Financial Markets Disclosure

Tamweel announces net loss of AED 41 million for first quarter of 2009

- *Q1 2009 operational profit amounts to AED 11 million. After prudential impairment provision of AED 52 M, net loss amounts to AED 41 million.*
- *Islamic financing and investing assets at AED 10.6 billion.*

Dubai, May 27, 2009: Tamweel PJSC, the UAE's largest provider of real estate finance, today declared its financial results for first quarter of 2009, pursuant to the receipt of clearance from the relevant Government Authorities. Sheikh Khaled bin Zayed bin Saqer Al-Nehayan, Chairman of Tamweel, announced that the company's net loss for Q1 2009 was recorded at AED 41 million. Islamic financing and investing assets amounted to AED 10.6 billion. This excludes the securitized asset book of AED 384 million that has been taken off balance sheet.

First quarter profitability was impacted by substantially lower income from property sales, higher prudential provisioning on the home finance portfolio and higher funding costs.

Commenting on the results, Sheikh Khaled bin Zayed bin Saqer Al-Nehayan said: "The negative impact of the global economic situation, which affected financial institutions and the real estate sector in the country, continued in the first quarter of 2009. Whilst the Company awaits the UAE Government's decision on a restructuring solution for the Company, the Board of Directors and the management are working very closely on maintaining asset quality, controlling all variable overheads and increasing efficiency at an operational level."

Commenting further on the results, Sheikh Khaled said: "In light of the adverse market conditions, tight liquidity and falling real estate values, Tamweel has taken additional prudential provisions of AED 52 million to cover potential future portfolio impairment. This additional impairment provision has been taken purely on a prudential basis and the company has so far not faced any significant specific provision requirement. At quarter end, Islamic Financing Assets constituted 89% of our total assets, while investment in real estate is limited to 6% of the total assets of the Company."

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