



Emaar Malls PJSC



Q3 2016 RESULTS

29 November 2016

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10%
Increase in Rental
Income
(9M-16 vs. 9M-15)
THE DUBAI MALL

99%
GLA Occupancy
Rate (9M-16)
THE DUBAI MALL

Footfall
World's Most
Visited Leisure &
Lifestyle
Destination
THE DUBAI MALL

10%
Revenue
9M-16: AED 2,392 MM
9M-15: AED 2,172 MM

11%
EBITDA
9M-16: AED 1,846 MM
9M-15: AED 1,666 MM

16%
Profit
9M-16: 1,422 AED MM
9M-15: AED 1,221 MM

12%
Rental Income
14%
EBITDA
(2013-2015 CAGR)

~5.9 MM
sq.ft. of GLA⁽¹⁾
~AED 34 Bn
Market
Capitalisation⁽²⁾

~845,000
sq.ft. GLA under
development⁽³⁾ with
additional
developments under
design

Owner of the #1 Visited Shopping and Entertainment Mall Globally

Notes
1. Total GLA including storage and terraces as of September 2016
2. Dubai Financial Market – 29 November 2016
3. Includes expansion of The Dubai Mall Fashion Avenue and Springs Village



Our Vision

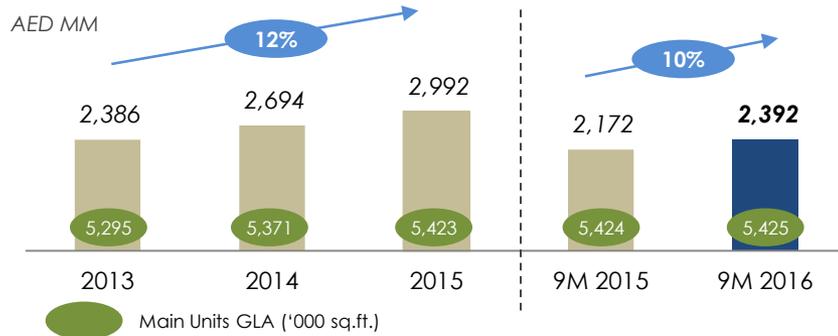
To create world class malls delivering memorable experiences

Strategy 1 2 3

- 1 Protect and Grow Portfolio in Local Market
- 2 Expand Internationally
- 3 Innovate and Lead Transition to Next Generation Mall

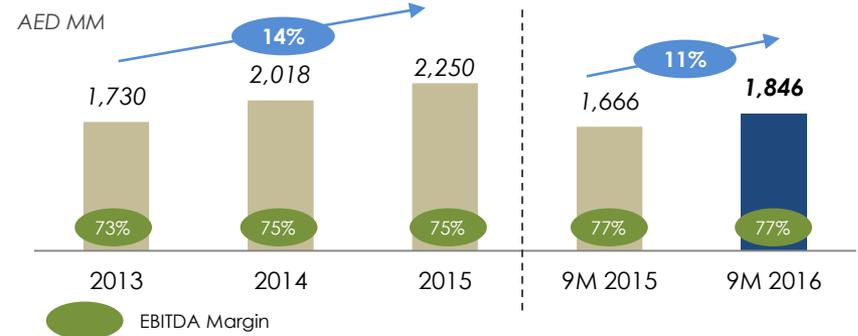
Track Record of Double Digit Top Line Growth

