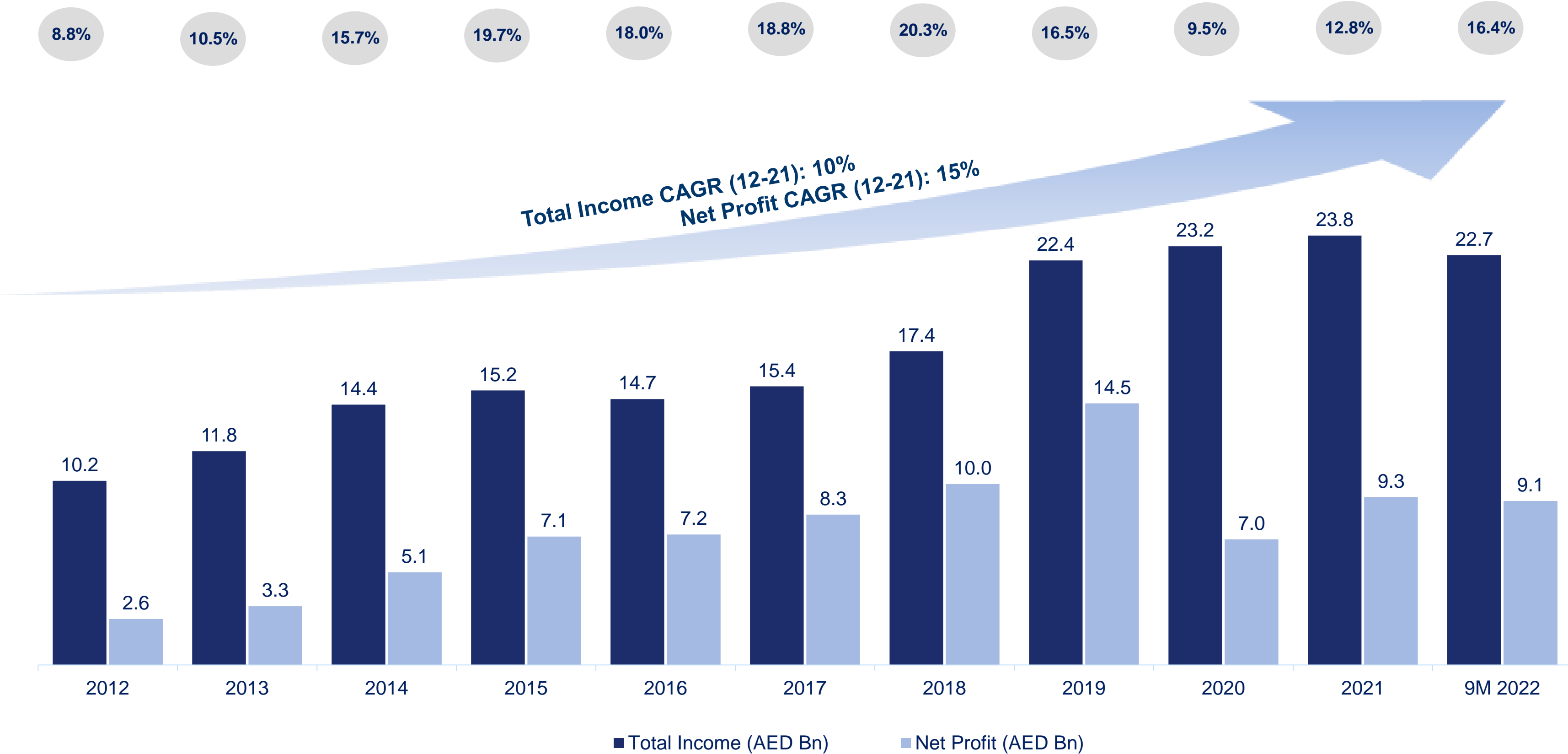


# Emirates NBD is one of the largest banks in the UAE

Total Income In AED mn	Net Profit In AED mn		Total Loans In AED bn	Coverage Ratio & NPLs (%)		CET-1 Ratio (%)
	Q3 2022			As of 30 September 2022	NPL %	
22,693	10,949	465	150	3.6	15.5	
18,022	9,098	419	143	5.8	14.0	
9,941	4,650	251	103	3.4	13.9	
9,873	4,101	236	87	5.5	13.1	
5,343	2,580	103	76	6.5	12.8	
4,516	2,450	91	68	8.6	12.6	

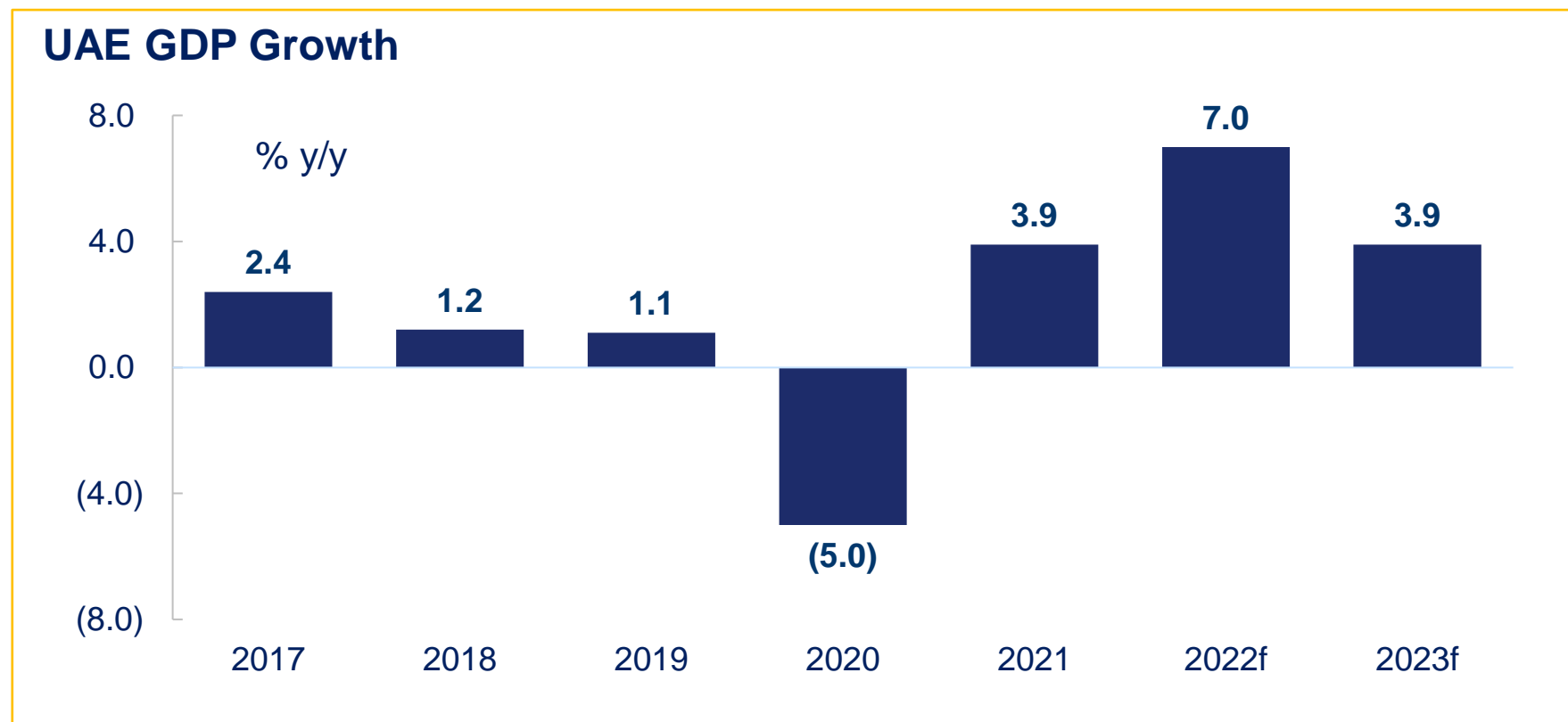


# Consistently profitable due to diversified and resilient business model



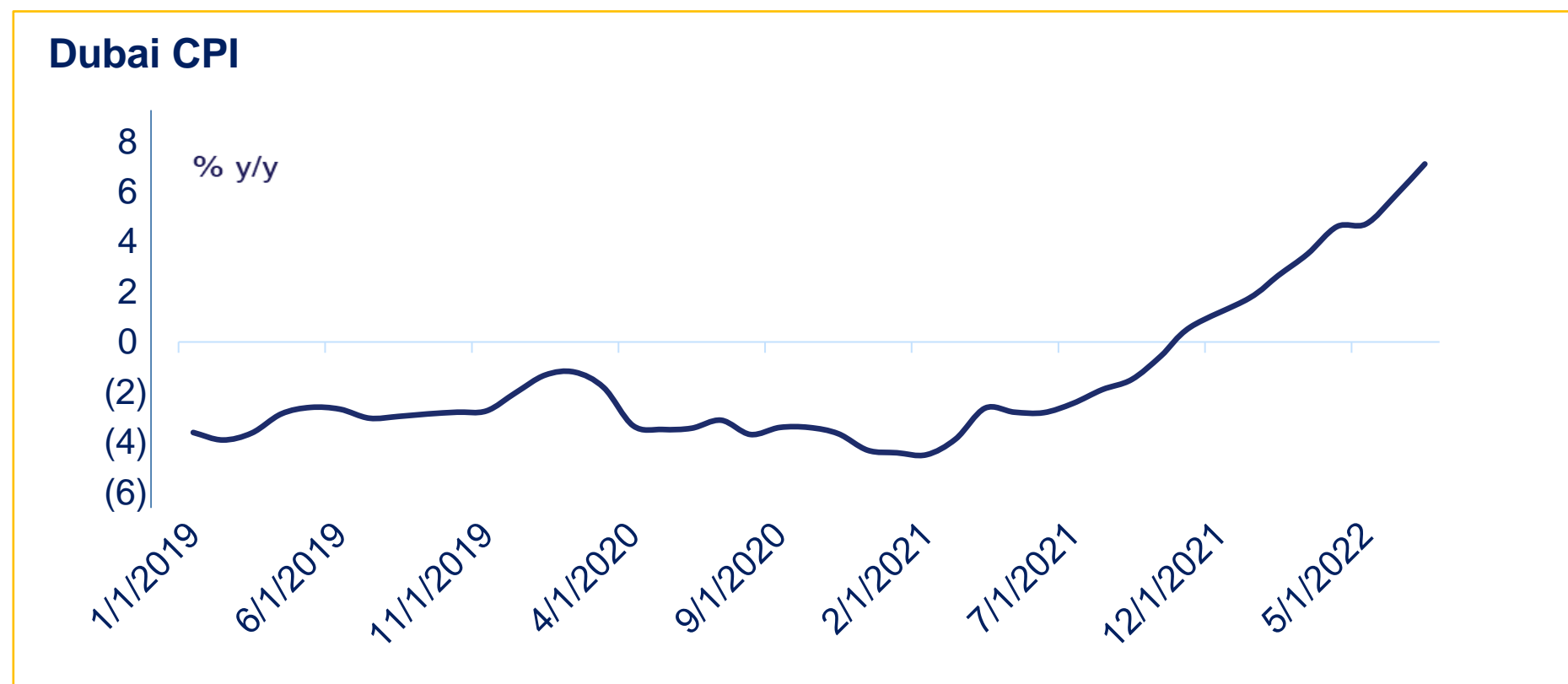
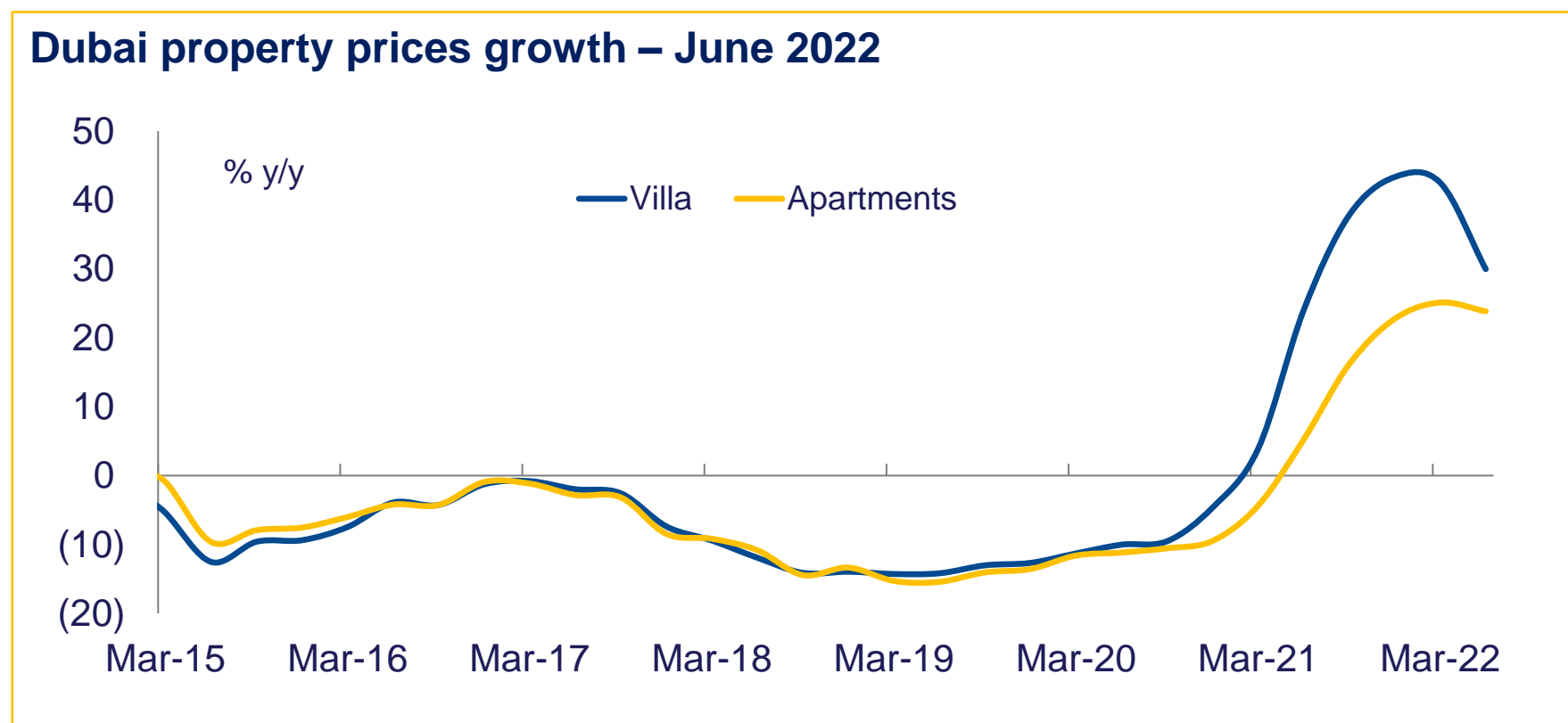


