

# AMLAK FINANCE PJSC

Investor Relations Quarterly Information Pack  
30 September 2015

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## Sections

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- FINANCIAL HIGHLIGHTS

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- STRATEGY

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- AMLAK AT A GLANCE

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# FINANCIAL HIGHLIGHTS

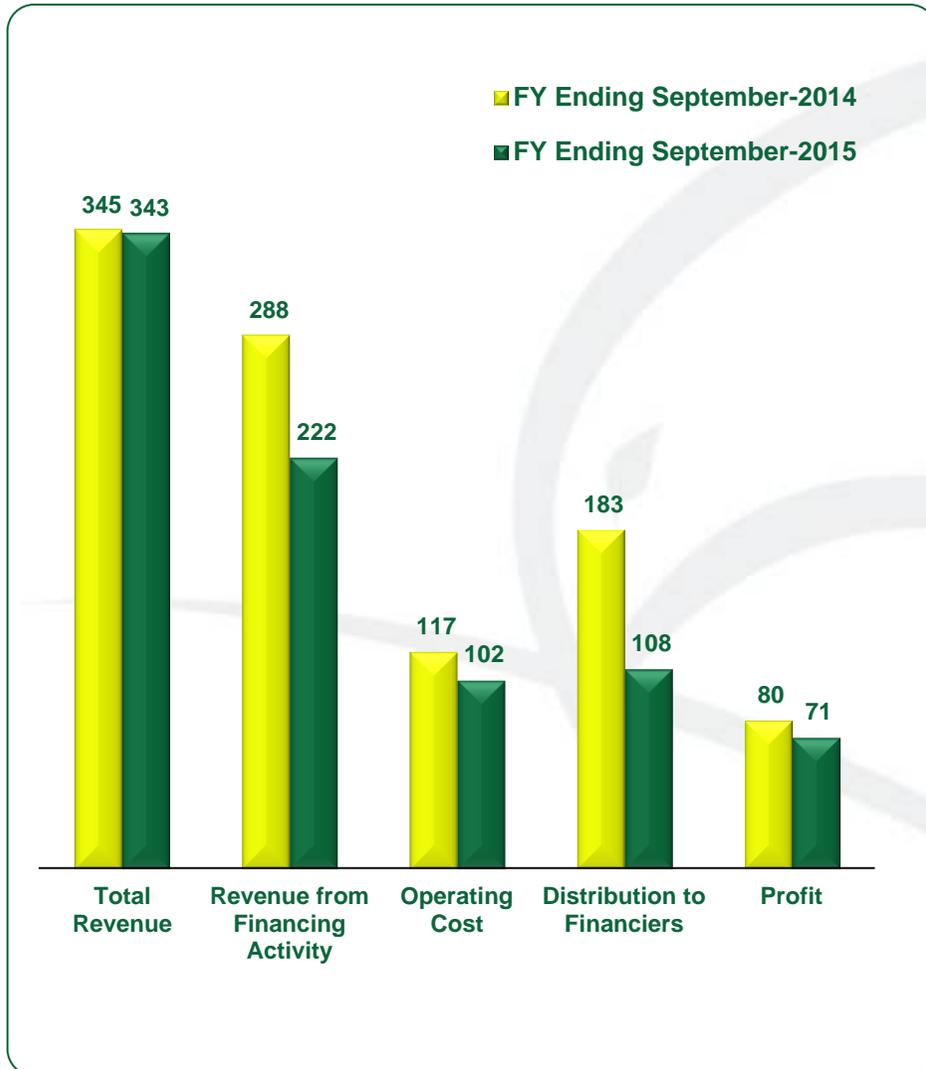
# Group Performance Highlights – 3<sup>rd</sup> Quarter

Description	Q3 2015	Q3 2014				
	AED (M)		Q2 2015	Q1 2015	Q4 2014	Q3 2014
Income from financing and Investing assets	74	91	67	81	89	91
Rental Income	12	10	10	11	10	10
Fair value loss on investment properties	-	-	-	-	(2,115)	-
Share of results of associate	7	5	5	6	8	5
Sale of real estate	23	-	21	-	-	-
Other Income	7	3	13	7	1	3
<b>Total Income</b>	<b>123</b>	<b>109</b>	<b>116</b>	<b>105</b>	<b>108</b>	<b>109</b>
Impairment (reversals)	17	7	(24)	(28)	1,953	7
Operating Expenses	(49)	(34)	(46)	(35)	(64)	(34)
<b>Profit / (loss) before distribution to financiers / investors</b>	<b>91</b>	<b>82</b>	<b>46</b>	<b>42</b>	<b>(118)</b>	<b>82</b>
Distribution to financiers / investors	(34)	(75)	(37)	(36)	(48)	(75)
<b>Profit / (loss) for the period</b>	<b>57</b>	<b>7</b>	<b>9</b>	<b>6</b>	<b>(166)</b>	<b>7</b>

