Emerging Global Players from the United Arab Emirates (UAE):

A Preliminary Ranking of the UAE's Major Multinational Enterprises

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This report presents the first preliminary profile and ranking of the leading multinational enterprises of the United Arab Emirates (UAE), using the methodology developed by the Columbia Center on Sustainable Investment's Emerging Markets Global Players (EMGP) project. The EMGP methodology relies heavily on direct data from relevant multinational firms. However, gathering the required information for firms from the UAE has involved significant challenges. In particular, firms have not responded to requests to participate in a survey and comparable financial information is not always readily available through other public sources. This report therefore identifies and analyzes companies on the basis of publicly available information. Among all of the 164 publicly listed UAE firms and other large non-listed UAE firms, there are 16 firms that have publicly available information on international investment activities.[1] We have included all these 16 firms in our analysis. These companies represent the UAE's largest multinational enterprises ranked based on the value of foreign assets for which relevant data is publicly available. Hence, this report is to be considered a first version, to be enhanced over time as companies communicate more information about their international activities to researchers and publicly accessible sources.

Highlights

The 16 companies identified in this ranking had a total of US$102 billion assets outside the UAE at the end of 2014. Topping the ranking are Etisalat, an Abu Dhbai-based telecommunications company and International Petroleum Investment Company (IPIC), an Abu Dhabi-based energy conglomerate. Firms involved in real estate are the most prevalent on the list with seven companies active in that industry. In terms of revenue, the companies on the list generated $79 billion of revenue outside the UAE during 2014, of which IPIC accounted for 64% ($52.8 billion). Twelve of the 16 companies are quoted on one of the UAE's three stock exchanges (DFM, ADX, NASDAQ Dubai), with three others being entirely government owned and one privately owned.

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[1] A total of 164 firms are listed on the three UAE stock exchanges (DFM, ADX, NASDAQ Dubai). In line with EMGP methodology, financial firms (73 companies) were excluded from the list. The annual reports of the remaining 91 companies were analyzed. Of these companies, a total of 12 UAE based companies report information on their foreign investments and activities in their annual report. In addition, four large non-quoted companies that publish the required information were identified by the author. See Annex II for more information on the methodology used to gather data for this report.

Government entities own controlling shares in half of the companies on the list. The UAE government authorities at both the federal and the emirate levels are important drivers of the internationalization of the UAE's corporate sector. The main economic priorities of the UAE are outlined in the UAE Vision 2021 as well as the Abu Dhabi Economic Vision 2030 and the Dubai Plan 2021[2]. These economic priorities include diversification of the economy away from energy and the development of an open and competitive knowledge economy. UAE government authorities encourage outward FDI by government controlled firms as a way to diversify income sources, develop the corporate sector in the UAE and as a complement to outward foreign portfolio investment. Since the UAE has been running consistent trade and budget surpluses, mainly as a result of oil exports that accrue to the government, it has ample funds to invest abroad.

Profile of the Ranked Firms

Table 1 contains an overview and ranking of the UAE multinationals for which data is available.

Table 1. The top 16 non-financial multinationals, by foreign assets, 2014

Rank	Name	Industry	Ownership status[a]	Foreign Assets[b]
				(US$ million)
1	Etisalat	Telecom	Listed (60%)	20,584
2	IPIC	Oil & Gas	Gov't owned (100%)	20,311
3	Mubadala	Diversified	Gov't owned (100%)	20,213
4	Taqa	Oil & Gas	Listed (74%)	15,331
5	DP World	Transport	Listed (80%)	10,480[c]
6	Emaar Properties	Real estate	Listed (29%)	6,890
7	Majid Al Futtaim	Real estate	Private (0%)	3,807
8	Dana Gas	Oil & Gas	Listed (0%)	2,220
9	Dubai Holding	Real estate	Gov't owned (100%)	781
10	Damac	Real estate	Listed (0%)	532
11	Depa	Real estate	Listed (0%)	323
12	RAK Ceramics	Real estate	Listed (5%)	207[c]
13	Aramex	Transport	Listed (0%)	189[c]
14	Tabreed	Water supply	Listed (13%)	123
15	Drake & Scull International	Real estate	Listed (0%)	118
16	Arabtec Holding Company	Real estate	Listed (36%)	104[c]
	Total			102,214

Source: Company reports and websites.

Notes:

a. The percentage in parentheses shows the known percentage of state-owned shares. State includes federal government and emirate-level governments.
b. The exchange rate used is the official exchange rate of AED 3.67 for US$ 1.00.
c. Estimates, based on combination of information available in annual reports, investor presentations and press reports.

[2] UAE Vision 2021, available at http://www.vision2021.ae/en. Abu Dhabi Economic Vision 2030, available at: https://www.ecouncil.ae/PublicationsEn/economic-vision-2030-full-versionEn.pdf. Dubai Plan 2021, available at: http://www.dubaiplan2021.ae/dubai-plan-2021/.

