

EMIRATES NBD BANK PJSC

GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016



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 30 September 2016 and the related consolidated interim statements of income and comprehensive income for the three month and nine month periods then ended and consolidated interim statement of cash flows and changes in equity for the nine 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.

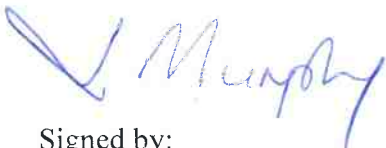
Scope of Review

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.

Ernst & Young



Signed by:
Joseph Murphy
Partner
Registration No. 492

16 October 2016
Dubai, United Arab Emirates

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016 (UNAUDITED)

	Notes	Unaudited 30 September 2016 AED 000	Audited 31 December 2015 AED 000
ASSETS			
Cash and deposits with Central Bank	3	53,871,541	54,974,670
Due from banks	4	57,607,425	39,836,584
Trading securities		1,600,611	1,678,869
Investment securities	5	16,147,998	15,926,581
Loans and receivables	6	240,330,038	226,696,541
Islamic financing receivables	7	48,824,536	43,884,317
Investments in associates and joint ventures		1,661,405	1,615,021
Positive fair value of derivatives	20	3,407,519	2,669,079
Investment properties		789,510	805,937
Customer acceptances		6,810,626	3,712,749
Property and equipment		2,457,421	2,396,314
Goodwill and intangibles	8	5,925,694	6,030,825
Other assets	9	6,613,458	6,332,688
TOTAL ASSETS		446,047,782	406,560,175
LIABILITIES			
Due to banks		15,973,237	18,822,719
Customer deposits		252,907,684	224,385,213
Islamic customer deposits		58,684,218	62,846,692
Repurchase agreements with banks		66,742	248,334
Debt issued and other borrowed funds	10	39,515,993	31,287,342
Sukuk payable	11	7,369,448	3,672,500
Negative fair value of derivatives	20	2,678,525	2,610,205
Customer acceptances		6,810,626	3,712,749
Other liabilities	12	8,902,659	8,225,894
TOTAL LIABILITIES		392,909,132	355,811,648
EQUITY			
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		329,028	476,375
Currency translation reserve		(388,857)	(207,411)
Retained earnings		20,285,479	17,566,680
TOTAL EQUITY ATTRIBUTABLE TO EQUITY AND NOTE HOLDERS OF THE GROUP		53,132,871	50,742,865
Non-controlling interest		5,779	5,662
TOTAL EQUITY		53,138,650	50,748,527
TOTAL LIABILITIES AND EQUITY		446,047,782	406,560,175

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



Director



Chief Executive Officer

16 OCT 2016

**GROUP CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016 (UNAUDITED)**

	Notes	Unaudited three months period ended 30 September 2016 AED 000	Unaudited three months period ended 30 September 2015 AED 000	Unaudited nine months period ended 30 September 2016 AED 000	Unaudited nine months period ended 30 September 2015 AED 000
Interest and similar income		3,186,787	2,779,269	9,218,566	8,147,247
Interest and similar expense		(1,029,680)	(615,418)	(2,781,116)	(1,771,841)
Net interest income		2,157,107	2,163,851	6,437,450	6,375,406
Income from Islamic financing and investment products		656,819	554,266	1,913,192	1,549,492
Distribution on Islamic deposits and profit paid to Sukuk holders		(262,478)	(127,549)	(699,851)	(352,683)
Net income from Islamic financing and investment products		394,341	426,717	1,213,341	1,196,809
Net interest income and income from Islamic financing and investment products net of distribution to depositors		2,551,448	2,590,568	7,650,791	7,572,215
Fee and commission income		899,779	882,309	2,769,542	2,639,384
Fee and commission expense		(250,636)	(189,246)	(666,910)	(557,823)
Net fee and commission income		649,143	693,063	2,102,632	2,081,561
Net gain (loss) on trading securities		45,911	5,277	148,874	58,759
Other operating income	15	367,564	310,776	1,382,854	1,442,061
Total operating income		3,614,066	3,599,684	11,285,151	11,154,596
General and administrative expenses	16	(1,217,516)	(1,126,106)	(3,693,483)	(3,362,030)
Operating profit before impairment		2,396,550	2,473,578	7,591,668	7,792,566
Net impairment loss on financial assets	17	(728,634)	(821,711)	(2,184,340)	(2,807,843)
Operating profit after impairment		1,667,916	1,651,867	5,407,328	4,984,723
Share of profit of associates and joint ventures		24,769	38,632	86,009	113,377
Group profit for the period before taxation		1,692,685	1,690,499	5,493,337	5,098,100
Taxation charge		(28,800)	(17,937)	(111,131)	(108,403)
Group profit for the period after taxation		1,663,885	1,672,562	5,382,206	4,989,697
Attributable to:					
Equity holders of the Group		1,663,923	1,672,467	5,382,089	4,989,110
Non-controlling interest		(38)	95	117	587
Group profit for the period		1,663,885	1,672,562	5,382,206	4,989,697
Earnings per share	19	0.27	0.27	0.89	0.82