Total Rental Income for the year/period



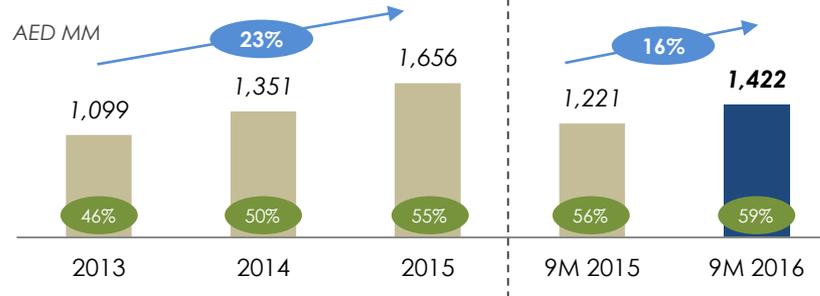
Consistently Improving EBITDA

EBITDA for the year/period



Net Income

Profit for the Year/ Period



Strong Value Creation Through Rental Growth and Cost Optimisation

Division	Assets	GLA ⁽¹⁾	Selected Pictures
Super Regional Malls	<ul style="list-style-type: none"> The Dubai Mall 	3,710	 
Regional Malls	<ul style="list-style-type: none"> Dubai Marina Mall (including Pier 7) 	420	 
Specialty Retail	<ul style="list-style-type: none"> Souk Al Bahar, fine dining destination with views on the Dubai Fountain and Burj Khalifa Gold & Diamond Park, only dedicated gold & diamond mall in Dubai 	740	 
Community Integrated Retail	<ul style="list-style-type: none"> Mohammed bin Rashid Boulevard Retail Dubai Marina Retail Shopping centres in Emaar residential developments 	1,037	 
Emaar Malls		5,907	

Broad Product Offering Complementing the Dubai Mall

Note

1. Total GLA ('000 sq.ft.) including storage and terrace, as of September 2016
2. Total occupancy cost ratio across TDM is 16% as of 9M-16

