National Central Cooling Company PJSC

4 November 2013

tabreed

Q3 2013 Results Presentation

Disclaimer

- These materials have been prepared by and are the sole responsibility of the National Central Cooling Company PJSC, ‘Tabreed’ (the “Company”). These materials have been prepared solely for your information and for use at the presentation to be made on 4 November 2013. By attending the meeting where this presentation is made, or by reading the presentation slides, you agree to be bound by the following limitations

- These materials are confidential and may not be further distributed or passed on to any other person or published or reproduced, in whole or in part, by any medium or in any form for any purpose. The distribution of these materials in other jurisdictions may be restricted by law, and persons into whose possession this presentation comes should inform themselves about, and observe, any such restrictions

- These materials are for information purposes only and do not constitute a prospectus, offering memorandum or offering circular or an offer to sell any securities and are not intended to provide the basis for any credit or any third party evaluation of any securities or any offering of them and should not be considered as a recommendation that any investor should subscribe for or purchase any securities. The information contained herein has not been verified by the Company, its advisers or any other person and is subject to change without notice and past performance is not indicative of future results. The Company is under no obligation to update or keep current the information contained herein

- No person shall have any right of action (except in case of fraud) against the Company or any other person in relation to the accuracy or completeness of the information contained herein. Whilst the Company has taken all reasonable steps to ensure the accuracy of all information, the Company cannot accept liability for any inaccuracies or omissions. All the information is provided on an “as is” basis and without warranties, representations or conditions of any kind, either express or implied, and as such warranties, representation and conditions are hereby excluded to the maximum extent permitted by law

- The merits or suitability of any securities to any investor's particular situation should be independently determined by such investor. Any such determination should involve inter alia, an assessment of the legal, tax, accounting, regulatory, financial, credit and other related aspects of any securities

- No person is authorized to give any information or to make any representation not contained in and not consistent with these materials and, if given or made, such information or representation must not be relied upon as having been authorized by or on behalf of the Company

- These materials are not intended for publication or distribution to, or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation. The securities discussed in this presentation have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the Securities Act) and may not be offered or sold except under an exemption from, or transaction not subject to, the registration requirements of the Securities Act. In particular, these materials are not intended for publication or distribution, except to certain persons in offshore transactions outside the United States in reliance on Regulation S under the Securities Act

- These materials contain information regarding the past performance of the Company and its subsidiaries. Such performance may not be representative of the entire performance of the Company and its subsidiaries. Past performance is neither a guide to future returns nor to the future performance of the Company and its subsidiaries

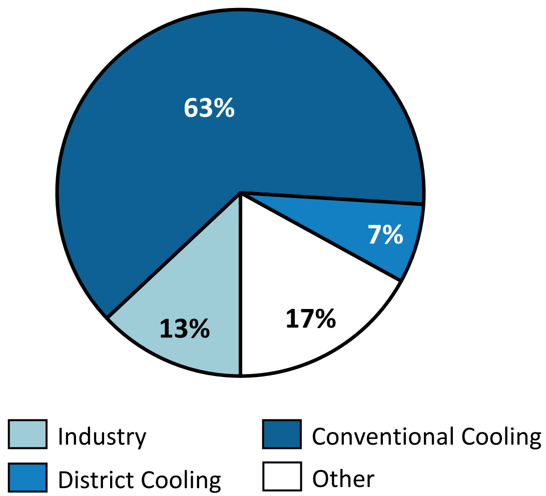
- These materials contain, or may be deemed to contain, forward-looking statements. By their nature, forward- looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The future results of the Company may vary from the results expressed in, or implied by, the following forward looking statements, possibly to a material degree. Any investment in securities is subject to various risks, such risks should be carefully considered by prospective investors before they make any investment decisions. The directors disclaim any obligation to update their view of such risks and uncertainties or to publicly announce the result of any revision to the forward-looking statements made herein, except where it would be required to do so under applicable law

