



Amlak Finance PJSC

Investor Presentation

June 2017

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Amlak at a Glance

Company Profile



Background

- Amlak Finance PJSC was incorporated in Dubai, United Arab Emirates, on 11 November 2000 as a Private Shareholding Company.
- At the constituent shareholders meeting held on 9 March 2004, a resolution was passed to convert the Company to a Public Joint Stock Company.
- Amlak Finance is a leading specialized real estate financier in the Middle East.
- The activities of the Company are conducted in accordance with Islamic Sharia'a,
- Amlak offers a range of customized financial solutions and products to investors/clients for both ready and off-plan (under-construction) properties.
- Amlak expanded its presence to Kingdom of Saudi Arabia (KSA) in 2006 through investment in 'Amlak International for Real Estate Development and Finance Company'.
- Amlak launched its first international office in Egypt in 2007, which operates under the name 'Amlak Finance & Real Estate Investment (S.A.E.)'.

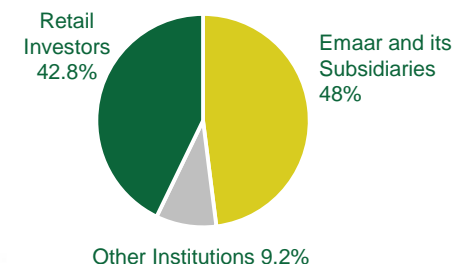
Subsidiaries and Associates

• Amlak Properties Investment LLC	UAE	100%
• Amlak Finance & Real Estate Investment (S.A.E.)	Egypt	100%
• Amlak International for Real Estate Development and Finance Company	KSA	26.39%

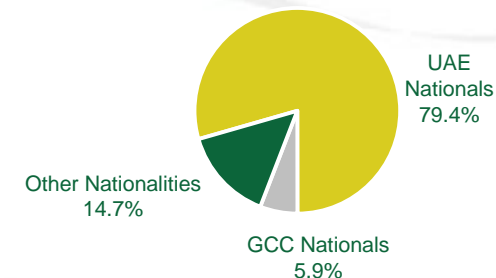
Geographic Presence



Ownership Structure

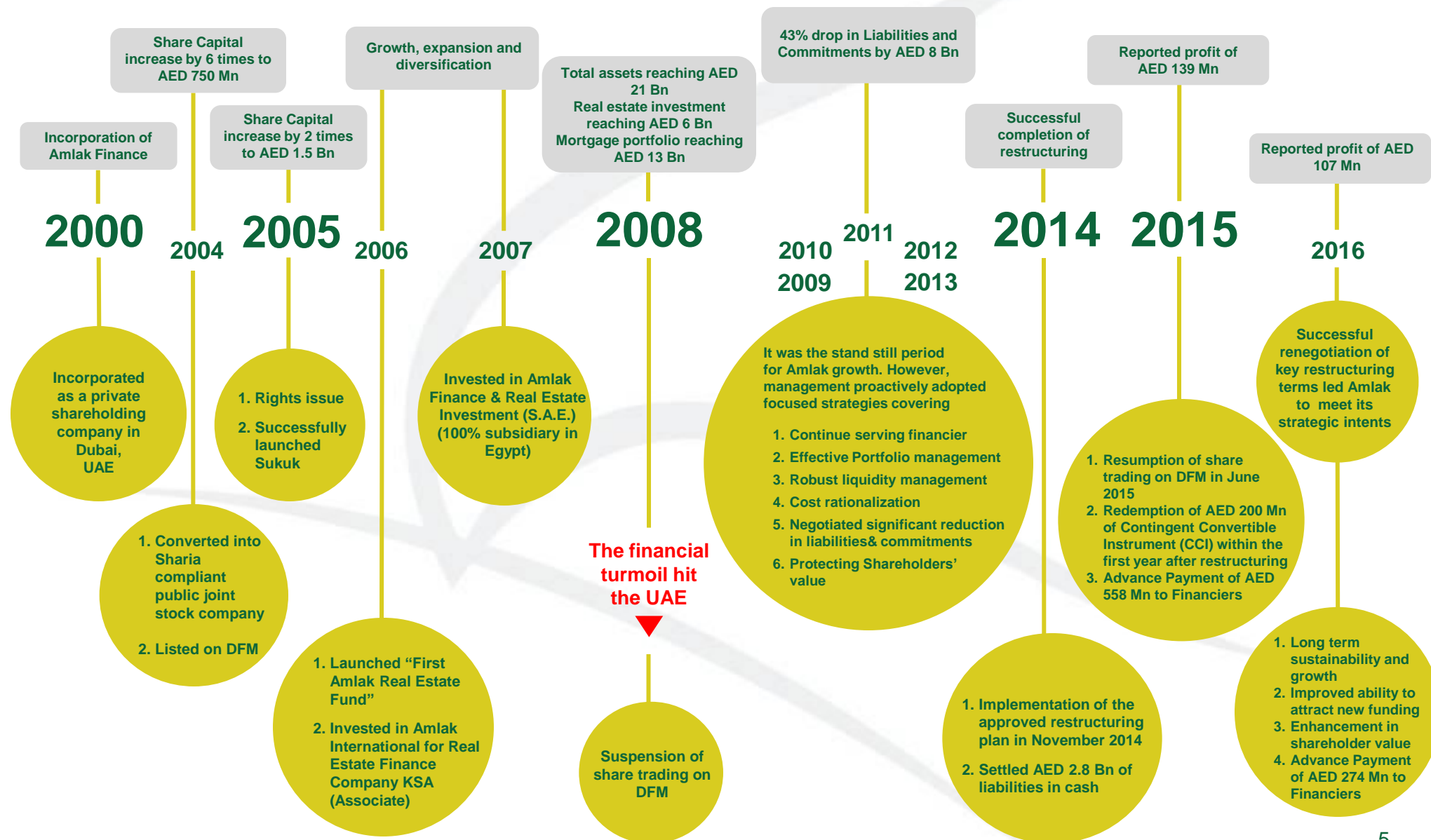


Nationality of Ownership



Amlak at a Glance

Through The Years



The background of the slide is a panoramic view of the Dubai skyline at night. Numerous skyscrapers are illuminated with various lights, and the city lights reflect on the water in the foreground. The Burj Khalifa is prominent in the center background.

Strategic Focus

Strategic Focus

Key Strategies



Strategic Priorities	Strategic Intent	Strategic Metrics
Adherence to Restructuring Agreement	<ul style="list-style-type: none"> Ensuring full compliance with and adherence to restructuring agreement signed with financiers Flawless implementation of restructuring milestones 	Compliance
Profitability and Growth	<ul style="list-style-type: none"> Build up real estate finance business comprising of both ready and under-construction properties for growth in core revenue streams Create long term value from real estate portfolio through development of land parcels Enhance shareholder profitability through improved margins and sustained operational efficiencies 	Remain Profitable
Sustainable Funding	<ul style="list-style-type: none"> Develop a sustainable model and continue to secure long-term funding subject to parameters and covenants agreed with financiers Develop a range of financing options both off and on balance sheet which are best suited keeping in view liquidity gap and refinancing needs 	Funds Availability
Value Proposition	<ul style="list-style-type: none"> Offer differentiated and targeted products, superior lead generation through attractive product marketing strategies, sales and service execution 	Product Innovation New Customer Segments
Organizational Capability	<ul style="list-style-type: none"> Improving customer service experience through effective use of technology, robust risk management, staff and talent development as well as boosting corporate brand. 	Customer Satisfaction
Cost Rationalization	<ul style="list-style-type: none"> Ensure cost rationalization to maintain and align efficiency ratios in line with industry best practices 	Efficiency

Enhance shareholder value whilst adhering to restructuring obligations

Strategic Focus

Strategic Enablers



Our Vision *(What we aim to become?)*

"To be a specialized and customer centric real estate financing institution in the UAE"

Our Mission *(What is our purpose?)*

"To provide niche financial solutions, customized to fit our customers' needs, while maximizing shareholder value and nurturing our employees"

