

Q2 2018 RESULTS PRESENTATION



DISCLAIMER

This disclaimer governs the use of this presentation. You must not rely on the information in the presentations and alternatively we recommend you to seek advice from an appropriately qualified professional. If you have any specific questions about any matter in this presentation you should consult an appropriately qualified professional.

The statements made in this presentation are only forward thinking statements. Such statements are based on expectations and are subject to a number of risks and uncertainties that could differ materially from any expected outcome or results expressed or implied in these statements.

Without prejudice to the generality of the foregoing paragraph, we do not represent, warrant, undertake or guarantee that the information in the presentation is accurate or use of guidance in the presentation will lead to any particular outcome or result.

We will not be liable to you in respect of any business losses, including without limitation loss of or damage to profits, income, revenue, use, production, anticipated savings, business, contracts, commercial opportunities reputation or goodwill.

Q2 2018 AT A GLANCE

Financial

- ❑ Revenue up 12% to AED 1.5 billion (Q2 2017: AED 1.4 billion), supported by contribution of newly acquired development and recurring revenue assets
- ❑ Gross profit increased 20% to AED 649 million (Q2 2017: AED 542 million)
- ❑ Net profit down 28% to AED 445 million, primarily reflecting a significant other income event in Q2 2017
- ❑ AED 133 million gain on business combination on completion of AED 3.6 billion asset acquisition
- ❑ Balance sheet remains strong, LTV for asset management and development businesses at 36% and 4% respectively, in line with debt policies

Development

- ❑ Q2 Aldar development sales of AED 372 million including 3 land plot sales
- ❑ Two development launches year-to-date targeting mid-market – Reflection and Alghadeer
- ❑ Revenue backlog as at 30 June 2018 stands at AED 4.0 billion
- ❑ Commenced handover on Nareel Island, Al Merief and West Yas
- ❑ Meera well on track for handover in Q4 2018
- ❑ AED 1.3 billion Water's Edge contract awarded in April 2018

Asset Management

- ❑ Resilient portfolio performance during quarter
- ❑ Q2 2018 NOI up 6% to AED 377 million supported by new asset additions (Q2 2017: AED 357 million)
- ❑ Gross profit margins remain healthy at 50% (Q2 2017: 53%)
- ❑ Revenue from acquired TDIC operating assets partly recognized during quarter
- ❑ AED 150 million fair value losses taken on Yas Mall following lower renewals

DEVELOPMENTS LAUNCHES

Reflection



- ❑ Residential development located on Reem Island
- ❑ First tower launched for sale at the end of March
- ❑ 43% sold to date

