Emirates NBD
Investor Presentation

May / June 2011

Important Information

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UAE Economic Update

Highlights

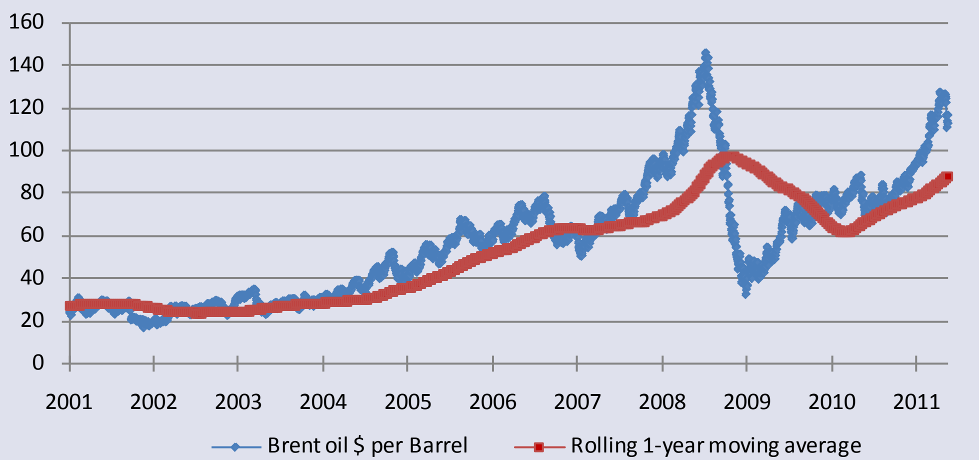
- The IMF recently upgraded its 2011 forecast for UAE GDP growth to 3.3%, from 3.2%. We see growth registering 4.0% this year.
- Local growth is benefiting from the price of, and the demand for, hydrocarbons and recovering world trade.
- Despite rises in global commodity prices, local inflation has remain subdued with UAE inflation at 1.5% y/y in February.
- The latest UAE Purchasing Managers Index for March shows that economic expansion remains underway; the index has been rising steadily since November. Higher costs due to rising commodities, however, are beginning to squeeze corporate profit margins slightly.
- The money market is witnessing increased liquidity; deposits were up 12.6% y/y in February. EIBOR has begun to come down recently, and the EIBOR – USD LIBOR spread has plenty of room to fall further.

Real GDP Growth Forecasts

	2008	2009	2010	2011
UAE	**7.4%**	**(3.0%)**	**2.5%**	**4.0%**
UK	(0.1)%	(4.9%)	0.5%	1.5%
Eurozone	0.3%	(4.1%)	1.0%	1.5%
Germany	0.7%	(4.7%)	3.5%	2.5%
US	0.0%	(2.6%)	3.0%	3.0%
China	9.6%	9.1%	10.0%	9.5%
Japan	(1.2%)	(6.3%)	2.0%	1.5%
Singapore	1.8%	(1.3%)	14.5%	5.0%
Hong Kong	2.2%	(2.8%)	6.6%	5.0%

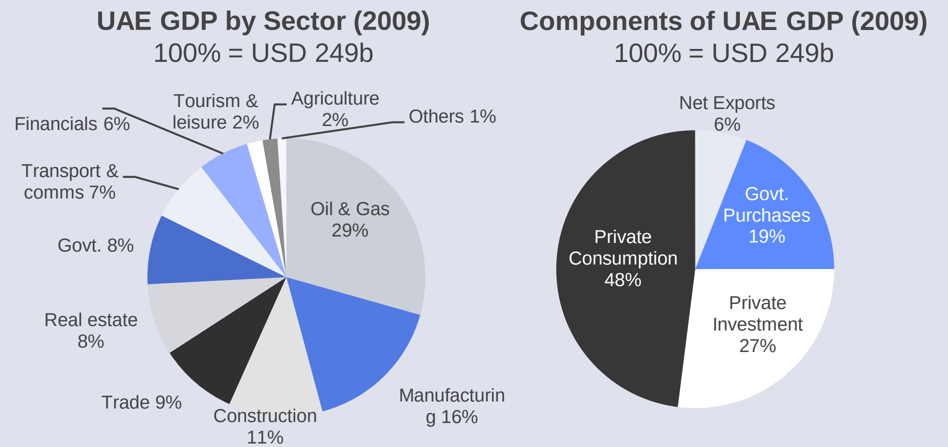
Source: Emirates NBD forecasts

Promising signs for oil (USD)



Source: Bloomberg

UAE GDP Composition (%)



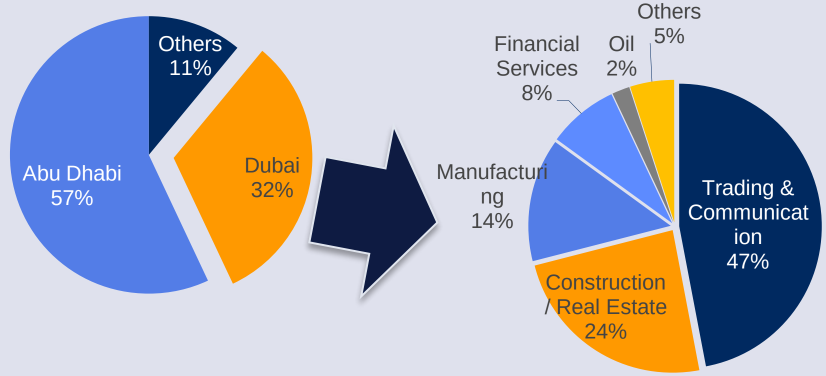
Source: National Bureau of Statistics

Dubai Economic Update

Highlights

- Dubai is the 3rd largest centre for re-exports in the world which itself represents 44% of GDP.
- Dubai is a strategically located international trading hub with some of the world's best air and sea ports serving over 205 destinations.
- Dubai has developed a competitive edge in trade & logistics, tourism and business services. These sectors are set to be engines of growth for the emirate going forward.
- Very large investments in infrastructure will have highly positive effects on the long-run development and productivity of the emirate.
- Lower inflation, stable USD and property market declines have enhanced Dubai's cost-competitiveness.
- Strength in emerging market currencies leaves UAE markets relatively cheap by comparison.

Dubai 2008 GDP breakdown



Source: UAE Ministry of Economy

Dubai's Strategic Location

Dubai Trade in 2010 (USD billion)

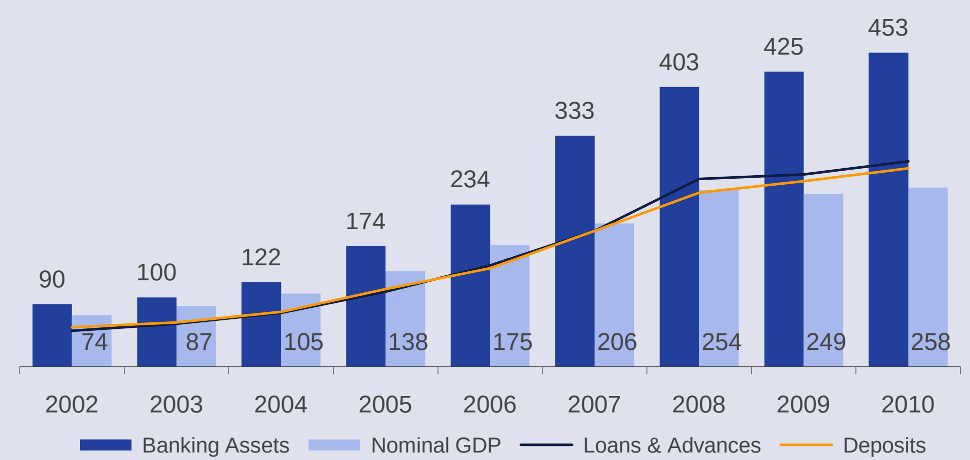
Source: Dubai Statistics Centre; includes Direct Foreign Trade and Free Zone & Customer Warehouse Trade

UAE Banking Market Update

Highlights

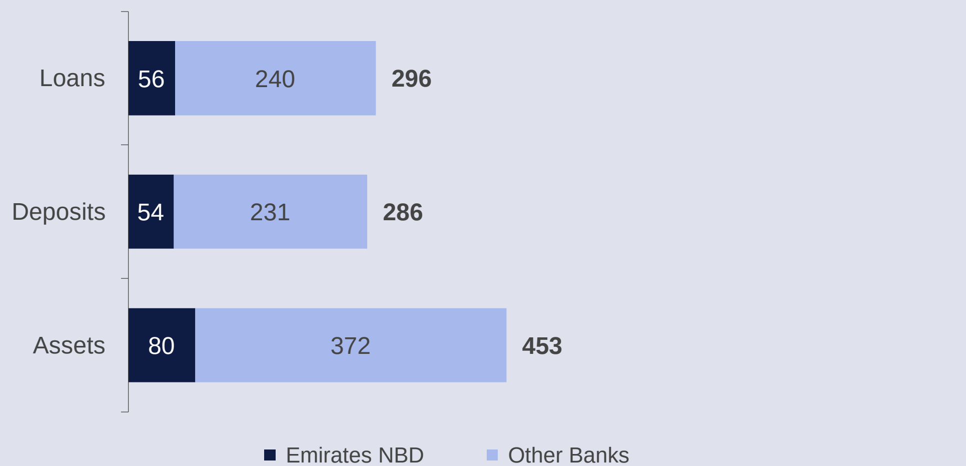
- UAE Banking sector is the largest by assets in the GCC; sector is dominated by 23 local banks which account for more than 75% of banking assets; 28 foreign banks account for the remainder
- UAE loan growth has outstripped deposit growth before H1 2008
- UAE Banking system liquidity tightened in 2008 due to outflow of c. USD 50b of speculative capital and the Global credit/liquidity crisis in Q3 2008
- Government intervention during H2 2008 and 2009 helped improve liquidity and capitalisation:
  - Additional liquidity facilities from UAE Central Bank
  - USD 13.6b deposited into local banks; option to convert to LT2 capital
  - Deposit & capital market guarantees announced
  - Tier 1 injections by Abu Dhabi (USD 4.1b) and Dubai Governments (USD 1.1b)

UAE Banking Sector Growth (USD billion)



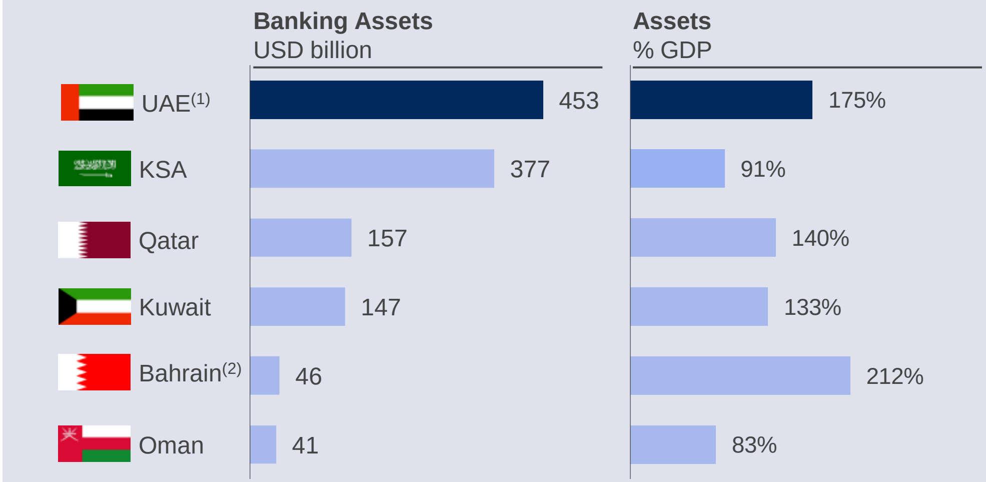
Source: UAE Central Bank, EIU, Emirates NBD estimates

