



EMAAR MALLS GROUP PJSC



FY 2014 RESULTS

3 March 2015



80 MM
Footfall (2014)

75 MM
Footfall (2013)

99%

GLA Occupancy
Rate (2014)

~50%

of luxury
market in
Dubai⁽¹⁾

~AED 37 Bn

Market
Capitalisation⁽²⁾

~5.9 MM

sq.ft. of GLA⁽³⁾

AED 2.7 bn / AED 2.4 bn
Revenue 2014 / 2013

AED 2.0 bn / AED 1.7 bn
EBITDA 2014 / 2013

21%
Tenant Sales

18%
Revenue
(2012-2014 CAGR)

19%
EBITDA

36%
Net income
(2012-2014 CAGR)

~1 MM
sq.ft. GLA under
development⁽⁴⁾ with
significant
developments under
design

Owner of the #1 Visited Shopping and Entertainment Mall Globally for the Last 3 Years

Notes

1. Bain & Co., Worldwide Luxury Markets Monitor, May 2013
2. Dubai Financial Market – 1 March 2015
3. Total GLA including storage and terraces, as of December 2014
4. Includes expansion of The Dubai Mall, Springs Village and Arabian Ranches II



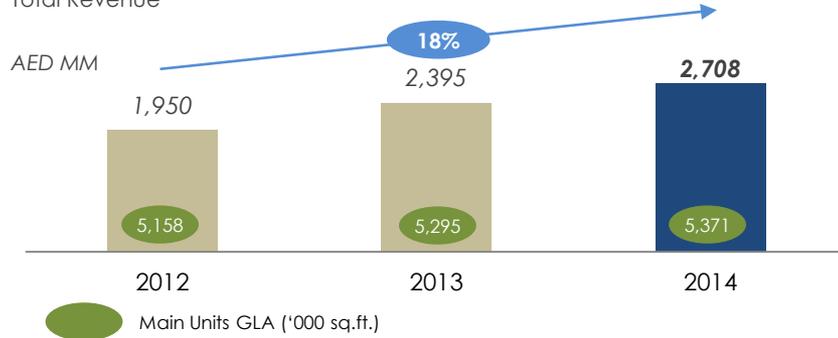


CORPORATE STRATEGY

To consolidate its position as the leading shopping and entertainment operator in the GCC region and grow its assets base through optimization of existing assets; self-developed and green field developments as well as acquisition from Emaar Properties and other government-related entities.

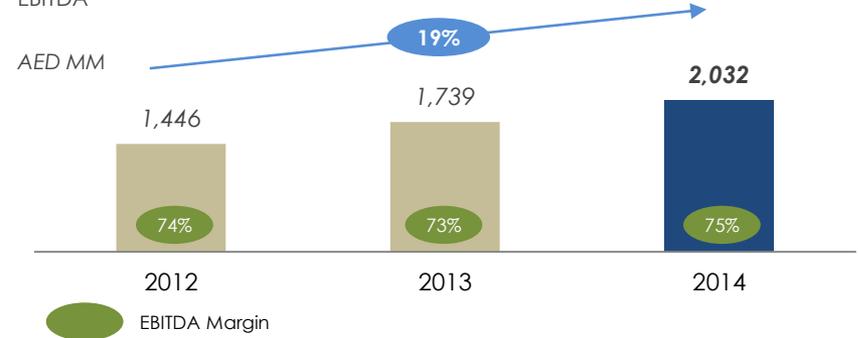
Track Record of Double Digit Top Line Growth

Total Revenue



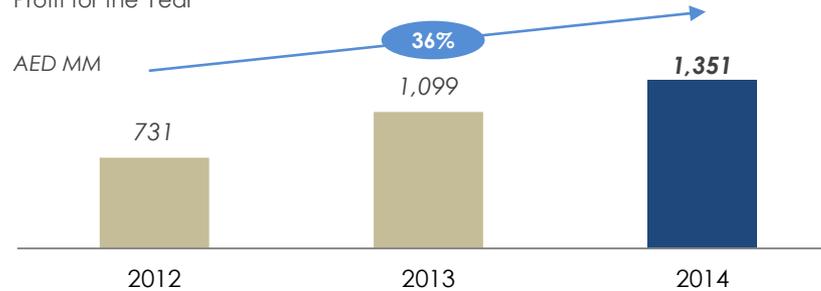
Consistently Improving EBITDA

EBITDA



Net Income

Profit for the Year



% CAGR

Strong Value Creation Through Rental Growth, Cost Optimization and Cash Generation

