

National Central Cooling Company PJSC

29 April 2015



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Agenda

1. Introduction and Operational Highlights

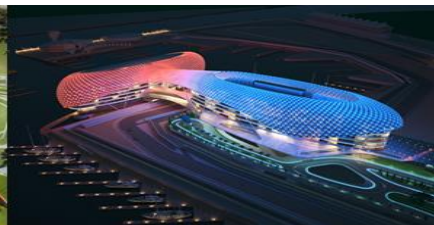
Jasim Thabet, CEO

2. Financial Results

Steve Ridlington, CEO

3. Conclusion

Jasim Thabet, CEO



Steve Ridlington

- Steve Ridlington is Tabreed's newly appointed Chief Financial Officer, a position he previously held between 2009 - 2011.
- Steve led the company through its AED 3 billion recapitalization
- Before re-joining Tabreed in February 2015, Steve was the CFO for London-based Buried Hill, a private upstream oil and gas exploration company.
- He worked for BP for 17 years in various leadership capacities
- Steve has been a member of the Association of Corporate Treasurers since 1992.
- He graduated with honours in Mathematics and Economics from the University of Sussex, and holds a Masters of Philosophy, Economics with Mathematics from the University of Oxford.



OUR VISION

As an integral part of the region's growth, Tabreed will be the leading utility company, delivering and operating district cooling infrastructure, while creating sustainable value for our shareholders as we maintain the comfort of the communities we serve.

1

EFFICIENT AND ENVIRONMENT FRIENDLY OPERATION

We harness the most efficient technology and utilize our extensive experience to deliver reliable and energy efficient cooling solutions that are environmentally friendly

2

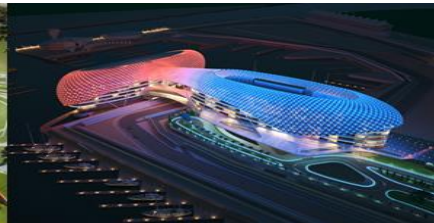
SHAREHOLDER RETURNS

Generate sustainable long-term returns for our stakeholders

3

BE A REGIONAL LEADER

As the region's preferred provider of cooling solutions, we focus on our customers' needs and deliver comfort, value and service to all the communities we serve.



Achievements at a glance

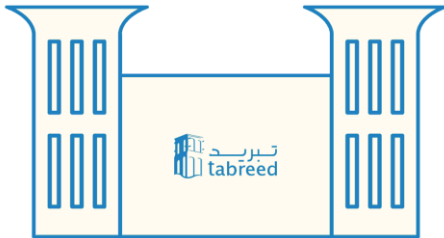
One of the World's Largest District Cooling Companies

Iconic Projects

69 Plants in the GCC

...delivering 950,000 RT

...equivalent to cooling 96 Burj Khalifa towers
250,000 RT growth in connections since 2012



..of cooling to our clients



High Contributor to Environmental Savings

Energy Efficiency

1.27 billion kWh

Yearly reduction in energy consumption in the GCC by using our energy-efficient and environmentally-friendlier cooling services



42,000



Enough energy to power up to 42,000 homes in the UAE every year

Elimination of

600,000 tons

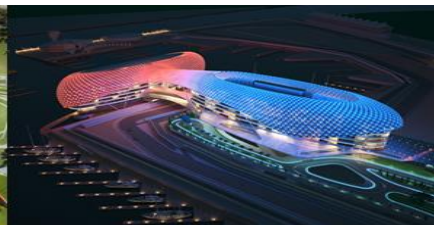
Yearly elimination of CO₂



116,000



The equivalent of removing 116,000 cars from our roads every year



Headline Performance

Long-term stable customer base

- 43% of UAE capacity contracted to UAE Government clients
- 11% annual growth in connected capacity since 2012
- 130 kRT increase in UAE capacity contracted since 2012

