



EMAAR MALLS PJSC



2017 RESULTS
22 March 2018

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EMAAR MALLS AT A GLANCE

Emaar Malls

- 1 Leading owner and operator of shopping malls in Dubai
- 2 Owner of the most visited Mall of the world
- 3 Aggregate GLA of 5.8 million sq. ft.

Namshi

- 1 Most popular online fashion destination in core GCC markets
- 2 Largest brand assortment with 700 brands and growing
- 3 Robust revenue growth with 64% CAGR (2014-2017)





CONSOLIDATED FINANCIAL RESULTS

<p>+12%</p> <p>Revenue</p> <p>2017: 3,629 MM 2016: 3,227 MM</p>	<p>+9%</p> <p>EBITDA</p> <p>2017: 2,676 MM 2016: 2,447 MM</p>	<p>+11%</p> <p>Net profit</p> <p>2017: 2,080 MM 2016: 1,874 MM</p>
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EMAAR MALLS

<p>+4%</p> <p>Footfall</p> <p>2017: 130 MM 2016: 125 MM</p>	<p>94%</p> <p>Occupancy</p> <p>2017: GLA⁽¹⁾ 5.8 MM 2016: GLA⁽¹⁾ 5.9 MM</p>
<p>(2013-2017 CAGR)</p> <p>+12%</p> <p>EBITDA</p> <p>+17%</p> <p>Net profit</p>	<p>~5.8 MM</p> <p>sq.ft. of GLA⁽¹⁾</p> <p>~AED 30 Bn</p> <p>Market Capitalisation⁽²⁾</p>

NAMSHI

<p>+32%</p> <p>Revenue⁽³⁾</p> <p>2017: 730 MM 2016: 555 MM</p>
<p>34%</p> <p>Increase in number of orders⁽³⁾</p>

Owner of, Dubai Mall, the #1 Visited Shopping and Entertainment Mall Globally

Notes:

- 1. Compared to Dec 2016, a reduction of 0.1 million sq. ft. and including storage and terraces.
- 2. Dubai Financial Market – 16 February 2018
- 3. Represents full year statistics.



