

# Prime Investor Conference

8 December 2014

الواحة كابيتال  
WAHA CAPITAL



Principal Investments | Capital Markets | Industrial Real Estate



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**CEO and Managing Director**

**Mr. Salem Al Noaimi**

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## Key Messages

# Key Messages

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- 1** Record performance in 2013 and **exceptional performance** year to date 2014
- 2** Attractive pipeline of potential investments
- 3** Clear visibility of earnings and liquidity
- 4** Strong balance sheet and **funding capacity**
- 5** Target average **RoE and RoA** over next 3 years reflecting **significant improvement** compared to average of last 3 years



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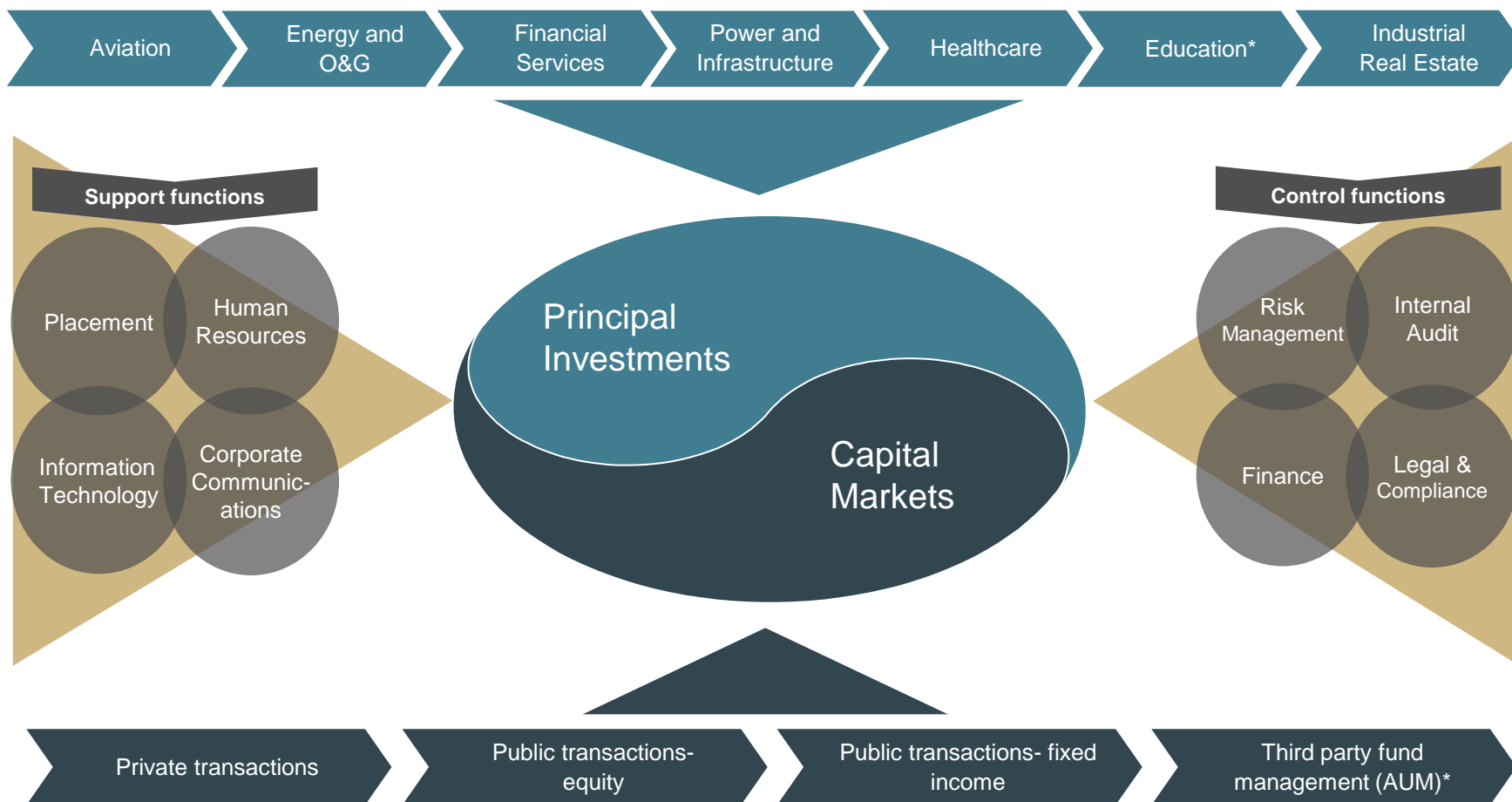
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## Overview and Business Strategy

