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Lebanon

peace profits

A testament to resilience, this democratic republic has emerged from the ashes of war and is defying the world credit crisis.

Lebanon is once again showing its extraordinary powers of resilience. In the 32 months that have passed since the war between Hezbollah and Israel wrecked homes, the nation has entered a period of resurgence, focusing on the reconstruction of its infrastructure and economy.

While the rest of the world was experiencing a slump, economic activity grew 7% in Lebanon in 2008. This year, it expects modest growth, a far better outlook than in most other countries.

Even Beirut's tourism credentials have received a boost. The *New York Times* named the Lebanese capital number one of

the "44 places to go in 2009." This land – where you can ski in the mountains in the morning, sunbathe on a Mediterranean beach in the afternoon and gamble, dance and drink the night away in clubs and bars that rival those of London or New York – is keen to reestablish its role as the top holiday resort of the Middle East.

Furthermore, with the Gulf states suffering the effects of the global financial slump, some Lebanese bankers believe Lebanon could yet regain its authority as the Arab world's primary center of commerce and finance.

The hero of the country's economic resurgence is Riad

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Protective measures and future goals



Ghazi Kraytem

Ghazi Kraytem, president of the Chamber of Commerce, Industry and Agriculture of Beirut and Mount Lebanon, believes that the country will fare better than most in coping with the global downturn, thanks to the strict controls imposed by its central bank and the fact that the Lebanese are used to coping with economic and political problems.

“It would be naive to maintain that the unfolding global financial crisis will not affect Lebanon in any way,” he says.

He adds, however, that a number of factors are converging to mitigate the impact: “These include tight controls imposed on banks and financial institutions; a very conservative credit policy resulting in leverages being kept quite low, as far as balance sheets are concerned; and an exaggerated preference for high liquidity and underdeveloped local capital markets.”

The chamber’s goals, he says, are “higher efficiency and a larger degree of transparency and accountability at all levels of government. In that context, we deem privatization to be an inevitable recourse.”

The chamber facilitates smooth relationships between the private and public sectors, lobbies the government for administrative reforms, works to stimulate economic growth, and is seeking to expand information technology and communications. ❖



Flouline Alkhatib, Bildspencer, Getty / Alamy



DJ Paero / Alamy

Salameh, governor of the central bank, Banque du Liban. In 2005, he barred any Lebanese bank from investing in mortgage-backed securities, thereby neatly sidestepping the repercussions that have left banks elsewhere concussed.

“The Lebanese banking sector is liquid and well regulated,” he says. “Provided that this peaceful environment remains, 2009 should show a very positive growth in Lebanon.”

A political accord reached in May of last year brought to power a government of national unity that has successfully held together, despite a failed coup attempt by Hezbollah militants and clashes between government forces and Palestinian refugee insurgents.

Business leaders believe that if parliamentary elections, scheduled to take place in June, pass off safely and effectively, Lebanon will not only be able to consolidate its economic progress, but also will enhance it further, reaping rich dividends.

“Our period in office has been marked by hardship, but we have managed to navigate through these times and keep the unity of the Lebanese,” says Prime Minister Fouad Siniora. “There have been many restraining factors, but we have been able to provide the Lebanese and the international community with a feeling of confidence in our economy.”

Lebanese from every section of this 4-million-strong society, made up of 18 different ethnic and religious communities, certainly have great faith in their country, in spite of having lived through a 15-year-long civil war, several invasions and frequent internal conflict.



Freeman Patterson / Masterfile

Nabil el-Jisr, the president of the country’s Council of Development and Reconstruction, says that in the past 17 years the council has overseen more than 4,000 reconstruction projects worth more than

“There have been many restraining factors, but we have been able to provide the Lebanese and the international community with a feeling of confidence in our economy.”

Prime Minister Fouad Siniora

\$8.5 billion. “The Lebanese have a proven ability to absorb shocks and move forward,” he says.

Saad Hariri, the majority leader in Parliament and the son of Rafik Hariri, the prime minister assassinated in 2005, sums up this optimistic spirit: “Every Lebanese person wants to build two or three houses. What they don’t want is to keep rebuilding the same house three or four times.” ❖

By Michael Knipe

All monetary figures are stated in U.S. dollars unless otherwise indicated.

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No bust here – just boom

to the measures taken by Riad Salameh, the governor of Banque du Liban, the nation's central bank.