# UAE economy rebounding with 5.7% growth expected in 2022



### Key Highlights

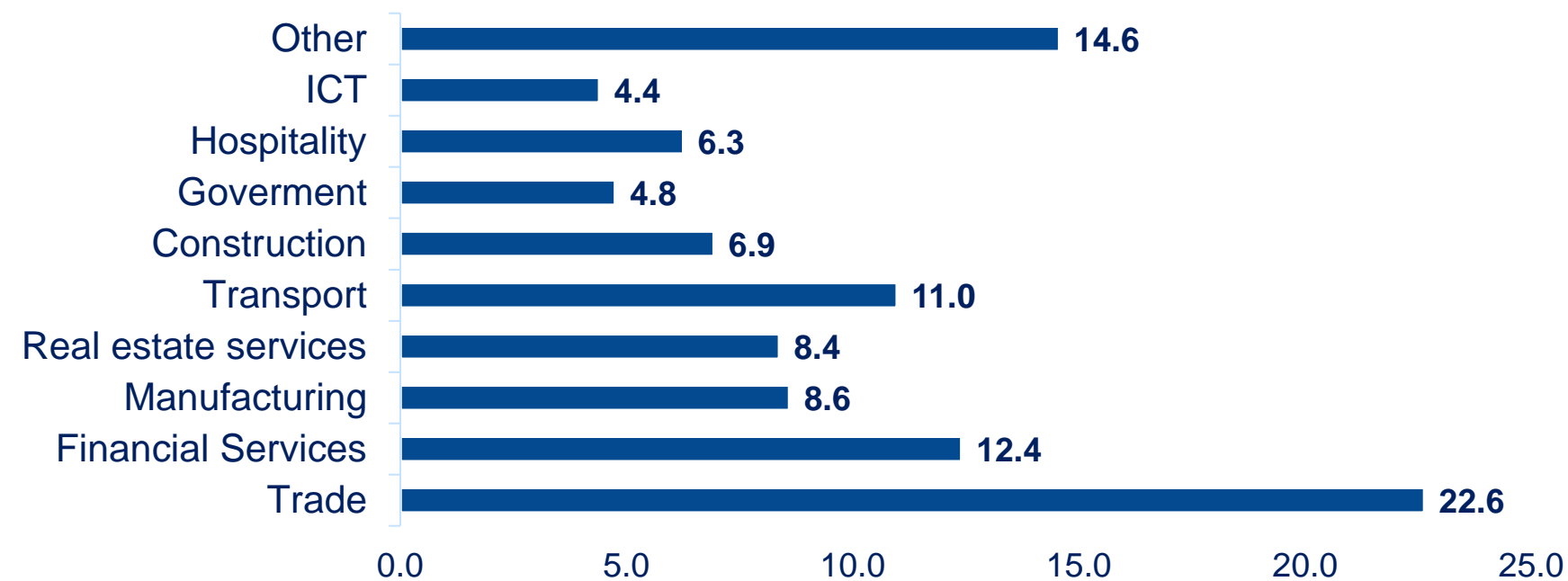
- The Dubai PMI rose to 56.4 in July, the highest reading since mid-2019
- Dubai tourism sector is expected to benefit from the Qatar World Cup
- ENBD Research expects UAE GDP to grow by 5.7% and the non-oil economy to grow by 4.0% in 2022
- Dubai's sale price for villas up 30% and apartments up 24% y/y in Q2-2022





# Dubai: Positioning for future growth

## Key contributors to Dubai GDP

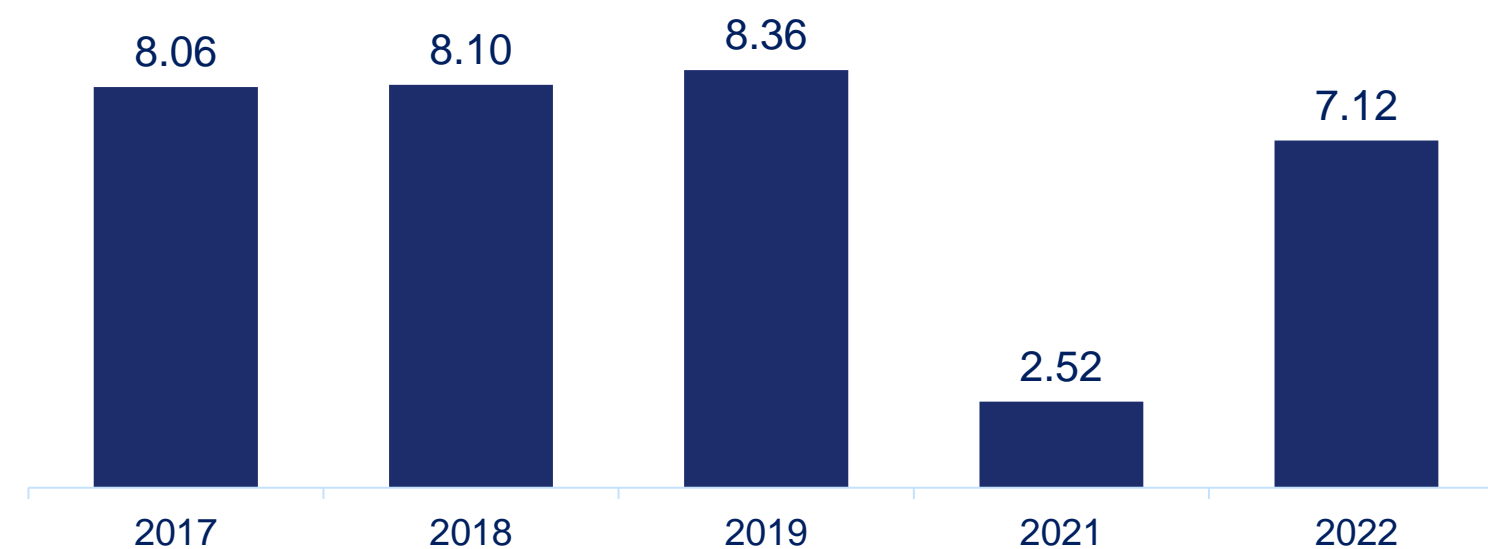


## Key Highlights

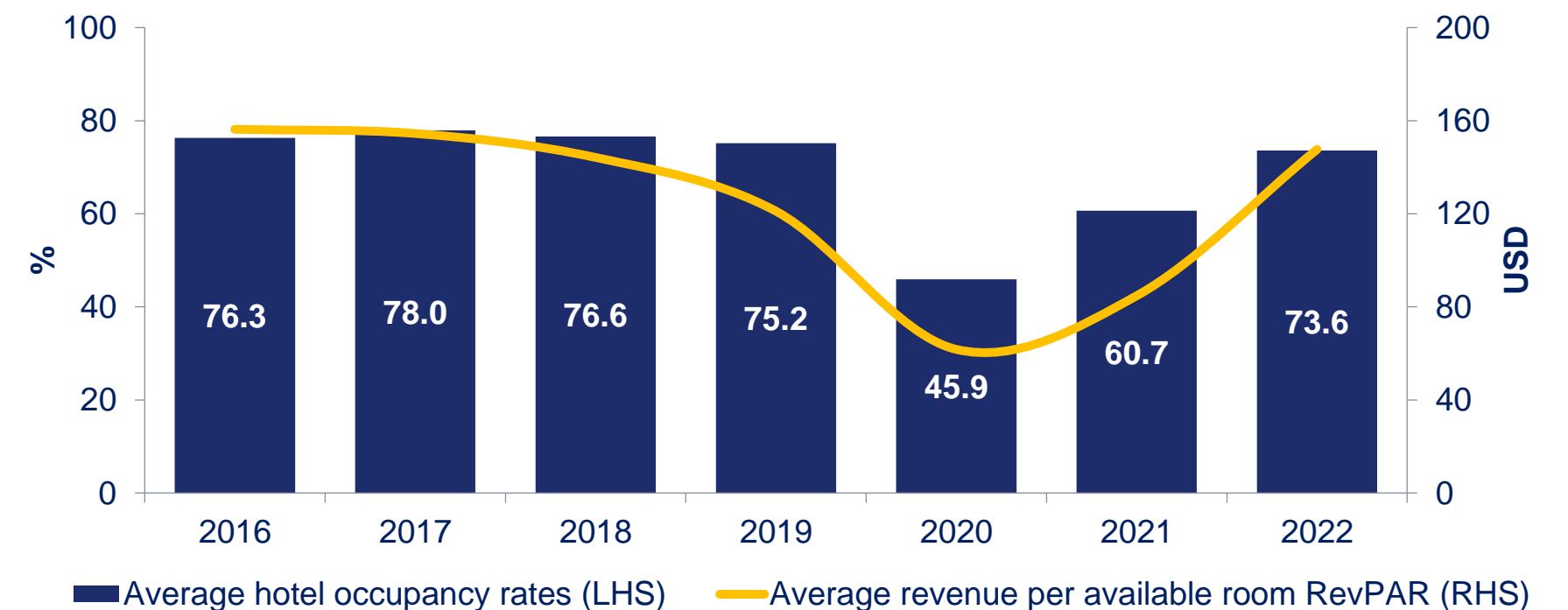
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## Visitors to Dubai

In million tourists



## Dubai occupancy rates and RevPAR



# Executive Summary 9M'22 Results



## Key Highlights



**Strong momentum continues** with 9M'22 profit up 25% to AED 9.1bn, almost at 2021 full-year profit level



Quarterly profit **exceeds \$1 billion** equivalent



Income **31% higher** driven by improved **loan & deposit mix** coupled with **higher interest rates**



**Strong new lending** from retail and corporate customers



**International** contributes **40%** of diversified income, with DenizBank delivering strong customer income growth



**Solid balance sheet** and **strong operating profit** remain core strengths of the Group

## Key Metrics and Guidance

Net Profit  
**AED 9.1bn**  
+25% y-o-y

CET 1  
**15.5%**

NIM  
**3.10%**  
2022 guidance: 3.20-3.30%

LCR  
**152.2%**

Cost to Income  
**28.2%**  
2022 guidance: Within 33%

Loan Growth  
**(1)% in 9M'22**  
2022 guidance: Low-single digit

NPL  
**5.8%**  
2022 guidance: < mid 6%

NPL Cover  
**142.6%**  
2022 CoR guidance: 100-125 bps

# Emirates NBD's profit rises 25% YoY to AED 9.1 bn on strong diversified income growth

Highlights

Income

Liquidity

Risk

Expenses

Capital

Divisional



Income Statement <i>All figures are in AED bn</i>	Emirates NBD			Emirates NBD Excluding DenizBank			DenizBank		
	9M'22	9M'21	Better / (Worse)	9M'22	9M'21	Better / (Worse)	9M'22	9M'21	Better / (Worse)
Net interest income	15.5	12.6	23%	10.6	8.6	23%	4.9	4.0	24%
Non-funded income	7.2	4.7	52%	4.7	3.8	24%	2.5	0.9	164%
<b>Total income</b>	<b>22.7</b>	<b>17.3</b>	<b>31%</b>	<b>15.3</b>	<b>12.4</b>	<b>23%</b>	<b>7.4</b>	<b>4.9</b>	<b>52%</b>
Operating expenses	(6.4)	(5.7)	(12)%	(4.7)	(4.0)	(16)%	(1.7)	(1.7)	(1)%
<b>Pre-impairment operating profit</b>	<b>16.3</b>	<b>11.6</b>	<b>41%</b>	<b>10.6</b>	<b>8.4</b>	<b>26%</b>	<b>5.7</b>	<b>3.2</b>	<b>78%</b>
Impairment allowances	(3.3)	(3.7)	12%	(2.4)	(2.4)	0%	(0.8)	(1.3)	35%
Tax and others	(1.5)	(0.6)	(168)%	(0.2)	(0.2)	(25)%	(1.3)	(0.4)	(221)%
<b>Profit after tax &amp; before hyperinflation</b>	<b>11.5</b>	<b>7.3</b>	<b>58%</b>	<b>8.0</b>	<b>5.8</b>	<b>38%</b>	<b>3.5</b>	<b>1.5</b>	<b>134%</b>
Hyperinflation adjustment	(2.4)	-	N/M	-	-	N/M	(2.4)	-	N/M
<b>Net profit</b>	<b>9.1</b>	<b>7.3</b>	<b>25%</b>	<b>8.0</b>	<b>5.8</b>	<b>38%</b>	<b>1.1</b>	<b>1.5</b>	<b>(25)%</b>
Cost: income ratio	28.2%	33.1%	(4.9)%	30.8%	32.6%	(1.8)%	22.8%	34.2%	(11.4)%
NIM	3.10%	2.51%	0.59%	2.53%	2.11%	0.42%	6.04%	4.28%	1.76%

## Key Highlights

- Group **profit up 25%** on strong diversified income growth
  - ENBD income higher from improving transaction volumes and increased margins
  - DenizBank income higher from increased lending, wider margins and hedging
- Lower provisions as **90bp** cost of risk for 9M'22 reflects **robust operating environment**
- AED 1.1 bn** net profit from **DenizBank** despite AED 2.4 bn hyperinflation adjustment
- Accelerating investment** in international growth and digital
- Higher NIMs** reflect rising interest rates and an improvement in DenizBank margins
- Strong new lending** to retail and corporates helping offset sovereign repayments

# Quarterly profits exceed US\$ 1bn equivalent

Highlights

Income

Liquidity

Risk

Expenses

Capital

Divisional



## Income Statement

All figures are in AED bn

	Q3-22	Q3-21	Better / (Worse)	Q2-22	Better / (Worse)
Net interest income	6.1	4.4	37%	5.1	18%
Non-funded income	2.4	1.3	83%	2.7	-9%
<b>Total income</b>	<b>8.5</b>	<b>5.8</b>	<b>47%</b>	<b>7.8</b>	<b>9%</b>
Operating expenses	(2.3)	(2.0)	(19)%	(2.1)	(12)%
<b>Pre-impairment operating profit</b>	<b>6.2</b>	<b>3.8</b>	<b>62%</b>	<b>5.7</b>	<b>8%</b>
Impairment allowances	(1.4)	(1.1)	(25)%	(0.5)	(199)%
Tax and others	(0.5)	(0.2)	(141)%	(0.7)	37%
<b>Profit after tax and before hyperinflation</b>	<b>4.3</b>	<b>2.5</b>	<b>72%</b>	<b>4.5</b>	<b>(4)%</b>
Hyperinflation adjustment	(0.5)	0.0	n/m	(1.0)	47%
<b>Net profit</b>	<b>3.8</b>	<b>2.5</b>	<b>51%</b>	<b>3.5</b>	<b>8%</b>
Cost: income ratio	27.4%	34.0%	6.6%	26.7%	(0.7)%
NIM	3.57%	2.65%	0.92%	3.09%	0.48%

