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National Central Cooling Company PJSC

28 July 2016

2016 H1 Results Presentation

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Agenda

A | Introduction and Performance Highlights – Jasim Thabet, CEO

B | Financial Results – Steve Ridlington, CFO

C | Conclusion – Jasim Thabet, CEO

Tabreed at a glance

One of the world's largest district cooling companies

69
plants in the GCC

980 kRT
delivered to clients

Equivalent to cooling
97 towers the size of Burj Khalifa

Greater reliability compared to conventional cooling and positive environmental impact

1.3 billion kWh

annual reduction in electricity consumption through Tabreed's DC services

=

Enough energy to power
44,000
homes in the UAE every year

650,000 tons eliminated
of CO_2 emissions

=

The equivalent of removing
130,000
cars from our streets every year

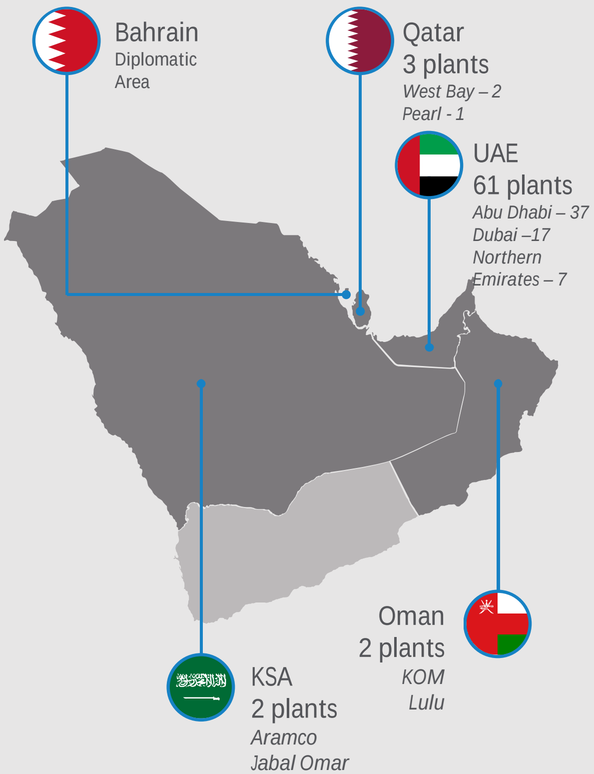
Iconic projects

- Cleveland Clinic Abu Dhabi
- Yas Mall
- Dubai Metro
- Sheikh Zayed Grand Mosque
- The Pearl Qatar
- Jabal Omar Project The Holy City of Mecca

The only listed DC Company in GCC and operating across the region

5 Countries | 69 Plants | 980 kRT

- Only listed DC company in GCC markets
- Uniform utility infrastructure model implemented across GCC
- Long term contracts underpinning stability of earnings and returns for shareholders



National Central Cooling Company and its UAE investments

- 52 wholly owned plants, 9 held through associates and joint ventures
- Plants in 6 emirates of the UAE - Abu Dhabi, Dubai, Ajman, RAK, Sharjah and Fujairah
- 695 kRT delivered to clients including some of UAE's most prominent landmarks

Landmark Projects: Dubai Metro, Sheikh Zayed Grand Mosque, Yas Island and Al Maryah Island

Qatar District Cooling Company (Tabreed 44%)

- Joint Venture with United Development Company
- Owns and operates the world's largest 130 kRT DC Plant on The Pearl (102 kRT)
- Also owns and operates 2 DC plants and a concession in Qatar's West Bay (83 kRT)

Landmark Projects: The Pearl – Qatar, West Bay

Saudi Tabreed District Cooling Company (Tabreed 25%)

- Partnership with ACWA Power and Al Mutlaq
- Owns and operates first significant DC plant in KSA – Saudi Aramco (32 kRT) & DC plant in the Holy City of Mecca (34 kRT)
- Operates the DC plant servicing the landmark KAFD development (50 kRT)
- Significant growth opportunities

Landmark Projects: Saudi Aramco, Jabal Omar Development

Bahrain District Cooling Company (Tabreed 90%)

- Partnership with Esterad, A.A. Bin Hindi and others
- Owns and operates 1 DC plant (22 kRT)
- Plant runs using sea water to provide cooling to the most prestigious developments in Bahrain

Landmark Projects: Reef Island, Financial Harbour, World Trade Centre

Tabreed Oman (Tabreed 60%)

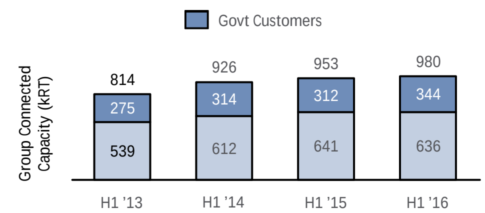
- A partnership between Tabreed and prominent Omani shareholders
- Owns and operates 2 plants serving Knowledge Oasis Muscat, Military Technical College and Lulu (12 kRT)