Division	Assets	Selected Pictures		
Super Regional Malls	<ul style="list-style-type: none"> ■ The Dubai Mall 			
Regional Malls	<ul style="list-style-type: none"> ■ Dubai Marina Mall (including Pier 7) 			
Specialty Retail	<ul style="list-style-type: none"> ■ Souk Al Bahar, fine dining destination with views on the Dubai Fountain and Burj Khalifa ■ Gold & Diamond Park, only dedicated gold & diamond mall in Dubai 			
Community Integrated Retail	<ul style="list-style-type: none"> ■ Mohammed bin Rashid Boulevard Retail ■ Dubai Marina Retail ■ Shopping centres in Emaar residential developments 			

Broad Product Offering Complementing the Dubai Mall

Operational

Super Regional Malls

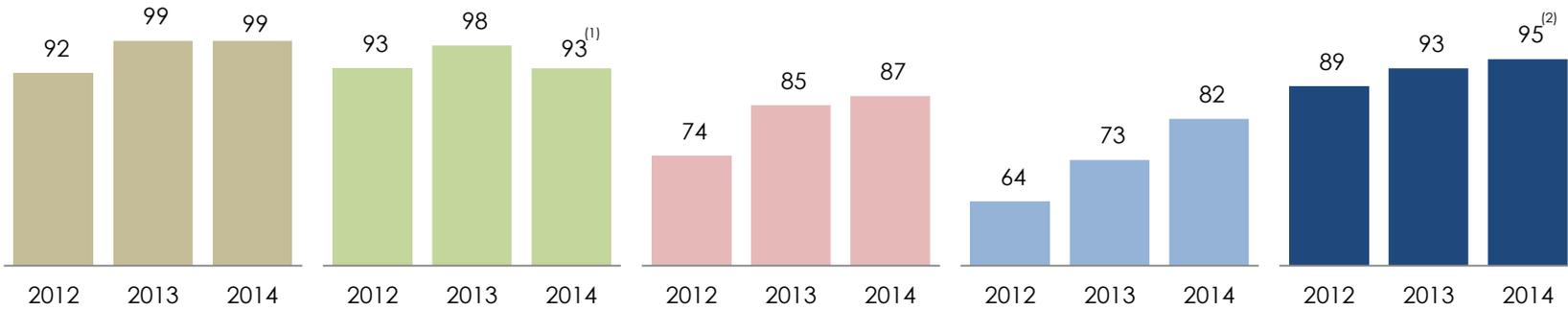
Regional Malls

Specialty Retail

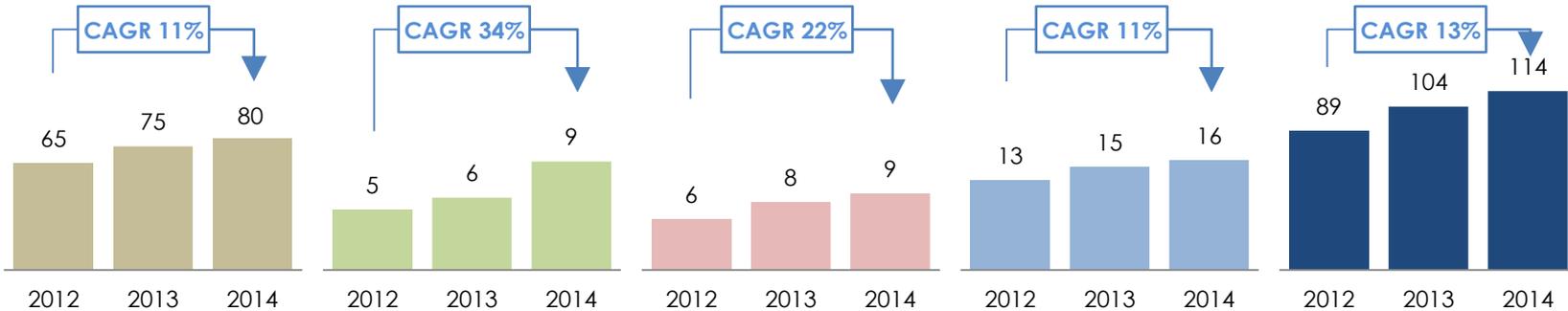
Community Integrated Retail

Total EMG

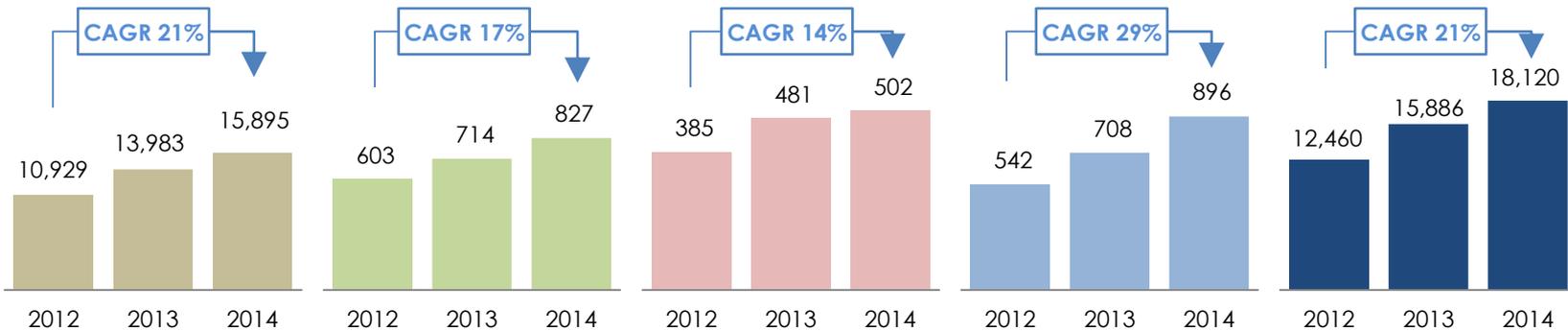
Occupancy Rate (%)



Footfall (MM)



Tenant Sales (AED MM)



Notes

1. 99% occupancy based on signed leases.
2. 98% occupancy based on signed leases.

PORTFOLIO RESULTS (CONT'D)

