



EMAAR MALLS GROUP PJSC



FY 2015 RESULTS

7 March 2016

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10%
Increase in Rental
Income
(2015 vs. 2014)

99%
GLA Occupancy
Rate (2015)

Footfall
World's Most
Visited Leisure &
Lifestyle
Destination

~AED 37 Bn

Market
Capitalisation⁽¹⁾

~AED 18 Bn
2015
Tenant Sales

2014: ~AED 18 BN

Revenue
2015: AED 2,992 MM
2014: AED 2,694 MM

EBITDA
2015: AED 2,250 MM
2014: AED 2,018 MM

~5.9 MM
sq.ft. of GLA⁽²⁾

12%
Rental Income
(2013-2015 CAGR)

14%
EBITDA

5%
FCF⁽³⁾
(2013-2015 CAGR)

~845,000
sq.ft. GLA under
development⁽⁴⁾ with
additional
developments under
design

Owner of the #1 Visited Shopping and Entertainment Mall Globally

Notes

1. Dubai Financial Market – 7 March 2015
2. Total GLA including storage and terraces, as of December 2015
3. FCF = EBITDA – Capex
4. Includes expansion of The Dubai Mall Fashion Avenue and Springs Village

The Dubai Mall

Emaar Malls
Group



Our Vision

To create world class malls delivering memorable experiences

Strategy 1 2 3

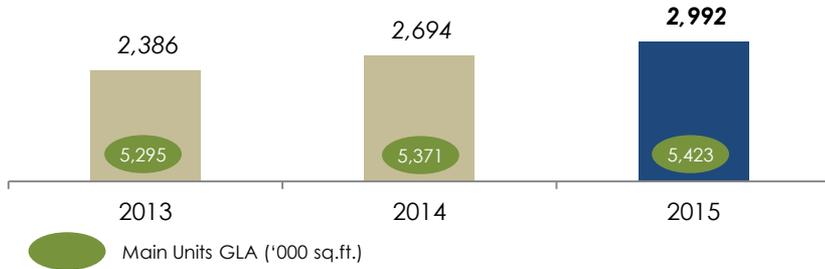
- 1 Protect and Grow Portfolio in Local Market
- 2 Expand Internationally
- 3 Innovate and Lead Transition to Next Generation Mall

Track Record of Double Digit Top Line Growth

Total Rental Income

AED MM

12%



Consistently Improving EBITDA

EBITDA

AED MM

14%



Net Income

Profit for the Year

AED MM

23%

% CAGR



Strong Value Creation Through Rental Growth and Cost Optimization

Division	Assets	GLA ⁽¹⁾	Selected Pictures
Super Regional Malls	<ul style="list-style-type: none"> The Dubai Mall 	3,710	 
Regional Malls	<ul style="list-style-type: none"> Dubai Marina Mall (including Pier 7) 	420	 
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 	740	 
Community Integrated Retail	<ul style="list-style-type: none"> Mohammed bin Rashid Boulevard Retail Dubai Marina Retail Shopping centres in Emaar residential developments 	1,034	 
Emaar Malls		5,904	

Broad Product Offering Complementing the Dubai Mall

Note

1. Total GLA ('000 sq.ft.) including storage and terrace , as of Dec 2015
2. Total occupancy cost ratio across all malls is 14% as of 2015

