

Abu Dhabi

Oil transformed Abu Dhabi from an impoverished principality into a wealthy modern state. Now the largest of the United Arab Emirates is expanding and diversifying

BUILDING A BRIGHT FUTURE ON PAST SUCCESS

Located in the northeast of the Arabian Peninsula, bordered by Saudi Arabia to the west and south and Oman to the east, Abu Dhabi is the largest of the United Arab Emirates (UAE). A hot, arid land characterized by wide deserts, until little more than half a century ago it was sparsely inhabited by mainly nomadic Bedouin tribes. Economic activity centered on the raising of camels, pearl diving, fishing, and date production.

Since the discovery of oil in the late 1950s, Abu Dhabi has been transformed. The emirate has become a modern state with a booming economy. Its population of approximately 1.3 million—mostly young, non-national, and rapidly increasing—enjoys the highest per capita income in the world. Abu Dhabi city, a modern metropolis of futuristic skyscrapers, smart shops and wide tree-lined boulevards, is the UAE capital and a regional hub for energy and finance.

With scores of rigs operating both onshore and offshore, the emirate is a



The majestic new Emirates Palace Hotel symbolizes Abu Dhabi's determination to become a leading destination for tourism.

major supplier of oil to international markets. It sits on the fourth largest proven reserves of crude—an estimated 92 billion barrels, approximately 10 percent of the world's total.

At a production rate of two million barrels per day (bpd) - enough to keep pumping well into the next century - Abu Dhabi is by far the largest oil producer in the UAE, controlling more than 85 percent of the country's total oil output and over 90 percent of its reserves.

Exploration for new sources of oil is ongoing, using state-of-the art seismic analysis, and fresh discoveries are still being made, particularly off the emirate's 370 miles of coastline. Heavy investment is expanding production capacity and recovery rates from existing oil reservoirs have been improved using modern techniques.

Capacity is set to increase from 2.5 million bpd to 2.8 million bpd, with the *continued on page 2*



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longer-term objective of reaching four million bpd by 2010. Abu Dhabi National Oil Company (ADNOC) is planning to spend \$2-3 billion on development projects over the next 10 years.

Gas reserves - the third largest in the world at more than 20 trillion cubic meters - are being developed for export as liquefied natural gas (LNG) and to meet rising local demand due to increasing industrial and petrochemical activities.

Bolstered by higher oil prices and increased production, and a significant increase in domestic and foreign direct investment (FDI), Abu Dhabi's economy has enjoyed impressive growth in recent years. This year gross domestic product is expected to rise by 6.1 percent.

Although oil will dominate the economy for many years to come, the emirate's leaders understand that it is ultimately a finite resource and are preparing for the future by broadening the economy. Private sector participation is being encouraged in a drive for diversification that is producing results.

The contribution of the non-oil sector to GDP is growing at a steady and significant pace. In the first half of this year, non-oil exports amounted to approximately \$630 million, a rise of 50 percent over the first six months of 2005. Growth is broad-based with notable developments in manufacturing, real estate and construction, tourism, and trade.

The government has established a special body, ZonesCorp, to develop clusters of strategic industries and promote investment. Targeted industries range from basic metals, construction materials, food processing, and automotive to hi-tech, logistics, financial services, pharmaceutical, and petrochemical.

The \$4 billion in foreign direct investment the emirate expects to attract this year is forecast to double with the establishment of the new industrial zones.

"We need to both grow and diversify our economic and industrial base," explains Sheik Hamed Bin Zayed Al Nahyan, who chairs both the emirate's Department of Planning and Economy and ZonesCorp.

"Our goal is to create high-value strategic industry clusters and transform Abu Dhabi into an industrial, services and logistics hub, that aggressively pursues regional and global markets." ■

MEGA PROJECTS EXTEND LATE LEADER'S VISION

Sheik Zayed bin Sultan Al Nahyan was the founding father of the UAE and the architect of its success story. Two years after his death, his legacy can be seen in the development projects that continue to transform Abu Dhabi



Billions of dollars are to be spent on development projects aimed at transforming Abu Dhabi into a manufacturing, services and logistics hub.

