GB Auto

"The Leading Automotive Assembler and Distributor in the MENA Region"

Investor Presentation | Beltone Financial MENA Day, New York City – May 2009

AUTO

Agenda for Today

Company & Business Overview	**Dr. Raouf Ghabbour** **Chief Executive**
Financial Overview	**Colin Sykes** **Chief Financial Officer**

I. Company Overview

Corporate Overview

Passenger Cars — 72% of FY08 Group Sales

Overview

- Import, retail distribution, fleet sales and assembly of cars

Description

- Exclusive agent and sole distributor for Hyundai
- Imports and distributes CBU units and assembles CKD units
- We have begun work on our largest passenger car after-sales center to date on the Cairo-Ismaliyya Highway; expected to be online by mid-2010
- Large distribution and after-sales network with four 3S facilities (sales, service and spare parts) and 373 service bays (expected to increase by 164% to 983)
- Market share of 25.9% in Egypt in 2008
- >30,000-unit sales opp. in 2009 alone, to replace taxis more than 20 years old

Brands

HYUNDAI

Commercial Vehicles — 14% of FY08 Group Sales

Overview

- Distribution of locally assembled trucks and buses

Description

Buses

- Exclusive agent for Mitsubishi, Volvo and Hyundai buses
- Assembles and distributes buses for public, commercial and tourism sectors
- JV with Marcopolo for 8,000 capacity bus-body assembly facility in Suez targeting local and export markets
- 30.3% market share in 2008 (excl. microbuses)

Trucks

- Exclusive agent for Mitsubishi, Volvo and Hyundai trucks
- Includes heavy, medium and light weight trucks
- 16.0% market share in 2008 (excluding pickups)

Trailers

- 23,000-unit opportunity in Egypt as draw-bar trailers are banned and distribution JV in Algeria

Brands

VOLVO, HYUNDAI, FUSO, Marcopolo, GB AUTO

Motorcycles & 3-Wheelers — 11% of FY08 Group Sales

Overview

- Local assembly of imported Semi Knocked Down (SKD) units and distribution

Description

- Exclusive agent for Bajaj three-wheelers and motorcycles
- SKD assembly and distribution of Bajaj three-wheelers
- Distribution via three retail showrooms as well as network of local dealers
- Three after-sale services and spare parts centers
- 10 sales centers for motorcycles and 40 for three-wheelers
- GB Auto is the market for three-wheelers in Egypt

Brands

BAJAJ

Others — 3% of FY08 Group Sales

Overview

- Includes tires, construction equipment, transportation services and export activities

Description

Tires

- GB Auto distributes passenger and light tires under a license with Lassa; seeking new representations for bus, truck and off-road tires

Construction equipment

- Includes construction and material handling (forklifts) equipment supplied under licenses from Volvo and Linde

Transportation Services

- Haram Transport Company is a fully owned subsidiary that operates over 200 buses in 5 governorates and provides cargo services with a fleet of 90 trucks

Brands

LASSA, VOLVO, Linde

GB Auto is the Leading Player in the Egyptian Automotive Market

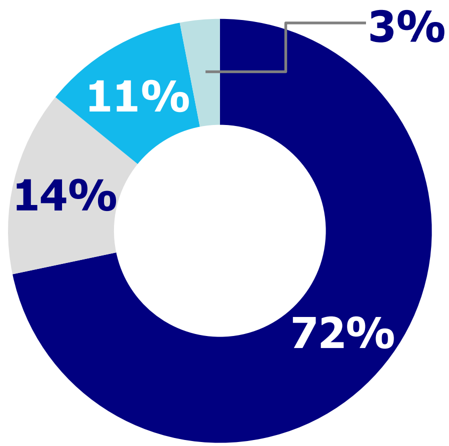
Key Financial Data

(LE million)	FY2006	FY2007	FY2008	1Q2008	1Q2009
Sales	**3,103.3**	**4,630.1**	**5,192.4**	**1,103.8**	**642.0**
% growth	*50.1*	*49.2*	*12.1*	*30.3*	*-41.8*
EBITDA	**417.4**	**500.7**	**678.5**	**142.0**	**59.5**
% margin	*13.5*	*10.8*	*13.1*	*12.9*	*9.3*
EBIT	**503.6**	**582.1**	**646.5**	**128.1**	**52.4**
% margin	*16.2*	*12.6*	*12.5*	*11.6*	*8.2*
Net Income	**281.5**	**433.5**	**415.9**	**84.6**	**7.2**
% margin	*9.1*	*9.4*	*8.0*	*7.7*	*1.1*

Key Products

1. **Passenger Cars** — HYUNDAI
2. **Commercial Vehicles** — HYUNDAI, FUSO, VOLVO
3. **3-wheelers & Motorcycles** — BAJAJ
4. **Other:** Tires, Construction Equipment, Transportation Services — VOLVO, THE LINDE GROUP, LASSA

Sales Breakdown (FY2008)



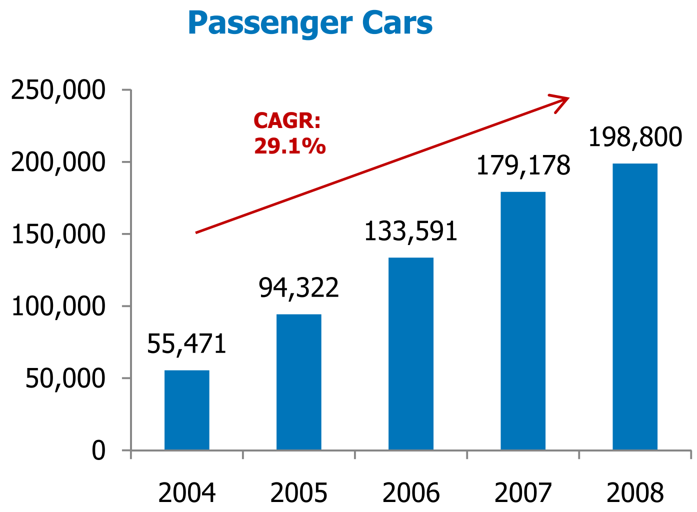
Unique, Diversified Position Covering the Automotive Value Chain

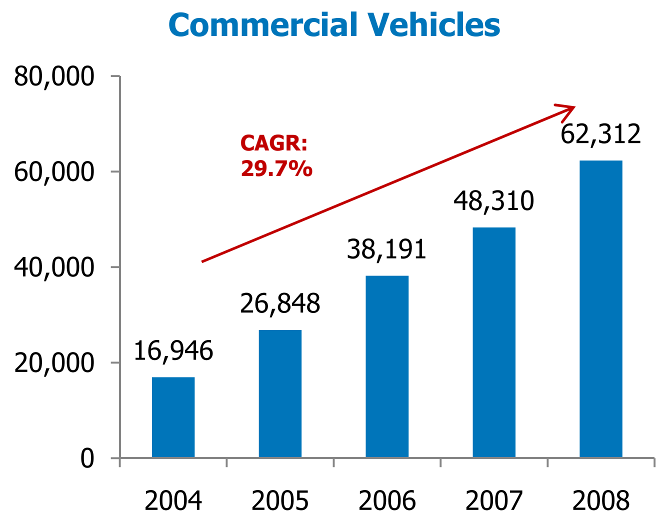
- Assembly of passenger cars and commercial vehicles (CKD) at 2 plants in Cairo, 1 plant in Sadat City + JV bus-body assembly in Suez (GB Polo)
- Sales and distribution: Distribution and retail sales of CKD and CBU (imported) passenger cars, commercial vehicles, motorcycles and three-wheelers, and construction equipment
- Growing national after-sales service network with 6 passenger car and 6 commercial vehicle outlets (planned expansion to 25 PC and 10 CV)
- Partnerships with 41 independent passenger car retailers
- Growing network of partnerships, including buses with Marcopolo (GB Polo) and trailers in Algeria with Sentrax (GB-Allab Remourque)

