

Investor Presentation

2nd Quarter / 1st Half - 2011



بنك أبوظبي الوطني
NATIONAL BANK OF ABU DHABI
The Number One Bank البنك الرائد PJSC ش.م.ع



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UAE economic overview

UAE Overview

UAE Overview A Federation of seven Emirates (Abu Dhabi being the capital)
Headed by the President (Ruler of Abu Dhabi; Ruler of Dubai is the Vice President)

- Key Facts**
- Rating: **Moody's (Aa2 stable), S&P (AA stable) +, Fitch (AA stable)+**
 - 2nd largest economy in GCC and the Arab world** (after Saudi Arabia)*
 - 7.4% of proven global oil reserves** which generates 1/3 of UAE's GDP (2009)
 - UAE Banking sector offers the largest asset base within the GCC (**NBAD is 4th largest bank by assets in the MENA region**)
 - UAE banking sector is dominated by domestic players domiciled within the market

+ S&P and Fitch do not rate UAE; the ratings above reflect their ratings on the Emirate of Abu Dhabi

* Nominal GDP rankings by IMF (2010)

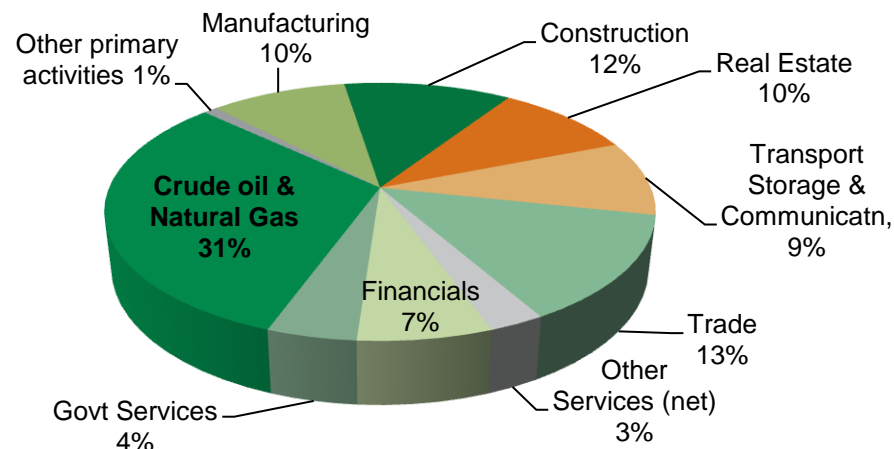
Source: Bloomberg, IMF, UAE Central Bank, US Energy Information Administration

Key Economic Indicators

| 2010 Estimates (in US\$ bn) | UAE | New Zealand | Singapore | Malaysia |
|--|-------|-------------|-----------|----------|
| Nominal GDP | 297.9 | 140.4 | 222.7 | 238.0 |
| Real GDP growth (% change yoy) | 1.4 | 1.5 | 14.5 | 7.2 |
| Exports of goods & services | 212 | 41 | 347.9 | 182 |
| Imports of goods & services | 162 | 39 | 306.2 | 141 |
| Population (mn) | 5.1 | 4.4 | 5.2 | 28.3 |

Source: IMF, World Economic Outlook Database, IIF, UAE Central Bank, Ministry of Economy, National Bureau of Statistics (UAE), NBAD Research
(Exchange Rate: 1 USD = 3.673 AED)

UAE GDP (Real) Split by Sector



Source: National Bureau of Statistics, Economic Report 2010 (at 2007 constant prices)

Abu Dhabi – The Capital

Abu Dhabi Key Economic Indicators

| | |
|--|--|
| Credit Rating | Aa2 (Moody's) / AA (S&P) / AA (Fitch) |
| Size | Abu Dhabi accounts for 87% of UAE's land area |
| Population | 1.57mn (mid-2008) |
| Nominal GDP | US\$ 168.9bn (+15.9% in 2010) |
| GDP Per Capita | US\$ 85,843 (2010) (<i>3rd highest in the world – IMF</i>) |
| Oil & Gas as a % of GDP | 49.7% (2010 nominal GDP) |
| Crude Oil | |
| -- Production | Approx 2.3mn bpd (2010) |
| -- Reserves | 92 bn barrels; (Global ranking - 6th) |
| Principal Contributors to Nominal GDP | Real Estate & Construction (22%), Trade, Services & Logistics (13%), FIs & Insurance (6%), Manufacturing (6%), Govt Services (4%) – contribute ~ 50% to Abu Dhabi's GDP |
| Abu Dhabi "2030 Economic Vision" | Initiative by the Government of Abu Dhabi to develop and diversify the economy beyond oil revenues |
| Future Developments | Future major developments in line with Abu Dhabi Economic Vision 2030 covering all sectors for the next 3 years have an estimated value of US\$ 200bn (Abu Dhabi's Urban Planning Council) |

Source: Department of Planning and Economy, IMF, UAE Central Bank, NBAD Research, ADCCI, DCCI, DPE, Statistics Centre – Abu Dhabi (All figures as of 2009, unless stated)



Top – An artists impression of Sowwah Island (Central Business & Financial District)
Below – KIZAD (Khalifa Industrial Zone Abu Dhabi) masterplan

The UAE banking sector

| UAE banking sector (in USD bn) | 2009 | 2010 | June 2011 _{est} |
|--|-------|-------|-----------------------------|
| Total Assets ¹ | 413.6 | 437.1 | 464.7 |
| Certificates of Deposit held by Banks | 19.6 | 25.6 | 32.1 |
| Investments by Banks | 32.4 | 33.8 | 39.0 |
| Deposits ² | 267.5 | 285.8 | 306.6 |
| Bank Credit ³ | 277.1 | 280.8 | 287.6 |
| Specific Provisions | 8.9 | 12.1 | 12.9 |
| General Provisions | 2.9 | 3.4 | 3.9 |
| Capital Adequacy Ratio | 19.2% | 20.8% | 21.0% |
| Banks & Branches⁴ | | | |
| National Banks (23) | 795 | 867 | 881 |
| Foreign Banks (28) | 154 | 162 | 159 |

Source: UAE Central Bank

1 Net of provisions and interest in suspense

2 Excluding Inter-bank deposits

3 Excluding loans to banks, provisions & interest in suspense

4 Includes head offices, branches, pay offices, EBU's

| Country | Latest (2011) | Growth (YoY) | Banking Sector Assets (USD bn) |
|--------------|------------------|-----------------|-----------------------------------|
| UAE | Jun | 10.9% | 464.7 |
| S. Arabia | Jun | 9.0% | 401.8 |
| Bahrain | May | (5.7)% | 197.5 |
| Kuwait | Jun | 3.0% | 149.6 |
| Qatar | Jun | 22.9% | 170.8 |
| Oman | Apr | 6.8% | 41.0 |
| GCC Estimate | | 8.0% | 1,425.4 |

Source: Central Banks of respective countries

NBAD at a glance

| | |
|---|--|
| ➤ | Banker to the Abu Dhabi Government |
| ➤ | 70% owned by the Government of Abu Dhabi through ADIC (Abu Dhabi Investment Council) |
| ➤ | Flagship bank for Abu Dhabi |
| ➤ | Consistent profitability and value creation to shareholders |
| ➤ | Well positioned for growth from global economic recovery |
| ➤ | ‘Safest Bank in the Middle East’* - highest rated bank in the Middle East |
| ➤ | Clear and focused strategy for growth |
| ➤ | Largest international presence among the UAE banks |

* By Global Finance – Safest Bank in Middle East in 2011; Among the World's 50 Safest Banks 3 years in a row (2009-11)

NBAD at a glance (cont'd)