Financial

Super Regional Malls

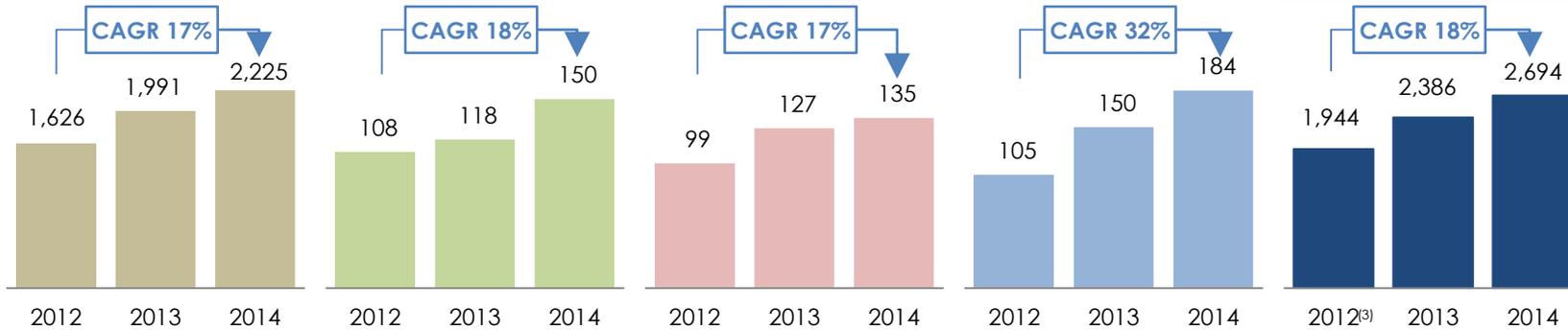
Regional Malls

Specialty Retail

Community Integrated Retail

Total EMG

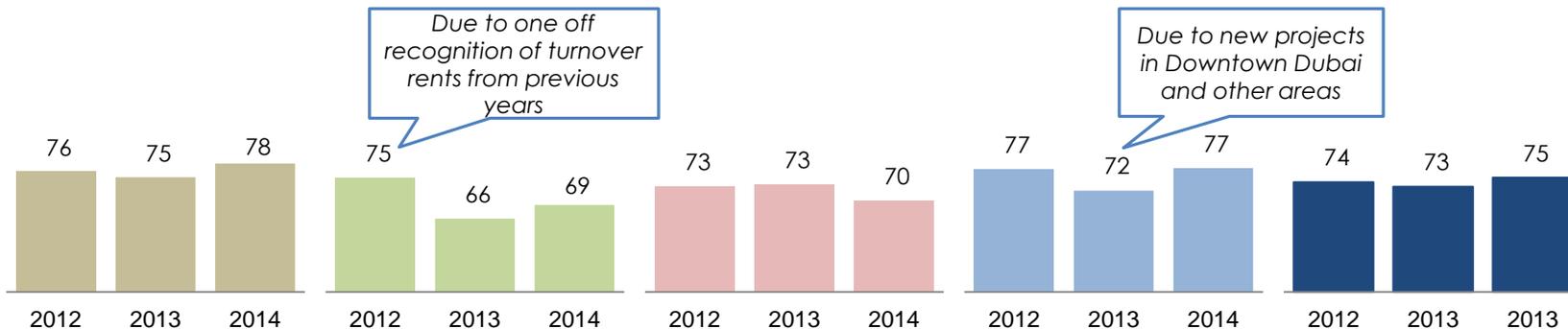
Rental Income (AED MM)



Rent per sq.ft. (AED/sq.ft.)⁽¹⁾



EBITDA Margin (%)



Notes

