Emirates NBD

2008 Financial Results

12 February 2009

Forward Looking Statements

It is possible that this presentation could or may contain forward-looking statements that are based on current expectations or beliefs, as well as assumptions about future events. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as anticipate, target, expect, estimate, intend, plan, goal, believe, will, may, should, would, could or other words of similar meaning. Undue reliance should not be placed on any such statements because, by their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and the Group's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions.

Emirates NBD undertakes no obligation to revise or update any forward looking statement contained within this presentation, regardless of whether those statements are affected as a result of new information, future events or otherwise.

Highlights

- **Integration is fully on track**: We achieved major milestones during the last year and we are now in a very important phase of the integration with crucial milestones coming up
- 2008 full year **synergy targets were exceeded** on all revenue, costs & one-off synergies, with achieved synergies AED 235m (ahead of target by 90%)

- **Core business continues to perform strongly**, despite a challenging environment in Q3 & Q4 2008
- **2008 core net profit up 49%** from 2007 and **4Q 2008 core net profit up 2%** from 4Q 2007

- Financial performance **impacted by write-downs and impairments** on investment securities & credit default swaps (CDS)
  - **Total write-downs & impairments** amount to **AED 2.26b** in 2008
  - **2008 statutory net profit down 7%** from 2007 and **4Q 2008 statutory net profit of AED 14m** compared to AED 1.2b for 4Q 2007
  - Write-downs and impairments reflect a **market-wide downturn** in equity and fixed income markets and widening CDS spreads on local and regional companies
  - The **underlying quality** of the investment and CDS portfolios is **good** and we are actively managing these to minimize crystallisation of losses

- **Credit quality is strong** and underlying credit metrics remain stable
- As a measure of prudence in the current environment, we have increased portfolio impairment provisions
- A correction is evident in the Dubai **real estate** sector, but we remain comfortable with our overall exposure and draw comfort from our prudent credit and underwriting standards

- The **UAE economy is expected to slow down** which will impact banking asset and income growth in 2009
- Our **strategic priorities** in 2009 are balance sheet optimization, focus on profitability and costs and continuing improvements in risk management
- Despite the challenges faced, due to its scale, diversity and franchise strength, Emirates NBD is **well positioned** to navigate the current environment and **take advantage of opportunities** that it may present

Merger Update

Integration fully on track

- We have achieved major milestones during the last year

16-Oct-2007 – Emirates NBD makes its debut on the Dubai Stock Exchange

23-Mar-2008 – First Annual General Meeting for Emirates NBD

29-Apr-2008 – Successful integration of 92 smart deposit machines

10-Jul-2008 – Emirates NBD's Large Corporate Unit (LCU) is inaugurated

14-Jul-2008 – Integration of ATMs completed to form the largest network in the UAE (545 ATMs)

18-Aug-2008 – Treasury team-up together in one premise, and are now working as a single integrated FX trading entity

27-Aug-2008 – Living the values - Emirates NBD Culture Workshops complete the first phase; 107 workshops and 5,000 employees

11-Oct-2008 – Mobile and Online Banking integrated; enhanced functionalities and 13 payment partners available to all our customers

17-Dec-2008 – Branch Simulation started – end to end testing of systems and processes with Finacle, the new Core Banking system

- Now we are in a very important phase of the integration – crucial milestones are coming up

02/09 – Credit cards platform at Network International will be integrated

Q1/09 – New Core Banking system will be rolled-out in EBI

Legal merger will be completed Emirates Bank and NBD legally merged into one entity

Q2/09 – Core-Banking Roll-out to NBD: New system online for combined entity

Rebranding across all branches will be completed – One bank across all channels

Merger Update

Exceeded 2008 full year targets on all revenue, costs & one-off synergies

Target Synergies

- AED 346m of recurring annual synergies by the third year post merger, plus AED 26m of one-off synergies totalling AED 372m
- The recurring synergies below will be delivered 33% in year 1 (2008), 66% in year 2 (2009) and fully by 2010

		% of Smaller Base[1]		% of Combined Base[1]
Synergies (2010)	**Total,** AED m	**Actual****	**Benchmark*****	**Actual**
Revenue	195	10.5%	5–10%	4.1%
Costs	151	22.2%	14– 26%	8.3%