Composition of UAE Banking Market (USD billion)



Source: UAE Central Bank, 31 December 2010
Loans and Assets presented gross of impairment allowances

GCC Banking Market



1) Includes Foreign Banks ; 2) Excludes Foreign Banks
Source: UAE Central Bank; National Central Banks and Emirates NBD forecasts, 31 Dec 2010

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Summary

Emirates NBD

- Largest financial institution (by asset size) in the GCC
- Flagship bank for Dubai and the UAE Governments
- 56% owned by Dubai government
- Consistently profitable; despite significant headwinds during the last two years
- 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

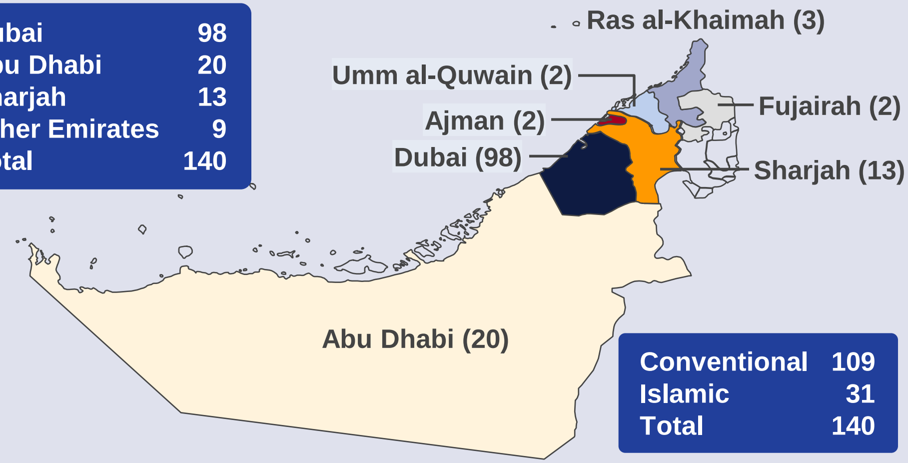
Emirates NBD at a Glance

Largest Bank in UAE

- No.1 Market share in UAE (at end 2010):
  - Assets c.18%; Loans c.19%
  - Deposits c.19%
- Retail market shares (at end 2010):
  - Personal loans c.22%
  - Home loans c.7%
  - Auto loans c.11%
  - Credit cards c.9%
  - Debit cards c.17%
- 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	98
Abu Dhabi	20
Sharjah	13
Other Emirates	9
Total	140



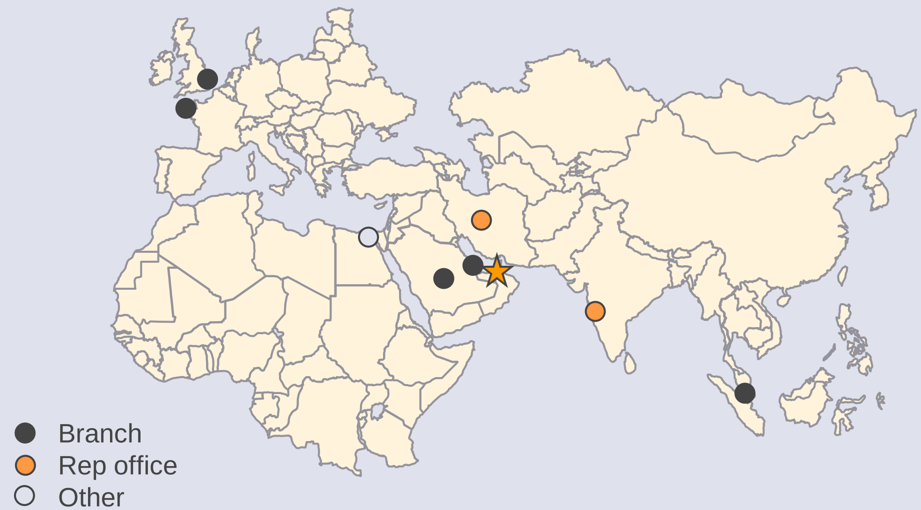
Conventional	109
Islamic	31
Total	140

Credit Ratings

Moody's(1)	A3
Fitch(2)	A+
Capital Intelligence	A+

1) Moody's Long-term rating on negative outlook
2) Fitch Individual Rating "C" on credit watch negative

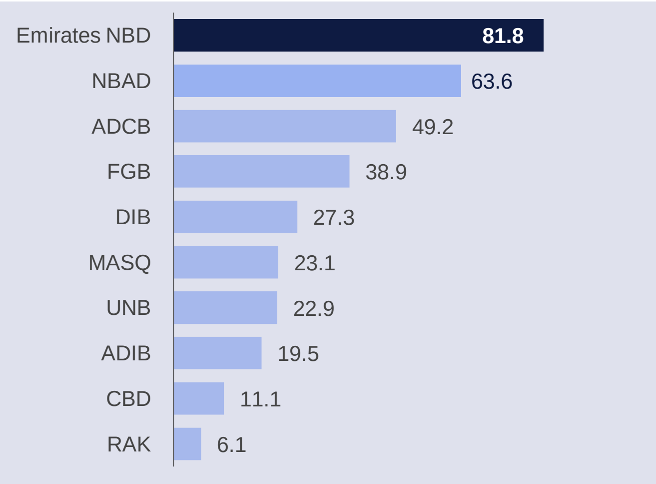
International Presence



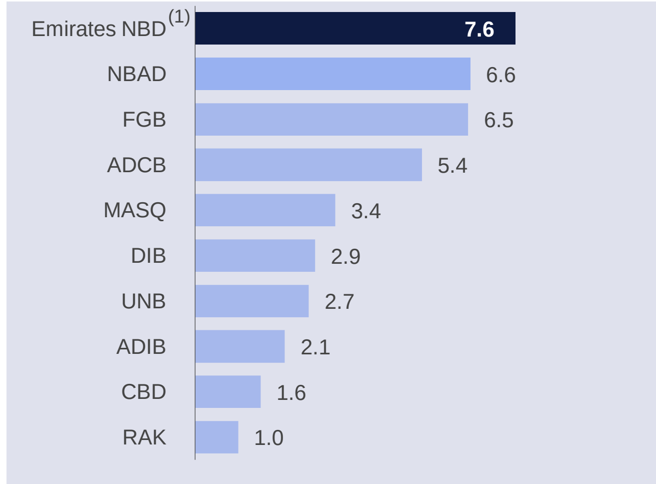
Emirates NBD is the Largest Bank in the UAE and GCC by Assets

As at 31 March 2011

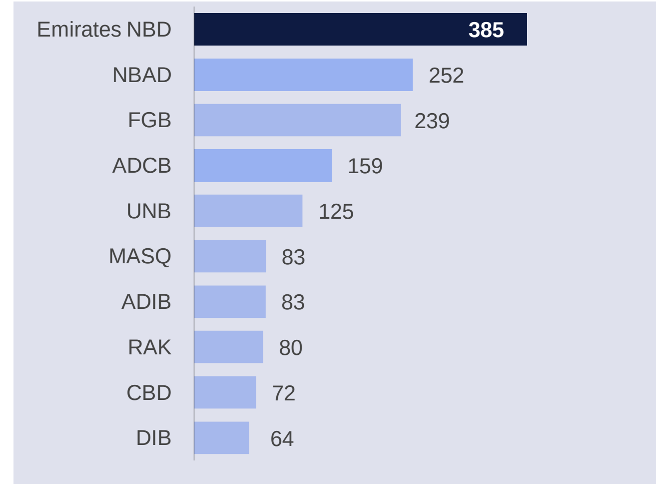
UAE Ranking by Assets (USD billion)



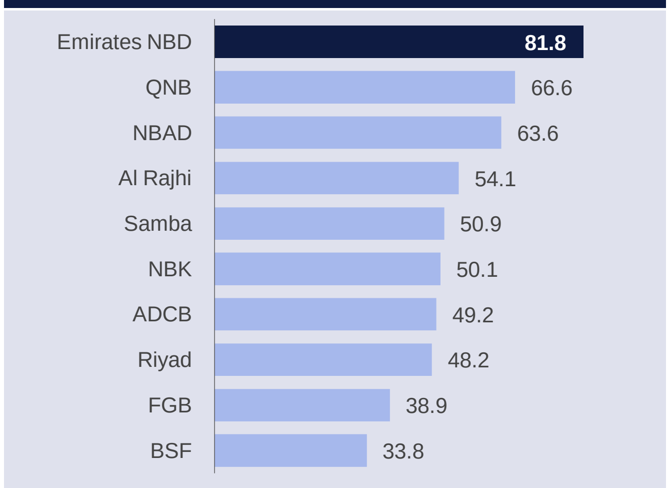
UAE Ranking by Equity (USD billion)



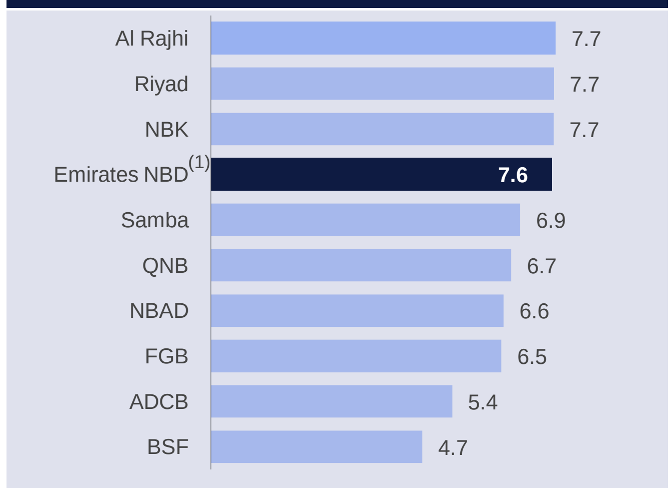
UAE Ranking by Profits (USD million)



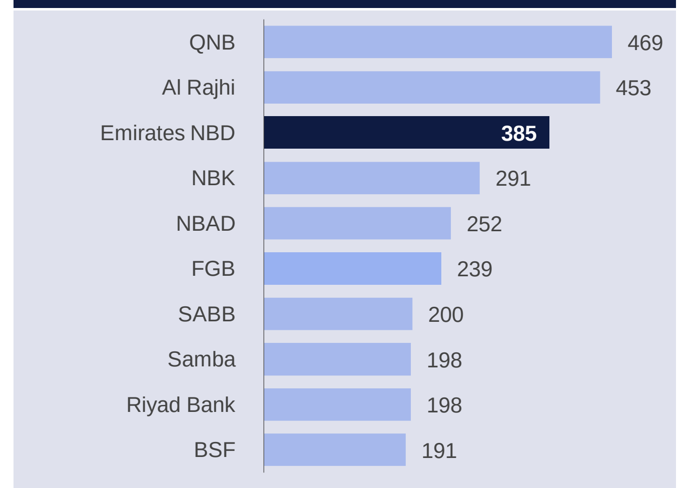
GCC Ranking by Assets (USD billion)



GCC Ranking by Equity (USD billion)



GCC Ranking by Profits[2] (USD million)



