

PRESS RELEASE**Majid Al Futtaim Reports Increased Revenue and EBITDA in 2019****Key Highlights:**

- Group revenue increased by 1% year-on-year to AED35.2 billion
- Increased EBITDA by 1% to AED4.6 billion
- Opened 300th Carrefour store and expanded geographical footprint to 16 countries with entry to Uganda
- Scaled VOX Cinemas' presence in Saudi Arabia with 78 new screens added
- Added two new regional shopping malls in Egypt and Oman and one community mall in UAE
- Launched SHARE, a group wide lifestyle rewards programme in the UAE
- Pledged to phase out single-use plastic from operations across portfolio by 2025
- Received 'low risk' Environmental, Social, and Governance (ESG) rating from Sustainalytics, and an 'A' rating from MSCI
- Issued the world's largest and the region's first corporate Green Sukuks to fund sustainable projects across the group with a total value of USD1.2 billion
- Maintained 'BBB' credit rating from Standard & Poor's and Fitch Ratings

Dubai, United Arab Emirates, 24 February 2020: Majid Al Futtaim, the leading shopping mall, communities, retail and leisure pioneer across the Middle East, Africa and Asia, has announced its audited operational and financial results for 2019, highlighting a revenue increase of 1% year-on-year to AED35.2 billion. Solid operational performance, driven by diversification efforts and a continued focus on cost efficiencies and scale, resulted in a 1% increase in EBITDA to AED4.6 billion. The company's disciplined financial management translated to excellent operational cash flow amounting to 122% of EBITDA, while its balance sheet remained strong with borrowing unchanged and total assets valued at AED 63 billion.

Majid Al Futtaim witnessed strong growth in key areas of its business in 2019. The company's long-term commitment to Egypt and Saudi Arabia has been rewarded as economic and social reforms have created new opportunities for VOX Cinemas and Carrefour to expand across both countries. Majid Al Futtaim's performance was further bolstered by its continued focus on operational excellence and its agile approach to challenging market conditions and digital disruption.

Alain Bejjani, Chief Executive Officer of Majid Al Futtaim - Holding, said: "Majid Al Futtaim's financial performance is driven by a sustainable business model that continues to deliver growth for the company. In 2019, we advanced our diversification efforts by entering new countries and expanding our footprint in priority markets, while maintaining strong financial discipline across our portfolio. We reached more customers in new and existing markets, both online and offline, and this has been key to our continued success.

"In line with our core values and responsibility towards the environment, sustainability remains a top priority for Majid Al Futtaim. Securing a low risk ESG rating, issuing the world's first benchmark corporate Green Sukuk, and committing to phase out single use plastic from our operations were milestone moments in our sustainability journey."

Majid Al Futtaim expanded its footprint in 2019 with new market entry and core business growth, including the opening of Carrefour's first store in Uganda, the addition of three new shopping malls, and VOX Cinemas' continued expansion in Saudi Arabia with 78 new screens added.

Majid Al Futtaim continued its digital transformation journey, advancing capabilities in data and analytics, technology and online customer experience. With online retail gaining increased traction in core markets, both Carrefour and VOX Cinemas doubled the value of their digital sales compared to 2018.

In September 2019, the company brought together its lifestyle offering for the first time under one app-based rewards programme. SHARE allows Majid Al Futtaim customers to earn and burn points in real time, at all 2,300 outlets in its 17 shopping malls and 11 hotels in the UAE, and has already reached more than one million members.

Building on the company's established talent agenda, more than 180,000 hours of training were delivered through the Majid Al Futtaim Leadership Institute. The Majid Al Futtaim Retail Business School also opened in the UAE, providing functional, commercial and on-the-job training for Carrefour employees.

Operating Company Performance

Majid Al Futtaim – Properties:

Compared to 2018 figures, Majid Al Futtaim – Properties' EBITDA was unchanged at AED3 billion, while revenue decreased by 1% to AED4.6 billion. This was mainly due to the impact of challenging market conditions on revenue per available room (RevPAR) in the hotels business, despite outperforming the market in Dubai and a 3% increase in room occupancy across the Majid Al Futtaim portfolio.

With three new shopping malls added as well as the revitalisation of existing assets, visitor figures increased by 4% year on year to 200 million while the total occupancy of shopping malls remained strong at 93%. The company opened two new regional malls; City Centre Sohar in Oman and City Centre Almaza in Egypt, as well as its first mall in Abu Dhabi, My City Centre Masdar.