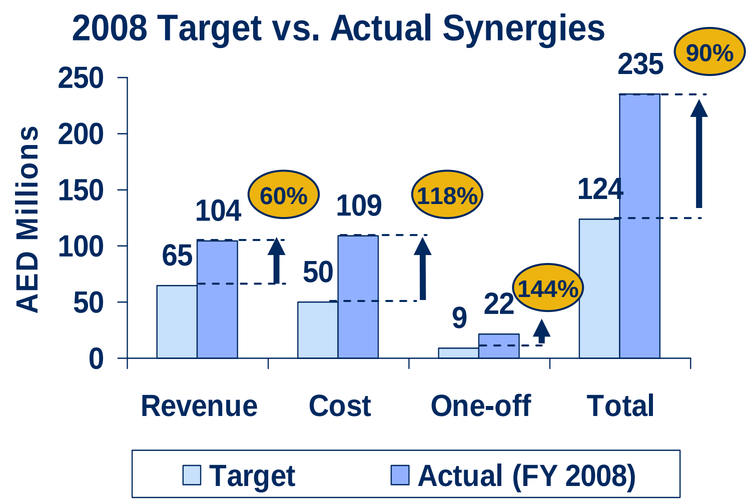
- Year 1 target therefore AED 124m (33% of AED 372m) of which, recurring synergies represent: (One-off synergy commitment in 2008 is AED 9m)

		% of Smaller Base[1]		% of Combined Base[1]
Synergies (2008)	**Total,** AED m	**Actual****	**Benchmark*****	**Actual**
Revenue	65	3.5%	1.7-3.3%	1.4%
Costs	50	7.4%	4.6-8.6%	2.7%

Note 1: Base used when computing synergy targets were 2006 financials, smaller base was NBD and combined was aggregated EBI and NBD

Actual 2008 Synergies

- Achieved synergies of AED 235m – ahead of 2008 full year target by 90%



Note 1: Base used when computing synergy targets were 2006 financials

Key drivers of Revenue Synergies

- **Revenue synergies** for 2008 full year (AED 104m):
  - Largest distribution network of 120 branches & 659 ATMs and SDMs
  - Focus on cross selling – e.g. mortgages >AED100m loans
  - Enhanced market share/pricing advantages – e.g. FDs
  - Embedded Customer efficiency framework – e.g. Tafawouq has tripled branch sales in Umm Suqeim & DCC

Key drivers of cost & one-off synergies

- **Cost synergies** for 2008 full year (AED 109m):
  - Single Head-office in place
  - Created efficiencies through unified business models
  - Combined marketing & advertisement activities
- **One-off synergies** for 2008 full year (AED 22m):
  - Projects & initiatives discontinued due to merger, namely Islamic banking set up previously planned in NBD

2008 Financial Results

Group Performance

Comments

- Full Year 2008 Net Profit down 7% from 2007
- Proposed cash dividend of 20% and stock dividend of 10%
- Q4-2008 Net Profit of AED 14m (AED 1.2b in Q4-2007)
- Financial performance impacted by
  - mark to market & impairments on investment securities of AED 1.8b
  - mark to market on credit default swaps (CDS) of AED 455m
- Core business continues to perform strongly despite a more challenging environment in Q3 & Q4 2008
- 2008 Core net profit reached AED 5.9bn, up 49% from 2007
- Core cost to income ratio improved during the year, esp. during the 2nd half as cost measures implemented & synergies realized