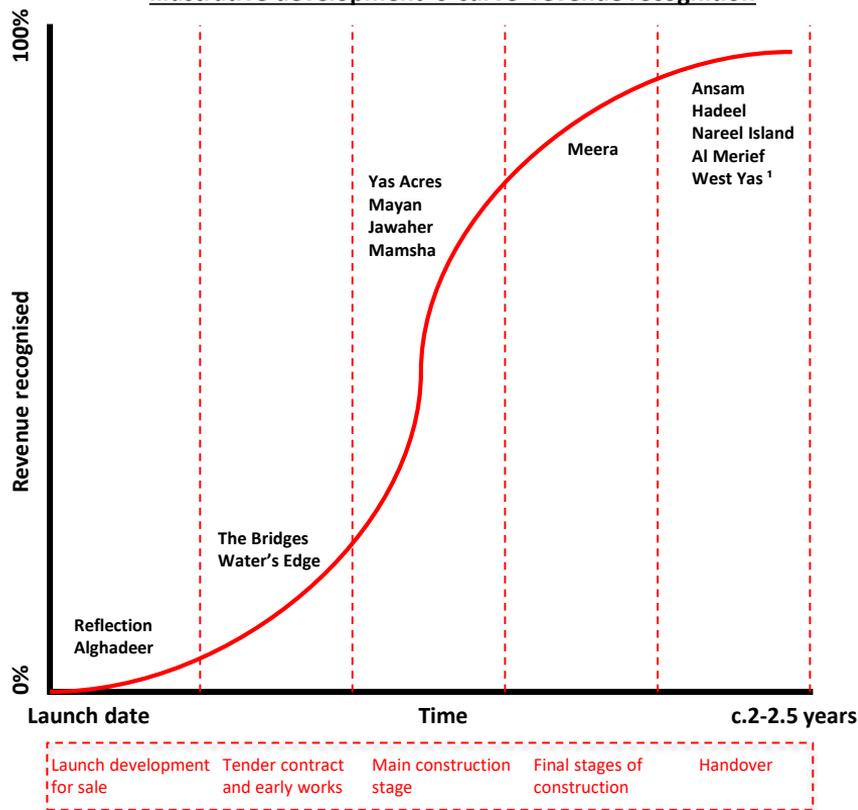
Alghadeer



- ❑ Launched at CityScape Abu Dhabi 2018 in April
- ❑ Located within Seih Sdeirah land bank, on border of Dubai
- ❑ First phase launched included 611 units
- ❑ 46% sold to date

DEVELOPMENT OVERVIEW

Illustrative development 'S-curve' revenue recognition

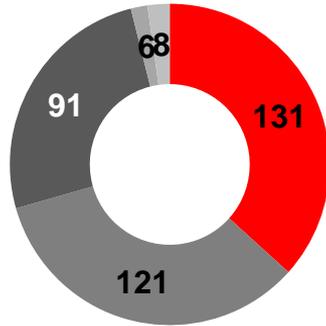


- Revenue recognised based on progress of completion
- Development revenue recognition for off-plan sales typically follows construction progress
- 14 projects under development pipeline at various stages
- 5 handed over or in process of handover
- Graph illustrates where each project is in the development cycle
- AED 4.0 billion development sales revenue back log as at 30 June 2018
- AED 1.1 billion development sales in H1 2018
- 77% sold across all units launched for sale

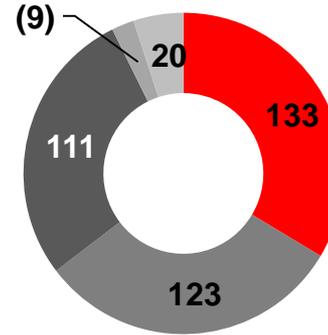
¹ West Yas is a third party development management fee-based project

Q2 2018 ASSET MANAGEMENT HIGHLIGHTS

Q2 2017 NOI split – AED 357 million



Q2 2018 NOI split – AED 377 million



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

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

Retail

Residential

Commercial

Hospitality

Adjacent

- Q2 2018 NOI: AED 133 million
- Yas Mall occupancy at 89%
- Increased occupancy in community retail and contribution of new retail assets supporting NOI growth

- Q2 2018 NOI: AED 123 million
- Occupancy steady at 91%
- Inclusion of recent residential assets, offsetting lower renewal rates

- Q2 2018 NOI: AED 111 million
- Strong growth supported by International Tower (acquired in Q4 2017) and recent commercial asset additions

- Q2 2018 NOL: AED 9 million
- 2018 first half occupancy of 74%
- Q2 2018 performance impacted by losses at acquired hospitality assets

- Q2 2018 NOI: AED 20 million
- Increased NOI primarily due to new asset additions – district cooling assets and Cranleigh school

NB: Occupancy as at 30 June 2018 unless otherwise stated

EMAAR STRATEGIC PARTNERSHIP



Overview

- ❑ MoU signed in March 2018
- ❑ JV structure to be finalised in H2 2018
- ❑ Will accelerate development pipeline – 9,000 units between first two projects
- ❑ Partnership will support diversification outside of Abu Dhabi

Saadiyat Grove



Particulars	Detail
Location	Saadiyat Island
Type	Mixed-use
GDV	AED 8 billion
Units	2,000
Retail/ commercial 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



Overview

- Announced and completed in Q2 2018
- Combination of operating and development assets
- Total consideration of AED 3.625 billion, funded through cash and undrawn debt facilities
- 14 operating assets acquired, complement existing asset base
- 2 projects under developments adding 600 further units to development pipeline and immediate revenue recognition based on progress completion
- 1.1 million sqm GFA of prime Saadiyat land plots, of which c.50% GFA acquired for Saadiyat Grove Emaar JV project

