



## GB Auto

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

Investor Presentation | Nine Months 2008



# Agenda for today

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**Company &  
Business  
Overview**

**Dr. Raouf Ghabbour**  
Chief Executive Officer

**Financial  
Overview**

**Colin Sykes**  
Chief Financial Officer

**Investor  
Relations**

**Bassem El-Shawy**  
Investor Relations Officer

## I. Company and Market Overview

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# GB Auto is the leading player in the Egyptian automotive market

## Key Financial Data

(LE million)	2006	2007	9M2008
<b>Sales</b>	<b>3,103.3</b>	<b>4,630.1</b>	<b>4,300.9</b>
<i>% growth</i>	<i>50.1</i>	<i>49.2</i>	<i>30.9</i>
<b>EBITDA</b>	<b>417.4</b>	<b>500.7</b>	<b>605.0</b>
<i>% margin</i>	<i>13.5</i>	<i>10.8</i>	<i>14.1</i>
<b>EBIT</b>	<b>503.6</b>	<b>596.6</b>	<b>583.8</b>
<i>% margin</i>	<i>16.2</i>	<i>12.9</i>	<i>13.6</i>
<b>Net Income</b>	<b>281.5</b>	<b>453.6</b>	<b>417.1</b>
<i>% margin</i>	<i>9.1</i>	<i>9.8</i>	<i>9.7</i>

## Key Highlights

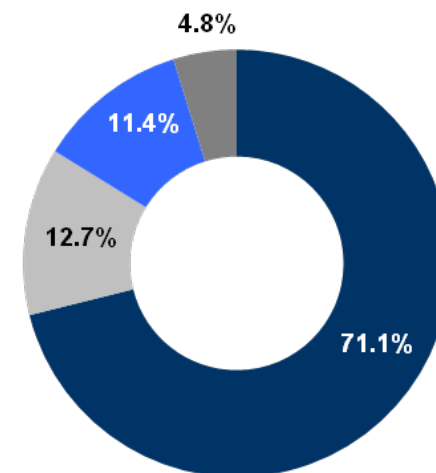
- Focus on the assembly, distribution and service of automotive vehicles and related products as well as providing transportation solutions
- Market leader in domestic passenger car segment, the largest player in the three-wheeler segment and a rapidly growing commercial vehicles division
- Operates activities throughout the value chain, including growing after-sales segment

## Key Products

- Passenger Cars**
- Commercial Vehicles
- Motorcycles & 3-Wheelers**
- Other: Tires  
Construction Equipment  
Transportation Services



## Sales Breakdown (2007)





## Unique, diversified position covering the automotive value chain



- ▶ Assembly of passenger cars and commercial vehicles (CKD<sup>1</sup>) at 2 plants in Cairo and 1 plant in Sadat City
- ▶ Sales and distribution: Retail of CKD and CBU 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 43 independent automotive retailers

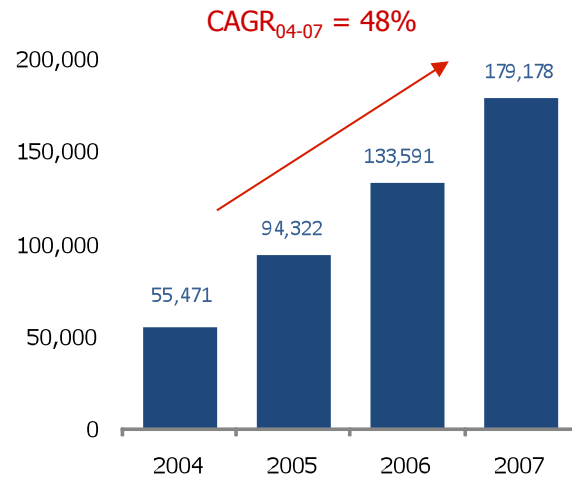
<sup>1</sup> **Note on Terminology:**

- ▶ CKD refers to “**C**ompletely **K**nocked **D**own” vehicles imported as kits from the manufacturer and assembled with a legally mandated percentage of local content.
- ▶ CBU vehicles are “**C**ompletely **B**uilt **U**p” and are imported already assembled, generally at a higher import tariff.