1. Total rent over average occupied GLA for main units
2. 2013 Regional Malls rent per sq.ft. includes Pier 7 annualized
3. Includes AED 5 MM unallocated audit adjustment

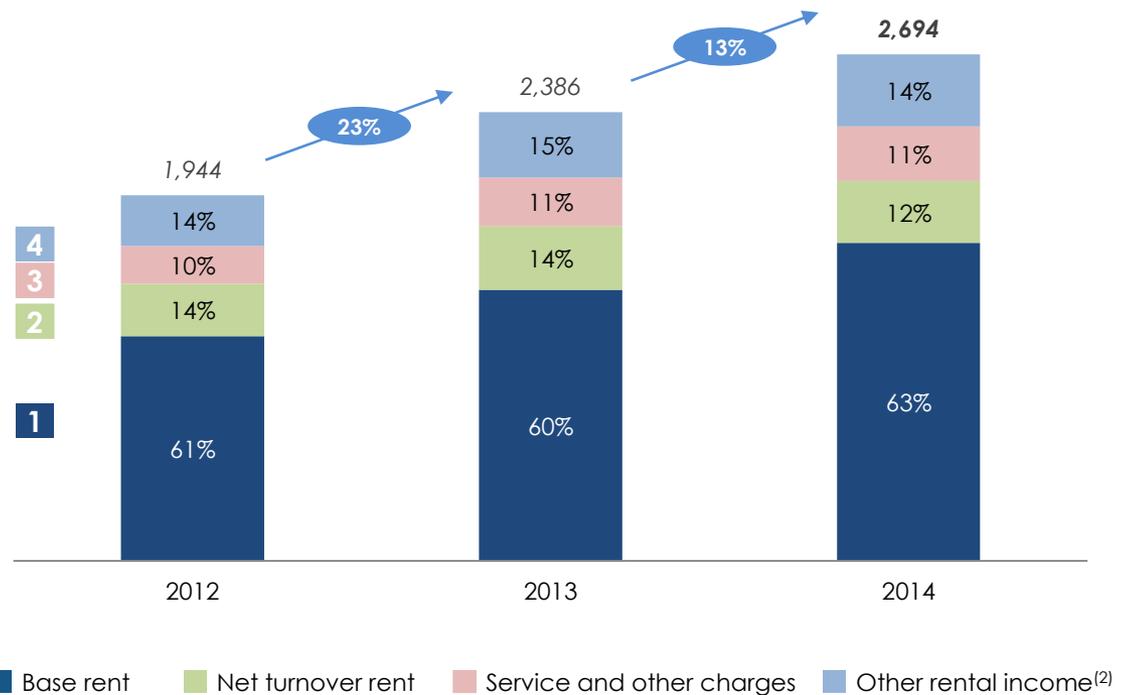
1 Contractual base rent escalation of typically 7% per annum

