

**EMIRATES NBD PJSC**

**GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015**



# EMIRATES NBD 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 30 June 2015 and the related consolidated interim statements of income and comprehensive income for the three month and six month periods then ended and consolidated interim statement of cash flows and changes in equity for the six 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

14 July 2015  
Dubai, United Arab Emirates



EMIRATES NBD PJSC

 GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION  
 AS AT 30 JUNE 2015 (UNAUDITED)

		Unaudited 30 June 2015 AED 000	Audited 31 December 2014 AED 000
<b>ASSETS</b>			
	Notes		
Cash and deposits with Central Bank	3	53,407,849	56,638,973
Due from banks	4	38,807,958	19,812,067
Trading securities		1,270,179	832,255
Investment securities	5	15,979,540	14,479,676
Loans and receivables	6	217,424,596	212,019,599
Islamic financing receivables	7	38,748,904	33,954,142
Investments in associates and joint ventures		1,786,128	1,781,072
Positive fair value of derivatives	19	1,655,559	1,310,455
Investment properties		832,381	1,213,077
Customer acceptances		4,331,526	3,859,864
Property and equipment		2,340,491	2,659,787
Goodwill and intangibles	8	6,083,126	6,156,380
Other assets	9	5,409,413	8,303,644
<b>TOTAL ASSETS</b>		<b>388,077,650</b>	<b>363,020,991</b>
<b>LIABILITIES</b>			
Due to banks		15,295,880	15,385,907
Customer deposits		217,251,654	203,971,458
Islamic customer deposits		57,195,501	54,287,171
Repurchase agreements with banks		186,057	35,369
Debt issued and other borrowed funds	10	33,166,268	26,697,691
Sukuk payable		3,673,000	3,673,000
Negative fair value of derivatives	19	1,714,093	1,645,777
Customer acceptances		4,331,526	3,859,864
Other liabilities	11	7,581,820	6,701,837
<b>TOTAL LIABILITIES</b>		<b>340,395,799</b>	<b>316,258,074</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		842,692	891,290
Currency translation reserve		(183,437)	(71,739)
Retained earnings		14,109,957	13,031,219
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY AND NOTE HOLDERS OF THE GROUP</b>		<b>47,676,433</b>	<b>46,757,991</b>
Non-controlling interest		5,418	4,926
<b>TOTAL EQUITY</b>		<b>47,681,851</b>	<b>46,762,917</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>388,077,650</b>	<b>363,020,991</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

14 JUL 2015

Director

Chief Executive Officer

**GROUP CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT  
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015 (UNAUDITED)**

	Notes	Unaudited three months period ended 30 June 2015 AED 000	Unaudited three months period ended 30 June 2014 AED 000	Unaudited six months period ended 30 June 2015 AED 000	Unaudited six months period ended 30 June 2014 AED 000
Interest and similar income		2,696,532	2,593,235	5,367,978	5,146,190
Interest and similar expense		(599,133)	(591,420)	(1,156,423)	(1,191,189)
<b>Net interest income</b>		<b>2,097,399</b>	<b>2,001,815</b>	<b>4,211,555</b>	<b>3,955,001</b>
Income from Islamic financing and investment products		515,436	451,836	995,226	866,536
Distribution on Islamic deposits and profit paid to Sukuk holders		(115,987)	(126,607)	(225,134)	(262,946)
<b>Net income from Islamic financing and investment products</b>		<b>399,449</b>	<b>325,229</b>	<b>770,092</b>	<b>603,590</b>
<b>Net interest income and income from Islamic financing and investment products net of distribution to depositors</b>		<b>2,496,848</b>	<b>2,327,044</b>	<b>4,981,647</b>	<b>4,558,591</b>
Fee and commission income		874,376	836,247	1,757,075	1,614,884
Fee and commission expense		(193,764)	(204,130)	(368,577)	(360,638)
<b>Net fee and commission income</b>		<b>680,612</b>	<b>632,117</b>	<b>1,388,498</b>	<b>1,254,246</b>
Net gain (loss) on trading securities		28,363	46,188	53,482	78,470
Other operating income	14	503,984	703,494	1,131,285	1,150,768
<b>Total operating income</b>		<b>3,709,807</b>	<b>3,708,843</b>	<b>7,554,912</b>	<b>7,042,075</b>
General and administrative expenses	15	(1,156,700)	(1,087,238)	(2,235,924)	(2,137,182)
<b>Operating profit before impairment</b>		<b>2,553,107</b>	<b>2,621,605</b>	<b>5,318,988</b>	<b>4,904,893</b>
Net impairment loss on financial assets	16	(900,840)	(1,345,330)	(1,986,132)	(2,612,646)
<b>Operating profit after impairment</b>		<b>1,652,267</b>	<b>1,276,275</b>	<b>3,332,856</b>	<b>2,292,247</b>
Share of profit of associates and joint ventures		38,695	60,113	74,745	121,000
<b>Group profit for the period before taxation</b>		<b>1,690,962</b>	<b>1,336,388</b>	<b>3,407,601</b>	<b>2,413,247</b>
Taxation charge		(44,891)	(28,737)	(90,466)	(63,452)
<b>Group profit for the period after taxation</b>		<b>1,646,071</b>	<b>1,307,651</b>	<b>3,317,135</b>	<b>2,349,795</b>
<b>Attributable to:</b>					
Equity holders of the Group		1,645,792	1,307,505	3,316,643	2,349,546
Non-controlling interest		279	146	492	249
<b>Group profit for the period</b>		<b>1,646,071</b>	<b>1,307,651</b>	<b>3,317,135</b>	<b>2,349,795</b>
<b>Earnings per share</b>	18	<b>0.30</b>	<b>0.21</b>	<b>0.54</b>	<b>0.38</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 SIX MONTHS PERIOD ENDED 30 JUNE 2015 (UNAUDITED)

