

Family businesses in the Middle East | Facts and figures



World's **500** largest family businesses

2.8%
(14)
are located in the Middle East.

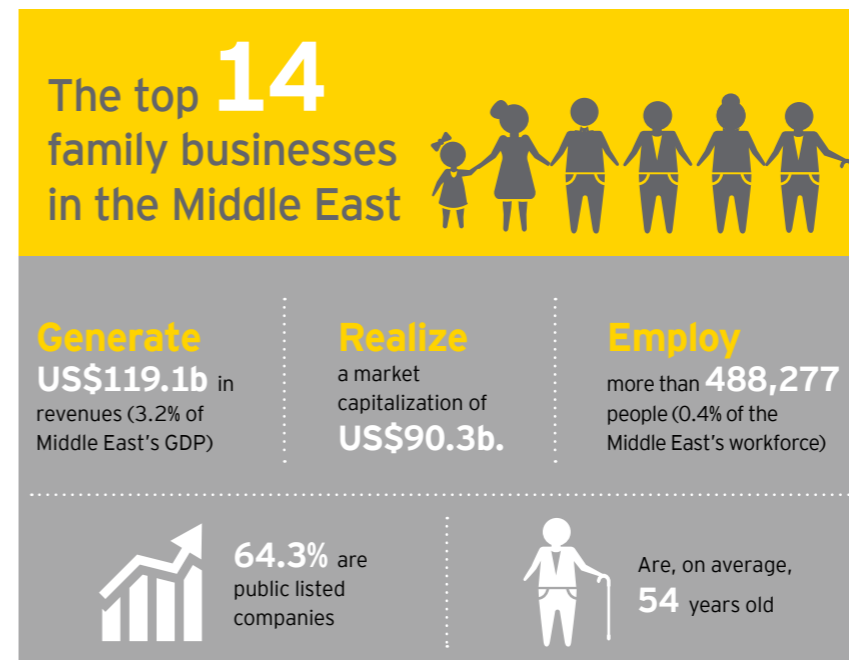
Source: Global Family Business Index, University of St. Gallen, Center for Family Business

The largest family businesses in the Middle East

The top 10 generated approximately US\$327b to the Middle East's US3.8t GDP in 2013, and employed 238,435 people. The largest family business by revenue is Arabian Fal Group, with US\$82.2b. The largest family business by number of employees is Mohammed Abdulmohsin Al Kharafi & Sons Co, with 120,000 employees.

Rank	1	2	3	4	5
Company name	Arabian Fal Group	Xenel Industries Co. Ltd.	Gulf Agency Co. (Dubai) L.L.C.	M. H. Alshaya Co. WLL	Zamil Group Holding Company
Revenues (2013) in US\$b	82.2	43.8	31.7	29.4	26
Number of employees (2013)	4,000	8,000	6,500	44,000	12,000
Family	Alsayed	Alireza	Rais Hassan	Alshaya	Al Zamil
Family shareholding or voting rights (latter indicated by *)	>50%	>50%	>50%	>50%	>50%
Public listed company	No	No	No	No	No
Country	Saudi Arabia	Saudi Arabia	United Arab Emirates	Kuwait	Saudi Arabia

Source: EY Research, based on Onesoure, Dun & Bradstreet and Bradley, H. (2014): Major Companies of the Arab World 2014, Andover (UK).
Note: we define companies as family businesses when they are public companies with a minimum shareholding or voting power of the owner family of 32% or private companies with a minimum shareholding of the owner family of 50%. We have considered companies with total revenues of more than US\$2b.



Sources: Global Family Business Index, University of St. Gallen, Center for Family Business, World Bank



Some interesting anniversaries

Anniversary	Company	Family	Industry	Headquarters	Country
125	M. H. Alshaya Co. WLL	Alshaya	Retail	Safat	Kuwait
125	Yusuf Bin Ahmed Kanoo Holdings Co.	Kanoo	Conglomerate	Manama	Bahrain
75	Ahmad Hamad Algosaibi and Bros.	Algosaibi	Conglomerate	Al Khobar	Saudi Arabia
50	Marei Bin Mahfouz Group and Company Ltd.	Mahfouz	Investments	Mecca	Saudi Arabia

Source: EY Research, based on Onesoure, Dun & Bradstreet and Bradley, H. (2014): Major Companies of the Arab World 2014, Andover (UK).
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Rank	6	7	8	9	10
Company name	Al-Wazzan Holding Group	Al Habtoor Group LLC	Al Hamed Enterprises (Group of Companies)	Saeed & Mohammed Al Naboodah Holding LLC	Tamimi Group
Revenues (2013) in US\$b	23.1	22.2	17	16.9	13.9
Number of employees (2013)	17,170	40,000	4,600	14,000	9,000
Family	Al Wazzan	Al Habtoor	Al Hamed	Al Naboodah	Tamimi
Family shareholding or voting rights (latter indicated by *)	>50%	>50%	>50%	>50%	>50%
Public listed company	No	No	No	No	No
Country	Kuwait	United Arab Emirates	United Arab Emirates	United Arab Emirates	Saudi Arabia

Note: we define companies as family businesses when they are either public companies with a minimum shareholding or voting power of the owner family of 32%, or private companies with a minimum shareholding of the owner family of 50%.

Changes in leadership

Investcorp

9 October 2014 – Investcorp exec Chairman and CEO Kirdar to retire

Bahrain-based Investcorp said that its Executive Chairman and Chief Executive Nemir Kirdar would retire in June 2015 after more than 30 years leading the alternative investment firm that he helped to set up. Succession planning is expected to be a key theme in the coming years in the Gulf, as a large number of companies – in particular, family-owned businesses – pass control from a patriarchal figurehead who has built up the firm to a new generation of business leaders. Mohammed al-Shroogi, President of Gulf business at Investcorp, and Rishi Kapoor, chief financial officer, will be appointed co-CEOs from 1 July, 2015, subject to regulatory approval, a statement said.

