



EEC - Investor Relations Presentation Q32015



المطور الرئيسي
لمدينة الملك عبد الله الاقتصادية
KING ABDULLAH ECONOMIC CITY
MASTER DEVELOPER



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OUR VISION

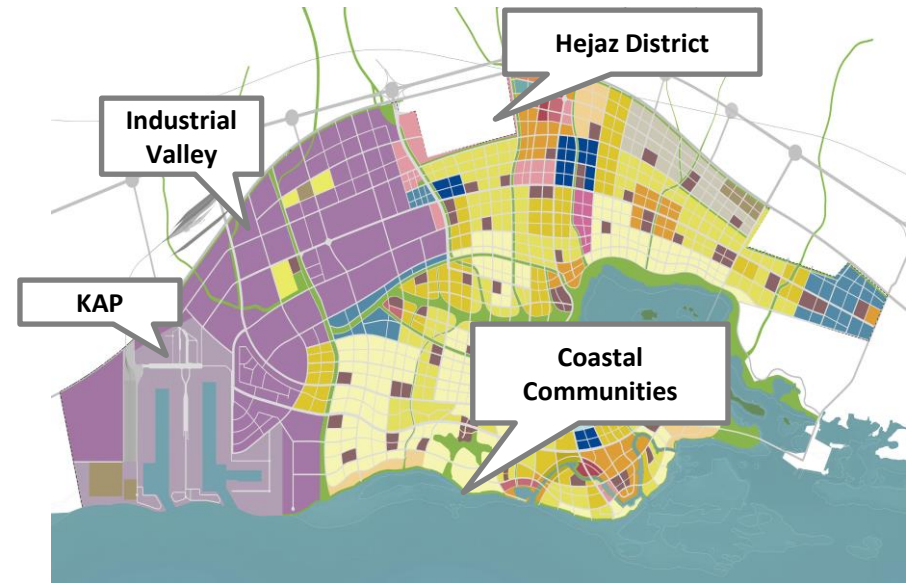
To establish King Abdullah Economic City (KAEC) as a great enabler of socio-economic development in the Kingdom of Saudi Arabia.



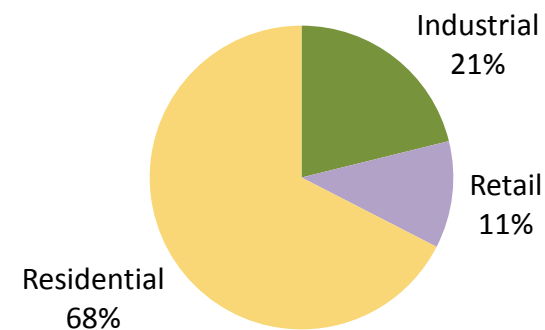
KAEC MASTER PLAN

Project Overview

KAEC is a greenfield city development roughly the size of Washington DC. Its objective is to help with Saudi Arabia's Acute housing demand and support economic diversification. KAEC's Strategic location on the Red Sea puts it close to international maritime routes and provides instant access to key cities within Saudi Arabia. KAEC is comprised of the Coastal Communities, The Industrial Valley, KAP, and The Hejaz District.



Land Use % Breakdown

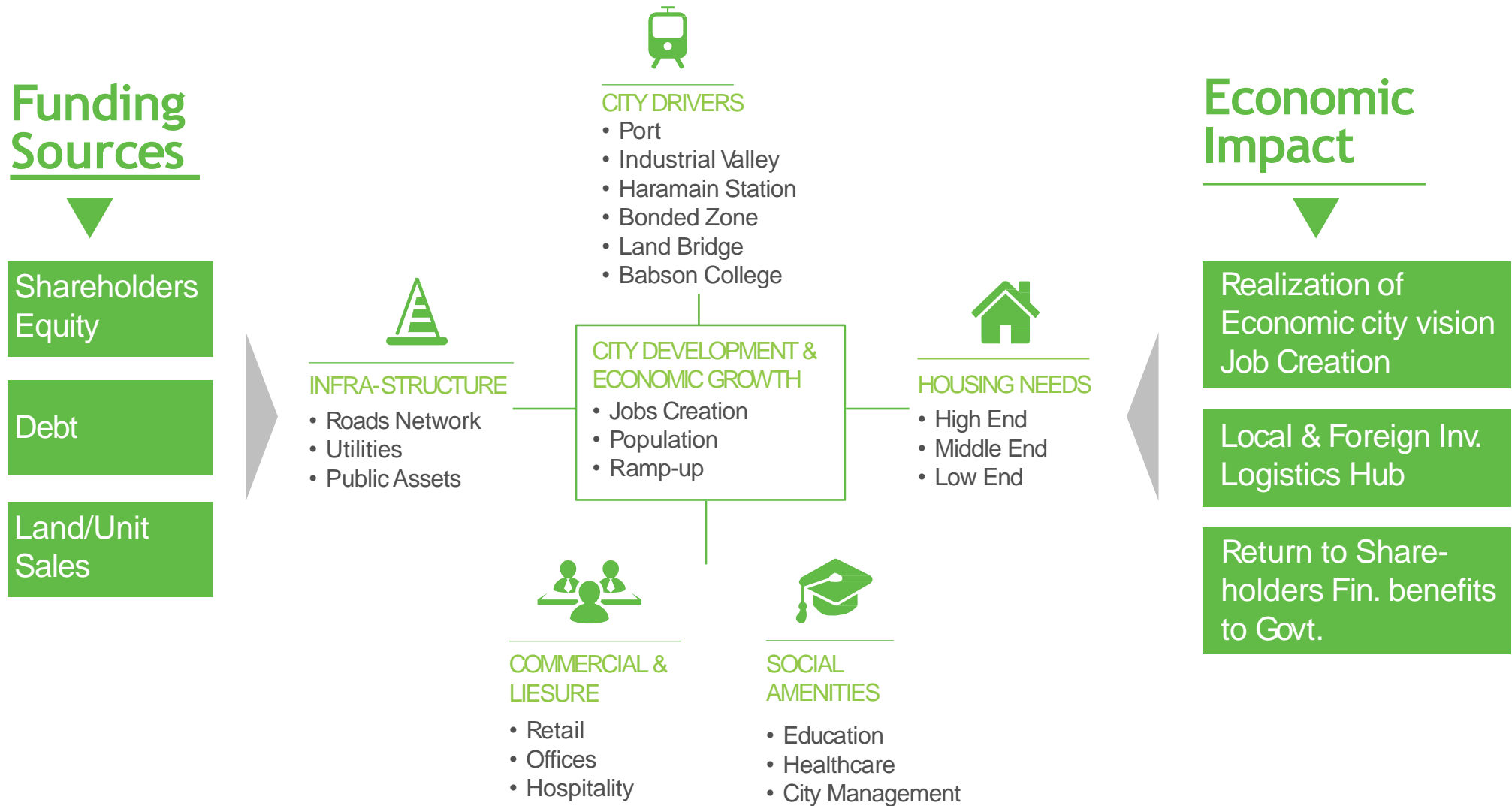


Land Use

Current Plan

Industrial	23,625,000
Commercial/Hospitality	12,736,000
Residential	75,373,000
Other	19,847,000
BUA Total	131,581,000
Employment	890,000
Population	1,750,000

