

Emirates NBD

Creating a Banking Leader
in the Middle East

Sanjay Uppal
Chief Financial Officer

 CHEUVREUX

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Forward Looking Statements

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

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

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Mr. Sanjay Uppal

Chief Financial Officer, Emirates NBD



B.E., M.S., MBA

- Chief Financial Officer, Emirates NBD
- Director, NBD Investment Bank

Over 15 years of experience in markets across Asia & Middle East

- CFO, Emirates Bank : 2005-2007
- 11 years with Standard Chartered Bank in India, Indonesia, Singapore, Taiwan, Philippines & UAE
 - Group Head Strategy & Finance, Wealth Management, Standard Chartered Bank
 - CFO – Taiwan, Philippines, UAE

Contents

The UAE banking opportunity

Introduction to Emirates NBD

Rationale for the Merger

Strategic Focus

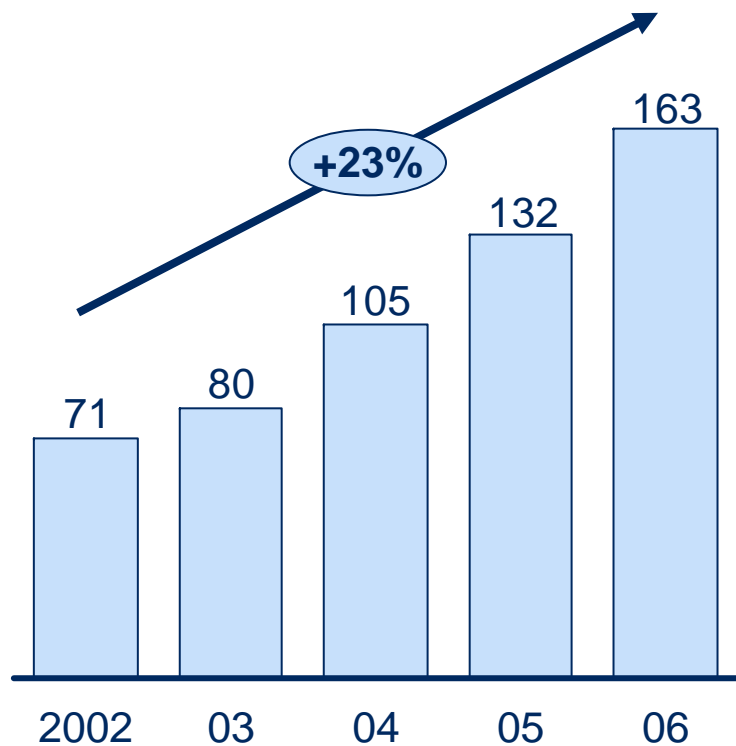
Financial Overview and key Indicators

Integration Update

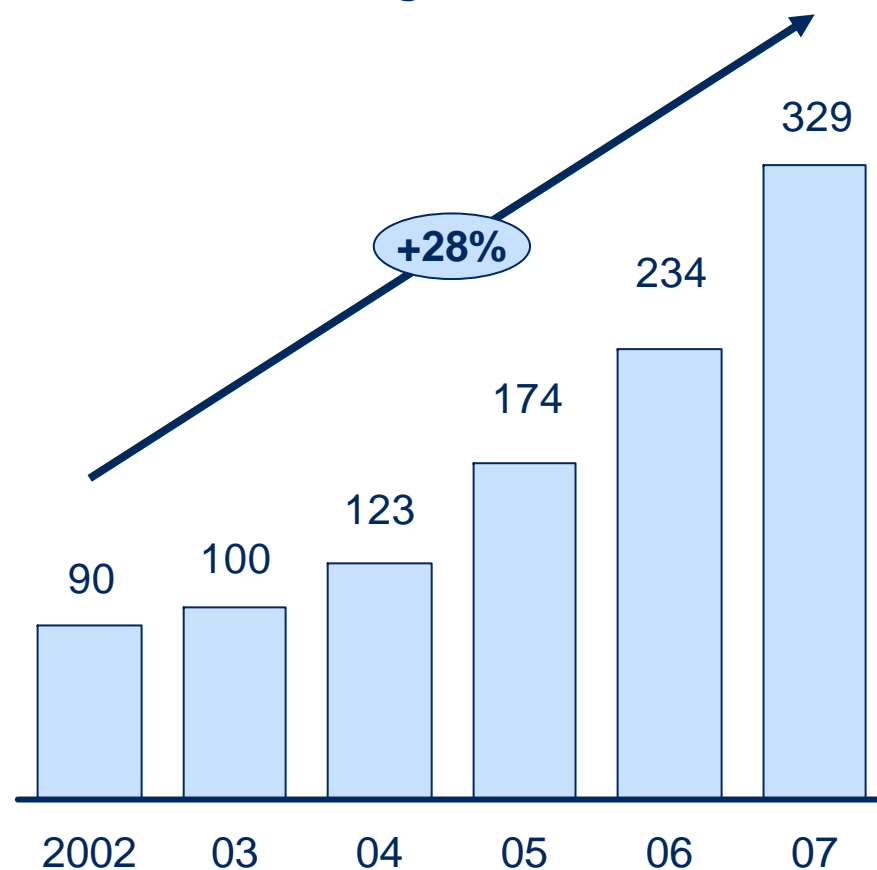
In line with the economy, the UAE banking sector has grown strongly

