NATIONAL BANK OF DUBAI BOARD OF DIRECTORS APPROVE TERMS OF MERGER WITH EMIRATES BANK INTERNATIONAL

SHARES SUSPENDED AS OF 08.00 TODAY

2 July 2007 – The Board of Directors of National Bank of Dubai (NBD) today announced that it has approved the terms of the bank's proposed merger with Emirates Bank International (EBI).

National Bank of Dubai and Emirates Bank International have requested that trading in their respective shares on the Dubai Financial Market be suspended with effect from today, in order for consultations to take place with the relevant regulatory authorities.

Details of the terms of the proposed merger are expected to be communicated within 15 days, upon which the trading suspension will be lifted.

-- Ends --

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About National Bank of Dubai

National Bank of Dubai, headquartered in Dubai, UAE, was established in 1963, and is currently the fourth largest bank in the UAE by assets. Listed on the Dubai Financial Market, the bank currently employs approximately 1,500 people in offices in the UAE, Iran, Qatar and the UK.

The bank offers clients in the UAE and elsewhere a variety of banking services including corporate and institutional banking, retail banking, investment banking, private banking, treasury services, brokerage services and Islamic banking products. It operates through the main bank and its five subsidiaries NBD Investment Bank, Al Watani Al Islami, NBD Securities, NBD Trust Company (Jersey) and NBD Properties.

Key performance indicators for the end of March 2007:

Total assets of AED 73.6bn

Total loans of AED 46.7bn

Total deposits of AED 48.9bn

Total shareholder's equity of AED 5.8bn

Other information

Goldman Sachs International is acting as Lead Financial Adviser to the Joint Steering Committee of Emirates Bank International and National Bank of Dubai established in connection with the proposed merger.

Allen & Overy LLP is acting as Legal Adviser to National Bank of Dubai in connection with the proposed merger.

Linklaters LLP is acting as Legal Adviser to Emirates Bank International in connection with the proposed merger.