Emirates NBD

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Investor Presentation

BELTONE | بورصة قطر Qatar Exchange

Beltone Financial
MENA Conference In Qatar
Middle East & North Africa Investments

22/23 February 2010

Important Information

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Investment Highlights

Emirates NBD is the largest bank in the UAE and the GCC

Emirates NBD

- Diversified Business Model with Fully Fledged Financial Services Offering
- Strong Asset and Profit Growth over the Past 5 Years
- 56% Dubai Government Ownership
- Experienced Management Team with Solid Track Record
- Dubai: Global Economic Hub with Strong UAE Federal Ties
- Historically Prudent Risk Management
- Solid Capitalization Tier 1 = 13.3%, Total CAR =20.8%
- Leading Banking Group in the UAE and the GCC

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UAE Economic Update

Highlights

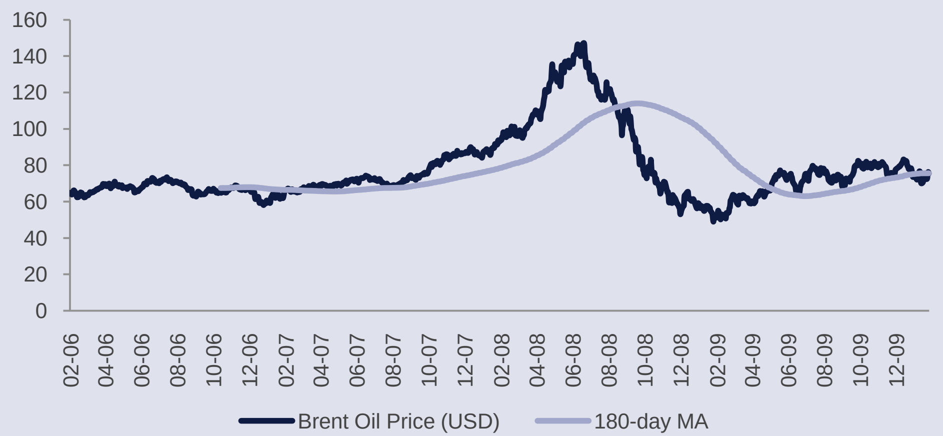
- UAE was impacted by external shocks including weaker oil prices, a credit squeeze, and declining world trade
- Now these channels are improving, with oil prices firmer, global credit more available and world trade improving.
- Locally, monetary policy also responded to the crisis, with rates being cut and liquidity provided
- UAE's accumulated surpluses over recent years enable it to engage in powerful counter-cyclical fiscal policies
- Correction provides potential to put growth back on a more sustainable long-term path

Real GDP Growth Forecasts (1)

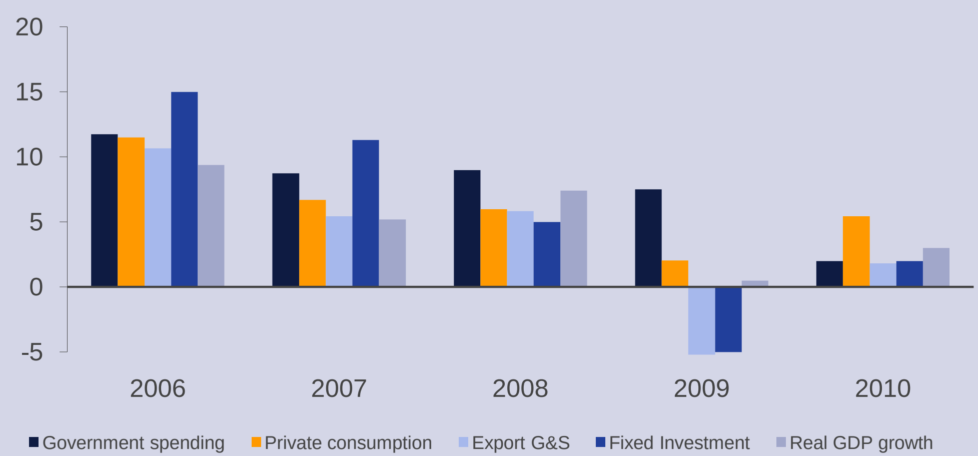
	2008	2009	2010	2011
UAE	**7.4%**	**0.0%**	**2.5%**	**4.5%**
UK	0.7%	(4.5%)	0.5%	2.0%
Eurozone	0.4%	(4.0%)	1.0%	1.5%
Germany	1.0%	(4.8%)	1.0%	2.0%
US	1.1%	(2.5%)	2.5%	3.0%
China	9.0%	8.5%	10.0%	9.5%
Japan	(0.7%)	(6.5%)	1.0%	1.5%
Singapore	1.3%	(2.0%)	4.0%	5.0%
Hong Kong	2.4%	(2.5%)	4.0%	5.0%

Source: Emirates NBD forecasts

Promising signs for oil (USD)



UAE Real GDP – YoY (%)(1)



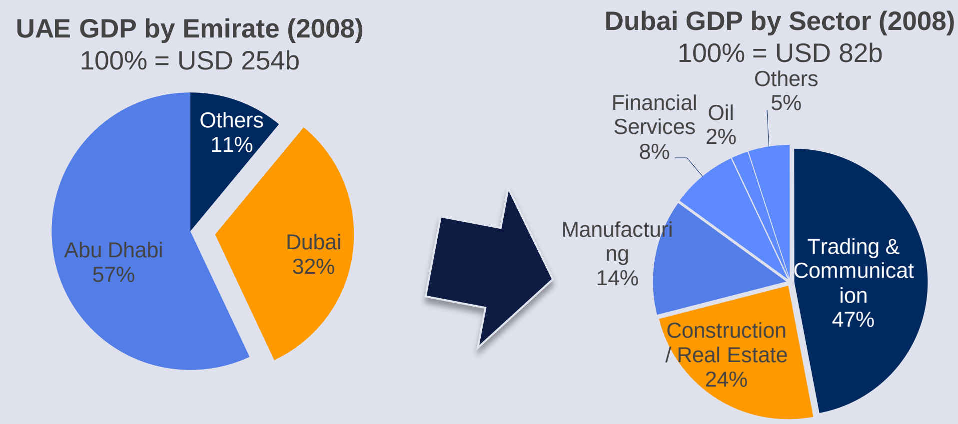
1) EIU, Emirates NBD forecasts

Dubai Economic Update

Highlights

- Dubai is the 3rd largest centre for re-exports in the world which itself represents 44% of GDP
- Oil has played a progressively diminishing role in Dubai's economy as compared to other sectors
- Dubai's textbook model of diversification is being challenged, but is responding with strong assistance from the Federation
- Dubai is a strategically located international trading hub with some of the world's best air and sea ports serving over 205 destinations.
- Lower inflation, weaker USD and property market declines have enhanced Dubai's cost-competitiveness.
- Dubai continues to be a safe haven for capital in the region

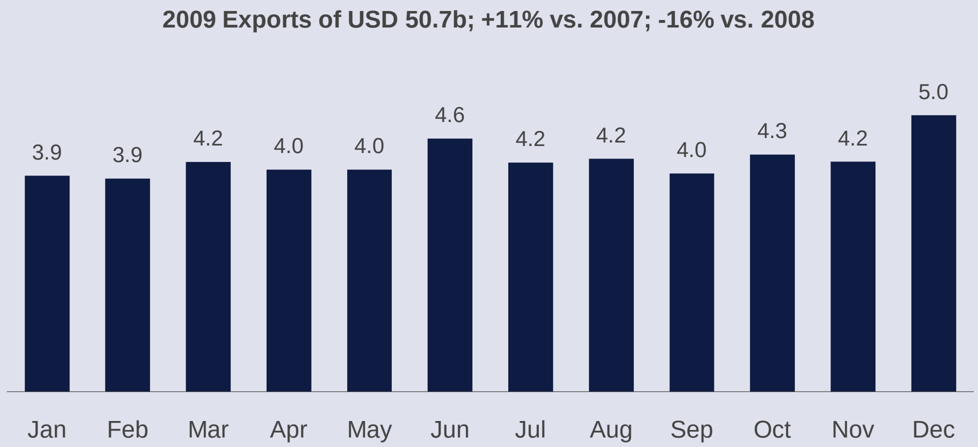
Dubai 2008 GDP breakdown



Source: UAE Ministry of Economy

Dubai's Strategic Location

Dubai Exports - 2009 (USD billion)



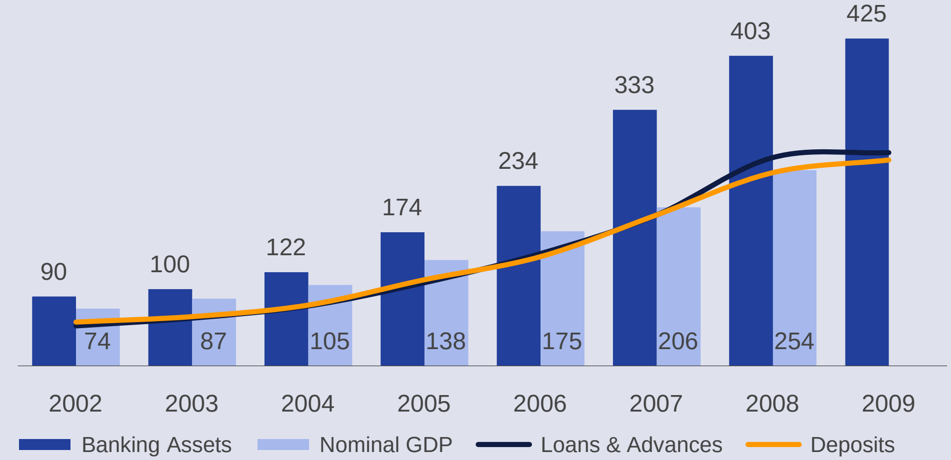
Source: Dubai Chamber

UAE Banking Market Update

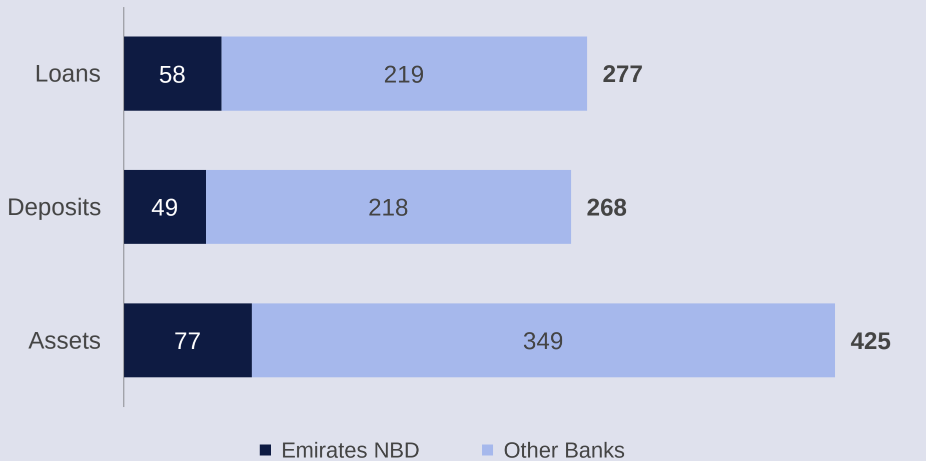
Highlights

- UAE loan growth has outstripped deposit growth in recent years
- UAE Banking system liquidity tightened in H2 2008 due to outflow of c. USD 50b of speculative capital and the Global credit/liquidity crisis following the Lehman's collapse
- Government intervention has been welcome:
  - USD 14b backstop facility from MOF
  - USD 19b set aside for direct injection into UAE banks; USD 14b deposited to date and converted to T2 capital
  - Deposit & capital market guarantees announced
  - Abu Dhabi Government injected c. USD 4n of Tier 1 capital into the Abu Dhabi banks
  - Dubai Government injected USD 1b of Tier 1 capital into Emirates NBD
  - Government of Dubai announced a USD 20b bond program

