

February 2nd, 2012
FOR IMMEDIATE RELEASE

Palestine Exchange: Palestine Mortgage & Housing Corporation preliminary year-end financial statements for the year 2011

The Palestine Exchange (PEX) received consolidated unaudited year-end preliminary financial statements from Palestine Mortgage & Housing Corporation (PMHC). The PEX disclosure rules in place give all of PEX listed companies a period of 45 days to report their preliminary annual financial statements reviewed by the company's internal auditor. This disclosure was published on the PEX website (www.pex.ps) and emailed to PEX member securities firms in addition to this press release.

PMHC is the first listed company, and the first company within the Banking & Financial Services Sector to disclose its year-end preliminary financial statements for the year 2011.

The disclosed information includes:

- 1) A copy of the year-end financial statements audited by the internal auditor, and signed by the CEO and CFO of the company. The disclosed information includes: The Balance Sheet, the Income Statement, the Statement of Comprehensive Income, Changes in Equity Ownership, and the Statement of Cash Flows. Notes to the financial statements were not included.
- 2) The company attached with the disclosure "the summary of year-end preliminary financial statements" form for PEX, and it include: basic information about the company, the date for the convening of the annual ordinary General Assembly meeting, the date of publication of the annual report, the distribution plan for the annual report. In addition to a summary of preliminary results for the year 2011 compared with the audited results of 2010.
- 3) The company also provided its interim financial statements via the approved electronic form of disclosure applicable to the Banking & Financial Services Sector.
- 4) A copy of this disclosure was sent to the Palestinian Capital Market Authority (PCMA) simultaneously.

According to company data for year-end preliminary financial statements for year 2011, net profit before taxes reached 450,733 USD, compared with a net profit before taxes of 342,440 USD in the audited data for 2010, a net increase of 31.6%. Total assets of the company reached 37,125,997 USD as of December 31st, 2011, compared to total assets of 38,717,139 USD as of December 31st, 2010, a net decrease of 4.1%. Total liabilities of the company reached 16,119,882 USD as of December 31st, 2011, compared to total liabilities of 17,027,100 USD as of December 31st, 2010, a net decrease of 5.3%. Net ownership equity of the company reached 21,006,115 USD as of December 31st, 2011, compared with a net ownership equity of 21,690,039 USD as of December 31st, 2010, a net decrease of 3.2%.