



Press Release

Amlak Reports First Quarter of 2016 Results

- *Amlak Q1 2016 net group profit surges to AED 123 million*
- *Total assets stand at AED 6.7 billion*

Dubai, UAE 11 May 2016 – Amlak Finance PJSC, a leading specialized real estate financier in the Middle East, today announced its financial results for first quarter ended 31 March 2016. The company's net group profits were reported at AED 123 million.

Amlak's Total Revenue reached AED 363 million in Q1 2016 compared to AED 104 million in Q1 last year. The strong revenue performance was driven by income generated from the real estate investment business as the company registered AED 134 million from the partial sale of land projects. Revenue from financing business activity fell 27% in Q1 2016 to AED 59 million from AED 80 million for the same period last year due to decreasing real estate portfolio. Rental and Other Income and Share of Results from Associates remained constant at AED 24 million compared to the same period last year.

Operating Costs and Distribution to Financiers improved by 12% and 11% respectively falling to AED 30 million and AED 32 million, as result of proactive cost management and repayments of the Financiers facilities during the period.

The company recorded a total impairment charge of AED 5 million recognized from non-performing accounts in Q1 2016. The quarterly amortization of an initial fair value gains recognized earlier fell to AED 26 million in Q1 2016 from AED 28 million for the same period last year as the Financiers facilities continue to be repaid.

Total assets stood at just over AED 6.7 billion in Q1 2016, representing a 2% decrease from the same period last year. On the back of net retained profits, the balance sheet equity position attributable to shareholders increased over Q1 2016 to AED 1.67 billion from AED 1.58 billion at the end of December 2015.

Commenting on the results Arif Alharmi, Managing Director of Amlak, said "I am pleased that our strategy and efforts to develop the infrastructure of the Nad Al Hamar land project has been successful allowing us to recognize substantial revenue. The income generated is a result of project progress and sales of 48% of the land plots, of which most have been transferred to the buyers.

He added: "Whilst we expect steady sales of further land plots and project progress, we also anticipate modest growth for the remainder of the year. We will continue to focus on growing our balance sheet and income from property financing which is a core business activity and continually strive for further operational efficiency, and customer service enhancements. New and innovative sources of funding plus robust risk and cost management will also remain a key priority for us."

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About Amlak Finance PJSC:

Established in 2000, Amlak Finance is a leading specialized real estate financier in the Middle East. Amlak provides innovative, Shari'a-compliant property financing products and solutions designed to meet the demanding needs of the market. Amlak offers a range of customized financial solutions and products to investors for both ready and off-plan properties.

Amlak launched its first international office in Cairo in 2007, which operates under the name 'Amlak Finance & Real Estate Investment'. It also has business associations in Saudi Arabia under the name 'Amlak International For Real Estate Finance Co'.

After successfully completing its financial restructuring in 2014, Amlak has launched a number of innovative products and services to its customers and won a number of prestigious awards such as Innovation in Islamic Finance, Best Sharia Compliant Property Finance Company UAE 2015, and Best Islamic Finance CSR Company UAE 2015 amongst others. Amlak is now well poised to recapture its leading position as a specialized real estate financier, and focused on creating value for its shareholders.

To learn more about Amlak Finance, please visit our website: <http://www.amlakfinance.com>

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