# Business Model

A well diversified asset portfolio focusing on a balanced approach to short term income and liquidity; as well as long term growth



\* Possible focus in FY 2015-2017

# Business Strategy

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## Principal Investments & Industrial Real Estate

- 1 Investments with world class management team
- 2 Majority stakes or joint control
- 3 Active management and Board representation
- 4 High growth sectors
- 5 Strong partners and co-investors








## Capital Markets

- 1 Liquidity and diversification hedge
- 2 MENA equities
- 3 CEEMEA fixed income
- 4 Third party investment management



# Our Investments

A strong portfolio of investments and a diversified asset mix; with book value of AED 2.12/share and fair value of AED 4.22/share (NBAD Securities)

Investments	Stake	Investment Year	Carrying Value 30.SEP.2014 (AED mn)	NBAD Fair Value (AED mn)
<b>Principal Investments &amp; Industrial Real Estate</b>				
	12.6%**	2010	3,727	5,642
	100%	2009	687	1,237
	20.6%	2014	286	280
	49.0%	2008	222	222
	25.0%	2008/2009	153	277
	LP: 17.9% GP: 33.3%	2007	135	203
	100%	2013	70	210
<b>Capital Markets</b>				
<b>Equities and Fixed Income</b>	-	2013	475	1,390
<b>Corporate</b>				
<b>Net Debt and others</b>			<b>(1,625)</b>	<b>(1,252)</b>
<b>Net Asset Value</b>			<b>4,130</b>	<b>8,209</b>

\* Based on Q3 2014 research report by NBAD Securities dated 7 DEC 2014

\*\* Revised stake after 2 December 2014 sale



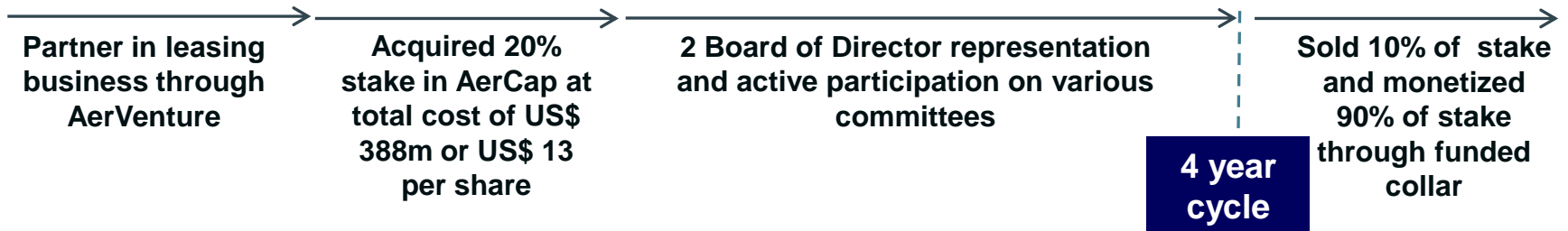
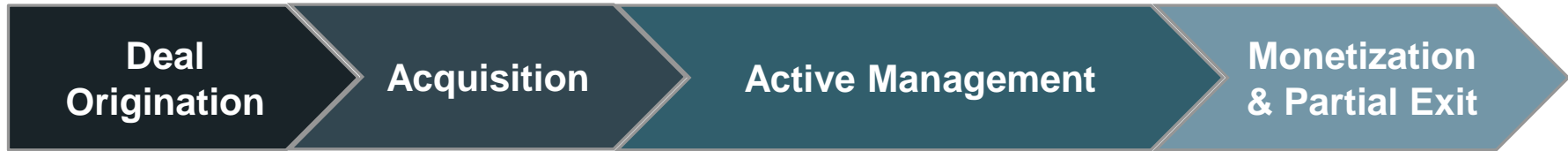
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## AerCap Story and Beyond