	Unaudited three months period ended 30 June 2015 AED 000	Unaudited three months period ended 30 June 2014 AED 000	Unaudited six months period ended 30 June 2015 AED 000	Unaudited six months period ended 30 June 2014 AED 000
Group profit for the period	1,646,071	1,307,651	3,317,135	2,349,795
<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	29,391	8,404	60,626	(20,519)
Fair value reserve (available-for-sale financial assets):				
- Net change in fair value	(17,891)	(110,249)	46,056	659,087
- Net amount transferred to income statement	(96,193)	(136,797)	(155,280)	(167,149)
Currency translation reserve	16,406	(50,468)	(111,698)	(67,547)
Other comprehensive income for the period	(68,287)	(289,110)	(160,296)	403,872
<b>Total comprehensive income for the period</b>	<b>1,577,784</b>	<b>1,018,541</b>	<b>3,156,839</b>	<b>2,753,667</b>
<b>Attributable to:</b>				
Equity holders of the Bank	1,577,505	1,018,395	3,156,347	2,753,418
Non-controlling interest	279	146	492	249
<b>Total comprehensive income for the period</b>	<b>1,577,784</b>	<b>1,018,541</b>	<b>3,156,839</b>	<b>2,753,667</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 CASH FLOWS  
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015 (UNAUDITED)**

	Unaudited six months period ended 30 June 2015 AED 000	Unaudited six months period ended 30 June 2014 AED 000
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<b><u>OPERATING ACTIVITIES</u></b>		
Group profit for the period	3,317,135	2,349,795
<b><u>Adjustment for non cash items</u></b>		
Impairment loss on loans and receivables	1,470,989	1,709,856
Impairment loss on Islamic financing receivables	412,625	749,800
Impairment loss on investment securities	22,179	108,470
Interest unwind on impaired loans	-	(49,070)
Amortisation of fair value (net)	22,908	23,018
Discount on Investment securities	25,901	20,679
Unrealised foreign exchange gain	(74,983)	(64,282)
Amortisation of intangibles	40,500	46,500
Depreciation of property and equipment	139,736	155,907
Share of profit of associates and joint ventures	(74,745)	(121,000)
Unrealized (gain)/loss on investments	9,802	(127,043)
Gain on sale of investment properties	(140,162)	(126,334)
Gain on sale of properties (inventories)	(42,652)	(140,990)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>5,129,233</b>	<b>4,535,306</b>
(Increase)/decrease in interest free statutory deposits	449,834	(2,822,523)
(Increase)/decrease in certificate of deposits with Central Bank maturing after three months	(3,750,000)	(4,098,007)
(Increase)/decrease in amounts due from banks maturing after three months	(8,038,758)	51,222
Increase/(decrease) in amounts due to banks maturing after three months	2,878,502	541,702
Net change in other liabilities/other assets	3,859,813	599,415
Net change in fair value of derivatives	(276,788)	122,396
Increase/(decrease) in customer deposits (including islamic deposits)	16,188,526	13,268,818
(Increase)/decrease in trading securities (net of fair value movements)	(434,382)	352,880
(Increase)/decrease in loans and receivables	(6,875,986)	(3,744,028)
(Increase)/decrease in Islamic financing receivables	(5,207,387)	(2,108,325)
<b>Net cash flows from/(used in) operating activities</b>	<b>3,922,607</b>	<b>6,698,856</b>

**GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS  
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015 (UNAUDITED)**