Remarkable Growth Through 2008, Recent Industry Challenges

Historical Market Size and Growth, 2004 to 2008

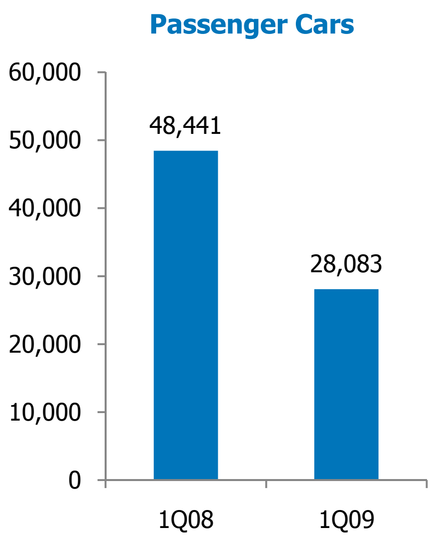
Vehicle Units

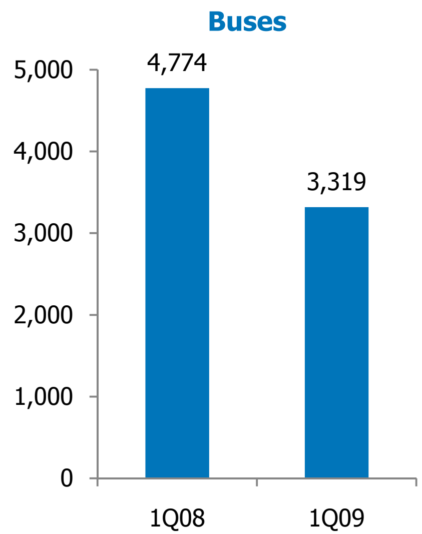


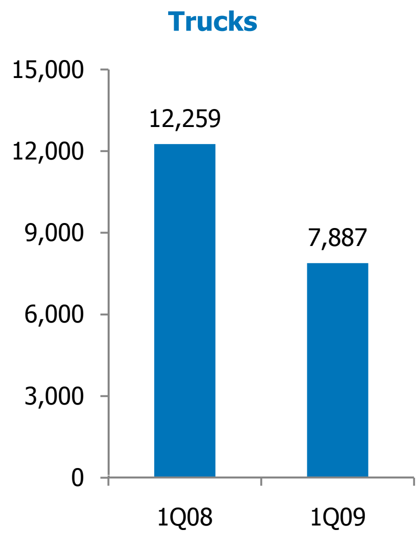


Recent Market Size and Change, 1Q08 vs. 1Q09

Vehicle Units







...With Long-term Durability on the Back of Numerous Macro Drivers

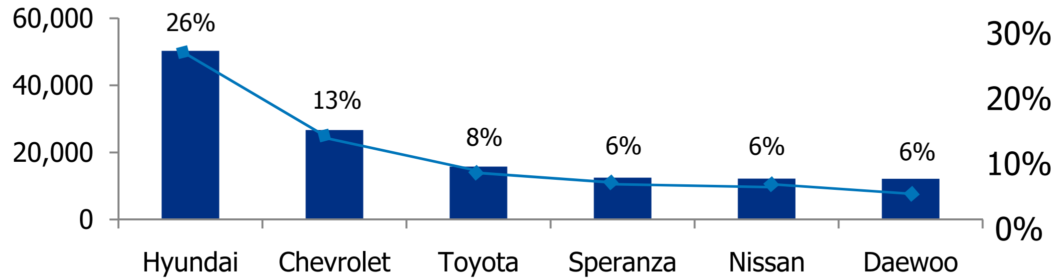
Key Growth Drivers	Comments
1 Reduction of Import Duties on Cars	Import duties on passenger vehicles with engine capacity < 1.6 liters came down in 2004 from 105% to 40%. Duties are expected to continue decreasing as per the EU-Egypt Association Agreement.
2 Reduction of Income Taxes	Consumer spending on everything from mobile phones to vehicles has boomed since the halving in 2006 of income taxes and is showing resilience despite a slowdown in growth.
3 Legislative Changes	Legislation passed in summer 2008 will support demand over the coming two years by capping the age limit for passenger cars used as taxis, outlawing draw-bar trailers and allowing the licensing of three-wheelers (tuk-tuks) as motorcycles.
4 Increase in GDP/Capita Levels	GDP per capita is approaching the USD 2,000 range, accelerating demand for cars, with multipliers of up to 2.5x the rate of GDP growth being sustained for several years. Income per capita at purchasing power parity now exceeds that of India and China.
5 Availability of Consumer Finance	Auto loans have only recently been introduced to the Egyptian market. Evidence now suggests national banks are expanding their consumer credit activities, filling a vacuum left by the retreat of international brands in wake of global economic crisis.
6 Lingering Pent-Up Demand	Demand repressed during the downturn of 2001-04 lingers, and new demand is being created by the rapid formation of a middle class. Current slowdown in sales is as a result of consumers' expectations of price cuts, not evaporation of demand.

Consumption growth may continue to slow in 2009, but is expected to resume as the GDP growth accelerates

Driving strong demand in Egypt's automotive market

GB Auto is the Undisputed Leader of the Egyptian Passenger Car Market

**Market Segmentation | ** as of end FY2008



Top 6 Brands

Vehicle units

The nation's top selling PC brand, Hyundai has a market share of 26%, reflecting GB Auto's superior value proposition for consumers.

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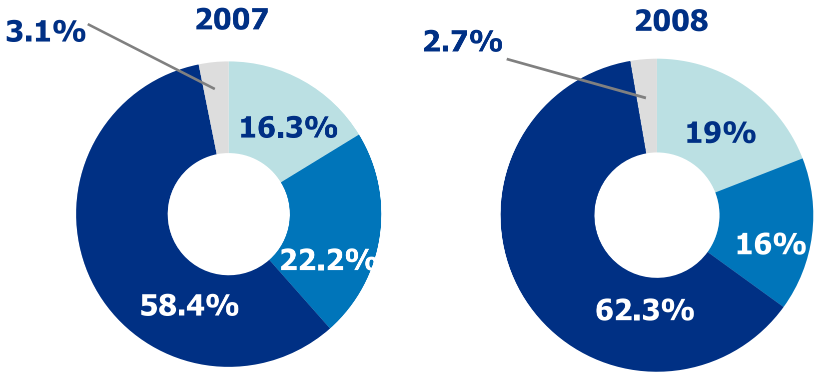
1.3-1.5L
1.5-1.6L
>1.6L

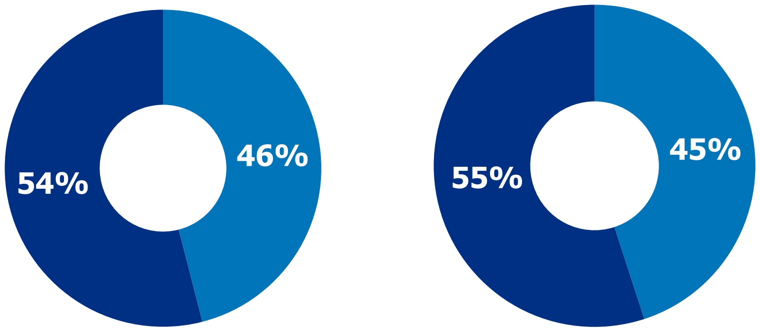


Engine Capacity

Vehicle units

Up to 1.6 L engine capacity bracket enjoys preferential tariff on imports of CBU vehicles.

CBU CKD



CBU vs. CKD

Vehicle units

Car market almost equally split between CKD and CBU vehicles.