Overview

- Incorporated in **1968** to serve as Banker to the Emirate of Abu Dhabi
- Owned (**70.48%**) by **Government of Abu Dhabi**, via the Abu Dhabi Investment Council (ADIC)
- Listed on Abu Dhabi Securities Exchange (ADX)

Credit Rating

| | Fitch | Moody's | S&P | RAM (Malaysia) | R&I (Japan) |
|----------------|--------|---------|--------|-------------------|----------------|
| LT | AA- | Aa3 | A+ | AAA | A+ |
| ST | F1+ | P-1 | A-1 | P1 | |
| Outlook | Stable | Stable | Stable | Stable | Stable |

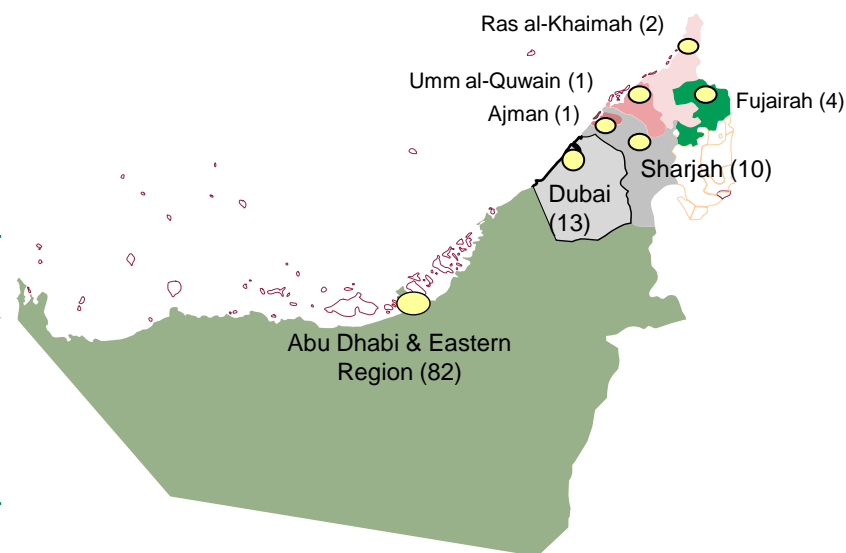
Presence

- UAE - 113 branches*, 462 ATMs+ in all the 7 emirates
- Egypt – 28 branches*, 44 ATMs
- Other Overseas – 22 units*, 19 ATMs

Stock Info

(Price as of 30 Jun 2011; ratios based on 1H'11 financials)

| | |
|-----------------------------------|-------------------------|
| Market Cap (Price @ AED 10.95) | AED 31.4bn (US\$ 8.6bn) |
| Diluted EPS (1H 2011) | 0.62 |
| PE Ratio | 8.6 |
| Price / Book | 1.5 |
| Shares Issued (@ AED 1) | 2,870 mn |
| Free float: | 29.5% (Non-UAE – 2.1%) |



Most international bank in UAE

*Including cash offices, NBAD Suisse subsidiary, offshore units & representative office in Libya
+ includes Cash deposit machines

A diversified business model

| National Bank of Abu Dhabi | | | | | |
|---|--|--|---|---|---|
| Domestic Banking | Financial Markets | International Banking | Corporate & Investment Banking | Global Wealth | Islamic Banking |
| <ul style="list-style-type: none"> ▶ Consumer Banking ▶ Elite Banking ▶ Business Banking (SME) | <ul style="list-style-type: none"> ▶ Liquidity management & Interest rate products ▶ Institutional & Corporate Coverage ▶ Proprietary trading & Investments group | <ul style="list-style-type: none"> ▶ Arab World Banking <ul style="list-style-type: none"> – Egypt Network – Oman Network – Sudan Network – Bahrain – Kuwait – Libya – Jordan ▶ International Banking <ul style="list-style-type: none"> – United Kingdom – France – USA – Hong Kong/ China | <ul style="list-style-type: none"> ▶ Corporate Banking Group ▶ Wholesale Banking Group <ul style="list-style-type: none"> – Global Project & Structured Finance – Syndications & Specialised Portfolio – Financial Institutions Dept – Global Trade Finance – Global Cash Management ▶ Investment Banking Group <ul style="list-style-type: none"> – DCM – ECM – Advisory ▶ Private Equity ▶ Abu Dhabi National Property - Real Estate ▶ Abu Dhabi National Leasing – Leasing ▶ Special Asset Advisory | <ul style="list-style-type: none"> ▶ Private Banking ▶ Asset Management Group <ul style="list-style-type: none"> – Local and Global Funds – Discretionary Portfolio Management ▶ Abu Dhabi Financial Services <ul style="list-style-type: none"> – Brokerage services ▶ Custody services | <ul style="list-style-type: none"> ▶ Abu Dhabi National Islamic Finance ▶ NBAD Islamic Division |
| Head Office * | | | | | |

* Support functions: Audit, Compliance, Finance, Human Resources, Information Technology, Legal, Operations, Risk Management, Investor Relations, Corporate Communications, Strategic Planning, Securities Services, Corporate Governance & Economic Research

Core strategy

Our Vision

To be recognised as the World's Best Arab bank

Global Rules

- Put the client at the heart of the business
- Build rather than buy
- Ensure adequate liquidity
- Prudent approach to lending
- Develop and grow our fee income generating businesses
- Maintain a strong capital base and conservative capital adequacy ratios
- Attract, select and retain top tier staff across all businesses
- Remain as the Abu Dhabi flagship bank

Competitive landscape

Peer Group Analysis for the 1st Half of 2011

| | | E-NBD | ADCB | FGB | Mashreq | NBAD | Comments* |
|--|-------|-------|------|-------|---------|-------|--|
| Return on Shareholders' Funds[#] (annualised) | % | 4.7 | 5.9 | 15.7 | 9.3 | 17.7 | 1 st in providing RoSF to its shareholders |
| Attributable Profit[#] | AEDm | 843 | 595 | 1,765 | 534 | 1,953 | 1 st amongst UAE banks |
| Cost Base | AEDm | 1,680 | 987 | 558 | 914 | 1,188 | 2 nd lowest cost to income ratio [#] amongst UAE banks |
| Total Assets | AEDbn | 288 | 179 | 149 | 85 | 247 | 2 nd highest amongst UAE banks |
| Total Equity | AEDbn | 35.0 | 21.5 | 25.0 | 12.6 | 25.3 | 2 nd highest amongst UAE banks |
| Customer Loans | AEDbn | 193 | 117 | 99 | 38 | 153 | 2 nd highest amongst UAE banks |
| Customer Deposits | AEDbn | 201 | 106 | 100 | 52 | 147 | 2 nd highest amongst UAE banks |

*Comments based on the sample of the 5 largest (asset-based) UAE commercial banks

