



Press Release

Emaar Properties records net operating profit of AED 5.573 billion in first nine months of 2008; an increase of 15% from 2007

- *Revenue for first nine months 2008 is AED 12.520 billion*
- *Increase of net operating profit for the quarter by 45% as compared to Q3 2007*

Dubai, UAE; October 19, 2008: Emaar Properties PJSC posted revenue and net operating profits of AED 12.520 billion (US\$ 3.409 billion) and AED 5.573 billion (US\$ 1.517 billion), respectively, for the first nine months of 2008, supported by strong domestic revenues and profit. The revenue is similar to the first nine months 2007 revenue of AED 12.727 billion (US\$ 3.465 billion) as higher revenues from Dubai operations were set off by decreased revenue from J L Homes in the US. The net operating profit is higher by 15% as compared to the net operating profit of AED 4.839 billion (US\$ 1.317 billion) for the same period in 2007.

The net profit for the first nine months of 2008 after considering an extra ordinary item in respect of write off of goodwill amounting to AED 0.750 billion (US\$ 0.204 billion) relating to acquisition of J L Homes in the US was AED 4.823 billion (US\$ 1.313 billion) which is similar to net profit for the same period in 2007. Although, the recent actions by the US Government may result in providing support to the Home Builders in the US, the write off was considered prudent in view of the current challenging times for all businesses especially the financial and real estate sector in the US.

Revenue for the third quarter of 2008 (July to September) is AED 4.319 billion (US\$ 1.176 billion), which are in line with the second quarter 2008 (April to June) revenue of AED 4.240 billion (US\$ 1.154 billion). The net operating profit is AED 2.258 billion (US\$ 0.615 billion), is higher by 36% as compared to the second quarter 2008 profit of AED 1.660 billion (US\$ 0.452 billion) and 45% higher than the third quarter 2007 profit of AED 1.560 billion (US\$ 0.425 billion).

Earnings per share (EPS) for the first nine months of the year 2008 is AED 0.79 with the annualized EPS being AED 1.05.



Mr Mohamed Ali Alabbar, Chairman, Emaar Properties, said: "With projects valuing more than AED 367 billion (US\$ 100 billion), Emaar is forging ahead with creating a dominant position in the real estate industry on a global scale. Emaar has created a significant brand value and recognition through delivering superior products and world class service to its customers. This brand value along with financial strength of the company created through maintaining a low leverage on its balance sheet and reinvestment of its profits for international expansion will not only enable Emaar to move ahead with our planned projects but will also provide the requisite enablers for new profitable opportunities arising in the world to create significant value for our shareholders."

He added: "A balanced portfolio of projects primarily in the emerging growth markets has further assisted us to take advantage of various opportunities and be within the defined risk parameters. We believe that the economic fundamentals in the Middle East, North Africa and South Asia region will remain sound with higher economic and population growths, resulting in domestic demand to further enable growth in the real estate sector."

For Emaar, the third-quarter of 2008 was marked by consolidation of its presence in Dubai with the launch of single family home communities and establishing the fundamentals for its expansion into hospitality & leisure and shopping malls.

In domestic operations, a highlight of the company's expansion was the completion of The Address, Downtown Burj Dubai, the first hotel under The Address Hotels + Resorts brand owned and operated by Emaar Hospitality Group. Emaar also made significant strides in developing The Dubai Mall, one of the world's largest shopping and entertainment destinations, which will open on October 30, 2008. The mall added on its second anchor store, which will be the first Bloomingdale's store in the Middle East.

Emaar gained from international markets such as Saudi Arabia, where the company's King Abdullah Economic City attracted investments worth SR 130 billion this year and sales of SR 1 billion. KAEC also announced plans to open a Plastics Valley, dedicated to plastics industries, apart from projects such as Healthcare City, Media City, Science Research Complex, Environment Protection Centre, Cadre Technical City for human resources development, Thunderbird Middle East University and Colombia University. Emaar also unveiled its first undertaking in the Holy City of Makkah, the fully-furnished Emaar Residences in Abraj Al Bait, which will be offered on a timeshare basis.



Another key market was Egypt, where Emaar Misr, the Egyptian subsidiary of the company, completed the renovation of the Alamein Hotel in Marassi, and launched The Address hotel in Uptown Cairo, a mixed-use community. Emaar also launched its prestigious Armani Residences in Marassi, the first villa offering under the Armani collaboration. In India, Emaar MGF is progressing on schedule with various projects including the Commonwealth Village in Delhi.

Mr Alabbar added: "We are very confident of our Company's fundamentals and future growth, which is reflected in our decision to pursue the share buy-back. We are also very confident of the economic development and prosperity of the regional markets, where we are seeking new relationships and projects such as the Rawabi Rumah mixed-use project in Kingdom of Saudi Arabia."

Emaar's growth strategies are centred on its Vision 2010 to become one of the most valuable companies in the world by developing integrated communities in significant growth markets. Emaar's unique position in property development and financial best practices was honoured with the Best Property Developer in the MENA region at the Euromoney Liquid Real Estate Awards.

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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 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 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, China, 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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