	Unaudited six months period ended 30 June 2015 AED 000	Unaudited six months period ended 30 June 2014 AED 000
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<b><u>INVESTING ACTIVITIES</u></b>		
(Increase)/decrease in investment securities (net of fair value movements)	(1,673,802)	1,219,180
(Increase)/decrease in investments in associates and joint ventures	63,790	56,909
Movement in Investment Properties (net)	520,858	175,414
Movement in property and equipment (net)	179,560	(84,062)
<b>Net cash flows from/(used in) investing activities</b>	<b>(909,594)</b>	<b>1,367,441</b>
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<b><u>FINANCING ACTIVITIES</u></b>		
Increase/(decrease) in deposits under repurchase agreements	150,688	33,156
Increase/(decrease) in debt issued and other borrowed funds	6,468,577	358,384
Increase/(decrease) in Sukuk borrowing	-	5,640
Interest on Tier I capital notes	(294,750)	(235,301)
Dividends paid	(1,943,155)	(1,387,968)
<b>Net cash flows from /(used in) financing activities</b>	<b>4,381,360</b>	<b>(1,226,089)</b>
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<b>Increase/(decrease) in cash and cash equivalents (refer Note 22)</b>	<b>7,394,373</b>	<b>6,840,208</b>
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**GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY  
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015 (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 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	-	-	-	-	-	-	(48,598)	(111,698)	3,316,643	3,156,347	492	3,156,839
Interest on Tier 1 capital notes	-	-	-	-	-	-	-	-	(294,750)	(294,750)	-	(294,750)
Dividends paid	-	-	-	-	-	-	-	-	(1,943,155)	(1,943,155)	-	(1,943,155)
Balance as at 30 June 2015	5,557,775	(46,175)	9,477,076	12,270,124	2,778,888	2,869,533	842,692	(183,437)	14,109,957	47,676,433	5,418	47,681,851
Balance as at 1 January 2014	5,557,775	(46,175)	7,648,497	12,270,124	2,778,888	2,869,533	801,159	5,343	9,825,643	41,710,787	4,525	41,715,312
Total comprehensive income for the period	-	-	-	-	-	-	471,419	(67,547)	2,349,546	2,753,418	249	2,753,667
Interest on Tier 1 capital notes	-	-	-	-	-	-	-	-	(235,301)	(235,301)	-	(235,301)
Dividends paid	-	-	-	-	-	-	-	-	(1,387,968)	(1,387,968)	-	(1,387,968)
Balance as at 30 June 2014	5,557,775	(46,175)	7,648,497	12,270,124	2,778,888	2,869,533	1,272,578	(62,204)	10,551,920	42,840,936	4,774	42,845,710

Note: No allocation to legal and statutory and other reserves has been made for the six months period ended 30 June 2015 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 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 condensed consolidated interim financial statements for the period ended 30 June 2015 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 2014. The adoption of the new and amended IFRS and IFRIC interpretations with effect from 1 January 2015 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 2014. In addition, results for the six months period ended 30 June 2015 are not necessarily indicative of the results that may be expected for the full financial year ending 31 December 2015.

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 2014.

### (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 2014.

### 3 CASH AND DEPOSITS WITH CENTRAL BANK

	Unaudited 30 June 2015 AED 000	Audited 31 December 2014 AED 000
Cash	2,435,058	3,305,995
Interest free statutory deposits with Central Banks	24,193,256	24,643,090
Interest bearing placements with Central Banks	1,833,450	1,918,037
Murabahas and Interest bearing certificates of deposits with Central Banks	24,946,085	26,771,851
	53,407,849	56,638,973

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 June 2015 AED 000	Audited 31 December 2014 AED 000
Due from banks in UAE	10,107,062	2,648,204
Due from foreign banks	28,700,896	17,163,863
	38,807,958	19,812,067

EMIRATES NBD PJSC

 NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015 (UNAUDITED)

## 5 INVESTMENT SECURITIES

<u>30 June 2015</u>	Domestic AED 000	Regional AED 000	International AED 000	Total AED 000
<u>HELD TO MATURITY:</u>				
Government bonds	11,647	74,922	-	86,569
Corporate bonds	147,047	22,494	-	169,541
	<u>158,694</u>	<u>97,416</u>	<u>-</u>	<u>256,110</u>
<u>AVAILABLE-FOR-SALE:</u>				
Government bonds	559,185	5,302,261	2,494,749	8,356,195
Corporate bonds	1,655,597	1,077,456	2,300,051	5,033,104
Equity	724,940	454,716	460,814	1,640,470
Others	68,495	71,465	357,213	497,173
	<u>3,008,217</u>	<u>6,905,898</u>	<u>5,612,827</u>	<u>15,526,942</u>
<u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u>				
Others	98,146	1,540	96,802	196,488
	<u>98,146</u>	<u>1,540</u>	<u>96,802</u>	<u>196,488</u>
	<u>3,265,057</u>	<u>7,004,854</u>	<u>5,709,629</u>	<u>15,979,540</u>

