

Connect

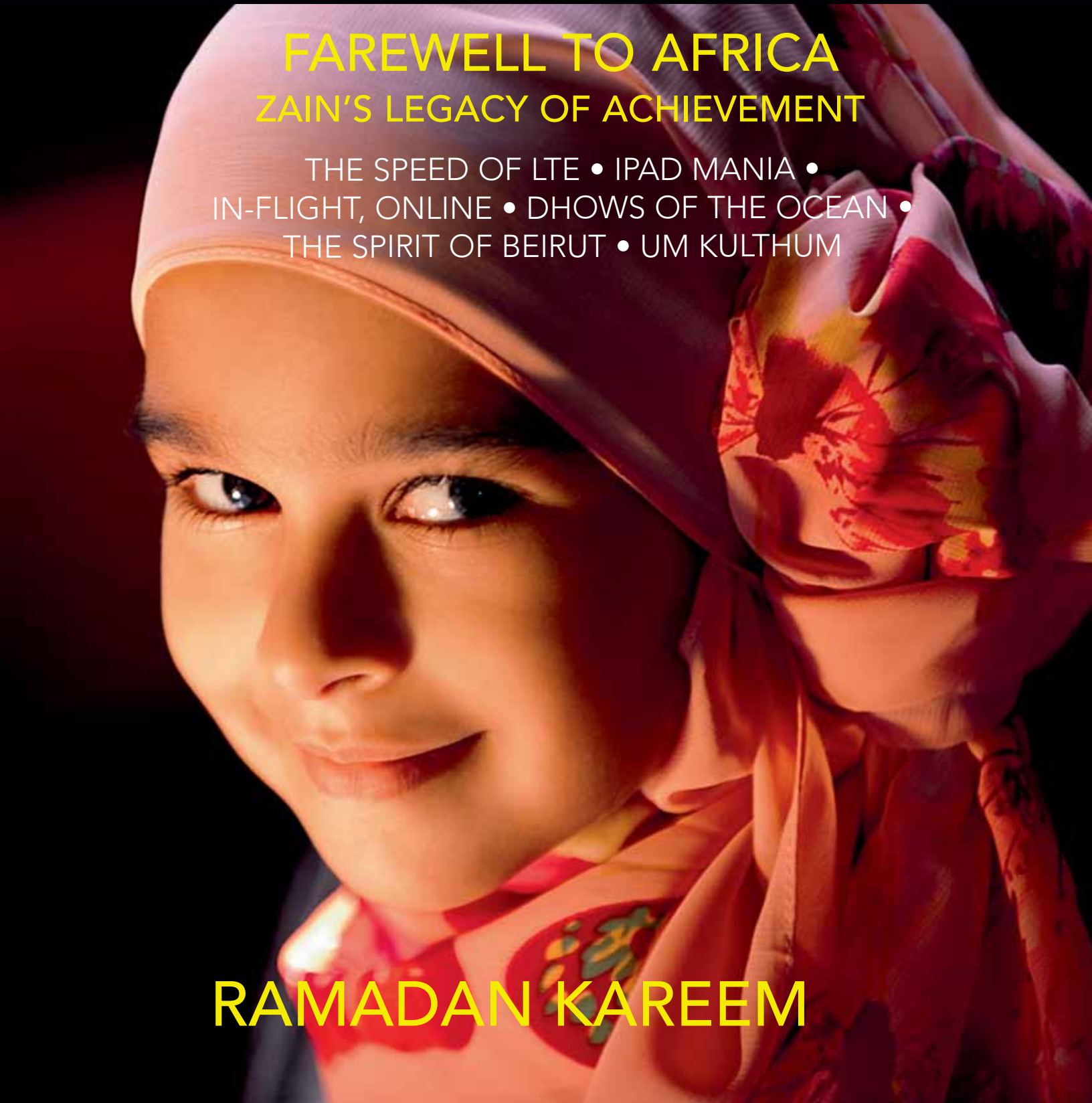
A Zain Magazine | August 2010

Issue 10

FAREWELL TO AFRICA ZAIN'S LEGACY OF ACHIEVEMENT

THE SPEED OF LTE • IPAD MANIA •
IN-FLIGHT, ONLINE • DHOWS OF THE OCEAN •
THE SPIRIT OF BEIRUT • UM KULTHUM

RAMADAN KAREEM





Allah Akbar



**Greater than my success,
greater than my fear**

No matter how deep your worries or how steep your challenges, no matter how powerful your fears or how discouraging an illness may seem... remember that God is greater. Allah Akbar. It is more than a call for prayer; it is a call of faith and hope. Deeper than any expression of human emotion, it is a source of strength that rises against all odds. This month and every moment of every day of every month that follows... we raise the call that helps us rise above.

Ramadan Kareem.



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greater than my fear**

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Building on solid foundations

It gives me great pleasure to address you for the first time and to welcome you to the 10th issue of Zain's corporate magazine, now called **Connect**, appearing in both English and Arabic in the same issue. **Connect**, as the name suggests, allows us to create a tighter bond with our customers, the community and the Zain family.

In this issue, we not only celebrate Zain's achievements over the past quarter as it enters a new era, but we also say goodbye to Africa. The continent and its people will always have a place in our hearts. We can celebrate the wonderful and fulfilling relationships we have built up over this period with governments, regulators, customers and employees across Africa as we worked with them to create a vital mobile telecom network offering multiple-award winning unique services such as 'One Network' and 'Zap'.

We would like to think that years from now whenever the Zain name is mentioned in Africa, someone somewhere will remember a life saved or an opportunity given. These are the moments that have made our African experience worthwhile.

Our half-year results have shown that our bottom line is in robust health, while our drive is to deliver the best possible technology. As such, Zain already uses 3G and broadband in many of the countries in which we operate. The future will see several of our operations roll out LTE technology with others investing heavily in network upgrades, so that our customers enjoy high-speed data and quality voice services.

Our corporate social responsibility activities have shown that, as a company, we have embraced a wide spectrum of initiatives. We have shown our humanitarian side by helping the survivors of the Gaza Freedom Flotilla in Jordan, where we once again championed education with our "PC for

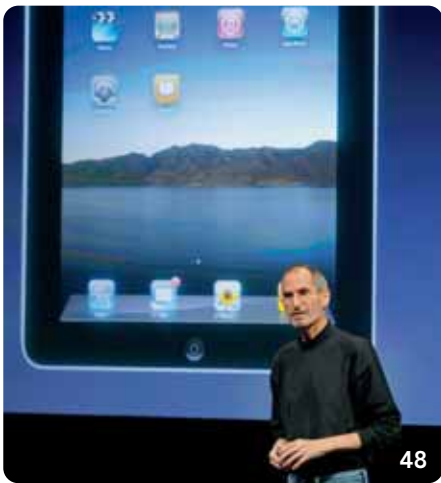
Every Teacher" initiative. In Bahrain we used technology to help those with impaired hearing and highlighted the need for more women in the workforce. In Lebanon, Saudi Arabia and Sudan we have shown our compassionate side by taking time off to bring happiness to less fortunate children, while in Kuwait, Zain has honored the outstanding high school graduates of 2010 and has committed to preparing the nation's youth for entry into the business sector. CSR is what I like to call the "new reality" and at Zain, never a company to shy away from its duty, we relish our obligations.

But all work and no play is not how Zain has created 'A wonderful world' nor led the way in bringing fun and entertainment to the community in all Zain countries with a wide range of high profile events and initiatives. The highlight was undoubtedly the 2010 FIFA World Cup in South Africa, which was a fantastic opportunity for Zain to both lend its name to one of the planet's great sporting events and ensure that all within the Zain family enjoyed a tournament to remember.

Our vision is to be the best mobile operator in the Middle East. We will excel in all our markets by being competitive and innovative, with an enthusiastic, customer-centric approach, offering a mobile experience second to none. If we can do this, then we can make Zain not only a blue chip brand, but also a beacon of excellence across the region and beyond.

All that is left for me now is to wish all of you *Ramadan Kareem* for the upcoming holy month, a period during which the best of Zain's community spirit will be evident everywhere our name is present.

Nabeel Bin Salamah
CEO, Zain Group



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Contributors:

Mona Alami, Maya Khourchid, Nicholas Lowry, Matt Nash, Norbert Schiller, Gareth Smyth

Photography:

Norbert Schiller private collection, Focus Mideast, Zain Group, Reuters

Editing:

Vinehouse Media

Color Separation and Printing:

www.raidy.com

Produced by:

Zain Group Communication and Investor Relations Department with Vinehouse Media



Head Office Bldg
Bldg 401, Road 2806
Block 428, Al Seef District
P.O. Box 5808
Manama
Kingdom of Bahrain
Tel.: +973 1 3605551
www.zain.com
info@zain.com

ZAIN GROUP

Adieu Africa

On June 8, Zain completed the sale of its 15 African mobile operations (excluding Sudan and Morocco) to Bharti Airtel Limited for \$10.7 billion. Zain received an initial payment of \$7.868 billion and will over the next six months receive an additional \$400 million as certain milestones are achieved. The balance of \$700 million is due one year from the completion of stipulations as per the original agreement signed on March 30, 2010, with Bharti Airtel assuming \$1.7 billion in debt. Under the terms of the original agreement, Zain has licensed the use of the Zain brand and related trademarks to Bharti in all 15 African operations for an interim period. (See Out of Africa page 24)



The sum of success

For the first half of 2010, the Zain Group recorded consolidated revenues of KWD 672.6 million (\$ 2.33 billion), an increase of 10% compared to the same period of 2009. The company's consolidated EBITDA reached KWD 287.2million (\$995 million) with EBIT reaching KWD 206.8 million (\$716 million). Net income rises 488% to reach KWD 895.3 million (\$3.085 billion). This includes the capital gain of KWD 770.3 million (\$2.653 billion) from the sale of Zain Africa assets on June 8, 2010. The earnings per share reached 232 fils (\$0.80). As of June 30, 2010, Zain's customer base was 34.2 million.

With the conclusion of the sale of Zain Africa on June 8, 2010, the company received cash proceeds of \$7.868 billion of which proportionate capital gain profit is reflected in the H1, 2010 net income results.

Play on

GETMO Arabia and Zain recently signed an agreement to provide digital music services to over 35 million Zain customers across seven countries in the Middle East. It was kick started with the release of Listen Up! The Official 2010 FIFA World Cup™ Album from Sony Music, which consists of 12 tracks, including the official song of the 2010 FIFA World Cup™, Waka Waka (This Time For Africa), performed by Shakira and Freshlyground.

Marking the first offering of non-Middle Eastern music to users on the Zain Create music portal (<http://create.zain.com>) since its launch in 2009, GETMO Arabia will pool songs from a number of major international record labels, including Sony Music. As a result, Zain customers can access music from across the world via their mobile phones and online. GETMO Arabia and Zain have also partnered to deliver a unique games portal to Zain customers for single and multiple players, which will be available either online or via mobile phones.

Get in tune with your favorite game!
Download the ring-back tone Waka Waka from Listen up! the official 2010 FIFA World Cup album.

www.zain.com A Wonderful World

BAHRAIN

New heights through broadband

Broadband connectivity has been taken to a new level with Zain's e-Go portable Wi-Fi device. The sleek and attractive gadget allows up to five devices to connect to broadband service at speeds of up to 7.2 mbps from anywhere in Bahrain with 'plug-and-play' ease. e-Go Wi-Fi is password-protected, and customers can enjoy up to four hours of usage on battery power alone. It's affordable, mobile and compatible with any laptop or desktop, making it suited for busy broadband users, including businesspeople on the move, families and students. e-Go Wi-Fi joins the list of broadband technology breakthroughs from Zain already available on the Bahraini market, including the first nation-wide 3G service as well as HSDPA and WiMAX.

The development comes hot on the heels of the announcement earlier this year that Bahrain's network will be upgraded to become the region's first Long Term Evolution (LTE) network delivered by Nokia Siemens Networks. The upgrade will enable Zain Bahrain customers to enjoy faster data downloads and enhanced customer experience, thanks to its transition to an all-IP, flat network through the introduction of Internet High Speed Packet Access (I-HSPA) as a first stage, and then the Middle East's first Long Term Evolution (LTE) network. The new technology is expected to vastly boost Zain's state-of-the-art services through improved voice, data and multimedia services.



Fruits of partnership

In late July, in an innovative move to reach out to its growing customer base and enhance service standards, Zain entered into an agreement with retail company, Blueberry to open a series of authorized Shops that will be branded as Zain outlets and managed by Blueberry. The first Blueberry-managed Zain Shop opened in Bahrain on July 18th, with Zain announcing plans for similar shops in the near future. While the focus is on prepaid customers, the store will also offer mobile phones, mobile accessories, laptops, electronics etc. Other Zain services, such as eeZee (prepaid lines), Hewar (postpaid lines) will also be offered, while customers can also pay bills and top-up accounts.

Up, up and away with Zain

On July 20, Zain signed a marketing agreement with Bahrain Air that allows the two companies to share resources and gives customers updated news on Bahrain Air offers, schedules and destinations on their mobile phones or via broadband. The agreement will see Zain Bahrain branding the interiors of Bahrain Air airplanes and selling on board products and services to allow customers to experience Zain roaming voice and data services.



JORDAN

A ministerial connection

Suzanne Afaneh, who was head of Zain Jordan's corporate communications department since 2004, has been appointed Jordan's Minister of Tourism and Antiquities. She is one of three women in the new cabinet (below). Jordan's Prime Minister, Samir Rifai, announced her appointment on July 28 and His Majesty King Abdullah swore her in on the same day (right).

Her time with Zain was highlighted by the crucial role she played in the successful rebranding of the company, not only in Jordan where the homegrown Fastlink was changed to Zain, but also across the whole Group where she was part of the core team that created the Zain identity and introduced it across the region.

The whole Zain Group congratulates Her Excellency Suzanne Afaneh on her new appointment.



Way of the future: Cloud Computing



In May, Zain signed a memorandum of understanding (MoU) with Microsoft Jordan to provide customers with on-demand access to a range solutions and services hosted online as part of its Cloud Computing option. Customers can now cost-efficiently access the latest Microsoft applications from any location and via a wide range of devices. Features include e-mail, calendaring, contacts, instant messaging, audio and video conferencing, and shared

workspaces using either a desktop or mobile. Businesses will be able to reduce technical support and maintenance costs, as Zain's servers will host the applications. Cloud Computing has become increasingly popular in the aftermath of the economic downturn and its effect on IT budgets. Zain recognizes that the new technology will prove the most beneficial to small and medium enterprises within the next three years and is working to develop this segment of its operations.

KUWAIT

Who you gonna call?

The Customer Service Center (107) in Kuwait set a new record in March, receiving over two million calls with an average length of five seconds. The numerous calls, each handled with proficiency, cemented the company's reputation as having one of the best service centers in the telecom industry. The achievement has also highlighted the fact that customer service is at the forefront of Zain's business operations, which is why it set up two call centers: 107 for individuals and 108 for businesses and institutions. To further improve the call center, Zain is also working on implementing an automated system so



that customers will not have to visit branches in person for certain services.

A new CEO for Kuwait

On June 10, Khalid Al Omar was appointed chief executive officer of Zain Kuwait. He joined the company in 1986, and from November 2008, was chief technology officer of Zain Group, overseeing the Group's networks and technology strategy. Previously, he was Zain Kuwait's COO, a position that saw him implement and launch the *Atheer* project in Iraq, where he established a mobile network in the South and in Baghdad. Al Omar holds a Bachelor of Science degree in electronic engineering technology from Colorado Technical College and in 2006 successfully completed an Advanced Management Program at Harvard Business School.



Picture perfect

Zain's MMS service has been upgraded to give prepaid and postpaid customers up to 1MB of space when sending and receiving media files (pictures and videos). The price of MMS services will remain the same in order to better provide customers with affordable telecom

applications and modern technical solutions. The MMS service is compatible with the many smartphones on the market; however, it is also able to detect the model of the receiving phone and automatically size the file in accordance with its memory capacity should it not accommodate 1MB.

READ ALL ABOUT IT

Want to know more about Zain, its performance and its activities? Read the 2009 Annual Report and learn more about our 'wonderful world.' <http://annualreport.zain.com>

HONORABLE MENTION

The Kuwait Ministry of Interior/ Management Information Security honored Zain for its efforts in supporting the programs and activities of the ministry. The company has participated in numerous government campaigns, sending mass SMS alerts to customers, particularly with regards to traffic updates and important emergency numbers.

TO PROTECT AND SERVE

Zain Kuwait has become the first telecom company in the Middle East and Africa to receive a quality certificate in recognition of information security standards that protect customers' credit card information when paying their bills.

IRAQ

Exciting new services

In May, Info2cell.com, the mobile application content and service provider, announced, in partnership with Zain, Iraq's largest mobile operator, the launch of three new SMS-based subscription services: a BBC breaking news channel and dedicated SMS services for men and women, all of which are part of Info2cell.com's bid to consolidate its presence in the Middle East and North Africa (MENA) and complement the excellent growth outlook for Iraq's mobile market segment in 2010. Under the terms of the new

partnership, Zain Iraq will utilize Info2cell.com's value added service (VAS) platform to deliver SMS based services to its customers. Furthermore, being the largest mobile operator in the country, Zain can use the most up-to-date technology to get the most out of the partnership.

