

DAMAC

LIVE THE LUXURY

Results Presentation

Nine months ended 30 September 2017



Disclaimer



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DAMAC Overview



Headquarters in Dubai

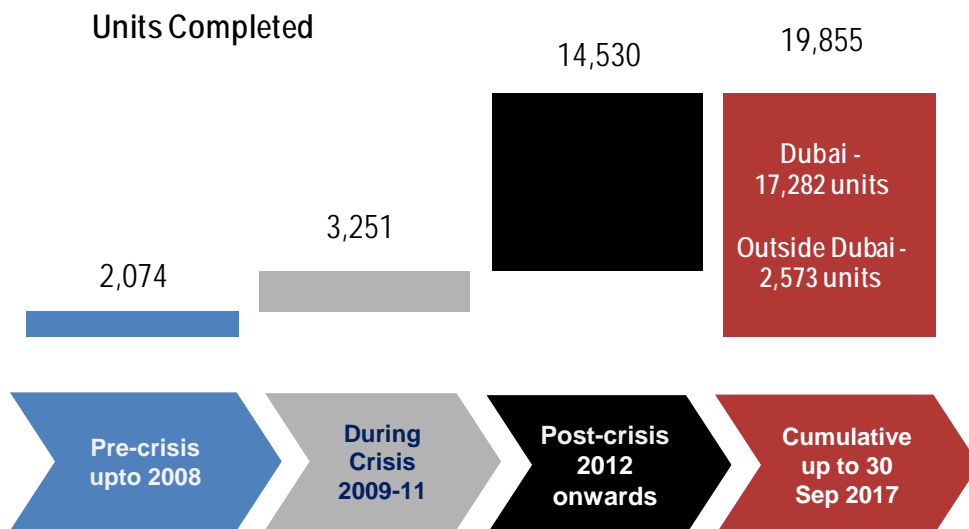
55+ mn sq ft projects in progress and in planning	6 countries with presence	10,000+ Hospitality units (incl. completed units and project pipeline)
c.1,900+ employees	c.600+ sales staff	c.500 Project execution and execution support team
AED6.0bn Booked Sales in 9M 2017 2016 - AED7.0bn	AED5.8bn Revenue in 9M 2017 2016 - AED7.2bn	AED2.3bn Net Profit in 9M 2017 2016 - AED3.7bn

Portfolio Overview

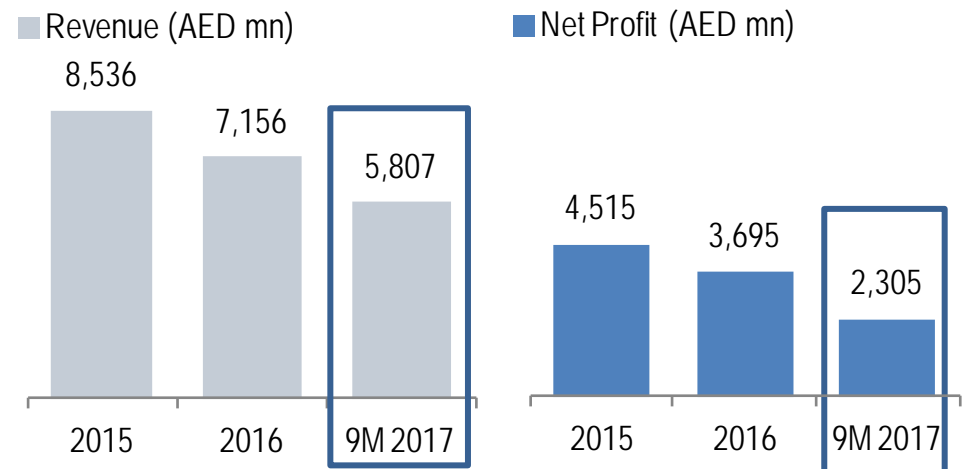
	Completed ⁽¹⁾ projects	In-progress ⁽²⁾ and In-planning ⁽³⁾ projects
Total:	19,855 units	Over 40,000 units
In Dubai:	87%	c.96%

Note: Exchange rate US\$/AED= 0.2721 used in the whole presentation
 (1) Completed projects: projects with Building Completion (BCC) received
 (2) In-progress projects: projects with enabling works started / consultant appointed
 (3) In-planning projects: projects with no consultant appointed

Strong delivery track record across economic cycle



Performance highlights



Performance Review



Sales & Deliveries

- Booked sales of AED6.0bn in 9M 2017. This is 13% higher than 9M 2016.
- Delivered a total of 1,923 units during 9M 2017 comprising 1,071 units in DAMAC Hills, Dubai. Also delivered its first project in Riyadh - DAMAC Esclusiva and Amman - The Heights.

