Press Release

Tabreed-MIP Consortium Acquires 30 Year District Cooling Concession on Al Maryah Island, Abu Dhabi

10 July 2014, Abu Dhabi – A consortium comprising National Central Cooling Company PJSC ('Tabreed'), the leading Abu Dhabi-based district cooling utility company, and Mubadala Infrastructure Partners ('MIP'), an infrastructure focused fund investing in the Middle East, North Africa and Turkey, with institutional investors from the GCC region and Asia, today announced that it has acquired a 30-year concession to be the exclusive provider of district cooling services to the developments on the southern part of Al Maryah Island, Abu Dhabi.

The transaction, which is valued at approximately AED 1,050 million, involves the acquisition of the existing district cooling provider to Al Maryah Island (Al Wajeez Development Company PJSC) and will be funded through a combination of equity and a 20-year long-term non-recourse senior loan provided by First Gulf Bank.

The 30-year concession represents an installed capacity of up to 80,000 refrigerated tons (RT) for Abu Dhabi's new Central Business District and luxury lifestyle destination on Al Maryah Island. Al Maryah Island Phase I developments encompass 450,000m^2 of office, retail and hotel developments designed to form the commercial and financial hub of the Emirate of Abu Dhabi. Key developments on the Island include Cleveland Clinic Abu Dhabi, Four Seasons Hotel, Rosewood Hotel, Sowwah Square Towers, Galleria Mall, Al Hilal bank and Abu Dhabi Exchange Building.

Commenting on the acquisition, Jasim Husain Thabet, CEO of Tabreed, said: "The acquisition of the Al Maryah Island plant, which currently has over 43,000 RT of connected capacity and utilizes some of the latest district cooling technology, represents an important milestone for us. The strength of the contractual arrangements and the high quality of customers on the Island makes this an attractive acquisition. The new Central Business District on Al Maryah Island is a vital part of Abu Dhabi's economic and social development and Tabreed's vast experience working on complex infrastructure projects across the region has positioned it well to provide essential year-round cooling services to this critical project.

“The combination of a strong partner and the positive industry outlook has resulted in us obtaining favorable financing terms to complete this acquisition, which is an affirmation of the market confidence in the Tabreed – MIP consortium.”

Philip Haddad, CEO of MIP, added: “The acquisition of Al Wajeez in partnership with Tabreed, a leading regional operator, represents an important addition to our portfolio in Abu Dhabi and in the GCC. District cooling is an innovative, energy-efficient and attractive asset class for long-term investors. “

André Sayegh, CEO of FGB, added: “The acquisition finance of Al Wajeez shows First Gulf Bank’s commitment to taking a leading role in Project Finance and supporting the infrastructure development of the Emirate of Abu Dhabi. I am very proud of this major transaction that reflects the strong relationships we have with Tabreed and MIP.”

The acquisition of the Al Maryah Island plant brings the total number of district cooling plants owned and operated by Tabreed in the GCC to 67, and increases its connected capacity to over 900,000 RT.

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About National Central Cooling Company PJSC (Tabreed)

Tabreed is an Abu Dhabi-based utility company that provides energy-efficient, cost-effective and environmentally friendlier year-round district cooling solutions in the GCC. Founded in 1998, and listed on the Dubai Financial Market, Tabreed’s cooling infrastructure is an integral part of the region’s sustainable development. The company now delivers 902,000 RT to major residential, commercial, government and private projects. Tabreed has 61 plants in the United Arab Emirates, and 6 plants in Bahrain, Oman, Qatar and Saudi Arabia.

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