## Balance Sheet

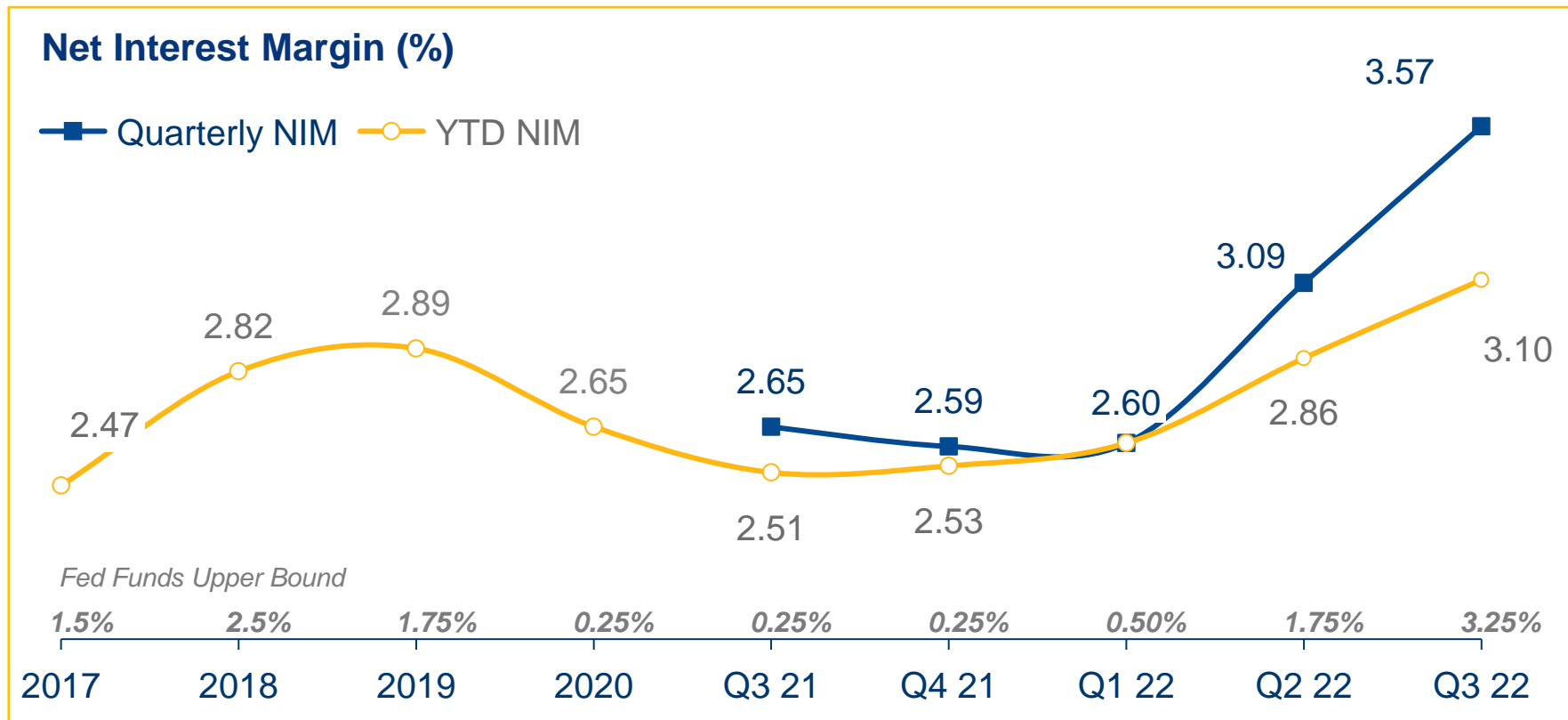
All figures are in AED bn

	30-Sep-22	31-Dec-21	Inc / (Dec)	30-Jun-22	Inc / (Dec)
Total assets	721	687	5%	711	1%
Loans	419	422	(1)%	425	(1)%
Deposits	481	456	5%	468	3%
CET-1 (%)	15.5%	15.1%	0.4%	15.0%	0.1%
LCR (%)	152.2%	177.6%	(25.4)%	154.8%	(2.6)%
NPL ratio (%)	5.8%	6.3%	(0.5)%	6.1%	(0.3)%

## Key Highlights

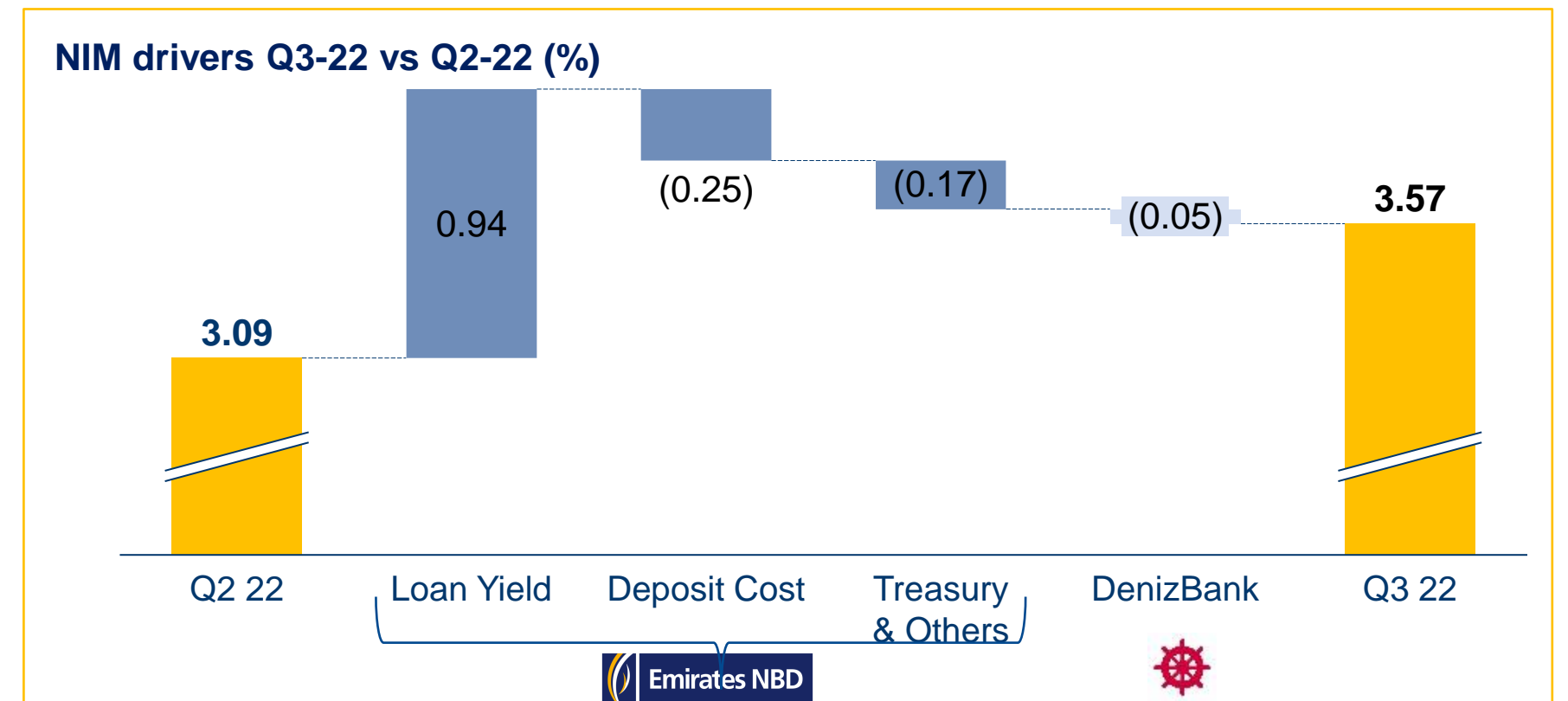
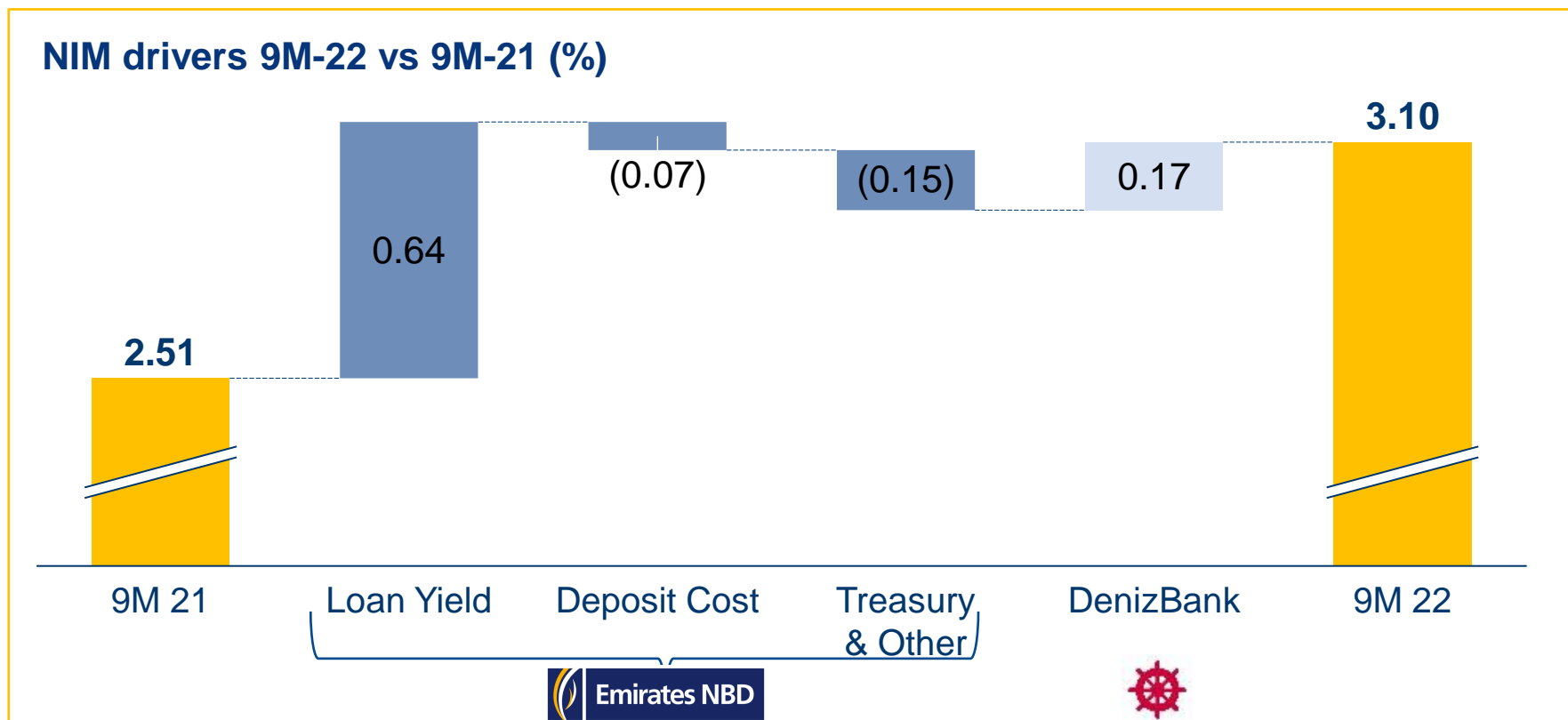
- Strong Q3-22 with **net profit** exceeding **US\$1 bn** equivalent, an increase of **51% y-o-y** on higher income
- Net interest income up **37% y-o-y** on improved loan & deposit mix
  - Higher interest rates feeding through to margins
  - Strong new lending growth
- Non-funded income up **83% y-o-y** from increased transaction activity
  - Increased local and international card transactions
  - Growth in client flow FX & Derivative transaction income
- Expenses well controlled in Q3-22 with positive jaws
  - Group accelerating investment in international and digital
- Q3-22 cost of risk **111 bps** within guidance
- Healthy new lending on continued strong retail and renewed corporate lending demand
- Group maintains strong Capital and Liquidity with coverage ratio highest amongst regional peers

# NIMs trending towards top end of guidance



## Key Highlights

- 9M'22 NIM improved 59 bps y-o-y due to rate rises and improving DenizBank NIMs
- Q3-22 NIM up 48 bps q-o-q on ENBD's improved loan and deposit mix
  - Loan yields up 94 bps on higher retail balances and rising interest rates as 3m EIBOR increased 85bp in Q2 and 168bp Q3
  - DenizBank margins stable in Q3 as impact of new regulations designed to encourage lower lending rates begin to take affect





# Non-funded Income



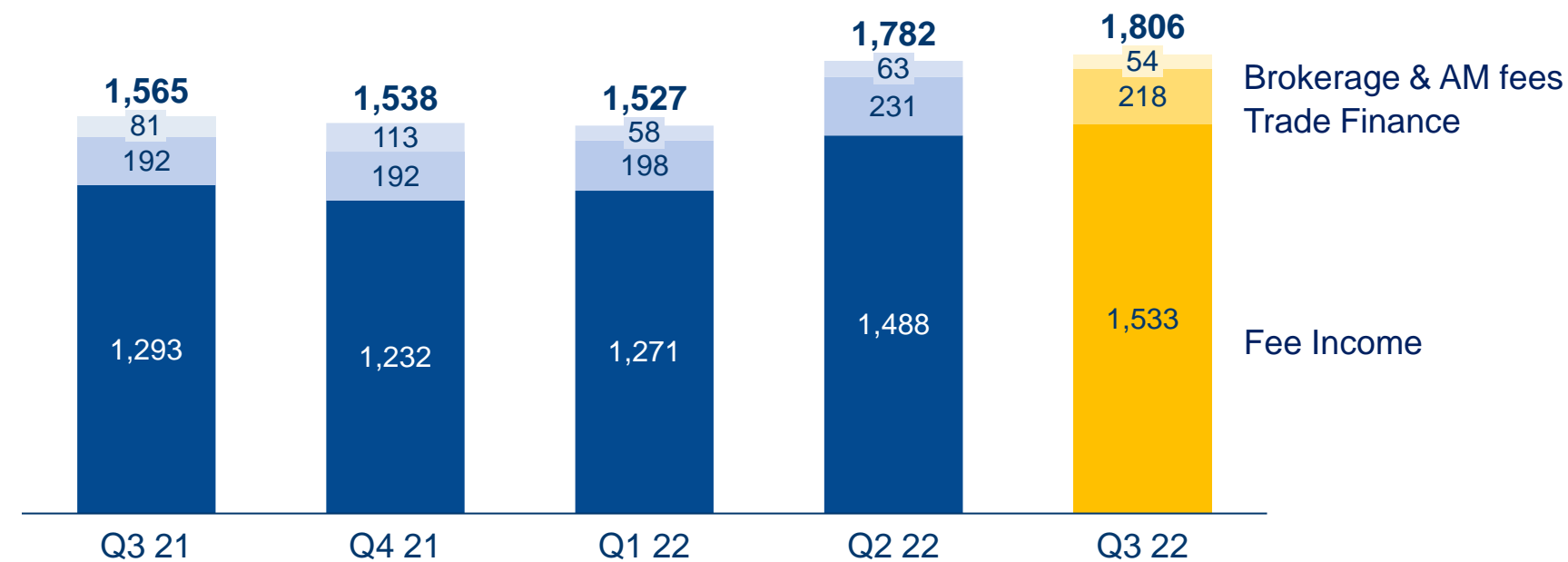
Non-funded income <i>All figures are in AED mn</i>	Q3-22	Q3-21	Better / (Worse)	Q2-22	Better / (Worse)
<b>Fee and Commission income</b>	<b>1,806</b>	<b>1,565</b>	<b>15%</b>	<b>1,782</b>	<b>1%</b>
Fee and Commission expense	(744)	(654)	(14)%	(714)	(4)%
<b>Net Fee and Commission Income</b>	<b>1,062</b>	<b>911</b>	<b>17%</b>	<b>1,068</b>	<b>(1)%</b>
Other operating income	1,388	379	266%	1,552	(11)%
Gain / loss on trading securities	(45)	23	(296)%	32	(242)%
<b>Total Non-funded income</b>	<b>2,404</b>	<b>1,313</b>	<b>83%</b>	<b>2,652</b>	<b>(9)%</b>

