MIDDLE EAST

SAUDI ARABIA

ABDUL LATIF JAMEEL
"We always attack"

Jameel did better than striking oil or gold. In 1955 he won exclusive rights to distribute Toyota vehicles in Saudi Arabia. Abdul Latif Jameel Co. Ltd. built Toyota sales to a peak of 152,000 during the oil boom, almost a third of the Saudi passenger and light-truck market. Thanks to auto distribution, A.L.J. is one of the largest private Saudi businesses by sales, with revenues of $1.3 billion. The 1980s oil slump cut sales sharply, but by then Jameel had channeled profits into his Jaymont Properties, an impressive list of prime realty in New York, Boston, San Francisco, Miami and Orlando. Among Jaymont's holdings: the 49-story "Wang Building" at 780 Third Avenue in New York.

But Toyota distribution remains the heart of his empire. Jameel has developed this market by creating the largest central parts warehouse in the Middle East, through easy financing, and with some of the most sophisticated advertising in Saudi Arabia—it once featured former boxing champ Muhammad Ali, a regional favorite. Having become expert in auto dealerships, A.L.J. made a successful hostile bid on Hartwell Plc., a British distributor with Ford, Rover, Jaguar, BMW and Mercedes franchises.

Jameel, now in his mid-70s, has taken Mohammed, one of his three U.S.-educated sons, into the business. Son Mohammed is no pussycat. He recently told London's *Sunday Telegraph:* "If you have market share, profit will always follow. We always attack, we don't defend. So our competitors are always under attack. We never let go. If you do, it gives them a chance to gather momentum."—**Zina Sawaya**

Abdul Latif Jameel

BIN MAHFOUZ FAMILY
No recourse

The Bin Mahfouzes are traditional bankers to the House of Saud, which has posed a problem. The oil bust hit some of the king's lesser relations hard, and the Bin Mahfouzes' National Commercial Bank was obliged to eat bad royal paper. Recourse? None.

On a happier note, the family was able to sell, for $528 million, its 20% share of Bank of Credit & Commerce International, the bank indicted on drug money laundering charges in the U.S. in 1988. Without the BCCI headache, the Bin Mahfouzes are now ready to capitalize on recovery in the Gulf, or invest more abroad. The family's major global vehicle is Luxembourg-based Middle East Financial Group, which among other things, has major U.S. real estate holdings.

Salim Ahmed Bin Mahfouz

The family's 60%-plus of National Commercial, Saudi Arabia's largest bank (gross assets, $23 billion), is worth over $500 million (the other 40% belongs to the also wealthy Kaaki family). Add to this huge Saudi landholdings, and the Bin Mahfouzes' worth exceeds $2.5 billion. Khalid Bin Salim Bin Mahfouz, 43, seems to be emerging, as his father, patriarch Salim Ahmed, steps onto the sidelines. Khalid's brothers, Mohammed and Abdul Elah, are also in management, but he looks at the deals, makes the moves and oversees foreign investments. Khalid Bin Mahfouz is described as a risk-taker, and has recovered from a serious car accident last year—as well as from royal deadbeats.—**Zina Sawaya**

SULIMAN SALEH OLAYAN
Like father, like daughter

Olayan likes the stock market, although he has reduced his stakes in Occidental Petroleum (to around 1%), First Chicago Corp. (to 3.5%) and Transamerica (to 3.3%), according to the latest available 13-D filings. He operates here under the names Crescent Diversified Ltd. and Competrol Establishment.

Suliman Saleh Olayan Robert Azzi/Woodfin Camp

In 1988 the Olayan Group acquired a 30.5% temporary stake in CS First Boston Inc. to facilitate the merger of First Boston with European affiliate Crédit Suisse First Boston. Through Crescent, Olayan has kept 5% of CS First Boston after selling the 30.5% to Metropolitan Life and others. The Met deal values his 5% at an estimated $100 million.

In Saudi Arabia, meanwhile, Olayan's long list of lucrative franchises includes Kimberly-Clark and Colgate-Palmolive. To these he more recently added the right to distribute Coca-Cola in Saudi Arabia—even though Coke is on the Arab boycott list for its Israeli operations.