OUR VISION

To create world class malls delivering memorable experiences

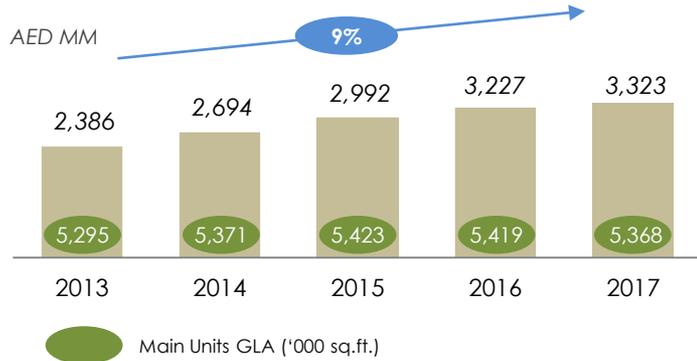
Strategy

- 1
- 2
- 3

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

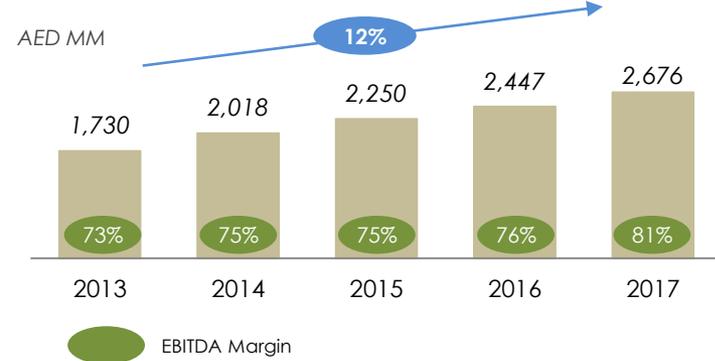
Track Record of Robust Top Line Growth

Total Rental Income for the year



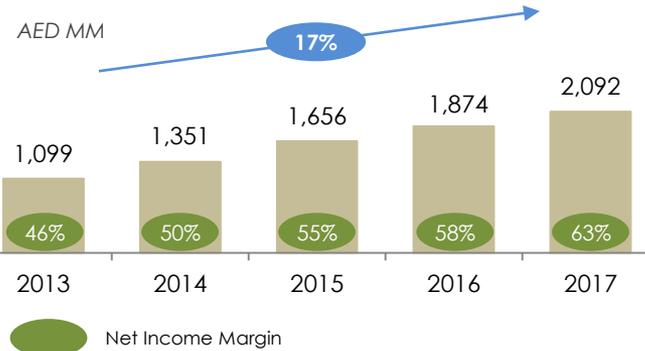
Consistently Improving EBITDA

EBITDA for the year



Net Income

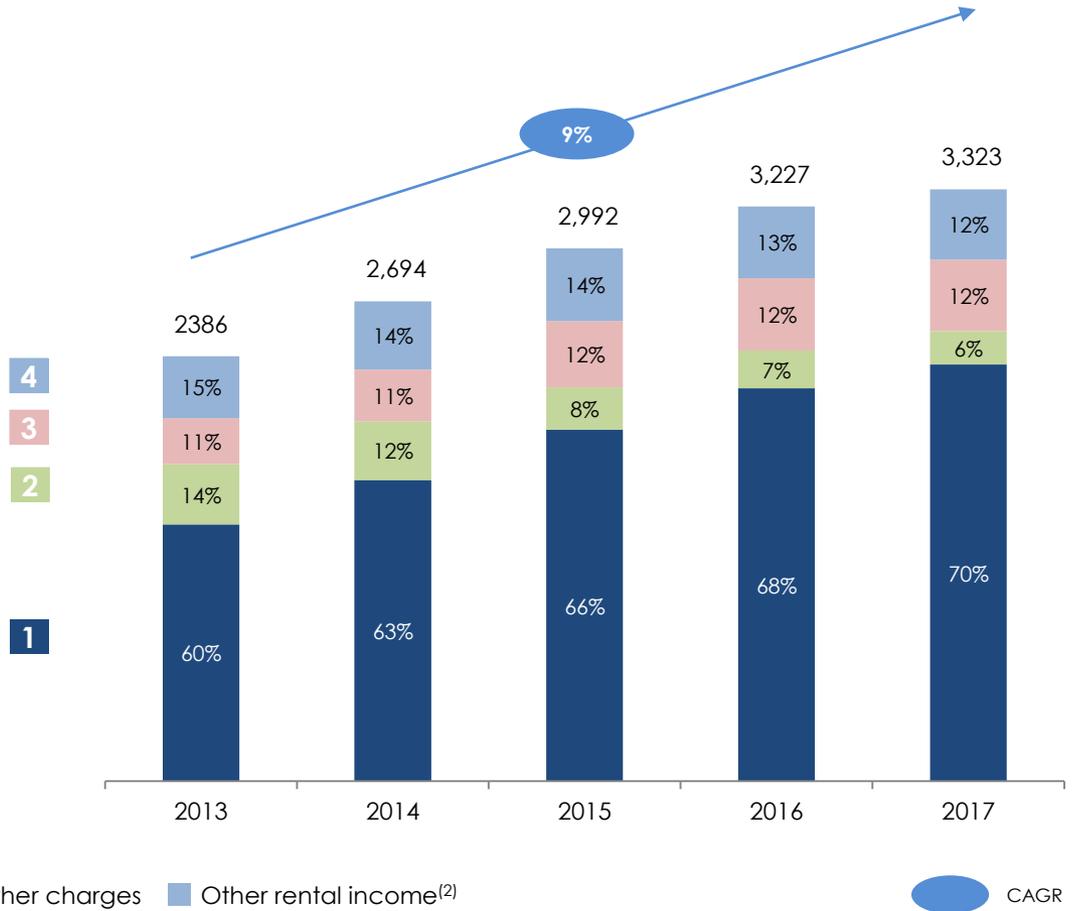
Profit for the Year



Strong Value Creation Through Rental Growth and Cost Optimization

Note:
1. Based on a reduced GLA of 0.1 million sq. ft. compared to same period 2016.