**5 INVESTMENT SECURITIES (CONTINUED)**

<u>31 December 2014</u>	Domestic AED 000	Regional AED 000	International AED 000	Total AED 000
<u>HELD TO MATURITY:</u>				
Government bonds	11,811	142,473	-	154,284
Corporate bonds	257,720	26,724	-	284,444
	<u>269,531</u>	<u>169,197</u>	<u>-</u>	<u>438,728</u>
<u>AVAILABLE-FOR-SALE:</u>				
Government bonds	516,808	4,959,446	1,757,702	7,233,956
Corporate bonds	1,871,708	1,329,083	1,024,737	4,225,528
Equity	694,202	845,688	110,492	1,650,382
Others	65,529	85,337	513,609	664,475
	<u>3,148,247</u>	<u>7,219,554</u>	<u>3,406,540</u>	<u>13,774,341</u>
<u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u>				
Others	135,367	1,540	129,700	266,607
	<u>135,367</u>	<u>1,540</u>	<u>129,700</u>	<u>266,607</u>
	<u>3,553,145</u>	<u>7,390,291</u>	<u>3,536,240</u>	<u>14,479,676</u>

Investment securities include investments in real estate funds as follows:

	Unaudited 30 June 2015 AED 000	Audited 31 December 2014 AED 000
Designated at fair value through profit or loss	10,379	11,165
Available-for-sale	373,256	404,998
	<u>383,635</u>	<u>416,163</u>



**6 LOANS AND RECEIVABLES**

	Unaudited 30 June 2015 AED 000	Audited 31 December 2014 AED 000
Overdrafts	93,648,759	87,116,930
Time loans	126,196,871	127,118,115
Loans against trust receipts	7,909,835	6,655,541
Bills discounted	2,783,696	3,172,386
Credit card receivables	4,057,630	3,726,677
Others	1,067,205	1,111,616
Gross loans and receivables	235,663,996	228,901,265
Other debt instruments	130,269	143,317
Total loans and receivables	235,794,265	229,044,582
Less: Allowances for impairment	(18,369,669)	(17,024,983)
	217,424,596	212,019,599
Total of impaired loans and receivables	15,721,948	15,800,839

**6 LOANS AND RECEIVABLES (CONTINUED)**

	Unaudited 30 June 2015 AED 000	Audited 31 December 2014 AED 000
<u>Analysis by economic activity</u>		
Agriculture and allied activities	65,451	71,022
Mining and quarrying	385,827	420,256
Manufacturing	7,133,863	6,671,671
Construction	6,755,360	7,180,794
Trade	13,546,091	11,545,729
Transport and communication	6,195,900	6,705,286
Services	4,111,271	2,659,020
Sovereign	113,679,039	106,415,609
Personal	30,335,797	30,052,875
Real estate	29,995,232	30,355,034
Financial institutions and investment companies	22,009,730	25,389,465
Others	1,580,704	1,577,821
Total loans and receivables	235,794,265	229,044,582
Less: Allowances for impairment	(18,369,669)	(17,024,983)
	217,424,596	212,019,599

**6 LOANS AND RECEIVABLES (CONTINUED)**

	Unaudited six months period ended 30 June 2015 AED 000	Unaudited six months period ended 30 June 2014 AED 000
<u>Movement in allowances for specific impairment</u>		
Balance as at 1 January	13,186,654	13,847,374
Allowances for impairment made during the period	1,179,713	1,863,288
Write back / recoveries made during the period	(670,582)	(278,489)
Interest unwind on impaired loans	-	(49,070)
Amounts written off during the period	(120,149)	(24,947)
Exchange and other adjustments	(2,570)	(8,905)
Balance as at 30 June	13,573,066	15,349,251
<u>Movement in allowances for collective impairment</u>		
Balance as at 1 January	3,838,329	3,490,636
Allowances for impairment made during the period	961,858	125,057
Exchange and other adjustments	(3,584)	(8,082)
Balance as at 30 June	4,796,603	3,607,611
Total	18,369,669	18,956,862

## 7 ISLAMIC FINANCING RECEIVABLES

	Unaudited 30 June 2015 AED 000	Audited 31 December 2014 AED 000
Murabaha	27,337,294	24,696,055
Ijara	13,258,627	11,774,940
Credit cards receivable	769,033	606,923
Wakala	1,922,994	1,489,894
Istissna'a	1,293,602	1,084,847
Others	836,762	920,351
<b>Total Islamic financing receivables</b>	<b>45,418,312</b>	<b>40,573,010</b>
Less: Deferred income	(2,412,304)	(2,466,395)
Less: Allowances for impairment	(4,257,104)	(4,152,473)
	<b>38,748,904</b>	<b>33,954,142</b>
<b>Total of impaired Islamic financing receivables</b>	<b>4,891,710</b>	<b>5,310,387</b>

Corporate Ijara assets amounting to AED 3.7 billion [2014: 3.7 billion] were securitised for the purpose of issuance of Sukuk liability.

