



Results Presentation | FY 2022

26 January 2023

Important Information

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Rounding

Rounding differences may appear throughout the presentation.

Executive Summary FY 22 Results

Key Highlights



Strong momentum continues with AED 13 bn profit up 40% in 2022



Income 36% higher driven by improved loan & deposit mix coupled with higher interest rates



Deposits grew by AED 47 bn including AED 20 bn CASA growth



Record retail financing and AED 50 billion of new corporate lending



International contributes 39% of diversified income, with DenizBank delivering strong customer income growth



Solid balance sheet with improvement in capital, liquidity and credit quality and strong operating profit remain core strengths of the Group

Key Metrics and Guidance

Net Profit

AED 13 bn

+40%

Income

AED 32.5 bn

+36%

NIM

3.43%

Guidance
2022: 3.2-3.3%
2023: 3.8-4.0%

Cost to Income

28.5%

Guidance
2022: ≤ 33%
2023: ≤ 33%

LCR

182%

CET 1

15.4%

NPL Cover

145%

NPL

6.0%

Guidance
2022: < mid 6%
2023: < mid 6%

Cost of Risk

108 bp

Guidance
2022: 100-125 bp
2023: ≤ 100 bp

Loan Growth
Ex. Sovereign

12%

Total Loan Growth
Guidance

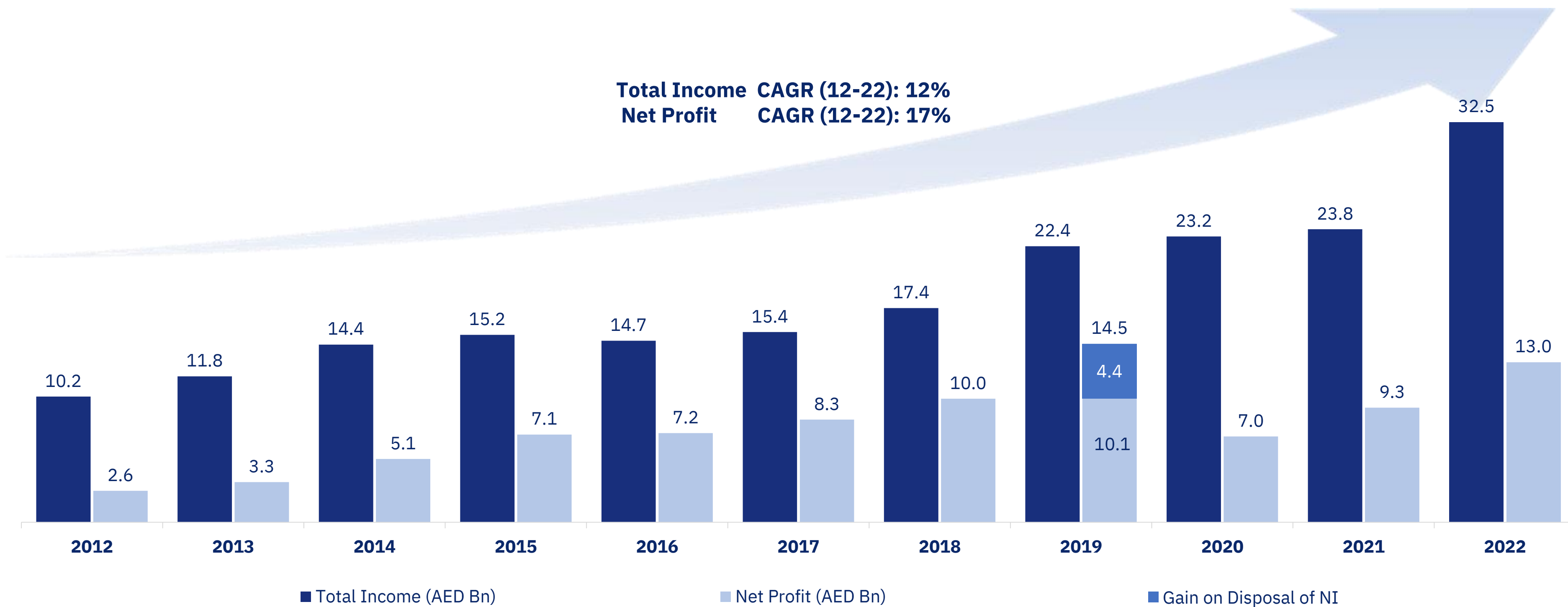
2022: low-single digit
2023: mid-single digit

Consistently profitable due to diversified and resilient business model

Return on Average Tangible Equity (excluding 2019 NI gain)



Total Income CAGR (12-22): 12%
Net Profit CAGR (12-22): 17%



Emirates NBD's profit rises 40% YoY to AED 13 bn on strong diversified income growth

	Emirates NBD			Emirates NBD Excluding DenizBank		DenizBank	
Income Statement <i>(All figures are in AED bn)</i>	FY 22	FY 21	%Δ YoY	FY 22	%Δ YoY	FY 22	%Δ YoY
Net interest income	23.2	16.9	37%	15.6	34%	7.6	43%
Non-funded income	9.3	6.9	35%	6.3	22%	3.0	70%
Total income	32.5	23.8	36%	21.9	31%	10.6	50%
Operating expenses	(9.3)	(8.0)	16%	(6.8)	18%	(2.4)	11%
Pre-impairment operating profit	23.3	15.8	47%	15.1	38%	8.1	68%
Impairment allowances	(5.2)	(5.9)	(12)%	(3.5)	9%	(1.7)	(37)%
Tax and others	(2.0)	(0.6)	214%	(0.2)	54%	(1.7)	267%
Profit after tax & before hyperinflation	16.1	9.3	73%	11.4	49%	4.7	185%
Hyperinflation adjustment	(3.1)	-	-	-	-	(3.1)	-
Net profit	13.0	9.3	40%	11.4	49%	1.6	(4)%
Cost: income ratio	28.5%	33.5%	(5.0)%	31.1%	(3.4)%	23.0%	(8.2)%
NIM	3.43%	2.53%	90 bps	2.77%	64 bps	6.81%	246 bps

Key Highlights

- Group **profit up 40%** on strong diversified income growth
 - ENBD income higher from improving transaction volumes and increased margins
 - DenizBank income higher from increased lending, wider margins and hedging
- **Higher NIMs** reflect rising interest rates and an improvement in DenizBank margins
- Lower provisions as **108bp** cost of risk for FY22 reflects higher level of writebacks & recoveries and **robust operating environment**
- AED 1.6 bn net profit contribution from **DenizBank** stable despite AED 3.1 bn hyperinflation adjustment
- **Accelerating investment** in international growth and digital
- **Strong new lending** to retail and corporates helping offset sovereign repayments
- **AED 20 bn CASA growth** demonstrates market penetration and strong UAE liquidity, enabling Group to benefit from rates rises

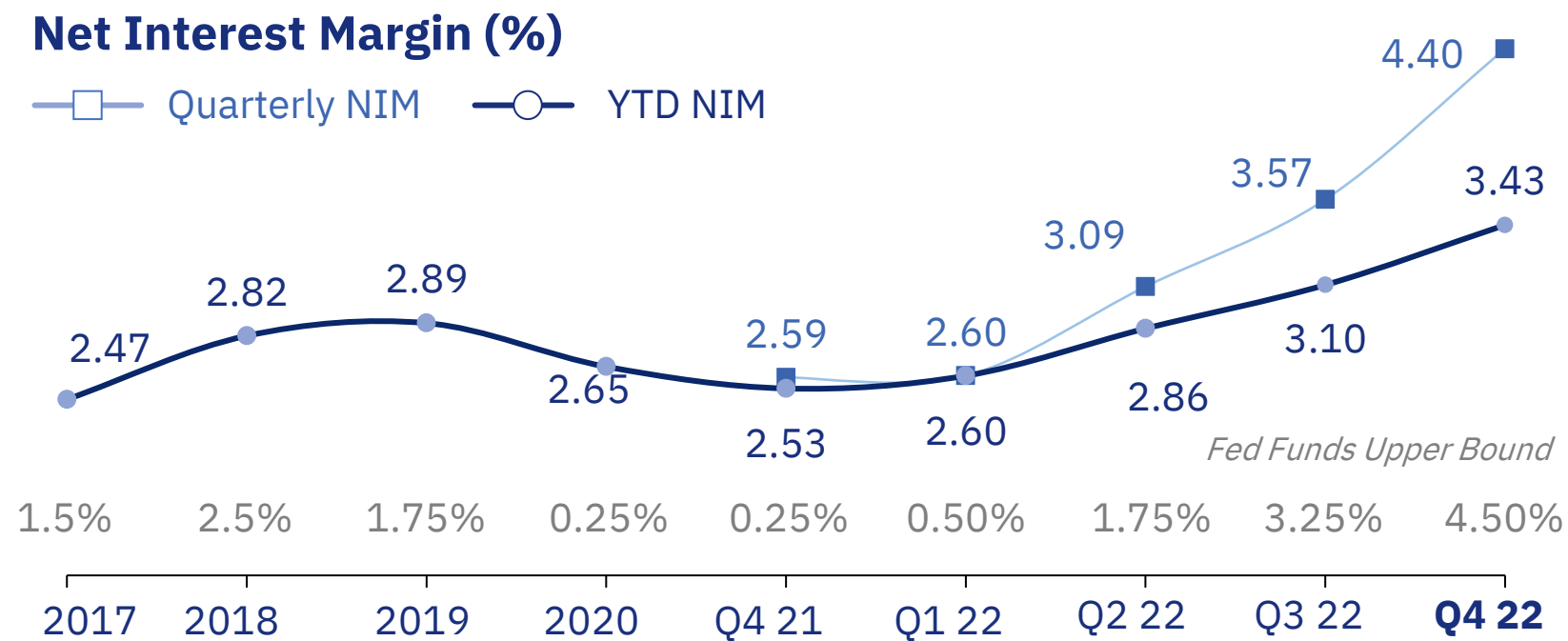
Quarterly profits again exceed US\$ 1bn equivalent

Income Statement <i>(All figures are in AED bn)</i>	Q4-22	Q4-21	%Δ YoY	Q3-22	%Δ QoQ
Net interest income	7.7	4.3	78%	6.1	27%
Non-funded income	2.1	2.2	(3)%	2.4	(12)%
Total income	9.8	6.5	50%	8.5	16%
Operating expenses	(2.9)	(2.3)	26%	(2.3)	23%
Pre-impairment operating profit	7.0	4.2	64%	6.2	13%
Impairment allowances	(1.9)	(2.2)	(12)%	(1.4)	40%
Tax and others	(0.4)	(0.1)	697%	(0.5)	7%
Profit after tax and before hyperinflation	4.6	2.0	128%	4.3	6%
Hyperinflation adjustment	(0.7)	-	-	(0.5)	28%
Net profit	3.9	2.0	94%	3.8	3%
Cost: income ratio	29.1%	34.8%	(5.7)%	27.4%	1.7%
NIM	4.40%	2.59%	181 bps	3.57%	83 bps
Balance Sheet <i>(All figures are in AED bn)</i>	31-Dec-22	31-Dec-21	%Δ	30-Sep-22	%Δ
Total assets	742	687	8%	721	3%
Loans (excluding Sovereign)	343	307	12%	343	-
Sovereign lending	113	152	(26)%	114	(1)%
Total Gross Loans	456	459	(1)%	457	-
Deposits	503	456	10%	481	5%
CET-1 (%)	15.4%	15.1%	0.3%	15.5%	(0.1)%
LCR (%)	182%	178%	5%	152%	30%
NPL ratio (%)	6.0%	6.3%	(0.3)%	5.8%	0.2%