Operational

Super Regional Malls

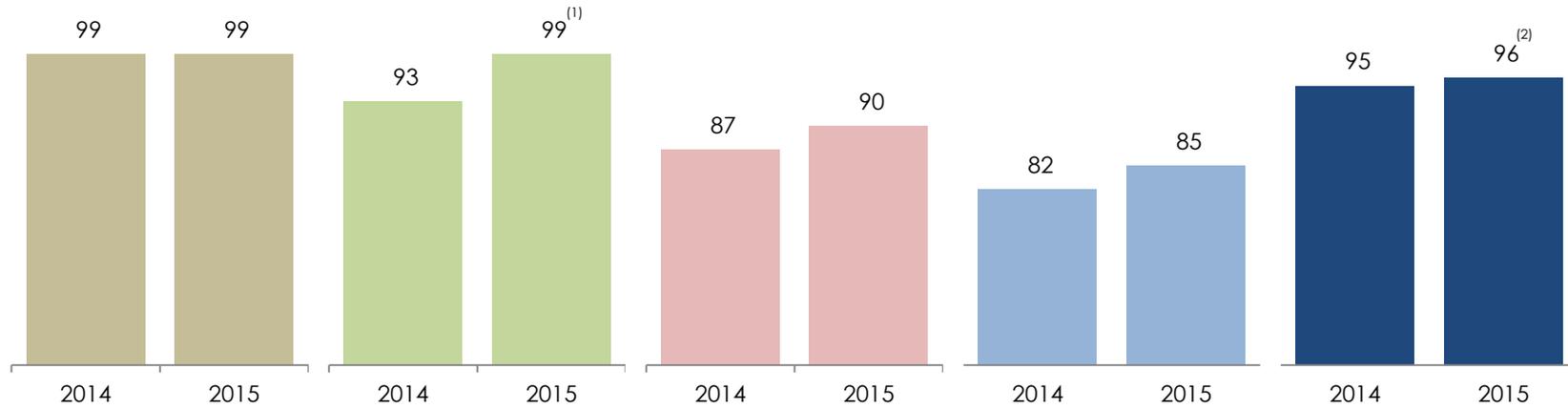
Regional Malls

Specialty Retail

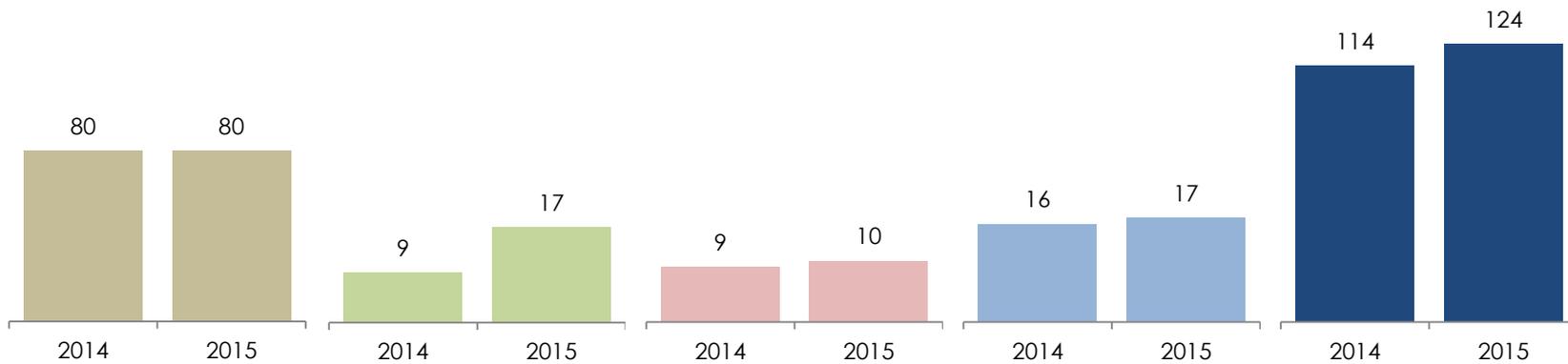
Community Integrated Retail

Total EMG

Occupancy Rate (%)



Footfall (MM)



Notes

1. 100% occupancy based on signed leases.

2. 97.5% occupancy based on signed leases.

PORTFOLIO RESULTS (CONT'D)...

