

## **Mubadala Development Company PJSC**

Stakeholder Update Call – 11<sup>th</sup> April 2013



# Presenters Today



► Waleed Al Mokarrab Al Muhairi  
Chief Operating Officer



► Carlos Obeid  
Chief Financial Officer



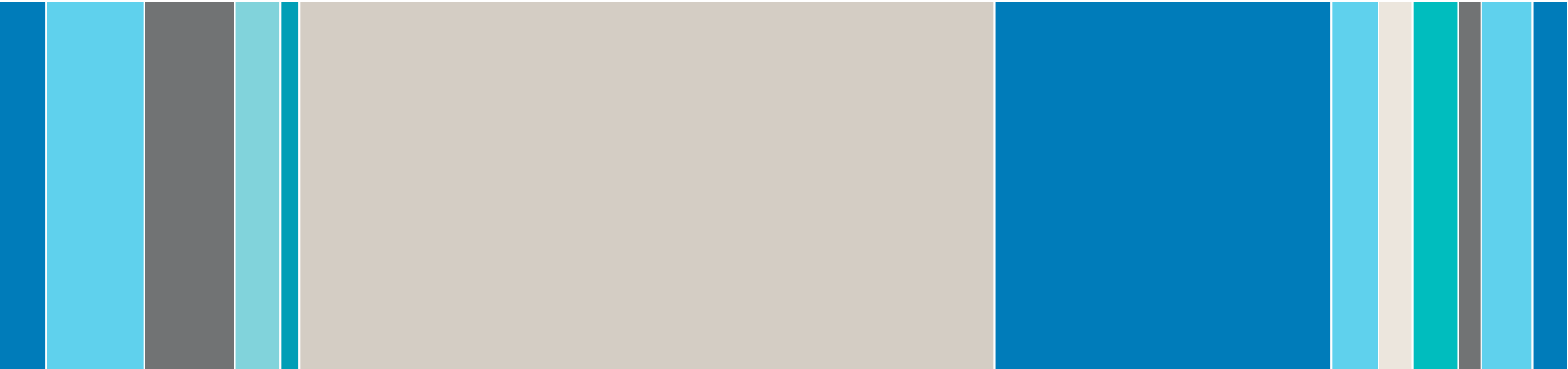
► Matthew Hurn  
Executive Director, Group Treasury

Please email any questions to [investorrelations@mubadala.ae](mailto:investorrelations@mubadala.ae)

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## I. Mubadala Overview

# Mubadala Overview

- **Development and investment company**
  - ▶ A key component of Abu Dhabi's diversification and economic development strategy
- **Government of Abu Dhabi is the sole Shareholder**
  - ▶ 2012 marked the 10<sup>th</sup> anniversary of the creation of Mubadala
  - ▶ Created over 10,000 jobs in the UAE
- **Established in 2002 by Emiri Decree to:**
  - ▶ Generate economic returns for its Shareholder
  - ▶ Create socio-economic benefits for citizens of Abu Dhabi
- **Developing global platforms – Semiconductors, Oil & Gas, Communications Technology, Aerospace, Metals & Mining, and Renewable Energy**
- **Strong emphasis on disclosure and transparency**
  - ▶ IFRS audited & consolidated financials since 2006
  - ▶ Proactive Investor Relations strategy
  - ▶ 10/10 on the Linaburg-Maduell Transparency Index
  - ▶ Best ranked Middle East organization on PIIE SWF scoreboard

## Selected information as of December 31<sup>st</sup> 2012

|                   |                           |      |       |
|-------------------|---------------------------|------|-------|
| Credit ratings    | Moody's                   | S&P  | Fitch |
|                   | LT: Aa3                   | AA   | AA    |
|                   | ST: P-1                   | A-1+ | F1+   |
| Total assets      | AED 202.8bn (US\$ 55.2bn) |      |       |
| Total liabilities | AED 66.8bn (US\$ 18.2bn)  |      |       |
| Total equity      | AED 136bn (US\$ 37bn)     |      |       |
| Gearing Ratio*    | 19%                       |      |       |
| Revenue           | AED 31.3bn (US\$ 8.5bn)   |      |       |
| Profit            | AED 455m (US\$ 124m)      |      |       |

\*Gearing Ratio = Net Debt/ (Equity + Net Debt)

# Organizational Strategy

- Shareholder's support enables a long term investment horizon
- Increasingly international focus as global platforms develop
- Fostering an enterprise base in which local and international companies can contribute to the growth of Abu Dhabi's private sector
- Partnering with world-class organizations, including:



Imperial College  
London



Pramerica



AIRBUS  
AIR BUS COMPANY



THE CARLYLE GROUP

LOCKHEED MARTIN



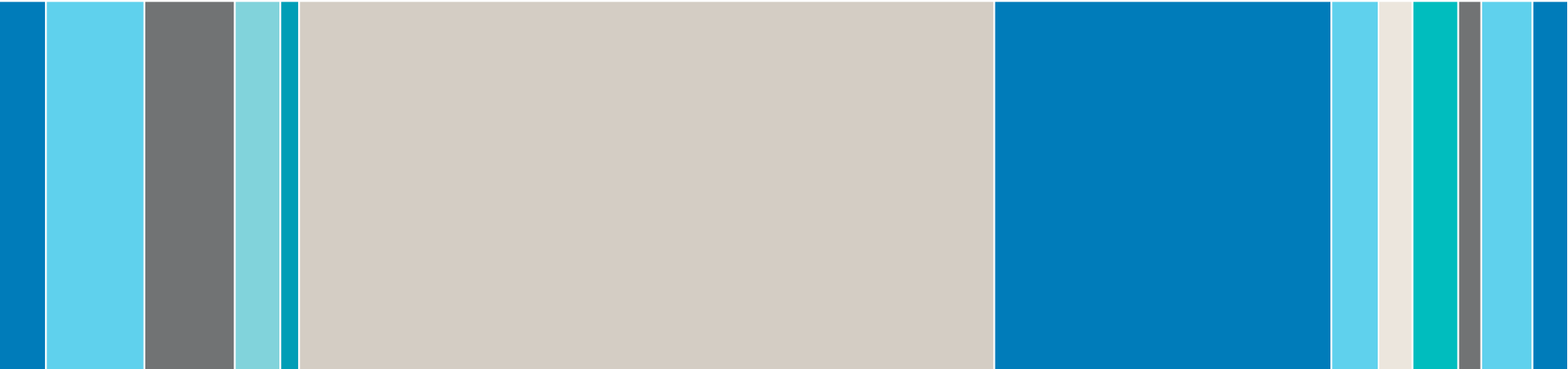
Cleveland Clinic



TOTAL



- Strong focus on governance, risk management and diversification of the portfolio
- The development of human capital and the creation of opportunities for present and future generations of Emiratix is a key part of Mubadala's mandate



## II. Financial Statements

# Assets and Revenues

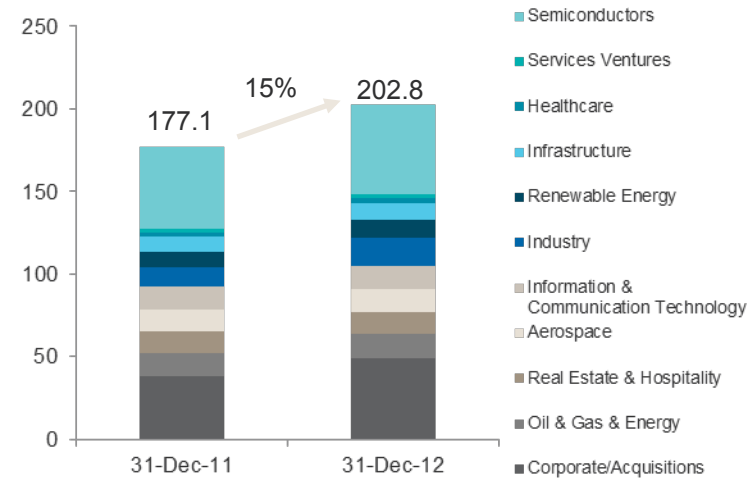
Assets increased by 15% to AED 202.8bn at year end 2012 from AED 177.1bn at the end of 2011

Driven by the further expansion of the asset base of GLOBALFOUNDRIES and other businesses as well as new investments made during the year