## Key Highlights

- Q3-22 fee and commission income 15% higher y-o-y from increased local and international retail card business at both ENBD and DenizBank and strong investment banking revenue
- Other operating income up substantially y-o-y due to
  - Higher retail FX volumes as customers took advantage of strong dollar and increased remittance
- Other operating income 11% lower q-o-q due to higher level of property gains in Q2 compared to Q3

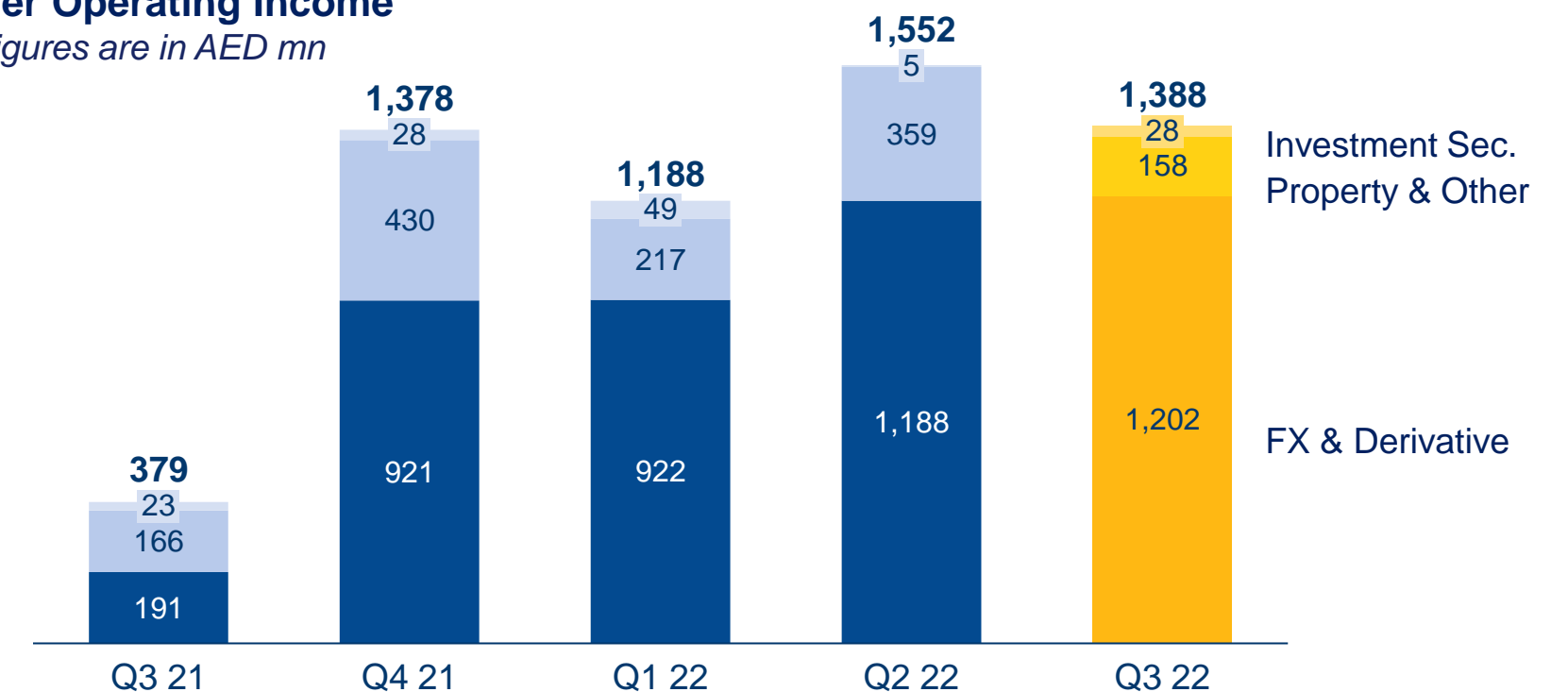
## Fee and Commission Income

*All figures are in AED mn*



## Other Operating Income

*All figures are in AED mn*

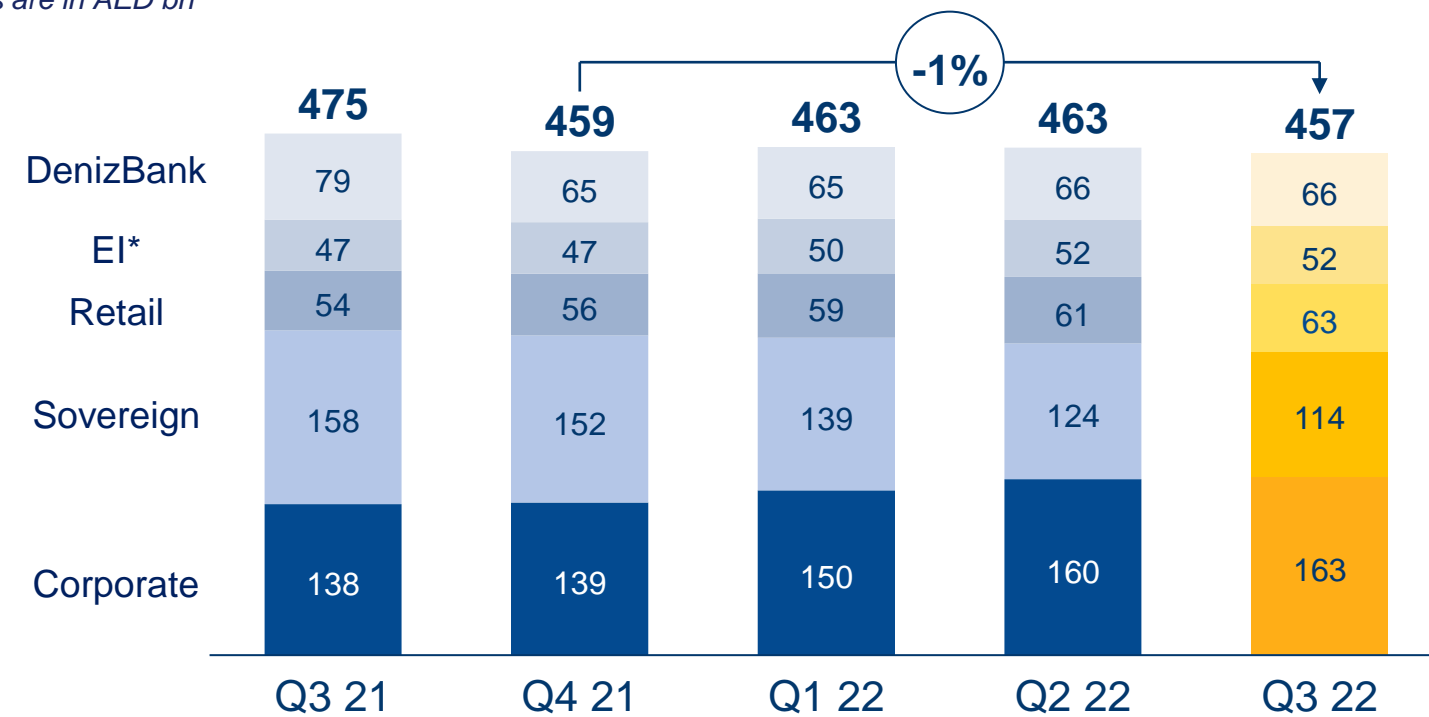


# Improving loans and deposit mix



## Gross Loans by Type

All figures are in AED bn

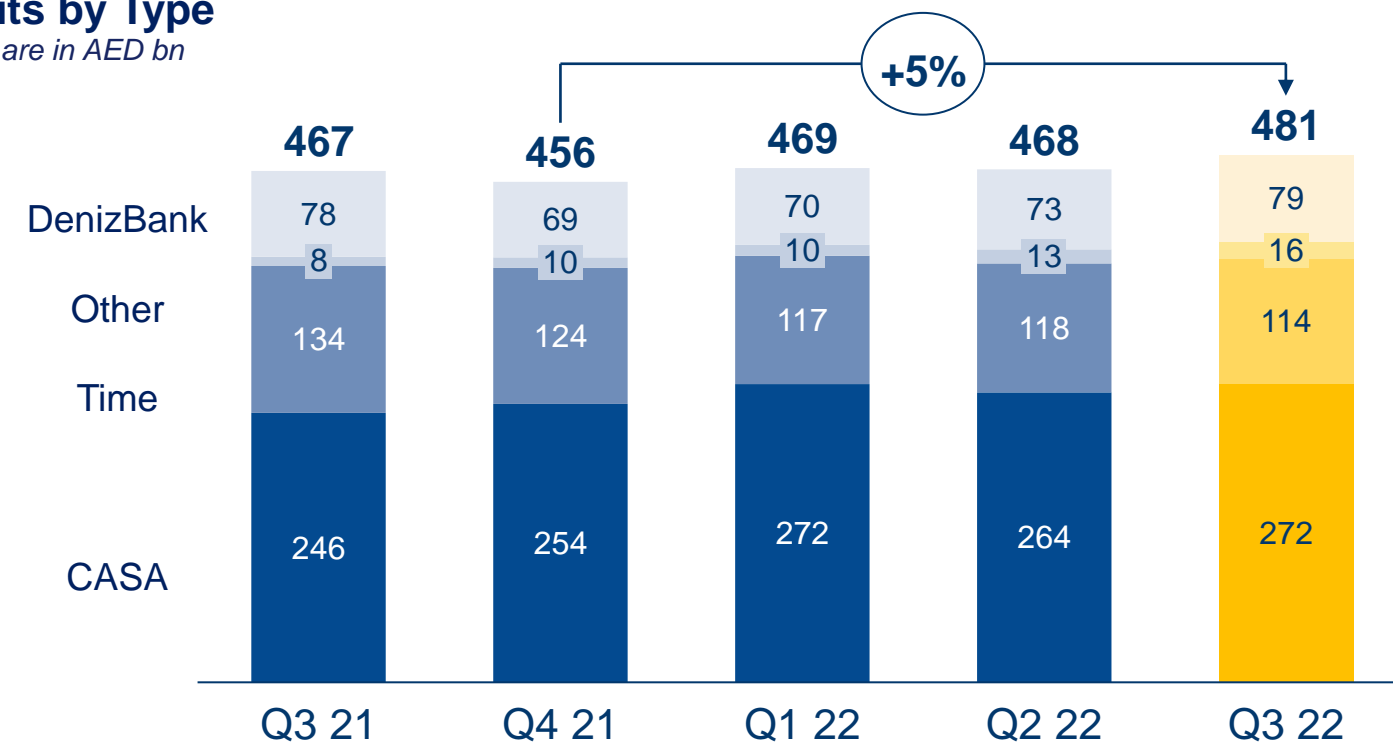


## Key Highlights

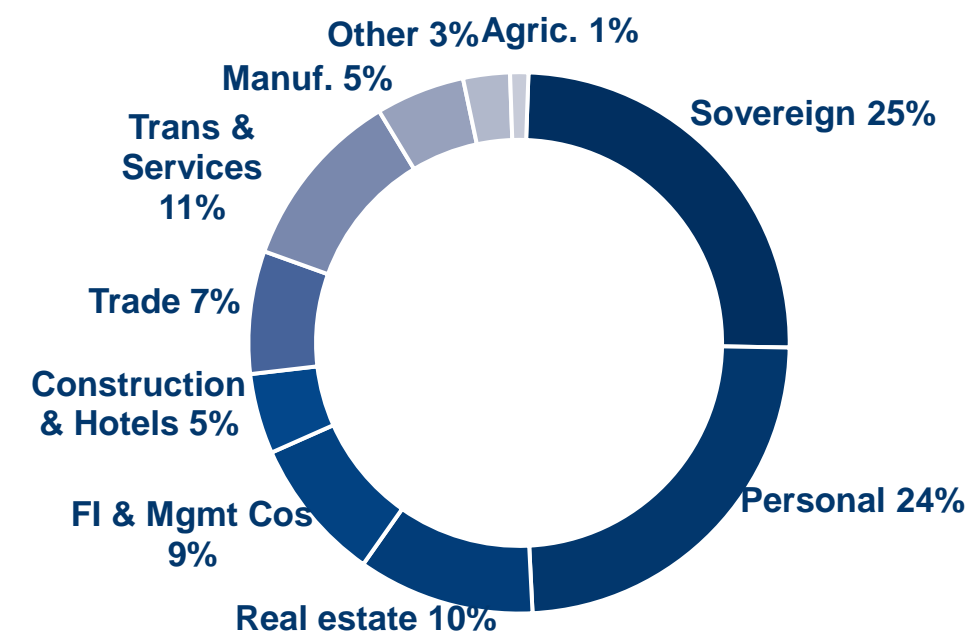
- Gross lending ex. Sovereign grew up 12% (AED 36 bn) in 9M'22
  - Retail lending up 13% (AED 7 bn) with strong demand across all products
  - Corporate lending ex. Sovereign up 17% (AED 24 bn)
  - EI Financing and Receivables up 11% (AED 5 bn)
  - DenizBank's gross loans up 2%, after FX
- Deposit mix improved in 9M'22 with AED 18bn increase in CASA balance despite rising interest rates reflecting strong liquidity
  - CASA represents 63% of total Group deposits
  - DenizBank's deposits up 59% in 9M'22 in local currency

