

**EMIRATES NBD BANK PJSC**

**GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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

### ***Introduction***

We have reviewed the accompanying condensed consolidated interim financial statements of Emirates NBD PJSC (the “Bank”) and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated interim statement of financial position as at 31 March 2016 and the related consolidated interim statements of income and comprehensive income, cash flows and changes in equity for the three month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Financial Reporting Standard IAS 34, Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

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

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

### ***Conclusion***

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

Ernst & Young

Signed by:  
Joseph Murphy  
Partner  
Registration No. 492

18 April 2016  
Dubai, United Arab Emirates

EMIRATES NBD BANK PJSC

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2016 (UNAUDITED)

	Notes	Unaudited 31 March 2016 AED 000	Audited 31 December 2015 AED 000
<b>ASSETS</b>			
Cash and deposits with Central Bank	3	46,269,853	54,974,670
Due from banks	4	46,069,148	39,836,584
Trading securities		1,427,749	1,678,869
Investment securities	5	15,564,159	15,926,581
Loans and receivables	6	232,598,744	226,696,541
Islamic financing receivables	7	46,457,319	43,884,317
Investments in associates and joint ventures		1,641,750	1,615,021
Positive fair value of derivatives	19	3,486,942	2,669,079
Investment properties		799,150	805,937
Customer acceptances		6,123,995	3,712,749
Property and equipment		2,364,942	2,396,314
Goodwill and intangibles	8	5,957,689	6,030,825
Other assets	9	5,745,074	6,332,688
<b>TOTAL ASSETS</b>		<b>414,506,514</b>	<b>406,560,175</b>
<b>LIABILITIES</b>			
Due to banks		20,680,374	18,822,719
Customer deposits		229,367,898	224,385,213
Islamic customer deposits		61,560,797	62,846,692
Repurchase agreements with banks		621,468	248,334
Debt issued and other borrowed funds	10	31,905,668	31,287,342
Sukuk payable		3,672,500	3,672,500
Negative fair value of derivatives	19	2,814,697	2,610,205
Customer acceptances		6,123,995	3,712,749
Other liabilities	11	7,972,377	8,225,894
<b>TOTAL LIABILITIES</b>		<b>364,719,774</b>	<b>355,811,648</b>
<b>EQUITY</b>			
Issued capital		5,557,775	5,557,775
Treasury shares		(46,175)	(46,175)
Tier I capital notes	13	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		240,481	476,375
Currency translation reserve		(373,270)	(207,411)
Retained earnings		17,006,596	17,566,680
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY AND NOTE HOLDERS OF THE GROUP</b>		<b>49,781,028</b>	<b>50,742,865</b>
Non-controlling interest		5,712	5,662
<b>TOTAL EQUITY</b>		<b>49,786,740</b>	<b>50,748,527</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>414,506,514</b>	<b>406,560,175</b>

The attached notes 1 to 23 form an integral part of these Group condensed consolidated interim financial statements.

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

  
Director

18 APR 2016

  
Director

  
Chief Executive Officer

**GROUP CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (UNAUDITED)**

	Notes	Unaudited three months period ended 31 March 2016 AED 000	Unaudited three months period ended 31 March 2015 AED 000
Interest and similar income		2,997,029	2,671,446
Interest and similar expense		(840,214)	(557,290)
<b>Net interest income</b>		<b>2,156,815</b>	<b>2,114,156</b>
Income from Islamic financing and investment products		625,000	479,790
Distribution on Islamic deposits and profit paid to Sukuk holders		(226,894)	(109,147)
<b>Net income from Islamic financing and investment products</b>		<b>398,106</b>	<b>370,643</b>
<b>Net interest income and income from Islamic financing and investment products net of distribution to depositors</b>		<b>2,554,921</b>	<b>2,484,799</b>
Fee and commission income		920,728	882,699
Fee and commission expense		(194,881)	(174,813)
<b>Net fee and commission income</b>		<b>725,847</b>	<b>707,886</b>
Net gain / (loss) on trading securities		44,938	25,119
Other operating income	14	579,654	627,301
<b>Total operating income</b>		<b>3,905,360</b>	<b>3,845,105</b>
General and administrative expenses	15	(1,250,043)	(1,079,224)
<b>Operating profit before impairment</b>		<b>2,655,317</b>	<b>2,765,881</b>
Net impairment loss on financial assets	16	(829,468)	(1,085,292)
<b>Operating profit after impairment</b>		<b>1,825,849</b>	<b>1,680,589</b>
Share of profit of associates and joint ventures		26,841	36,050
<b>Group profit for the period before taxation</b>		<b>1,852,690</b>	<b>1,716,639</b>
Taxation charge		(44,699)	(45,575)
<b>Group profit for the period after taxation</b>		<b>1,807,991</b>	<b>1,671,064</b>
<b>Attributable to:</b>			
Equity holders of the Group		1,807,941	1,670,851
Non-controlling interest		50	213
<b>Group profit for the period</b>		<b>1,807,991</b>	<b>1,671,064</b>
<b>Earnings per share</b>	18	<b>0.30</b>	<b>0.27</b>

