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 (each a **Dealer** and together the **Dealers**) specified under "*General Description of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Issuer, 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 Series (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 12 July 2012 entered into between the Issuer, the Trustee, Emaar Properties PJSC (**Emaar**) and HSBC Corporate Trustee Company (UK) Limited 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 Series. 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**) over certain assets including, in particular, the rights, title, interest and benefit of Emaar Sukuk Limited in, to and under the Lease Assets 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 12 July 2012 entered into between the Issuer, the Trustee and Emaar (in its capacity as lessee, the **Lessee**) and (ii) a supplemental lease agreement (as re-executed to give effect to any substitution, the **Supplemental Lease Agreement**) for the relevant Series (such assets being referred to as the **Trust Assets** for the relevant Series).

Application has been made to the Dubai Financial Services Authority (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 **Official List**) maintained by the DFSA and to NASDAQ Dubai for such Trust Certificates to be admitted to trading on NASDAQ Dubai. Emaar currently intends to apply for Trust Certificates issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to listing and trading on a European stock exchange, however, prospective investors should note that there can be no assurance that such admission to listing and trading will occur.

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 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 any other terms and conditions not contained herein which are applicable to each Series of Trust Certificates will be set out in a final terms supplement (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 Issuer and Emaar may agree with any Dealer that Trust Certificates may be issued with terms and conditions not contemplated by the Terms and Conditions of the Trust Certificates herein, in which event a supplemental Base Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Trust Certificates.

The rating of certain Series of Trust Certificates to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to relevant Series of Trust Certificates will be issued by a credit rating agency established in the European Union and registered under Regulation (EU) No 1060/2009 (as amended) (the **CRA Regulation**) will be disclosed in the applicable Final Terms. The United Arab Emirates has been assigned a credit rating of Aa2 with a stable outlook by Moody's Investors Service Singapore Pte. Ltd. which is not established in the European Union and has not applied for registration under the CRA Regulation. The rating has been endorsed by Moody's Investors Service Ltd. in accordance with the CRA Regulation. Moody's Investors Service Ltd. is established in the European Union and registered under the CRA Regulation.

This Base Prospectus relates to an Exempt Offer in accordance with the Markets Rules (the *Markets Rules*) of the DFSA. This Base Prospectus is intended for distribution only to persons of a type specified in those Rules. It must not be delivered to, or relied on by, any other person. A copy of this Base Prospectus has been approved by the DFSA in accordance with the Markets Law 2012 (the *Markets Law*). 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, nor has it determined whether the Trust Certificates are *Sharia* compliant. 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. 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.

Arrangers

HSBC | **Standard Chartered Bank**

Dealers

BofA Merrill Lynch | **BNP PARIBAS**
DBS Bank Ltd. | **HSBC**
Standard Chartered Bank | **The Royal Bank of Scotland**

The date of this Base Prospectus is 12 July 2012.

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 has been prepared in accordance with the standards required by Directive 2003/71/EC (the **Prospectus Directive**) but has not been approved by a competent authority in the European Economic Area under the Prospectus Directive.

This Base Prospectus should be read and construed together with any amendments or supplements hereto and, in relation to any Series 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.

Neither the Dealers nor 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 Dealers and 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. No Dealer nor 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 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 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 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 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 herein concerning the Issuer or Emaar is correct at any time subsequent to the date hereof 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 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 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**). Subject to certain exceptions, Trust Certificates may not be offered, sold or delivered within the United States or to U.S. persons, 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 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 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 should:

(a) have 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) have 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) have 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) understand thoroughly the terms of the Trust Certificates and be familiar with the behaviour of any relevant indices and financial markets; and

(e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

This Base Prospectus includes forward-looking statements. All statements other than statements of historical facts included in this Base Prospectus may constitute forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "continue" or similar terminology. Although Emaar believes that the expectations reflected in its forward-looking statements are reasonable at this time, there can be no assurance that these expectations will prove to be correct.

HSBC Amanah Central Shariah Committee and the Sharia Supervisory Committee of Standard Chartered Bank have confirmed that the Transaction Documents are *Sharia* compliant. However, there can be no assurance that the Transaction Documents or any issue and trading of a Series of Trust Certificates will be deemed to be *Sharia* compliant by any other *Sharia* board or *Sharia* scholars. None of the Issuer, Emaar or the Dealers makes any representation as to the *Sharia* compliance of any Series of Trust Certificates 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 a Series of Trust Certificates 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 each of the HSBC Amanah Central Shariah Committee and the Sharia Supervisory Committee of Standard Chartered Bank is set out below under "*General Information – Description of* *the members of the HSBC Amanah Central Shariah Committee and the Sharia Supervisory Committee of Standard Chartered Bank*'' below.

Presentation of financial information

Emaar is obliged to prepare consolidated financial statements for the Group in accordance with International Financial Reporting Standards.

The consolidated financial statements of Emaar for the two financial years ended 31 December 2010 and 2011 have been audited without qualification by Ernst & Young Middle East (Dubai Branch) (**Ernst & Young**) and Deloitte & Touche (M.E) (**Deloitte**), respectively, each independent auditors, as stated in their respective reports which are incorporated by reference in this Base Prospectus (the **Audited Consolidated Financial Statements**). Unless otherwise indicated, the consolidated financial information as at and for the years ended 31 December 2010 and 2011 included in this Base Prospectus have been extracted without material adjustment from the Audited Consolidated Financial Statements.

The unaudited interim condensed consolidated financial statements of Emaar as at and for the three month period ended 31 March 2012 have been reviewed by Deloitte 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**).

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 2010 and 2011, as at and for the three month periods ended 31 March 2011 and 2012 as follows:

- the selected financial data as at and for the three month periods ended 31 March 2011 and 2012 appearing in this Base Prospectus has been extracted from the Interim Consolidated Financial Statements;
- the selected financial data as at and for the year ended 31 December 2011 appearing in this Base Prospectus has been extracted from Emaar's 2011 audited consolidated financial statements; and
- the selected financial data as at and for the year ended 31 December 2010 appearing in this Base Prospectus has been extracted from the comparative financial information as at and for the year ended 31 December 2010 included in the 2011 audited consolidated financial statements, which has been prepared taking into account the application of IFRIC 15 (*Agreements for the Construction of Real Estate*).

Emphasis of Matter

Deloitte's audit report in respect of the 2011 audited consolidated financial statements and its review report in respect of the Interim Consolidated Financial Statements, each include an emphasis of matter relating to Emaar's investment in Amlak Finance PJSC. Further, Ernst & Young's audit report in respect of the 2010 audited consolidated financial statements also 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 the Consolidated 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*''), and the Statistical Yearbook – Emirate of Dubai – 2010, OPEC Annual Statistics Bulletin, 2010/2011, the Annual Economic Report – 2011 published by the UAE Ministry of Economy, the World Economic Outlook – April 2012, published by the International Monetary Fund, the Annual Report 2011, published by the Central Bank of the UAE, and the Dubai Real Estate Market Overview – Q1 2012, published by Jones Lang LaSalle (in the case of ''*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 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.

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 Financial Services 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 Non-Regulatory 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 to any member of the public of the Cayman Islands to subscribe for the Trust Certificates.

NOTICE TO BAHRAIN RESIDENTS

The Central Bank of Bahrain and the Bahrain Stock Exchange assume no responsibility for the accuracy and completeness of the statements and information contained in this document and expressly disclaim any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the contents of this document. Each potential investor subscribing for Trust Certificates on the Issue Date of such Trust Certificates (each, a *potential investor*) will be required to provide satisfactory evidence of identity and, if so required, the source of funds to purchase the Trust Certificates within a reasonable time period determined by the Issuer, Emaar and the Managers of the relevant issue. Pending the provision of such evidence, an application to subscribe for Trust Certificates will be postponed. If a potential investor fails to provide satisfactory evidence within the time specified, or if a potential investor provides evidence but neither the Issuer nor the Managers are satisfied therewith, its application to subscribe for Trust Certificates will be rejected immediately in which event any money received by way of application will be returned to the potential investor (without any additional amount added thereto and at the risk and expense of such potential investor). In respect of any Bahraini potential investors, the Issuer and Emaar will comply with Bahrain's Legislative Decree No. (4) of 2001 with respect to Prohibition and Combating of Money Laundering and various Ministerial Orders issued thereunder including, but not limited to, Ministerial Order No. (7) of 2001 with respect to Institutions' Obligations Concerning the Prohibition and Combating of Money Laundering.

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 the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. 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

The Trust Certificates may not be offered for subscription or purchase and no invitation to subscribe for or purchase the 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), Schedule 7 or Section 230(1)(b) and 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 SERIES, 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 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 (OR ANY PERSON ACTING ON BEHALF OF ANY STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE ISSUE DATE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN 30 DAYS AFTER THE ISSUE DATE OF THE TRUST CERTIFICATES. ANY STABILISATION ACTION SHALL BE CONDUCTED IN ACCORDANCE WITH ALL APPLICABLE LAWS, REGULATIONS 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. Up until the fourth quarter of 2008, Emaar's expansion and growth had been supported by strong economic conditions in the Gulf Cooperation Council (**GCC**) region in general and in the UAE in particular. Following the global economic downturn and the ensuing turmoil in the UAE real estate markets, particularly in Dubai, the growth of revenue and cash flows from the property development business decreased significantly. However, the real estate market in Dubai has seen resurgence in demand during the period October 2011 to March 2012, resulting in significantly increased real estate sales for Emaar's projects as compared to similar periods in 2009 to 2011. There can be no assurance that such increased demand for real estate in the UAE will continue. Any decrease in demand, as was the case during the global economic downturn, could cause Emaar's financial performance to deteriorate in the future. As such, financial resources required to sustain international growth may not be available. Recently, certain of the countries in which Emaar operates, in particular Egypt and Syria, have experienced political and civil unrest, and in some cases, armed conflict.

As at the date of this Base Prospectus, Emaar's operations in each of Egypt and Syria have been unaffected by any civil or political unrest or disturbances.

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. Emaar's sales operations are still ongoing in Syria and it is difficult to quantify the impact of the political and civil unrest on Emaar's sales. In June 2012, Emaar sold one residential and one commercial unit in Syria. In Egypt, Emaar's operations could be materially adversely affected if civil and political turmoil continued in the medium to long-term.

Emaar does not have business interruption insurance cover in either Egypt or Syria. 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. 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. This could lead to an adverse impact on Emaar's revenues from such projects, and potentially, its investment in such projects as a whole.

While there has not been a significant decrease in the Group's revenues from sales in these countries, political and economic unrest may have an adverse impact on the operations and investment of Emaar in these countries during these periods. 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. A sustained economic downturn, or a period of political instability, 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, all as part of Emaar's philosophy of creating lifestyle communities (see "*—Description of Emaar Properties PJSC*" for further information on Emaar's developments). All of these ancillary businesses have generated revenues in the last four to five years, with Emaar's malls and retail and hospitality businesses combined making up to 41 per cent. of the total revenue of the Group in 2011, an increase of 17 per cent. from 2010. All of Emaar's malls and most of the hotels which are currently operational are located in 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 the 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 a number of ancillary business segments 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, this could have a material adverse effect on its business, results of operations, cash flows and financial condition.

Emaar's business and financing model could be changed due to compliance with the Escrow Law in Dubai requiring Emaar to seek additional financing sources

UAE Law No. 8 of 2007 (the **Escrow Law**) was introduced on 28 June 2007 and regulates the way in which purchase price instalments paid by purchasers of off-plan properties may be dealt with. Under the Escrow Law, developers are required to establish separate escrow accounts for each phase of work for a development. Purchasers pay their requisite purchase price instalments directly into the relevant escrow account. The escrow account is managed by a financial institution approved by the Real Estate Regulatory Authority (**RERA**). An escrow agent, also approved by RERA, governs when a developer will be permitted to make withdrawals from the escrow account. Essentially, money is only permitted to be drawn down when certain specified construction milestones are met in accordance with the relevant legislation and any relevant escrow agreement. The release of monies from the escrow account is subject to a requirement to retain a proportion of the construction costs for one year following the date upon which the units sold in the development are registered in the names of the buyers to address any remedial works required in that period.

Developers are permitted to retain five per cent. of the funds paid by purchasers for "soft costs" associated with the development such as advertising, brokers' fees and other disbursements. RERA oversees the operation of the escrow accounts and is permitted to have audits carried out to ensure that the escrow account holds the requisite amount of funds based on the relevant stage of the development, the money paid by the purchasers and the construction costs incurred by the developer. If there are insufficient funds, RERA can require the developer to top up the escrow account.

As at the date of this Base Prospectus, as required by law, Emaar is in compliance with the Escrow Law for its new property development projects in Dubai.

As a result, Emaar will not be able to finance international developments and development of investment properties until such Dubai property development projects are completed, however, this does not affect any current international commitments as at the date of this Base Prospectus. As the Dubai projects are completed in phases, Emaar does not believe that compliance with the Escrow Law will have any material impact on the availability of cash resources. However, certain additional funding will be required by Emaar to finance investment in new projects. As such, Emaar may have to access alternative sources of funds to finance its projects which may not be available on commercially acceptable terms (see "- *Emaar's business is dependent on large capital investments*" below). This may have a material adverse effect on Emaar's business, results of operations, cash flows and financial condition.

If Emaar or its subsidiaries, as developers, do not satisfy the relevant disclosure requirements pursuant to the law relating to jointly owned properties as amended, sales between third party purchasers and Emaar or its subsidiaries, as applicable, may be held to be void

The directions supplementing Law No. (27) of 2007 (**Law No. 27**) concerning jointly owned properties (the **Directions**) became effective on 13 April 2010. Any property which is divided up into units intended for separate ownership and which has areas which are used by more than one owner will constitute a jointly owned property. Law No. 27 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. The law also provides for an owners' association (which is a legal entity in its own right) to manage and operate the common areas of the building. The owners' association is responsible for, amongst other things, the collection of the service charge required to maintain and operate the common areas (including collection of service charges from developers that have unsold units in the development). Each unit owner will be a member of the owners' association and will have a right to vote on decisions taken by the association.

Whilst the introduction of Law No. 27 provided an overview as to how jointly owned properties would be governed in Dubai, further guidance was always anticipated and required to enable vertical, horizontal and/or volumetric sub-division of properties. Although the Directions have not been issued in the form of a law, they are binding and set out a number of mandatory requirements which developers must comply with before they will be able to sell or continue selling units in their developments.

A principal feature of the Directions is that developers will be required to disclose detailed information to purchasers about developments before signing contracts to sell units to third parties. For existing developments the Directions provided a transitional period, which came to an end on 13 October 2010, giving developers a period of time in order to be able to comply with the new requirements.

One of the key documents for the jointly owned property structure is the jointly owned property declaration (**JOPD**). Any application to the Dubai Land Department to register a sale of a unit in a development which has been sub-divided for sale as individual units will need to be accompanied by a JOPD setting out details relating to the development and, in particular, details as to how the common areas in the relevant building will be managed. A JOPD is required for each separate plot of land in a development (which includes volumetric plots within the same building) and will be provided to a purchaser as part of the developer's "Disclosure Statement" requirements with other key documents detailing the management and operation of the development. The full "Disclosure Statement" requirements under the Directions apply to new developments and to existing developments.

Emaar has already registered volumetric title deeds for certain of its larger projects and is in the process of filing for its other projects. Emaar has also established a number of interim owners associations, which are subject to final registration with the RERA.

If a developer fails to satisfy the disclosure requirements under the Directions, the relevant sale contract to which the failure relates may be held to be void. As of the date of this Base Prospectus, Emaar is in compliance with the disclosure requirements. However, due to their recent implementation, the application and enforcement of the Directions has not yet been tested and, accordingly, procedures for compliance may change in the future. If a large number of purchases of units from Emaar or its subsidiaries were held to be void on the basis of Emaar's or its subsidiaries' failure to satisfy the relevant disclosure requirements, this could have a material adverse effect on Emaar's 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 and the initial project development costs, capital expenditures, support the future growth of its business and refinance its existing debt obligations. However, Emaar may not have sufficient capital to make, or may be restricted by covenants in its financing agreements from meeting, 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. The inability of Emaar to obtain additional financing on terms favourable to it or at all 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, more recently, 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.

Emaar's business model is based on potential access to future equity markets

Part of Emaar's business strategy involves growing its more material subsidiaries and, once they reach business and operational maturity, launching public offerings for their shares, whilst maintaining a majority stake. As such, Emaar is exposed to equity market conditions and investor preferences. To the extent equity markets suffer a downturn (due to adverse economic conditions or otherwise), or investor preferences shift away from the real estate sector or from sectors in which Emaar's subsidiaries operate in particular, these factors may have a negative impact on Emaar's ability to implement its business strategy with respect to its subsidiaries, which may in turn have a material adverse effect on its 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 real estate 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

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

Amlak, an associated company of Emaar, may need to restructure its debt obligations which may expose Emaar to loan write offs and a decrease in the value of its investment

Amlak Finance PJSC (**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 31 March 2012, 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 onset of the global economic downturn and the ensuing negative impact on the Dubai real estate market has had an adverse effect on Amlak's business and its ability to finance its operations.

On 23 November 2008, the UAE Ministry of Finance announced that it had officially started the procedure to merge Amlak and Tamweel PJSC (**Tamweel**), another leading real estate finance provider in the UAE. In light of the pending merger, trading in the shares of both Amlak and Tamweel were suspended. On 4 February 2009, the Ministry of Finance formed a steering committee with the aim of reviewing the proposed merger of the two companies and making recommendations with respect to implementing the merger. From that time onwards, the only involvement of Emaar in Amlak was that as a shareholder and a creditor. Emaar did not, and does not, have control over Amlak's operations. Various creditors of Amlak, including Emaar, held discussions with the steering committee offering suggestions regarding the possible options for the reorganisation of Amlak. Except in such capacity, Emaar has not been able to take any other steps to determine the likely outcome in determining the conclusion of the Government-led process.

However, Dubai Islamic Bank PJSC (a publicly listed bank based in Dubai) has subsequently acquired a majority of Tamweel's shares and trading in Tamweel's shares has resumed on the DFM. Trading in Amlak's shares remains suspended however. As a result of these factors, Emaar believes that it is unlikely that a merger between Tamweel and Amlak will take place, although no formal announcement to that effect has been made by the steering committee. The steering committee is currently evaluating various options to secure sustainable funding to enable Amlak to continue meeting its commitments. Emaar is not aware of the expected timing for any decision in this regard.

Due to its financial difficulties, Amlak is no longer offering new real estate finance solutions to Emaar's customers. Emaar has not been affected as negatively by the downturn in the Dubai real estate market as some of its competitors. However, Emaar is working on reducing its outstanding exposure to Amlak. Amlak is making regular repayments on certain amounts payable to Emaar (in relation to real estate finance provided by Amlak to Emaar's customers) in small proportions every month. These unpaid balances are accounted for as loans and are interest-bearing. Amlak paid 27 per cent. of the outstanding amount on these balances in the year ended 31 December 2011 and 2.5 per cent. during the three month period ended 31 March 2012 resulting in the reduction of Emaar's exposure to Amlak. Emaar will assess whether it should incur any impairment charges on its investments in Amlak or take any further steps in relation to its exposure to Amlak once the steering committee has published its recommendations. See note 13 to the Interim Consolidated Financial Statements. However, should Amlak's financial condition worsen further or fail to improve, Emaar may be required to make provisions in its consolidated financial statements for potential losses arising under the inter-company loans, 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 AED1,302 million as at 31 March 2012 being to the extent of AED714 million in equity and AED588 million in debt (as aforementioned). If Emaar was to make an impairment in whole 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.

The auditors' reports on the consolidated financial statements of Emaar for the years ended 31 December 2010 and 2011, and the review report on the Interim Consolidated Financial Statements, each include an emphasis of matter in respect of Emaar's investment in Amlak. For further information relating to Amlak, please see note 13 (*Investments in Associates*) to the Interim Consolidated Financial Statements, note 15 (*Investments in Associates*) to the audited consolidated financial statements of Emaar for the year ended 31 December 2011 and note 16 (*Investment in Associates*) to the audited consolidated financial statements of Emaar for the year ended 31 December 2010.

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

Emaar has a joint venture with MGF Development Limited in India, Emaar MGF Land Limited (**Emaar MGF**). Emaar MGF has been 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, with a capacity for 8,500 athletes and officials for the Commonwealth Games which took place from 3 October 2010 to 14 October 2010 in New Delhi, India.

During August 2010, Emaar MGF transferred the CGV to the organising committee of the Commonwealth Games. This transfer was evidenced by an official handover certificate, with the commercial understanding that the development would be transferred back to Emaar MGF following the completion of the games, for the purposes of (a) handing over such properties to customers of Emaar MGF who had already made purchases in the development, and (b) for future sales. The CGV was not transferred back to Emaar MGF on completion of the games, as had been originally agreed. However, in February 2012, the Honourable High Court of Delhi ordered the Delhi Development Authority (**DDA**) to grant completion certificates in respect of 26 towers (out of a total of 34 towers) thereby allowing Emaar MGF to proceed with the handing over process. As at the date of this Base Prospectus, completion certificates have been granted in respect of 30 towers. Emaar MGF has already refurbished more than 50 per cent. of its units and has started the handover to customers. Although handover of the units has commenced, following the return of the development from the organising committee of the Commonwealth Games, Emaar MGF is not paying any penalties to the customers in respect of the delay in delivering such units because Emaar MGF's position is that it is not responsible for the delay. Notwithstanding this, there can be no assurance that Emaar MGF will not be liable to pay penalties for any delay in handover to customers. Any of the foregoing factors could have a negative impact on the market reputation of Emaar MGF and/or Emaar, or 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. This could in turn affect the future profitability of Emaar's international operations.

Negative publicity stemming from concerns relating to the readiness and fitness for purpose of the CGV

During September 2010, officials from the Commonwealth Games Federation as well as certain officials representing member countries raised public concerns about the readiness and fitness for purpose of the CGV and whether the state of the construction of the CGV would delay or negatively affect the Commonwealth Games themselves. Subsequent to the completion of the Commonwealth Games, the Government of India commenced a number of investigations following various allegations being made in relation to the CGV. Such allegations related to corruption, the poor condition in which the CGV was delivered and the delay in delivering the CGV.

On 23 October 2010, the project sponsor, DDA, invoked a bank guarantee which had been provided by Emaar MGF in relation to the construction and delivery of the CGV. The bank guarantee was for an amount of Indian Rupees (**INR**) 1.83 billion (approximately U.S.$34 million). This invoking of the guarantee was immediately challenged by Emaar MGF in the Delhi High Court. On 25 October 2010, the Delhi High Court allowed the DDA's claim in part, in the amount of INR930 million. In relation to the amount remaining under the guarantee (i.e. INR900 million), the Delhi High Court has referred the dispute to arbitration. These arbitration proceedings are ongoing. Emaar MGF contests that the CGV was built in accordance with the specifications set out in the development contract. Moreover, the CGV was handed over to the DDA and the organising committee after a full inventory was conducted in June 2010 following which the CGV was put to full use during the Commonwealth Games. Emaar MGF is of the view that any deficiencies pointed out by the DDA or any other agency were duly rectified by Emaar MGF prior to the handing over of the CGV. Emaar MGF is also of the view that following its handover of the CGV, the DDA's contractors were not supervised when undertaking furnishing work resulting in damage to parts of the CGV and therefore Emaar MGF is not responsible for such damage. Emaar MGF has provided documentation to this effect to the DDA.

Investors should be aware that Emaar MGF may not be able to prevent the encashment of the remaining amount under the guarantee, such amount being INR900 million (approximately U.S.$16.4 million) and any legal process in this regard could be very time consuming. However, any financial loss, if incurred as a result of these proceedings, would have no material impact on Emaar's operations in India or elsewhere. However, the negative publicity stemming from this incident could have a negative impact on the market reputation of Emaar MGF and may create an adverse market environment for Emaar's operations in India.

Emaar's joint venture with Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC) could have negative consequences on the business carried out by Emaar's subsidiaries in the State of Andhra Pradesh 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 APIIC and Emaar. The investigation, carried out by the Central Bureau of Investigation (the **CBI**), culminated in criminal proceedings (in the form of two 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 (represented by its Chairman, Mr. Mohamed Ali Alabbar), 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). As at the date of this Base Prospectus, Mr. Raghavan is in judicial custody and an arrest warrant has been issued against Mr. Gupta. 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 APIIC and (ii) misappropriation of the proceeds of sales of certain plots by a third party sales agent and certain individuals.

As discussed below, there is a civil dispute with APIIC in relation to Emaar MGF. Pending resolution of such civil proceedings, Emaar MGF has decided to stop construction on the project due to uncertainty of the outcome of such proceedings.

Emaar believes that the foregoing allegations are politically motivated and that it has a strong legal position to defend itself in these proceedings. However, 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. Such events may have a negative impact on the market reputation of Emaar MGF and may create an adverse market environment for Emaar's joint venture operations in India. A negative outcome to any proceedings could result in Emaar losing its capital investment in Andhra Pradesh. Any such financial loss, if incurred, would not be material in the context of the Group. Emaar MGF incurred net losses during the financial year ended 31 December 2011 and during the three month period ended 31 March 2012, and therefore, did not contribute to the profitability of the Group. There can be no assurance that a negative outcome in such aforementioned proceedings will not affect Emaar MGF's reputation or its future profitability. The extent of such a potential impact on the future profitability of Emaar MGF cannot be assessed.

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

A legal dispute has arisen whereby it is alleged that APIIC'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, APIIC 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 APIIC and Emaar. Emaar MGF was also entitled to 95 per cent. of the lease rentals, with the joint venture retaining 5 per cent. It has been alleged that APIIC'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 is responsible for all costs relating to the relevant developments. Moreover, with respect to rental property, Emaar MGF is 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 has a prejudicial effect on the revenue-sharing arrangements between itself and APIIC.

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

In the event of an unfavourable outcome in these legal disputes, the commercial arrangements between Emaar and Emaar MGF could be held to be void, in which case, Emaar MGF could be required to halt all of its activities in the State of Andhra Pradesh and all its sales and registration of properties to date could be nullified, resulting in Emaar losing its capital investment in Andhra Pradesh. 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. As discussed above, Emaar MGF has chosen to stop construction on the projects in the State of Andhra Pradesh pending the conclusion of the civil proceedings. Any financial loss incurred as a result of these proceedings would not be material in the context of the Group. In addition, such an outcome could have negative implications on the market reputation of Emaar MGF and/or may create an adverse market environment for Emaar's joint venture operations in India. Emaar MGF incurred net losses during the financial year ended 31 December 2011 and during the three month period ended 31 March 2012, and therefore, did not contribute to the profitability of the Group. There can be no assurance that a negative outcome in such aforementioned proceedings will not affect Emaar MGF's reputation or its future profitability. The extent of such a potential impact on the future profitability of Emaar MGF cannot be assessed.

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 or refusals in obtaining all necessary building, occupancy and other required governmental permits, requisite licences, permits, approvals and authorisations;
- shortages of, or defective, materials and/or equipment, labour shortages and/or disputes and disputes with subcontractors;
- increases in the cost of construction materials and/or labour;
- adverse weather conditions, natural disasters, accidents and/or changes in governmental priorities; and
- changes in demand trends due to, among other things, a shift in buyer preferences.

