



Aldar Investor Presentation

Deutsche Bank CEEMEA conference

January 2015



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Key Highlights Q3 2014

Summary of Results

- Net profit of AED 584 million for the quarter, up 41% (Q3 2014: AED 413 million), boosted by growth in profitability of recurring revenue assets and Yas Mall valuation following its completion
- Revenue of AED1.37bn in Q3 2014, up 17% compared to AED1.17bn in Q3 2013, principally due to sale of B2 Tower, handover of Gate units and growing recurring revenue streams
- Recurring revenues of AED526m in Q3 2014, 12% higher than in the same period last year, supported by strong absorption of units at The Gate and al rayanna
- Earnings per share of 7 fils in the quarter, 20 fils in the nine months to 30 September 2014
- Debt continues to get paid down, debt strategy remains on track
- Yas Mall 98% leased and will open to the public on 19 November 2014

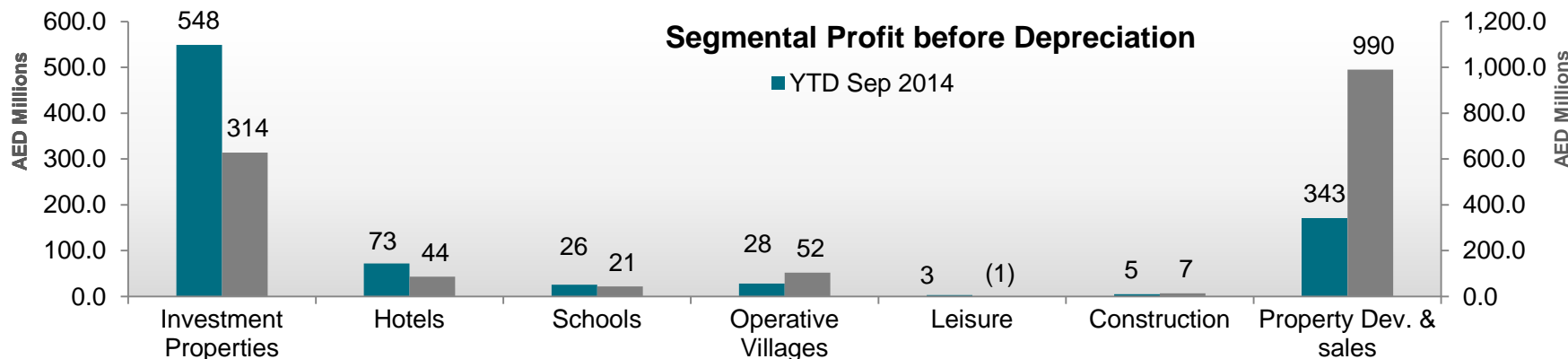
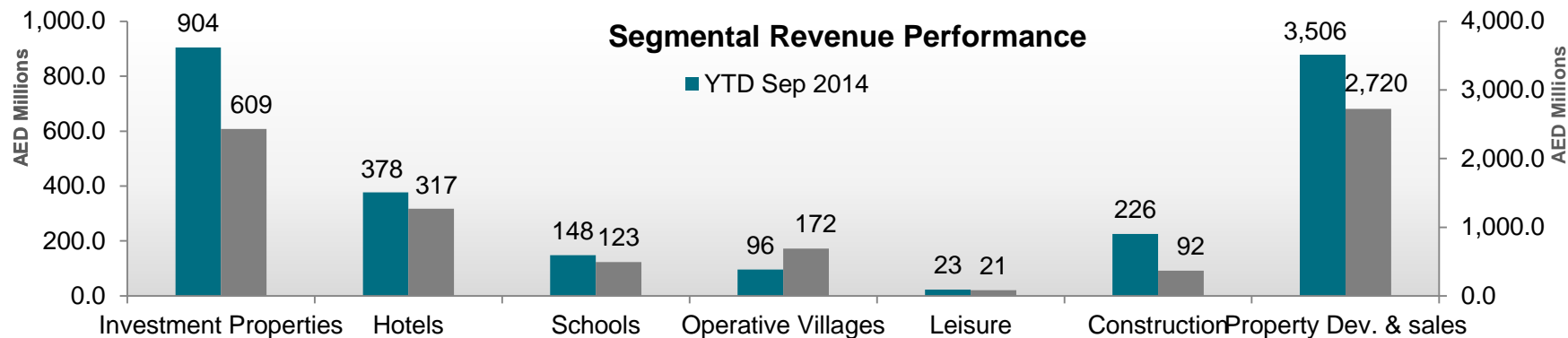
Profit and Loss

Net profit up 41%; EPS of 7 fils per share

AED millions	Q3 2014	Q3 2013	Remarks	YTD Sep 2014	YTD Sep 2013
Revenues	1,368	1,168	Revenue mainly driven by the sale of B2 Tower, handover of Gate units and increasing recurring revenue streams	5,281	4,055
Direct costs	(1,014)	(651)	Lower gross profit margin due to high margin land sales in 2013	(4,255)	(2,627)
Gross profit	354	518		1,026	1,427
<i>Gross profit Margin</i>	26%	44%		19%	35%
SG&A expenses	(102)	(103)	Higher selling and marketing costs offset by synergies achieved	(302)	(225)
Depreciation and Amortization	(56)	(49)		(169)	(240)
Other Income/Expense	98	78	Q3 2014 including cost recoveries achieved and profit from share in associates / Joint Ventures	864	38
Finance costs, net	(30)	(120)	Significant reduction in interest expense following refinancing efforts over the last 12 months	(224)	(378)
Fair value gain, project cost impairments/ write-offs & reversal of impairments, net	321	89	Principally due to Yas Mall revaluation following completion, marginally offset by reduction in value of other assets	353	(1,393)
Gain on Business combination	-	-		-	2,591
Net Profit for the period	584	413		1,548	1,820
Attributable to:					
Owners of the Company	580	407		1,539	1,814
Non-controlling interests	4	6		10	6
Profit for the period	584	413		1,548	1,820
Basic and diluted earnings per share	0.07	0.05		0.20	0.29

Segmental Performance

Recurring revenue assets driving profitability



Balance Sheet

Continued strengthening of balance sheet

AED millions	As at 30 Sep 2014	As at 31 Dec 2013	Remarks
Property, plant and equipment	3,088	3,257	<i>Mainly relates to depreciation charge, partially offset by PP&E additions</i>
Investment properties	14,121	12,026	<i>Key movements include capex related to Yas Mall, Yas Mall valuation following completion as well as transfer of leased Gate units from DWIP</i>
Development work in progress	2,732	4,311	<i>Reduced mainly due to the transfer of Gate completed units to Inventory and leased units to Investment properties</i>
Inventory	3,037	5,297	<i>Decrease relates to revenue recognition of Gate Tower units and B2 Tower</i>
Receivables	10,198	13,389	
Cash	4,029	4,294	<i>Reflecting partial collection of Government receivables, offset by repayment of debt borrowings</i>
Other Assets	1,007	1,154	
Total Assets	38,212	43,728	
Equity	17,658	16,648	<i>Year-to-date net profit offset by 7 fil dividend per share declared and paid</i>
Debt	9,570	13,786	<i>Decreased due to repayment of bond and loans</i>
Payables, Advances and Other Liabilities	10,984	13,294	<i>Decrease primarily due to recognition of advances for Gate units</i>
Total Liabilities and Equity	38,212	43,728	
Net Debt to Equity(excluding restricted cash)	37%	65%	
Net Debt to Equity(including restricted cash)	32%	58%	

Balance Sheet

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Cash flow statement

AED millions	Q3 YTD 2014	Q3 YTD 2013	Remarks
Cash at the beginning of the period (unrestricted cash)	2,078	1,009	
Net cash from operating activities	4,989	4,600	<i>mainly attributable to collections of receivables</i>
Net cash from/(used in) investing activities	442	(237)	<i>mainly attributable to movement in short term deposits and proceeds from disposal of an investment in an associate, offset by capex which primarily relates to Yas Mall</i>
Net cash used in financing activities	(5,161)	(1,952)	<i>mainly represents repayment of borrowings including \$1.25bn bond in Q2 2014</i>
Cash and cash equivalents at the end of the period (unrestricted cash)	2,348	3,420	
Short term deposits	636	1,078	
Restricted balances with banks	1,045	1,138	<i>Restricted cash related to government projects</i>
Cash and bank balances at the end of the period	4,029	5,636	

Operational Highlights Q3 2014

Development Projects

Residential:

- **The Gate:** Total 1,770 units now handed over including 123 units during Q3 2014. 501 units remaining to be handed over
- Sale of **B2 Tower** on Reem Island completed in Q3 2014

National Housing and Managed Projects:

- Zone K Yas Island and Abu Dhabi Plaza Kazakhstan continue to ramp up as contractors and activities mobilize

Investment Properties

Residential:

- **The Gate and Arc Tower** now fully leased, one year ahead of schedule, with occupancy expected to stabilise over the coming months
- Leasing across 4,500 unit **residential portfolio** reached 96% as at 30 September 2014

Retail:

- **Yas Mall:** Set to officially open to the public on 19 November 2014
- 98% of the **Yas Mall** retail space has now been committed (leased or signed Head of Terms) by retailers and the handover of units to tenants for fit-out is on-going