**7 ISLAMIC FINANCING RECEIVABLES (CONTINUED)**

	Unaudited 30 June 2015 AED 000	Audited 31 December 2014 AED 000
<u>Analysis by economic activity</u>		
Agriculture and allied activities	10,967	6,172
Mining and quarrying	53,413	3,948
Manufacturing	1,158,369	802,976
Construction	1,471,532	1,165,174
Trade	3,088,599	2,380,289
Transport and communication	1,518,752	958,138
Services	2,859,256	2,158,627
Sovereign	326,475	260,814
Personal	23,519,737	21,421,987
Real estate	7,140,657	6,486,483
Financial institutions and investment companies	2,587,955	3,138,352
Others	1,682,600	1,790,050
<b>Total islamic financing and receivables</b>	<b>45,418,312</b>	<b>40,573,010</b>
Less: Deferred Income	(2,412,304)	(2,466,395)
Less: Allowances for impairment	(4,257,104)	(4,152,473)
	<b>38,748,904</b>	<b>33,954,142</b>



**7 ISLAMIC FINANCING RECEIVABLES (CONTINUED)**

	Unaudited six months period ended 30 June 2015 AED 000	Unaudited six months period ended 30 June 2014 AED 000
<u>Movement in allowances for specific impairment</u>		
Balance as at 1 January	3,642,639	2,966,580
Allowances for impairment made during the period	555,184	794,915
Write back /recoveries made during the period	(155,451)	(67,667)
Amounts written off during the period	(307,994)	(587)
Balance as at 30 June	3,734,378	3,693,241
<u>Movement in allowances for collective impairment</u>		
Balance as at 1 January	509,834	461,280
Allowances for impairment made during the period	12,892	22,552
Balance as at 30 June	522,726	483,832
Total	4,257,104	4,177,073

**8 GOODWILL AND INTANGIBLES**

	Goodwill	Intangibles on Acquisition			Total	
		Banking license	Software	Customer relationships	Core deposit intangibles	
<u>30 June 2015</u>	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
<u>Cost</u>						
Balance as at 1 January	5,632,648	348,596	9,281	157,490	662,223	6,810,238
Foreign exchange movement	(8,291)	(21,929)	-	-	(2,534)	(32,754)
	<b>5,624,357</b>	<b>326,667</b>	<b>9,281</b>	<b>157,490</b>	<b>659,689</b>	<b>6,777,484</b>
<u>Less: Amortisation and impairment</u>						
Balance as at 1 January	4,903	-	9,281	154,174	485,500	653,858
Amortisation and impairment for the period	-	-	-	1,000	39,500	40,500
<b>Balance as at 30 June</b>	<b>4,903</b>	<b>-</b>	<b>9,281</b>	<b>155,174</b>	<b>525,000</b>	<b>694,358</b>
<b>Net Goodwill and Intangibles</b>	<b>5,619,454</b>	<b>326,667</b>	<b>-</b>	<b>2,316</b>	<b>134,689</b>	<b>6,083,126</b>
<u>31 December 2014</u>						
<u>Cost</u>	5,632,648	348,596	9,281	157,490	662,223	6,810,238
Less: Amortisation and impairment	4,903	-	9,281	154,174	485,500	653,858
<b>Net Goodwill and Intangibles</b>	<b>5,627,745</b>	<b>348,596</b>	<b>-</b>	<b>3,316</b>	<b>176,723</b>	<b>6,156,380</b>

## 9 OTHER ASSETS

	Unaudited 30 June 2015 AED 000	Audited 31 December 2014 AED 000
Accrued interest receivable	1,171,158	1,147,020
Islamic Profit receivable	71,526	69,322
Prepayments and other advances	215,263	197,410
Sundry debtors and other receivables	907,287	538,733
Inventory	1,805,510	1,921,268
Fair value of deposit (a)	319,799	352,706
Fair value of guarantee (b)	-	2,000,000
Others	918,870	2,077,185
	<u>5,409,413</u>	<u>8,303,644</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.
- (b) In connection with the acquisition of Dubai Bank, the Government of Dubai had provided a guarantee up to AED 2 billion for 7 years from the date of acquisition for any losses relating to the assets and liabilities that existed on the date of acquisition. In 2013, the claims under the guarantee reached the maximum limit of AED 2 billion. During the first quarter of 2015, the full amount of the guarantee amounting to AED 2 billion was settled.

**10 DEBT ISSUED AND OTHER BORROWED FUNDS**

	Unaudited 30 June 2015 AED 000	Audited 31 December 2014 AED 000
Medium term note programme*	25,841,137	19,228,151
Term loans from banks	2,938,000	2,938,000
Borrowings raised from loan securitisations	4,387,131	4,531,540
	<b>33,166,268</b>	<b>26,697,691</b>

\*Includes Tier 2 notes amounting to AED 4,341 million (2014: AED 4,341 million) raised through public and private placements.

