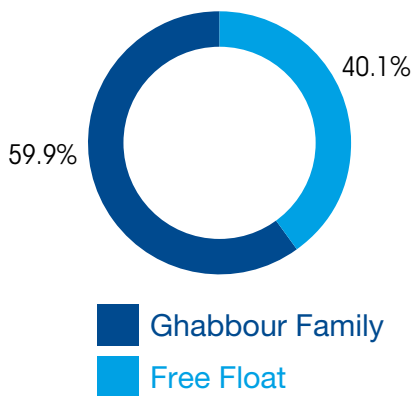


AUTO.CA
on the Egyptian Exchange

GB Auto's Shareholding Structure
as of 30 September 2017



GB Auto Reports 3Q17 Results

Automotive leader's revenues grow 16.4% y-o-y, reflecting a solid management strategy and strong execution

6 November 2017 — (Cairo, Egypt) GB Auto (AUTO.CA on the Egyptian Exchange), a leading automotive company in the Middle East and North Africa and non-bank financial services provider in Egypt, announced today its consolidated results for the third quarter and nine months 2017. The Group recorded revenue gains for both the three and nine-month periods despite the rocky landscape the auto business continues to have to navigate.

"Overall, the third quarter of 2017 showed an improvement, as we had anticipated, but the fact remains that consumer sentiment continues to be a hamper on the automotive business," said GB Auto Chief Executive Officer Raouf Ghabbour. "We do see signs of increasing demand for Passenger Cars, which we believe will steadily continue, as we've managed to maintain our market share at above 30% and anticipate we'll hit 33% — our historical rate — by the end of the year."

In 2Q17, management adopted a new disclosure structure that reports its core automotive and high-margin Financing Businesses as two separate functions due to their vastly different financing and capital structure and risks. With the automotive business continuing to find its footing in a challenging environment, management sees the split as a better reflection of the Group's net debt, facilitating more accurate valuations and revealing hidden value in the company's share.

GB Auto Group recorded consolidated revenues of LE 5,032.2 million in 3Q17, up 16.4% y-o-y, while on a year-to-date basis revenues grew 8.9% y-o-y in 9M17 to LE 12,172.9 million. GB Capital delivered a solid performance in 3Q17 with revenues up 41.3% y-o-y (after intercompany eliminations) to LE 604.9 million, contributing 12.0% to Group revenues and 24.8% to revenue growth in absolute terms. On a year-to-date basis, GB Capital played a significant role in revenue growth in 9M17, with revenues up 46.7% y-o-y (after intercompany eliminations) making up 14.7% of the Group's total revenues for the period.

GB Auto & Auto-Related segment's results were hampered by the sluggish performance of the Egyptian Passenger Car segment as consumers have yet to recover from the aftermath of the Egyptian pound's float last year. However, the Passenger Car segment is showing vivid signs of recovery, with revenues for the division gaining 76.2% q-o-q in 3Q17 compared to a 43.1% q-o-q increase in 2Q17.

"We believe we're finally seeing consumers slowly adapting to new market realities despite the fact that the car market as a whole is operating at much lower levels than last year," said Ghabbour. "After turning our sights to inventory reduction at the start of the year, we've successfully managed to reach a stage where it will no longer be a focal point of our business strategy. We're now looking to regain margins and reduce debt, and after having renegotiated prices for new inventory we believe we're well on our way to doing just that."

The Group's gross profit decreased y-o-y to LE 481.6 million in 3Q17, yielding a gross profit margin of 9.6% versus 12.6% in the same period last year, brought down once again by special price promotions that sought to spur a pickup in volumes. Meanwhile, a 35.4% y-o-y increase in SG&A coupled with a 109.9% y-o-y

“ We’re now looking to regain margins and reduce debt. ”

increase in finance costs to LE 344.2 million saw GB Auto turn a net loss of LE 138.9 million in 3Q17 and LE 444.3 million for the nine-month period.

"Over the past several quarters, we've worked hard to run a much tighter ship as part of our anchoring strategy to weather this challenging time for the automotive market. We've taken steps to manage operating and marketing costs, streamline our head count, and maximize energy efficiency in our premises," said Ghabbour. "At the same time, having worked through most of our inventory, we're slowly seeing revenues creep back up, which will allow us to further reduce debt levels. In fact, this quarter, we've seen Auto and Auto related debt fall to EGP 5.6 billion, a trend we expect to continue throughout the coming quarters insofar as the automotive and auto-related business is concerned."

Looking ahead, Ghabbour noted, "GB Auto's extensive experience in the industry has taught us that with flexibility and carefully outlined strategies, we can not only navigate rocky terrains, but can come out a better, leaner, transformed operation. After realigning our business as two distinct lines in the form of GB Auto & Auto Related and GB Capital, we've managed to capitalize on the tools already in our toolbox — namely our diverse lines of business — to continue leading the market. We are confident that the recovery we're seeing this quarter will continue into the next and that we are seeing our customers improve their financial positions and adapting to new market prices."

Highlights of GB Auto Group's 3Q17 results follow, along with management's analysis of the company's performance. Complete financials are available for download on ir.ghabbourauto.com.

GB Auto 3Q17 Results Highlights

Third Quarter 2017 Financial Highlights

- GB Auto Group's total revenues for 3Q17 recorded LE 5,032.2 million, up 16.4% y-o-y compared to the LE 4,321.4 million recorded in the same period last year.
- Gross profit decreased 11.6% y-o-y to LE 481.6 million with a gross profit margin of 9.6% compared to 12.6% in 3Q16.
- EBITDA for the quarter came in at LE 296.8 million, down 26.5% y-o-y and with an EBITDA margin of 5.9%.
- Net loss stood at LE 138.9 million compared to a net income of LE 39.4 million in the same period last year, driven largely by significant finance costs.

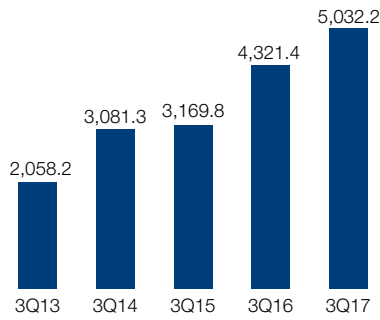
Nine Months 2017 Financial Highlights

- For the nine-month period, Group revenues turned a 8.9% y-o-y growth to LE 12,172.9 million.
- Gross profit fell 6.4% to LE 1,454.9 million compared to LE 1,554.7 million in 9M16, yielding a two-point contraction in gross profit margin to 12.0%.
- EBITDA decreased to LE 876.6 million, down 18.2% y-o-y and with an EBITDA margin of 7.2%.
- Net loss for the nine-month period stood at LE 444.3 million compared to a net income of LE 192.4 million in the same period last year. The bottom line includes LE 954.6 million in finance costs, up 124.0% y-o-y.

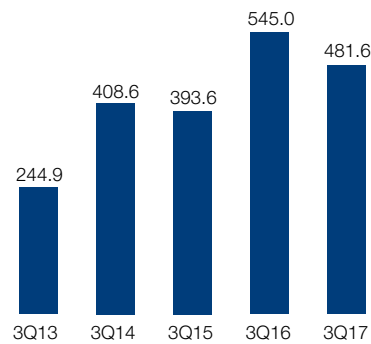
Third Quarter 2017 at a Glance

Key Indicators (all figures in LE million)