The services are *Banat*, which caters to women, offering tips on fashion, cooking, cosmetics and accessories; *Shabab*, a service for men, offering tips and latest information on fitness, hobbies, fashion and sports; and a

BBC breaking news channel that allows customers to receive SMS updates of the latest world news. According to a recent telecommunications market report from Business Monitor International (BMI), Iraq's mobile customer base had grown to 20 million users in 2009 and was accompanied by a mobile penetration rate of 65%. The report indicates a stronger growth outlook for the country's mobile market towards the end of 2010 - making the telecommunications sector one of the big success stories of post-war Iraq.

A new face at the helm



On June 15, Emad Makiya was appointed, chief executive officer of Zain Iraq. Makiya was previously Middle East director of sales for Motorola Networks, during which time he oversaw the company's deployment of 2G and 4G solutions to mobile operators in the region. Before that, he was the general manager of Middle East and Africa Extreme Networks, and held various positions at the NASA space science program, where he worked with the likes of Lockheed Martin and Boeing. He holds a

Bachelor's Degree in information and computer systems from the University of Houston, USA. On being appointed CEO of Zain Iraq, the country's largest and most dynamic operator, Makiya, whose professional specialty is data analysis and telecommunications, said he was determined to see Zain continue its impressive growth and play a significant role in reviving Iraq's economy. Zain has already created more than 3,000 direct, and more than 50,000 indirect, jobs in the country.

LEBANON

Staying in touch

In May, Zain affiliate, mtc touch, expanded its international offerings to include a new SMS hub to increase the reach of the SMS service so that it now covers more than 800 destinations around the world. The service complements the company's data roaming option on aircrafts, which is offered in partnership with Aeromobile and On Air. mtc touch became the first

mobile operator in Lebanon allowing customers to use data services, make and receive calls as well as send and receive SMS messages on select flights via BlackBerry Internet Service, GPRS or Mobile Internet Services. mtc touch also boosted the number of data roaming partners to more than 150 Arab and international mobile operators worldwide.



SAUDI ARABIA

Download and play!

Customers can now download leading international games on their mobile phones. By logging onto the Zain games website, they can search from a comprehensive collection of

games by name or category in Arabic, English or French, and then simply click to download. Of the most popular games available are "Pro Evolution Soccer 2009", "James Bond 007:

Quantum of Solace", "Age of Empires", "Call of Duty 5", "Bugs Bunny", "Ice Age 3", "Looney Tunes Monster Match", "Apocalypse 2012" and "Sonic Hedgehog 2: Crash".

IT'S A KIND OF 'MAGIC'

mtc touch now offers its prepaid 'magic' customers the BlackBerry Internet Service (BIS) after launching BIS in the Lebanese market for its postpaid 'touch' customers almost a year and a half ago. 'magic' customers can now have continuous access to the Internet as well as applications, such as BlackBerry messenger and enjoy social networking sites like Facebook, Windows Live Messenger and Google Talk.

LIFE MADE EASY

In Lebanon, Postpaid mtc touch customers can now configure their mobiles by adding or canceling features, or temporarily connecting or disconnecting their lines through the Online Provisioning service on the company's website. www.mtctouch.com.lb

OVERWHELMING SUCCESS

Extra demand has forced Zain Saudi Arabia to increase the number of lines to support its unique 'Zain Features' package. The service exempts customers from monthly fees and applies a fixed, reduced rate-per-minute across all Zain networks in the kingdom. It also offers a permanent discount on international calls as well as simultaneous subscriptions to 'Friends and Family,' broadband and BlackBerry services.

Beauty statement

As part of its effort to use the latest mobile communication technology, Zain has upgraded its network by installing special communication towers, which are both high-performance and aesthetically pleasing to blend in with the surrounding environment. The palm tree towers were built after close cooperation among Zain, Nokia Siemens Networks and Future Communications Guidance International (FCGI). Zain sees the project as an important development for Saudi Arabia's urban centers and outlying districts, contributing to their aesthetic and organizational progress, while reflecting the company's slogan of 'A wonderful world'.



Expansive reach

Zain has expanded its 3G network to cover more than 28 cities and now serves over 70% (up from an initial 55% when first launched in August 2008) of KSA's population. The rolling out of the 3G network has been a priority for the company, and

achieving such vast coverage in a short amount of time is a significant achievement. The project has not only seen the installation of the latest technology, but also the delivery of more value-added services to customers.

A strong 'Link'

Small to medium enterprises celebrated the recent launch of 'Link', a specially designed package that provides technical solutions for companies that want to cut expenses by reducing the cost of internal mobile calls. 'Link' calls made within the same business unit have been reduced by over 50%, while there is

an additional discount on international calls. Customers subscribed to 'Link' can set up call groups for free and enjoy the service without paying any monthly fees. The package also features a primary and subsidiary line for managing the group as well as a choice of two international lines.

Voice of a nation

Um Kulthum's unrivaled vocal chords continue to mesmerize generation after generation of music lovers

Um Kulthum's virtuosic voice no longer only dominates Egyptian airwaves, but continues to reverberate across the Arab world, mesmerizing generation after generation of music lovers. Thirty-five years after her death, the Egyptian singer, known simply as Al Sitt (the Lady), remains an iconic figure, revered for her captivating music and deep patriotism.

Um Kulthum rose from humble roots to become arguably the most important Arab musician of the 20th century. Her career spanned the most volatile and important period in modern Egyptian history, and her voice became synonymous with the changing political tides of the late 1940s and early 1950s. Her stature within Egypt rivals that of even Gamal Abdel Nasser, the man who brought political change to the

country. Her remarkable career and enduring legacy can be attributed to her innate talent and intelligence, and maybe most importantly to her steadfast Egyptian patriotism.

Her official date of birth is unknown, but it is likely that she was born sometime between 1898 and 1904 as birth registration was not enforced in Egypt back then. The daughter of a housewife and a local Imam, she grew up in Tamay Al Zahayra, a small village 60 miles north of Cairo on the Nile Delta. Her childhood was not particularly eventful or extraordinary; however, her musical prowess quickly revealed itself. Trained by her father in reciting the Qur'an, when she was 12 years old, he disguised her as a young boy and entered her in a small performing troupe that he directed.

Her voice carried far beyond her village's borders; in 1923 she left Tamay Al Zahayra for Cairo, and by the time she was a teenager, she was well known in the Egyptian capital's music circles. While many of her fellow musicians fell victim to Cairo's bohemian culture, she never lost sight of her roots, something Egyptians would grow to love about her.

From an early age she demonstrated an uncanny understanding of the period she was living in, and knew exactly how to present herself in order to attract the largest audience. In addition to possessing an unrivaled voice, Um Kulthum, also had a shrewd business sense, and carefully constructed her life and career to be exactly how she envisioned it.

Upon arriving in Cairo, she immediately surrounded herself with Egypt's most talented poets and musicians, including the poet Ahmed Rami and the famous composer Mohamed Al Qasabgi. Rami became an important influence on Um Kulthum, introducing her to French literature and mentoring her on Arabic literature. He also wrote over 130 songs for her. Um Kulthum and Al Qasabgi developed a highly successful musical partnership, each contributing to the other's wildly successful career.

Um Kulthum cemented her place atop the Arab music scene in 1932, when she toured the Middle East for the first time. Performing in Baghdad, Damascus, Beirut and Tripoli, her impressive voice awed her spectators. Instrumental to her success was the fact that her career coincided with the introduction of the radio in Egypt. As a modern day



Al Sitt in Baghdad sometime in the late 1930s



Um Kulthum rose from humble roots to become arguably the most important Arab musician of the 20th century

musician might utilize the Internet to attain fame, Um Kulthum deftly navigated the burgeoning radio industry, manipulating it into a vehicle for her unparalleled success.

She realized that the airwaves were the best medium to reach the average Egyptian. Beginning in 1937 her concerts were broadcast live on Radio-Cairo on the first Thursday of every month. This enabled her music to reach the Egyptian masses, helping her transcend class and geography. Virtually the entire country tuned into her Thursday evening concerts.

In 1944, King Farouk I of Egypt decorated her with the highest level of orders (nishan el kamal), a decoration reserved exclusively for members of the royal family and politicians. Despite this recognition, the royal family rigidly opposed her potential marriage with the King's uncle, a rejection that deeply wounded her pride.

Throughout her life, she demonstrated a deep commitment to her homeland. During the 1948 Arab-Israeli conflict, she answered the request of an Egyptian legion trapped in

Um Kulthum in the studio at the height of her career

Fallujah to sing a particular song – an action she would repeat several times in the course of her career.

In 1952, when Nasser swept into power, she immediately became a symbol of the new Egypt. In her biography of Um Kulthum, Virginia Danielson wrote, "In all aspects of her public life she asserted values considered to be indigenous. She

helped to constitute Egyptian cultural and social life and to advance an ideology of Egyptianness." Nasser and Um Kulthum remain inextricably linked, bonded together by the magnitude of the period they lived through, a period they jointly defined.

She sang over 280 different songs during the course of her career, most of which dealt with love, longing and loss.

Her concerts often lasted more than four hours, each song taking over an hour to complete. Her powerful voice and fierce determination enabled her to consistently put together strong performances that often held the entire country in rapture. Staying true to her roots, several songs in her repertoire were religious poems, which she sang in classical Arabic. The most famous of these songs is "Salou Qalbi" (ask my heart), which she first performed in 1946. Written by the poet Ahmad Shawqi, the song was a way for her to pay homage to her beginnings.

Um Kulthum's passion for Egypt and traditional Arab music never ebbed. While her vocal chords diminished slightly as she aged, she continued to perform into her late 60s. She constantly searched for and found the brightest young Arab composers, joining forces with them to create new songs that furthered her career, and often made theirs.

Following the 1967 war, she toured the world on behalf of her country. Selling out wherever she performed, she donated all her profits to the Egyptian government, once again demonstrating her profound appreciation and devotion to her homeland.

She gave her last performance in 1972. Suffering from chronic kidney issues, she died three years later on 3 February 1975. Millions of Egyptians poured into the streets of Cairo to bid farewell to Al Sitt, carrying her coffin to its final resting place. Her funeral was the second largest in Egyptian history, only behind that of the man with whom she is forever linked, Nasser.

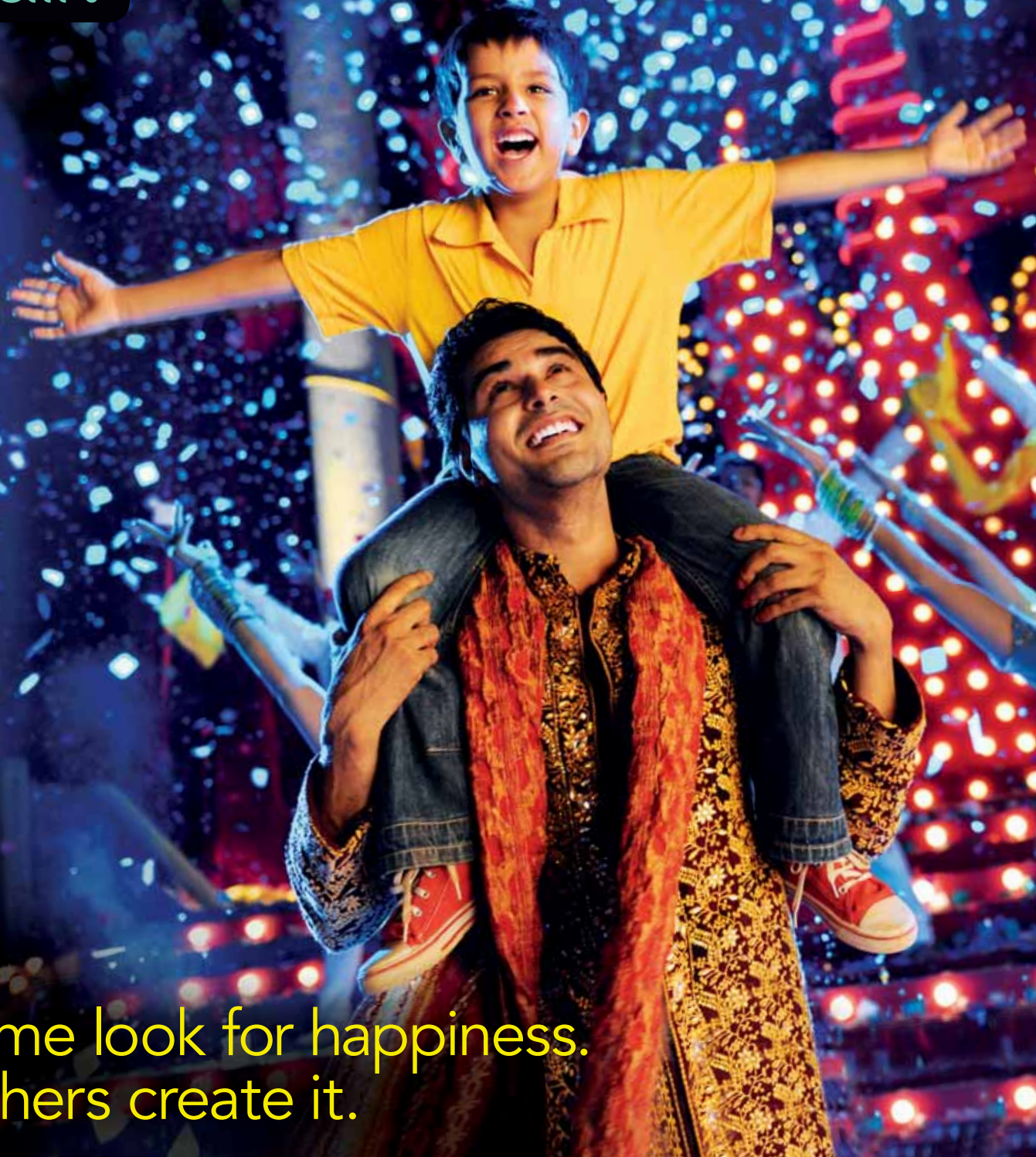
In the years since her death, her image has never wavered. She remains as iconic a figure as Egypt has ever had. Her life's story inspired one of the most popular television shows in Egyptian broadcast history, and in Cairo there is a museum devoted to her life and incredible career. The love and commitment she displayed toward her country is only rivaled by the love and commitment Egyptians show her.



An icon of 20th century Arab culture



zain



Some look for happiness.
Others create it.

www.zain.com

A wonderful world

The city that never sleeps

Beirut is a haven for tourists looking for a good time, good real estate and good hospitality



The sun sets as children ride scooters on Beirut's Corniche seafront, heedlessly bumping into ladies on their afternoon walk as the call to prayer rings out and men file into the Abdel Nasser mosque. Walk further down the seafront and you can hear planes flying overhead, making their descent into Beirut. They

are close enough that you can just make out the airline logos.

Elegant women walk next to girls in towering high heels and light clothing. Men, young and old, stare as they smoke cigarettes, pole-fish or simply soak up the atmosphere. Beirut is a city of contradictions, with a storied

The multiple influences of the Phoenicians, as well as the Roman and Ottoman occupations, are reflected in a richly diverse population with remarkable spirit and energy

past and a people who are vibrant and living life to the fullest.

The city's raw beauty, situated on a peninsula at the eastern end of the Mediterranean and surrounded by mountains, is both its selling point and its curse. Over the centuries, it has endured occupation by Romans, Ottomans and the French. These multiple influences are reflected in a richly diverse population with remarkable spirit and energy.

After the collapse of the Ottoman Empire following World War I, the French, who always have an eye for the aesthetic, briefly 'ran' Beirut, and though their tenure was short, a mere 23 years, their impact was tremendous. Not only are street signs scripted in French and Arabic, but the Lebanese Arabic dialect is studded with French words and expressions. "Kifak? Ca va?" (How are you? Fine?) is a popular Arabic-French greeting phrase, as is a singularly unique Lebanese word, "Bonjourain" (two hellos), which is used as a reply to the French "bonjour" (hello).

In 2009, Lebanon saw a record number of tourists, an estimated 1.7 million, many of whom came to eat, dance and soak up the Beirut nightlife. But the tourism scene offers much more than





The newly rebuilt downtown is popular with foreign tourists

bars and restaurants, Beirut's revitalized downtown area is a shopper's haven, where one can browse a range of stores, from high-end designers, like Lebanese designer Elie Saab, to the popular Swedish clothing outlet H&M. The new Souks shopping mall is plumb in the middle of Beirut's renovated downtown area, with the equally popular ABC mall not far away near Sassine square. The open-air shopping pavilion is grand, full of covered walkways and endless vestibules that lend a feeling of freedom to even the most timid purchaser. Tax-free shopping gives foreigners the right to get reimbursed for their merchandise, an added benefit for the enthusiastic credit card user.