Four years ago, he bucked international trends and defied pressure from the business community by ordering Lebanese banks not to invest in mortgage-backed securities. This move put Lebanon in a position to regain its status as the Middle East's preeminent banking and finance center, and its financial institutions have taken steps to secure that position. Banks have restructured, invested in new technologies, refined their markets and extended their horizons toward Syria, Iraq, Turkey and Kurdistan as well as the Gulf states.

Allied Bank, Saudi Lebanese Bank and BankMed have been integrated and restructured under the title BankMed to become the fourth largest of Lebanon's banks. Lebanon & Gulf Bank (LGB) has enhanced its IT infrastructure as it pursues a policy of international expansion, while the newly rebranded Emirates Lebanon Bank is utilizing its links to the Gulf states and preparing to advance into Syria and Kurdistan.

Meanwhile, Audi Bank, Lebanon's largest, is expanding into Jordan, Syria and Egypt. At the same time, BLOM Bank, the second largest, has focused on organic growth.

"Dubai was gradually asserting itself as the region's financial center, but today, with the deepening financial crisis in the emirate, Beirut is regaining that role," says Samer Itani, the vice chairman and general manager of LGB. "In this context, we expect more capital inflows to Lebanon and are fully geared to accommodate these at Lebanon & Gulf Bank."

He says LGB has the ability to absorb more business and serve a wider range of clients because of its approach to business development through its increasing branch network. The bank is privately owned, with a shareholders' base in Lebanon and the Gulf, a branch in Cyprus and strong relationships throughout the Middle East. It was the first bank in Lebanon to issue credit cards.

Itani describes LGB's growth strategy as "conservative yet assertive expansion," enabling it to develop locally and abroad.

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The governor of Lebanon's central bank is being hailed as a hero for his prudent actions, which saved the country's financial sector from the credit crunch.

While many financial institutions elsewhere were suffering or facing bankruptcy, Lebanese banks saw their deposits grow by 12% and their profits by 10% last year.

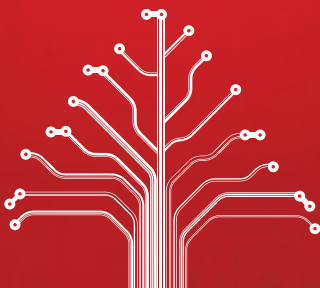
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Continued from previous page

He says LGB has demonstrated this principle with its recent successful closure of a capital increase and its adoption of a cautious lending policy and sound risk management, giving the bank immunity from the world financial crisis.

“In 2008, LGB actually grew above the Lebanon banking sector average and reported a record profits increase of 78%,” he says, adding that it has set an even higher growth target for this year.

LGB aims to be one of the country’s top ten banks within the next three years. “We intend to increase our branch network threefold within five years,” says Itani.

LGB is developing new services to meet the needs of the Lebanese diaspora and to link them with their home country. “There are around 14 million Lebanese living abroad, and their estimated wealth is around \$100 billion,” says Itani. “With such wealth and the reducing trust in foreign banks, many are turning back to Lebanon as a sound financial banking hub. So the inflow of money is actually increasing, not decreasing.”

The bank will initially direct its expan-

sion abroad to Iraq and Syria, and eventually to other countries in the Middle East and Africa. “Our choice of Iraq as a first target market is the result of our strong trade-finance business with that country and its businessmen,” says Itani. “A stable Iraq is a very promising market for us.”

Another of the nation’s banks that has a strong connection with the Gulf states is the Emirates Lebanon Bank (ELB). In October of last year, it acquired the Lebanese branches of Banque Nationale de Paris Intercontinentale (BNPI), which had maintained a presence in Lebanon since 1944. At the time of the acquisition, BNPI was engaged in commercial banking activities through a network of five branches serving 13,500 individual clients and 1,300 corporate ones.

ELB is a fully owned subsidiary of the Bank of Sharjah (BOS), a leading provider of commercial retail and investment banking in the United Arab Emirates.

Varouj Nerguizian, the executive director and general manager of BOS, says one reason for the move into Lebanon was the fact that one-third of the bank’s customers are Lebanese people based in the Gulf states: “We saw an opportunity to acquire the

assets of BNPI in Lebanon, which enable us to serve those customers without having to establish entirely new facilities.”

BOS raised the share capital of the newly branded ELB to \$50 million and injected a cash contribution of \$100 million. “Now we are effectively the best bank to help our Lebanese customers in the UAE,” says Nerguizian.