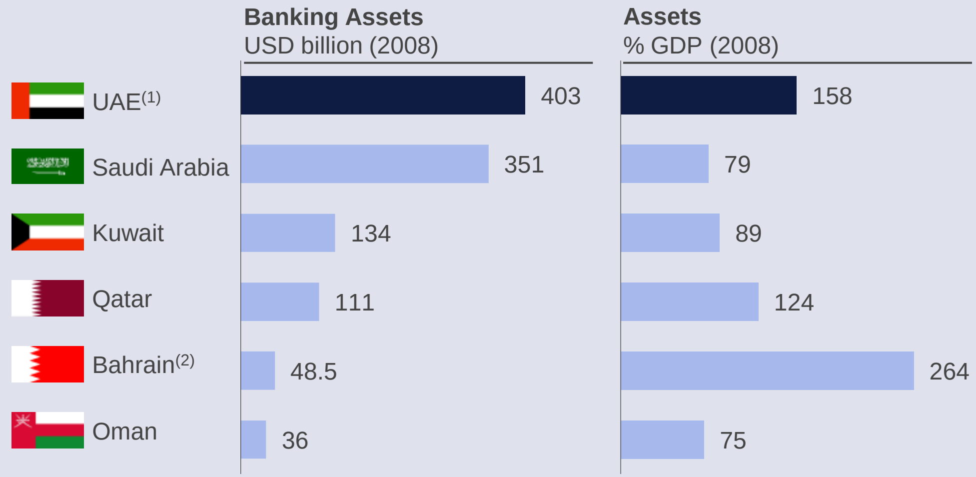
UAE Banking Sector Growth (USD billion)



Composition of UAE Banking Market (USD billion)



GCC Banking Market



1) Includes Foreign Banks
2) Excludes off-shore banking units
Source: UAE Central Bank; National Central Banks, 31 December 2008 and Emirates NBD forecasts

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Summary

- Largest financial institution (by asset size) in the GCC and the UAE
- Flagship bank for Dubai and the UAE Governments
- 56% owned by Dubai government
- Consistently profitable; the No.1 bank in the UAE by income and net profits
- Fully fledged, diversified financial services offering
- Ever increasing presence in the UAE, the GCC and globally
- Well positioned to grow and deliver outstanding value to its shareholders, customers, and employees

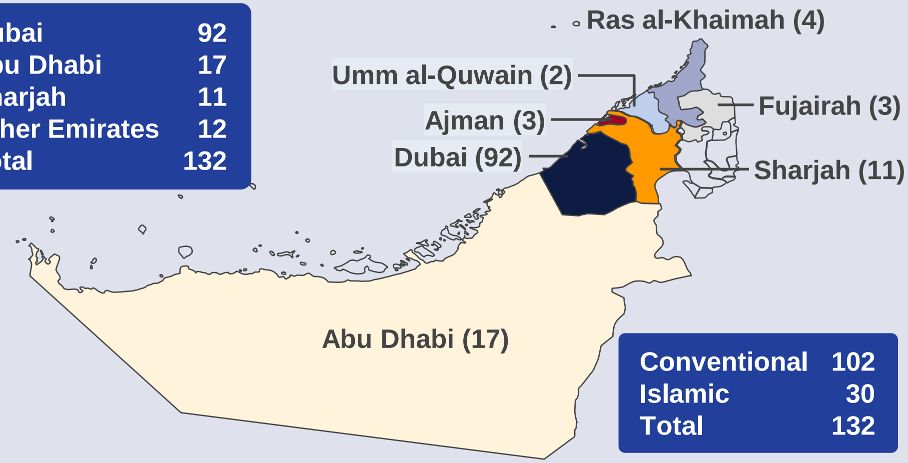
Emirates NBD at a Glance

Largest Bank in UAE

- No.1 Market share in UAE:
  - Assets c.18%; Loans c.21%
  - Deposits c.18%
- No. 1 Retail market shares (estimated):
  - Personal loans c.24%
  - Home loans c.9%
  - Auto loans c.12%
  - Credit cards c.10%
  - Debit cards c.18%
- Fully fledged financial services offerings across retail banking, wholesale banking, global markets & trading, investment banking, brokerage, asset management, merchant acquiring and cards processing

Largest Branch Network in the UAE

Dubai	92
Abu Dhabi	17
Sharjah	11
Other Emirates	12
Total	132



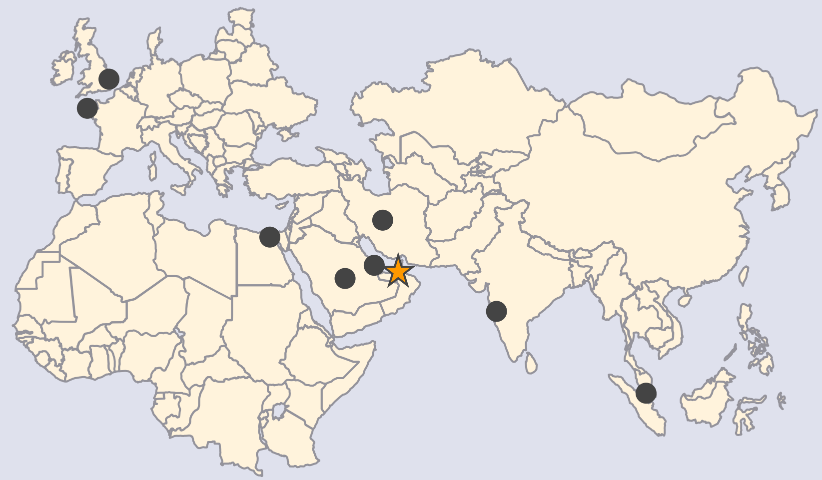
Conventional	102
Islamic	30
Total	132

Credit Ratings

	Emirates NBD
Moody's(1)	A2
Fitch(2)	A+
Capital Intelligence	A+

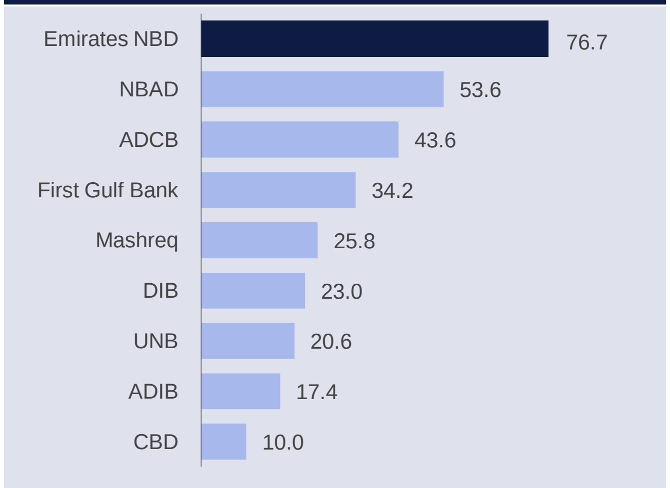
1) Moody's Long-term rating on review for possible downgrade
2) Fitch Individual Rating "C" on credit watch negative

International Presence

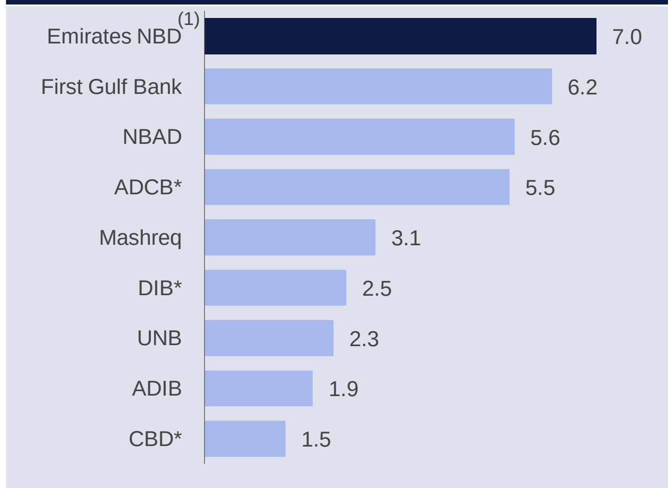


Emirates NBD is the Largest Bank in the UAE and GCC by Assets

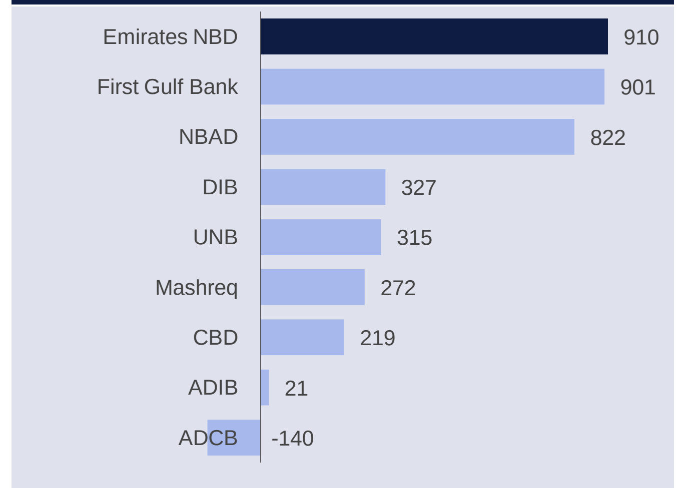
UAE Ranking by Assets (USD billion)