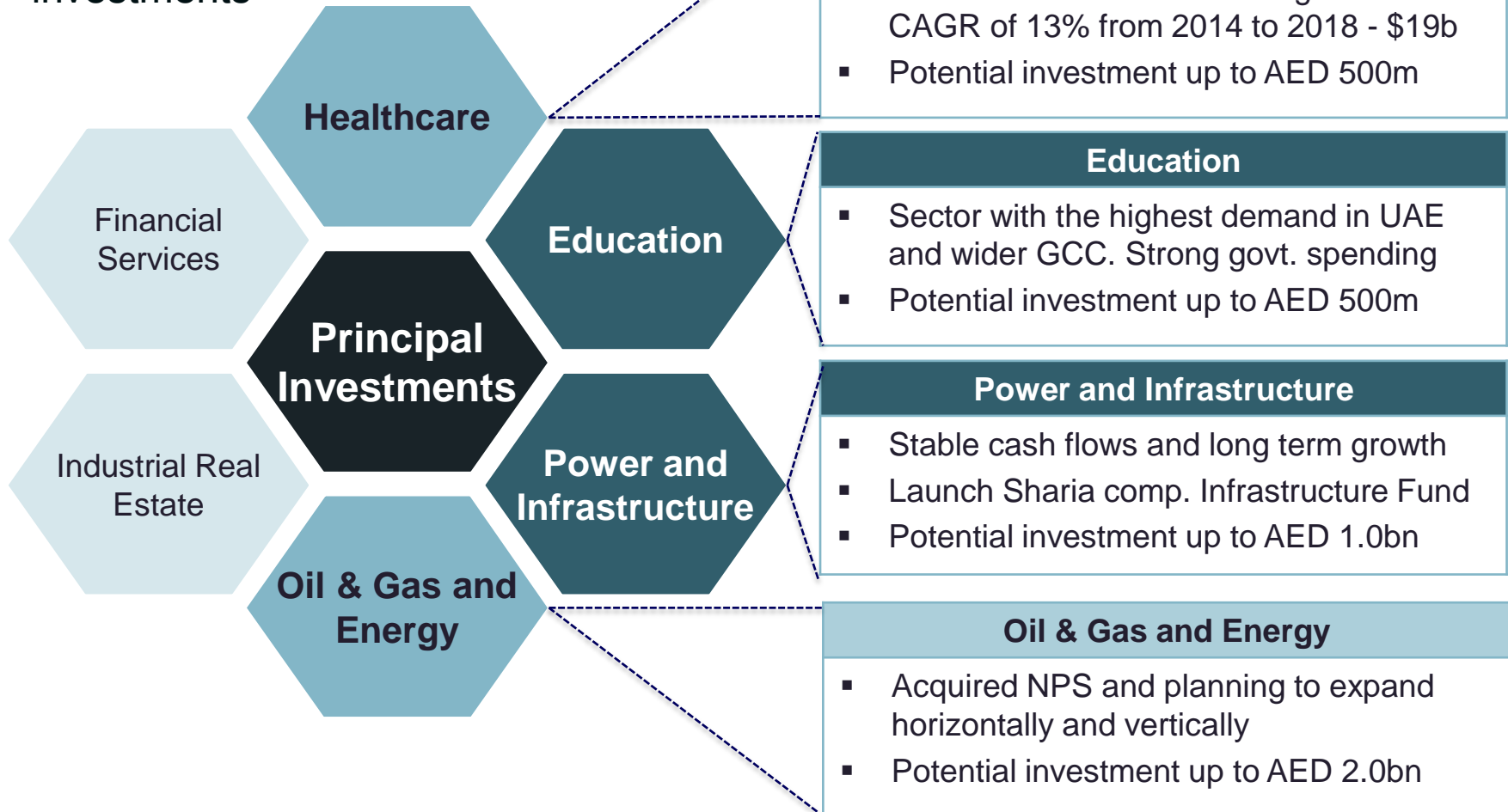
# AerCap Story



Partnership	Asset Swap Acq.	Share Buyback	ILFC Acq.	Monetization
<ul style="list-style-type: none"> <li>AerCap Management capabilities</li> <li>Waha Capital prior knowledge of sector</li> <li>Sector specialist within WPI team</li> </ul>	<ul style="list-style-type: none"> <li>Total cost of \$388m</li> <li>Cash of \$73m</li> <li>Waha Leasing Portfolio \$51m</li> <li>InterCompany Loan Settlement \$32m</li> <li>Equity stake in AerVenture \$232m</li> </ul>	<ul style="list-style-type: none"> <li>Did not participate in Share