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 NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016 (UNAUDITED)

	Unaudited three months period ended 30 September 2016 AED 000	Unaudited three months period ended 30 September 2015 AED 000	Unaudited nine months period ended 30 September 2016 AED 000	Unaudited nine months period ended 30 September 2015 AED 000
Group profit for the period	1,663,885	1,672,562	5,382,206	4,989,697
Items that may be reclassified subsequently to Income statement:				
Other comprehensive income				
Cash flow hedges:				
- Effective portion of changes in fair value	64,760	(18,720)	137,477	41,906
Fair value reserve (available-for-sale financial assets):				
- Net change in fair value	72,177	(168,106)	(53,527)	(122,050)
- Net amount transferred to income statement	(31,010)	(2,151)	(231,297)	(157,431)
Currency translation reserve	7,696	(33,568)	(181,446)	(145,265)
Other comprehensive income for the period	113,623	(222,545)	(328,793)	(382,840)
Total comprehensive income for the period	1,777,508	1,450,017	5,053,413	4,606,857
Attributable to:				
Equity holders of the Bank	1,777,546	1,449,922	5,053,296	4,606,270
Non-controlling interest	(38)	95	117	587
Total comprehensive income for the period	1,777,508	1,450,017	5,053,413	4,606,857

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 NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016 (UNAUDITED)

Notes	Unaudited nine months period ended 30 September 2016 AED 000	Unaudited nine months period ended 30 September 2015 AED 000
<u>OPERATING ACTIVITIES</u>		
Group profit before tax for the period	5,493,337	5,098,100
<u>Adjustment for non cash items</u>		
Impairment loss on loans and receivables	1,131,444	1,816,899
Impairment loss on Islamic financing receivables	943,401	821,407
Impairment loss on investment securities	122,839	29,700
Amortisation of fair value	72,436	34,518
Discount on Investment securities	44,022	41,790
Unrealised foreign exchange gain	(110,178)	(124,391)
Amortisation of intangibles	52,118	60,750
Depreciation of property and equipment	236,889	211,683
Share of profit of associates and joint ventures	(86,009)	(113,377)
Unrealized (gain)/loss on investments	(50,127)	37,970
Unrealized (gain)/loss on FV Hedged item	204,060	(356,708)
Gain on sale of property and equipment	-	(28,491)
Gain on sale of investment properties	-	(140,162)
Gain on sale of properties (inventories)	(25,566)	(49,633)
Operating profit before changes in operating assets and liabilities	8,028,666	7,340,055
(Increase)/decrease in interest free statutory deposits	268,510	(1,850,263)
(Increase)/decrease in certificate of deposits with Central Bank maturing after three months	(8,885,225)	(1,000,000)
(Increase)/decrease in amounts due from banks maturing after three months	(4,930,032)	(5,756,793)
Increase/(decrease) in amounts due to banks maturing after three months	1,047,160	3,025,233
Increase/(decrease) in deposits under repurchase agreements	(181,592)	1,138,262
(Increase)/decrease in other assets	(3,329,114)	2,459,970
Increase/(decrease) in other liabilities	3,801,755	1,517,658
(Increase)/decrease in positive fair value of derivatives	(642,548)	(1,163,264)
Increase/(decrease) in negative fair value of derivatives	109,905	857,091
Increase/(decrease) in customer deposits	28,522,471	10,481,336
Increase/(decrease) in Islamic customer deposits	(4,162,474)	524,904
Increase/(decrease) in trading securities	84,255	(987,458)
(Increase)/decrease in loans and receivables	(14,764,941)	(10,296,454)
(Increase)/decrease in Islamic financing receivables	(5,883,620)	(7,976,393)
	(916,824)	(1,686,116)
Taxes paid	(138,245)	(87,864)
Net cash flows from/(used in) operating activities	(1,055,069)	(1,773,980)

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016 (UNAUDITED)