The attached notes 1 to 23 form an integral part of these Group condensed consolidated interim financial statements. The independent auditors' report on review of the Group condensed consolidated interim financial statements is set out on page 1.

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (UNAUDITED)

	Unaudited three months period ended 31 March 2016 AED 000	Unaudited three months period ended 31 March 2015 AED 000
Group profit for the period	1,807,991	1,671,064
<b>Items that may be reclassified subsequently to Income statement:</b>		
<b>Other comprehensive income</b>		
Cash flow hedges:		
- Effective portion of changes in fair value	128,302	31,235
Fair value reserve (available-for-sale financial assets):		
- Net change in fair value	(190,065)	63,947
- Net amount transferred to income statement	(174,131)	(59,087)
Currency translation reserve	(165,859)	(128,104)
Other comprehensive income for the period	(401,753)	(92,009)
<b>Total comprehensive income for the period</b>	<b>1,406,238</b>	<b>1,579,055</b>
<b>Attributable to:</b>		
Equity holders of the Bank	1,406,188	1,578,842
Non-controlling interest	50	213
<b>Total comprehensive income for the period</b>	<b>1,406,238</b>	<b>1,579,055</b>

The attached notes 1 to 23 form an integral part of these Group condensed consolidated interim financial statements.

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GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (UNAUDITED)

Notes	Unaudited three months period ended 31 March 2016 AED 000	Unaudited three months period ended 31 March 2015 AED 000
<b><u>OPERATING ACTIVITIES</u></b>		
Group profit for the period	1,807,991	1,671,064
<b><u>Adjustment for non cash items</u></b>		
Impairment loss on loans and receivables	307,212	729,661
Impairment loss on Islamic financing receivables	501,146	307,875
Impairment loss on investment securities	42,281	19,750
Amortisation of fair value	24,035	10,620
Discount on Investment securities	15,953	11,116
Unrealised foreign exchange gain	(37,143)	(51,336)
Amortisation of intangibles	20,123	20,250
Depreciation of property and equipment	79,243	70,567
Share of profit of associates and joint ventures	(26,841)	(36,050)
Unrealized (gain)/loss on investments	3,171	6,980
Unrealized (gain)/loss on FV Hedged item	106,551	(83,029)
Gain on sale of property and equipment	-	(17,864)
Gain on sale of investment properties	-	(140,164)
Gain on sale of properties (inventories)	(14,767)	(4,771)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>2,828,955</b>	<b>2,514,669</b>
(Increase)/decrease in interest free statutory deposits	4,642,037	634,754
(Increase)/decrease in certificate of deposits with Central Bank maturing after three months	(6,455,250)	(6,750,000)
(Increase)/decrease in amounts due from banks maturing after three months	(3,206,142)	(4,799,575)
Increase/(decrease) in amounts due to banks maturing after three months	571,269	1,131,832
(Increase)/decrease in other assets	(1,782,337)	367,505
Increase/(decrease) in other liabilities	2,125,878	(49,475)
(Increase)/decrease in positive fair value of derivatives	(735,132)	(659,221)
Increase/(decrease) in negative fair value of derivatives	250,063	529,894
Increase/(decrease) in customer deposits	4,982,685	3,068,305
Increase/(decrease) in Islamic customer deposits	(1,285,895)	(907,832)
Increase/(decrease) in trading securities	253,058	(421,352)
(Increase)/decrease in loans and receivables	(6,209,415)	(1,638,396)
(Increase)/decrease in Islamic financing receivables	(3,074,148)	(2,325,727)
<b>Net cash flows from/(used in) operating activities</b>	<b>(7,094,374)</b>	<b>(9,304,619)</b>