Olayan, 71, is increasingly turning the business over to his four children. Unlike most Saudis, he does not discriminate against his female children. Two of his daughters have earned M.B.A.s at U.S. universities, and daughter Hutham is boss of New York-based Crescent.—**Zina Sawaya**

AL-RAJHI FAMILY

Non-interest-bearing accounts

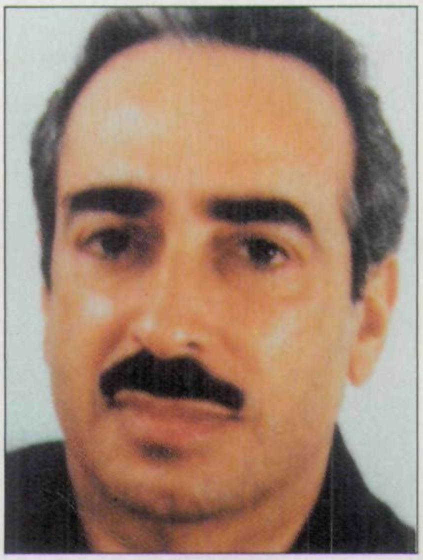
The Al-Rajhi brothers (Sulaiman, Saleh, Abdullah and Mohamed) are the envy of Saudi bankers. Their Al-Rajhi Banking & Investment Corp. (assets, $4.5 billion) may be one of the most profitable banks in the world. Return on its substantial equity exceeded 48% last year. The former moneychanger went public in 1988 at $26.70 a share, and recently traded at $380, valuing the Al-Rajhis' 52% at nearly $1.6 billion. Add to that hundreds of millions made in the oil boom years.

The Al-Rajhis' bank now has the largest number of branches in the kingdom. Other banks close at 7 p.m.; Al-Rajhi stays open until 8. The brothers are fervently religious, but stay open late Thursday afternoon, when lazier competitors go home for the Muslim weekend. The bank operates according to strict Islamic rules that forbid paying interest. Instead of earning interest, depositors share in bank profits. For a business client, the bank will buy his needed inventory or asset and resell to him at a markup. Investment banking, in short, pays.—**Zina Sawaya**

ABDUL AZIZ A. AL-SULAIMAN

Good risk

Al-Sulaiman, 59, has surrounded himself with a clique of shrewd Syrian Christians who assist him in investment decisions. As a result, Al-Sulaiman has channeled most of the money earned during the oil boom years abroad. His main European



Abdul Aziz Al-Sulaiman

company, Rolaco Holding (named after daughter Rola), owns 6% of Belgium's Compagnie Internationale des Wagons-Lits, one of the biggest leisure groups in Europe. It also owns hotels and a stake in German hotel management group Kempinski A.G. Shipping, banking and realty are also among Al-Sulaiman's holdings.

Al-Sulaiman's main domestic corporate presence is Rolaco, which, among other things, sells Nissan diesel trucks. His son Saud, 28, is general manager. Al-Sulaiman's family also controls Arabian Cement Co.

Al-Sulaiman is widely considered one of Saudi Arabia's largest private landowners; he reportedly owns a big chunk of downtown Riyadh, the capital. Perhaps the clearest indication of his wealth and power are reports that Al-Sulaiman is not required to give his personal guarantee to bankers, and so does not disclose assets. There is no indication that he has abused this privilege: His credit has proved good at a time when even some Saudi royals' loans have gone sour, as witness the case of the Bin Mahfouz family *(which see)*.—**Zina Sawaya**

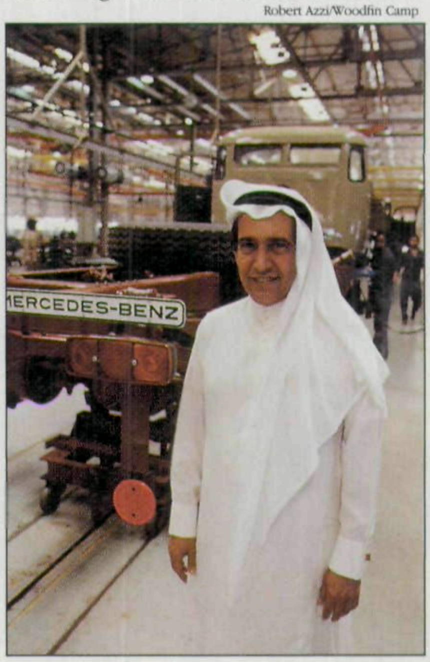
JUFFALI FAMILY

Agents of choice

With Western companies finding it more important than ever to hook up with a local partner to do business in the Gulf, brothers Ebrahim, Ahmad and Ali Juffali should have their hands full. They run E.A. Juffali & Brothers, which has represented some of the world's biggest multinationals, including Mercedes-Benz. The family has long enjoyed royal favor in a kingdom where such favor counts for much more than just prestige. Legend has it that the Juffalis won royal favor when they installed imported cooling machinery at the House of Saud's summer resort, Taif, in 1950. The Juffalis still represent Fluor Corp. and York International; the latter recently won a contract to air-condition the sacred Prophet's Mosque in Medina.

The Juffalis also participate in joint ventures, teaming with Du Pont to produce permeators, a key element in water desalinating equipment—another big business in Saudi Arabia.