USD billion

Nominal GDP



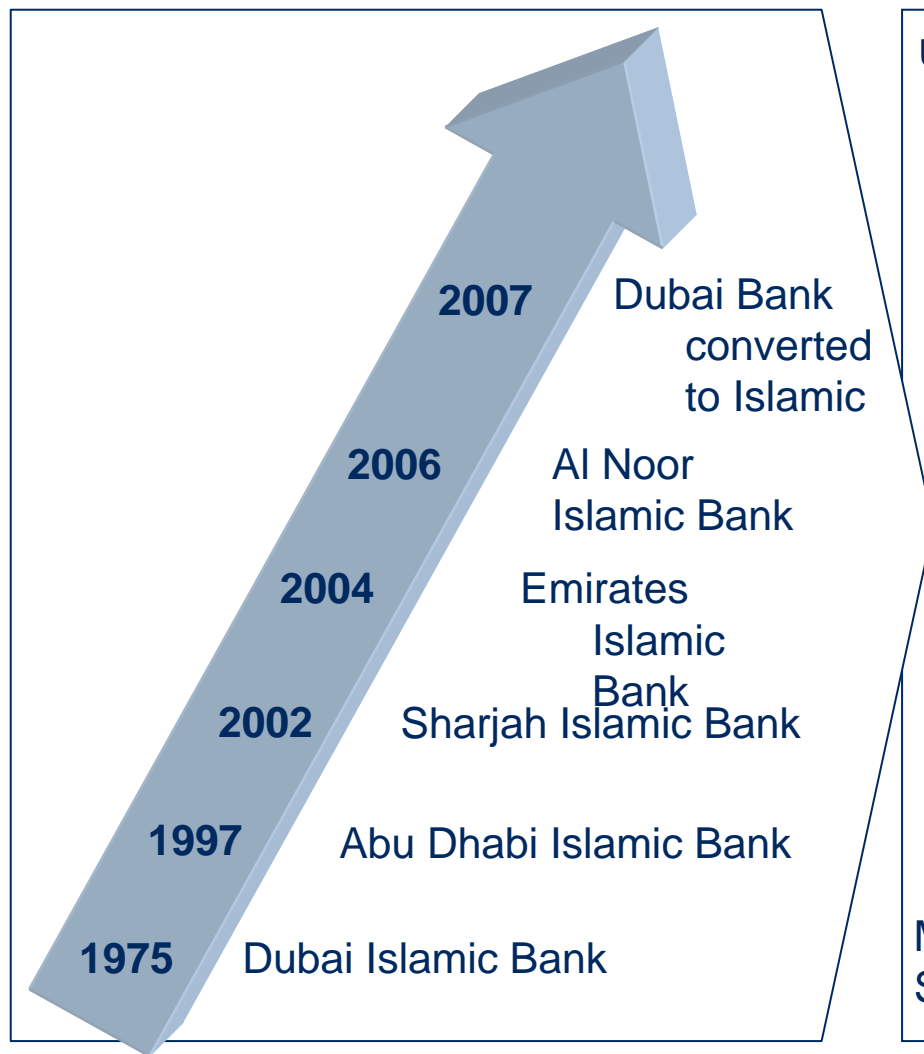
Banking assets



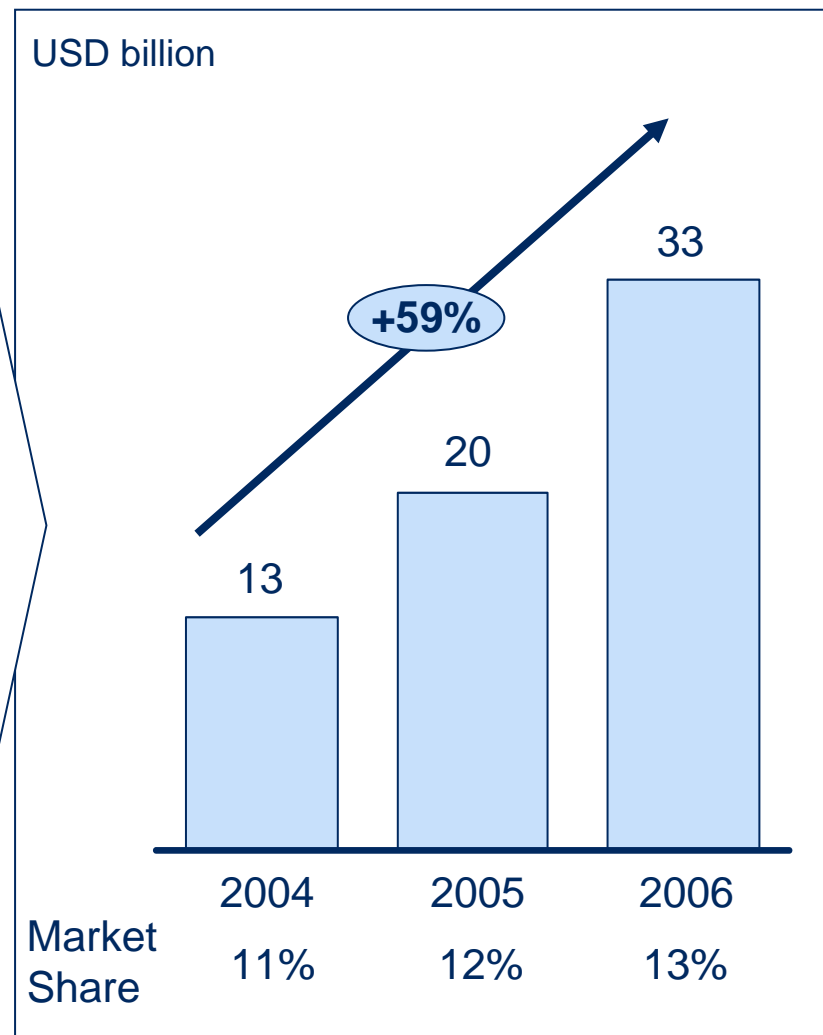
Source: Central Bank statistics

Islamic banks have increased their presence in the market

Timeline of Islamic Banking in the UAE

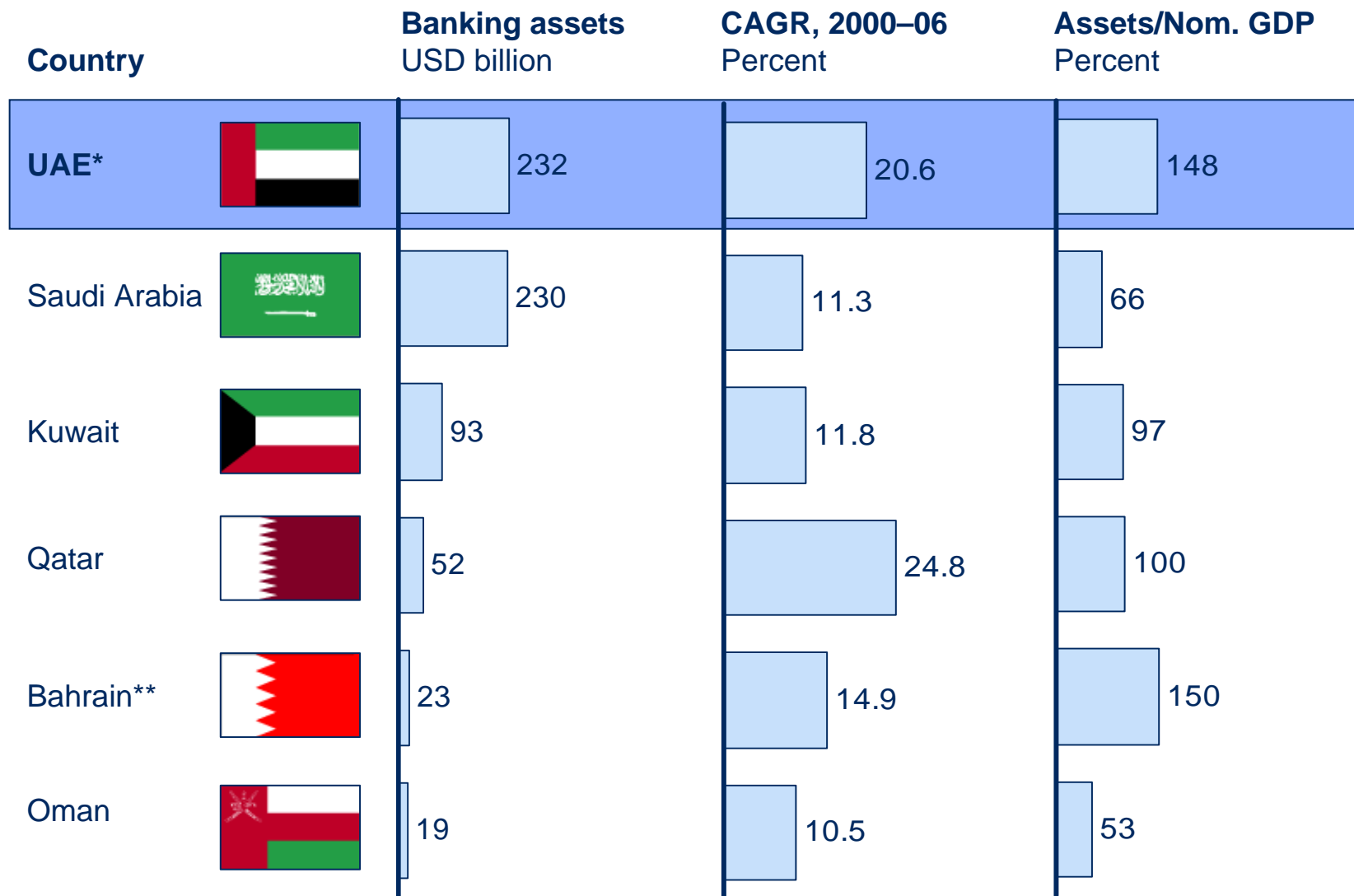


Islamic Banks Assets



UAE is now the largest banking market in the GCC

2006



* Includes Foreign Banks

** Excludes off-shore banking units

Source: Central Banks; Global Insight

Contents

The UAE banking opportunity

Introduction to Emirates NBD

Rationale for the Merger

Strategic Focus

Financial Overview and key Indicators

Integration Update

Emirates NBD – A New Regional Powerhouse

Creation of UAE's Leading Bank

- Largest Banking merger in the MENA region.
- 56% owned by Government of Dubai; 44% Free Float
- Largest UAE bank by assets & market capitalization
- Market share of 21% of Assets & 19% of Deposits
- Corporate / Retail banking powerhouse
- Distribution network in the UAE with 113 branches & 451 ATM's.

Increased Financial Strength & Scale

- Largest bank by assets in the GCC
- Top 5 regional bank by market capitalization
- Well capitalized with the highest shareholders' equity among UAE Banks
- Expanded regional presence
- Significant strengthening of competitive positioning
- Diversified business mix
- Strategically positioned to capture high growth potential of domestic and regional market.

Superior Value Creation Potential

- Significant cost and revenue synergies driving value creation

Strong Credit Ratings

Current Ratings



Moody's¹

- A1 / P-1

- A1 / P-1

S&P²

- A / Positive / A-1

- A / Positive / A-1

Fitch³

- AA-

- ...

Capital Intelligence⁴

- AA-

- AA-

1. Moody's Long-term rating / Short-term rating

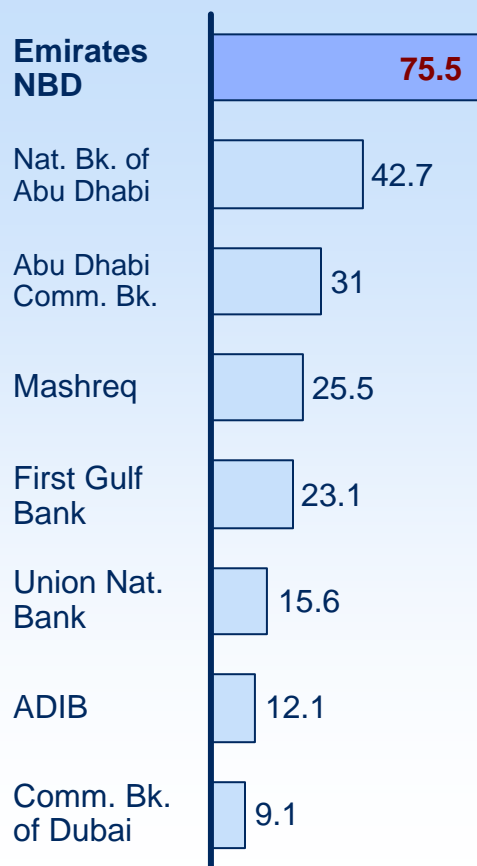
2. S&P Credit rating

3. EBI's Long term Issuer Default rating is AA-; NBD has not been rated by Fitch. Support rating available by both EBI and NBD is '1'

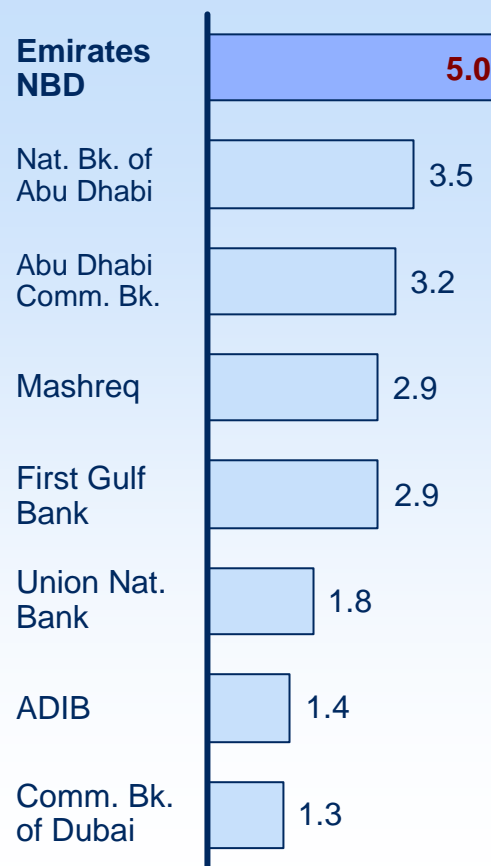
4. Capital Intelligence Foreign currency long term rating for EBI recently upgraded to AA-.

Emirates NBD leads the UAE Banking Sector . . .