It took four years to finalize the acquisition, he says: “The first year we agreed on the price but not the strategy. The next year, the death of Prime Minister [Rafik] Hariri delayed matters. But finally, we completed the deal.”

One challenge brought about by the acquisition has been language. “The BNPI was a French institution, and English is spoken in the Gulf,” says Nerguizian. French remains the primary European language in Lebanon, so a special language department is being established to resolve these complications. “We know we’re in an area where we can benefit both customers and ourselves,” he says. “Today, a lot of Lebanese companies are going to the Gulf.”

ELB is now undergoing a transformation of its operations and will be used as a platform for BOS’ future expansion in the



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Levant, where it intends to benefit from exceptionally strong synergies with its Gulf-based clientele. “This year we’re looking to Syria,” says Nerguizian. “There is also pressure on us to go to Kurdistan, where we already have a very active presence.”

The transformation of financial institutions is a delicate task that has to be undertaken with care and precision. BankMed’s consolidation, reorganization and rebranding have taken place over two years. “Historically, BankMed was a cor-

porate bank that would deal with special clients,” says Mohammad Hariri, the chairman and general manager. “Three years ago, we changed this image completely and became a consumer-friendly retail bank, while retaining our well-established corporate sector.”

The bank has added new divisions and departments, relocated existing branches and opened new ones, developed new products, revamped and modernized IT systems and hired top executives.

Bank Med now has a network of

44 branches in Lebanon and one in Cyprus jointly with Turkland Bank in Turkey; SaudiMed, an investment-banking arm in Saudi Arabia; and BankMed (Suisse) in Switzerland.

“We now have 10% of the banking sector’s assets, and we are opening three new branches in Lebanon this year,” says Hariri. What differentiates BankMed from its competitors, he says, “is our strong alliance to our group, and the high-quality service and personalized attention we can offer to our clients.” ❖

In safe hands

“The Lebanese banking sector is liquid and well regulated,” says Riad Salameh, the governor of Banque du Liban, the nation’s central bank. “Our model is conservative and did not allow over-leveraging or the acquisition of toxic assets.”

The government, he says, has laid out a comprehensive plan that encompasses fiscal

reform and privatization: “We are starting to see progress. If the plan is implemented effectively, it will generate more liquidity to the private sector, and consequently more growth.”

Salameh points out that since Lebanon’s creation it has been a free-enterprise society with total freedom for capital movement.

“Of the deposits in our country, 72% are in foreign currency, and the shares in

our stock market are traded in dollars, which eliminates currency risk,” he says. “If you add the undervaluation of assets in Lebanon, you’ll see a multitude of opportunities in services, real estate and other sectors.”

Lebanon’s competitive advantage, he says, is the top quality of its human resources and its geographical location, equidistant from the African, European and

Asian continents.

“Our proximity to the Arab world makes us a great access point and a base for business for this growing market,” he says.

All of these factors are giving rise to the belief that Beirut could reclaim its role as the Middle East’s preeminent banking and finance center, a position it lost as a result of the civil war that raged from 1975 to 1990. ❖



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The will to win

Lebanon is spreading its wings to restore its position as the gambling, leisure and culture capital of the Arab world.



Paul Doyle / Alamy

International festivals of culture are once again being staged in the stunning setting of the Roman Acropolis at Baalbeck. Visitors are flocking to the Casino du Liban, the celebrated gaming house perched between sky, sea and mountains above the resort town of Jounieh.

With Lebanon showing signs of regaining its role as the most popular leisure center in the Arab world, Middle East Airlines, the country's flagship carrier, is buying new aircraft and expanding its routes. More Westerners are gradually returning to a land where you can ski on mountain snow in the morning and swim in the Mediterranean in the afternoon.

"Many European expats who live in the Gulf states visit us, and we have started seeing an influx from Europe as well," says Joost Komen, the acting general manager of the InterContinental Mzaar Lebanon Mountain Resort & Spa, which is situated next to the ski slopes among the peaks of Mount Lebanon.

The revival of the annual Baalbeck Festival – set against some of the finest

remains of the Roman period in the Bekaa Valley, 60 miles northeast of Beirut – is a sure sign of confidence and curiosity regained.

For more than two decades, international symphony orchestras, ballet companies and artists such as Plácido Domingo and Ella Fitzgerald performed before audiences of 4,000 amid the floodlit Temples of Jupiter and Bacchus.