Majid Al Futtaim – Retail:

Despite a reduction in discretionary spend and basket size due to weaker consumer sentiment, Majid Al Futtaim – Retail recorded a revenue growth of 1%, standing at AED28.1 billion for 2019, while EBITDA increased by 2% to AED1.4 billion. The continued focus on operational excellence resulted in a margin uplift, while the company's operational cash flow was 132% of EBITDA.

The Carrefour business continued to expand with 12 hypermarkets and 30 supermarkets added to the portfolio in 2019, with a significant focus on Egypt. The total number of stores now exceeds 300 across the region, including the first store in Uganda which is providing customers with access to international-standard retail experiences.

Majid Al Futtaim Ventures:

Majid Al Futtaim – Ventures recorded an 17% increase in revenue during 2019, rising to AED2.8 billion. EBITDA increased by 30% to AED416 million with growth driven mainly from new sites in Saudi Arabia, Kuwait and Egypt.

VOX Cinemas, in its 20th year, increased its total number of screens to 499 across the region. In Saudi Arabia, the business further strengthened its market share, opening 78 new screens and bringing the total number opened in the Kingdom to 82. Majid Al Futtaim – Ventures also introduced Dreamscape, an immersive virtual reality experience at Mall of the Emirates. It is the first Dreamscape store to open outside of the United States.

Future Investment

Majid Al Futtaim plans further expansion in markets with high growth potential as well as its home market, the UAE. The company's shopping malls will increase to 28 assets in 2020 with the opening of two new malls in Sharjah; City Centre Al Zahia which will be the largest mall in the Northern Emirates, and Matajer Al Musalla which opened in Q1.

In 2020, Carrefour will open its first store in Uzbekistan, with plans for further expansion to new markets in Central Asia and Africa. The company will also continue to increase the number of stores in its key markets and scale up its ecommerce capacity to meet growing online demand, through innovative fulfilment solutions in the UAE and Saudi Arabia, in particular.

VOX Cinemas will continue its expansion drive in Saudi Arabia in line with its plan to open 600 screens in the country by 2023. In 2020, the company plans to open 87 new screens with a focus on bringing cinema to customers in cities such as Tabouk, Hail and Jubail for the first time, while adding to the current portfolio in Riyadh, Jeddah and Dammam.

Financing

Majid Al Futtaim's financial and liquidity position remains strong covering its net financing needs for more than the next four years, through its cash and available committed lines. During the year, the company refinanced existing debt through two Green Sukuk issuances totalling USD1.2 billion, with the initial issue being the world's first benchmark size corporate Green Sukuk. The proceeds will be used to finance Majid Al Futtaim's existing and future green projects, including green buildings, renewable energy, sustainable water management, and energy efficiency.

The company's credit rating has been maintained at 'BBB' with a stable outlook by both Standard & Poor's and Fitch Ratings. The ratings reiterate the company's credit strengths, resilience of its business model, quality of assets, strong corporate governance, and prudent financial management.

About Majid Al Futtaim

Founded in 1992, Majid Al Futtaim is the leading shopping mall, communities, retail and leisure pioneer across the Middle East, Africa and Asia.

A remarkable business success story, Majid Al Futtaim started from one man's vision to transform the face of shopping, entertainment and leisure to 'create great moments for everyone, every day'. It has since grown into one of the United Arab Emirates' most respected and successful businesses spanning 16 international markets, employing more than 44,000 people, and obtaining the highest credit rating (BBB) among privately-held corporates in the region.

Majid Al Futtaim owns and operates 27 shopping malls, 13 hotels and four mixed-use communities, with further developments underway in the region. The shopping malls portfolio includes Mall of the Emirates, Mall of Egypt, City Centre malls, My City Centre neighbourhood centres, and four community malls which are in joint venture with the Government of Sharjah. The Company is the exclusive franchisee for Carrefour



in a number of markets across the Middle East, Africa and Asia, operating a portfolio of more than 300 outlets.

Majid Al Futtaim operates more than 500 VOX Cinemas screens and 37 Magic Planet family entertainment centres across the region, in addition to iconic leisure and entertainment facilities such as Ski Dubai, iFly Dubai and Ski Egypt, among others. The Company is parent to the consumer finance company 'Najm', and a Fashion and Home retail business representing international brands such as Abercrombie & Fitch, AllSaints, lululemon athletica, Crate & Barrel and Maisons du Monde. In addition, Majid Al Futtaim operates Enova, a facility and energy management company, through a joint venture operation with Veolia, a global leader in optimised environment resource management. The Company also owns the rights to The LEGO Store and American Girl in the Middle East.

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