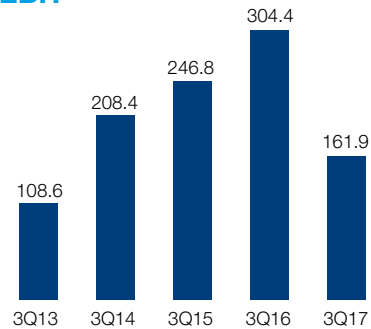
Revenues



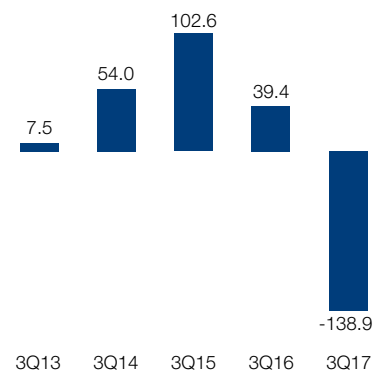
Gross Profits



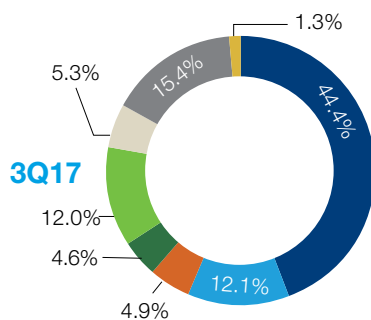
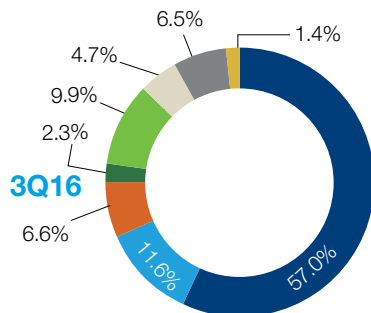
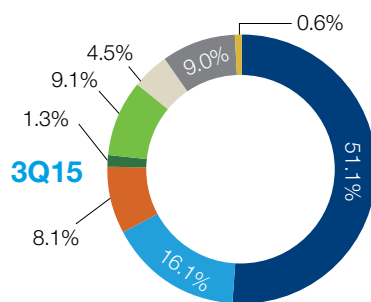
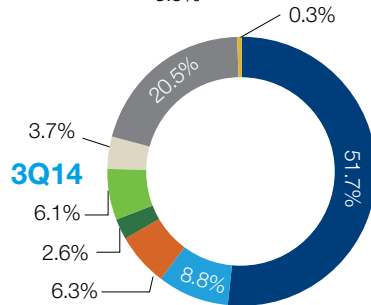
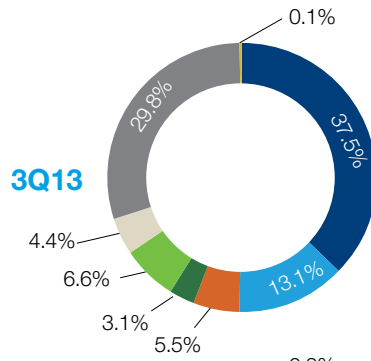
EBIT



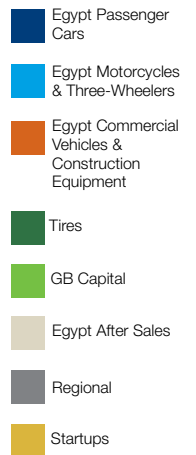
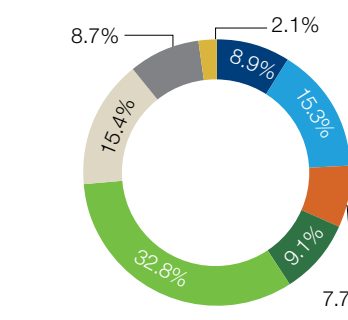
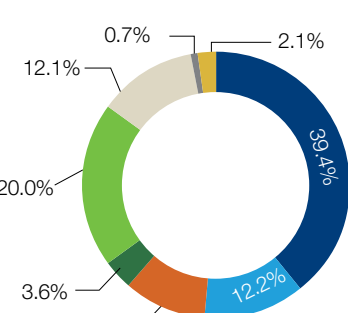
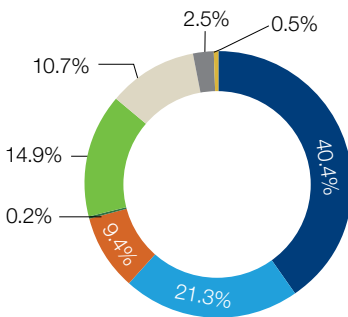
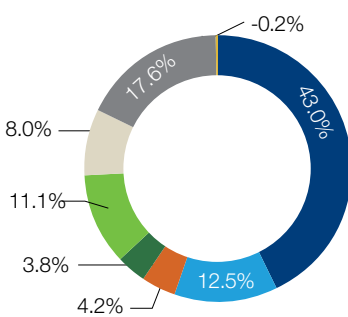
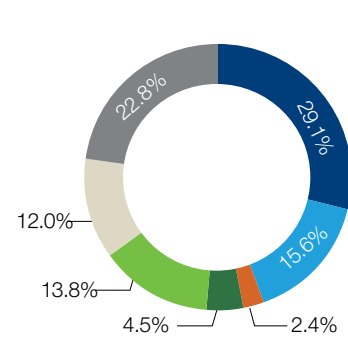
Net Income



Revenue Contribution by Line of Business



Gross Profit Contribution by Line of Business



Financial Position and Working Capital Management

GB Auto's overall annual sales revenues rose 16.4% y-o-y in 3Q17 with the company's key accomplishment being increasing its Egypt Passenger Cars sales revenue 76.2% q-o-q and boosting volumes 69.3% q-o-q. As a result, GB Auto's market share in 3Q17 reached 36.6%, supported also by strong revenues from the Two- and Three-Wheeler segment, where revenues grew 13.5% q-o-q, and a significant increase in Egypt Tires Revenues by 39.7% q-o-q. As previously communicated, management succeeded in reducing inventory levels significantly and aims to end the current year with historically low inventory in terms of volume.

Along with the increase in GB Auto's top line, gross profit inched up 1.8% q-o-q, but fell 11.6% y-o-y due to the decrease in Egypt and Regional passenger car profitability. The improved revenues from operations were, however, negatively impacted by the following: a) higher SG&A expenses of LE 341.8 million in 3Q17 (versus LE 252.5 million in 3Q16) due to the higher expenses of the expanding finance businesses, natural inflation arising from the Egyptian pound's floatation that affects our Regional operations, and a higher depreciation expense due to the revaluation of assets (also a result of the floatation); and b) increased finance costs of LE 344.2 million during the quarter due to higher levels of official interest rates (+7% versus last year) as well as additional working capital requirements for day-to-day operations (as a result of the increased cost after devaluation).

On the cash front, and in line with management guidance, the company succeeded in generating positive cash flows due to the significant reduction of inventory.

The Group's net debt stood at LE 8.5 billion, a decrease of LE 281.6 million compared to 2Q17. At the end of 3Q17, total consolidated debt decreased to LE 9.5 billion, which includes LE 3.9 billion in financing business debt as we continue to expand our healthy financing operations. GB Auto's inventory level decreased LE 1.5 billion in 3Q17 compared to 2Q17. It is worth mentioning that advances to suppliers more than doubled during the quarter. This reflects the placement of new orders at more favorable prices, which will lead to improved margins.

Table 1: Progression of Key Working Capital Components for the Group

		1Q17	2Q17	3Q17
Group's Net Debt	(LE million)	9,492.5	8,833.2	8,551.6
Inventory	(LE million)	6,828.1	5,310.0	3,807.4
Advances To Suppliers	(LE million)	549.9	494.9	1,036.4

Table 2: Segregated Income Statement by Segment

(LE million)	9M17			
	GB Auto (Auto & Auto Related)	GB Capital (Financing Business)	Elimination	GB Auto Consolidation
Revenues	9,917.4	2,255.6	-	12,172.9
Inter-Segment Revenues	468.2	117.2	-585.3	-
Total Revenues	10,385.5	2,372.7	-585.3	12,172.9
Cost Of Sales	-8,950.3	-1,767.7	-	-10,718.0
Inter-Segment Cost Of Sales	-469.2	-162.1	631.3	-
Cost Of Sales	-9,419.4	-1,929.8	631.3	-10,718.0
Gross Profit	966.1	442.9	45.9	1,454.9
General, Selling And Administrative Expenses	-881.1	-172.5	100.0	-953.6
Other Operating Income	130.2	10.3	-34.1	106.4
Provisions (Net)	-33.3	-43.3	-	-76.6
Operating Profit	181.9	237.4	111.8	531.1
Finance Cost / Income	-843.1	1.0	-112.5	-954.6
Forex	-122.3	-4.8	-	-127.2
Net Profit / (Loss) Before Tax	-783.5	233.6	-0.7	-550.6
Income Tax	114.2	-39.1	-	75.1
Net Profit / (Loss) After Tax And Before NCI	-669.3	194.5	-0.7	-475.5
NCI	-52.6	23.2	-1.7	-31.2
Net Profit / (Loss) After NCI	-616.6	171.3	1.0	-444.3

