

INVESTMENT OPPORTUNITY		
PROJECT NAME	OPPORTUNITY SECTOR	
Investment into Medina Airport	T&L	
<p>Opportunity Background:</p> <ul style="list-style-type: none"> ○ This opportunity consists of building, buying and transfer (BOT) the Medinah airport <ul style="list-style-type: none"> - Concession period of 40 years (25 years with 15 years extension) - Besides continuing the current business, the investor will have to significantly streamline operations, expand the passenger terminal and upgrade airside infrastructure - Non-aviation revenues to be stimulated through concession and auxiliary revenues (retail, advertising, parking) 		
<p>Value Proposition:</p> <ul style="list-style-type: none"> ○ Total investment of USD 362 Mio. (USD 90 Mio. Valuation Cost + USD 180 Mio. facility upgrades + USD 92 million to cover initial operating losses) 		
<p>Project/Investment Characteristics:</p> <ul style="list-style-type: none"> ○ 12 million passengers by 2014 resulting from an estimated growth of 21% per annum <ul style="list-style-type: none"> – 6 million Umrah passengers, 2 million Hajj passengers – 2 million domestic passengers – 2 million international scheduled passengers 		
<p>Investment location: Madinah Airport</p>	<p>Project Timeline: 3-5 years</p>	<p>Potential Job Creation: 5,000 + Jobs</p>
<p>Investment Size: US\$362 Million</p>	<p>Estimated Turnover:</p> <ul style="list-style-type: none"> ○ Expected Return: NPV of USD 8.5 Million/IRR of 11%/Payback period 11 years ○ Average EBIT Margin 14% 	
COST OF DOING BUSINESS		
Sufficient financing to cover not only the acquisition costs but also operating cost deficits before a growing passenger base and higher non aviation revenues generate sufficient revenues		
Target Investors criteria		

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- Establishment of Medinah as Saudi Arabia's 4th international airport and as the gateway for religious tourism
- Ability to achieve an agreement on buy-out or long-term lease contract with airport authority (GACA)
- Streamline operations and introduce international airport best practices

Project Leader:

Dr. Osama Abdouh

Status:

Vacant