***Financial Markets Disclosure***

# Tamweel reports net loss of AED 35 million for second quarter of 2009

- ***Q2 2009 operational profit amounts to AED 54 million.***
- ***After prudential impairment provisions of AED 89 M, net loss amounts to AED 35 million.***
- ***Islamic financing and investing assets recorded at AED 10.5 billion.***

**Dubai, August 10, 2009:** Tamweel PJSC, the UAE's largest provider of real estate finance, today declared its financial results for second quarter of 2009. The company's net loss for Q2 2009 was recorded at AED 35 million. Islamic financing and investing assets amounted to AED 10.5 billion. This excludes the securitized asset book of AED 353 million that has been taken off balance sheet.

Operational profit for Q2 2009 before prudential impairment provisions amounted to AED 54 million. In light of the adverse market conditions, tight liquidity and falling real estate market, Tamweel has taken additional prudential provisions of AED 89 million for potential delinquencies on its asset book and to offset the decline in market value of its property investments. The additional impairment provision on the home financing portfolio has been taken purely on a prudential basis, and the Company has so far not faced any significant specific provision requirement. As of 30 June 2009, total provisions against the home finance portfolio amounted to AED 168 million, of which AED 140 million was prudential provision. Provision against property investments amounted to AED 120 million. At half year end, Islamic Financing Assets constituted 89% of the Company's total assets, while investment in real estate was limited to 6% of the total assets.

The negative impact of the global economic situation, which affected financial institutions and the real estate sector in the country, continued in the second quarter of 2009. Whilst Tamweel awaits the Federal Government's decision on the recommendations submitted by the Steering Committee, the Board of Directors and the management are working very closely on managing its portfolio quality, controlling all variable overheads and increasing efficiency at the operational level.

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