BASE PROSPECTUS

EMAAR SUKUK LIMITED

(incorporated as an exempted company in the Cayman Islands with limited liability)

U.S.$2,000,000,000
Trust Certificate Issuance Programme

Under the trust certificate issuance programme described in this Base Prospectus (the **Programme**), Emaar Sukuk Limited (in its capacity as issuer, the **Issuer** and, in its capacity as trustee, the **Trustee**), subject to compliance with all relevant laws, regulations and directives, may from time to time issue trust certificates (the **Trust Certificates**) in any currency agreed between the Issuer and the relevant Dealer (as defined below).

Trust Certificates may only be issued in registered form. The maximum aggregate face amount of all Trust Certificates from time to time outstanding under the Programme will not exceed U.S.$2,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Trust Certificates may be issued on a continuing basis to one or more of the Dealers specified under "*General Description of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the **relevant Dealer** shall, in the case of an issue of Trust Certificates being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Trust Certificates.

The Trust Certificates will be limited recourse obligations of the Issuer. An investment in Trust Certificates issued under the Programme involves certain risks. For a discussion of these risks, see "*Risk Factors*".

Each Tranche (as defined herein) of Trust Certificates issued under the Programme will be constituted by (i) an amended and restated master trust deed (the **Master Trust Deed**) dated 31 August 2016 entered into between the Issuer, the Trustee, Emaar Properties PJSC (**Emaar**) and Citibank, N.A., London Branch as delegate of the Trustee (in such capacity, the **Delegate**) and (ii) a supplemental trust deed (the **Supplemental Trust Deed**) in relation to the relevant Tranche. Trust Certificates of each Series confer on the holders of the Trust Certificates from time to time (the **Certificateholders**) the right to receive certain payments (as more particularly described herein) arising from the assets of a trust declared by the Trustee in relation to the relevant Series (the **Trust**). Such assets include, in particular, the right to receive the Deferred Sale Price (as defined herein) under a master murabaha agreement (the **Master Murabaha Agreement**) dated 31 August 2016 entered into between the Issuer, the Trustee, Emaar Sukuk Limited (in such capacity, the **Seller**) and Emaar (in such capacity, the **Buyer**) and the rights, title, interest and benefit of Emaar Sukuk Limited in, to and under the Lease Assets (as defined herein) of the relevant Series (the **Relevant Lease Assets**) as set out in (i) an amended and restated master lease agreement (the **Master Lease Agreement**) dated 31 August 2016 entered into between the Issuer, the Trustee and Emaar (in its capacity as lessee, the **Lessee**) and (ii) a supplemental lease agreement (as may from time to time be replaced in accordance with the provisions of the Sale Undertaking, the Purchase Undertaking and/or the Substitution and Sale of Additional Assets Undertaking (each as defined herein), the **Supplemental Lease Agreement**) for the relevant Series (such assets being referred to as the **Trust Assets** for the relevant Series).

This Base Prospectus has been approved by the Dubai Financial Services Authority (the **DFSA**) under Rule 2.6 of the DFSA's Markets Rules (the **Markets Rules**) and is therefore an Approved Prospectus for the purposes of Article 14 of the DIFC Law No.1 of 2012 (the **Markets Law**). Application has also been made to the DFSA for Trust Certificates issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the official list of securities (the **DFSA Official List**) maintained by the DFSA and to NASDAQ Dubai for such Trust Certificates to be admitted to trading on NASDAQ Dubai.

References in this Base Prospectus to Trust Certificates being **listed** (and all related references) shall mean that such Trust Certificates have been admitted to trading on NASDAQ Dubai and have been admitted to the DFSA Official List. The Programme provides that Trust Certificates may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer, Emaar and the relevant Dealer. The Issuer may also issue unlisted Trust Certificates and/or Trust Certificates not admitted to trading on any market.

Notice of the aggregate face amount of Trust Certificates and certain other information which is applicable to each Tranche of Trust Certificates will be set out in a final terms document (the **applicable Final Terms**) which, with respect to Trust Certificates to be listed on NASDAQ Dubai, will be delivered to the DFSA and NASDAQ Dubai.

The DFSA does not accept any responsibility for the content of the information included in this Base Prospectus, including the accuracy or completeness of such information. The liability for the content of this Base Prospectus lies with the Issuer and Emaar. The DFSA has also not assessed the suitability of the Trust Certificates to which this Base Prospectus relates to any particular investor or type of investor and has not determined whether they are *Sharia* compliant. If you do not understand the contents of this Base Prospectus or are unsure whether the Trust Certificates to which this Base Prospectus relates are suitable for your individual investment objectives and circumstances, you should consult an authorised financial adviser.

Emaar has been assigned a long term credit rating of Baa3 with a "stable outlook" by Moody's Investors Service Ltd. (**Moody's**) and BBB- with a "stable outlook" by Standard & Poor's Credit Market Services Europe Limited (**S&P**). The Programme has been assigned credit ratings of Baa3 by Moody's and BBB- by S&P. The United Arab Emirates has been assigned a long term credit rating of Aa2 with a "negative outlook" by Moody's Investors Service Singapore Pte. Ltd. (**Moody's Singapore**). Moody's Singapore is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). The ratings have been endorsed by Moody's in accordance with the CRA Regulation. Each of Moody's and S&P is established in the European Union and registered under the CRA Regulation. As such each of Moody's and S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website (at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation. ESMA has indicated that ratings issued in Singapore which have been endorsed by Moody's may be used in the EU by the relevant market participants. Trust Certificates issued under the Programme may be rated or unrated. Where a Tranche of Trust Certificates is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the rating assigned to the Programme by any of Moody's or S&P. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The transaction structure relating to the Trust Certificates (as described in this Base Prospectus) has been approved by the Shariah Supervisory Committee of Standard Chartered Bank. Prospective Certificateholders should not rely on such approvals in deciding whether to make an investment in the Trust Certificates and should consult their own *Sharia* advisers as to whether the proposed transaction described in such approvals is in compliance with their individual standards of compliance with *Sharia* principles.

Arranger

Standard Chartered Bank

Dealer

Standard Chartered Bank

The date of this Base Prospectus is 31 August 2016.

This Base Prospectus complies with the requirements in Part 2 of the Markets Law and Chapter 2 of the Markets Rules and comprises a base prospectus for the purpose of giving information with regard to the Issuer, Emaar and the Trust Certificates which, according to the particular nature of the Issuer, Emaar and the Trust Certificates, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer and Emaar.

The Issuer and Emaar accept responsibility for the information contained in this Base Prospectus. To the best of the knowledge of each of the Issuer and Emaar (each having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus should be read and construed together with any amendments or supplements hereto and, in relation to any Tranche of Trust Certificates, should be read and construed together with the applicable Final Terms.

Copies of Final Terms will be available from the registered office of the Issuer and the specified office set out below of the Principal Paying Agent (as defined below) save that, if the relevant Trust Certificates are not listed on NASDAQ Dubai and neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the applicable Final Terms will only be obtainable by a Certificateholder holding one or more Trust Certificates and such Certificateholder must produce evidence satisfactory to the Issuer or, as the case may be, the Principal Paying Agent as to its holding of such Trust Certificates and identity.

None of the Arranger, the Dealers, the Agents (as defined herein) or the Delegate have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arranger, the Dealers, the Agents or the Delegate as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by the Issuer or Emaar in connection with the Programme. None of the Arranger, any Dealer, any Agent or the Delegate accepts any liability in relation to the information contained in this Base Prospectus or any other information provided by the Issuer and Emaar in connection with the Programme.

No person is or has been authorised by the Issuer or Emaar to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Trust Certificates and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, Emaar, the Trustee, the Delegate, the Arranger, the Agents or any of the Dealers.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Trust Certificates (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, Emaar, the Trustee, the Delegate, the Arranger, the Agents or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Trust Certificates should purchase any Trust Certificates. Each investor contemplating purchasing any Trust Certificates should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and Emaar. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Trust Certificates constitutes an offer or invitation by or on behalf of the Issuer, Emaar, the Trustee, the Delegate, the Arranger, the Agents or any of the Dealers to any person to subscribe for or to purchase any Trust Certificates.

No comment is made or advice given by the Issuer, Emaar, the Trustee, the Delegate, the Arranger, the Agents or the Dealers in respect of taxation matters relating to any Trust Certificates or the legality of the purchase of Trust Certificates by an investor under applicable or similar laws.

EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN TAX ADVISER, LEGAL ADVISER AND BUSINESS ADVISER AS TO TAX, LEGAL, BUSINESS AND RELATED MATTERS CONCERNING THE PURCHASE OF TRUST CERTIFICATES.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Trust Certificates shall in any circumstances imply that the information contained in it concerning the Issuer or Emaar is correct at any time subsequent to its date or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Delegate, the Arranger, the Agents and the Dealers expressly do not undertake to review the financial condition or affairs of the Issuer or Emaar during the life of the Programme or to advise any investor in the Trust Certificates issued under the Programme of any information coming to their attention.

The Trust Certificates have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) and may not be offered, sold or delivered within the United States or to U.S. persons (as defined in Regulation S under the Securities Act) unless pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. See "*Subscription and Sale*".

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Trust Certificates in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Trust Certificates may be restricted by law in certain jurisdictions. The Issuer, Emaar, the Trustee, the Delegate, the Arranger, the Agents and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Trust Certificates may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, Emaar, the Trustee, the Delegate, the Arranger, the Agents or the Dealers which is intended to permit a public offering of any Trust Certificates or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Trust Certificates may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Trust Certificates may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Trust Certificates. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Trust Certificates in the United States, the European Economic Area (including the United Kingdom), the Cayman Islands, the Dubai International Financial Centre, Hong Kong, Malaysia, Saudi Arabia, Singapore and the United Arab Emirates (excluding the Dubai International Financial Centre), see "*Subscription and Sale*".

The Trust Certificates may not be a suitable investment for all investors. Each potential investor in Trust Certificates must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisors, whether it:

(a) has sufficient knowledge and experience to make a meaningful evaluation of the Trust Certificates, the merits and risks of investing in the Trust Certificates and the information contained in this Base Prospectus;

(b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Trust Certificates and the impact the Trust Certificates will have on its overall investment portfolio;

(c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Trust Certificates, including where the currency of payment is different from the potential investor's currency;

(d) understands thoroughly the terms of the Trust Certificates and is familiar with the behaviour of any relevant indices and financial markets; and

(e) is able to evaluate possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Trust Certificates are legal investments for it, (2) the Trust Certificates can be used as collateral for various types of financing and (3) other restrictions apply to its purchase or pledge of any Trust Certificates. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Trust Certificates under any applicable risk-based capital or similar rules.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

Some statements in this Base Prospectus may be deemed to be "forward-looking statements" – that is, statements related to future, not past, events. Forward-looking statements include statements concerning Emaar's plans, objectives, goals, strategies and future operations and performance and the assumptions underlying these forward-looking statements. When used in this Base Prospectus, the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "aims", "seeks", "may", "will", "should" and any similar expressions generally identify forward-looking statements. These forward-looking statements are contained in the sections entitled "*Risk Factors*", "*Financial Review*" and "*Description of Emaar Properties PJSC*" and other sections of this Base Prospectus. Emaar has based these forward-looking statements on the current view of its management with respect to future events and financial performance. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Although Emaar believes that the expectations, estimates and projections reflected in its forward-looking statements are reasonable as of the date of this Base Prospectus, if one or more of the risks or uncertainties materialise, including those identified below or which Emaar has otherwise identified in this Base Prospectus, or if any of Emaar's underlying assumptions prove to be incomplete or inaccurate, Emaar's actual results of operation may be materially different from those expected, estimated or predicted. Investors are therefore strongly advised to read the sections entitled "*Risk Factors*", "*Financial Review*" and "*Description of Emaar Properties PJSC*", which include a more detailed description of the factors that might have an impact on Emaar's business development and on the industry sector in which Emaar operates.

The risks and uncertainties referred to above include:

- Emaar's ability to achieve and manage the growth of its business;
- the performance of the markets in the UAE and the wider region in which Emaar operates;
- Emaar's exposure to natural disasters and risks resulting from potentially catastrophic events such as armed conflicts or other events disrupting its business;
- Emaar's ability to realise the benefits it expects from existing and future projects and investments it is undertaking or plans to or may undertake;
- Emaar's ability to obtain external financing or maintain sufficient capital to fund its existing and future investments and projects;
- changes in political, social, legal or economic conditions in the markets in which Emaar and its customers operate; and
- actions taken by Emaar's joint venture partners that may not be in accordance with its policies and objectives.

Any forward-looking statements contained in this Base Prospectus speak only as at the date of this Base Prospectus. Without prejudice to any requirements under applicable laws and regulations (including, without limitation, the DFSA's and NASDAQ Dubai's rules and regulations regarding ongoing disclosure obligations), each of the Issuer and Emaar expressly disclaims any obligation or undertaking to disseminate after the date of this Base Prospectus any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward-looking statement is based.

Presentation of financial information

Emaar is obliged to prepare consolidated financial statements for the Group in accordance with International Financial Reporting Standards (**IFRS**) and applicable requirements of UAE law.

The consolidated financial statements of Emaar for the financial year ended 31 December 2014 have been audited without qualification but with emphasis of matter on Emaar's investment in Amlak Finance PJSC (**Amlak**) and the consolidated financial statements for the financial year ended 31 December 2015 have been audited without qualification by Ernst & Young Middle East (Dubai Branch) (**EY**), independent auditors, as stated in their reports which are incorporated by reference in this Base Prospectus (the **2014 Financial Statements** and the **2015 Financial Statements**, respectively, and, together, the **Audited Consolidated Financial Statements**).

The unaudited interim condensed consolidated financial statements of Emaar as at and for the six month period ended 30 June 2016 have been reviewed by EY in accordance with the International Standard on Review Engagement 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" (the **Interim Consolidated Financial Statements** and, together with the Audited Consolidated Financial Statements, the **Consolidated Financial Statements**), as stated in their review report incorporated by reference therein.

In particular, the financial information contained in the "*Selected Financial Information*" and "*Financial Review*" sections present certain selected financial information of Emaar as at and for the years ended 31 December 2014 and 2015 and as at and for the six month periods ended 30 June 2015 and 2016 as follows:

- the selected financial data as at and for the six month period ended 30 June 2016 appearing in this Base Prospectus has been extracted from the Interim Consolidated Financial Statements;
- the selected financial data as at and for the six month period ended 30 June 2015 appearing in this Base Prospectus has been extracted from the comparative financial information as at and for the six month period ended 30 June 2015 included in the Interim Consolidated Financial Statements.
- the selected financial data as at and for the year ended 31 December 2015 appearing in this Base Prospectus has been extracted from the 2015 Financial Statements; and
- the selected financial data as at and for the year ended 31 December 2014 appearing in this Base Prospectus has been extracted from the comparative financial information as at and for the year ended 31 December 2014 included in the 2015 Financial Statements.

The changes, percentage or percentage changes in financial data included in this Base Prospectus are based on the amounts reported in the Group's financial statements. As a result, changes, percentage or percentage changes stated in this Base Prospectus may not be an exact arithmetical change of the numbers stated in this Base Prospectus.

The Group has elected to adopt IFRS 15 early, with effect from 1 January 2015, as the Group considers it better reflects the real estate business performance of the Group. The Group has opted for modified retrospective application permitted by IFRS 15 upon adoption of the new standard. Accordingly, the standard has been applied to the year ended 31 December 2015 only (being the initial application period). Modified retrospective application also requires the recognition of the cumulative impact of adoption on all contracts that were not complete as at 1 January 2015 in the form of an adjustment to the opening balance of retained earnings as at 1 January 2015. As a result, certain adjustments were made in the 2015 Financial Statements and, accordingly, to the extent of such adjustments, those statements are not comparable to the 2014 Financial Statements.

The details of adjustments to opening retained earnings and other account balances are detailed below:

Consolidated statement of financial position

	31 December 2014 (as reported)	Adjustments/ reclassification	1 January 2015
		(*AED '000*)	
Assets			
Trade and unbilled receivables	1,126,558	620,347	1,746,905
Other assets, receivables, deposits and prepayments	3,392,747	163,771	3,556,518
Development properties............................	27,625,627	(2,400,881)	25,224,746
Investment in associates and joint ventures	5,590,791	1,088,812	6,679,603
Liabilities			
Trade and other payables	9,860,351	7,359	9,867,710
Advances from customers.........................	15,482,005	(2,894,980)	12,587,025
Equity			
Retained earnings	9,445,391	2,337,907	11,783,298
Non-controlling interests	2,620,047	21,763	2,641,810

The table below represents impact on revenue, cost of revenue and net profit for the year had the earlier policy for revenue recognition been continued during the year:

Consolidated income statement

	For the year ended 31 December 2015		
	As per the old policy	As per IFRS 15	Impact
		(*AED '000*)	
Revenue	10,215,999	13,660,536	(3,444,537)
Cost of revenue...	(4,216,118)	(6,397,612)	2,181,494
Net profit for the year attributable to the owners of the parent	2,576,471	4,082,165	(1,505,694)

For more detail on these reclassifications, please see note 2.3 (a) to the 2015 Financial Statements.

Emphasis of Matter

EY's audit report in respect of the 2014 Financial Statements includes an emphasis of matter relating to Emaar's investment in Amlak. See "*Description of Emaar Properties PJSC — Financial Services — Amlak Finance*" and the relevant report contained in the 2014 Financial Statements for further details.

The Consolidated Financial Statements are incorporated by reference in this Base Prospectus.

Certain Publicly Available Information

Information under the headings "*Risk Factors*", "*Financial Review*" and "*Overview of the United Arab Emirates*" has been extracted from information provided by the Dubai Economic Council, the Department of Tourism and Commerce Marketing of the Government of Dubai (in the case of "*Risk Factors*"), the Dubai

Statistics Centre (in the case of "*Risk Factors*" and "*Overview of the United Arab Emirates*"), the Land Department of the Government of Dubai (in the case of "*Financial Review*"), the Dubai Department of Economic Development, the MSCI Emerging Markets Index and the Federal Competitiveness and Statistics Authority (in the case of "*Overview of the United Arab Emirates*") and the Statistical Yearbook – Emirate of Dubai – 2014, OPEC Annual Statistics Bulletin 2015, the Annual Economic Report – 2015 published by the UAE Ministry of Economy, the World Economic Outlook – April 2016 published by the International Monetary Fund, the Annual Report 2015 published by the Central Bank of the UAE and the Dubai Real Estate Market Overview – Q2 2016, Dubai Real Estate Market Overview – Q1 2016 and The UAE Real Estate Market – 2015: A Year in Review reports each published by Jones Lang LaSalle (in the case of *"Description of Emaar Properties PJSC"* and "*Overview of the United Arab Emirates*"), and, in each case, the relevant source of such information is specified where it appears under those headings. Each of the Issuer and Emaar confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the relevant sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Currency

All references in this document to **U.S. dollars, U.S.$** and **$** are to the lawful currency of the United States of America, references to **Sterling** and **£** are to the lawful currency of the United Kingdom, references to **EGP** are to the lawful currency of Egypt and references to **AED** and **dirham** are to the lawful currency of the United Arab Emirates. The UAE dirham has been pegged to the U.S. dollar since 22 November 1980. The mid point between the official buying and selling rates for the dirham is at a fixed rate of AED3.6725 = U.S.$1.00. All references to **euro** and **€** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended. In addition, all references in this Base Prospectus to the **UAE** are to the United Arab Emirates and references to **Dubai** are to the Emirate of Dubai.

Rounding

Certain financial and statistical amounts included in this Base Prospectus are approximations or have been subject to rounding adjustments. Accordingly, figures shown as derivations or totals in certain tables may not be exact arithmetic derivatives or aggregations of the figures that precede them.

Volcker Rule

The Trustee may be a "covered fund" for the purposes of Section 13 of the Bank Holding Company Act of 1956, as amended, and any implementing regulations and related guidance (the **Volcker Rule**). Further, the Trust Certificates may constitute an "ownership interest" for the purposes of the Volcker Rule. As a result, the Volcker Rule may, subject to certain exemptions, prohibit certain banking institutions from, directly or indirectly, acquiring or retaining the Trust Certificates. This prohibition may adversely affect the liquidity and market price of the Trust Certificates. In addition, any entity that is a "banking entity" under the Volcker Rule and is considering an investment in the Trust Certificates should consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally.

NOTICE TO UK RESIDENTS

Any Trust Certificates to be issued under the Programme which do not constitute "alternative finance investment bonds" (*AFIBs*) within the meaning of Article 77A of the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2010 will represent interests in a collective investment scheme (as defined in the Financial Services and Markets Act 2000 (the *FSMA*)) which has not been authorised, recognised or otherwise approved by the United Kingdom Financial Conduct Authority. Accordingly, this Base Prospectus is not being distributed to, and must not be passed on to, the general public in the United Kingdom.

The distribution in the United Kingdom of this Base Prospectus, any Final Terms and any other marketing materials relating to the Trust Certificates is being addressed to, or directed at: (A) if the Trust Certificates are AFIBs and the distribution is being effected by a person who is not an authorised person under the FSMA, only the following persons: (i) persons who are Investment Professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005

(the *Financial Promotion Order*), (ii) persons falling within any of the categories of persons described in Article 49 (High net worth companies, unincorporated associations, etc.) of the Financial Promotion Order; and (iii) any other person to whom it may otherwise lawfully be made in accordance with the Financial Promotion Order; and (B) if the Trust Certificates are not AFIBs and the distribution is effected by a person who is an authorised person under the FSMA, only the following persons: (i) persons falling within one of the categories of Investment Professional as defined in Article 14(5) of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (the *Promotion of CISs Order*), (ii) persons falling within any of the categories of person described in Article 22 (High net worth companies, unincorporated associations, etc.) of the Promotion of CISs Order and (iii) any other person to whom it may otherwise lawfully be made in accordance with the Promotion of CISs Order.

Persons of any other description in the United Kingdom may not receive and should not act or rely on this Base Prospectus, any Final Terms or any other marketing materials in relation to the Trust Certificates.

Potential investors in the United Kingdom in any Trust Certificates which are not AFIBs are advised that all, or most, of the protections afforded by the United Kingdom regulatory system will not apply to an investment in such Trust Certificates and that compensation will not be available under the United Kingdom Financial Services Compensation Scheme. Any individual intending to invest in any investment described in this Base Prospectus should consult his professional adviser and ensure that he fully understands all the risks associated with making such an investment and that he has sufficient financial resources to sustain any loss that may arise from such investment.

CAYMAN ISLANDS NOTICE

No invitation may be made, whether directly or indirectly, to any member of the public of the Cayman Islands to subscribe for the Trust Certificates and this Base Prospectus shall not be construed as an invitation to any member of the public of the Cayman Islands to subscribe for any Certificates issued under the Programme.

NOTICE TO BAHRAIN RESIDENTS

In relation to investors in the Kingdom of Bahrain, Trust Certificates issued in connection with this Base Prospectus and related offering documents may only be offered in registered form to existing accountholders and accredited investors as defined by the Central Bank of Bahrain (the *CBB*) in the Kingdom of Bahrain where such investors make a minimum investment of at least U.S.$100,000 or any equivalent amount in another currency or such other amount as the CBB may determine.

This Base Prospectus does not constitute an offer of securities in the Kingdom of Bahrain in terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This Base Prospectus and related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no Trust Certificates may be offered, sold or made the subject of an invitation for subscription or purchase nor will this Base Prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to accredited investors for an offer outside the Kingdom of Bahrain.

The CBB has not reviewed, approved or registered this Base Prospectus or related offering documents and it has not in any way considered the merits of the Trust Certificates to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this Base Prospectus and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this Base Prospectus. No offer of Trust Certificates will be made to the public in the Kingdom of Bahrain and this Base Prospectus must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

KINGDOM OF SAUDI ARABIA NOTICE

This Base Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the *Capital Market Authority*).

The Capital Market Authority does not make any representations as to the accuracy or completeness of this Base Prospectus, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Base Prospectus. Prospective purchasers of Trust Certificates issued under the Programme should conduct their own due diligence on the accuracy of the information relating to the Trust Certificates. If a prospective purchaser does not understand the contents of this Base Prospectus he or she should consult an authorised financial adviser.

NOTICE TO RESIDENTS OF MALAYSIA

Any Trust Certificates to be issued under the Programme may not be offered for subscription or purchase and no invitation to subscribe for or purchase such Trust Certificates in Malaysia may be made, directly or indirectly, and this Base Prospectus or any document or other materials in connection therewith may not be distributed in Malaysia other than to persons falling within the categories set out in Schedule 6 or Section 229(1)(b) and Schedule 7 or Section 230(1)(b), read together with Schedule 8 or Section 257(3) of the Capital Market and Services Act 2007 of Malaysia.

The Securities Commission of Malaysia shall not be liable for any non-disclosure on the part of the Issuer or Emaar and assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this Base Prospectus.

STABILISATION

IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF TRUST CERTIFICATES, THE DEALER OR DEALERS (IF ANY) NAMED AS STABILISING MANAGER(S) (OR ANY PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN THE APPLICABLE FINAL TERMS MAY OVER-ALLOT TRUST CERTIFICATES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE TRUST CERTIFICATES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE CAN BE NO ASSURANCE THAT THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF A STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF TRUST CERTIFICATES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF TRUST CERTIFICATES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF TRUST CERTIFICATES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISATION MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

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RISK FACTORS

Before making an investment decision, prospective purchasers of Trust Certificates should consider carefully, in the light of their own financial circumstances and investment objectives, all of the information in this Base Prospectus.

Each of the Issuer and Emaar believes that the factors described below represent the principal risks inherent in investing in Trust Certificates, but the inability of the Issuer to pay any amounts on or in connection with any Trust Certificate may occur for other reasons and neither the Issuer nor Emaar represents that the statements below regarding the risks of holding any Trust Certificate are exhaustive. There may also be other considerations, including some which may not be presently known to the Issuer or Emaar or which the Issuer or Emaar currently deems immaterial, that may impact any investment in Trust Certificates.

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision. Words and expressions defined in "Form of the Trust Certificates" and "Terms and Conditions of the Trust Certificates" shall have the same meanings in this section.

Risk factors relating to the Issuer

At the date of this Base Prospectus, the Issuer is an exempted company with limited liability incorporated under the laws of the Cayman Islands on 8 September 2008 and has a limited operating history. The Issuer will not engage in any business activity other than the issuance of Trust Certificates under the Programme, the acquisition of the Trust Assets as described herein, acting in the capacity as Trustee, the issuance of shares in its capital and other activities incidental or related to the foregoing as required under the Transaction Documents.

The Issuer's only material assets, which will be held on trust for Certificateholders, will be the Trust Assets relating to each Series of Trust Certificates, including the obligation of the Lessee to make payments under the Lease Agreement (as defined below) and the obligation of Emaar (in such capacity, the **Obligor**) to make payments under the Purchase Undertaking (as defined below) to the Issuer in its capacity as Trustee. Therefore, the Issuer is subject to all the risks to which Emaar is subject to the extent that such risks could limit Emaar's ability to satisfy in full and on a timely basis its obligations under the Lease Agreement and the Purchase Undertaking. See "*Risk factors relating to Emaar*" below for a further description of these risks.

The ability of the Issuer to pay amounts due on the Trust Certificates will primarily be dependent upon receipt by the Issuer from the Lessee and the Obligor, respectively, of all amounts due under the Lease Agreement and the Purchase Undertaking or the Sale Undertaking (as defined below), respectively (which in aggregate may not be sufficient to meet all claims under the Trust Certificates and the Transaction Documents).

Risk factors relating to Emaar

Emaar's financial performance is dependent on economic and other conditions of the regions in which it operates

Emaar conducts most of its activities in the Middle East, North Africa and South Asia (**MENASA**) region and its business, results of operations, cash flows and financial condition could be materially adversely affected by any adverse change in the social, political or economic conditions in these regions, including, in particular, in their real estate markets.

Since late 2008, property and construction markets in the UAE and a number of other countries in the MENASA region have been significantly adversely affected by macroeconomic factors that are beyond Emaar's control, such as real estate market conditions generally, changes in interest rates, consumer spending, inflation rates, real estate taxes, other operating expenses and the availability and cost of financing. Although the real estate market in Dubai has seen a resurgence in demand during the period from 2011 to mid-2014, resulting in increased real estate sales for Emaar's projects compared to similar periods in 2009 to 2011, the real estate market in Dubai has slowed down in 2015. There can be no assurance that the current demand for real estate in the UAE or the other markets in which the Group operates will continue. Any decrease in demand or deterioration in the markets in which the Group operates could cause Emaar's financial performance to deteriorate in the future and financial resources required to sustain international growth may not be available.

Emaar currently has a significant proportion of its operations and interests in the UAE (accounting for 85 per cent. of total revenue for the period ended 30 June 2016), with a particular focus on Dubai. While the UAE is currently seen as a relatively stable political environment, certain other jurisdictions in the Middle East are not and there is no guarantee that the UAE will continue to be so in the future. As a result, the Group is particularly exposed to adverse events affecting the UAE and Dubai, in particular, events which impact Dubai's attractiveness as a tourist and residential destination, the occurrence of factors such as a downturn in general economic conditions, an increase in the cost of living or an increase in unemployment. Continuing instability and unrest in the MENASA region may lower the flow of foreign direct investment into the region, result in capital outflows or increase volatility in the regional financial markets. The occurrence of any or all of these factors could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Since early 2011, there has been political and civil unrest in a range of countries in which Emaar operates in the MENASA region, including Egypt, Saudi Arabia, Syria and Lebanon. This unrest has ranged from public demonstrations to, in extreme cases, armed conflict and has given rise to increased political uncertainty across the region. As at the date of this Base Prospectus, Emaar's operations in each of the aforementioned regions (other than Syria) have not been materially adversely affected by any civil or political unrest or disturbances. However, Emaar's operations could be materially adversely affected if civil and political turmoil continue in the medium to long-term.

In Syria, Emaar's project development site is adjacent to a military compound. The construction at the project is continuing, albeit at a slower pace due to: (i) Emaar's decision to slow the pace of investment to mitigate the risk of regional unrest; (ii) the replacement of an international contractor with a locally-based one; and (iii) difficulties in sourcing construction materials. During the first six months of 2016, Emaar did not sell any units in Syria. As at the date of this Base Prospectus, no new projects have been launched in Syria and Emaar's exposure in this region is limited to the construction and management of existing properties that have already been sold.

Emaar also has operations in Pakistan and Turkey, which have, in recent times, been affected by terrorist activities. To the extent further terrorist acts are carried out, in particular in the cities where Emaar has its developments, this may adversely affect demand for its properties in those areas, which may in turn have an adverse effect on its business, results of operations, cash flows and financial condition.

The primary risk in each of these jurisdictions pertains to the potential loss of Emaar's capital investment, currency devaluation and an adverse impact on sales (particularly where business interruption cover has not been obtained). If continuing civil and political unrest renders the continuation of Emaar's construction projects impracticable, it may lead to a situation where Emaar's market (for units released in Emaar's projects) ceases to exist. While there has not been a significant decrease in the Group's revenues from these countries to date, continuing civil and political unrest could lead to an adverse impact on Emaar's revenues from such projects and, potentially, its investment in such projects as a whole.

No assurance can be given that general political and economic conditions in the regions where Emaar operates will not deteriorate in the future due to further political, financial or general economic crises and it is not possible to predict the impact of such occurrences. A sustained economic downturn, or a period of political instability or unrest, in any of the countries where Emaar operates or a downturn originating in a different country which causes global or regional repercussions may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Emaar's revenue diversification strategy may not be successful

Historically, Emaar's business activity was focused on real estate development in Dubai and its revenues were almost entirely derived from the sale of real estate plots for development and the sale of residential properties developed by it. Since 2004, Emaar has sought to diversify its revenue streams geographically through the expansion of its property development business into other markets and through the retention of certain commercial assets developed as part of its masterplans, which led to the business of operating malls and other retail properties, the management of hotels and resorts as well as other hospitality activities located in its developments (Emaar's **other core businesses**), all as part of Emaar's philosophy of creating lifestyle communities (see "—*Description of Emaar Properties PJSC"* for further information on Emaar's developments).

Emaar's other core businesses (described in the section entitled "*Description of Emaar Properties PJSC"*) have generated revenues since 2007. For example, the total revenues from the hospitality and leasing businesses (including rental income from leased properties and related activities) for the six month period ended 30 June 2016 amounted to AED 2,916 million, and AED 2,900 million for the same period in 2015. The revenue from the hospitality and leasing and related activities businesses accounted for 40 per cent. of the Group's total revenue for the six month period ended 30 June 2016. See note 5 to the Interim Consolidated Financial Statements. All of Emaar's malls and most of the hotels which are currently operational are located in Dubai (only three of Emaar's hotels are located outside of Dubai). To the extent the overall economy of Dubai deteriorates, as it did during the global economic crisis, Emaar may not be able to collect anticipated rental and operating revenues from its malls, retail and hotel businesses in Dubai. These circumstances may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition. Similarly, with respect to Emaar's international businesses, if demand for property (whether for purchase or for rental), high-end hotels and retail space in the countries where Emaar operates were to significantly decrease for a prolonged period of time (due to a global economic downturn or otherwise), this may also have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition. Moreover, in the event of a global or regional economic or financial crisis strongly affecting the MENASA region, Emaar's geographic diversification might magnify such negative effects (see "*—Emaar's financial performance is dependent on economic and other conditions of regions in which it operates*").

Emaar's growth and expansion strategy could strain its ability to respond to the increasing complexities derived from such strategy, including complexities arising in relation to its operational and managerial resources

Since 2005, the operating complexity of Emaar's business and the responsibility of its management has increased significantly due to Emaar's sustained growth, development, significant geographic expansion, its ongoing expansion into diverse business segments (namely, its other core businesses) and its increasing number of subsidiaries, affiliates and joint ventures. It is expected that the operating complexity of Emaar's business and the responsibility of its management will continue to increase in the future. As of the date of this Base Prospectus, Emaar has been successful in attracting appropriately qualified individuals to fill management roles created by its growth and development. Emaar has also developed a set of control systems to respond to the increase in the operating complexity of its business.

Emaar's continued success will depend, *inter alia*, on its ability to continue to retain and attract appropriately qualified personnel to manage its businesses and to improve its operational and financial systems and managerial controls and procedures to keep pace with its growth. Emaar relies on its senior management for the implementation of its strategy and its day to day operations. Competition for appropriately qualified personnel with the relevant expertise in the property development sector in the regions in which Emaar operates is high. There can be no assurance that Emaar will continue to be able to successfully recruit management staff or that the operational controls that it develops will continue to be effective. Should Emaar experience, for any reason, the loss of one or more of its key members of management and be unable to replace them in a timely fashion (or at all) with other appropriately qualified and experienced individuals, this could have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

The loss of any member of the senior management team without adequate replacement may result in, among other things, (i) a loss of organisational focus, (ii) poor execution of operations, and (iii) an inability to identify and execute potential strategic initiatives. In addition, since Emaar's industry is characterised by high demand and increasing competition, for appropriately qualified personnel with the relevant expertise and its markets are scarce of such personnel in the relevant fields. Emaar may need to offer higher compensation and other benefits in order to attract and retain key personnel in the future.

If Emaar is unable to successfully manage the impact of its growth on its operational and managerial resources it may not be able to maintain its considerable growth and this could have a material adverse effect on its business, results of operations, cash flows and financial condition.

Emaar's business is dependent on large capital investments

Emaar aims to finance its projects through internally generated cash-flows, including through the pre-selling of developments, and third party financing. Emaar also requires additional financing to fund land acquisitions, the initial project development costs and capital expenditures and to support the future growth of its business and refinance its existing debt obligations. In particular, as at the date of this Base Prospectus, Emaar is required to comply with UAE Law No. 8 of 2007 (the **Escrow Law**) for its new property development projects in Dubai. The Escrow Law stipulates, amongst other things, that purchase price instalments (which are paid directly into escrow accounts) can only be drawn down when specified construction milestones are met. As a result, Emaar is not able to finance international developments and the development of investment properties using funds raised from the sale of Dubai property development projects until such projects are completed.

Emaar may not have sufficient capital to undertake, or may be restricted by covenants in its financing agreements from undertaking, future capital expenditures and other investments that it may deem necessary or desirable. Emaar's ability to obtain external financing and the cost of such financing are dependent on numerous factors, including general economic and capital market conditions, interest rates, credit availability from banks or other lenders, investor confidence in Emaar and its area of business focus, the success of Emaar's business, provisions of tax and securities laws that may be applicable to Emaar's ability to raise capital and political and economic conditions in any relevant jurisdiction. There can be no assurance that additional financing, either on a short-term or long-term basis, will be made available or, if available, that such financing will be obtained on terms favourable to Emaar and Emaar may also be required to provide security over its assets to obtain any such financing and/or agree to contractual limitations on the operations of its businesses. The inability of Emaar to obtain additional financing on terms favourable to it or at all could result in defaults on existing contracts, construction, completion delays and damage to Emaar's reputation as a reliable contractual counterpart, which, in turn, could have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

A progressive move towards project financing may impair Emaar's ability to allocate cash to other parts of its business

Historically, Emaar has derived the majority of its financing from the pre-sale of off-plan units in its developments. However, Emaar has progressively moved towards project financing to fund its projects. Although this type of financing typically results in increased protection for a company (as a creditor's recourse is limited to the assets of the relevant project), the terms of any such financing tend to require a company to re-invest cash generated from such project into the further development of that project or to progressively amortise the specific project financing and include restrictions on the company's ability to allocate cash to other parts of its business. The inability of Emaar to move cash freely from one part of its business to another may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

The terms of Emaar's current and any future financings may restrict Emaar from entering into certain transactions and/or limit its ability to respond to changing market conditions

Emaar's current financing arrangements contain various covenants that limit its ability to engage in specified types of transactions, including, among other things, its ability to incur or guarantee additional financial indebtedness and/or grant security or create any security interests. In addition, certain of Emaar's current financing arrangements contain cross-default clauses whereby a default under one of Emaar's financing arrangements may constitute an event of default under another financing arrangement. Such provisions of Emaar's current financing arrangements may restrict Emaar's ability to respond to adverse economic conditions, which could have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Furthermore, if Emaar secures additional funding in the future, such funding would increase its leverage and could thereby limit its ability to raise further funding, limit its ability to react to changes in the economy or the markets in which it operates, and/or prevent it from meeting its debt obligations. Additionally, the securing of further funding could also, among other things:

- increase Emaar's vulnerability to general economic and industry conditions;

- increase the risk that Emaar may be unable to pay the interest, profit payments or principal on any outstanding obligations;
- require Emaar to provide security over certain of its assets;
- require a substantial portion of cash flow from operations to be dedicated to the payment of financing costs and repayment of principal on Emaar's indebtedness, thereby reducing Emaar's ability to use its cash flow to fund its operations, capital expenditures and future business opportunities;
- restrict Emaar from making strategic acquisitions or cause Emaar to make non-strategic divestitures;
- limit Emaar's ability to obtain additional financing for working capital, capital expenditures, product development, debt service requirements, acquisitions and general corporate or other purposes; and
- limit Emaar's ability to adjust to changing market conditions and place Emaar at a competitive disadvantage compared to its competitors who are less highly leveraged.

Any of the foregoing consequences could have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Emaar is exposed to interest rate volatility

Interest rates are highly sensitive to many factors beyond Emaar's control, including the interest rate and other monetary policies of governments and central banks in the jurisdictions in which it operates. A significant proportion of Emaar's debt has been entered into on a floating rate basis. Furthermore, the vast majority of Emaar's floating rate debt is not hedged. If interest rates increase, Emaar will be obliged to pay a higher rate of interest on its debt. Paying a higher rate of interest on its floating rate debt would result in an increase in Emaar's interest rate expense and may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Amlak, an associated company of Emaar, has restructured its debt obligations

Amlak was launched as a wholly-owned subsidiary by Emaar in April 2000 as part of its business strategy in the Dubai real estate market to offer mortgage lending to Emaar's customers. Amlak was subsequently listed on the Dubai Financial Market (the **DFM**). As at 30 June 2016, Emaar had a 48 per cent. shareholding in Amlak. Emaar's shareholding in Amlak has not changed as at the date of this Base Prospectus. The global economic downturn of 2008 and the ensuing negative impact on the Dubai real estate market had an adverse effect on Amlak's business and its ability to finance its operations. In 2009, Amlak commenced a financial and debt restructuring process with its creditors under the supervision and guidance of a steering committee established by the UAE cabinet under the chair of the Ministry of Economy with representatives from other federal regulatory bodies. Various creditors of Amlak, including Emaar, held discussions with the steering committee offering suggestions regarding the possible options to secure sustainable funding to enable Amlak to continue to meet its commitments, to restructure Amlak's existing facilities and to stabilise its position. On 25 November 2014, a U.S.$2.7 billion deal was reached to restructure the debt and finances of Amlak. Subsequent to the restructuring, and after obtaining approval from regulatory authorities, trading in Amlak's shares resumed (following suspension of trading in 2008 in the light of the then pending merger of Amlak and Tamweel PJSC) on 2 June 2015 on the Dubai Financial Market.

Since Amlak's listing on the DFM, the only involvement of Emaar in Amlak has been as a shareholder and a creditor. Emaar did not, and does not, have control over Amlak's day-to-day operations. Emaar is reducing its outstanding exposure to Amlak. As per the terms of the restructuring agreement, during 2014, 20 per cent. of the principal amount of Amlak's existing facility with Emaar was repaid, 65 per cent. was restructured into a long term facility maturing in 12 years' time, carrying a profit rate of two per cent. per annum, and the remaining 15 per cent. was restructured into a 12 year contingent convertible instrument. Following the restructuring, Amlak had paid 6.12 per cent. of the outstanding amount on the new facility in the year ended 31 December 2015 (based on fair value). Amlak also redeemed, in cash, 3.66 per cent. of the contingent convertible instrument in the year ended 31 December 2015.

Following the restructuring, Amlak has resumed its normal operations, in accordance with the terms of the restricting agreement, and has seen positive results. In Amlak's interim condensed consolidated financial statements for the six month period ended 30 June 2016, they reported a net profit of AED 87.44 million.

However, should Amlak's financial condition worsen again, due to market conditions or otherwise, Emaar may be required to make provisions in its consolidated financial statements for potential losses arising under the inter-company facilities or instruments, and ultimately it may have to write-off amounts owed to it which are not recoverable. Furthermore, such a deterioration in Amlak's financial condition may adversely affect the value of Emaar's shareholding in Amlak. Emaar's exposure to Amlak in total is AED905.86 million as at 30 June 2016 comprised of AED 793.93 million of equity and AED111.93 million of debt. If Emaar was to make an impairment in whole or in significant part in respect of its exposure to Amlak, it would have a material adverse effect on the profits of Emaar for the year during which such an impairment was made.

For further information relating to Amlak, please see note 13 (*Loans to Associates and Joint Ventures)* and note 14 (*Investments in Associates and Joint Ventures*) to the Interim Consolidated Financial Statements, note 13 (*Loans to Associates and Joint Ventures)* and note 14 (*Investments in Associates and Joint Ventures*) to the 2015 Financial Statements and note 13 (*Loans to Associates and Joint Ventures)* and note 14 (*Investments in Associates and Joint Ventures*) to the 2014 Financial Statements.

Legal disputes relating to Emaar MGF's Public-Private Partnership with the Delhi Development Authority for the Commonwealth Games Village residential project may have an unfavourable outcome and negative reputational consequences for Emaar

Emaar MGF Land Limited (**Emaar MGF**) a joint venture between Emaar and MGF Development Limited in India, was involved in the construction, planning and design of The Commonwealth Games Village (**CGV**), a mid-rise development on a 40 acre site located in New Delhi.

Following the games in New Delhi in October 2010, Emaar MGF Construction Pvt. Ltd. (**EMCPL**), a subsidiary of Emaar MGF, was awarded a contract, on a public-private partnership basis, with the Delhi Development Authority (the **DDA**) to develop the CGV into a residential site.

A legal dispute has since ensued whereby the DDA alleges that EMCPL has exceeded the permitted floor area ratio for the development (the ratio of the building's total floor area against the area of land on which it is built (the **FAR**)). EMCPL contests the basis on which the DDA has calculated the permitted FAR and argues that the DDA confirmed the figure EMCPL worked to in the sanctioned master plan and that the actual FAR achieved is within the permissible limits.

In February and March 2013, the Delhi High Court asked the DDA to refer the matter to, and subsequently directed, the Ministry of Urban Development to decide on the issue. EMCPL received a communication in February 2016 from the DDA, informing them that the Ministry of Urban Development had directed that the entire area constituting the alleged excess FAR be taken into the possession of the Ministry of Urban Development through the DDA and be used for Ministry of Urban Development purposes. Emaar has filed a petition challenging the order and an interim stay was granted in February 2016 until the next hearing, which is scheduled for 17 October 2016.

A negative outcome to these proceedings could result in financial loss for Emaar (in particular, due to the allegedly excess FAR land that has been developed but not cleared by the DDA). In addition, publicity arising from the dispute may have a negative impact on the market reputation of Emaar and/or Emaar MGF, or may create an adverse market environment for Emaar's operations in India. Furthermore, there can be no assurance that a negative reputation in India will not affect Emaar's reputation elsewhere. This could in turn adversely affect the future profitability of Emaar's international operations and Emaar's business, results of operations, cash flows and financial condition.

Emaar's joint venture with Telangana State Industrial Infrastructure Corporation Ltd. (TSIIC) could have negative consequences on Emaar's business in the State of Telangana in India as well as negative reputational consequences

On 10 August 2011, the High Court of Andhra Pradesh, acting on a public interest writ petition filed by a member of the State Legislative Assembly, ordered an investigation into the business of a joint venture between Andhra Pradesh Industrial Infrastructure Corporation Limited (**APIIC**) (now TSIIC, following the bifurcation of Andhra Pradesh in 2014, to form the new state of Telangana) and Emaar. The investigation, carried out by the Central Bureau of Investigation (the **CBI**), culminated in criminal proceedings (in the form of three charge sheets including allegations relating to conspiracy, cheating and breach of trust) being filed with the CBI Special

Court in Andhra Pradesh against 15 individuals and companies, including, *inter alia*, Emaar, Emaar MGF, two joint venture companies in Andhra Pradesh, Mr. Shravan Gupta (Managing Director of Emaar MGF) and Mr. Vijay Raghavan (CFO, Emaar MGF, Southern India). At issue is (i) a development agreement, an agency agreement and an assignment agreement between two joint venture companies and Emaar MGF, which were alleged to be entered into invalidly and to be detrimental to the interests of TSIIC (formerly APIIC) and (ii) misappropriation of the proceeds of sales of certain plots by a third party sales agent and certain individuals. The matter is ongoing.

Emaar believes that the foregoing allegations were politically motivated and that it has a strong legal position to defend itself in these proceedings. To resolve the ongoing disputes, the Telangana State Government has constituted the Committee of Secretaries, chaired by the Chief Secretary of the Government of Telangana.

Although Emaar has committed resources to resolve this matter as soon as possible, investors should be aware that there can be no assurance as to the outcome of the investigations and proceedings being launched against APIIC officials and other accused parties. Any financial loss incurred as a result of these proceedings would not be material in the context of the Group. A negative outcome in the aforementioned investigation may have an impact on the profitability of Emaar's investment in the State of Telangana in India. In addition, such events may create an adverse market environment for Emaar's operations in India. Further, there can be no assurance that a negative reputation in India will not affect Emaar's reputation elsewhere. The extent of such a potential impact (in respect of profitability and/or reputation) cannot be assessed. As a result, Emaar's business, results of operations, cash flows and financial condition may be affected as a result of the aforementioned investigation.

A legal dispute relating to TSIIC's (formerly APIIC's) stake in a joint venture with Emaar may have an unfavourable outcome and negative reputational consequences for Emaar

The legal dispute relating to TSIIC's stake in a joint venture with Emaar is ongoing. The legal dispute involves an allegation that TSIIC's share in its joint venture with Emaar was diluted when the joint venture entered into a development agreement with Emaar MGF to assist with the construction of its developments. Under the joint venture arrangements, TSIIC had a stake of 26 per cent. in the joint venture, with Emaar having a stake of 74 per cent. However, under the development agreement (also stated above) entered into separately by the joint venture with Emaar MGF, Emaar MGF was entitled to 75 per cent. of the gross revenue received from project sales, with 25 per cent. being retained by the joint venture between TSIIC and Emaar. Emaar MGF was also entitled to 95 per cent. of the lease rentals, with the joint venture retaining five per cent. It has been alleged that TSIIC's initial overall stake in the joint venture has been reduced from 26 per cent. to (i) 6.5 per cent. of revenues from sales of plots, villas, flats and commercial development and (ii) 1.5 per cent. of revenues from lease rentals. However, Emaar is of the view that these allegations are unfounded as they fail to take into account the fact that Emaar MGF was responsible for all costs relating to the relevant developments. Moreover, with respect to rental property, Emaar MGF was also responsible for all capital costs and operating expenses. As such, the management of Emaar does not believe that Emaar MGF's entitlement to revenues from sales or lease rentals had a prejudicial effect on the revenue-sharing arrangements between itself and TSIIC.

Emaar applied to the High Court of Judicature at Hyderabed to request the dispute be settled either through arbitration or a statutory conciliation board in accordance with applicable law. Separately, Emaar is also engaged in regular discussions with the Government of Telangana with the aim of reaching an in-principal agreement on the proposed approach to resolve this dispute.

TSIIC (formerly APIIC) contests that the units which have already been sold cannot be registered. As a result, payments from customers in respect of such sales have ceased. Emaar MGF chose to stop construction on the projects in the State of Telangana pending the conclusion of the civil proceedings and construction has not yet been resumed by Emaar. Any financial loss incurred as a result of these proceedings would not be material in the context of the Group. There can be no assurance that a negative outcome in such aforementioned proceedings will not affect Emaar's reputation or its future profitability (including the profitability of Emaar's investment in the State of Telangana in India). The extent of such a potential impact on the future profitability and/or reputation of Emaar cannot be assessed. As a result, Emaar's business, results of operations, cash flows and financial condition may be affected as a result of the aforementioned dispute.

Investigations by the Enforcement Directorate against the Emaar MGF group alleging violation of the Foreign Exchange Management Act 1999 and its implementing regulations could adversely affect Emaar's market reputation and future profitability

On 3 December 2009, Emaar MGF and its subsidiaries and certain of its directors and employees, amongst others, were subjected to search and seizure operations conducted by the Enforcement Directorate (the **ED**) under the Foreign Exchange Management Act 1999, as amended (**FEMA**). During the course of the search and seizure operations at the offices of Emaar MGF, the ED took custody of certain documents and recorded the statements of certain officers of Emaar MGF. Subsequently, the ED requested further information, documents and explanations which were duly provided by Emaar MGF.

Based on the investigations conducted by the ED, on 17 May 2013, the Assistant Director of the ED filed a written complaint with the Special Director of Enforcement against the Emaar MGF group and its respective directors (the **Complaint**). Pursuant to the Complaint, on 4 June 2013, the Special Director of Enforcement issued a show cause notice (**SCN**) to, *inter alia*, Emaar MGF, EMCPL and their respective directors.

Under the SCN, it is alleged that the Emaar MGF group has utilised the proceeds of foreign direct investment totalling approximately INR 86 billion (including INR 48.5 billion received from Emaar for the acquisition of agricultural land in India), in violation of FEMA and its implementing regulations. The ED has also initiated adjudication proceedings in relation to these allegations.

On 8 January 2014, Emaar MGF and its subsidiaries filed replies to the SCN and they have since also challenged the adjudication proceedings. Emaar MGF is of the opinion that it is in compliance with FEMA and its implementing regulations and has obtained all required approvals and/or clarifications from the appropriate government authorities. As at the date of this Base Prospectus, the adjudication and ED proceedings are ongoing.

Any adverse decision in the above matter could have a negative impact on the investment of Emaar in India or may create an adverse market reputation for Emaar. Furthermore, there can be no assurance that a negative reputation in India will not affect Emaar's reputation elsewhere. This could in turn affect the future profitability of Emaar's business, results of operations, cash flows and financial condition.

Lack of experienced contractors may affect Emaar's projects

Whilst Emaar has had access to experienced contractors for its completed and under-construction projects, there can be no guarantee that it will continue to have such access to experienced contractors in the future (particularly in relation to some of its projects located outside the UAE). Accordingly, there can be no assurance that the quality of construction of Emaar's completed and under-construction projects will be maintained for its future projects. Although Emaar believes that it has a strong reputation for providing high quality properties, any difference in the quality of construction from project to project could adversely affect Emaar's brand name which in turn may have a material adverse effect on Emaar's business, results of operations, cash flows or financial condition.

Projects may overrun and incur further costs

There are a number of construction, financing, operating and other risks associated with project development. Due to the extensive nature of Emaar's project developments (for example, Emaar's residential developments typically centre around creating a lifestyle community, as is the case with the Downtown Dubai development which includes The Dubai Mall and the Burj Khalifa), these projects require substantial capital expenditure during the land acquisition and construction phase. It can take a substantial amount of time before such projects become operational and generate revenue. The time taken and the costs involved in completing construction can be adversely affected by many factors, which may include but are not limited to the following:

- delays in obtaining all, or refusals of any, necessary zoning, land use, building, development, occupancy and other required governmental permits, requisite licences, permits, approvals and authorisations, (including due to new regulatory frameworks);
- unforeseen engineering problems;
- the need to make significant capital expenditures without receiving revenue from properties until after they are completed;

- an inability to obtain necessary financing arrangements on acceptable terms, or at all, and otherwise fund construction and capital improvements and provide any necessary performance guarantees;
- defaults by, or the bankruptcy or insolvency of, contractors and other counterparties;
- inadequate infrastructure, including as a result of failure by third parties to provide utilities and transportation and other links that are necessary or desirable for the successful operation of a project;
- discovery of design or construction defects and otherwise failing to complete projects according to design specification;
- shortages of, or defective, materials and/or equipment, labour shortages, shortages of other necessary supplies and/or disputes with subcontractors;
- availability of suitable land;
- increases in the cost of construction materials (for example, raw materials such as steel and other commodities common in the construction industry), energy, building equipment (including, in particular, cranes), labour and/or other necessary supplies (due to rising commodity prices or inflation or otherwise);
- shortages of project managers, contractors and construction specialists, both within Emaar and externally, to ensure that planned developments are delivered both on time and on budget;
- adverse weather conditions, natural disasters, accidents, work stoppages, strikes and/or changes in governmental priorities; and
- changes in demand trends due to, among other things, a shift in buyer preferences, a downturn in the economy, a change in the surrounding environment of the project, including the location or operation of transportation hubs or population density or otherwise.

Any of these factors could give rise to delays in the completion of construction and/or lead to cost overruns. Projects subject to any delays or cost overruns will take longer to generate revenue and cash flow than may originally have been anticipated and may not generate the revenue and cash flow which may have been expected. In addition, the target return on the investment in the project may not be realised. There can be no assurance that the revenues that Emaar is able to generate from its development and construction projects will be sufficient to cover the associated construction costs. The occurrence of any of the above factors could have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Not only can construction delays trigger covenants in project financing packages which could accelerate the repayment schedules of the debt owed by Emaar, they can also result in a loss of revenues. In the event of a delay in the completion and delivery beyond a specified contractually agreed deadline of certain of Emaar's projects, purchasers have a right to terminate their contracts and claim repayment of a part of or all of the sums paid to Emaar together with interest. If a significant portion of purchasers were to exercise this right, this would create a financial liability for Emaar. Even where there is no contractual right of termination and repayment, in the event of non-delivery, it is possible, for example, for a Dubai purchaser, pursuant to Dubai Law No.13 of 2008 (as amended by Dubai Law No.9 of 2009) on the Interim Real-Estate Register in the Emirate of Dubai, to claim reimbursement from Emaar together with interest. If Emaar was required to reimburse purchasers, it may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition. Furthermore, even if purchasers are not entitled to claim reimbursement, any significant delays or pauses in construction on projects represent a potential reputational risk for Emaar.

Emaar's business model is typically based on pre-selling freehold units with progressive payments made on pre-determined dates or upon the completion of pre-determined stages of construction and a final payment on completion. Accordingly, construction delays can also give rise to delays in Emaar realising the full value of property sold which could have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

The continued success of Emaar's businesses is dependent in part upon disposable income and consumer spending and the continued appeal of Dubai as a tourist and business destination

Despite the slowdown in Dubai's growth rates in 2009 in the aftermath of the global financial crisis, GDP growth (at constant prices) in Dubai has increased in recent years (based on preliminary figures, 4.1 per cent. in

2015, 3.5 per cent. in 2014 and 4.4 per cent. in 2013, according to the Dubai Statistics Centre). Dubai also saw a significant increase in tourism in 2015 (an increase of 7.58 per cent. from the number of international visitors recorded in 2014), which may have been due to the general perception that Dubai is a safe and stable jurisdiction in the GCC. According to the Department of Tourism and Commerce Marketing of the Government of Dubai, Dubai recorded 14.2 million visitors in 2015 and 7.3 million visitors for the first half of 2016. Dubai International Airport reported that it handled 78 million passengers in 2014 and the Emaar Malls PJSC (**Emaar Malls**) recorded a footfall across its malls of 114 million in 2014 and 124 million in 2015. The strong growth experienced in the Dubai economy has resulted in an increase in disposable income and consumer spending in the Emirate, which has benefited a number of Emaar's businesses. A downturn in general economic conditions, rising cost of living in the Emirate, loss of jobs, a decline in the expansion of the expatriate population in the region or other factors that result in a decline in consumer spending could have an adverse effect on Emaar's operations (for example, reducing total footfall levels in malls, decreasing trading performance of tenants and thus impacting occupancy rates and/or rental income). A decline in tourism to Dubai, resulting from factors including increases in airline travel costs, threats or events of terrorism, or a reduction in travel by foreigners due to the impact of the global financial crisis on leisure travellers and business activity in the region, could have a material adverse effect on Emaar's business, results of operations and financial condition, particularly given the concentration of Emaar's business in Dubai.

Emaar is subject to joint venture risks

The majority of Emaar's operations are, or will be, conducted through jointly controlled entities and associated companies (for example, the development of Dubai Creek Harbour as a joint venture with the Dubai Holding Group and the development of the Dubai Hills Estate and Rove Hotels as joint ventures with Meraas Holding). Co-operation and agreement with Emaar's joint venture partners on its existing or any future projects are important factors for the smooth operation and financial success of such projects. Emaar's joint venture partners may (i) have economic or business interests or goals that are inconsistent with those of Emaar, (ii) be unable or unwilling to fulfil their obligations under the relevant joint venture or other agreements or (iii) experience financial or other difficulties.

Furthermore, Emaar may not be able to control the decision-making process of the joint ventures without reference to the joint venture partners and, in some cases, it does not have, or may not have, a majority control of the joint venture. In addition, no assurance can be given that disputes with such joint venture partners will not arise in the future that could adversely affect Emaar's joint venture projects. In addition, there is a risk that such joint venture partners may ultimately become competitors of Emaar. Many of Emaar's joint venture partners are directly or indirectly owned by government related entities, which further exposes Emaar to additional risks, including the need to satisfy both political and regulatory demands and the need to react to differences in focus or priorities between successive governments, both of which can lead to delays in decision making, thereby increasing costs and exposure to competition.

Emaar's ability to expand successfully through joint ventures will depend upon the availability of suitable and willing joint venture partners, Emaar's ability to complete the relevant transactions and the availability of financing on commercially acceptable terms. Emaar cannot give any assurance that it will be successful in establishing any future joint ventures or that, once established, a joint venture will be profitable for Emaar. If a joint venture is unsuccessful, Emaar may be unable to recoup its initial investment and its financial condition and results of operations may be materially adversely affected.

Any of these factors, alone or in combination, could lead to a decline in construction quality, delays in project delivery and a diminishment in Emaar's reputation, which could in turn have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Emaar may be unsuccessful in executing its business strategy

The successful implementation of Emaar's strategy will entail actively managing its properties, undertaking development or asset enhancement initiatives, securing tenants for its properties, raising funds in the capital or credit markets, and the co-operation of its partners who invest with Emaar, Emaar's tenants, and other counterparties. Development of properties will depend significantly on Emaar's ability to complete the planned developments on time and within budget and on the availability of external financing to Emaar or cash in hand for Emaar to complete these developments or acquisitions (See "*—Projects may overrun and incur further* *costs*”). The addition of new properties to Emaar’s portfolio will also increase its operating costs and it may not be able to lease out these new properties in a profitable manner. Emaar’s ability to successfully implement its strategy is also dependent on various other factors, including but not limited to, the competition it faces in its business, which may affect Emaar’s ability to secure tenants on terms acceptable to it, and Emaar’s ability to retain key employees. There can be no assurance that Emaar will be able to implement all of its business strategies as planned, and its failure to do so may materially adversely affect Emaar’s business, results of operations, financial condition and prospects.

Emaar’s operations may be subject to delays due to utility and road infrastructure providers’ inability to provide services and connections to Emaar’s developments at the required levels and within the project delivery time

Access to some of Emaar’s projects is dependent on the completion of connecting infrastructure, such as roads connecting a project with the city and the main regional road network and utilities for which third parties are responsible. There can be no assurance that material delays in delivering Emaar’s projects will not occur in the future as a result of delays in the connection of infrastructure. For example, in Dubai, the demand for electricity, water and gas substantially increased in the past and may continue to increase in the future if the infrastructure and population of Dubai expands. Emaar’s international projects, especially but not limited to those located in fast-growing cities (such as Cairo or Istanbul), may be exposed to similar risks. As a result, Emaar’s current projects may be delayed and future projects may be hindered due to the inability of utility providers to provide the required levels of water and power generation and connections for these utilities in a timely manner. In addition, a breakdown in Emaar’s relationships with third party utility and road infrastructure providers could cause further delays. Although Emaar has a record of delivering projects on time, any delays in its projects, even when outside of Emaar’s control, may adversely affect its brand and reputation which may materially adversely affect its business, results of operations, cash flows and financial condition.

A default by one of Emaar’s contractors or suppliers may adversely affect the construction of certain projects and impact its ability to fulfil its obligations under its contracts with its customers

Should one of Emaar’s contractors or suppliers default on its arrangements with Emaar, for any reason, including the bankruptcy or insolvency of such contractor or supplier, or Emaar’s relationship with a contractor deteriorates, there is a risk that Emaar will not be able to find a suitable replacement contractor or supplier promptly, on favourable terms or at all. Even if Emaar were able to find a replacement contractor or a supplier in a timely fashion, it is likely that the cost to Emaar would increase. Any new contractor or supplier may need time to familiarise itself with the ongoing project, causing a further delay in the completion of the project. There is no guarantee that any replacement contractor or supplier would be one that Emaar has previously employed and thus there is a risk that such replacement contractor or supplier may not meet Emaar’s high standards for quality workmanship and product. In addition, some contractors may require licences or permits to work for Emaar and there can be no assurance that a successor contractor could be found with the requisite approvals and licences. If any of these events were to occur, it may have a material adverse effect on Emaar’s business, results of operations, cash flows and financial condition.

A default by one of Emaar’s contractors with respect to any liability relating to workmanship or structural defects may adversely affect Emaar’s reputation

Emaar sub-contracts all development work on its masterplans to contractors who typically give Emaar a one year warranty on their workmanship and remain liable for structural defects for a period of 10 years. Emaar in turn typically gives its customers a one year warranty on the workmanship in the property they have purchased and remains liable for structural defects for a period of 10 years. If a contractor defaults on its warranty or liability in relation to the correction of a workmanship-related or structural defect which is discovered during the relevant period, Emaar may not be able to replace such defaulting contractor in a timely manner or at all (see “*—A default by one of Emaar’s contractors or suppliers may adversely affect the construction of certain projects and impact its ability to fulfil its obligations under its contracts with its customers*” above) and may not be able to recover the cost of such repair from the defaulting contractor. If a significant number of customers encounter workmanship or structural defects and these are not addressed in a timely manner or at all, Emaar’s reputation may be negatively affected which may in turn adversely affect Emaar’s business, results of operations, cash flows, financial condition and prospects. Although Emaar has made provisions in its financial statements for such warranties and such provisions have historically significantly exceeded any claim under such warranty, there can be no assurance that this will continue to be the case in the future.

If Emaar's contractors' relationships with their employees were to deteriorate, Emaar may be faced with labour shortages or stoppages which would adversely affect its ability to develop and/or operate its properties

Emaar's contractors' relations with their employees could deteriorate due to disputes related to, *inter alia,* the level of wages, accommodation or benefits or their response to changes in government regulation of workers and the workplace. Emaar relies heavily on contractors providing a high quality service, and any labour shortage or stoppage caused by poor relations between a contractor and its employees could adversely affect Emaar's ability to complete projects on time and within the allocated budget, thus damaging its reputation. Such an occurrence may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Emaar is exposed to the risk of customers defaulting on their purchase price instalments

Emaar typically sells its properties when they are still off-plan. Upon buying a property, the customer contractually agrees to pay Emaar the purchase price in instalments on a pre-agreed payment schedule. Once Emaar receives a sufficient portion of deposits (typically between 40 and 50 per cent. in relation to the number of units to be constructed), construction is initiated and Emaar uses the cash collected to cover construction costs. Subsequent purchase price instalments are used to fund further construction of the project. If (due to poor economic conditions, declines in property values or otherwise) a significant portion of customers were to default on paying their subsequent instalments at any particular stage in the construction of a project, Emaar will be required to rely on local laws and regulations to recover the same (see "*Description of Emaar Properties PJSC – Business Model - Project Development Process – Sales and Leasing*"). If Emaar is unsuccessful, and is unable to obtain the relevant funds, this could jeopardise the completion of the project, which may in turn negatively affect the reputation and profitability of Emaar. These factors could have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Emaar is exposed to reputation or legal risk if, following the pre-selling of a large proportion of off-plan units, the relevant project is delayed or cancelled

Once Emaar has sufficient commitment on a project (i.e. a significant proportion of off-plan units – typically between 40 and 50 per cent. – have been pre-sold), it will commence construction. The completion of a given project is dependent on a number of factors, including general economic conditions, timely delivery on the part of sub-contractors and the absence of any force majeure. If a project with extensive commitment from customers has been significantly delayed or altogether cancelled, this will affect Emaar's reputation which may have a negative impact on its ability to attract future customers for its properties. This may also lead to litigation being brought against Emaar by its customers. This may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Emaar is exposed to reputation risk if it fails to deliver substantial parts of its masterplans

The majority of Emaar's residential developments are centred around creating a lifestyle community, which contain amenities and conveniences such as retail areas, supermarkets, clinics and medical centres, schools and parks. If Emaar is unable to complete and deliver substantial parts of an integrated masterplan, customers who have acquired units in portions of the masterplan which have been completed will not be able to enjoy the services or the overall environment which they may have expected when the project was originally launched. As a result, Emaar's reputation may be affected, which may have a material adverse effect on its business, results of operations, cash flows and financial condition.

Emaar's ability to generate desired returns on its investment properties will depend on its ability to manage and/or dispose of those properties on appropriate terms

Emaar's ability to achieve returns on its investment properties will be affected by its ability to generate demand for those properties on terms that are attractive to Emaar. Emaar's investment properties include a range of office and retail establishments (including shopping malls) for which it seeks to attract tenants and hotels, resorts and other hospitality venues for which it seeks to attract guests. From time to time, Emaar may also seek to sell investment properties owned by it.

Revenue earned from, and the value of, the investment properties held by Emaar may be materially adversely affected by a number of factors, including:

- in relation to its retail properties, an inability to fully let the properties or to achieve target rental returns;
- in relation to its hotels, resorts and hospitality properties, an inability to achieve target occupancy rates;
- Emaar's inability to adequately manage its communities' maintenance services on commercial terms or at all;
- Emaar's inability to collect rent and service charge payments from tenants and owners and other contractual payments on a timely basis or at all;
- tenants seeking the protection of bankruptcy laws which could result in delays in receipt of rental and other contractual payments or the termination of a tenant's lease, all of which could hinder or delay the re-letting of a property;
- the amount of rent and the terms on which lease renewals and new leases are agreed being less favourable than current leases;
- a competitive rental market, which may affect rental levels or occupancy levels at Emaar's properties;
- the reputation of Emaar within the real estate markets it operates; and
- changes in laws and governmental regulations in relation to real estate, including those governing permitted and planned usage, taxes and government charges. Such changes may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance.