	Notes	Unaudited nine months period ended 30 September 2016 AED 000	Unaudited nine months period ended 30 September 2015 AED 000
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<u>INVESTING ACTIVITIES</u>			
(Increase)/decrease in investment securities		(633,978)	(2,407,252)
(Increase)/decrease in investments in associates and joint ventures		36,935	63,790
Acquisition of Investment Properties		(3,892)	(32,651)
Disposal of Investment Properties		-	542,584
Addition of property and equipment		(311,874)	(269,569)
Disposal of property and equipment		13,877	432,821
Net cash flows from/(used in) investing activities		(898,932)	(1,670,277)
<u>FINANCING ACTIVITIES</u>			
Issuance of debt issued and other borrowed funds	10	16,028,707	9,495,107
Repayment of debt issued and other borrowed funds	10	(8,090,758)	(2,719,615)
Issuance of sukuk borrowing	11	3,696,948	-
Interest on Tier I capital notes		(442,541)	(442,740)
Dividends paid		(2,220,749)	(1,943,155)
Net cash flows from /(used in) financing activities		8,971,607	4,389,597
Increase/(decrease) in cash and cash equivalents (refer Note 23)		7,017,606	945,340

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 NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016 (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 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	-	-	-	-	-	-	(147,347)	(181,446)	5,382,089	5,053,296	117	5,053,413
Interest on Tier 1 capital notes	-	-	-	-	-	-	-	-	(442,541)	(442,541)	-	(442,541)
Dividends paid	-	-	-	-	-	-	-	-	(2,220,749)	(2,220,749)	-	(2,220,749)
Balance as at 30 September 2016	5,557,775	(46,175)	9,477,076	12,270,124	2,778,888	2,869,533	329,028	(388,857)	20,285,479	53,132,871	5,779	53,138,650
Balance as at 1 January 2015	5,557,775	(46,175)	9,477,076	12,270,124	2,778,888	2,869,533	891,290	(71,739)	13,031,219	46,757,991	4,926	46,762,917
Total comprehensive income for the period	-	-	-	-	-	-	(237,575)	(145,265)	4,989,110	4,606,270	587	4,606,857
Interest on Tier 1 capital notes	-	-	-	-	-	-	-	-	(442,740)	(442,740)	-	(442,740)
Dividends paid	-	-	-	-	-	-	-	-	(1,943,155)	(1,943,155)	-	(1,943,155)
Balance as at 30 September 2015	5,557,775	(46,175)	9,477,076	12,270,124	2,778,888	2,869,533	653,715	(217,004)	15,634,434	48,978,366	5,513	48,983,879

Note: No allocation to legal and statutory and other reserves has been made for the nine months period ended 30 September 2016 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.

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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 30 September 2016 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.

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 2015. The adoption of the new and amended IFRS and IFRIC interpretations with effect from 1 January 2016 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 2015. In addition, results for the nine months period ended 30 September 2016 are not necessarily indicative of the results that may be expected for the full financial year ending 31 December 2016.

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 2015.

(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 2015.

3 CASH AND DEPOSITS WITH CENTRAL BANK

	Unaudited 30 September 2016 AED 000	Audited 31 December 2015 AED 000
Cash	2,943,700	3,694,925
Interest free statutory deposits with Central Banks	30,124,737	30,393,247
Interest bearing placements with Central Banks	1,871,028	3,214,873
Murabahas and Interest bearing certificates of deposits with Central Banks	18,932,076	17,671,625
	<u>53,871,541</u>	<u>54,974,670</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 30 September 2016 AED 000	Audited 31 December 2015 AED 000
Due from banks in UAE	10,730,422	5,089,195
Due from foreign banks	46,877,003	34,747,389
	<u>57,607,425</u>	<u>39,836,584</u>

EMIRATES NBD BANK PJSC

 NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016 (UNAUDITED)

5 INVESTMENT SECURITIES

<u>Unaudited 30 September 2016</u>	Domestic AED 000	Regional AED 000	International AED 000	Total AED 000
<u>HELD TO MATURITY:</u>				
Government bonds	11,240	5,616	-	16,856
Corporate bonds	145,796	14,970	-	160,766
	<u>157,036</u>	<u>20,586</u>	<u>-</u>	<u>177,622</u>
<u>AVAILABLE-FOR-SALE:</u>				
Government bonds	822,148	7,693,168	1,255,893	9,771,209
Corporate bonds	1,368,042	922,566	2,414,536	4,705,144
Equity	285,148	685,151	20,196	990,495
Others	72,987	56,164	217,566	346,717
	<u>2,548,325</u>	<u>9,357,049</u>	<u>3,908,191</u>	<u>15,813,565</u>
<u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u>				
Others	99,135	137	57,539	156,811
	<u>99,135</u>	<u>137</u>	<u>57,539</u>	<u>156,811</u>
	<u>2,804,496</u>	<u>9,377,772</u>	<u>3,965,730</u>	<u>16,147,998</u>

EMIRATES NBD BANK PJSC

 NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016 (UNAUDITED)
5 INVESTMENT SECURITIES (CONTINUED)