Commercial:

- **Office portfolio** achieved 87% leasing as at 30 September 2014, following leasing agreements signed at HQ building

Adjacent businesses

Aldar academies:

- Student numbers rose 12% to 4,774 as at 30 September 2014

Operating Businesses

Hotels:

- Q3 2014 occupancy across the hotel portfolio at 74%, marginally ahead of 73% in Q3 2013
- YTD Sep 2014 occupancy across the hotel portfolio up at 79% compared to 73% in same period last year and also ahead of Abu Dhabi market of 73%¹

¹ Abu Dhabi Tourism & Culture Authority (T&CA)– Q3 2014 occupancy across Abu Dhabi hospitality sector

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Aldar at a Glance

Overview of Aldar

- ✓ Aldar Properties PJSC (“Aldar” or the “Group”), established in 2005, is the **leading listed property developer in Abu Dhabi** (in terms of total assets and number of developments).
- ✓ **Aldar, the largest real estate company in Abu Dhabi, merged with Sorouh Real Estate PJSC (“Sorouh”)**, the second largest Abu Dhabi based real estate company, in June 2013.
- ✓ The Group **contributes to three of the four priority areas of the Abu Dhabi Policy Agenda**, namely *Economic development, Infrastructure development and Social & human resources development*.
- ✓ The Group’s **business focuses** on three core activities, namely (i) **Asset Management**, (ii) **Real Estate Development** and (iii) **Adjacent Businesses**.

Aldar Snapshot

Strong portfolio of cash-generating assets with a large land bank for potential “managed” growth prospects

Asset Management

Residential	~4,500 residential units in 10 separate developments
Commercial	Office space in six developments with 186,000sqm GLA
Retail	25 retail developments with ~450,000sqm GLA including 225,000sqm Yas Mall
Hotels	Owns nine hotels in Abu Dhabi with a total of 2,536 keys

Land Bank

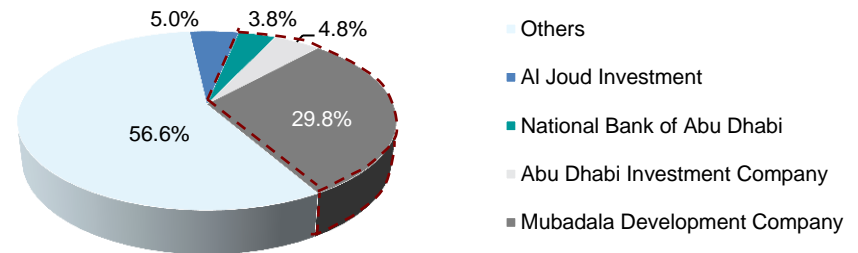
Undeveloped land bank of circa **77mn sqm in Abu Dhabi**, the majority of which was granted by the Government of Abu Dhabi in investment zones.

Adjacent Businesses

Schools (Aldar Academies LLC), **property management** (Khidmah LLC), **construction** (Pivot Engineering and General Contracting WLL) & **leisure facilities**.

Ownership Overview

The Government of Abu Dhabi and its related entities are the Group’s largest shareholders, owning c.38% of Aldar’s share capital



Aldar has been listed on the Abu Dhabi Securities Exchange since 2005

Financial Profile

	AED million
Select Balance Sheet Items (as of 30 Sep 2014)	
Investment Properties	14,121
Development Work in Progress	2,732
Cash & Bank Balances	4,029
Total Assets	38,212
Total Equity	17,658
Total Debt	9,570
Total Liabilities	20,554
Selected Income Statement Items (for the 9 months ended 30 Sep 2014)	
Revenue	5,281
Profit for the Period	1,548

Corporate Governance

Board of Directors



H.E. Abubaker Seddiq Al Khoori – Chairman

- Executive Director at the office of the Vice Chairman (Executive Council)
- Currently Vice Chairman of Waha Capital, Vice Chairman of Senaat, Board Member of Abu Dhabi Airports Company and Abu Dhabi Ports Company



H.E. Ali Eid Al Mheiri – Vice Chairman

- Executive Director of Mubadala Real Estate & Infrastructure
- Currently board member of Mubadala Capitaland Real Estate and Emirates Ship Investment Company



H.E. Dr. Sultan Ahmed Al Jaber – Board Member

- Minister of State in the UAE cabinet
- Chairman of Masdar, Chairman of Abu Dhabi Ports, Special Envoy of Energy and Climate Change and CEO of Mubadala Energy



H.E. Ali Majid Al Mansouri – Board Member

- Member of Executive Council of Abu Dhabi and Chairman of Department of Economic Development
- Currently board member of Abu Dhabi Airports Co. and Al Hilal Bank



Ali Saeed Abdulla Sulayem Al Falasi – Board Member

- Chief Executive Officer of Hydra Properties
- Currently board member of Commercial Bank International and has extensive experience in the real estate sector



H.E. Mubarak Matar Al Humairi – Board Member

- Former Head of Investments in the Private Office of the late Sheikh Zayed Al Nahyan
- Currently board member of Royal Capital and National Investment Corp.



Ahmed Khalifa Mohamed Al Mehairi – Board Member

- Senior investment professional in the Abu Dhabi Investment Council
- Currently board member of Etihad Airways and TAQA



Mansour Mohamed Al Mulla – Board Member

- Head of Finance at Mubadala Energy
- Currently board member of Waha Capital and Abu Dhabi Terminals



Mohammed Haji Al Khoori – Board Member

- Various important positions with government organizations, investment entities and private companies
- Currently Director General of Khalifa Fund



Martin Lee Edelman – Board Member

- Seasoned lawyer and Advisor to Mubadala Development Company
- Currently board member of Manchester City Football Club, Avis Budget, Capital Trust and Ashford Hospital

Key Strengths

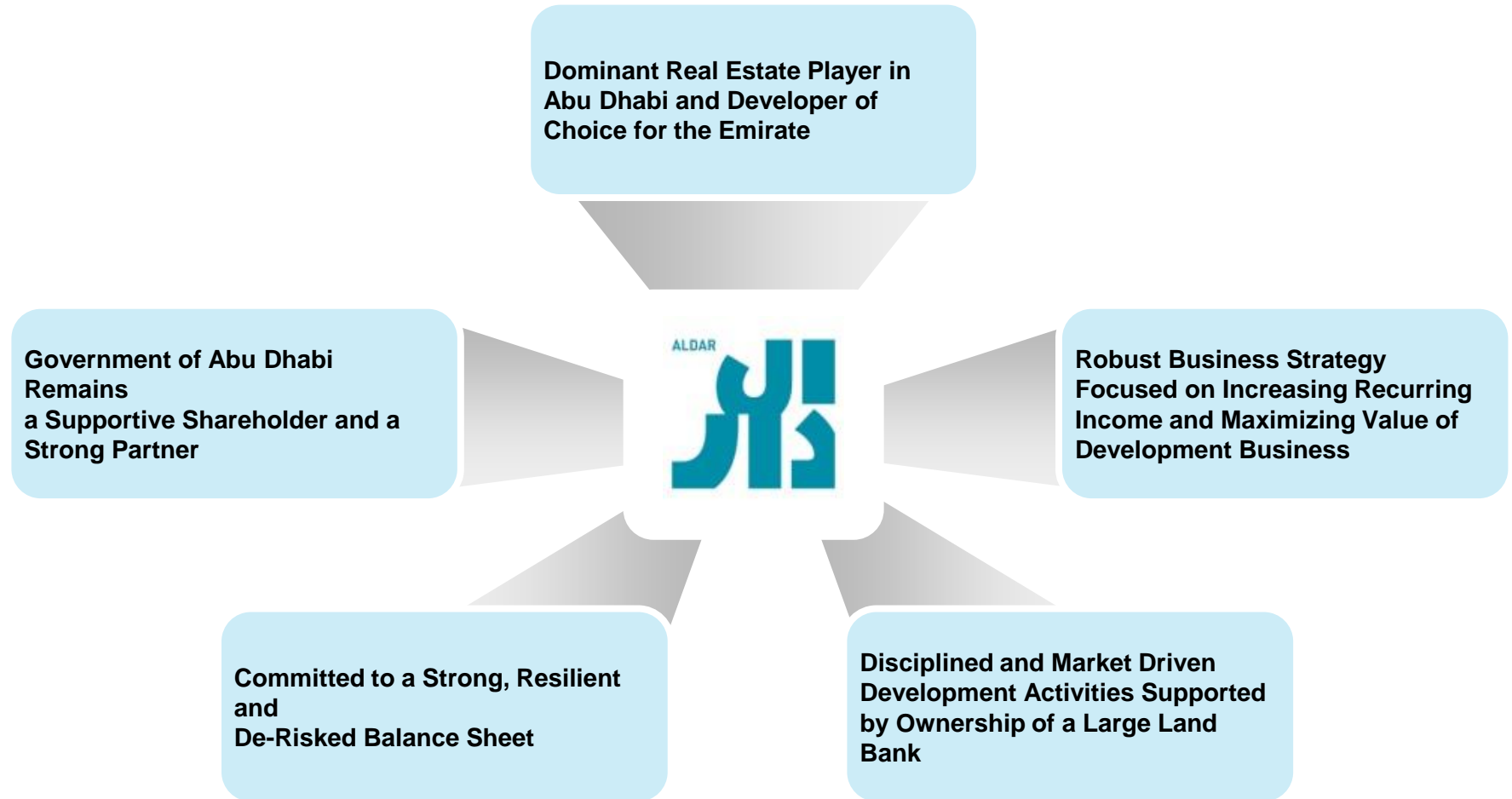


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Relationship with the Government of Abu Dhabi