It's boom time again for the construction industry in Abu Dhabi as swollen oil revenues are channeled into mega development schemes designed to spur the emirate into a new era of growth.

The original wave of development that transformed the emirate from a sparsely populated desert nation into what it has become today was largely the product of one man's vision.

Sheik Zayed bin Sultan Al Nahyan, the ruler of Abu Dhabi and later founding father and President of the United Arab Emirates, believed that the revenues from oil production should be used in the service of the people. Soon after becoming ruler of Abu Dhabi in 1966 he launched a massive program of construction of schools, housing, hospitals and roads.

As the President of the UAE - an office he

held for more than 30 years until his death in 2004 - he also realized early on the importance of diversifying the economies of the emirates away from dependence on oil and their vulnerability to the fluctuations of the international oil market.

Under Sheik Zayed's direction, the UAE enjoyed three decades of peace, stability and development. Today, Abu Dhabi's leadership is determined to continue his work by expanding the economy and infrastructure of the emirate to ensure that its future is a prosperous one.

In May, it was announced that more than \$100 billion will be spent on development projects over the next four or five years. The objective is to transform Abu Dhabi into a manufacturing, services and logistics hub for the Middle East.

Two major new ports are planned, a \$2.18 billion seaport and industrial zone at Taweelah, halfway between the cities of Abu Dhabi and Dubai, and another at the industrial township of Musaffah, Abu Dhabi. Both ports are expected to commence operations by 2009.

Abu Dhabi International Airport is to be given a \$5.7 billion expansion. The project involves doubling the existing area of the airport and constructing a new passenger terminal, a second runway, cargo and maintenance facilities and commercial developments on adjacent land. The first phase is due to be completed by 2010, giving the airport the capacity to handle 20 million passengers a year, to be increased at a later stage to a total of 50 million.

Companies are already signing up to invest in ICADII, the second phase of the Abu Dhabi Industrial City development. Major industrial projects on the drawing board include two multi-billion-dollar aluminum smelters and two steel rolling mills.

With the population of Abu Dhabi set to double in the next 10 years, housing is an important feature of many projects. Major residential, commercial and tourism complexes are being undertaken by the private sector.

Among the largest developments, to take just one example, is Al Reem island, which will include a central business district with skyscrapers rising up to 80 storeys, retail and entertainment districts, and homes for 80,000 people. ■

THE MAN WHO TURNED THE DESERT GREEN



Sheik Zayed, late President of the UAE

- Born in 1918, Sheik Zayed bin Sultan Al Nahyan was the principal architect of the foundation of the United Arab Emirates. He was elected president of the UAE in 1971
- Sheik Zayed was a popular, liberal leader who advocated religious tolerance and encouraged expatriate workers to come to the UAE.
- The Abu Dhabi Fund for Arab Economic Development, Sheik Zayed's brainchild, poured oil wealth into a plethora of developing Islamic nations in Africa and Asia.
- Sheik Zayed was known as "the man who turned the desert green" for his efforts to transform the harsh desert of the UAE by channelling oil revenues into oases of trees and grass.

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NEW HOTELS AND RESORTS PLANNED AS TOURISM TAKES OFF

Visitor numbers are rising as the emirate develops its reputation as an exotic, upmarket destination for business and leisure

Barely on the international tourism map until recently, Abu Dhabi is now being tipped as a new hotspot for discerning travelers. Increasing numbers of overseas visitors are coming to experience the luxurious 21st century modernity of Abu Dhabi city, the unspoiled beaches, year-round sunshine, golf, luxury spas, and upmarket shopping.

Already established as an ideal location for international trade shows and conventions thanks to its world-class facilities, the emirate is channelling huge investment into expanding the leisure market. The government wants to increase annual visitor numbers from below one million to three million by 2015.