Factors Supporting GB Auto Competitive Advantages Over the Long-Term

- **Strong market position**. The largest player in the Egyptian automotive market in terms of sales revenue, market share, and production capacity.
- **Unparalleled distribution and after-sales network**. Largest distribution and after-sales network in the passenger vehicle and motorcycles and three-wheelers lines of business relative to competition. Ongoing investment to expand both passenger car and commercial vehicle after-sales networks.
- **Strong partnerships with leading global OEMs with access to 'best-in-class' products**. Strategic relationships as exclusive distributor and assembler of Hyundai passenger cars and commercial vehicles, Mitsubishi commercial vehicles, Volvo commercial vehicles and construction equipment, Linde materials handling equipment, Bajaj motorcycles and three-wheelers, and Lassa (Turkish) tires, among others.
- **Diversified business portfolio**. GB Auto boasts a highly diversified business portfolio (from cars to commercial vehicles and earth movers) with outstanding exposure to aftermarket.
- **Best-in-Class assembly and manufacturing operations**. Capitalize on Egypt's low-cost labor and production environment, leveraging existing operations and rolling out capacity expansions for passenger car assembly and trailers.
- **Impressive revenue growth and profitability**. Top-line compounded annual revenue growth over the past five years is 39.3%, as the Group exceeded sales of LE 5 billion in 2008, coupled with earnings of over LE 415 million that same year. Profitable in 1Q09 even in a down market for vehicle sales.
- **Untapped export potential**. Very strong export potential, particularly as regards locally-assembled and -manufactured commercial vehicles (buses and trailers) into the largely untapped and under-served markets of the Middle East and Africa.
- **Positive market outlook**. Egyptian automotive market's impressive growth rates are expected to continue over the medium term, driven by improving macro-economic environment driving consumption patterns, coupled with existing low auto penetration rates.

GB Auto's Strategy is Built on 3 Core Axes

Invest in Core Business

- Invest in an unmatched nationwide distribution and after-sales network
- Position products as having lowest ownership cost
- Create a "one-stop-shop" for consumers by vertically integrating sales, consumer finance and after-sales support functions
- Leverage GB Auto's image for adding value across all business units

Non-Organic Growth

- Invest directly in select MENA markets while also leveraging Egyptian assembly capacity to serve export markets

Strengthen Old Ties, Build New Relationships

- Strengthen business relationships with current partners while searching for the best partners for new lines of business

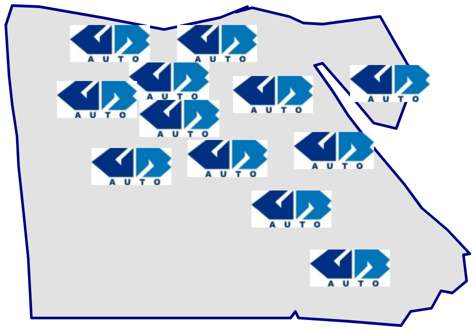
Further entrench GB Auto's strong market position across the widest range of products

Make GB Auto indispensable to any OEM who wants to successfully operate in Egypt's automotive sector

Profitably capture domestic growth prospects and be positioned to successfully penetrate regional markets

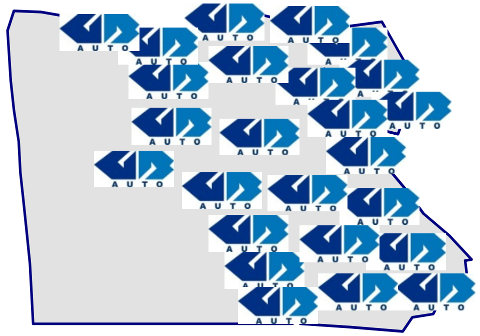
Significant Expansion in GB Auto's Distribution and After-Sales Coverage

TODAY → **BY END 2011**



6 PC service centers
6 CV service centers

Investing in unrivaled distribution and after-sales infrastructure



25 PC service centers
10 CV service centers

1. **Own and control the lion's share of retail sales**
2. **Further solidify leadership position in the market**
3. **Reinforce 'low cost of ownership' strategy throughout product range**
4. **Strengthen position vis-à-vis OEMs (Hyundai, Volvo, Mitsubishi, etc)**
5. **Leverage image and brand name across all lines of business**

II. Business Overview

GB Auto: Passenger Car Line of Business Overview

Key Financial Data

(LE million)	FY2006	FY2007	FY2008	1Q08	1Q09
Revenue	**2,211.0**	**3,314.4**	**3,675.5**	**758.2**	**366.7**
% growth	*-*	*48.9*	*10.9*	*28.4*	*-51.6*
Sales Volume (units)	**36,266**	**48,623**	**51,518**	**10,526**	**4,774**
% growth	*-*	*34.1*	*6.0*	*17.7*	*-54.6*
Gross Profit	**357.5**	**447.2**	**613.1**	**129.2**	**40.8**
% margin	*16.2*	*13.5*	*16.7*	*17.0*	*11.1*
Total Market (units)	**133,591**	**179,178**	**198,800**	**49,441**	**28,083**
GB Auto Market Share (%)	*27.1*	*27.1*	*25.9*	*21.3*	*17.0*

Key Products

Getz

Verna

Matrix

Santa Fe

1.0 L → SUV > 2.0 L

Overview

- Widest product range in the market, positioned as 'best value for money.'
- Has the largest distribution and after-sales network with four 3S facilities (sales, service and spare parts), emphasizing 'lowest cost of ownership' in the market.
- As expected, Egypt's market for passenger cars shrank in the first quarter of 2009 with total sales of only 28,083 units. Although the table to the left suggests our drop was more marked than the market's drop, it excludes inventory reductions at dealers of some 3,000 cars. So, in fact, Hyundai car sales performed better than the market, declining less than 30%.
- Declining sale prices throughout 1Q09 together with increased costs due to currency devaluation put pressure on margins. GB Auto also absorbed LE 10 million in unrecovered overheads in the Passenger Car division in 1Q09 due to curbed production.

GB Auto: Commercial Vehicle Line of Business Overview I

Key Financial Data

(LE million)	FY2006	FY2007	FY2008	1Q08	1Q09
Revenue	**417.1**	**590.0**	**740.9**	**193.7**	**120.9**
% growth	-	*41.5*	*25.6*	*96.8*	*-37.6*
Sales Volume (units)	**1,914**	**2,638**	**3,227**	**915**	**615**
% growth	-	*37.8*	*22.3*	*93.8*	*-32.8*
Gross Profit	**105.4**	**122.3**	**129.6**	**38.7**	**17.9**
% margin	*25.3*	*20.7*	*17.5*	*20.0*	*14.8*

Key Products (Buses)

Mitsubishi Canter

Mitsubishi Rosa

Hyundai Aero

Volvo Splendido

Mini-bus → **Large Coach**

Overview

- Absorbed LE 5 million of unrecovered overhead in 1Q09 as the factory limited production.

BUSES

- The bus market was expected to drop more significantly in 1Q09 and remains depressed for now as tour companies remain reluctant to purchase goods.

TRUCKS

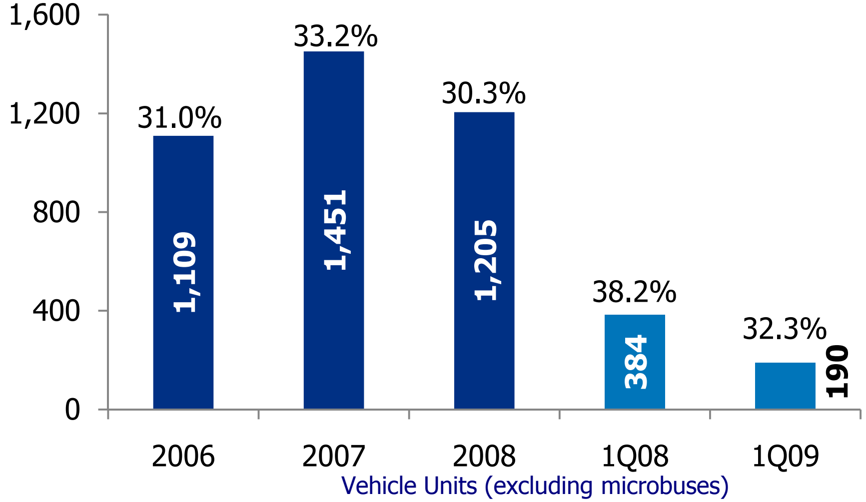
- Truck volumes fell more than expected as customers are holding back on budget spending for now despite government projects. Also, we changed the way in which we booked sales, which contributed to the drop.

