



Dubai Financial Market

Investor Presentation
2015

حيث ملتقى السيولة
Connecting Liquidity

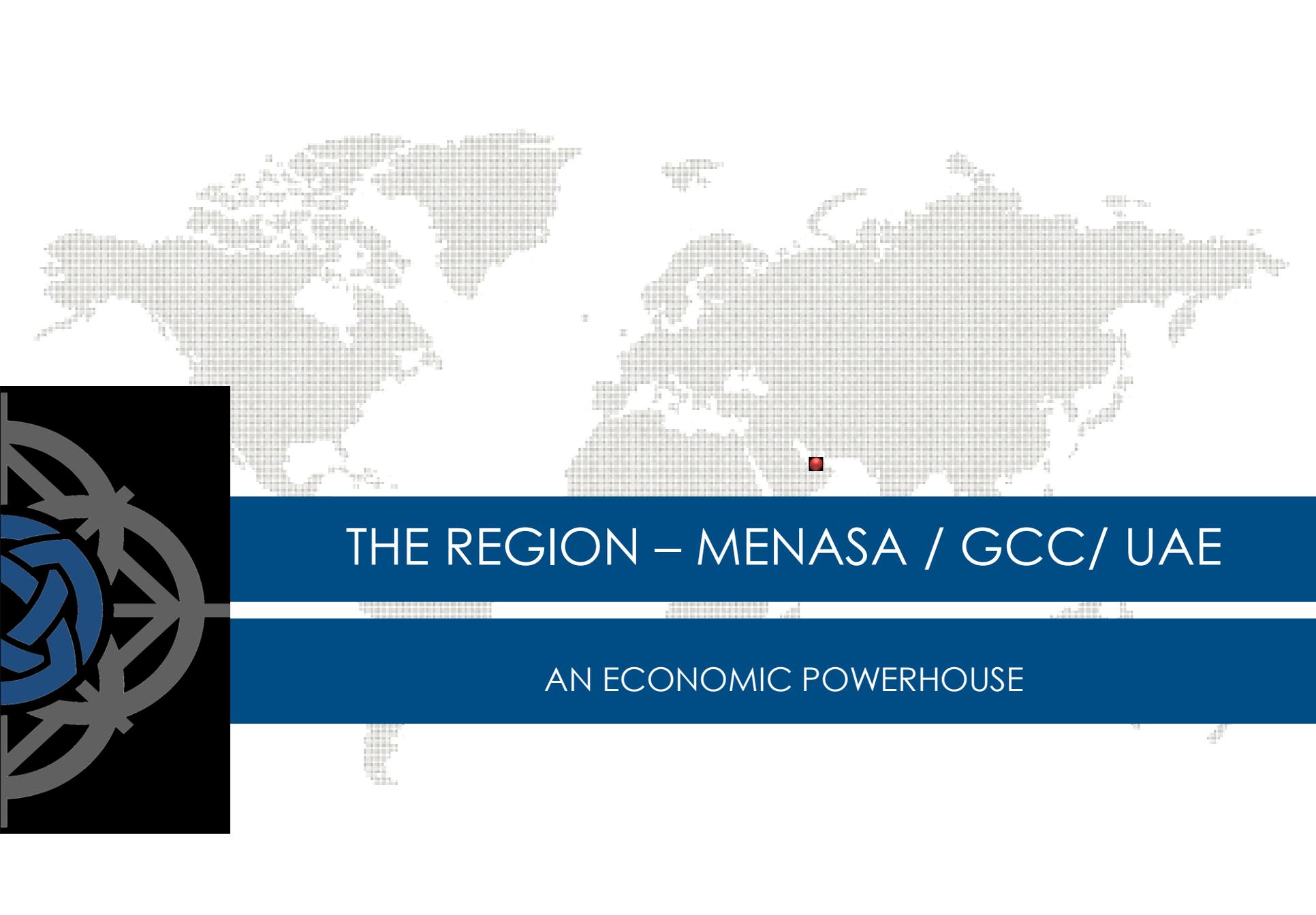


CONTENTS



MENASA Region : Macroeconomics	1
Dubai : Middle East's Financial Hub	5
UAE Capital Markets : DFM / ND / ADX	10
Two Exchanges, One Market : DFM & ND	16
Corporate Strategy : Going Forward	28





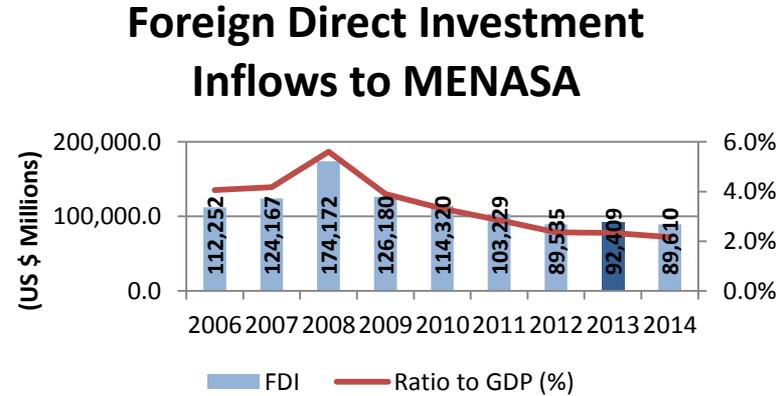
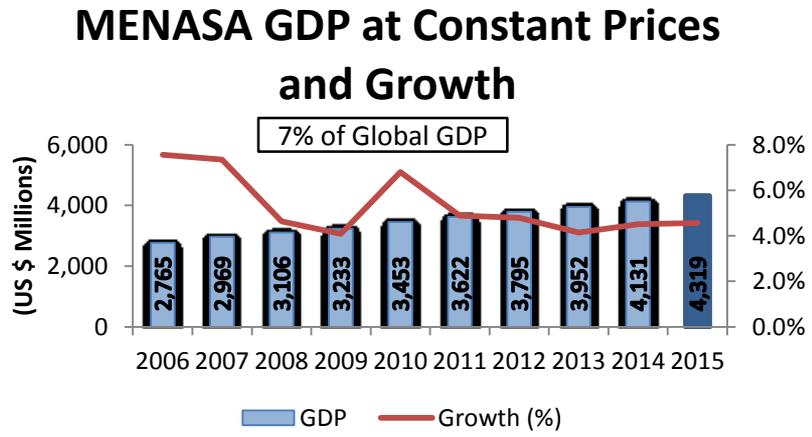
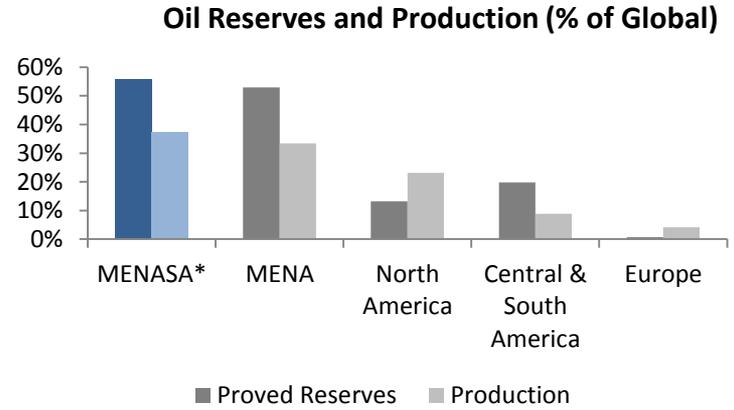
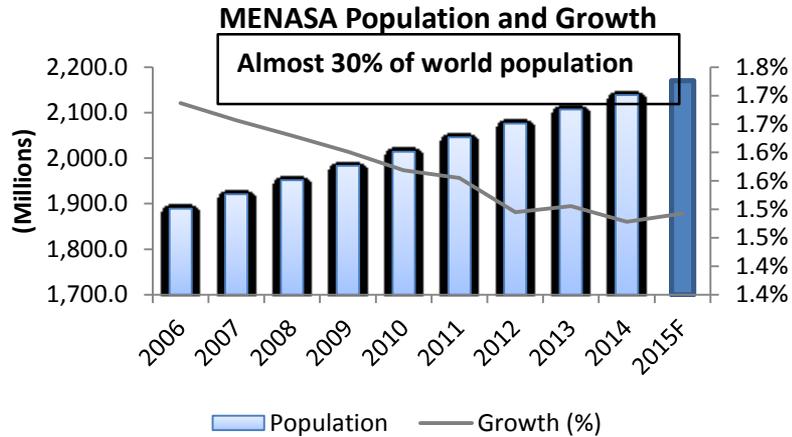
THE REGION – MENASA / GCC/ UAE

