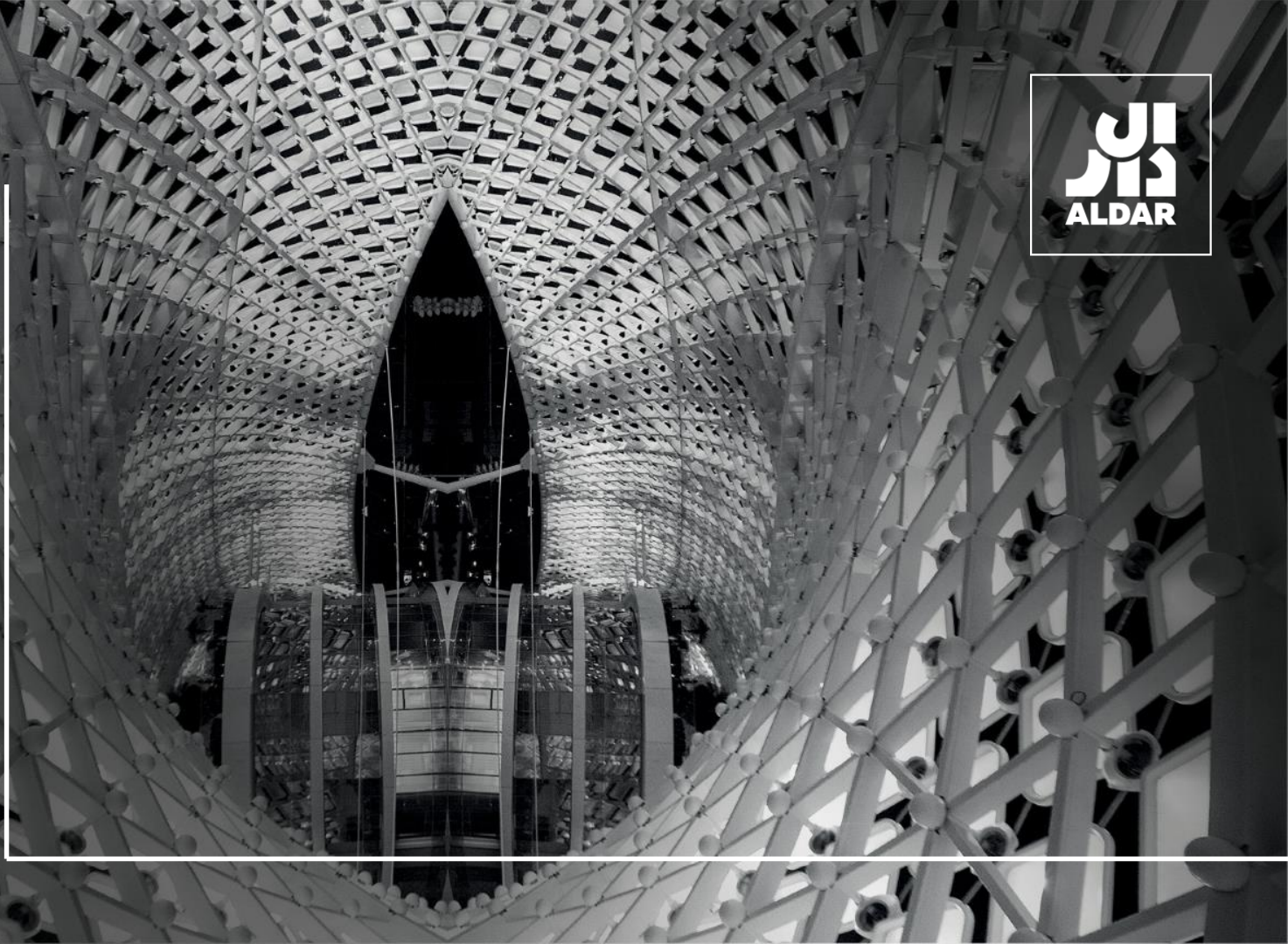


# Q1 2018 RESULTS PRESENTATION



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# Q1 2018 AT A GLANCE

## Financial

- ❑ Net profit up 4% to AED 668 million supported by infrastructure handovers
- ❑ Revenue of AED 1.5 billion (Q1 2017: AED 1.6 billion), reflecting lower revenue recognition at Pivot, offset by strong underlying core business performance
- ❑ Gross profit of AED 715 million (Q1 2017: AED 753 million) as a result of closing development management fee on a JV project in Q1 2017
- ❑ Balance sheet remains strong with gross cash and debt of AED 4.9 billion and AED 5.6 billion respectively as at 31 March 2018