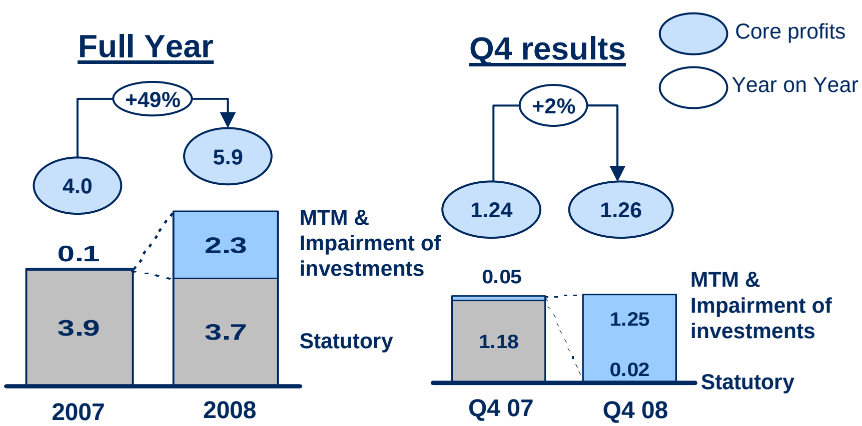
Key Performance Indicators

AED m	Year to 31 Dec 2008	Variance vs. 2007*
Total income	8,447	+19%
Operating expenses	(3,356)	+23%
Impairment allowances	(1,653)	+125%
Operating profit	3,439	-6%
Amortisation on intangibles	(96)	+17%
Associates	339	-10%
Net profit	**3,681**	**-7%**
Cost: income ratio (%)	39.7%	+1.5%
Net interest margin (%)	2.01%	+0.12%
EPS (AED)	0.73	-7%
Return on average shareholders' equity (%)	19.1%	-6%

AED b	As at 31 Dec 2008	Var vs. 31 Dec 07*
Total assets	282.4	+11%
Loans	208.9	+26%
Deposits	162.3	+15%
Capital Adequacy Ratio (%)	11.4%	-1.7%

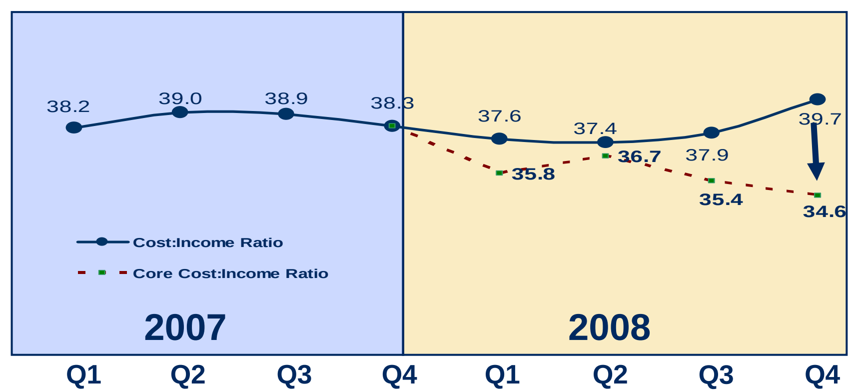
* 2007 comparatives are presented on a pro forma basis

Core Business Performance



Note 1: 2007 comparatives are presented on a pro forma basis
Note 2: Core business trends exclude mark to market impacts and impairments on investment and other securities.

Cost : Income Ratio



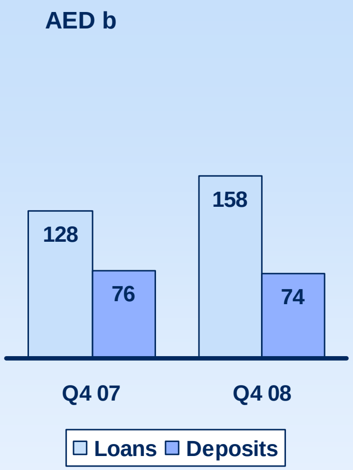
Note 1: Core cost:income ratio excluding mark to market impacts on investment and other securities in 2008
Note 2: Cost income ratios for each quarter are presented on a year-to-date basis