1) Shareholders' Equity for Emirates NBD is USD 9.2 billion. The number shown is Tangible Shareholder's Equity which excludes goodwill and intangibles
Source: Bank Financial Statements and Press Releases for 31 December 2010, Bloomberg

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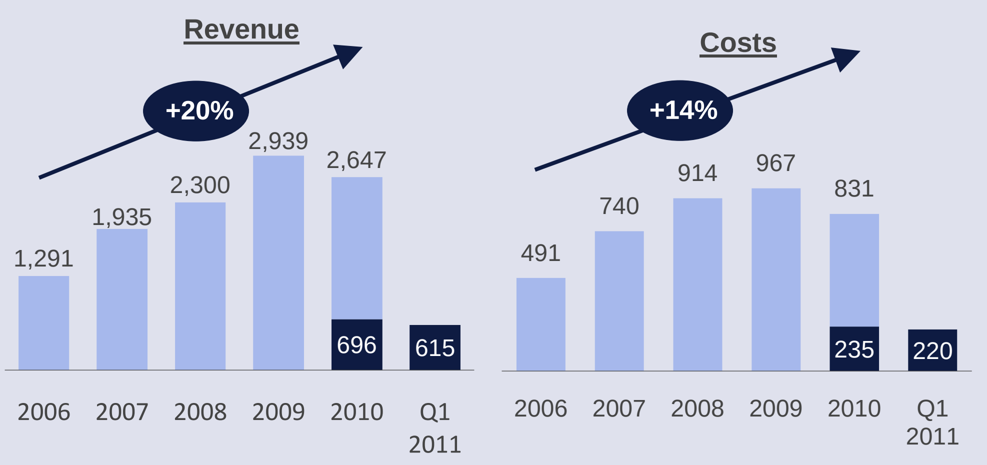
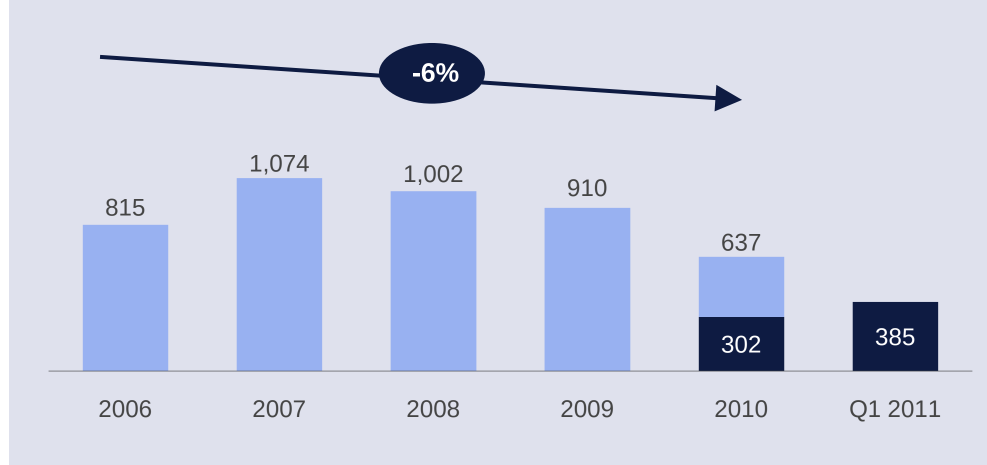
Profit and Balance Sheet Growth in Recent Years

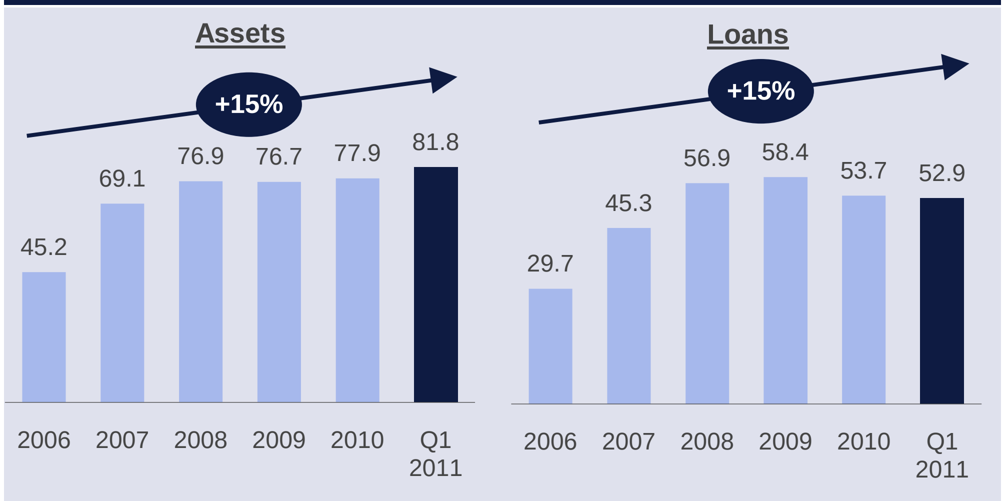
Revenues and Costs (USD million)



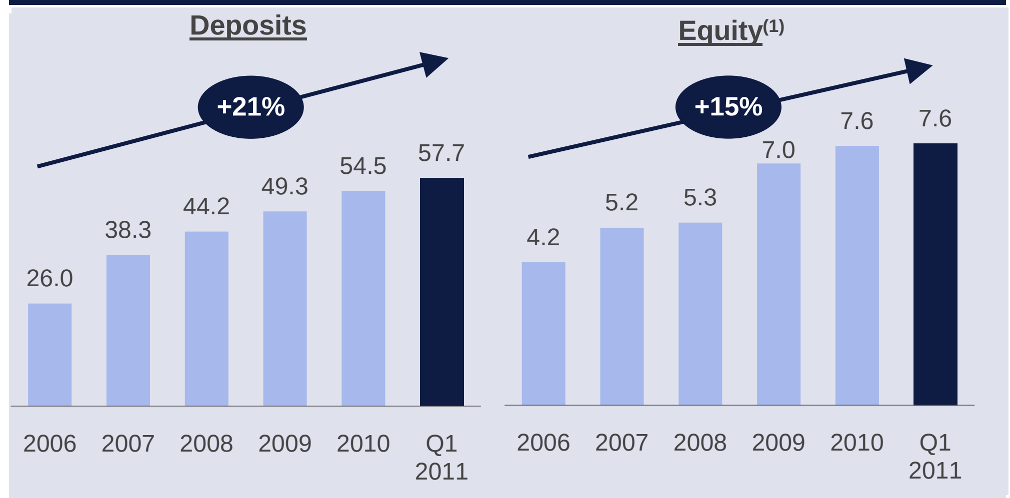
Net Profits (USD million)



Assets and Loans (USD billion)



Deposits and Equity (USD billion)



1) Equity is Tangible Shareholder's Equity excluding Goodwill and Intangibles.

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

Financial Highlights
2010 and Q1 2011

2010 Financial Results Highlights

- **Net profit of USD 637 million**; -30% from USD 910 million in 2009
- **Total income of USD 2,647 million;** -10% from USD 2,939 million in 2009
- **Improvement of 14% in operating expenses** from 2009 to USD 831 million in 2010; Cost to income ratio improved by 1.5% to 31.4%
- **Operating profit before impairment allowances of USD 1,816 million**; -8% from USD 1,972 million in 2009
- **Impairment allowances of USD 869 million**; 4% lower than USD 904million in 2009
- **Union Properties investment reduced by c. USD 280 million** in 2010 through recognition of share of losses and impairment
- **Deposits grew by 10%** from end-2009 levels while **loans declined 8%,** improving the loan to deposit ratio to 99% from 118% at end-2009

Q1 2011 Financial Results Highlights

- **Net profit of USD 385 million**, +27% vs. Q1 2010 and +251% vs. Q4 2010
- **Gain on Network International transaction** of **USD 500 million**
- Continued **de-risking** of balance sheet:
  - o Further reduction in book value of investment in **Union Properties of USD 136 million**
  - o Increased **Portfolio Impairment Allowances by USD 171 million,** substantially to cover future contingencies
- **Margin decline** evident during 2010 **arrested** with **NIM stable** at 2.41% vs. Q4 2010; growth in assets driving **2% growth in net interest income** from Q4 2010
- **Non-interest income declined** by 26% y-o-y and 5% q-o-q due to lower investment securities income and deconsolidation of Network International; **core fee income grew 7% and 19% respectively**
- **Costs declined by 6% from Q1 2010;** increased by 7% from Q4 2010 due to **investment in future growth**
- Signs of **pickup in new underwriting**
- **Strong 6% deposit growth** despite downward re-pricing during Q1 2011

Key Performance Indicators

Income Statement USD million	Q1 2011	Q1 2010	Change (%)	2010	2009	Change (%)
Net interest income	449	471	-5%	1,850	2,018	-8%
Fee & other income	167	225	-26%	797	921	-13%
Total income	**615**	**696**	**-12%**	**2,647**	**2,939**	**-10%**
Operating expenses	(220)	(235)	-6%	(831)	(967)	-14%
Operating profit before impairment allowances	**395**	**461**	**-14%**	**1,816**	**1,972**	**-8%**
Impairment allowances:	(373)	(151)	+147%	(869)	(904)	-4%
Credit	(363)	(141)	+157%	(798)	(809)	-1%
Investment securities	(10)	(10)	0%	(71)	(95)	-25%
Operating profit	**23**	**310**	**-93%**	**947**	**1,068**	**-11%**
Amortisation of intangibles	(6)	(6)	-	(26)	(26)	-
Associates	(130)	(0)	n/a	(279)	(130)	+114%
Gain on subsidiaries	500	-	n/a	-	-	n/a
Taxation charge	(1)	(1)	+16%	(6)	(3)	+115%
Net profit	**385**	**302**	**+27%**	**637**	**910**	**-30%**
Cost to income ratio (%)	35.7%	33.7%	+2.0%	31.4%	32.9%	-1.5%
Net interest margin (%)	2.41%	2.59%	-0.18%	2.52%	2.81%	-0.29%
EPS (USD)	0.07	0.05	+29%	0.10	0.16	-35%
ROE (%)	23.7%	19.6%	+4.1%	10.3%	16.2%	-5.9%

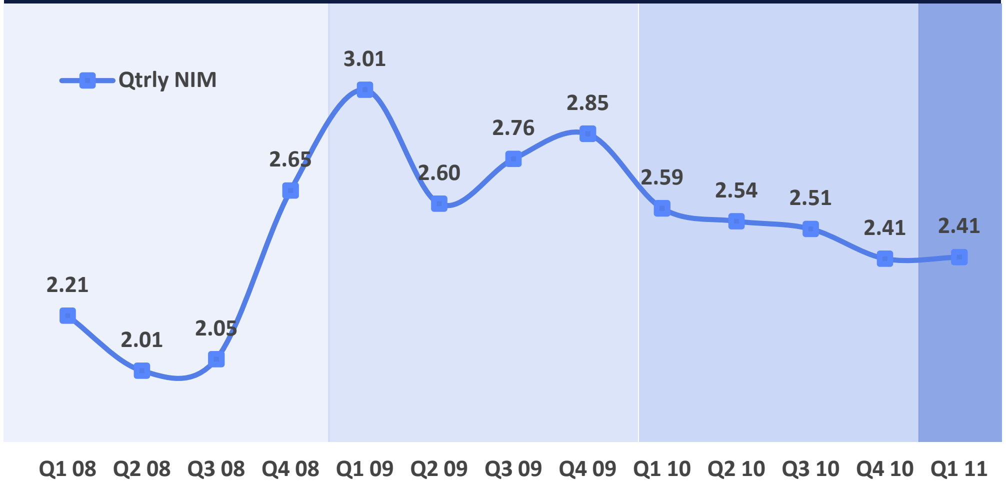
Balance Sheet USD billion	31 Mar 2011	31 Dec 2010	Change (%)	31 Dec 2010	31 Dec 2009	Change (%)
Total assets	81.8	77.9	+5%	77.9	76.7	+2%
Loans	52.9	53.7	-1%	53.7	58.4	-8%
Deposits	57.7	54.5	+6%	54.5	49.3	+10%
Capital Adequacy Ratio (%)	20.1%	20.1%	-	20.1%	18.7%	+1.4%
Tier 1 Ratio (%)	12.7%	12.8%	-0.1%	12.8%	11.9%	+0.9%

