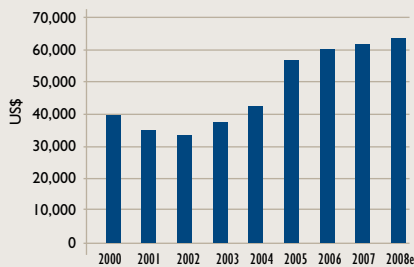


Abu Dhabi Retail Snapshot

RETAIL SERVICES | SECOND QUARTER | 2008

Weaker leisure tourism segment vis-à-vis Dubai offset by higher spending power and strong internal demand

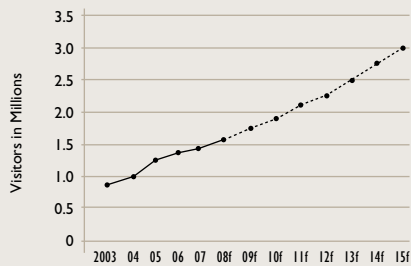
ABU DHABI GDP PER CAPITA



GDP Per Capita exceeding US\$61,000 remains core constituent of spending power, supported by benign economic conditions boosting consumer confidence

The Abu Dhabi Tourism Authority (ADTA) overseeing strategic plan to increase leisure tourism market share to 40%, up from current share of 25%

ADTA TOURISM GROWTH TARGETS



Shift from 'high street retail to shopping malls complete, with strong demand for 'destination' shopping venues looking ahead

ECONOMIC HIGHLIGHTS

- GDP in 2007 registered at US\$98.3bn, representing over 60% of UAE's total GDP
- More measured economic growth strategy; imperative of attracting foreign investment and 'white collar' workers less pressing
- Abu Dhabi GDP growth driven primarily by hydrocarbon sector revenues, non-oil GDP growth of 7% due to strong YOY gains in industrial, tourism and real estate sectors
- YOY population growth of 6.8%, with current population estimates at 1.6 million inhabitants in the Emirate of Abu Dhabi, 900,000 of whom live in the capital city
- The Urban Planning Council (UPC) projects 1.3 million inhabitants in the city of Abu Dhabi by 2013
- Emirati nationals constitute 25% of the Abu Dhabi population, and enjoy 50% of total disposable income
- Average UAE spending power of US\$14,400 per household per annum
- Average spending power per annum of US\$23,000 for 'Emirati' households, US\$19,500 for 'Western' households, US\$13,500 for 'Other Arab' households and US\$10,000 for 'Asian' households
- Existing National-Expatriate split expected to remain stable over next two years. Proportion of expatriate population in Dubai, by contrast, is expected to increase to 87% by 2010
- Total spending in Abu Dhabi's retail sector is expected to reach US\$ 2bn by the end of next year



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Distribution of forthcoming retail amenities overseen by UPC, which emphasises the integration of retail amenities into master-planned communities

Future shopping mall landscape expected to play more supportive role, rather than 'standalone' shopping malls acting as tourism destination drivers in themselves

Shopping mall Gross Leasable Area (GLA) in Abu Dhabi set to increase from 810,000m² at present to 1.75 million m² by 2010

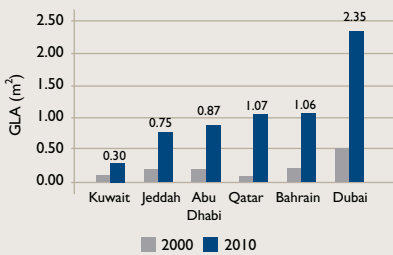
FORTHCOMING SUPPLY*

PROJECT	YEAR	GLA (m ²)
DALMA MALL	2009	130,000
MARINA MALL	2010	100,000
CENTRAL MARKET	2010	120,000
DEERFIELDS	2010	110,000
AL REEM MALL	2012	200,000

* This table does not constitute an exhaustive list of forthcoming supply

Shopping mall supply accounts for almost 60% of total retail GLA, with non-mall GLA representing less than 300,000 m² in total

GCC RETAIL MALL GLA PER CAPITA



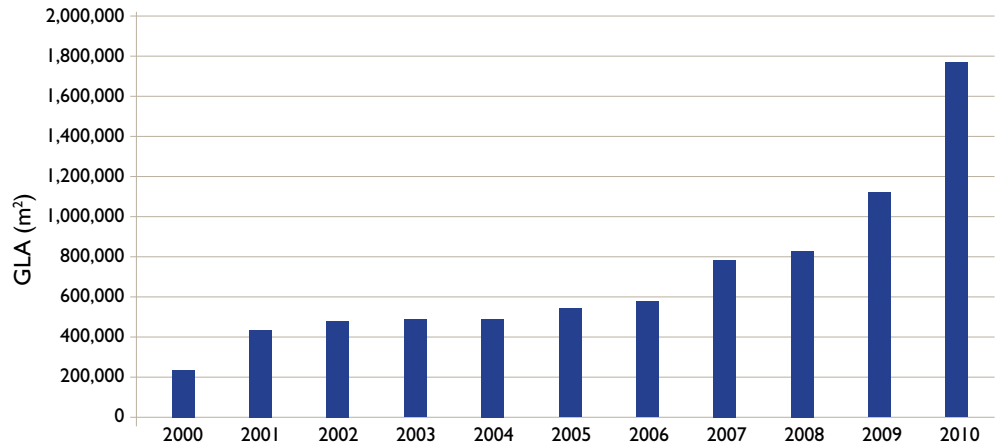
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ABU DHABI CUMULATIVE SHOPPING MALL SUPPLY



RETAIL MARKET PERFORMANCE

- Average occupancy rates of 90% across market, full occupancy in new generation malls incorporating leisure amenities
- Pre-let market less bullish than Dubai, with momentum gathering within one year of completion
- Shopping mall rents average US\$ 950 per m² p/a, increasing to an average of US\$1,500 per m² p/a in premium retail destinations such as Marina Mall, Abu Dhabi Mall and Al Wahda Mall
- Anchor tenant rents average US\$ 150 per m² p/a, based on 15-year lease terms with 3-year rent reviews
- Estimated footfalls driven primarily by shopping mall tenant prestige – Abu Dhabi Mall currently achieves the highest footfall at just over 1.2 million visitors per month, whereas Marina Mall monthly footfall averages 900,000
- GLA Per Capita set to increase by 53% to 0.87 m² in 2010, requiring retail sales to grow at a steady YOY growth rate of 19% to sustain current performance trends
- Approximate annual retail spend of US\$4,900 per capita required to support growth
- UPC's Plan Abu Dhabi 2030 envisages a measured distribution of retail space across the enlarged city of Abu Dhabi, with the existing downtown, Al Reem Island, Capital District, Sadaiyat Island and Al Yas Island representing the key retail 'hot spots' over the longer term
- Role of UPC in overseeing retail provision and integration of forthcoming retail amenities into master-planned developments reduces risk of market oversupply
- Greater flexibility to increase or scale back supply in line with tourism sector performance and organic demand growth
- Brand diversification and integration of leisure amenities will become increasingly crucial as more supply enters the market, given UAE national-driven spending power
- Opportunity for older, smaller shopping malls to reposition themselves towards middle-income segment
- Future retail performance supported by strategic plan to develop leisure tourism market in Abu Dhabi, providing scope for niche retail outlets focusing on cultural and sports tourism segments

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