Financial impact

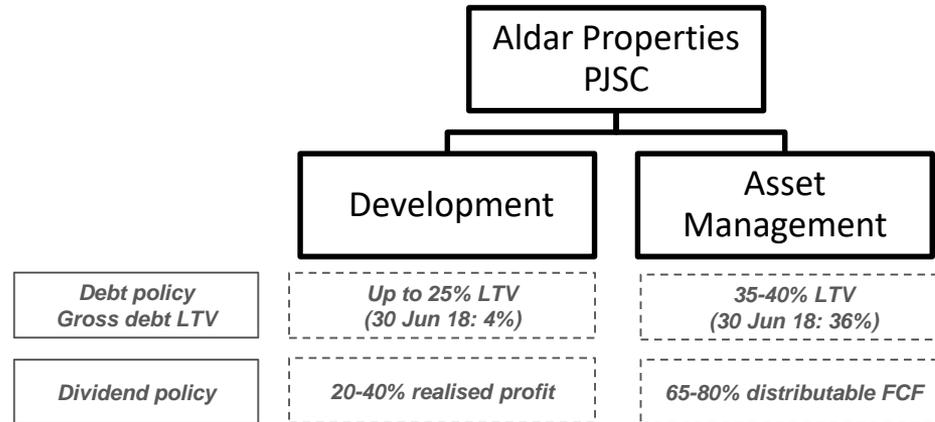
- AED 120 million annualized NOI from operating assets
- AED 2.5 billion GDV of projects under development (PUDs) - Mamsha and Jawaher, both c.45% complete

30 June 2018 balance sheet impact

Sources		Uses	
Cash	AED 2.10 billion	Operating businesses	AED 1.6 billion
Debt	AED 1.50 billion	and other assets	
		PUDs and land	AED 2.0 billion

PRUDENT CAPITAL MANAGEMENT

- New corporate structure will prepare development and asset management to operate independently and designed to drive greater operational and capital efficiency
- Prepare Aldar for this new phase of accelerated growth, in line with strategy
- Separate debt and dividend policies for both asset management and development businesses and capital allocation framework
- AED 1.5 billion drawn down during Q2 to support AED 3.625 billion TDIC asset acquisition, gross debt remains well within conservative debt policy range
- Strong liquidity position with AED 6.3 billion undrawn, committed credit facilities as at 30 June 2018



Development

- ❑ AED 4.0 billion development sales backlog provides visibility on future development revenues
- ❑ Emaar JV and recent asset acquisition support growth through expanded and more diverse development pipeline

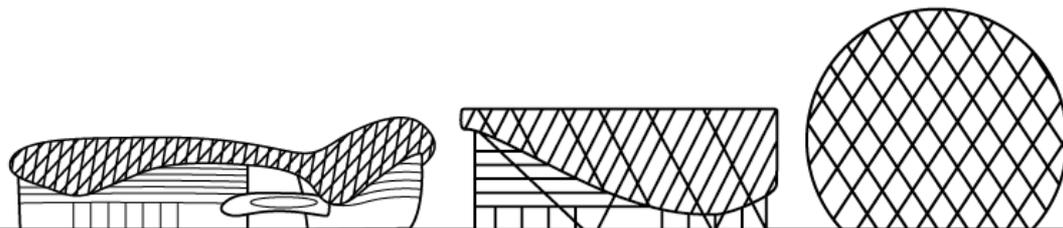
Asset Management

- ❑ Resilient performance across all key sectors
- ❑ NOI growth supported by recent operating asset additions

Financial

- ❑ Balance sheet remains strong and liquid post recent asset acquisition
- ❑ Gross debt well within conservative debt policy ranges for both development and asset management