Brought to an end by the civil war and subsequent conflicts, the festival was first restaged in 2008. This year it is scheduled to take place for a month starting on July 3.

The Casino du Liban is an equally famous icon. Distinguished visitors in the golden years of the 1960s and early 1970s included Lyndon Johnson, Omar Sharif and the Shah of Iran. Modeled on the Monte Carlo Casino, the Casino du Liban formerly insisted that men wear jackets and ties, but recently agreed to allow chic sports clothes.

With facilities that include two theaters, a night club, five restaurants and cocktail bars, and three gaming rooms with 60 tables and around 400 slot machines, the estab-

ishment attracts about 3,000 visitors a day.

Dr. Khater Abi Habib, an economist with experience in the financial sector and the chairman of the casino's management board, says that its contract gives the casino a monopoly on all gambling in Lebanon, and in return the government receives a share of the revenue. One of the conditions is that the casino present cultural performances by top entertainers, operas, symphonies and ballet companies.

"In 2006, when we took over from the previous board, gross revenue grew 17% in nine months, in spite of the war during the summer, and was the highest ever by 7%," says Dr. Habib. "Last year we grew 19%, and this year we are hoping to grow 35%."

"Many European expats who live in the Gulf states visit us, and we have started seeing an influx from Europe as well."

*Joost Komen, InterContinental Mzaar
Lebanon Mountain Resort & Spa*

Future plans include enlarging the premises by adding two more gambling areas so that the casino can accommodate 1,200 people.

The Casino du Liban is renowned among the Lebanese for the fact that it managed to remain open for all but the last spell of the civil war. Middle East Airlines (MEA) demonstrated similar resilience during the war between Hezbollah and Israel in 2006, when Israel bombed Beirut International Airport.

Mohamad A. El-Hout, the airline's chairman and director general, recalls that when it was given 24 hours to evacuate its planes, within four days the airline had moved its operations to Larnaca International Airport in Cyprus. A day later, it resumed half of its regular flight schedule, but from Damascus rather than Beirut.

"Operating from Damascus was non-profitable, but it sent a message to our customers that we were a reliable airline in good times and bad times," he says. Despite the disruptions, the airline ended the year with a profit of \$40 million.

"This is the Lebanese mentality," says El-Hout. "Whenever we have a crisis, we are able to cope with the situation. While other airlines have suffered losses, MEA has managed to hold on to impressive growth, with 2008 fiscal profits expected to be around \$70 million."

MEA's corporate message, says El-Hout, is to always preserve the highest standards of safety and security by flying modern aircraft serviced exclusively by Lebanese crews. ❖

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Where real estate is on the up and up

While many parts of the world are suffering a property slump, designers and developers in Lebanon have their heads in the Clouds.

In good times and bad times, through wars and bombardments, the Lebanese have found reassurance in one thing: The value of real estate has never dropped.

While property prices elsewhere in the world may be sinking and project developments stalling, the value of business locations and residential homes in Lebanon remains firm, and project development continues apace.

This is reflected in a \$1.2 billion joint venture signed recently to develop a high-profile, multifaceted high-rise project in downtown Beirut. Called Beirut Gate, it will overlook the Mediterranean and the famous Martyrs' Square, the symbolic heart of the city.

In another prestigious project called Clouds, 17 luxurious residential villas have been built in the heart of Faqra, a plush

upmarket ski resort, situated high up in the mountains 30 miles from the capital.

"I believe the real estate sector in Lebanon will keep its robustness for at least the next five years," says Chahe Yerevanian, the chairman and general manager of Sayfco, a leading property development company responsible for the Beirut Gate and Clouds projects.



"I believe the real estate sector in Lebanon will keep its robustness for at least the next five years."

Chahe Yerevanian, Sayfco

Yerevanian's father created Sayfco in the 1960s. After his father's death in 2000, Yerevanian restructured the company while maintaining its traditional roots. Sayfco has now handled projects worth more than \$1 billion.

Since completing Clouds, the company has launched a 200-unit gated-village development and this year is planning another mountain resort project that will

feature 500 villas, a country club and a boutique hotel.

"It is going to be the project of the decade," says Yerevanian. His vision is to extend the company's range and take it to a corporate governance level.

Another successful family-run contracting company is Matta, which operates in the field of building construction and public works. Ranked as one of the top four consultancies in Lebanon, Matta has just signed a \$9 million contract to construct and maintain a cable factory.