Key Highlights

- Continued strong performance in Q4-22 with **net profit** again exceeding **US\$1 bn** equivalent, an increase of **94% y-o-y** on higher net interest income
- Net interest income up **78% y-o-y** on improved loan & deposit mix
 - Higher interest rates feeding through to margins
 - Strong new lending growth
- Non-funded income decreased marginally by **3% y-o-y**
- Group accelerating investment in international, digital and data
- Q4-22 impairment allowances improved 12% y-o-y on higher writebacks and recoveries
- Healthy new lending on continued strong retail and renewed corporate lending demand
- Group maintains strong Capital and Liquidity with coverage ratio highest amongst regional peers

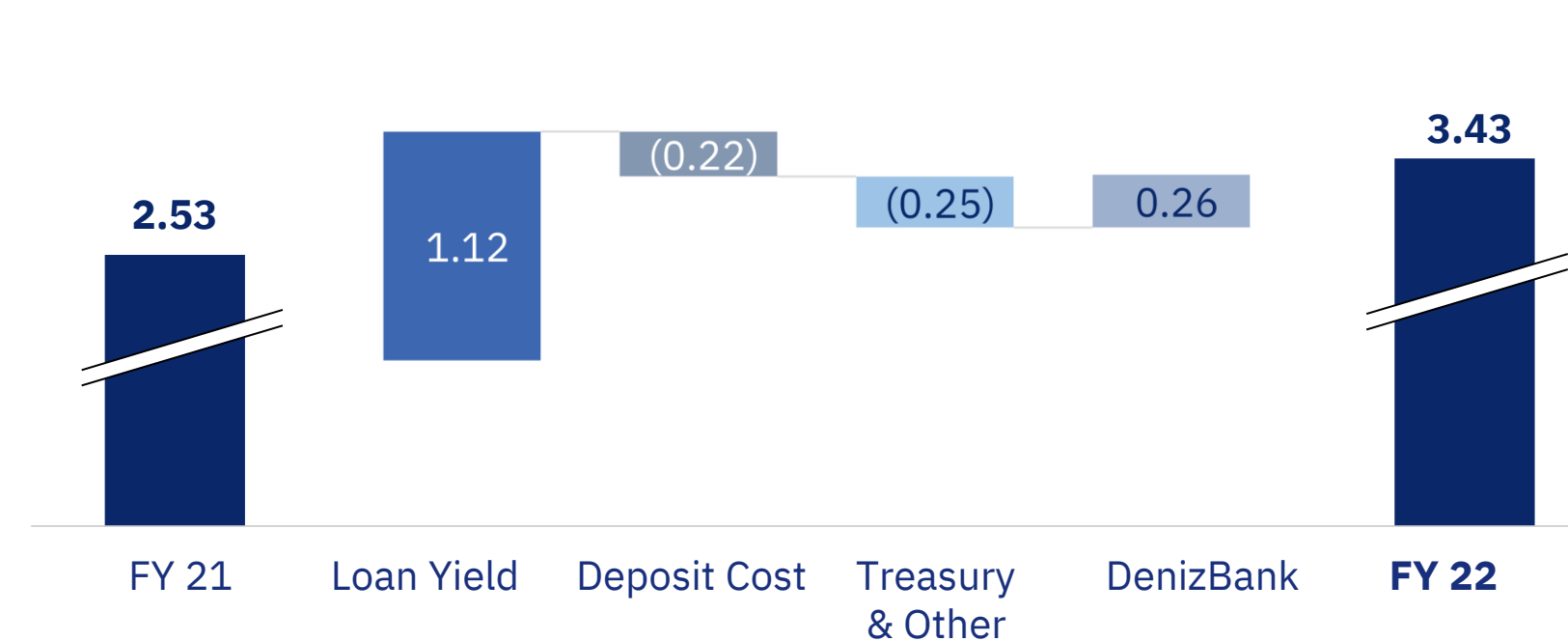
Higher NIM guidance as interest rates rises feed through



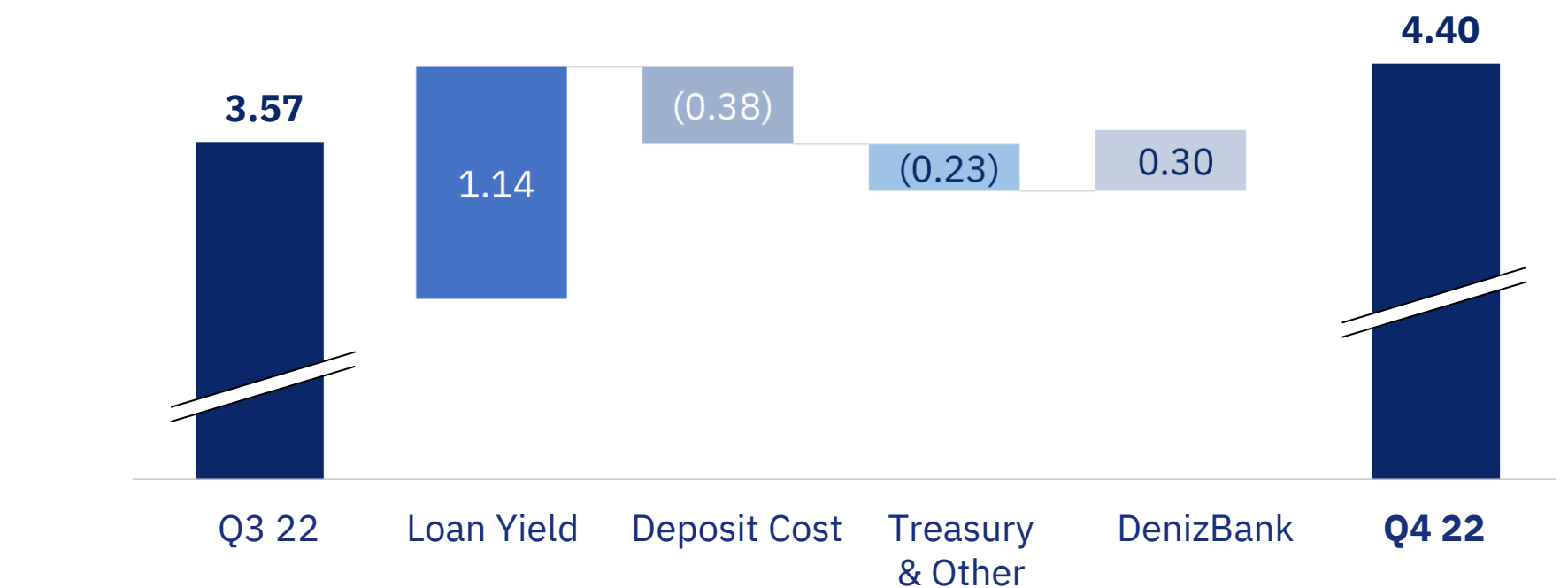
Key Highlights

- FY22 NIM improved 90 bps y-o-y due to interest rate rises and higher DenizBank NIMs
- Q4-22 NIM up 83 bps q-o-q on improved loan and deposit mix and higher interest rates
- 2023 guidance set at 3.8-4.0% as impact of recent rate rises flows through, offset by anticipated CASA migration and lower expected DenizBank's NIMs

NIM drivers FY22 vs FY21 (%)



NIM drivers Q4-22 vs Q3-22 (%)

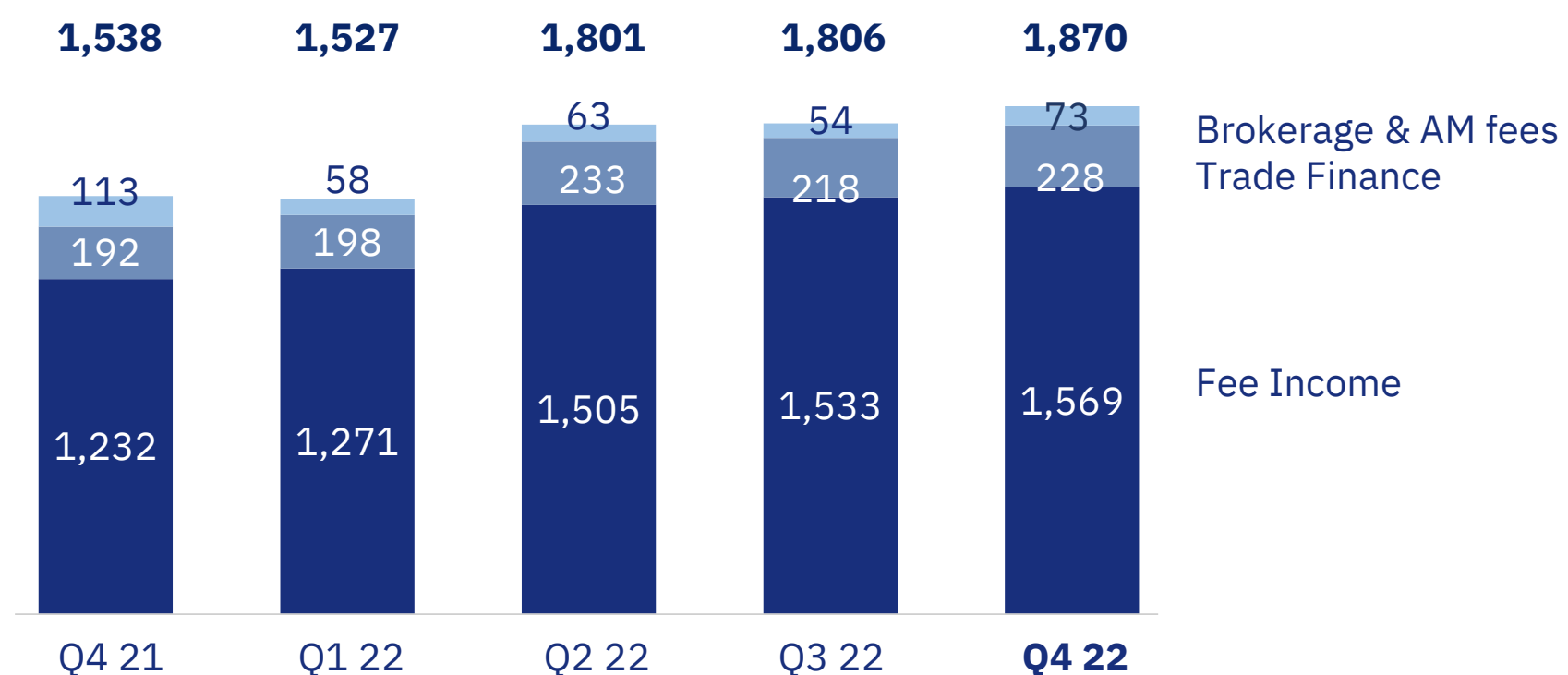


Non-funded Income

Non-funded income <i>(All figures are in AED bn)</i>	FY-22	FY-21	%Δ YoY
Fee and Commission income	7,004	6,475	8%
Fee and Commission expense	(2,923)	(2,639)	11%
Net Fee and Commission Income	4,081	3,836	6%
Other operating income	5,152	2,910	77%
Gain / loss on trading securities	52	151	(66)%
Total Non-funded income	9,285	6,897	35%