## Development

- ❑ Q1 development sales of AED 681 million
- ❑ Two new launches – Reflection and Alghadeer
- ❑ Commenced handover on Nareel Island and Al Merief
- ❑ West Yas and Meera to commence handover in Q2 and Q4 respectively
- ❑ AED 1.3 billion Water's Edge contract awarded
- ❑ Emaar JV and recent asset acquisition PUDs to expand and accelerate development pipeline

## Asset Management

- ❑ Resilient portfolio performance during quarter
- ❑ Q1 2018 NOI stable at AED 396 million (Q1 2017: AED 402 million)
- ❑ Gross profit margins steady at 55% (Q1 2017: 56%)
- ❑ AED 5 billion investment plan fully committed following recent AED 1.6 billion operating assets acquisition

## Reflection



- ☐ Residential development located on Reem Island
- ☐ First tower (192 units) launched for sale end of March
- ☐ c.45% sold to date as at period end

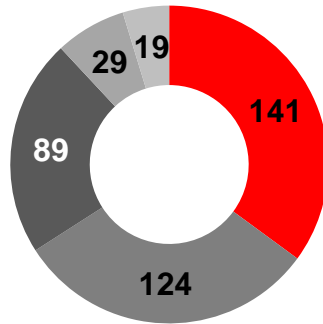
## Alghadeer



- ☐ Launched at CityScape Abu Dhabi 2018
- ☐ Located within Seih Sdeirah land bank
- ☐ 611 unit first phase launched in April 2018
- ☐ c.50% sold as at 14 May 2018

# Q1 2018 ASSET MANAGEMENT HIGHLIGHTS

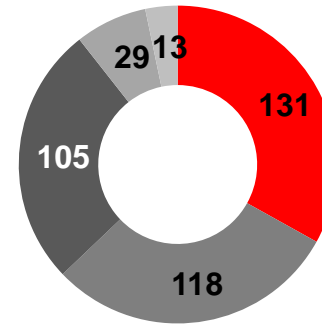
Q1 2017 NOI split – AED 402 million



■ Retail ■ Residential ■ Commercial ■ Hospitality ■ Adjacent & other

- Retail NOI decline predominantly reflects temporary Yas Mall void space as we optimize retail mix (occupancy currently at 89%) and to a lesser extent reduced rental rates following 3-year renewals process
- Residential occupancy grew to 92%, offsetting lower renewal rates

Q1 2018 NOI split – AED 396 million



■ Retail ■ Residential ■ Commercial ■ Hospitality ■ Adjacent & other

- Commercial NOI growth predominantly reflects the contribution of International Tower and Repton School, 91% occupancy across portfolio
- Hotels maintained strong occupancy (85% during first three months of 2018)

NB: Occupancy as at 31 March 2018 unless otherwise stated



# EMAAR STRATEGIC PARTNERSHIP



## Overview

- ❑ MoU signed in March 2018
- ❑ Finalising JV structure and governance
- ❑ To focus on national and international opportunities
- ❑ Will accelerate development pipeline – 9,000 units between first two projects (Saadiyat Grove and Emaar Beachfront)
- ❑ Add diversification outside of Abu Dhabi
- ❑ Entry into Dubai with best possible partner

## Saadiyat Grove



Particulars	Detail
Location	Saadiyat Island
Type	Mixed-use
GDV	AED 8 billion
Units	2,000
Retail GLA	130,000 sqm
Hotels	4 (4-star and 5-star)

## Emaar Beachfront



Particulars	Detail
Location	Between Palm Jumeirah and JBR
Type	Residential
GDV	AED 17 billion
Units	7,000
Hotels	1 (5-star)

# RECENT ACQUISITION OVERVIEW

## Asset Management

- ❑ 14 operating assets acquired for AED 1.6 billion
- ❑ Initial annualized NOI of AED 120 million (c.7.5% yield on cost)
- ❑ Support near-term NOI growth
- ❑ Completes AED 5 billion investment plan