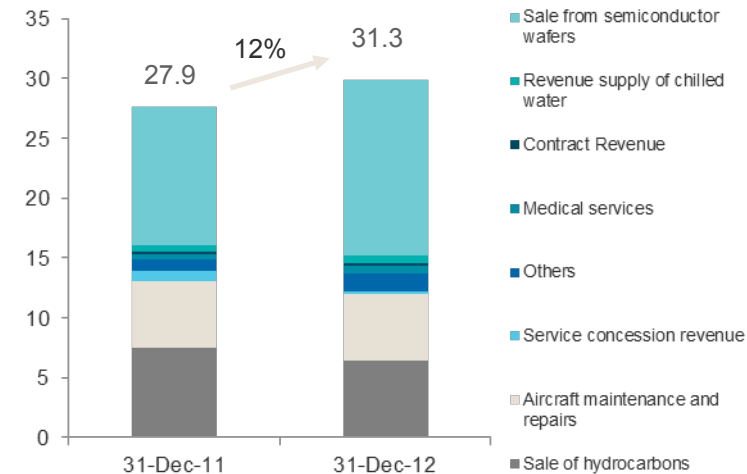
■ **Revenues** increased by **12%** to AED 31.3bn for FY 2012 from AED 27.9bn for FY 2011

- ▶ Improved wafer sales and revenues recognized under wafer supply agreement were key drivers of revenue growth
- ▶ Main contributors to revenue mix: semiconductors accounted for 47%, Oil & Gas 21% and Aerospace 18%

Total Assets (AED bn)



Total Revenues (AED bn)



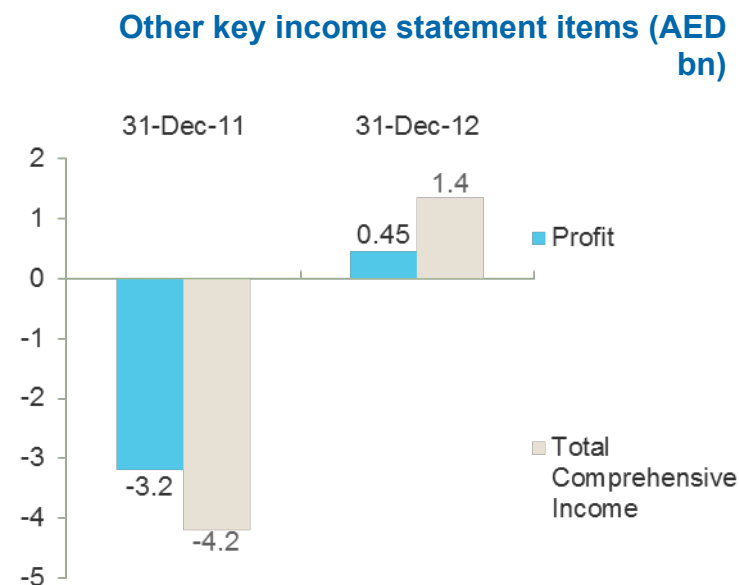
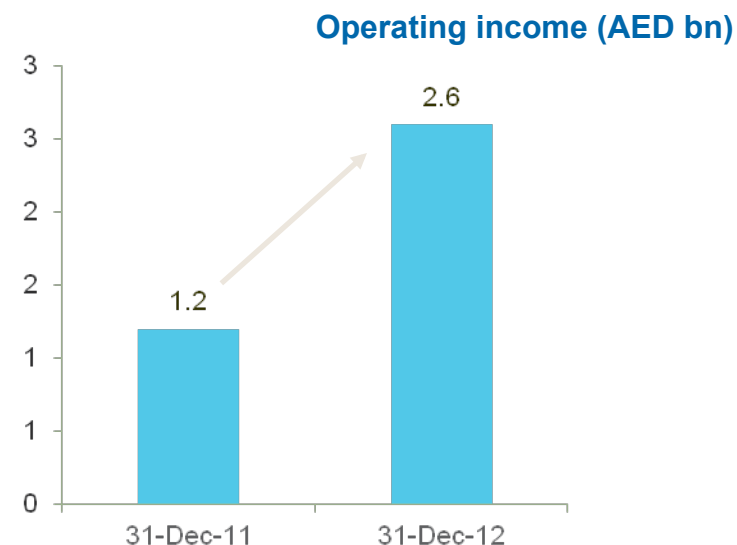


# Consolidated Statement of Comprehensive Income

Operating income grew to AED 2.6bn for 2012 compared to AED 1.2bn in 2011

Primarily reflected the increased sale of semiconductors, satellite capacity service revenues and the sale of land

- Profit was AED 455m in 2012, compared to a loss of AED 3.2bn in 2011
- Total Comprehensive Income was AED 1.4bn compared to a loss of AED 4.2bn in 2011