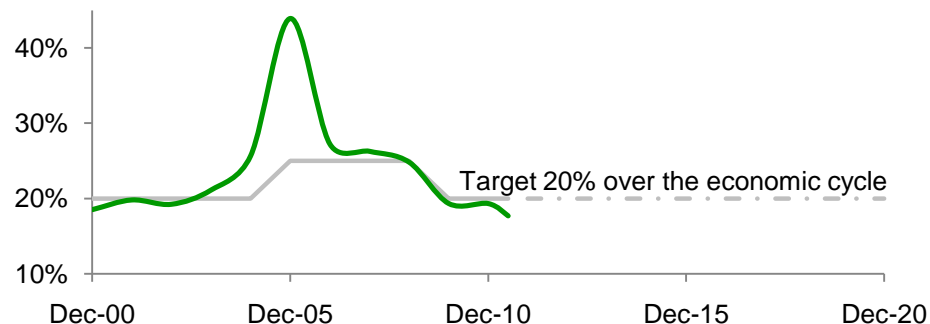
•Figures may have been reclassified/recalculated for comparative analysis

adjusted for exceptional items

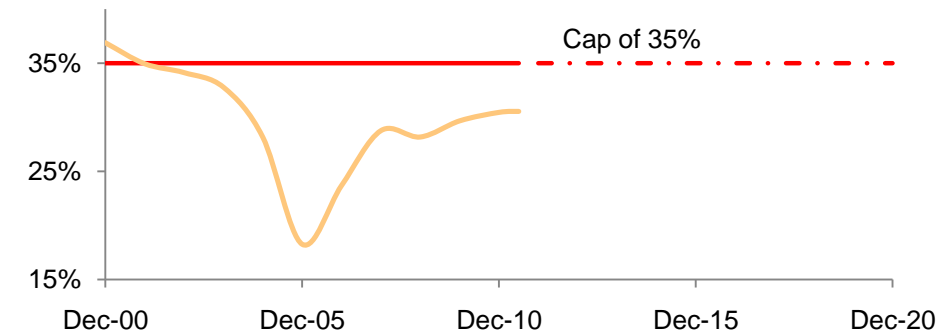
•Source: Financial Statements for the period as at 30 June 2011 for First Gulf Bank, Emirates-NBD, Abu Dhabi Commercial Bank, Mashreq and National Bank of Abu Dhabi

Financial objectives

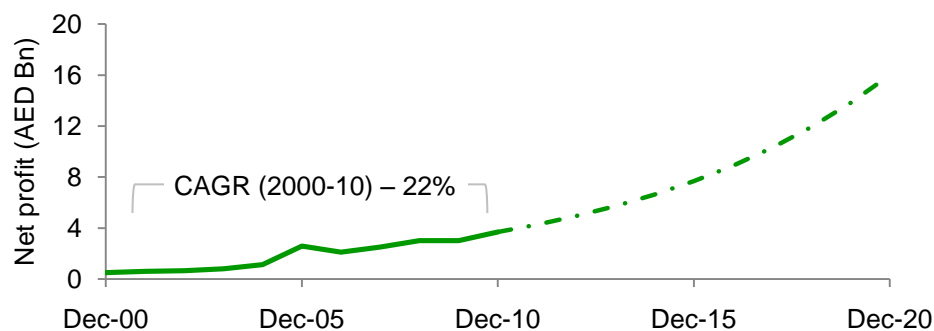
Return on Shareholders' Funds – 20% over the medium-term



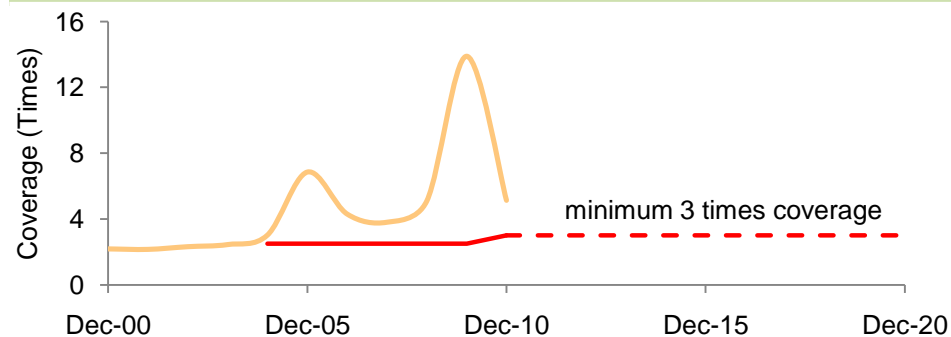
Cost to Income ratio – 35% cap in the medium-term



Earnings growth – targeted at 16% CAGR from 2010-2020



Cash Dividends – min 3x covered by Net profits



Non – Interest income

Target non-interest income to 35% as a proportion of the total operating income

Capital adequacy

Maintain ratio above current UAE Central Bank minimum requirement of 12% (8% on Tier-1)

Salient features of 2Q / 1H 2011 results



2nd quarter net profit at AED 1,026 million, 2.5% higher on 2nd quarter in 2010



Net profits for the first half at AED 1,953 million, lower by 4% than first half of 2010



2nd quarter profits increased on higher lending volumes; slight decline in 1st half profits due to higher provisioning



Increasing top-line revenues for last six quarters



Return on shareholders' funds at 17.7%



Strong balance sheet growth and adequately liquid for further growth

1H 2011 – Balance sheet highlights

- ❑ **Assets** up by 16.6% mainly driven by the growth in deposits
- ❑ **Loans and advances** grew strongly by 11.8% in the first half; up 6.8% in the 2nd quarter
- ❑ **Customer deposits** continued to grow by 4.4% in the 2nd quarter as well after increasing 14.6% in the 1st quarter
- ❑ **Capital resources** up 3.9% after payment of dividends - AED 120mn on GoAD Tier-I capital notes and AED 718mn to shareholders as a cash dividend for 2010

| Consolidated Balance Sheet | 30 Jun'11 (AED bn) | % chg (vs Dec'10) | % chg (vs Jun'10) |
|----------------------------|-----------------------|----------------------|----------------------|
| Assets | 246.5 | ↑ 17% | ↑ 22% |
| Loans & Advances | 153.0 | ↑ 12% | ↑ 13% |
| Customers' Deposits | 147.2 | ↑ 20% | ↑ 31% |
| Shareholders' funds* | 21.3 | ↑ 6% | ↑ 16% |
| Total Capital resources | 33.7 | ↑ 4% | ↑ 10% |

* Excludes AED 4bn Government of Abu Dhabi (GoAD) Tier-I capital notes

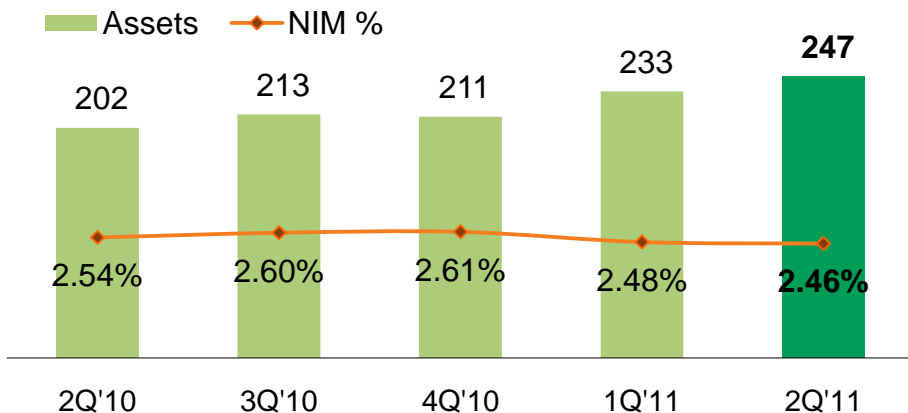
1H 2011 – Income statement highlights

- ❑ **Operating income** up by 9.6% on higher net interest income (up 13%) and higher net fees and commissions (up 7%)
- ❑ **Operating expenses** rose by 18% on organic growth and continued investment in our businesses; cost-income ratio at 30.5% still within the cap of 35%
- ❑ **Impairment charges** were higher due to conservative provisioning – higher collective and specific provisions
- ❑ **Net profits** lower mainly due to higher provisions; nevertheless top line revenues, operating profits continue to pace higher

| Consolidated Income Statement | 1H 2011 (AED mn) | 1H 2010 (AED mn) | % chg |
|-------------------------------|---------------------|---------------------|-------|
| Operating Income | 3,888 | 3,548 | ↑ 10% |
| Operating expenses | 1,188 | 1,004 | ↑ 18% |
| Operating Profits | 2,701 | 2,544 | ↑ 6% |
| Impairment charges, net | 696 | 463 | ↑ 50% |
| Net profits | 1,953 | 2,032 | ↓ 4% |

