



Ras Al Khaimah

"An oasis for business & pleasure"

welcomes the

Sean Golightly International Property Estates





Preamble

With this presentation we hope to

- give you a quick tour of Ras Al Khaimah
- present the status of its economy
- detail the key projects being undertaken
- and highlight the benefits that investors can expect

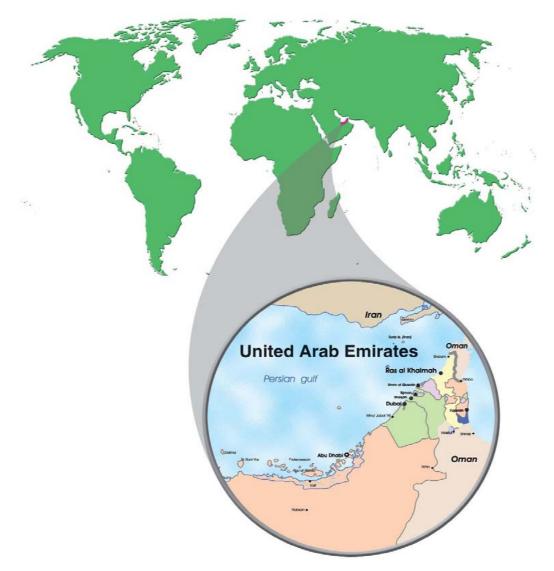




A Quick Tour of Ras Al Khaimah







"Middle East" is strategically the ideal location for global operations, midway between the largest markets of Asia and the business centers of the EU







RAK is one of the 7 emirates that comprise UAE









Ras Al Khaimah- Key Statistics

• Area: 3000 km²

Coast Line: 64 km

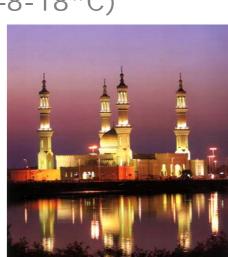
• Population: 195,000

Climate: Hot summers (Apr-Sept -40- 45*C)
 Mild winters (Oct-March -8-18*C)

Languages: Arabic and English

• Currency: Dirham (3.671 is 1U.S \$)

Crime rate: Close to zero









Dubai to RAK by the Emirates Highway is 45mins





RAK International Airport

- RAK international airport was established in 1976 and upgraded recently
- It has ISO 9001:2000 and 14001:1996 certification, maintains ICAO standards
- Accommodates large aircrafts from Gulf Air, Indian Airlines, Egypt Air and many chartered flight operators, 24 hrs a day







RAK International Airport

- Aeroports De Paris has been contracted for further development and standardizing of the airport facilities
- Helicopter charters, business jet charters, maintenance facilities, will soon be available from this airport

• It's cargo facilities are being used by Emirates Airlines







Ruler of Ras Al Khaimah HH Sheikh Saqr Bin Mohammed Al Qasimi

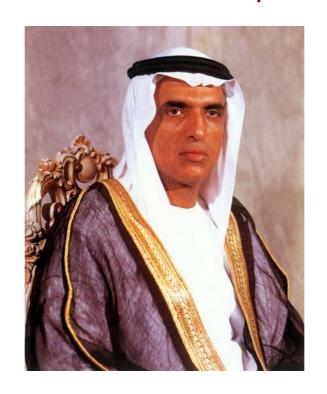


Has ruled RAK since 1948.
The longest serving ruler in the world





The Crown Prince and Deputy Ruler HH Sheikh Saud Bin Saqr Al Qasimi



- "I believe the economy of RAK is on a verge of a tipping point after which we will see exponential change and growth that will be unstoppable" – at the Global Investor Conference, RAK, May 2005
- RAK has seen dramatic changes under him from June 2003





Legal & Social Scenario

- RAK has an independent judicial system which follows the federal UAE law largely
 - Inspired by the European & French Civil Law
 - Sharia courts deal with family & religious issues
 - The first Emirate to allow expatriates to buy land in their name in select areas
- A liberal social outlook with no dress codes for expatriates and little restriction on entertainment and lifestyle.
- A large expatriate population comprising talent from Philipines, India, Bangladesh, Pakistan and Europe







Educational Institutions

- RAK has a mix of private and public schools. It has a ratio of 12 students to a teacher.
- Curriculum followed includes Indian, UK and US based systems. The International Baccalaureate is shortly being introduced.
- Teachers are mostly highly qualified expatriates from Australia, UK and India
- There is a Higher College of Technology for women and for men separately along with the Ithihaad Universitiy and an Indian Engineering College of repute -BITS, Pilani.
- Standard Chartered Bank runs a course in Banking for UAE nationals at RAK







Educational Institutions

 Under Sheikh Saud's initiative, a 200 acre international campus has been created in partnership with George Mason University, USA to provide world class university education at RAK. It offers nursing, pharmacy, business studies and IT

•A joint venture with a Swiss Firm Centre Suisse D'Electronique et de Microtechnique SA(CSEM) to establish an innovation centre in RAK. Nano-technology, micro electronics, systems engineering and ICT will be areas of focus.