Our Corporate Values *(What we stand for?)*

Customer Focus

Innovation

Value Creation

Integrity

Nurturing People

Social Responsibility



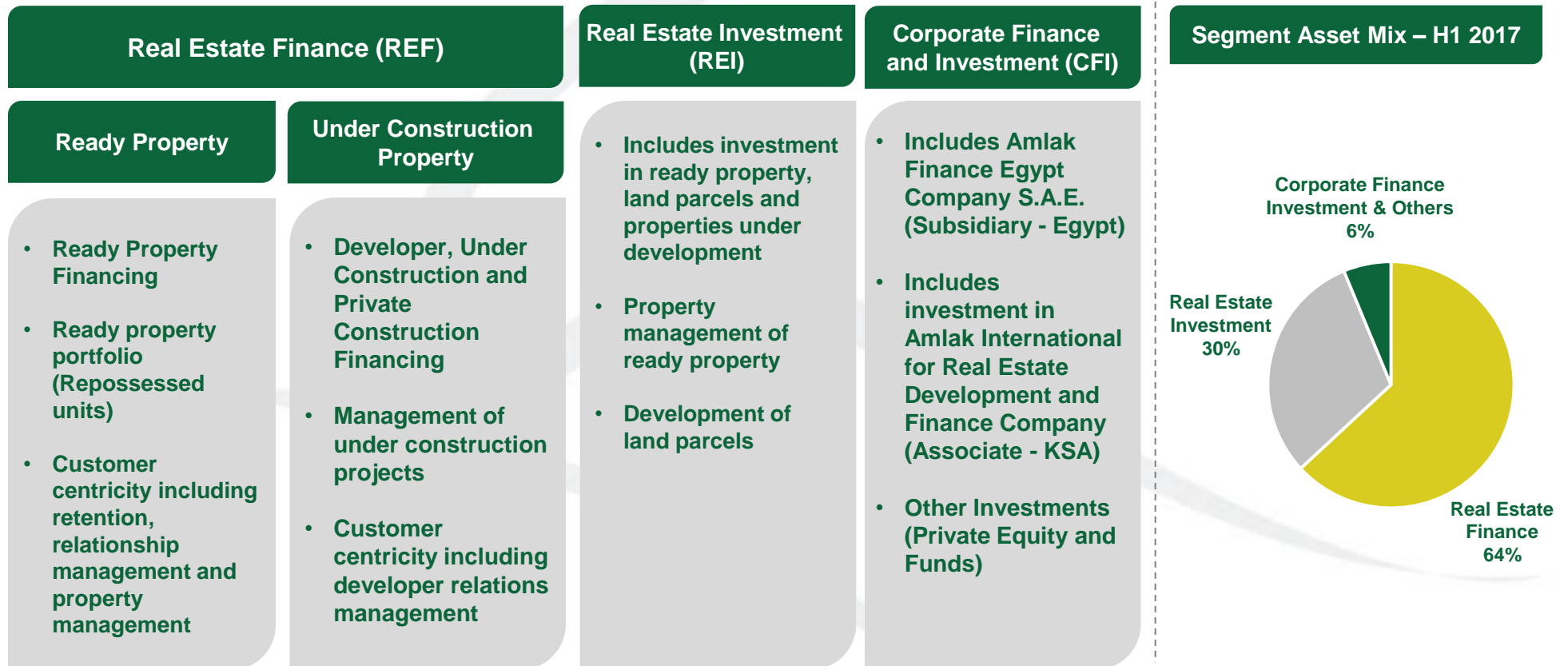
Strategic Focus

Business Overview



Amlak's overall business is being managed by way of 3 segments

Business Segments



Strategic Focus

Segment Strategy - REF



Real Estate Finance (REF)

Ready Property

- Continue to pursue investors through investor related products
- Cross-sell to existing customers
- Offer innovative products and address under-served segments
- Ensure superior service to customers
- Utilize targeted marketing approach to reach identified client segments, utilizing alliances where appropriate
- Continue to sell Amlak Finance Investment Unit (AFIU) repossessed assets selectively with home finance package
- Improve portfolio quality

Key Metrics	Year End 2016	Year End 2017	Indicator
Profit Rate	6%	6%	Maintain
Portfolio Level	AED 2.7 Bn	AED 2.5Bn	Maintain
Delinquency Rate	4.4%	4.4%	Maintain
Efficiency Ratio	40%	38%	Improve
Rental Income	AED 26 Mn	AED 30 Mn	Improve

Under Construction Property

Developer Finance

- Focus on transactions with high margin after fully applying robust risk management

Private Construction

- Focus on higher-margin business with aim to capture larger market share of this untapped segment

Off Plan Financing

- Focus on building a healthy off-plan business
- Identification of new projects to ensure targeted off-plan business

Key Metrics	Year End 2016	Year End 2017	Indicator
Financing Income	AED 13 Mn	AED 16 Mn	Improve
Profit Rate	8%	8%	Maintain
Portfolio Level	AED 146 Mn	AED 578 Mn	Growth
Efficiency Ratio	55%	40%	Improve

Strategic Focus

Segment Strategy - REI



Real Estate Investment (REI)

- Focus on exit from REI after full redemption of Mudaraba Instrument (Contingent Convertible Instrument - CCI). This is expected to be achieved through enhancement of land parcel values by development and sale of ready property once Target Price agreed with financiers is reached
- Continue leasing ready property to maintain or improve yield until target price reached
- Focus on redemption of Mudaraba Instrument (CCI)
- Explore consolidation and enhancement of property management offering

Key Metrics	Year End 2016	Year End 2017	Indicator
Rental Income	AED 30 Mn	AED 31 Mn	Improve
Rental Yield	6%	6%	Maintain
Mark to Market (MTM) on real estate assets	AED 18 Mn	AED 50 Mn	Growth
Development Completion % - Nad Al Hamar	70%	79%	Progress
Development Completion % - Mirdiff	16%	90%	Progress
Development Completion % - Al Ttay	Nil	10%	Progress
Sale % of Real Estate Assets – Nad Al Hamar	52%	56%	Improve
Cost to Income Ratio	51%	41%	Improve

Real Estate Portfolio

Ready Property	Under Construction Property	Land Parcel
<ul style="list-style-type: none"> Sky Gardens Remraam Discovery Gardens Waha Villas Al Ghadeer 	<ul style="list-style-type: none"> Meydan Nad Al Hamar Mirdif 	<ul style="list-style-type: none"> Al Ttay Nasr City Land (Egypt)

Strategic Focus

Segment Strategy - CFI



Corporate Finance and Investment (CFI)

- Focus on enhancing the value of core assets (especially Amlak KSA) by holding these performing investments for a longer duration with the view to sale as and when appropriate sale transaction crystalized
- Exit non-core, non-performing investments

Key Metrics	Year End 2016	Year End 2017	Indicator
Dividends	AED 16 Mn	AED 12 Mn	Expected
Efficiency Ratio	37%	23%	Improve
Return on Investment (ROI)	8%	8%	Maintain



2017

Financial Highlights

2017 Financial Highlights

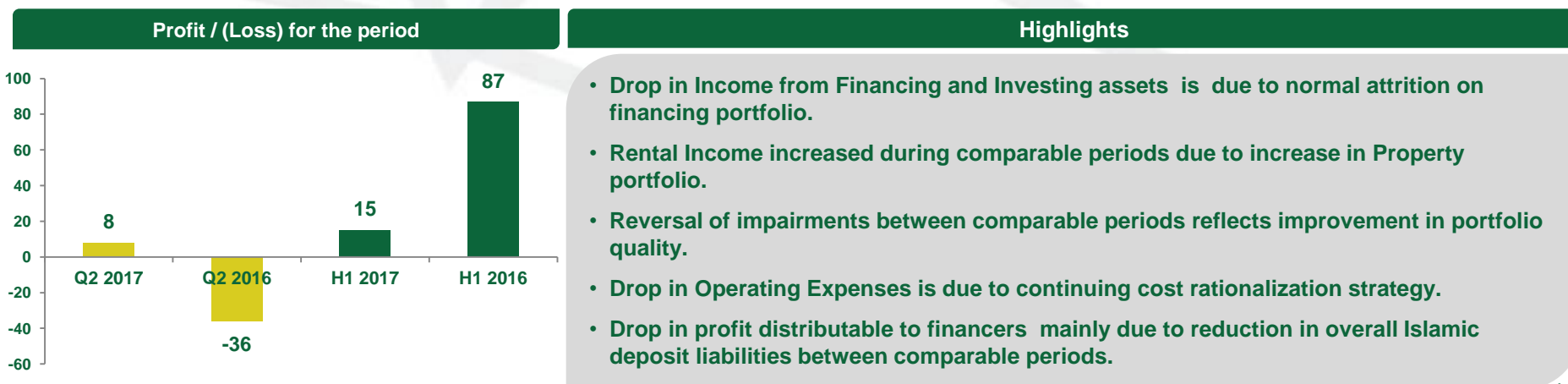
Group Income Statement



AED in Mn

Particulars	Q2 2017	Q2 2016	Q2 2017 vs. Q2 2016		H1 2017	H1 2016	H1 2017 vs. H1 2016	
			Variance	Change in %			Variance	Change in %
Income from Financing and Investing assets	49	46	3	7%	96	105	(9)	-9%
Rental income	15	14	1	7%	30	27	3	11%
Share of results of an associate	7	8	(1)	-13%	11	14	(3)	-21%
Sale of properties under development	10	32	(22)	-69%	33	312	(279)	-89%
Fair value gain / (loss) on investment properties	11	-	11	-	11	-	11	-
Other Income	4	4	-	0%	14	8	6	75%
Total Income	96	104	(8)	-8%	195	466	(271)	-58%
Reversal of impairments / (impairments)	1	(25)	26	-104%	7	(30)	37	-123%
Fair value adjustment on Mudaraba Instrument	(28)	(32)	4	-13%	(55)	(58)	3	-5%
Operating Expenses	(26)	(38)	12	-32%	(55)	(68)	13	-19%
Cost of sale of properties under development (including related operating expenses)	(4)	(12)	8	-67%	(15)	(158)	143	-91%
Profit Before Distribution to financiers / investors	39	(3)	42	-1400%	77	152	(75)	-49%
Distribution to financiers / investors	(31)	(33)	2	-6%	(62)	(65)	3	-5%
Profit / (Loss) for the year	8	(36)	44	-122%	15	87	(72)	-83%

H1 stands for first half of the year ended 30th June 2017 and Q2 stands for the second quarter of the year only (3 months)



2017 Financial Highlights

Group Balance Sheet



AED in Mn

Particulars	H1 2017	FY 2016	H1 2017 vs. FY 2016	
			Variance	Change in %
Cash and Balances with Banks	693	621	72	12%
Islamic Financing and Investing Assets	3,245	3,220	25	1%
Real Estate Investments	2,216	2,167	49	2%
Corporate Investments	296	301	(5)	-2%
Other Assets	110	184	(74)	-40%
Total Assets	6,560	6,493	67	1%
Investment Deposits and Other Islamic Financing	4,799	4,740	59	1%
Other Liabilities (Incl Non-Controlling Interest)	252	260	(8)	-3%
Equity	1,509	1,493	16	1%
Total Equity & Liabilities	6,560	6,493	67	1%