TRAILERS

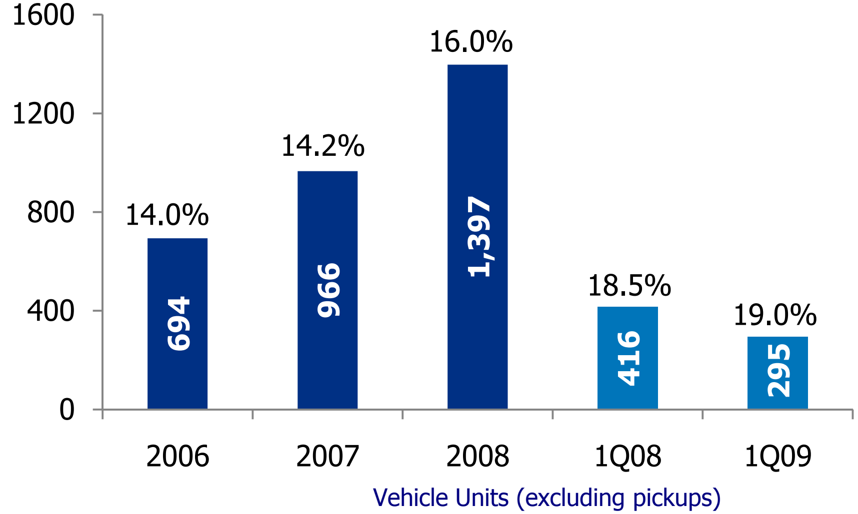
- 23,000-unit opportunity in Egypt as a result of legislation banning the use of draw-bar trailers.
- Distribution JV with GB-Allab Remourque in Algeria.
- Trailer sales have not yet felt the benefit of the ban on draw-bar trailers; however, despite protests by truckers in the first quarter, the Egyptian government has stayed the course, refusing to extend the two-year grace period for replacement.

GB Auto: Commercial Vehicle Line of Business Overview II

Bus Sales and Percent Market Share



Truck Sales and Percent Market Share



Key Products (Trucks)

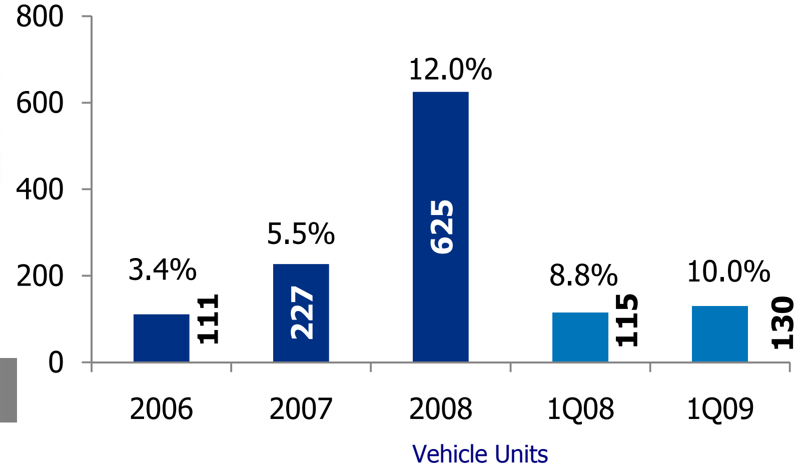
Mitsubishi Canter

Mitsubishi Fuso

Volvo FH

Light Truck → Medium Truck → Heavy Truck

Trailer Sales and Percent Market Share



GB Auto: Motorcycle and Three-Wheeler Line of Business Overview

Key Financial Data

(LE million)	FY2006	FY2007	FY2008	1Q08	1Q09
Revenue	**365.8**	**528.2**	**571.3**	**98.7**	**122.5**
% growth	-	*44.4*	*8.2*	*-23.1*	*24.1*
Sales Volume (units)	**29,401**	**40,830**	**43,251**	**7,451**	**9,311**
% growth	-	*38.9*	*5.9*	*-26.7*	*24.9*
Gross Profit	**53.0**	**86.1**	**115.1**	**17.7**	**25.4**
% margin	*14.5*	*16.3*	*20.2*	*17.9*	*20.7*

Key Products (Motorcycles & 3-Wheelers)




Motorcycles → **Tuk-tuks**

Overview

- Bajaj is the largest global manufacturer of three-wheelers.
- Three-wheelers are typically used for personal and commercial purposes in rural and low-income areas as an alternative to urban and peri-urban transport.
- First quarter growth year-on-year reflects benefits from licensing changes for three-wheelers as well as a significant reduction in customs duties largely passed on to consumers with a slight retention for the company – hence the improved margin.
- Continue to witness a substantial increase in demand for after-sales service and parts. Now have 8 spares outlets and 3 service centers with more planned in 2009.

GB Auto: Overview of Other Lines of Business

Key Financial Data

(LE million)	FY2006	FY2007	FY2008	1Q08	1Q09
Construction Equipment	4.2	18.8	49.7	19.4	4.8
Tires	47.5	112.0	75.1	21.8	7.5
Transportation Services	31.0	40.1	56.0	9.4	15.5
Miscellaneous	26.7	26.5	23.9	2.7	4.3
Total Revenues Other LOBs	**109.4**	**197.4**	**204.7**	**53.2**	**32.0**
Construction Equipment	1.2	2.1	7.7	2.6	0.9
Tires	6.4	2.1	7.7	2.6	0.3
Transportation Services	7.1	-6.1	-5.6	-3.8	-0.4
Miscellaneous	4.7	4.8	-0.3	0.1	0.4
Total Gross Profit Other LOBs	**19.4**	**14.7**	**12.9**	**2.7**	**1.2**

Overview

Tires

- GB Auto is the distributor for Lassa (Turkish) tires, which it retails and uses on CKD models assembled in its factories. Actively looking to expand its portfolio of passenger car and commercial vehicle tires.
- The decline in Tires revenues in 1Q09 is primarily due to two factors. First, 1Q08 figures included sales of the popular Double Coin brand before the imposition of anti-dumping duties made these prohibitively expensive. Secondly, in 1Q09, the Tires LOB stimulated demand by liquidating high-COGS inventory after obtaining better pricing from the manufacturer.

Construction Equipment

- Volvo construction equipment and Linde material handling equipment are at the heart of this LOB.
- The fall-off in sales in 1Q09 represents the trail-off in demand from real estate projects and the stimulation of demand from infrastructure builders as a result of the government's stimulus program. Orders for some 20 units seen as "certain" during the quarter were subsequently cancelled after tenders were called off, likely due to drift within the construction industry.