Fee and Commission Income

(All figures are in AED bn)

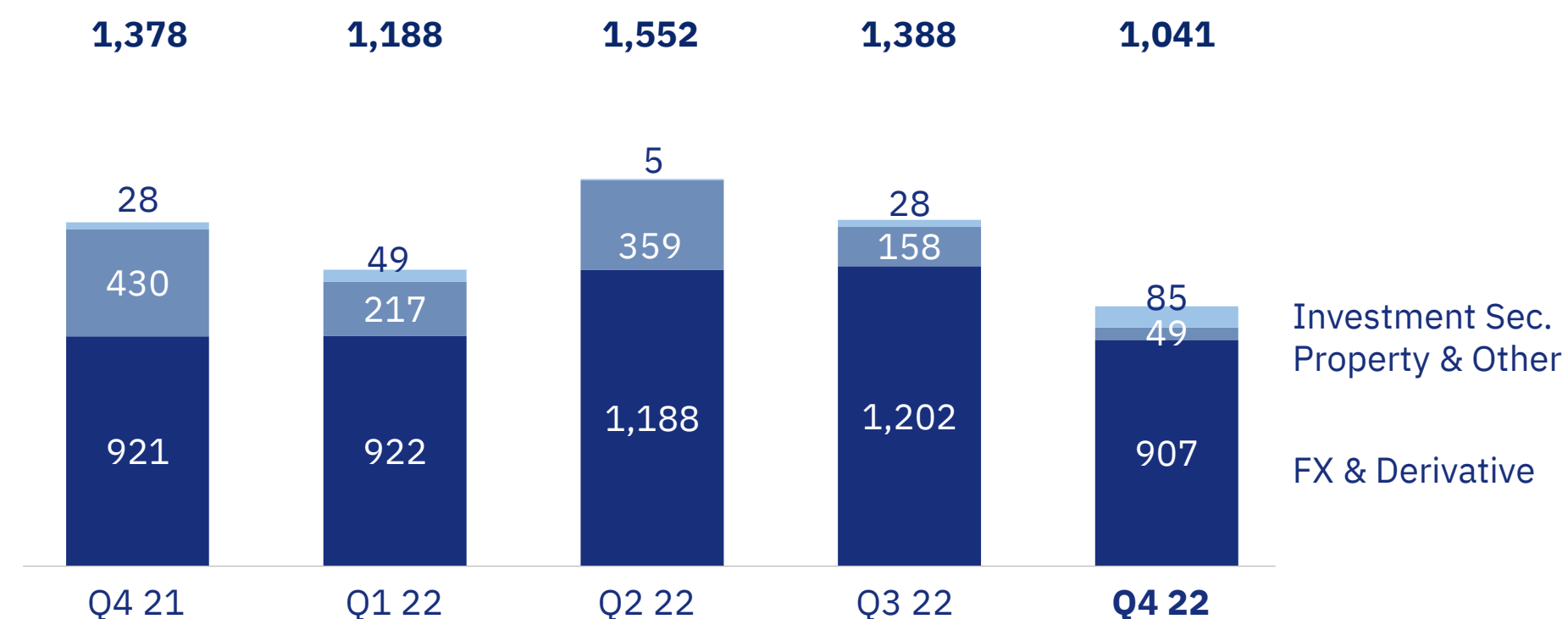


Key Highlights

- Healthy trend in fee and commission income, 8% higher y-o-y from increased local and international retail card business at both ENBD and DenizBank and strong investment banking revenue
- Other operating income up 77% in 2022 due to higher retail FX volumes as customers increased remittance at favorable rates and higher corporate hedging activity to lock in lower funding costs
- Other operating income lower in Q4-22 due to lower property gains and FX and derivative income reverting to levels of earlier quarters

Other Operating Income

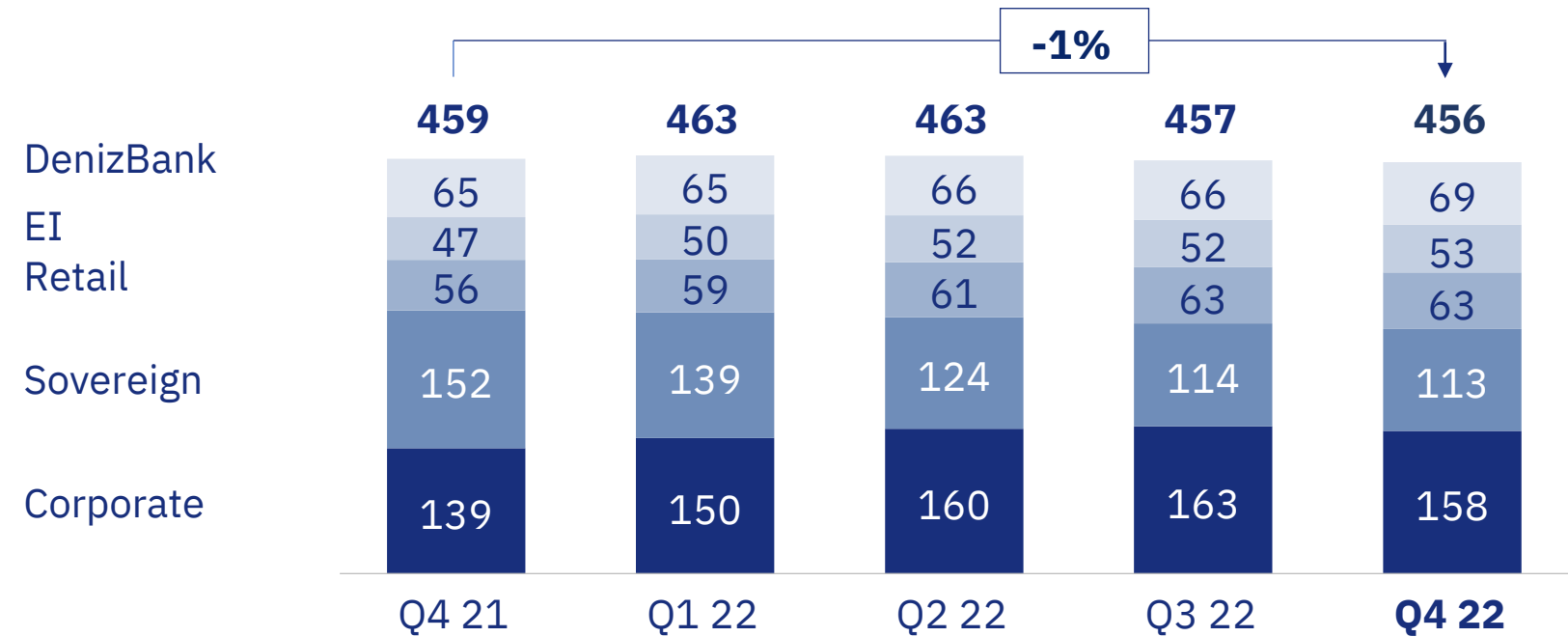
(All figures are in AED bn)



Improving loans and deposit mix

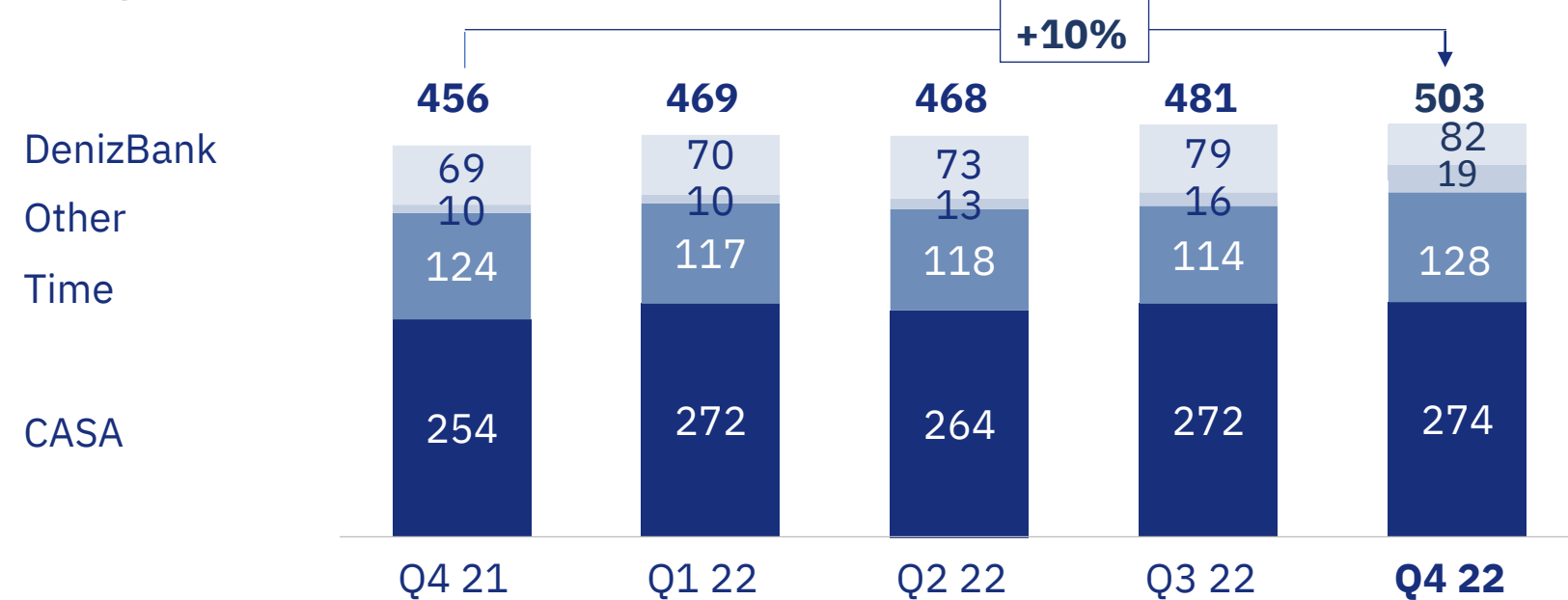
Gross Loans by Type

(All figures are in AED bn)