KAEC BUSINESS MODEL



KAEC Financial Highlights

EEC is an affiliate of Emaar
Properties

30%

ownership stake

7.61BSAR

Market Cap



24M SQM

sold out of a total of 131M
SQM and 364,000 SQM this
year

Haramain

High

SpeedRail

Operating early 2016

37%

Revenue Growth

(CAGR 2012-2014)

24%

EBIT Growth

(CAGR 2012-2014)

25%

Net Income Growth

(CAGR 2012-2014)

98%

Increase in IV Tenants
from 2013-2014 driven by
Port Activity

NAV(Net Asset Value)

39

SAR Per Share 2015



KAP Current Capacity

2.5M TEU

KAEC Expects

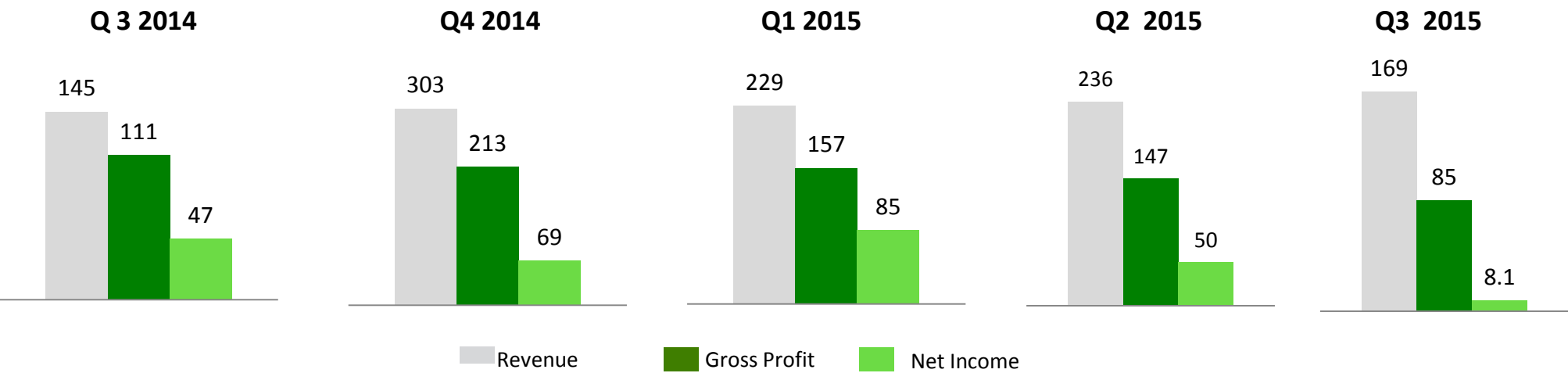
22,000

Residents by 2018

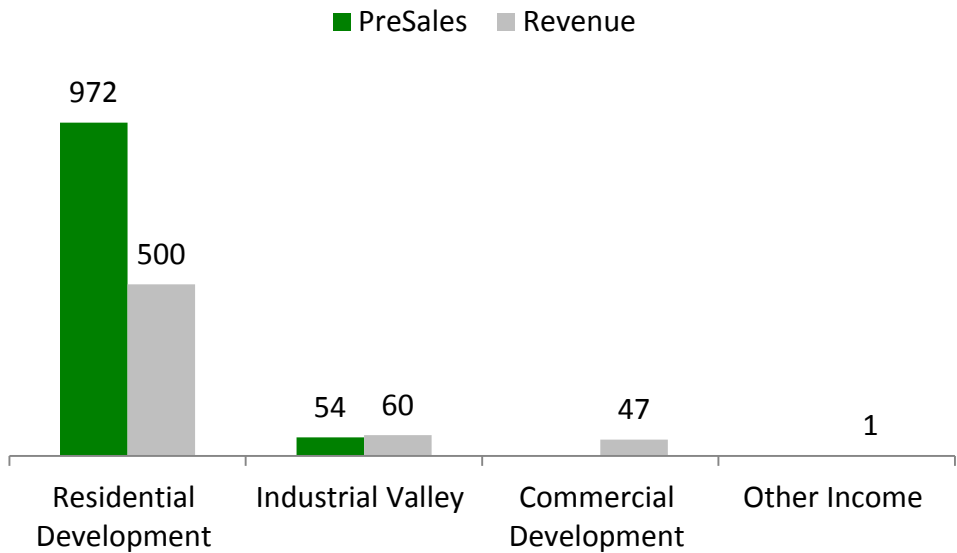
ECA is the sole
regulator of the Economic
Cities and for KAEC

EEC's Financial Growth Quarterly Breakdown

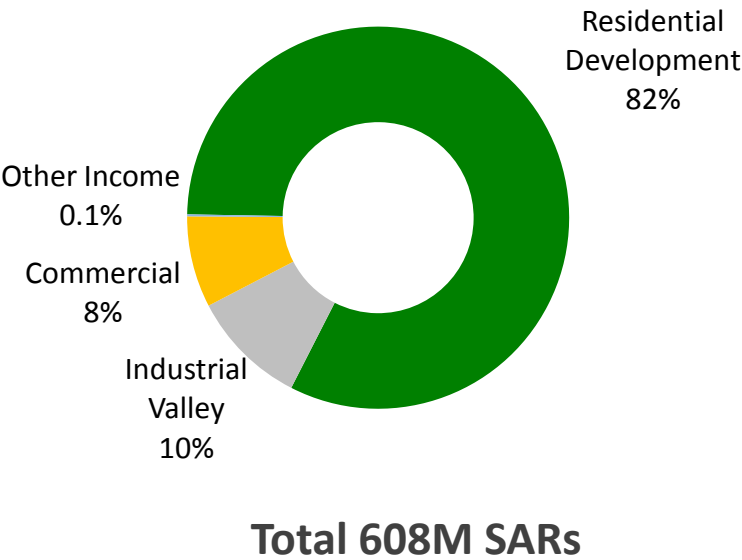
(SARS M)