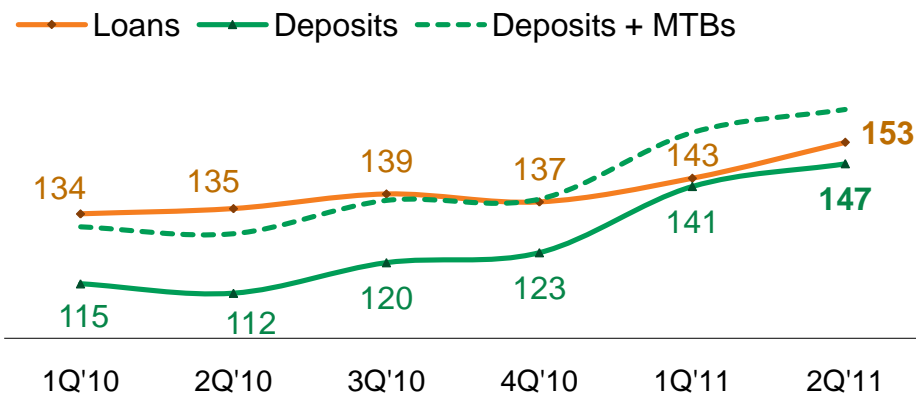
Assets

Assets (AED bn) and Net Interest Margins* (%)

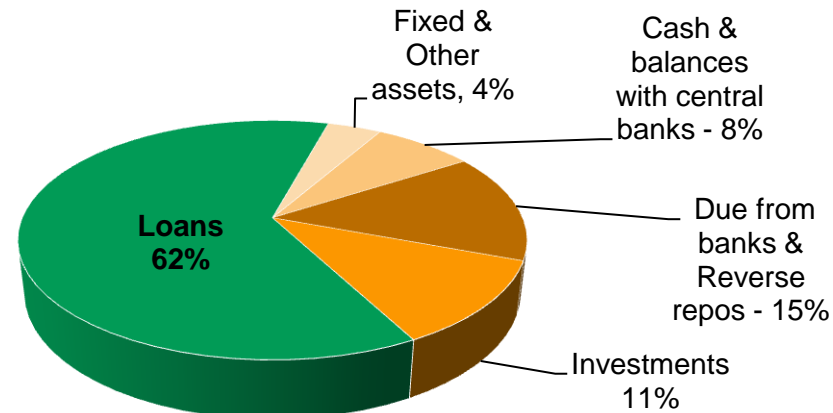


*Based on period end figures for Net Interest Income (annualised) and Average Assets for the period

Loans & Customer Deposits (AED bn)



Composition of Assets – AED 247bn (1H 2011)

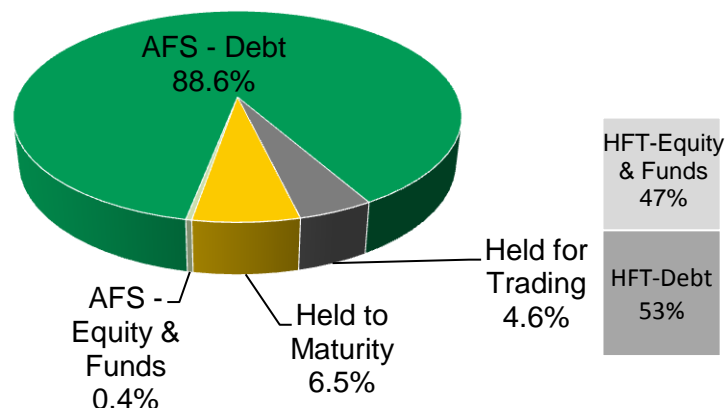


Key points

- NIMs* at **2.49%** in 1H'11, slight lower than 2.53% for 1H'10; and lower than 2.57% for the full year 2010
- Regulatory loans to stable resources ratio within stipulated UAE Central Bank cap
- Optical loans to deposits ratio at **104%** at 1H'11; emphasis on increasing stable/medium-term borrowings

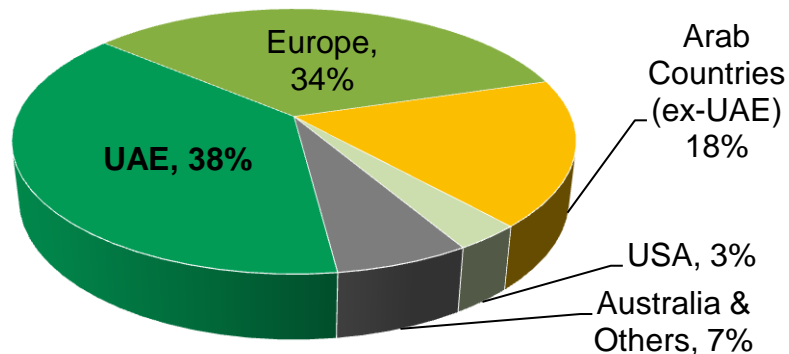
Investments

Investments – AED 28.4bn



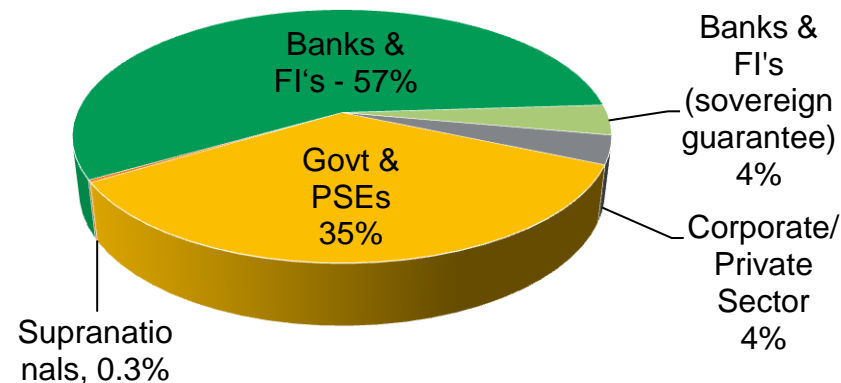
• HFT – AED 1.3bn ; HTM – AED 1.8bn ; AFS – AED 25.3bn

AFS investments by region



* Based on location of the issuer of the security or parent in case of SPV's

AFS investments by issuer

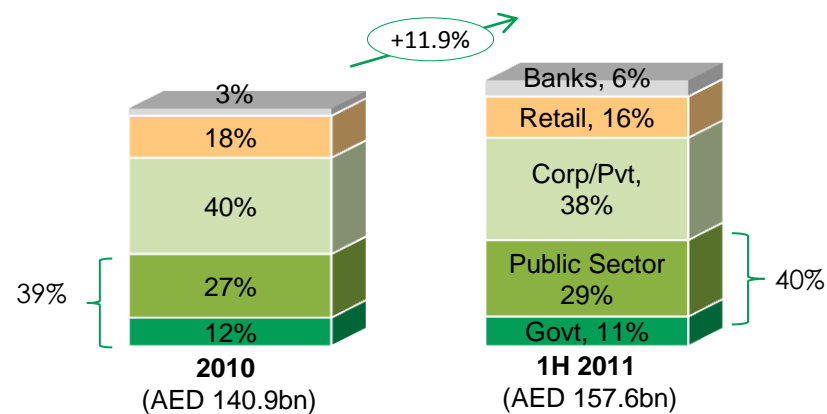


Key points

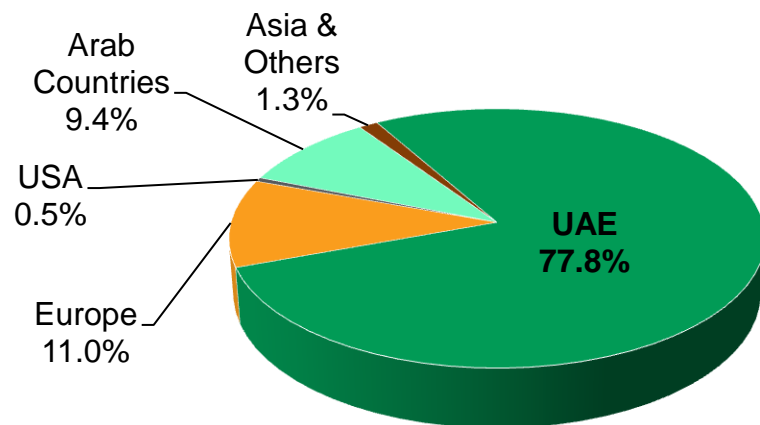
- More than two-thirds (2/3rd) of Available for Sale (AFS) investments are rated AA & above
- Debt instruments include corporate and banks, treasury bills and government bonds