Highlights

Slight increase in total assets, remains above AED 6.5 Bn

Key Ratios	H1 2017	FY 2016	Indicator
Net Financing to Deposit Ratio	68%	68%	↔
Non-Performing Financing Asset to Total Asset Ratio	8%	9%	↑
Liquid Assets to Total Assets	15%	11%	↑
Return on Equity (Annualized)	1.4%	7%	↓
Return on Assets (Annualized)	0.3%	2%	↓
Net Profit Margin (Annualized)	2%	2%	↔
Cost to Income Ratio	34%	43%	↑



Full Year

Financial Highlights

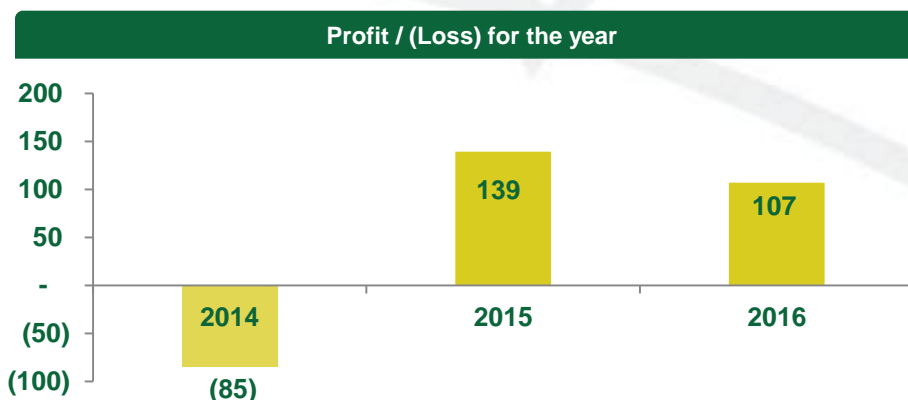
Full Year Financial Highlights

Group Income Statement



AED in Mn

Particulars	FY 2016	FY 2015	FY 2014	Change in %	
				2016 vs. 2015	2015 vs. 2014
Income from financing and Investing assets	207	297	377	-30%	-21%
Rental income	56	46	34	22%	35%
Share of results of an associate	28	25	22	12%	14%
Sale of properties under development	429	74	-	480%	N/a
Fair value gain / (loss) on investment properties	18	67	(2,115)	-73%	103%
Other Income	40	23	19	74%	21%
Total Income	778	532	(1,663)	46%	132%
Reversal of impairments / (impairments)	(66)	81	77	-181%	5%
Fair value adjustment on Mudaraba Instrument	-	-	1,027	N/a	-100%
Amortization of initial fair value gain / (Fair value gain) on investment deposits	(110)	(132)	886	-17%	-115%
Operating Expenses	(149)	(158)	(181)	-6%	-13%
Cost of sale of properties under development (including related operating expenses)	(219)	(43)	-	409%	N/a
Profit Before Distribution to financiers / investors	234	280	146	-16%	92%
Distribution to financiers / investors	(127)	(141)	(231)	-10%	-39%
Profit / (Loss) for the year	107	139	(85)	-23%	264%



Highlights

- 1) 2014 loss is a result of restructuring adjustments
- 2) Amlak reported robust profits in the first year post restructuring
- 3) Reported profits in 2016 in spite of slow down in the markets

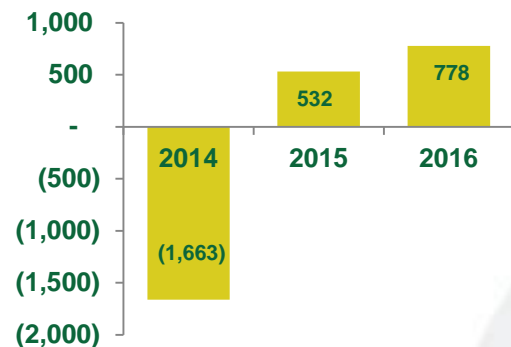
Full Year Financial Highlights

Group Income Statement (cont'd)



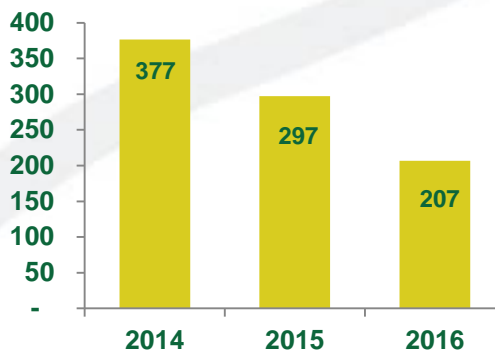
AED in Mn

Total Income



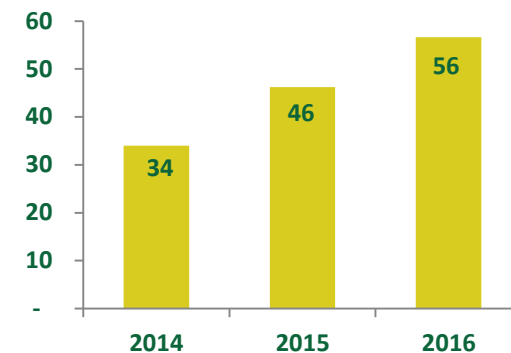
- 2014 - impacted due to restructuring
- 2015/16 - mainly due to net gains recorded on sale of properties under development

Income from Financing and Investing Assets



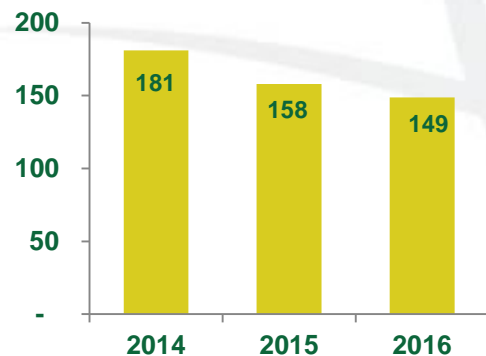
- Depletion of Financing and Investment Portfolio due to early settlements and normal portfolio run off

Rental Income



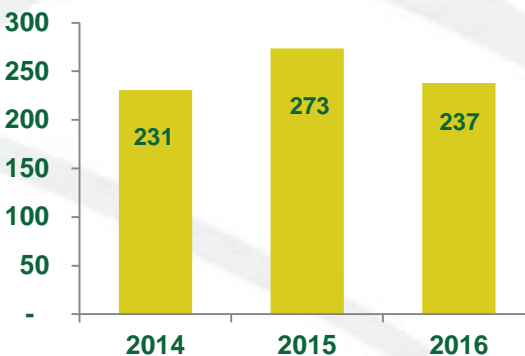
- Higher volume of Re-possessed (Foreclosed) Units along with market driven rental index

Operating Expenses



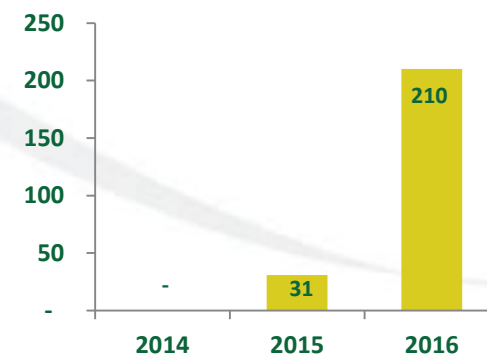
- Cost Rationalization Measures

Distribution to Financiers/ Investors and Amortization of Initial Fair Value Gain on Investment Deposits



- Advance payment to financiers

Net Gain on Sale of Properties Under Development



- Higher sale properties under development

Full Year Financial Highlights

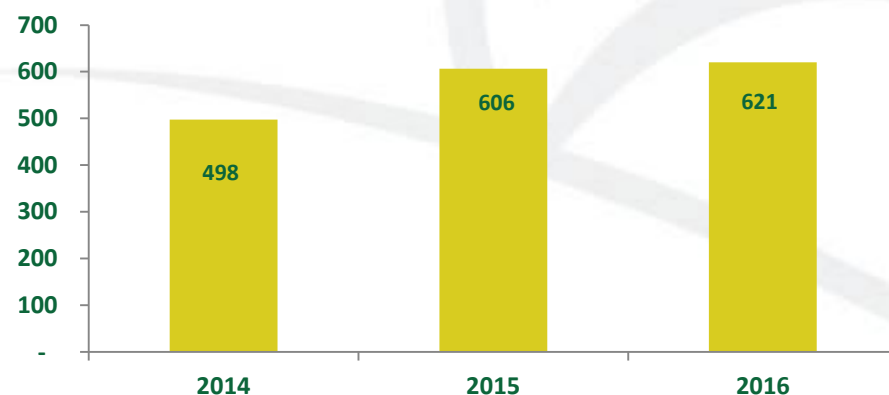
Group Balance Sheet



AED in Mn

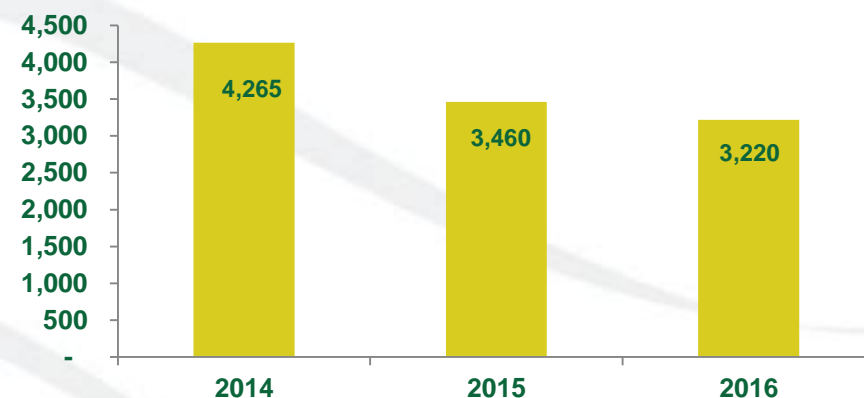
Particulars	FY 2016	FY 2015	FY 2014	Change in %	
				2016 vs. 2015	2015 vs. 2014
Cash and Balances with Banks	621	606	498	2%	22%
Islamic Financing and Investing Assets	3,220	3,460	4,265	-7%	-19%
Real Estate Investments	2,167	2,411	2,165	-10%	11%
Corporate Investments	301	308	292	-2%	5%
Other Assets	184	103	82	79%	26%
Total Assets	6,493	6,888	7,302	-6%	-6%
Investment Deposits and Other Islamic Financing	4,740	4,915	5,321	-4%	-8%
Other Liabilities (Incl Non-Controlling Interest)	260	386	281	-33%	37%
Equity	1,493	1,587	1,700	-6%	-7%
Total Equity & Liabilities	6,493	6,888	7,302	-6%	-6%

