



Al.Gihaz®

HOLDING

MAKING THE GOLDEN QUANTUM LEAP

NEWSLETTER
Q1 2009 :
YEAR 1 – ISSUE 1



THIS NEWSLETTER IS YOUR FORUM TO CONNECT AND KEEP YOU INFORMED. YOUR CONTRIBUTION AND INPUT IN ITS DEVELOPMENT AND TIMELY ISSUANCE ARE KEY FACTORS FOR ITS SUCCESS.

Said Al-Angari, Founder, Chairman of the Board

LAUNCHING ALGIHAZ NEWSLETTER WITH A GLOBAL REACH ISO CERTIFICATION

Congratulations for well deserved certifications. With arduous work, faith and perseverance, in addition to strong determination the ISO certifications, for (i) the corporate; (ii) the Energy business Unit with its two arms the HV/MV substations and transmission and the distribution; and (iii) System House Factory for Electric Panels (SEP), were successfully awarded to AlGihaz. We should pride ourselves as management, staff, and entire workforce with these achievements. We should be encouraged and determined to achieve greater results.

growing conglomerate and a global player despite the world economic crisis and the uncertainties of our time. This I shall do by engaging AlGihaz in social responsibilities and achieving growth through diversification, augmentation, networking, mergers & acquisitions and forward thinking. I look to you all in giving me a great hand to fulfill this vision.

Sami Said Al-Angari, President

I take this opportunity to assure you that I shall remain dedicated to transforming AlGihaz into a fast



CAYAN BUSINESS
CENTRE (CBC):
A SUCCESS
STORY AMIDST
ECONOMIC
CRISIS



RESOURCES

Over the last two years, innovative concepts and systems were introduced to meet international standards. Offices and facilities were modernized. ISO certifications were issued to AlGihaz corporate, the transmission and distribution business units, and to System House for Electric Panels (SEP). Geographically, AlGihaz has now regional and International offices in Dubai, Abu Dhabi, Cairo, Beirut, Hong Kong and Shanghai.

In the Electric power sector, AlGihaz's turnover doubled and backlog quadrupled to pass the mark of SAR2.0 Billion. AlGihaz client base is broadened. It includes Saudi Electric Company (SEC), Saudi Telecom Company (STC), Saudi Aramco, Saudi Organization for Industrial Estate and Technology Zones (SOIETZ), Royal Commission for Jubail and Yanbu (RCJY), Saline Water Conversion Corporation (SWCC), and Ministry of Water & Electricity (MOWE). 380KV substation was added to the list of projects.

AlGihaz has become a Founding Member of the Community Global Growth Companies (GGC) in the World Economic Forum (WEF) and is a recognized sponsor of the GCC environmental activities.

New Strategic Business Units (SBUs) have been added. The internal organization continued to mature and expand with Dr. Aram Y. Churukian joining as the Executive VP for Support Functions. In addition, Safety, Health, Environment and Quality (SHEQ), Internal Audit (IA) and Training Divisions have been established.

Today AlGihaz is a fast growing Saudi conglomerate with a workforce of over 2300 people comprised of managers, professionals, engineers, surveyors, administrators, skilled and semi skilled technicians, and laborers.

Its equipment base constitutes some 700 pieces, which include trucks, small and large cars, compressors, tractors, mixers, excavators, forklifts, dump trucks, cranes, generators, bulldozers, tanker trucks, earth compactors, cable roll carriers, cable pull machines loaders, and bobcats. The facilities in Riyadh, Khamis Mushait, Baha, Bisha, Namas, Alaaya, and Jizan total some 202,000m² of which the covered warehousing is around 12,000m².

TOWARDS A GLOBAL REACH

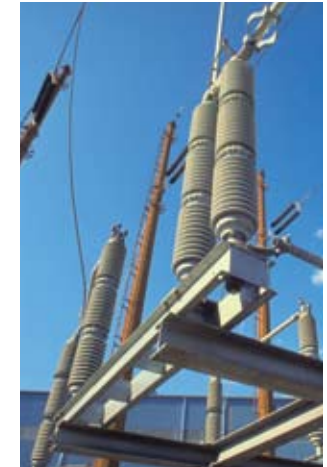


PROJECTS

H.E. Abdallah Zenil, Minister of Commerce and Industry, and Sh. Said Al-Angari, founder of AlGihaz, at the signing ceremony of the power substation in JIZAN for the Saudi Organization for Industrial Estates and Technology Zones (SOIETZ) in the value of 104,900,000.00 Saudi Riyals.



