



## Press Release

### **Emaar records robust growth in Q1 2015 revenue by 26% to AED 3.013 billion; profit increases to AED 1.026 billion**

- *Revenue for the first three months of 2015 is AED 3.013 billion (US\$ 820 million), 26% growth over Q1 2014*
- *Recurring revenue from shopping malls, retail and hospitality business is AED 1.523 billion (US\$ 415 million)*
- *Focus on developing prime real estate assets in Dubai and JV mega-projects*
- *Announces cash dividend of 15% of the share capital equivalent to around AED 1.074 billion (US\$ 292 million) to shareholders*

**Dubai, UAE; May 3, 2015:** Led by strong performance in Dubai and international markets and the positive growth of its malls and hospitality businesses, global property developer Emaar Properties recorded a net profit of AED 1.026 billion (US\$ 279 million) during the first three months of 2015. This is 7 per cent higher than the net profit of AED 957 million (US\$ 261 million) in first-quarter (January to March) 2014 calculated as per revised accounting policy for revenue recognition (the profitability increase in Q1 2015 would have been 14 per cent if the Malls listing at the end of 2014 is not considered).

Starting from Q1 2015, Emaar has opted for early adoption of the International Financial Reporting Standard 15 (IFRS 15) and recognises revenue based on percentage construction completion instead of on completion and handover.

Revenue for Q1 2015 reached AED 3.013 billion (US\$ 820 million), which is 25 per cent higher than Q4 2014 revenue of AED 2.409 billion (US\$ 656 million) and 26 per cent higher than Q1 2014 revenue of AED 2.392 billion (US\$ 651 million).

The sustained growth in net profit and revenue is supported by the increase in recurring revenues from the Group's shopping malls, retail and hospitality businesses, which together stood at AED 1.523 billion (US\$ 415 million) in Q1 2015, 13 per cent higher than Q1 2014 figures of AED 1.346 billion (US\$ 366 million). Malls, retail and hospitality revenue now account for 51 per cent of the total group revenue. The Group's International operations also contributed 11 per cent of the total revenue amounting to AED 346 million (US\$ 94 million).

Underlining its commitment to creating sustained value for its shareholders, Emaar recently announced the distribution of a cash dividend of 15 per cent of the share capital equivalent to around AED 1.074 billion (US\$ 292 million).

#### **Focus on delivery**

Mohamed Alabbar, Chairman of Emaar Properties, said the positive growth in profits reflects the success of the company's focus on world-class project management. "We are committed to creating long-term value for our stakeholders through strategic business expansion in Dubai and other key international markets, where we are expanding our hospitality and malls operations too. In Dubai, in addition to committed delivery schedule, we are launching new real estate assets that meet demand from buy-to-live customers."

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He added: "We have made significant progress in two mega joint venture projects, Dubai Creek Harbour at The Lagoons with Dubai Holding and Dubai Hills Estate with Meraas Holding. These smart cities of the future support the ongoing preparations for the Expo 2020 UAE and will meet current and emerging demand for homes, serviced residences, retail and hospitality services in the city.

"A key partner in Dubai's socio-economic growth, Emaar's strategy is led by the vision of His Highness Sheikh Mohammed bin Rashid Al Maktoum, UAE Vice President & Prime Minister and Ruler of Dubai, to establish the city as a global hub for business, tourism, retail, fashion and creativity."

### **Robust property business**

Recording a revenue of AED 1.490 billion (US\$ 406 million) from its core business of property development during Q1 2015, Emaar marked robust sales during the first three months valued at over AED 2.467 billion (US\$ 672 million) in Dubai. This was led by the launch of the Azalea villa community in the Arabian Ranches extension, Fairways & Acacia at Park Heights in Dubai Hills Estate and Dubai Creek Residences South Tower II & III in Dubai Creek Harbour at The Lagoons.

Subsequent to Q1 2015, Emaar also launched Downtown Views in Downtown Dubai, as part of the expansion of The Dubai Mall as well as Maple, the first townhouse community in Dubai Hills Estate, both gaining solid investor response. The launch of Dubai Creek Residences in Dubai Creek Harbour also recorded significant response from investors.