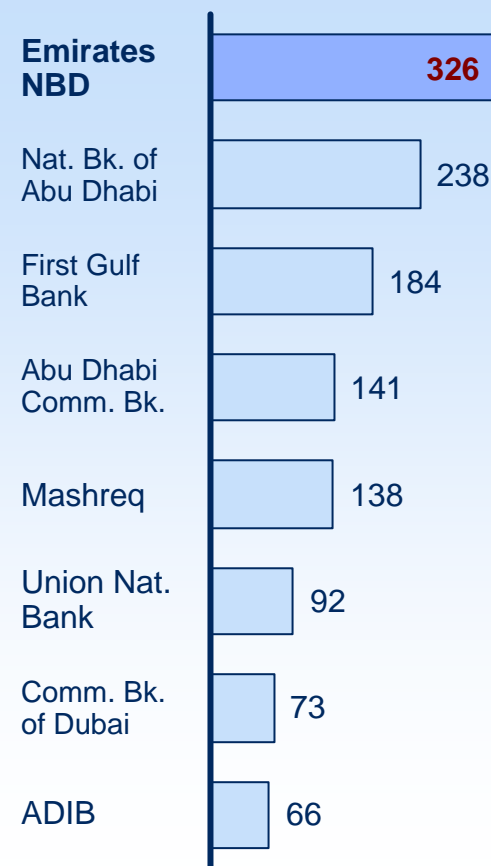
Assets \$b, Q1 2008



Equity \$b, Q1 2008



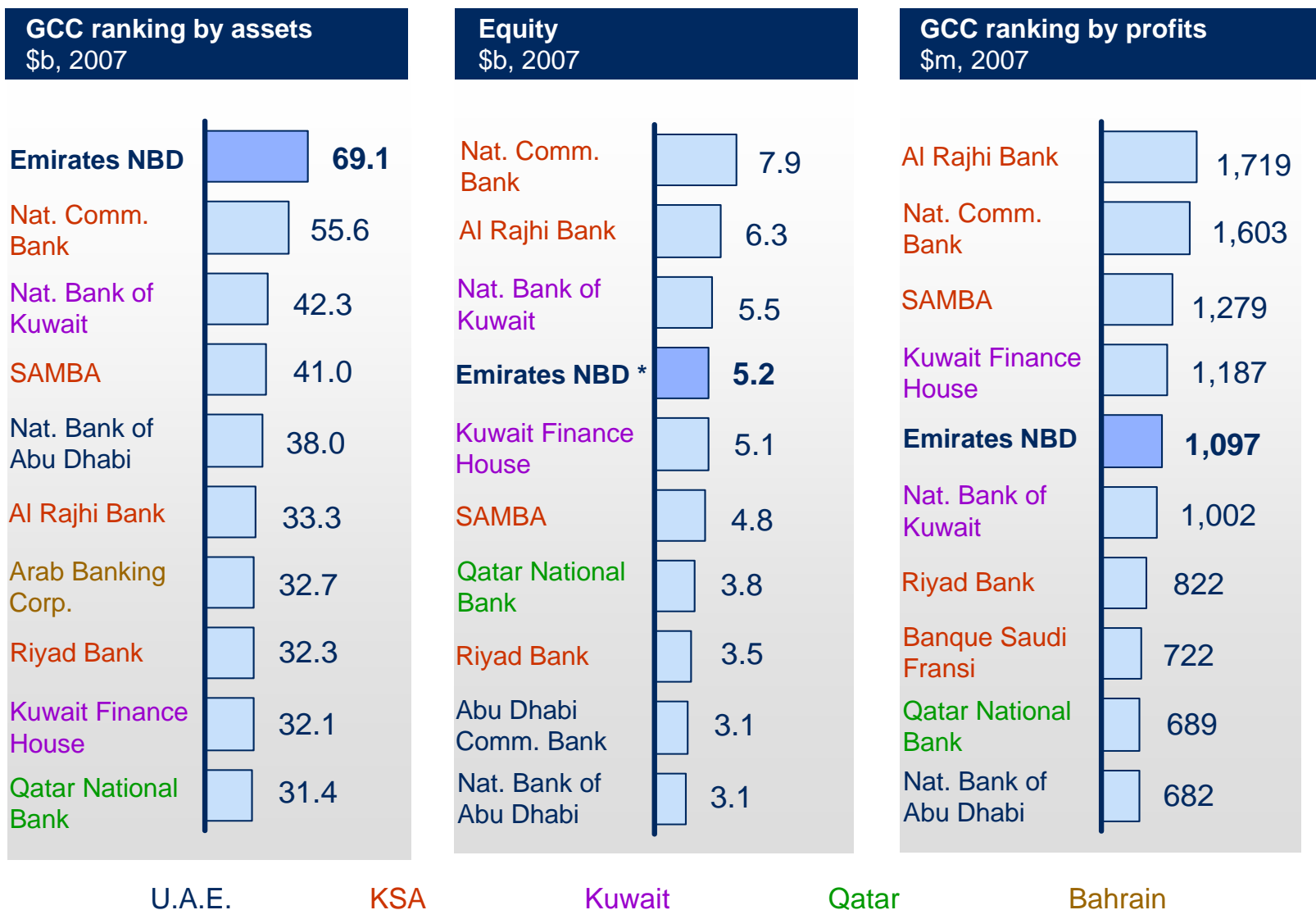
Net profits \$m, Q1 2008



* Tangible Shareholder's Equity which excludes Goodwill and Intangibles

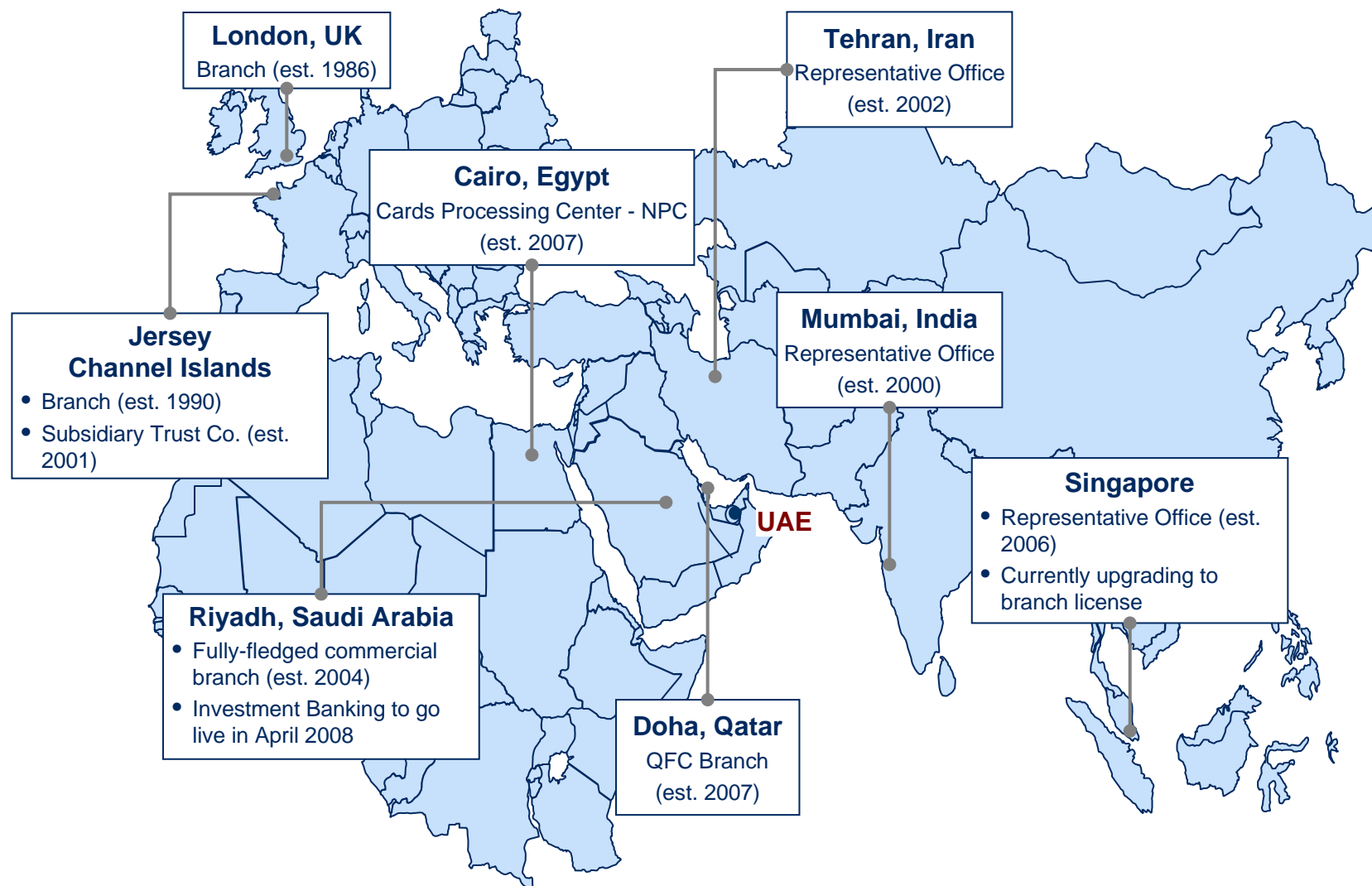
Source: Bank websites; Press releases; Newswires; team analysis

Emirates NBD is the largest bank in GCC by assets



* Tangible Shareholder's Equity which excludes Goodwill and Intangibles
 Source: Bank websites; Press releases; Newswires; team analysis

Building a geographically diversified footprint



Contents

The UAE banking opportunity

Introduction to Emirates NBD

Rationale for the Merger

Strategic Focus

Financial Overview and key Indicators

Integration Update

Merger context and aspirations

What merger has led to so far ...

Creation of UAE champion

- Largest UAE bank by assets and market capitalisation
- Enhanced distribution network and business mix strengthening competitive position

Increased financial strength/ scale

- Largest bank in GCC by assets and Top 5 player by market capitalisation
- Increased regional presence