2 Net turnover rent based on percentage of tenants sales

3 Majority of annual service charges charged to the tenants recovered (c.57% in 2014)⁽¹⁾

4 Other rental income⁽²⁾

→ Growth in tenant sales and net turnover rent flows directly to bottom line



EMG Revenue Growth Driven by Base Rent Escalation and Turnover Rent

Notes

- 1. For all of properties
- 2. Derived primarily from the payment of store design fit-out fees, late opening penalties, interest charges on deferred payments and certain admin charges, and income from the leasing of storage units and terraces, specialty leasing and multimedia sales



Significant GLA

- 5.9 m Sq ft of GLA, 95% Occupancy (Dec 2014).

Significant and Growing Footfall and Tenant Sales

- TDM: footfall - 80 million (7% increase); tenant sales - AED 16 billion (14% increase)
- Positive footfall trends across the Malls division.

The Dubai Mall

- 3.7m Sq ft GLA, GLA occupancy at 99% (Dec 2014).

Diversified Lease Payment Risk

- Lease payment risk diversified across a significant number of tenants.
- Key anchor tenants comprise large regional and international entities.

Preferable Lease Terms

- Non-anchor tenants 3-5 years, anchor tenants 10–20 years tenancy agreements.
- Rental submission in advance; additional security deposits (covering three month rent)

High Margin Assets and Strong Collection Rates

- Low maintenance CAPEX and operational expenses.
- No negligible delays on lease payments on any of the EMG assets in Dubai.

Active Tenant Management

- Total increase in contractual/base rent of over AED 168 M achieved for The Dubai Mall alone.
- Increase of contractual base rent in renewal negotiations with 31% upside achieved during 2014.



Exclusive Tenants

- Several exclusive tenants who do not have retail outlets anywhere else in the UAE / GCC including Bloomingdale's and Galleries Lafayette.
- Dubai Mall is being expanded with additional leasable area of approximately 15% of the current mall. The expansion is likely to be completed by mid 2016 and will primarily house the International Fashion Brands.
- The Dubai Mall accounts for about half of all luxury goods purchases in the emirate, according to a study by Bain & Company.

Retail Attractions

- Reel Cinema 28 Screen Cineplex (the largest and No. 1 cinema in Dubai based on admissions)
- SEGA Republic (76,000 sq ft indoor theme park)
- Indoor Aquarium
- Olympic size Ice Rink
- Kidzania (children's entertainment facility)



Financial Highlights

- Malls achieved revenues of AED 2.7 Billion in 2014, an increase of 13% over 2013.
- Malls achieved EBITDA of AED 2.0 billion in 2014, an increase of 17% over 2013.

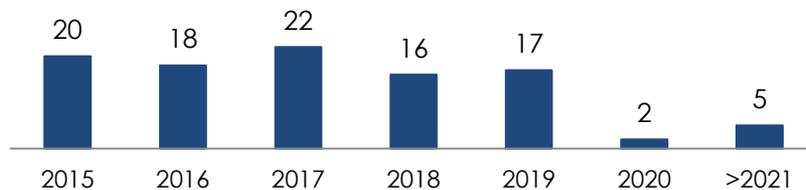


Active Tenant Management

- Significant waitlist allows EMG to actively manage its tenant base
 - Waitlist of more than **4,000** businesses across all properties
- Favorable standard lease terms
 - Lack of early tenant termination clause
 - Tenant does not have the option of renewal
 - Post-dated cheques covering base rent + escalation⁽¹⁾
 - No rent free period in The Dubai Mall and Marina Mall⁽²⁾
- Most leases on 3-5 year terms to give EMG more flexibility when managing tenants