In international markets, Emaar made strong progress in the development of integrated master-planned communities in the Kingdom of Saudi Arabia, Egypt, Turkey, Pakistan and Lebanon, among others. Several residential units are being handed over in these markets.

### **Expanding footprint**

Emaar's hospitality & leisure business served as a strong growth driver of the company's performance with revenues of AED 495 million (US\$ 135 million) in Q1 2015. This is similar to the Q1 2014 hospitality revenue.

The flagship Address Hotels + Resorts reported average occupancy of 92 per cent during the first three months of this year, while Vida Hotels and Resorts, a smart brand for the new generation of entrepreneurs and travellers, recorded 91 per cent occupancy. Vida also opened its second property in Dubai, Manzil Downtown Dubai, which defines a distinctive niche in Dubai's hospitality sector by serving as an international referral point for an ever-evolving and authentic Arab hospitality experience.

Emaar Hospitality Group also launched its third hotel brand, Rove Hotels, a mid-market lifestyle hotel brand that plans to operate 10 hotels in key locations in Dubai, developed by a joint venture of Emaar Properties and Meraas Holding.

### **Growth in malls business**

Emaar Malls (DFM: EMAARMALLS), the shopping malls and retail business majority-owned by Emaar, recorded Q1 2015 revenue of AED 735 million (US\$ 200 million), 21 per cent higher than Q1 2014 revenue of AED 605 million (US\$ 165 million). The mall assets of the company in Dubai welcomed over 31 million visitors during the first three months.



### **Strong fundamentals**

One of the world's most valuable companies with assets valued at over AED 151 billion (over US\$ 41 billion), Emaar has a land bank of 235 million sq m in Dubai and other international markets. The company has more than 690,000 sq m of recurring revenue generating assets apart from 13 hotels with over 1,900 rooms.

Continuously adding value to the lifestyle of residents, Emaar marked another achievement with the roll-out of the world's first hydrogen-powered, zero-emission street trolley tram, the Dubai Trolley. Operational on Mohammed bin Rashid Boulevard, Dubai Trolley is the region's first-of-its-kind hop-on hop-off transit system that will offer easy and free access for visitors and residents to several iconic attractions in Downtown Dubai.

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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 and provider of premium lifestyles, with a significant presence in the Middle East, North Africa and Asia. One of the world's largest real estate companies, Emaar has total assets exceeding US\$ 20 billion and a land bank of more than 235 million sq m in Dubai and key international markets.

With a proven track-record in delivery, Emaar has handed over 39,000 residential units in Dubai and other global markets since 2001. Emaar has over 690,000 sq m of recurring revenue generating assets, and 13 hotels and resorts, with over 1,900 rooms. Today, 62% per cent of the company's revenues come from its shopping malls & retail, hospitality & leisure and international subsidiaries.

Burj Khalifa, the world's tallest building, and The Dubai Mall, the world's largest shopping and entertainment destination, are among Emaar's trophy developments. [www.emaar.com](http://www.emaar.com)

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**EMAAR PROPERTIES PJSC**  
**Consolidated Income Statement**

(AED millions)

	For the quarter ended		For the quarter ended		% change
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Dec 2014	
	Unaudited	Unaudited	Unaudited	Unaudited	
Revenue	3,013	2,392	3,013	2,409	25%
Cost of revenues	(1,374)	(903)	(1,374)	(763)	80%
Gross Profit	1,639	1,489	1,639	1,646	
Selling, marketing, general & administration expenses	(617)	(620)	(617)	(753)	(18%)
Other income/(expense)	12	162	12	210	(94%)
Share of results from associated companies	92	29	92	48	92%
Income tax expense	(34)	(5)	(34)	(7)	386%
Minority interest	(66)	(98)	(66)	(99)	(33%)
Net Profit for the year	1,026	957	1,026	1,045	(2%)
Earnings per share (AED)	0.14	0.15	0.14	0.15	(7%)

Chairman.....



Date: - 3rd May 2015

Note: - As of 1 January 2015, Emaar has elected to early adopt International Financial Reporting Standard 15 ("IFRS 15"). Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue. Accordingly, the comparative figures for quarter ended 31 March 2014 and 31 December 2014 have been restated.