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Press Release

Bawadi and Emaar enter joint venture for AED 60 billion signature development

- *Joint venture with equal equity participation to develop 70 million sq ft of land in Bawadi*
- *Six hotels with 5,150 keys and 1,200 serviced apartments*
- *Family-oriented theme park, lush green parks and lakes*

Dubai, UAE; October 20, 2007: Bawadi, a member of Tatweer, and Emaar Properties PJSC, the property developer with a significant presence in 16 countries, have joined hands to develop 70 million sq ft of land in Bawadi, the largest hospitality and leisure development in the world, located in Dubailand.

The AED 60 billion project will be a signature development by the joint venture with equal equity participation by Bawadi and Emaar. Bawadi will contribute 70 million square feet of land valued at AED 3.85 billion in lieu of its ownership interest. Emaar will contribute AED 3.85 billion in cash to the joint venture over the project construction period to finance the project build.

Depending on project phasing, Bawadi will transfer corresponding land rights to the joint venture and Emaar will contribute its equivalent portion of cash to the joint venture. The joint venture is expected to generate earnings by 2009. The management expects that the compounded annual rate of returns on the project will exceed 15 per cent.

The joint venture will be governed by a board that will have equal representation from both Emaar and Bawadi, with its Chairman appointed by Emaar. The joint venture will be managed by Emaar through a management and technical services agreement.

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The joint venture will add a 15 million sq ft family-oriented theme park, featuring a wide range of attractions matching global standards. Reflecting the project's brand name, it will be at the heart of Bawadi, a part of Dubailand, and located in close proximity to Arabian Ranches, another Emaar signature project.

A place to live, work and play, the new development will have a total built-up area of 60 million square feet. Multiple business hubs will offer a total of 2.7 million square feet of commercial space while the shopping mall and high street retail properties will offer 3.2 million square feet of retailing activity. The boulevard will be fringed by six hotels offering 5,150 keys and 1,200 serviced apartments to serve the influx of tourists and visitors. The residential community will feature 18,000 residences, comprising a mix of low-rise villas and townhouses as well as high-rise towers with modern finishes. Lush, green parks and lakes will be an integral part of the development's landscape. Master-planning for the project is expected to be completed in six months and work will commence soon after.

Commenting on the joint venture Mr Mohammed Al Gergawi, Executive Chairman of Dubai Holding, said: "The partnership of Bawadi and Emaar signals the new direction of growth envisaged for Dubai by UAE Vice President & Prime Minister and Ruler of Dubai His Highness Sheikh Mohammed Bin Rashid Al Maktoum in the Dubai Strategic Plan. One of the focal areas of the Plan is tourism development and we are confident that the abilities of the two companies will contribute effectively to support the sector."

Mr Mohamed Ali Alabbar, Chairman of Emaar Properties, added: "As the pioneer of master-planned communities in Dubai and with an accomplished track record in creating world-class developments, Emaar has established credentials in property development. Our partnership with Bawadi will increase our land bank in Dubai by 76 per cent to 162 million square feet. This transaction is a perfect fit to the Dubai Strategic Plan outlined by His Highness Sheikh Mohammed, which underscores the need for Dubai taking leadership position by leveraging on its strengths."

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Mr Saeed Al Muntafiq, Executive Chairman of Tatweer said: "Bawadi is a flagship development for Tatweer. By sharing synergies and resources from both Bawadi and Emaar, the new joint venture will strengthen the hospitality, leisure and residential infrastructure of the project, and give further impetus to tourism growth in Dubai."

Bawadi is envisaged as the longest chain of luxury hotels in the world along a 10 kilometre stretch which will add 51 luxury hotels and more than 60,000 rooms to Dubai. A highlight of the development will be the 6,500-room Asia Asia Hotel & Resort.

The joint venture marks a new phase in synergistic growth to further consolidate Dubai's premier positioning as a world-class city. It will specifically focus on creating a master-planned development within Bawadi that complements the overall theme.

