

QUARTERLY FACT SHEET

30 September 2014

DORIC NIMROD AIR THREE LIMITED

LSE: DNA3

The Company

Doric Nimrod Air Three Limited (“the Company”) is a Guernsey domiciled company which listed on the Specialist Fund Market (SFM) of the London Stock Exchange and the Channel Islands Stock Exchange on 2 July 2013 with the admission of 220 million ordinary shares (“the Equity”) at an issue price of 100p per share. The market capitalisation of the Company was GBP 237.6 million as of 30 September 2014.

Investment Strategy

The Company’s investment objective is to obtain income returns and a capital return for its shareholders by acquiring, leasing and then selling aircraft.

The Company acquired four Airbus A380 aircraft by the end of November 2013. Since the point of delivery, each of the four aircraft has been leased to Emirates Airline (“Emirates”) for an initial term of 12 years with fixed lease rentals for the duration. In order to complete the purchase of the aircraft, DNA Alpha Ltd (“DNA Alpha”), a wholly owned subsidiary of the Company, issued two tranches of enhanced equipment trust certificates (“the Certificates” or “EETC”) — a form of debt security — in July 2013 in the aggregate face amount of USD 630 million. DNA Alpha used the proceeds from both the Equity and the Certificates to finance the acquisition of the four new Airbus A380 aircraft.

The Company receives income from the leases and its directors are targeting a gross distribution to the shareholders of 2.0625p per share per quarter (amounting to a yearly distribution of 8.25% based on the initial placing price of 100p per share).

In 2014 the Specialist Fund Market (SFM) was deemed a recognisable market for Individual Savings Accounts (ISA). As a result the listing on the Channel Islands Stock

Company Facts (30 September 2014)

Listing	LSE
Ticker	DNA3
Share Price	108.0p
Market Capitalisation	GBP 237.6 million
Aircraft Registration Numbers	A6-EEK, A6-EEL, A6-EEM, A6-EEO
Current/Future Anticipated Dividend	2.0625p per quarter (8.25p per annum)
Dividend Payment Dates	April, July, October, January
Currency	GBP
Launch Date/Price	2 July 2013/100p
Incorporation	Guernsey
Asset Manager	Amedeo Management Ltd
Corp & Shareholder Advisor	Nimrod Capital LLP
Administrator	JTC Fund Managers (Guernsey) Ltd
Auditor	Deloitte LLP
Market Makers	Jefferies International Ltd/ Numis Securities Ltd/ Shore Capital Ltd/ Winterflood Securities Ltd
SEDOL, ISIN	B92LHN5, GG00B92LHN58
Year End	31 March
Stocks & Shares ISA	Eligible
Website	www.dnairthree.com

Exchange, which had served this purpose previously, was cancelled. The Company’s shares are therefore now only traded on the SFM of the London Stock Exchange.

Asset Manager’s Comment

1. The Assets

On 29 August 2013, the Company received its first Airbus A380 aircraft, bearing manufacturer’s serial number (MSN) 132. The other three aircraft were delivered during the fourth quarter 2013 as follows: 29 October (MSN 136), 14 November (MSN 134) and 27 November (MSN 133).

The A380s owned by the Company recently visited Auckland, London Heathrow, Los Angeles, Melbourne, Mumbai, Rome, Sydney and Toronto. Aircraft utilisation for the period from delivery of each Airbus A380 until the end of August 2014 was:

Aircraft Utilization				
MSN	Delivery Date	Flight Hours	Flight Cycles	Average Flight Duration
132	29/08/2013	5,436	609	8 h 55 min
133	27/11/2013	4,126	409	10 h 5 min
134	14/11/2013	4,263	409	10 h 25 min
136	29/10/2013	4,608	462	10 h 00 min

Maintenance Status

Emirates maintains its A380 aircraft fleet based on a maintenance programme according to which minor maintenance checks are performed every 1,500 flight hours, and more significant maintenance checks (C checks) at the earlier of 24 months or 12,000 flight hour intervals. Emirates will bear all costs (including maintenance, repair and insurance) relating to the aircraft during the lifetime of the leases.