Intra-segments balances and transactions, and any unrealized income and expenses arising from intra-segments transactions, are eliminated. The major intra-segments transactions are trading of Auto and Auto related, Leased items as well as reclassification between cost of sales and finance cost for consistent application of consolidation procedure of the group. Historical data for GB Auto Group's segregated financials can be downloaded at ir.ghabbourauto.com/fundamentals

Table 3: Segregated Balance Sheet by Segment

As of 30 September 2017				
(LE million)	GB Auto (Auto & Auto Related)	GB Capital (Financing Business)	Elimination	GB Auto Consolidation
Property Plant And Equipment	2,630.4	2,897.4	-245.7	5,282.0
Intangible Assets And Goodwill	435.0	1.0	-	436.0
Payment Under Investments	5.7	-	-	5.7
Investments In Subsidiaries (GB Capital)	325.9	-	-325.9	-
Notes Receivable	11.9	912.6	-	924.6
Other Debit Balance	33.4	-	-	33.4
Other Debit Balance - Inter-Segment	80.7	-	-80.7	-
Investments Property	90.9	-	-	90.9
Deferred Tax Assets	327.9	2.9	-	330.9
Non Current Assets	3,941.9	3,814.0	-652.4	7,103.5
Inventories	3,771.9	35.6	-	3,807.4
Trade Receivables	1,754.5	1,424.6	-	3,179.1
Advance Payments To Suppliers	1,034.3	2.1	-	1,036.4
Debtors & Other Debit Balance	509.8	53.7	-	563.5
Debtors & Other Debit Balance - Inter-Segment	23.9	-	-23.9	-
Due From Related Parties	109.7	12.0	-	121.7
Due From Related Parties - Inter-Segment	459.4	5.5	-464.9	-
Cash And Cash Equivalents	839.5	147.6	-	987.1
Current Assets	8,503.0	1,681.0	-488.8	9,695.2
Total Assets	12,444.9	5,494.9	-1,141.2	16,798.7
Share Capital	1,094.0	318.0	-318.0	1,094.0
Legal Reserves	299.8	18.6	0.1	318.5
Private Reserve	2,254.5	3.8	-3.8	2,254.5
Surplus Evaluation Of PP&E - Private Reserve	170.5	-	-	170.5
Accumulated Profit (Losses)	-378.4	289.9	3.2	-85.3
Net Income / (Loss) For The Period	-616.6	171.3	1.0	-444.3
Total Shareholders' Equity Before NCI	2,823.8	801.6	-317.5	3,307.9
Total NCI	1,060.2	96.6	-8.3	1,148.5
Total Equity	3,884.0	898.2	-325.8	4,456.4
Trade Payables	1,977.7	159.8	-	2,137.5
Trade Payables - Inter-Segment	-	8.3	-8.3	-
Deferred Revenue - Inter-Segment	54.1	-	-54.1	-
Loans And Overdraft	5,522.9	1,594.0	-	7,116.9
Due To Related Parties	74.7	2.4	-	77.1
Due To Related Parties - Inter-Segment	4.5	460.5	-464.9	-
Provision	120.6	56.1	-	176.7
Other Current Liabilities	65.0	36.1	-	101.1
Total Current Liabilities	7,819.4	2,317.1	-527.3	9,609.2
Loans	152.0	2,269.8	-	2,421.8
Provision	45.7	-	-	45.7
Deferred Revenue	82.4	-	-	82.4
Deferred Revenue - Inter-Segment	288.0	-	-288.0	-
Trade And Notes Payable	-	0.3	-	0.3
Deferred Tax Liabilities	173.3	9.6	-	182.9
Total Non Current Liabilities	741.5	2,279.6	-288.0	2,733.1
Total Equity And Liabilities	12,444.9	5,494.9	-1,141.2	16,798.7

Historical data for GB Auto Group's segregated financials can be downloaded at ir.ghabbourauto.com/fundamentals

Supplementary Financial Information for GB Auto (excluding GB Capital)

Table 4: Quarterly Trend for Key Balances

(LE million)	31-Mar-17	30-Jun-17	30-Sept-17
Inventories (Net)	6,800.6	5,281.7	3,771.9
Net Debt	5,979.5	4,987.5	4,380.5
Advance Payments To Suppliers	546.7	491.0	1,034.3
Trade Payables	2,121.6	1,786.3	1,977.7

Table 5: Key Ratios

(LE million)		9M17
Net Debt / Equity*	Units	1.13
Total Liabilities Less Cash / Equity	Units	1.99
Current Ratio	Units	1.09
Net Debt / EBITDA **	Units	15.00
EBITDA / Finance Cost **	Units	0.28
Average Capital Employed ***	LE million	6,675.6
ROCE ^	%	1.8%
ROE Of GB Auto (Auto And Auto Related) Towards Group Pre Forex ^^	%	-17.3%

* Net Debt as of 30 September 2017 = (short term debt + long term debt + due to related parties inter-segment) - (Cash and cash equivalents + due from related parties inter-segment)

** EBITDA and Finance cost used in the above ratios has been calculated from 1 October 2016 till 30 September 2017

*** Average capital employed as of 30 September 2017 = Average (property, plant and equipment + Intangible assets and goodwill + Investment property + inventories + Trade receivables + Debtors and other debit balance) - Average (Trade payables + Other current liabilities). Average capital employed used in the above ratios has been calculated average (30 September 2017 + 30 September 2016) / 2

^ ROCE = operating profit** / average capital employed. Operating profit used in the above ratios has been calculated from 1 October 2016 till 30 September 2017

^^ RoE of GB Auto (Auto and auto related) towards Group pre FOREX = (Net profit / (loss) after NCI - FOREX) / Average total shareholders' equity excluding NCI. Net profit / (loss) after NCI and FORX used in the above ratios has been calculated from 1 October 2016 till 30 September 2017. Average total shareholders' equity excluding NCI used in the above ratios has been calculated average (30 September 2017 + 30 September 2016) / 2

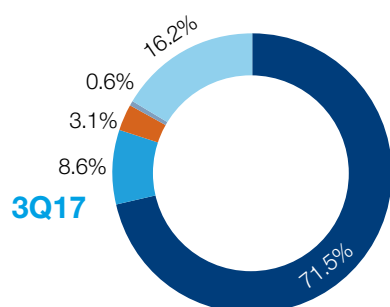
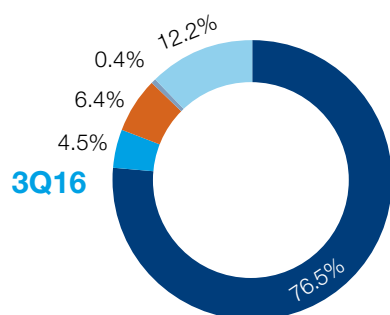
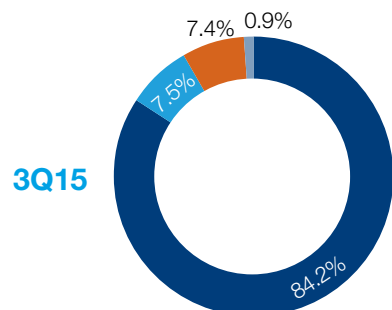
Table 6: Net Debt Development

(LE million)	9M17
Auto And Auto Related Cash At The Beginning Of The Period	1,092.2
Effect Of FX Rates	-10.5
Net Increase In Cash During The Period	-242.2
Auto And Auto Related Cash At End Of The Period	839.5
Auto And Auto Related Total Debt At End Of The Period	5,674.9
Less: Due From Related Parties - Inter-Segment	-455.0
Less: Auto And Auto Related Cash At End Of The Period	-839.5
Auto And Auto Related Net Debt At End Of The Period	4,380.5