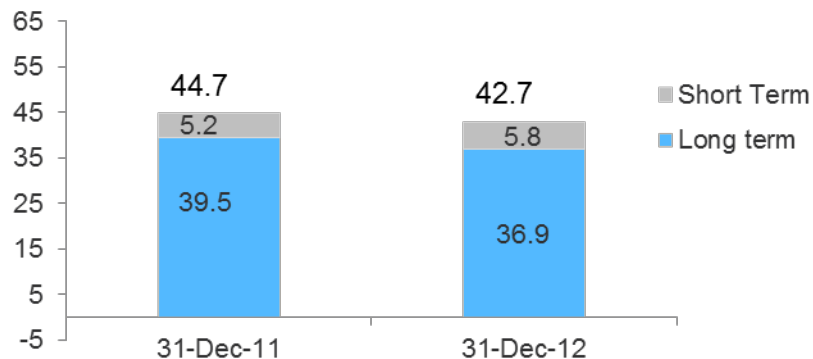


# Conservative Leverage

Gearing ratio, reflective of our conservative capital structure, is lower at 19% in 2012 compared to 22% at end of 2011

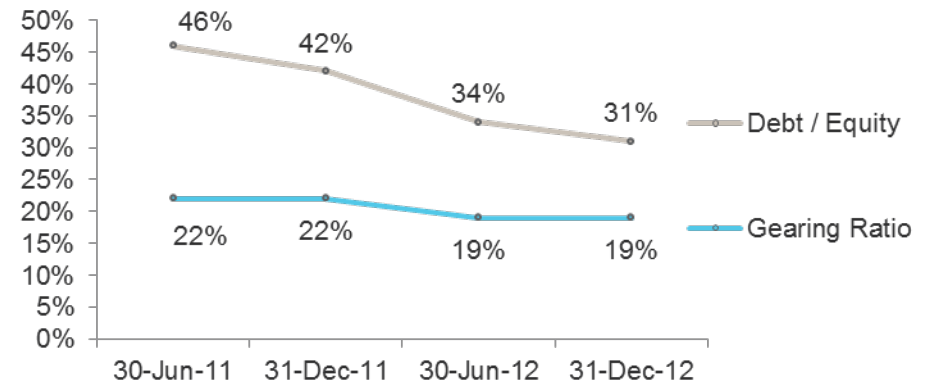
- Cash and cash equivalents of AED 11.7bn
- Ongoing funding base diversification
  - ▶ Corporate bonds
  - ▶ Commercial paper program
  - ▶ Institutional private placements
  - ▶ Non-recourse debt

Total debt<sup>1</sup> (AED bn)

