

Island of *opportunity*

Discover
investment
prospects in:

Real estate
Tourism
Healthcare
Education

has **Bahrain** momentum

come with us

Bahrain has momentum

You feel it the moment you step on our soil. There's energy to Bahrain that leaves you in no doubt: this is where to invest.

Stable and resilient

Our economy is buoyant – with low reliance on oil, it's the GCC's most dynamic and fastest-growing at 3.6% a year. Inward investment is at record levels, yet expansion is steady, providing a safe, secure base for business.

Forward-looking

Powerful regulatory reforms and a focus on digital technology are driving change across many areas. Government spending is transformational, too, with \$32 billion being invested in major capital projects in social and industrial infrastructure and the private sector.

Liberal and diverse

Resolutely business-friendly, we create the conditions in which business prospers. You will operate freely in an open, well-regulated commercial environment. Equally, you'll enjoy a cosmopolitan way of life in a relaxed, tolerant society.

Swift and nimble

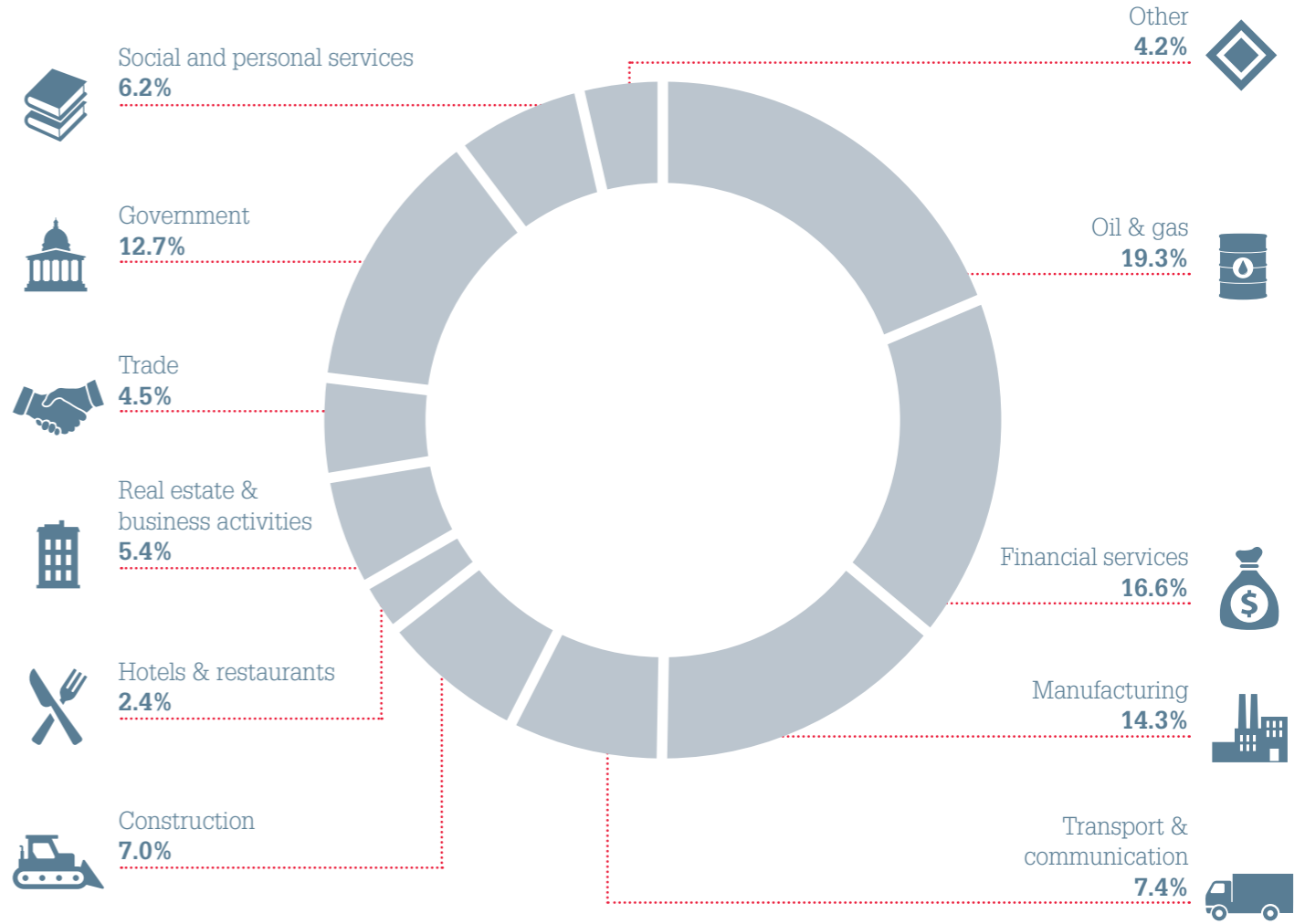
Our small size and valued 'hub' status provide a gateway to GCC (Gulf Cooperation Council) markets. Equally, through our 'Team Bahrain' initiative, we give investors easy access to key decision-makers, enabling them to capitalise on high-potential opportunities, as they arise.