## Deposits by Type

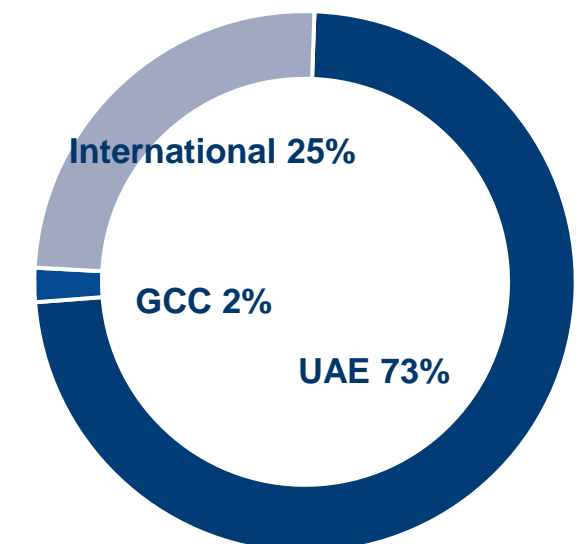
All figures are in AED bn



## Gross Loans by Sector (%)



## Net Loans by Geography (%)

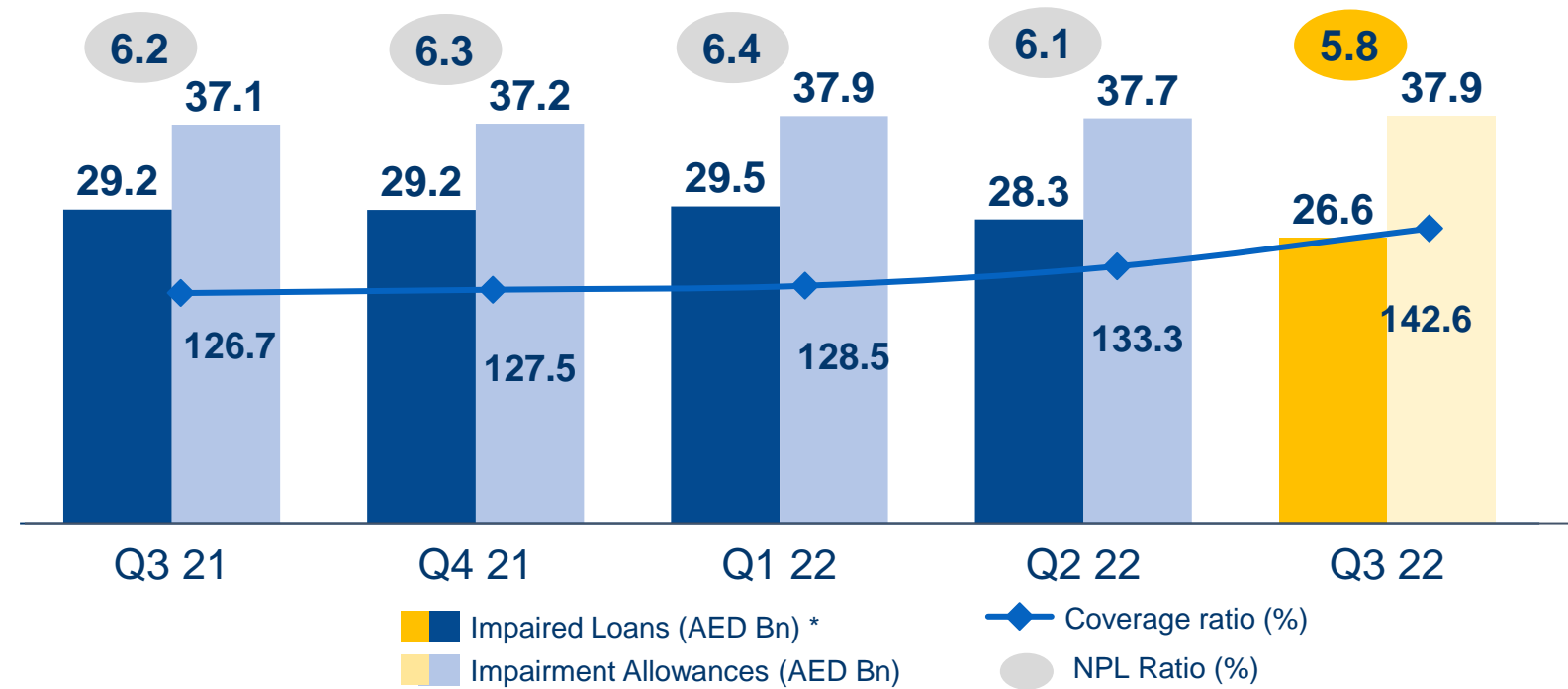


\* Gross Islamic Financing Net of Deferred Income

# Credit quality improving with market leading coverage



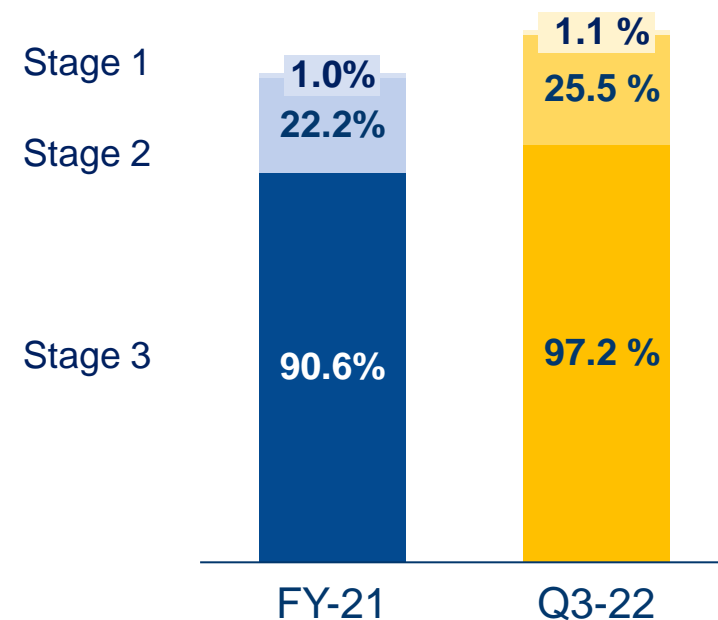
## Impaired loans and allowances



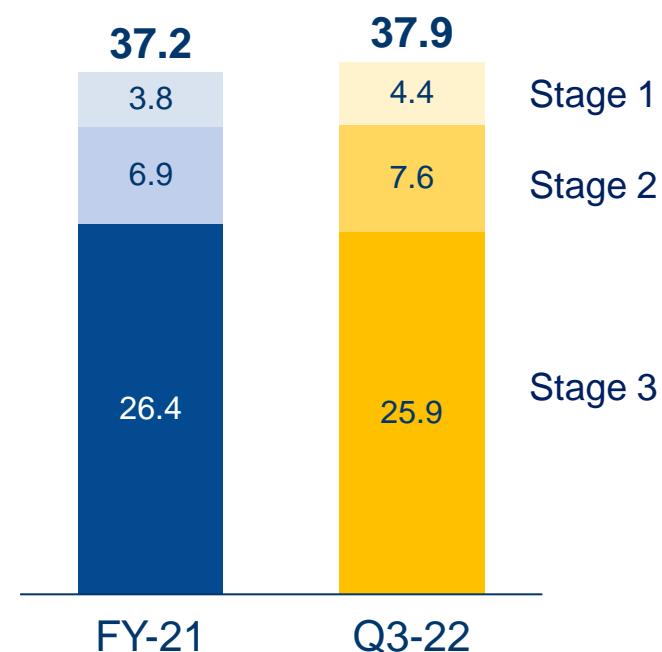
## Key Highlights

- NPL ratio improved by 0.3% to 5.8% in Q3-22 on continued strong writebacks and recoveries
- Coverage ratio strengthened 9.3% to 142.6% in Q3-22
  - S3 coverage increased to 97.2% as writeback and recoveries reduced impaired loan balances
  - S2 coverage increased due to a movement in MEV assumptions
- Strong coverage maintained as higher interest rates may create challenges in future quarters
- 90 bps cost of risk for 9M'22 better than guidance at this point

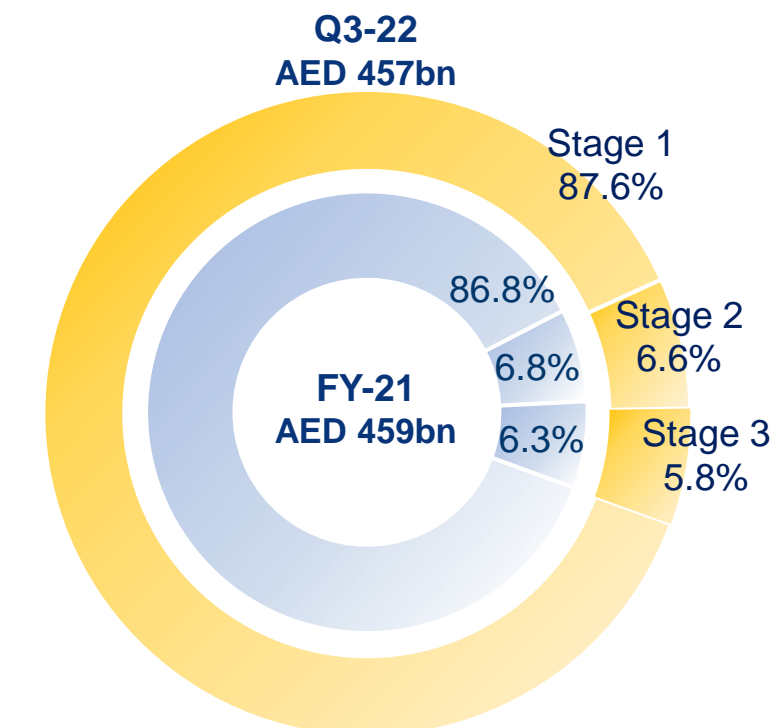
## Coverage by Stage\*



## Stagewise ECL (AED bn)



## Total Gross Loans

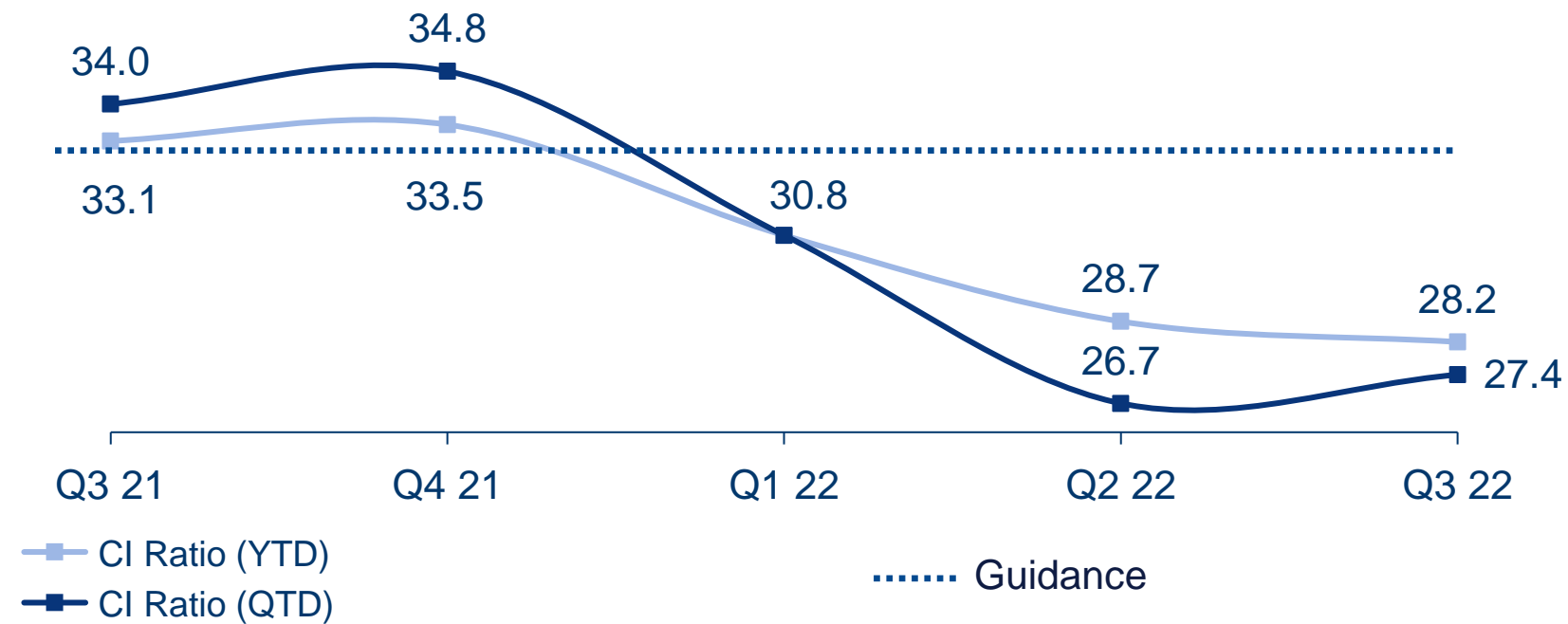


\* Includes purchase originated credit impaired loans of AED 0.8 bn (Dec-21: AED 1bn) acquired at fair value / \*\*Stage 3 coverage adjusted for POCI acquired at FV

# Operating Expenses



## Cost to Income Ratio (%)

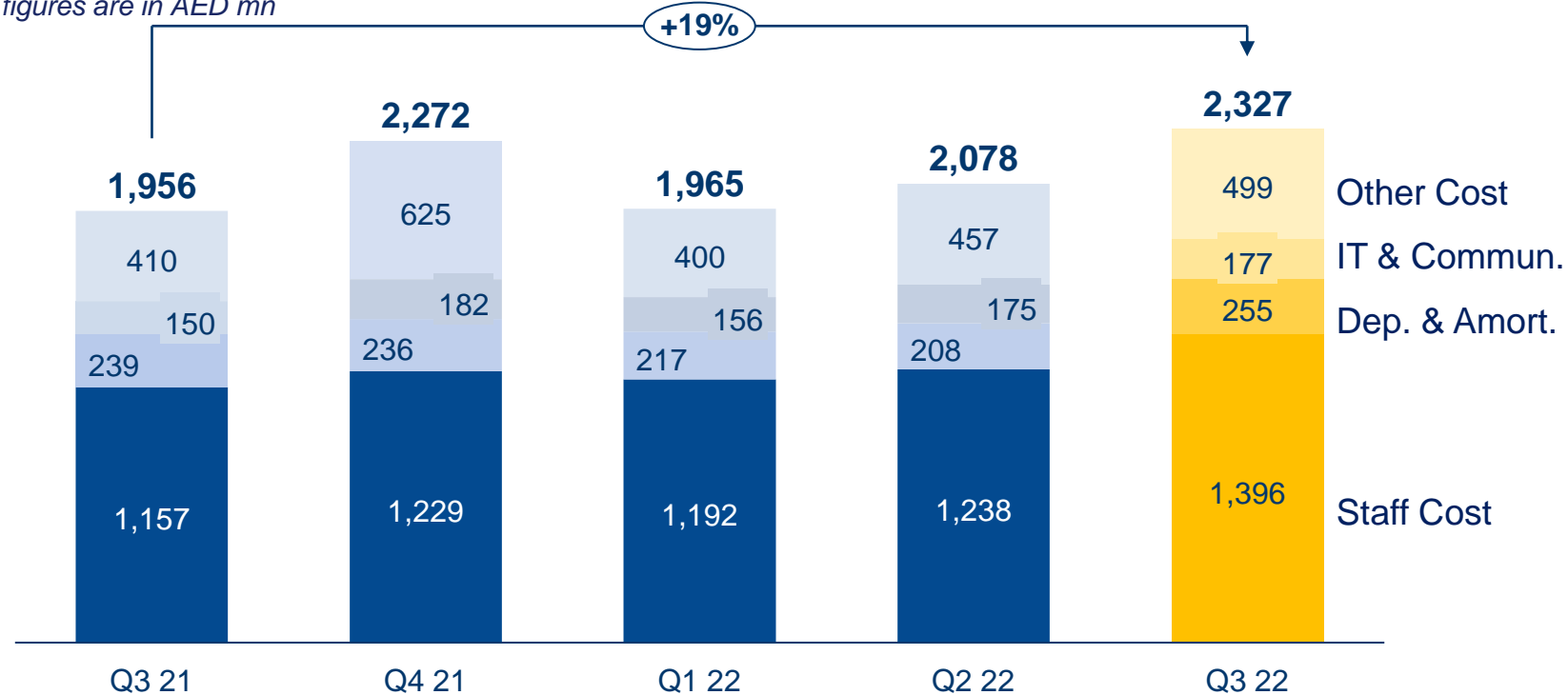


## Key Highlights

- 9M'22 cost to income ratio at 28.2% within guidance reflecting stronger income enabling accelerated investment for growth
- Staff costs increased y-o-y on incentives to drive underlying earnings and investment in human capital for future growth in digital and international
- Higher depreciation and amortization costs reflect increased investment in digital platform