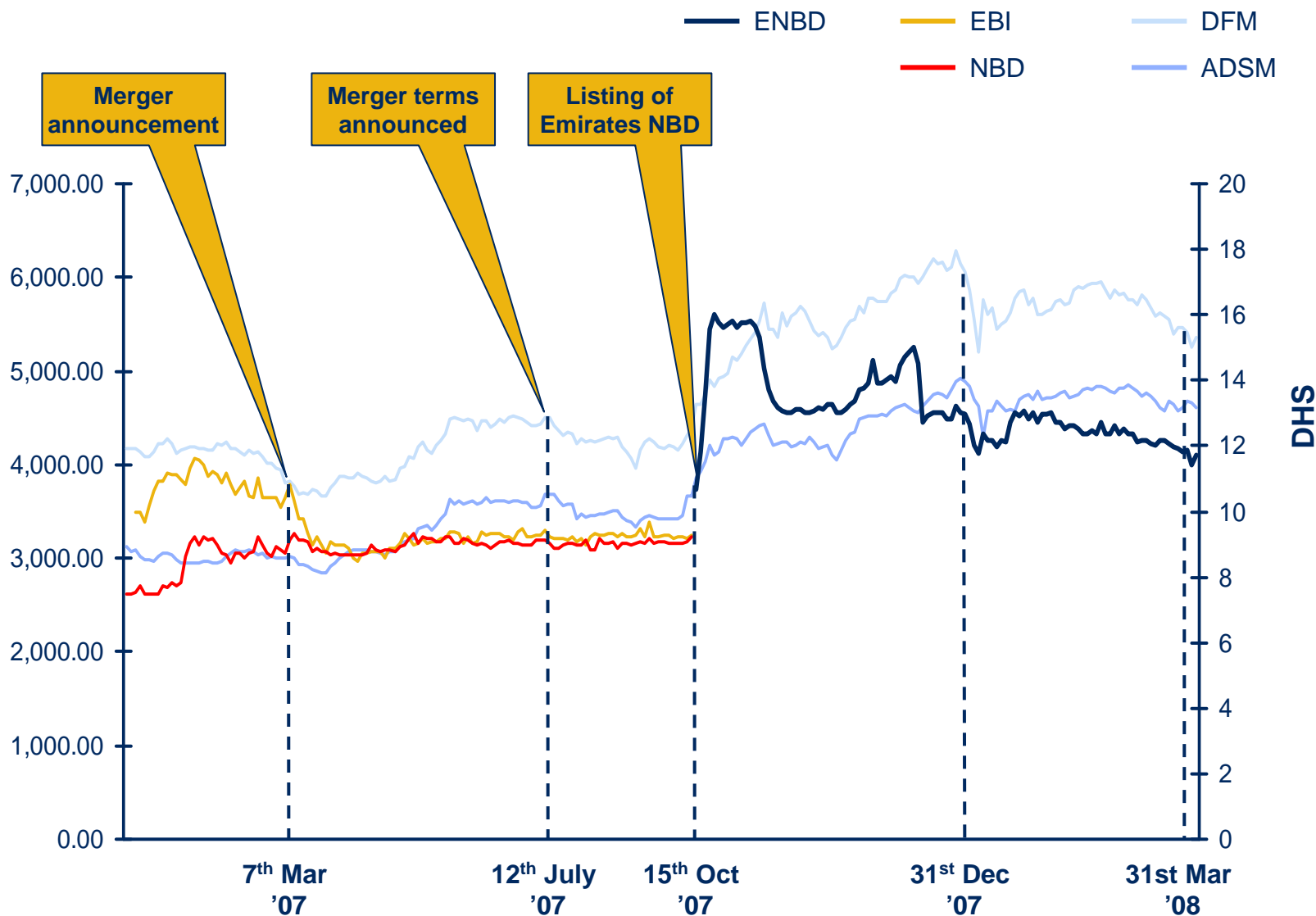
Superior value creation potential

- Significant cost and revenue synergies driving value creation

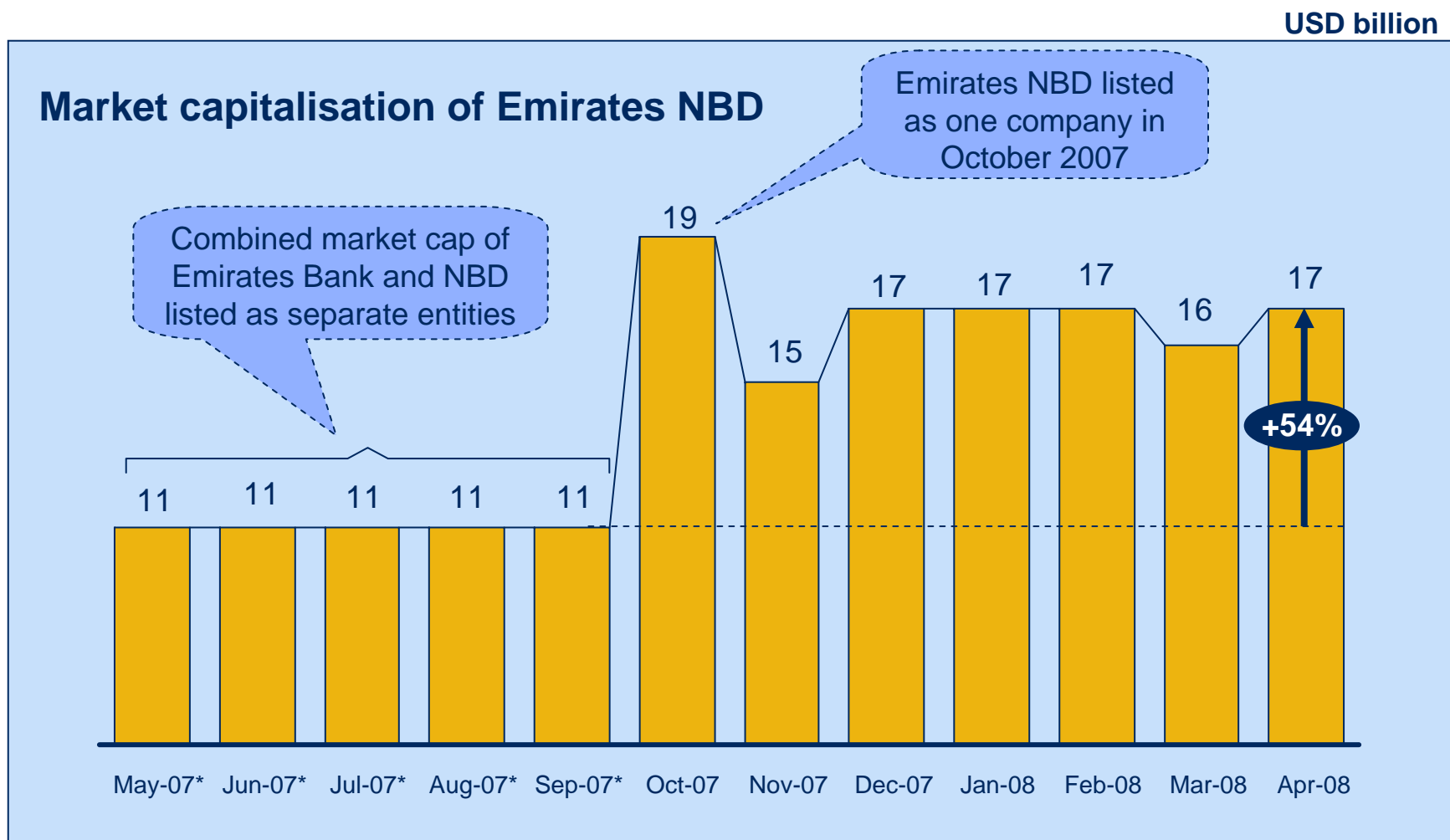
The merger provides a strong foundation ...

- 1 To become the **leading regional financial institution**, with an increasing international presence
- 2 To **leverage financial strength, scale and market positioning** to capture domestic and regional opportunities
- 3 To become the **partner of choice** for corporate and retail clients seeking financial services in the GCC

Market has responded positively to the merger



The merger has already created value for the shareholders



* Before October 2007, the market cap has been derived by adding the market capitalisation of Emirates Bank and NBD since they were separately listed
 Source : Market capitalisation at end of month; Bloomberg; Datastream

Contents

The UAE banking opportunity

Introduction to Emirates NBD

Rationale for the Merger

Strategic Focus

Financial Overview and key Indicators

Integration Update

Emirates NBD strategy

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

Contents

The UAE banking opportunity

Introduction to Emirates NBD

Rationale for the Merger

Strategic Focus

Financial Overview and key Indicators

Integration Update

Key Performance Indicators Q1 2008 vs. Q1 2007

Total Income

USD 598.4 m

49%

Total Costs

USD 232.8 m

48%

Net Profit

USD 325.6 m

37%

Cost Income Ratio

38.9%

0.6%

Earnings Per Share

AED 0.27 / USD 0.074

35%

Key Performance Indicators Q1 2008 vs. FY 2007

Total Assets

USD 76 bn

9%

Loans

USD 48 bn

5.4%

Deposit

USD 41 bn

8%

Return on Tangible Equity *

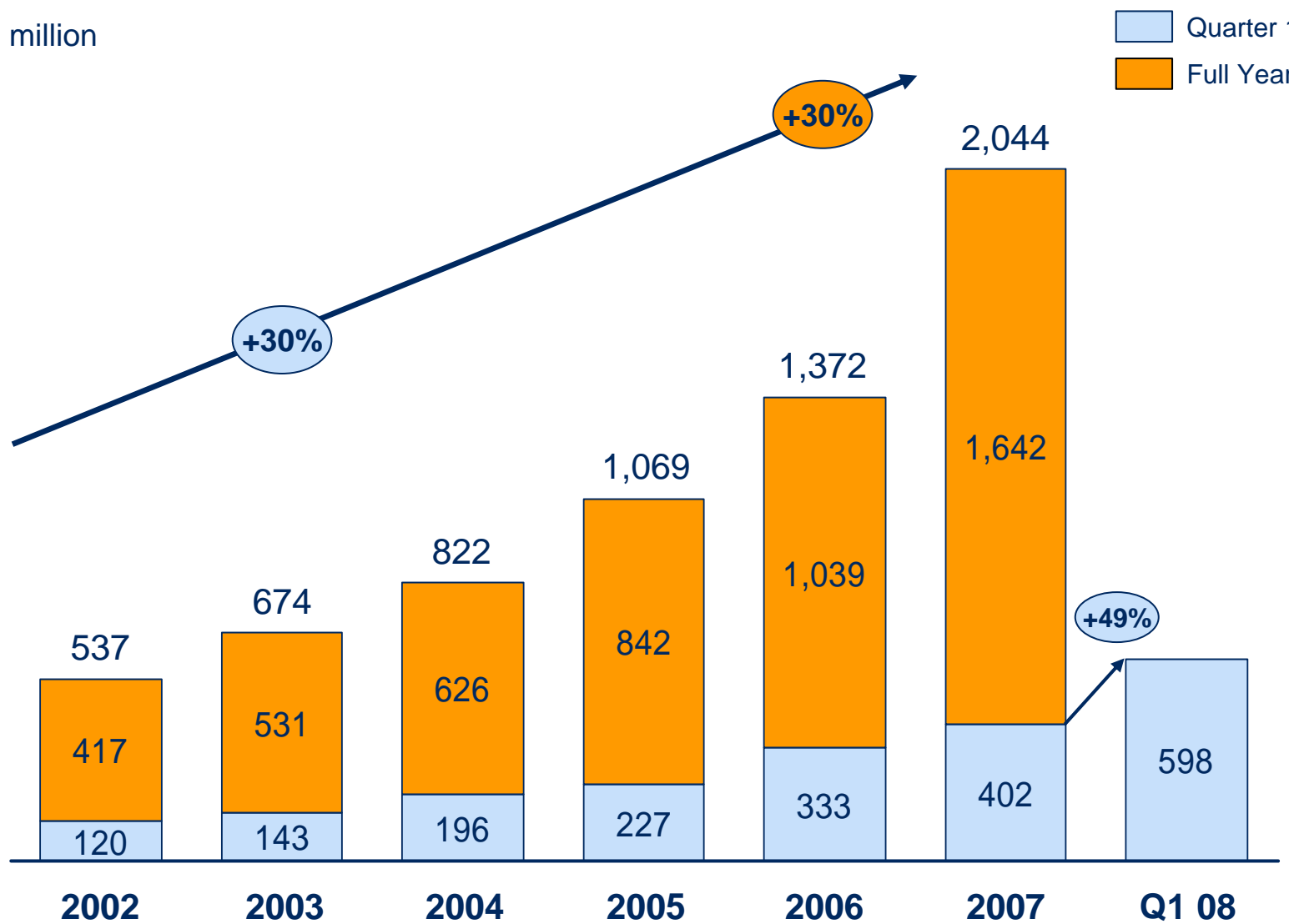
25.5%

0.4%

* Equity value excluding Goodwill and Intangible assets

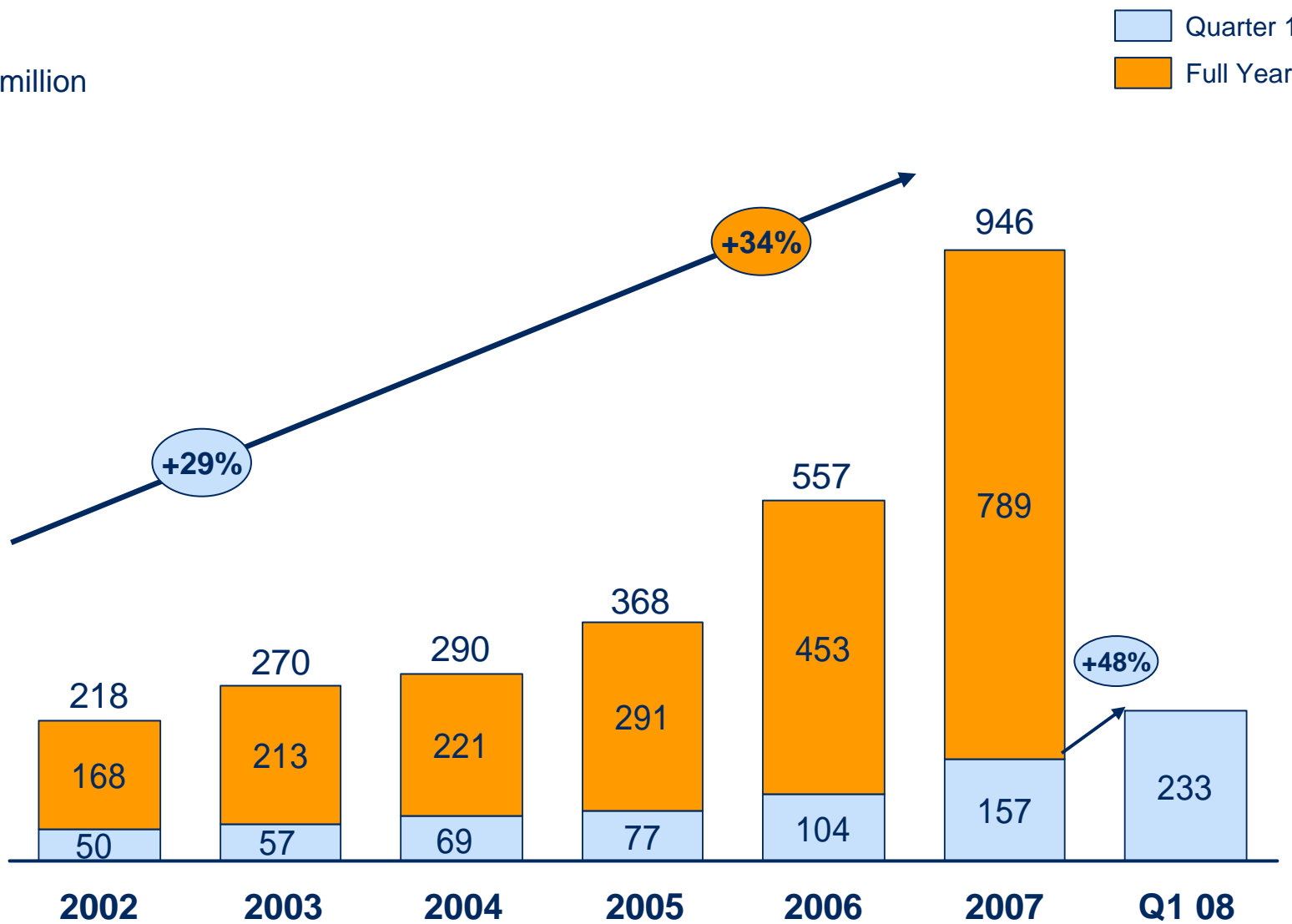
Revenues: Consistent growth across businesses

