



EEC Q4 2016 Investor Presentation

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Our Vision

A New Global Hub

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



Project Overview

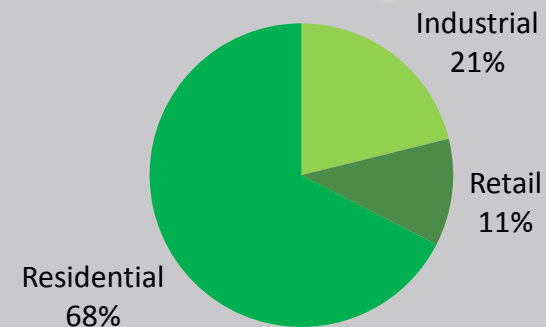
KAEC is a greenfield city development roughly the size of Washington DC. Its objective is to help with Saudi Arabia's acute housing demand and support economic diversification. KAEC's strategic location on the Red Sea puts it close to international maritime routes and provides instant access to key cities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

Category

Current Plan

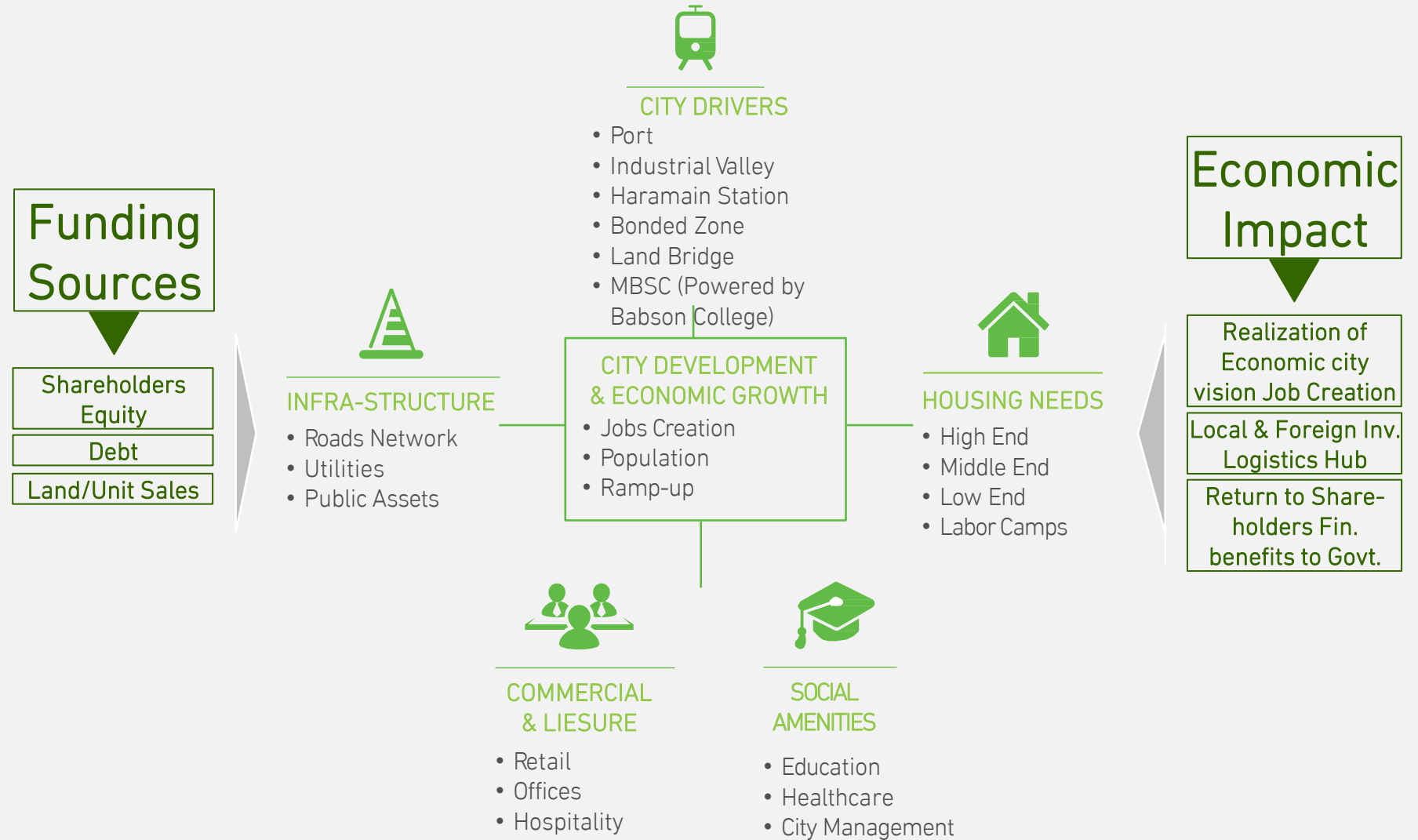
Industrial	23,625,000
Commercial/Hospitality	12,736,000
Residential	75,373,000
Other	19,847,000
BUA Total	131,581,000
Employment	890,000
Population	1,750,000

Segment Breakdown %



KAEC Master Plan

KAEC Business Model



KAEC Developments:

- King Abdullah Port
- Muhammad Bin Salman College
- The World Academy
- Family Medical Center
- Juman Park
- Royal Greens
- Juman Karting
- Esmeralda Sports Complex

DEVELOPMENT PHASES





King Abdullah Port

Current

Berth:	6
Handling Capacity:	4.5 Million TEUs
Utilization	~45%
Underdevelopment	By Q2 2017: 1 berth for RORO; 1 berth for bulk area

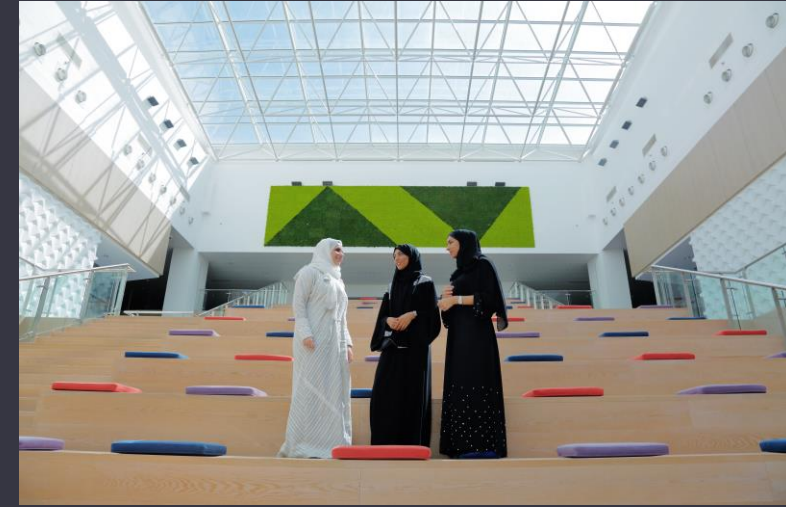
On Completion

By 2025	Among top 10 ports in the world
Break Bulk Capacity	15 million Tons
Berth:	30
TEUS Capacity / Annum	20 Million
Total Jobs : (direct & indirect)	65,000
Depth	18 m
Area	15 Million sqm
RoRo capacity	2 million cars



- MBSC is a new private, higher education institution for both men and women
- It has been established through an International partnership between Emaar The Economic City, Babson Global (a wholly-owned subsidiary of Babson College, USA), Lockheed Martin under the umbrella of the Economic Offset Program in the Kingdom of Saudi Arabia and the MISK foundation
- **MBSC is currently accepting applications for the EMBA and MBA programs**

كلية الأمير
محمد بن سلمان
للإدارة وريادة الأعمال
Prince Mohammad
Bin Salman College
Business & Entrepreneurship



MBSC is operated by Babson Global

Programs Offered: *Undergraduate* degrees focusing on Business and Entrepreneurship; *Graduate* MBA degree; and *Executive & Continuing Education*

For more info, please visit MBSC's [website](http://mbsc.edu.sa/): <http://mbsc.edu.sa/>



The World Academy

A GEMS GLOBAL NETWORK SCHOOL

Fully operational since Q3 - 2014
Grades Offered: Nursery up to Grade 12
Current Enrolment: Over 500 students



- Operated by Dr. Soliman Fakeeh Hospital
- In operation since September 2016
- FMC offers specialty clinics such OB/GYN, Ophthalmology, Orthopedic, and Dental Services; as well as Laboratory and Diagnostic Imaging services