Deposits by Type

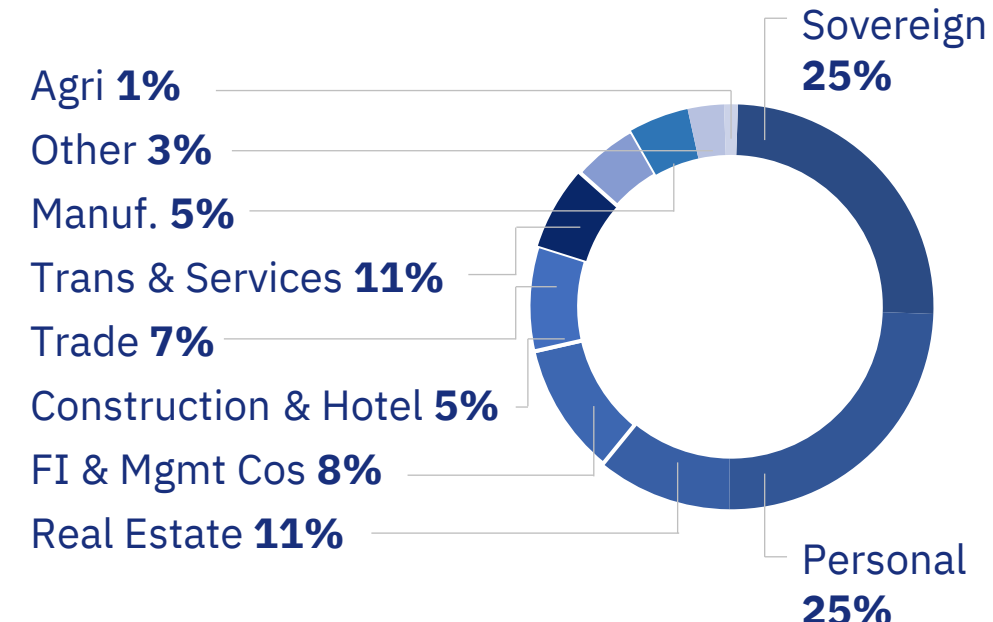
(All figures are in AED bn)



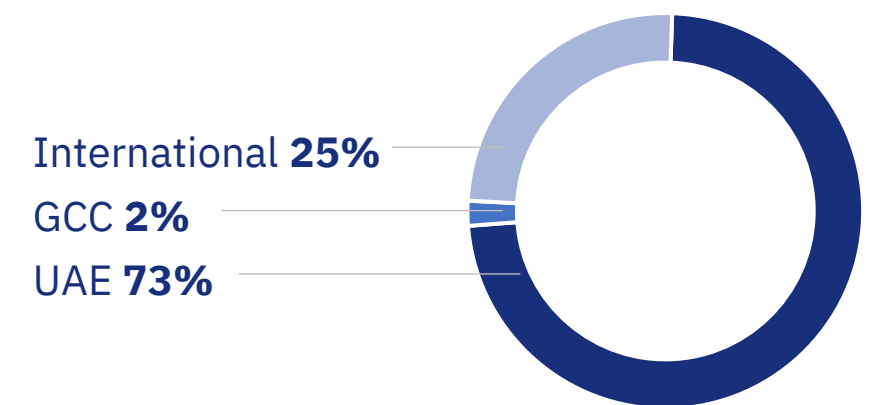
Key Highlights

- Gross lending ex. Sovereign grew up **12%** (AED 36 bn) in FY22
 - Retail lending up **12%** (AED 7 bn) with strong demand across all products
 - Corporate lending ex. Sovereign up **14%** (AED 19 bn)
 - EI Financing and Receivables up **13%** (AED 6 bn)
 - DenizBank's gross loans up **7%**, after FX
- Deposit mix improved in 2022 with an impressive **AED 20 bn** increase in CASA balance demonstrating our market penetration and strong UAE liquidity
 - CASA represents **60%** of total Group deposits
 - DenizBank's deposits up **19%** in FY22

Gross Loans by Sector (%)



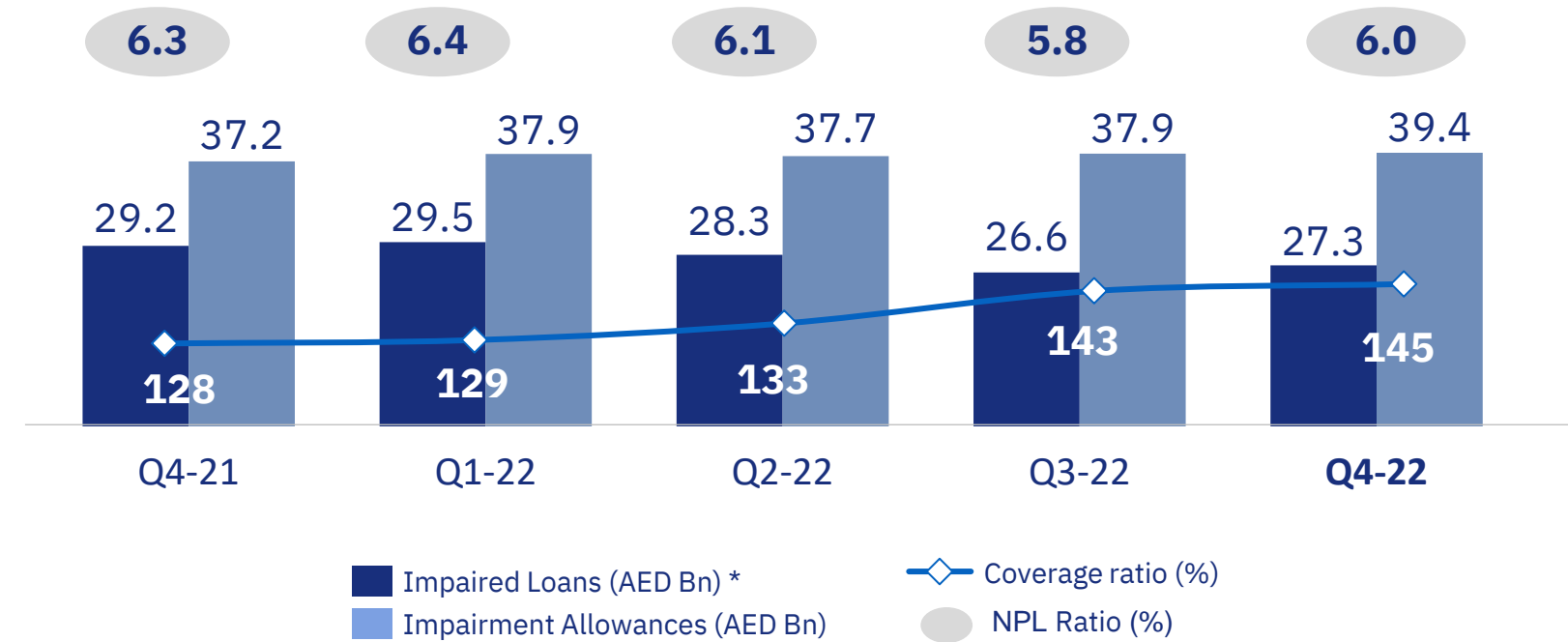
Net Loans by Geography (%)



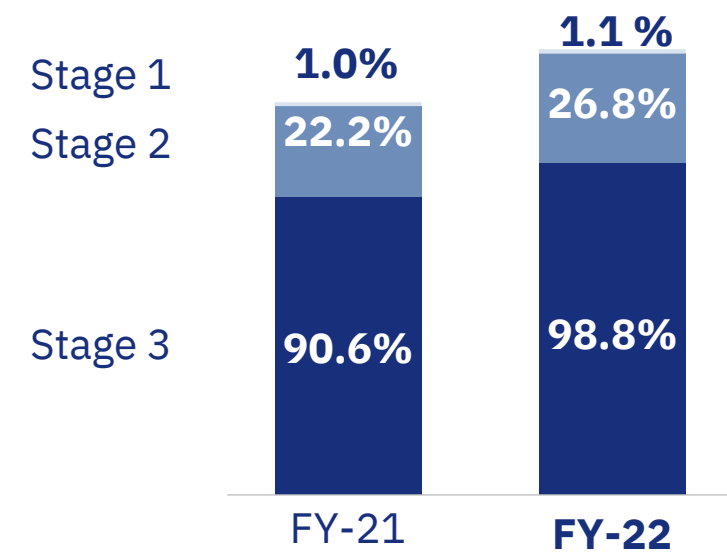
Credit quality improving with market leading coverage

Impaired loans and allowances

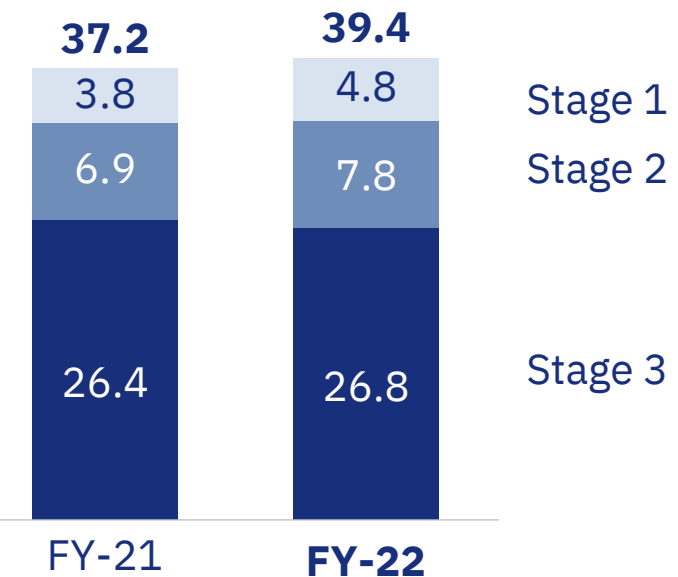
(All figures are in AED bn)



Coverage by Stage*



Stagewise ECL (AED bn)



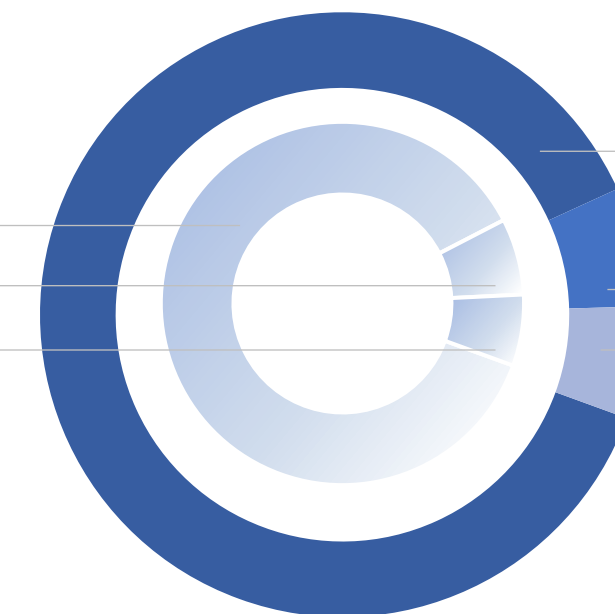
Key Highlights

- NPL ratio improved by 0.3% to 6.0% in 2022 on continued strong writebacks and recoveries
- Coverage ratio strengthened **17%** to **145%** in 2022
 - S3 coverage increased to 98.8% as writeback and recoveries reduced impaired loan balances
 - S1 & S2 coverage increased due to a movement in MEV assumptions
- 108 bps cost of risk within guidance
- 2023 guidance lowered to '≤100bp' on recovery pipeline and higher coverage level attained by DenizBank since acquisition