	Unaudited 30 June 2015 AED 000	Audited 31 December 2014 AED 000
Balance as at 1 January	26,697,691	20,110,692
New issues	8,867,431	11,714,853
Repayments	(2,201,169)	(4,895,239)
Other movements*	(197,685)	(232,615)
Balance at end of period	<b>33,166,268</b>	<b>26,697,691</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 30 June 2015, the outstanding medium term borrowings totaling AED 33,166 million (31 December 2014: AED 26,698 million) is falling due as below:

	Unaudited 30 June 2015 AED millions	Audited 31 December 2014 AED millions
2015	1,520	3,598
2016	8,223	4,759
2017	4,482	4,111
2018	1,199	1,199
2019	5,234	5,288
2020	1,600	226
2022	4,658	1,357
2023	5,441	5,441
2024	607	628
2025	121	-
2026	81	91
	<b>33,166</b>	<b>26,698</b>

**11 OTHER LIABILITIES**

	Unaudited 30 June 2015 AED 000	Audited 31 December 2014 AED 000
Accrued interest payable	489,446	440,252
Profit payable to Islamic depositors	176,848	138,998
Managers' cheques	1,346,476	975,285
Trade and other payables	1,597,349	1,213,681
Staff related liabilities	802,750	915,183
Provision for taxation	87,675	69,971
Others	3,081,276	2,948,467
	<b>7,581,820</b>	<b>6,701,837</b>

**12 EQUITY HOLDER FUNDS**

At the Annual General Meeting held on 04 March 2015, shareholders approved payment of a cash dividend of 35% of the issued and paid up capital amounting to AED 1,943 million which has been recognised in the interim financial statements as of 30 June 2015.

**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 six months period ended 30 June 2015 AED 000	Unaudited six months period ended 30 June 2014 AED 000
	-----	-----
Dividend income	47,092	43,300
Gains from sale of available-for-sale investment securities	155,280	167,149
Gain / (loss) from investment securities designated at fair value through profit or loss	(4,897)	54,026
Rental income	51,242	56,721
Gain on sale of properties (Investment properties / inventories)	182,814	267,324
Foreign exchange income*	499,029	474,611
Derivative income	73,976	8,933
Other income (net)	126,749	78,704
	-----	-----
	<b>1,131,285</b>	<b>1,150,768</b>
	-----	-----

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

**15 GENERAL AND ADMINISTRATIVE EXPENSES**

	Unaudited six months period ended 30 June 2015 AED 000	Unaudited six months period ended 30 June 2014 AED 000
Staff cost	1,468,780	1,361,725
Occupancy cost	171,628	177,588
Equipment & supplies	62,992	65,243
Information technology cost	70,546	75,970
Communication cost	73,735	63,292
Service, legal and professional fees	39,592	34,013
Marketing related expenses	33,087	38,190
Depreciation	139,736	155,907
Amortisation of intangibles	40,500	46,500
Others	135,328	118,754
	<u>2,235,924</u>	<u>2,137,182</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 six months period ended 30 June 2015 AED 000	Unaudited six months period ended 30 June 2014 AED 000
Net impairment of loans and receivables	1,470,989	1,709,856
Net impairment of Islamic financing receivables	412,625	749,800
Net impairment of investment securities	22,179	108,470
Net impairment of due from banks	(3,020)	-
Bad debt written off/(recovery) (net)	83,359	44,520
Net impairment loss for the period	<u>1,986,132</u>	<u>2,612,646</u>

**17 COMMITMENTS AND CONTINGENCIES**

At 30 June 2015, the Group's commitments and contingencies are as follows:

	Unaudited 30 June 2015 AED 000	Audited 31 December 2014 AED 000
Letters of credit	9,540,144	7,963,646
Guarantees	43,968,548	41,459,802
Liability on risk participations	1,031,507	1,027,628
Irrevocable loan commitments*	20,842,726	17,892,124
	75,382,925	68,343,200

\*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 six months period ended 30 June 2015 AED 000	Unaudited six months period ended 30 June 2014 AED 000
Profit for the year attributable to equity holders	3,316,643	2,349,546
Deduct : Interest on Tier 1 capital notes	(294,750)	(235,301)
Net profit attributable to equity holders	3,021,893	2,114,245
Weighted average number of equity shares in issue ('000)	5,557,775	5,557,775
Earnings per share* (AED)	0.54	0.38

\*The diluted and basic Earnings per share were the same for the six months period ended 30 June 2015.

