
الواعة كابيتال
WAHA CAPITAL

Year End 2013
Financial Results

March 2014

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Highlights

Performance reflects growth across all business divisions

- Year end net profit of AED 306.4 million, up 42.9 percent over 2012
- Strong performance from Principal Investments, particularly AerCap and Dunia Finance
- Robust income generated by the Capital Markets division
- Total equity of AED 2.5 billion as at 31 December 2013 vs. AED 2.3 billion as at 31 December 2012
- Assets of AED 5.2 billion as at 31 December 2013 vs. AED 4.4 billion as at 31 December 2012
- Return on equity for the year ended 31 December 2013 stood at 12.6% and return on assets stood at 6.3%
- Acquired a controlling stake in Anglo Arabian Healthcare, comprising 17 operating assets
- Successfully exited three non-core assets generating cash proceeds of c. AED 100 million

YE 2013 **Net Profit**

Up 42.9% vs. YE 2012

YE 2013 **Total Income**

Up 33.4% vs. YE 2012

Total Equity

Up 8.6% vs. YE 2012

Total Assets

Up 18.1% vs. YE 2012

Year End 2013 Financial Performance

YE 2013 **INCOME**

UP 33% vs. YE 2012

YE 2013 **PROFIT**

UP 43% vs. YE 2012

YE 2013 **EPS**

UP 43% vs. YE 2012

In AED Million	YE 2013	YE 2012
Total Income	587	440
Total Expenses	(282)	(201)
NCI and discontinued operations	1	(25)
Net Profit attributable to shareholders	306	214
Equity attributable to shareholders	2,526	2,330

Key Performance Indicators	YE 2013	YE 2012
Earnings per Share (in AED)	0.16	0.11
ROE	12.6%	9.4%

Financial Position – *as at 31 December 2013*

TOTAL ASSETS AED 5.2b	EQUITY AED 2.5b	DEBT AED 2.4b	CASH AED 271m
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AED in Million	31 December 2013	31 December 2012
Cash	271	220
Investment in equity-accounted investees	2,493	2,255
Investment Property	809	776
Other Investments*	1,321	934
Other Assets	344	250
Total Assets	5,238	4,435
Total Debt	2,380	1,786
Total Equity	2,546	2,344
Leverage (%) excluding Capital Markets net debt	38%	40%
Leverage (%) including Capital Markets net debt	45%	40%

Source: Company Financial Statements

* Include mainly investments in assets at FVTPL, held-to-maturity, available for sale and held for sale

Performance Contribution

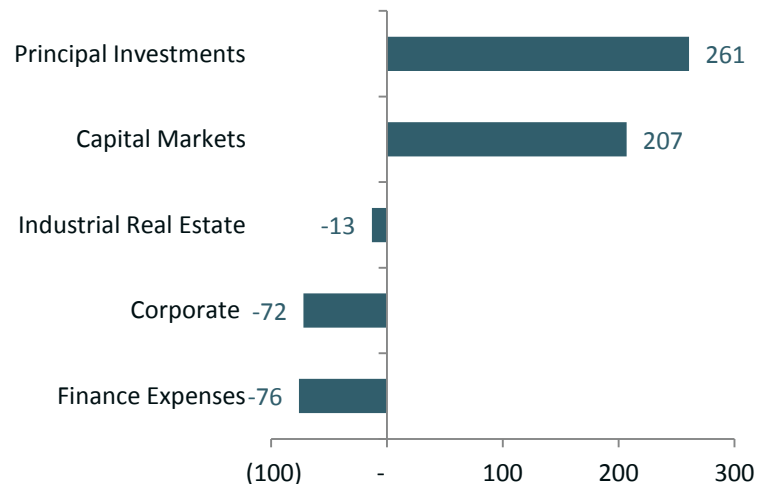
Net Profit

- Principal Investments and Capital Markets represent the largest contributors to net profit
- Key Principal Investments includes:
 - AerCap
 - Dunia Finance
 - Anglo Arabian Healthcare
 - Stanford Marine Group
 - MENA Infrastructure Fund

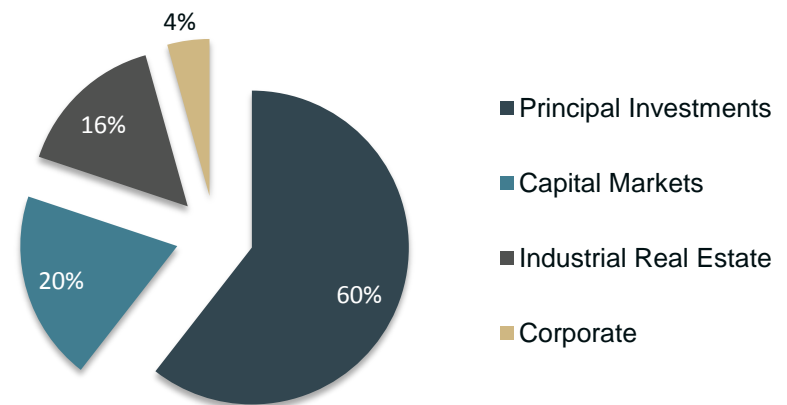
Total Assets

- Principal Investments represent the largest component of total assets with AerCap comprising 39% of total assets
- Market value of Waha Capital's share of AerCap at the reporting date was AED 4.2 billion against a carrying value of AED 2.1 billion