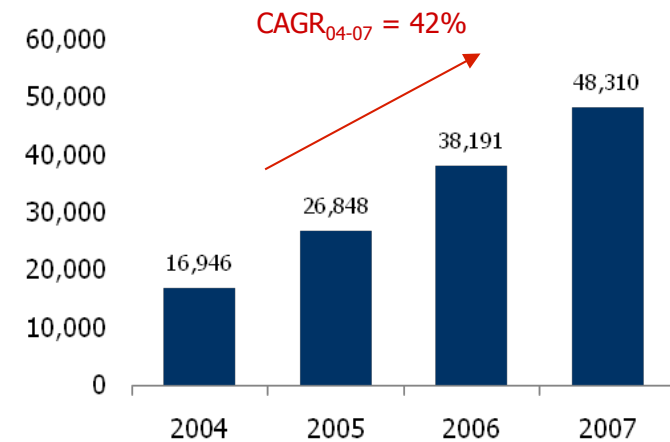


# The Egyptian automotive industry is experiencing remarkable growth...

## Passenger Cars



## Commercial Vehicles

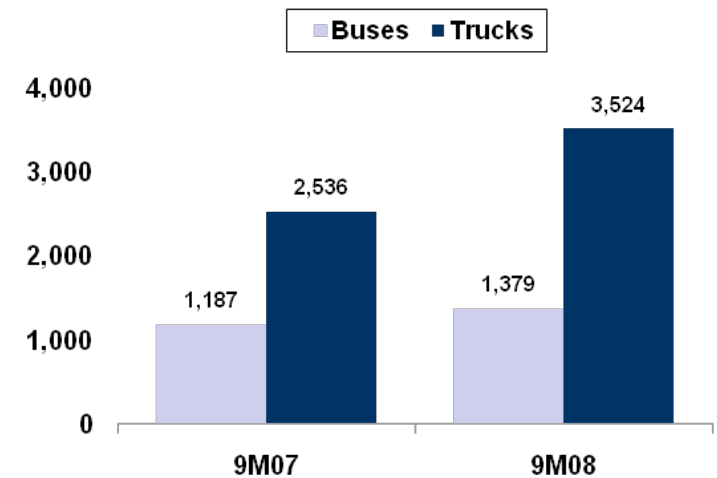
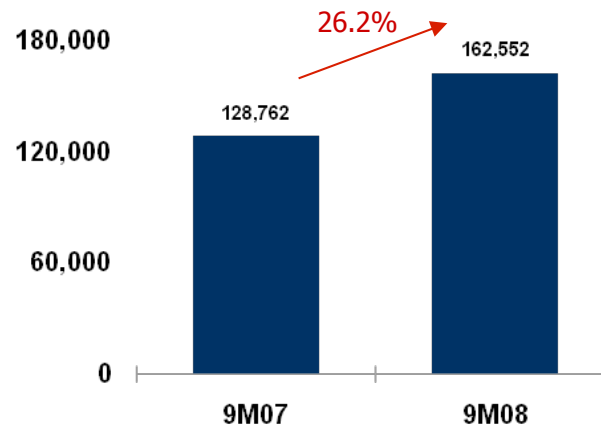


### Historical Market Size and Growth, 2004 to 2007

Vehicle Units

### Recent Market Size and Growth, 9M2007 vs. 9M2008

Vehicle Units



Key Growth Drivers	Comments
<b>1</b> <b>Reduction of Import Duties on Cars</b>	<ul style="list-style-type: none"> <li>▶ Import duties on passenger vehicles with engine capacity of less than 1.6 liters came down in 2004 to 40% from 105%. Duties are expected to continue decreasing as per the EU-Egypt Association Agreement.</li> </ul>
<b>2</b> <b>Reduction of Income Taxes</b>	<ul style="list-style-type: none"> <li>▶ Income tax reductions to 20% from 40% went into effect in 2006, significantly increasing disposable incomes. Consumer spending on everything from mobile phones to vehicles has boomed in the two years since.</li> </ul>
<b>3</b> <b>Legislative Changes</b>	<ul style="list-style-type: none"> <li>▶ 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 drawbar trailers and allowing the licensing of three-wheelers (tuk-tuks) as motorcycles.</li> </ul>
<b>4</b> <b>Increase in GDP/ Capita Levels</b>	<ul style="list-style-type: none"> <li>▶ 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.</li> </ul>
<b>5</b> <b>Availability of Consumer Finance</b>	<ul style="list-style-type: none"> <li>▶ Auto loans have only recently been introduced to the Egyptian market. Banks, most of which have high liquidity and low utilization rates, are now facing challenges in this segment from new leasing companies.</li> </ul>
<b>6</b> <b>Lingering Pent-Up Demand</b>	<ul style="list-style-type: none"> <li>▶ Demand repressed during the downturn of 2001-04 lingers, and new demand is being created by the rapid formation of a middle class.</li> </ul>

**Consumption growth may slow in the first half of 2009, but is expected to resume as the GDP growth accelerates**



**Driving strong demand in Egypt's automotive market**

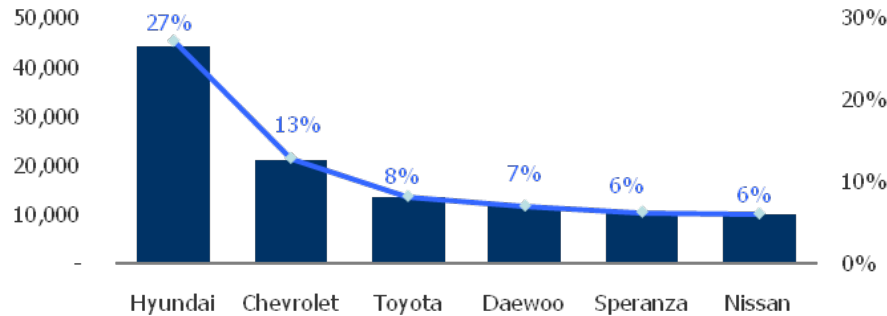


# GB Auto is the undisputed leader of the Egyptian passenger car market

## Market Segmentation | as of September 2008

### Top 6 Brands

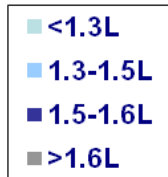
Vehicle units



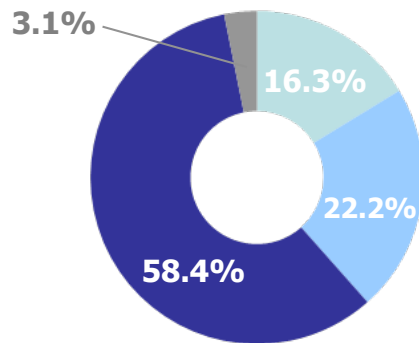
The nation's top-selling PC brand, Hyundai has a market share of 27.2%, reflecting GB Auto's superior value proposition for consumers.