Presales and Revenue Segment Breakdown for YTD Sept 30

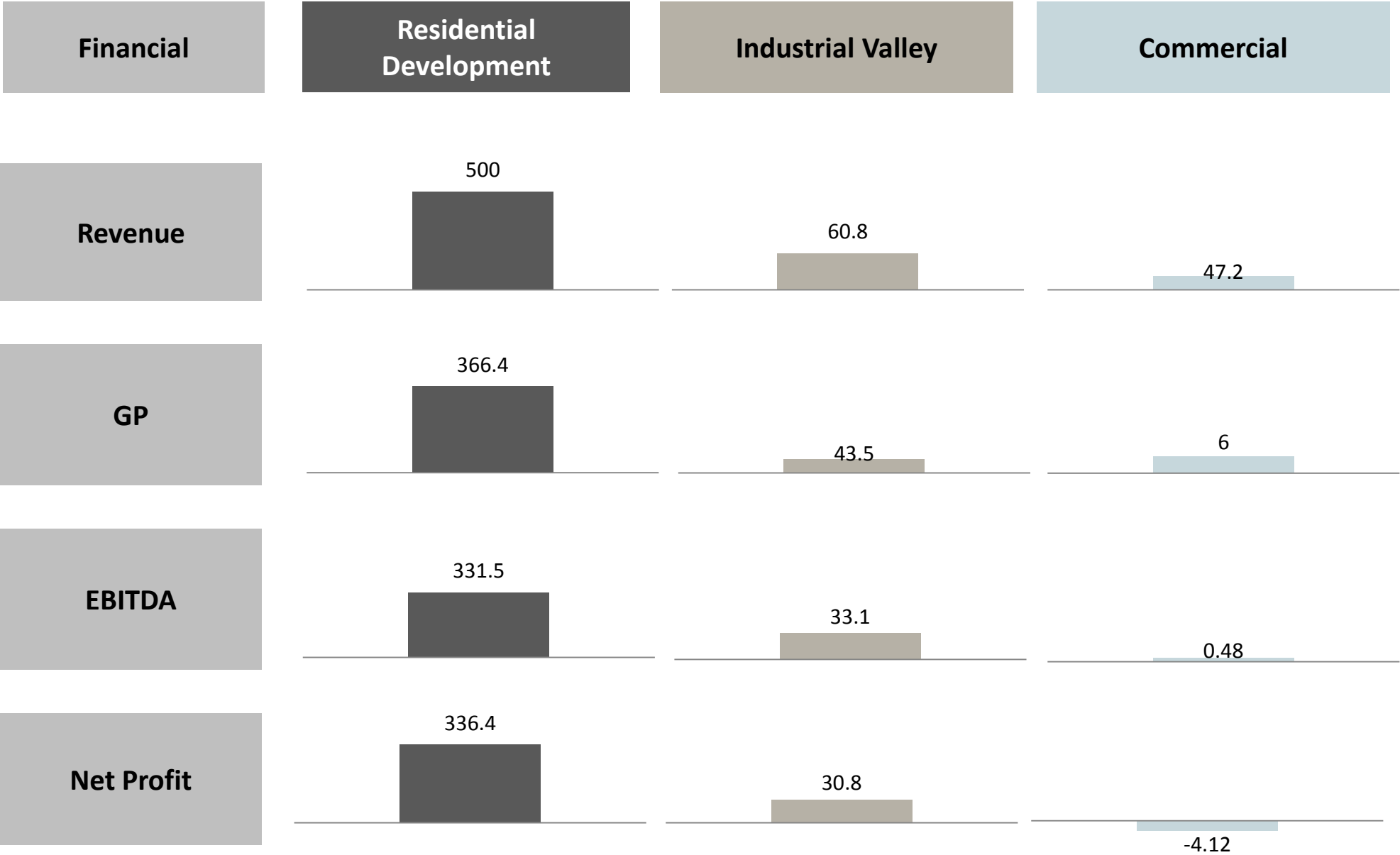


% Breakdown of Revenue YTD Sept 2015



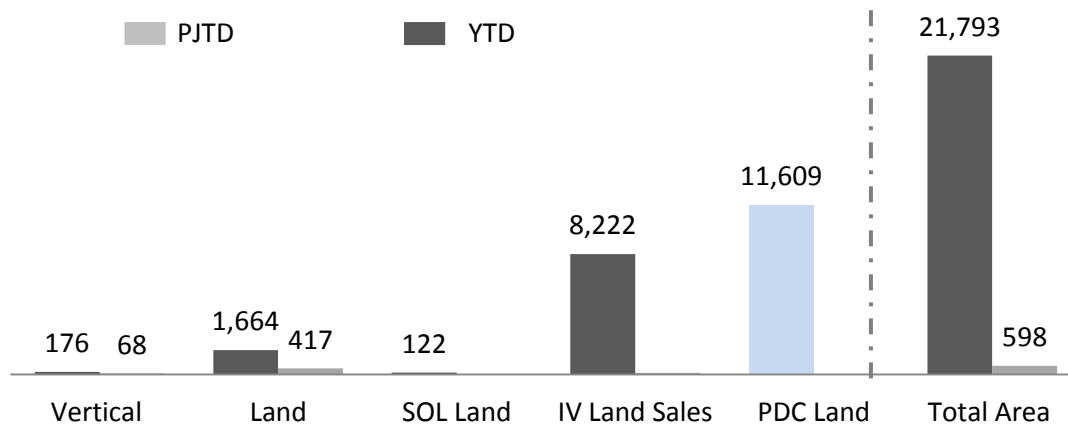
**Other Income: Constitutes value added services, service charges, and income from education*

EEC's Segment Breakdown YTD September 2015

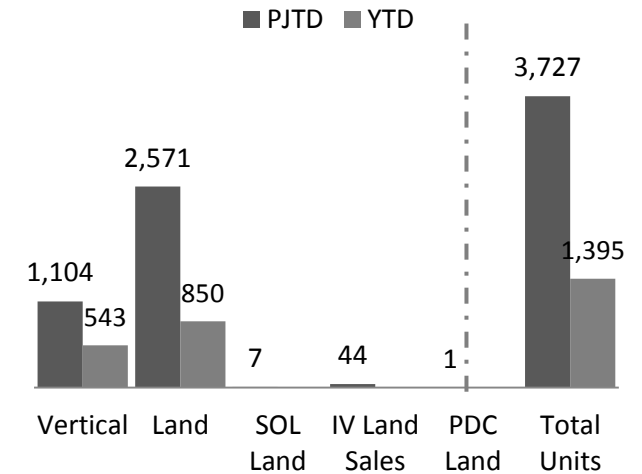


SALES BREAKDOWN - PJTD VS. YTD - Q3 2015

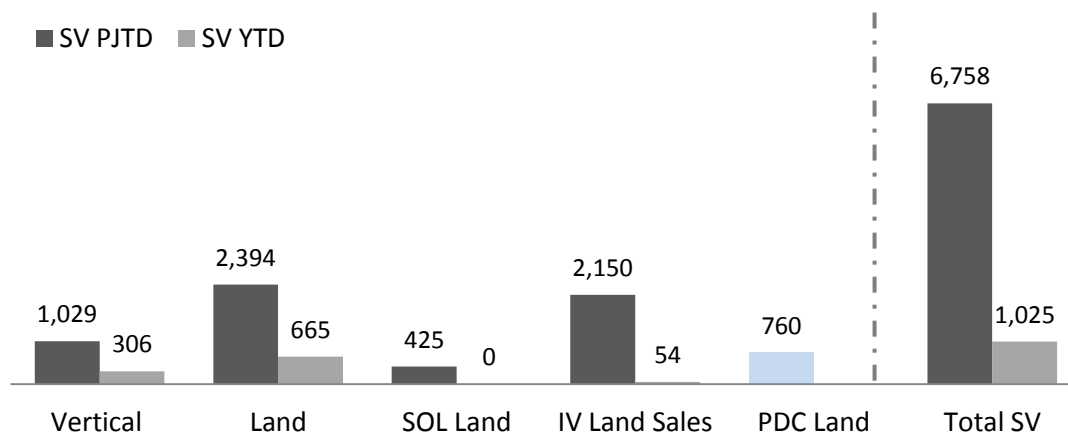
Total Area (M² '000)



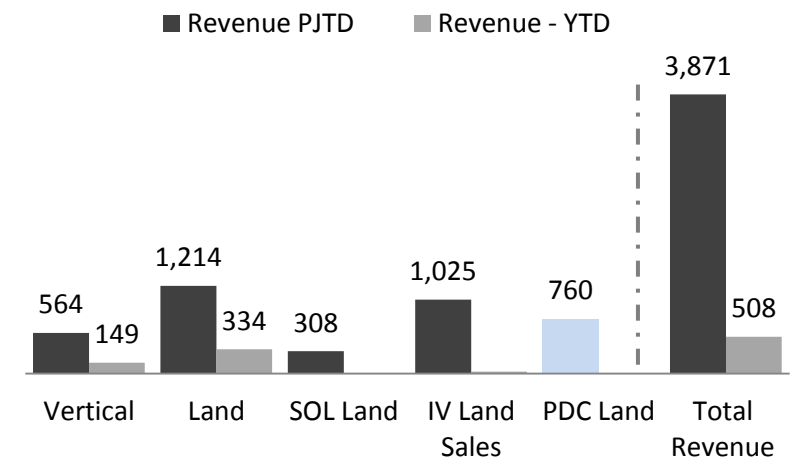
Number of Units (Full Value)



