



Aabar Investments and Virgin Group Agree Equity Investment Partnership in Virgin Galactic

Oshkosh/Abu Dhabi, 28th July 2009: Abu Dhabi's Aabar Investments and Virgin Group today announced that they have agreed to enter a strategic partnership, which will see Aabar take an equity stake in the world's first commercial spaceline - Virgin Galactic. To date, Virgin Galactic has been wholly owned and funded by Sir Richard Branson's Virgin Group.

The deal, signed today at the EAA AirVenture air show in Oshkosh, Wisconsin attended by Sir Richard Branson, Founder of Virgin Group, and Mohamed Badawy Al-Husseiny, CEO of Aabar. The signing ceremony is taking place alongside Virgin Galactic's new carrier space launch vehicle, WhiteKnightTwo (VMS Eve) which is making its public demonstration flying debut in Oshkosh.

Under the deal, Aabar will invest approximately US\$280m and take around a 32% stake in Virgin Galactic's holding company, valuing the business at about \$900m. The transaction is subject to obtaining regulatory clearances in the United States and elsewhere. Additionally, Aabar has committed \$100m (plus transaction cost) to fund a small satellite launch capability, subject to the development of a full business plan. It will also gain exclusive regional rights, subject to regulatory clearances, to host Virgin Galactic tourism and scientific research space flights. Finally, Aabar has plans to build spaceport facilities in Abu Dhabi.

Commenting on the acquisition, HE Khadem Al Qubaisi, Chairman of Aabar, said, "I am pleased to announce this partnership. Virgin Galactic is the leader in the realm of space tourism, having successfully established a potential global market for its offering in a very short span of time. Aabar's stake in Virgin Galactic will open a new avenue of opportunity for Abu Dhabi in this unique and dynamic business. The significant partnership not only falls in line with Abu Dhabi's larger plans to inculcate technology research and science at a grassroots level but also complements its aim to be the international tourism capital of the region."

Virgin Galactic is in the final stages of developing and testing commercial sub-orbital space vehicles based on the prototype SpaceShipOne, that flew successfully to space and back three times in 2004. The unique and innovative designs of the vehicles will transform the cost, safety and environmental impact of access to space for people, science research and education.

Sir Richard Branson said, "We are delighted to partner with Aabar in a strategic deal that is a first for Virgin Galactic. The initiative will leverage the solid financial backing of Aabar and the pioneering technology and strong global relationships of Virgin Galactic. This exciting deal is indicative of the interesting and high value investments that mark the UAE's commercial portfolio."

The new joint venture also proposes to undertake additional development which would enable the space system to launch small satellites at unprecedented levels of cost, reliability and flexibility.



“This transaction carries multiple potential for the creation of an exceptional platform for space infrastructure such as research labs, space centre for commercial travel and much more,” said Mohamed Badawy Al-Husseiny.

Virgin Group has invested over \$100m in Virgin Galactic since its formation in late 2004. The development of its new vehicles is being carried out by Scaled Composites, the renowned Mojave CA based aeronautical firm, owned by Northrop Grumman and led by Burt Rutan.

Scaled Composites was responsible for designing and building SpaceShipOne which won the \$10m X Prize in 2004 as the first privately funded manned space vehicle. The system is highly innovative: it utilises a carrier aircraft for launch of the spaceship at high altitude, a controllable and benign hybrid rocket motor and a unique wing feathering design for a failsafe re-entry. The spaceship makes a runway landing rendering it almost entirely reusable.

The new commercial vehicles are now at an advanced stage of development. VMS Eve, VG’s new carrier aircraft is well into its test flight programme and is performing flawlessly. It is the world’s largest all carbon composite aircraft and has a unique high altitude, heavy lift capability. Sir Richard Branson is due to be onboard VMS Eve as a member of the crew for a demonstration flight during EAA AirVenture at Oshkosh on Tuesday 28th July.

The new spacecraft, SpaceShipTwo will commence its own test flight programme before the end of 2009. Both vehicles offer a unique environment for space tourism and a wide range of science research applications as well as a platform for small satellite launch.

Patrick McCall, the Virgin Group Commercial Director responsible for the transaction said, “We are building a great partnership for the development of the world’s first private sector integrated human and payload space launch system. All of us at Virgin Galactic are very much looking forward to working with Aabar’s Chairman, HE Khadem Al Qubaisi, its CEO Mohamed Badawy Al-Husseiny and the whole Aabar team as we move forward together at the cutting edge of the coming industrial revolution in space access. I would also like to take this opportunity to thank Brandt Mowry, the senior vice-president of corporate development who managed the transaction on behalf of Virgin Group.”

Virgin Galactic expects the capital infusion to fully fund the company through to its commencement of commercial operations.

Credit Suisse acted as the exclusive financial advisor and placement agent to Virgin Galactic regarding the transaction.

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About Aabar

Aabar Investments PJSC is an investment company headquartered in Abu Dhabi and is on the Abu Dhabi Securities Exchange. It directly invests in various sectors including energy, infrastructure, real estate, automotive and financial services companies. Its largest shareholder is the International Petroleum Investment Company, which in turn is wholly owned by the Government of the Emirate of Abu Dhabi.

About Virgin Galactic

Virgin Galactic was launched by Sir Richard Branson's Virgin Group in 2004 with the objective of developing commercial space vehicles which would transform the safety, cost and environmental impact associated with access to space. As well as offering 1000's of ordinary people the chance to experience space for themselves, the system will be used for space and high altitude science research and potentially developed to launch small satellites. In the future the company expects to move on to the development of orbital vehicles capable of carrying people, including the possibility of offering very fast trans –continental flights around the planet.

Virgin Galactic's vehicles use the design and technology developed by the renowned aeronautical engineer, Burt Rutan, for SpaceShipOne, which as the world's first privately built manned spaceship, flew safely to space and back three times in 2004.

This remarkable and unique project is now in its final stages with the test flight programme of the commercial vehicles underway. Already, approximately 300 people from around the world have paid approaching \$40m in deposits, representing \$60m of ticket sales, to guarantee an early seat.

Virgin Galactic's guiding star is safety. In addition to a system that is proven and safer by design, the vehicles are being put through a comprehensive and exhaustive test flight programme before the inaugural commercial flight takes place on which Sir Richard Branson and his family will fly.

Virgin Galactic astronauts will be prepared and trained for an experience of sensory overload, from the incredible acceleration at launch through to the "out of seat" zero gravity experienced in the blackness of space whilst looking through large windows at the breathtaking views of the Blue Planet below.

All of Virgin Galactic's first astronauts will be pioneers in a new industry which in the future will allow us to make better use of space to improve life here on Earth.