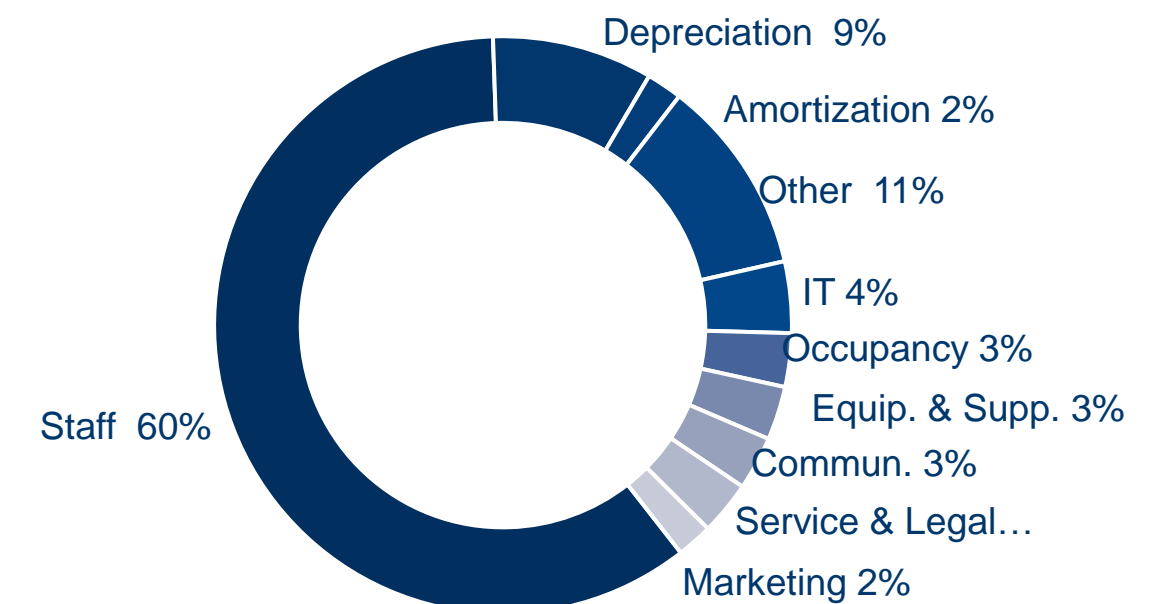
## Operating expenses trends

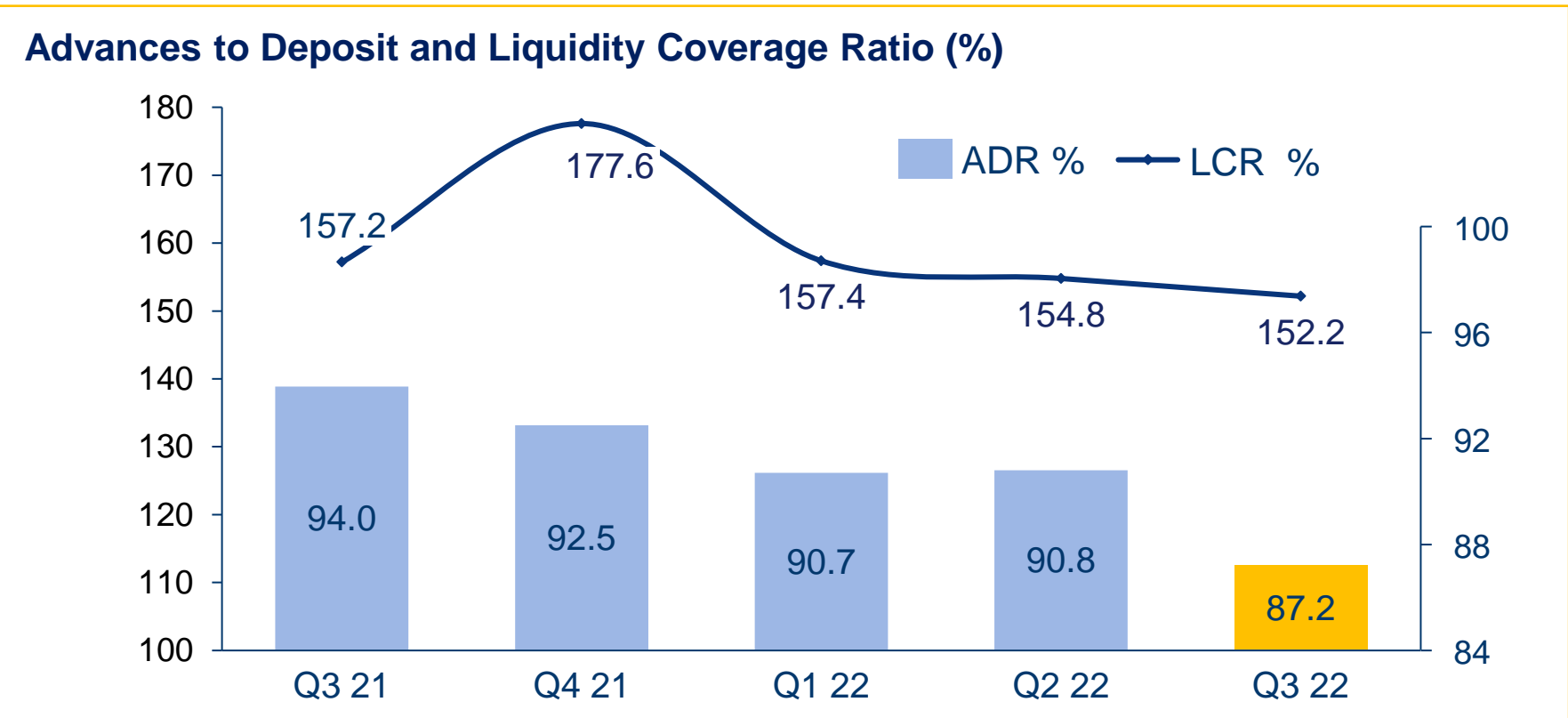
All figures are in AED mn



## Operating expenses composition (%)

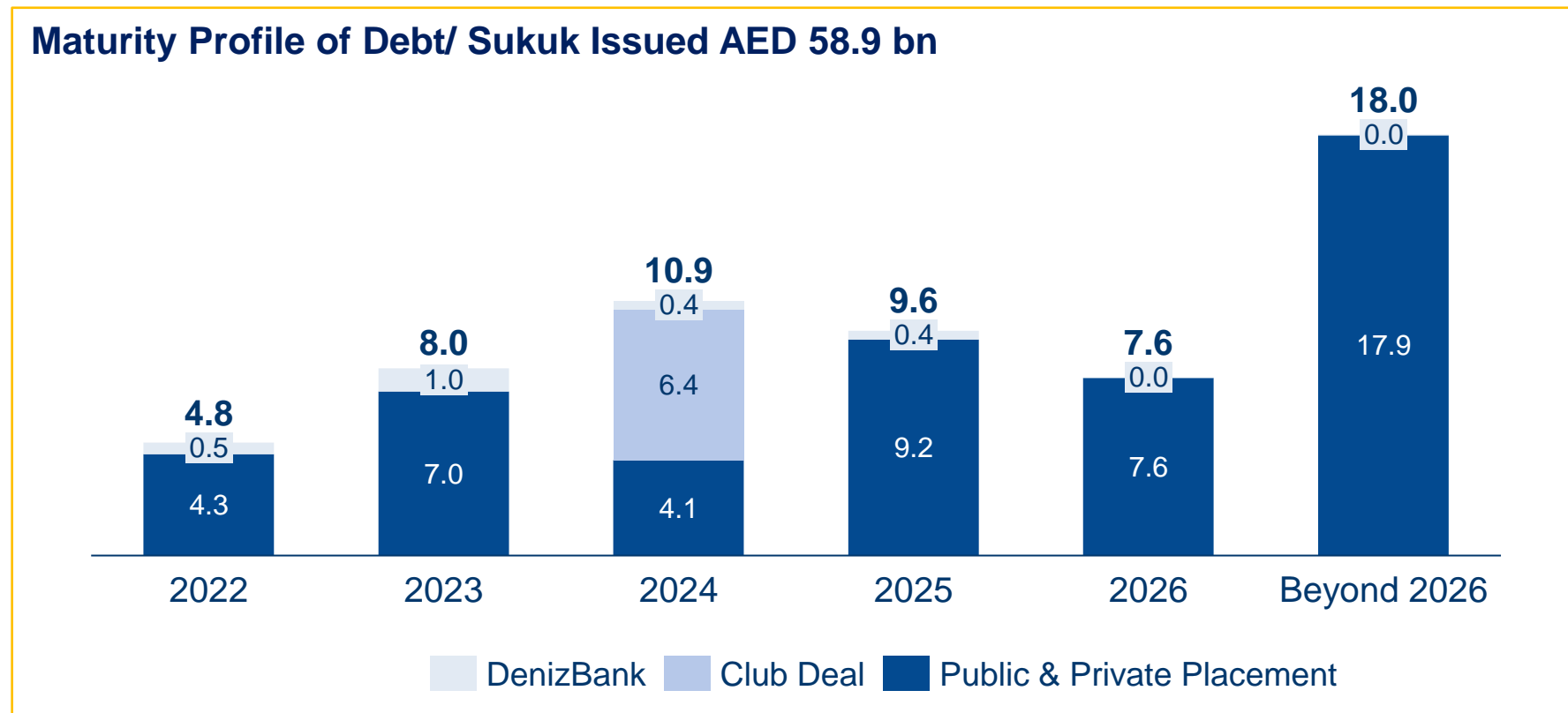
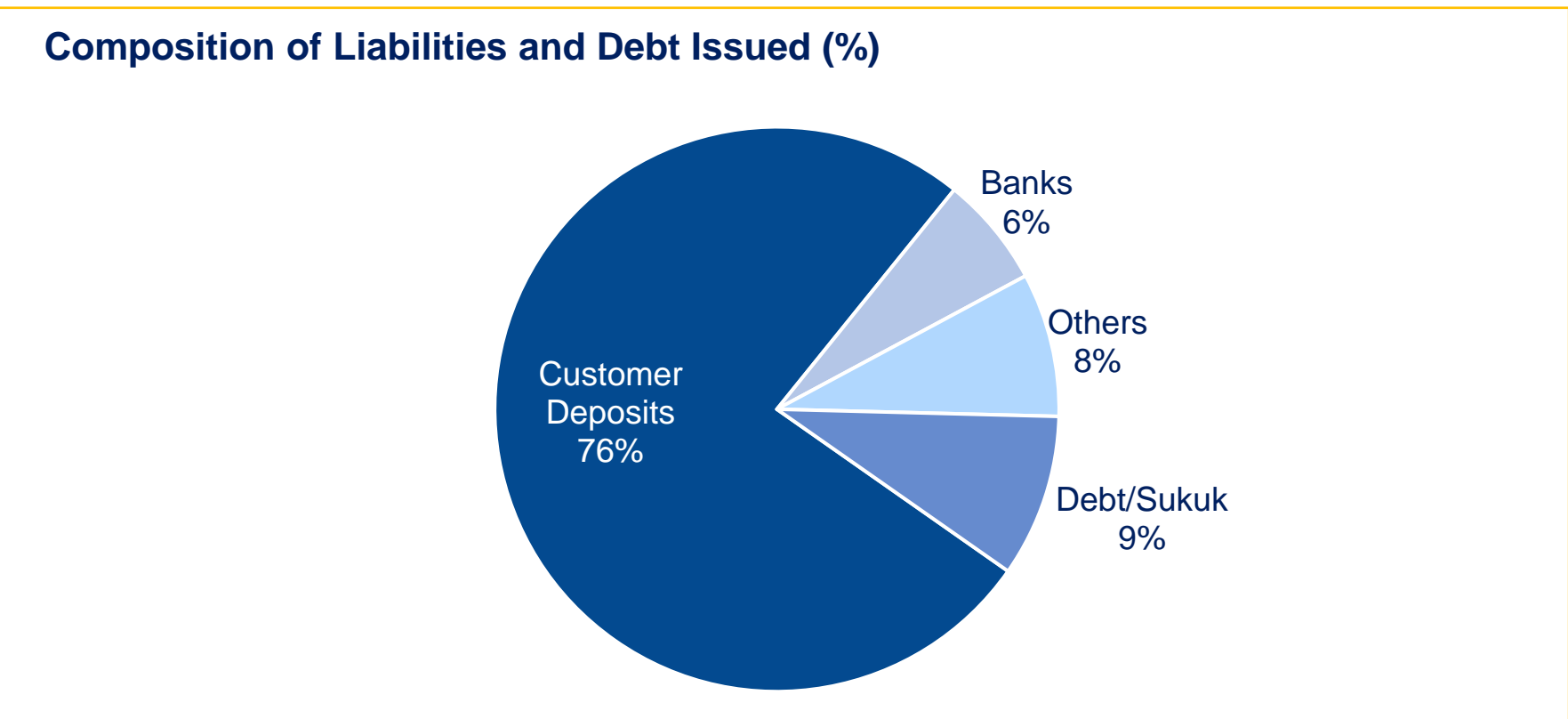
Breakdown as of Q3-22