Medical Facilities

- Has 4 hospitals and 17 clinics run by the Government
 The Saqr Hospital has 5 operating rooms
 The Obeida Hospital has a Cardiac Care unit and an ICU
- •A Dhs 700 million cardiac specialty hospital is being built under the initiative of HH Sheikh Saud
- Helicopter services are provided for specialized emergency requirement
- •1 private hospital and numerous private clinics supplement the government facilities
- •A Medical City with specialized hospitals and a medical college is planned







Basic Amenities - Water

- The Federal authority (FEWA) supplies desalinated water to RAK
- Currently produces 6032mln gallons per annum
- To meet the future demands of this fast growing emirate
 - A Dh 200 million facility to produce 11million gallons of water was commissioned in July this year
 - 25 million gallons /day from Fujairah is being diverted







Basic Amenities- Water

- A power plant and a desalination unit to produce another 10 million tonnes is to be commissioned by Al Hamra Real Estate & RAK Ceramics next year
- The desalinated water output would be more than doubled from the current 22 million gallons daily to 52 million gallons within 2 years
- The pipe network is also being expanded to all parts of the Emirate







Basic Amenities-Sewerage Treatment

- In 2003 Sheikh Saud initiated the set up of a separate entity to manage the sewerage and water recycling system
- Dhs 300 million has been invested to enhance the capacity three times over.
- An additional 450 kms of lines are being added to cover the Emirate







Environment Protection-Water Conservation

- Dams like the Sheikh Zayed Dam in Wadi Bih have been constructed to store rain water. Drip irrigation is used for agriculture
- Electro-osmosis irrigation and soil moisture retention additives are used to preserve water
- Bio-saline agriculture is being used in RAK.Paspallum grass, which uses saline water is used in golf courses to save on desalinated water, pesticides, and fertiliser







Telecommunications

- Etisalat the federal entity, provides telephone and internet connectivity. It has satellite links to more than 238 countries
- Recently an e-government initiative was launched by the Crown Prince to enable quicker decision making within the government and to help integrate the Emirate with other networked nations
 - •The Electronic Government
 Authority is installing a
 Geographic Information
 System(GIS) to integrate geospatial and related data and link
 it through the Government
 Internet network (RGIN). Land
 records, infrastructure planning
 and delivery of utility projects
 will be executed with greater
 speed and clarity







Power and Fuel

- Electricity is available through the federal authority
- To meet the needs of a growing industrial base, a power plant with a capacity of 130 Megawatts is being set up in the private sector and FEWA is expected to double the capacity to 843 Megawatts in 2008 trebling the installed power available to RAK







Power and Fuel

- RAK Gas supplies gas from the federal authority (Dolphin) and to enhance supply has signed up with Novus Oman. Gas pipelines networks are now installed and will improve the viability of the industrial base. Investments that are fuel sensitive are migrating to RAK
- Diesel is available in plenty for industrial and retail use and is economical compared to non GCC countries

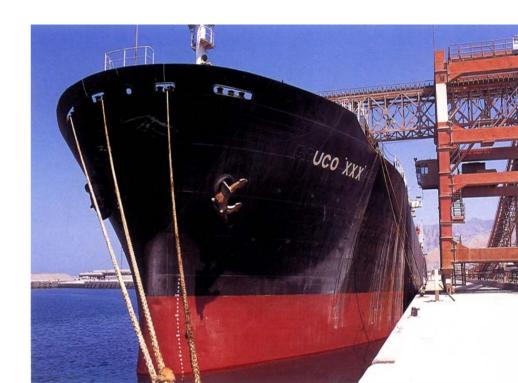






Port Facilities

- Three main ports
 - Mina Saqr-depth of 12.2 mts and accomodates containers
 - Al Jazeera- new port and has a depth of 6.2mtrs
 - RAK Port- fishing vessels
- •The Govt has given a BOT to KGL for the Mina Saqr port. It is investing US\$50mln in a state of the art IT port automation system. Throughput will reach 300,000 TEU by 2010.
- •Capacity of these ports will be trebled to 30 mln tonnes per annum in the next few years







- The Golf Club
 - 18 hole international golf courses at TLGC and another at Al Hamra by 2007. Three more planned
- The Aviation Club
 - Member of the USA Aviation Authority
 - Hangars ,700mtrs runways, wind brakes and club
 - Light aircrafts like Skywalker, Aerobracket-1/20, 1/22
- The Shooting Club
 - Rifle field,revolver field,clay pigeon filed, bow and Arrow trap,Olympic trap etc
 - Variety of guns for sports and conducts championships