buyback program</li> <li>Ownership increased to 26.3%</li> </ul>	<ul style="list-style-type: none"> <li>Supported the acquisition</li> <li>Approved the transaction</li> <li>Diluted from 26.3% to 14.1%</li> </ul>	<ul style="list-style-type: none"> <li>Protected at a floor of \$40/share</li> <li>Total cash of \$1,107m from sale and collar</li> <li>Stake reduced to 12.6%</li> <li>Further potential upside of up to \$57/share or c. \$460m</li> <li>IRR range of 30% to 35%</li> </ul>

# Growth Potential

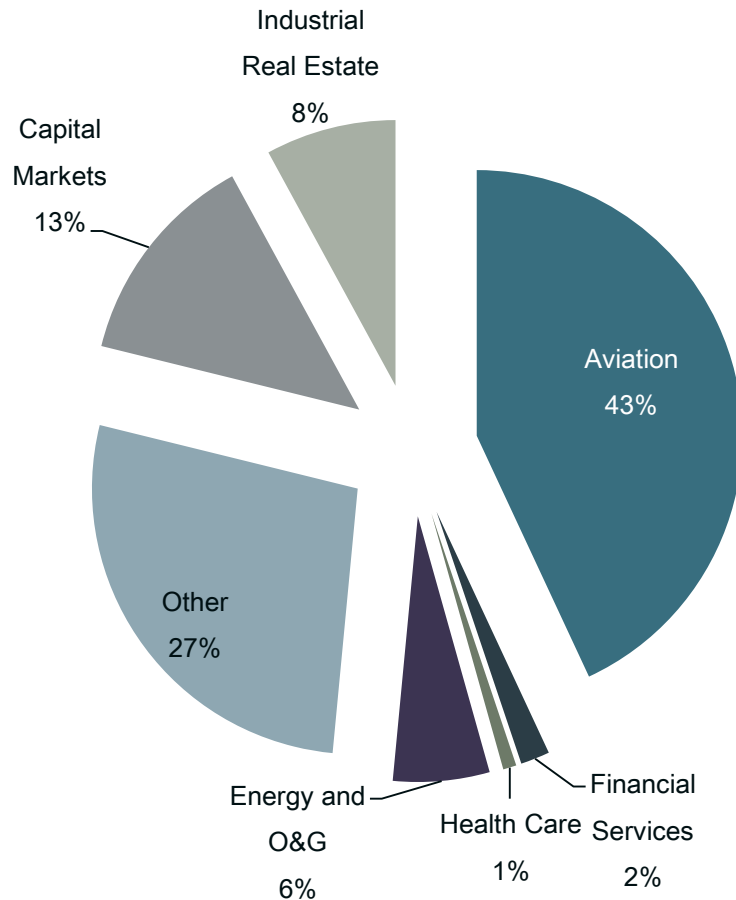
Replicating same formula to new investments