- ❑ Revenue and Group Profit in line with management expectations.
- ❑ Rental and Other Income and Share of Results from Associates improved further.
- ❑ Amlak is confident that it can meet full year profitability expectations as at the year end.

# Group Income Statement YTD Comparative Analysis

AED in Million

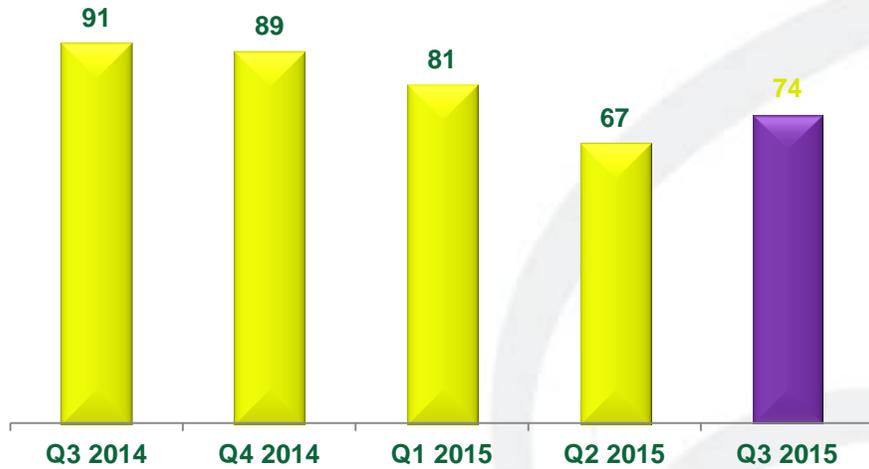


- ❑ Amlak's Total Revenue remained steady at AED 343 million compared to last year
- ❑ Revenue from finance business activity was AED 222 million representing a 23% fall respectively from the same period last year due to decreasing real estate portfolio
- ❑ Rental and Other Income improved to AED 60 million up by 43% compared to the same period last year
- ❑ Operating Costs, fell by 13% to AED 102 million from AED 117 million due to cost management and savings
- ❑ Profit distributable to financiers decreased from AED 183 million to AED 108 million compared to last year after restructuring and adjusting down the Investment Deposits in Q4 2014

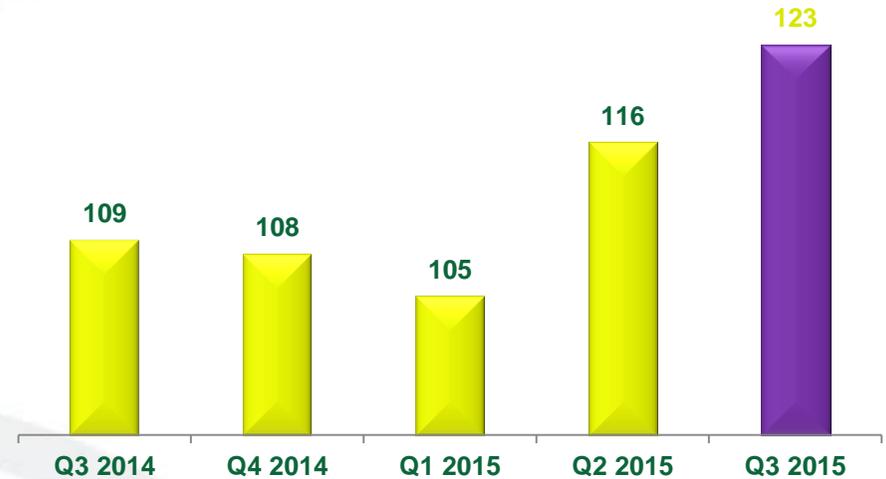
# Group Performance – Quarterly Trends

AED in Million

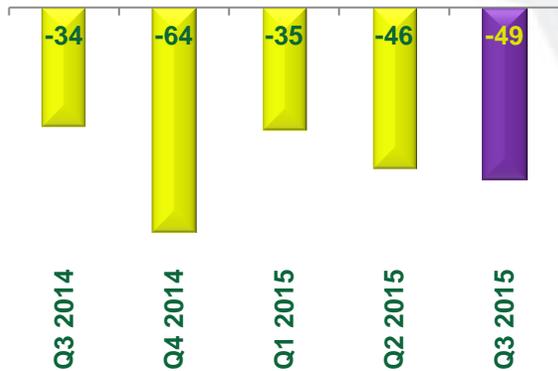
Income from financing and Investing assets



