EMAAR

Press Release

Emaar Properties records 2007 annual net profit of AED 6.575 billion (US$ 1.790 billion)

- *3% growth in net profit compared to 2006 in spite of significantly lower land sales and slow down of US Real Estate sector during 2007; EPS is AED 1.08 (US$ 0.29)*
- *Revenues grow 25% to AED 17.566 billion (US$ 4.782 billion)*
- *Q4 net profit is AED 1.736 billion (US$ 0.473 billion); 11% more than Q3 2007*
- *Focus on international expansion and regional partnerships*
- *Demonstrates competencies in education, healthcare, malls and hospitality*

Dubai, UAE; January 16, 2008: Emaar Properties PJSC focused on business segmentation, international expansion and strong regional partnerships in 2007 to record annual net profits of AED 6.575 billion (US$ 1.790 billion), 3 per cent higher than the net profit of AED 6.371 billion (US$ 1.735 billion) recorded in 2006 in spite of significantly lower land sales and slow down of US Real Estate sector during 2007.

Annual revenue increased by 25 per cent to AED 17.566 billion (US$ 4.782 billion) compared to AED 14 billion (US$ 3.813 billion) in 2006. Earnings per share (EPS) for the year 2007 was AED 1.08 (US$ 0.29) compared to AED 1.05 (US$ 0.29) in 2006.

Emaar recorded fourth-quarter revenue and net profits of AED 5.029 billion (US$ 1.369 billion) and AED 1.736 billion (US$ 0.473 billion). These represent a growth of 13 per cent in revenue and 11 per cent in net profit, respectively, over third quarter 2007 revenue and net profit of AED 4.459 billion (US$ 1.214 billion) and AED 1.560 billion (US$ 0.425 billion).

Emaar's international operations started contributing positively to the Group's profitability with joint ventures in India and Morocco earning profits during 2007.

Marking its presence as a global conglomerate, Emaar was ranked in the Financial Times Global 500 list, while its flagship development, Burj Dubai, scaled 158 storeys to become the tallest building and free-standing structure in the world. Emaar also ranked in the Top 10 of S&P's IFCG Extended Frontier 150 Index for frontier equity markets covering constituents from 26 countries.

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Integrated lifestyle provider

Mr Mohamed Ali Alabbar, Chairman, Emaar Properties, said: "In a tough year for the global property market, Emaar recorded impressive financials – testament to the strong fundamentals that drive the company. Emaar's long-term approach of developing lifestyle communities, rather than land sales in its core home market of Dubai, and forming strategic partnerships in key markets positions the company in a robust position to achieve its Vision 2010 of becoming one of the most valuable companies in the world."

"More than any other company, Emaar has delivered homes and lifestyle services in time and quality to its thousands of customers. The company has over the last 10 years built competencies that will help translate our Dubai success story in a number of markets across the globe," said Mr Alabbar.

He added: "The joint venture with equal equity participation with Bawadi, a Dubai Holdings Group company for developing 70 million square feet of land in Dubai highlight our pioneering role in forming strong regional partnerships. This aligns with the strategic vision of UAE Vice President & Prime Minister and Ruler of Dubai His Highness Sheikh Mohammed Bin Rashid Al Maktoum to make Dubai a global economic powerhouse."

Mr Alabbar said: "Emaar's growth in diversified sectors reflects our commitment to become an integrated lifestyle provider, and enhance value for our stakeholders – including consumers, shareholders and development partners."

Diverse development portfolio

In Dubai, Emaar recorded strong sales for new residential projects across its master-planned mega-projects Downtown Burj Dubai, Arabian Ranches and Dubai Marina. Emaar launched the Armani Residences - a premier collection of homes in Burj Dubai and a joint venture with Giorgio Armani S.p.A, which was met with record-breaking international sales response.

Emaar Hospitality revamped the Dubai Polo & Equestrian Club, and opened three hotels – Al Manzil, Qamardeen and The Palace Hotel, Old Town – in Downtown Burj Dubai.

