



Future Trends in Egypt

Investors who attend Future Trends in Egypt, a forum being held in London over the two days 23rd and 24th June 2008, will be given a unique insight into the factors that are influencing prices of stocks traded on the Egyptian Stock Exchange. Beltone Financial is bringing together the experts whose presentations will explain why Egypt remains one of the prime investment destinations.

Leaders of Egypt's top companies will provide unique insights into their companies' success stories and why they are confident of a bright future for Egypt. The Minister of Investment, Dr. Mahmoud Mohieldin, will explain the reforms, which are propelling Egypt into the #1 position for investment in the Middle East and North Africa (MENA) region, attracting over US\$11 billion so far in 2007/2008.

Egypt's Stock Market - Past 12 Months



Source: Egyptian Stock Exchange

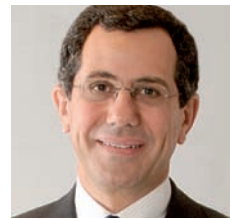
Beltone analysts who follow companies trading on the Egyptian Stock Exchange say they are optimistic that the four-year upward trend will continue fuelled by Egypt's robust growth and regional opportunities for expansion.

Buy Opportunity?

Egypt's robust economic performance remains on track. Stock market analysts monitoring the top companies in key business sectors expect the companies' strong positive performance to continue well into the medium term, as confirmed by their latest financial results.



Dr. Mahmoud Mohieldin, Minister of Investment: "The Egyptian private sector continues to grow with expectations of foreign investments for this year of more than US\$ 11 billion."



Alaa Saba, Chairman, Beltone Financial: "The trends suggest it is the right time to invest in Egypt's quality companies. Egypt is managing the outside influences that impact stock markets, such as inflationary pressures, and adopting domestic measures that are sustaining stability."



Ali El Tahry, Co-founder and Managing Director, Beltone Financial: "Egypt continues to distinguish itself from both emerging markets and other markets in the Middle East, demonstrating the diversity of opportunities and unique features of economic renaissance."



Angus Blair, Head of Research: "The macro-economic changes in Egypt have been revolutionary. Their impact has boosted business confidence, brought about a consumer boom, and attracted major private investment flows."

Sector Leaders Coming to London

Egyptian company heads attending the Future Trends in Egypt forum will include GB Auto, El Sewedy Cables, Nasr City Housing and Development, Orascom Construction Industries, Commercial International Bank (Egypt), Egyptian Financial and Industrial, Al Ezz Steel Rebars, Egyptian Resorts Company, Orascom Development Holding AG and Olympic Group. Combined their market cap is £ 172 billion.

**ELSEWEDY
CABLES**

eZZsteel
حديد عرز

**Olympic
Group**

CIB
One Bank. Unlimited Choices

Ghabbour Auto

ORASCOM
DEVELOPMENT HOLDING AG

ORASCOM
CONSTRUCTION INDUSTRIES

ERC
Egyptian Resorts Company

EFIC
البنك المصرفي
مصر

بنك مصر

Beltone's team of analysts provide investors with regular reports, analysing the activities and performance of companies traded on the Egyptian Stock Exchange and others traded in Saudi Arabia, the United Arab Emirates and Qatar, where Beltone is newly licensed to advise and participate in the variety of investment opportunities.

Investor Confidence Continues

Egypt's above-average growth is expected to be almost double worldwide average growth until 2009 (7%, compared with 3.7%). The pick up and liberalization of business has attracted record foreign direct investment of US\$ 11.3 billion in the first nine months of FY2007/08.

The budget deficit has been declining from 9% recorded in 2000 to a current 6.9% and the government's improved management of its fiscal balances has resulted in a significant increase in its revenues, sufficient to cover rising costs and avert a reversal in the downward trend of the budget deficit.

"Consumer demand and Egypt's low cost, demographics and location continue to attract foreign investors and expansion of foreign companies already invested", said Beltone's Chairman Alaa Saba.

"We believe the drop in value of shares in May in some Egyptian companies is a profit-taking correction. However, it does underscore the old adage: 'Sell in May and Go Away.' However, June and July look right for discerning investors to add Egyptian shares to their portfolios," said Saba.



Shrouk Diab *Resources*

Demand for fertilizers has risen strongly as the need to grow more crops has increased. Unlike Europe, which farms on a one-crop-per-year basis, Egypt's climate allows two crop harvests annually. That requires fertilizers to enrich the growing medium and has created high demand. Also, Egypt is becoming a major supplier of fruit and vegetables for Europe, through EC sponsorship. EFIC is Egypt's premier fertilizer producer, providing phosphates which are mined, and more recently nitrogen, produced from natural gas, which is being landed in increasing quantities, mainly from the Mediterranean Sea. Recently EFIC has doubled capacity and is on track to capitalize on its investments.

Companies: EFIC

Beltone Analysts Spot a Trend



Radwa El-Swaify *Banking*

The sector has consolidated into 41 banks from 62, following the four years of Government-led reform aimed at strengthening the operations of existing banks which sparked a wave of mergers and acquisitions. The Egyptian banks' traditional role of servicing corporate needs has been supplemented by consumer lending, which has great potential with only 10 percent of the population banked. Many foreign banks have entered Egypt, leveraging their consumer lending expertise. It has created healthy competition and led to significant branch expansion, innovative product offerings, and improved quality of customer service broadly across the banking sector.

Companies: Commercial International Bank (Egypt).



Mena Sadek *Consumer Goods*

The rise in consumer spending reflects the demographics of the region's most populous country (almost 80 million), with 53% of the population between the ages of 15 and 49, and 28% between 15 and 29 years old. We are positive about companies that are able to capitalize on Egyptian consumers' rising spending patterns, and we view GB Auto and Olympic Group specifically as two clear winners and main listed beneficiaries of the boom. We expect automotive sector sales to grow by more than 20% in 2008, supported by low penetration rates and more affordable cars, especially with the rise in consumer lending, while sales of white goods and household appliances should be expected to continue their strong performance as a large percentage of the population is at, or approaching, marital age.