Table 7: Cash Flow Statement for GB Auto (Auto & Auto Related)

(LE million)	30-Sep-16	30-Sep-17
Cash Flows From Operating Activities		
Net (Loss) / Profit Before Tax	134.7	-783.5
Adjustments:		
Interest Expense	391.9	840.8
Depreciation And Amortization	87.0	135.1
ESOP Cost	14.0	1.8
Provisions - Net	22.3	28.1
Impairment In Current Assets - Net	-17.7	-49.3
Interest Income	-26.6	-56.6
Interest Expense Capitalized On Property, Plant And Equipment	-9.3	-24.6
Un-Realized FOREX Loss	-	-2.7
Loss From Sale Of Shared Held By The Group	-	-50.6
Impairment Expense Of Assets Held For Sale	-21.2	-
Gain On Sale Of PP&E And Assets Held For Sale	-0.7	-67.7
Operating Cash Flow Before Changes In Working Capital	574.3	-29.2
Changes In Working Capital		
Inventories	-489.0	2,084.4
Trade Receivables	-428.4	-274.4
Debtors And Other Debit Balances	1.7	-395.9
Due From Related Parties	-48.8	-87.2
Due To Related Parties	-28.5	5.4
Due From Related Parties - Inter-Segment	-214.9	48.4
Due To Related Parties - Inter-Segment	-	4.5
Trade Payables And Other Credit Balances	-60.1	-403.7
Provisions Used	-23.2	-33.2
Cash Flow (Integrated From) Operating Activities	-716.9	919.2
Dividends Paid	-40.0	-
Income Tax Paid During The Period	-41.0	-23.9
Net Cash Flow (Integrated From) Operating Activities	-797.8	895.3
Cash Flows From Investing Activities:		
Purchase of Minority	-5.9	-
Purchase of Projects Under Constructions	-76.4	-311.3
Purchase of Intangible Assets	-0.2	-2.1
Interest Received	22.3	48.6
Payment for Investment	-1.3	-0.2
Proceeds from sale of property, plant and equipment	3.3	380.2
Net Cash Flow (used in)/generated from Investing Activities	-58.2	115.1
Cash Flows From Financing Activities		
Loans And Borrowings	691.0	-538.4
Interest Paid	-376.9	-793.1
Proceed From Sale Of Shares Held By The Group	-	77.1
Proceeds From Non-Controlling Interest to Increase Capital of Subsidiaries	-	1.8
Net Cash Flow Generated From Financing Activities	314.1	-1,252.7
Net Decrease In Cash And Cash Equivalents	-541.8	-242.2
Cash And Cash Equivalents At Beginning Of The Period	1,068.2	1,092.2
Translation Differences	158.6	-10.5
Cash And Cash Equivalents At End Of The Period	685.0	839.5

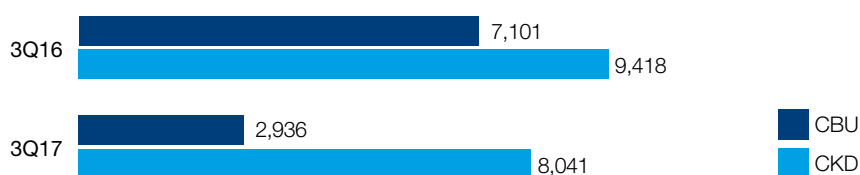
Passenger Car Revenue Breakdown by Segment



Egypt Passenger Cars Line of Business

GB Auto is a leading passenger car importer, assembler, and distributor in the Middle East and North Africa. In Egypt, it is the largest in the market, as the sole representative of Hyundai, Geely, Mazda, and Chery passenger cars. GB Auto serves the Egyptian market with both Completely-Knocked-Down (CKD) and Completely-Built-Up (CBU) products.

Breakdown of Units Sold



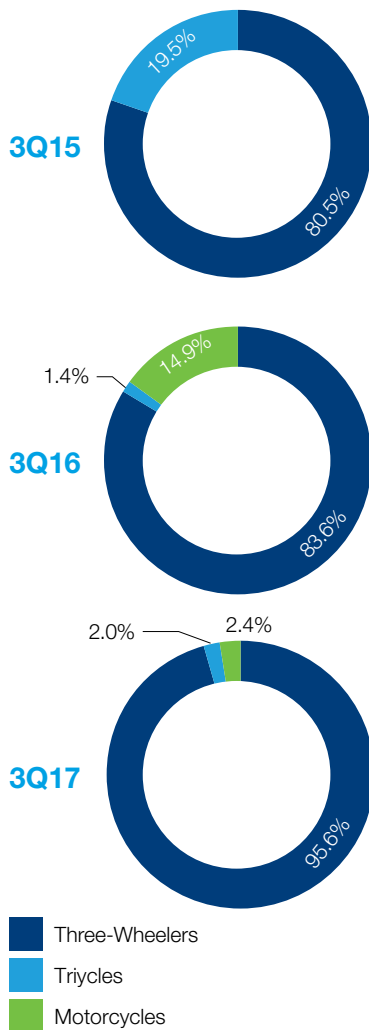
- Revenues from Egypt Passenger Cars recorded a 76.2% q-o-q increase in 3Q17 to LE 2,232.4 million on the back of significantly higher volumes, with GB Auto selling a total of 10,977 units during the quarter, which is 69.3% higher than 2Q17.
- The q-o-q recovery is expected to continue through to year-end as the company manages its old stock across its distribution channels and brings in new stock at favorable prices. Management targets a sales mix of 60% CKD models and 40% CBU, which have more favorable margins, instead of the current 75:25 ratio.
- GB Auto was successful in recapturing market share in 3Q17, which climbed to 36.6%, including Hyundai, Geely, Mazda, and Chery, compared to 31.3% in 2Q17, and is in-line with the level recorded in the same period last year.
- Management is optimistic about the sector as low-margin models are cleared from the market and more profitable ones begin taking their place.

Table 8: Egypt Passenger Cars Sales Activity

		3Q16	3Q17	% Change	9M16	9M17	% Change
CBU Sales Volume (Hyundai)	(Units)	6,388	2,703	-57.7%	17,608	5,148	-70.8%
CBU Sales Volume (Geely)	(Units)	-	1	-	6	4	-33.3%
CBU Sales Volume (Mazda)	(Units)	713	232	-67.5%	1,375	664	-51.7%
CKD Sales Volume (Hyundai)	(Units)	5,172	3,943	-23.8%	14,036	8,480	-39.6%
CKD Sales Volume (Chery)	(Units)	2,984	2,474	-17.1%	6,062	4,419	-27.1%
CKD Sales Volume (Karry)	(Units)	140	140	-	336	319	-5.1%
CKD Sales Volume (Geely)	(Units)	1,122	1,484	32.3%	2,912	2,452	-15.8%
Total Sales Volume	(Units)	16,519	10,977	-33.5%	42,335	21,486	-49.2%
Total Sales Revenue	(LE million)	2,464.3	2,232.4	-9.4%	5,925.4	4,384.8	-26.0%
Gross Profit	(LE million)	214.5	42.7	-80.1%	656.4	225.4	-65.7%
<i>Gross Profit Margin</i>	<i>(%)</i>	<i>8.7%</i>	<i>1.9%</i>	<i>-6.8</i>	<i>11.1%</i>	<i>5.1%</i>	<i>-5.9</i>

*Please note that AMIC figures are based on individual companies willingly contributing / reporting their sales and that GB Auto cannot attest to their full accuracy nor guarantee that all companies operating in Egypt report to AMIC.