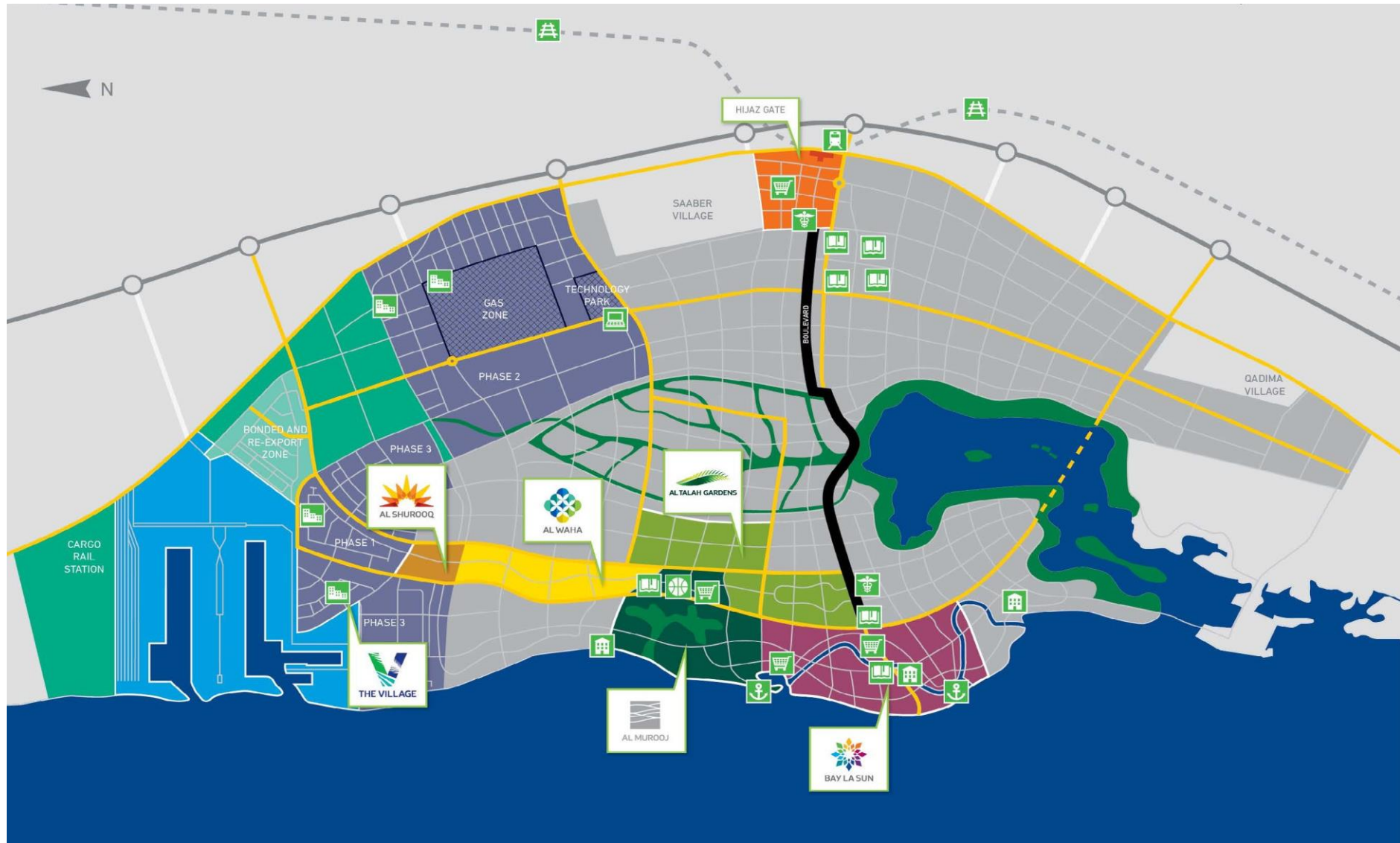
Sales Value (SAR M)



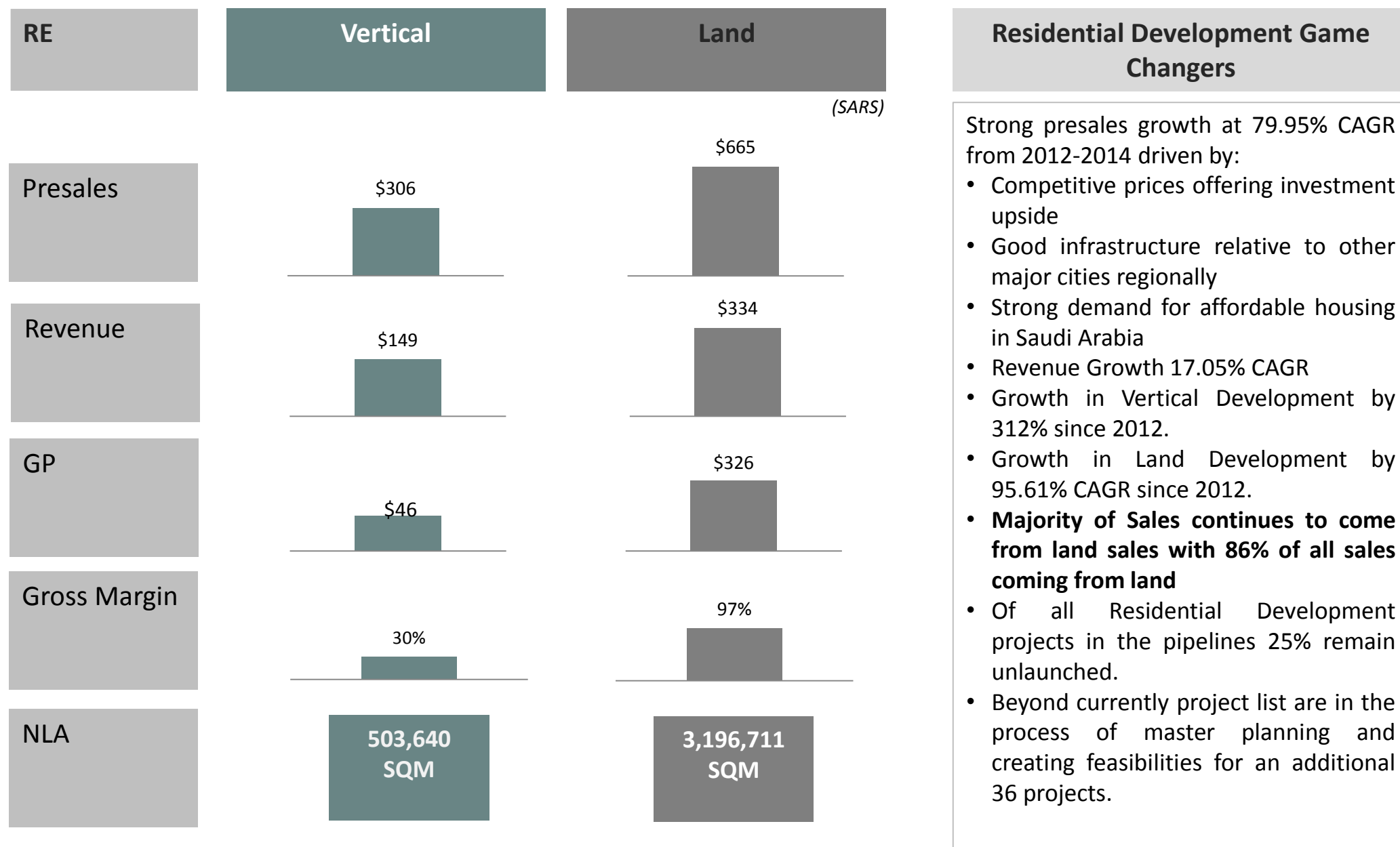
Revenue (SAR M)