Gross Margins

- Gross margins (incl international) stood at for 49.3% for 9M 2017 and 41.6% for 3Q 2017.
- UAE business margin remains healthy at 54.1% for the 9M 2017 period.

Leverage

- Gross debt (including Sukuk Certificates) at AED5.0bn. Net cash position stood at AED3.0bn as at 30 Sep 2017.
- DAMAC issued Sukuk certificates worth AED1.84bn (US\$500mn) in Apr'17 maturing in Apr'22 at 6.25% coupon. DAMAC also repurchased Sukuk Certificates maturing in Apr'19 to the tune of AED727mn (US\$198mn).

Residential Leasing Business

- DAMAC properties commenced residential leasing in Mar'17 at DAMAC Hills. 95% of the units available for lease were rented out with annual rental potential of AED23mn as at 30 Sep 2017.

MSCI Inclusion

- DAMAC Properties was added to MSCI UAE Index w.e.f. 1st Jun 2017

Financial Highlights

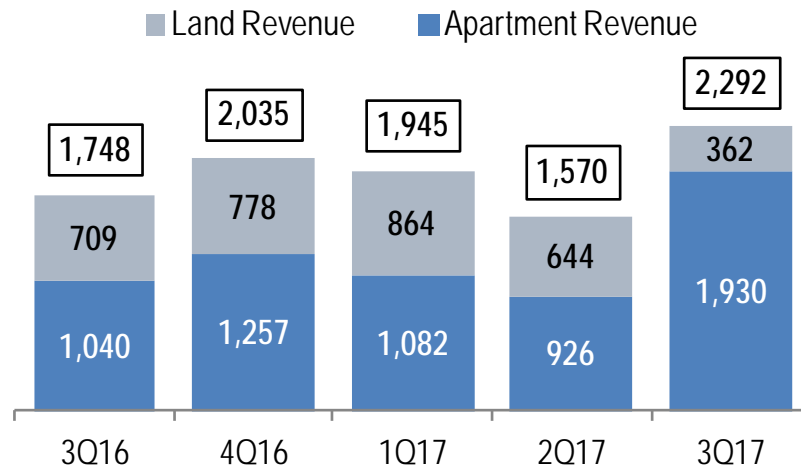


Revenue	Gross profit	Operating profit (including discontinued operations)
AED 5,807m (9M 2016: AED 5,121m)	AED 2,865m (9M 2016: AED 2,937m)	AED 2,361m (9M 2016: AED 2,848m)
Net profit	Operating Cashflow (before working capital changes)	Total assets
AED 2,305m (9M 2016: AED 2,839m)	AED 2,416m (9M 2016: AED 2,881m)	AED 25,458m (Dec'16: AED 24,626m)
Equity	Cash and Bank	Gross Debt
AED 13,410m (Dec'16: AED 12,618m)	AED 7,935m (Dec'16: AED 8,316m)	AED 4,958m (Dec'16: AED 3,816m)
Debt to Total Assets	Gross Margins	Cash & Dvplmt Prop as % of Total Assets
19.5% (Dec'16: 15.5%)	49.3% (9M 2016: 57.3%)	69.8% (Dec'16: 75.4%)