USD million



Costs: Investments supporting business growth & strategy

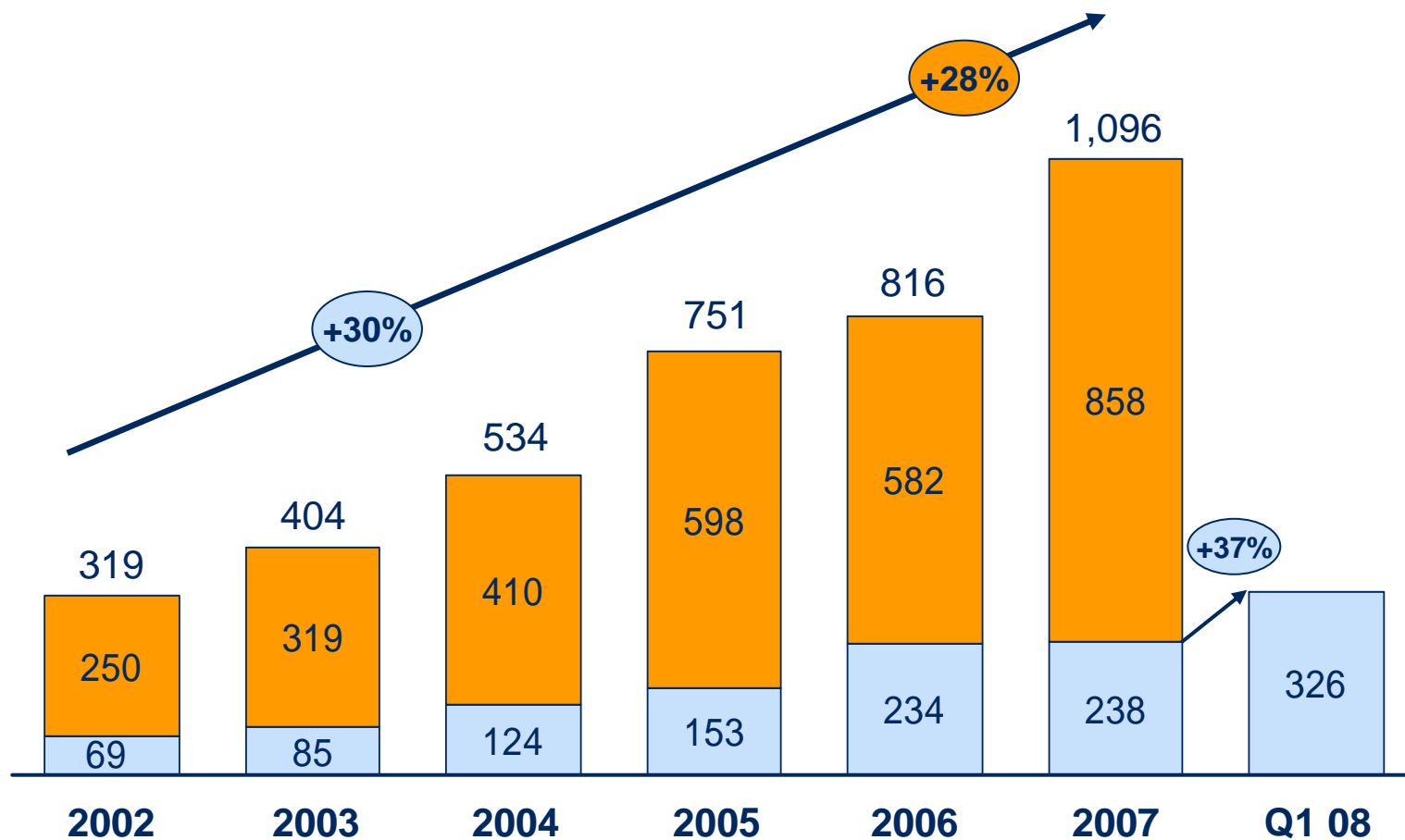
USD million



Delivering Strong Profitability

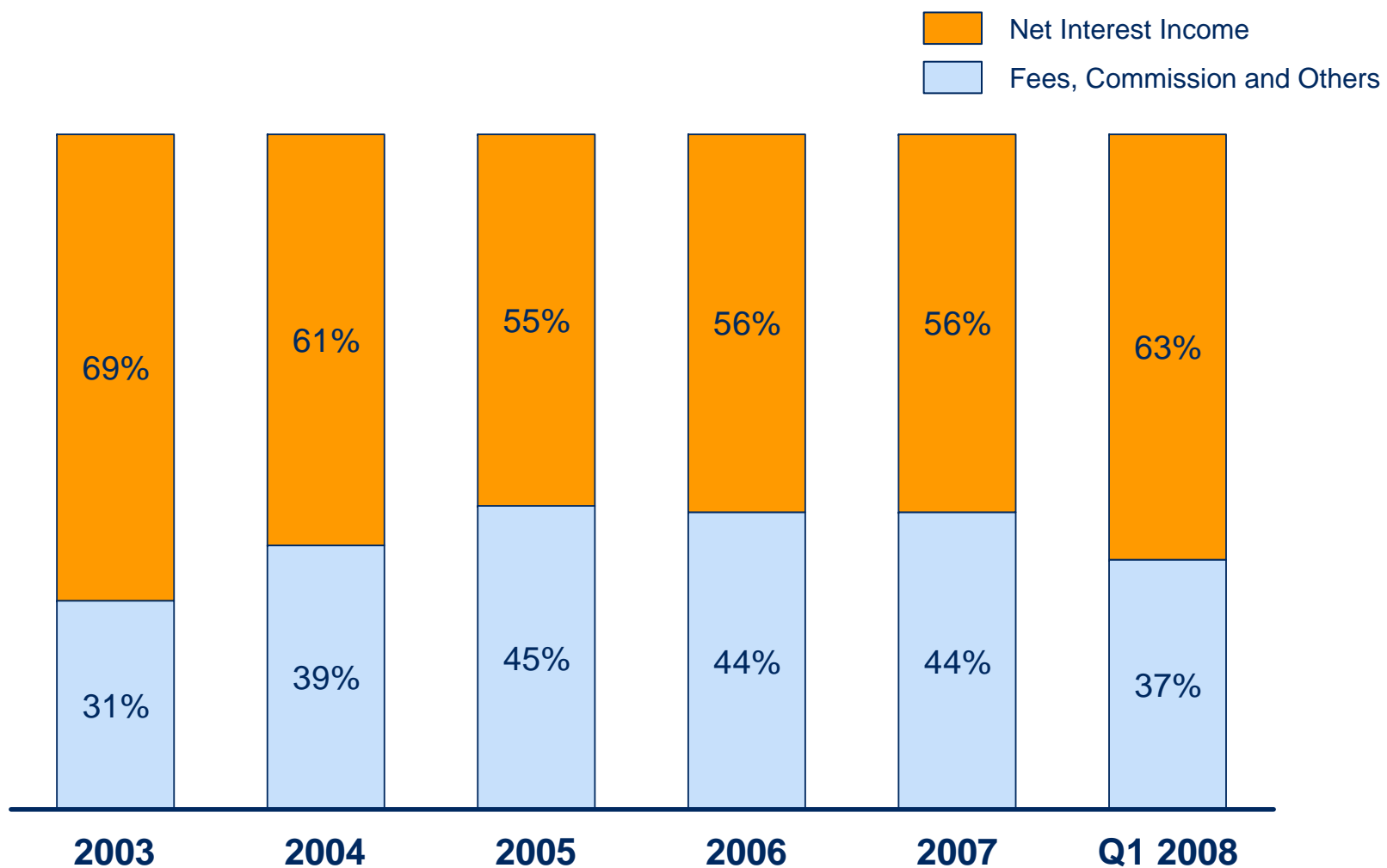
USD million

Quarter 1
Full Year



Balanced Income Streams

Sources of Operating Income



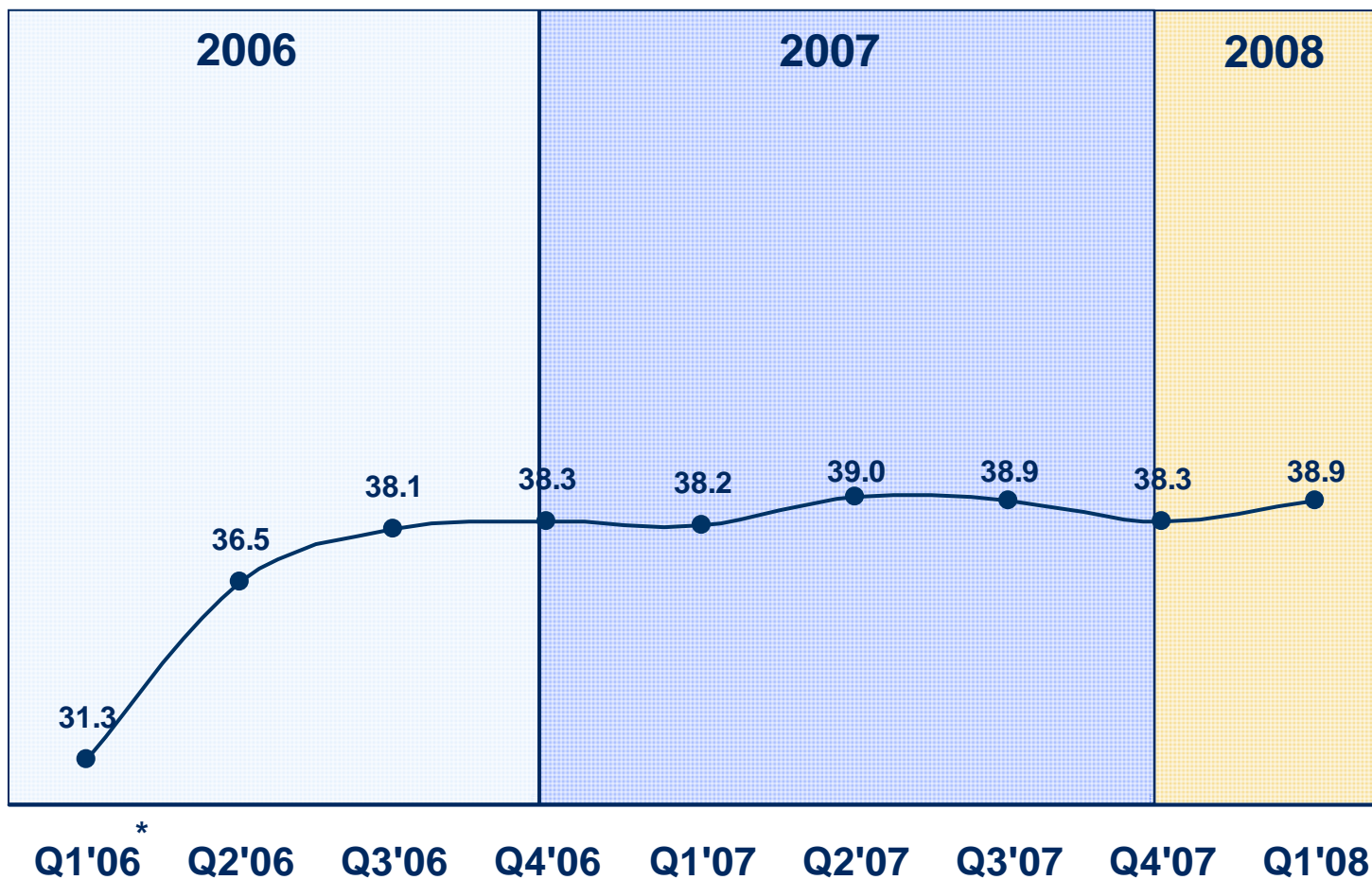
Net Interest Margins

Percent



Cost Income Ratio

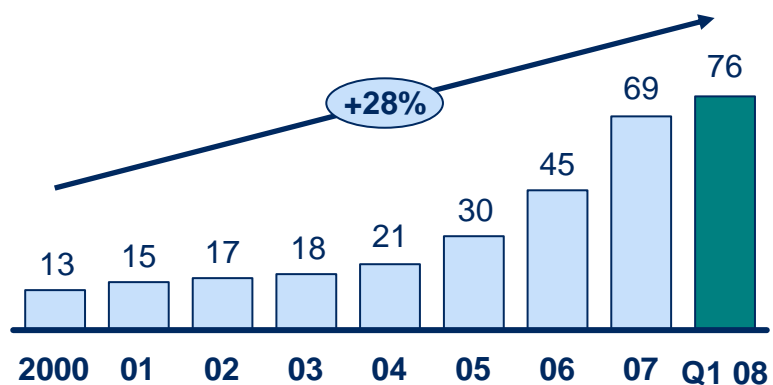
Percent



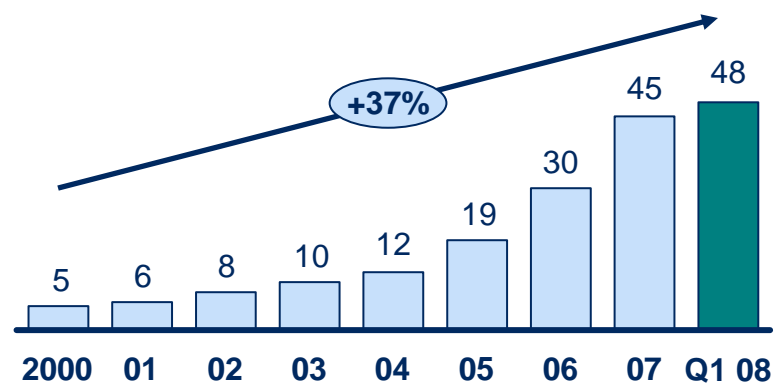
