



MAJID AL FUTTAIM

HOLDING

FINANCIAL HIGHLIGHTS 2010

Lead By Example

About our business

Introduction

The Majid Al Futtaim Group was established in 1992 by its Founder and President, Mr. Majid Al Futtaim.

The Group has brought a new kind of retail and leisure experience to the region. We recognize that consumers want to do more than just shop. They want a place to meet, socialize, eat, drink, relax and be entertained with family and friends.

Starting with the first "City Centre" mall in Deira in 1995, followed by Mall of the Emirates in 2005, the Majid Al Futtaim Group operates shopping malls and Carrefour hypermarkets across the MENA region. With a total staff of 18,850 employees and with 10 shopping malls and 37 hypermarkets in operations at year-end 2010, in 11 countries, the Majid Al Futtaim Group has established itself as the leading retail and leisure pioneer in the MENA region.

We continue to be guided by the vision of our President and founder Mr. Majid Al Futtaim.

Our mission

Our mission is to become the preferred destination for consumers, partners and employees.

Our values-in-action

Our "values-in-action" are listening, learning and leading.

- We listen because what matters for consumers is what matters for our business.
- We learn because by learning we grow.
- We lead because by leading we create tomorrow's success.

Financial highlights 2010

The selected financial data below are based on the Majid Al Futtaim Group's audited consolidated financial statements for the year ended 31st December 2010.

1. Consolidated income statement (*):

	<u>2010</u> <u>(m AED)</u>	<u>2009</u> <u>(m AED)</u>	<u>Difference</u> <u>(m AED)</u>	<u>%</u>
Revenue	17,739	15,901	1,838	11.6%
Cost of sales	-12,502	-11,583	-919	7.9%
Operating and other expenses	-3,819	-3,469	-350	10.1%
Net finance costs and tax	-463	-291	-172	59.3%
Profit before revaluation results and impairment	955	558	397	71.2%
EBITDA for the year	2,346	1,597	749	46.9%

(*) Simplified version, based on the Audited Consolidated Financial Statements 2010 of the Majid Al Futtaim Group.

In 2010, the total revenues of the Group increased by 12% compared to the previous year to reach AED 17,739 million. The revenues of the two main operating businesses showed a strong growth in 2010: the revenues of Majid Al Futtaim Properties grew by 27% with the opening of Mirdif City Centre in March 2011, while the revenues of Majid Al Futtaim Retail grew by 10%.

The profit before revaluation results and impairment grew by 71% compared to the previous year to reach AED 955 m.

In 2010, the EBITDA of the Group increased by 47% compared to the previous year to reach AED 2,346 million.

2. Consolidated statement of financial position (*):

	<u>2010</u> <u>(m AED)</u>	<u>2009</u> <u>(m AED)</u>	<u>Difference</u> <u>(m AED)</u>	<u>%</u>
<u>Non current assets:</u>				
Property, plant and equipment	18,575	17,887	688	3.8%
Investment property	10,328	9,812	516	5.3%
Other non current assets	1,470	1,991	-521	-26.2%
Total non current assets	30,373	29,690	683	2.3%
<u>Current assets:</u>				
Inventories	717	720	-3	-0.4%
Trade and other receivables	954	1,175	-221	-18.8%
Cash at bank and in hand	2,277	2,423	-146	-6.0%
Other current assets	264	354	-90	-25.5%
Total current assets	4,212	4,672	-460	-9.8%
<u>Current liabilities:</u>				
Current maturity of long term loans	2,038	2,070	-32	-1.5%
Bank overdraft	11	59	-48	-81.3%
Trade and other payables	4,885	4,917	-32	-0.6%
Other current liabilities	224	238	-14	-6.0%
Total current liabilities	7,158	7,284	-126	-1.7%
<u>Non current liabilities:</u>				
Long term loans	8,470	8,302	168	2.0%
Other non current liabilities	547	522	25	4.8%
Total non current liabilities	9,017	8,824	193	2.2%
<u>Equity:</u>				
Share capital	2,487	2,487	0	0.0%
Reserves	15,496	15,460	36	0.2%
Minority interest	427	307	120	39.2%
Total equity	18,410	18,254	156	0.9%

(*) Simplified version, based on the Audited Consolidated Financial Statements 2010 of the Majid Al Futtaim Group.

The equity at year-end 2010 is AED 18,410 million, an increase by AED 156 million compared to the previous year. This is mostly explained by the comprehensive income for the year of AED 494 million, partly offset by the impact of acquisition of non-controlling interests for AED 295 million.

At the end of 2010, the net external debt amounted to AED 8,242 million compared to AED 8,008 million in 2009. Financial leverage at year-end 2010 was 0.45:1 (2009: 0.44:1).

3. Consolidated statement of cash-flows (*):

	<u>2010</u> (m AED)	<u>2009</u> (m AED)	<u>Difference</u> (m AED)	<u>%</u>
Cash generated from operations	2,272	1,760	512	29.1%
<u>(Increase) / decrease in working capital:</u>				
Inventories	3	-36	39	n/a
Receivables and pre-payments	327	66	261	396.6%
Payables and accruals	-38	175	-213	n/a
Other	78	-12	90	n/a
	370	193	177	92.2%
Net cash inflow from operating activities	2,642	1,953	689	35.3%
<u>Investing activities:</u>				
Acquisition of property, plant and equipment	-2,182	-3,461	1,279	-36.9%
Other investing activities	150	111	39	35.2%
Cash outflow from investing activities	-2,032	-3,350	1,318	-39.3%
<u>Financing activities:</u>				
Long term loans received	3,985	3,064	921	30.1%
Long term loans repaid	-3,845	-713	-3,132	439.1%
Other financing activities	-848	-765	-83	10.8%
Cash inflow from financing activities	-708	1,586	-2,294	n/a
Net increase / (decrease) in cash	-98	189	-287	n/a
Cash at the beginning of the year	2,364	2,175	189	8.7%
Cash at the end of the year	2,266	2,364	-98	-4.1%

(*) Simplified version, based on the Audited Consolidated Financial Statements 2010 of the Majid Al Futtaim Group.

The cash generated from operations increases by AED 512 million or 29% to reach AED 2,272 million for the year 2010.

The net cash inflow from operating activities increases by AED 689 million or 35% to reach AED 2,642 million for the year 2010.

The cash outflow from investing activities of AED 2,032 million in 2010 mostly relates to capital expenditure.

The other financing activities showing a cash outflow of AED 848 million in 2010 mostly relate to interest payments and to acquisition of non-controlling interests.

The net cash position at year-end 2010 is AED 2,266 million, in line with the previous year.