2. Market Overview

From January to July 2014 passenger demand, measured in revenue passenger kilometres (RPKs), expanded by 5.9% compared to the same period the year before. Demand gained momentum especially during the second quarter of this year. Between January and July 2014 airlines increased their capacities, measured in available seat kilometres (ASKs), by 5.6%. Operators are adhering to their strategy to expand their supply carefully.

The average passenger load factor during the first seven months of this year was 79.3%. This is a decrease of 0.2 percentage points compared to the same period the year before. From a historic perspective passenger load factors remain at a high level. In 2014 worldwide passenger load factors could exceed 80% for the first time in the industry's history. According to the latest traffic forecast released by the International Air Transport Association (IATA) in June 2014, RPKs are expected to grow by 5.9% in 2014 and 6.7% in 2015. Tony Tyler, IATA's General Director and CEO, expects that "despite the various economic challenges, the outlook for passenger travel remains broadly positive". But events like the Ebola outbreak in West Africa, the conflict between the Ukraine and Russia and Eurozone's economic situation present ongoing uncertainty.

A regional breakdown reveals that the Middle East airlines continue to outperform the overall market in 2014. RPKs increased by 12.3% during the first seven months of this year compared to the same period the year before. Second best were Asia/Pacific based operators with 6.8%. Latin America grew by

6.5% and 6% growth in Europe was virtually in line with the market average across all regions. North American market participants recorded 2.7% more RPKs. In Africa there was no growth in the number of RPKs.

IATA released its latest industry outlook in June 2014 according to which global industry profits are expected to reach USD 18.0 billion in 2014. With a net profit margin of just 2.4%, the aviation industry's buffer to absorb external shocks remains fairly small.

Source: IATA

3. Lessee – Emirates Key Financials and Outlook

Emirates announced its 26th consecutive year of profit and company-wide growth for the financial year ended on 31 March 2014, despite competitive pressure and a global economic environment that is only slowly recovering.

Revenue reached a record high of USD 22.5 billion, up by 13% compared to the previous financial year, and continues to be well balanced with no region contributing more than 30%. East Asia and Australasia remained the highest revenue contributing regions with USD 6.5 billion, up 14.1% from 2012/2013. Gulf and Middle East (up 16.6% to USD 2.3 billion), Europe (up 16.3% to USD 6.4 billion) and Africa (up 15.1% to USD 2.1 billion) saw the most significant growth rates, reflecting new destinations as well as increased frequency and capacity to these regions.

The airline posted a net profit of USD 887 million, representing an increase of 43% over last year's results. With a share of nearly 40% fuel remains the largest operating cost category. Compared to last financial year, the average price of jet fuel was slightly lower relieving the carrier's bottom line. Due to the growing fleet Emirates' fuel bill increased by 10% to reach USD 8.4 billion. Total operating costs showed a smaller increase (+11.5%) than the revenues (+13%) in the financial year 2013/2014 resulting in an improved profit margin of 3.9%.

As of 31 March 2014 the balance sheet total amounted to USD 27.7 billion, an increase of 7.2% from the previous year. Total equity increased by 10.6% to USD 6.9 billion with an equity ratio of 25.1%. The current ratio was 0.84; therefore the airline would be able to meet most of its current liabilities by liquidating all of its current assets. Significant items on the liabilities side of the balance sheet included finance leases in the amount of USD 8.6 billion and revenues received in advance from passenger and freight sales (USD 3.1 billion). As of 31 March 2014 the carrier's cash balance was USD 4.5 billion.

Between April 2013 and March 2014, as compared to the prior financial year, the airline's ASKs increased by 14.6%. Measured in RPKs passenger traffic grew by 14.2%, resulting in an

average passenger load factor of 79.4%. This is slightly below the 79.7% reached in the period before. A record 44.5 million passengers flew with Emirates between April 2013 and March 2014 — an increase of 13.1% compared to the previous period.

During the last financial year the airline received 24 widebody aircraft, including 16 Airbus A380s, 6 Boeing 777-300ER and 2 Boeing 777-200LR aircraft. At the Dubai Air Show in November 2013 Emirates signed contracts with Airbus and Boeing for a combined value of USD 99 billion (list prices) consisting of 150 Boeing 777X and another 50 Airbus A380. According to the operator, the first 25 of the additional A380 will come into service before the first quarter of 2018. Deliveries for the 777Xs are scheduled to start in 2020. By that year Emirates expects to have more than 250 widebody aircraft in the air serving some 70 million passengers a year.