Net Interest Income

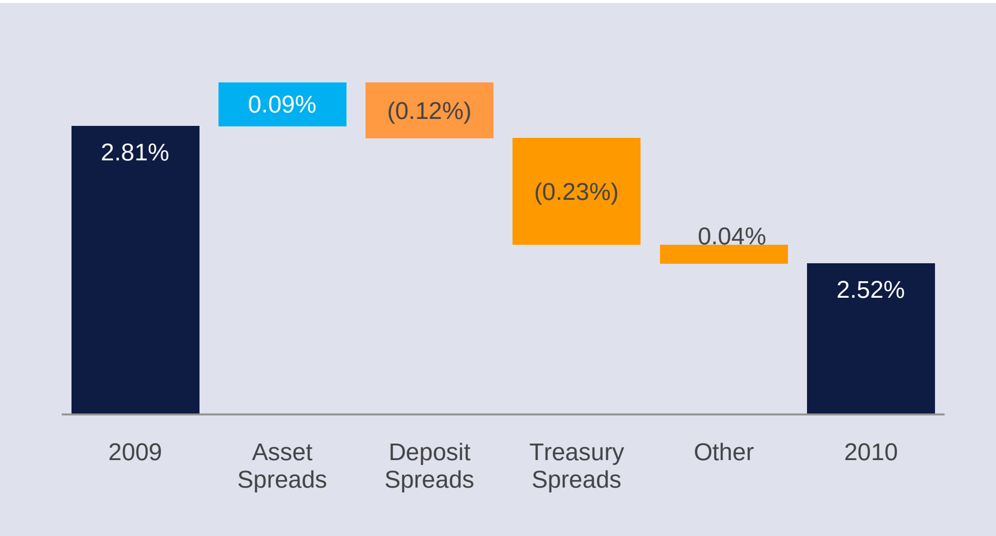
Highlights

- NIM of 2.52% in 2010; declined by 29 bps from 2.81% in 2009:
  - Negative mix impact of deployment of increased liquidity in lower yielding interbank and cash-equivalent assets
  - Increase in deposit funding costs given strong competition for deposits in the UAE
  - Partly offset by continued selective re-pricing of loans
- **Margin decline** evident during 2010 **arrested in Q1 2011** with **NIM stable** at 2.41% vs. Q4 2010:
  - Increase in deposit spreads due to active downward re-pricing of deposits
  - Offset by continued negative mix impact of increased liquidity
- Growth in assets driving **2% growth in net interest income** from Q4 2010 to USD 44 million in Q1 2011

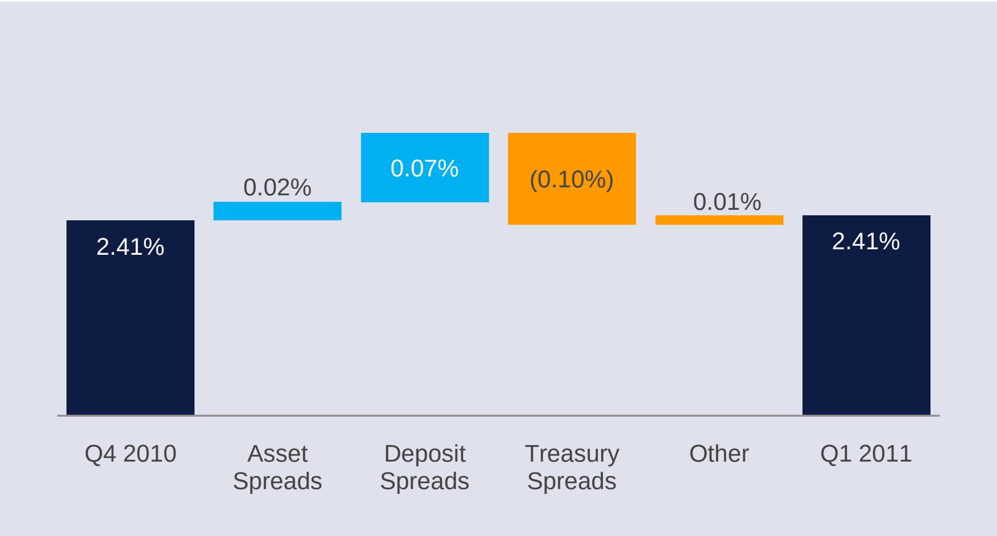
Net Interest Margin Trends (%)



Net Interest Margin Drivers: 2010 (%)



Net Interest Margin Drivers: Q1 2011 (%)



Non Interest Income

Highlights

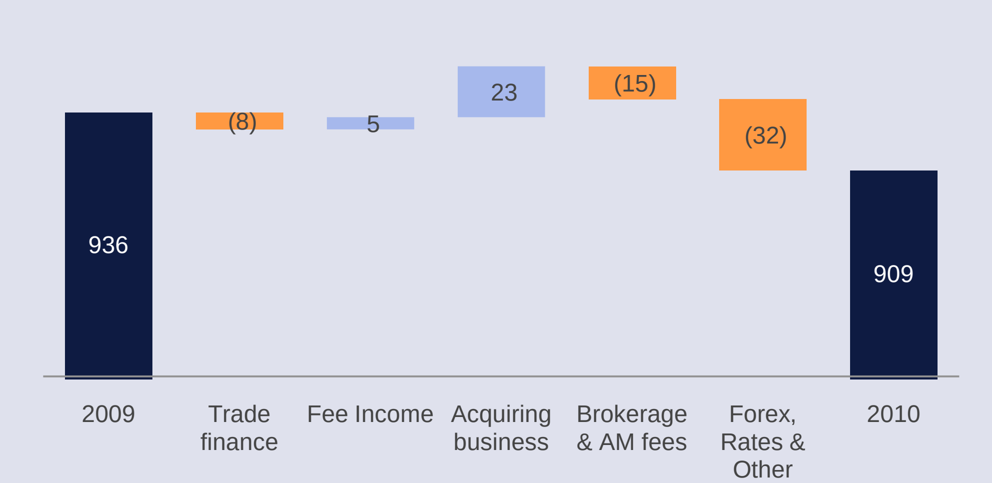
- **2010 non-interest income declined by 13% from 2009**, impacted by:
  - USD 58m write-downs of investment properties
  - lower positive investment securities income
  - core gross fee income witnessing signs of stabilisation
- **Q1 2011 non-interest income declined** by 26% y-o-y and 5% q-o-q due to:
  - lower investment securities income given impact on regional investment valuations due to regional geopolitical issues, and
  - deconsolidation of Network International
- **Q1 2011 core fee income grew 7% and 19%** from Q1 2010 and Q4 2010 respectively, driven by:
  - pickup in trade finance income (+14% q-o-q and +1% y-o-y)
  - increase in banking fee income (+16% q-o-q and +32% y-o-y)

Composition of Non Interest Income (USD million)

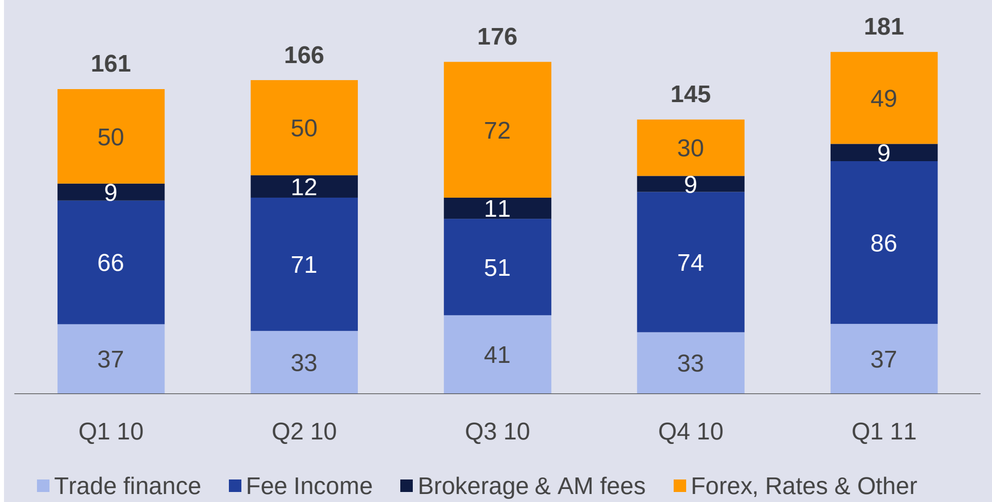
USD million	Q1 2011	Q1 2010	Change (%)	2010	2009	Change (%)
Core gross fee income	181	161	+12%	909	936	-3%
Fees & commission expense	(18)	(10)	+88%	(206)	(181)	-14%
Core fee income	**163**	**152**	**+7%**	**703**	**755**	**-7%**
Investment properties	0	(20)	-101%	(51)	(11)	+346%
Investment securities	3	66	-95%	145	177	-18%
Network International[1]	-	27	-100%	n/a	n/a	n/a
Total Non Interest Income	**167**	**225**	**-26%**	**797**	**921**	**-13%**

1) Network International non interest income split out for quarterly comparisons only

Core Gross Fee Income Trends in 2010 (USD million)



Quarterly Core Gross Fee Income Components (USD million)