AN ECONOMIC POWERHOUSE

MENASA REGION : SOLID ECONOMIC FUNDAMENTALS -PROMISING GROWTH



MENASA region is emerging as a powerful economic bloc with tremendous growth potential, combining the sovereign wealth funds (SWFs) of the Mena region to the economic growth story of, say, India, hence, the economic paradigm shift towards this region from other emerging markets



3

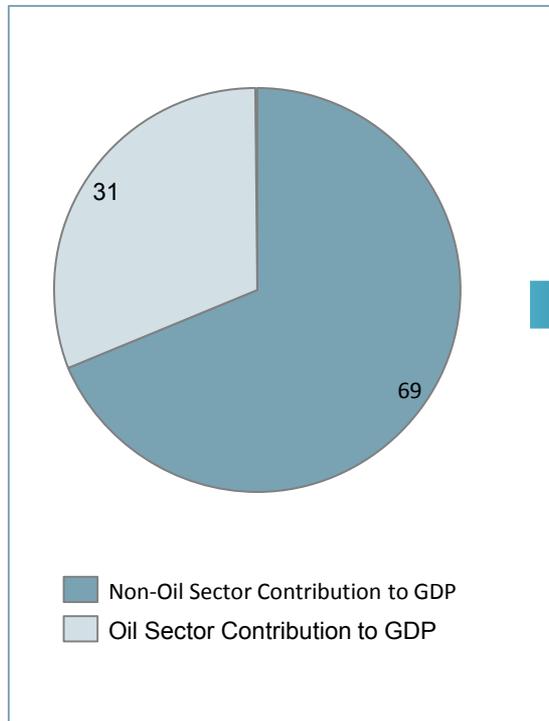
UAE: GROWTH PROSPECTS



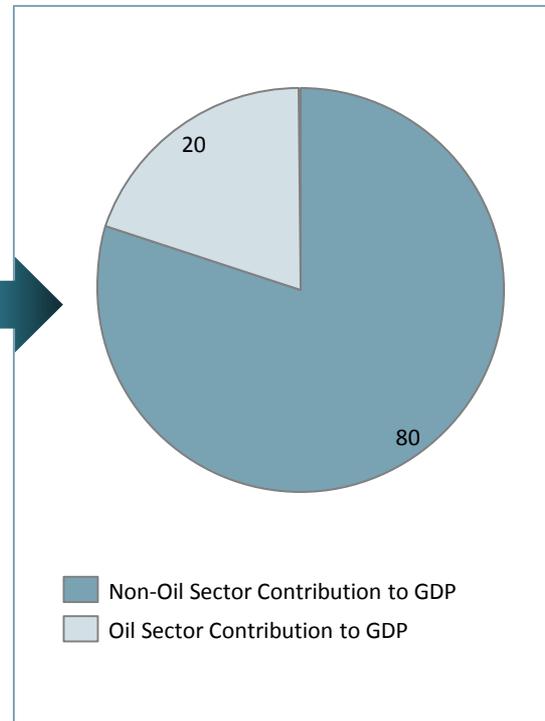
Key Contributors to Growth

- Strong growth in the non-hydrocarbon sector
- Regional wealth and liquidity
- Fiscal discipline with increase in investment spending
- UAE's service driven economy benefitting from the global trade
- AED 750 BN worth of infrastructural projects to be spent on construction till 2021
- AED 14 BN to be spend on innovative projects in 2015
- AED 5.9 trillion in external trade over the last 5 years
- UAE's non-oil foreign trade reached AED1.75 trillion in 2015, a growth of up to 10 percent from 2014

Oil Sector vs. Non-Oil Sector Contribution to UAE GDP (2014)



Oil Sector vs. Non-Oil Sector Contribution to UAE GDP (2021)



Comments

- UAE's long term strategy is to diversify its economy and reduce its dependence on oil revenue
- The non-oil sector has experienced positive growth during the past couple of years
- UAE aims to achieve this through intensive investment in the industrial and tourism sectors, air and maritime transport, import and re-export, as well as supporting a range of projects and initiatives based on the knowledge economy



DUBAI

THE FINANCIAL HUB OF MIDDLE EAST



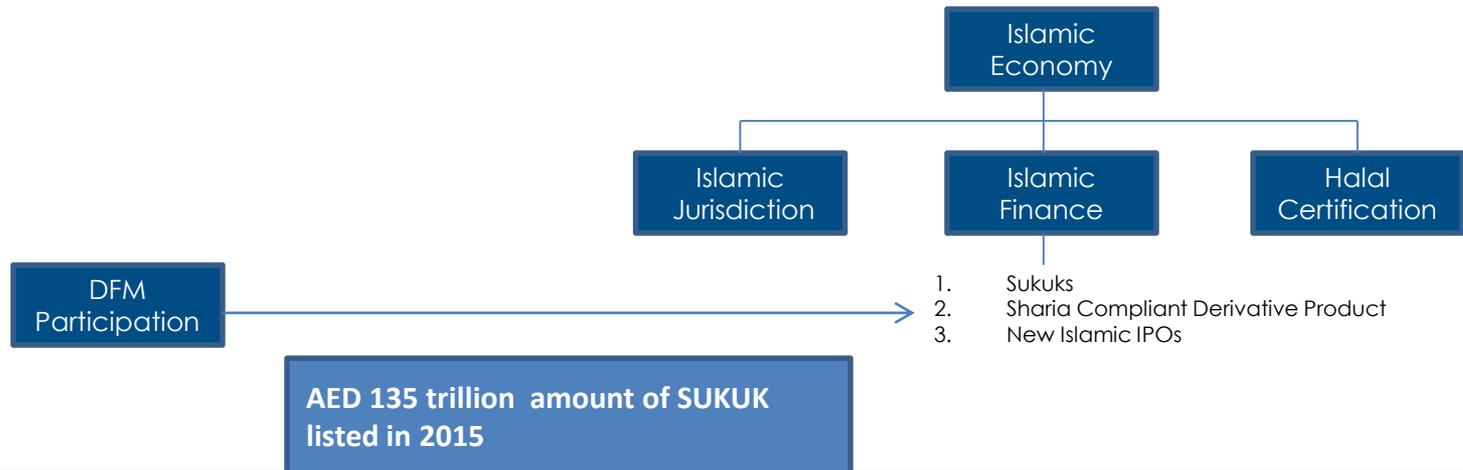
Initiative:

The vision of His Highness Sheikh Mohammed, Ruler of Dubai, to transform Dubai into the capital of the Islamic economy has given a different resonance to this fast-growing sector of global economy. Dubai has indeed a row of strengths to take on that status.

The Strength:

1. The geo-economics of Dubai and the combination of Eastern and Western cosmo-cultures, makes it easier to do business and more accessible to the key regions of Africa, the Levant, the GCC and Asia.
2. The legal and judiciary systems in Dubai guarantee the necessary security for business and FDI.
3. World class Infrastructure and expertise

Dubai plans to become the Capital of Islamic Economy in the next 3 years



- Organizational restructuring of government departments & related entities
- Successful debt restructuring across all sectors with zero defaults
- GDP is projected to grow at 4%+ and above going forward, as per IMF, way above the average GDP growth of western counterparts

Key Achievements in 2015 :

- Dubai GDP for 2015 is estimated to grow by 3.5-4.0 %
- Foreign direct trade grew to more than AED 800 billion in 2014 and expected to be in the same range in 2015
- Dubai ranks 4th among top global destinations for travelers
- Dubai is ranked 12th in world competitiveness index up four positions from last year
- UAE ranks 11th in AT Kearney FDI Confidence Index serving as main hub in Arab world
- Dh25 billion in total investment in infrastructure-related projects due to EXPO 2021