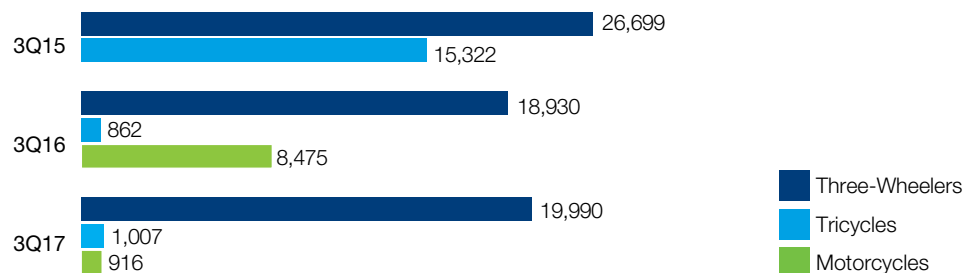
Motorcycle & Three-Wheeler Revenue Breakdown by Segment



Egypt Motorcycles & Three-Wheelers Line of Business

GB Auto is Egypt's leading assembler and distributor of Bajaj three-wheelers and motorcycles, operating the brand's largest mechanical assembly line outside of India.

Breakdown of Units Sold



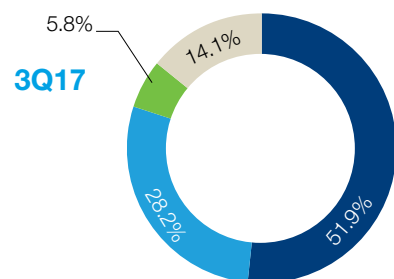
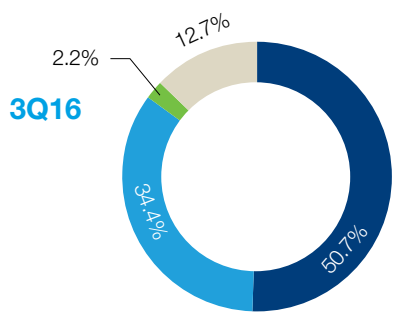
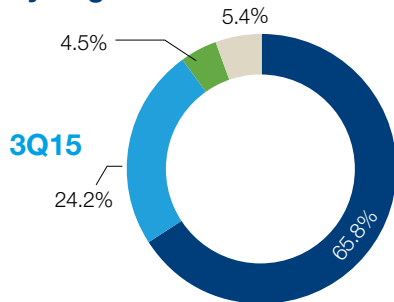
Motorcycles & Three-Wheelers

- The Motorcycles and Three-Wheelers division in Egypt continued to enjoy strong demand as the sector quickly begins to pick up, recording revenue growth of 21.8% y-o-y in 3Q17 to LE 608.2 million. On a year-to-date basis, revenue growth recorded a 11.3% y-o-y increase to LE 1,524.4 million in 9M17.
- Management plans to further boost two-wheeler volumes by manufacturing chassis and taking over complete CKD assembly using local inputs, which should put the segment back in line for growth.

Table 9: Egypt Motorcycle & Three-Wheeler Sales Activity

		3Q16	3Q17	% Change	9M16	9M17	% Change
Three-Wheeler Sales Volume	(Units)	18,930	19,990	5.6%	55,694	48,618	-12.7%
Tricycles Sales Volume	(Units)	862	1,007	16.8%	2,168	3,448	59.0%
Motorcycle Sales Volume	(Units)	8,475	916	-89.2%	25,489	7,890	-69.0%
Total Sales Volume	(Units)	28,267	21,913	-22.5%	83,351	59,956	-28.1%
Sales Revenue	(LE million)	499.5	608.2	21.8%	1,369.5	1,524.4	11.3%
Gross Profit	(LE million)	66.2	73.6	11.1%	203.4	167.9	-17.4%
Gross Profit Margin	(%)	13.3%	12.1%	-1.2	14.8%	11.0%	-3.8

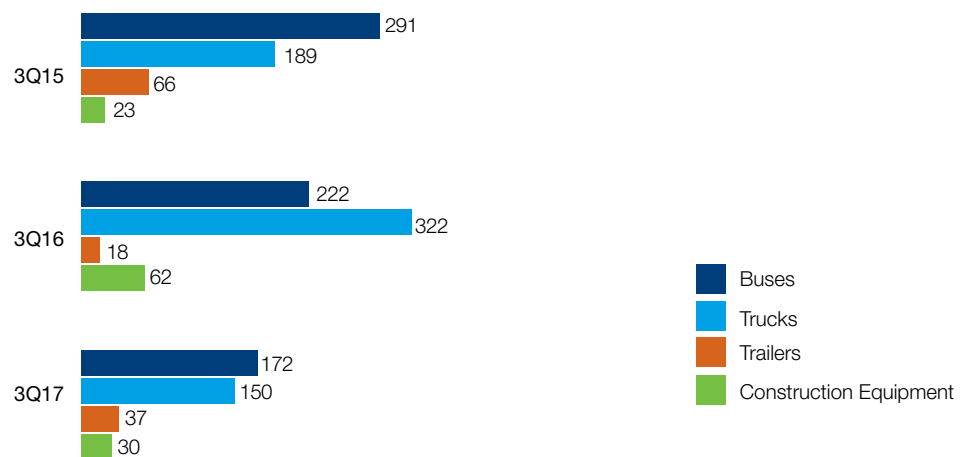
Commercial Vehicles & Construction Equipment Revenue Breakdown by Segment



Egypt Commercial Vehicles & Construction Equipment Line of Business

The Commercial Vehicles & Construction Equipment line of business offers a wide range of trucks and locally manufactured buses under exclusive distributorship agreements with Mitsubishi, Volvo, and Iveco. In Egypt, this line of business also distributes earth-moving equipment, road machinery, and power generators, and produces buses for domestic and export markets through GB Polo (a joint venture between Ghabbour and Marcopolo, the world's largest bus body manufacturer).

Breakdown of Units Sold



- Revenues for the segment were up a slight 2.4% q-o-q in 3Q17 but down y-o-y due to overall market weakness. Profitability was also weak on a y-o-y and quarterly basis, but management is confident that its success in turning around both its Sadat and GB Polo business are set to boost the segment's growth going forward as macro conditions improve.
- GB Auto is gaining a significant share of the bus business across the board, including mini-buses, intercity, and tourism. Management expects both intercity and tourism bus volumes to continue their steady growth in the quarters to come.

Table 10: Egypt Commercial Vehicles & Construction Equipment (CV&CE) Sales Activity

		3Q16	3Q17	% Change	9M16	9M17	% Change
Bus Sales Volume	(Units)	222	172	-22.5%	587	466	-20.6%
Truck Sales Volume	(Units)	322	150	-53.4%	1,225	496	-59.5%
Tractor Sales Volume	(Units)	-	-	-	28	21	-25.0%
Trailer Sales Volume	(Units)	18	37	-	103	125	21.4%
Construction Equipment Sales Volume	(Units)	62	30	-51.6%	146	76	-47.9%
Total Sales Volume	(Units)	624	389	-37.7%	2,089	1,184	-43.3%
Sales Revenue	(LE million)	283.4	245.1	-13.5%	814.2	756.1	-7.1%
Gross Profit	(LE million)	54.4	37.3	-31.4%	130.0	131.4	1.1%
Gross Profit Margin	(%)	19.2%	15.2%	-4.0	16.0%	17.4%	1.4

Egypt After-Sales Line of Business

GB Auto operates Egypt's largest and fastest-growing network of after-sales service centers for Passenger Cars, Motorcycles & Three-Wheelers, and Commercial Vehicles & Construction Equipment.

- Egypt After-Sales turned a solid performance, recording a 30.6% y-o-y increase in revenues to LE 266.5 million in 3Q17. Similarly, 3Q17 gross profit rose 12.2% y-o-y to LE 74.3 million.
- The division's performance was largely driven by the passenger cars and CV&CE after-sales as continual investments made to expand GB Auto's workshop network reflect positively on the sector's performance.
- GB Auto's solid reputation for quality service has translated to strong sales and higher-than-average capacity utilization rates across service centers.