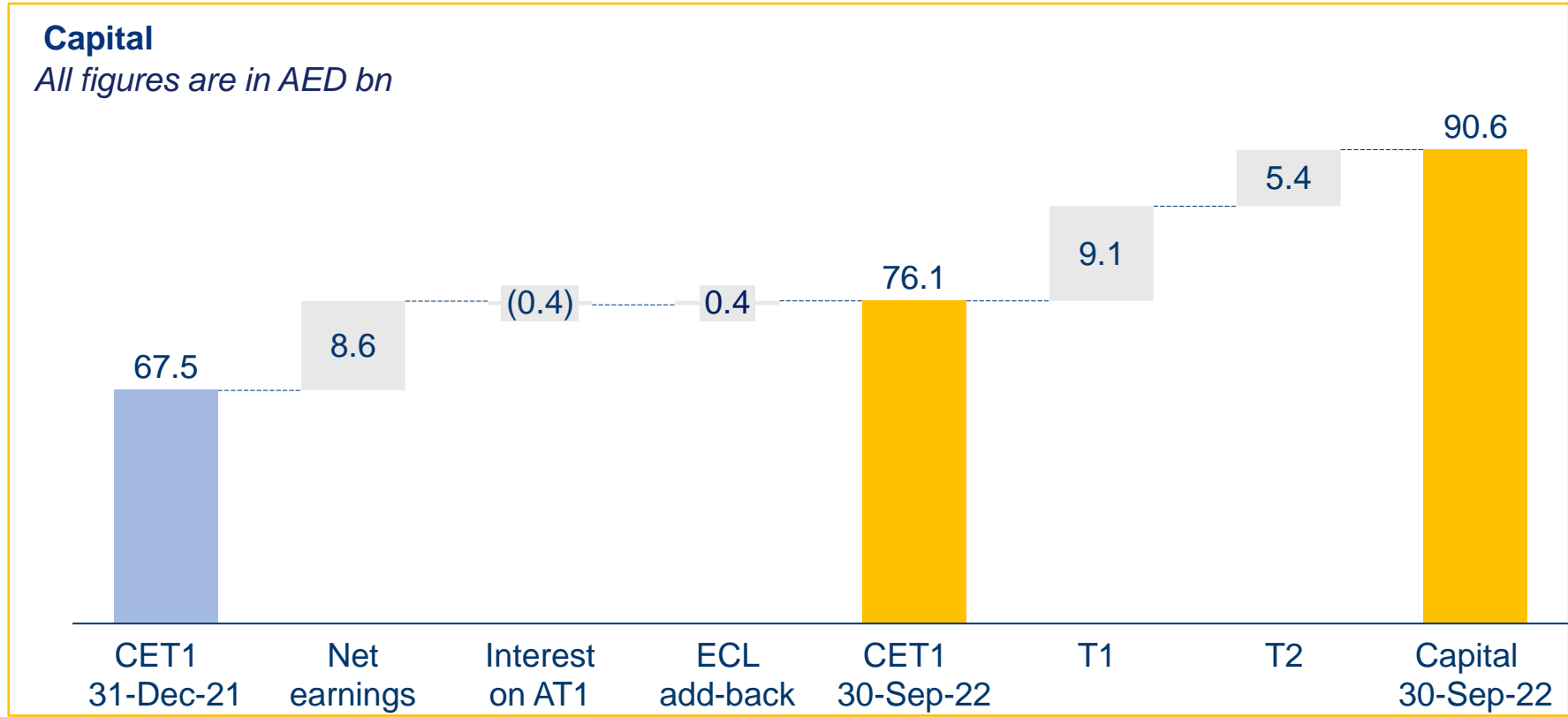
## Key Highlights

- LCR of 152.2% and ADR of 87.2% demonstrate healthy liquidity
- Liquid assets\* of AED 65 billion cover 10% of total liabilities, 14% of deposits
- AED 4.6 bn of term debt issued in 9M'22
- Emirates NBD successfully issued a US\$ 500m (AED 1.8 bn) 5-year benchmark bond in October despite challenging market conditions
- AED 4.8 bn maturities for remainder of 2022 covered through excess issuance in 2020 and 2021



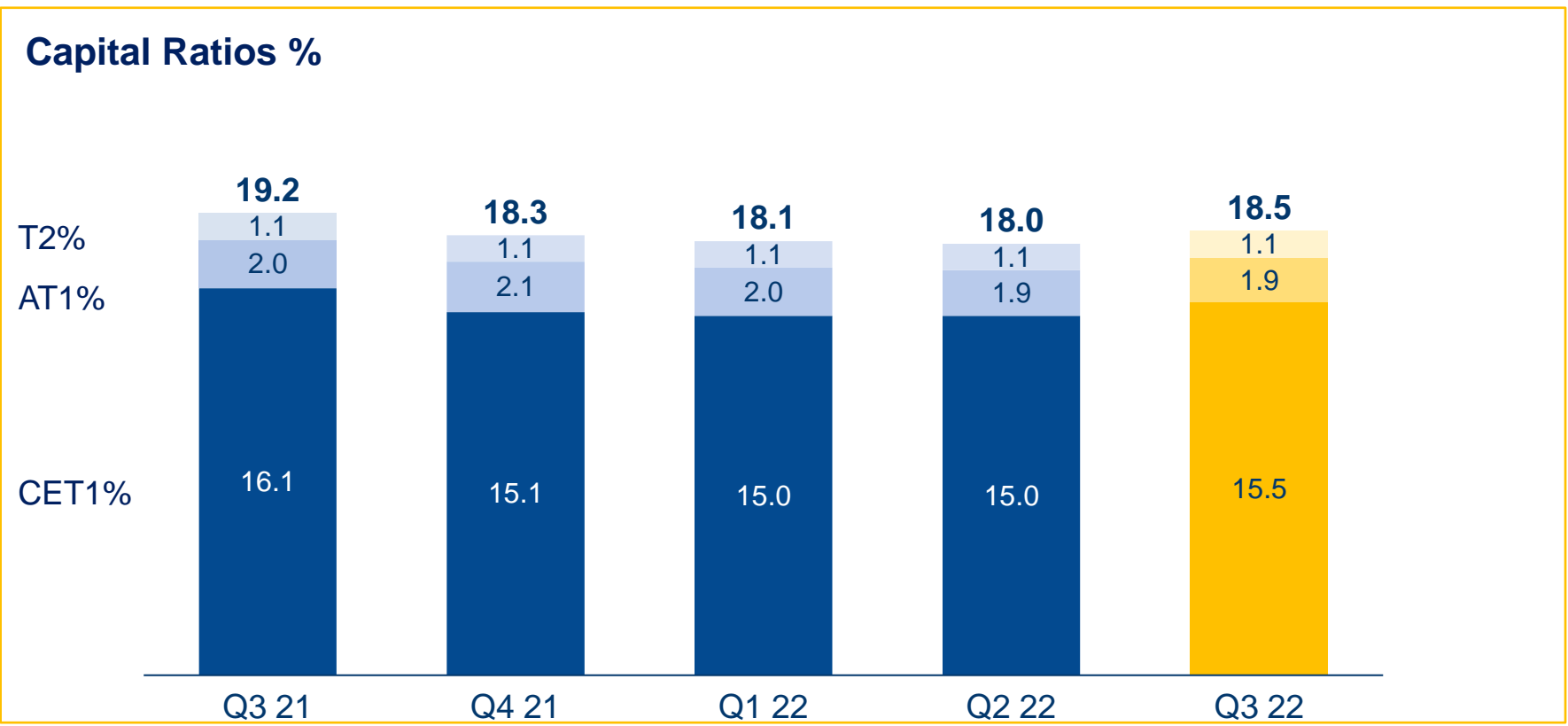
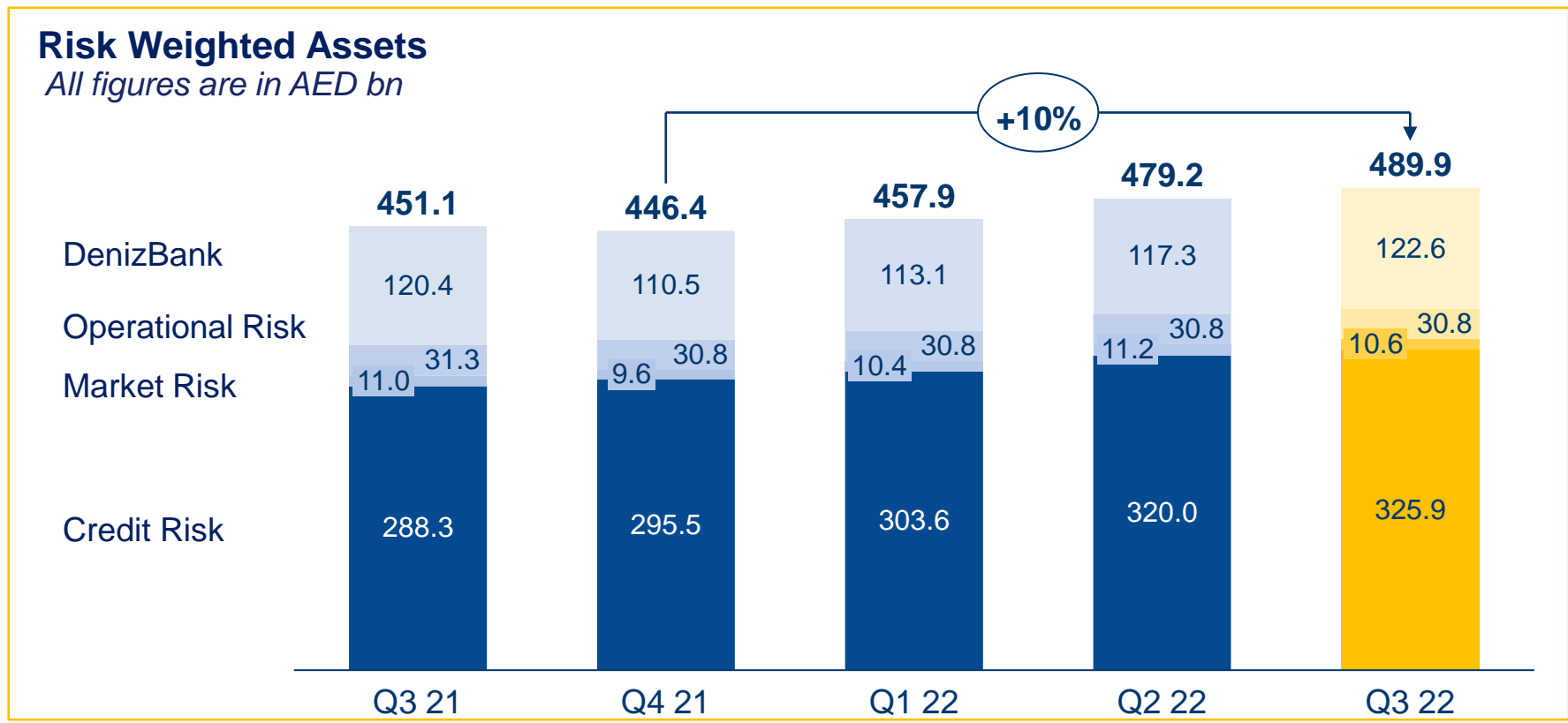
\* Includes cash and deposits with Central Banks, excludes interbank balances and liquid investment securities

# Capital Adequacy



## Key Highlights

- CET-1 ratio improved by 0.4% to 15.5% during 2022 as
  - AED 8.6 bn of net earnings more than offset
  - 10% increase in RWAs on the back of growth in retail and corporate lending
- Capital ratios well above 11% / 12.5% / 14.5% CBUAE min. requirement
- CET-1 at 15.0% excluding ECL regulatory add-back
- IAS 29 hyperinflation adjustment is capital neutral



# Divisional Performance



Operating Segment	Metrics	9M'22	Increase/ (Decrease)	
Retail Banking and Wealth Management	Income (mn)	7,312		22%
	Expense (mn)	1,923		19%
	Profit (mn)	4,700		23%
	Loans (bn)	60		12%
	Deposits (bn)	199		11%
Corporate and Institutional Banking	Income (mn)	4,097	(5)%	
	Expense (mn)	419		1%
	Profit (mn)	2,396		1%
	Loans (bn)	248	(6)%	
	Deposits (bn)	148	(8)%	
Emirates Islamic	Income (mn)	2,185		22%
	Expense (mn)	987		22%
	Profit (mn)	1,054		31%
	Loans (bn)	48		12%
	Deposits (bn)	55		16%
Global Markets and Treasury	Income (mn)	973		>100%
	Expense (mn)	118		1%
	Profit (mn)	795		>100%
DenizBank	Income (mn)	7,424		52%
	Expense (mn)	1,702		1%
	Profit (mn)	1,139	(25)%	
	Loans (bn)	63		3%
	Deposits (bn)	79		15%

## Key Highlights

### Retail Banking and Wealth Management

- Lending increased by AED 6.5 bn, whilst CASA grew by a record AED 20 bn in first nine months of 2022
- Launched the Emirates NBD Etihad Guest Credit Card offering one of the highest Etihad Guest earning and reward opportunities in the market as well as a 5-year strategic partnership with RSA Middle East covering general insurance products
- Successfully launched a series of UAE Strategic Investment Funds supporting investments into IPOs in UAE
- Extended tablet banking to credit cards allowing customers to apply for bundled products, and get instant credit decisioning
- Launched DEWA, TECOM and Salik IPO portal on the Emirates NBD website with real time direct integration with DFM for new investors

### Corporate and Institutional Banking

- Launched state-of-the-art fully digital platform to manage end-to-end IPO subscription website offering real-time on-boarding
- Implemented cutting-edge new platform for business ONLINE
- Net Profit is 1% higher on lower impairment allowances and higher fee income as increased equity capital market activity offset lower debt capital market volumes
- Strong growth in new lending offset substantial contractual repayments

### Emirates Islamic

- Net profit up 31% y-o-y to AED 1,054m on higher income and lower provisions
- Customer financing at AED 47.8bn, increased 12% from 2021, and customer deposits increased 16% in Q3-22 with CASA now 77% of total deposits

### Global Markets and Treasury

- Income grew 136% y-o-y in 9M'22 due to higher net interest income from balance sheet positioning, hedges and an increase in banking book investment income
- Non funded income 69% higher on strong Rates, Credit and FX Trading performance
- International Treasury functions grew revenue by 75% y-o-y
- Robust client FX flows with revenue increasing by 70% during 9M'22

### DenizBank

- Income up by AED 2.5 billion (52%) and Impairment allowances AED 0.5 billion lower on strong writebacks and recoveries helping offset AED 2.4 billion hyperinflation adjustment