- The Water Skiing Club, Centre for Diving and Water Sports
 - 64 kms of coastline
 - Calm seas
 - Jet skiis and facilities
 - Dolphins spotted close to the northern tip
- Sailing Society
 - Has a private beach at Al Marrid
 - Marinas coming up in new real estate projects
- Amateurs Fishing Society
 - Traditional occupation in RAK
- Dhow trips
 - To Mussandam along the coast







- Mountain climbing
 - Mountains which are 1900 mts above sea level
 - Operators arranging trekking, hiking, climbing
- Desert 4 wheel drives
 - Deserts with sand dunes, dune –bashing
 - Wadis next to mountains offer scenic drives
- Bowling and Snooker
 - many establishments with state of the art facilities
- Football grounds
 - Very popular venue for club football in winter







- Camel racing
 - From mid –September to end-April
 - Oval racing tracks
 - Huge prizes and therefore popular
 - Rearing of racing camels, a vocation for many
- Heritage sites
 - National Museum or the RAK Fort
 - Dhayah Fort, Falayah Tower, Shebas Palace, Stone houses of Shamal, the tombs
 - Julphar, the deserted village of Jazirul Hamra
 - The lost mountain villages









Shopping Facilities

- Manar Mall set up by HH Sheikh Saud in 2000, has over 120 outlets including Carrefour, Pierre Cardin, The Body Shop, Giordano, Hush Puppies, Star Bucks, Paris Gallery and a food court for 600 with a 5 theatre cineplex
 - Leading retailers like the Landmark Group, Choitrams, Lulu's and franchisees like KFC, McDonalds have outlets in RAK
 - •Souks or traditional markets sell handicrafts and articles endemic to the region







Entertainment Facilities

- Restaurants and Night life
 - Al Hamra Fort Hotel- 5star
 - Bin Majid Beach Hotel & Resort-4star
 - Hilton Hotel and Beach Resort- 5star
 - RAK Hotel-3 star
- Most of the hotels have entertainment facilities with pubs and discotheques and arrange tours through operators









The Economy of the Emirate





An overview

GDP as on 2003: AED 6.96 billion

• Growth over 2002: 4.4%

Per capita GDP: US\$9730

Exports grew to: 5.02 billion dhs

• Growth rate: 19.5%

• Imports grew to: 1.172 billion dhs

• Growth rate: 12.2%





Key sectors in the economy

Mining , Quarrying : 18%

• Trade : 14%

• Agriculture : 11%

• Real estate : 10%

• Construction : 9%

• Transport&Comm: 9%

Manufacturing : 8%





Trends

- Economy is not based on oil but on mining of minerals like limestone, iron,copper, chromium
- Manufacturing, Construction, Hotels, Insurance and Financial Institutions have grown dramatically reflecting a clear change in policy towards developing the tourism and manufacturing industries
- Trade, agriculture and real estate are slowing down as the economy diversifies into the high value builders of industrialization and tourism
- On the agenda is an attempt to double the per capita GDP which is half of the UAE





Highlights

- A clear shift to manufacturing evidenced by a 6.3 % growth and the highest industrial investment in the UAE at AED 3.5 bln is explained by the growth of
 - Cement companies
 - RAK Ceramics
 - Julphar Pharmaceuticals





Cement Sector

- Employs3000 workers with an Investment level of AED 1.8 billion accounts for 50% of the cement and clinker production in UAE
- In 2004 profits went up 300% due to the construction boom
- The Gulf Cement Company a listed company in the stock exchange with an output of 400tonnes/day capacity is planning a capacity expansion with an investment of US\$86 million
- Union Cement Company with a capacity of 1.3 million tonnes per year is investing AED 500 million with China Building Material Equipment to double its capacity to 4.5 mln tonnes





RAK Ceramics

- Commencing production in 91 with 1.5 million sq mts per annum, it makes 64mln sq mts per annum from RAK and 100 million sq mts globally- the largest in the world!
- In addition we sell 3.3 million pieces of sanitary ware.
 Higher than the entire production of Australia
- WE reported a net profit of AED 131 mln last December with assets swelling to AED1.8 billion. Turnover reaching US\$ 350 million
- We are implementing 2 new factories in RAK adding another 75,000 sq mts/day. Globally we are enhancing capacities by 55,000 sq mts with operations in Sudan, Iran, India, Bangladesh and China





Julphar Pharmaceuticals

- Is the second largest producer of pharmaceuticals in the GCC region and exports to 40 countries with plants in germany and Ecuador
- Turnover at Dhs 443 million at a profit of Dhs 56.5 mln and a market capitalization in the stock exchange at Dhs 1.26 bln
- Compliance with US Federal Drug Administration practices should open this high value market
- With product patents, under license manufacturing is expected to drive production at Julphar
- With the WTO protocols lifting restrictions from Indian import of certain materials profitability is expected to increase further