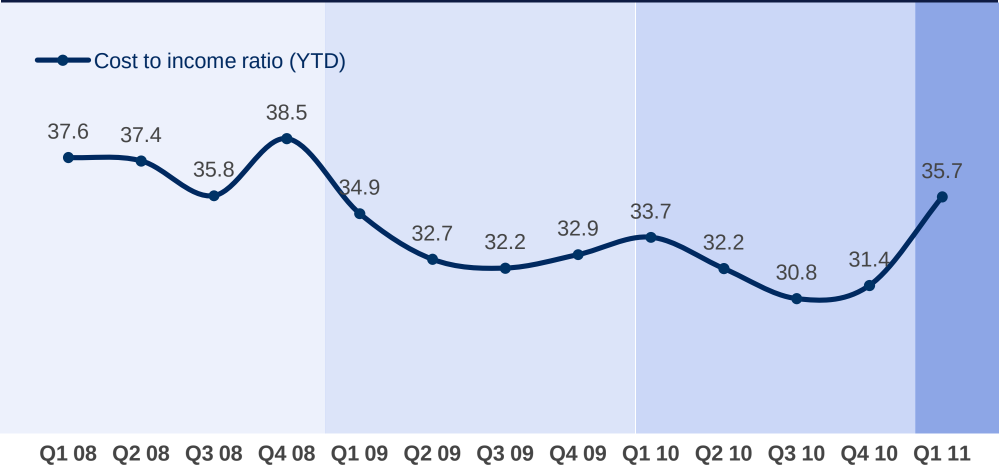


Operating Costs and Efficiency

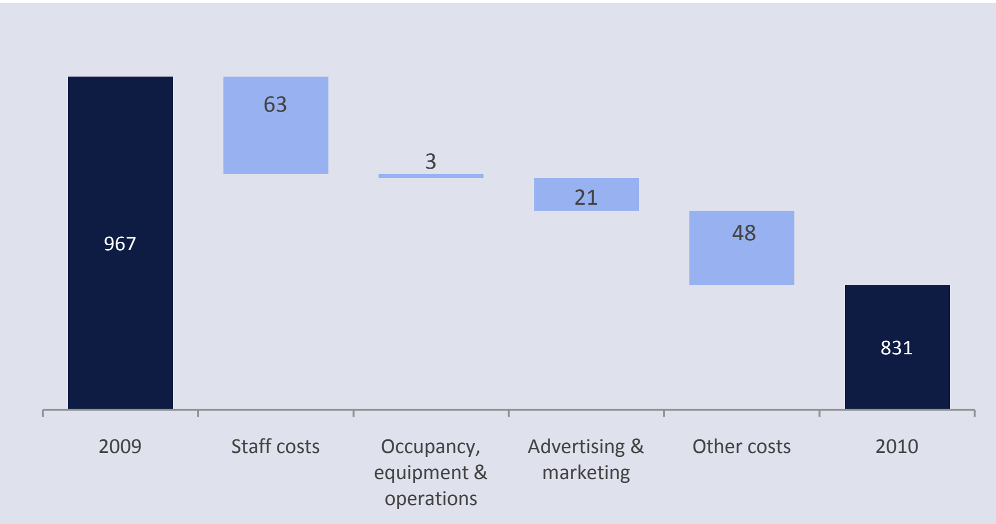
Highlights

- **Costs declined by 14% to USD 831 billion in 2010** due to management focus on cost optimisation and operating efficiency; the cost to income ratio improved by 1.5% from 32.9% in 2009 to 31.3% in 2010
- **In Q1 2011, costs declined by 6%** (USD 15 million) from Q1 2010 to USD 220 million principally due to deconsolidation of Network International in Q1 2011
- **Q1 2011 costs increased by 7%** (USD 14 million) from Q4 2010 resulting from acceleration of **investment in future growth** across advertising and marketing costs, and expansion of retail distribution and sales force
- The **cost to Income ratio increased by 2.8%** to 35.7% in Q1 2011 from 32.9% for 2010
- The **cost to Income ratio is expected to be managed** during the remainder of 2011 **to the target range of c.32%-33%**

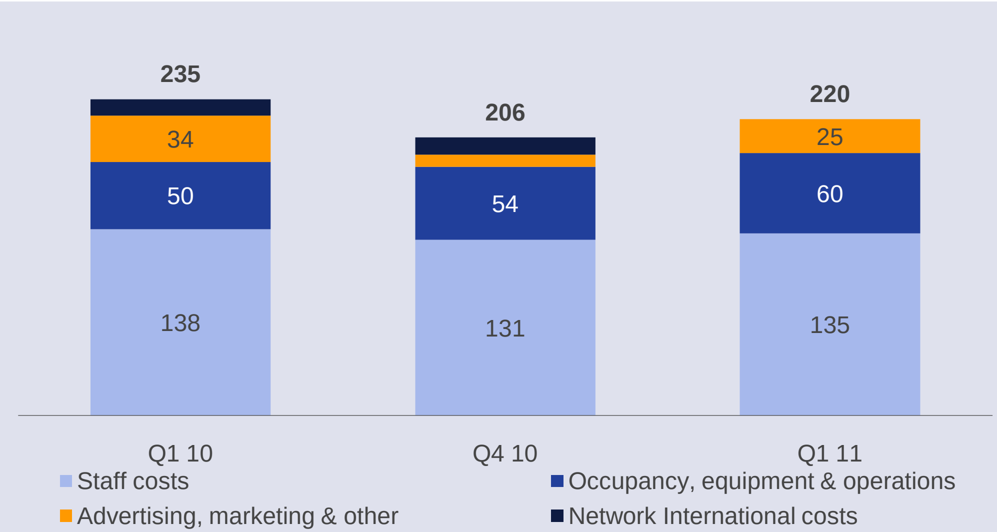
Cost to Income Ratio Trends



Operating Cost Trends in 2010 (USD million)



Quarterly Operating Cost Components (USD million)



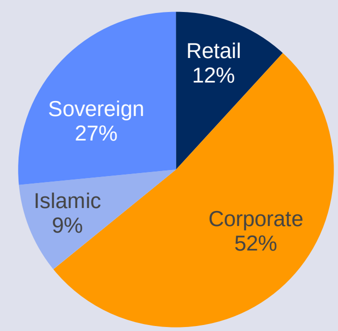
Credit Quality

Loans & Receivables and Islamic Financing

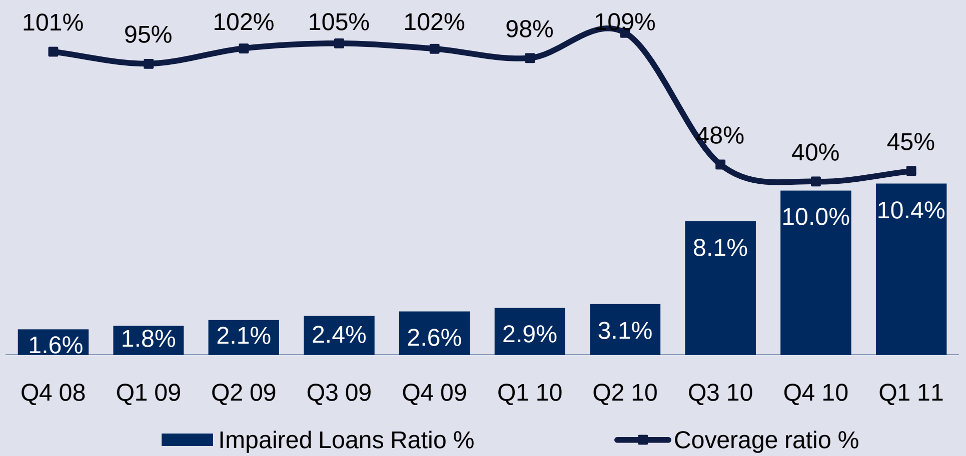
Highlights

- The **impaired loans ratio increased in line with expectations** by 0.4% in Q1 2011 to 10.4%
- **Full required provision for Dubai World** made in Q3 2010; pro-actively provided for a portion of Dubai Holdings exposure in Q4 2010
- **80% of Saad and Al Gosaibi** exposure **provided** at end-2010.
- **Portfolio impairment allowances increased by USD 171 million** in Q1 2011, substantially to cover future contingencies
- Total Portfolio Allowances of USD 768 million or **1.8% of credit Risk Weighted Assets**
- Fully compliant with CB provisioning circular
- **Provision coverage** of impaired loans **improved to 45%** from 40% at the end of 2010

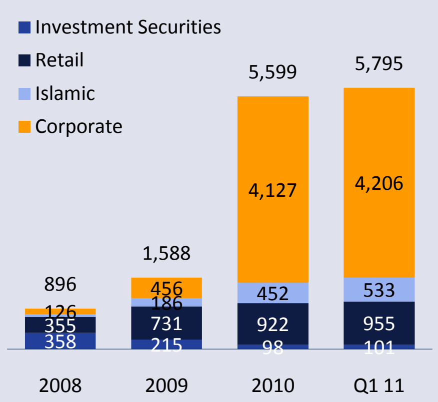
Loan Portfolio by Type – Q1 2011(1)

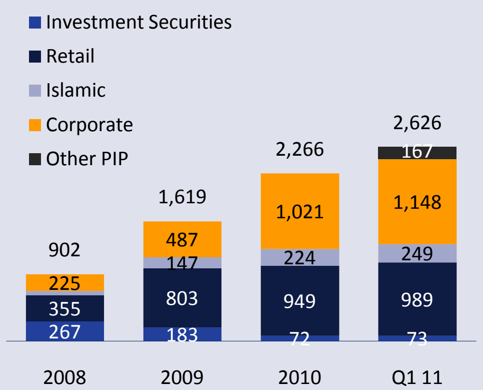


Impaired Loans & Coverage Ratios(2)



Impaired Loans & Impairment Allowance Composition (USD million)





1) Loans and advances before provisions
2) Impaired Loans ratio is calculated on gross loans & receivables

Credit Quality

Retail and Corporate Loans & Receivables

Corporate & Sovereign Lending Portfolio

Corporate Credit Quality

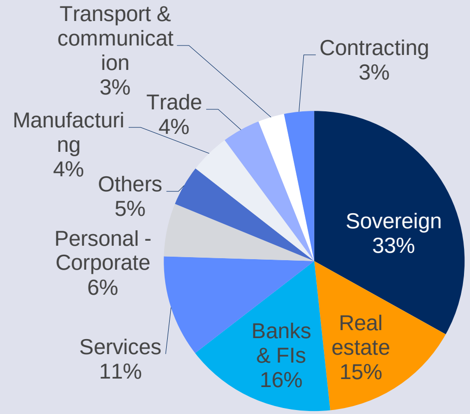
- Impaired loan ratio 9.4% at Q1 2011 vs. 9.2% at Q4 2010 and 1.0% at Q4 2009
- 97% of the portfolio is to UAE customers where the Bank has long-standing relationships
- Exposure is mainly to top tier names with diversified business interests and multiple sources of repayment
- Environment necessitates renegotiation of certain customer accounts; amounting to USD 2.0 billion at Q4 2010 vs. USD 2.1 billion at Q4 2009:
  - these reflect renegotiated repayment terms in line with underlying cash flows; and
  - without sacrificing interest or principal

Real Estate & Contracting

- Exposures to Real Estate and Contracting Sector are USD 6.8 billion (13%) and USD 1.4 billion (3%) respectively
- Selectively financing real estate sector; extent of finance is generally limited to:
  - 70% of construction cost excluding land; and
  - land and cost overruns to be financed by the owner
- Real Estate financing is restricted to Emirates of Dubai & Abu Dhabi
- Exposures to these sectors are mainly to diversified businesses having multiple repayment sources of repayment
- Repayment experience is satisfactory
- Approximately 54% of the Real Estate portfolio has a repayment maturity of < 3 years

By Sector[1]

100% = USD 44.7b



Retail Lending Portfolio

Personal loans

- Portfolio USD 1.8 billion (31%)
- 53% of value is to UAE nationals; >60% of value is to government employees
- Personal loans are only granted subject to salary assignment
- Personal Loans losses well within original expectations
- No funding is given to applicants working in the real estate, contracting and hotel industries
- 2010 delinquency trends for over 90 days are decreasing; entry rates into delinquency are stable and trending downwards

Credit Cards

- Portfolio USD 703 million (12%)
- Product with highest yield in Retail Portfolio
- 90+ delinquencies better than industry benchmarks
- Measures taken to control exposures on unutilised limits
- 2010 delinquency trends improving

Car loans

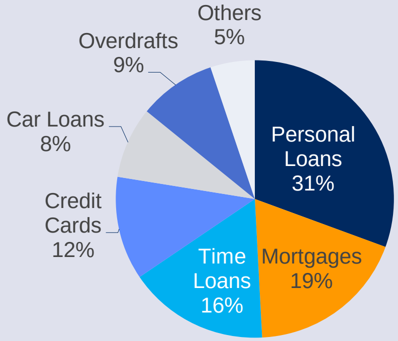
- Portfolio USD 484 million (8%)
- Portfolio balance has declined from end-2009 due to changes in credit policy
- Minimum Income threshold has been raised
- Down payment of 10-20% mandatory based on customer profiles
- 2010 delinquency trends improving