Strategic Relationship with the Government of Abu Dhabi

Aldar was founded in 2005 and has enjoyed a strong relationship with the Government over the years

The Government and its related entities are the **largest single shareholder** of the Group (c. 38%¹)



Government support through **land grants & reimbursement of infrastructure costs**

Significant **contractually committed cashflows** from the Government

The Government is one of Aldar's **key customers** (c. AED 35bn past & current projects)

History of Financial Government Interaction

Aldar has a long history of interaction with the Government of Abu Dhabi, including through shareholding and project developments

Value of Government Financial Transactions (AED bn)

15.0 2.8 31.2 3.2

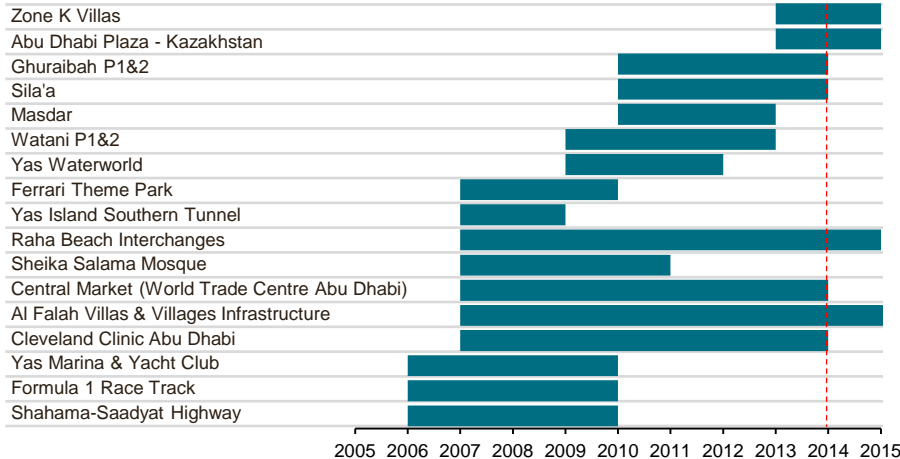
2007 2009 2011 2013

Mubadala (AA/Aa3/AA) Shareholding²

14% 19% 54% 31%

Government Projects Executed / Under Execution

Circa AED 25 bn worth of Government projects completed
Currently involved in projects which have an c. AED 10 bn plus value



Summary Cash Flows from Government Transactions³

Aldar has contracted cashflow from the Government amounting to circa AED 3.96 bn as of 30 Sep 2014

(AED mn)	Q4 2014	2015	2016	2017	Total
Sale of F1 Race Track	348	348	348	348	1,392
Sale of Al Raha Beach Land and Yas Island Assets	-	475	475	-	950
Sale of Central Market and Units & Infrastructure in Al Raha Beach	-	1,318	-	-	1,318
Shams Infrastructure Reimbursement & Sale of Gate Units	-	300	-	-	300
Total	348	2,441	823	348	3,960

¹ Government ownership of Aldar is through related entities including Mubadala Development Company (which owns 29.82% of Aldar), Abu Dhabi Investment Company (4.81%) and National Bank of Abu Dhabi (3.78%)

² Shareholding percentage on a fully diluted basis

³ The table excludes AED 2.4bn of on-balance sheet infrastructure recoverables outstanding. Post quarter end AED574m received against receivable outstanding

Business Segments Snapshot

Aldar's Business Overview

Aldar's business comprises three core activities and seven reporting segments that provide a diversity of income streams – the Group's focus is on growing its recurring revenue base

1. Asset Management

Owning residential, commercial, retail and hospitality real estate assets to secure long-term revenue streams and providing asset management services to third parties

Reporting Segment ¹	% of Revenue	% of Assets
Investment Properties	17.1%	41.9%
Hotels	7.2%	6.8%
Operative Villages	1.8%	0.5%
Total Asset Management	26.1%	49.1%

2. Real Estate Development

Development planning and real estate development of Aldar's extensive land bank or for third parties on a fee basis (mainly government entities)

Reporting Segment ¹	% of Revenue	% of Assets
Property Development & Sales	66.4%	41.9%
Construction	4.3%	3.5%
Total Development	70.7%	45.4%

3. Adjacent Businesses

Developing/managing schools, vertically integrated businesses such as construction, facilities/property management and investments in associates


Reporting Segment ¹	% of Revenue	% of Assets
Schools	2.8%	1.0%
Leisure	0.4%	0.1%
Property Management ²	N/A	N/A
Construction ²	N/A	N/A
Total Adjacent Businesses	3.3%	1.2%

Increased Focus on Growing Recurring Revenue

The Group intends to maintain its focus on growing its Investment Properties portfolio in the foreseeable future

Number of units expected to become available for lease in the near term:

	Existing (Under Management)	Upcoming Supply
Residential (units)	~4,500	0
Commercial (sqm)	188,000	0
Retail (sqm)	~450,000	0

	12M ending Dec 2008	9M ending 2014	Outlook
Recurring Revenue	AED 179mn ³	AED 1,549mn	The Group expects the portion of recurring revenue to increase significantly
Recurring Revenue %	2.1% ³	29.3%	
Growth trajectory in recurring revenue streams 			

¹ Revenue and Asset split provided per 30 Sep 2014 financial statements

² Revenue and Assets of Property Management segment (Khidmah) are aggregated in the Investment Properties segment while Revenue and Assets for Construction (Pivot) are aggregated in the Construction segment

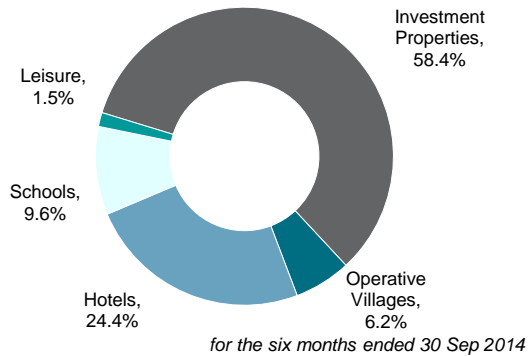
³ Figures provided are on a combined basis for Aldar and Sorouh historical financial information

Overview of Aldar's Operating Assets

Recurring Revenue Streams

The Group's income generating Operating Assets comprise residential, commercial and retail units as well as hotels, schools, operative villages and leisure facilities that generated in aggregate AED 1,549 mn in the first nine months of 2014

Revenue Split of Operating Assets



Residential Space Under Management

4,500 residential units in 15 separate developments in Abu Dhabi

Aggregate Leasing Rate

96%

Gate	Al rayyana	Al Raha Beach	Sun & Sky Towers	Al Murjan Tower	Sas Al Nakhl
1,283 units retained	1,536 units retained	168 units retained	320 units retained	247 units retained	575 villas retained

Retail Space

Aldar owns retail space across 25 developments

Leased¹

Yas Mall 98%

Al Jimi Mall	Boutik Al Ain	Boutik Shams
44,000sqm	47,000sqm	13,500sqm

Total gross leasable area of 234,000sqm

Commercial Space

Six separate developments with a gross leasable area of 188,000sqm

Leased¹

87%

HQ Building	Al Mamoura	Baniyas Towers
48,000sqm	68,000sqm	42,000sqm

The vast majority of Aldar's office space is Grade A

Hotels

Seven hotels and two hotel apartments (one of which is owned/managed through a Joint Venture)

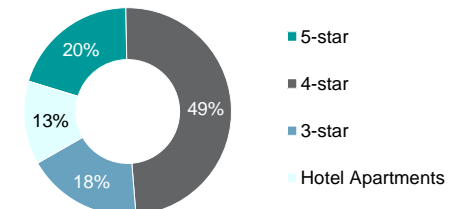
of Keys

2,536

Occupancy Rate

79%

Hotels Split by Type²



¹ Includes leased and signed heads of terms

² Split by number of rooms

Summary of Key Operating Assets

Yas Mall



Description	Yas Mall is a destination mall with a strategic location – will be the largest shopping mall in Abu Dhabi and second largest in the UAE.
Completion Status	Launched in November 2014.
Gross Leasable Area	225,000 sqm.
Status	98% pre-let

The Gate Towers



Description	High rise development comprising three 65-storey towers capped with a penthouse bridge and a 22-storey standalone arc-shaped building.
Completion Status	Completed and handover in 2014 (1,647 units handed over including 833 units during Q1-2014).
Units	3,533 residential units including 21 penthouses and 16 townhouses.
Status	Sold 63%, the balance added to the investment properties portfolio. The Gate and Arc Tower now fully leased,

al rayyana



Description	Low rise development of 33 buildings adjacent to a golf course with a community centre which includes retail facilities and a mosque.
Completion Status	Completed and handover to be completed by Q1-2015.
Units	1,537 one, two and three bedroom apartments.
Status	Fully let including a major part to a number of corporates