Cash and Balances with Banks



- Depletion/ Run off on Financing and Investment Portfolio
- Sale of properties under development

Islamic Financing and Investing Assets



- Depletion of Financing and Investment Portfolio due to early settlements and normal portfolio run off

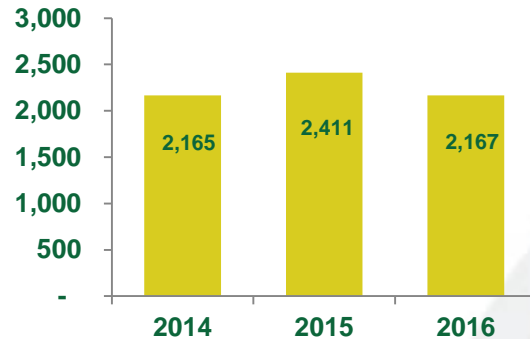
Full Year Financial Highlights

Group Balance Sheet (cont'd)



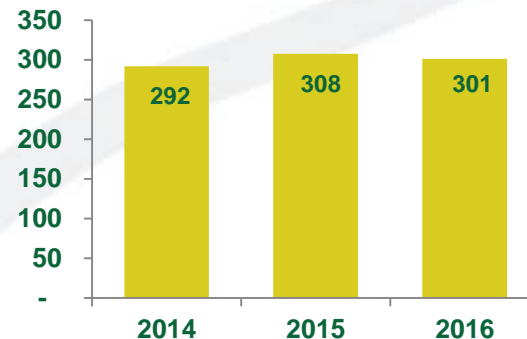
AED in Mn

Real Estate Investments



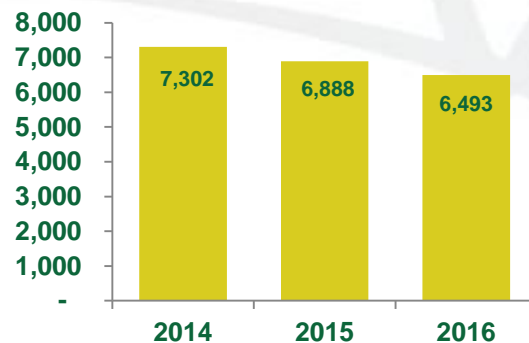
- Net effect of addition of Re-possessed Units; Forex losses recorded on Egyptian pound and Sale of plots of properties under development

Corporate Investments



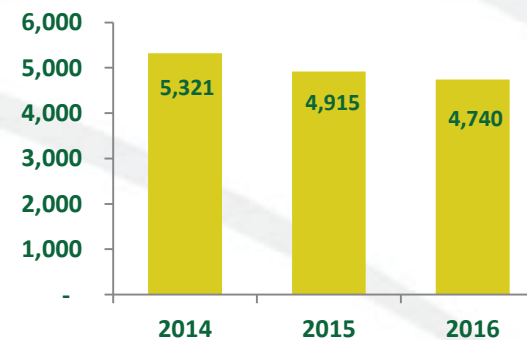
- No significant movement

Total Assets



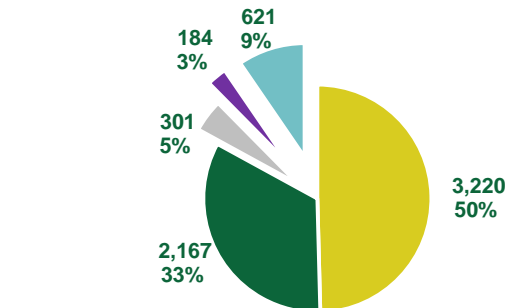
- Movement on Financing and Investment Asset
- Movement on the Real Estate Investments

Investment Deposits and Other Islamic Financing



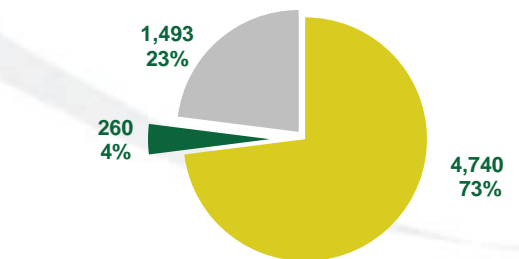
- Advance payment to financiers

Assets Mix – 2016



- Islamic financing and investing assets
- Real estate investments
- Corporate investments
- Other assets
- Cash and balances with banks

Liability and Equity Mix - 2016



- Investment deposits and other Islamic financing
- Other liabilities (incl non-controlling interest)
- Equity attributable to equity holders of the parent

Full Year Financial Highlights

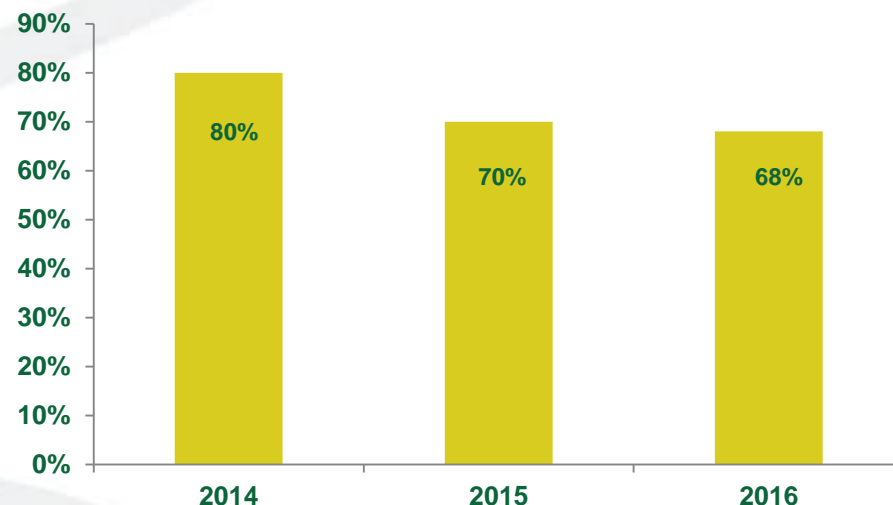
Financial Ratios



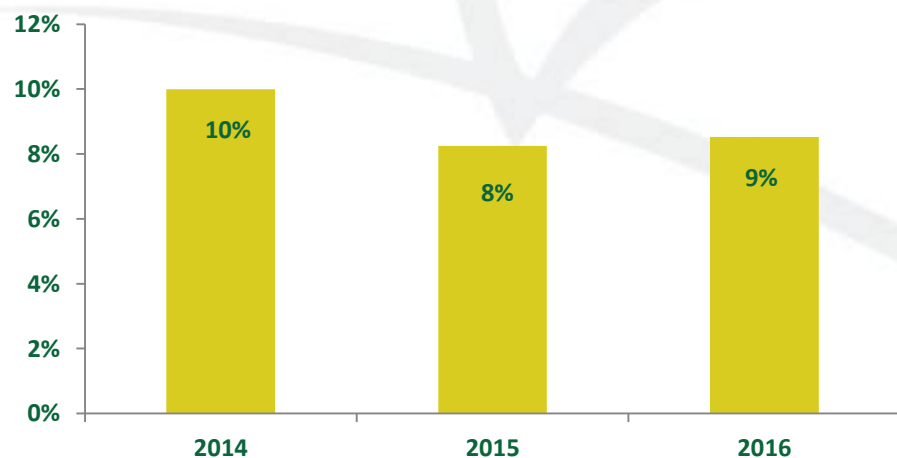
Highlights

Key Ratios	FY 2016	FY 2015	FY 2014
Net Financing to Deposit Ratio	68%	70%	80%
Non-Performing Financing Asset to Total Asset Ratio	9%	8%	10%
Liquid Assets to Total Assets	11%	7%	4%
Return on Equity	7%	8%	4%
Return on Assets	2%	2%	1%
Net Profit Margin	2%	3%	3%
Cost to Income Ratio	43%	35%	40%