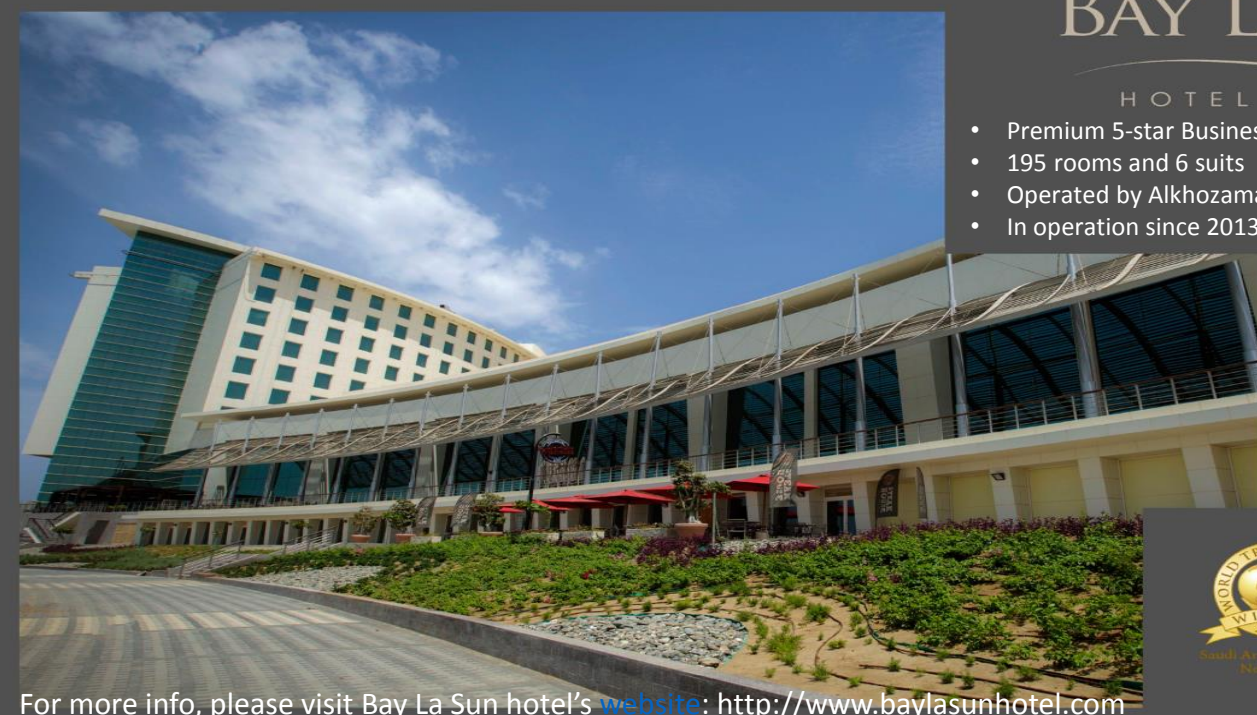
Recipient of 2016 World Travel's Saudi Arabia's
Leading Business & Leisure Hotel Award



BAY LA SUN

HOTEL & MARINA

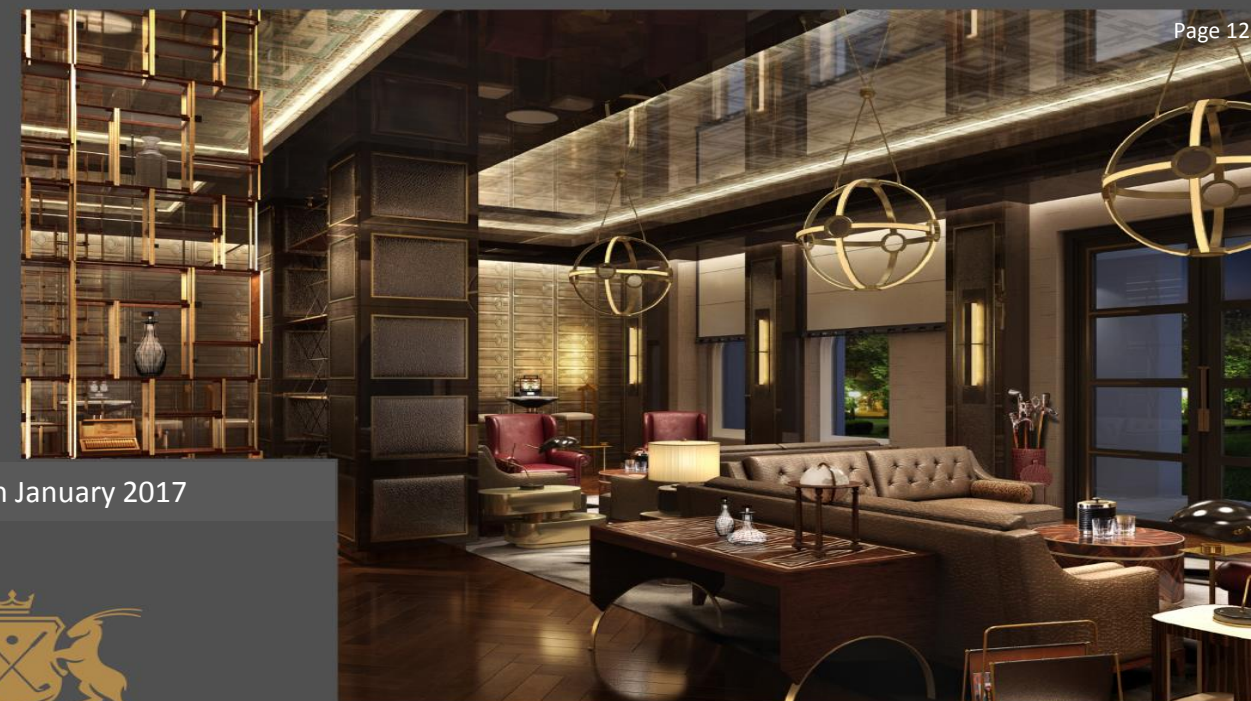
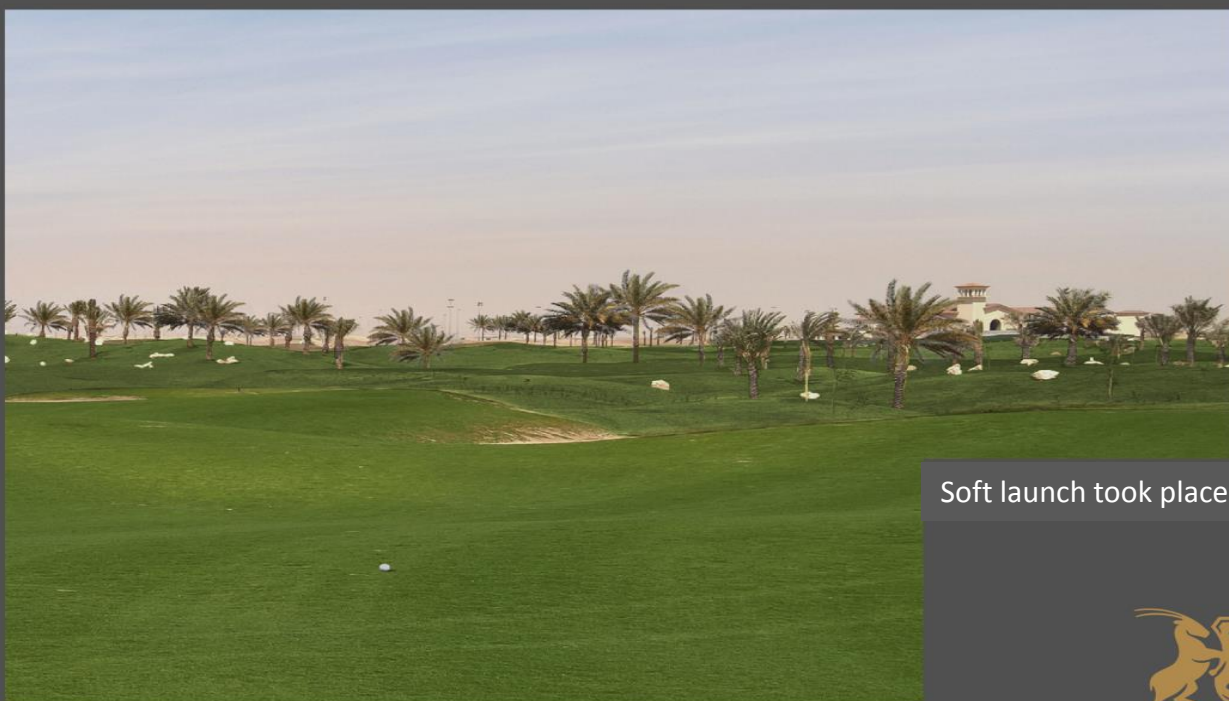
- Premium 5-star Business & Leisure hotel
- 195 rooms and 6 suits
- Operated by Alkhozama
- In operation since 2013