The above properties are expected to significantly contribute to the Group's recurring revenues in the near future

Summary of New Developments

Overview of Aldar's New Developments

In line with the Group's business strategy of selective development, Aldar recently announced three new projects

Al Hadeel



Ansam (Phase 1)



Nareel Island



Description	233 units comprising a mix of studio, 1-bed, 2-bed, 3-bed and 4-bed townhouses as well as retail space with sea / canal views. Investment Zone
GFA	32,558.74 sqm plot
Units Sold	218
Handover Date	2017
Gross Development Value	AED 524 million

Description	Residential cluster comprising 4 buildings and 546 units (studio, 1-bed, 2-bed, 3-bed apartments). Investment Zone
GFA	66,455.6 sqm (split in two phases)
Units Sold	464
Handover Date	2017
Gross Development Value	AED 988 million

Description	Villa development on the western side of Abu Dhabi comprising 143 plots of an average size of 2,500 sqm. Non-investment Zone
Gross Area	306,773 sqm
Handover Date	Q1-2017
Gross Development Value	AED 1,906 million

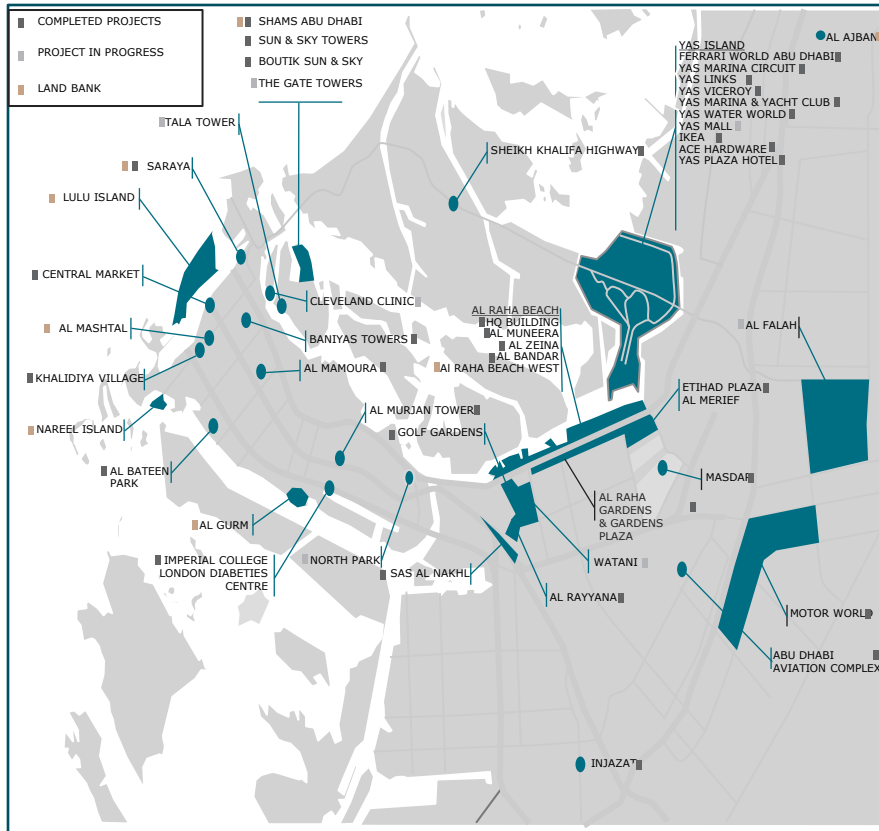
The above developments already have infrastructure in place and will primarily be funded through payment plans

Overview of the Group's Land Bank

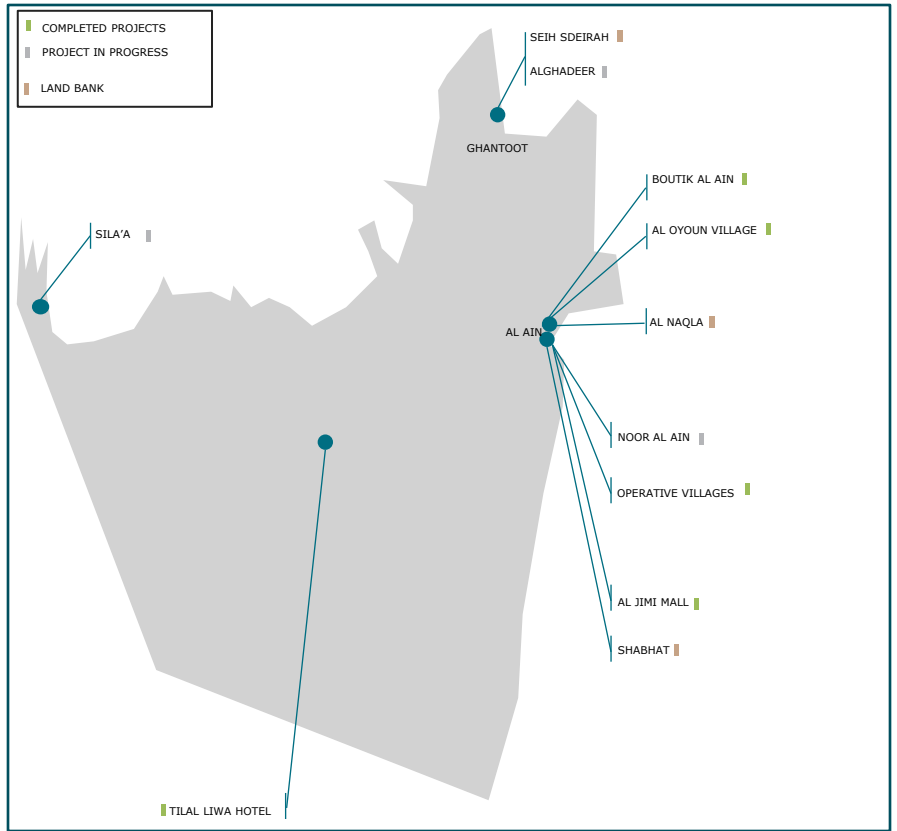
Aldar's Land Bank

The Group's extensive undeveloped land bank covers 77 mn sqm in Abu Dhabi – the majority of land was granted by the Government and 90% is classified as "investment zones"¹ which permits GCC nationals to purchase property – we provide an overview of select land plots below:

Abu Dhabi



Al Ain and Western Region



¹ Investment zones allow GCC nationals or entities wholly-owned by them to purchase freehold, and non-GCC nationals to purchase long-term musataha, or usufruct, interests