ROTANA HOTELS GROUP EXTENDS ITS PORTFOLIO ACROSS THE MIDDLE EAST

The drive to promote and develop tourism in Abu Dhabi is welcomed by Nasser Al Nowais, Chairman of Rotana Hotels. "I have been saying for years that Abu Dhabi is a great destination, so I am very happy to see the government is really giving the sector a lot of attention," he says. "We expect to see a lot of people coming here."

Established in the early 1990s, Rotana has evolved into one of the leading hotel management companies in the Middle East. Last year, it achieved record results, with an average occupancy of 80 percent and revenues up by 30 percent.

The group has ambitious plans for the future, aiming to have a Rotana hotel in every major city in the region. "This goal is being steadily achieved through careful long-term planning and timely action," Mr. Al Nowais says.

Rotana recently announced the signing of major new agreements that



The Emirates Palace Hotel was designed by renowned British firm Wimberly, Allison, Tong & Goo, who specialize in hospitality design worldwide.

Abu Dhabi International Airport, the emirate's main point of entry, is being expanded and a massive boom in the tourism and hospitality industry is on the way. New projects and developments will provide more than 4,500 additional hotel rooms over the next three years, and 25,000 over the next decade.

Luxury hotels, business and leisure resorts, shopping malls, and entertainment facilities are included in a number of major develop-

ment schemes. One of the largest is a huge tourism city project, including hotels, marinas, villas, resorts, upmarket shops, and golf courses, to be developed on Saadiyat Island, off the coast of Abu Dhabi. The US\$27 billion project by the new Tourism Development and Investment Company, a subsidiary of Abu Dhabi Tourism Authority, will also target cultural tourists by hosting the largest Guggenheim Museum in the world.

The flagship for the emirate's fast growing tourism and hospitality sector is the remarkable Emirates Palace, a majestic world class hotel-resort located at the western end of Abu Dhabi's corniche. Completed only last year, the Palace is an architectural wonder in a region already renowned for iconic development.

Designed by British architects, it has the look of a traditional Arabian palace but on a vast scale. Set in landscaped gardens, the exterior reflects the colors and shades of the desert, while the rooftops of the Palace boast a staggering 114 domes covered in mosaic glass tiles.

NEW DEVELOPMENT PROJECTS WILL PROVIDE 25,000 ADDITIONAL HOTEL ROOMS OVER THE NEXT DECADE

Huge halls decorated with marble, gold leaf and palm trees provide access to 302 luxury rooms and 92 magnificent suites. Speciality restaurants offer fine dining, while leisure facilities include two intricately landscaped swimming pools, two state-of-the-art fitness centers and a private beach.

The hotel has already hosted prestigious events. One of the main objectives was to build a stunning conference venue to cater to international leaders and businessmen. The conference center houses the most technologically advanced meeting facilities in the region, including an auditorium with 1,200 seats, a main ballroom that can accommodate up to 2,800 guests, an extensive range of more than 40 meeting rooms, a media center and a business center.

"No other conference facility in the Middle East compares with our International Conference Center, which boasts a state-of-the-art auditorium, a built-in theatrical stage and cinema quality theater system, in-house broadcast and editing facilities, and simultaneous translation booths, among other world-class facilities," says General Manager Noel Massoud. ■

LAUNCH OF DIRECT FLIGHTS DAILY TO NEW YORK

Daily direct flights between Abu Dhabi and New York are being introduced by the emirate's airline, Etihad Airways, from October 26.

The service will depart from Abu Dhabi International Airport every day at 2:15pm, arriving at Terminal 4 of New York's JFK airport at 9:25pm. The return flight will depart at 11:10pm to arrive the next day in Abu Dhabi at 8:25pm.

Etihad has rapidly expanded its international routes since its launch just

three years ago. New York is the airline's second North American destination after Toronto.

New purpose-built Airbus 340-500 aircraft will be used for the flights, catering for up to 240 travellers and offering luxurious levels of in-flight service.

The New York route also provides opportunities for Etihad's cargo and holidays divisions, Etihad Crystal Cargo and Etihad Holidays.