Mortgages

- Portfolio USD 1.1 billion (19%)
- Only offered for premium developers
- Completed properties account for 86% of the portfolio
- Average LTV is 75% on original value
- > 75% of the customers have only one loan from Emirates NBD
- 2010 delinquency trends improving

By Sector[1]

100% = USD 5.8b



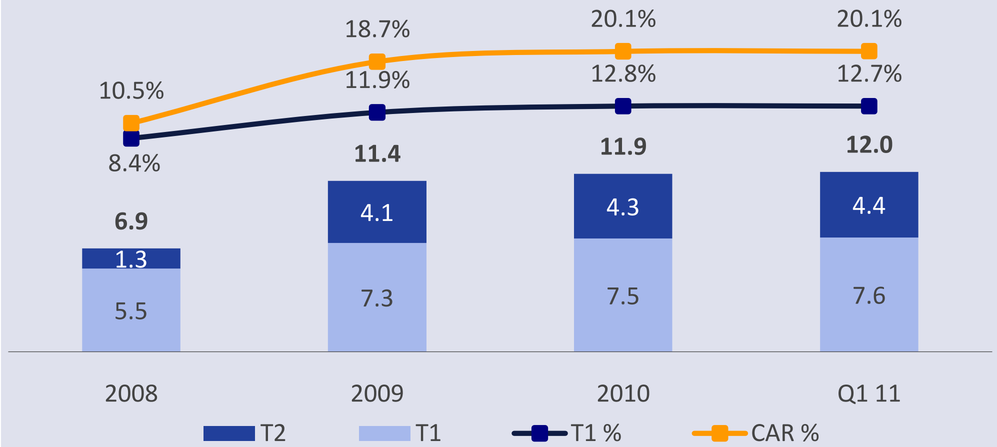
1) Loans and advances before provisions; Corporate & Sovereign Lending sectoral breakdown as per "Analysis by Economic Activity for Assets" in note 5, page 11 of the Q1 2011 Financial statements

Capital Adequacy

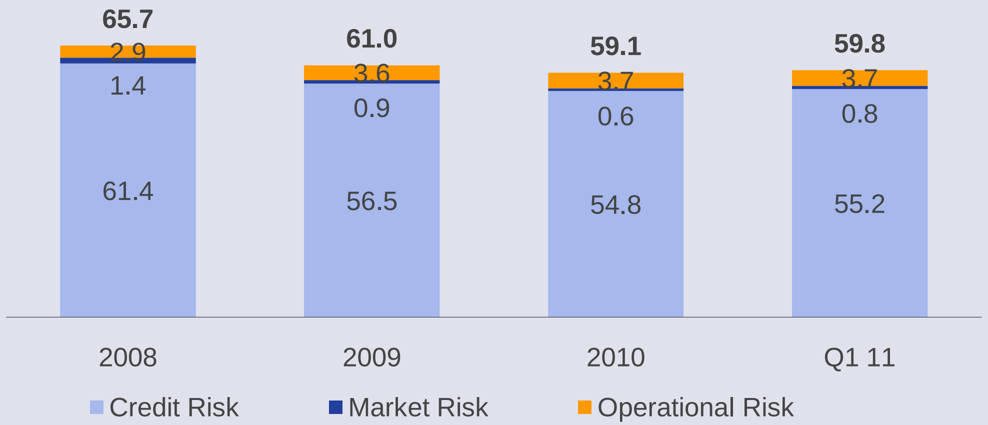
Highlights

- **Q1 2011 Capital adequacy remained stable** at very strong levels of CAR 20.1% and T1 12.7%
- **Total capital increased by USD 130 million** in Q1 2011 as net profit generation partly offset by dividend payable in respect of 2010 financial year
- **Risk Weighted Assets rose by 1%** from Q4 2010 to USD 59.8 billion at Q1 2011

Capital Ratios - Basel II (USD billion)



Risk Weighted Assets – Basel II (USD billion)



Capital Movement Schedule – Basel II (USD million)

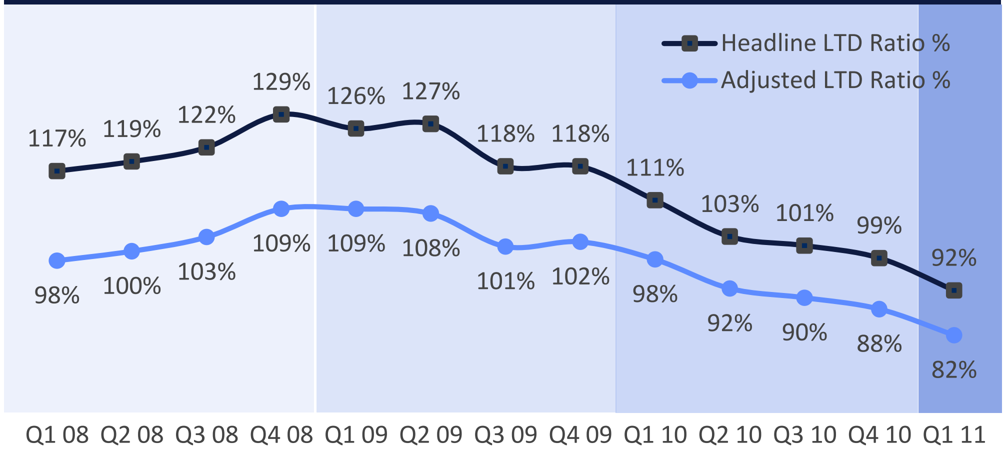
31 Dec 2010 to 31 Mar 2011	Tier 1	Tier 2	Total
Capital as at 31 Dec 2010	**7,540**	**4,322**	**11,863**
Net profits generated	385	-	385
FY 2010 dividend payable	(303)	-	(303)
Interest on T1 securities	(18)	-	(18)
Change in general provisions	-	52	52
Other	14	-	14
Capital as at 31 Mar 2011	**7,618**	**4,375**	**11,993**

Funding and Liquidity

Highlights

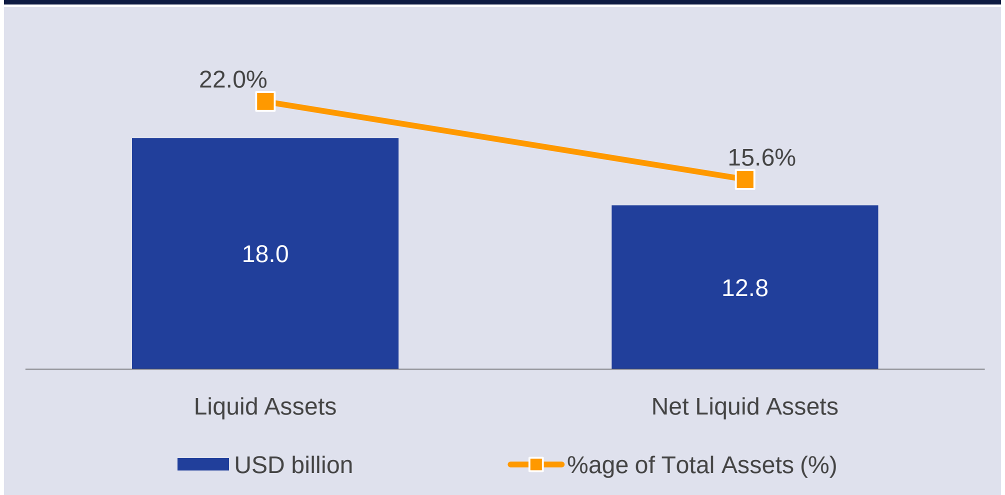
- **Liquidity continued to improve** with headline **LTD ratio of 92%** at Q1 2011
- Target headline LTD ratio of 95%-100% for 2011
- **Liquid assets of USD 18.0 billion** as at 31 March 2011 (22% of total assets); USD 12.8 billion (15.6% of total assets) after netting of interbank liabilities
- **Backstop facilities** of USD 11 billion **unused**
- **Debt maturity profile** well **within** existing **funding capacity**
  - total wholesale debt represents 8% of liabilities
  - net reduction in debt outstanding of USD 1.3b in 2010
  - raised over USD 800 million from securitisation structures in 2010

Loan to Deposit Ratios (%)

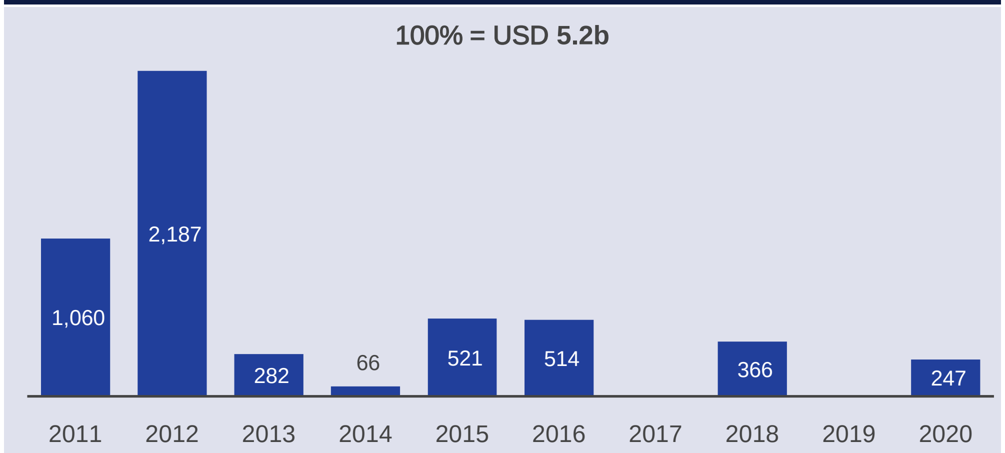


Note: Adjusted LTD ratio includes Debt Issued and Other Borrowed Funds, Sukuk Payable and Tier 1 Capital Notes in the denominator

Liquid Assets: Q1 2011



Q1 2011 Maturity Profile: Debt Issued (USD million)



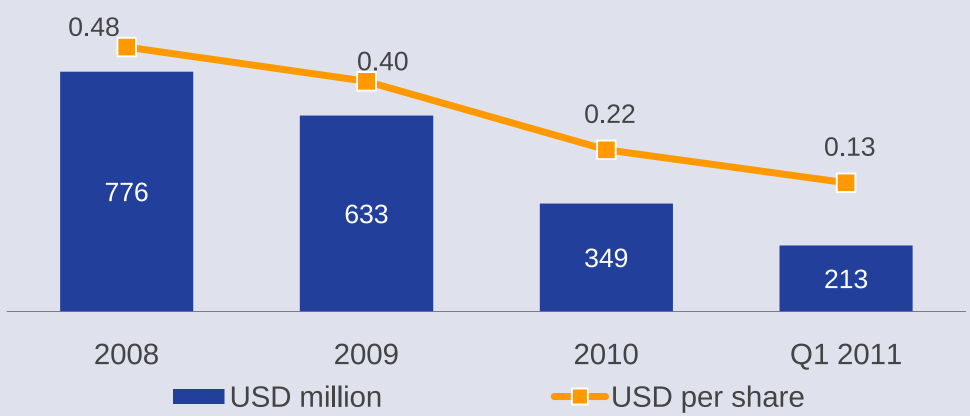
Note: Debt Issued includes EMTNs of USD 3.7b and syndicated borrowings from banks of USD 1.5b

