Press Release

Emaar Properties records half-year revenue of AED 3,486 million (US$ 949 million)

- *Second quarter revenue is AED 1,940 million (US$ 528 million) and net operating profit is AED 442 million (US$ 120 million)*
- *Focus on delivery of Dubai and international projects*
- *First units in Tuscan Valley in Turkey and Mirador Villas in Pakistan delivered*
- *Rental and hospitality income in Q2 2009 increased by 180% as compared to Q2 2008*
- *Creates more than 10,000 new jobs in Dubai*
- *Hospitality subsidiary marks first European venture*

Dubai, UAE; July 30, 2009: Emaar Properties focused on project delivery and business consolidation in the first half of 2009, achieving half-year revenue of AED 3,486 million (US$ 949 million) and half-year net operating profit of AED 679 million (US$ 185 million).

Revenue for the second-quarter of the year recorded an increase of 25 percent to AED 1,940 million (US$ 528 million) over first-quarter 2009 revenue of AED 1,546 million (US$ 421 million). Net operating profit for the second-quarter also gained significantly at AED 442 million (US$ 120 million) over first-quarter net profit of AED 237 million (US$ 65 million). The increase in revenue and profitability in the second quarter of 2009 can be attributed to higher unit deliveries and increased sales of completed units as compared to first quarter.

The lower revenue and net operating profit over half-year 2008 figures of AED 8,126 million (US$ 2,212 million) and AED 3,011 million (US$ 820 million), respectively are attributed to the overall economic slowdown following the global economic crisis, and Emaar's new revenue recognition policy based on completed contract method.

The revenue and profitability was significantly high in the second quarter of 2008 due to delivery of a number of large projects including Alvorada villas in Arabian Ranches, South Ridge and Old Town B residences in Downtown Burj Dubai, and Marina Promenade in Dubai Marina. The projects delivered in second quarter of 2009 included Burj Views in Downtown Burj Dubai, Fairways in The Views and Alma in Arabian Ranches. First units were also delivered in Tuscan valley in Turkey during this quarter. Rental and hospitality income during this quarter increased by approximately 180 percent as compared to second quarter of 2008 due to opening of malls and hotels at the end of 2008.

Due to continued slow down in the US Real Estate market and chapter 7 proceedings relating to J L homes, Emaar also decided to write down its complete book value of J L Homes amounting to AED 1,727 million (US$ 470 million) during the second quarter in order to be conservative in accounting for such an investment. Such exceptional write down resulted in a net loss of AED 1,285 million (US$ 350 million) during the second quarter of 2009.

Emaar responded to the unprecedented global economic challenge by leveraging the cost-economies in project development for swifter execution and delivery. The company also emphasised on optimization of resource use and maximising productivity apart from contributing to economic growth by creating new jobs.

Mr Mohamed Alabbar, Chairman, Emaar Properties, said that the company was one of the first in the region to recognise the impact of the global financial crisis on the regional economy and take long-term growth measures across the board. "The first half of the year was extremely challenging as we steered the company through new market realities. We succeeded in identifying the right opportunities that co-existed with the challenges and focused on project delivery. By adhering to our development plans, we also contributed to the economy by creating nearly 10,000 new jobs in Dubai with our mall and hospitality projects."

He added: "His Highness Sheikh Mohammed Bin Rashid Al Maktoum, UAE Vice President & Prime Minister and Ruler of Dubai, drives us to look ahead with ambitious development plans. His vision for Dubai's future is our inspiration and we continue to tap new opportunities in promising emerging markets while strengthening our business competencies in shopping malls & retail, hospitality & leisure, education and healthcare."

The highlight of the first-half of the year is the ongoing consolidation discussions with property companies within Dubai Holdings LLC. "The discussions are led by a shared vision for potentially creating a world-class real estate group that will support the evolution of Dubai as a global hub for business," explained Mr Alabbar.

Key achievements

In key achievements, Emaar marked the official opening of The Dubai Mall, the world's largest shopping and entertainment destination, and The Dubai Fountain, the world's tallest performing fountain. Inaugurated by His Highness Sheikh Mohammed, The Dubai Mall also hosted a month-long shopping and entertainment extravaganza that attracted more than 3 million visitors to the mall.

Along with its retail partners, Emaar Malls Group, the shopping malls & retail subsidiary of the company, invested AED 20 billion to create thousands of new jobs. The mall will unveil its new Entertainment Precinct this year, creating several hundred new job opportunities.

