mashreq المشرق

Mashreq reports net profit of AED 1.35 billion for nine months of 2007

Dubai, United Arab Emirates, 29 October 2007- Mashreqbank Group profits for nine months of 2007 touched AED 1.35 billion, recording a growth of 21% over AED 1.11 billion for the same period last year.

Total Assets were at AED 74.2 billion, up 45% from AED51.1 billion last year. Customer deposits reached AED 43.9 billion, a rise of 37% over last year of AED 32 billion and customer advances have grown by 32% to AED 36.3 billion from AED 27.6 billion.

Mashreq's CEO Abdul Aziz Al Ghurair said "Mashreq's core business has demonstrated a consistent growth in quality assets and quality revenue backed by a robust economy. We will continue to maintain our market leadership and competitive position in the UAE by developing new lines of business and meeting and exceeding our customer needs".

During the first nine months of 2007, the Net Interest income and Income from Islamic products net of distribution to depositors was at AED 1.13 billion compared to AED 0.81 billion for the same period last year registering a growth of 40%. Commission and other income also recorded an impressive growth of 31% over last year.

Mashreq continues to invest in human resources, infrastructure development and technology. This has resulted in an increase in the expenses for the first nine months of 2007 in comparison to the same period last year by 38%. Continuing its prudent provisioning policy, Mashreq has set aside more than adequate General Provisions which stands at 2% to total loans.

In August 2007, Badr Al Islami, the Islamic Financial Division of Mashreq, signed an agreement with Dubai's Land Department governing trust account conditions for real estate developments. The trust account service will ensure that payments made by investors towards "off plan" property purchases are protected until residential units are registered in the buyer's name.

In line with our strategy to offer convenient banking solutions to all customers, Mashreq launched the Du bill payment services through our Online banking and Call center channels.

- Ends-

<u>About Mashreq</u>
Mashreq is the largest private bank in the UAE and also the second oldest. Founded in 1967 as Bank of Oman, the bank has played a pioneering role in the industry, particularly in retail banking. Among its many firsts it was the first to launch such products as travellers' cheques, credit cards and ATMs.

It is invariably among the highest performing banks in the region. Last year it recorded a Net Profit of over US$470 million from a Total Operating Income of $844 million. At the end of last year its Total Assets stood at $15.2 billion

Mashreq has received numerous international awards, particularly for quality management. According to independent research it has more ISO certifications than any bank in the region by a wide margin.

As a leading financial Institution in the UAE Mashreq aims to be world class in every facet of its business, including its social responsibility to the community it serves. Towards this goal the bank pays particular attention to recruiting, training, developing and retaining UAE National employees.

For further information, please contact:

Saad Hakim

PR Manager, Mashreq

Tel: +971 4 6083707/+971 50 8119923

Email: SaadHa@mashreqbank.com

Rania Helmy or Pooja Keswani

Gulf Hill & Knowlton

Tel: +971 4 334 4930

Email: Rania.Helmy@hillandknowlton.com
Pooja.Keswani@hillandknowlton.com