It's time to join us.

3.6% annual GDP growth

82% non-oil contribution to GDP

GDP contribution by sector



28% economic growth since 2008

161% FDI growth to \$733 million, 2017

\$1.5 trn GCC market access

\$32 bn Infrastructure investment pipeline

Welcome to
The GCC's most ***dynamic*** economy

In Bahrain you'll discover an economy and business environment driven by entrepreneurialism and diversity. Our strengths – some natural, some nurtured – work together to make us the perfect target for investment.

At the same time, we are strategically clear and coherent, with an offering that comprises four components – Place, People, Price and Pioneers.

PLACE

WHERE YOU WANT TO BE

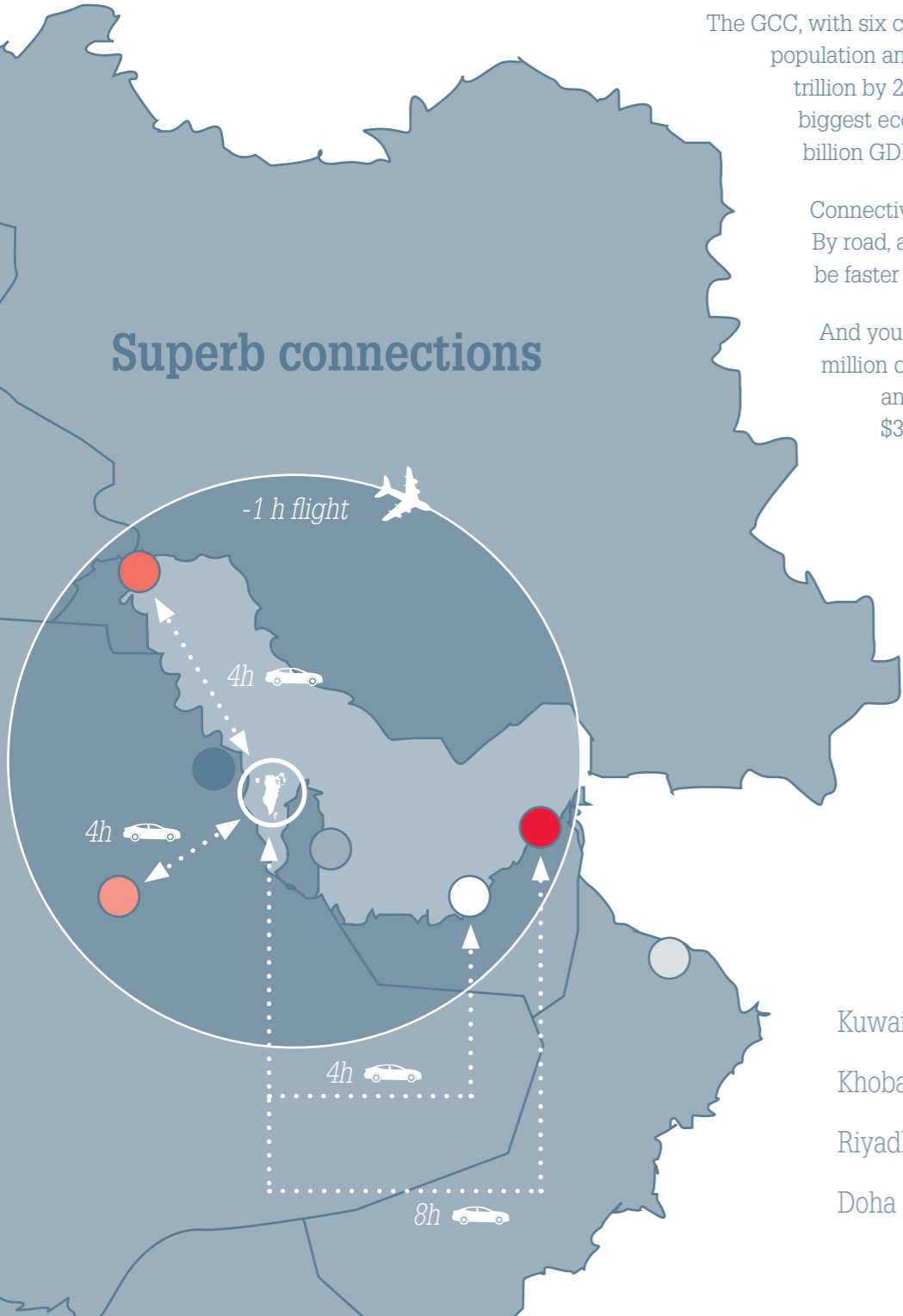
Bahrain's central Gulf location gives unrivalled access to a vast, growing market.

The GCC, with six countries, has a young, affluent population and is expected to be worth \$2 trillion by 2020. You're on the doorstep of its biggest economy, Saudi Arabia, with \$653 billion GDP.

Connectivity is excellent. By road, air or sea, it couldn't be faster or more convenient.

