

DAMAC

LIVE THE LUXURY

Results Presentation

Year ended 31 March 2017



Disclaimer



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DAMAC Overview



Headquarters in Dubai

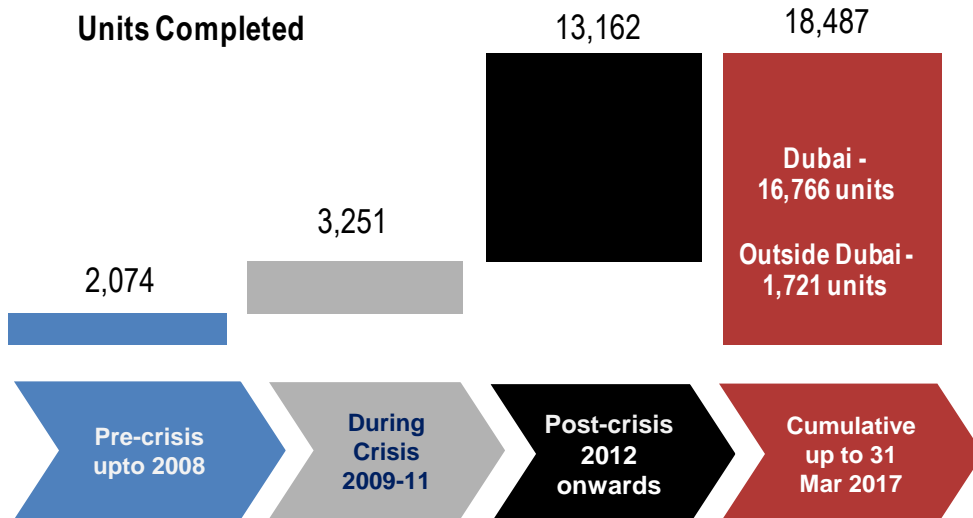
59+ mn sq ft projects in progress and in planning	6 countries with projects in progress and in-planning	10,000+ Hospitality units (incl. completed units and project pipeline)
c.1,900+ employees	c.600+ sales staff	c.500 Project execution and execution support team
AED2.2bn Booked Sales in 1Q 2017	AED1.9bn Revenue in 1Q 2017	AED0.9bn Net Profit in 1Q 2017
2016 – AED7.0bn	2016 - AED7.2bn	2016 - AED3.7bn

Portfolio Overview

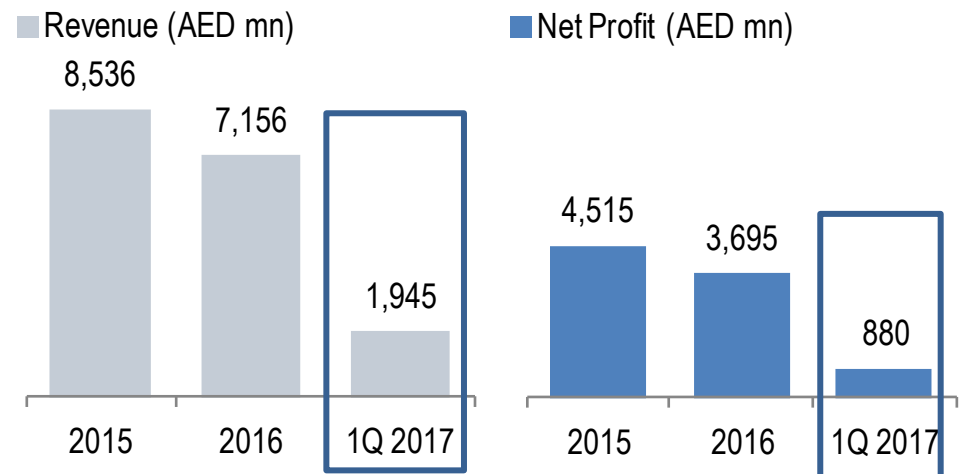
	Completed ⁽¹⁾ projects	In-progress ⁽²⁾ and In-planning ⁽³⁾ projects
Total:	c.18,500 units	Over 40,000 units
In Dubai:	Over 90%	c.95%

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 AED2.2bn in 1Q 2017. This is 11% higher than 1Q 2016 and 29% higher than 4Q 2016.
- Delivered 550 units in DAMAC Hills, Dubai. Inaugurated Trump International Golf Course at DAMAC Hills during 1Q 2017.

