



Andalucia

Cairo 28/12/2011,

Dear Valued Investor,

At the end of a very turbulent year 2011, we see a mixed investment landscape for Egypt and the world.

For several months after the Egyptian revolution, we have embarked on studying the possible effects on the economy for the short, medium and long term. This has resulted in the following deductions:

- 1- Although we expect economic drainage to continue on the short and medium term, we believe current stock prices are much undervalued especially when compared to other stock markets around the world. This means that we believe the current prices are a bargain, thus we have started to slowly build positions in the local market.
- 2- On the long term, we see great prospects for Egypt that we are currently preparing for without losing focus on the more relevant short and medium term goals.

As mentioned above, our aim is to buy into companies that we see are extremely undervalued and sit and wait for the next rally to materialize where we would have our exit. Typically the comparative graph would look something like the one in the next page.

We wish you a great year 2012 and we hope it will be a year of great prosperity to you and our wonderful country.

Thank you and best regards,

Mohamed El Hawary

Managing Director

Andalucia Financial Consultancy and Investment

Comparative stock market vs. portfolio performance

— Stock market performance
— Portfolio performance