<u>Audited 31 December 2015</u>	Domestic AED 000	Regional AED 000	International AED 000	Total AED 000
<u>HELD TO MATURITY:</u>				
Government bonds	11,485	75,056	-	86,541
Corporate bonds	146,520	15,225	-	161,745
	158,005	90,281	-	248,286
<u>AVAILABLE-FOR-SALE:</u>				
Government bonds	548,044	5,985,288	1,953,925	8,487,257
Corporate bonds	1,562,779	687,668	2,922,051	5,172,498
Equity	547,821	808,241	74,062	1,430,124
Others	68,560	64,710	306,909	440,179
	2,727,204	7,545,907	5,256,947	15,530,058
<u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u>				
Others	72,560	1,651	74,026	148,237
	72,560	1,651	74,026	148,237
	2,957,769	7,637,839	5,330,973	15,926,581

6 LOANS AND RECEIVABLES

	Unaudited 30 September 2016 AED 000	Audited 31 December 2015 AED 000
Overdrafts	110,553,626	101,438,537
Time loans	132,372,589	127,828,462
Loans against trust receipts	8,278,780	8,244,741
Bills discounted	2,852,685	2,640,618
Credit card receivables	5,007,340	4,493,159
Others	584,086	606,838
Gross loans and receivables	259,649,106	245,252,355
Other debt instruments	64,303	114,314
Total loans and receivables	259,713,409	245,366,669
Less: Allowances for impairment	(19,383,371)	(18,670,128)
	240,330,038	226,696,541
Total of impaired loans and receivables	14,571,790	15,091,904

6 LOANS AND RECEIVABLES (CONTINUED)

	Unaudited 30 September 2016 AED 000	Audited 31 December 2015 AED 000
<u>Analysis by economic activity</u>		
Agriculture and allied activities	110,125	159,128
Mining and quarrying	506,727	507,313
Manufacturing	7,584,306	7,567,864
Construction	7,048,536	6,788,367
Trade	15,038,423	13,862,865
Transport and communication	4,163,556	4,836,334
Services	4,274,927	3,749,611
Sovereign	128,722,909	120,449,898
Personal	38,239,926	33,842,736
Real estate	31,509,578	31,032,786
Financial institutions and investment companies	21,625,932	21,687,551
Others	888,464	882,216
Total loans and receivables	259,713,409	245,366,669
Less: Allowances for impairment	(19,383,371)	(18,670,128)
	240,330,038	226,696,541

6 LOANS AND RECEIVABLES (CONTINUED)

	Unaudited nine months period ended 30 September 2016 AED 000	Unaudited nine months period ended 30 September 2015 AED 000
<u>Movement in allowances for specific impairment</u>		
Balance as at 1 January	13,139,731	13,186,654
Allowances for impairment made during the period	1,395,798	1,475,703
Write back / recoveries made during the period	(1,389,051)	(843,009)
Amounts written off during the period	(408,803)	(97,697)
Exchange and other adjustments	(3,325)	(4,652)
Balance as at 30 September	12,734,350	13,716,999
<u>Movement in allowances for collective impairment</u>		
Balance as at 1 January	5,530,397	3,684,329
Allowances for impairment made during the period	1,124,697	1,184,205
Exchange and other adjustments	(6,073)	(1,704)
Balance as at 30 September	6,649,021	4,866,830
Total	19,383,371	18,583,829

7 ISLAMIC FINANCING RECEIVABLES

	Unaudited 30 September 2016 AED 000	Audited 31 December 2015 AED 000
Murabaha	32,506,981	31,180,923
Ijara	18,761,162	15,124,343
Credit cards receivable	1,043,176	896,408
Wakala	1,585,966	1,676,497
Istissna'a	1,484,431	1,180,460
Others	878,531	928,030
Total Islamic financing receivables	56,260,247	50,986,661
Less: Deferred income	(2,480,767)	(2,533,031)
Less: Allowances for impairment	(4,954,944)	(4,569,313)
	48,824,536	43,884,317
Total of impaired Islamic financing receivables	5,577,533	5,750,107

Corporate Ijara assets amounting to AED 5.9 billion [2015: 3.7 billion] and Murabaha assets amounting to AED 1.5 billion [2015: Nil] were securitised for the purpose of issuance of Sukuk liability (refer Note 11).