**19 DERIVATIVES**

	June 2015			December 2014		
	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	1,555,899	(1,391,213)	347,615,694	1,254,496	(1,481,927)	281,483,737
Derivatives held as cash flow hedges	97,870	(11,517)	7,862,260	46,827	(21,103)	4,800,000
Derivatives held as fair value hedges	1,790	(311,363)	2,998,092	9,132	(142,747)	2,439,701
<b>Total</b>	<b>1,655,559</b>	<b>(1,714,093)</b>	<b>358,476,046</b>	<b>1,310,455</b>	<b>(1,645,777)</b>	<b>288,723,438</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 PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015 (UNAUDITED)

**20 OPERATING SEGMENTS (CONTINUED)**30 June 2015

	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	1,780,055	1,738,684	(141,989)	786,330	818,567	4,981,647
Net Fees, commission and other income	706,265	1,082,706	305,434	427,804	51,056	2,573,265
Total operating Income	2,486,320	2,821,390	163,445	1,214,134	869,623	7,554,912
General and administrative expenses	(167,282)	(958,836)	(67,540)	(448,703)	(593,563)	(2,235,924)
Net impairment loss on financial assets	(1,370,335)	(202,100)	15,980	(421,683)	(7,994)	(1,986,132)
Share of profit of associates and joint ventures	-	-	-	853	73,892	74,745
Taxation charge	(10,529)	(4,486)	(2,754)	-	(72,697)	(90,466)
Group Profit for the Period	938,174	1,655,968	109,131	344,601	269,261	3,317,135
Segment Assets	222,014,235	50,258,869	44,538,764	49,322,462	21,943,320	388,077,650
Segment Liabilities and Equity	111,738,962	117,649,897	24,482,653	51,210,819	82,995,319	388,077,650



EMIRATES NBD PJSC

 NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2015 (UNAUDITED)
**20 OPERATING SEGMENTS (CONTINUED)**

<u>30 June 2014</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	1,558,225	1,878,623	84,870	649,464	387,409	4,558,591
Net Fees, commission and other income	685,063	914,446	378,952	265,920	239,103	2,483,484
Total operating Income	2,243,288	2,793,069	463,822	915,384	626,512	7,042,075
General and administrative expenses	(156,920)	(825,757)	(43,179)	(380,134)	(731,192)	(2,137,182)
Net impairment loss on financial assets	(2,094,615)	(134,978)	(140)	(367,985)	(14,928)	(2,612,646)
Share of profit of associates and joint ventures	-	-	-	1,157	119,843	121,000
Taxation charge	(8,993)	(903)	(2,329)	-	(51,227)	(63,452)
Group Profit for the Period	(17,240)	1,831,431	418,174	168,422	(50,992)	2,349,795
Segment Assets	204,984,718	44,372,771	38,306,860	42,123,986	18,477,856	348,266,191
Segment Liabilities and Equity	95,045,837	114,721,839	25,977,239	45,497,992	67,023,284	348,266,191

**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 10% (December 2014: 7%) and 10% (December 2014: 10%) 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 June 2015 AED 000	Audited 31 December 2014 AED 000
<b><u>Loans and receivables:</u></b>		
To majority shareholder of the parent	114,005,514	106,676,423
To parent	780,328	824,842
To directors and related companies	546,329	450,861
To associates and joint ventures	8,006	-
	115,340,177	107,952,126
<b><u>Customer and Islamic deposits:</u></b>		
From majority shareholder of the parent	3,370,170	3,184,351
From parent	2,438,786	6,965,485
From associates and joint ventures	501,409	534,460
	6,310,365	10,684,296
Investment in Government of Dubai bonds	14,031	43,559
Loans to and investment in funds managed by the Group	393,285	484,491
Commitments to associates	8,586	9,066

**21 RELATED PARTY TRANSACTIONS (CONTINUED)**

	Unaudited six months period ended 30 June 2015 AED 000	Unaudited six months period ended 30 June 2014 AED 000
Payments made to associates and joint ventures	70,672	103,050
Payments received from associates and joint ventures	2,457	-
Fees received in respect of funds managed by the Group	42,034	36,983
Interest paid to funds managed by the Group	3,948	4,483
Interest paid by joint ventures	33	190
Directors sitting fee	3,360	-

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

	Unaudited six months period ended 30 June 2015 AED 000	Unaudited six months period ended 30 June 2014 AED 000
<u>Key management compensation:</u>		
Short term employment benefits	49,828	37,696
Post employment benefits	794	539

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 six months period ended 30 June 2015 AED 000	Unaudited six months period ended 30 June 2014 AED 000
(a) Analysis of changes in cash and cash equivalents during the period		
Balance at beginning of period	24,763,352	6,936,117
Net cash inflow/(outflow)	7,394,373	6,840,208
Balance at end of period	<u>32,157,725</u>	<u>13,776,325</u>
(b) Analysis of cash and cash equivalents		
Cash and deposits with Central Bank	53,407,849	46,903,734
Due from banks	38,807,958	17,619,462
Due to banks	(15,295,880)	(16,050,600)
	<u>76,919,927</u>	<u>48,472,596</u>
Less : deposits with Central Bank for regulatory purposes	(24,193,256)	(21,787,549)
Less : certificates of deposits with Central Bank maturing after three months	(10,500,000)	(9,000,000)
Less : amounts due from banks maturing after three months	(16,794,094)	(6,946,903)
Add : amounts due to banks maturing after three months	6,725,148	3,038,181
	<u>32,157,725</u>	<u>13,776,325</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)**

