EMAAR
MALLS

Press Release

Emaar Malls records 7% growth in Q1 2019 net profit to AED 584 million (US$ 159 million)

- *Emaar Malls assets welcome over 36 million visitors up by 3% in Q1 2019*
- *Emaar Malls accelerate omnichannel retail strategy, fully acquires Namshi, the leading regional fashion e-commerce retailer*
- *Distributes AED 1.301 billion (US$ 354 million), equivalent to 10% of share capital, as cash dividend to shareholders*

Dubai, UAE; April 29, 2019: Emaar Malls (DFM: EMAARMALLS), the shopping malls and retail business majority-owned by Emaar Properties (DFM: EMAAR), recorded an increase in net profit by 7 per cent to AED 584 million (US$ 159 million) during the first quarter (January to March) of 2019, compared to the net profit of AED 548 million (US$ 149 million), during the first-quarter (January to March) of 2018.

Revenue for the first three months of 2019 reported a growth of 4 per cent to AED 1.075 billion (US$ 293 million), compared to Q1 2018 revenue of AED 1.038 billion (US$ 283 million). The growth of Emaar Malls was underlined by the strong performance of its shopping mall assets including The Dubai Mall, Dubai Marina Mall, and the Community Retail Centres.

At its fourth Annual General Meeting, Emaar Malls approved a cash dividend of AED 1.301 billion (US$ 354 million), equivalent to 10 per cent of share capital, for the fourth consecutive year, highlighting the company's commitment to sustained value creation for its shareholders.

Strong occupancy and footfall

These assets maintained strong occupancy levels at 92 per cent, and robust visitor arrivals at 36 million, 3 per cent higher than 35 million visitors during Q1 2018. The visitor footfall to The Dubai Mall, which welcomed over 80 million annual visitors for the past five consecutive years, was 22 million during the first three months of this year. This was supported by the growth in tourist arrivals to Dubai and increased frequency of visit by local residents.

Namshi full acquisition

In a key growth initiative that underpins its omnichannel retail strategy, Emaar Malls fully acquired Namshi, the leading regional fashion e-commerce retailer. This follows the Group acquiring the remaining stake of Global Fashion Group (GFG) in Namshi, in an all-cash transaction of AED 475.5 million (Euro 114.3 million; US$ 129.5 million). Namshi reported sales of AED 167 million (US$ 45 million) during Q1 2019.

Mohamed Alabbar, Chairman of Emaar Properties and Board Member of Emaar Malls, said: "As a pioneer in delivering innovative retail experiences for our visitors, Emaar Malls has reported consistent growth. This year, our strategy is to draw on our superior asset mix and continuously enhance our offering through well-planned extensions of The Dubai Mall and other retail destinations. Strengthening our omnichannel retail presence, highlighted by the acquisition of Namshi, is another growth driver that enables us to meet the aspirations of the new generation of tech-savvy customers."

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Patrick Bousquet-Chavanne, Chief Executive Officer of Emaar Malls, added: "The positive performance of Emaar Malls this quarter is driven by two key strategic imperatives: the continued introduction of newness across product categories in The Dubai Mall with the launch of 12 new brands in the quarter, and the successful execution of special events and retailers activations around Dubai Shopping Festival and Chinese New Year, along with the strong customer response to our Spring Fashion campaign. Enhancing the visitors experience and driving retail sales across all Emaar Malls assets remain our top priority."

Upcoming assets

As part of its strategy to drive robust retail growth downtown, Emaar Malls has confirmed the openings of The Dubai Mall's **Zabeel and Fountain Views extensions** that link The Dubai Mall to Financial Centre Road and to the Sheikh Mohammed bin Rashid Boulevard, respectively. Both extensions will open in the coming months and jointly add 4,500 additional parking spaces to The Dubai Mall.

Emaar is also set to open **Dubai Hills Mall**, a family retail district in Dubai Hills Estate in 2020, which will offer a GLA of about 2 million sq. ft. and feature about 550 retail and entertainment destinations. Dubai Hills Mall will have four major family entertainment and leisure centres as well as a cineplex, hypermarket, seven anchor retail experience stores, and over 7,000 dedicated parking spaces.

In terms of Community Retail Centres, Emaar Malls is redeveloping **Meadows Village** to increase its GLA by approximately 95,000 sq. ft. It is scheduled for completion in late 2019.

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Note to Editors

About Emaar Malls:

Emaar Malls' properties include some of the most iconic malls, entertainment and community integrated retail centres in the Middle East, including The Dubai Mall, its flagship asset, which has been the most visited shopping and entertainment mall worldwide in each of the last four years.

Emaar Malls also owns and manages Souk Al Bahar, an Arabesque style dining and entertainment development in Downtown Dubai; Dubai Marina Mall, a lifestyle shopping mall for residents and visitors of the Dubai Marina community; and Gold & Diamond Park, a shopping destination dedicated to gold and jewellery.

Emaar Malls' properties are developed as an integral part of the master plan developments of its controlling shareholder, Emaar Properties, and, therefore, are strategically located in key areas of Dubai that benefit from favourable socio-economic demographics and increasing tourism.

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Emaar Malls PJSC
Consolidated Income Statement

(AED Millions)

	For the quarter ended			For the quarter ended		
	31 Mar 2019	31 Mar 2018		31 Mar 2019	31 Dec 2018	
	Unaudited	Unaudited	% change	Unaudited	Unaudited	% change
Revenue	1,075	1,038	4%	1,075	1,214	(11%)
Cost of revenue	(225)	(225)	-	(225)	(304)	(26%)
Gross profit	850	813	5%	850	910	(7%)
Sales, marketing, general & administration expenses	(125)	(111)	13%	(125)	(156)	(20%)
Earnings before interest, depreciation and amortisation	725	702	3%	725	754	(4%)
Depreciation and amortisation	(109)	(104)	5%	(109)	(113)	(4%)
Finance costs - net	(38)	(55)	(31%)	(38)	(61)	(38%)
Minority interest	6	5	20%	6	11	(45%)
Net Profit	584	548	7%	584	591	(1%)

Chairman.....

Date:- 29-April-2019