Core Business Growth

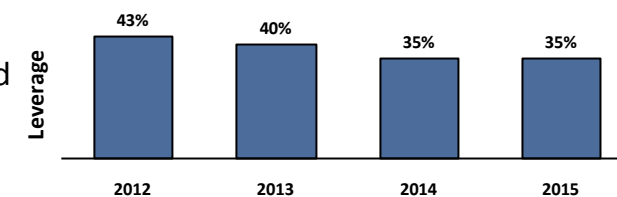
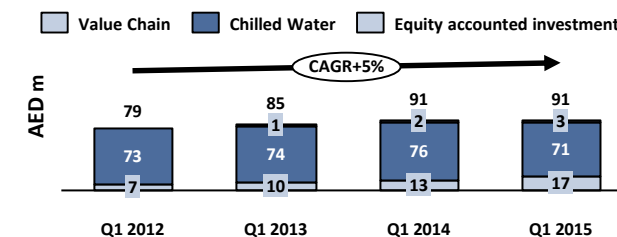
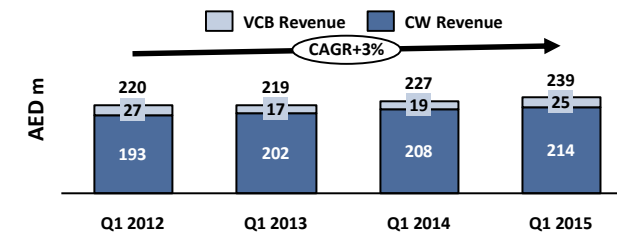
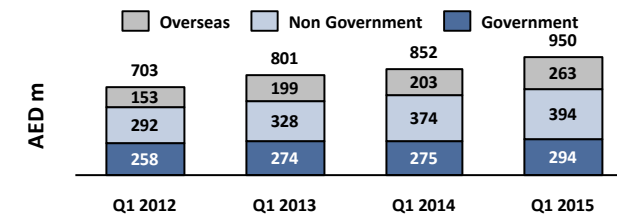
- 5% increase in Group Revenue over prior year, up to AED 239m
- 90% of Group Revenue is from Chilled Water business

Strong operating performance

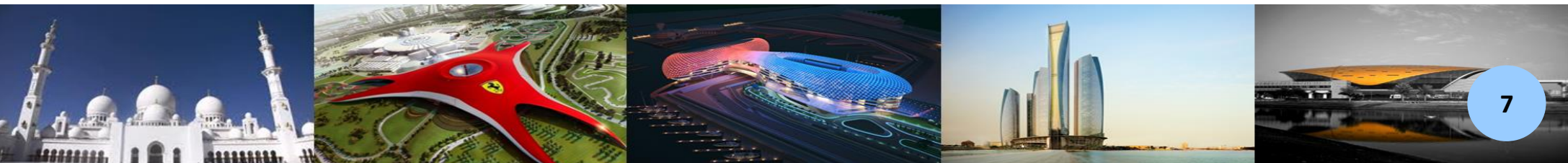
- 5% annual increase in Profit from Operations since 2012
- Stable earnings, as expected from a utility business
- Cost efficiencies and economies of scale increase income margin
- Achieved 2 million man- hours without any Lost Time Injury (LTI), achieving a significant HSE milestone.

Improving leverage ratios

- Completed re-financing in December 2014 with lower margins and longer tenor
- 21% reduction in leverage since 2012