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. 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. While this right has never been exercised by purchasers in the past, there can be no certainty that this will continue to be the case. 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 Law No. (13) (as amended by Law No. (9) of 2009), to claim reimbursement from Emaar together with interest. 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. Of the three projects currently under construction in Dubai, one is expected to be completed and handed over in July 2012. No material reimbursements are anticipated in respect of this project. In respect of the other two projects under construction, Emaar believes that any delay will be minimal and that no material reimbursements will apply. However, in the event that 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.

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

The gross domestic product of Dubai recorded strong growth in the years up to and including 2008 (with growth rates (at constant prices) of 9.2 per cent. and 5.7 per cent. for 2007 and 2008, respectively, according to the Dubai Statistics Centre). While the growth rate in real gross domestic product of Dubai began to decline in 2008 due to the global financial crisis (increasing by 3.2 per cent. in 2008, decreasing by 2.4 per cent. in 2009 and increasing by 2.4 per cent. in 2010 (each according to the Dubai Statistics Centre)), Dubai is expected to grow between 4 per cent. and 5 per cent. during 2012 (according to a forecast issued by the Dubai Economic Council). Dubai also saw significant increase in tourism and retail sales in 2011 and 2012, which may have been due to the "Arab Spring" and the general perception that Dubai is a safe and stable jurisdiction in the GCC. According to the Department of Tourism and Commerce Marketing, Dubai recorded 9.1 million visitors in 2011. Dubai International Airport reported that it handled 51 million passengers and The Dubai Mall recorded 54 million visitors in 2011. 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. 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 an adverse effect on Emaar's business, results of operations and financial condition.

Emaar is subject to joint venture risks

Some of Emaar's operations are, or will be, conducted through jointly controlled entities and associated companies. 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. 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'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.

The 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

The global economic downturn has placed increased financial pressure on the suppliers and contractors that operate within the UAE. 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, 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. 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.

The 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 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 "– *The 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 and financial condition. 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' relationship 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 50 and 60 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, 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 50 and 60 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. In the event that 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's malls operation depend upon its ability to find tenants, the ability of such tenants to fulfil their lease obligations and the duration of their rental contracts

There can be no guarantee that Emaar Malls (as defined below) 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. 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 rating, or to broader macroeconomic factors, and this may affect the financial performance of Emaar's malls and the cash flows generated by them.

In addition, the laws of Dubai restrict the annual amount by which a landlord is legally able to increase rental charges on commercial premises. Emaar Malls' lease term for anchor tenants typically varies from five to 10 years and for other tenants from between one and three 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. 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 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 recognised tenants. Emaar Malls' anchor tenants and major tenants are owned by a very limited number of large retail groups. The value of some of Emaar Malls' properties could be adversely affected if these tenants fail to comply with their contractual obligations, seek concessions in order to continue operations, or cease their operations, and any decision by Emaar Malls to challenge a particular tenant would have to be considered, where appropriate, in light of Emaar Malls' general client relationship with the retail group that owns the tenant in question. Lease modifications could be unfavourable to Emaar Malls as the lessor and could decrease rents or service charges. 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. 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 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 and radioactive or other material environmental contamination; and
- major epidemics affecting the health of persons in the region and travel into the region.

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. 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, which could have a material adverse effect on its business, results of operations, cash flows and financial condition. The effect of any of these events on Emaar's financial condition and results of operations may be worsened 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, not all valuations of Emaar's assets have 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. This increases the risk of subjectivity and uncertainty with respect to the valuation of the asset in question. 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 (see "– *Real estate valuation is inherently subjective and uncertain*" above). 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 dirham which is the currency in which the majority of its revenues are earned. A significant part of Emaar's costs 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 has also implemented systems to monitor currency fluctuations and accordingly execute 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. 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 or rental rates 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. Additionally, as a result of the global economic downturn, consumer demand for real estate properties has decreased. In response to these adverse market conditions, 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 the recent economic downturn 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. 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 MENA 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 2010, many of the real estate markets in which Emaar operates are categorised as semi-transparent (Dubai), low-transparent (Saudi Arabia, Egypt, Morocco and Pakistan) or opaque (Syria). 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. 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, 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 all cases have title to land on which developments are planned or located. Although Emaar has not to date experienced a situation where any such title has been the subject of legal proceedings leading to such loss of title, Emaar is subject to the risk that it may not acquire or be granted title to such land, and/or that it could be determined to be in violation of applicable law. Any such outcome 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. 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 and thereby 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, no assurance can be given that any existing insurance policies will be renewed on equivalent terms, at an acceptable cost or at all. In addition, certain types of risks and losses (for example, losses resulting from terrorism) are not economically insurable or generally insured.

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 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 capital expenditure. Failure to carry out such work could affect the reputation of Emaar and the value and marketability of its investment 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 is not yet fully developed

The regulatory framework governing the Dubai real estate market is not yet fully developed. However, it is becoming subject to increasing levels of regulation and monitoring, including by the RERA of the Dubai Land Department, which was established in July 2007. The RERA is taking responsibility for the implementation and enforcement of its new regulations in Dubai. However, in light of their recent implementation, there may be uncertainty surrounding the application of such new regulations, which in turn may lead to difficulties and/or delays in enforcing them.

Emaar cannot predict the contents of any future legislation that is imposed or implemented by the 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, including Law No. (9) of 2009 relating to the termination of off-plan sales is often uncertain 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.

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 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.

Emaar may be subject to health and safety and environmental issues

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. Whilst Emaar has no reason to believe that it is not in compliance with all applicable environmental laws, 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 and financial condition.

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 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;
- 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 new permits and consents for Emaar's operations or renewing existing ones;
- potential lack of transparency as to title to real property in certain jurisdictions where Emaar operates;
- cancellation of contractual rights;
- lack of infrastructure;
- expropriation 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;
- a material curtailment of the industrial and economic infrastructure development that is currently underway across the MENA 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-free 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.

For example, Emaar has operations in Syria, 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.

Emaar also has operations in Pakistan, which has 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 property in those areas, which may in turn have an adverse effect on its business, results of operations, cash flows and financial condition.

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

As the majority of the countries in which Emaar currently operates are emerging markets, they 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.

The procedural safeguards of the legal and regulatory regimes in these countries are still developing and, therefore, existing laws and regulations may be applied inconsistently. Often fundamental contract, property and corporate laws and regulatory regimes have only recently become effective, which may result in ambiguities, inconsistencies and anomalies in their interpretation and enforcement. In addition, legislators may often contemplate implementing regulations that have not yet been promulgated, leaving substantial gaps in the regulatory infrastructure. All of these weaknesses could affect Emaar's ability to enforce its rights under its contracts or to defend itself against claims by others.

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.

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 equitisations, combinations or sales. Any such action taken could have an 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 (including real GDP data) 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 2006 Article IV Consultation on the UAE, identified a number of weaknesses in the statistical information prepared in relation to the UAE including with respect to data quality, coverage, regularity, timeliness and inter-sectoral consistency 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.

Recent 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, has 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 has been 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 the new decree will have a positive or negative effect on investment in UAE property. If the new visa law discourages property investment in the UAE, it may have a material adverse effect on Emaar's business, results of operations, financial condition and prospects.

The UAE may introduce corporation tax

Emaar is not currently subject to corporation tax on its earnings within the UAE, although there is no guarantee that this will continue to be the case. 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.

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. Enterprises operating in certain countries in the Middle East and Africa 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. 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.

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.

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 relevant Dealer, the Issuer, the Principal Paying Agent 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, the Issuer may redeem all but not some only of the Trust Certificates upon giving notice in accordance with the Terms and Conditions of the Trust Certificates.

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.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the **Directive**), Member States are required to provide to the tax authorities of another Member State details of certain payments paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive which may, if implemented, amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Trust Certificate as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Directive.

U.S. Foreign Account Tax Compliance Withholding

The Issuer, the Paying Agents, Euroclear, Clearstream, Luxembourg and any other financial institutions through which payments on the Trust Certificates are made may be required to withhold U.S. tax at a rate of 30 per cent. on all, or a portion of, payments made after 31 December 2016 in respect of (i) any Trust Certificates treated as debt for U.S. federal tax purposes that are issued after 31 December 2012 or are materially modified from that date and (ii) any Trust Certificates treated as equity for U.S. federal tax purposes, whenever issued, pursuant to sections 1471 through 1474 of the U.S. Foreign Account Tax Compliance Act (**FATCA**) or similar law implementing an intergovernmental approach to FATCA. This withholding tax may be triggered if (i) the Issuer is a foreign financial institution (**FFI**) (as defined in FATCA) which enters into and complies with an agreement with the U.S. Internal Revenue Service (**IRS**) to provide certain information on its account holders (making the Issuer a **Participating FFI**), (ii) the Issuer has a positive "passthru percentage" (as defined in FATCA), and (iii) (a) an investor does not provide information sufficient for the relevant Participating FFI to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States Account" of such Participating FFI, or (b) any FFI that is an investor, or through which payment on such Trust Certificates is made, is not a participating FFI.

The application of FATCA to profit, principal or other amounts paid with respect to the Trust Certificates is not clear. If an amount in respect of U.S. withholding tax were to be deducted or withheld from profit, principal or other payments on the Trust Certificates, neither the Issuer nor the Delegate nor Emaar nor any paying agent nor any other person would, pursuant to the Conditions of the Trust Certificates or any of the Transaction Documents be required to pay additional amounts as a result of the deduction or withholding of such tax. As a result, investors may, if FATCA is implemented as currently proposed by the IRS, receive less profit or principal than expected. Holders of Trust Certificates should consult their own tax advisers on how these rules may apply to payments they receive under the Trust Certificates.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on proposed regulations and official guidance that is subject to change.

Risks relating to the Relevant Lease 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 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 Lease Assets 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). 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. 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.

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 make payments to Certificateholders. There is little precedent to predict how a claim on behalf of Certificateholders against Emaar upon its insolvency would be resolved.

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.

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 London Court of International Arbitration.

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 First Instance, have ratified or ordered the recognition and enforcement of foreign arbitration awards under the New York Convention. There is, however, no system of binding judicial precedent in the UAE and it is unclear if these decisions are subject to any appeal. 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). 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 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. 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 3.2 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.

Investors should note however that, as at the date of this Base Prospectus, there has been very limited case law relating to Law No. 16 of 2011 and therefore it is not certain as to how the DIFC Courts intend to exercise their jurisdiction under the new law should any party dispute the right of the DIFC Courts to hear a particular dispute where such parties are unconnected to the DIFC.

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.

Additional risks

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to 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 or withdrawn by the rating agency at any time.

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 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 make any modification to the Master Trust Deed if, in the opinion of the Delegate, such modification (a) is of a formal, minor or technical nature, or (b) is made to correct a manifest or proven (to the satisfaction of the Delegate) error, or (c) is not materially prejudicial to the interest of Certificateholders. Unless the Delegate otherwise decides, any such modification shall as soon as practicable thereafter be notified to the Certificateholders and shall in any event be binding upon the Certificateholders.

Reliance on Euroclear and Clearstream, Luxembourg procedures

The Trust Certificates of each Series 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 of any Series are represented by a Global Certificate, the Issuer will discharge its payment obligation under the relevant 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 relevant 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 relevant Trust Certificates. 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.

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 2010 of Emaar;

(b) the auditors report and audited consolidated annual financial statements for the financial year ended 31 December 2011 of Emaar; and

(c) the auditors review report and interim condensed consolidated financial statements for the three months ended 31 March 2012 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.

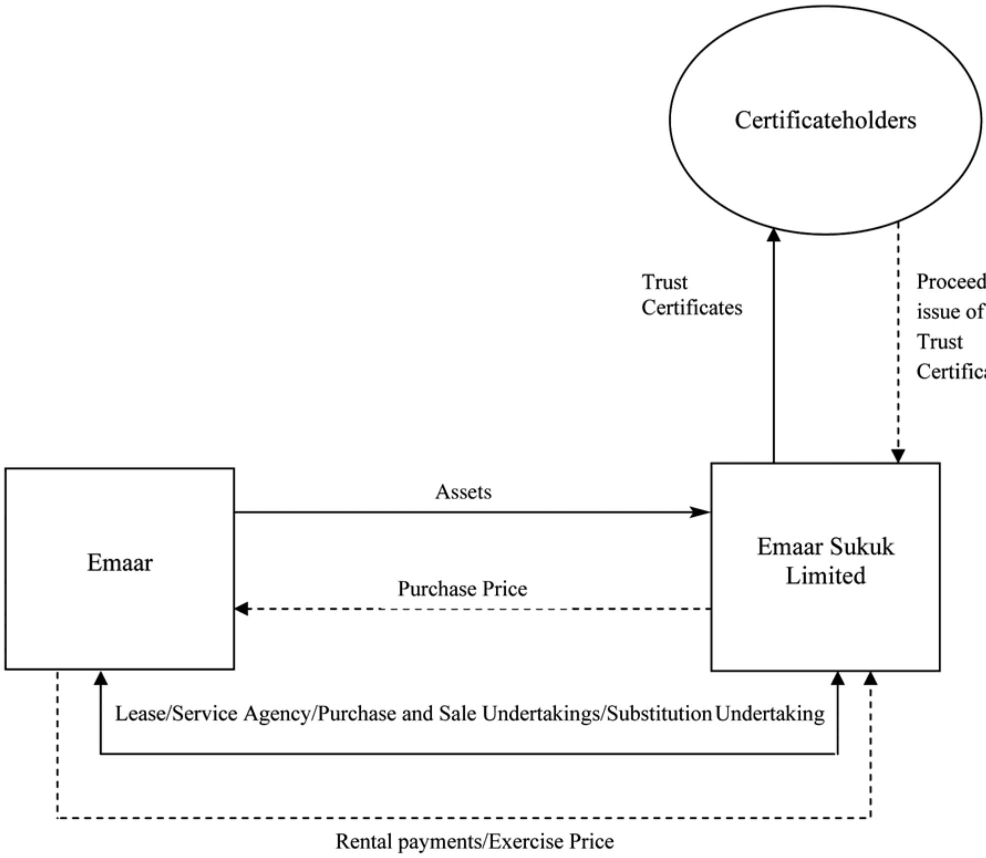
Copies of documents incorporated by reference in this Base Prospectus can be obtained from the registered office of the Issuer and from the specified office of the Paying Agent for the time being in London.

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.

Structure Diagram



Cashflows

Payments by the Certificateholders and the Issuer

On the Issue Date of each Series of Trust Certificates, the relevant Certificateholders will pay the issue price in respect thereof to Emaar Sukuk Limited and Emaar Sukuk Limited will pay an equivalent amount to Emaar as the purchase price payable under the relevant Supplemental Purchase Agreement for the Relevant Lease Assets.

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, 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 and the exercise price payable by the Obligor to the Issuer is 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 or (ii) in certain cases where so specified in the applicable Final Terms, at the option of the Issuer. In any such case the relevant Dissolution Amount will be funded by requiring the Obligor to purchase the Relevant Lease Assets and pay the relevant exercise price 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).

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 the applicable Final Terms. Each investor should read the entire Base Prospectus and 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 (in its capacity as Trustee and as Purchaser) will enter into a Supplemental Purchase Agreement with Emaar (in its capacity as Seller). Pursuant to the Supplemental Purchase Agreement, the Seller will sell the Relevant Lease Assets to the Purchaser. The purchase price of the Relevant Lease Assets will be an equivalent amount to the proceeds of the issue of such Series of Trust Certificates. Emaar Sukuk Limited (in its capacity as Trustee and 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 relevant Series of Trust Certificates and will end on (a) the later of the Maturity Date and the date on which the relevant Series of Trust Certificates is redeemed in full 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. 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 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 12 July 2012 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, the Obligor has the right to purchase the Trustee's rights, benefits and entitlements in and to the Relevant Lease Assets on the relevant Distribution Date pursuant to an amended and restated sale undertaking dated 12 July 2012 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 the Obligor pursuant to each Sale Agreement will be an amount equal to (a) the Aggregate Face Amount (as specified in the applicable Final Terms) then outstanding of the relevant Series of Trust Certificates, (b) all accrued but unpaid Periodic Distribution Amounts if any on such date (including any additional amounts payable pursuant to Condition 11), (c) an amount equal to any Servicing Agency Expenses in respect of which an appropriate Lease rental payment has not been made in accordance with the Lease Agreement, and (d) any other amounts payable on redemption of the relevant Series of Trust Certificates as specified in the applicable Final Terms. 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, the Trustee has granted Emaar the right to require the Trustee to 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. Such right has been granted by the Trustee to Emaar pursuant to an amended and restated substitution undertaking dated 12 July 2012 executed as a deed by the Trustee (the **Substitution Undertaking**), to be supplemented at the time of each such substitution by a sale agreement (each a **Sale Agreement**) substantially in the form annexed to the Substitution Undertaking and containing the specific terms applicable to the relevant substitution. 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 the Lessee in accordance with the Substitution Undertaking) by the Trustee and the Lessee entering into a Sale Agreement and the relevant Lease Agreement shall be amended in the manner provided in the Substitution Notice. Each Sale Agreement will (i) effect the transfer of rights in the Substituted Assets from the Trustee to the Lessee and (ii) effect the transfer of the rights in the New Assets from the Lessee to the Trustee and the Substitution Notice will provide that the New Assets and any Relevant Lease Assets not replaced will be leased to Emaar under the relevant Lease Agreement.

Pursuant to the Trust Deed the Issuer (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 and Lessor:	Emaar Sukuk Limited, an exempted company incorporated in accordance with the laws of the Cayman Islands.
Obligor, Seller, Lessee, 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**).
Arrangers:	HSBC Bank plc Standard Chartered Bank.
Dealers:	BNP Paribas DBS Bank Ltd. HSBC Bank plc Merrill Lynch International Standard Chartered Bank The Royal Bank of Scotland plc and any other Dealers appointed in accordance with the Programme Agreement.
Certain Restrictions:	Each issue 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:	HSBC Corporate Trustee Company (UK) Limited.
Principal Paying Agent and Calculation Agent:	HSBC Bank plc.
Registrar and Transfer Agent:	HSBC Bank plc.
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.

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 only be issued on a fully-paid basis and at an issue price which is at par.
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 beneficial 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 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) that 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 dissolved prior to its Maturity Date in the circumstances set out in Condition 11.2 and Condition 11.3.
Total Loss Event:	If Total Loss Event is specified in the applicable Final Terms as applying in relation to the 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. The Servicing Agent is responsible for ensuring that, in the event of a

	Total Loss Event occurring, all insurance proceeds in respect thereof are 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 (in accordance with the terms of the Sale Undertaking) 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 cancel the relevant Trust Certificates identified for cancellation in the Exercise Notice on the Cancellation Date (which shall be a Periodic Distribution Date).
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 Obligor. See "*Summary of the Principal Transaction Documents*".
Cross Default:	The Master Lease Agreement contains a cross default provision in relation to the Obligor. 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 to be admitted to the 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 Series. 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 Undertaking and the Costs Undertaking 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 and 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 arsing from any such Transaction Document. 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 legal proceedings, including, without limitation, jurisdiction, enforcement, prejudgment proceedings and injunctions 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 Series 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 Series will be in registered form. Trust Certificates will be issued outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended.

Each Series 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 S.A./N.V. (**Euroclear**) and Clearstream Banking, société anonyme (**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) above, the Delegate 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.

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 Series of Trust Certificates issued under the Programme.

[*Date*]

Emaar Sukuk Limited

**Issue of [*Aggregate Face Amount of Series] [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 12 July 2012 [and the Supplementary Prospectus dated [ ]]. 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, PO 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" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. 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 and Lessor:	Emaar Sukuk Limited
2.	Obligor and Lessee:	Emaar Properties PJSC (**Emaar**)
3.	Series Number:	[ ]
4.	Specified Currency:	[ ]
5.	Aggregate Face Amount of Series:	[ ]
6.	Issue Price:	100 per cent. of the Aggregate Face Amount
7.	(a) Specified Denominations:	[ ]
	(this means the minimum integral amount in which transfers can be made)	*(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.)*
	(a) 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*]
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:	Dissolution at par
12.	Change of Periodic Distribution Basis:	[*Specify details of any provision for convertibility of Trust Certificates into another Periodic Distribution Basis.*] [Not Applicable]
13.	Call Options:	[Not Applicable] [Optional Dissolution (Call)] [*further particulars specified below*]
14.	(a) Status:	Unsubordinated
	(b) [Date [Board] approval for issuance of Trust Certificates:]	[ ] [and [ ], respectively]
15.	Method of distribution:	[Syndicated/Non-syndicated]

PROVISIONS RELATING TO PERIODIC DISTRIBUTIONS PAYABLE

16.	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]
	(b) Periodic Distribution Date(s):	[[ ] in each year up to and including the Maturity Date]
	(c) Fixed Amount(s): *(Applicable to Trust Certificates in definitive form)*	[ ] per Calculation Amount
	(d) Broken Amount(s): *(Applicable to Trust Certificates in definitive form)*	[ ] 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 16(c)*)
	(e) Day Count Fraction:	[30/360] [Actual/Actual (ICMA)]
	(f) Determination Date(s):	[ ] in each year [*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)*]

17.	Floating Periodic Distribution Provisions:	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
(a)	Specified Periodic Distribution Dates:	[ ] [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]
(d)	Additional Business Centre(s):	[Not Applicable/*give details*]
(e)	Manner in which the Rate(s) is/are to be determined:	Screen Rate Determination (Condition 8.3 applies)
	(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(d)*))
	(iv) Relevant Time:	[*For example, 11.00 a.m. London time*]
(f)	Margin:	[[+ / -]]
(g)	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) Other] (*See Condition 8 for alternatives*)
(h)	Calculation Agent:	[Principal Paying Agent] [*specify other*]

PROVISIONS RELATING TO DISSOLUTION

18.	Notice Periods for Condition 11.2:	Minimum period: [ ] days Maximum period: [ ] days
19.	Optional Dissolution (Call):	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(a) Optional Dissolution Amount:	[Final Dissolution Amount] [[ ] per Calculation Amount] [*specify other*]
	(b) Optional Dissolution Date:	[Any Periodic Distribution Date] [*specify other*]
	(c) Notice periods:	Minimum period: [ ] days Maximum period: [ ] days
20.	Final Dissolution Amount:	[ ] per Calculation Amount] [*specify other*]
21.	Early Dissolution Amount (Tax):	[Final Dissolution Amount] [[ ] per Calculation Amount] [*specify other*]
22.	Dissolution Amount pursuant to Condition 14:	[ ] per Calculation Amount] [*specify other*]

GENERAL PROVISIONS APPLICABLE TO THE TRUST CERTIFICATES

23.	Form of Trust Certificates:	Global Trust Certificate exchangeable for Trust Certificates in definitive registered form in the limited circumstances specified in the Global Trust Certificate
24.	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 17(d) relates)*

PROVISIONS IN RESPECT OF THE TRUST ASSETS

25.	Lease Assets on the Issue Date:	As scheduled to the Supplemental Purchase Agreement specified below, a copy of which schedule is set out in the Annex hereto
26.	Trust Assets:	Condition 5.1 applies
27.	Details of Transaction Account:	Emaar Sukuk Limited Transaction Account No: [ ] with [ ] for Series No.: [1/2/3 etc]
28.	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
29.	Total Loss Event:	Condition 11.4 [does/does not] apply
30.	Financial Covenants:	
	(a) Consolidated Tangible Assets:	[not less than U.S.$6,000,000,000, as set out in the Master Lease Agreement] / [not less than U.S.$●, as set out in the Supplemental Lease Agreement dated ●] / [Not Applicable]
	(b) Ratio of Consolidated Total Net Indebtedness to Total Equity:	[not to exceed 0.6:1, as set out in the Master Lease Agreement] / [not to exceed ●:1, as set out in the Supplemental Lease Agreement dated ●] / [Not Applicable]

	(c)	Ratio of Consolidated Total Net Indebtedness to Consolidated EBITDA:	[not to exceed 3.5:1, as set out in the Master Lease Agreement] / [not to exceed ●:1, as set out in the Supplemental Lease Agreement dated ●] / [Not Applicable]
	(d)	Ratio of Consolidated EBITDA to Consolidated Net Finance Charges Payable:	[not less than 2.5:1, as set out in the Master Lease Agreement] / [not less than ●:1, as set out in the Supplemental Lease Agreement dated ●] / [Not Applicable]

DISTRIBUTION

31.	(a)	If syndicated, names of Managers:	[Not Applicable/*give names*]
	(b)	Date of Subscription Agreement:	[ ]
	(c)	Name of Stabilising Manager:	[ ]
32.		If non-syndicated, name of relevant Dealer:	[ ]

[LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required for the issue and admission 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)*] of the Trust Certificates described herein pursuant to the U.S.$2,000,000,000 Trust Certificate Issuance Programme of Emaar Sukuk Limited]

RESPONSIBILITY

Each of the Issuer and Emaar accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of each of the Issuer and Emaar (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[ ] has been extracted from [ ]. 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 [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

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.]
	(ii) Estimate of total expenses related to admission to trading:	[ ]
2.	**RATINGS**	
	Ratings:	The Trust Certificates to be issued have been rated: [S&P: [ ]] [Moody's: [ ]] [[*Other*]: [ ]] Moody's Investors Services Limited is established in the European Union and is registered under Regulation (EC) No. 1060/2009. Standard & Poor's Credit Market Services Limited is established in the European Union and is registered under Regulation (EC) No. 1060/2009. (*The following language should be used where the Certificates are to be rated by a credit rating agency other than the Moody's and S&P legal entities set out above.*) [The 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 supplement to the Base Prospectus under Rule 2.9 of the Markets Rules.)*]

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 S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):	[Not Applicable/*give name(s) and number(s)*]
(iv)	Delivery:	Delivery [against/free of] payment
(v)	Names and addresses of additional Paying Agent(s) (if any):	[ ]

ANNEX

LEASE ASSETS ON THE ISSUE DATE

[*to be inserted from Supplemental Purchase Agreement*]

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) will be endorsed on each Trust Certificate in definitive registered form issued under the Programme and will apply to each Global Trust Certificate. The applicable Final Terms in relation to any series of Trust Certificates may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Trust Certificates.

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.

Trust Certificates issued under the Programme are issued in series (each a **Series**). 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**) and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Trust Certificate. 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 beneficial 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 12 July 2012 and made between the Issuer, the Trustee, Emaar Properties PJSC (**Emaar**) and HSBC Corporate Trustee Company (UK) Limited (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 which are the subject of the applicable Final Terms.

