



National Central Cooling Company PJSC

26 January 2014

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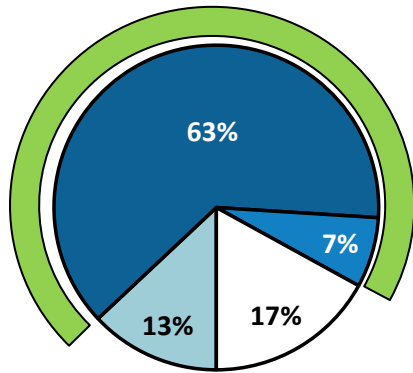
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Agenda

- Overview
- Headline Performance
- Operational and Financial Highlights
- Chilled Water Performance
- Summary

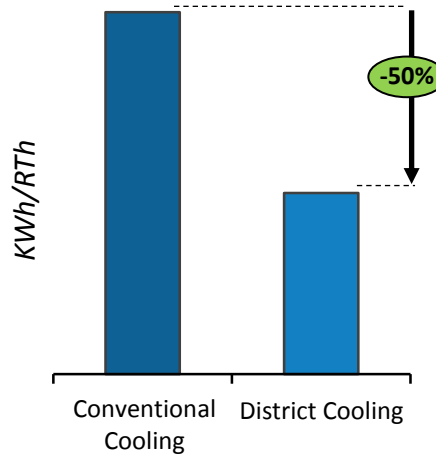
Tabreed's Story

Overall cooling represents **70%** of the GCC's energy peak consumption...

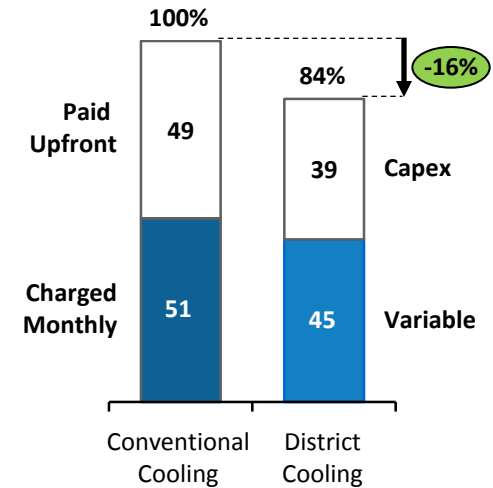


■ Industry ■ Conventional Cooling
■ District Cooling ■ Other

...District Cooling (DC) is **50%** more energy efficient than Conventional Cooling (CC)...



...DC comes at ~**16%** lower life cycle cost than CC



Translates into substantial energy, economic and environmental benefits



Ferrari World Abu Dhabi

- 15 million kWh - Reduction in Energy Consumption per Year
- AED 2 million - Cost Savings per Year
- 6,900 Tons - Reduction in Carbon Dioxide Emissions per Year



Etihad Towers

- 19 million kWh - Reduction in Energy Consumption per Year
- AED 2.8 million - Cost Savings per Year
- 8,500 Tons - Reduction in Carbon Dioxide Emissions per Year

Company Overview

World's Largest District Cooling Company

- 60 district cooling plants across the UAE and an additional 6 district cooling plants across the GCC
- Total connected capacity of 839,000 RT
- Over 23,000 shareholders including Mubadala, ACWA and the Retirement fund

Operational Excellence & Reliability

- Provides energy efficient district cooling systems with highest reliability
- Continuous operational improvements; (e.g. 10% electricity and 13% water efficiency gains over last 4 years)
- ~12,000 RT in temporary mobile capacity available for any interruption risk

O&M Excellence

- Strong, committed O&M employees guaranteeing around the clock full availability and reliability of equipment
- Operate 11 third party plants
- Centre of excellence for training of JV operators and subsidiaries

Track Record

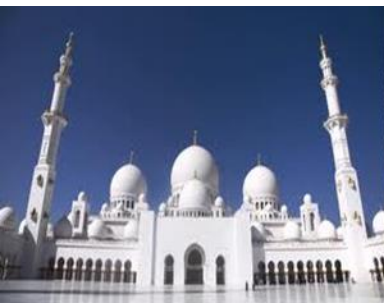
- Providing critical cooling infrastructure to government, commercial, residential and private organizations in the GCC since 1998
- Historically high levels of reliability