Any of these factors may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

The rental revenues from Emaar Malls' operations depend upon its ability to find tenants, the ability of such tenants to fulfil their lease obligations and the duration of their rental contracts

Emaar Malls' operations depend on its ability to continue to strategically lease space in its properties including re-leasing space in properties where leases are expiring, optimising its tenant mix and leasing properties on economically favourable terms. There can be no guarantee that Emaar Malls will find or be able to retain suitable retailers to lease space in its shopping centres or an appropriate mix of tenants in its malls on the terms and conditions it seeks. Financial, economic and political developments in or affecting Dubai and the UAE more generally may impact demand for units, the rental rates Emaar Malls is able to agree with its tenants for those units and the footfall throughout its properties. Poor economic conditions generally result in decreased consumer spending, and have in the past resulted, and may in the future result, in tenants seeking to renegotiate the terms of their leases in their favour. Downward rent adjustments may be required to attract certain tenants and maintain occupancy levels, thus reducing rental income. In addition, the financial stability of these tenants may change over time due to factors affecting such tenants directly, such as a down-grading of their credit ratings or broader macroeconomic factors. Emaar Malls' results of operations and cash flows are dependent on its tenants' liquidity, solvency, financial performance and their ability to meet their financial obligations. Adverse developments in Emaar Malls' tenants' financial health and credit standing, or any inability of such tenants to pay rent for a period of time, with or without cause, may affect the financial performance of Emaar's malls and the cash flows generated by them. Furthermore, most leases include variable rental rates based on the trading performance of Emaar Malls' tenants. Any factors that may adversely affect Emaar Malls' tenants' revenues will reduce such rental rates (if applicable) and therefore reduce the cash flows generated by Emaar Malls.

In addition, the laws of Dubai restrict the annual amount by which a landlord is legally able to increase rental charges on commercial premises. Currently, the permitted rent increase is zero per cent., five per cent., 10 per cent., 15 per cent. or 20 per cent. The actual percentage of the permitted rent increase (between the aforementioned range of zero per cent. and 20 per cent.) is dependent on how low the existing rent of the unit is compared to the average market rent applicable to the unit as determined by RERA. Emaar Malls' lease term for anchor tenants typically varies from five to 20 years and for other tenants from between one to five years. Therefore, although the market rents chargeable for its retail space may increase, Emaar Malls may be unable to fully realise any such increases from its existing tenants, which could adversely affect its profit margins, particularly if associated costs are rising at a faster rate than permissible and/or achievable rental rates.

Although Emaar Malls can adjust rents to prevailing market rates, if its anchor or other tenants decide not to renew their leases upon expiration, it may need to expend significant time and money attracting replacement tenants and there is no guarantee that potential new tenants could be sourced or that such tenants would accept the then market rates. New leases could be on terms less favourable than those contained in the expiring leases and a loss of certain tenants may adversely affect Emaar Malls' ability to optimise the tenant mix. In addition, in connection with any renewal or re-letting, Emaar Malls may incur costs to renovate or remodel the relevant rental space. Any of the foregoing factors could affect footfall levels, rental income and/or occupancy rates in Emaar Malls' properties which would reduce Emaar Malls' cash flow and could have a material adverse affect on the business, prospects, results of operations and financial condition of Emaar.

Emaar Malls' properties depend on anchor stores or major tenants to attract shoppers and could be adversely affected by the loss of, or a store closure by, one or more of these tenants

Shopping malls are typically anchored by department stores and other large nationally and internationally recognised tenants. Furthermore, Emaar Malls' business depends on its relationships with major retail groups that franchise prominent or luxury brands that lease multiple units in its properties. Emaar Malls' business and results of operations could be adversely affected if an anchor tenant or any of these major retail groups experiences financial difficulties or is subject to business restructurings, reorganisations and changes in corporate strategy and, as a result, fails to comply with their contractual obligations, seek concessions in order to continue operations, or cease or reduce their operations. In addition, anchor tenants and these retail groups often have significant bargaining power when negotiating rent and these lease terms. In particular, should a conflict or a breakdown in commercial relations arise between Emaar Malls and one of its anchor tenants or retail groups, Emaar Malls may face delays in receiving rental payments or have difficulty in negotiating extensions to leases for many or all of the affected units. Emaar Malls may agree to lease adjustments to retain retail groups or anchor tenants thus reducing Emaar Malls' cash flows.

In addition, major tenant closures may result in decreased customer traffic, which could lead to decreased sales at other stores. If the sales of stores operating in Emaar Malls' properties were to decline significantly due to closing of anchor tenants, economic conditions or other reasons, tenants may be unable to pay their minimum rents or service charges. Rental income and/or occupancy rates could decline and, to the extent that there is vacant space, rental rates could decline for all tenants. In the event of default by a tenant or anchor store, Emaar Malls may experience delays and costs in enforcing its rights as landlord to recover amounts due to it under the terms of its agreements with those parties, which may have a material adverse effect on Emaar's business, prospects, results of operations and financial condition.

Emaar's projects could be exposed to catastrophic events or acts of terrorism over which Emaar has no control

Emaar's business operations and development and construction projects could be adversely affected or disrupted by natural disasters (such as earthquakes, floods, tsunamis, hurricanes, volcanoes, fires or typhoons) or other catastrophic events, including, but not limited to:

- changes to predominant natural weather, hydrologic and climatic patterns, including sea levels;
- major accidents, including chemical, radioactive or other material environmental contamination;
- major epidemics affecting the health of persons in the region and travel into the region; and/or
- criminal acts or acts of terrorism.

The occurrence of any of these events at one or more of Emaar's development or construction projects or in any city where Emaar operates may cause disruptions to Emaar's operations in part or in whole, which would have a material adverse effect on Emaar's business, results of operations, financial condition and prospects. In addition, such an occurrence may increase the costs associated with Emaar's development and construction projects, may subject Emaar to liability or impact its brand and reputation and may otherwise hinder the normal operation of Emaar's facilities.

On 31 December 2015, a fire incident in The Address Downtown Dubai damaged the hotel and residences in the building. The hotel is closed until completion of the restoration (expected in the first half of 2017) (see "*Description of Emaar Properties PJSC—Hospitality— The Address Hotels and Resorts*"), which has resulted in a decrease in Emaar's revenue from hospitality during the period ended 30 June 2016 when compared to the same period in 2015 (see "*Financial Review—Results of Operations— Period ended 30 June 2016 compared with period ended 30 June 2015— Revenue, cost of revenue and gross profit*"). Any delay in the completion of the restoration and re-opening of the hotel will result in continued disruption to Emaar's operations at the hotel and could cause further costs to be incurred and further loss of revenue (to the extent that this cannot be recovered through insurance claims). This could have a material adverse effect on Emaar's business, results of operations, financial condition and prospects. Emaar's properties may also be vulnerable to, and adversely affected by, acts of terrorism because of the large numbers of people they attract and the general public access provided. Furthermore, acts of terrorism in the GCC region or in Dubai could discourage tourists from visiting Dubai and therefore from staying in places like the Address Hotels or could discourage consumers from shopping in public places like The Dubai Mall or the Dubai Marina Mall. These factors could have a material adverse effect on Emaar Malls' tenants' sales and the Group's rental or other income and/or occupancy rates, business, results of operations, cash flows, financial condition and prospects.

The effect of any of these events on Emaar's financial condition and results of operations may be exacerbated to the extent that any such event involves risks for which Emaar is uninsured or not fully insured (see "*—Emaar may not have adequate insurance*").

Real estate valuation is inherently subjective and uncertain

Property assets are inherently difficult to value. The judgement of Emaar's management as well as the independent appraisers who perform valuations on Emaar's behalf significantly impact the determination of the fair value of Emaar's properties, particularly with respect to development land and projects. As a result, valuations, including those contained in this Base Prospectus, are dated as at a certain (historic) date, are subject to substantial uncertainty and are made on the basis of assumptions which may not be correct. Furthermore, a small number of valuations of Emaar's assets have not been carried out in compliance with international best practice, such as the Royal Institution of Chartered Surveyors (**RICS**) Appraisal and Valuation Standards and by RICS approved valuers. Such valuations have been carried out internally due to complications regarding the valuation of assets for joint ventures. This increases the risk of subjectivity and uncertainty with respect to the valuation of the asset in question. No assurance can be made that the valuations of the Emaar's real estate assets will reflect actual sale prices, even where any such sale occurs shortly after the relevant valuation date. Significant differences between valuations and actual sales prices could have a material adverse effect on Emaar's business, financial condition, cash flows and results of operations.

In addition, a key component of determining the fair value of such property is based on the assessment by management or the independent valuer of real estate market conditions in the city or country where the project is located. The real estate market is in turn affected by many factors such as general economic conditions, availability of financing, interest rates and other factors, including supply and demand, that are beyond Emaar's control and may adversely impact projects after their most recent valuation date. As a result, any material decline in the real estate markets where Emaar operates could have a material adverse effect on its business, results of operations, cash flows and financial condition.

Real estate investments are illiquid

Because real estate investments in general are relatively illiquid, Emaar's ability to promptly sell one or more of its properties in response to changing political, economic, financial and investment conditions is limited. The real estate market is affected by many factors that are beyond Emaar's control. Emaar's management cannot be certain that it will be able to sell any property for the price or on the terms set by it, or whether any price or other terms offered by a prospective purchaser would be acceptable to it. Emaar's management also cannot predict the length of time needed to find a willing purchaser for Emaar's properties and to effect the sale of any property. In addition, to the extent Emaar requires third party funding, a requirement of any such funding could include Emaar granting a mortgage over certain property to secure its payment obligations, which could preclude Emaar from selling such property. There can be no assurance that the sale of any of Emaar's development land or completed properties will be at a price which reflects the most recent valuation of the relevant project, particularly if Emaar was forced to sell properties prior to completion of the relevant development or in adverse economic conditions. Any of these factors, alone or in combination, could have a material adverse effect on Emaar's real estate portfolio which could in turn have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Foreign exchange movements may adversely affect Emaar's profitability

Emaar maintains its accounts and reports its results in UAE dirhams which is the currency in which the majority of its revenues are earned. Some of Emaar's costs (such as its debt) are incurred in U.S. dollars and a part of Emaar's income and expenses are incurred in other currencies. As a result, Emaar is exposed to movements in foreign exchange rates. Although there can be no assurance that foreign currency fluctuations may not adversely affect Emaar's profits and financial performance in the future, Emaar's management believes that Emaar is not currently subject to significant foreign exchange risk in relation to the U.S. dollar as the UAE dirham is pegged to the U.S. dollar. In relation to its other currency earnings and expenses, Emaar's management believes that its foreign exchange rate risk is reduced by the fact that where earnings in relation to a particular project are in a local currency, these are usually substantially matched by the expenses of the project being incurred in the local currency. Emaar also regularly monitors currency fluctuations and executes hedging transactions if required.

As at the date of this Base Prospectus, the UAE dirham remains pegged to the U.S. dollar. However, there can be no assurance that the Government of the UAE will not de-peg the UAE dirham from the U.S. dollar in the future, which may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Emaar faces competition in its property development, malls and hospitality businesses

Emaar faces competition for the development and leasing of properties from other property developers in Dubai and internationally. In particular, the population growth of Dubai from 1.3 million in 2005 to an estimated 2.4 million in 2015 (as estimated by the Dubai Statistics Centre), along with the growth in business and leisure travel to Dubai, contributed to the opening and announced development of a number of new developments (including new shopping malls, residential buildings and hotels) by other property developers over this period. Such competition may affect Emaar's ability to sell development land or completed properties at expected prices, if at all, or, in relation to investment properties, attract and retain tenants, resulting in lower than expected rents. Emaar's competitors may lower their pricing, rental rates or operating costs for properties which are comparable to those being sold or leased by Emaar, which may result in downward pressure on Emaar's pricing and rental rates. In addition, the Government of Dubai could decide to support new entrants or other property development companies to implement its development strategy, which would further increase competition. In addition, Emaar faces the risk that competitors may anticipate and capitalise on certain potential investment opportunities in advance of Emaar doing so. Certain of Emaar's competitors may have greater financial, technical, marketing or other resources and, therefore, may be able to withstand price competition and volatility more successfully than Emaar. Additionally, as a result of global economic downturns in recent years, consumer demand for real estate properties has decreased. Any oversupply or competition in any region in which Emaar operates (either as a result of new developments or a decrease in the number of tenants or other occupants due to a decline in economic activity) may adversely affect Emaar's business, results of operations, cash flows and financial condition.

In response to the adverse market conditions described above, there is a possibility that other property developers will merge in order to achieve economies of scale in their businesses. If consolidation in the Dubai real estate market were to occur, there is a risk that Emaar would have to operate in a more competitive market place and against larger competitors than it has had historically. Furthermore, given economic downturns in recent years and the strategy of investors to diversify their investments and re-examine the robustness of various real estate markets in the region, Dubai may see demand for its real estate market decrease in favour of other real estate markets in the region. These circumstances, either alone or in combination, could have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Emaar believes that it does not currently face any significant competition in many of those countries in which it operates as a property developer. In such cases, Emaar's management believes that Emaar is typically the only developer offering lifestyle projects of the type offered by it. However, there can be no assurance that this will remain the case and Emaar expects that it will face competition from other real estate developers within those countries in the future. This may result in an increase in the cost of completing projects, an increase in supply of real estate projects and/or a decrease in the prices of property, which in turn may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Emaar also faces competition in respect of its malls and hospitality businesses in Dubai. There are a number of large malls in Dubai which compete with Emaar's malls for both tenants and customers. Such competition may affect Emaar's ability to attract and retain tenants, resulting in lower than expected rents. Emaar's competitors may also lower their rental rates for retail space within their malls which is comparable to that being offered by Emaar, which may result in downward pressure on Emaar's rental rates. Competitor mall operators may also compete to attract tenants based upon location, condition or unique or attractive features of the relevant property. While Emaar Malls may renovate, refurbish or expand its properties to enhance its attractiveness to visitors and remain competitive, its renovation, refurbishment or expansion plans may involve significant costs and execution risks, and ultimately may not be successful. As a result of competition from new and existing properties or other commerce channels, footfall in Emaar Malls' properties may decline significantly, its tenants' trading performance may be adversely affected, and its occupancy rates and/or rental income may decline, any of which could have a material adverse effect on Emaar's business, results of operations, financial condition and prospects.

There are also a number of hospitality venues in Dubai that are comparable to Emaar's hospitality offerings which may affect the ability of Emaar to attract customers and lead to downward pressure on the prices Emaar is able to charge customers. In the event that such competition has the effects described, there may be a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

The MENASA region in which Emaar primarily operates is characterised by a lack of real estate transparency

According to a real estate transparency survey conducted by Jones Lang LaSalle in 2014, many of the real estate markets in which Emaar operates are categorised as semi-transparent (Dubai), low-transparent (Saudi Arabia, Egypt and Morocco) or opaque (Pakistan). In addition, the other markets in which Emaar has operations are also subject to issues relating to transparency of information. The degree of transparency of a real estate market is determined by reference to a number of factors, including comparable transactions, accessibility of information relating to counterparties and land title, reliability of market data, clarity of regulations relating to all matters of real estate conveyance and access to government agencies to verify information provided by counterparties in connection with real estate transactions. Although Emaar endeavours to undertake comprehensive due diligence with respects to its real estate investments in order to mitigate any risks in connection with the markets in which it operates, there can be no assurance that the factors described above will not result in the discovery at a later date of information or liabilities in association with Emaar's investments that could affect their value, expected purpose or returns on investment.

The right of Emaar to obtain title to certain parcels of its land is subject to legal complexities and uncertainties

As a result of various issues related to Emaar's land bank, including, among other things, the gradual contribution of land by joint venture partners over time and/or the process of registration of title, Emaar may not, in some cases, have title to land on which developments are planned or located.

In addition, Emaar may not in the future be able to acquire or be granted unrestricted title or interest to any land, and/or could be determined to be in violation of applicable law should it violate any restrictions applicable to such title or interest.

Any of the aforementioned outcomes could have a material adverse effect on Emaar's business, prospects, financial condition and results of operations.

Emaar's relationships with governments and other key partners may change adversely

Most of Emaar's land bank in the UAE was granted by the Government of Dubai, which is the single largest shareholder in Emaar. The land bank has contributed significantly to Emaar's business and revenue. Outside the UAE, Emaar has sought to enter into strategic partnerships with other governments and local companies. The success of Emaar's business strategy and future profitability depends upon its continued ability to acquire or lease land at attractive prices, but there is no assurance that it will be able to continue to do so. Any adverse change to the relationship between Emaar and the Government of Dubai or any of its other strategic partners may affect Emaar's existing or future operations. Each of the above factors could have a material adverse effect on its business, results of operations, cash flows and financial condition.

Emaar may not have adequate insurance

Although Emaar seeks to ensure that its projects and developed properties are appropriately insured (see "*Description of Emaar Properties PJSC—Insurance*"), no assurance can be given that any existing insurance policies will be sufficient to cover the loss arising from certain events or will be renewed on equivalent, commercially reasonable terms, at an acceptable cost or at all. In addition, given the increasing volatility and complexity of the markets in which Emaar operates, certain types of risks and losses are either uninsurable or uneconomical to insure, (for example, amongst, others risks or losses relating to war, terrorism, geo-political climate, threats to cyber security, currency fluctuation, general economic crisis and inadequate succession planning). Furthermore, it may be difficult to identify appropriate insurance solutions to cover such risks, given the vast variety and complexity of products offered in the insurance market in recent years.

Moreover, Emaar has not taken key person insurance with respect to any members of its senior management. If an important member of senior management is unable to perform his or her functions due to extended illness or death, the replacement of such person may take a significant amount of time (due to recruitment and the requisite training of an appropriately qualified individual, who may not be easy to find). Due to the fact that Emaar does not have key person insurance, Emaar may not be able to offset (i) the costs of hiring temporary help or recruiting a successor or (ii) the losses incurred due to being unable to transact business as efficiently whilst a successor is being sought (see "*—Emaar's growth and expansion strategy could strain its ability to respond to the increasing complexities derived from such strategy, including complexities arising in relation to its operational and managerial resources*").

The occurrence of an uninsured or uninsurable loss could result in the loss of all or part of the capital invested in, or unrecoverable costs incurred to rectify the loss or pay compensation and anticipated future revenues relating to, any property that is damaged or destroyed. Emaar may be exposed to liabilities in excess of its insurance coverage (if any) and Emaar would also remain liable for any debt or mortgage, indebtedness or other financial obligations related to the relevant property. All of the above factors would have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Emaar may be liable for certain maintenance costs for its investment properties

Emaar bears the risk of repairing fair wear and tear to its investment properties, together with paying for the cost of its maintenance. As a result, Emaar must use its own resources to carry out such work which may necessitate significant operational and maintenance capital expenditure. Emaar's capital expenditure could increase as a result of a number of factors, including but not limited to, an increase in subcontracted costs, labour costs, repair and maintenance costs, insurance premiums and/or utility costs. Not all of these expenses are or can be passed on to tenants. In addition, unforeseen maintenance or repair may result in business interruption, payment of damages or other obligations to third parties.

Furthermore, Emaar has limited (if any) control over the operation and maintenance by third parties of properties that are handed over upon completion and sale and that are therefore not managed by Emaar as investment properties. Failure to maintain properties, either by third parties or by Emaar, could result in customer dissatisfaction and affect Emaar's reputation and brand and the value or marketability of its properties. The occurrence of any of these factors could have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

The regulatory framework governing the Dubai real estate market may be subject to change

Emaar cannot predict the contents of any future legislation that is imposed or implemented by RERA or the Government of Dubai. While many of the real estate laws and regulations recently implemented, and to be implemented in the future in Dubai, are intended to improve the real estate market in Dubai, the effects of the implementation of such laws is often uncertain, there may be difficulties or delays in enforcing them and there can be no assurance that such laws and regulations will not impose more onerous obligations on Emaar or have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

During the ordinary course of business, Group companies may become subject to lawsuits which could materially and adversely affect the Group

From time to time, Group companies may in the ordinary course of business be named as defendant in lawsuits, claims and other legal proceedings. Disputes may also arise in connection with construction or other contracts or agreements entered into with contractors, tenants or other third parties. These actions may seek, among other things, compensation for alleged losses, civil penalties or injunctive or declaratory relief. For example, during the first six months of 2016, a consortium of contractors for one of Emaar's projects in Dubai filed an arbitration claim with the International Chamber of Commerce for an amount of AED3.4 billion (see "*Description of Emaar Properties PJSC – Litigation*"). If any such action is ultimately resolved unfavourably, and the Group are required to bear all or a portion of the costs arising as a result of a lack of, or inadequate insurance proceeds, at amounts exceeding the Group's accrued liability, or at material amounts, the outcome could materially and adversely affect the Group's business, financial condition, results of operations and prospects.

Infringement of Emaar's trademarks and other intellectual property could materially adversely affect its business

Emaar relies on brand recognition and the goodwill associated with it. Therefore, the name "Emaar" and its associated brand and trading names and trademarks are key to Emaar's business. Substantial erosion in the value of the brands on which Emaar relies, whether due to project related issues, customer complaints, adverse publicity, legal action, third party dealings or other factors, could materially adversely affect Emaar's business, results of operations, cash flows or financial condition.

Although Emaar's management believes that it has taken appropriate steps to protect its trademark and other intellectual property rights, such steps may be insufficient, and third parties could infringe or challenge such rights, either of which could materially adversely affect Emaar's business, results of operations, cash flows or financial condition.

Certain of Emaar's businesses are required to maintain and renew numerous licences and permits to operate their businesses, the violation of which could adversely affect their financial performance and prospects

Emaar's operation of its hotels, its finance businesses, shopping malls, leisure facilities and entertainment venues, requires it to comply with numerous laws and regulations, both at the local and national level, and require the maintenance and renewal of commercial licences (for example, a commercial licence to operate, and receive rents from tenants in The Dubai Mall) and permits to conduct its various businesses in each of the jurisdictions in which it operates. It is the responsibility of the relevant operating entity that is undertaking the activity requiring the licence (with the assistance of Emaar and, where applicable, its joint venture partners) to obtain and maintain such licences.

Because of the complexities involved in procuring and maintaining numerous licences and permits, as well as in ensuring continued compliance with different and sometimes inconsistent local and national licensing regimes, Emaar cannot give any assurance that it will at all times be in compliance with all of the requirements imposed on each of its businesses and properties, although it is not aware of any material breaches that currently exist. Emaar's potential failure to comply with applicable laws and regulations or to obtain and maintain requisite approvals, certifications, permits and licences, whether intentional or unintentional, could lead to substantial sanctions, including criminal, civil or administrative penalties, revocation of its licences and/or increased regulatory scrutiny, and liability for damages. It could also trigger a default under one or more of its financing agreements, result in contracts to which Emaar is party being deemed to be unenforceable or invalidate or increase the cost of the insurance that Emaar maintains for its businesses (assuming it is covered for any consequential losses). For the most serious violations, it could also be forced to suspend operations until it obtains required approvals, certifications, permits or licences or otherwise brings its operations into compliance. In addition, any adverse publicity resulting from any compliance failure, particularly as regards the safety of Emaar's malls, leisure and entertainment venues, could have a material adverse effect on the financial performance, prospects and reputation of Emaar.

Furthermore, changes to existing, or the introduction of new, laws or regulations or licensing requirements in the jurisdictions in which Emaar operates are beyond its control and may be influenced by political or commercial considerations not aligned with Emaar's interests. Any such laws, regulations or licensing requirements could adversely affect its business by reducing its revenue and/or increasing its operating costs, and Emaar may be unable to mitigate the impact of such changes. Any of these occurrences could have a material adverse effect on its business, financial condition, results of operations and prospects.

Emaar may incur unanticipated costs related to compliance with health and safety and environmental laws and regulations

Emaar has adopted safety standards to comply with applicable laws and regulations in the various countries in which it carries on business. In addition, safety requirements are contractually agreed with Emaar's contractors. If Emaar and/or its contractors fail to comply with the relevant standards, either or both may be liable for penalties and the business and/or reputation of Emaar might be materially and adversely affected.

In addition, Emaar seeks to ensure that it and its contractors comply with all applicable environmental laws in the various countries in which they carry out business. As at the date of this Base Prospectus, Emaar is in compliance with all applicable environmental laws. However, there can be no assurance that Emaar will not be subject to potential environmental liability. If an environmental liability arises in relation to any project owned or developed by Emaar and it is not remedied, is not capable of being remedied, or is required to be remedied at the cost of Emaar, this may have a material adverse effect on the relevant project and on Emaar's business, results of operations, cash flows and financial condition (either because of the cost implications for Emaar or because of disruption to services provided at the relevant project or property). Moreover, it may result in a reduction of the value of the relevant project or property or affect the ability of Emaar to dispose of such project or property.

Amendments to existing laws and regulations relating to safety standards and the environment may impose more onerous requirements on Emaar. Emaar's compliance with such laws or regulations may necessitate further capital expenditure or subject Emaar to other obligations or liabilities, which could have a material adverse effect on Emaar's business, results of operations, cash flows, financial condition and prospectus.

Inflation may adversely affect Emaar's financial condition and results of operations

Average annual consumer price inflation in the UAE was 1.10 per cent., 2.35 per cent., and 4.07 per cent. in 2013, 2014 and 2015, respectively. Should inflation increase in the future, Emaar's business, results of operations, financial conditions and prospects could be adversely affected by any of the following:

- decreasing tenant sales as a result of decreased consumer spending levels in Emaar's properties, which could result in decreased occupancy levels or Emaar receiving lower amounts of net turnover rent;
- higher operating expenses, utilities costs, maintenance costs and labour costs, and an inability to receive reimbursement from tenants for their share of the increased operating expenses in the form of service fees; and/or
- difficulty in replacing or renewing expiring leases with new leases at higher rents to compensate for higher operating costs.

Risks relating to emerging markets

Investments in emerging markets are subject to greater risks than more developed markets, including significant political, social and economic risks

Almost all of Emaar's operations are conducted, and most of its assets are, as at the date of this Base Prospectus, located in emerging markets. Whilst most of the countries in which Emaar is carrying on business have historically not been affected by political instability, there is no assurance that any political, social, economic and market conditions affecting such countries and the MENASA region generally (as well as outside the MENASA region because of interrelationships within the global financial markets) would not have a material adverse impact on Emaar's business, results of operations, cash flows and financial condition. See "*—Emaar's financial performance is dependent on economic and other conditions of the regions in which it operates*".

Specific risks in these countries and the MENASA region that may have a material impact on Emaar's business, results of operations, cash flows and financial condition include:

- an increase in inflation and the cost of living;
- a devaluation in the currency of any country in which the Group has operations;

- external acts of warfare and civil clashes or other hostilities involving nations in the region;
- governmental actions or interventions, including tariffs, protectionism and subsidies;
- difficulties and delays in obtaining governmental or other approvals, new permits and consents for Emaar's operations or renewing existing ones;
- potential lack of transparency or reliability as to title to real property in certain jurisdictions where Emaar operates;
- cancellation of contractual rights;
- lack of infrastructure;
- expropriation or nationalisation of assets;
- inability to repatriate profits and/or dividends;
- regional political instability, including government or military regime change, riots or other forms of civil disturbance or violence, including through acts of terrorism;
- military strikes or the outbreak of war or other hostilities involving nations in the region;
- a material curtailment of the industrial and economic infrastructure development that is currently underway across the MENASA region;
- increased government regulations, or adverse governmental activities, with respect to price, import and export controls, the environment, customs and immigration, capital transfers, foreign exchange and currency controls, labour policies, land and water use and foreign ownership;
- changing tax regimes, including the imposition of taxes in currently tax favourable jurisdictions such as the UAE;
- arbitrary, inconsistent or unlawful government action, including capricious application of tax laws and selective tax audits;
- limited availability of capital or debt; and
- slowing regional and global economic environment.

Any unexpected changes in the political, social, economic or other conditions in the countries in which Emaar operates or neighbouring countries may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

It is not possible to predict the occurrence of events or circumstances such as or similar to those outlined above or the impact of such occurrences and no assurance can be given that Emaar would be able to sustain its current profit levels if such events or circumstances were to occur.

Investors should also be aware that emerging markets are subject to greater risks than more developed markets, including in some cases significant legal, economic and political risks. Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate. Generally, investment in developing markets is only suitable for sophisticated investors who fully appreciate the significance of the risks involved.

To the extent that economic growth or performance in the countries in which Emaar operates slows or begins to decline, or political conditions become sufficiently unstable to adversely affect Emaar's operations in those countries, Emaar's business, financial condition, results of operations and prospects may be materially adversely affected.

Legal and regulatory systems may create an uncertain environment for investment and business activities

The majority of the countries in which Emaar currently operates are emerging market economies, which are in various stages of developing institutions and legal and regulatory systems that are not yet as firmly established as they are in Western Europe and the United States. Some of these countries are also in the process of transitioning to a market economy and, as a result, are experiencing changes in their economies and their government policies (including, without limitation, policies relating to foreign ownership, repatriation of profits, property and contractual rights and planning and permit granting regimes) that may affect Emaar's business in those countries. Such countries are also characterised by less comprehensive legal and regulatory environments and systems. Existing laws and regulations may be applied inconsistently with anomalies in their interpretation, which could affect Emaar's ability to enforce its rights under its contracts or to defend itself against claims by others.

However, as these economies mature, and in part due to the desire of certain countries in the MENASA region, in particular the UAE, to accede to the World Trade Organisation, the governments of these countries have begun, and Emaar expects they will continue, to implement new laws and regulations which could impact the way Emaar conducts many of its businesses. (See "*Risk Factors Relating to Emaar—The regulatory framework governing the Dubai real estate market may be subject to change*".) For example, in 2007, Dubai passed laws restricting the ability of landlords to increase rents. Dubai's legal system for addressing rent disputes is new and largely untested. Any rent disputes in Dubai are, in the first instance, referred to the Rental Dispute Settlement Centre, which began to operate in November 2013.

In addition, Law Dubai No. 27 of 2007 (**Law No. 27**) concerning jointly owned properties sets out the framework for granting purchasers of individual units in a building freehold ownership rights to their units together with ownership of a proportionate share of the common areas in the building. Pursuant to directions supplementing Law No. 27, introduced on 13 April 2010 (the **Directions**), Emaar is required to comply with certain disclosure requirements (for both new and existing developments), including, amongst others, an obligation to provide each purchaser with a jointly owned property declaration (**JOPD**). The JOPD is required to register the sale of a unit with the Dubai Land Department and if the disclosure requirements under the Directions are not satisfied, the relevant sale contract may be held to be void. As at the date of this Base Prospectus, Emaar is in compliance with the disclosure requirements. However, if a large number of purchases of units from Emaar or its subsidiaries were held to be void, this could have a material adverse effect to Emaar's business, results of operations, cash flows and financial condition.

There can be no assurance that if laws or regulations were imposed in respect of the products and services offered by Emaar it would not adversely affect the way in which Emaar conducts its business or otherwise adversely affect its financial condition, results of operations and prospects.

In addition, given the relatively illiquid nature of Emaar's property assets (see "*—Real estate investments are illiquid*"), a change in law or regulation that results in Emaar ceasing to conduct business in a particular country could result in a significant loss to Emaar on the sale of its material properties in that country.

Any of the above factors, alone or in combination, may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

UAE visa legislation may have an adverse effect on Emaar's business

A decree issued by the Minister of the Interior on 2 May 2009, which came into effect on 1 June 2009, attempted to standardise terms of residence visas issued to expatriate property owners across the UAE. The decree allows expatriate property owners to apply for renewable multiple-entry visas with a validity of six months. The residence visa does not permit the holder to work but only to reside in the UAE. In order to successfully apply for the new visa, the expatriate property owners must fulfil certain criteria, including earning thresholds and the maintenance of appropriate insurance. While the Government of the UAE later announced a proposal to change the term of such visas from six months to three years, no details have been provided as yet. Whilst the decree was passed with the intention of standardising the previous rules and stimulating the domestic real estate market, it is not possible to assess whether the effect of this decree has had a positive or negative effect on investment in UAE property. The visa law may discourage property investment in the UAE, which would have a material adverse effect on Emaar's business, results of operations, financial condition and prospects.

The UAE may introduce value added tax and/or corporation tax

As at the date of this Base Prospectus, Emaar is not currently subject to corporation tax on its earnings within the UAE and the UAE does not impose value added tax (**VAT**) on the sale of goods or services. However, there is a possibility that this situation will not continue.

On 24 February 2016, the UAE Minister of State for Financial Affairs announced that, pursuant to a GCC-wide framework agreement on the implementation of VAT, the UAE will implement VAT at the rate of five per cent. from 1 January 2018. The GCC-wide framework agreement for VAT and the UAE national legislation implementing this framework agreement have yet to be made available and no details of the regime have been released.

If the UAE authorities or other authorities in the jurisdictions in which Emaar operates impose new tax regimes on Emaar, this may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition. In addition, any imposition of a tax on earnings would reduce the amount of funds which would ordinarily be distributed to Emaar's shareholders through dividends.

Risks arising from unlawful or arbitrary governmental action

Governmental authorities in many of the countries in which Emaar operates may have a high degree of discretion and, at times, act selectively or arbitrarily, without hearing or prior notice, and sometimes in a manner that is contrary to law or influenced by political or commercial considerations. Such governmental action could include, amongst other things, the withdrawal of building permits, the expropriation of property without adequate compensation or the forcing of business acquisitions, combinations or sales. Any such action taken may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

Statistical information

The statistical information in this Base Prospectus has been derived from a number of different identified sources. Certain information is only available on a federal basis relating to the entire UAE and investors should note Dubai's own position may differ in material respects from the position at an overall federal level. All statistical information provided in this Base Prospectus may differ from that produced by other sources for a variety of reasons, including the use of different definitions and cut-off times. The International Monetary Fund, in its 2015 Article IV Consultation on the UAE, highlighted continued shortcomings in the UAE's statistical base which will have impacted the statistical data included in this document. There is therefore no assurance that the economic and statistical data presented on the UAE and Dubai in the section "*Overview of the United Arab Emirates*" is accurate.

International sanction considerations

European, U.S. and other international sanctions have in the past been imposed on companies engaging in certain types of transactions with specified countries or companies or individuals in those countries. Companies operating in certain countries in the MENASA region have been subject to such sanctions in the past and certain of such countries are subject to such sanctions as at the date of this Base Prospectus. The terms of legislation and other rules and regulations which establish sanctions regimes are often broad in scope and difficult to interpret.

Although in the past Emaar has conducted business activities in countries which have been subject to sanctions, as at the date of the Base Prospectus, no Group company is in violation of any existing European, U.S. or international sanctions. If Emaar were in the future to violate existing European, U.S. or international sanctions, penalties could include a prohibition or limitation on Emaar's ability to conduct business in certain jurisdictions or to access the U.S. or international capital markets. Any such sanction could have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

For example, Emaar has limited operations in Syria (see "*—Emaar's financial performance is dependent on economic and other conditions of the regions in which it operates*"), which is a country that the US Department of Treasury's Office of Foreign Assets Control has targeted for economic and trade sanctions. Syria also faces United Kingdom H.M. Treasury and European Union Sanctions *inter alia*. Should Syria be the subject of further sanctions by the international and/or regional community, this may lead to a deterioration in the country's economic environment, which may in turn affect the profitability of Emaar's operations in that country.

Risk factors relating to the Trust Certificates

Absence of secondary market/limited liquidity

There is no assurance that a market for the Trust Certificates of any Series will develop or, if it does develop, that it will continue for the life of such Trust Certificates. Accordingly, a Certificateholder may not be able to find a buyer to buy its Trust Certificates readily or at prices that will enable the Certificateholder to realise a desired yield. The market value of the Trust Certificates may fluctuate and a lack of liquidity, in particular, can have a severe adverse effect on the market value of the Trust Certificates. In addition, questions as to the *Sharia* permissibility of the structure or the issue and the trading of the Trust Certificates may limit the liquidity and adversely affect the market value of the Trust Certificates. Accordingly, the purchase of the Trust Certificates is suitable only for investors who can bear the risks associated with a lack of liquidity in the Trust Certificates and the financial and other risks associated with an investment in the Trust Certificates. An investor in Trust Certificates must be prepared to hold the relevant Trust Certificates for an indefinite period of time or until their maturity. Whilst an application has been made for the listing of certain Series to be issued under the Programme on the DFSA Official List, there can be no assurance that any such listing will occur or will enhance the liquidity of the Trust Certificates of the relevant Series.

The Trust Certificates may be an ownership interest for the purposes of the Volcker Rule

The Trustee may be a "covered fund" for the purposes of the Volcker Rule. Further, the Trust Certificates may constitute an "ownership interest" for the purposes of the Volcker Rule. As a result, the Volcker Rule may, subject to certain exemptions, prohibit certain banking institutions from, directly or indirectly, acquiring or retaining the Trust Certificates. This prohibition may adversely affect the liquidity and market price of the Trust Certificates. In addition, any entity that is a "banking entity" under the Volcker Rule and is considering an investment in the Trust Certificates should consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally.

The Trust Certificates are limited recourse obligations

Recourse to Emaar Sukuk Limited in respect of each Series of Trust Certificates is limited to the Trust Assets of that Series and proceeds of such Trust Assets are the sole source of payments on the relevant Trust Certificates. Upon occurrence of a Dissolution Event or early dissolution pursuant to Conditions 11.2 or 11.3, the sole rights of each of the Issuer, the Trustee, the Delegate and the Certificateholders of the relevant Series of Trust Certificates will be against the Issuer and Emaar to perform their respective obligations under the Transaction Documents. Certificateholders will otherwise have no recourse to any assets of the Trustee, the Delegate, Emaar, the Arranger, the relevant Dealer, the Issuer, the Agents or any affiliate of any of the foregoing entities in respect of any shortfall in the expected amounts due under the relevant Trust Assets. Certificateholders will also not be able to petition for, or join any other person in instituting proceedings for, the reorganisation, liquidation, winding-up or receivership of Emaar (in respect of its obligations under the Transaction Documents to the extent that it fulfils all such obligations), or Emaar Sukuk Limited or any of their affiliates as a consequence of such shortfall or otherwise. Emaar is obliged to make certain payments under the Transaction Documents directly to the Issuer, and the Trustee and the Delegate will have direct recourse against Emaar to recover payments due to the Issuer from Emaar pursuant to the Transaction Documents. There can be no assurance that the net proceeds of the realisation of, or enforcement with respect to, the Trust Assets will be sufficient to make all payments due in respect of the Trust Certificates of the relevant Series. After enforcing or realising the relevant Trust Assets and distributing the net proceeds of such Trust Assets in accordance with Condition 5.2, the obligations of the Issuer and the Trustee in respect of the Trust Certificates of the relevant Series shall be satisfied and no Certificateholder may take any further steps against the Issuer or the Trustee to recover any further sums in respect of such Trust Certificates and the right to receive any such sums unpaid shall be extinguished. Furthermore, under no circumstances shall any Certificateholder, the Trustee or the Delegate have any right to cause the sale or other disposition of any of the Trust Assets except pursuant to the Transaction Documents and the sole right of the Trustee, the Delegate and the Certificateholders against Emaar shall be to enforce the obligation of Emaar to perform its obligations under the Transaction Documents.

The Trust Certificates may be subject to early redemption

In the event that the amount payable on the Trust Certificates is required to be increased to include additional amounts in certain circumstances and/or Emaar is required to pay additional amounts pursuant to certain Transaction Documents, in each case as a result of certain changes affecting taxation in the UAE or the Cayman Islands as the case may be, or in each case any political subdivision or any authority thereof or therein having power to tax, Emaar may be entitled to require the Issuer to redeem all but not some only of the Trust Certificates upon giving notice in accordance with the Conditions (as defined herein).

Risk factors relating to taxation

Taxation risks on payments

Payments made by Emaar to the Issuer under the Transaction Documents or by the Issuer in respect of the Trust Certificates could become subject to taxation. The Transaction Documents require Emaar to pay additional amounts in the event that any withholding or deduction is required by UAE law to be made in respect of payments made by it to the Issuer which are intended to fund Periodic Distribution Amounts and Dissolution Amounts. Condition 13 provides that the Issuer is required to pay additional amounts in respect of any such withholdings or deductions imposed by the Cayman Islands or the United Arab Emirates in certain circumstances. In the event that the Issuer fails to gross-up for any such withholding or deduction on payments due in respect of the Trust Certificates to Certificateholders, Emaar has, pursuant to the Master Trust Deed, unconditionally and irrevocably undertaken (irrespective of the payment of any fee), as a continuing obligation, to pay to the Issuer (for the benefit of the Certificateholders) an amount equal to the liabilities of the Issuer in respect of any and all additional amounts required to be paid in respect of the Trust Certificates pursuant to Condition 13 in respect of any withholding or deduction in respect of any tax as set out in that Condition.

Risks relating to the Trust Assets

Ownership of the Relevant Lease Assets

The *Sharia* analysis is as follows: an ownership interest in the Assets will pass to Emaar Sukuk Limited under the relevant Purchase Agreement and Emaar Sukuk Limited will lease the Relevant Lease Assets to Emaar under the relevant Lease Agreement. Emaar Sukuk Limited will declare a trust in respect of the Relevant Lease Assets and the other Trust Assets in favour of the Certificateholders of the relevant Series pursuant to the relevant Trust Deed. Accordingly, from a *Sharia* perspective Certificateholders will, through the ownership interest obtained by Emaar Sukuk Limited pursuant to the terms of the relevant Purchase Agreement, have an ownership interest in the Relevant Lease Assets.

However, no investigation or enquiry will be made and no due diligence will be conducted in respect of any Relevant Lease Assets of any Series. The Relevant Lease Assets will be selected by Emaar and the Certificateholders, Emaar Sukuk Limited, the Agents and the Delegate will have no ability to influence such selection. Only limited representations will be obtained from Emaar in respect of the Relevant Lease Assets of any Series. No steps will be taken to perfect the legal transfer of the ownership interest (including registration if required as a matter of law) in the Relevant Lease Assets of any Series with any relevant regulatory authority in the UAE and, therefore, in relation to any Assets or Relevant Lease Assets which require perfection in order to legally transfer any ownership interest, Certificateholders shall not have any interest in any such Asset or Relevant Lease Assets.

Transfer of the Relevant Lease Assets

No investigation has been or will be made as to whether any Relevant Lease Asset may be transferred as a matter of the law of the jurisdiction where such assets are located or any other relevant law. No investigation will be made to determine if the relevant Purchase Agreement will have the effect of transferring the Relevant Lease Assets of the relevant Series.

Nevertheless, as indicated earlier, although, the *Sharia* analysis is such that an ownership interest in the Relevant Lease Assets will pass to Emaar Sukuk Limited under the relevant Purchase Agreement, the Certificateholders will not have any rights of enforcement as against the Relevant Lease Assets and their rights are limited to enforcement against Emaar of its obligation to purchase the Relevant Lease Assets pursuant to the terms of the Purchase Undertaking in accordance with the terms of the Transaction Documents.

However, Emaar has covenanted in:

(i) the Purchase Undertaking that it will fully accept all or any ownership interest Emaar Sukuk Limited may have in the Relevant Lease Assets and, if that ownership interest is disputed or challenged, will fully indemnify Emaar Sukuk Limited for the purpose of redemption in full of the relevant Series of Trust Certificates and, accordingly, the amount payable under such indemnity will equal the relevant Exercise Price; and

(ii) the Master Trust Deed that it will immediately upon demand (but without any double counting): (a) make payment to the Trustee or the Delegate (as applicable) of an amount equal to the Purchase Price (as defined in the relevant Purchase Agreement) in respect of any Initial Defective Sale by way of restitution and (b) indemnify fully the Trustee or the Delegate (as applicable) for the relevant Exercise Price expressed to be due and payable under, *inter alia*, the Purchase Undertaking at the relevant time if, as a result of either an Initial Defective Sale or a Subsequent Defective Sale, the Trustee or the Delegate is unable to realise in full, or does not actually receive in full, the relevant Exercise Price which is expressed to be due and payable under, *inter alia*, the Purchase Undertaking.

For this purpose, an **Initial Defective Sale** will occur if the sale, purchase, transfer and conveyance of any rights, title, interests, benefits and entitlements in, to and under any of the relevant Assets (as defined in the relevant Purchase Agreement) from Emaar to the Trustee under the relevant Purchase Agreement is not valid or effective, or becomes invalid or ineffective, in whole or in part, in any jurisdiction for any reason, and a **Subsequent Defective Sale** will occur if the sale, purchase, transfer and conveyance of any of the Trustee's rights, title, interests, benefits and entitlements in, to and under, *inter alia*, the Relevant Lease Assets pursuant to the exercise of the Purchase Undertaking is not valid or effective, or becomes invalid or ineffective, in whole or in part, in any jurisdiction for any reason, including without limitation, by reason of any Initial Defective Sale.

Total Loss Event

From a *Sharia* perspective, if Condition 11.4 is specified in the applicable Final Terms as being applicable, as owner of the Lease Assets relating to each Series, Emaar Sukuk Limited is required, among other things, to insure the Relevant Lease Assets. Emaar Sukuk Limited has appointed Emaar, as its servicing agent, which has undertaken in the Servicing Agency Agreement, *inter alia*, to insure the Relevant Lease Assets in these circumstances in the name of Emaar Sukuk Limited against the occurrence of a Total Loss Event for their full reinstatement value (and to ensure, in relation to each relevant Series, that such amount is not at any time less than the aggregate face amount of Trust Certificates of such Series then outstanding plus accrued but unpaid Periodic Distribution Amounts less the aggregate amounts of the Deferred Sale Price, if any, payable by the Buyer to the Seller pursuant to the Master Murabaha Agreement for such Series then outstanding). A **Total Loss Event** is defined as the total loss or destruction of, or damage to the whole of, the Relevant Lease Assets or any event or occurrence that renders the whole of the Relevant Lease Assets permanently unfit for any economic use and (but only after taking into consideration any insurances or other indemnity granted by any third party in respect of the Relevant Lease Assets) the repair or remedial work in respect thereof is wholly uneconomical.

Nevertheless, should such an event occur the relevant Lease will terminate and the Trust Certificates of the relevant Series will be repaid using the proceeds of the insurance received by Emaar Sukuk Limited and, if any, the aggregate amounts of the Deferred Sale Price then outstanding. In this scenario, potential investors should be aware that: (i) rental under the Lease will cease upon the occurrence of a Total Loss Event as that Lease will have terminated and accordingly the Periodic Distribution Amount payable to the Certificateholders of the relevant Series will not accrue after the date of such Total Loss Event and (ii) there may be a delay in Emaar Sukuk Limited receiving the proceeds of insurance and therefore in the relevant Certificateholders receiving a Dissolution Amount in respect of their Trust Certificates and no additional Periodic Distribution Amount will be paid in respect of this delay. In this regard, the Servicing Agency Agreement provides that if the insurance proceeds for an amount equal to the full reinstatement value are not paid directly into the Transaction Account within 30 days of the occurrence of the Total Loss Event, Emaar, as Servicing Agent, shall have failed in its responsibility to properly insure the Relevant Lease Assets and accordingly (unless it proves beyond any doubt that any shortfall in the insurance proceeds is not attributable to its negligence or its failure to comply with the terms of the Servicing Agency Agreement relating to insurance) Emaar shall be responsible for paying any shortfall. The Delegate will be entitled to enforce this undertaking against Emaar on behalf of the Certificateholders of the relevant Series.

Risks relating to the Murabaha Contracts

Taxation risk

Pursuant to the terms of the Master Murabaha Agreement, in connection with each relevant Tranche of Trust Certificates outstanding from time to time under the Programme, the Seller shall enter into a Murabaha Contract (as defined herein) with the Buyer using the Murabaha percentage specified in the applicable Final Terms, being no more than 49 per cent. of the face amount of such relevant Tranche. Upon the receipt of and pursuant to a purchase order from the Buyer, the Seller will purchase certain commodities from certain suppliers at the spot price and, pursuant to a letter of offer and acceptance, the Buyer will irrevocably undertake to purchase such commodities from the Seller in consideration for a deferred sale price.

Upon purchasing and prior to on-selling any commodities, the Buyer will for a limited period assume the legal and beneficial title to such commodities. It is possible that the acquisition of the commodities, or the disposal thereof, may be, or may by virtue of a change in law become, subject to increased taxation. To the extent that taxation costs arise in respect of the Buyer's acquisition, ownership or disposition of the commodities, there may be a material adverse effect on the Buyer's ability to perform its obligations (including payment obligations) under the Master Murabaha Agreement and, in turn, in respect of the Trust Certificates.

Price fluctuation risk

The price at which a commodity changes hands is determined as a function of its market as a whole, and both under-supply and over-supply of a commodity can have significant implications for the price at which it is traded. If, after the Buyer has purchased any commodities, the market for the commodities becomes over-supplied or flooded, the price at which the commodities can be on-sold or traded subsequently may be adversely affected. Similarly, if after the Buyer has purchased the commodities, additional governmental or import or export licences become applicable to the market for the commodities, the price at which the commodities can be sold or traded subsequently may also be adversely affected. The effect of such price fluctuations may have a material adverse impact on the Buyer's ability to secure satisfactory on-sale prices for the commodities and, in turn, have a material adverse effect on the Buyer's ability to perform its obligations (including payment obligations) under the Master Murabaha Agreement and, in turn in respect of the Trust Certificates.

Commodity risk

Upon purchasing commodities from the Seller and prior to selling the commodities to an independent third party purchaser, the Buyer will for a limited period assume the operational risks associated with taking ownership of the commodities. These risks include, without limitation, that:

(i) the commodities may suffer damage of a nature that reduces their value whilst in storage or during transit;

(ii) the Buyer's storage and/or transfer of the commodities may cause environmental damage, such as pollution, leakage or contamination, which may breach environmental laws or regulations making the Buyer susceptible to legal or financial recourse;

(iii) the commodities may be liable to theft and or vandalism; and

(iv) the commodities may be damaged by terrorist attacks, natural disasters, fire or other catastrophic events that are beyond the control of the Buyer.

To the extent that these risks are not mitigated, or fully covered, by any insurance taken out in respect of the commodities, the occurrence of any of these events may have a material adverse effect on the value of the commodities and/or the Buyer's ability to on-sell the commodities which may, in turn, affect the Buyer's ability to perform its obligations (including payment obligations) under the Master Murabaha Agreement and, in turn in respect of the Trust Certificates.

Risk factors relating to enforcement

UAE bankruptcy law

In the event of Emaar's insolvency, UAE bankruptcy law may adversely affect Emaar's ability to perform its obligations under the Transaction Documents to which it is a party and, consequently, the Issuer's ability to perform its obligations in respect of any Trust Certificates issued under the Programme. There is little precedent to predict how a claim on behalf of Certificateholders, the Trustee and/or the Delegate against Emaar upon its insolvency would be resolved, and therefore there can be no assurance that Certificateholders will receive payment of their claims in full or at all in these circumstances.

Change of law

The structure of the issue of the Trust Certificates under the Programme is based on English law, DIFC law, Dubai law and, to the extent applicable in Dubai, UAE federal law, and administrative practices in these jurisdictions in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible change to English law, DIFC law, Dubai law, UAE federal law or any such administrative practices after the date of this Base Prospectus, nor can any assurance be given as to whether any such change could adversely affect the ability of the Issuer to make payments under any Trust Certificates or of the Issuer and Emaar to comply with their respective obligations under the Transaction Documents.

Enforcement risk

Ultimately the payments under the Trust Certificates are dependent upon Emaar making payments in the manner contemplated under the Transaction Documents. If Emaar fails to do so, it may be necessary for an investor to bring an action against Emaar to enforce its obligations and/or to claim damages, as appropriate, which could be both time consuming and costly.

Furthermore, to the extent that the enforcement of remedies must be pursued in the UAE, it should be borne in mind that there is limited scope for self-help remedies under UAE law and that generally enforcement of remedies in the UAE must be pursued through the courts.

Emaar has irrevocably agreed to certain of the Transaction Documents being governed by English law and, where this is the case, that any dispute arising from such Transaction Documents may be referred to arbitration in London under the rules of arbitration of the LCIA.

The 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the **New York Convention**) entered into force in the UAE on 19 November, 2006. Any arbitration award rendered in London should therefore be enforceable in the UAE in accordance with the terms of the New York Convention. Under the New York Convention, the UAE has an obligation to recognise and enforce foreign arbitration awards, unless the party opposing enforcement can prove one of the grounds under Article V of the New York Convention to refuse enforcement, or the UAE courts find that the subject matter of the dispute is not capable of settlement by arbitration or enforcement would be contrary to the public policy of the UAE.

There have been limited instances where the UAE courts, most notably the Fujairah Court of First Instance and the Dubai Court of Cassation, have ratified or ordered the recognition and enforcement of foreign arbitration awards under the New York Convention. The uncertainty regarding the interpretation and application of the New York Convention provisions by the courts is further reinforced by the lack of a system of binding judicial precedent in the UAE and because of the independent existence of different Emirates within the UAE, some with their own court systems, whose rulings may have no more than persuasive force within other Emirates. There is therefore no guarantee that the Dubai courts will take the same approach in similar proceedings in the future. In practice, therefore, how the New York Convention provisions would be interpreted and applied by the Dubai courts, and whether the Dubai courts will enforce a foreign arbitration award in accordance with the New York Convention, remains largely untested.

Under such Transaction Documents, any dispute may also be referred to the courts in England (who shall have non-exclusive jurisdiction to settle any dispute arising from such Transaction Documents in certain circumstances). Where an English judgment has been obtained, there is no assurance that Emaar has or would at the relevant time have assets in the United Kingdom against which such a judgment could be enforced. Emaar is incorporated in, and has the majority of its assets located in, the UAE. Under current UAE federal law, the courts in the UAE are unlikely to enforce an English judgment without re-examining the merits of the claim (save as described below in relation to any final and unappealable judgment, order or award made by the DIFC Courts (as defined below)) and may not observe the choice by the parties of English law as the governing law of such Transaction Documents. In the UAE, foreign law is required to be established as a question of fact and the interpretation of English law by a court in the UAE may not accord with the interpretation of an English court.

In principle, courts in the UAE recognise the choice of foreign law if they are satisfied that an appropriate connection exists between the relevant transaction agreement and the foreign law which has been chosen. In addition, even if English law is accepted as the governing law, this will only be applied to the extent that it is compatible with the laws of Dubai, the UAE and public policy, order or morals in the UAE. This may mean that the Dubai courts may seek to interpret English law governed documents as if governed by UAE law and there can therefore be no certainty that in those circumstances the Dubai courts would give effect to such documents in the same manner as the parties may intend.

As the UAE judicial system is based on a civil code, judicial precedents in the UAE have no binding effect on subsequent decisions. In addition, there is no formal system of reporting court decisions in the UAE. These factors create greater judicial uncertainty.

In addition to the above, Emaar has also agreed under the terms of the same Transaction Documents (including each of the Purchase Undertaking and the Master Trust Deed) to submit to the non-exclusive jurisdiction of each of the English courts and the Dubai International Financial Centre Courts (the **DIFC Courts**) in respect of any dispute, claim, difference or controversy arising out of or in connection with such Transaction Documents, subject to the right of Emaar Sukuk Limited (or the Delegate on behalf of the relevant Certificateholders) to elect to bring proceedings in any other court or courts of competent jurisdiction. Dubai Law No. 16 of 2011 on Amending Some Provisions of Law No. 12 of 2004 Concerning the Dubai International Financial Centre Courts (**Law No. 16 of 2011**) came into force in Dubai on 31 October 2011 and extended the jurisdiction of the DIFC Courts to include all civil and commercial disputes where the parties to the relevant dispute have expressly agreed to submit to the jurisdiction of the DIFC Courts, even where such parties are unconnected to the DIFC. None of Emaar, Emaar Sukuk Limited or the Delegate are connected to the Dubai International Financial Centre (the **DIFC**).

If, in respect of any Series, Emaar fails to purchase the Relevant Lease Assets in accordance with Clause 3.3 of the Purchase Undertaking, the Delegate (on behalf of the relevant Certificateholders) may, subject to the matters set out in Condition 16 and the terms of the Master Trust Deed relating to the enforcement of rights, seek to enforce, *inter alia*, the provisions of the Purchase Undertaking and the restitution and indemnity provisions set out in the Master Trust Deed against Emaar by commencing proceedings in the DIFC Courts. The DIFC Courts should recognise the choice of English law as the governing law of each of the Purchase Undertaking and the Master Trust Deed.

Under Article 7 of Law No. 12 of 2004 as amended by Law No. 16 of 2011, any final and unappealable judgment, order or award made by the DIFC Courts in favour of the Delegate (on behalf of the relevant Certificateholders) must, upon application by the Delegate to the Dubai Court of Execution and satisfaction of the procedures and rules of execution stipulated in Federal Law No. 11 of 1992 regarding the Law of Civil Procedures, be enforced against Emaar by the Dubai Court of Execution without that court being able to reconsider the merits of the case.

As a result, and as any dispute under the Conditions and certain Transaction Documents may also be referred to the DIFC Courts as aforesaid, the DIFC Courts should recognise the choice of English law as the governing law of the Trust Certificates or such Transaction Documents, and any final and unappealable judgment of the DIFC Courts in connection therewith should be enforced by the Dubai courts without reconsidering the merits of the case. Investors should note however that, as at the date of this Base Prospectus, Law No. 16 of 2011 remains largely untested and there is therefore no certainty as to how the DIFC Courts intend to exercise their jurisdiction under the law should any party dispute the right of the DIFC Courts to hear a particular dispute where any party is unconnected to the DIFC, nor is there any certainty that the Dubai Court of Execution will enforce the judgment of the DIFC Court without reconsidering the merits of the case.

Claims for specific enforcement

In the event that Emaar fails to perform its obligations under any Transaction Document, the potential remedies available to the Trustee and the Delegate include obtaining an order for specific enforcement of the relevant obligations or a claim for damages. There is no assurance that a court will provide an order for specific enforcement which is a discretionary matter.

The amount of damages which a court may award in respect of a breach will depend upon a number of possible factors including an obligation on the Trustee and the Delegate to mitigate any loss arising as a result of the breach. No assurance is provided on the level of damages which a court may award in the event of a failure by Emaar to perform its obligations as set out in the Transaction Documents.

Emaar's waiver of immunity may not be effective under UAE law

Emaar has waived its rights in relation to sovereign immunity under the Transaction Documents to which it is a party. However, there can be no assurance as to whether such waivers of immunity from execution or attachment or other legal process by it under the Transaction Documents to which it is a party are valid and binding under the laws of Dubai and, to the extent applicable therein, the federal laws of the UAE.

Additional risks

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to Emaar or the Trust Certificates. The ratings may not reflect the potential impact of all risks related to the transaction structure, the market, the additional factors discussed above or any other factors that may affect the value of the Trust Certificates. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances whilst the registration application is pending). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Trust Certificates and may be adversely affected if definitive Trust Certificates are subsequently required to be issued

In relation to any issue of Trust Certificates which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Trust Certificates may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds a face amount of less than the minimum Specified Denomination would need to purchase an additional amount of Trust Certificates such that it holds an amount equal to at least the minimum Specified Denomination to be able to trade such Trust Certificates.

A holder who holds an amount which is less than the minimum Specified Denomination in his or her account with the relevant clearing system at the relevant time may not receive a definitive Trust Certificate in respect of such holding (should definitive Trust Certificates be printed or issued) and would need to purchase a face amount of Trust Certificates at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination in order to be eligible to receive a definitive Trust Certificate.

If definitive Trust Certificates are issued, holders should be aware that definitive Trust Certificates which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Emerging Markets

Investors in emerging markets should be aware that these markets are subject to greater risks than more developed markets, including, in some cases, significant legal, economic and political risks. Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate. Generally, investment in emerging markets is only suitable for sophisticated investors who fully appreciate the significance of the risk involved.

Consents to variation of Transaction Documents and other matters

The Conditions contain provisions for calling meetings of Certificateholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Certificateholders including Certificateholders who did not attend and vote at the relevant meeting and Certificateholders who voted in a manner contrary to the majority.

The Master Trust Deed contains provisions permitting the Delegate from time to time and at any time without any consent or sanction of the Certificateholders to agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any Transaction Document or determine, without any such consent or sanction as aforesaid, that any Dissolution Event or Potential Dissolution Event shall not be treated as such if, in the opinion of the Delegate (a) such modification is of a formal, minor or technical nature, or (b) such modification is made to correct a manifest error, or (c) such modification, waiver, authorisation or determination is not materially prejudicial to the interests of Certificateholders, provided that in the case of (c) above no such modification, waiver, authorisation or determination may be made in contravention of any express direction by Extraordinary Resolution or request in writing by the holders of at least 20 per cent. of the outstanding aggregate face amount of Trust Certificates. Unless the Delegate otherwise decides, any such modification, waiver, authorisation or determination shall as soon as practicable thereafter be notified by the Issuer to the Certificateholders in accordance with Condition 18 and shall in any event be binding upon the Certificateholders.

Reliance on Euroclear and Clearstream, Luxembourg procedures

Trust Certificates issued under the Programme will be represented on issue by a Global Certificate that will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in each Global Certificate, investors will not be entitled to receive Trust Certificates in definitive form. Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in the Global Certificates. While the Trust Certificates of any Series are represented by a Global Certificate, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and their respective participants.

While the Trust Certificates are represented by a Global Certificate, the Issuer will discharge its payment obligation under the Trust Certificates by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Certificate must rely on the procedures of the relevant clearing system and its participants to receive payments under the Trust Certificates. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Certificate.

Holders of beneficial interests in a Global Certificate will not have a direct right to vote in respect of the Trust Certificates so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

Trust Certificates subject to early dissolution by the Issuer

An early dissolution feature of any Trust Certificate is likely to limit its market value. During any period when the Issuer may elect to dissolve Trust Certificates, the market value of those Trust Certificates generally will not rise substantially above the dissolution amount payable. This also may be true prior to any dissolution period.

The Issuer may be expected to redeem Trust Certificates when Emaar's cost of financing is lower than the profit rate on the Trust Certificates. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective profit rate as high as the profit rate on the Trust Certificates being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

If an investor holds Trust Certificates which are not denominated in the investor's home currency, he or she will be exposed to movements in exchange rates adversely affecting the value of his or her holding. In addition, the imposition of exchange controls in relation to any Trust Certificates could result in an investor not receiving payments on those Trust Certificates

The Issuer will make all payments on the Trust Certificates in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Trust Certificates (2) the Investor's Currency-equivalent value of the principal payable on the Trust Certificates and (3) the Investor's Currency-equivalent market value of the Trust Certificates.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Trust Certificates. As a result, investors may receive less profit or principal than expected, or no profit or principal.

Sharia rules

The Shariah Supervisory Committee of Standard Chartered Bank has confirmed that the Transaction Documents are, in their view, *Sharia* compliant. However, there can be no assurance that the Transaction Documents or any issue and trading of any Trust Certificates will be deemed to be *Sharia* compliant by any other *Sharia* board or *Sharia* scholars. None of the Issuer, Emaar, the Arranger, the Agents or the Dealers makes any representation as to the *Sharia* compliance of any Tranche and potential investors are reminded that, as with any *Sharia* views, differences in opinion are possible. Potential investors should obtain their own independent *Sharia* advice as to the compliance of the Transaction Documents and the issue and trading of any Tranche with their individual standards of compliance with *Sharia* principles. Questions as to the *Sharia* permissibility of the structure or the issue and the trading of the Trust Certificates may limit the liquidity and adversely affect the market value of the Trust Certificates. A brief description of the members of the Shariah Supervisory Committee of Standard Chartered Bank is set out below under "*General Information – Description of the members of the Shariah Supervisory Committee of Standard Chartered Bank*".

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Base Prospectus shall be incorporated in, and form part of, this Base Prospectus:

(a) the auditors' report and audited consolidated annual financial statements for the financial year ended 31 December 2014 of Emaar;

(b) the auditors' report and audited consolidated annual financial statements for the financial year ended 31 December 2015 of Emaar; and

(c) the auditors' review report and unaudited interim condensed consolidated financial statements for the six months ended 30 June 2016 of Emaar.

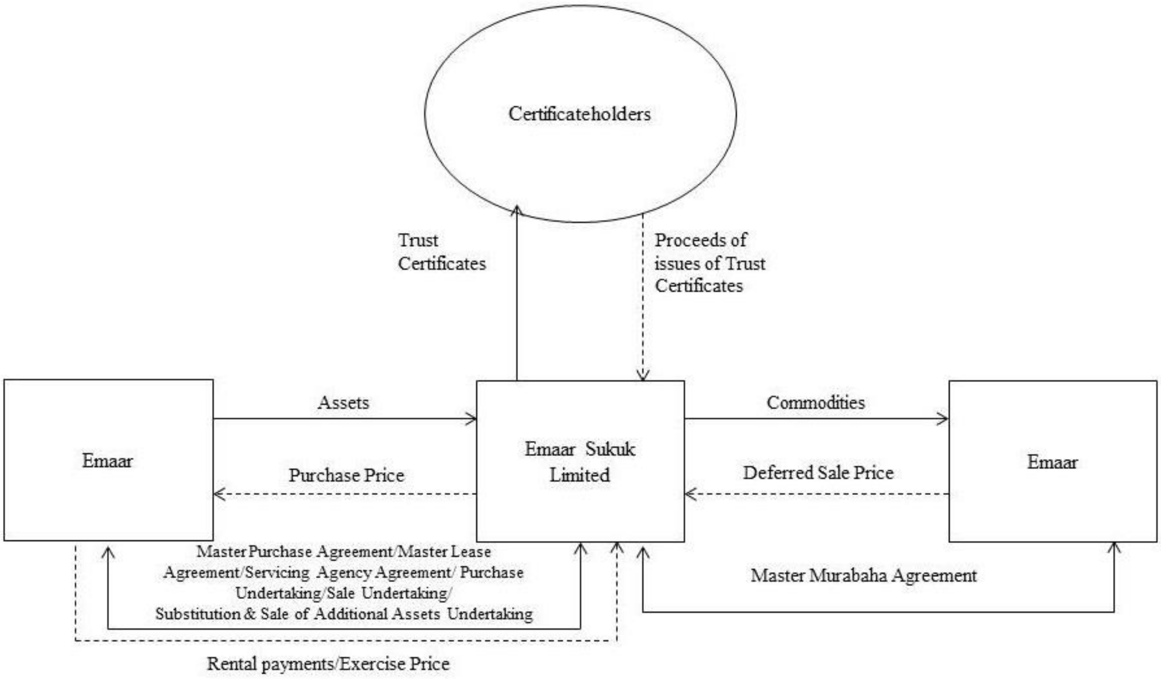
Following the publication of this Base Prospectus, a supplementary prospectus may be prepared by the Issuer and Emaar and approved by the DFSA in accordance with the Markets Law and the Markets Rules. Statements contained in any such supplementary prospectus (or contained in any document incorporated by reference therein) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus can be obtained from the registered office of the Issuer and from the specified office of the Paying Agent for the time being in London.

The Issuer and Emaar will, in the event of (i) any significant change in, or a material mistake or inaccuracy affecting, any matter included in this Base Prospectus or (ii) any significant new matter arising, in each case which is capable of affecting the assessment of any Trust Certificates, prepare a supplementary prospectus to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Trust Certificates.

STRUCTURE DIAGRAM AND CASHFLOWS

Set out below is a simplified structure diagram and description of the principal cash flows underlying each Series of Trust Certificates issued. Potential investors are referred to the terms and conditions of the Trust Certificates and the detailed descriptions of the relevant Transaction Documents set out elsewhere in this document for a fuller description of certain cash flows and for an explanation of the meaning of certain capitalised terms used below.



