

## Press Release

# **Emaar Properties announces profits of AED 4.839 billion (US\$ 1.317 billion) for the nine months ended 30 September 2007**

- *Nine months revenue and profits increase by 48% and 4% respectively as compared to the same period in 2006*
- *Net profits for Q3, 2007 maintained at both Q2, 2007 and Q3 2006 levels; Higher profits in Dubai partly offset by higher expenses due to International Expansion / Launches and ramping up of the organization for business segments*
- *Revenue in Q3, 2007 is AED 4.459 billion (US\$ 1.214 billion), up 32% from Q3, 2006*
- *Expansion into Algeria with four mega-projects*
- *Gains further momentum with sales launches in Egypt, Jordan, Syria, Morocco, Saudi Arabia and Turkey*
- *Burj Dubai becomes world's tallest free-standing structure*

**Dubai, UAE; October 17, 2007:** Supported by robust domestic sales, Emaar Properties has announced the revenue and net profits of AED 12.537 billion (US\$ 3.413 billion) and AED 4.839 billion (US\$ 1.317 billion) respectively for the first nine months of the year. This is 48 per cent more than the revenue of AED 8.458 billion (US\$ 2.303 billion) and 4 per cent higher than the net profit of AED 4.658 billion (US\$ 1.268 billion) for the same period in 2006.

The third quarter, 2007 revenue and net profits are AED 4.459 billion (US\$ 1.214 billion) and AED 1.560 billion (US\$ 0.425 billion) respectively. The third quarter revenues are 7 per cent higher than the second quarter 2007 revenue of AED 4.174 billion (US\$ 1.136 billion) and 32 per cent more than the third quarter 2006 revenue of AED 3.379 billion (US\$ 0.920 billion). Net profits have been maintained at second quarter 2007 and third quarter 2006 levels.

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Although, the profitability of the Dubai operations has increased significantly in the first nine months of 2007 as compared to the similar period in 2006, it is marginally offset by the increased expenditure relating to sales launches in Egypt, Syria, Saudi Arabia, Turkey, Jordan and Morocco and ramping up of the organization structure of the various business segments (Malls, Hospitality & Leisure, Education and Healthcare), where significant assets are scheduled for completion in 2008. The profitability related to these expenses accrues in future period.

Earnings Per Share (EPS) for the first nine months of the year is AED 0.79 as compared to the actual EPS of AED 0.76 for the same period in 2006.

"The stable performance of Emaar during the third quarter of the year – a period marked by severe fiscal corrections globally – is testimony to the stable fundamentals that drive the company's growth," said Mohamed Ali Alabbar, Chairman, Emaar Properties. "Our strategy of global expansion and business diversification has also gained momentum, taking us closer to realizing our Vision 2010 of becoming one of the most valuable companies in the world."

He added: "A highlight of Emaar's growth is the strong and sustained domestic sales, a reiteration of the investment-friendly environment of Dubai shaped under the visionary guidance of His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Vice President & Prime Minister of the UAE and Ruler of Dubai. The setting up of the Real Estate Regulatory Authority (RERA) and the Escrow Account Law has further stabilized the property sector and made operations more transparent – thus enhancing customer trust."

### **Robust domestic sales**

Emaar's third quarter 2007 growth is underscored by significant sales gains from Downtown Burj Dubai, its flagship mega-project, Dubai Marina and Arabian Ranches, two established neighbourhoods that have unveiled new projects to meet the growing demand for world-class residential and commercial property in Dubai.



During the same period, drawing global spotlight to its impressive track-record, Emaar's Burj Dubai achieved the milestone of becoming the world's tallest building and tallest free-standing structure.

### **International growth**

Emaar's international operations – which are expected to contribute significant proportion of revenue by 2010 – made impressive strides in the third quarter of the year. Sales initiatives of Emaar's master-planned projects in Jordan, Egypt, Syria, Morocco and Turkey generated very strong investor response.

The first residential village unveiled at King Abdullah Economic City, the flagship project of Emaar in Saudi Arabia, was an enormous success. Adding to its active markets globally, Emaar also marked its entry into Algeria with four mixed-use projects.

### **Diversification drive**

With sales of residences continuing to be robust in India and all the other countries, Emaar also continued its diversification initiatives into healthcare, education, finance, malls and hospitality & leisure.

In India, Emaar MGF, the company's joint venture, signed an agreement with the Government of Uttarakhand to design, construct and operate/manage a five-star hotel and convention centre in Dehradun, one of the country's tourism hubs. Emaar MGF also joined hands with InterContinental Hotels Group, Singapore, to manage a hotel and convention centre in the country. Emaar MGF has also filed a Draft Red Herring Prospectus with the Securities and Exchange Board of India (SEBI), to sell 10 per cent stake (117.4 million shares) to the public through an IPO.

In Dubai, Emaar unveiled Souk Al Bahar, an initiative by Emaar Malls Group LLC, the shopping malls subsidiary of the company. The Arabesque shopping, dining and entertainment destination within Downtown Burj Dubai is billed to be the new hotspot in one of the world's fastest-growing cities.