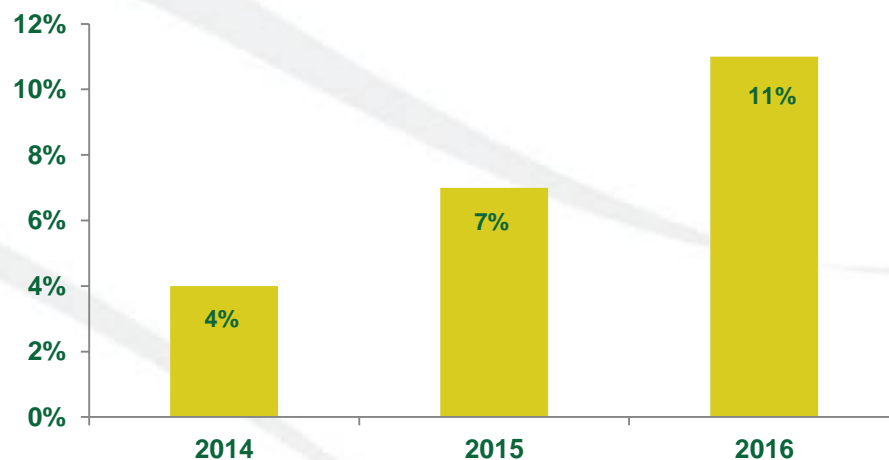
Net Financing to Deposit Ratio



Non-performing Financing Assets to Total Asset Ratio



Liquid Assets to Total Assets Ratio

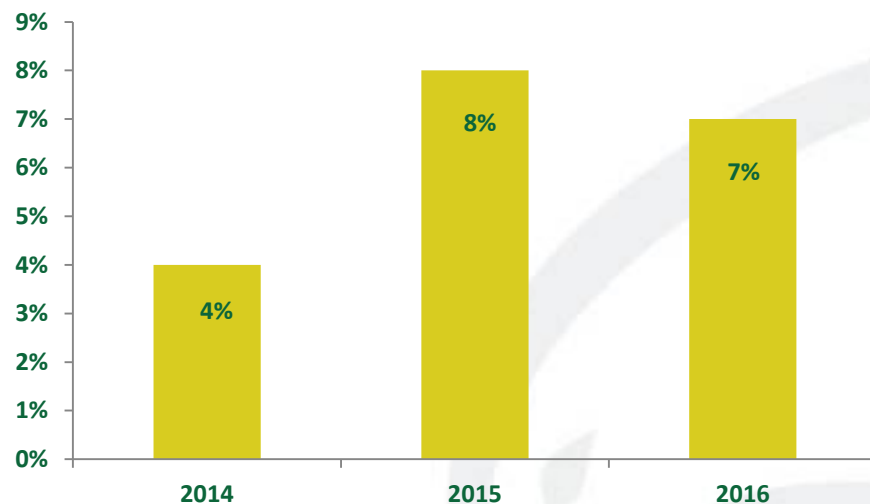


Full Year Financial Highlights

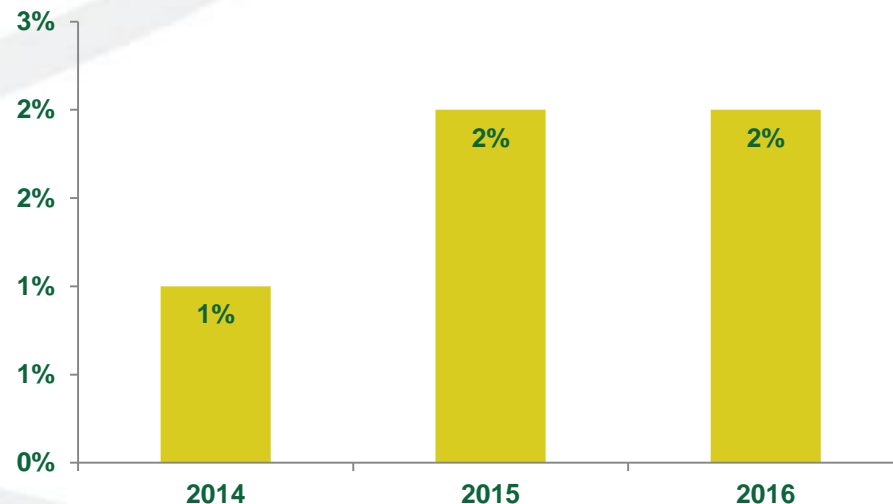
Financial Ratios (cont'd)



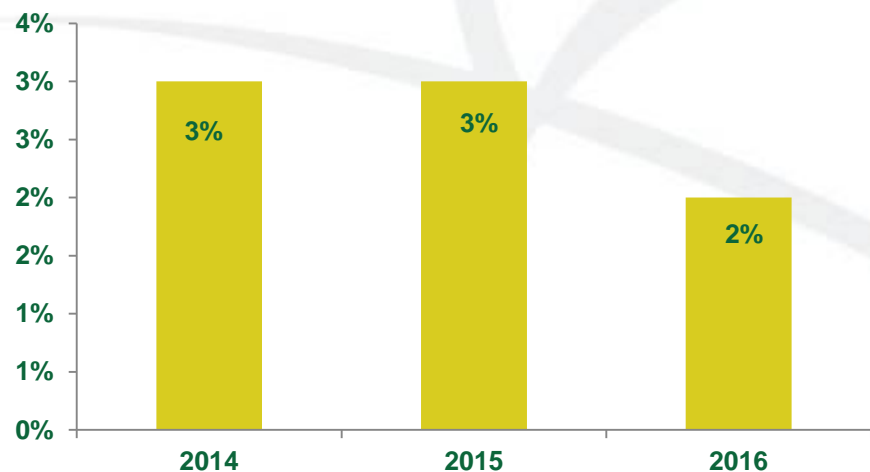
Return on Equity (ROE)



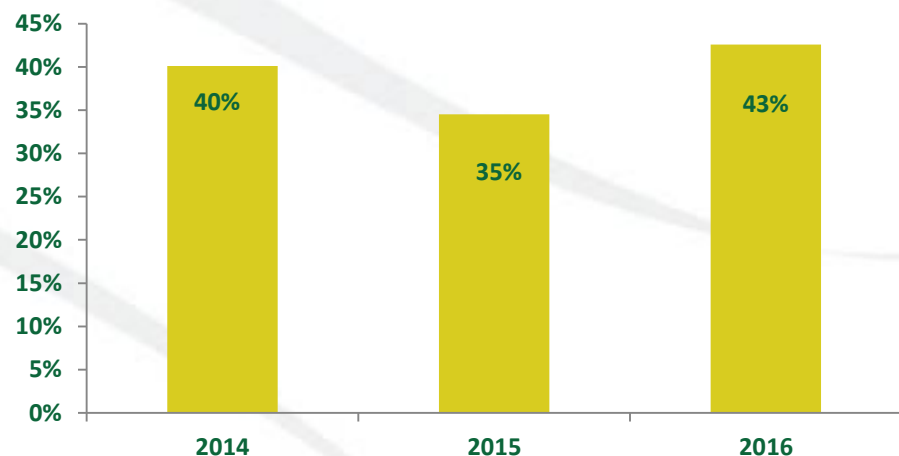
Return on Average Assets (ROA)



Net Profit Margin



Cost to Income Ratio





Awards

2015 – 2017 Awards



1. Dubai Chamber's CSR Label 2015
2. Finance Monthly CEO Award 2015
3. Finance Monthly CFO Award 2015
4. Best Islamic Finance CSR Company UAE 2015
5. Best Sharia Compliant Property Finance Company 2015
6. Innovation in Islamic Finance
7. Restructuring Deal of The Year 2014

1. Dubai Chamber's CSR Label 2016
2. Best Islamic Finance CSR Company UAE 2016
3. Best Sharia Compliant Property Finance Company UAE 2016
4. Innovation in Property Finance 2017
5. Islamic Finance of the year Award Dubai 2016
6. Finance Monthly CEO Award 2016
7. Top CEO
8. Most Innovative Takaful Product - Platinum Lifestyle Takaful, UAE 2016
9. Best Shari'a Compliant Property Finance Company 2016 , UAE 2016

1. Best Sharia Compliant Property Finance Company
2. Best Islamic Finance CSR Company UAE 2017
3. Best for Sharia Compliant Property Finance

Appendix



Appendix

Interim Consolidated Statement of Income



AED '000

Particulars	Q2 2017	Q2 2016	H1 2017	H1 2016	Change in %
					H1 2017 vs. H1 2016
Income from Islamic financing and investing assets	46,641	43,568	92,355	100,290	-8%
Fee income	1,884	2,084	3,427	4,397	-22%
Income on deposits	1,597	1,658	3,236	3,099	4%
Rental income	15,231	13,752	30,159	27,112	11%
Fair value gain on investment properties	11,031	-	11,031	-	-
Sale of properties under development	10,365	31,618	32,943	311,742	-89%
Other income	2,602	2,061	10,731	4,943	117%
	89,351	94,741	183,882	451,583	-59%
Reversal of impairment / (impairment) on:					-
- Islamic financing and investing assets	982	(23,743)	7,139	(30,352)	-124%
- Other assets	94	(522)	316	630	-50%
Amortization of initial fair value gain on investment deposits	(27,087)	(31,096)	(54,502)	(57,569)	-5%
Operating expenses	(27,317)	(39,431)	(56,851)	(84,670)	-33%
Cost of sale of properties under development	(3,576)	(10,506)	(13,886)	(141,238)	-90%
Share of results of an associate	6,648	7,444	11,060	13,809	-20%
PROFIT / (LOSS) BEFORE DISTRIBUTION TO FINANCIERS / INVESTORS	39,095	(3,113)	77,158	152,193	-49%
Distribution to financiers / investors	(31,033)	(32,421)	(61,640)	(64,755)	-5%
PROFIT / (LOSS) FOR THE PERIOD	8,062	(35,534)	15,518	87,438	-82%
Attributable to:					-
Equity holders of the parent	4,637	(36,680)	10,199	85,380	-88%
Non-controlling interests	3,425	1,146	5,319	2,058	158%
	8,062	(35,534)	15,518	87,438	-82%