### Engine Capacity

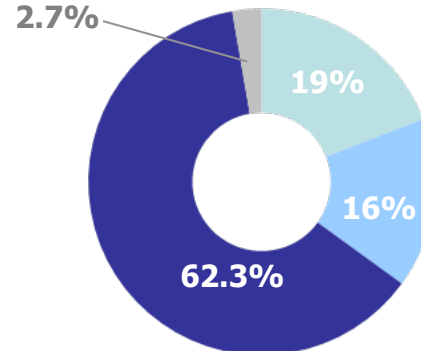
Vehicle units



#### 9M2007



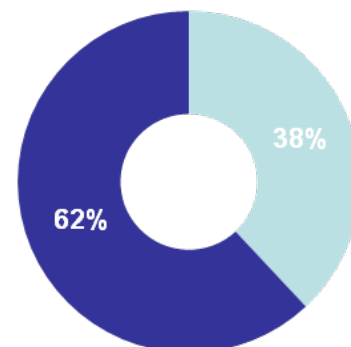
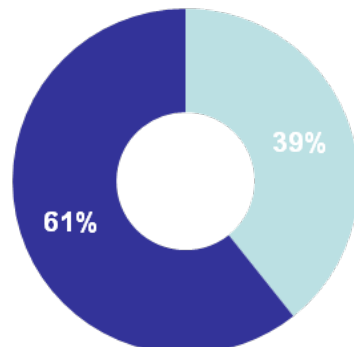
#### 9M2008



1.5 – 1.6 L engine capacity bracket enjoys preferential tariff on imports of CBU vehicles.

### CBU vs. CKD

Vehicle units



Supply constraints saw GB Auto's CBU sales rise just 3.6% in 3Q2007 against 55.7% growth in CKD sales. These constraints are now easing.





## Factors supporting GB Auto competitive advantages over the long-term

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- ➔ **Strong market position.** The largest player in the Egyptian automotive market in terms of sales revenue, market share, and production capacity. 9M08 revenues of LE 4.3 billion, EBIT of LE 583.8 million.
- ➔ **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 in the four years to the end of 2007 of 67% as the Group exceeded sales of LE 4.6 billion in 2007, coupled with earnings of over LE 450 million that same year.
- ➔ **Untapped export potential.** Very strong export potential, particularly as regards sale of locally-assembled and -manufactured commercial vehicles (buses and trailers) into the largely untapped and underserved markets of the Middle East and Africa.
- ➔ **Positive market outlook.** Egyptian automotive market's impressive growth rates are expected to continue over the coming several years, driven by an improving macro-economic environment that is encouraging consumption in a relatively low-penetration market.



# 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

## Export Opportunities

- ▶ Capture export opportunities in commercial vehicle manufacturing — particularly buses and trailers — by leveraging low-cost, highly-trained workforce at existing manufacturing and assembly facilities

## Strengthening Business Relations

- ▶ 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**



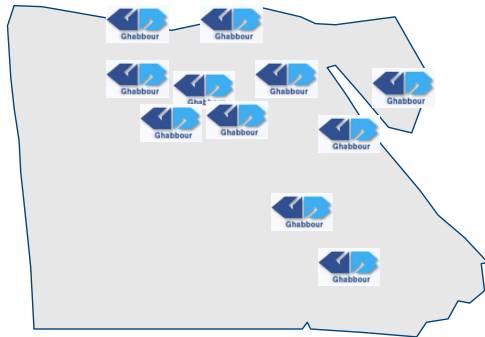
**Make GB Auto the clear partner of choice for any OEM who wants to successfully operate in Egypt's automotive sector**



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

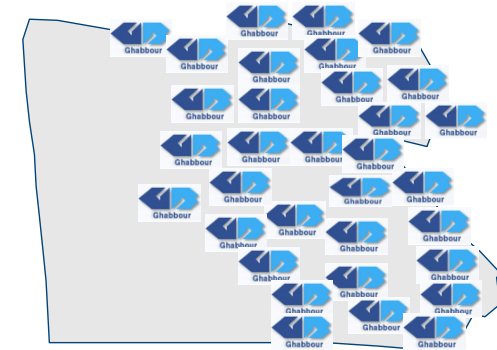
TODAY

TARGET NETWORK



6 PC service centers  
6 CV service centers  
45 authorized centers

Investing in unrivaled  
distribution and after-sales  
infrastructure



25 PC service centers  
10 CV service centers

- 1 Maximize ownership and control 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