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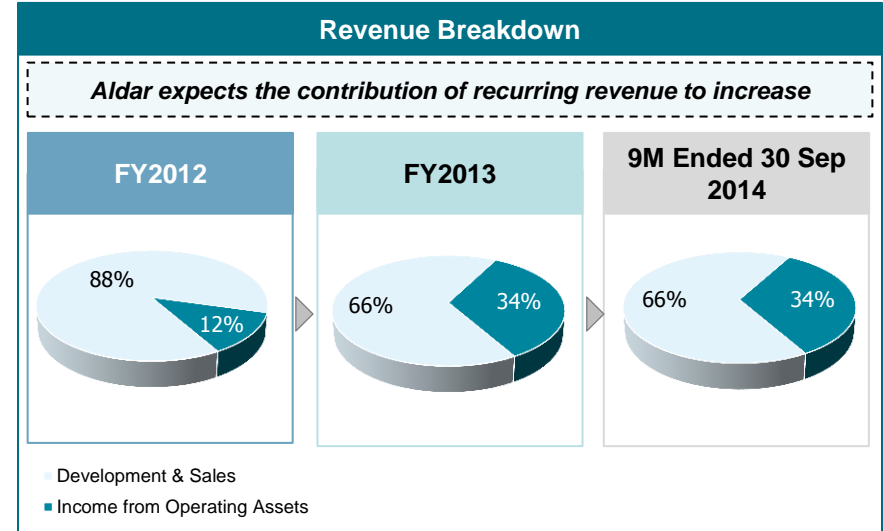
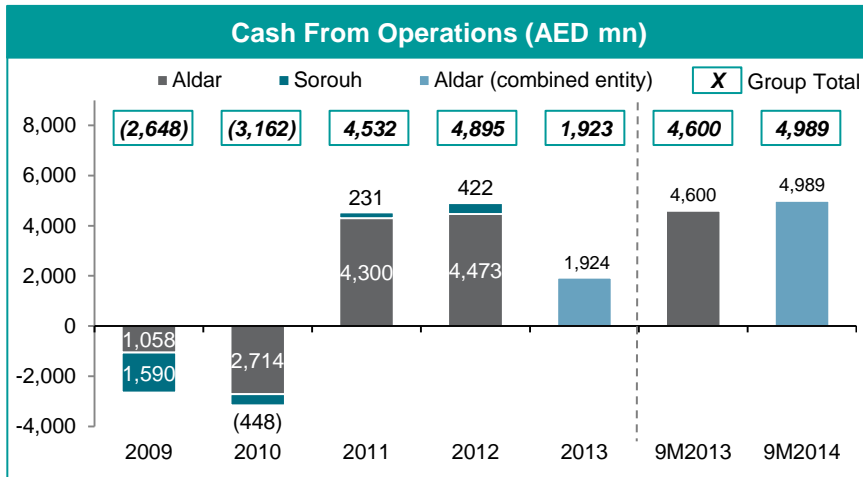
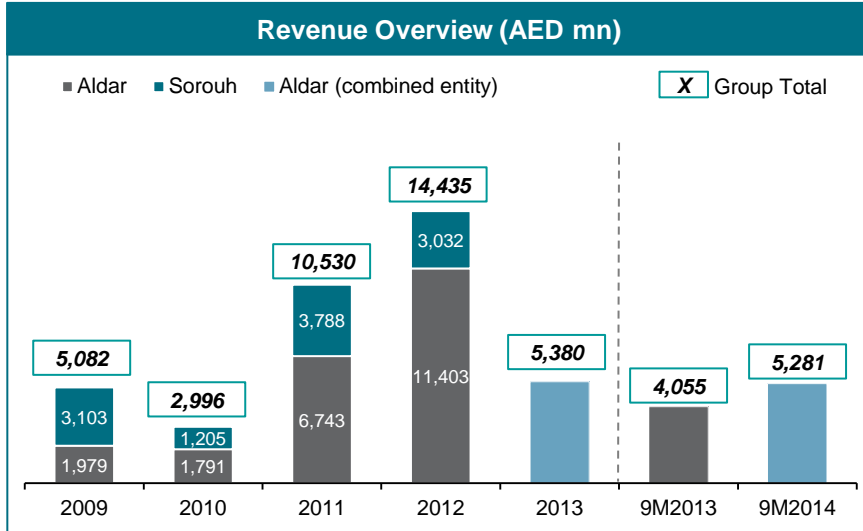
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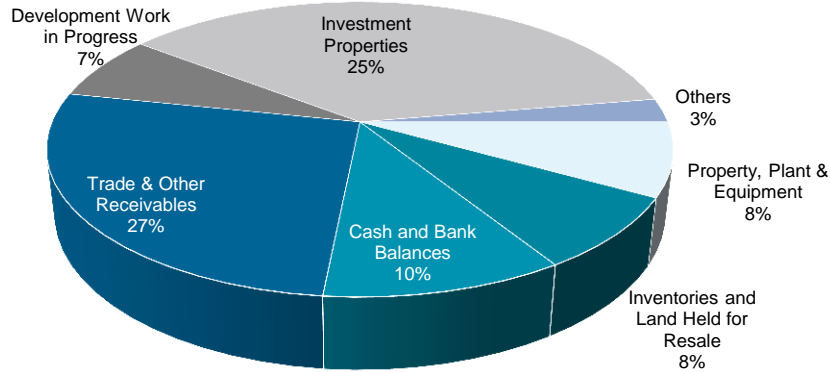
Income & Cash Generation



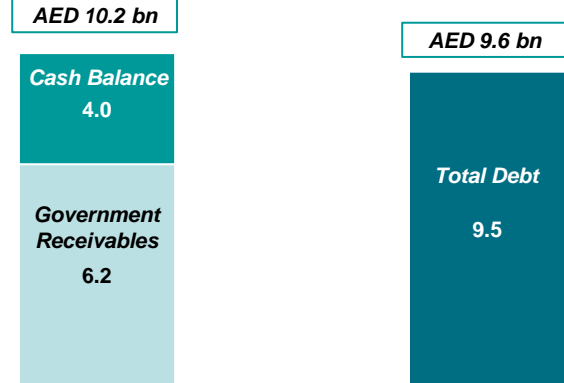
- ### Key Highlights
- ✓ Revenues during the first nine months of 2014 were 30% higher than 9M2013, mainly driven by handover units at Gate Towers and recurring revenue streams.
 - ✓ Recurring revenue in the first nine months of 2014 accounted for 34% of total revenue.
 - ✓ Recurring revenue is expected comprise a growing portion of total revenue as the Group continues to delivers key assets.
 - ✓ The Group's business strategy is focused on generating more stable and predictable cashflows from its Investment Properties, with reliable and timely government contracted cashflows.

Balance Sheet Overview

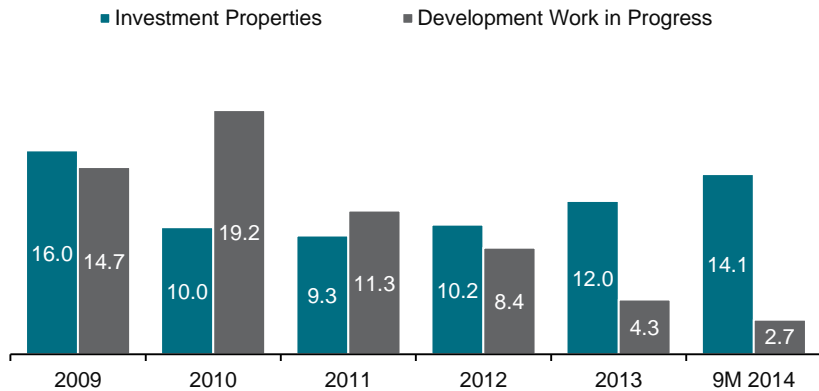
Asset Breakdown (9M-2014)



Overview of Key Balance Sheet Items (9M-2014)



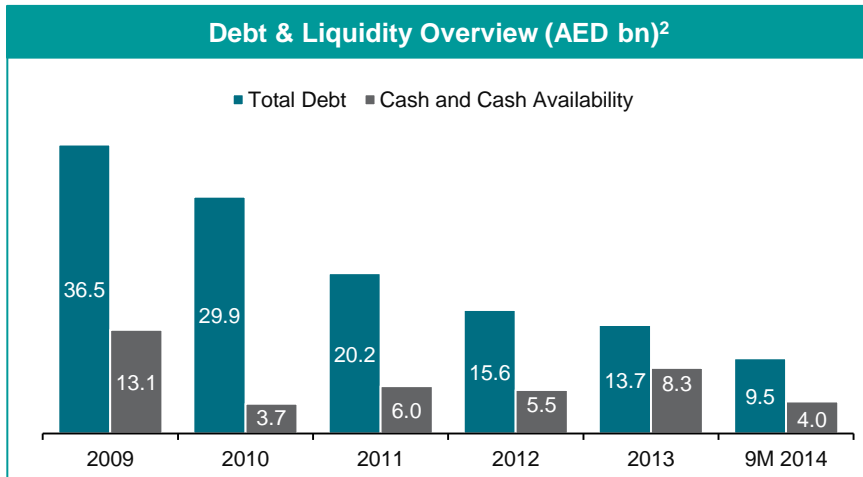
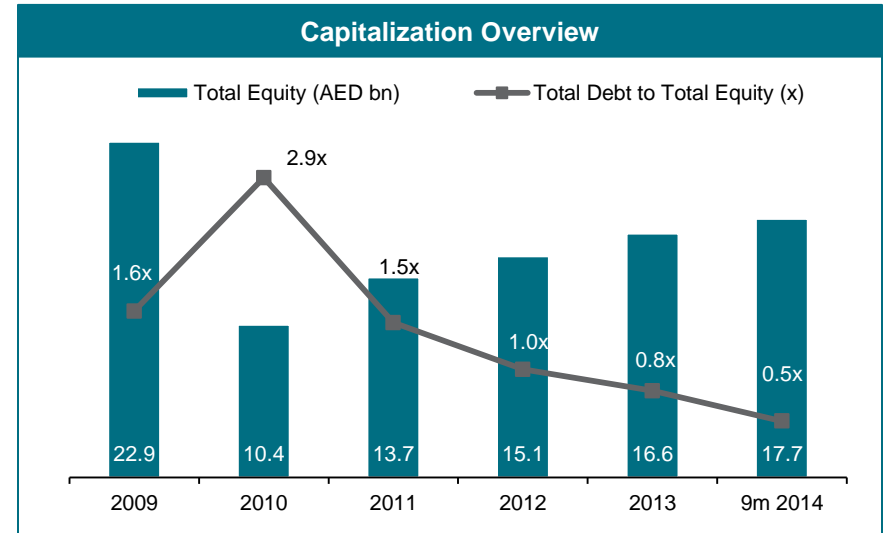
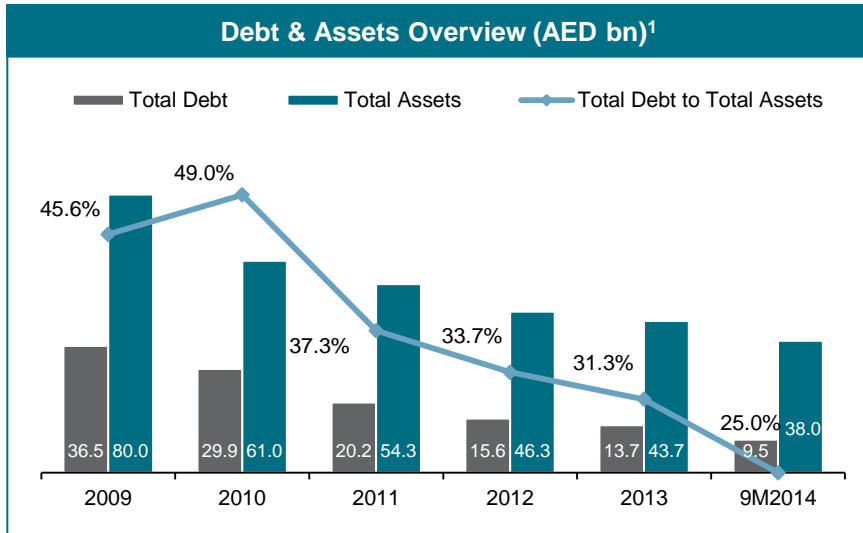
Overview of Aldar's Key Tangible Assets (AEDbn)



Key Highlights

- ✓ The Group's Investment Properties portfolio is expected to increase as Aldar completes its key projects over the course of 2014, particularly Yas Mall.
- ✓ In addition, the Group has retained a strong base of liquid assets - as of 30 Sep 2014, Aldar had a cash balance of AED 4.03bn
- ✓ Government receivables will fund a portion of the business plan, capital expenditure and debt repayments.