SUMMARY



APPENDIX



DEVELOPMENT SUMMARY

Project	Location	Launch date	Total as at 30 Jun 2018 *				Expected completion
			Sold units ¹	Sold unit sales value (AEDm) ¹	Units launched	% sold	
Ansam	Yas Island	2014	511	877	547	93%	- Completed in Q4 2017
Hadeel	Al Raha Beach	2014	223	467	233	96%	- Completed in Q4 2017
Nareel	Abu Dhabi Island	2015	95	1,190	161	59%	- Completed in Q2 2018
Merief	Khalifa City	2015	281	609	281	100%	- Completed in Q2 2018
Meera	Shams Abu Dhabi	2015	374	463	408	92%	45 2018
Mayan	Yas Island	2015	417	761	512	81%	552 2019
Yas Acres	Yas Island	2016	416	1,572	652	64%	1,169 2019
The Bridges	Shams Abu Dhabi	2017	592	596	636	93%	386 2020
Water's Edge	Yas Island	2017	1,100	1,079	1,236	89%	1,079 2020
Reflection	Reem Island	2018	83	83	192	43%	83 2021
Alghadeer	Seih Sdeirah	2018	280	215	611	46%	215 2021
Mamsha	Saadiyat Island	2016	141	555	461	31%	252 2019
Jawaher	Saadiyat Island	2016	59	536	83	71%	237 2019
Aldar developments			4,572	9,003	6,013	76%	4,018
West Yas	Yas Island	2015	806	3,470	1,017	79%	Completed in Q2 2018
Total developments			5,378	12,474	7,030	77%	

- Q2 development sales of AED 372 million driven by Al Ghadeer (AED 215 million across 280 units), land plot sales (AED 86 million across 3 land plots), Water's Edge (AED 34 million across 34 units) and West Yas (AED 26 million across 5 units)

¹ 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.
² Sold as at 31 March 2018

DEVELOPMENT PIPELINE



HANDED OVER

Ansam

Type: Prime residential apartments
Land: Investment zone
Location: Yas Island
Units launched: 547
Sold as at 30 Jun 2018: 93%

COMMENCED HANDOVER

Nareel Island

Type: Exclusive land plots for villa development
Land: Non-investment zone
Location: Nareel Island, off Abu Dhabi Island
Units launched: 161
Sold as at 30 Jun 2018: 59%



HANDED OVER

Al Hadeel

Type: Prime residential apartments
Land: Investment zone
Location: Al Raha Beach
Units launched: 233
Sold as at 30 Jun 2018: 96%

COMMENCED HANDOVER

Al Merief

Type: Land plots for villa development
Land: Non-investment zone
Location: Khalifa City
Units launched: 281
Sold as at 30 Jun 2018: 100%



EXPECTED COMPLETION: Q4 2018

Meera

Type: Residential apartments
 Land: Investment zone
 Location: Reem Island
 Units launched: 408
 Sold as at 30 Jun 2018: 92%



EXPECTED COMPLETION: 2019

Mayan

Type: Prime residential apartments
 Land: Investment zone
 Location: Yas Island
 Units launched: 512
 Sold as at 30 Jun 2018: 81%

EXPECTED COMPLETION: 2019

Mamsha

Type: Beachfront residential apartments
 Land: Investment zone
 Location: Saadiyat Island
 Units launched: 461
 Sold as at 30 Jun 2018: 31%



COMMENCED HANDOVER

West Yas

Type: Villa development
 Land: Investment zone
 Location: Yas Island
 Units launched: 1,017
 Sold as at 30 Jun 2018: 79%



EXPECTED COMPLETION: 2019

Yas Acres

Type: Villa and townhouse development
 Land: Investment zone
 Location: Yas Island
 Units launched: 652
 Sold as at 30 Jun 2018: 64%



EXPECTED COMPLETION: 2019

Jahawer

Type: Golf-view villas and townhouses
 Land: Investment zone
 Location: Saadiyat Island
 Units launched: 83
 Sold as at 30 Jun 2018: 71%

EXPECTED COMPLETION: 2020

The Bridges

Type: Mid-market residential apartments
 Land: Investment zone
 Location: Reem Island
 Units launched: 636
 Sold as at 30 Jun 2018: 93%



EXPECTED COMPLETION: 2021

Reflection

Type: Mid-market residential apartments
 Land: Investment zone
 Location: Reem Island
 Units launched: 192
 Sold as at 30 Jun 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 30 Jun 2018: 89%



EXPECTED COMPLETION: 2021

Alghadeer

Type: Affordable residential
 Land: Investment zone
 Location: Seih Sdeirah
 Units launched: 611
 Sold as at 30 Jun 2018: 46%