Total Gross Loans

FY-21 | AED 459bn

Stage 1 **86.8%**
 Stage 2 **6.8%**
 Stage 3 **6.3%**



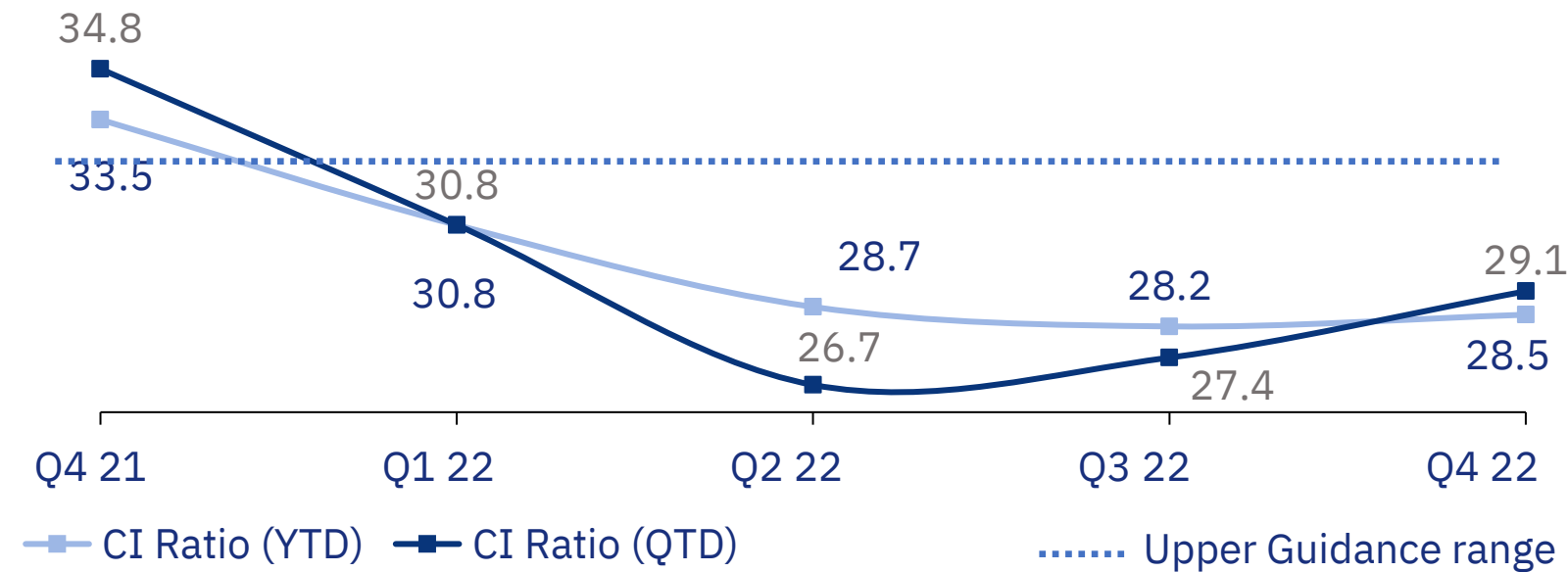
FY22 | AED 456bn

Stage 1 **87.6%**
 Stage 2 **6.6%**
 Stage 3 **5.8%**

* Includes purchase originated credit impaired loans of AED 0.8 bn (Dec-21: AED 1bn) acquired at fair value / **Stage 3 coverage adjusted for POCI acquired at FV

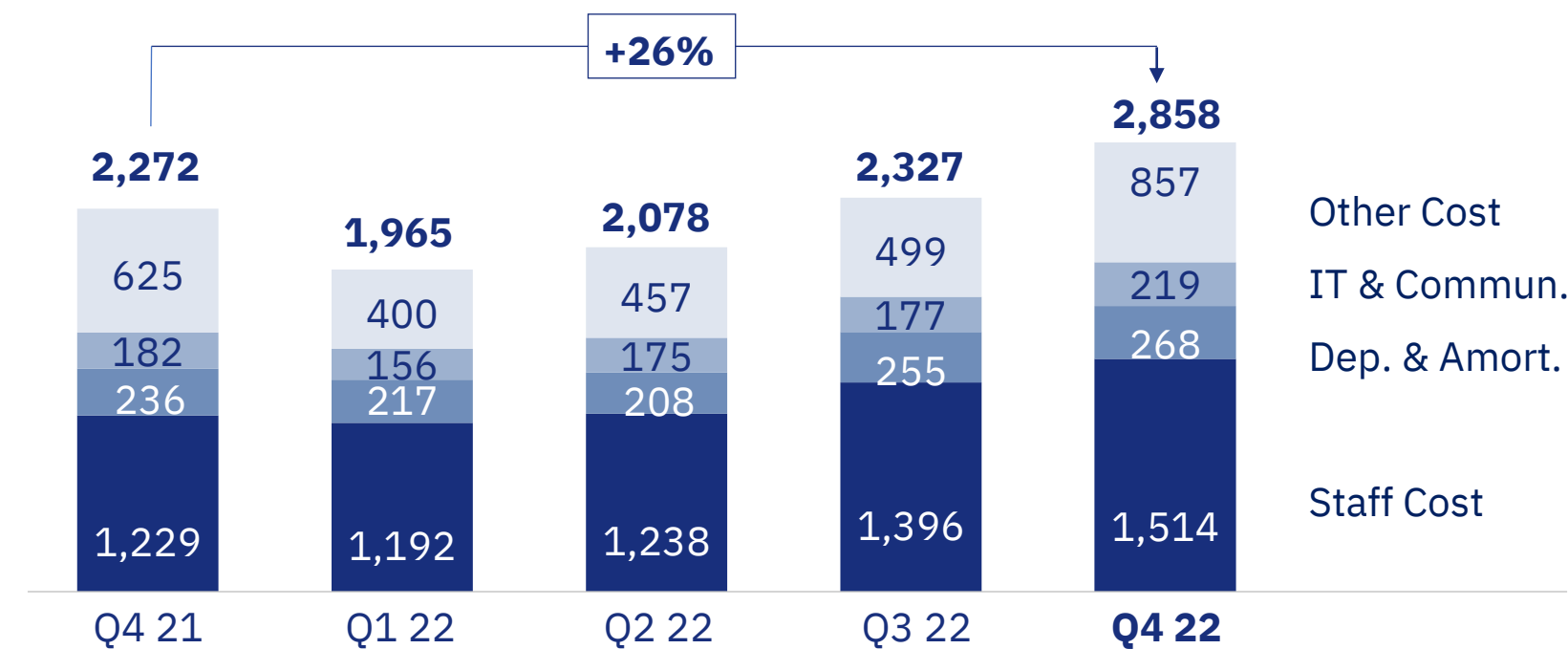
Costs firmly controlled, focus on future growth

Cost to Income Ratio (%)



Operating expenses trends

(All figures are in AED mn)

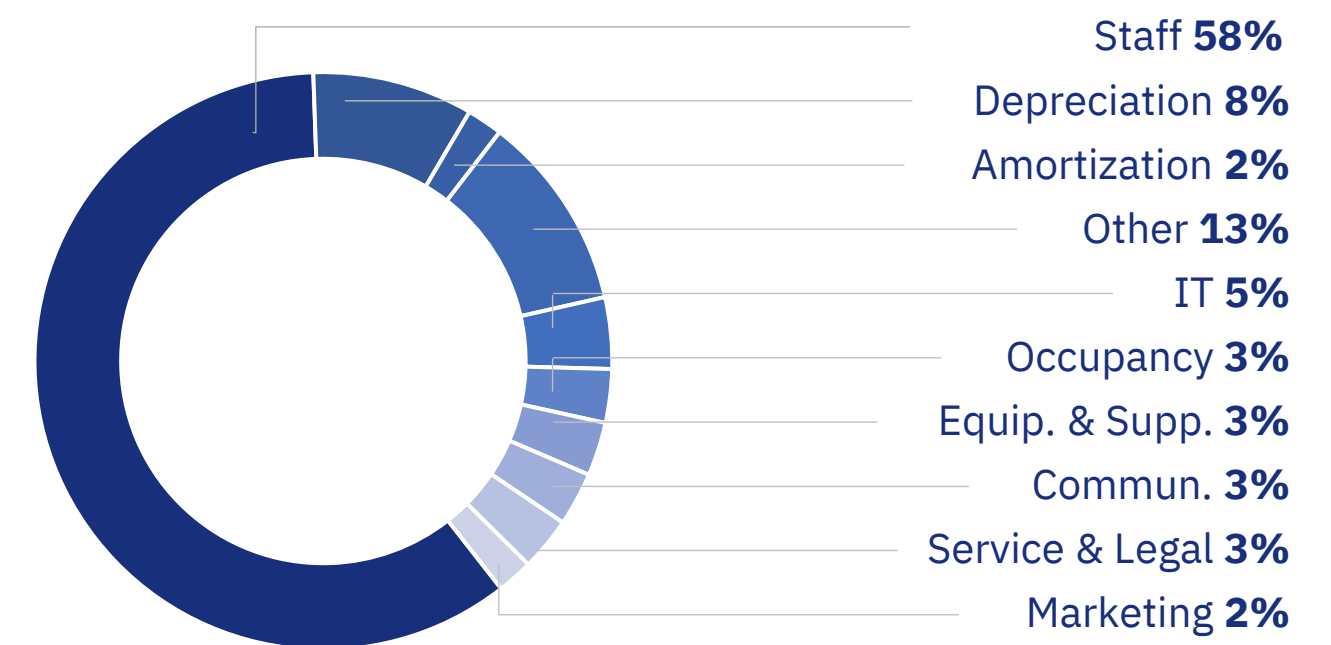


Key Highlights

- FY22 cost to income ratio at 28.5% within guidance reflecting stronger income enabling accelerated investment for growth
- Staff costs increased y-o-y on incentives to drive underlying earnings and investment in human capital for future growth in digital and international
- Higher depreciation and amortization costs reflect increased investment in digital platforms
- Other costs increased due to seasonality, campaigns and professional fees