Cashflows

Payments by the Certificateholders and the Issuer

On the Issue Date of each Tranche of Trust Certificates, the relevant Certificateholders will pay the issue price (the **Issue Proceeds**) in respect thereof to Emaar Sukuk Limited and Emaar Sukuk Limited will apply:

(a) the percentage thereof specified in the applicable Final Terms as the purchase price (the **Purchase Price**) payable under the relevant Supplemental Purchase Agreement for the relevant Assets or (in the case of each subsequent Tranche of such Series) as the purchase price (the **Additional Assets Purchase Price**) payable under the relevant sale agreement entered into pursuant to the Substitution and Sale of Additional Assets Undertaking for the relevant Additional Assets (as defined herein); and

(b) provided that the full amount of the Issue Proceeds have not been used to purchase the relevant Assets or (in the case of each subsequent Tranche of such Series) the Additional Assets, the remaining proceeds being no more than 49 per cent. of the face amount of the relevant Tranche in the purchase of commodities to be sold to Emaar on a deferred payment basis for an amount specified in a letter of offer and acceptance (the **Deferred Sale Price**) pursuant to the Master Murabaha Agreement.

Periodic Payments by the Issuer

Prior to each Periodic Distribution Date, the Lessee will pay to Emaar Sukuk Limited an amount reflecting the rental due in respect of the Relevant Lease Assets, which is intended to be sufficient to fund the Periodic Distribution Amounts payable by the Issuer under the Trust Certificates and shall be applied by the Issuer for that purpose.

Dissolution Payments

On the Maturity Date:

(a) the aggregate amounts of the Deferred Sale Price then outstanding, if any, shall become immediately due and payable by Emaar; and

(b) Emaar Sukuk Limited will have the right under the Purchase Undertaking to require the Obligor to purchase all of its rights, benefits and entitlements in and to the Relevant Lease Assets.

The exercise price payable by the Emaar to Emaar Sukuk Limited, together with the aggregate amounts of the Deferred Sale Price then outstanding, if any, are intended to fund the Dissolution Amount payable by the Issuer under the Trust Certificates.

The Trust may be dissolved prior to the Maturity Date for a number of reasons including (i) default or the imposition of Taxes; (ii) where so specified in the applicable Final Terms, upon the occurrence of a Total Loss Event (as defined herein); or (iii) in certain cases where so specified in the applicable Final Terms, at the option of the Issuer or any Certificateholder, as the case may be. In any such case the relevant Dissolution Amount will be funded by requiring Emaar to purchase the Relevant Lease Assets at the relevant exercise price and pay the aggregate amounts of the Deferred Sale Price then outstanding, if any, to or to the order of Emaar Sukuk Limited (pursuant to the terms of the Purchase Undertaking or the Sale Undertaking, as the case may be, and the Master Murabaha Agreement).

GENERAL DESCRIPTION OF THE PROGRAMME

This overview does not contain all of the information that an investor should consider before investing in Trust Certificates and is qualified in its entirety by the remainder of this Base Prospectus and, in relation to each Tranche of Trust Certificates, the applicable Final Terms. Each investor should read the entire Base Prospectus and, in relation to each Tranche of Trust Certificates, the applicable Final Terms carefully, especially the risks of investing in the Trust Certificates issued under the Programme discussed under "Risk Factors".

Words and expressions defined in "*Form of the Trust Certificates*" and "*Terms and Conditions of the Trust Certificates*" shall have the same meanings in this general description. In particular, the expressions "Trust Deed", "Lease Agreement" and "Purchase Agreement" mean, in relation to each Series, the Master Trust Deed when read together with the relevant Supplemental Trust Deed, the Master Lease Agreement when read together with the relevant Supplemental Lease Agreement and the Master Purchase Agreement when read together with the relevant Supplemental Purchase Agreement, respectively.

The Programme provides a facility for the issuance of Trust Certificates in Series. The terms and conditions governing each Series of Trust Certificates will be the "*Terms and Conditions of the Trust Certificates*" as described herein, as modified or supplemented by the applicable Final Terms. The following is an overview of the principal features of the Trust Certificates.

On the occasion of each issuance of Trust Certificates, the Issuer will receive contributions from the Certificateholders representing the proceeds of the Trust Certificates in the amount specified in the relevant Supplemental Trust Deed.

In relation to each Series of Trust Certificates, Emaar Sukuk Limited will apply:

(a) the percentage of the Issue Proceeds specified in the applicable Final Terms as the Purchase Price payable under the relevant Supplemental Purchase Agreement for the relevant Assets or (in the case of each subsequent Tranche of such Series) as the Additional Assets Purchase Price payable under the relevant sale agreement entered into pursuant to the Substitution and Sale of Additional Assets Undertaking for the relevant Additional Assets; and

(b) provided that the full amount of the Issue Proceeds have not been used to purchase the relevant Assets or (in the case of each subsequent Tranche of such Series) the Additional Assets, the remaining proceeds, being no more than 49 per cent. of the face amount of the relevant Tranche in the purchase of commodities to be sold to Emaar on a deferred payment basis for an amount equal to the Deferred Sale Price pursuant to the Master Murabaha Agreement.

Emaar Sukuk Limited (in its capacity as Lessor) will lease the Relevant Lease Assets to Emaar (in its capacity as Lessee). The relevant Lease will commence on the Issue Date of the first Tranche of each Series of Trust Certificates and will end on the earlier of (a) the Maturity Date or (b) in the event that the relevant Series of the Trust Certificates is redeemed in full prior to its Maturity Date, on the date of such redemption (unless the relevant Supplemental Lease Agreement is terminated earlier in accordance with its terms or extended in accordance with the Purchase Undertaking). Under the Servicing Agency Agreement, Emaar Sukuk Limited (in its capacity as Lessor) has appointed Emaar as servicing agent in respect of the Lease Assets, with responsibility for insuring the Lease Assets, paying proprietorship taxes and performing major maintenance and structural repair.

Emaar (in its capacity as Obligor) has agreed to purchase all or (in the case of an exercise of a Certificateholder Put Right) a proportion, of the rights, benefits and entitlements of Emaar Sukuk Limited in and to the Relevant Lease Assets on the relevant Maturity Date or, as the case may be, on the relevant Dissolution Date pursuant to an amended and restated purchase undertaking dated 31 August 2016 executed as a deed by the Obligor (the **Purchase Undertaking**), to be supplemented, at the time of each such purchase, by a sale agreement (each a **Sale Agreement**) substantially in the form annexed to the Purchase Undertaking and containing the specific terms applicable to the relevant purchase. In addition, in any case where the Issuer is entitled to require the redemption of the Trust Certificates of any Series, Emaar has the right to purchase Emaar Sukuk Limited's rights, benefits and entitlements in and to the Relevant Lease Assets on the relevant Dissolution Date pursuant to an amended and restated sale undertaking dated 31 August 2016 executed as a deed by Emaar Sukuk Limited (the **Sale Undertaking**), to be supplemented, at the time of each such purchase, by a sale agreement (each a

Sale Agreement) substantially in the form annexed to the Sale Undertaking and containing the specific terms applicable to the relevant purchase. The exercise price (the **Exercise Price**) payable by Emaar pursuant to each Sale Agreement (and the Purchase Undertaking or Sale Undertaking, as the case may be) will be an amount equal to (a) the aggregate face amount of the relevant Trust Certificates then outstanding to be redeemed on the Maturity Date or the relevant Dissolution Date, as the case may be, (b) all accrued but unpaid Periodic Distribution Amounts (if any) relating to the Trust Certificates to be redeemed on such date, (c) without duplication or double counting, an amount representing any amounts payable by Emaar Sukuk Limited (in any capacity) under the Transaction Documents to which it is a party (including but not limited to, if all Trust Certificates of the relevant Series are being redeemed in full, an amount equal to any Servicing Agency Expenses in respect of which an appropriate Rental payment has not been made in accordance with the Master Lease Agreement and the relevant Supplemental Lease Agreement), provided that, in the case of any amounts payable pursuant to Condition 5.2(a), Emaar has received notification from the Delegate of such amounts by no later than the third Business Day prior to the date on which the Exercise Notice is delivered, (d) without duplication or double counting, any other amounts payable on redemption of the relevant Series of Trust Certificates as specified in the applicable Final Terms, less (f) the aggregate amounts of the Deferred Sale Price then outstanding, if any (or, if applicable, a proportion thereof equal to the face amount of the Trust Certificates to be redeemed to the aggregate face amount of the Trust Certificates then outstanding for such Series immediately prior to such redemption). The Trustee will distribute the proceeds of sale of the Issuer's rights, benefits and entitlements in and to the Relevant Lease Assets to Certificateholders of the relevant Series in the manner provided in the Conditions or as otherwise specified in the applicable Final Terms.

In relation to each Series of Trust Certificates, Emaar Sukuk Limited has granted Emaar the right to require Emaar Sukuk Limited to:

(a) sell any or all of the Relevant Lease Assets (the **Substituted Assets**) to it in exchange for new assets (the **New Assets**) of a value which is equal to or greater than the value of such Substituted Assets; and

(b) in connection with the exercise by the Issuer of its rights under Condition 21 to issue additional Trust Certificates, purchase all of Emaar's rights, benefits and entitlements in and to certain additional assets (the **Additional Assets**) in consideration for the payment by Emaar Sukuk Limited (as purchaser) to Emaar (as seller) of the purchase price therefor pursuant to the relevant Sale Agreement.

Such rights of substitution and/or purchase have been granted by Emaar Sukuk Limited to Emaar pursuant to an amended and restated substitution and sale of additional assets undertaking dated 31 August 2016 executed as a deed by Emaar Sukuk Limited (the **Substitution and Sale of Additional Assets Undertaking**), to be supplemented at the time of each such substitution or purchase, as the case may be, by a sale agreement (each a **Sale Agreement**) substantially in the form annexed to the Substitution and Sale of Additional Assets Undertaking and containing the specific terms applicable to the relevant substitution or purchase, as the case may be. The substitution of the Substituted Assets with the New Assets or the purchase, as the case may be, will become effective on the Substitution Date (as specified in the Substitution Notice to be delivered by Emaar in accordance with the Substitution and Sale of Additional Assets Undertaking) or the Additional Assets Purchase Date (as specified in the Additional Assets Notice to be delivered by Emaar in accordance with the Substitution and Sale of Additional Assets Undertaking) by Emaar Sukuk Limited and Emaar entering into a Sale Agreement and the relevant Lease Agreement shall be amended in the manner provided in the Substitution Notice or the Additional Assets Notice, as the case may be. Each Sale Agreement will (i) effect the transfer of rights in the Substituted Assets or the Additional Assets, as the case may be, from Emaar Sukuk Limited to Emaar and (ii) effect the transfer of the rights in the New Assets or Additional Assets, as the case may be, from Emaar to Emaar Sukuk Limited and (a) in the case of a substitution, the Substitution Notice will provide that the New Assets and any Relevant Lease Assets not replaced and/or (b) in the case of a purchase, the Additional Assets Notice will provide that the existing Lease Agreement and the Additional Assets, will in each case be leased to Emaar under a replacement Lease Agreement.

Pursuant to the Trust Deed, Emaar Sukuk Limited (acting in its capacity as Trustee) will declare a trust (a **Trust**) over all of its rights, title, interest and benefit in, to and under the Relevant Lease Assets and over all of its rights, title, interest and benefit, present and future, in, to and under each of the Transaction Documents (other than in relation to any representations given to Emaar Sukuk Limited by Emaar pursuant to any of the

Transaction Documents) and any amounts standing to the credit of the Transaction Account for the relevant Series of Trust Certificates, subject to the terms of the relevant Supplemental Trust Deed.

The Issuer will act as trustee in respect of the Trust Assets for the benefit of Certificateholders of each Series in accordance with the Trust Deed and the Conditions. Under the Master Trust Deed, the Issuer will, with effect from and including the date of the Master Trust Deed and save in certain limited respects only, unconditionally and irrevocably delegate certain of the present and future duties, powers, authorities and discretions vested in the Trustee under the Trust Deed to the Delegate.

Following the distribution of the relevant Trust Assets to the Certificateholders of any Series in accordance with the Conditions and the Trust Deed, the Trustee shall not be liable for any further sums, and accordingly those Certificateholders may not take any action against the Trustee or any other person to recover any such sum in respect of the relevant Trust Certificates or the relevant Trust Assets.

The Trustee shall not be bound in any circumstances to take any action to enforce or to realise such Trust Assets or take any action against Emaar under any Transaction Documents unless directed or requested to do so by the relevant Certificateholders in accordance with the Conditions, and then only to the extent indemnified and/or secured and/or prefunded to its satisfaction.

No Certificateholder shall be entitled to proceed directly against Emaar unless (i) the Trustee, having become so bound to proceed, fails to do so within 30 days of becoming so bound and such failure is continuing and (ii) the relevant Certificateholder (together with the other Certificateholders of the same Series who propose to proceed directly against Emaar) holds at least 20 per cent. of the aggregate face amount of the relevant Series of Trust Certificates then outstanding.

The foregoing is subject to the following: in relation to each Series after enforcing or realising the Trust Assets and distributing the net proceeds of the Trust Assets in accordance with Condition 5.2, the obligations of the Trustee in respect of the Trust Certificates shall be satisfied and no Certificateholder may take any further steps against the Trustee to recover any further sums in respect of the Trust Certificates and the right to receive any such sums unpaid shall be extinguished. Under no circumstances shall the Trustee or any Certificateholder have any right to cause the sale or other disposition of any of the Trust Assets except pursuant to the Transaction Documents, and the sole right of the Trustee and the Certificateholders against Emaar shall be to enforce the obligation of Emaar to pay the Dissolution Amount and amounts due under the Transaction Documents.

Certificateholders, by subscribing for or acquiring Trust Certificates, acknowledge that no recourse may be had for the payment of any amount owing in respect of any Trust Certificates against the Trustee, the Issuer or the Delegate, in any circumstances whatsoever, to the extent the relevant Trust Assets have been exhausted, following which all obligations of the Trustee, the Issuer and the Delegate shall be extinguished.

Certificateholders should note that the Trustee and the Delegate will have recourse to Emaar (pursuant to the terms of the Transaction Documents) and the ability of the Issuer to pay the amounts due in respect of the Trust Certificates will ultimately be dependent on Emaar.

A description of Emaar is included in this Base Prospectus under "*Description of Emaar Properties PJSC*" below.

Certain Transaction Documents are described in more detail in "*Summary of the Principal Transaction Documents*" below.

Issuer, Trustee, Purchaser, Seller and Lessor:	Emaar Sukuk Limited, an exempted company incorporated in accordance with the laws of the Cayman Islands.
Obligor, Seller, Lessee, Buyer, Servicing Agent and Emaar:	Emaar Properties PJSC.
Ownership of the Issuer:	The authorised share capital of the Issuer is U.S.$50,000 consisting of 50,000 shares of U.S.$1.00 each, of which 250 shares are fully paid up and issued. The Issuer's entire issued share capital is held by MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-

	1102, Cayman Islands under the terms of a trust for charitable purposes.
Administration of the Issuer:	The affairs of the Issuer are managed by MaplesFS Limited (the **Issuer Administrator**), who will provide, amongst other things, certain administrative services for and on behalf of the Issuer pursuant to the Amended and Restated Corporate Services Agreement dated 5 July 2012 between the Issuer and the Issuer Administrator (the **Corporate Services Agreement**).
Arranger:	Standard Chartered Bank.
Dealers:	Standard Chartered Bank and any other Dealers appointed in accordance with the Programme Agreement.
Certain Restrictions:	Each Tranche of Trust Certificates denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "*Subscription and Sale*"). The proceeds of any issue of Trust Certificates will not be accepted in the United Kingdom except in compliance with applicable law, including article 5 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.
Delegate:	Citibank, N.A., London Branch.
Principal Paying Agent and Transfer Agent:	Citibank, N.A., London Branch.
Registrar:	Citigroup Global Markets Deutschland AG.
Calculation Agent:	Citibank, N.A., London Branch (or such other institution specified in the applicable Final Terms).
Programme Size:	Up to U.S.$2,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuer and Emaar may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Issuance in Series:	Trust Certificates will be issued in Series. Each Series may comprise one or more Tranches issued on different Issue Dates. The Trust Certificates of each Series will have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of Periodic Distribution amounts thereon and the date from which Periodic Distribution Amounts start to accrue.
Distribution:	Trust Certificates may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:	Subject to any applicable legal or regulatory restrictions, any currency agreed between the Issuer, Emaar and the relevant Dealer.
Maturities:	The Trust Certificates will have such maturities as may be agreed between the Issuer, Emaar and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer, Emaar or the relevant

	Specified Currency.
Issue Price:	Trust Certificates may be issued at any price on a fully paid basis, as specified in the applicable Final Terms. The price and amount of Trust Certificates to be issued under the Programme will be determined by the Issuer, Emaar and the relevant Dealer at the time of issue in accordance with prevailing market conditions.
Form of Trust Certificates:	The Trust Certificates will be issued in registered form as described in "*Form of the Trust Certificates*".
Status:	Each Trust Certificate will evidence an undivided ownership interest of the Certificateholders in the Trust Assets of the relevant Series, will be a limited recourse obligation of the Issuer and will rank *pari passu*, without any preference or priority, with all other Trust Certificates of the relevant Series issued under the Programme.
Periodic Distributions:	Certificateholders are entitled to receive Periodic Distribution Amounts calculated on the basis specified in the applicable Final Terms.
Redemption of Trust Certificates:	Trust Certificates shall be redeemed at the relevant Dissolution Amount specified in the applicable Final Terms.
Face Amount of Trust Certificates:	The Trust Certificates will be issued in such face amounts as may be agreed between the Issuer, Emaar and the relevant Dealer save that the minimum face amount of each Trust Certificate will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see "*Certain Restrictions"* above, and save that (i) the minimum face amount of each Trust Certificate listed on NASDAQ Dubai will be U.S.$100,000 (or, if the Trust Certificates are issued in a currency other than United States dollars, the equivalent amount in such currency) and (ii) the minimum face amount of each Trust Certificate admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €100,000 (or, if the Trust Certificates are issued in a currency other than euro, the equivalent amount in such currency).
Dissolution Events:	Upon the occurrence of any Dissolution Event, the Trust Certificates may be redeemed on the Dissolution Date at 100 per cent. of their face amount and the relevant Return Accumulation Period may be adjusted accordingly. See Condition 15.
Optional Dissolution:	If so specified in the applicable Final Terms, a Series of Trust Certificates may be redeemed prior to its Maturity Date in the circumstances set out in Conditions 11.2, 11.3 and 11.6.
Certificateholder Put Right:	If so specified in the applicable Final Terms, Certificateholders may, in accordance with Condition 11.5, elect to redeem their Trust Certificates on any Certificateholder Put Right Date(s) specified in the applicable Final Terms at the applicable Optional Dissolution Amount (Put) together with all accrued and unpaid Periodic Distribution Amounts in accordance with Condition 11.5.
Total Loss Event:	If Total Loss Event is specified in the applicable Final Terms as applying in relation to any Series, the occurrence of a Total Loss Event will result in the redemption of the Trust Certificates of that Series and

the consequent dissolution of the relevant Trust. In the event of a Total Loss Event occurring: (a) the Servicing Agent is responsible for ensuring that all insurance proceeds in respect thereof, and (b) the aggregate amounts of the Deferred Sale Price then outstanding, if any, are each paid in the Specified Currency directly into the Transaction Account by no later than the 30th day after the occurrence of the Total Loss Event.

Cancellation of Trust Certificates held by Emaar and/or any of its subsidiaries:

Emaar and/or any of its subsidiaries may at any time purchase Trust Certificates at any price in the open market or otherwise. Following any purchase of Trust Certificates, Emaar or its subsidiary, as the case may be, may at its option hold or resell such Trust Certificates. Should Emaar wish to cancel any Trust Certificates so purchased, it shall deliver an Exercise Notice to Emaar Sukuk Limited whereupon Emaar Sukuk Limited shall, in accordance with the terms of the Sale Undertaking, be obliged to transfer all of Emaar Sukuk Limited's rights, benefits and entitlements in and to the Cancelled Lease Assets to Emaar in consideration for which the Trust Certificates shall be cancelled. The transfer of the Cancelled Lease Assets will take effect by Emaar and Emaar Sukuk Limited entering into a Sale Agreement (in the form scheduled to the Sale Undertaking). Following the entry into such Sale Agreement, Emaar Sukuk Limited shall forthwith cancel the relevant Trust Certificates identified for cancellation in the Exercise Notice on the Cancellation Date.

Substitution of Lease Assets:

Pursuant to the Substitution and Sale of Additional Assets Undertaking, Emaar may, at any time, exercise its right to require Emaar Sukuk Limited to substitute on any Substitution Date some or all of the relevant Lease Assets with New Assets (as specified in the relevant Substitution Notice) having a value which is equal to or greater than the value of the Lease Assets being substituted.

Purchase of Additional Assets and entry into a Murabaha Contract upon issuance of additional Trust Certificates pursuant to Condition 21:

In connection with the exercise by the Issuer of its rights under Condition 21 to issue additional Trust Certificates, Emaar may require Emaar Sukuk Limited to:

(a) purchase all of Emaar's rights, benefits and entitlements in and to certain Additional Assets in accordance with the Substitution and Sale of Additional Assets Undertaking in consideration for the payment by Emaar Sukuk Limited (as purchaser) to Emaar (as seller) of the Additional Assets Purchase Price specified in the relevant Sale Agreement; and

(b) provided that the value of Additional Assets is less than the aggregate face amount of the additional Trust Certificates, enter into a Murabaha Contract with Emaar in accordance with the Master Murabaha Agreement pursuant to which Emaar will purchase commodities from Emaar Sukuk Limited at a Deferred Sale Price equal to the aggregate of: (i) the aggregate issue proceeds of the additional Trust Certificates less the purchase price of the Additional Assets, and (ii) the relevant Profit Amount (as defined in the Master Murabaha Agreement).

The value of the Additional Assets and (if applicable) the Deferred Sale Price shall be at least equal to the aggregate face amount of the additional Trust Certificates.

	On the date upon which any sale agreement is entered into in connection with the creation and issuance of additional Trust Certificates pursuant to the provisions described in the preceding paragraph (being the relevant Issue Date for that Tranche of Trust Certificates), the Trustee will execute a Declaration of Commingling of Assets for and on behalf of the holders of the existing Trust Certificates and the holders of such additional Trust Certificates so created and issued, declaring that the relevant Additional Assets and the Lease Assets in respect of the relevant Series in existence immediately prior to the creation and issue of the additional Trust Certificates are commingled and shall collectively comprise part of the Trust Assets for the benefit of the holders of the existing Trust Certificates and the holders of such additional Trust Certificates as tenants in common *pro rata* according to the face amount of Trust Certificates held by each Certificateholder, in accordance with the Master Trust Deed. In addition, the Trustee and Emaar will execute a replacement Supplemental Lease Agreement in the manner described in the relevant additional assets notice delivered in accordance with the Substitution and Sale of Additional Assets Undertaking.
Withholding Tax:	All payments by the Lessee under the Lease Agreement shall be made without withholding or deduction for, or on account of, any taxes, levies, imposts, duties, fees, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any Relevant Jurisdiction. In the event that any such withholding or deduction is made, the Lessee will be required to pay additional amounts so that the Issuer will receive the full amounts that it would have received in the absence of such withholding or deduction. All payments in respect of Trust Certificates by the Issuer shall be made without withholding or deduction for, or on account of, any taxes, levies, imposts, duties, fees, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any Relevant Jurisdiction. In the event that any such withholding or deduction is made, the Issuer will, save in the limited circumstances provided in Condition 13, be required to pay additional amounts so that the holders of the Trust Certificates will receive the full amounts that they would have received in the absence of such withholding or deduction.
Negative Pledge and Other Covenants:	The Master Lease Agreement contains a negative pledge and certain other covenants given by the Lessee. See "*Summary of the Principal Transaction Documents*".
Cross Default:	The Master Lease Agreement contains a cross default provision in relation to the Lessee. See "*Summary of the Principal Transaction Documents*".
Issuer Covenants:	The Issuer has agreed to certain restrictive covenants as set out in Condition 6.
Ratings:	The ratings assigned to each Series of Trust Certificates to be issued under the Programme will be specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold the Trust Certificates (or beneficial interests therein) and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. Whether or not each credit rating applied for in relation to the relevant Series of Trust Certificates will be issued by a credit rating

	agency established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended) will be disclosed in the applicable Final Terms.
Listing and admission to trading:	Application has been made to the DFSA for Trust Certificates issued under the Programme during the period of 12 months after the date hereof to be admitted to the DFSA Official List and to NASDAQ Dubai for such Trust Certificates to be admitted to trading on NASDAQ Dubai. Trust Certificates may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer, Emaar and the relevant Dealer in relation to the Tranche. Trust Certificates which are neither listed nor admitted to trading on any market may also be issued. The applicable Final Terms will state whether or not the relevant Trust Certificates are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
Governing Law and Jurisdiction:	The Trust Certificates will be governed by, and construed in accordance with, English law. The Master Trust Deed, each Supplemental Trust Deed, the Programme Agreement, each Subscription Agreement, the Agency Agreement, the Servicing Agency Agreement, the Purchase Undertaking, the Sale Undertaking, the Substitution and Sale of Additional Assets Undertaking and the Master Murabaha Agreement will be governed by English law. In respect of any dispute under any such Transaction Document to which it is a party, Emaar has consented to arbitration in London under the rules of arbitration of the LCIA. Any dispute may also be referred to the courts in each of England or the DIFC (who shall have non-exclusive jurisdiction to settle any dispute arising from such documents). The Master Purchase Agreement, each Supplemental Purchase Agreement, the Master Lease Agreement, each Supplemental Lease Agreement and each Sale Agreement will be governed by the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE. Emaar has consented to the Dubai courts having exclusive jurisdiction to settle any dispute arising from such documents. The Corporate Services Agreement is governed by the laws of the Cayman Islands. The courts of the Cayman Islands will have jurisdiction to hear all disputes relating to it.
Waiver of Immunity:	To the extent that Emaar may claim for itself or its assets or revenues immunity from jurisdiction, enforcement, prejudgment proceedings, injunctions and all other legal proceedings and relief and to the extent that such immunity (whether or not claimed) may be attributed to it or its assets or revenues, Emaar will agree in the Transaction Documents not to claim and will irrevocably and unconditionally waive such immunity in relation to any legal proceedings. Further, Emaar will irrevocably and unconditionally consent to the giving of any relief or the issue of any process, including without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any legal proceedings.

Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Trust Certificates in the United States, the European Economic Area (including the United Kingdom), the Cayman Islands, the DIFC, Hong Kong, Malaysia, Saudi Arabia, Singapore and the United Arab Emirates (excluding the DIFC) and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Trust Certificates, see "*Subscription and Sale*".
United States Selling Restrictions:	Regulation S, Category 2.

FORM OF THE TRUST CERTIFICATES

The Trust Certificates of each Tranche will be in registered form. Trust Certificates will be issued and sold solely outside the United States in reliance on Regulation S under the Securities Act.

Each Tranche of Trust Certificates will initially be represented by a global trust certificate in registered form (a **Global Trust Certificate**). Global Trust Certificates will be deposited with a common depositary (the **Common Depositary**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, S.A. (**Clearsteam, Luxembourg**) and will be registered in the name of a nominee for the Common Depositary. Persons holding beneficial interests in Global Trust Certificates will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Trust Certificates in fully registered form.

Payments of any amount in respect of each Global Trust Certificate will, in the absence of provision to the contrary, be made to the person shown on the relevant Register (as defined in Condition 2.2) as the registered holder of the relevant Global Trust Certificate. None of the Issuer, the Trustee, the Delegate, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Global Trust Certificates or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payment of any amounts in respect of Trust Certificates in definitive form will, in the absence of any provision to the contrary, be made to the persons shown on the relevant Register on the relevant Record Date (as defined in Condition 1.1) immediately preceding the due date for payment in the manner provided in the Conditions.

Interests in a Global Trust Certificate will be exchangeable (free of charge), in whole but not in part, for definitive Trust Certificates only upon the occurrence of an Exchange Event. The Issuer will promptly give notice to Certificateholders in accordance with Condition 18 if an Exchange Event occurs. For these purposes, **Exchange Event** means that (i) a Dissolution Event (as defined in Condition 15) has occurred and is continuing or (ii) the Issuer and the Delegate have been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Global Trust Certificate) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (ii) below, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

For so long as any of the Trust Certificates is represented by a Global Trust Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular face amount of such Trust Certificates (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the face amount of such Trust Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee, the Delegate and their respective agents as the holder of such face amount of such Trust Certificates for all purposes other than with respect to any payment on such face amount of such Trust Certificates, for which purpose the registered holder of the relevant Global Trust Certificate shall be treated by the Issuer, the Trustee, the Delegate and their respective agents as the holder of such face amount of such Trust Certificates in accordance with and subject to the terms of the relevant Global Trust Certificate and the expressions **Certificateholder** and **holder of Trust Certificates** and related expressions shall be construed accordingly.

Pursuant to the Agency Agreement (as defined herein), the Principal Paying Agent shall arrange that, where a further Tranche is issued which is intended to form a single Series with an existing Tranche at a point after the Issue Date of the further Tranche, the Trust Certificates of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Trust Certificates of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche issued under the Programme.

[*Date*]

Emaar Sukuk Limited

Issue of [*Aggregate Face Amount of Tranche*] [*Title of Trust Certificates*]
under the
U.S.$2,000,000,000
Trust Certificate Issuance Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base prospectus dated 31 August 2016 [and the supplementary prospectus[es] dated [ ]] which [together] constitute[s] a base prospectus (the **Base Prospectus**). This document constitutes the Final Terms of the Trust Certificates described herein and must be read in conjunction with the Base Prospectus[, as so supplemented]. Full information on the Issuer, Emaar Properties PJSC and the offer of the Trust Certificates is only available on the basis of a combination of these Final Terms and the Base Prospectus[, as so supplemented]. The Base Prospectus [and the supplementary prospectus[es]] [is/are] available for viewing during normal business hours at the registered office of the Issuer at c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands and copies may be obtained from that office.

The following alternative language applies if the first tranche of an issue which is being increased was issued under the Base Prospectus with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base prospectus dated [*original date*] [and the supplementary prospectus[es] dated [ ] which are incorporated by reference in the base prospectus dated [ ] . This document constitutes the Final Terms of the Trust Certificates described herein and must be read in conjunction with the base prospectus dated [*current date*] [and the supplementary prospectus dated [ ]] which [together] constitute[s] a base prospectus (the **Base Prospectus**), save in respect of the Conditions which are extracted from the base prospectus dated [ ] [and the supplementary prospectus[es] dated [ ]]. Full information on the Issuer, Emaar Properties PJSC and the offer of the Trust Certificates is only available on the basis of the combination of these Final Terms and the base prospectuses dated [*original date*] and [*current date*] (the **Base Prospectuses**) [and the supplementary prospectuses dated [ ] and [ ]]. [The Base Prospectuses [and the supplementary prospectuses] are available for viewing during normal business hours at the registered office of the Issuer at c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands and copies may be obtained from that office.

[*Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.*]

[*The proceeds of any issue of Trust Certificates should not be accepted in the United Kingdom except in compliance with applicable law, including article 5 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.*]

[*Trust Certificates which have a maturity of less than one year from the date of their issue must have a minimum denomination of £100,000 or its equivalent in any other currency.*]

1.	Issuer, Trustee, Seller and Lessor:	Emaar Sukuk Limited
2.	Buyer, Obligor and Lessee:	Emaar Properties PJSC (**Emaar**)

3.	(a) Series Number:	[ ]
	(b) Tranche Number:	[ ]
	(c) Date on which the Trust Certificates become fungible:	[The Trust Certificates will be consolidated and form a single Series with [*identify earlier Tranche(s)*] on [*insert date/* the Issue Date]] [Not Applicable]
4.	Specified Currency:	[ ]
5.	Aggregate Face Amount:	[ ]
	(i) Series	[ ]
	(ii) Tranche	[ ]
6.	Issue Price:	[ ] per cent. of the Aggregate Face Amount
7.	(a) Specified Denominations:	[ ] *(N.B. If an issue of Trust Certificates is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive, the €100,000 minimum denomination is not required.* *N.B. If an issue of Trust Certificates is NOT listed on NASDAQ Dubai, the U.S.$100,000 minimum denomination is not required.)*
	(b) Calculation Amount:	[ ] (*If only one Specified Denomination, insert that Specified Denomination. If more than one Specified Denomination, insert the highest common factor.* *Note: There must be a common factor in the case of two or more Specified Denominations.*)
8.	(a) Issue Date	[ ]
	(b) Return Accrual Commencement Date:	[Issue Date][*specify other*]
	(c) Return Accumulation Date:	[Issue Date][*specify other*]
9.	Maturity Date:	[*Specify date or (for Floating Periodic Distribution Trust Certificates) Periodic Distribution Date falling in or nearest to the relevant month and year*]
10.	Periodic Distribution Amount Basis:	[[ ] per cent. Fixed Periodic Distribution Amount] [[*specify reference rate*] +/- [ ] per cent. Floating Periodic Distribution Amount] (further particulars specified below)
11.	Dissolution Basis:	The Trust Certificates will be redeemed at [100] per cent. of the Aggregate Face Amount.
12.	Change of Periodic Distribution Basis:	[*Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 15 and 16 below and identify there*] [Not Applicable]
13.	Put/Call Options:	[Not Applicable]

			[Certificateholder Put Right] [Optional Dissolution (Call)] [Clean Up Call Right]
14.	(a)	Status:	Unsubordinated
	(b)	[Date [Board] approval for issuance of Trust Certificates obtained:]	[ ] [and [ ], respectively] (*N.B. Only relevant where Board (or similar) authorisation is required for the particular Tranche of Trust Certificates*)

PROVISIONS RELATING TO PERIODIC DISTRIBUTIONS PAYABLE

15.	Fixed Periodic Distribution Provisions:		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(a)	Rate[(s)]:	[ ] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear on each Periodic Distribution Date]
	(b)	Periodic Distribution Date(s):	[[ ] in each year up to and including the Maturity Date] (*N.B. This will need to be amended in the case of long or short return accumulation periods.*)
	(c)	Fixed Amount(s): *(Applicable to Trust Certificates in definitive form)*	[ ] per Calculation Amount
	(d)	Broken Amount(s) for Trust Certificates in definitive form (and in relation to Trust Certificates in global form, see Condition 7):	[ ] per Calculation Amount, payable on the Periodic Distribution Date falling on [ ] [Not Applicable] (*Insert particulars of any initial or final broken Periodic Distribution Amounts which do not correspond with the Fixed Amount(s) specified under paragraph 15(c)*)
	(e)	Day Count Fraction:	[30/360] [Actual/Actual (ICMA)]
	(f)	Determination Date(s):	[[ ] in each year] [Not Applicable] [*Insert regular periodic distribution dates, ignoring issue date or maturity date in the case of a long or short first or last return accumulation period* *N.B. Only relevant where Day Count Fraction is Actual/ Actual (ICMA)]*
16.	Floating Periodic Distribution Provisions:		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(a)	Specified Periodic Distribution Dates:	[[ ] in each year, commencing on [ ], [subject to adjustment in accordance with the Business Day Convention set out in (c) below/not subject to any adjustment, as the Business Day Convention in (c) below is specified to be Not Applicable] (*Specified Period and Specified Periodic Distribution*

		Dates are alternatives. If the Business Day Convention is the Floating Rate Convention, insert "Not Applicable")
(b)	Specified Period:	[ ] [Not Applicable]
		(*Specified Period and Specified Periodic Distribution Dates are alternatives. A Specified Period, rather than Specified Periodic Distribution Dates, will only be relevant if the Business Day Convention is the Floating Rate Convention. Otherwise, insert "Not Applicable"*)
(c)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable]
(d)	Additional Business Centre(s):	[Not Applicable/*give details*]
(e)	Manner in which the Rate(s) is/are to be determined:	[Screen Rate Determination/ISDA Determination]
(f)	Screen Rate Determination:	
	(i) Reference Rate:	● month [*currency*] [LIBOR/EURIBOR/EIBOR/*specify other Reference Rate*]
	(ii) Periodic Distribution Determination Date:	[ ] (*Second London business day prior to the start of each Return Accumulation Period if LIBOR (other than Sterling or euro LIBOR), first day of each Return Accumulation Period if Sterling LIBOR, the second day on which the TARGET2 System is open prior to the start of each Return Accumulation Period if EURIBOR or euro LIBOR and second Dubai business day prior to the start of each Return Accumulation Period if EIBOR*)
	(iii) Relevant Screen Page:	[ ]
		(*In the case of EURIBOR, if not Reuters EURIBOR01 or, in the case of LIBOR, if not Reuters LIBOR01 or, in the case of EIBOR, if not Reuters AEIBOR, ensure it is a page which shows a composite rate. If it is not a page which shows a composite rate, consider whether additional information is required including with reference to fallback provisions (see Condition 8.3(b)*))
	(iv) Relevant Time:	[*For example, 11.00 a.m. London time*]
(g)	ISDA Determination:	
	(i) Floating Rate Option:	[ ]
	(ii) Designated Maturity:	[ ]
	(iii) Reset Date:	[ ]
(h)	Party responsible for calculating the Rate and the Periodic Distribution Amount (if not the Principal Paying Agent):	[ ]

(i)	Margin:	[[+ / -]]
(j)	Linear Interpolation	[Not Applicable/Applicable - the Rate for the [long/short] [first/last] Periodic Distribution Period shall be calculated using Linear Interpolation (*specify for each short or long periodic distribution period*)]
(k)	Day Count Fraction:	[[Actual/Actual (ISDA)][Actual/Actual] Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)]

PROVISIONS RELATING TO DISSOLUTION

17.	Notice Periods for Condition 11.2:	Minimum period: [30] days Maximum period: [60] days
18.	Optional Dissolution (Call):	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
(a)	Optional Dissolution Amount (Call):	[Final Dissolution Amount] [[ ] per Calculation Amount]
(b)	Optional Dissolution Date:	[Any Periodic Distribution Date] [*specify other*]
(c)	Notice periods:	Minimum period: [30] days Maximum period: [60] days *(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and/or Emaar and the Principal Paying Agent or Delegate)*
19.	Certificateholder Put Right:	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
(a)	Certificateholder Put Right Date(s):	[ ]
(b)	Optional Dissolution Amount (Put):	[ ]
(c)	Notice periods:	Minimum period: [15] days Maximum period: [30] days *(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15*

	clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and/or Emaar and the Principal Paying Agent or Delegate)
20. Clean Up Call Right:	[Applicable/Not Applicable]
	(*If not applicable, delete the remaining subparagraphs of this paragraph*)
(a) Clean Up Call Dissolution Amount:	[Final Dissolution Amount] [[ ] per Calculation Amount]
(b) Notice periods:	Minimum period: [30] days
	Maximum period: [60] days
	(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and/or Emaar and the Principal Paying Agent or Delegate)
21. Final Dissolution Amount:	[ ] per Calculation Amount
22. Early Dissolution Amount (Tax):	[Final Dissolution Amount] [[ ] per Calculation Amount]
23. Dissolution Amount pursuant to Condition 1:	[ ] per Calculation Amount] [*specify other*]

GENERAL PROVISIONS APPLICABLE TO THE TRUST CERTIFICATES

24. Form of Trust Certificates:	Registered Certificates: Global Trust Certificate exchangeable for Trust Certificates in definitive registered form in the limited circumstances specified in the Global Trust Certificate
25. Additional Financial Centre(s):	[ ]
	(Note that this paragraph relates to the place of payment and not Return Accumulation Period end dates, to which sub-paragraph 16(d) relates)

PROVISIONS IN RESPECT OF THE TRUST ASSETS

26. On the Issue Date:	
(a) Lease Asset percentage:	[ ] per cent.
(b) Murabaha percentage:	[[ ] per cent./Not Applicable]
27. Trust Assets:	Condition 5.1 applies
28. Details of Transaction Account:	Emaar Sukuk Limited Transaction Account No: [ ] with [ ] for Series No.: [1/2/3 etc]

29.	Other Transaction Document Information:	[ ]
	(a) Supplemental Trust Deed:	Supplemental Trust Deed dated [ ] between the Issuer, the Trustee, Emaar and the Delegate
	(b) Supplemental Purchase Agreement:	Supplemental Purchase Agreement dated [ ] between the Trustee, the Purchaser and the Seller
	(c) Supplemental Lease Agreement	Supplemental Lease Agreement dated [ ] between the Trustee, the Lessor, the Lessee and the Delegate
	(d) Declaration of Commingling of Assets:	[Declaration of Commingling of Assets dated [ ] executed by the Trustee][Not Applicable]
		(*N.B. This will only be executed upon the issuance of additional Trust Certificates pursuant to Condition 21*)
	(e) [Purchase Order and Letter of Offer and Acceptance:]	[Purchase Order dated [ ] from the Buyer to the Seller and Letter of Offer and Acceptance dated [ ] from the Seller to the Buyer.]
30.	Total Loss Event:	Condition 11.4 [does/does not] apply
31.	Financial Covenants:	
	(a) Ratio of Consolidated Total Net Indebtedness to Total Equity:	[not to exceed 1.5:1, as set out in the Master Lease Agreement] / [not to exceed ●:1, as set out in the Supplemental Lease Agreement dated ●] / [Not Applicable]
	(b) Ratio of Consolidated EBITDA to Consolidated Net Finance Charges Payable:	[not less than 1.5:1, as set out in the Master Lease Agreement] / [not less than ●:1, as set out in the Supplemental Lease Agreement dated ●] / [Not Applicable]

Signed on behalf of Emaar Sukuk Limited (the Issuer):

By: ....
Duly authorised

Signed on behalf of Emaar Properties PJSC:

By: ....
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i) Listing and admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Trust Certificates to be admitted to trading on [*specify relevant regulated market (for example, NASDAQ Dubai) and, if relevant, listing on an official list (for example, the Official List of the DFSA)*] with effect from [ ].] [Application is expected to be made by the Issuer (or on its behalf) for the Trust Certificates to be admitted to trading on [*specify relevant regulated market (for example, NASDAQ Dubai) and, if relevant, listing on an official list (for example, the Official List of the DFSA)*] with effect from [ ].] [Not Applicable.] (*Where documenting a fungible issue need to indicate that original Trust Certificates are already admitted to trading.*)
(ii) Estimate of total expenses related to admission to trading:	[ ]

2. RATINGS

Ratings:	[The Trust Certificates to be issued [[have been]/[are expected to be]] rated]/[The following ratings reflect ratings assigned to Trust Certificates of this type issued under the Programme generally] [Moody's: [ ]] [S&P: [ ]] [[*Other*]: [ ]] Moody's Investors Services Ltd. is established in the European Union and is registered under Regulation (EC) No. 1060/2009. Standard & Poor's Credit Market Services Europe Limited is established in the European Union and is registered under Regulation (EC) No. 1060/2009. (*The following language should be used where the Trust Certificates are to be rated by a credit rating agency other than the Moody's and S&P legal entities set out above.*) [The Trust Certificates to be issued [[have been]/[are expected to be]] rated [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies)*].] [*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.*] [[*Insert the legal name of the relevant credit rating agency entity*] is established in the European Union

and is registered under Regulation (EC) No. 1060/2009 (as amended).]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended).]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). However, [*insert the legal name of the relevant EU CRA affiliate*], which is established in the European Union and registered under the CRA Regulation, has disclosed the intention to endorse credit ratings of [*insert the legal name of the relevant non-EU credit rating agency*]]]

[[*Insert legal name of particular credit rating agency providing rating*] is not established in the European Union, but it is certified in accordance with Regulation (EC) No. 1060/2009 (as amended).]

(*The above disclosure should reflect the rating allocated to Certificates of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.*)

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the [Managers/Dealer], so far as each of the Issuer and Emaar is aware, no person involved in the issue of the Trust Certificates has an interest material to the offer. The [Managers/Dealer] and [its/their] affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, Emaar (and its affiliates) in the ordinary course of business – *Amend as appropriate if there are other interests*.]

[*(When adding any other description, consideration should be given as to whether such matters described constitute "significant new matters" and consequently trigger the need for a supplementary prospectus under Rule 2.9 of the Markets Rules (MKT) Module of the Dubai Financial Services Authority.)*]

4. PROFIT OR RETURN

(*Fixed Periodic Distribution Trust Certificates only*)

Indication of profit or return:	[ ]
	The profit or return is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future profit or return.

5. OPERATIONAL INFORMATION

(i)	ISIN Code:	[ ]
(ii)	Common Code:	[ ]
(iii)	Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant	[Not Applicable/*give name(s) and number(s)*]

	identification number(s):	
(iv)	Delivery:	Delivery [against/free of] payment
(v)	Names and addresses of additional Paying Agent(s) (if any):	[ ]

6. DISTRIBUTION

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(ii)	If syndicated, names of Managers:	[Not Applicable/*give names*]
(iii)	Stabilising Manager(s) (if any):	[Not applicable/*give name(s)*]
(iv)	If non-syndicated, name of relevant Dealers:	[Not applicable/*give names*]
(v)	U.S. Selling Restrictions:	Regulation S, Category 2

TERMS AND CONDITIONS OF THE TRUST CERTIFICATES

The following is the text of the Terms and Conditions of the Trust Certificates, which (save for the text in italics and subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Final Terms) will be endorsed on each Trust Certificate in definitive registered form issued under the Programme and will apply to each Global Trust Certificate.

Emaar Sukuk Limited (in its capacity as issuer, the **Issuer** and, in its capacity as trustee, the **Trustee**) has established a programme (the **Programme**) for the issuance of up to U.S.$2,000,000,000 in aggregate face amount of Trust Certificates.

As used herein, **Tranche** means Trust Certificates which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Trust Certificates together with any further Tranche or Tranches of Trust Certificates which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of Periodic Distribution Amounts (as defined herein) thereon and the date from which Periodic Distribution Amounts start to accrue.

The final terms for this Trust Certificate (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Trust Certificate which supplement these Terms and Conditions (the **Conditions**). References to the **applicable Final Terms** are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Trust Certificate.

Each of the Trust Certificates will represent an undivided ownership interest in the Trust Assets which are held by the Trustee on trust (the **Trust**) for, *inter alia*, the benefit of the holders of the Trust Certificates pursuant to (i) an amended and restated Master Trust Deed (the **Master Trust Deed**) dated 31 August 2016 and made between the Issuer, the Trustee, Emaar Properties PJSC (**Emaar**) and Citibank, N.A., London Branch (the **Delegate**) and (ii) a supplemental trust deed (the **Supplemental Trust Deed** and, together with the Master Trust Deed, the **Trust Deed**) having the details set out in the applicable Final Terms.

In these Conditions, references to **Trust Certificates** shall be references to the Trust Certificates of this Series.

Payments relating to the Trust Certificates will be made pursuant to an amended and restated agency agreement dated 31 August 2016 (the **Agency Agreement**) made between the Issuer, the Trustee, the Delegate, Emaar and Citibank, N.A., London Branch in its capacity as principal paying agent (in such capacity, the **Principal Paying Agent**, which expression shall include any successor), transfer agent (in such capacity, the **Transfer Agent**, which expression shall include any successor) and calculation agent (in such capacity, the **Calculation Agent**, which expression shall include any successor) and Citigroup Global Markets Deutschland AG in its capacity as registrar (in such capacity, the **Registrar**, which expression shall include any successor). The Principal Paying Agent, the Calculation Agent, the Transfer Agent and the Registrar are together referred to in these Conditions as the **Agents**.

The holders of the Trust Certificates (the **Certificateholders**) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the documents set out below, copies of which are available for inspection during normal business hours at the specified office for the time being of the Principal Paying Agent:

(a) an amended and restated master purchase agreement between the Trustee, Emaar Sukuk Limited (in its capacity as purchaser) and Emaar Properties PJSC (in its capacity as seller) dated 31 August 2016 (the **Master Purchase Agreement**);

(b) the supplemental purchase agreement (the **Supplemental Purchase Agreement** and, together with the Master Purchase Agreement, the **Purchase Agreement**) having the details set out in the applicable Final Terms;

(c) an amended and restated master lease agreement between the Trustee, Emaar Sukuk Limited (in such capacity, the **Lessor**), Emaar Properties PJSC (in such capacity, the **Lessee**) and the Delegate dated 31 August 2016 (the **Master Lease Agreement**);

(d) the supplemental lease agreement (the **Supplemental Lease Agreement** and, together with the Master Lease Agreement, the **Lease Agreement**) having the details set out in the applicable Final Terms (including any new Supplemental Lease Agreement entered into pursuant to (i) the Substitution and Sale of Additional Assets Undertaking, (ii) the Purchase Undertaking, or (iii) the Sale Undertaking);

(e) an amended and restated purchase undertaking entered into by Emaar (in such capacity, the **Obligor**) as a deed dated 31 August 2016 (the **Purchase Undertaking**), containing the form of sale agreement (the **Sale Agreement**) to be executed by Emaar, the Issuer and the Trustee on the Maturity Date or, as the case may be, the relevant Dissolution Date;

(f) an amended and restated sale undertaking entered into by Emaar Sukuk Limited as a deed dated 31 August 2016 (the **Sale Undertaking**) containing the form of sale agreement (the **Sale Agreement**) to be executed by Emaar, the Issuer and the Trustee on the relevant Dissolution Date;

(g) an amended and restated substitution and sale of additional assets undertaking entered into by the Trustee as a deed dated 31 August 2016 (the **Substitution and Sale of Additional Assets Undertaking**) containing the form of sale agreement (the **Sale Agreement**) to be executed by the Trustee and Emaar on the exercise by Emaar of its right under the Substitution and Sale of Additional Assets Undertaking to require the Trustee to sell any or all of the Lease Assets to it in consideration for new Lease Assets of a value which is equal to or greater than the value of the substituted Lease Assets (each such expression having the meaning given to it in the Substitution and Sale of Additional Assets Undertaking);

(h) an amended and restated servicing agency agreement between the Lessor and Emaar Properties PJSC (in its capacity as servicing agent) dated 31 August 2016 (the **Servicing Agency Agreement**);

(i) a master murabaha agreement between the Issuer, the Trustee, Emaar Sukuk Limited (in such capacity, the **Seller**) and Emaar (in such capacity, the **Buyer**) dated 31 August 2016 (the **Master Murabaha Agreement**);

(j) the Trust Deed;

(k) the Agency Agreement; and

(l) the applicable Final Terms.

The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed and the Agency Agreement.

Each initial Certificateholder, by its acquisition and holding of its interest in a Trust Certificate, shall be deemed to authorise and direct the Issuer (acting as trustee on behalf of the Certificateholders) to enter into each Transaction Document (as defined herein) to which it is a party, subject to the terms and conditions of the Trust Deed and these Conditions and to apply the sums paid by it in respect of its Trust Certificates in accordance with the terms of the Transaction Documents.

1. INTERPRETATION

1.1 Definitions

Words and expressions defined in the Trust Deed and the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between any such document and the applicable Final Terms, the applicable Final Terms will prevail. In addition, in these Conditions the following expressions have the following meanings:

Calculation Agent means the Principal Paying Agent or such other Person specified in the applicable Final Terms as the party responsible for calculating the Periodic Distribution Amount and/or such other amount(s) as may be specified in the applicable Final Terms in accordance with Condition 8;

Cancellation Date means the date on which Trust Certificates are to be cancelled as specified in the Exercise Notice;

Cancelled Lease Assets means the assets to be sold by Emaar Sukuk Limited to Emaar in accordance with the Sale Undertaking following the delivery of, and as specified in, an applicable Exercise Notice;

Deferred Sale Price has the meaning given to it in the Master Murabaha Agreement;

Dissolution Amount means, as appropriate, the Final Dissolution Amount, the Early Dissolution Amount (Tax), the Optional Dissolution Amount (Call), the Optional Dissolution Amount (Put), the Clean Up Call Dissolution Amount, the Dissolution Amount for the purposes of Condition 15 or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the applicable Final Terms (including any amount payable following a Total Loss Event (if so specified in the applicable Final Terms));

Dissolution Date means, as the case may be, (a) following the occurrence of a Dissolution Event (as defined in Condition 15), the date on which the Trust Certificates are redeemed in accordance with the provisions of Condition 15, (b) the date on which the Trust Certificates are redeemed in accordance with the provisions of Condition 11.2, (c) the Optional Dissolution Date, (d) the Total Loss Dissolution Date, (e) the Certificateholder Put Right Date or (e) the Clean Up Call Right Dissolution Date;

Exercise Notice means a notice substantially in the form set out in Schedule 1 of the Sale Undertaking;

Extraordinary Resolution has the meaning given in Schedule 4 to the Master Trust Deed;

Lease Assets has the meaning given to it in the Lease Agreement;

Payment Business Day means:

(a) a day on which banks in the relevant place of surrender of the definitive Trust Certificate are open for presentation and payment of registered securities and for dealings in foreign currencies; and

(b) (i) if the currency of payment is euro, a TARGET2 Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or

(ii) if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the principal financial centre of the currency of payment and in each (if any) Additional Financial Centre;

Periodic Distribution Amount means, in relation to a Trust Certificate and a Return Accumulation Period, the amount of profit payable in respect of that Trust Certificate for that Return Accumulation Period which amount may be a Fixed Amount, a Broken Amount or an amount otherwise calculated in accordance with Condition 7 or Condition 8;

Person means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

Potential Dissolution Event means an event which, with the giving of notice, lapse of time, determination of materiality or fulfilment of any other applicable condition (or any combination of the foregoing), would constitute a Dissolution Event;

Rate means the rate or rates specified in the applicable Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the applicable Final Terms;

Rating Agencies means the rating agencies, each of which has assigned a credit rating to the Trust Certificates, and their successors, and each a **Rating Agency**;

Record Date means, (a) in the case of the payment of a Periodic Distribution Amount, (i) in respect of a Global Trust Certificate, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant Periodic Distribution Date, and (ii) in respect of Trust Certificates in definitive form, the date falling on the fifteenth day before the relevant Periodic Distribution Date, and (b) in the case of the payment of a Dissolution Amount, the date falling two Payment Business Days before the Maturity Date or Dissolution Date, as the case may be, or other due date for payment of the relevant Periodic Distribution Amount;

Reference Banks means the principal London office of each of four major banks engaged in the London, Eurozone or Emirates inter-bank market selected by or on behalf of the Issuer, provided that once a Reference Bank has first been selected by or on behalf of the Issuer, such Reference Bank shall not be changed unless it ceases to be capable of acting as such;

Relevant Date means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the principal financial centre of the currency of payment by the Principal Paying Agent on or prior to such due date, the date on which the full amount has been so received;

Relevant Jurisdiction means the Cayman Islands and the United Arab Emirates or, in either case, any political subdivision or authority thereof or therein having the power to tax;

Relevant Screen Page means the page, section or other part of a particular information service specified as the Relevant Screen Page in the applicable Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

Return Accumulation Period means the period from (and including) a Periodic Distribution Date (or the Return Accumulation Commencement Date) to (but excluding) the next (or first) Periodic Distribution Date;

Return Accumulation Commencement Date means the Issue Date or such other date as specified in the applicable Final Terms;

Stock Exchange means, in relation to the Trust Certificates, the stock exchange or exchanges (if any) on which the Trust Certificates are for the time being quoted or listed;

TARGET2 Settlement Day means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the **TARGET2 System**) is open;

Taxes means any taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature imposed or levied by or on behalf of any Relevant Jurisdiction, and all interest, penalties or similar liabilities with respect thereto;

Transaction Account means the account in the Issuer's name, details of which are specified in the applicable Final Terms;

Transaction Documents means the Purchase Agreement, the Lease Agreement, the Purchase Undertaking, the Sale Undertaking, Servicing Agency Agreement, the Substitution and Sale of Additional Assets Undertaking, the Master Murabaha Agreement (together with the Purchase Order, the Letter of Offer and Acceptance and all other offers, acceptances and confirmations delivered pursuant thereto in connection with the relevant Series), the Trust Deed, the Agency Agreement and any Sale Agreement;

Treaty means the Treaty on the Functioning of the European Union, as amended; and

Trust Assets means the assets, rights and/or cash described in Condition 5.1.

1.2 Interpretation

In these Conditions:

(a) any reference to face amount shall be deemed to include the Dissolution Amount, any additional amounts (other than relating to Periodic Distribution Amounts) which may be payable under Condition 13, and any other amount in the nature of face amounts payable pursuant to these Conditions;

(b) any reference to Periodic Distribution Amounts shall be deemed to include any additional amounts in respect of profit distributions which may be payable under Condition 11 and any other amount in the nature of a profit distribution payable pursuant to these Conditions;

(c) references to Trust Certificates being "outstanding" shall be construed in accordance with the Master Trust Deed; and

(d) any reference to a Transaction Document shall be construed as a reference to that Transaction Document as amended and/or supplemented up to and including the Issue Date.

2. FORM, DENOMINATION AND TITLE

2.1 Form and Denomination

The Trust Certificates are issued in registered form in the Specified Denominations and, in the case of Trust Certificates in definitive form, are serially numbered.

For so long as any of the Trust Certificates is represented by a Global Trust Certificate held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking, S.A. (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular face amount of such Trust Certificates (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the face amount of such Trust Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error or proven error) shall be treated by the Issuer, the Trustee, the Delegate, Emaar and the Agents as the holder of such face amount of such Trust Certificates for all purposes other than with respect to payment in respect of such Trust Certificates, for which purpose the registered holder of the Global Trust Certificate shall be treated by the Issuer, the Trustee, the Delegate, Emaar and any Agent as the holder of such face amount of such Trust Certificates in accordance with and subject to the terms of the relevant Global Trust Certificate and the expressions **Certificateholder** and **holder** in relation to any Trust Certificates and related expressions shall be construed accordingly.

Trust Certificates which are represented by a Global Trust Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

2.2 Register

The Registrar will maintain a register (the **Register**) of Certificateholders in respect of the Trust Certificates in accordance with the provisions of the Agency Agreement. In the case of Trust Certificates in definitive form, a definitive Trust Certificate will be issued to each Certificateholder in respect of its registered holding of Trust Certificates.

2.3 Title

The Issuer, the Trustee, the Delegate, Emaar and the Agents may (to the fullest extent permitted by applicable laws) deem and treat the person in whose name any outstanding Trust Certificate is for the time being registered (as set out in the Register) as the holder of such Trust Certificate or of a particular face amount of the Trust Certificates for all purposes (whether or not such Trust Certificate or face amount shall be overdue and notwithstanding any notice of ownership thereof or of trust or other interest with regard thereto, and any notice of loss or theft or any writing thereon), and the Issuer, the Trustee, the Delegate, Emaar and the Agents shall not be affected by any notice to the contrary.

All payments made to such registered holder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for monies payable in respect of such Trust Certificate or face amount.

3. TRANSFERS OF DEFINITIVE TRUST CERTIFICATES

3.1 Transfers

Subject to Conditions 3.4 and 3.5, a definitive Trust Certificate may be transferred in whole or in an amount equal to the Specified Denomination or any integral multiple thereof by depositing the definitive

Trust Certificate, with the form of transfer on the back duly completed and signed, at the specified office of the Registrar.

3.2 Delivery of new definitive Trust Certificates

Each new definitive Trust Certificate to be issued upon transfer of definitive Trust Certificates will, within five business days of receipt by the Registrar of the duly completed form of transfer endorsed on the relevant definitive Trust Certificate, be mailed by uninsured mail at the risk of the holder entitled to the definitive Trust Certificate to the address specified in the form of transfer. For the purposes of this Condition, **business day** shall mean a day on which banks are open for business in the city in which the specified office of the Registrar is located.

Where some but not all of the Trust Certificates in respect of which a definitive Trust Certificate is issued are to be transferred, a new definitive Trust Certificate in respect of the Trust Certificates not so transferred will, within five business days of receipt by the Registrar of the original definitive Trust Certificate, be mailed by uninsured mail at the risk of the holder of the Trust Certificates not so transferred to the address of such holder appearing on the Register or as specified in the form of transfer.

3.3 Formalities free of charge

Registration of transfer of definitive Trust Certificates will be effected without charge by or on behalf of the Issuer and the Registrar but upon payment (or the giving of such indemnity as the Issuer and the Registrar may reasonably require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer.

3.4 Closed periods

No Certificateholder may require the transfer of a definitive Trust Certificate to be registered during the period of 15 days ending on a Periodic Distribution Date, the Maturity Date, a Dissolution Date or any other date on which any payment of the face amount or payment of any profit in respect of a Trust Certificate falls due.

3.5 Regulations

All transfers of definitive Trust Certificates and entries on the Register will be made subject to the detailed regulations concerning the transfer of Trust Certificates scheduled to the Master Trust Deed. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Certificateholder who requests one. Notwithstanding the above, the Issuer may from time to time agree with the Registrar reasonable regulations to govern the transfer and registration of definitive Trust Certificates.

4. STATUS AND LIMITED RECOURSE

4.1 Status

Each Trust Certificate evidences an undivided ownership interest in the Trust Assets subject to the terms of the Trust Deed and these Conditions and is a limited recourse obligation of the Issuer. Each Trust Certificate ranks *pari passu*, without any preference or priority, with all other Trust Certificates.

4.2 Limited Recourse

Proceeds of the Trust Assets are the sole source of payments on the Trust Certificates. The Trust Certificates do not represent an interest in any of the Issuer, the Trustee, the Delegate, Emaar, any of the Agents or any of their respective affiliates.

Emaar is obliged to make payments under the relevant Transaction Documents to which it is a party directly to the Issuer and the Delegate, for and on behalf of the Certificateholders, and the Issuer and the Delegate will have direct recourse against Emaar to recover payments due to the Issuer from Emaar pursuant to such Transaction Documents. Such right of the Trustee and the Delegate shall (subject to the negative pledge provisions described in clause 5.2 of the Master Lease Agreement) constitute an unsecured claim against the Obligor. None of the Certificateholders, the Trustee or the Delegate shall be entitled to claim any priority right in respect of any specific assets of the Obligor in connection with the enforcement of any such claim.

The net proceeds of the realisation of, or enforcement with respect to, the Trust Assets may not be sufficient to make all payments due in respect of the Trust Certificates.

4.3 Agreement of Certificateholders

By subscribing for or acquiring the Trust Certificates, each Certificateholder acknowledges and agrees that notwithstanding anything to the contrary contained herein or in any other Transaction Document:

(a) no payment of any amount whatsoever shall be made by Emaar Sukuk Limited (acting in any capacity) or any of its agents on its behalf except to the extent funds are available therefor from the Trust Assets and further agrees that no recourse shall be had for the payment of any amount owing hereunder or under any other Transaction Document, whether for the payment of any fee or other amount hereunder or any other obligation or claim arising out of or based upon any Transaction Document, against Emaar Sukuk Limited to the extent the Trust Assets have been exhausted following which all obligations of Emaar Sukuk Limited shall be extinguished;

(b) if the proceeds of the relevant Trust Assets are insufficient to make all payments due in respect of the Trust Certificates, Certificateholders will have no recourse to any assets of Emaar Sukuk Limited (and/or its directors, officers, shareholders or corporate services providers in their capacity as such) (other than the relevant Trust Assets in the manner and to the extent contemplated in the Conditions and the Transaction Documents), or the Delegate, the Agents or any of their respective directors, officers, employees, agents, shareholders or affiliates, in respect of any shortfall or otherwise;

(c) prior to the date which is one year and one day after the date on which all amounts owing by Emaar Sukuk Limited under the Transaction Documents have been paid in full, it will not institute against, or join with any other person in instituting against, the Issuer or the Trustee any bankruptcy, reorganisation, arrangement or liquidation proceedings or other proceedings under any bankruptcy or similar law; and

(d) no recourse (whether by institution or enforcement of any legal proceedings or assessment or otherwise) in respect of any breaches of any duty, obligation or undertaking of Emaar Sukuk Limited arising under or in connection with these Conditions by virtue of any law, statute or otherwise shall be had against any shareholder, officer or director of the Issuer or Emaar Sukuk Limited, in their capacity as such and any and all personal liability of every such shareholder, officer or director in their capacity as such for any breaches by Emaar Sukuk Limited of any such duty, obligation or undertaking is hereby expressly waived and excluded to the extent permitted by law save in the case of the relevant party's actual fraud.

5. THE TRUST

5.1 Trust Assets

Unless otherwise specified in the applicable Final Terms, the Trust Assets will comprise:

(a) the rights, title, interest and benefit, present and future, of Emaar Sukuk Limited in, to and under the Lease Assets;

(b) the rights, title, interest and benefit, present and future, of Emaar Sukuk Limited in, to and under the Transaction Documents (other than in relation to any representations given to Emaar Sukuk Limited by Emaar pursuant to any of the Transaction Documents);

(c) all monies standing to the credit of the Transaction Account from time to time; and

(d) any other assets, rights, cash or investments as may be specified in the applicable Final Terms,

and all proceeds of the foregoing.

5.2 Application of Proceeds from the Trust Assets

Pursuant to the Trust Deed, the Trustee holds the Trust Assets for and on behalf of the Certificateholders. On each Periodic Distribution Date, or on any Dissolution Date, the Principal Paying Agent, notwithstanding any instructions to the contrary from the Trustee, will apply the monies standing to the credit of the Transaction Account in the following order of priority:

(a) *first*, (to the extent not previously paid) to the Delegate in respect of all amounts owing to it under the Transaction Documents;

(b) *second*, to the Principal Paying Agent for application in or towards payment *pari passu* and rateably of all Periodic Distribution Amounts due and unpaid;

(c) *third*, only if such payment is made on the Maturity Date or any Dissolution Date, to the Principal Paying Agent in or towards payment *pari passu* and rateably of the Dissolution Amount;

(d) *fourth*, only if such payment is made on the Maturity Date or any Dissolution Date, to the Servicing Agent in or towards payment of all outstanding Servicing Agency Expenses; and

(e) *fifth*, only if such payment is made on the Maturity Date or any Dissolution Date, to Emaar.

6. COVENANTS

The Issuer covenants that for so long as any Trust Certificate is outstanding, it will not (without the prior written consent of the Delegate):

(a) incur any indebtedness in respect of borrowed money whatsoever (whether structured in accordance with the principles of the *Sharia* or otherwise), or give any guarantee or indemnity in respect of any obligation of any person or issue any shares (or rights, warrants or options in respect of shares or securities convertible into or exchangeable for shares) or any other certificates except, in all cases, as contemplated in the Transaction Documents;

(b) grant or permit to be outstanding any lien, pledge, charge or other security interest upon any of its present or future assets, properties or revenues (other than those arising by operation of law);

(c) sell, lease, transfer, assign, participate, exchange or otherwise dispose of, or pledge, mortgage, hypothecate or otherwise encumber (by security interest, lien (statutory or otherwise), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever or otherwise or permit such to occur or suffer such to exist), any part of its interest in any of the Trust Assets except pursuant to any Transaction Document;

(d) use the proceeds of the issue of the Trust Certificates for any purpose other than as stated in the Transaction Documents;

(e) amend or agree to any amendment of any Transaction Document to which it is a party, or its memorandum and articles of association and by-laws, in a manner which is prejudicial to the rights of holders of outstanding Trust Certificates (it being accepted that an increase in the aggregate face amount of the Programme will not be prejudicial to such rights) without (i) the prior approval of the Certificateholders by way of Extraordinary Resolution and (ii) first notifying the Rating Agencies of the proposed amendments and subsequently providing the Rating Agencies with copies of the relevant executed amended Transaction Documents;

(f) act as trustee in respect of any trust other than the Trust corresponding to a Series of Trust Certificates issued from time to time pursuant to the Programme;

(g) have any subsidiaries or employees;

(h) redeem or purchase any of its shares or pay any dividend or make any other distribution to its shareholders;

(i) prior to the date which is one year and one day after the date on which all amounts owing by the Trustee under the Transaction Documents to which it is a party have been paid in full, put to its directors or shareholders any resolution for, or appoint any liquidator for, its winding up or any resolution for the commencement of any other bankruptcy or insolvency proceeding with respect to it; and

(j) enter into any contract, transaction, amendment, obligation or liability other than the Transaction Documents to which it is a party or any permitted amendment or supplement thereto or as expressly permitted or required thereunder or engage in any business or activity other than:

(i) as provided for or permitted in the Transaction Documents;

(ii) the ownership, management and disposal of Trust Assets as provided in the Transaction Documents; and

(iii) such other matters which are incidental thereto.

7. FIXED PERIODIC DISTRIBUTION PROVISIONS

7.1 Application

This Condition 7 is applicable to the Trust Certificates only if the Fixed Periodic Distribution Provisions are specified in the applicable Final Terms as being applicable.

7.2 Periodic Distribution Amount

A Periodic Distribution Amount for the Trust Certificates will be payable in respect of the Trust Certificates and will be distributable by the Issuer to the Certificateholders in accordance with these Conditions.