As of 31 August 2014 Emirates had 227 widebody aircraft in operation. All Emirates' aircraft temporarily parked during the 80-day runway upgrading works at Dubai International Airport, which lasted from May to July 2014, returned to service. The works included resurfacing, upgraded lights, additional taxiways and high-speed exits.

The number of Emirates orders yet to be delivered at the end of August was 293 aircraft. The airline operates the world's largest fleets of Airbus A380 and Boeing 777-300ER aircraft. During the financial year 2013/2014 Emirates raised USD 3.3 billion in new funding mainly to secure its on-going fleet expansion. The carrier made use of a variety of financing structures to meet its refinancing needs, including a second Enhanced Equipment Trust Certificate (EETC) issue through DNA Alpha Ltd., a subsidiary of Doric Nimrod Air Three Ltd.

With its increased fleet and resources, Emirates launched nine additional destinations during the last financial year. In September 2014 Emirates operated flights to 145 destinations in 82 countries on six continents. During the calendar year 2013 the airline's fleet travelled more than 751 million kilometres, circling the globe over 18,000 times and carrying over 43 million passengers.

In the current financial year the airline has already added another four passenger routes including Abuja (Nigeria), Brussels, Chicago, and Oslo. Budapest (Hungary) is scheduled for the end of October 2014.

In September 2014 Dubai Airports, which owns and manages Dubai International (DXB) and Al Maktoum International (DWC), announced a USD 32 billion expansion plan for DWC. In the first stage facilities will be upgraded to accommodate up to 120 million passengers annually. Completion is planned within the next six to eight years. It is expected that Emirates will relocate its international hub operations to DWC by the mid-2020s. Due to limited options to increase the capacity at DXB beyond 100 million passengers, DWCs expansion is vital to support Emirates Airline's long-term growth plans. According to Dubai Airports the new facilities are designed to service 100 Airbus A380 at the same time. Emirates is already using DWC for its cargo operations.

Source: Ascend, Dubai Airports, Emirates, Flightglobal

4. Aircraft — A380

As of September 2014 Emirates had a fleet of 52 A380s which currently serve 29 destinations from its Dubai hub: Amsterdam, Auckland, Bangkok, Barcelona, Beijing, Brisbane, Frankfurt, Hong Kong, Jeddah, Kuala Lumpur, Kuwait, London Gatwick, London Heathrow, Los Angeles, Manchester, Mauritius,



Melbourne, Moscow, Mumbai, Munich, New York JFK, Paris, Rome, Seoul, Shanghai, Singapore, Sydney, Toronto and Zurich. Dallas (1 October), San Francisco (1 December), and Houston (3 December) will be added in the course of 2014. Less than a year after Emirates' initial A380 launch to Mauritius the airline announced the introduction of a second daily A380 service. Starting on 26 October and more than a month ahead of schedule the superjumbo will replace a Boeing 777 with an increased capacity of 1,890 seats per week. Emirates has a further 88 Airbus A380s on order and has expressed an intention to order further aircraft providing Airbus is willing to make available a reengineered version of the type, A380neo.

The global A380 fleet consisted of 139 commercially used planes in service at the end of August 2014. The eleven operators are Emirates (51 A380 aircraft), Singapore Airlines (19), Qantas (12), Deutsche Lufthansa (12), Air France (10), Korean Airways (10), China Southern Airlines (5), Malaysia Airlines (6), Thai Airways (6), British Airways (6) and Asiana (2) at this point in time. On 16 September Qatar Airways accepted its first Airbus A380. Starting in October Qatar's first A380 route will connect London Heathrow with its recently finished hub Hamad International Airport in Doha.

At the end of August 2014 the number of undelivered orders amounted to 178 aircraft. This number takes into account the cancellation of six aircraft which were originally ordered by Skymark Airlines. In July 2014 Airbus announced that it was terminating the entire purchase order, which was placed by the Japan-based carrier back in 2011.

According to Airbus, in the period from the aircraft's first introduction to September 2014 the combined worldwide A380 fleet has accumulated over 1.5 million flight hours on some 180,000 commercial flights. The number of passengers who have flown aboard an Airbus A380 to date is over 65 million.

Source: Airbus, Ascend, Emirates, Flightglobal



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