Agenda

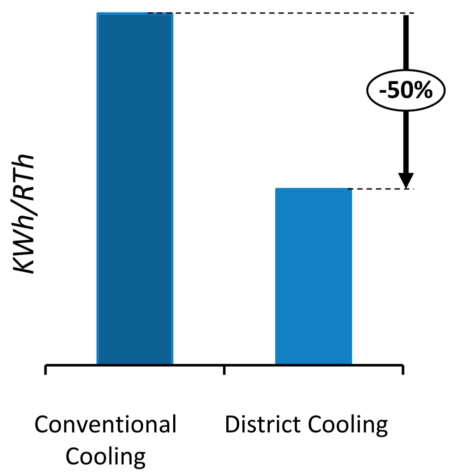
- Overview
- Headline Performance
- Operational and Financial Highlights
- Chilled Water Performance
- Summary

Tabreed's Story

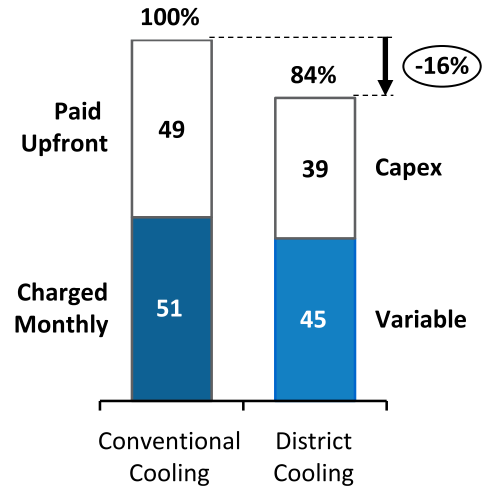
Overall cooling represents 70% of Abu Dhabi's energy peak consumption…



…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

World Trade Centre Abu Dhabi

- *28 million KwH - Reduction in Energy Consumption per Year*
- *AED 4 million - Cost Savings per Year*
- *2,000 Tons - Reduction in Carbon Dioxide Emissions per Year*

Marina Mall

- *21.6 million KwH - Reduction in Energy Consumption per Year*
- *AED 3.2 milllion - Cost Savings per Year*
- *9,702 Tons - Reduction in Carbon Dioxide Emissions per Year*

What Do the Savings Mean for the UAE?

Over **630,000 RT** delivered to customers

260 Sheikh Zayed Grand Mosques

Energy

Reduction of
1 billion KwH

30,000 - 40,000
homes

65,000
residents

Environment

Cutting CO_2 Emissions by
400,000 Tons

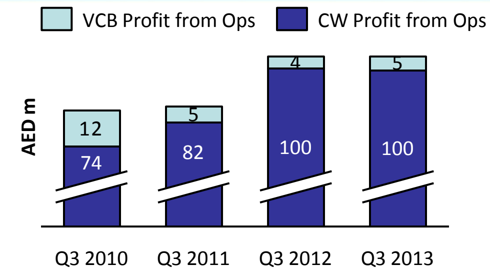
80,000 cars

320,000 Trips
1 Person:
Abu Dhabi-> NY

Headline Performance

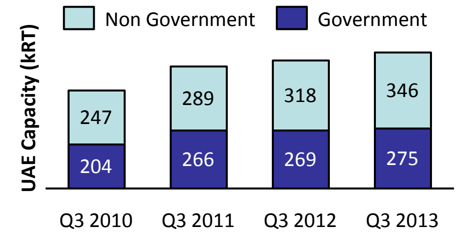
Strong focus on Core Business

- Core Chilled Water Revenue up 3% to AED 311.1m
- Stable Profit from Operations Q on Q; 6% increase Y on Y
- Core business represents 95% of Profit from Operations



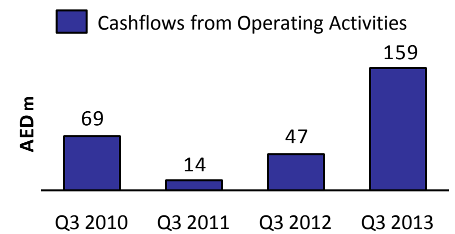
Long-term stable customer base

- 44% of UAE capacity contracted to UAE Govt clients
- 170,000 RT increase in UAE capacity since 2010



