



NEWSLETTER September 2009

Dubai: Current economic situation

Country	GDP 2008	GDP 2009	GDP 2010
Qatar	13,4	10,7	23,8
Bahrain	5,7	2,4	3,1
Oman	6,4	1,9	3,9
Kuwait	8,5	-0,7	4,4
Saudi Arabia	4,2	-1,0	3,3
UAE	7,4	-1,6	4,3

Source: EIU, April 2009; GTAI

Since recently, some German companies might have mixed feelings when they think of the modern Gulf Emirate. Headlines in German newspapers like "The crises has reached the paradise of the rich" (Stuttgarter Zeitung, 01.04.2009) or "The party is over" (WAZ, 19.03.2009) do not only reflect the feeling of Schadenfreude of German media representatives, they also harm the public image of Dubai.

According to estimations of Germany Trade and Invest (GTAI), the total import volume of UAE will decrease 18 percent in 2009. In 2008, German exports to UAE grew 40 percent. The Arabian

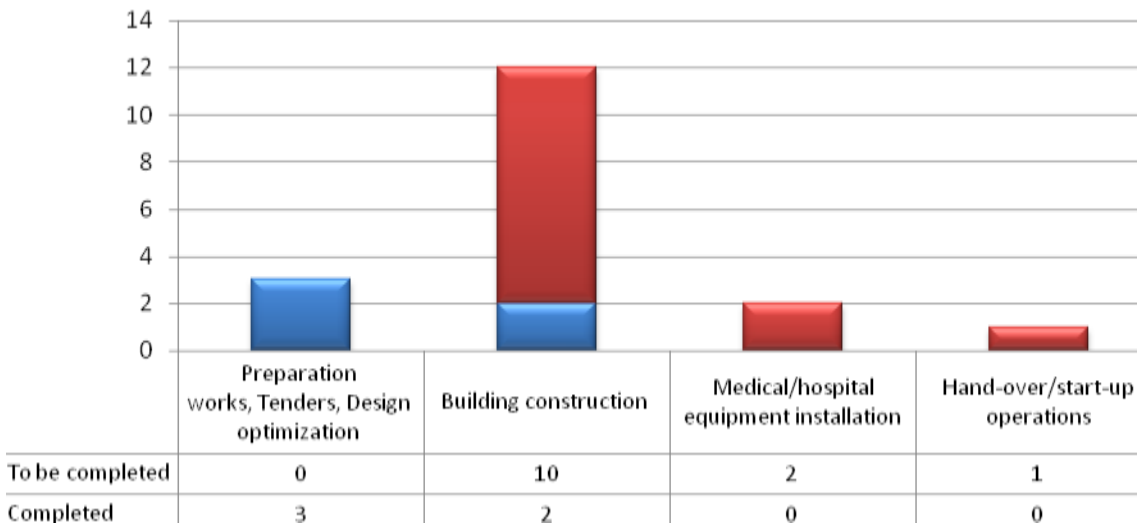
Peninsula is Germany's fourth largest non-European export market after USA, China and Russia with a total volume of 17.8 billion US-Dollars. The number of real estate projects which were delayed or canceled is one of the best kept secrets in Dubai. However, delay of Trump Tower on the artificial island Palm Jumeirah and Nakheel's ambitious tower which was planned to be higher than 1.000 metres have been officially confirmed. But still there are many good news from Dubai: The first automated rail transport system called "Dubai Metro" was opened on 9th September 2009 and the world's largest tower "Burj Dubai" will be inaugurated at the end of December. German companies based in UAE are coping with the worldwide crisis in different ways; many of them try to enter new markets like the Emirate of Abu Dhabi, Qatar or Saudi Arabia. Financial institutions and industry experts agree that the new market situation will actually help Dubai to grow in a healthier manner. Instead of breaking records by all means, the market now demands better quality and sustainability. Best investment opportunities are predicted for industries like healthcare, education and environment technology. Recent reports by McKinsey & Co. have confirmed significant growth in health care demand in the coming years, with a projection of a cumulative growth of 135% percent increase in beds by 2025 in the UAE itself, driven by high growth in population, changing social demographics and high prevalence of health-risk factors like diabetes, obesity, cancer and cardiac ailments. The UAE healthcare market is expected to grow 14 percent annually until 2020 with a total volume of 22 billion US-Dollars.



Construction: Extension of existing hospital

Many developments in the surrounding area of Dubai TechnoPark have been postponed or revised due to the current market situation, amongst these projects are Dubai Waterfront and Palm Jebel Ali. Hence CEDARS International has put its focus on the extension of the existing hospital in close proximity to Jebel Ali Free Zone. Finances are organized by Kuwait and Dubai based structured finance company “Rasameel” (www.rasameel.com) and completion of construction for the 120 beds hospital extension is expected within 12 months after kick-off.

Timeframe -months



Joint trade-fair participation with Klinikum Stuttgart: MedHealth & Wellness 2009



CEDARS International and Klinikum Stuttgart will be exhibiting at the “MedHealth & Wellness 2009” in Muscat, Oman. This is already the third joint exhibition of both partners in the Middle East in 2009, after “Arab Health” (26th-29th January) and “Arabian Travel Market” (5th- 8th May) in Dubai. We are looking forward to seeing you in Muscat! To find out more information about the event please log on to: www.omanexpo.com/medhealth/





CEDARS INTERNATIONAL

New strategic partnerships: Fraunhofer Middle East & Dubai Institute of Technology



While the whole world complains about the economic downturn, Fraunhofer is focusing on close cooperation with local partners in the Gulf region and puts emphasis on projects which include capacity building and the involvement of industry experts from the Arab world. And this approach has already proven to be successful, even though Fraunhofer has only been actively engaged in the region through its representative office in Dubai for two years. Powerful alliances have been built with industrial partners and the government of Dubai. Dubai TechnoPark is using Fraunhofer's competencies for the development of

“Dubai Institute of Technology” (DIT), which aims to become a core element of the innovation system within Dubai and the whole UAE. The latest partnership of Fraunhofer Middle East completes their strategic network by adding a medical partner: In May 2009 Dr. Dieter Fuchs signed a Memorandum of Understanding with CEDARS International Group about research and technology innovation which will mainly involve research assignments of their life science institutes. It has been agreed that cooperation will start within the extension of the existing CEDARS hospital. “This medical institution will become a benchmark of the healthcare industry in the region and we are very pleased to have confirmed partnerships with Fraunhofer Middle East and Dubai Institute of Technology”, said Dr. Adnan Kaddaha, Chairman of CEDARS International Group.

More informationen: www.cedarsinternationalgroup.com



CEDARS International Group

P.O.Box 17666 • Dubai • UAE • Tel.: +971 4 8814000 • Fax: +971 4 8814001 • www.cedarsinternationalgroup.com