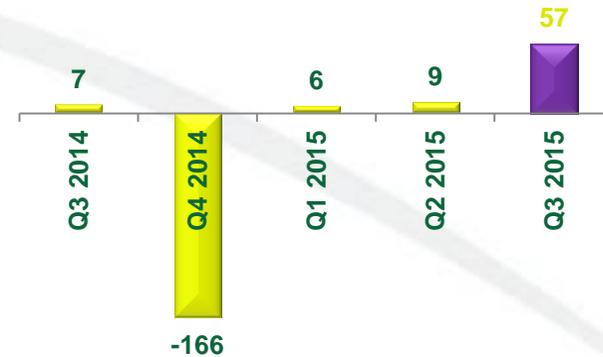
Total Income



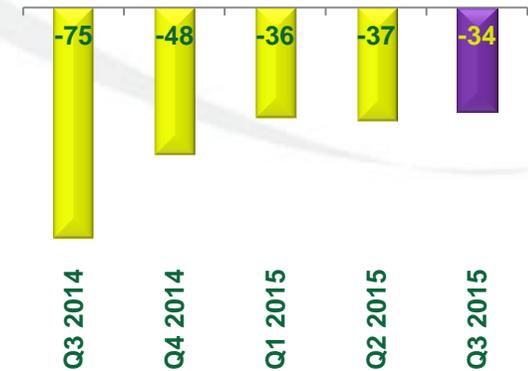
Operating Expenses



Profit / (loss) for the period



Distribution to financiers / investors



# Consolidated Statement of Financial Position

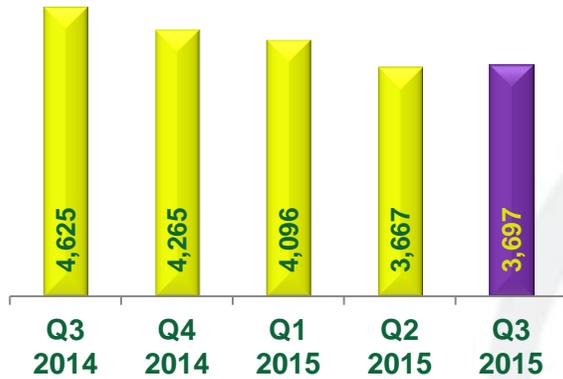
Description	30-Sep-15	30-Jun-15	30-Jun-15	31-Mar-15	31-Dec-14	30-Sep-14
	AED (M)		AED (M)			
Cash and balances with banks	405	1,184	1,184	685	498	1,037
Islamic financing and investing assets	3,697	3,667	3,667	4,096	4,265	4,625
Available-for-sale investments	24	24	24	24	24	29
Real Estate Assets	2,243	2,228	2,228	2,155	2,165	4,409
Investment in Associate	274	268	268	274	268	260
Other Assets	78	314	314	84	82	75
<b>Total Assets</b>	<b>6,721</b>	<b>7,685</b>	<b>7,685</b>	<b>7,318</b>	<b>7,302</b>	<b>10,435</b>
Investment deposits	4,813	5,350	5,350	5,299	5,270	8,490
Other liabilities (incl non-controlling interest)	388	654	654	339	332	493
Equity	1,520	1,681	1,681	1,680	1,700	1,452
<b>Total Equity &amp; Liabilities</b>	<b>6,721</b>	<b>7,685</b>	<b>7,685</b>	<b>7,318</b>	<b>7,302</b>	<b>10,435</b>

- ❑ Total balance sheet remains steady after restructuring in November 2014.
- ❑ Total assets decreased by 8% for the nine month period ending September 2015 on the back of decreasing mortgage portfolio
- ❑ Investment deposit decreased due to payments to financiers
- ❑ Redeemed AED 200 million of the Mudaraba Instrument, within the first year of restructuring marking the a similar reduction in the Equity position.