Loans and advances

Loans (gross) by customer type

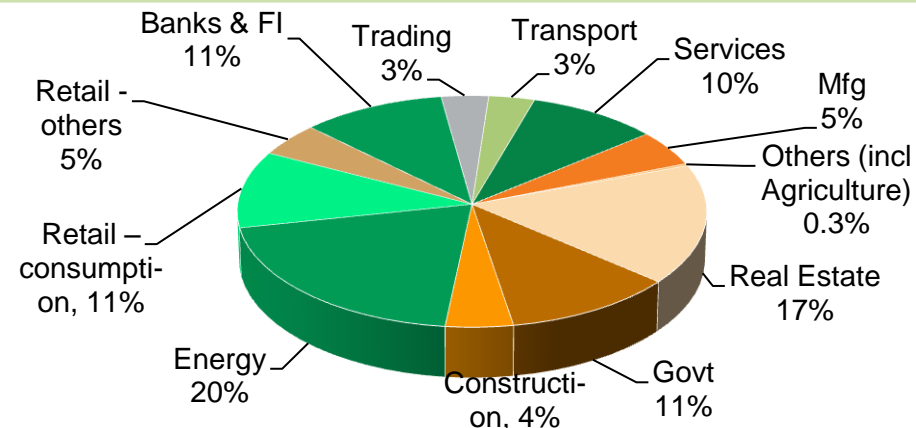


Loans by geography (2010)



* Based on residential status of borrower

Loans (gross) by economic sector



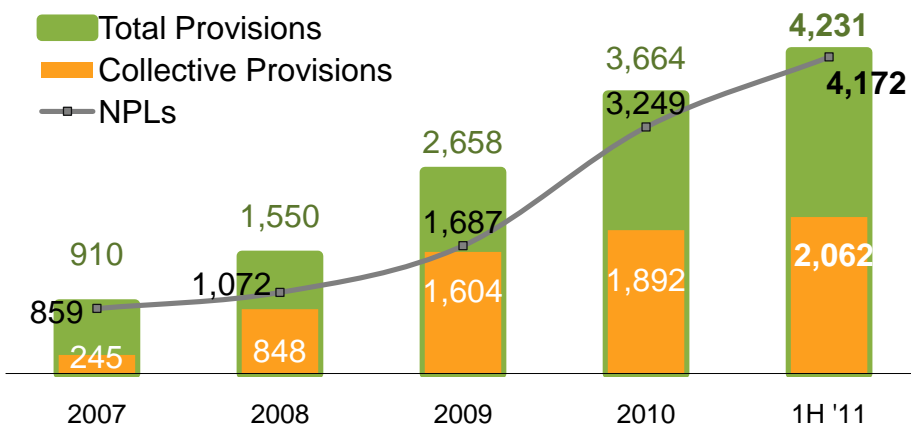
• Diversified portfolio across economic sectors

Key points

- Stronghold in Corporate & Private sector and Government related businesses
- Diversified portfolio across various sectors
- Prudent loan growth and conservative underwriting process

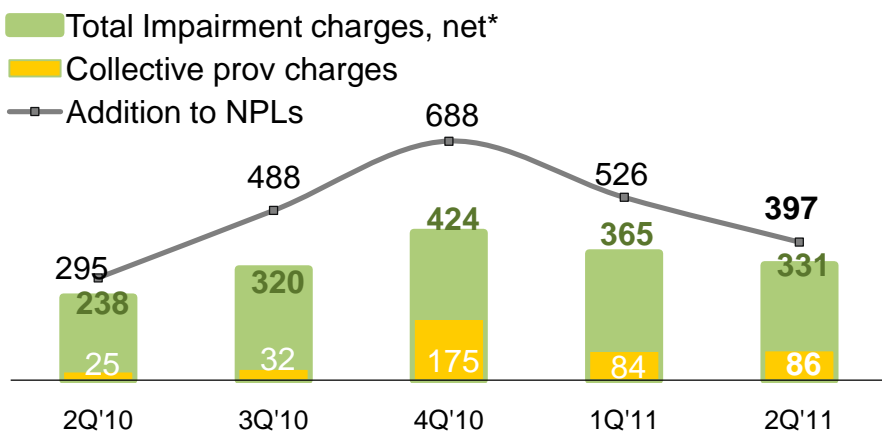
Provisions & NPLs

Provisions* & NPLs (AED mn)



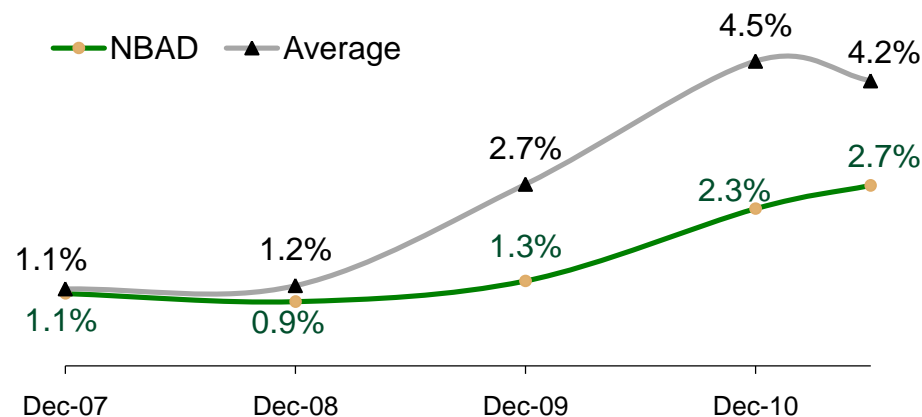
* Provisions on loans & advances - excludes all other provisions

Impairment charges & Addition to NPLs (AED mn)



* Net of recoveries, write-backs and write-offs and includes provision on investments

NPLs (NBAD vs Major UAE Banks*)



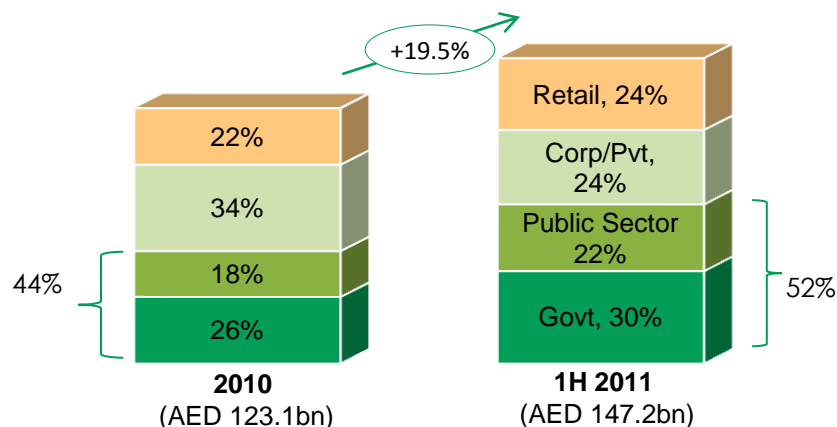
- Average NPL ratio of ENBD, NBAD, ADCB, FGB (Source: NBAD, Published financials)
- NPLs above exclude Dubai World related exposure classified as impaired by some of the banks included in the sample

