Mr. Esam Janahi, CEO and Board Member of GFH, invited to participate in BusinessWeek's 10th Annual CEO Forum in China

- *Mr. Janahi leads the panel discussion titled: "What is Core to a Business? Rethinking and Creating Unique Competitive Advantage"*
- *GFH showcases the role of Islamic Banking in the economic development of the countries*
- *Elaborates on the growth and the immense potential of the MENA region, particularly the GCC countries*

Beijing, China / Manama, Bahrain, 5 November 2006: Mr. Esam Janahi, Chief Executive Officer and Board Member of Gulf Finance House (GFH) and Chairman of Gulf Energy, was one of the key speakers invited to share his views with the Asian market during BusinessWeek's 10th Annual CEO Forum in China.

Leading the panel discussion on *"What is Core to a Business? Rethinking and Creating Unique Competitive Advantage"*, Mr. Janahi addressed key issues that form the core of a business' value propositions and highlighted the differentiating factors that enable businesses to sustain competitive advantage.

BusinessWeek's CEO Forum is one of the most eminent events with participation from world-leading CEOs. At its 10th year, The CEO Forum is BusinessWeek's flagship event in Asia. It was co-hosted this year by the State Council Information Office.

The panel discussion was moderated by Mr. Christopher Power, Assistant Managing Editor, International BusinessWeek, United States and apart from Mr. Esam Janahi, the panel also included such business leaders like Michael Cannon, President and CEO, Solectron Corporation, United States; Cynthia Caroll, President and CEO, Alcan Primary Metal Group, Canada and Joe Eazor, President, Asia, EDS, People's Republic of China.

Commenting on the challenges that businesses face, Mr. Janahi stressed on the importance of value chain activation methodology and the absolute need to establish benchmarks, while looking outward and examining different business models with the strategic aim of achieving better results.

"Businesses stand to benefit from intelligent outsourcing and leverage on the huge wage gap between industrialized nations and developing nations, without compromising on efficiency, quality or productivity," he said.

"In fact the need of the hour is to 'complement' and not 'compete' and build on successful partnerships that can enhance and provide value addition to your business model," he emphasized.

Focusing on GFH, Mr. Janahi said: "Ever since its inception seven years ago, GFH has expanded its reach across the Middle East and North Africa countries. The next step in our investment strategy will be to make our presence felt in key Asian markets. With Energy City India, a US$ 2 billion project, GFH is catalyzing its investment interest in the Asian markets."

Mr. Janahi further said that Islamic banking is on a rapid growth curve across the world; this type of financial intermediation is the preferred form across various economic sectors. Islamic banking operations now exist in about 100 countries across the world with an estimated asset of US$ 300 billion. It is growing at a pace of over 15 per cent a year and this growth rate is trusted to continue.

Elaborating on whether Islamic banks can become major international players in the global financial markets, Mr. Janahi said, "Islamic Banking has increasingly integrated with the global economy. It is forecast that by 2010, the formal Islamic banking industry will be to the tune of half a trillion dollars. Islamic banking is a prudent banking alternative and it has a great role to play in economic development as the concept rests on welfare rather than the case of other interest-centric banking activities. In the light of the growing attraction to Islamic banking, many multinational banks now have separate Islamic windows of operations and they offer a number of Islamic investment opportunities."

Mr. Janahi also depicted the MENA region, particularly the Gulf Cooperation Council countries, which are undergoing a challenging phase. Furthermore, he showcased GFH's key projects namely, the US$ 1.3 billion Royal Metropolis in Jordan, the US$ 3.8 billion Legends in Dubai, the US$ 1.4 billion Gateway to Morocco in the Kingdom of Morocco and the US$ 2.6 billion Energy City Qatar. Moreover, he spoke about GFH as significant partners in a US$ 8 billion project in Saudi Arabia – the Prince Abdul Aziz Bin Mousaed Economic City, GFH’s entry into the Arab Republic of Egypt to invest in the country’s transportation infrastructure and the recently launched US$ 2 billion project Energy City India.

"There are a number of projects and investment opportunities that are present and emerging, but we believe that to succeed, we need to be innovative and revolutionary in our concepts. So far we have been very successful with the projects that we have chosen to undertake. We believe that by creating these developments, we are simultaneously contributing to the growth of the region and the ongoing economic diversification, particularly the GCC," he further added.

The Key Note Speakers included Her Excellency Ma Xiuhong, Vice-Minister, Ministry of Commerce, People's Republic of China; His Excellency Jiang Dingzhi, Vice-Chairman, China Banking Regulatory Commission, People's Republic of China; The Honorable Paul Volcker, Former Chairman of the Board of Governors of the Federal Reserve System of the United States and Chairman, Independent Inquiry Committee into the United Nations Oil-for-food programme; The Honorable Dr. Surin Pitsuwan, Former Minister of Foreign Affairs, Royal Thai Government and Member, International Advisory Board, Council on Foreign Relations; and His Excellency Amr Abdullah Al-Dabbagh, Governor and Chairman of the Board, Saudi Arabian General Investment Authority, Saudi Arabia.

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