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Notes to Editors

About Bawadi:
Bawadi is the largest hospitality and leisure development in the region. The AED 200 billion project will add an additional 51 luxury hotels, and more than 60,000 rooms to Dubai. Bawadi will be the longest development of hotels in the world along 10 kilometers. The project is expected to stimulate direct growth in the tourism industry within the UAE - offering fine dining, cultural exhibitions, amazing architecture and entertainment. Each of the 51 hotels in Bawadi will be uniquely themed, and Bawadi will also boast of the world's largest hotel – Asia Asia Hotel & Resort with 6,500 rooms.

About Tatweer:

Launched in December 2005 Tatweer is one the region's most promising enterprises and a Member of Dubai Holding. It owns ten market-leading companies and managing an ambitious business development plan.

Its current portfolio is divided into Energy & Healthcare, Tourism & Entertainment, and Industry & Real Estate. Its entities are Dubai Healthcare City, the region's hub for world-class quality healthcare services; Mizin, one of the most advanced real estate companies in the region; Universal City Dubailand, the 22 million sq ft development with more than AED 8 billion investments, featuring Universal Studios as its centerpiece; "The Tiger Woods - Dubai" an exclusive golf community that will include a Tiger Woods designed Golf Course; Dubailand, one of the biggest leisure, entertainment and tourism destinations in the Middle East region; Dubai Industrial City, an industrial township to develop Dubai as a leading manufacturing hub; Bawadi, the world's leading hospitality and entertainment project bringing 31 hotels and more than 29,000 hotel rooms; Dubai Energy, investing in regional and global energy opportunities and building a diversified investment portfolio; Dubai Mercantile Exchange, the first commodity futures exchange in the Middle East; Global Village, which brings together 160 different countries showcasing myriad cultures.

Tatweer will continuously strive for world-class performance implementing leadership development to drive and sustain business excellence, quality and high performance.

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About Emaar Properties PJSC:
Emaar Properties PJSC is one of the world's largest real estate companies and is rapidly evolving to become a global provider of premier lifestyles. Powered by its Vision 2010 to become one of the most valuable companies in the world, Emaar is charting a new course of growth with a two-pronged strategy of geographical expansion and business segmentation. Replicating its successful business model in Dubai, Emaar is extending its expertise in creating master-planned communities to international markets. Emaar is also developing new competencies in malls, hospitality & leisure, education, healthcare and finance, which have evolved from its integrated approach to customer service and property development.

Listed on the Dubai Financial Market, part of the Dow Jones Arabia Titans Index and certified to ISO9001:2000 for quality standards, Emaar is developing Burj Dubai, the world's tallest building and free-standing structure, and The Dubai Mall, one of the world's largest shopping and entertainment destinations. In Saudi Arabia, Emaar is developing King Abdullah Economic City, the region's largest private sector-led project. Emaar's portfolio currently covers the following countries: the UAE, Saudi Arabia, Jordan, Syria, Lebanon, Morocco, Egypt, Turkey, Algeria, Libya, India, Pakistan, Indonesia, the US, the UK, France and Canada.

An award-winning developer, Emaar has strengthened its product sale competencies, market reach and best practices through strategic acquisitions and joint ventures. Emaar acquired John Laing Homes, America's second largest privately held home builder; Hamptons International, UK's premier realtor; and formed a joint venture with US-based Turner International to strengthen execution capabilities.

Emaar has joined hands with Giorgio Armani and Accor Hotels to strengthen its presence in hospitality, and will launch ten luxury Armani Hotels & Resorts world-wide and 100 Formule 1 budget hotels in India. The company is opening educational institutions and healthcare centres in South Asia, Middle East and North Africa and the Subcontinent. Emaar acquired Singapore-based leading education provider, Raffles Campus, to extend expertise to its educational institutions.

Emaar holds 30 per cent equity in Dubai Bank, focused on retail and commercial banking. Emaar is also the largest shareholder in Amlak Finance, UAE's leading Islamic home financing company. For more information, visit www.emaar.com.

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