

Al Habtoor plans Dh2b Business Bay tower

DESIGN FOR 100-STOREY BUILDING READY BY NEXT YEAR

BY SHAKIR HUSAIN
Staff Reporter

Dubai UAE-based diversified business group Al Habtoor yesterday unveiled a plan to build a 100-storey tower in Business Bay, a new commercial district of Dubai.

The tower will cost Dh2 billion to build and include a boutique hotel and residential units as well as offering commercial office space, Al Habtoor group chief executive Mohammad Al Habtoor told *Gulf News*.

He said the project's final investment figure will be determined after the completion of design work.

"A project like this will cost around Dh2 billion. We will have the design ready in mid-2007. The project will take over three years to complete," Al Habtoor said, adding that it will be a city landmark.

"We want to build something unique. We are trying to establish something great," he said, without revealing further details.

The Business Bay tower will create 700,000 square feet of office space.

Al Habtoor is investing Dh300 million in another commercial tower in Dubai Marina.

Located opposite the Al Habtoor Grand Hotel, the 40-floor Al Habtoor Business Tower will create 230,000 square feet office space.

Explaining the rationale behind launching high-rise buildings, the Al Habtoor chief executive said: "Land

is very expensive in Dubai and to get returns on investments you have to go vertical."

Al Habtoor's current big projects in Dubai include a Dh750-million tropical-themed resort on the Palm Jumeirah Island.

"We are working on the design. We are waiting for the Palm infrastructure to be completed," Al Habtoor said. The company is waiting for access to the Palm for its contractors.

"We are expecting these answers soon," Al Habtoor said.

The company also hopes to venture into Abu Dhabi's growing hospitality industry by building a luxury hotel.

"We have already approached the government. As soon as we find land in a proper area, we will start a hotel in Abu Dhabi," he said.

Foreign investment

Speaking at a press conference organised to mark the group's 35 years in business, chairman Khalaf Al Habtoor said the company was planning new investments in Britain to boost its interests there.

"We have a huge plan to expand our investment in the United Kingdom. It may not be in hospitality, but in another less-risky business," he said.

The company has initial plans to spend \$500 million on buying office buildings and acquiring companies.

Al Habtoor will also use Britain as a base to enter other European markets.



Towering above

Al Habtoor's tower will become a city landmark, the firm says.

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AL HABTOOR'S GRAND DESIGNS

■ LAUNCHES SIGNATURE PROJECTS INCLUDING A 100-STORY PYRAMIDAL TOWER IN BUSINESS BAY

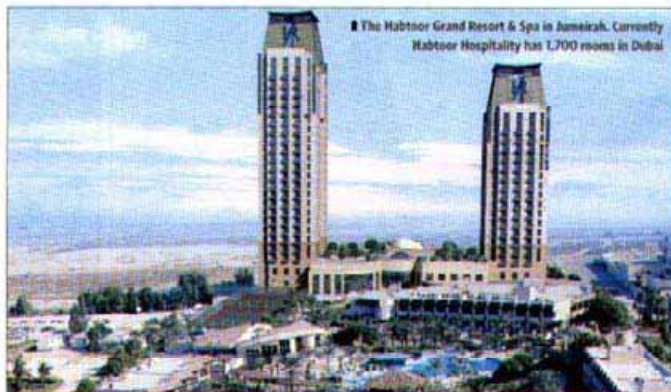
Shalaka Paradkar

THERE IS nothing like the celebration of 35 years of operations to get started on new projects. One of the UAE's premier family-owned groups, Al Habtoor, has done just that by launching signature projects in Dubai and the UK.

For Business Bay, the group "wants to build a landmark, not in terms of height, but overall design," says Mohammad Al Habtoor, Chief Executive Officer. "While a regular tower takes seven months to design, we expect to finalise the design for this one by mid-2007. Construction is expected to take over three years."

The 100-storey pyramidal tower is to include a boutique hotel, residential units and commercial space. The cost could be a staggering Dh2 billion.

