



GB Auto Announces Exclusive Mazda Representation for Egypt

"This agreement gives GB Auto the exclusive right to import and distribute Mazda vehicles in North Africa's largest passenger car market"

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CAIRO — GB Auto S.A.E. (Auto.CA on the Egyptian Exchange), the leading automotive assembler and distributor in the Middle East and North Africa, announced today that it has entered into an exclusive agreement to import and distribute Mazda-branded vehicles in Egypt.

"I am very pleased to announce that after a period of absence, we have renewed our right to distribute Mazda products in Egypt," said GB Auto Chief Executive Officer Dr. Raouf Ghabbour. "We will launch with the Mazda3, which we will import Completely Built-Up (CBU) and bring to market in the second quarter of this year. This will be followed by the compact Mazda2 model."

GB Auto will support the Mazda franchise with new dealer and after-sales networks. The Mazda3 will initially roll into three GB Auto-owned showrooms (two in Cairo and one in Alexandria) as well as approximately eight authorized dealers.

GB Auto is already the leading automotive player in Egypt, with a 27% share of the passenger car market on the strength of its time-proven relationship with Hyundai, for whom it is the exclusive Egyptian assembler and distributor.

"Mazda is a very complementary product to our existing range of imported and locally assembled Hyundai passenger cars," Ghabbour noted. "With a different price point, we are directly targeting the acquisition of market share currently held by Japanese and European brands."

GB Auto estimates that the Mazda franchise will allow the company to capture an additional two to three percentage points of market share in the first year of operations. The company ceased distributing Mazda vehicles in Egypt in 2001 due to an unfavorable customs regime. Easing of customs duties in the intervening years make this an opportune time to bring this popular brand back to the market, Ghabbour explained.

GB Auto has been aggressively pursuing expansion plans since mid-2009, bolstered by a strong balance sheet and with new assembly, sales and after-sales service capacity coming on stream this year in a number of lines of business including passenger cars. The company's business lines also include commercial vehicles, tires, construction equipment, motorcycles and three-wheelers, and consumer finance.

"The Mazda representation is just the first of a number of new business announcements we expect to make in 2010," said Ghabbour. "This builds on our strong performance in 2009, when the second half saw our new trailer distributorship in Algeria start delivering sales. That was followed by the announcement of our microfinance arm, which will help drive sales of motorcycles and three-wheelers, our fastest-growing line of business, later this quarter. Moreover, production has begun at our new bus plant in Suez, GB Polo."

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About GB Auto S.A.E.

GB Auto S.A.E. (Stock Symbol: AUTO.CA) is the leading automotive producer and distributor in the Egyptian market. The company assembles, imports and distributes passenger cars under the Hyundai brand as well as commercial vehicles (buses, trucks and trailers) under the Volvo, Mitsubishi, Hyundai and Ghabbour brands. In addition, it distributes motorcycles and scooters under the Bajaj brand, tires under the Lassa brand and Volvo construction equipment. The company also operates Egypt's largest network of service centers and automotive accessories sales points as well as passenger and cargo transportation services. GB Auto is headquartered in Giza, Greater Cairo Area, Egypt. (www.ghabbourauto.com)

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