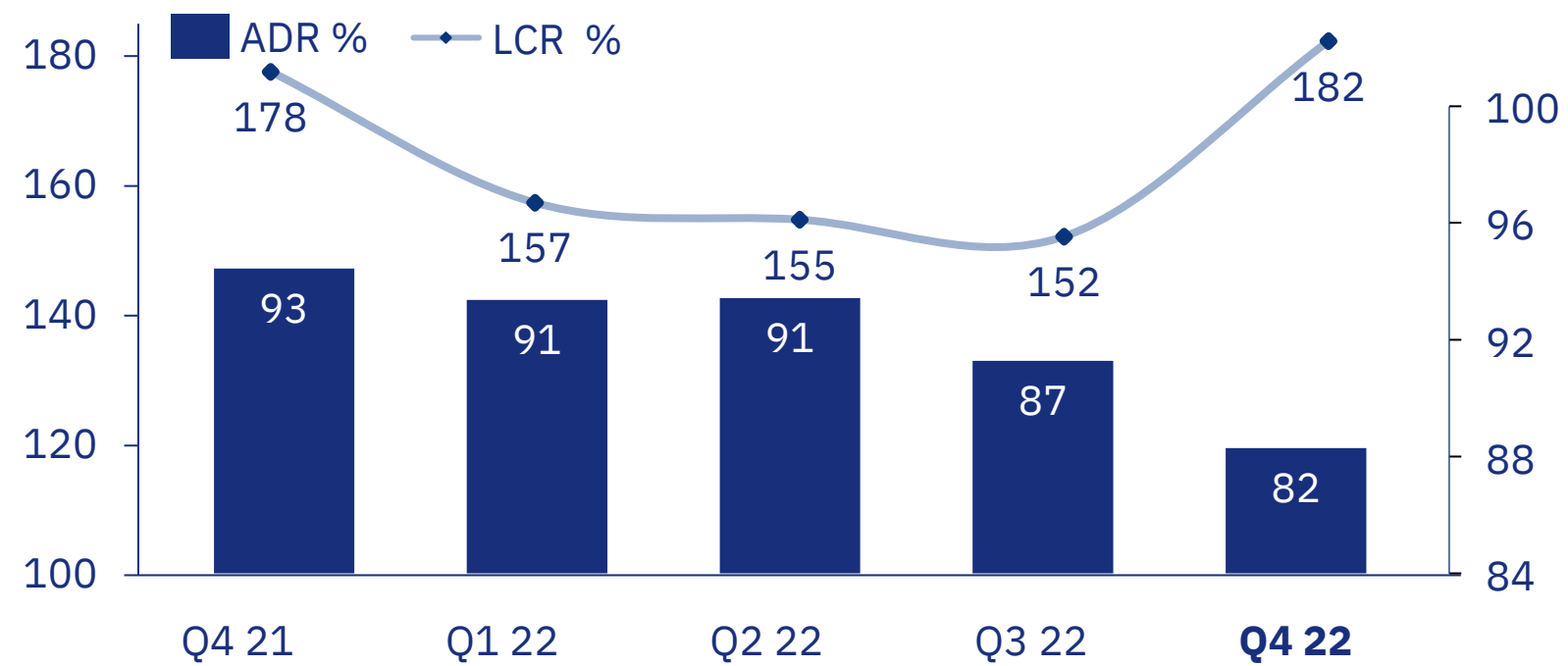
Operating expenses composition (%)

Breakdown as of FY22

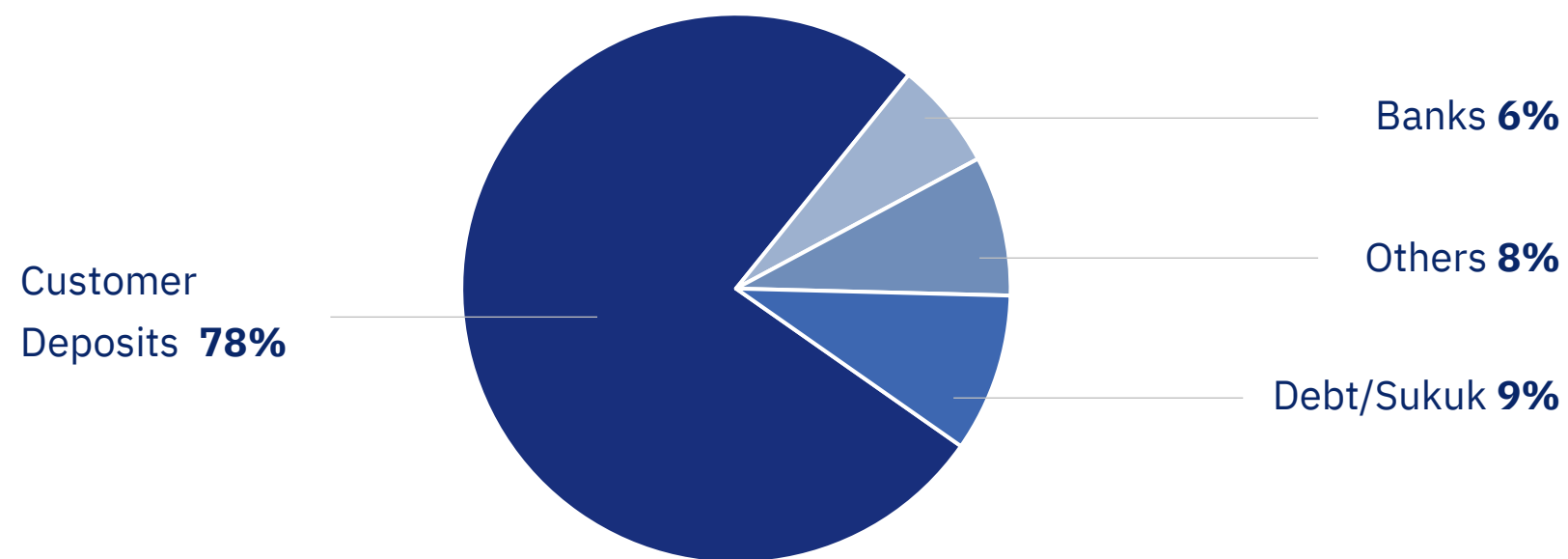


Funding & Liquidity remains very healthy

Advances to Deposit and Liquidity Coverage Ratio (%)



Composition of Liabilities and Debt Issued (%)

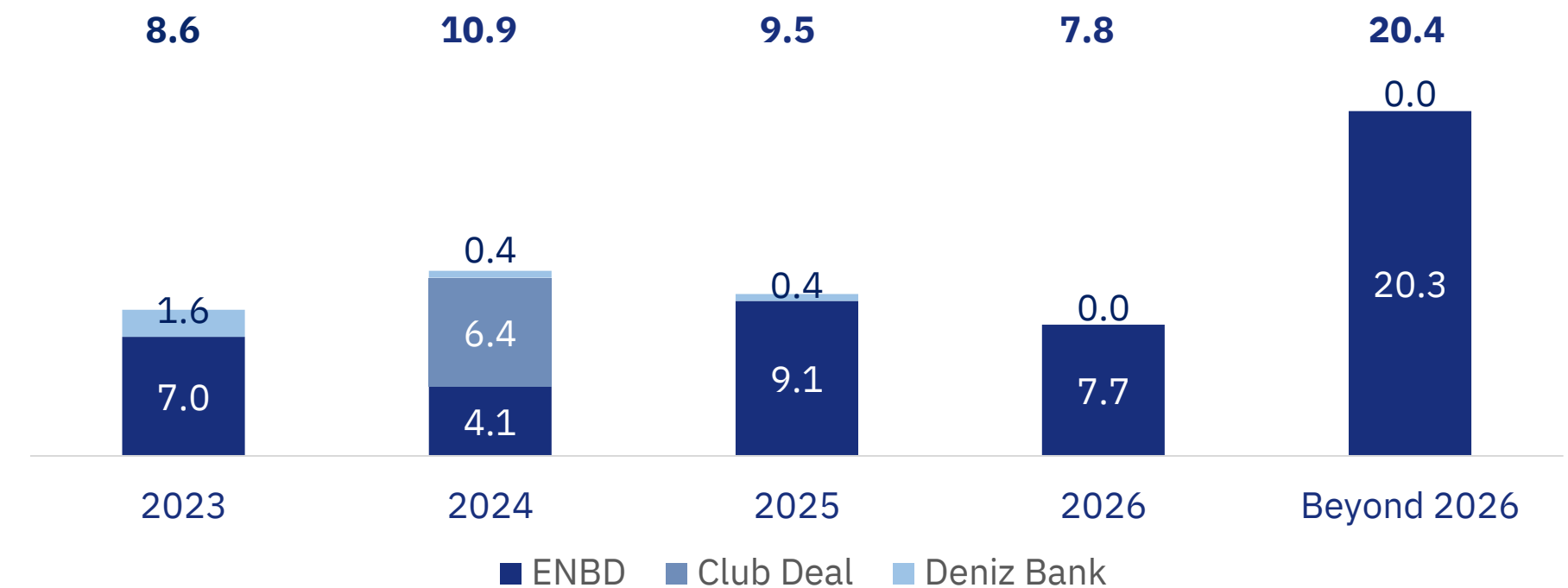


* Includes cash and deposits with Central Banks, excludes interbank balances and liquid investment securities

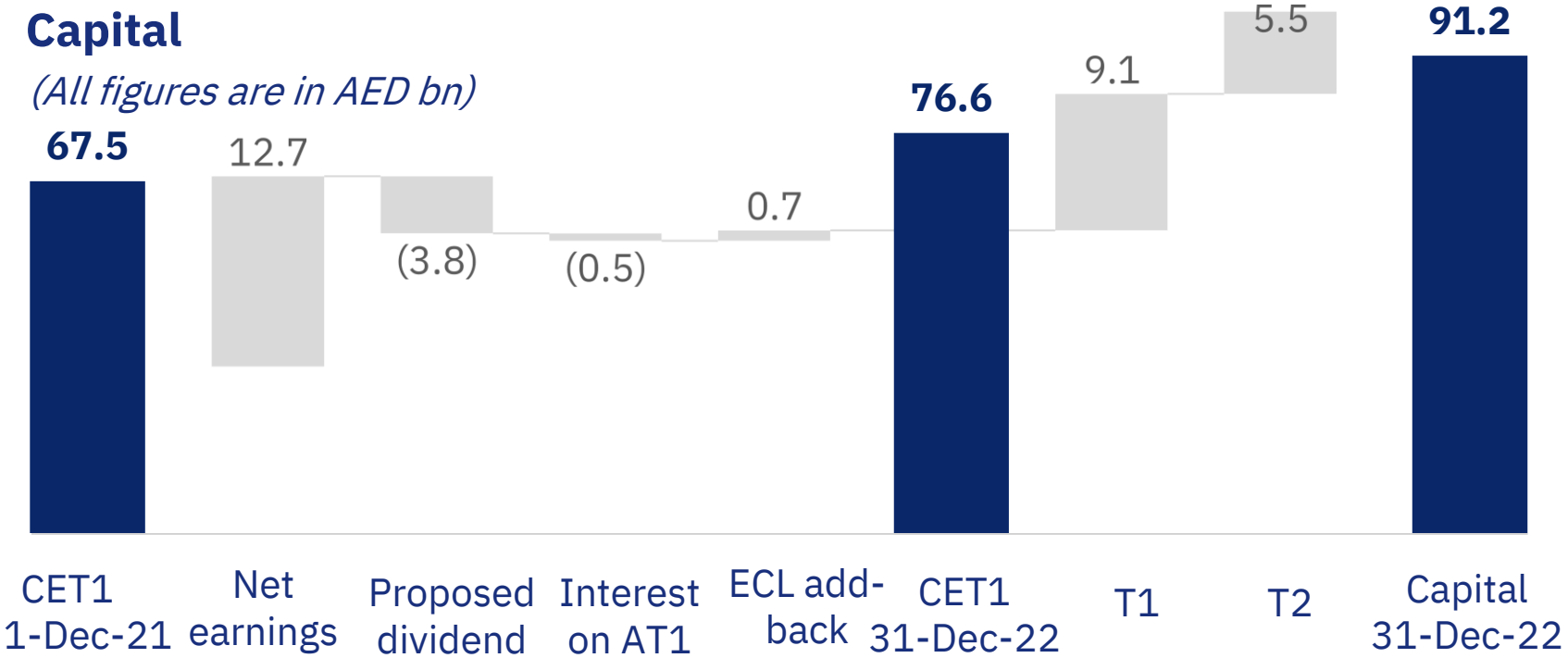
Key Highlights

- LCR of 182% and ADR of 82% demonstrate healthy liquidity
- Liquid assets* of AED 75 billion cover 12% of total liabilities, 15% of deposits
- AED 7 bn of term debt issued in 2022 despite challenging market conditions
- AED 8.6bn maturities in 2023 comfortably within Group's issuance capabilities
- Emirates NBD successfully issued an AED 1 bn 3-year public bond in Jan-23, becoming the first issuer to access this market since UAE Ministry of Finance developed local yield curve