Robert Azzi/Woodfin Camp



Ahmad Juffali

Their extensive stock portfolio includes a position in Daimler-Benz. A family holding company, Enpro International, has substantial U.S. real estate.—**Zina Sawaya**

KUWAIT

MOHAMED ABDUL MOHSIN AL-KHARAFI

On the road to Morocco?

Mohamed Abdul Mohsin Al-Kharafi Industries & Establishments, one of Kuwait's largest construction companies, is considering Morocco. A May symposium in Morocco's seaside resort of Agadir introduced proposed free trade zones to a number of top executives and entrepreneurs from around the globe, including six billionaires or members of billionaire families. Among them was Mohamed Al-Kharafi. As chairman of the $13 billion (assets) National Bank of Kuwait, the oldest in Kuwait and the best managed in the Persian Gulf, it's a safe bet Al-Kharafi wasn't there to take the waters.

Mohamed Abdul Mohsin Al-Kharafi

Was this symposium the start of something big in Morocco? FORBES wanted to know. A simple, quiet-spoken man, Al-Kharafi smiled, demurred. His investment philosophy: "I'm not in one pot, not in one place, not in one currency."

Last year Al-Kharafi's NBK reported official profits of $120 million, but a good chunk of its real profits is hidden away under liabilities or in secret reserves. "We learned that from the Swiss," quips an NBK banker.

Mohamed's son Jassim is a presence in his own right: Until recently he was finance minister and chairman of the government's Kuwait Investment Agency. Mohamed Al-Kharafi's presence at that Moroccan symposium was a highly positive sign for the North African kingdom.—**Zina Sawaya**

AL-GHANIM FAMILY

Americanesque

Sometimes called the Rockefellers of the Persian Gulf, the Al-Ghanims are more Western-oriented than most Gulf business people. Yusuf Ahmad Al-Ghanim & Sons was always quick to recruit outsiders, including American M.B.A.s, for top management positions. But the family still prevails. Patriarch Yusuf Al-Ghanim, in his late 80s and long inactive, has one son running the business: Bassam, in his early 40s.

Yusuf Al-Ghanim

The family's diverse company includes travel agencies, contracting, insurance, electronics, shipping, car rentals, franchises for Chevrolets and Cadillacs—favorites in Kuwait—and even a license for Toys "R" Us, also hugely popular, in various Gulf countries. The Al-Ghanims' New York-based investment vehicle AI International Corp. invests in real estate, and its AI Automotive Corp. is one of the top ten parts distributors in the U.S. The latter venture is in some trouble: It apparently stretched itself thin buying all over the country instead of concentrating on one region.

Yusuf's son Kutayba spends most of his time in the U.S., working and living in New York.—**Zina Sawaya**

BAHRAIN

KANOO FAMILY

Peace-loving family

Few are happier with the end of the Iran-Iraq war than the Kanoo family, the leading shipping agents in the region; peace means more trade. The Kanoo Group supplies some 3,000 to 4,000 ships in the Gulf annually with essential services: docking, cargo handling, land transportation. With the guns silent, according to London-based *Containerisation International*, container tonnage in the Persian Gulf—excluding shipments to Iran and Iraq—was up an estimated 5%, to 22 million tons, last year.

Besides shipping, the Kanoo Group, led by 67-year-old Ahmed Ali, is in banking, insurance, agriculture, industrial equipment sales and travel agencies. Ahmed Ali is chairman of the National Bank of Bahrain (assets, $2 billion). He is also vice chairman of Investcorp, the Middle East's foremost merchant bank, which bought Tiffany & Co. in 1984 and recently agreed to buy Saks Fifth Avenue from Britain's B.A.T Industries (for whom the Kanoos are the local agents in Bahrain).

The Kanoo Group rose to prominence as a pearl trader. It celebrates its 100th anniversary this year by getting into consumer products. It now represents Sears, Roebuck and has just received the first shipment of household appliances, hardware and gardening tools. It wants other such franchises—a clear signal that peace is bullish for the Gulf's consumption-minded middle class.—**Zina Sawaya**

Ahmed Ali Kanoo

TURKEY

VEHBI M. KOC

Slacks, refrigerators and lumber

They say in Turkey that there's the public sector, the private sector and the Koc sector. In fact, the Koc (pronounced like coach) Group (1989 consolidated sales, $6.4 billion) has its products in practically every household in Turkey. Under Koc Group are 103 companies in electron-

Gilles Mermet/Sipa

Vehbi Koc

ics, construction, food, insurance, tourism, textiles, household appliances, automotives and exporting. A net worth believed at over $2 billion has allowed the Koc family to live like pashas in a sumptuous mansion overlooking the Bosporus, complete with ancient Roman columns.

