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**Emaar**

**Properties PJSC**

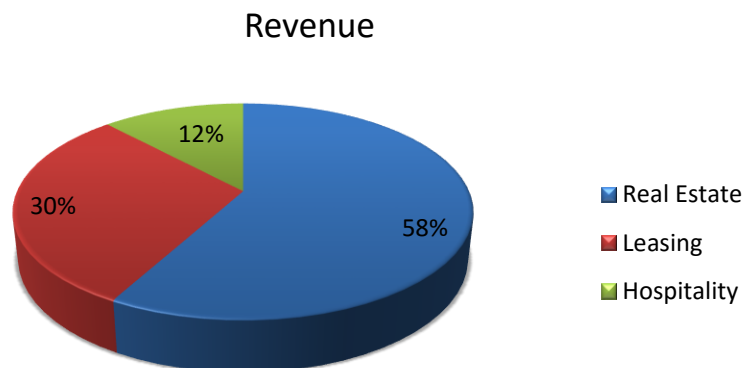
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## Company General Overview

Emaar Properties PJSC is a United Arab Emirates-based company engaged in property investment and development, property management services, hospitality, utility services, shopping malls and retail, as well as investing in financial service providers.

Emaar was incorporated back in January 1997, now Emaar is listed Dubai Financial Market Index (DFMI) make 22.90% of the index weight.

The Company is organized, along with its subsidiaries, into three business segments: the Real estate segment is engaged in the development and sale of condominiums, villas, commercial units and plots of land; the Leasing and related activities segment develops, leases and manages malls, retail, commercial and residential spaces, and the Hospitality segment develops, owns and/or manages hotels, serviced apartments and leisure activities.



The real estate business segment count for more the a half of the company's revenue while the leasing and hospitality business segments count for 42% of the company's revenue, with the leasing business segment is standing at 30% and the hospitality business segment at 12% of the company's revenue. Eighty percent of the revenues come from domestic projects in the UAE and the remaining twenty percent come for international projects.

The Company's subsidiaries include Emaar Malls Group LLC, Emaar Hospitality Group LLC, Emaar Properties Gayrimenkul Gelistirme Anonim Sirketi and Emaar Misr for Development SAE, among others.

### General Stock Information

- Stock Quote: **EMAR.DU**
- Stock Beta: **1.22**, As of April. 2016
- Market Cap: **12.25B US Dollars**, As of April. 2016

### Equity distribution

As of April 2016 the majority of Emaar Properties PJSC shareholders equity is distributed as following:

Investor's Name	Percent Owned	Shares Owned	Turn Over
<b>Investment Corporation of Dubai</b>	29.22%	2,092.08M	Low
<b>The Vanguard Group Inc.</b>	1.56%	111.85M	Low
<b>Schroder Investment Management Ltd.</b>	1.22%	87.07M	Low
<b>Norges Bank Investment Management</b>	0.58%	41.37M	Low
<b>BlackRock Institutional Trust Company</b>	0.54%	38.52M	Low
<b>Carmignac Gestion</b>	0.42%	30.08M	Low
<b>T. Rowe Price International Ltd.</b>	0.37%	26.59M	Low
<b>Fidelity Management &amp; Research Company</b>	0.35%	24.96M	Low
<b>Investec Asset Management Ltd.</b>	0.22%	15.93M	Mod
<b>APG Asset Management</b>	0.20%	14.61M	Low

The majority of the shareholders equity is owned by institutional investors owning about 34.68% of the company; however the Investment Corporation of Dubai has the largest stake of the shareholders equity of 29.22% superseding all other major shareholders by twenty times.

The Investment Corporation of Dubai is a government owned and managed company which consists of a portfolio of commercial companies and investments with an objective to maximize stakeholder value for the long-term benefit of the Emirate, meaning at Emaar Properties PLSC is mostly a government owned company.

Also 100% of Emaar Properties PJSC 7,159,738,882 shares are freely floating and available for trading.