BANKS STILL **PERFORMING** WELL DESPITE CORRECTION IN CAPITAL MARKETS

With almost 50 banks serving 4.5 million customers, consolidation could lie ahead as the sector is further liberalized and competition becomes more intense

Recent years have been highly prosperous for Abu Dhabi's banks, thanks largely to a booming economy fuelled by high oil prices and the repatriation of capital after 9/11. Against a background of strong consumer confidence, new investment projects, and low interest rates, the banks have seen their profits and assets boosted to new heights.

The Abu Dhabi Securities Market and the Dubai Financial Market have undergone rapid

FOREIGN BANKS SEE THE UAE AS AN IMPORTANT MARKET AND ARE EXPANDING THEIR SERVICES

growth and development, and the banks have also profited both from their own investment and from loans to customers investing in a run of initial public offerings.

Their first quarter results this year were boosted by high profile IPOs from a new telecoms operator—Emirates Integrated Telecommunications Company, monosyllabically branded *du*—and home finance provider Tamweel, both hugely oversubscribed. In the second quarter, however, warnings that record profit-making would prove unsustainable were borne out, reflecting a slump in the markets.

Nevertheless, the underlying performance of the banks is still strong and profits remain high. The largest of the UAE institutions, National Bank of Abu Dhabi, for example, reported provisional net profits of AED1.13 billion (\$307 million) for the first half of 2006, equivalent to the full year profits of 2004.

As economic growth continues to be fuelled by both the oil and non-oil sectors, the banks are expanding their credit portfolios, with increases in both personal and corporate loans. The larger ones are diversifying into fund management and real estate, and services are being expanded, particularly in the retail sector as the market for consumer borrowing and home loans grows.

Some analysts see the sector as being overbanked. With Abu Dhabi and Dubai the main financial centers of the UAE, there are almost 50 banks operating in the emirates—21 locally incorporated, with more than 300 branches, and 26 foreign with over 100 branches. They serve a population of less than 4.5 million.

Competition in the sector is increasing. Large foreign banks such as HSBC, Standard Chartered, and Citibank regard the UAE as a leading revenue earner and are expanding their services. This is a challenge for the local banks, including the big five—the National Bank of Abu Dhabi, Emirates Bank International, Abu Dhabi Commercial Bank, the National Bank of Dubai, and Mashreq Bank.

Consolidation through mergers and acquisitions could be on the

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The Abu Dhabi Islamic Bank was a pioneer of - and is now a leader in - the growing Islamic banking sector.



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Rotana Hotels' aggressive expansion plan is right on track. With 21 additional stunning properties opening within the next 2 years, we are getting closer to you.

Abu Dhabi:	Khalidiya Palace Rotana Resort (end 2007) Park Rotana Hotel & Suites (mid 2008)
Bahrain:	Bahrain Rotana Hotel (end 2008)
Beirut:	Raouche Rotana Suites (November 2006) Solidere Rotana Suites (mid 2008)
Doha:	City Center Rotana Hotel (end 2007)
Dubai:	Amwaj Rotana Resort (summer 2007) BurJuman Rotana Suites (September 2006) Media Rotana Hotel (mid 2007) Rose Rotana Suites (mid 2007)
Fujairah:	Fujairah Rotana Resort & Spa (November 2006) Fujairah Rotana Suites (mid 2008)
Jordan:	Amman Rotana Hotel (end 2008)
Khartoum:	Airport Rotana Hotel (3rd Quarter of 2006) Khartoum Rotana Hotel (end 2008)
Kuwait:	Al Manshar Rotana Hotel & Suites (November 2006)
Ras Al Khaimah:	The Cove Rotana Resort & Spa (mid 2008)
CENTRO	
Abu Dhabi:	Centro, Airport Road (early 2008) Centro, Hamdan Street (mid 2008)
Dubai:	Centro, Diyafah (end 2007) Centro, Barsha (end 2007)



THERE'S ONE FOR YOU

Abu Dhabi • Al Ain • Amman (2008) • Bahrain (2008)
• Beirut • Damascus • Doha (2007) • Dubai • Fujairah (2006)
• Hurghada • Khartoum (2008) • Kuwait (2006)
• Ras Al Khaimah (2008) • Sharjah • Sharm El-Sheikh

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cards, particularly if restrictions on the foreign banks are relaxed.