A grocer by origin, founder Vehbi Koc, 89, certainly has lived up to his name, which means ram in Turkish (a ram's head is the company's logo). He still is said to have the last word at board meetings. Son Rahmi, 59, runs the business, and U.S.-educated grandsons Mustafa, Omer and Ali are being groomed.

In the U.S., Koc has a small apparel business, New York-based Ramerica International (1989 sales, $50 million). According to S. Ugur Sabuncu, Ramerica's president, it's the first Turkish company to develop a successful brand name here: a moderately priced, Turkish-made line of young women's sportswear called Europrep. The line is now in thousands of stores, including J.C.Penney. Sabuncu has started advertising the sportswear nationally in magazines like *Elle,* and is aiming at finer department stores. This is in odd contrast to Ramerica's other activities: importing Turkish-made refrigerators and selling Canadian lumber.—**Zina Sawaya**

SABANCI BROTHERS

Sibling harmony

Turkey's other big conglomerate, Sabanci Holding A.S. (1989 sales, $4.4 billion), has two recently inked joint ventures. One is with Toyota Motor Corp. and Mitsui & Co. to make Toyotas. The other, with Philip Morris to make Marlboros, Chesterfields and Parliaments, was the Turkish government's idea, and the Sabancis were agreeable. Before becoming Prime Minister in 1983, now-President Turgut Ozal was Sabanci Holding's chief executive officer.

Of the group's 47 companies, the biggest is one of Turkey's most profitable banks, Akbank (1989 net profit, $149 million). According to Capital Intelligence, the Cyprus-based bank rating agency, a lot of Akbank's loans go to Sabanci companies (the bank claims only 12%).

The group's late founder, Haci Omer Sabanci, started in the 1930s with a cotton gin and a vegetable oil plant. Since 1966 it has been run by his five sons. Sakip, 57, chairman, oversees the Istanbul-based companies; Haci, 56, runs food, cement and textiles; Sevket, 55, looks after international relations and trading; Erol, 54, banking and insurance; and Ozdemir, 53, is in charge of automotive and plastics.

Gilles Mermet/Sipa

Sakip Sabanci

Sevket once described the working relationship between the brothers this way: "Views are debated, details are gone into, and then we set about reconciling all the differences so as to reach a decision. I have yet to see one or more of my brothers persisting in a contrary opinion in any matter and remaining in opposition. . . . God rest him [father Haci], he left no scope for any complexes to emerge for any one of us." Quite a legacy.—**Zina Sawaya**

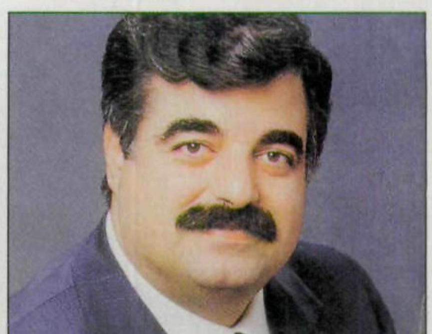
LEBANON

RAFIK B. HARIRI

That's him all over

Being in Saudi Arabia during the boom years was Hariri's luck. From modest beginnings in his native Sidon, Hariri became a big contractor as the protégé of Nasser Al-Rachid—not Saudi royalty, but still rich and powerful.