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	72.5% of Group Sales	14.8% of Group Sales	8.9% of Group Sales	3.8% of Group Sales
	<b>Passenger Cars</b>	<b>Commercial Vehicles</b>	<b>Motorcycles &amp; 3-Wheelers</b>	<b>Other</b>
<b>Overview</b>	<ul style="list-style-type: none"> <li>Import, retail distribution, fleet sales and assembly of cars</li> </ul>	<ul style="list-style-type: none"> <li>Distribution (incl. financial services) of locally assembled trucks and buses</li> </ul>	<ul style="list-style-type: none"> <li>Local assembly and distribution of imported Semi Knocked Down (SKD) units</li> </ul>	<ul style="list-style-type: none"> <li>Includes tires, construction equipment, transportation services and export activities</li> </ul>
<b>Description</b>	<ul style="list-style-type: none"> <li>Exclusive agent and sole distributor for Hyundai</li> <li>Imports and distributes CBU units and assembles CKD units</li> <li>Showrooms with surface of 4,722m<sup>2</sup> (plans to add another 8,500m<sup>2</sup> or 12 rooms)</li> <li>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)</li> <li>Market share of 27.2% in Egypt in 9M2008</li> <li>Co-operation agreement with Citibank to provide Citi finance facilities to retail customers</li> <li>New paint shop will allow growth of CKD capacity in the new year</li> </ul>	<p><b>Bus segment</b></p> <ul style="list-style-type: none"> <li>Exclusive agent for Mitsubishi, Volvo and Hyundai buses</li> <li>Assembles and distributes buses targeting the public, commercial and tourism sectors</li> <li>JV with Marcopolo to establish 8,000 capacity bus body assembly facility targeting local and export markets</li> <li>9M2008 market share of 38.5% (excl. minibuses)</li> </ul> <p><b>Truck segment</b></p> <ul style="list-style-type: none"> <li>Exclusive agent for Mitsubishi, Volvo and Hyundai trucks</li> <li>Heavy, medium and light trucks</li> <li>9M2008 market share of 15.2%</li> </ul> <p><b>Other</b></p> <ul style="list-style-type: none"> <li>Semi trailers and super-structures such as oil and chemical tankers</li> </ul>	<ul style="list-style-type: none"> <li>Exclusive agent for Bajaj three-wheelers (tuk-tuks) and motorcycles</li> <li>Distribution via three retail showrooms as well as network of local dealers</li> <li>Three after-sale service and eight spare parts centers</li> <li>2007 market share in three-wheelers of 99% in Egypt</li> </ul>	<p><b>Tires</b></p> <ul style="list-style-type: none"> <li>GB Auto distributes passenger and light-truck tires under a license with Lassa and is seeking a replacement for Double Coin bus, truck and off-road tires after imposition of anti-dumping duties</li> </ul> <p><b>Construction equipment</b></p> <ul style="list-style-type: none"> <li>Includes construction and material handling (forklifts) equipment supplied under licenses from Volvo, Linde and Ingersol Rand</li> </ul> <p><b>Transportation services</b></p> <ul style="list-style-type: none"> <li>Haram Transport Company is a fully owned subsidiary that operates over 200 buses in Alexandria and Dakahleya and provides cargo services with a fleet of 90 trucks</li> </ul>
<b>Brands</b>				

Notes: Contributions to group sales are as of 9M2008. • JV bus assembly agreement with Marcopolo signed only in 2008, so no contribution to 9M08 revenue and market share figures above.



# GB Auto: Passenger Car Line of Business Overview

## Key Financial Data

(LE million)	2006	2007	9M2008
<b>Sales</b>	<b>2,211.1</b>	<b>3,291.9</b>	<b>3,117.2</b>
<i>% growth</i>	37.9	48.9	31.9
<b>Sales Volume (units)</b>	<b>36,266</b>	<b>48,623</b>	<b>44,198</b>
<i>% growth</i>	42.9	34.1	28.3
<b>Gross Profit</b>	<b>357.5</b>	<b>432.3</b>	<b>545.9</b>
<i>% margin</i>	16.3	13.1	17.5

## Description

- ▶ Exclusive agent and sole distributor for Hyundai
- ▶ Imports and distributes Completely Built Up (CBU) units and assembles Completely Knocked Down (CKD) units
- ▶ Broadest product range in the market, positioned as 'best value for money'
- ▶ Largest distribution and after-sales network of four 3S facilities (sales, service and spare parts), emphasizing 'lowest cost of ownership' in the market
- ▶ Recent launch of new products to further penetrate larger engine segment (>1.6L)
- ▶ New paint shop will allow significant expansion of CKD assembly capacity when it comes online in 2009

## Key Products



Getz



Verna



Matrix



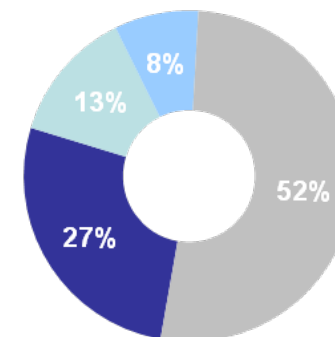
Santa Fe

1.0 L



SUV > 2.0 L

## Market Share (9M2008)



■ GB Auto ■ Chvrolet ■ Toyota ■ Other

(in units)

