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## **Press Release**

**For Immediate Release**

**22 November 2017**

### **Emaar Development PJSC Listing and commencement of trading on the DFM**

Emaar Development PJSC ("**Emaar Development**" or the "**Company**"), the UAE build-to-sell ("**BTS**") property development business of Emaar Properties PJSC ("**Emaar Properties**"), today listed its shares on the Dubai Financial Market ("**DFM**") following a bell ringing ceremony by Mohamed Alabbar, Chairman of Emaar Development. The Company is now trading under "EMAARDEV".

The shares of Emaar Development were priced at AED 6.03 per share, within the Company's initial price range, giving the Company a market capitalisation of approximately AED 24.1 billion (US\$6.56 billion) at the time of listing.

Final allocations were approximately 93.8% to qualified investors (the "**Qualified Offering**") and 6.2% to individual and other investors (the "**Retail Offering**").

**Mohamed Alabbar, Chairman of Emaar Development**, said: "*Today is a transformative day for Emaar Development, and marks an important next step in our work of shaping cities of the future. Already a flagship brand and a market leader in Dubai, our successful IPO demonstrates that regional and international investors are excited by our proven business model; specifically, our backlog of AED 41 billion; our high cash flows; and our targeted dividend yield of 8.6% for the next three years, which the Company believes is higher than our competitors, and expected to increase in the future.*"

*"Additionally, today marks a milestone for the Dubai Financial Market, a maturing financial centre well-positioned to benefit from Dubai's position as a global investment hub. I would like to express my gratitude to the Securities and Commodities Authority and the Dubai Financial Market for their excellent support and assistance during the IPO process. We are confident that this is just the beginning of a bright future for Emaar Development and our shareholders."*

BofA Merrill Lynch, EFG Hermes UAE Limited, Emirates NBD Capital, First Abu Dhabi Bank and Goldman Sachs International are the Joint Global Coordinators for the offering. Emirates NBD and First Abu Dhabi Bank are the Lead Receiving Banks.

**- End -**

## Notes on Emaar Development:

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 34,500 residential units since 2002. The Company plans to launch approximately 50,400 units over the next 5 years with an average annual unit sales target of 10,000 units and a targeted overall gross profit margin of 40%, in line with its historical track record.

The Company has a sales backlog of AED 41 billion<sup>1</sup>, and is a high cash flow generating business, with an expected cash flow from its sales backlog of approximately AED 18 billion<sup>2</sup> over the next 4 years as projects complete.

Emaar Development is targeting the distribution of aggregate dividends of no less than US\$1.7 billion, to be paid with respect to the next three financial years ending 31 December 2020. The Company intends to declare these dividends in relatively equal amounts for each of the three years.

For the dividend declared with respect to the 2018 financial year, the Company intends to pay a portion in the third quarter of 2018 as an interim dividend, with the remainder expected to be paid in the second quarter of 2019. Dividends declared in respect of the 2019 and 2020 financial years are expected to be paid in the second quarter of the following year, after the relevant annual general meeting. Thereafter, the Company expects annual dividend payments to increase further due to lower leverage and higher expected cash flows from operations.

For more information, please visit [www.emaardevelopment.com](http://www.emaardevelopment.com).

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<sup>1</sup> Sales value of residential units sold but not yet recognised as revenue under IFRS and includes the Company's non-consolidated joint ventures as of 30 September 2017.

<sup>2</sup> Includes AED 2 billion in pre-funded construction costs.

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This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts and involve predictions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business, results of operations, financial position, liquidity, prospects, growth or strategies. Forward-looking statements speak only as of the date they are made and cannot be relied upon as a guide to future performance.

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Any purchase of Shares in the proposed Offering should be made solely on the basis of the information contained in the final Prospectus to be issued by the Company in connection with the Offering. The information in this announcement is subject to change.

The Offering timetable, including date of Admission, may be influenced by a range of circumstances such as market conditions. There is no guarantee that Admission will occur and you should not base your financial decisions on Company's intentions in relation to Admission at this stage. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing the entire amount invested. Persons considering making such investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning the Offering. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the Offering for the person concerned.

The Joint Global Coordinators are acting exclusively for the Company and Emaar Properties PJSC ("**Emaar Properties**") and no-one else in connection with the Offering. They will not regard any other person as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company and Emaar Properties for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offering of the Shares, each of the Joint Global Coordinators and any of their affiliates, may take up a portion of the Shares in the Offering as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such Shares and other securities of the Company or related investments in connection with the Offering or otherwise. Accordingly, references in the Prospectus, once published, to the Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, each of the Joint Global Coordinators and any of their affiliates acting in such capacity. In addition, certain of the Joint Global Coordinators or their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which they or their affiliates may from time to time acquire, hold or dispose of Shares. None of the Joint Global Coordinators nor any of their respective affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

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