Near downtown is Saifi Village, a pastel colored residential area that was completely destroyed during the Civil War, but which has been rebuilt to reflect the French-colonial buildings and winding cobblestoned streets that once stood there. Here, the more adventurous shopper can find funky boutiques, antique shops and galleries. Seeking the grittier shopping experience, one must dart through the streets of Hamra to find a good bargain on clothes, jewelry or Lebanese traditional crafts.

The downtown district, also known as Centre Ville, has been rebuilt by

Solidere, the development company established in 1994 by former Prime Minister Rafik Hariri. Plant yourself at one of the many outdoor cafes, and it's easy to forget the history that lies beneath the air conditioned shops and freshly paved sidewalks. As a reminder, Solidere has kept archeological treasures, such as the remains of a 2,000-year old Roman bathhouse. Meters away, situated side by side, a serendipitous reflection of Lebanon's multi-confessional society, are the St. George's Greek Orthodox Church and the Mohammed al-Amin mosque, whose blue domes and minarets beautify the crane-filled skyline.

Over the decades, war and conflict have changed the face of Beirut, but its soul has persisted. That soul, which includes a love of foreigners and a manic commitment to hospitality, is mirrored in Lebanon's consistently awe-inspiring cuisine. While the kitchens of Lebanon's hills and valleys remain the best places to taste traditional Lebanese fare, for a true glimpse of the Beirut scene, where wealthy tycoons dine adjacent to t-shirt clad foreign journalists, one must eat out. If the famous Ashrafieh district of Gemayzeh does not take your fancy, there are many alternatives, such as dining poolside at Amythesete, a new restaurant at the InterContinental Phoenicia Hotel. Customers can stretch out on long white couches, shrouded like Bedouin tents, eating grilled fish and gazing at the Mediterranean. As for the nightlife, it's second to none in the region. Trying finding a table, or even a chair, at any of the city's premier nightclubs and rooftop restaurants in the middle of summer.

A thriving art scene lends yet another element to Beirut's rich cultural scene. For pomp and circumstance, tourists can likely find a show at Forum de Beyrouth, which hosts traveling musicals by dance groups such as Caracalla, and the world's most popular DJs such as Tiesto. Serious art collectors will find no shortage of fine art galleries, which



Beirut has become one of the Middle East's retail hubs



The Mohammed Al-Amine mosque dominates the Downtown

are well advertised and easy to find. In the summer the renowned music festivals at Baalbeck, Beiteddine, and Byblos are magnets for culture vultures who base themselves in the capital for the duration of their stay.

Beirut is also luring real estate investors, who have built and bought high-rise apartments, such as the Marina Towers, and luxury hotels, such as the Four Seasons and Le Gray. Though these hotels and apartment buildings attract the kind of tourists Beirut wants, conservationists despair that the view of the Mediterranean is quickly disappearing, obfuscated by giant towers. But one thing is certain: Beirut is never still.

Beirut, which is easily accessible by land and sea, has thrived off of a free economy and liberal banking system (it is Lebanon's biggest economic sector, generating as much as 30% of the

GDP) underpinned with a secrecy law that has attracted many regional investors. Today, multinational banks, such as HSBC and Citigroup, have branches here, along with dozens of regional banks offering a range of services, including private wealth management, asset management and access to capital markets.

Finally, Lebanon is home to some of the Arab world's most reputable doctors and surgeons, and Beirut has become somewhat of a haven for health tourists looking to get a few nips and tucks, or have that procedure and then recuperate in the country they call the Switzerland of the Middle East. The Ministry of Tourism has even teamed up with several companies to offer cosmetic surgery and tourism packages.

Beirut weathered the recent global economic downturn, and Lebanese possess a spirit of entrepreneurship.

START SPREADING THE NEWS

In 2009, the *New York Times* ranked Beirut as the number one place to visit on its "44 places to go" list. It was also named one of the "10 liveliest cities" in the world by Lonely Planet. According to the World Travel & Tourism Council (WTTC), Lebanon is poised to rank first worldwide in terms of growth in the travel and tourism industry. Approximately 2.6 million visitors are expected to visit this year, according to the Ministry of Tourism, and many of those visitors will flock to Beirut, seeking adventure, style and the taste of the Mediterranean.

Some historians attribute it to their Phoenician ancestors, skilled navigators and traders. Others say it is a survival mechanism for a population accustomed to socio-political disruptions. Lebanese probably don't care; they are too busy living.

Sailing to the past

The traditional dhows of the Arabian Gulf are still a mainstay in the culture of the region

For thousands of years, wooden sailboats called dhows have navigated the waters of the Indian Ocean, delivering goods to ports in the Arabian Gulf, East Africa and the Indian subcontinent. Nobody knows for certain when the first dhows were constructed, but most scholars will agree that they have been in use commercially longer than any other boat.

Today, dhows still ply the same waters they have sailed for millennia. Just go to any port in the Arabian Gulf, and the first thing that takes one by surprise is the sight of traditional wooden dhows silhouetted against a state-of-the-art, steel and glass skyline. Even the sailors are a throw-back to yesteryear, wearing pretty much the same garb that one sees in 19th and early 20th century photographs. The only visible difference is that the diesel engine has replaced the lateen sail.

In the ancient world, there were three distinct ship building styles that evolved in different parts of the world. In the Mediterranean, around 3000 B.C., the Phoenicians and Greeks built ships known as galleys, with square-rigged sails and a single row of oarsmen. Later, a second level of oarsmen was added to give the boat greater speed during naval battles. In China during the Han dynasty (206 B.C. to 220 A.D.), a style of boat called the junk was designed with multiple masts, sails and a stern-mounted rudder. The junk quickly became the principal ship throughout Asia. Today, junks are still being used and the basic design has remained the same.

Boat designs did not change overnight. In fact it took a long time before new innovations were accepted. Naval warfare was always a good test to see how well a boat was constructed. Even though there were



A trading dhow sails into a Gulf port



A small dhow at anchor offers tourist relaxation

only slight variations in the various dhow designs, the first major change came shortly after the first Europeans arrived by boat in the 15th century.

It was essentially the Europeans who first categorized all “Arab” sailboats as dhows. The reason was that Europeans defined boats by the shape of their sail, and since most dhows had lateen, or triangular shaped sailing rigs, they

were grouped under the same name. Arabs, on the other hand, had classified boats according to the shape of their hull. Older more traditional dhows with a pointed bow and stern, were called by a variety of names – including Buum, Zaaruq and Badan, to name a few. However, by the 16th century, dhow builders were slowly beginning to incorporate the European square-shaped stern

Dhows have navigated the waters of the Indian Ocean, delivering goods to the Arabian Gulf, East Africa and the Indian subcontinent for thousands of years



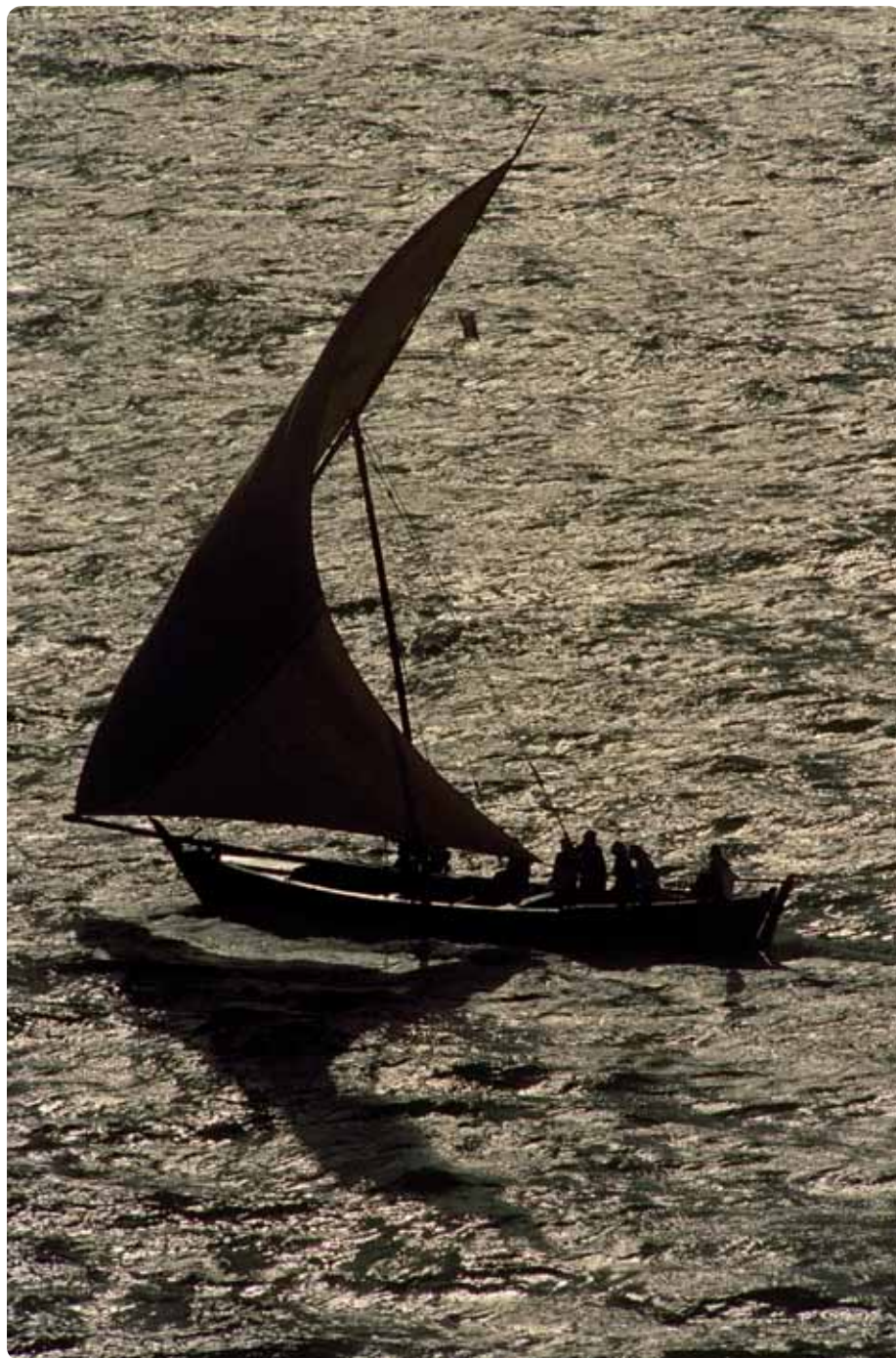
introduced by the first Portuguese ships a century before, which is the style seen today.

The generic word for boat in Arabic is *safina* or *markab*, and the word for boat used in the holy Koran is *fulk*. It is widely accepted that the word dhow came from the Swahili word for boat, pronounced 'dau'. Portuguese and other European sailors who first sailed the Indian Ocean most probably picked up the Swahili name and altered the pronunciation over time.

Besides the lateen sail, another characteristic of early dhows was that the wooden hulls were not nailed together like the European ships, but rather stitched together with tightly woven fibers or rope. Early European sailors, including the Venetian explorer Marco Polo, frowned on the stitched style of construction saying that such a design was all well and good in calm waters but "would not stand well in a storm." Those early critics though were proven wrong once they realized the great distances dhows sailed to deliver their cargo.

Another misconception is the name itself: 'Arab dhow'. Traditionally, the wood used to build dhows came from the forests of India, making it more than likely that the first boat builders were in fact from the Indian subcontinent. The most likely scenario was that they sold the boats to Arab traders who then sailed them between various ports on the Arabian Peninsula and East Africa. It was only natural for the Europeans to assume the boats were Arab in origin because the boat's captain or *rais* was almost always an Arab with a crew made up of a mixture of many different ethnicities. Even today the ports that cater to dhows attract a hodge-podge of different people from the subcontinent, East Africa, Persia and Arabia.

Not only were dhows used to transport goods, but they were also essential to fisherman and pearl divers alike. "An Assyrian inscription from around 2000



A dhow gracefully cuts through the water at sunset

B.C. mentions 'fish eyes' from Dilmun," the ancient civilization whose capital was Bahrain in the Arabian Gulf. The "fish eyes" were a reference to pearls, which Bahrain was famous for even in ancient times. Without the use of the dhow, it would have been impossible for divers to get to the clam beds. From the middle of the 19th century to the 1930s, during the height of the pearl craze, it is estimated that at any one time there

were at least 30,000 pearl divers working the waters around Bahrain. That meant that the tiny island had to have an enormous fleet of dhows.

There is not a port in the Arabian Gulf that does not have a section set aside for fishing dhows. At one end of the harbor there could be row after row of multi-million-dollar yachts, and at the other end traditional fishing dhows being readied to go back out to sea.



Today's dhows play an important role in Indian Ocean trading

Fishing dhows and their crew are as essential today as they were in the past to the fishing industry. They are the work-horses of the Gulf waters, Indian Ocean and the Red Sea, and fish markets from Basra to Zanzibar depend on them for the daily catch.

In recent years, there has been a resurgence in ancient art forms. Falconry, horseback riding and camel racing are a few of the traditions that are making a comeback among a new generation – and now, so too is the dhow culture. On any given weekend it is not uncommon to see a young Bahraini man driving to an old fishing harbor in a brand new Lexus, getting out and boarding a replica of an ancient dhow. Racing dhows is more than a passing fad; rather a whole new generation is beginning to appreciate traditions of the past.

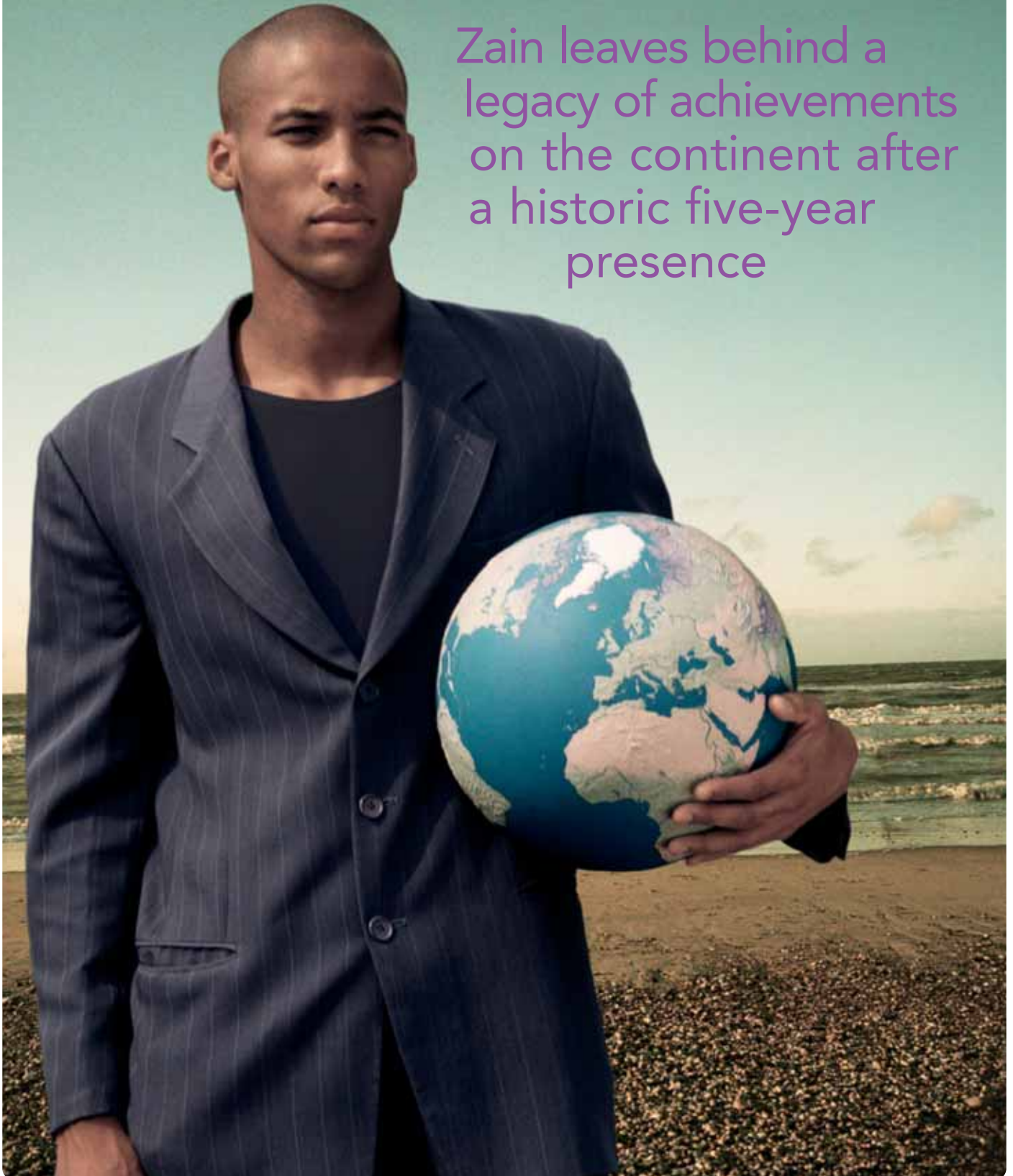
At the 2006 Asian Games in Qatar, images of the dhow were prominent everywhere, including at the opening ceremony. It was the Qatari's way of paying homage to their past and, at the same time, showing the world the importance of the dhow in Arab culture.