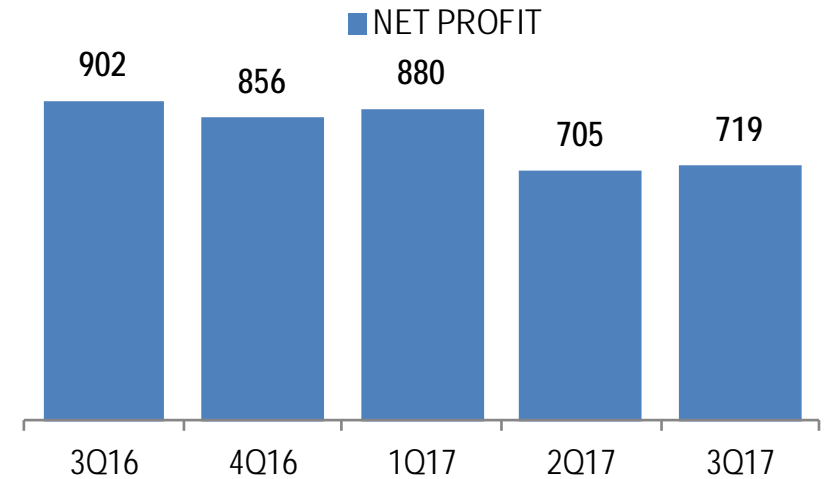
Performance Trends



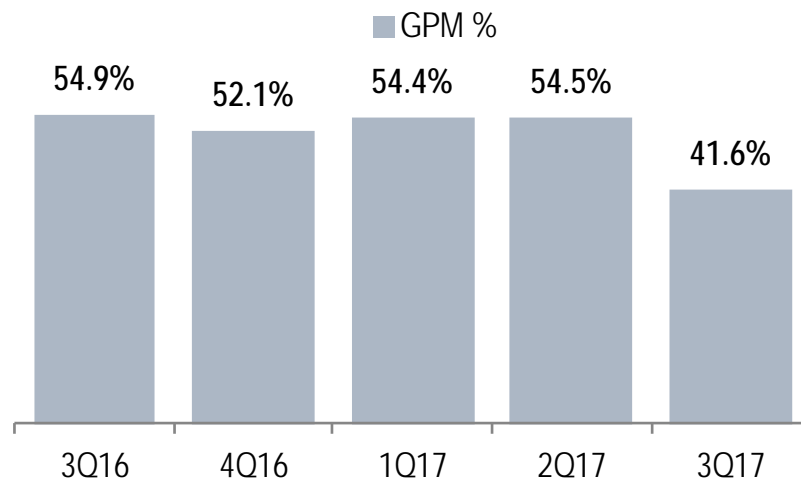
Revenue Trends (AED mn)



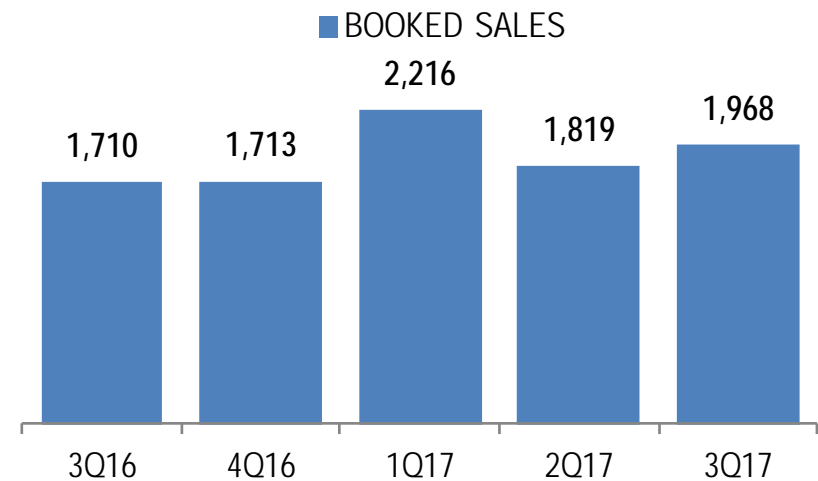
Net Profit Trends (AED mn)