Industrial Sector-New Investments

- The robust growth of the industrial sector in RAK has attracted new investors and a spate of new ventures under the leadership of HH Sheikh Saud have been undertaken
- These include
 - ARC International
 - Laticrete
 - Falcon Technologies





ARC International

- One of the most well known names in table ware with a turnover of 125 billion Euros and employing 17000 people world wide
- Set up the regional base for its International Division with a capital expenditure of US\$53 million in facilities and plans to increase it to US\$100million by 2007
- Produces Luminarc and Arcoroc brands with a head count of 900 people





Falcon Technologies International

- Total investment of US\$75 mln
- 275 employees in the first phase
- Manufacturing of DVD's for the European and North American markets





Real Estate and Construction

- Contributed 18.7% to the GDP in 2003
- Accounts for 15.7% of the work force
- 40% of the capital formation has been in this sector
- Freehold properties attract expatriate investments in this sector
- 64 kms of beach front also brings in hospitality investments like the "Cove" project which is on 50 acres of beach front land and offers 134 Nubian styled villas
- A 1 billion IPO for RAK Properties was over subscribed
 57 times indicating the investor intent in this sector





Al Hamra Village

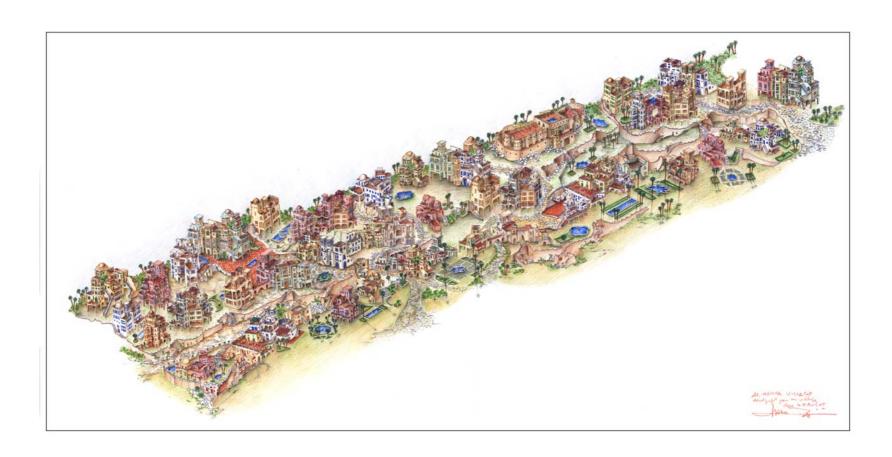


- •1 billion AED project
- •18 hole Golf Course
- A Marina
- Retail Complex
- •800 Villas
- •500 Apartments
- •Phase I -Dec 2005
- Phase 2-Sept 2006
- Phase 3-Planning





Al Hamra-Phase III



Arabesque village with beach access. Each unit a unique design





Khatt Hotel & Spa

- Khatt Springs Hotel & Spa, is a 5 star property and will be operational by October/November 2005.
- Built on a natural hot water spring which has medicinal properties, it has a spa which features this spring, twelve fully equipped treatment rooms, Sauna & Steam bath, Beauty treatments, massages and traditional oriental treatment.







Al Hamra Fort Hotel

 With the town houses the Al Hamra Fort Hotel complex will be having four hundred eighty two (482) rooms. The highlight here is that the private beachfront of both properties will be 2.5 kms.







Al Hamra Palace Hotel

- 7*and the Burj Al Arab of RAK
- Is scheduled to open in 2007.
- It is a luxury hotel & beach resort as well as a conference centre.
- Following the designs of traditional Arabian Palaces.
- Consisting of 400 rooms (min. 72 sqm.) and will have
 37 luxury suites
- Featuring large terraces overlooking the sea or the golf course





RAK Investment Authority

- Set up by a decree of the Ruler to implement the vision of HH Sheikh Saud The Crown Prince & Deputy Ruler
- Headed by Dr Khater Massaad Advisor to HH
- To catalyze the economic development of the Emirate by attracting investments in manufacturing and tourism sectors, enable profitable operations and facilitate growth of these business.
- Provide a facilitating environment for investors without beaureaucratic delays





RAK Investment Authority

- The authority also operates a Free Zone with 2.1 mln sq ft of land allocated to it and an Industrial Zone with 1.4 mln sq ft of land
- Within 3months of starting, nearly 90% of the land has been taken up by investors who range from Duscholux to steel manufacturer Zamil to the auto major, MAN UK
- The Industrial Zone has been sold out completely to the GCC investors
- Additional land is now being allocated to accommodate new investors





RAK Investment Authority-Tourism Office

- Promote hospitality investments within the master plans of key tourism projects
- Market specific real estate opportunities in multiple use projects, educational sector, medical sector and media sector
- Promote tourism inflows into the Emirate through a well orchestrated promotional strategy
 - Preservation of heritage sites
 - Events and activities
 - Promotion through media
 - Tourism help facilities
 - Beautification of the Emirate
 - Enhancing the infra-structure





Tourism Initiatives

- Heritage Conservation
 - Preservation of heritage sites done in a strategic fashion
- Events and Media Visibility
 - Events like the RAKKAR organized to highlight attractions of RAK
 - Events planned around features in RAK to enhance tourist interest and experience







Projects for the future





The master plan for RAK has been assigned to Halcrow, a global master planning firm The presentation follows...