7.3 Determination of Periodic Distribution Amount

Except as provided in the applicable Final Terms, the Periodic Distribution Amount payable in respect of each Trust Certificate in definitive form for any Return Accumulation Period shall be the Fixed Amount. Payments of Periodic Distribution Amount in respect of Trust Certificates in definitive form on any Periodic Distribution Date may, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Except in the case of Trust Certificates in definitive form where a Fixed Amount or Broken Amount is specified in the applicable Final Terms, the Periodic Distribution Amount shall be calculated in respect of any period by applying the Rate to:

(a) in the case of Trust Certificates which are represented by a Global Certificate, the aggregate outstanding face amount of the Trust Certificates represented by such Global Certificate; or

(b) in the case of Trust Certificates in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Trust Certificate in definitive form is a multiple of the Calculation Amount, the Periodic Distribution Amount payable in respect of such Trust Certificate shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

Day Count Fraction means, in respect of the calculation of Periodic Distribution Amount in accordance with this Condition 7.3:

(a) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:

(i) in the case of Trust Certificates where the number of days in the relevant period from (and including) the most recent Periodic Distribution Date (or, if none, the Return Accumulation Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

(ii) in the case of Trust Certificates where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such

Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(b) if "30/360" is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Periodic Distribution Date (or, if none, the Return Accumulation Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30 day months) divided by 360.

In the Conditions:

Determination Period means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Return Accrual Commencement Date or the final Periodic Distribution Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

sub-unit means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

7.4 Payment in Arrear

Subject to Condition 7.5, Condition 11.2, Condition 11.3 and Condition 15 below, and unless otherwise specified in the applicable Final Terms, each Periodic Distribution Amount will be paid in respect of the relevant Trust Certificates in arrear on each Periodic Distribution Date.

7.5 Cessation of Profit Entitlement

No further amounts will be payable on any Trust Certificate from and including (a) the Maturity Date or, as the case may be, the Dissolution Date (excluding a Total Loss Dissolution Date), unless default is made in the payment of the Dissolution Amount in which case Periodic Distribution Amounts will continue to accrue in respect of the Trust Certificates in the manner provided in this Condition to the earlier of (i) the Relevant Date or (ii) the date on which a sale agreement is executed pursuant to the Sale Undertaking or the Purchase Undertaking, as the case may be; and (b) the date on which a Total Loss Event occurs.

8. FLOATING PERIODIC DISTRIBUTION PROVISIONS

8.1 Application

This Condition 8 is applicable to the Trust Certificates only if the Floating Periodic Distribution Provisions are specified in the applicable Final Terms as being applicable.

8.2 Periodic Distribution Amounts

Periodic Distribution Amounts for the Trust Certificates will be payable in respect of the Trust Certificates and will be distributable by the Issuer to the Certificateholders in accordance with these Conditions. Such Periodic Distribution Amounts will be payable in arrear on either:

(a) the Specified Periodic Distribution Date(s) in each year specified in the applicable Final Terms; or

(b) if no Specified Periodic Distribution Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Periodic Distribution Date, a **Periodic Distribution Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Periodic Distribution Date or, in the case of the first Periodic Distribution Date, after the Return Accumulation Commencement Date.

Such Periodic Distribution Amounts will be payable in respect of each Return Accumulation Period.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which a Periodic Distribution Date should occur or (y) if any Periodic Distribution Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(A) in any case where Specified Periods are specified in accordance with Condition 8.2(b) above, the Floating Rate Convention, such Periodic Distribution Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Periodic Distribution Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Periodic Distribution Date occurred; or

(B) the Following Business Day Convention, such Periodic Distribution Date shall be postponed to the next day which is a Business Day; or

(C) the Modified Following Business Day Convention, such Periodic Distribution Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day; or

(D) the Preceding Business Day Convention, such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, **Business Day** means a day which is:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre (other than TARGET2 System) specified in the applicable Final Terms;

(b) if TARGET2 System is specified as an Additional Business Centre in the applicable Final Terms, a TARGET2 Settlement Day;

(c) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre) or (ii) in relation to any sum payable in euro, a TARGET2 Settlement Day.

8.3 ISDA Determination

If ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate(s) is/are to be determined, the Rate applicable to the Trust Certificates for each Return Accumulation Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), **ISDA Rate** for a Return Accumulation Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Trust Certificates (the **ISDA Definitions**) and under which:

(A) the Floating Rate Option is as specified in the applicable Final Terms;

(B) the Designated Maturity is a period specified in the applicable Final Terms; and

(C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this subparagraph (i), **Floating Rate**, **Calculation Agent**, **Floating Rate Option**, **Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions.

8.4 Screen Rate Determination

(a) If Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate(s) is/are to be determined, the Rate applicable to the Trust Certificates for each Return Accumulation Period will, subject as provided below, be either:

(i) the offered quotation; or

(ii) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum), for the Reference Rate (specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page as at the Relevant Time on the Periodic Distribution Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one highest quotation, one only of those quotations) and the lowest (or, if there is more than one lowest quotation, one only of those quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of the offered quotations.

(b) If the Relevant Screen Page is not available or if, in the case of Condition 8.4(a)(i), no offered quotation appears or, in the case of Condition 8.4(a)(ii), fewer than three offered quotations appear, in each case as at the Relevant Time, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Relevant Time on the Periodic Distribution Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Rate for such Return Accumulation Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.

(c) If on any Periodic Distribution Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the Rate for such Return Accumulation Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Relevant Time on the relevant Periodic Distribution Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Emirates inter-bank market (if the Reference Rate is EIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Relevant Time on the relevant Periodic Distribution Determination Date, any one or more banks (which bank or banks is or are in the opinion of Emaar suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Emirates inter-bank market (if the Reference Rate is EIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate for such Return Accumulation Period cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate for such Return Accumulation Period shall be determined as at the last preceding

Periodic Distribution Determination Date (though substituting, where a different Margin is to be applied to the relevant Return Accumulation Period from that which applied to the last preceding Return Accumulation Period, the Margin relating to the relevant Return Accumulation Period in place of the Margin relating to that last preceding Return Accumulation Period).

Unless otherwise stated in the applicable Final Terms the minimum Rate applicable to the Trust Certificates shall be deemed to be zero.

8.5 Cessation of Profit Entitlement

No further amounts will be payable on any Trust Certificate from and including (a) the Maturity Date or, as the case may be, the Dissolution Date (excluding a Total Loss Dissolution Date), unless default is made in the payment of the Dissolution Amount in which case Periodic Distribution Amounts will continue to accrue in respect of the Trust Certificates in the manner provided in this Condition to the earlier of (i) the Relevant Date; or (ii) the date on which a sale agreement is executed pursuant to the Sale Undertaking or the Purchase Undertaking, as the case may be; and (b) the date on which a Total Loss Event occurs.

8.6 Calculation of Periodic Distribution Amount

The Calculation Agent will, as soon as practicable after the time at which the Rate is to be determined in relation to each Return Accumulation Period, calculate the Periodic Distribution Amount payable in respect of each Trust Certificate for such Return Accumulation Period. The Periodic Distribution Amount will be calculated by applying the Rate applicable to the relevant Return Accumulation Period to:

(a) in the case of Trust Certificates which are represented by a Global Certificate, the aggregate outstanding face amount of the Trust Certificates represented by such Global Certificate; or

(b) in the case of Trust Certificates in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Trust Certificate in definitive form is a multiple of the Calculation Amount, the Periodic Distribution Amount payable in respect of such Trust Certificate shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

Day Count Fraction means, in respect of the calculation of a Periodic Distribution Amount in accordance with this Condition 8:

(a) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in the Return Accumulation Period divided by 365 (or, if any portion of that Return Accumulation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Return Accumulation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Return Accumulation Period falling in a non-leap year divided by 365);

(b) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Return Accumulation Period divided by 365;

(c) if "Actual/365 (Sterling)" is specified in the applicable Final Terms, the actual number of days in the Return Accumulation Period divided by 365 or, in the case of a Periodic Distribution Date falling in a leap year, 366;

(d) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Return Accumulation Period divided by 360;

(e) if "30/360" "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Return Accumulation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Return Accumulation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Return Accumulation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Return Accumulation Period, unless such number is 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Return Accumulation Period, unless such number would be 31 and D1 is greater than 29, in which case D_2 will be 30;

(f) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Return Accumulation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Return Accumulation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Return Accumulation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Return Accumulation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Return Accumulation Period, unless such number would be 31, in which case D_2 will be 30;

(g) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Return Accumulation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Return Accumulation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Return Accumulation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Return Accumulation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Return Accumulation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30.

8.7 Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of a Periodic Distribution Period in the applicable Final Terms, the Rate for such Periodic Distribution Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Periodic Distribution Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Periodic Distribution Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

Designated Maturity means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

8.8 Calculation of Other Amounts

If the applicable Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the applicable Final Terms.

8.9 Publication

The Calculation Agent will cause each Rate and Periodic Distribution Amount determined by it, together with the relevant Periodic Distribution Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each listing authority, stock exchange and/or quotation system (if any) by which the Trust Certificates have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate, Periodic Distribution Amount and Periodic Distribution Date) in any event not later than the first day of the relevant Return Accumulation Period. Notice thereof shall also promptly be given to the Certificateholders. The Calculation Agent will be entitled to recalculate any Periodic Distribution Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Return Accumulation Period.

8.10 Notifications, etc. to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 8 by the Calculation Agent will (in the absence of wilful default, bad faith or manifest or proven error) be binding on the Issuer, the Trustee, the Delegate, the Principal Paying Agent and all Certificateholders (in the absence as referred to above). No liability to the Issuer, the Trustee, the Delegate, Emaar, the Principal Paying Agent or the Certificateholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition 8.

9. PAYMENT

Payment of Dissolution Amounts and Periodic Distribution Amounts will be made by transfer to the registered account (as defined below) of a Certificateholder. Payments of Dissolution Amounts will only be made against surrender of the relevant definitive Trust Certificate at the specified office of the Registrar or the Principal Paying Agent. Dissolution Amounts and Periodic Distribution Amounts will be paid to the Certificateholder shown on the Register at the close of business on the relevant Record Date.

For the purposes of this Condition, a Certificateholder's **registered account** means the account in the Specified Currency maintained by or on behalf of such Certificateholder with a bank that processes payments in the Specified Currency, details of which appear on the Register at the close of business on the relevant Record Date.

All such payments will be made subject to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions described in Condition 13, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

Payment instructions (for value the due date or, if that is not a Payment Business Day, for value the first following day which is a Payment Business Day) will be initiated on the Payment Business Day preceding the due date for payment or, in the case of a payment of face amounts if later, on the Payment Business Day on which the relevant definitive Trust Certificate is surrendered at the specified office of the Registrar or the Principal Paying Agent.

Unless otherwise specified in the applicable Final Terms, Certificateholders will not be entitled to any payment for any delay after the due date in receiving the amount due if the due date is not a Payment Business Day, if the Certificateholder is late in surrendering its definitive Trust Certificate (if required to do so).

If the amount of any Dissolution Amount or Periodic Distribution Amount is not paid in full when due, the Registrar will annotate the Register with a record of the amount of such Dissolution Amount or Periodic Distribution Amount in fact paid.

10. AGENTS

10.1 Agents of Issuer

In acting under the Agency Agreement and in connection with the Trust Certificates, the Agents act solely as agents of the Issuer and (to the extent provided therein) the Delegate and do not assume any obligations towards or relationship of agency or trust for or with any of the Certificateholders.

10.2 Specified Offices

The names of the initial Agents are set out above. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the Final Terms attached to or endorsed on this Trust Certificate. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents *provided, however, that*:

(a) there will at all times be a Principal Paying Agent;

(b) there will at all times be a Registrar; and

(c) so long as any Trust Certificates are admitted to listing, trading and/or quotation on any listing authority, stock exchange and/or quotation system, there will at all times be a Paying Agent and a Transfer Agent having its specified office in such place (if any) as may be required by the rules of such listing authority, stock exchange and/or quotation system.

Notice of any variation, termination or appointment and of any changes in specified offices will be given to the Certificateholders promptly by the Issuer in accordance with Condition 18.

11. CAPITAL DISTRIBUTIONS OF TRUST

11.1 Scheduled Dissolution

Unless the Trust Certificates are redeemed or cancelled earlier, each Trust Certificate will be redeemed on the Maturity Date at its Final Dissolution Amount together with any Periodic Distribution Amount payable. Upon payment in full of such amounts and the dissolution of the Trust, the Trust Certificates shall cease to represent interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Issuer and the Trustee shall have no further obligations in respect thereof.

11.2 Early Dissolution for Tax Reasons

Upon the occurrence of a Tax Event (as defined below), Emaar may in its sole discretion deliver to the Issuer a duly completed Exercise Notice and, upon receipt of such notice, the Issuer shall redeem the Trust Certificates in whole, but not in part:

(a) at any time (if the Floating Periodic Distribution Provisions are not specified in the applicable Final Terms as being applicable); or

(b) on any Periodic Distribution Date (if the Floating Periodic Distribution Provisions are specified in the applicable Final Terms as being applicable),

on giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Certificateholders in accordance with Condition 18 (which notice shall be irrevocable), at their Early Dissolution Amount (Tax), together with Periodic Distribution Amounts accrued (if any) to the Dissolution Date, if:

(i) (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 13 as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the relevant Series of Trust Certificates and (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or

(ii) (A) the Issuer has received notice from the Lessee that the Lessee has or will become obliged to pay additional amounts pursuant to the terms of the Lease Agreement as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the relevant Series of Trust Certificates and (B) such obligation cannot be avoided by the Lessee taking reasonable measures available to it,

(each a **Tax Event**) and *provided, however, that* no such notice of dissolution shall be given earlier than:

(A) where the Trust Certificates may be redeemed at any time, 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Trust Certificates were then due or (in the case of (ii) above) the Lessee would be obliged to pay such additional amounts if a payment to the Issuer under the Lease Agreement was then due; or

(B) where the Trust Certificates may be redeemed only on a Periodic Distribution Date, 60 days prior to the Periodic Distribution Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Trust Certificates were then due or (in the case of (ii) above) the Lessee would be obliged to pay such additional amounts if a payment to the Issuer under the Lease Agreement was then due.

Prior to the publication or delivery (as applicable) of any notice of dissolution pursuant to this paragraph, the Issuer shall deliver to the Delegate to make available at its specified office to the Certificateholders (a) a certificate signed by two directors of the Issuer, which shall be binding on the Certificateholders, stating that the Issuer is entitled to effect such dissolution and setting forth a statement of facts showing that the conditions precedent in (i) and (ii) above to the right of the Issuer so to redeem have occurred, and (b) an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Lessee has or will become obliged to pay such additional amounts as a result of such change or amendment. Upon the expiry of any such notice as is referred to in this Condition 11.2, the Issuer shall be bound to redeem the Trust Certificates.

11.3 Dissolution at the Option of the Issuer

If the Optional Dissolution (Call) option is specified in the applicable Final Terms as being applicable, Emaar may in its sole discretion deliver to the Issuer a duly completed Exercise Notice and, on receipt of such notice, the Issuer shall redeem the Trust Certificates in whole but not in part on any Optional Dissolution Date at the relevant Optional Dissolution Amount (Call) together with Periodic Distribution Amounts accrued (if any) to the Optional Dissolution Date on the Issuer giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Certificateholders in accordance with Condition 18 (which notice shall be irrevocable and shall oblige the Issuer to redeem the Trust Certificates on the relevant Optional Dissolution Date).

11.4 Dissolution following a Total Loss Event

This Condition 11.4 is applicable to the Trust Certificates only if it is specified in the applicable Final Terms as being applicable.

Upon the occurrence of a Total Loss Event the Trust Certificates will be redeemed and the Trust dissolved by no later than the close of business in London on the 31st day after the occurrence of the Total Loss Event (the **Total Loss Dissolution Date**). The Trust Certificates will be redeemed using the proceeds of insurance payable in respect of the Total Loss Event and the aggregate amounts of the Deferred Sale Price then outstanding, if any, payable under the Master Murabaha Agreement which are required to be paid into the Transaction Account by no later than the 30th day after the occurrence of the Total Loss Event and, if required, the Total Loss Shortfall Amount (as defined herein) which is required to be paid into the Transaction Account by no later than the close of business in London on the 31st day after the occurrence of the Total Loss Event.

A Total Loss Event is the total loss or destruction of, or damage to the whole of, the Lease Assets or any event or occurrence that renders the whole of the Lease Assets permanently unfit for any economic use and (but only after taking into consideration any insurances or other indemnity granted by any third party in respect of the Lease Assets) the repair or remedial work in respect thereof is wholly uneconomical.

The Servicing Agency Agreement provides that if the obligations of the Servicing Agent thereunder are not strictly complied with and as a result any insurance amounts paid into the Transaction Account are less than the Full Reinstatement Value (the difference between such amount and the amount (if any) paid into the Transaction Account being the ***Total Loss Shortfall Amount****), the Servicing Agent shall be responsible for paying the Total Loss Shortfall Amount into the Transaction Account immediately.*

11.5 Dissolution at the Option of the Certificateholders

If Certificateholder Put Right is specified in the applicable Final Terms as being applicable, upon the holder of any Trust Certificate giving to the Issuer in accordance with Condition 18 not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, redeem such Trust Certificate on the Certificateholder Put Right Date and at the Optional Dissolution Amount (Put) specified in, or determined in the manner specified in, the applicable Final Terms together with all unpaid Periodic Distribution Amounts accrued to (but excluding) the relevant Certificateholder Put Right Date. Trust Certificates may be redeemed or, as the case may be, purchased under this Condition 11.5(a) in any multiple of their lowest Specified Denomination.

To exercise the right to require redemption of any Trust Certificate pursuant to this Condition 11.5 the holder thereof must, if the Trust Certificate is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of the Registrar at any time during normal business hours of such Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) set out in the Agency Agreement and obtainable from any specified office of the Registrar (a **Put Notice**) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 11.5 and the aggregate face amount thereof to be redeemed and, if less than the full aggregate face amount of the Trust Certificates so surrendered is to be redeemed, an address to which a new Trust

Certificate in definitive form in respect of the balance of such Trust Certificates is to be sent subject to and in accordance with the provisions of Condition 3.

If the relevant Trust Certificate is represented by a Global Trust Certificate or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption thereof the holder of such Trust Certificate must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on such Certificateholder's instruction by Euroclear, Clearstream, Luxembourg or any depositary for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and if the relevant Trust Certificate is represented by a Global Trust Certificate, at the same time present or procure the presentation of the relevant Global Trust Certificate to the Principal Paying Agent for notation accordingly.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Trust Certificate pursuant to this Condition 11.5 shall be irrevocable except where, prior to the due date of redemption, a Dissolution Event has occurred and the Delegate has declared the Trust Certificates are to be redeemed pursuant to Condition 15, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 11.5.

11.6 Dissolution at the Option of the Issuer (Clean Up Call Right)

If Clean Up Call Right is specified in the applicable Final Terms as being applicable and 75 per cent. or more of the aggregate face amount of the Trust Certificates then outstanding have been redeemed and/or purchased and cancelled pursuant to this Condition 11 or Condition 12, Emaar may in its sole discretion deliver to the Issuer a duly completed Exercise Notice and, on receipt of such notice, the Issuer shall redeem the Trust Certificates in whole but not in part, on the Issuer giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Certificateholders in accordance with Condition 18 (which notice shall be irrevocable and shall oblige the Issuer to redeem the Trust Certificates on the date specified in such notice (the **Clean Up Call Right Dissolution Date**)), at the Clean Up Call Dissolution Amount provided, however, that no such notice of dissolution shall be given unless an Exercise Notice has been received by the Issuer from Emaar under the Sale Undertaking.

11.7 No Other Optional Early Dissolution

The Issuer shall not be entitled to redeem the Trust Certificates, and the Trustee shall not be entitled to dissolve the Trust, otherwise than as provided in this Condition 11 and Condition 15 (*Dissolution Events*). Upon payment in full of all amounts due in respect of the Trust Certificates of any Series and the subsequent dissolution of the Trust as provided in this Condition 11 and Condition 15 (*Dissolution Events*) (as the case may be), the Trust Certificates shall cease to represent interests in the Trust Assets and no further amounts shall be payable in respect thereof and neither Emaar nor the Issuer nor the Trustee shall have any further obligations in respect thereof.

11.8 Cancellation

All Trust Certificates which are redeemed will forthwith be cancelled and destroyed and accordingly may not be held, reissued or resold.

12. PURCHASE AND CANCELLATION OF TRUST CERTIFICATES BY EMAAR

12.1 Purchases

Emaar and/or any of its subsidiaries may at any time purchase Trust Certificates at any price in the open market or otherwise. Following any purchase of Trust Certificates by Emaar pursuant to this Condition 12.1, Emaar or its subsidiary, as the case may be, may at its option hold or resell such Trust Certificates (subject to such Trust Certificates being deemed not to remain outstanding for certain purposes as provided under the Master Trust Deed if so held).

12.2 Cancellation

Should Emaar wish to cancel any Trust Certificates purchased pursuant to Condition 12.1, it shall deliver an Exercise Notice to Emaar Sukuk Limited whereupon Emaar Sukuk Limited shall, in accordance with the terms of the Sale Undertaking, be obliged to transfer all of Emaar Sukuk Limited's rights, benefits and entitlements in and to the Cancelled Lease Assets to Emaar in consideration for which the Trust Certificates shall be cancelled. The transfer of the Cancelled Lease Assets will take effect by Emaar and Emaar Sukuk Limited entering into a Sale Agreement (in the form scheduled to the Sale Undertaking). Following the entry into such Sale Agreement, Emaar Sukuk Limited shall forthwith cancel the relevant Trust Certificates identified for cancellation in the Exercise Notice on the Cancellation Date.

13. TAXATION

All payments in respect of the Trust Certificates shall be made without withholding or deduction for, or on account of, any Taxes, unless the withholding or deduction of the Taxes is required by law. In such event, the Issuer will pay to the Certificateholders additional amounts so that the full amount which otherwise would have been due and payable under the Trust Certificates is received by parties entitled thereto, except that no such additional amount shall be payable to any Certificateholder:

(a) who is liable for such Taxes in respect of such Trust Certificate by reason of having some connection with any Relevant Jurisdiction other than the mere holding of such Trust Certificate; or

(b) where the relevant definitive Trust Certificate is required to be presented for payment and is surrendered for payment more than 30 days after the Relevant Date except to the extent that the relevant Certificateholder would have been entitled to such additional amount if it had surrendered the relevant definitive Trust Certificate on the last day of such period of 30 days.

Notwithstanding any other provision of these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Trust Certificates for, or on account of, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

14. PRESCRIPTION

The rights to receive distributions in respect of the Trust Certificates will be forfeited unless claimed within periods of 10 years (in the case of Dissolution Amounts) and five years (in the case of Periodic Distribution Amounts) from the Relevant Date in respect thereof.

15. DISSOLUTION EVENTS

If any of the following events occurs and is continuing (each, a **Dissolution Event**):

(a) default is made in the payment of the Dissolution Amount on the date fixed for payment thereof, or default is made in the payment of any Periodic Distribution Amount on the due date for payment thereof and, the default continues for a period of at least seven days in the case of the relevant Dissolution Amount or for a period of at least 14 days in the case of any Periodic Distribution Amount; or

(b) the Issuer fails duly to perform or comply with any of the obligations expressed to be assumed by it in the Transaction Documents to which it is a party, which failure is, in the opinion of the Delegate, incapable of remedy or, if in the opinion of the Delegate is capable of remedy, is not remedied within the period of 30 days after written notice of such failure shall have been given by the Delegate to the Issuer requiring the same to be remedied; or

(c) an Emaar Event (as defined in the Master Lease Agreement) occurs; or

(d) the Issuer is insolvent or bankrupt or unable to pay its debts as they fall due, makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer; or

(e) a corporate administrator of all or substantially all of the undertaking assets and revenues of the Issuer is appointed, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer, or the Issuer applies or petitions for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threatens to cease to carry on all or substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution or the Delegate; or

(f) any event occurs that under the laws of the Cayman Islands has an analogous effect to any of the events referred to in paragraph (d) or (e) above; or

(g) the Issuer repudiates any Trust Certificate or Transaction Document or does or causes to be done any act or thing evidencing an intention to repudiate any Trust Certificate or Transaction Document; or

(h) at any time it is or will become unlawful for the Issuer (by way of insolvency or otherwise) to perform or comply with any one or more of its duties, obligations and undertakings under the Trust Certificates or the Transaction Documents or any of the obligations of the Issuer under the Trust Certificates or the Transaction Documents are not or cease to be legal, valid, binding and enforceable,

then the Delegate shall give notice of the occurrence of such Dissolution Event to the Certificateholders in accordance with Condition 18 with a request to such holders to indicate if they wish the Trust Certificates to become immediately due and payable, provided, however, that in the case of the event described in (b) above, such notice may only be given if the Delegate is of the opinion that the event is materially prejudicial to the interests of the Certificateholders. If so requested in writing by Certificateholders representing not less than 20 per cent. in face amount of the Trust Certificates for the time being outstanding (subject to being indemnified and/or secured and/or prefunded to its satisfaction), or if the Delegate decides in its discretion, the Delegate may give notice to the Issuer, Emaar and the Certificateholders in accordance with Condition 18 that the Trust Certificates are to be redeemed at the Dissolution Amount on the date specified in such notice. Upon payment in full of such amounts, the Trust will be dissolved and the Trust Certificates shall cease to represent interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Issuer and the Trustee shall have no further obligations in respect thereof.

For the purpose of (a) above, amounts shall be considered due in respect of the Trust Certificates (including for the avoidance of doubt any amounts calculated as being payable under Condition 7, Condition 8 and Condition 11) notwithstanding that the Issuer has at the relevant time insufficient funds to pay such amounts.

16. ENFORCEMENT AND EXERCISE OF RIGHTS

16.1 Enforcement

Upon the occurrence of a Dissolution Event, to the extent that the amounts payable in respect of the Trust Certificates have not been paid in full pursuant to Condition 15, the Delegate shall, upon being requested in writing by Certificateholders representing not less than 20 per cent. in face amount of the Trust Certificates for the time being outstanding (subject to being indemnified and/or secured and/or prefunded to its satisfaction), take one or more of the following steps:

(a) enforce the provisions of the Transactions Documents against Emaar (in whichever capacity it is acting thereunder); and/or

(b) take such other steps as the Delegate may consider necessary in its absolute discretion to protect the interests of the Certificateholders.

Notwithstanding the foregoing, the Delegate may at any time, at its discretion and without notice, take such proceedings and/or other steps as it may think fit against or in relation to each of the Issuer and/or the Obligor and/or the Lessee to enforce their respective obligations under the Transaction Documents, the Conditions and the Trust Certificates.

16.2 Limitation on liability of the Trustee

Following the enforcement, realisation and ultimate distribution of the proceeds of the Trust Assets in respect of the Trust Certificates to the Certificateholders in accordance with these Conditions and the Trust Deed, the Trustee shall not be liable for any further sums, and accordingly no Certificateholder may take any action against the Trustee or any other person (including Emaar) to recover any such sum in respect of the Trust Certificates or Trust Assets.

16.3 Delegate not obliged to take action

Neither the Trustee nor the Delegate shall be bound in any circumstances to take any action to enforce or to realise the Trust Assets or take any action against Emaar and/or the Issuer and/or (in the case of the Delegate) the Trustee under any Transaction Document unless directed or requested to do so (a) by an Extraordinary Resolution or (b) in writing by the holders of at least 20 per cent. in aggregate face amount of the Trust Certificates then outstanding and subject, in each case, to it being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities to which it may thereby render itself liable or which it may incur by so doing.

16.4 Direct enforcement by Certificateholders

No Certificateholder shall be entitled to proceed directly against the Issuer and/or Emaar under any Transaction Document, unless (a) the Delegate, having become so bound to proceed, fails to do so within 30 days of becoming so bound and such failure is continuing and (b) the relevant Certificateholder (or such Certificateholder together with the other Certificateholders of the same Series who propose to proceed directly against the Issuer or Emaar, as the case may be) holds at least 20 per cent. of the aggregate face amount of the relevant Series of Trust Certificates then outstanding. Under no circumstances shall the Trustee, the Delegate or any Certificateholder have any right to cause the sale or other disposition of any of the Trust Assets, and the sole right of the Trustee, the Delegate and the Certificateholders against the Issuer and Emaar shall be to enforce their respective obligations under the Transaction Documents.

16.5 Limited recourse

Conditions 16.2, 16.3 and 16.4 are subject to this Condition 16.5. After enforcing or realising the Trust Assets and distributing the net proceeds of the Trust Assets in accordance with Condition 5.2, the obligations of the Issuer in respect of the Trust Certificates shall be satisfied and no Certificateholder may take any further steps against the Issuer, the Trustee or the Delegate to recover any further sums in respect of the Trust Certificates and the right to receive any such sums unpaid shall be extinguished. In particular, no Certificateholder shall be entitled in respect thereof to petition or to take any other steps for the winding-up of the Issuer or the Trustee.

17. REPLACEMENT OF DEFINITIVE TRUST CERTIFICATES

Should any definitive Trust Certificate be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Registrar upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced definitive Trust Certificates must be surrendered before replacements will be issued.

18. NOTICES

All notices to the Certificateholders will be valid if:

(a) published in a daily newspaper (which will be in a leading English language newspaper having general circulation) in the Gulf region and a daily newspaper having general circulation in London (which is expected to be the Financial Times); or

(b) mailed to them by first class pre-paid registered mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses in the Register.

The Issuer shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Trust Certificates are for the time being listed or on which they have been admitted to trading. Any notice shall be deemed to have been given on the day after being so mailed or on the date of publication or, if so published more than once or on different dates, on the date of the first publication.

Until such time as any definitive Trust Certificates are issued, there may, so long as the Global Trust Certificate representing the Trust Certificates is held in its entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the Certificateholders and, in addition, for so long as any Trust Certificates are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the Certificateholders on the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Certificateholder shall be in writing and given by lodging the same with the Principal Paying Agent. Whilst any of the Trust Certificates are represented by the Global Trust Certificate, such notice may be given by any holder of a Trust Certificate to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

19. MEETINGS OF CERTIFICATEHOLDERS, MODIFICATION, WAIVER, AUTHORISATION AND DETERMINATION

19.1 The Master Trust Deed contains provisions for convening meetings of Certificateholders to consider any matter affecting their interests, including the modification or abrogation by Extraordinary Resolution of any of these Conditions, the provisions of the Trust Deed or any other Transaction Document. Such a meeting may be convened by the Issuer, the Trustee, Emaar and/or the Delegate and shall be convened by the Issuer if required in writing by Certificateholders holding not less than 10 per cent. in aggregate face amount of the Trust Certificates of any Series for the time being outstanding. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present and holding or representing in the aggregate more than 50 per cent. in aggregate face amount of the Trust Certificates for the time being outstanding, or at any adjourned such meeting one or more persons present or representing Certificateholders whatever the outstanding aggregate face amount of the Trust Certificates so held or represented, except that in respect of any meeting the business of which includes the modification of certain provisions of the Trust Certificates defined in the Master Trust Deed as a Reserved Matter (including changing any date fixed for payment of a Periodic Distribution Amount or Dissolution Amount in respect of the Trust Certificates, reducing or cancelling the Periodic Distribution Amount or Dissolution Amount payable on any date in respect of the Trust Certificates, except where such alteration is in the opinion of the Delegate bound to result in an increase in the amount of such payment, altering the method of calculating the amount of any payment in respect of the Trust Certificates on redemption or maturity, altering the currency of payment of the Trust Certificates, amending Condition 6, any of the Trustee's covenants in the Master Trust Deed or Emaar's obligations to make a payment under any Transaction Document to which it is a party), the quorum shall be one or more persons present and holding or representing in the aggregate not less than two-thirds in aggregate face amount of the Trust Certificates for the time being outstanding, or at any adjourned such meeting one or more persons present holding or representing not less than one-third in aggregate face amount of the Trust Certificates for the time being outstanding. An Extraordinary Resolution duly passed as described above will be binding on all holders of the Trust Certificates, irrespective of if, or how, they voted on such Extraordinary Resolution and whether (if applicable) they attended the meeting.

19.2 The Delegate may agree, without the consent or sanction of the Certificateholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed or any other Transaction Document by the Issuer or Emaar, or determine, without any such consent or sanction as aforesaid, that any Dissolution Event or Potential Dissolution Event shall not be treated as such if, in the opinion of the Delegate, (a) such modification is of a formal, minor or technical nature, (b) such modification is made to correct a manifest error or (c) such modification, waiver, authorisation or determination is not materially prejudicial to the interests of Certificateholders, provided that in the case of (c) above, no such modification, waiver, authorisation or determination may be made in contravention of any express direction by Extraordinary Resolution or request in writing by the holders of at least 20 per cent. of the outstanding aggregate face amount of Trust Certificates. Unless the Delegate otherwise decides, any such modification, waiver, authorisation or determination shall as soon as practicable thereafter be notified by the Issuer to the Certificateholders in accordance with Condition 18 and shall in any event be binding upon the Certificateholders.

19.3 In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification), each of the Trustee and the Delegate shall have regard to the general interests of the Certificateholders as a class and shall not have regard to any interest arising from circumstances particular to individual Certificateholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Certificateholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and neither the Trustee nor the Delegate shall be entitled to require, nor shall any Certificateholder be entitled to claim from the Delegate, the Issuer, the Trustee, Emaar or any other person, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Certificateholders except to the extent already provided for in Condition 13 and/or any undertaking given in addition thereto or in substitution therefore under the Trust Deed.

20. INDEMNIFICATION AND LIABILITY OF THE DELEGATE

20.1 The Trust Deed contains provisions for the indemnification of the Delegate in certain circumstances and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction.

20.2 The Delegate makes no representation and assumes no responsibility for the validity, sufficiency or enforceability of the obligations of the Obligor or the Lessee under any Transaction Document and shall not under any circumstances have any liability or be obliged to account to the Certificateholders in respect of any payment which should have been made by the Obligor or the Lessee, but is not so made, and shall not in any circumstances have any liability arising from the Trust Assets other than as expressly provided in the Conditions or in the Trust Deed.

20.3 Each of the Delegate and the Trustee is exempted from (a) any liability in respect of any loss or theft of the Trust Assets or any cash, (b) any obligation to insure the Trust Assets or any cash and (c) any claim arising from the fact that the Trust Assets or any cash are held by or on behalf of the Trustee or on deposit or in an account with any depository or clearing system or are registered in the name of the Trustee or its nominee, unless such loss or theft arises as a result of gross negligence, wilful default or fraud of the Delegate or the Trustee, as the case may be.

21. FURTHER ISSUES

In respect of any Series, the Issuer shall be at liberty from time to time without the consent of the Certificateholders to create and issue additional Trust Certificates having the same terms and conditions as the outstanding Trust Certificates of such Series or terms and conditions which are the same in all respects save for the date and amount of the first payment of the Periodic Distribution Amount and the date from which Periodic Distribution Amounts start to accrue and so that the same shall be consolidated and form a single Series with the outstanding Trust Certificates of such Series. Any additional Trust Certificates which are to form a single Series with the outstanding Trust Certificates previously constituted by the Trust Deed shall be constituted by a deed supplemental to the Trust Deed. References in these Conditions to the Trust Certificates include (unless the context requires otherwise) any other trust certificates issued pursuant to this Condition and forming a single series with the Trust Certificates.

22. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Conditions, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

23. GOVERNING LAW AND SUBMISSION TO JURISDICTION

23.1 The Trust Deed and the Trust Certificates (including the remaining provisions of this Condition 23 and any non-contractual obligations arising out of or in connection with the Trust Deed and the Trust Certificates) are governed by, and shall be construed in accordance with, English law.

23.2 Subject to Condition 23.3, any dispute arising out of or in connection with the Trust Deed and/ or the Trust Certificates (including a dispute regarding the existence, validity or termination of the Trust Deed and/or the Trust Certificates and a dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed and/or the Trust Certificates) (a **Dispute**) shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules of the LCIA (the **Rules**), which Rules (as amended from time to time) are incorporated by reference into this Condition 23.2. For these purposes:

(a) the seat of arbitration shall be London;

(b) there shall be three independent arbitrators, each of whom shall be an attorney experienced in international securities transactions. The parties to the Dispute shall each nominate one arbitrator and both arbitrators in turn shall appoint a further arbitrator who shall be the presiding arbitrator. In cases where there are multiple claimants and/or multiple respondents, the class of claimants jointly, and the class of respondents jointly shall each nominate one arbitrator. If one party or both fails to nominate an arbitrator within the time limits specified by the Rules, such arbitrator(s) shall be appointed by the LCIA. If the party-nominated arbitrators fail to nominate the third arbitrator within 15 days of the appointment of the second arbitrator, such arbitrator shall be appointed by the LCIA; and

(c) the language of the arbitration shall be English.

23.3 Notwithstanding Condition 23.2 above, the Delegate or, but only where it is permitted to take action in accordance with the terms of the Trust Deed, any Certificateholder may, in the alternative, and at its sole discretion, by notice in writing to the Issuer:

(a) within 28 days of service of a Request for Arbitration (as defined in the Rules); or

(b) if no arbitration has commenced,

require that a Dispute be heard by a court of law. If such notice is given, the Dispute to which such notice refers shall be determined in accordance with Condition 23.4 and any arbitration commenced under Condition 23.2 in respect of that Dispute will be terminated. With the exception of the Delegate (whose costs will be borne by the Issuer, failing which Emaar), each of the parties to the terminated arbitration will bear its own costs in relation thereto.

If any notice to terminate is given after service of any Request for Arbitration in respect of any Dispute, the Claimant or, but only where it is permitted to take action in accordance with the terms of the Trust Deed, any Certificateholder, as the case may be, must also promptly give notice to the LCIA Court and to any Tribunal (each as defined in the Rules) already appointed in relation to the Dispute that such Dispute will be settled by the courts. Upon receipt of such notice by the LCIA Court, the arbitration and any appointment of any arbitrator in relation to such Dispute will immediately terminate. Any such arbitrator will be deemed to be *functus officio*. The termination is without prejudice to the date when any claim or defence was raised for the purpose of applying any limitation bar or any similar rule or provision.

23.4 If a notice pursuant to Condition 23.3 is issued, the following provisions shall apply:

(a) subject to paragraph (c) below, the courts of England and the courts of the Dubai International Financial Centre (the **DIFC**) shall each have non-exclusive jurisdiction to settle any Dispute;

(b) the Issuer waives any objection to the courts of either England or the DIFC on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute; and

(c) this Condition 23.4 is for the benefit of the Delegate and the Certificateholders only. As a result, and notwithstanding paragraph (a) above, the Delegate or, but only where it is permitted to take action in accordance with the terms of the Trust Deed, Certificateholder may take proceedings relating to a Dispute (**Proceedings**) in any other courts with jurisdiction. To the extent allowed by law, the

Delegate or, but only where it is permitted to take action in accordance with the terms of the Trust Deed, any Certificateholder may take concurrent Proceedings in any number of jurisdictions.

23.5 The Issuer irrevocably appoints Maples and Calder at its registered office at 11th Floor, 200 Aldersgate Street, London EC1A 4HD as its agent for service of process in any proceedings before the English courts in relation to any Disputes and agrees that in the event of Maples and Calder being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in England in respect of any Disputes. Nothing herein shall affect the right to serve process in any other manner permitted by law.

23.6 The Issuer and Emaar have in the Trust Deed agreed to arbitration and the option to litigate, submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above. In addition, to the extent that Emaar may claim for itself or its assets or revenues immunity from jurisdiction, enforcement, prejudgment proceedings, injunctions and all other legal proceedings and to the extent that such immunity (whether or not claimed) may be attributed to its assets or revenues, Emaar has in the Trust Deed agreed not to claim and has irrevocably and unconditionally waived such immunity in relation to any Disputes or Proceedings. Further, Emaar has irrevocably and unconditionally consented to the giving of any relief or the issue of any process, including without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Disputes or Proceedings.

23.7 Each of the Issuer, the Trustee, Emaar and the Delegate has in the Trust Deed irrevocably agreed that if any proceedings are brought by or on behalf of a party under the Trust Deed, that it will:

(a) not claim any judgment interest under, or in connection with, such proceedings; and

(b) to the fullest extent permitted by law, waive all and any entitlement it may have to judgment interest awarded in its favour by any court as a result of such proceedings.

For the avoidance of doubt, nothing in this Condition 23.7 shall be construed as a waiver of rights in respect of any Periodic Distribution Amounts, Rentals, Dissolution Amounts, Exercise Price, Deferred Sale Price or profit or principal of any kind howsoever described payable by Emaar (in any capacity) or Emaar Sukuk Limited (in any capacity) pursuant to the Transaction Documents and/or these Conditions, howsoever such amounts may be described or recharacterised by way of court or arbitral tribunal.

USE OF PROCEEDS

The proceeds of each Series of Trust Certificates issued under the Programme will be applied by the Issuer in the following proportion: (a) the percentage of the Issue Proceeds specified in the applicable Final Terms as the purchase price for the Assets to be purchased from Emaar pursuant to the Purchase Agreement; and (b) the remaining percentage (if any), being no more than 49 per cent. of the face amount of the relevant Tranche for the purchase of commodities to be sold to Emaar pursuant to the Master Murabaha Agreement and subsequently any amounts received by Emaar to be applied by Emaar for its general corporate purposes.

DESCRIPTION OF THE ISSUER

General

Emaar Sukuk Limited, a Cayman Islands exempted company with limited liability, was incorporated on 8 September 2008 under the Companies Law (2007 Revision) of the Cayman Islands with company registration number 216801. The Issuer has been established as a special purpose vehicle for the sole purpose of issuing Trust Certificates under the Programme and entering into the transactions contemplated by the Transaction Documents. The registered office of the Issuer is at c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands, and its telephone number is +1 345 945 7099 / +971 4 511 4200.

The authorised share capital of the Issuer is U.S.$50,000 divided into 50,000 ordinary shares of U.S.$1.00 each, 250 of which have been issued. All of the issued shares (the **Shares**) are fully-paid and are held by MaplesFS Limited as share trustee (the **Share Trustee**) under the terms of a trust deed (the **Share Trust Deed**) dated 12 January 2009 under which the Share Trustee holds the Shares in trust until the Termination Date (as defined in the Share Trust Deed). Prior to the Termination Date, the trust is an accumulation trust, but the Share Trustee has the power to benefit Qualified Charities (as defined in the Share Trust Deed). It is not anticipated that any distribution will be made whilst any Trust Certificate is outstanding. Following the Termination Date, the Share Trustee will wind up the trust and make a final distribution to charity. The Share Trustee has no beneficial interest in, and derives no benefit (other than its fee for acting as Share Trustee) from, its holding of the Shares.

Business of the Issuer

The Issuer has a limited operating history and will not have any substantial liabilities other than in connection with the U.S.$500,000,000 trust certificates due 2016 issued by the Issuer under the Programme on 3 February 2011, the U.S.$500,000,000 trust certificates due 2019 issued by the Issuer under the Programme on 18 July 2012 and any further Trust Certificates to be issued under the Programme. The Trust Certificates are the obligations of the Issuer alone and not the Share Trustee.

The objects for which the Issuer is established are unrestricted and the Issuer has full power and authority to carry out any object not prohibited by all relevant Cayman Islands laws (all as set out in clause 3 of its Memorandum as registered or adopted on 8 September 2008).

Financial Statements

Since the date of incorporation, no financial statements of the Issuer have been prepared. The Issuer is not required by Cayman Islands law, and does not intend, to publish audited financial statements.

Directors of the Issuer

The Directors of the Issuer are as follows:

Name:	Principal Occupation:
Andrew Millar	Regional Head of Fiduciary, Middle East of Maples Fund Services (Middle East) Limited
Cleveland Stewart	Senior Vice President of MaplesFS Limited

The business address of Andrew Millar is c/o Maples Fund Services (Middle East) Limited, Liberty House, 6th Floor, Office 616, P.O. Box 506734, Dubai, United Arab Emirates.

The business address of Cleveland Stewart is c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands.

There are no potential conflicts of interest between the private interests or other duties of the Directors listed above and their duties to the Issuer, save for the fact that each Director is an employee and/or officer of the Issuer Administrator or one of its affiliates. None of the Directors listed above have been convicted of any criminal offence or been the subject of any public incrimination sanctions, bankruptcy, receivership or liquidation proceedings.

The Administrator

MaplesFS Limited also acts as the Issuer Administrator. The office of the Issuer Administrator serves as the general business office of the Issuer. Through the office, and pursuant to the terms of the Corporate Services Agreement, the Issuer Administrator will perform in the Cayman Islands, the United Arab Emirates and/or such other jurisdiction as may be agreed between the Issuer and the Issuer Administrator various administrative functions on behalf of the Issuer, including communications with shareholders and the general public, and the provision of certain clerical, administrative and other services until termination of the Corporate Services Agreement. In consideration of the foregoing, the Issuer Administrator will receive various fees payable by the Issuer at rates agreed upon from time to time, plus expenses. The terms of the Corporate Services Agreement provide that the Issuer may terminate the appointment of the Issuer Administrator by giving 14 days' notice to the Issuer Administrator at any time within 12 months of the happening of certain stated events, including any breach by the Issuer Administrator of its obligations under the Corporate Services Agreement. In addition, the Corporate Services Agreement provides that the Issuer Administrator shall be entitled to retire from its appointment by giving at least three months' notice in writing.

The Issuer Administrator will be subject to the overview of the Issuer's Board of Directors. The Corporate Services Agreement may be terminated (other than as stated above) by either the Issuer or the Issuer Administrator giving the other party at least three months' written notice.

The Issuer Administrator's principal office is P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

The Directors of the Issuer are all employees or officers of the Issuer Administrator or an affiliate thereof. The Issuer has no employees and is not expected to have any employees in the future.

SELECTED FINANCIAL INFORMATION

This section presents certain selected consolidated financial information of Emaar as at and for the years ended 31 December 2014 and 2015 and as at and for the six month periods ended 30 June 2015 and 2016 as follows:

- the selected financial data as at and for the six month period ended 30 June 2016 appearing below has been extracted from the Interim Consolidated Financial Statements;
- the selected financial data as at and for the six month period ended 30 June 2015 appearing below has been extracted from the comparative financial information as at and for the six month period ended 30 June 2015 included in the Consolidated Financial Statements.
- the selected financial data as at and for the year ended 31 December 2015 appearing below has been extracted from the 2015 Financial Statements; and
- the selected financial data as at and for the year ended 31 December 2014 appearing below has been extracted from the comparative financial information as at and for the year ended 31 December 2014 included in the 2015 Financial Statements.

See also "*Presentation of financial information*" for a further discussion of the presentation of financial information contained in this Base Prospectus.

The Consolidated Financial Statements have been prepared in conformity with IFRS and applicable requirements of UAE law.

The selected financial information set forth below should be read in conjunction with the Consolidated Financial Statements and related notes thereto. The results of operations for any period are not necessarily indicative of the results to be expected for any future period.

Consolidated Statement of Financial Position Data

	As at 30 June (Unaudited)	**As at 31 December**	
	2016	**2015**	**2014**
	(AED million)		
Bank balances and cash	18,717	17,919	16,018
Trade and unbilled receivables	2,362	2,617	1,127
Other assets, receivables, deposits and prepayments	7,447	4,814	3,393
Development properties	33,312	21,357	27,626
Assets classified as held for sale	5,215		
Investment in securities	1,701	1,652	932
Loans to associates and joint ventures	118	3,022	2,920
Investments in associates and joint ventures	4,629	6,697	5,591
Property, plant and equipment	9,257	9,333	8,214
Investment properties	12,932	12,099	8,315
Goodwill	46	46	46
Total assets	**95,736**	79,557	74,179
Trade and other payables	13,650	9,350	9,860

	As at 30 June (Unaudited)	As at 31 December	
	2016	2015	2014
	(AED million)		
Advances from customers	16,184	14,072	15,482
Liabilities directly associated with assets classified as held for sale	2,894		
Retentions payable	951	803	722
Interest-bearing loans and borrowings	8,673	6,875	5,959
Sukuk	6,403	6,399	6,392
Provision for employees' end of service benefits	151	136	134
Total liabilities	**48,907**	37,636	38,549
Share capital	7,160	7,160	7,160
Employees' performance share programme	(2)	(2)	(2)
Reserves	17,546	16,938	16,407
Retained earnings	15,388	14,018	9,445
Non-controlling interest	6,736	3,807	2,620
Total equity	46,829	41,921	35,631
Total liabilities and equity	**95,736**	79,557	74,179

Consolidated Income Statement Data

	Six months ended 30 June (Unaudited)		Year ended 31 December	
	2016	2015	2015	2014
	(AED million)			
Revenue	**7,257**	**6,520**	**13,661**	**9,930**
Cost of revenue	(3,449)	(3,004)	(6,398)	(3,989)
Gross profit	**3,808**	**3,516**	**7,263**	**5,941**
Other operating income	143	148	321	303
Other operating expenses	(69)	(75)	(161)	(171)
Selling, general and administrative expenses	(1,384)	(1,366)	(2,879)	(2,587)
Finance income	374	178	432	478
Finance costs	(246)	(232)	(478)	(509)
Discounting of long term loan to an associate	-	-	-	(28)
Other income	76	114	149	383
Share of results of associates and joint ventures	(11)	78	189	(87)

	Six months ended 30 June (Unaudited)		Year ended 31 December	
	2016	**2015**	**2015**	**2014**
	(AED million)			
Impairment of loan to an associate	-	-	-	(29)
Write off of assets	-	-	(301)	-
Profit before tax	**2,691**	**2,361**	**4,535**	**3,694**
Income tax credit/(expense)	2	56	54	(8)
Net profit for the period/year	**2,692**	**2,417**	**4,589**	**3,686**
Attributable to:				
Owners of the parent	2,475	2,205	4,082	3,293
Non-controlling interests	217	212	507	393
	2,692	**2,417**	**4,589**	**3,686**
Earnings per share attributable to the owners of the parent:				
– basic and diluted earnings per share (AED)	**0.35**	**0.31**	**0.57**	**0.48**

FINANCIAL REVIEW

The following discussion and analysis should be read in conjunction with the information set out in "*Selected Financial Information*" and the Consolidated Financial Statements. References in this section to "2015" and "2014" are to the financial years ended 31 December in each of those years.

Basis of Presentation

This section presents certain selected financial information of Emaar as at and for the years ended 31 December 2014 and 2015 and as at and for the six month periods ended 30 June 2015 and 2016 as follows:

- the selected financial data as at and for the six month periods ended 30 June 2015 and 2016 appearing in this section has been extracted from the Interim Consolidated Financial Statements;
- the selected financial data as at and for the year ended 31 December 2015 appearing in this section has been extracted from the 2015 Financial Statements; and
- the selected financial data as at and for the year ended 31 December 2014 appearing in this section has been extracted from the comparative financial information as at and for the year ended 31 December 2014 included in the 2015 Financial Statements.

Emaar has early adopted IFRS 15 "*Revenue from Contracts with Customers*" with effect from 1 January 2015 and has opted for modified retrospective application, which requires the recognition of the cumulative impact of adoption on all contracts not yet complete as at 1 January 2015 in the form of adjustment to the opening balance of retained earnings as at 1 January 2015. Accordingly, to the extent of such adjustments, the 2015 Financial Statements are not comparable to the 2014 Financial Statements.

See also "*Presentation of financial information*" for a further discussion of the presentation of financial information in this Base Prospectus.

Emphasis of Matter

EY's audit report in respect of the 2014 Financial Statements includes an emphasis of matter relating to Emaar's investment in Amlak Finance PJSC. See "*Description of Emaar Properties PJSC—Financial Services—Amlak Finance"* and the relevant reports contained in *"Financial Information*" for further details.

Key Factors Affecting Results of Operations

The following is a discussion of the most significant factors that have affected, or are expected to affect, Emaar's results of operations and financial condition. See "*Risk Factors*" for further details of the principal risks inherent in investing in Trust Certificates.

Evolving mix of income streams

Historically, most of Emaar's revenue was derived from the sale of properties (whether in the form of development land or completed residential properties) and Emaar recorded only a limited amount of income generated from the rental income from properties leased by it and operation of hotels and other hospitality businesses operated by it.

However, in recent years, revenue contribution from Emaar's revenue-generating assets has increased significantly, particularly from its flagship assets including The Dubai Mall, The Marina Mall, The Address Hotels, Emaar Entertainment and At the Top. As a result, revenue from its recurring revenue-generating assets (being assets pertaining to its leasing and related activities and hospitality segments) accounted for 40 per cent. and 42 per cent., respectively, and revenue from leasing and related activities accounted for 30 per cent., of the total revenue for each of the six month period ended 30 June 2016 and the year ended 31 December 2015. In future periods, Emaar anticipates that its revenue-generating assets will continue to increase and accordingly the proportion of its revenues derived from hospitality, retail and rental income and other non-property sales sources will also continue to increase. While Emaar expects the level of these other revenues to continue to increase, revenues from the sales of development land and properties are expected to remain the most substantial part of its revenues.

IFRS 15 Revenue from Contracts with Customers.

IFRS 15 Revenue from Contracts with Customers was issued in May 2014 and is effective for annual periods commencing on or after 1 January 2018 either based on a full retrospective or modified application, with early adoption permitted. IFRS 15 outlines a single comprehensive model of accounting of revenue arising from contracts with customers and supersedes current revenue recognition guidance, which is found currently across several standards and interpretations within IFRSs. It establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Emaar elected to adopt IFRS 15 early with effect from 1 January 2015, as Emaar considered it better reflected its real estate business performance. Emaar opted for modified retrospective application and, accordingly, the standard has been applied to the year ended 31 December 2015 only. Modified retrospective application also requires the recognition of the cumulative impact of adoption on all contracts not yet complete as at 1 January 2015 in the form of an adjustment to the opening balance of retained earnings as at 1 January 2015. The details of such adjustments are set out in the 2015 Financial Statements.

In addition, the application of the new accounting policy has required management to make the certain judgements and estimates which are described in note 2.3(a) to the 2015 Financial Statements. These judgements and estimates include (i) satisfaction of performance obligations; (ii) determination of transaction prices; (iii) transfer of control in contracts with customers; and (iv) allocation of transaction price to performance obligation in contracts with customers.

Significant Accounting Policies

The Consolidated Financial Statements have been prepared in accordance with IFRS. For a discussion of the accounting policies applied by Emaar generally, see note 2.4 to the 2015 Financial Statements.

Revenue Recognition

Revenue from Contracts with Customers

Emaar has elected to adopt IFRS 15 early with effect from 1 January 2015. Accordingly, Emaar applied the following accounting policy in the preparation of the 2015 Financial Statements:

Emaar recognises Revenue from Contracts with Customers based on a five step model as set out in IFRS 15:

Step 1. Identify the contract(s) with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract. A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price. The transaction price is the amount of consideration to which Emaar expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, Emaar will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which Emaar expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

Emaar satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. the customer simultaneously receives and consumes the benefits provided by Emaar's performance as Emaar performs; or

2. Emaar's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. Emaar's performance does not create an asset with an alternative use to Emaar and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When Emaar satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. Emaar has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the consolidated statement of income to the extent that it is probable that the economic benefits will flow to Emaar and the revenue and costs, if applicable, can be measured reliably.

Lease to buy scheme

Revenue from sales under the "lease to buy scheme" are recognised as follows:

- rental income during the period of the lease is accounted for on a straight-line basis until such time the lessee exercises its option to purchase;
- when the lessee exercises its option to purchase, revenue from the sale to the lessee is recognised in accordance with the revenue recognition policy for revenue from contracts with customers as stated above; and
- in respect of such sale to the lessee, revenue is the amount payable by the lessee at the time of exercising the option to acquire the property.

Rental income from lease of investment property

Rental income from investment properties is recognised, net of discount, in accordance with the terms of the relevant lease contract over the lease term on a systematic basis.

Interest income

Interest income is recognised as the interest accrues using the effective interest method, under which the rate used discounts estimated future cash receipts by reference to the expected life of the financial asset and the net carrying amount of the financial asset.

Services

Revenue from rendering of services is recognised when the outcome of the transaction can be estimated reliably, by reference to the stage of completion of the transaction at the reporting date. Where the outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (being assets that necessarily take a substantial period of time to get ready for their intended use or sale) are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the consolidated statement of income in the year in which they are incurred.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful life as follows:

Leasehold improvements	2 - 15 years
Sales centers (included in land and buildings)	1 - 5 years
Buildings	10 - 45 years
Computers and office equipment	2 - 5 years
Plant, machinery and heavy equipment	3 - 20 years
Motor vehicles	3 - 5 years
Furniture and fixtures	2 - 10 years
Leisure, entertainment and other assets	2 - 25 years

No depreciation is charged on land and capital work-in-progress. The useful life and depreciation methods are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the consolidated statement of income as the relevant expense is incurred.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of property, plant and equipment may not be recoverable. Whenever the carrying amount of property, plant and equipment exceeds their recoverable amount, an impairment loss is recognised in the consolidated statement of income. The recoverable amount is the higher of fair value less costs to sell of property, plant and equipment and the value in use. The fair value less costs to sell is the amount obtainable from the sale of property, plant and equipment in an arm’s length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of property, plant and equipment and from its disposal at the end of its useful life.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the property, plant and equipment no longer exist or have reduced.

Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is charged on a straight line basis over the estimated useful life as follows:

Buildings	10–45 years
Furniture, fixtures and others	4–10 years
Plant and equipment	3-10 years

No depreciation is charged on land and capital work-in-progress.

The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Properties are transferred from investment properties to development properties when, and only when, there is a change in use, evidenced by commencement of development with a view to sale. Such transfers are made at the carrying value of the properties at the date of transfer.

Emaar determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carrying amount of an investment property exceeds its recoverable amount, an impairment loss is recognised in the consolidated statement of income. The recoverable amount is the higher of the investment property's net selling price and the value in use. The net selling price is the amount obtainable from the sale of the investment property in an arm's length transaction, less related costs. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the investment property and from its disposal at the end of its useful life.

Reversal of impairment losses is recognised when there is an indication that the impairment losses which were recognised in previous years for an investment property no longer exist or have reduced.

Development properties

Properties acquired, constructed or in the course of construction for sale are classified as development properties. Unsold properties are stated at the lower of cost or net realisable value. Cost includes:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction; and
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less costs to completion and the estimated costs of sale.

The cost of development properties recognised in the consolidated statement of income on sale is determined by reference to the specific costs incurred in relation to the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Emaar's management reviews the carrying values of Emaar's development properties on an annual basis.

Derivative financial instruments

Emaar enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including foreign exchange forward contracts. Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised as profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event, the timing of the recognition as profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset; a derivative with a negative fair value is recognised as a financial liability.

For further information on Emaar's accounting policies with respect to derivative financial instruments, see note 2.4 to the 2015 Financial Statements.

Investment in associates and joint ventures

An associate is an entity over which Emaar has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Emaar's investments in its associates and joint ventures are accounted for using the equity method. Under the equity method, the investment in the associates and joint ventures is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in Emaar's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associates or joint ventures is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The consolidated statement of income reflects Emaar's share of the results of operations of its associates and joint ventures after tax and non-controlling interests in the subsidiaries of the associates. Where there has been a change recognised directly in the other comprehensive income or equity of an associate, Emaar recognises its share of any changes, when applicable, in the consolidated statement of comprehensive income or the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between Emaar and its associates or joint ventures are eliminated to the extent of the interest in the associate or joint venture.

The financial statements of the associates and joint ventures are prepared for the same reporting period as Emaar. When necessary, adjustments are made to bring the accounting policies in line with those of Emaar.

After application of the equity method, Emaar determines whether it is necessary to recognise an impairment loss on its investment in its associates or joint ventures. At each reporting date, Emaar determines whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, Emaar calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the impairment losses in the consolidated statement of income.

Upon loss of significant influence over the associate or joint control over the joint venture, Emaar measures and recognises any retained investment at its fair value. Any differences between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated statement of income. When the remaining investment in the joint venture constitutes significant influence, it is accounted for as an investment in an associate.

Financial liabilities issued by Emaar – the 2011, 2012 and 2014 Trust Certificates

The 2011 Trust Certificates, the 2012 Trust Certificates and the 2014 Trust Certificates (as defined below) – see "*Analysis of Certain Consolidated Statement of Financial Position Items — Trust Certificates*" are recorded at amortised cost using the effective profit rate method. Profit attributable to the 2011 Trust Certificates, the 2012 Trust Certificates and the 2014 Trust Certificates is calculated by applying the prevailing market profit rate, at the time of issue, for similar sukuk instruments and any difference between this amount and the profit distributed is added to the carrying amount of the 2011 Trust Certificates, the 2012 Trust Certificates and the 2014 Trust Certificates.

Critical Accounting Judgments and Key Sources of Estimation Uncertainty

Emaar prepares its consolidated financial statements in accordance with IFRS and applicable requirements of UAE law. The preparation of the consolidated financial statements requires management to make certain judgments and is subject to certain estimation uncertainties, the most significant of which are described in note 2.3 to the 2014 Financial Statements, note 2.2 to the 2015 Financial Statements and note 2.2 to the Interim Consolidated Financial Statements. These judgments and estimations as included in the Consolidated Financial Statements include (i) revenue recognition of leases; (ii) revenue recognition of turnover rent; (iii) investment properties; (iv) the classification of investment properties; (v) the transfer of real assets from property, plant and equipment to development properties; (vi) operating lease commitments – Group as lessor; (vii) the classification of investments; (viii) the consolidation of subsidiaries; (ix) the valuation of investment properties; (x) impairment of trade and other receivables; (xi) useful lives of property, plant and equipment and investment properties; (xii) the cost to complete the projects; (xiii) taxes; (xiv) impairment of non-financial assets; (xv) satisfaction of performance obligations; (xvi) determination of transactions; (xvii) transfer of control in contracts with customers; and (xviii) allocation of transaction price to performance obligation in contracts with customers.

Segmental Analysis

For reporting purposes, Emaar currently classifies its activities into three major segments: real estate (development and sale of condominiums, villas, commercial units and plots of land), leasing and related activities (development, leasing and management of malls, retail, commercial and residential spaces) and hospitality (development, owning and/or management of hotels, serviced apartments and leisure activities). Other segments include businesses (including Emaar's property management and utility services and investments in providers of financial services) that individually do not meet the criteria for a reportable segment under IFRS 8 "*Operating Segments*". Geographically, Emaar classifies its activities in the UAE as domestic and its activities outside the UAE as international.

A breakdown of Emaar's revenue, results, assets and liabilities and certain other information by business and geographic segment (i.e. international and domestic) is included in note 3 to each of the 2015 Financial Statements, 2014 Financial Statements and the Interim Consolidated Financial Statements.

Results of Operations

Period ended 30 June 2016 compared with period ended 30 June 2015

Revenue, cost of revenue and gross profit

Revenue for the six month period ended 30 June 2016 was AED7,257 million, an increase of 11 per cent. compared to AED6,520 million for the same period in 2015. The Group's diversified business segments in leasing and related activities and hospitality yield strong recurring revenues (being revenues from its recurring revenue generating assets), and contributed 40 per cent. of the Group's revenue during the six month period ended 30 June 2016.

The table below shows the breakdown of Emaar's revenues, cost of revenue and gross profit for each of the six month periods ended 30 June 2016 and 2015.

	30 June 2016 (Unaudited)			30 June 2015 (Unaudited)		
	Revenue	**Cost of Revenue**	**Gross Profit**	**Revenue**	**Cost of Revenue**	**Gross Profit**
	(AED Million)					
Property sales	4,341	2,687	1,654	3,620	2,173	1,447
Hospitality	721	441	280	884	512	372
Leasing and related activities	2,196	321	1,875	2,016	319	1,697
Total	**7,257**	**3,449**	**3,808**	**6,520**	**3,004**	**3,516**

During the six month period ended 30 June 2016, Emaar's revenues from sale of properties were mainly derived from first-time recognition of projects such as Rosa, Rasha and Yasmin in Arabian Ranches II and The Hills Residences in Emirates Hills and incremental revenue recognised on achieving a higher percentage completion of projects such as The Address Blvd, The Address Sky Views and Burj Vista in Emaar Dubai. Revenues from sale of properties at international locations were primarily derived from first-time recognition of the Mivida office building and Parkside Townhouses in Mivida in Emaar Misr and incremental revenue recognised on achieving a higher percentage completion of Uptown Cairo and Marassi in Emaar Misr. There was an 18 per cent. decrease in revenues from hospitality during the period ended 30 June 2016 when compared to the same period in 2015 mainly due to the closure of The Address Downtown Hotel following a fire incident (See "*Description of Emaar Properties — Hospitality — The Address Hotels and Resorts*"), but the period yielded an increase in revenues from sale of properties and leasing and related activities by 20 per cent. and 9 per cent. respectively when compared to the same six month period in 2015.

Gross profit of AED3,808 million over the six month period ended 30 June 2016 evidenced growth of 8 per cent., increasing from AED3,516 million for the same period in 2015. The growth in gross profit is attributable to higher gross profit margins achieved primarily on recognition of revenue from the sale of condominiums in The Address Sky Views and Burj Vista and the Hills Residence and Vida Residence in Emirates Hills in Emaar Dubai and revenue recognition from the sale of an office building in Mivida in Emaar Misr.

During the six month period ended 30 June 2016, the breakdown of Emaar's revenue generated from sale of properties is as follows:

	30 June 2016 (Unaudited)			30 June 2015 (Unaudited)		
	Revenue	**Cost of Revenue**	**Gross Profit**	**Revenue**	**Cost of Revenue**	**Gross Profit**
	(AED Million)					
Condominiums	1,815	1,266	549	1,611	1,188	423
Villas	2,184	1,285	899	1,294	792	502
Commercial Units, Plots of land and others	341	135	206	715	193	522
Total	**4,341**	**2,687**	**1,654**	**3,620**	**2,173**	**1,447**

Emaar's revenues from sale of villas for the six month period ended 30 June 2016 almost doubled when compared to the same period in 2015 due to first-time recognition of revenues, and higher percentage of completion, of projects such as Rosa, Rasha, Lila and Yasmin in Arabian Ranches II and Mivida in Emaar Misr. The decrease in commercial units, plots of land and others is primarily due to higher recognition of revenue from the sale of the Fairway plots in Dubai Hills in 2015.

Other operating income

Other operating income primarily includes revenue from other business operations such as property services, utility services and district cooling plants. Other operating income for the six month period ended 30 June 2016 was AED143 million compared to AED148 million for the corresponding period in 2015.

Other operating expenses

Other operating expenses (which include expenses relating to operations other than sale of properties, hospitality, leasing, retail and related activities) were AED69 million for the six month period ended 30 June 2016 compared to AED75 million for the corresponding period in 2015.

Selling, general and administrative expenses

During the six month period ended 30 June 2016, Emaar's selling, general and administrative expenses were AED1,384 million compared to AED1,366 million during the same period in 2015.

The breakdown of selling, general and administrative expenses over the periods under review was as follows:

	Six months ended 30 June (Unaudited)	
	2016	**2015**
	(AED Million)	
Payroll and related expenses	331	305
Depreciation of property, plant and equipment	298	298
Depreciation of investment properties	169	142
Sales and marketing expenses	163	273
Property management expenses	130	137
Land registration fees	14	7
Other expenses	279	204
Total	**1,384**	**1,366**

Finance income and finance costs

Finance income for the six month period ended 30 June 2016 was AED374 million, an increase of 110 per cent. compared to AED178 million recorded in the corresponding period in 2015. Finance income principally comprises the returns earned by Emaar on cash held by it on deposit with banks and treasury notes. This increase was principally due to interest earned from investment in treasury notes by Emaar Misr and higher average deposits together with higher interest rates during 2016 in the UAE and higher dividend income on investments.

Finance costs for the six month period ended 30 June 2016 were AED246 million, an increase of 6 per cent. compared to AED232 million incurred in the corresponding period in 2015. Finance costs principally represent interest cost and other financing charges incurred by Emaar on its borrowings and capital markets instruments. The increase in finance costs is primarily due to new borrowing secured by Emaar's subsidiary Dubai Hills Estate.

Other income

Other income for the six month period ended 30 June 2016 amounted to AED76 million, compared to other income of AED114 million recorded in the corresponding period of 2015. The movement is primarily due to a decrease in penalty and processing fees.