Payments relating to the Trust Certificates will be made pursuant to an amended and restated agency agreement dated 12 July 2012 (the **Agency Agreement**) made between the Issuer, the Trustee, the Delegate, Emaar and HSBC Bank plc in its capacity as principal paying agent (in such capacity, the **Principal Paying Agent**, which expression shall include any successor), calculation agent (in such capacity, the **Calculation Agent**, which expression shall include any successor), transfer agent (in such capacity, the **Transfer Agent**, which expression shall include any successor) and 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 and obtainable free of charge 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 12 July 2012 (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 12 July 2012 (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 the Substitution Undertaking on any substitution of Lease Assets);

(e) an amended and restated purchase undertaking entered into by Emaar (in such capacity, the **Obligor**) as a deed dated 12 July 2012 (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 12 July 2012 (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 undertaking entered into by the Trustee as a deed dated 12 July 2012 (the **Substitution 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 Undertaking to require the Trustee to sell any or all of the Lease Assets to it in consideration for New Assets of a value which is equal to or greater than the value of the Substituted Assets (each such expression having the meaning given to it in the Substitution Undertaking);

(h) an amended and restated servicing agency agreement between the Lessor and Emaar Properties PJSC (in its capacity as servicing agent) dated 12 July 2012 (the **Servicing Agency Agreement**);

(i) the Trust Deed;

(j) the Agency Agreement;

(k) an amended and restated costs undertaking entered into by Emaar as a deed dated 12 July 2012 (the **Costs Undertaking**); 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 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 to the Seller to purchase the Lease Assets.

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 and which shall be a Periodic Distribution Date;

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;

Dissolution Amount means, as appropriate, the Final Dissolution Amount, the Early Dissolution Amount (Tax), the Optional Dissolution Amount (Call), 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 dissolved in accordance with the provisions of Condition 15, (b) the date on which the Trust Certificates are dissolved in accordance with the provisions of Condition 11.2, or (c) the Optional Dissolution Date (Call);

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 set out in Condition 5.1;

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) in the case of payment by transfer to an account:

  (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 distribution 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 (expressed as a percentage per annum) 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 (including, without limitation, the Reuter Money 3000 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;

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;

Subsidiary means any company which is for the time being a subsidiary (within the meaning of Section 736 of the Companies Act 1985 of Great Britain) or a subsidiary undertaking (within the meaning of Section 258 and Schedule 10A of the Companies Act 1985 of Great Britain);

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 Undertaking, the Trust Deed, the Costs Undertaking, 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 S.A./N.V. (**Euroclear**) and/or Clearstream Banking, société anonyme (**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.

4. STATUS AND LIMITED RECOURSE

4.1 Status

Each Trust Certificate evidences an undivided beneficial 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. Accordingly, Certificateholders will have no recourse to any assets of the Obligor or the Lessee (to the extent that each of the Obligor and the Lessee fulfils all of its obligations under the relevant Transaction Documents to which it is a party), the Issuer (other than the Trust Assets), the Trustee (including, in particular other assets comprised in other trusts, if any), the Delegate, the Agents or any of their respective affiliates in respect of any shortfall in the expected amounts from the Trust Assets.

Each of the Obligor and the Lessee 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 the Obligor and the Lessee to recover payments due to the Issuer from the Obligor and the Lessee pursuant to such Transaction Documents.

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. If, following distribution of such proceeds, there remains a shortfall in payments due under the Trust Certificates, subject to Condition 16, no Certificateholder will have any claim against the Delegate, the Agents, the Obligor or the Lessee (to the extent that each fulfils all of its obligations under the relevant Transaction Documents to which it is a party) or the Issuer or the Trustee or any of their affiliates or other assets in respect of such shortfall and any unsatisfied claims of the Certificateholders shall be extinguished. In particular, no Certificateholder will be able to petition for, or join any other person in instituting proceedings for, the reorganisation, liquidation, winding up or receivership of the Obligor or the Lessee (to the extent that each fulfils all of its obligations under the relevant Transaction Documents to which it is a party), or the Issuer or the Trustee or any of their affiliates as a consequence of such shortfall or otherwise.

4.3 Agreement of Certificateholders

By purchasing the Trust Certificates, each Certificateholder 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 any of the Issuer or the Trustee or any of their respective agents on their 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 any of the Issuer or the Trustee to the extent the Trust Assets have been exhausted (including actions to procure payment by the Obligor under the Transaction Documents) following which all obligations of the Issuer and the Trustee shall be extinguished;

(b) prior to the date which is one year and one day after the date on which all amounts owing by the Issuer 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

(c) 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 the Issuer or the Trustee 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 the Trustee, 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 the Issuer or the Trustee of any such duty, obligation or undertaking is hereby expressly waived and excluded to the extent permitted by law.

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 assets the subject of the Supplemental Lease Agreement (as varied from time to time as a result of the exercise of rights granted under the Substitution Undertaking and which, as of any Cancellation Date, shall exclude the Cancelled Lease Assets (as defined in the Sale Undertaking)) (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 the Issuer.

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;

(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 payment of the purchase price of the Lease Assets identified in the applicable Final Terms;

(e) amend or agree to any amendment of any Transaction Document to which it is a party, or its memorandum and articles of association, 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 Delegate or 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 the Maturity Date or, as the case may be, the 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.

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 both:

(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 any Additional Business Centre specified in the applicable Final Terms; and

(b) 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 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 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 8.3(a)(i), no offered quotation appears or, in the case of Condition 8.3(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 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 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).

8.4 Cessation of Profit Entitlement

No further amounts will be payable on any Trust Certificate from and including the Maturity Date or, as the case may be, the 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.

8.5 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 D_1 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;

(i) 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.

8.6 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.

8.7 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.

8.8 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 or by cheque drawn on a bank that processes payments in the Specified Currency mailed to the registered address of a Certificateholder if it does not have a registered account. 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, and a Certificateholder's **registered address** means its address appearing on the Register at that time.

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, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

Where payment is to be made by transfer to a registered account, 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 and, where payment is to be made by cheque, the cheque will be mailed, 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) or if a cheque mailed in accordance with this Condition arrives after the due date for payment.

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 Trustee 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 and their initial specified offices are set out below. 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;

(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; and

(d) there will at all times be a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced to conform to, such Directive.

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

The Trust Certificates may be redeemed at the option of the Issuer (with the prior written consent of Emaar) 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 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 and (B) such obligation cannot be avoided by the Lessee taking reasonable measures available to it,

provided, however, that no such notice of dissolution shall be given earlier than:

(A) where the Trust Certificates may be dissolved 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 dissolved 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 (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. Upon such redemption, 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.

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, the Trust Certificates may be redeemed in whole but not in part on any Optional Dissolution Date at the relevant Optional Dissolution Amount together with Periodic Distribution Amounts accrued (if any) to the Optional Dissolution Date on the Issuer (with the prior written consent of Emaar) 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). Upon such redemption, 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.

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 may be redeemed and the Trust dissolved on the dates specified by the Delegate. The Trust Certificates will be redeemed using the proceeds of insurance payable in respect of the Total Loss Event 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.

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 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*).

11.6 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 (in accordance with the terms of the Sale Undertaking) 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 cancel the relevant Trust Certificates identified for cancellation in the Exercise Notice on the Cancellation Date (which shall be a Periodic Distribution 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 such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(c) where the definitive Trust Certificate is required to be presented for payment and is presented for payment by or on behalf of a Certificateholder who would be able to avoid such withholding or deduction by presenting the relevant definitive Trust Certificate to another Paying Agent in a Member State of the European Union; or

(d) 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.

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; or

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

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

(e) at any time it is or will become unlawful for the Issuer (by way of insolvency or otherwise) to perform or comply with any of its obligations under the Transaction Documents or any of the obligations of the Issuer under 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 one-fifth 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 Purchase Undertaking against the Obligor; and/or

(b) enforce the provisions of the Lease Agreement against the Lessee; and/or

(c) 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 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 (other than the Obligor and/or the Lessee to the extent they have not performed all their obligations under the Transaction Documents) to recover any such sum in respect of the Trust Certificates or Trust Assets.

16.3 Delegate not obliged to take action

The Delegate shall not be bound in any circumstances to take any action to enforce or to realise the Trust Assets or take any action against the Obligor or the Lessee 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, the Obligor or the Lessee, 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 who propose to proceed directly against the Issuer, the Obligor or the Lessee) holds at least 20 per cent. of the aggregate face amount of the Trust Certificates then outstanding. Under no circumstances shall the Delegate or any Certificateholder have any right to cause the sale or other disposition of any of the Trust Assets except pursuant to the Purchase Undertaking, and the sole right of the Delegate and the Certificateholders against the Issuer, the Obligor or the Lessee 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 and 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) approved by the Delegate; 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. 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 after 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 or any of the provisions of the Trust Deed. The quorum at any meeting for passing an Extraordinary Resolution will be one or more Certificateholders, proxies or representatives holding or representing not less 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 Certificateholders, proxies or representatives present whatever the face amount of the Trust Certificates held or represented by him or them except that any meeting the business of which includes the modification of certain provisions of the Trust Certificates (including modifying the Maturity Date, reducing or cancelling any amount payable in respect of the Trust Certificates or altering the currency of payment of the Trust Certificates or amending certain covenants given by the Issuer in the Master Trust Deed), the quorum shall be one or more persons present holding or representing not less than 75 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 holding or representing not less than 25 per cent. in aggregate face amount of the Trust Certificates for the time being outstanding. To be passed, an Extraordinary Resolution requires a majority in favour consisting of not less than three-quarters of the persons voting on a show of hands or, if a poll is duly demanded, a majority of not less than three-quarters of the votes cast on such poll and, if duly passed, will be binding on all Certificateholders, whether or not they are present at the meeting and whether or not voting.

19.2 The Delegate may agree, without any consent or sanction of 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 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 or proven (to the satisfaction of the Delegate) error or (c) such modification, waiver, authorisation or determination is not materially prejudicial to the interests of Certificateholders.

19.3 In connection with the exercise by it of any of the powers, trusts, authorities and discretions vested in it (including, without limitation, any modification, waiver, authorisation or determination), the Delegate shall have regard to the general interests of the Certificateholders as a class (but shall not have regard to any interests 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 the Delegate shall not be entitled to require, nor shall any Certificateholder be entitled to claim from the Delegate 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 provided in Condition 13.

19.4 Any modification, abrogation, waiver, authorisation or determination shall be binding on all the Certificateholders and shall be notified to the Certificateholders as soon as practicable thereafter in accordance with Condition 18.

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 default or misconduct of the Delegate or the Trustee, as the case may be.

21. 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.

22. GOVERNING LAW AND SUBMISSION TO JURISDICTION

22.1 The Trust Deed and the Trust Certificates (including the remaining provisions of this Condition 22 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.

22.2 Subject to Condition 22.3, 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 London Court of International Arbitration (**LCIA**) (the **Rules**), which Rules (as amended from time to time) are incorporated by reference into this Condition 22.2. For these purposes:

(a) the seat of arbitration shall be London;

(b) there shall be three independent arbitrators, each of whom shall be disinterested in the arbitration, shall have no connection with any party thereto and shall be an attorney experienced in international securities transactions; and

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

22.3 Notwithstanding Condition 22.2 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) in the event no arbitration is 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 22.4 and any arbitration commenced under Condition 22.2 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 Delegate 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:

(a) the validity of any act done or order made by that arbitrator or by the court in support of that arbitration before his appointment is terminated;

(b) his entitlement to be paid his proper fees and disbursements; and

(c) the date when any claim or defence was raised for the purpose of applying any limitation bar or any similar rule or provision.

22.4 In the event that a notice pursuant to Condition 22.3 is issued, the following provisions shall apply:

(a) subject to paragraph (c) below, the courts of England and 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 22.4 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.

22.5 The Issuer appoints Maples and Calder at its registered office at 11th Floor, 200 Aldersgate Street, London EC1A 4HD as its agent for service of process, and undertakes that, in the event of Maples and Calder ceasing so to act or ceasing to be registered in England, it will appoint another person approved by the Delegate as its agent for service of process in England in respect of any Proceedings or Disputes. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

22.6 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 Emaar has in the Trust Deed waived any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence and has 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 of judgment made or given in connection with any Disputes or Proceedings.

USE OF PROCEEDS

The proceeds of each Series of Trust Certificates issued under the Programme will be paid by the Issuer to the Seller as the purchase price for the Relevant Lease Assets and applied by the Seller 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 MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands, and its telephone number is +1 345 945 7099.

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 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	Senior Vice President of Maples Fund Services (Middle East) Limited
Cleveland Stewart	Vice President of MaplesFS Limited

The business address of Andrew Millar is c/o Maples Fund Services (Middle East) Limited, Liberty House, 8th Floor, Office 801, P.O. Box 506734, Dubai, United Arab Emirates.

The business address of Cleveland Stewart is c/o MaplesFS Limited, P.O. Box 1093, Boundary Hall, Cricket Square, 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 2010 and 2011 and as at 31 March 2012 and for the three month periods ended 31 March 2011 and 2012 as follows:

- the selected financial data as at 31 March 2012 and for the three month periods ended 31 March 2011 and 2012 appearing below has been extracted from the Interim Consolidated Financial Statements;
- the selected financial data as at and for the year ended 31 December 2011 appearing below has been extracted from Emaar's 2011 audited consolidated financial statements; and
- the selected financial data as at and for the year ended 31 December 2010 appearing below has been extracted from the comparative financial information as at and for the year ended 31 December 2010 included in the 2011 audited consolidated financial statements, which have been prepared taking into account the application of IFRIC 15 (*Agreements for the Construction of Real Estate*).

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 International Financial Reporting Standards (**IFRS**).

The selected financial information set forth below should be read in conjunction with Emaar's 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

	As at 31 March	As at 31 December	
	2012	2011	2010
	(*AED million*)		
Bank balances and cash	4,409	2,865	5,042
Trade receivables	714	777	902
Other assets, receivables, deposits and prepayments	2,774	2,758	2,855
Development properties	26,840	26,611	26,492
Investment in securities	776	897	694
Loans to associates and joint ventures	3,347	3,117	2,232
Investments in associates and joint ventures	6,765	6,684	7,592
Property, plant and equipment	8,522	8,300	8,539
Investment properties	7,960	7,999	8,110
Goodwill	46	46	46
Total assets	**62,153**	**60,054**	**62,504**
Advances from customers	8,155	8,145	9,889
Trade and other payables	8,231	8,314	8,939
Interest bearing loans and borrowings	8,926	7,529	9,410
Convertible notes – liability component	1,775	1,772	1,758
Sukuk	1,821	1,820	—
Retentions payable	778	815	1,149
Provisions for employees' end of service benefits	72	70	59
Total liabilities	**29,758**	**28,465**	**31,204**
Share capital	6,091	6,091	6,091
Employees' performance share programme	(2)	(2)	(2)
Reserves	14,887	14,707	14,925
Convertible notes – equity component	37	37	37
Retained earnings	11,100	10,475	10,018
Equity attributable to owners of the parent company	32,113	31,308	31,069
Non-controlling interest	282	281	231
Total equity	32,395	31,589	31,300
Total liabilities and equity	**62,153**	**60,054**	**62,504**

Consolidated Income Statement

	Three months ended 31 March		Year ended 31 December	
	2012	**2011**	**2011**	**2010**
	(AED million)			
Revenue	1,821	1,983	8,112	12,150
Cost of Revenue	(758)	(959)	(3,876)	(7,604)
Gross profit	1,063	1,024	4,236	4,546
Other operating income	36	30	173	346
Other operating expenses	(22)	(22)	(116)	(233)
Selling, general and administrative expenses	(425)	(459)	(1,924)	(2,028)
Finance income	86	127	392	265
Finance costs	(170)	(124)	(562)	(355)
Other income	39	29	160	612
Share of results of associates companies and joint ventures	(21)	(127)	(231)	(430)
Loss on disposal of subsidiaries	—	—	—	(53)
Impairment of assets	—	—	(174)	(192)
Profit before tax	**586**	**478**	**1,954**	**2,478**
Income tax credit/(expense)	23	(7)	(36)	(1)
Net profit for the period	609	471	1,918	2,477
Attributable to:				
Owners of the parent	606	421	1,794	2,448
Non-controlling interest	3	50	124	29
	609	471	1,918	2,477
Earnings per share attributable to the owners of the parent (AED/share):				
– basic and diluted earnings per share (AED)	0.10	0.07	0.29	0.40

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 "2011 and "2010" 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 2010 and 2011 and as at 31 March 2012 and for the three month periods ended 31 March 2011 and 2012 as follows:

- the selected financial data as at 31 March 2012 appearing in this section and as at and for the three month periods ended 31 March 2011 and 2012 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 2011 appearing in this section has been extracted from Emaar's 2011 audited consolidated financial statements; and
- the selected financial data as at and for the year ended 31 December 2010 appearing in this section has been extracted from the comparative financial information as at and for the year ended 31 December 2010 included in the 2011 audited consolidated financial statements, which has been prepared taking into account the application of IFRIC 15 (*Agreements for the Construction of Real Estate*).

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

Emphasis of Matter

Deloitte's audit report in respect of the 2011 audited consolidated financial statements and its review report in respect of the Interim Consolidated Financial Statements each include an emphasis of matter relating to Emaar's investment in Amlak Finance PJSC. Further, Ernst & Young's audit report in respect of the 2010 audited consolidated financial statements also 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.

Evolving mix of income streams

Historically, almost all 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 operation of hotels and other hospitality businesses operated by it and rental income from properties leased by it.

However, in more recent years, many of Emaar's revenue generating assets have been completed and have started to generate revenue (e.g. The Dubai Mall, Marina Mall and The Address Hotels, each in the UAE). As a result, revenue from hospitality grew to 22.1 per cent. and 15.1 per cent. of total revenue in the three month period to 31 March 2012 and the year to 31 December 2011, respectively, and revenue from leased properties and related income grew to 35.8 per cent. and 26.3 per cent. of total revenue in the three month period to 31 March 2012 and the year to 31 December 2011, respectively. The proportion of revenues from these sectors has increased for the three months to 31 March 2012 compared to the year to 31 December 2011 (also growing in absolute terms compared to the same period in 2011). In future periods, Emaar anticipates that its revenue generating assets will continue to increase and accordingly the proportion of its revenues derived from hospitality 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 completed properties are expected to remain the most substantial part of its revenues.

Timing of revenue recognition of sales of properties and comparability of income growth

IFRIC 15 (*Agreements for the Construction of Real Estate*) was issued in July 2008, became effective for annual financial years beginning on or after 1 January 2009. IFRIC 15 clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. With effect from 1 January 2009, Emaar has changed its accounting policy of recognising revenue from sale of properties in certain jurisdictions from the percentage of completion method to full completion upon or after delivery when the control and significant risks and rewards of ownership are transferred to the buyer in order to comply with the requirements of IFRIC 15. In other locations and jurisdictions where the Group transfers to the buyer the control and the significant risks and rewards of ownership of the work-in-progress in its current state as the work progresses, the revenues and related costs of development are recognised on a progressive basis using the percentage of completion method.

Therefore, for certain jurisdictions, in respect of units sold prior to completion of construction of the building or cluster in which the unit is located, revenue from the sale of the apartment is recognised only when the entire building or cluster of units is complete and all units in the building or cluster of units have been delivered to the purchasers of those units. This can therefore give rise to periodic, large-value revenue recognition events.

Property prices in Dubai

Since 2008, the global economy has experienced significant turmoil, the impact of which has been felt in the GCC, and in particular in Dubai, since the last quarter of 2008. The effects of the economic downturn have had a significant impact on property prices in Dubai.

In the period prior to (and including) the third quarter of 2008, property prices in Dubai increased at a significant rate. This enabled Emaar to realise higher prices for property developments launched prior to the third quarter of 2008. However, since the third quarter of 2008, property prices in Dubai have decreased significantly, as a result of, *inter alia*, the global financial crisis and an increase in the supply of completed units. Emaar aims to pre-sell a significant proportion of the properties to be developed in any project or project phase prior to the commencement of construction in order to assist the funding of construction and this has, to an extent, protected Emaar from such property price decreases. However, in addition to the decline in property values, the economic downturn has also led to a significant decrease in property sales volumes. A further significant effect of the global financial crisis has been a sharp decline in monetary liquidity in the GCC which has manifested itself in a reluctance of financial institutions in the UAE to extend credit. This has affected Emaar's residential customers who are suffering from a lack of availability of mortgage finance. The decline in sales volumes coupled with decreases in sales prices has caused Emaar to reconsider development plans for projects or phases of projects which have not commenced and has limited Emaar's ability to sell units in projects which were not pre-sold (and/or has limited the price obtained for any such sale).

However, according to the Land Department of the Government of Dubai, from 2011, the property market in Dubai has shown signs of recovery with an increase in volume of sales and property prices from the lows of 2009 and 2010. This may be due to the "Arab Spring" and a general perception that Dubai is a safe and stable jurisdiction in the GCC. By way of example, in May 2012, Emaar launched a residential project in The Views (a part of the Emirates Living development) in Dubai and all units released for sale were sold on the same day.

Significant Accounting Policies

Revenue Recognition

Provided the Group is entitled to a portion of revenues (either as an equity holder or by other contractual arrangement) the revenue and costs, if applicable, can be measured reliably (the **Recognition Requirements**), revenue is recognised in the consolidated statement of income as set out below:

Sale of property

In respect of revenue from sales of property, provided the recognition requirements are met and the risks and rewards of ownership of the property have been transferred to the buyer, (normally on unconditional exchange of contracts); the Group recognises revenue on the unconditional exchange of contracts. For conditional exchanges, revenue from such sales is recognised only when all the significant conditions are satisfied.

The Group transfers risks and rewards of ownership of the property in its entirety at a single point of time; the revenue and the associated costs are recognised at that point of time. Notwithstanding that such point in time is determined by reference to the terms of the particular sales contract and the relevant local laws, and accordingly may differ from transaction to transaction, in general the Group determines the point of recognition of such revenue to be the time at which the buyer is entitled to take possession of the property.

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 sale of property 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.

Lease of investment property

Rental income from investment properties is recognised, net of discount, on an annual basis based on a systematic approach based on the aggregate rental income payable for the year in accordance with the terms of the relevant lease contract.

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.

Hospitality revenue

Revenue from hotel accommodation, food and beverages and other related services are recognised, net of discount and municipality fees, at the point at which the services are rendered.

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.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (qualifying assets are 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 period in which they are incurred.

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 lives as follows:

Buildings	10-45 years
Furniture and fixtures	4-10 years

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.

The Group 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 are 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 income statement on sale is determined with reference to the specific costs incurred on 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 the Group's development properties on an annual basis.

Derivative financial instruments

The Group 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.

Investment in associates

The Group's investments in its associates are accounted for using the equity method of accounting. Goodwill relating to the associates is included in the carrying amount of the investment and is not amortized or separately tested for impairment. Where there has been a change which is recognised directly in the equity of an associate, the Group recognises its share of any such changes and discloses this, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the equity interest in the associate.

The share of results of associates is shown on the face of the consolidated statement of income. This is the profit or loss attributable to equity holders of the associate and therefore is profit or loss after tax and non-controlling interests in the subsidiaries of the associates.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount proportionately to its investment the associate in the consolidated statement of income.

Interest in a joint venture

The Group has interests in joint ventures which are jointly controlled. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves the establishment of a separate entity in which the equity holders in the joint venture have an interest. The Group recognises its interest in the joint ventures using the equity method until the date on which the Group ceases to have joint control over the joint venture. The interest in the joint venture is carried in the consolidated statement of financial position at cost, plus post-acquisition changes in the Group's share of net assets of the joint venture, less any impairment in value. The consolidated statement of income reflects the Group's share of the results of its joint ventures.

The financial statements of the joint ventures are prepared for the same reporting year as the parent company (i.e. Emaar), using consistent accounting policies.

Financial liabilities and equity instruments issued by the Group – Compound Instruments

The component parts of compound instruments issued directly or indirectly by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity and is not subsequently remeasured.

Issue costs are apportioned between the liability and equity components of the compound instruments based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity.

The interest expense on the liability component is calculated by applying the prevailing market interest rate, at the time of issue, for similar non-compound instruments to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the compound instruments.

Financial liabilities and equity instruments issued by the Group – the 2011 Trust Certificates

The 2011 Trust Certificates are recorded at amortized cost and such cost increases as the present value of the profit payments and redemption amount increases, with a corresponding charge to finance cost. Profit attributable to the 2011 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.

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 are subject to certain estimation uncertainties, the most significant of which are described in note 2.3 to the 2010 audited consolidated financial statements, note 2.2 to the 2011 audited consolidated financial statements and note 2.2 to the Interim Consolidated Financial Statements. These judgments and estimations include (i) the adoption of the cost model for investment properties; (ii) the classification of hotels and serviced apartment buildings operated by the Group as part of property, plant and equipment rather than investment properties; (iii) the accounting for commercial and retail property leases as operating leases; and (iv) the determination of total provisions for current and deferred taxes in various jurisdictions.

Significant accounting estimations made by management include impairment of non-financial assets and accounts receivable, and the determination of useful lives of property, plant and equipment.

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 managing malls, retail, commercial and residential spaces) and hospitality (development, owning and/or managing 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) do not meet the criteria for a reportable segment under IFRS 8. Prior to the 2010 financial year, Emaar used two reporting segments in preparation of its consolidated financial statements, being real estate and other. Geographically, Emaar classifies its activities in the UAE as domestic and its activities elsewhere as international.

A breakdown of Emaar's revenue, results, assets and liabilities and certain other information by business and geographic segment is included in note 3 to each of the 2011 and 2010 audited consolidated financial statements and the Interim Consolidated Financial Statements for the period ended 31 March 2012 and 31 March 2011.

Results of Operations

Period ended 31 March 2012 compared with period ended 31 March 2011

Revenue, cost of revenue and gross profit

Revenue for the three month period ended 31 March 2012 was AED1,821 million, a decrease of 8 per cent. compared to AED1,983 million for the same period in 2011. The Group's diversified business segments in shopping malls and hospitality yield strong recurring revenues, and contributed 58 per cent of the Group's revenue during the three month period ended 31 March 2012.

The table below shows the breakdown of Emaar's revenues, cost of revenue and gross profit for each of the three month periods ended 31 March 2012 and 2011.

	Revenue	Cost of Revenue	Gross Profit	Revenue	Cost of Revenue	Gross Profit
	31 March 2012			**31 March 2011**		
	(AED Million)					
Sale of properties	766	427	339	1,139	681	458
Hospitality income	403	208	195	336	173	163
Leasing and related activities	652	123	529	508	105	403
Total	**1,821**	**758**	**1,063**	**1,983**	**959**	**1,024**

During the three month period ended 31 March 2012, Emaar's revenues from sale of properties were mainly derived from the handover of Boulevard Plaza Tower 2, Dubai Marina Plaza, Claren, Old Town residences and Arabian Ranches Polo Homes. There was a decrease in revenues from sale of properties during the period ended 31March 2012 when compared to the same period in 2011, but the period yielded an increase in revenues from hospitality and leasing and related activities by 25 per cent. when compared to the same three period in 2011.

Gross profit of AED 1,063 million over the three month period ended 31 March 2012 evidenced growth of approximately 4 per cent., increasing from AED1,024 million for the same period in 2011. While total revenues decreased in the first three months in 2012 when compared to the same period in 2011, the growth in gross profit is attributable to high gross profit margins achieved on delivery of commercial properties (Boulevard Plaza & Dubai Marina Plaza).