And you are within easy reach of 440 million consumers in MENA (Middle East and North Africa), a region worth \$3 trillion.

Superb connections



- Kuwait ● Abu Dhabi
- Khobar ● Dubai ●
- Riyadh ● Muscat ●
- Doha ●

FTAS

Easier duty-free trade

Our belief in relationships and Free Trade Agreements (FTAs) means cost-effective commerce across the region and beyond.

Agreements with GCC countries:

KSA, UAE, Kuwait, Oman

USA, Singapore, EFTA

Greater Arab Free Trade Area (GAFTA):

Algeria, Egypt, Iraq, Kuwait, Lebanon, Libya, Morocco, Oman, Palestine, Saudi Arabia, Sudan, Syria, Tunisia, United Arab Emirates, Yemen, Jordan

PEOPLE

- 15 higher education institutions
- 78 vocational training institutions
- 74 private schools

BETTER FOR EVERYONE

In Bahrain, you have access to the region's most skilled local workforce: we are highly rated in the influential Global Human Capital Index.

Our trained, qualified people are generally fluent in Arabic and English, and there's good gender balance; Bahraini employees' commercial awareness and openness also ensure operational performance.

What is more, Bahrain is unusual regionally in having a high proportion of locals employed in the workforce.

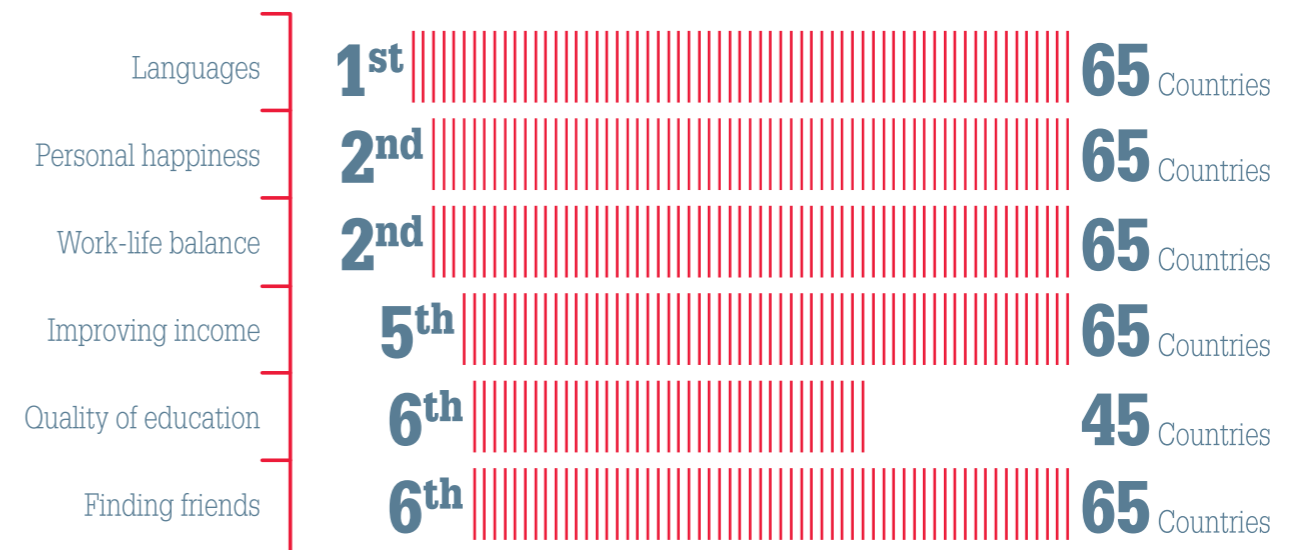
Superior lifestyle

Bahrain isn't just a great place to employ people; it's a better place to live – officially.

We offer an enviable quality of life and a family-friendly environment, with very favourable living costs. The population is balanced roughly 50:50 expats to Bahrainis, and different cultures genuinely mix.

The Kingdom also makes it easy to stay. Individuals can buy residential land freehold in prime locations and obtain permanent residency.

1st in MENA, Global Human Capital Index



PRICE

IT HAS TO BE RIGHT

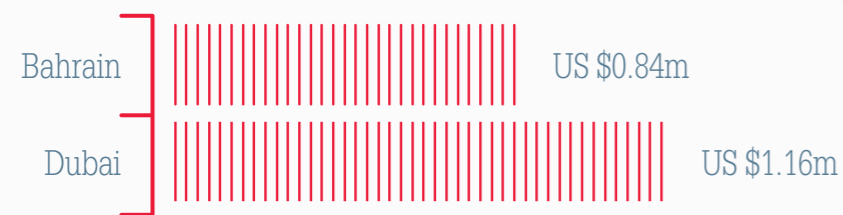
We believe in making you more profitable by reducing your overheads.

Commercial rent, internet and telephone services are highly affordable. Business premises are well equipped, yet excellent value. Government agencies, such as Tamkeen, provide generous training and salary subsidies.