Share of results of associates and joint ventures

The Group's share of results of associates and joint ventures for the six month period ended 30 June 2016 constituted a loss of AED11 million compared to a profit of AED78 million recorded in the corresponding period in 2015. This line item principally reflects Emaar's share in the results of its associates and joint ventures including Emaar Economic City (**EEC**), Emaar MGF, Amlak Finance, Turner, Emaar Industries and Dead Sea Jordan. The Group's share of losses is mainly due to recognition of impairment loss on assets held for disposal in EEC and a decline in the revenues of Emaar MGF as during the six month period ended 30 June 2015, Emaar MGF recorded first-time recognition of revenue from certain projects on achieving the revenue recognition milestone whereas in the six month period ended 30 June 2016 there was no such recognition of revenues.

Net profit for the period

Reflecting the above factors, Emaar's net profit for the six month period ended 30 June 2016 was AED2,692 million, an increase of 11 per cent. from AED2,417 million in the corresponding period of 2015.

Year ended 2015 compared with year ended 2014

Revenue, cost of revenue and gross profit

The table below shows the breakdown of Emaar's revenues for each of 2015 and 2014.

	2015			2014		
	Revenue	**Cost of Revenue**	**Gross Profit**	**Revenue**	**Cost of Revenue**	**Gross Profit**
	(AED Million)					
Property sales......................................	7,873	4,743	3,130	4,563	2,360	2,203
Hospitality income	1,677	993	684	1,681	951	730
Rental income from leased properties and related income..............................	4,111	662	3,449	3,686	679	3,007
Total...	**13,661**	**6,398**	**7,263**	**9,930**	**3,889**	**5,941**

Emaar has adopted IFRS 15 "*Revenue from Contracts with Customers*" early with effect from 1 January 2015 and has opted for modified retrospective application which requires the recognition of cumulative impact of adoption on all contracts not yet complete as at 1 January 2015 in the form of adjustment to the opening balance of retained earnings as at 1 January 2015. The revenue recognition from sale of properties of the comparative year 2014 has been presented based on International Financial Reporting Interpretations Committee (**IFRIC**) Interpretation 15 "Agreements for the Construction of Real Estate" (**IFRIC 15**). Accordingly, the revenue recognition for the year 2015 is not strictly comparable with the revenue recognition for the year 2014.

During 2015, revenue from sale of properties included first-time revenue recognition of certain projects such as Fountain Views I, II and III, Sky Views and Burj Vista in Downtown, Palma and Lila in Arabian Ranches II and higher revenue from sale of plots in Emirate Hills and Downtown in Dubai. In its international operations, the increase in revenue is mainly due to Emaar Misr achieving a higher percentage completion on existing projects as well as first-time revenue recognition of new projects in Marassi, Mivida and Uptown Cairo. Furthermore, increased revenues from the leasing and retail business are mainly due to increases in base rents on renewals of tenancy agreements in Emaar Malls PJSC. The slight decrease in revenues from the hospitality business were due to a decrease in food and beverage and room revenues in Armani Milan.

The gross profit margin for 2015 has decreased to 53 per cent. compared to 60 per cent. in 2014 primarily due to higher revenue recognition from the Grove and Views villa plots in Dubai Hills during 2014 compared to 2015 and the higher costs of revenue of condominiums in 2015.

During 2015 and 2014, the breakdown of Emaar's revenue generated from sale of properties was as follows:

	2015			2014		
	Revenue	Cost of Revenue	Gross Profit	Revenue	Cost of Revenue	Gross Profit
	(AED Million)					
Condominiums	3,563	2,588	975	1,274	770	504
Villas	2,658	1,670	988	1,825	1,221	604
Commercial Units, Plots of land and others	1,652	484	1,168	1,464	369	1,095
Total	**7,873**	**4,743**	**3,130**	**4,563**	**2,360**	**2,203**

A breakdown of Emaar's revenues by geographic segment for the years ended 2015 and 2014 is included in note 3 to the 2015 audited consolidated financial statements.

Other operating income

Other operating income for 2015 was AED321 million, an increase of 6 per cent. compared to AED303 million recorded in 2014.

Other operating expenses

Other operating expenses for 2015 amounted to AED161 million compared to AED171 million in 2014. The primary reason for the decrease is higher operating efficiency achieved in district cooling plants.

Selling, general and administrative expenses

Selling, general and administrative expenses for 2015 were AED2,879 million, an increase of 11 per cent. compared to AED2,587 million in 2014. The increase was primarily due to increases in payroll and related expenses, donations, provisions for doubtful debts and write-offs, land registration fees and other expenses.

The table below shows the background of Emaar's expenses for each of 2014 and 2015.

	Year ended 31 December	
	2015	2014
	(AED million)	
Payroll and related expenses	621	533
Depreciation of property, plant and equipment	599	580
Sales and marketing expenses	557	655
Depreciation of investment properties	302	276
Property management expenses	274	276
Donations	107	10
Rental expenses	45	52
Provision for doubtful debts/write off	37	9
Land registration fees	19	10
Pre-operating expenses	3	13
Other expenses	314	172

	Year ended 31 December	
	2015	2014
	(AED million)	
Total..........	**2,879**	**2,587**

Finance income and finance costs

Finance income for 2015 was AED432 million, a decrease of 10 per cent. compared to AED478 million recorded in 2014. The decrease is due to higher dividend income and discounting gain on long-term payables recorded in 2014 compared to 2015. Finance costs for 2015 were AED478 million, a decrease of 6 per cent. compared to AED509 million in 2014, mainly due to the repayment of matured loans and a decrease in its revolving credit facility loan interest rate.

Other income

Other income (comprising income/revenues earned from operations not directly linked to the core operations of Emaar, such as processing charges, transfer charges, income from forfeiture of advances paid by customers, income derived from providing IT services to third parties, profit from sale of leased investment property etc.) for the year ended 31 December 2015 decreased by 61 per cent. to AED149 million compared to AED383 million in 2014. Other income for the year ended 31 December 2015 (i.e. AED149 million) comprised primarily the income derived from penalty and processing fees from customers. Other income in 2014 included AED175 million from forfeiture income and higher penalty and processing fees.

Share of results of associates and joint ventures

The Group's share of the net profit in associates and joint ventures was AED189 million in 2015 compared to a net loss of AED87 million in 2014. This improvement was primarily due to better performance by Emaar MGF, Amlak, Turner and EEC.

Net profit for the year

Reflecting the above factors, Emaar's net profit for 2015 was AED4,589 million, compared to AED3,686 million for 2014.

Analysis of Certain Consolidated Statement of Financial Position Items

Cash and bank balances

As at 30 June 2016, the Group's cash and bank balances amounted to AED18,717 million compared to AED17,919 million as at 31 December 2015. Of the amounts as at 30 June 2016, AED120 million (31 December 2015: AED27 million) of deposits are held under lien and AED10,750 million (31 December 2015: AED9,432 million) represent balance with banks for unclaimed dividends and advances received from customers against sale of development properties which are deposited into escrow accounts and the rest of the cash or unrestricted deposits are placed with the banks as short term deposits. The increase in cash balance is mainly due to higher collection from customers, increased sales of new properties, higher collections from tenants on renewals of leases in Emaar Malls and additional borrowings from financial institutions. 90 per cent. of the Group's cash and bank balances as at 30 June 2016 are AED denominated.

Investment properties

Emaar's investment properties amounted to AED12,932 million as at 30 June 2016 compared to AED12,099 million as at 31 December 2015 and AED8,315 million as at 31 December 2014. Investment property is stated at cost and includes assets held for rental or capital appreciation purposes. Malls and commercial leasing assets are included at cost under investment properties. The increase in investment properties since 2014 is mainly due to the additional cost incurred on under-construction investment property assets and the transfer of certain costs from development properties to investment properties based on the intended use of such developments.

Property, plant and equipment (PPE)

Emaar's PPE amounted to AED9,257 million as at 30 June 2016 compared to AED9,333 million as at 31 December 2015 and AED8,214 million as at 31 December 2014. PPE includes the Group's hospitality assets, district cooling plants, other revenue-generating assets and self-occupied properties. In addition, PPE also includes the construction cost of certain projects under construction, which once fully constructed, will generate revenue for the Group.

Certain assets relating to The Address Downtown Hotel which were damaged in a fire on 31 December 2015 were written off by the Group based on a damage assessment undertaken by an independent consultant. The assets written off include property, plant and equipment with a net carrying value of AED293 million and inventories amounting to AED8 million. The Group has initiated the insurance claim process against the damage of assets with the insurance company. Upon acknowledgement and acceptance of the claim by the insurance company, an offsetting insurance receivable and corresponding income will be recorded in the books in the subsequent period.

Development Properties

Properties acquired, constructed or in the course of construction for sale are classified as development properties. Unsold properties are stated at the lower of cost or net realisable value. Costs incurred on development of projects are recognised as cost of sales when the corresponding revenue of such project is recognised.

Development properties amounted to AED33,312 million as at 30 June 2016 compared to AED21,357 million as at 31 December 2015 and AED27,626 million as at 31 December 2014. The increase in development properties during the six-month period ended 30 June 2016 compared to 31 December 2015 is primarily attributable to the acquisition of development properties through the acquisition of a subsidiary (EMGF) during the six-month period ended 30 June 2016.

Borrowings

Emaar's financing requirements are primarily to fund its initial property development expenditure, construction of investment properties and fixed assets, investment in international subsidiaries and commitment towards its joint ventures. In relation to its residential developments, Emaar generally sells units in advance of their construction with the purchasers paying an initial deposit and the balance of the purchase price in instalments during the construction period. These advance payments are used by Emaar to finance a substantial portion of the development with the balance of the financing being provided through equity and borrowings. Emaar's commercial developments are generally funded through cash from equity and borrowings.

As at 30 June 2016, interest-bearing loans and borrowings were AED8,673 million compared to AED6,875 million as at 31 December 2015 and AED5,959 million as at 31 December 2014. The increase in interest-bearing loans and borrowings is mainly due to additional borrowings of Emaar Turkey and borrowings of EMGF acquired by Emaar on its acquisition of EMGF during the six-month period ended 30 June 2016. As at 30 June 2016 38 per cent. of the total interest-bearing loans and borrowings on a consolidated basis were secured.

The table below shows a breakdown of the interest-bearing loans and borrowings of the Group as at 30 June 2016 (Unaudited):

	Total Borrowings (Unaudited)	**Maturity**	
		<12 Month	**>12 Month**
		(AED millions)	
Particulars			
Corporate Facilities	**92**	**-**	**92**

	Total Borrowings (Unaudited)	Maturity	
		<12 Month	>12 Month
		(AED millions)	
Emaar Malls PJSC	**4,555**	-	**4,555**
Dubai Hills Estate	**500**	-	**500**
Rove Hotels	**137**	-	**137**
International Facilities:			
Turkey	1,836	-	1,836
Egypt	47	32	15
Pakistan	185	185	-
Lebanon	332	36	296
India	969	367	602
Kingdom of Saudi Arabia	20	20	-
Total International Facilities	**3,390**	**640**	**2,749**
Total Group Facilities	**8,673**	**640**	**8,034**

Trust Certificates

Under a U.S.$2,000 million trust certificate issuance programme (the **Programme**), the issuer thereunder issued (i) the first series of trust certificates in an aggregate face amount of U.S.$500 million on 3 February 2011 (the **2011 Trust Certificates**) and (ii) the second series of trust certificates in an aggregate face amount of U.S.$500 million on 18 July 2012 (the **2012 Trust Certificates**). The 2011 Trust Certificates were listed on the London Stock Exchange plc and NASDAQ Dubai and were redeemed in August 2016 and the 2012 Trust Certificates are listed on NASDAQ Dubai and are due to mature in 2019.

In addition, on 18 June 2014, EMG Sukuk Limited, a limited liability company registered in the Cayman Islands and a wholly-owned subsidiary of EMG, issued trust certificates amounting to U.S.$750 million (the **2014 Trust Certificates**). The 2014 Trust Certificates are listed on NASDAQ Dubai and are due to mature in 2024.

Equity

Emaar's equity attributable to the equity holders (owners of the parent) as at 30 June 2016 was AED40,093 million compared to AED38,114 million as at 31 December 2015 and AED33,011 million as at 31 December 2014.

Liquidity and Cash Flows

The table below summarises Emaar's cash flows from operating activities, investing activities and financing activities for six months ended 30 June 2015 and 2016 and for each of 2015 and 2014. The cash flows of Emaar are from continuing operations.

The net cash flow from operating activities below signifies the Group's higher operating profits from malls and hospitality, collection from sales and effective working capital management. The decrease in net cash flows for the six months ended 30 June 2016 as compared to the corresponding period in 2015 is mainly due to lower receipt of advances from customers in 2016 and significant proceeds received on dilution of investment in a subsidiary in 2015.

	Six months ended 30 June (Unaudited)		Year ended 31 December	
	2016	2015	2015	2014
	(AED millions)			
Net cash from operating activities	2,992	3,304	5,613	7,830
Net cash (used in)/from investing activities	(331)	598	(3,357)	2,519
Net cash flows used in financing activities	(767)	(1,217)	(998)	(6,705)
Total increase in cash and cash equivalents..	**1,895**	**2,685**	**1,258**	**3,645**

Projects and Capital Commitment

As at 30 June 2016, the Group had commitments of AED16,215 million (compared to AED17,113 million as at 31 December 2015 and AED17,357 million as at 31 December 2014) including project commitments of AED15,657 million (compared to AED16,625 million as at 31 December 2015 and AED16,904 million as at 31 December 2014). This represents the value of contracts issued as of 30 June 2016 net of invoices received and accruals made at that date. The Group also has plans to open 14 new hotels and 10 serviced residences in UAE and five new hotels and six serviced residences in high growth international markets together with Vida Jeddah Gate and Vida Residences Jeddah Gate in Saudi Arabia. The Group has also recently announced its plans to construct the world’s tallest observatory tower in Dubai Creek Harbour (a joint venture with Dubai Holding). Costs in relation to these projects have not yet been committed.

Off-Balance Sheet Arrangements

Note 22 to the Interim Consolidated Financial Statements note 27 to the 2015 Financial Statements and note 31 to the 2014 Financial Statements contain detailed information about Emaar’s contingencies and guarantees.

Related Party Transactions

Note 21 to the Interim Consolidated Financial Statements, note 30 to the 2015 Financial Statements and note 28 to the 2014 Financial Statements contain detailed disclosure about transactions with related parties and significant related party balances outstanding as at 30 June 2016, 31 December 2015 and 31 December 2014 respectively. As at 30 June 2016, Emaar’s principal related party transactions were with its associates and joint ventures and other related parties. These transactions are appropriately described in the note.

Disclosures about Risk

Note 31 to the 2015 Financial Statements and Note 32 to the 2014 Financial Statements contain detailed disclosure about Emaar’s capital and financial risk management activities, including discussions and statistical disclosure in relation to market risk, foreign currency risk management, interest rate risk management, credit risk management and liquidity risk management.

DESCRIPTION OF EMAAR PROPERTIES PJSC

Overview

Emaar was incorporated as a public joint stock company on 23 June 1997 by Ministerial Decree No. 66, with Commercial Registration number 49563 and commenced operations on 29 July 1997. As at 30 June 2016, Emaar had a market capitalisation of approximately AED44.39 billion. Emaar's registered office is P.O. Box 9440, Dubai, UAE and its contact telephone number is +971 (0) 4 3673333.

Emaar is a leading real estate company having developed, as at 30 June 2016, 13.5 million square metres of residential and commercial real estate worldwide. Emaar commenced operations as a property development company specialising in real estate development, specifically master planned lifestyle community developments, in Dubai. Since its incorporation, Emaar has expanded its business in the UAE and internationally and currently has operations in 12 countries across the Middle East and North African (**MENA**) region, the Indian sub-continent, Asia, Europe and North America. On 16 June 2016, Moody's announced that it had upgraded Emaar's long-term issuer rating from non-investment grade (Ba1) to investment grade (Baa3), a reflection of the group's solid financial foundation and its success amidst sub-optimal market conditions.

The principal objects of Emaar are set out in its memorandum of association and are also specified in the commercial license issued to Emaar by the Department of Economic Development of the Government of Dubai. The principal objects include carrying on, in the capacity of principal, agent, contractor, trustee, or otherwise all forms of the business of real estate and property developers, managers, consultants and agents for all kinds of residential, commercial, industrial and other properties and for this purpose, purchasing, selling, exchanging, leasing, holding and disposing of any lands or buildings, mines, mining rights, ores, plants, stores, of every description whatever. This includes *inter alia*, wrecking and demolition works, building contracting, general maintenance, interior decoration, cold storage, general warehousing, buying and/or selling and/or development of real estate, real estate brokerage, leasing and management of Emaar's own property or that which belongs to others. The objects clause empowers Emaar to borrow (with or without security), invest monies of Emaar, promote other companies, acquire or sell any business, distribute assets to members of Emaar, establish subsidiaries, make any payments or expenses and purchase or apply for or otherwise acquire or later, modify or develop any patents, concessions, licences, rights of use or the like, in relation to any business of Emaar. Further, Emaar is also empowered to carry out any other business capable of being conveniently carried on in connection with any of the above objects, or which adds value or profit to Emaar's business.

Emaar operates through three primary business segments, each as outlined below.

Real Estate is Emaar's core business segment. This segment focuses on Emaar's residential and commercial real estate developments in the UAE and internationally. As at the date of this Base Prospectus, Emaar has developments in Egypt, India, Jordan, Lebanon, Morocco, Pakistan, Saudi Arabia, Syria, Turkey, the UAE and the United States of America (the **Project Regions**) (see "*Property Developments*" for further details). In the six months ended 30 June 2016, 60 per cent. of Emaar's revenue was generated from property sales amounting to AED4,341 million. In the year ended 31 December 2015, Emaar's Real Estate business generated AED7,873 million (in property sales), representing 58 per cent. of its total revenues in 2015.

The Leasing and Related Activities segment focuses on Emaar's national and international retail developments (see "*Emaar Malls*", "*Emaar Entertainment*" and "*At the Top*"). In the six months ended 30 June 2016, 30 per cent. of Emaar's revenue was generated from leasing and related activities amounting to AED2,196 million. In the year ended 31 December 2015, Emaar's leasing business generated AED4,111 million, representing 30 per cent. of its total revenues in 2015.

The Hospitality segment focuses on the development of hotels, resorts and leisure facilities and their management in the UAE and internationally (see "*Hospitality*"). In the six months ended 30 June 2016, 10 per cent. of Emaar's revenue was generated from Hospitality amounting to AED721 million. In the year ended 31 December 2015, Emaar's Hospitality business generated AED1,677 million, representing 12 per cent. of its total revenues in 2015.

Investors should note that each of the three businesses are subject to seasonal trends and accordingly revenues for each of such businesses vary from quarter to quarter. Accordingly investors are referred to the Audited

Consolidated Financial Statements and the Interim Consolidated Financial Statements, for comparative analysis in respect of corresponding periods.

In addition to these primary business segments, Emaar also has business operations and subsidiaries in other sectors (which constitute other, secondary business segments, the results of which are consolidated for the purposes of Emaar's Consolidated Financial Statements), such as financial services (see "*Financial Services*") and property management and utility services.

Aside from Real Estate, Emaar's business segments are currently focused predominantly in the UAE. In the six months ended 30 June 2016, the UAE accounted for 85 per cent. of Emaar's revenues from external customers (including those from Real Estate). However, many of Emaar's developments across the regions offer scope for expansion of the other business segments (primarily Leasing and Related Activities (including malls and entertainment) and Hospitality) internationally (see ''*Strategy''*).

As at 30 June 2016, in the UAE, the Group had approximately 27 million square metres of land; internationally the Group had approximately 175 million square metres of land.

The following map illustrates the location of the business undertaken, or proposed to be undertaken, by Emaar, its subsidiaries or associated companies globally.

Shares and Shareholding

Emaar is a publicly listed company, with its shares having been admitted to the official list of the DFM since 26 March 2000. As at 30 June 2016, 7,159,738,882 shares with a nominal value of AED1 each have been issued. In accordance with UAE law, Emaar does not have different classes of shares, and accordingly, all shares in Emaar carry the same rights, including in relation to voting and dividends. Emaar does not have any treasury shares. Other than as may be imposed by the operation of law from time to time, there are no restrictions on any of the directors or executive management of Emaar in respect of any disposals of their holdings of Emaar securities. Information relating to general assembly meetings and any resolutions passed at such meetings (including those relating to dividends and capital increases) can be found on the DFM website (www.dfm.ae).

Pursuant to the rules of the DFM, Emaar is required to disclose any interest in its shares of five per cent. or more. As at 30 June 2016, only the Investment Corporation of Dubai (an entity wholly owned by the Government of Dubai (**Government**)) holds shares over the five per cent. disclosure threshold, with a shareholding of 29.22 per cent.

Awards and Accolades

Emaar's developments have been awarded a number of international awards and accolades in each of the business sectors in which it operates. Emaar has received several accolades for its property development operations including the coveted UAE Company of the Year award which it won at the fourth Gulf Business Industry Awards in 2015.

In 2015, Emaar Technologies LLC, a subsidiary of Emaar, won the ISO / IEC 27001:2013 certification for its Information Security Management System (ISMS), highlighting its adoption of IT industry best practices.

At the Top, Burj Khalifa, the world's highest observation deck, was voted 'Best Attraction in the World 2015' by Attractiontix, a UK-based online ticket specialist for attractions around the world. It was also 'Highly Commended' in two categories as the 'Most Romantic Attraction or Tour 2015', along with the Eiffel Tower, and the 'Best Observation Deck 2015' along with the Empire State Building. In 2015, the Burj Khalifa was also ranked as one of top three tourist attractions globally for taking selfies by Attractiontix, which analysed 219 million Instagram posts between October 2010 and January 2015 to come up with the list. Additionally, the Burj Khalifa website (www.burjkhalifa.ae) won the 'Emerald' honour at the MENA Cristal Digital and Mobile Awards in the tourism and travel category.

Emaar earned the global spotlight in 2014 for Dubai with the Downtown Dubai New Year's Eve Gala in 2014, which became the world's most watched New Year's Eve spectacle, with over 1.5 million visitors and 2.5 billion viewers globally. The event won the Guinness World Records title for 'World's Largest LED-Illuminated Facade' on the Burj Khalifa, the world's tallest building. The Burj Khalifa already holds three other Guinness World Records: the 'World's Highest Observation Deck', the 'Tallest Man-made Structure on Land Ever', and the 'Highest Restaurant from Ground Level'.

Emaar Hospitality Group's flagship brand, The Address Hotels and Resorts, was recognised as the 'Best Hotel Chain in the Middle East' for the third consecutive year at the prestigious Global Traveler Awards 2015. This takes the total number of awards won by The Address Hotels and Resorts and its individual properties since the launch of the first property in 2008 to over 150 awards relating to all aspects of operations including food and beverage, spas and brand experience.

Other awards in the hospitality sector in 2014 include the Armani Hotel Dubai being recognised as 'the World's Leading Landmark Hotel Award' and 'Dubai's Leading Lifestyle Hotel' honours at the 2014 World Travel Awards. The spa at The Address Dubai Mall received 'Best Luxury Spa in the UAE' and the spa at The Address Dubai Marina received 'Best Luxury Wellness Spa' at the 2014 World Luxury Hotel Spa Awards. The Address Montgomerie Dubai won the 'Best Golf Course in the Middle East' award and the title of 'UAE's Best Golf Course' at the World Golf Awards 2014. Emaar Hospitality Group's The Palace Downtown Dubai was the continent's winner in the Luxury Romantic Hotel category at the World Luxury Hotel Awards 2014. The Dubai Marina Yacht Club received the '5 Gold Anchor Award', which is equivalent to a five-star accreditation, from The Yacht Harbour Association.

Emaar Community Management, a wholly owned subsidiary of Emaar, received the most prestigious accreditation from the US-based Community Associations Institute in 2014, becoming the first and only company outside the US to become an Accredited Association Management Company.

Competitive Strengths

Emaar's competitive strengths include:

- ***Strategic partnerships with governments***: Emaar was established in accordance with the Government's strategy to diversify and grow Dubai's economy. A substantial part of Emaar's initial land bank in Dubai was gifted to it by the Government, which increased Emaar's ability, in the early years following its incorporation, to develop large parcels of land in a flexible and profitable manner. The Government, being the single largest shareholder, continues to own a significant interest in Emaar (see "*Shares and Shareholding*") and, internationally, Emaar has entered into partnerships with influential local partners, including governments or government related entities for some of its projects (see "*Property Development—International—Non Wholly Owned*");

- ***Strong brand names and proven track record***: Emaar believes that it has a well respected and recognised brand name as it has a proven track record and reputation in Dubai and in other countries in which it operates as an 'on-time' developer of master planned lifestyle communities, having delivered over 40,600 residential units and over four million square feet of commercial space in the UAE and internationally as at 30 June 2016. Emaar had delivered over 6,700 residential units and over 860,000 square feet of commercial space in international markets as at 30 June 2016. In addition, Emaar benefits from strong alliances with key industry players through a number of its business segments and its ability to use brand names, such as Armani, assists Emaar in achieving international appeal;

- ***Joint ventures with strategic local partners***: Emaar has entered into a number of joint ventures with local partners in the UAE and in international jurisdictions. These partnerships provide Emaar with, amongst other things, regional know-how and development rights to tracts of desirable land at attractive prices (see "*Business Model—Partnerships*");

- ***First mover advantage in a number of international jurisdictions***: Emaar believes that, in most of the international markets in which it operates, it is the first real estate developer offering lifestyle community developments to have entered the market. This enables it to obtain access to desirable land and is a significant marketing advantage when selling its developments;

- ***Low financing costs***: Emaar's ability to finance its projects through pre-selling means that Emaar has not needed to borrow significantly to date, relative to many of its competitors in the GCC region, enabling it to maintain a low leverage ratio. Historically, payments received have been adequate to finance most of the costs associated with the design and construction of Emaar's real estate developments (see "*Business Model—Sales and Leasing*");

- ***Strong management team***: Emaar believes the strength and experience of its senior management team represent a competitive advantage and are critical to the successful conduct of its business. Emaar's management team has considerable experience in the relevant business segments in which Emaar operates; and

- ***Monetising core assets***: In order to maintain sufficient financial flexibility and growth capital to meet Emaar's medium and long-term objectives, Emaar intends (provided conducive market conditions exist) to monetise certain core assets when they are of sufficient size whilst retaining control. This will provide Emaar with long-term growth capital and help it take advantage of future development opportunities.

Strategy

Emaar's primary objective is to produce sustained and secure long-term returns from the development and management of, and investment in, its real estate activities. Its strategy to achieve this objective involves completing its existing development projects in Dubai and internationally, focusing on initiating additional developments in its international target markets and diversifying its revenue streams in order to increase the proportion of revenues from its non-property development business segments. In particular, Emaar intends to:

- **Further consolidate Emaar's position as the largest developer of iconic projects in Dubai:** Emaar has a number of ongoing and new developments in Dubai (see "Property Developments—UAE—Wholly Owned" and "Property Developments—UAE—Non Wholly Owned"), including a number of iconic projects and prime real estate assets. For example, the Opera District (opening night scheduled for 31 August 2016), the Dubai Creek Harbour Development (scheduled for completion in 2050), which will include the world's tallest observation tower and Dubai Hills Estate (scheduled for completion in 2032).

- **Improve funding models to reduce costs and produce high returns from the development of real estate:** Emaar's project finance strategy is to finance through a combination of shareholders' equity, pre-selling of projects (see "Business Model — Project Development Process — Construction of Projects"), debt financings, initial public offerings and strategic sales, therefore limiting funding at the parent company level for development projects to land acquisitions and initial infrastructure related construction. Emaar aims to retain sufficient reserves and liquidity to ensure operational obligations are met on a timely basis and to provide high quality delivery. As at 30 June 2016, Emaar had AED46.8 billion in equity and reserves, including retained earnings and non-controlling interests. Emaar focuses on fostering strong partnerships to support growth including by entering into joint ventures to gain access to the significant land bank owned by its joint venture partners, thereby avoiding the need to commit immediate cash flows towards land purchases. For example, the waterfront Dubai Creek Harbour at The Lagoons is developed jointly with Dubai Holding and Dubai Hills Estate is a joint venture with Meraas Estates LLC (**Meraas**) and the land used for development in each case was provided by Dubai Holding and Meraas, respectively (see "Property Developments—UAE—Wholly Owned" and "Property Developments—UAE—Non Wholly Owned" for examples of such projects and partnerships).

- ***Develop and expand its Malls and Hospitality segments*****:** Emaar intends to develop its mall assets and expand the Emaar Hotels and Resorts brand both locally and globally. This is part of Emaar's overall strategy to increase recurring revenues and to continue to diversify revenue streams. Emaar intends for its Malls, Retail, and Hospitality business segments to further mature into self-sustaining international companies from which Emaar will be able to realise value for shareholders. It is Emaar's current intention to retain strategic and management control of each segment after monetising parts of these assets.

  Replicate the Dubai business model in international markets, to increase international contribution to Group revenue**:** Emaar undertakes international projects itself and in conjunction with third parties (see "*Property Developments—International—Wholly Owned*" and "*Property Developments—International—Non Wholly Owned*"*)*. In the majority of its international projects, Emaar is aiming to replicate its Dubai model of developing integrated lifestyle community developments, which enable it to earn revenues from the sale of properties, rental income and capital appreciation through the holding and management (including via its international joint ventures) of investment properties. Whilst the UAE accounts for the majority of Emaar's revenue from external customers (85 per cent. for the six months ended 30 June 2016, and 80 per cent. for the year ended 31 December 2015), Emaar intends to increase the proportion of revenue generated from its international operations significantly from 15 per cent. to 30 per cent. (considering that UAE revenues are also growing) by 2017. In particular, Emaar is focused on Saudi Arabia, Turkey, Egypt and India. Emaar's revenues from international operations increased by 37 per cent. in 2015 to AED2.78 billion compared to 2014. Again, as with its Malls, Retail and Hospitality segments, Emaar intends to monetise core assets in certain international markets (such as Turkey and India), through IPOs or real estate investment trusts, to provide further growth capital and create significant value for shareholders.

Business Model

The central elements of Emaar's business model are as follows:

- the creation of integrated lifestyle communities;
- the partnering with governments, government related entities and/or key local business partners; and
- the project development process.

Lifestyle Communities

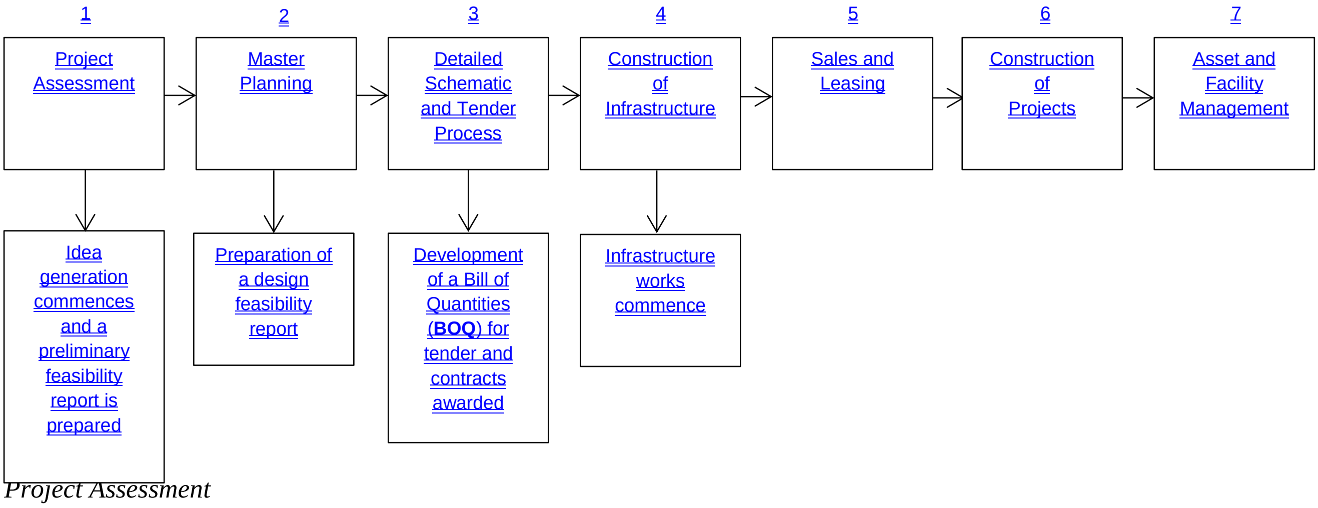
Emaar's business model is based on the creation of entire master planned lifestyle communities. Lifestyle communities refer to developments that are self-contained so as to include not only residential accommodation but also a range of amenities for residents. These amenities include retail and restaurant facilities, recreational facilities, schools, medical centres and commercial centres. In addition, Emaar ensures through its collaboration with local regulators, utility companies and government agencies that the infrastructure necessary to support these residential communities, such as roads, power, water and sewage, landscaping and open recreational spaces is in place.

Partnerships

For its international projects, where possible, Emaar seeks to co-ordinate such projects, directly or indirectly, with the government (or government related entities) of the particular country, state or district in which it is undertaking the development. In other instances, Emaar seeks to enter into partnerships or strategic alliances with local partners, who either provide Emaar or its subsidiaries with development rights to tracts of desirable land at attractive prices or contribute land as part of their equity participation in the joint venture. These partners typically have established relationships with government and government related entities and local suppliers of construction services or they themselves have construction capability. Additionally, they provide Emaar with regional know-how, assist with regulatory processes such as permits and authorisations and consequently expedite projects and assist in increasing Emaar's brand recognition (see "*Group Structure*" for further details).

Project Development Process

Emaar's development process involves the following steps:



Project Assessment

The first phase of any proposed project is the project assessment stage. This stage focuses on idea generation and assessment of the feasibility of the proposed project.

Following completion of the idea generation process relating to planning, location, concepts, buildings and design, focus is then directed to the assessment of a potential project. Before acquiring any land and undertaking any project, Emaar adheres to stringent processes to assess the returns of a proposed project. The four key criteria are that (i) the projected investment rate of return exceeds the minimum levels prescribed by Emaar; (ii) the upfront capital investment will be low; (iii) appropriate zoning approvals are attainable and the proposed project will have a positive impact on the general development within the project region; and (iv) good legal title can be obtained.

If the above criteria are met, a dedicated team comprising employees from the legal, finance, business development and project departments is established to review the proposed project opportunity and preliminary due diligence is conducted. The due diligence assesses, among other things, zoning issues and the availability of current infrastructure and services and includes the generation of a preliminary feasibility report.

The preliminary feasibility report sets out in detail the project development phases; a high level analysis of financials; an overview of the legal framework within the relevant project region; market research studies; and a review of tax implications and funds repatriation. At this stage, various government and/or local parties are also approached with a basic framework of the proposed project. Where a partnering entity is identified, due diligence of its business is also undertaken. The preliminary due diligence report is then submitted to Emaar's senior management team, including the Group's Chairman, Group Chief Executive Officer, the appropriate Chief Executive Officer (either Dubai or International) (**CEO**) and the Group Chief Operating Officer, from time to time, for their review and approval. Once the project is approved by Emaar's senior management team it is then presented to the Investment Committee and, if approved, to Emaar's Board of Directors (**Board**) for their approval to undertake a detailed feasibility study.

Upon approval from the Board, a Memorandum of Understanding (**MOU**) with an expression of interest is signed with the counterparty confirming interest in the development and Emaar's exclusive rights to the development. External consultants are then appointed to carry out the detailed feasibility study. Investment Committee and Board approvals are obtained in order to proceed with development based on the outcome of the detailed feasibility study including approval on, where applicable, the terms and conditions of any proposed joint venture agreement.

Master Planning

Master planning starts after the granting or acquisition of land, whether directly or through a joint venture agreement.

The master plan requires approval from Emaar's Chairman and a design review panel.

At the design phase, more detailed project and design feasibility studies are carried out for various development options and third party consultants are engaged for the design of the project. Consultation with all relevant parties, including supervisory bodies, designers, architects, road and traffic authorities and utility providers are carried out in order to establish the infrastructure requirements for the project. Based on this work, a detailed master plan for the development is prepared which includes the marketing strategy for the project.

The master plan sets out, amongst other things, the type, density, built-up area and timeline for completion of a project. Once the master plan is agreed, Emaar may sell certain development land and also act as developer or sub-contract the development of land retained by it (such development in all cases being undertaken in accordance with the applicable master plan).

Detailed Schematic and Tender Process

At the detailed schematic and tender process stage, a bill of quantities (**BOQ**) is undertaken which defines the overall scope of work, lists the materials required and details the nature and scope of activities to be carried out for executing a project. It also includes details of the budget estimates for the proposed project. The BOQ is then submitted to the appropriate CEO for approval.

Tenders or invitations to submit proposals for each development phase are then issued to potential contractors. Potential contractors are chosen based on their track record, their ability to complete the project and their relevant experience. The submitted bids are evaluated in detail, with particular attention paid to the skill set that Emaar requires for the proposed project and the pricing proposal. A tender report detailing the results of the process is prepared and submitted to the tender committee. The tender committee is comprised of members of Emaar's employed management team and evaluates the tenders and approves the award of contracts. Where, for some reason, the proposed terms are above the delegated powers provided to the tender committee by the Board, the tender committee makes a recommendation to the Board and requests their approval. Once approval is received the contract is awarded and is typically issued on a fixed price BOQ basis (see "*Contractors and Suppliers*").

Construction of Infrastructure

Infrastructure works are commenced before any buildings are constructed. This process includes undertaking earth work, building utility networks (such as district cooling stations, laying relevant pipelines for water and sewerage and establishing the electrical and telecommunications networks) and building necessary roads. At this stage, Emaar will also liaise with the relevant utility providers.

Typically, the infrastructure is developed in accordance with the development requirements and accordingly, infrastructure plans can be amended based on actual sales patterns. In certain developments, where infrastructure is key to generate demand or generate premium (for instance the construction of a marina), certain infrastructure work may be fast tracked.

Sales and Leasing

At the sales and leasing stage, the marketing plan developed at the master planning stage in relation to sales and/or leasing is implemented. Typically, the marketing plan for residential sales will include advertising, branding and organising promotional events. Emaar undertakes "perfect launches", which refers to launches when all infrastructure requirements for the development are finalised or nearly finalised and where all the details of the master plan including the services which will be available in the project have been identified. On the launch date, customers are served either on a first-come-first-served basis or based on pre-registration, and must, pursuant to Emaar's internal requirements and procedures, pay 10-15 per cent. (depending on the nature of the project) of the sale price of the property as a deposit upon signing the purchase agreement. Contracts detailing, amongst other things, payment schedules, apartment or villa plans and agreed designs are executed on the day. Thereafter, purchasers are required to make progressive payments on pre-determined dates or upon the completion of pre-determined stages of construction and a final payment once construction is completed. If a purchaser defaults on such progressive or final payments, as applicable, local laws and regulations will determine the procedures and remedies available to Emaar for recovery of the same. For example, Dubai Law No.13 of 2008 (as amended by Dubai Law No.9 of 2009) on the Interim Real-Estate Register in the Emirate of Dubai, provides that the relevant purchaser would be required to pay a percentage of the value of the contract for sale, adjusted according to the stage of the relevant project's development (and in the case of failure to make the final payment, the full value of the relevant contract). If the purchaser is unable to pay the required amount, the developer may be entitled to sell the property at auction to obtain the outstanding sum due.

Typically, Emaar leases commercial developments (although in some instances, space in such developments is sold to third parties) and sells both development land and residential developments completed by it. In relation to its leasing arrangements, Emaar has adopted its own standard form lease contract for particular properties setting out details of rental periods, service charges, default provisions and other requirements. Where anchor tenants are identified (meaning those tenants identified as key businesses which lease large amounts of commercial space) non-standard form lease agreements may be negotiated. Emaar has set criteria for its commercial developments and therefore before a lease agreement is executed, various profile checks on the potential tenant are undertaken. Once an agreement is signed, each tenant receives a tenant guide related to the nature of his tenancy, such as a retail tenant guide or an office tenant guide.

Construction of Projects

Before tenders are awarded, a minimum threshold is normally set for pre-sales. This typically ranges between 50 per cent. and 60 per cent. of the units in a particular project (both in Dubai and internationally) and ensures that the project earmarked for sale is substantially self-funded through customer contributions towards the project. As at the date of this Base Prospectus, the relevant minimum threshold for pre-sales has been reached or exceeded for each project. However, if the pre-sales threshold is not met, Emaar has discretion to proceed to award tenders without the relevant customer contributions. Once the pre-sales and leasing stage is concluded and tenders have been awarded, construction of the relevant properties commences. Any variance to the budget, timeline and scope of work is reported by a project control group (comprised of senior executives) to the appropriate CEO. The group meets with the appropriate CEO on a regular basis to ensure satisfactory development and progress of all aspects of the project. Responsibility for any significant development project is vested with the appropriate CEO. The Group CEO is responsible for achieving desired project objectives including the deliveries, customer satisfaction and financial results from the projects.

Asset and Facility Management

Once the project is finished and delivered to the end users, the management responsibilities for the project are initially carried out by Emaar's asset management department.

Land Bank and Development Properties

In the UAE, the Group had, as at 30 June 2016, approximately 27 million square metres of land and it had approximately 175 million square metres of land in key international markets.

A breakdown of the development properties (including the cost of land) and the respective land areas is shown in the table below.

	Value of Development Properties				
	Fair value as at 31 December 2015		**Cost as at 30 June 2016 (unaudited)**		**Land area as at 30 June 2016**
	(AED millions)[1]	*(%)*[4]	*(AED millions)*	*(%)*[5]	*(millions square metres)*[2]
Subsidiaries					
UAE[7]	37,984	61	12,462	38	13.7
India (Hydrabad entities)[3]	48	0	48	0	2.07
India (Emaar MGF and its subsidiaries)[6]	0	0	11,098	33	30.10
Kingdom of Saudi Arabia (KSA)	3,217	5	2,002	6	5.6

	Value of Development Properties				
	Fair value as at 31 December 2015		Cost as at 30 June 2016 (unaudited)		Land area as at 30 June 2016
	(AED millions)[(1)]	*(%)*[(4)]	*(AED millions)*	*(%)*[(5)]	*(millions square metres)*[(2)]
Morocco	680	1	377	1	1.4
Egypt	14,274	23	3,351	10	6.1
Pakistan	1,751	3	888	3	1.7
Syria[(3)]	118	0	121	0	0.19
Turkey	1,989	3	1,750	5	0.5
Lebanon	1,180	2	557	2	0.3
United States of America	627	1	658	2	0.03
Subsidiaries sub total	61,868	100	33,312	100	61.69
Associates and Joint Ventures					
UAE					
Dubai Creek	—	—	—	—	5.53
Dubai World Trade Centre (DWTC)	—	—	—	—	0.95
Dubai World Central (DWC)	—	—	—	—	6.76
International					
KSA (Emaar Economic City)	—	—	—	—	126.25
Jordanian JV (Samarah Resort)	—	—	—	—	0.69
Associates sub total	—	—	—	—	**140.18**
Total	61,868	100	33,312	100	232.01

Note:

(1) Fair value includes the entire land bank held by Emaar's subsidiaries. The fair value is stated as at 31 December 2015 and as such may have changed significantly between the date of valuation and the date of this Base Prospectus. Emaar conducts valuations of the land bank of its subsidiaries on an annual basis.

(2) Land area include the entire area held by Emaar and its subsidiaries and associates and not Emaar's proportionate ownership of the same including leasehold interest.

(3) Considered at initial cost plus costs incurred to date, because valuation has not been carried out in respect of these projects due to uncertainty in the jurisdictions.

(4) % is calculated by reference to a fair value total of 72,966 (AED millions).

(5) % is calculated by reference to a cost value total of 33,312(AED millions).

(6) In May 2016, the Group acquired control of the operations of Emaar MGF. Accordingly, Emaar MGF has become a subsidiary of Emaar and the transaction has been accounted at fair value using the acquisition method, in accordance with IFRS. As a result, the fair value and the carrying value of Emaar MGF is equal to the fair value as at the acquisition date.

(7) This includes Umm Al Quwain.

Note — Emaar, its subsidiaries, associates and joint ventures, hold freehold title to all of their land (both developed and undeveloped), except in respect of the following, wherein they hold a leasehold interest: (i) Boulder Hills Golf Course (gross leased area (**GLA**) of

951,011 square metres) in India, (ii) the Hyderabad International Convention Centre and Hotel (GLA of 61,265 square metres) in India, (iii) the land for the Crescent Bay project in Karachi, Pakistan (GLA of 437,059 square metres), and (iv) the Emaar Residences at Fairmont Makkah, Saudi Arabia (GLA of 24,001 square metres), (v) The Delhi Jasola (GLA of 19,141.63 square metres) and (vi) the Jaipur Hotel (GLA of 7,446 square metres). Emaar holds a 49 year usufruct right, awarded by the Government of Turkey, in respect of the Belek development.

Valuations of the land comprised in the land bank have been undertaken by various independent surveyors. Details of these surveyors are listed below.

Country	Valuer	Contact Details
UAE	CB Richard Ellis Middle East	P.O. Box 506961 Dubai, UAE
Kingdom of Saudi Arabia (in respect of Emaar Middle East)	PricewaterhouseCoopers	PricewaterhouseCoopers, Jameel Square, Level 5, Al Tahliah Street, P.O. Box 16415 Jeddah 21464, Kingdom of Saudi Arabia
Morocco	Cap Realty	164, Bd d'Anfa, 5th floor, 20 10048 Casablanca, Morocco
Egypt	Osoul Appraisals & Consultancy	10 Al Makrezy Street, Manshiet Al Bakry Heliopolis – Cairo – Egypt
Pakistan	Arsem Private Limited	Office No.1, Second Floor, Rawal Plaza, Adjacent Street-10, Main Double road, Phase-4B, Ghauri Town, Islamabad, Pakistan
Turkey	Eva Gayrimenkul Değerleme ve Danışmanlık A.Ş.	Bostancı E-5 Kavşağı, Tariki Has sokak, Tavukçuoğlu İş Merkezi No:2 K:5-6-7-8 34742 Bostancı, Kadıköy, İstanbul
Lebanon	Karl – Adib L. Zouein	105, Mar Maroun Street, Horch Tabet, Sinel Fil, Lebanon

Project Details

All projects by Emaar and its subsidiaries are undertaken on land owned or leased by Emaar or which Emaar has contracted to acquire or lease (excluding projects where Emaar is a part owner of the relevant development entity, in which case such entity typically owns the land or contracts to acquire the land). Where Emaar has leased or contracted to lease land for a project, such lease is on a long-term and/or renewable basis. Emaar generally conducts its project development operations through its subsidiaries. The table below sets out each of Emaar's current developments by jurisdiction, the type of development, the year in which construction started or, where applicable, the pre-construction stage of the project, the construction completion date or, where construction is ongoing, the anticipated completion date and, in the case of developments involving the sale of freehold units, the percentage of such units sold to total units launched, in all cases as at 30 June 2016.

Further details of each of the projects listed in this table are set out below.

	Development Type	Stage of Development*		Freehold units sold % to total units launched
		Construction to	*Anticipated completion*	*(Where applicable)*

	Development Type	Stage of Development*		Freehold units sold % to total units launched
		commence/Construction commenced	*date/Construction completed*	
UAE – Wholly Owned				
Downtown Dubai Development				86%
Various Residential developments	Residential	Construction commenced in 2004	Anticipated completion date is 2020	
Various Malls and Retail developments	Mall, Retail and Leisure	Construction commenced in 2004	Anticipated completion date is 2019	
Various Hospitality developments	Hotels	Construction commenced in 2004	Anticipated completion date is 2020	
Emirates Living				99%
Residential development	Residential, Retail and Leisure	Construction commenced in 1999	Anticipated completion date is 2018	
Hospitality Development	Hotels	Construction commenced in 2015	Anticipated completion date is 2018	
Arabian Ranches I and II				
Residential development	Residential, Retail and Leisure	Construction commenced in 2002	Anticipated completion date is 2019	79%
Dubai Marina				
Mixed-use development	Residential, Retail, Leisure and Hotels	Construction commenced in 1999	Anticipated completion date is 2019	100%
UAE – Non Wholly Owned				
Dubai Hills Estates				
Mixed-use development	Residential, Retail, Leisure and Hotels	Construction commenced in 2013	Anticipated completion date is 2032	78%
Dubai Creek				
Mixed-use development	Residential, Retail, Leisure and Hotels	Construction commenced in 2014	Anticipated completion date is 2050	70%
Umm Al Quwain Marina				
Mixed-use development	Residential, Retail, Leisure and Hotels	Construction commenced in 2007	Completed in 2011	91%
International – Wholly Owned				

	Development Type	Stage of Development*		Freehold units sold % to total units launched
Turkey				
Emaar Square	Mixed-use	Construction commenced in 2011	Anticipated completion date is 2018	74%
Tuscan Valley	Residential	Construction commenced in 2007	Completed in 2012	81%
Morocco				
Tinja	Mixed–use	Construction commenced in 2007 and was paused in 2010	Anticipated completion date is 2022	—
Amelkis Resorts	Residential, Villa Plots, Hotels and Leisure	Construction commenced in 2005	Anticipated completion date is 2020	42%
Pakistan				
Canyon Views, Islamabad	Mixed-use	Construction commenced in 2007	Anticipated completion date is 2021	82%
United States of America				
Beverly West Residences	Residential	Construction commenced in 2007	Completed in 2012	37%
International – Non Wholly Owned				
Egypt				
Uptown Cairo	Mixed–use	Construction commenced in 2007	Anticipated completion date is 2024	92%
Marassi	Resort and residential	Construction commenced in 2007	Anticipated completion date is 2025	93%
New Cairo City (Mivida)	Residential	Construction commenced in 2009	Anticipated completion date is 2020	94%
New Cairo City (Mivida)	Offices	Construction commenced in 2009	Anticipated completion date is 2020	100%
Cairo Gate	Mixed–use	Currently in master planning phase	—	—
Saudi Arabia				
King Abdullah Economic City	Mixed-use	Construction commenced in 2006	Anticipated completion date is 2046	66%
Jeddah Gate	Mixed-use	Construction commenced in	Anticipated completion date is	92%

	Development Type	Stage of Development*		Freehold units sold % to total units launched
		2007	2024	
Al Khobar Lakes	Residential	Construction commenced in 2008	Anticipated completion date is 2020	55%
Pakistan				
Crescent Bay, Karachi	Mixed–use	Construction commenced in 2005**	Anticipated completion date is 2023	86%
India				
Boulder Hills	Mixed–use	Construction commenced in 2004	Completion date is uncertain pending legal dispute	100%
Mohali Hills	Mixed–use	Construction commenced in 2007	Anticipated completion date is 2018	73%
Gurgaon	Mixed–use	Construction commenced in 2007	Anticipated completion date is 2020	81%
Emerald Estate & Premiere	Residential	Construction commenced in 2008	Anticipated completion date is 2017	100%
Gurgaon Greens	Residential	Construction commenced in 2013	Anticipated completion date 2018	71%
Imperial Garden	Residential	Construction commenced in 2013	Anticipated completion date 2018	73%
Gomti Greens	Mixed-use	Construction commenced in 2012	Anticipated completion date (Phase 1) is 2017	60%
Jaipur Greens	Residential	Construction commenced in 2009	Completed in 2012 (Phase 1)	68%
Indore Greens	Residential	Construction commenced in 2009	Completed in 2012 (Phase 1)	37%
Esplanade Chennai	Residential	Construction commenced in 2007	Anticipated completion date is 2016	100%
Commonwealth Games Village	Residential	Construction commenced in 2008	Completed in 2010	98% (all units save for 28 units relating to pending legal dispute)
Commercial and Retail Developments	Commercial and Retail	Construction commenced in 2008	Anticipated completion date is 2019	—

	Development Type	Stage of Development*		Freehold units sold % to total units launched
Jordan				
Samarah, Dead Sea Resort	Mixed–use	Construction commenced in 2008	Completed in 2014	60%
Lebanon				
Beit Misk	Residential	Construction commenced in 2010	Anticipated completion date is 2020	74%
Syria				
The Eighth Gate	Mixed–use	Construction commenced in 2006	Currently on hold.	93%

Notes:

* Any of Emaar's projects that are at the master planning stage or under construction are subject to change and alteration.

** Crescent Bay Karachi – the land reclamation work commenced in 2005, infrastructure and project construction commenced in 2008.

Property Developments – UAE – Wholly Owned

Emaar's property development projects in Dubai have provided Emaar with the foundation for its rapid growth since 1997. With several ongoing and completed master planned developments, Dubai operations continue to play a pivotal role in the Group's growth. As at 30 June 2016, Emaar had delivered approximately 34,000 residential properties in the UAE together with various leisure, hospitality and commercial properties. Details of Emaar's current wholly-owned developments within the UAE (including its flagship project, the Downtown Dubai Development) are described below.

Downtown Dubai Development

The Downtown Dubai Development (**Downtown Dubai Development**) is Emaar's flagship project and is situated in downtown Dubai off the main highway (Sheikh Zayed Road) between Business Bay and the DIFC. It is a mixed-use 500 acre community which combines commercial, residential, hotel, entertainment, shopping and leisure developments. The complex includes the world's tallest structure as at the date of this Base Prospectus, the Burj Khalifa, which stands at 828 metres, The Dubai Mall (one of the world's largest shopping malls and the world's most visited mall), the Dubai Opera House (which will be Dubai's first dedicated multi-format opera house), Souq Al Bahar (a residential and retail destination), eight luxury hotels (including the first Armani Hotel) with over 2,000 rooms (including serviced apartments), 4.5 million square feet of gross office space, 4.4 million square feet of leasable retail space, numerous residential towers and Sheikh Mohammad bin Rashid Boulevard, a 3.5 km leisure and entertainment strip. An additional three luxury five-star hotels, The Address Boulevard, The Address Sky Views and The Address Fountain Views, are under construction. Construction on the Downtown Dubai Development began in 2004 and, subject to market conditions, is expected to be fully completed in 2020. To date, significant milestones including the opening of the Burj Khalifa, The Dubai Mall (see "*Emaar Malls*") and various hotels and residential areas have been achieved.

Brief details of the key residential and commercial projects are set out below.

Opera District

On 21 March 2012, His Highness Sheikh Mohammed Bin Rashid Al Maktoum, UAE Vice President and Prime Minister and Ruler of Dubai, announced the launch of the 'Opera House District' (the **Opera District**), which is designed to be the new cultural hub of the region to be located in the Downtown Dubai Development.

Emaar is the master developer for the Opera District. In addition to Dubai's first dedicated opera house, a 2,000-seat multi-format venue for opera, theatre, concerts, art exhibitions, orchestra, film, sports events and seasonal programmes set to open on 31 August 2016, the Opera District will also feature several new galleries, numerous residential towers, a retail plaza, waterfront promenades as well as recreational spaces and parks.

Opera Grand is a 66-storey residential tower in the Opera District and will feature 288 two, three, and four-bedroom luxury apartments. As at 30 June 2016, approximately 80 per cent. of the total units in Opera Grand have been sold. Forte is a two-tower residential development of 817 freehold units, with apartments overlooking the Dubai Opera, the Opera Plaza and the Dubai Fountain. As at 30 June 2016, approximately 78 per cent. of the total units in Forte have been sold. Opera Grand and Forte are expected to be completed in 2019.

The Address Residences Dubai Opera, a two-tower residential complex of 805 freehold units, will be located at the entrance to Dubai Opera by the Burj Khalifa Lake. The apartments will cater for permanent residents, as well as short-term and long-term visitors with a choice of serviced offerings and are expected to be completed by 2020. As at 30 June 2016, approximately 68 per cent. of these units have been sold.

Il Primo

Il Primo is a residential complex comprising a luxury apartment tower with 119 four to six bedroom apartments, located in the Opera District adjacent to the Opera House. Construction is expected to start in 2017 and complete in 2020. Released for sale at the end of the second quarter of 2016, approximately 18 per cent. of the units in the development had been sold as at 30 June 2016.

Burj Khalifa

The centrepiece of the Downtown Dubai Development is the Burj Khalifa. As at the date of this Base Prospectus, the Burj Khalifa is the world's tallest structure (at 828 metres), has the largest number of storeys of any building in the world (with more than 160) and has approximately 3.9 million square feet of residential and commercial space, including the first Armani Hotel (see "*Hospitality*"). Construction of Burj Khalifa commenced in September 2004 and the building was officially opened on 4 January 2010 at a total construction cost of approximately U.S.$2 billion (approximately AED7.3 billion (including the Office Annex building)). As at 30 June 2016, more than 87 per cent. of the total units have been sold.

The Residences and South Ridge

The Residences and South Ridge are complexes of nine and six high-rise residential towers respectively, in the Downtown Dubai Development. The Residences include 1,235 freehold units made up of one to four bedroom luxury residential apartments, penthouses and podium villas whilst South Ridge includes 961 freehold units made up of one, two and three bedroom apartments and podium villas. Construction on the Residences was completed in phases between August 2006 and March 2007. Construction on South Ridge was completed in May 2008. As at 30 June 2016, all of the freehold units in the Residences and South Ridge developments had been sold.

Old Town and Old Town Island

Old Town and Old Town Island contain low-rise homes and mid-rise residential towers. The complex comprises 1,991 freehold units made up of one to four bedroom apartments and villas. These homes are set in approximately 3.7 million square feet of pedestrian area of market squares, alleyways and courtyards. The complex includes hotels, leisure facilities, shops, restaurants and commercial units. Construction of Old Town and Old Town Island was completed in phases between January 2007 and September 2008. As at 30 June 2016, all of the freehold units in the developments had been sold.

Emaar Square

Emaar Square is a complex of six commercial and retail mid-rise towers close to DIFC. The business hub has approximately 1.5 million square feet of office and retail space. Construction on Emaar Square was completed in 2007. The first tenants took possession in 2007. As at 30 June 2016, Emaar had sold approximately 72 per cent. of Emaar Square and retained the remainder for its own use and leasing to third parties.

Burj Views

Burj Views is a residential complex consisting of three high-rise towers overlooking the Burj Khalifa and the Dubai Fountain. Burj Views includes 736 freehold units made up of one to three bedroom residential apartments. Construction of Burj Views commenced in 2007 and was completed in July 2009. As at 30 June 2016, all of the freehold units in the development had been sold.

Boulevard Plaza

The Boulevard Plaza Towers comprises two high-rise commercial and retail towers in close proximity to the Emaar Square. Tower 1 and Tower 2 were completed in 2011 and 2012 respectively. As at 30 June 2016, approximately 88 per cent. of the freehold units in the development had been sold.

Mohammad Bin Rashid Boulevard

The Mohammad Bin Rashid Boulevard development comprises a 3.5km long shopping and leisure strip and 12 residential towers, '8 Boulevard Walk' (a high-rise residential tower), 'The Lofts' (three high-rise residential towers), 'Claren' (two high-rise residential towers), 'Boulevard Central' (two high-rise residential towers), 'Standpoint' (two high-rise residential towers) and '29 Boulevard' (two high-rise residential towers) in the Downtown Dubai Development.

'8 Boulevard Walk' comprises 347 freehold studios and one and two bedroom residential apartments that were completed in July 2008. As at 30 June 2016, all of the freehold units in the development have been sold. 'The Lofts' comprises 670 freehold units that were completed in November 2009. As at 30 June 2016, all of the freehold units in 'The Lofts' had been sold. 'Claren' comprises 320 freehold units that were completed in 2012. As at 30 June 2016, 99 per cent. of the freehold units had been sold. 'Boulevard Central' comprises 422 freehold units. 'Boulevard Central' was completed in 2012. As at 30 June 2016, all of the freehold units had been sold. 'Standpoint' comprises 536 freehold units and was completed in 2012. As at 30 June 2016, approximately 99 per cent. of the freehold units had been sold. '29 Boulevard' comprises 749 freehold units and was completed in 2013. As at 30 June 2016, approximately 99 per cent. of the freehold units had been sold.

The Address The Boulevard

The Address The Boulevard, hotel and serviced apartments, was launched on 22 September 2012 and is expected to be completed by the second half of 2016. It comprises 533 one to seven bedroom apartments and 196 hotel keys. As at 30 June 2016, approximately 96 per cent. of the units had been sold.

Fountain Views I,II and III

Fountain Views, hotel and serviced apartments, is located in Downtown Dubai on the eastern side of Mohammed Bin Rashid Boulevard, adjacent to the Dubai Mall. It consists of two 59-storey serviced apartment towers (Fountain Views I and II) and one 76-storey hotel and serviced apartments tower (Fountain Views III) with a total of 786 luxury serviced apartment units and 194 hotel keys across the three towers. As at 30 June 2016, approximately 98 per cent. of the units had been sold.

The Address Sky Views

The Address Sky Views, hotel and serviced apartments, comprises twin towers with a sky deck that connects the two towers at the 50th floor. The sky deck will consist of an observation deck, food and beverage facilities and infinity pools overlooking the sea, Downtown Dubai and Sheikh Zayed road. The Address Sky Views was launched in 2013 and is expected to be completed in 2017. It comprises 551 one to six bedroom serviced apartments and 169 hotel keys. As at 30 June 2016, approximately 92 per cent. of the units had been sold.

Burj Vista

Burj Vista was launched in 2013 and is expected to be completed in 2017. Directly located on Mohammed Bin Rashid Boulevard, it comprises two towers, totalling 666 luxury residential apartments with views of the Burj Khalifa and the Dubai Fountain. As at 30 June 2016, approximately 98 per cent. of the units had been sold.

Downtown Views

The Downtown Views tower consists of 478 one, two and three bedroom apartments. It was launched in 2015 and is expected to be completed in 2019. The development will include landscaped community pools, gym and a function room. As at 30 June 2016, approximately 96 per cent. of the units had been sold.

Boulevard Point

Emaar began construction on 'Boulevard Point' in 2014 and it is expected to be completed in 2018. It will comprise 377 one to three bedroom residences across 63 storeys. Located above The Dubai Mall extension, Boulevard Point offers direct access to The Dubai Mall through a dedicated bridge link. As at 30 June 2016, approximately 90 per cent. of the freehold units had been sold.

Boulevard Crescent ('BLVD Crescent')

'BLVD Crescent' comprises two towers of 39 and 21 storeys, connected by a podium with an infinity pool that opens to expansive views of the city. With 339 residential units, BLVD Crescent will also feature parks, open green spaces and a retail podium. Construction of 'BLVD Crescent' began in 2016 and is expected to be completed in 2018. As at 30 June 2016, approximately 82 per cent. of the units had been sold.

Boulevard Heights ('BLVD Heights')

'BLVD Heights' comprises two residential towers connected by a podium, containing 550 one to three-bedroom apartments. Construction of 'BLVD Heights' is expected to begin in 2016 and be completed in 2018. As at 30 June 2016, approximately 75 per cent. of the freehold units had been sold.

VIDA Residence Downtown Dubai

The second serviced residence project under the upscale VIDA Hotels and Resorts brand, the 57-storey VIDA Residence Downtown Dubai, comprises 328 units, including one, two, three and four bedroom serviced apartments. Construction of VIDA Residence Downtown Dubai began in 2016 and is expected to be completed in 2018. As at 30 June 2016, approximately 93 per cent. of the units had been sold.

Dubai Marina

Dubai Marina is one of the largest waterfront developments of its kind in the GCC region, with 8.5 km of marine frontage, comprising approximately 200 high-rise towers. It is divided into 10 districts, each developed as a distinct community. The mixed-use project (including those plots developed by Emaar and those sold by Emaar to third parties for development) has a total development area of 50 million square feet, approximately 25 million square feet of which will be a master planned waterfront development. Emaar has itself developed 30 towers, with the remaining towers having been developed by developers other than Emaar on serviced plots sold to those developers by Emaar.

Emaar's development at Dubai Marina includes over 4,700 completed residential units, one five-star hotel with 244 rooms, 442 serviced apartments, 1 million square feet of office space and 650,000 square feet of leasable retail space.

52|42 at Dubai Marina is a prime, waterfront, residential development overlooking Dubai Marina and the Arabian Gulf. The project was launched in 2016 and comprises two towers with 466 residential units and retail units at the base. As at 30 June 2016, all of the released units had been sold. Completion of 52|42 is scheduled for 2019.

Details in relation to the Marina Mall are included in the "*Emaar Malls*" section and details in relation to The Address Dubai Marina (hotel and serviced apartments) and the Dubai Marina Yacht Club are included in the "*Hospitality*" section.

Dubai Marina was one of Emaar's first development projects and construction of phase one was completed in 2003. Construction of those parts of Dubai Marina that were to be developed by Emaar has nearly been completed. As at 30 June 2016, approximately 97 per cent. of the freehold units developed by Emaar had been sold. Completion of Dubai Marina is scheduled for 2019.

Arabian Ranches I and II

Arabian Ranches I

Arabian Ranches I is an approximately 6.6 million square metres master planned lifestyle community. Arabian Ranches I has 4,360 freehold units made up of one and two storey single family homes ranging from 1,690 to 7,230 square feet in size. The community includes a golf course (see "*Hospitality—Golf Courses*"), a village community centre with 20 retail outlets providing a total of 110,039 square feet of retail space and a school. In addition, Arabian Ranches I includes the Dubai Polo and Equestrian Club which itself has 71 villas known as "Polo Homes". As at 30 June 2016, 99 per cent. of the units in the development had been sold (excluding the Aseel and LA Avenida II developments, as described below). Arabian Ranches I also includes 18 golf course villas which were launched for sale in March 2012.

La Avenida II is a luxury villa development, comprising 33 villas, which was added to the existing developments in Arabian Ranches I in August 2014. As at 30 June 2016, approximately 73 per cent. of the units in La Avenida II had been sold.

Aseel in Arabian Ranches I is a limited collection of 55 four to seven bedroom luxury villas overlooking the golf course. As at 30 June 2016, 29 per cent. of these villas had been sold. The construction of the Aseel villas is expected to be completed by 2017.

Arabian Ranches II

Following the successful launch of Arabian Ranches I, the development of the Arabian Ranches II, adjacent to Arabian Ranches I began in September 2012. It will comprise approximately 1,750 freehold units made up of three to six bedroom independent villas ranging from 2,276 to 4,948 square feet in size, divided into 10 distinct communities. As at 30 June 2016, approximately 84 per cent. of the units launched (1,260 units) had been sold. Completion of Arabian Ranches II is scheduled for 2019.

Emirates Living

The Emirates Living development is based on the Emirates Hills master planned lifestyle community, which Emaar began constructing in 1999 and is expected to be fully completed by 2018. This project has expanded from its original design and now includes seven related communities: Emirates Hills, the Greens, the Views, the Lakes, the Meadows, the Springs and The Hills, each of which is described in further detail below. The Emirates Living development includes four international schools, a four-star hotel, VIDA The Hills, the Montgomerie golf course (see "*Hospitality—Golf Courses*") and a complex of four commercial buildings known as 'Emaar Business Park'.

Emirates Hills

Unlike most of its other master planned communities, Emaar sold plots in the Emirates Hills development which allowed residents to design their own homes within particular design guidelines for the development. As at 30 June 2016, almost all plots had been sold. In 2001, in order to encourage additional construction activity, Emaar began constructing homes and selling them to purchasers. As a result, in addition to individual plots sold by Emaar, Emirates Hills now includes 94 freehold units constructed by Emaar made up of three to six bedroom villas. Construction on Emirates Hills commenced in 1999 and was completed in 2004. As at 30 June 2016, approximately all of the freehold units developed by Emaar had been sold.

The Greens and The Views

The Greens is a complex of mid-rise residential apartments located close to the Emirates Golf Club off the main highway, Sheikh Zayed Road, in Dubai. Adjacent to the Greens is the Views development consisting of mid and high-rise apartments. The developments have 6,271 freehold units made up of studios and one to four bedroom apartments and include recreational facilities, a school, a mosque and a community centre.

Construction on the Greens and the Views commenced in 2000 and was completed in 2014 (with the delivery of Panorama at The Views, which comprises 224 freehold units). All of the units released for sale in the development have been sold.

This development also includes Emaar Business Park, a complex of four commercial buildings and one car park building. Emaar has sold three of the buildings and retains the remaining building, known as EBP 3, for its own use and for leasing to third parties.