H.E. Khalid Bin Mohamad Al-Angari, Minister of Higher Education, and Eng. Sami Al-Angari, at the signing ceremony of the power substation in Hail



1. Award by SOIETZ of the Construction of new 132KV/13.8KV S/S and 132KV D/C OHTL at Jizan Industrial Area and construction of new 110KV/13.8KV ICY-5 S/S and 110KV OHTL at Jeddah Industrial Area for the value of 444,776,000.00 Saudi Riyals.
2. Award by the Saudi Electric Company (SEC) of the Construction of new 132KV Tabuk (5B) S/S for the value 84,439,729.00 Saudi Riyals.
3. Award by Saudi Electric Company/ Southern Operating Area (SEC/ SOA) for the construction and maintenance of The Unified Contract for Overhead & Under ground Distribution Networks up to 35KV in Assir Area for the value of 80,000,000.00 Saudi Riyals.

ARTICLES

INTERNAL AUDIT DEPARTMENT

By: Hassan Mosaad, Chief Audit Executive

The establishment of the Internal Audit (IA) function at AlGihaz is the result of yearlong needs assessment and requirement analysis effort put forth by the world renowned firm KPMG, in close coordination and cooperation with AlGihaz senior officers and staff.

The Mission of the Internal Audit Department is to provide an independent, objective assurance and consulting services designed to add value and improve AlGihaz's operations. It is assisting AlGihaz accomplish its objectives by bringing systematic and disciplined approaches to evaluating and improving the effectiveness of risk management, control, and governance processes. While it's primary objective is to assist AlGihaz's management in the effective discharge of their responsibilities.

The IA is the key management tool for accomplishing AlGihaz's objectives by evaluating and improving the effectiveness of risk management, internal control and governance processes, in addition to controlling and analyzing AlGihaz important functions. It is key to financial and operational improvement. The type of audits cover management, administrative, financial, technical, and fraud investigations.

The audit function is designed to meet the audit goals and AlGihaz's objectives by developing a highly professional IA staff that possesses the knowledge, skills, and required competencies to perform their individual duties and responsibilities in the most efficient and cost effective way.

SAFETY, OCCUPATIONAL HEALTH, ENVIRONMENT AND QUALITY (SHEQ) DEPARTMENT

By: Adel Basiouny, SHEQ General Manager

SHEQ has been established due to the beliefs of AlGihaz's owners and top management not only to maintain a position of excellence in the field of Electric Energy works, but also to protect the health & safety of all personnel involved and to shield the natural environment. SHEQ is working in a systematic and planned manner, based on continuous improvement principles, utilizing world renowned standards which include but are not limited to, ISO 9001, ISO 14001 and OHSAS 18001 for quality, environmental and safety management systems respectively. This will be an important milestone in the voyage towards completing our mission, and will enable us to improve the whole organizational culture. SHEQ, in coordination with all departments has prepared an integrated documentation system that covers Quality, Safety and Environmental Management Systems requirements. All procedures have been established with excellent relevant practices to control, support and continuously improve the performance of all processes. Understanding that effective implementation of the above mentioned Integrated Management System documentation at all levels, and throughout the organization is our only way to achieve the required objectives. Audit teams are in place today and are responsible for verifying the implementation level and will take corrective and/or preventive actions accordingly.