Operational

Super Regional Malls

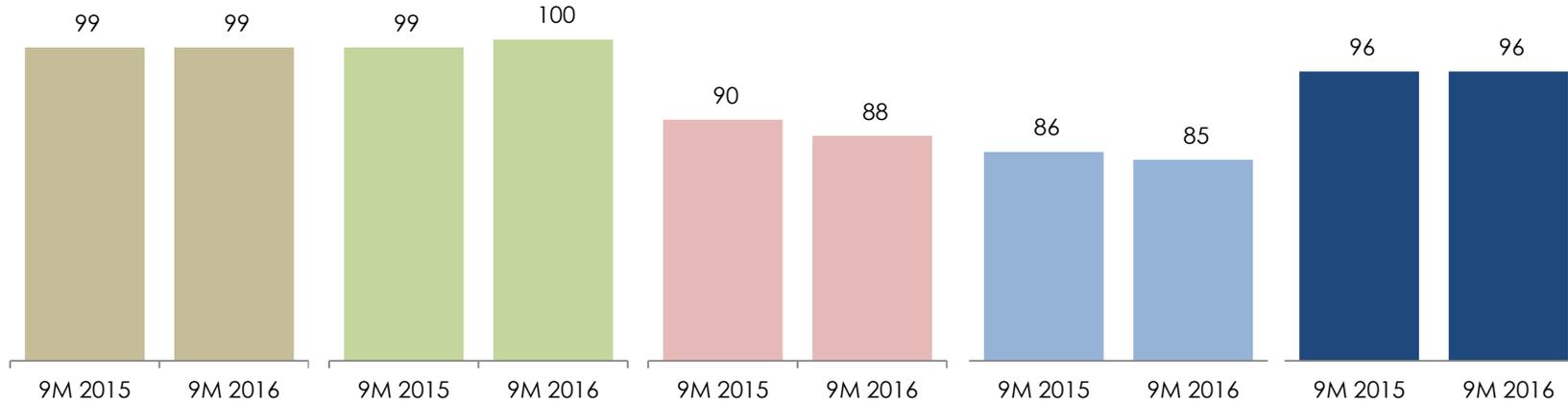
Regional Malls

Specialty Retail

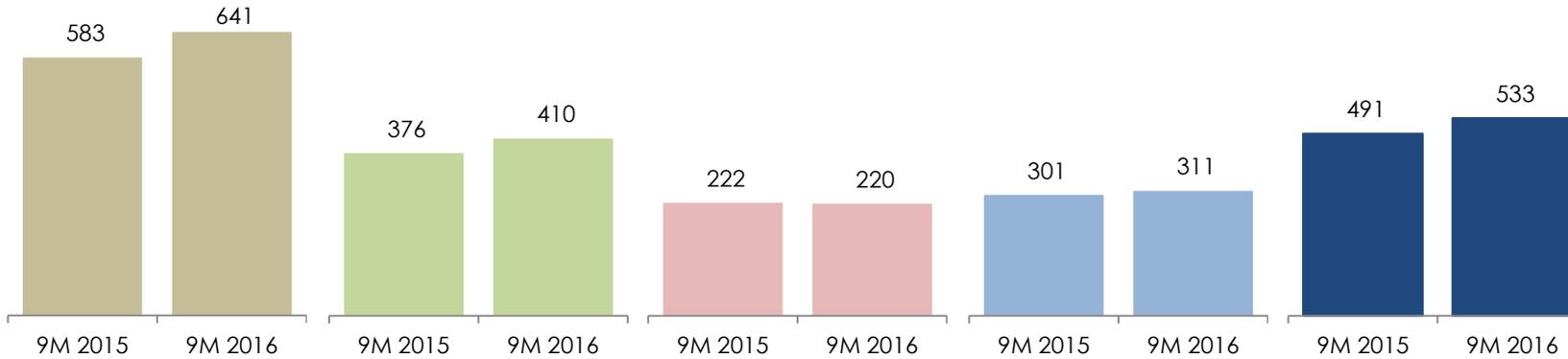
Community Integrated Retail

Total EM

Occupancy Rate (%)



Rent per sq.ft. (AED/sq.ft.)⁽¹⁾



Notes

1. Total annualised rent over average occupied GLA for main units

PORTFOLIO RESULTS (CONT'D)