Gross Profit Margin Trends %



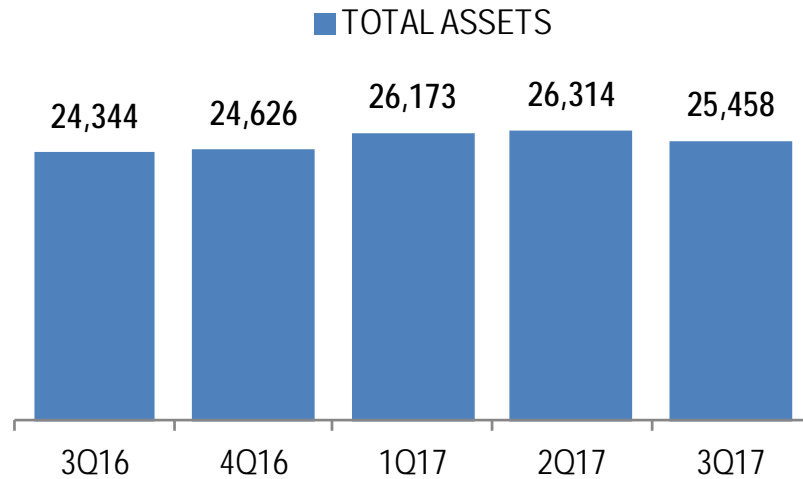
Booked Sales (AED mn)



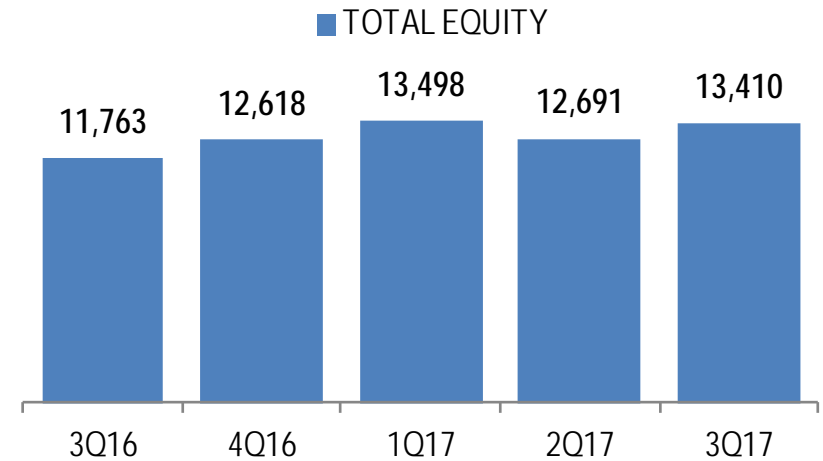
Performance Trends (contd.)



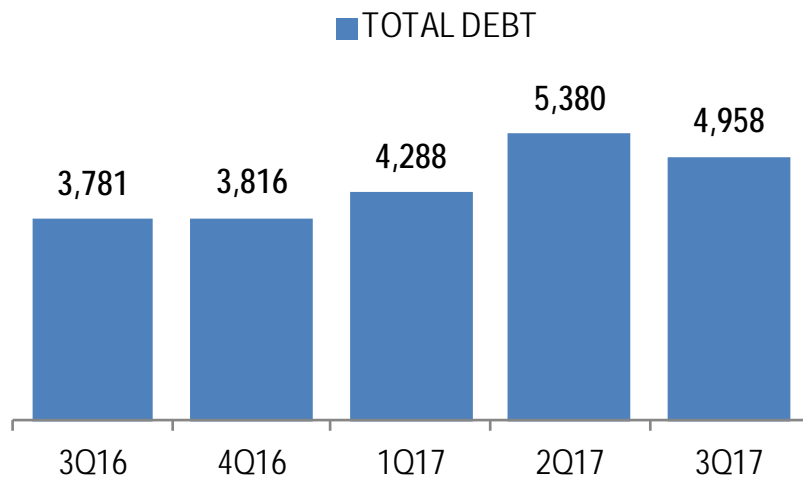
Total Assets (AED mn)



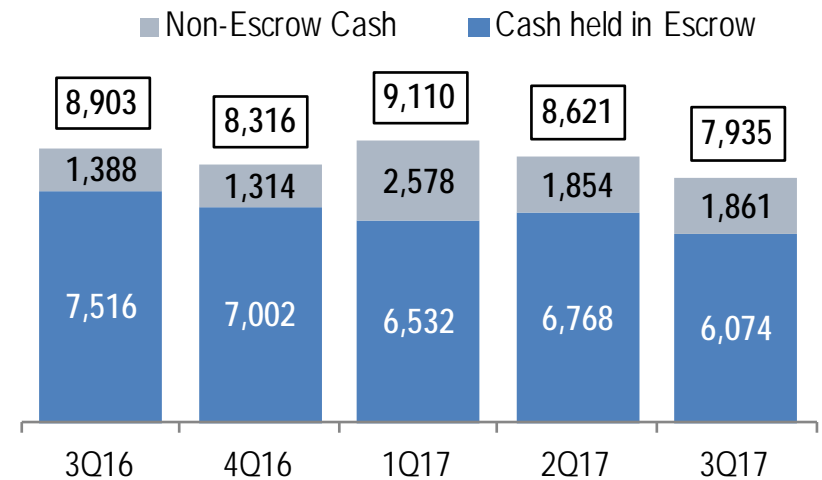
Total Equity (AED mn)