Financial

Super Regional Malls

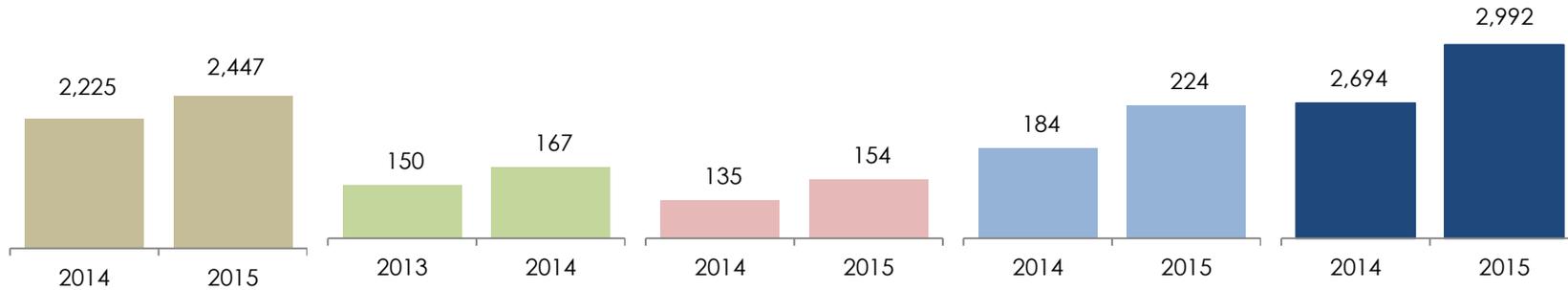
Regional Malls

Specialty Retail

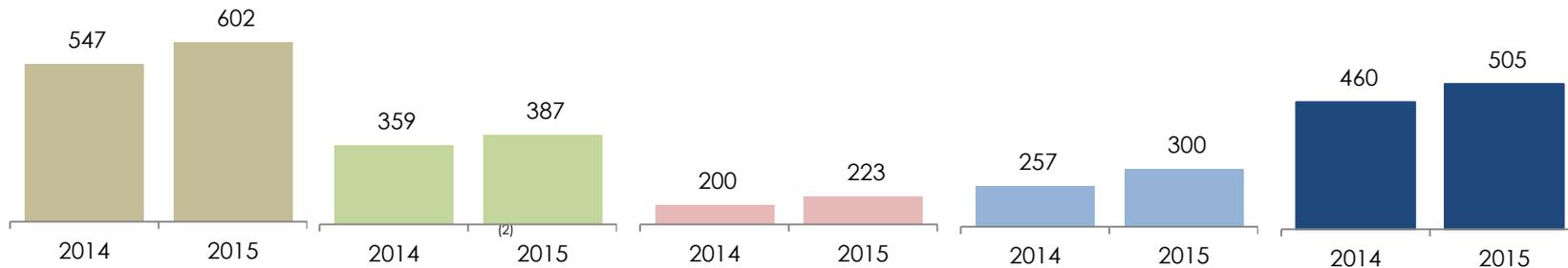
Community Integrated Retail

Total EMG

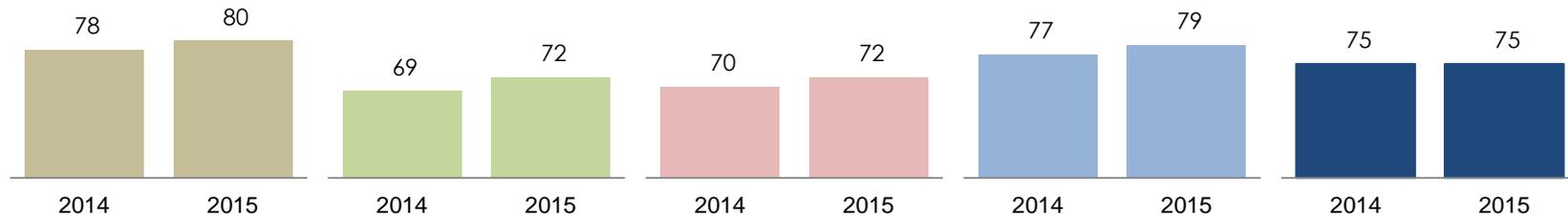
Rental Income (AED MM)