Motivations to expand abroad

Foreign investment by UAE multinationals is primarily market seeking. With the exception of the three energy companies[3] on the list, all companies are investing abroad in order to access foreign markets. A large share of the international investments of UAE multinationals is concentrated in other emerging markets, especially in other Gulf Cooperation Council (GCC) countries and in the wider Middle East region. These investments are typically in the core business of the investing company and can be seen as efforts to leverage competencies in existing activities in adjacent or similar geographic markets. The ten largest acquisitions by UAE companies over the last five years are all within the industry of the acquiring company (see Table 3). Although seeking technology spillover and transfer may be a motive of some acquisition activity, UAE multinationals are investing abroad primarily in order to grow international revenue streams in existing business lines in emerging markets.

The UAE was founded in 1971 and has experienced rapid internal changes and economic growth, providing significant opportunities for local companies to grow. The average age of the companies in the ranking is only 24 years.[4] As a result, UAE multinationals are still at an early stage of international expansion. Over the last fifteen years companies have commenced their international expansion in earnest, usually starting with countries that present opportunities for high growth and are close in geographical and cultural proximity. The internationalization efforts of Etisalat and DP World provide useful illustrations. Both companies were established by the government during the 1970s. Etisalat's international expansion started in 2004 when it won the license to become Saudi Arabia's second mobile operator. The company has since expanded to 18 countries. DP World established its first international subsidiary in 1999 and is now active worldwide.

Concentration and growth

The foreign assets of the 16 multinational enterprises in the ranking are characterized by a high level of concentration. The top three companies in the ranking (Etisalat, IPIC and Mubadala) account for 60% of the foreign assets and 81% of the foreign sales of all companies on the list.

In recent years, these top three leading companies have been growing their international activities faster than other leading UAE multinationals. Although the companies on the ranking have grown their foreign assets by US$ 23.2 billion from 2012 to 2014 (see Table 2), 90% of this growth is due to the growth in foreign assets of Etisalat, IPIC and Mubadala alone. The foreign assets of the 13 remaining companies have grown by just US$ 2.3 billion in the 2012–2014 period, representing a total growth in foreign assets for these companies of only 6% over the two-year period.

According to Table 2, international sales (including exports from the UAE) account for 74% of total sales revenue of the top UAE multinationals. However, this picture is largely driven by the dominance of the international activities of IPIC. Excluding IPIC, international sales account for 51% of total sales of the companies on the list.[5] International sales of all the

[3] IPIC, Taqa, Dana Gas. In addition to these three energy companies, only RAK Ceramics has invested internationally in manufacturing facilities to export products to neighboring markets.
[4] Average age calculation excludes Drake & Scull, which was established in the UK. See company profiles in Annex III for establishment dates.
[5] See Annex Table 2 for further details.

companies in the sample have grown by only 7% over the last two years, lagging slightly behind total sales growth of 9% and domestic sales growth of 13% in the same period. With foreign assets growing more quickly than foreign sales, it may be concluded that UAE multinationals are still investing in their international activities and that international sales growth may accelerate in the future, depending on market conditions.

Table 2: Development of multinational activity of top 16 UAE multinationals

Variable	2012	2013	2014	% Change 2012-2014
Assets				
Foreign	78,998,547	85,331,745	102,214,072	23%
Total	175,117,201	176,395,510	200,060,071	12%
Share of foreign in total (%)	45%	48%	51%	
Sales				
Foreign	73,681,252	76,675,752	79,096,689	7%
Total	96,668,295	101,961,677	106,585,121	9%
Share of foreign in total (%)	76%	75%	74%	

Main industries

The largest multinationals in the ranking are active in telecommunications, energy, technology and transport. Seven of the UAE's 16 leading multinationals are active in the real estate sector, primarily real estate development and construction. The other sector represented on the list is water supply (district cooling), but this activity also has a close link to the real estate sector.

With the exception of stock-market-listed banks, the industry representation in the ranking table is similar to the UAE's stock markets. However, a full reflection of the international activities of UAE companies would also include airlines and family owned conglomerates for which data was unavailable (see Box 1).

Box 1: Banks, airlines, family owned conglomerates and sovereign wealth funds

Several types of UAE companies do carry out international activity, but are for various reasons not included in the ranking of UAE multinationals. These include financial services firms, airlines, family owned conglomerates and sovereign wealth funds (SWFs).

As per the EMGP methodology, financial holding companies and financial services companies are not part of the ranking of multinationals. Among the UAE's banks, several have adopted international expansion strategies, in particular Emirates NBD and the National Bank of Abu Dhabi (NBAD). Similar to other UAE multinationals, they have expanded first in the Middle East region, particularly in the GCC and in Egypt.

In terms of international activity, few companies can be regarded as internationally active as the UAE's three major airlines, Emirates, Etihad and Air Arabia. Emirates's airplanes as the firm's main assets are registered inside the UAE and thus are not considered foreign assets. Financial information on other potential foreign assets such as foreign sales offices and equipment, is not reported. Etihad and Air Arabia do have assets abroad. Etihad is expanding through a series of minority investments in foreign airlines such as Alitalia and Air Berlin.

Air Arabia is expanding internationally by growing its hubs in Morocco and Egypt. However, both Etihad and Air Arabia do not provide financial data on these activities outside the UAE. These companies could therefore not be included in the ranking.