Regional Presence

- Owns and operates numerous plants in the GCC, including Bahrain, Oman, Saudi Arabia, and Qatar (including the world's largest district cooling plant in The Pearl, with a capacity of 130,000 RT)
- 600 employees in the UAE and 300 outside of the UAE

Partner of Choice

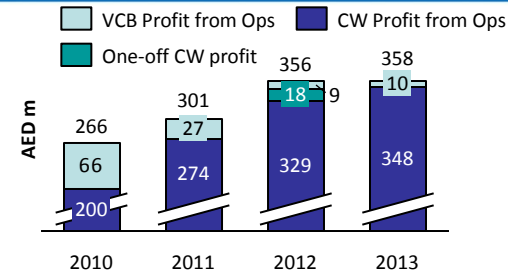
- Some of the high profile projects include Yas Island, Sheikh Zayed Grand Mosque, Dubai Metro, Etihad Towers, The Pearl Qatar, Bahrain Financial Harbour and Saudi Aramco
- District cooling partner for leading developers (for example, Aldar)



Headline Performance

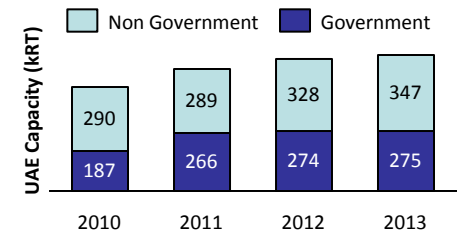
Strong focus on Core Business

- Chilled Water Revenue up 4% to AED 1,027.4m
- 6% increase in Chilled Water Profit from Operations
- CW business represents 97% of Profit from Operations



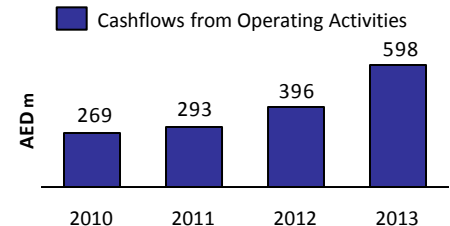
Long-term stable customer base

- 44% of UAE capacity contracted to UAE Government clients
- 145,000 RT increase in capacity contracted since 2010



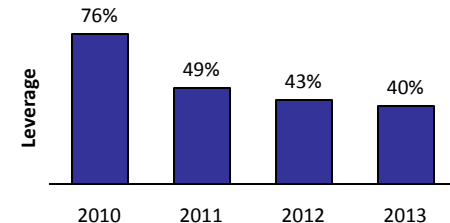
Strong cash generation

- AED 600m of cash generated from operations
- Annualised growth of 30% since 2010
- Cash dividend recommended by Board of Directors



Reduction in Leverage

- Meeting all debt obligations
- Over 30% reduction in leverage since the completion of the recapitalisation

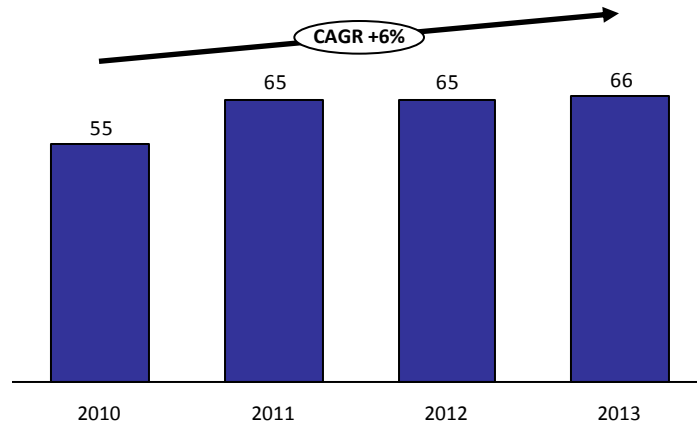


Low risk; future growth

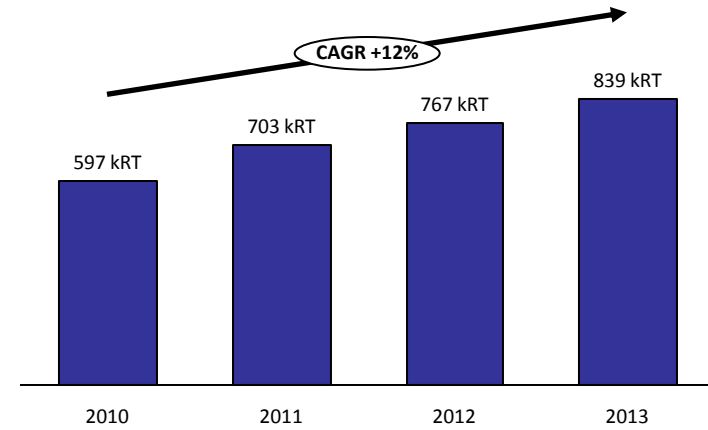
Low risk, utility infrastructure business with strong cashflows, well positioned for future growth