Ancient and new. The dhow has adapted to the modern age

Out of Africa

Zain leaves behind a legacy of achievements on the continent after a historic five-year presence



Africa and its people will always loom large whenever the story of Zain is told

On June 8, 2010, Zain completed the sale of its African assets (excluding Sudan and Morocco) to Bharti Airtel Limited for \$10.7 billion. At the conclusion of the sale, Assad Al Banwan, Chairman of the Board of Directors of Zain and Nabeel Bin Salamah, Zain Group Chief Executive, expressed their sincere appreciation of the governments, regulators, customers and employees in the respective African jurisdictions for allowing the company to play such a vital role in the development of the telecom infrastructure in the region.

“Our experience in sub-Saharan Africa has been a rewarding one for us and, we believe, for the populations of the countries that supported our journey,” Al Banwan said. “The driving principle of our interactions in all countries in which we operate is to always be the exemplary corporate citizen. This is what drove us to help develop the economies of the markets we operate in and, in the process, reap the benefits for all stakeholders. We will always have fond memories of this experience and particularly of our Zain family in Africa. They have made this success possible.”

It was a fitting tribute to the end of one of the most momentous chapters in the history of mobile telecom. Africa and its people will always loom large whenever the story of Zain is told.

For five years, between 2005 – when Zain bought a controlling stake in Celtel – and 2010, the continent not only experienced the economic benefits from a vibrant and bullish global telecom industry, but it was also a region in which Zain was able to roll out the products and services, such as ‘One Network’ and Zap, which defined the company’s reputation as a pioneer in breaking down the barriers of elitism and making a genuine difference in the

‘One Network’ defined Zain and its Africa experience. It recognized that the African notion of borders did not match those delineated by international agreements and, as such, the vast areas of land that defined people’s lives, jobs and families had to be connected by a common service



Zain expanded mobile communication to Lake Victoria's communities

way people live their lives. In Africa, communication was not only about being able to talk on the move, but also about livelihoods and, in some cases, the difference between life and death.

A UNIQUE VISION

Africa was also about demonstrating the full breadth of Zain’s corporate arsenal. Aside from the technology that improved the lives of so many, Zain was acutely aware of its obligation to give back to the communities in which its customers lived. Zain rebuilt schools through the ‘Build Our Nation’ initiative, provided aid after earthquakes and other disasters, created health care initiatives, provided low-cost handsets and even expanded its network on Lake Victoria to improve and save the lives and livelihoods of its fishing community.

But there was also a touch of showbiz. The Zain Africa Challenge was the continent’s most popular university quiz show, while the MTV Africa Music Awards (MAMAs), which Zain sponsored for two years, was without doubt the most glamorous and star-studded music event of the year.

Naturally, music plays a big part in the lives of almost all Africans, and Zain was energetic in lending its name to music festivals and concerts that brought the most popular international entertainers to perform for their African fans. Without doubt the pinnacles of Zain’s entertainment initiatives – one that not only put Africa on the global center stage, but which also combined music with social responsibility while honoring one of the world’s greatest statesmen – were the two concerts, one in London’s Hyde Park and the other in New York’s Radio City Music Hall, to celebrate the 90th and 91st birthdays of former South African President Nelson Mandela.

To commemorate Zain’s work in Africa, *Connect* takes a look back at some of the company’s major achievements on the continent.

DEFYING BORDERS: ‘ONE NETWORK’

Introduced initially in East Africa in September 2006, and then eventually rolled out to all Zain Africa and Middle East operations, ‘One Network’ came to define Zain and its



Zain won the inaugural GSMA's 2010 Mobile Money for the Unbanked Service award for Zap at the Mobile World Congress in Barcelona

Africa experience. It recognized that the African notion of borders did not match those delineated by international agreements and, as such, the vast areas of land that defined people's lives, jobs and families had to be connected by a common service. Zain stepped in to bring roaming to the masses at no extra cost.

A multiple award-winning, borderless mobile phone platform that enables prepaid and postpaid customers traveling to another 'One Network' partner country to be treated as local customers in terms of pricing, while retaining home country service functionalities, 'One Network' rewrote the rule book by proving that roaming calls did not have to be reserved solely for the affluent.

Since its introduction and its cross-continent expansion thereafter, 'One Network' has been recognized by the international mobile industry for its innovation and for setting new standards in cross-border mobile communication. In August 2008, 'One Network' united the Middle East and Africa and in June 2010, it reached South Africa in a strategic partnership with Cell C, allowing the 41 million customers in all Zain Africa's 15 mobile operations to benefit from the service when visiting South Africa, the host of the 2010 World Cup.

MOBILE MONEY WITH ZAP

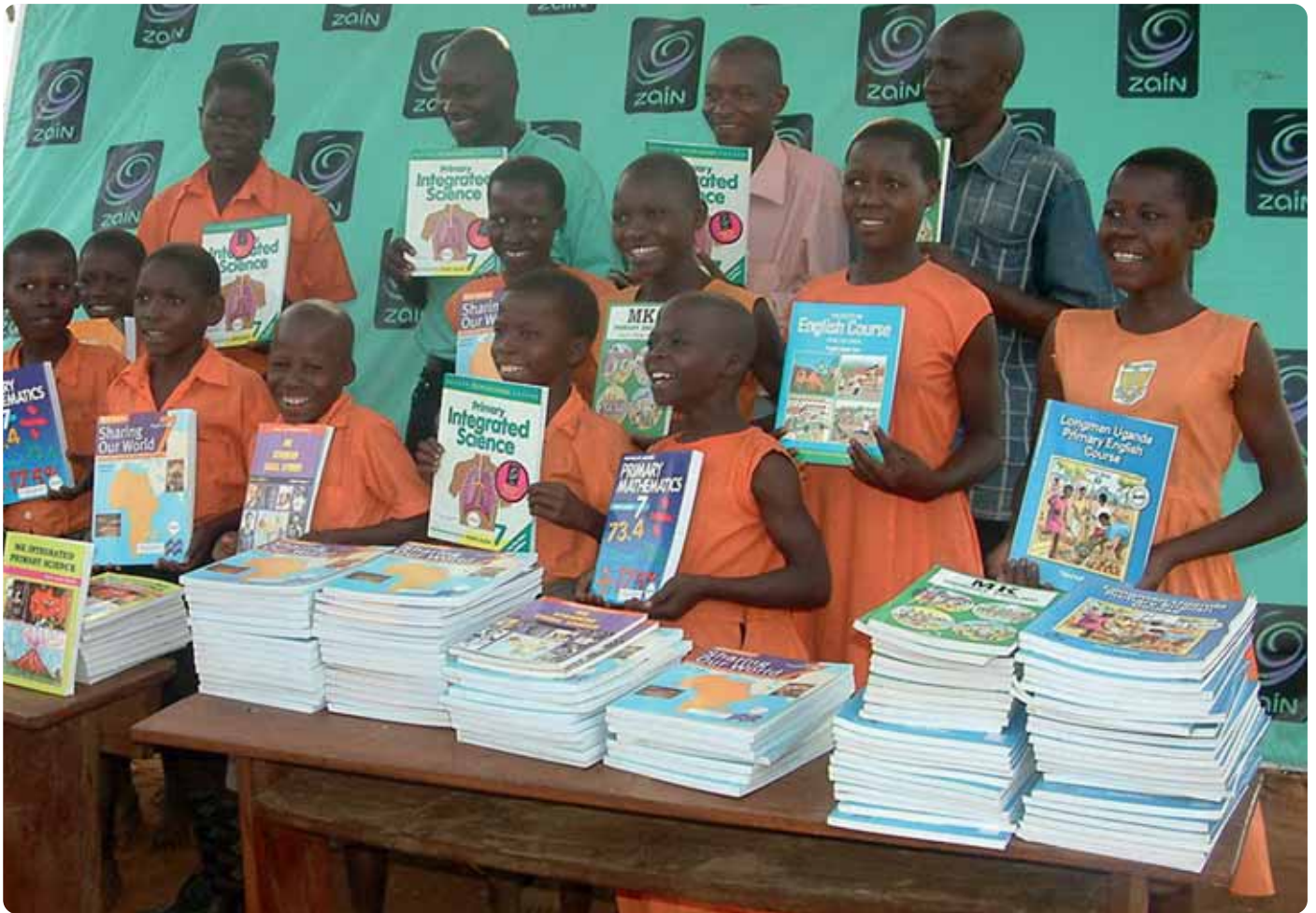
Zain was not satisfied to merely sit on its 'One Network' laurels. If people could talk freely across borders, then surely money could move with similar ease. In February 2009, using the 'One Network' platform, Zain launched Zap, a mobile commerce service in Kenya, Tanzania and Uganda. Now an award-winning phenomenon, Zap is also active in Ghana, Niger, Sierra Leone and Malawi, and has become Africa's most comprehensive and accessible mobile commerce offering, serving over 150 million people, allowing them, in many cases for the first time, access to advanced financial services through their mobile phones. Notably, Zain is the biggest mobile commerce operator in the world in terms of geographic coverage, enabled customers and service functionalities.

Launched in partnership with leading international banks, Zap lets Zain customers in Zap-enabled countries use their mobile phone to withdraw cash or pay for goods and services, school fees and utility bills, including electricity and water, as well as receive money from or send money to friends and family. They can also send and receive money to their bank accounts, top-up their or someone else's airtime and manage their bank accounts.

In February, Zain won the inaugural GSMA's 2010 Mobile Money for the Unbanked Service award for Zap at the Mobile World Congress in Barcelona. The award recognizes innovative mobile banking around the world that pioneers low-cost financial services in countries where traditional financial services are either not within easy reach or unavailable.



The Millennium Village Project was a science-based, bottom-up approach to lifting rural villages out of the poverty trap



The Build Our Nation project improved education conditions for children in countries in which Zain operated

SAVING LIVES ON LAKE VICTORIA

Lake Victoria is the second largest lake in the world, with nearly 200,000 fishermen, 35 million people living along its shores and a fishing fleet of more than 70,000 boats. It is for this reason that Zain set about protecting these people and their livelihoods. In an initiative coordinated by the GSM Association, Zain and Ericsson promoted safety, economic growth and security across the Lake Victoria region by extending the mobile network coverage of the three East African states, Uganda, Tanzania and Kenya, that border the lake. The coverage allows for communication and SMS exchange to and from phones. The enhancement has fueled economic and social development in the lakeside communities, where 80% of fishing activities take place, and reduced the number of fishing-related deaths that occur each year.

CHEAP TALK

Next up was making sure that as many Africans have access to mobile technology as possible. The answer was the provision of Ultra Low Cost Handsets (ULCH), one of the fastest growing segments in the modern global telecom industry. Their comparative simplicity makes them attractive to millions of people in the developing world who, until recently, had been priced out of the mobile phone market. As of December 31,

In Africa, communication wasn't about being able to talk on the move but was also about livelihoods and, in some cases, the difference between life and death

2009, Zain has sold over 6.4 million units since the inception of the ULCH project in December 2007. Zain offers ULCHs through its network of suppliers in 15 African countries. It is in Zambia, Niger, Nigeria, Malawi and Madagascar, however, that the program has been most successful.

BUILDING NATIONS THROUGH EDUCATION

Education may have been one of Zain's cornerstones, but high levels of poverty in many African countries more often than not hampered the provision of this vital resource. Zain's 'Build Our Nation' program, which focused on education as a measure towards enabling governments and people to



Zain Africa customers sent text messages wishing Nelson Mandela a happy birthday. The money raised was given to the Nelson Mandela Foundation to be used in its charitable work

achieve the United Nations Millennium Development Goals, was started in Tanzania in 2003 and expanded to other countries in which Zain operates. Through 'Build Our Nation,' Zain has donated in excess of \$4 million, providing books and educational supplies, an building and renovating classrooms in publicly owned schools. Stand out projects include the renovation of Ndola School in Zambia and the rebuilding of the Odumase Presbyterian Junior High School in Ghana.

CONNECTING REMOTE AREAS: MILLENNIUM VILLAGE PROJECT

Elsewhere, Zain signed up to be part of the Millennium Village Project (MVP). Based at the Earth Institute at Columbia University, the MVP was a science-based, bottom-up approach to lifting rural villages out of the poverty trap that afflicts more than a billion people worldwide. The community-driven initiative currently operates in 11 sub-Saharan African countries, where it tackles challenges related to health, education, nutrition, livelihoods, gender equality and other vital issues. Working with the Earth Institute, Zain, in collaboration with Ericsson, provided telecom solutions for millennium villages in Ghana, Kenya, Uganda, Tanzania and Nigeria. Through this, families separated either by migration or work abroad, are now in contact with each other. It has also helped inform rural agricultural farmers and sellers about the market prices of their produce. All in all, lives are being enriched through the provision of mobile telephony.

Aside from the technology that made a difference to the lives of so many, Zain was acutely aware of its obligation to give back to the communities in which its customers lived

HAPPY BIRTHDAY NELSON MANDELA

Still, it wasn't all work. In London's Hyde Park on June 27, 2008, a Zain-sponsored concert hosted world-renowned musicians and artists led by Will Smith, who performed to honor Nobel Peace Prize laureate and former president of South Africa, Nelson Mandela, who had turned 90 nine days earlier. Some 50,000 people – including former US President Bill Clinton, then British Prime Minister Gordon Brown as well as celebrities Oprah Winfrey, Robert De Niro and Forest Whitaker – packed into Hyde Park to pay tribute to one of the world's most beloved leaders. Zain Africa customers sent text messages wishing Nelson Mandela a happy birthday. The money raised was given to the Nelson Mandela Foundation to be used in its charitable work, in

Zain signed for the Millennium Village Project (MVP), a science-based, bottom-up approach to lifting rural villages out of the poverty trap that afflicts more than a billion people worldwide



The battle of the brains in the Zain Africa Challenge

particular his 46664 Campaign. Zain sponsored the occasion again in 2009, with another concert in New York.

THE BATTLE OF THE BRAINS: ZAIN AFRICA CHALLENGE

In Africa, the Zain Africa Challenge (ZAC), Africa's first televised international academic quiz show featuring Africa's top university students, was racking up record viewing figures of more than 200 million people. 2010 was ZAC's fourth season, with 32 universities battle it out to take the \$1 million in prize money that is shared among all the contestants based on their ranking. Zain ensured that the Ministries of Education in the participating countries, along with the Inter-University Council for East Africa (IUCEA), were key partners in the program. Meanwhile, the contest has grown more interactive, with a presence on Facebook and Twitter. It was the most high profile example of how Zain supported educational excellence, while at the same time creating an entertaining forum for millions.

ROCKING ACROSS THE CONTINENT: MAMAS

Finally, for two years running, Zain has hosted the annual MAMAs. The year 2008 saw the MAMAs shake the Nigerian capital of Abuja to its foundations, while in 2009 the music festival rolled into the Kenyan capital, Nairobi, where at the Moi International Sports Complex, African music once again took the continent by storm. In keeping with the show's purpose of bringing Africa together, the MAMA event featured multiple collaborations among artists from different countries and music genres – mixing up hip hop with R&B, alternative, soul and dancehall, among others. If Zain had to sign off from Africa, it certainly departed in style.

CHAMPIONING THE AFRICAN FILM INDUSTRY

In December 2009, Zain sponsored the ION International Film Festival (IONIFF) in Nigeria, which promotes the Nigerian film industry, the second largest in the world in terms of the number of films produced each year (coming ahead of the US and behind India). Earlier in the year, in February, Zain had lent its name to the biennial Pan African Film and Television Festival of Ouagadougou (FESPACO) in Burkina Faso, which celebrated its 40th anniversary under the theme 'African Cinema, Tourism and Cultural Heritage' and during which Zain sponsored two awards, the prestigious Étalon de Yennenga and a prize worth 2,000,000 CFA (\$4,000) for the promotion of African culture.



The MAMA event featured multiple collaborations among artists from different countries and music genres

In five short years, Zain lit a continent with its values of Heart, Radiance and Belonging, leaving it a truly 'wonderful world.'

Making a difference

Zain's contributions to the social and economic development of its communities

BAHRAIN

SWINGING FOR A WORTHY CAUSE

Annual golf tournament for the disabled teed up to raise funds for BMI and BDSF

With its commitment to supporting sport and the needs of the disabled, Zain was a key sponsor of the Shaikh Faisal bin Hamad Al Khalifa Memorial Trophy 2010, a golf tournament held to raise funds for Bahrain Mobility International (BMI) and the Bahrain Disabled Sports Federation (BDSF). Organized by BMI and managed

by the Royal Golf Club, the event was held on April 9-10 with 160 participants.

The annual golf tournament was held under the patronage of His Majesty King Hamad and in memory of his late son, Sheikh Faisal, who was an honorary president of the BDSF and an avid supporter of BMI.