The UAE has a number of large family owned conglomerates that have been expanding internationally. Majid Al Futtaim is the only large family owned conglomerate that has published detailed financial accounts. The company ranks seventh on the list of UAE multinationals. Other family owned groups with a significant international presence include Al Gurg, Crescent Enterprises (whose holdings include a 21% stake in Dana Gas, ranked 8th on the list), Al Ghurair, Al Tayer and Al Futtaim Group (which is separate from Majid Al Futtaim). These groups have certain features in common. They are active in multiple business lines, including international trade, retail, property and construction. Their international expansion is relatively concentrated in the GCC region and is typically in the same business lines as their domestic activities. None of these family owned groups publish financial statements that provide the required information to be included in the EMGP report.

There are several types of SWFs in the UAE, with different objectives and areas of focus. The government takes a relatively active approach in the management of several funds, particularly Mubadala and IPIC. Mubadala can be regarded as a Strategic Development SWF. The company has a dual mandate to invest Abu Dhabi's oil revenues for financial return and to drive the establishment of industries and infrastructure that support sustainable economic growth in Abu Dhabi. One of its major activities is semiconductor manufacturing through its 100% ownership of Globalfoundries. Other key activities of the group include energy and aerospace engineering. IPIC is another SWF with a focus on direct investments in different parts of the petroleum value chain. Both Mubadala and IPIC are included in the ranking table.

Dubai World is another SWF that has active management control over its investments and is not predominantly a financial holding company. Dubai World holds several of Dubai's largest companies, including DP World, Istithmar and Drydocks. Dubai World's activities are included in the ranking through its holding in DP World. There are no financial reports available for the international activities of the other components of Dubai World.

The UAE also has several SWFs that operate primarily as financial investment companies and are therefore not included in the ranking. The Abu Dhabi Investment Authority (ADIA) is the UAE's largest SWF and was ranked second largest in the world at the end of 2014 with US$ 773 billion in assets. ADIA invests in financial instruments worldwide. Another SWF, the Abu Dhabi Investment Council (ADIC), invests in financial instruments with a focus on Abu Dhabi-based enterprises. The Investment Corporation of Dubai (ICD) is the holding company for the Dubai government's stakes in major Dubai-based companies, including Emirates, Emaar and several banks. As per the EMGP project methodology, these funds are excluded from the ranking, since they act essentially as financial holding companies.

Geographical distribution of subsidiaries

The international activities of the UAE multinationals can be categorized as having a GCC and Middle East, an emerging-market, or a global focus.

Etisalat, the UAE's largest multinational ranked by assets, has its foreign activities concentrated in Saudi Arabia, Egypt, Pakistan and Morocco. By expanding gradually further afield from its home base in the UAE, Etisalat's international presence is growing along the lines of the internationalization process model as originally developed by Johanson and Vahlne (1977)[6]. Etisalat now considers itself as "one of the world's leading telecom groups in emerging markets."[7] Most other UAE multinationals follow the same internationalization strategy, with international growth initially concentrated in the GCC and the Middle East North Africa (MENA) region. Companies in this group include[8] Emaar (GCC, Egypt, Jordan, Pakistan, and Turkey), Majid Al Futtaim (Saudi Arabia, Bahrain, Egypt and Lebanon), Dana Gas (Egypt, Iraq), Damac (Saudi Arabia), Depa (Saudi Arabia, Qatar), Tabreed (Bahrain and Oman), Drake & Skull (Saudi Arabia) and Arabtec (GCC and Egypt). Family owned conglomerates from the UAE tend to follow a similar internationalization path, with Saudi Arabia often the first foreign entry.

DP World, ranked number five in the list, has a more diversified geographical footprint but its international activities are particularly strong in emerging markets in Asia and Africa. Similarly, Aramex and RAK Ceramics can be categorized as companies that focus on growth in emerging markets. Such companies can still be regarded as following the internationalization process model, entering markets where psychic distance is relatively low.

IPIC, Mubadala and Taqa, ranked as number two, three and four respectively, have a more global footprint with significant assets in Europe and North America. The only other company on the list that is expanding with a global footprint is Jumeirah Hotels, a subsidiary of Dubai Holding. However, much of its expansion is a result of hotel management contracts as opposed to international investment; the actual amount of international investment is relatively small.

Ownership, location and CEO profile

The UAE governments at both the federal and the emirate levels play a large role in the internationalization of the country's corporate sector. The top six companies on the list are all controlled by government entities – including one (Etisalat) by the federal government and five by the individual emirates (IPIC, Mubadala and Taqa are controlled by Abu Dhabi, whereas DP World and Emaar are controlled by Dubai). Of the 16 companies on the list, three are entirely government owned by the governments of individual emirates (IPIC and Mubadala by Abu Dhabi, Dubai Holding by Dubai), one is entirely privately owned and the remaining 12 companies are quoted on one of the country's three stock markets.[9]

In terms of geographical spread within the UAE, nine companies have their headquarters in Dubai, five (including all of the top four) in Abu Dhabi, one in Sharjah and one in Ras Al Khaimah. The prevalence of UAE multinationals headquartered in Dubai and Abu Dhabi is in line with the relative size and trading volumes of the stock markets of those two cities.

