

## **Steady Growth in Key Financial Indicators**

### **The National Bank for Development in Cooperation with Abu Dhabi Islamic Bank Announces the Financial Results for Fiscal Year Ending 12-31-2010**

#### **Nevine Loutfy: We are Proud of the Success of the Bank's Balanced Strategy in Achieving its Goals**

**Cairo – April 4, 2011** – The National Bank for Development (NBD) in cooperation with Abu Dhabi Islamic Bank (ADIB) announced its financial results for the fiscal year that ended December 31, 2010, which reflected a steady growth in key financial indicators, confirming the success of the bank's strategy that began in 2008 as follows:

- The net Islamic financing portfolio amounted to EGP 2,302 million by the end of fiscal year 2010, compared to EGP 852 million at the end of fiscal year 2009, indicating a growth rate of 170%.
- The net financing portfolio reached EGP 2,674 million by the end of fiscal year 2010, recording an increase by EGP 1,277 million compared to the end of 2009, with a 91% growth rate. This resulted from remarkable growth amounting to 64% in the corporate sector portfolio, 75% in the micro-finance portfolio and 139% in the retail banking portfolio during the fiscal year 2010 compared to the fiscal year 2009.
- Net financing income reached EGP 122, 5 million at the end of 2010 compared to EGP 27, 6 million end of fiscal year 2009.
- Net fees and commissions income amounted to EGP 80 million by the end of fiscal year 2010, marking a growth rate of 106% compared to end of fiscal year 2009.
- Provisions of non-performing loans reached EGP 2, 570 million by the end of fiscal year 2010, recording a higher amount by EGP 464 million resulting in a 22% increase compared to the end of 2009. On another the note, the bank succeeded in collecting EGP 132 million from the balance of bad debts.
- Customer deposits amounted to EGP 10,8 million by the end of fiscal year 2010 compared to EGP 9, 4 million at the end of fiscal year 2009, to mark an increase of 15%.
- Total assets reached EGP 12,012 million by the end of fiscal year 2010, with a growth rate of 19.44% compared to the end of fiscal year 2009.
- The retail banking sector strengthened its leadership role, achieving many goals regarding personal finance through highly effective marketing tools and abiding by a strict criteria to manage risks arising from market fluctuations. Retail sector financing increased by EGP 871 million in 2010 with a growth rate of 188% compared to 2009. NBD was able to acquire a 10% market share in the auto financing market in a short period of time, occupying a leading position in this sector.

- NBD has also launched several new Shari'a compliant products, targeting various consumer segments, so for the first time in the Islamic banking sector in Egypt as the bank introduced the "Yoursr Murabha personal finance program", as well as "Islamic Sukuk program" through wekala contracts that achieved remarkable success surpassing EGP 1 billion.
- The bank continued its plan to develop and restructure its branches network. Currently 19 branches have been renovated from a total of 70 branches spread across the country. Furthermore, the bank opened 2 banking units in Cairo International Airport for the sale and purchase of foreign currencies. Additionally, the bank increased the number of ATMs to reach 56 ATMs in various governorates, and installed a drive thru ATM for the first time in Luxor.
- Due to the bank's commitment to diversify its services to meet the needs of a wider consumer segment, the bank launched the first financial leasing company" ADILease" to provide financial leasing services for various assets that are complying with the principles of Islamic Shari'a.
- An important part within the second phase of the core banking system implementation plan was completed; which links all the bank's branches and provides them with the latest programs designed to comply with the needs of Islamic banking.
- Since human resources are a key element in the development of the bank's business, the 2010 plan adopted and implemented the latest training programs for the bank's employees. Nevine Loutfy, CEO and Managing Director of NBD in cooperation with ADIB stated, *"These results could not have been achieved without the outstanding effort of the bank's staff, which was one of the most important reasons behind the bank's development and growth in 2010."* Moreover, 2148 employees received training during 2010 through 122 training courses, in addition, the bank applied "Takaful" life insurance program for all employees, covering medical insurance programs, death as well as partial and total disability and not only for employees, but also for their families.

From this perspective, Nevine Loutfy, emphasized, ***"I am proud of the success of the balanced strategy that the bank adopted, which primarily depended on sufficient capital and achieving sustainable growth within all financial indicators. The 2010 financial results clearly reflect the steady continuation of NBD's growth pace."***