Landmark Projects: Knowledge Oasis Muscat and Lulu Mall

Headline Performance

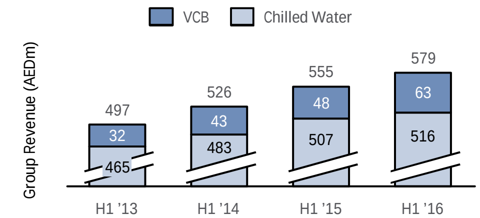
Long-term contracts with credit worthy customers

- Providing 980kRT of cooling across GCC– growing 7% annually since 2012
- Long term price certain contracts (~25 years) ensuring stability in earnings
- 50% of UAE capacity contracted to Government clients
- Contracts renewed/extended with key clients such as UAE Armed Forces and Aldar recently



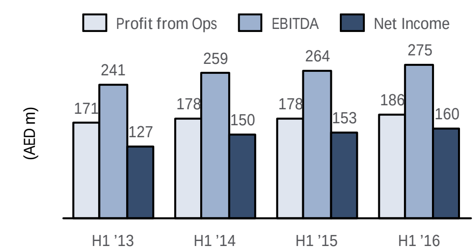
Revenue growth from continued focus on core business

- Core chilled water business forms 89% of total revenue and has grown at 5% per annum since 2013
- Total Group Revenue up 4% to AED 579m (2015: AED 555m)
- Chilled water revenue up 2% due to CPI pass through on capacity offset by lower consumption due to cooler weather
- Utility business model leads to steady increases in revenue and profitability from existing customers



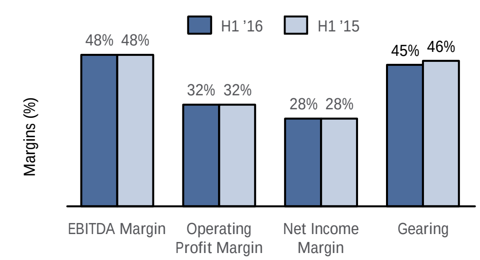
Strong operating performance and financial position

- Predictability in earnings driven by capacity charges
- Increasing profitability driven by economies of scale and cost control
- Steadily growing Net Income and EBITDA driven by stable and predictable chilled water business
- H1 Net Income 5% higher despite additional gearing, EBITDA up 4%



Value to shareholders

- One of few listed regional utilities and only listed DC company
- Q1 EPS of 5.9 fils/share – 34% higher despite additional finance costs
- Cash savings of over AED 25m YTD from MCB repurchase
- 45% leverage – approaching global utility industry averages
- Over 100kRT of contracted projects currently under construction in UAE, Qatar and Oman



Stable utility infrastructure business with strong cash flows that continues to deliver earnings growth and dividends

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Financial Highlights

Income Statement

Unaudited Consolidated Financials (AED m)	H1 2016	H1 2015	Variance	%
Revenue	579	555	23	+4%
Chilled water revenue (89%)	516	507	9	+2%
Value chain businesses (11%)	63	48	15	+30%
Operating cost	(295)	(287)	(8)	+3%
Gross Profit	283	268	15	+6%
Gross profit margin	49%	48%		
Administrative and other expenses	(97)	(90)	(7)	+8%
Profit from Operations	186	178	8	+4%
Operating profit margin	32%	32%		
Net finance costs	(75)	(61)	(14)	+23%
Other gains and losses	4	4	1	+13%
Share of results of associates and joint ventures	48	33	15	+45%
Income attributable to non-controlling interests	(3)	(1)	(2)	+162%
Net Profit	160	153	7	+5%
Net profit margin	28%	28%		
EBITDA	275	264	11	+4%
EBITDA margin	48%	48%		

Key Points

- 4% increase in revenues has resulted in a 6% increase in gross profit, mainly reflecting better chilled water performance and cost control
- Associates and JVs share of results increased by 45%, driven by Saudi Tabreed and Al Maryah plant
- Finance costs up by AED 14m, reflecting additional debt raised to finance the MCB repurchase in 2015

Stable utility infrastructure business model enables consistent performance with EBITDA margins approaching 50%

Financial Highlights

Financial Position

Unaudited Consolidated Financials (AED m)	H1 2016	Dec 2015	Variance	%
Fixed Assets	6,834	6,766	68	+1%
Associates and Joint Ventures	785	714	72	+10%
Accounts Receivable	467	410	57	+14%
Cash and Short Term Deposits	205	177	28	+16%
Other Assets	82	167	(84)	-51%
Total Assets	8,374	8,233	141	+2%
Equity and Reserves	2,416	2,453	(37)	-2%
Mandatory Convertible Bonds – equity portion	1,773	1,773	-	+0%
Debt	3,425	3,274	152	+5%
Other Liabilities	760	733	26	+4%
Total Liabilities and Equity	8,374	8,233	141	+2%