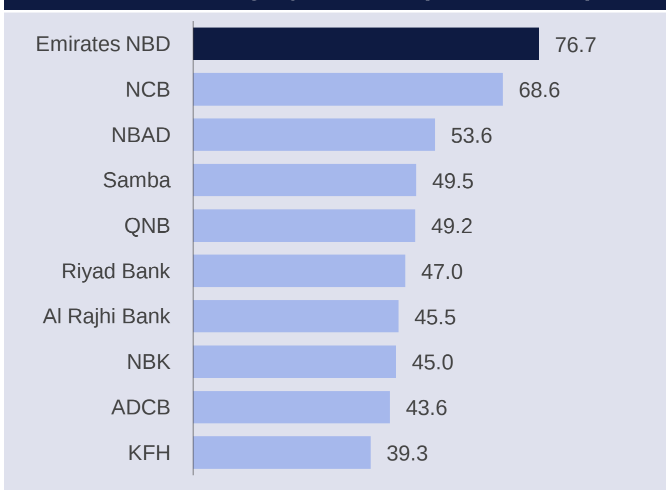
UAE Ranking by Equity (USD billion)



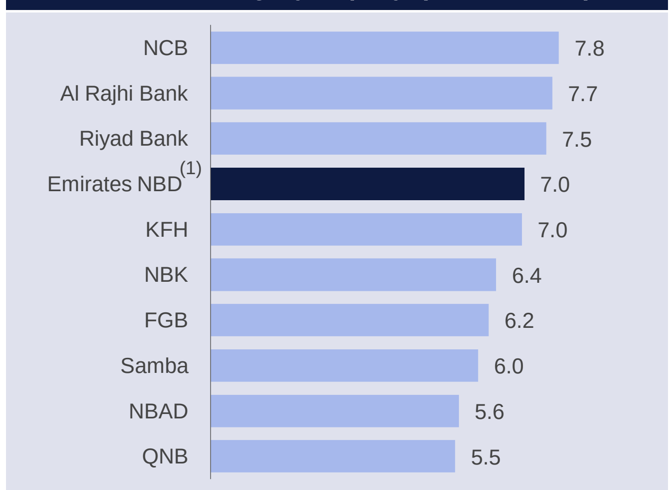
UAE Ranking by Profits(2) (USD million)



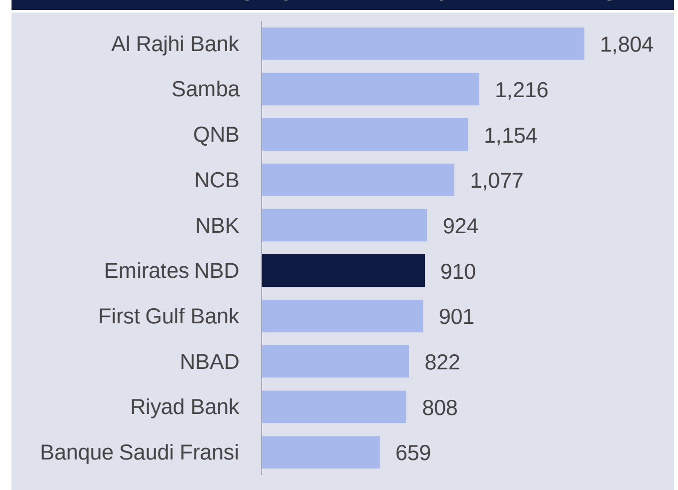
GCC Ranking by Assets (USD billion)



GCC Ranking by Equity (USD billion)



GCC Ranking by Profits(2) (USD million)



1) Shareholders' Equity for Emirates NBD is USD 8.7b. The number shown is Tangible Shareholder's Equity which excludes goodwill and intangibles

** Numbers as of Sep. 30, 2009*

Source: Bank Financial Statements , Press Releases, Bloomberg: 30 September 2009 and 31 December 2009

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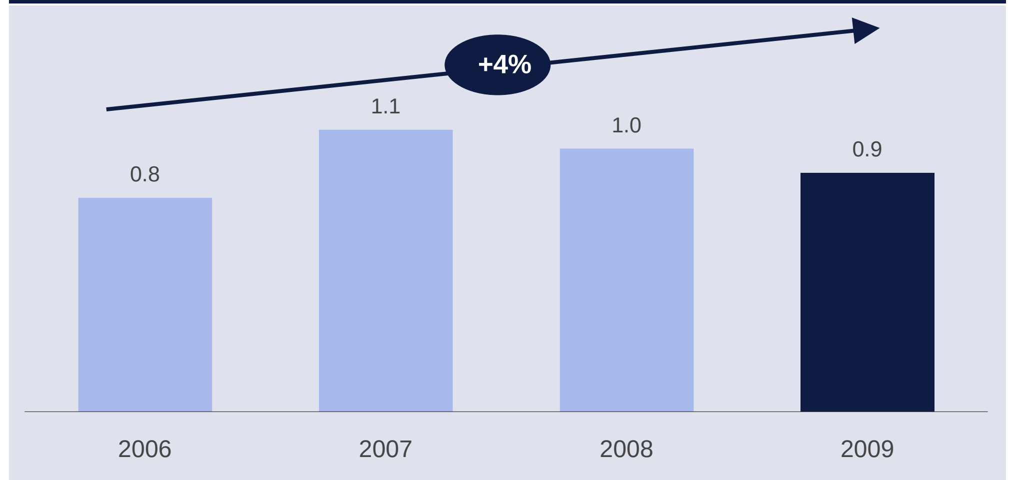
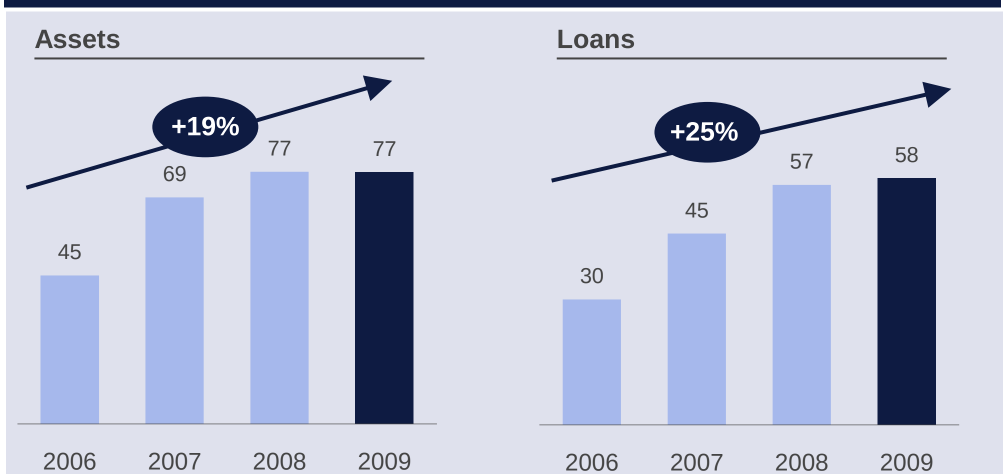
Profit and Balance Sheet Growth in Recent Years

Revenues (USD billion)[1]

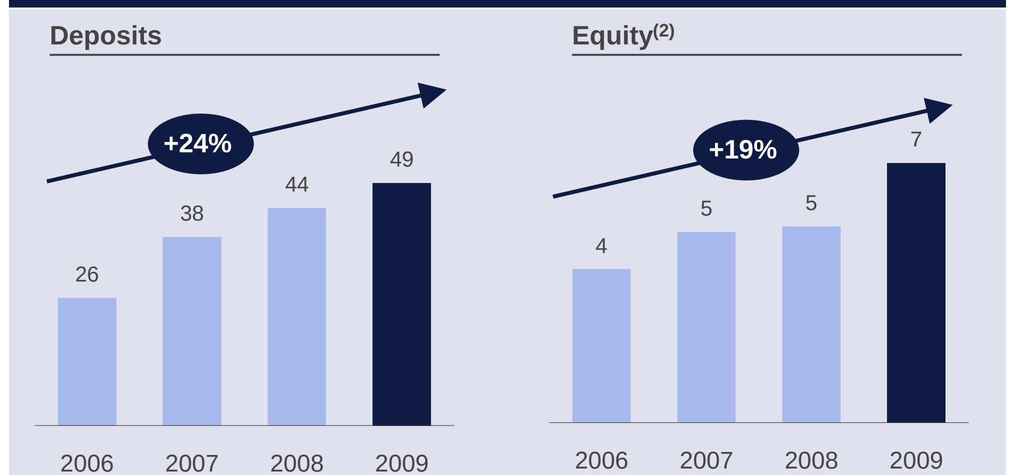
Net Profits (USD billion)[1]



Assets and Loans (USD billion)



Deposits and Equity (USD billion)



1) The comparative results for 2007 were prepared on a pro forma basis, which assumed that the merger occurred on 1 January 2007. Prior Year 2006 is the aggregation of Emirates Bank International and NBD; Year 2007 & 2008 excludes amortization of intangibles

2) Equity for 2007, 2008 and 2009 is Tangible Shareholder's Equity excluding Goodwill and Intangibles.