Total Debt (AED mn)



Cash & Bank Balance (AED mn)



Summary Income Statement



In AED mn	3Q 2017	3Q 2016	YoY %	9M 2017	9M 2016	YoY %
Property Development	1,930	1,040	86%	3,937	3,807	3%
Sale of Land	362	709	-49%	1,870	1,314	42%
Revenue	2,292	1,748	31%	5,807	5,121	13%
Cost of sales	(1,340)	(789)	70%	(2,942)	(2,184)	35%
Gross profit	952	960	-1%	2,865	2,937	-2%
<i>Gross profit margin</i>	41.6%	54.9%		49.3%	57.3%	
Other operating income	66	149	-56%	287	566	-49%
General, administrative and selling expenses	(267)	(195)	37%	(777)	(643)	21%
Depreciation	(9)	(4)	145%	(19)	(11)	69%
Gains on Disposal	0	0		3	0	
Operating profit	742	910	-18%	2,361	2,848	-17%
<i>Operating profit margin</i>	32.4%	52.0%		40.7%	55.6%	
Other Income	13	11	20%	41	39	4%
Finance Income	38	29	30%	103	86	20%
Finance Costs	(73)	(48)	53%	(200)	(134)	49%
Profit for the period	719	902	-20%	2,305	2,839	-19%
<i>Net income margin</i>	31.4%	51.6%		39.7%	55.4%	

Summary of Financial Position



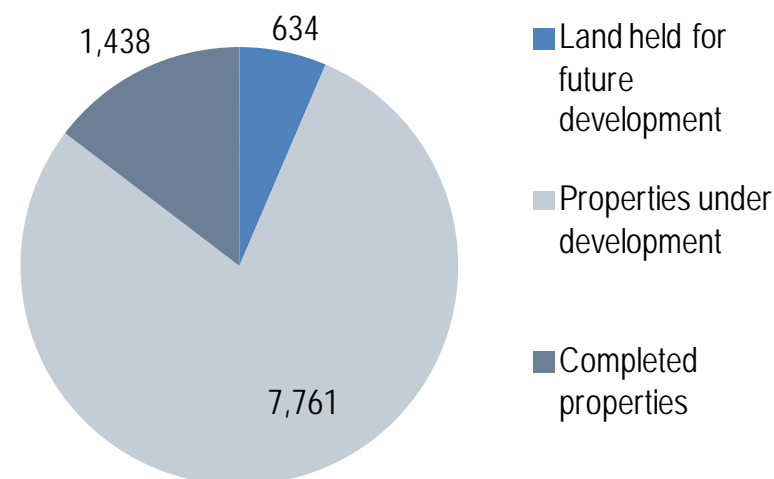
In AED mn	Sep'17	Dec'16	Change
ASSETS			
Property and equipment	151	59	92
Investment Properties	199	0	199
Development properties	9,833	10,245	(412)
Other financial assets	972	1,017	(45)
Trade and other receivables	6,114	4,804	1,309
Financial investments	255	185	69
Cash and bank balances	7,935	8,316	(381)
Total Assets	25,458	24,626	832

EQUITY AND LIABILITIES			
Share capital	6,050	6,050	0
Statutory reserve	634	634	0
Retained earnings	6,726	5,934	792
Total Equity	13,410	12,618	792