Table 11: Egypt After-Sales

		3Q16	3Q17	% Change	9M16	9M17	% Change
Passenger Car Egypt After-Sales Revenue	(LE million)	130.5	176.9	35.6%	352.2	509.0	44.5%
Motorcycle & Three-Wheeler After-Sales Revenue	(LE million)	34.8	39.8	14.3%	96.5	97.1	0.6%
CV&CE After-Sales Revenue	(LE million)	38.8	49.9	28.7%	105.0	143.2	36.3%
Total Egypt After-Sales Revenue	(LE million)	204.0	266.5	30.6%	553.8	749.3	35.3%
Total Egypt After-Sales Gross Profit	(LE million)	66.2	74.3	12.2%	173.6	224.4	29.3%
Total Egypt After-Sales Gross Profit Margin	(%)	32.4%	27.9%	-4.6	31.3%	29.9%	-1.4

Egypt Tires Line of Business

GB Auto is the sole distributor of a number of quality brands including Yokohama, Lassa, Double Coin, and Westlake.

- Tires performed exceptionally well during the quarter, posting revenues of LE 232.8 million in 3Q17, up 130.1% y-o-y and 39.7% q-o-q supported by solid volumes and a strong price discipline..
- In an effort to drive improved profitability across the division, GB Auto is looking to reinforce its brand portfolio with the distribution of additional reputable brands, with negotiations already underway with new potential partners. The company is also formulating individual teams for its brands to create a tailored and streamlined process.

Table 12: Tires Sales Activity – Egypt

		3Q16	3Q17	% Change	9M16	9M17	% Change
Total Sales Revenues	(LE million)	101.2	232.8	-	314.9	500.5	59.0%
Total Gross Profit	(LE million)	19.5	44.0	-	64.6	91.2	41.1%
Gross Margin	(%)	19.3%	18.9%	-0.4	20.5%	18.2%	-2.3

Regional

GB Auto distributes CBU units of Hyundai passenger cars in Iraq and Geely passenger cars in Algeria, and offers after-sales services in both markets. The company launched a successful venture for Bajaj Motorcycles & Three-Wheelers in Iraq, where it also provides after-sales services for its products. GB Auto's regional operations also extend to the tires division with the distribution of Westlake and Triangle tires in Iraq; Triangle and Jumbo in Jordan; and Lassa, Waterfall and Grandstone in Algeria.

- Revenues from regional operations grew almost three-fold in 3Q17 to LE 775.2 million, while on a nine-month basis revenues recorded a 166.6% y-o-y growth in revenues to LE 2,267.8 million. Regional profitability was driven largely by the company's Iraqi operations, with volumes growing and conditions improving. 9M17 total regional gross profit was up over four-fold to LE 122.5 million with a 5.4% gross profit margin.

Passenger Cars

Iraq

- Passenger cars in Iraq continued to deliver solid top-line performance, with revenues up almost 3x y-o-y in 3Q17. The division's profitability was also greatly improved, with the gross profit margin gaining 2.7 percentage points to 4.1% during the quarter compared to 3Q16.
- Management remains optimistic about the division's prospects for the balance of the year, with margins set to improve.

Table 13A: Total Sales Activity from Regional Operations

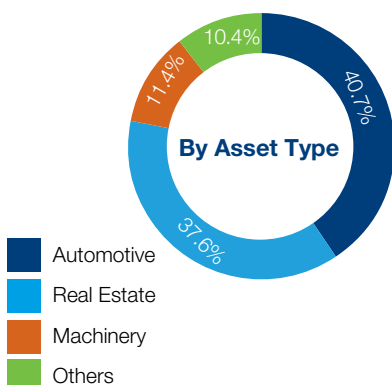
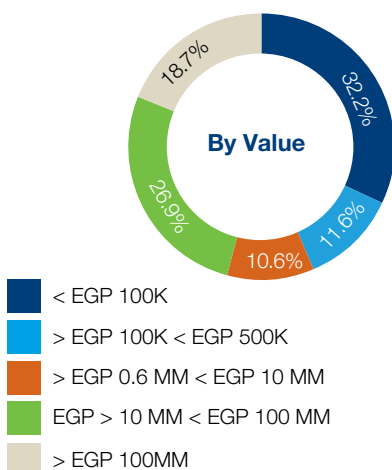
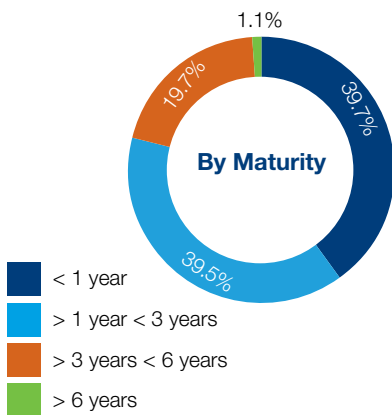
		3Q16	3Q17	% Change	9M16	9M17	% Change
Total Regions Revenue	(LE million)	280.0	775.2	-	850.5	2,267.8	-
Total Regions Gross Profit	(LE million)	3.7	41.9	-	25.3	122.5	-
Total Regions Gross Margin	(%)	1.3%	5.4%	4.1	3.0%	5.4%	2.4

Table 13B: Hyundai Passenger Car Sales Activity – Iraq

		3Q16	3Q17	% Change	9M16	9M17	% Change
Total Sales Volume	(Units)	1,420	1,932	36.1%	4,407	5,489	24.6%
Sales Revenue	(LE million)	206.0	604.3	-	658.8	1,780.9	-
Gross Profit	(LE million)	-3.3	10.7	-	-1.2	16.2	-
<i>Gross Profit Margin</i>	(%)	-1.6%	1.8%	3.4	-0.2%	0.9%	1.1
After-Sales Revenue	(LE million)	27.1	75.1	-	66.5	178.6	-
After-Sales Gross Profit	(LE million)	6.7	17.4	-	19.7	44.7	-
<i>After-Sales Gross Profit Margin</i>	(%)	24.6%	23.1%	-1.5	29.6%	25.0%	-4.5
Total Iraq Passenger Car Revenues	(LE million)	233.1	679.4	-	725.3	1,959.6	-
Total Iraq Passenger Car Gross Profit	(LE million)	3.4	28.1	-	18.4	60.9	-
Passenger Car Iraq Gross Margin	(%)	1.4%	4.1%	2.7	2.5%	3.1%	0.6

GB Capital Portfolio Breakdown

(As of September 2017)



GB Capital (Financing Businesses)

GB Capital oversees the operations of the group's five non-bank financial service providers: GB Lease, which offers financial leasing services to a wide range of companies; Mashroey, which offers asset-based lending to microfinance eligible clients throughout Egypt; Drive, which offers factoring services to retail and corporates; Haram Limousine, which offers car rental services on a quasi-operational lease basis to companies in the market; and Tasaheel which, similar to Mashroey, offers direct microfinance lending services to micro entrepreneurs throughout Egypt. GB Capital carved itself a leading position in the market, despite not having the backing of a financial institution in its shareholding structure.

GB Capital's strategy is to benchmark its operations against the best in the field, building on strict and robust credit, risk classification and provisioning policies specifically developed for each industry. All companies are staffed with veterans of the financial services industry to provide expertise and know-how. The companies' credit approval and disbursement mechanisms comply with best practices of financial institutions in the country. Asset quality and collections — the backbone for the success of any financial institution — are closely monitored, well-maintained and controlled within the group. The aim of GB Capital is to develop a well-diversified and synergetic group of financial services, while maintaining a high level of focus and specialized expertise within each company.