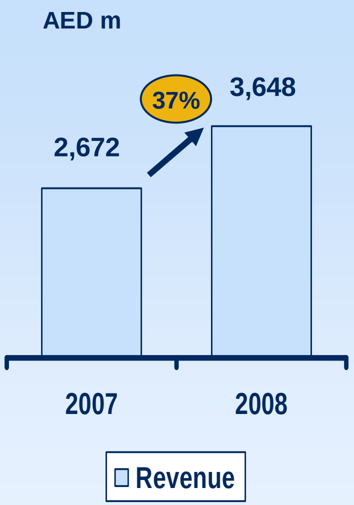
2008 Financial Results

Divisional Performance

Wholesale Banking

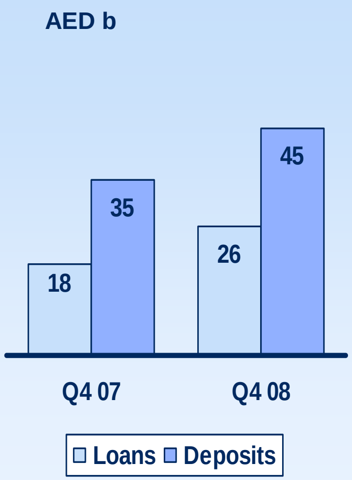
- Wholesale banking had another successful quarter
  - Continued success of its transactions business
  - Emirates NBD ranked as leader in local syndications market as Mandated Lead Arranger and Bookrunner in 2008
  - Key focus during 2008 to emphasis liquidity for the bank and its clients and building non-risk based and fee generating businesses
- Revenue grew 37% year-on-year
- Loans grew 23% year-on-year
- Deposits remained broadly stable year-on-year

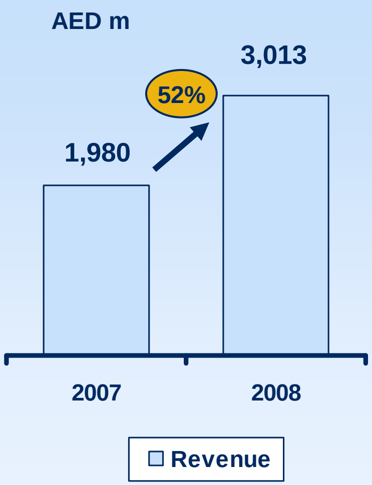




Consumer Banking & Wealth Management (CWM)

- Continues to expand and build on distribution reach
  - Distribution network strengthened. Total branches now at 94, of which 12 in Abu Dhabi
  - ATM and SDM network now at 564
  - Emirates NBD won 'Best Retail Bank' in 2008 by Arabian Business Magazine
- Revenue grew 52% year-on-year
- Loans grew 44% year-on-year
- Deposits grew 29% year-on-year

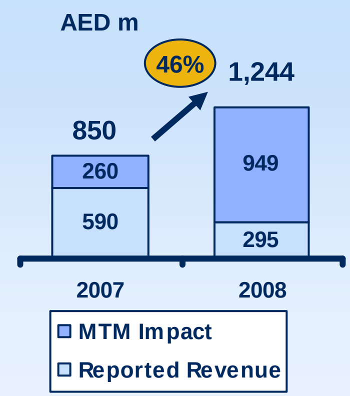




2008 Financial Results
Divisional Performance (cont'd)

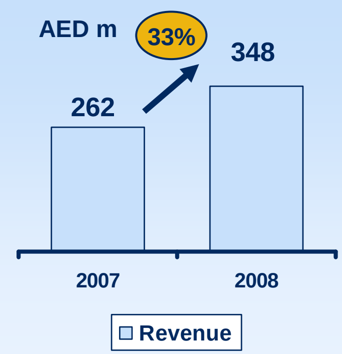
Global Markets & Treasury

- Grew sales and trading business; leading market share of Dubai's corporate business
  - Arranged Govt of Dubai AED Fixed and Floating Bond issues totaling AED 6.5b
  - New debt capital markets activity initiated in 2008 totaled USD 1.4b, including senior debt and lower Tier 2 in AED and G7 currencies
- Total revenue for the year down 50% from 2007
- Core revenue (excl. MTM) up 46%



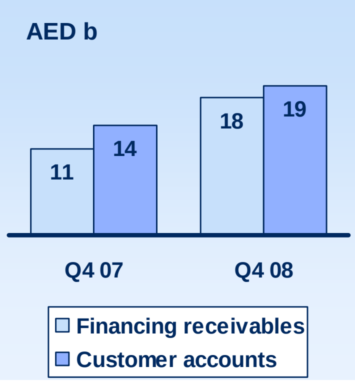
Network International

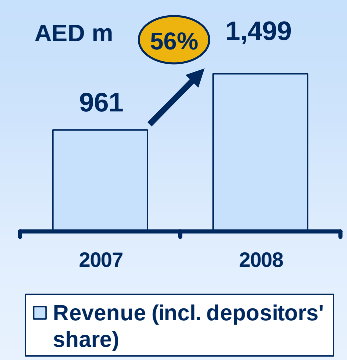
- Strong growth with revenues up 33% from 2007
- Serves over 9,700 merchants and 42 financial institutions in the region
- Significant increases in transaction volumes:
  - 29% increase in acquiring revenues
  - 54% increase in processing revenues