## Projects under development

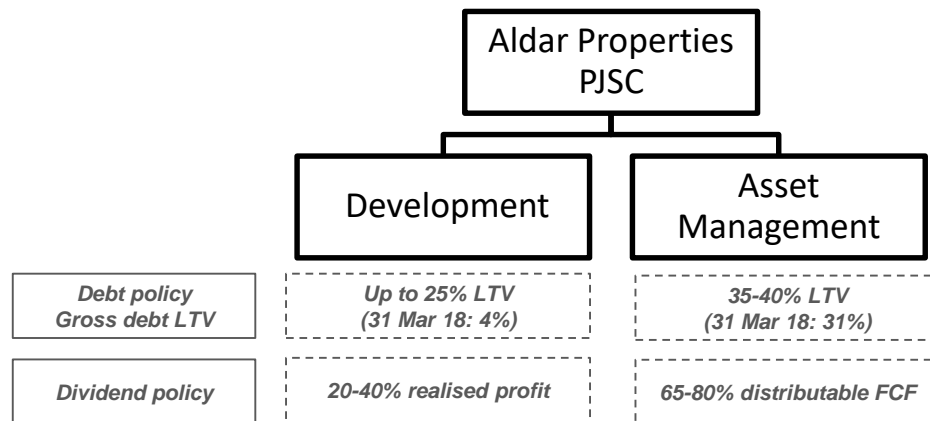
- ❑ 2 projects under development acquired will expand development pipeline with 600 additional units
- ❑ Gross development value of AED 2.5 billion
- ❑ Both projects under construction, set for completion in 2018-2019
- ❑ Reinforce position as off-plan residential market leader

## Land plots

- ❑ Secure prime Saadiyat land plots complimentary to existing Aldar land bank
- ❑ Cements position as Abu Dhabi's real estate champion
- ❑ 1.1 million sqm GFA acquired
- ❑ c.50% GFA acquired for AED 8 billion Saadiyat Grove JV project
- ❑ Remaining land to support growth of development business

# NEW CORPORATE STRUCTURE

- New structure to prepare development and asset management to operate independently
- Separate debt and dividend policies in place
- Designed to drive greater operational and capital efficiency
- Prepare Aldar for this new phase of accelerated growth, in line with its strategy
- Post acquisition funding, well within debt policy and liquidity remains very strong following new AED 5 billion committed undrawn credit facilities arranged in May 2018





## Development

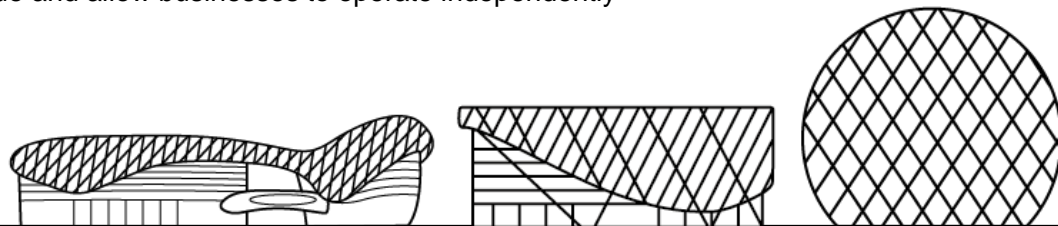
- ❑ Continue to see development opportunities across the market
- ❑ Emaar JV and recent asset acquisition to expand development pipeline and drive growth

## Asset Management

- ❑ Resilient performance across all key sectors
- ❑ Near term growth expected following addition of AED 1.6 billion operating assets as part of recent acquisition

## Financial

- ❑ Balance sheet remains strong and liquid post recent asset acquisition
- ❑ New corporate structure to unlock value and allow businesses to operate independently



# APPENDIX



# DEVELOPMENT PIPELINE



**HANDED OVER**

## **Ansam**

Type: Prime residential apartments  
Land: Investment zone  
Location: Yas Island  
Units launched: 547  
Sold as at 31 Mar 2018: 94%

**COMMENCED HANDOVER**

## **Nareel Island**

Type: Exclusive land plots for villa development  
Land: Non-investment zone  
Location: Nareel Island, off Abu Dhabi Island  
Units launched: 148  
Sold as at 31 Mar 2018: 65%



**HANDED OVER**

## **Al Hadeel**

Type: Prime residential apartments  
Land: Investment zone  
Location: Al Raha Beach  
Units launched: 233  
Sold as at 31 Mar 2018: 95%

**COMMENCED HANDOVER**

## **Al Merief**

Type: Land plots for villa development  
Land: Non-investment zone  
Location: Khalifa City  
Units launched: 281  
Sold as at 31 Mar 2018: 100%