MAJOR DEVELOPMENTS - RESIDENTIAL MAP



Residential Development Sales and Lease Breakdown YTD 2015



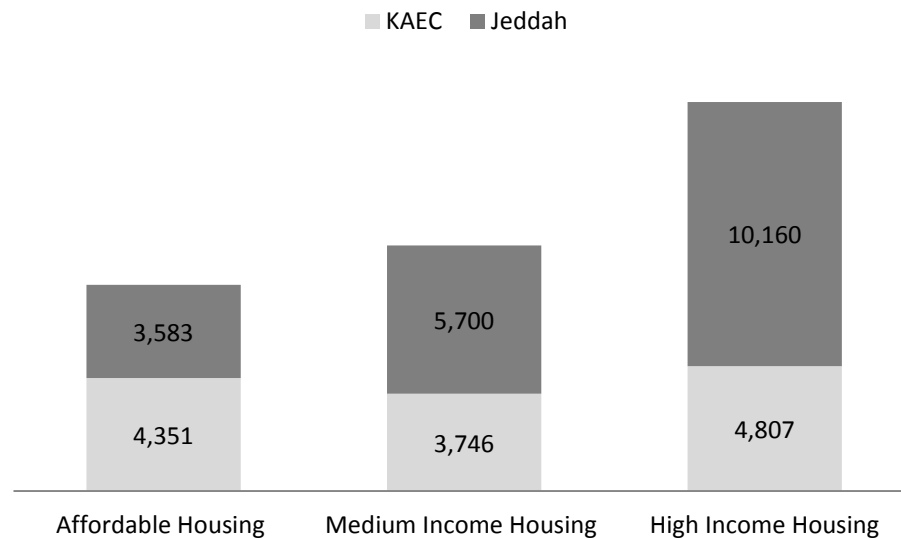
**36 months of installments for land and vertical with a down payment of 10% for land and 20% for vertical.*

RESIDENTIAL PRESALES

Product statistics (2012-2015)

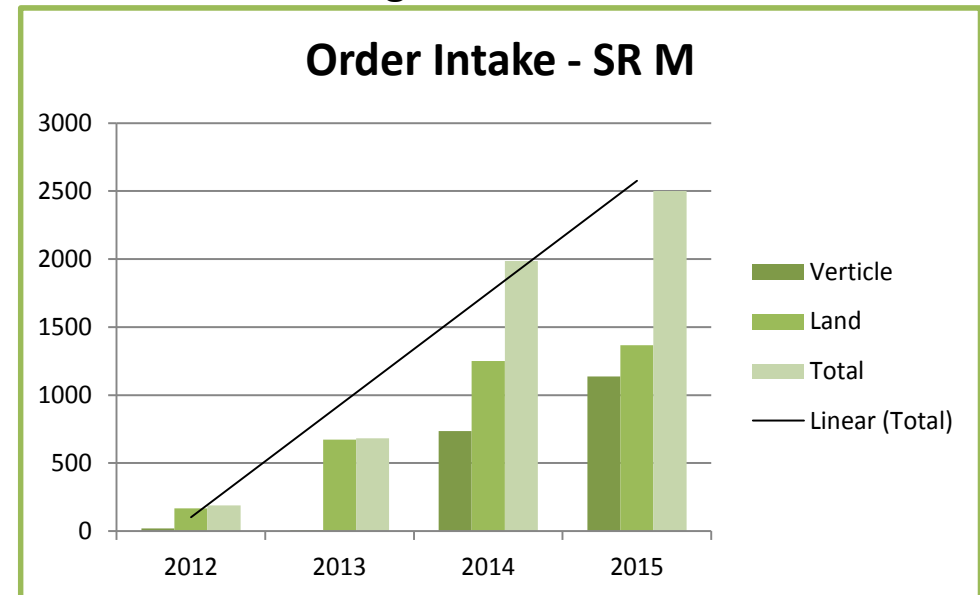
Product		2012	2013	2014	2015 E
Vertical	Presales SAR M	21	9	736	1,136
	Units	12	6	843	1,074
Land Plots	Presales SAR M	167	673	1,250	1,366
	Units	136	403	1,674	1,389
Totals	Presales SAR M	188	682	1,986	2,502
	Units	148	409	2,517	2,463

