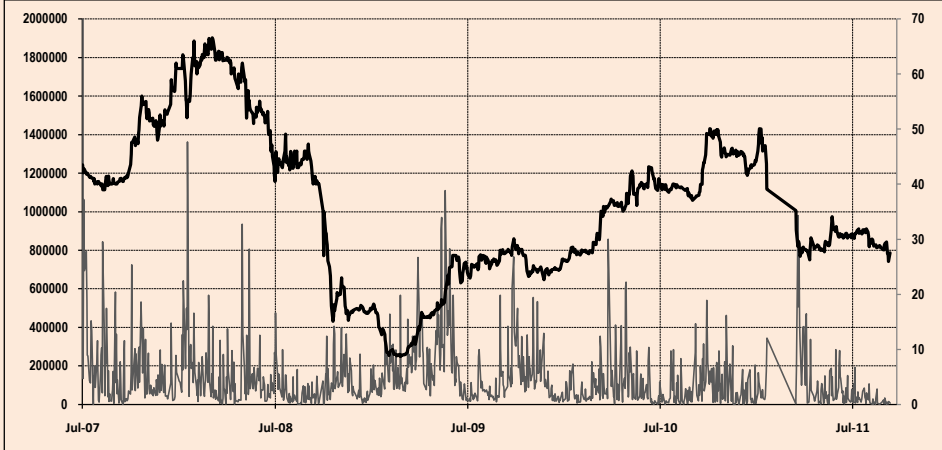


<b>Ghabbour Auto</b>		<b>Bloomberg</b> <b>AUTO EY</b>	<b>Incorporation</b> <b>Fiscal year end</b> <b>Listing</b>	<b>1999</b> <b>December</b> <b>Egypt</b>	<b>MCap Mn</b> <b>3,551</b>	<b>Recent</b> <b>Price EGP</b> <b>18-Sep-11</b>	<b>27.5</b>	<b>PE TTM</b> <b>PE MEDIAN</b> <b>PE AVG</b>	<b>20.9</b> <b>15.8</b> <b>12.6</b>	<b>PB TTM</b> <b>PB MEDIAN</b> <b>PB AVG</b>	<b>1.9</b> <b>1.6</b> <b>2.8</b>	<b>DIV. YIELD</b> <b>3.6%</b>	<b>WATHEEQA</b> <b>BLACK BOX</b>
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<b>Watheeqa Rating</b>	<b>Our Opinion</b>	<b>Intrinsic Value (IV) Range</b>
-	-	-
<b>Margin of Safety</b>	<b>Buy Below</b>	<b>- Discount/+Premium to IV</b>
-	-	-

**Business:** Ghabbour Auto manufactures automobiles and other vehicles. It holds the license to assemble cars, trucks, buses, construction equipment, motorcycles, and three-wheeled vehicles.

<b>Sector:</b> Consumer Discretionary	<b>Business:</b> Auto
<b>Key Stock Details</b>	<b>Shareholders (%)</b>
52 Week H/L: 55 / 24	Ghabbour Family: 62.0
3M-D.Avg.Vol: 33,523	Ola Lofty Zaki Wahba: 8.3
Free Float: 23%	Suleiman Abdulmohsen: 6.7
Shares O/S (M): 124	Public: 23.1



<b>Compounded Annual Growth Rates (%)</b>				
Parameters	10 Yrs	5 Yrs	3Yrs	1 Yr
Revenue	-	-	48.5	32.4
Gross Profit	-	-	9.7	1.5
Opr. profit	-	-	(5.0)	(23.6)
Net Profit	-	-	(15.9)	(38.0)
EPS	-	-	(15.9)	(38.0)
BVPS	-	-	13.9	15.6
DPS	-	-	-	-
Assets	-	-	23.9	52.1
SH Equity	-	-	13.9	15.6
Mcap	-	-	(8.7)	162.5

Valuations	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	YTD/TTM
Mcap (M)	-	-	-	-	-	-	7,353	2,135	3,180	5,604	3,551
Ent.Value (M)	-	-	-	-	-	-	7,861	2,910	3,925	6,912	5,711
PE x High	-	-	-	-	-	-	17.8	21.7	20.2	27.5	40.6
PE x Low	-	-	-	-	-	-	11.3	4.2	5.4	12.5	18.3
PE x Close	-	-	-	-	-	-	17.0	5.1	15.8	21.7	20.9
PB x High	-	-	-	-	-	-	5.7	5.2	2.1	3.6	3.7
PB x Low	-	-	-	-	-	-	3.6	1.0	0.6	1.6	1.7
PB x Close	-	-	-	-	-	-	5.4	1.2	1.6	2.8	1.9
Mcap/Sales x	-	-	-	-	-	-	1.6	0.4	0.7	0.8	0.5
EV/EBIDTA x	-	-	-	-	-	-	12.8	4.2	9.0	12.1	10.8
Earning Yld %	-	-	-	-	-	-	5.5	14.3	5.1	3.7	3.0
Div. Yld %	-	-	-	-	-	-	-	-	4.1	2.3	3.6