During the three month period ended 31 March 2012, the breakdown of Emaar's revenue generated from sale of properties is as follows:

	Revenue	Cost of Revenue	Gross Profit	Revenue	Cost of Revenue	Gross Profit
	31 March 2012			**31 March 2011**		
	(AED Million)					
Condominiums	276	186	90	375	257	118
Villas	154	107	47	60	45	15
Commercial Units, Plots of land and others	336	134	202	704	379	325
Total	**766**	**427**	**339**	**1,139**	**681**	**458**

Other operating income

Other operating income primarily includes revenue from other business operations such as property services, utility services and district cooling plants. Operating income for the three month period ended 31 March 2012 was AED36 million compared to AED30 million in the corresponding period in 2011.

Other operating expenses

Other operating expenses (which include expenses relating to operations other than sale of properties, hospitality or leasing and related activities) of AED22 million for the three month period ended 31 March 2012 remained unchanged when compared to the corresponding period in 2011.

Selling, general and administrative expenses

During the three month period ended 31 March 2012, Emaar's selling, general and administrative expenses decreased by 7 per cent. to AED425 million from AED459 million during the same period in 2011. The decrease in selling, general and administrative expenses is primarily due to savings in payroll cost, land registration fees and other expenses.

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

	Three months ended 31 March	
	2012	**2011**
	(AED Million)	
Payroll and related expenses	75	84
Sales and marketing expenses	44	45
Depreciation of property, plant and equipment	115	103
Depreciation of investment properties	81	79
Property management expenses	52	51
Land registration fees	5	12
Pre-operating expenses	1	1
Other expenses	52	84
Total	**425**	**459**

Finance income and finance costs

Finance income for the three month period ended 31 March 2012 was AED86 million, a decrease of 32 per cent. compared to AED127 million recorded in the corresponding period in 2011. Finance income principally comprises the returns earned by Emaar on cash held by it on deposit with banks. This decrease was principally due to lower average deposits and lower interest rates during 2012.

Finance costs for the three month period ended 31 March 2012 were AED170 million, an increase of 37 per cent. compared to AED124 million incurred in the corresponding period in 2011. 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 an increase in interest rates and loan arrangement fees during the first three months of 2012.

Other income

Other income for the three month period ended 31 March 2012 amounted to AED39 million, an increase of 34 per cent from AED29 million in the corresponding period of 2011. The increase is primarily due to recognition of forfeiture income during the period.

Share of results of associate companies and joint ventures

Share of results of associate companies and joint ventures for the three month period ended 31 March 2012 was a loss of AED21 million, an improvement of 83 per cent. compared to the loss of AED127 million recorded in the corresponding period in 2011. This line item principally reflects Emaar's share in the results of its associate companies and joint ventures including Emaar Economic City, Emaar MGF, Turner, Dead Sea Jordan and Amlak Finance. The decrease in share of losses is mainly due to improvement in the results of these entities. There was an impairment loss of AED67 million recorded by Emaar MGF during the three month period ended 31 March 2011 and the absence of any such impairment during the three month period ended 31 March 2012 has resulted in the improvement.

Net profit for the period

Reflecting the above factors, Emaar's net profit for the three month period ended 31 March 2012 was AED609 million, an increase of 29 per cent. from AED471 million in the corresponding period of 2011.

Year ended 2011 compared with year ended 2010

Revenue, cost of revenue and gross profit

The table below shows the breakdown of Emaar's revenues for each of 2011 and 2010.

	Revenue	Cost of Revenue	Gross Profit	Revenue	Cost of Revenue	Gross Profit
	2011			2010		
			(AED Million)			
Sale of properties.......	4,751	2,620	2,131	9,269	6,571	2,698
Hospitality income	1,224	734	490	980	628	352
Rental income	2,137	522	1,615	1,901	405	1,496
Total	8,112	3,876	4,236	12,150	7,604	4,546

During 2010 and 2011, Emaar's revenues were mainly derived from the sale of properties. The total revenues decreased by 33 per cent. in 2011, as revenue in 2010 primarily included handover of Burj Khalifa units. However, the share of revenue from the malls and hospitality business increased to 41 per cent. (AED 3,361 million) in 2011 from 24 per cent. in 2010 (AED 2,881 million). During the year ended 31 December 2010, significant revenues in the amount of AED 4.6 billion were recognised from the handover of units in Burj Khalifa; therefore the percentage increase of revenue derived from the malls and hospitality business was relatively lower at 24 per cent. During the year ended 31 December 2011, there was no significant revenue recognised from any one source (as opposed to the handover of Burj Khalifa units in 2010 aforementioned). Therefore, the percentage increase of revenue derived from the malls and hospitality business was relatively higher. In addition, improvement in the economy of Dubai, the recovery of the tourism sector and increased spending also led to a higher percentage increase in the revenue generated from the malls and hospitality business also contributed to the increase.

The gross profit margin for 2011 has increased to 52 per cent. compared to 37 per cent. in 2010 primarily due to a higher proportion of revenue contribution from the malls and hospitality businesses which have higher gross profit margins.

During 2011 and 2010, the breakdown of Emaar's revenue generated from sale of properties was as follows:-

	Revenue	Cost of Revenue	Gross Profit	Revenue	Cost of Revenue	Gross Profit
	2011			2010		
			(AED Million)			
Condominiums	1,113	771	342	7,561	5,461	2,100
Villas..........................	959	653	306	517	325	192
Commercial Units, Plots of land and others	2,679	1,196	1,483	1,191	785	406
Total	**4,751**	**2,620**	**2,131**	**9,269**	**6,571**	**2,698**

A breakdown of Emaar's revenues by geographic segment for the years ended 2011 and 2010 is included in note 3 to the 2011 audited consolidated financial statements.

Other operating income

Other operating income for 2011 was AED173 million, a decrease of 50 per cent. compared to AED346 million recorded in 2010. This is mainly due to the disposal of the Hamptons business in Europe, India and the Far East to Countrywide Plc in June 2010.

In August 2006, Emaar had purchased Hamptons Group Limited, an unlisted company headquartered in London, United Kingdom. Hamptons Group Limited operates real estate agency services and property consultation services, and commenced business operations in the UAE, Egypt and Morocco after its acquisition by Emaar.

In 2010, subsequent to the advent of the global financial crisis, it was decided that Emaar should concentrate on its core business and dispose of ancilliary businesses. In addition, the demand for real estate from UK investors outside of the UK significantly decreased after 2008. Consequently, the Hamptons business was disposed of by means of a share sale and sale of UK business operations to Countrywide plc in June 2010, for a purchase price of AED 428 million. Emaar retained its ownership of the business operations in the UAE, Saudi Arabia, Egypt and Morocco.

Other operating expenses

Other operating expenses for 2011 amounted to AED116 million, a decrease of 50 per cent. from AED233 million in 2010. The primary reason for the decrease is the disposal of the Hamptons business in Europe, India and the Far East to Countrywide Plc in June 2010.

Selling, general and administrative expenses

Selling, general and administrative expenses for 2011 were AED1,924 million, a decrease of five per cent. compared to AED2,028 million in 2010. The reduction was primarily due to savings in payroll cost, depreciation of property, plant and equipment and pre-operating expenses (i.e. expenses incurred prior to the commencement of business operations of the Armani Hotel in Burj Khalifa, Dubai, primarily being staff salaries, other facility-related expenses and costs relating to opening the hotel for business). The increase in property management expenses is primarily due to the inventory holding cost of unsold units in projects handed over during 2010 and 2011.

The table below shows the background of Emaar's costs and expenses for each of 2010 and 2011.

	Year ended 31 December	
	2011	**2010**
	(AED million)	
Payroll and related expenses	352	389
Sales and marketing expenses	195	201
Depreciation of property, plant and equipment	443	493
Depreciation of investment properties	320	312
Property management expenses	237	149
Land registration fees	38	55
Provision for doubtful debts/write off	91	116
Pre-operating expenses	15	48
Other expenses	233	265
Total	**1,924**	**2,028**

Finance income and finance costs

Finance income for 2011 was AED 392 million, an increase of 48 per cent. compared to AED 265 million recorded in 2010. The increase is mainly due to an increase in interest income from loans to associates. Finance costs for 2011 was AED 562 million, an increase of 58 per cent. compared to AED 355 million in 2010. Such increase in 2011 includes interest on Convertible Notes and profit payments on the 2011 Trust Certificates issued in December 2010 and January 2011 respectively.

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, property management fees, 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 2011 has decreased by 74 per cent. to AED160 million compared to AED 612 million in 2010. Other income for the year ended 31 December 2011 (i.e. AED 160 million) comprised primarily the income derived from forfeiture of advances paid by customers (AED 50 million), management fees for third party properties and income derived from providing IT services to third parties. Other income in 2010 included a AED 379 million gain on sale of commercial properties forming part of investment properties.

Share of results of associated companies and joint ventures

The losses from share of results of associated companies and joint ventures reduced by 46 per cent. in 2011 to AED231million compared to AED430 million in 2010. This improvement was due to revenue recognition upon commencement of handover of projects by Emaar MGF Land Limited and impairment of certain assets in 2010 by Emaar Economic City. In 2011, there was no impairment of assets by Emaar Economic City. Investment in Dubai Bank to the extent of AED172 million was written off in the year ended 31 December 2011.

Net profit for the year

Reflecting the above factors, Emaar's net profit for 2011 was AED1,918 million, a decrease of 23 per cent. compared to AED2,477 million recorded in 2010.

Analysis of Certain Consolidated Statement of Financial Position Items

Cash and bank balances

As at 31 March 2012, the Group's cash and bank balances amounted to AED4,409 million compared to AED2,865 million as at 31 December 2011. Of those amounts, AED317 million and AED401 million of deposits, respectively, are held in lien and the rest of the cash or unrestricted deposits are placed with the banks as short term deposits. The increase in cash balance is due to additional borrowings from financial institutions, higher collection from customers and increased sales of new properties. 93 per cent. of the Group's cash and bank balances as at 31 March 2012 are AED-denominated.

Investment properties

Emaar's investment properties amounted to AED7,960 million as at 31 March 2012 compared to AED7,999 million as at 31 December 2011 and AED8,110 million as at 31 December 2010. Investment property is stated at cost and includes assets held for rental or capital appreciation purposes. Emaar Malls and retail assets are included at cost under investment properties. The decrease in investment properties since 2010 is due to the sale of certain investment properties and current period depreciation.

Property, plant and equipment (PPE)

Emaar's investment in PPE amounted to AED8,522 million as at 31 March 2012 compared to AED8,300 million as at 31 December 2011 and AED8,539 million as at 31 December 2010. 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 upon completion.

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 recognisable only upon completion of such project or at the time of sale of completed inventory in such projects. There was a marginal increase in development properties as at 31 March 2012 compared to 31 March 2011. This is attributable to higher expenditure on properties under construction as compared to cost of units having been handed over to customers during the 12 month period ended 31 March 2012.

Development properties amounted to AED26,840 million as at 31 March 2012 compared to AED26,611 million as at 31 December 2011 and AED26,492 million as at 31 December 2010. The increase in development properties during the period ended 31 March 2012 compared to 31 December 2010 is attributable to cost incurred on development of projects being recognisable only upon completion and sale of inventory in these projects.

Borrowings

Emaar's financing requirements are primarily to fund its initial property development expenditure, construction of investment properties and fixed assets, and investment in international subsidiaries. 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 part finance the development with the balance of the financing being equity and borrowings. Emaar's commercial developments are generally funded through cash from equity and borrowings.

As at 31 March 2012, interest-bearing loans and borrowings were AED8,926 million compared to AED7,529 million as at 31 December 2011 and AED9,410 million as at 31 December 2010. As at 31 March 2012 68 per cent. of the current loans on a consolidated basis are secured.

The table below shows a breakdown of the interest-bearing loans and borrowings of the Group as at 31 March 2012:

Particulars	Total Borrowings	Maturity	
		<12 Month	>12 Month
		(AED millions)	
Corporate Facilities	**379**	**20**	**359**
Murabaha Facility	**1,283**	**321**	**962**
Emaar Malls	**3,600**	**—**	**3,600**
International Facilities:			
Turkey	2,050	1,848	202
Egypt*	1,151	1,078	73
Pakistan	233	233	—
Lebanon	122	93	29
Others	108	58	50
Total International Facilities	**3,664**	**3,310**	**354**
Total Group Facilities	**8,926**	**3,651**	**5,275**

Note:

* The term sheet for the five year syndication of the facilities for the three projects in Egypt (being Uptown Cairo, Marassi and New Cairo (Mivida)) has been signed. The syndication is expected to be closed in the second half of 2012.

Convertible Notes

In 2010 the Group issued (through an SPV) convertible notes (the **Notes**) of U.S.$500 million, guaranteed by Emaar and exchangeable into shares in Emaar. The Notes will mature on 20 December 2015 and were admitted to the official list of the Luxembourg Stock Exchange (**LSE**) and were admitted to trading on the Euro MTF market of the LSE. Each Note entitles the holder to an option to convert such Note into new and/or existing shares in Emaar on or before 25 November 2015 at an adjusted conversion price of AED 4.46 per share in accordance with the terms and conditions of the Notes. Unless previously cancelled, redeemed or converted, the Notes will be redeemed at their principal amount on the final maturity date.

2011 Trust Certificates

Under a U.S.$2,000 million trust certificate issuance programme (the **Programme**), on 18 January 2011, the issuer thereunder issued the first series of trust certificates in an aggregate face amount of U.S.$500 million (the **2011 Trust Certificates**). The 2011 Trust Certificates are listed on the London Stock Exchange plc and are due to mature in 2016.

Equity

Emaar's equity attributable to the equity holders as at 31 March 2012 was AED32,113 million compared to AED31,308 million as at 31 December 2011 and AED31,069 million as at 31 December 2010.

Liquidity and Cash Flows

The table below summarises Emaar's cash flows from operating activities, investing activities and financing activities for three months ended 31 March 2011 and 2012 and for each of 2011 and 2010. The cash flows of Emaar are from continuing operations.

The positive 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.

	Three months ended 31 March		**Year ended 31 December**	
	2012	**2011**	**2011**	**2010**
	(*AED millions*)			
Cash from operating activities	389	50	759	464
Cash used in investing activities	(719)	(898)	(119)	(2,798)
Cash from/(used in) financing activities	1,180	979	(1,293)	2,259
Total	**850**	**131**	**(653)**	**(75)**

Capital commitment

As at 31 March 2012, the Group had commitments of AED5,674 million (compared to AED6,159 million as at 31 December 2011 and AED7,308 million as at 31 December 2010) including project commitments of AED5,362 million (compared to AED5,826 million as at 31 December 2011 and AED7,125 million as at 31 December 2010). This represents the value of contracts issued as of 31 March 2012 net of invoices received and accruals made at that date. The Group also has plans to construct Armani Hotels in Marrakech and Marrasi, and two malls (one in each of Turkey and Egypt), each of which are in the design phase. Costs in relation to these projects have not yet been committed.

Off-Balance Sheet Arrangements

Note 21 and 22 to the Interim Consolidated Financial Statements and note 29 and 30 to the 2011 audited consolidated financial statements contain detailed information about Emaar's contingencies and commitments including guarantees.

Related Party Transactions

Note 20 to the Interim Consolidated Financial Statements and note 32 to the 2011 audited consolidated financial statements contain detailed disclosure about transactions with related parties and significant balances outstanding as at 31 March 2012 and 31 December 2011, respectively. As at 31 March 2012, Emaar's principal related party transactions were with its associates and other related parties. These transactions are appropriately described in the note.

Disclosures about Risk

Note 33 to the 2011 audited consolidated financial statements contains 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 pursuant to the UAE companies law, Federal Law No. 8 of 1984, with Commercial Registration number 49563 and commenced operations on 29 July 1997. As at 30 April 2012, Emaar had a market capitalisation of approximately AED17.73 billion (*Source*: DFM). Emaar's registered office is P.O. Box 9440, Dubai, UAE and its contact number is +971 (0) 4 367 3333.

Emaar is a leading real estate company having developed, as at 31 March 2012, 10 million square metres (**m^2**) of residential and commercial real estate. 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 13 countries across the Middle East and North African (**MENA**) region, the Indian sub-continent, Europe and North America.

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, purchase, sell, exchange, lease, hold, dispose 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 to 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.

Property Development 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 Canada, 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 three months ended 31 March 2012, 42 per cent. of Emaar's revenue was generated from Property Development amounting to AED766 million. In the year ended 31 December 2011, Emaar's Property Development business generated AED4,751 million, representing 59 per cent. of its revenues in 2011.

The **Malls and Retail** segment focuses on Emaar's national and international retail developments (see "*Emaar Malls*" and "*Emaar Retail*"). In the three months ended 31 March 2012, 36 per cent. of Emaar's revenue was generated from Malls and Retail amounting to AED652 million. In the year ended 31 December 2011, Emaar's Malls and Retail business generated AED2,137 million, representing 26 per cent. of it revenues in 2011.

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 three months ended 31 March 2012, 22 per cent. of Emaar's revenue was generated from Hospitality amounting to AED403 million. In the year ended 31 December 2011, Emaar's Hospitality business generated AED1,224 million, representing 15 per cent. of it revenues in 2011.

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 financial statements for the years ended 2011 and 2010, and the Interim Consolidated Financial Statements, for comparative analysis in respect of corresponding periods.

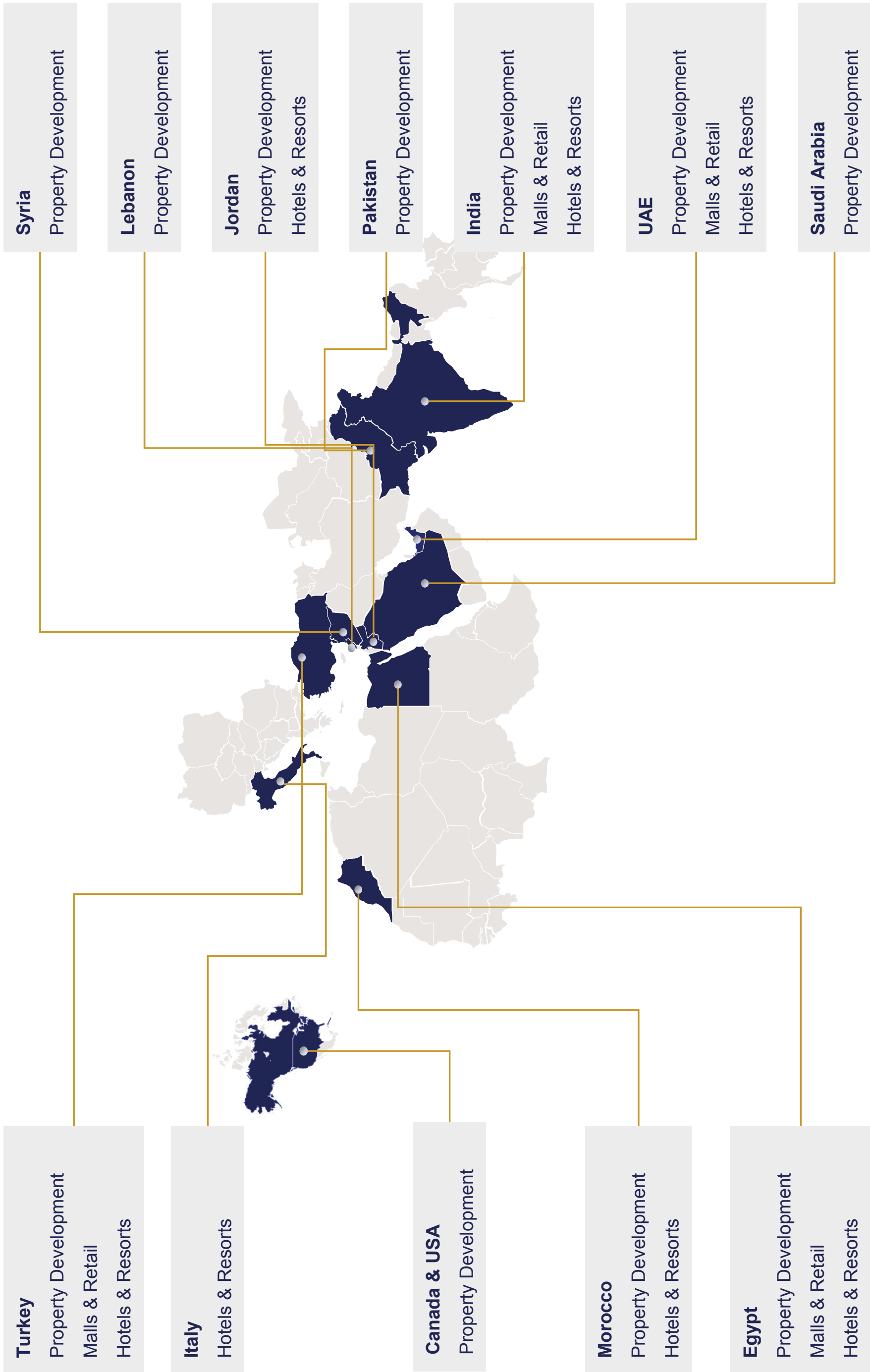
In addition to these primary business segments, Emaar also has business operations and subsidiaries in other sectors, such as financial services (see "*Financial Services*").

Aside from Property Development, Emaar's business segments are currently focused predominantly on the UAE. In the three months ended 31 March 2012, the UAE accounted for 89 per cent. of Emaar's revenues (including those from Property Development). However, many of Emaar's developments across the Project Regions offer scope for expansion of the other business segments (primarily Malls and Retail and Hospitality) internationally (see "*Strategy*").

As at 31 March 2012[2], in the UAE, the Group had approximately 12 million m^2 of Gross Floor Area (**GFA**); internationally the Group had approximately 239 million m^2 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.

MAP OF EMAAR'S OPERATIONS GLOBALLY



2 Figures reflect the total area of Emaar, its subsidiaries and associated companies and not Emaar's proportionate ownership of the same. Gross Floor Area (**GFA**) includes the usable areas from the ground floor to the roof excluding the mechanical floor, utility areas, unusable common areas, below grade/underground levels and car parking levels.

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 31 March 2012, 6,091,238,503 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 31 March 2012, only the Investment Corporation of Dubai, located at Gate Village 7, P.O. Box 333888, DIFC, Dubai, (an entity wholly owned by the Government of Dubai (**Government**)) holds shares over the five per cent. disclosure threshold, with a shareholding of 31.22 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.

For example, Emaar's flagship mall development, The Dubai Mall, won the 'Best Shopping Destination' award at 2012 Grazia Middle East Style Awards, and 'Best Shopping Mall' honour at Ahlan! Best in Dubai, 2011. The Dubai Mall was also honoured as 'UAE's Leading Shopping Mall' at the World Travel Awards in each of 2010 and 2011.

Emaar has received several accolades for its property development operations. Emaar Middle East (Emaar's subsidiary in Saudi Arabia) was awarded the 'Leader in Real Estate' award at the 2011 Arab Investment Summit and received the 'Best Urban Design' and 'Best Residential Project' awards for Jeddah Gate at Citiscape in Saudi Arabia in 2010. Further, Emaar won three awards, the 'Best Developer in the Middle East and North Africa' award, the 'Best Developer in the UAE' award and the 'Best Developer in Saudi Arabia' award, each at the 2009 Euromoney Real Estate Awards. Emaar also won the 'Middle East Business Global Competitiveness Excellence Award' in 2009 and was awarded the 'Best Tall Building in the Middle East and Africa' by the Council on Tall Buildings and Urban Habitat in 2010.

Most recently, Emaar Hospitality was recognised as 'Middle East – Leading Development Company' at the 2012 World Travel Awards and was declared the winner for its Downtown Development, The Address, at the 2012 Expedia Award. Other awards in the hospitality sector in 2012 include the Armani Hotel Dubai being recognised as 'Dubai's leading Lifestyle Hotel' at the 2012 World Travel Awards and the spa at The Address Dubai Mall receiving the 'World Luxury Spa Award/Country' at the 2012 World Luxury Hotel Awards and 'Middle East Best Fitness and Leisure Facilities Award' at the 2012 Middle East Hotel Awards. The Address Dubai Marina was also recognised for its spa facilities at the Middle East Spa Awards 2012 and received the 'Best Outdoor Area Award' at the Middle East Hotel Awards 2012. At.mosphere, the world's highest restaurant, won the 'UAE Leading Lifestyle Restaurant' award at the World Travel Awards 2011 and was recognised as the 'Highest Restaurant from Ground Level' by Guinness World Records. The spa at The Address Dubai Mall had also received the 'Best International Day Spa' award at the SPA Traveller Awards 2011.

In 2011, the Emirates Securities & Commodities Authority commended Emaar for implementing and complying with the new UAE Code of Governance within the stipulated timeframe.

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. The Government continues to own a significant interest in Emaar (see "*Shares and Shareholding*"). Reflecting its significant strategic partnership with the Government, a substantial part of Emaar's land bank in Dubai was gifted to it. This increases Emaar's ability to develop large parcels of land in the most flexible and profitable manner according to market conditions, location and other relevant factors. Internationally, Emaar has entered into both direct and indirect partnerships with governments or government related entities for some of its projects (including in Morocco, India and Pakistan) (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 33,000 residential units and over two million square feet of commercial space in the UAE and internationally as at 31 March 2012. Emaar had delivered over 1,697 residential units and over 750,000 square feet of commercial space in international markets as at 31 March 2012. 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 different 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 its international markets 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 debt to equity 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 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. Emaar's strategy includes, *inter alia*, (i) the development of a brand that is recognised as a market leader in delivering sustainable master planned lifestyle communities, and (ii) the development of real estate targeted towards the mid-market affordable segment (also referred to as "affordable luxury"), in both cases, in the countries in which it operates. Emaar has recently established a wholly owned subsidiary 'Al Dawahi' to target the mid-market affordable segment in the real estate development market, primarily in the GCC and the wider MENA region.

Emaar's principal projects in Dubai include Dubai Marina, Arabian Ranches, Emirates Living and the Downtown Dubai Development (major elements of all of which are complete and which, subject to market conditions, are expected to be fully completed in 2018). Details of the stage of completion of such projects and Emaar's interest in the same, together with details of Emaar's other Dubai (and UAE) projects, are contained in "*Property Developments – UAE – Wholly Owned*" and "*Property Developments – UAE – Non Wholly Owned*". Each of these developments has involved the sale by Emaar of principally residential development properties and, once complete, will involve Emaar holding completed development properties (principally commercial and leisure but also certain residential properties) as investment properties in order to achieve both rental income and capital appreciation. In light of recent positive developments in Dubai's real estate market (including increased demand and improved sales, both in the Dubai real estate market and for Emaar in particular), Emaar is embarking on new developments in Dubai. Emaar believes that the increased demand demonstrates increased investor confidence in Dubai's real estate, due in part to increasing sale prices and rental yields at developed communities in Dubai. One of Emaar's new developments which was announced is the 'Opera House Development' in Downtown Dubai, which will include an opera house, art museum, galleries and cultural centre. The development will also include residential, retail and hospitality related developments around the opera house.