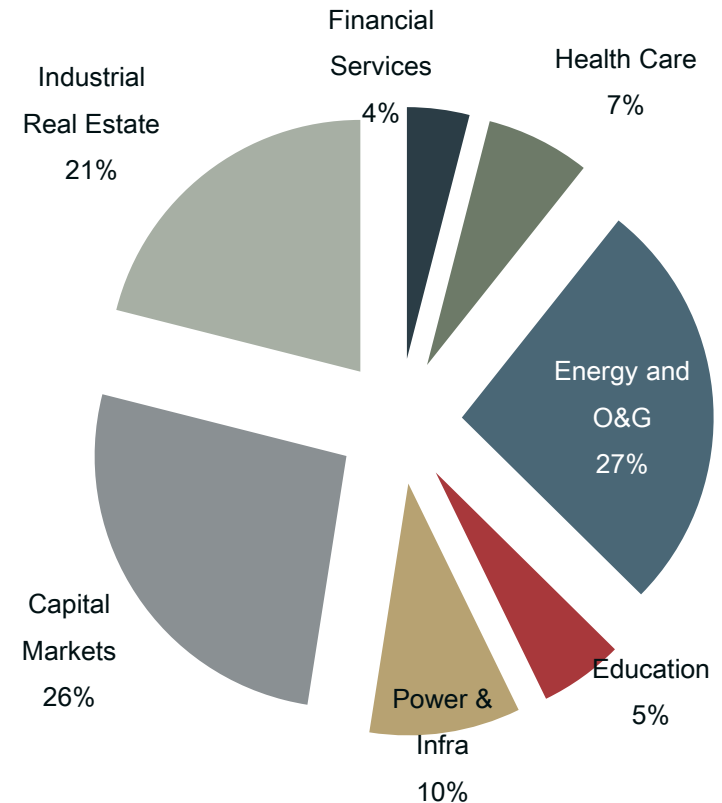
# Diversified Asset Mix

Deploy funds in growth sectors such as healthcare, industrial real estate, oil & gas, power & energy, infrastructure and education of c. AED 4bn

Asset Mix as at September 2014



Target Asset Mix as at December 2017





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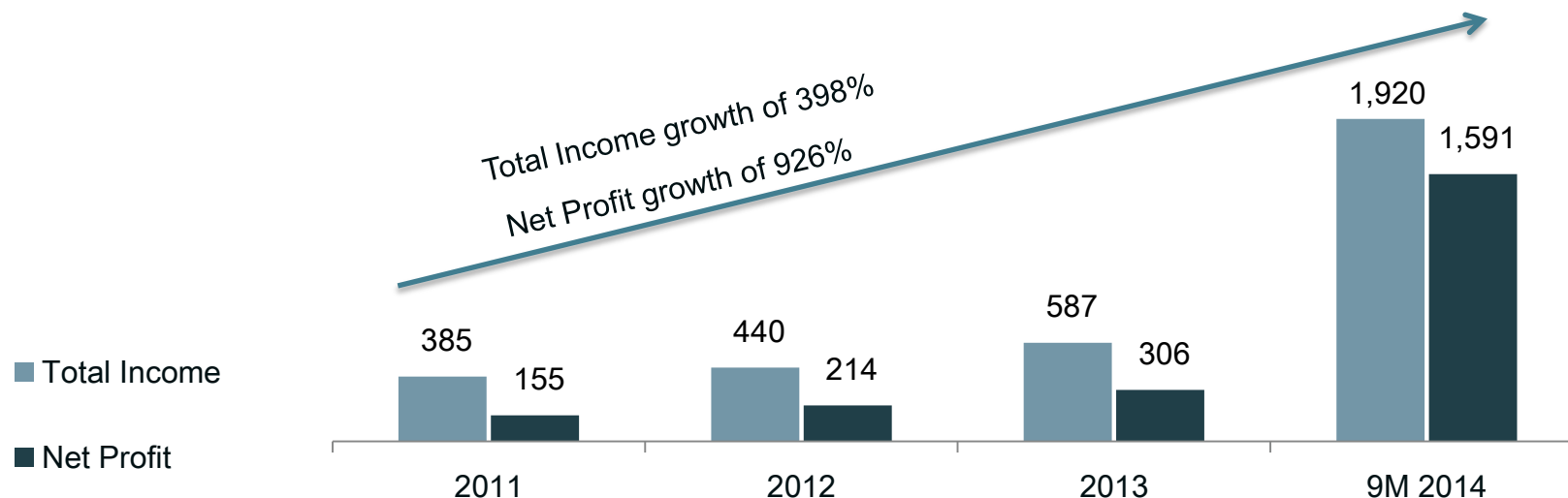
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## Financial Highlights

## Performance – Profitability

Total income and net profit increased at a CAGR of 71% and 117% respectively over the last 4 years; and average RoE of 10% over the last 3 years

