



## **Press Release**

### **Amlak Finance announces steady profit for First Half 2018 Results**

- *H1 2018 net profit attributable to equity holders is AED 10.4 Million, up by 2% compared to the same period last year*
- *Total revenues up by 10% compared to H1 2017*
- *Revenues from financing business activities stand at AED 85 million*
- *Rental income up by 7%*
- *Total assets stand at AED 6 billion*

**Dubai, UAE 31 July 2018** – Amlak Finance PJSC, a leading specialized Islamic real estate financier in the Middle East, today announced its financial results for the first half ending 30 June 2018.

Amlak reported net profit attributable to equity holders of AED 10.4 million in H1 2018, an increase of 2% compared to AED 10.2 million for the same period last year. The Group net profit for the first half stands at AED 11.2 million.

Total revenue increased by 10% to AED 203 million in H1 2018, compared to AED 184 million for the same period last year. This increase is mainly related to the infrastructure development completion and sales of plots in Nad Al Hamar joint venture.

Revenues from financing business activities witnessed a decrease by 11% to AED 85 million in H1 2018, compared to AED 96 million for the same period last year.

Rental Income increased by 7% during H1 2018 to AED 32 million, compared to AED 30 million in H1 2017.

Operating costs increased by 7% to AED 61 million in H1 2018, compared to AED 57 million for the same period last year, excluding operating costs of joint ventures relating to real estate development.

During H1 2018, the Group recorded an impairment charge of AED 25 million compared to an impairment reversal of AED 7 million in H1 2017. The Company also recorded an amortization cost of AED 59 million in H1 2018, an increase of 7% compared to AED 55 million in the same period last year. The increase is due to the further early payment of AED 684 Million to



financiers in January 2018, which is equivalent to 10 future scheduled monthly installments until December 2018. Amlak till date has paid 42% of its Islamic deposits liabilities relating to financiers and 75% of its Islamic deposit liabilities relating to liquidity support providers.

The amount of amortization represents the unwinding of fair value gains on initial recognition of investment deposits, and varies according to the level of repayment made to the financiers in any reporting period.

The profit distributable to financiers stood at AED 55 million in H1 2018, a decrease of 11% compared to AED 62 million in the same period last year. This decrease is also due to the early payment made to financiers in January 2018.

Following the repayment to financiers, total liabilities decreased by 12% in H1 2018 compared to year end 2017. Total assets of Amlak stand at AED 6 billion in H1 2018, representing a 9% decrease from year end 2017.

Commenting on the results, Mr. Arif Abdulla Alharmi, Managing Director & CEO of Amlak Finance, said: "Amlak's focus has always been towards providing our customers with innovative products and services that stimulate the local market, such as our latest Akeed fixed rate product which we launched this year. Currently, we are also working on a series of new products which we will launch during the second half of this year and are confident that these products will continue to stimulate the growth of our organization. We have also been successful in our efforts to diversify our revenue stream through the infrastructure development and sale of various plots in the UAE. As we move forward, we will continue to expand within the areas that we feel will benefit Amlak's long term profitability and revenues growth."

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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 ever-changing market demands. Amlak offers a range of customized financial solutions and products to investors for both ready and off-plan properties.



Following the completion of its highly successful financial restructuring in 2014, Amlak is pursuing a prudent business strategy that is also now well-placed to work towards continuous enhancement of value for its shareholders.

Amlak launched its first international office in Cairo in 2007. It also has business associations in Saudi Arabia.

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

**Media Inquiries:**

Sasha Pinto

Tel: 04-4454248

Email: [slpinto@webershandwick.com](mailto:slpinto@webershandwick.com)