FINANCIAL STATEMENTS

Profit and loss

AED millions	Q2 2018	Q2 2017	H1 2018	H1 2017
Revenue	1,511	1,354	2,981	2,932
Direct costs	<u>(863)</u>	<u>(812)</u>	<u>(1,617)</u>	<u>(1,637)</u>
Gross profit	649	542	1,364	1,295
<i>Gross profit Margin</i>	43%	40%	46%	44%
SG&A expenses	(103)	(94)	(201)	(180)
Depreciation and amortization	(56)	(48)	(101)	(98)
Gain on business combination	133	-	133	-
Gain on sale of JV	-	-	30	-
Share of profit from associates/ JVs	18	12	36	28
Other Income	69	289	205	372
Net finance expense	(62)	(35)	(102)	(64)
Fair value loss on investment properties, impairments and write downs	<u>(203)</u>	<u>(45)</u>	<u>(250)</u>	<u>(92)</u>
Net Profit for the period	<u>445</u>	<u>620</u>	<u>1,114</u>	<u>1,261</u>
Attributable to:				
Owners of the Company	447	620	1,116	1,256
Non-controlling interests	<u>(2)</u>	-	<u>(2)</u>	5
Profit for the period	<u>445</u>	<u>620</u>	<u>1,114</u>	<u>1,261</u>
<i>Basic and diluted earnings per share (fils)</i>	5.7	7.9	14.2	16.0

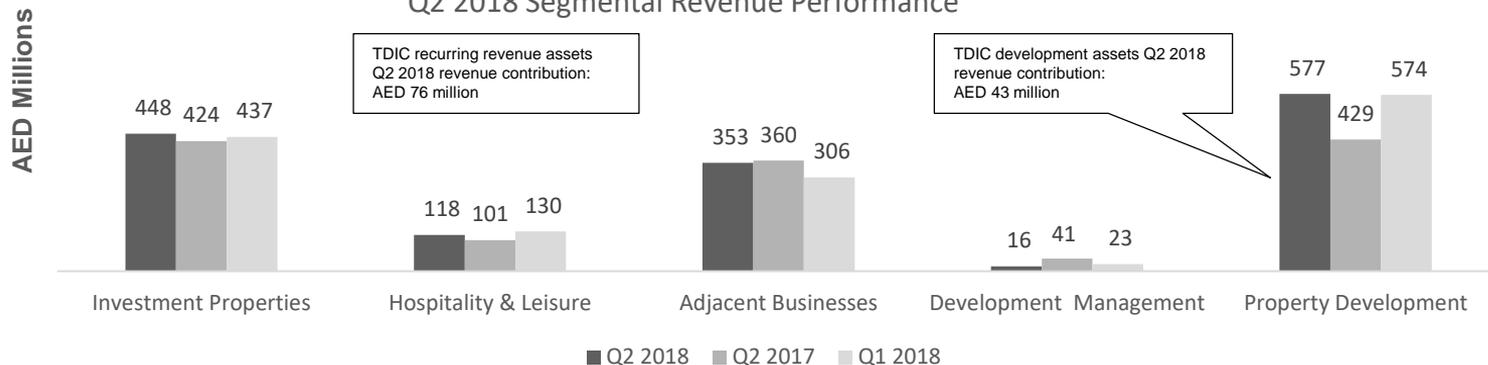
Balance sheet

AED millions	As at 30 Jun 2018	As at 31 Mar 2018
Property, plant and equipment	3,644	2,859
Investment properties	16,682	16,141
Development work in progress	2,042	1,315
Inventory	4,271	2,928
Receivables	5,183	5,414
Cash	3,751	4,902
Other Assets	<u>1,345</u>	<u>1,166</u>
Total Assets	<u>36,919</u>	<u>34,725</u>
Equity	23,524	23,019
Debt	7,011	5,589
Payables, Advances and Other Liabilities	<u>6,384</u>	<u>6,117</u>
Total Liabilities and Equity	<u>36,919</u>	<u>34,725</u>

Q2 2018 recurring revenues of AED 761 million (Q2 2017: AED 666 million, Q1 2018: AED 725 million) ¹