Eight companies have a Chief Executive Officer with Emirati nationality.[10] Among the other eight companies, one company (Depa) has the CEO role divided among board members, three CEOs have Lebanese nationality and the remaining companies have CEOs with Jordanian, Indian, US and UK nationality. Women remain underrepresented in the top

[6] J. Johanson, J. & Vahlne, J.E. (1977). The internationalization process of the firm – a model of knowledge development and increasing foreign market commitments. *Journal of International Business Studies, 8,* 23-31.
[7] Source: Company profile on www.etisalat.com.
[8] Major international markets stated in parenthesis.
[9] See Table 1 for details on ownership status and percentage of state-owned shares.
[10] Information on nationality of board members and senior management is as of December 2015.

management of these leading companies. All CEOs of the companies on the list are male and the boards of directors of all 16 companies have a combined total of only two female board members (one at Dana Gas and one at Drake & Scull).

Transnationality Index (TNI)

The Transnationality Index is a commonly used measure of the extent of internationalization of a company. The standard calculation of Transnationality Index (TNI) includes the arithmetic mean of a company's foreign assets divided by total assets, foreign sales divided by total sales and foreign employees divided by total employees. For UAE companies, there is no legal requirement to publish the number of employees by country of operation and information on foreign employees is unavailable for nearly all companies in the sample. Hence, the calculation of the TNI in the standard way has not been possible. Given the unavailability of employee data, the TNI ratio is calculated here based only on assets and sales.[11]

After this adjustment, the TNI for all the companies in the sample has increased slightly from 61 in 2012 to 63 in 2014. Most of this increase in the TNI for the total sample is due to the growth of the international assets of Etisalat and IPIC. Of the remaining companies in the sample, five have experienced stable or declining TNIs, indicating that their domestic growth has been on par with or faster than their international growth. For these companies, the relatively slow international growth can be attributed to the buoyant UAE economy during the 2012-2014 period, which has presented ample domestic investment opportunities for companies. The modified TNI for UAE multinationals is relatively high compared to that found in other countries. EMGP country reports indicate a TNI for the top multinationals of 39 for Hungary, 36 for Russia and 31 for Turkey. The high TNI for UAE multinationals is largely driven by the highly international focus of several of the top ranked firms, particularly IPIC, Mubadala and Taqa, for whom investments in foreign assets are much greater than domestic assets.

The 10 largest mergers and acquisitions (M&As), Jan. 2011-Sep. 2015

UAE multinationals have been active acquirers of foreign companies. Table 3 shows the 10 largest acquisitions by UAE multinationals over the last five years (January 2011 to September 2015). Half of the acquisitions in the table are in the energy sector, with the remaining ones spread over telecommunications, hotels and air transport. Together, the 10 transactions amount to a total of US$ 15.2 billion. The two acquisitions of Maroc Telecom by Etisalat and of CEPSA from Spain by IPIC account for US$ 10.6 billion in value, representing two-thirds of the total value of the 10 largest M&A transactions in this time period.

[11] Annex I contains tables with data for foreign and total assets and sales for the 16 companies included in the ranking for the years 2012, 2013 and 2014.

Table 3. Top 10 mergers and acquisitions by UAE companies (Jan. 2011 – Sep. 2015)

	Date Effective	Target Name	Target Industry Sector	Target Nation	Acquiror Name	% Owned After Trans-action	Value of Transaction ($mil)
1	05/14/14	Maroc Telecom	Telecom	Morocco	Etisalat	53.0	5,659
2	07/26/11	CEPSA	Oil and Gas	Spain	IPIC	95.9	4,964
3	06/03/13	BP PLC-North Sea Oil Assets	Oil and Gas	UK	TAQA	100.0	1,308
4	09/10/13	Tourism Asset Holdings Ltd	Hotels	Australia	ADIC	100.0	745
5	01/02/13	General Expl Partners-Atrush	Oil and Gas	Iraq	TAQA	53.2	600
6	12/31/14	Alitalia	Air Transport	Italy	Etihad Airways	49.0	520
7	10/03/11	OMV AG	Oil and Gas	Austria	IPIC	24.9	431
8	08/22/11	CEPSA	Oil and Gas	Spain	IPIC	100.0	417
9	11/20/13	Jet Airways (India) Ltd	Air Transport	India	Etihad Airways	24.0	379
10	02/19/15	The Miami Beach EDITION	Hotels	US	ADIC	100.0	230

Source: Thomson SDC Platinum.

The Big Picture

UAE multinationals continue to invest abroad and pursue their internationalization path. According to UNCTAD's 2015 World Investment Report,[12] the UAE is the leading international investor in the Middle East when measured by Outward Foreign Direct Investment (OFDI) stocks, foreign M&A activity and international greenfield investment. However, the UAE is only the fourth largest country in the Middle East region in terms of OFDI flows during the 2009–2014 period, with OFDI flows of between US$ 2 billion and US$ 3 billion each year. Kuwait, Qatar and Saudi Arabia have used their energy revenues to become the top three Middle Eastern investors in terms of OFDI flows in this period.

When considered strictly in terms of the value of foreign assets, UAE multinational activity appears to be dominated by five government-controlled companies. These companies represent 90% of the foreign assets of all companies on the list and 92% of the growth in foreign assets in the 2012–2014 period. This suggests that the UAE government plays an important role in the internationalization of UAE enterprises. Some of the revenues from oil exports that accrue to the state are allocated to several government controlled companies, thereby enabling them to fund their international expansion.

