Press Release

Emaar to list its UAE Real Estate Development business through up to 30% equity offering on DFM; Proceeds to be distributed to shareholders

- *Significant value creation for Emaar shareholders*
- *One of the largest IPOs since the listing of Emaar Malls*
- *Emaar has recorded real estate sales of AED 9.7 billion (US$ 2.64 billion) in the UAE until 31 May 2017; an increase of 24% from 2016*
- *UAE projects backlog amounts to AED 40 billion (US$ 10.9 billion)*

Dubai, UAE; June 7, 2017: Emaar Properties PJSC, the global real estate company, has announced plans to list its UAE Real Estate development business in order to create significant value for its shareholders. The IPO will be the largest since the Emaar Malls IPO in 2014.

Subject to market conditions, Emaar will offer up to 30 per cent of Emaar's UAE Real Estate Development business through a share offering on the Dubai Financial Market (DFM). The funds raised through the sale of equity will be primarily distributed as dividends to Emaar's shareholders.

The decision to list Emaar's UAE Real Estate Development business was a result of an internal review of Emaar's asset values. This indicated the importance of highlighting the value of this business as a major contributor to the overall profitability of Emaar through an independent listing. Investors who value the proven development track record of Emaar can invest directly in this business and benefit from the strong growth profile of the company's UAE development business. In turn, this will enhance Emaar's overall valuation as the value of this important business is properly recognised in the market.

Emaar's real estate development in UAE has recorded significant growth over last five years. Real estate sales increased from AED 4.2 billion (US$ 1.14 billion) in 2012 to AED 14.4 billion (US$ 3.92 billion) in 2016. Until end of May 2017, the business recorded sales of AED 9.7 billion (US$ 2.64 billion), 24 per cent above the same period in 2016. Total backlog as at the end of May 2017 is AED 40 billion (US$ 10.9 billion). This backlog represents the value of properties sold but where related revenues have not been recognised.

Mohamed Alabbar, Chairman of Emaar Properties, said: "We are thankful to His Highness Sheikh Mohammed bin Rashid Al Maktoum, UAE Vice President & Prime Minister and Ruler of Dubai, for his guidance and inspiration that has been the driving force of Emaar's success. The proposed listing and the additional dividend to our shareholders including Government of Dubai underlines our commitment to provide superior value to all our shareholders for their unwavering support to the company since its inception in 1997.

"Over the years, we have generated significant returns from our UAE real estate development business and it continues to be a strong driver of growth for the group. As Emaar's other businesses have grown and expanded, we wanted to ensure that investors who value the UAE Real Estate Development business the most, the foundation of Emaar's success, can do so directly. This will ensure that the value of this business is properly recognised, thereby enhancing value for all Emaar shareholders."

Mr. Alabbar added: “We are drawing on our success to create a new Emaar defined by an expanded development pipeline in Dubai anchored by iconic structures such as The Tower at Dubai Creek Harbour. Emaar’s value proposition is an unwavering commitment to provide the best-in-class service to our customers, which will be the main pillar for the UAE Real Estate Development business to achieve significant successes. We have high-calibre professionals who lead our various businesses and we are also investing in young talent.”

Emaar has handed over around 34,000 units in Dubai since 2001 and currently has a significant land bank of 24 million sq. m in the UAE. The total development area on these lands is approximately 30 million sq. m.

Focused on its strategy of shaping the future today, Emaar has several mega-developments ongoing in Dubai including the 11 million sq m Dubai Hills Estate, a ‘green city within the city,’ developed as a joint venture with Meraas Holding, which will feature a world-class retail hub and an 18-hole championship golf course.

Having delivered the iconic Burj Khalifa, Emaar is now developing The Tower in Dubai Creek Harbour, billed to be one of the fascinating attractions in the world. It is set in the heart of a 6 sq. km mega-development, developed as a joint venture with Dubai Holding and will feature a dedicated retail district for high-end brands.

Another smart development for the future, set near the venue of Expo 2020 Dubai, is Emaar South, a next-generation lifestyle destination in the new aviation and logistics hub of the city, Dubai South.

-ends-

Note to Editors

About Emaar Properties PJSC:
Emaar Properties PJSC, listed on the Dubai Financial Market, is a global property developer and provider of premium lifestyles, with a significant presence in the Middle East, North Africa and Asia. One of the world’s largest real estate companies, Emaar has a land bank of 190 million sq. m in the UAE and key international markets.
With a proven track-record in delivery, Emaar has delivered around 42,100 residential units in Dubai and other global markets since 2001. Emaar has strong recurring revenue generating assets with over 690,000 sq. m of leasing revenue generating assets and 16 hotels and resorts with over 3,100 rooms. Today, around 59 per cent of the Emaar’s revenue is from its shopping malls & retail, hospitality & leisure and international subsidiaries.
Burj Khalifa, a global icon, and The Dubai Mall, the world’s largest shopping and entertainment destination, are among Emaar’s trophy developments. Emaar has now launched a magnificent new tower that will serve as the centrepiece of the Dubai Creek Harbour development. www.emaar.com
Follow us: www.facebook.com/emaardubai; www.twitter.com/emaardubai; www.instagram.com/emaardubai

For more information, please contact:
Kelly Home | Nivine William
ASDA’A Burson-Marsteller
+9714 4507 600
kelly.home@bm.com | nivine.william@bm.com