Operational

Super Regional Malls

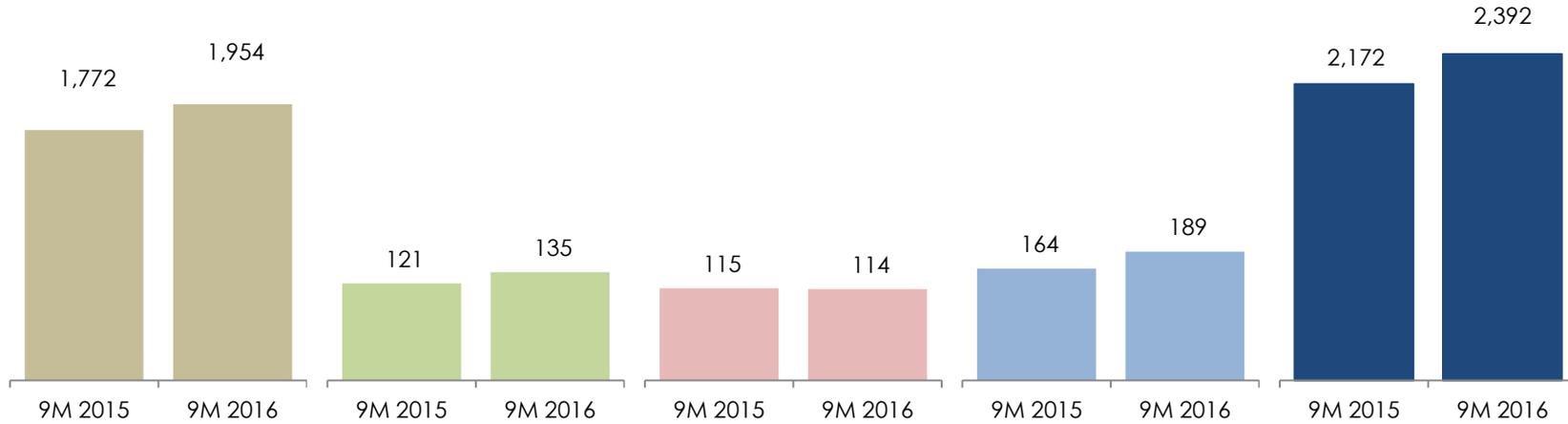
Regional Malls

Specialty Retail

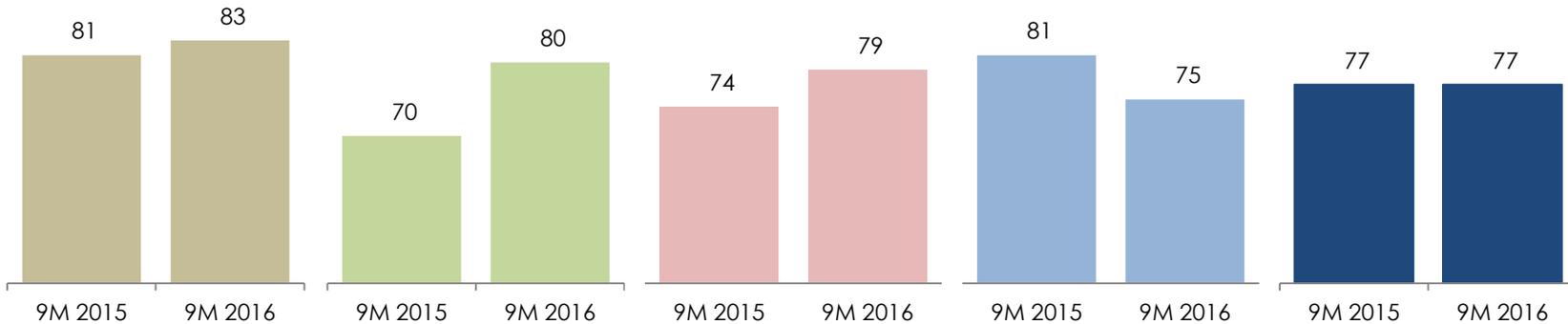
Community Integrated Retail

Total EM

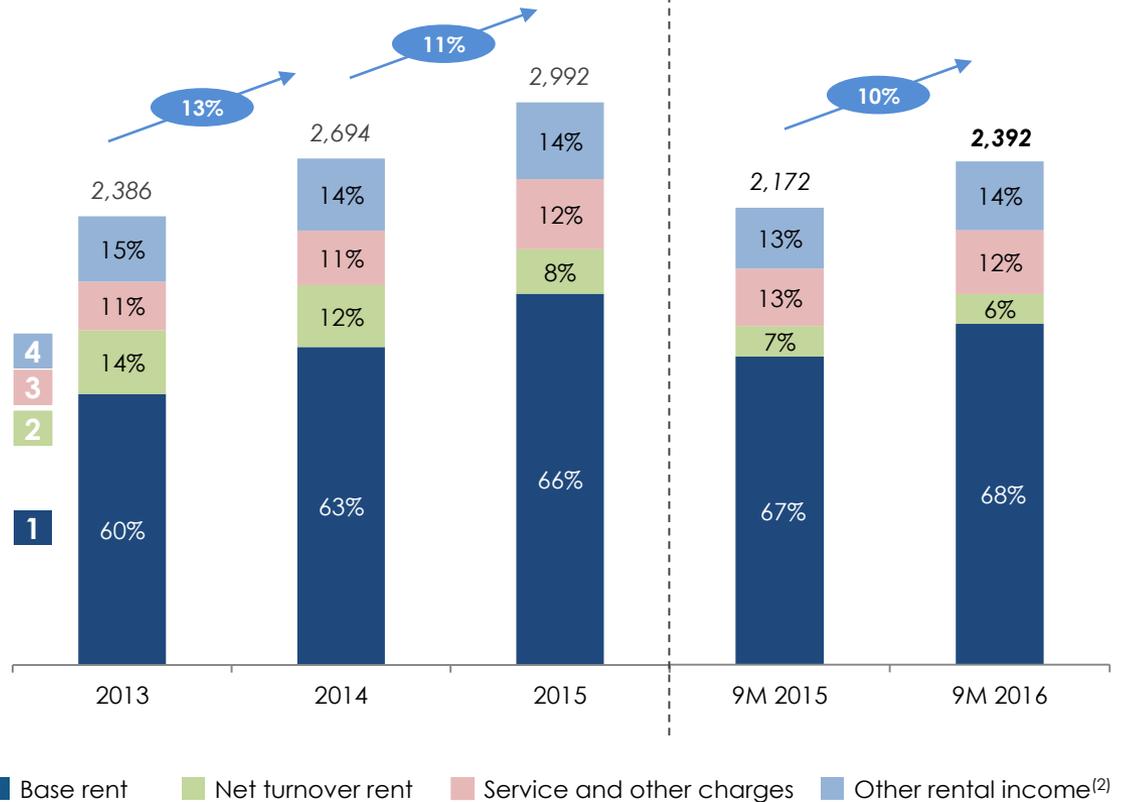
Rental Income
(AED MM)