Underneath this class of large, government-owned enterprises is a growing group of companies making market-seeking investments across the Arab world and beyond. These companies, with or without UAE government involvement, are expanding in sectors in which UAE companies have now developed competitive advantages, including transport and logistics, energy, construction, property and leisure. The growth of these sectors in the

[12] United Nations Conference on Trade and Development (UNCTAD), World Investment Report 2015: Reforming International Investment Governance, available at http://unctad.org/en/PublicationsLibrary/wir2015_en.pdf.

economies of GCC countries and the wider Middle East region has opened up market opportunities for UAE companies, enabling them to leverage and develop their skills on an international level. It remains to be seen if and how the recent drop in oil prices will affect the demand for the services of these UAE multinational companies in the GCC region and how this will affect their pace and focus of international expansion.

Over the last decade, activities in the GCC and other Middle Eastern markets have given UAE multinationals valuable experience in operating internationally. Expansion into adjacent markets has been facilitated by the existence of a GCC customs union, the development of a GCC common market and a stable exchange rate regime within the GCC. UAE companies operating in the GCC also benefit from cultural similarities, a common language and political alliances between GCC member states. The strong political alignment between the UAE and Saudi Arabia in particular facilitates the presence and growth of UAE multinationals in Saudi Arabia. In turn, both countries are eager to promote economic development in Egypt, partly through OFDI. The growth of UAE multinationals beyond the Middle East into other emerging markets and in Europe and North America, can be regarded as a logical next step. The UAE's two global airlines have been supporting such strategies by expanding their routes and networks rapidly across emerging markets and beyond.

It is still uncertain how transferable the skills developed in the Middle East are when expanding into other markets. Several UAE multinationals, including Etisalat, DP World and Aramex, now position themselves as true emerging market multinationals, leveraging the skills they developed by operating in the Middle East in other growth markets in Asia and Africa. Within emerging markets, potentially transferable skills include rapid decision making in the face of uncertainty and volatility, management of government stakeholders and political risk management. Transferring skills into European or North American markets may be more difficult and until now most UAE multinationals have been content to benefit from growth opportunities presented by emerging markets themselves and the rapidly growing trade and investment flows between emerging markets.

In the future, lower oil prices and rising US interest rates may affect the availability of funds by government-owned entities to finance international expansion. However, 2015 did not see a slowdown in the international acquisition activity of UAE firms. As more UAE firms develop into emerging market multinationals, they will be in a stronger position to finance their global expansion through the international capital markets.

Conclusion

This report is the first attempt to identify and rank the UAE's multinational enterprises using a globally recognized methodology developed through the EMGP project of the Columbia Center on Sustainable Investment. The report is limited by the absence of survey responses from companies. The study is part of an ongoing research program, with the intention of gaining additional relevant information about the international activities and growth strategies of UAE multinationals in future iterations of the report. Although the number of companies with large investments abroad is still small, the UAE has rapidly developed a number of regional and potentially global champions in strategic sectors, including telecommunications, energy, transport and real estate.

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Emerging Markets Global Players Project

This report on the UAE's multinational enterprises was prepared under the framework of the Emerging Market Global Players (EMGP) Project, a collaborative effort led by the Columbia Center on Sustainable Investment (CCSI). It brings together researchers on FDI from leading institutions in emerging markets to generate annual reports on the top multinationals in each participating country. EMGP reports on 14 economies have been published so far (some with multiple reports): Argentina, Brazil, Chile, China, Hungary, India, Israel, Korea, Mexico, Poland, Russia, Slovenia, Taiwan, and Turkey. For further information, visit: http://www.ccsi.columbia.edu/content/emerging-market-global-players.

Zayed University

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(Accredited by ACEJMC), College of Education (Accredited by NCATE), College of Sustainability Sciences & Humanities, and College of Technological Innovation (Accredited by ABET). For more information, visit www.zu.ac.ae.

Columbia Center on Sustainable Investment

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Annex I: Tables

Annex Table 1: Foreign and Total Assets of Top 16 Multinationals (2012-2014, US$ million)

Rank by foreign assets	Firm	2012 Foreign	2012 Total	2013 Foreign	2013 Total	2014 Foreign	2014 Total
1	**Etisalat**	7,291	23,053	10,062	23,356	20,584	35,309
2	**IPIC**	15,986	22,405	17,148	19,978	20,311	23,524
3	**Mubadala**	16,933	24,479	17,629	23,845	20,213	26,483
4	**Taqa**	15,767	28,551	16,544	28,988	15,331	27,449
5	**DP World**	9,572	16,337	9,847	16,761	10,480	17,905
6	**Emaar Properties**	6,727	16,662	6,635	17,693	6,890	20,212
7	**Majid Al Futtaim**	2,819	10,332	3,086	10,758	3,807	12,159
8	**Dana Gas**	1,929	3,480	2,036	3,521	2,220	3,612
9	**Dubai Holding**	672	21,373	802	21,539	781	22,419
10	**Damac**	430	1,565	575	1,933	532	2,328
11	**Depa**	272	857	319	874	323	812
12	**RAK Ceramics**	237	518	238	513	207	705
13	**Aramex**	136	740	131	814	189	874
14	**Tabreed**	123	1,828	122	1,785	123	1,770
15	**Drake & Scull International**	49	500	90	552	118	590
16	**Arabtec Holding Company**	58	2,436	67	3,488	104	3,909
	Total	78,999	175,117	85,332	176,396	102,214	200,060