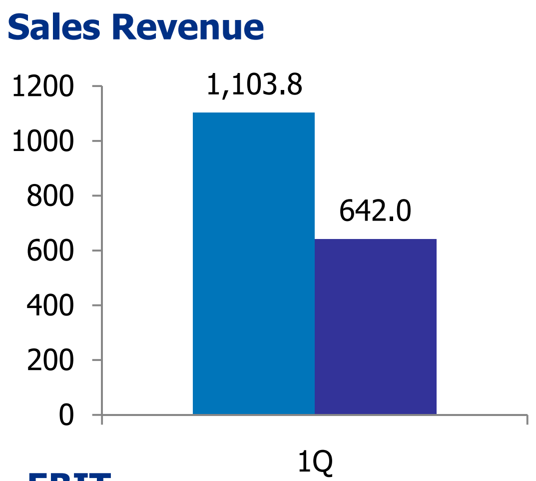
Transportation Services

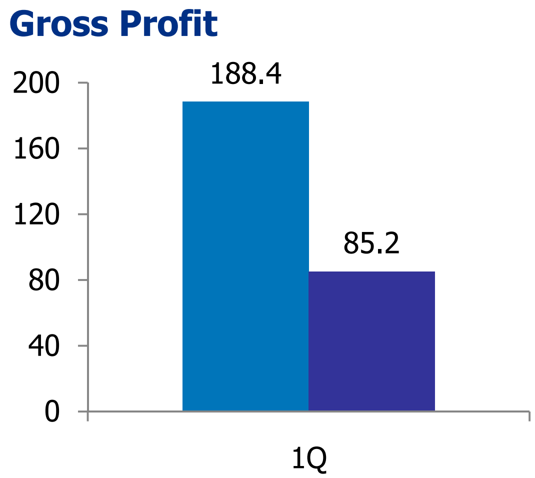
- Public passenger transportation services by participating primarily in the privatization of inter-city bus transport routes.
- Cargo freight transportation for heavy industry as part of an emerging professional logistics services practice.
- Cargo now profitable using fixed-price contracts.

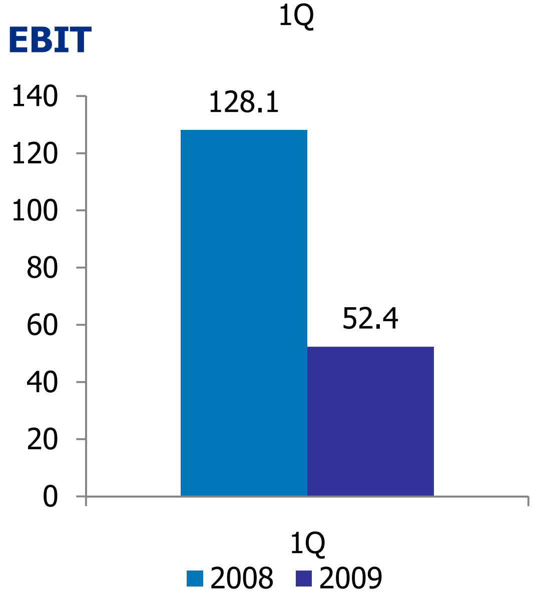
III. Financial Performance

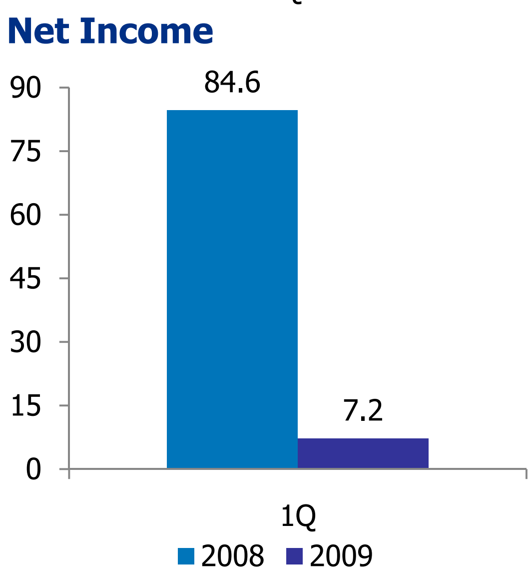
Consolidated Group Performance and Revenue Split

Consolidated Group Performance in LE million

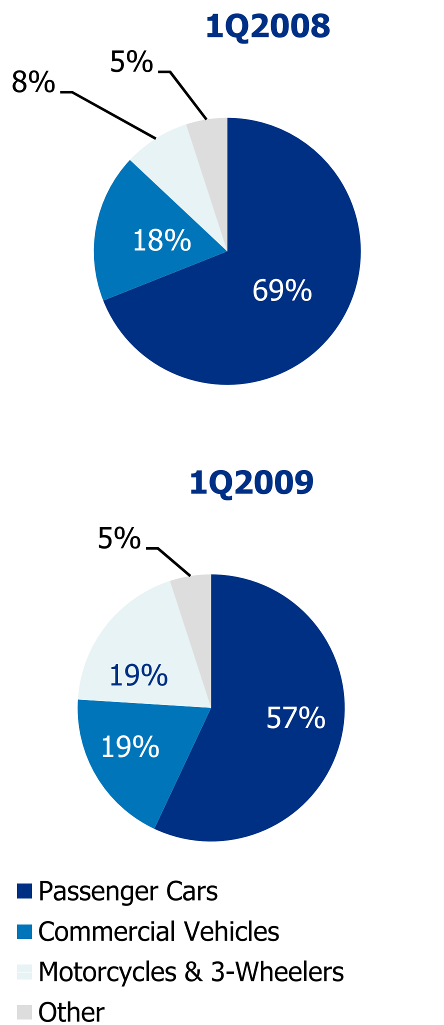








Revenue Split



Results Summary

(LE million)	FY2006	FY2007	FY2008	1Q08	1Q09	*% Change Q-on-Q*
Passenger Cars Revenues	2,211.1	3,314.4	3,675.5	758.2	366.7	*-51.6*
Commercial Vehicles Revenues	417.1	590.0	740.9	193.7	120.9	*-37.6*
Motorcycles & Three-Wheelers	365.8	528.2	571.3	98.7	122.5	*24.1*
Other Revenues	109.4	197.5	204.7	53.2	32.0	*-39.9*
Total Sales Revenue	**3,103.3**	**4,630.1**	**5,192.4**	**1,103.8**	**642.0**	*-41.8*
Gross Profit	**537.1**	**670.2**	**872.3**	**188.4**	**85.2**	*-39.2*
Gross Profit Margin	*17.3*	*14.5*	*16.8*	*17.1*	*13.3*	*-3.8*
Selling & Administration	137.7	(218.8)	(277.0)	(64.4)	(51.1)	*-20.7*
Others – Income / (Expenses)	5.7	18.3	32.2	4.8	9.5	*97.9*
Operating Profit	**405.1**	**469.7**	**627.5**	**128.8**	**43.7**	*-66.0*
Net Provisions	98.5	112.4	19.0	(0.7)	8.7	-
EBIT	**503.6**	**582.1**	**646.5**	**128.1**	**52.4**	*-59.1*
Foreign Exchange Gains (Losses)	-	2.8	-18.3	2.8	(7.6)	-
Net Finance Cost	(135.8)	(98.4)	(116.2)	(25.8)	(36.0)	*39.5*
Earnings Before Tax	**367.8**	**486.5**	**512.0**	**105.1**	**8.8**	*-91.6*
Taxes	(63.1)	(50.7)	(94.1)	(20.1)	(1.9)	*-90.5*
Net Profit Before Minority	**304.7**	**435.8**	**417.9**	**85.0**	**6.9**	*-91.5*
Minority Interest	23.2	(2.3)	(2.0)	(0.4)	0.3	-
Net Income	**281.5**	**433.5**	**415.9**	**84.6**	**7.2**	*-91.5*
Net Profit Margin	*9.1*	*9.4*	*8.0*	*7.7*	*1.1*	*-6.6*

GB Auto: Performance

Group Performance 1Q09

- The company posted a profit in an industry under severe pressure worldwide. Market wide, Egypt's first quarter year-on-year passenger car unit sales were down 43.2% and commercial vehicle unit sales were down 34.2%.
- By contrast Hyundai car sales in the Egyptian market declined 26.2% year-on-year in 1Q09 and GB Auto commercial vehicle sales fell in line with the market.
- As a consequence, overall group revenues are down 41.8% year-on-year as product mix and pricing added to volume reductions.
- Gross profit saw a higher reduction in 1Q09 because currency added to costs and unrecovered factory costs of LE 15 million, which resulted from limited production in 1Q09.
- Measures to reduce overhead costs came into effect during 1Q09 and the impact of those can be seen in a 20.8% reduction in SGA costs vs 1Q08.
- Interest costs are up largely on the back of higher inventory levels as we provided support to dealers and that cost was at increased interest rates.
- The first quarter of 2009 was also affected by an exchange loss on the facilities used to support the inventories because of a weakening of the Egyptian pound. The reverse happened in 1Q08, where a profit was shown.