* Q1 2006 includes exception IPO-linked income

Delivered strong growth in recent years

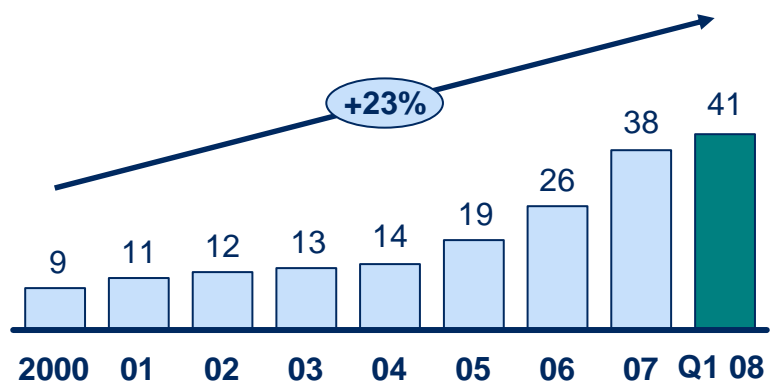
Assets, \$b



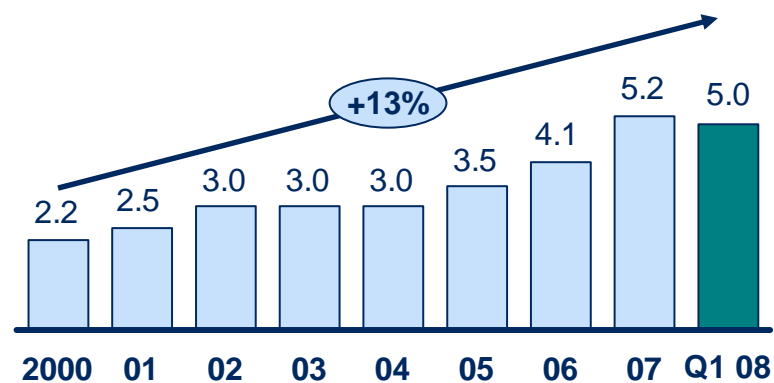
Loans, \$b



Deposits, \$b



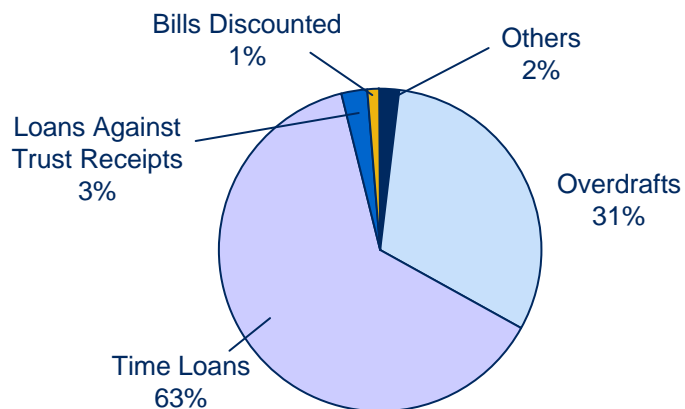
Equity, \$b *



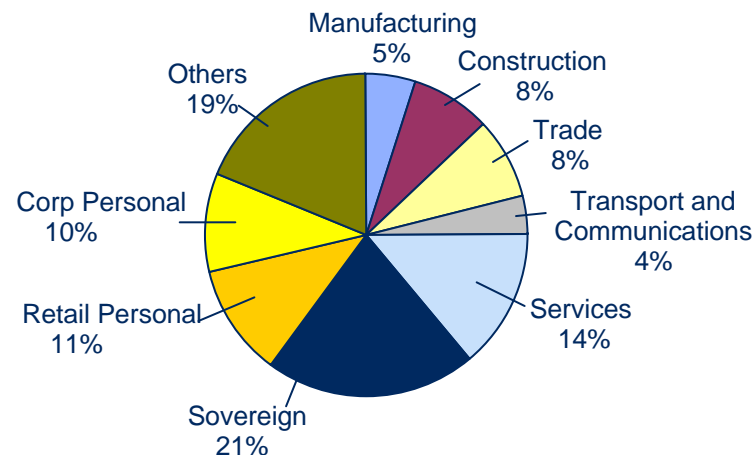
* Equity for 2007 & Q1 2008 is Tangible Shareholder's Equity which excludes Goodwill and Intangibles
 Source: Newswires, Financial Statements, Aggregation of EBI and NBD results