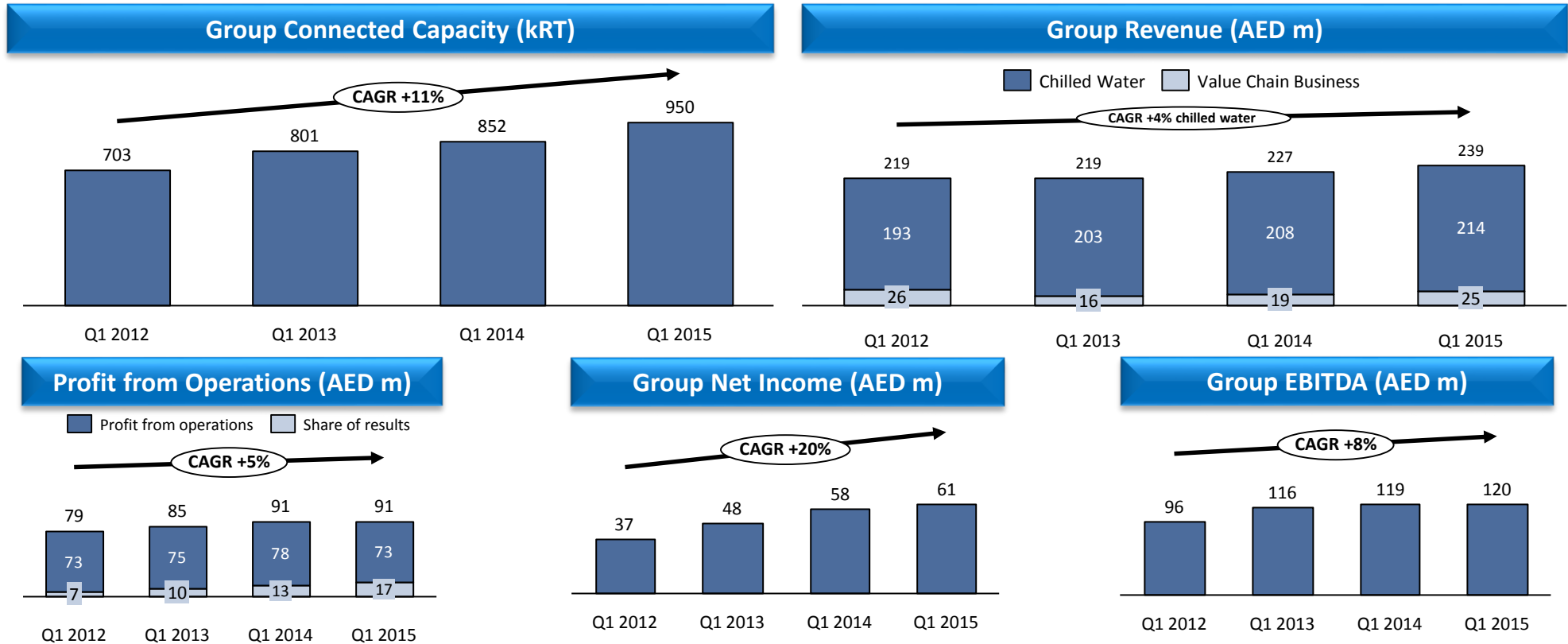


Stable utility infrastructure business with strong cash flow to continue delivering growth



Performance Highlights





Over the last 4 years Tabreed has delivered consistent growth in earnings on the back of sustained growth in connected capacity and top line revenues



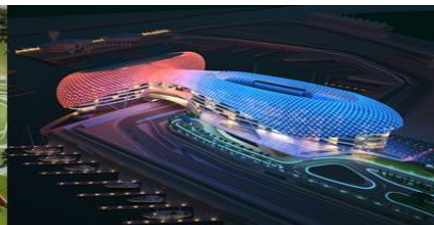
Consistent and sustainable results, as expected from a utility infrastructure business with over 50% dividend payout for the past three years placing Tabreed in Top10 of DFM companies



Regional Presence in GCC

		CONNECTED CAPACITY			
		PLANTS	OWNERSHIP	Q1 '14	Q1 '15
QATAR		3	44%	150 kRT	168 kRT
KSA		2	25%	27 kRT	63 kRT
BAHRAIN		1	90.3%	21 kRT	22 kRT
OMAN		2	60%	5 kRT	10 kRT

Tabreed has presence across GCC and the investments contribute positively to the Group's bottom line led by Qatar Cool and Tabreed Saudi



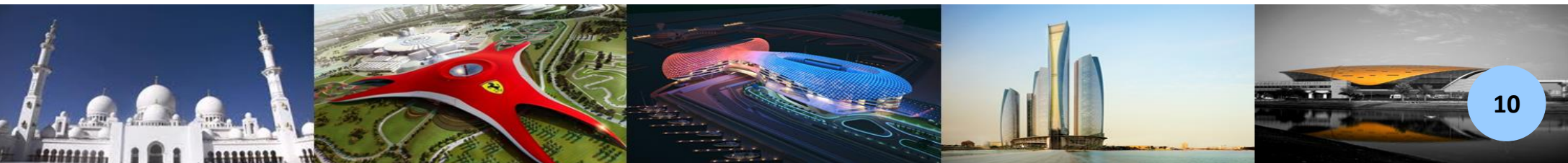
Financial Highlights – Income Statement

Unaudited Consolidated Financials (AED m)	Q1 2015	Q1 2014	Variance	%
Revenue	239.4	227.2	12.2	5%
Chilled water revenue (90%)	214.4	208.2	6.2	3%
Value chain businesses (10%)	25.0	19.0	6.0	32%
Operating cost	(116.9)	(108.2)	(8.7)	8%
Gross Profit	122.6	119.0	3.5	3%
Gross profit margin	51%	52%		
Administrative and other expenses	(49.1)	(40.7)	(8.4)	21%
Profit from Operations	73.5	78.3	(4.8)	-6%
Operating profit margin	31%	34%		
Net finance costs	(29.4)	(32.7)	3.3	-10%
Share of results of associates and joint ventures	17.3	12.8	4.5	35%
Net Profit	62.2	58.7	3.4	6%
Net profit margin	26%	26%		
EBITDA	119.7	118.6	1.1	1%
EBITDA margin	50%	52%		