7 ISLAMIC FINANCING RECEIVABLES (CONTINUED)

	Unaudited 30 September 2016 AED 000	Audited 31 December 2015 AED 000
<u>Analysis by economic activity</u>		
Agriculture and allied activities	29,077	17,389
Mining and quarrying	78,436	84,362
Manufacturing	1,192,066	1,811,992
Construction	1,837,754	1,849,218
Trade	3,364,595	2,965,491
Transport and communication	1,401,993	1,467,876
Services	4,847,897	3,871,419
Sovereign	362,336	310,836
Personal	29,318,660	26,560,000
Real estate	9,240,502	7,559,182
Financial institutions and investment companies	2,083,414	2,249,597
Others	2,503,517	2,239,299
Total islamic financing and receivables	56,260,247	50,986,661
Less: Deferred Income	(2,480,767)	(2,533,031)
Less: Allowances for impairment	(4,954,944)	(4,569,313)
	48,824,536	43,884,317

7 ISLAMIC FINANCING RECEIVABLES (CONTINUED)

	Unaudited nine months period ended 30 September 2016 AED 000	Unaudited nine months period ended 30 September 2015 AED 000
<u>Movement in allowances for specific impairment</u>		
Balance as at 1 January	4,029,366	3,642,639
Allowances for impairment made during the period	1,489,821	985,516
Write back /recoveries made during the period	(739,998)	(189,026)
Amounts written off during the period	(557,729)	(308,220)
Exchange and other adjustments	(35)	155
Balance as at 30 September	4,221,425	4,131,064
<u>Movement in allowances for collective impairment</u>		
Balance as at 1 January	539,947	509,834
Allowances for impairment made during the period	193,578	24,917
Exchange and other adjustments	(6)	-
Balance as at 30 September	733,519	534,751
Total	4,954,944	4,665,815

8 GOODWILL AND INTANGIBLES

	Goodwill	Intangibles on Acquisition			Total	
		Banking license	Software	Customer relationships	Core deposit intangibles	
<u>Unaudited</u> 30 September 2016	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
<u>Cost</u>						
Balance as at 1 January	5,621,200	318,320	9,281	157,490	659,392	6,765,683
Foreign exchange movement	(14,229)	(37,914)	-	-	(870)	(53,013)
	5,606,971	280,406	9,281	157,490	658,522	6,712,670
<u>Less: Amortisation and impairment</u>						
Balance as at 1 January	4,903	-	9,281	156,174	564,500	734,858
Amortisation and impairment for the period	-	-	-	1,118	51,000	52,118
Balance as at 30 September	4,903	-	9,281	157,292	615,500	786,976
Net Goodwill and Intangibles	5,602,068	280,406	-	198	43,022	5,925,694
<u>Audited</u> 31 December 2015						
<u>Cost</u>	5,621,200	318,320	9,281	157,490	659,392	6,765,683
Less: Amortisation and impairment	4,903	-	9,281	156,174	564,500	734,858
Net Goodwill and Intangibles	5,616,297	318,320	-	1,316	94,892	6,030,825

9 OTHER ASSETS

	Unaudited 30 September 2016 AED 000	Audited 31 December 2015 AED 000
Accrued interest receivable	1,561,539	1,368,182
Islamic Profit receivable	93,918	111,030
Prepayments and other advances	200,953	217,282
Sundry debtors and other receivables	1,718,104	772,539
Inventory	1,608,302	1,697,821
Fair value of deposit (a)	234,512	286,342
Others	1,196,130	1,879,492
	<u>6,613,458</u>	<u>6,332,688</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 30 September 2016 AED 000	Audited 31 December 2015 AED 000
Medium term note programme*	31,946,303	26,067,612
Term loans from banks	6,243,250	2,938,000
Borrowings raised from loan securitisations	1,326,440	2,281,730
	<u>39,515,993</u>	<u>31,287,342</u>

*Includes Tier 2 notes amounting to AED 4,341 million (2015: AED 4,341 million) raised through public and private placements.

	Unaudited 30 September 2016 AED 000	Audited 31 December 2015 AED 000
Balance as at 1 January	31,287,342	26,697,691
New issues	16,028,707	10,563,141
Repayments	(8,090,758)	(5,651,375)
Other movements*	290,702	(322,115)
Balance at end of period	<u>39,515,993</u>	<u>31,287,342</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 30 September 2016, the outstanding medium term borrowings totaling AED 39,516 million (31 December 2015: AED 31,287 million) is falling due as below:

	Unaudited 30 September 2016 AED millions	Audited 31 December 2015 AED millions
2016	1,153	9,123
2017	9,135	5,261
2018	1,692	1,199
2019	12,765	5,173
2020	4,389	1,596
2021	1,359	-
2022	4,664	4,552
2023	3,605	3,605
2024	551	583
2025	121	115
2026	82	80
	<u>39,516</u>	<u>31,287</u>

11 SUKUK PAYABLE

	Unaudited 30 September 2016 AED 000	Audited 31 December 2015 AED 000
Balance as at 1 January	3,672,500	3,673,000
New issues	3,696,948	-
Other movements	-	(500)
Balance at end of period	7,369,448	3,672,500

