



Press Release

FY 2018 net profit of Emaar Malls records 7% growth to AED 2.230 billion (US\$ 607 million)

- *Revenue for the full-year grows 23% year on year to AED 4.446 billion (US\$ 1.210 billion)*
- *Net profit in Q4 2018 (Oct to Dec) was AED 591 million (US\$ 161 million) and revenue was AED 1.214 billion (US\$ 331 million)*
- *Emaar Malls assets, including The Dubai Mall, welcome over 136 million visitors in 2018*

Dubai, UAE; February 13, 2019: Emaar Malls (DFM: EMAARMALLS), the shopping malls and retail business majority-owned by Emaar Properties (DFM: EMAAR), recorded full-year 2018 net profit of AED 2.230 billion (US\$ 607 million), a growth of 7 per cent over the FY 2017 net profit of AED 2.086 billion (US\$ 568 million). Revenue for FY 2018 was AED 4.446 billion (US\$ 1.210 billion), 23 per cent higher than FY 2017 revenue of AED 3.629 billion (US\$ 988 million).

Recording consistent growth quarter-on-quarter, net profit for the fourth quarter (October to December) 2018 was AED 591 million (US\$ 161 million), a 10 per cent increase over the third quarter (July to September) 2018 net profit of AED 537 million (US\$ 146 million). Revenue in Q4 2018 was AED 1.214 billion (US\$ 331 million), an increase of 8 per cent over Q3 2018 revenue of AED 1.129 billion (US\$ 307 million).

One of the world's largest mall operators with a total gross leasable area of 6.7 million square feet, Emaar Malls also maintained strong occupancy levels across its assets – The Dubai Mall, Dubai Marina Mall, Souk Al Bahar, Gold & Diamond Park and the Community Retail Centres – at 93 per cent. The malls and retail centres together welcomed 136 million visitors in 2018, an increase of 5 per cent over the total visitor footfall of 130 million in 2017.

Mohamed Alabbar, Chairman of Emaar Properties, said: "The malls and retail sector continues to be highly competitive and the successful performance of Emaar Malls in 2018 gained from the strong economic fundamentals of Dubai and the successful opening of the Fashion Avenue extension. We will continue to contribute to the economy through sustained investment in our assets to delight residents and visitors from around the world. Emaar Malls is staying ahead of the curve by investing in innovative concepts and introducing added choices and experiences that appeal to the new generation of customers."

Patrick Bousquet-Chavanne, Chief Executive Officer of Emaar Malls, added: "The success story recorded by The Dubai Mall in 2018, as we marked its tenth anniversary, is a strong testament to the value-add that the company brings to the retail sector in the region. Our teams continue to focus on delivering outstanding experiences to our end customers and on executing on our strategic expansion plans – not only by creating new and world-class retail assets – but also by transforming our proposition through digital and omnichannel strategies that will help create long-term value for all our stakeholders."

The Dubai Mall marked a milestone in 2018, celebrating its tenth anniversary and opening the Fashion Avenue expansion, which positions the mall as a global luxury fashion hub. With the addition of over 150 new retail outlets as part of the Fashion Avenue expansion, the mall now has over 1,350 retailers and 170 plus F&B choices. The mall reiterated its position as the world's most visited retail and lifestyle destination by welcoming 83 million visitors in 2018, an increase of 4 per cent compared to the 80 million visitors it welcomed annually during the last four consecutive years.



As part of its omnichannel strategy, Emaar Malls continued to build on the operational capabilities and efficiency of the leading Middle East online fashion and beauty retailer Namshi, for which it acquired majority control in August 2017. Namshi recorded sales of AED 849 million (US\$ 231 million) in 2018, an increase of 16 per cent compared to the previous year.

Emaar Malls also reported that Emaar Development has made remarkable progress in the construction of Dubai Hills Mall, a family centric retail district in Dubai Hills Estate, with planned opening in the first quarter of 2020. Redevelopment of the Meadows Village to increase its GLA by approximately 75,000 sq. ft. is also progressing for scheduled completion in late 2019.

Emaar Malls Community Retail portfolio also expanded in 2018 with the addition of The Springs Souk, a new retail destination with over 240,000 sq ft gross leasable area. The Spring Souk offers several innovative features including the first Reel Cinemas dedicated for children – Reel Junior – and Dig It, a unique construction-activity based entertainment concept.

In upcoming expansions, Emaar Malls has made significant progress on the Fountain Views and Zabeel extensions that link The Dubai Mall to the Sheikh Mohammed bin Rashid Boulevard and Financial Centre Road respectively. Both retail extensions are planned to open in the first half of 2019 and will jointly add 4,500 additional parking spaces to The Dubai Mall.

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Note to Editors

About Emaar Malls:

Emaar Malls' properties include some of the most iconic malls, entertainment and community integrated retail centres in the Middle East, including The Dubai Mall, its flagship asset, which has been the most visited shopping and entertainment mall worldwide in each of the last four years.

Emaar Malls also owns and manages Souk Al Bahar, an Arabesque style dining and entertainment development in Downtown Dubai; Dubai Marina Mall, a lifestyle shopping mall for residents and visitors of the Dubai Marina community; and Gold & Diamond Park, a shopping destination dedicated to gold and jewellery.

Emaar Malls' properties are developed as an integral part of the master plan developments of its controlling shareholder, Emaar Properties, and, therefore, are strategically located in key areas of Dubai that benefit from favourable socio-economic demographics and increasing tourism.

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Emaar Malls PJSC
Consolidated Income Statement

(AED Millions)

	For the quarter ended		% change	For the quarter ended		% change	For the year ended		% change
	31 Dec 2018	31 Dec 2017		31 Dec 2018	30 Sep 2018		31 Dec 2018	31 Dec 2017	
	Unaudited ¹	Unaudited		Unaudited	Unaudited		Unaudited ¹	Audited	
Revenue	1,214	1,129	8%	1,214	1,129	8%	4,446	3,629	23%
Cost of revenue	(304)	(260)	17%	(304)	(288)	6%	(1,082)	(626)	73%
Gross profit	910	869	5%	910	841	8%	3,364	3,003	12%
Sales, marketing, general & administration expenses	(156)	(139)	12%	(156)	(131)	19%	(522)	(334)	56%
Gain on disposal of assets held for sale ²	-	-	-	-	-	-	48	-	100%
Earnings before interest, depreciation and amortisation	754	730	3%	754	710	6%	2,890	2,669	8%
Depreciation and amortisation	(113)	(100)	13%	(113)	(121)	(7%)	(455)	(379)	20%
Finance costs - net	(61)	(56)	9%	(61)	(59)	3%	(235)	(210)	12%
Minority interest	11	5	120%	11	7	57%	30	6	400%
Net Profit	591	579	2%	591	537	10%	2,230	2,086	7%

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Date: 11/02/2019

Notes:

1. Higher cost in 2018 is due to consolidation of Namahl.
2. One off divestment of non-core asset - Marfa Promenade.

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