Maturity Profile of Debt/ Sukuk Issued AED 57.2bn



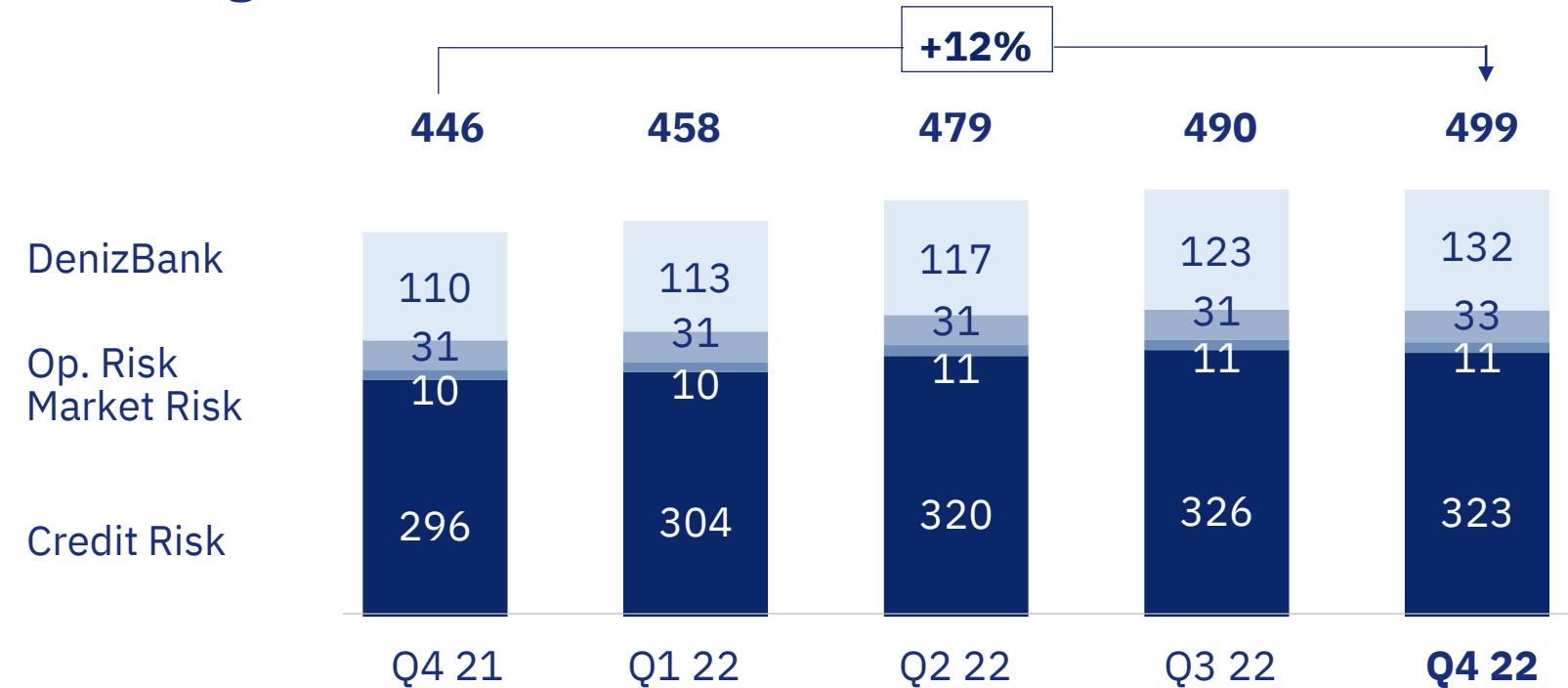
Capital ratios remain solid



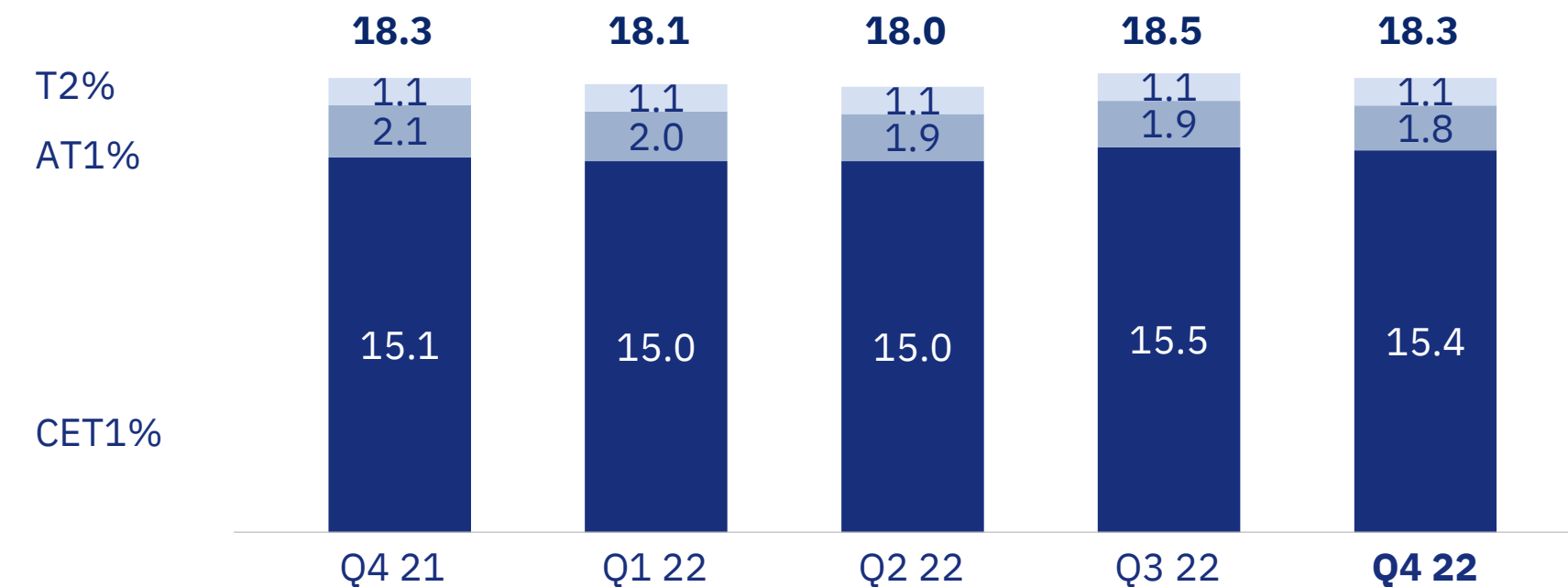
Key Highlights

- CET-1 ratio improved by 0.3% to 15.4% during 2022 as AED 8.9 bn of net earnings after proposed dividend more than offset 12% increase in RWAs
- Capital ratios well above 11% / 12.5% / 14.5% CBUAE min. requirement
- CET-1 at 14.7% excluding ECL regulatory add-back
- IAS 29 hyperinflation adjustment is capital neutral

Risk Weighted Assets (AED bn)



Capital Ratios %



Divisional Performance

Operating Segment	Metrics	FY22	%Δ YoY
Retail Banking and Wealth Management	Income (mn)	10,234	27%
	Expense (mn)	2,702	21%
	Profit (mn)	6,412	23%
	Loans (bn)	63	12%
	Deposits (bn)	215	20%
Corporate and Institutional Banking	Income (mn)	5,574	(2)%
	Expense (mn)	595	10%
	Profit (mn)	3,291	5%
	Loans (bn)	271	(7)%
	Deposits (bn)	150	4%
Emirates Islamic	Income (mn)	3,182	33%
	Expense (mn)	1,539	29%
	Profit (mn)	1,240	51%
	Loans (bn)	53	13%
	Deposits (bn)	56	19%
Global Markets and Treasury	Income (mn)	1,773	<100%
	Expense (mn)	165	4%
	Profit (mn)	1,523	<100%
DenizBank	Income (mn)	10,562	50%
	Expense (mn)	2,448	11%
	Profit (mn)	1,585	(4)%
	Loans (bn)	69	7%
	Deposits (bn)	82	19%

Key Highlights

Retail Banking and Wealth Management

- Strong loan growth in 2022 with Loan origination up 39%, Credit Card acquisitions up 100% and Card spends up 31 % y-o-y
- Lending increased by AED 7 bn and CASA grew by AED 27 bn in 2022
- Income up 27% with fee income growing by 34%
- Rollout of enhanced mobile banking app 'ENBD X'; delivering a new standard in customer service
- Enhanced credit card and personal loan application process, enabling instant approval
- Successful launch of series of Strategic Investment Funds supporting investment into IPOs in UAE
- Launched DEWA, TECOM and Salik IPO portal on the Emirates NBD website with real time direct integration with DFM for new investors

Corporate and Institutional Banking

- Lead delivery of over AED 31 bn IPOs supporting growth in Dubai economy, with end-to-end IPO subscription website offering real-time on-boarding through state-of-the-art fully digital platform
- Implemented cutting-edge new businessONLINE platform
- Profit 5% higher from increased ECM, Trade Finance and Treasury sales income and lower provisions
- AED 50 bn of new lending offset substantial contractual repayments
- Continued focus on improving funding cost by growing CASA balances and retiring expensive deposits

Emirates Islamic

- Net profit up 51% y-o-y to record AED 1.2bn on higher income
- Gross Customer financing at AED 53 bn, increased 13% from 2021, and customer deposits increased 19% in FY22 with CASA now 74% of total deposits

Global Markets and Treasury (GM&T)

- GM&T delivered outstanding performance with profit surpassing AED 1.5 bn mark for first time ever
- NII grew as balance sheet positioned for rate rises and increase in banking book investment income
- NFI doubled on strong Trading performance and Sales grew revenue by 55% on strong client FX flows
- International Treasuries doubled their revenue contribution.
- GM&T were one of the most active primary dealers for T-Bonds issued by Ministry of Finance.

