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Press Release

Emaar and John Laing Homes agree to combine creating a world leading real estate developer

Partnership will expand Emaar's global reach and management expertise and provide John Laing Homes with resources to grow in the U.S. and beyond

Dubai, UAE, June 2, 2006: Emaar Properties, (DFM: EMAAR), one of the world's largest real estate companies, announced today that it has agreed to acquire John Laing Homes, the second largest privately held homebuilder in the U.S., creating one of the world's leading real estate developers in residential homebuilding.

The AED 3.856 billion (US$1.050 billion) all cash transaction has been unanimously approved by the boards of directors of both companies and closed on June 1, 2006.

Mohamed Ali Alabbar, Chairman of Emaar, said: "His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of UAE and Ruler of Dubai has been instrumental in Emaar's successful regional and global expansion strategy. This transaction forms part of his overall vision to strengthen Dubai and its successful companies in international markets. His visionary leadership, drive for success and relentless courage to take on the future and make it his own have been instrumental to Emaar's pace-setting progress.

Partnering with John Laing Homes is consistent with our strategy of expanding our business on a global basis beyond Dubai. This agreement will provide Emaar with an important gateway into the U.S. real estate market."

Mr. Alabbar added: "John Laing Homes is a highly-respected partner with more than 150 years of homebuilding experience, and boasts a strong and knowledgeable management team. Emaar will leverage John Laing's industry and management expertise and export it into markets around the world, while providing John Laing Homes with additional resources to grow."

In addition to driving much of the commercial and residential development in Dubai, Emaar currently has real estate operations in 12-plus markets around the world, including India, Egypt, Turkey, Morocco, Syria, Pakistan and Saudi Arabia. The company is known for its signature projects, including the construction of the Burj Dubai, which will be the tallest building in the world upon completion in 2008. With the company's scale and financial strength, Emaar has been a pioneer in driving growth in its regional real estate markets. Emaar also has an agreement with Giorgio Armani to develop an international chain of luxury Armani hotels and resorts around the globe, starting with the development of ten hotels. The first hotels will be built in Milan and Dubai, followed by London, New York, Tokyo and other major global gateway cities.

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Emaar's leadership is recognized within the industry, having been named by Euromoney 'Best Overall Developer in the UAE' as well as 'Best Residential Developer in the UAE' in 2006. Additionally, Mr. Alabbar received an 'Outstanding Contribution Award' from Euromoney in recognition of his work and foresight in the real estate sector.

"We are very excited by this partnership," said Larry Webb, CEO of John Laing Homes. "John Laing Homes and Emaar have much in common, with a similar vision and values. Like Emaar, we strive to deliver world-class customer service, and we are recognized for it, being named America's Best Builder 2006 by *Builder* magazine."

Mr. Webb added: "The combination of Emaar and John Laing Homes will provide us with additional financial and professional resources to expand beyond our traditional markets of California and Colorado. It's a strategy that Emaar has used successfully in driving growth in their regional real estate markets throughout the world, and we're looking forward to being a part of Emaar's vision for the future of global real estate development."

John Laing Homes will be operated as a division of Emaar. John Laing Homes' corporate headquarters will remain in Newport Beach, CA, and continue to be managed by Larry Webb, who, along with the senior management team, have agreed to multiyear contracts.

On April 17, 2006 Emaar filed voluntarily with the Committee on Foreign Investment in the United States (CFIUS), which has approved the transaction.

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Note to Editors

About Emaar Properties PJSC:
Emaar Properties, the Dubai-based Public Joint Stock Company and one of the world's largest real estate companies, is listed on the Dubai Financial Market and is part of the Dow Jones Arabia Titans Index.

The company recently announced that its net profits for the first quarter ended 31 March 2006 reached AED 1.517 billion (US$413.1 million) – a significant rise on the AED 1.325 billion (US$361.0 million) for the equivalent period from the prior year. Emaar's net profits for the year ended 31 December, 2005 climbed 180 per cent, to a record AED 4.731 billion (US$1.288 billion). The figures represent a substantial increase on the AED 1.691 billion (US$460 million) for the year 2004, and reflect the significant growth the company has undergone since its inception in 1997.

Currently, Emaar has several major real estate projects under various stages of development in Dubai including Arabian Ranches, Dubai Marina, Emirates Hills, The Views, The Meadows, The Springs, The Lakes and The Greens. The company also owns and manages the Gold and Diamond Park.

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Emaar has started construction on its most ambitious project to date, the AED 73 billion (US$20 billion) Burj Dubai Downtown development, which comprises the Burj Dubai - the tallest tower in the world when completed in 2008, The Dubai Mall, Burj Dubai Business Hub, The Lofts, The Old Town, The Old Town Island, Burj Dubai Boulevard, The Residences, Burj Views, man-made lakes, landscaped parks and gardens.

The company has joint ventures and projects across the region covering India, Egypt, Turkey, Morocco, Bahrain, Syria, Jordan, Pakistan, Lebanon, Tunisia and Saudi Arabia. Major international projects include: Cairo Heights and Smart Village, both in Egypt; Boulder Hills, a world-class leisure and residential community in Hyderabad, India; multiple resort projects in Morocco, including Amelkis II & III and Bahia Bay, luxury residential golfing communities; Eighth Gate project in Damascus, the city's first master planned community; and Lakeside in Istanbul, a landmark development for Turkey's cultural and commercial hub. In Saudi Arabia, Emaar is embarking on the creation of the AED 98 billion (US$26.6 billion) King Abdullah Economic City, a mixed use development covering 55 million square metres of greenfield land with a 35 km shoreline close to the port city of Jeddah.

Last year the property developer announced plans to aggressively expand the retail sector with investments of over AED 15 billion (US$4 billion) to develop approximately 100 malls in the larger emerging markets of the Middle East, North Africa (MENA) and the Indian subcontinent.

While continuing to actively pursue expansion in its core business of innovative, high quality real estate development, Emaar has diversified into related business lines to further build value for its 59,000 shareholders, which includes the Government of Dubai. Emaar owns and manages EMRILL, a joint venture with the UK-based Carillion which provides innovative property and facilities management services. Emaar also holds 30 per cent equity in Dubai Bank, focused on retail and commercial banking and is the majority shareholder in Amlak Finance, UAE's leading Islamic home financing company. For further information, please visit www.emaar.com.

About John Laing Homes:
With a tradition of quality dating back more than 150 years, John Laing Homes is the second largest privately held homebuilder in the nation, with revenues of AED 5.88 billion (US$1.6 billion) and 2,891 residential closings in 2005. The homebuilder consistently ranks among industry leaders in overall customer satisfaction by J.D. Power & Associates. The company has received numerous industry awards, including "America's Best Builder" for 2006 by *Builder* magazine, "2005 Most Admired Builder of the Year" by *Big Builder* magazine, "2004 Builder of the Year" by *Professional Builder* magazine, and "Builder of the Decade" in 2000 by independent research firm Eliant. Based in Newport Beach, California, John Laing Homes concentrates its homebuilding efforts in California and Colorado. For more information, visit www.johnlainghomes.com.

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