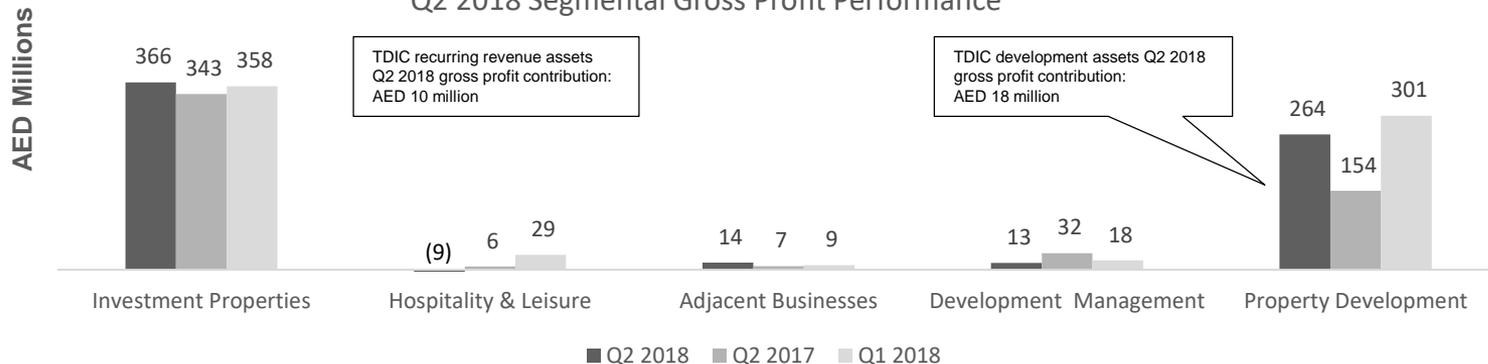
SEGMENTAL ANALYSIS

Q2 2018 Segmental Revenue Performance



Q2 2018 recurring revenues gross profit of AED 377 million (Q2 2017: AED 357 million, Q1 2018: AED 396 million) ¹

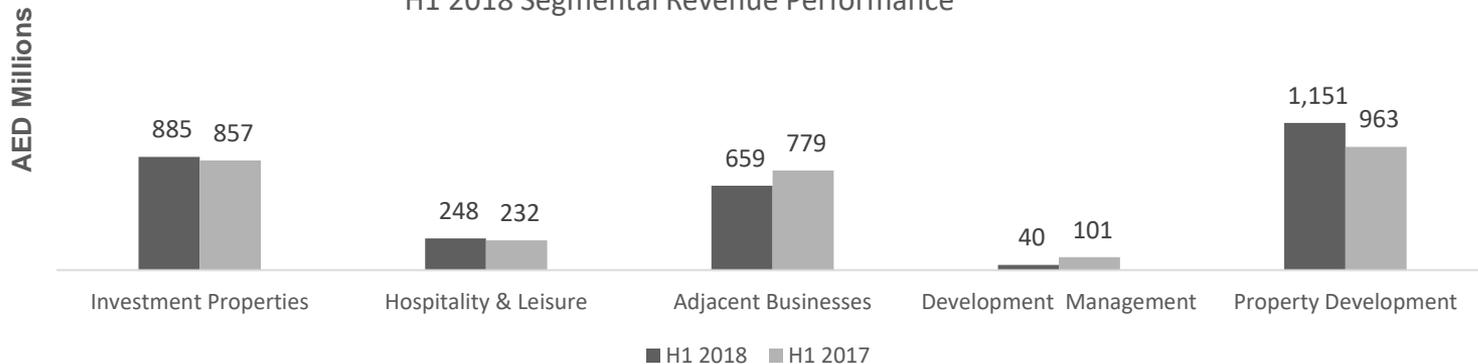
Q2 2018 Segmental Gross Profit Performance



¹ Recurring revenues assets include Investment Properties (Retail, Residential, Commercial and OVs), Hospitality (Hotels & Leisure), Schools (Aldar Academies), Property & Facilities Management (Khidmah) and District Cooling assets
 Q2 2018 recurring revenues excludes Pivot revenue of AED 158m (Q2 2017 revenue: AED 217m; Q1 2018 revenue: AED 148m)
 Q2 2018 recurring revenue gross profit excludes Pivot gross loss of AED 6m (Q2 2017 gross loss: AED 1m; Q1 2018 gross profit: nil)