For more info, please visit Bay La Sun hotel's [website](http://www.baylasunhotel.com): <http://www.baylasunhotel.com>

- Juman Park is situated alongside the Bay La Sun Hotel and Marina
- With around 70,000 sqm of open space that includes walkways, running tracks, cycling tracks, a mini golf course, games area and an amphitheater
- The park is populated with art sculptures, refreshment stops and adventure playgrounds for children



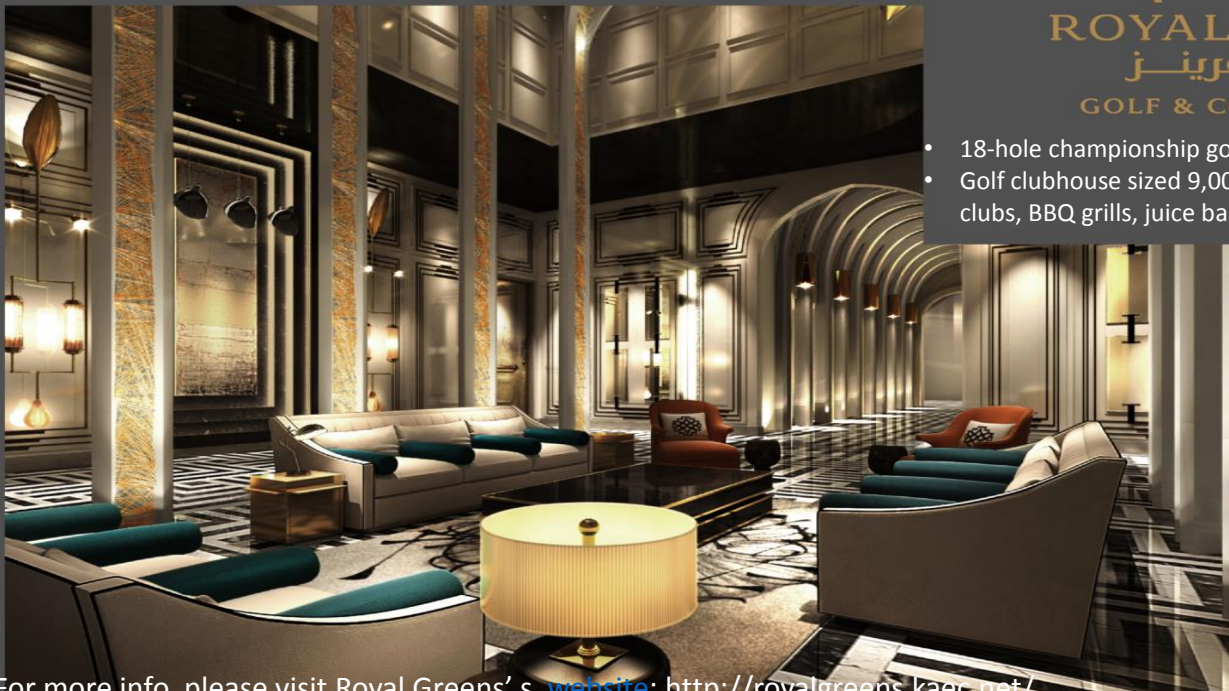


Soft launch took place in January 2017



ROYAL GREENS
 رويال غرينز
 GOLF & COUNTRY CLUB

- 18-hole championship golf course in Al-Murooj District
- Golf clubhouse sized 9,000 sqm that consists of health clubs, BBQ grills, juice bars, and conference rooms

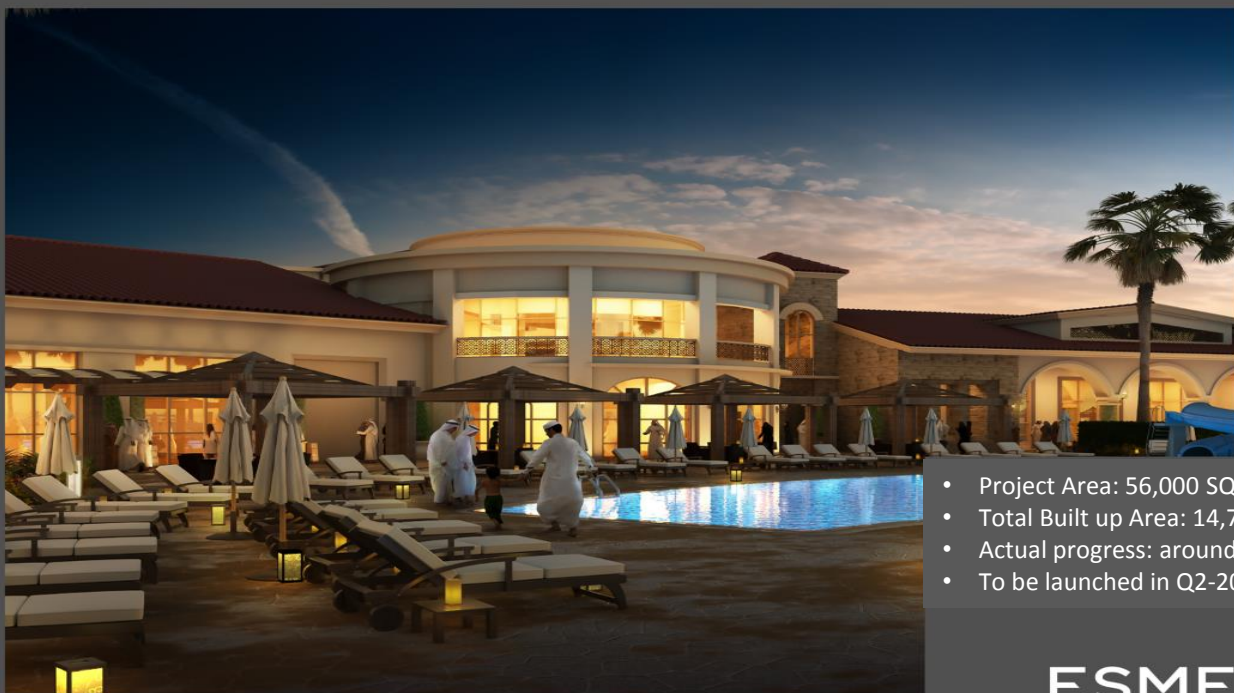




Juman Karting

Our newly laid track is 700m long and 7 to 10 m wide; it consists of a variety of fast straights, long fast corners and a good mixture of slower corners (9 in total) to really test out every driver that goes on our track, from the beginner right through to the most experienced!