## Key Financial Data

(LE million)	2006	2007	9M2008
<b>Sales</b>	<b>417.1</b>	<b>590.1</b>	<b>636.0</b>
<i>% growth</i>	<i>125.4</i>	<i>41.5</i>	<i>60.9</i>
<b>Sales Volume (units)</b>	<b>1,914</b>	<b>2,948</b>	<b>3,099</b>
<i>% growth</i>	<i>113.3</i>	<i>54.0</i>	<i>66.9</i>
<b>Gross Profit</b>	<b>105.4</b>	<b>129.4</b>	<b>125.8</b>
<i>% margin</i>	<i>25.3</i>	<i>21.9</i>	<i>19.8</i>

## Description

### BUSES

- ▶ Exclusive agent for Mitsubishi, Volvo and Hyundai buses
- ▶ Products for public, commercial and tourism sectors
- ▶ Largest player in the mid- to large-bus market

### TRUCKS & TRAILERS

- ▶ Exclusive agent for Mitsubishi and Volvo trucks
- ▶ Target clients include fleet operators, contractors, and large industrial corporate market
- ▶ Massive growth potential in the Egyptian market especially in heavy-truck segment (2,000 heavy trucks sold in 1998, while only 650 sold in 2006)
- ▶ Trailer line expansion complete by December 2008

## Key Products (Buses)



Mitsubishi  
Canter



Mitsubishi  
Rosa



Hyundai  
Aero



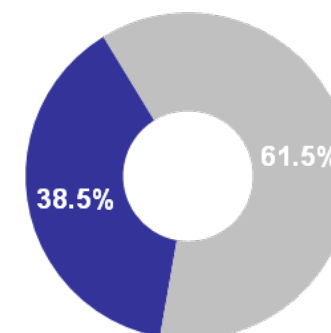
Volvo  
Splendido

Mini-bus



Large Coach

## Market Share (9M2008)

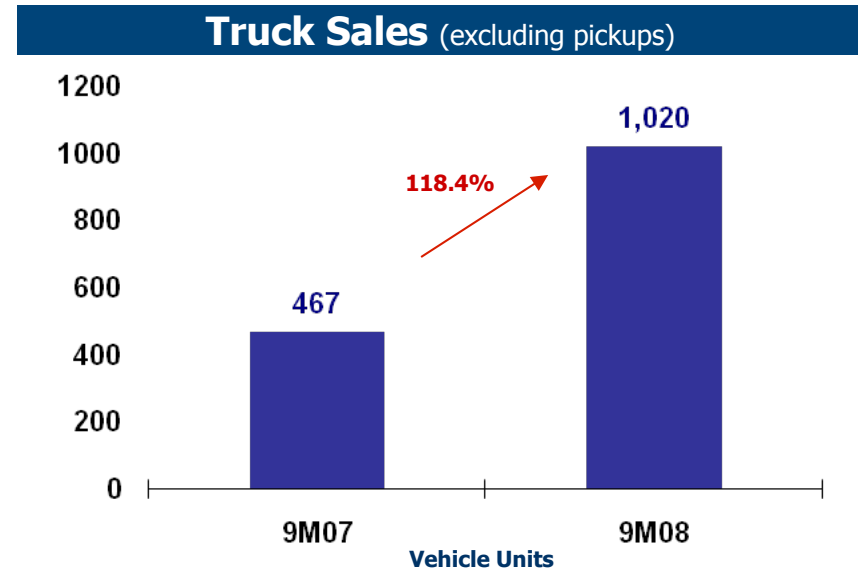
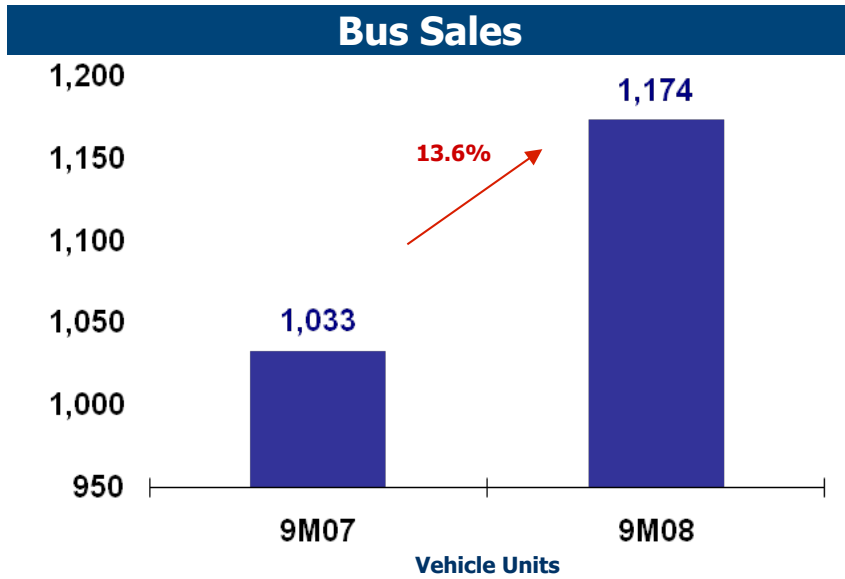