<b>Forecasts *</b>			
	2011F	2012F	
Revenue	7,055	9,247	-
Opr.Profit	469	701	-
Opr.Margin	6.6	7.6	-
Net Profit	220	381	-
EPS	1.8	3.1	-
Fwd PE x	15.5	8.9	-
Fwd PB x	1.8	1.6	-

Financial M	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	TTM
Revenue	-	-	-	-	-	3,103	4,630	5,192	4,258	6,874	6,964
Gross.Profit	-	-	-	-	-	537	670	872	594	885	823
Gr.Margin %	-	-	-	-	-	17.3	14.5	16.8	14.0	12.9	11.8
Opr.Profit	-	-	-	-	-	504	577	647	379	494	424
Opr.Margin%	-	-	-	-	-	16.2	12.5	12.5	8.9	7.2	6.1
Non.Opr. Inc	-	-	-	-	-	12	27	(3)	26	73	(133)
Net Profit	-	-	-	-	-	282	434	416	201	258	170

<b>Profitability Analysis (%) - Multi year averages</b>				
Parameters	10 Yrs	5 Yrs	3 Yrs	1 Yr
Gross Margir	-	-	14.5	12.9
Opr Margin	-	-	9.5	7.2
Net Margin	-	-	5.5	3.8
ROE	-	-	7.9	5.6
ROCE	-	-	28.0	19.9

Per share	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	TTM
EPS	-	-	-	-	-	-	3.4	3.2	1.6	2.0	1.3
BV	-	-	-	-	-	-	10.5	13.4	14.9	15.5	14.4
DPS	-	-	-	-	-	-	-	-	1.0	1.0	1.0
CEPS	-	-	-	-	-	-	4.7	5.4	3.4	4.4	2.1
Div. Payout %	-	-	-	-	-	-	-	-	64.0	50.0	-
Share O/S M	129	129	129	-	-	-	129	129	129	129	129

<b>Financial Position (EGP Mn)</b>				
Assets	2008	2009	2010	Common size
Cash & Eqv	124	142	829	15.0
Receivables	500	519	745	13.5
Inventories	1,345	1,184	1,661	30.1
ST.Inv.	-	-	-	0.0
Others	231	248	359	6.5
Cur. Asset	2,201	2,093	3,593	65.1
AFS	45	39	38	0.7
Fixed Asset	1,181	1,361	1,688	30.6
Intangibles	-	-	-	0.0
Others	202	201	199	3.6

Cash Flow	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	TTM
Opr.Cash	-	-	36	-	-	307	(376)	(53)	276	36	(419)
Cap.spending	-	-	(419)	-	-	(122)	(170)	(263)	(235)	(419)	(349)
Free Cash	-	-	(383)	-	-	185	(546)	(316)	41	(383)	(768)

Profitability	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	TTM
ROAA %	-	-	-	-	-	-	20.2	12.7	5.5	5.6	3.0
ROACE %	-	-	-	-	-	-	92.5	42.6	21.5	19.9	15.0
ROAE %	-	-	-	-	-	-	20.2	12.7	5.5	5.6	3.0
Net Margin %	-	-	-	-	-	9.1	9.4	8.0	4.7	3.8	2.4
Asset T/O x	-	-	-	-	-	-	2.2	1.6	1.2	1.5	1.2
Asset/Equity x	-	-	-	-	-	(2.2)	2.1	2.1	1.9	2.5	3.1

Liabilities	2008	2009	2010	
Payables	468	410	936	17.0
ST Debt	756	787	828	15.0
Others	472	414	400	7.3
Cur. Liability	1,696	1,612	2,165	39.2
LT Debt	128	33	1,086	19.7
Others	78	121	273	4.9

Fin.Health	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	TTM
Working Cap	-	-	-	-	-	(457)	345	504	482	1,429	1,041
Fixed Assets	-	-	-	-	-	352	1,007	1,181	1,361	1,688	1,738
Total Assets	-	-	-	-	-	1,384	2,902	3,629	3,694	5,518	5,739
Total Debt	-	-	-	-	-	1,020	760	884	820	1,914	2,630
Total Equity	-	-	-	-	-	(689)	1,350	1,726	1,928	1,995	1,861
Debt/Equity x	-	-	-	-	-	(1.5)	0.6	0.5	0.4	1.0	1.4

Quarterly	Revenue M	QoQ Ch%	N.Profit M	QoQ Ch%	EPS	Peer Group	Mcap (M)	PE x	ROE (%)
Q3-10	2,046	17.6	71	(8.0)	0.6				
Q4-10	1,762	(13.9)	40	(43.9)	0.3				
Q1-11	1,298	(26.3)	8	(80.8)	0.1				
Q2-11	1,858	43.1	50	556.4	0.4				

Source: Company, Bloomberg, Zawya, Watheeqa - Legend: Valuation are based on year end figures - Abbreviations: IV - Intrinsic Value, M - Million, O/S - Outstanding, SHE - Share Holders Equity, ST - Short Term, LT - Long Term, Cur - Current, T/O - Turnover, Ent. - Enterprise, MCap - Market Capitalization, BVPS - Book Value Per Share

The Information contained herein is not represented or warranted to be accurate, complete, or timely. This report is for informational purposes only and should not be considered a solicitation to buy or sell any security.