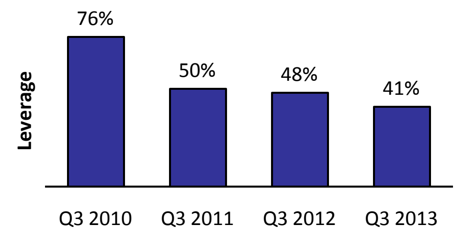
Strong operating performance

- Cashflows increased three-fold since Q3 2012
- Growth of over 30% since 2010



Reduction in leverage

- 7% reduction in leverage since Q3 2012
- Over 30% reduction in leverage since the completion of the recapitalisation

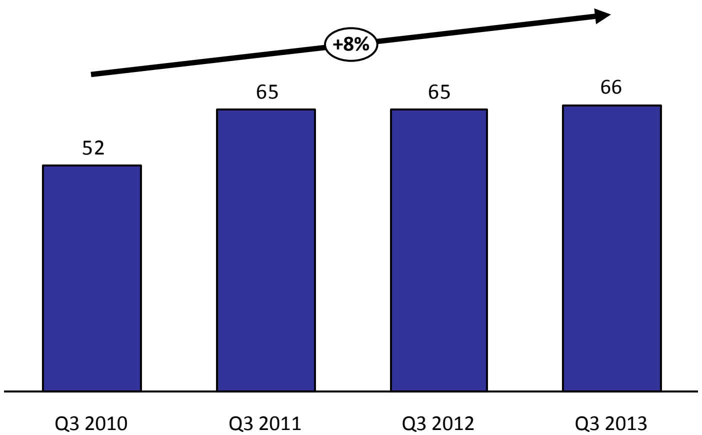


Low risk; future growth

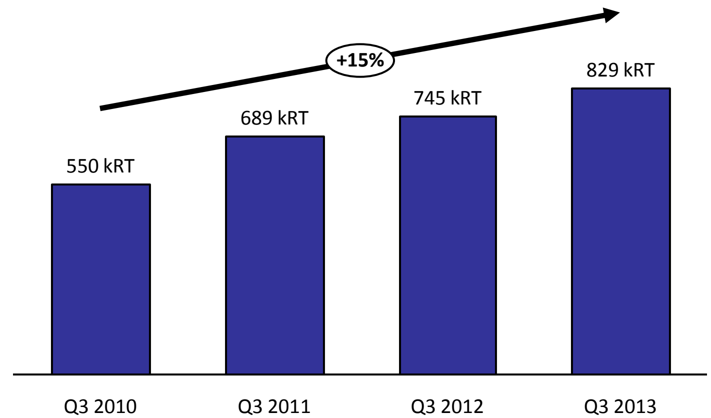
Low risk, utility infrastructure business with strong cashflows, well positioned for future growth