■ GB Auto ■ Other

Buses (in units)



# GB Auto: Commercial Vehicle Line of Business Overview II



### Key Products (Trucks)



Mitsubishi  
Canter



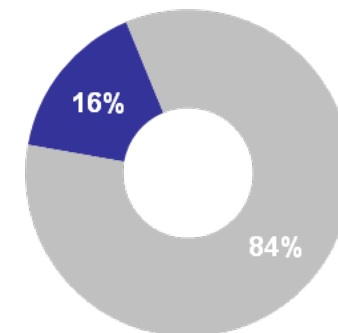
Mitsubishi  
Fuso



Volvo FH



### Market Share (9M2008)



Trucks and Trailers (in units)





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

## Key Financial Data

(LE million)	2006	2007	9M2008
<b>Sales</b>	<b>365.8</b>	<b>528.2</b>	<b>383.6</b>
<i>% growth</i>	94.7	44.4	-1.3
<b>Sales Volume (units)</b>	<b>29,393</b>	<b>40,830</b>	<b>30,253</b>
<i>% growth</i>	85.9	38.9	2.9
<b>Gross Profit</b>	<b>53.0</b>	<b>86.1</b>	<b>79.5</b>
<i>% margin</i>	14.5	16.3	20.7

## Description

- ▶ Exclusive agent for Bajaj three-wheelers (auto-rickshaws or "tuk-tuks") and motorcycles
- ▶ Bajaj is the largest global manufacturer of three-wheelers
- ▶ Used for personal and commercial purposes in rural and low-income areas as an alternative to urban and peri-urban transport
- ▶ Recovery to historic growth rates on the back of recently approved traffic law which will allow tuk-tuks to be licensed as motorcycles

## Key Products (Three-Wheelers)

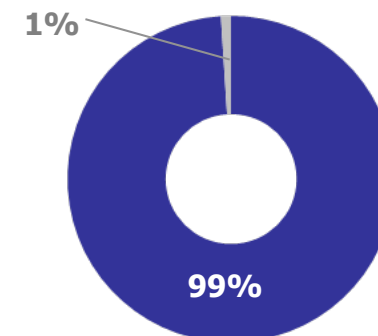


Motorcycles



Tuk-tuks

## Market Share (9M2008)



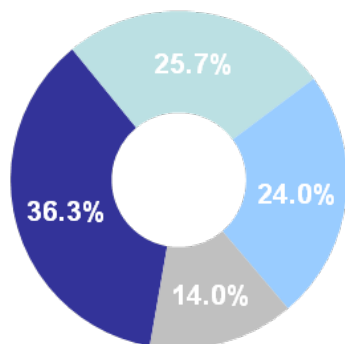
■ GB Auto ■ Other

Three-Wheelers (in units)

## Key Financial Data

(LE million)	2006	2007	9M2008
<b>Sales</b>	<b>109.4</b>	<b>219.9</b>	<b>164.1</b>
% growth	-	101.0	17.9
<b>Gross Profit</b>	<b>21.2</b>	<b>37.2</b>	<b>10.3</b>
% margin	19.4	16.9	6.3

## Other Lines of Business (9M2008)



## Description

### Tires

- ▶ GB Auto is the distributor for Lassa (Turkish) tires, which it retails in the marketplace and uses on CKD models assembled in its factories
- ▶ Actively searching for a replacement for Double Coin (Chinese) passenger and commercial vehicle tires after sales were hit by anti-dumping duties

### Construction Equipment

- ▶ Volvo construction equipment and Linde material handling equipment are at the heart of this LOB
- ▶ Have recently added Ingersoll Rand products to the portfolio on an exclusive basis
- ▶ Demand is supported by Egypt's ongoing investment in real estate and infrastructure

### 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
- ▶ LOB now making a gross profit on fixed-price contracts

### Miscellaneous

- ▶ Export activities including sale of commercial vehicles in Saudi Arabia, the UAE, Algeria and Ethiopia



# GB Auto: Recent Developments

## Business Development Highlights

- ▶ New paint shop will ramp up CKD assembly capacity in 2009; expansion of trailer line capacity will be complete by December 2008
- ▶ Building joint-venture bus assembly plant in Suez in partnership with global giant Marcopolo
- ▶ Rolling out expansion of national service and sales centers
- ▶ Partnership with Citibank to provide car loans
- ▶ Commercial vehicle leasing business now active (and insulated from customer defaults)
- ▶ Potential trailer truck and super-structure JV with global player
- ▶ Assessing alternatives to build a sustainable and growing tires business
- ▶ Surveying the market for interesting M&A opportunities

## Corporate Developments Highlights

- ▶ Leading regional management consultancy firm contracted to:
  - Advise on the organizational structure best aligned with strategy and expansion plans
  - Assist in the development of functional policies and procedures to support new structure
- ▶ HR restructuring involving the promotion and empowerment of mid-managers
- ▶ Upgrade and strengthening of audit function
- ▶ Full implementation of Oracle ERP system, enhancing efficiency across all functions
- ▶ GB Auto was recognized by Hyundai Motor Corporation as one of its best five worldwide distributors in 2007 and the best distributor in Africa in 2007
- ▶ In April 2008, GB Auto won recognition from Mitsubishi Fuso Truck & Bus Corporation for its historical sales record