Source: Financial Statements, Aggregation of Emirates Bank International and NBD results

2009 and Q4 2009 Financial Results

2009 Financial Results Highlights

- Operating profit before impairment allowances of USD 1,970m; +42% from USD 1,386m in 2008
- Operating profit of USD 1,066m; +14% from USD 936m in 2008
- Net profit down 9% from 2008
- Improvement of equity & bond markets resulted in positive impact from mark to market valuations of USD 58m vs. negative USD 615m in 2008
- Net profit impacted by USD 86m impairment on and USD 44m share of losses of associate investments
- Cash dividend of 20% proposed by Board
- Capital ratios strengthened significantly from 2008 levels (CAR 20.8% and T1 13.3% at end-2009)

Q4 2009 Financial Results Highlights

- Operating profit before impairment allowances of USD 442m; +70% from USD 259m in Q4 2008
- Operating profit of USD 184m vs. USD 30m in Q4 2008
- Net profit of USD 48m vs. USD 4m in Q4 2008
- Results include USD 39m negative impact from mark to market valuations vs. negative USD 340m in Q4 2008
- Net profit impacted by USD 86m impairment of and USD 43m share of losses of associate investments
- Loans grew 3% from 4Q 2008 while deposits grew 12%, improving the loan to deposit ratio to 118% from 129% at end-2008
- Capital ratios strengthened significantly from 2008 levels (CAR 20.8% and T1 13.3% at end-2009)

Key Performance Indicators

USD million	2009	2008	Change (%)	Q4 2009	Q4 2008	Change (%)
Net interest income	2,018	1,589	+27%	524	461	+14%
Fee & other income	783	1,051	-26%	192	237	-19%
Investment & CDS MTM	153	(340)	n/a	(16)	(212)	-92%
Total income	**2,954**	**2,300**	**+28%**	**700**	**486**	**+44%**
Operating expenses	(984)	(914)	+8%	(258)	(227)	+14%
Operating profit before impairment allowances	**1,970**	**1,386**	**+42%**	**442**	**259**	**+70%**
Impairment allowances:	(904)	(450)	+101%	(258)	(229)	+12%
Credit	*(809)*	(175)	+363%	(235)	(101)	+132%
Investment securities	*(95)*	(275)	-66%	(23)	(128)	-83%
Operating profit	**1,066**	**936**	**+14%**	**184**	**30**	**+521%**
Amortisation of intangibles	(26)	(26)	-2%	(7)	(9)	-32%
Associates	(130)	92	-241%	(129)	(17)	+692%
Share of profits	*(44)*	*92*	*-148%*	*(43)*	*(17)*	*+165%*
Impairment of investments	*(86)*	*-*	n/a	(86)	-	n/a
Net profit	**910**	**1,002**	**-9%**	**48**	**4**	**n/a**
Cost: income ratio (%)	33.3%	39.7%	-6.4%	36.9%	46.6%	-9.7%
Net interest margin (%)	2.81%	2.18%	+0.63%	2.85%	2.76%	+0.09%
EPS (USD)	0.16	0.18	-9%			
Proposed DPS (USD)	0.05	0.05	0%			
ROE (%)	16.2%	19.1%	-2.9%			

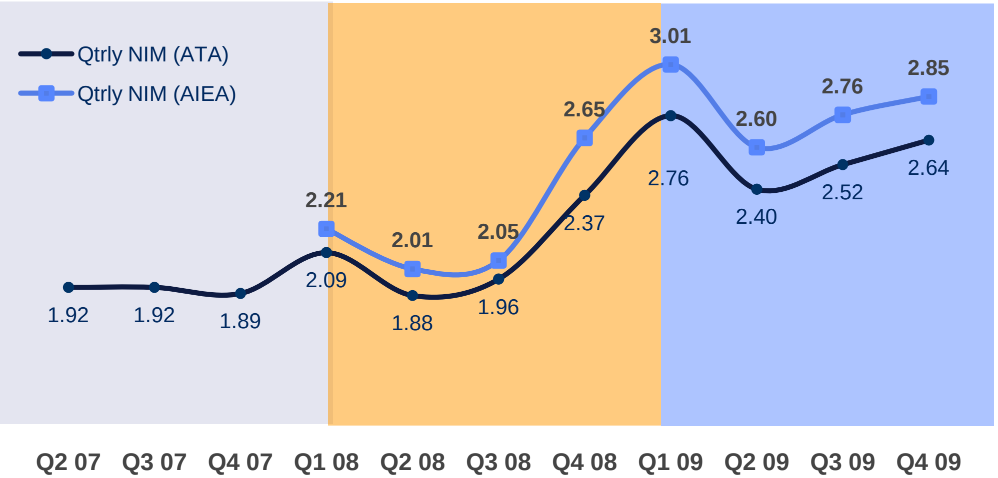
USD billion	2009	2008	Change (%)	Q3 2009	Change (%)
Total assets	76.7	76.9	-0.3%	79.2	-3.3%
Loans	58.4	56.9	+2.7%	59.1	-1.1%
Deposits	49.3	44.2	+11.6%	50.0	-1.3%
Capital Adequacy Ratio (%)	20.8%	11.4%	+9.4%	19.9%	+0.9%
Tier 1 Ratio (%)	13.3%	9.4%	+3.9%	12.7%	+0.6%

Net Interest Margins

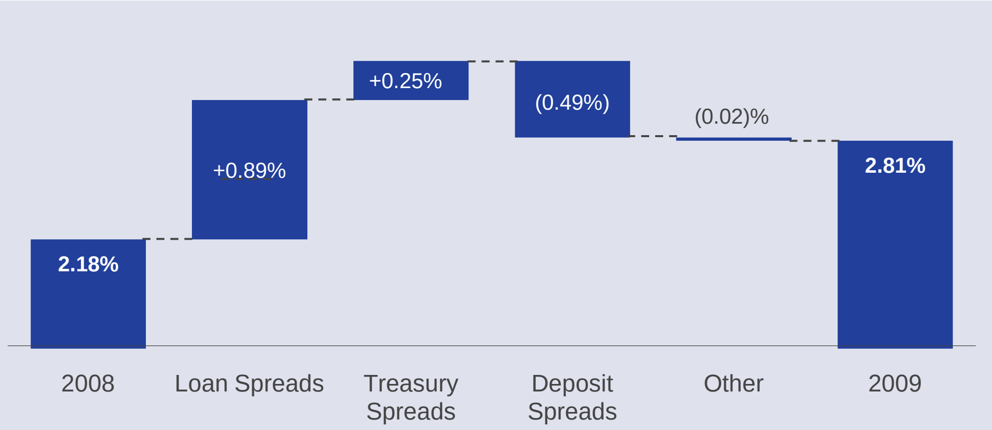
Highlights

- 2009 NIM of 2.81%; +63bps from 2.18% in 2008 driven by:
  - re-pricing of asset spreads, esp. for corporate lending
  - increased Treasury spreads benefiting from USD 1.1bn Tier 1 securities issued to ICD and persistent Eibor-$Libor gap
  - partly offset by lower liability spreads due to continued pressure on cost of deposits
- Q4 2009 NIM of 2.85%; +9bps from 2.76% in Q3 2009 driven by:
  - re-pricing of asset spreads
  - partly offset by pressure on cost of deposits

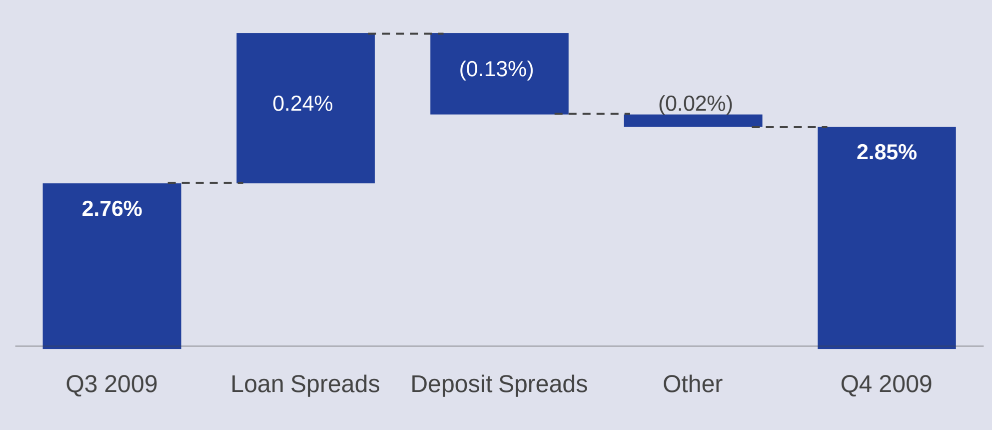
Net Interest Margin Trends (%)(1)



Net Interest Margin Drivers (year-on-year %)



Net Interest Margin Drivers (linked-quarter %)



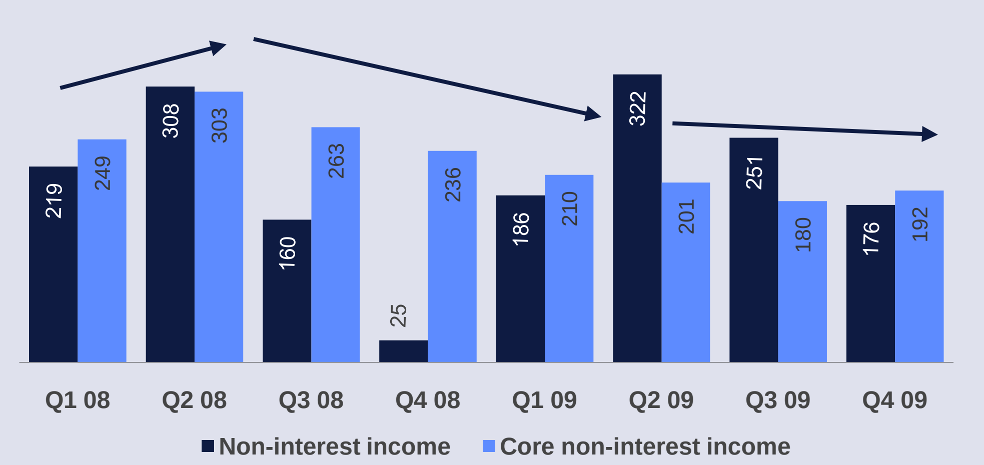
1) Net interest margin was historically calculated based on Average Total Assets (ATA) ; calculation basis was changed to Average Interest Earning Assets (AIEA)

Non-interest Income

Highlights

- Non-interest income impacted in 2008 by decline in global asset valuations and mark to markets on investment and other securities
- 2009 witnessed improved financial asset valuations and partial reversal of the negative mark to markets
- Core non-interest income, excluding the impact of mark to market valuations:
  - derived from a diverse range of activities
  - declined during 2009 by 26% due primarily to lower new underwriting and trade finance activity
  - stabilising at c.25-30% below the peak of H1 2008

Non-interest Income Trends (USD million)



Composition of Gross Core Non-interest Income (%)