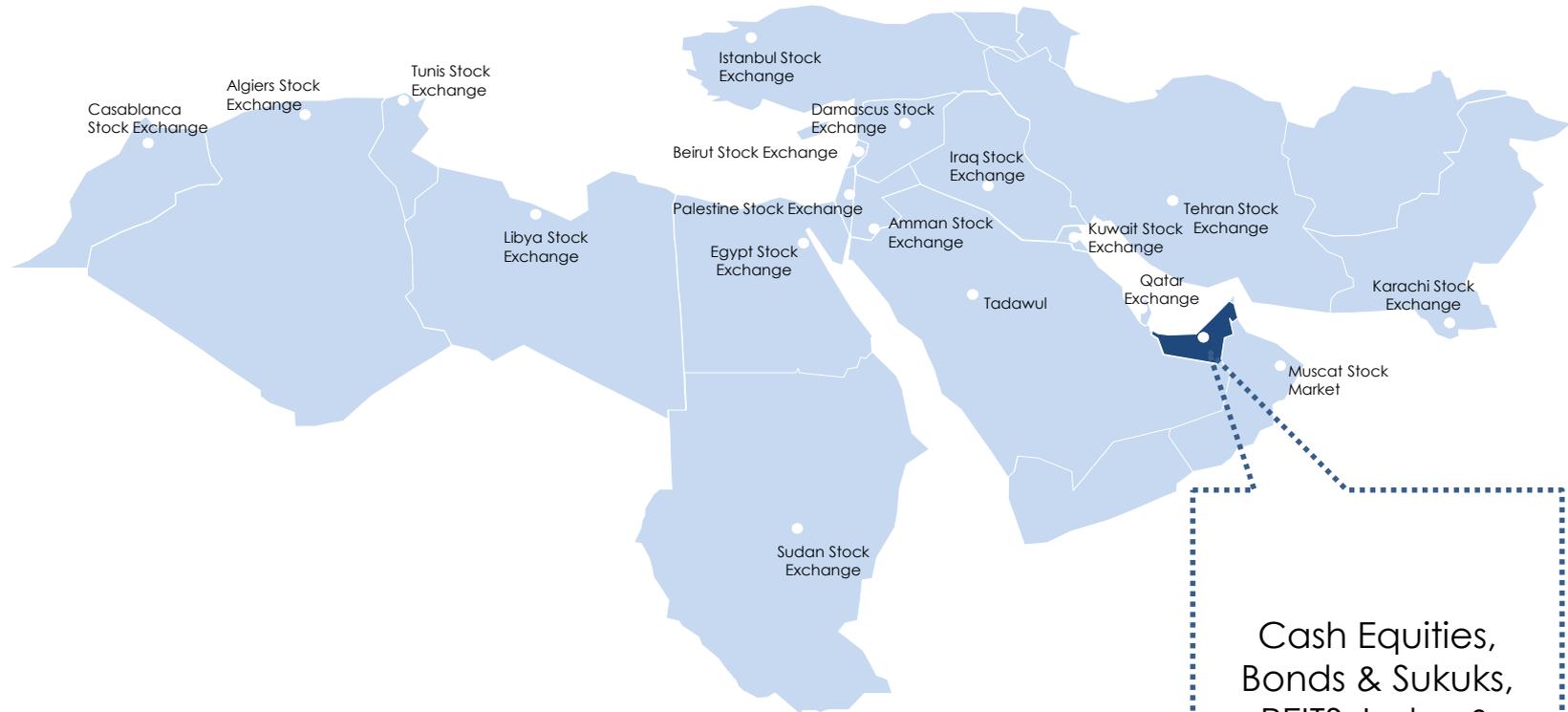


CAPITAL MARKETS

UNITED ARAB EMIRATES

7

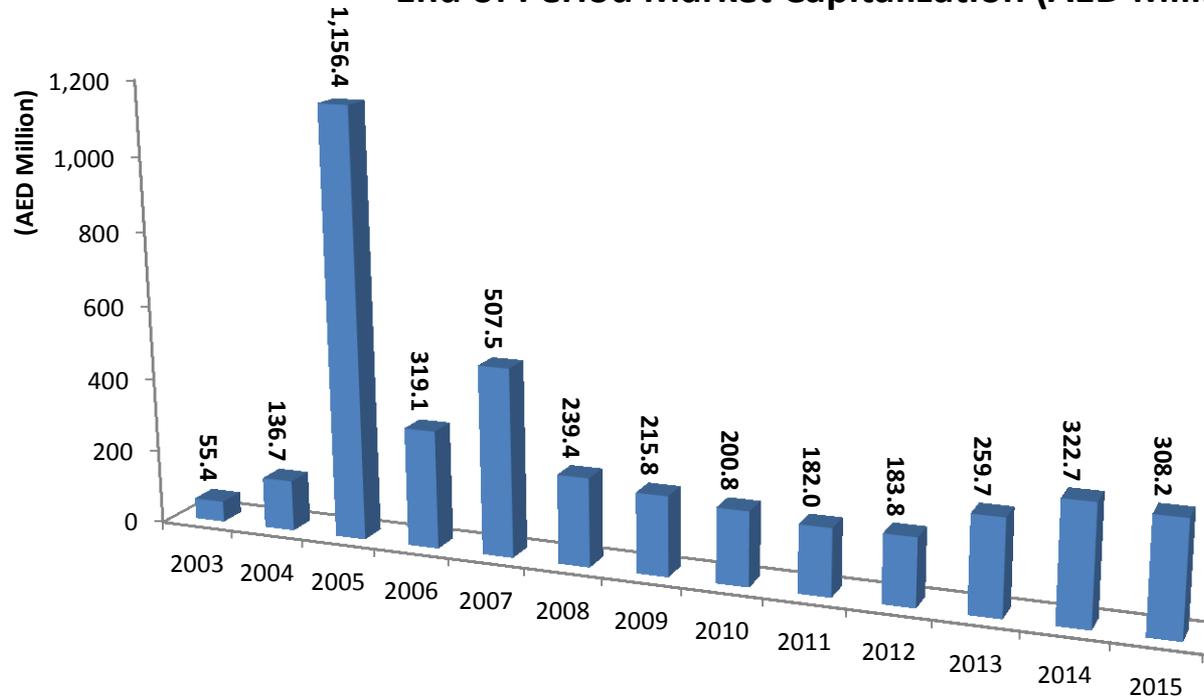
CAPITAL MARKETS: KEY EXCHANGES IN THE REGION



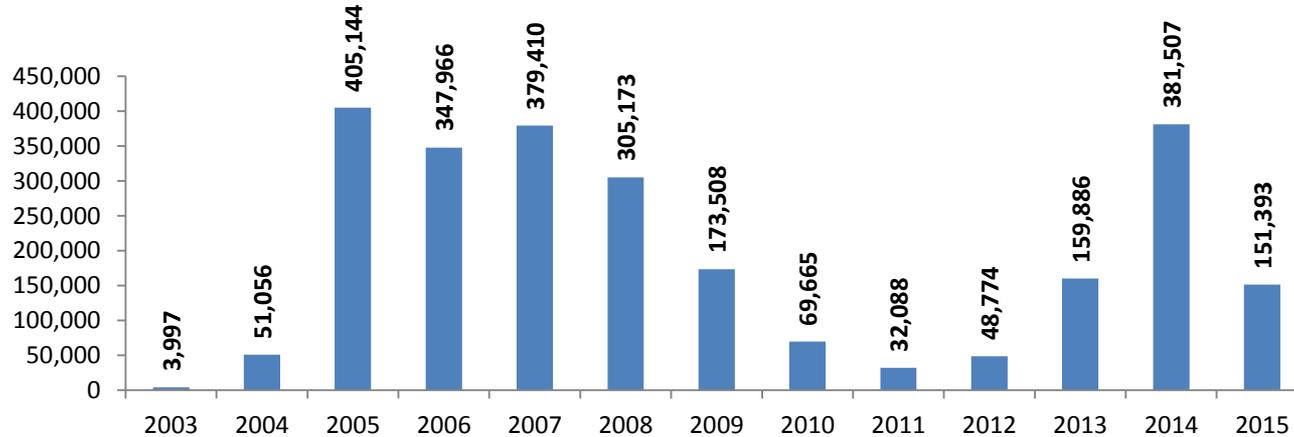
Cash Equities,
Bonds & Sukuks,
REITS, Index &
Commodity
Futures

Only UAE offer a wide array of trade exchanges/products in the entire MENA region

End of Period Market Capitalization (AED Million)