- ▶ After growing at a rate of more than 33% in the first seven months, Egypt's automotive sector grew 7% in August 2008 and contracted 2% in September (industry figures)
- ▶ GB Auto fourth-quarter results will likely show low-to-mid single digit growth
- ▶ Preparing for volatile conditions in 2009: reducing inventory, working closely with key suppliers
- ▶ Goal for 2009: Capture new market share
- ▶ Easing supply constraints on suppliers' end and diverse product mix will ensure cost-conscious consumers can choose between a number of attractively priced options
- ▶ Remain on the look-out for appropriate acquisitions that would solidify or enhance regional position

### III. Financial Performance

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## Profit & Loss (2006–9M2008)

(LE million)	2006	2007	9M2007	9M2008
<b>Revenues</b>	<b>3,103.3</b>	<b>4,630.1</b>	<b>3,285.5</b>	<b>4,300.9</b>
<i>% growth</i>	<i>50.1</i>	<i>49.2</i>	<i>43.1</i>	<i>30.9</i>
<b>Gross Profit</b>	<b>537.1</b>	<b>685.0</b>	<b>464.0</b>	<b>761.4</b>
<i>% margin</i>	<i>17.3</i>	<i>14.8</i>	<i>14.1</i>	<i>17.7</i>
<b>EBITDA</b>	<b>417.4</b>	<b>500.7</b>	<b>371.3</b>	<b>605.0</b>
<b>EBIT</b>	<b>503.6</b>	<b>596.6</b>	<b>360.8</b>	<b>583.8</b>
<i>% margin</i>	<i>16.2</i>	<i>12.9</i>	<i>11.0</i>	<i>13.6</i>
<b>Net Income</b>	<b>281.5</b>	<b>453.6</b>	<b>242.5</b>	<b>417.1</b>



## Balance Sheet (2006–9M2008)

(LE million)	2007	9M2008	% Change
Cash	266.5	218.9	
Net Accounts Receivable	583.3	507.1	
Inventory	613.3	797.3	
Other Current Assets	211.8	319.2	
<b>Total Current Assets</b>	<b>1,674.9</b>	<b>1,842.5</b>	<b>10.0</b>
Net Fixed Assets	475.8	606.0	
Goodwill and Intangible Assets	187.6	189.1	
Other Long-term Assets	35.3	47.9	
<b>Total Long-Term Assets</b>	<b>698.7</b>	<b>843.0</b>	<b>20.9</b>
<b>Total Assets</b>	<b>2,373.6</b>	<b>2,685.5</b>	<b>13.1</b>
Short-term Notes and Debt	652.4	588.4	
Accounts Payable	496.7	522.1	
Other Current Liabilities	162.4	137.9	
<b>Total Current liabilities</b>	<b>1311.5</b>	<b>1248.4</b>	<b>-4.8</b>
<b>Total Long-Term Liabilities</b>	<b>225.6</b>	<b>189.0</b>	<b>-16.2</b>
<b>Total Liabilities</b>	<b>1,537.1</b>	<b>1,437.4</b>	<b>-6.4</b>
Minority Interest	6.1	6.0	
Common Stock	129.0	129.0	
Shares Held with the Group	(3.3)	(3.3)	
Legal Reserve	44.2	116.4	
Other Reserves	1,088.5	1,018.6	
Retained Earnings (Losses)	(428.0)	(18.6)	
<b>Total Shareholder's Equity</b>	<b>830.4</b>	<b>1,242.1</b>	<b>49.6</b>
<b>Total Liabilities and Shareholder's Equity</b>	<b>2,373.6</b>	<b>2,685.5</b>	<b>13.1</b>



## Passenger Cars (2006–9M2008)

(LE million)	2006	2007	9M2007	9M2008
Total Market (units)	133,591	179,178	128,762	162,552
<i>% growth</i>	<i>41.6</i>	<i>34.1</i>	<i>28.9</i>	<i>26.2</i>
GB Auto (units)	36,266	48,623	34,450	44,198
<i>% growth</i>	<i>42.9</i>	<i>34.1</i>	<i>24.6</i>	<i>28.3</i>
Market Share %	27.1	27.1	26.8	27.2
Total Revenue*	2,211	3,291.9	2,362.9	3,117.2
<i>% growth</i>	<i>37.9</i>	<i>48.9</i>	<i>40.3</i>	<i>31.9</i>
Gross Profit	357.5	432.3	299.9	545.9
<i>% growth</i>	<i>39.4</i>	<i>20.9</i>	<i>6.0</i>	<i>82.0</i>

\*Includes after-market revenue.