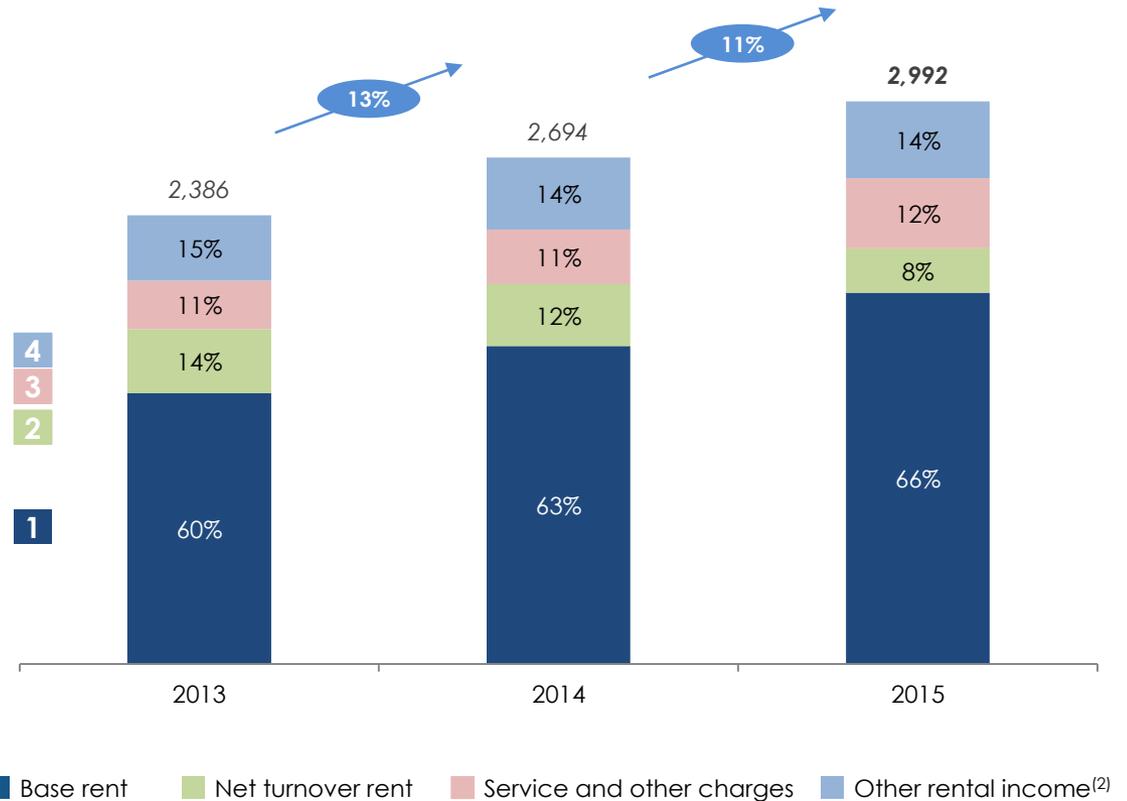
Rent per sq.ft. (AED/sq.ft.)



EBITDA Margin (%)



- 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.60% in 2015)⁽¹⁾
- 4 ■ Other rental income⁽²⁾



EMG Revenue Growth Driven by Base Rent Escalation and Net Effective 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, 96% Occupancy (Dec 2015).

Significant and Growing Footfall and Tenant Sales

- EMG: footfall 124 million (9% increase); Tenant Sales ~AED 18 billion (2014: ~AED 18 billion)

The Dubai Mall

- 3.7m Sq ft GLA, GLA occupancy at 99% (Dec 2015).

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 (30% of annual base rent & charges)

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 46 M achieved for The Dubai Mall alone.
- Increase of contractual base rent in renewal negotiations with 28% upside achieved during 2015.



Exclusive Tenants

- Several exclusive tenants who do not have retail outlets anywhere else in the UAE / GCC including Bloomingdale's, 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 end of 2016 and will primarily house the International Fashion Brands.