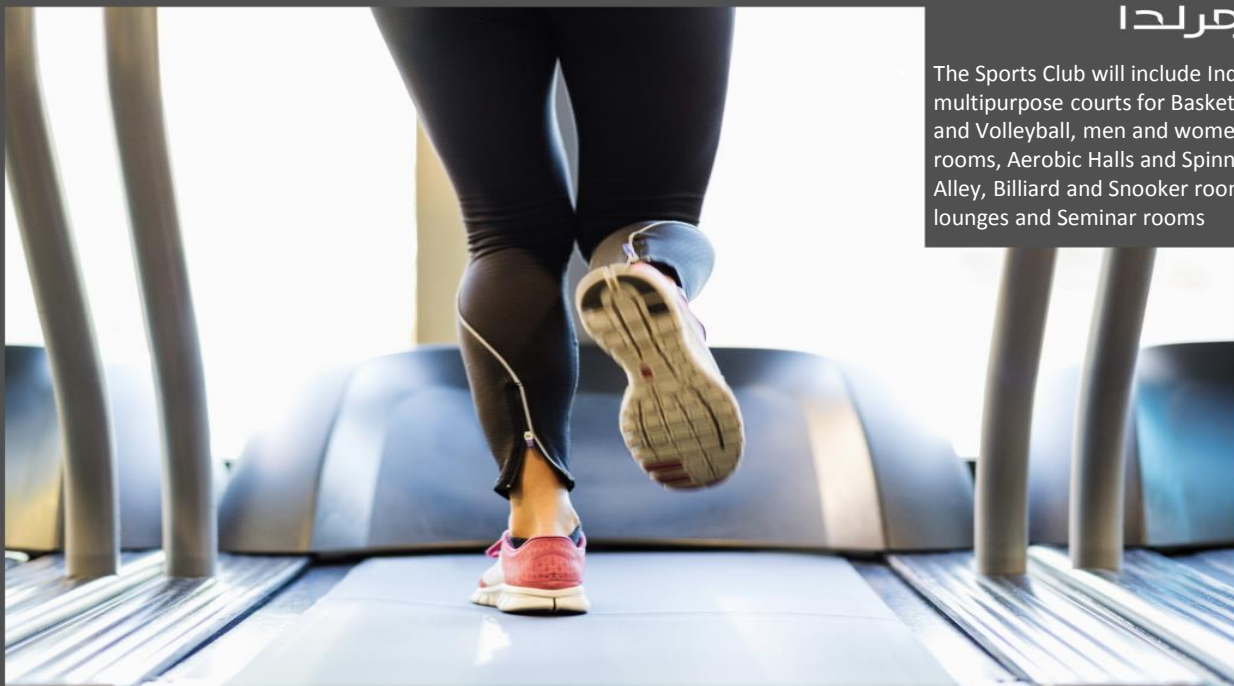




- Project Area: 56,000 SQM
- Total Built up Area: 14,700 SQM
- Actual progress: around 60%
- To be launched in Q2-2017

ESMERALDA نادي إزمردا

The Sports Club will include Indoor Youth Soccer, Cricket, and multipurpose courts for Basketball, Badminton, Tennis, Squash and Volleyball, men and women pools, Gymnasium, Fitness rooms, Aerobic Halls and Spinning, Jogging Track, Spa, Bowling Alley, Billiard and Snooker rooms, Rock climbing wall, Café, lounges and Seminar rooms

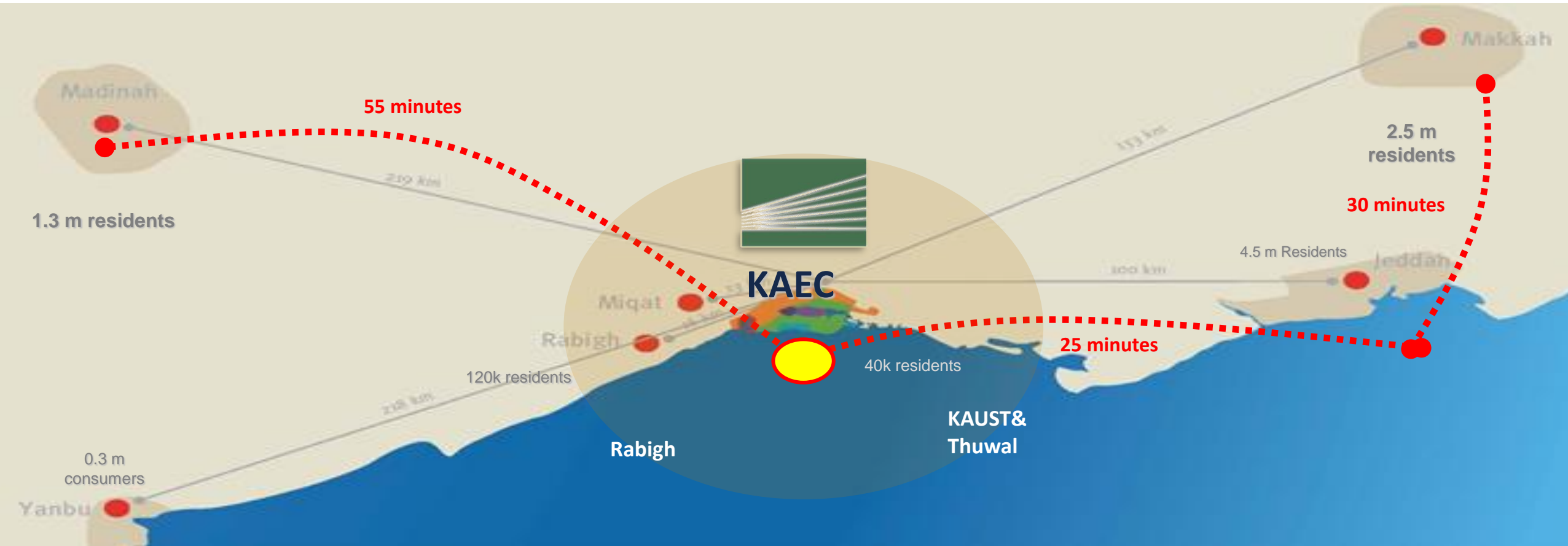


Projects Under Development:

- Hejaz District
- Play District
- Juman Carnival
- Culinary Arts Academy Project
- Floating Water Park
- Beachside Hotel apartments
- Exclusive Desert Camps
- Hot Air Balloon (tethered)
- Conference and Exhibition Center

HEJAZ DISTRICT & HIGH SPEED TRAIN

- Strategically located within the Western Region
- Located between the two holy cities, Makkah and Madinah
- Connecting 8.5 million inhabitants
- Completion date*: Q4 2017 – Q1 2018



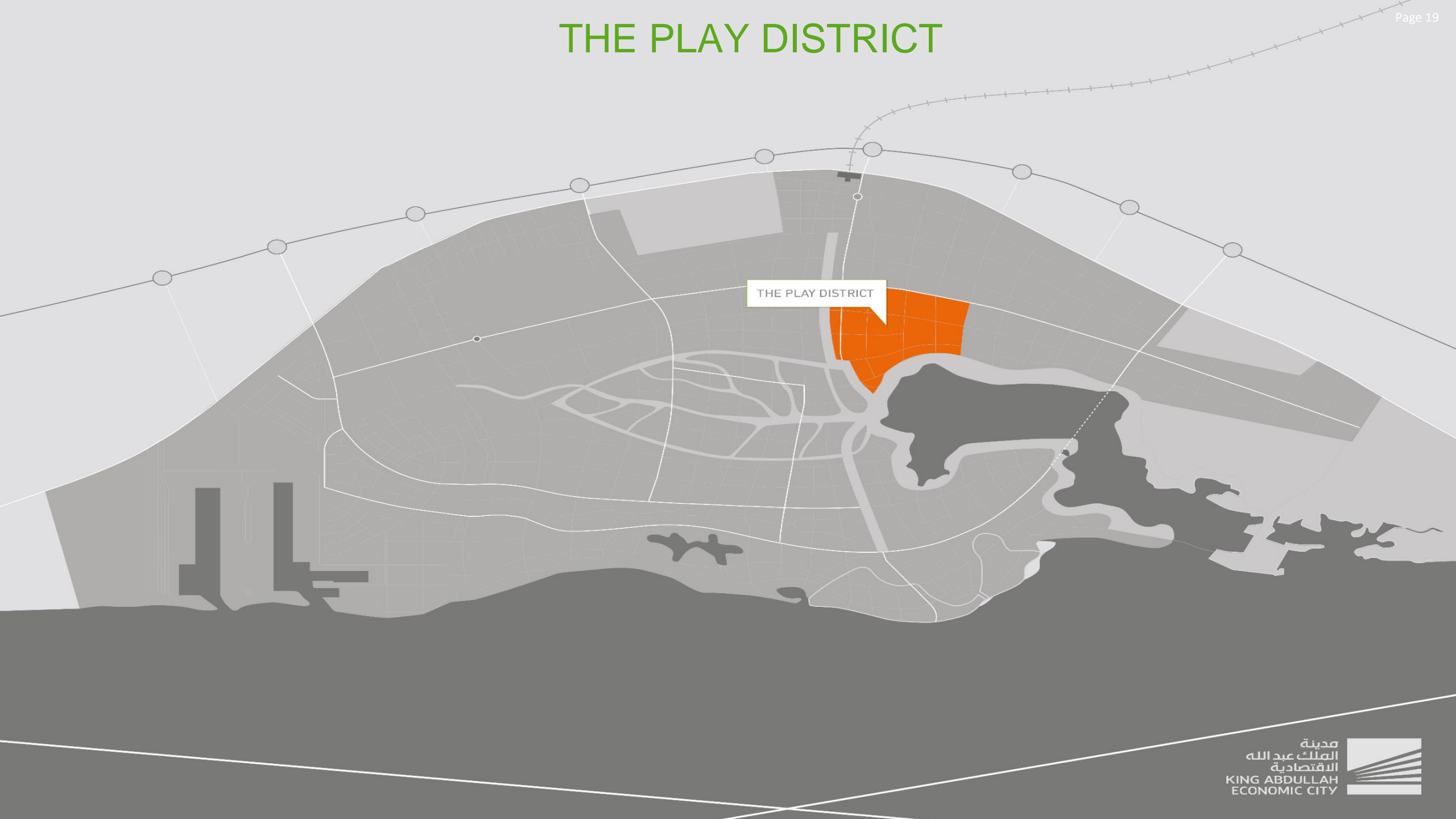




HEJAZ
DISTRICT



THE PLAY DISTRICT





THE PLAY DISTRICT



From top left to bottom right:

1. Floating Water Park
2. Conference and Exhibition Center
3. Exclusive Desert Camps
4. Juman Carnival
5. Hot Air Balloon (tethered)
6. Beachside Hotel apartments
7. Culinary Arts Academy Project



منتزه الألعاب المائية



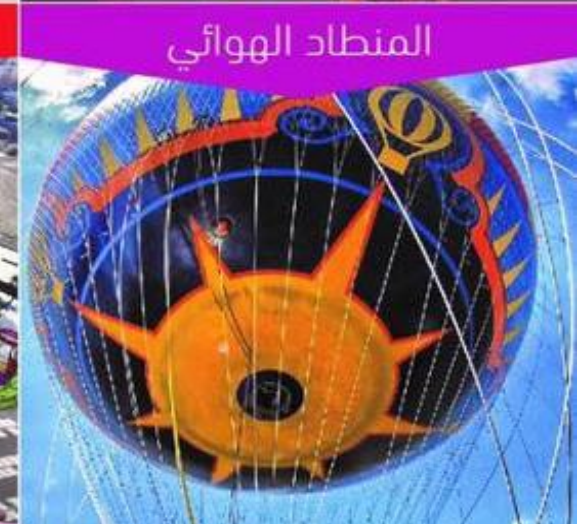
مركز المعارض والمؤتمرات



الخييمات الصحراوية الراقية



كرنفال جمان



المنطاد الهوائي



شقق الشاطئ الفندقية

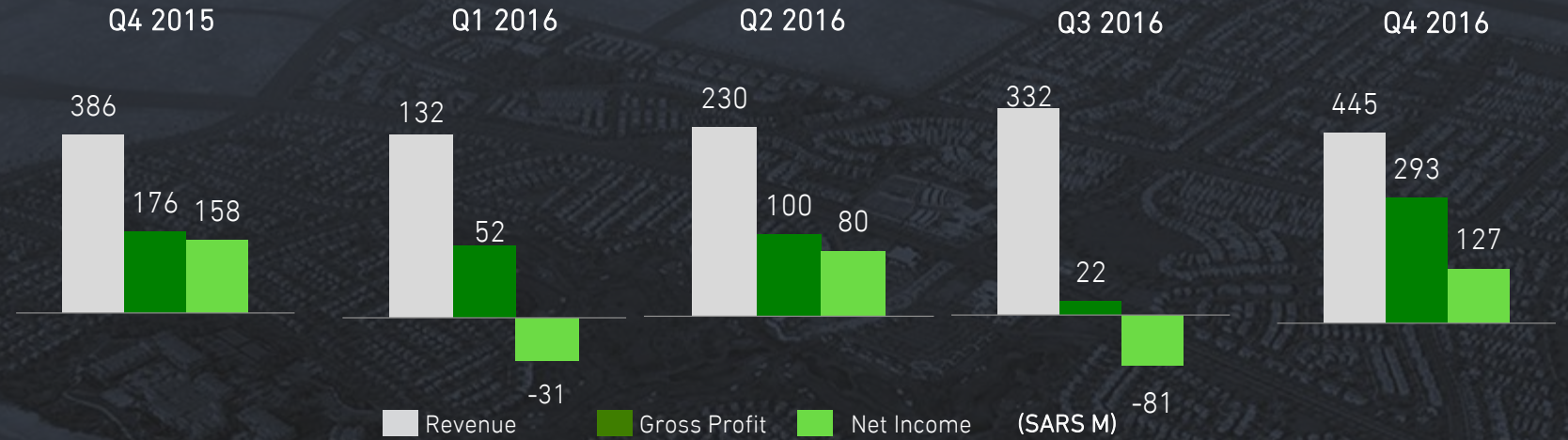


أكاديمية تعليم فنون الطهي

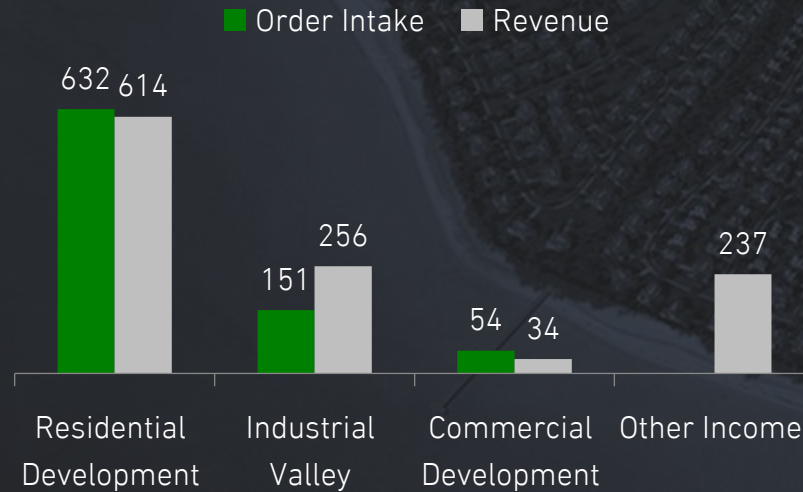


KAEC Financials, Segment Breakdown, and Stock Performance

EEC's Financial Growth Quarterly Breakdown

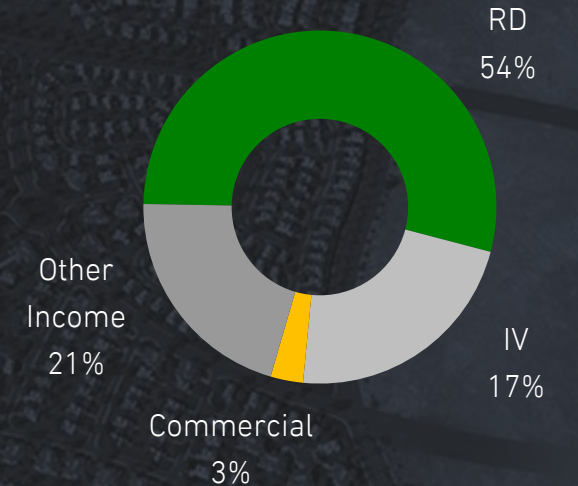


Order Intake and Revenue YTD 2016



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

% Breakdown of Revenue for 2016



Total 1,140 SARs



EEC Stock Performance

One year chart from Feb 2016 to Feb 2017: EEC has out performed both the Saudi Stock Exchange and the Local Real Estate Index