## Commercial Vehicles (2006–9M2008)

(LE million)	2006	2007	9M2007	9M2008
GB Auto (units)	1,914	2,948	1,857	3,099
<i>% growth</i>	<i>54.0</i>	<i>154</i>	<i>33.7</i>	<i>66.9</i>
Trucks	694	966	467	1020
Buses	1,109	1,451	1,099	1,174
Trailers	111	531	357	905
Market Share				
Trucks	14%	14.7%	9.7%	16%
Buses	31%	38.8%	32.4%	38.5%
Total Revenue*	417.1	590	395.2	636.0
<i>% growth</i>	<i>41.5</i>	<i>41.4</i>	<i>31.0</i>	<i>57.7</i>
Gross Profit	105.4	129.4	90.6	125.8
<i>% growth</i>	<i>90.4</i>	<i>44.8</i>	<i>4.7</i>	<i>38.9</i>

\*Includes sales of trucks, trailers, buses and superstructures, as well as after-market revenue.



## Motorcycles & Three-Wheelers (2006–9M2008)

(LE million)	2006	2007	9M2007	9M2008
GB Auto (units)	29,401	40,830	30,358	30,253
<i>% growth</i>	<i>40.0</i>	<i>38.9</i>	<i>54.3</i>	<i>-0.3</i>
Motorcycles	2,603	3,255	2,327	5,685
Three-wheelers	26,798	37,575	28,031	24,568
Total Revenue	365.8	528.2	388.5	383.6
<i>% growth</i>	<i>43.5</i>	<i>44.3</i>	<i>58.9</i>	<i>-1.3</i>
Gross Profit	53.0	86.1	61.3	79.5
<i>% growth</i>	<i>108.3</i>	<i>62.5</i>	<i>67.0</i>	<i>29.7</i>

\*Includes after-market revenue.

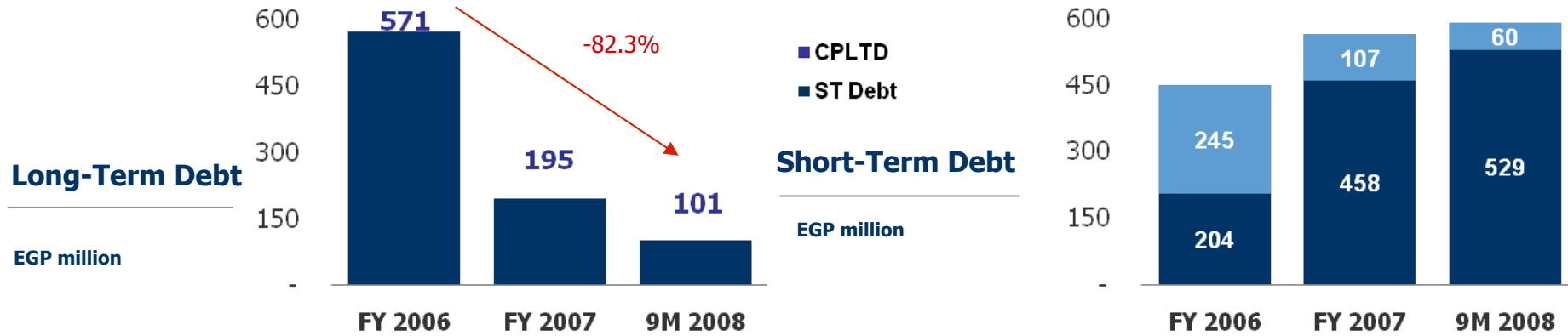


## Other Lines of Business (2006–9M2008)

(LE million)	2006	2007	9M2007	9M2008
Sales Revenue*	109.4	219.9	111.4	124.5
<i>% growth</i>	<i>45.0</i>	<i>33.3</i>	<i>52.6</i>	<i>47.2</i>
Tires	47.5	112	86.4	59.5
Construction Equip.	4.2	18.8	11.1	42.1
Transportation	31	62.6	27.8	39.6
Miscellaneous	26.7	26.5	13.9	22.9
Gross Profit	21.2	37.2	41.5	81.8
Tires	6.4	13.9	11.1	42.1
Construction Equip.	1.2	2.1	27.8	39.6
Transportation	8.7	17.4	-2.5	-5.4
Miscellaneous	4.9	3.8	2.6	0.1

\*Includes after-market revenue.

# A reduction of long-term debt enhances financing capacity going forward



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

- ▶ CPLTD 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***

## IV. Appendix: Management and Board of Directors

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## Investment in HR and Institutionalization

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- ▶ Top regional consultancy CDS helping GB Auto through process of institutionalization
- ▶ Board of Directors is now dominated by independent directors, including industry veterans from the region and beyond
- ▶ Ongoing HR restructuring has seen the hiring of a world-class Chief Financial Officer and reorganization of functional units
- ▶ HR structure will evolve once more in December 2008 with appointment of a Chief Human Resources Officer
- ▶ Also to be recruited:
  - ▶ Chief Operating Officer
  - ▶ Chief Business Development Officer
  - ▶ Chief Manufacturing Officer
- ▶ Consistent investment in staff to retain current talented staff and attract high-quality newcomers
- ▶ Targeting a salary bracket position in the first quartile

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

- 1 **Mr. Mohamed Abdel Wahab**, (Non-Executive Chairman) a 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**, (Chief Executive Officer) is the founder of The Ghabbour Group of Companies, which he began creating 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 to 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 tenure, 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 Egyptian 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 he 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 a 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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