Key points

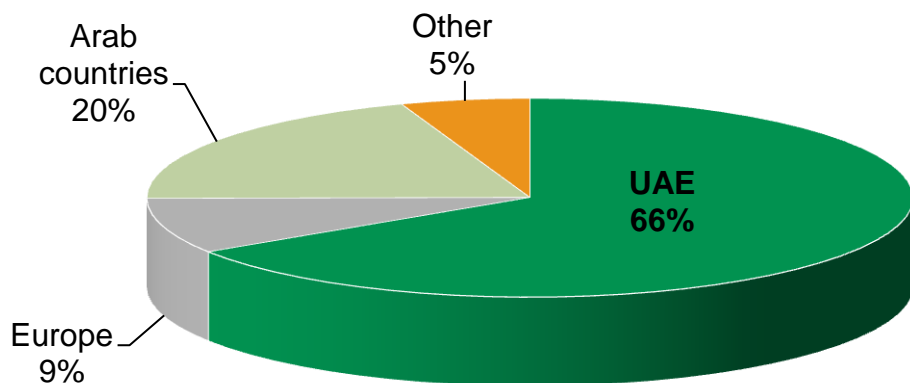
- NPLs increased by AED 923mn in 1st half of 2011 (AED 397mn in 2Q'11) to **AED 4,172mn** from AED 3,249mn at end-2010
- NPLs ratio at **2.65%** at the end of 1st half (2.3% at end-2010)
- Specific provisions at **52%** as a percentage of NPLs at the end of 1st half (2010 – 54.5%), excluding collaterals (estimated value of AED 1.7bn at 31 Dec 2010)
- Collective provisions of **AED 2,062mn** represents 1.39% of performing credit risk weighted assets (target – 1.5% by 2014 as per UAE Central Bank requirements)

Funding profile

Deposits by customer type

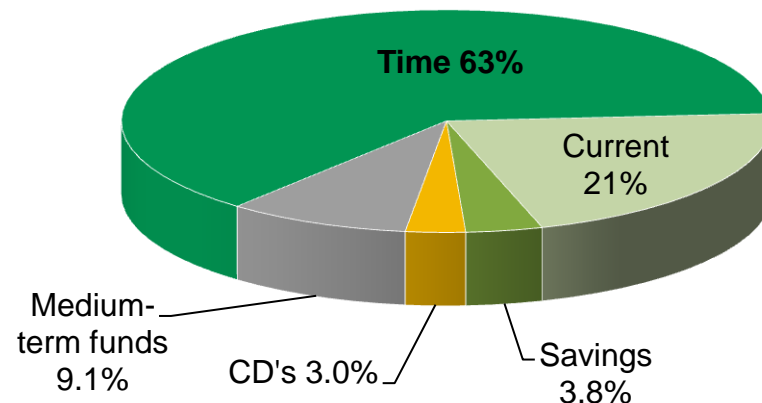


Deposits by geography (2010)



* Based on residential status of depositor

Deposits & medium-term funds by type



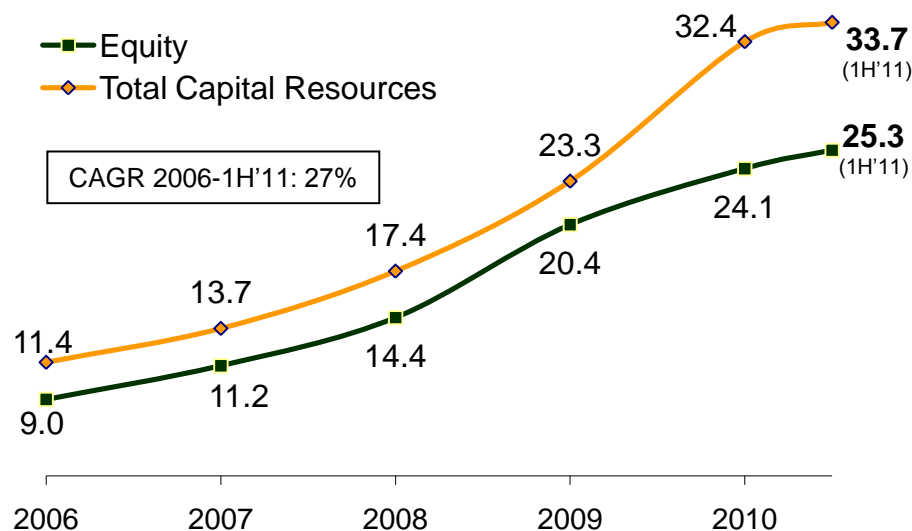
• Medium term borrowings at AED 14.7bn at Jun-2011

Key points

- Substantial funding from government & public sector entities reflecting our long standing relationship with them
- No maturities slated for 2011; AED 2.9bn to mature in 2012
- Recent benchmark issuances:
 - JPY 10bn @ 2.6% fixed issued in July 2011 for 15 years
 - MYR 500mn @ 4.9% fixed issued in Dec 2010 for 10 years
 - MYR 500mn @ 4.75% fixed issued in June 2010 for 5 years
 - USD 750mn @ 4.25% fixed issued in Mar 2010 for 5 years

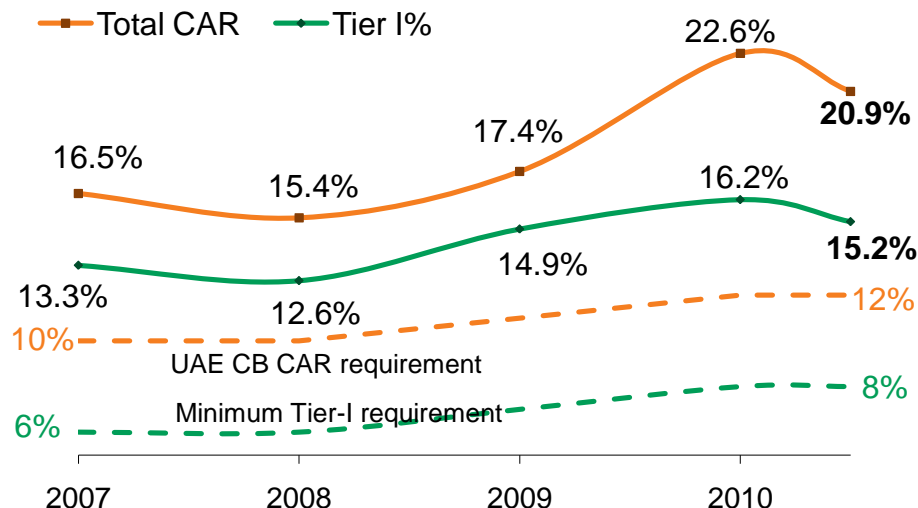
Capital

Capital resources (AED Bn)



- Capital resources at AED 33.7bn comprise of :
 - Equity of AED 25.3bn (without any property revaluation gains) includes AED 4bn Govt of Abu Dhabi Tier-I capital notes: non-dilutive, non-cumulative, perpetual; issued in March 2009
 - Subordinated notes (AED 8.4bn)
- Among the lowest leverage ratios (assets to capital resources) at 7.3x

Capital adequacy (Basel-II)