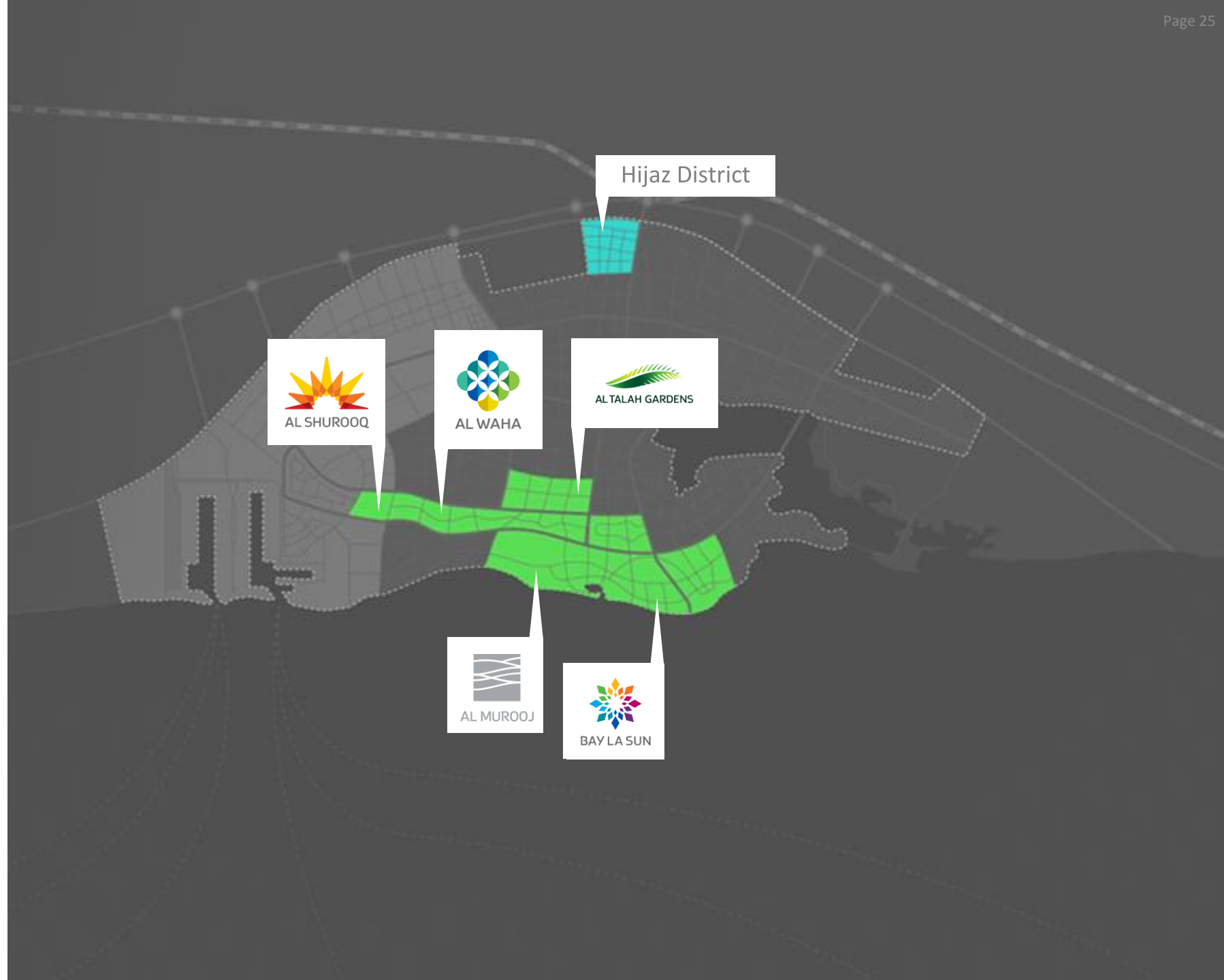
Ticker Description:

SASEIDX Index: Tadawul all share index

SASETRMI Index: Tadawul all share real estate management and development index

EMAAR AB Equity: Emaar Economic City's stock on Tadawul

KAEC Master Plan Residential Development



Residential Development

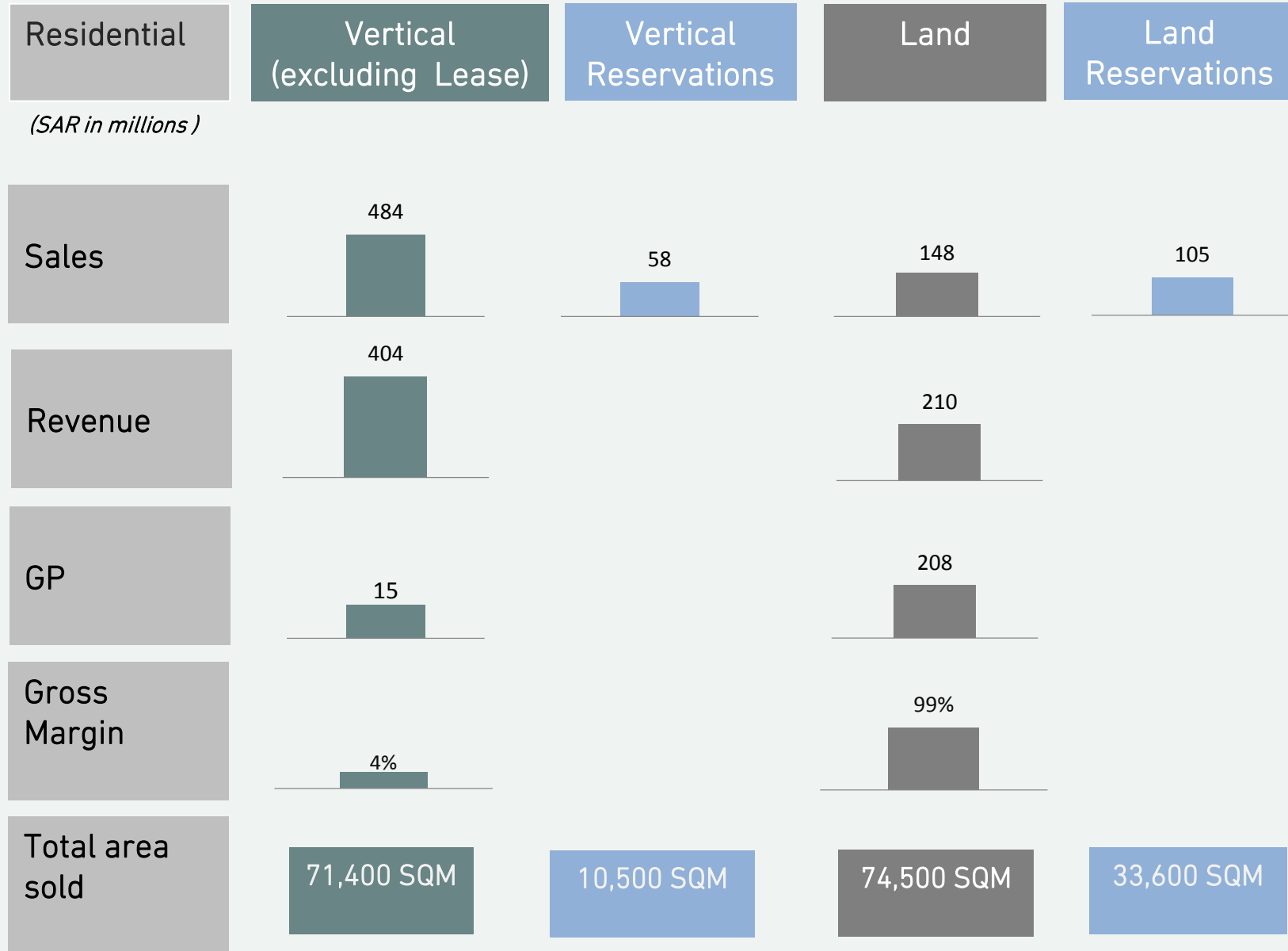
Residential Development Game Changers

Competitive Edge :

- Corporate Relocation Program has been launched aimed at entrepreneurs, SMEs, and established businesses to relocate to KAEC:
 - 10year interest-free payment plan for Saudis
 - 20% discount on annual rent
 - Free premium education for a total of two children
 - Rent-free for the first 5 years on office space
 - Transportation
- Competitive pricing offers investment upside
- Good infrastructure relative to other major cities regionally
- MoU signed with Ministry of Housing for the development/delivery of affordable housing solutions.
- 54% of EECs consolidated revenues came from the residential development segment in 2016
- 6-8 launches expected in 2017

Payment plan: 60 months of installments for land and vertical with a down payment of 10% for land and 20% for vertical

