



For the benefit of our much valued clients:

KEY SALIENT SECURITY CHARACTERISTICS*

(*The below is a preliminary review of an upcoming offering. Details are subject to change.)

****REFINANCING****

November 12, 2018

ISSUER	Nassau Airport Development Company Limited
SECURITY TYPE	Participating Debt Notes (BSD)
OFFERING SIZE	\$130,000,000.00
PAR AMOUNT/ ISSUE PRICE	\$1,000.00
MINIMUM SUBSCRIPTION	\$50,000.00
OFFERING PERIOD	December 2018
INTEREST RATE	7.5% (payable quarterly, subject to accrual)
LISTED EXCHANGE	None
RANKING	The new Participating Debt (BSD) is expected to be fully subordinated in respect of payment and security to the Senior Facilities (see extract of Long Term Debts below)

Important Note:

NAD is seeking to refinance its existing Series B Participating 13% Debt Facility Notes (USD) debt at a fixed interest rate of 7.5%. Interest payout is scheduled to be quarterly, based on available cash flow. Any interest not paid will be accrued and added to the principal, and paid when cash flow is available.

Investment in NAD Participating Debt, yielding 7.5%, seeks to replace the existing 13% notes and obviously has potential rewards, but also large potential risk. This investment is not suitable for everyone. You must be aware of the risks and be willing to accept them in order to invest in these Notes. These risks include but are not limited to: Liquidity risk, Default risk and Event risk. Before deciding to invest in these Notes you should carefully consider your risk appetite, investment objective, requirement for income and level of investment experience. The possibility exists that you could sustain a loss of some or all initial investment and therefore you should not invest money that you cannot afford to lose.

This investment in NAD Participating Debt will be registered in the name of Colina Financial Advisors Ltd., an omnibus account for all of CFAL participating clients. Clients considering investing in NAD Participating Debt, via CFAL, should be advised that this investment must be held to maturity (2035) and will not be traded.

**The Offering Memorandum has not yet been made available for review.
We will distribute via e-mail upon receipt.**

SELECTED HISTORICAL FINANCIAL INFORMATION

(Long Term Debts)

	Interest rates	Maturity dates	Original Loan Amount	Balance at 30 June 2018	Balance at 30 June 2017
			\$	\$	\$
Long-term portion					
Senior debt notes:					
USD senior notes	8.50%	December 31, 2031	12,000,000	9,300,000	9,900,000
USD senior notes	7.00%	November 30, 2033	165,000,000	143,550,000	149,325,000
USD senior notes	6.34%	March 31, 2035	113,000,000	103,112,500	106,502,500
USD senior notes	6.44%	June 30, 2035	90,000,000	82,800,000	85,500,000
BSD senior notes	8.50%	December 31, 2031	30,000,000	23,250,000	24,750,000
BSD senior notes	6.34%	March 31, 2035	22,000,000	20,075,000	20,735,000
Participating debt notes:					
USD participating – Series A	13.00%	March 29, 2034	10,000,000	15,245,986	13,678,176
USD participating – Series B	13.00%	March 29, 2034	50,000,000	94,822,619	83,435,660
BSD participating	13.00%	March 29, 2034	10,000,000	15,245,986	13,678,176
Total			502,000,000	507,402,091	507,504,512

Note: The intent of this summary is to inform our investors. The information does not represent investment advice and is subject to amendment without notice. As with all investments, there are associated risks and you could lose money investing. Prior to making any investment, a prospective investor should consult with their own advisers to evaluate independently the risks, consequences and suitability of that investment.

OFFERING SUMMARY



THE GATEWAY TO THE BAHAMAS

LYNDEN
PINHLING
INTERNATIONAL
AIRPORT

LP IA

NASSAU



OPPORTUNITY TO INVEST IN THE GATEWAY TO THE BAHAMAS

Security:	Participating Debt Notes
Issue Size:	130,000,000
Issue Price per Share:	\$1,000.00
Term:	17 years to December 31, 2035
Collateral:	Secured, subordinated to Senior Secured Notes
Interest Rate:	7.50% Fixed Rate
Interest Payment:	Quarterly in arrears. Interest to be paid quarterly to the extent of available cash flow. Any interest not paid will be accrued and added to the principal and paid when cash flow is available
Minimum subscription:	\$50,000.00
Fitch Rating of Issuer:	BBB- Stable Outlook (Investment Grade)