Balanced Loan Portfolio with High Degree of Security

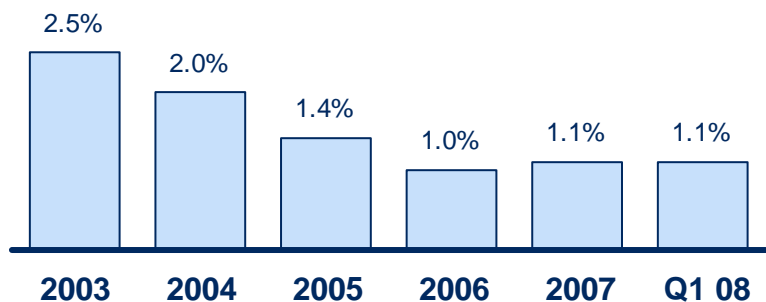
Loan Portfolio by Type – 2008



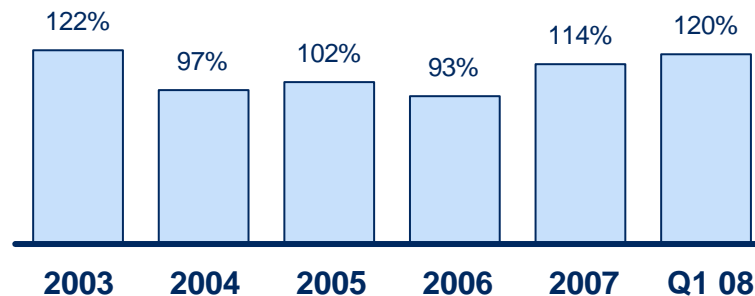
Loan Portfolio by Sector – 2008



NPL Ratio



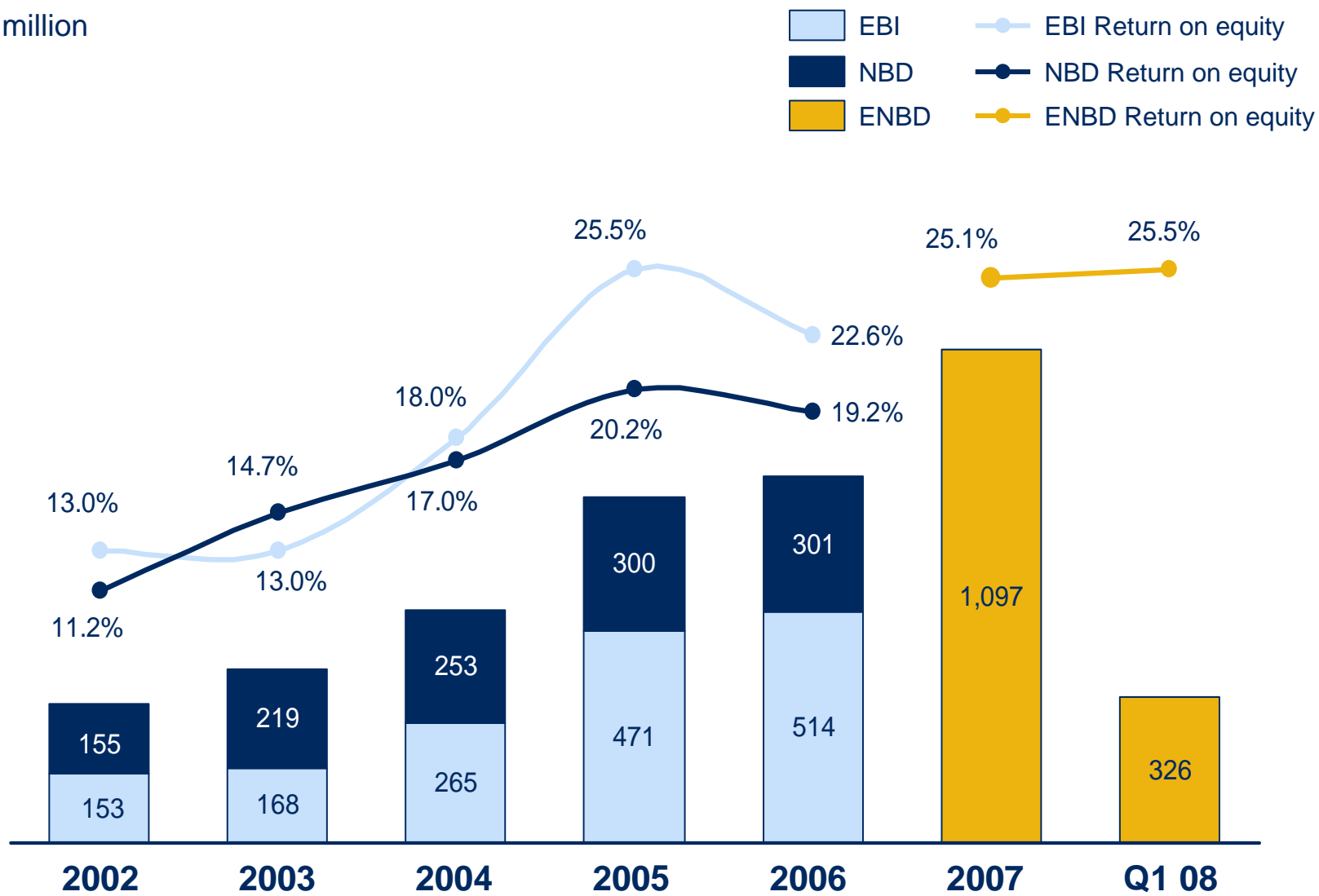
Coverage Ratio



Source: Financial Statements, Aggregation of EBI and NBD results

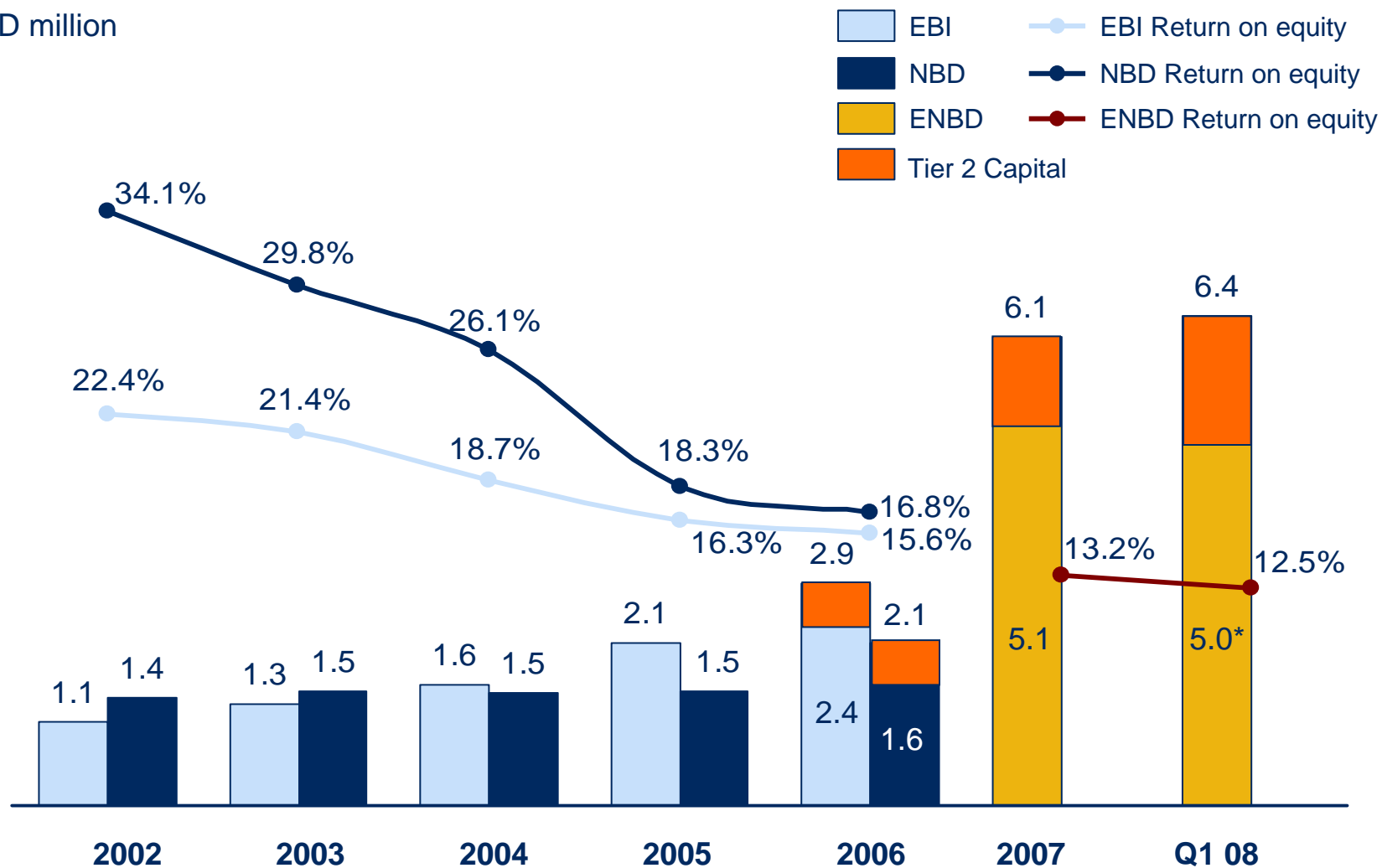
Return on Equity: Creating shareholder value

USD million



Robust Capitalization

USD million

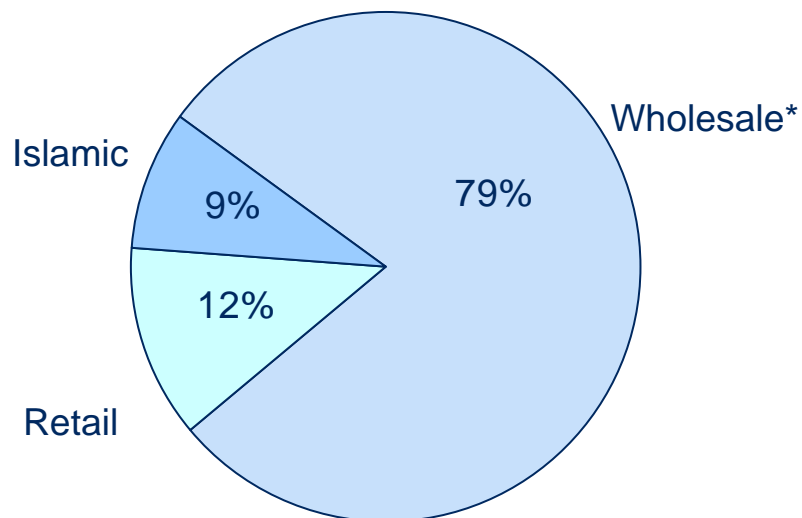


* Marginal decline in capital is due to payment of dividend for 2007 in Q1 2008.

Diversified Business mix with growth in all segments...

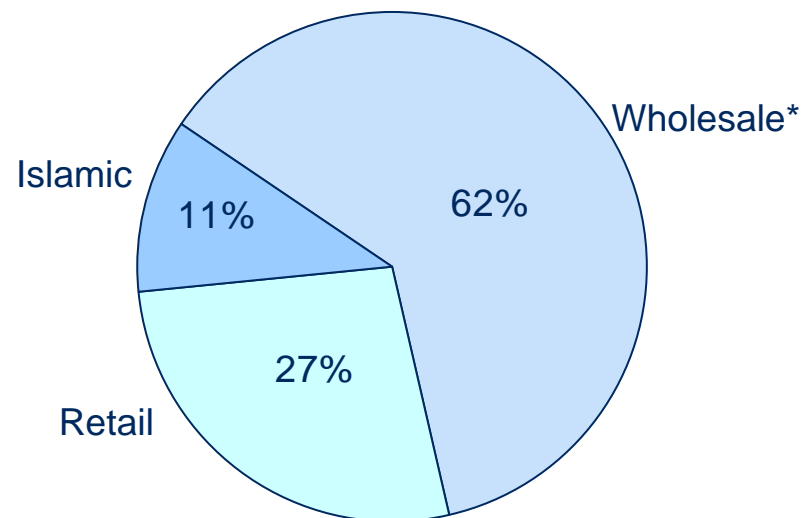
Assets

100% = \$ 76b



Revenues

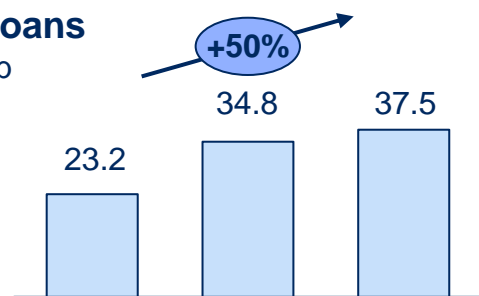
100% = \$ 598m



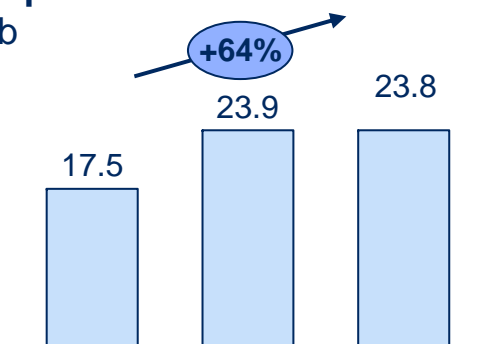
* Wholesale include Corporate Banking, Investment Banking, Investment management and Treasury; Also includes Associate's revenue of USD 32m
 Source: 2008 1st Quarter Financial Statements

Wholesale Bank continues to deliver strong performance

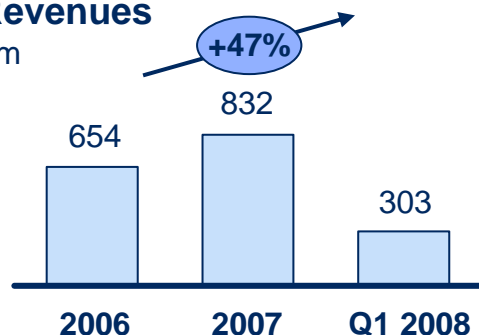
Loans \$b



Deposits \$b



Revenues \$m



○ CAGR

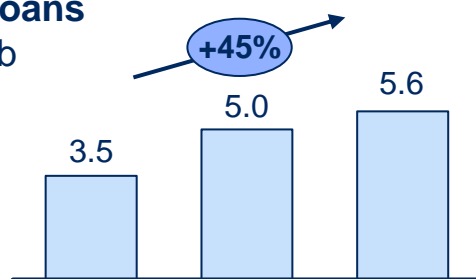
Highlights

- Wholesale Banking comprises of services provided to Multinational, Large Local and Local Corporate as well as Government linked institutions, Financial Institutions and Investment Institutions.
- Product offering comprises mainly Corporate Banking Lending, Deposits, Trade Finance, Syndications, Structuring as well as increasingly Treasury and Investment Banking.
- Historically, Corporate Banking has been a major contributor to the growth of the bank with Corporate lending and deposits growth far in excess of GDP growth.
- Emphasis increasingly placed on providing tailored Treasury and Investment Banking solutions and leveraging established relationships and capital deployed.

