

Press Release

Emaar Development delivers property sales of AED 3.230 billion (US\$ 879 million) and profit of AED 1.036 billion (US\$ 282 million) in first half of 2020 amid challenging times

- *Emaar accumulates a healthy sales backlog of AED 29.407 billion (US\$ 8.006 billion), underlining significant revenue to be recognised in the coming years*

Dubai, United Arab Emirates – August 13, 2020: Emaar Development PJSC (DFM: EMAARDEV), the leading property and lifestyle developer in the region and majority-owned by Emaar Properties PJSC (DFM EMAAR), reported encouraging half-year financial results despite the challenges presented by the impact of COVID-19. The developer reported property sales of AED 3.230 billion (US\$ 879 million) in the first half of the year (January to June) and net profit of AED 1.036 billion (US\$ 282 million).

The resilient financial performance was supported by inventory sales and a continued construction progress on sites amidst Covid-19. Alongside promising sales of these new lifestyle projects, Emaar has accumulated a healthy sales backlog of AED 29.407 billion (US\$ 8.006 billion).

Mohamed Alabbar, Founder of Emaar Properties and Emaar Development said: “Emaar’s strategic approach is what propels us forward year after year even with challenging market conditions. We will continue to innovate, enhance our services and deliver exceptional experiences by creating world-class amenities and managing our communities with utmost care.”

“We have undertaken significant steps to control our cost base, reduce our operational costs and revisit our talent, while maintaining our focus on our quality services. I am confident that we are well placed to continue to deliver against our strong track record as the market recovers,” he added.

Key Performance Highlight

Emaar Development remains committed to their projects’ delivery timeframes and further enhancement of existing communities. The company handed over approximately 1,000 residential units in the first half of 2020 in prime locations, including Dubai Hills Estate, Dubai Creek Harbour, Arabian Ranches and Emaar South.

As of June 2020, Emaar has handed over more than 43,500 residential units, while more than 29,000 residences are under development in the UAE.

New initiatives:

Emaar also introduced several innovative features that allow them to connect with its customers in ways that meet their immediate needs. Among these is the launch of the new Emaar Properties website (properties.emaar.com), direct online booking on properties.emaar.com and numerous initiatives and offers on the Emaar One app. The company also introduced the innovative Emaar Virtual Assistant, a new brokers' app – MyEmaar, the Interactive Map feature and 360 Virtual Tour tours across Emaar's communities and properties on emaar.com.

Features that were introduced to enhance the experience of Emaar's homeowners and tenants include Emaar One - On the Go. The recently launched service delivers a range of services direct to the customer's own home.

Other community-enhancing initiatives included the distribution of safety kits to residents, widespread weekly disinfection of common areas, free telehealth services for the elderly and free health and wellbeing webinars, alongside several COVID-19 precautionary campaigns. Additionally, Emaar Community Management delivered several family-centric competitions, 0% financing scheme for service fees in partnership with the UAE's leading banks, and 120,000 Iftar meals for their community builders during Ramadan.

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Note to Editors**About Emaar Development PJSC:**

Emaar Development is the leading developer of residential and commercial build-to-sell (BTS) assets in the UAE. The company is behind iconic freehold master-planned communities in Dubai including Emirates Living, Downtown Dubai, Dubai Marina and Arabian Ranches, and has delivered over 43,500 residential units since 2002. The company has a sales backlog of over AED 29.407 billion, and is a high cash flow generating business, highlighting the robust fundamentals of the company with over 29,000 residential units under development to be delivered. For more information, please visit www.properties.emaar.com/en/investor-relations/.

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Emaar Development PJSC
Consolidated Income Statement

	(AED Millions)		
	For the period ended		
	30 Jun 2020	30 Jun 2019	
	Unaudited	Unaudited	% change
Revenue	4,818	6,237	(23%)
Cost of revenue	(3,031)	(3,661)	(17%)
Gross Profit	<u>1,787</u>	<u>2,576</u>	(31%)
Selling, marketing, general & administration expenses	(553)	(672)	(18%)
Other expense/ Income (net)	(56)	(32)	(75%)
Share of results from joint ventures	12	22	(45%)
Minority Interest	(154)	(512)	(70%)
Net profit for the period	<u><u>1,036</u></u>	<u><u>1,382</u></u>	(25%)

Mohamed Alabbar.....

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