As at 30 September 2016, the outstanding Sukuk payable totaling AED 7,369 million (31 December 2015: AED 3,673 million) is falling due as below:

	Unaudited 30 September 2016 AED millions	Audited 31 December 2015 AED millions
2017	1,836	1,836
2018	1,837	1,837
2021	3,696	-
	7,369	3,673

12 OTHER LIABILITIES

	Unaudited 30 September 2016 AED 000	Audited 31 December 2015 AED 000
Accrued interest payable	1,404,353	764,628
Profit payable to Islamic depositors	245,145	214,605
Managers' cheques	1,028,140	1,476,011
Trade and other payables	2,135,476	1,764,068
Staff related liabilities	984,886	1,043,050
Provision for taxation	62,402	89,516
Others	3,042,257	2,874,016
	8,902,659	8,225,894

13 EQUITY HOLDER FUNDS

At the Annual General Meeting held on 15 February 2016, 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 30 September 2016.

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 nine months period ended 30 September 2016 AED 000	Unaudited nine months period ended 30 September 2015 AED 000
Dividend income	27,379	51,154
Gains from sale of available-for-sale investment securities	231,297	157,431
Gain / (loss) from investment securities designated at fair value through profit or loss	(2,881)	(19,559)
Rental income	60,348	72,175
Gain on sale of properties (Investment properties / inventories)	25,566	189,795
Foreign exchange income*	819,940	764,940
Derivative income	82,207	65,923
Other income (net)	138,998	160,202
	1,382,854	1,442,061

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

16 GENERAL AND ADMINISTRATIVE EXPENSES

	Unaudited nine months period ended 30 September 2016 AED 000	Unaudited nine months period ended 30 September 2015 AED 000
Staff cost	2,484,004	2,224,266
Occupancy cost	292,853	261,735
Equipment & supplies	105,686	102,658
Information technology cost	107,050	114,785
Communication cost	117,289	110,992
Service, legal and professional fees	58,840	59,706
Marketing related expenses	70,557	54,014
Depreciation	236,889	211,683
Amortisation of intangibles	52,118	60,750
Others	168,197	161,441
	3,693,483	3,362,030

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 nine months period ended 30 September 2016 AED 000	Unaudited nine months period ended 30 September 2015 AED 000
Net impairment of loans and receivables	1,131,444	1,816,899
Net impairment of Islamic financing receivables	943,401	821,407
Net impairment of investment securities	122,839	29,700
Net impairment of due from banks	(64)	(3,495)
Bad debt written off / (recovery) - net	(13,280)	143,332
Net impairment loss for the period	2,184,340	2,807,843

18 COMMITMENTS AND CONTINGENCIES

At 30 September 2016, the Group's commitments and contingencies are as follows:

	Unaudited 30 September 2016 AED 000	Audited 31 December 2015 AED 000
Letters of credit	9,456,680	9,578,127
Guarantees	46,737,041	45,249,694
Liability on risk participations	307,763	498,516
Irrevocable loan commitments*	26,277,725	23,550,505
	<u>82,779,209</u>	<u>78,876,842</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 nine months period ended 30 September 2016 AED 000	Unaudited nine months period ended 30 September 2015 AED 000
Profit for the period attributable to equity holders	5,382,089	4,989,110
Deduct : Interest on Tier 1 capital notes	(442,541)	(442,740)
Net profit attributable to equity holders	4,939,548	4,546,370
Weighted average number of equity shares in issue ('000)	5,557,775	5,557,775
Earnings per share* (AED)	<u>0.89</u>	<u>0.82</u>

*The diluted and basic Earnings per share were the same for the nine months period ended 30 September 2016.

20 DERIVATIVES

	Unaudited 30 September 2016			Audited December 2015		
	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	3,225,036	(2,464,545)	471,072,846	2,617,751	(2,171,958)	406,516,872
Derivatives held as cash flow hedges	147,002	(5,557)	7,704,481	51,110	(47,142)	6,148,631
Derivatives held as fair value hedges	35,481	(208,423)	3,338,721	218	(391,105)	2,980,844
Total	3,407,519	(2,678,525)	482,116,048	2,669,079	(2,610,205)	415,646,347

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.