Operational Highlights

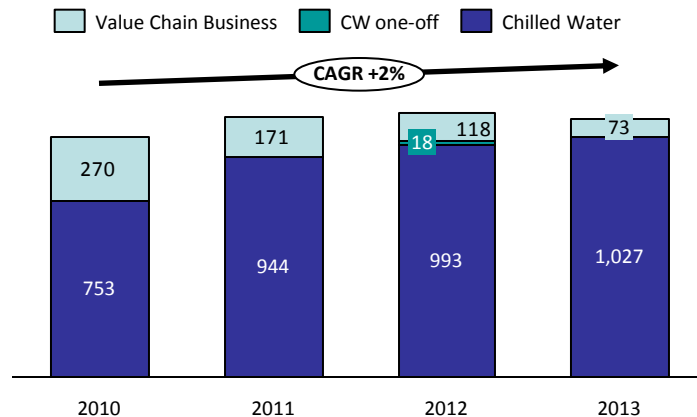
Number of Plants



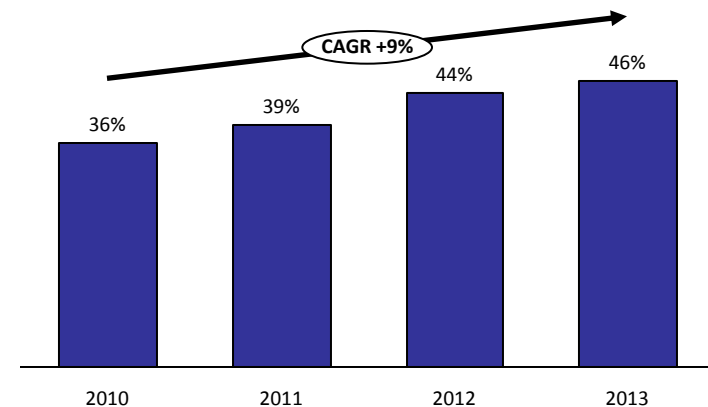
Gross Capacity



Group Revenue (AED m)



Group EBITDA Margin



Consistent and sustainable results, as expected from a utility infrastructure business

Financial Highlights – Income Statement

Audited Consolidated Financials (AED m)	2013	2012	
Revenue	1,100.2	1,128.7	
<i>Chilled Water (93% of revenue)</i>	1,027.4	993.0	4% increase in CW revenue
<i>Chilled Water one-off</i>	-	18.0	
<i>Value Chain Businesses (7% of revenue)</i>	72.8	117.8	
Operating Costs	(592.1)	(628.1)	6% reduction driven by contraction of the VCBs
Gross Profit	508.1	500.6	
<i>Gross Profit Margin</i>	46%	44%	2% increase in gross profit margin, due to focus on CW
Admin & Other Expenses	(150.4)	(144.3)	4% reflecting business growth
Profit from Operations	357.7	356.3	
<i>Operating Profit Margin</i>	33%	32%	19% reduction due to lower EIBOR rates and debt repayment
Net Finance Costs	(143.6)	(176.7)	
Fair Value Adjustment	(19.1)	-	Plan to dispose of land in Oman purchased in 2008; revalued to current market price
Share of Results of Associates	66.7	57.6	16% increase driven by Qatar Cool
Net Profit attributable to Parent	272.4	236.3	15% year on year growth
EBITDA	506.4	501.7	
<i>EBITDA Margin</i>	46%	44%	