Matta is now active in Dubai and Turkmenistan and has worked on projects in Qatar.

Created in 1944, the company it is now run by Jacques Matta, whose son Fadi is the administrative and financial manager. "For us, the market with the greatest potential is Syria," says Fadi Matta. "It is only 60 miles away and there is so much work to be done there. Jordan also has potential."

Matta's optimistic outlook is shared by Khatib & Alami, an architectural and engineering consultancy ranked among the top 100 international design firms.

Khatib & Alami is active throughout 23 countries across the Middle East and North Africa. To balance its geographic presence and avoid market dependence, it has also established a small company in California for engineering, IT applications and utility solutions for infrastructure services.

However, Dr. Najib Khatib, the director general and partner, who is the son of one of the founding members of the firm, believes Lebanon will become increasingly important for the partnership, along with Saudi Arabia, Kuwait and Qatar.

"The firm has been growing substantially in the last five years and is looking at acquisitions in an active manner," says Dr. Khatib.

Among Lebanon's visual delights are the remnants of its architectural heritage. Greenstone, a division of Johnny R. Saade Holdings, is in the process of returning to its former glory a 100-year-old, six-story building located in the Achrafieh district of the capital.

Johnny Saade, chairman, says the integrated project, scheduled for completion in 2011, has been named L'Armonial to reflect the notions of art and harmony that it will embody. ❖

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Having turned Beirut's seaport into a superefficient container terminal, IPM is spreading its expertise to new shores.

Within nine months of taking control of the Beirut Container Terminal at Lebanon's major seaport, International Port Management (IPM) had recruited and trained a workforce consisting entirely of Lebanese men and women and reduced the number of expatriates working in the terminal to about 15.



That was four years ago. "Now we are the only port in the region that has 100% local employment," says Ammar Kanaan, chairman and general manager of IPM.

Today, the container port handles 1 million units, up from 300,000 three years ago,

and employs more than 600 people who are specialists in port operations. By using subcontractors and service companies, the port has increased the volume of container traffic in Beirut, creating more than 3,000 jobs in the local economy.

"Most members of our staff are below 27 years of age," says Kanaan. "They are young and ambitious and are doing a very good job. They are proud of this terminal and what has been achieved. They have invested in it and seen it grow from nothing, and this has had a direct effect on productivity."

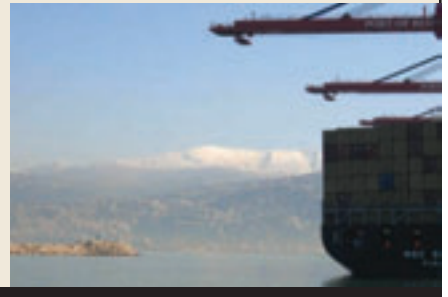
Two of the world's largest container-shipping companies chose Beirut as a transshipment hub for the region, even though it adds a day's journey to the direct route through the Mediterranean from Gibraltar to the Suez Canal.

"If you look at the geographic location of Lebanon, it may not seem to make sense to use Beirut as a transshipment hub because the deviation off the main route will cost ships a minimum of \$100,000," says Kanaan. The reason shipping lines do so, he explains, is because the efficiency of the port management, the facilities and the quality of the workforce more than make up for the cost of the additional sailing time.

To maintain this high standard, IPM invests substantially in its research and development arm, which often works in cooperation with the American University of Beirut on issues ranging from technological proficiencies to maximizing worker output.

"In terms of productivity, we are one of the best container ports in the region," says Kanaan.

The company is now expanding internationally. "We have signed an agreement to undertake a long-term project in Turkey," he says. "We have started work in Lithuania, and we have done subcontracting work in Trinidad, Malta, Ukraine and Kuwait. Currently, we are undertaking a number of ambitious projects [in countries] around the globe, including Argentina."



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A taste of success

Lebanon's wine industry may be small, but it is achieving global recognition.

The wine industry is flourishing in Lebanon. Although Lebanon doesn't produce a lot of wine, international connoisseurs hold the region's best in high regard, and its rarity adds to its appeal.

Annual production amounts to about 5 million bottles, equivalent to the yield of per-



haps one French vineyard. Consistency, however, is a particular quality of Lebanese wine. Most of the vineyards and wineries are situated in the Bekaa Valley, a fertile valley running 75 miles through mountains at an average height of 3,000 feet (914m) above sea level, where, with reassuring regularity, the grapes receive an abundance of sunshine in the summer and rain in the winter.