OFFER TIMETABLE

Opening Date:	9 a.m. December 2018
Closing Date:	5 p.m. December 2018
Issue Date:	December 2018
Confirmation Date:	Within 21 days of the Closing Date

For More Information

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Risk Factors

Prospective investors should carefully review the entire private placement and should form their own views before making an investment decision with respect to a purchase of bonds. Before making an investment decision with respect to any bonds, prospective investors should also consult their own financial or legal advisor or other professional advisors to carefully review the risks associated with such an investment, and whether such an investment is suitable in light of the prospective investor's personal circumstances. See full description of risks associated with the offering in the "Risks Factors" section of the private placement.

BUSINESS SUMMARY

Background

NAD is seeking to refinance the high cost Participating Debt put in place in 2009 at the height of the financial crisis. Since the placement date, NAD has successfully completed the construction of world class facilities and has established a far stronger financial position, with a recent BBB- Credit Rating from Fitch.

While the new notes are repayable by 2035, NAD intends to reduce the outstanding balance on a quarterly basis as cash flow permits. Should interest payments not be made, the interest will be added to the principal balance and accrued interest repaid from future excess cash-sweep mechanisms provided in the note agreement.

In addition to substantially reducing the carrying cost of its debt, the refinancing of the Participating Debt may result in more of NAD's debt being denominated in B\$, substantially reducing interest costs and fees to convert B\$ to US\$ for repayment of principal and interest.

Lynden Pindling International Airport

Lynden Pindling International Airport (LPIA) is the main international gateway to The Bahamas and the fourth busiest airport in the Caribbean. In 2013, LPIA successfully completed the final stage of its three-phase terminal redevelopment program. The redevelopment has significantly increased LPIA's capacity to accommodate expected growth in passenger flow and to enhance the passenger experience. LPIA served nearly 3.5 million passengers in FY2018 and generated \$89 million of revenue in FY 2018. The airport is served by 23 airlines offering travel to 56 international and domestic destinations. LPIA's historically stable passenger flow and increasing hotel room inventory in The Bahamas combined with steady revenue, EBITDA growth since 2015 result in a stable credit profile.

Nassau Airport Development Company

LPIA is operated by Nassau Airport Development Company (NAD), a Bahamian company owned by the government of The Bahamas and managed by Vantage Airport Group, making LPIA part of Vantage's worldwide network. In April 2007, NAD signed a 30-year lease with the government to manage and operate LPIA on a commercial basis while providing Bahamians with opportunities for business and investment. Under the leadership of an all-Bahamian team of Vantage executives, NAD is responsible for the majority of LPIA's infrastructure and all revenue-generating and commercial development activities. As a private company, NAD receives no government guarantees or grants and is a self-sustaining commercial entity based on international best practices. In 2017, NAD and Vantage celebrated a decade of excellence in airport operations at LPIA. In that time, the company has grown EBITDA from \$28 million in 2009 to over \$60 million in fiscal 2018.

QUICK FACTS

Ownership

100% owned by Government of The Bahamas

Management

Vantage Airport Group

Financial Overview

NAD had \$522m in debt at FYE June 30, 2018 delineated as follows:

- \$396.7m - Senior Notes
- \$125.3m - Participating Debt Notes

Cash on Hand at FYE June 30, 2018

- \$57.8m including restricted accounts of \$22.8m;

Revenues of \$89.4m and EBITDA of \$64.1m for FYE 2018

Fitch Rating of Issuer as of 2018

- BBB- Stable Outlook (Investment Grade)

Airport Facts

- 4th busiest airport in the Caribbean
- 84,000 aircraft movements in FY2018 with 23 airlines serving 56 destinations
- The airport features
 - o 10 jet bridge capable gates.
 - o 4 gates capable of taking Boeing 747-sized aircraft and
 - o 1 capable of handling the Airbus A380.
- 24 retail outlets and 16 food outlets, bars and lounges
- US Border preclearance with self-serve kiosks including separate kiosks for Global Entry
- 2 runways

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Vantage Airport Group

Vantage Airport Group is an industry-leading developer, investor and manager of airports around the world. Since 1994, the company has been actively involved in making 31 airports better and in taking 20 from public to private management. Vantage develops, implements and hones best practices at airports around the world, which results in financially stronger, more sustainable, better connected airports for the communities and businesses they serve. Its current network is made up of ten airports around the globe, including LaGuardia Terminal B in New York and Chicago Midway International. Together, Vantage airports served more than 56 million passengers in 2017, travelling on 135 different airlines.