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 2,992 million in 2015, an increase of 11% over 2014.
- Malls achieved EBITDA of AED 2,250 million in 2015, an increase of 11% over 2014.

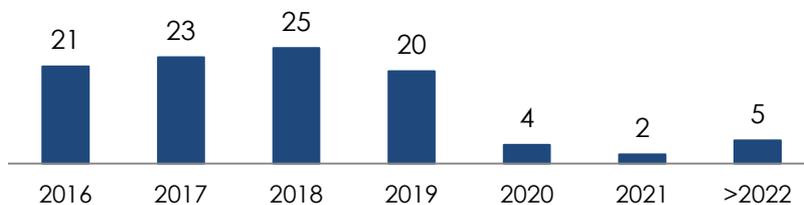


Active Tenant Management

- 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 + charges⁽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-2015)



Attractive Renewal Terms Achieved in 2015

- **Base Rent Increase:** For the leases expiring in 2015, base rent increase of 25% achieved over the previous lease term
- **Turnover Rent:** Increase in turnover rent percentage by 2% to 10% achieved 48% of the number of renewed leases in 2015 across EMG's portfolio

Strong Increase in Renewal Rates

Renewals by Segment for leases expiring in 2015 (as of 31-Dec-2015)

Segment	# of Leases Renewed	Base rent increase vs. last year
Super Regional Mall	168	28%
Regional Mall	26	23%
Specialty Retail	157	14%
Community Integrated Retail	83	25%
Total	434	25%

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

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⁾	End 2016
Springs Village	~245,000	207 ⁽²⁾	2017
Under Development	~845,000	1,707	

The Dubai Mall Fashion expansion



- Commence: January 2014, expected opening date: End of 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.32% 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 612 MM were already paid as of 31 December 2015
2. Based on GFA of 377,000 sq.ft.



1. Fashion Avenue Expansion

2. Zabeel Expansion
(including car park)

3. Boulevard Expansion

4. Fountain View Expansion
(including car park)

	Q4 2015	Q3 2015	%	Q4 2015	Q4 2014	%	2015	2014	%
Rental Income	821	720	14%	821	797	3%	2,992	2,694	11%
Operating Expenses	(120)	(123)	(2%)	(120)	(134)	(10%)	(461)	(442)	4%
Operating profit	701	597	17%	701	663	6%	2,531	2,252	12%
Sales, marketing, general & Administrative Expenses	(116)	(74)	57%	(116)	(109)	6%	(281)	(234)	20%
EBITDA	585	523	12%	585	554	6%	2,250	2,018	11%
<i>% margin</i>	71%	73%		71%	70%		75%	75%	
Write-off ⁽¹⁾	-	-	-	-	-	-	(10)	-	100%
Depreciation	(95)	(87)	9%	(95)	(83)	14%	(348)	(329)	6%
Finance Costs	(55)	(60)	(8%)	(55)	(59)	(7%)	(236)	(338)	(30%)
Profit for the period	435	376	16%	435	412	6%	1,656	1,351	23%
<i>% margin</i>	53%	52%		53%	52%		55%	50%	

Note

1. Write-off represents undepreciated amount of certain Community Integrated Retail assets, which has been partly or completely demolished due to planned redevelopment.

Overview of Board of Directors

Non-independent Directors



Mohamed Alabbar, Chairman
Chairman of
Emaar Properties PJSC



Ahmed Al Matrooshi
Managing Director of
Emaar Properties PJSC



Abdulla Belyoahah
Director of Debt Management
Division of the Department of
Finance, Government of Dubai



Abdulrahman Alhareb
Chief Internal Audit
Officer, Dubai Holding

Independent Directors



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



Mohamed Al Hussaini
Board member, Emaar
Malls Group PJSC



Mohamad Mourad
Managing Director
Google MENA



Richard Akers
Member of the Advisory
Board for Battersea Power
Station Development &
Director of Barratt
Developments PLC

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 3 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

Investment Committee

- Comprised of 4 members of which at least two are independent
- To evaluate & oversee investments, strategies and financial performance of the company



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