Operational Highlights

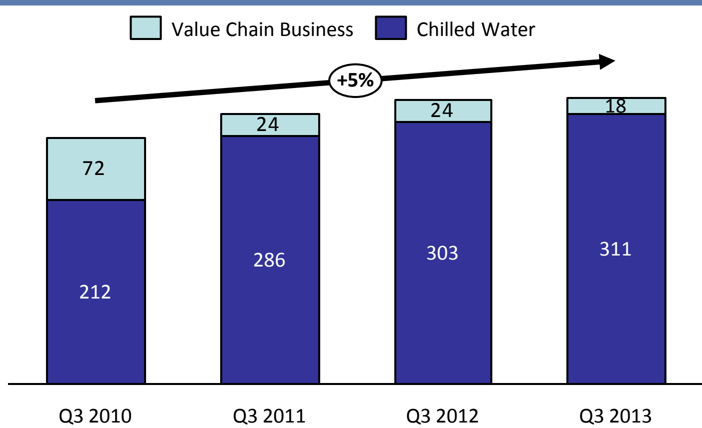
Number of Plants



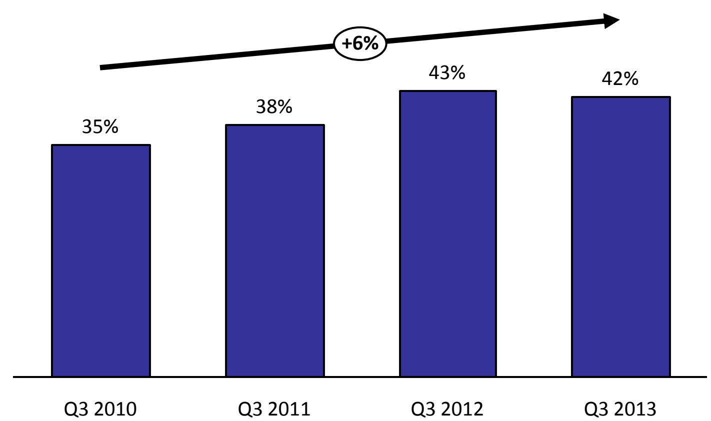
Gross Capacity



Group Revenue (AED m)



Group EBITDA Margin



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

Financial Highlights – Q3 Income Statement

tabreed

Unaudited Consolidated Financials (AED m)	Q3 2013	Q3 2012	
Revenues	329.2	326.4	**3%** increase in Chilled Water revenue partially offset by the expected contraction in the VCBs
Chilled Water (94% of revenue)	*311.1*	*302.8*	
Value Chain Businesses (6% of revenue)	*18.1*	*23.6*	
Operating Costs	(185.1)	(186.6)	**1%** reduction driven by contraction of the VCBs
Gross Profit	**144.1**	**139.8**	
Gross Profit Margin	*44%*	*43%*	**1%** increase in gross profit margin, due to strategy to focus on CW and cost controls
Admin & Other Expenses	(39.5)	(35.3)	**6% YTD** reflecting business growth
Profit from Operations	**104.6**	**104.4**	
Operating Profit Margin	*32%*	*32%*	
Net Finance Costs	(35.7)	(41.4)	**14%** reduction driven by lower EIBOR rates and debt repayment
Share of Results of Associates	5.4	9.6	Ahead **YTD;** drop this quarter is caused by Qatar Cool phasing
Net Profit attributable to Parent	**75.1**	**73.0**	**21% YTD** growth; **3%** year on year growth
EBITDA	**139.1**	**139.1**	
EBITDA Margin	*42%*	*43%*	

Management continues to de-risk the business & has delivered a 21% increase in YTD Net Profit

Financial Highlights – Balance Sheet

Unaudited Consolidated Financials (AED m)	Sep 2013	Dec 2012	
Fixed Assets	6,720.6	6,790.3	
Associates and Joint Ventures	482.0	459.5	
Accounts Receivable & Prepayments	528.7	558.3	**5%** reduction driven by customer receivable optimisation
Cash and Short Term Deposits	636.1	560.4	Higher cash generation ,together with debt repayments, dividends and MCB cash coupon payments
Other Assets	117.8	123.7	
Total Assets	**8,485.2**	**8,492.2**	
Equity and Reserves	2,096.7	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	3,188.3	3,336.0	Debt repayment now every 6 months
Other Liabilities	713.2	729.6	
Total Liabilities and Equity	**8,485.2**	**8,492.2**	