30 June 2015

	Level 1 AED 000	Level 2 AED 000	Level 3 AED 000	Total AED 000
<b><u>Trading securities</u></b>				
Debt Securities	1,137,686	4,842	-	1,142,528
Others	52,362	75,289	-	127,651
	1,190,048	80,131	-	1,270,179
<b><u>Investment Securities</u></b>				
<b><u>AVAILABLE-FOR-SALE:</u></b>				
Debt Securities	8,968,686	4,420,613	-	13,389,299
Investment in equities	616,526	238,041	785,903	1,640,470
Others	-	138,025	359,148	497,173
	9,585,212	4,796,679	1,145,051	15,526,942
<b><u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u></b>				
Others	180,195	16,293	-	196,488
	180,195	16,293	-	196,488
<b><u>Derivatives held for trading</u></b>				
Positive fair value of derivatives	-	1,555,899	-	1,555,899
<b><u>Derivatives held as cash flow hedges:</u></b>				
Interest rate swaps	-	97,870	-	97,870
<b><u>Derivatives held as fair value hedges:</u></b>				
Interest rate swaps	-	1,790	-	1,790
	-	1,655,559	-	1,655,559
<b><u>Derivatives held for trading</u></b>				
Negative fair value of derivatives	-	(1,391,213)	-	(1,391,213)
<b><u>Derivatives held as cash flow hedges:</u></b>				
Interest rate swaps	-	(11,517)	-	(11,517)
<b><u>Derivatives held as fair value hedges:</u></b>				
Interest rate swaps	-	(311,363)	-	(311,363)
	-	(1,714,093)	-	(1,714,093)
	10,955,455	4,834,569	1,145,051	16,935,075

**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 2015	1,228,199	-	-	1,228,199
Total gains or losses:	-	-	-	-
- in profit or loss	(64,680)	-	-	(64,680)
- in other comprehensive income	(66,836)	-	-	(66,836)
Purchases	-	-	-	-
Settlements and other adjustments	(32,229)	-	-	(32,229)
Transfers into Level 3	80,597	-	-	80,597
Transfers out of Level 3	-	-	-	-
<b>Balance as at 30 June 2015</b>	<b>1,145,051</b>	<b>-</b>	<b>-</b>	<b>1,145,051</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. 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.



**23 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (CONTINUED)**
31 December 2014

	Level 1	Level 2	Level 3	Total
	AED 000	AED 000	AED 000	AED 000
<b><u>Trading securities</u></b>				
Debt Securities	695,684	2,832	-	698,516
Others	68,944	64,795	-	133,739
	<u>764,628</u>	<u>67,627</u>	<u>-</u>	<u>832,255</u>
<b><u>Investment Securities</u></b>				
<b><u>AVAILABLE-FOR-SALE:</u></b>				
Debt Securities	7,665,407	3,794,077	-	11,459,484
Investment in equities	597,865	329,305	723,212	1,650,382
Others	-	159,488	504,987	664,475
	<u>8,263,272</u>	<u>4,282,870</u>	<u>1,228,199</u>	<u>13,774,341</u>
<b><u>DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS:</u></b>				
Others	245,013	21,594	-	266,607
	<u>245,013</u>	<u>21,594</u>	<u>-</u>	<u>266,607</u>
<b><u>Derivatives held for trading</u></b>				
<b><u>Positive fair value of derivatives</u></b>		1,254,496		1,254,496
Derivatives held as cash flow hedges:				
Interest rate swaps		46,827		46,827
Derivatives held as fair value hedges:				
Interest rate swaps		9,132		9,132
	<u>-</u>	<u>1,310,455</u>	<u>-</u>	<u>1,310,455</u>
<b><u>Derivatives held for trading</u></b>				
<b><u>Negative fair value of derivatives</u></b>		(1,481,927)		(1,481,927)
Derivatives held as cash flow hedges:				
Interest rate swaps		(21,103)		(21,103)
Derivatives held as fair value hedges:				
Interest rate swaps		(142,747)		(142,747)
	<u>-</u>	<u>(1,645,777)</u>	<u>-</u>	<u>(1,645,777)</u>
	<u>9,272,913</u>	<u>4,036,769</u>	<u>1,228,199</u>	<u>14,537,881</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 2014	1,601,597	37,626	-	1,639,223
Total gains or losses:				
- in profit or loss	(45,502)	-	-	(45,502)
- in other comprehensive income	24,011	-	-	24,011
Purchases	-	-	-	-
Issues	-	-	-	-
Settlements and other adjustments	(326,316)	(37,626)	-	(363,942)
Transfers into Level 3	-	-	-	-
Transfers out of Level 3	(25,591)	-	-	(25,591)
Balance as at 31 December 2014	1,228,199	-	-	1,228,199