# Financial Position – Quarterly Trends

AED in Million

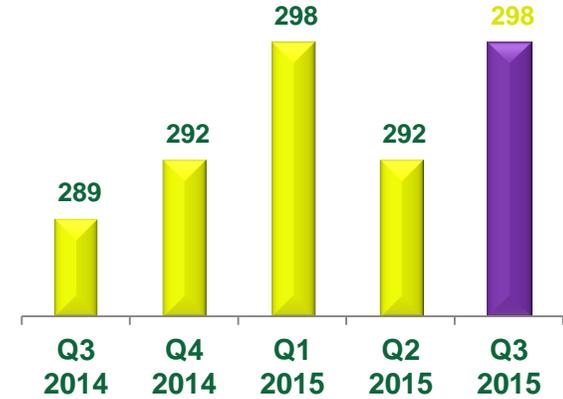
Islamic financing and investing assets



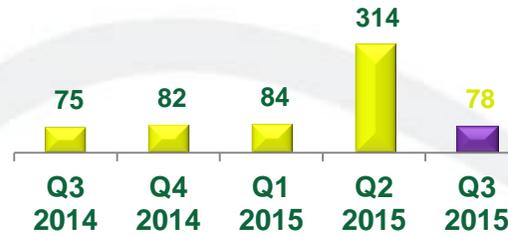
Real Estate Assets



Corporate Investments



Other Assets



Investment deposits



Liabilities and Share Capital



Total Assets



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# STRATEGY

**2015 +**

**Amlak pursues the following key strategies in short to medium and long term:**

***Growth***

- ❑ Our key focus will be on developer finance and retail mortgage business for growth in core revenue stream

***Funding***

- ❑ Optimum and sustainable long-term funding is a key focus for the organization. Various options are being explored including capital market transactions, bi-lateral facilities and structured finance transactions

***Value Propositions***

- ❑ Differentiated, innovative products in the retail mortgage landscape are the focus of the organization in 2016 and beyond. Key target segments will be resident and non resident in addition to commercial financing

***Organizational Capabilities***

- ❑ Developing the core capabilities in Human Capital, Infrastructure & Technology as well Risk management, and Customer Products and Service Delivery

***Institutional Relationships***

- ❑ Leveraging relationship with reputable developers to enhance product offering in under construction financing

# AMLAK AT A GLANCE

- ❑ Amlak Finance was established in 2000 as a leading specialized real estate financier under the regulation of UAE Central Bank.
- ❑ Amlak became a listed company in 2004 on the Dubai Financial Market (DFM) under the regulation of Securities and Commodities Authority (SCA) and UAE Central Bank.
- ❑ Amlak became a Sharia Compliant Finance Company in 2004.
- ❑ Amlak operates in UAE and Egypt with affiliation in Saudi Arabia.
- ❑ In the UAE, Amlak's focus is on Dubai property market, in both freehold and leasehold areas.
- ❑ Amlak provides innovative, Shari'a-compliant property financing products and solutions for end-users and investors for both ready and off-plan/under-construction properties.

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

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

***“To be a premier and specialized real estate financing institution in the region”***

## Our Mission *(What is our purpose?)*

***“To provide innovative financial solutions and quality services to our customers while maximizing shareholders’ value and nurturing our employees”***