Comments

- 5% increase in revenues and 6% increase in net income, mainly reflects chilled water performance
- Rise in admin and other expenses reflects increase in headcount
- Reduction in finance costs reflects impact of refinancing and lower Eibor
- Increase in Associate results mainly reflects Qatar Cool new connections

Transformation into a utility infrastructure business enables consistent performance with gross profit and EBITDA margins over 50%



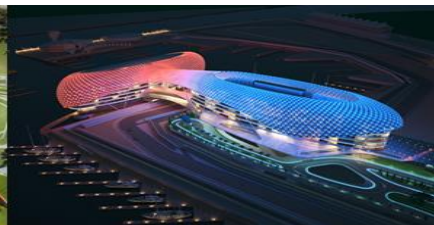
Financial Highlights – Financial Position

Unaudited Consolidated Financials (AED m)	Mar 2015	Dec 2014	Variance	%
Fixed Assets	6,784.9	6,679.4	105.5	2%
Associates and Joint Ventures	661.3	650.9	10.3	2%
Accounts Receivable	392.2	466.8	(74.6)	-16%
Cash and Short Term Deposits	407.4	417.9	(10.5)	-3%
Other Assets	122.0	119.7	2.3	2%
Total Assets	8,367.7	8,334.8	32.9	0%
Equity and Reserves	2,348.1	2,480.4	(132.3)	-5%
Mandatory Convertible Bonds – equity portion	2,450.2	2,450.2	-	-
Debt	2,635.6	2,661.7	(26.1)	-1%
Other Liabilities	933.8	742.5	191.3	26%
Total Liabilities and Equity	8,367.7	8,334.8	32.9	0%

Comments

- Growth in fixed assets represents continuing progress on new projects including Meraas
- Equity reduction reflects shareholder approval to pay 5 fils dividend in respect of 2014, equivalent to AED 173m. This resulted in an increase in other liabilities as the dividend was paid on 12 April 2015.

Balance sheet continues to show strength and positions us well for further growth



Financial Highlights – Cash flows

Unaudited Consolidated Financials (AED m)	Q1 2015	Q1 2014	Variance	%
EBITDA for the period	119.7	118.6	1.1	1%
Finance Income relating to Finance Lease receivable	(46.8)	(30.4)	(16.4)	54%
Lease Rentals received	61.4	35.9	25.5	71%
Working Capital Adjustments	(9.0)	9.5	(18.5)	-194%
Other adjustments	(21.0)	(9.2)	(11.8)	128%
Net Cashflows from Operating Activities	104.4	124.5	(20.1)	-16%
Investing Activities	(262.1)	(10.1)	(252.1)	2504%
Financing Activities	(55.4)	(52.1)	(3.3)	6%
Net Movement in Cash and Cash Equivalents	(213.2)	62.3	(275.5)	-442%
Cash and Cash Equivalents at 1 Jan	417.9	670.4	(252.5)	-38%
Cash and Cash Equivalents at 31 March	204.8	732.7	(527.9)	-72%

Comments

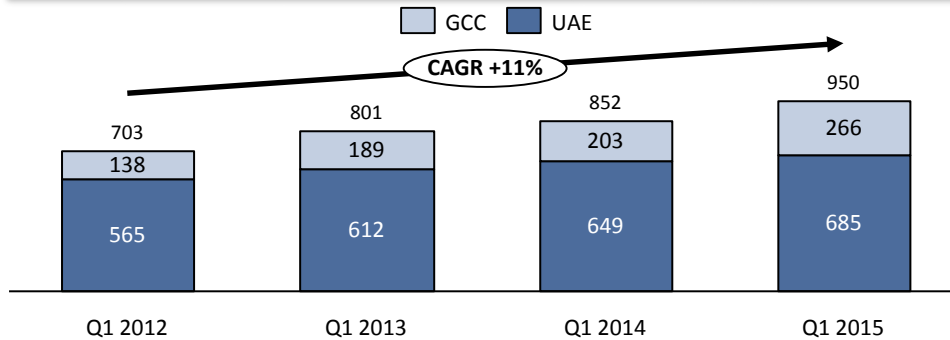
- Operating cash over AED 100m, down on 1Q due mainly to customer payment slipping into April
- Investment activities reflects AED 203m term deposits with banks and AED 60m of capex incurred on expansion projects