The Lakes

The Lakes is a residential community adjacent to Emirates Hills. It is made up of 1,158 freehold units consisting of two to five bedroom villas and includes a community centre, parks and various recreational facilities. Construction of the development commenced in 2001 and was completed in 2009. All of the freehold units in the development have been sold.

The Meadows

The Meadows is a residential community adjacent to Emirates Hills. It is made up of 1,991 freehold units consisting of three to seven bedroom villas and various retail and recreational facilities. Construction commenced in 2002 and was completed in 2005. All of the freehold units in the development have been sold.

The Springs

The Springs is a residential community made up of 4,856 freehold units consisting of two to four bedroom townhouses and various retail and recreational facilities. Construction commenced in 2002 and was completed in 2005. All of the freehold units in the development have been sold.

The Hills

The Hills district in the Emirates Living development was launched in 2013 and is a mixed-use development. It comprises 426 one to three bedroom residential apartments, 136 VIDA Residence serviced apartments and a four-star VIDA brand hotel with 157 hotel keys. Construction commenced in December 2013 and is expected to be completed in 2018. As at 30 June 2016, approximately 99 per cent. of the units in the development have been sold.

L'Usailly

L'Usailly will be a residential community located in Jebel Ali, in close proximity to the site of the proposed Dubai International Airport City development. L'Usailly is currently in the master planning phase. The development is expected to be made up of apartments and villas spread over an area of approximately 4.5 million square metres. In addition, the development is expected to include a variety of retail and leisure amenities.

Property Developments – UAE – Non Wholly Owned

Umm Al Quwain Marina

Umm Al Quwain Marina is a waterfront community along the shores of Khor Al Beidah, a natural lagoon in the Emirate of Umm Al Quwain. The community is spread over an area of 2.3 million square metres and was completed in 2011.

This project is being undertaken by Umm Al Quwain Marina LLC, a joint venture between Emaar Middle East LLC (which is 61 per cent. owned by Emaar and 39 per cent. owned by Al Oula, a Saudi Arabian real estate company and together the two partners hold 62 per cent. of Umm Al Quwain Marina LLC), the Government of Umm Al Quwain (as to 20 per cent.) and Watad Properties LLC (as to 18 per cent.).

In 2007 Emaar launched the Mistral community, which comprises 277 two to three bedroom villa units. Construction commenced in 2007 and was completed in 2011. As at 30 June 2016, 91 per cent. of the 277 units had been sold.

Dubai Hills Estate

Dubai Hills Estate is the 'city of the future' that is the first phase of the Mohammed Bin Rashid City (**MBR City**), a planned mixed-use residential and commercial development within Dubai which was announced by His Highness Sheikh Mohammed Bin Rashid Al Maktoum, UAE Vice President and Prime Minister and Ruler of Dubai in November 2012. Dubai Hills Estate is a master-planned community spread over 11 million square metres (2,700 acres) and is located centrally by the junction of Umm Suqeim Road and Al Khail Road. The project will be a mixed-use development with a series of unique neighbourhoods set around an 18-hole championship golf course. The project is being undertaken by Dubai Hills Estate LLC, a joint venture between Emaar (as to 50 per cent.) and Meraas (as to 50 per cent.). As part of the joint venture agreement, Meraas provided the 2,700 acres of land, while Emaar undertook the development of the project. Brief details of the key residential projects are set out below.

The Hills View and Hills Grove

The Hills View and Hills Grove are the first communities launched in the Dubai Hills Estate development, and comprise 100 six to eight bedroom villas in various architectural styles. The project was launched in December 2013 and is expected to be completed in 2017. As at 30 June 2016, approximately 54 per cent. of the units had been sold.

Mulberry at Park Heights

Mulberry at Park Heights is the first residential apartment complex in the Dubai Hills Estate development. There will be eight residential blocks featuring approximately 665 apartments. There will be an array of outdoor recreational amenities including a tennis academy, an outdoor pool for adults and children, as well as jogging and bicycle tracks. The project launched in March 2014 and is expected to be completed in 2018. As at 30 June 2016, approximately 88 per cent. of the freehold units had been sold.

Acacia

Acacia is located in Park Heights facing Mulberry in the Dubai Hills Estate development and consists of three residential blocks with a total of approximately 480 one to four bedroom apartments. The project was launched in February 2015 and is expected to be completed in 2019. As at 30 June 2016, approximately 61 per cent. of the freehold units had been sold.

The Fairways and Parkways Plots

The Fairways and Parkways plots are smaller plots of land in the eastern sector of the Dubai Hills Estates development, where the units will be custom-built to suit the buyers' demand, in accordance with development design guidelines provided by Emaar and the conditions stipulated in the relevant sale and purchase agreement. They comprise 276 plots and were launched in 2015. As at 30 June 2016, approximately 82 per cent. of the freehold plots had been sold.

Maples I and II

The Maples I and II developments will be the first townhouse communities launched in Dubai Hills Estate and will be located at the southwestern corner of the development. Maples will consist of over 1,300 three, four and five bedroom townhouses. The project was launched in 2015 and is expected to be completed in 2019. As at 30 June 2016, approximately 79 per cent. of the freehold units had been sold.

Sidra

Sidra is the first community in Dubai Hills Estate comprising of entry-level villas. It is located next to the Maples community and adjacent to Al Khail Road. It consists of 512 three, four and five bedrooms villas. The project launched in 2016 and is expected to be completed in 2019. As at 30 June 2016, approximately 99 per cent. of the units released for sale have been sold.

Fairway Vistas

Fairway Vistas is the second community overlooking the golf course in Dubai Hills. It is located adjacent to Al Khail Road and consists of 65, six to seven bedroom villa units. The project launched in May 2016 and is expected to be completed in 2019. As at 30 June 2016, approximately 63 per cent. of the freehold units had been sold.

Dubai Creek Harbour at the Lagoons

Dubai Creek Harbour is a master-planned development which sits abreast of Ras Al Khor Wildlife Sanctuary and spreads over an area of six million square metres (over 1,482 acres and almost three times the size of Downtown Dubai). The Dubai Creek Harbour development aims to support Dubai's commercial and cultural development and will feature state-of-the-art technology, integrated transportation systems, environmentally sustainable ecosystems and green open parks. The area comprises nine distinct lifestyle districts, including commercial districts linked by leisure and tourism developments that expand into residential neighbourhoods and parks. In addition to creating a new city centre, the project will feature 'The Tower', a mixed-use development that defines a new skyline for Dubai. The project is being undertaken by The Lagoons Development LLC, a joint venture between Emaar and Dubai Holding. As part of the joint venture agreement, Dubai Holding provided the 1,482 acres of land, while Emaar undertook the development of the project. Brief details of the key residential and other projects are set out below.

The Island District

The Island District of Dubai Creek Harbour (the **Island**) will primarily comprise an upmarket, residential, waterfront community, accompanied by private and public recreational facilities. A number of hotels are also located on the west coast of the Island. Situated on the most North West section of the Dubai Creek Harbour plan, the Island offers views of Dubai Creek and the Island's marina, yacht club and waterfront promenade and facilities. The key residential developments are described below. Dubai Creek Residences, the first luxury residential development within the Island, comprises six residential towers with approximately 872 apartments. The project offers one to three bedroom apartments on the waterfront and is scheduled for completion by 2020. As at 30 June 2016, approximately 84 per cent. of the total units had been sold.

Creekside 18 residences in The Island, is a modern, master-planned community comprising approximately 500 two to three bedroom apartments, located in two, 37-storey towers and an additional podium level. As at 30 June 2016, approximately 34 per cent. of the total units had been sold.

Harbour Views, the tallest residential project in the Island, comprises two towers with a three-level podium. The development has more than 750 one to three bedroom luxury residences, located in 51 storeys. Additionally, there are approximately 14 two-storey villas. As at 30 June 2016, approximately 76 per cent. of the total units had been sold.

The Tower

In April 2016, Emaar announced that it would be developing a U.S.$1 billion tower. The tower will house a multi-level observation platform, restaurants and function hall space. The tower is scheduled for completion ahead of the 2020 Dubai World Expo.

Property Developments – International – Wholly Owned

Turkey

Emaar's wholly owned subsidiary, Emaar Properties Gayrimenkul Gelistirme Anonim Sirketi (**Emaar Turkey**), is responsible for Emaar's Turkish developments as set out below.

Tuscan Valley

Tuscan Valley is a 1.78 million square metres master planned community located at Büyükçekmece on the European side of Istanbul. A total of 232 residential units as well as 9,600 square metres of recreational spaces (including a shopping arcade) for residents have been developed. Construction on the project commenced in 2007. The first phase of homes in the community was handed over in 2009, and the second phase of mixed residential and retail properties was completed in 2012. As at 30 June 2016, 81 per cent. of the total units released to the public for sale had been sold. The available land bank for future developments at Tuscan Valley is 488,000 square metres.

Florentia Village, Luxury Designer Outlet

Located within Tuscan Valley, Florentia Village will be country's first luxury designer outlet mall comprising 203,600 square metres with a total leasable space of over 45,000 square metres. It is expected to house more than 150 stores. As at the date of this Base Prospectus, this development is at the planning stage.

Emaar Square

Emaar Square is a 67,297 square metre mixed-use development located in Libadiye Çamlıca, on the Asian side of Istanbul. It will comprise over 1,000 units, a 182-key five-star The Address Hotel and the Emaar Square Shopping Mall. The development will also include commercial offices across over 47,000 square metres of office space, over 147,000 square metres of retail space and leisure and entertainment facilities, including a discovery centre.

As at 30 June 2016, 74 per cent. of the total 776 launched units had been sold. The gross construction area for the Emaar Square project is 791,197 square metres.

Construction commenced in the fourth quarter of 2011 and Emaar expects the development to be completed in 2018.

Belek

The Belek project is undertaken through a joint venture with Ekopark (Rixos group) for the design, construction, development, operation and management of the project. The project is a 622,000 square metre, master planned community located within Belek, Antalya, on the southern coast of Turkey (adjacent to the Mediterranean Sea). The land bank for this project was awarded by the Government of Turkey to the joint venture pursuant to a 49 year usufruct right (expiring June 2058, upon which, the land bank will be returned to the Government of Turkey).

The project comprises a 280,000 square metre retail and hospitality development, including a hotel (comprising 401 keys) and waterpark and a 340,000 square metre theme park development. The GLA for the retail development comprises 70,000 square metres, split over two phases. The total gross floor area is 98,000 square metres (again, split over two phases).

Construction commenced in 2015 and Emaar expects the retail development to be completed by 2017.

Morocco

Emaar's wholly owned subsidiaries, Emaar Morocco Holding Offshore S.A., Emaar Tinja S.A. and Amelkis Resorts S.A. (**Emaar Morocco**) are undertaking Emaar's developments in Morocco as set out below.

Amelkis Resorts

The Amelkis Resorts comprise a 2.55 million square metre (approximately) master planned golfing community located on the outskirts of the city of Marrakech. As at 30 June 2016, approximately 42 per cent. of the freehold units and villa plots released to the public for sale had been sold.

Part of the project master plan is currently under revision (including the size of the development) in response to current demand and market conditions. The estimated total development cost of the Amelkis Resort project is approximately MAD 1,146 million (approximately AED429 million, which is equivalent to U.S.$117 million).

Emaar Tinja

In February 2015, Emaar Morocco signed a protocol with the Government of Morocco for the development of 58 hectares of land located 20 minutes south of Tangiers, on the Atlantic coast of Morocco.

Following approval from the relevant authorities, and subject to the building permit approval requirements, the Tinja project will comprise a mixture of freehold residential units including villas, townhouses and apartments and is expected to be completed by 2022.

The total estimated development cost of the project is MAD2,330 million (approximately AED873 million, which is equivalent to U.S.$238 million).

Pakistan

Emaar has undertaken two developments in Pakistan through two separate companies, namely Emaar GIGA Karachi Limited (**EGKL**) for the Crescent Bay development in Karachi (see "*— Property Developments — International — Non Wholly Owned*") and its wholly-owned subsidiary Emaar DHA Islamabad Limited (**EDIL**) for the Canyon Views development in Islamabad.

Canyon Views, Islamabad

Canyon Views is an approximately U.S.$721 million (approximately AED2.65 billion) master planned community including approximately 2,555 freehold residential units. The community will also include retail facilities, parks, recreational facilities and a school. Construction on Canyon Views commenced in 2007 and is expected to be completed in 2021. As at 30 June 2016, approximately 82 per cent. of the total freehold units released to the public for sale had been sold.

United States

Beverly West Residences

Beverly West Residences is a development of 35 high-rise freehold residential units near Beverly Hills, Los Angeles with a planned development cost of approximately U.S.$313 million (approximately AED1,150 million). The development is being undertaken by Emaar LA Properties LLC, a wholly owned indirect subsidiary of Emaar. The units range in size up to 761 square metres and benefit from amenities including a fitness centre, swimming pool, valet parking, housekeeping quarters and guest suites. Construction started in September 2007. The shell and core construction of all units was completed in 2012 and four units have been fully fitted out and furnished. As at 30 June 2016, approximately 13 units had been sold.

Property Developments – International – Non Wholly Owned

Egypt

Emaar's developments in Egypt are undertaken by its subsidiary, Emaar Misr for Development Company S.A.E. (**Emaar Misr**). In June 2015, Emaar Misr sold 12.99 per cent. of its shares in an initial public offering (**IPO**) on the Egyptian Stock Exchange, raising EGP2,280 million (AED1102.0 million, which is equivalent to U.S.$300.00 million). On 4 August 2015, due to market volatility, Emaar Misr bought back 15 per cent. of the shares issued during the IPO, with a value of EGP342 million. Emaar Misr intends to use the net proceeds of the IPO to partially fund existing and future developments of its projects, and to selectively expand its land bank in Egypt. This includes primarily the following projects: Emaar Square in the Uptown Cairo Project, Mivida Downtown and the marina and hotels in Marassi as well as funding the pre-launch expenditure of Cairo Gate. As at 30 June 2016, Emaar's non-controlling interest in Emaar Misr was 11.04 per cent.

Uptown Cairo

Uptown Cairo is a master planned development located in the Mokkatam Hills, 200 metres above sea level with a planned development cost of approximately EGP31.85 billion (approximately AED14.56 billion equivalent to U.S$3.96 billion). Spread over 4.5 million square metres, Uptown Cairo will feature residences, a commercial complex, schools, a mall, a medical centre, a mosque, hotels and leisure facilities and a golf course. The project will offer 7,636 residential units (with a mix of 1,481 villas and 6,155 apartments), 212,700 square metres of retail space, 121,670 square metres of commercial office space and 34,781 square metres of hotel space. The central aspect of the project is Emaar Square, which will feature Egypt's largest open air mall and two hotels, the five-star Address Hotel and the four-star VIDA Hotel. Construction on the project commenced in 2007 and is expected to be completed in 2024. As at 30 June 2016, a total number of 513 units have been handed over to customers. As at 30 June 2016, approximately 92 per cent. of the total freehold units released to the public for sale had been sold.

Marassi

Marassi is a Mediterranean styled tourist resort on the north coast of Egypt with a planned development cost of approximately EGP32.24 billion (approximately AED14.74 billion equivalent to U.S.$4.01 billion). The community is a waterfront development, spread over 6.5 million square metres, and will comprise seven distinct lifestyle districts. The development will include spas, retail space, a medical centre, hospitality and entertainment centres as well as an 18-hole golf course and a marina. Marassi will have over 8,389 freehold residential units with a mix of villas, townhouses and apartments and 51,193 square metres of serviced and branded apartments. Construction on the project commenced in 2008. The total number of units handed over to customers as at 30 June 2016 was 1,413 and construction is expected to be completed in 2025. As at 30 June 2016, approximately 93 per cent. of the total freehold units released to the public for sale had been sold. The total gross internal floor area is for the project expected to be 2,010,297 square metres.

Mivida

Mivida is a 3.7 million square metres Santa Barbara California inspired residential and mixed-use development with a planned development cost of approximately EGP14.09 billion (approximately AED6.44 billion, which is equivalent to U.S$1.75 billion), located near the American University in Cairo, close to Cairo International

Airport. Mivida will have 5,537 freehold residential units with a mix of villas, townhouses and apartments, over 116,152 square metres of office space, a 115,834 square metres medical centre, a hotel, shopping centres and a school. Construction on Mivida commenced in 2009 and Emaar expects the project to be completed in 2020. Multiple residential villages were launched in phases and as at 30 June 2016, a total of 903 units were handed over to customers. As at 30 June 2016, 94 per cent. of the total freehold residential units and all of the office units released to the public for sale had been sold.

Cairo Gate

Cairo Gate will be located at the start of the Cairo to Alexandria road and is a mixed-use community with a large shopping mall, outdoor shopping and entertainment facilities, an office park, hotels and residential units including villas, townhouses and apartments. The upscale development will spread over an area of 670,000 square metres and has a planned development cost of approximately U.S.$700 million (approximately AED2.6 billion). This project is currently at the master planning stage.

See "*Risk Factors—Emaar's financial performance is dependent on economic and other conditions in which it operates*".

Saudi Arabia

Emaar's primary development activities in Saudi Arabia are undertaken through its joint venture relationships. The King Abdullah Economic City development is being undertaken by Emaar The Economic City, a publicly listed company on the Saudi Arabian Stock Exchange (Tadawul) in which Emaar owns a non-controlling 30.59 per cent. stake; 30 per cent. is publicly held and the remaining 39.41 per cent. is held by other founding shareholders. Emaar's other developments in Saudi Arabia include Jeddah Gate and Al Khobar Lakes, which are being undertaken by Emaar Middle East LLC (**Emaar Middle East**), a joint venture between Emaar (as to 61 per cent.) and Al Oula (as to 39 per cent.), a Saudi Arabian real estate company; and Emaar Residences at Fairmont Makkah, which is being undertaken by Manarat Al Manzel Lil Istithmar Al Aqary Al Mahdauda (**Manarat**), a joint venture between Emaar (as to 92.2 per cent.) and Al Oula (as to 7.8 per cent.). Further details of these projects are set out below.

*King Abdullah Economic City (**KAEC**)*

KAEC has a planned development cost of approximately U.S.$100 billion (approximately AED367 billion). The project is closely connected with Saudi Arabia's ongoing initiative to expand the domestic economy and is intended to function as a catalyst to attract foreign investment, global trade, commerce and industry. The Saudi Arabian General Investment Authority, the body responsible for inward investments into Saudi Arabia, is the prime facilitator for KAEC. KAEC's vision is to enable socio-economic development in Saudi Arabia by providing international investors with unique business opportunities while seeking to secure the future of Saudi Arabia's youth by creating new skilled job opportunities and housing solutions.

The mixed-use development will spread over 181 million square metres on the Red Sea coast is being developed into a fully integrated city. Its key components include the King Abdullah Port, the Industrial Valley (an industrial zone), a central business district accessible via the Haramein high-speed railway, residential communities and a resort district which will provide opportunities for investment in education and tourism. The total gross floor area will be 130 million square metres, and the Red Sea coastal and lagoon frontage will extend over 45 kms. Construction commenced in 2006 and Emaar anticipates that construction of the whole development will be completed by 2046, although various infrastructure projects in the industrial zone have already been completed.

As a shareholder in the development entity, Emaar The Economic City, Emaar provides assistance with the strategy for the development and the development entity.

KAEC is governed by a single regulator, the Economic Cities Authority. With a wide and comprehensive spectrum of incentives for investors and residents alike, the Economic Cities Authority offers pro-business regulations including 100 per cent. ownership for individuals and organisations, seaport regulations, and ease of access for permits and licenses related to residing, working, operating businesses and owning and managing properties.

Jeddah Gate

Jeddah Gate is a mixed-use development located close to the centre of Jeddah along King Abdullah Road, one of the major thoroughfares to the Holy City of Makkah with a planned development cost of approximately U.S.$2 billion (approximately AED7.3 billion).

The development will comprise 1,727 residential units, 162,042 square metres of office space and 37,269 square metres of retail space. Construction of Jeddah Gate commenced in 2007 and is expected to be completed by 2024. As at 30 June 2016, approximately 92 per cent. of the freehold units released to the public for sale had been sold.

In 2014, Emaar Middle East announced its plans to build a commercial real estate development, Emaar Square, located in the centre of Jeddah Gate. By 30 June 2016, it had sold 98 per cent. of the available units.

Al Khobar Lakes

Al Khobar Lakes is a master planned gated lifestyle community located in close proximity to Al Khobar City with a planned development cost of approximately U.S.$597 billion (approximately AED2.2 billion). Al Khobar Lakes will ultimately include approximately 2,137 freehold units made up of villas in a series of neighbourhoods that will be centred around common community facilities and parks (including a 80,000 square metres lake) and a retail centre and offices (spread over 113,000 square metres), a grand mosque, 11 local mosques, two schools, two community centres and healthcare facilities.

The first phase of the project, Al Nada, was launched in May 2008 with a development value of approximately U.S.$158 million (approximately AED585 million) and has 242 residential units and leisure amenities (including lakes, two mosques and a medical centre). As at 30 June 2016, approximately 55 per cent. of the freehold units released to the public for sale had been sold. Construction on this project commenced in July 2008 and the first phase of the project is expected to be completed by the end of 2020.

Emaar Residences at Fairmont Makkah

Emaar Residences at Fairmont Makkah are 316 serviced studios and one to three bedroom apartments located on floors 30 to 41 of the Makkah Clock Royal Tower at the Fairmont Hotel, the tallest tower in the Holy City of Makkah. Due to restrictions on ownership of land in Makkah, space in the tower for the serviced residences is leased by Manarat from the Saudi Bin Laden Group and will be sub-leased to purchasers. The residences were completed in, and have been operational since, 2013 and range in size from 37 square metres to 231 square metres.

Memorandum of Understanding – Abdul Latif Jameel

In 2014, Emaar signed a memorandum of understanding with Abdul Latif Jameel, Saudi Arabia's leading business group, to develop integrated mixed-use projects in Saudi Arabia under a partnership entity, Emaar Jameel. The projects will include residential, commercial and retail units.

India

Emaar MGF is a joint venture between Emaar (56.54 per cent.) and MGF Developments Limited (39.11 per cent.) (with the remaining 4.35 per cent. held by other investors), one of India's largest real estate companies. Emaar also currently holds compulsory convertible debentures (the **CCDs**) issued by Emaar MGF. If a draft prospectus is published in respect of an initial public offering of Emaar MGF, the CCDs will mandatorily convert to shares in Emaar MGF which would increase Emaar's equity stake in Emaar MGF. Further details of the Group's dealings with Emaar MGF are set out in the 2015 Financial Statements (Note 14) and the Interim Consolidated Financial Statements (Note 14).

In May 2016, the Group filed a scheme of arrangement with the Delhi High Court in India for the demerger of the operations of its associate, Emaar MGF Land Limited (**EMGF**), based on the agreement reached between the Group and the other promoter group in EMGF. The demerger is part of the Group's strategic plan to implement a more focused strategy for its real estate business in India and to allow it to undertake future expansion strategies. Accordingly, on 18 May 2016, the original joint venture agreement and the memorandum and articles of association of EMGF have been amended, resulting in the Group gaining control of the operations of EMGF.

Emaar MGF is currently operating projects in Punjab, Delhi, Haryana, Tamil Nadu, Rajasthan, Madhya Pradesh and Andhra Pradesh. These projects will continue following the proposed demerger. Emaar MGF currently has land reserves of over 9,000 acres of which 98 per cent. is fully paid. The existing land reserves identified for development are expected to provide approximately 51 million square feet of developable area for residential, retail and hospitality assets. Some of the key projects are set out below.

Boulder Hills

In 2004, Emaar entered into a 74-26 per cent. joint venture with TSIIC (formerly APIIC) to create Boulder Hills, a master planned lifestyle community and a convention centre in Hyderabad. Boulder Hills will comprise freehold residential units consisting of single family villas or plots and apartments, an 18 hole golf course, a golf club and a country club and a five-star boutique style hotel. Construction of the community commenced in 2004. As at 30 June 2016, approximately 51 per cent. of the 355 units (Phase I of Excelsior Residential Apartments) and 71 per cent. of the 136 units (single family villa plots) in the development released for sale have been sold. The construction work on this project is being undertaken by Emaar MGF and the timeline for completion is subject to the resolution of the legal dispute with TSIIC (as described below).

Emaar is currently involved in a legal dispute with TSIIC (see "*Risk Factors—Risks relating to Emaar—A legal dispute relating to TSIIC'S (formerly APIIC's) stake in a joint venture with Emaar may have an unfavourable outcome and negative reputational consequences for Emaar*"). As a result of legal proceedings in respect of TSIIC, the registration of such sales cannot be completed. Accordingly, payments to Emaar MFG in respect of balances of such sale prices have ceased. This dispute is not considered material by Emaar. Until resolution of the dispute, construction is on hold, no new construction is being commenced and no new phases will be launched (although the convention centre remains fully operational).

Mohali Hills

Emaar MGF is developing a 12.21 million square feet master planned lifestyle residential community located in Mohali, Punjab. Mohali Hills currently consists of approximately 3,379 freehold residential units spread over six projects: Mohali Hills; the Views; the Villas; the Bungalows; Pinewood Centre and Mohali Terraces. Construction of Mohali Hills commenced in 2007 and has been partially completed. The project is expected to be fully completed by 2017. As at 30 June 2016, 73 per cent. of the total freehold units released to the public for sale had been sold.

Gurgaon

Emaar MGF is developing Palm Drive, Palm Hills, Palm Terraces Select, Palm Gardens, Emerald Hills, Gurgaon Greens, Imperial Garden and Marbella at Gurgaon, which combined will be a 21 million square feet master planned lifestyle residential community, close to New Delhi.

Palm Springs, the first part of the Gurgaon project which has been completed, consists of 314 freehold residential units made up of apartments and villas. Construction commenced in 2007 and was completed in 2011. As at 30 June 2016, 100 per cent. of the total freehold units released to the public for sale had been sold.

Palm Drive consists of five districts with approximately 1,504 freehold residential units. Construction commenced in 2008 and was partly completed in 2016. The remainder of the development is expected to be completed in 2017. As at 30 June 2016, approximately 98 per cent. of the total freehold units released to the public for sale had been sold.

Emerald Hills consists of approximately 2,342 freehold residential units made up of apartments and villas. Construction commenced in 2010 and was partly completed in 2016. The remainder of the development is expected to be completed in phases in 2017 and 2018. As at 30 June 2016, approximately 83 per cent. of the total freehold units released to the public for sale had been sold.

Palm Hills consists of approximately 1,048 freehold residential units made up of apartments. Construction commenced in 2010 and is expected to be completed in 2017. As at 30 June 2016, approximately 99 per cent. of the total freehold units released to the public for sale had been sold.

Palm Terraces Select consists of approximately 278 freehold residential apartments. Construction commenced in 2010 and has been partially completed. The remainder of the development is expected to be completed in 2018. As at 30 June 2016, approximately 99 per cent. of the total freehold units released to the public for sale had been sold.

Palm Gardens consists of approximately 1,057 freehold residential apartments. Construction began in June 2012 and is expected to be completed in 2018. As at 30 June 2016, approximately 95 per cent. of the total freehold units had been sold.

Marbella consists of approximately 523 freehold residential apartments, of which 176 units have been released to the public for sale. Construction commenced in 2012 and is expected to be completed by 2018. As at 30 June 2016, approximately 88 per cent. of the total freehold units released to the public for sale had been sold.

Emerald Estate & Premiere

Emerald Estate & Premiere is a 103,194.84 square metre apartment complex located in Gurgaon, which was launched in 2008. The development comprises 1,336, two to four bedroom apartments and is expected to be handed over from the third quarter of 2017. As at 30 June 2016, all units released to the public for sale had been sold.

Gurgaon Greens and Imperial Garden

The Gurgaon Greens and Imperial Garden projects were launched in 2012 (construction commenced in 2013) and are both located in Dwarka Expressway, Gurgaon.

Gurgaon Greens comprises a 54,632.56 square metre luxury apartment complex, which is expected to be completed in June 2018. The apartments comprise three to four bedroom units. As at 30 June 2016, 71 per cent. of the total freehold units had been sold.

Imperial Garden comprises a 48,562.27 square metre luxury apartment complex, which is expected to be completed in August 2018. The apartments comprise three to four bedroom units. As at 30 June 2016, 73 per cent. of the total freehold units had been sold.

Gomti Greens

Gomti Greens is a 741,366.26 square metre, master planned, integrated community located in Lucknow, Uttar Pradesh. It consists of freehold residential plots (apartments) and some commercial units. Construction of the development commenced in 2012 and Phase I of the project is expected to be completed by 2017. As at 30 June 2016, approximately 55 per cent. of the residential plots units (1,485 units) released to the public had been sold.

Jaipur Greens and Indore Greens

Jaipur Greens is located in Rajasthan and consists of approximately 1,078 freehold residential plots and villas. Construction commenced in 2009 and was completed in 2012. As at 30 June 2016, approximately 89 per cent. of the total freehold units released to the public for sale had been sold.

Indore Greens is a project in Madhya Pradesh and consists of approximately 518 freehold plots. Construction commenced in 2009 and was completed in 2012. As at 30 June 2016, approximately 78 per cent. of the total freehold units released to the public for sale had been sold.

Esplanade Chennai

Spread over 0.95 million square feet of land, Esplanade Chennai is one of the largest housing developments within the jurisdiction of the Chennai Metropolitan Development Authority. The development is an integrated community with 596 freehold residential units consisting of apartments of up to approximately 1,500 square feet each. Construction on Esplanade Chennai commenced in 2007. The first phase has been completed and was handed over to customers in 2011. The second phase was completed in 2016. As at 30 June 2016, all of the total freehold units in the development released to the public for sale had been sold.

The Commonwealth Games Village – Delhi

The Commonwealth Games Village (**CGV**) consists of 1,168 residential units and is located close to the central business district Connaught Place, New Delhi.

Construction on the CGV began in 2008 and was completed in June 2010. As at 30 June 2016, approximately 98 per cent. of the total freehold units released to the public for sale had been sold. For further information in relation to the CGV and a dispute that has arisen with the Delhi Development Authority in relation to the same see "*Risk Factors—Risks relating to Emaar—There can be no assurance that following the transfer of The Commonwealth Games Village back to Emaar MGF, Emaar MGF will not be liable to pay penalties to customers as a result of the delay in handover to customers*".

Commercial and Retail Development

Emaar MGF has developed the Palm Spring Plaza, a commercial and retail complex in Gurgaon, which consists of 230 freehold units. Construction commenced in 2008 and was completed in December 2015. As at 30 June 2016, approximately 93 per cent. of the freehold units released to the public for sale had been sold.

Emaar MGF has developed the Palm Square, a commercial and retail complex in Gurgaon, which consists of 271 freehold units. Construction commenced in 2008 and was completed in 2016. As at 30 June 2016, approximately 89 per cent. of the freehold units released to the public for sale had been sold.

Emaar MGF is developing the Digital Greens, a commercial complex in Gurgaon. At present the project has two components under construction, consisting of 614 freehold units. Construction commenced in 2008 and is expected to be completed in 2017. As at 30 June 2016, approximately 95 per cent. of the freehold units released to the public for sale had been sold.

Emaar MGF developed the Emerald Plaza, a commercial complex in Gurgaon, which consists of 563 freehold units. Construction commenced in 2010 and was completed in December 2013. As at 30 June 2016, approximately 94 per cent. of the freehold units released to the public for sale had been sold.

Emaar MGF is also developing the Commerce Park , a commercial complex in Gurgaon, which will consist of 257 freehold units. Construction is expected to commence in 2017 and be completed by 2019. As at 30 June 2016, 85 per cent. of the freehold units released to the public for sale had been sold.

Emaar MGF is developing the Central Plaza, a retail complex in Mohali Hills, which will consist of 352 freehold units. Construction commenced in 2008 and is expected to be completed in by 2017. As at 30 June 2016, approximately 61 per cent. of the freehold units released to the public had been sold.

Emaar MGF is also developing the Colonnade, a commercial complex in Gurgaon, which will consist of 257 freehold units. Construction is expected to commence in 2016 and to be completed by 2019. As at 30 June 2016, approximately 64 per cent. of the freehold units released to the public for sale had been sold.

Hotel Development

Emaar MGF has opened a hotel with 90 rooms in Jaipur. The hotel is operated by Fortune Park Hotels Limited, a subsidiary of ITC Limited.

Pakistan

Crescent Bay, Karachi

EGKL is a joint venture between Emaar (as to 73.12 per cent.) and Giga Group Holding, an entity with operations in a number of industries (including construction, real estate investment, jewellery, gold refining and textiles) in the Middle East, Africa and Pakistan (as to 26.88 per cent.).

Crescent Bay is an approximately U.S.$2.7 billion (approximately AED9.92 billion) mixed-use development located on 437,020 square metres of reclaimed land in Karachi's Defence Housing Authority (**DHA**) Phase 8 and in close proximity to the DHA golf course. The gross floor area of the project is 1.9 million square metres and the total sellable area is 1.4 million square metres. Crescent Bay is a development made up of over 5,868 freehold residential units consisting of mid-rise and high-rise waterfront towers, a five-star hotel, five commercial office buildings and an iconic building which will house offices and a shopping mall. Land reclamation work commenced in 2005 and construction on the project commenced in 2008. The delivery of units in the first residential tower is expected to commence in December 2016. As at 30 June 2016, approximately 86 per cent. of the total units released to the public for sale had been sold.

The land in respect of this development is sub-leased by EGKL from the Pakistan Defence Office Housing Authority for 97 years and is renewable for a further 99 years.

Jordan

Samarah Dead Sea Resort

The Dead Sea Touristic and Real Estate Investment Company, an entity in which Emaar has a 29.3 per cent. stake (and representation on the company's board), is developing the Samarah Dead Sea Resort. The 688,000 square metres project is located on the Dead Sea, close to Amman.

Currently one of the two phases at the Samarah development has been master planned: Rift Living. This phase includes over 18 townhouses, 188 residential apartments, a Hilton Hotel with approximately 285 rooms, and 5,000 square metres of retail and leisure space. Construction of the Rift Living phase, excluding the Hilton Hotel, was completed in mid-2014 and the Hilton Hotel is expected to be completed by the end of 2016. As at 30 June 2016, approximately 60 per cent. of the freehold units released to the public for sale had been sold.

Syria

The Eighth Gate

The Eighth Gate is being undertaken by Emaar IGO, a 60:40 joint venture between Emaar and Invest Group Overseas Limited, an offshore investment and property development company. The Eighth Gate, one of the first master planned lifestyle communities in Syria, is located on 300,000 square metres of land in Yafour, next to the Damascus city centre. The development will comprise four distinct zones: the Commercial Centre, Waterfront, Tourist Area and a "Build to Suit" area (within which Emaar IGO builds to customers' particular specifications). The Commercial Centre will house the Damascus Stock Exchange and low-rise commercial space, while the Waterfront will include furnished tourist apartments and a classical style piazza and the Tourist Area will consist of retail outlets. Construction on the Eighth Gate project commenced in 2008 and as at 30 June 2016 approximately 93 per cent. of the total freehold units released to the public for sale had been sold.

Political and civil unrest in Syria, which began in March 2011, has escalated to a civil war. As at the date of this Base Prospectus, the project has been put on hold. The political and economic outcome remains uncertain and accordingly it is not possible to predict the effect it will have on the real estate market, or the Group's investment, in Syria. During the first six months of 2016, Emaar did not sell any units in Syria.

See "*Risk Factors—Emaar's financial performance is dependent on economic and other conditions in which it operates*".

Lebanon

BeitMisk

BeitMisk is being undertaken by Renaissance Metn Holding Limited, a 65:35 joint venture between Emaar and Georges Abou Jaoude, a prominent Lebanese businessman. The 655,000 square metres development is located approximately 20kms from Beirut and will comprise over 1,900 freehold residential units and retail and leisure space. The gross internal floor area of the BeitMisk project is 0.6 million square metres.

Infrastructure for the development has been completed and building construction commenced in 2010 and is expected to be completed in 2020. As at 30 June 2016, approximately 74 per cent. of the total freehold units released to the public for sale had been sold.

Emaar Malls

Emaar Malls is the shopping mall operating subsidiary of Emaar and focuses on creating retail environments that are tailored to the particular needs of each community they serve. Emaar Malls' revenues are derived from rents paid by tenants in its facilities. Details of Emaar Malls' key developments are set out below. Footfall figures set out below are calculated internally by Emaar Malls. In October 2014, Emaar listed 15.37 per cent. of its holdings in Emaar Malls on the Dubai Financial Market. The U.S.$1.6 billion initial public offering, the first of its kind to be undertaken by a company in the UAE through an international book-building process, was the largest IPO in Dubai since 2007 and was 30 times oversubscribed. The proceeds from the IPO were distributed to Emaar's shareholders as dividends.

The Dubai Mall

The Dubai Mall, one of the largest malls in the world, is located in the heart of the Downtown Dubai Development. It opened in November 2008 with a GLA of 3.72 million square feet. The Dubai Mall features more than 1,000 stores and over 170 food and beverage outlets spread over four levels. Anchor tenants in The Dubai Mall include Bloomingdales, Galeries Lafayette and Debenhams. Leisure and entertainment offerings in The Dubai Mall include one of the world's largest indoor aquariums featuring a 180 degree walk through tunnel and comprising the world's largest underwater zoo. In addition, The Dubai Mall is home to Reel Cinemas (a 22 screen cineplex, the largest in Dubai), an Olympic sized ice rink, SEGA Republic (an indoor theme park developed in conjunction with SEGA Corporation), KidZania® (a children's "edutainment" centre), undercover parking facilities for approximately 14,000 vehicles and is adjoined by The Address Dubai Mall five-star hotel (see "*—Hospitality—The Address Hotels and Resorts*"), described below. Dubai Mall has hosted the Vogue Fashion Dubai Experience, the Middle East's largest fashion event, in partnership with Vogue Italia three years in a row. In 2015, The Dubai Mall recorded a footfall of 80 million people, making it the most visited mall in the world. The Dubai Mall also recorded a footfall of more than 20 million people in the three month period ended 31 March 2016, maintaining the same level as the equivalent period in the previous year.

Emaar Malls is currently expanding The Dubai Mall's Fashion Avenue by one million square feet to accommodate a larger number of leading fashion brands. The expansion would likely result in an increase of leasable area by 15 per cent. and is expected to be completed in 2017.

Gold and Diamond Park

The Gold and Diamond Park opened in 2001 and comprises over 450 units including retail outlets, manufacturing units showcasing gold, diamonds and jewellery and commercial space for offices. The development has an outdoor courtyard and a selection of cafes and restaurants and is conveniently located on Sheikh Zayed Road. In 2015, the Gold and Diamond Park had an average monthly footfall of 0.20 million people and in the three month period ended 31 March 2016, it had an average monthly footfall of 0.20 million people.

Dubai Marina Mall

Located at Dubai Marina, the Dubai Marina Mall opened in December 2008 with over 140 stores. The Dubai Marina Mall includes shopping, entertainment and leisure facilities including Reel Cinemas (a six screen cineplex with premium facilities) and NJoi, an 8,000 square feet children's entertainment venue. Adjacent to Dubai Marina Mall is The Address Dubai Marina, a five-star hotel (see "*—Hospitality—The Address Hotels and Resorts*"). In 2015, Dubai Marina Mall had an average monthly footfall of 1.4 million people and during the first three months of 2016, it had an average monthly footfall of 1.7 million people.

Souk Al Bahar

Souk Al Bahar is located on The Old Town Island in the Downtown Dubai Development, adjacent to the Burj Khalifa and between two five-star hotels, The Address Downtown Dubai and The Palace Hotel (see "*—Hospitality—The Address Hotels and Resorts*"). It opened in November 2007 and has over 70 stores and an extensive waterfront promenade featuring 15 restaurants and cafes. In 2015, Souk Al Bahar had an average monthly footfall of 0.6 million people and in the three month period ended 31 March 2016, it had an average monthly footfall of 0.7 million people.

Various Community Retail Space/Complexes

Emaar Malls also manages approximately 80,000 square metres of retail space located in various communities developed by Emaar such as Emirates Living, Arabian Ranches, Dubai Marina and the Downtown Dubai Development. The retail outlets at these locations feature, among other things, supermarkets, restaurants, community centres and fitness clubs.

Areas under design and construction

Emaar, either through its subsidiary Emaar Malls or its other subsidiaries and joint ventures internationally, has various other shopping areas under construction. Emaar Malls has provided consultancy services to various retail areas in King Abdullah Economic City in Saudi Arabia (see "*Property Developments—International—Non Wholly Owned—Saudi Arabia*"), which are currently under development. Emaar Malls is currently providing consultancy services to Emaar's subsidiaries that are developing the Emaar Square Mall in Istanbul (see "*Property Developments—International—Wholly Owned—Turkey*") and the Uptown Cairo Mall in the Uptown Cairo development (see "*Property Developments—International — Wholly Owned —Egypt*").

Emaar Entertainment

Emaar Entertainment LLC (**Emaar Entertainment**) is a wholly owned subsidiary of Emaar, and contributes to Emaar's mall developments in key emerging markets across the Middle East, North Africa and the Indian subcontinent by creating leisure and retail facilities for inclusion in the malls in the various markets. Emaar Entertainment manages the business operations for retail, leisure and entertainment brands including Dubai Aquarium and Underwater Zoo, Dubai Ice Rink, KidZania®, SEGA Republic and Reel Cinemas and, as part of an agreement with Meraas Holding LLC and in line with its focus on expanding its operations, also operates the 10-screen Reel Cinemas, the Beach in the beachfront lifestyle development by Meraas Holding LLC. Once opened, Emaar Entertainment will also operate Reel Cinema at Al Khail Avenue (Nakheel), and Reel Cinema Town Square (Nshama). Emaar Entertainment's revenues are derived from retail sales, admission fees and sale of advertising space at its leisure and retail facilities.

Hospitality

Emaar Hospitality Group LLC (**Emaar Hospitality**), a wholly owned subsidiary of Emaar, owns and manages Emaar's portfolio of hospitality assets including hotels, serviced residences, leisure clubs (including polo clubs, golf clubs and a yacht club) and several independent restaurants under their independent 'Lifestyle Dining' division. The hotel brands are owned by The Address Hotels and Resorts LLC (**The Address**) and VIDA Hotels and Resorts LLC (**VIDA**). Emaar has also formed a joint venture with Meraas, ROVE Hospitality LLC, to develop and manage a chain of mid-scale hotels under the brand name 'Rove Hotels'.

Emaar Hospitality's revenues are derived from (1) business operations, which include room revenue, food and beverage revenue, rental revenues, membership fees, banqueting and events, lesson revenues from the golf and polo clubs and ancillary revenues from minor operating departments such as the spas, telephone, transportation, laundry and revenue share from branded serviced residences and (2) hotel and property management services as provided to hotel developers and mixed-use residential owners' associations which include technical services fees, hotel management fees, residential branding fees and property management fees.

The key developments are described below.

The Address Hotels and Resorts

The Address, a wholly owned subsidiary of Emaar Hospitality, is a luxury hotel operator managing the five-star hotel brand 'The Address' that currently operates four hotels and one resort. The Address Downtown Dubai (opened in October 2008), The Address Dubai Mall (opened in September 2009), The Address Dubai Marina (opened in November 2009), The Address Montgomerie Dubai (opened in 2002 and re-branded in 2009) and The Palace – Downtown Dubai (opened in October 2007) are all owned by Emaar Hospitality and managed by The Address. The Address Downtown Dubai is a 63 storey five-star hotel in the Downtown Dubai Development overlooking the Burj Khalifa with 196 rooms and 628 serviced residences; The Address Dubai Mall is connected to The Dubai Mall and contains 244 rooms and 449 serviced residences; and The Address Dubai Marina is connected to the Dubai Marina Mall and contains 200 rooms and 450 serviced residences. The Address Montgomerie Dubai is part of the Montgomerie Golf Club in Dubai and contains 21 rooms and The Palace – Downtown Dubai is part of The Old Town development and contains 242 rooms. On 31 December 2015, a fire incident in The Address Downtown Dubai damaged the hotel and residences in the building. The hotel is currently under restoration and is expected to re-open in 2017. Prior to the fire, The Address Downtown Dubai had an occupancy rate of 88 per cent. during 2015. The Address Dubai Mall had an occupancy rate of 87 per cent. in 2015 and an 88 per cent. occupancy rate during the six month period ended 30 June 2016. The Address Dubai Marina had an occupancy rate of 83 per cent. in 2015 and during the six month period ended 30 June 2016, and The Palace – Downtown Dubai had an occupancy rate of 82 per cent. in 2015 and a 83 per cent. occupancy rate during the six month period ended 30 June 2016.

Emaar plans to open additional The Address properties in key cities and tourist destinations in the MENA region, the Indian sub-continent, Asia, Africa, Europe and America over the next 10 years. The Address has announced its first hotel property in Egypt – The Address, Uptown Cairo, and in Turkey – The Address New

Istanbul. The Address New Istanbul is anticipated to open in 2017. The Address has also announced three new hotels in the Downtown Dubai Development: The Address The Boulevard (expected to open in 2016), The Address Sky View (expected to open in 2018) and The Address Fountain Views (expected to open in 2018). All three hotels are owned and developed by Emaar and will be managed by The Address.

VIDA Hotels and Resorts

VIDA, a wholly owned subsidiary of Emaar Hospitality, is an upscale hotel operator managing the four-star hotel brand 'VIDA' launched by Emaar in 2013 to support Dubai's Tourism Vision 2020 strategy to welcome over 20 million annual visitors by the turn of the decade. VIDA is a boutique brand that targets a new generation of business executives, entrepreneurs and leisure travellers. VIDA Downtown Dubai, the first property under the VIDA brand, is located within the Downtown Dubai Development. The hotel (formerly Qamardeen Hotel) reopened as VIDA Downtown Dubai after renovation on 16 June 2013 and has 156 rooms including suites, queen and twin rooms and disabled friendly rooms. In 2015, the hotel had an occupancy rate of 81 per cent. During the first six months of 2016, the hotel had an occupancy rate of 85 per cent.

VIDA's second property, Manzil Downtown Dubai (formerly Al Manzil), is also located within the Downtown Dubai Development. The hotel which reopened after renovation on 15 December 2014 has 197 rooms, three meeting rooms to seat up to 130 people and a 12 seater boardroom. In 2015, the hotel had an occupancy rate of 68 per cent. During the first six months of 2016, the hotel had an occupancy rate of 81 per cent. Emaar has also launched VIDA at The Hills, in Emirates Hills, which is expected to open late 2017 or early 2018 and will be managed by VIDA.

VIDA has also signed an agreement to operate a lifestyle boutique hotel and serviced residences in Town Square, the flagship development of Nshama, a private developer of integrated lifestyle communities.

Emaar plans to open or manage additional VIDA properties in key cities and tourist destinations in the MENA region, the Indian sub-continent, Asia, Europe and America over the next 10 years.

Rove Hotels

Rove Hotels is a contemporary midscale lifestyle hotel brand which targets the fast-growing segment of value-conscious leisure and business travellers, and is being developed as a joint venture of Emaar and Meraas. Rove Hotels plans to open 10 properties across central locations in Dubai and the region by 2020, starting with Rove Downtown Dubai, which opened on 4 May 2016.

Golf Courses

In some of its master planned community developments, Emaar has constructed and will continue to develop 18 hole golf courses, including the golf course at the Dubai Hills Estate development in partnership with Meraas. In the UAE, The Montgomerie in Emirates Hills and the Desert Golf Course at Arabian Ranches are two golf courses which are currently in operation. These golf courses are managed by world-renowned golf company Troon® Golf. The Montgomerie golf course was designed by Colin Montgomerie, one of the world's leading golfers, in association with Desmond Murrhead, renowned golf course architect, and Ian Baker-Finch in association with Nicklaus Design, respectively. The Montgomerie golf course was named "*Best Golf Course in the Middle East*" and the "*UAE's Best Golf Course*" at the World Golf Awards 2014.

Dubai Marina Yacht Club

The Dubai Marina Yacht Club is one of the largest private yacht clubs in the world with a purpose built clubhouse and four marinas spread over a 3.5 km man-made canal. The Dubai Marina Yacht Club also contains a range of dining options and conference facilities. The Dubai Marina is able to host over 500 yachts ranging from six to 36 metres in length.

Dubai Polo and Equestrian Club

The Dubai Polo and Equestrian Club is located near the Arabian Ranches community, and offers upscale equestrian facilities. Designed to host international events and matches, the club features over 300 stables, show jumping and dressage facilities as well as some of the best international sized fields in the world. It welcomes both players and spectators alike with services catered to both.

Hayya Community Centres and Clubs

The Hayya Community Centres and Clubs are fitness facilities which are leased to retail and fitness business operations, including the Fitness First gym brand. These are located at Meadows Village, Town Centre, Emirates Hills, Emirates Lakes and Al Manzil.

Lifestyle Dining

Lifestyle Dining is an independent restaurant division of Emaar Hospitality. Lifestyle Dining currently operates three standalone restaurants: Atmosphere Grill and Lounge located on the 122nd floor of the Burj Khalifa, Downtown Dubai Development, La Serre Bistro and Boulangerie, a French restaurant, which is located on Mohammed Bin Rashid Boulevard and Pavilion Café, one of the few venues in Dubai that features an interior 'vertical garden'. In addition, it plans to open Brick House, a Mexican street food restaurant, and The Dubai Opera Rooftop Restaurant in Downtown Dubai to provide dining options in exclusive venues like the Dubai Opera.

Armani Hotels and Resorts

Emaar Hotels and Resorts LLC, a wholly owned subsidiary of Emaar, has been established specifically to own, develop and operate the luxury Armani hotels being developed by Emaar in collaboration with Giorgio Armani S.p.A.

The first Armani Hotel opened in April 2010 in the Burj Khalifa in the Downtown Dubai Development with 160 suites, restaurants and a spa covering 40,000 square metres, all designed by Giorgio Armani. In addition, the Burj Khalifa also contains the first Armani residential apartments. The second Armani Hotel, Armani Hotel Milano, opened on 10 November 2011. It is situated in the Manzoni 31 building, in Quadrilatero della Moda, Milan, Italy. It contains 31 suites, 64 rooms, a restaurant and a spa.

Dubai World Central

Emaar signed a definitive joint development agreement with Dubai World Central (**DWC**) in June 2015 to develop an integrated golf-led mixed-use community in a prime location at Dubai World Central, the home to Expo 2020 and the Al Maktoum International Airport (AMIA). The development, which will take approximately 15 years to complete, is spread over an area of 6.7 million square metres and will comprise, once fully completed, an 18 hole championship golf-course centred community with villas, townhouses, apartments, hotels, retail outlets and communal facilities.

Dubai World Trade Centre

Emaar signed a definitive joint venture agreement with Dubai World Trade Centre in November 2014 to develop a mixed-use development in a prime location adjoining the Expo 2020 site in DWC. The development, which will take approximately 15 years to complete, will have a built-up area of 400,000 square metres and will comprise a super regional mall, a three-star hotel, serviced apartments and residential units. An RTA metro extension into the site is also planned to boost connectivity to this development.

Financial Services

Amlak Finance

In April 2000, Emaar launched Amlak as a wholly owned subsidiary to provide consumers with long-term financing when purchasing Emaar properties (a service not provided for at the time in Dubai). Following an IPO in January 2004, Emaar currently owns 48.08 per cent. of Amlak Finance. Amlak was the first financial institution to offer mortgages in the UAE and subsequently converted into an Islamic financial institution to offer *Sharia* (Islamic law) compliant home financing solutions.

In 2009, Amlak commenced a financial and debt restructuring process with its creditors under the supervision and guidance of a steering committee established by the UAE cabinet under the chair of the Ministry of Economy with representatives from other federal regulatory bodies. Various creditors of Amlak, including Emaar, held discussions with the steering committee offering suggestions regarding the possible options to secure sustainable funding to enable Amlak to continue to meet its commitments, to restructure Amlak's existing facilities and to stabilise its position. As a result, Amlak was suspended from trading on the DFM in November 2008. However, on 25 November 2014, a U.S.$2.7 billion deal was reached to restructure the debt and finances of Amlak. Subsequent to the restructuring, and after obtaining approval from regulatory authorities, trading in Amlak's shares resumed on 2 June 2015 on the Dubai Financial Market.

The market value of the shares Emaar held in Amlak as at 16 August 2016 was AED1,016.97 million.

Other Material Subsidiaries and Associates

Mirage Leisure and Development Inc. (**MLD**)

On 1 October 2015, Emaar acquired a 65 per cent. interest in MLD. MLD was incorporated in 1997 and its principal business activity is rendering development management services, primarily in the UAE. Currently, MLD's projects under progress include the Dubai Opera House, Madinat Jumeirah, Bluewaters Island, Media City, Dubai Creek Harbour and Deira Waterfront.

Emrill Services LLC (**Emrill Services*****)***

Emrill Services was formed in 2002 as a 51:49 per cent. joint venture between Emaar and Carillion PLC, one of the UK's largest construction companies. Emrill Services was formed to provide facilities management services to Emaar and other property development companies in Dubai and throughout the MENASA region and the Indian sub-continent. The services provided by Emrill Services include cleaning, security, pest control, waste management, mechanical, electrical and air conditioning maintenance and plumbing.

In November 2006, Emaar sold a 17.67 per cent. stake in Emrill Services to Al Futtaim Group for U.S.$1.9 million (AED 6.9 million). As at the date of this Base Prospectus, Emaar holds 33.33 per cent. of the shares in Emrill Services.

Turner International Middle East Ltd

In July 2006, Emaar and Turner Corporation, a leading building services provider, announced their investment in a newly formed entity, Turner International Middle East Ltd (**Turner International ME**), to jointly tap regional growth opportunities. Turner International ME is headquartered in Dubai and focuses on project and construction management in the MENA region. Emaar's stake in Turner International ME is 56 per cent. with Turner International Industries Inc. (**Turner**) and Turner management holding the remaining 44 per cent. Turner continues to own certain intellectual property rights and the exclusive rights to the Turner trademark, provides manpower support and training and participates in key decisions in respect of Turner International ME.

Emaar Industries and Investments Pvt. JSC (**Emaar Industries and Investments*****)***

Emaar Industries and Investments, a private joint stock company, was established in August 2005 to capitalise on the growth prospects of the technology and manufacturing sectors in the MENASA region. On incorporation, 50 per cent. of the shares of Emaar Industries and Investments were held by Emaar and the remaining shares were held by other investors throughout the GCC region. Emaar currently holds 40 per cent. of the shares in Emaar Industries and Investments having previously sold a 10 per cent. stake to Amlak Finance (who subsequently sold the stake to Zabeel Investments).

Competition

Dubai and the UAE

Emaar currently competes in Dubai with other major Dubai based property development companies including:

- Nakheel PJSC (**Nakheel**) – a private joint stock company established in 2003. Its main developments include the Palm Islands, the Dubai Waterfront, International City and The World. As in the case of Emaar, Nakheel was gifted its land bank in Dubai by the Government. It has also developed a broad portfolio of projects in Dubai across a range of sectors – residential, commercial, retail and leisure. Nakheel is currently owned directly by the UAE Government. Nakheel (along with Dubai World) had to restructure its debt obligations as a result of the global financial crisis.
- Dubai Properties LLC (**Dubai Properties**) – a limited liability company established in 2004. It is part of the Dubai Holding Group (an umbrella organisation owned by the Government). Its main developments include Culture Village, Business Bay, the Jumeirah Beach Residences and Remraam. As in the case of Emaar, Dubai Properties was gifted its land bank in Dubai by the Government.

- Deyaar Development PJSC (**Deyaar**) – a public joint stock company established in 2002 and floated as a public joint stock company in 2007. It has residential and commercial developments in Business Bay, Marina, Al Barsha, DIFC, Jumeirah Lake Towers, International Media Production Zone, Dubai Silicon Oasis and Barsha Heights (formerly known as TECOM) as well as operations in Lebanon and Turkey, the United States and the United Kingdom. In addition to property development, it also provides property management, facilities management and owners' association management services.
- Union Properties PJSC (**Union Properties**) – a public joint stock company established in 1987 and floated as a public joint stock company in 1993, which is part of the Emirates Bank Group. It has completed a variety of different projects ranging from commercial, residential and leisure developments from high-rise towers to multi-use complexes, hotels and theme parks in the UAE. Projects include the Green Community, Uptown Mirdiff and Motor City.
- Majid Al Futtaim Properties LLC (**MAF**) – a competitor of Emaar in the malls sector, MAF is a part of the MAF Holding Group. It operates shopping malls, hospitality and residential and commercial properties businesses. Its mall portfolio comprises (amongst others) the Mall of the Emirates, Mirdiff City Centre, Shindaga City Centre and Deira City Centre in Dubai, Sharjah City Centre in Sharjah, Ajman City Centre in Ajman and Fujairah City Centre in Fujairah. In addition to its portfolio of operating shopping malls, MAF has an additional 16 development and seven redevelopment or expansion projects at planning or construction stage. The new projects include new malls in the UAE, Egypt, Oman and the Kingdom of Saudi Arabia.
- Jumeirah International LLC (**JIL**) – a competitor of Emaar in the hospitality sector, JIL was founded in 1997 and has been operating as a subsidiary of Dubai Holding LLC since 2004. JIL operates its own brand of luxury hotels and resorts in the Middle East, Europe and Asia. Additionally, JIL manages and operates luxury serviced residences in Dubai and London. Its UAE portfolio comprises the seven star Burj Al Arab Jumeirah and six other five-star hotels and resorts in Dubai, and a five-star hotel and a luxury serviced residence in Abu Dhabi. Its international portfolio includes five-star hotels in London, Baku, Istanbul, Bodrum, Frankfurt, Kuwait City, Mallorca, the Maldives and Shanghai. In addition to opening the 430-room Jumeirah Al Naseem in Dubai, the group has plans to open hotels in Jordan, Oman, China (including Macau) and Russia. JIL also owns the Wild Wadi waterpark in Dubai and the Jumeirah Emirates Towers office building.
- Meraas Holding LLC (**Meraas Holding**) – a limited liability company established in 2007 in Dubai, Meraas Holding is a Dubai-based diversified holding company with a portfolio of investments in tourism, leisure, real estate development and asset management. Meraas Holding's completed and ongoing developments include Blue Waters, the largest Ferris wheel in the world, the Pearl Jumeira luxury residences and Citywalk, an outdoor retail destination in Dubai. The company is currently constructing a Bollywood theme park and the first Legoland theme park in the Middle East.
- Damac Properties Dubai Co. PJSC (**Damac**) - a limited liability company established in 2002 in Dubai, Damac is a developer of high-end property in the Middle East and North Africa region. Damac operates primarily in the residential real estate sector but has developed a number of commercial and mixed-use properties in the UAE. The company operates apartments and villas that are co-branded with premium luxury brands such as Fendi Casa, Versace Home and Paramount Hotels and Resorts. Damac's completed developments include Park Towers, Ocean Heights and Marina Terrace in Dubai and Marina Bay and Ocean Scape in Abu Dhabi. The company is also present in Jordan, Lebanon, Qatar, Saudi Arabia and North Africa.
- Danube Building Materials FZCO (**Danube**) - a limited liability company established in 1993 in Dubai, Danube is one of the largest building materials companies and offers more than 25,000 products and value added services. Danube has been involved with many projects across the UAE and other GCC countries, such as Burj Al Arab, Shangri-La Hotel, Grand Hyatt, Burj Khalifa and Dubai International Airport.
- Ibis Hotels (**Ibis**) - a brand of hotels within the AccorHotels group, Ibis has a number of hotels within Dubai and the Middle East. The hotels are operated through franchises and the chain is expected to expand within Dubai, particularly to cater for a lower budget market.

This competition principally takes the form of competing for purchasers of residential property, tenants in retail properties and guests in its resort and hotel developments. In addition, if Emaar undertakes other developments in Dubai, it may also need to compete for the land on which the developments are to be located.

Emaar also competes with other already established and to be established retail outlets and hotels. Dubai continues to be the most desirable destination in the Middle East and the preferred choice for hotel operators, which is demonstrated by an influx of new hotel openings during 2015. Over the next five years, the hotel supply is expected to grow at a compound annual growth rate (**CAGR**) of 4.3 per cent., increasing the supply from 77,200 to 102,300 rooms. Due to strong market fundamentals as the hotel markets mature in Dubai, the demand is expected to also continue to grow at a CAGR of approximately 3.2 per cent. during this period (see also "*Recent Developments in the Dubai Real Estate, Retail and Hotel Markets – Hotel sector*" below).

Furthermore, recent mergers and acquisitions activity in the hotel sector has led to consolidated groups acquiring substantial market shares. According to the "*Dubai Real Estate Market Overview – Q1 2016 report*" (the **Q1 2016 report**) published by Jones Lang LaSalle (**JLL**), the acquisition of FRHI Holdings by Accor Hotels (**Accor**) in 2015 will result in Accor's operations amounting to between 7 and 8 per cent. of hotel supply in the Middle East and North Africa region. Similarly, the merger of Marriott and Starwood brands (expected this year) could result in the consolidated group making up 15 per cent. of hotel supply in the Dubai market. Emaar continues to provide different product offerings to compete with such brands including its own range of brands which cover each customer category, from budget to super luxury. Emaar's portfolio of hotel brands includes the Armani Hotels, The Address, VIDA Hotels and Resorts and Rove Hotels (developed by a joint venture between Emaar Hospitality and Meraas, see "*Hospitality – Rove Hotels*" above).

For a description of the latest developments in the Dubai real estate, retail and hotel markets, see "*Recent Developments in the Dubai Real Estate, Retail and Hotel Markets*" below.

Outside Dubai, Emaar has undertaken only limited property development activities in the UAE, its major such development being Umm Al Quwain Marina. To the extent that Emaar seeks to expand its activities within the rest of the UAE, Emaar anticipates that it will face competition from major property developers based in Dubai and the other Emirates, although such expansion is not its current focus (see "*Strategy*").

International

Emaar competes with other locally based and, to an extent, international property developers in each jurisdiction in which it carries on development activity. Emaar believes, however, that as a result of a number of factors it is well placed to face this competition (see "*Competitive Strengths*").

Contractors and Suppliers

Emaar enters into a variety of contractor and supplier contracts for the purposes of the design and construction of its projects. Emaar has a set of 'standard conditions of contract' which have been developed over a number of years.

Emaar ordinarily makes progress payments to its contractors. Contractors issue an invoice on completion of each defined stage of work under the contract. These invoices are certified and approved by an external consultant, the project director and by Emaar's executive management team. A retention payment, generally between five and 10 per cent. of the total contract value, is deducted against each progress payment and is held by Emaar until the final payment is due to be made.

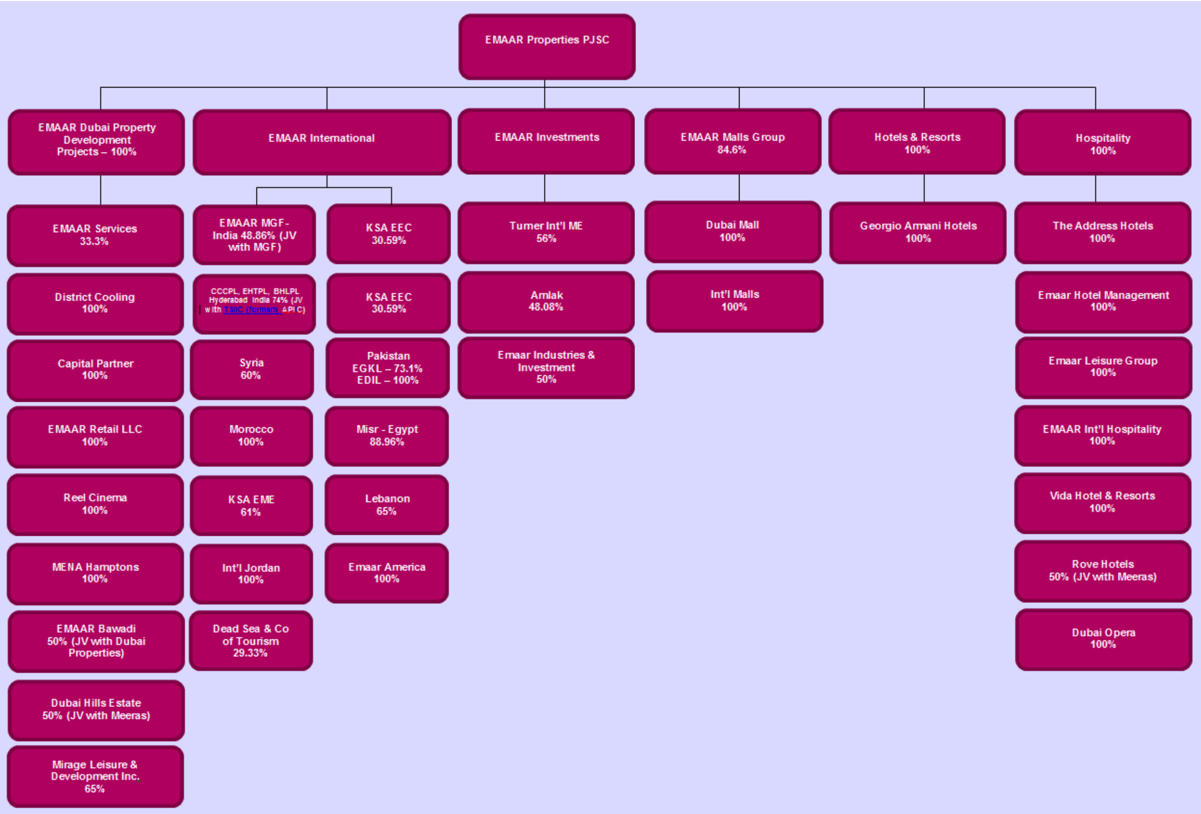
The final payment, including the retention, is only made to contractors after: (i) the contractor's notification of completion is received and verified; (ii) the final inspection by Emaar's consultants and project director to establish completion is finished; (iii) a taking over certificate (**TOC**) is issued, which allows some issues to be addressed and incomplete works to be carried out later within a defined time limit, and a defects liability certificate (**DLC**) is issued, which confirms a contractor's responsibility for defects identified within a defined period; and (iv) payment is approved by an external consultant, the project director and by Emaar's executive management.

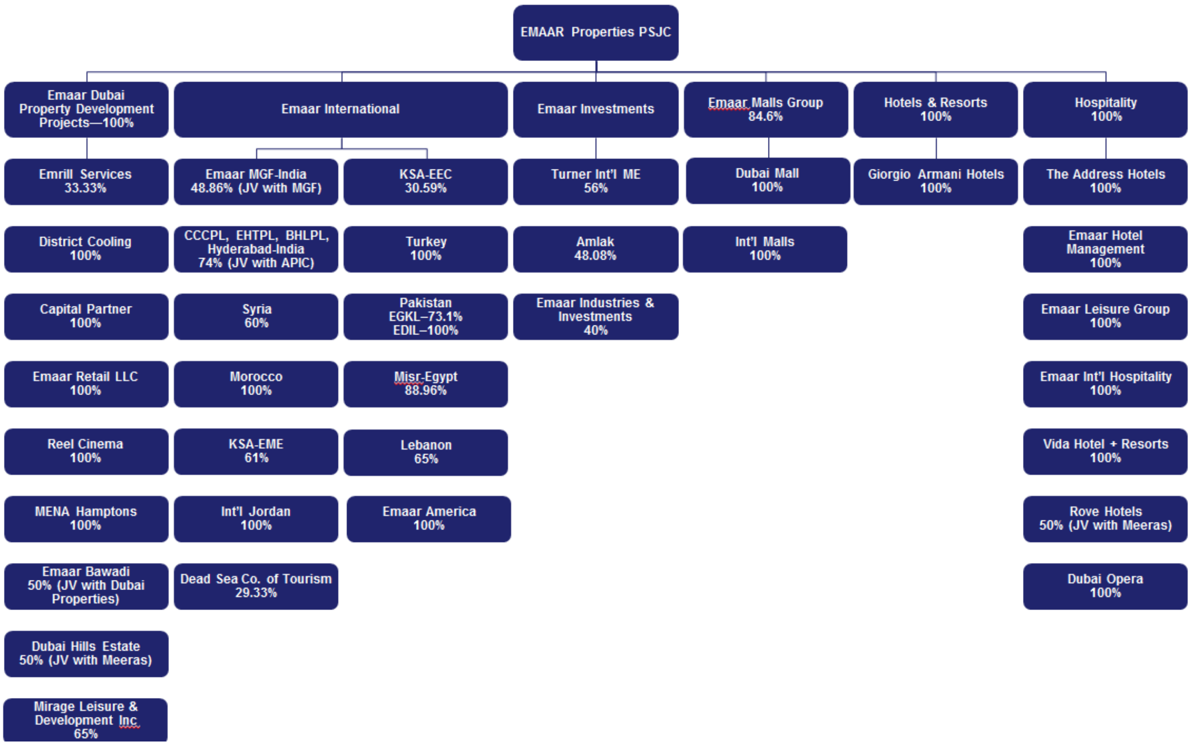
The retention amount due is then paid by Emaar within three months of the issuance of the TOC and DLC. The terms of Emaar's standard conditions of contract are based on those recommended by internationally recognised trade bodies such as the International Federation of Consulting Engineers, Joint Contracts Tribunal and the New

Engineering Contract. These contracts are amended to take into account local law and conditions and project specific requirements.