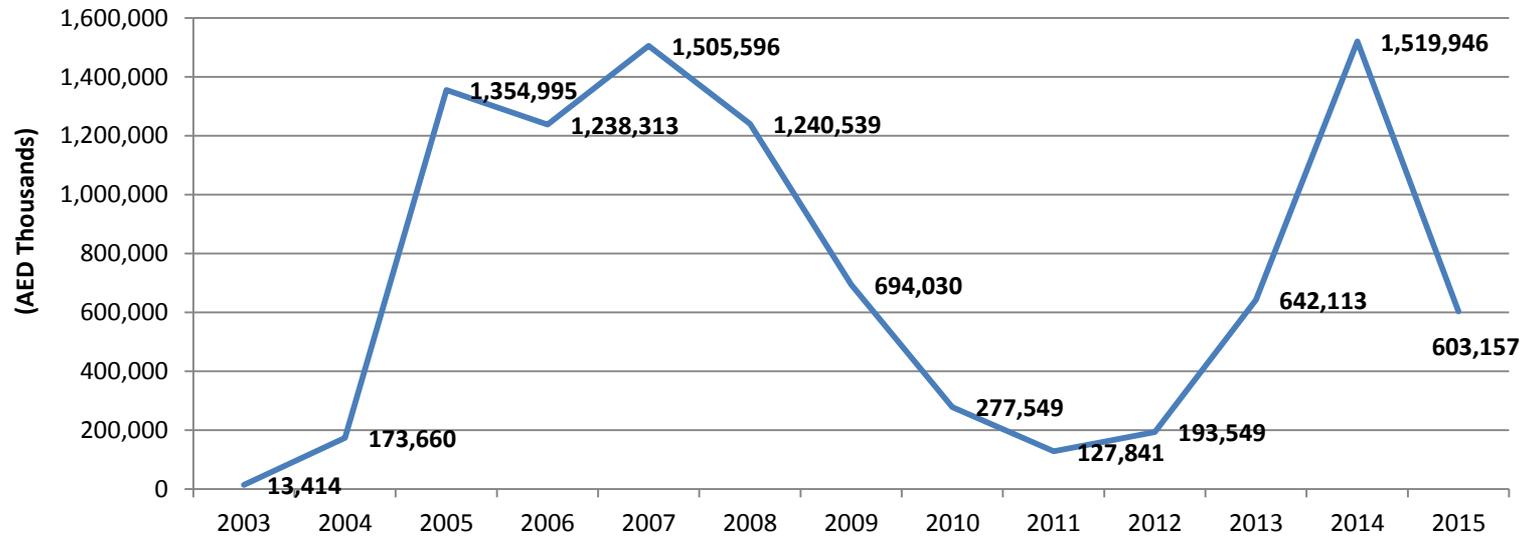


Trade Value on DFM (AED Million) 2003 - 2015

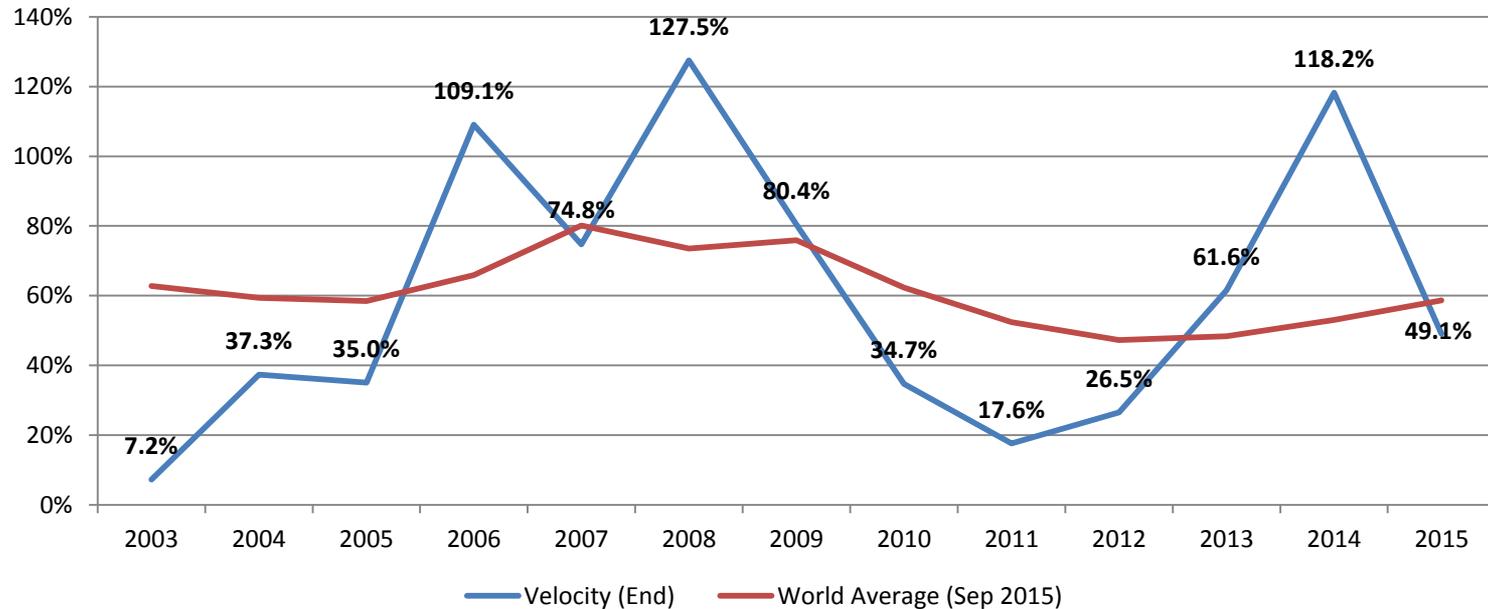


DFM exchange has seen a slow down in trading driven by regional instability, oil prices and general sentiments.

Daily Average Trade value on DFM (2003-2015)



DFM Market Velocity (2003 - 2015)