Associates and Joint Ventures
Composition of Balances

Highlights

- **Significant de-risking** of investment in **Union Properties (UP) since 2009:**
  - o **UP investment reduced by USD 144 million and USD 284 million in 2009 and 2010** respectively through recognition of share of losses and impairment
  - o **additional reduction** in book value of UP of **USD 136 million in Q1 2011**
  - o further downside risk on UP limited as carrying value is now close to market value
- **Network International** accounted for as a **jointly controlled entity** from the start of 2011 with a carrying value of USD 354 million at the end of Q1 2011

Investment in Union Properties



Composition of Associates & Joint Ventures (USD million)

Income Statement USD million	Q1 2011	Q1 2010	Change (%)	2010	2009	Change (%)
Union Properties	(136)	(2)	n/a	(284)	(141)	+102%
- Share of losses*	(20)	(2)	n/a	(186)	(55)	+240%
- Impairment of investment	(116)	-	n/a	(98)	(86)	+14%
National General Insurance	1	1	-8%	5	11	-51%
Network International	5	(0)	n/a	0	0	n/a
Total	**(130)**	**(1)**	n/a	**(279)**	**(130)**	**+114%**

Balance Sheet USD million	31 Mar 2011	31 Dec 2010	Change (%)	31 Dec 2010	31 Dec 2009	Change (%)
Union Properties	213	349	-39%	349	633	-45%
National General Insurance	33	35	-7%	35	32	+12%
Network International	354	-	n/a	-	1	n/a
Total	**600**	**384**	**+56%**	**384**	**666**	**-42%**

** Emirates NBD share of losses for Union Properties for Q1 2011 includes an amount of USD 20 million loss pertaining to the 2010 financial year*

Network International
Strategic Partnership with Abraaj Capital

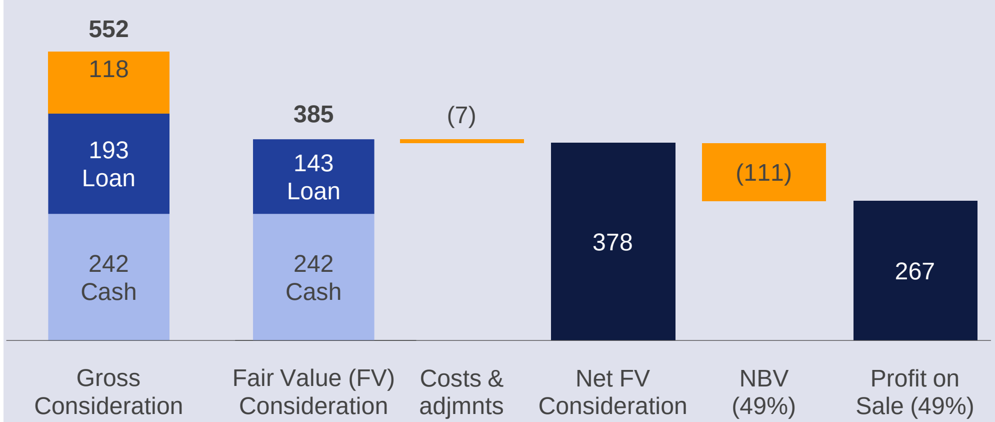
Transaction Summary & Strategic Rational

- On 22 December 2010, **Network International** (NI) entered into a **strategic partnership with Abraaj Capital (Abraaj)** to accelerate expansion of the company
- **Abraaj acquired a 49% stake** in NI for a price of around **USD 550 million** which includes a sum contingent upon attainment of profitability targets and a portion financed by Emirates NBD
- All **relevant regulatory approvals were obtained** during Q1 2011 and the **transaction closed on 31 March 2011**
- NI is at a **strategic junction** where **significant growth opportunities** are available both organically and inorganically and has developed a focused strategy to expand into other high-growth geographies in the Middle East and Africa and the Indian Subcontinent
- In this context, the strategic partnership with **Abraaj will bring significant expertise and value** to the business
  - Accelerating the growth trajectory of NI through leveraging Abraaj's industry expertise and access to their portfolio companies
  - Extend NI's geographic presence (e.g. Pakistan, India, Turkey and Levant)
  - Development of global distribution and strategic alliances
  - Advancing and executing successful acquisition strategies
  - Working with CEOs and CTOs to optimise technology strategy and processes

Financial Impact on Emirates NBD

- In **2010**, the assets and liabilities were disclosed as **assets held for sale**
- **In Q1 2011**:
  - **Profit of USD 267 million on sale** of 49% stake recognised
  - Due to effective **joint control post-closing** NI ceases to be a subsidiary of the Group and is accounted **for as a jointly controlled entity**
  - The **remaining 51%** retained was **fair valued** at 31 March 2011, resulting in an **unrealised profit of USD 233 million**
  - **Contingent earn-out** will be **recognised as income once receipt is virtually certain**

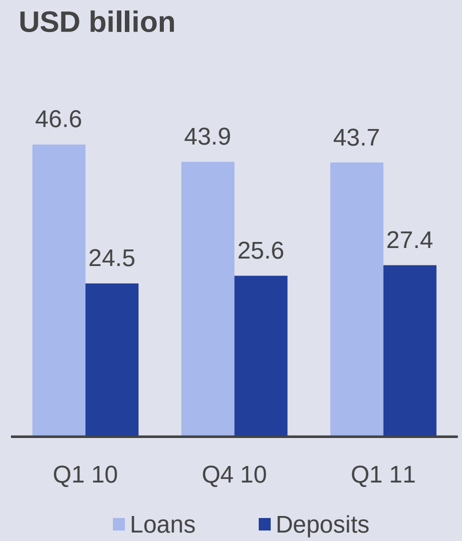
Calculation of Initial Profit on the Transaction (USD million)

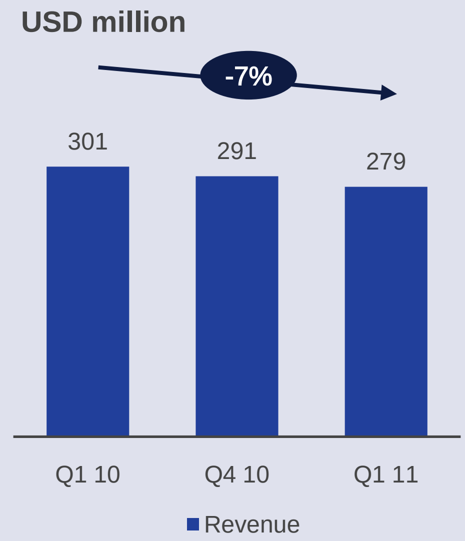


Divisional Performance

Wholesale Banking

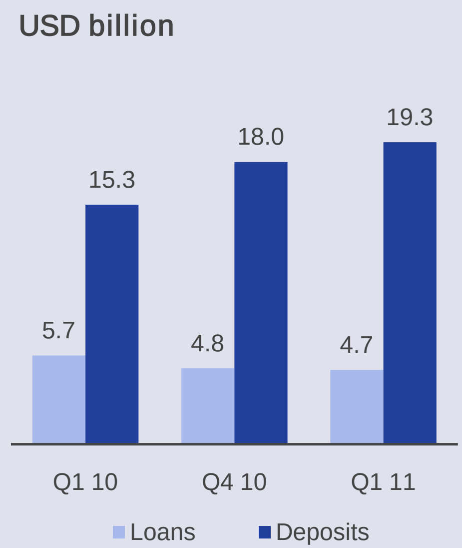
- Key focus during the period was on balance sheet optimisation, continued proactive management of credit quality, building non-risk based and fee generating businesses
- Revenue declined 7% year-on-year due to a decline in fee income
- Loans were stable from end-2010 as a pickup in new underwriting was evident in Q1 2011
- Dedicated focus on liquidity management resulting in strong 7% growth in deposits during Q1 2011

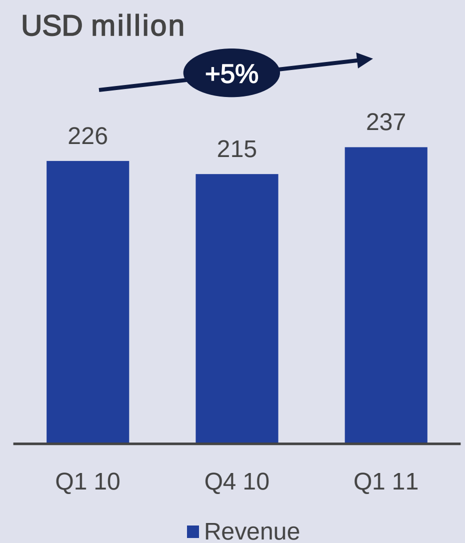




Consumer Banking & Wealth Management

- CWM maintained its position in challenging market conditions
- Continued expansion in Private Banking business; now 62 RMs; Private Banking customer deposits continued to grow
- Revenue improved 5% year-on-year due to a 19% growth in fee income and stable net interest income
- Deposits grew 7% from end-2010
- Total number of branches at Q1 2011 totaled 109 through the addition of 2 branches in Dubai and 2 branches in Abu Dhabi.
- The ATM & SDM network totals 626 at Q1 2011

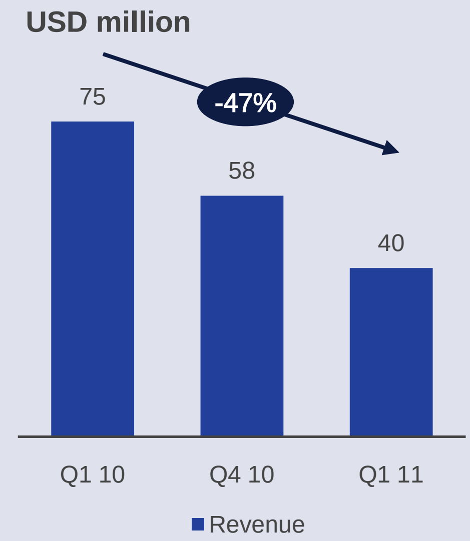




Divisional Performance

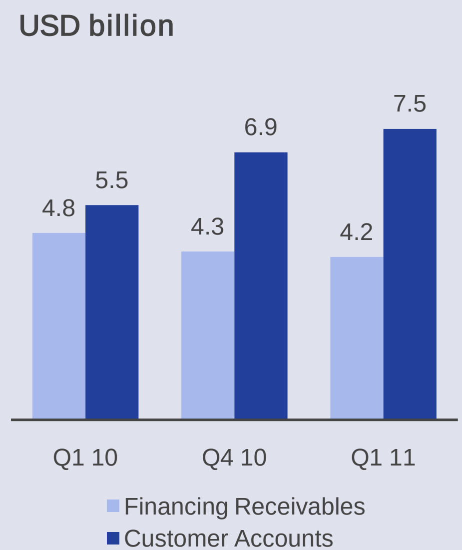
Global Markets & Treasury

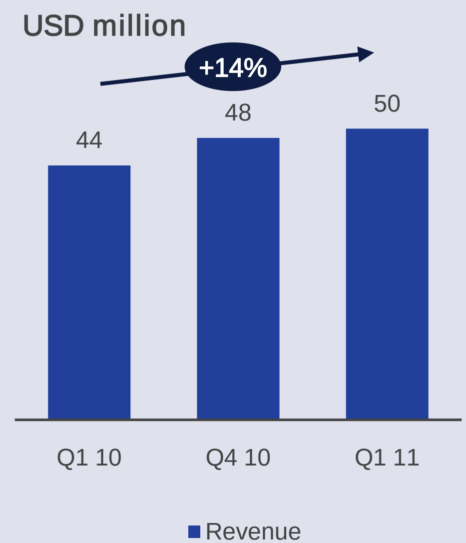
- Revenue declined by 47% in Q1 2011 to USD 40 million driven mainly by lower sales and trading income and lower gains on principal investments
- Trading business revenue was impacted by the regional geopolitical tensions, financial crisis in some European countries and the natural disaster in Japan resulting in increased volatility in global equity markets and lower foreign institutional interest in Regional markets
- Treasury Sales saw reduced income from sales of balance sheet hedging products as the low interest rate environment continued to affect clients' decisions to hedge their interest rate exposure; the foreign exchange flow business is showing signs of stabilisation though as regional trade flows pick up