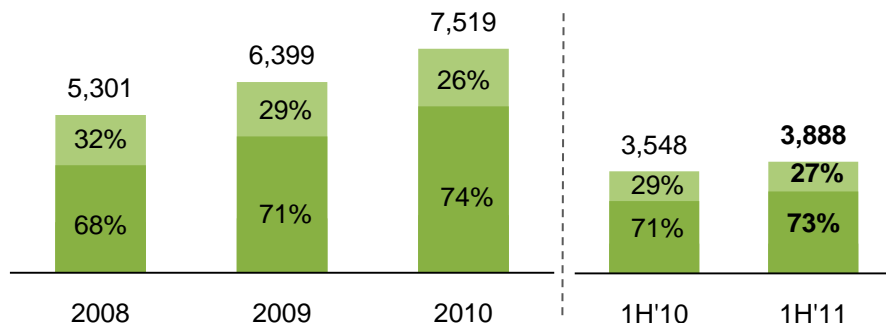


- UAE Central bank's minimum capital adequacy requirements increased to 12% as of June 2010 (8% on Tier-I)
- Capital Adequacy ratio (Basel-II) at 30 Jun 2011 at 20.9% (on Tier-I – 15.2%) well above the Basel-II and UAE Central Bank's minimum requirements

Income statement

Operating income (AED mn)

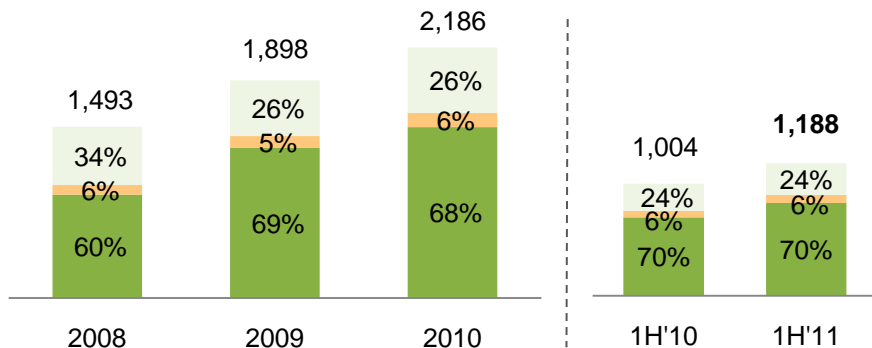
- Fees, Commissions & other non-interest income
- Net interest income & net income from Islamic financing



- 13% growth in net interest income in 1H'11 over 1H'10

Operating expenses (AED mn)

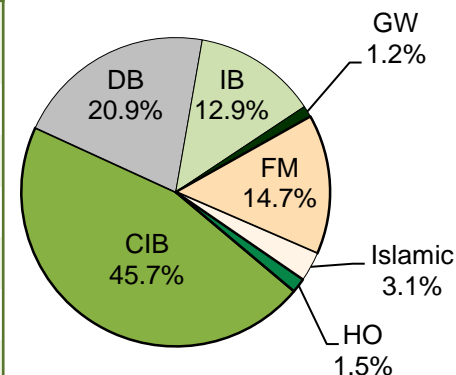
- Staff costs
- Depreciation
- Others



- Cost-income ratio remains within our medium-term cap of 35%, while organic growth continues

Operating profits by business segment – 1H'11 (AED mn)

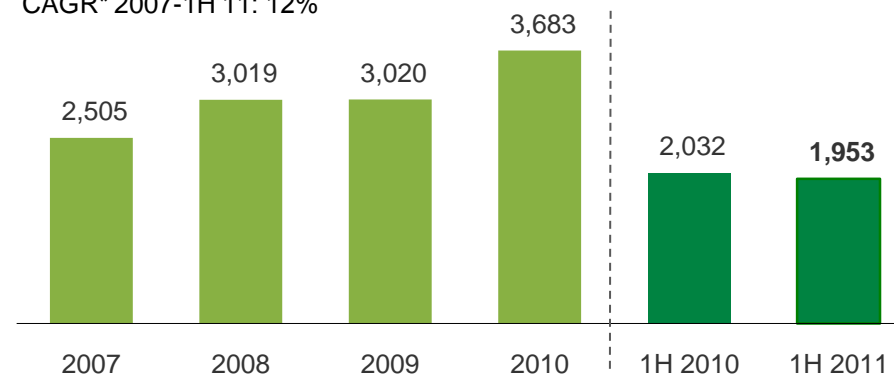
| | |
|--------------------------------|-------|
| Corporate & Investment banking | 1,235 |
| Domestic banking | 565 |
| International banking | 349 |
| Global Wealth | 32 |
| Financial Markets | 396 |
| Islamic banking | 83 |
| Head Office | 41 |



- Operating profits were AED 2,701mn in 1H'11, up 6% YoY

Net profits (AED mn)

CAGR* 2007-1H'11: 12%



- 1st half net profits lower by 4% YoY due to higher provisioning

* Annualised

Outlook



Loan growth expected to be between 15-20% for 2011; NPLs forecasted to stabilise at end-2011



Gradually increasing collective provisions to 1.5% of Credit RWAs by 2014 in line with UAE Central Bank directives



Organic growth to continue with investments in our franchise, network, systems and people
- our Malaysian subsidiary is expected to be established in 1st quarter of 2012



Continue to diversify our sources of funding & access new markets and segments of investors
- First GCC financial institution to tap the Samurai market (Japanese Yen local bond) in July 2011



Target a return on shareholders' funds of 20% in the medium-term

"Our focus remains on top-line operating revenues which are up 10% year on year. Given the weak global economy and some regional uncertainty, low interest rates and absence of any major exceptional items, this increase can be judged a fine achievement."

- Michael H Tomalin
Group Chief Executive

Appendix

| | | |
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Consolidated balance sheet

| | | | | | AED mn |
|---|----------------|----------------|-----------|----------------|-----------|
| CONSOLIDATED BALANCE SHEET | Jun '11 | Dec '10 | % chg | Jun '10 | % chg |
| Cash and balances with central banks | 18,782 | 18,430 | 2 | 15,033 | 25 |
| Due from banks | 16,012 | 14,765 | 8 | 19,771 | (19) |
| Reverse repos | 20,287 | 10,898 | 86 | 4,012 | 406 |
| Investments | 28,414 | 22,689 | 25 | 20,514 | 39 |
| Loans and advances to customers | 152,957 | 136,833 | 12 | 135,037 | 13 |
| Other assets (incl premises & equipments) | 10,076 | 7,812 | 29 | 7,302 | 38 |
| ASSETS | 246,528 | 211,427 | 17 | 201,669 | 22 |
| Due to banks | 38,493 | 31,551 | 22 | 32,269 | 19 |
| Repurchase agreements with banks | 2,847 | 2,543 | 12 | 3,050 | (7) |
| Customers' deposits | 147,196 | 123,131 | 20 | 112,161 | 31 |
| Medium-term borrowings/ notes/ ECP's | 14,710 | 14,494 | 1 | 16,109 | (9) |
| Other liabilities | 9,595 | 7,283 | 32 | 7,333 | 31 |
| Subordinated convertible notes | 8,371 | 8,312 | 1 | 8,403 | - |
| LIABILITIES | 221,212 | 187,314 | 18 | 179,325 | 23 |
| Share capital | 2,870 | 2,392 | 20 | 2,392 | 20 |
| Govt of Abu Dhabi's Tier-I capital notes | 4,000 | 4,000 | - | 4,000 | - |
| Reserves, etc | 18,446 | 17,721 | 4 | 15,952 | 16 |
| EQUITY | 25,316 | 24,113 | 5 | 22,344 | 13 |
| LIABILITIES and EQUITY | 246,528 | 211,427 | 17 | 201,669 | 22 |