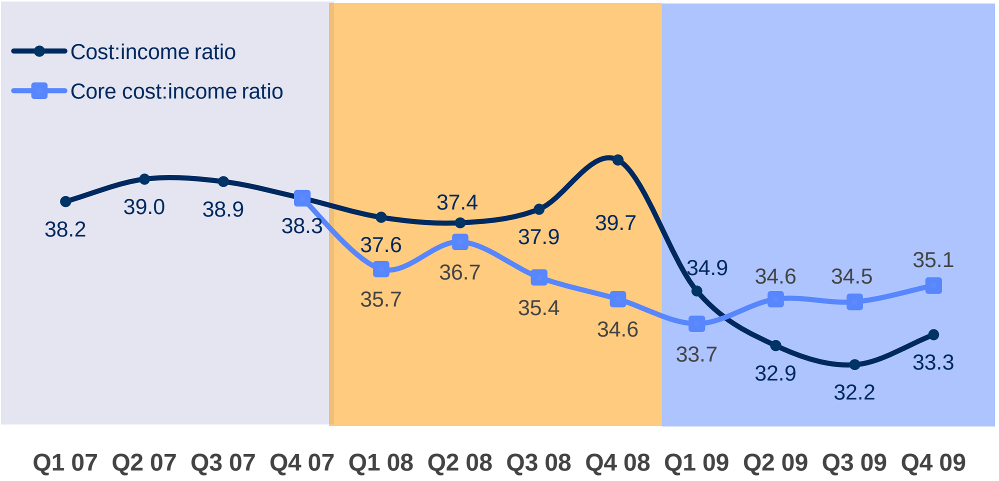
Note: Core Non-interest income excludes impact of MTM on investments and other securities in 2008 and 2009; Gross Income excludes Fee and Commission Expense

Operating Costs and Efficiency

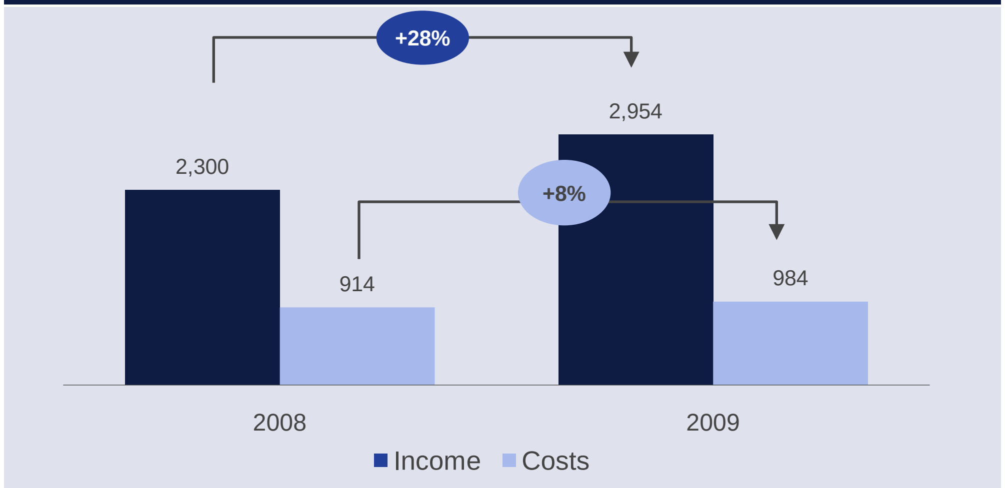
Highlights

- The headline cost to income ratio declined by 6.4% from 39.7% in 2008 to 33.3% in 2009
- The core cost to income ratio rose by 0.5% from 34.6% in 2008 to 35.1% in 2009
- The Group continued to invest in technology, infrastructure and governance whilst optimising its variable cost base on existing businesses
- Emirates NBD continues to expand its branch network and business capability in Abu Dhabi and is investing in Private Banking and SME businesses
- Emirates NBD is continuing to target a mid-30s core business cost to income ratio for 2010

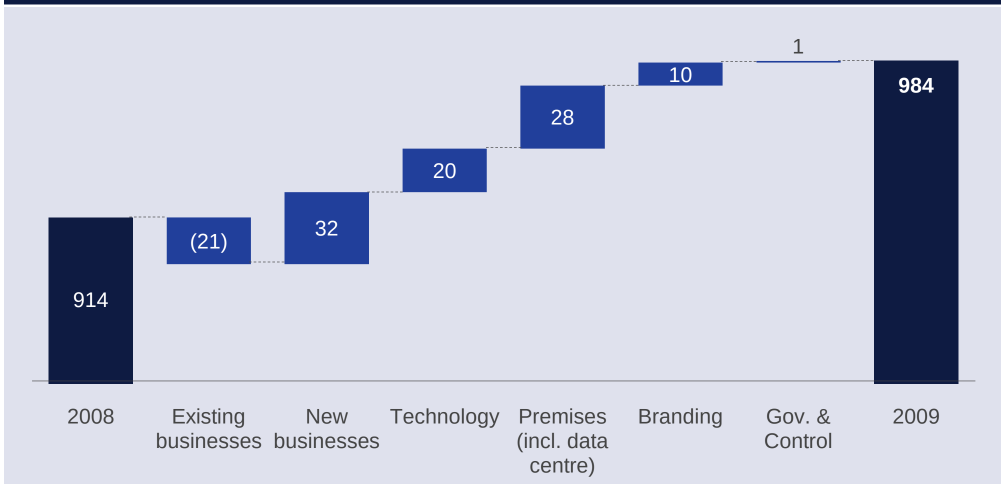
Cost to Income Ratio Trends[1]



Income vs. Cost Growth (USD million)



Operating Cost Drivers[2] (USD million)



1) Cost to income ratios are presented on a year-to-date basis; Core cost to income ratio excludes impact of MTM on investments and other securities in 2008 and 2009

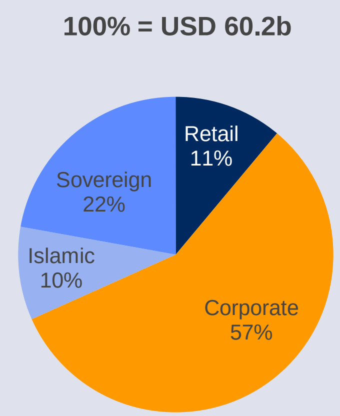
Asset Quality

Loans & Receivables and Islamic Financing

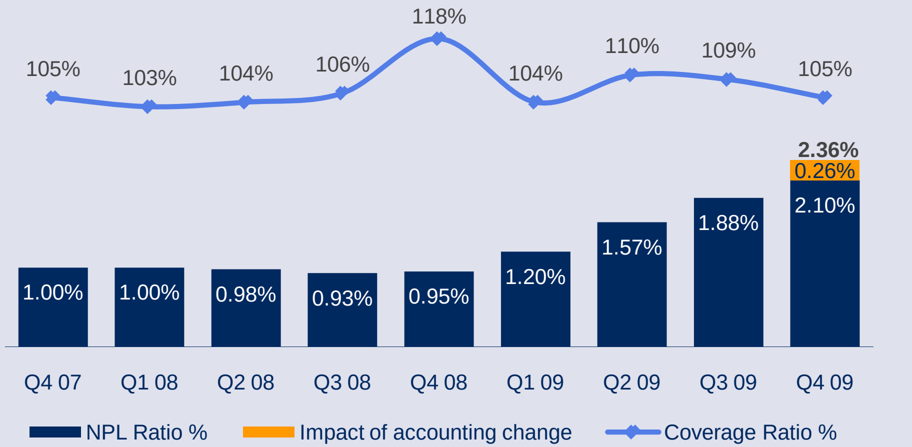
Highlights

- Credit quality remains satisfactory across the Bank's corporate and retail portfolios
- Provided for the Bank's exposure to Al Gosaibi and Saad Groups in line with Central Bank requirements
- Increase in delinquencies and NPLs is within expectations
- NPL ratio, excluding impaired investment securities, increased to 2.36% in Q4 2009 from 1.88% reported in Q3 2009
- Added USD 351m to portfolio impairment provisions in 2009 as a measure of prudence; total portfolio impairment allowances of USD 506m at end-2009 or 1.1% of loans (excluding Sovereign)

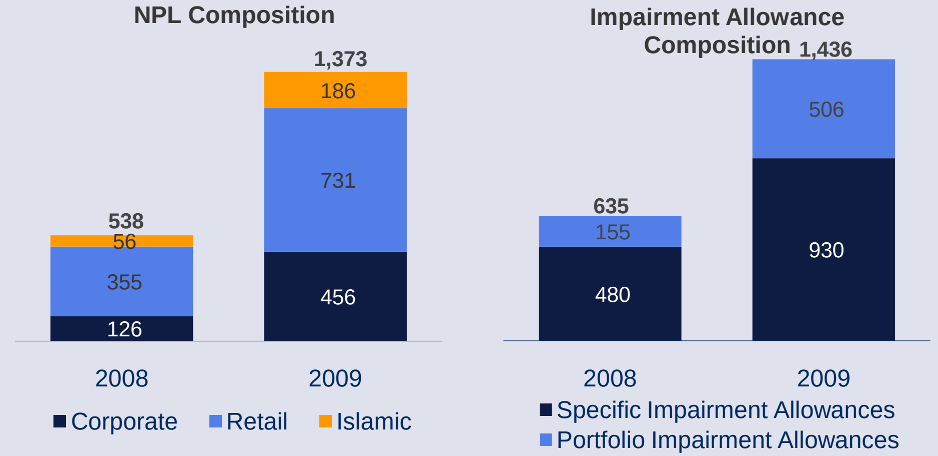
Loan Portfolio by Type – 2009(1)



NPL & Coverage Ratios(2)



NPL and Impairment Allowance Composition (USD million) (2)



1) Loans and advances before provisions

2) NPLs, Impairment Allowances and Coverage ratios for 2008 & 2009 exclude investment securities classified as loans & receivables which are disclosed as "Others" in the Credit Quality Analysis section of Note 47 of the Financial Statements; Accounting change refers to the Bank's move to recognition of Retail NPLs at 90+ days overdue from 180+ days overdue

Asset Quality

Retail and Corporate Loans & Receivables

Corporate & Sovereign Lending Portfolio

Corporate Credit Quality

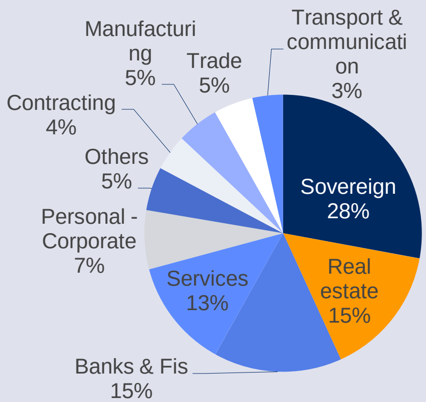
- Portfolio credit quality remains satisfactory, despite challenging economic environment
- NPL ratio 0.98% at end-2009 vs. 0.29% at end-2008
- 96% of the portfolio is to UAE customers where the Bank has long-standing relationships
- Exposure is mainly to top tier names with diversified business interests and multiple sources of repayment
- Environment necessitates renegotiation of certain customer accounts; amounting to USD 2.1b vs. USD 1.3b at end-2008
  - these reflect renegotiated repayment terms in line with underlying cash flows; and
  - no sacrifice of interest or principal