GB Auto: Recent Developments

Business Development Highlights

- Joint-venture bus assembly plant in Suez in partnership with global giant Marcopolo to open 3Q09
- Trailer distribution joint venture with Sentrax in Algeria to ship first units in May 2009
- Rolling out expansion of national service and sales centers; have started building largest after-sales service center to date on the Cairo-Ismaliyya Highway to be completed by year's end
- Commercial vehicle leasing business now active (and insulated from customer defaults)
- Assessing alternatives to build a sustainable and growing tires business
- Surveying the market for interesting M&A opportunities and new representations
- New paint shop will allow annual production capacity for locally assembled CKD units to climb to as many as 100,000 units when it comes online in the second half of 2009
- Completion in November 2008 of our new 3,000-unit trailer line that has the ability to grow to 6,000 units annually by adding a second shift

Corporate Development Highlights

- Passenger car line of business has made symbolic first delivery to national taxi replacement program, estimated at 34,000 units between March 2009 and March 2010.
- GB Auto remains Hyundai Motor Corporation's best distributor in Africa and top-5 worldwide
- Egypt is now the biggest market for Bajaj outside India for its three-wheeler market, surpassing the large markets of Indonesia and Sri Lanka
- Institutionalization program, directed by change management consultants CDS, is reaching the end of the solutions development phase and implementation has begun across the organization

Cash Preservation and Cost Management Plan

- With dealers overstocked, manufacturing and assembly operations remained very low in the first quarter as planned. Management began work on plans for cash-preservation and cost management of overheads in 3Q08 with a target of a total saving of LE 100 million. Implementation began in 4Q08 and is continuing.

  1. A freeze on pay raises is in effect as of January 1, 2009 and the reduction of workforce by nearly 900 persons has secured annual savings of LE 20 million.
  2. A proportionate reduction in incentives relative to the size of the business will yield up to LE 20 million in savings.
  3. Reduced advertising spending will translate into as much as LE 30 million in annual savings.
  4. Balance of savings of around LE 30 million is being achieved through reduced consultancy, donation, travel expenses, rents and operating costs.
  5. Implementation of a common automotive purchasing department to realize new efficiencies and economies of scale.
  6. Implementation of a logistics and warehousing efficiency plan that goes hand-in-hand with efforts to reduce working capital primarily through inventory control and spare parts.

The Worst May Be Over…

Consumer resistance fading	Consumer expectations of significant price cuts were a leading factor in the slowdown in sales starting in September 2008. Market-wide price cuts in 1Q09 appear to have stimulated spending.
Passenger car inventories are falling	GB Auto refrained from pushing sales onto overstocked dealers in 4Q08 and 1Q09 and offered incentives to help them reduce inventories, which are now starting to approach normal levels.
We are counting sales differently	Part of the apparent drop in sales in 1Q09, particularly in commercial vehicles, owes to a change in accounting standards for what qualifies as a sale.
Aggressive cost-cutting program	As of 1Q09 we have invested in a cost reduction program that will see us save approximately LE 100 million by year's end.
Liquidated high-COGS inventory	The company cleared inventory and stimulated market demand by selling high-COGS goods at lower prices after obtaining preferential pricing from suppliers.
Lingering Pent-Up Demand	Despite the current slowdown in sales, unmet long-term demand remains significant; Egypt remains a very under-motorized nation.
Beneficial Legislation	Legislation passed in summer 2008 will support demand for passenger cars (taxi replacement program) and trailers (banning of draw-bar trailers). New state infrastructure spending will also spur demand.
Cautionary Note: The Egyptian pound is down	With the Egyptian pound and the Korean yen under pressure from the US dollar, GB Auto faces rising prices with limited ability to pass those on to the market. We expect support from our global suppliers, who have enjoyed the benefits of lower raw materials and shipping prices since summer 2008.

GB Auto: Opportunities

- Despite challenging market conditions, GB Auto has unique opportunities to pursue in 2009
- Investment will be cautious, but from a position of strength with a robust balance

Export Opportunities

- GB Polo, a joint-venture bus assembly plant in Suez with global player Marcopolo, set to begin operations during 3Q09 with an initial capacity of 2,000 units targeting resilient MENA and African markets and, later, European markets when demand recovers
- GB-Allab Remourque, a new joint-venture trailer distributorship in Algeria with Sentrax, will capitalize on the recent completion of the trailer capacity expansion in Cairo

Domestic Opportunities

- 30,000+ unit opportunity market-wide in 2009 to supply passenger cars to a government program that mandates and subsidizes the replacement of taxis more than 20 years old
- 23,000-unit opportunity market-wide to replace trailers as a result of the phase-in over the coming years of a ban on draw-bar trailers
- New capacity in trailer assembly (completed 4Q08) and CKD paint shop (targeting completion in 4Q09) along with easing CBU supply constraints allow flexibility to pursue these opportunities
- Potential opportunity to land new representations for foreign brands in Egypt, including a new tires franchise

GB Auto: Outlook

Outlook

- GB Auto expects the 2009 passenger car market to be roughly on par with 2007, but the national taxi replacement program presents a substantial sales opportunity for our Passenger Car line of business.
- We note signs of growing consumer finance activity in the market as local banks take over from foreign financial institutions who either withdrew from the market or who are holding back during the ongoing global financial crisis.
- New government spending on civil works programs and infrastructure creating opportunities for Commercial Vehicles and Construction Equipment lines of business.
- Soft bus sales as the global economic crisis continues to have a significant impact on tourism operators.
- GB Auto expects to start seeing the benefits of reduced global raw materials prices.
- Restriction of credit by some local banks to automotive industry has forced some distributors to cut prices to ensure cash flow.
- GB-Allab Remourque, our Algerian trailers JV, and GB Polo, our export-oriented bus-body assembler, will begin operations this year.
- We will continue to grow the three-wheeler line of business and support growing demand for after-sales service.