Group Structure

Emaar has over 150 subsidiaries which have been established for the purpose of managing and maintaining individual project developments and to facilitate Emaar's expansion into international markets. In addition, Emaar has formed strategic partnerships with associated companies and entered into a number of joint ventures. Emaar's principal subsidiaries, joint ventures and associates are shown by business segment in the Group structure table below.





Health and Safety

Emaar appoints a supervision consultant to monitor the progress of construction and the implementation of local municipality and international health and safety guidelines and regulations in each of its projects. The supervision consultant hires a health and safety officer and works with the project manager.

For each project, Emaar also appoints a project manager to inspect both the physical conditions on the site, such as personal protective equipment, work heights and confined spaces, and procedural issues such as certification, fire and first aid procedures and training registers. The Emaar project manager is empowered to give authority to the appointed health and safety officer to issue reports, stop work and impose fines should policies not be followed. The health and safety officer also tracks and reports monthly key performance indicators on the project such as number of workers, lost days, first aid and accidents. In some cases, where no health and safety officer is appointed by the supervision consultant Emaar hires an external health and safety consultant to perform this task and report directly to the Emaar project manager. Emaar always seeks to ensure compliance with all local municipality and international health and safety guidelines and regulations.

Environment

Emaar believes that its properties are in material compliance with all applicable environmental laws and regulations. Emaar's environmental policy adheres to strict operating guidelines to limit the impact to the eco-systems in which it operates. Emaar ensures that its employees, contractors, suppliers and communities are educated and made aware of the impact their activities could have on the surrounding environment. Emaar works in line with the 'green vision' of the UAE, working towards strengthening awareness on a greener lifestyle through energy and water efficiency.

Emaar has effected a number of environmental initiatives, in particular:

(a) In 2013, Emaar launched an energy efficiency drive, which included initiatives such as replacing normal lights with LED lights and modification of mall entrances. As a result, Emaar successfully reduced the aggregate cost of the energy supply to its properties by 15 per cent.

(b) In 2010, The Palace, Downtown Dubai was awarded the Green Globe Certification (a regional first), certifying the hotel as sustainable and environmentally friendly.

(c) On 13 November 2007, Emaar was successfully accredited with the International Organisation for Standardisation (**ISO**) 14001:2004 certification for adherence to both quality and environmental management processes. With the ISO 14001:2004 certification, Emaar has underscored its commitment to the "green buildings" initiative of the Government to create energy efficient residential and commercial buildings that support development.

(d) In 2006, Emaar formed a recycling initiative called Earth Watch. The Emirates Green Building Council has set up a UAE Local Economic and Employment Development (**LEED**) programme. Most of Emaar's projects are LEED compliant projects, which means they meet the Government's highest green building and performance measures. LEED Certification demonstrates that a building is environmentally responsible, profitable and a healthy place to live and work. There are both environmental and financial benefits attached with LEED compliant projects.

Insurance

Emaar requires its contractors to provide insurance cover including workman's compensation, motor vehicles insurance, insurance for plant and contractor's equipment and, if applicable, marine insurance for goods transported to each project.

Emaar purchases contractors all risks (**CAR**) insurance for each project during the construction phase. The policy covers the contractor and relevant sub-contractors as well as the principal for the full value of the contract. CAR insurance covers loss or damage to the contract works and the liability of the contractor/principal to third parties. The policy commences from the inception date of the contract and is valid until completion of construction and handing over of the project to Emaar. Once the project is handed over by the contractor, the CAR insurance expires. Subsequently it forms part of Emaar's assets and is insured under Emaar's Annual Property Insurance Program.

Emaar's corporate insurance programme is comprehensive and robust. Managed by a dedicated in-house insurance team and in partnership with the best industry resources, Emaar's insurance team endeavour to keep the insurance programme aligned and updated, on an ongoing basis, in accordance with the latest insurance solutions available in the global insurance market.

Emaar also has in place business interruption and loss of profit insurance in respect of its Dubai operations. In addition, Emaar has purchased directors and officers liability insurance and requires all of its consultants to carry professional indemnity insurance according to the best available market standards. Emaar has also purchased a security and privacy protection insurance policy to protect against cyber security risks.

Emaar has initiated the insurance claim process in relation to the fire incident at The Address Hotel Downtown Dubai (see – "*Hospitality – The Address Hotels and Resorts*"). Upon acknowledgement and acceptance of the claim by the insurance company, an offsetting insurance receivable and corresponding income will be recorded in the books in the subsequent periods.

Intellectual Property

Emaar has registered or applied for the registration of the trademarks and service marks of all of its current projects as well as the Emaar word and logo both in the UAE and, where appropriate, internationally. In particular, Emaar successfully obtained the trademark "*Burj Khalifa*" in March 2015. Emaar intends to file trade mark applications for any future projects (if capable of registration) as they occur.

Information Technology

Emaar seeks to ensure that its information technology (**IT**) systems and software meet the requirements of its business, are effectively maintained and are kept up to date. Emaar has an online document management system which is available 24 hours a day seven days a week. In addition, Emaar continues to expand its current IT systems to improve operational efficiency and to enrich customers' online experience. In the long term, Emaar aims to integrate all operating systems operated by each business segment and centralise its enterprise resource planning system. Emaar's in house IT team is responsible for IT support and maintenance. The IT team has deployed systems for managing customer feedback, analyses, reports and solutions on data mobility and cloud storage, keeping pace with Emaar's current business needs and technology trends.

Emaar has in place a disaster recovery system including back-ups which are collected daily and stored in an offsite data warehousing facility. Emaar's document management system is also intended to enable it to recover data in a disaster scenario as it can be remotely accessed through the internet.

Litigation

During the first six months of 2016, a consortium of contractors for one of Emaar's projects in Dubai filed an arbitration claim with the International Chamber of Commerce for an amount of AED3.4 billion. As at the date of this Base Prospectus, neither the claim nor Emaar's counterclaims have been particularised and no tribunal has been appointed. Emaar's former joint venture, Emaar MGF, is also involved in a legal dispute with the Delhi Development Authority. See "*Risk Factors—Legal disputes relating to Emaar MGF's Public-Private Partnership with the Delhi Development Authority for the Commonwealth Games Village residential project may have an unfavourable outcome and negative reputational consequences for Emaar*" for more details.

Recent Developments in the Dubai Real Estate, Retail and Hotel Markets

Residential sector

According to the JLL's H1 2016 report, the overall residential market in Dubai is seeing a negative trend, with sales and rental indexes declining. However, the rate of decline has reduced and, according to JLL's "*Dubai Real Estate Market Overview – Q2 2016 report*" (the **Q2 2016 report** and, together with the Q1 2016 report, the **2016 reports**), sale and rental indexes have remained largely unchanged over the second quarter of 2016) suggesting the Dubai residential market is approaching the bottom of its cycle.

JLL note that the general REIDIN sales index recorded a drop of 10 per cent. year-on-year in the first quarter of 2016, while the general REIDIN rental index declined at a slower rate of five per cent. Villa sale prices declined by 11 per cent. (year-on-year) in the first quarter of 2016, compared to apartment sale prices which declined by 10 per cent. in the same period. In the second quarter of 2016, prices declined at a slower rate (year-on-year), with villa sale prices declining by 6 per cent. and apartment sale prices declining by five per cent. The Q1 2016 report highlights that this downturn in rental and sales indexes results from a number of factors including: (i) the strengthening of the U.S. dollar, making UAE property more expensive for many overseas investors; (ii) lower oil prices, which have led to a fall in purchasing power of regional investors. More recently (according to JLL's Q2 2016 report), negative market perception and uncertainty resulting from Brexit may slow recovery in the residential sector. Similar trends were recorded by JLL in 2015 ("*The UAE Real Estate Market – 2015: A Year in Review*", the **2015 report**) with sale prices falling 13 per cent. and 11 per cent. for apartments and villas, respectively, and general REIDIN rental index declining by three per cent. and four per cent. for apartments and villas, respectively.

Following a rapid increase of residential rents and prices between 2012 and 2014, the Q1 2016 report notes that the market has now clearly stabilised, catering to end-user investors rather than speculative investors. A number of new projects, due for completion in coming years, are expected to have a positive impact on the residential sector. For example, the Al Habtoor City project (part of the Dubai Canal project), which will allow foreign investors to purchase property on the Sheikh Zayed Road for the first time (expected to complete in Q4 2017) and the Serena project (within Dubai Land, by Dubai Properties) and the Glamz project (within Jebel Ali, by Danube Properties), both of which will increase supply to the affordable sector of the residential sector. The first phase of the Serena project is expected to complete before the end of 2018 and the Glamz project is expected to be completed in September 2018.

Office sector

According to JLL (2016 reports), there has been new office supply entering the market over the first half of the year, amounting to 38,400 square metres of office gross leasable area in the first quarter of 2016 and a further 30,000 square metres of office gross leasable area in the second quarter of 2016. Rents in the Central Business District and prime areas remained relatively stable, with an increase of three per cent. year-on-year (AED 1,930 per square metres in Q1 2016 compared to AED 1,880 per square metres in Q1 2015) in the first quarter of 2016. This increase is due to strong demand for these areas, which continued through the first quarter of 2016 (with average rental rates of 1,922 per square metres). A decline in vacancy rate within the Central Business District was recorded in the first quarter of 2016 (17 per cent. compared to 23 per cent. recorded in the first quarter of 2015) and the second quarter of 2016 (16 per cent. compared to 23 per cent. recorded in the second quarter of 2015). JLL expects an increased demand for purpose built developments rather than office towers.

During 2015 (according to JLL's 2015 report), the rental value of buildings in secondary locations continued to decline due to the large proportion of new supply and weak tenant demand that further exacerbated the supply-demand imbalance and the two tier nature of the Dubai office market. This trend continued in the first quarter of 2016, as tenants chose to upgrade to better quality buildings. However, according to JLL (Q2 2016 report), the Dubai Design District is becoming a more desirable destination, attracting headquarters of top retail names such as the Jumeirah Group. As a result, asking rents have increased by approximately 40 per cent. in the second quarter of 2016.

Recently, consolidation of operations rather than expansion remains a key focus for commercial entities and therefore commercial activity is slower. However, according to JLL's Q1 2016 report, the opening of the Iranian market should create increased activity in the market over the coming months, as multinational companies seeking to do business in Iran use Dubai as a hub for operation. In addition, according to JLL's Q2 report, Dubai remains the largest and most active office market in the MENA region and the regional hub for many businesses.

Retail sector

The average city-wide rent remained stable in the first half of 2016. According to JLL, this is a result of increasing retail supply (three new shopping malls were added over the second quarter of 2016), the slowing rate of increased spending (in particular, by tourists from neighbouring GCC states) and a decline in trade during the first quarter of 2016, due to the strengthening U.S. dollar and lower oil prices. However, the retail market is becoming increasingly "two-tiered". New projects are entering the market, giving retailers greater choice, crowding out smaller and mid-sized tenants who are forced to consider more secondary locations with lower levels of turnover and footfall. According to JLL, Dubai attracted 14.2 million tourists during 2015, which is positive for the retail market. However, JLL (Q2 2016 report) notes that Brexit may delay real estate commitments and the devaluation of the British pound and the proposed introduction of VAT in 2018 (see "*Risk Factors — Risk relating to emerging markets — The UAE may introduce value added tax and/or corporate tax*") may result in a decline in tourism (and therefore spending).

Hotel sector

According to JLL (2015 report and Q2 2016 report), the occupancy levels in the city-wide hotel sector remained healthy in 2015, at 77 per cent. during January to October 2015 and 83 per cent. for the first five months of 2016 (maintaining the occupancy rate recorded for the same period in 2015). While occupancies remained healthy in 2015, average room rates decreased by seven per cent. from January to October 2015. Average daily rates decreased by approximately 13 per cent. during the first five months of 2016 compared to the same period in 2015, due to increased competition between hotels and the strong U.S. dollar.

According to JLL's Q1 2016 report, over the next five years, the hotel supply is expected to increase at 6.3 per cent. CAGR, increasing the supply from 98,000 to 140,000 rooms. Due to strong market fundamentals as the hotel markets mature in Dubai, the demand is expected to also continue to grow at approximately 4.8 per cent. CAGR during this period. According to JLL's Q2 2016 report, supply increased by 4,900 rooms during the first half of 2016. The openings in the first half of 2016 included Hilton Garden Inn Mall of the Emirates, Ibis Styles, W Al Habtoor, Rove Hotel Downtown and Wyndham Marina. About 12,300 additional guest rooms are expected to be completed by the end of 2017 (JLL Q2 2016 report).

According to JLL (Q1 2016 report), this increased supply is expected to reduce average room rates. However, a number of major new projects, including the opening of new attractions, such as new theme parks in 2016, and increasing investment in tourism infrastructure are expected to support demand, which could impact the rate of decline in average room rates.

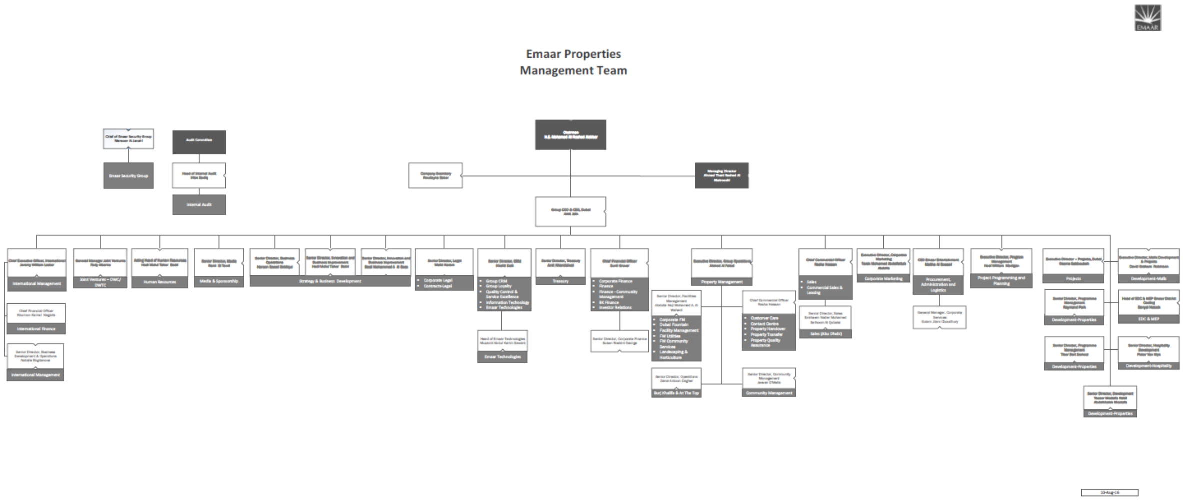
JLL (Q1 2016 report) notes a recent trend in consolidations, such as the acquisition of FRHI Holdings by Accor, giving Accor 17 luxury hotels in the MENA region, and the announced merger of the Marriott and Starwood brands. In each case, the resulting consolidated groups will own a significant market share. However, new brands and mid-market hotels have also been introduced to provide different product offerings and to compete effectively, for example, the Rove and Ibis hotels (see "*Competition – Dubai and the UAE*" above). JLL (Q2

2016 report) notes that this midscale offering is likely to soften the decrease in occupancy rates and result in continued falls in average room rates.

ORGANISATION, DIRECTORS, MANAGEMENT AND EMPLOYEES

Organisation

The organisational structure of Emaar is set out below:



Directors and Management

Board of Directors

Certain members of the Board, their families and companies of which they are principal owners, or of which they are employees, have dealings with Emaar in the ordinary course of business. To the extent that any member of the Board or the senior executive management of Emaar have any dealings with any shareholders, customers or suppliers of Emaar, the transactions with such parties are made at arm's length and on substantially the same terms as those prevailing at the same time for comparable transactions with unrelated parties.

Except as disclosed in this paragraph and the relevant biographies below, as at the date of this Base Prospectus, no member of the Board has any actual or potential conflict of interest between his duties to Emaar and his private interests and/or other duties. Each of the Directors of Emaar named in the table below has outside interests in entities other than Emaar, including employment and/or directorships with third parties (as set out underneath their names in the paragraphs below). As the Directors of Emaar are involved in Emaar's decision making process and have knowledge of Emaar's products and services, including the commercial terms thereof, a potential conflict of interest may arise should there be competing interests between Emaar and the other relevant entity of which such a director holds directorships or senior management positions. However, Emaar has established robust internal procedures to deal with any such potential conflict, including the relevant Director being excluded from voting at board meetings on issues which relate to the relevant Director's and/or other connected entity's dealings with Emaar.

Under the Commercial Companies Law, all directors are liable to Emaar, its shareholders and third parties for any acts of fraud, misuse of powers, violation of laws, violation of its Articles of Association or for mismanagement. Emaar has several internal policies to prevent misuse of powers by its directors and to protect its shareholders, including a policy against insider trading, a disclosure policy for board directors and executive management and a shareholders' rights policy. In addition, the Nomination and Remuneration Committee and the Audit Committee (each as described below) carry out extra checks and balances on the actions of the directors and executive management and detailed procedures are also in place for internal approvals. Emaar is required to submit an annual corporate governance report to the Securities and Commodities Authority, which discloses all operations and related party transactions.

The business address of each of the directors is Emaar Business Park, Building 3, Level 6, PO Box 9440, Dubai, UAE.

The members of the Board are as follows:

Name	Position
Mohamed Ali Alabbar	Chairman
Hussain Al Qemzi	Vice Chairman
Ahmed Jawa	Director
Jamal Bin Thaniah	Director
Ahmad Al Matrooshi	Managing Director
Marwan Abedin	Director
Jamal Al Marri	Director
Arif Al Dehail	Director
Abdul Rahman Al Hareb	Director
Abdulla Belyoahah	Director

Mohamed Ali Rashed Alabbar – Chairman

Mr. Alabbar is a founding member and has been the Chairman of Emaar Properties PJSC since its inception in July, 1997. He is also a member of the Investment Committee. Mr. Alabbar is also the chairman of the Bahrain based Al Salam Bank, an Islamic bank with operations across the MENA region. He runs 60 global companies beneath the Emaar banner, spanning global real estate, health and services.

Mr. Alabbar is currently spearheading Emaar's growth strategy of global expansion and business segmentation into prime real estate development, malls, leisure and hospitality. Mr. Alabbar heads Emaar's joint venture with Giorgio Armani to set up the Armani-branded luxury hotel and resort chain in key international destinations.

Mr. Alabbar is a board member of Eagle Hills, an Abu Dhabi-based investment and real estate development company that funds and develops large-scale projects in high-growth international markets. He sits on the board of Noor Investment Group, an affiliate of Dubai Group, the leading diversified financial company of Dubai Holding. He is also a member of the Dubai World Expo 2020 Preparatory Committee. Mr. Alabbar was the founding Director General of the Dubai Department of Economic Development (DED), and served as a member of the Dubai Executive Council and Dubai Economic Council.

Mr. Alabbar is a graduate in Finance and Business Administration from Seattle University and was awarded an honorary doctoral degree in Humanities from Seattle University in recognition of his notable achievements in business, economic development and public service in Dubai and throughout the Middle East region. Mr. Alabbar was also chosen to be among the first 100 influential leaders by the AACSB International, the global accrediting body and membership association for business schools.

Arabian Business, the leading regional business magazine, ranked him second in its 2014 list of the "World's 100 Most Powerful Arabs – Leaders". Mr. Alabbar was also awarded the "Lifetime Achievement Award" at the Gulf Business Industry Awards in 2014.

Hussain Al Qemzi – Vice Chairman

Mr. Al Qemzi, a Non-Executive Director, was appointed to the Board as Vice Chairman of Emaar on 8 March 2006. He is also a member of the Investment Committee.

Mr. Al Qemzi has over 32 years' experience working with leading banks in the UAE and currently holds the position of CEO at Noor Banking Group PJSC. He is currently on the board of the Emirates Institute for Banking and Financial Studies, Emirates Media Inc., Awqaf and Minor Affairs Foundation and the DIFC. Mr. Al Qemzi was formerly CEO of Sharjah Islamic Bank and chief operating officer of the DIFC and credited with laying the ground for this financial centre. Mr. Al Qemzi is a member of the Board of Directors of the DIFC Supreme Council and DIFC Authority.

Mr. Al Qemzi graduated from the Faculty of Commerce, Economics and Political Science, Kuwait University and holds a bachelors degree in commerce (Administrative Sciences: Organisation and Personnel).

Ahmed Jawa – Director

Mr. Jawa, a Non-Executive Director, was appointed to the Board on 8 March 2006. He is the Chairman of the Investment Committee and a member of the Nomination and Remuneration Committee.

Mr. Jawa is a board member of Emaar, The Economic City, a member of its Executive Committee and Chairman of its Nomination and Remuneration Committee, a company listed on the Saudi Arabian stock exchange, and involved in the development of the Middle East's largest private sector project – King Abdullah Economic City. He is a board member of Emaar Turkey and serves on the board of Emaar MGF India.

Mr. Jawa is president, CEO and a board member of Starling Holding Ltd, a global investment group that deals with private equity and direct investments world-wide. Mr. Jawa is also president of Contracting and Trading Company, a Saudi Arabian firm that oversees investment opportunities and options in the GCC region and the Middle East. Mr. Jawa is a member of the board and the Executive Committee of Al Salam Bank, a Bahraini publicly traded Islamic bank. He is also a board member of RAK Petroleum, an oil exploration company partly owned by the Ras Al Khaimah Government.

Mr. Jawa was formerly Chairman of Disney – JAWA Enterprises (Middle East) Limited, which introduced a range of Walt Disney licensed products to the Middle East markets and Stallions Home Video LLC, a video distribution company in the Middle East. Mr. Jawa also previously served on the boards of the Novapark Swiss Hotel Group; Mirapolice, an entertainment company that builds theme parks in France; and Tricon Group, a United States based securities trading firm.

He graduated in Business Administration and has a Master of Business Administration from the University of San Francisco.

Jamal Al Marri – Director

Mr. Al Marri, a Non-Executive Director, was appointed to the Board in 24 April 2013 and is also a member of the Nomination and Remuneration Committee.

He is the Executive Director of Central Accounts at the Department of Finance of the Government of Dubai and a member of the Professional Communication Corporation "Nedaa". He also serves as a board member and Chairman of the Audit Committee of Imdaad, a subsidiary of Dubai World. Given the nature of the businesses operated by Dubai World (for example, Istithmar's investment portfolio, see "*Jamal Bin Theniyah — Director*" below), he is potentially conflicted).

Mr. Al Marri worked for 10 years in various positions at Emirates General Petroleum Corporation (Emarat) and served as Chairman of the Tender Committee. In 2006, he joined the Department of Finance at H.H. The Ruler's Court in Dubai where he held several positions. In 2010, he headed the Dubai Government's Finance Team. He has also served as representative of the Government of Dubai to the Restructuring Committee of Amlak Finance (and is therefore potentially conflicted).

Mr. Al Marri is a graduate in Business Administration (Finance and Banking) from the College of Business and Economics (CBE) at the United Arab Emirates University (UAEU).

Jamal Bin Thaniah – Director

Mr. Thaniah, a Non-Executive Director, was appointed to the Board on 23 April 2012. He is the Chairman of the Audit Committee.

Mr. Thaniah has served as a Director and Vice Chairman of DP World since 30 May 2007 and became a Non-Executive Director on 27 October 2009. He joined Dubai Ports in 1981 and, from 2001, led Dubai Ports Authority. He is the Group Chief Executive Director of Port & Free Zone World, and in this role he oversees P&O Ferries and Economic Zones World, which includes Jebel Ali Free Zone. He also serves as Vice Chairman of Istithmar World Holdings LLC and Istithmar World PJSC and as a Non-Executive Director of Etihad Rail (Abu Dhabi). Given the nature of Istithmar's investment portfolio (which includes hospitality (Atlantis, the Palm), retail and real estate), he is potentially conflicted.

Mr. Thaniah holds a bachelors degree in General Management from the Faculty of Administrative and Political Science of the UAE University.

Ahmad Al Matrooshi – Managing Director

Mr. Al Matrooshi, an Executive Director, was appointed to the Board on 8 March 2006. As Managing Director at Emaar, Mr. Al Matrooshi oversees the day to day operations of Emaar.

Mr. Al Matrooshi is also a member of a number of organisations including Dubai Investment Park. Prior to joining Emaar, Mr. Al Matrooshi held the position of CEO at the government run Dubai Development Board for almost a decade. Before that, he spent 14 years as Deputy Director of the Dubai Chamber of Commerce and Industry.

Mr. Al Matrooshi is founder and Chairman of the Dubai Property Society (DPS), which promotes a forum to implement a practical code of ethics in the real estate sector. He is also the Chairman of Emrill Services LLC, a member of the Consultation Committee for the Dubai Supreme Council of Energy and a Committee member at the Council of UAE Companies Investing Abroad.

Mr. Al Matrooshi holds a Bachelor of Arts in Public Administration and a Diploma in Property Management from the Northern Council for Further Education in the United Kingdom.

Marwan Abedin – Director

Mr. Abedin, a non-Executive Director, was appointed to the Board on 23 April 2012. He is the Chairman of the Nomination and Remuneration Committee.

Mr. Abedin is a member of the Board of Directors of Dubai Healthcare City Authority, and is currently the Chief Executive Officer of the Dubai Financial Support Fund, an entity created in 2009 to support the strategically important entities of Dubai impacted by the global financial crisis. Prior to that, Mr. Abedin was Director of Debt Management at the Government of Dubai's Department of Finance. He also played a key role in investor relations on behalf of Dubai after the Dubai World restructuring and overall development of GCC debt capital markets.

Mr. Abedin is a graduate of Economics and Political Science from Wake Forest University in the US, and was the first UAE national to be accredited by the NASD (National Association of Securities Dealers) as a General Securities Representative (Series 7). He is a Committee Member of the Bretton Woods Committee DC, Economic Club of New York and the Association of Corporate Treasurers Dubai. He is also a Fellow of the Wharton Fellows Programme, USA.

Arif Al Dehail – Director

Mr. Al Dehail, a Non-Executive Director, was appointed to the Board on 23 April 2012. He is a member of the Investment Committee.

Mr. Al Dehail is the Chief Executive Officer of the Department of Planning & Development, Trakhees and Director General of Ports Customs & Free Zone Corporation. Mr. Al Dehail has extensive experience in international ports and terminal operations and management. He also previously held leading positions in DP World and the Dubai Ports Authority and has worked on several key projects in the UAE and internationally within the portfolio of DP World.

Mr. Al Dehail is a graduate in Geo Economics from the UAE University, and holds Diplomas in Shipping and Ports Management from Singapore Port Authority and the University of Delaware. He also holds a Diploma in International Program for Port Planning and Management from the Port of New Orleans, Louisiana, USA and has completed the Senior Executive Program at Harvard Business School, Boston, USA.

Abdul Rahman Al Hareb – Director

Mr. Al-Hareb, a Non-Executive Director, was appointed to the Board on 23 April 2012. He is a member of the Audit Committee.

Mr. Al-Hareb is also the Chairman of the Board of TAIB Bank and Oman National Investment Corporation Holding as well as the Chairman of Dubai Aerospace Enterprise Audit Committee and a board member of StandardAero.

With over 15 years of experience in audit, risk management and banking, Mr. Al-Hareb is currently Chief Internal Audit Officer of Dubai Holding. He has also held various senior positions in the National Bank of Dubai and Dubai Islamic Bank.

He is a graduate of Business Administration from Seattle University, USA, and is a member of the American Institute of Certified Public Accountants. Mr. Al-Hareb is also a Certified Internal Auditor and a member of the Board of the UAE Internal Audit Association.

As noted above Mr. Al-Hareb is currently Chief Internal Audit Officer of Dubai Holding. Given the nature of the businesses operated by Dubai Holding (which includes hospitality (Jumeirah Group) and real estate (Dubai Properties Group)), he is potentially conflicted.

Abdulla Belyoahah – Director

Mr. Belyoahah, a Non-Executive Director, was appointed to the Board on 23 April 2012. He is a member of the Audit Committee.

Mr. Belyoahah is a board member of the National Bonds Corporation and a member of its Audit Committee. He has also served as Head of Operations of the Dubai Financial Support Fund.

Mr. Belyoahah is the Director of the Debt Management Division of the Department of Finance, Government of Dubai, and is responsible for the consolidation of Dubai sovereign debt, establishing the Debt Management Office and investor relations.

Mr. Belyoahah is a graduate in Business Administration from the American University in Dubai, and has won several awards for his work on Salik Securitisation and other financial strategies.

Executive Management

The business address of each member of Emaar's Executive Management is Emaar Square, Building 3, Levels 1, 2 and 4, and Building 1, Level 7, PO Box 9440, Dubai, UAE.

The names and title of each member of Emaar's Executive Management are set out in the table below:

Name	Position
Amit Jain	Group COO and CEO Emaar Dubai
Nasser Rafi	CEO, Emaar Malls
Maitha Al Dossari	CEO, Emaar Entertainment
Jeremy Lester	CEO, International
Christopher Newman	COO, Emaar Hospitality
Rasha Hassan	Chief Commercial Officer
Jasper Hope	Chief Executive, Dubai Opera
Ahmad Al Falasi	Executive Director, Group Operations
Tarek Abdalla	Executive Director, Corporate Marketing
Hadi Badri	Senior Director, Innovation and Business Improvement and Acting Head of Human Resources
Irfan Sadiq	Head of Internal Audit
Ayman Hamdy	General Counsel
Roudayna Esber	Company Secretary

As at the date of this Base Prospectus, there are no conflicts of interest between the private interests and other duties of the Executive Management listed above and their duties to Emaar.

Amit Jain – Group COO and CEO Emaar Dubai

Mr. Jain joined Emaar in 2006. He was named as the Group's Chief Operating Officer and the Chief Executive Officer of Emaar Dubai in October 2014.

Mr. Jain is responsible for the overall operations and financial matters for the Group, with a special focus on the Dubai operations. Previously he held the position of Executive Director, Finance and Group Chief Financial Officer of Emaar, and continues to be responsible for financial related matters of the Group. He has over 20 years of experience in real estate, banking, auditing and management consulting.

Mr. Jain is a Chartered Accountant from the Institute of Chartered Accountants of India and is a CFA Charter holder from the CFA Institute, USA. He also holds a Bachelor of Commerce from the Delhi University.

Nasser Rafi – CEO, Emaar Malls

Mr. Rafi joined Emaar in 2005 as Head of Information Technology. In his current role as Chief Executive Officer – Emaar Malls, Mr. Rafi is responsible for the strategic growth of Emaar Malls with a focus on improving tenant mix policies, strengthening visitor footfall and increasing retail revenues in the existing mall portfolio of the company.

Mr. Rafi was previously the Managing Director of Hamptons International – Middle East, and has a proven track record in projecting market trends and implementing sales strategies.

Mr. Rafi holds a Master's Degree in Computer Science from Eastern Washington University, with a focus on artificial intelligence and business intelligence software, and has extensive experience in enterprise resource planning.

Maitha Al Dossari – CEO, Emaar Entertainment

Ms. Al Dossari joined Emaar in 2000. In addition to her role as CEO – Emaar Entertainment, she serves as the General Manager for Emaar's Corporate Services Department.

In her current role, Ms. Al Dossari is responsible for the operations and administration of Emaar Entertainment's various leisure assets including Dubai Aquarium and Underwater Zoo, SEGA Republic, KidZania®, Dubai Ice Rink, Reel Cinemas and Njoi. She also works on Emaar Entertainment's expansion plans in key emerging markets, in line with the geographic growth of Emaar.

Ms. Al Dossari is a graduate in Business Administration and Finance, and also completed her Executive Development (PED) programme in General Management from the International Institute for Management Development in Switzerland.

Jeremy Lester – CEO, International

Mr. Lester joined Emaar in 2016 and is responsible for the development and growth of Emaar's business overseas.

Mr. Lester has international experience as a senior leader in the real estate and corporate finance sectors. He has worked in a number of blue chip global corporates, including Jones Lang LaSalle where he led growth and expansion throughout Europe and the Middle East. Most recently he was CEO International for Grocon, managing and growing their businesses in the Middle East, India, South East Asia and Australia. Mr. Lester is a qualified accountant.

Christopher Newman – Chief Operating Officer, Emaar Hospitality

Mr. Newman joined Emaar in 2015 and is responsible for the strategy, operations and overall business direction for all brands and divisions under the Emaar Hospitality group. Mr Newman has over 25 years of experience in hospitality operations, has held strategic roles with well renowned hospitality brands and has worked in various regions and countries like Egypt, Africa, Mauritius, South America, West Indies, Bahamas, Greece and England.

Mr. Newman is certified in Hotel Real Estate Investments and Asset Management from Cornell University, New York and holds a Higher National Diploma in Hotel, Catering and Institutional Management.

Rasha Hassan – Chief Commercial Officer

Mrs. Hassan joined Emaar in 2004. In her current role as Chief Commercial Officer, she is responsible for the commercial strategy and property sales of the company. She manages the operations of Emaar Sales Department, as well as Emaar's property services company, Hamptons. Additionally, she is in charge of overseeing all functions of Emaar Customer Centre, Emaar Contact Centre, Property Quality Assurance and Burj Khalifa Concierge.

Mrs. Hassan holds a Bachelor's Degree in Finance.

Jasper Hope – Chief Executive, Dubai Opera

Mr. Hope joined Emaar in 2015 and is responsible for setting Dubai Opera's artistic direction, driving global stakeholder relationships to ensure its commercial success and developing its profile internationally.

Mr. Hope has over 25 years of experience in the entertainment industry. Previously, as Chief Operating Officer of Royal Albert Hall, he was responsible for the successful implementation of all operational management criteria and the leadership of the day-to-day business of Royal Albert Hall. Under his leadership, the prestigious venue achieved close to 400 events each year, making it one of the busiest venues in the world. He has also served as Senior Director of UK Live Events at AEG Live and as International Vice President and General Manager for Europe at IMG.

Mr. Hope holds a BSc (Hons) in Hotel and Catering Management from Oxford Brookes University and was elected as a Fellow of the Royal Society of Arts in 2008.

Ahmad Al Falasi – Executive Director, Group Operations

Mr. Al Falasi joined Emaar in 2002 and has since been an integral team member in the development and management of Emaar's iconic projects including Burj Khalifa, The Dubai Fountain and The Dubai Mall. He has also served as a member of the board of directors of Emaar Industries and Investments since 2015. Mr. Al Falasi has over 18 years of professional experience in facilities, property and community management, corporate services and administration and finance.

Mr. Al Falasi is a graduate in Business Administration with a major in Economics from East Washington University. He also successfully completed the Executive Development (PED) program in General Management from the International Institute for Management Development, Switzerland.

Tarek Abdalla – Executive Director, Corporate Marketing

Mr. Abdalla joined Emaar in 2016 and is responsible for leading all marketing functions across the Group including the development and implementation of Emaar's marketing strategy. He has also served as a member of the board of directors for Emaar Misr since 2015.

Mr. Abdalla has over 20 years of experience in multiple industries with a focus on brand building, investment strategy, organisational transformation and corporate governance. Prior to joining Emaar, Mr. Abdalla worked as CEO of MediaCom MENA, Director of Marketing for Google covering Southern Europe, Middle East and North Africa and Marketing Director for Mars Incorporated responsible for the Middle East, Turkey and Africa.

Mr. Abdalla has an MBA in Marketing from Sheffield Business School and a BA in Business Administration from the American University in Cairo. He also holds a Post-Graduate Diploma in Integrated Marketing Communications from the International Advertising Association.

Hadi Badri – Senior Director, Innovation and Business Improvement and Acting Head of Human Resources

Mr. Badri joined Emaar in 2015 and is responsible for strategy and business performance and Human Resources. He works alongside top management at Emaar to improve overall business performance.

Mr. Badri has 13 years of work experience in strategy, corporate finance and investments. He has worked for several top-tier global and UAE-based corporates including Bain & Company, The Carlyle Group, Dubai International Capital and The Executive Office of His Highness Sheikh Mohammed bin Rashid Al Maktoum. In these roles, Mr. Badri has supported board directors and CEOs in developing strategies, transforming organisations and executing private equity transactions.

Mr. Badri holds a BA, Magna Cum Laude Honors in Economics from Tufts University in Massachusetts, USA.

Irfan Sadiq – Head of Internal Audit

Mr. Sadiq joined Emaar in 2014 and is responsible for the Internal Audit function of the Group which includes ensuring the adequacy and effectiveness of management processes and controls in addressing risks and supporting the achievement of Emaar's business objectives and corporate strategies.

Mr. Sadiq has over 18 years of experience in auditing and consulting, enterprise risk management, compliance and financial due diligence across a range of industries including real estate, asset management, hospitality and oil and gas. Prior to his role at Emaar, Mr. Sadiq was Executive Director in the Audit and Assurance Services of a 'big four' firm in the UAE. He started his career with a 'big four' professional services firm and served the audit and advisory services of the firm in Pakistan, the UAE, Canada and the USA.

Mr. Sadiq is a Certified Public Accountant from the American Institute of Certified Public Accountants, a Certified Internal Auditor from the IIA (USA) and a Fellow Chartered Certified Accountant from the ACCA (UK) and he holds a Bachelor of Commerce degree from the Oxford Brooks University.

Ayman Hamdy – General Counsel

Mr. Hamdy joined Emaar in 2006 and is responsible for establishing the Group's legal strategy, overseeing its legal and governance functions, securing legal protection for the company's assets, structuring major transactions and supervising the implementation of the company's bylaws, policies and regulations.

Mr. Hamdy started his career with one of the largest law firms in Egypt, working on international business transactions and foreign investment matters. He served as a public prosecutor for three years before joining Unilever in Dubai as their Regional Head of Legal. He was also the Resident Partner of the Dubai office of a regional law firm, Shalakany Law Office. He is a member of the Egyptian Bar Association, the Egyptian Association of Judges, Egyptian Association of Public Prosecutors and a fellow of the International Bar Association.

Mr. Hamdy holds an LL.B. from the Alexandria University and an LL.M. from Paris Dauphine.

Roudayna Esber – Company Secretary

Mrs. Esber joined Emaar in December 2015. She has over 20 years of experience in the legal industry and has worked in a number of jurisdictions, including Syria, France and the UAE. Mrs. Esber has been a member of the Syrian Bar Association since 1995.

Mrs Esber holds a LLM from Damascus University, a Post Masters Degree in International Private Law from Panthéon-Assas University (Paris II), France and a management certificate from INSEAD, Fontainbleau, France.

Employees

As at 31 December 2015, Emaar and its subsidiaries (but excluding associates) had 7,619 employees. All of Emaar's employees are based in Dubai. The table below shows Emaar's approximate number of employees as at 31 December in each of the years indicated:

Year	**Number of employees**
2010	6,623
2011	5,802
2012	6,280
2013	6,794
2014	7,752

2015	7,619

Emaar provides a range of employee benefits such as health insurance, children's education allowance, discount programmes and discretionary annual bonuses.

Emaar recognises the importance of the calibre and the motivation of the individuals it employs. A performance management system where Emaar's objectives are translated into measurable departmental and individual objectives is in place and assists with regularly monitoring performance. A formal appraisal is carried out for all employees on an annual basis. Bonuses and rewards are linked with Key Performance Indicators which feeds into the performance management system.

Emaar places a high degree of importance on staff development and development plans are implemented for high performers and high potential staff through quality training and establishing and maintaining standards of professional conduct. Development of employees is carried out through in-house training but when specialist training is needed, local and internationally recognised external agencies are invited to partner with Emaar.

Corporate Governance

Emaar is committed to maintaining appropriate standards of corporate governance and complies with all legal and regulatory requirements relating to corporate governance. Emaar has established a framework of corporate governance policies, rules and practices which comply with the requirements of the Code of Governance issued by Decree of the Ministry of Economy No. 518 of 2009 and take into consideration international best practices as appropriate. The most significant features of that framework are set out hereunder.

Board of Directors

The Board consists of ten members and is vested with the power to manage Emaar and conduct its business in accordance with the Federal Law No. 2 of 2015 concerning commercial companies of the UAE. The majority of the Board is comprised of non-Executive directors and two thirds of its members are independent. Board members are elected for a term of three years. The Board meets at least four times per year.

The position of the Chairman and the Managing Director are held by separate individuals to ensure effective and clear supervision and accountability at the Board and Management levels.

There are currently three Board Committees: the Investment Committee, the Audit Committee (including Internal Control, a department supervised by the Audit Committee) and the Nomination and Remuneration Committee. Further details of each committee are set out below.

Investment Committee

The Investment Committee is established principally to review and monitor the investments made by Emaar, to undertake periodical reviews of investment performance, financing structures for various projects and also the Group's overall corporate financing structure to ensure that it is consistent with Emaar's requirements for growth and is fiscally sound and to exercise the authority and functions set out below or as may be delegated to it by the Board from time to time. The Investment Committee is made up of the Chairman and three non-executive directors:

(a) Ahmed Jawa (Chairman);

(b) Mohamed Ali Alabbar;

(c) Hussein Al Qemzi; and

(d) Arif Al Dehail

The main objectives and responsibilities of the Investment Committee are as follows:

- to review and approve for recommendation to the Board any new investment proposal;
- to review and ensure that the investment is within the policy established by Emaar and meets the investment criteria from a risk and return perspective;

- to review and approve for recommendation to the Board of Directors, if appropriate, specific public debt offerings and other financings or refinancing to be undertaken by Emaar and its subsidiaries and affiliates in excess of Management limits, as well as public equity offerings;
- to review the proposed annual short-term plan, annual budgeted cash flows, capital budget and strategic plan to address significant financial issues affecting Emaar's ability to achieve its business objectives;
- to review on a periodic basis Emaar's policy governing approval levels for capital expenditures and Emaar's financial plan to fund approved capital expenditures; and
- to review and approve Emaar's Investment Policy and Guidelines.

The Investment Committee meets upon request and whenever required in accordance with the objectives and responsibilities outlined above.

Audit Committee

The Audit Committee is made up of three non-Executive directors, two of whom have accounting or related financial management expertise and experience:

(a) Jamal Bin Thaniah (Chairman);

(b) Abdul Rahman Al Hareb; and

(c) Abdulla Belyoahah.

The main objective of the Audit Committee is to assist the Board of Directors in fulfilling its oversight and fiduciary responsibilities to the Group.

The Audit Committee has responsibilities related to external audit, financial reports and internal control and risk management. The main objectives and responsibilities of the Audit Committee are as follows:

- overseeing and appraising the quality of the audit efforts of Emaar's internal audit function and of its external auditors;
- assisting the Board of Directors in ensuring proper implementation of the governance rules as set out in applicable governance laws, regulations and internal policies and procedures;
- serving as an independent and objective party to review the integrity of the financial information presented by management to the shareholders, regulators and the general public;
- facilitating communication between the Board of Directors and the external and internal auditors;
- assisting the Board of Directors in evaluating the procedures for risk management; and
- ensuring compliance by Emaar and its employees with the relevant laws, regulations and internal policies and procedures.

The Audit Committee meets quarterly, in compliance with SCA regulations, and whenever required in accordance with the objectives and responsibilities outlined above.

Internal Control

It is the policy of the Board of Directors to maintain and support a quality internal audit function carried out by the Internal Control Department which reports directly to the Board. The Internal Control Department is guided by its Charter which establishes the general authorisation from the Audit Committee to perform internal audit activities within a defined scope of work in accordance with the annual audit plan approved by the Audit Committee. The Charter also sets out the purpose, authority and responsibility of the Internal Control Department. It establishes the Internal Control Department's position within the Group, authorises access to records, personnel and physical properties relevant to the performance of engagements and defines the scope of work. The Audit Committee is responsible for supervising the Internal Control Department's day to day business.

The Internal Control Department's core responsibility is to review the effectiveness of the internal control systems within the Group. The Internal Control Department reviews and reports on all business processes and support functions within the Group, both in the UAE and internationally. Reports raised by the Internal Control Department are submitted to the Audit Committee and senior management, as well as to the Board of Directors. On an ongoing basis, the Audit Committee monitors the progress that management has made with respect to remedial actions taken on issues and findings raised by the Internal Control Department.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is made up of three non-Executive directors:

(a) Marwan Abedin (Chairman);

(b) Ahmed Jawa; and

(c) Jamal Al Marri.

The main objectives and responsibilities of the Nomination and Remuneration Committee are as follows:

- regulation and supervision of procedures for nomination of Board members as per applicable laws and identifying candidates, reviewing all nominations and making recommendations for appointments of committee members and senior management;
- reviewing the Board structure, size and composition to ensure that they comply with applicable laws and making recommendations to the Board of Directors with regards to any adjustments that are deemed necessary;
- determining Emaar's needs of executive management and employees and the criteria for their election;
- ensuring that the criteria and methods applied in identifying candidates and reviewing nominations for appointments to the Board of Directors, committees and senior management are in accordance with applicable laws;
- ensuring the continuing independence of the members of Emaar's Board of Directors in accordance with applicable laws;
- issuing a human resources and training policy, supervising its implementation and reviewing the policy annually;
- issuing a remuneration policy comprising bonuses, benefits, incentives and salaries for Board members and employees and reviewing the policy annually in the best interests of the Group and its shareholders;
- ensuring as far as possible that the remuneration and compensation packages, in particular those of the senior management, take due account of the environment, circumstances and performance which are faced by the various business units in the markets and countries in which the Group operates; and
- administering Emaar's share option schemes for Group executives and directors.

The Nomination and Remuneration Committee meets annually, in compliance with SCA regulations, and whenever required in accordance with the objectives and responsibilities outlined above.

OVERVIEW OF THE UNITED ARAB EMIRATES AND THE EMIRATE OF DUBAI

Introduction

The UAE is a federation of seven Emirates: Abu Dhabi, Dubai, Sharjah, Ajman, Umm Al Quwain, Fujairah and Ras Al Khaimah. Formerly known as the Trucial States, the Emirates were a British protectorate until they achieved independence in December 1971 and merged to form the UAE. Each Emirate has a local government headed by the Ruler of that Emirate. There is also a federal government headed by the President. H.H. Sheikh Khalifa bin Zayed Al-Nahyan, Ruler of Abu Dhabi, has been President of the UAE since November 2004 and H.H. Sheikh Mohammed bin Rashid Al Maktoum, Ruler of Dubai, has been the Prime Minister and Vice President of the UAE since January 2006. Each Emirate enjoys significant autonomy and has its own budget. The UAE's federal budget is funded by each Emirate in agreed amounts.

The UAE has one of the most liberal business environments in the Middle East focused around economic liberalisation and promoting the role of the private sector. There are currently no corporate taxes in most business sectors, other than oil-producing companies, some related service industries and foreign banks, no personal taxes and no exchange controls on the remittance of profits or repatriation of capital. Additionally, the UAE enjoys low tariffs and there are virtually no restrictions on foreign trade. The UAE as a whole extends along the West coast of the Arabian Gulf, from the coast of Saudi Arabia near the base of the State of Qatar peninsula in the West to the Emirate of Ras Al Khaimah in the North and across the Mussandum peninsula to the Gulf of Oman in the East, covering an area of approximately 83,600 square kilometres in total.

Economy of the UAE

Based on data provided by the International Monetary Fund for 2015 (extracted from the World Economic Outlook Database (April 2016)), the UAE is the third largest economy in the MENA region after Saudi Arabia and Iran, based on nominal GDP and the second largest after Qatar, based on nominal GDP per capita. Although it has a more diversified economy than most of the other countries in the GCC region, its wealth is still largely based on oil and gas. According to data gathered by the Organisation of the Petroleum Exporting Countries, as at 31 December 2015, the UAE had approximately 6.6 per cent. of the proven global oil reserves (giving it the sixth largest oil reserves in the world). According to data produced by the Federal Competitiveness and Statistics Authority (the **FCSA**), the UAE's oil reserves generated 23.5 per cent. and 31.4 per cent. of the UAE's gross domestic product (**GDP**) in real terms in 2015 and 2014, respectively and approximately 19.1 per cent. of export earnings (including re-exports) in 2015 (according to the Annual Report 2015 of the UAE Central Bank, based on preliminary data that is subject to revision). Whilst fluctuations in energy prices do have an impact on economic growth, the UAE is generally viewed as less vulnerable than some of its GCC neighbours, due to the growth in the non-oil sector, particularly trading, finance, real estate, transport and tourism.

The FCSA has estimated, on a preliminary basis, that real GDP growth in the UAE increased by 3.9 per cent. in 2015, 4.6 per cent. in 2014, 4.3 per cent. in 2013, 6.9 per cent. in 2012 and 5.2 per cent. in 2011. According to the "World Economic Outlook" published by the International Monetary Fund (April 2016), real GDP in the UAE is expected to grow in 2016 by 2.4 per cent.

On 14 May 2016, Moody's reaffirmed the UAE's long-term credit rating of Aa2, although it adjusted the outlook from "*stable*" to "*negative*".

The MSCI Emerging Markets Index has also recently upgraded the UAE to an "emerging market" economy (compared to the previous classification of "frontier market") with nine UAE companies being added to the benchmark index.

UAE Constitution

The original constitution of the UAE (the **Constitution**) was initially provisional and provided the legal framework for the federation. The Constitution was made permanent pursuant to a constitutional amendment in December 1996.

The Constitution apportions powers between the federal government (based in Abu Dhabi) and the governments of the constituent Emirates. The federal government is entrusted with the task of promulgating substantive legislation concerning and regulating the principal and central aspects of the UAE. The local governments of each Emirate are authorised to regulate local matters not confined to the federal government. Articles 120 and

121 of the Constitution specifically state that certain matters, such as foreign affairs, security and defence, nationality and immigration, education, the currency, postal, telephone and other communications services, air traffic control and the licensing of aircraft, labour relations, banking, delimitation of territorial waters, extradition of criminals and public health must be governed by federal law. Pursuant to Article 122 of the Constitution, all other matters not specifically assigned to the exclusive jurisdiction of the federal government may be regulated by the local government of each Emirate. Individual Emirates are given flexibility in the governance and management of their own Emirate. The Constitution permits individual Emirates to elect to maintain their own competencies in certain sectors. The Emirate of Dubai has elected to assume responsibility for its own education, judicial and public health systems.

The Constitution also states that the federation shall form a single economic and customs entity with free movement of capital and goods between the Emirates. The natural resources and wealth of each Emirate shall be considered to be the public property of the relevant Emirate.

Governance of the UAE

The governance of the UAE at the federal level is divided between the Federal Supreme Council (the **Supreme Council**), the Federal Council of Ministers (the **Cabinet**) and the Federal National Council. The Supreme Council is the highest federal governing body and consists of the Rulers of the seven Emirates. The Supreme Council elects the President and the Vice President of the UAE from its own membership (for renewable five year terms). Decisions relating to substantive matters are decided by a majority vote of five Emirates, provided that the votes of both Dubai and Abu Dhabi are included in that majority, but matters which are purely procedural are decided by a simple majority vote. The Supreme Council is vested with legislative as well as executive powers and ratifies federal laws and decrees and sets federal policies.

The Cabinet is described in the Constitution as the executive authority of the UAE and is responsible for implementing policy decisions of the Supreme Council. The Constitution defines the responsibilities of the Cabinet, which include the issuing of regulations, the preparation of draft laws and the drawing up of the annual federal budget. The Federal National Council, comprising forty UAE nationals as members, is a parliamentary body and has both a legislative and supervisory role under the Constitution. One of the main duties of the Federal National Council is to discuss the annual budget of the UAE. Although the Federal National Council can monitor and debate government policy, it has no veto or amendment power and cannot initiate any legislation by itself.

Legal and Court System

There are three primary sources or types of law in the UAE: (i) federal laws and decrees (applicable in all seven Emirates), (ii) local laws and decrees (i.e. laws and regulations enacted by the Emirates individually), and (iii) the *Sharia* (Islamic law). The secondary source of law is trade custom or practice. In the absence of federal legislation on areas specifically reserved to federal authority, the Ruler or local government of each Emirate will apply his or its own rules, regulations and practices.

The federal judiciary, whose independence is guaranteed under the Constitution, includes the Federal Supreme Court and Courts of First Instance. The Federal Supreme Court consists of five judges appointed by the Supreme Council. The judges decide on the constitutionality of federal laws and arbitrate on inter-Emirate disputes and disputes between the federal government and individual Emirates.

As is its right under the Constitution, Dubai, like the Emirates of Abu Dhabi and Ras Al Khaimah, has elected to maintain its own court system, separate from that of the federal judiciary, and the courts of Dubai have sole jurisdiction to hear cases brought in Dubai. Although both the federal and Dubai courts have a similar three tier structure (Court of First Instance, Court of Appeal and Court of Cassation/Supreme Court), Dubai has retained complete autonomy over its courts in all matters, including the appointment of judges. However, in accordance with the Constitution, the Dubai courts will first apply federal law where this exists and, in its absence, the laws of Dubai.

The Emirate of Dubai

Dubai is the second largest Emirate in the UAE, after the Emirate of Abu Dhabi, and is situated on the west coast of the UAE in the south-western part of the Arabian (or Persian) Gulf. It covers an area of 3,885 square km and lies approximately at longitude 55 degrees east and latitude 25 degrees north. Except for a very small enclave in the Hajar Mountains at Hatta, the Emirate of Dubai comprises one contiguous block of territory.

The population of Dubai was estimated to be 2.45 million as at 31 December 2015 (according to the Dubai Statistics Centre), of which a significant portion is comprised of non-UAE nationals, mainly drawn from the Indian subcontinent, Europe and other Arab countries. According to the Dubai Statistics Centre, as at 31 December 2015, approximately 69.6 per cent. of this population was estimated to be male and 30.4 per cent. female, reflecting the large male expatriate workforce unaccompanied by family members.

The Government of Dubai

The key entities in the structure of the Government of Dubai (the **Government**) are (i) the Ruler's Court, (ii) the Supreme Fiscal Committee and (iii) the Executive Council. The Dubai Department of Economic Development and the Dubai Department of Finance are administrative bodies. All five of these entities have distinct roles:

The Ruler's Court: Except in relation to applicable federal laws, His Highness the Ruler of Dubai, Sheikh Mohammad bin Rashid Al Maktoum, is the sole legislator for the Emirate and all Dubai laws are passed by His Highness after drafts of the laws have been approved by the Ruler's Court in consultation with the Executive Council. All other matters that require the involvement of His Highness the Ruler of Dubai are channelled through the Ruler's Court.

Supreme Fiscal Committee: The Supreme Fiscal Committee was established in November 2007 to formulate the fiscal policies of the Government and to regulate Government borrowings. The Supreme Fiscal Committee is authorised to approve borrowings by the Government and Government-owned entities on behalf of the Government. The Supreme Fiscal Committee also aims to improve coordination between various Government entities and to enable Government entities to meet their respective development targets in a cost efficient manner.

Executive Council: The Executive Council seeks to ensure coordination amongst Government departments such as the courts, the police and health authorities. The Executive Council works with these departments to implement an overall strategy for the Government, whilst considering the requirements and strategies of each particular department. In addition, the Executive Council works with the Department of Finance to prepare an overall budget to fund the requirements of the various Government departments. In addition to this broad coordination role, the Executive Council also recommends new laws and regulations and is involved in the implementation of laws promulgated at both the Emirate and federal levels.

Department of Economic Development: The Department of Economic Development is a regulatory and administrative body responsible for the licensing and regulation of the business sector. All businesses operating in Dubai are required to be registered with and licensed by the Department of Economic Development. The Department of Economic Development also helps formulate Government policy in relation to economic planning and the promotion of Dubai as a business centre. The Department of Economic Development works closely with other relevant Government bodies such as the Ministry of Labour and RERA.

Department of Finance: The Department of Finance is the local ministry of finance and treasury for the Government. All revenues of the Government are collected within the Department of Finance and all Government authorities are funded through the Department of Finance. In addition, the Department of Finance also functions as an administrative office of the Supreme Finance Committee for executing and monitoring compliance with the Supreme Fiscal Committee's decisions.

The Economy of Dubai

Dubai has a diversified economy which has demonstrated renewed growth, with real GDP increasing by approximately 3.8 per cent. in 2015 and 3.1 per cent. in 2014. When the UAE was established, approximately 50 per cent. of Dubai's GDP was oil related; the Emirate's reliance on oil has decreased significantly since then, with the oil sector accounting for 2.2 per cent. of GDP in 2015. In 2015, the real GDP of Dubai equalled approximately 27 per cent. of the real GDP of the UAE. According to preliminary estimations released by the Dubai Statistics Centre, Dubai's real GDP increased by 4.0 per cent. in 2015, reaching AED 366.6 billion, compared to an increase of 3.5 per cent. recorded in 2014 (real GDP of 352.2 billion).

Reflecting Dubai's strategic geographic location, rising levels of international trade and the Government of Dubai's long-standing strategy of positioning Dubai as a trading centre, the wholesale and retail trade and repairing services sector is the principal contributor to GDP, accounting for an estimated 29 per cent. of Dubai's GDP in 2015 (according to preliminary data issued by the Dubai Statistics Centre) and 29.1 per cent. of Dubai's GDP in 2014, in each case, at constant prices. This sector grew by an estimated 4.1 per cent. in 2015 and 2.7 per cent. in real terms in 2014. Growth in the wholesale and retail trade and repairing services sector accounted for approximately 1.2 per cent. of Dubai's real GDP growth in 2015.

Other significant economic sectors for Dubai in 2015 were manufacturing (contributing an estimated 11.2 per cent. to total GDP at constant prices), transport, storage and communications (contributing an estimated 14.8 per cent. to total GDP at constant prices) and real estate and business services (contributing an estimated 15 per cent. to total GDP at constant prices). Together, these three sectors contributed an estimated 41 per cent. to total GDP in 2015. The manufacturing sector grew by an estimated 3.4 per cent. in 2015. The transport, storage and communications sector grew by an estimated 5.0 per cent. in 2015 as a result of improved foreign trade and port related activities, as well as increased demand for shipping and related services. The real estate and business services sector grew by an estimated 4.4 per cent. in 2015.

Other sectors experiencing high levels of growth included the electricity, gas and water sector and the restaurants and hotels sector. The electricity, gas and water sector grew by an estimated 5.7 per cent. in 2015 as a result of increased generation and consumption of electricity and water. The restaurants and hotels sector grew by an estimated 8.0 per cent. in 2015, as a result of increased tourism and higher revenues in the hotel sector.

Each of these sectors has benefitted from the Government's policies aimed at improving the business and investment environment and positioning Dubai as a regional hub, including specific high profile developments initiated by the Government and the establishment of a range of specialised free zones designed to attract new companies and investment. In addition, other factors supporting the Emirate's longer-term economic growth have included the availability of labour and land for real estate development, significant levels of liquidity prior to late 2008 and increasing consumer wealth in the GCC region and elsewhere, in part reflecting relatively high oil and gas prices, an appropriate legal and regulatory framework and good infrastructure.

The Government continues to focus on economic diversification and in this respect is targeting the travel and tourism, financial services, professional services, transport and logistics, trade and storage and construction sectors in particular as areas for future growth.

Since the middle of 2008, as a result of the global financial crisis and sharp falls in international oil and gas prices, there have been significant declines in real estate sales prices and rental rates in both Dubai and the UAE as a whole, as well as a slowdown in construction activity in the UAE. These factors adversely impacted Dubai's GDP in 2010 and 2011, with the real estate and construction sectors declining in real terms in 2010 by 2.6 per cent. and 14.7 per cent., respectively, and in 2011 by 2.6 per cent. and 5.7 per cent., respectively. In 2012 and 2013 the economy regained momentum. According to the 2015 report of Jones Lang LaSalle IP, Inc. (**JLL**), the real estate market in the UAE expanded significantly in 2013 and in the first half of 2014. In 2013, the real estate and business services sector grew by 29.3 per cent. However, as a result of further falls in international oil and gas prices and the appreciation of the U.S. dollar, demand for real estate has decreased, slowing growth (see "*Description of Emaar Properties PJSC — Recent Developments in the Dubai Real Estate, Retail and Hotel Markets*"). GDP at constant prices increased by 0.4 per cent. and 4.4 per cent. in the construction and real estate sectors, respectively, in 2015 compared to 1.9 per cent. and 2.0 per cent, respectively, in 2014.

Foreign Direct Investment and Free Zones

The Government has set up a number of free zones in Dubai to encourage foreign investment. Foreign corporate entities can freely operate in the free zones and free zone entities can be 100 per cent. foreign owned, unlike entities registered elsewhere in the UAE which require various degrees of local participation. There are no currency restrictions levied on the capital or the profits of free zone entities and 100 per cent. of their capital and/or profit can be repatriated.

The most prominent free zones in Dubai are the Jebel Ali Free Zone, the Dubai Technology and Media Free Zone, the DIFC and the Dubai Airport Free Zone.

In addition, a number of sector-specific free zones for services and industry have been established, including Dubai Healthcare City, Dubai Textile City, the Dubai Multi Commodities Centre, Dubai Outsource Zone, Dubai Silicon Oasis and Dubai Gold and Diamond Park.

According to the Department of Economic Development, between 2011 and 2015 the net number of business licences issued increased by 8.5 per cent. year-on-year, indicating an improvement in the business environment. By the end of 2015, 149,755 licences had been issued in Dubai. Out of this figure, wholesale and retail trade licenses accounted for 75.2 per cent., followed by services (21 per cent.), manufacturing (2.1 per cent.) and tourism licences (1.7 per cent).

Real Estate in Dubai

The Government began promoting land ownership in 1997 with the set-up of the publicly listed companies of Emaar and Nakheel PJSC (**Nakheel**) (in 2000). In 1998, Emaar began work on the Dubai Marina development. Work on the Emirates Living community developments followed, which include the Springs, the Meadows, Emirates Hills, the Views and the Greens.

Before May 2002, non-GCC expatriates living in the UAE were only permitted to rent property, or hold a 99 year lease of certain properties. A major property boom in Dubai occurred in May 2002, when H.H. General Sheikh Mohammed bin Rashid Al Maktoum issued a law to allow foreigners to buy and own freehold property in selected areas of the city. Although the formal decree which permitted foreign ownership was not issued until 2006, certain administrative measures were passed by the Emirate prior to 2006 which enabled foreign ownership.

Dubai is well known for large scale developments such as Dubai Marina, which was commenced in 2003. In addition, the Dubai Downtown project, housing the world’s largest shopping mall, the Dubai Mall, and the world’s tallest building, the Burj Khalifa, was constructed between 2004 and 2009. There are plans underway to develop an even taller structure than the Burj Khalifa. The well known Palm Island projects were launched in 2001 with the Palm Jumeirah being delivered to purchasers in 2007. With the completion of these large scale projects, Dubai has developed a robust infrastructure laying the foundations for its continued growth and development.

The Government’s Support of Strategic Government - Related Entities

The Government owns, or has significant investments in, strategic Government-related entities (**GREs**) which have played a significant role in supporting and facilitating the Government’s strategic development plan. Certain GREs have incurred indebtedness, including indebtedness from international financial institutions and in the international capital markets. As a result of the global financial crisis, sharp falls in international oil and gas prices, financial sector instability, limited access to credit and the significant decline in real estate values, both globally and in Dubai and the UAE, certain GREs have suffered from asset value deterioration, limited cash flow and have also experienced liquidity issues.

Whilst not legally obliged to do so (under any guarantee or otherwise), the Government announced its intention to support certain entities in order to maintain stability in the UAE economy and the banking system, to maintain investor confidence and to protect stakeholders.

On 25 March 2010, in light of the severe financial difficulties faced by Dubai World and its subsidiaries and Nakheel, the Government, Dubai World and Nakheel publicly announced proposals for the restructuring of the liabilities of Dubai World and its subsidiaries and Nakheel. It confirmed that the proposals followed a comprehensive analysis of the circumstances facing each company, and were developed in the interests of all stakeholders, including customers, contractors, employees and creditors.

Dubai World Restructuring

In 2015 Dubai World announced that it has reached a formal agreement with all of its creditor banks on its proposal to amend and extend the terms of its outstanding debt totalling U.S.$14.6 billion.

The plan included early repayment of the tranche of its debt that was scheduled to mature in 2015 (which was repaid on 31 March 2015), the extension of 2018 maturities to 2022, increased pricing, the introduction of amortisation targets and the provision of additional collateral.

Nakheel Restructuring

On 24 August 2011, Nakheel completed a restructuring of its business and financial obligations. Pursuant to Nakheel's restructuring, the Government, acting through the Dubai Financial Support Fund, provided over U.S.$10 billion of additional funds to Nakheel to fund operations and settle outstanding liabilities. Following the successful completion of Nakheel's restructuring, the company is now owned by the Government of Dubai.

Refinancing of U.S.$20 Billion Debt

In 2009, the Government was granted certain facilities amounting to U.S.$20 billion by the Abu Dhabi Department of Finance and the UAE Central Bank. In March 2014, the Abu Dhabi Department of Finance and the UAE Central Bank announced the signing of an agreement between the Government of Abu Dhabi and the Government of Dubai for the refinancing of a U.S.$10 billion loan, and the UAE Central Bank also signed an agreement for the re-discounting of bonds with a value of U.S.$10 billion issued by the Government. In both cases, the renewable tenure was set for five years, with a fixed interest rate of 1 per cent. for the entire tenure.

Expo 2020

Winning the right to host the World Expo in 2020 crowned a strong 2013 for Dubai. GDP growth in 2013 exceeded initial projections, the real estate sector continued to recover and equity markets (specifically, the DFM) rebounded 75 per cent. during the period. Hosting Expo 2020 is anticipated to provide a boost to medium term growth and help to promote one of the Government's broader economic strategies of growing its tourism and hospitality sector over the next few years.

The official impact assessment report indicates that nearly U.S.$24 billion (AED 88 billion) could be added to Dubai's economy over 2014 to 2021, or almost 30 per cent. of Dubai's 2011 nominal GDP. Using official Government spending estimates, Expo 2020 is expected to add 0.5 per cent. per year to real GDP growth during the period from 2015 to 2017, rising to 1.0 per cent. per year over 2018 to 2020. Among other things, Expo 2020 is intended to help maintain Dubai's growth momentum beyond 2015 by providing a firm timetable for infrastructure delivery and a platform to market Dubai as a regional tourism, trade and business hub in the mid- to long-term.

Strategy of Dubai

Since the establishment of the UAE in 1971, Dubai has developed its status as a major city, enhancing the well-being of its people and creating an environment that attracts businesses and individuals.

Dubai Plan 2021

Following the end of the Dubai Strategic Plan 2015, the Government launched the Dubai Plan 2021 (the **DP 2021**). The key principles for the development of the DP 2021 were to develop a plan that would drive Dubai to be among the best cities in the world, identify and adopt best practices in national strategic planning, develop a plan that can be measured and assessed by all constituents and adopt a development approach that engaged the various constituents and stakeholders involved in or affected by the DP 2021. The DP 2021 focuses on the economy, the society, the people, the experience, the government and the place.

International Relations

Pursuant to Articles 120 and 121 of the Constitution, foreign policy and international relations are a federal matter and, accordingly, Dubai does not enter into bilateral agreements with foreign governments.