Transformation into a utility infrastructure business now complete

Financial Highlights – Balance Sheet

Audited Consolidated Financials (AED m)	2013	2012	
Fixed Assets	6,633.0	6,790.3	
Associates and Joint Ventures	524.5	459.5	
Accounts Receivable	240.7	425.4	43% reduction as a result of continued focus on cash collections
Other Receivables & Prepayments	217.8	132.9	
Cash and Short Term Deposits	670.4	560.4	Higher cash generation, together with debt repayments, dividends and MCB cash coupon payments
Other Assets	138.9	123.7	
Total Assets	8,425.3	8,492.2	
Equity and Reserves	2,164.1	2,073.5	
Mandatory Convertible Bonds – equity portion	2,487.0	2,353.1	Dividend paid in shares to the bondholder (issued in May 2013)
Debt	3,092.4	3,336.0	Debt repayment now every 6 months
Other Liabilities	681.8	729.6	
Total Liabilities and Equity	8,425.3	8,492.2	

Strong balance sheet, benefiting from receivables optimization and a reduction in leverage

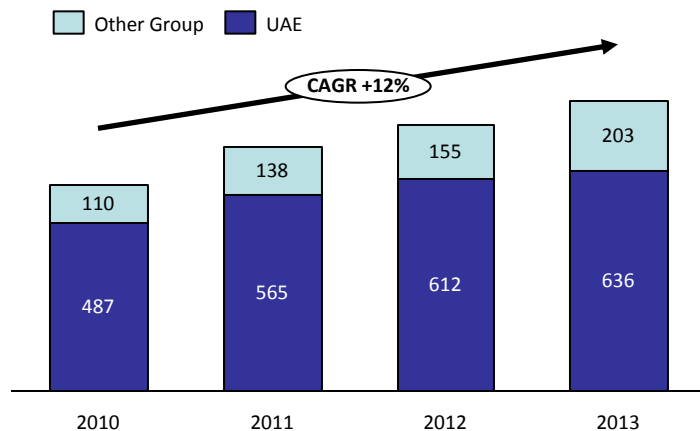
Financial Highlights – Cashflow

Audited Consolidated Financials (AED m)	2013	2012	
EBITDA for the year	506.4	501.7	
Finance Income relating to Finance Lease receivable	(121.7)	(124.9)	
Lease Rentals received	125.4	110.7	
Working Capital Adjustments	88.3	(91.3)	• Significant improvement in receivables
Net Cashflows from Operating Activities	598.4	396.2	• Strong cashflows, as expected from a utility infrastructure business
Investing Activities	(67.4)	(114.8)	• Build out programme completed
Financing Activities	(421.0)	(233.0)	• Driven by Tabreed debt repayments and MCB cash coupon payments
Net Movement in Cash and Cash Equivalents	110.0	48.4	
Cash and Cash Equivalents at 1 January	560.4	512.0	
Cash and Cash Equivalents at 31 December	670.4	560.4	

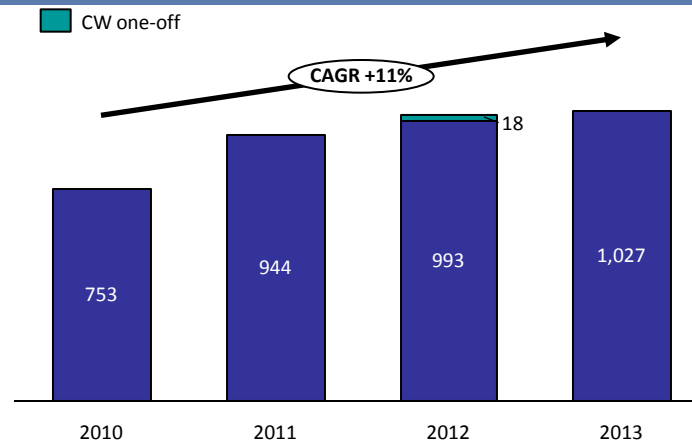
Strong cashflows from operating activities, positioning us well for future growth

Chilled Water Performance

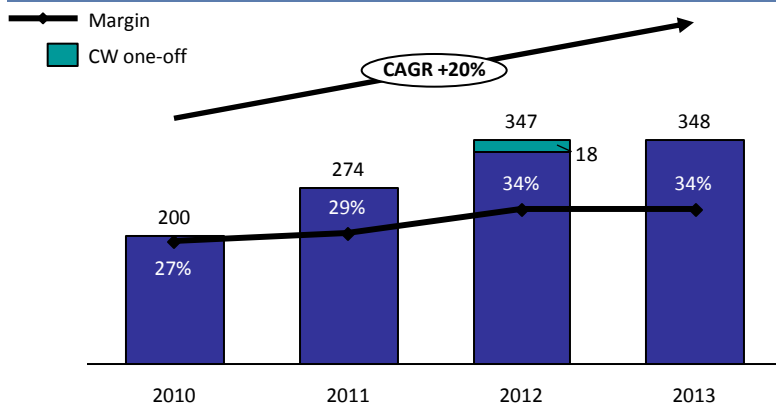
Gross Capacity (kRT)