Appendix

Interim Consolidated Statement of Financial Position



AED '000

Particulars	H1 2017	FY 2016	Change in %
			H1 2017 vs. FY 2016
ASSETS			
Cash and balances with banks	693,119	620,502	12%
Islamic financing and investing assets	3,245,317	3,219,711	1%
Available-for-sale investments	7,709	7,688	0%
Advances for investment properties	322,818	322,818	0%
Investment properties	1,672,745	1,623,096	3%
Properties under development	220,023	220,679	0%
Investment in an associate	288,059	293,540	-2%
Other assets	90,076	162,350	-45%
Furniture, fixtures and office equipment	20,042	22,284	-10%
TOTAL ASSETS	6,559,908	6,492,668	1%
LIABILITIES AND EQUITY			
Liabilities			
Investment deposits & other Islamic financing	4,736,526	4,682,024	1%
Term Islamic financing	62,574	57,704	8%
Employees' end of service benefits	6,425	6,157	4%
Other liabilities	121,358	135,091	-10%
Total liabilities	4,926,883	4,880,976	1%
Equity			
Equity attributable to equity holders of the parent			
Share capital	1,500,000	1,500,000	0%
Employee stock option plan shares	(93,048)	(93,048)	0%
Statutory reserve	117,690	117,690	0%
General reserve	117,690	117,690	0%
Special reserve	99,265	99,265	0%
Mudaraba Instrument	231,128	231,128	0%
Mudaraba Instrument reserve	868,947	868,947	0%
Cumulative changes in fair value	1,663	1,663	0%
Foreign currency translation reserve	(326,626)	(334,691)	-2%
Accumulated losses	(1,008,139)	(1,016,088)	-1%
	1,508,570	1,492,556	1%
Non-controlling interests	124,455	119,136	4%
Total equity	1,633,025	1,611,692	1%
TOTAL LIABILITIES AND EQUITY	6,559,908	6,492,668	1%

Appendix

Full Year 2016 Consolidated Statement of Income



AED '000

Particulars	FY 2016	FY 2015	FY 2014	Change in %	
				2016 vs. 2015	2015 vs. 2014
Income from Islamic financing and investing assets	200,493	290,756	368,128	-31%	-21%
Fee income	6,119	6,622	8,471	-8%	-22%
Income on deposits	7,135	4,173	4,556	71%	-8%
Rental income	56,602	46,185	34,021	23%	36%
Sale of properties under development	428,826	74,078	-	479%	-
Other income	33,042	18,489	13,846	79%	34%
Fair value gain on investment properties	18,070	66,587	(2,114,599)	-73%	103%
	750,287	506,890	(1,685,577)	48%	130%
Reversal of impairment / (impairment) on:					
- Islamic financing and investing assets	(66,685)	89,443	76,528	-175%	17%
- Available-for-sale investments	-	-	(2,314)	-	-100%
- Other assets	957	(8,901)	2,424	111%	-467%
Amortisation of initial fair value gain on investment deposits	(110,430)	(132,184)	(25,129)	-16%	426%
Fair value adjustment on investment deposits and other Islamic financing	-	-	911,447	-	-100%
Fair value adjustment on Mudaraba Instrument	-	-	1,026,867	-	-100%
Operating expenses	(171,478)	(166,660)	(181,216)	3%	-8%
Cost of sale of properties under development	(196,117)	(33,447)	-	486%	-
Share of results of an associate	27,905	25,202	22,213	11%	13%
PROFIT / (LOSS) BEFORE DISTRIBUTION TO FINANCIERS / INVESTORS	234,439	280,343	145,243	-16%	93%
Distribution to financiers / investors	(127,392)	(141,244)	(230,701)	-10%	-39%
PROFIT / (LOSS) FOR THE YEAR	107,047	139,099	(85,458)	-23%	263%
Attributable to:					
Equity holders of the parent	107,440	134,851	58,858	-20%	129%
Non-controlling interests	(393)	4,248	(144,316)	-109%	103%
	107,047	139,099	(85,458)	-23%	263%

Appendix

Full Year 2016 Consolidated Statement of Financial Position



AED '000

Particulars	FY 2016	FY 2015	FY 2014	Change in %	
				2016 vs. 2015	2015 vs. 2014
ASSETS					
Cash and balances with banks	620,502	606,440	497,736	2%	22%
Islamic financing and investing assets	3,219,711	3,459,713	4,264,502	-7%	-19%
Available-for-sale investments	7,688	25,529	23,945	-70%	7%
Advances for investment properties	322,818	322,818	312,036	0%	3%
Investment properties	1,623,096	1,701,920	1,489,968	-5%	14%
Properties under development	220,679	386,418	363,281	-43%	6%
Investment in an associate	293,540	282,096	267,831	4%	5%
Other assets	162,350	88,973	68,548	82%	30%
Furniture, fixtures and office equipment	22,284	14,168	13,924	57%	2%
TOTAL ASSETS	6,492,668	6,888,075	7,301,771	-6%	-6%
LIABILITIES AND EQUITY					
Liabilities					
Investment deposits & other Islamic Financing	4,682,024	4,845,232	5,270,291	-3%	-8%
Term Islamic financing	57,704	69,799	50,935	-17%	37%
Employees' end of service benefits	6,157	6,292	6,085	-2%	3%
Other liabilities	135,091	235,442	134,564	-43%	75%
Total liabilities	4,880,976	5,156,765	5,461,875	-5%	-6%
Equity					
Equity attributable to equity holders of the parent					
Share capital	1,500,000	1,500,000	1,500,000	-	-
Employee stock option plan shares	(93,048)	(93,048)	(93,048)	-	-
Statutory reserve	117,690	117,690	117,158	-	-
General reserve	117,690	117,690	117,158	-	-
Special reserve	99,265	99,265	99,265	-	-
Mudaraba Instrument	231,128	231,128	273,133	-	-15%
Mudaraba Instrument reserve	868,947	868,947	1,026,867	-	-15%
Cumulative changes in fair value	1,663	4,163	2,533	-60%	64%
Foreign currency translation reserve	(334,691)	(137,725)	(106,447)	143%	29%
Accumulated losses	(1,016,088)	(1,121,371)	(1,237,046)	-9%	-9%
	1,492,556	1,586,739	1,699,573	-6%	-7%
Non-controlling interests	119,136	144,571	140,323	-18%	3%
Total equity	1,611,692	1,731,310	1,839,896	-7%	-6%
TOTAL LIABILITIES AND EQUITY	6,492,668	6,888,075	7,301,771	-6%	-6%

Appendix

Board of Directors



Mr. Ali Ibrahim Mohammad
Chairman



Mr. Essamuddin Galadari
Vice-Chairman



Mr. Saleh Saeed Lootah
Board Member



Mr. Farooq Mahmood Arjomand
Board Member



Mr. Hesham Abdulla Al Qassim
Board Member



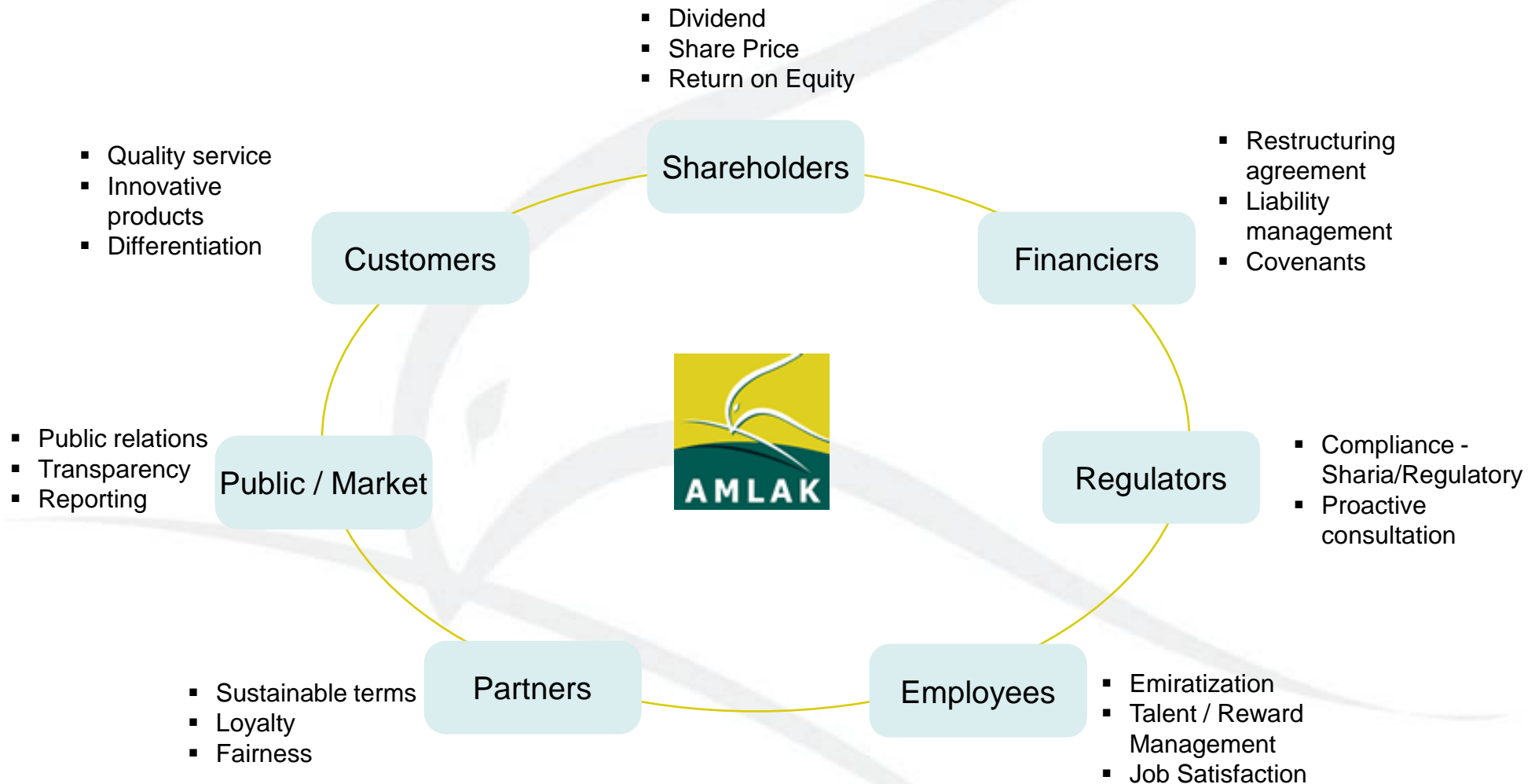
Major General Ahmad Hamdan Bin Dalmook
Board Member