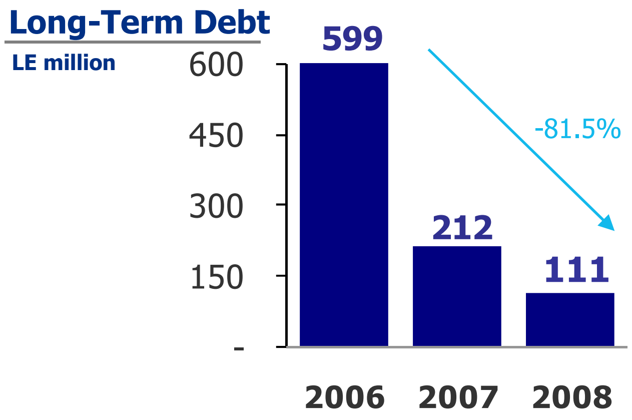
Balance Sheet (2008 – 1Q09)

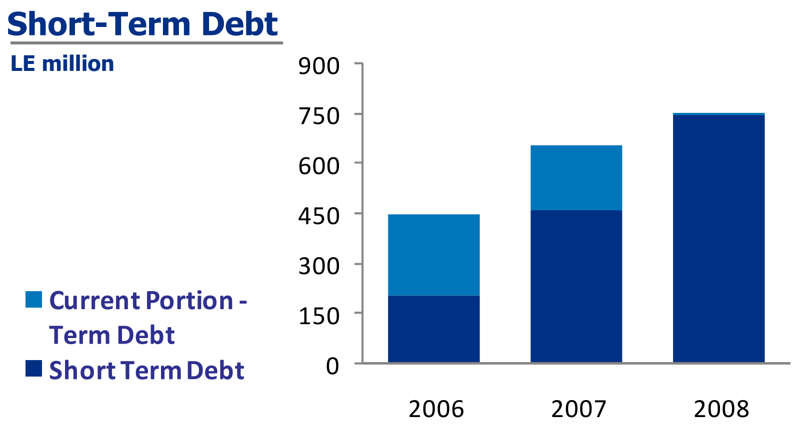
LE million	31 Dec 2008	31 Mar 2009
Cash	124.2	82.6
Net Accounts Receivable	500.3	369.7
Inventory	1,345.2	1,411.1
Other Current Assets	230.8	233.5
Total Current Assets	**2,200.5**	**2,096.9**
Net Fixed Assets	1,194.6	1,218.0
Goodwill and Intangible Assets	188.7	187.8
Other Long-term Assets	44.8	41.4
Total Long-Term Assets	**1,428.1**	**1,447.2**
Total Assets	**3,628.6**	**3,544.1**
Short-term Notes and Debt	862.8	901.4
Accounts Payable	709.7	590.7
Other Current Liabilities	140.7	82.2
Total Long-Term Liabilities	**174.2**	**188.5**
Total Liabilities	**1,887.4**	**1,722.3**
Minority Interest	**15.0**	**44.7**
Common Stock	129.0	129.0
Shares Held with the Group	(3.3)	(3.3)
Legal Reserve	120.5	140.2
Other Reserves	1,024.3	1,027.4
Retained Earnings	455.7	443.3
Total Shareholder’s Equity	**1,726.2**	**1,736.6**
Total Liabilities and Shareholder’s Equity	**3,628.6**	**3,544.1**

Comments on Balance Sheet

- GB Auto's overall net debt position inclined LE 98.1 million in the quarter, largely on the back of continuing high inventory levels. That will only start to decline during the second quarter as the program to regularize dealer inventories (which was largely implemented in 1Q09) is completed.
- At the end of the first quarter of 2008, inventories stood at LE 7I7.8 million , a level GB Auto will target during the rest of this year. The buildup of inventory since then was largely due to changing market conditions as well as to operating actions taken during the summer of 2008 to protect GB Auto against then-rising steel and oil prices as well as persistent supplier shortages that had cost the loss of a significant number of sales opportunities during peak selling season.
- The net debt-to-equity ratio at the end of 1Q09 was 0.55 compared with 0.41 at 31 December 2008. Furthermore, as the Group financed the build-up in inventory.
- Total assets at the end of 1Q09 declined 2.3% on the back of reduced accounts receivable, with the proceeds applied against reducing levels of payables. Net fixed assets grew 2.0% as a result of continued investment in the new passenger car paint shop and in the GB Polo project.

In 2008, GB Auto Enhanced Financing Capabilities





- Long-term debt decreased significantly as a result of debt restructuring.

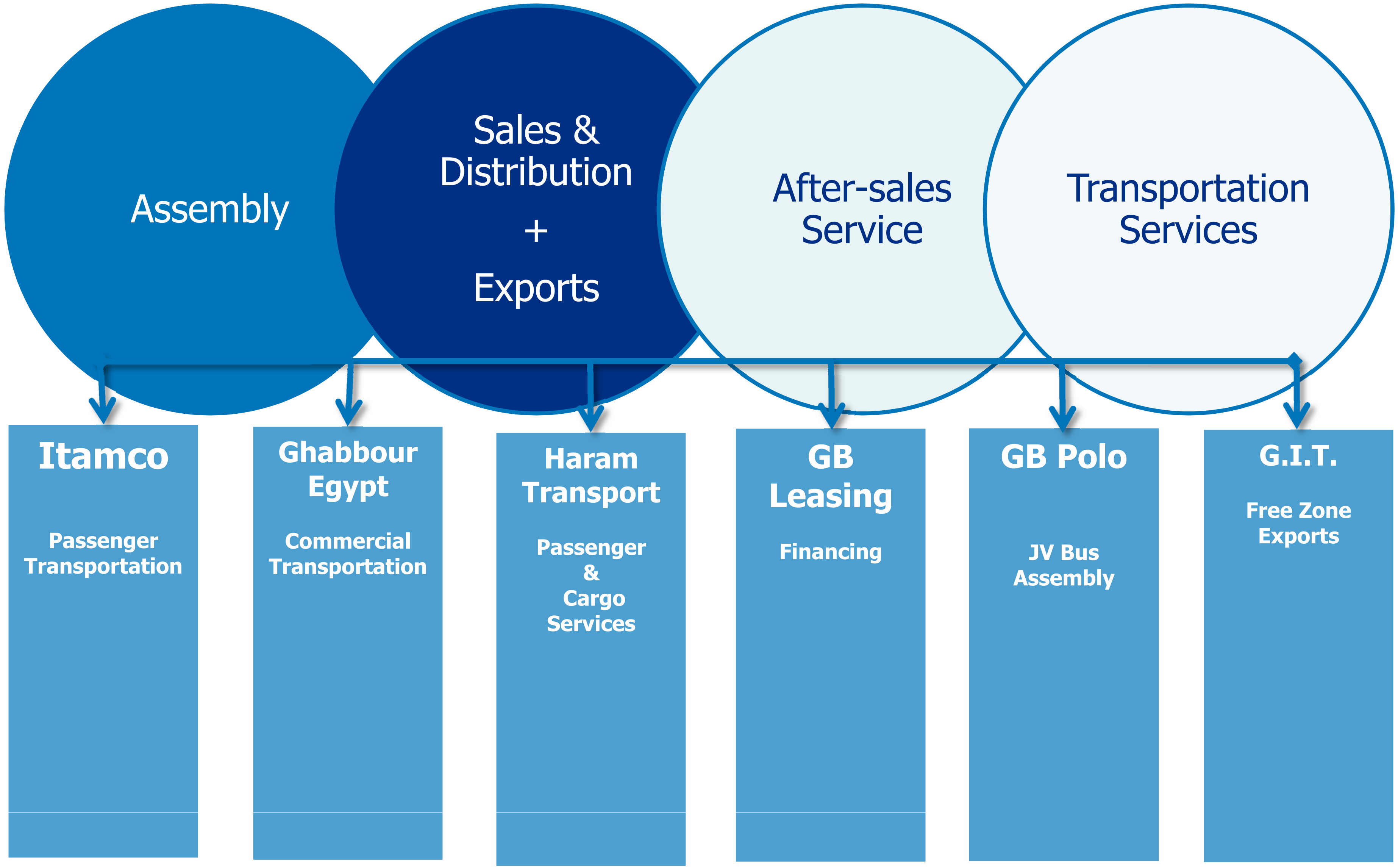
- Current Portion Long Term Debt decrease as result of repayment schedule of historical bank debts
- Short-term borrowings associated with working capital grew in line with overall growth

Dramatic changes in debt structure have significantly enhanced term debt capacity