- GB Capital delivered another quarter of strong results during 3Q17 in terms of both revenues and profitability as the business has carved itself a niche in a market increasingly looking for financing options.
- GB Capital continues to outperform and deliver a solid performance, with annualized ROAE at 31.5% and ROAA of 19.9%.
- GB Capital continued to maintain a healthy loan portfolio quality, with Non-Performing Loans (NPLs) at 1.1% and an NPL coverage ratio of 215.9%. The high ratio reflects the company's prudent risk policies and provisions taken against its constantly growing portfolio of healthy loans/receivables for each company as well as specific provisions for NPLs, with varying provisioning levels vis-a-vis each risk bucket. The NPL ratio slightly grew to 1.1% due to conservative risk rating policies in light of rising interest and inflation levels and their potential impact on some clients, but remains well under market norms. GB Capital's loans/receivables portfolio recorded c.40% growth in 9M17, with portfolio health and quality remaining solid and intact. GB Capital's provision levels commensurately grew in line with loan portfolio growth as a matter of prudent risk management.
- GB Capital's loans/receivables portfolio health is supported by a number of factors, key being: 1) net financed assets are typically a percentage of total financed assets as clients provide an initial down payment and make further repayments over the financing term, 2) all financing businesses companies maintain sufficient collateral and/or title against the financed portfolio, and 3) there is an inherent incremental cushion embedded in the value of the financed assets, which has increased on account of the prevailing high inflation rates and the devaluation of the Egyptian pound.
- GB Capital maintains a healthy degree of diversification for its loans/receivables portfolio by client, industry and type of financed assets. To date, automotive related assets

* Please note that gross margin is calculated using total revenues after intercompany elimination.

(passenger cars, motorcycles and three-wheelers and commercial vehicles) including those non-exclusive to GB Auto constituted 40.7% of the portfolio, real estate at 37.6%, machinery and equipment at 8.9% and the balance covering other miscellaneous assets at 12.8%. Exposure related to GB Auto accounts for less than 12% of GB Capital's loans/receivables portfolio.

- Clients with exposure under LE 100 thousand account for 32.2% of the total loans/receivables portfolio, while clients with exposure of more than LE 100 million account for less than 20%. Clients with exposures falling between LE 100 thousand and LE 100 million represent the largest share of the portfolio, at 49.1%.
- GB Capital's loans/receivables portfolio's maturity profile shows that 39.7% matures in less than one year, 39.5% between 1 and 3 years, 19.7% between 3 and 6 years, and 1.1% between 6 to 7 years.
- GB Capital's model is built on the companies' ability to obtain leverage against their lending portfolios, which differs from the trading or manufacturing business model in terms of the amount of debt incurred and the tenor of such debt by any company. GB Capital companies remain strongly under-leveraged compared to industry norms and regulatory caps which, in light of the nature of the business, allow the companies to borrow up to 8x shareholders' equity for GB Lease and Drive, and up to 10x shareholders' equity for Tasaheel. Standard total leverage for GB Capital stood at 4.26x as of 30 September 2017, versus 3.37x as per the regulator's definition (calculated as non-current bank debt to equity for the leasing and factoring business, while all other activities are calculated based on the total bank debt, as per EFSA's requirements).
- GB Capital related companies' debt stood at LE 3.86 billion as of 30 September 2017, with debt levels expected to continue rising as the company funds its growing operations. GB Capital's assets and debts are well matched by tenor.

Table 15: Income Statement Analysis for GB Capital (Financing Businesses)

(LE million)	2Q17	3Q17	% Change
Revenues	518.5	486.4	-6.2%
Interest Income	271.8	317.1	16.7%
Total Revenues	790.4	803.5	1.7%
Cost of Sales	-481.9	-445.9	-7.5%
Cost of Funds	-159.0	-199.1	25.2%
Total Cost of Revenues	-640.9	-645.0	0.6%
Gross Profit	149.5	158.5	6.0%
SG&A	-57.5	-57.0	-0.9%
Provisions	-15.4	-14.1	-8.3%
Operating Profit	76.6	87.4	14.2%
Other Income	1.7	6.4	-
EBIT	78.3	93.9	19.9%
Other Interest & similar income	3.1	-3.3	-
FOREX	-1.5	-1.6	3.8%
EBT	79.8	89.0	11.6%
Income Tax	-13.3	-15.0	12.9%
Profit after Tax & before NCI	66.5	74.0	11.3%
NCI	9.0	8.4	-6.9%
Net Profit after Tax & NCI	57.5	65.6	14.2%
Breakdown of Revenue by Company:			
GB Lease	196.9	222.3	12.9%
Drive	291.3	276.5	-5.1%
Mashroey	236.9	222.3	-6.2%
Tasaheel	54.0	70.2	30.0%
Haram	11.3	12.3	8.8%
Total	790.4	803.5	1.7%

- **GB Lease** realized the second highest top line in GB Capital, maintaining its strong performance and market dominance in 3Q17, with total revenues rising 12.9% q-o-q to LE 222.3 million. GB Lease provides business-to-business financial leasing solutions. It is non-exclusive to GB Auto and caters to a diversified client base. GB Lease's asset base is likewise diversified, including real estate, automotive, production lines, and other asset classes. Tenor is medium term, and the company's focus is on risk diversification by asset class, industry sector, and clients. It operates prudent risk management practices with respect to provisions and risk recognition. According the Egyptian Financial Supervisory Authority (EFSA), GB Lease ranked second in terms of market share at 11.2% as of August 2017 (September data has not yet been released).
- **Mashroey** realized the second highest top line in GB Capital, along with GB Lease, recording a 6.2% decrease q-o-q in revenues to LE 222.3 million for 3Q17. The company maintains a healthy portfolio and an extensive product base, with the bulk of its portfolio geared toward asset-based lending to finance the purchase of tuk-tuks and tricycles. Mashroey's credit policy is stringent, its portfolio tenor is predominantly short term, and it operates a nationwide network of 110+ branches and units.
- **Drive** posted the highest top line for GB Capital at LE 276.5 million, down 5.1% q-o-q. Drive provides factoring services to a well-diversified client base, ranging from business-to-business (SMEs) to business-to-consumer (retail), with a focus on the auto finance sector. It continues to expand its factoring solutions, offering innovative financing products. Operating under a robust credit policy, the company's portfolio tenor is predominately medium term. It operates out of three permanent locations, two in Cairo and one in Alexandria, as well as via GB Auto's showrooms and dealer network across Egypt. According the EFSA, Drive ranked third in terms of market share at 16.51% as of August 2017 (September data has not yet been released).
- **Haram Tourism Transport "HTT"** maintained its solid growth, with a 8.8% q-o-q increase in gross revenue for 3Q17 to LE 12.3 million. HTT is a car rental company, operating on a quasi-operational lease basis and serves a select range of top-tier industrial, service, and multinational companies. Its service agreements are tailored and entail acquisition, registration, insurance and maintenance of vehicles, with third party insurance in place. Average tenor of the portfolio is three years.
- **Tasaheel**, GB Capital's most recent financing venture, recorded a 30.0% q-o-q increase in its top line in 3Q17 to LE 70.2 million. Tasaheel is a microfinance company and focuses on direct lending to microfinance eligible clients, predominately group lending to women, with the aim of helping low-income earners generate higher incomes and improve their living standards. In doing so, it also supports overall community development and economic growth. It operates a nationwide network of 86 branches; with plans to further substantially expand its branch network.
- GB Lease, Drive, and Tasaheel are regulated by and operate under the auspices of EFSA.

Table 16: Supplementary Financial Information - GB Capital

	As of 30 September 2017	
Net Portfolio Assets	(LE million)	5,344.6
Debt / Equity	%	4.26x
Debt / Equity - Regulator Definition (non current debt to equity)	%	3.37x
Equity / Loan Portfolio	%	17.0%
Annualized Return on Avg. Equity (ROAE) - Excluding NCI*	%	31.5%
Annualized ROAA [The annualized 3Q17 EBIT pre funding costs after tax / average assets of the 9 months]	%	19.9%
Annualized net interest margin (%) [(interest income - interest expense) for the last quarter X 4 / average portfolio size for the quarter]	%	9.6%
Provision for portfolio:	%	
Provision (BS) / Loan portfolio %	%	2.3%
Provision (BS) / NPL % (Coverage ratio)**	%	215.9%
NPL / Loan portfolio %	%	1.1%

* ROAE is calculated as the net profit -after NCI- for the period ending Sep. 30, 2017 divided by 3 & multiplied by 4, then divided by the average of shareholders equity -excluding NCI- for the average periods of Dec. 2016 & Sep. 2017.