Opening up the sector, which has been closed to new entrants from abroad for 20 years, would be in line with the further liberalization required by the UAE's membership of the World Trade Organization and with recent bilateral trade negotiations.

A number of applications for new licenses are pending with the UAE Central Bank, but the bank's governor, Sultan Bin Nasser Al Suwaidi, says that the process of allowing in new banks would have to be gradual to protect local institutions.

Meanwhile, the Central Bank is working to implement corporate governance systems and aims to start phasing in compliance with the Basel II guidelines on regulation next year.

Mr. Al Suwaidi says that rules relating to bank lending for IPOs will be tightened, but adds that excessive lending will no longer be a problem as market conditions have changed.

"The stock markets will grow normally," he says. "The huge increases in prices are a historical event that will not be repeated in the near future." ■

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MARKET DEMAND FOR SHARI'A COMPLIANCE IS DRIVING THE GROWTH OF ISLAMIC BANKING

Abu Dhabi Islamic Bank combines partnership, sharing risks and looking after the customer's interests. The result is a healthy growth in profits

In the UAE, as elsewhere in the Middle East, Islamic banking is becoming increasingly important, with even the larger foreign banks responding to market demand by offering customers services that are compliant with Shari'a principles, which comprise the body of Islamic laws and jurisprudence.

At the forefront of the trend is the Abu Dhabi Islamic Bank (ADIB), which has set itself the goal of becoming the premier Islamic financial institution. Established almost 10 years ago, ADIB combines strict conformity with the Islamic banking code with a firm focus on customer needs, innovative products, and state-of-the-art technology.

"First of all, Islamic banking is about providing services for the customers," says Ahmed Darweesh Bin Dagher Al Marar, the bank's managing director.

"We send a very clear signal that we are a profit-making bank, but we benefit when we see our clients benefiting. We provide them with the best structure for whatever financing they need and we safeguard their interests. That is what Islamic banking is about, safeguarding the interests of both parties."

Payment of interest is contrary to Islamic law, so the bank's relationship with its customers is one of partnership. "An Islamic bank cannot take advantage of its customers' needs and has to share the risk. We work together with our customers to try and achieve their goals," Mr. Al Marar explains.

ADIB provides a full range of retail and corporate banking services for individuals and businesses, including a financing scheme to help customers settle their debts, long term real estate financing, and education loans.

The founders of the bank—including members of the ruling family, the Abu Dhabi Investment Authority and prominent UAE nationals—hold 39 percent of its equity, while the remaining 61 percent is held by approximately 100,000 shareholders.

Net profits reached almost AED344.7 million (\$100 million) in 2005, which represents growth of 180 percent compared with 2004. Results for the first half of this year have been even more impressive with profits of AED292.7 million (\$79.7 million), a 106 percent increase in comparison with the first six months of 2005.

New branches have been opened, adding to ADIB's network, which covers the major cities and suburbs of the country. Recently the bank launched a new company, Burooj Real Estate, to support infrastructure and real estate development in the UAE and international markets.

"Demand for Islamic banking services is growing rapidly in each and every aspect, including products, customers and service providers. The recent opening of our third branch in two months is testimony to the popularity of our products and the benefits our customers enjoy," says Mr. Al Marar. ■

EVEN FOREIGN BANKS ARE OFFERING CUSTOMERS SERVICES THAT ARE COMPATIBLE WITH ISLAMIC LAW

PARTICIPATION IS A KEY CONCEPT

Probably the best-known feature of Islamic banking is its ban on dealings involving usury, thereby prohibiting the charging and payment of interest, known as "riba".