Emaar has undertaken international projects itself and in conjunction with third parties. These include numerous projects in India (spanning nine cities in the country), four projects in Egypt (Uptown Cairo, Marassi, Mivida and Cairo Gate), two projects in Pakistan (Crescent Bay and Canyon Views), three projects in Morocco (Tinja, Saphira, and Amelkis), four projects in Saudi Arabia (King Abdullah Economic City, Jeddah Gate, Al Khobbar Lakes and Emaar Residences at Fairmont Makkah), two projects in Turkey (Tuscan Valley and the New Istanbul Development), one project in Jordan (Samarah Dead Sea Resort), one project in Syria (The Eighth Gate) and one project in Lebanon (Beit Misk). Details of the stage of completion of such projects and Emaar's interests in the same, together with details of Emaar's other international projects, are contained in "*Property Developments – International – Wholly Owned*" and "*Property Developments – International – Non Wholly Owned*". Emaar's decision to commence operations in a particular country is based on numerous factors, including economic and political stability at that time, the state of development of that particular country (favouring emerging economies where greater returns can be realised), the level of competition in the country and the macro-economic conditions of the country (favouring high growth economies with high demand for Emaar's offerings). 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 both from the sale of properties and 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 (89 per cent. for the three months ended 31 March 2012, and 82 per cent. for the year ended 31 December 2011), Emaar intends to increase the proportion of revenue generated from its international operations significantly from 35 per cent. to 40 per cent. (considering that UAE revenues are also growing) by 2013. Emaar's revenues from international operations increased by 47 per cent. in 2011 to AED 1.43 billion.

Emaar anticipates that rental and other revenues from its Malls and Retail, and Hospitality segments will grow as a proportion of its total revenues in the medium term. To date, the Malls and Retail segment has focused on operating Emaar's Dubai based shopping malls, including The Dubai Mall, Gold and Diamond Park, The Marina Mall and Souk Al Bahar. The Hospitality segment focuses on owning and managing hospitality and leisure assets (including hotels and resorts (including The Address Hotels and Resorts brand (See "*Hospitality – The Address Hotels and Resorts*")), golf resorts, serviced apartments, a polo and equestrian club, a yacht club and restaurants) following completion of their development by Emaar. The Armani Hotels and Resorts brand is being developed by Emaar in collaboration with Giorgio Armani S.p.A. (see "*Hospitality – Armani Hotels and Resorts*"). Whilst Property Development accounts for the majority of Emaar's revenue (42 per cent. for the three months ended 31 March 2012 and 57 per cent. for the three months ended 31 March 2011), Emaar has already achieved significant diversification with the Malls and Retail, and Hospitality business segments forming 41 per cent. of the total revenue of the Group in 2011. Revenue from these business segments was 24 per cent. of the total revenue during the year 2010. The absolute amount of revenue from Malls and Retail, and Hospitality business segments increased by 17 per cent. in 2011 as compared to 2010, and accounted for 58 per cent. of its revenues in the three months ended 31 March 2012 compared to 43 per cent. for the same period in 2011.

Emaar anticipates that, as its developments are completed, its Malls and Retail, and Hospitality business segments will further mature into self-sustaining international companies from which Emaar will be able to realise value through initial public offerings once the relevant segment has reached an appropriate stage of development. It is Emaar's current intention to retain strategic and management control of each segment after any such public offering.

Emaar aims to increase shareholder value by efficient utilisation of its financial and physical assets. Emaar's project finance strategy is to finance through a combination of shareholders' equity, pre-selling of projects, debt financings, initial public offerings and strategic sales. Emaar aims to retain sufficient reserves and liquidity to ensure operational obligations are met on a timely basis. As at 31 March 2012, Emaar had U.S.$8.7 billion (approximately AED32.1 billion) in equity and reserves including retained earnings.

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

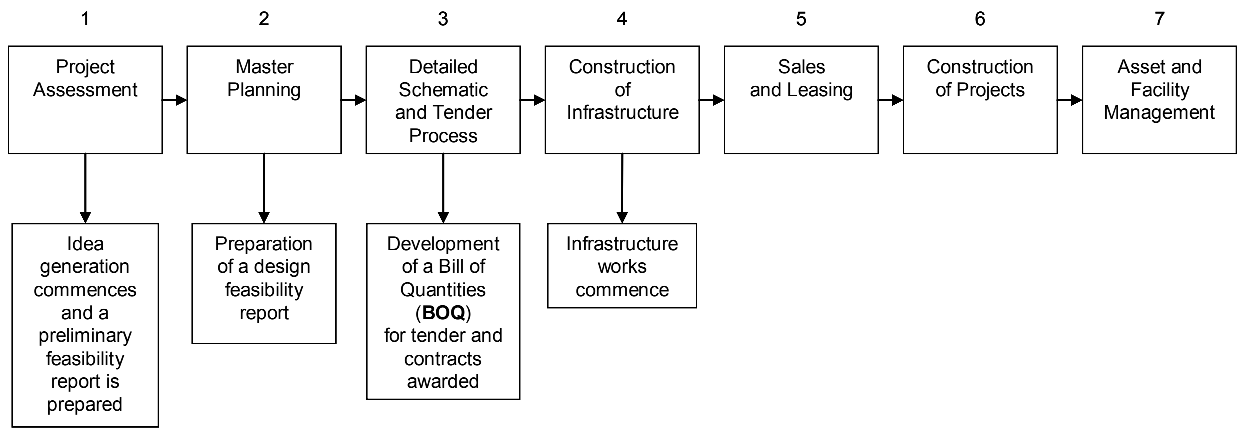
Emaar's business model is based on the creation of entire master planned lifestyle communities. Lifestyle communities refer to developments that are self-contained so as to include not only residential accommodation but also a range of amenities for residents. These amenities include retail and restaurant 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 (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; high level analysis of financials; an overview of the legal framework within the respective 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 and the appropriate Chief Executive Officer (either Dubai or International) (**CEO**) 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, then to the 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 obtaining 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 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. Model villas are built and, in the case of apartments, a mock-up of the interior of the particular type of apartment being sold is set up. Emaar undertakes ''perfect launches'', which refers to launches when all infrastructure requirements for the development are 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 on a first-come-first-served basis and must pay 10 per cent. of the sale price of the property as a deposit (as required by RERA in respect of Dubai-based developments), upon signing the purchase agreement. Contracts detailing, amongst other things, payment schedules, estimated service fees, 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.

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. 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.

Within the UAE, the Jointly Owned Property Law No. 27 of 2007 (**Strata Law**) and the directions (**Directions**) issued by RERA in relation to the same are now in effect and require the establishment of owners associations (**OAs**) for all jointly owned developments and that the management responsibilities of such developments be passed to the OAs. The OAs may appoint third parties to carry out various responsibilities on its behalf. For further information in relation to the Strata Law and the Directions see ''*Overview of the United Arab Emirates – Legislation Governing Freehold Property – Law and directions relating to jointly owned properties*''.

Land Bank and Development Properties

In the UAE, the Group had, as at 31 March 2012, approximately 12 million m^2 of GFA and it had approximately 239 million m^2 of land in key international markets. Part of Emaar's land bank in the UAE has been gifted by the Government in accordance with the Government's strategy for diversifying and growing the economy of Dubai.

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

Country	**Fair value as at 31 December 2011**	**Total fair value as at 31 December 2011**	**Cost as at 31 March 2012**	**Total cost value as at 31 March 2012**	**GFA to be Developed/ Land area as at 31 March 2012**
	(AED millions)[1]	*(%)*[5]	*(AED millions)*	*(%)*[6]	*(millions m^2)*[2]
Subsidiaries					
UAE	17,254	46	14,314	53	11.9[3]
India[4]	79	0	81	0	2.07
KSA	1,911	5	1,659	6	3.74
Morocco	764	2	519	2	1.98
Egypt	10,382	28	5,028	19	14.73
Pakistan	1,427	4	646	2	1.97
Syria[4]	286	1	284	1	0.20
Turkey	3,670	10	2,893	11	1.40
Lebanon	1,015	2	478	2	0.65
United States of America and Canada	938	2	938	4	0.19
Subsidiaries sub total	37,726	100	26,840	100	
Associates					
India (Emaar MGF)					42.02
KSA (Emaar Economic City)					168
Jordanian JV (Samarah Resort)					1.75
Associates sub total					211.77
Total	**37,726**	**100**	**26,840**	**100**	

Note:

1 Fair value of land includes the entire land bank held by Emaar's subsidiaries. The fair value is stated as at 31 December 2011 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 GFA/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. GFA is in respect of the UAE; land area is in respect of all other jurisdictions.

3 In the UAE, the master plan of most of the land area is finalised and accordingly the area detail provided is the Gross Floor Area to be developed.

4 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. .

5 % is calculated by reference to a fair value total of 37,726 (AED millions).

6 % is calculated by reference to a cost value total of 26,840 (AED millions).

Note — Emaar, its subsidiaries and associates, hold freehold title to all of their land bank, except in respect of the following, wherein they hold a leasehold interest: (i) Boulder Hills Golf Course (gross leased area (**GLA**) of 951,011 m^2) in India, (ii) the Hyderabad International Convention Centre and Hotel (GLA of 61,265 m^2) in India, (iii) the land for the Crescent Bay project in Karachi, Pakistan (GLA of 437,059 m^2) and (iv) the Emaar Residences at Fairmont Makkah, Saudi Arabia.

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	PO Box 500529 Dubai, UAE
Kingdom of Saudi Arabia	Century 21 Saudi Arabia	300374 Saudi Arabia 11372 Riyadh
Morocco	Rouvin Pierre	48 Impasse Napoli – Quartier Ocean – 10040 Rabat Morocco
Egypt	Osoul Appraisals & Consultancy	10 Al Makrezy Street, Manshiet Al Bakry Heliopolis – Cario – Egypt
Pakistan	Arsem Private Limited	21B Circular Street, Fazaia Colony, Islamabad Highway – Rawalpindi, Pakistan
Turkey	EVA Real Estate Appraisal Company	Bostanci E5 Kavsagit, Sebnem Sok, Tavukcuoglu Îs Merkezi No:10 Kat:5, 3472 Bostanci Kadiköy Îstanbul, Turkey
	Colliers International	Buyukdere Card No 108 Enka Binasi, Kat 6 Esentepe, Sisli 34394 – Istanbul – Turkey
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 31 March 2012.

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 commence/ Construction commenced	*Anticipated completion date/Construction completed*	*(Where applicable)*
UAE – Wholly Owned				
Downtown Dubai Development				89%
Various Residential developments	Residential	Construction commenced in 2004	Anticipated completion date is 2018	
Various Commercial developments	Commercial	Construction commenced in 2004	Anticipated completion date is 2018	
Malls and Retail development	Mall, Retail and Leisure	Construction commenced in 2004	Anticipated completion date is 2018	
Hospitality development	Hotels	Construction commenced in 2004	Anticipated completion date is 2018	
Dubai Marina				98%
Residential and Commercial development	Mixed-use	Construction commenced in 1999	Construction completed in 2011	
Malls and Retail development	Mall and Retail	Construction commenced in 2006	Construction completed in 2008	
Leisure development	Marina	Construction commenced in 2006	Construction completed in 2010	
Arabian Ranches				
Residential development	Residential	Construction commenced in 2002	Anticipated completion date is 2014	99%
Retail and Leisure development	Retail and Leisure	Construction commenced in 2004	Construction completed in 2007	
Emirates Living				
Residential development	Residential	Construction commenced in 1999	Anticipated completion date is 2014	100%
Retail and Leisure development	Retail and Leisure	Construction commenced in 2002	Construction completed in 2006	
L'Usailly	Mixed-use	Construction to commence in 2013-2014**	Anticipated completion date is 2021	—
Gold and Diamond Park	Retail	Construction commenced in 1999	Construction completed in 2006	—
UAE – Non Wholly Owned				
Umm Al Quwain Marina	Mixed-use, Marina	Construction commenced in 2007	—***	94%
Bawadi Project				
Asmaran	Mixed-use	Construction commenced in 2008	—***	—

	Development Type	Stage of Development*		Freehold units sold % to total units launched
		Construction to commence/ Construction commenced	*Anticipated completion date/Construction completed*	*(Where applicable)*
International – Wholly Owned				
Egypt				
Uptown Cairo	Mixed-use	Construction commenced in 2008	Anticipated completion date is 2019	83%
Marassi	Resort and residential	Construction commenced in 2008	Anticipated completion date is 2022	77%
*New Cairo City (**Mivida**)*	Residential	Construction commenced in 2008	Anticipated completion date is 2019	74%
Cairo Gate	Mixed-use	Currently in master planning phase	—	—
Turkey				
Tuscan Valley	Residential	Construction commenced in 2007	Anticipated completion date is 2015	65%
New Istanbul Development	Mixed-use	Construction commenced in 2011	Anticipated completion date is 2016	—
Morocco****				
Tinja	Mixed-use	Construction commenced in 2007	Anticipated completion date is 2017	—
Saphira	Mixed-use	Currently in master planning phase	—	—
Amelkis Resorts	Residential, Hotels and Leisure	Construction commenced in 2005	Anticipated completion date is 2015	6%
United States of America				
Beverly West Residences	Residential	Construction commenced in 2007	Anticipated completion date is 2012	3%[4]
Canada				
Wills Creek	Residential	Construction commenced in 2007	Anticipated completion date is 2012	79%

4 Revision in percentage sold compared to 2011 is due to the fact that additional units have been launched but remain unsold as at the date of this Base Prospectus.

	Development Type	Stage of Development*		Freehold units sold % to total units launched
		Construction to commence/ Construction commenced	*Anticipated completion date/Construction completed*	*(Where applicable)*
International – Non Wholly Owned				
Saudi Arabia				
King Abdullah Economic City				
Various Residential developments	Residential	Construction commenced in 2006	Anticipated completion date is 2025	5
Industrial Zone	Commercial	Currently in master planning phase	—	—
Sea Port	Commercial	Currently in master planning phase	—	—
Jeddah Gate	Mixed-use	Construction commenced in 2007	Anticipated completion date is 2019	65%
Al Khobbar Lakes	Residential	Construction commenced in 2008	Anticipated completion date is 2017	58%
Pakistan				
Crescent Bay, Karachi	Mixed-use	Construction commenced in 2005*****	Anticipated completion date is 2018	26%
Canyon Views, Islamabad	Residential	Construction commenced in 2007	Anticipated completion date is 2019	72%
India				
Boulder Hills	Mixed-use	Construction commenced in 2004	Completion date is uncertain pending legal dispute	60%
Mohali Hills	Mixed-use	Construction commenced in 2007	Anticipated completion date is 2013	92%
Gurgaon	Mixed-use	Construction commenced in 2007	Anticipated completion date is 2015	98%
Esplanade Chennai	Residential	Construction commenced in 2007	Anticipated completion date is 2012	95%
Commonwealth Games Village	Residential	Construction commenced in 2008	Construction completed in 2010	96%
Commercial and Retail Developments	Commercial and Retail	Construction commenced in 2008	Anticipated completion date is 2013	—

5 King Abdullah Economic City does not produce quarterly accounts: accordingly, there is no corresponding sales data as at 31 March 2012.

	Development Type	Stage of Development*		Freehold units sold % to total units launched
		Construction to commence/ Construction commenced	*Anticipated completion date/Construction completed*	*(Where applicable)*
Jordan				
Samarah, Dead Sea Resort	Mixed-use	Construction commenced in 2008	Anticipated completion date is 2014	43%
Lebanon				
Beit Misk	Residential	Construction commenced in 2010	Anticipated completion date is 2020	69%
Syria				
The Eighth Gate	Mixed-use	Construction commenced in 2006	Anticipated completion date is 2015	77%

Note:

* Any of Emaar's projects that are at the master planning stage or under construction are subject to change and alteration.

** Subject to market conditions.

*** Project currently on hold pending development of revised master plan.

**** Emaar is currently reviewing certain project feasibilities for its Moroccan projects.

***** 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 31 March 2012, Emaar had delivered over 30,000 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 being developed at a total cost of approximately U.S.$20 billion (approximately AED73 billion). The project 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 combining commercial, residential, hotel, entertainment, shopping and leisure developments. Once completed, the complex will include 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) (both of which have already opened), an island community, nine luxury hotels with 2,000 rooms (including the first Armani Hotel which has also already opened), 2,000 serviced apartments, 4.5 million square feet (sq ft) of gross office space, 4.3 million sq ft of leasable retail space, numerous residential towers and Emaar Boulevard, a 3.5 km shopping strip. Construction on the Downtown Dubai Development began in 2004 and, subject to market conditions, is expected to be fully completed in 2018. 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.

On 21 March 2012, His Highness Sheikh Mohammed Bin Rashid Al Maktoum, UAE Vice President & Prime Minister and Ruler of Dubai, announced the launch of the 'Dubai Modern Art Museum & Opera House District', which is designated to be a stylish and cultural destination to be located in Emaar's Downtown Dubai Development.

In addition to Dubai's first dedicated opera house, a modern art museum and several new galleries, the 'Dubai Modern Art Museum & Opera House District', which is expected to commence operations in 2015, will host two new 'art hotels', an array of leisure components and several residential towers. Emaar will be the master developer for this project.

Brief details of the key residential and commercial projects are set out below.

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 sq ft of residential and commercial space, including the first Armani Hotel (see "*Hospitality*"). Construction of the 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 31 March 2012, more than 86 per cent. of the units released to the public for sale had 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 1,234 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. As at 31 March 2012, approximately 99 per cent. of the freehold units in the development had been sold. Construction on South Ridge was completed in May 2008. As at 31 March 2012, approximately 99 per cent. of the freehold units in the development 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 1,992 freehold units made up of one to four bedroom apartments and villas. These homes are set in approximately 3.7 million sq ft 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 31 March 2012, approximately 96 per cent. of the freehold units in the development had been sold.

Emaar Business Square

Emaar Business Square is a complex of six commercial and retail mid rise towers close to DIFC. The business hub has approximately 1.5 million sq ft of office and retail space. Construction on Emaar Business Square was completed in 2007. The first tenants took possession in 2007. As at 31 March 2012, Emaar had sold approximately 72 per cent. of Emaar Business 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 31 March 2012, approximately 99 per cent. 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 Business Square. Tower 1 and Tower 2 were completed in 2011 and 2012 respectively. As at 31 March 2012, approximately 45 per cent. of the freehold units in the development had been sold.

Emaar Boulevard

The Emaar Boulevard development comprises a 3.5km long shopping 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, one and two bedroom residential apartments that were completed in July 2008. As at 31 March 2012, 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 31 March 2012, approximately 96 per cent. of the freehold units in 'The Lofts' had been sold. 'Claren' comprises 320 freehold units that were completed in March 2012. As at 31 March 2012, approximately 82 per cent. of the freehold units had been sold. 'Boulevard Central' comprises 411 freehold units. 'Boulevard Central' is expected to be completed by the end of 2012. As at 31 March 2012, approximately 66 per cent. of the freehold units had been sold. 'Standpoint' comprises 536 freehold units and is expected to be completed by the end of 2012. As at 31 March 2012, approximately 38 per cent. of the freehold units had been sold. '29 Boulevard' comprises 749 freehold units and is expected to be completed in 2013. As at 31 March 2012, approximately 88 per cent. of the freehold 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 kms 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 sq ft, approximately 25 million sq ft 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 residential units, one hotel with 244 rooms, serviced apartments with 90 rooms, 1 million sq ft of office space and 1.4 million sq ft of leasable retail space.

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 been completed. As at 31 March 2012, approximately 98 per cent. of the freehold units developed by Emaar had been sold.

Arabian Ranches

Arabian Ranches is an approximately 6.6 million m^2 master planned lifestyle community. Arabian Ranches has 4,210 freehold units made up of one and two storey single family homes ranging from 1,690 to 7,230 sq ft 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 sq ft of retail space and a school. In addition, Arabian Ranches includes the Dubai Polo and Equestrian Club which itself has 71 villas known as "Polo Homes". The total cost of the development is approximately U.S.$2 billion (approximately AED7.4 billion). As at 31 March 2012, approximately 99 per cent. of the freehold units in the development released to the public for sale had been sold. Arabian Ranches also includes 18 golf course villas (currently under construction), which are situated in the middle of the golf course. These villas were launched for sale in March 2012 and, as at the date of this Base Prospectus, the majority of them had been sold, representing approximately AED100 million in sales. These villas are expected to be delivered by the end of 2012. Further, Emaar released an additional 67 townhouses in the Arabian Ranches development for sale on 20 June 2012, all of which were sold on the same day.

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 2014. This project has expanded from its original design and the Emirates Living development now includes six related communities: Emirates Hills, the Greens, the Views, the Lakes, the Meadows and the Springs, each of which is described in further detail below. The Emirates Living development includes four international schools as well as the Montgomerie golf course (see "*Hospitality – Golf Courses*").

Emirates Hills

Unlike most of its other master planned communities, Emaar initially sold plots in the Emirates Hills development, which allowed residents to design their own homes within particular design guidelines for the development. As at 31 March 2012, a total of 540 plots in Emirates Hills had been sold in this manner. 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 95 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 31 March 2012, approximately 99 per cent. 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 5,929 freehold units made up of studios and one to four bedroom apartments and include recreational facilities, a school, mosque and community centre.

Panaroma at The Views is a development of 224 freehold units, including one, two and three-bedroom apartments and three and four-bedroom duplex units. The project was launched in May 2012 and all the units released for sale have been sold. The project is scheduled for delivery in November 2014.

Construction on the Greens and the Views commenced in 2000 and is expected to be completed by 2014. As at 31 March 2012, all of the freehold units released for sale in the development had 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 other one for its own use and 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. As at 31 March 2012, all of the freehold units in the development had 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.

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 m^2. In addition, the development is expected to include a variety of retail and leisure amenities. Construction of infrastructure is expected, subject to market conditions, to commence in 2013 or 2014.

Property Developments – UAE – Non Wholly Owned

Umm Al Quwain Marina

Umm Al Quwain Marina is a planned waterfront community that will be spread over 8 million m^2 along the shores of Khor Al Beidah, a natural lagoon in the Emirate of Umm Al Quwain. There will be 23 km of waterfront in total and 450 acres of navigable water. Private mooring facilities for over 600 boats will be available. This project is currently on hold whilst the viability and master plan is reviewed to take into account current and anticipated market conditions.

Umm Al Quwain Marina is expected to have over 8,000 freehold units consisting of two and three bedroom homes. In addition, the development will include three hotels, parks and recreational areas, 150,694 sq ft of retail space, schools and community centres. Construction on the development commenced in 2007. As at 31 March 2012, 94 per cent. of the 277 freehold units released to the public for sale had been sold.

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 owns 62 per cent. of Umm Al Quwain Marina LLC), the Government of Umm Al Quwain (as to 20 per cent.) and Wetd Properties LLC (as to 18 per cent.).

Bawadi Project

This project is being undertaken by Emaar Bawadi LLC, a 50:50 joint venture between Emaar and Tatweer Dubai LLC (**Tatweer**). The land in respect of this project will be contributed to Emaar Bawadi LLC by Tatweer. Originally projected to have approximately 19,000 freehold units, nine hotels and over 5,000 serviced apartments as well as commercial and retail space, this project is currently on hold whilst the viability and master plan is reviewed to take into account current and anticipated market conditions.

Property Developments – International – Wholly Owned

Egypt

Emaar's developments in Egypt are undertaken by its wholly owned subsidiary, Emaar Misr for Development Company S.A.E. (**Emaar Misr**).

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 U.S.$ 2.2 billion (approximately AED7.9 billion). Spread over 4.5 million m^2, 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 3,910 residential units (with a mix of 1,048 villas and 2,862 apartments), 135,000 m^2 of retail space, 143,000 m^2 of commercial office space, 200 hotel rooms and 30 serviced apartments. Construction on the project commenced in 2008 and is expected to be completed in 2019 with phase one of the development (including 301 residential units) expected to be completed in 2012. As at 31 March 2012, approximately 83 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 with a planned development cost of approximately U.S.$ 2.4 billion (approximately AED8.9 billion). Spread over 6.3 million m^2 of waterfront, the community will comprise seven distinct lifestyle districts. The development will include spas, retail space, a medical centre, hospitality and entertainment centres and will also have an 18 hole golf course and a marina. Marassi will have over 7,811 freehold residential units with a mix of villas, townhouses and apartments. Construction on the project commenced in 2008. The first homes were completed and handed over in 2010 and construction is expected to be completed in 2022. As at 31 March 2012, approximately 77 per cent. of the total freehold units released to the public for sale had been sold.

New Cairo City (Mivida)

Mivida is a 3.7 million m^2 Santa Barbara California inspired residential and mixed use development with a planned development cost of approximately U.S.$ 2.7 billion (approximately AED9.9 billion), located near the American University in Cairo, close to Cairo International Airport. Mivida will have 5,001 freehold residential units with a mix of villas, townhouses and apartments, over 164,000 m^2 of office space, an 19,000 m^2 medical centre, a hotel, shopping centres and a school. Construction on Mivida commenced in 2008 and Emaar expects the project to be completed in 2019. Multiple residential villages were launched in phases and as at 31 March 2012, 74 per cent. of the total freehold units released to the public for sale had been sold.

Emaar Misr has entered into an agreement with New Cairo City Authority (under the New Urban Communities Authority under the Ministry of Housing, Utilities and Urban Development) to purchase the land in respect of this development. As of 31 March 2012, Emaar Misr has made the down payment and paid 1.5 instalments of seven equal annual instalments of the purchase price, in line with the payment schedule. The total purchase price is approximately U.S.$212 million (approximately AED780 million). Title to the land will be transferred to Emaar Misr on full payment of the purchase price.

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 670,000 m^2 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*".

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 1.8 million m^2 master planned community located at Büyükçekmece on the European side of Istanbul. It will include over 232 residential units including villas, townhouses and apartments, over 9,000m^2 shopping arcade and recreational spaces for residents. Construction commenced in 2007 and is anticipated to be completed by 2015. The first phase of homes in the community were handed over in 2009. As at 31 March 2012, approximately 65 per cent. of the total freehold units released to the public for sale had been sold.

New Istanbul Development

The New Istanbul Development is situated on 67,000 m^2 of land in Libadiye Camlica on the Asian side of Istanbul. The development includes over 770 residential apartments and 310 serviced apartments, 186 key hotel rooms, in excess of 36,000 m^2 of commercial space, 137,000 m^2 of retail space together with leisure and entertainment components, including a discovery centre, ice skating rink and over 4,100 parking bays. Construction commenced in the third quarter of 2011 and Emaar expects the development to be completed in 2016.

Morocco

Emaar's wholly owned subsidiaries, Tinja S.A, Emaar Saphira S.A. and Amelkis Resorts S.A. are undertaking three of Emaar's developments in Morocco as set out below.

Tinja, Saphira, Amelkis Resorts

Emaar is developing three mixed use master planned lifestyle communities: Tinja, a 580,000 m^2 development located near the city of Tangiers on the Atlantic Coast with a master planned development cost of U.S.$200 million (approximately AED735 million); Saphira, a 336,000 m^2 development located in the city of Rabat on the Atlantic Coast with a master planned development cost of US$100 million (approximately AED367 million); and Amelkis Resorts, a 1.4 million m^2 development located in the outskirts of the city of Marrakech with a master planned development cost of approximately U.S.$200 million (approximately AED 735 million) including residential units, a hotel and an 18 hole golf course.

The land for Tinja will be transferred to Emaar Tinja S.A. once formal approvals from the relevant authorities are received. The relevant approvals are expected to be obtained by the end of 2012. The land for Saphira has been opened for tender and Emaar believes, based on ongoing negotiations with the authorities, that Emaar Saphira S.A. will succeed in bidding for 34 ha. The land at Amelkis has been transferred to Amelkis Resorts S.A. and is currently being developed by Emaar as per the master plan.