Mr. Arif Alharmi
**Managing Director and
Chief Executive Officer**

Appendix

Stakeholders Priorities



Appendix

Products and Services



Istithmari

Istithmari is the first-of-its-kind Buy-To-Let property finance (Ijarah) product in the region, designed for investors looking to invest in completed residential and commercial properties. Customers are also provided with a complimentary full suite of Property Management Services.

Ijarah

Ijarah is the basic home finance product aimed towards end users for residential as well as commercial property in both ready and under-construction projects. Under Ijarah, Amlak buys the property from the developer/seller and leases it out to the customer with a promise to sell at the end of the lease term. The customer pays monthly rentals that comprise of fixed, variable and supplementary rentals.

Tatweer

Tatweer is an under-construction financing product for a Buy-To-Let property as well as for end users. Finance is supplemented by a complimentary full suite of property management services that comes into effect post completion and handover of the property.

Developer Finance

Developer Finance is a tailored financing solution offered for real estate projects being developed in freehold areas of Dubai by licensed developers. Prospective developers have the option to benefit from finance options under various facility structures and other value added services.

Private Construction Finance

Private Construction Finance is offered to individuals or corporates that carry out under construction projects with an intention to either rent, occupy or operate the development, post construction completion. Although the product is primarily targeted towards the wholesale segment, individual or retail applications are also catered under the same offer on case by case basis.

Platinum Lifestyle Takaful

Platinum Lifestyle Takaful is a comprehensive Takaful plans package exclusively designed for all customers. The plans give protection against most property finance related perils and also offer other value added lifestyle benefits.

Double Your Property Portfolio

This first-of-its-kind product is designed for UAE resident as well as non-resident investors who have equity in UAE property to double their property portfolio. The product provides eligible investors with increased returns on their real estate investments as well as attractive financing terms. Amlak will facilitate the entire new investment process using the refinanced amount. Investors can enjoy complete access to Amlak's diverse real estate portfolio and receive complimentary property management services.

Appendix

General Economic Indicators - UAE and Dubai Economy



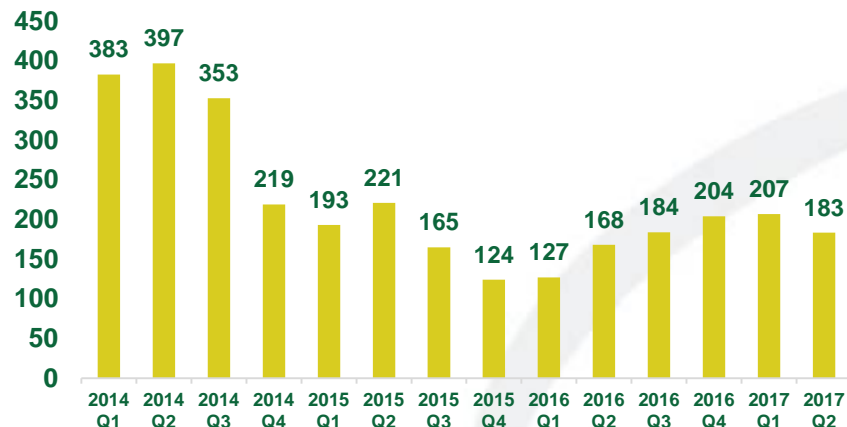
- Real GDP growth is projected to rise to 3.1% this year, which is a 2.85% increase from last year.
- 27% increase in infrastructure spending is expected to further boost Dubai's GDP in 2017.
- Oil prices have been largely stable in the first quarter, reaching close to \$50 per barrel after OPEC members agreed to cut oil production by approximately 1.2 million barrels per day. This may positively impact investors and the government budget. OPEC oil producers are poised to extend production cuts beyond June.
- Shifting trends in the job market are becoming more evident, with a rise in hiring in the hospitality sector.
- Expo 2020 is forecasted to draw more foreign visitors and further investments. The development of new touristic attractions will boost tourism in the country through an increase in tourist inflows and foreign investment.
- Dubai's population is 2.75 million as at March 2017.
- Housing and Utility Expenses inflation as of January, increased by 2.48% compared to last year.
- Geopolitical flashpoints may impact direct foreign investment in Dubai.
- The strong US Dollar remains a headwind to Dubai's hospitality sector.

Appendix

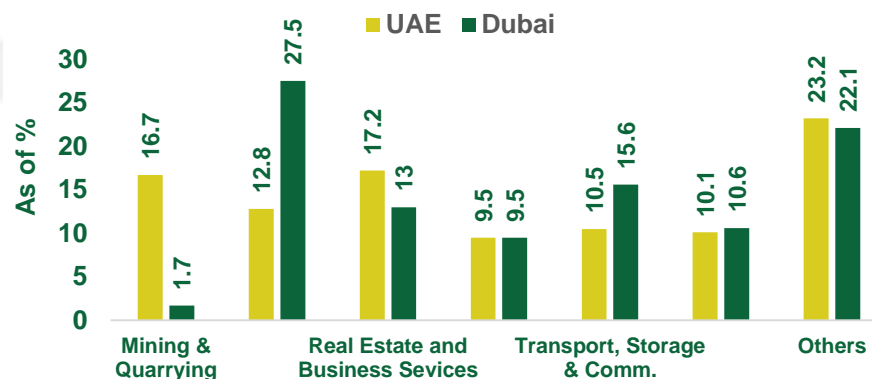
General Economic Indicators - Key Economic Indicators



1 Brent OPEC Oil Basket Price in UAE (AED)

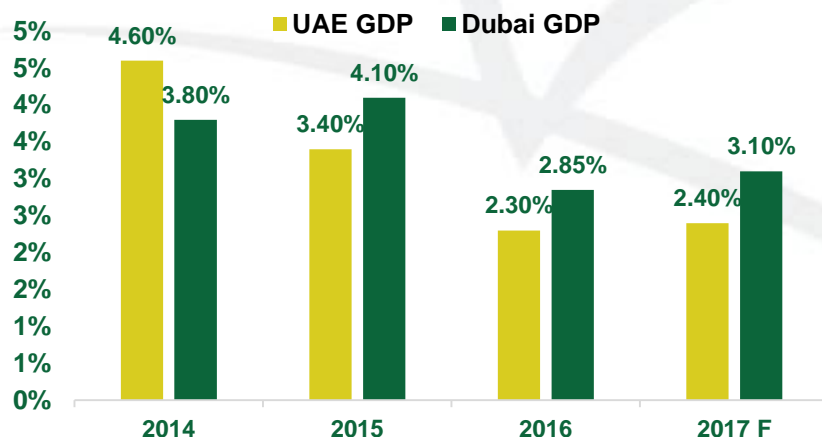


Distribution of GDP Sectors (in %) – UAE & Dubai 2016



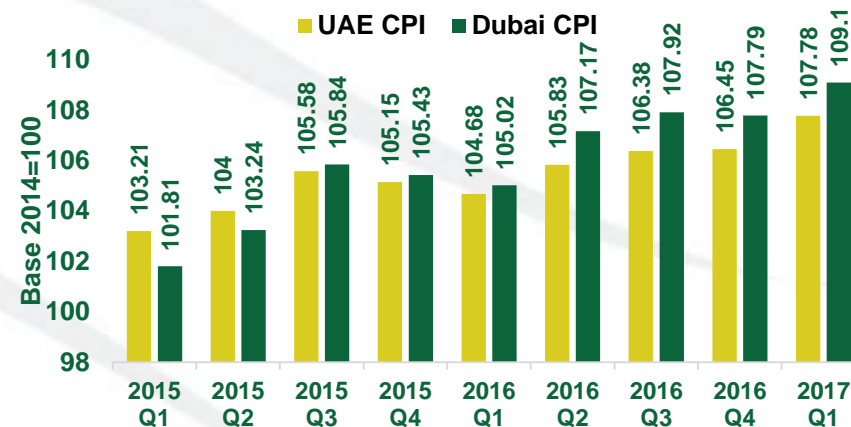
Source: Dubai Statistics Center, National Bureau of Statistics