EBITDA
Margin
(%)



- 1 Contractual base rent escalation of typically 7% per annum
- 2 Net turnover rent based on percentage of tenants' sales
- 3 Majority of annual service charges charged to the tenants recovered (c.70% in 9M 2016)⁽¹⁾
- 4 Other rental income⁽²⁾



Revenue Growth Driven by Base Rent Escalation and Net Effective Rent

Notes
 1. For all of properties
 2. Derived primarily from the payment of store design fit-out fees, late opening penalties, interest charges on deferred payments and certain admin charges, and income from the leasing of storage units and terraces, specialty leasing and multimedia sales



Significant GLA

- 5.9 m Sq ft of GLA, 96% Occupancy (Sep 2016).



The Dubai Mall

- 3.7m Sq ft GLA, GLA occupancy at 99% (Sep 2016).



Diversified Lease Payment Risk

- Lease payment risk diversified across a significant number of tenants.
- Key anchor tenants comprise large regional and international entities.



Preferable Lease Terms

- Non-anchor tenants 3-5 years, anchor tenants 10–20 years tenancy agreements.
- Rental submission in advance; additional security deposits (30% of annual base rent & charges)

High Margin Assets and Strong Collection Rates

- Low maintenance CAPEX and operational expenses.
- No negligible delays on lease payments on any of the EM assets in Dubai.



Exclusive Tenants

- Several exclusive tenants who do not have retail outlets anywhere else in the UAE / GCC including Bloomingdales, Galleries Lafayette.
- Dubai Mall is being expanded with additional leasable area of approximately 15% of the current mall. The expansion is likely to be completed by H1 2017 and will primarily house the International Fashion Brands.

Retail Attractions

- Reel Cinema 28 Screen Cineplex (the largest and No. 1 cinema in Dubai based on admissions)
- SEGA Republic (76,000 sq ft indoor theme park)
- Indoor Aquarium
- Olympic size Ice Rink
- Kidzania (children's edutainment facility)
- Njoi (children's playing facility)

Financial Highlights

- Malls achieved revenues of AED 2,392 million in 9M-16, an increase of 10% over 9M-15.
- Malls achieved EBITDA of AED 1,846 million in 9M-16, an increase of 11% over 9M-15.



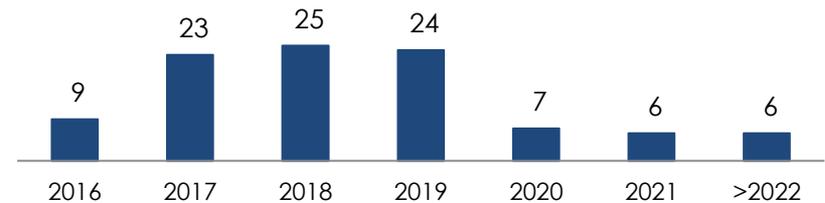
Active Tenant Management

- Significant waitlist allows EM to actively manage its tenant base
 - Waitlist of more than **4,000** businesses across all properties
- Favorable standard lease terms
 - Lack of early tenant termination clause
 - Tenant does not have the option of renewal
 - Post-dated cheques covering base rent + charges⁽¹⁾
 - No rent free period in The Dubai Mall and Marina Mall⁽²⁾
- Most leases on 3-5 year terms to give EM more flexibility in managing tenants

Attractive Renewal Terms Achieved in 9M-16

Lease Expiry Schedule

% of leased main unit GLA due to be expiring in the forthcoming years (as of 30-September-2016)



- **Base Rent Increase:** For the leases expiring in 2016, base rent increase of 33% achieved over the previous lease term

Significant Upside Witnessed from Strong Increase in Renewal Rates

Notes

1. And service charges, chilled water charges, yearly marketing fee
2. Excluding Pier 7

Overview of Pipeline

Targeted Weight of EM Development Pipeline vs. Total Portfolio



Extensions vs. Greenfield Under Development
In % of GLA



Project Name	GLA (sq.ft.)	Pre-leasing	Expected Opening Date
TDM Fashion Avenue Expansion	~600,000	58%	H1 2017
Springs Village	~245,000	Not Started	2017
Under Development	~845,000		