LET'S HEAR IT FOR THE GIRLS

'IT Project Award' encourages female students to follow careers in IT

Zain launched is encouraging Bahraini women to take up careers by sponsoring the 'IT Project Award,' which offers female high school students scholarships to attend the kingdom's Royal University for Women (RUW). To win the first award of its kind in Bahrain, competitors first chose from three projects: the design and creation of a global website that reflects the geographical or historical significance of Bahrain, the creation of a small application or game using any programming language, or the most innovative use of any application (Flash, Photoshop, etc.).



Offered in collaboration with RUW and held under the patronage of Her Highness Shaikha Jawaher bint Mohammed Bin Salman Al Khalifa, entries were judged by a panel of IT

professionals. The top three winners were given cash prizes of BD 1,000, BD 500 and BD 250, respectively, and were accepted to study IT at RUW.

EMPOWERING DREAMS

'Dream Project' gives unique opportunities to aspiring tech professionals

Aspiring tech specialists will get the opportunity to participate in the 'Zain Dream Project,' a mentoring program that will see winning entries become working projects at Zain Bahrain. The six-month event is designed to encourage the youth to think outside the box when it comes to technology and use it in new, innovative ways. Mentors will be assigned to each contestant to help guide them during the creative process.

Held under the patronage of Shaikh Fawaz bin Mohammed Al Khalifa, President of the General Organization for Youth and Sports (GOYS), the 'Zain Dream Project,' will bring together 300 of the brightest young minds and mentors. The project is part of the 'Zain eShabab – The Innovation Challenge' program, which is now in its second year, and will be managed by a committee consisting of representatives from Zain eShabab as well as GOYS, eGovernment Authority,

Gulf Future Business and the Bahrain Internet Society.

The program is a combination of three main elements: training, guidance and a competition. During the first week, participants will be briefed by experts from around the world on competition guidelines, eGovernment services, electronic content, innovation, creativity, unified communications evolution and international competitions. During the second stage of the challenge, participants will be divided into teams and work on their respective projects with the help of a mentor. Sixty teams will then be selected; they will next be short listed to 30 by the jury panel. The next round will involve a project presentation, after which 18 finalists will be selected. There will be three winning teams in each category, and they will also be nominated to represent Bahrain in Arab and international competitions.

'Zain Dream Project' winners will be announced in early September.



CARE GIVERS

Special telecoms package improves lives

To underscore its commitment to improving the quality of life for disabled people, Zain unveiled a special telecoms package that consists of 117 mobile handsets with no rental fees and minimal per-minute call charges that were handed out to disabled graduates to support their quest for independence and productivity. The donation is part of a series of Zain programs aimed at alleviating the problems this segment of society faces on a daily basis. The company previously donated special handsets to the hearing impaired at the Prince Sultan bin Abdulaziz Center for Hearing and Speech and gave special computers to the visually-impaired at the Saudi Bahrain Friendship Society. Zain is also a key supporter of the Al Rahma Center, which cares for children with mental disabilities.

NEW OPPORTUNITIES

Disabled job seekers are given the chance to join the workforce

The Services Center for the Disabled (SCD) at the Ministry of Social Development honored Zain for its support of the disabled community and the company's recruitment of disabled job seekers. Zain offered various positions to a large group of qualified disabled job applicants in line with the Gulf Week for the Disabled.

During the seven-day event, the SCD encouraged various other companies to follow Zain's example and similarly employ disabled people qualified to fill available job vacancies. For its part in helping the disabled, Zain hopes to increase its work with the SCD and continually employ members of the community for positions at the company.

FOCUSING ON SPECIAL NEEDS

Innovative services and products offer the hard of hearing new ways to communicate

Zain has once again proved its commitment to people with special needs by joining forces with the Bahrain Deaf Society and training a person whose hearing is impaired to work alongside other service professionals at the Zain Bahrain Video Call Center. This

is the first time that an organization in Bahrain is providing a customized communications service to meet the needs of the hard of hearing, using superior technology to tie together visual aids to communicate with these customers. The specialized services and

products – including MMS, video telephony and Internet services – not only offer the hard of hearing unmatched visual access to the world of telecommunications, but are also a major step forward towards integrating people with special needs into society.

PROMOTING EQUALITY

Participation at the Women's Career Expo highlights a commitment to women in the workforce

Zain showcased its belief in the ability of women to contribute to corporate success by participating in the Women's Career Expo, which was held over three days in January under the patronage of Her Royal Highness Princess Sabeeka bint Ibrahim Al Khalifa. The company accepted applications for job vacancies and for membership on its FUN team, which mentors young university graduates, providing them with valuable work experience.

The telecom industry in Bahrain is well-suited to employing women, because it is a high-tech, service-oriented nature of the work that taps into their education, experience and



people skills. Around 33% of Zain Bahrain's workforce is comprised of women, and around 91% of all

employees are Bahraini, making the company one of the leading employers of Bahrainis.

JORDAN

INCUBATING IDEAS

'Creativity Without Limits' is launched to harness innovations from university students

In April, Zain launched 'Creativity Without Limits,' an initiative to incubate and utilize the ideas of Jordanian university students. The program focuses

on motivating students in the fields of communications and IT by providing financial and technical support as well as training. In order to spread awareness of

'Creativity Without Limits,' Zain is using its Future University Network (FUN), which aims to encourage those with innovative ideas or projects to apply to the program.

A WORKING PARTNERSHIP

Two agreements provide much needed assistance to UNWRA's 5 million Palestinian refugees

Zain Group and Zain Jordan signed two cooperative agreements with the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) to support and finance the agency's largely underfunded health and education projects and extend a helping hand to around 5 million Palestinian refugees in the Middle East. The two agreements – marking the launch of a regional SMS fund-raising campaign and a relief fund dedicated to Palestinian refugees in Jordan – are part of a wider strategic agreement that was signed between Zain Jordan and UNRWA in November 2009. The partnership is the first between the UN humanitarian organization and a private sector company.



A show of unity: Zain Jordan CEO Abdul Malek Al Jaber, UNRWA's Commissioner General Filippo Grandi and Zain Group CEO Nabeel Bin Salamah ink the agreement

The first agreement, signed by Zain Group CEO Nabeel Bin Salamah and UNRWA's Commissioner General Filippo Grandi, was to launch a regional six-week fund-raising media campaign to mark UNRWA's 60-year anniversary and promote its values and objectives. Zain's 31 million customers will be able to donate money to UNRWA programs in Jordan, Lebanon, Syria, the Gaza Strip and the occupied West Bank by sending an SMS to

specifically assigned numbers, all proceeds of which will go to UNRWA. The second agreement, signed by Zain Jordan CEO Dr Abdul Malek Al Jaber, will establish a relief fund and allocate an annual budget to improve the living conditions of Palestinian refugees in Jordan by providing financial aid for their families.

Since it began operations in 1950, UNRWA has been the primary source

of aid for around five million refugees in the Middle East. The agency has been providing services to four generations of displaced people, including food, clothes, shelter, education and healthcare. In Jordan, the agency operates in 10 official camps, where over 337,000, out of some 1.9 million registered refugees, live. It works in 27 camps in Palestine, hosting over 690,000 out of 1.6 million registered refugees.

THE POWER OF KNOWLEDGE

The education fund continues to provide opportunities for underprivileged students

In February, Zain distributed education grants for the academic year through its education fund, launched in 2004 to provide students with equal educational opportunities irrespective of their financial situation. Since its launch, Zain has donated 180 grants, assisting three types of students: non-Jordanian students who are financially unable to enroll at state

universities; students who live below the poverty line, and students with special needs. Zain's education fund is one of the company's most important partnerships with the Ministry of education. Supporting Jordan's education sector has always been a priority for Zain, because it feeds a knowledge-based economy. Other projects include a mobile

telecommunications lab at the Jordan University of Science and Technology (JUST), while Zain also spearheaded an initiative to computerize the national science curriculum from grades 1-12 as part of the Jordan Education Initiative. The company also launched the 'PC for Every Teacher' fund and adopted a number of public schools as part of the *Madrasati* Initiative (see opposite).

SUPPORTING FREEDOM

Providing connectivity to survivors from the Gaza Freedom Flotilla

Teams from Zain were among the first to welcome more than 121 survivors from the Gaza Freedom Flotilla, who crossed over the border into Jordan after a tragic ordeal that triggered international condemnation. The peace activists, who were attempting to carry humanitarian aid into Gaza, came under fire from Israeli forces and were later stripped of all means of communication. Zain provided the survivors from different Arab countries – including Kuwait, Bahrain and the UAE – with mobile handsets and lines, enabling them to communicate with loved ones.

Zain Jordan CEO Dr. Abdel Malek Al Jaber stressed that it was part of the company's national duty to support the victims and their cause, and show sympathy towards those who lost all means of communication with their families after Israeli forces confiscated their phones.



BACKING EDUCATION

Support for the *Madrasati* Initiative continues to bring aid to 500 schools across Jordan, including the Al Amal School for the Deaf

Commemorating Deaf Children Week from April 20-27, Zain organized special activities for children at the Al Amal School for the Deaf in Zarqa. The school is one of five sponsored by Zain as part of the first and second stages of the *Madrasati* Initiative, which includes the maintenance and rehabilitation of four other schools in Amman, Muwaqqar, Jerash and Ajloun.

In addition to the activities, the occasion also included a free medical day and a visit to the Children's Museum. Doctors at Zain's fully equipped mobile clinic attended to all 70 students at the school, providing them with various medical care and necessary medication. At the



Children's Museum in Amman – established by Her Majesty Queen Rania Al Abdullah to develop children's

learning abilities and creative capabilities – the students were given a special tour of the more than 150 educational exhibits – including those in the communications and IT section that were sponsored by Zain – specially designed for children up to the age of 14.

The *Madrasati* Initiative incorporates Zain's objective to support the education sector and will continue to receive the company's support for another four years. Overall, the company will donate a total of \$500,000 over the course of the program, which was launched by Queen Rania to rehabilitate and develop 500 schools across the Kingdom.

HIGHER LEARNING

The 'PC for Every Teacher' program gets off to a grand start

Launched in February 2010, the 'PC for Every Teacher' campaign is a program to provide all employees at the Ministry of Education with a comprehensive bundle, consisting of a computer, Internet subscription and connection line at a discounted fee. Also included is a CD from the Jordan Education Initiative that provides

information to help develop and boost computer skills.

Established in cooperation with the Ministries of Education and Information and Communications Technology as well as the Jordan Education Initiative, Zain began receiving applications in June. The

company has designated JD 3 million as an initial budget for the campaign and looks forward to investing in future projects and introducing new technologies to help advance Jordan's infrastructure and human capital. It is also hoped that the program will raise Internet penetration to 50% by the year 2012.

LEBANON

SERVING THE COMMUNITY

Contributions to the Saint Lourdes Healthcare Center make medical aid more accessible

mtc touch donated \$20,000 to buy medical equipment for the Saint Lourdes Healthcare Center in Ghadir, Jounieh, which has been providing subsidized healthcare to the local community since its establishment in 2009. The center is able to extend its medical services to all Lebanese thanks to the donations from the business community, which has supported the institution since it began operations a year ago.



A WORTHY GOAL

Supporting the work of institutions that cater to the those with special needs

For the fifth consecutive year, mtc touch continued to champion the physically and mentally challenged by renewing its support for both the Al Younbouh Rehabilitation Center for People with Special Needs and the Lebanese Autism Society. In May, the

company sponsored two events: "Draw a smile and Walk with Al Younbouh" at the Fouad Chehab stadium in Jounieh, and the 10th annual Lebanese Autism Society's Fun Day, which was held in downtown Beirut. Both institutions are tireless in their efforts to raise

awareness about the need to rehabilitate young people with special needs, which is why mtc touch – in line with the company's core values of Radiance, Heart and Belonging – works diligently to help them achieve their stated goals.

SAUDI ARABIA

INVESTING IN THE YOUTH

A fun-filled activity program commemorates World Orphan Day



To mark World Orphan Day on May 7, Zain KSA, in collaboration with Prince Sultan Bin Abdul Aziz Science and Technology Center (Sci-Tech), organized an activity program for a group of children from the Prince Sultan Social Education Center in Damam.

The children visited Sci-Tech, where they were given a guided tour of the more than

350 exhibits, including the IMAX dome, an astronomical observatory. Many of the exhibits were interactive, allowing the children to learn through entertainment, experience and observation. The trip was organized by the *Shabab Tamouh* (Ambitious Youth) program, which was founded by Zain KSA in May 2010 to promote volunteer and social work among the youth.

THE GOOD EARTH

Protecting the environment

On the occasion of World Environment Day on June 5, Zain launched an awareness campaign and signed an agreement with a recycling company, to handle excess paper from all Zain KSA branches and which will curb and reduce methane emissions.

The agreement will also provide paper recycling companies with more raw material at low prices, thereby decreasing dependence on imported paper manufacturing material. Zain highlighted the importance of water rationing by sending SMS alerts

to its customers. In March, Zain also participated in Earth Hour by organizing a conference stressing the need for permanent electricity rationing. It also cut off the power supply to its main headquarters in Riyadh for one hour during the event.

SUDAN

GOODWILL INITIATIVES

Organizing fun-filled events to benefit children with diabetes and orphans

In June, Zain Sudan organized a day camp for 500 diabetic children in cooperation with the Sudan Childhood Diabetic Association and the International Diabetes Association. Held at the Al Qurashi Amusement Park in Khartoum, the entertainment program consisted of a day's fun at the park - which also has a zoo - as well as contests, a puppet show, several magic shows and an evening program of music and comedy.

Earlier, on April 8 and 10, Zain Sudan celebrated Arab Orphan Day with a program of entertaining activities and festivities. On the first day, Zain management visited the Al Mayqouma Home for Orphans and Unsupported Children, which the company has supported for three years by providing the institution with furnishings as well as a fully equipped ambulance. On the second day, Zain



organized an outing to the Omdurman Al Kubra Gardens (Magic Land), inviting more than 160 orphans supported by the USWA volunteer charity, which was established by employees from Zain's Customer Care Department to provide social services for orphans.

KUWAIT

THE CLASS OF 2010

Ceremony honors and rewards top high school graduates

In line with its focus on educational development that is the core of Zain's corporate social responsibility (CSR) policy, the company hosted a ceremony in its Kuwait offices in July to honor and award prizes to Kuwait's top graduating high school students. The event was just one of the many community education initiatives that the company is supporting.

In attendance at the ceremony were Zain Group Chief Executive Officer, Nabeel Bin Salamah (right) and Zain Group Chief Operating Officer, Barrak Al Sabeeh along with officials from the Kuwaiti education sector. In his speech, Zain Group CEO, Nabeel Bin

Salamah, stressed the company's commitment to CSR, referring to it as "the new reality." He also highlighted the cooperation among Zain, Cisco and the University of Kuwait in a program that will train more than 90 teachers from various schools across Kuwait to bridge the information

technology gap. Along with the Future University Network, a youth development initiative that encourages university students to invest in themselves under Zain's mentorship, it is part of the company's long-term commitment to champion education in Kuwait.



FROM PAST TO PRESENT

The 'Dewaniya Box' brings back a taste of tradition and culture

'Dewaniya Box,' an initiative kick started in May, aims to revive Kuwaiti heritage and strengthen the channels of social interaction between the company and its customers. Highlighting Kuwait's unique culture, each box contains two

decks of cards, dominos, checkers (*dama* in Kuwait) and a *kot bo sita* score pad and pen. The brainchild of Zain's young Kuwaiti employees, the gift box reflects the proud history of *dewaniyas*, the country's traditional gathering places,

bringing to the present a part of the past. Part of the initiative is the online guide to *dewaniyas* in Kuwait (www.dewancom.kw), which showcases information about the historic venues across the country.



GREEN TEAM

Earth Hour highlights the need for increased environmental awareness

Earth Hour in March got a boost with the participation of Zain, which was eager to show its support for the environment. Lights at the Zain head office, as well as devices and equipment, were turned off at the pre-set hour of 8:30 pm. Zain hopes that after participating in the worldwide event, other companies and

institutions will follow suit, promote the Worldwide Fund for Nature and join the fight against global warming. The company's involvement with Earth Hour also hopes to highlight the need for environmental awareness and address the growing problem of climate change. Even in the dark, Zain is showing the way.

IRAQ

ORPHANS GET SPECIAL ATTENTION

Partnership with leading NGO targets the less fortunate



Zain Iraq has developed some of its CSR activities with Life for Relief and Development, a civil society organization that cares for orphans and widows, and which is one of the largest humanitarian organizations operating in the country.

Supporting Iraq's orphans each year has become a tradition within the company, helping ensure that these kids get a basic education and receive adequate healthcare. Zain takes care of them during the holy month of Ramadan, and the company also receives quarterly progress reports on each of the orphans it sponsors.

Life for Relief and Development values Zain's extensive support for its development programs, which it sees as a potential blueprint for other companies and institutions seeking to embrace similar CSR initiatives. Zain was also among the first companies to come to the assistance of homeless and displaced families in the al-Nahrawan and Jakouk regions.

Zain has once again shown that it can still play a major role in the community in a country that still faces many challenges. It embraces these challenges with relish, finding innovative ways to make a difference.

