



**Press Release**

## **Emaar Properties reports 2011 net operating profit of AED 2.058 billion (US\$ 560 million)**

- *Annual revenue for 2011 reaches AED 8.112 billion (US\$ 2.209 billion)*
- *Robust recurring revenues from shopping malls & retail and hospitality & leisure businesses*
- *Fourth quarter revenue stands at AED 2.239 billion (US\$ 610 million); net operating profit reaches AED 808 million (US\$ 220 million)*
- *Launches new wholly-owned subsidiary, Dawahi Development, to drive value housing projects across Arab world*

**Dubai, UAE; February 14, 2012:** Emaar Properties PJSC, the global property developer of integrated lifestyle communities, announced today a net operating profit of AED 2.058 billion (US\$ 560 million) for the 12 months ended December 31, 2011.

The company's annual revenue for 2011 reached AED 8.112 billion (US\$ 2.209 billion). With The Dubai Mall, the flagship development of Emaar establishing itself as the world's most visited shopping and tourism destination marking record visitor arrivals of 54 million in 2011, the shopping malls & retail business of Emaar contributed AED 2.14 billion (US\$ 583 million) to annual revenues, representing 26 per cent of the total. This is 13 per cent higher than the shopping malls & retail revenues of AED 1.9 billion (US\$ 517 million) in 2010.

Emaar's hospitality & leisure business, featuring a portfolio of prime hotel developments in Dubai and an assortment of leisure facilities, contributed AED 1.22 billion (US\$ 332 million) to the company's annual revenues in 2011, representing 15 per cent of the total and 22 per cent higher than the 2010 revenue of AED 1 billion (US\$ 272 million). Further strengthening its hospitality business internationally, Emaar also opened its first overseas Armani Hotel, the Armani Hotel Milano in Italy, last year.

In total, the company's shopping malls & retail and hospitality & leisure business segments accounted for 41 per cent of total annual revenues, compared with their combined contribution of about 24 per cent to the revenues in 2010.

Emaar also recorded strong growth in its international revenue stream following the successful handover of homes and offices in markets including Turkey, Pakistan, Syria, Egypt and Saudi Arabia.

The contribution of international operations to the company's 2011 annual revenue almost doubled to AED 1.81 billion (US\$ 493 million), compared with AED 973 million (US\$ 265 million) in 2010. This represents 22 per cent of the company's total revenues, compared with an 8 per cent contribution by international operations in 2010.

In total, during 2011, Emaar handed over 350 residential and over 800,000 sq ft of commercial space in Dubai and 604 units in other global markets, highlighting the company's continued focus on developing premium real estate assets. Emaar has handed over more than 33,500 residential units since 2001.



Emaar's fourth-quarter (September to December) 2011 revenue reached AED 2.239 billion (US\$ 610 million), 20 per cent higher than the third-quarter (July to September) revenue of AED 1.859 billion (US\$ 506 million). Net operating profit for the same period was AED 808 million (US\$ 220 million), which is almost twice that of the third-quarter 2011 net operating profit of AED 406 million (US\$ 111 million).

Mr. Mohamed Alabbar, Chairman, Emaar Properties, said: "The robust financial performance of Emaar in 2011 is a testament to Dubai's status as the Middle East region's business and lifestyle hub. Led by the strategic vision of His Highness Sheikh Mohammed Bin Rashid Al Maktoum, UAE Vice President & Prime Minister and Ruler of Dubai, the city achieved impressive growth in 2011 across all its core economic sectors, such as tourism, retail and hospitality.

"With The Dubai Mall hosting more than 54 million visitors, the city has firmly established its global credentials as an international business and leisure destination. This status perfectly complements the strategically diversified business interests of Emaar, supported by our shopping malls & retail and hospitality & leisure businesses, which achieved solid growth in their contributions to recurring revenues in 2011."

"Our strategy for 2012 is to further increase the share of revenues from global operations and enhance the proportion of profit from recurring revenue streams, including shopping malls & retail and hospitality & leisure. We will draw on our project execution capabilities and continue to focus on creating long-term value for our stakeholders," he said.

"Furthermore, the launch of Dawahi Development is a demonstration of our renewed growth strategy, where we are looking at developing value housing projects to address the demand for mid-price point housing in emerging markets, while also creating new jobs for the region's youth," Mr. Alabbar added.