Balance sheet continues to show strength and positions us well for further growth

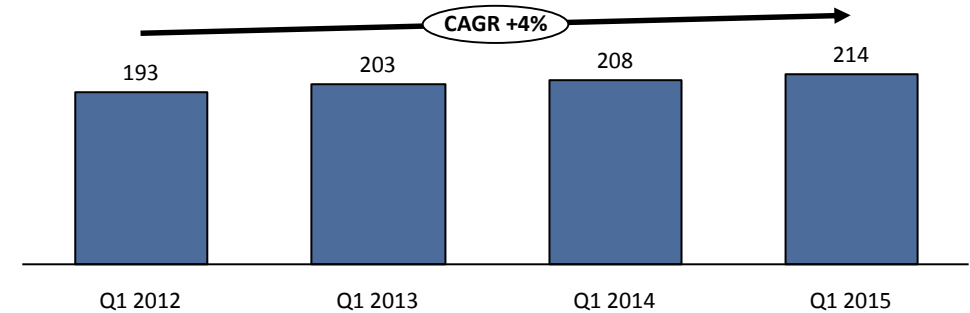


Q1 Chilled Water Performance

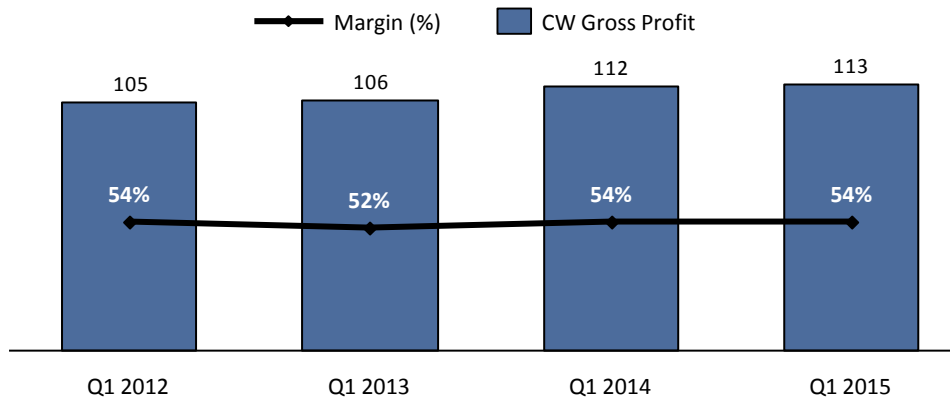
Gross Connected Capacity (kRT)



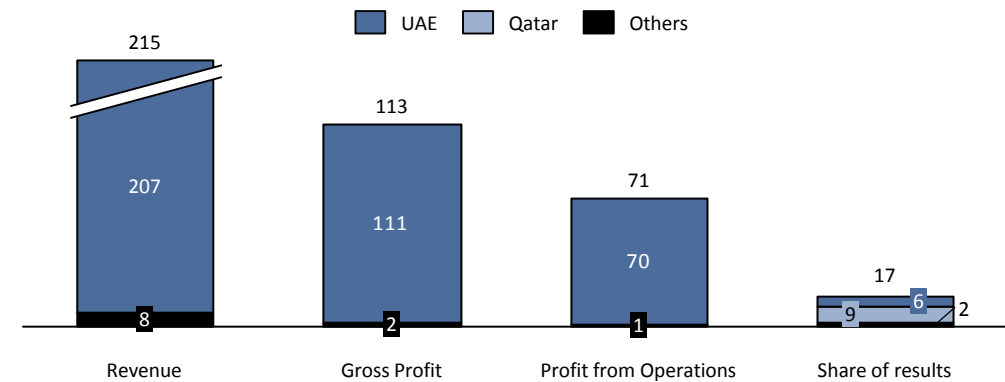
Revenue (AED m)



Chilled Water Gross Profit (AED m)



GCC breakdown (AED m)