We also offer the Gulf's most favourable tax regime, with no corporate, personal, wealth or capital gains taxes.

As a result, it costs less overall to do business than in Doha and Dubai (40% and 30% respectively – KPMG 'Cost of Doing Business'*).

Total operating costs

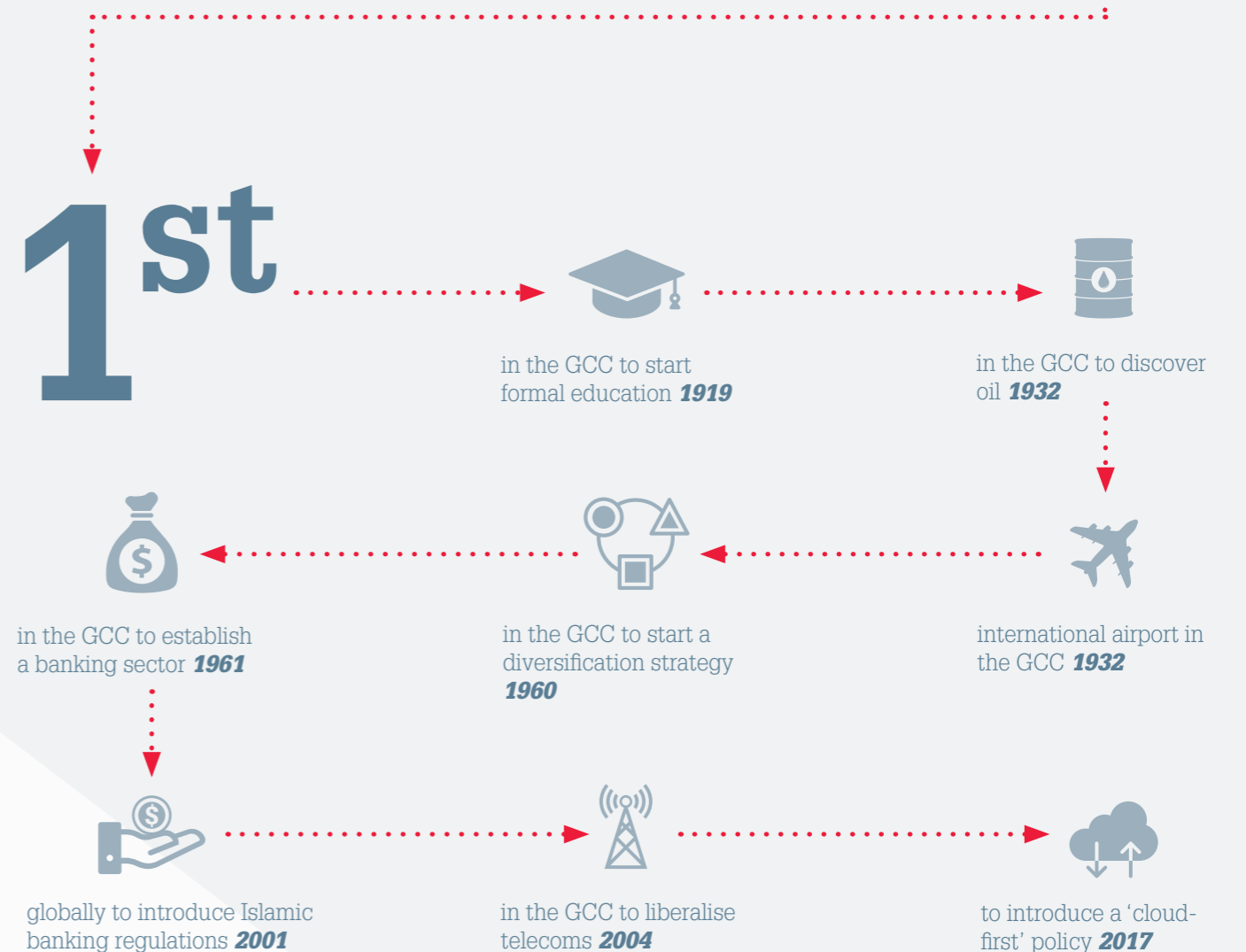


Bahrain's
economy:
the
focus
Continues

PIONEERS

DARE TO BE FIRST

Bahrain has a strong regional track-record in innovation. Invest here and you'll learn how we are motivated by enthusiasm for the new and a constant desire to improve. Take the American Mission Hospital. Established as long ago as 1903, it was the first modern hospital in Bahrain and, possibly, the Gulf.



*Algeria, Egypt, Iraq, Kuwait, Lebanon, Libya, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Sudan, Syria, Tunisia, United Arab Emirates, Yemen

Where *rich* opportunities abound



There is a wide variety of major tourism-related development in Bahrain, with outstanding prospects for investment. Here are just nine of the biggest:

1. Airport infrastructure development

Bahrain International Airport is increasing capacity from 8 to 14 million passengers and cargo to one million metric tonnes a year.

Estimated value: \$1.1 billion

Estimated completion: 2019

2. King Hamad Causeway

Connecting Bahrain with Saudi Arabia in addition to the King Fahad Causeway, this is expected to reduce import costs by 30-50%.