Bench Mark Analysis Jeddah vs. KAEC*



*Jeddah Real Estate Prices - Colliers International Market Study

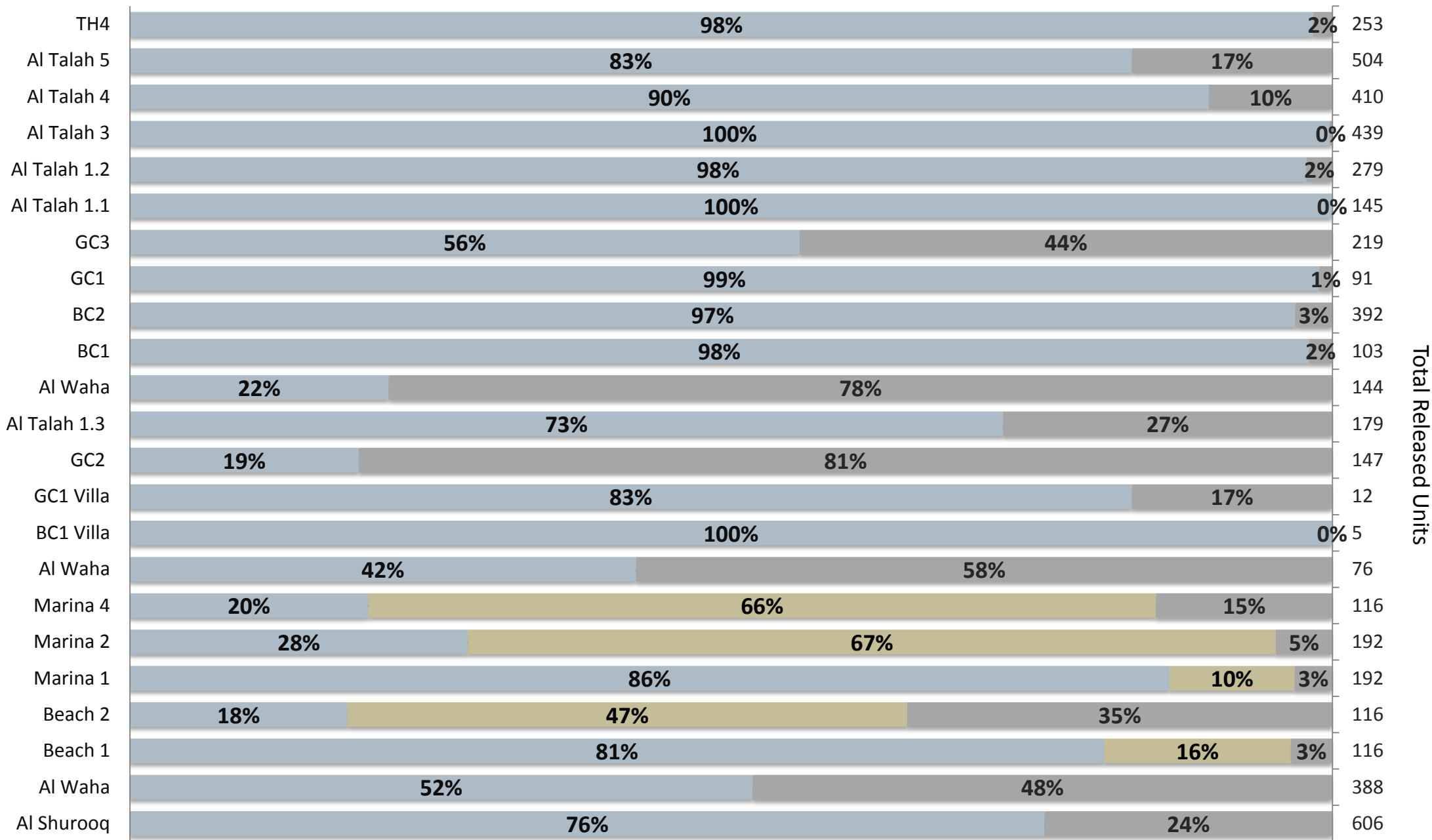
Change to Presales



RESIDENTIAL PRESALES SUMMARY YTD Sept 2015

Residential Sales Summary

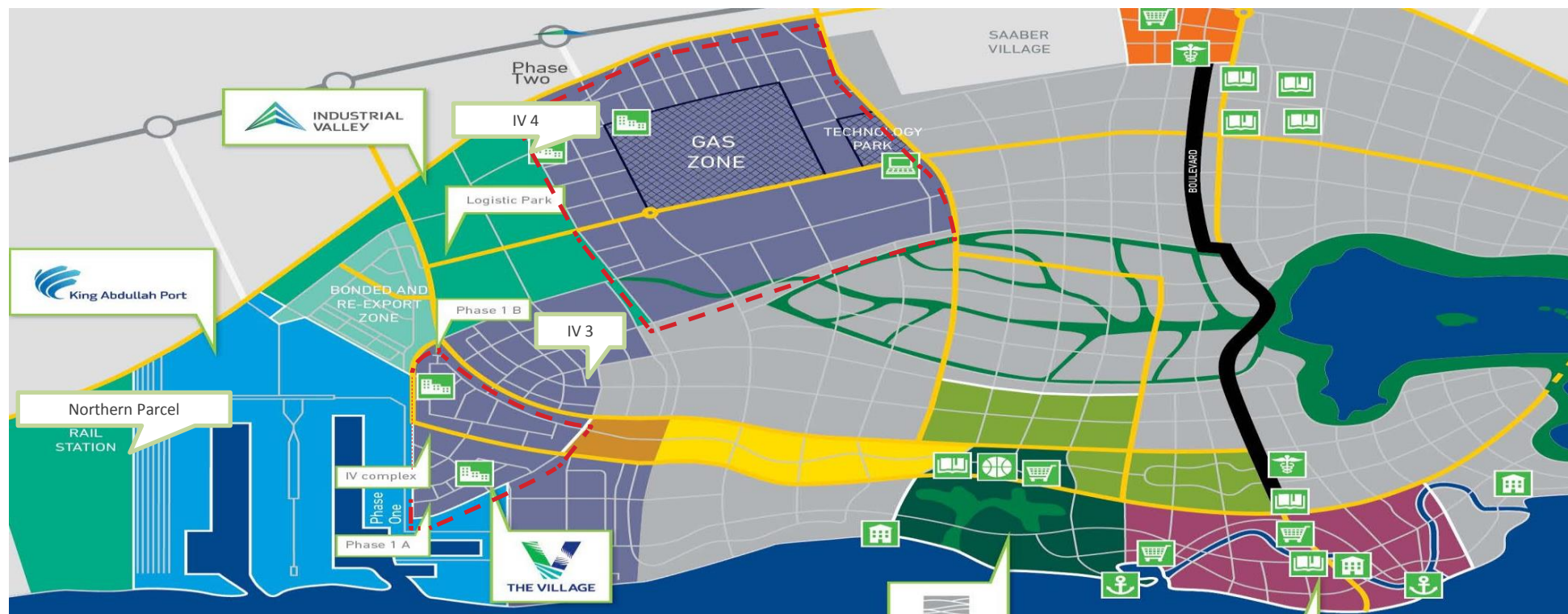
% Presales % Unsold % Lease



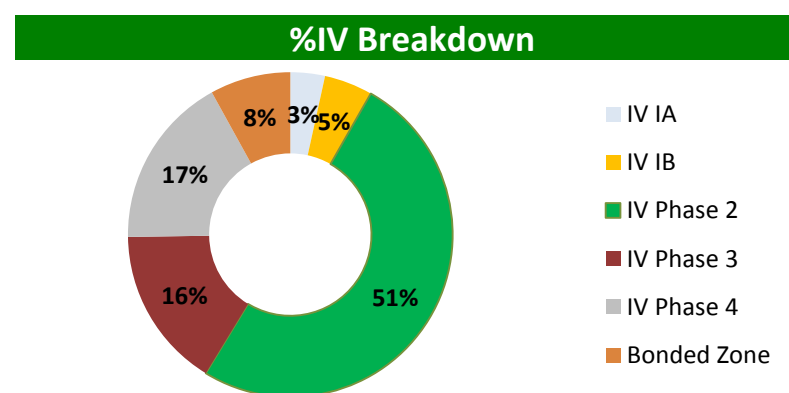
RESIDENTIAL DEVELOPMENT PROJECT BREAKDOWN YTD SEPT 2015