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (UNAUDITED)

	Notes	Unaudited three months period ended 31 March 2016 AED 000	Unaudited three months period ended 31 March 2015 AED 000
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<b><u>INVESTING ACTIVITIES</u></b>			
(Increase)/decrease in investment securities		(65,229)	1,812,107
Acquisition of Investment Properties		-	542,586
Disposal of Investment Properties		-	(24,344)
Addition of property and equipment		(50,997)	(62,237)
Disposal of property and equipment		3,125	189,258
<b>Net cash flows from/(used in) investing activities</b>		<b>(113,101)</b>	<b>2,457,370</b>
<b><u>FINANCING ACTIVITIES</u></b>			
Increase/(decrease) in deposits under repurchase agreements		373,134	(12,267)
Issuance of debt issued and other borrowed funds	10	1,994,948	5,012,810
Repayment of debt issued and other borrowed funds	10	(1,570,576)	(1,269,300)
Interest on Tier I capital notes		(147,276)	(147,476)
Dividends paid		(2,220,749)	(1,945,221)
<b>Net cash flows from /(used in) financing activities</b>		<b>(1,570,519)</b>	<b>1,638,546</b>
<b>Increase/(decrease) in cash and cash equivalents (refer Note 22)</b>		<b>(8,777,994)</b>	<b>(5,208,703)</b>

The attached notes 1 to 23 form an integral part of these Group condensed consolidated interim financial statements.

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



GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 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	-	-	-	-	-	-	(235,894)	(165,859)	1,807,941	1,406,188	50	1,406,238
Interest on Tier 1 capital notes	-	-	-	-	-	-	-	-	(147,276)	(147,276)	-	(147,276)
Dividends paid	-	-	-	-	-	-	-	-	(2,220,749)	(2,220,749)	-	(2,220,749)
Balance as at 31 March 2016	5,557,775	(46,175)	9,477,076	12,270,124	2,778,888	2,869,533	240,481	(373,270)	17,006,596	49,781,028	5,712	49,786,740
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	-	-	-	-	-	-	36,095	(128,104)	1,670,851	1,578,842	213	1,579,055
Interest on Tier 1 capital notes	-	-	-	-	-	-	-	-	(147,476)	(147,476)	-	(147,476)
Dividends paid	-	-	-	-	-	-	-	-	(1,945,221)	(1,945,221)	-	(1,945,221)
Balance as at 31 March 2015	5,557,775	(46,175)	9,477,076	12,270,124	2,778,888	2,869,533	927,385	(199,843)	12,609,373	46,244,136	5,139	46,249,275

Note: No allocation to legal and statutory and other reserves has been made for the three months period ended 31 March 2016 as this will be effected at the year end.

The attached notes 1 to 23 form an integral part of these Group condensed consolidated interim financial statements.

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

## 1 CORPORATE INFORMATION

Emirates NBD Bank PJSC (the “Bank”) was incorporated in the United Arab Emirates on 16 July 2007 consequent to the merger between Emirates Bank International PJSC (“EBI”) and National Bank of Dubai PJSC (“NBD”), under the Commercial Companies Law (Federal Law Number 8 of 1984 as amended) as a Public Joint Stock Company. The Federal Law No. 2 of 2015, concerning Commercial Companies has come into effect from 1 July 2015, replacing the existing Federal Law No. 8 of 1984. The Bank is currently assessing the impact of the new law and expects to be fully compliant on or before the end of grace period on 30 June 2016.

The condensed consolidated interim financial statements for the period ended 31 March 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](http://www.emiratesnbd.com).

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

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

## 2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

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

The accounting policies applied by the Group in the preparation of the condensed consolidated interim financial statements are consistent with those applied by the Group in the annual consolidated financial statements for the year ended 31 December 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 three months period ended 31 March 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 31 March 2016 AED 000	Audited 31 December 2015 AED 000
Cash	2,780,683	3,694,925
Interest free statutory deposits with Central Banks	25,751,210	30,393,247
Interest bearing placements with Central Banks	2,649,697	3,214,873
Murabahas and Interest bearing certificates of deposits with Central Banks	15,088,263	17,671,625
	<u>46,269,853</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 31 March 2016 AED 000	Audited 31 December 2015 AED 000
Due from banks in UAE	8,235,136	5,089,195
Due from foreign banks	37,834,012	34,747,389
	<u>46,069,148</u>	<u>39,836,584</u>