RAISING PUBLIC AWARENESS

Campaign teaches children about the dangers of a flu pandemic

In coordination with the Ministries of Health and Education, Zain has launched an extensive campaign in schools across Iraq to raise awareness about influenza pandemics, especially in those areas considered most at risk.

Zain printed and distributed literature on massive flu outbreaks and how to maintain hygiene as well as handed out vital medical supplies such as masks, which reduce the transmission of airborne germs. The company's medical unit also gave lectures on health awareness to students in the participating schools.

The campaign was widely applauded by all, especially in remote areas where Zain health teams were able to extend their reach, playing an important role in curbing the spread of this dangerous disease in Iraq, a country that is more prone than others to the spread of diseases due to the low level of healthcare and sanitation.

It is hoped that the initiative will pave the way for similar campaigns. Many schools and kindergartens are now better prepared thanks to this effort and intense cooperation, which was based on the company's profound belief that laying the foundations of a

healthy and civilized society is everyone's responsibility. Zain's previous campaigns included appealing for blood donations following bomb attacks, and inoculating against poliomyelitis and other diseases.





Zain



Beauty everywhere

You can see it with your mind, hear it with your heart and savor it with your soul.



www.zain.com

A wonderful world

BAHRAIN

A month of wonder

Zain Bahrain delivers fun and entertainment to all who live in the island kingdom



Zain's Wonder-ful World

Between April 29 and June 1, celebrating its 'wonderful world,' 'Zain Bahrain Wonders' was an activity-filled program for employees, customers, the disabled, women, foreign workers and the media. In fact, the events

aimed to enrich the connection between the company and all Bahrainis, and celebrate the Zain way of life. The 'Wonders' campaign consisted of fun contests, games and competitions, with plenty of prizes, entertainment, outings, films and community gatherings that brought together all the people of the Gulf island.

Here are some of the highlights

FILIPINOS CELEBRATE LABOR DAY

On Labor Day, Zain connected with the Filipino community with a party in Segaya, which was attended by hundreds of Filipino families. The event featured a cookery contest to select the best chef in the community, a Karaoke competition that tapped the Filipino love for music, a sing-along and an exciting spin-and-win game with fun prizes for all. There was also complimentary food and a barbeque for guests.

REACHING OUT TO THE WORKFORCE

Eight hundred and fifty workers at the BRAMCO camp in



Zainers enjoy the cinema



Balloons, chocolate, and giveaways at the Bahrain Down Syndrome Society

The Wonders campaign consisted of fun contests, games and competitions, with plenty of prizes, entertainment, outings and community gatherings



Over 300 Zainers bowl at Magic Planet



Wahooo, the state-of-the-art indoor water park at the City Center Mall

Askar were treated to an evening of Bollywood music, dancing and interactive fun as well as games and prizes. The evening, which also included an interactive session with teachers from the Art of Living Foundation on stress management techniques, ended with a dinner for all those present.

VOUCHERS FOR ALL AT SEEF MALL

Customers visiting Seef Mall and Bahrain City Center Mall received a surprise 'Wonder' encounter with a Zain Butterfly, which offered a cash shopping voucher worth between BD10 (\$27) and BD5 (\$13).

SHOPPERS ENJOY SUNDAY WONDERS

Those looking to fine-tune their telecom experience or upgrade their technology could not have chosen a better time than 'Wonder Sunday', when Zain's customers were treated to some unbeatable offers, such as year-round discounts on the Hwar postpaid packages and other valuable treats available at any of the Zain Experience shops across the Kingdom.

SURPRISES AND INSTANT GIFTS

Customers who visited any of the 11 Zain Experience shops

on Tuesdays to pay their bills, top-up or subscribe to a new mobile number were in for a big surprise when they discovered a giant spin-and-win wheel of fortune and 12 prizes to be won. Prizes included Bahrain Air tickets, Al Ayam vouchers, Samsung handsets, Dana Cinema tickets, Adhari tickets, spa treatment vouchers, kids' game vouchers, an *oud*, t-shirts and other Zain goodies.

SANDSTORM FAILS TO DAMPEN THE MOOD

The unexpected sandstorm that whipped across Bahrain in May failed to dampen the enthusiasm of hundreds of Zainers who gathered for a charity fun day with a motorsport theme at the Bahrain International Circuit. Zainers were treated to Hummer rides, track racing and family fun.

ZAINERS GO BOWLING

There was bowling for over 300 customers at Magic Planet at the Bahrain City Center. The participants – who registered by sending *555# from their mobiles to Zain – enjoyed a great evening in a Zain-branded bowling area, where teams competed for exciting prizes. To add a bit of zing to the event, a special bowling ball appeared at random intervals in one of the lanes and was given to the player on the lane.



Zain Butterflies hand out shopping tokens

HUMANITARIAN GESTURE INSPIRES THE COMMUNITY

Zain donated BD3,500 (\$9,300) to refurbish a workers camp in Salmabad as part of its 'Humanitarian Gesture Wonder'. The needs of the camp were identified by the Workers Welfare subcommittee of the Indian Ladies Association (ILA), which will assist in supervising the project. Zain will refurbish the kitchens and toilet areas of the camp, in which 150 workers live, to give them a safer and cleaner living space. Meanwhile, inspired by Zain's contribution, the ILA not only donated its supervision skills, but also BD300 (\$795) as a contribution toward the smaller essential repairs in the camp.

GETTING WET AND WONDERFUL AT WAHOOO AND LPOD

Customers at Manama's City Center Mall were treated to a great wet time at Wahooo, the state-of-the-art indoor water park in the mall. The event attracted many families who enjoyed the cool environment of water slides, big wave rides and water chute fun.

Elsewhere, at the Lost Paradise of Dilmun (LPOD), Zain customers also enjoyed a splashing good time at Bahrain's unique water park, where fun rides and a film at the drive-in movie theater awaited them.

BD 3,500 (\$9,300) was donated to refurbish a workers camp in Salmabad as part of Zain's 'Humanitarian Gesture Wonder'

RECOGNIZING EXCELLENCE IN THE WORKFORCE

The honoring of hardworking people continued when the company joined hands with the Bahrain Young Ladies Association to reward women who work as school cleaners and who play a role in maintaining a healthy and clean environment for Bahraini children.

NEWCOMERS WELCOMED TO THE 'WONDERFUL WORLD'

Zain and the Bharati Association treated nearly 1,500 workers from over 14 small workers camps across the Kingdom to a 'Wonders Evening Out'. The tribute, which the Bharati Association held on May 21, was dedicated to

the many workers who labor alongside their Bahraini brothers in building the Kingdom. The event featured a music and dance program and saw the participation of workers in an interactive show that included games, plenty of prizes and good food. The event took place at the Indian School, and the guest of honor was Indian Ambassador Dr. George Joseph.

MAGIC AT ADHARI PARK

Guests enjoyed a fun weekend with free rides, contests, games and snacks at Adhari park after they registered by sending *555# from their mobile phones.

BUTTERFLIES DELIGHT DOWN SYNDROME SOCIETY MEMBERS

Zain staff members visited the Bahrain Down Syndrome Society, accompanied by the popular Zain Wonder Butterflies. There, they distributed balloons, chocolates, giveaways and school supplies.



The carnival at Adhari Park on Labor Day



The Zain Bahrain Drag Racing Team took 3rd place in the final of the recent Bahrain Drag Racing Championship, with driver Mohammad Salameh hitting speeds of 275 kilometers per hour. This was the first of many competitions that the

company is looking forward to taking part in, and it served as good test for next season when Zain Bahrain will be competing with more than one car. It could prove to be a hot year on the tarmac for Zain's drivers!

A wonderful world

Zain's entertainment activities across all its operations

IRAQ

IN A LEAGUE OF ITS OWN

Love of football unites a country

Iraq's victory at the 2007 Asian Cup was a particularly proud moment for Zain, which is the sponsor of the Zain Iraq Football League. The unforgettable event certainly had a positive impact on sport in Iraq and united the Iraqi people. This season, Zain has dedicated much of its CSR initiatives to Iraqi football, as well as placing importance on building

the community through football and engaging the youth in sport.

To further highlight its commitment to athletics, Zain Iraq also formed its own football team, which came second in the Companies Union Championship in Cairo. Zain also supports the Iraqi National Olympic Committee and the Iraqi Olympic Champions School.



JORDAN

A MOMENTOUS OCCASION

Celebrating Independence Day with a bang



Tens of thousands of Jordanians joined Zain in May to celebrate 64 years of Jordanian Independence at Al Hussein Public Park (left). Emceed by local presenter Mohammad Al Wakeel, the day-long celebrations also featured performances by popular Jordanian singer Omar Al Abdallat, Al Lawziyyeen Group, Amman Municipality Group as well as a fireworks display. This is the sixth consecutive year that Zain has hosted the event, which kicked off with a show at the Royal Automobile Museum. A number of performances by the public defense band and Al Fursan acoustics followed, after which Zain's celebrations began in earnest.

KUWAIT

AN UNPRECEDENTED EVENT

Exhibition attracts nearly half a million visitors

The 10-day 'Zain City' exhibition attracted an unprecedented half a million visitors, a 150% increase from last year's event. It proved the largest gathering ever of telecom dealers in Kuwait and saw record breaking sales of a variety of Zain services – including Zain savings packages, lines and data transmission services. The exhibition showcased the latest communications technology in voice and data transmissions, as well as smart phones and laptops. A raffle also saw the presentation of a number of prizes, the most valuable of which was a 2010 Audi SUV. An auction of diamond phone lines

was also organized in cooperation with the Kuwaiti Group Company for Public Auctions. The top selling number, 90000000, was sold for a whopping 116,500 Kuwaiti Dinars (over \$400,000), making it the most expensive line sold in Kuwait. In total, 15 diamond lines were sold, for a total of over \$1 million, each of which will enjoy one year of free local calls on



the Zain network and five gigabytes of data transfer per month in addition to BlackBerry, SMS and MMS services.



MEETING THE STARS

Elissa, Abdullah Al Ruwashed and Majed Al Mohandess (left) mingled with fans and signed autographs at the star-studded launch of Zain Create in Kuwait City. Zain create is an exclusive entertainment experience allowing Zain customers to preview and download pre-releases, full track audio (MP3) & full track video (MP4) files directly to the mobile & PC. In addition to Kuwait, Zain Create is available in Bahrain, Iraq, Jordan, KSA, Lebanon and Sudan.

SAUDI ARABIA

START YOUR ENGINES

Motorsports festival provides fun and entertainment for all

Riyadh hosted the 2010 'Akeshnaha and Zain' motorsports festival, held under the auspices of His Royal Highness Prince Sultan Bin Fahd Bin Abdul Aziz, General President of Youth Welfare and organized by the Saudi Federation for Cars and Motorcycles. The highlight was the largest car race in the Kingdom, involving more than 15 high performance vehicles (right).



World Cup fever pitch

Soccer excitement is enjoyed by all Zain customers

KUWAIT

Zain launched a variety of packages and special offers to mark the World Cup. They included a limited edition version of the E-2010 data transfer device in the shape of a football, which was available at all Zain branches and distributors. Zain also signed an exclusive agreement

with Sony International to use the World Cup album, which includes "Waka Waka", the official World Cup anthem, allowing both prepaid and postpaid Zain customers to access the music on Zain Create. There were also daily prizes of iPhones and BlackBerrys. Furthermore, in

partnership with Mobilink and *Mirror* football magazine, Zain offered \$10,000 worth of finale prizes and tickets to the final in Cape Town. Finally 10 'Big Bear' choppers (below) were also on offer to contestants from Bahrain, Iraq, Jordan, KSA, and Sudan, as well as Kuwait.



Instead of the usual, football-related offers, ten lucky winners won customized chopper motorbikes!

BAHRAIN



During the 2010 FIFA World Cup in South Africa, Bahraini football fans flocked to the Zain Football Zone (left) at the Bahrain City Center to watch the matches. A splash of color was also added, thanks to the attendance of Zain-GOYS Talent Identification Program participants, who painted their faces with the flags of the competing nations. Music, including the World Cup anthem, was also part of the program, as were the enthusiastic cheers of “Zain! Zain! Zain!”. Extra features added to the fanfare, including an interactive video created by Zain and the Nokia Siemens Network, in which a football match is simulated and users can take on the role of either striker or goalkeeper.

SAUDI ARABIA

Similar efforts were made to bring World Cup fever to all in KSA. Zain added a new feature to its Mazaya Zain multichannel package, giving customers unlimited access to the Al-Jazeera Sports channel, with no minimum consumption limit during the first month of subscribing to the service. Zain also invited fans to watch the games at its new sports hall at the Prince Faisal Olympic Complex (right), the first of its kind built by a private Saudi enterprise. It was equipped with giant screens and stands large enough to accommodate hundreds of fans, allowing them to enjoy the matches with high-quality sound and catering facilities.



LEBANON

As Lebanese fans went delirious with football fever during the World Cup month, Zain affiliate mtc touch launched a \$5 limited edition recharge card (left) to celebrate the tournament. Magic customers using the coupon to recharge their lines could enter one of four draws to win hundreds of valuable prizes, including PlayStations and 32 LCD television sets.

The amazing race

iPads propel Apple to the forefront of the tech industry, overtaking Microsoft

This May, Apple surpassed Microsoft as the world's most valuable technology company in terms of market capitalization. Now the second most valuable company in America after petroleum giant Exxon, Apple is worth, according to Wall Street, a stunning \$222 billion, a figure higher than the GDP of most of the world's nations.

Apple's present valuation is all the more remarkable considering that just a decade earlier the company was considered a has been, a quirky once-arrival to the Microsoft juggernaut that had been consigned to the dustbin of computer history. Instead, the return of the company's founder, Steve Jobs, to the company's helm in 1997, after having been forced out ten years earlier, set the stage for the greatest turnaround in the history of Silicon Valley – a turnaround that shows no signs of letting up given the popularity of Apple's latest superstar product, the iPad.

The iPad, a touch screen tablet computer that first hit the market in April, represents a bridge of sorts between Apple's original line of products, its personal computers, and the devices that have driven its current comeback – namely, the iPod and the iPhone. As such, the iPad goes a long way toward explaining the unrivaled position Apple occupies in the tech world.

The iPad isn't just a new product, but rather a whole new class of devices. But the idea for a tablet computer – a device that functions much like a laptop but without a keyboard or mouse so that it can be used with one hand, or in bed – has been around for

more than 20 years. Indeed Apple's first try at the tablet market was in 1993 when the company released the MessagePad, an early version of the PDA. As a result of its cost and various difficulties with its handwriting reception technology, the MessagePad never really caught on and was discontinued in 1998.

In the years after, other companies, including Microsoft, continued to market tablet-like products, but they never amounted to more than a sliver of the computing market. Meanwhile, Apple, with Steve Jobs back in charge, went about laying the groundwork for a revolution in personal technology.

The spearhead of that revolution was Apple's digital media player, the iPod. As with the iPad, Apple wasn't the first company to market such devices.

Instead, Jobs saw that the devices being sold at the turn of the millennium were clunky and had user interfaces that were, in Jobs' words, "awful."

Sleek and user-friendly are what Apple does best, and seeing that consumers were increasingly getting their music online rather than in the record store,

Now the second most valuable company in America, Apple is worth a stunning \$222 billion



The young are getting in on the action



Apple CEO, Steve Jobs, explains the iPad

Apple began developing a kind of walkman for the Internet age. The first iPod hit stores in 2001. The result was nothing less than a cultural phenomenon. In the almost nine years since its release, Apple has sold a

staggering 250 million units, transforming the way the world listens to and purchases music.

But the iPod was only the first step in Apple's ascendency. Their next leap

The iPad, a touch screen tablet computer that first hit the market in April, has already garnered sales exceeding two million

forward was an arguably even more transformative product, the iPhone. Once again seeing an opening, Apple decided to enter the mobile phone market. The market share for smartphones – Internet capable devices that combine the capabilities of mobile phones and PDAs – was growing, driven in particular by the rise of the BlackBerry, which gave users the ability to receive emails on their mobiles for the first time.

BlackBerry users, however, can only access a pared down version of the Internet and, moreover, the devices have only limited hard drive space for music. Apple decided to fuse the iPod's music-playing capability with the smooth OS and popular

applications of the company's MacBook computers. The result was a phone that, along with giving users the power to listen to their music, talk to friends and check emails, also allowed them to surf the web the

same way they would on their laptops. Those features, however, probably would have mattered little if it weren't for the new product's physical appearance. Indeed, upon its release

ZAIN KUWAIT IPAD-FRIENDLY MICRO SIM CARDS

Zain Kuwait has launched new, smaller micro sim cards across all its branches. With more data applications, the cards are compatible with smart phones and Apple's iPad and use 3G technology. At 12x15 mm, they are smaller than regular sim cards, but, for a nominal 5-dinar fee, Zain customers can swap their old cards with the new ones while keeping the same number, ensuring that they are constantly at the heart of the digital revolution.

the iPhone was instantly recognized as the prettiest phone in the room.

Four models and 43 million iPhones later, the device had cemented Apple's unprecedented position among American companies. It didn't just lead the market in sales, it wielded a virtual monopoly on cool. Apple wasn't just influencing the aesthetic sensibility of the era, it was determining it.