Emirates Islamic Bank

- EIB achieved strong revenue growth of 56% in 2008 (including depositors' share of profit)
- Financing receivables up 59% to AED17.8b; Customer Deposits up 36% to AED19.1b
- Highest depositors' share of profit payout among UAE Islamic banks
- 4 new branches in 2008 taking the total to 26





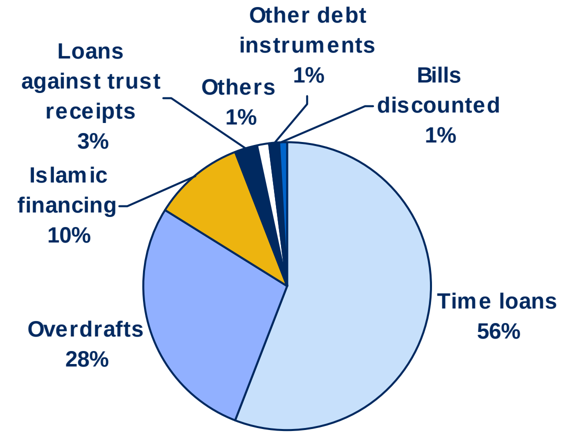
Asset Quality

Credit Metrics: Wholesale and Consumer

Comments

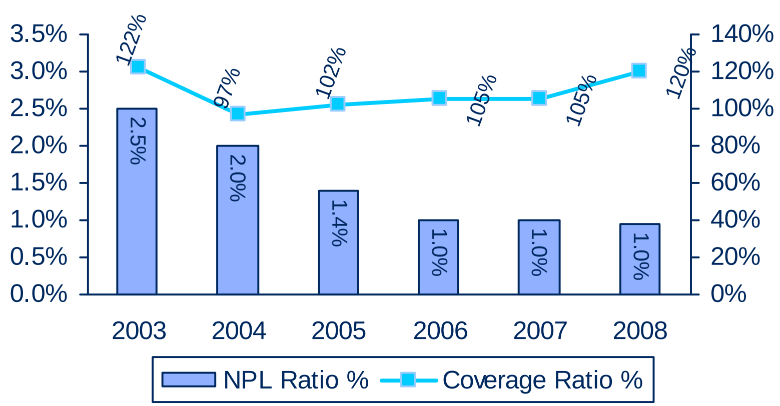
- Loan portfolio is balanced and well secured
- Counterparties have been extensively reviewed and we remain comfortable with our exposures
- NPL and impairment allowance metrics remain broadly stable
- Added AED211m to portfolio impairment provisions in 2008 as a measure of prudence in the current environment

Loan Portfolio by Type – 2008



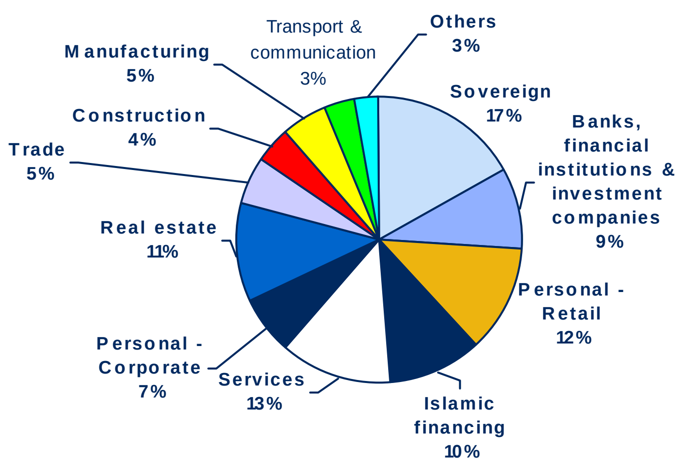
100% = AED 213.1b

NPL & Coverage Ratios



Note 1: 2008 NPL and coverage ratios excludes investment securities classified as non-performing loans