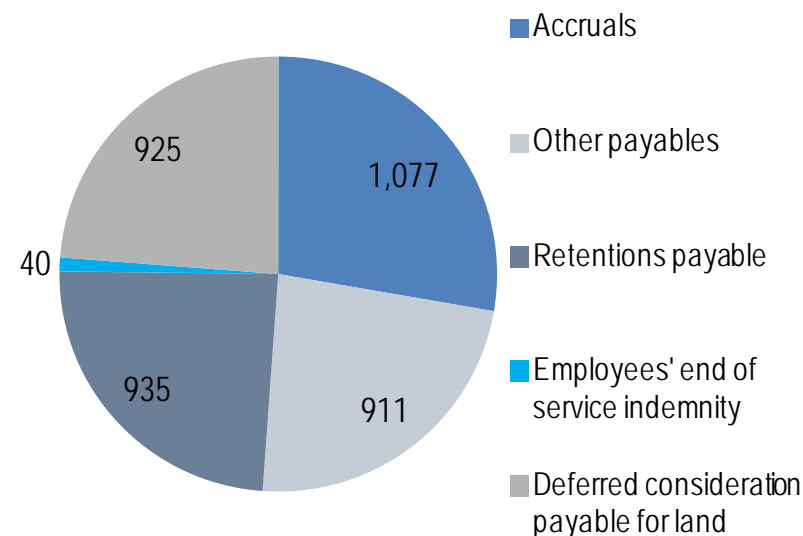
Liabilities			
Bank borrowings	1,024	1,163	(139)
Sukuk certificates	3,934	2,654	1,281
Advances from customers	3,201	4,197	(996)
Trade and other payables	3,888	3,995	(107)
Total Liabilities	12,047	12,008	40

Total Equity & Liabilities	25,458	24,626	832
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Development Properties - Sep'17 (AED mn)



Trade and other payables - Sep'17 (AED mn)

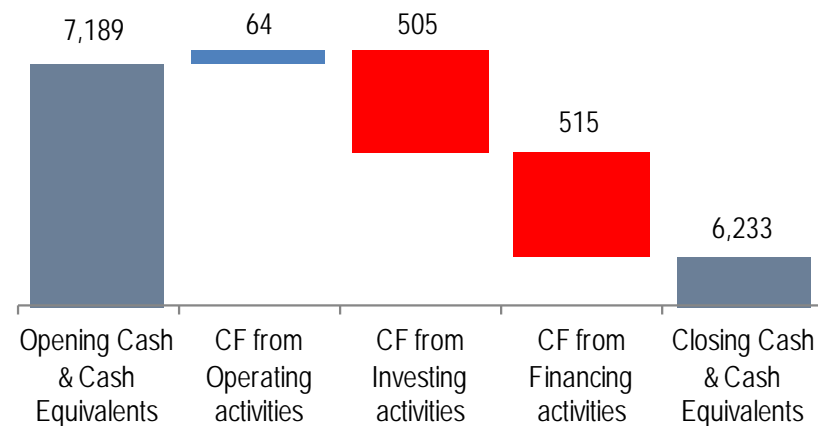


Summary Cashflows



In AED mn	9M 2017	9M 2016	Change
Cash flows from operating activities			
Profit for the period	2,305	2,839	(535)
Adjustments for:			
Depreciation on property and equipment	19	11	8
Provision for employees' end-of-service indemnity	9	8	1
Amortization of issue costs on Sukuk Certificates	6	2	4
(Gain)/Loss on retirement of property and equipment	0	(0.02)	0
Gain on Disposal	(3)	0	(3)
Finance income	(103)	(86)	(17)
Finance costs	200	134	66
Reversal of impairment on trade receivables	(17)	(28)	11
Operating cash flows before changes in working capital	2,416	2,881	(465)
Incr in trade and other receivables	(1,285)	(602)	(683)
Incr in development properties	106	(650)	756
Decr in advances from customers	(996)	(1,237)	242
Employee end-of-service benefits paid	(7)	(4)	(4)
(Decr)/Incr in trade and other payables	(170)	149	(319)
Net cash generated from operating activities	64	537	(473)
Net cash (used in) / generated from investing activities	(505)	71	(575)
Net cash generated from financing activities	(515)	(995)	480
Net Increase in Cash & Cash Equivalents	(956)	(388)	(568)
Opening Cash & Cash Equivalents	7,189	8,598	
Closing Cash & Cash Equivalents	6,233	8,210	

Movement in cash and cash equivalents during 9M 2017



	Sep'17	Sep'16
Cash and bank balances	7,935	8,903
Fixed deposits with an original maturity of greater than three months	(1,702)	(693)
Cash & Cash Equivalents	6,233	8,210

