Press Release

Emirates Bank Group announces its first quarter 2006 results

The Emirates Bank Group (EBG) recorded a net profit of AED 603 million for the three months ended 31 March 2006. This represents an increase of 123% over the AED 270 million earned in the same period in 2005. Earnings per share increased to AED 0.26 compared to AED 0.12 for the same period last year.

Total assets of the Group were AED 147.9 billion at 31 March 2006 an increase from the 31 December 2005 level of AED 59.3 billion; the increase is largely due to IPO activity. An amount of AED 86.7 billion was collected on account of IPO share applications.

Emirates Bank Group Chairman, His Excellency, Ahmed Humaid Al Tayer said, “The economy continues to perform strongly and the business environment remains positive. The financial results of the banking sector for the first quarter of 2006 have been influenced by the strong demand for IPO share applications, however core business profitability continues to show significant increases across the Group. Non interest fee based income, excluding IPO related fees, increased by over 63% during the first quarter of 2006”.

Corporate, Retail and Treasury business segments continued to perform strongly during the first quarter of 2006, the Bank continues to expand its ATM network and core operations with three new branches opened in the first quarter of 2006. Net interest income increased by 51% to AED 389.6 million from AED 257.5 million for the same period in 2005.

During the first quarter of 2006, Network International LLC has signed agreements with three more financial institutions for third party card processing. The company now provides card processing services for twenty-five banks across the Middle East and North Africa region.

Emirates Islamic Bank showed a significant growth in business during the first quarter of 2006, where Islamic financing and investment products increased to AED 3.8 billion from AED 2.4 billion – a 57% increase from 31 December 2006. Islamic customer deposits also increased to AED 4.2 billion from AED 3.5 billion at 31 December 2005.

The Group continues to pursue an aggressive growth plan for 2006 which is currently well ahead of target.