Real Estate & Contracting

- Exposures to Real Estate and Contracting Sector are USD 7.3b (15%) and USD 2.0b (4%) respectively
- Very selective in financing real estate sector; extent of finance is generally limited to:
  - 70% of construction cost excluding land or 60% of cost including land (land valued at lower of cost or market value)
  - 60% of purchase price for completed properties
- Exposure is mainly to top tier names with diversified business interests and multiple sources of repayment
- Financing now restricted to Emirates of Dubai & Abu Dhabi.
- Repayment experience is satisfactory
- Approximately 59% of the portfolio has a repayment maturity of < 3 years

By Sector(1)

100% = USD 47.8b



Retail Lending Portfolio

Personal loans

- Portfolio USD 2.2b (33%)
- 44% of value is to UAE nationals; >60% of value is to government employees
- Personal loans only granted subject to salary assignment
- Personal Loans losses well within original expectations
- 90+ delinquencies are stabilising in Q4 2009; entry rates into delinquency are stable and trending downwards

Credit Cards

- Portfolio USD 0.8b (12%)
- Product with highest yield in retail
- 90+ delinquencies better than industry benchmarks
- Q4 2009 delinquency indicators have stabilised with entry rates into delinquency controlled
- Measures taken control exposures on unutilised limits

Car loans

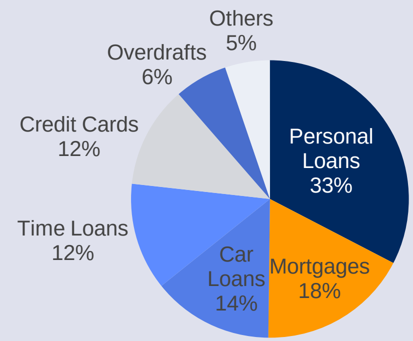
- Portfolio USD 0.9b (14%)
- Portfolio has de-grown in Q1 & Q2 2009 due to revision of credit policy
- Minimum Income threshold has been raised
- Down payment of 10-20% mandatory based on customer profiles
- Delinquency trends have been stable in Q4 2009

Mortgages

- Portfolio USD0.9b (18%)
- Only offered for premium developments and developers
- 78% are for completed properties
- Average LTV is 75% on original value
- >75% of the customers have only one mortgage loan from ENBD
- High income customers; 90% with income > USD 7K per month

By Sector(1)

100% = USD 6.7b



1) *Loans and advances before provisions; Corporate & Sovereign Lending sectoral breakdown as per "Analysis by Economic Activity for Assets" in note 47 of the 2009 Financial statements*

Asset Quality
Investments & Trading Securities

Highlights

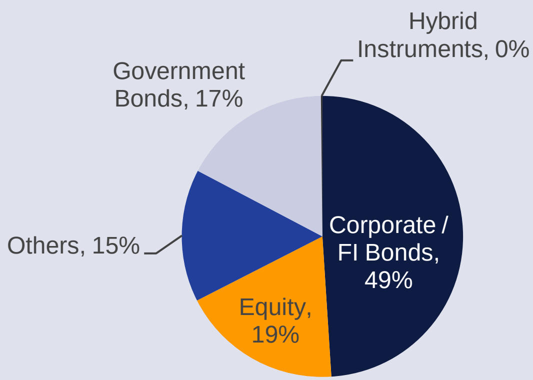
- Write-downs and impairments reflected a market-wide downturn in 2008
- Relative stabilization and improvement of equity and bond markets in 2009 resulted in positive net impact of mark to markets and impairments on investment securities
- Underlying quality of investment portfolio remains good and some losses on fixed income securities will reverse if held to maturity and no credit event occurs
- Exposure to sub-prime and related exposures (e.g. RMBS, CMBS, CDOs, CLOs) are minimal
- Portfolio is monitored and managed closely to reduce exposure where opportunities arise or where future distress in anticipated

2008 and 2009 MTM Impact

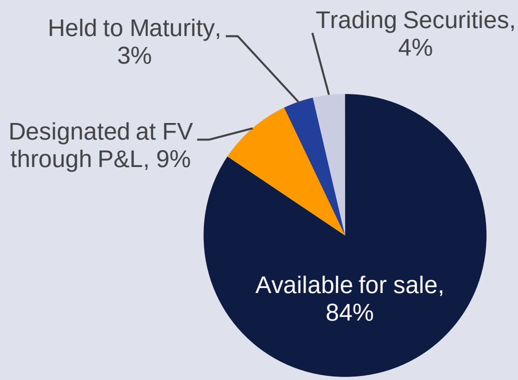
USD million	Total Balance	P&L impact		Cum. changes in FV
		Income	Impairm.	
Investment Securities	4,398	44	(60)	249
Trading Securities	167	46	-	-
Subtotal	**4,565**	**90**	**(60)**	**249**
Investment Securities in L&R	245	-	(35)	-
FY 2009	**4,810**	**90**	**(95)**	**249**
FY 2008	**5,689**	**(216)**	**(275)**	**(493)**

Composition of Investment Securities - 2009[1]

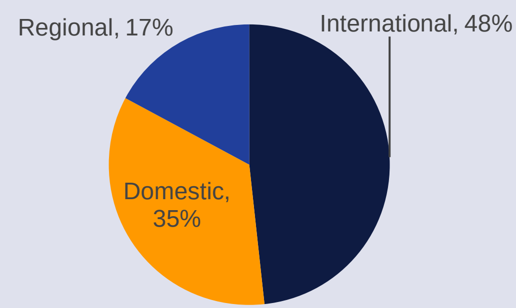
By Type
100% = USD 4.6bn



By Category
100% = USD 4.6bn



By Geography
100% = USD 4.6bn



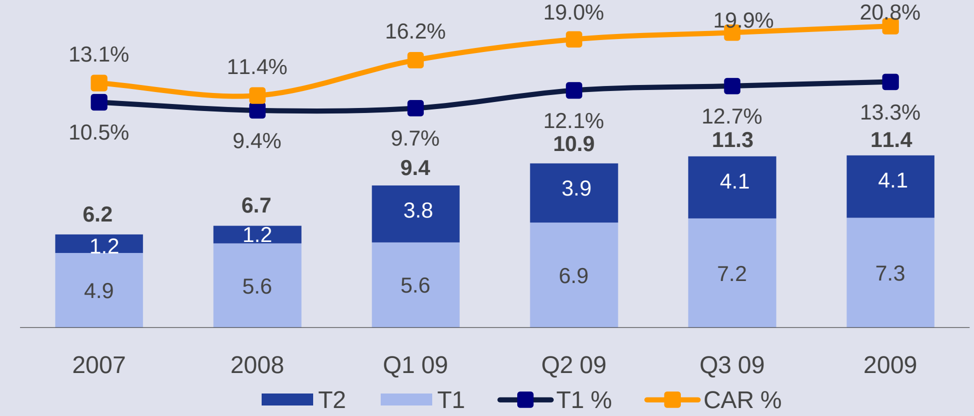
1) Note: Excludes investment securities in L&R of USD 245m

Capital Adequacy

Highlights

- Capital adequacy ratio at 20.8% at end-2009 (2008: 11.4%)
- Tier 1 ratio increased from 9.4% at end-2008 to 13.3% at end-2009 as:
  - profit generation for the period exceeded 2008 dividend payment by USD 635m
  - USD 1.1b Tier 1 perpetual securities were issued in Q2 2009 to Investment Corporation of Dubai
- Tier 2 capital increased by USD 3.0bn in 2009 mainly due to conversion of MOF deposits into LT2 capital (USD 3.3b of the USD 3.4b qualifies as T2 capital at end-2009)
- Risk Weighted Assets (RWAs) were managed down by 7% from end-2008 level

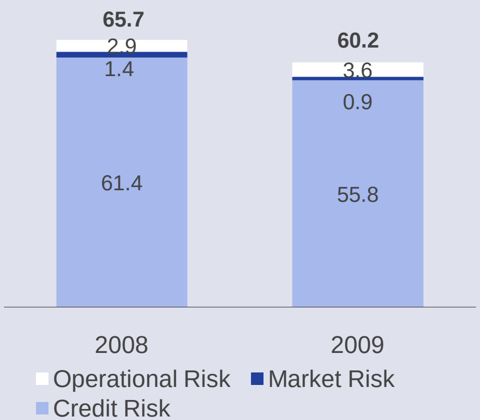
Capital Ratios - Basel I (USD billion)



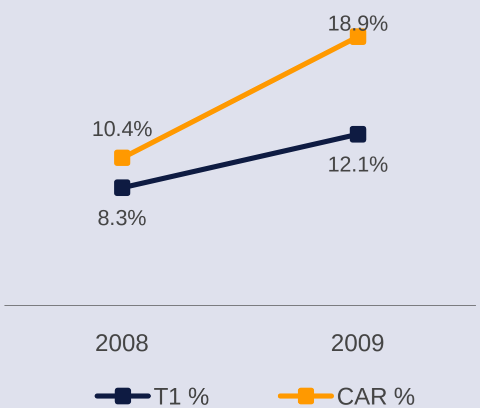
Note: Core Tier 1 ratio was 11.3% as at end-2009 compared to 9.4% at end-2008

Basel II

Basel II RWAs (USD billion)



Basel II Capital Ratios (%)



Capital Movement Schedule – Basel I (USD million)