UAE & Dubai GDP Growth Rates



Source: Ministry of Economy

Consumer Price Index (CPI) – UAE & Dubai



Source: Dubai Statistics Center, National Bureau of Statistics

Appendix

General Economic Indicators - Dubai Real Estate Market



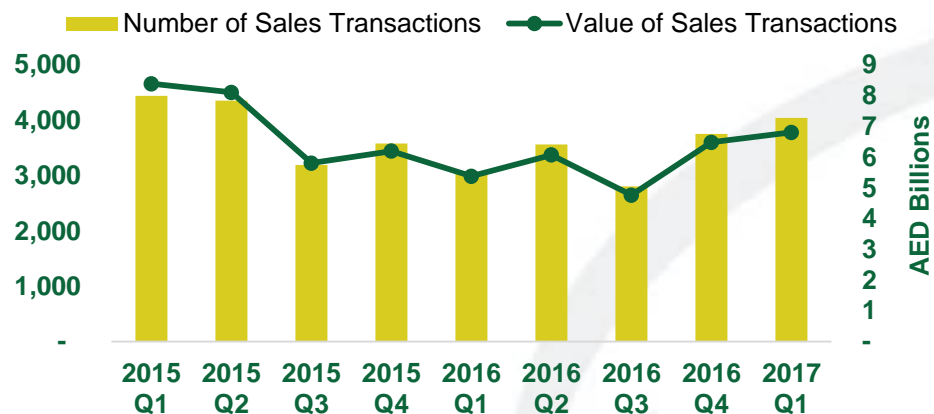
- Number and value of sales transactions increased by 32% and 27% respectively in Q1 2017 as compared to Q1 2016. After a decline in the last three years, there has been a resurgence in transactional activity in the first quarter of 2017. This can be explained by a confluence of factors, including "value discovery" by the investors.
- Sales prices showed uptick movement in the few locations while rest of the locations saw stable prices or marginal declines.
- Dubai real estate market witnessed a 70 per cent increase in the number of off-plan property transactions and an 8 per cent increase in the number of ready property transactions in Q1 2017.
- Dubai rents have been hit by regional economic stagnation as well as redundancies, weak job growth and modest supply growth.
- The market continues to bring new supply at an unchanged pace from the past few years and around 3,000 units were added to the market in the first quarter, adding downward pressure on the rentals.
- Off-plan property sales are increasingly regaining a foothold, in particular projects by reputed developers.

Appendix

General Economic Indicators - Key Real Estate Indicators

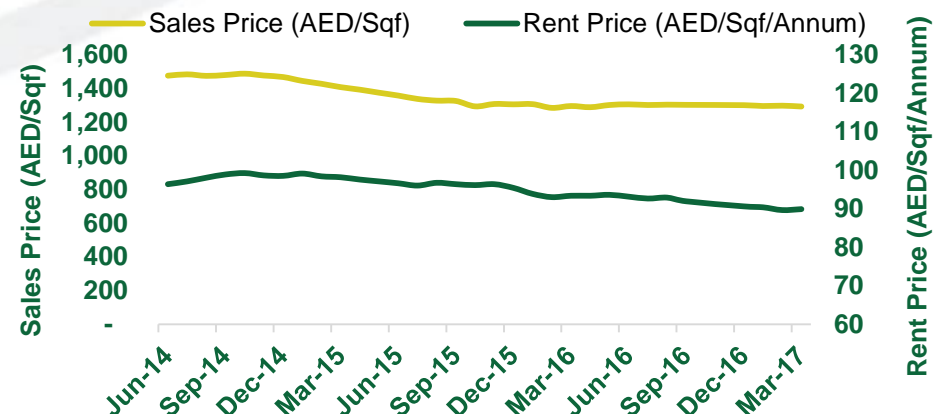


Number and Value of Real Estate Transactions



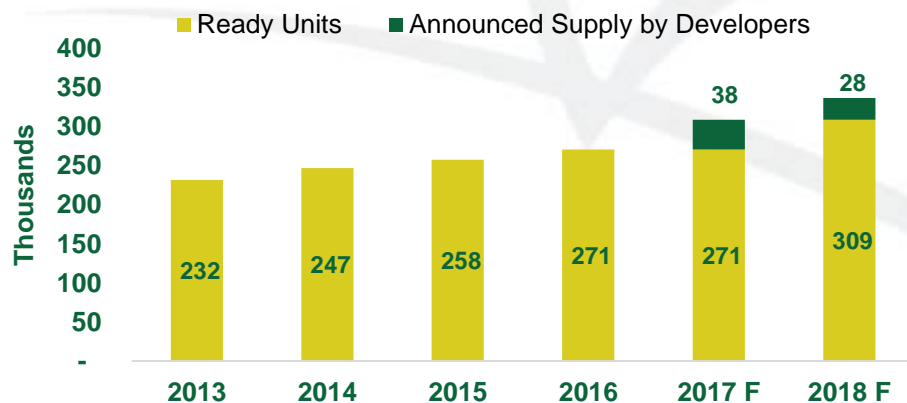
Source: Reidin

Dubai Residential Sales and Rental Price Changes



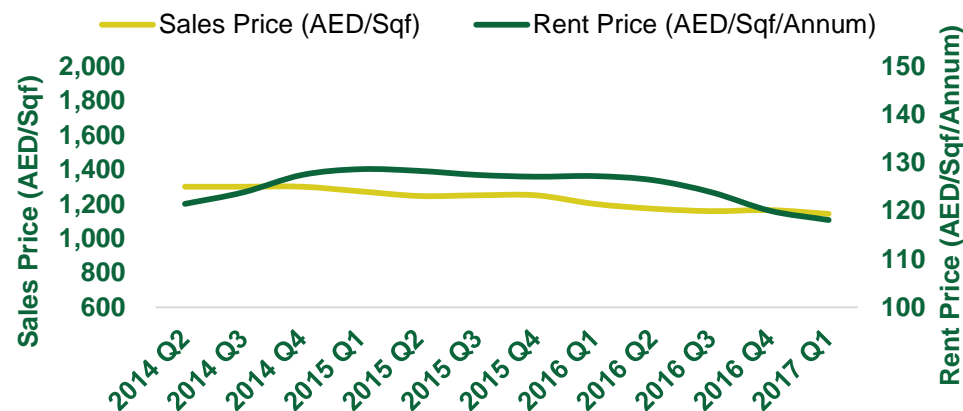
Source: Reidin

Dubai Residential Supply Trends (Freehold Areas)



Source: Reidin

Dubai Commercial Rental Prices



Source: Reidin

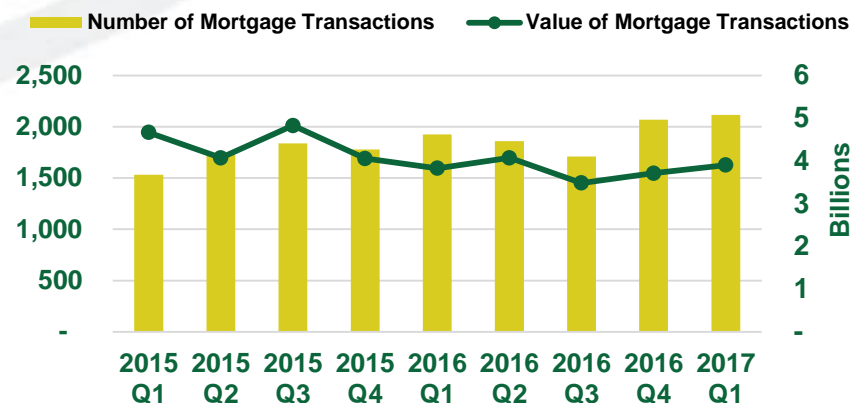
Appendix

General Economic Indicators - Dubai Mortgage Market



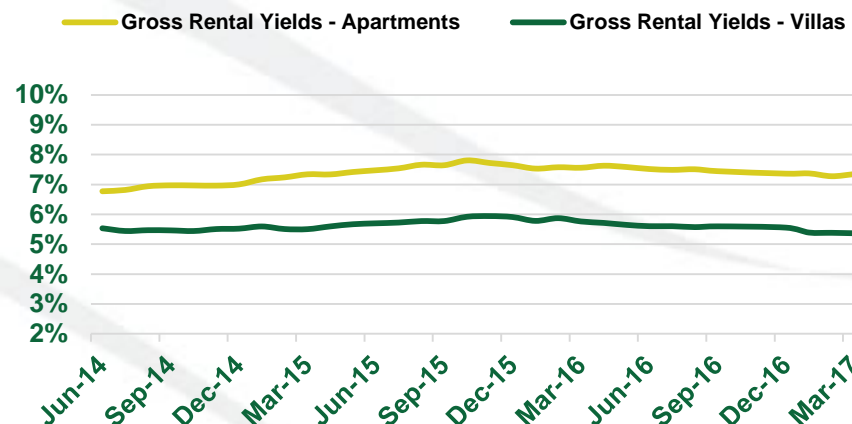
- Number and value of Mortgage transactions increased by 10% and 2% respectively in Q1 2017 when compared to Q1 2016; owing to an increase in home ownership and increase in the refinancing & equity release transactions.
- EIBOR is likely to perform in an uptick direction albeit on a lower level to US rates as FED is projected to three rate increases next year, which would be followed by another three increases in both 2018 and 2019.
- Even though interest rates increased drastically between 2007-11, the mortgage market continued to perform well. Increase in mortgage levels is evidence of increase in home ownership, indicating a more mature real estate market.
- Rental declines outpaced sales prices in the first quarter of 2017 which resulted in a slight drop in the gross rental yields.
- Average Dubai apartment gross rental yield is 7.3% while average villa rental yield is 5.4%.

Mortgage Transactions Over the Years



Source: Reidin

Rental Yields in Dubai



Source: Reidin



Contact

Investor Relations

Phone: +971 4 4274500

Web: <http://www.amlakfinance.com/en/investor-relations.html>

Email: InvestorRelations@amlakfinance.com

P O Box: 2441, Dubai, United Arab Emirates