Estimated value: \$4 billion

Estimated completion: 2025

3. Dilmunia Island

Residential and mixed-use development with an emphasis on wellness and preventive healthcare.

Total gross floor area: approx. 1.8 million m²

Estimated value: \$1.8 billion

Estimated completion: 2022

4. Bahrain Bay

Landmark waterfront development in the heart of Manama that includes the Four Seasons and Wyndham Grand Manama hotels.

Estimated value: \$2.5 billion

Estimated completion: 2025

5. Diyar Al Muharraq

Fully-integrated modern city, built on seven islands, with an urban centre the size of Lower Manhattan. Providing residential, hospitality, commercial, healthcare, education and retail opportunities, the project has more than 40 km of waterfront and will ultimately house around 100,000 people.

Estimated value: \$3.2 billion

Estimated completion: 2025

6. Bahrain Marina Club

Luxury waterfront development featuring a five-star hotel, freehold apartments and retail facilities. The yacht club will be able to berth more than 250 boats of different sizes.

Total built-up area: 310,000 m²

Estimated value: \$0.45 billion

Estimated completion: 2020 (Phase 1)

7. King Abdullah Medical City

Major medical facility being built in Bahrain's Southern Governorate. The city is due to include a University of Medicine, 288-bed teaching hospital and accommodation for doctors and students.

Estimated value: \$0.27 billion

Estimated completion: 2020 (Phase 1)

8. Al Zallaq Coastline

Al Jazayer Beach

Fairmont Hotel & Resort

Al Sahel Resort

Estimated value: \$1.3 billion

Estimated completion: 2022

9. Bahrain Financial Harbor

The Harbor Row Development

North Harbor Development

Estimated value: \$1.3 billion

Estimated completion: 2020

Other notable projects:

10. Khalifa bin Salman Port

11. King Fahad Causeway

12. Bahrain International Circuit

13. Water Garden City

14. Marassi Al Bahrain

15. Durrat Al Bahrain

Real estate: *build* on the opportunity

Investment potential in Bahrain's real estate market keeps on expanding – and the sector is increasingly important to the economy. Property development is booming across the Kingdom. Local and international investors continue to commission and invest in large-scale commercial and residential projects.

The reason is, of course, demand. This is being driven by several key factors:

- Strong regional population growth
- A young, affluent customer base
- Higher domestic disposable income

In addition, there is significant interest from across the GCC, with many buyers coming from Saudi Arabia and Kuwait.

CEMENTING THE NUMBERS

5.4%

GDP contribution by real estate and business activities, 2017

8.11%

increase in real estate transactions, total value Q1 2017

\$769 million

real estate transactions, Q1 2017

15,596

new housing units delivered since 2015

25,000

housing units due to be delivered (Government Action Plan)

Residential: an ideal home for investment

There's tremendous opportunity in Bahrain residential property due to a shortfall in supply.

The Kingdom's economy has fuelled solid expansion in residential construction with developers progressing a healthy number of freehold apartment projects. Moreover, a government-funded housing strategy resulted in Bahrain's first real estate public-private partnership (PPP) designed to increase housing stock.

However, so many Bahrainis want to buy a property and take advantage of subsidised mortgage finance, there's a long-term housing waiting list of more than 54,000 applications (Oxford Business Group), equal to around 5,000 per year.

As an investor, you will help alleviate market pressure and benefit in the process.

Retail: going on strong

Retail makes a significant contribution to Bahrain's economy, with sustained expansion in assets, particularly large malls. The market is worth \$2.2 billion and expected to grow by 13% in the next five years. Yet it's far from mature, creating investment prospects through:

GLA stock growth: with a low retail density, Bahrain has plenty of gross leasable area to fill.

Tourism multiplier effect: despite our small size, Bahrain has one of the world's highest tourist multipliers.

Target your speciality

The sector has well-defined sub-sectors – ranging from hospitality and entertainment, to retail and specialist markets – enabling you to pursue opportunities with the greatest impact.

Realise maximum value

Our commercial freedom gives you control over business decisions. Bahrain is the only Gulf state where developers benefit from 100% foreign ownership (non-GCC investors have freehold areas where 100% ownership is allowed). As a developer, there are no limitations on repatriating capital, profits and dividends.

Gain dependable cashflow

Bahrain's rental market provides stable, steady income. Gross rental yield is among the highest in the GCC and a major reason for interest in our freehold market (REMI Global 2017).

100%

foreign ownership

7%*

gross rental yield

*REMI Global 2017

Real estate: the *advantages*

keep
coming

KEY INVESTMENT OPPORTUNITIES



Hospitality

Hotels & resorts – family & island

Mixed-use destinations

Serviced apartments

Master-planned communities



Entertainment

Indoor entertainment centres

Leisure attractions

Event venues



Specialist markets

Social/affordable housing

Residential freehold

Healthcare

Education



Retail

Retail destinations & malls

Food & beverage outlets

▶▶▶ SUCCESS STORIES

Shangri-La Bahrain Marina Development

Located in the heart of Manama, along a pristine coastline, this integrated mixed-use project boasts an innovative design and aims to become a prime tourist attraction for shopping and lifestyle. Shangri-La will operate a 421-key hotel and fully-serviced marina, retail and events destination.