Enter the iPad. It is a mark of the cultural cachet Apple has established that in the weeks and months preceding the iPad's release, speculation in the popular media as to just what Apple's newest product would be reached an almost absurd fever pitch.

The world's number one technology company did not disappoint. Barely a centimeter thick, less than half a kilo in weight, but with 10 hours of battery life, the iPad is basically a portable 10-inch touch screen in the shape of an iPhone.

The driving innovation, however, is the device's use of Apps. While the iPad comes with Apple's most popular applications – including Safari, its Internet browser, iTunes, Mail, Photos, Video, YouTube, Maps, Notes, Calendar, Contacts, and Spotlight Search – pre-installed, it is the iBookstore app and the ability to download, either for free or for a fee, third-party applications that have generated the most interest among the media and public.



Past and present Apple legends

In the almost nine years since its release, Apple has sold a staggering 250 million iPods, transforming the way the world listens to and purchases music

Expanding on the iPhone, which first catapulted downloadable applications into one of the most lucrative elements of the mobile phone business, the iPad allows users access to some quarter million (and growing every day) applications they can download onto their devices. The apps themselves span everything from education to entertainment and in their proliferation have given rise to a whole new industry for small companies: app design.

Not content to just create new industries, Apple is also saving old ones. Publishing, which has been in a tailspin for decades, may finally be on the verge of a revival thanks to the iPad's iBookstore. Through it, users can purchase books, rapidly download the text and then read it on a screen that for the first time rivals the printed page in terms of clarity, ease and mobility. Just as Apple's iTunes offered a way for the music industry to stop the bleeding caused by the Internet and the illegal file sharing it facilitates, iBookstore now offers salvation for publishing, which was also adversely affected by the Internet.

The ability to single-handedly revive whole industries, almost as an afterthought, is a testament to Apple's remarkable reach. It's not for nothing that the little start up responsible for the advent of the personal computer 30 years ago is now, according to Forbes Magazine, the most admired company in the world.



It brings out the zany in its devotees

Surfing the skies

The much awaited takeoff of in-flight Internet



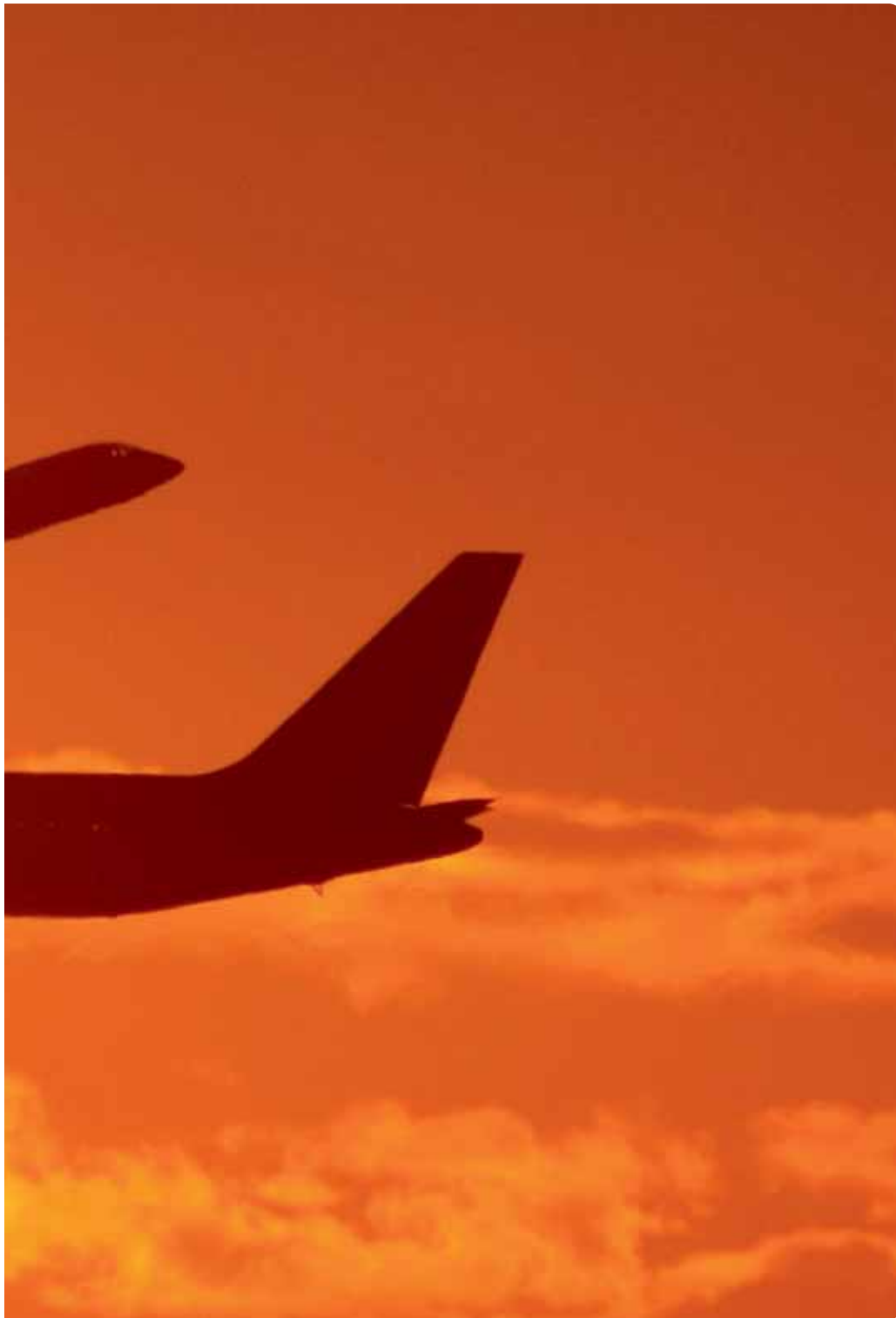
With wireless Internet now offered in every self-respecting café, lounge and hotel in the region, it would seem only natural to desire or even expect this service in a place where whiling away hours is often crucial: airplane cabins. While this has not been overlooked by the giants of the airplane industry –

and many carriers now offer in-flight Internet on select flights – sending emails, checking the news and mid-air online instant messaging has yet to become the norm.

All this is set to change as in-flight Internet catches on. Over 2,500 commercial aircrafts are expected to

install the service by the end of this year, and this number is expected to double nearer to 2013, according to in-flight entertainment and communications consultancy IMDC.

“The in-flight Internet boom was supposed to have occurred a decade ago. In 2000, Boeing launched a



As in-flight Internet catches on, over 2,500 commercial aircrafts are expected to install the service by the end of this year, and this number is expected to double nearer to 2013

equipment and installation priced upwards of half a million dollars per plane. Further losses were incurred as a result of installations requiring the aircrafts to be grounded and, therefore, out of commission for several days.

Still, several airlines invested in Connexion and some quite heavily. Delta Airlines, American Airlines and United Airlines, all based in the United States, signed a partnership agreement with the Boeing subsidiary in June 2001. A few days later, Lufthansa announced that it had joined the partnership as well, eventually equipping about a dozen of its airplanes with the technological novelty. Abu Dhabi airline Etihad also jumped on the bandwagon a year later and showcased its new fleet of Internet equipped aircraft at the Arabian Travel Market exhibition in Dubai.

Sadly, Connexion shut down the same year. Its three American airline partners pulled out following the September 11 attacks on the World Trade Center that dealt a detrimental blow to the travel industry. Lufthansa and Etihad stayed on board, but the service had little luck attracting new clients largely due

business called Connexion by Boeing to bring high-speed Internet access to the nation's jetliners," writer Kevin Grey explained in an article for the business and management website Bnet.

Indeed, Connexion offered Internet access to travelers through a wired Ethernet or a Wi-Fi wireless

connection. However, the business was plagued by setbacks that eventually led to its demise. For starters, there were major technical hurdles created by the service as planes had to be outfitted with antennas that caused an estimated 800 pounds of drag. The set-up was also astoundingly expensive, with the full cost of

to the extortionate costs involved. In the end, Boeing's revenues were simply not high enough to sustain the company, and when Connexion announced its imminent shut down in December 2006, *The Wall Street Journal* estimated that the \$1 billion investment was worth just \$150 million.

"Too few customers paid the \$18 for three hours of usage or \$27 for 24 hours of usage, essential for Boeing to continue offering it. Although frequent business travelers are the main target audience for online access during flights, usage of the Connexion service remained constant at only 7% during [the time it was available]," Galen Gruman elaborated in an article for the Daily Wireless website.

But despite this setback to the advent of in-flight Internet, new hope was

Despite the leaps and bounds of today's technologic accomplishments, in-flight Internet is only now beginning to boom

soon brought to those desperate to stay connected while flying. The same year that Connexion folded, the United States Federal Communications Commission (FCC) auctioned off blocks of spectrum that had been previously used for analog radiotelephony, otherwise known as airplane phones in layman's terms.

"They cost a fortune, and few people ever used them. So the FCC put the spectrum they used on the block," repurposing it for digital air-to-ground bandwidth, explained Grey in his article for Bnet. US-based Aircell bought up the largest block of this spectrum, and the company's Gogo Inflight Internet promised to succeed where the Boeing venture had failed.

Aircell spent about a year and a half building nearly 100 cell phone towers that essentially blanket the airspace over the continental US with signal coverage. Then the company dwindled down the weight of the equipment and the installation time, drastically reducing both the drag and the total cost.

By far the most popular choice for US carriers, the Gogo Inflight Internet service has also attracted an international client. Air Canada signed on last year and offers the service on select flights, such as Toronto-Los



Soon passengers won't have to send that last hurried

Anges and Montreal-Los Angeles that fly largely over the continental US.

RC 8774	13:00	201-244	Z/	Dansk	LD 3823	13:55	201-244	Z/
LD 313	13:05	201-244	Z/	Frankfurt	LH 3303	14:05		Z/Cancelled
RY 748	13:05		Z/Cancelled	Frankfurt	LD 5377	14:05		Z/Cancelled
LH 3313	13:05	249-251	Z/Cancelled	Frankfurt	RC 9271	14:05		Z/Cancelled
LD 5359	13:05	249-251	Z/Cancelled	Frankfurt	UA 8893	14:05		Z/Cancelled
SN 7088	13:05	249-251	Z/Cancelled	Frankfurt	SN 7084	14:05		Z/Cancelled
NL 1384	13:30		I/Cancelled	Cracow	LD 3313	14:05	201-244	Z/
WB 457	13:30		I/Cancelled	Cracow	RC 8772	14:05	201-244	Z/
BT 462	13:35		I/Cancelled	Prague	OK 783	14:25		Z/
TK 1786	13:40	255-258	Z/Cancelled	Dansk	LD 3837	14:35	201-244	
LD 5133	13:40	255-258	Z/Cancelled	Madrid	IB 3837	14:40		Cancelled
LD 3933	13:40	201-244	Z/	Hracow	LD 3855	14:40	201-244	



No matter where the destination, in-flight Internet will be part of future travel

This new era of in-flight Internet boosted the popularity of other pre-existing companies, such as California-based Row 44. Originally set up in 2004 to compete with the now defunct Connexion by Boeing, the service offered differentiates itself from Aircell by following in its former competitor's footsteps with a satellite-based service that can support connectivity on overseas flights. Offering greater reach, the Row 44 product appealed to non-US carriers as well, such as Norwegian Air Shuttle, which last April announced it would begin installing the service on its entire fleet.

Those in the know say that Row 44 has positioned itself to dominate the



email before boarding

trans-Atlantic routes and is eagerly eyeing the European ones, but this region is already dominated by the third major player in the in-flight Internet industry, OnAir.

Formed in February 2005, OnAir is a joint venture between Airbus and Société Internationale de Télécommunications Aéronautique, more commonly known by its acronym, SITA. The company practically exclusively dominates the European and Middle Eastern markets, providing in-flight Internet by piggybacking on Inmarsat, a British satellite telecommunications provider used by nearly all planes that fly over-water routes.

"By putting a small amount of additional gear into an existing Inmarsat system, OnAir had what they

saw as a light, cheap and quick solution," Glenn Fleishmann wrote on ARS Technica, a news website.

Indeed, it appears it is exactly this type of solution that interests the market, as OnAir has signed agreements with 10 international carriers – including industry heavyweight British Airways as well as all the regional airlines that are currently equipped with in-flight Internet, like Qatar Airways, Royal Jordanian, Oman Airways, Wataniya Airways and Jazeera Airways, which all began rolling out the service on select flights last year.

But this boom does not necessarily translate into profits for participating airlines – in fact, quite the opposite is expected. Communication and entertainment consultant Michael

Planey said in an article for the aviation news website Flight Global that customers are growing tired of paying surcharges such for excess baggage and even drinks on economy airlines. Despite the convenience of in-flight Internet, reaching a point of 'fee fatigue' travelers are expected to become far less inclined to pay for further optional services such as Wi-Fi.

Should this indeed happen, Planey predicts that the funds may soon come out of the airlines' pockets instead of the customers' – both to keep their investment running as well as to maintain a competitive edge by providing the value added service.

"Airlines are going to pay because it's going to become the cost of doing business," Planey concluded.

4G rising

New mobile phone network designs compete to bring data at lightning speeds



The race to rocket information at 100 megabits per second over a mobile phone network is on. As the next phase in the digital revolution begins, two systems, WiMAX and LTE, are competing to take your phone to the next level. Known as 4G, the next step in network evolution will make video conferences and lightning downloads an arm's length away. This emerging technology – the fourth generation (hence 4G) of mobile phone networks, such as Zain

developing in Bahrain, Saudi Arabia and Kuwait with LTE (Long Term Evolution) networks – is still something of a novelty although it is gaining ground fast, particularly in the Middle East. In fact, at the COMMSMEA Awards in December 2009, Zain Bahrain won the prize for Best Telecoms Technology Investment of the Year for its “gutsy” launch of Long Term Evolution technology. In a shockingly short span of time, cellular phones went from bulky

novelties to sleek, touch-screen, Internet-savvy must-haves for an increasing percentage of the global population. As the digital revolution unfolds, lightning-fast data transfer speeds are the wave of the future.

Today, most mobile phone users around the world are just getting used to 3G networks – with top download speeds around 21 megabits per second – while operators are already eyeing the next upgrade. The new speed of data



transfer that comes along with 4G will mean a lot more power packed into the palm of your hand.

“Such speeds,” Matt Hablen wrote in an article on the tech website Computerworld, “would greatly enhance video transmissions and online gaming. For business users, [4G] could offer lightning-fast access to enormous corporate data stores sent over encrypted channels. Some futurists believe [the technology] could bring

about wireless video phone calls, like the ones Dick Tracy receives on his watch. Today, by comparison, videoconferencing from a wired desktop is still relatively expensive and not always reliable without a high-speed wired connection.”

4G technology is evolving in only semi-regulated markets. Individual countries place their own restrictions on mobile phone operators, but there are no hard and fast global standards for how networks advance. The International Telecommunications Union merely set the goal posts for 4G – 100 megabits per second data transfers over a complex network – without detailing how to get there.

In the absence of a defined plan, both WiMAX and LTE say they’ve figured it out, and now the fight is on to sell mobile operators on their systems. WiMAX and LTE are network designs that use different technical means to give users 4G speeds. Neither is yet widely commercially available, but 4G is certainly the wave of the future, and the tech world is abuzz with the clash expected from these two titans. Relatively evenly matched in many ways, most analysts say LTE has the edge because most existing mobile networks would simply have to upgrade to employ it. Many operators would have to build new networks to use WiMAX technology.

In the Middle East, mobile phone operators are scrambling to remain on the cutting edge, pouring cash into upgrading their networks and seemingly preferring an LTE system. Bahrain, KSA, the UAE and Qatar are racing to put 4G networks in place with LTE technology, and a recent report by Pyramid Research, an Egypt-based mobile phone market analysis firm, said that some 11.1% of mobile phone users in the region will be connecting to 4G via an LTE network by 2014, compared with 7.7% in Europe.

Advanced LTE can accommodate multimedia applications such as video conferencing, high definition content transmission, video diary administration and high speed video downloads from social networks, giving Zain customers in

Bahrain, KSA and Kuwait unbeatable mobile broadband. LTE also provides 150 Mbps outputs with a delay period of no more than 15 milliseconds, providing customers with a unique mobile broadband experience that exceeds that of the fixed connections they have at home. The low cost of frequency channel price via LTE means that applications that need more broadband bandwidth and speed will be cheaper for operators to provide.

In Bahrain, Zain recently placed the first call in the Middle East on an LTE system. The network is not yet fully advanced, as the data transfer speed, while still faster than 3G, hit shy of the 4G mark with 70 megabits per second. In February 2010, Zain KSA inked an agreement with Motorola, Ericsson and Huawei, the three global telecommunications infrastructure giants, to test and then build the world’s largest 4G LTE network in the Kingdom, with phase one of the 4G LTE roll-out in Riyadh, Jeddah, Dammam and Al Khobar. Zain Kuwait has done the same, but just released a Request for Proposal, or RFP, to build its LTE network.