Today, two of the largest and most successful wineries are Château Ksara and Château Kefraya, both in the Bekaa Valley. Château Ksara is the oldest, dating back to 1857. Under its forward-thinking chairman, Zafer Chaoui, the winery has developed an outstanding international reputation.

"The weather conditions here give our wines an aroma and complexity that do not exist in many places," says Chaoui, adding

that the vineyard has made substantial investments in equipment and human resources.

Château Ksara grows its grapes without the use of pesticides or herbicides and harvests them by hand. The wines are aged in underground limestone galleries, where the temperature is consistently 52 to 55 degrees Fahrenheit (11 to 13 degrees Celsius), providing ideal conditions for bringing them to the peak of perfection.

Château Kefraya began producing wine after Michel de Bustros, the founder, chairman and chief executive, initiated construction of the winery in 1951.

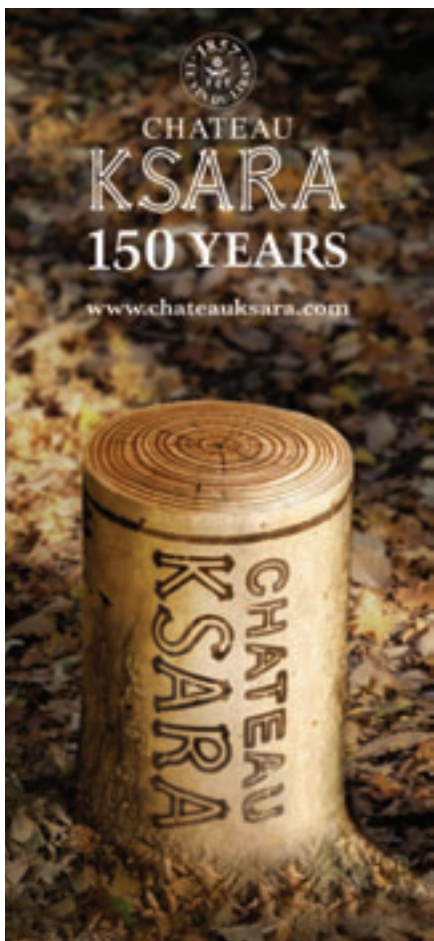
It continued to grow vines and produce wine despite being under siege and bombardment throughout the civil war that occurred between 1975 and 1990. De Bustros had to accompany the wine containers by boat from the south of the country to Beirut, a 24-hour journey, because the roads were impassable.

One of Kefraya's most celebrated blends is Comte de M, 1996, which leading wine critic Robert Parker awarded 91 points out of 100, describing it as an amazing accomplishment.

Today, the Kefraya vineyards stretch across 740 acres, and its wines are sold in more than 35 countries. "Every year new markets are conquered," says de Bustros. "Last year, our wines reached Mexico and Venezuela."

Emile Majdalani, Château Kefraya's commercial director, says: "Allowing the noblest produce of our territory to travel and be known to the world is the most satisfying aspect of our work."

Both Château Ksara and Château Kefraya produce more than 2 million bottles of wine each annually and are seeking to boost sales abroad. ❖



Earning high marks

With 41 universities, innovative programs and high standards, Lebanon has one of the best educational systems in the region.

The Suliman S. Olayan School of Business's move into its new premises this year has brought the high profile of university-level business education in Lebanon into sharp focus.

The American University of Beirut (AUB) separated business studies from arts and sciences to create the Olayan School of Business as its sixth independent faculty in 2003. It was able to do so and to build the new facility as the result of a substantial gift from the family of Suliman S. Olayan, the founder and chairman of the Olayan Group. It is a fitting tribute that the school bears his name.

Olayan, a Saudi billionaire, turned his small trucking company into a diversified, multinational distribution, manufacturing and investment business.

George Najjar, a professor and the dean of the business school, has created three innovative business programs – MM&E (management, marketing and entrepreneurship), FAME (finance, accounting and managerial economics) and BIDS (business information and decision systems). Departments work in clusters to enable the sharing of expertise.

"Within these tracks there is a high level of cooperation," says Najjar. "Currently, we have 52 faculty members, up from just ten

a few years ago, representing a 500% growth."

The business school has also completely revamped its undergraduate curriculum and M.B.A. degree program to bring them up to the highest standards.