- 1 ■ Contractual base rent escalation of typically 7%⁽¹⁾ per annum
- 2 ■ Net turnover rent based on percentage of tenants sales
- 3 ■ Service charges recovered from tenants (c.73% in 2017)⁽²⁾
- 4 ■ Other rental income⁽³⁾



EM Revenue Growth Driven by Base Rent Escalation and Net Effective Rent

Notes:

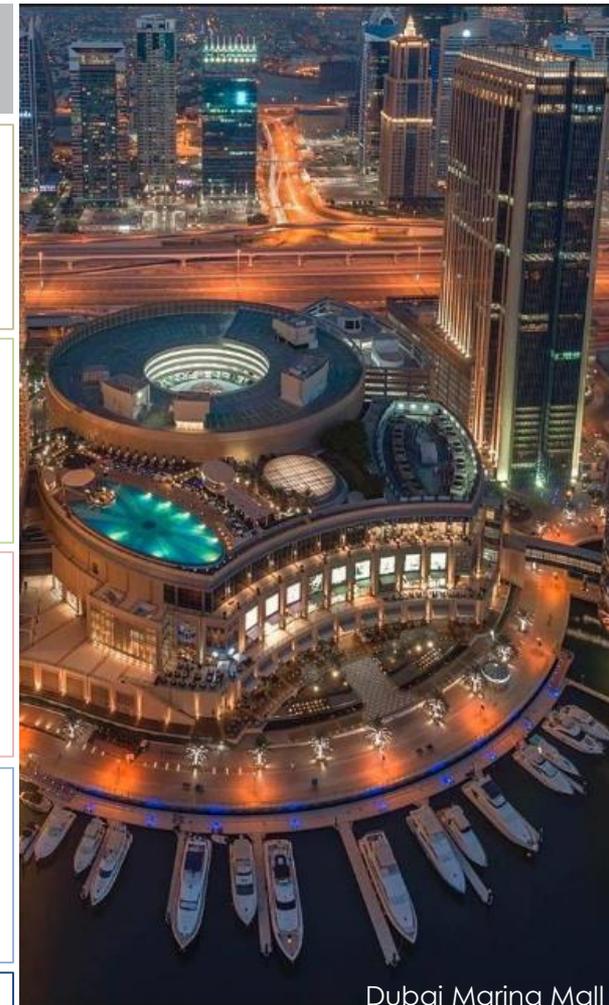
1. The Dubai Mall and Dubai Marina Mall
2. Overall portfolio
3. Derived primarily from the payment of store design fit-out fees, late opening penalties, interest charges on deferred payments and certain admin charges, and income from the leasing of storage units and terraces, specialty leasing and multimedia sales

- 1 Resilient portfolio with stable occupancy of 94%
- 2 Operational excellence with 81% EBITDA margin
- 3 Improved profitability through economy of scale



Strong financial performance by quality assets in strategic locations

Division	Assets	GLA ⁽¹⁾
Super Regional Malls	<ul style="list-style-type: none"> The Dubai Mall 	3,637 ^(2&3)
Regional Malls	<ul style="list-style-type: none"> Dubai Marina Mall (including Pier 7) 	453
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 	737
Community Retail	<ul style="list-style-type: none"> Mohammed bin Rashid Boulevard Retail Dubai Marina Retail Shopping centres in Emaar residential developments 	1,014
Emaar Malls		5,841



Dubai Marina Mall

Broad Product Offering Complementing the Dubai Mall

Notes:

1. Total GLA ('000 sq.ft.) including storage and terrace, as of Dec-2017

2. Reduction of 0.1 million sq. ft. GLA compared to Dec-16 of 3,711 Sq. ft. due to tenants repositioning and in preparation for access to expansions

3. Excluding Fashion Avenue Expansion GLA of 0.6 million sq.ft. which will be added in Q1 - 2018

2017 RESULTS

22 March 2018



Significant GLA

- 5.8 m Sq ft of GLA, Portfolio occupancy at 94% (Dec-2017)⁽¹⁾.