Community	Type	District	Target Income	Total Released Units	Total Unreleased Units	Sellable Area	Sale Price Per SQM	Construction Progress	Launch Date	Presales	%Presales
Al Shurooq	Apartment	Al Shurooq	Affordable	606	834	135,064	4,489	57%	Launched	461	76%
Al Waha	Apartment	Waha	Medium Income	388	-	42,718	5,948	83.50%	Launched	201	52%
Coastal Towers	Apartment	BLS	High Income	TBD	TBD	TBD	TBD	TBD	Not Planned	NA	NA
Beach 1	Apartment	BLS	High Income	116	-	21,485	12,374	100.00%	Launched	94	81%
Beach 2	Apartment	BLS	High Income	116	-	21,485	13,200	100.00%	Launched	21	18%
Marina 1	Apartment	BLS	High Income	192	-	21,096	12,291	100.00%	Launched	166	86%
Marina 2	Apartment	BLS	High Income	192	-	21,130	12,108	100.00%	Launched	54	28%
Marina 4	Apartment	BLS	High Income	116	-	21,497	12,066	100.00%	Launched	23	20%
Al Waha	Town House	Waha	Medium Income	144	-	34,565	4,735	0.00%	Launched	31	22%
Al Waha	Villa	Waha	Medium Income	76	-	6,597	8,364	0.00%	Launched	32	42%
BC1 Villa	Villa	Al Muroj	High Income	5	-	11,803	5,190	0.00%	Launched	5	100%
GC1 Villa	Villa	Al Muroj	High Income	12	-	7,567	4,988	0.00%	Launched	10	83%
GC2	Villa	Al Muroj	High Income	147	-	74,977	7,757	1.00%	Launched	28	19%
Al Talah 1.3	Villa	Al Talah	Medium Income	179	-	67,225	4,995	0.00%	Launched	130	73%
Al Talah 3 villas	Villa	Al Talah	Medium Income	TBD	TBD	TBD	TBD	TBD	Not Planned	NA	NA
Al Talah 4 & 5 villas	Villa	Al Talah	Medium Income	TBD	TBD	105,000	5,375	TBD	Not Planned	NA	NA
TH2 villas	Villa	Al Muroj	Medium Income	TBD	TBD	46,495	5,950	TBD	Not Planned	NA	NA
Vertical Projects				2289		503,640	7,989			1256	
BC1	Land	Al Muroj	High Income	103	-	215,946	1,512	100.00%	Launched	101	98%
BC2	Land	Al Muroj	High Income	392	-	452,744	2,023	14.00%	Launched	380	97%
BC3	Land	Al Muroj	High Income	151	69	196,520	2,714	70.00%	Launched	106	70%
GC1	Land	Al Muroj	High Income	91	-	82,947	1,250	87.00%	Launched	90	99%
GC3	Land	Al Muroj	High Income	219	16	182,514	1,616	1.00%	Launched	122	56%
GC4	Land	Al Muroj	High Income	-	-	168,475	1,450	2.00%	Not Planned	NA	NA
GC5	Land	Al Muroj	High Income	-	-	191,563	1,500	TBD	Not Planned	NA	NA
GC6	Land	Al Muroj	High Income	-	-	134,397	1,400	TBD	Not Planned	NA	NA
Al Talah 1.1	Land	Al Talah	Medium Income	145	-	63,094	657	0.00%	Launched	145	100%
Al Talah 1.2	Land	Al Talah	Medium Income	279	-	148,628	691	100.00%	Launched	273	98%
Al Talah 3	Land	Al Talah	Medium Income	439	253	357,784	940	52.00%	Launched	438	100%
Al Talah 4	Land	Al Talah	Medium Income	410	115	134,397	1,400	0.00%	Launched	368	90%
Al Talah 5	Land	Al Talah	Medium Income	504	125	139,976	1,400	0.00%	Launched	420	83%
TH3	Land	Al Muroj	High Income	-	-	116,494	1,450	TBD	Not Planned	NA	NA
TH4	Land	Al Muroj	High Income	253	-	114,843	1,514	55.00%	Launched	249	98%
Land Projects				2986	578	2,700,322	1,434			2,692	

MAJOR DEVELOPMENTS - INDUSTRIAL VALLEY

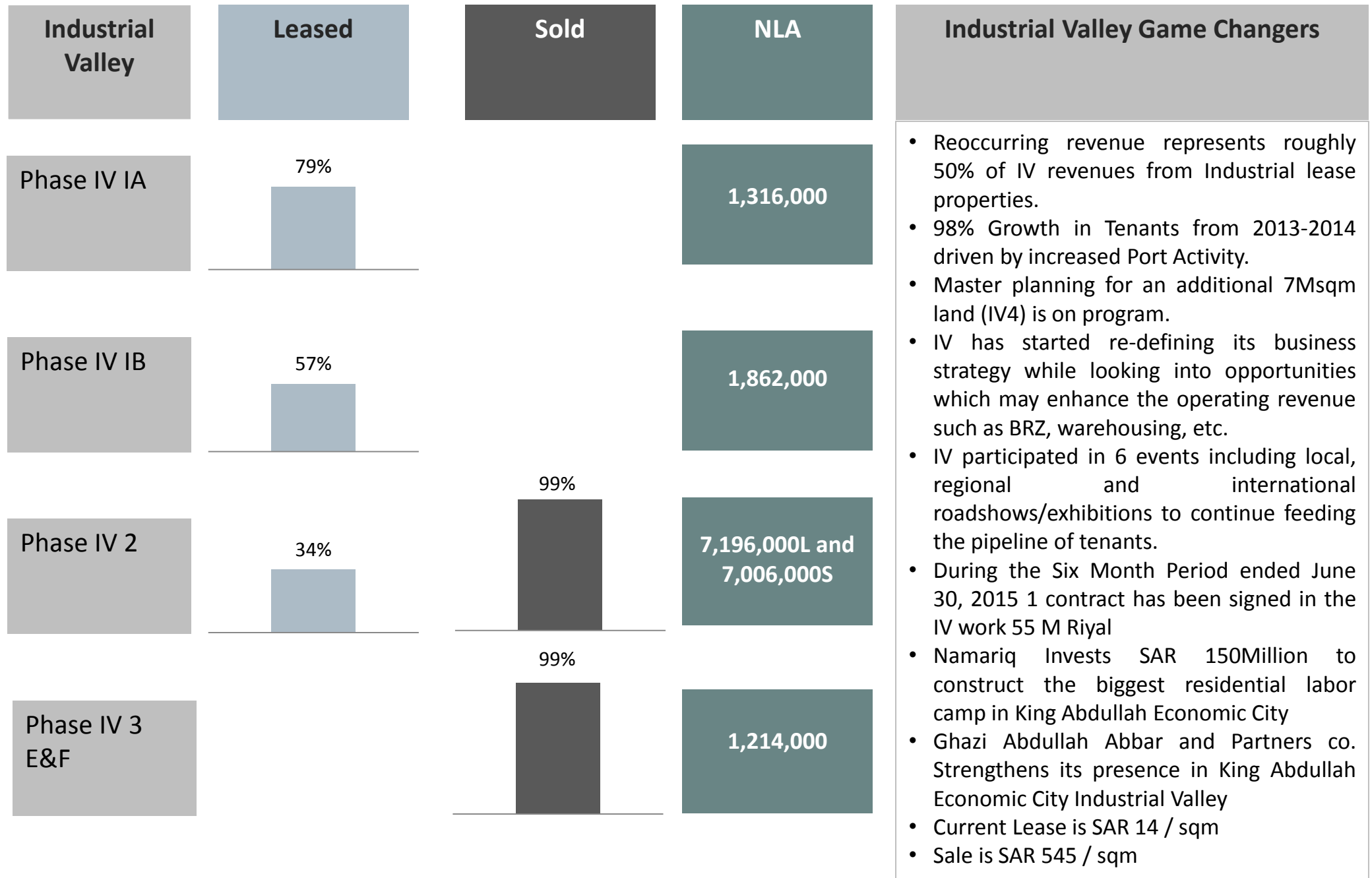


Land Use	GLA	NLA
IV IA	1,500,000	1,316,000
IV IB	2,100,000	1,816,200
IV Phase 2	22,000,000	17,855,000
IV Phase 3	7,000,000	6,101,000
IV Phase 4	6,440,000*	3,398,000
Bonded Zone	3,000,000*	2,514,000
Northern Parcel	5.400,000*	4,590,000