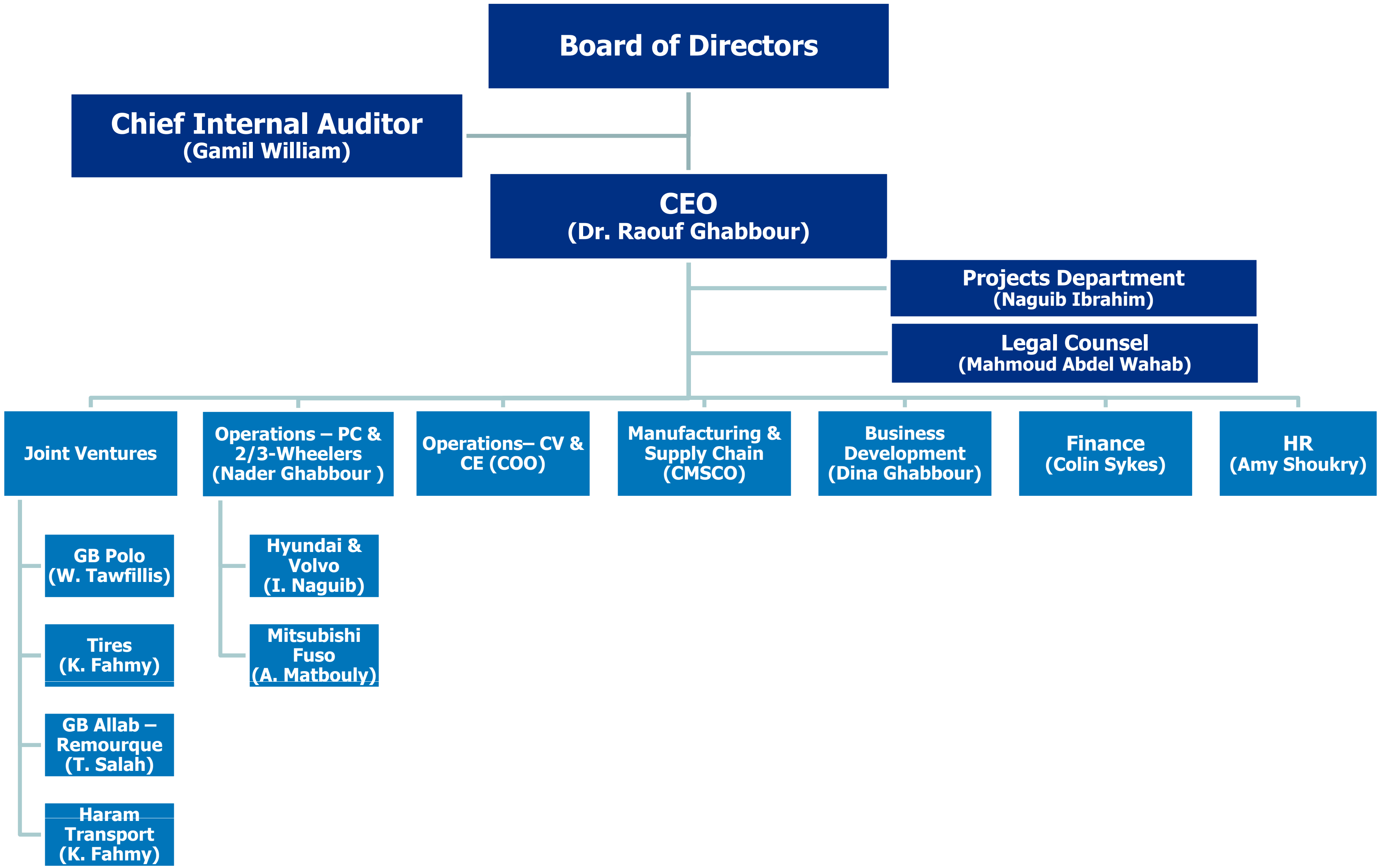
There are no longer mortgages on the company's assets following settlement of the term debt.

IV. Appendix

Corporate Structure



Organization Structure



Institutionalization of corporate governance begins with a majority independent-led board of directors

1 **Mr. Mohamed Abdel Wahab**, (Non-Executive Chairman) a well-renowned political figure in Egypt, served as the former Minister of Industry. Mr. Abdel Wahab is a former Chairman of El Nasr Automotive Manufacturing Company (NASCO), the state-owned auto manufacturer which was the sole market player in the Egyptian automotive industry leading up to the privatization of the sector in 1992. Mr. Abdel Wahab brings to the Board of Directors deep-rooted industry experience.

2 **Dr. Raouf Ghabbour**, the Chief Executive Officer, is the founder of The Ghabbour Group of Companies, which he began incepting in 1985. Dr. Ghabbour jump-started his career working in his family's auto-related trading business, where he initially established himself in the tire division. Having quickly gained a commendable reputation in the market for his business savvy, Dr. Ghabbour went on to acquiring agency agreements from global OEMs, which he steadfastly turned into successful businesses. Dr. Ghabbour has grown the Company to be a market leader, employing around 6,000 employees, operating 3 factories and running over four 3S facilities (Show room, Service and Spare parts) and 9 retail outlets.

3 **Eng. Mohamed Salah El Hadary** (independent director) is currently serving as the Secretary-General of the Egyptian Automotive Manufacturers' Association (EAMA) and brings to the board a wealth of automotive expertise on the back of his experience serving as the managing director of Suzuki Egypt Company and as the managing director and board member of El Nasr Automotive Manufacturing Company (NASCO).

4 **Mr. Byung-Ho Sung** (independent director) is a former executive of the Hyundai Motor Company passenger vehicle operations in South Korea and India. Mr. Sung also gained insight as to the dynamics of the local market during his post as the executive vice-president of the Kia Motor Company's Middle East headquarters.

5 **Mr. Roger Rau** (independent director) is a former president of the Volvo bus and truck operations in Germany. Mr. Rau also has experience managing commercial vehicle and construction equipment operations in neighboring markets, particularly Saudi Arabia. Mr. Rau has dedicated the past thirty years of his career in restructuring distressed divisions of automotive companies, and has become reputable for his success in managing healthy turnarounds.

6 **Mr. Juan Carlos Callieri** (independent director) recently retired as the Senior Industry Specialist of the automotive sector at the International Finance Corporation based in Washington DC. Throughout his tenor, Mr. Callieri was responsible for all investments made by the IFC in automotive and related companies with the additional task of helping shape the business development strategy of some of the most successful automotive manufacturers and distributors in emerging markets.

7 **Mr. Aladdin Hassouna Saba** (independent director) is the co-founder and Chairman of Beltone Financial, a leading regional financial services institution operating in the fields of Investment Banking, Asset Management, Private Equity, Brokerage and Equity Research. Mr. Saba is also a founding member of The Egyptian Investment Management Association, in addition to The Egyptian Capital Markets Association. Mr. Saba sits on the boards of The Cairo and Alexandria Stock Exchange, National Bank of Egypt, various corporations and Investment funds.

8 **Dr. Walid Sulaiman Abanumay** (independent director) has been the Managing Director of Al-Mareefa Al Saudia Company since 1997, where overlooks investments in both developed and emerging markets. Mr. Abanumay, has held several executive roles: between February 1993 and January 1994, he was the General Manager of the Investment Department of the Abanumay Commercial Center. Between November 1990 and February 1993, he worked in the Treasury and Corporate Bank department of SAMBA. Mr. Abanumay is Board member of several prominent companies: Madinet Nasr for Housing and Development (since 1998), and Raya Holding (since 2005), and Beltone Financial.

9 **Mr. Mohamed Naguib Ibrahim** (independent director) was appointed as a General Manager of the largest leasing company in Egypt, International Company of Leasing "Incolease", and became the Managing Director in 2003. Mr. Ibrahim was also appointed to serve on the boards of several local and international companies, among which, are Glaxo Welcome Egypt, Middle East for Glass, Global Management Company (Milbank's venture capital fund management company), Stilco Company (Public sector), Allweiler Farid Company & ESB Securities. Finally, Mr. Ibrahim was appointed to the board of The General Authority for Investment (GAFI) in 2007.

Thank you

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