**EXPECTED COMPLETION: Q4 2018**

### **Meera**

Type: Residential apartments  
Land: Investment zone  
Location: Reem Island  
Units launched: 408  
Sold as at 31 Mar 2018: 91%



**EXPECTED COMPLETION: 2019**

### **Mayan**

Type: Prime residential apartments  
Land: Investment zone  
Location: Yas Island  
Units launched: 512  
Sold as at 31 Mar 2018: 81%

**EXPECTED COMPLETION: 2019**

### **Mamsha**

Type: Beachfront residential apartments  
Land: Investment zone  
Location: Saadiyat Island  
Units launched: 461



**EXPECTED COMPLETION: Q2 2018**

### **West Yas**

Type: Villa development  
Land: Investment zone  
Location: Yas Island  
Units launched: 1,017  
Sold as at 31 Mar 2018: 79%



**EXPECTED COMPLETION: 2019**

### **Yas Acres**

Type: Villa and townhouse development  
Land: Investment zone  
Location: Yas Island  
Units launched: 652  
Sold as at 31 Mar 2018: 64%



**EXPECTED COMPLETION: 2019**

### **Jahawer**

Type: Golf-view villas and townhouses  
Land: Investment zone  
Location: Saadiyat Island  
Units launched: 83

EXPECTED COMPLETION: 2020

## The Bridges

Type: Mid-market residential apartments

Land: Investment zone

Location: Reem Island

Units launched: 636

Sold as at 31 Mar 2018: 93%



EXPECTED COMPLETION: 2021

## Reflection

Type: Mid-market residential apartments

Land: Investment zone

Location: Reem Island

Units launched: 192

Sold as at 31 Mar 2018: 43%



EXPECTED COMPLETION: 2020

## Water's Edge

Type: Mid-market residential apartments

Land: Investment zone

Location: Yas Island

Units launched: 1,236

Sold as at 31 Mar 2018: 86%



EXPECTED COMPLETION: 2021

## Alghadeer

Type: Affordable residential

Land: Investment zone

Location: Seih Sdeirah

Units launched: 611

Sold as at 31 Mar 2018: n/a

# DEVELOPMENT SUMMARY

Project	Location	Recognition	Launch date	Total as at 31 Mar 2018 *					Expected completion
				Sold units <sup>1</sup>	Sold unit sales value (AEDm) <sup>1</sup>	Units launched	% sold	Revenue backlog	
Ansam	Yas Island	Over-time	2014	512	879	547	94%	-	Completed in Q4 2017
Hadeel	Al Raha Beach	Over-time	2014	222	461	233	95%	-	Completed in Q4 2017
Nareel	Abu Dhabi Island	Over-time	2015	95	1,190	148	64%	44	Completed in Q1 2018
Merief	Khalifa City	Over-time	2015	281	625	281	100%	152	Completed in Q1 2018
Meera	Shams Abu Dhabi	Over-time	2015	372	475	408	91%	111	Q4 2018
Mayan	Yas Island	Over-time	2015	417	760	512	81%	591	2019
Yas Acres	Yas Island	Over-time	2016	416	1,571	652	64%	1,305	2019
The Bridges	Shams Abu Dhabi	Over-time	2017	593	597	636	93%	431	2020
Water's Edge	Yas Island	Over-time	2017	1,066	1,045	1,236	86%	1,045	2020
Reflection	Reem Island	Over-time	2018	82	83	192	43%	83	2021
Alghadeer	Seih Sdeirah	Over-time	2018	Launch on 16 April 2018					2021
<b>Aldar developments</b>				<b>4,056</b>	<b>7,686</b>	<b>4,845</b>	<b>84%</b>	<b>3,762</b>	
West Yas	Yas Island	n/a	2015	801	3,656	1,017	79%		Q2 2018
<b>Aldar + West Yas</b>				<b>4,857</b>	<b>11,342</b>	<b>5,862</b>	<b>83%</b>		
Mamsha	Saadiyat Island	Over-time	2014			461			2018-2019
Jawaher	Saadiyat Island	Over-time	2015			83			2018-2019
<b>Total</b>						<b>6,406</b>			

- Q1 development sales of AED 681 million driven by West Yas (AED 396 million across 85 units), Water's Edge (AED 90 million across 87 units), Reflection (AED 83 million across 82 units) and Nareel Island (AED 73 million across 7 units)

<sup>1</sup> Sold units and sold units sales value includes all units where a sales purchase agreement ("contract") has been signed. This does not include sales reservations. Total units and values as at period end are net of cancellations.