Key Points

- Increase in fixed assets represents continued investment in Dubai Parks and other projects in UAE
- AED 152m increase in debt mainly reflects AED 118m draw down on Dubai Parks project finance facility and AED 170m draw down on the revolving facility offset by scheduled debt payments in June

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

Financial Highlights

Cash flow Statement

Unaudited Consolidated Financials (AED m)	H1 2016	H1 2015	Variance	%
Profit from Operations	186	178	8	+4%
Finance lease amortization	28	25	3	+13%
Depreciation	62	61	0	+0%
Working capital and other adjustments	(17)	(2)	(15)	+686%
Net cash flows from Operating Activities	258	273	(15)	-6%
Capital expenditure incurred	(201)	(98)	(103)	+106%
Deposits placed with Banks	-	-	-	+0%
Dividends and interest income received	47	29	18	+63%
Net cash flows from Investing Activities	(154)	(69)	(85)	+123%
Loans drawn down	289	1,033	(743)	-72%
Principal and interest payments on loans	(167)	(163)	(4)	+2%
MCB cash coupon paid	(43)	(60)	17	-28%
Dividend paid to shareholders	(163)	(174)	11	-6%
Others	(9)	(6)	(3)	+60%
Net cash flows from Financing Activities	(92)	631	(723)	-115%
Net Movement in Cash and Cash Equivalents	12	835	(823)	-99%
Cash and Cash Equivalents at 1 Jan	193	418	(225)	-54%
Cash and Cash Equivalents at 31 December	205	1,253	(1,048)	-84%

Key Points

- Robust operating cash flows of AED 258m, working capital changes reflect timing differences and we continue to see timely receipts from our customers
- AED 47m of dividends received from Al Maryah plant and Qatar Cool
- 2015 cash balance and financing activities include AED 1bn used for MCB repurchase in July 2015

Strong cash flow generation from long term price certain contracts enabling investment in growth

Debt Portfolio

- Tabreed's current gearing is 45% (debt: debt + equity), in line with global utility peers
- 96% of Tabreed's debt is denominated in AED, with the balance in USD and OR, in line with cash flow generation profile
- Majority of the debt is floating rate with 53% of total debt hedged into fixed rates
- Weighted average loan life is ~5 years, with 62% of the debt portfolio maturing in 2021

Debt position (AED in millions)

Borrower	Type	Amount (AED m)	Undrawn amount (AED m)	Currency	Interest	Hedging (%)	Maturity
Tabreed	Term loan	2,797	-	AED	EIBOR + margin	57	2021
Tabreed	Revolver	170	280	AED	EIBOR + margin	-	2021
Project SPV	Project Finance	118	76	AED	EIBOR + margin	98	2032
Bahrain DC Company	Term loan	130	-	USD	LIBOR + margin	-	2019
Tabreed Oman	Term loan	33	5	OR	Fixed margin	100	2024
Total		3,248	361			53	

Manageable debt portfolio with major repayments due in 2021

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A GCC-wide infrastructure assets company

Why District Cooling	• District Cooling is a critical part of the growing GCC infrastructure • District Cooling is 50% more efficient in consuming electricity than conventional cooling reducing energy consumption, carbon footprint and state subsidies while also being 16% cheaper for the customer
Why Tabreed	• One of the largest district cooling companies in the world with experienced management team • Only listed DC company in the GCC and one of the few listed utilities • Track record of delivering infrastructure projects on time and operating them efficiently • Over 50% of UAE capacity contracted to Government entities
Robust Financial Results	• Robust and predictable financial results underpinned by fixed revenue derived from long term 25 year contracts • 2015 Net Profit of AED 345m, up 6% on 2014 and growing at 12% annually since 2012, robust results for 2016 so far • Strong cash generating ability, 2015 EBITDA of AED 545m - sufficient to repay debt, fund growth capex and distribute dividends. 2016 YTD EBITDA is up 4%
Core Business Focus Delivering Value	• Focus on Chilled Water leading to enhanced value from existing plants and increasing operational efficiencies • Investing in sanctioned projects on “take or pay” billing basis to reduce real estate risk • Project financing new plants to reduce equity capital and increase shareholder returns

Delivering growth	• Over 350kRT of new connections since 2010, a further ~100 kRT of fully contracted capacity currently under construction in UAE, Qatar and Oman
	• Supply of chilled water commenced to Dubai Parks Project
	• Pipeline of long-term projects :
	    • Finalising agreement with King Khalid International Airport in Riyadh, Saudi Arabia to build 20kRT plant
	    • Infrastructure in place at Maryah Island, Abu Dhabi, to connect Al Maryah Plaza and Al Maryah Central
	    • Will provide cooling to 7 QRail metro stations in Doha, Qatar starting 2019

Questions

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Upcoming Investor Events

EFG MENA & Frontier Conference, *London*	7th & 8th September 2016
Arqaam Annual MENA Investors Conference, *Dubai*	19th & 20th September 2016
DFM International Roadshow, *New York*	17th & 18th October 2016

A full recording of this call will be available for replay on Tabreed's website