AED mn	2011	2012	2013	9M 2014
Total Income	385	440	587	1,920
Expenses	(217)	(201)	(282)	(328)
NCI and others	(13)	(25)	1	(1)
<b>Net Profit</b>	<b>155</b>	<b>214</b>	<b>306</b>	<b>1,591</b>
Return on Equity (annualized) <sup>(1)</sup>	7.1%	9.4%	12.6%	51.8%

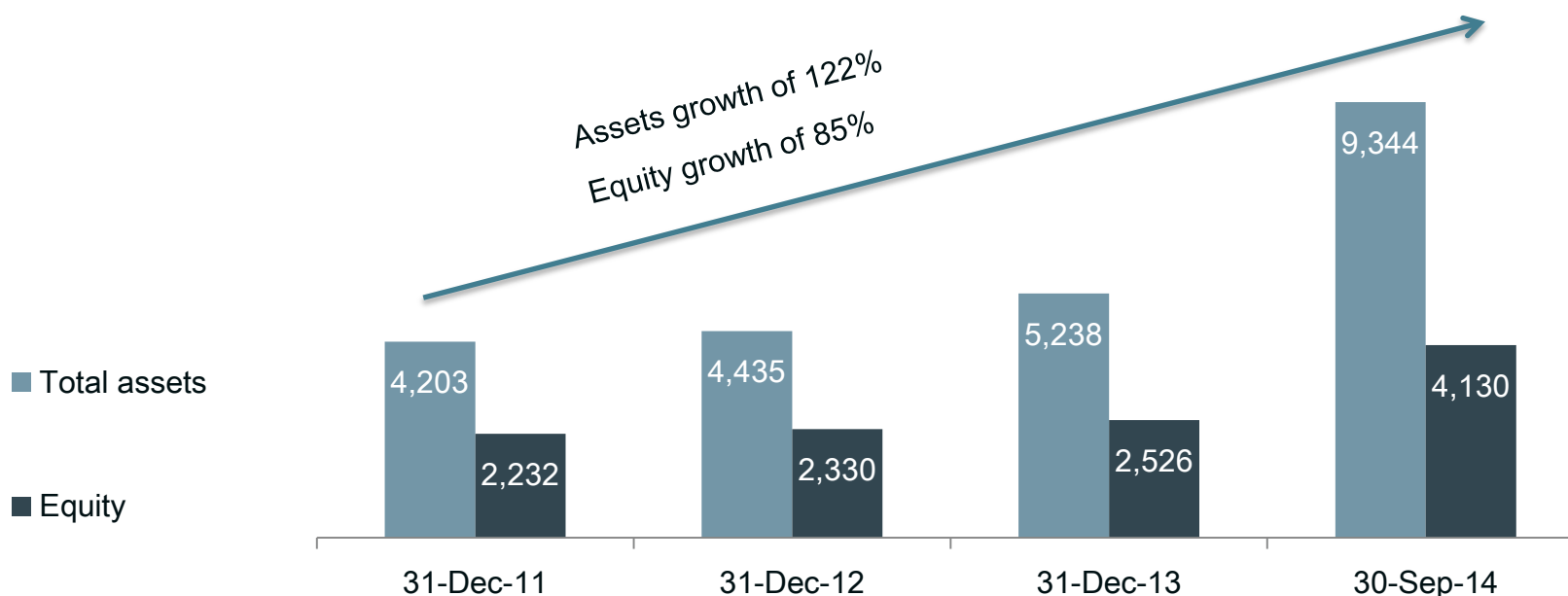


(1) One-off items are not annualized in ROE computation for 9M 2014

## Performance – Balance Sheet

Assets and equity increased at a CAGR of 31% and 23% respectively over the last 4 years; and average RoA of 5% over the last 3 years

AED mn	2011	2012	2013	9M 2014
Total Assets	4,203	4,435	5,238	9,344
Shareholders Equity	2,232	2,330	2,526	4,130
Return on Assets (annualized) <sup>(1)</sup>	3.9%	5.0%	6.3%	23.6%