Tinja will comprise 331 freehold units. Pursuant to a Convention Agreement with the Government of Morocco, construction commenced in 2007 and is expected to be completed by 2017. Saphira will comprise approximately 316 freehold units consisting of one to four bedroom apartments. It will also include hotels, an office district and various retail facilities.

Amelkis II and III

Amelkis Resorts comprise Amelkis II and Amelkis III.

Construction on Amelkis II, an approximately 1.4 million m^2 master planned golfing community located on the outskirts of the city of Marrakech, commenced in 2005. Customers were offered plots of land on which they could design and build their own homes within certain constraints as well as a limited number of residential villas. The project includes 11 residential villas plots, 54 residential villas and two hotel plots. As at 31 March 2012, approximately 86 per cent. of the freehold units released to the public for sale had been sold.

In addition, development of Amelkis III, an expansion of Amelkis II, is planned. Amelkis III will comprise 294 residential villa plots. The project also includes two hotel plots and an 9 hole golf course.

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.$270 million (approximately AED992 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 m^2 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 is now completed and 4 units have been fully fitted out and furnished. As at 31 March 2012, approximately 3 per cent. of the total freehold units released to the public for sale had been sold.[6]

Canada

Wills Creek

Wills Creek is a development of 108 freehold residential units located on 76,000 m^2 of land in South Surrey, British Columbia with a planned development cost of approximately U.S.$75 million (approximately AED275 million). The development is being undertaken by Emaar Properties (Canada) Ltd, a wholly owned subsidiary of Emaar. Construction started in September 2007 and is expected to be completed by the end of 2012. As at 31 March 2012, approximately 79 per cent. of the total freehold units released to the public for sale had been sold.

Property Developments – International – Non Wholly Owned

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. Jeddah Gate and Al Khobbar Lakes are being undertaken by Emaar Middle East LLC, 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 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.

The development will have 4.5 million m^2 of parks and waterways provided by 42 linear kms of canals, offering 75 kms of pedestrian promenade, seawater lagoons stretching over 11 kms and a 14 kms natural beach fronting the Red Sea. KAEC will have five yacht clubs that can berth more than 3,000 vessels in total.

The mixed use development will spread over 168 million m^2 on the Red Sea coast and has six key components – a sea port, industrial zone, central business district, educational zone, residential communities and a resort district. Construction commenced in 2006 and Emaar anticipates that construction of the whole development will be completed by 2025. While the total project is not yet fully master planned and there is a long construction period to follow, various infrastructure projects in the industrial zone have been completed.

6 The revision of the percentage sales from 33 per cent. in 2011 to 3 per cent. in 2012 is due to the fact that additional units have been launched but remain unsold as at the date of this Base Prospectus.

As a shareholder in the development entity, Emaar The Economic City, Emaar provides assistance with the strategy for the development and the development entity.

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.$767 million (approximately AED2.8 billion).

The development will comprise 1,226 residential units, 128,000 m^2 of office space and 40,000 m^2 of retail space. Construction of Jeddah Gate commenced in 2007 and is expected to be completed by 2019. As at 31 March 2012, approximately 65 per cent. of the freehold units released to the public for sale had been sold.

Al Khobbar Lakes

Al Khobbar Lakes is a master planned gated lifestyle community located in close proximity to Al Khobbar City with a planned development cost of approximately U.S.$1.2 billion (approximately AED4.4 billion). Al Khobbar 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 m^2 lake) and a retail centre and offices (spread over 133,000 m^2), 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.$ 154 million (approximately AED564 million) and has over 240 residential units and leisure amenities (including lakes, two mosques and a medical centre). As at 31 March 2012, approximately 50 per cent. of the freehold units released to the public for sale had been sold.

Emaar launched the second phase of the project, Al Ghadeer Village, in June 2008. The village is spread over an area of 230,000 m^2 featuring 244 residential units. As at 31 March 2012, approximately 70 per cent. of the freehold units released to the public for sale had been sold.

Construction on this project commenced in July 2008 and is expected to be completed by 2017.

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. The Makkah Clock Royal Tower is being developed by the Saudi Bin Laden Group and construction is expected to be completed by the end of July 2012. 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 will range in size from 37 m^2 to 231m^2.

India

In December 2005, Emaar, through its associate Emaar MGF Land Limited (Emaar MGF), announced India's largest foreign direct investment in the real estate sector with a capital outlay of approximately U.S.$500 million (approximately AED1.84 billion). Emaar MGF is a joint venture between Emaar (as to 48.86 per cent.) and MGF Developments Limited, one of India's largest real estate companies. Emaar 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 above 50 per cent. but would not result in Emaar having control over Emaar MGF. Further details of the Group's dealings with Emaar MGF are set out in the consolidated financial statements for the year ended 31 December 2011 (Note 15) and the Interim Consolidated Financial Statements (Note 13).

Emaar MGF is currently undertaking projects in Punjab, Delhi, Haryana, Tamil Nadu, Rajasthan, Madhya Pradesh and Andhra Pradesh. Emaar MGF currently has land reserves of over 10,894 acres of which 98 per cent. is fully paid. The existing land reserves identified for development are expected to provide approximately 469 million sq ft 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 Andhra Pradesh Industrial Infrastructure Corporation Ltd (**APIIC**), an agency of the Government of Andhra Pradesh, to create Boulder Hills, a master planned lifestyle community and a convention centre in Hyderabad. Boulder

Hills will ultimately be made up of approximately 4,380 freehold residential units consisting of single family villas or plots and apartments, an 18 hole golf course, an approximately 4.4 million sq ft business park, a golf club and a country club and a five star boutique style hotel. Construction of the community commenced in 2004. As at 31 March 2012, approximately 52 per cent. of the 355 units (Phase I of Excelsior Residential Apartments) and 80 per cent. of the 132 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.

Emaar is currently involved in a legal dispute with APIIC (see "*Risk Factors – Risks relating to Emaar – A legal dispute relating to 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 APIIC, 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 and construction is continuing in relation to those parts of the project where construction has commenced and sales and marketing of those phases that have been launched continues. However, until resolution of the dispute, no new construction is being commenced and no new phases will be launched.

Mohali Hills

Emaar MGF is developing a 10.84 million sq ft master planned lifestyle residential community located in Mohali, Punjab. Mohali Hills consists of approximately 3,212 freehold residential units spread over four distinct communities: Mohali Hills; the Views; the Villas; and Mohali Terraces. Construction of Mohali Hills commenced in 2007 and is expected to be completed in 2013 in phases. As at 31 March 2012, approximately 92 per cent. of the freehold units in the development released to the public for sale had been sold.

Gurgaon

Emaar MGF is developing Palm Drive, Palm Springs, Palm Hills, Palm Terraces Select, Palm Gardens, Emerald Hills and Marbella at Gurgaon, which combined will be a 16.35 million sq ft master planned lifestyle residential community, close to New Delhi.

Palm Drive consists of five districts with approximately 1,387 freehold residential units. Construction commenced in 2008 and is expected to be completed in 2013. As at 31 March 2012, approximately 98 per cent. of the total freehold units released to the public for sale had been sold.

Palm Springs consists of 314 freehold residential units made up of apartments and villas. Construction commenced in 2007 and was completed in 2011. As at 31 March 2012, approximately 99 per cent. of the total freehold units released to the public for sale had been sold.

Emerald Hills consists of approximately 2,077 freehold residential units made up of apartments and villas. Construction commenced in 2010 and is expected to be completed in 2013. As at 31 March 2012, approximately 87 per cent. of the total freehold units released to the public for sale had been sold.

Palm Hills consists of approximately 1,462 freehold residential units made up of apartments. Construction commenced in 2010 and is expected to be completed in 2013. As at 31 March 2012, approximately 70 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 is expected to be completed in 2013. As at 31 March 2012, approximately 97 per cent. of the total freehold units released to the public for sale had been sold.

Palm Gardens consists of approximately 1,066 freehold residential apartments. Construction has not yet commenced but is expected to be completed in 2015.

Marbella consists of approximately 652 freehold residential apartments. Construction commenced in 2012 and is expected to be completed in 2015. As at 31 March 2012, approximately 43 per cent. of the total freehold units released to the public for sale had been sold.

Jaipur Greens and Indore Greens

Jaipur Greens is located in Rajasthan and consists of approximately 790 freehold residential plots and villas. Construction commenced in 2009 and is expected to be completed by the end of 2012. As at 31 March 2012, approximately 88 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 413 freehold plots. Construction commenced in 2009 and is expected to be completed by the end of 2012. As at 31 March 2012, approximately 73 per cent. of the total freehold units released to the public for sale had been sold.

Esplanade Chennai

Spread over 0.85 million sq ft 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 598 freehold residential units consisting of apartments of up to approximately 1500 sq ft 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 is expected to be completed in 2012. As at 31 March 2012, approximately 94 per cent. 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 Dehli.

Construction on the CGV began in 2008 and was completed in June 2010. As at 31 March 2012, approximately 96 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*" and "*Risk Factors – Risks relating to Emaar – Negative publicity stemming from concerns relating to the readiness and fitness for purpose of the CGV*".

Commercial & Retail Development

Emaar MGF is developing the Palm Spring Plaza, a commercial and retail complex in Gurgaon, which will consist of 232 freehold units. Construction commenced in 2008 and is expected to be completed in December 2012. As at 31 March 2012, approximately 74 per cent. of the freehold units released to the public for sale had been sold.

Emaar MGF is developing the Palm Square, a commercial and retail complex in Gurgaon, which will consist of 271 freehold units. Construction commenced in 2008 and is expected to be completed in 2012. As at 31 March 2012, approximately 86 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 636 freehold units. Construction commenced in 2008 and is expected to be completed in December 2013. As at 31 March 2012, approximately 79 per cent. of the freehold units released to the public for sale had been sold.

Emaar MGF is also developing the Emerald Plaza, a commercial complex in Gurgaon, which will consist of 563 freehold units. Construction commenced in 2010 and is expected to be completed in December 2013. As at 31 March 2012, all 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 286 freehold units. Construction commenced in 2008 and is expected to be completed in December 2012. As at 31 March 2012, approximately 75 per cent. of the freehold units released to the public for sale had been sold.

Hotel Development

Emaar MGF currently has two planned hotel projects with a total of approximately 387 rooms (over both hotels). The projects are Jasola, New Delhi and a Courtyard by Marriott at Amritsar. Construction on the projects has not yet commenced.

Emaar MGF has opened a five star hotel with 90 rooms in Jaipur. The hotel is operated by Fortune Park Hotels Limited, a subsidiary of ITC Limited.

Pakistan

Emaar is undertaking two developments in Pakistan through joint ventures between Emaar (as to 66.6 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 33.3 per cent.). Crescent Bay, Karachi is being undertaken by Emaar Giga Karachi Limited and Canyon Views, Islamabad is being undertaken by Emaar DHA Islamabad Limited.

Crescent Bay, Karachi

Crescent Bay is an approximately U.S.$ 1.6 billion (approximately AED5.9 billion) mixed used development located on 0.4 million m^2 of reclaimed land in Karachi's Defence Housing Authority (**DHA**) Phase 8 and in close proximity to the DHA golf course. Crescent Bay is a development made up of over 5,000 freehold residential units consisting of mid rise and high rise waterfront towers, three hotels, an approximately 51,700 m^2 shopping centre and twin office towers. Land reclamation work commenced in 2005 and construction on the project commenced at the end of 2008. The first residential tower is expected to be completed in 2014. As at 31 March 2012, approximately 26 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 Emaar Giga Karachi Limited from the Pakistan Defence Office Housing Authority for 97 years and is renewable for a further 99 years.

Canyon Views, Islamabad

Canyon Views is an approximately U.S.$ 428 million (approximately AED1.6 billion) master planned community including approximately 4,700 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 2019. As at 31 March 2012, approximately 72 per cent. of the total freehold units released to the public for sale had been sold.

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, is developing the Samarah Dead Sea Resort. The 1.75 million m^2 project is located on the Dead Sea, close to Amman.

Currently two of the four phases at the Samarah development have been master planned: Rift Living and Beach Living. These phases include over 400 villas, 485 residential apartments, three hotels with approximately 780 rooms, and 10,000 m^2 of retail and leisure space. Construction of the Rift Living phase (including a Hilton Hotel with 285 rooms) is expected to be completed by the end of 2013. As at 31 March 2012, approximately 43 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 m^2 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 is expected to be completed in 2015 at an approximate cost of U.S.$ 848 million (approximately AED3.1 billion).

As of 31 March 2012, approximately 77 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 armed conflict in certain parts of the country. 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.

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 m^2 development is located approximately 20 kms from Beirut and will comprise over 1,900 freehold residential units and retail and leisure space.

Infrastructure for the development has been completed and building construction commenced in 2010 and is expected to be completed in 2020. As at 31 March 2012, approximately 69 per cent. of the total freehold units released to the public for sale had been sold.

Emaar Malls

Emaar Malls Group LLC (**Emaar Malls**), a wholly owned subsidiary of Emaar, is the shopping mall operating subsidiary of Emaar and focuses on creating retail environments that are tailored to the particular needs of the 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.

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 an internal floor area of 5.9 million sq ft. The Dubai Mall features more than 1,100 stores and over 120 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 under water 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 14,000 vehicles and is adjoined by The Address Dubai Mall five star hotel (see "– *Hospitality – The Address Hotels and Resorts*"), described below. For the year 2011, The Dubai Mall recorded a footfall of 54 million people. The Dubai Mall also recorded a footfall of more than 16 million people in the three month period ended 31 March 2012, an increase of 22 per cent. as compared to the same period in 2011.

Emaar is planning to expand the total construction area of The Dubai Mall by one million sq ft, which would likely result in an increase of leasable area by eight to ten per cent. (i.e. 300,000 to 350,000 sq ft). This plan is currently in its design phase. Construction is currently on-going to build a pedestrian walkway connecting The Dubai Mall to the adjacent metro station. The walkway is planned to be fully air conditioned and is expected to assist in an increase of the traffic to The Dubai Mall. It is also expected to host various activities and promotions at The Dubai Mall and the Downtown Dubai Development. The walkway is expected to be completed in the first half of 2013.

Gold and Diamond Park

The Gold and Diamond Park, a mixed-use development, opened in 2001 and comprises 90 retail outlets and 120 manufacturing units showcasing gold, diamonds and jewellery and commercial space for over 200 offices. The development has an outdoor courtyard and a selection of cafes and restaurants and is conveniently located on Sheikh Zayed Road. In 2011, the Gold and Diamond Park had an average monthly footfall of 133,000 people and in the three month period ended 31 March 2012, it had a footfall of 439,000 people.

Dubai Marina Mall

Located at Dubai Marina, the Dubai Marina Mall opened in December 2008 with 160 stores. The Dubai Marina Mall includes shopping, entertainment and leisure facilities including Reel Cinemas (a six screen cineplex with premium facilities), an ice rink and SEGA Republic. Adjacent to Dubai Marina Mall is The Address Dubai Marina (see "– *Hospitality – The Address Hotels and Resorts*"). In 2011, Dubai Marina Mall had an average monthly footfall of 82,000 people and during the first three months of 2012, it had a footfall of 389,000 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 The Address Downtown Dubai and The Palace Hotel. It opened in November 2007 and has over 100 stores and an extensive waterfront promenade featuring 22 restaurants and cafes. In 2011, Souk Al Bahar had an average monthly footfall of 379,000 people and in the three month period ended 31 March 2012, it had a footfall of 1.3 million people.

Various Community Retail Space/Complexes

Emaar Malls also manages approximately 80,000 m^2 of retail space located in various communities developed by Emaar such as Emirates Living, Arabian Ranches, Dubai Marina and Downtown Dubai. 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 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 intending to develop the New Istanbul Centre in the New Istanbul Development (see "*Property Developments – International – Wholly Owned – Turkey*") and the Uptown Cairo Mall in the Uptown Cairo development (see "*Property Developments – International – Wholly Owned – Egypt*"), both of which are in the design phase.

In addition, Emaar (through Emaar MGF) aims to be the first choice for real estate solutions for India's growing retail sector. Over the next two to three years it plans to develop the Mall of West Delhi in New Delhi, Mall of Lucknow in Uttar Pradesh, Mall of Hyderabad in Andhra Pradesh and Mall of Punjab in Chandigadh. Each of these retail facilities are currently in the early planning stages.

Emaar Retail

Emaar Retail LLC (**Emaar Retail**) is a wholly owned subsidiary of Emaar Malls, 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 Retail manages the business operations for The Dubai Mall's and Dubai Marina Mall's retail, leisure and entertainment brands including Dubai Aquarium & Underwater Zoo, Dubai Ice Rink, KidZania®, SEGA Republic and Reel Cinemas. Emaar Retail'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 leisure assets, including hotels, serviced residences, health clubs, golf clubs, fitness clubs, lifestyle dining facilities and a yacht club. These properties are managed by Emaar's subsidiaries (for example, The Address Hotels and Resorts and Nuran Serviced Residences). Emaar Hospitality's revenues are derived from the letting of rooms and conference facilities, club membership and visitor fees and restaurant and catering revenues. The key developments are described below.

The Address Hotels and Resorts

The Address Hotels and Resorts LLC (**The Address**), a wholly owned subsidiary of Emaar Hospitality, is a five star hotel brand that currently operates five hotels. The Address Downtown Dubai (opened in October 2008), The Address Dubai Mall (opened in September 2009), The Address Dubai Marina (opened in December 2009), The Address Montgomerie Dubai (opened in 2002 and re-branded in 2009) and The Palace – The Old Town (opened in September 2007) are all owned by Emaar and managed by The Address. The Address Downtown Dubai is a 63 storey five star hotel in Downtown Dubai overlooking the Burj Khalifa with 196 rooms; The Address Dubai Mall is connected to The Dubai Mall and contains 244 rooms; and The Address Dubai Marina is connected to the Dubai Marina Mall and contains 200 rooms. The Address Montgomerie Dubai is part of the Montgomerie Golf Club in Dubai and contains 21 rooms and The Palace – The Old Town is part of The Old Town development and contains 242 rooms. During 2011, The Address Downtown Dubai had an occupancy rate of 91 per cent. and during the three month period ended 31 March 2012, the hotel had an occupancy rate of 96 per cent. The Address Dubai Mall had an occupancy rate of 83 per cent. in 2011 and a 90 per cent. occupancy rate during the three month period ended 31 March 2012. The Address Dubai Marina had an occupancy rate of 74 per cent. in 2011 and a 90 per cent. occupancy rate during the three month period ended 31 March 2012, and The Palace – The Old Town had an occupancy rate of 82 per cent. in 2011 and 94 per cent. occupancy in the three month period ended 31 March 2012.

Emaar plans to open additional The Address properties in key cities and tourist destinations in the MENA region, the Indian sub-continent, Asia, Europe and America over the next 10 years. The Address has launched its first hotel property in Egypt – The Address, Uptown Cairo, and in Turkey – The Address New Istanbul. Both hotels are anticipated to open in 2015.

Al Manzil and Qamardeen Hotels, Old Town, Downtown Dubai Development

Al Manzil and Qamardeen Hotels are two four star hotels located within the Downtown Dubai Development. Al Manzil has 197 rooms, three meeting rooms to seat up to 130 people and a 12 seater boardroom. Qamardeen Hotel has 186 rooms including suites, queen and twin rooms and disabled friendly rooms. In 2011, Al Manzil and Qamardeen Hotels had occupancy rates of 83 per cent. and 79 per cent., respectively. During the first three months of 2012, the Al Manzil and Qamadeen Hotels had occupancy rates of 94 per cent. and 91 per cent. respectively.

Nuran Serviced Residences

In 2006, Emaar launched Nuran Serviced Residences (**Nuran**), a serviced residence operator brand. Nuran offers fully serviced residences for transient travellers and guests on extended stays for assignments and relocation. With the advent of the global financial crisis and consequential impact on the real estate market, Emaar decided to dispose certain of its non-strategic real estate assets in 2009-10. The Nuran properties were identified as such non-strategic assets and Emaar sold Nuran Serviced Residences in Dubai Marina in June 2012 and one of the two buildings of Nuran Greens Serviced Residences. Emaar now owns and operates the remaining building of 110 units in Nuran Greens Serviced Residences and has a management agreement with the new owner for Nuran Serviced Residences in Dubai Marina. Emaar also plans to dispose of the remaining building in the Greens.

Golf Courses

In some of its master planned community developments, Emaar has constructed, or will be constructing, 18 hole golf courses. In the UAE, The Montgomerie in Emirates Hills and the Desert Golf Course at Arabian Ranches are two examples. These golf courses were 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 course is managed by a third party (Troon Golf) whilst the Arabian Ranches course is managed directly by Emaar Hospitality. The Uptown Cairo and Marassi projects in Egypt will feature golf courses to be managed either by a third party or by Emaar Hospitality.

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 first two of four marinas opened in 2007 and 2008. Upon completion of the second two marinas, the Dubai Marina will be able to host over 500 yachts ranging from six to 36 metres in length.

Lifestyle Dining

Lifestyle Dining is an independent restaurant division of Emaar Hospitality. Lifestyle Dining currently operates four standalone restaurants: Madeleine Cafe & Boulangerie, located at The Dubai Mall, At.mosphere, the grill restaurant and bar located on the 122nd floor of the Burj Khalifa, Downtown Dubai, The Pavilion Café, a modern art café located on Emaar Boulevard in Downtown Dubai, and Palace Café, a Middle Eastern café, which is located next to The Palace Hotel – Old Town.

Armani Hotels and Resorts

Emaar Hotels and Resorts LLC (**Emaar Hotels and Resorts**), 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 m^2, 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.

Further Armani hotels, resorts and residences are planned for Marrakech, Morocco (resort completion expected in 2014) and Marassi, Egypt (residences completion expected in 2014). Emaar Hotels and Resorts will be responsible for procuring the land, construction, management and operations and Giorgio Armani S.p.A. will be responsible for the stylistic direction of the hotels and resorts which will incorporate Armani furnishings.

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 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.

The Federal Government of the UAE in conjunction with the steering committee formed by the UAE Ministry of Finance and Industry is evaluating various options to secure sustainable funding for Amlak Finance in order to enable it to meet its commitments. Accordingly, Amlak Finance has been suspended from trading on the DFM since November 2008 and remains suspended as at the date of this document. The market value of the shares Emaar held in Amlak as at the date of suspension was approximately AED736 million and Emaar is not in a position to assess the current value of the shares. The auditors' reports on the audited consolidated financial statements of the Group for the years ended 31 December 2010 and 2011, and the review report on the Interim Consolidated Financial Statements, each include an emphasis of matter in respect of Emaar's investment in Amlak (see "*Risk Factors – Risks relating to Emaar – Amlak, an associated company of Emaar, may need to restructure its debt obligations which may expose Emaar to loan write offs and a decrease in value of its investment*").

Dubai Bank

In 2001, Emaar acquired Dubai Bank from the Government as a wholly owned subsidiary. In July 2005, Emaar sold approximately 70 per cent. of the shares of Dubai Bank to Dubai Financial LLC, a company wholly owned by the Government for approximately U.S.$162 million (approximately AED595 million). On 16 May 2011, the Government announced its acquisition in whole of Dubai Bank and its commitment to provide equity funding to Dubai Bank. The effect of such equity injection would effectively fully dilute existing shareholders in Dubai Bank.

The Group impaired in full its investment in Dubai Bank which had a net carrying value of U.S.$.47 million (approximately AED172 million).

On 11 October 2011, Dubai Bank was acquired by Emirates NBD PJSC.

Other Material Subsidiaries and Associates

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 MENA 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 (AED6.9 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. Emaar's stake in Turner International ME is 50 per cent. with Turner International Industries Inc. (**Turner**) and Turner management holding the remaining 50 per cent. Turner contributed its existing operating arm in the Middle East and became an equal shareholder in the new entity. 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.

Turner International ME is headquartered in Dubai and focuses on project and construction management in the MENA region.

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, 10 per cent. were held by Amlak Finance 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 have 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 currently operates under the umbrella of Dubai World, which manages various businesses on behalf of the Government. On 25 March 2010, Nakheel PJSC announced a recapitalisation plan pursuant to which the Government of Dubai, acting through the Dubai Financial Support Fund (the **DFSF**), committed to provide U.S.$.8 billion of additional funds to Nakheel to fund operations and settle outstanding liabilities, including payments to Nakheel's contractors and suppliers. It is understood that Nakheel has been experiencing financial difficulty since the injection of funds by the Government.
- 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 Business Bay and the Jumeirah Beach Residences. As in the case of Emaar, Dubai Properties was gifted its land bank in Dubai by the Government.
- 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 the Mall of the Emirates and Deira City Centre, each located in Dubai, and Fujairah City Centre located in Fujairah.

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 the latter cases, Emaar also competes with other already established and to be established retail outlets and hotels. 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. 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.

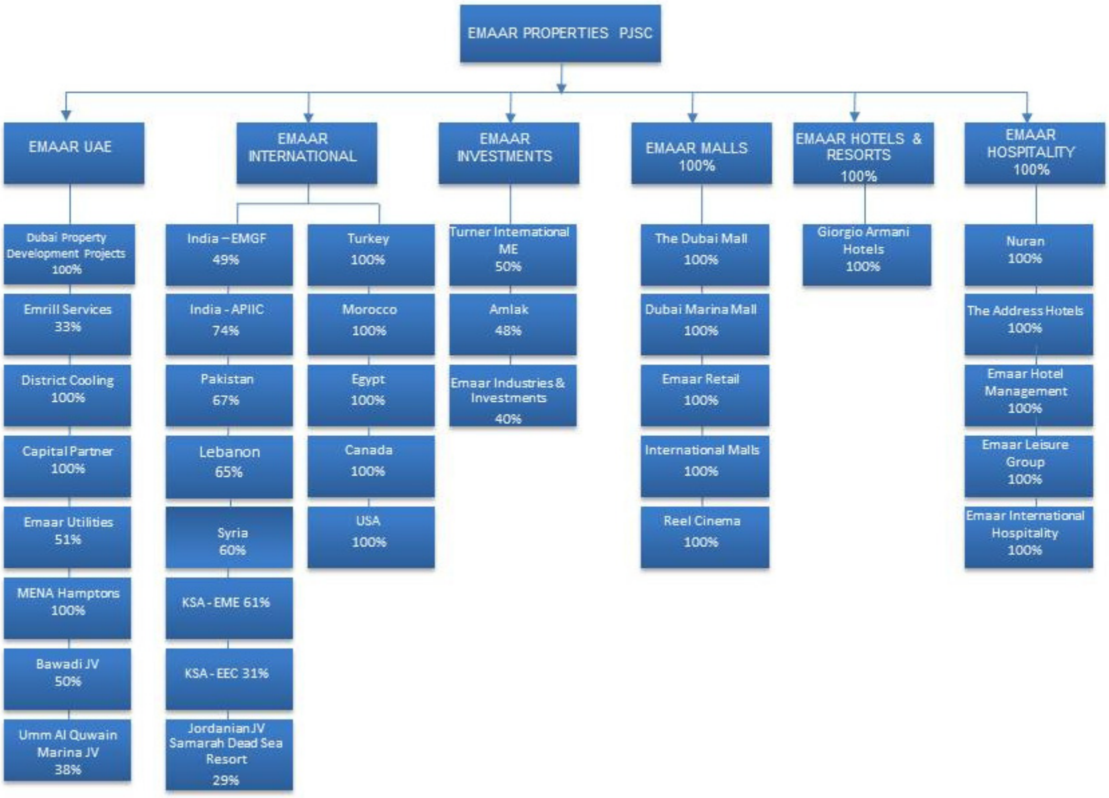
Emaar generally makes progress payments to its contractors. Contractors issue a progress payment certificate along with an invoice on completion of each defined stage of work under the contract. These are certified and approved by an external management consultant, the project director and by Emaar's executive management team which comprises the Group CEO, the Group Chief Financial Officer (**CFO**) and the appropriate CEO.