Zain Jordan signed a modernization contract so its network can support LTE, while Zain Iraq has started its phase one network modernization and also recently signed a contract to make its network ready to support LTE. Zain Sudan is close to finalizing a similar deal.

Not all mobile operators are rushing to upgrade to 4G, however. The price tag for an LTE system is still high. In a May interview with Reuters, Fabricio Martinez, head of the services business at the network planning and management company Aircom, said it costs around \$750 million in the first 12 months to upgrade a 3G network to an LTE network. However, Reuters noted, “with prices of new equipment falling fast, the same LTE gear is expected to be significantly cheaper in 12 or 24 months.”

It is unclear just how quickly 4G will catch on around the world. When it does, however, get ready to look at your phone in a whole new way.

Not all mobiles go to heaven

While phone recycling is gaining steam, many are still tossed into dumps and become an environmental hazard



Increasingly popular mobile phone recycling programs are slowly addressing a very damaging environmental problem. Mobiles generally trade hands multiple times across continents before – as is most common – being discarded in landfills to ooze toxic substances.

Like most electronics, mobile phones are in a near-constant state of obsolescence. Almost as quickly as a new phone hits the market, one with more gadgets, better reception or just a more trendy color follows. People replace perfectly good phones quickly, and in some

markets – like the United States – the practice is almost institutionally encouraged by offering upgrades.

While safe to use, mobile phones contain toxic substances. Phones and their batteries contain, among other chemicals, lead, brominated flame-retardants, beryllium, hexavalent chromium, arsenic, cadmium and antimony, which wreak havoc on the environment if left to rot in the ground, according to the Basel Action Network, a non-governmental organization that monitors electronic waste.

A 2007 study by the US Environmental Protection Agency found that some mobile phones in a landfill release alarming amounts of lead. The regulatory body studied 34 then-recent-model phones and found they emit “on average, more than 17 times the federal threshold for what constitutes” a hazardous amount of lead, *The New York Times* reported in 2008. The times, however, are beginning to change. The European Union is leading the way in regulating the amount of hazardous substances allowed in mobile phones, and some manufacturers are even designing new models with stricter standards than the law dictates.



As phones themselves become greener, users are beginning to follow, but the majority of mobiles are still simply tossed away. In a 2008 article, *The New York Times* reported that Umicore, one of the large mobile phone recyclers “estimates that, together with its competitors, it received only 1% of all phones that were discarded globally in 2006.” Since then, a number of small, eco-friendly groups in the US have been encouraging more people to recycle and more industry companies have been including mobile phone recycling programs as part of their corporate social responsibility activities.

Nokia, for example, one of the world’s largest mobile phone manufacturers, recently launched a recycling program in the Middle East and Africa. The company accepts used phones at all care points in the UAE, KSA, Bahrain, Kuwait, Qatar, Oman, Lebanon, Jordan, and Yemen in the Middle East, and in Algeria, Egypt, Ghana, Kenya, Libya, Morocco, Nigeria, Senegal, South Africa, Tanzania and Tunisia in Africa.

That said, a survey Nokia conducted found that a paltry 3% of mobile phone owners recycle their handsets and accessories when they upgrade, which they do approximately every two years. According to Nokia, “if all mobile phone owners today – in other words, three billion people globally – brought back one used device, we could save 240,000 tonnes of raw materials and reduce greenhouse gas emissions to the same effect as taking 4 million cars off the road.”

Nokia’s website says the discarded phones are sent to a network of nearly 80 “eco-friendly” recycling plants. It does not mention what – if any – percentage of these discarded phones are re-sold. In the US, many phone “recycling” companies – which typically just collect the phones from users and then send them to third-party recyclers – resell the ones that either still work or only need refurbishment.

“It’s through the resellers, and the unfathomable network of resellers they sell to, that many also end up overseas, where the price of new phones can be prohibitively expensive,” *The New York Times* reported in 2008. The paper continued that recently Los-Angeles-based mobile phone reseller Joseph Khan “purchased several thousand Qualcomm QCT-1000’s for \$11 each and resold them in Ukraine for \$121 each.”

The so-called developing world often receives these phones and either resells them, or strips them for parts. Ultimately, though, once a mobile phone leaves a developed country, it generally ends up tossed in the garbage. However, the world’s poorer nations just as often ends up the trash bin for mobile phones and other unwanted electronics far beyond repair or use, and often against the law.

“E-waste is routinely exported by developed countries to developing ones, often in violation of the international law. Inspections of 18 European seaports in 2005 found as much as 47% of waste destined for export, including e-waste, was illegal. In the UK alone, as late as 2003, at least 23,000 metric tons of undeclared or ‘gray’ market electronic waste was illegally shipped to the Far East, India, Africa and China. In the US, it is estimated that 50-80% of the waste collected for recycling is being exported in this way,” the environmental group Greenpeace said on its website.

E-waste is expected to proliferate in the next decade, with mobile phones constituting a hefty contributor, the UN Environmental Program said in a recent report. According to the agency, by 2020, “in China, e-waste from discarded mobile phones will be about seven times higher than 2007 levels and, in India, 18 times higher.”

That said, the impetus to be eco-friendly often lies with the individual user. The more each obsolete phone is handed over to a reputable recycling company, the faster the world will begin addressing this environmental issue.



Precision should eventually become second nature, and carry over into everyday life

Bend it like Pilates

Created some 90 years ago, the fitness craze has taken the world by storm

About five years ago, a trend sparked in Hollywood – celebrity after celebrity began sashaying down the red carpet or popping up in a music video looking toned beyond all recognition, expectation and belief. With their perfectly defined calf muscles, washboard abs and a confident smile to boot, they credited their new bodies to Pilates. Soon enough it seemed like anyone with a famous name had endorsed the fitness regimen, known as Winsor Pilates and pioneered by the now 60-year-old Mari Winsor.

Hailed as the Queen of Pilates for her role in promoting the popular fitness trend to both celebrities and otherwise ordinary folk, Winsor saw herself differently. "I'm the princess, not the queen. No, no, no. My mentor, Romana Kryzanowska, is the Queen of Pilates. And there are four, five, six other teachers around the country we refer to as the elders that actually studied with Joseph Pilates, the technique's founder, and Romana was actually one of them," she said.



Indeed, while Pilates was picked up by celebrity circles only a decade ago and has just risen to the same levels of popularity in the Middle East – with every self-respecting gym now offering a class or two – it is in fact a much older art. Pilates is in fact named after Joseph Pilates, who was born in 1880. Although German, Pilates lived in England and worked as an orderly at a hospital on the Isle of Man during the latter part of the First World War. Here, he designed a system of exercises to improve the rehabilitation program for returning veterans.

Adamant that mental and physical health are inter-related, Pilates recommended a few precise movements that emphasized control and form. Named “The Pilates Principle,” these movements were tailored to condition the entire body, focusing prominently on proper alignment, centering, concentration, control, precision, breathing and flowing movement. In the early 1920s, Pilates immigrated to the USA and took his fitness system with him, opening a New York “body-conditioning studio” in 1926. The studio featured many of the self-designed apparatuses Pilates

used to enhance his fitness program, and many of these are still in use in contemporary Pilates programs.

Although Pilates has only recently been re-discovered, the program nonetheless appears to have always had star appeal. Pilates’ original studio in the Big Apple was in fact frequented by many of the stars du jour, such as dance legend Ruth St. Denis, actor Jose Ferrer and author Christopher Isherwood.

As a boom in interest has progressively turned Pilates mainstream in the past decade, classes are now offered in abundance, and specialized studios are hardly uncommon. These Pilates-only gyms are fast catching on in the Middle East as well, with the establishment of Club Stretch and the Hundred Pilates Studio in Dubai, Pilates and More in Kuwait, Atelier de Pilates in Bahrain and Contours Studio in Beirut, to name a few.

But the prevalence of Pilates does not necessarily mean that all contemporary classes stay true to the founder’s methodology. In fact, nearly 10 years ago, a US federal court ruled the term “Pilates” generic and useable without restriction. As a result, pretty much anyone, whether trained or not, can teach pilates classes in the United States, and this practice has also spread across the globe. However, the most ardent followers of the fitness program seek to stay in line with Pilates’ original principles, and the crème de la crème of program trainers, such as Winsor, seek to be trained and certified by the so-called Elders of Pilates, who were taught by Joseph Pilates himself.

The two trademarks of Pilates workouts are using the body’s own weight for resistance training and core muscle strength. True to form, Pilates exercises work to strengthen the deep, internal muscles of the abdomen and back so that they work correctly with the more superficial muscles of the trunk to correctly support the spine and the body’s movement. Developing core strength creates stability throughout the entire torso, which relieves pressure on the back and enables the body to move freely and efficiently. This emphasis sets Pilates apart from other popular types of exercise. Weight lifting, by comparison, tends to elicit a lot of work solely from the arms or legs. Running or swimming possess the same flaw, both concentrating on the extremities and neglecting the core.

Furthermore, pilates is quite diverse and open to modifications. The regimented exercises can be done on either a mat or on the floor. There are also an array of different but optional pieces of equipment. These generally utilize pulleys and springs, using the body’s own weight instead of free-weights that are popular in other forms of exercise, such as aerobics.

As Pilates involves a lot of core resistance training and balanced stretching, incorrect methods can result in severe injuries. Trainer certification is thus essential, but Pilates in its original form is suitable for practically anyone.

Norman and the giant Gherkin

London's towering iconic building has become a landmark staple on the city's skyline



The Gherkin seen from the River Thames

A modern edifice of light scintillates against the evening skies, its dark and pale hues seemingly luminescent in the dark. Such is London's Swiss Re Building at 30 St Mary Axe. Designed by Norman Foster and fondly known as the Gherkin, it is one of the city's most iconic monuments, one that simultaneously disrupts and dramatizes London's centuries-old skyline.

The name Gherkin, a type of pickle, refers to Foster's design shape. If the truth be told, it is in reality a more pine cone, inspired by the monocoque construction technique, pioneered in early aircraft design, that supports structural load by using an object's exterior, instead of an internal frame.

The building stands out among London's landscape because it breaks away from the city's classical architecture – comprised of low rises, brick buildings and white elegant town houses – as well as the more contemporary style of rectangular structures in the city's financial center. Its central location and outstanding view (its restaurant is located at one of the highest points in the city) have certainly contributed to the Gherkin's fame and reputation.

It has also garnered international recognition, receiving in 2004 the Stirling Prize from the Royal Institute of British Architects, in association with the Architects' Journal. BD World Architecture deemed it the most admired new building in the world in 2006. Still, you can't please everyone, and in June 2006, the Gherkin was voted one of the five ugliest buildings in London in a BBC poll.

The Gherkin was built on the site of the old Baltic Exchange, built in 1903 and which served as a hub for the shipping industry and a global maritime market place. The British government and the city of London initially wanted a development that would restore the building to its former glory after being damaged in a 1993 IRA bomb attack. Full restoration was deemed impossible, and in 2000, the government allowed for the construction of a larger, more ambitious structure.

The name Gherkin, a type of pickle, refers to Foster's design shape. If the truth be told it is in reality more a pine cone, inspired by the monocoque construction technique, one that was pioneered in early aircraft design, that supports structural load by using an object's exterior, instead of an internal frame





Moving up in the world: The Gherkin's restaurant with its mouthwatering views

The building stands out among London's landscape because it breaks away from the city's classical architecture

Constructed by engineers from Swedish construction group Skanska, 30 St Mary Axe was built over a period of two years, from 2001 to 2003, and opened on 28 April 2004. It is a radical structure in many ways. Imitating intricate lace made of light and shadows, it towers over the city and the River Thames, stretching over a surface of 1.4 acres and rising to 180 meters in height. The sixth tallest building in London, it boasts 41 floors with a 360 degree observation dome at its summit. Able to hold as many as 3,500 people at once, the Gherkin also features a double-decker private bar and restaurant as well as

a shopping gallery and numerous offices that expand over a total surface area of 76,400 square meters.

Learning from the unfortunate fate of the former Baltic Exchange, designers of the Gherkin built a structure that was capable of sustaining pressure through the use of triangulated forceful steel. Besides its powerful build, the dynamic structure also allows for the maximization of energy efficiency. Considered by many as an engineering wonder, the building incorporated ideas that were used in the Climatroffice, designed by Richard Buckminster Fuller in the 1970s, creating a symbiotic relationship between nature and office.

The tower's diagrid structure, which features the seamless interlocking of steel elements, contributes to a column free floor space that, combined with the fully glazed facade, allows the building to open up onto the outside. Atria between each floor are linked vertically, forming a series of informal break-out spaces that resemble an ethereal stairway to heaven.



Stairway to heaven

According to Foster, these spaces “serve as a natural, social focus that also function as the building’s ‘lungs,’ distributing fresh air drawn in through opening panels in the facade. This system reduces the tower’s reliance on air conditioning and, together with other sustainable measures, means that the building uses only half the energy consumed by conventional air conditioned office towers.”

The six shafts resulting from the gaps in each floor are used as a ventilation system. The shafts allow the office space to be insulated with a thin layer of air, applying the similar principle used in double glazing. Warm air circulates out of the building during the summer months and into the building during winter. The unique shape of the tower reduces wind deflections, creating different levels of pressure that are used in the natural ventilation system while contributing to maintaining a comfortable environment at street level. Furthermore, the building’s glazing and the shaft effects also bring down lighting costs. The energy consumption of the building is thus reduced by 50% compared to other similar constructions.

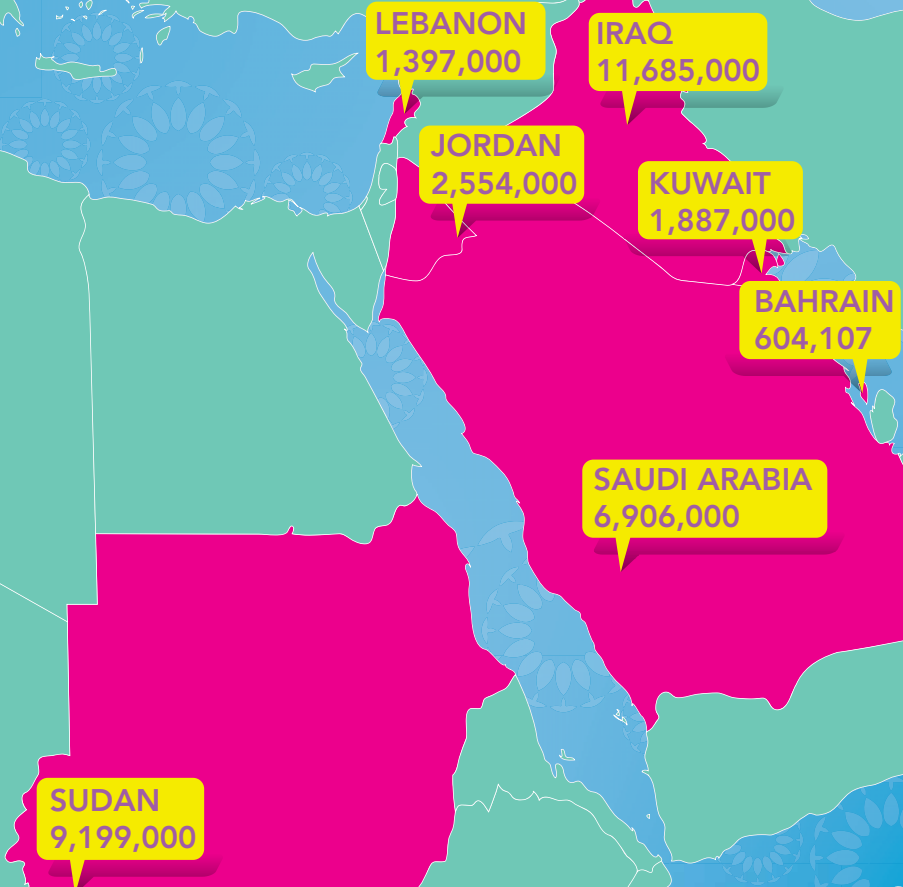
Construction costs for the Gherkin, which could not be confirmed by Foster, were estimated at £138 million according to a 2006 BBC report, with the land occupied by the building having reportedly cost a further £90.6 million when purchased in 1998. According to a BBC article, Swiss Re is said to have sold the Gherkin to German property company IVG for £600m in 2007. The Swiss company, however, is staying as a tenant, holding about 50% of the rental space.

Today, the tower occupies center stage in the life of many Londoners, visible from the M11 motorway some 32 kilometers to the north of the city, and from Windsor Great Park to the west. It has also become a highly recognizable symbol of London, appearing in films such as Woody Allen’s *Match Point* and *Harry Potter and the Half Blood Prince*. In spite of its detractors, the Gherkin will certainly be remembered as one of Lord Foster’s greatest achievements.

The sixth tallest building in London, it boasts 41 floors with a 360 degree observation dome at its summit



The Gherkin has slotted into London’s magnificent cityscape



Over 34.2 million active customers in 8* countries

The numbers show active customers as of H1 2010

*Inclusive of Morocco which launched GSM operations in Q1 2010