- 1. National Park: RAK Mountains
- 2. Al Jais Mountain Resort
- 3. Mangrove Island
- 4. Al Noor City & Peninsula Regeneration
- 5. Ras Al Khaimah Gateway
- 6. Port Arabia
- 7. Al Marjan Island



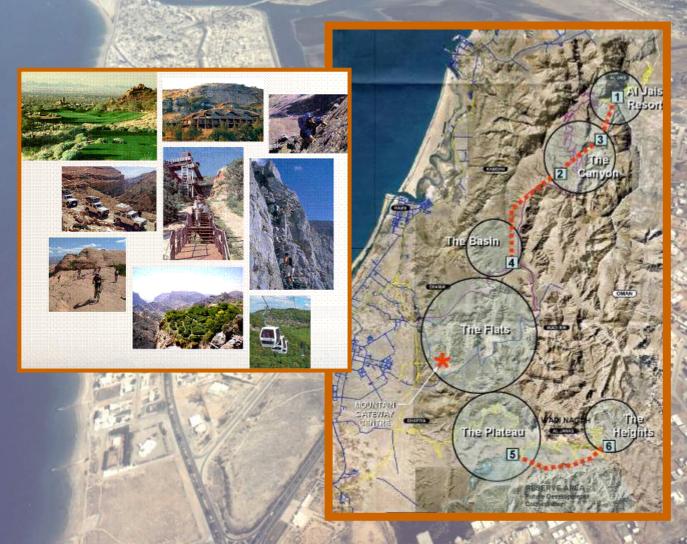


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National Park RAK Mountains



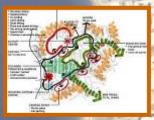
- Location
 Eastern side of RAK,
 Northern section of Hajar
 Mountains.
- Strategic Objectives
 - Secure the preservation and enhancement of the natural beauty of the mountains
- Encourage the provision of facilities for public enjoyment of the mountains and opportunities for openair recreation and nature study.
- Allow resort development in a number of reasonably flat areas with suitable access.
 - Allow housing development in a number of reasonably flat areas with suitable access and close to existing developed areas in Ras Al-Khaimah city.



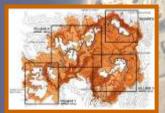
National Park RAK Mountains



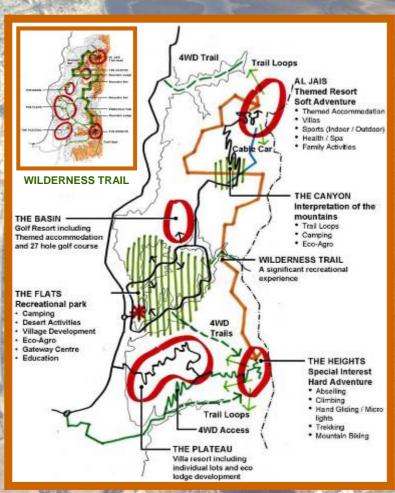
THE BASIN



THE FLATS



THE PLATEAU





AL JAIS



THE CANYON



THE HEIGHTS

Key Features

The Flats:

2 wadis separated by mountain ridge

The Basin

Large site for resort

The Canyon

Camping and nature view points

Al Jais

Planned theme resort

The Plateau

Villa developments

The Heights

Mountain climbing

Current Status

Strategic Planning complete

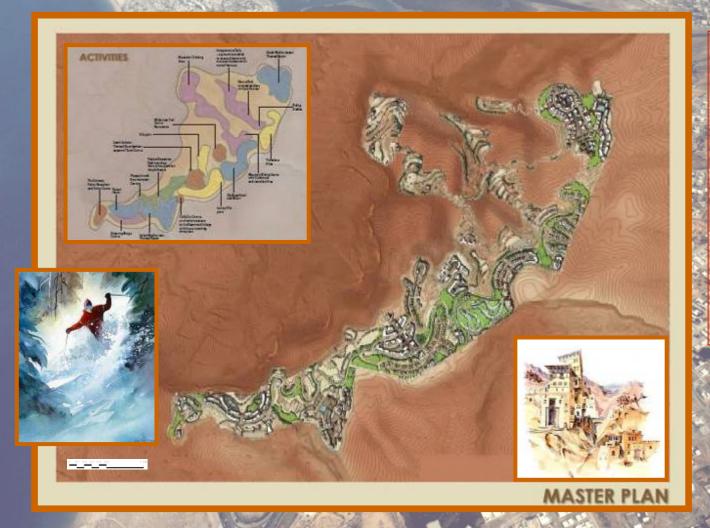


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Al Jais Mountain Resort



- LocationRas Al Khaimah
- Development Area
 422 ha (45,423,702 ft2)
- Key Features
 Mountain resort
 Artificial snow for ski resort activities
 Natural park & retreats
- Current Status
 Concept Plan sketch
 complete
 Preliminary Land Use
 complete



