

9th February 2017

Dear Shareholders,

2016 has been a difficult year for many companies in Saudi Arabia. Through much of the year, the oil price languished below USD 50 per barrel causing the economy to stagnate, capital expenditure to plummet and the receivables situation in the general market to significantly deteriorate. While this situation has not left the Company unscathed, under the circumstances, I am satisfied that we weathered the storm well and have generated very respectable financial results.

Enclosed are the audited financial statements of the company for the year ended 31 December 2016. While I would encourage you to read through the full financial statements, the following achievements are noteworthy:

- SR 1,325 million was booked in new lease transactions during the year
- Profit before Zakat & Tax totaled SR 52 million.
- A 10.4% return was achieved on the share capital of the Company
- Shareholder equity stood at SR 907 million as at 31st December 2016

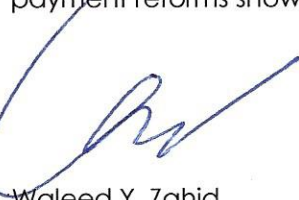
These results will again allow the Board to recommend a dividend this year.

Importantly, the company continues to have a qualitatively strong portfolio of assets. Of course, as a service provider we must demonstrate our willingness to serve our clients both in good and difficult times. This will require that the company maintains a strong financial base and ample liquidity. In this regard, I am pleased to report that our funding partners have underscored their full confidence and support by further extending their respective financial relationships with the company.

During this past year, we have strengthened our compliance capabilities with a focus across many areas of risk such as AML/CTF (Anti-Money Laundering/Countering Financing of Terrorism), fiduciary risk, cybersecurity and privacy. Our goal is to not only meet the legal and financial covenants of the various regulatory bodies but to exceed them.

Under the leadership of our newly appointed General Manager, Mr. Matar Al-Khateeb, our management team and employees have continued their outstanding work of managing risk as well as building for the long term while navigating prudently through the toughest of times. I thank them for their dedication and hard work.

Looking forward, the Government's commitment to support the economy through its announcement of an expansionary 2017 budget and its drive towards regulatory and payment reforms show promise for the New Year.



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