

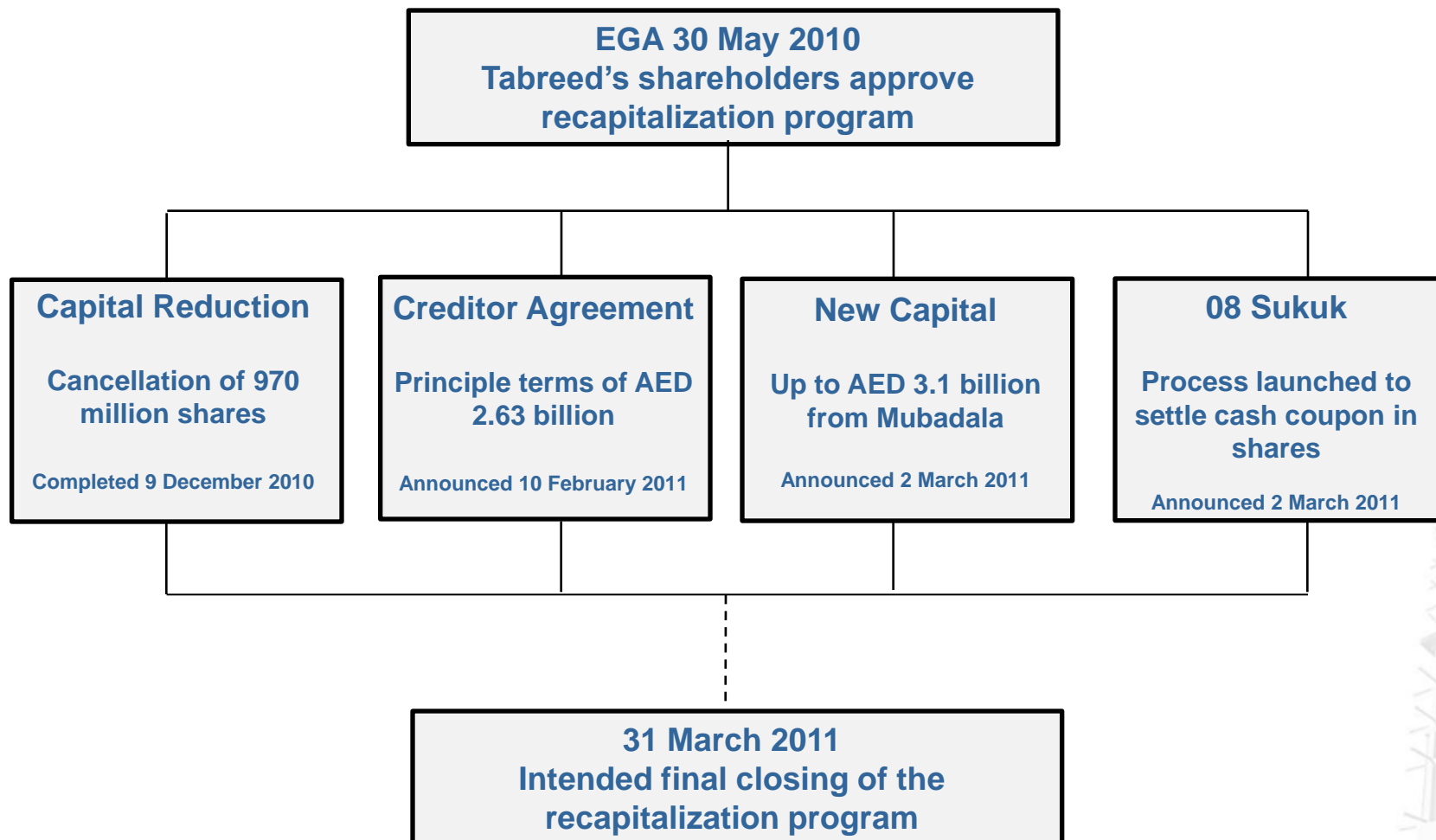


Tabreed

Recapitalization Program Update

2 March 2011

Recapitalization Program – Key Steps



- **New Capital:** Agreement-in-principle with Mubadala Development Company PJSC to provide up to AED 3.1 billion in new long-term capital, comprised of:
 - AED 1.7 billion Subordinated Mandatory Convertible Notes to refinance the Company's existing AED 1.7 billion Bridge Financing. The Subordinated Notes are transferable to shareholders and other investors interested in participating in the new instruments in the future.
 - An AED 1.4 billion Subordinated Convertible Loan Facility, which may be drawn by the Company to satisfy certain liquidity needs, complete its build-out program and pursue growth opportunities
 - The Notes are convertible by the holders on certain dates and the Company has the option to repurchase part of the Notes in the future
- **08 Sukuk:** The Company has also launched a process to settle the remaining AED 246.5 million annual distribution amounts under its convertible 08 Sukuk.
 - The process comprises a tender offer and proposal that on completion will result in the annual distribution amounts being settled in ordinary shares at AED 1.13 per share
- Completion of the process is subject to regulatory approval

A Brighter Future

- Tabreed has successfully entered the final stages of its recapitalization program
- With the completion of the recapitalization program, Tabreed will have in place the necessary foundation for growth through the implementation of a stable long-term capital structure
- Tabreed will be well positioned to capitalize on future opportunities by meeting demand for cooling infrastructure in the region
- Management will focus on building the business and creating value for shareholders:
 - Be in a stronger position to deliver on its business plan
 - Be able to achieve its full earning potential
 - Focus on completing Tabreed's build-out program
 - Develop the Company's core chilled water business
 - Enhance value from existing plants while maximizing organizational and operational efficiencies



Q: What has happened?

A: Tabreed has successfully entered the final stages of its recapitalization program. The Company has reached an agreement-in-principle for Mubadala to inject up to AED 3.1 billion in new long-term capital. Tabreed has also is in the process of dealing with the outstanding distributions of its 08 Sukuk in order to settle the coupons in ordinary shares.

Q: Why has Tabreed raised new capital from Mubadala?

A: The new capital will help Tabreed to complete its build-out program and forms a key element of its recapitalization program which was approved by shareholders on 30 May 2010 at the Company's EGA. The recapitalization program, once completed, will provide Tabreed with a stable long-term capital structure and the foundations for future growth.

Q: Will my existing shareholding be affected?

A: The new capital will have a dilutionary impact of existing shareholders, however the recapitalization program has been undertaken in the best interests of all stakeholders and has been approved by Tabreed's shareholders at its EGA on 30 May 2010. Please contact the Investor Relations department for further information via email: tabreedshareholders@tabreed.com

Q: Why has Tabreed launched this 08 Sukuk process?

A: The Company has launched the process to settle the remaining AED 246.5 million annual distribution amounts under its convertible 08 Sukuk. This comprises a tender offer and proposal that on successful completion will result in the annual distribution amounts being settled in ordinary shares

Q: As a 08 Sukuk Holder, do I need to do anything?

A: [The Company will be contacting you shortly and will provide full details]