Al Jais Mountain Resort

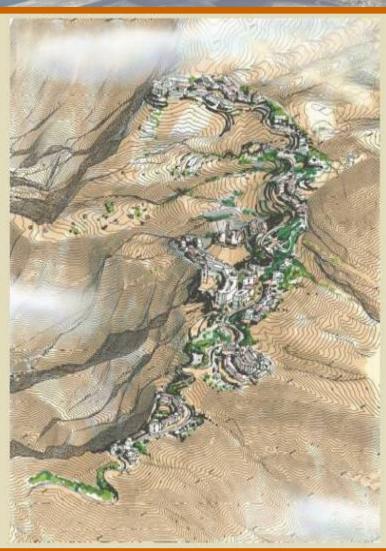




















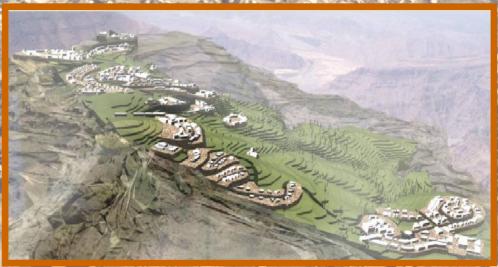




Al Jais Mountain Resort









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Mangrove Island



- Location
 - Heart of RAK City creek between existing Mangrove plantations, Manar Mall & RAK City Bridge
- Development Area
 80 ha (8,611,128 ft²)
- Key Features5 islands for development
 - in Phases
 - **Harbour Village**
 - Hajar Terraces
 - Khor Marina Village
- Pearl Island Resort
- Eco-tourism park
- Current Status
 Initial Concept planning prepared.



Mangrove Island





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Noor City & Peninsula Regeneration









- Location
 Coastal area west of RAK
 City
- Development Area400 ha (43,055,640 ft2)
- Key Features
 Old City 'Newtown Centre'
 East Island
 Noor Lagoon East Island
 Noor Lagoon West Island
 West residential islands
 Half Moon Bay
- Current Status

 Initial Concept Plan
 prepared.
 Master Planning &
 Engineering yet to commence

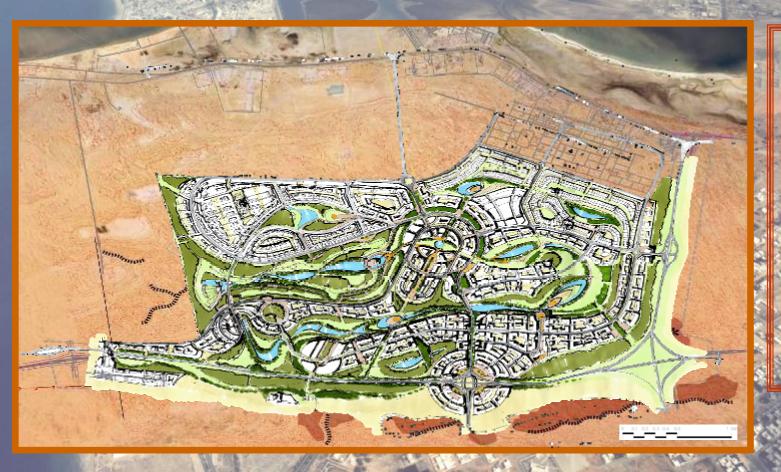


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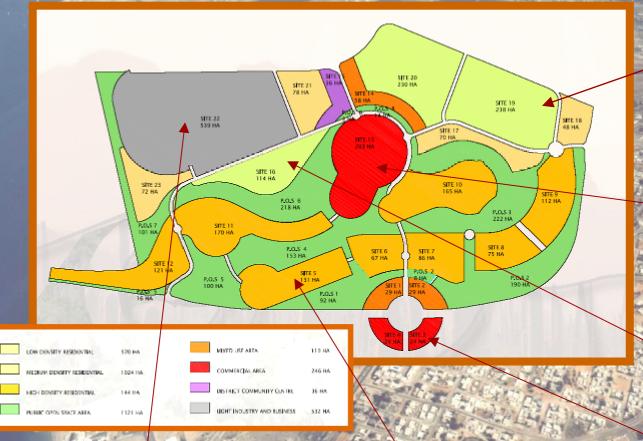
Ras Al Khaimah Gateway