Contribution to Net Profit (AED in Million)



Contribution to Total Assets



Portfolio Highlights – as at 31 December 2013

Principal Investments - AerCap

- Signed lease agreements for 79 aircraft
- Delivered 52 aircraft under contracted lease agreements
- Purchased 38 aircraft and entered into purchase and leaseback agreements for another 21 aircraft that are still to be delivered
- Closed the sale of 28 aircraft
- Signed financing transactions for \$5.9 billion, including \$3.8 billion relating to the International Lease Finance Corporation ("ILFC") transaction

Principal Investments - Dunia Finance

- Achieved net income of AED 118.5 million with ROE of 28.9% and ROIC of 20.2% (includes only Dunia Finance performance)
- Expanded its loan book at a healthy rate of 35.4%, with an end of period customer base of 137.8 thousand, i.e. a growth of 21.3% over 2012
- Non-performing loan cover at year end stood at c. 1.7x
- Funded 100% of the loan portfolio growth through customer deposits and retained earnings
- Maintained a bank facility of AED 190 million

Principal Investments - SMG

Stanford Marine:

- Maintained a fleet of 39 owned Offshore Supply Vessels (OSVs) in operation; average vessel utilization of c. 90%
- Acquired 6 vessels, comprising of 3 Anchor Handling Tug/Supply Vessels (AHT/AHTS), 2 Platform Supply Vessels (PSV) and 1 Utility vessel
- Two new vessels expected to be delivered in 2014

Grandweld and GMMOSTech:

- Delivered 13 ships; undertook 820 repair and maintenance jobs

Principal Investments - Anglo Arabian Healthcare

- Owns and operates 17 assets, employs more than 300 people and serves over 400,000 registered outpatients
- Operating assets consist of 1 day hospital, 6 clinics, 5 pharmacies, 3 diagnostics centres and 1 provider of continuing medical education, with 1 hospital set to open in 2014
- Plans to expand rapidly over the next few years, organically and through acquisitions
- Part of Waha Capital's strategy is to invest at least AED 200-250 million in the healthcare segment over three to five years

Portfolio Highlights – *as at 31 December 2013*

Principal Investments - MENA Infrastructure Fund

- Launched in 2007 with a total capital commitment of \$300 million from its Limited Partners and co-investors
- Waha Capital's commitment as an LP stands at \$53.75 million (17.9% of total commitment)
- Invested in four assets: a) Alexandria International Container Terminals in Egypt, b) Qurayyah Independent Power Project (IPP) in Saudi Arabia, c) United Power Company in Oman, and d) Sohar Power Company in Oman
- Current dividend yield of 6% and a target gross IRR of 14-17%

Industrial Real Estate - ALMARKAZ

- Construction of Phase I infrastructure and 90,000 m² of Small Industrial Units (SIUs) completed in December 2012
- Occupancy reached c. 60% in December 2013
- Robust lease activity with growing interest from manufacturing and logistics businesses attracted by the development's superior infrastructure and facilities

Capital Markets - Public Transactions

- Waha Capital has been developing its securities investments business to invest in capital market securities such as bonds, sukuks, convertibles, equities, hybrids, IPOs and pre-IPOs
- Initial focus has been on credit investments primarily comprising USD-denominated corporate bonds issued in emerging markets with focus on Central Europe, Middle East and Africa (CEMEA)
- Investment process is complemented by dedicated in-house research and robust risk management

Capital Markets - Private Transactions

- Since 2008 Waha Capital has arranged several private transactions; transactions include a range of financial instruments usually secured by an underlying asset
- The financial instruments typically include secured debt, mezzanine debt, junior debt, structured debt and selected options and derivatives
- Target IRR hurdle rate for investments into private transactions is 15% and all investments are subject to fundamental research covering macro, sector and issuer risks

Mission and Strategy

To be the pre-eminent investment company in the region, with clear earnings visibility

Principal Investments

- Acquire controlling stakes in companies with first class management
- Grow business regionally, seeking investments in existing and new sectors, including education, industrials and oil and gas
- Build on MENA Infrastructure Fund's success by launching Fund II

Capital Markets

- Generate cash flows and returns in excess of our cost of capital
- Focus on opportunities in both primary and secondary equity markets

Industrial Real Estate

- Build out ALMARKAZ and pursue future development opportunities with a special emphasis on the pre-leasing model

Our Philosophy

Collaborate

Excel

Deliver

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Thank You