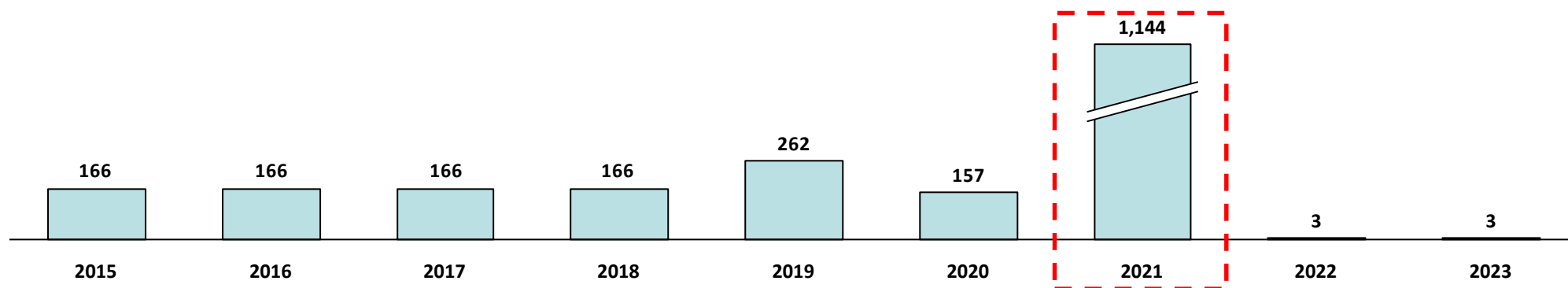


UAE is the foundation for consistent performance with exciting opportunities in GCC to materialize



Debt Maturity Profile

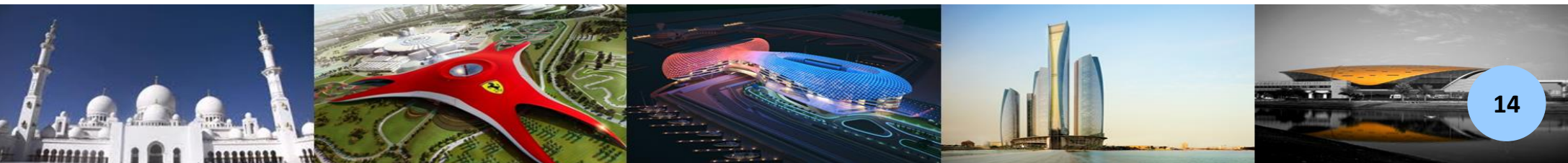
Debt repayments (AED in millions)



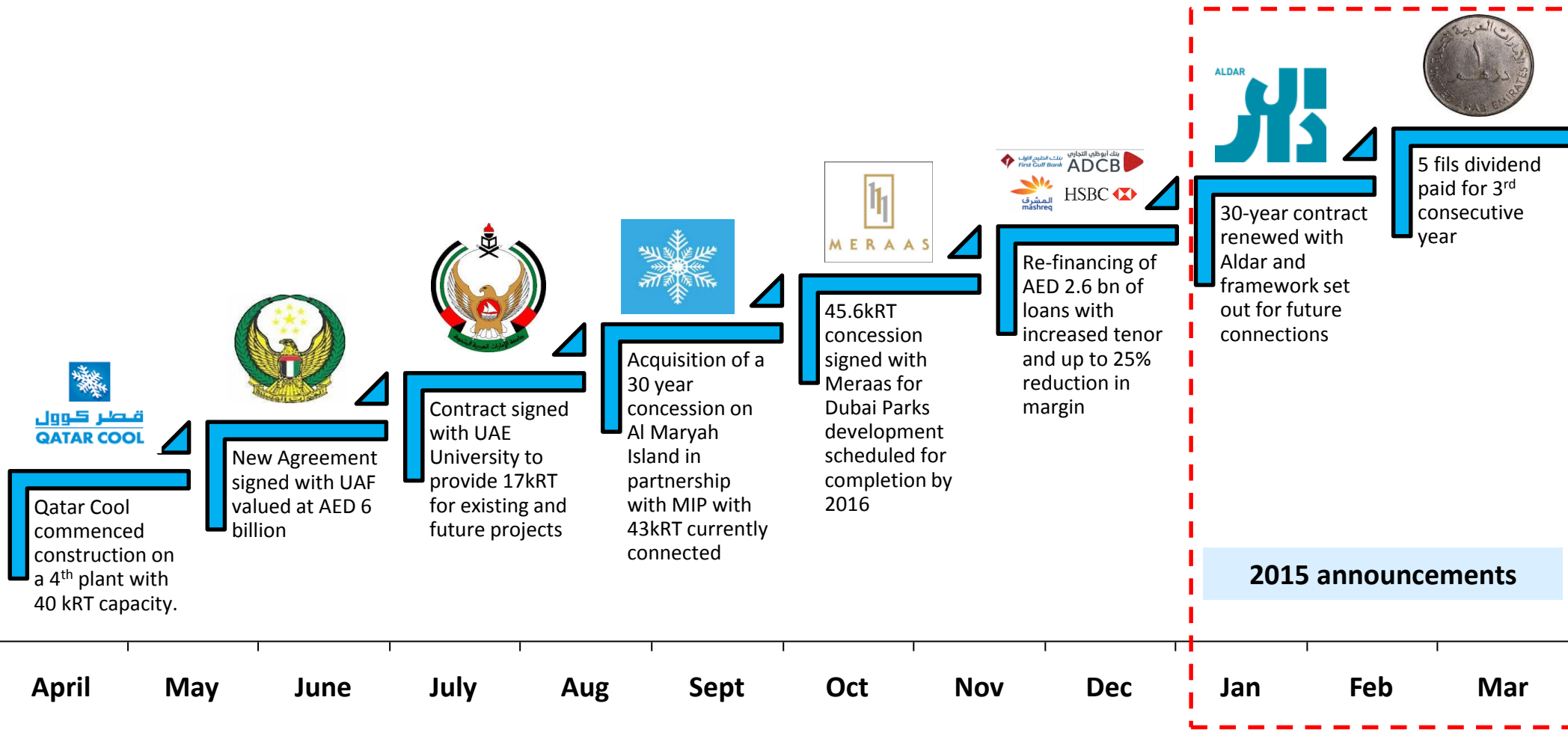
Debt position (AED in millions)