QUICK FACTS Cont'd

LPIA ROUTE MAP



- Hotel Rooms - Traffic to Nassau/Paradise Island continues to be driven by existing successful projects such as Atlantis Resort and Casino and the opening of the Baha Mar Resort in 2017. Aside from these, the following hotel rooms and amenities were added to the destination in the past 24 months bringing the destination room count to 8009:
 - Marriott Courtyard, Holiday Inn, and the Warwick Hotel
 - Margaritaville under construction, and
 - a Canadian sponsored hotel/condo project for West Bay Street and The Pointe redevelopment in downtown Nassau
- LPIA Runway to be resurfaced within the next few years to be funded from NAD cash reserves.
- LPIA is an asset of national importance with government support in the event of catastrophic damage
- The US economy, which drives a major portion of NAD's traffic, continues to expand
- NAD has established a highly experienced Bahamian management team with expertise in engineering and facilities management; airport operations; finance; marketing and commercial development.

For More Information
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QUICK FACTS CONT'D

HISTORICAL PASSENGER TRAFFIC DATA DEMONSTRATES A TREND OF STABILITY

While there was a slight decline in traffic during the recession, traffic volumes fully recovered by 2012.

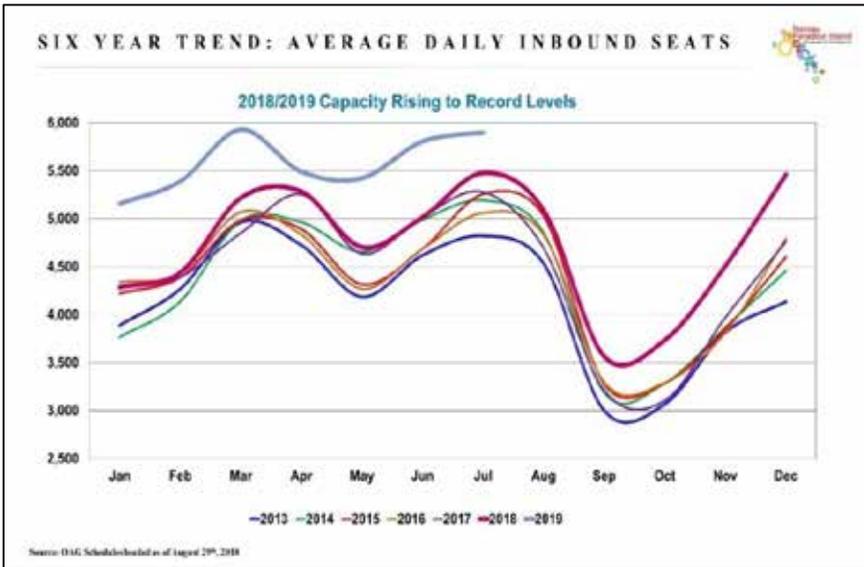
Between CY2004 and CY2017, international and domestic passenger traffic increased at a CAGR of 0.6% and 3.7%, respectively

Passenger traffic FY2018 was 6.2% above prior year. While traffic has been stable and predictable over the past 10 years, with the addition of new rooms to the destination and more aggressive marketing NAD is experiencing greater growth. See Actual and Budget Highlights Table below for passenger movements FY2017, FY2018, FY2019

The United States remains LPIA’s largest origin/destination (“O/D”) market for both inbound and outbound travel at 83% of international O/D

HISTORIC CAPACITY ADDITIONS ALSO DEMONSTRATE A TREND OF STABILITY WITH SIGNIFICANT RECENT GROWTH DIRECTLY TIED TO INCREASED DEMAND FOR THE DESTINATION