Loan Portfolio by Sector – 2008



100% = AED 213.1b

Asset Quality

Real Estate Exposure

Wholesale Bank

- Exposures to Real Estate & Construction Sector is 14% and 5% of the WB portfolio respectively
- Emirates NBD is very selective in financing real estate sector. Extent of finance is generally limited to:
  - 70% of construction cost excluding land or 60% of cost including land (land valued at lower of cost or market value)
  - 60% of purchase price for completed properties.
- Exposure is mainly to top tier names with diversified business interests and multiple sources of repayment
- Repayment experience is satisfactory with no accounts classified in doubtful or loss categories
- Approximately 70% of the portfolio has a repayment maturity of < 3 years
- Careful monitoring of the Real Estate, Construction and related sector exposures

Consumer Bank

- Mortgage finance offered across a select range of premium developers, including Dubai Properties, Emaar, Nakheel, Aldar, Sorouh & Union Properties
- Emaar, Dubai Properties & Nakheel account for 77% of the mortgages financed by ENBD
- Villas account for approximately 38% of the portfolio; Completed properties account for 61% of the portfolio
- Average LTV is 75% on original value and 59% on market value
- More than 75% of the customers have only one mortgage loan from ENBD
- Lending criteria are revisited regularly to ensure that the quality of the loan portfolio remains good
- Mortgages portfolio performance is good: Focus on high income customer segments, 90% of portfolio comprises of customers with income > AED 25K per month, low delinquency and provision rates

Asset Quality

Investments & Trading Securities

Comments

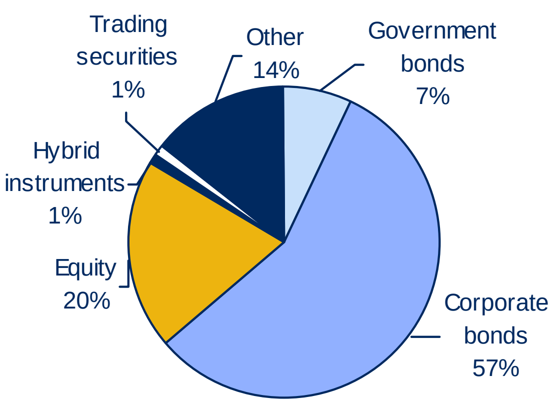
- Exposure to sub-prime and related exposures (e.g. RMBS, CMBS, CDOs, CLOs) are minimal and were fully written down in prior years
- 81% of the assets are classified as Available for Sale
- Fixed income assets make up 64% of the portfolio where:
  - impact from market volatility is relatively lesser
  - 7% of portfolio in government bonds (mostly GCC)
  - comprises mainly of investment grade assets
  - duration of fixed income portfolio largely 1-5 years; some losses will reverse if held to maturity and no credit event occurs
- Portfolios actively monitored with the objective to reduce exposure where opportunities arise or where future distress is anticipated.

2008 MTM Impact

AED million	Total Balance	P&L impact		Cumulative changes in FV
		Income	Impairm.	
Investment Securities	19,391	(314)	(205)	(1,810)
Trading Securities	244	(137)	-	-
Subtotal	**19,635**	**(451)**	**(205)**	**(1810)**
Investment Securities in L&R	2,374	(342)	(806)	-
Total	**22,009**	**(793)***	**(1,011)**	**(1,810)**

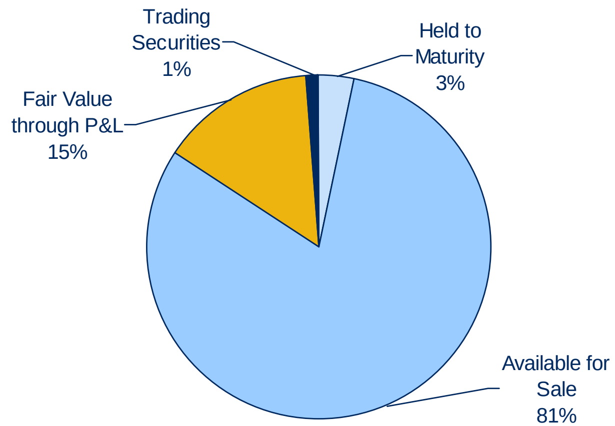
* Net of AED 262m write-down reclassified from trading to AFS securities pursuant to the amendments to IAS39 and IFRS 7.