*Velocity is calculated as Annualized Trade Value / Market Capitalization

Source : DFM/ND Analytics

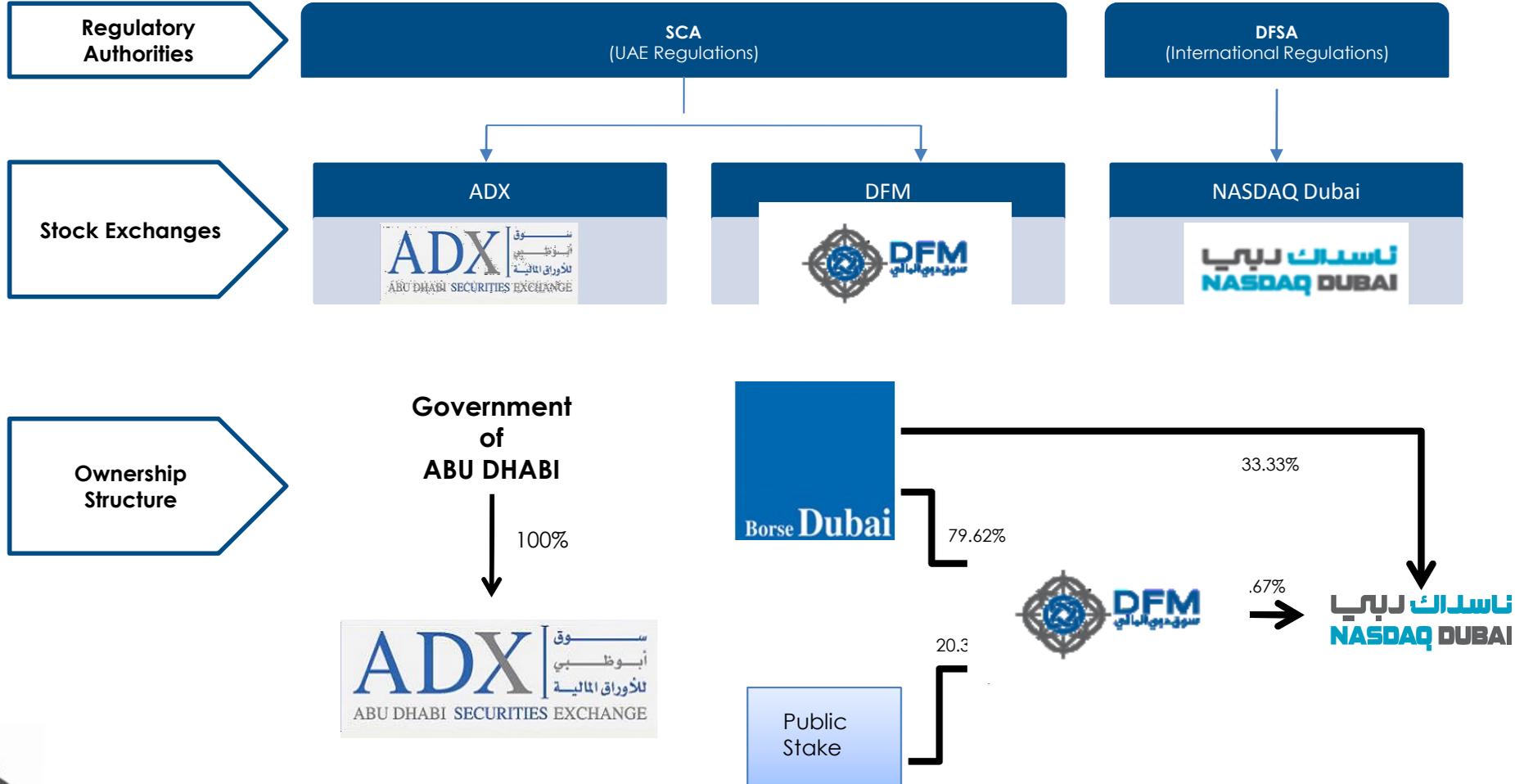


DFM / NASDAQ DUBAI

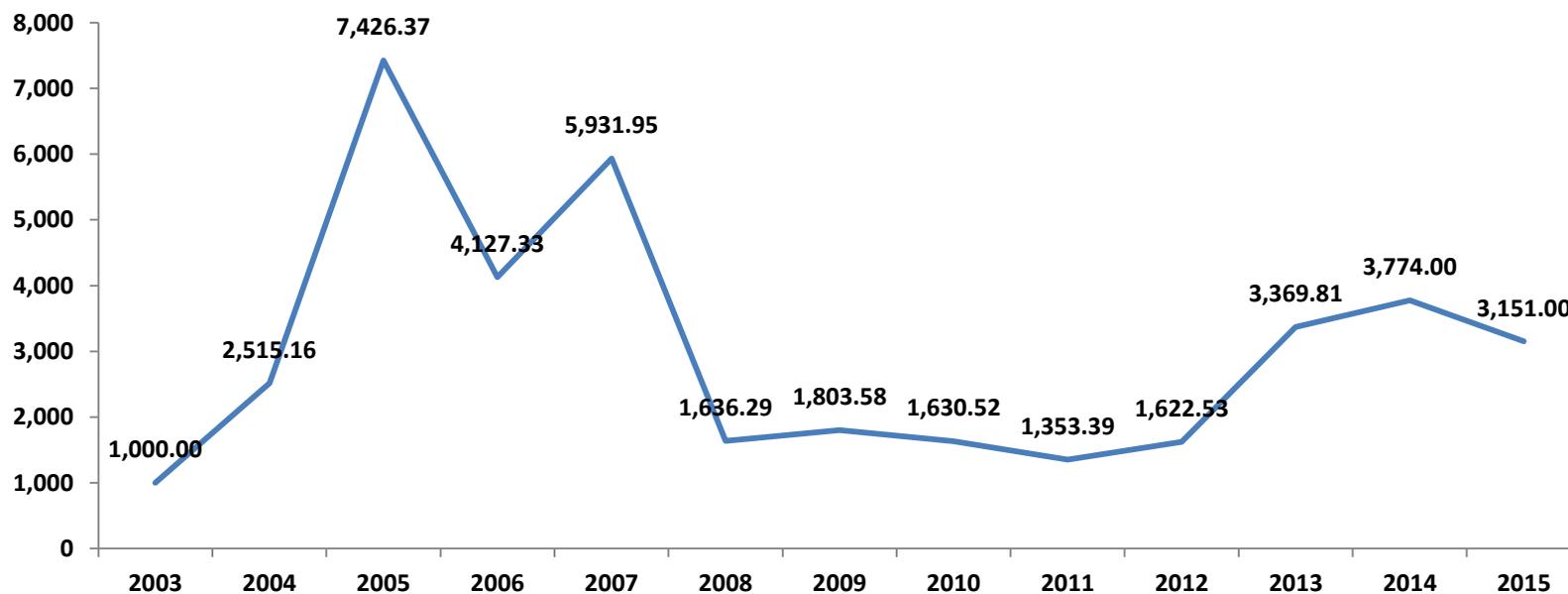
TWO EXCHANGES, ONE MARKET