Leverage Overview



- ### Key Highlights
- ✓ The Group's overall leverage metrics have been improving in recent years.
 - ✓ Aldar's overall debt stock has been on a decreasing trend, in line with the Company's deleveraging strategy.
 - ✓ Meanwhile, Aldar's equity base (benefitting from the real estate recovery) has been growing.
 - ✓ In addition, and on the back of the growing recurring revenue portfolio, Aldar's cashflows have become more predictable.
 - ✓ In January 2014, Aldar received AED 3.5bn of Government Receivables and repaid AED 2.8bn of debt was repaid.

Please note that for 2009, 2010, 2011 and 2012, the calculation is based on adding Aldar's and Sorouh's financials

¹Debt includes bank borrowings and non-convertible bonds and Sukuk.

²Debt includes bank borrowings and non-convertible bonds while Cash & Cash Availability include cash and bank balances

Capital Expenditure & Funding Strategy

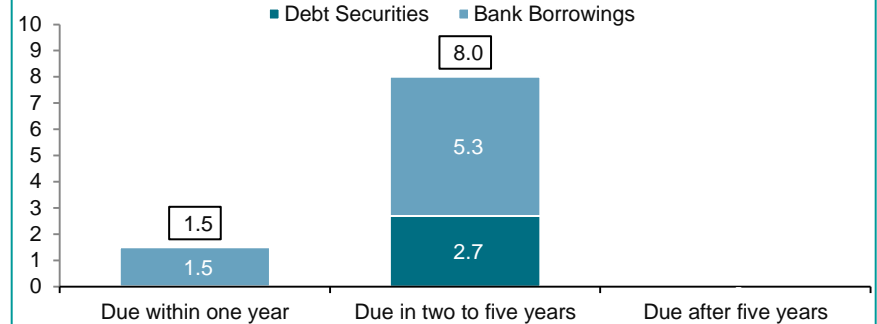
Capital Commitments & Refinancing

Capital Commitments (AED mn)

The below capital commitments are expected to be incurred over a five year period

Project under Developments	320
Reimbursable Project Works in Progress	5,750
Investment	80
Others	4
Total Capital Commitments¹	6,154

Debt Maturity Profile (AED bn)



Sources of Funding

1

Available Cash & Cash from Operations

- ✓ Income from investment properties, development & management fees and sale of properties.
- ✓ Cash balance of AED 4.03bn as of 30 Sep 2014.

2

Government Receivables

- ✓ AED 5.8 bn in on-balance sheet Government receivables.
- ✓ Substantial amount of these receivables are expected to be converted to cash over the next 12 months.

3

Borrowings

- ✓ Aldar enjoys strong relationships with local banks. Refinancing initiatives completed successfully during Q2 2014 and AED3.2bn new bilateral facilities signed with an average margin of 1.31% over EIBOR.
- ✓ Moody's and S&P upgrades in 2013 and 2014 provide greater access to debt financing.

Aldar manages capital risk through various methods including the monitoring of key financial measures such as cash flow and gearing ratio projections

¹ Capital commitments are detailed in Note 21 of 30 Sep 2014 Financial Statements

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Key Highlights

✓ **Aldar has a clear strategy**
Our four pillars of profit, partners, products and people clearly focus us on building stable predictable cash flows from our growing investment portfolio, deleveraging and de-risking our balance sheet and continuing to deliver on what we do best – providing real estate solutions to the Government and people of Abu Dhabi.

✓ **Aldar has a close connection with the Government of Abu Dhabi**
This mutually beneficial relationship has its foundation in the Government's c. 38% ownership of Aldar and our status as a partner in the development of the economy, of which real estate is core. This relationship can be seen in the infrastructure and developments we have delivered and will be delivering as well as in the Government's firm financial commitment to Aldar.

✓ **Aldar is the dominant real estate company in Abu Dhabi**
Aldar has the largest land bank in the Emirate and a proven track record of delivery – and this is a source of competitive advantage to us.

✓ **Aldar will focus on growing its recurring revenue base**
Growth of recurring revenue business to achieve AED1.6bn NOI annualised by Q1 2016. This will create a large, diversified and very unique portfolio of real estate assets that will provide steady and stable cash flow to Aldar well into the future.

✓ **Aldar has a very strong balance sheet**
Leverage has improved and our equity base has increased creating a strong platform for future growth.

✓ **Aldar has a best-in-class management team**
A business is nothing without the people who operate it and we believe the partnership between the board members and the management team, which was selected from both companies, represents the preeminent team in Abu Dhabi.

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Abu Dhabi's Real Estate Sector

Government Funding¹

The Government has **pledged AED 330 billion to help fund capital projects up to 2017** – with an aim to invest only in projects that will help develop the Emirate's economic development aspiration



On the back of expressed government support to the real estate sector, Aldar is ideally positioned to capitalize on the Abu Dhabi real estate market growth – especially given the Group's strong government link

Government Initiatives to Strengthen the Real Estate Sector²

1

Tightening Controls & Regulations

UAE Central Bank mortgage cap

Establishment of Rent Index and rent controls

Emirati Housing initiative by the Urban Planning Council

2

Stimulating Demand & Market Performance

Housing allowance regulation for Government employees

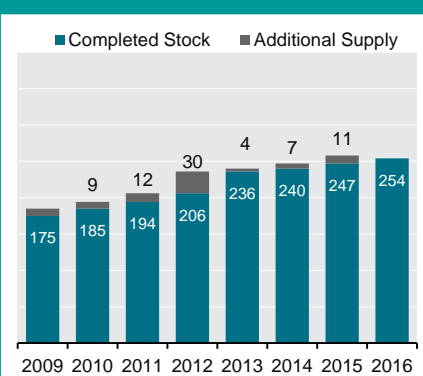
Major new government backed projects

AED 330bn stimulus package

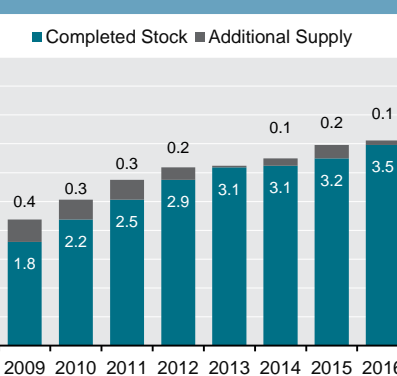
Supply Expectations³

Spurred by continued government spending, the Abu Dhabi real estate market expects to see moderate growth in supply over the coming years

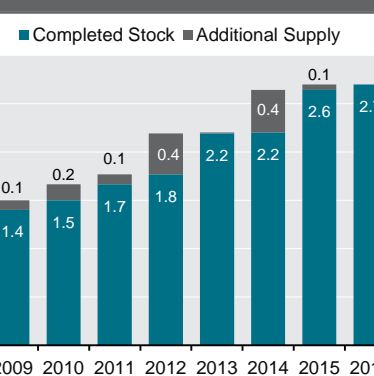
Residential Supply – # of Units (in '000s)



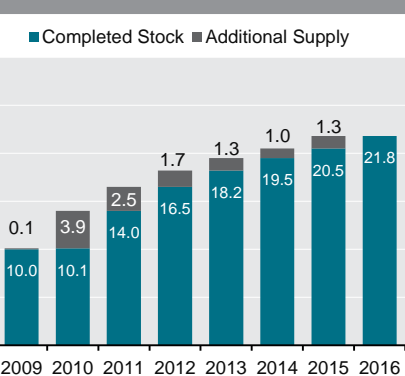
Office Supply – GLA (in millions sqm)



Retail Supply – GLA (in '000s sqm)



Hotel Supply – # of Rooms (in '000s)



¹ CBRE Global Research & Consulting, Abu Dhabi Office & Residential Market View (Q3-2013)