### **Emaar Properties PJSC Mega Projects:**

Emaar Properties PJSC worked and still working on unique, world class, record breaking projects such as:

- Burj Khalifa: is the tallest building in the world standing at 2,716.5 ft. high, the plus 200 story skyscraper has offices, residential space, observation deck and the Armani hotel.  
Adding to that over 1000 pieces of art adorn the interiors of the Burj Khalifa.
- Dubai Mall: is the largest and the most visited shopping mall in the world spreading over 12.1 million sq. ft., aside of the restaurants, cafes and stores, Dubai Mall is the home for Dubai Aquarian, indoor theme park, the Olympic-sized Dubai Ice Rink and a real fossil of a 155-million year old dinosaur.
- Palm Jumeirah: is the first of its kind artificially built palm shaped island on the coast line of Dubai, Palm Jumeirah has its own monorail transportation system, luxuries hotels, resorts and residential villas.

Also Palm Jumeirah is the home for the legendary Atlantis hotel and resort.

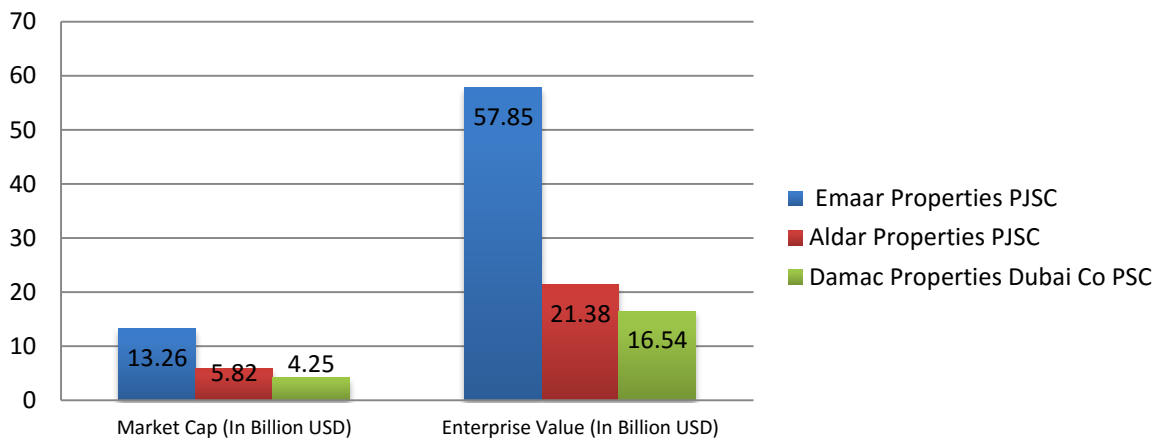
Emaar Properties PJSC is now working on its next mega venture, Dubai Creek Harbour which is 620 hectares city that will be financially viable and ecologically responsible, centered with The Tower the world's new tallest skyscraper set to exceed all limit.

Emaar Properties PJSC didn't only succeed in its ambitious project but did so with maintaining high quality and luxuries standards.