Recurring income business

- DAMAC earmarked certain ground+7 storey buildings as Investment Properties during the quarter. This paves way for foray into residential leasing at DAMAC Hills in line with management's long term strategy to build a recurring income stream.
- This has been well received by the market and are generating average yield of c.7% on market prices and c.14% on development costs.

Leverage

- Gross debt (including Sukuk Certificates) at AED4.29bn. Net cash position stood at AED4.82bn as at 31 Mar 2017.
- DAMAC issued Sukuk certificates worth AED1.84bn (US\$500mn) in Apr'17 maturing in Apr'22 at 6.25% coupon.
- Subsequent to issue DAMAC also repurchased Sukuk Certificates maturing in Apr'19 to the tune of AED727mn (US\$198mn).

2016 Dividends approved by shareholders

- Cash dividend of AED0.25 per share amounting to AED1,512.5 million was approved by shareholders in annual general assembly in Apr'17.

Financial Highlights

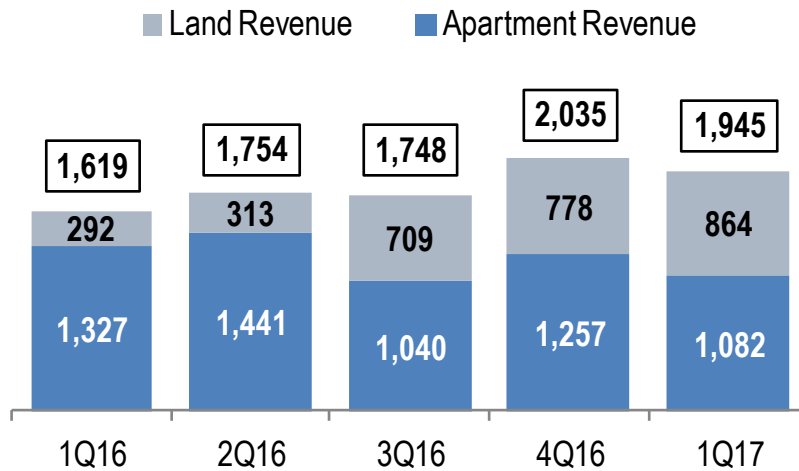


Revenue	Gross profit	Operating profit
AED 1,945m (1Q 2016: AED 1,619m)	AED 1,058m (1Q 2016: AED 987m)	AED 887m (1Q 2016: AED 1,048m)
Net profit	Operating Cashflow	Total assets
AED 880m (1Q 2016: AED 1,050m)	AED 290m (1Q 2016: AED 229m)	AED 26,173m (Dec'16: AED 24,626m)
Equity	Cash and Bank	Gross Debt
AED 13,498m (Dec'16: AED 12,618m)	AED 9,110m (Dec'16: AED 8,316m)	AED 4,288m (Dec'16: AED 3,816m)
Debt to Total Assets	Gross Margins	Cash & Dvplmt Prop as % of Total Assets
16.4% (Dec'16: 15.5%)	54.4% (1Q 2016: 61.0%)	73.9% (Dec'16: 75.4%)