NAD continues to add seat capacity with new markets, aircraft up-gauges and added daily and weekly frequencies from existing and new carriers. Capacity additions through summer 2019, currently on sale, represent a 13.5% increase in seat capacity over the prior year



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Budget and Forecast Highlights

Actual and Budget Highlights			
	FY2017	FY2018	FY2019
	Actual	Actual	Budget
<i>Passengers</i>	3,289,092	3,493,386	3,773,939
Operating Revenues	\$31,563,300	\$36,888,400	\$41,061,951
PFC Revenues	45,464,400	52,507,600	60,095,965
Total Revenues	77,027,700	89,396,000	101,157,916
Operating Expenses	23,964,500	25,293,200	28,853,135
EBITDA	53,063,200	64,102,800	72,304,781
Non-Operating Expenses	67,216,600	68,473,400	69,744,776
Net Income (Loss)	(\$14,153,400)	(\$4,370,600)	\$2,560,005

	FY2017	FY2018	FY2019
	Actual	Actual	Budget
Cash	\$17,755,300	\$34,984,300	\$38,247,501
Restricted Cash - Debt Service Reserve	22,609,900	22,795,200	20,636,882
Current Assets (Net of Allowances)	18,027,300	23,508,200	25,702,315
Non-Current Assets (Net of Amortization)	426,036,500	403,380,800	399,138,906
Total Assets	484,429,000	484,668,500	483,725,604
Current Liabilities	11,794,100	11,244,600	11,654,631
Provision for Runway Resurfacing	9,945,400	12,260,000	15,008,300
Long-term Debt	519,182,000	522,027,100	515,365,837
Equity (Deficit)	(56,492,500)	(60,863,200)	(58,303,165)
Total Liabilities & Equity	\$484,429,000	\$484,668,500	\$483,725,604

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The notes are not, or will not be, registered under the U.S. Securities Act of 1933, as amended, (the "Securities Act"), the Bahamas Securities Industry Act, 2011 ("SIA"), or under the securities laws of any other jurisdiction. The notes will be offered only in transactions that are exempt from registration under the securities laws of a jurisdiction. Accordingly, the notes are only being offered to qualified institutional buyers pursuant to Rule 144A under the Securities Act, , and to non-U.S. persons outside the United States in compliance with Regulation S under the Securities Act. For more information about restrictions on transfer of the notes please see the "•" section of the private placement memorandum dated • ("PPM"). Completion of the issue of the notes to non-Bahamian investors is conditional upon, among other things, the receipt of regulatory approvals from the Bahamas Investment Authority and the Central Bank of The Bahamas. There can be no assurance that these approvals will be obtained.

This circular contains forward-looking statements which include possible future events. All forward-looking statements are subject to important risks, uncertainties and assumptions because they are based on assumptions and/or current expectations and estimates regarding anticipated future events and circumstances; should not be read as guarantees of future events, performance or results; will not necessarily be accurate indications of whether, or the times at which, such events, performance or results will be achieved and are inherently subject to significant business, economic and competitive uncertainties and contingencies.

In making an investment decision, you must rely on your own examination of the Issuer and the terms of the offering and the notes, including the merits and risks involved. We are not making any representation to any purchaser of the notes regarding the legality of an investment in the

Notes by such purchaser under any legal investment or similar laws or regulations. You should not consider any information in this circular to be legal, business or tax advice. You should consult your own attorney, business advisor and tax advisor for legal, business and tax advice regarding an investment in the notes.

The information contained in this circular should be read in conjunction with the PPM.

The information appearing in this circular is accurate in all material respects only as of October 2018.

<p>For More Information</p> <p>CIBC Royal Fidelity</p>	<p>Risk Factors</p> <p>Prospective investors should carefully review the entire private placement and should form their own views before making an investment decision with respect to a purchase of bonds. Before making an investment decision with respect to any bonds, prospective investors should also consult their own financial or legal advisor or other professional advisors to carefully review the risks associated with such an investment, and whether such an investment is suitable in light of the prospective investor's personal circumstances. See full description of risks associated with the offering in the "Risks Factors" section of the private placement.</p>
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