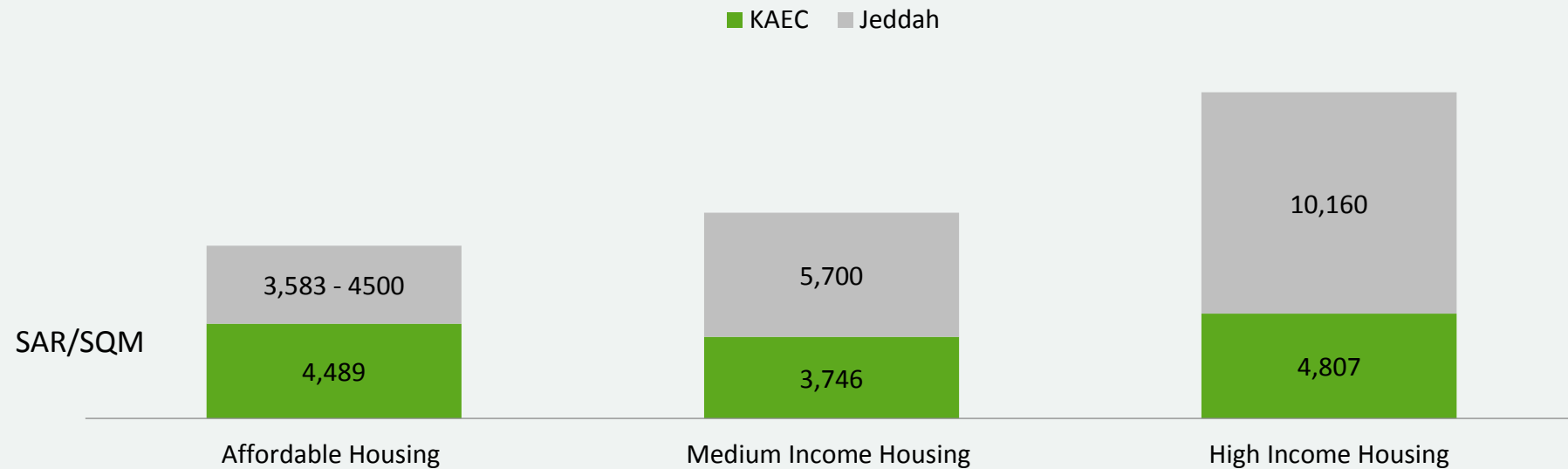
Residential Development Breakdown for 2016



Product		2012	2013	2014	2015	2016
Vertical	Net Order Intake (in million, SAR)	21	9	272	369	484
	Units	12	6	178	641	534
Land	Net Order Intake (in million, SAR)	167	673	655	776	148
	Units	136	403	819	912	132
Totals	Net Order Intake (in million, SAR)	188	682	927	1,149	632
	Units	148	409	997	1,767	666

Residential Sales Product Statistics 2012 - 2016

Bench Mark Analysis Jeddah vs. KAEC*



- Jeddah Real Estate Prices - Colliers International Market Study; input from persons knowledgeable about the subject matter
- KAEC's MI and HI Housing categories include vertical sales as well as land sales

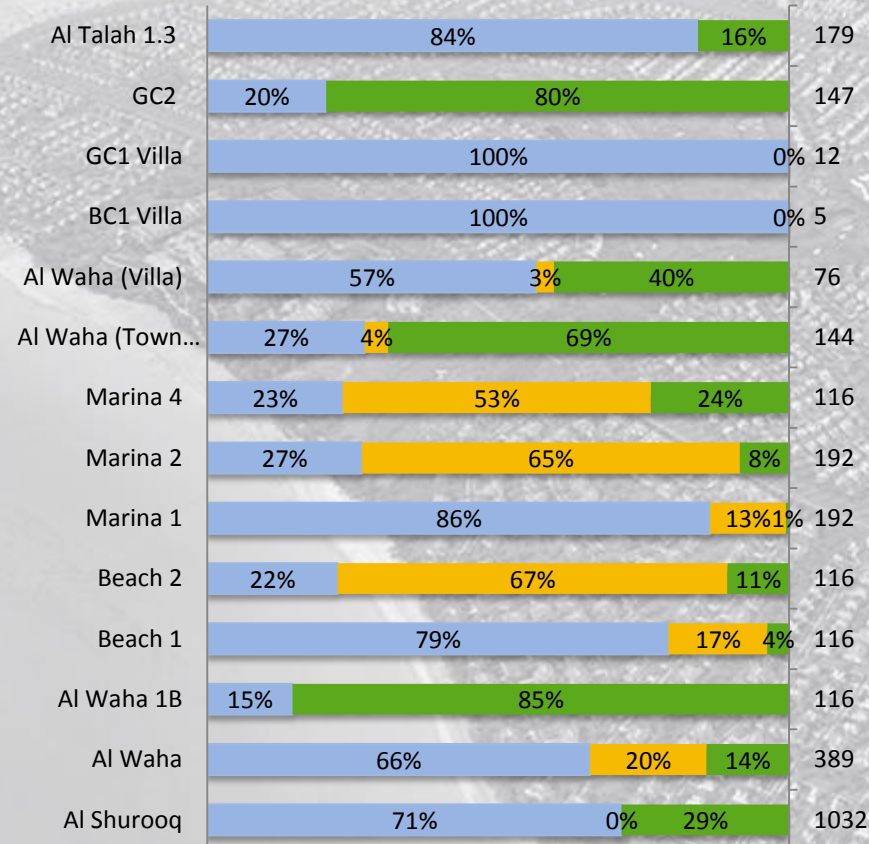
Residential Sales Summary up to December 2016

% Presales
(Sold and Reserved)