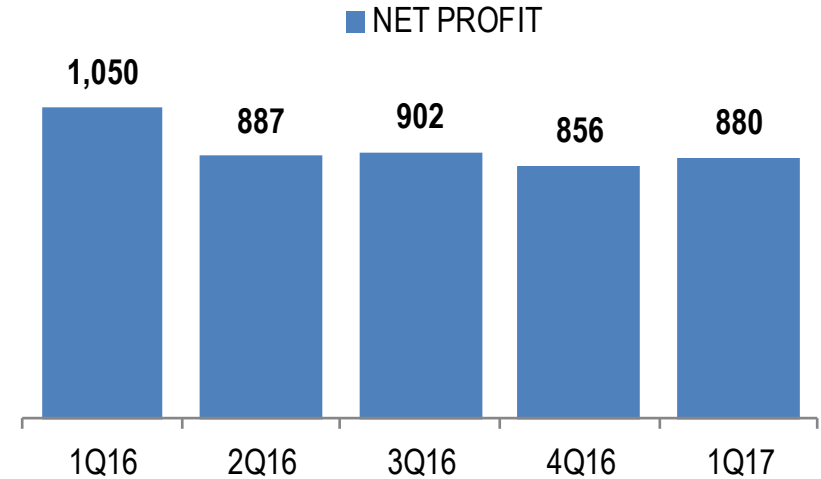
Performance Trends



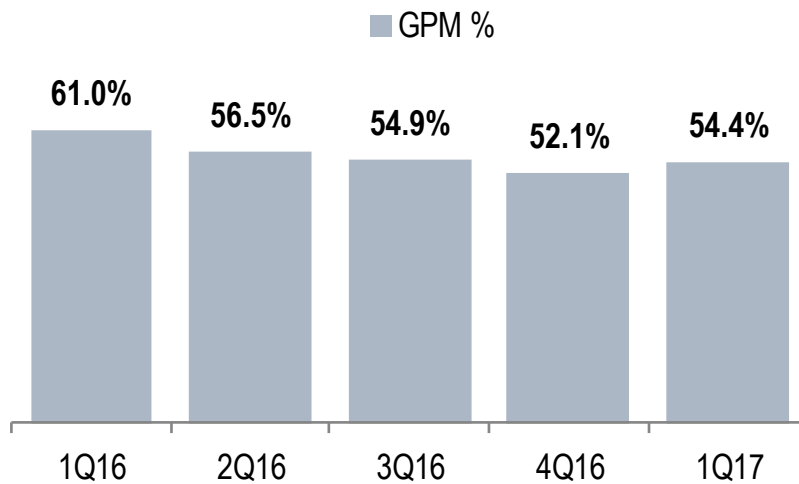
Revenue Trends (AED mn)



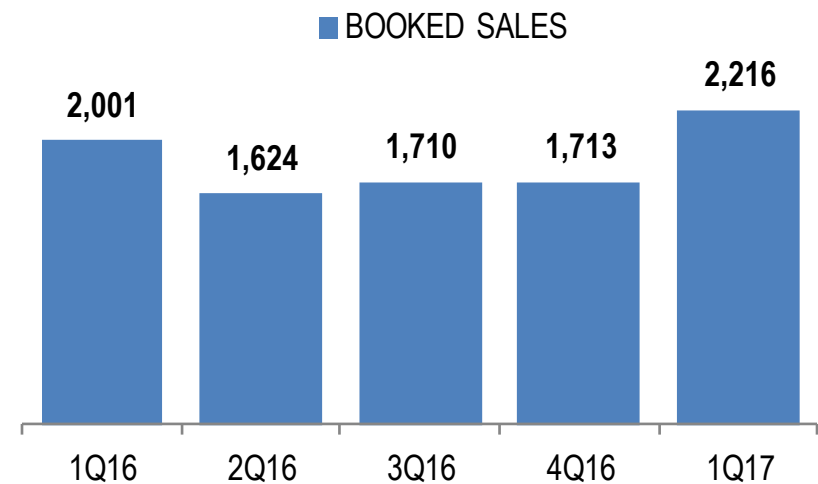
Net Profit Trends (AED mn)