** The high coverage ratio reflects the prudent risk policies followed and the provisions taken against the constantly growing healthy loans / receivables portfolios of each company; in addition to specific provisions against NPLs, with different provisioning levels vis-a-vis each risk bucket. The healthy loan / receivables portfolio has grown 39% during 9M17, necessitating a commensurate increase in total provisions. Portfolio health quality remains intact and solid.

GB Auto Group Financial Statements

Income Statement

(LE million)	Three Months Ended			Nine Months Ended		
	3Q16	3Q17	% Change	9M16	9M17	% Change
Egypt Passenger Cars Revenues	2,464.3	2,232.4	-9.4%	5,925.4	4,384.8	-26.0%
Egypt Motorcycles & Three-Wheelers Revenues	499.5	608.2	21.8%	1,369.5	1,524.4	11.3%
Egypt Commercial Vehicles & Construction Equipment Revenues	283.4	245.1	-13.5%	814.2	756.1	-7.1%
Egypt Tires Revenues	101.2	232.8	-	314.9	500.5	59.0%
Financing Businesses Revenues	428.1	604.9	41.3%	1,218.1	1,787.4	46.7%
Egypt After-Sales Revenues	204.0	266.5	30.6%	553.8	749.3	35.3%
Regional Revenues	280.0	775.2	-	850.5	2,267.8	-
Others Revenues	60.8	67.1	10.3%	128.5	202.6	57.7%
Total Sales Revenues	4,321.4	5,032.2	16.4%	11,174.9	12,172.9	8.9%
Gross Profit						
Egypt Passenger Cars Gross Profits	214.5	42.7	-80.1%	656.4	225.4	-65.7%
Egypt Motorcycles & Three-Wheelers Gross Profits	66.2	73.6	11.1%	203.4	167.9	-17.4%
Egypt Commercial Vehicles & Construction Equipment Gross Profits	54.4	37.3	-31.4%	130.0	131.4	1.1%
Egypt Tires Gross Profits	19.5	44.0	-	64.6	91.2	41.1%
Financing Businesses Gross Profits	109.1	157.7	44.6%	278.6	461.1	65.5%
Egypt After-Sales Gross Profits	66.2	74.3	12.2%	173.6	224.4	29.3%
Regional Gross Profits	3.7	41.9	-	25.3	122.5	-
Others Gross Profits	11.5	9.9	-13.2%	22.8	31.0	36.0%
Total Gross Profit	545.0	481.6	-11.6%	1,554.7	1,454.9	-6.4%
Gross Profit Margin	12.6%	9.6%	-3.0	13.9%	12.0%	-2.0
Selling and Marketing	-156.4	-233.3	49.2%	-453.2	-652.5	44.0%
Administration Expenses	-96.1	-108.5	12.9%	-259.5	-301.6	16.2%
Other Income (Expenses)	-0.4	41.7	-	17.8	106.4	-
Operating Profit	292.1	181.4	-37.9%	859.7	607.3	-29.4%
Operating Profit Margin (%)	6.8%	3.6%	-3.2	7.7%	5.0%	-2.7
Net Provisions and Non-Operating FV of Investment Property	12.2	-19.6	-	-19.2	-76.1	-
EBIT	304.4	161.9	-46.8%	840.6	531.1	-36.8%
EBIT Margin (%)	7.0%	3.2%	-3.8	7.5%	4.4%	-3.2
Foreign Exchange Gains (Losses)	-80.8	1.1	-	-147.9	-127.2	-14.0%
Net Finance Cost	-164.0	-344.2	-	-426.2	-954.6	-
Earnings Before Tax	59.6	-181.2	-	266.6	-550.6	-
Income Taxes	-12.6	40.1	-	-81.7	75.1	-
Net Profit / Loss Before Minority Interest	47.0	-141.1	-	184.9	-475.5	-
Minority Interest	-7.6	2.3	-	7.5	31.2	-
Net Income/Loss	39.4	-138.9	-	192.4	-444.3	-
Net Profit Margin (%)	0.9%	-2.8%	-3.7	1.7%	-3.6%	-5.4

Balance Sheet

(LE million)	As Of		
	31-Dec-16	30-Sep-17	% Change
Cash	1,225.3	987.1	-19.4%
Net Accounts Receivable	2,363.8	3,179.1	34.5%
Inventory	5,820.5	3,807.4	-34.6%
Other Current Assets	1,313.9	1,721.6	31.0%
Total Current Assets	10,723.5	9,695.2	-9.6%
Net Fixed Assets	2,803.9	2,389.6	-14.8%
Goodwill and Intangible Assets	437.2	436.0	-0.3%
Lessor Assets	2,095.0	2,892.4	38.1%
Investment Property	91.5	90.9	-0.7%
Other Long-Term Assets	945.7	1,294.5	36.9%
Total Long-Term Assets	6,373.4	7,103.5	11.5%
Total Assets	17,096.8	16,798.7	-1.7%
Short-Term Notes and Debt	7,068.6	7,116.9	0.7%
Accounts Payable	2,808.0	2,137.5	-23.9%
Other Current Liabilities	330.7	354.8	7.3%
Total Current Liabilities	10,207.3	9,609.2	-5.9%
Long-Term Notes and Debt	1,663.5	2,421.8	45.6%
Other Long-Term Liabilities	234.7	311.3	32.6%
Total Long-Term Liabilities	1,898.2	2,733.1	44.0%
Minority Interest	1,169.6	1,148.5	-1.8%
Common Stock	1,094.0	1,094.0	-
Shares Held With the Group	-26.5	-	-
Legal Reserve	311.1	318.5	2.4%
Other Reserves	2,549.0	2,425.0	-4.9%
Retained Earnings (Losses)	-105.9	-529.6	-
Total Shareholder's Equity	3,821.7	3,307.9	-13.4%
Total Liabilities and Shareholder's Equity	17,096.8	16,798.7	-1.7%



Head Office

Cairo-Alex Desert Road, Km 28
Industrial Zone
Abu Rawash, Giza, Egypt

Investor Relations

Mansour Kabbani
Board of Directors Member

Andre Valavanis
Investor Relations Associate

Sarah Maged
Investor Relations Associate

Direct: +202 3910 0485
Tel: +202 3539 1201
Fax: +202 3539 0139
e-mail: ir@ghabbour.com

ir.ghabbourauto.com

Shareholder Information

Reuters Code: AUTO.CA
Bloomberg Code: AUTO.EY

Shares Outstanding:
1,094,009,733

About GB Auto S.A.E.

GB Auto S.A.E. (AUTO.CA on the Egyptian Exchange) is a leading automotive company in the Middle East and North Africa and non-bank financial services provider in Egypt. Across seven primary lines of business — Passenger Cars, Motorcycles & Three-Wheelers, Commercial Vehicles & Construction Equipment, Tires, Financing, After-Sales, and Regional operations — the company's main business activities include assembly, manufacturing, sales and distribution, financing and after-sales services. GB Auto's portfolio of brands includes Hyundai, Mazda, Geely, Chery, Bajaj, Marcopolo, Iveco, Volvo Truck & Bus, Volvo Construction Equipment, Mitsubishi Fuso, YTO, Karry, SDLG, Aksa, Lassa, Yokohama, Goodyear, Westlake, Triangle, Grandstone, Diamond Back, Diamond Coin, Jumbo, Monroe and Gazpromneft. GB Auto has operations in Egypt, Iraq, Algeria, and Jordan. The company is headquartered in Giza, Greater Cairo Area, Egypt.

www.ghabbourauto.com

Forward-Looking Statements

This document may contain certain "forward-looking statements" relating to the Company's business. These may be identified in part through the use of forward-looking terminology such as "will," "planned," "expectations" and "forecast" as well as similar explanations or qualifiers and by discussions of strategy, plans or intentions. These statements may include descriptions of investments planned or currently under consideration or development by the Company and the anticipated impact of these investments. Any such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance, decisions or achievements of the Company to be materially different from any future results that may be expressed or implied by such forward-looking statements.