EMIRATES NBD BANK PJSC

 NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (UNAUDITED)

## 5 INVESTMENT SECURITIES

<u>31 March 2016</u>	Domestic AED 000	Regional AED 000	International AED 000	Total AED 000
<u>HELD TO MATURITY:</u>				
Government bonds	11,404	5,632	-	17,036
Corporate bonds	146,280	15,138	-	161,418
	<u>157,684</u>	<u>20,770</u>	<u>-</u>	<u>178,454</u>
<u>AVAILABLE-FOR-SALE:</u>				
Government bonds	623,262	5,546,478	2,190,950	8,360,690
Corporate bonds	1,954,908	812,124	2,695,449	5,462,481
Equity	262,257	736,010	24,564	1,022,831
Others	54,407	60,569	283,681	398,657
	<u>2,894,834</u>	<u>7,155,181</u>	<u>5,194,644</u>	<u>15,244,659</u>
<u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u>				
Others	71,115	136	69,795	141,046
	<u>71,115</u>	<u>136</u>	<u>69,795</u>	<u>141,046</u>
	<u>3,123,633</u>	<u>7,176,087</u>	<u>5,264,439</u>	<u>15,564,159</u>

**5 INVESTMENT SECURITIES (CONTINUED)**

<u>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
	<u>158,005</u>	<u>90,281</u>	<u>-</u>	<u>248,286</u>
<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
	<u>2,727,204</u>	<u>7,545,907</u>	<u>5,256,947</u>	<u>15,530,058</u>
<u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u>				
Others	72,560	1,651	74,026	148,237
	<u>72,560</u>	<u>1,651</u>	<u>74,026</u>	<u>148,237</u>
	<u>2,957,769</u>	<u>7,637,839</u>	<u>5,330,973</u>	<u>15,926,581</u>

Investment securities include investments in real estate funds as follows:

	Unaudited 31 March 2016 AED 000	Audited 31 December 2015 AED 000
Designated at fair value through profit or loss	6,368	8,106
Available-for-sale	310,406	334,296
	<u>316,774</u>	<u>342,402</u>

**6 LOANS AND RECEIVABLES**

	Unaudited 31 March 2016 AED 000	Audited 31 December 2015 AED 000
Overdrafts	105,837,942	101,438,537
Time loans	129,328,894	127,828,462
Loans against trust receipts	8,457,532	8,244,741
Bills discounted	2,621,377	2,640,618
Credit card receivables	4,509,572	4,493,159
Others	605,085	606,838
Gross loans and receivables	251,360,402	245,252,355
Other debt instruments	104,695	114,314
Total loans and receivables	251,465,097	245,366,669
Less: Allowances for impairment	(18,866,353)	(18,670,128)
	232,598,744	226,696,541
Total of impaired loans and receivables	15,099,243	15,091,904

**6 LOANS AND RECEIVABLES (CONTINUED)**

	Unaudited 31 March 2016 AED 000	Audited 31 December 2015 AED 000
<u>Analysis by economic activity</u>		
Agriculture and allied activities	155,663	159,128
Mining and quarrying	443,502	507,313
Manufacturing	8,690,084	7,567,864
Construction	6,996,913	6,788,367
Trade	13,834,346	13,862,865
Transport and communication	4,730,538	4,836,334
Services	3,579,568	3,749,611
Sovereign	124,246,155	120,449,898
Personal	34,457,915	33,842,736
Real estate	31,458,352	31,032,786
Financial institutions and investment companies	21,996,087	21,687,551
Others	875,974	882,216
Total loans and receivables	251,465,097	245,366,669
Less: Allowances for impairment	(18,866,353)	(18,670,128)
	232,598,744	226,696,541

**6 LOANS AND RECEIVABLES (CONTINUED)**

	Unaudited three months period ended 31 March 2016 AED 000	Unaudited three months period ended 31 March 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	243,602	409,249
Write back / recoveries made during the period	(166,508)	(206,856)
Amounts written off during the period	(101,298)	(36,779)
Exchange and other adjustments	(1,685)	(4,570)
Balance as at 31 March	13,113,842	13,347,698
<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	230,118	527,268
Exchange and other adjustments	(8,004)	(5,015)
Balance as at 31 March	5,752,511	4,206,582
Total	18,866,353	17,554,280