Jumeirah Al Sahel Resort

A \$250 million collaboration between two sovereign investment arms, Bahrain's Mumtalakat and Sama Dubai,

Al Sahel aims to deliver the first family destination resort on the west coast of Bahrain. Jumeirah Hospitality from the UAE will operate the completed project.

Golden Gate Towers, Bahrain Bay

Indian real estate developers, Ajmera and Mayfair Real Estate, have created a joint venture to deliver Bahrain's tallest residential towers. The \$130 million project consists of luxury mixed residential freehold apartments and retail facilities in the heart of its flagship development.

RERA – setting the standard

RERA aims to deliver fair, effective regulation and ensure that Bahrain's real estate market operates to best-practice standards.

It works with the government and the industry to oversee development of a long-term National Real Estate Policy to boost the sector, improve consumer protection and streamline real estate services.

Benefit from government support

The Bahrain government backs the sector through initiatives aimed at market liberalisation and has recently established a Bahrain Real Estate Regulatory Authority (RERA).

Examples of proactive government legislation include:

- Visa reforms: easier residence conditions for investors with visas valid for ten years, visas on arrival for many nationals, flexible worker permits
- New trust and bankruptcy law for business security – Bahrain is the only MENA country with onshore and nationwide trust laws
- Soft infrastructure with smart legislation and specific regulations designed to promote real estate growth

Tourism: how *we* make it happen

If we did nothing, visitors would come to Bahrain for many reasons – a sun-drenched setting with 33 islands, a 'laid-back' atmosphere; history, culture, attractions, food and shopping.

But we go further to make the Kingdom a valuable place to invest, including:

- Fostering a supportive commercial environment with low bureaucracy
- A 30,000-plus tourism workforce skilled in customer service
- Significant resources in facilities and infrastructure
- Expert guidance from organisations such as the Bahrain EDB to help you set up in business

A clear strategy

We take a concentrated approach to ensure the best possible results for investors, central to which is the development of three consumer sectors. As part of our National Economic Strategy, we ensure digital technology enhances and transforms each offering.

Food service

Bahrain has a vibrant culinary scene. This dynamic industry includes local flavours, regional favourites and global brands that serve growing domestic and international consumers. There are development projects across the Kingdom with openings for a diverse mix of proven concepts.

Retail

The country's retail sector continues to evolve. There's a wide variety of concepts located in special environments, including traditional souks, modern retail and entertainment destinations, and lifestyle malls.

Leisure

Bahrain and the surrounding region has a young population with an appetite for unique leisure and entertainment activities. The combined resident and visitor consumer base provides a strong audience for leisure entertainment companies to expand here.

Strong results

Tourism in Bahrain keeps growing, with exceptional investment prospects.

Tourism in numbers

77%
of retail revenue from tourism

11.4 million
visitors in 2017

11.9%
increase in visitors vs. 2016

31,500
people directly employed in tourism

81%
of leisure visitors spending more

20 million
visitors by 2020

6.3%
GDP contribution, 2017

Tourism: more *compelling* reasons to **invest**



We spread the word

A strong brand helps consumers understand what we stand for. 'Ours. Yours. Bahrain' does that.

We've also made it easier for tourists to enter and stay in Bahrain, with relaxed regulation and an enhanced visa policy: nationals from 66 countries can obtain a visa on arrival, while those from 114 more can apply for a convenient e-visa.

Our investment. Your potential

We're investing more than \$10 billion directly in tourism infrastructure projects.

Two will be immediately obvious: Bahrain International Airport is expanding to boost passenger capacity by 40% in 2019; our national carrier, Gulf Air, is enhancing its fleet with sleek, fuel-efficient Boeing 787 Dreamliners.

Bahrain is authentic

Bahrain is exactly as you see it. We are unique in the region in having a heritage and culture that stretches back 4,000 years.




Our people are warm and open, perhaps more so than anywhere in the GCC. Tourists feel truly welcomed throughout our archipelago.

We attract more visitors

It's all about priorities. We concentrate on the 300 million people who can readily reach us – from across the GCC and within two hours' flying time.

As a result, we receive up to a million visitors each month, with the majority increasingly spending more while they are here.

How Visitors arrive

Causeway	Air	Sea
 <p>2016 9,033,280</p>	 <p>2016 1,069,305</p>	 <p>2016 55,680</p>
<p>2017 10,105,454</p>	<p>2017 1,196,031</p>	<p>2017 68,620</p>
<p>Annual Average 11.87%</p>	<p>Annual Average 11.85%</p>	<p>Annual Average 23.2%</p>

Why people visit

Holiday & Leisure



Visiting family & friends



Business & professional



Shopping



Other purposes



Total



Total tourist nights



2016
11
Million Nights

2017
12.3
Million Nights

Average length of stay



2016
2.75
Nights

2017
2.82
Nights

SUCCESS STORIES

Accor Hotels

This French multinational hospitality company opened its fifth property in Bahrain in 2017. Accor introduced its new Ibis Styles brand in Bahrain's diplomatic area, serving corporate and leisure tourism.