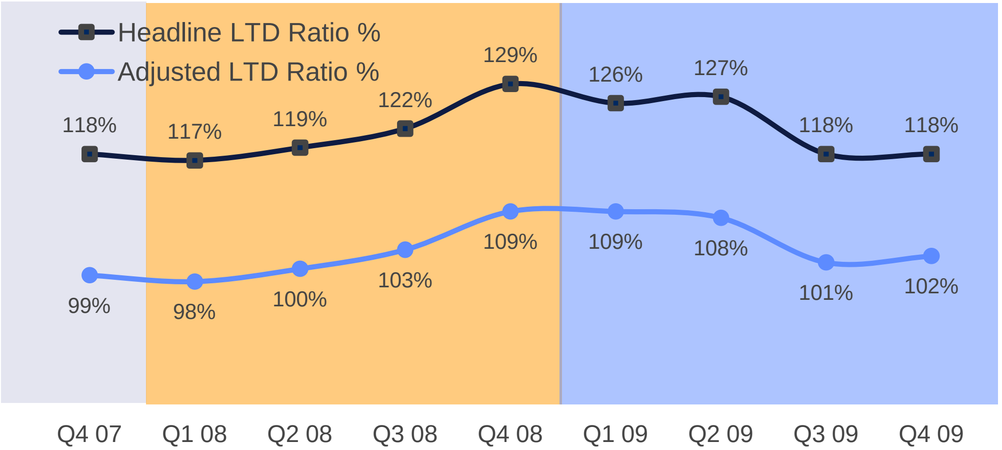
2008 to 2009	Tier 1	Tier 2	Total
Capital as at 31.12.08	5,550	1,180	6,730
Net profits generated	910	-	910
FY 2008 dividend paid	(275)	-	(275)
Conversion of MOF deposits	-	3,322	3,322
Issuance of T1 securities	1,089	-	1,089
Cumulative changes in FV	-	8	8
Redemption of T2 securities	-	(382)	(382)
Other	(15)	6	(9)
Capital as at 31.12.09	**7,259**	**4,134**	**11,393**
USD billion	**Q2 09**	**FY 08**	**Diff %**
Risk Weighted Assets	60.2	65.7	-7%

Funding and Liquidity

Highlights

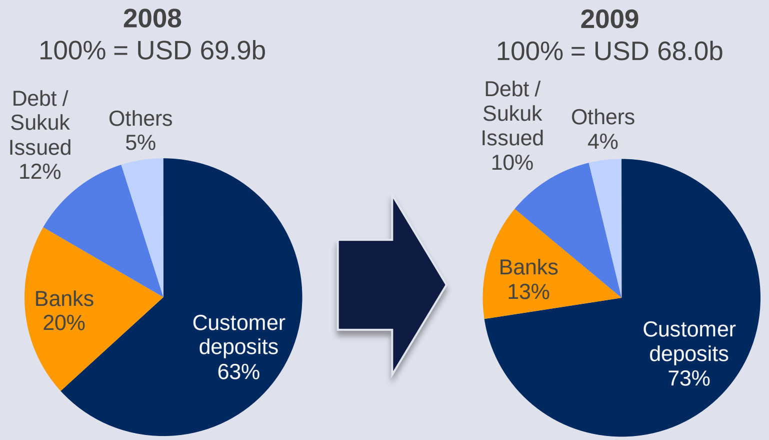
- Liquidity in the UAE banking system improved in 2009 primarily due to initiatives taken by the UAE Ministry of Finance and UAE Central Bank
- Funding remains stable and deposit mobilisation initiatives proved successful
- Continue to access stable interbank lines and source bilateral deposits at attractive pricing
- Liquidity backstop facilities of USD 5.0b unused
- Access to wholesale funding remains challenging
  - term debt maturity profile is well within our funding capacity
  - total wholesale debt represents 10% of liabilities
  - repaid scheduled USD 1.6b in 2009

Loan to Deposit Ratios (%)

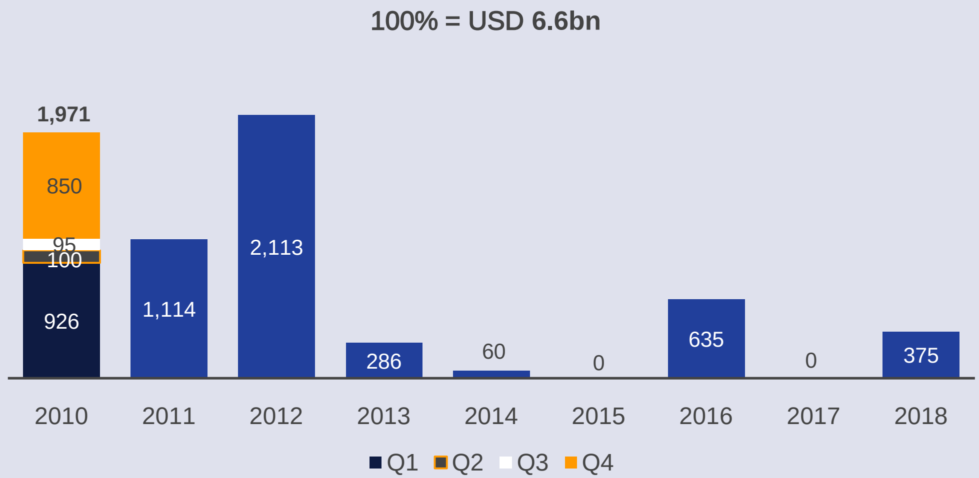


Note: Adjusted LTD ratio includes Debt Issued and Other Borrowed Funds, Sukuk Payable and Tier 1 Capital Notes in the denominator

Composition of Liabilities (%)



Maturity Profile: Debt Issued (USD million)



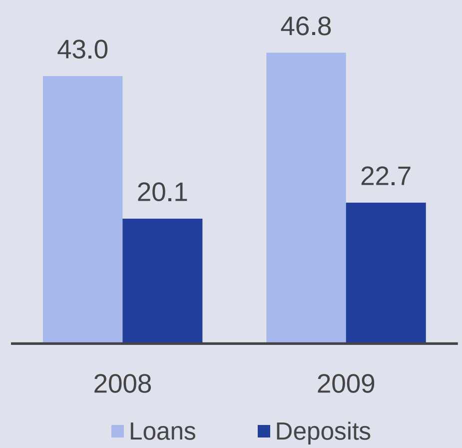
Note: Debt Issued includes EMTNs of USD 5.1b and syndicated borrowings from banks of USD 1.5b

Divisional Performance

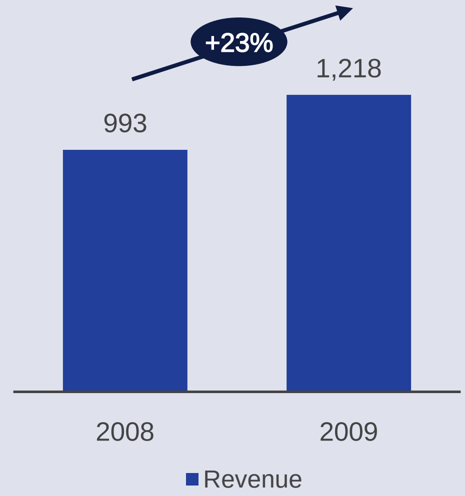
Wholesale Banking

- Wholesale banking recorded a successful year
- Key focus during the period was on balance sheet optimisation, continued proactive management of credit quality, building non-risk based and fee generating businesses
- Revenue grew 23% year-on-year primarily due to active asset re-pricing
- Loans grew 9% from end-2008
- Deposits grew 13% from end-2008

USD billion



USD million

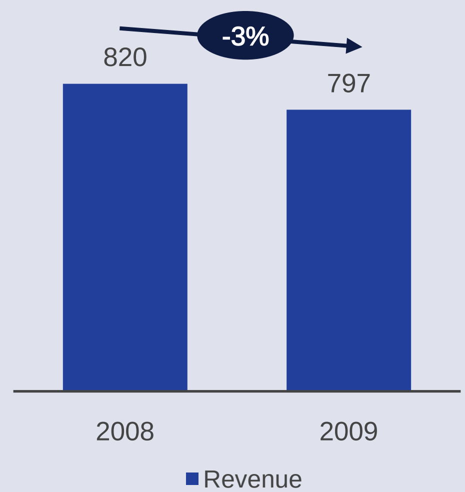


Consumer Banking & Wealth Management

- CWM continues to expand and build on distribution reach with distribution network strengthened to 102 branches and ATM & SDM network now at 604
- Private Banking business launched during the year; now over 50 RMs
- Revenue declined 3% year-on-year
- Loans declined by 15% from end-2008
- Deposits grew 20% from end-2008

USD billion

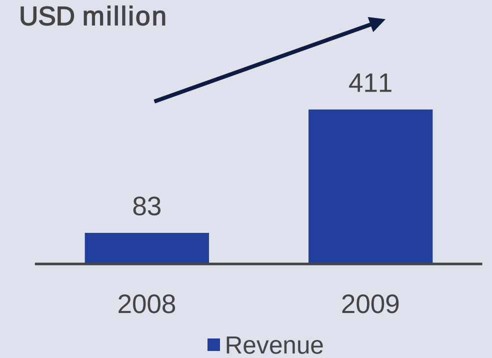
USD million



Divisional Performance (cont’d)

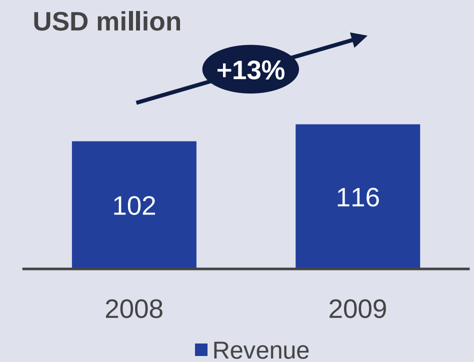
Global Markets & Treasury

- Continuing improvement in global market conditions resulted in a strong performance in 2009.
- Revenues 2009 were USD 411m compared with USD 83m in 2008, the better performance resulting from a recovery in equity markets and tightening of credit spreads, along with higher demand for local securities and increasing opportunities in trading



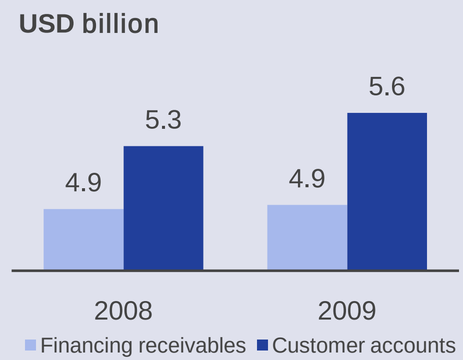
Network International

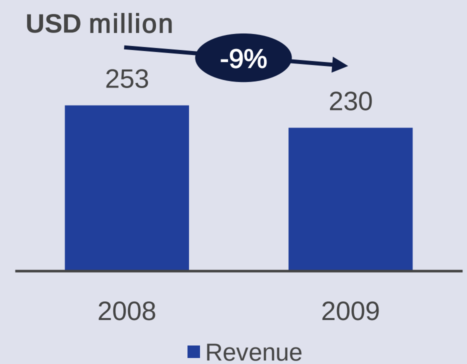
- 13% increase in 2009 revenue vs. 2008 driven by a 19% increase in processing revenues
- Network International and Oberthur Technologies inaugurated their joint venture – Obernet Personalisation Bureau – in Dubai during 2009
- Serves over 10,000 merchants and 49 banks and financial institutions in the region