The AUB, the most prestigious educational institution in the Arab world, was founded as a private, nondenominational university in 1866. Its current president, Dr. Peter Dorman, a distinguished American professor of Egyptology, is the great-great-grandson of its founder, Daniel Bliss.

The AUB first introduced business education in 1900, and over the next 100 years its graduates included many business and political leaders, such as Lebanon's Prime Minister Fouad Siniora and several of his predecessors.

Bahia Hariri, the minister of education and a sister of the late prime minister, Rafik Hariri, emphasizes the importance attached to schooling in Lebanon and the links between education and the economy.

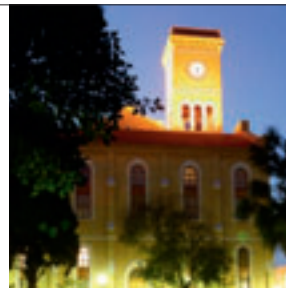
When she was appointed, she held an unprecedented meeting with 15 former education ministers to devise her goals and strategies, which included drafting a new curriculum and launching teacher-training workshops.

With 125,000 students enrolled in its 41 universities and more than 2,100 Lebanese students studying in the U.S., the country can lay claim to having one of the best educational systems in the Middle East. It introduced free primary education in 1960, but about two-thirds of all students attend private schools. ❖



AUB American University of Beirut
الجامعة الأمريكية في بيروت

American University of Beirut
Chartered in NY • Founded in 1866



Suliman S. Olayan School of Business

Established in 1866, the American University of Beirut (AUB) in Beirut, Lebanon is the premier institution of liberal-arts-based higher learning in the Middle East. More than 7,000 students from 60 countries are enrolled in 100 undergraduate, master's, and select PhD programs across six faculties. Nearly one-third of AUB students receive financial assistance. The University, which has an office in New York, is fully accredited by the Commission on Higher Education of the Middle States Association of Colleges and Schools and is registered with the Board of Education in the state of New York.

AUB also boasts a Medical Center that includes a 420 bed hospital and provides comprehensive tertiary/quaternary medical care and referral services for Lebanon and the region.

Many of AUB's 500 full-time faculty are involved in research, regional consultancy, and outreach activities that enhance the academic experience of students on campus—and the quality of life for communities throughout the region.

Although we are located in the Middle East, our more than 40,000 alumni live and work around the world—often in leadership positions in government, business, medicine, and the arts.

For more information, contact us at:
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The Suliman S. Olayan School of Business offers strong BBA and MBA programs to more than 1,400 fulltime students at the American University of Beirut (AUB) in Beirut, Lebanon. The Olayan School also provides rigorous academic and professional EMBA and corporate EMBA programs and a range of executive educational services for a select group of men and women from the Middle East region and beyond.

Its 50 faculty members from 15 nationalities have strong regional and international links with the public and private sectors. With a new state-of-the-art building that is scheduled for completion in spring 2009, AUB is setting the pace for business education in the region—something it has been doing since 1900.



A cut above

Despite the economic downturn, when it comes to business enterprise, optimism, flair and fortitude are the fashion in Lebanon.

As Angelina Jolie glided along the red carpet at the Oscars and Whitney Houston made an appearance at the Grammy Awards this year, both owed more than a little of the impact they made to Lebanese dress designers.

Jolie was wearing a black strapless gown by Elie Saab and Houston a soft aquatic-colored dress by Zuhair Murad. Both of these Lebanon-born designers have taken international haute couture by storm.

Their success is an example of the Lebanese people's irrepressible entrepreneurial spirit and confident optimism, which extends through a range of business sectors, undimmed by either domestic setbacks or the global downturn.



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When asked how he envisions the future, Johnny R. Saade, chairman of Johnny R. Saade Holdings, a disparate group of companies active in wine-making, tourism and real estate, says: "We are

expanding in all fields, here and abroad."

Patchi, a Lebanese chocolate maker, sells its handmade luxury confectionery brand in 35 countries. Its chairman and founder, Nizar Choucair, is equally bullish about the future. "We are opening very soon in Azerbaijan and negotiating with South Africa," he says.

Raymond Abou Adal, the chairman of Holdal, a company with 60 years of experience in distributing hundreds of high-quality international brands, says Lebanon's strength lies in the mentality of its people: "They have a willingness to live. Each day for them is a marvelous day. We are not a depressed people. We are really optimistic." ♦

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