- Location
 Entrance to Ras Al
 Khaimah, near Khor
 Qurm
- Development Area
 3,900 ha
 (419,792,500 Ft2)
- Key FeaturesDramatic gatewayto Ras Al Khaimah
- Desert oasis
- Luxury housing
- Business parks
- Leisure facilities
- Current Status
 Master Planning
 underway



Ras Al Khaimah Gateway





RESIDENTIAL 'THE DUNES'



COMMERCIAL HUB



GOLF VILLAS



RESIDENTIAL 'THE RIDGES'





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Port Arabia



- LocationEast of Hamra Port
- Development Area 368 ha (39,611,190 ft2)
- Key Features
- Marinas
- Lagoon
- Cruise terminal
- **Luxury residential**
- Sports & leisure
- facilities
- Resort hotel & vacation residential
- Current Status
 Phase 1 under construction.
 Phase 2 Master
 Planning underway













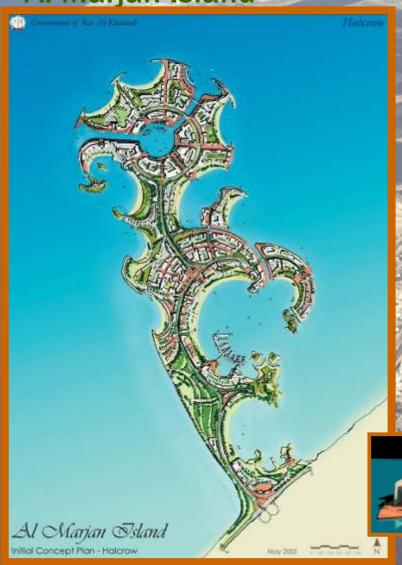
Major Developments

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Al Marjan Island





- Location
 - 3 kms offshore of Al Marjan, Ras Al Khaimah
- Development Area
 160 ha (17,222,260 ft2)
- Key Features
 Holiday resort, commercial
 & recreational areas,
 apartments
- Accessed via causeway
 Beaches, central lagoon,
 marina
- Current Status
 Master Plan underway







Reasons to Invest Manufacturing Opportunities





The RAK Ceramics Experience

- The customer is always the best reference for a business and I speak as a "customer" of RAK for 14 years
- In 14 years of its operations in RAK, RAK Ceramics has
 - Delivered 48% return on investments
 - Investments have grown 236 times
- European, Asian and regional banks offered us US\$ 212 million in syndicated loans when the debt: equity ratio planned was much less
- Our expansion and growth to become the largest player in ceramics was mentioned earlier
- Let me now explain the role our location has played in this success





The RAK Factor

- Globalization of markets has meant out sourcing and rationalizing freight costs
 - While emerging high volume consumption markets are in the East and production centers are often in the west
 - The "middle east" is therefore the ideal location
 - Presence of sea ports and trade routes adds to the appeal
 - RAK with its two ports (Mina Saqr and Al Jazira) and proximity to Jebel Ali is at an advantage





The RAK Factor

- More than just a storage and freight location, RAK also offers advantages as a manufacturing hub
- With the revenues in manufacturing being driven by the price-sensitive large- volume lower income markets, cost efficiencies are a sine qua non for success
- RAK offers the following avenues for a better value chain:
 - Project completion in 14 months vs construction time of 14mths in other markets
 - Factory based project costs are 25% less due to absence of levies, delays and red tape
 - Energy costs are lower –5.4 cents/kwh vs 7 cents in China
 - Salary costs are lower given that recruitment is from various nationalities and without quotas





The RAK Factor

- The lower cost of living index and absence of income tax and remittance slabs in RAK makes for lower CTC's as against other locations. A minimum of 30% savings.
- Processes like ceramics, require the kiln to be working 24*7*365 a year and the absence of labour disputes and disruptions has ensured shut down free operations all these years. Productivity levels are therefore higher vs other low cost locations
- Absence of red tape and administrative requirements have resulted in leaner and flatter structures with managerial resources focused on quality control





The RAK Leadership Factor

- Last but not the least is a leadership that has been hands on in developing businesses like RAK Ceramics and Julphar. It is HH Sheikh Saud's understanding and commitment to developing the Emirate that is the USP for RAK as a manufacturing location.
- A man of action, HH Sheikh Saud has announced the setting up of a AED 1 Billion Dirham Technology and Industrial Development Fund to be used by the RAK Investment Authority for funding viable projects which need the Government as a strategic partner.