Islamic financial products include savings accounts based on the principle of "safe custody" and investment accounts that work on a profit-sharing basis. Deposits are used only for investments that are in accord with Islamic principles.

Participation is a key concept. Banks and their customers become partners in investment, sharing profits and losses.

Any element of financial risk or speculation that could be interpreted as a form of gambling is ruled out.

The generation of wealth is permitted only through legitimate trade and investment in assets. Islamic financial institutions are required to practice careful investment, diversification of risk, and prudent management.

CONFIDENCE REMAINS HIGH

Although capital markets in the UAE have undergone a correction after the recent boom, financial institutions remain confident of the underlying strength of the regional economies and of private and corporate enthusiasm for investment.

Abu Dhabi Investment House (ADIH), which was established with a paid-up capital of AED200 million (\$55 million) just over a year ago, is seeking investment opportunities in local, regional and international markets.

The company has focused on private equity, corporate finance, real estate, asset management, and investment placement. Its initial investment instrument, the AED75 million (\$20 million) Al Arabi Private Equity Fund, posted returns of 20 percent for the first half of 2006.

Next year it plans to move into listed equity products by launching three funds to invest in listed equities worldwide.

DIFFERENCES BETWEEN ISLAMIC AND CONVENTIONAL BANKING

CHARACTERISTICS	ISLAMIC BANKING SYSTEM	CONVENTIONAL BANKING SYSTEM (INTEREST BASED SYSTEM)
Business Framework	Based on Shari'a laws - Shari'a scholars ensure adherence to Islamic laws and provide guidance.	Not based on religious laws or guidelines - only secular banking laws
Balance between moral and material requirement	The requirement to finance physical assets through bank ownership prior to resale reduces overextension of credit.	Excessive use of credit and debt financing can lead to financial problems.
Equity financing with risk to capital	Available to provide equity capital to a project or venture. Losses are shared on the basis of equity participation while profits are shared on a pre-agreed ratio.	Not generally available through commercial banks. Venture capital companies and investment banks which typically take control of an enterprise for start-up finance.
Prohibition of Gharar	Transactions deemed Gharar are prohibited. Gharar denotes varying degrees of deception pertaining to the price and quality of goods received by a party at the expense of the other.	Trading and dealing in derivatives of various forms is allowed.
Profit and Loss Sharing	Returns are dependent on bank performance and not guaranteed. Risks are managed to ensure better returns than deposit accounts. The profit upside is more equitable than predetermined returns.	This principle is not applied. Returns to depositors do not depend on the bank's performance. The customer does not share profit beyond predetermined interest rates.

[Source: Abu Dhabi Islamic Bank]

ETISALAT AIMS TO BE ONE OF THE WORLD'S **TOP TEN** TELECOMS COMPANIES BY 2010

The Emirates Telecommunications Corporation has become a formidable international operator. Already establishing a strong presence in and around the region, it is seeking new markets in Africa, Asia and Europe

Use of information and communications technology is expanding rapidly in the Arab world, where mobile phones and the internet are transforming business and the everyday lives of a predominantly youthful and technologically *au fait* population.

In the UAE, a regional leader in state-of-the-art technologies and services, the giant Emirates Telecommunications Corporation (Etisalat) has achieved a remarkable 120 percent penetration of the mobiles market—one of the highest rates in the world. Fixed line subscribers have increased to more than 1.2 million, and internet subscribers now exceed 580,000.

Already the sixth largest company in the Middle East and listed on the Fortune 500 index, Etisalat aims to become one of the world's top ten telecom companies by 2010 by pursuing an aggressive international expansion strategy. Outside of the oil sector, the corporation is the largest contributor to the UAE government's ongoing development programs, and has been praised for its initiatives to train and employ UAE nationals.

Recent years have seen impressive financial results. Net profits of AED2.813 billion (\$762 million) for the first six months of this year represented a growth rate 33 percent higher than for the

same period in 2005.