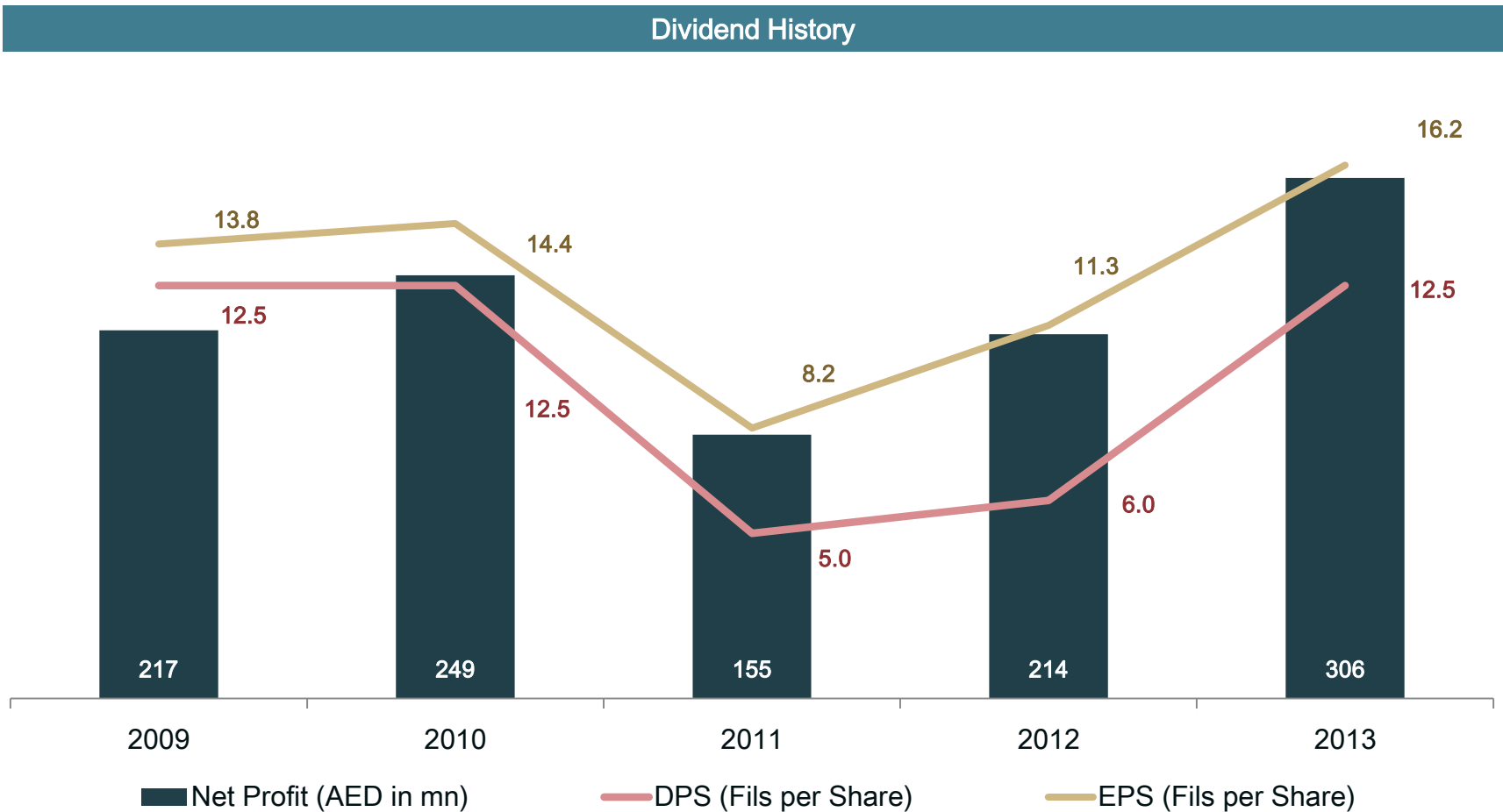


(1) One-off items are not annualized in ROA computation for 9M 2014



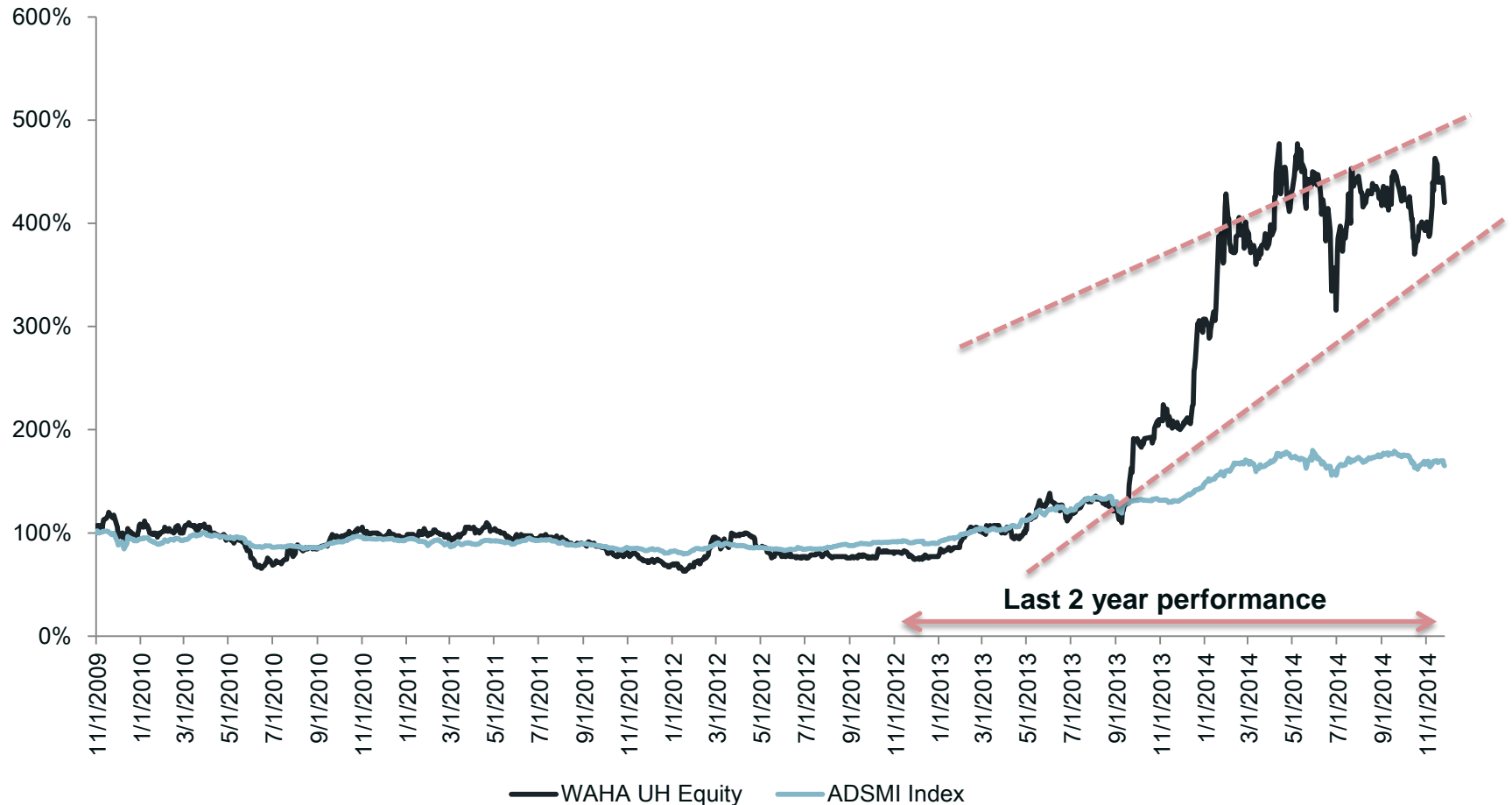
# Dividend History

Average dividends of 10% of issued share capital over last 5 years



# Waha Share Price – last 5 years

Share performance of 420% compared to 165% of ADX over the last 5 years; and 109% compared to 26% over last 1 year respectively





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**Looking Forward...**

## Looking forward...

Key Performance Indicators	FY 2015	By FY 2017
Growth in Equity	Double-digit	Double-digit
Growth in Assets	Double-digit	Double-digit
RoE and RoA	Target average RoE and RoA over next 3 years reflecting significant improvement compared to average of last 3 years	

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**Thank You**