The final payment, including the retention (generally a 10 per cent. deduction from each progress payment), 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 management 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 70 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.



Note: Percentage Shareholdings have been rounded up where necessary.

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

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.

In 2006, Emaar formed a recycling initiative called Earth Watch. The Emirates Green Building Council has set up a UAE 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 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.

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. Emaar intends to file trade mark applications (if capable of registration) for any future projects 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 is expanding its current IT systems to offer customers online services such as an online payment facility for various charges. 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.

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

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.

Recent Developments in the Dubai Real Estate, Retail and Hotel Markets

Residential sector

According to the Dubai Real Estate Market Overview – Q1 2012 report (the **report**) published by Jones Lang LaSalle (**JLL**), the overall residential market in Dubai is seeing a positive trend with the villa market continuing to outperform the apartment sector in 2012. Prime residential buildings in well established locations continue to see improved performance, but secondary locations are still suffering from rental and pricing declines.

JLL note in their report that the REIDIN Residential Sales Indices show that overall, the current level of prices in the residential market have declined to historically low levels, with prices currently at rates similar to early 2008 levels. Despite seeing a sharp decline from its peak levels in Q3 2008, the villa market began to recover towards the end of 2011 and this trend has continued into 2012 with the current level of sale indices now three per cent. higher than in January 2008. Villa sale indices are still 25 per cent. lower than at their peak in Q3 2008. Apartment sale indices have also begun to stabilise but remain at lower levels, 34 per cent. down on their peak in Q3 2008.

Also noted are the REIDIN Rent Indices from January 2009, showing a similar trend with villas back at 2009 levels by the beginning of 2012. JLL report that the general rental trend across the market is positive. Whilst villa rents have increased five per cent., apartments are 30 per cent. lower relative to 2009 levels and continue to lag. Year-on-year rental growth has been positive, with general residential indices 12 per cent. higher than in Q1 2011.

Office sector

According to JLL, there has been limited new office supply entering the market over the first quarter of the year. As a consequence, asking rents for prime office space remained flat in Q1. Prime rents in the DIFC remained flat quarter-on-quarter at AED 2,370 per m^2, with prime rents elsewhere in the Central Business District (**CBD**) (excluding DIFC) remaining unchanged at AED 1,615 per m^2 in Q4 2011. Prime quality buildings in areas such as TECOM, Sheikh Zayed Road, and Downtown Dubai continue to be popular locations for corporate entities and are witnessing stabilising rents but poorer quality space.

The rental value of buildings in secondary locations has continued to decline and is expected to continue to decline in 2012 due to the large proportion of new supply and weak tenant demand that is further exacerbating the supply-demand imbalance and the two tier nature of the Dubai office market.

Occupier consolidation remains a key focus of entities operating in the market. In line with global trends, portfolio optimisation has been noticeable in Dubai during the first quarter of 2012. Larger companies continue to show interest in upgrading premises with more flexibility in their leases. According to JLL's report, Emaar's commencement of leasing office space at venues such as the Dubai Marina and Burj Khalifa is likely to create increased activity in the market over the coming months.

Retail sector

The average city-wide rent remained stable at AED 1,885 per m^2 in the first quarter of 2012. According to JLL, this is a result of continuing demand and limited retail supply at the commencement of the first quarter of 2012. However, the retail market is becoming increasingly 'two-tier', with weaker demand for older, less popular malls from both consumers and retailers. Although no recent data has been released on total retail spend, as per JLL's report, airport arrival numbers and high hotel occupancy rates suggest the retail sector is performing well and is expected to continue to do so.

Hotel sector

According to JLL, the occupancy levels in the city-wide hotel sector have increased to about 86 per cent. during 2011 and the first quarter of 2012; being four percentage points higher than the same period in 2011 and, similar to the corresponding levels in 2007 / 2008. While occupancies increased in 2011, average level of room rates continued to decrease. Average Daily Rate (**ADR**) levels increased over the first quarter of 2012. ADR rates increased by about nine per cent. during the first two months of 2012 compared to the same period in 2011, with several sub-markets witnessing improvements exceeding 10 per cent. in ADR levels in January-February 2012. As a result, the revenue per available room (**RevPAR**) levels showed strong 15 per cent. growth over the same period of 2011, reaching U.S.$226.

JLL's report notes that Dubai offered approximately 53,400 hotel rooms as at December 2011. Several projects that were initially expected to be completed towards the second half of 2011 have been delayed into 2012 with two of these opening in the first quarter of 2012, delivering about 700 additional branded rooms to the Dubai market. The openings in Q1 2012 included Millennium Plaza, Sheikh Zayed Road and Rixos the Palm.

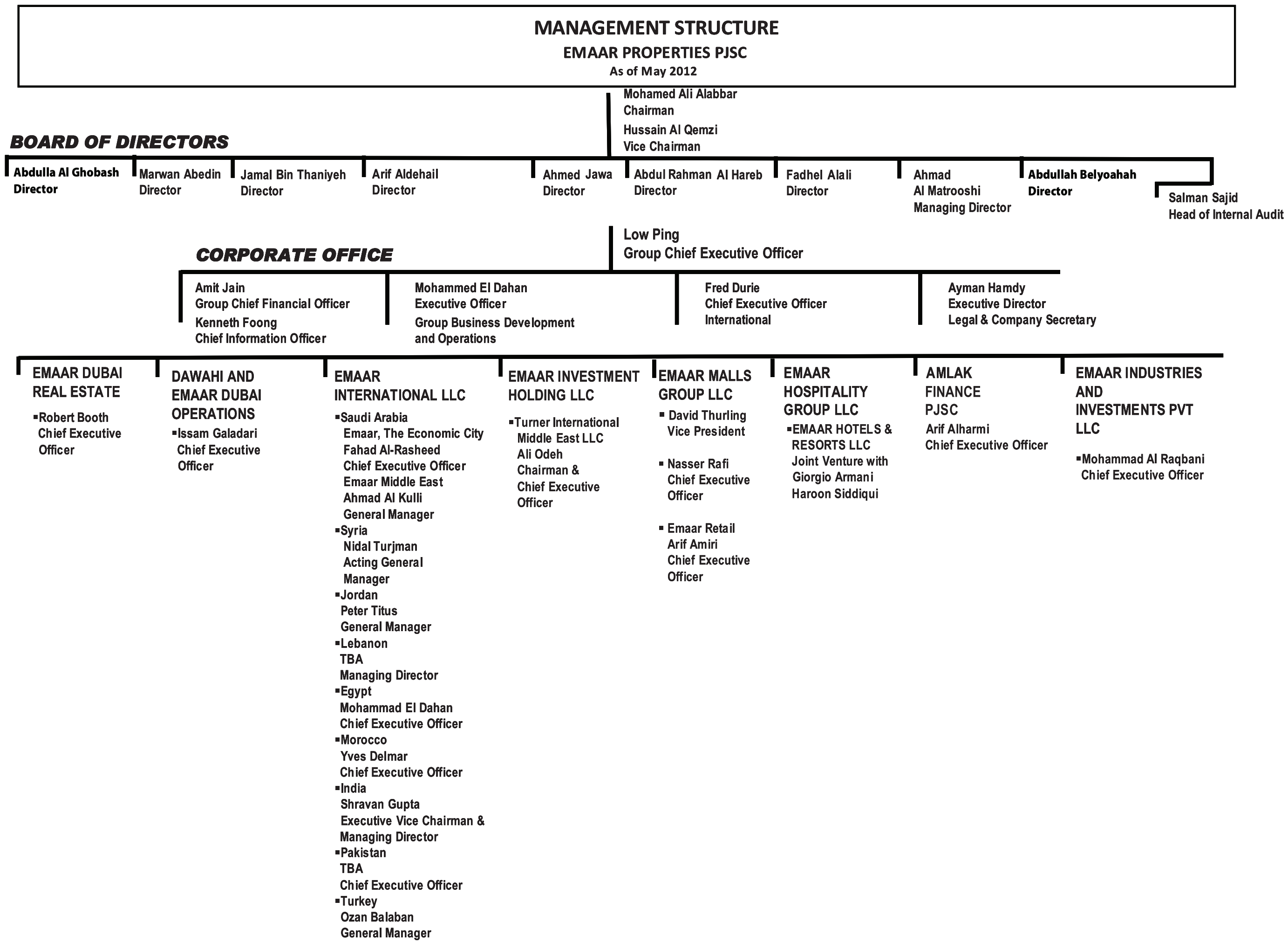
About 5,100 additional guest rooms are expected to be completed during 2012 with major projects including Al Khor Rayhaan (Al Ghurair City), Fairmont The Palm, Jumeirah Creekside Hotel, Novotel Al Barsha and Movenpick Jumeirah Lake Towers amongst others.

A number of major new projects have been announced over the past few months including the redevelopment of the Metropolitan Hotel site and the launch of the 'Dubai Modern Art Museum & Opera House District' in Downtown Dubai featuring a hospitality component. JLL note that these new projects reflect the improved confidence in the city's tourism industry and the continuous commitment towards development of tourist sites in Dubai.

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, abuse of powers, violation of laws, violation of its Memorandum and Articles of Association or for mismanagement.

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
Fadhel Alali	Director
Jamal Bin Thaniyeh	Director
Ahmad Al Matrooshi	Managing Director
Marwan Abedin	Director
Abdulla Al Ghobash	Director
Arif Aldehail	Director
Abdul Rahman Al-Hareb	Director
Abdullah 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 the Chairman 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.

Mr. Alabbar is currently spearheading Emaar's growth strategy of global expansion and business segmentation into property development, malls and retail and hospitality.

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.

In particular, *FDi magazine*, published by the Financial Times Group, named Mr. Alabbar as "Middle East Personality of the Year" in 2006 and Arabian Business, the leading regional business magazine, ranked him fourth in its 2012 list of *Power 100: The World's Most Influential Arabs*.

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 the Chairman of the Nomination and Remuneration Committee.

Mr. Al Qemzi has over 28 years' experience working with leading banks in the UAE and currently holds the position of CEO at Noor Banking Group. 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 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 Audit Committee.

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 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 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.

Fadhel Alali – Director

Fadhel Alali, a non-Executive Director, was appointed to the Board on 23 April 2012. He is a member of the Investment Committee.

Mr. Alali is a member of the Dubai Holding Executive Committee, and serves as a director on the Boards of Jumeirah Group LLC, Du/Emirates Integrated Telecommunications Company PJSC, Dubai Financial Services Authority and Cyprus Popular Bank (previously called Marfin Popular Bank).

Mr. Alali is currently Executive Chairman, Operations of Dubai Holding, having earlier served as its Chief Financial Officer. He also has considerable experience in the finance industry which includes several years at Citibank where he served in a number of roles.

Mr. Alali holds a B.Sc. (Honours) in Industrial and System Engineering from the University of Southern California, and holds a Certificate of Finance from the American University of Sharjah.

As noted above Mr. Alali holds a number of positions within the Dubai Holding group. 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.

Jamal Bin Thaniyeh – Director

Mr. Thaniyeh, a non-Executive Director, was appointed to the Board on 23 April 2012. He is a member of the Nomination and Remuneration Committee.

Mr. Thaniyeh 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 Officer 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. Thaniyeh 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 this, he spent 14 years as Deputy Director of the Dubai Chamber of Commerce and Industry.

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 a member of the Investment 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 over the last 3 years.

Mr. Abedin is a graduate of Economics & 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.

Abdulla Al Ghobash – Director

Mr. Ghobash, a non-Executive Director, was appointed to the Board on 23 April 2012. He is a member of the Investment Committee.

Mr. Ghobash commenced his banking career in 1981 in the UAE's Central Bank after which he moved to National Bank of Abu Dhabi in 1982. He worked in various divisions throughout the bank until he became a member of NBAD's senior management team. Mr. Ghobash played a key role in the bank's achieving the Dubai Quality Awards in 2002 and has led NBAD during the Dubai IMF/ World Bank Meeting in 2003.

Mr. Ghobash is also a Board Member of the DIFC the Higher Board of Directors, Etisalat, Nasdaq Dubai, Bourse Dubai, Emirates Banks Association, Emirates Institute of Banking & Financial Studies and Awafaq for Minor Affairs Foundation.

Mr. Ghobash is a graduate in Public Administration from the UAE University, and has a Diploma in Overall Banking from Citibank, and completed the Advanced Management Programme for Overseas Bankers from Wharton Business School in Philadelphia, USA.

Arif Aldehail – Director

Mr. Aldehail, a non-Executive Director, was appointed to the Board on 23 April 2012. He is a member of the Nomination and Remuneration Committee.

Mr. Aldehail is the Chief Executive Officer of the Department of Planning & Development, Trakhees and Director General of Ports Customs & Free Zone Corporation. Mr. Aldehail 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.

Mr. Aldehail 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 Head of Group Audit 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. Abdul Rahman 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 Head of Group Audit of the Dubai Holding group. 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.

Abdullah 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 served as Head of Operations of the Dubai Financial Support Fund.

Mr. Belyoahah is the Acting 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 Commerce & 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 Business Park, Building 3, Level 6, 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
Low Ping	Group CEO
Amit Jain	Group CFO
Mohamed El Dahan	Executive Officer, Group Business Development & Operations
Fred Durie	CEO, International
Ayman Hamdy	Executive Director, Legal and Company Secretary
Issam Galadari	CEO, Dawahi & Emaar Dubai Operations
Robert Booth	CEO, Emaar Dubai, Real Estate
David Thurling	Vice President, Emaar Malls
Nasser Rafi	CEO, Emaar Malls
Arif Amiri	CEO, Emaar Retail
Haroon Siddiqui	Emaar Hospitality

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.

Low Ping – Group CEO

Ms. Ping joined Emaar in 2002 with over a decade of experience in finance and was subsequently appointed as Group CEO in April 2011. Ms. Ping was Executive Director – Finance and Risk prior to being appointed as Group CEO. A certified Chartered Accountant, Ms. Ping is a member of the Certified Public Accountants in Singapore. Ms. Ping is currently responsible for all business and operations of the Group and works with the Chairman to achieve the Group's strategy.

Ms. Ping also holds a Bachelor of Accountancy from the University of Singapore.

Amit Jain – Group CFO

Mr. Jain joined Emaar in 2006. He has over 17 years of experience in banking, auditing and management consulting. He is a Chartered Accountant from the Institute of Chartered Accountants of India and a CFA Charter holder from the CFA Institute, USA.

Mr. Jain also holds a Bachelor of Commerce from the Delhi University.

Mohamed El Dahan – Executive Officer, Group Business Development & Operations

Mr. El Dahan joined Emaar in 2005. He holds a Bachelors Degree in Commerce and Accounting from Ain Shams University, Cairo, Egypt. He is a Certified Public Accountant, Certified Internal Auditor and a Certified Fraud Examiner. Mr. El Dahan has also completed the Advanced Management Program by the Institut Européen d'Administration des Affaires (INSEAD) near Paris, France.

Fred Durie – CEO, International

Mr. Durie joined Emaar in 2001. He is a U.K. civil engineer by training and holds a Bachelor of Science degree in Civil Engineering from the University of Newcastle, England. He has worked in Dubai since 1986. He is also a Member of the Institution of Civil Engineers. In his initial role as Executive Director of Development, he managed Emaar's major developments in Dubai. In 2008, he became CEO for Emaar JV companies in Saudi Arabia and, until late 2011, headed a team carrying out development services for Kingdom Holdings on projects in Riyadh and Jeddah. In his current role for Emaar International, Mr. Durie works on developments in Egypt, Saudi Arabia, Morocco, Syria, Jordan, Lebanon, Turkey and Pakistan.

Ayman Hamdy – Executive Director, Legal and Company Secretary

Mr. Hamdy joined Emaar in 2006 and was appointed Company Secretary in 2007. He has over 16 years of experience in international and corporate law. He holds an LL.B. from the Alexandria University and an LL.M. from Paris Dauphine. Mr. Hamdy is a member of the Egyptian Bar Association, the Egyptian Association of Judges, the Egyptian Association of Public Prosecutors and the American Bar Association and is a fellow of the International Bar Association.

Issam Galadari – CEO, Dawahi & Emaar Dubai Operations

Mr. Galadari joined Emaar in 2000 and has over 22 years of projects and development experience. Mr. Galadari serves as a director on the Board of Amlak Finance. He is also Chairman of Emrill Services.

Mr. Galadari holds a Civil Engineering (Hons) degree and a Post Graduate Diploma in Structural Engineering. Mr. Galadari is a member of several professional associations including the UAE Society of Engineers and the Institution of Civil Engineering in the United Kingdom.

Robert Booth – CEO, Emaar Dubai, Real Estate

Mr. Booth joined Emaar in 2001 and is responsible for Emaar's real estate business in Dubai. He has over 16 years of experience in large scale master planned real estate projects. He has a post-graduate degree in Real Property Development and Planning from the University of British Columbia, Vancouver and graduated in Political Science and Urban Studies. He is also a member of the Urban Land Institute in Canada.

David Thurling – Vice President, Emaar Malls

Mr. Thurling joined Emaar in 2012 and is responsible for overseeing the complete operations of Emaar Malls. He has over 25 years of experience in retail property and shopping malls and he has tenured in leading international companies in Australia, Indonesia Singapore, Dubai and Macau. He has been responsible in past roles for business setup, developing organisational structures and ongoing business management and development.

Nasser Rafi – CEO, Emaar Malls

Mr. Rafi joined Emaar in 2005 as Head of Information Technology, having worked in the IT sector for over seven years and is now Chief Executive Officer of Emaar Malls. He was previously the Managing Director of Hamptons International – Middle East. He holds a Masters 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.

Arif Amiri – CEO, Emaar Retail

Mr. Amiri joined Emaar in 2006. He has more than a decade of experience in the banking sector. Mr. Amiri holds a Bachelor's Degree in Aviation Business Administration from the Embry-Riddle Aeronautical University, Daytona Beach, USA and an Executive Management Diploma in Marketing Strategy and an Executive Diploma in Organisation Behaviour from the University of Cambridge, United Kingdom.

Haroon Siddiqui – Emaar Hospitality

Mr. Siddiqui joined Emaar in 2010. He serves on the senior management team of Emaar Hospitality. He earlier served as Director and Secretary to the Board of Emirates Flight Catering Co., mandated with company performance, cash flow management, operations, new projects and initiatives. He is a fellow member of the Institute of Chartered Accountants (England and Wales), with a valid practicing license, and is a graduate in Economics.

Employees

As at 31 December 2011, Emaar and its subsidiaries (but excluding associates) had 6,673 employees globally. The table below shows Emaar's approximate number of employees in Dubai as at 31 December in each of the years indicated:

Year	Number of employees
2006	1,269
2007	2,692
2008	4,057
2009	5,752
2010	6,623
2011	5,802

Emaar has instituted a range of employee benefits such as providing health insurance, a children's education allowance and discretionary annual bonuses.

Emaar recognises the importance of the calibre and the motivation of the individuals it employs. A performance management system has been implemented where Emaar's objectives are translated into measurable departmental and individual objectives that are regularly monitored and bi-annually appraised. Bonuses and rewards are linked with Key Performance Indicators.

Emaar has implemented a development plan for its 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 further been working on bringing itself into full compliance with the requirements of the Code of Governance issued by Decree of the Ministry of Economy No. 518 of 2009, which came into force on 1 May 2010 (**Code of Governance**). In 2011, the Emirates Securities & Commodities Authority commended Emaar for implementing and complying with the new UAE Code of Governance within the stipulated timeframe.

Emaar has established a framework of corporate governance policies, rules and practices which comply with the requirements of the Code of Governance 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 eleven members. The majority of the Board is comprised of non-executive directors and two thirds of its members are independent. 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) Mohamed Ali Alabbar (Chairman);

(b) Fadhel Alali;

(c) Marwan Abedin; and

(d) Abdulla Al Ghobash.

The main objectives and responsibilities of the Investment Committee are as follows:

- to review and approve for recommendation to the Board of Directors 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 the Company's financial plan to fund approved capital expenditures; and
- to review and approve Emaar's Investment Policy and Guidelines.

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) Ahmed Jawa (Chairman);

(b) Abdul Rahman Al-Hareb; and

(c) Abdullah 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.

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) Hussain Al Qemzi (Chairman);

(b) Arif Aldehail; and

(c) Jamal Bin Thaniyeh.

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.

OVERVIEW OF THE UNITED ARAB EMIRATES

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 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 83,700 square kilometres in total. The UAE enjoys good relations with the other states in the GCC region. However, the UAE does have a longstanding territorial dispute with Iran over three islands in the Arabian (or Persian) Gulf.

Economy of the UAE

The UAE is the second largest economy in the GCC region after Saudi Arabia. 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, the UAE had approximately 6.7 per cent. of the proven global oil reserves (giving it the sixth largest oil reserves in the world (OPEC Annual Statistics Bulletin 2010/2011). The UAE's oil reserves generated 31.4 per cent. of the UAE's gross domestic product (**GDP**) in 2010 (according to the Annual Economic Report 2011 published by the UAE Ministry of Economy) and approximately 28 per cent. of export earnings (including re-exports) in 2010 (according to the Annual Report 2011 of the UAE Central Bank).

Based on the data extracted from the 'World Economic Outlook' published by the International Monetary Fund (April 2012), real GDP growth in the UAE increased by 6.5 per cent. in 2007, increased by 5.3 per cent. in 2008, decreased by 3.3 per cent. in 2009, increased by 0.9 per cent. in 2010 and increased by 4.9 per cent. in 2011. According to the same data, the UAE is expected to grow in 2012 by 2.3 per cent. and in 2013 by 2.8 per cent.

On 28 January 2012, Moody's Investors Service Singapore Pte. Ltd. reaffirmed the UAE's long-term credit rating of Aa2 with a stable outlook.

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 approximately two million as at 30 December 2011 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, approximately 76.7 per cent. of this population is estimated to be male and 23.3 per cent. female, reflecting the large male expatriate workforce.

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 2.4 per cent. in 2010 after the effects of the global economic recession led to a decline in real GDP in 2009. 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 1.8 per cent. of GDP in 2010.

According to the Dubai Statistics Centre Statistical Yearbook 2010, the wholesale and retail trade and repairing services sector is the principal contributor to GDP, accounting for 30.3 per cent. of Dubai's GDP in 2010. This sector grew by 4.5 per cent. in real terms in 2010 and accounted for approximately 1.3 per cent. of Dubai's real GDP growth in 2010.

Other significant economic sectors for Dubai are real estate and business services; manufacturing; construction; transport, storage and communications; and financial services. Each of these sectors has benefitted from the Government's policies aimed at improving the business and investment environment and positioning Dubai as a tourist destination, 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 economic growth have included the availability of labour and land for real estate development, increased levels of liquidity 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.

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.

The real GDP of Dubai in 2010 equalled 30.0 per cent. of the real GDP of the UAE in the same year. In 2009 and 2008, the equivalent proportions were 29.7 per cent. and 30.0 per cent., respectively. Dubai's real GDP increased by 18.1 per cent. in 2007 increased by 3.2 per cent. in 2008, decreased by 2.4 per cent. in 2009 and increased by 2.4 per cent. in 2010, reaching AED 293.6 billion in 2010.

According to the Statistical Yearbook – Emirate of Dubai – 2010, published by the Dubai Statistics Centre, within Dubai, no single economic sector contributed more than 31 per cent. to total GDP in 2010, with the largest sector being the wholesale and retail trade and repairing services sector which contributed 30.3 per cent. of the Emirate's GDP. Other significant contributors to GDP in 2010 include the transport, storage and communications sector, which contributed AED 41.5 billion, or 14.1 per cent., to GDP, the real estate and business services sector, which contributed AED 40.3 billion, or 13.7 per cent., to GDP, and the manufacturing sector, which contributed AED 38.7 billion, or 13.2 per cent., to GDP. Two other sectors, construction and financial corporations, contributed between 9 and 11 per cent., respectively, to GDP in 2010. Together, these six sectors contributed 92.0 per cent. of total GDP in 2010. By contrast, the government sector contributed 5.5 per cent. and the mining, quarrying and oil and gas sector contributed 1.8 per cent. to GDP in 2010.

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 Aid City, DuBiotech Free Zone, Dubai Silicon Oasis and Dubai Gold and Diamond Park.

Real Estate in Dubai

The Government began promoting land ownership in 1997 with the setup of the publicly listed companies of Emaar and Nakheel PJSC. 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 March 2006, 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 March 2006, 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. All previously developed leasehold property was automatically transferred to freehold.

Legislation Governing Freehold Property

On 13 March 2006, the Government issued legislation permitting foreign ownership of properties in designated areas of Dubai. The Dubai Real Estate Registration Law No.7 of 2006 (the **Registration Law**) allows UAE and GCC citizens to own freehold property anywhere within Dubai and non-GCC expatriates and foreigners to own property on a freehold or leasehold basis in designated areas within Dubai.

The Registration Law stipulates that freehold (with the exception of land in designated areas) is limited to UAE and GCC citizens and companies wholly owned by them, as well as public shareholding companies. It also stipulates the setting up of a property registration office at the Dubai Lands and Properties Department. This office is responsible for documenting property rights and their amendments.

RERA and Escrow Accounts

Law No. (8) of 2007 concerning guarantee accounts of real estate developments in the Emirate of Dubai (the **Escrow Law**) was introduced on 28 June 2007 and, together with the associated regulations, governs the way in which purchase price instalments paid by purchasers of "off plan" developments are dealt with. Under the Escrow Law, developers are required to set up escrow accounts for each development and purchasers will pay their requisite purchase price instalments directly into the relevant escrow account. The escrow account will be managed by a financial institution approved by RERA. An escrow agent, also approved by RERA, will govern when a developer will be permitted to make withdrawals from the escrow account. Essentially, money will only be permitted to be drawn down when certain specified construction milestones are met in accordance with the relevant legislation and any relevant escrow agreement. The release of monies from the escrow account is subject to a requirement to retain five per cent. of the total funds in the escrow account for one year following the date upon which the units sold in the development are registered in the names of the buyers to address any remedial works required in that period. Developers are permitted to use up to five per cent. of the value of the project for "soft costs" associated with the development such as advertising, brokers' fees and other disbursements. RERA oversees the operation of the escrow accounts and has the ability to carry out audits to ensure that the escrow account holds the requisite amount of funds based on the relevant stage of the development, the money paid by the purchasers and the construction costs incurred by the developer. If there are not sufficient funds, RERA can require the developer to top up the escrow account. All sub-developers who contract with Emaar for the purchase of plots are required to comply with the Escrow Law.