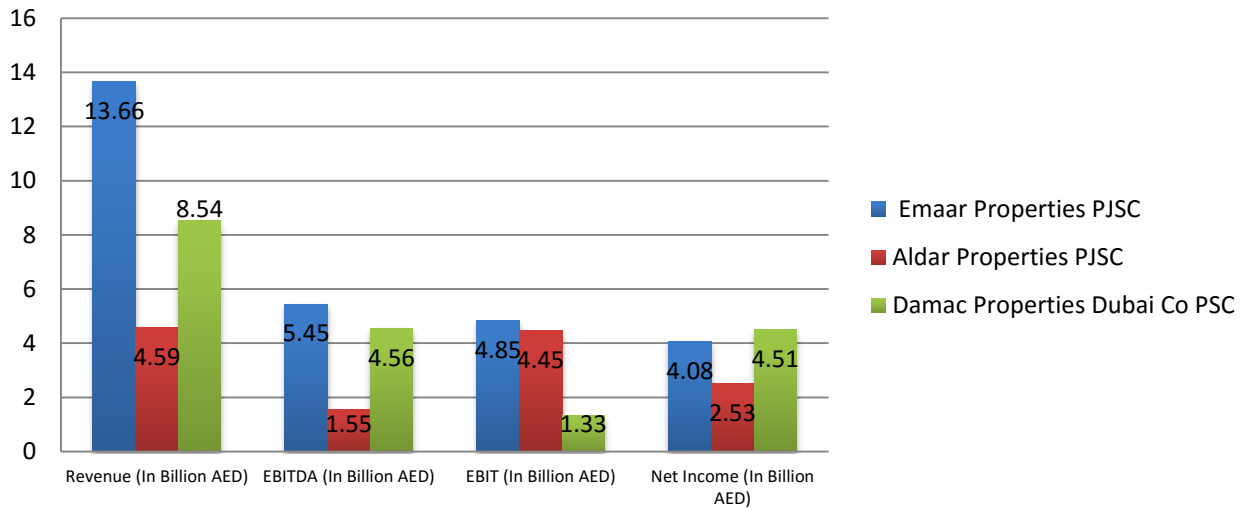
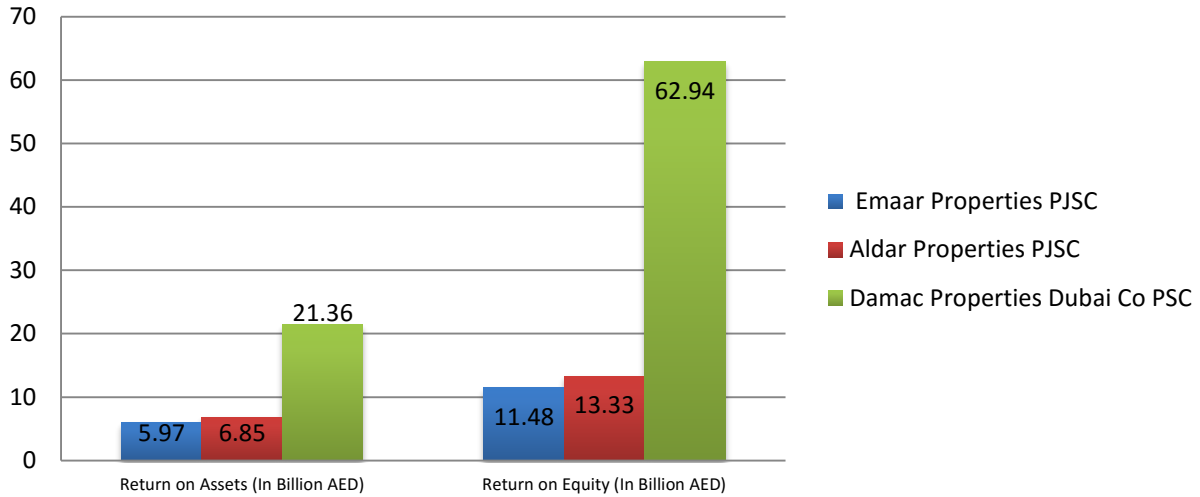
## Sector Peers General Overview

Comparing Emaar Properties PJSC with its industry peers based on their enterprise value and market capitalization will show that Emaar Properties PJSC is a regional giant in size.