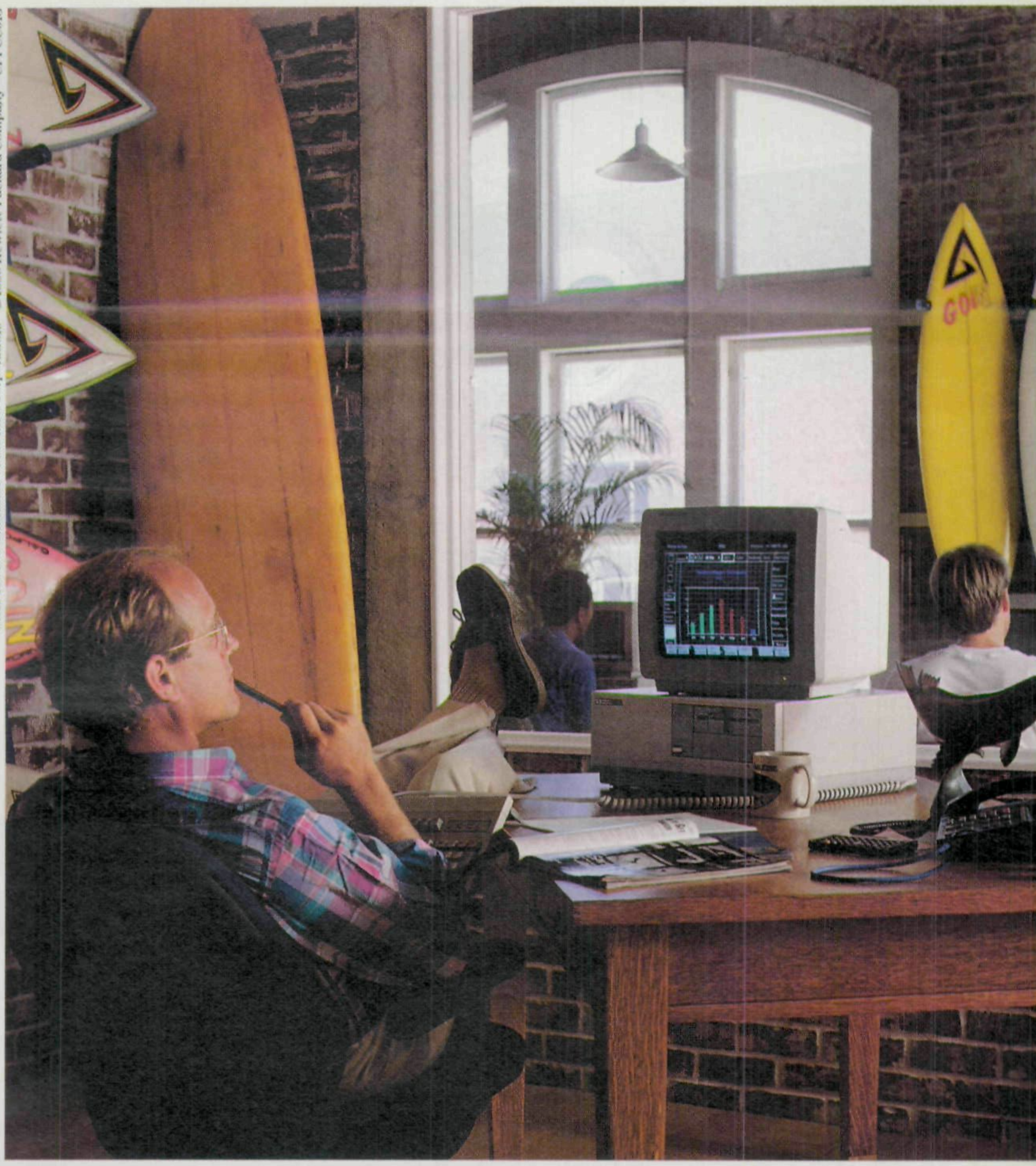
The student outgrew his master. From Saudi Arabia and his big Saudi Oger construction company, Hariri has branched out around the world.



Rafik Hariri

He's mainly based in France, as Holding de Participations et d'Investissements, which buys and develops real estate in Europe, North Africa and the Middle East. Subsidiary Techniques Environnement Sigoure treats polluted water.

In the U.S., the Hariri Group buys developed real estate, mainly in Washington, D.C., New York, Boston and Texas. Hariri recently bought



Robert was sold on Hewlett-Packard PCs while he was still in college.

He was studying engineering and contends an HP calculator was the secret to his success. Since then, HP LaserJet printers have been a big help to his growing company. So when he found he could get Hewlett-Packard reliability in a network of personal computers, Robert decided to stay with a sure thing.

With Intel 286, 386, and 486-based models, HP's line of Vectra personal computers suits a range of business needs. Expansion is easily accommodated with up to 8 accessory slots, 1.3 gigabytes of hard disk storage, and 64 Mbytes of RAM.

Beyond this, HP's adherence to industry standards ensures compatibility. Now, and into the future.

But the most important feature is Hewlett-Packard quality. This, along with HP's network of authorized dealers, gives you all the assurance you need. For the dealer nearest you, call **1-800-752-0900, Ext. 687B.**

There is a better way.