EMIRATES NBD BANK PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016 (UNAUDITED)

21 OPERATING SEGMENTS (CONTINUED)Unaudited 30 September 2016

	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	2,357,051	2,811,779	(21,840)	1,323,423	1,180,378	7,650,791
Net Fees, commission and other income	930,255	1,735,531	381,102	576,767	10,705	3,634,360
Total operating Income	3,287,306	4,547,310	359,262	1,900,190	1,191,083	11,285,151
General and administrative expenses	(312,970)	(1,471,288)	(91,124)	(851,466)	(966,635)	(3,693,483)
Net impairment loss on financial assets	(366,301)	(597,992)	535	(1,065,438)	(155,144)	(2,184,340)
Share of profit of associates and joint ventures	-	-	-	752	85,257	86,009
Taxation charge	(8,115)	(5,964)	3,443	-	(100,495)	(111,131)
Group Profit for the Period	2,599,920	2,472,066	272,116	(15,962)	54,066	5,382,206
Segment Assets	242,032,266	51,780,020	62,594,095	51,476,718	38,164,683	446,047,782
Segment Liabilities and Equity	113,403,177	139,394,869	29,127,392	56,063,491	108,058,853	446,047,782

EMIRATES NBD BANK PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2016 (UNAUDITED)

21 OPERATING SEGMENTS (CONTINUED)

<u>Unaudited 30 September 2015</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	2,669,848	2,642,643	(208,728)	1,223,362	1,245,090	7,572,215
Net Fees, commission and other income	1,017,320	1,622,827	338,643	565,852	37,739	3,582,381
Total operating Income	3,687,168	4,265,470	129,915	1,789,214	1,282,829	11,154,596
General and administrative expenses	(253,166)	(1,400,236)	(99,378)	(697,542)	(911,708)	(3,362,030)
Net impairment loss on financial assets	(1,845,258)	(328,667)	35,748	(667,776)	(1,890)	(2,807,843)
Share of profit of associates and joint ventures	-	-	-	853	112,524	113,377
Taxation charge	(15,231)	(6,671)	(4,492)	-	(82,009)	(108,403)
Group Profit for the Period	1,573,513	2,529,896	61,793	424,749	399,746	4,989,697
Segment Assets	223,837,588	51,528,955	42,656,928	47,222,648	25,188,590	390,434,709
Segment Liabilities and Equity	103,635,594	118,820,807	30,544,270	50,546,312	86,887,726	390,434,709

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 7% (December 2015: 9%) and 5% (December 2015: 7%) 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 30 September 2016 AED 000	Audited 31 December 2015 AED 000
<u>Loans and receivables:</u>		
To majority shareholder of the parent	128,696,209	120,747,984
To parent	1,470,631	1,469,561
To directors and related companies	150,423	1,608,377
To associates and joint ventures	-	26,466
	130,317,263	123,852,388
<u>Customer and Islamic deposits:</u>		
From majority shareholder of the parent	2,366,558	3,828,527
From parent	5,009,595	6,686,481
From associates and joint ventures	201,985	195,222
	7,578,138	10,710,230
Investment in Government of Dubai bonds	25,118	5,913
Loans to and investment in funds managed by the Group	291,600	290,802
Commitments to associates	9,897	9,468

22 RELATED PARTY TRANSACTIONS (CONTINUED)

	Unaudited nine months period ended 30 September 2016 AED 000	Unaudited nine months period ended 30 September 2015 AED 000
Payments made to associates and joint ventures	102,653	113,157
Payments received from associates and joint ventures	3,745	3,685
Payments made to other related parties	45,430	43,849
Fees received in respect of funds managed by the Group	44,708	49,032
Interest paid to funds managed by the Group	9,480	8,061
Interest (paid by) / paid to joint ventures	2,960	(583)
Directors sitting fee	5,892	5,280

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

	Unaudited nine months period ended 30 September 2016 AED 000	Unaudited nine months period ended 30 September 2015 AED 000
<u>Key management compensation:</u>		
Short term employment benefits	56,565	57,831
Post employment benefits	908	1,154

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 nine months period ended 30 September 2016 AED 000	Unaudited nine months period ended 30 September 2015 AED 000
(a) Analysis of changes in cash and cash equivalents during the period		
Balance at beginning of period	31,828,539	24,763,352
Net cash inflow/(outflow)	7,017,606	945,340
Balance at end of period	<u>38,846,145</u>	<u>25,708,692</u>
(b) Analysis of cash and cash equivalents		
Cash and deposits with Central Bank	53,871,541	50,520,627
Due from banks	57,607,425	36,727,913
Due to banks	(15,973,237)	(19,656,244)
	<u>95,505,729</u>	<u>67,592,296</u>
Less : deposits with Central Bank for regulatory purposes	(30,124,737)	(26,493,353)
Less : certificates of deposits with Central Bank maturing after three months	(15,185,225)	(7,750,000)
Less : amounts due from banks maturing after three months	(18,137,569)	(14,512,129)
Add : amounts due to banks maturing after three months	6,787,948	6,871,878
	<u>38,846,146</u>	<u>25,708,692</u>

24 ASSETS AND LIABILITIES MEASURED AT FAIR VALUEFair 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).

24 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (CONTINUED)