**7 ISLAMIC FINANCING RECEIVABLES**

	Unaudited 31 March 2016 AED 000	Audited 31 December 2015 AED 000
Murabaha	32,463,315	31,180,923
Ijara	16,617,776	15,124,343
Credit cards receivable	835,962	896,408
Wakala	1,679,077	1,676,497
Istissna'a	1,337,609	1,180,460
Others	1,100,212	928,030
<b>Total Islamic financing receivables</b>	<b>54,033,951</b>	<b>50,986,661</b>
Less: Deferred income	(2,553,890)	(2,533,031)
Less: Allowances for impairment	(5,022,742)	(4,569,313)
	<b>46,457,319</b>	<b>43,884,317</b>
<b>Total of impaired Islamic financing receivables</b>	<b>5,944,013</b>	<b>5,750,107</b>

Corporate Ijara assets amounting to AED 3.7 billion [2015: 3.7 billion] were securitised for the purpose of issuance of Sukuk liability.

**7 ISLAMIC FINANCING RECEIVABLES (CONTINUED)**

	Unaudited 31 March 2016 AED 000	Audited 31 December 2015 AED 000
<u>Analysis by economic activity</u>		
Agriculture and allied activities	28,170	17,389
Mining and quarrying	69,524	84,362
Manufacturing	1,019,028	1,811,992
Construction	1,829,891	1,849,218
Trade	3,468,844	2,965,491
Transport and communication	1,409,119	1,467,876
Services	4,546,352	3,871,419
Sovereign	759,773	310,836
Personal	27,684,938	26,560,000
Real estate	8,512,112	7,559,182
Financial institutions and investment companies	2,095,753	2,249,597
Others	2,610,447	2,239,299
Total islamic financing and receivables	54,033,951	50,986,661
Less: Deferred Income	(2,553,890)	(2,533,031)
Less: Allowances for impairment	(5,022,742)	(4,569,313)
	46,457,319	43,884,317

**7 ISLAMIC FINANCING RECEIVABLES (CONTINUED)**

	Unaudited three months period ended 31 March 2016 AED 000	Unaudited three months period ended 31 March 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	465,825	392,158
Write back /recoveries made during the period	(59,740)	(93,069)
Amounts written off during the period	(47,846)	(128,431)
Exchange and other adjustments	113	96
Balance as at 31 March	4,387,718	3,813,393
<u>Movement in allowances for collective impairment</u>		
Balance as at 1 January	539,947	509,834
Allowances for impairment made during the period	95,061	8,786
Exchange and other adjustments	16	-
Balance as at 31 March	635,024	518,620
Total	5,022,742	4,332,013

**8 GOODWILL AND INTANGIBLES**

	Goodwill	Intangibles on Acquisition			Total	
		Banking license	Software	Customer relationships	Core deposit intangibles	
<u>31 March 2016</u>	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	(14,230)	(37,913)	-	-	(870)	(53,013)
	<b>5,606,970</b>	<b>280,407</b>	<b>9,281</b>	<b>157,490</b>	<b>658,522</b>	<b>6,712,670</b>
<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	-	-	-	373	19,750	20,123
<b>Balance as at 31 March</b>	<b>4,903</b>	<b>-</b>	<b>9,281</b>	<b>156,547</b>	<b>584,250</b>	<b>754,981</b>
<b>Net Goodwill and Intangibles</b>	<b>5,602,067</b>	<b>280,407</b>	<b>-</b>	<b>943</b>	<b>74,272</b>	<b>5,957,689</b>
<u>31 December 2015</u>						
<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
<b>Net Goodwill and Intangibles</b>	<b>5,616,297</b>	<b>318,320</b>	<b>-</b>	<b>1,316</b>	<b>94,892</b>	<b>6,030,825</b>

## 9 OTHER ASSETS

	Unaudited 31 March 2016 AED 000	Audited 31 December 2015 AED 000
Accrued interest receivable	1,312,297	1,368,182
Islamic Profit receivable	75,389	111,030
Prepayments and other advances	255,598	217,282
Sundry debtors and other receivables	1,117,247	772,539
Inventory	1,644,471	1,697,821
Fair value of deposit (a)	269,065	286,342
Others	1,071,007	1,879,492
	<u>5,745,074</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 31 March 2016 AED 000	Audited 31 December 2015 AED 000
Medium term note programme*	26,699,342	26,067,612
Term loans from banks	2,938,000	2,938,000
Borrowings raised from loan securitisations	2,268,326	2,281,730
	<b>31,905,668</b>	<b>31,287,342</b>