Reasons to Invest Tourism Opportunities





Middle East is the fastest growing tourism region; UAE leads in hotel business growth

		Touri	st Arrivals			
	M	Millions		% Change		
	2002	2003 ¹	2002/03	1996/03		
World	702.6	692.4	-1.3%	16.1%		
Africa	29.0	30.0	3.4	37.5		
Americas	115.0	112.0	-2.6	-4.2		
East Asia/Pacific	131.0	119.0	-9.2	27.3		
Europe	400.0	401.0	0.2	14.5		
Misolice: World Tourism	Organisation, Middle E	ast Hotel Markets – Outlo	ook, Trends and Opportunities 20	04 115.8		

- UAE hotels received almost 6 million tourists in 2003
- UAE hotels had 14.2 million guest nights in 2003
 - grew by 15% from over 12.4 million guest nights in 2002

Source: Hotelier Middle East, UAE Ministry of Planning data, 2004





Middle East tourism growth is expected to be strong; UAE stronger

	1995	2010	2020	Growth (% per annum)			
International Tourist Arrivals Projections (million)				1995-10	2010-20	1995-20	
Europe	338.4	527.3	717.0	3.0%	3.1%	3.0%	
Middle East	12.4	35.9	68.5	7.3%	6.7%	7.1%	
Africa	20.2	47.0	77.3	5.8%	5.1%	5.5%	
Americas	108.9	190.4	282.3	3.8%	4.0%	3.9%	
Asia Pacific	81.4	195.2	397.2	6.0%	7.4%	6.5%	
South Asia	4.2	10.6	18.8	6.4%	5.9%	6.2%	
World	565.5	1,006.4	1,561.1	3.9%	4.5%	4.1%	
Source: WTO, ERA, PricewaterhouseCoopers							

- By 2010, UAE hotel guests may rise to 15 to 18 million per annum
 - 36 to 43 million guest nights
 - CAGR of 14%-17%
 - 2.5 to 3.0 times the present volumes



Ras Al Khaimah (RAK) among fastest growing tourism destinations in UAE

RAS AI Khaimah hotel trends	1999	,	2003	Total Growth (1999-03)	Growth per annum (1999-03)
Hotels	4		6	50%	11%
Rooms	365		749	105%	20%
Guests (000)	36		105	192%	31%
Guest Nights (000)	76		261	243%	36%

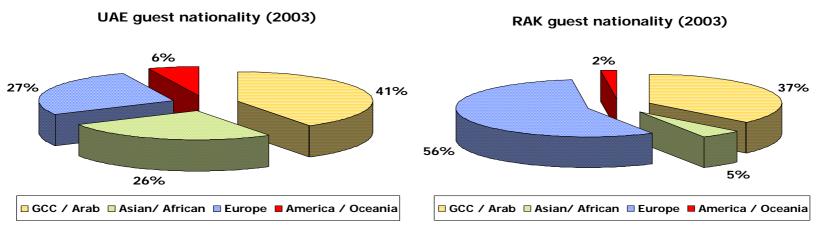
Source: Statistical Yearbook; Government of Ras Al Khaimah, 2004

- In last four years in Ras Al Khaimah
 - Rooms grew double; Guests grew three times; and Guest nights grew by over 3.5 times
- Natural scenic beaches, mountains, better climatic conditions driving the growth





RAK hotel guest profile is distinct and robust; driven by the natural beauty of the Emirate



Source: Hotelier Middle East, Statistical Yearbook of Ras Al Khaimah (2004)

- RAK Hotels geared to address needs of diverse guests (e.g. European Asians etc.)
- The existing supply of rooms is limited
- Difficult to get rooms. High (over 90%) occupancy in existing deluxe resorts





Global Trends & RAK

- The beach was the most preferred leisure trip spot for 48% of the respondents and having a beach party the favourite pastime. The Yahoo & National Geographic Traveler Survey
 - RAK has 64 kms of beaches and most of the 25 leisure hotels proposed have at least 500 mts of beach front.
- There is an increasing trend to group travel and with the RAK airport attracting chartered flight operators this is expected to favor hospitality investors





Natural scenic beauty of RAK beaches is unmatched; potential yet to be exploited









Existing Al Hamra Hotel and Beach Resort





RAK's Strong Tourist Value Proposition

Top of the Emirates...

- Nature oasis, authentic, different
- · Tourist master plan

Less than 1 hour north of Dubai...

- Well accessible, yet protected
- Close to Leverage access point (airline network, etc)
- Close to Leverage known destinations

Best of both worlds...

- Nature, quietness (few sky scrapers, extensive beaches)
- Plus: Dubai action & infrastructure (close enough, and far enough)

Many RAK Attractions...

- Existing: mountain excursions (established destination), desert safaris and heritage sites, golf, Khatt hot water springs, flying school
- Access to Musandam, Western Oman





RAK hotel supply needs substantial augmentation to address growing tourist demand



Source: Maxmaker (Europe) analysis of tourism in RAK





Conclusion

- There is a time and tide in the affairs of men which if taken leads onto greater fortune and success
 - William Shakespeare
- The <u>place</u> is RAK and the <u>time</u> is now since it is the first mover in the bull run that gets the highest returns