DenizBank

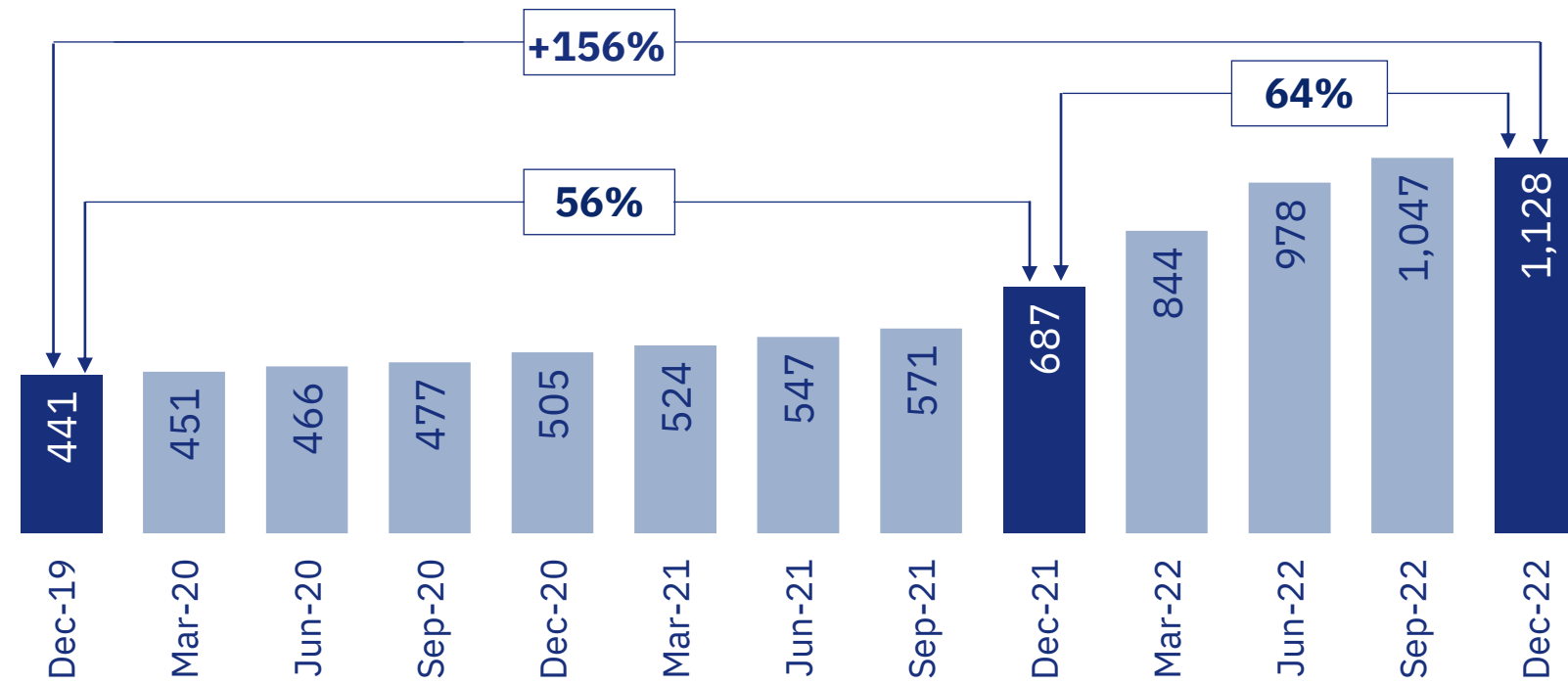
- Stable profit as income up 50% by AED 3.5 billion and Impairment allowances AED 1.0 billion lower on strong writebacks and recoveries helping offset AED 3.1 billion hyperinflation adjustment

Appendix



Hyperinflation

Türkiye Consumer Price Index

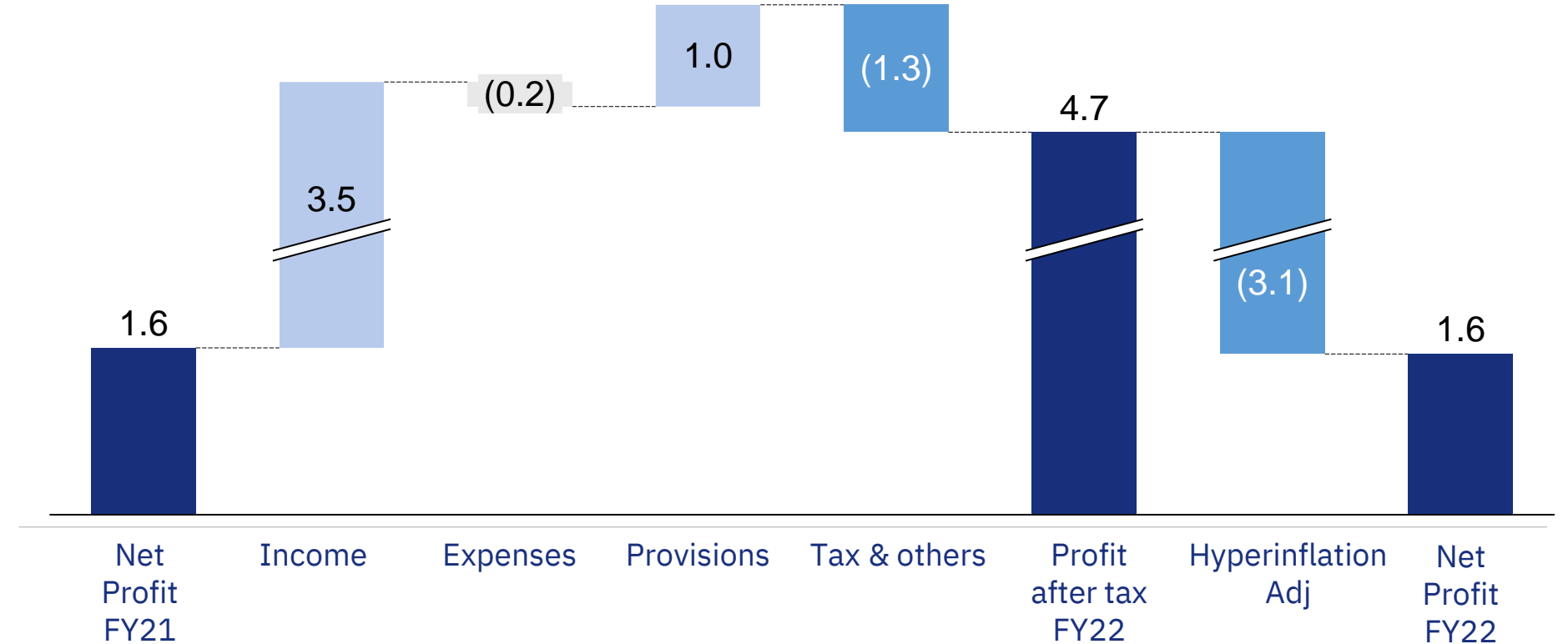


- Turkish CPI grew by 156% over preceding three-years and by 64% in 2022
- DenizBank's results and financial position included within ENBD's consolidated Financial Statements are adjusted with effect from 1-Jan-22



Key Highlights

- Loss on net monetary position for DenizBank was AED 3.1 bn for 2022
- AED 3.1 bn debit P&L charge with corresponding credit offset to OCI making it capital neutral



- AED 0.6 bn credit to equity representing the impact of indexing non-monetary items from date of acquisition until 31-Dec-21
- The positive impact on capital of 17 bps from hyperinflation adjustment is excluded from capital adequacy computations
- Group EPS for 2022, excluding hyperinflation adjustment, is 79% higher at AED 2.47 compared to 1.38 for FY21
- Hyperinflation accounting not mandated by local regulator in 2022

Income Statement



Income Statement (All figures are in AED bn)

	Emirates NBD			Emirates NBD Excluding DenizBank			DenizBank		
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Net interest income	23.2	16.9	37%	15.7	11.7	34%	7.6	5.3	43%
Non-funded income	9.3	6.9	35%	6.3	5.1	22%	3.0	1.8	70%
Total income	32.5	23.8	36%	21.9	16.8	31%	10.6	7.0	50%
Operating expenses	(9.3)	(8.0)	16%	(6.8)	(5.8)	18%	(2.4)	(2.2)	11%
Pre-impairment operating profit	23.3	15.8	47%	15.1	11.0	38%	8.1	4.8	68%
Impairment allowances	(5.2)	(5.9)	(12)%	(3.5)	(3.2)	9%	(1.7)	(2.7)	(37)%
Tax and others	(2.0)	(0.6)	214%	(0.2)	(0.1)	54%	(1.7)	(0.5)	267%
Profit after tax & before hyperinflation	16.1	9.3	73%	11.4	7.7	49%	4.7	1.6	185%
Hyperinflation adjustment	(3.1)	-	-	-	-	-	(3.1)	-	-
Net profit	13.0	9.3	40%	11.4	7.7	49%	1.5	1.6	(4)%
Cost: income ratio	28.5%	33.5%	(5.0)%	31.1%	34.5%	(3.4)%	23.0%	31.2%	(8.2)%
NIM	3.43%	2.53%	90 bps	2.77%	2.13%	64 bps	6.81%	4.35%	246 bps

US\$ convenience translation



Income Statement (All figures are in USD bn)

	Emirates NBD			Emirates NBD Excluding DenizBank		DenizBank	
	FY 22	FY 21	%Δ YoY	FY 22	%Δ YoY	FY 22	%Δ YoY
Net interest income	6.3	4.6	37%	4.3	34%	2.1	43%
Non-funded income	2.5	1.9	35%	1.7	22%	0.8	70%
Total income	8.9	6.5	36%	6.0	31%	2.9	50%
Operating expenses	(2.5)	(2.2)	16%	(1.9)	18%	(0.7)	11%
Pre-impairment operating profit	6.3	4.3	47%	4.1	38%	2.2	68%
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Hyperinflation adjustment	(0.8)	-	-	-	-	(0.8)	-
Net profit	3.5	2.5	40%	3.1	49%	0.4	(4)%
Cost: income ratio	28.5%	33.5%	(5.0)%	31.1%	(3.4)%	23.0%	(8.2)%
NIM	3.43%	2.53%	90 bps	2.77%	64 bps	6.81%	246 bps

US\$ convenience translation

Income Statement <i>(All figures are in USD bn)</i>	Q4-22	Q4-21	%Δ YoY	Q3-22	%Δ QoQ
Net interest income	2.1	1.2	78%	1.7	27%
Non-funded income	0.6	0.6	(3)%	0.7	(12)%
Total income	2.7	1.8	50%	2.3	16%
Operating expenses	(0.8)	(0.6)	26%	(0.6)	23%
Pre-impairment operating profit	1.9	1.1	64%	1.7	13%
Impairment allowances	(0.5)	(0.6)	(12)%	(0.4)	40%
Tax and others	(0.1)	0.0	697%	(0.1)	7%
Profit after tax and before hyperinflation	1.3	0.5	128%	1.2	6%
Hyperinflation adjustment	(0.2)	-	-	(0.1)	28%
Net profit	1.1	0.5	94%	1.0	3%
Cost: income ratio	29.1%	34.8%	(5.7)%	27.4%	1.7%
NIM	4.40%	2.59%	181 bps	3.57%	83 bps
Balance Sheet <i>(All figures are in USD bn)</i>	31-Dec-22	31-Dec-21	%Δ	30-Sep-22	%Δ
Total assets	202	187	8%	196	3%
Loans (excluding Sovereign)	93	84	12%	93	-
Sovereign lending	31	41	(27)%	31	(1)%
Total Gross Loans	124	125	(1)%	125	-
Deposits	137	124	10%	131	5%
CET-1 (%)	15.4%	15.1%	0.3%	15.5%	(0.1)%
LCR (%)	182%	178%	4%	152%	30%
NPL ratio (%)	6.0%	6.3%	(0.3)%	5.8%	0.2%