## Business Segments

### Real Estate Finance

- ❑ Retail Customers Ready & U/C Financing
- ❑ Developer Project Financing

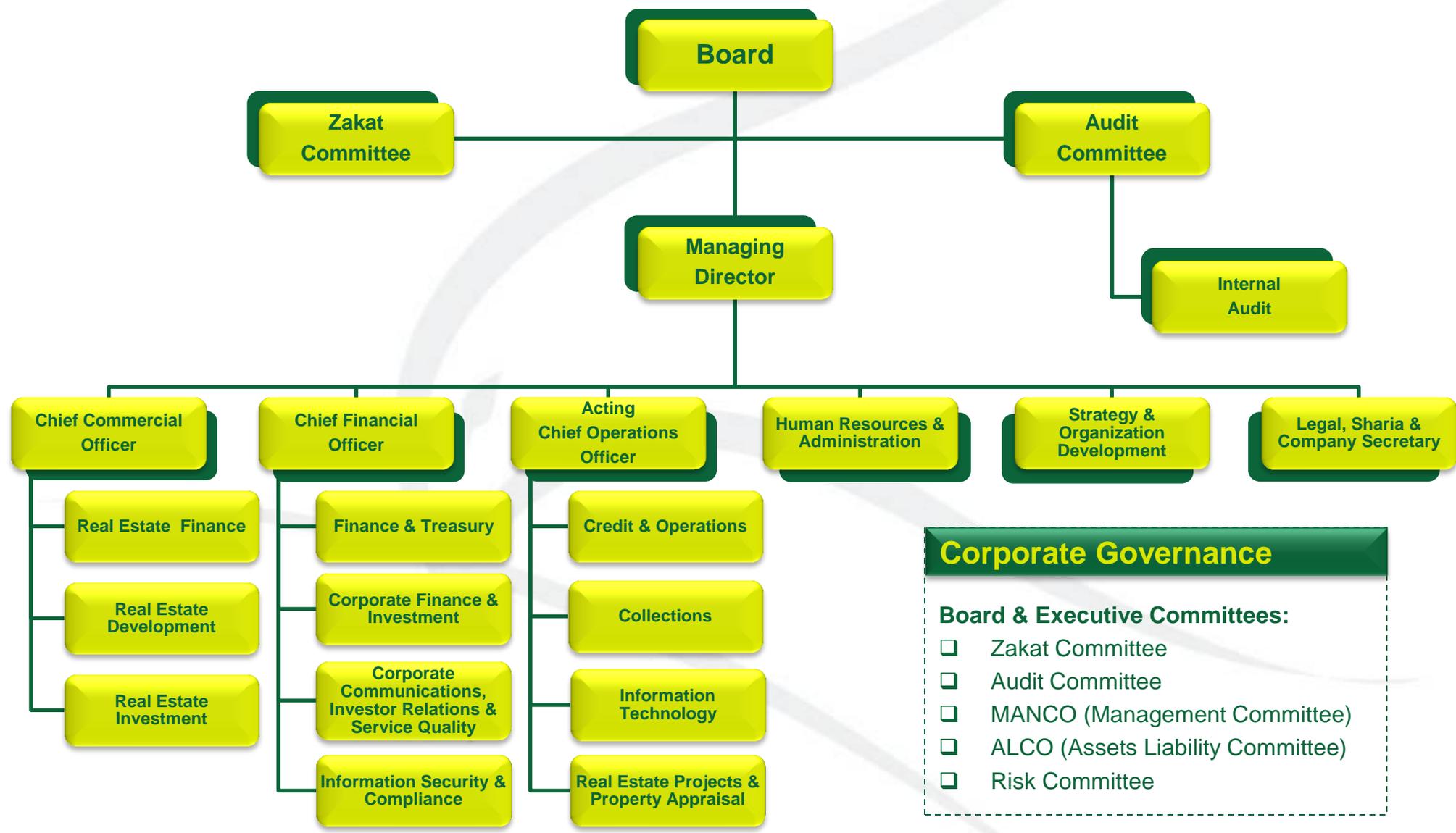
### Real Estate Investments

- ❑ Land
- ❑ Ready Property
- ❑ Under Development

### Corporate Investments

- ❑ Associate : KSA
- ❑ Subsidiary : Egypt
- ❑ Other Investments

# Organization Structure



**Corporate Governance**

**Board & Executive Committees:**

- Zakat Committee
- Audit Committee
- MANCO (Management Committee)
- ALCO (Assets Liability Committee)
- Risk Committee

# Key Products and Services

## *Istithmari*

- ❑ Amlak's 'Istithmari' is the first-of-its-kind Buy-To-Let property finance (Ijarah) product in the region, exclusively designed for investors looking to invest in completed residential and commercial properties. Product envisages financing as well as a complimentary full suite of Property Management Services.
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## *End User Ijarah*

- ❑ Amlak 'Ijarah' is our basic property finance product aimed towards end users for residential as well as commercial property in both ready and under-construction projects.
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## *Tatweer*

- ❑ Amlak 'Tatweer' is an off plan financing product for a Buy To Let property. Finance is bundled with the complimentary suite of property management services that comes into effect post completion of the property.
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## *Developer Finance*

- ❑ 'Developer Finance' is given for Amlak approved unfinished projects as an advance payment against future receivables or as an independent finance facility to complete the project.
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## *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 other value added lifestyle benefits.