Strong balance sheet, benefiting from receivables optimization

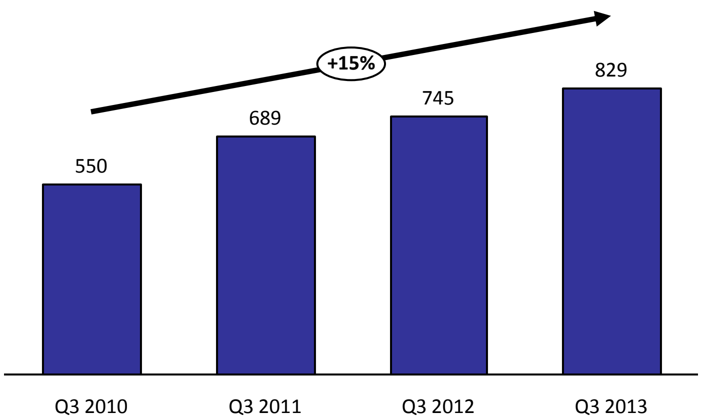
Financial Highlights – Q3 Cashflow

Unaudited Consolidated Financials (AED m)	Q3 2013	Q3 2012	
EBITDA for the period	139.1	139.1	
Finance income relating to finance lease receivable	(30.4)	(30.5)	
Lease Rentals Received	27.7	29.1	
Working Capital Adjustments	22.1	(90.9)	Significant improvement in receivables
Net Cashflows from Operating Activities	**158.5**	**46.8**	Strong cashflows , expected from a utility infrastructure business
Investing Activities	(11.1)	(70.5)	Build out programme completed
Financing Activities	(60.5)	(32.9)	Driven by MCB cash coupon payments (paid from 2013)
Net Movement in Cash and Cash Equivalents	86.9	(56.6)	
Cash and Cash Equivalents at 1 July	549.2	609.8	
Cash and Cash Equivalents at 30 September	**636.1**	**553.2**	Higher cash generation offset partly by MCB coupon

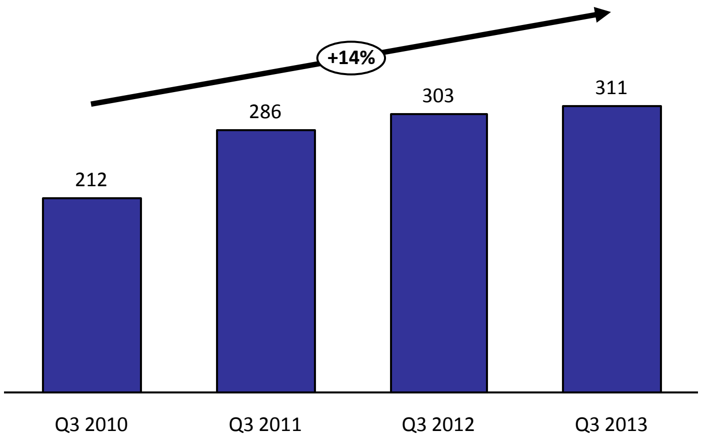
Strong cashflows from operating activities, positioning us well for growth

Chilled Water Performance

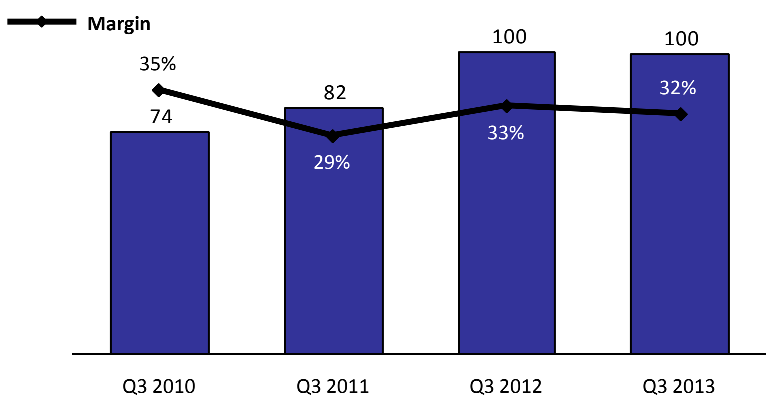
Gross Capacity (kRT)



Revenue (AED m)



Profit from Operations (AED m)