Revenue (AED m)



Profit from Operations (AED m)



Chilled Water (AED m)	UAE	Bahrain	Qatar	Other	Total
Revenue	1,002.0	20.2	-	5.2	1,027.4
Operating Costs	(526.4)	(20.2)	-	(2.6)	(549.2)
Gross Profit	475.6	-	-	2.6	478.2
<i>Gross Profit Margin</i>	47%	-	-	50%	46%
Profit from Operations	350.6	(2.8)	-	-	347.8
Share of results of Associates	12.1	-	46.8	7.8	66.7

Core Chilled Water business delivers consistent performance

Why District Cooling?

- Air conditioning is an absolute necessity in the GCC
- District Cooling enables a 50% reduction in energy consumption and carbon footprint
- District Cooling is 16% cheaper than conventional cooling

Why Tabreed?

- Tabreed is the largest utility infrastructure business offering cooling services in the Middle East
- Proven track record in its operations and the industry leading in-house O & M team
- Long-term, stable, price certain contracts with guaranteed returns
- 44% of contracts with UAE Government entities

Robust Financial Results

- 2013 Chilled Water Revenue up 4% to AED 1,027.4m
- 2013 Net Profit attributable to Parent now at AED 272.4m, up 15%
- 2013 Group EBITDA up 1% to AED 506.4m
- 2013 Cashflow From Operations up 51% to AED 598.4m
- Strong cash generating ability, enabling reduction in leverage to 40%

Core Business Focus Delivering Value

- Robust financial results with strong cashflows
- Board of Directors recommending cash dividend 5 fils per share
- Delivering on its strategy; enhancing value from existing plants while maximizing operational efficiencies
- Evolution from a business in development to a low risk utility infrastructure business

Well positioned for growth

- GCC economies continue to grow and district cooling is a vital component of economic growth
- Tabreed is well positioned to capitalize on future growth opportunities

Q & A

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Appendix

Financial Highlights–Q4 Income Statement

Audited Consolidated Financials (AED m)	Q4 2013	Q4 2012	
Revenues	273.7	286.7	
<i>Chilled Water (92% of revenue)</i>	251.5	245.4	3% increase in CW revenue
<i>Chilled Water one-off</i>	-	18.0	
<i>Value Chain Businesses (8% of revenue)</i>	22.2	23.3	
Operating Costs	(155.6)	(155.2)	
Gross Profit	118.1	131.5	
<i>Gross Profit Margin</i>	43%	46%	1% increase in gross profit margin after stripping out one-off
Admin & Other Expenses	(36.4)	(36.7)	
Profit from Operations	81.8	94.8	7% year on year growth after stripping out one-off
<i>Operating Profit Margin</i>	30%	33%	
Net Finance Costs	(32.6)	(48.1)	Reduction in EIBOR rates on loan
Fair Value Adjustment	(19.1)	-	Plan to dispose of land in Oman purchased in 2008; revalued to current market price
Share of Results of Associates	31.7	24.7	28% increase driven by Qatar Cool
Net Profit attributable to Parent	70.0	68.7	
EBITDA	126.7	139.5	4% year on year growth after stripping out one-off
<i>EBITDA Margin</i>	46%	49%	

Transformation into a utility infrastructure business now complete

Financial Highlights – Q4 Cashflow

Audited Consolidated Financials (AED m)	Q4 2013	Q4 2012	
EBITDA for the period	126.7	139.5	
Finance income relating to finance lease receivable	(30.4)	(33.7)	
Lease Rentals Received	30.9	31.8	
Working Capital Adjustments	42.6	(30.5)	Significant improvement in receivables
Net Cashflows from Operating Activities	169.8	107.1	Strong cashflows - increase of 58% year on year
Investing Activities	(10.8)	18.1	
Financing Activities	(124.7)	(118.0)	Driven by Tabreed debt repayments and MCB cash coupon payments
Net Movement in Cash and Cash Equivalents	34.3	7.2	
Cash and Cash Equivalents at 1 October	636.1	553.2	
Cash and Cash Equivalents at 31 December	670.4	560.4	

Strong cashflows from operating activities, positioning us well for future growth