# APPENDIX

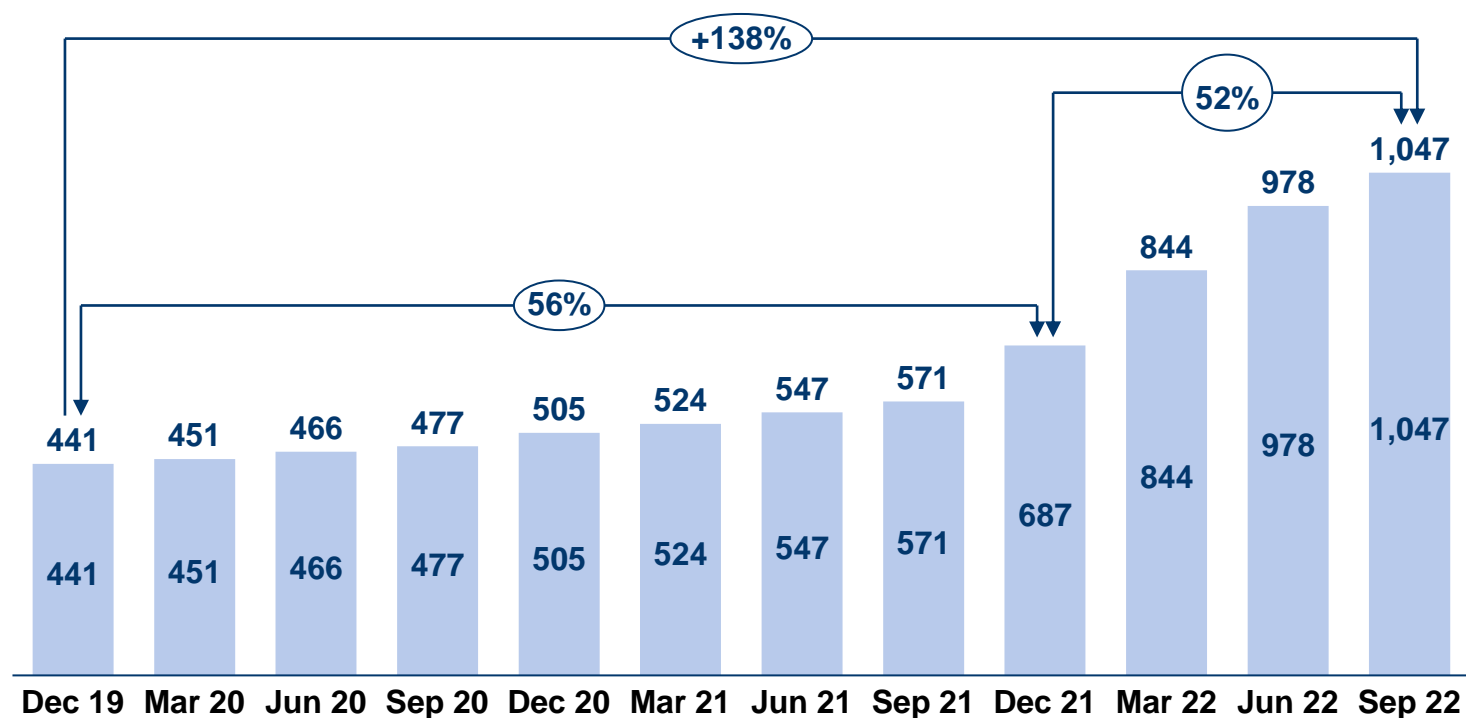
**“CREATE  
OPPORTUNITIES  
TO PROSPER”**



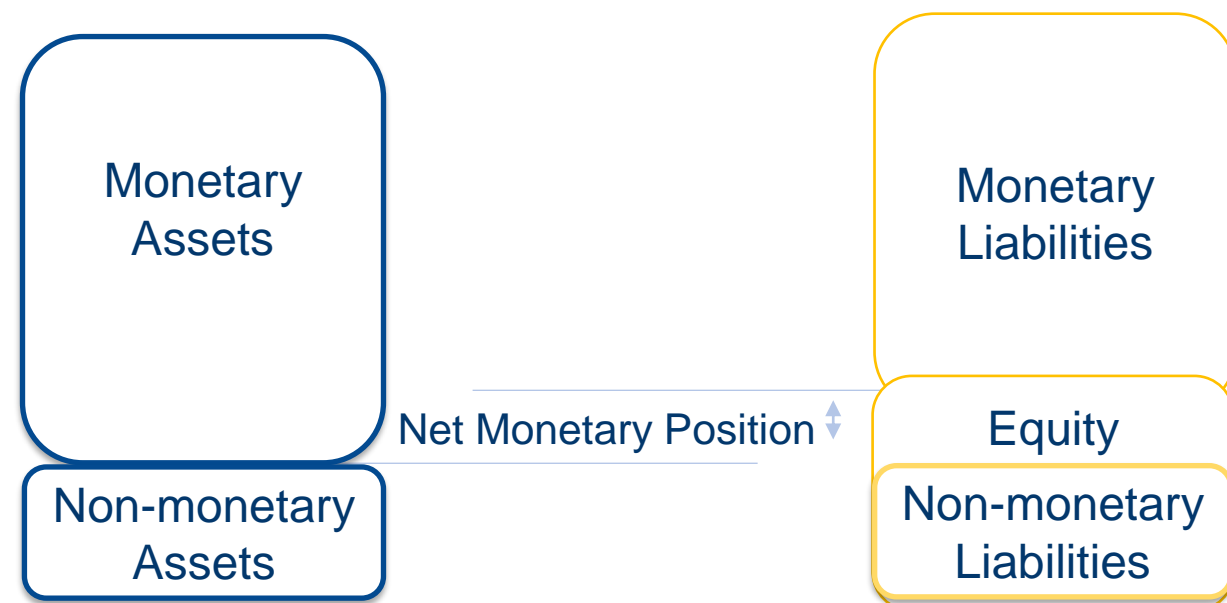


# Hyperinflation

Türkiye Consumer Price Index

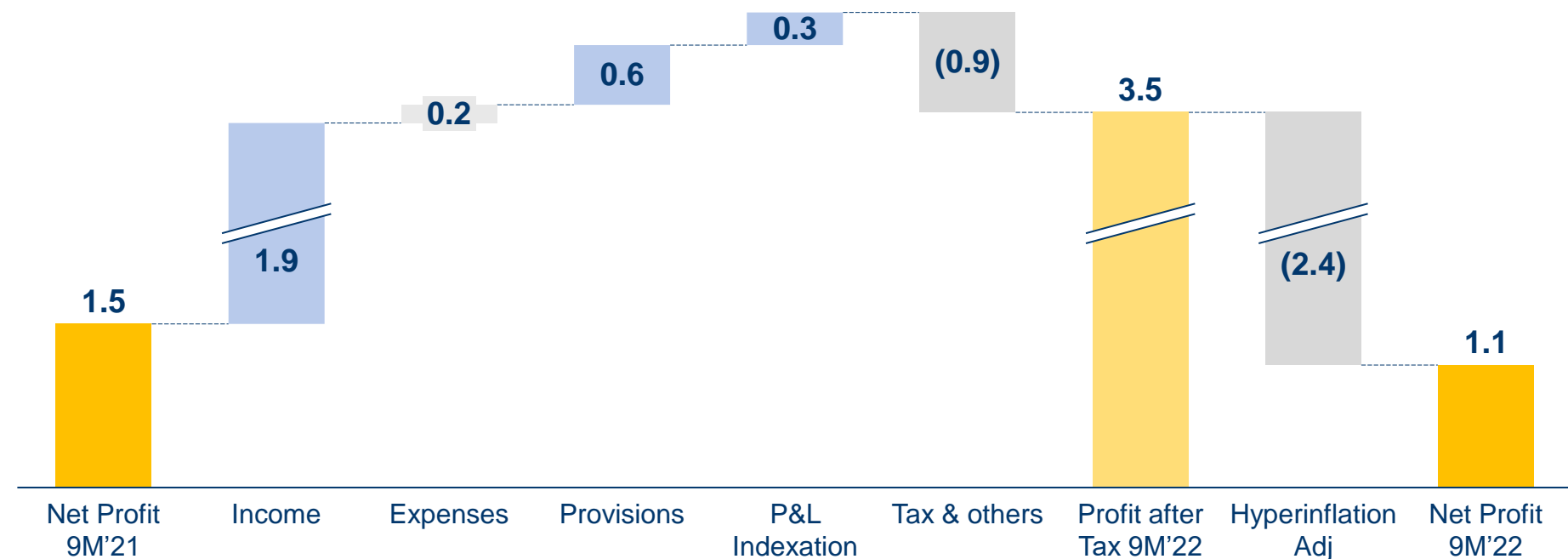


- Turkish CPI grew by 138% over preceding three-years and by 52% in 9M'22
- DenizBank's results and financial position included within ENBD's consolidated Financial Statements are adjusted with effect from 1-Jan-22



## Key Highlights

- Loss on net monetary position for DenizBank was AED 2.4 bn for 9M'22
- AED 2.4 bn debit P&L charge with corresponding credit offset to OCI making it capital neutral



- AED 0.6 bn credit to equity representing the impact of indexing non-monetary items from date of acquisition until 31-Dec-21
- The positive impact on capital of 20 bps from hyperinflation adjustment is excluded from capital adequacy computations
- EPS for 9M'22, excluding hyperinflation adjustment, is 63% higher at AED 1.76 compared to 1.08 for 9M'21
- IAS 29 is not applied to local accounts in 9M'22

# 9M'22 results –convenience translation to US\$

Highlights

Income

Liquidity

Risk

Expenses

Capital

Divisional



Income Statement <i>All figures are in USD bn</i>	Emirates NBD			Emirates NBD Excluding DenizBank			DenizBank		
	9M'22	9M'21	Better / (Worse)	9M'22	9M'21	Better / (Worse)	9M'22	9M'21	Better / (Worse)
Net interest income	4.2	3.4	23%	2.9	2.4	23%	1.3	1.1	24%
Non-funded income	2.0	1.3	52%	1.3	1.0	24%	0.7	0.3	164%
<b>Total income</b>	<b>6.2</b>	<b>4.7</b>	<b>31%</b>	<b>4.2</b>	<b>3.4</b>	<b>23%</b>	<b>2.0</b>	<b>1.3</b>	<b>52%</b>
Operating expenses	(1.7)	(1.6)	(12)%	(1.3)	(1.1)	(16)%	(0.5)	(0.5)	(1)%
<b>Pre-impairment operating profit</b>	<b>4.4</b>	<b>3.2</b>	<b>41%</b>	<b>2.9</b>	<b>2.3</b>	<b>26%</b>	<b>1.6</b>	<b>0.9</b>	<b>78%</b>
Impairment allowances	(0.9)	(1.0)	12%	(0.7)	(0.7)	0%	(0.2)	(0.4)	35%
Tax and others	(0.4)	(0.2)	(168)%	(0.1)	(0.0)	(25)%	(0.4)	(0.1)	(221)%
<b>Profit after tax &amp; before hyperinflation</b>	<b>3.1</b>	<b>2.0</b>	<b>58%</b>	<b>2.2</b>	<b>1.6</b>	<b>38%</b>	<b>1.0</b>	<b>0.4</b>	<b>134%</b>
Hyperinflation adjustment	(0.7)	-	N/M	-	-	N/M	(0.7)	-	N/M
<b>Net profit</b>	<b>2.5</b>	<b>2.0</b>	<b>25%</b>	<b>2.2</b>	<b>1.6</b>	<b>38%</b>	<b>0.3</b>	<b>0.4</b>	<b>(25)%</b>
Cost: income ratio	28.2%	33.1%	(4.9)%	30.8%	32.6%	(1.8)%	22.8%	34.2%	(11.4)%
NIM	3.10%	2.51%	0.59%	2.53%	2.11%	0.42%	6.04%	4.28%	1.76%

## Key Highlights

- Group **profit up 25%** on strong diversified income growth
  - ENBD income higher from improving transaction volumes and increased margins
  - DenizBank income higher from increased lending, wider margins and hedging
- Lower provisions as **90bp** cost of risk for 9M'22 reflects **robust operating environment**
- USD 0.3 bn** net profit from **DenizBank** despite USD 0.7 bn hyperinflation adjustment
- Accelerating investment** in international growth and digital
- Higher NIMs** reflect rising interest rates and an improvement in DenizBank margins
- Strong new lending** to retail and corporates helping offset sovereign repayments

# Q3-22 results –convenience translation to US\$

Highlights

Income

Liquidity

Risk

Expenses

Capital

Divisional



## Income Statement

All figures are in USD bn

	Q3-22	Q3-21	Better / (Worse)	Q2-22	Better / (Worse)
Net interest income	1.7	1.2	37%	1.4	18%
Non-funded income	0.7	0.4	83%	0.7	(9)%
<b>Total income</b>	<b>2.3</b>	<b>1.6</b>	<b>47%</b>	<b>2.1</b>	<b>9%</b>
Operating expenses	(0.6)	(0.5)	(19)%	(0.6)	(12)%
<b>Pre-impairment operating profit</b>	<b>1.7</b>	<b>1.0</b>	<b>62%</b>	<b>1.6</b>	<b>8%</b>
Impairment allowances	(0.4)	(0.3)	(25)%	(0.1)	(199)%
Tax and others	(0.1)	(0.1)	(141)%	(0.2)	37%
<b>Profit after tax and before hyperinflation</b>	<b>1.2</b>	<b>0.7</b>	<b>72%</b>	<b>1.2</b>	<b>(4)%</b>
Hyperinflation adjustment	(0.1)	0.0	n/m	(0.3)	47%
<b>Net profit</b>	<b>1.0</b>	<b>0.7</b>	<b>51%</b>	<b>1.0</b>	<b>8%</b>
Cost: income ratio	27.4%	34.0%	6.6%	26.7%	(0.7)%
NIM	3.57%	2.65%	0.92%	3.09%	0.48%

## Balance Sheet

All figures are in USD bn

	30-Sep-22	31-Dec-21	Inc / (Dec)	30-Jun-22	Inc / (Dec)
Total assets	196	187	5%	194	1%
Loans	114	115	(1)%	116	(1)%
Deposits	131	124	5%	127	3%
CET-1 (%)	15.5%	15.1%	0.4%	15.0%	0.1%
LCR (%)	152.2%	177.6%	(25.4)%	154.8%	(2.6)%
NPL ratio (%)	5.8%	6.3%	(0.5)%	6.1%	(0.3)%

## Key Highlights

- Strong Q3-22 with **net profit** exceeding **US\$1 bn**, an increase of **51% y-o-y** on higher income
- Net interest income up **37% y-o-y** on improved loan & deposit mix
  - Higher interest rates feeding through to margins
  - Strong new lending growth
- Non-funded income up **83% y-o-y** from increased transaction activity
  - Increased local and international card transactions
  - Growth in client flow FX & Derivative transaction income
- Expenses well controlled in Q3-22 with positive jaws
  - Group accelerating investment in international and digital
- Q3-22 cost of risk **111 bps** within guidance
- Healthy new lending on continued strong retail and renewed corporate lending demand
- Group maintains strong Capital and Liquidity with coverage ratio highest amongst regional peers



# Thank you

## Investor Relations

Emirates NBD Head Office | 4<sup>th</sup> Floor

PO Box 777 | Dubai, UAE

[IR@emiratesnbd.com](mailto:IR@emiratesnbd.com)

Tel: +971 4 609 3046

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TO PROSPER”**