Annex Table 2: Foreign and Total Sales of Top 16 Multinationals (2012-2014, US$ million)

Rank by foreign assets	Firm	2012 Foreign	2012 Total	2013 Foreign	2013 Total	2014 Foreign	2014 Total
1	**Etisalat**	2,482	8,977	3,514	10,587	5,587	13,288
2	**IPIC**	51,708	51,902	52,666	52,835	50,994	51,184
3	**Mubadala**	6,929	8,525	6,989	8,455	7,372	8,900
4	**Taqa**	5,663	7,571	5,061	7,018	5,527	7,446
5	**DP World**	1,581	3,121	1,552	3,073	1,734	3,463
6	**Emaar Properties**	402	2,245	348	2,814	553	2,696
7	**Majid Al Futtaim**	2,504	5,654	2,812	6,236	3,216	6,873
8	**Dana Gas**	492	497	454	459	471	475
9	**Dubai Holding**	202	2,498	202	3,173	209	3,606
10	**Damac**	-	692	-	1,224	210	2,010
11	**Depa**	247	530	265	632	300	529
12	**RAK Ceramics**	696	863	736	912	675	851
13	**Aramex**	230	837	230	905	279	994
14	**Tabreed**	9	308	10	300	10	308
15	**Drake & Scull International**	646	905	1,073	1,329	947	1,298
16	**Arabtec Holding Company**	586	3,556	763	2,008	1,013	2,666
	Total	74,378	98,682	76,676	101,962	79,097	106,585

Annex II: Methodology

In order to gather the data required for the report, questionnaires were sent to a sample of 50 internationally active companies based in the UAE. These companies were identified on the basis of information in annual reports (when available) and on desk research. There were no responses obtained from the survey, even after reminders were sent and the survey was sent a second time. As a result, the research has had to be based entirely on publicly available financial information.

In the UAE, financial reporting requirements only apply to companies listed on the stock market. With a few exceptions, privately owned and government owned companies do not publish financial statements. Even listed companies have no consistent format for reporting their international activities. In order to gather the required information, the annual reports of all companies listed on the UAE’s three stock exchanges (DFM, ADX, NASDAQ Dubai) were analyzed. In addition, the websites of leading private or government owned companies were checked for the availability of financial information. This exercise has allowed the generation of a list of 16 UAE based multinational enterprises. As per the standard EMGP methodology, these companies have been ranked on based on foreign assets. In 12 cases, the required information was available in the company’s annual report. In the remaining four cases, some information on foreign assets was available but there was no clear breakdown between UAE assets and foreign assets. In these cases, assumptions have had to be made in order to approximate the company’s foreign assets. The author invites the companies concerned to provide any necessary corrections to these assumptions for inclusion in future versions of the UAE report.

A final note on methodology and data availability relates to the reporting of Total Assets and Non-Current Assets. In annual reports of UAE companies that provide data on international activities (under the section “segment information”), the data is provided on non-current assets per geographic area. This is the information included in the report. Non-current assets refer to all assets that the company owns, except for working capital (trade creditors minus trade debtors) and inventory.

Annex III: Brief profiles of the top 16 UAE multinationals[13]

1. Etisalat (est. 1976)

http://www.etisalat.ae

Etisalat Group is one of the world's leading telecom groups in emerging markets and ranks amongst the most profitable telecom groups in the world. Headquartered in Abu Dhabi, Etisalat was established almost four decades ago in the UAE as the country's first telecommunications service provider. Etisalat now provides solutions and services to 169 million subscribers in 18 countries across the Middle East, Asia and Africa. Etisalat has captured significant market share as it expands across Africa, Asia and the Middle East, most notably in Egypt and Saudi Arabia. In 2014, Etisalat purchased 53% in Maroc Telecom for US$ 5.7 billion.

2. IPIC (est. 1984)

http://www.ipic.ae

IPIC is the International Petroleum Investment Company, formed by the Abu Dhabi government in 1984 to invest in the energy and related sectors across the globe. Today it manages a portfolio of investments in more than 18 leading companies across the hydrocarbon value chain, including exploration and production, shipping and pipelines, downstream retail and marketing, petrochemicals, power and utilities as well as industrial services.

3. Mubadala (est. 2002)

http://www.mubadala.com

Mubadala was established to strengthen Abu Dhabi's growth potential, and to help the government meet its socioeconomic targets. While Mubadala's investments are designed to generate sustainable profits over the long-term, they also deliver strong social returns to Abu Dhabi and the United Arab Emirates.

Focused on investment and development across multiple sectors, Mubadala's portfolio is valued at US$ 65.9 billion. Mubadala is an active investor in sectors and geographies with long-term value propositions, working in partnership with world-class organizations to establish and manage joint ventures and investment platforms.

Mubadala actively invests in initiatives with long-term value potential, driving the establishment of new industry sectors and vital infrastructure in Abu Dhabi. Building integrated global businesses in partnership with leading companies, Mubadala supports the diversification of Abu Dhabi's economy and strengthens its competitive position in high-growth sectors both locally and internationally.