Emaar Education unveiled the University of the Arts, an initiative to promote arts education in the Middle East and North Africa region and the Subcontinent. During the same period, Emaar Healthcare Group LLC signed a Memorandum of Understanding with Amanah Capital, the Dubai-based asset management company, to develop specialist healthcare facilities in Abu Dhabi.

### **Corporate strength**

A Financial Times Global 500 company – the only real estate company in the prestigious listing of firms based in Europe, the Middle East and North Africa, and the Subcontinent – Emaar has also been ranked in the Top 10 of Standard & Poor's IFCG Extended Frontier 150 Index. The index ranks the largest liquid stocks in over 30 developing global markets and Emaar's status represents a financial milestone for the company.

Emaar also underlined its commitment to corporate social responsibility by contributing AED 25 million (US\$ 6.8 million) to the Dubai Cares educational initiative. Emaar Education and Emaar Industries & Investments also contributed AED 1 million (US\$ 0.27 million) each to the initiative.

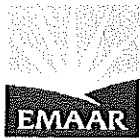
Mr Alabbar said: "Emaar's growth strategies are shaped by our goal to become a global lifestyle provider. While adding value for our shareholders, we are also committed to introducing projects that energise local economies by creating employment opportunities and supporting ancillary growth sectors. As we move ever closer to achieving Vision 2010, we look forward to becoming one of the world's most valuable companies – and also a company that is valued in countless communities across the globe."

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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 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 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](http://www.emaar.com).

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**EMAAR PROPERTIES PJSC**  
Consolidated Income Statement

|                                                       | For the quarter ended |           |              | For the quarter ended |           |             | For the nine months period ended |           |             | (AED Millions) |
|-------------------------------------------------------|-----------------------|-----------|--------------|-----------------------|-----------|-------------|----------------------------------|-----------|-------------|----------------|
|                                                       | 30 Sep 2007           |           | 30 June 2007 | 30 Sep 2007           |           | 30 Sep 2006 | 30 Sep 2007                      |           | 30 Sep 2006 |                |
|                                                       | Unaudited             | Unaudited |              | Unaudited             | Unaudited |             | Unaudited                        | Unaudited |             |                |
| Revenue                                               | 4,459                 | 4,174     |              | 4,459                 | 3,379     |             | 12,537                           | 8,458     |             | % change       |
| Cost of revenues                                      | (2,793)               | (2,648)   |              | (2,793)               | (1,674)   |             | (7,422)                          | (3,585)   |             | 48%            |
| Gross Profit                                          | 1,666                 | 1,526     | 9%           | 1,666                 | 1,705     | (2%)        | 5,115                            | 4,873     |             | 107%           |
| Selling, marketing, general & administration expenses | (574)                 | (490)     | 17%          | (574)                 | (291)     | 97%         | (1,536)                          | (798)     |             | 92%            |
| Other income                                          | 344                   | 492       | (30%)        | 344                   | 161       | 114%        | 1,085                            | 520       |             | 109%           |
| Share of results from associated companies            | 118                   | 23        | 413%         | 118                   | 52        | 127%        | 168                              | 100       |             | 68%            |
| Profit for the period before taxes                    | 1,554                 | 1,551     | -            | 1,554                 | 1,627     | (4%)        | 4,832                            | 4,695     |             | 3%             |
| Income tax expenses                                   | (5)                   | (3)       | 67%          | (5)                   | (32)      | (84%)       | (16)                             | (43)      |             | (63%)          |
| Profit for the period                                 | 1,549                 | 1,548     | -            | 1,549                 | 1,595     | (3%)        | 4,816                            | 4,652     |             | 4%             |

**ATTRIBUTABLE TO:**

|                                    |       |       |  |       |       |  |       |       |  |  |
|------------------------------------|-------|-------|--|-------|-------|--|-------|-------|--|--|
| Shareholders of the parent company | 1,560 | 1,558 |  | 1,560 | 1,605 |  | 4,839 | 4,658 |  |  |
| Minority interest                  | (11)  | (10)  |  | (11)  | (10)  |  | (23)  | (6)   |  |  |
|                                    | 1,549 | 1,548 |  | 1,549 | 1,595 |  | 4,816 | 4,652 |  |  |

**Earnings per share (AED)**

|                                                       |      |      |  |      |      |  |      |      |  |  |
|-------------------------------------------------------|------|------|--|------|------|--|------|------|--|--|
| Earnings per share - Annualized/Actual for 2006 (AED) | 0.26 | 0.26 |  | 0.26 | 0.26 |  | 0.79 | 0.76 |  |  |
|                                                       | 1.04 | 1.04 |  | 1.04 | 1.06 |  | 1.05 | 1.06 |  |  |

Chairman.....

Date:- 17 October 2007

Note:-

For comparison purpose, EPS for nine month period ended 30 Sep 2006 has been revised to AED 0.76 to take effect for the increase in number of share issued under the rights issue. The original EPS for the aforementioned period was AED 0.78.

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