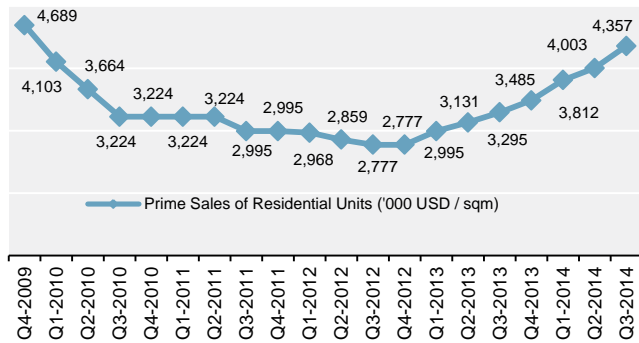
² Jones Lang Lasalle: Abu Dhabi Real Estate Market Overview (Q3-2014)

³ Jones Lang Lasalle: Abu Dhabi Real Estate Market Overview (Q3-2014)

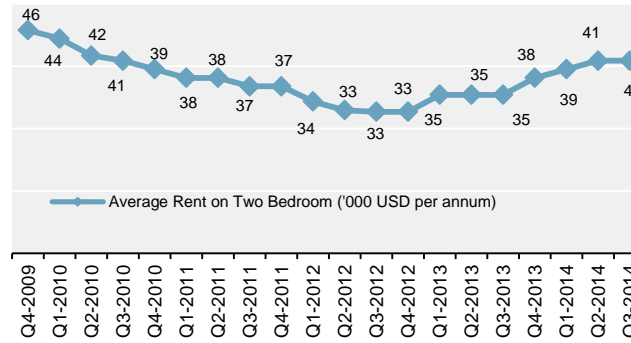
Abu Dhabi's Real Estate Sector (cont'd)

Residential Market Recovery¹

Residential Performance – Sales Prices



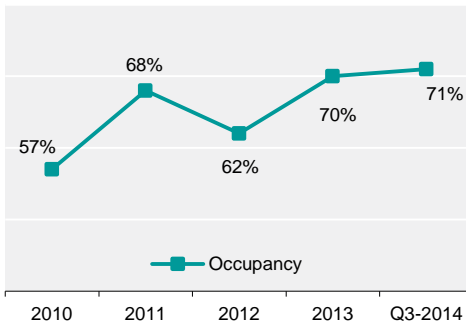
Residential Performance – Rents



- Abu Dhabi residential sale prices have benefitted from the unrest in the wider region as well as improved job security for local residents.
- In addition, with companies expanding their presence in Abu Dhabi and improved urban offering in the Emirate, rents are also recovering.

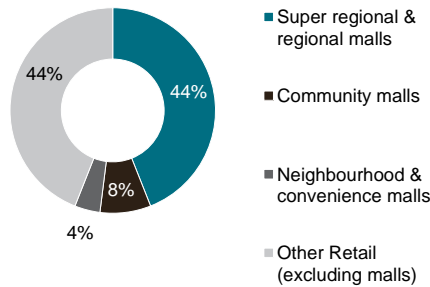
Hospitality Market Overview¹

Increased occupancies as Abu Dhabi continues to develop its leisure offerings



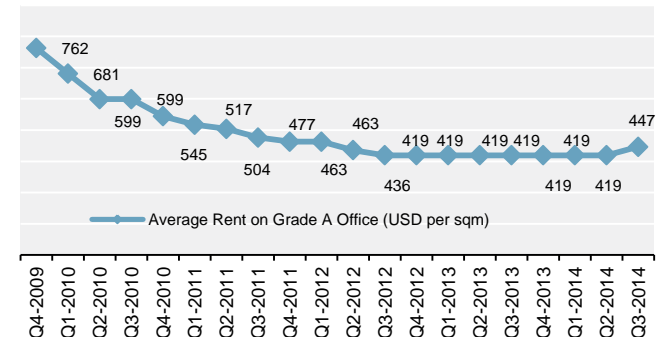
Retail Market Overview¹

There remains substantial demand for high quality Super Regional retail space



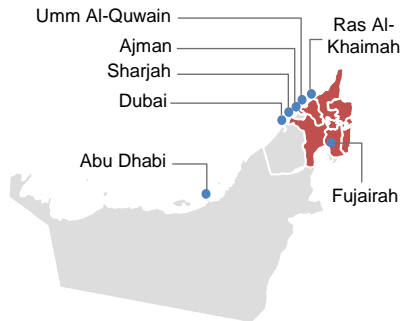
Office Market Overview¹

Average Grade A Office space stabilized over the last few quarters



Abu Dhabi's Macroeconomic Overview

- Abu Dhabi has one the highest GDP per capita as a result of its substantial oil reserves
- The Emirate has the second largest hydrocarbon reserves per capita and the highest hydrocarbon revenue per capita among the GCC countries
- Dubai experienced a financial crisis at the end of 2009 and was at the brink of sovereign default:
 - Abu Dhabi bailed out Dubai with a USD 20bn loan during the crisis due in 2014
 - The capital has agreed to refinance Dubai's debt at a lower rate to boost the country's economic growth
 - Abu Dhabi was relatively protected from the crisis due to its vast oil reserves



Country Overview

Key Economic Trends:

- Abu Dhabi is one of the largest hydrocarbon producers globally on per capita basis:
 - The oil & gas sector accounted for c. 55% to the nominal GDP in 2013
- Abu Dhabi's nominal GDP has grown five-fold from c. USD51bn in 2001 to c. USD 260bn in 2013
- GDP growth declined from 9.3% in 2011 to 5.2% in 2013, mainly attributable to the slower expansion in oil production, driven by global oil market conditions
 - Abu Dhabi has over 91.9bn barrels of proven reserves, which are expected to last for another century
- The Emirates benefits from high current account and fiscal surplus, which tend to be in double digits as a percentage of GDP, due to large oil revenue
- Inflation rate is expected to increase by 2.9% in 2014, compared to 1.3% in 2013

Demographics:

- Abu Dhabi is the largest and most populated emirate in the UAE with a population of over 2.5 million
 - Abu Dhabi accounts for c. 81% of UAE's land area and c. 43% of the population of the UAE
- Expatriates constitute 85% of the Abu Dhabi's population

Economic Outlook:

- Abu Dhabi's political situation is expected to remain stable as its ruling family remains popular and uncontested
- GDP is estimated to grow at an average annual rate of 6%-7% over the next two years
- The oil sector is still expected to dominate the economy with oil production estimated to reach 3.1 million barrels per day in 2017
 - The Government of Abu Dhabi is expected to implement its diversification plans and boost the non-oil sectors through continued investments
 - Abu Dhabi is targeting a 64% contribution from the non-oil sector to the emirate's total GDP by 2030

Source: EIU, BMI, IMF, Oxford Economics, JLL Top Trends 2012

Notes:

(3) Gross domestic product by economic activity at current prices (4) Includes crude oil and natural gas (5) Nonperforming Loan

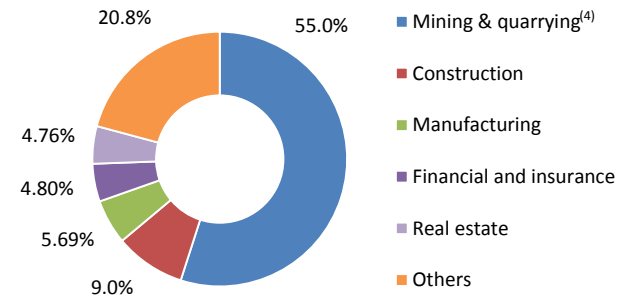
Abu Dhabi Economic Summary

	2010A	2011A	2012A	2013A	2014E
GDP growth (%) ⁽¹⁾	6.5	9.3	4.8	5.2	6.7
Inflation (%)	3.1	1.9	1.1	1.3	2.9
Current account (% of GDP)	22.7	28.4	25.9	20.0	13.9
Net External Debt (US\$ bn)	(15.5)	(11.2)	(18.4)	(25.7)	(29.4)
Oil price (Brent; US\$/b)	79.6	110.9	112.0	108.9	104.4
Currency: AED / USD	3.7	3.7	3.7	3.7	3.7
Population (m)	1.9	2.2	2.3	2.4 ⁽²⁾	NA

Source: Abu Dhabi Statistics Centre , World Bank Commodity Prices April 14 Notes:

(1) Real GDP growth , (2) The National press release dated May'13

GDP Composition by Industry⁽³⁾



Source: Abu Dhabi Statistics Centre

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Experienced Management Team

Mohamed Al Mubarak (Chief Executive Officer)



- Mohammed Khalifa Al Mubarak is Chief Executive Officer. He was previously Deputy Chief Executive and Chief Portfolio Management Officer at Aldar
- Mohammed has been integral to the development of Aldar's operational business as well as the fast growing Sales & Leasing, Property & Asset Management and Facilities Management units
- Prior to Aldar, he worked with Barclays Capital in London, focusing on investment and finance in the MENA region
- Mohammed is Chairman of Executive Committee of Tourism and Cultural Authority Abu Dhabi, Chairman of Miral Asset Management, Chairman of Image Nation Abu Dhabi and Chairman of Farah Leisure
- Mohammed is a graduate of Northeastern University (USA), with a double major in Economics and Political Science

Paul Warren (Chief Strategy Officer)



- Paul Warren is the Chief Strategy Officer. Paul is responsible for providing senior strategic advice to the CEO and Board of Directors.
- Paul has held senior roles in government, private equity and investment banking, including Assistant Secretary for Housing in Hong Kong, and six years at JP Morgan (USA) where he was Vice President of Investment Banking. He was also a founding partner Capital Z Investments (New York), a \$3.2 billion buyout fund dedicated to acquisitions in the financial services industry.
- He has served on numerous boards for both public and private entities in the United States, UK and Argentina.

