
Emaar to consolidate with Dubai Holdings subsidiaries

Sunday, 05 Jul, 2009

Emaar Properties PJSC and Dubai Holdings LLC announced that they are in advanced discussions with regards to an intended combination of the following real estate businesses: Emaar, Dubai Properties LLC, Sama Dubai LLC and Tatweer LLC.

Mr Mohammed Al-Gergawi chairman of Dubai Holdings said that “Consolidating these 3 companies with Emaar is a natural progression in the evolution of the Dubai real estate landscape, providing benefits to all stakeholders. By joining forces, we will give the larger combined entity an unparalleled platform to optimize opportunities in its domestic and international markets. The combined entity has a clear and concise strategy, better positioning Dubai as a world-leading hub in real estate development and management.”

Mr Mohamed Alabbar chairman of Emaar said that “We believe that there could be exceptional synergies between Emaar and Dubai Holdings key real estate businesses. These comprehensive discussions are driven by a shared vision regarding the consolidation of our respective visible success stories to date and the creation of a world-class group which would be ideally positioned to dynamically help shape and support the ongoing development of Dubai as a world-leading hub. We look forward to working with Dubai Holdings with a view to completing these discussions soon and ensuring value accretion to our existing shareholders.”

As per report, Emaar and Dubai Holdings along with the assistance of their financial advisers, the Royal Bank of Scotland PLC and Merrill Lynch International respectively are in the process of finalizing a thorough assessment of the merits of this proposed consolidation, including the valuation of the various entities as well as the assessment of the potential transaction structures. Discussions are also being held with relevant regulatory authorities.

It is currently estimated that the process of consolidation will take approximately 4 months to be completed, which will include due diligence of the entities, detailed valuation exercise, completion of legal documentation, agreement with regulatory authorities in respect of the structure and the process and shareholders approval.

For more news visit at www.steelguru.com