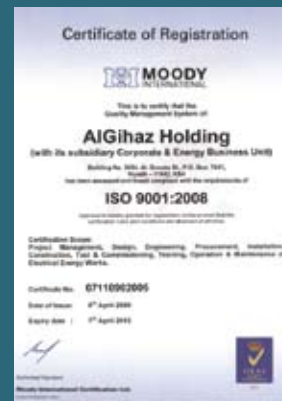
PROJECT MANAGEMENT

By: Sami Arafa, Chief Projects Manager

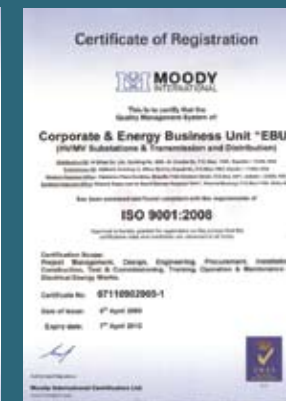
AlGihaz's project management philosophy is based on strong functional entities linked by a program manager who is responsible for the overall end-to-end program schedules and deliverables. Utilizing its full scope resources, AlGihaz is capable of maximizing functional expertise, whilst simultaneously achieving close coordination across the entire program. AlGihaz, has the field service expertise to handle all aspects of construction for the Grid Stations 380 KV. From mobilization to handing over and commissioning, AlGihaz will monitor meticulously the schedule to bring projects to successful completion ahead of time. Project managers and coordinators ensure quality, safety, cost control and adequate communication with appropriate human, equipment, and material resources. They work hand-in-hand with field engineers to guarantee that all the mechanisms are in accordance with the specifications and discipline standards.

AWARDS ACHEIVEMENTS

ISO CORPORATE



ISO EBU/DBU



ISO SEP



EVENTS

CORPORATE TRAINING AND CAPACITY BUILDING

By: Mahmoud Khaled, Training Director

Purpose & Scope:

Training and capacity building are among the main objectives of AlGihaz. These are particularly aimed at empowering the firm's staff and to continue to provide quality services and high performance across the entire organization.

Given the dynamic nature of AlGihaz, the training needs of the individual staff members would certainly change over time. Therefore, ensuring such an excellence in service entails conducting regular revisions of the Training Needs Assessment (TNA) and the Training Plan. The scope and activities are an integral part of the day-to-day operation. It is designed to reach every staff member. Our aims and objectives constitute the primary focus of all training activities. In other words, the needs of the organization are given priority. The main objective of the training activities consists of strengthening the capacity of the staff members to help them accomplish the objectives of the organization in the most effective and efficient manner. Training is a dynamic process where an improvement in the level of staff knowledge and skills leads to a change in the training and trainee needs, particularly at a time when AlGihaz is in the process of rapid and substantial transformation.

The training process and related activities are twofold:

Qualified workforce

All the staff of AlGihaz and their networks would be adequately trained to efficiently perform their respective tasks and duties and to support and sustain the fulfillment of all AlGihaz component outputs.

Motivated workforce

All of the staff of AlGihaz and their networks would be sufficiently motivated on both the financial and non-financial levels to cost effectively perform the tasks set before them. To date over 50 training events were undertaken within 241 days, 168 calendar days, 217 participants and 587 training seats.



ACTIVITIES

On Saturday, 8 September 2007, Klaus Schwab, World Economic Forum (WEF) Founder and Executive Chairman, announced the creation of a new community of fast-growing companies destined to join the ranks of global multinationals in the next 5 to 10 years. At the closing of the Inaugural Annual Meeting of the New Champions in Dalian, he welcomed 125 founding members to the Community of Global Growth Companies (GGC). Eng. Sami Al-Angari, President of AlGihaz, was present as a founding member of the GGC. The second Annual Meeting of the New Champions took place in Tianjin, People's Republic of China, 25- 27 September 2008 with the participation of Senior VP Jacques Ekmekji.



ANNOUNCEMENTS

Due to the increased volume of awarded projects in the last 12 months, and due to the expansion of business in general, AlGihaz inaugurated two new branch offices. In August 2008, Eng. Ahmad Khalifa, the Regional Manager of AlGihaz, announced officially the opening and functioning of the Jeddah office. Three months later, a second project office in Riyadh, in the AL-Aqareya building on Oulaya Avenue, was inaugurated to accommodate the Energy Business Unit (EBU). Both offices are fully operational today and ready to handle more work. In parallel, new site offices across the Kingdom of Saudi Arabia have been opened to service the increasing client base.



HEADQUARTERS
OROBA ROAD
P.O.Box: 7451, Riyadh - 11462
Kingdom of Saudi Arabia

Phone: +966 1 4609000
Fax: +966 1 4609080
Email: main@alghiaz.com
Website: www.alghiaz.com