4. Taqa (est. 2005)

[13] These descriptions are drawn from information provided by the companies on their respective websites.

http://taqaglobal.com

TAQA is an international energy and water company listed in Abu Dhabi operating in 11 countries across four continents. The word TAQA means energy in Arabic. TAQA strives to run its company safely and sustainably, operating to the highest ethical standards. The company is proud to align its strategy to Abu Dhabi's Economic Vision 2030, a road map for a sustainable economy with a focus on knowledge-based industry.

TAQA has investments in power generation, water desalination, oil and gas exploration and production, pipelines and gas storage. The company's assets are located in Canada, Ghana, India, Iraq, Morocco, Oman, Saudi Arabia, the United Arab Emirates, Netherlands, United Kingdom and United States.

5. DP World (est. 1972)

http://www.dpworld.com

DP World has a portfolio of more than 65 marine terminals across six continents, including new developments underway in India, Africa, Europe and the Middle East.

Container handling is the company's core business and generates more than three-quarters of its revenue. In 2014, DP World handled 60 million TEU (twenty-foot equivalent container units). With its committed pipeline of developments and expansions, capacity is expected to rise to more than 100 million TEU by 2020, in line with market demand.

6. Emaar Properties (est. 1997)

http://www.emaar.com

Emaar Properties is a Public Joint Stock Company listed on the Dubai Financial Market. A pioneering developer of integrated master-planned communities, the company is now extending its expertise in developing master-planned communities internationally. Simultaneously, the company has developed competencies in hospitality & leisure, and shopping malls & retail.

Downtown Dubai is Emaar's flagship development. Today, the world's most visited lifestyle destination, the 500-acre neighbourhood is home to the iconic Burj Khalifa, The Dubai Mall and The Dubai Fountain. Emaar's established communities include Arabian Ranches, Emirates Living, and Dubai Marina.

Several mega-developments that define the city of the future are being developed by Emaar in its core markets including Dubai. Through strategic partnerships, the company has expanded its land bank in Dubai.

Emaar is 29.22% owned by the government of Dubai.

7. Majid Al Futtaim (est. 1992)

http://majidalfuttaim.com

In 1992 Majid Al Futtaim started from one man's vision to transform the face of shopping, entertainment and leisure. Today the company is a leading shopping mall, retail and leisure pioneer across the Middle East and North Africa (MENA). Majid Al Futtaim’s business spans 13 international markets, employs over 27,000 people, and has achieved the highest credit rating (BBB) among privately held corporates in the Middle East.

Majid Al Futtaim owns and operates 18 shopping malls, 11 hotels and three mixed-use communities in MENA. The malls portfolio includes the popular "City Centre" brand, the iconic Mall of the Emirates, as well as the "My City Centre" and Matajer brands in the neighborhood mall category. In the retail sector, Majid Al Futtaim holds the exclusive rights to the Carrefour franchise in 38 markets across Middle East, Africa and Central Asia.

Majid Al Futtaim’s leisure facilities include 143 VOX Cinemas, 18 Magic Planet family entertainment centres, as well as Ski Dubai and iFly Dubai. Recent investments are in healthcare, food and beverage, finance, energy and facilities management.

8. Dana Gas (est. 2005)

http://www.danagas.com

Dana Gas is the Middle East’s leading private sector natural gas company producing some 65,000 barrels of oil equivalent per day of oil, gas and natural gas liquids from its operations in Egypt and the Kurdistan Region of Iraq.

The company has proved plus probable reserves of 152 million barrels of oil equivalent and a resource potential of some 900 million barrels from its world class acreage in Egypt and Iraq.

Dana Gas is a rapidly growing company targeting a doubling in production over the 2011–2013 period from its 2010 average of 55,500 barrels of oil equivalent per day.

Established in 2005 with over 300 prominent founder shareholders from across the Gulf Cooperation Council (GCC) region, Dana Gas is listed on the Abu Dhabi Securities Exchange (ADX).

Headquartered in Sharjah in the UAE, Dana Gas has a network of offices in Kurdistan Region of Iraq and Egypt.

Dana Gas’ primary area of activity is in the upstream sector (exploration and production), but also operates in the midstream and downstream sectors, in particular where it adds value to its upstream activities. The company has a geographic focus on the Middle East, North Africa and South Asia (MENASA) Region.

9. Dubai Holding (est. 2004)

http://www.dubaiholding.com

Dubai Holding is a global investment holding company with interests in 24 countries. Employing 20,000 people from 121 nationalities, Dubai Holding is managed through two business groups: Dubai Holding Commercial Operations Group (DHCOG) and Dubai Holding Investment Group (DHIG).

Dubai Holding Commercial Operations Group develops and manages hospitality, business parks, real estate and telecommunications. DHCOG's four operating units are TECOM Group, Jumeirah Group, Dubai Properties Group and Emirates International Telecommunications.

Dubai Holding Investment Group oversees Dubai Holding's financial assets. These include investments and diversified financial services. Its operating units include Dubai Group and Dubai International Capital.

10. DAMAC (est. 2002)

http://www.damacproperties.com

DAMAC Properties was established in 2002 as a luxury real estate developer providing unrivalled living experiences in Dubai, UAE. The company has grown to become one of the foremost luxury developers with projects spanning the GCC, the wider Middle East and the United Kingdom. DAMAC Properties now develops multi-million square-foot golf course communities, high-end and high-rise private apartment towers, "limited edition" living experiences with global brands such as Versace, FENDI, Bugatti and The Trump Organization, as well as operating and managing serviced hotel apartments and fully-fledged five star hotels in collaboration with Paramount Hotels & Resorts.