Some of the oldest family businesses in the Middle East

Company	Khimji Ramdas L.L.C.	M. H. Alshaya Co. WLL	Yusuf Bin Ahmed Kanoo Holdings Co.	Al-Wazzan Holding Group	Zamil Group Holding Company
Founded	1870	1890	1890	1927	1930
Family	Khimji	Alshaya	Kanoo	Al Wazzan	Al Zamil
Industry	Conglomerate	Retail	Conglomerate	Conglomerate	Holding
Headquartered	Muscat	Safat	Manama	Safat	Al Khobar
Country	Oman	Kuwait	Bahrain	Kuwait	Saudi Arabia

Source: EY Research, based on Onesoure, Dun & Bradstreet and Bradley, H. (2014): Major Companies of the Arab World 2014, Andover (UK).

Note: we define companies as family businesses when they are public companies with a minimum shareholding or voting power of the owner family of 32% or private companies with a minimum shareholding of the owner family of 50%. We have considered companies with total revenues of more than US\$2b.

Selected obituaries

We take this opportunity to remember some of the famous family entrepreneurs who died in the last year.

5 January 2015

Serge Hochar, who navigated Chateau Musar, his family's winery in Lebanon, through 15 years of civil war, establishing Musar as one of the most admired wine producers in the world, died aged 75 in Acapulco, Mexico. Hochar oversaw production for Musar, but he was more than a winemaker. He was also an entrepreneur, who crisscrossed six continents promoting his idiosyncratic, long-lived wines. He was also an ambassador for the ancient wine culture of Lebanon, which had been moribund when his father Gaston founded Musar in 1930. Musar's success helped to build the modern Lebanese wine industry.

15 April 2014

Ambika Chadha, the 31-year-old Dubai entrepreneur from a well-known Indian business family, died in New York. Ambika was the director of Quartermile, a first-of-its-kind car spa in Dubai. Quartermile distributes several high-end motor sport products and accessories, and provides car customization and performance enhancement services in the UAE.

Some recent M&A deals involving the Middle East's family businesses

February 2015	Abraaj Capital Holdings Limited
Turkey	The UAE-based private equity firm acquired a 25% stake in Hepsiburada.com, the Turkey-based e-retailing company, for an undisclosed consideration. The deal is estimated to be valued at US\$400m. The acquisition will enable Hepsiburada's management team to develop a new fulfillment center to replace its five existing warehouse facilities.
October 2014	Investcorp
USA	The Bahrain-based private equity firm and Bahrain Mumtalakat Holding Company, the investment sovereign wealth fund of the Government of Bahrain, acquired PRO Unlimited, the US-based provider of software and services that enable large enterprises to manage their contingent workforce. The deal is estimated to be valued at US\$300m.
July 2014	Kout Food Group
United Kingdom	The listed Kuwait-based company engaged in the food sector acquired Coffee Snobs Ltd, the UK-based Costa franchise partner engaged in operating cafes, for a consideration of US\$8.87m. Coffee Snobs Ltd manages around 14 branches located in northeast London.
June 2014	Al Mirqab
United Kingdom	The Qatar based private investment company acquired Heritage Oil Plc ("Heritage"), the UK-based, Jersey incorporated London-listed oil company. The price valued the entire equity of Heritage at £889m and gave a value of £711m on the 80% Heritage stake targeted. Al Mirqab is privately held by Sheikh Hamad Bin Jassim Bin Jabor Al Thani and family.
April 2014	Abdul Latif Jameel Co. Ltd.
Spain	The Saudi Arabia-based company engaged in distribution businesses of automotive vehicles, financing, advertising and media, has acquired Fotowatio Renewable Ventures (FRV), the Spain-based company engaged in the development, building and operation of solar plants, from Denham Capital Management LP, the US-based private equity firm focused on energy related investments, Qualitas Equity Partners, the Spain-based private equity firm, and FRV's founder shareholders, for an undisclosed consideration.
April 2014	Al-Futtaim Private Company LLC
Kenya	The UAE-based company engaged in commerce, industry and services sectors acquired CMC Holdings Ltd., the Kenya-based company what provides vehicle sales, parts and service, for a consideration of US\$89.03m. The acquisition will lead to CMC becoming a wholly owned subsidiary of Al-Futtaim.
February 2014	Fawaz Abdulaziz Al Hokair Company
Spain	The listed Saudi Arabia-based company engaged in the retail and real estate business acquired Blancoshop SL, the Spain-based clothes manufacture and retailer, for a consideration of €40m.

7 August 2014

Mohammad Abdulrahman Al-Bahar, the prominent businessman and Chairman of the National Bank of Kuwait (NBK), died after a long life of achievements and charity work. Al-Bahar was born in 1919 into a family that specialized in commerce. Al-Bahar joined the construction council, which played an important role in building modern Kuwait in the mid-20th century. He also founded the Al-Bahar Group, a well-known chain of companies in Kuwait and the GCC countries.

3 August 2014

Bahraini businessman Yusuf bin Ahmed Kanoo, Chairman of family conglomerate Kanoo Group in the United Arab Emirates and Oman, died aged 72. The company was established in 1890 by Haji Yusuf Bin Ahmed Kanoo. Yusuf bin Ahmed Kanoo turned it into one of the largest family-owned businesses in the Gulf. Today, the group is focused on retail, logistics, chemicals, shipping, oil and gas, and travel.