Companies: GB Auto, Olympic Group.

Rising infrastructure spending since 2004 is supporting current industrial activity. Legislative reform, a strong economy, foreign investment and an exceptional effort by Egyptian companies during that period means that the fruits of investment in industrial and engineering capacity are being harvested now. "Yes, it's a testing phase with pressure caused by rising construction costs and production costs – a global trend, but the local market for materials will remain tight, given the order book of new projects, whether it be from the public or the private sector"

Companies: Orascom Construction Industries, El Sewedy Cables, Al Ezz Steel Rebars, Orascom Development Holding AG.

Egypt: Top World Reformer

Egypt is 2008's top reformer in the world, according to the International Finance Corporation (IFC). The IFC notes Egypt has done more than any other country in the world to improve doing business. Egypt's reforms covered five fields: company establishment, property registration, cross-border trade, issuing licenses and access to credit. The IFC said Egypt reforms helped to accelerate the establishment of small and medium-sized enterprises.

The Minister of Investment, Dr. Mahmoud Mohieldin, said Egypt had been honoured by being placed in the top spot. Reforms are aimed at achieving growth, increasing investment in small and medium companies and exerting more efforts to attract foreign direct investments in order to increase citizens' income and create jobs. The government has taken measures in the interest of the Egyptian citizens especially in the fields of education, medical care and improving the quality of life, Dr. Mohieldin said. The government is committed to a comprehensive reform program that is backed by an effective political will to ensure implementation of this program, albeit with challenges, and increase integration into the global economy through exporting and increasing investments.

Dr. Mohieldin said the government had succeeded, for the first time in modern history, by bringing public companies' investment portfolios into profit. Egypt was the first Arab and African country to join the OECD Investment Committee and is the #1 recipient in Africa of foreign investment, according to the World Investment Report published by UNCTAD.



The government's economic policies, implemented since mid-2004, have served to put the economy on a high growth trajectory. With most of the main macro reforms completed, we believe it is an opportune time for the government to focus on restructuring and reforming the economy's different sectors. Higher growth and investments recently targeting agriculture, manufacturing, transportation and infrastructure show the potential for growth and profitability in the economy's diverse activities. We believe there is more room for growth in these sectors, in addition to consumer goods, food processing, health and education, energy, especially renewable, and generally, manufacturing. There is a pressing need for more regulatory reform, further restructuring of market operations and liberalisation of different sectors, and to improve supply and demand dynamics, market information systems, and integration both locally and internationally. We believe micro level reforms are paramount in sustaining the high growth, and expanding benefits of reforms to larger groups of the Egyptian society and to more sectors of the economy. Overall, the velocity of growth remains high and the fundamentals underpinning the positive economic performance are sound. The Egyptian companies that are capitalising on these opportunities in the Egyptian economy are doing well and we believe, will continue to do so in tandem with the current economic cycle.



Registration Form



KINDLY NOTE THAT RESERVATIONS WILL BE ON A FIRST-COME-FIRST-SERVE BASIS

Title (Dr. Mr. Mrs. Ms.)
Surname Name

Position

Company

E-mail

Tel Fax Mobile

Are you a Beltone client? Yes No

If not, tell us about your business
.....
.....

Sector

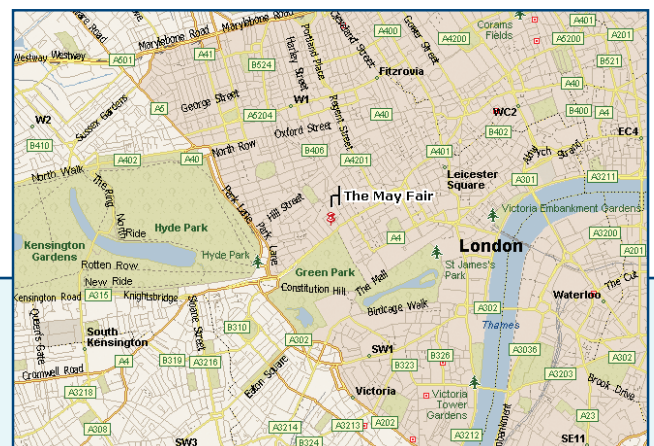
Have you invested in the Middle East? Yes No

Are you seeking investment opportunities in the Middle East? Please specify:
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If you wish to meet companies attending the London event on a one to one basis, please specify

- | | |
|--|--|
| <input type="checkbox"/> Ghabbour Auto | <input type="checkbox"/> El Sewedy Cables |
| <input type="checkbox"/> El Ezz Steel | <input type="checkbox"/> Egyptian Financial and Industrial Co. |
| <input type="checkbox"/> Orascom Construction Industries | <input type="checkbox"/> Olympic Group |
| <input type="checkbox"/> Orascom Development Holding AG | <input type="checkbox"/> Egyptian Resorts Company |
| <input type="checkbox"/> Commercial International Bank (Egypt) | <input type="checkbox"/> Nasr City Housing and Development |

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Mayfair: Convenient and stylish

Radisson Edwardian Mayfair Hotel London is one of London's finest, located in Stratton Street, a minute away from Green Park underground station, with exclusive Piccadilly, Bond Street and Knightsbridge nearby. Trafalgar Square, Buckingham Palace and Green Park are also very close at hand and the hotel is within easy reach of the city's professional, business and fashionable shopping areas. The Mayfair is renowned for fine cuisine and luxurious bedroom accommodation as well as ideal places for discreet one-on-one meetings.