Gross Profit Margin Trends %



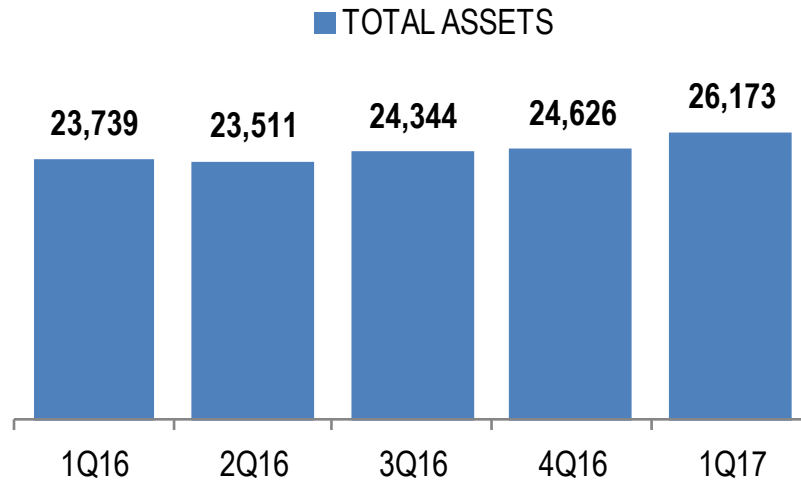
Booked Sales (AED mn)



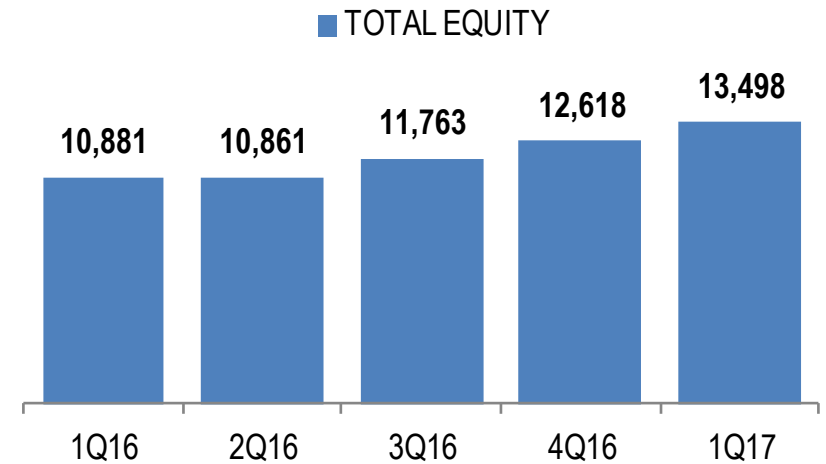
Performance Trends (contd.)



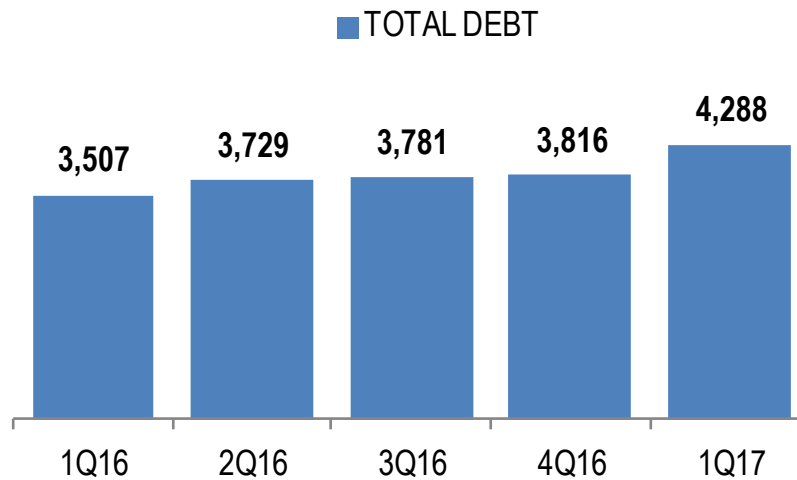
Total Assets (AED mn)