Consolidated income statement

| | | | | | | | AED mn |
|---|--------------|--------------|------------|--------------|--------------|-----------|--------------|
| Consolidated Income Statement | 1H'11 | 1H'10 | % chg | 2Q'11 | 2Q'10 | % chg | FY'10 |
| Interest income (includes income from Islamic financing) | 4,004 | 3,514 | 14 | 2,044 | 1,795 | 14 | 7,430 |
| Interest expense (includes Depositors' share of profits) | (1,150) | (998) | 15 | (569) | (518) | (10) | (2,181) |
| Net interest income | 2,854 | 2,516 | 13 | 1,475 | 1,277 | 16 | 5,249 |
| Other income | 1,035 | 1,032 | - | 532 | 499 | 6 | 1,930 |
| Operating Income | 3,889 | 3,548 | 10 | 2,007 | 1,776 | 13 | 7,179 |
| Operating Expenses | (1,188) | (1,004) | 18 | (622) | (510) | 22 | (2,186) |
| Operating Profit | 2,701 | 2,544 | 6 | 1,385 | 1,266 | 9 | 4,993 |
| Net impairment charge | (696) | (463) | 50 | (331) | (238) | 39 | (1,207) |
| Profit Before Taxes | 2,005 | 2,081 | (4) | 1,054 | 1,028 | 3 | 3,786 |
| Overseas income tax expense | (52) | (49) | 6 | (28) | (27) | 8 | (103) |
| NET PROFIT | 1,953 | 2,032 | (4) | 1,026 | 1,001 | 2 | 3,683 |

Credit ratings profile

Moody's

Aa3/Stable/P-1

Upgraded from A1 in Aug 2006

Credit Strengths:

- Leading domestic franchise underpinned by its strong ties with the Govt of Abu Dhabi
- Strong asset growth potential given its high capital levels, Abu Dhabi Govt projects and favourable operating conditions in its home emirate Abu Dhabi
- High capitalisation levels and strong core profitability underpinned by a successful business model
- NBAD's majority ownership by the Govt of Abu Dhabi (70%) underpins its deposit ratings

S&P

A+/Stable/A-1

Upgraded from A in May 2007

- NBAD generally maintains strong profitability compared with levels in the Gulf region; Adequate interest margins, good efficiency and stable fee and commission income, in our opinion, underpin the bank's profitability
- The bank's asset quality is also among the strongest in the Gulf region

Strengths:

- ✓ Majority ownership by the Abu Dhabi Govt
- ✓ Strong domestic commercial position
- ✓ Robust profitability
- ✓ Good asset quality indicators

Fitch

AA-/Stable/F1+

Upgraded from A+ in Nov 2007

- Leading domestic franchise, with strong ties to the Abu Dhabi Govt
- Benefits from low funding cost due to its leading Abu Dhabi franchise and relatively extensive branch network, in addition to a "flight of safety effect", especially during periods of uncertainty
- Conservative approach to risk management; Limited market risk

Other ratings: RAM (Malaysia) – **AAA**, R&I (Japan) – **A+**, Capital Intelligence – **AA-**

Clear strategy

Domestic Banking

- **Consumer Banking:**
 - Grow domestic market share by utilising the bank's strong distribution network and balance sheet (Security and Convenience Banking)
 - Expanding channels such as branches, internet, phone/mobile banking, ATMs service
 - Increase focus on fee generation through transactions
 - Products – mortgage loans, personal loans, motor loans, cards, bancassurance, wealth management
- **Business Banking:** Develop commercial business with Small & Medium scale enterprises
- **Elite Banking:** Develop elite business through HNW UAE Nationals & others requiring specialised personal services

International Banking

- **Network Growth:** "In country" strategy in MENA; cross border outside MENA
- **Commercial Efficiency:** Enhance cross selling
- **New Markets:** Further growth into new markets including Qatar, Jordan, & Hong Kong

Financial Markets

- **Liquidity management & Interest rate products:** Manager of NBAD group's liquidity and funding; provider of all interest rate products including derivatives and repo
- **Institutional & Corporate Coverage:** Provide total client coverage and e-commerce, institutional coverage and corporate coverage throughout the region
- **Proprietary trading and Investments:**
 - Fixed income
 - Structured products and investments
 - MENA equities
 - Foreign exchange
 - Portfolio management
 - Research

Clear strategy (cont'd)

Corporate & Investment Banking

- **Corporate Banking Group**
 - Relationship management with leading corporates and institutions
- **Wholesale Banking Group**
 - Global Project and Structured Finance
 - Syndications and Specialised Portfolio
 - Financial Institutions Department
 - Global Trade Finance
- **Investment Banking Group**
 - Leading regional provider of Investment Banking services across equity & debt instruments, advisory and M&A
- **Private Equity**
 - Develop private equity funds, projects and direct investments across multiple industry sectors
- **ADNP**
 - Abu Dubai National Property – Property management, advisory and development
- **ADNL**
 - Abu Dubai National Leasing – Lease financing
- **Special Asset Advisory**

Global Wealth

- **Private Banking (incl NBAD Suisse)**

To become a first choice provider of sophisticated and customised wealth management solutions to Ultra-High Net Worth Individuals in the UAE and overseas:

 - Breadth of product offering: Open architecture of best in class products, including growth and capital preservation products and advisory service
 - Flexibility in locations: **Off-shore platform** – subsidiaries in Jersey and Geneva (standalone Swiss regulated Bank) & **onshore** (UAE)
- **Asset Management**
 - Aim to be among top three Asset Management companies in the MENA region
- **Brokerage**
 - Maintain leadership as one of the most active stockbrokers in the UAE & expand within region organically and by acquisition (e.g. purchase of 70% of Al Salam Brokerage in August 2008)
- **Custody Services**
 - Provide custody services in UAE & regionally; non-discretionary portfolio management and funds administration

Clear strategy (cont'd)

Abu Dhabi National Islamic Finance

- **Brand Building:** Position the Islamic finance company (ADNIF) as an expert in Islamic finance and take advantage of the fast growth in the Islamic banking industry
- **Islamic Banking Division:** Provide Islamic-compliant core transaction banking services

Support Divisions

- **Human Resources:** Attract, select and retain skilled staff across all NBAD businesses
- **Operations & IT:** Leverage off the New Core Banking System implemented in 2007
- **Investor Relations:** Provide the stakeholders with transparent disclosure, and timely corporate and financial information
- **Risk Management:** To be the premier bank in the UAE in the field of Risk Management, reflecting good practices and managing the risks emanating from business activities thus ensuring optimal return on shareholder funds
- **Management systems:** Continue to develop state-of-the-art customer centric systems to support NBAD's growth
- **Corporate Governance:** Shaping and monitoring corporate governance policies and practices as well as to evaluate compliance with regulatory authorities

Contact Us



Best Risk Management in MENA

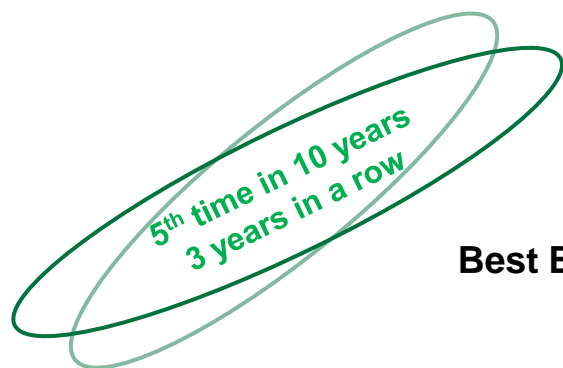
Best Bank in UAE

by Bankers' Middle East

SAFEST BANK in the MIDDLE EAST (2011)

RANKED amongst the WORLD's SAFEST BANKS 3 years in a row

by Global Finance



Best Bank in UAE

by Euromoney



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