Retail Bank has the largest distribution network and dominant market share

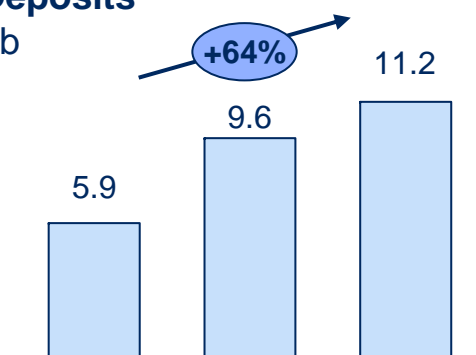
Loans

\$b



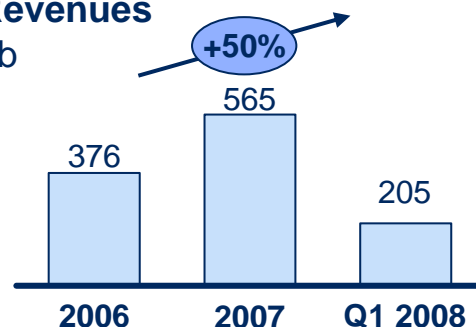
Deposits

\$b



Revenues

\$b



○ CAGR

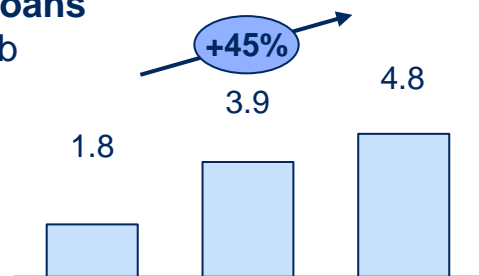
Highlights

- ❑ The combined entity has the largest distribution network in UAE & highest market share in Loans and Deposits.
- ❑ Investment in customer service has been a key focus for both banks, which coupled with the branch & ATM footprint, is expected to be a key differentiator
- ❑ Retail businesses have shown robust growth & won numerous awards including Best Retail Bank and Best e-Banking awards. Combining best practices will be a key success factor and is a management focus.
- ❑ Core Retail products include: Current and Savings Accounts, Credit Cards, Personal Loans, Auto Loans, Mortgages and Investment Products.

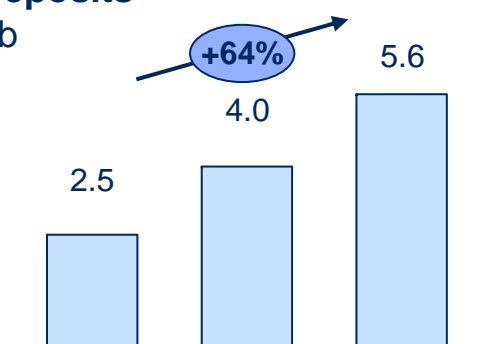
Source: financial results; Aggregation of EBI and NBD results; \$1 = AED 3.67

Emirates Islamic Bank : Fastest growth in UAE

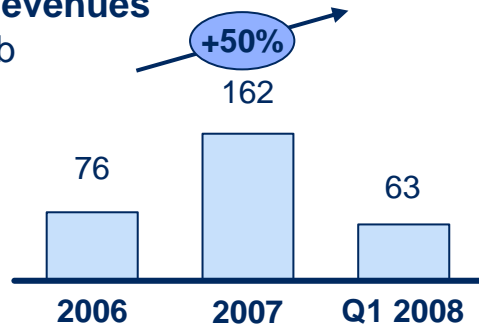
Loans \$b



Deposits \$b



Revenues \$b



○ CAGR

Highlights

- ❑ Emirates Islamic Bank has become the fastest growing Islamic bank in the UAE, since its inception in 2004.
- ❑ The business has more than doubled assets & income every year and is rapidly increasing its market share of Islamic banking
- ❑ Significant market opportunities exist for the Group to expand its Islamic footprint.
- ❑ A broad product range is on offer for Islamic financing which includes :

Retail: Vehicle & Goods Murabaha financing, Credit Cards, Home Finance, Finance for Services (e.g. rent), Investments and Deposit Accounts

Corporate: Murabaha, Ijarah, Real Estate Financing, Trade Finance, Secured Overdraft, Syndications, Sukuks and Islamic Investment Products

Source: financial results; \$1 = AED 3.67

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Strategic Focus

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Integration Update

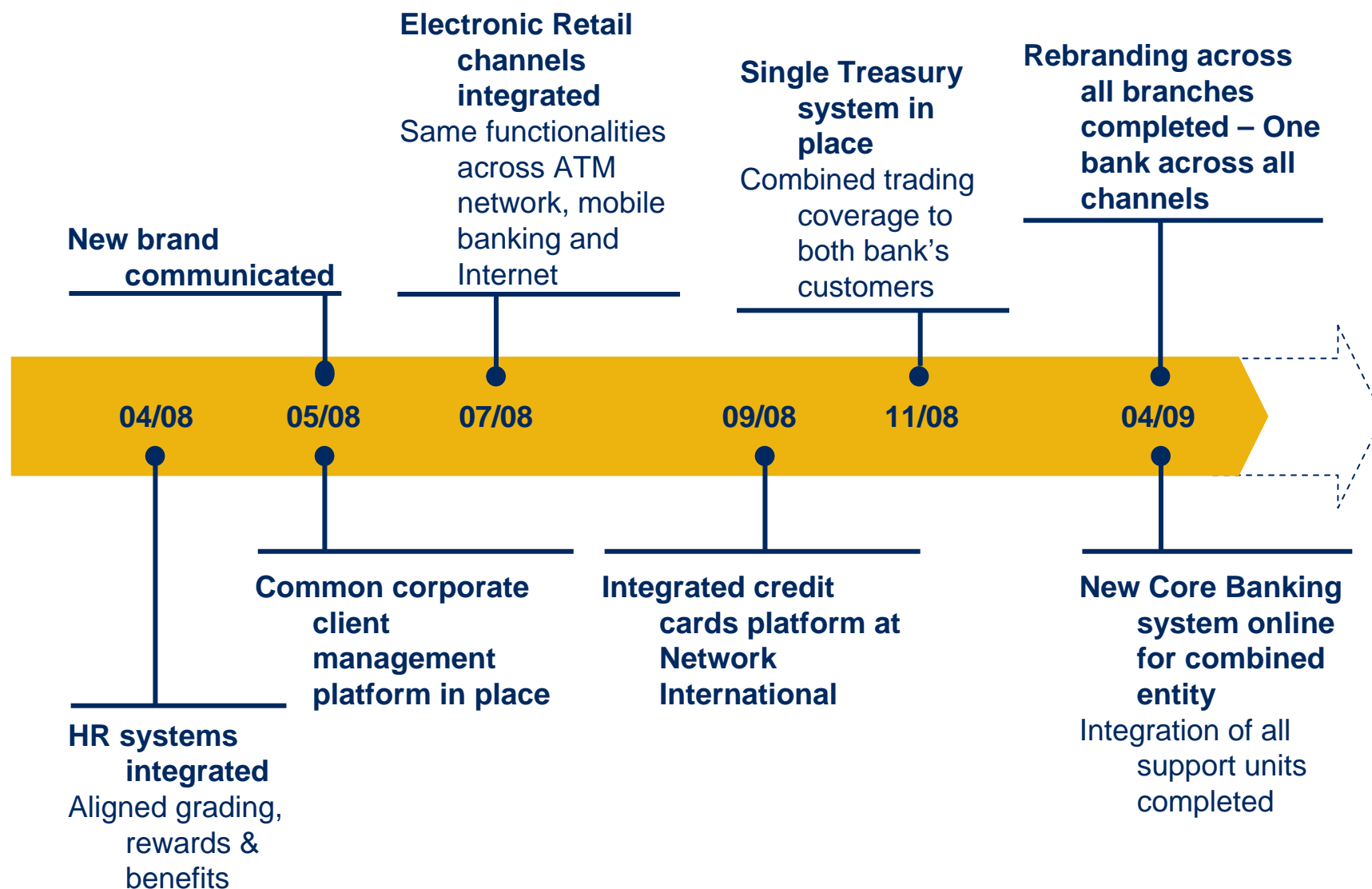
Integration Update

- ❑ Defined future strategy, target business & operating model
- ❑ Formalized organization structure for the combined entity & appointed new management team
- ❑ Developed integration implementation plan till 2009
- ❑ Co-location of teams from both banks in progress
- ❑ Started to leverage extended product range across combined customer base, e.g. mortgage products
- ❑ Optimized fund raising strategy
- ❑ First cost-synergies realized, e.g. through process harmonization / optimization & sourcing

Customer services improved significantly

- ❑ **Integrated ATM network** with 451 ATMs – largest ATM network in the UAE
- ❑ **Network of Smart Deposit Machines (SDMs) integrated** : One platform of 92 SDMs across Emirates Bank, Emirates Islamic Bank & NBD
- ❑ **Branch expansion strategy** optimized
- ❑ **Advertising activities aligned** and captured cost synergies
- ❑ Existing best-practice **sales & service improvement program rolled-out** across branches :
 - Sales performance up more than 200% for credit cards & 140% for personal loans in first and second wave branches
 - Customer waiting time significantly reduced

Integration milestones going forward





Key Messages

Key Messages

- ❑ UAE presents significant growth potential for financial services
- ❑ EmiratesNBD : A regional financial powerhouse
- ❑ Our strategy is clear & focused
- ❑ Integration is on target & delivering value
- ❑ Strong performance & growth across all businesses
- ❑ Enhanced products & services for our customers
- ❑ Creating sustainable shareholder value



Appendix

Awards 2007.....

EmiratesNBD

- Named "**Best Bank in the UAE for the Year 2007**" by the Banker Magazine.
- Awarded **JP Morgan Chase Quality Recognition Award**.
- **Community Recognition Award** from Dubai Police.



- Named **Best Bank in UAE** for the fifth consecutive year by Global Finance Magazine.
- "**Best Retail Bank in UAE 2006**" award from The Asian Banker Excellence.

Awards 2007



- **Best trade finance provider in UAE** for 2007 by Global Finance Magazine.
- Awarded 4th **Middle East e-banking leadership** award by Middle East Excellence Awards Institute.
- Emirates Post issued set of commemorative stamps to celebrate 30 years of Emirates Bank.
- “**Best Retail Banking Branch Innovation Award** for Asia Pacific and the Middle East” from The Excellence in Retail Financial Services Awards Program.
- H.E. Ahmed Al Tayer Conferred "**Arab Banking Personality of the Year Award**“ by the Union of Arab Banks (UAB).
- H.E. Ahmed Al Tayer awarded prestigious “**lifetime achievement award for 2007**” by The Banker Middle East.

..... Awards 2008

EmiratesNBD

- Emirates NBD was honored by H.H. Sheikh Mohamed Bin Rashid Al Maktoum for its role in boosting investments and attracting businesses from around the world.
- Emirates NBD has been named as **Best Emerging Market Bank & Best Foreign Exchange Bank in the UAE** for the year 2008 by Global Finance Magazine.
- **Superbrands** council honored Emirates NBD with three Superbrands awards for Group's '**Emirates Bank**', '**National Bank of Dubai**' and '**meBank**' brands at the Superbrands Tribute Event held in April 2008.

.....Large Deals Concluded 2008

February 2008
Emirates Aluminum



Emirates Aluminium

**US\$4,940 Million
 Project Finance Facility**

**Mandated Lead Arranger, Sub-
 Underwriter and L/C Issuing
 Bank**

EmiratesNBD
 Holding Company of




March 2008

**DEER FIELDS TOWN
 SQUARE PROJECT**



**AED 360,000,000 TERM
 LOAN FACILITY**

Mandated Lead Arranger

EmiratesNBD
 Holding Company of




March 2008

Archirodon Group N.V.



**US\$225,000,000 revolving
 multi-currency credit facility**

Mandated Lead Arranger

EmiratesNBD
 Holding Company of




March 2008

Saudi Bin Laden



SR 3,200 Million

Project Facilities


Mandated Lead Arranger

EmiratesNBD
 Holding Company of




March 2008

Limitless LLC



**USD \$ 1.2 Billion (Dual
 currency AED/USD)
 Syndicated Mudaraba
 Facility**

**Initial Mandated Lead
 Arranger, Underwriter &
 Bookrunner**

EmiratesNBD
 Holding Company of