Composition by type



100% = AED 19.6b

Composition by Category



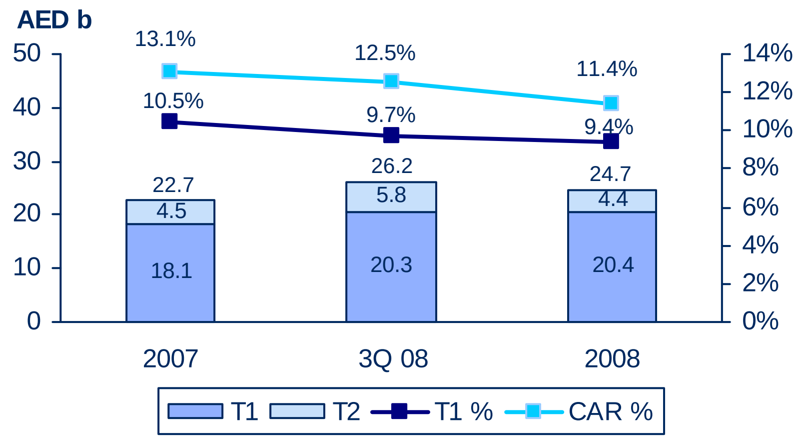
100% = AED 19.6b

Capital, Funding and Liquidity

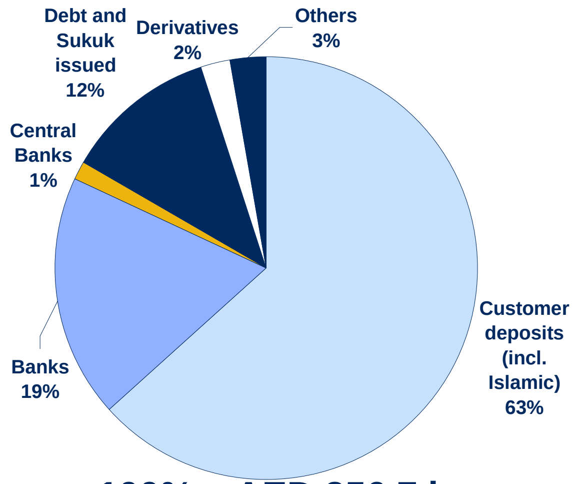
Comments

- Capital adequacy ratio at 11.4% in 2008 (2007: 12.5%)
- Liquidity in the UAE Banking system has improved in 4Q 2008 compared to Q3 2008, helped by the various Government initiatives
- Emirates NBD received AED12.6b 3/5 year deposits of AED50b injected by the Ministry of Finance into local banks
- Formal deposit guarantee documentation expected soon.
- Funding remains stable
- Term debt maturity profile is well within our funding capacity; repaid scheduled US$ 500 MM FRN in Jan 2009