Emirates Islamic Bank

- Key focus during 2009 was on balance sheet optimisation and increased caution on new underwriting
- EIB revenue declined by 9% in 2009 (net of customers’ share of profit) year-on-year
- Financing receivables grew by 1% to USD 4.9b from end-2008; customer accounts grew 5% to USD 5.6b from end-2008
- 4 new branches in 2009 taking the total to 30





Note: These numbers may not agree to those of the EIB Financial Statements due to consolidation adjustments

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Emirates NBD Profile

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Strategy and Outlook

Merger Update

Integration completed successfully

10/07	Emirates NBD makes its debut on the Dubai Stock Exchange
23 Mar 2008	First AGM for Emirates NBD
29 Apr 2008	92 smart deposit machines integrated
10 Apr 2008	Emirates NBD's Large Corporate Unit (LCU) is inaugurated
14 July 2008	Integration of ATMs completed
18 Aug 2008	Treasury operations integrated in single premises
27 Aug 2008	Living the values - Emirates NBD Culture Workshops complete the first phase
11 Oct 2008	Mobile and Online Banking integrated; enhanced functionalities
20 Feb 2009	Credit cards platform at Network International integrated (Vision Plus)
9 May 2009	New Core Banking system rolled-out in EBI
21 Nov 2009	NBD customers migrated to new Core-Banking platform New brand launched
02/10	Legal integration completed; EBI and NBD dissolved

Re-branding commenced on 21 November 2009 and will be completed in Q1 2010

Merger Update

Emirates NBD Organisation Structure and Brands

Emirates NBD

- *Emirates NBD Asset Management*
- *Emirates NBD Securities (Brokerage)*
- *Emirates NBD Capital*
- *Emirates Money (Consumer Finance)*
- *Emirates Islamic Bank (99.8%)*
- *Network International*

Associate companies

- *Union Properties Group (47.6%)*
- *National General Insurance Co (36.7%)*

Note: Only key subsidiaries are shown

Merger Update

Synergies exceed 2009 full year target by 33% and already exceed 2010 cost and one-off synergies a year ahead of plan

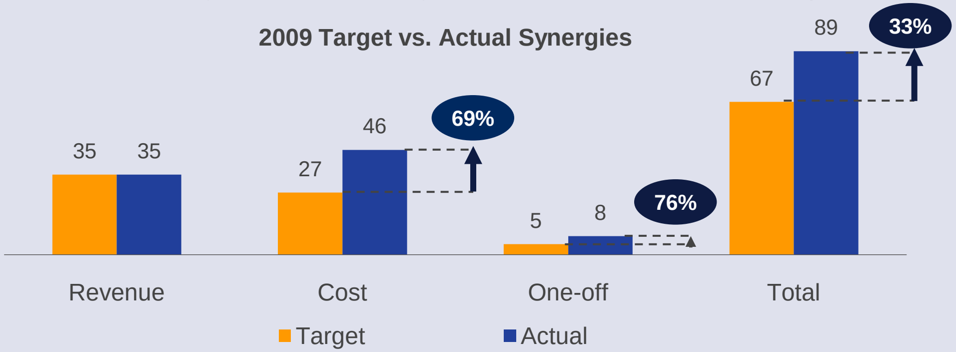
Target Synergies

- USD 94m of recurring annual synergies by the third year post merger, plus USD 7m of one-off synergies totaling USD 101m
- The recurring synergies below are targeted to be delivered 33% in year 1 (2008), 66% in year 2 (2009) and fully by year 3 (2010)

USD million	Synergies[(1)]			% of Smaller Base[(1)]		% of Combined Base[(1)]
	2008	2009	2010	Target	Benchmark	Benchmark
Revenue	18	35	53	10.5%	5-10%	4.1%
Costs	14	27	41	22.2%	14-26%	8.3%
One-off costs	2	5	7			
Total	**34**	**67**	**101**			

Actual 2009 Synergies (USD Million)

- Achieved synergies of USD 89m – ahead of 2009 full year target by 33%
- Recurring cost and one-off cost synergies achieved in 2009 of USD 46m and USD 8m already exceed 2010 target of USD 41m and USD 7m respectively.



Key Drivers of Synergies

- **Revenue synergies** for 2008 and 2009:
  - Largest distribution network of 132 branches & 705 ATMs and SDMs
  - Focus on cross selling– e.g. mortgages
  - Enhanced market share/pricing advantages – e.g. FDs
  - Embedded Customer efficiency framework – e.g. Tafawouq has tripled branch sales in Umm Suqeim & DCC
  - Increased corporate pricing power from enhanced scale
- **Cost synergies** for 2008 and 2009:
  - Single head office in place
  - Created efficiencies through unified business models
  - Combined marketing & advertisement activities
  - Staff efficiencies across all businesses and support units
- **One-off synergies** for 2008 and 2009:
  - Projects & initiatives discontinued due to merger, namely Islamic banking set up previously planned in NBD
  - Initiatives conducted in one group as opposed to the separate legacy banks; e.g. Basel II regulatory requirements

1) Synergy base used when computing synergy targets were 2006 financials, smaller base was NBD and combined was aggregated EBI and NBD

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Strategic Imperatives for 2010

	Objectives	Evidence of success in 2009
Optimise Balance Sheet	▪ **Prudent lending growth** ▪ **Focus on funding** – Leverage distribution network – Maintain & develop wholesale sources of medium/long term funding – Implement liability retention and gathering plans ▪ **Optimise capital allocation** – Deploy capital allocation model based on economic capital – Review non-core activities (e.g. proprietary investment portfolio)	▪ **CAR** strengthened to 20.8% from 11.4% at end-2008 ▪ **Tier 1** increased to 13.3% from 9.4% at end-2008 ▪ **RWAs** declined by 7% from end-2008 compared to 3% growth in loans ▪ **Deposits** grew by 12% from end-2008 vs.3% growth in loans, improving the LTD ratio to 118% and adjusted LTD ratio to 102%
Drive Profitability	▪ **Maximise customer revenue** – Capture re-pricing opportunities – Cross-sell Treasury and Investment Banking services to corporate clients ▪ **Improve customer retention and deliver distinctive customer service** ▪ **Continue to optimise cost position**	▪ **NIM** improved to 2.81% for 2009 from 2.18% in 2008 ▪ **Core cost to income ratio** of 35.1% for 2009 vs. 34.6% for 2008 ▪ 2009 **ROE** of 16.2% vs. 19.1% for 2008
Enhance Risk Management	▪ **Continue to strengthen risk management, governance and controls** – Enhance & implement internal rating, scoring and risk models – Enhance operational risk management framework – Strengthen risk function and governance	▪ **Credit metrics** remain robust and within expectations ▪ **Credit NPL ratio** increased to 2.36% from 1.88% in Q3 2009 and 0.95% at end-2008 ▪ **Coverage ratio** remains conservative at 105%
Selectively Invest in Platforms for Growth	▪ **Exploit domestic & regional expansion opportunities** – Abu Dhabi retail banking expansion – Emirates Islamic Bank UAE expansion – Private Banking, Priority Banking and SME Banking expansion – Organic growth in GCC (e.g. KSA) – Opportunistically evaluate inorganic regional expansion opportunities	▪ Launched new Private Bank proposition; now over 50 RMs ▪ New Priority and SME banking concepts rolled out ▪ Upgrading Singapore rep office to branch

Outlook

Emirates NBD

- In 2009 the external environment combined with liquidity tightening and weakening demand brought UAE GDP growth towards an estimated 0%-0.5%
- With oil prices firmer, global credit more available, world trade improving and counter-cyclical fiscal and monetary policies, GDP is expected to recover modestly to c.2.5% in 2010
- Although 2009 witnessed signs of overall stabilisation in the local and international economies and improved financial markets, consumer sentiment and business confidence, uncertainties and challenges remain in the near term
- Dubai remains well-positioned as an international trading hub and the property market is showing signs of stabilisation
- Lower inflation, weaker USD and property market declines have enhanced Dubai's cost-competitiveness
- Emirates NBD retains its cautious stance while selectively pursuing growth and continuing to improve profitability and efficiency
- The completion of the integration and the recent investments in IT and infrastructure allow the Bank to capitalise on value-added opportunities and provide platforms to further improve efficiency, increase customer service and extend its market reach and penetration

Summary

- Robust financial performance driven by strong income and improved efficiency
- Significantly improved capitalisation and liquidity metrics due to success of balance sheet optimisation initiatives and continued proactive support from federal and local Government
- Credit quality remains tightly managed and within expectations
- Integration completed successfully and new Emirates NBD brand launched
- Continued focus in 2010 on balance sheet optimisation, profitability and risk management enhancement while selectively investing in platforms for growth
- Despite improvements in the economic environment in 2009, uncertainties and challenges remain in the near term
- Emirates NBD retains its cautious stance but well-positioned to capitalise on value-added opportunities that may present themselves

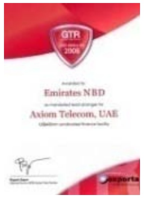
APPENDIX

2009 Awards

Emirates Islamic Bank was awarded the **Islamic Home Finance award** by **CPI Financial / Banker Middle East Publication** in February 2009

Emirates NBD was awarded the **Mohamed bin Rashid Al Maktoum Business Award for Finance** in April 2009

Emirates NBD was awarded **Best Retail Bank in the UAE** in June 2009 by **The Banker Magazine**



Best Deal Award for 2009 by **Global Trade Review Magazine** in July 2009

2009 Awards

	Emirates NBD has been named by Global Finance Magazine as **Best Emerging Market Bank in the UAE** and **in the Middle East** in March and October 2009 respectively. Global Finance Magazine also named the bank as **Best Bank, Best Trade Finance Bank** (February 2009) and **Provider** as well as **Best Foreign Exchange Bank in the UAE** for 2009 in October 2009
	Emirates NBD was awarded **Best Asset Management Firm of the Year 2009** by **MENA Investor Awards** in October 2009
	Received the **Banking and Finance Implementation of the year 2009** from **Arabian Computer News** in October 2009
	Emirates NBD was named as the **Outstanding Private Bank in the Middle East** by **VRL Financial News** in October 2009
	Private Bank of the Year 2009 Award by **Arabian Business** in December 2009

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