<sup>2</sup> Sold as at 31 March 2018



# FINANCIAL STATEMENTS

## Profit and loss

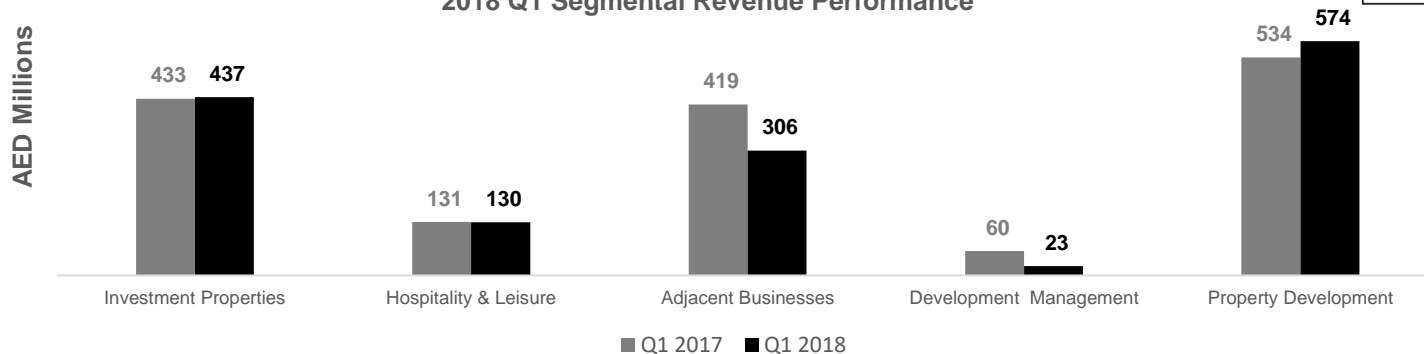
AED millions	2018 Q1	2017 Q1
Revenues	1,470	1,578
Direct costs	(754)	(825)
<b>Gross profit</b>	<b>715</b>	<b>753</b>
<i>Gross profit Margin</i>	<i>49%</i>	<i>48%</i>
SG&A expenses	(97)	(86)
Depreciation, amortization and write downs/ provisions	(53)	(56)
Gain on disposals	30	-
Share of profit from associates/ JVs	18	16
Other Income	135	83
Net finance cost	(41)	(30)
Fair value losses	(40)	(39)
<b>Net Profit for the period</b>	<b>668</b>	<b>641</b>
<b>Attributable to:</b>		
Owners of the Company	669	637
Non-controlling interests	(1)	4
<b>Profit for the period</b>	<b>668</b>	<b>641</b>
<i>Basic and diluted earnings per share (fils)</i>	<i>8.5</i>	<i>8.1</i>

## Balance sheet

AED millions	As at 31 Mar 2018	As at 31 Dec 2017
Property, plant and equipment	2,859	2,931
Investment properties	16,141	16,076
Development work in progress & Inventory	4,243	4,069
Receivables & other assets	6,580	6,435
Cash	4,902	6,885
<b>Total Assets</b>	<b>34,725</b>	<b>36,397</b>
Equity	23,018	23,235
Debt	5,589	5,596
Payables, Advances and Other Liabilities	6,118	7,206
<b>Total Liabilities and Equity</b>	<b>34,725</b>	<b>36,397</b>

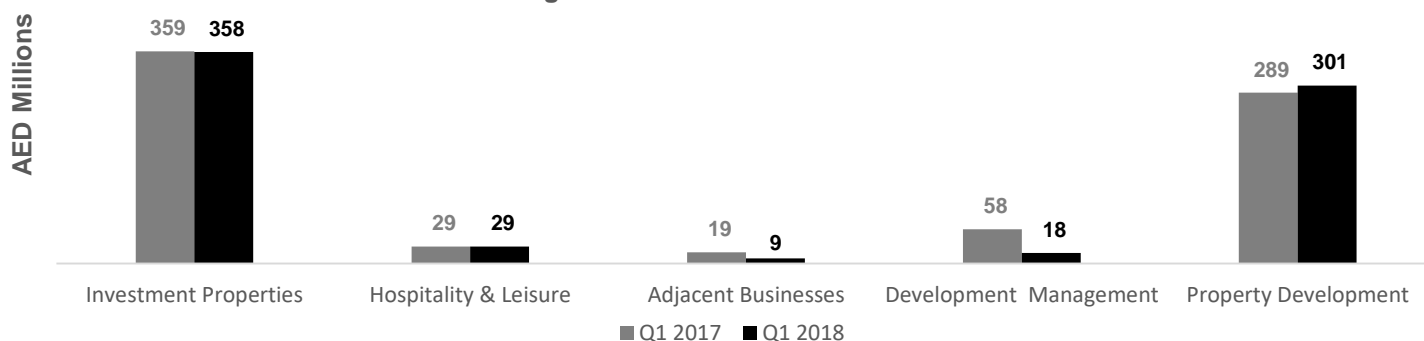
2018 Q1 recurring revenues of AED 725 million (2017 Q1: AED 723 million) <sup>1</sup>