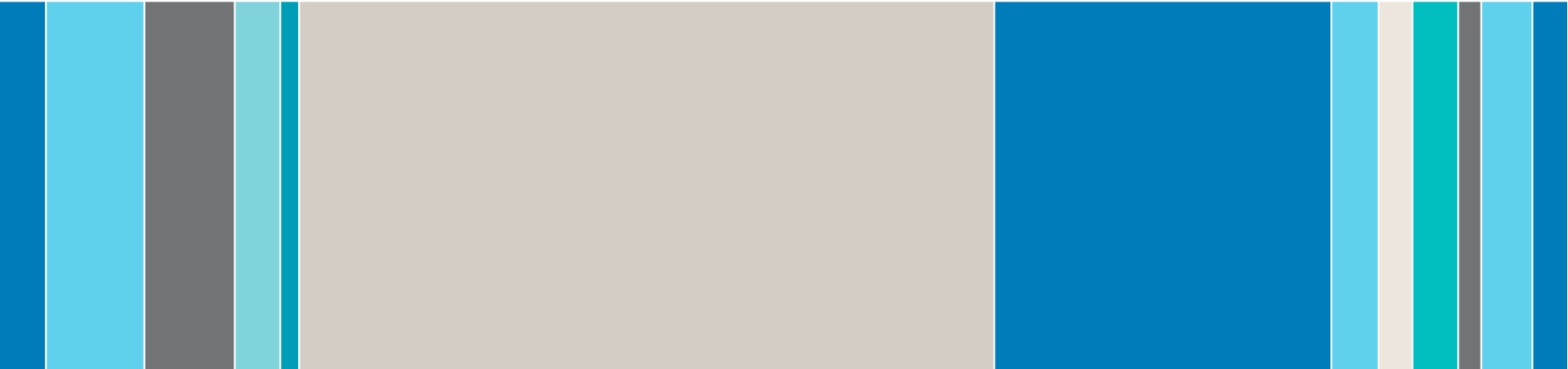


<sup>1</sup> Debt: Interest Bearing Borrowings + Obligations Under Finance Lease

Key leverage ratios<sup>2</sup>



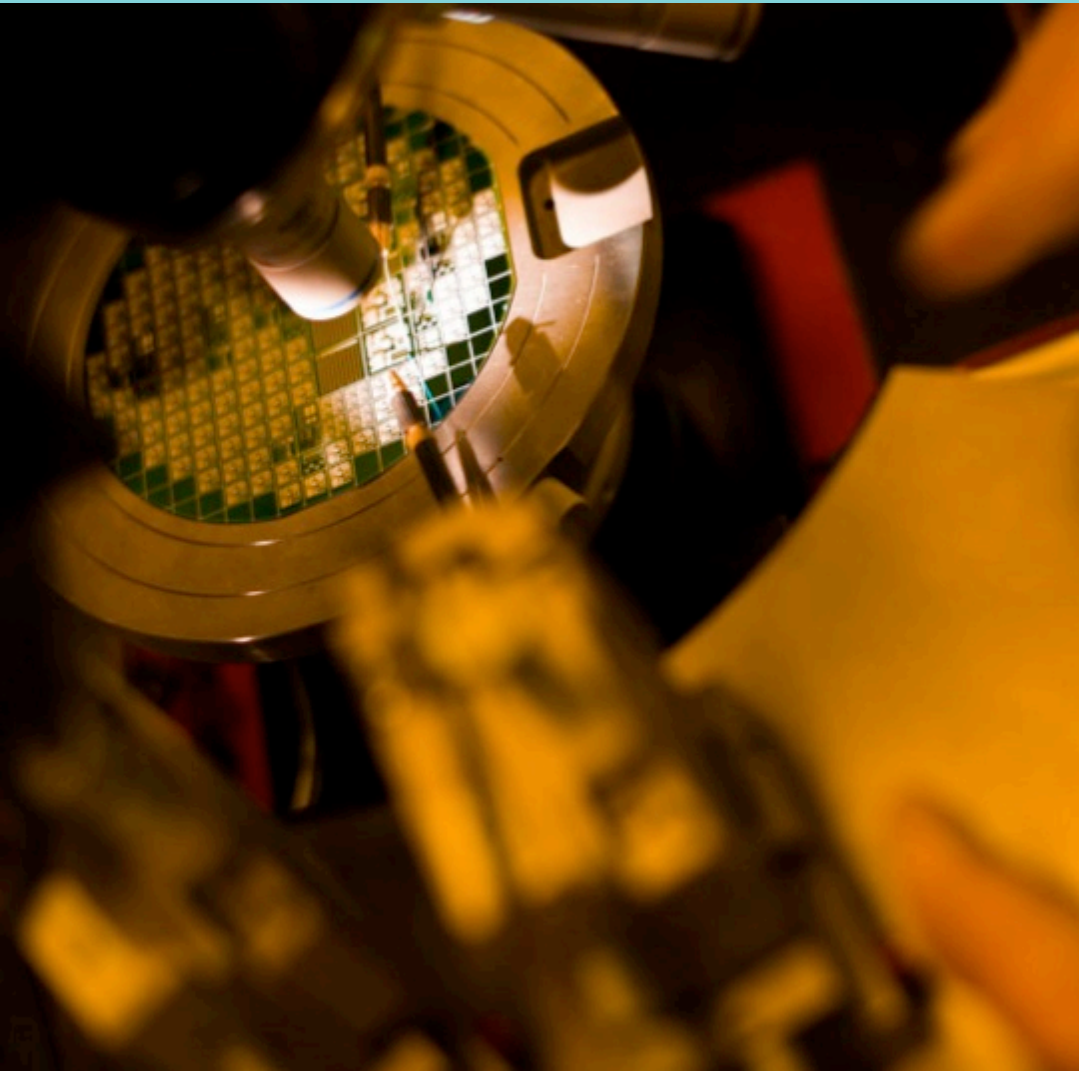
<sup>2</sup> Gearing: Net Debt / (Equity + Net Debt)



### III. Key Operating Milestones

# Semiconductors

Mubadala's largest business unit enjoyed another year of substantial growth



- GLOBALFOUNDRIES became the world's second largest semiconductor manufacturer based on full-year revenue
- GLOBALFOUNDRIES continues to attract some of the most significant customers in the semiconductor industry, and began production at its newest fabrication in upstate New York
- GLOBALFOUNDRIES laid out a roadmap with the introduction of FinFET technology at the 14nm process node which will continue its leadership position in the foundry space

