Press Release

Tabreed's First Half Net Profit Increases 20 per cent to AED 192.7 Million

27 July 2017 - Abu Dhabi, UAE: National Central Cooling Company PJSC (DFM: Tabreed), the leading regional district cooling utility company, today released its 2017 first half consolidated financial results. The company continues to deliver solid performance and growth driven by its core chilled water business with new capacity and connections added across the GCC. The company also announced good progress towards completing the transaction to introduce ENGIE as a new major shareholder of Tabreed.

Financial highlights – six months ended 30 June 2017:

- Net profit attributable to the parent increased by 20 per cent to AED 192.7 million (H1 2016: AED 160.5 million)
- Earnings per share increased by 20 per cent to 7.1 fils (H1 2016: 5.9 fils)
- Group revenue increased by 10 per cent to AED 639.2 million (H1 2016: AED 578.6 million)
- Core chilled water revenue increased by 17 per cent to AED 602.3 million (H1 2016: AED 516.0 million)
- EBITDA increased by 12 per cent to AED 308.0 million (H1 2016: AED 275.4 million)
- Share of results of associates and joint ventures increased by 29 per cent to AED 62.4 million (H1 2016: AED 48.2 million)

Operational highlights – six months ended 30 June 2017:

- Total Group connected capacity across the GCC increased to 1,084,451 Refrigeration Tons (RT), with 36,040 RT of new customer connections added in the first half of the year, as follows:
    - 22,863 RT in the United Arab Emirates
    - 3,000 RT in Bahrain
    - 10,177 RT in other regions
- 595 million kilowatt hours of electricity was saved across the GCC - enough energy to power approximately 20,000 homes every year
- This prevented the release of almost 297,500 tons of carbon dioxide - the equivalent of eliminating the emissions of 59,500 vehicles annually

In other developments, the company recently announced that global energy leader ENGIE will purchase 40% of Tabreed from Mubadala through the conversion of Mubadala's Mandatory Convertible Bonds (MCBs) and transfer of 1.086 billion shares to ENGIE. Further to that announcement, at their meeting on 26 July, Tabreed's Board of Directors approved the necessary increase in Tabreed's share capital and conversion of the MCBs to shares.

The transaction is expected to complete in the third quarter of 2017 once required regulatory approvals are obtained.

Khaled Abdulla Al Qubaisi, Chairman, commented: "Tabreed has earned a leading position in district cooling with a clear vision to deliver consistent and sustainable results to investors and shareholders. This is reflected in Tabreed's robust performance in the first half of 2017 with a net profit increase of 20 percent to AED 192.7 million. Its sound business model and growing customer and partner confidence is also reflected in the recent announcement of a major investment in Tabreed by global energy leader ENGIE, who will harness their long-standing experience to support Tabreed's growth strategy and reinforce its reputation as a leading regional utility offering best in-class solutions and high quality long-term services."

Jasim Husain Thabet, Tabreed's Chief Executive Officer, added: "Tabreed is going from strength to strength with a growing presence across the GCC region, where we are proud to cool landmark projects and critical infrastructure developments. This is essential to driving business results and economic development. Profits from our associates and joint ventures has increased by 29 per cent to AED 62.4 million."

Thabet continued: "The planned investment in Tabreed by global energy leader ENGIE is further testament to Tabreed's financial strength and leading market position. Tabreed Board approval of the necessary increase in share capital, and conversion of the MCBs, is a significant step and we look forward to welcoming ENGIE as a major shareholder of Tabreed. This brings us one step closer to the successful completion of the transaction, expected in the third quarter of 2017.

As we look forward, our focus will continue to be on delivering high quality and advanced solutions and services to meet the region's rising cooling needs, where we are well positioned to capture growth opportunities."

Tabreed is a partner of choice for organizations across the GCC in providing environmentally friendly district cooling solutions. With 72 district cooling plants located throughout the region, Tabreed currently delivers over 1 million refrigeration tons to key developments in the region including iconic infrastructure projects such as Abu Dhabi's Al Maryah Island, Yas Island, Sheikh Zayed Grand Mosque, Dubai Metro, Dubai Parks and Resorts, and the Jabal Omar Development in the Holy City of Mecca.

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About National Central Cooling Company PJSC (Tabreed)

Tabreed is a UAE-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 growth. The company now delivers over a Million Refrigeration Tons (RT) to major residential, commercial, government and private projects. Tabreed owns and operates 72 plants in its portfolio across the GCC, including 63 plants in the United Arab Emirates, two in the Kingdom of Saudi Arabia, three in Oman, one in the Kingdom of Bahrain and others in the region.

For more information, please visit www.tabreed.ae or contact:

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