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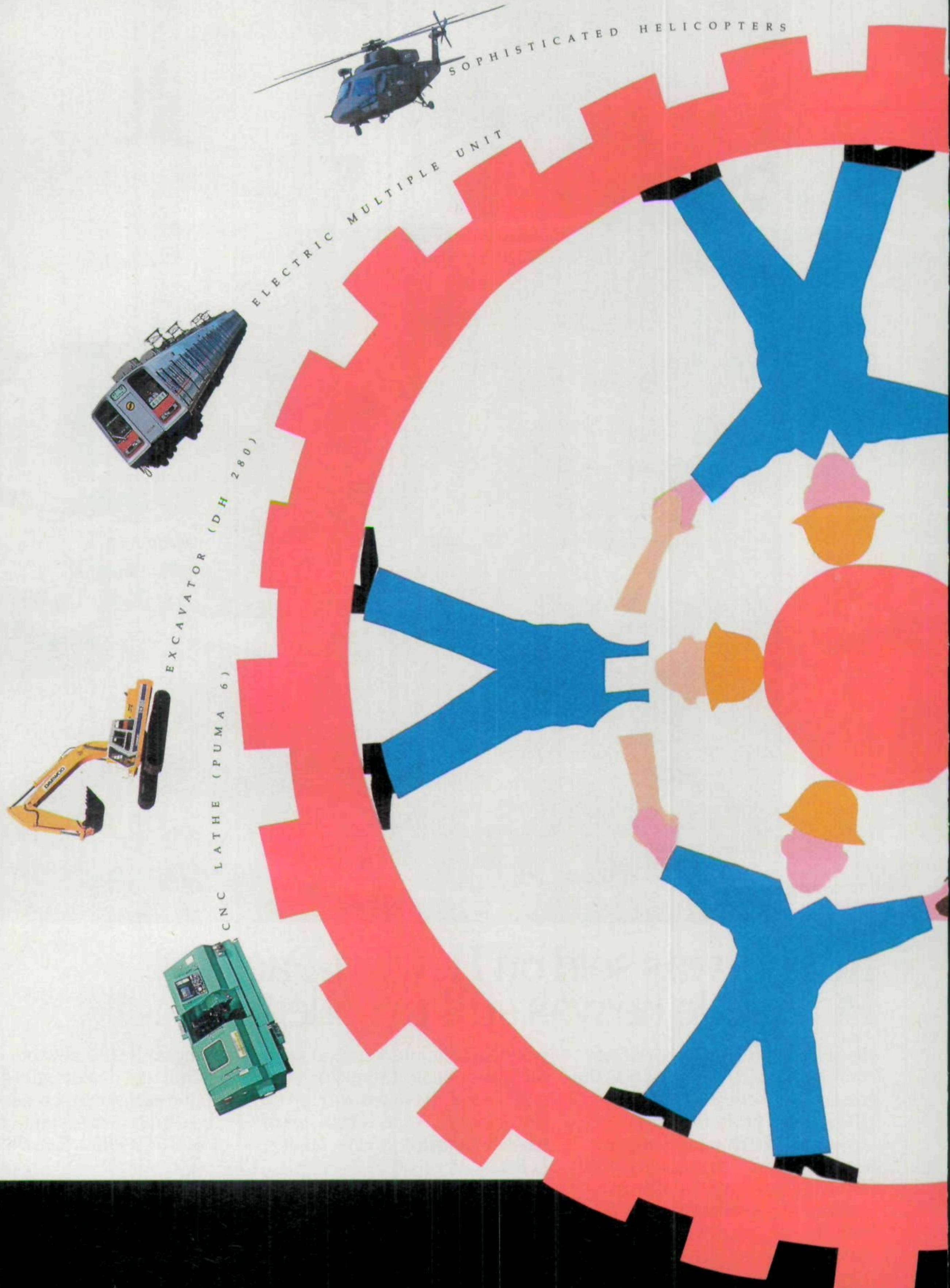
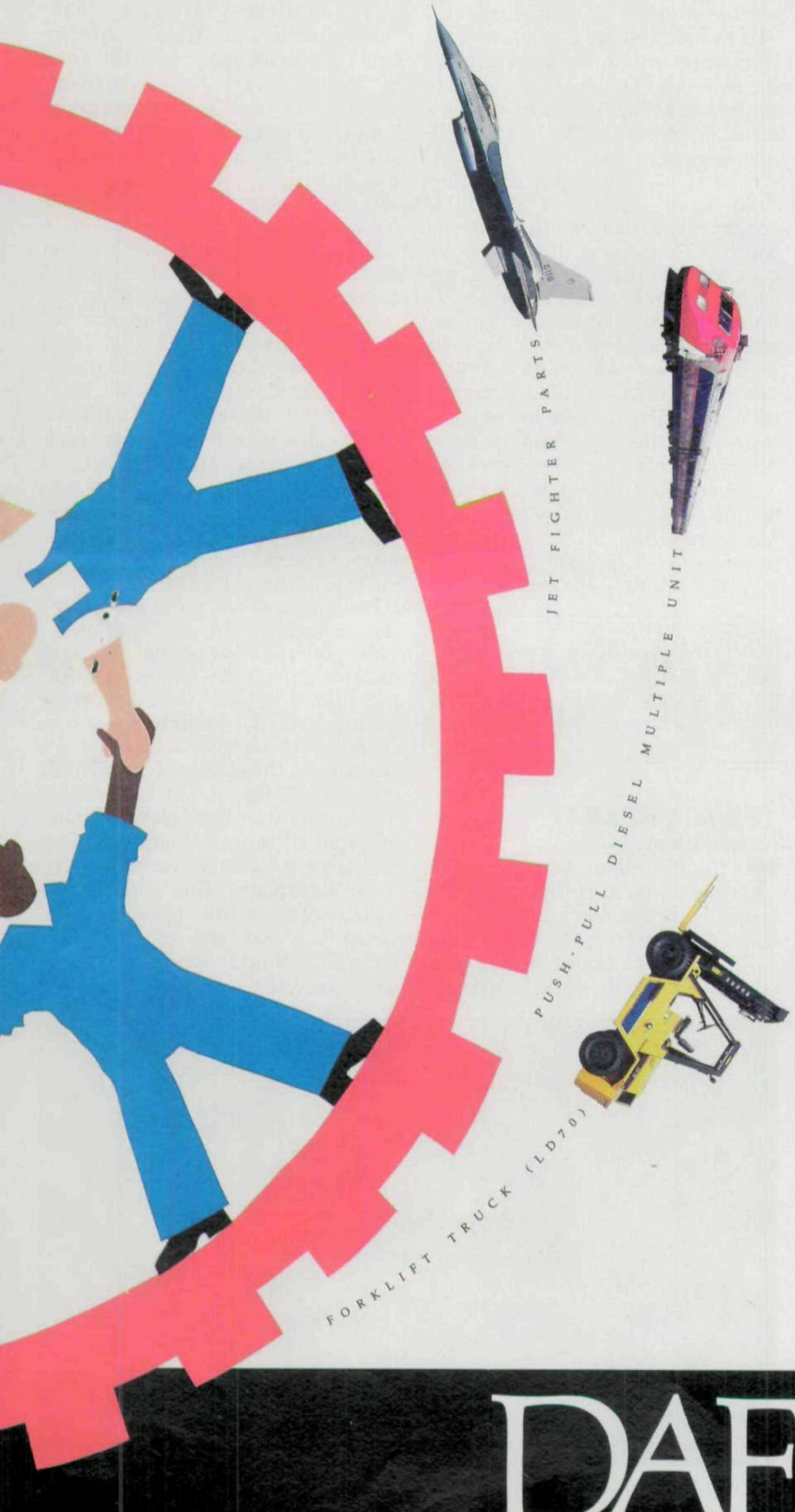
THE UNIVERSAL LANGUA