Lease Expiry Schedule

% of leased main unit GLA due to be expiring in the forthcoming years (as of 31-Dec-2014)



Attractive Renewal Terms Achieved in 2014

- **Base Rent Increase:** C.1,336 k sq.ft. of the lease expires in 2014 achieved a base rent increase of 31% over the previous lease term
- **Turnover Rent:** Increase in turnover rent percentage by 0.5% to 10% achieved 34% of the number of renewed leases in 2014 across EMG's portfolio (36% in The Dubai Mall)

Strong Increase in Renewal Rates

Renewals by Segment for leases expiring in 2014 (as of 31-Dec-2014)

Segment	# of Leases Renewed	GLA ('000 sq.ft.)	Base rent increase vs. last year
Super Regional Mall	382	980	33%
Regional Mall	51	70	18%
Specialty Retail	181	228	19%
Community Integrated Retail	47	58	40%
Total	661	1,336	31%

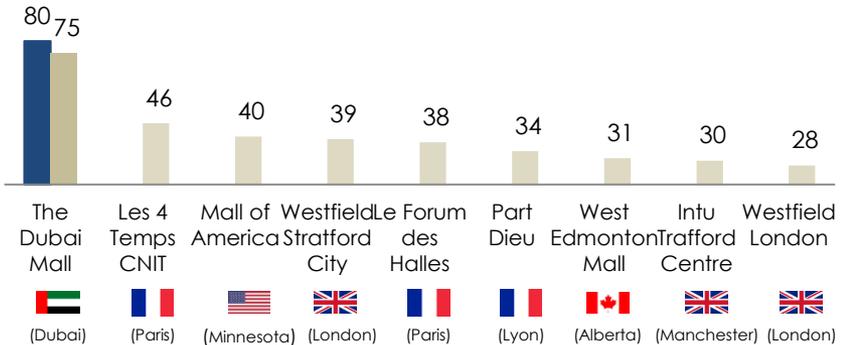
Significant Upside Witnessed from Strong Increase in Renewal Rates

Notes

1. And service charges, chilled water charges, promotional and marketing contribution
2. Excluding Pier 7

The #1 Mall in the World by Annual Footfall

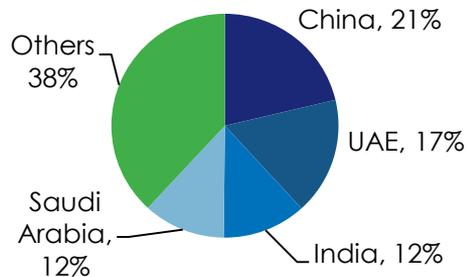
Latest Available Footfall by Center
MM



Source: Company Reports

Total Spending by Country of Residence

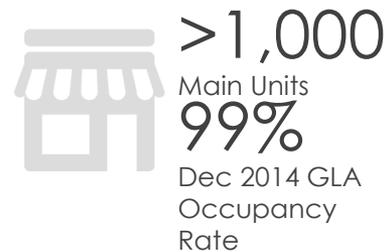
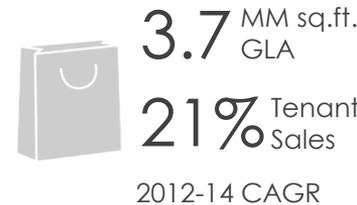
Information on customers spending during the two main promotional shopping seasons, for the year ended December 2014⁽²⁾



The Dubai Mall Key Figures



Source: Bain & Co.