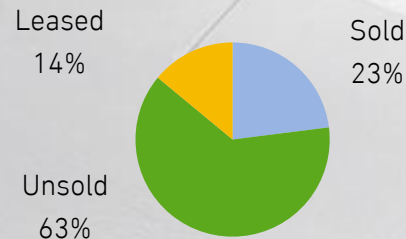
% Leased

% Unsold

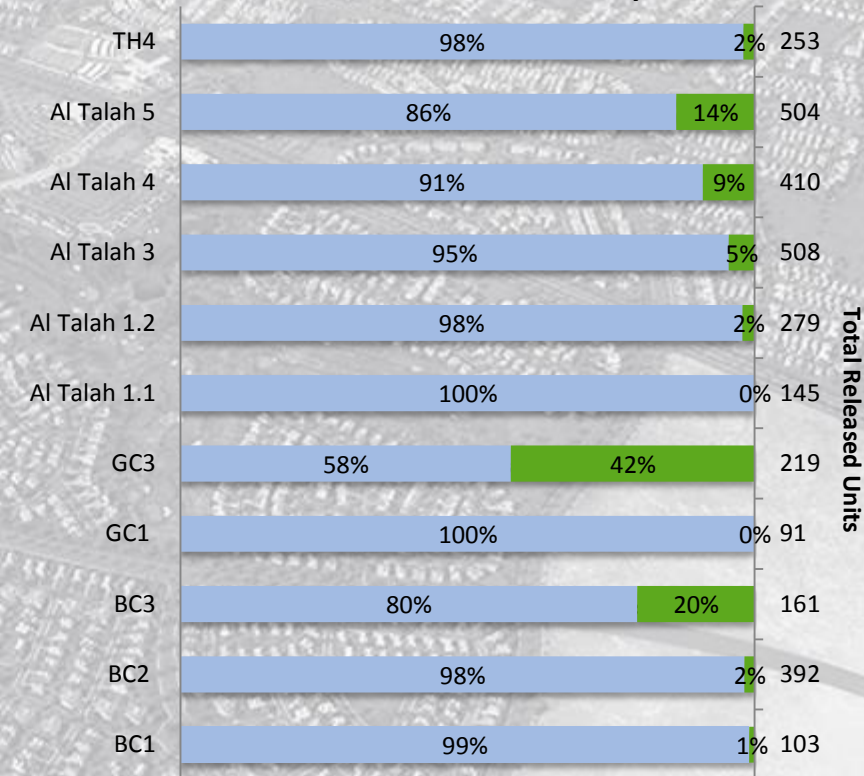
Residential Vertical Sales Summary



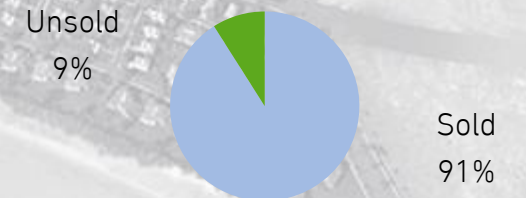
%Sold Vertical Development Sales



Residential Land Sales Summary



%Sold Land Sales



Residential Development Vertical Project Breakdown up to December 2016

Community	Type	District	Target Income	Total Released Units	Total Unreleased Units	Sellable Area	Sale Price Per SQM	Launch Date
Al Shurooq	Apartment	Al Shurooq	Affordable	1032	408	135,064	4,489	Launched
Al Waha	Apartment	Waha	Medium Income	389	-	42,718	5,948	Launched
Al Waha 1B	Apartment	Waha	Medium Income	116	256	33,708		Launched
Beach 1	Apartment	BLS	High Income	116	-	21,490	12,374	Launched
Beach 2	Apartment	BLS	High Income	116	-	21,684	13,200	Launched
Marina 1	Apartment	BLS	High Income	192	-	21,096	12,291	Launched
Marina 2	Apartment	BLS	High Income	192	-	21,058	12,108	Launched
Marina 4	Apartment	BLS	High Income	116	-	21,498	12,066	Launched
Al Waha (Town House)	Town House	Waha	Medium Income	144	-	34,565	4,735	Launched
Al Waha (Villa)	Villa	Waha	Medium Income	76	-	6,597	8,364	Launched
BC1 Villa	Villa	Al Muroj	High Income	5	-	11,803	5,190	Launched
GC1 Villa	Villa	Al Muroj	High Income	12	-	7,567	4,995	Launched
GC2	Villa	Al Muroj	High Income	147	-	126,382	5,375	Launched
Al Talah 1.3	Villa	Al Talah	Medium Income	179	-	67,225	5,950	Launched
Al Talah 3 villas	Villa	Al Talah	Medium Income	TBD	59	TBD	TBD	Not Planned
Al Talah 4 & 5 villas	Villa	Al Talah	Medium Income	TBD	TBD	105,000	4,988	Not Planned
TH2 villas	Villa	Al Muroj	Medium Income	TBD	TBD	74,977	7,757	Not Planned
Coastal Towers	Apartment	BLS	High Income	TBD	TBD	TBD	TBD	Not Planned
Vertical Projects				2,832	723	583,660	7,989	

*Sellable area: total area sold plus area to be launched/sold

**Sale price per SQM reflective average prices for the respective community/phase

Residential Development Land Project Breakdown up to December 2016

Community	Type	District	Target Income	Total Released Units	Total Unreleased Units	Sellable Area	Sale Price Per SQM	Launch Date
BC1	Land	Al Muroj	High Income	103	-	215,946	1,512	Launched
BC2	Land	Al Muroj	High Income	392	-	452,744	2,023	Launched
BC3	Land	Al Muroj	High Income	161	59	196,520	2,714	Launched
GC1	Land	Al Muroj	High Income	91	-	82,947	1,250	Launched
GC3	Land	Al Muroj	High Income	219	16	182,514	1,616	Launched
GC4	Land	Al Muroj	High Income	-	-	168,475	1,450	Not Planned
GC5	Land	Al Muroj	High Income	-	-	191,563	1,500	Not Planned
GC6	Land	Al Muroj	High Income	-	-	134,397	1,400	Not Planned
Al Talah 1.1	Land	Al Talah	Medium Income	145	-	63,094	657	Launched
Al Talah 1.2	Land	Al Talah	Medium Income	279	-	148,628	691	Launched
Al Talah 3	Land	Al Talah	Medium Income	508	126	357,784	940	Launched
Al Talah 4	Land	Al Talah	Medium Income	410	115	215,673	1,400	Launched
Al Talah 5	Land	Al Talah	Medium Income	504	125	268,650	1,400	Launched
TH3	Land	Al Muroj	High Income	-	-	112,448	1,450	Not Planned
TH4	Land	Al Muroj	High Income	253	-	114,843	1,514	Launched
Land Projects				3,065	441	2,906,226	1,434	

*Sellable area: total area sold plus area to be launched/sold

**Sale price per SQM reflective average prices for the respective community/phase

Major Developments Industrial Valley



A NEW LOGISTICS AND MANUFACTURING HUB

At the forefront of KAEC's master planned development is Industrial Valley, a new pro-business hub in one of the fastest growing regions and economies in the world.

The Industrial Valley's vision is to become the preferred regional hub for manufacturing industries and value-added global logistics, contributing to job creation and economic development for Saudi Arabia.



KAEC Master Plan Industrial Valley

Industrial Valley Game Changers

- IV had yet another strong year in 2016 signing a total of 13 New Tenants:
 - 9 of which executed industrial lease agreements total amount of leased land 280,00 SQM
 - 4 industrial sale agreements for a total amount of sold land of 296,000 SQM
- IV continues to work on its offerings and its business strategy with the main focus on:
 - Special zones within IV : Bonded Zone, Gas Zone, and warehousing
 - Broader connectivity through the operational King Abdullah Port along with the Haramain High Speed Railway and the planned Saudi Land Bridge
 - IV with its automotive cluster anchor tenants such as Abdulatif Jamil and Alzahid is ready to accommodate the expected launch of the RoRo services in the first half of 2017 at King Abdallah Port.
- IV has signed deals at record lease and sale rates
 - Current lease is SAR 16-18 / sqm
 - Current sale is SAR 585 / sqm

Industrial Valley

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

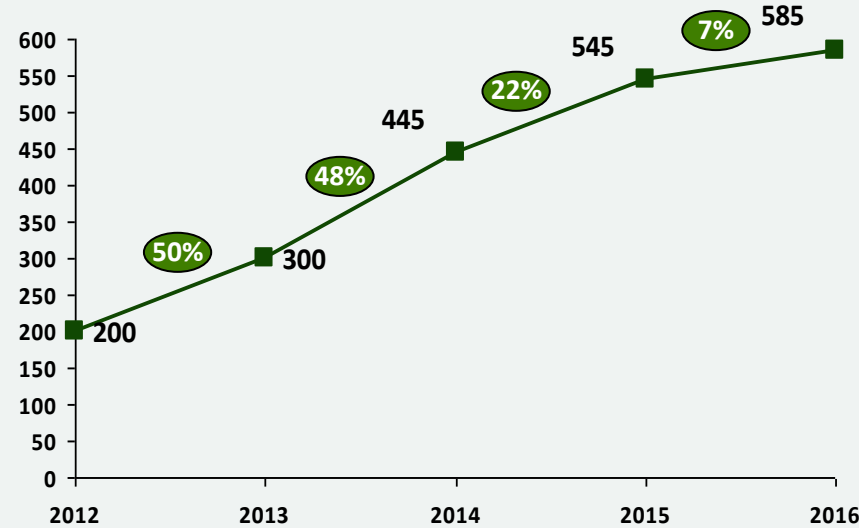
Industrial Valley Sales and Lease Segment Breakdown up to December 2016



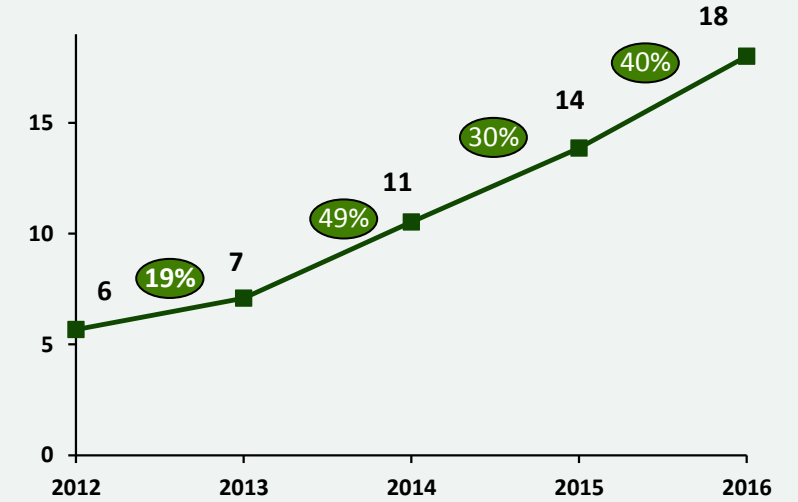
**Rent is collected 1 year in advance and prorated through out the year whereas, sales revenues are recognized immediately in the month of sale.*

Sales and Lease Revenue & Price Trend

Actual Sale Price/SQM (YoY)



Actual Lease Price/SQM (YoY)



Product	2013	2014	2015	2016
Sales Revenue	480	219	105	256

Product	2013	2014	2015	2016
Operating Revenue	28	33	47	59.2

Product	2013	2014	2015	2016
Sales Price (SR/sqm)	247	413	490	585
Lease Price (SR/sqm)	7	11	14	18

*Revenue and Sales figures are in millions

Industrial
Valley Year
on Year
Performance

More Than 120 Global & Local Tenants in KAEC

 FMCG	 Pharmaceuticals	 Plastics	 Construction	 Logistics	 Automotive	 General
      	    	  	        	           	     	       

KAEC IV Tenants

An aerial photograph of King Abdullah Economic City, showing a large, planned urban area with a grid-like street pattern, a central lake, and a coastline with a beach and waves. The city is surrounded by desert land.

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