Greg Fewer (Chief Financial Officer)



- Greg Fewer is the Chief Financial Officer. Greg is responsible for group financial strategy, financial reporting, and corporate finance.
- Prior to Aldar, Greg was Deputy Head of Structured Finance & Capital Markets at Mubadala where he was jointly responsible for Mubadala's overall debt raising activities and overseeing Mubadala's investment program in the commercial finance market.
- Greg holds a BComm (Hons) from the University of Manitoba and an MBA from London Business School.

Fahad Al Ketbi (Chief Operations Officer)



- Fahad Al Ketbi is Chief Operations Officer. Previously, Fahad served as the Chief Commercial Officer at Sorouh Real Estate PJSC.
- Prior to joining Sorouh, Fahad was a commissioned officer in the UAE Military Forces, rising to the position of Colonel and Director of the Corps of Engineers.
- Fahad holds a Masters of Science from the National Defense University, Washington, DC with a major in strategy and a Bachelor of Science in Civil Engineering from the University of Hartford, Connecticut, USA.

Gurjit Singh (Chief Development Officer)



- Gurjit Singh is the Chief Development Officer of Aldar Properties PJSC. Previously, he served as Chief Operating Officer of Sorouh Real Estate PJSC.
- Prior to joining Aldar, Gurjit worked with the Sime Darby Group, one of Malaysia's largest multinationals, and the Sentosa Leisure Group, where he worked as Group Director for the Property division, spearheading the development of the Sentosa Island destination in Singapore.
- He is a graduate of the University of Cambridge, England.

Snapshot of Aldar's Land Bank

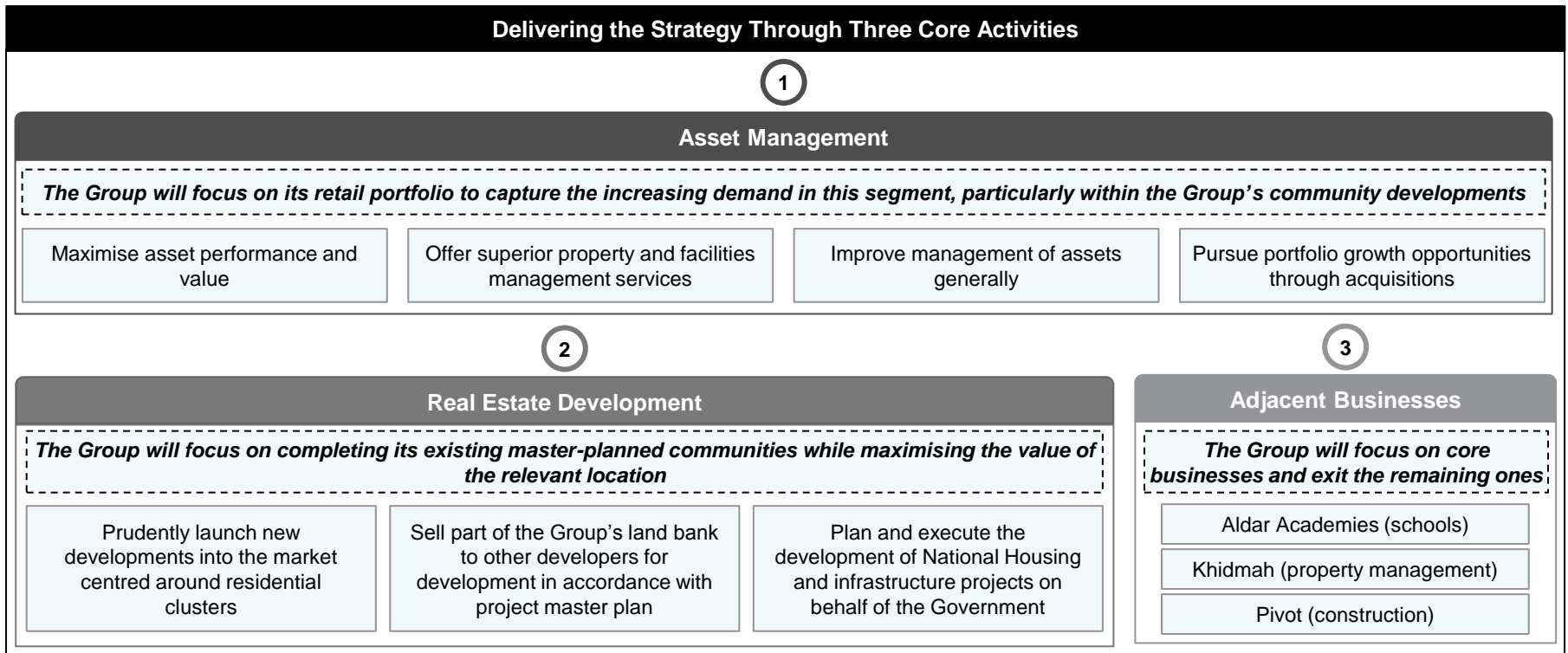
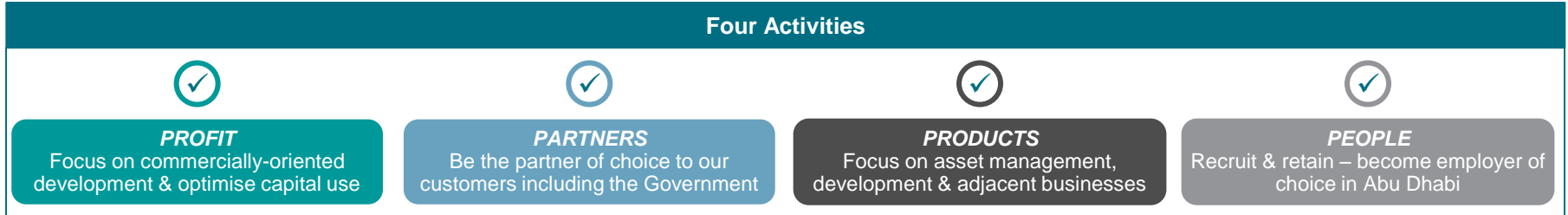
Aldar's Land Bank

Investment Zones

<p>Yas Island</p> <ul style="list-style-type: none"> • 7.2mn sqm of freehold plot area available for mixed-use development. • Substantial parts already developed or under development. 	<p>Al Raha Beach</p> <ul style="list-style-type: none"> • 3.7mn sqm of freehold plot area available for mixed-use development. • Substantial parts already developed or under development. 	<p>Seih Sdeirah</p> <ul style="list-style-type: none"> • 52.2mn sqm of freehold plot area available for mixed-use development. • The Group currently appointed as developer on land adjacent to this site. 	<p>Shams Abu Dhabi</p> <ul style="list-style-type: none"> • 1.8mn sqm of freehold plot area available for mixed-use development. • Sold 97 plots, developed three plots and retained 19 in inventory. 	<p>Lulu Island¹</p> <ul style="list-style-type: none"> • 5.0mn sqm of freehold plot area available for joint mixed-use development.
<p>Motor World</p> <ul style="list-style-type: none"> • 2.7mn sqm of freehold plot area available for mixed-use development (phase 2). • Completed phase 1 of project, which is an automotive centre including 119 car showrooms. 	<p>Al Falah Town Centre</p> <ul style="list-style-type: none"> • 2.2mn sqm of freehold plot area available for mixed-use development. • Currently undertaking a single National Housing development on behalf of the Government. 	<p>Al Gurm</p> <ul style="list-style-type: none"> • 710,271 sqm of freehold plot area available for residential development. • Completed phase 1 of project, which is a residential development, in October 2010. 	<p>Saraya</p> <ul style="list-style-type: none"> • 136,000 sqm of freehold plot area available for mixed-use development. • Sub-divided into 28 plots, of which 21 have been sold with the balance retained in inventory. 	
<p>Al Merief</p> <ul style="list-style-type: none"> • 690,894 sqm of freehold plot area available for mixed-use development. 		<p>Shabhat</p> <ul style="list-style-type: none"> • 253,749 sqm of freehold plot area available for mixed-use development. 		<p>Al Naqlah</p> <ul style="list-style-type: none"> • 520,000 sqm of freehold plot area available for mixed-use development.
<p>Nareel Island</p> <ul style="list-style-type: none"> • 713,259 sqm of freehold plot area available for residential development. 		<p>Al Mashtal</p> <ul style="list-style-type: none"> • 140,396 sqm of freehold plot area available for mixed-use development. 		

¹ Lulu Island is 60% owned by the Group, with the balance jointly owned by Mubadala

Business Strategy



Investment Process

Robust Investment Control Process

Aldar's Investment Control Process is based on (i) taking go/no-go decisions at the start and end of each gateway, (ii) following a staged approach to the process and (iii) delivering an output at the end of each stage to pass the relevant gateway