DAMAC is quoted on the Dubai Financial Market and is majority owned by its founder Hussain Sajwani.

11. Depa Ltd. (est. 1996)

http://www.depa.com

Depa Ltd. specializes in the full-scope turnkey fit-out and furnishing of five-star luxury hotels, yachts, apartments, and other fine private and public facilities in Dubai and around the world.

Depa Ltd. has steadily grown and expanded throughout Europe, Africa, Asia, and the Middle East. Over the years, the company has managed to build up an association with international suppliers and manufacturers, in addition to utilizing its own in-house Depa manufacturing facilities.

Headquartered in Dubai, Depa serves clients worldwide.

12. RAK Ceramics (est. 1989)

http://www.rakceramics.com

RAK Ceramics is a global hi-tech manufacturer of premium ceramics lifestyle solutions. Specializing in high-quality ceramic and porcelain stoneware wall and floor tiles, sanitary ware, tableware and faucets, RAK Ceramics is a complete solutions provider for walls, floors, bathrooms and kitchens. RAK Ceramics uses more than 10,000 production models (tiles) and 13,000 design pieces (sanitary ware), with new designs being added every week to its portfolio. One of the largest ceramics manufacturers in the world, RAK Ceramics has a global annual production capacity of 117 million square meters of ceramic and porcelain tiles, 4.6 million pieces of sanitary ware and 24 million pieces of tableware; with a one billion US$ turnover and a distribution network that spans 160 countries.

RAK Ceramics was established in 1989 by H.H. Sheikh Saud Bin Saqr Al Qasimi, Ruler of Ras Al Khaimah.

13. Aramex (est. 1982)

http://aramex.com

Aramex is a leading global provider of comprehensive logistics and transportation solutions. Established in 1982 as an express operator, the company rapidly evolved into a global brand recognized for its customized services and innovative multi-product offerings. In January 1997, Aramex became the first Arab-based international company to trade its shares on the NASDAQ stock exchange. After five years of successful trading, Aramex returned to private ownership in February 2002 and continued to expand and excel as a privately owned company, establishing global alliances and gaining stronger brand recognition. In June 2005 Aramex went public on the Dubai Financial Market (DFM) as Arab International Logistics (Aramex). Today, Aramex employs more than 13,900 people in over 354 locations across 60 countries, and has a strong alliance network providing worldwide presence.

The range of services offered by Aramex includes international and domestic express delivery, freight forwarding, logistics and warehousing, records and information management solutions, e-business solutions, and online shopping services.

14. Tabreed (est. 1998)

http://www.tabreed.ae

Ever since Tabreed was commissioned by the UAE Government to construct a district cooling plant in Suweihan in the late 1990s, the company has continued to play a vital role in enabling the nation’s economic development by providing pioneering cooling solutions to key infrastructure projects - first in the UAE, and later, across the GCC.

Today, Tabreed delivers its energy-efficient, economical, and environmentally-friendlier cooling solutions to many of the region’s landmark projects, including the Sheikh Zayed Grand Mosque, Ferrari World, Dubai Metro, Etihad Towers, World Trade Center Abu Dhabi, Aldar’s HQ, The Pearl – Qatar as well as the Jebal Omar Development Project in Mecca and the Bahrain Financial Harbour.

In the 15 years since its establishment, Tabreed has become the region’s leading district cooling provider. Its portfolio now includes 69 plants in the GCC that deliver over 950,000 refrigerated tons to projects vital to their respective nations’ economic development and diversification.

15. Drake & Scull (est. 1881 in UK)

http://www.drakescull.com

Drake and Scull International PJSC is a global industry leader delivering state-of-the-art projects and solutions across its six main high-performance sectors including: General Contracting, Engineering, Rail, Oil and Gas, Infrastructure development, Water and Wastewater treatment. The company provides integrated design, smooth functionality and efficiency in the fields of Infrastructure Development, Waste to Energy, Data Centre Development, Mechanical Electrical and Plumbing (MEP) and Renewable Energy.

16. Arabtec Construction (est. 1975)

http://www.arabtecuae.com

Arabtec Construction is a multinational construction company that is headquartered in Dubai, United Arab Emirates, where it is one of the leading companies in its sector. Arabtec Construction was established in Dubai in 1975 and has completed a number of projects in different construction sectors such as high-rise developments, hotels and hotel interiors, office blocks, commercial developments, industrial projects, major airport developments, stadiums, infrastructure and drainage works, offshore oil and gas installations and residential complexes.

Growth in Dubai was followed by geographical diversification. Arabtec Construction has associated companies based in Abu Dhabi, Jordan, Pakistan, Qatar, Russia, Saudi Arabia and Syria. The group now consists of 13 subsidiaries, each one providing end-to-end contracting services across the construction value chain.

Arabtec Holding was the first privately held construction company to go public in the UAE. The company was listed on the Dubai Financial Market (DFM) in 2005 and since the IPO the stock has been one of the most traded in the region. Abu Dhabi-based Aabar Investments (which is in turn controlled by IPIC) currently holds 36.11% of the company’s shares.