Emirates Islamic Bank

- EIB revenue increased by 14% year-on-year to USD 50 million in Q1 2011 (net of customers' share of profit), aided by a reduction in negative revaluations on investment properties
- Financing receivables declined 3% to USD 4.2 billion from end-2010
- Customer accounts grew by 9% to USD 7.5 billion from end-2009
- Total number of EIB branches at Q1 2011 totaled 31 with an ATM & SDM network of 91





Note: Stand-alone Financial Statements for Emirates Islamic Bank may differ from these results due to consolidation adjustments

Contents

Operating Environment

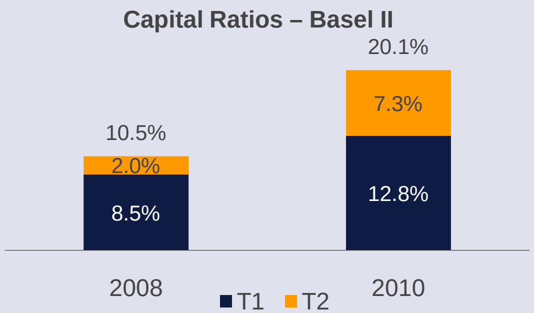
Emirates NBD Profile

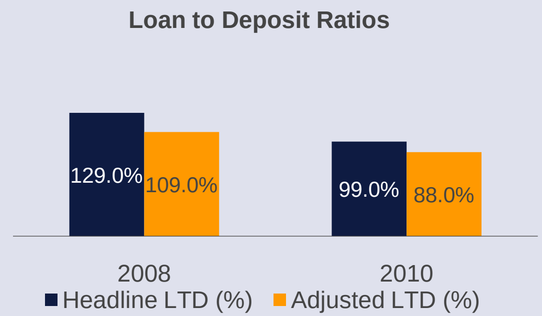
Financial and Operating Performance

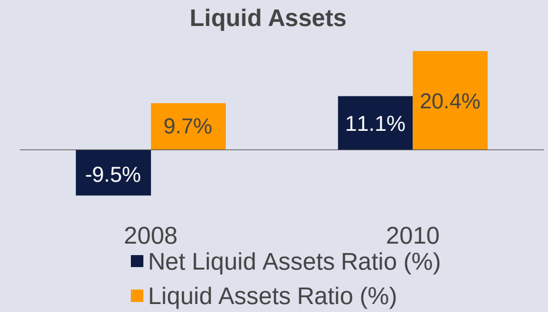
Strategy and Outlook

Two years on from the crisis, the Bank is better positioned for the future

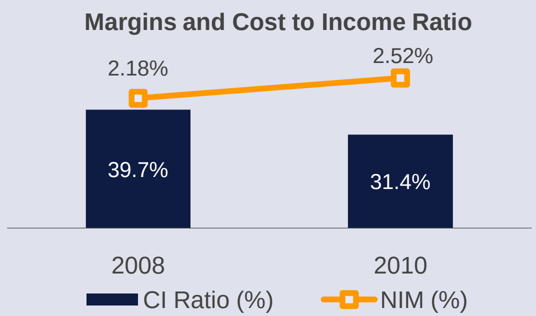
Stronger capital base and liquidity

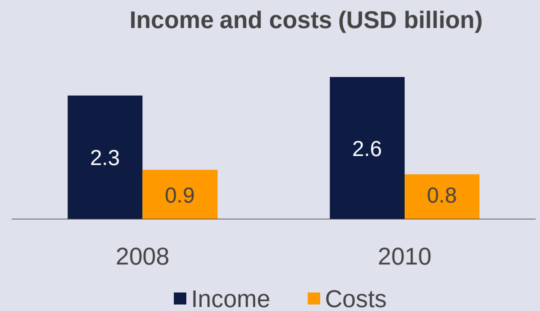


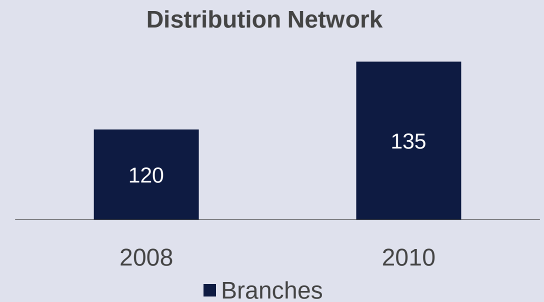




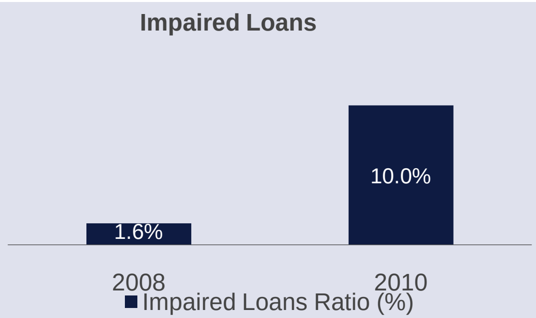
Stronger income generating ability and improved efficiency

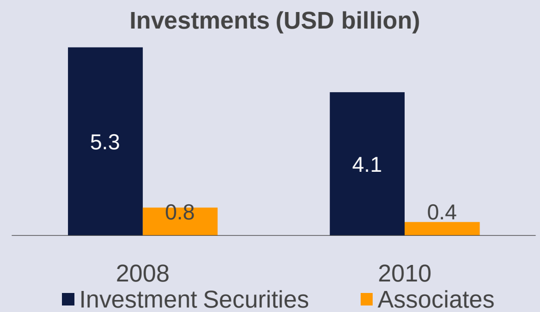


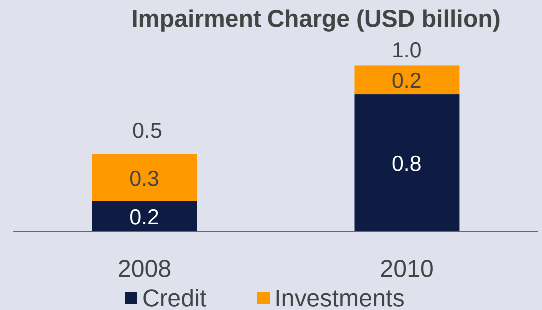




Significantly de-risking the balance sheet







Completed largest Financial Services Merger in the Region, with scalable new-generation platforms and strong brand, culture and franchise

Emirates NBD’s strong brand, culture and franchise

The Banker

GLOBAL FINANCE

middle east
investor relations
society
award winner 2010

EUROMONEY

Strategic Imperatives are Evolving

Gradual Shift in Focus from Strengthening the Bank to Growth Acceleration

2008	2009	2010	2011	2012
Crisis Management	Strengthening the Bank			Growth Acceleration

1. **Optimise Balance Sheet**
   - Capitalisation
   - Liquidity
2. **Enhance Profitability**
   - Operating efficiency
   - Margins and fee generation
3. **Enhance Risk Management**
4. **Selective Investment in Growth Areas**

1. **Optimise Balance Sheet**
   - Capital allocation
   - Funding Efficiency
2. **Drive Profitability**
   - Key account planning
   - Customer service/retention
3. **Enhance Platforms**
4. **Measured Investment in Growth Areas**

Strategic Imperatives for 2011

	Objectives
Optimise Balance Sheet and Capital allocation	▪ **Increase lending activities in identified pockets of growth**, e.g. SME lending, cards, … ▪ **Further diversifying funding sources with a focus on reducing cost of funding** ▪ **Review all Group companies (subsidiaries and associate companies) and decide on divestment opportunities, increasing stakes or complementary acquisitions**
Drive Profitability	▪ Management focus on **yield optimisation** ▪ **Extending Key account planning** capturing a larger share of wallet of existing broad customer base through Cross-sell Treasury and Investment Banking services to corporate clients ▪ Increasing fee income through enhanced sales efficiency for FX, investment and banc-assurance products ▪ **Improve customer retention and deliver distinctive customer service** ▪ Continue implementation of revised **spend control processes** ▪ Capturing significant efficiency and process improvements through **Outsourcing**
Enhance Platforms	▪ **Further enhance employee proposition** through talent/leadership development as well as performance and retention management ▪ Continued **enhancement of the Group wide Risk strategy** and alignment of policies to defined risk appetite ▪ **Roll-out of Group wide service Excellence effort** as part of a change management program along all customer touch points
Measured Investment in Platforms for Growth	▪ **Exploit domestic opportunities** – Implementation of Private Banking growth plan and strengthening SME segment – Continued distribution network expansion/optimisation – Continued roll-out of Abu Dhabi growth plan ▪ **Exploit international opportunities** – Implementation of organic growth plan for KSA and detailing growth strategies for all other existing locations – Proactively pursuing inorganic regional expansion opportunities

Outlook

- Conditions in the local economy have continued to improve in Q1 2011:
  - Economic signals offer evidence of take-off in non-oil economy, particularly in trade, logistics and hospitality
  - Oil prices hold strong above USD 100 per barrel
- Regional unrest temporarily took a toll on local markets in Q1 2011 as global investors cut risk across MENA, although conditions have improved considerably since
  - Local equity markets rebounded considerably since early March from weakness in January and February
  - In fixed income, a rally that began in mid-March has pushed Dubai spreads tighter, with Dubai 5-yr CDS at just under 370 bps, their lowest level since late-2009
- UAE real GDP growth of 4% expected in 2011:
  - World trade is expected to continue to strengthen, benefitting Dubai in particular given its strong infrastructure, transport and logistics networks
  - The financial sector is slowly beginning to lend again with credit growth starting to pick up
  - High commodity prices are expected to continue to benefit the fiscal account and infrastructure development expenditure
  - Capital markets in the region are showing evident signs of thawing
- Emirates NBD is well placed to take advantage of the expected improved economic conditions
  - The Bank has a clear strategy in place to invest in and take advantage of growth opportunities
  - Liquidity is strong and greater visibility of and comfort with asset quality allows selective risk-taking

Summary

- Strong financial performance in Q1 2011 driven by gain on the Network International transaction, partly offset by continued pro-active de-risking of the balance sheet and acceleration of investment in growth opportunities
- Top-line trends encouraging with recent pickup in q-o-q net interest income, stable margins and growth in core fee income
- Moderate increase in Q1 2011 impaired loans ratio in line with expectations
  Significant addition to portfolio impairment allowances, offering future absorption capacity
- Capitalisation and liquidity continued to improve and are extremely strong, offering flexibility to take advantage of growth opportunities
- Emirates NBD has a clear strategy in place to take advantage of the expected improved economic conditions and growth

APPENDIX

Awards

2011 Awards

March 2011 – "Best bank in the UAE" for the year 2011 by Global Finance

February 2011 – Emirates NBD Capital named "Best investment bank in the UAE" by Global Finance

February 2011 – "Human Resources Development in Banking and Financial sector" Award for 2010 at the Sharjah Career Fair 2011

February 2011 – "Best Private Banking Services Overall in UAE" Award in 2011 by Euromoney

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