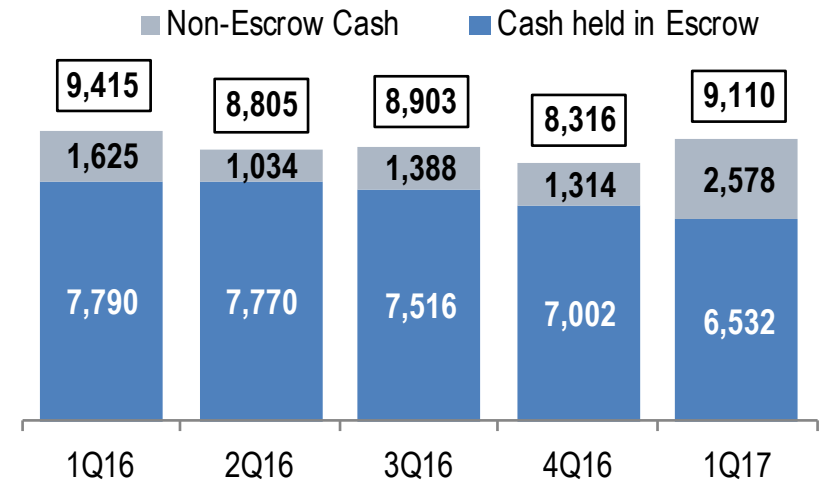
Total Equity (AED mn)



Total Debt (AED mn)



Cash & Bank Balance (AED mn)



Summary Income Statement



In AED mn	1Q 2017	1Q 2016	YoY %
Property Development	1,082	1,327	-18%
Sale of Land	864	292	196%
Revenue	1,945	1,619	20%
Cost of sales	(887)	(632)	40%
Gross profit	1,058	987	7%
<i>Gross profit margin</i>	54.4%	61.0%	
Other operating income	90	316	-71%
General, administrative and selling expenses	(257)	(251)	2%
Depreciation	(5)	(4)	21%
Operating profit	887	1,048	-15%
<i>Operating profit margin</i>	45.6%	64.7%	
Other Income	11	17	-35%
Finance Income	32	28	11%
Finance Costs	(49)	(44)	13%
Profit for the period	880	1,050	-16%
<i>Net income margin</i>	45.3%	64.9%	
Core profits (Excl Other operating income)	790	734	8%

Summary of Financial Position



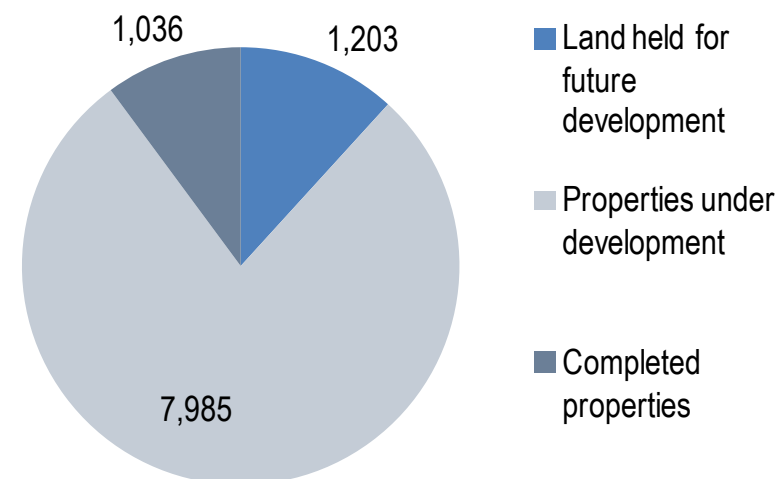
In AED mn	Mar'17	Dec'16	Change
ASSETS			
Property and equipment	151	59	93
Investment Properties	203	0	203
Development properties	10,224	10,245	(21)
Other financial assets	979	1,017	(37)
Trade and other receivables	5,320	4,804	516
Financial investments	185	185	0
Cash and bank balances	9,110	8,316	794
Total Assets	26,173	24,626	1,547

EQUITY AND LIABILITIES			
Share capital	6,050	6,050	0
Statutory reserve	634	634	0
Retained earnings	6,814	5,934	880
Total Equity	13,498	12,618	880