Capital Ratios

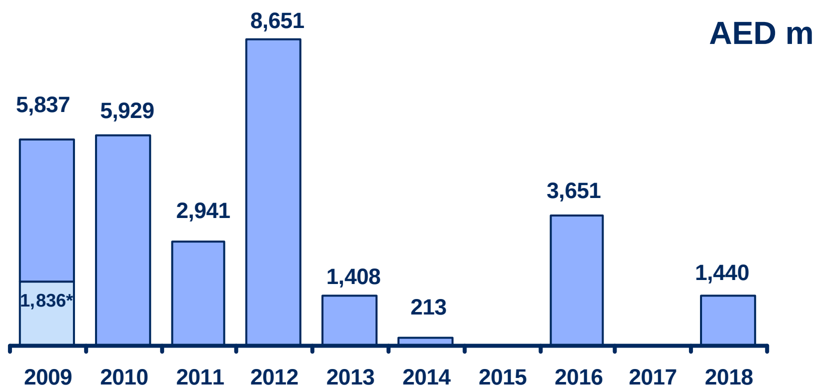


Composition of Liabilities



100% = AED 256.7 b

Maturity Profile : EMTNs



* Repaid in Jan 2009

100% = AED 30.1 b

Emirates NBD

Outlook

UAE Economic Environment

Comments

- UAE hit by global credit squeeze, caused by events largely outside its control
- UAE economy and banking system relatively well placed in comparison to many economies outside of the GCC
- Dubai's textbook model of diversification is being challenged, but remains strong enough to withstand the turmoil
- UAE's accumulated surpluses over recent years enable it to engage in counter-cyclical policies, providing a powerful fiscal stimulus
- Monetary policy is also responding to the crisis, with rates being cut and liquidity provided
- Correction provides potential to put growth back on a more sustainable long-term path

Real GDP Growth Forecasts*

	2008	2009	2010
UAE	**6.0%**	**1.5%**	**2.9%**
UK	0.8%	-2.9%	0.0%
Eurozone	1.0%	-1.9%	0.2%
Germany	1.2%	-2.2%	0.3%
US	1.2%	-2.5%	2.2%
China	9.2%	6.3%	8.3%
Singapore	1.4%	-1.8%	2.9%

Dubai's Strategic Location

UAE Economic Metrics*

- High per capita GDP approx. $43,000
- Oil contributes c.1/3rd to GDP with budget breakeven oil price at c.$30-40 per barrel
- UAE's 2009 budget is largest in history and though balanced is likely to provide substantial fiscal stimulus. Dubai to move into small budget deficit
- Government, SWF and HNWI wealth funds still contain considerable resources
- Inflation is last year's problem, projected to fall to low single digits in 2009

*Source: IMF, McKinsey, EIU, Emirates NBD forecasts

Outlook

Comments

- The current environment is presenting challenges in terms of liquidity, funding, profitability and asset quality
- The fundamentals of Emirates NBD's core business remains strong
- Emirates NBD is taking pro-active steps to ensure we are well positioned to navigate the current environment. We are focusing on strengthening the balance sheet, profitability and risk management enhancement
- Our long-term growth strategy remains in tact although has been modified to embrace new realities
- The success of the merger is even more pronounced in the current climate as the Bank is more resilient due to its scale and is seen as a stronger counterparty
- We are a consolidator of choice in the region and are well placed to take advantage of any attractive opportunities that may arise

7 Strategic Pillars

1. Pursue profitable growth in Retail Banking
2. Establish a distinctive Wealth Management offering
3. Consolidate and enhance market position in Corporate Banking
4. Develop a leading regional Investment Banking franchise
5. Expand Islamic Banking
6. Integrate organizational resources to build a scalable platform
7. Pursue expansion in the GCC and other key strategic markets

Strategic Imperatives

Strengthen balance sheet

Cautious lending growth

- Support growth of important Group relationships

Focus on funding

- Renewed focus on key market segments (Private Banking / Affluent / SME)
- Leverage distribution network
- Continue to maintain and develop wholesale sources of medium to long term funding
- Continued government action / support

Drive profitability

Improve product/customer profitability

- Re-price and maximize product yields
- Increase fee based income

Improve overall cost position

- Drive performance improvement program
- Increase process efficiency
- Migrate customers to lower cost channels

Enhance risk management

- Implementation of Basel II IRB and AMA approaches
- Advancement of Liquidity Risk Control and Management
- Alignment and integration of Economic Capital and Stress testing Framework
- Strengthen credit management and improve collection processes

Summary

- The **integration is fully on track**
- 2008 full year **synergy targets were exceeded** by 90%

- The **core business continues to perform strongly**
- **2008 core net profit up 49%** from 2007

- **Impacted by write-downs and impairments** on investment and other securities of **AED 2.26b** in 2008
- **2008 statutory net profit down 7%** from 2007
- Write-downs and impairments reflect a **market-wide downturn** and **underlying quality** of the portfolios is **good**

- **Credit quality is strong** and underlying credit metrics remain stable
- We remain comfortable with our overall **real estate exposure**

- The **UAE economy is expected to slow down**
- Our **strategic priorities** in 2009 are balance sheet optimization, focus on profitability and costs and continuing improvements in risk management.
- Emirates NBD is **well positioned** to navigate the current environment and **take advantage of opportunities** that it may present.

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