The Dubai Mall Fashion expansion

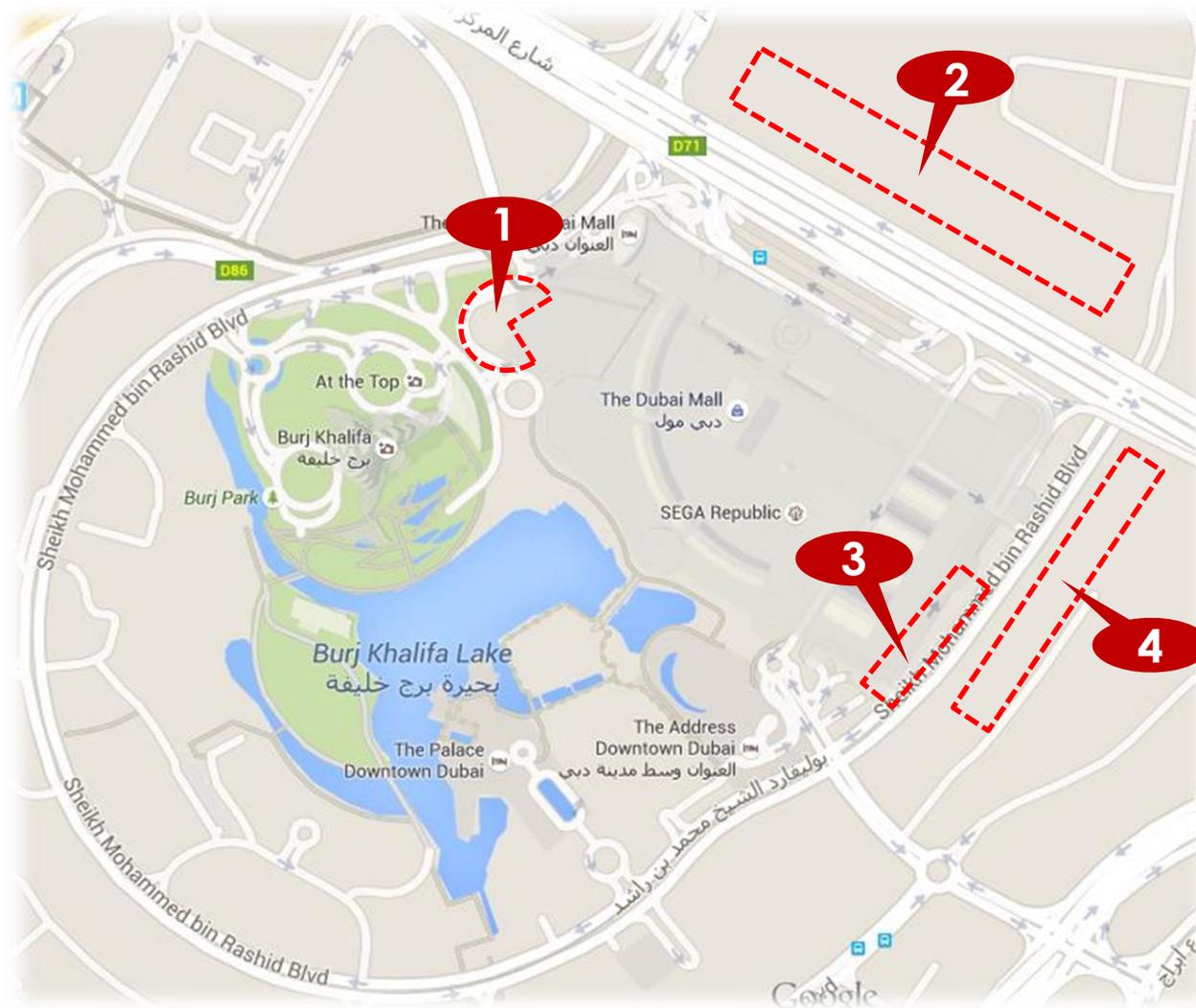


- Commence: January 2014, expected opening date: H1 2017
- **Targeted tenancy mix:** mostly **high end fashion, high end jewellery** and food and beverage units
- Pre Leasing Status
 - Signed offers for ~58% of GLA.
 - Representing **AED 1,000 – AED 1,750**⁽¹⁾ per square foot
- **EM expects 90%+ of the Fashion Expansion to be pre-leased prior to opening**