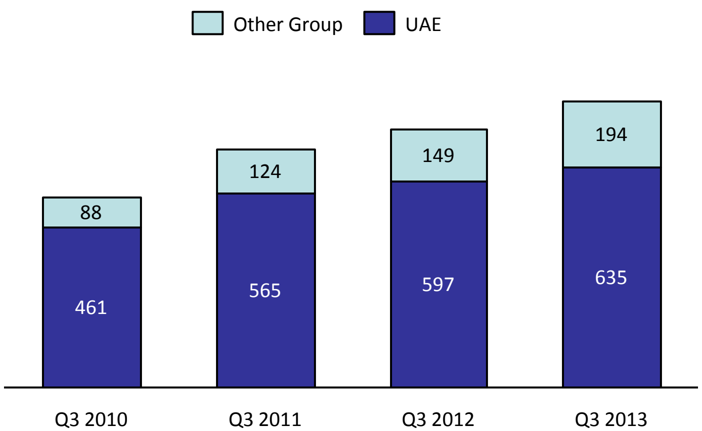


Unaudited Consolidated Financials (AED m)	Q3 2013	Q3 2012	Variance
Revenues	311.1	302.7	3%
Operating Costs	(176.3)	(172.8)	2%
Gross Profit	**134.8**	**129.9**	4%
Gross Profit Margin	*43%*	*43%*	
Profit from Operations	**100.0**	**100.4**	-
Operating Profit Margin	*32%*	*33%*	
EBITDA Margin	*43%*	*44%*	

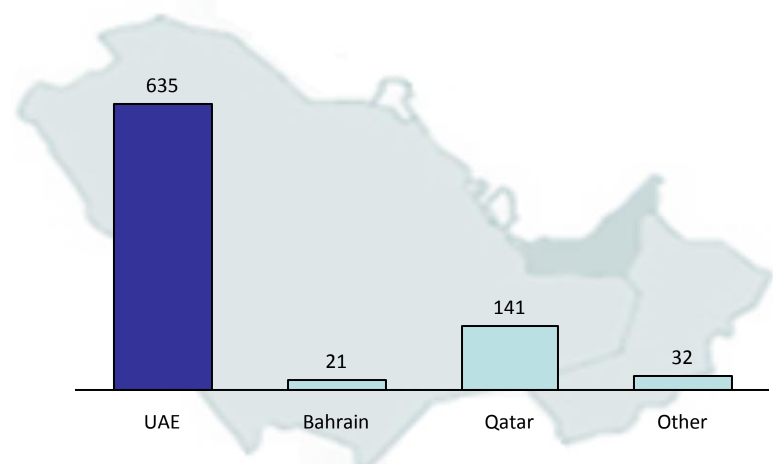
Core Chilled Water business delivers consistent performance

Chilled Water – GCC Presence

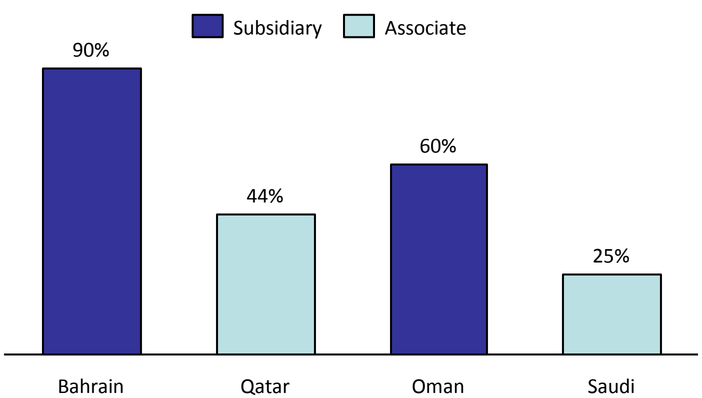
Total Gross Capacity (kRT)



Gross Capacity by Region (kRT)



Ownership



Chilled Water (AED m)	UAE	Bahrain	Qatar	Other	Total
Revenues	302.9	6.7	-	1.5	311.1
Operating Costs	(169.5)	(5.9)	-	(0.9)	(176.3)
Gross Profit	**133.4**	**0.8**	**-**	**0.6**	**134.8**
Gross Profit Margin	*54%*	*12%*	-	*40%*	*43%*
Profit from Operations	**99.7**	**-**	**-**	**0.3**	**100.0**
Share of results of Associates	**1.0**	**-**	**4.7**	**(0.3)**	**5.4**