Key In-progress projects contributing to revenue



Status of key in-progress projects contributing to revenue from constructed apartment as at 30 Sep 2017

	Schedule Year of Completion	Total Area ('000 sq ft)	% Recognised
IN PROGRESS DEVELOPMENTS			
DAMAC TOWERS BY PARAMOUNT	2018	2,163	60-80%
DAMAC HEIGHTS	2017	889	40-60%
CELESTIA	2018	624	40-60%
AVANTI TOWERS	2018	139	c.40%
PRIVÉ BY DAMAC	2018	653	40-60%
GHALIA	2018	476	c.40%
TOWER 108	2018	359	40-60%
MAJESTINE	2018	383	40-60%
AKOYA by DAMAC Apartments	Upto 2020	2,979	40-60%

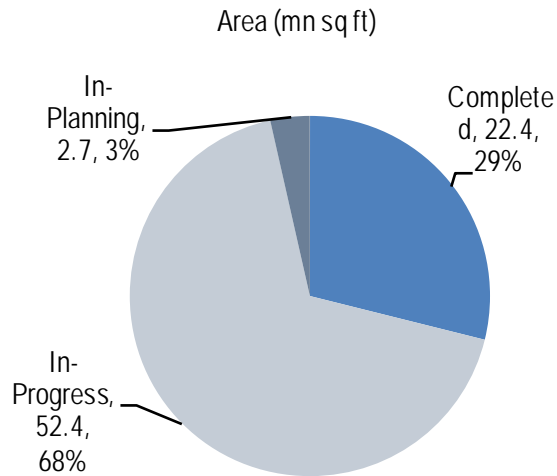
Note:

1. % Recognized is a factor of % area sold and % completion in any particular project.
2. Non-Akoya Projects Completed during the year or before the period-end date does not form part of above table.
3. For AKOYA, above data pertains to all the apartment buildings available for sale in the development which meets threshold criteria and are eligible for revenue recognition.

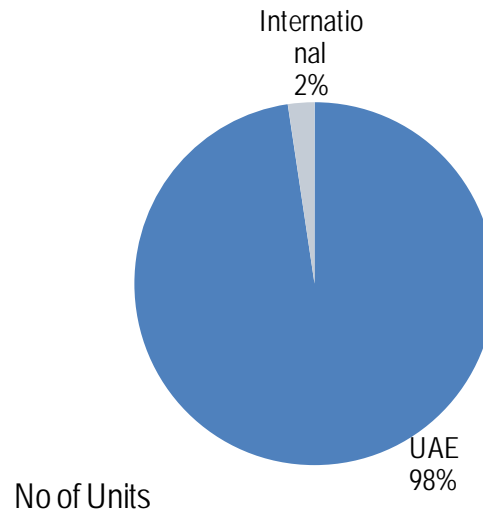
Portfolio Overview (as at 30 Sep 2017)



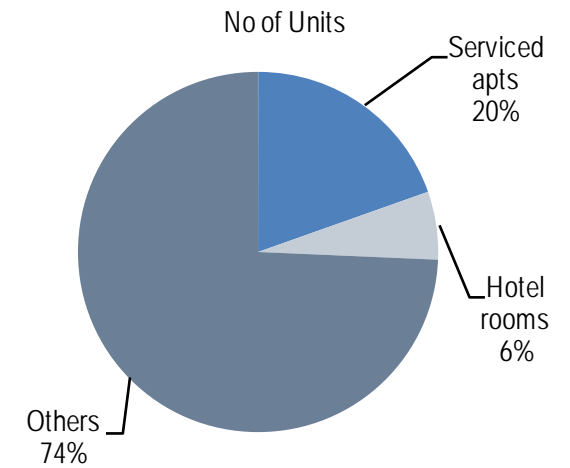
Portfolio by development status



Portfolio by location (in progress and in-planning projects)



Portfolio by product (in progress and in-planning projects)



UAE



No of projects	25
Units	40K+
Sellable area (mn sq ft)	53.8
Completion date	2017/21

International



No of projects	5
Units	1K
Sellable area (mn sq ft)	1.3
Completion date	2018/21

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Thank you