In Dubai, Emaar handed over Alma townhomes and La Avenida villas in Arabian Ranches several months ahead of schedule, and started delivery of homes in Burj Views in Downtown Burj Dubai. Emaar is also making rapid progress in the completion of Burj Dubai, the world's tallest building, currently over 800 metres high. Emaar also established Downtown Burj Dubai, its 500 acre mega project, as the new heart of the city, with several art and cultural attractions.

International growth

Internationally, Emaar Hospitality Group, the hospitality & leisure subsidiary, led its hotel brand – The Address Hotels + Resorts – to the European market with a management contract to operate Domaine de Lavagnac, a luxury resort developed by Residence De Lavagnac SARL in Languedoc-Roussillon, South of France.

Emaar Pakistan, the country subsidiary, completed the first phase of Mirador Villas in Canyon Views, a mixed-use development in Islamabad, which is currently being handed over. Emaar's country subsidiaries and joint ventures in India, Egypt, Morocco, Syria, Jordan and Saudi Arabia continue to make strong progress with various projects, several of them coming on line next year.

Tapping the growing demand for residences in Saudi Arabia, Emaar Middle East launched the second phase of villas in Al Khobar Lakes to strong investor response. The second phase of The Apartments at Samarah Dead Sea Resort in Jordan also gained good response while in Syria, the first six months of 2009 registered stronger demand for commercial space in The Eighth Gate. In Egypt, Emaar's new project – Mivida – featuring attractively-priced and ready to live in homes have generated good customer response.

"Emaar has demonstrated the success of its two-pronged growth approach of geographic expansion and business segmentation," said Mr Alabbar. "We will continue to adhere to this strategy and uphold our commitment to delivery. The coming six months will once again put Emaar in the global spotlight as we unveil Burj Dubai apart from handing over several international projects."

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Note to Editors

About Emaar Properties PJSC:
Emaar Properties PJSC, listed on the Dubai Financial Market, is a global property developer with a significant presence in 36 markets world-wide. Besides building residential and commercial properties, the company also has proven competencies in shopping malls & retail, hospitality & leisure, education, healthcare and financial services sectors.

Emaar is developing Burj Dubai, the world's tallest building and free-standing structure, and has opened The Dubai Mall, the world's largest shopping and entertainment destination. In Saudi Arabia, Emaar is developing King Abdullah Economic City, the region's largest private sector-led project, featuring a Sea Port, Central Business District, Industrial Zone, Educational Zone, Residential Communities and Resort District.

Emaar has joined hands with Giorgio Armani to strengthen its presence in hospitality. The company is also opening educational institutions and healthcare centres in South Asia, Middle East and North Africa and the Subcontinent.

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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EMAAR PROPERTIES PJSC
Consolidated Income Statement

(AED Millions)

	For the quarter ended			For the quarter ended			For the half year ended		
	30 June 2009	31 March 2009		30 June 2009	30 June 2008		30 June 2009	30 June 2008	
	Unaudited	Unaudited	% change	Unaudited	Unaudited	% change	Unaudited	Unaudited	% change
Revenue	1,940	1,546	25%	1,940	5,604	(65%)	3,486	8,126	(57%)
Cost of revenues	(1,085)	(845)	28%	(1,085)	(3,149)	(66%)	(1,930)	(4,488)	(57%)
Gross Profit	855	701	22%	855	2,455	(65%)	1,556	3,638	(57%)
Selling, marketing, general & administration expenses	(449)	(506)	(11%)	(449)	(642)	(30%)	(955)	(1,249)	(24%)
Other income	116	118	(2%)	116	263	(56%)	234	479	(51%)
Share of results from associated companies	(101)	(88)	15%	(101)	47	(315%)	(189)	142	(233%)
Income tax expenses	13	3	333%	13	(1)	1400%	16	(2)	900%
Minority interest	8	9	(11%)	8	(7)	214%	17	(3)	467%
Net operating profit for the period before extraordinary items	442	237	86%	442	2,115	(79%)	679	3,011	(77%)
Write down of investment in US subsidiary	(1,727)	-	-	(1,727)	-	-	(1,727)	-	-
Net Profit/ (loss) for the period	(1,285)	237	(642%)	(1,285)	2,115	(161%)	(1,048)	3,011	(135%)
Earnings/ (loss) per share (AED)	(0.21)	0.04	(625%)	(0.21)	0.35	(160%)	(0.17)	0.49	(135%)

Chairman

Date:- 20 July 2009

Note:-
In compliance with IFRIC 15-Agreements for Real Estate construction, effective 1 January 2009, the Group has changed its Revenue recognition policy for revenue recognition from property development activities from Percentage completion method to Completed Contract Method. Accordingly, the comparative figures of revenue and cost of revenues for the half year and quarter ended 30 June 2008 has been restated.