Emaar Malls Group opened Souk Al Bahar, an Arabesque leisure destination; unveiled Cairo Gate, Egypt's largest shopping mall and leisure destination; and signed a joint venture deal with Cathay Organisation, the Singapore-based premier entertainment provider to manage cineplexes at Emaar's shopping malls. The Dubai Mall and Dubai Marina Mall projects are also on track and are scheduled to commence operations in second half of 2008.

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Emaar Education opened its first schools in Dubai, and launched the University of the Arts to promote arts education in the Middle East and North Africa region and the Subcontinent.

International markets

In India, Emaar MGF has filed the Draft Red Herring Prospectus (DRHP) for an IPO with Securities and Exchange Board of India's (SEBI's) and the approval is expected shortly; in Egypt, Emaar acquired full ownership of its country subsidiary and announced two new mixed-use projects. Emaar Pakistan commenced sale of homes at Crescent Bay in Karachi, complementing the strong sales record for Canyon Views homes in Islamabad. Emaar Morocco, Emaar International Jordan and Emaar Turkey launched sale of homes, and Emaar Syria made gains with the launch of commercial space within its Eighth Gate development. In Saudi Arabia, Emaar, The Economic City (Emaar.E.C) unveiled the project's first residential component – Bay La Sun Village and Emaar Middle East, a subsidiary of Emaar, launched Jeddah Gate, a mixed-use community. More than 6,000 units have been launched in Emaar's international operations (other than US) and the investors' response has been overwhelming.

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Corporate laurels

Emaar was chosen as 'Property Company of the Year' for the second consecutive year at the Arabian Business Property Awards, and the company won the Dubai Quality Award for its commitment to quality and service excellence.

Emaar earned the ISO 14001:2004 certification for its environmental management processes underscoring its commitment to environmentally sustainable initiatives and the Green 2007 campaign unveiled by Sheikh Mohammed.

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Note to Editors

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.

Emaar has highlighted its remarkable global growth by debuting on the Financial Times Global 500 ranking, which provides an annual snapshot of the world's largest companies. Emaar has been assigned A- and A3 ratings with stable outlook by Standard & Poor's and Moody's Investor Services, respectively.

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 financial services, which have evolved from its integrated approach to customer service and property development.

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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 the US$26.6 billion 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, Libya, Algeria, 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.

For further information, please contact:

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EMAAR PROPERTIES PJSC
Consolidated Income Statement

(AED Millions)

	For the quarter ended			For the quarter ended			For the year ended		
	31 Dec 2007	30 Sep 2007		31 Dec 2007	31 Dec 2006		31 Dec 2007	31 Dec 2006	
	Unaudited	Unaudited	% change	Unaudited	Unaudited	% change	Unaudited	Audited	% change
Revenue	5,029	4,459	13%	5,029	5,548	(9%)	17,566	14,006	25%
Cost of revenues	(3,218)	(2,793)	15%	(3,218)	(3,455)	(7%)	(10,640)	(7,040)	51%
Gross Profit	1,811	1,666	9%	1,811	2,093	(13%)	6,926	6,966	(1%)
Selling, marketing, general & administration expenses	(583)	(574)	2%	(583)	(602)	(3%)	(2,119)	(1,400)	51%
Other income	256	344	(26%)	256	189	35%	1,341	709	89%
Share of results from associated companies	234	118	98%	234	28	736%	402	128	214%
Profit for the period before taxes	1,718	1,554	11%	1,718	1,708	1%	6,550	6,403	2%
Income tax expenses	2	(5)	(140%)	2	(4)	(150%)	(14)	(47)	(70%)
Profit for the period	1,720	1,549	11%	1,720	1,704	1%	6,536	6,356	3%
ATTRIBUTABLE TO:									
Shareholders of the parent	1,736	1,560	11%	1,736	1,713	1%	6,575	6,371	3%
Minority interest	(16)	(11)	45%	(16)	(9)	78%	(39)	(15)	160%
	1,720	1,549	11%	1,720	1,704	1%	6,536	6,356	3%
Earnings per share (AED)	0.29	0.26	12%	0.29	0.28	4%	1.08	1.05	3%

Chairman...

Date:- 16th January 2008

For comparison purpose, EPS for 2006 has been revised to AED 1.05 to take effect for the increase in number of share issued under the rights issue. The original EPS for the aforementioned period was AED 1.06.