GE OF HEAVY INDUSTRY.



For decades, Daewoo has proven its manufacturing might with some of the hardest assignments in heavy industry. Daewoo Heavy Industries makes diesel engines, rolling stock, forklifts, excavators, bulldozers and loaders, as well as the most specialized industrial robots and machine tools. And, in the last five years, Daewoo has become a growing presence in aeronautics, completing a series of high-precision commercial and military assignments for the world's most respected names in aviation. For more information on a full range of heavy machinery that has proven its worth all over the world, call Daewoo.

Daewoo Heavy Industries Ltd. (201) 438-8288

DAEWOO

THE UNIVERSAL LANGUAGE OF QUALITY.

Houston acreage, next to his 85%-owned Texas Commerce Tower. Hariri also owns Banque de la Méditerranée, with offices in France, the U.K., Switzerland and Lebanon (combined net total assets, $1 billion), and important stakes in French banks Compagnie Financière de Paribas and Banque Indosuez.

Widely admired in Lebanon for his hard work, integrity and generosity, Hariri has contributed millions to scholarships for Lebanese students, and for projects to rebuild parts of the country destroyed by civil war. Unfortunately, the crazed warlords and their backers far outnumber builders like Hariri, so the devastation proceeds.—**Zina Sawaya**

SAFRA BROTHERS

Apology accepted

A world-class row between American Express Co. and financier Edmond Safra now seems over. Amex bought Safra's private Swiss bank, Trade Development Bank, for $550 million in stock in 1984. Safra sold the stock, and started a competitor in Geneva on virtually the day in 1988

Karsh/Woodfin Camp

Edmond Safra

his noncompete agreement ran out. Last summer Amex admitted its employees were behind a press campaign libeling Safra by linking him to money laundering. Amex Chairman James Robinson III apologized and gave $8 million to Safra's favorite charities. Then Amex sold TDB for a tidy $1 billion, making a profit but throwing in the competitive towel.

Perhaps Robinson still hopes for the last laugh. He sold TDB to Compagnie de Banque et d'Investissements. It is headed by Edgar de Picciotto, Safra's Lebanese-born childhood friend before their families fled anti-Jewish sentiment in the 1950s. Now the two will be head-to-head competitors. De Picciotto starts out by far the larger of the two—his CBI-TDB Union Bancaire Privée has $17 billion under management. But Safra's outfit, with $3 billion, is growing fast.