Significant Footfall

- EM: footfall 130 million (2016: 125 million).

The Dubai Mall

- 3.6m Sq ft GLA, Occupancy at 98% (Dec-2017)⁽²⁾.

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; security deposits (30% of annual base rent & charges)

High Margin Assets and Strong Collection Rates

- Continual improvement in operational excellence to maintain high margins
- Negligible delays on lease payments on any of the EM assets in Dubai.

Notes:

1. Reduction of 0.1 million sq. ft. GLA compared to 2016 of 5.9m sq.ft. is due to tenants repositioning and in preparation for access to expansions
2. Reduction of 0.1 million sq. ft. GLA compared to 2016 of 3.7m sq.ft. is due to tenants repositioning and in preparation for access to expansions

bloomingdales

KidZania

PVRK

GALLERIES
Lafayette

DUBAI ICE RINK

DUBAI AQUARIUM

REEL CINEMAS

Exclusive Tenants

- Several exclusive tenants who do not have retail outlets anywhere else in the UAE / GCC including Bloomingdales, Galleries Lafayette.
- The Dubai Mall is being expanded with additional leasable area of approximately 15% of the current mall and will primarily home international brands.



Retail Attractions

- Reel Cinema 26 Screen Cineplex with the largest Barco flagship laser Cineplex in the world.
- VR Park (76,000 sq. ft. Virtual & augmented reality theme park)
- Indoor Aquarium
- Olympic size Ice Rink
- Kidzania (children's entertainment facility)

Financial Highlights

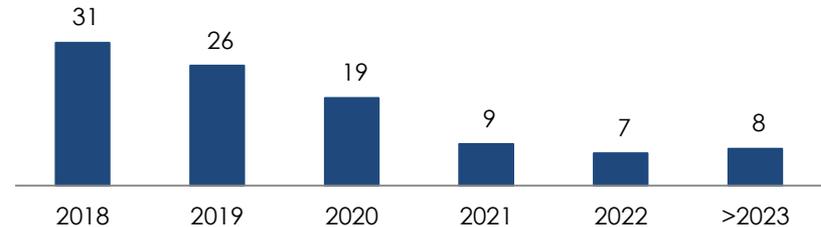
- Malls achieved revenues of AED 3,323 million in 2017.
- Malls achieved EBITDA of AED 2,676 million in 2017.

Active Tenant Management

- **Significant waitlist allows EM to actively manage its tenant base**
 - Healthy wait list of retailers across all properties
- **Favorable standard lease terms**
 - Post-dated cheques covering base rent and charges⁽¹⁾
 - No rent free period in The Dubai Mall and Marina Mall⁽²⁾
- **Flexibility in managing tenants**
 - Most leases on 3-5 year terms to give EM more flexibility in managing tenants.
 - Actively engaging tenants to source for new concept and experience.

Portfolio Lease Expiry Profile

GLA % of main unit leases



- **Base Rent Increase:** For the leases expiring in 2017⁽¹⁾, base rent increase of 8% achieved over the previous lease term.
- Healthy distribution of expiry spreading over the coming years.

Healthy Weighted Average Lease Expiry Profile

Notes:

1. Overall portfolio
2. Excluding Pier 7



نامشي
NAMSHI



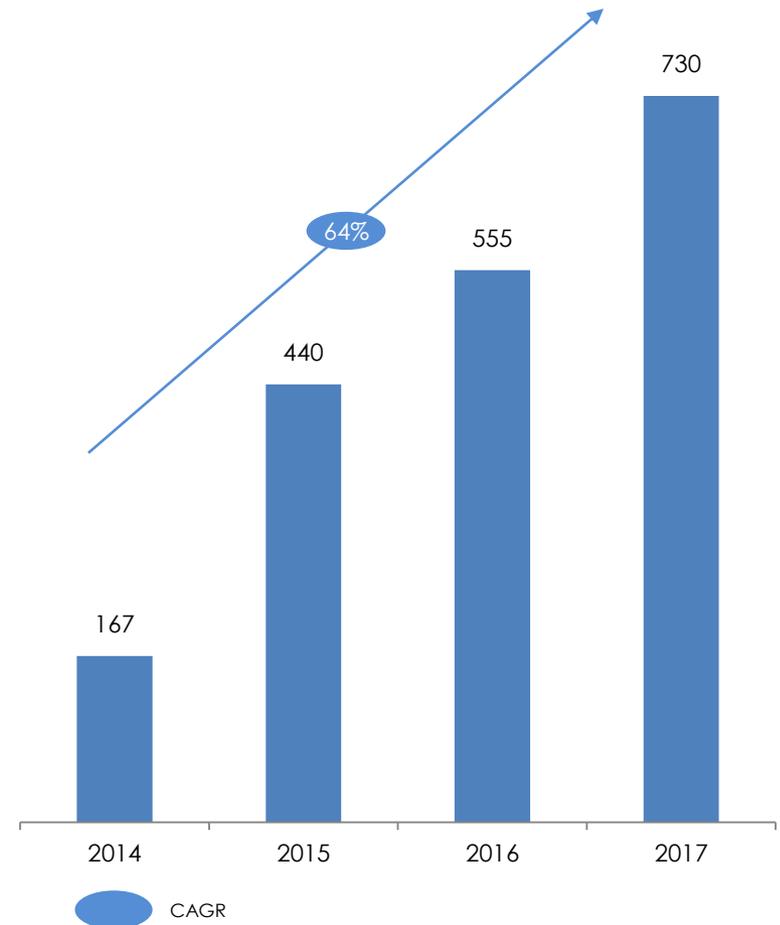


نمشي
NAMSHI
 WWW.NAMSHI.COM

1. Most popular online fashion destination in core GCC markets
2. Largest brand assortment with 700 brands and growing
3. Robust revenue growth with 64% CAGR (2014-2017)

Track Record of Double Digit Top Line Growth Revenue for the year

AED MM





Net Merchandise
Value
32%



Gross
Profit
+22%



Active
Customers¹
+29%



Online
Traffic
+27%



Number of
Orders
+34%



Social Media
Engagement
+16%

Healthy growth recorded in key parameters²

Notes:

1. Defined as having shopped in the last 12 months

2. Growth rate: 2017 vs 2016



UPCOMING PROJECTS



Overview of Pipeline

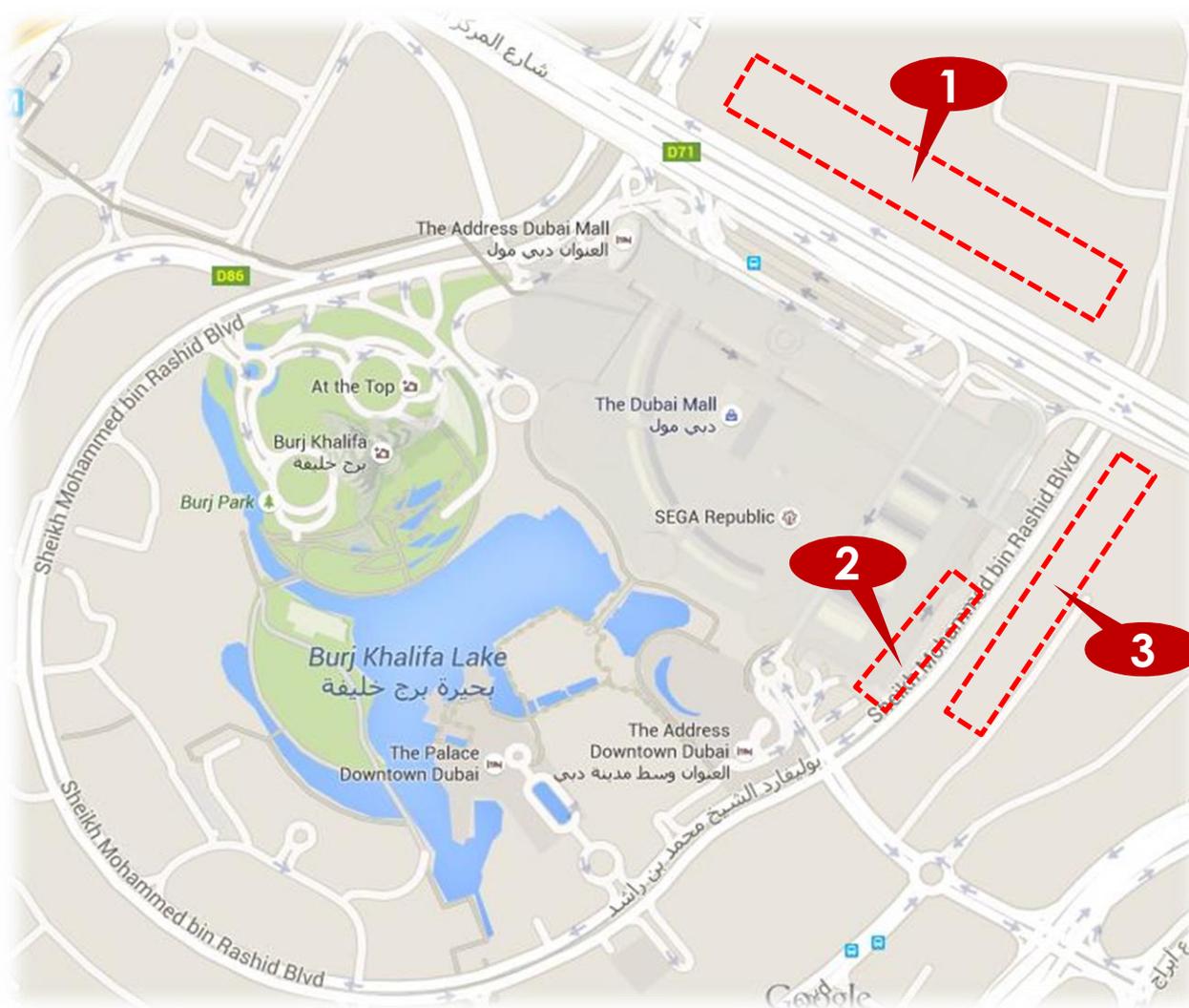
Project Name	GLA (sq.ft.)	Pre-leasing (%)	Expected Opening
Springs Village	c.230,000	78%	H1 - 2018
TDM - Boulevard Expansion	c.110,000	-	H2 - 2019
Meadows	c. 95,000	-	H2 - 2019

The Dubai Mall Fashion expansion

- Soft opening took place on 5th March 2018
- Contribute c. 600 thousand sq. ft. in the GLA
- Leased ~ 83% of GLA



Resilient Growth Through Expansion and Pipeline Developments



1. Zabeel Expansion
(including car park)

2. Boulevard Expansion

3. Fountain View Expansion
(including car park)

TDM – Fashion Avenue Expansion opened on 5 March 2018



CONSOLIDATED FINANCIAL STATEMENTS



FINANCIAL HIGHLIGHTS

CONSOLIDATED FINANCIAL RESULTS

	Q4 2017			2017		
	EM	Namshi	Consolidated	EM	Namshi ¹	Consolidated
	----- AED' million -----					
Revenue	914	215	1,129	3,323	306	3,629
Cost of revenue	(104)	(156)	(260)	(406)	(220)	(626)
Gross profit	810	59	869	2,917	86	3,003
% margin	89%	27%	77%	88%	28%	83%
Sales, marketing, general & administrative expenses	(75)	(64)	(139)	(241)	(93)	(334)
EBITDA	735	(5)	730	2,676	(7)	2,669
% margin	80%	-2%	65%	81%	-2%	74%
Depreciation and amortisation ²	(95)	(5)	(100)	(374)	(5)	(379)
Finance cost - net	(56)	-	(56)	(210)	-	(210)
Net profit/(loss) for the period/year	584	(10)	574	2,092	(12)	2,080
% margin	64%	-5%	51%	63%	-4%	57%

Note:

1. Financial results for the post acquisition period starting from 16 August 2017 to 31 December 2017.

2. Amortisation is related to intangible assets recognised in Group's consolidated financial statements as a result of acquisition of Namshi. This amortisation charge and corresponding intangible assets do not form part of Namshi separate financial statements.