The foreign policy of the UAE is based upon a set of guiding principles, laid down by the country's first President, Sheikh Zayed bin Sultan Al Nahyan. He derived these principles from his belief in the need for justice in international dealings between states, including the necessity of adhering to the principle of non interference in the internal affairs of others and the pursuit, wherever possible, of peaceful resolution of disputes, together with support for international institutions, such as the United Nations (the **UN**).

Within the Arabian Gulf region, and in the broader Arab world, the UAE has sought to enhance cooperation and to resolve disagreement through the pursuit of dialogue. One of the central features of the UAE's foreign policy has therefore been the development of closer ties with its neighbours in the Arabian Gulf region. The GCC, which comprises the UAE, Kuwait, Saudi Arabia, Bahrain, Qatar and Oman, was founded at a summit conference held in Abu Dhabi in May 1981.

At the broader level of the Arab world as a whole, the UAE is committed to rebuilding a sense of common purpose among both its people and its governments and, to this end, has supported the strengthening of common institutions, such as the League of Arab States. Beyond the Arab world, the UAE has pursued a policy of seeking, wherever possible, to build friendly relations with other nations, both in the developing and in the industrialised world. The UAE also maintains cordial relations with other regional states and has established good relations with the United States of America and the European Union as well as with developing nations in Africa and many of the countries of the former Soviet Union. In December 2009, the UAE entered into a nuclear cooperation agreement with the United States of America that provides the foundation for the UAE's civilian nuclear energy programme and provides a legal framework for commerce in civilian nuclear energy between the two countries.

Since its establishment, the UAE has played an active role in the provision of financial aid to developing countries and has been a contributor of emergency relief to countries and areas affected by conflict and natural disasters. The philosophy behind the aid policy is two-fold: first, the provision of help for the needy is a duty incumbent on all Muslims and, second, the country's policy on utilisation of the revenues from its oil and gas production has always included a component that they should be devoted, in part, to helping other countries which have fewer natural resources.

The UAE is an active participant in a number of multi-lateral developmental institutions, including the International Bank for Reconstruction and Development (the **World Bank**), the IMF, the International Development Agency and regional bodies like the OPEC Fund for International Development, the Arab Gulf Fund for the UN, the Arab Bank for Economic Development in Africa, the Abu Dhabi-based Arab Monetary Fund and the Islamic Development Bank. In addition, the UAE is a member of various international organisations including, among others, the GCC, the UN, the League of Arab States, the Organisation of Islamic Countries, the Organisation of Arab Petroleum Exporting Countries, OPEC, the World Health Organisation, the International Organisation for Industrial Development, the World Trade Organisation and the Asia-Pacific Economic Co-operation.

The UAE generally enjoys good relations with the other states in the GCC. However, the UAE has an ongoing dispute with Iran and is in continuing discussions with Saudi Arabia over border issues. Since 1971, the three Gulf islands of Abu Musa and Greater and Lesser Tunb have been occupied by Iran. The UAE believes that these islands should be returned to Sharjah, which claims sovereignty over them, and is seeking to resolve the dispute through bilateral negotiations or a reference to international arbitration.

The UAE is also seeking, through negotiation, to resolve issues related to the 1974 provisional and, as yet, unratified, agreement with Saudi Arabia on the border between the two countries, which the UAE believes should be substantially amended. In addition, the UAE is involved in discussions with the governments of Saudi Arabia and Qatar over a maritime corridor which Qatar has purported to grant to Saudi Arabia, from within Qatar's own maritime waters, but which crosses part of the route of the gas pipeline between Qatar and the UAE. The UAE believes that this grant is in breach of existing agreements between the UAE and Qatar and, in June 2009, the UAE's Ministry of Foreign Affairs stated this position in a letter to the UN Secretary General. The UAE is also a key member of a Saudi Arabian-led military coalition which intervened in Yemen in March 2015 in response to requests for assistance from the Yemeni government. The UAE is also a member of another Saudi Arabian led coalition formed in December 2015 to combat Islamic extremism and, in particular, the Islamic State.

SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS

The following is a summary of certain provisions of the principal Transaction Documents. Copies of the Transaction Documents will be available for inspection at the offices of the Principal Paying Agent (as defined in the Conditions).

The Master Trust Deed, as supplemented by each Supplemental Trust Deed

The Master Trust Deed was entered into on 31 August 2016 between the Issuer, the Trustee, Emaar and the Delegate and will be governed by English law. A Supplemental Trust Deed between the same parties will be entered into on the Issue Date of each Series of Trust Certificates and will also be governed by English law.

Upon issue of the Global Trust Certificate initially representing the Trust Certificates of any Series, the Master Trust Deed and the relevant Supplemental Trust Deed shall together constitute the trust over the relevant Trust Assets declared by the Trustee in relation to such Series.

The Trust Assets in respect of each Series of Trust Certificates comprise (unless otherwise specified in the applicable Final Terms), *inter alia*, the Issuer's rights, title, interest and benefit, present and future, in, to and under the Relevant Lease Assets, its rights, title, interest and benefit, present and future, in, to and under the Transaction Documents (other than in relation to any representations given to Emaar Sukuk Limited by Emaar pursuant to any of the Transaction Documents) and all monies standing to the credit of the relevant Transaction Account from time to time.

Pursuant to the Trust Deed, the Trustee will, *inter alia*, in relation to each Series of Trust Certificates:

(a) hold the relevant Trust Assets on trust absolutely for the Certificateholders as beneficial tenants in common *pro rata* according to the face amount of Trust Certificates held by each Certificateholder; and

(b) act as trustee in respect of such Trust Assets, distribute the income from such Trust Assets and perform its duties in accordance with the provisions of the Trust Deed.

Each Trust Deed will specify, *inter alia*, that in relation to each Series:

(a) on or after the relevant Maturity Date or, as the case may be, Dissolution Date of a Series of Trust Certificates, the rights of recourse in respect of Trust Certificates shall be limited to the amounts from time to time available and comprising the relevant Trust Assets of that Series, subject to the priority of payments set out in the Trust Deed, the relevant Trust Certificates and the Conditions;

(b) the Certificateholders have no claim or recourse against the Issuer or the Trustee in respect of any amount which is or remains unsatisfied and any unsatisfied amounts will be extinguished;

(c) the Issuer may from time to time (but always subject to the provisions of the Master Trust Deed), without the consent of the Certificateholders, create and issue additional Trust Certificates having the same terms and conditions as the outstanding Trust Certificates of such Series (or in all respects save for the date and amount of the first payment of the Periodic Distribution Amount and the date from which Periodic Distribution Amounts start to accrue), and so that the same shall be consolidated and form a single series, with the outstanding Trust Certificates of such Series, and that any additional Trust Certificates which are to be created and issued so as to form a single series with the Trust Certificates of a particular Series shall be constituted by a trust deed supplemental to the Master Trust Deed; and

(d) on the date upon which any Sale Agreement is entered into in connection with the creation and issuance of additional Trust Certificates pursuant to the provisions described in paragraph (c) above and the Substitution and Sale of Additional Assets Undertaking (being the relevant Issue Date for that Tranche of Trust Certificates), the Trustee will execute a Declaration of Commingling of Assets for and on behalf of the holders of the existing Trust Certificates and the holders of such additional Trust Certificates so created and issued, declaring that the relevant Additional Assets and the Lease Assets in respect of the relevant Series as in existence immediately prior to the creation and issue of the additional Trust Certificates are commingled and shall collectively comprise part of the Trust Assets for the benefit of the holders of the existing Trust Certificates and the holders of such additional Trust

Certificates as tenants in common *pro rata* according to the face amount of Trust Certificates held by each Certificateholder, in accordance with the Master Trust Deed.

In the Trust Deed, the Trustee will irrevocably and unconditionally appoint the Delegate to *inter alia* exercise all of the present and future powers, trusts, rights, authorities and discretions (including but not limited to the authority to request instructions from any Certificateholders and the power to make any determinations to be made under the Trust Deed) vested in the Trustee by the relevant provisions of the Trust Deed. The appointment of such delegate by the Trustee is intended to be in the interests of the Certificateholders and, subject as provided in the Trust Deed, does not affect the Trustee's continuing role and obligations as trustee.

In each Trust Deed the Delegate will undertake that, *inter alia,* if it has actual knowledge or express notice pursuant to the Trust Deed of the occurrence of a Dissolution Event in respect of any Trust Certificates and subject to Condition 15, it shall (i) promptly notify the Certificateholders of the occurrence of such Dissolution Event, and (ii) subject to being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities to which it may thereby render itself liable or which it may incur by so doing, take all such actions, proceedings or steps as are necessary to enforce the obligations of Emaar under the Trust Deed, the Purchase Undertaking and any other Transaction Document to which Emaar is a party.

A non-interest bearing Transaction Account will be established in respect of each Series of Trust Certificates. Monies received in the Transaction Account in respect of each Series will, *inter alia*, comprise (i) payments from the Lessee under the Lease Agreement (see "*Summary of the Principal Transaction Documents – Lease Agreement*" below), (ii) the Deferred Sale Price received from Emaar under the Master Murabaha Agreement and (iii) the Exercise Price received from Emaar under the relevant Sale Agreement (see "*Summary of the Principal Transaction Documents – Purchase Undertaking*" and "*Summary of the Principal Transaction Documents – Sale Undertaking*" below). The Master Trust Deed provides that all monies credited to the Transaction Account in respect of each Series will be applied in the order of priority set out in Condition 5.2.

Purchase Agreement

The Master Purchase Agreement was entered into on 31 August 2016 between Emaar Sukuk Limited (in its capacity as Trustee and Purchaser) and Emaar (in its capacity as Seller) and will be governed by the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE. A Supplemental Purchase Agreement between the same parties will be entered into on the Issue Date of the first Tranche of each Series of Trust Certificates and will also be governed by the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE.

Pursuant to the Purchase Agreement, the Seller may sell, transfer and convey to the Purchaser, and the Purchaser may buy from the Seller, all of the Seller's rights, benefits and entitlement in and to the relevant Assets. The Purchaser and the Seller will agree that there will be no obligation to register the transfer of Assets with the relevant authority in Dubai. The Assets will comprise on the Issue Date those assets described in the Schedule to the Supplemental Purchase Agreement.

Lease Agreement

The Master Lease Agreement was entered into on 31 August 2016 between Emaar Sukuk Limited (in its capacity as Trustee and as Lessor) and Emaar (in its capacity as Lessee) and will be governed by the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE. A Supplemental Lease Agreement between the same parties will be entered into on the Issue Date of each Series of Trust Certificates and will also be governed by the laws of Dubai and, to the extent applicable in Dubai, the federal laws of the UAE.

Pursuant to the Lease Agreement, the Lessor may lease to the Lessee, and the Lessee may lease from the Lessor, the Relevant Lease Assets during renewable Rental Periods commencing on the Lease Commencement Date (each such expression having the meaning given to it in the relevant Supplemental Lease Agreement) and extending to the Maturity Date of the relevant Series of Trust Certificates (unless the relevant Supplemental Lease Agreement is terminated earlier in accordance with its terms or extended in accordance with the Purchase Undertaking). The Lessor and the Lessee will agree that there will be no obligation to register the lease of the Relevant Lease Assets with the relevant authority in Dubai.

The Lessee will agree to use the Relevant Lease Assets at its own risk. Accordingly, the Lessee shall from the date of the Supplemental Lease Agreement bear the entire risk of loss of or damage to the Relevant Lease Assets or any part thereof arising from the usage or operation thereof by the Lessee to the extent that such loss or damage has resulted from the Lessee's gross negligence, wilful default, actual fraud, or breach of its obligations under the Supplemental Lease Agreement. In addition, the Lessor shall not be liable (and the Lessee will waive any claim or right, howsoever arising, to the contrary) for any indirect, consequential or other losses, howsoever arising, in connection with the Lessee's use or operation of the Relevant Lease Assets.

Under the Supplemental Lease Agreement, the Lessee will agree to be responsible, at its own cost and expense, for the performance of all Ordinary Maintenance and Repair (as defined in the Master Lease Agreement) required for any Relevant Lease Assets. The Lessor shall be responsible for (i) the performance of all Major Maintenance and Structural Repair (as defined in the Master Lease Agreement), (ii) the payment of any proprietorship or other relevant taxes and (iii) if Condition 11.4 is specified in the applicable Final Terms as being applicable, insuring any Relevant Lease Assets in accordance with the terms of the Servicing Agency Agreement, and the Lessee will acknowledge that the Lessor may procure that the Servicing Agent, in accordance with the terms and conditions set out in the Servicing Agency Agreement, shall perform, or shall procure the performance of, Major Maintenance and Structural Repair, the payment of such taxes and the insurance of such Relevant Lease Assets, on behalf of the Lessor.

All payments by the Lessee to the Lessor under a Lease Agreement shall be made without any deduction or withholding for or on account of any tax unless required by law and without set-off (save as provided in the Servicing Agency Agreement) or counterclaim of any kind and, in the event that there is any deduction or withholding, the Lessee will agree under the relevant Supplemental Lease Agreement to pay all additional amounts as will result in the receipt by the Lessor of such net amounts as would have been received by it if no such deduction or withholding had been made. The payment obligations of the Lessee under a Lease Agreement are and will be direct, unconditional, unsubordinated and (subject to the negative pledge provisions described in clause 5.2 of the Master Lease Agreement) unsecured obligations of the Lessee and shall (save for such exceptions as may be provided by applicable law and subject to the negative pledge provisions described in clause 5.2 of the Master Lease Agreement) rank at least *pari passu* with all other unsecured and unsubordinated obligations of the Lessee.

Under the Master Lease Agreement, Emaar has undertaken that, for so long as any Trust Certificate remains outstanding, it shall not, and it shall procure that no Material Subsidiary (other than a Material Subsidiary that is a Joint Venture Company) will, create or permit to subsist any Security upon the whole or any part of its present or future assets or revenues (including uncalled capital) to secure any of its Relevant Indebtedness or Relevant Sukuk Obligation or any guarantee or indemnity of its Relevant Indebtedness or Relevant Sukuk Obligation, other than Permitted Security, without at the same time or prior thereto securing equally and rateably therewith its obligations under the Purchase Undertaking, the Master Lease Agreement, the Servicing Agency Agreement, the Master Murabaha Agreement and the Master Trust Deed or providing such other Security for those obligations as may be approved by the holders of the Trust Certificates by an Extraordinary Resolution.

In addition, Emaar has undertaken that, for so long as any Trust Certificate remains outstanding, unless otherwise specified in the relevant Supplemental Lease Agreement, it shall not, and shall not permit any of its Subsidiaries to create, issue, incur, assume, guarantee or in any manner become directly or indirectly liable with respect to or otherwise become responsible for, contingently or otherwise, the payment of (individually and collectively, to **Incur** or, as appropriate, an **Incurrence**) any Financial Indebtedness (other than Permitted Financial Indebtedness); provided that Emaar and its Subsidiaries will be permitted to Incur additional Financial Indebtedness if:

(a) the ratio of Consolidated Total Net Indebtedness at the end of the immediately preceding Measurement Period to Total Equity at the end of such Measurement Period does not exceed a ratio of 1.5:1; and

(b) the ratio of Consolidated EBITDA for the immediately preceding Measurement Period to Consolidated Net Finance Charges Payable for each such Measurement Period is not less than a ratio of 1.5:1.

This provision shall not apply for so long as Emaar has Investment Grade Status. However, this provision shall immediately apply if and for so long as Emaar ceases to have Investment Grade Status.

For these purposes, unless otherwise specified in the relevant Supplemental Lease Agreement:

(a) an accounting term used in this provision is to be construed in accordance with the principles applied in connection with the most recently produced audited consolidated financial statements or interim condensed consolidated financial statements, as the case may be, of Emaar;

(b) compliance with this provision shall be assessed by reference to the most recently produced audited consolidated financial statements or interim consolidated financial statements, as the case may be, of Emaar;

(c) the reference to audited consolidated financial statements or interim condensed consolidated financial statements of Emaar being produced shall be a reference to (i) in the case of audited consolidated financial statements, such financial statements having been audited by Emaar's external auditors and authorised for issue by or on behalf of the board of directors of Emaar and (ii) in the case of interim condensed consolidated financial statements, such financial statements having been reviewed by Emaar's external auditors and authorised for issue by or on behalf of the board of directors of Emaar;

(d) any amount in a currency other than U.S.$ is to be taken into account at its U.S.$ equivalent calculated on the basis of:

   (i) the Principal Paying Agent's spot rate of exchange for the purchase of the relevant currency in the London foreign exchange market with U.S.$ at or about 11:00 a.m. (London time) on the day the relevant amount falls to be calculated; or

   (ii) if the amount is to be calculated on the last day of a financial period of Emaar, the relevant rates of exchange used by Emaar in, or in connection with, its financial statements for that period; and

(e) no item must be credited or deducted more than once in any calculation under this provision.

In addition, Emaar has agreed that each of the following events or circumstances shall constitute an **Emaar Event**:

(a) default is made by Emaar in the payment of any amount in the nature of rental, profit or principal (or an equivalent amount) payable by it pursuant to any Transaction Document to which it is a party and, in the case of an amount which is in the nature of rental or profit (or an equivalent amount), the failure continues for a period of 14 days and, in the case of an amount which is in the nature of principal (or an equivalent amount), the failure continues for a period of 7 days; or

(b) Emaar fails to perform or observe any of its other obligations under any of the Transaction Documents to which it is a party (other than clause 5.3 of the Master Lease Agreement, as the same may be amended in the relevant Supplemental Lease Agreement) and (except in any case where, in the opinion of the Delegate, the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for a period of 30 days next following the service by the Delegate on Emaar of written notice requiring the same to be remedied except that a failure by Emaar (acting in its capacity as Servicing Agent) to comply with its obligations set out in clause 5.2 of the Servicing Agency Agreement will not constitute an Emaar Event; or

(c) Emaar fails to perform or observe any of its obligations under clause 5.3 of the Master Lease Agreement, as the same may be amended in the relevant Supplemental Lease Agreement; or

(d) (i) any Indebtedness of Emaar or any Material Subsidiary is not paid when due or (as the case may be) within any originally applicable grace period, (ii) any such Indebtedness becomes due and payable prior to its stated maturity by reason of default (however described) or (iii) Emaar or any Material Subsidiary fails to pay when due or (as the case may be) within any originally applicable grace period any amount payable by it under any guarantee of any Indebtedness, provided that each such event shall not constitute an Emaar Event unless the aggregate amount of all such Indebtedness, either alone or when aggregated with all other Indebtedness in respect of which such an event shall have occurred and be continuing, shall be more than U.S.$50,000,000 (or its equivalent in any other currency or currencies); or

(e) one or more judgments or orders for the payment of any sum in excess of U.S.$40,000,000 is rendered against Emaar or any Material Subsidiary and continues unsatisfied, unstayed and unappealed for a period of 30 days after the date thereof (or, if appealed, the appeal is unsuccessful and thereafter the judgment continues unsatisfied and unstayed for a period of 30 days); or

(f) any order is made by any competent court or resolution passed for the winding up or dissolution of Emaar or any Material Subsidiary, save in connection with a Permitted Reorganisation; or

(g) Emaar or any Material Subsidiary ceases or threatens to cease to carry on all or substantially all of its business, save in connection with a Permitted Reorganisation, or Emaar or any Material Subsidiary stops or threatens to stop payment of, or is unable to, or admits its inability to, pay its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or

(h) (i) any court or other formal proceedings are initiated under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, (and such proceedings are not being actively contested in good faith by Emaar or the relevant Material Subsidiary) or an administrative or other receiver, manager, administrator or other similar official is appointed, in each case against or in relation to Emaar or any Material Subsidiary or, as the case may be, in relation to all or substantially all of the undertaking or assets of Emaar, or all or substantially all of the undertaking or assets of such Material Subsidiary; and/or (ii) an encumbrancer takes possession of all or substantially all of the undertaking or assets of Emaar, or all or substantially all of the undertaking or assets of any Material Subsidiary, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against any of the same and (iii) any such event as is mentioned in (i) or (ii) above (other than the appointment of an administrator) is not discharged within 30 days; or

(i) Emaar or any Material Subsidiary initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors) save in connection with a Permitted Reorganisation; or

(j) any event occurs which under the laws of the United Arab Emirates or any Emirate therein or any other jurisdiction has an analogous effect to any of the events referred to in paragraphs (f) to (i) above; or

(k) at any time it is or becomes unlawful for Emaar to perform or comply with any or all of its obligations under or in respect of any Transaction Document to which it is a party or any of the obligations of Emaar thereunder are not or cease to be legal, valid, binding or enforceable; or

(l) if all or substantially all of any of Emaars' Material Subsidiaries', revenues or assets are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any national, regional or local government,

provided however, that in the case of the happening of any of the events described in paragraphs (b) or (other than the winding up or dissolution of Emaar) (e) to (l), inclusive above, the Delegate shall have certified in writing to Emaar that such event is, in its opinion, materially prejudicial to the interests of the holders of the Trust Certificates.

For the purposes of the above provisions:

Average Life means, as of the date of determination with respect to any Financial Indebtedness or Refinancing Financial Indebtedness, the quotient obtained by dividing:

(a) the sum of the products of:

  (i) the numbers of years from the date of determination to the date or dates of each successive scheduled principal payment of such Financial Indebtedness or Refinancing Financial Indebtedness; and

  (ii) the amount of each such principal payment;

by

(b) the sum of all such principal payments;

Capital Stock means, with respect to any person, any and all shares, interests, participations or other equivalents (howsoever designated, whether voting or non-voting) or such person's equity, including any preferred stock of such person, whether outstanding on the relevant Issue Date or issued after the date thereof including, without limitation, all series or classes of such Capital Stock;

Consolidated Cash and Cash Equivalents means, in respect of the Group at any time the aggregate of the following:

(a) cash in hand or on deposit with any acceptable bank or any bank which is licensed by the central bank of its jurisdiction of incorporation;

(b) certificates of deposit, maturing within one year after the relevant date of calculation, issued by an acceptable bank;

(c) any investment in marketable obligations issued or guaranteed by (i) the government of the United States of America or the United Kingdom or by an instrumentality or agency of the government of the United States of America or the United Kingdom having an equivalent credit rating or (ii) the government of any country in which Emaar has operations, provided in the case of (ii) such obligations have a maturity of less than one year;

(d) open market commercial paper:

(i) for which a recognised trading market exists;

(ii) issued in the United States of America or the United Kingdom;

(iii) which matures within one year after the relevant date of calculation; and

(iv) which has a credit rating of either A-1 by Standard & Poor's or Fitch or P-1 by Moody's or if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term debt obligations, an equivalent rating; and

(e) Sterling bills of exchange eligible for rediscount at the Bank of England and accepted by an acceptable bank in each case, to which any member of the Group is beneficially entitled at that time and which is capable of being applied against Consolidated Total Indebtedness. An acceptable bank for this purpose is a commercial bank or trust company which has a rating of BBB- or higher by Standard & Poor's or Fitch or Baa3 or higher by Moody's or a comparable rating from a nationally recognised credit rating agency for its long-term obligations;

Consolidated EBITDA means, in respect of any Measurement Period, the consolidated net pre-taxation profits of the Group for such Measurement Period as adjusted by:

(a) adding back Consolidated Net Finance Charges Payable;

(b) taking no account of any exceptional or extraordinary item;

(c) adding back any amount attributable to minority interests; (d) adding back depreciation and amortisation; and

(d) taking no account of any revaluation of an asset or any loss or gain over book value arising on the disposal of an asset (otherwise than the ordinary course of trading) by a member of the Group during the Measurement Period,

and:

(i) including the net pre-taxation profits of a member of the Group or business or assets acquired during that Measurement Period for the part of that Measurement Period when it was not a member of the Group and/or the business or assets were not owned by a member of the Group; but

(ii) excluding the net pre-taxation profits attributable to any member of the Group or to any business or assets sold during that Measurement Period;

Consolidated Finance Charges Payable means, in respect of any Measurement Period, all Finance Charges (but excluding Finance Charges on trade payables) incurred by the Group during such Measurement Period;

Consolidated Finance Charges Receivable means, in respect of any Measurement Period, all financing charges received or receivable by the Group during such Measurement Period;

Consolidated Net Finance Charges Payable means, in respect of any Measurement Period, Consolidated Finance Charges Payable less Consolidated Finance Charges Receivable during such Measurement Period;

Consolidated Total Indebtedness means, in respect of the Group or any Subsidiary, as the case may be, at any time the aggregate of the following:

(a) the outstanding principal amount of any moneys borrowed but excluding all trade payables (as defined in the most recently available audited consolidated financial statements or interim condensed consolidated financial statements, as the case may be, of Emaar or the relevant Subsidiary, as the case may be);

(b) the outstanding principal amount of any bond, note, debenture, loan stock or other similar instrument;

(c) the capitalised element of indebtedness under a finance or capital lease;

(d) the outstanding principal amount of all moneys owing in connection with the sale or discounting of receivables (otherwise than on a non-recourse basis);

(e) the outstanding principal amount of any indebtedness arising from any deferred payment agreements arranged primarily as a method of raising finance or financing the acquisition of an asset;

(f) any fixed or minimum premium payable on the repayment or redemption of any instrument referred to in paragraph (b) above;

(g) the outstanding principal amount of any indebtedness arising in connection with any other transaction (including any forward sale or purchase agreement and whether in connection with any Islamic financing arrangements or otherwise) which has the commercial effect of a borrowing; and

(h) the outstanding principal amount of any indebtedness of any person of a type referred to in paragraphs (a) to (g) above which is the subject of a guarantee, indemnity or similar assurance against financial loss given by a member of the Group or the relevant Subsidiary, as the case may be,

provided that Consolidated Total Indebtedness shall not include any indebtedness in respect of letters of credit or performance guarantees issued in the ordinary course of business to the extent such letters of credit or performance guarantees are not drawn upon or, if drawn upon, are honoured in accordance with their terms;

Consolidated Total Net Indebtedness means at any time Consolidated Total Indebtedness less Consolidated Cash and Cash Equivalents;

Finance Charges means, for any Measurement Period, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of Financial Indebtedness (whether, in each case, paid or payable by any member of the Group (calculated on a consolidated basis)) in respect of that Measurement Period;

Financial Indebtedness means any indebtedness for or in respect of:

(a) monies borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with IFRS, be treated as a finance or capital lease;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;

(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

(h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution excluding any performance or bid bonds;

(i) any amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into the agreement is to raise finance;

(j) any obligations incurred in respect of any Islamic financing arrangements; and

(k) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (j) above;

Fitch means Fitch Ratings Ltd;

Group means Emaar and its Subsidiaries taken as a whole;

IFRS means International Financial Reporting Standards;

Indebtedness means all obligations, and guarantees or indemnities in respect of obligations, for moneys borrowed or raised (whether or not evidenced by bonds, debentures, notes or other similar instruments) or any Shari'a compliant alternative of the foregoing other than any such obligations, guarantees or indemnities owing or given by one member of the group to another member of the Group;

Investment Grade Rating means a rating equal to or higher than: (i) Baa3 (or the equivalent) by Moody's; (ii) BBB- (or the equivalent) by Standard & Poor's; or (iii) BBB- (or the equivalent) by Fitch or in each case the equivalent thereof from any other Rating Agency (as applicable);

Investment Grade Status means that Emaar has an Investment Grade Rating from at least one Rating Agency;

Joint Venture Company means an entity which is at any particular time, jointly controlled (whether directly or indirectly) by Emaar and any other person or persons. For the purposes of this definition, an entity shall be considered as being **jointly controlled** by Emaar and such other person or persons if it is accounted for as a jointly controlled entity in Emaar's financial statements and, for the avoidance of doubt, as at the date of this Base Prospectus, each of Dubai Hills Estate LLC and The Lagoons Development LLC shall be considered a Joint Venture Company.

Material Subsidiary means at any time a Subsidiary of Emaar:

(a) whose Consolidated EBITDA (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent in each case (or, in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated accounts of Emaar and its Subsidiaries relate, are equal to) not less than 10 per cent. of the Consolidated EBITDA of Emaar, or, as the case may be, consolidated total assets, of Emaar and its Subsidiaries taken as a whole, all as calculated respectively by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of such Subsidiary and the then latest audited consolidated accounts of Emaar and its Subsidiaries taken as a whole, provided that in the case of a Subsidiary of Emaar acquired after the end of the financial period to which the then latest audited consolidated accounts of Emaar and its Subsidiaries relate, the reference to the then latest audited consolidated accounts of Emaar and its Subsidiaries for the purposes of the calculation above shall, until consolidated accounts for the financial period in which the acquisition is made have been prepared and audited as aforesaid, be deemed to be a reference to such first-mentioned accounts as if such Subsidiary had been shown in such accounts by reference to its then latest relevant audited accounts, adjusted as deemed appropriate by Emaar;

(b) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of Emaar which immediately prior to such transfer is a Material Subsidiary, provided that the transferor Subsidiary shall upon such transfer forthwith cease to be a Material Subsidiary and the transferee Subsidiary shall cease to be a Material Subsidiary pursuant to this subparagraph (b) on the date on which the consolidated accounts of Emaar and its Subsidiaries for the financial period current at the date of such transfer have been prepared and audited as aforesaid but so that such transferor Subsidiary or such transferee Subsidiary may be a Material Subsidiary on or at any time after the date on which such consolidated accounts have been prepared and audited as aforesaid by virtue of the provisions of subparagraph (a) above or, prior to or after such date, by virtue of any other applicable provision of this definition; or

(c) to which is transferred an undertaking or assets which, taken together with the undertaking or assets of the transferee Subsidiary, generated (or, in the case of the transferee Subsidiary being acquired after the end of the financial period to which the then latest audited consolidated accounts of Emaar and its Subsidiaries relate, generate Consolidated EBITDA equal to) not less than 10 per cent. of the Consolidated EBITDA of Emaar, or represent (or, in the case aforesaid, are equal to) not less than 10 per cent. of the consolidated total assets of Emaar and its Subsidiaries taken as a whole, all as calculated as referred to in subparagraph (a) above, provided that the transferor Subsidiary (if a Material Subsidiary) shall upon such transfer forthwith cease to be a Material Subsidiary unless immediately following such transfer its undertaking and assets generate (or, in the case aforesaid, generate Consolidated EBITDA equal to) not less than 10 per cent. of the Consolidated EBITDA of Emaar, or its assets represent (or, in the case aforesaid, are equal to) not less than 10 per cent. of the consolidated total assets of Emaar and its Subsidiaries taken as a whole, all as calculated as referred to in subparagraph (a) above, and the transferee Subsidiary shall cease to be a Material Subsidiary pursuant to this subparagraph (c) on the date on which the consolidated accounts of Emaar and its Subsidiaries for the financial period current at the date of such transfer have been prepared and audited but so that such transferor Subsidiary or such transferee Subsidiary may be a Material Subsidiary on or at any time after the date on which such consolidated accounts have been prepared and audited as aforesaid by virtue of the provisions of subparagraph (a) above or, prior to or after such date, by virtue of any other applicable provision of this definition,

all as more particularly defined in the Master Trust Deed.

Any report signed by two Authorised Signatories of Emaar whether or not addressed to the Trustee or the Delegate that in their opinion a Subsidiary of Emaar is or is not or was or was not at any particular time or throughout any specified period a Material Subsidiary may be relied upon by the Trustee and the Delegate without further enquiry or evidence and with no liability to any person thereof and, if relied upon by the Trustee or the Delegate, shall, in the absence of manifest error, be conclusive and binding on all parties;

Measurement Period means a period of 12 months ending on (i) the last day of the most recently completed financial year of the Lessee and (ii) if consolidated reviewed interim financial statements of the Lessee are published, the last day of the relevant period in respect of which such financial statements were prepared;

Moody's means Moody's Investors Service, Inc.;

Permitted Financial Indebtedness means any one or more of the following:

(a) any Financial Indebtedness of Emaar or any Subsidiary of Emaar outstanding on the date on which agreement is reached to issue the first tranche of the Trust Certificates;

(b) any Financial Indebtedness owed by Emaar or any Subsidiary of Emaar to Emaar or any other Subsidiary of Emaar; provided, however, that any subsequent disposition, pledge or transfer of such Financial Indebtedness (other than to Emaar or a Subsidiary of Emaar) shall be deemed, in each case, to constitute the Incurrence of such Financial Indebtedness by the obligor thereof;

(c) any Financial Indebtedness of Emaar or any Subsidiary of Emaar Incurred and outstanding on or prior to the date on which such Subsidiary became a Subsidiary of Emaar (other than Financial Indebtedness Incurred in connection with, or to provide all or any portion of the funds or credit support utilised to consummate, the transaction or series of related transactions pursuant to which the Subsidiary became a Subsidiary of Emaar);

(d) any amounts owed by Emaar or any Subsidiary of Emaar to suppliers, contractors, sub-contractors and/or project consultants in respect of goods supplied and/or services provided, in each case in the ordinary course of business;

(e) any Project Finance Indebtedness of Emaar or a Subsidiary of Emaar or any Securitisation Indebtedness;

(f) any Financial Indebtedness arising in the form of deferred payment obligations of Emaar or a Subsidiary of Emaar in respect of the acquisition of any business, assets or Capital Stock, in each case in the ordinary course of business; and

(g) any Refinancing Financial Indebtedness Incurred by Emaar or a Subsidiary of Emaar in respect of Financial Indebtedness Incurred by Emaar or a Subsidiary of Emaar: (i) at any time when Emaar had Investment Grade Status; or (ii) pursuant to paragraph (a), (b), (c), (d), (e) or (f) above;

Permitted Reorganisation means:

(a) (i) any disposal by any Subsidiary of Emaar of all or substantially all of its business, undertaking or assets to Emaar or any other wholly owned Subsidiary of Emaar or (ii) any disposal by Emaar of all or substantially all of its business, undertaking or assets to any of its wholly-owned Subsidiaries provided that, in the case of (ii) only, at the same time or prior to any such disposal, all amounts payable by Emaar under each Transaction Document to which it is a party have been assumed by such Subsidiary on terms previously approved by an Extraordinary Resolution;

(b) any amalgamation, consolidation or merger of a Subsidiary of Emaar with any other Subsidiary of Emaar; or

(c) any amalgamation, consolidation, restructuring, merger or reorganisation on terms previously approved by the Delegate or by an Extraordinary Resolution;

Permitted Security means:

(a) any Security existing on the date on which agreement is reached to issue the first tranche of Trust Certificates;

(b) any Security created or outstanding with the approval of the Certificateholders by an Extraordinary Resolution;

(c) any Security on assets or property existing at the time the Lessee or any Subsidiary acquired such assets or property provided that such Security was not created in contemplation of such acquisition;

(d) any Security securing Indebtedness of any person and/or its Subsidiaries existing at the time that such person is merged into or consolidated with the Lessee or a Subsidiary provided that such Security was not created in contemplation of such merger or consolidation and does not extend to any other assets or property of the Lessee or any Subsidiary; and

(e) any renewal of or substitution for any Security permitted by any of the preceding paragraphs (a) through (c), provided that with respect to any such Security incurred pursuant to this paragraph (d), the principal amount secured has not increased and the Security has not been extended to any additional property (other than the proceeds of such property);

Project Finance Indebtedness means any Financial Indebtedness issued, borrowed or raised by the Lessee or any of its Subsidiaries to finance the ownership, acquisition, development and/or operation of an asset or project where there is no recourse whatsoever for repayment thereof other than:

(a) recourse solely to the property, income, assets or revenues from such asset or project (including insurance proceeds); and/or

(b) recourse, for the purpose only of enabling amounts to be claimed in respect of such Financial Indebtedness, over such asset or project or the income, cash flow or other proceeds deriving therefrom, provided that the extent of such recourse is limited solely to the amount of any recoveries made on any such enforcement;

Rating Agencies means (i) Standard & Poor's, (ii) Moody's, (iii) Fitch and (iv) if any one or more of Standard & Poor's, Moody's or Fitch do not make a rating of Emaar publicly available, one or more internationally recognised securities rating agencies selected by Emaar;

Refinancing means, in respect of any Financial Indebtedness, to refinance, extend, renew, refund, repay, prepay, purchase, redeem, defease or retire, or to issue other Financial Indebtedness in exchange or replacement for, such Financial Indebtedness, and **Refinanced** and similar terms are to be construed accordingly;

Refinancing Financial Indebtedness means Financial Indebtedness that Refinances any Financial Indebtedness of Emaar or any Subsidiary of Emaar, including Financial Indebtedness that Refinances Refinancing Financial Indebtedness; provided, however, that:

(i) such Refinancing Financial Indebtedness has a Stated Maturity no earlier than the Stated Maturity of the Financial Indebtedness being Refinanced;

(ii) such Refinancing Financial Indebtedness has an Average Life at the time such Refinancing Financial Indebtedness is Incurred that is equal to or greater than the Average Life of the Financial Indebtedness being Refinanced;

(iii) such Refinancing Financial Indebtedness has an aggregate principal amount (or if Incurred with original issue discount, an aggregate issue price) that is equal to or less than the aggregate principal amount (or if Incurred with original issue discount, the aggregate accreted value) then outstanding (plus fees and expenses, including any premium) under the Financial Indebtedness being Refinanced; and

(iv) if the Financial Indebtedness being Refinanced is subordinated in right of payment to Emaar's payment obligations under the Transaction Documents, such Refinancing Financial Indebtedness is subordinated in right of payment to Emaar's payment obligations under the Transaction Documents at least to the same extent as the Financial Indebtedness being Refinanced;

Relevant Accounts means, at any time, the most recently publicly available audited consolidated or interim condensed consolidated financial statements of the Lessee prepared in accordance with IFRS;

Relevant Indebtedness means any present or future indebtedness, other than any Project Finance Indebtedness or Securitisation Indebtedness, which is in the form of, or which is represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or are capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

Relevant Sukuk Obligation means any Sukuk Obligation, other than any Project Finance Indebtedness or Securitisation Indebtedness, in respect of which the relevant trust certificates or other securities are, or are intended to be or are capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

Securitisation Indebtedness means any Financial Indebtedness issued, borrowed or raised by the Lessee or any of its Subsidiaries in connection with any securitisation (Islamic or otherwise) of existing or future assets or revenues, provided that:

(a) any Security given by the Lessee or any Subsidiary in connection therewith is limited solely to the assets and/or revenues which are the subject of the securitisation;

(b) each person participating in such securitisation expressly agrees to limit its recourse to the assets and/or revenues so securitised as the principal source of repayment for the money advanced or payment of any other liability); and

(c) there is no other recourse to the Lessee or any Subsidiary in respect of any default by any person under the securitisation;

Security means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof, any sale with recourse against the seller or any affiliate of the seller, or any agreement to give any security interest) securing any obligation of any person;

Standard & Poor's means Standard & Poor's Rating Services, a division of the McGraw-Hill Companies Inc.;

Stated Maturity means, with respect to any Financial Indebtedness or Refinancing Financial Indebtedness, the date specified in the relevant documentation as the fixed date on which the final payment of principal in respect thereof is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such Financial Indebtedness at the option of the holder thereof upon the happening of any contingency unless such contingency has occurred);

Subsidiary means in relation to any company or corporation, a company or corporation:

(a) which is controlled, directly or indirectly, by the first mentioned company or corporation;

(b) more than half of the Capital Stock of which is beneficially owned, directly or indirectly by the first mentioned company or corporation; or

(c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body;

Sukuk Obligation means any undertaking or other obligation to pay any money given in connection with any issue of trust certificates or other securities intended to be issued in compliance with the principles of Sharia, whether or not in return for consideration of any kind; and

Total Equity means the share capital of the Group for the time being issued and paid up or credited as paid up; and the aggregate of the amounts standing to the credit of the consolidated capital and revenue reserves (including share premium account, statutory reserves and profit and loss account but excluding hedging reserves) of the Group.

Purchase Undertaking

The Purchase Undertaking was executed on 31 August 2016 by the Obligor as a deed and will be governed by English law.

The Obligor will irrevocably undertake in favour of the Issuer, the Trustee and the Delegate to purchase all of Emaar Sukuk Limited's rights, benefits and entitlements in and to the Relevant Lease Assets for each Series of Trust Certificates on the relevant Maturity Date or, if earlier, on the Dissolution Date of the relevant Series of Trust Certificates. The exercise price payable by the Obligor shall be equal to the aggregate face amount of the Trust Certificates then outstanding for relevant Series plus all accrued but unpaid Periodic Distribution Amounts (if any) relating to such Trust Certificates plus, without duplication or double counting, an amount representing any amounts payable by Emaar Sukuk Limited (in any capacity) under the Transaction Documents to which it is a party (including but not limited to, an amount equal to any Servicing Agency Expenses in respect of which an appropriate Rental payment has not been made in accordance with the Master Lease Agreement and the relevant Supplemental Lease Agreement) provided that, in the case of any amounts payable pursuant to Condition 5.2(a), Emaar has received a notification from the Delegate of such amounts by not later than the third Business Day prior to the date on which the Exercise Notice is delivered, plus, without duplication or double counting any other amounts payable on redemption of the Trust Certificates as specified in the applicable Final Terms less the aggregate amounts of Deferred Sale Price then outstanding, if any.

The specific terms applicable to each such sale will be confirmed in a Sale Agreement, to be executed by Emaar Sukuk Limited and the Obligor on the Dissolution Date or, as the case may be, the Maturity Date of the relevant Series of Trust Certificates. The form of each such Sale Agreement is scheduled to the Purchase Undertaking.

The Obligor will agree in the Purchase Undertaking that all payments by it under the Purchase Undertaking will be made without any deduction or withholding for or on account of tax unless required by law and without set-off (save as provided below) or counterclaim and, in the event that there is any deduction, withholding, set-off (save as provided below) or counterclaim, the Obligor shall pay all additional amounts as will result in the receipt by Emaar Sukuk Limited of such net amounts as would have been received by it if no withholding, deduction, set-off or counterclaim had been made.

The amount equal to the Servicing Agency Expenses to be paid by Emaar as part of the price payable pursuant to the Purchase Undertaking and any Services Charge Amount to be paid by Emaar Sukuk Limited in its capacity as Lessor under the Servicing Agency Agreement which has not been paid by way of a rental payment under the relevant Supplemental Lease Agreement shall be set off against one another.

The payment obligations of the Obligor under the Purchase Undertaking are and will be direct, unconditional, unsubordinated, (subject to the negative pledge provisions described in clause 5.2 of the Master Lease Agreement) unsecured and general obligations of the Obligor and shall (save for prior ranking claims as may be provided by applicable law and subject to the negative pledge provisions described in clause 5.2 of the Master Lease Agreement) rank at least *pari passu* with all other unsecured, unsubordinated and general obligations of the Obligor.

Sale Undertaking

The Sale Undertaking was executed on 31 August 2016 by Emaar Sukuk Limited as Trustee as a deed in favour of Emaar and will be governed by English law.

Pursuant to the Sale Undertaking, subject to the Issuer being entitled to redeem the relevant Series of Trust Certificates pursuant to Conditions 11.2, 11.3 or 11.6, Emaar may, by exercising its option under the Sale Undertaking and serving notice on Emaar Sukuk Limited no later than 15 days prior to the commencement of the minimum period of notice specified in the applicable Final Terms for the group notice to Certificateholders in connection with the exercise of such option, oblige the Trustee to sell all the Trustee's rights, benefits and entitlements in and to the Relevant Lease Assets on the relevant Dissolution Date. The exercise price payable by Emaar will be an amount equal to the aggregate face amount of Trust Certificates then outstanding for the relevant Series plus all accrued but unpaid Periodic Distribution Amounts (if any) relating to such Trust Certificates plus, without duplication or double counting, an amount representing any amounts payable by Emaar Sukuk Limited (in any capacity) under the Transaction Documents to which it is a party (including but not limited to, an amount equal to any Servicing Agency Expenses in respect of which an appropriate Rental payment has not been made in accordance with the Master Lease Agreement and the relevant Supplemental Lease Agreement), provided that, in the case of any amounts payable pursuant to Condition 5.2(a), Emaar has received a notification from the Delegate of such amounts by not later than the third Business Day prior to the date on which the Exercise Notice is delivered, plus, without duplication or double counting, any other amounts payable on redemption of the Trust Certificates as specified in the applicable Final Terms less the aggregate amounts of Deferred Sale Price then outstanding, if any.

The Sale Undertaking will provide that the exercise price payable pursuant to the exercise of the Sale Undertaking will be made without any deduction or withholding for or on account of tax unless required by law and without set-off (save as provided below) or counterclaim and, in the event that there is any deduction or withholding, Emaar shall pay all additional amounts as will result in the receipt by Emaar Sukuk Limited of such amounts as would have been received by it if no withholding or deduction had been made.

The amount equal to the Servicing Agency Expenses to be paid by Emaar as part of any exercise price payable pursuant to the exercise of the Sale Undertaking and any Services Charge Amount to be paid by Emaar Sukuk Limited in its capacity as Lessor under the Servicing Agency Agreement shall be set off against one another and the obligation to pay that part of the exercise price shall be discharged by such set-off.

In addition, under the terms of the Sale Undertaking, if at any time Emaar wishes to cancel any Trust Certificates purchased pursuant to Condition 12.1, Emaar may, by exercising its option under the Sale

Undertaking (by serving an Exercise Notice on Emaar Sukuk Limited) oblige Emaar Sukuk Limited to transfer all of Emaar Sukuk Limited’s rights, benefits and entitlements in and to the Cancelled Lease Assets to Emaar in consideration for which the Trust Certificates shall be cancelled. The transfer of the Cancelled Lease Assets will take effect by Emaar and Emaar Sukuk Limited entering into a Sale Agreement (in the form scheduled to the Sale Undertaking). Following the entry into such Sale Agreement, Emaar Sukuk Limited shall forthwith cancel the relevant Trust Certificates identified for cancellation in the Exercise Notice on the Cancellation Date.

Servicing Agency Agreement

The Servicing Agency Agreement was entered into on 31 August 2016 by the Lessor and Emaar, as Servicing Agent, and will be governed by English law.

Pursuant to the Servicing Agency Agreement, the Servicing Agent will be responsible on behalf of the Lessor for the carrying out of all Major Maintenance and Structural Repair (as defined in the Master Lease Agreement), the payment of proprietorship taxes levied or imposed on the Lease Assets and for effecting all appropriate insurances in respect of the Lease Assets.

Substitution and Sale of Additional Assets Undertaking

The Substitution and Sale of Additional Assets Undertaking was executed on 31 August 2016 by Emaar Sukuk Limited as Trustee as a deed and will be governed by English law.

Pursuant to the Substitution and Sale of Additional Assets Undertaking, the Trustee has granted to Emaar the right to require the Trustee to (i) sell all of its rights, benefits and entitlements in and to the Substituted Assets to it in exchange for delivery to the Trustee of New Assets of a value which is equal to or greater than the value of the Substituted Assets; and/or (ii) in connection with the exercise by the Issuer of its rights under Condition 21, purchase all of Emaar's rights, benefits and entitlements in and to the Additional Assets in consideration for the payment by the Trustee (as purchaser) to Emaar (as seller) of the Additional Assets Purchase Price (as specified in the relevant Sale Agreement) provided that the Additional Assets are of a value which is equal to or greater than 51 per cent. of the aggregate face amount of the additional Trust Certificates.

The substitution of the Substituted Assets with the New Assets will become effective on the Substitution Date (as specified in the Substitution Notice to be delivered by Emaar in accordance with the Substitution and Sale of Additional Assets Undertaking) by the Trustee and Emaar entering into a Sale Agreement and the relevant new Supplemental Lease Agreement being executed in the manner provided for in the Substitution Notice. The purchase of the relevant Additional Assets will become effective on the Additional Assets Purchase Date (as specified in the Additional Assets Notice to be delivered by Emaar in accordance with the Substitution and Sale of Additional Assets Undertaking and being the date upon which the relevant sale agreement described below is entered into) by the Trustee and Emaar entering into a sale agreement and the replacement Lease Agreement being executed in the manner provided in the Additional Assets Notice.

Each sale agreement entered into upon such substitution or (as applicable) purchase will (i) (in the case of a substitution) effect the transfer of ownership rights in the Substituted Assets from the Trustee to the Lessee and (ii) effect the transfer of rights in the New Assets or Additional Assets, as the case may be, from Emaar to the Trustee and (a) in the case of a substitution, the Substitution Notice will provide that the New Assets and any Relevant Lease Assets not replaced and/or (b) in the case of a purchase, the Additional Assets Notice will provide that the existing Lease Assets and the Additional Assets, will in each case be leased to Emaar under the new Supplemental Lease Agreement.

Master Murabaha Agreement

The Master Murabaha Agreement was entered into on 31 August 2016 by the Buyer and the Seller and will be governed by English law.

In connection with each Tranche of Trust Certificates, the Seller may enter into a Murabaha Contract with the Buyer using no more than 49 per cent. of the face amount of such Tranche provided that, in the case of each Tranche of Trust Certificates following the first Tranche, the value of the Additional Assets purchased in accordance with the Substitution and Sale of Additional Assets Undertaking is less than the aggregate face amount of the additional Trust Certificates which have been issued.

Pursuant to the Master Murabaha Agreement, the Seller shall agree and undertake that, on receipt of a Purchase Order from the Buyer, the Seller may on the Issue Date for the relevant Tranche and on the terms set out in the Purchase Order enter into commodity purchase transactions by no later than the Issue Date with the Supplier for Purchase to purchase commodities at the Commodity Purchase Price (as defined in the Master Murabaha Agreement). Following the purchase of the commodities by the Seller from the Supplier for Purchase, and provided that the Seller has acquired title to, and actual or constructive possession of, the commodities, the Seller shall deliver to the Buyer by no later than the Issue Date a Letter of Offer and Acceptance indicating the Seller's acceptance of the terms of the Purchase Order made by the Buyer and detailing the terms of the offer for the sale of the commodities to the Buyer from the Seller by no later than the Issue Date.

Pursuant to the Master Murabaha Agreement, the Buyer shall irrevocably and unconditionally undertake to accept the terms of, countersign and deliver to the Seller any Letter of Offer and Acceptance delivered to it in accordance with the Master Murabaha Agreement and (as a result of the Seller having acted on the request of the Buyer set out in the Purchase Order) purchase the commodities acquired by the Seller for the Deferred Sale Price.

As soon as the Buyer has countersigned the Letter of Offer and Acceptance, a murabaha contract (a **Murabaha Contract**) shall be created between the Seller and the Buyer upon the terms of the letter of offer and acceptance and incorporating the terms and conditions set out in the Master Murabaha Agreement, the Seller shall sell and the Buyer shall buy the commodities on the terms set out in the Letter of Offer and Acceptance and ownership of and all risks in and to the relevant commodities shall immediately pass to and be vested in the Buyer, together with all rights and obligations relating thereto.

TAXATION

General

The following is a general description of certain UAE, Cayman Islands and European Union tax considerations relating to the Trust Certificates. It does not purport to be a complete analysis of all tax considerations relating to the Trust Certificates, whether in those jurisdictions or elsewhere. Prospective purchasers of Trust Certificates should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Trust Certificates and receiving payments under the Trust Certificates and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

United Arab Emirates

The following summary of the anticipated tax treatment in the UAE in relation to the payments on the Trust Certificates is based on the taxation law and practice in force at the date of this Base Prospectus, and does not constitute legal or tax advice. Prospective investors should be aware that the relevant fiscal rules and practice and their interpretation may change. Prospective investors should consult their own professional advisers on the implications of subscribing for, buying, holding, selling, redeeming or disposing of Trust Certificates and the receipt of any payments in respect of any Periodic Distribution Amounts and distributions (whether or not on a winding-up) with respect to such Trust Certificates under the laws of the jurisdictions in which they may be liable to taxation.

There is currently in force in Dubai legislation establishing a general corporate taxation regime (the Dubai Income Tax Decree 1969 (as amended)). The regime is, however, not enforced save in respect of companies active in the hydrocarbon industry, some related service industries and branches of foreign banks operating in the UAE. It is not known whether the legislation will or will not be enforced more generally or within other industry sectors in the future. Under current legislation, there is no requirement for withholding or deduction for or on account of UAE or Dubai taxation in respect of payments on debt securities (including Periodic Distribution Amounts or Dissolution Amounts in relation to the Trust Certificates). In the event of the imposition of any such withholding, the Issuer has undertaken to gross-up any payments subject as described under Condition 13.

The Constitution of the UAE specifically reserves to the Federal Government of the UAE having the right to raise taxes on a federal basis for purposes of funding its budget. It is not known whether this right will be exercised in the future.

The UAE has entered into "Double Taxation Arrangements" with certain other countries, but these are not extensive in number.

Cayman Islands

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Trust Certificates. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands laws, payments on the Trust Certificates will not be subject to taxation in the Cayman Islands and no withholding will be required on the payments to any holder of the Trust Certificates, nor will gains derived from the disposal of the Trust Certificates be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance or gift tax.

The Issuer has obtained an undertaking from the Governor in Cabinet of the Cayman Islands, pursuant to the Tax Concessions Law (1999 Revision) of the Cayman Islands, that for a period of 20 years from the date of grant of that undertaking no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciation shall apply to the Issuer or its operations and, in addition, that no tax to be levied on profits, income, gains or appreciations which is in the nature of estate duty or inheritance tax shall be payable on or in respect of the shares, debentures or other obligations (which includes the Trust Certificates) of the Issuer or by way of the withholding in whole or part of any relevant payment. No capital or stamp duties are levied in the Cayman Islands on the issue, transfer or redemption of Trust Certificates. However, an instrument transferring title to such Trust Certificates, if brought to or executed in the Cayman Islands, would be subject to Cayman Islands stamp duty. An annual registration fee is payable by the Trustee to the Cayman Islands Registrar of Companies which is calculated by reference to the nominal amount of its authorised capital. At current rates, this annual registration fee is approximately U.S.$854. The foregoing is based on current law and practice in the Cayman Islands and this is subject to change therein.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the Cayman Islands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Trust Certificates, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Trust Certificates, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Trust Certificates, such withholding would not apply to "foreign passthru payments" prior to 1 January 2019. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Trust Certificates. In the event that any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Trust Certificates, no person would be required to pay additional amounts as a result of such withholding.

The proposed financial transactions tax (*FTT*)

On 14 February 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Trust Certificates (including secondary market transactions) in certain circumstances. The issuance and subscription of Trust Certificates should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Trust Certificates where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Trust Certificates are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement (such programme agreement as modified and/or supplemented and/or restated from time to time, the **Programme Agreement**) dated 31 August 2016, agreed with the Issuer and Emaar a basis upon which they or any of them may from time to time agree to purchase Trust Certificates. Any such agreement will extend to those matters stated under "*Terms and Conditions of the Trust Certificates*". In the Programme Agreement, each of the Issuer and Emaar has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Trust Certificates under the Programme.

United States

The Trust Certificates have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Trust Certificates are being sold solely outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act. Each Dealer has represented and agreed that it has offered and sold any Trust Certificates, and will offer and sell any Trust Certificates (a) as part of their distribution at any time and (b) otherwise until 40 days after the completion of the distribution of all Trust Certificates of the Tranche of which such Trust Certificates are a part as determined and certified as provided below, only in accordance with Rule 903 of Regulation S under the Securities Act. Each Dealer who purchases Trust Certificates of a Tranche (or in the case of a sale of a Tranche of Trust Certificates issued to or through more than one Dealer, each of such Dealers as to the Trust Certificates of such Tranche to be purchased by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and certify to the Principal Paying Agent the completion of the distribution of the Trust Certificates of such Tranche. On the basis of such notification or notifications, the Principal Paying Agent has agreed to notify such Dealer/Lead Manager of the end of the distribution compliance period with respect to such Tranche. Each Dealer has also agreed that, at or prior to confirmation of sale of Trust Certificates, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Trust Certificates from it during the distribution compliance period a confirmation or notice to substantially the following effect:

> "The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Securities as determined and certified by the relevant Dealer, in the case of a non-syndicated issue, or the Lead Manager, in the case of a syndicated issue, and except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S."

Terms used in this sub-section have the meanings given to them by Regulation S.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Trust Certificate, and it and they have complied and will comply with the offering restrictions requirement of Regulation S.

Public Offer Selling Restrictions under the Prospectus Directive

In relation to each Member State of the European Economic Area (each, a **Relevant Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Trust Certificates which are the subject of the offering contemplated by the Base Prospectus as completed by the applicable Final Terms in relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Trust Certificates to the public in that Relevant Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer and Emaar for any such offer; or

(c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Trust Certificates referred to above shall require the Issuer, Emaar or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an **offer of Trust Certificates to the public** in relation to any Trust Certificates in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Trust Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Trust Certificates, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression **Prospectus Directive** for the purposes of this paragraph means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) in relation to any Trust Certificates which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Trust Certificates other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Trust Certificates would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Trust Certificates in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or Emaar; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Trust Certificates in, from or otherwise involving the United Kingdom.

Cayman Islands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make, whether directly or indirectly, any offer or invitation to the public in the Cayman Islands to subscribe for any Trust Certificates.

Dubai International Financial Centre

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Trust Certificates to be issued under the Programme to any person in the Dubai International Financial Centre unless such offer is:

(a) an “Exempt Offer” in accordance with the Markets Rules (MKT) Module of the DFSA Rulebook; and

(b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Trust Certificates (except for Trust Certificates which are a "structured product" as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong (the **SFO**)) other than (i) to "professional investors" within the meaning of the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, in each case whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Trust Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the Trust Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Malaysia

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that;

(a) this Base Prospectus has not been registered as a prospectus with the Securities Commission of Malaysia under the Capital Markets and Services Act 2007 of Malaysia (the **CMSA**); and

(b) accordingly, the Trust Certificates have not been and will not be offered or sold, and no invitation to subscribe for or purchase the Trust Certificates have been or will be made, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons or in categories falling within Schedule 6 or Section 229(1)(b), Schedule 7 or Section 230(1)(b), read together with Schedule 8 or Section 257(3) of the CMSA, subject to any law, order, regulation or official directive of the Central Bank of Malaysia, the Securities Commission of Malaysia and/or any other regulatory authority from time to time.

Residents of Malaysia may be required to obtain relevant regulatory approvals including approval from the Controller of Foreign Exchange to purchase the Trust Certificates. The onus is on the Malaysian residents concerned to obtain such regulatory approvals and none of the Dealers is responsible for any invitation, offer, sale or purchase of the Trust Certificates as aforesaid without the necessary approvals being in place.

Saudi Arabia

No action has been or will be taken in the Kingdom of Saudi Arabia that would permit a public offering of the Trust Certificates.

Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a **Saudi Investor**) who acquires any Trust Certificates pursuant to an offering should note that the offer of Trust Certificates is a private placement under Article 10 or Article 11 of the "Offers of Securities Regulations" as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated 4 October, 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated 18 August, 2008 (the **KSA Regulations**), through a person authorised by the Capital Market Authority (the **CMA**) to carry on the securities activity of arranging and following a notification to the CMA under the KSA Regulations. The Trust Certificates may thus not be advertised, offered or sold to any person in the Kingdom of Saudi Arabia other than to "Sophisticated Investors" under Article 10 of the KSA Regulations or by way of a limited offer under Article 11 of the KSA Regulations. Each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer of Trust Certificates to a Saudi Investor will be made in compliance with the KSA Regulations.

Investors are informed that Article 17 of the KSA Regulations places restrictions on secondary market activity with respect to the Trust Certificates, including as follows:

(a) a Saudi Investor (referred to as a **transferor**) who has acquired Trust Certificates pursuant to a private placement may not offer or sell Trust Certificates to any person (referred to as a **transferee**) unless the offer or sale is made through an authorised person where one of the following requirements is met:

(i) the price to be paid for the Trust Certificates in any one transaction is equal to or exceeds Saudi Riyals 1 million or an equivalent amount;

(ii) the Trust Certificates are offered or sold to a Sophisticated Investor; or

(iii) the Trust Certificates are being offered or sold in such other circumstances as the CMA may prescribe for these purposes;

(b) if the requirement of paragraph (a)(i) above cannot be fulfilled because the price of the Trust Certificates being offered or sold to the transferee has declined since the date of the original private placement, the transferor may offer or sell the Trust Certificates to the transferee if their purchase price during the period of the original private placement was equal to or exceeded Saudi Riyals 1 million or an equivalent amount;

(c) if the requirement in paragraph (b) above cannot be fulfilled, the transferor may offer or sell Trust Certificates if he/she sells his entire holding of Trust Certificates to one transferee; and

(d) the provisions of paragraphs (a), (b) and (c) above shall apply to all subsequent transferees of the Trust Certificates.

Singapore

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore, and the Trust Certificates will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**). Accordingly each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and that it will not offer or sell any Trust Certificates or cause such Trust Certificates to be made the subject of an invitation for subscription or purchase, nor will it circulate or distribute this Base Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Trust Certificates, whether directly or indirectly, to any person in Singapore other than: (a) to an institutional investor pursuant to Section 274 of the SFA; (b) to a relevant person, or any person pursuant to Section 275(1) of the SFA or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or (c) pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Where the Trust Certificates are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Trust Certificates pursuant to an offer under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; or

(ii) where no consideration is or will be given for the transfer; or

(iii) where the transfer is by operation of law; or

(iv) pursuant to Section 276(7) of the SFA or Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

United Arab Emirates (excluding Dubai International Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Trust Certificates to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

General

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Trust Certificates or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Trust Certificates under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuer, Emaar and any other Dealer shall have any responsibility therefor.

None of the Issuer, Emaar or any of the Dealers (i) makes any representation that any action has been or will be taken in any jurisdiction that would permit a public offering of any Trust Certificates, or possession or distribution of the Base Prospectus, any other offering, material or any Final Terms, in any country or jurisdiction where action for that purpose is required; or (ii) represents that Trust Certificates may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating any such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions agreed between the Issuer, Emaar and the relevant Dealer and set out in the relevant dealer accession letter or subscription agreement, as the case may be.

GENERAL INFORMATION

Authorisation

The establishment of the Programme was duly authorised by a resolution of the Board of Directors of the Issuer dated 20 November 2008 and by the Board of Directors of Emaar dated 24 November 2008. The update of the Programme has been duly authorised by a resolution of the Board of Directors of the Issuer dated 29 August 2016 and a resolution of the Board of Directors of Emaar dated 23 August 2016. The issue of Trust Certificates will be authorised from time to time by each of the Boards of Directors of the Issuer and Emaar respectively.

Listing of Trust Certificates

Application has been made to the DFSA for Trust Certificates issued under the Programme to be admitted to the DFSA Official List and to NASDAQ Dubai for such Trust Certificates to be admitted to trading on NASDAQ Dubai. The listing of the Programme in respect of Trust Certificates is expected to be granted on or around 31 August 2016.

Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection from the registered office of the Issuer and from the specified office of the Principal Paying Agent:

(a) the Memorandum and Articles of Association of the Issuer and of Emaar;

(b) the consolidated audited financial statements of Emaar in respect of the financial years ended 31 December 2014 and 31 December 2015. Emaar currently prepares audited consolidated accounts on an annual basis;

(c) the most recently published annual audited consolidated financial statements of Emaar and the most recently published unaudited condensed consolidated interim financial statements (if any) of Emaar in each case together with any audit or review reports prepared in connection therewith. Emaar currently prepares unaudited condensed consolidated interim accounts on a quarterly basis;

(d) the Master Trust Deed, the Master Purchase Agreement, the Master Lease Agreement, the Agency Agreement, the Purchase Undertaking, the Sale Undertaking, the Substitution and Sale of Additional Assets Undertaking, the Master Murabaha Agreement and the forms of the Global Trust Certificate and the Trust Certificates in definitive form;

(e) each Supplemental Trust Deed, Supplemental Purchase Agreement, Supplemental Lease Agreement and Letter of Offer and Acceptance in relation to Trust Certificates which are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system;

(f) a copy of this Base Prospectus; and

(g) any future offering circulars, prospectuses, information memoranda, supplementary prospectus and supplements including Final Terms (save that a Final Terms relating to a Trust Certificate which is not listed on NASDAQ Dubai and neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Trust Certificate and such holder must produce evidence satisfactory to the Issuer and the Principal Paying Agent as to its holding of Trust Certificates and identity) to this Base Prospectus and any other documents incorporated herein or therein by reference.

This Base Prospectus will be available for viewing on the website of each of the DFSA (http://www.dfsa.ae/) and NASDAQ Dubai (http:// www.nasdaqdubai.com).

Clearing Systems

The Trust Certificates have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Trust Certificates allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Trust Certificates are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

Significant or Material Change

There has been no significant change in the financial or trading position of Emaar and its subsidiaries since 30 June 2016 and there has been no material adverse change in the financial position or prospects of Emaar and its subsidiaries since 31 December 2015.

There has been no significant change in the financial or trading position of the Issuer and no material adverse change in the financial position or prospects of the Issuer, in each case, since the date of its incorporation.

Litigation

Neither the Issuer nor Emaar nor any of Emaar's subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or Emaar is aware) in the 12 months preceding the date of this document which may have or have had in the recent past a significant effect on the financial position or profitability of the Issuer, Emaar and/or the Group.

Auditors

The Issuer is not required by Cayman Islands law, and does not intend, to publish audited financial statements or appoint any auditors.

The independent auditors of Emaar are Ernst & Young Middle East (Dubai Br.), Chartered Accountants, of P.O. Box 9267 Al Saqr Business Tower, 28th floor, Sheikh Zayed Road, Dubai, United Arab Emirates, which has audited Emaar's consolidated financial statements, in accordance with International Standards on Auditing for each of the financial years ended on 31 December 2015 and 31 December 2014, as stated in their reports incorporated by reference herein.

Ernst & Young Middle East (Dubai Br.) is regulated in the UAE by the UAE Ministry of Economy which has issued Ernst & Young Middle East (Dubai Br.) with a licence to practice as auditors. There is no professional institute of auditors in the UAE and, accordingly, Ernst and Young Middle East (Dubai Br.) is not a member of a professional body in the UAE.

Dealers transacting with Emaar

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, Emaar (and its affiliates) in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/ or instruments of Emaar or Emaar's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with Emaar routinely hedge their credit exposure to Emaar consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Trust Certificates issued under the Programme. Any such short positions could adversely affect future trading prices of Trust Certificates issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Description of the members of the Shariah Supervisory Committee of Standard Chartered Bank

A description of the members of the Shariah Supervisory Committee of Standard Chartered Bank as at the date of this Base Prospectus is set out below.

Shaikh Nizam Yaqubi

Shaikh Nizam studied traditional Islamic studies under the guidance of eminent Islamic scholars from different parts of the world. He has a BA in Economics and Comparative Religions and MSc in Finance from McGill University, Canada, and also holds a PhD in Islamic Law from the University of Wales. In addition to advising Citi and other Islamic finance institutions and funds, Shaikh Nizam is a member of the Islamic Fiqh Academy and AAOIFI. Since 1976, he has taught Tafsir, Hadith and Fiqh in Bahrain and is a *Sharia* adviser to several international and local financial institutions worldwide. He has also published several articles and books on various Islamic subjects including Banking and Finance.

Dr. Mohamed Ali Elgari

Dr. Elgari holds a PhD in Economics from the University of California. He is a professor of Islamic Economics at King Abdul Aziz University and an expert at the Islamic Jurisprudence Academies of the Organisation of Islamic Countries, having published several articles and books on Islamic finance. Dr. Elgari is a member of the *Sharia* boards of several Islamic banks and Takaful companies, including the *Sharia* board of Dow Jones International Islamic Fund Market. He also sits on the *Sharia* boards of AAOIFI and is a member of the advisory board of Harvard Series on Islamic Law.

Dr. Abdul Sattar Abu Ghuddah

Dr. Abdul Sattar Abu Ghuddah holds a PhD in Islamic Law and Comparative Fiqh from Al Azhar University, Cairo, Egypt. He has taught at various institutes, including the Imam Al Da’awa Institute (Riyadh), the Religious Institute (Kuwait), and the *Sharia* College of the Law Faculty, Kuwait University. He is a *Sharia* adviser to several international and local financial institutions worldwide and holds the positions of *Sharia* adviser and director of financial instruments at Al-Baraka Investment Co., Saudi Arabia. He is an active member of the Islamic Fiqh Academy and the AAOIFI, and is also the secretary general of the Unified *Sharia* Supervisory Board of Dallah Albaraka Group, Jeddah. He has also served in the Ministry of Awqaf, Kuwait and has written several books on Islamic Finance.

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REGISTRAR

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To Emaar
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To the Dealers
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