Significant Upside Through Expansion and New Developments

Notes

1. For high end jewelry and fashion



1. Fashion Avenue Expansion

2. Zabeel Expansion
(including car park)

3. Boulevard Expansion

4. Fountain View Expansion
(including car park)

	Q3 2016	Q2 2016	%	Q3 2016	Q3 2015	%	9M 2016	9M 2015	%
	AED' million			AED' million			AED' million		
Rental Income	774	785	(1%)	774	720	8%	2,392	2,172	10%
Operating expenses	(123)	(112)	10%	(123)	(123)	-	(343)	(341)	1%
Operating profit	651	673	(3%)	651	597	9%	2,049	1,831	12%
Sales, marketing, general & administrative expenses	(75)	(73)	3%	(75)	(74)	1%	(203)	(165)	23%
EBITDA	576	600	(4%)	576	523	10%	1,846	1,666	11%
% margin	74%	76%		74%	73%		77%	77%	
Write-off ⁽¹⁾	-	-	-	-	-	-	(4)	(10)	(60%)
Depreciation	(90)	(94)	(4%)	(90)	(87)	3%	(273)	(253)	8%
Finance cost - net	(51)	(48)	6%	(51)	(60)	(15%)	(147)	(182)	(19%)
Profit for the period	435	458	(5%)	435	376	16%	1,422	1,221	16%
% margin	56%	58%		56%	52%		59%	56%	

Note

1. Write-off represents undepreciated amount of certain Community Integrated Retail assets, which has been partly or completely demolished due to planned redevelopment.

BALANCE SHEET AND KEY RATIOS

	31-Dec-15		30-Sep-16	
	Carrying value	Fair value	Carrying value	Fair value
	/-----AED' million -----/			
ASSETS				
Property plant and equipment & Investment Properties	21,050	49,283	21,268	49,283 ⁽²⁾
Bank balances and cash	3,170	3,170	3,176	3,176
Trade receivables	133	133	119	119
Other receivables	208	208	241	241
TOTAL ASSETS	24,561	52,794	24,804	52,819
LIABILITIES				
Loans and borrowings	7,287	7,287	7,294	7,294
Advances from customers	1,203	1,203	1,186	1,186
Trade and other payables	627	627	795	795
TOTAL LIABILITIES	9,117	9,117	9,275	9,275
NET ASSETS VALUE	15,444	43,677	15,529	43,544
Number of Shares - millions	13,014	13,014	13,014	13,014
NET ASSETS PER SHARE	1.19	3.36	1.19	3.35
KEY RATIOS				
Net Debt/EBITDA	1.8X	-	1.7X ⁽¹⁾	-
Loan to value	-	15%	-	15%

Note

1. Based on last twelve months EBITDA
2. Based on last annual fair valuation of property, plant & equipment and investment properties.

Overview of Board of Directors

Non-independent Directors



Mohamed Alabbar, Chairman
Chairman of Emaar Properties PJSC



Ahmed Al Matrooshi, Vice Chairman
Managing Director of Emaar Properties PJSC



Abdulla Belyoahah
Director of Debt Management
Division of the Department of Finance, Government of Dubai



Abdulrahman Alhareb
Chief Internal Audit Officer, Dubai Holding

Independent Directors



Helal Al Marri
Director General, Department of Tourism and Commerce Marketing
Director General, Dubai World Trade Centre Authority



Mohamed Al Hussaini
Board member, Emaar Malls PJSC



Mohamad Mourad
Director of Product Product Partnership
YouTube, Google



Richard Akers
Member of the Advisory Board for Battersea Power Station Development & Director of Barratt Developments PLC

Audit Committee

- Comprised of 3 members who are non-executive directors and the majority of members are independent
- To review internal financial controls and risk management systems including the internal audit function

Nomination & Remuneration Committee

- Comprised of 3 members who are non-executive directors of which at least two are independent committee members
- Determining individual remuneration and benefits package of executive directors and senior management

Investment Committee

- Comprised of 4 members of which at least two are independent
- To evaluate & oversee investments, strategies and financial performance of the company



شكرا



EMAAR
MALLS