Borrower	Type	Amount (AED m)	Undrawn amount (AED m)
Tabreed	Term loan	2,065	-
Tabreed	Revolver	-	450
Bahrain District Cooling Company	Term loan	140	-
Tabreed Oman	Term loan	29	8
Total debt		2,234	
Less: Cash and cash equivalents		(407)	
Net debt		1,827	

Tabreed refinanced its debt in December 2014 which resulted in lower margins leading to lower finance cost and also included a 2 year tenor extension. Next major debt maturity is in 2021, repayment of the refinanced facilities.



Key Announcements



Tabreed has achieved significant business and investors objectives in the past 12 months



Summary

Why District Cooling?

- Providing critical cooling infrastructure at 50% less energy consumption and carbon footprint
- District Cooling is 16% cheaper than conventional cooling on a lifecycle basis

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

Robust Financial Results

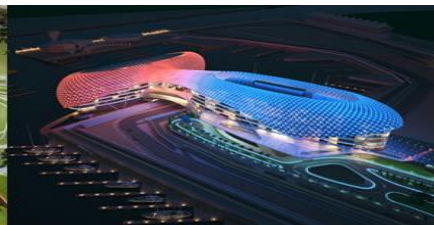
- 20% annual growth in net income since 2012, Q1 2015 net income attributable to parent up by 5%.
- Strong and stable cash flows with 8% annual growth in EBITDA since 2012 enabling reduction in leverage to 35%

Core Business Focus Delivering Value

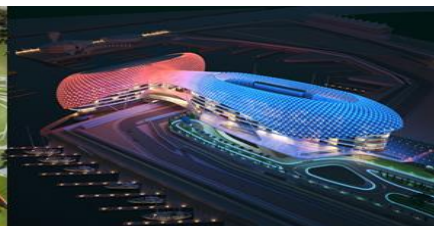
- Cash dividend 5 fils per share paid consecutively for 3 years, representing more than 50% payout

Delivering growth

- Well positioned to capitalize on future growth opportunities as evidenced by:
 - Construction of a new plant in Qatar in June 2014
 - Acquisition of Maryah Island concession in July 2014
 - Commencement of construction on Meraas plant in September 2014
 - Expansion of plant in Saudia in Q1 2015



Q & A



Contact Details

For further information, please contact:

Faisal Tahir Bhatti

Senior Analyst

Tel: +971 2 6455007; Ext: 483

Email: Fbhatti@tabreed.ae

Salam Kitmitto

Director of Communications

Tel: +971 2 6455007; Ext: 692

Email: Skitmitto@tabreed.ae