12

UAE MARKETS : REGULATIONS & OWNERSHIP

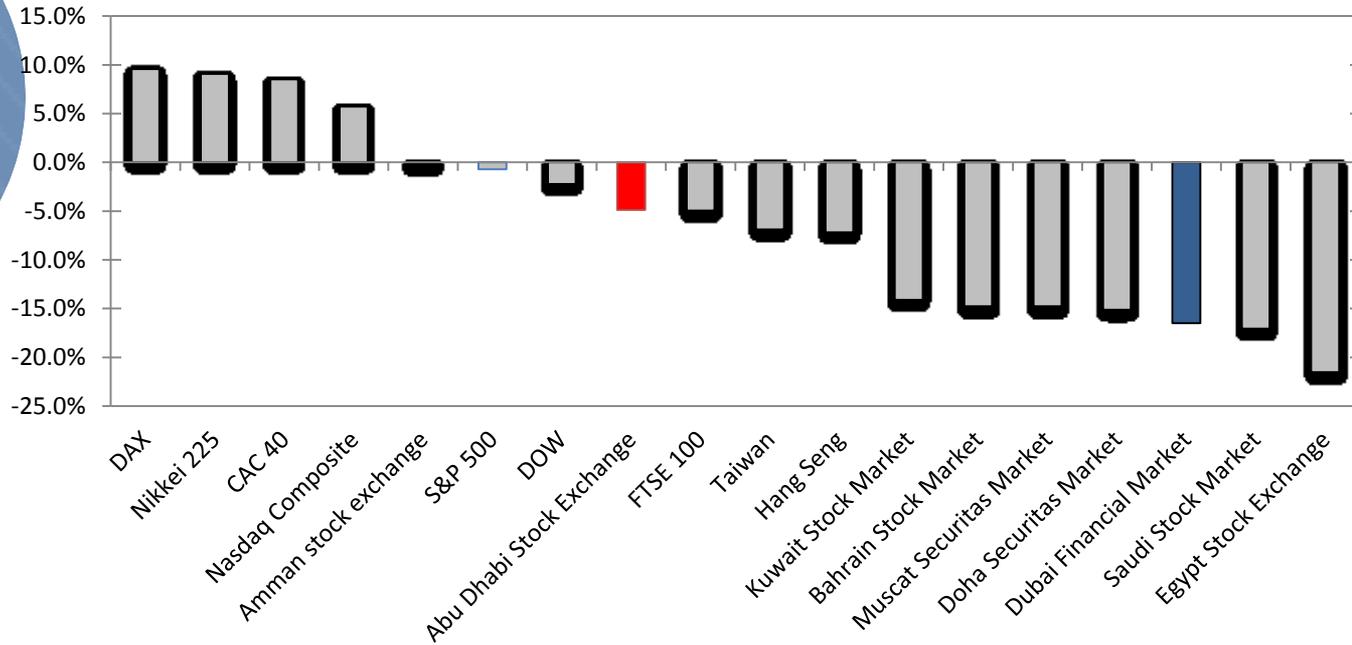


DFM General Index Performance 2003 - 2015



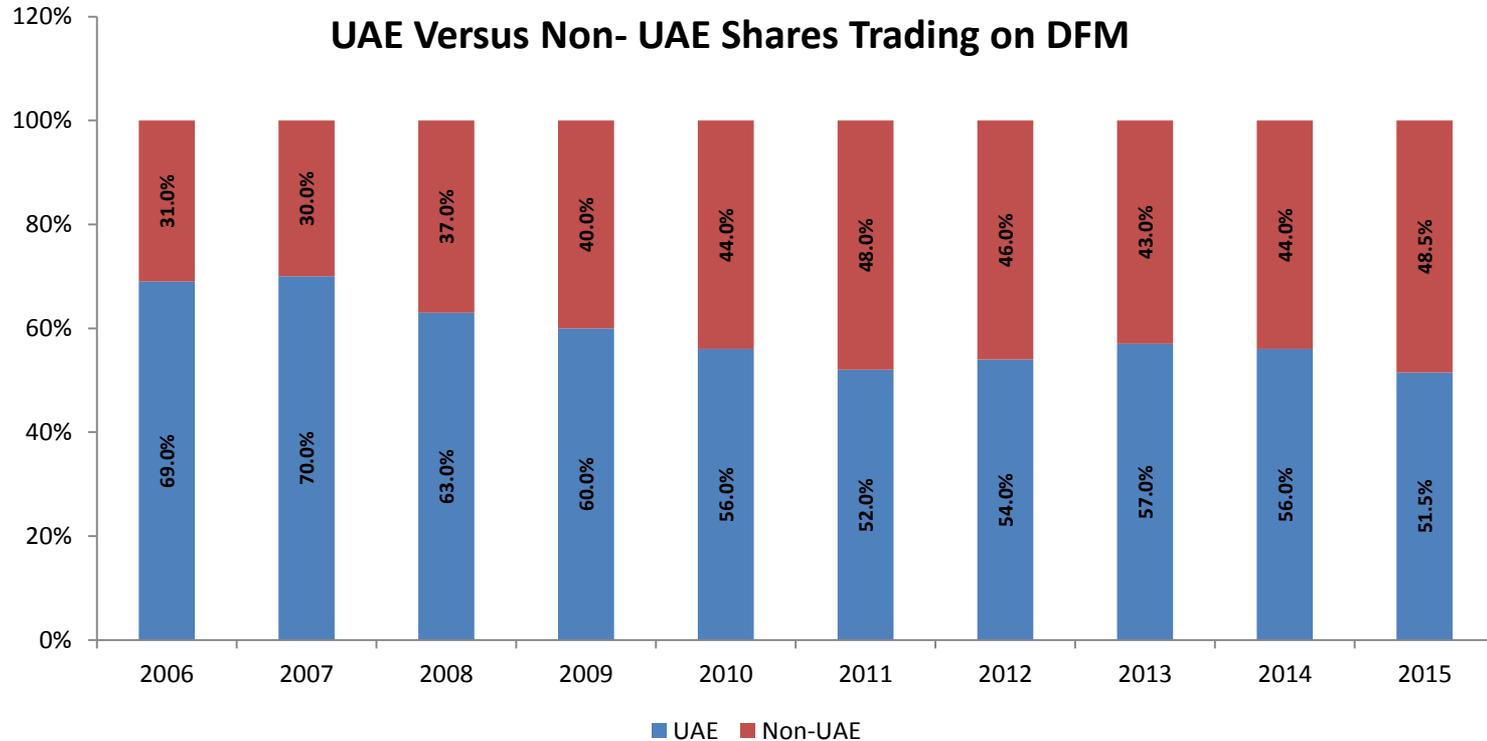
Indices of 37 exchanges of the WFE members declined in 2015