In the U.S. Safra's Republic New York Corp. (assets, $25 billion) bought Manhattan Savings Bank (net worth, $270 million) this spring in a complex deal giving Republic "a very valuable savings and loan for next to nothing," according to one banking analyst. On the other hand, Republic took a hit last year: an 86% drop in net income, to $24 million, the result of adding $200 million to loan loss reserves against exposure to Latin America. That could be a warning. The Safras have known South America for years: Brothers Joseph and Moise run one of Brazil's biggest banks, Banco Safra (1988 reported assets, $2.5 billion).—**Zina Sawaya**

CITIZEN OF THE WORLD

THE AGA KHAN IV

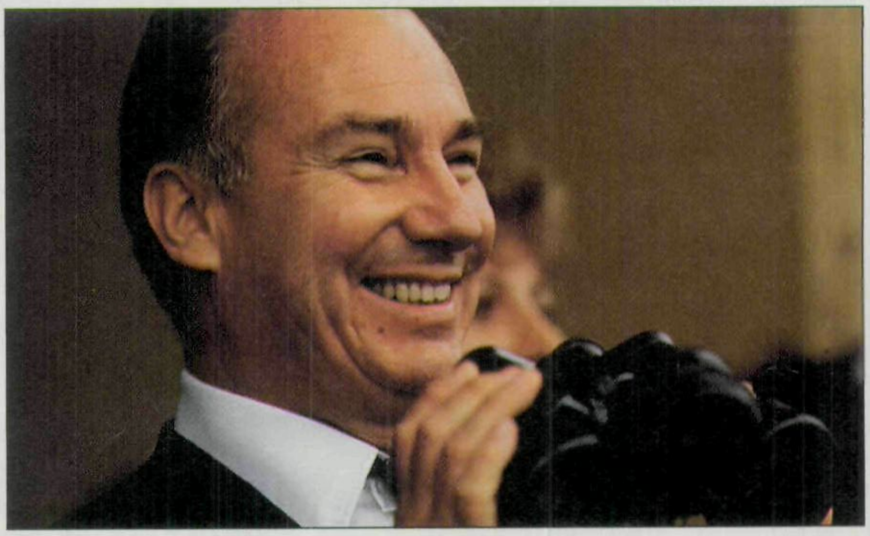
Citizen Khan

To his 15 million Ismaili subjects, Prince Karim Al Hussaini, the 49th Imam, is the Prophet's direct descendant on earth. To the West he is Harvard '59, a hard-headed businessman who lives stylishly with his wife and three children on an estate outside Paris, is legally domiciled in Geneva and carries a British passport. Last year he invested $102 million in Giovanni Agnelli & Co., which indirectly holds Fiat stock and is mostly owned by sailing chum Gianni Agnelli. Through his own holding company, Fimpar, the Aga Khan, 53, has over 50% of a luxury hotel group, Ciga. He also owns about 700 Thoroughbreds and a stock portfolio, unrevealed but reputedly huge.

His hereditary title also carries an enormous cash flow asset: the *zakat*, or the 12% of their incomes that Ismailis—progressive Muslims and respected businessmen in the Third World —have been voluntarily contributing to the Aga Khans since 1817. Some of the estimated $100 million a year brought in by the *zakat* goes back to the community via an educational foundation. Then there's the Aga Khan Fund for Economic Development, a for-profit, Geneva-based investor in Ismaili businesses and other projects in the Third World.

No longer, says a spokesman, does the Imam invest in import substitution schemes. "We found ourselves making things like women's stockings that cost more and were of worse quality than the imports they were supposed to replace. Today we are building on the strengths of the local economies." Hence, hotels in Kenya and Pakistan. Or fine-leather tanning of exported animal hides. "Things that are replicable in [various] countries," he explains. Thus does this billionaire of the world—his spokesman denies he's that rich—move to integrate Third World economies into the global economy.—**Manjeet Kripalani**

Peter Paul-Contrast/Gamma-Liaison



The Aga Khan IV

Introducing the A321, the latest Airbus aircraft for the short to medium haul market.

More cost effective than any of its existing competitors, the A321, with up to 36 more seats, is the perfect complement to the A320 which has already set sales records in the 150 seat category.

Sharing a Common Type Rating with the A320, this new 186 seater also uses its proven advanced technology features such as all-new wing design, fly-by-wire flight controls and a centralized maintenance monitoring system.

With the widest fuselage cross-section in its category, the A321 offers the highest standard of passenger comfort.

In addition, the full-width underfloor holds are capable of accommodating over five tons of revenue-generating containerized cargo.

By complementing the existing range of market-matched aircraft, the A321 provides the most cost-effective solution for the short-medium range 180-200 seat category.

And operated alongside the A320, these aircraft provide an unbeatable combination.

A321

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