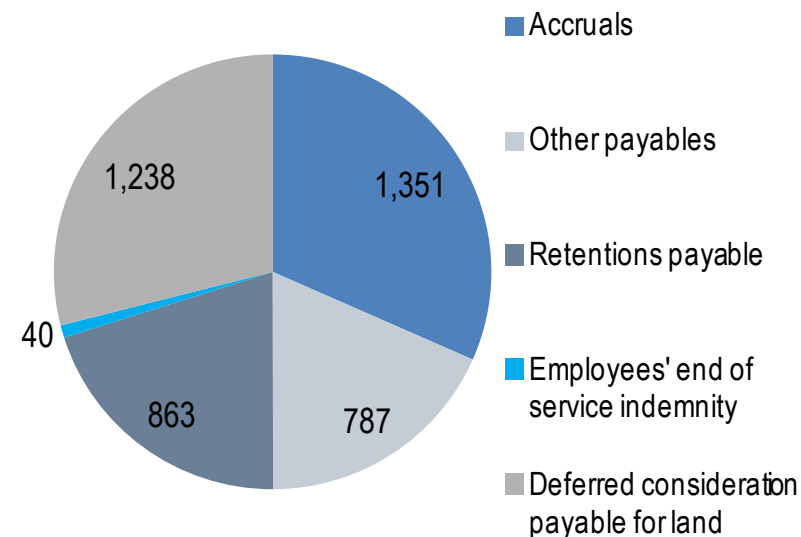
Liabilities			
Bank borrowings	1,449	1,163	287
Sukuk certificates	2,839	2,654	185
Advances from customers	4,109	4,197	(88)
Trade and other payables	4,278	3,995	283
Total Liabilities	12,674	12,008	666

Total Equity & Liabilities	26,173	24,626	1,547
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Development Properties - Mar'17 (AED mn)



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

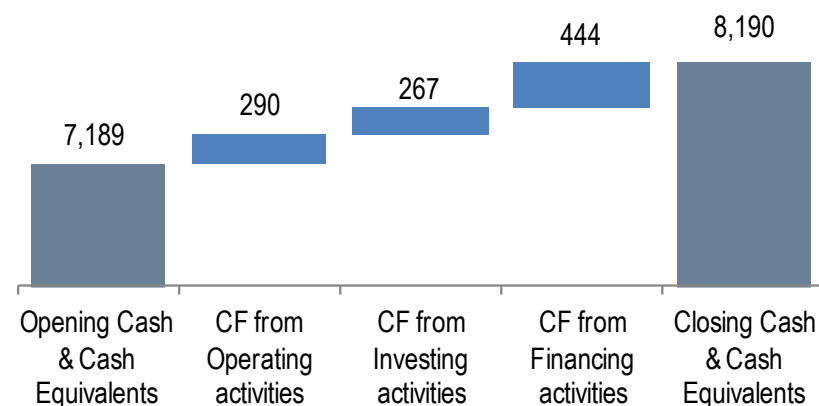


Summary Cashflows



In AED mn	1Q 2017	1Q 2016	Change
Cash flows from operating activities			
Profit for the period	880	1,050	(170)
Adjustments for:			
Depreciation on property and equipment	5	4	1
Provision for employees' end-of-service indemnity	3	3	0
Amortization of issue costs on Sukuk Certificates	8	1	7
Finance income	(32)	(28)	(3)
Finance costs	49	44	6
Reversal of impairment on trade receivables	(2)	0	(2)
Operating cash flows before changes in working capital	912	1,073	(162)
Incr in trade and other receivables	(510)	(38)	(472)
Incr in development properties	(274)	(272)	(2)
Decr in advances from customers	(88)	(622)	534
Employee end-of-service benefits paid	(1)	(2)	1
(Decr)/Incr in trade and other payables	252	90	162
Net cash generated from operating activities	290	229	61
Net cash generated from investing activities	267	135	132
Net cash (used in) / generated from financing activities	444	(272)	716
Net Increase in Cash & Cash Equivalents	1,001	92	909
Opening Cash & Cash Equivalents	7,189	8,598	
Closing Cash & Cash Equivalents	8,190	8,690	