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

	Unaudited 31 March 2016 AED 000	Audited 31 December 2015 AED 000
Balance as at 1 January	31,287,342	26,697,691
New issues	1,994,948	10,563,141
Repayments	(1,570,576)	(5,651,375)
Other movements*	193,954	(322,115)
Balance at end of period	<b>31,905,668</b>	<b>31,287,342</b>

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

As at 31 March 2016, the outstanding medium term borrowings totaling AED 31,906 million (31 December 2015: AED 31,287 million) is falling due as below:

	Unaudited 31 March 2016 AED millions	Audited 31 December 2015 AED millions
2016	7,620	9,123
2017	6,526	5,261
2018	1,493	1,199
2019	5,453	5,173
2020	1,596	1,596
2021	184	-
2022	4,613	4,552
2023	3,605	3,605
2024	583	583
2025	122	115
2026	111	80
	<b>31,906</b>	<b>31,287</b>

**11 OTHER LIABILITIES**

	Unaudited 31 March 2016 AED 000	Audited 31 December 2015 AED 000
Accrued interest payable	831,721	764,628
Profit payable to Islamic depositors	185,734	214,605
Managers' cheques	1,193,661	1,476,011
Trade and other payables	1,909,478	1,764,068
Staff related liabilities	808,918	1,043,050
Provision for taxation	94,098	89,516
Others	2,948,767	2,874,016
	<b>7,972,377</b>	<b>8,225,894</b>

**12 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 31 March 2016.

**13 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.

**14 OTHER OPERATING INCOME**

	Unaudited three months period ended 31 March 2016 AED 000	Unaudited three months period ended 31 March 2015 AED 000
Dividend income	10,109	19,175
Gains from sale of available-for-sale investment securities	174,131	59,087
Gain / (loss) from investment securities designated at fair value through profit or loss	(5,775)	(8,424)
Rental income	20,633	25,485
Gain on sale of properties (Investment properties / inventories)	14,767	144,935
Foreign exchange income*	274,839	251,333
Derivative income	21,079	46,460
Other income (net)	69,871	89,250
	579,654	627,301

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



**15 GENERAL AND ADMINISTRATIVE EXPENSES**

	Unaudited three months period ended 31 March 2016 AED 000	Unaudited three months period ended 31 March 2015 AED 000
Staff cost	848,075	709,659
Occupancy cost	88,132	86,036
Equipment & supplies	38,321	31,276
Information technology cost	37,087	33,542
Communication cost	40,702	37,801
Service, legal and professional fees	17,005	14,513
Marketing related expenses	27,028	16,328
Depreciation	79,243	70,567
Amortisation of intangibles	20,123	20,250
Others	54,327	59,252
	<u>1,250,043</u>	<u>1,079,224</u>

**16 NET IMPAIRMENT LOSS ON FINANCIAL ASSETS**

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

	Unaudited three months period ended 31 March 2016 AED 000	Unaudited three months period ended 31 March 2015 AED 000
Net impairment of loans and receivables	307,212	729,661
Net impairment of Islamic financing receivables	501,146	307,875
Net impairment of investment securities	42,281	19,750
Net impairment of due from banks	-	(6,101)
Bad debt written off / (recovery) - net	(21,171)	34,107
Net impairment loss for the period	<u>829,468</u>	<u>1,085,292</u>

**17 COMMITMENTS AND CONTINGENCIES**

At 31 March 2016, the Group's commitments and contingencies are as follows:

	Unaudited 31 March 2016 AED 000	Audited 31 December 2015 AED 000
Letters of credit	9,212,410	9,578,127
Guarantees	44,148,243	45,249,694
Liability on risk participations	556,347	498,516
Irrevocable loan commitments*	28,077,218	23,550,505
	<u>81,994,218</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.