## 2018 Q1 Segmental Revenue Performance



2018 Q1 recurring revenues gross profit of AED 396 million (2017 Q1: AED 402 million) <sup>1</sup>

## 2018 Q1 Segmental Gross Profit Performance



<sup>1</sup> Recurring revenues assets include Investment Properties (Retail, Residential, Commercial and OV's), Hospitality (Hotels & Leisure), Schools (Aldar Academies) and Property & Facilities Management (Khidmah)  
 2018 Q1 recurring revenues excludes Pivot revenue of AED148m (2017 Q1 revenue: AED262m)  
 2018 Q1 recurring revenue gross profit excludes Pivot gross profit of nil (2017 Q1 gross profit: AED5m)

# GOVERNMENT RECEIVABLES

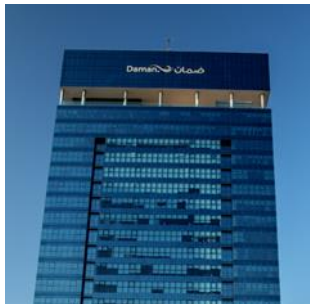
Transaction (AEDm)	Remaining cash inflows			Remaining P&L events
	2018	2019	Total	Other income
Sale of Al Raha Beach Land <sup>1</sup>	285	95	380	-
Infrastructure recoverables <sup>2</sup>	362	536	898	347 <sup>3</sup>
	<b>647</b>	<b>631</b>	<b>1,278</b>	<b>347</b>

<sup>1</sup> Al Raha Beach land plot handed over in Q3 2016 with a payment plan structure

<sup>2</sup> Cash flow timing depends on handover of related assets

<sup>3</sup> Additional infrastructure reimbursement submissions made to Government of Abu Dhabi, subject to approval

# INVESTMENT PLAN



ACQUIRED IN Q4 2015

## Daman House

Type: Commercial office building  
Location: Abu Dhabi Island  
GLA: 23,000 sqm

COMPLETED IN Q3 2017

## Repton School

Type: Commercial  
Location: Abu Dhabi Island  
GLA: 20,000 sqm



COMPLETED IN Q3 2016

## Al Mamoura School

Type: Aldar Academies school  
Location: Abu Dhabi Island  
Capacity: 1,800 student

ACQUIRED IN Q4 2017

## International Tower

Type: Commercial office building  
Location: Abu Dhabi Island  
GLA: 39,000 sqm





EXPECTED COMPLETION: Q4 2018

### Al Jimi Mall extension

Type: Retail extension to existing mall

Location: Al Ain

GLA: 33,000 sqm

EXPECTED COMPLETION: 2020

### Water's Edge

Type: Residential

Location: Yas Island

Units: c.800



DESIGN STAGE

### Shams Marina

Type: Mixed-use

Location: Reem Island

Overview: Hotel, long-stay apartments and residential



DESIGN STAGE

### Yas Mall Hotel

Type: Hospitality

Location: Yas Island

Keys: 349



ACQUIRED: Q2 2018

### Asset acquisition

Type: Various

Location: Saadiyat Island and other



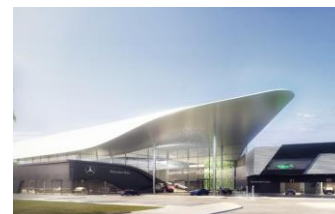
EXPECTED COMPLETION: 2020

### The Bridges

Type: Residential

Location: Reem Island

Units: 636



DESIGN STAGE

### Yas retail park

Type: Retail

Location: Yas Island

GLA: c.10,000 sqm

# CONTACT US

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