Careem

A ride-hailing technology company with operations in 80 cities in 13 countries across the Middle East, North Africa and South Asia, Careem added Bahrain to its network in 2017 in partnership with Arabian Taxi.

KEY INVESTMENT OPPORTUNITIES



Food service



Retail



Leisure attractions

Healthcare you're in *safe hands*

Bahrain puts you at the heart of the opportunity in regional healthcare. Whether you are in wellness and prevention, specialised medical care, R&D or manufacturing, prospects for investment are substantial.

It's down to demographics

The GCC's population is rising swiftly and expected to double within around 30 years. Equally, the combination of emerging chronic lifestyle diseases and middle-class healthcare consumption means expenditure is forecast to increase significantly.

5%
GDP contribution, 2017

76 million
GCC population by 2050

\$85 billion
total GCC healthcare spend by 2021

Growing fast, with headroom

Bahrain's healthcare sector is expanding rapidly, with a focus on developing centres of medical excellence. Phase 1 of King Abdullah Medical City, a \$270 million multi-use project, is due for completion in 2020. This is already generating sub-sector investment opportunities and will create more than 800 medical jobs.

At the same time, Bahrain has the lowest density of health workers per capita in the GCC (WHO 2017), providing scope to increase the medical workforce.

Creating tomorrow's medical profession

Prominent training institutions already operate in Bahrain, including the Royal College of Surgeons in Ireland, the College of Health Science and the Arabian Gulf University, which plans to expand into King Abdullah Medical City with a medical school campus. In addition, King Abdullah Medical City will be home to a new teaching hospital. Together, these institutions are helping meet the region's healthcare staffing needs, as well as driving a strong medical culture.

With a young, educated population that has the region's highest private sector engagement and high-quality, competitively priced living, Bahrain is perfectly placed to attract a new breed of healthcare talent.

KEY INVESTMENT OPPORTUNITIES



Wellness



Specialised services: long-term care, rehabilitation, psychiatric care, mother & child, hereditary diseases



Health and medical technology



Genome and precision medicine

An excellent technology base

In Bahrain you can capitalise on global healthcare's fastest-expanding sector: medical technology. Through technology transformation, we offer a well-established and evolving ICT ecosystem, with considerable support for start-ups.

Thanks to an FTA with the USA and an advanced regulatory environment, the Kingdom offers exceptional intellectual property protection (IPP), low operating costs and efficient administration. Add strengths in manufacturing and logistics and you have a compelling regional hub for R&D and production of pharmaceuticals and medical devices.

The ideal location

Bahrain's position at the centre of the GCC makes it a magnet for regional healthcare. The Kingdom is just a one-hour flight from its neighbours, a 30-minute drive from the Eastern province of Saudi Arabia and an eight-hour drive from the United Arab Emirates.



SUCCESS STORIES

KIMS Healthcare Group

KIMS is revolutionising healthcare delivery through quality-led systems and practices. The group has a strong GCC presence with a network of hospitals and healthcare centres. Its professionals offer experience and expertise, cutting-edge facilities and world-class treatment protocols.

ORPEA

One of Europe's largest healthcare companies in dependency care, ORPEA specialises in long- and short-term physical and mental care at 774 facilities with around 80,000 beds. It is expanding in Asia and more specifically in the Gulf.

Education: taking **skills** to a *new level*



Nurseries and kindergartens

Bahrain has 133 private kindergartens. Student numbers have increased 52% in five years.



Higher education

The Kingdom is already a hub for healthcare education. It's a perfect model for other specialisations.



K12 is Bahrain's fastest-growing sub-sector; student numbers have increased by 36% since 2013, an average of 7.2%.



Research and development

Bahrain's mature industries such as ICT and financial services are the springboard for product development.



Executive training

There are opportunities, in partnership with foreign institutions, to align local skills with employment needs.

Excellence is in our DNA

The Kingdom has an unrivalled commitment to educational attainment, with the region's longest-established education system. Combined with our dynamic economy and pro-business stance, this helps create significant investment opportunities, particularly in specialised higher education and executive training.

GCC student numbers are expected to reach 15 million by 2020, promoting demand at all stages of education. However, there is insufficient high-quality education to meet this need.

By locating in Bahrain, investors and providers can take advantage of high-value opportunities, domestically and across the region.

Driven by growth

Our own fast-growing population is forcing progress in private education, not least because the number of under-20s is expected to increase annually around by 1.7% (around 30,000) over the next five years. In addition, a high mix of expats and an increasing desire of all parents to spend on education make international curricula ever more popular.

As a result, there is extraordinary demand in private K12 education, with no fewer than six new schools in development.