H1 2018 recurring revenues of AED 1,486 million (H1 2017: AED 1,389 million) ¹

H1 2018 Segmental Revenue Performance



H1 2018 recurring revenues gross profit of AED 773 million (H1 2017: AED 759 million) ¹

H1 2018 Segmental Gross Profit Performance



¹ Recurring revenues assets include Investment Properties (Retail, Residential, Commercial and OVs), Hospitality (Hotels & Leisure), Schools (Aldar Academies), Property & Facilities Management (Khidmah) and District Cooling assets
H1 2018 recurring revenues excludes Pivot revenue of AED306m (H1 2017 revenue: AED479m)
H1 2018 recurring revenue gross profit excludes Pivot gross loss of AED 6m (H1 2017 gross profit: AED4m)

GOVERNMENT RECEIVABLES

Transaction (AEDm)	Remaining cash inflows			Remaining P&L events
	H2 2018	2019	Total	Other income
Sale of Al Raha Beach Land ¹	190	95	285	-
Infrastructure recoverables ²	362	536	898	293 ³
	552	631	1,183	293

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

² Cash flow timing depends on handover of related assets

³ Additional infrastructure reimbursement submissions made to Government of Abu Dhabi, subject to approval

OPERATING ASSETS



Retail

440,000 sqm GLA

Consolidating assets:

- Yas Mall
- Al Jimi Mall
- Remal Mall
- Yas Retail Park (IKEA and Ace)
- Community retail (20 assets)
- Saadiyat Beach
- Eastern Mangroves
- Al Bateen

Non-consolidating assets

- Etihad Plaza



Residential

5,100 units

Consolidating assets:

- al rayanna
- The Gate Towers
- Sas Al Nakhl
- Sun & Sky Towers
- Khalidiya Village
- Al Murjan
- Al Oyoun
- Al Mamoura
- Al Zeina
- Al Bandar
- Eastern Mangroves
- Cranleigh staff accomodation

Non-consolidating assets

- Etihad Plaza



Commercial

308,000 sqm GLA

Consolidating assets:

- Aldar HQ
- Al Mamoura
- Baniyas
- Sky Tower
- Daman House
- International Tower
- North Park
- Motorworld
- Repton School
- The Wing
- Yas OV
- Al Ain OV
- Saadiyat OV

Non-consolidating assets

- Etihad HQ
- Etihad office building



Hospitality

2,900 keys

Consolidating assets:

- Yas Hotel (previous Yas Viceroy)
- Crowne Plaza Yas
- Staybridge Yas
- Rotana Yas
- Radisson Blue Yas
- Park Inn Yas
- Centro Yas
- Lilal Liwa
- Yas Links golf club
- Eastern Mangroves
- Westin Abu Dhabi
- Saadiyat Beach club
- Saadiyat golf club
- Abu Dhabi golf club
- Al Bateen Marina

Non-consolidating assets

- Hala Arjaan



Adjacent

Key consolidating assets and businesses:

- Education - Aldar Academies and Cranleigh school
- Property & facilities management – Khidmah
- Construction – Pivot
- District Cooling - Saadiyat District Cooling

NB: assets highlighted red were acquired as part of TDIC asset acquisition, completed in Q2 2018

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



ACQUIRED: Q2 2018

Asset acquisition

Type: Various
Location: Saadiyat Island and other



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: 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



EXPECTED COMPLETION: Q4 2018

Al Jimi Mall extension

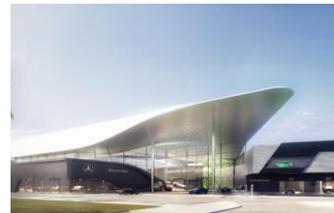
Type: Retail extension to existing mall
Location: Al Ain
GLA: 33,000 sqm



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

For any further enquiries please contact:

Chris Wilson

Head of Investor Relations

+ 971 2 810 5624

cwilson@aldar.com

Mohamed ALMaazmi

Investor Relations

+ 971 2 810 5866

malmaazmi@aldar.com