Significant growth potential in the non-UAE businesses

Summary

Strong Business Model

- We are the largest utility infrastructure business offering cooling services in the Middle East
- Long-term, stable, price certain contracts with guaranteed returns
- 44% of our contracts are with UAE government entities

Robust Financial Results

- YTD 2013 Chilled Water Revenue up 4% to AED 775.9m
- YTD 2013 Operating Profit up 6% to AED 275.9m
- YTD 2013 Net Profit attributable to Parent up 21%

Strong cash generating ability

- YTD 2013 Group EBITDA up 5% to AED 379.7m
- YTD 2013 Cashflow From Operations up 47% to AED 425.4m
- Strong cash generating ability, enabling reduction in leverage to 41%

Core Business focus delivering value for Shareholders

- Delivering on its strategy; enhancing value from existing plants while maximizing organizational and operational efficiencies
- The completion of the build out programme has achieved a de-risking of the asset base

Well positioned for growth

- Tabreed is well positioned to capitalize on growth opportunities by meeting demand for cooling infrastructure in the region
- GCC economies continue to grow and district cooling is a vital component of economic growth

Q & A

Contact Details

For further information please contact

Salam Kitmitto

Communications Director

skitmitto@tabreed.ae

+971 2 645 5007 ext. 692

Suzanne Holt

Snr. Corporate Finance and Investor Relations Manager

sholt@tabreed.ae

+971 2 645 5007 ext. 424

Appendix

Financial Highlights–YTD Income Statement

tabreed تبريد

Unaudited Consolidated Financials (AED m)	Sep 2013	Sep 2012	
Revenues	826.5	842.0	**4%** increase in Chilled Water revenue partially offset by the expected contraction in Value Chain Business
Chilled Water (93% of revenue)	*775.9*	*747.6*	
Value Chain Businesses (7% of revenue)	*50.6*	*94.5*	
Operating Costs	(436.5)	(473.0)	**8%** reduction driven by the contraction of the Value Chain Businesses
Gross Profit	**389.9**	**369.0**	
Gross Profit Margin	*47%*	*44%*	**3%** increase in gross profit margin, driven by significant cost reduction
Admin & Other Expenses	(114.0)	(107.6)	
Profit from Operations	**275.9**	**261.4**	**6%** year on year growth
Operating Profit Margin	*33%*	*31%*	
Net Finance Costs	(111.0)	(128.6)	Reduction in EIBOR rates on loan
Share of Results of Associates	35.0	32.9	Driven mainly by Qatar Cool results
Net Profit attributable to Parent	**202.3**	**167.6**	**21%** year on year growth
EBITDA	**379.7**	**362.2**	**5%** year on year growth
EBITDA Margin	*46%*	*43%*	

Management continues to de-risk the business & has delivered a 21% increase in YTD Net Profit

Financial Highlights – YTD Cashflow

Unaudited Consolidated Financials (AED m)	Sep 2013	Sep 2012	
EBITDA for the period	379.7	362.2	Increase of 5% year on year
Finance income relating to finance lease receivable	(91.3)	(91.2)	
Lease Rentals Received	94.5	78.8	
Working Capital Adjustments	42.5	(60.7)	
Net Cashflows from Operating Activities	**425.4**	**289.1**	Increase of 47% year on year
Investing Activities	(53.4)	(132.9)	Build out programme completed
Financing Activities	(296.3)	(115.0)	Higher debt repayments, MCB cash coupon & dividends
Net Movement in Cash and Cash Equivalents	75.7	41.2	
Cash and Cash Equivalents at 1 January	560.4	512.0	
Cash and Cash Equivalents at 30 September	**636.1**	**553.2**	Higher cash generation offset by debt repayments & MCB coupon

Strong cashflows from operating activities, enabling us to meet ongoing obligations