Largest Shopping and Entertainment Mall in the World by Visitor Number for the 3rd Consecutive Year

Notes

- 2014 tenants sales divided by 2013 Dubai GDP
- Company data: Country of residence is reported by visitors on raffle coupons filled out during promotions, namely the Dubai Shopping Festival and Dubai Summer Surprises, during holidays such as Eid al-Fitr and Eid al-Adha, as well as during other key promotional campaigns based on information voluntarily provided by visitors

Overview of Pipeline

Targeted Weight of EMG Development Pipeline vs. Total Portfolio



Extensions vs. Greenfield Under Development
In % of GLA



Project Name	GLA (sq.ft.)	Est. Cost (AED MM)	Expected Opening Date
TDM Fashion Avenue Expansion	~600,000	1,500 ⁽¹⁾	Mid 2016
Springs Village	~245,000	207 ⁽²⁾	Mid 2016
Arabian Ranches II – Community Shopping Centres	~130,000	63	Q1 2015
Under Development	~975,000	1,770	
TDM Boulevard Expansion	400,000	n/a	n/a
TDM Zabeel Expansion	400,000	n/a	n/a
Al Reem	65,000	n/a	n/a
Under Evaluation	865,000+	n/a	

The Dubai Mall Fashion expansion



- Commence: January 2014, expected opening date: Mid 2016
- Estimated construction cost approx. AED 1.5 bn⁽¹⁾
- **Targeted tenancy mix: mostly high end fashion, high end jewellery and food and beverage units**
- Pre Leasing Status
 - Heads of terms with three large tenants have been signed. (c.30% of the expected GLA)
 - **Representing AED 1,000 – 1,750 per square foot**
- **EMG expects 90%+ of the Fashion Expansion to be pre-leased prior to opening**

Significant Upside Through Expansion and New Developments

Notes

1. AED 276 MM were already paid as of 31 Dec 2014
2. Based on GFA of 377,000 sq.ft. and average construction cost of AED 550 per sq.ft. of GFA

FINANCIAL HIGHLIGHTS

	Dec-14	Sep-14	%	Dec-14	Dec-13	%	Dec-14	Dec-13	%
	Qtr	Qtr		Qtr	Qtr		YTD	YTD	
/----- AED in million -----/									
Revenue	800	649	23%	800	744	8%	2,708	2,395	13%
Expenses									
Operating Expenses	(134)	(128)	5%	(134)	(113)	19%	(442)	(437)	1%
Operating profit	666	521	28%	666	631	6%	2,266	1,958	16%
Sales, marketing, general & administration expenses	(109)	(45)	>100%	(109)	(77)	42%	(234)	(219)	7%
EBITDA	557	476	17%	557	554	1%	2,032	1,739	17%
% margin	70%	73%		70%	74%		75%	73%	
Depreciation	(83)	(82)	1%	(83)	(88)	(6%)	(329)	(307)	7%
Finance Costs	(62)	(73)	(15%)	(62)	(72)	(14%)	(352)	(333)	6%
Profit for the period	412	321	28%	412	394	5%	1,351	1,099	23%
% margin	52%	49%		52%	53%		50%	46%	

Overview of Board of Directors

Non-independent Directors



Mohamed Alabbar, Chairman
Chairman of Emaar Properties,
Member of the Dubai World Expo
2020 Preparatory Committee



Ahmed Al Matrooshi
Member of the Consultation
Committee on the Supreme
Council for Energy



Abdulla Belyoahah
Board Member of the National
Bonds Corporation



Abdulrahman Alhareb
Chairman of Dubai
Aerospace Enterprise

Independent Directors



Helal Al Marri
Director General,
Department of Tourism and
Commerce Marketing



Mohamed Al Hussaini
Director Emirates NBD,
Etisalat, EZW, Dubai Real
Estate Corporation



Mohamad Mourad
Managing Director
Google MENA



Richard Akers
Director at Barratt
Developments and
Battersea Power
Station Development

Audit Committee

- Comprised of 3 members who are non-executive directors and the majority of members are independent
- To review internal financial controls and risk management systems including the internal audit function

Nomination & Remuneration Committee

- Comprised of members who are non-executive directors of which at least two are independent committee members
- Determining individual remuneration and benefits package of executive directors and senior management

Relationship Agreement

- Majority of INEDs required for approval of asset acquisition from Emaar Properties through Relationship Agreement



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