### **Strong investor trust**

Emaar successfully executed the first public offering out of the region in 2011 through the issuance of a very well received US\$ 500 million sukuk, which is currently trading above par.

Upgraded by both Standard & Poor's and Moody's, with the rating agencies reporting that Emaar has sufficient liquidity and standby credit lines to raise finance, the company also signed a new Islamic and conventional financing facility of AED 3.6 billion (approx. US\$ 1 billion) to convert the company's debt maturity profile from short to longer term, and reducing the overall financing cost.

In a further demonstration of the trust in Emaar's competencies in project delivery, the Saudi Arabian Ministry of Finance signed a loan agreement with Emaar, The Economic City (Emaar.E.C), for SAR 5 billion (US\$ 1.33 billion) to accelerate the development of the second phase of King Abdullah Economic City (KAEC), the largest private-sector project of its kind in the region.

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## **Note to Editors**

### **About Emaar Properties PJSC**

Emaar Properties PJSC, listed on the Dubai Financial Market, is a global property developer with a significant presence in key emerging markets in the Middle East, North Africa and Asia. Besides building residential and commercial properties, the company also has proven competencies in shopping malls & retail, hospitality & leisure and financial services sectors. Burj Khalifa, the world's tallest building, and The Dubai Mall, the world's largest shopping and entertainment destination, are some of Emaar's trophy developments.

Emaar has launched a new wholly-owned subsidiary, Dawahi Development, a next-generation developer of 'value housing' projects within full-service community developments. Dawahi Development will develop 'value homes' at attractive price points in key emerging markets across the Middle East & North Africa (MENA) region, while also creating robust employment and business opportunities for the local population.

In Saudi Arabia, Emaar is developing King Abdullah Economic City, the region's largest private sector-led project in Saudi Arabia, featuring a Sea Port, Central Business District, Industrial Zone, Educational Zone, Residential Communities and Resort District. For more information, visit [www.emaar.com](http://www.emaar.com).

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**EMAAR PROPERTIES PJSC**  
Consolidated Income Statement

(AED Millions)

	For the quarter ended		% change	For the quarter ended		% change	For the year ended		% change
	31 December 2011	30 September 2011		31 December 2011	31 December 2010		31 December 2011	31 December 2010	
	Unaudited	Unaudited		Unaudited	Unaudited		Unaudited	Unaudited	
Revenue	2,239	1,859	20%	2,239	3,830	(42%)	8,112	12,150	(33%)
Cost of revenues	(970)	(884)	10%	(970)	(2,638)	(63%)	(3,877)	(7,604)	(49%)
Gross Profit	1,269	975	30%	1,269	1,192	6%	4,235	4,546	(7%)
Selling, marketing, general & administration expenses	(517)	(461)	12%	(517)	(523)	(1%)	(1,834)	(1,918)	(4%)
Other (expense)/ income	45	(44)	202%	45	148	(70%)	48	635	(92%)
Share of results from associated companies	30	(58)	152%	30	(80)	138%	(231)	(199)	16%
Income tax (expense)/ credit	-	(6)	-	-	(2)	-	(36)	(1)	3500%
Minority interest	(19)	-	-	(19)	(44)	(57%)	(124)	(29)	328%
Net operating profit for the period	808	406	99%	808	651	17%	2,058	3,034	(32%)
Impairment of financial associates, provisions & write offs (Note 1)	(92)	-	-	(92)	(417)	(78%)	(264)	(533)	(50%)
Loss on disposal of subsidiary (Note 2)	-	-	-	-	-	-	-	(53)	-
Net Profit for the period	716	406	76%	716	274	161%	1,794	2,448	(27%)
Earnings per share (AED)	0.12	0.07	71%	0.12	0.04	200%	0.29	0.40	(28%)

Chairman.....

Date:- 14 February 2012

Note:-

- 1 The impairment of financial associates, provisions & write offs in 2011 mainly relates to provision made by the Group for its investment in Dubai Bank and write off development expenses on projects which have been deferred or stalled.
- 2 The loss on disposal of subsidiary in 2010 primarily relates to the exchange difference resulting from transfer of rights to operate the estate agency and property services business in United Kingdom (UK), Europe and Asia upon disposal of Group's share in its UK Subsidiary, Hamptons Group Limited in 2010.

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