As at the date of this Base Prospectus, as required by law, Emaar is in compliance with the Escrow Law for its new property development projects in Dubai. As permitted by the Escrow Law, Emaar will provide bank guarantees for 20 per cent. of the construction value instead of funding the escrow account. In addition, payments from customers are collected upon construction milestones having been met; these payments can be used for project construction. However, this does not affect any current international commitments as at the date of this Base Prospectus. Emaar obtains back to back warranties for a period of one year from contractors.

Interim Real Estate Register

The introduction of Law No. (13) regulating the Interim Real Estate Register in the Emirate of Dubai in August 2008 (**Law No. 13**) created a register to record all off plan sales of real estate units (the **Interim Register**). Within a 60 day period following the publication of Law No. 13 (60 days from 31 August 2008), developers were required to register all off plan sales in the Interim Register. The law sets out that any sales or other dispositions will be void if not recorded in the Interim Register.

Law No. 13 also provides, amongst other things:

(a) that a developer is not permitted to commence selling units for a project until it has taken possession of the relevant development land;

(b) that all fees payable upon a transfer or other disposition of units must be paid to the Dubai Land Department and developers are only permitted to collect limited "administration fees" upon such disposition; and

(c) that developers are no longer permitted to claim an increase in the purchase price of units if after completion of a development, the units turn out to have a larger area than originally set out in the contract (unless specifically agreed otherwise as stipulated under Article 13.2 of Executive Council Decision No. 612010 (the "Executive Council Decision No. 6"). Where the net area of a unit is more than five per cent. smaller than specified in the contract, the developer is required to compensate the purchaser. The compensation payable will be calculated on the basis of the purchase price for the relevant unit.

Compensation on Termination

Article 11 of Law No. 13 (as amended by Law No. (9) of 2009 (**Law No. 9**) and supplemented by the Executive Council Decision No. 6) sets out the procedure that must be followed in the event that the developer wishes to terminate an off-plan sales agreement by reason of purchaser default and the compensation that a developer may obtain in such circumstances. Law No. 13 was amended in April 2009 by Law No. 9 (and supplemented by the Executive Council Decision No. 6) which, amongst other things, revised the proportion of the purchase price instalments that a developer is permitted to retain following a purchaser default, namely:

(a) where at least 80 per cent. of construction is completed the developer is entitled to retain all monies paid by the purchaser to date and the developer can request that the purchaser settle any balance of the outstanding purchase price. If the purchaser cannot do so, the property can be auctioned to settle the outstanding monies. Alternatively, the developer may terminate the contract and retain 40 per cent. of the purchase price stated in the contract;

(b) where the developer has completed construction of at least 60 per cent. of the project, the developer may terminate the contract and retain 40 per cent. of the purchase price stated in the contract;

(c) where construction has commenced but less than 60 per cent. of the project has been completed, the developer may terminate the contract and retain 25 per cent. of the purchase price stated in the contract; and

(d) where construction has not yet commenced for reasons beyond the developer's control, and there is no negligence on the developer's part, the developer may terminate the contract and retain an amount equal to 30 per cent. of the monies paid by the purchaser.

For the purpose of paragraphs (b) and (c) above, the developer must refund any amounts due to the purchasers within one year of the termination of the contract or within 60 days from the date of resale of the property.

In addition, Law No. 9 provides RERA with the ability to cancel projects if it considers it appropriate having considered a project's viability. In such case, the developer is obliged to return all the money paid by purchasers.

Law and directions relating to jointly owned properties

The directions (the **Directions**) supplementing Law No. 27 of 2007 concerning jointly owned properties (the **Strata Law**) were issued by RERA and became effective on 13 April 2010. Any property which is divided up into units intended for separate ownership and which has areas which are used by more than one owner will constitute a jointly owned property. The Strata Law 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. The law also provides for an owners' association (which is a legal entity in its own right) to manage and operate the common areas of the building. The owners' association is responsible for, amongst other things, the collection of the service charges (including those from developers who have unsold units in the development) required to maintain and operate the common areas. Each unit owner will be a member of the owners' association and will have a right to vote on decisions taken by the association. The Directions provide a standard form constitution which sets out the rules governing the owners' association.

Whilst the introduction of the Strata Law provided an overview as to how jointly owned properties would be governed in Dubai, further guidance was always anticipated and required to enable vertical, horizontal and/or volumetric sub-division of properties. Although the Directions have not been issued in the form of a law, they are binding and set out a number of mandatory requirements which developers must comply with before they will be able to sell or continue selling units in their developments. A principal feature of the strata title regime is that developers will be required to disclose detailed information to purchasers about developments before signing contracts to sell units to third parties.

One of the key documents for the jointly owned property structure is the jointly owned property declaration (**JOPD**). Any application to the Dubai Land Department to register a sale of a unit in a development which has been sub-divided for sale as individual units will need to be accompanied by a JOPD setting out details relating to the development and, in particular, details as to how the common areas in the relevant building will be managed. A JOPD is required for each separate plot of land in a development (which includes volumetric plots within the same building) and will be provided to a purchaser as part of the developer's ''Disclosure Statement'' requirements with other key documents detailing the management and operation of the development (see ''*Risk Factors – Risk Factors relating to Emaar – If Emaar or its subsidiaries, as developers, do not satisfy the relevant disclosure requirements pursuant to the law relating to jointly owned properties (as amended), sales between third party purchasers and Emaar or its subsidiaries, as applicable, may be held to be void*'').

If a developer fails to satisfy the full ''Disclosure Statement'' requirements under the Directions, the relevant sale contract to which the failure relates may be held to be void.

The Dubai Strategic Plan 2015

The Dubai Strategic Plan 2015 (**DSP**) was announced by H.H. General Sheikh Mohammad Bin Rashid Al Maktoum on 3 February 2007 to address increasing rents, inflation and road congestion.

The DSP sets out a strategic approach to develop Dubai's most dynamic economic sectors including the livelihood and social condition of all residents, including both UAE nationals and expatriates. The most significant aspect of the DSP is that five areas have been identified where reform is considered necessary to accord with the times and targets of the future. These are: economic development; social development; infrastructure, land and environment; safety, security and justice; and public sector excellence.

It is understood that in the aftermath of the global economic crisis, the Dubai Government is currently re-assessing the stated aims of the DSP in the area of economic development. It is understood that the stated aims of the DSP in all other areas remain unchanged.

The future strategic growth of Dubai is based on six key "building blocks" which include tourism, trade, transportation and finance. The development of these "building blocks" will be strategically supported by seven horizontal growth enablers, which will be addressed in parallel. These are human capital, productivity, innovation, cost of living and doing business, quality of life, economic policy and institutional framework, and laws and regulations.

In terms of infrastructure, land and the environment, the DSP covers four main areas – urban planning; energy, electricity and water; roads and transportation and the environment. It will target sustainable development and seek to provide a balanced infrastructure that includes all aspects of development, while protecting the environment.

An integrated roads and transportation system will be constructed to facilitate movement and improve safety. This will include greater use of public transport, reduced use of private cars, increased road network and transportation system capacity, the use of modern technology to make the transport system more efficient, demand management and more effective management of accidents and emergencies. The DSP also highlights the efforts already being made to improve road safety by enforcing safety audits, developing and implementing safety standards and influencing driver behaviour through awareness, stricter regulations and effective enforcement.

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 will be entered into on 12 July 2012 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 relevant Supplemental Trust Deed), *inter alia*, the Issuer's rights, title, interest and benefit 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 any amounts standing to the credit of the relevant Transaction Account.

Each Trust Deed will specify that, 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. 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.

Pursuant to the Trust Deed, the Trustee will, in relation to each Series of Trust Certificates, *inter alia*:

(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 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.

In the Trust Deed, the Trustee will irrevocably and unconditionally appoint the Delegate to exercise certain of the present and future duties, powers, authorities and discretions vested in the Trustee by the relevant provisions of the Trust Deed (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). The appointment of such delegate by the Trustee is intended to be in the interests of the Certificateholders and does not affect the Trustee's continuing role and obligations as trustee.

In each Trust Deed the Delegate will undertake that, *inter alia*:

(a) it may or shall (subject to being indemnified and/or secured and/or prefunded to its satisfaction) upon being directed to do so by the Certificateholders enforce the obligations of Emaar under the Trust Deed, the Purchase Undertaking and any other Transaction Document to which Emaar is a party; and

(b) following the occurrence of a Dissolution Event in respect of any Series of Trust Certificates and subject to Condition 15, it shall (subject to being indemnified and/or secured and/or prefunded to its satisfaction) (i) promptly notify the Certificateholders of the occurrence of such Dissolution Event, and (ii) take all such 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) 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 will be entered into on 12 July 2012 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 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 will sell to the Purchaser, and the Purchaser will buy from the Seller, title to the Assets, free and clear of any encumbrance or other rights of third parties. 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 purchase price of the Assets will be an equivalent amount to the proceeds of the issue of the relevant Series of Trust Certificates. The Assets will comprise on the Issue Date those assets described in the Schedule to the Supplemental Purchase Agreement, a copy of which is set out in the Annex to the applicable Final Terms.

Lease Agreement

The Master Lease Agreement will be entered into on 12 July 2012 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 will lease to the Lessee, and the Lessee will 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. 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 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 negligence, default, or breach of its obligations under the 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 Master Lease Agreement, the Lessee has agreed 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) insuring any Relevant Lease Assets, and the Lessee has acknowledged 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 on behalf of the Lessor, the payment of such taxes and the insurance of such Relevant Lease Assets.

All payments by the Lessee to the Lessor under a Lease Agreement shall be paid in full 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, unsecured and general obligations of the Lessee and shall rank at least *pari passu* with all other unsecured, unsubordinated and general obligations of the Lessee.

The Rentals payable in respect of each Rental Period under a Lease Agreement will equal the Periodic Distribution Amounts payable on the Periodic Distribution Dates for the relevant Series of Trust Certificates and will be payable on the same dates as Periodic Distribution Amounts for such Series are payable or any earlier date on which the lease of the Lease Assets is terminated in accordance with the terms of the Lease Agreement.

Under the Master Lease Agreement, Emaar has undertaken that it shall not, and it shall procure that no Material Subsidiary 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 Indebtedness or any Guarantee of Indebtedness given by it, 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 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, unless otherwise specified in the relevant Supplemental Lease Agreement, it shall:

(a) ensure that its Consolidated Tangible Assets are not at any time during any Measurement Period less than U.S.$6,000,000,000;

(b) ensure that the ratio of Consolidated Total Net Indebtedness at the end of each Measurement Period to Total Equity at the end of such Measurement Period does not exceed a ratio of 0.6:1;

(c) ensure that the ratio of Consolidated Total Net Indebtedness at the end of each Measurement Period to Consolidated EBITDA for each such Measurement Period does not exceed a ratio of 3.5:1; and

(d) ensure that the ratio of Consolidated EBITDA for each Measurement Period to Consolidated Net Finance Charges Payable for each such Measurement Period is not less than a ratio of 2.5:1.

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 consolidated interim 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 consolidated interim 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 rental amount under the Lease Agreement, any exercise price under the Purchase Undertaking or the Sale Undertaking, or, if Condition 11.4 is specified in the applicable Final Terms as being applicable, any amounts payable under clauses 5.2(l) and 5.3 of the Servicing Agency Agreement as the case may be, and the default continues for a period of at least 7 days in the case of any payment of exercise price or the amounts payable under the Servicing Agency Agreement or at least 14 days in the case of any payment of rental amount; or

(b) Emaar fails to perform or observe any of its other obligations under the Lease Agreement (other than clause 5.3 of the Master Lease Agreement, as the same may be amended in the relevant Supplemental Lease Agreement), the Purchase Undertaking or the Trust Deed 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 the period of 30 days next following the service by the Delegate on Emaar of written notice requiring the same to be remedied; 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.$25,000,000 (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.$15,000,000 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, 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 the whole or a substantial part 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 the whole or a substantial part 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) by or under the authority of any government (i) the management of Emaar or any of Emaar's Material Subsidiaries is wholly or substantially displaced or the authority of Emaar or any of Emaar's Material Subsidiaries in the conduct of its business is wholly or substantially curtailed or (ii) all or a majority of the issued share capital of Emaar or any of Emaar's Material Subsidiaries or the whole or a substantial part of Emaar's, or all or substantially all of such Material Subsidiary's revenues or assets are seized, nationalised, expropriated or compulsorily acquired,

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:

Capital Stock means, with respect to any person, any and all shares, participations or other equivalents (howsoever designated, whether voting or non-voting) or such person's equity, including any preferred stock of such person, whether now outstanding or issued after the date hereof including, without limitation, all series or classes of such Capital Stock;

Consolidated Cash and Cash Equivalents means, at any time:

(a) cash in hand or on deposit with any acceptable bank;

(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 the United Arab Emirates or the Government of Dubai or the Government of Abu Dhabi, 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;

(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 the consolidated net pre-taxation profits of the Group for a 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

(e) 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 all Finance Charges (but excluding Finance Charges on trade payables) incurred by the Group during a Measurement Period;

Consolidated Finance Charges Receivable means all financing charges received or receivable by the Group during a Measurement Period;

Consolidated Net Finance Charges Payable means Consolidated Finance Charges Payable less Consolidated Finance Charges Receivable during the relevant Measurement Period;

Consolidated Tangible Assets means the consolidated total assets of Emaar and its Subsidiaries, after deducting any intangible assets (including without limitation goodwill and goodwill arising out of consolidation) of Emaar and its Subsidiaries, in each case on a consolidated basis and in accordance with IFRS as applied to the most recently available consolidated audited financial statements or consolidated interim financial statements, as the case may be, of Emaar;

Consolidated Total Indebtedness means, in respect of the Group, at any time the aggregate of the following:

(a) the outstanding principal amount of any monies borrowed but excluding all trade payables (as defined in the most recently available audited consolidated financial statements or consolidated interim financial statements, as the case may be, of Emaar);

(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 monies 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;

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 bonds;

(i) any amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into this 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;

Guarantee means, in relation to any Indebtedness of any person, any obligation of another person to pay such Indebtedness following demand or claim on that person, including (without limitation):

(a) any obligation to purchase such Indebtedness;

(b) any obligation to extend financing, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;

(c) any indemnity against the consequences of a default in the payment of such Indebtedness; and

(d) any other agreement to be responsible for such Indebtedness;

IFRS means International Financial Reporting Standards;

Indebtedness means any indebtedness in respect of any person on any date (and without duplication) for or in respect of:

(a) any Financial Indebtedness of such person;

(b) the amount of any liability of such person to pay the deferred and unpaid purchase price of property, assets or services, which purchase price is due more than 30 days after the earlier of the date of placing such property in service or taking delivery and title thereof or the completion of such services;

(c) the principal component or liquidation preference of all obligations of such person with respect to the redemption, repayment or other repurchase of any preferred stock; and

(d) all indebtedness of any other person secured by Security granted by such person on any of its assets (the value of which, for these purposes, shall be determined by reference to the balance sheet in respect of the latest half year period of the person providing the Security), whether or not such indebtedness is assumed by such person;

Material Subsidiary means at any time a Subsidiary of Emaar:

(a) whose gross revenues (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 gross revenues 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 gross revenues equal to) not less than 10 per cent. of the consolidated gross revenues 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 gross revenues equal to) not less than 10 per cent. of the consolidated gross revenues 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, if relied upon by the Trustee or the Delegate, shall, in the absence of manifest error or an error which is, in the opinion of the Delegate proven, be conclusive and binding on all parties;

Measurement Period means a period of 12 months ending on the last day of the most recently completed financial quarter of Emaar;

Moody's means Moody's Investors Service, Inc.;

Permitted Reorganisation means:

(a) 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;

(b) any amalgamation, consolidation or merger of a Subsidiary with any other Subsidiary of Emaar; or

(c) any amalgamation, consolidation, restructuring, merger or reorganisation on terms previously approved by the Delegate or by the Certificateholders by an Extraordinary Resolution;

Permitted Security means:

(a) any Security existing on 12 July 2012;

(b) any Security created or outstanding with the approval of the Certificateholders by an Extraordinary Resolution;

(c) any Security arising by operation of law and in the ordinary course of trading;

(d) any Security granted by a Subsidiary in favour of the Lessee;

(e) any Security granted by a non-UAE incorporated Material Subsidiary other than any Security securing (i) indebtedness of the types described in paragraphs (c) and (j) of the definition of Financial Indebtedness above (but, in the case of (j), only to the extent such Islamic financing arrangements involve the issue of trust certificates or any similar instrument) and (ii) any guarantee or indemnity for any such indebtedness;

(f) 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 and does not extend to other assets or property (other than proceeds of such acquired assets or property), provided that the maximum amount of Indebtedness thereafter secured by such Security does not exceed the purchase price of such property or the Indebtedness incurred solely for the purpose of financing the acquisition of such property;

(g) 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;

(h) any Security created or permitted to be outstanding by the Lessee or any Subsidiary in respect of any Project Finance Indebtedness or any Securitisation Indebtedness;

(i) any other Security provided that the aggregate outstanding amount secured by that Security and any other Security permitted to be created and in effect under this clause does not, at any time, exceed 8 per cent. of the consolidated total assets of the Lessee as shown in the Relevant Accounts; and

(j) any renewal of or substitution for any Security permitted by any of the preceding subclauses (a) through (i), provided that with respect to any such Security incurred pursuant to this sub-clause (j), 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;

Relevant Accounts means, at any time, the most recently publicly available audited consolidated audited or interim condensed consolidated financial statements of the Lessee prepared in accordance with IFRS;

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.;

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; 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 will be executed on 12 July 2012 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 price payable by the Obligor shall be equal to the outstanding face amount of the relevant Series of Trust Certificates plus any accrued but unpaid Periodic Distribution Amounts (if any) on such date plus an amount equal to any Servicing Agency Expenses in respect of which an appropriate rental payment has not been made in accordance with the relevant Lease Agreement plus any other amounts payable on redemption of the relevant Series of Trust Certificates as specified in the applicable Final Terms.

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, unsecured and general obligations of the Obligor and shall rank at least *pari passu* with all other unsecured, unsubordinated and general obligations of the Obligor.

Sale Undertaking

The Sale Undertaking will be executed on 12 July 2012 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 Condition 11.2 or 11.3, Emaar may, by exercising its option under the Sale Undertaking and serving notice on Emaar Sukuk Limited no later than 45 days prior to the relevant Dissolution Date, 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 price payable by Emaar will be an amount equal to the outstanding face amount of the relevant Series of Trust Certificates plus an amount equal to any Servicing Agency Expenses in respect of which an appropriate rental payment has not been made in accordance with the relevant Lease Agreement plus any other amounts payable on redemption of the relevant Series of Trust Certificates as specified in the applicable Final Terms.

The Sale Undertaking will provide that the 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, withholding, set-off (save as provided below) or counterclaim, Emaar 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 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 which has not been paid by way of a rental payment under the relevant Supplemental Lease Agreement shall be set off against one another.

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 cancel the relevant Trust Certificates identified for cancellation in the Exercise Notice on the Cancellation Date (which shall be a Periodic Distribution Date).

Servicing Agency Agreement

The Servicing Agency Agreement will be entered into on 12 July 2012 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.

Notwithstanding the appointment of the Servicing Agent, the Lessee shall, at its own cost and expense, be responsible for the performance of all Ordinary Maintenance and Repair required for the Lease Assets.

Substitution Undertaking

The Substitution Undertaking will be executed on 12 July 2012 by Emaar Sukuk Limited as Trustee as a deed and will be governed by English law.

Pursuant to the Substitution Undertaking, the Trustee has granted to Emaar the right to require the Trustee to sell the Substituted Assets to it in exchange for New Assets of a value which is equal to or greater than the value of the Substituted Assets. 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 the Lessee in accordance with the Substitution Undertaking) by the Trustee and the Lessee entering into a substitution sale agreement and the relevant new Supplemental Lease Agreement being executed in the manner provided for in the Substitution Notice. Each substitution sale agreement will (i) 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 from the Lessee to the Trustee and the Substitution Notice will provide that the New Assets and any Relevant Lease Assets not replaced will be leased to Emaar under the new Supplemental Lease Agreement.

Costs Undertaking

The Costs Undertaking will be entered into on 12 July 2012 by Emaar and will be governed by English law. Pursuant to the Costs Undertaking, Emaar will undertake to pay certain fees and expenses of, and indemnify against certain losses of, among others, the Trustee, the Delegate, the Principal Paying Agent, the Transfer Agent, the Calculation Agent and the Registrar.

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.$732. The foregoing is based on current law and practice in the Cayman Islands and this is subject to change therein.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the **Directive**), Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income, which may include Periodic Distribution Amounts) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement (the **Programme Agreement**) dated 12 July 2012, 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 in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of 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 Series 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 Series (or in the case of a sale of a Series of Trust Certificates issued to or through more than one Dealer, each of such Dealers as to the Trust Certificates of such Series 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 Series. 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 Series. 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 Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent 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 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 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 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 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** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

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 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; and

(b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module.

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 other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent); or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the **SFO**) and any rules made under the SFO; or (iii) 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; and

(b) accordingly, the Trust Certificates have not been and will not be offered, sold or delivered, 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), and Schedule 8 (or Section 257(3) of the Capital Markets and Services Act 2007 of Malaysia, 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

Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a **Saudi Investor**) who acquires Trust Certificates pursuant to any offering should note that the offer of Trust Certificates is a private placement under Article 10 or Article 11 of the "Offer 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**). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it shall not offer, sell or advertise the Trust Certificates 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 has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer of Trust Certificates will comply with the KSA Regulations.

Each offer of Trust Certificates shall not therefore constitute a "public offer" pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 17 of the KSA Regulations. Any Saudi Investor who has acquired Trust Certificates pursuant to a private placement under Article 10 and/or Article 11 of the KSA Regulations may not offer or sell those Trust Certificates to any person unless the offer or sale is made through an authorised person appropriately licensed by the Saudi Arabian Capital Market Authority and: (a) the Trust Certificates are offered or sold to a Sophisticated Investor; (b) the price to be paid for the Trust Certificates in any one transaction is equal to or exceeds Saudi Riyal 1 million or an equivalent amount; or (c) the offer or sale is otherwise in compliance with Article 17 of the KSA Regulations.

Singapore

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the **Securities and Futures Act**). 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 any Trust Certificates, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, or (ii) to a relevant person, or any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

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 Series, 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 5 July 2012 and a resolution of the Board of Directors of Emaar dated 10 July 2012. 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

It is expected that each Series of Trust Certificates which is to be admitted to the Official List and to trading on NASDAQ Dubai will be admitted separately as and when issued, subject only to the issue of a Global Trust Certificate initially representing the Trust Certificates of such Series. Application has been made to the DFSA for Trust Certificates issued under the Programme to be admitted to the 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 15 July 2012.

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 Paying Agent for the time being in London:

(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 2010 and 31 December 2011. Emaar currently prepares audited consolidated accounts on an annual basis;

(c) the most recently published annual audited consolidated annual financial statements of Emaar and the most recently published unaudited reviewed 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 reviewed 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 Undertaking and the forms of the Global Trust Certificate and the Trust Certificates in definitive form;

(e) each Supplemental Trust Deed, Supplemental Purchase Agreement and Supplemental Lease Agreement 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.

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 Series 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 Brusssels 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 31 March 2012 and there has been no material adverse change in the financial position or prospects of Emaar and its subsidiaries since 31 December 2011.

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 auditors of Emaar are currently Ernst & Young (having been appointed at Emaar's annual general meeting of shareholders held in April 2012). Ernst & Young were also Emaar's auditors in 2010 and audited Emaar's consolidated financial statements for the year ended 31 December 2010, without qualification, in accordance with IFRS, as stated in its audit report incorporated by reference herein. Deloitte were Emaar's auditors in 2011 and audited Emaar's consolidated financial statements for the year ended 31 December 2011, without qualification, in accordance with IFRS, as stated in its audit report incorporated by reference herein.

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 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 HSBC Amanah Central Shariah Committee and the Shariah Supervisory Committee of Standard Chartered Bank

A description of the members of each of the HSBC Amanah Central Shariah Committee and the Sharia Supervisory Committee of Standard Chartered Bank as at the date of this Base Prospectus is set out below.

HSBC Amanah Central Shariah Committee

Shaikh Nizam Yaqubi

Sheikh Nizam Yaquby was educated in the classical Shariah sciences in his native Bahrain and in Makkah. He received his bachelors in Economics & Comparative Religion from McGill University, Montreal, Canada. Since 1976, Sheikh Yaqubi has taught Tafsir, Hadith and Fiqh in Bahrain. He is also the author of several articles and publications on Islamic finance. He is a Shariah Advisor to several international and local financial institutions worldwide.

Dr. Mohamed Ali Elgari

Dr. Mohamed Ali Elgari holds a Ph.D. in Economics from the University of California and is a professor of Islamic Economics and the director of the Centre for Research in Islamic Economics at King Abdul Aziz University in Saudi Arabia. Dr. Elgari is also an expert at the Islamic Jurisprudence Academy (OIC), Jeddah and has published several articles and books on Islamic Finance. He is a Shariah Advisor to several international and local financial institutions worldwide.

Dr Muhammad Imran Usmani

Dr Muhammad Imran Ashraf Usmani has completed his Alimiyyah and Takhassus from Jamia Darul Uloom, Karachi and holds a PhD in Islamic Economics from University of Karachi. He is a member of the Shariah Board of the Central Bank of Pakistan and is an established academician, teaching Fiqh at Jamia Darul Uloom, Karachi.

Dr Imran Usmani has been engaged by various financial and educational institutions for advice on Islamic law and Islamic Finance.

Sharia Supervisory Committee of Standard Chartered Bank

Dr. Abdul Sattar Abu Ghuddah

Dr. Abdul Sattar Abu Ghuddah holds a Ph.D in Islamic Law from Al Azhar University Cairo, Egypt. He is Professor of Fiqh, Islamic studies and Arabic in Riyadh and an active member of the Jeddah-based Islamic Fiqh Academy and the Accounting & Auditing Standards Board of Islamic Financial Institutions. He also served in the Ministry of Awqaf, Kuwait. Dr. Abu Ghuddah has written several books on Islamic finance. He is a Shariah Advisor to several international and local financial institutions worldwide.

Shaikh Nizam Yaqubi

Please see the description of Shaikh Nazim Yaqubi set out above.

Dr. Mohamed Ali Elgari

Please see the description of Dr. Mohamed Ali Elgari set out above.

ISSUER AND TRUSTEE

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Queensgate House
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Cayman Islands

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Emaar Business Park
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P.O. Box 9440
Dubai
United Arab Emirates

DELEGATE

HSBC Corporate Trustee Company (UK) Limited
8 Canada Square
London E14 5HQ
United Kingdom

PRINCIPAL PAYING AGENT, CALCULATION AGENT, REGISTRAR AND TRANSFER AGENT

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

AUDITORS

To Emaar

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LEGAL ADVISERS

To the Issuer
as to Cayman Islands law

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United Arab Emirates

To Emaar
as to English, DIFC and UAE law

Linklaters LLP
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To the Dealers
as to English, DIFC and UAE law

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