Hospitality will continue to be a key focus area. Currently Habtoor Hospitality has 1,700 rooms in Dubai, including the proj-



■ The Habtoor Grand Resort & Spa in Jumeirah. Currently Habtoor Hospitality has 1,700 rooms in Dubai

ects under development. The ambitious Dh750 million hotel on The Palm Jumeirah is yet to take off as infrastructure has not been completed. "On The Palm, the sheer number of hotels may result in some amount of sameness. Not every hotel is going to be unique," says the CEO.

"Design will be the big differentiator. We are waiting for the infrastructure to be completed so that we can grant access to our contractors." For all their hotel projects, Al Habtoor

have been the owners, contractors and operators.

"While we do have investments abroad in North Africa, Lebanon and the UK, we plan to expand these investments, especially in the UK. Our commercial plans include acquiring parts of companies there and we will use it as a base to expand in Europe," says Al Habtoor.

Commercial space is still a small sliver of their real estate interests. That will change with the Dh300 million, 40-storey tower oppo-

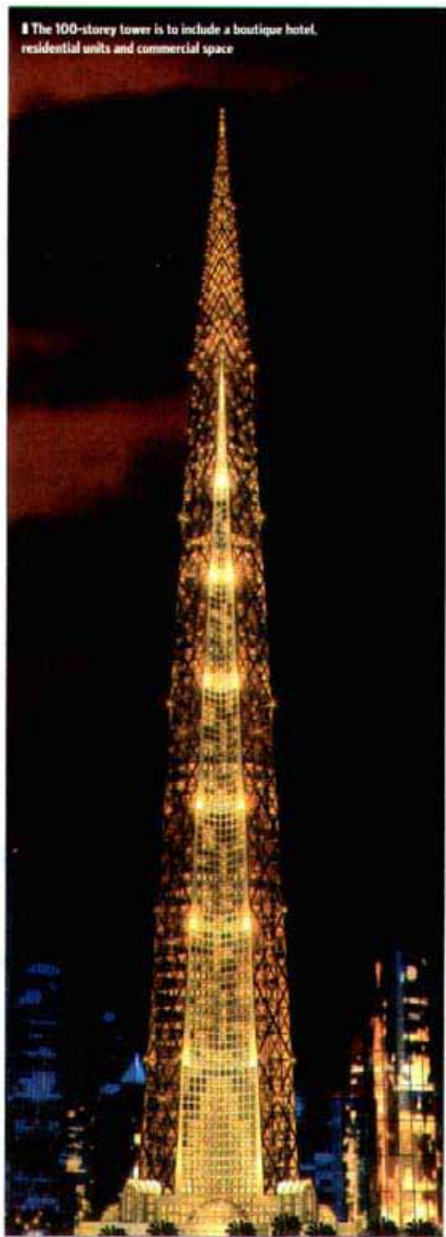
site the Al Habtoor Grand Hotel in Dubai Marina. It will have 230,000 square feet of leasable area.

"In the Business Bay tower, we aim to build about 700,000 square feet of commercial real estate. We have to exceed 100 storeys in this building, to ensure optimum returns on investment on the land purchase," says Al Habtoor. "On its completion in 2008, Habtoor Hospitality will have more than 2,500 hotel rooms in Dubai."

On the construction side, its portfolio exceeds Dh15 billion in projects being built for other clients. "We have been refusing tenders for shortage of time and resources. We have \$2 billion worth of projects in Qatar, and may also expand into Oman. We believe we have enough work to keep us busy for the next 15 years."

—FREELANCE WRITER

■ The 100-storey tower is to include a boutique hotel, residential units and commercial space



AL HABTOOR SAGA

■ "The best way to predict the future is to create it," says Khalaf Al Habtoor, chairman and founder of Al Habtoor Group. Having started out with a small engineering company in 1970, Khalaf Al Habtoor has since turned his dream into 35 years of successful innovation. In the last few years, the group has invested billions of dollars in developing new projects.

■ **Employee strength** grew from 5,577 to 22,397 between 1995 and 2005, which was accompanied by a 284 per cent increase in revenue and 737 per cent in net profits during the decade.

■ **Habtoor Engineering**, Habtoor Motors and Habtoor Hospitality together contribute up to 80 per cent of the revenues.