*Approximate Figures subject to change from final master planning

Industrial Valley Sales and Lease Segment Breakdown YTD SEPT 2015



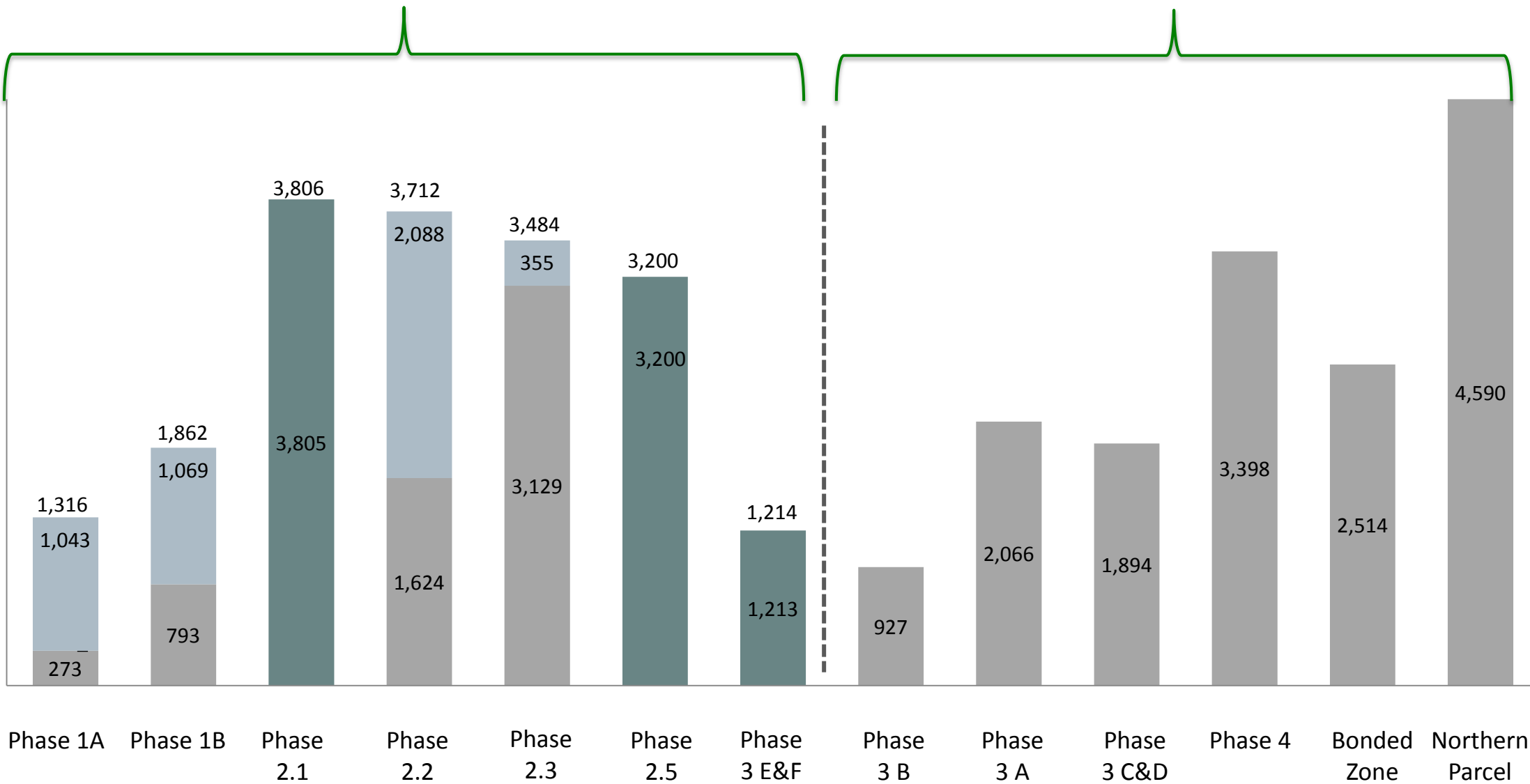
*Rent is collected 1 year in advance and prorated through out the year whereas, sales revenues are recognized immediately in the month of sale.

Lease & Sales Summary

Area Leased
Area Sold
Inventory
















































Phases Launched

Phases in Planning



INDUSTRIAL VALLEY - EXISTING TENANTS

97 global and local IV tenants are in KAEC with 34 tenants on the ground

FMCG	PHARMACEUTICALS	PLASTICS	CONSTRUCTION	LOGISTICS	AUTOMOTIVE	GENERAL
      	     	   	       	      	      	       

Commercial Development



Bay Views Office Park

Brief Description:

- Bay View's is located in the heart of the Bay La Sun district in close proximity to the Bay La Sun Hotel & Marina and other waterfront residential developments. Currently this development is complete and will host 11, 500 Employees upon completion

Bay La Sun Hotel

- Premium 4-star Business & Leisure hotel
- 195 rooms and 6 suits
- 69% YTD occupancy rate
- Operated by AlKhozama
- Awarded as Saudi Arabia's Leading Destination Hotel 2014



Juman Park

Juman Park development is adjoining the Bay La Sun hotel with a private swimming pool and recreational facilities.

- Juman Park and Promenade spans over 75,000 sqm
- Located in the heart of the Bay La Sun District bordered by the Bay La Sun Hotel & Marina on one side and Bay Views office park on the other side, all connected by the canal promenade.
- Project completion expected in Q4

EXISTING RETAIL TENANTS



Appendix

ECONOMIC CITIES AUTHORITY (ECA)



INCENTIVES FOR DOING BUSINESS IN KAEC

A) REGULATORY

- Full foreign ownership permitted for companies, plant, equipment, projects and property
- Accelerated business registration and setup process
- 38 bilateral trade agreements with partners giving stronger foreign investor rights
- Double taxation agreements with key countries - Equal treatment for foreign and domestic investors
- No minimum paid-up capital (most industries)
- Flexibility of transferring/allocation of companies' shares between shareholders, in accordance with regulations
- The ability of foreign investors to sponsor foreign employees

INCENTIVES FOR DOING BUSINESS IN KAEC

B) FISCAL

- 20% Corporate Tax Rate for foreign companies and unlimited loss carryover
- No VAT or GST, no land or property tax and no personal income tax
- Kingdom is ranked 3rd best tax environment globally
- Tax deductions for R&D investment and training expenditures as well special tax treatments for investing in less developed regions within the Kingdom
- Full repatriation of profits
- Custom duty on imported manufacturing equipment and raw material if used for local manufacturing
- A one-time 15% tax credit for industrial projects carried forward for up to 10 years
- 50% tax credit on Saudi employees training costs and payroll for 10 years

INCENTIVES FOR DOING BUSINESS IN KAEC

C) FINANCIAL

- Access to soft loans from Saudi Industrial Development Fund (SIDF), and Public Investment Fund (PIF)
- Human Resources Development Fund that provides aid and support for activities related to qualifying, training and recruitment of Saudi labor. It also shares the cost of the training and employment of the trainees by providing assistance up to 50% of the employee's salary for a period of one to two years
- KACST and KAUST R&D endowments
- No fees for registration of real estate property
- Generous and optimal industrial locations in both public and private arena (Industrial Cities & Zones, Economic Cities and Clusters)
- Access to regional and international financial programs and incubators, including: Arab Fund, Arab Monetary Fund, Arab Trade Financing Program, Inter-Arab investment Guarantee Corporation, and Islamic Development Bank