A world-class system

Bahrain punches above its weight in attracting a disproportionate number of overseas students.

The Kingdom ranks significantly above Saudi Arabia, Kuwait and Oman in primary and higher education (2017-18 WEF Global Competitiveness Index).

Bahrain has 10% of students from the GCC and aims to increase the percentage of international students in higher education to 35% of the total by 2024, with around 80% from Saudi Arabia and Kuwait.

Motivated and willing

Bahrain's young population is tech-savvy and keen to develop skills. Since the AWS Educate cloud-training programme launched in 2017, more than 2,500 young adults have signed up – a higher rate than in China or India.

Closing the skills gap, opening up the future

With an economy that generates up to 8,000 new jobs a year, Bahrain knows all about matching graduate skills to market needs. We are creating opportunities for the full spectrum of education providers:

Higher education:

Bahrain's first National Strategy is driving specialised education through improved teaching, accreditations and internships.

Continuous learning:

Organisations such as Tamkeen provide dedicated programmes and are driving demand with programmes that enable nearly 10,000 people to upskill.

Specialised training:

Bahrain is applying its strengths in ICT and financial services to develop high skill levels in these areas.

Education: taking **skills** to a *new level*

▶▶ SUCCESS STORIES

K12

British School of Bahrain (Inspired Education)

Inspired Education recently acquired the British School of Bahrain, making BSB its first school in the MENA region. Inspired is a co-educational, non-denominational, independent school group designed to inspire students to achieve their maximum potential in a nurturing, progressive academic environment from ages 1 to 18.

Canadian School of Bahrain

A sizable local investment in K12, the school will be first in the region to offer the Canadian curriculum.

Nurseries

Calinou French Nursery

A French investment in the pre-school sector, Calinou aims to tackle a pressing need in the education market for French education. The pre-school is geared to serve the French-speaking community in Bahrain and support Lycée Français MLF de Bahreïn.

Higher education

British University of Bahrain (Salford University)

A British university offering science, technology, engineering and mathematics (STEM) undergraduate programmes. It is the first private university to specialise in undergraduate STEM degrees in Bahrain.

3.6%

growth in GCC student numbers 2015-20

4.7%

CAGR in Bahrain's higher education market 2015-20

25%

increase in Bahrain private school enrolments 2013-17

R&D

Applied Science University/London South Bank Enterprise Joint Venture

A ground-breaking initiative which aims to nurture tertiary research and development in Bahrain. The joint venture brings the UK's higher education enterprise culture to the Kingdom and targets student placement, teaching and private-sector collaboration opportunities.

Executive education

Bahrain Dental Training Center (in collaboration with RCSE)

Bahrain Dental Training Center will be collaborating with the Royal College of Surgeons of Edinburgh to establish a state-of-the-art postgraduate professional training centre for dentists and related allied occupations – the first of its kind in the region

KEY INVESTMENT OPPORTUNITIES



K12 education



R&D collaborations



Tertiary education



**Pre-school
(nurseries and kindergartens)**



Executive education

Contact the

Bahrain EDB:

We make entry *easier*

As a first-time investor, there's a complete, no-cost service to get you up and running.

	<p>Guidance</p> <p>All the advice and information to aid your decision-making</p>		<p>Analysis</p> <p>Costs, infrastructure, workforce requirements and more</p>
	<p>Facilitation</p> <p>Access to grants and incentives, plus assistance with company registration</p>		<p>Specialisation</p> <p>Our sector experts understand what's needed to meet your objectives</p>
	<p>Aftercare</p> <p>On-going back-up to support business expansion</p>		<p>Support</p> <p>A dedicated account manager at your disposal for day-to-day-contact</p>

Who we are

The Bahrain Economic Development Board (EDB) is responsible for attracting inward investment. How we help:

	<p>Enhance</p> <p>Work with government and investors to develop the investment climate</p>		<p>Communicate</p> <p>Create awareness of Bahrain's key strengths, with market insights</p>
	<p>Identify</p> <p>Target opportunities for economic growth and investor success</p>		

Get in touch

We offer lots of ways to connect:

- investorenquiries@bahrainedb.com
- www.bahrainedb.com
- +973 17 58 99 99
- @bahrainedb

We're open Sunday to Thursday, 8am to 4pm (GMT+3).

EDB representatives are also available around the globe to help answer questions about investment. For more information on the Kingdom of Bahrain, visit www.bahrain.com.

“ Maya La Chocolaterie is a 100% made in Bahrain concept. The shareholders are Bahrainis, the management are Bahrainis, the team creating the menus and recipes are Bahrainis. The architect, interior designers, the operations team - I'm so proud to say that they are all hardworking, dedicated Bahrainis. ”

Sonya Janahi – Founder, Maya La Chocolaterie



“ We've found that engaging with the EDB has been a very good experience for us. We've gained a lot of beneficial support particularly from a strategic perspective. ”

Kyriako Zarkadas - Founder, Visit Bahrain



**Bahrain Economic Development
Board**

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