EMAAR

Press Release

Emaar Properties records first quarter 2007 profits of AED 1.721 billion (US$ 0.469 billion); up 13 per cent over Q1' 06

- *Revenue grows by 74 per cent over Q1 2006*
- *Emaar acquires total control of Egyptian subsidiary*
- *Partners with Dubai Holding on shares-for-land deal*
- *Emaar Properties wins Dubai Quality Award*

Dubai, UAE; April 15, 2007: Emaar Properties PJSC has posted a net profit of AED 1.721 billion (US$ 0.469 billion) for the first quarter of 2007 recording an increase of 13 per cent over first quarter 2006 results of AED 1.517 billion (US$ 0.413 billion).

The revenue for the first three months of the year was AED 3.904 billion (US$ 1.063 billion). Reiterating the strength of the Dubai property market, revenue for the first quarter of the year increased by 74 per cent from AED 2.239 billion (US$ 0.610 billion) in the first quarter of 2006.

Annualized Earnings per Share (EPS) for the period is AED 1.13 compared to the actual EPS of AED 1.06 for the year 2006.

"Year 2007 began on an upbeat mode for all businesses in the country with the UAE Vice President and Prime Minister and Ruler of Dubai His Highness Sheikh Mohammed Bin Rashid Al Maktoum announcing the Dubai Strategic Plan, which sets the direction of growth of the economy," said Mr Mohamed Ali Alabbar, Chairman, Emaar Properties. "Inspired by his vision, Emaar has strengthened its two-pronged growth strategy of geographic expansion and business segmentation."

4

8

He added: "As a first step in this direction, we have taken full control of our Egyptian operations and ventured into new markets. In another significant growth initiative, Emaar has also joined hands with Dubai Holding for a land-for-share deal, which will drive growth in the home market of Dubai. The details of the deal including the legal and regulatory clearance and structure are currently being finalized and will be declared soon."

Emaar's first quarter performance is marked by robust domestic sales for its new launches at Downtown Burj Dubai, including new commercial space within The Old Town Island and Burj Dubai Square. Investor response to the sale of villas within Umm Al Quwain Marina is on the up trend.

The company also unveiled its revamped equity structure at the Annual General Meeting. "We are committed to adding value to our shareholders, and with our new equity structure, we will convert our six new business segments – malls, education, healthcare, industry, finance and hospitality & leisure – and our international entities as stand-alone profit centres that converge to the central group, Emaar PJSC," said Mr Alabbar.

He added: "There has been significant growth in our ongoing projects. Burj Dubai, on course to becoming the world's tallest building, has scaled 120 levels and is the tallest structure in the Middle East and North Africa. The Dubai Mall, one of the largest shopping and entertainment destinations in the world, has added on new anchor tenants, including Galeries Lafayette – France's leading fashion house, which will open the largest of its kind department store in the UAE within the mall.

"We have also launched new residential projects in Downtown Burj Dubai, Arabian Ranches and Umm Al Quwain Marina, which have gained overwhelming investor response," said Mr Alabbar. "The property management services are now being undertaken by the UK-based Hamptons, which Emaar acquired last year, and we have stronger international interest in the Dubai property sector."

Highlighting Emaar's presence internationally, the company participated in at MIPIM, Cannes, the world's largest real estate expo, and received commendable international investor response. Work on Emaar's various projects in Saudi Arabia, India, Pakistan, Morocco, Syria, Jordan and Turkey is moving ahead on schedule.

"Emaar is also pioneering new initiatives in the property sector. For example, King Abdullah Economic City in Saudi Arabia, the largest private sector development in the region, is being developed as the world's first Smart City. Emaar also started on-line registration for KAEC's Industrial Zone, which continues to receive strong investor response," said Mr Alabbar.

Mr Alabbar added: "Currently the UAE property development activity contributes more than 90 per cent to both our revenues and profits. Along with our UAE property developments, our other entities are also growing rapidly and should contribute more to profits as well as accelerate our rate of growth in 2008. We are also pressing ahead with plans to take public some of our international entities to crystallize value to our shareholders."

"As at 31 March 2007, the market value of our shares held in Emaar, The Economic City are worth AED 4.5 billion (US$ 1.22 billion) as compared to our initial investment of AED 2.5 billion (US$ 0.68 billion). We are currently in the process of examining the timing for the listing of Emaar MGF[(1)] India which we expect will add significant value to our shareholders," said Mr Alabbar.

Emaar also reiterated its commitment to quality and service excellence by winning the Dubai Quality Award, which complements the company's ISO9001:2000 quality certification. Putting communities first, Emaar also hosted the annual Emaar International Art Symposium and showcased the company's Emiratisation initiatives at the Careers UAE expo with numerous UAE nationals and professionals registering for job opportunities in the company.

(1) *Emaar Properties PJSC currently owns 42.12% in Emaar MGF.*

-ends-

4
8

EMAAR

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.

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 retail, hospitality and leisure, education, healthcare, finance and industry, 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, on its way to become the world's tallest tower, 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, India, Pakistan, 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 resorts and hotels 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:
Kelly Home / Nedal Alasaad
ASDA'A Public Relations
Exclusive Affiliate of Edelman PR Worldwide in Middle East & North Africa
Tel: (+971 4) 335 5969; Fax: (+971 4) 335 6080
E-mail: k.home@asdaa.com, n.alasaad@asdaa.com

EMAAR PROPERTIES PJSC
Consolidated Income Statement

Amounts in AED million

	For the quarter ended			For the quarter ended		
	31-Mar-07	31-Mar-06		31-Mar-07	31-Dec-06	
	Unaudited	Unaudited	% change	Unaudited	Unaudited	% change
Revenue	3,904	2,239	74%	3,904	5,548	(30%)
Cost of revenues	(1,981)	(752)	163%	(1,981)	(3,455)	(43%)
Gross Profit	1,923	1,487	29%	1,923	2,093	(8%)
Selling, marketing, general & administration expenses	(472)	(185)	155%	(472)	(602)	(22%)
Other income	249	189	32%	249	189	32%
Share of results from associated companies	27	26	4%	27	28	(4%)
Profit for the period before taxes	1,727	1,517	14%	1,727	1,708	1%
Income tax expenses	(8)	-	-	(8)	(4)	100%
Profit for the period	1,719	1,517	13%	1,719	1,704	1%
ATTRIBUTABLE TO:						
Shareholders of the parent company	1,721	1,517	13%	1,721	1,713	-
Minority interest	(2)	-	-	(2)	(9)	(78%)
	1,719	1,517	13%	1,719	1,704	1%
Earnings per share (AED) - Basic	0.28	0.25	12%	0.28	0.28	-
Earnings per share - Annualised/Actual for 2006 (AED)	1.13	1.06	7%	1.13	1.06	7%

Chairman..

Date:- 15 April 2007

Notes :-

Revenue for the first quarter of 2007 is lower than the fourth quarter of 2006 due to recognition of revenue on achievement of 20% completion of Burj Dubai in the fourth quarter 2006 and higher number of closings (handover of units) by John Laing Homes, USA in the fourth quarter of 2006.

For comparison purpose, EPS for the first quarter of 2006 has been revised to AED 0.25 per share to take effect of the increase in number of shares issued under the rights issue. The original EPS for the aforementioned period was AED 0.26 per share.