Unaudited 30 September 2016

	Level 1 AED 000	Level 2 AED 000	Level 3 AED 000	Total AED 000
<u>Trading securities</u>				
Debt Securities	1,400,046	74,514	-	1,474,560
Others	51,365	74,686	-	126,051
	1,451,411	149,200	-	1,600,611
<u>Investment Securities</u>				
<u>AVAILABLE-FOR-SALE:</u>				
Debt Securities	8,583,314	5,710,879	182,160	14,476,353
Investment in equities	112,221	179,666	698,608	990,495
Others	-	114,191	232,526	346,717
	8,695,535	6,004,736	1,113,294	15,813,565
<u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u>				
Others	149,430	7,381	-	156,811
	149,430	7,381	-	156,811
<u>Derivatives held for trading</u>				
Positive fair value of derivatives	-	3,225,036	-	3,225,036
<u>Derivatives held as cash flow hedges:</u>				
Interest rate swaps	-	147,002	-	147,002
<u>Derivatives held as fair value hedges:</u>				
Interest rate swaps	-	35,481	-	35,481
	-	3,407,519	-	3,407,519
<u>Derivatives held for trading</u>				
Negative fair value of derivatives	-	(2,464,545)	-	(2,464,545)
<u>Derivatives held as cash flow hedges:</u>				
Interest rate swaps	-	(5,557)	-	(5,557)
<u>Derivatives held as fair value hedges:</u>				
Interest rate swaps	-	(208,423)	-	(208,423)
	-	(2,678,525)	-	(2,678,525)
	10,296,376	6,890,311	1,113,294	18,299,981

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 2016	1,270,578	-	177,669	1,448,247
Total gains or losses:	-	-	-	-
- in profit or loss	-	-	-	-
- in other comprehensive income	(22,316)	-	-	(22,316)
Purchases	-	-	-	-
Settlements and other adjustments	(134,968)	-	(177,669)	(312,637)
Transfers into Level 3	-	-	-	-
Transfers out of Level 3	-	-	-	-
Balance as at 30 September 2016	1,113,294	-	-	1,113,294

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.

During the period ended 30 September 2016 no available for sale financial assets were transferred from Level 1 to Level 2 or from Level 2 to Level 1 (2015: AED Nil).

24 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (CONTINUED)Audited 31 December 2015

	Level 1	Level 2	Level 3	Total
	AED 000	AED 000	AED 000	AED 000
<u>Trading securities</u>				
Debt Securities	1,381,556	1,157	177,669	1,560,382
Others	42,729	75,758	-	118,487
	<u>1,424,285</u>	<u>76,915</u>	<u>177,669</u>	<u>1,678,869</u>
<u>Investment Securities</u>				
<u>AVAILABLE-FOR-SALE:</u>				
Debt Securities	8,311,699	5,170,387	177,669	13,659,755
Investment in equities	410,935	228,347	790,842	1,430,124
Others	-	138,112	302,067	440,179
	<u>8,722,634</u>	<u>5,536,846</u>	<u>1,270,578</u>	<u>15,530,058</u>
<u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u>				
Others	134,582	13,655	-	148,237
	<u>134,582</u>	<u>13,655</u>	<u>-</u>	<u>148,237</u>
<u>Derivatives held for trading</u>				
<u>Positive fair value of derivatives</u>	-	2,617,751	-	2,617,751
Derivatives held as cash flow hedges:				
Interest rate swaps	-	51,110	-	51,110
Derivatives held as fair value hedges:				
Interest rate swaps	-	218	-	218
	<u>-</u>	<u>2,669,079</u>	<u>-</u>	<u>2,669,079</u>
<u>Derivatives held for trading</u>				
<u>Negative fair value of derivatives</u>	-	(2,171,958)	-	(2,171,958)
Derivatives held as cash flow hedges:				
Interest rate swaps	-	(47,142)	-	(47,142)
Derivatives held as fair value hedges:				
Interest rate swaps	-	(391,105)	-	(391,105)
	<u>-</u>	<u>(2,610,205)</u>	<u>-</u>	<u>(2,610,205)</u>
	<u>10,281,501</u>	<u>5,686,290</u>	<u>1,448,247</u>	<u>17,416,038</u>

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 2015	1,228,199	-	-	1,228,199
Total gains or losses:				
- in profit or loss	(64,680)	-	(3,202)	(67,882)
- in other comprehensive income	(74,851)	-	-	(74,851)
Purchases	185,585	-	180,871	366,456
Issues	-	-	-	-
Settlements and other adjustments	(84,272)	-	-	(84,272)
Transfers into Level 3	80,597	-	-	80,597
Transfers out of Level 3	-	-	-	-
Balance as at 31 December 2015	1,270,578	-	177,669	1,448,247