Movement in cash and cash equivalents during 1Q 2017



	Mar'17	Mar'16
Cash and bank balances	9,110	9,415
Fixed deposits with an original maturity of greater than three months	(920)	(725)
Cash & Cash Equivalents	8,190	8,690

Key In-progress projects contributing to revenue



Status of key in-progress projects contributing to revenue from constructed apartment as at 31 Mar 2017

	Schedule Year of Completion	Total Area ('000 sq ft)	% Recognised
IN PROGRESS DEVELOPMENTS			
DAMAC TOWERS BY PARAMOUNT	2018	2,163	40-60%
DAMAC HEIGHTS	2017	889	40-60%
CELESTIA	2018	624	20-40%
AVANTI TOWERS	2018	139	20-40%
PRIVÉ BY DAMAC	2018	653	c.40%
GHALIA	2018	476	20-40%
TOWER 108	2018	359	20-40%
MAJESTINE	2018	383	c.40%
AKOYA by DAMAC Apartments	2017-2020	2,979	40-60%

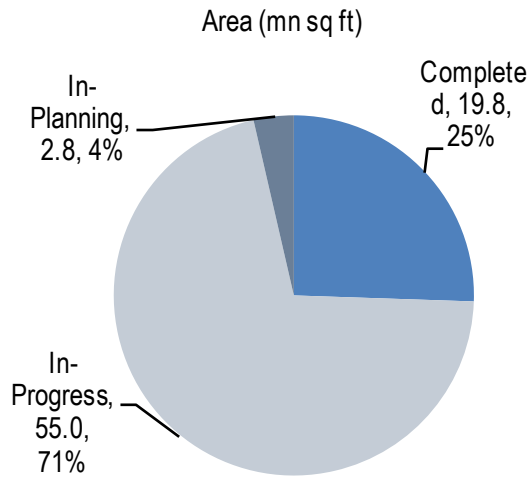
Note:

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.

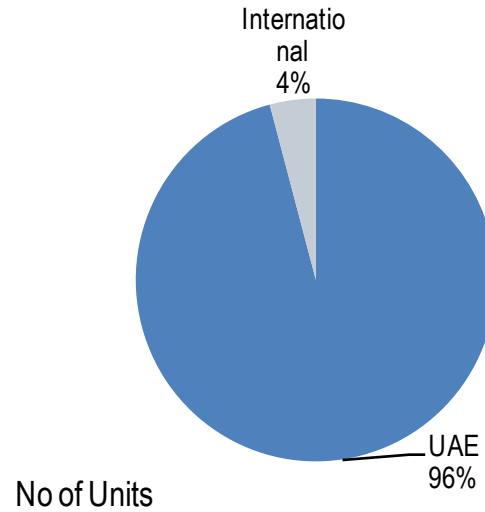
Portfolio Overview (as at 31 Mar 2017)



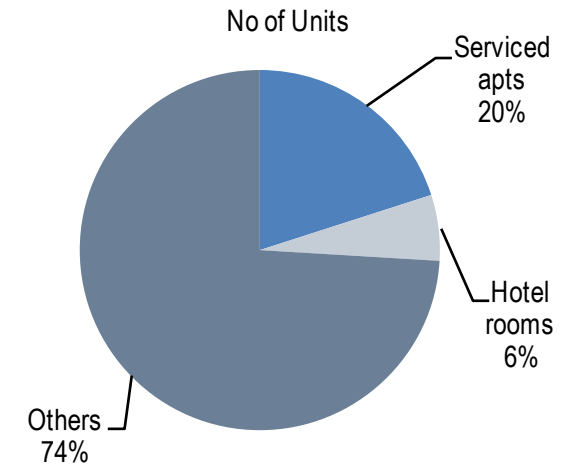
Portfolio by development status



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



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



UAE



No of projects	26
Units	40K+
Sellable area (mn sq ft)	55.4
Completion date	2017/21

International



No of projects	7
Units	1.8K
Sellable area (mn sq ft)	2.5
Completion date	2017/20

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Thank you