FINANCIAL HIGHLIGHTS

CONSOLIDATED FINANCIAL RESULTS

	Q4 2017	Q3 2017	%	Q4 2017	Q4 2016	%	2017	2016	%
	AED' million			AED' million			AED' million		
Revenue	1,129	876	29%	1,129	835	35%	3,629	3,227	12%
Cost of revenue	(260)	(161)	61%	(260)	(129)	102%	(626)	(472)	33%
Gross profit	869	715	22%	869	706	23%	3,003	2,755	9%
Selling, marketing, general & administrative expenses	(139)	(80)	74%	(139)	(105)	32%	(334)	(308)	8%
EBITDA	730	635	15%	730	601	21%	2,669	2,447	9%
% margin	65%	72%		65%	72%		74%	76%	
Write-off ⁽¹⁾	-	-	-	-	-	-	-	(4)	(100%)
Depreciation and amortisation	(100)	(93)	8%	(100)	(99)	1%	(379)	(372)	2%
Finance cost - net	(56)	(57)	(2%)	(56)	(50)	12%	(210)	(197)	7%
Net profit for the period/ year	574	485	18%	574	452	27%	2,080	1,874	11%
% margin	51%	55%		51%	54%		57%	58%	

Note:

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

FINANCIAL HIGHLIGHTS

FINANCIAL RESULTS (EX. NAMSHI)

	Q4 2017	Q3 2017	%	Q4 2017	Q4 2016	%	2017	2016	%
	AED' million			AED' million			AED' million		
Revenue	914	785	16%	914	835	9%	3,323	3,227	3%
Operating expenses	(104)	(97)	7%	(104)	(129)	(19%)	(406)	(472)	(14%)
Operating profit	810	688	18%	810	706	15%	2,917	2,755	6%
Selling, marketing, general & administrative expenses	(75)	(51)	47%	(75)	(105)	(29%)	(241)	(308)	(22%)
EBITDA	735	637	15%	735	601	22%	2,676	2,447	9%
% margin	80%	81%		80%	72%		81%	76%	
Write-off ⁽¹⁾	-	-	-	-	-	-	-	(4)	(100%)
Depreciation and amortisation	(95)	(93)	2%	(95)	(99)	(4%)	(374)	(372)	1%
Finance cost - net	(56)	(57)	(2%)	(56)	(50)	12%	(210)	(197)	7%
Net profit for the period/ year	584	487	20%	584	452	29%	2,092	1,874	12%
% margin	64%	62%		64%	54%		63%	58%	

Note:

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



FINANCIAL HIGHLIGHTS

BALANCE SHEET AND KEY RATIOS

	31-Dec-16		31-Dec-17	
	Carrying value	Fair value	Carrying value	Fair value
ASSETS	/----- AED' million -----/			
Property plant and equipment & Investment Properties	21,422	53,245	21,921	53,959
Intangible assets	-	-	581	581
Trade receivables	187	187	269	269
Other receivables	248	248	448	448
Bank balances and cash	3,551	3,551	3,210	3,210
TOTAL ASSETS	25,408	57,231	26,429	58,467
LIABILITIES				
Loans and borrowings	7,296	7,296	7,306	7,306
Advances from customers	1,280	1,280	1,325	1,325
Trade and other liabilities	813	813	1,271	1,271
TOTAL LIABILITIES	9,389	9,389	9,902	9,902
NET ASSETS VALUE	16,019	47,842	16,527	48,565
Number of Shares - millions	13,014	13,014	13,014	13,014
NET ASSETS PER SHARE	1.23	3.68	1.27	3.73
KEY RATIOS				
Net Debt/EBITDA	1.5X	-	1.5X	-
Loan to value ⁽¹⁾	-	14%	-	14%

Note:

1. Based on fair value of investment properties.



شكرا



2017 RESULTS
22 March 2018