Index Percentage Change in 2015



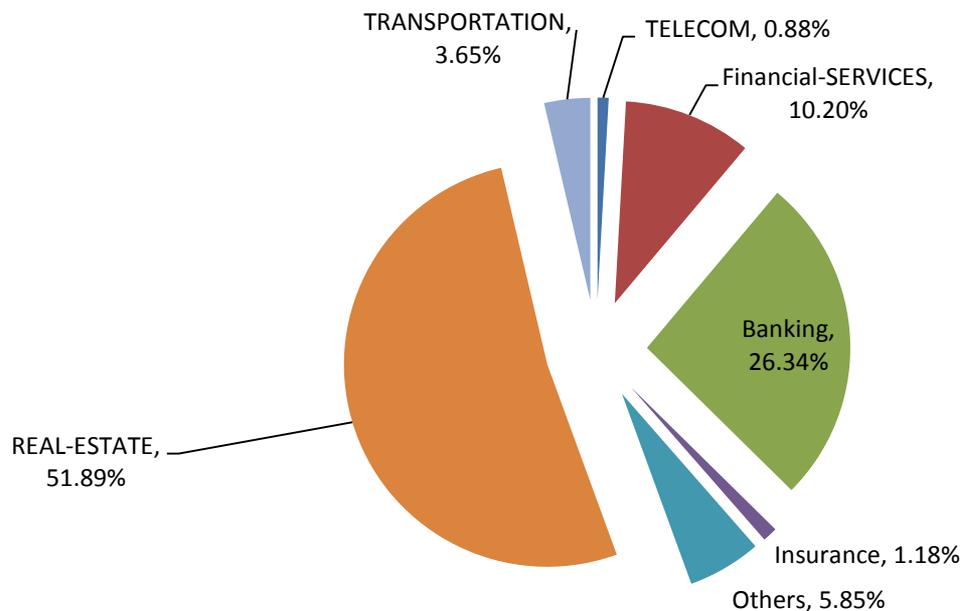
Traded Value on DFM by Client Type



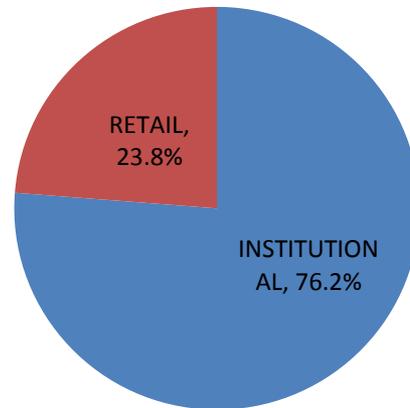


Trade
Activity –
By Sector
2015

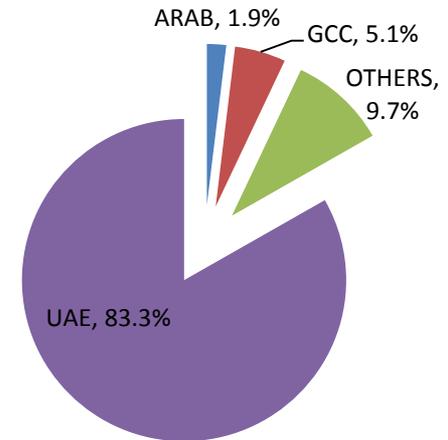
Sector-wise Value Traded on DFM in 2015



Ownership by Type of Investor

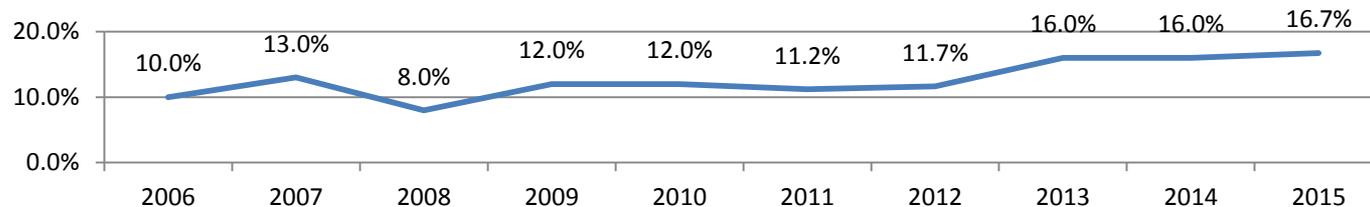


Ownership by Citizen Category



Distribution of Share Ownership 2015

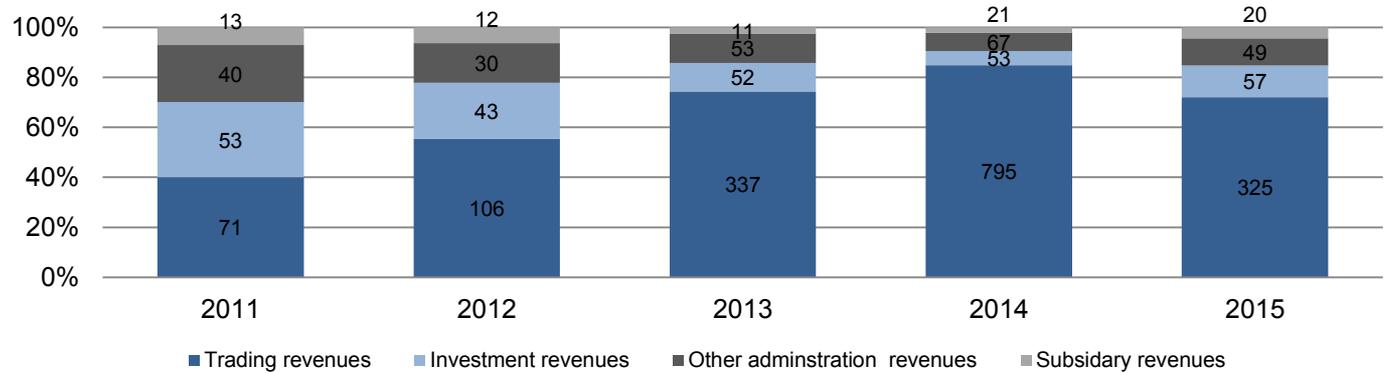
Foreign Ownership (% of Market Cap)



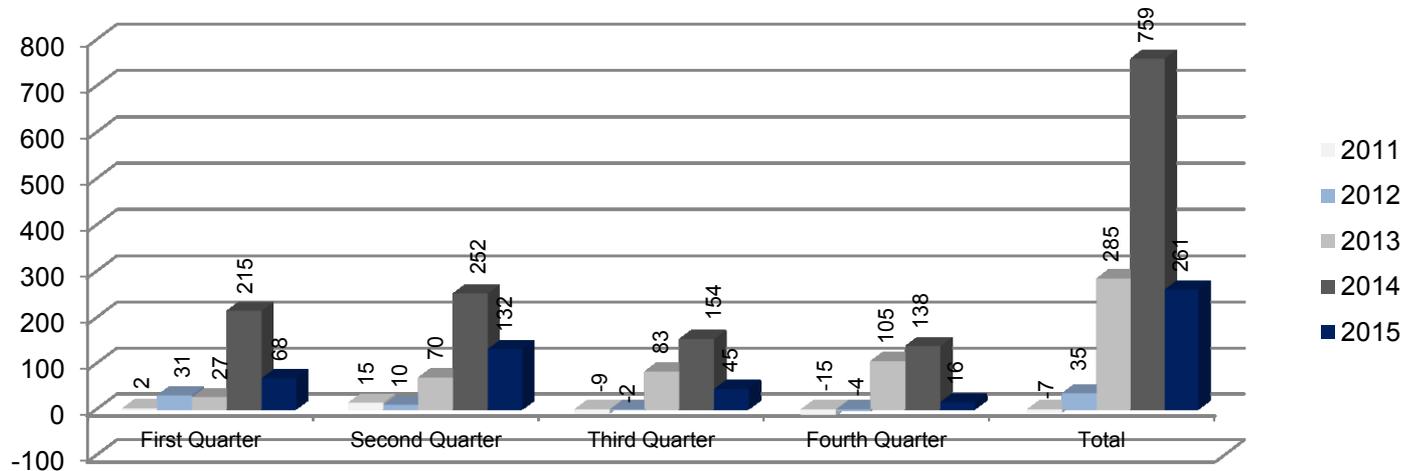
Key Financial
2009- 2015

	2009	2010	2011	2012	2013	2014	2015
Trading Commission Fees	374.7	158.7	76.8	114.8	341.6	806.0	335
Net Investment Income	91.5	73.2	54.6	45.3	53.4	75.4	56.6
Other Fee Income	36.7	31.9	51.9	37.0	63.7	86.9	68.5
Total Revenue	502.9	263.8	183.3	197.1	458.7	968.3	461.3
Salaries	43.1	57.2	56.6	57.5	71.7	78.7	83.8
General & Administrative	18.7	28.6	29.6	24.6	28.0	30.9	37.0
Rent	5.8	9.0	9.2	7.6	7.6	7.9	9.4
Depreciation	11.3	17.2	16.7	10.8	7.0	6.5	5.4
Amortization	75.9	75.9	75.9	62.4	62.4	62.4	62.3
Other Expense	1.5	3.4	9.5	2.3	-	-	-
Total Operating Expense	156.3	191.3	197.5	165.2	176.7	186.4	123.9
Interest Expense	-	-	-	-	(1.0)	(1.1)	(1.1)
Revaluation of Investments - Trading	-	1.0	(0.4)	-	-	(22)	-
Minority Interest	-	5.5	7.9	3.2	3.5	(0.5)	(0.82)
Net Income	346.6	79.0	(6.9)	35.2	284.6	759.3	261
EPS	0.04	0.01	-	-	0.04	0.09	-
EBIT Margin							57%
EBITDA Margin							72%

Revenue Breakdown 2011-2015



Net income Breakdown 2011-2015



STRATEGIC VISION

SUPPLY

(Equity listings and financial instruments)

DEMAND

(Market access, members & investors)

STAKEHOLDER VALUE

SERVICES

(Innovative customer-centric services)

- IvESTOR Card
- Dividend distribution & smart AGM Services
- E-IPO Online Subscription Platform
- **New** IPO Equity Listings

- eBroker Services
- **New** eService Portal
- eSAR Issuer Service
- Online Advertising
- EFSAH Online Disclosure
- eReports & Stock Portfolio

- Direct Market Access (DMA)
- DFM international Roadshows
- Expanded investor base with increased market activity and new IPOs
- DFM mobile application
- **New** enhanced DFM Website



CORPORATE STRATEGY

DFM – NASDAQ DUBAI

- Upgrade to MSCI Emerging Market Status
- G30 Compliance and addressing the gaps
- Organizational restructuring and monetization of financial services
- Initiating investor –centric services to increase liquidity and trading activities
- Smartphone based services



DFM has commissioned Independent Research Consultants for intensive IPO study



The following initiatives have been taken to support campaign:

- | | |
|--|---|
| <p>2009 Step by Step “ DFM Guide to going public” launched</p> <p>2010 IPO Market Study Results from one on one with 40 potential IPO candidates</p> <p>2011 -IPO Retreat for private, semi-government and family owned businesses.
-MOU with JAFZA</p> | <p>2012 - Access to Capital Seminar for JAFZA Dubai
-Regional IPO Market Study for NASDAQ Dubai
-MOU with Dubai SME
-2nd Access to Capital Seminar for SME</p> <p>2013 -NASDAQ Dubai IPO Guide
-Road show for IPO in India & Kuwait.
-2nd IPO Retreat on November 19th,2013</p> <p>2014 - 4 IPOs</p> <p>2015 - New Company law announced.
- 3rd DFM IPO forum on November 9
- Listing of Damac
- Re- Listing of Amlak</p> |
|--|---|



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