

Arabtec to increase EFECO's share capital by AED500m

- Capital increase is an important step in creating a regional MEP leader
- Cash to be used to grow the business and enable higher value project bids

ABU DHABI, 23rd December 2013 – Arabtec Holding PJSC (“Arabtec”), a leading engineering and construction Group specialising in complex projects in the Middle East and North Africa region, has announced plans to raise the share capital of its subsidiary, Emirates Falcon Electromechanical Co. (“EFECO”), by AED500 million.

EFECO became a 100% owned subsidiary in October 2013, when Arabtec Construction completed the acquisition of the remaining 45% stake in the Company. The acquisition was in line with Arabtec’s strategy of growing its Mechanical, Electrical and Plumbing (“MEP”) capabilities and consolidate its position as a market leader in the sector, contrary to the media speculations regarding an acquisition of Drake and Scull which were dismissed in an official statement by Arabtec Holding as baseless.

The increase in capital will be used to grow the business by investing in equipment and machinery, enabling EFECO to bid for higher value projects. The capital will also enable EFECO to expand into other Gulf countries as well as Egypt and other North African countries.

Hasan Abdullah Ismaik, Managing Director and CEO of Arabtec Holding, commented: “The aim behind the significant capital increase is to create a leader and key player in the MEP Sector in the Middle East and North Africa region. EFECO already has a very strong backlog of over USD1 billion, which we expect to grow substantially, and this will firmly establish the Company as a strong competitor in this vital sector.”

Ismaik added: “EFECO is now well positioned for significant growth. In addition to a very strong and growing backlog, we also have a strong aspiration to develop the Company into a global leader in the MEP sector, and we have the right senior management, with some of the best in the industry, to grow the business and maximise shareholder value.”

EFECO was established in 2001 to offer MEP services to the construction industry in the Middle East through its operations in the United Arab Emirates, Qatar, Jordan, and the Kingdom of Saudi Arabia. The Company provides design, procurement, installation, testing and commissioning services for electrical, air conditioning, plumbing, sanitary works, instrumentations, telecommunication and fire-fighting systems in residential and commercial developments. The Company also provides expertise in the infrastructure sector, including road works, paving, sewage, drainage, irrigation and landscaping works.

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Arabtec Holding (PJSC)

About Arabtec Holding

Arabtec is a leading engineering and construction group specialising in complex projects in the Middle East and North Africa region, including high-rise commercial and residential development, infrastructure and oil and gas.

The UAE-based group's impressive list of completed projects includes iconic buildings such as the world's tallest building, the Burj Khalifa in Dubai, and Abu Dhabi landmark, the Emirates Palace Hotel; as well as other technically challenging work on airports and related infrastructure.

Arabtec was the first private construction firm to go public when it was listed on the Dubai Financial Market in 2005. Today, Arabtec Holding consists of many subsidiaries, with specialisations spanning all segments of the construction cycle. The group is currently working on some of the most prestigious projects in the Middle East, such as the Louvre Museum in Abu Dhabi and a regeneration project in the centre of the Qatari capital, Doha, and is expanding into other regions. The group is also expanding in the oil and gas, power and related infrastructure sectors.

Arabtec's strong track record and commitment to timely and cost-efficient delivery has contributed to its rapid growth in recent years and a reputation for quality that has often translated into a market-led pricing premium for completed projects.

For more information, please visit www.arabtecholding.com

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