**18 EARNINGS PER SHARE**

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

	Unaudited three months period ended 31 March 2016 AED 000	Unaudited three months period ended 31 March 2015 AED 000
Profit for the period attributable to equity holders	1,807,941	1,670,851
Deduct : Interest on Tier 1 capital notes	(147,276)	(147,476)
Net profit attributable to equity holders	1,660,665	1,523,375
Weighted average number of equity shares in issue ('000)	5,557,775	5,557,775
Earnings per share* (AED)	<u>0.30</u>	<u>0.27</u>

\*The diluted and basic Earnings per share were the same for the three months period ended 31 March 2016.

**19 DERIVATIVES**

	March 2016			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	3,353,050	(2,530,995)	418,236,459	2,617,751	(2,171,958)	406,516,872
Derivatives held as cash flow hedges	133,841	(1,571)	6,251,547	51,110	(47,142)	6,148,631
Derivatives held as fair value hedges	51	(282,131)	3,565,938	218	(391,105)	2,980,844
<b>Total</b>	<b>3,486,942</b>	<b>(2,814,697)</b>	<b>428,053,944</b>	<b>2,669,079</b>	<b>(2,610,205)</b>	<b>415,646,347</b>

**20 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 THREE MONTHS PERIOD ENDED 31 MARCH 2016 (UNAUDITED)

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

EMIRATES NBD BANK PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2016 (UNAUDITED)

**20 OPERATING SEGMENTS (CONTINUED)**

<u>31 March 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	897,509	866,143	(58,379)	377,789	401,737	2,484,799
Net Fees, commission and other income	348,500	535,616	163,313	284,247	28,630	1,360,306
Total operating Income	1,246,009	1,401,759	104,934	662,036	430,367	3,845,105
General and administrative expenses	(78,946)	(454,430)	(32,637)	(213,799)	(299,412)	(1,079,224)
Net impairment loss on financial assets	(664,144)	(94,481)	8,099	(329,990)	(4,776)	(1,085,292)
Share of profit of associates and joint ventures	-	-	-	190	35,860	36,050
Taxation charge	(4,033)	(2,225)	(3,753)	-	(35,564)	(45,575)
Group Profit for the Period	498,886	850,623	76,643	118,437	126,475	1,671,064
Segment Assets	212,194,172	47,033,665	38,628,408	47,889,487	21,755,349	367,501,081
Segment Liabilities and Equity	100,647,423	116,605,120	22,757,488	49,150,876	78,340,174	367,501,081

**21 RELATED PARTY TRANSACTIONS**

Emirates NBD Group is partly owned by Investment Corporation of Dubai (55.6%), 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 8% (December 2015: 9%) and 7% (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 31 March 2016 AED 000	Audited 31 December 2015 AED 000
<b><u>Loans and receivables:</u></b>		
To majority shareholder of the parent	124,544,241	120,747,984
To parent	1,469,605	1,469,561
To directors and related companies	358,903	1,608,377
To associates and joint ventures	-	26,466
	<b>126,372,749</b>	<b>123,852,388</b>
<b><u>Customer and Islamic deposits:</u></b>		
From majority shareholder of the parent	3,281,328	3,828,527
From parent	5,819,976	6,686,481
From associates and joint ventures	184,196	195,222
	<b>9,285,500</b>	<b>10,710,230</b>
Investment in Government of Dubai bonds	31,845	5,913
Loans to and investment in funds managed by the Group	294,847	290,802
Commitments to associates	9,368	9,468

**21 RELATED PARTY TRANSACTIONS (CONTINUED)**

	Unaudited three months period ended 31 March 2016 AED 000	Unaudited three months period ended 31 March 2015 AED 000
Payments made to associates and joint ventures	32,742	35,062
Payments received from associates and joint ventures	1,228	1,220
Fees received in respect of funds managed by the Group	6,662	41,682
Interest paid to funds managed by the Group	1,370	1,223
Interest (paid by) / paid to joint ventures	832	29
Directors sitting fee	2,007	1,440

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

	Unaudited three months period ended 31 March 2016 AED 000	Unaudited three months period ended 31 March 2015 AED 000
<u>Key management compensation:</u>		
Short term employment benefits	40,594	41,799
Post employment benefits	303	284

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.