# Oil & Gas

2012 saw the transformation into Mubadala Petroleum



- Creation of Mubadala Petroleum reflects the operational maturity and scale of the business
- Mubadala Petroleum's working interest production in 2012 averaged 378,000 barrels of oil equivalent per day across interests in 12 countries
- Continued exploration opportunities were considered across the portfolio

# Communications Technology

Yahsat recorded its first profit in 2012



- Yahsat, the region's first multi-purpose satellite communications system, successfully launched its second satellite
- In November, Yahsat launched YahClick, offering broadband access to 28 countries with a total combined population of more than 1 billion people, including Afghanistan, Iraq, Nigeria, Pakistan, and South Africa
- Etisalat Nigeria ended 2012 with 15 million subscribers, an increase of 5 million within the year, and with a 15 percent share of a highly competitive market



# Aerospace

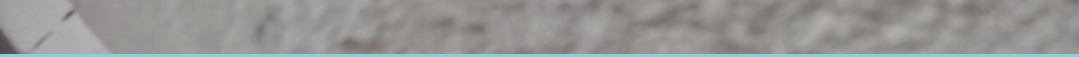


Strata developing into a global, tier-1 supplier of aerostructures



- Strata Manufacturing delivered the first shipment of A330 ailerons made in Al Ain to Airbus
- New multi-year supply agreements were established with Boeing that will see significant manufacturing work begin in 2013
- Mubadala's Maintenance, Repair and Overhaul businesses continued to expand, with more than 950 aircraft under management, and service agreements with an increasing number of global airlines

# Metals and Mining



EMAL is now one of the world's largest single site smelters



- EMAL achieved full completion of Phase I and exported its first shipment through the new Khalifa Port
- EMAL Phase II is on schedule with the first structural steel erected in August
- EMAL maintained its exceptional safety record, celebrating 10 million work hours with zero time lost to injury
- In November, Mubadala signed a long-term bauxite supply agreement with Compagnie des Bauxites de Guinée (CBG)



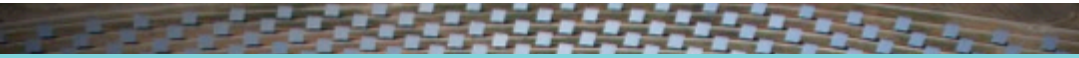
# Real Estate and Infrastructure

Sowwah Square is poised to become the heart of Abu Dhabi's new CBD



- All four office towers at Sowwah Square on Al Maryah Island were completed
- Viceroy Maldives, a 5-star, 61-villa luxury resort, opened for operations during 2012

# Renewable Energy



Shams 1 development finalized on course to begin power generation in 2013



- Shams 1, one of the largest concentrated solar power plants in the world, finalized development on course to begin power generation in 2013
- The London Array, currently the world's largest offshore wind farm, began producing power in 2012
- Infrastructure and development continued at Masdar City, with a major expansion underway at the Masdar Institute of Science and Technology
- Work commenced on the new Masdar Headquarters building which will house the International Renewable Energy Agency (IRENA)

# Healthcare



## Second Imperial College London Diabetes Centre opened in Al Ain

- The Abu Dhabi and Al Ain facilities have now provided diabetes prevention, education and treatment services to more than 177,000 people since opening in 2007
- Construction continues at Cleveland Clinic Abu Dhabi, a world-class, multi-specialty medical facility being built on Al Maryah Island in Abu Dhabi
- More than 250 staff are now in place at the CCAD, including clinicians, senior managers, and 11 of 12 Institute Chiefs



# Significant Events – Post December 31<sup>st</sup> 2012

- We recently saw the successful conclusion of several key milestones of the merger process between Aldar and Sorouh. Mubadala looks forward to becoming a supportive, long term shareholder of this new, combined company
- EMAL started 2013 on a firm footing with continued delivery on both the construction and financing of Phase II of this important UAE industrial project

## V. Concluding Remarks

# Concluding Remarks

We remain resolutely focused on:

- Delivering key social infrastructure for Abu Dhabi
- Building out our global platforms
- Creating opportunities for current and future generations of UAE Nationals
- Helping realize Abu Dhabi's ambition of becoming a diversified and innovation-driven economy