Although majority-owned by the UAE government, Etisalat has always adopted a firmly commercial approach to its business, boosting its customer base through a commitment to innovation. It was the first telecoms operator in the region to introduce a mobile phone service, in 1982. In 1994 it became one of the first to offer GSM, and it has continued to act as a pioneer since then, introducing 3G and MMS in 2003, and, more recently, the BlackBerry service in 2006.

The UAE began liberalizing telecommunications in 2004, although the government has been resisting pressure from the United States and Australia, with whom it has been discussing free trade deals, to allow foreign investors into the sector before 2010.

For Etisalat, liberalization means the end of its monopoly over telecom, internet, and cable television services, and the appearance on the scene of a rival operator, Emirates Integrated Telecommunications, trading under the short but memorable brand name of *du*.

Given the extent of Etisalat's hold on the market, its dominance of the local scene is set to continue. Its chairman, Mohammed Omran, welcomes the competition from a position of considerable strength. "The launch of the second telecom oper-

LIBERALIZATION BEGAN IN 2004 BUT THE GOVERNMENT HAS BEEN RESISTING PRESSURE TO OPEN UP THE SECTOR TO FOREIGN INVESTORS

The Etisalat tower in Abu Dhabi, crowned with the distinctive globe of the company.



A virtual image of an Etisalat stand at a telecoms fair. One of the major IT players in the Middle East, Etisalat has a remarkable 120 percent penetration in the mobile sector.

ation in the UAE will broaden the market and provide consumers with a richer user experience," he says.

Mohammed Khalfan Al Qamzi, Etisalat's CEO, states, "Competition will encourage us to go for the market even more aggressively and deliver better products and services. Giving a choice to the consumer means providing them with a better service."

Etisalat's operations and ambitions extend far beyond the boundaries of the UAE. Over a relatively short period of time, the corporation has transformed itself into a formidable international operator as it moves confidently toward its goal of becoming a world-class company. By 2010, a third of the corporation's business is expected to be conducted outside the borders of the UAE.

"If we just stayed in national markets we would not reach our targets, so we have to expand our investment and grow," says Mr. Al Qamzi. "We are an international company now."

Etisalat has recently taken over the management control of Pakistan's largest phone

company, Pakistan Telecommunication, having acquired a 26 percent stake for \$2.56 billion last year.

Last year Etisalat launched the second mobile phone operator in Saudi Arabia, its Mobily service, which has been ranked by the World GSM Organization as the fastest growing company in the region. The corporation aims to repeat this success in Egypt, a market with high growth potential, where an Etisalat-led consortium has secured the country's third mobile license, which it expects to launch early next year.

In Afghanistan, where it has been awarded the license to operate the fourth GSM mobile network, Etisalat plans to invest \$300 million over three years.

The company has established a wide-ranging presence throughout Africa, where it has stakes in Sudatel in Sudan, Zantel in Tanzania and in Western Africa, where it last year acquired a 50 percent stake in Atlantique Telecom.

Backed by international financial institutions, the corporation could double its international investment over the next few years, and is already looking to acquire stakes or bid for licenses in new markets in Asia, Africa, and Europe. ■

HARVESTING TOMORROW'S WORKFORCE

The Etisalat University College (EUC) is a dedicated place of learning for students of Communications, Electrical and Computer Engineering. Established in 1989 as the Etisalat University College of Engineering, the college initially ran a single program leading to a Diploma in Communications Engineering, expanding its program to incorporate Bachelor Degree courses in Electrical and Computer Engineering in 1997.

The college enjoys a fine reputation for the structuring and delivery of high quality courses, resulting in a steady flow of well prepared young graduates that meet the requirements of both Etisalat and other employers in the private

and public sectors.

EUC's course range offers students a flexible and intellectually challenging syllabus while providing excellent academic services that include a comprehensive library, computing workshops and English language learning resources, as well as accommodation and sports and recreational facilities.

Nationally and internationally renowned, EUC was the first college in the Arab world to achieve Institution of Electrical Engineers accreditation. Between 1994 and 2004, EUC placed 327 graduates into a variety of companies within the UAE.



etisalat 

reach