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

	Unaudited three months period ended 31 March 2016 AED 000	Unaudited three months period ended 31 March 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)	(8,777,994)	(5,208,703)
Balance at end of period	<u>23,050,545</u>	<u>19,554,649</u>
(b) Analysis of cash and cash equivalents		
Cash and deposits with Central Bank	46,269,853	50,277,524
Due from banks	46,069,148	29,487,289
Due to banks	(20,680,374)	(14,125,394)
	<u>71,658,627</u>	<u>65,639,419</u>
Less : deposits with Central Bank for regulatory purposes	(25,751,210)	(24,008,336)
Less : certificates of deposits with Central Bank maturing after three months	(12,755,250)	(13,500,000)
Less : amounts due from banks maturing after three months	(16,413,679)	(13,554,911)
Add : amounts due to banks maturing after three months	6,312,057	4,978,477
	<u>23,050,545</u>	<u>19,554,649</u>

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

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

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



**23 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (CONTINUED)**
31 March 2016

	Level 1 AED 000	Level 2 AED 000	Level 3 AED 000	Total AED 000
<b><u>Trading securities</u></b>				
Debt Securities	1,275,334	989	32,722	1,309,045
Others	43,790	74,914	-	118,704
	1,319,124	75,903	32,722	1,427,749
<b><u>Investment Securities</u></b>				
<b><u>AVAILABLE-FOR-SALE:</u></b>				
Debt Securities	9,071,748	4,569,634	181,789	13,823,171
Investment in equities	118,971	181,753	722,107	1,022,831
Others	-	107,586	291,071	398,657
	9,190,719	4,858,973	1,194,967	15,244,659
<b><u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u></b>				
Others	133,156	7,890	-	141,046
	133,156	7,890	-	141,046
<b><u>Derivatives held for trading</u></b>				
Positive fair value of derivatives	-	3,353,050	-	3,353,050
<b><u>Derivatives held as cash flow hedges:</u></b>				
Interest rate swaps	-	133,841	-	133,841
<b><u>Derivatives held as fair value hedges:</u></b>				
Interest rate swaps	-	51	-	51
	-	3,486,942	-	3,486,942
<b><u>Derivatives held for trading</u></b>				
Negative fair value of derivatives	-	(2,530,995)	-	(2,530,995)
<b><u>Derivatives held as cash flow hedges:</u></b>				
Interest rate swaps	-	(1,571)	-	(1,571)
<b><u>Derivatives held as fair value hedges:</u></b>				
Interest rate swaps	-	(282,131)	-	(282,131)
	-	(2,814,697)	-	(2,814,697)
	10,642,999	5,615,011	1,227,689	17,485,699

**23 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	-	-	741	741
- in other comprehensive income	(5,759)	-	-	(5,759)
Purchases	-	-	-	-
Settlements and other adjustments	(69,852)	-	(145,688)	(215,540)
Transfers into Level 3	-	-	-	-
Transfers out of Level 3	-	-	-	-
<b>Balance as at 31 March 2016</b>	<b>1,194,967</b>	<b>-</b>	<b>32,722</b>	<b>1,227,689</b>

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

The sensitivity analysis of unobservable inputs used to value Level 3 financial instruments by +5% / -5% is analyzed as below:

Financial Instrument category	Effect on Other comprehensive income	
	Favorable impact (+5%)	Unfavorable impact (-5%)
Available for Sale	AED 60 million	AED (60) million
Financial Instrument category	Effect on Income statement	
	Favorable impact (+5%)	Unfavorable impact (-5%)
Held for Trading	AED 2 million	AED (2) million

During the period ended 31 March 2016 available for sale financial assets with a carrying amount of AED Nil (2015: AED Nil) were transferred from Level 1 to Level 2 because quoted prices in the market for such debt securities became no longer regularly available. In order to determine the fair value of such debt securities, management used a valuation technique in which all significant inputs were based on observable market data. There have been transfers from Level 2 to Level 1 amounting to AED Nil (2015: AED Nil) during the period March 2016.

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

31 December 2015

	Level 1	Level 2	Level 3	Total
	AED 000	AED 000	AED 000	AED 000
<b><u>Trading securities</u></b>				
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>
<b><u>Investment Securities</u></b>				
<b><u>AVAILABLE-FOR-SALE:</u></b>				
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>
<b><u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u></b>				
Others	134,582	13,655	-	148,237
	<u>134,582</u>	<u>13,655</u>	<u>-</u>	<u>148,237</u>
<b><u>Derivatives held for trading</u></b>				
<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>
<b><u>Derivatives held for trading</u></b>				
<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>

**23 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