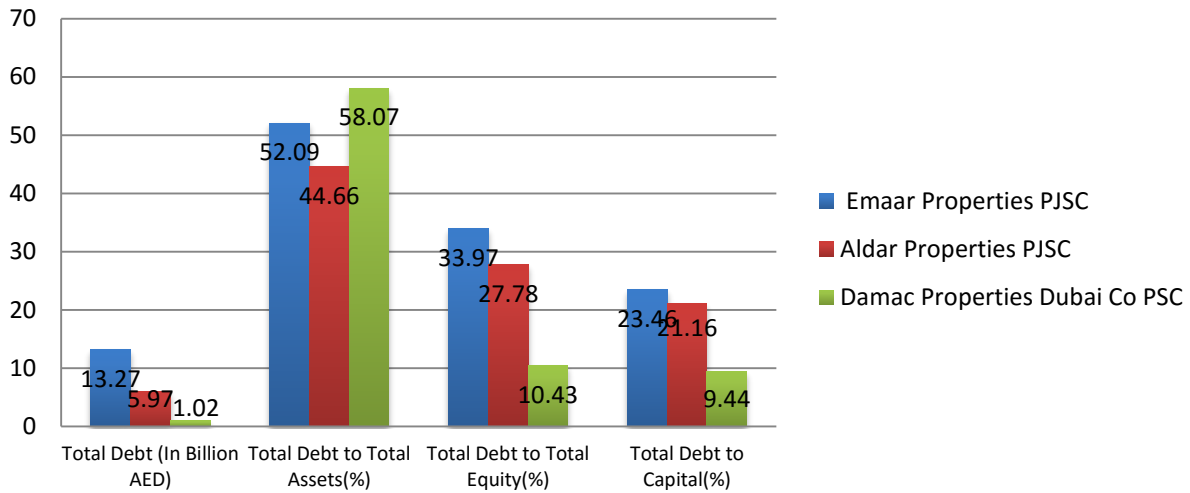
Emaar Properties PJSC with 13.26 billion dollars market cap clearly supersedes its sector peers by more than 100%, moreover when we are using the enterprise value which shows the real or netted value of the companies Emaar Properties PJSC still by far in the lead with a 57.85 billion dollars and its nearest peer lagging behind at 21.38 billion dollars.



When comparing Emaar Properties PJSC return on asset and return on equity with its sector peers the numbers shows the Emaar Properties PJSC is far behind its peers, the dilution effect of its Emaar Properties PJSC huge assets and equity value is the reason that made Emaar Properties PJSC lag behind its peers.



Emaar Properties PJSC clearly has the highest revenues between its sector peers, however its higher expenses, taxes and debt payments have significantly affected its net margins reducing them to fall behind its peer's by almost 40%.



Emaar Properties PJSC has the largest amount of debt outstanding in comparing with its sector peers, and when measuring the amount of debt to asset and equity Emaar Properties PJSC also has the highest percentage between its peers due the highest percent of debt in its capital structure.

### Future Estimates:

Emaar Properties PJSC future estimates are as follows:

	Dec-2016	Dec-2017	Dec-2018	Dec-2019
<b>Revenue</b>	4.10%	21.00%	18.80%	-10.40%
<b>EBITDA</b>	40.20%	42.30%	40.10%	48.60%
<b>EBIT</b>	33.20%	36.60%	34.20%	41.30%
<b>Net Income</b>	28.50%	30.60%	32.20%	42.60%
<b>Gross Margin</b>	-3.3%	-3.67%	2.4%	
<b>EPS</b>	2.20%	34.00%	16.10%	20.30%
<b>Dividend Per Share Growth</b>	24.40%	28.60%	38.90%	-31.00%
<b>Capital Expenditures</b>	-5.80%	-6.20%	-11.00%	0.00%
<b>Net Debt</b>	-3.80%	-14.60%	-1.00%	-
<b>Net Asset Value</b>	1.40%	1.10%	0.60%	0.00%

- The Revenues are estimated to increase significantly in the years 2017 and 2018 but to decline later in the year 2019.
- EBITDA and EBIT are projected to slightly change in the next three years and to gain significantly in the year 2019.
- Gross Margins estimated to continue to fall through the coming two years until it rises again in the year 2018.
- EPS is expected to rise greatly after the year 2016 until the year 2019.
- Dividend per Share Growth will keep growing steadily until the year 2019 where it's expected to decline.
- Capital Expenditures are projected to maintain its declining pace but to slow down in the year 2019.
- Net Debt is predicted to majorly decrease in the year 2017.
- Net Asset Value is estimated to remain adding up but in a declining pace until it flats out in the year 2019.

## Recourses

- All financial data was sourced from Thomson Reuters Eikon Platform.

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