

# Wellspring

## We are different

Welcome to the first issue of Wellspring, the newsletter for the people at Beltone. As we grow, we are developing a Vision, Mission and Values statement. Why? Beltone is a different investment bank. Our Vision, Mission and Values differentiate us.

Beltone is the fastest-growing investment bank in the MENA region. Our growth is fuelled by innovative solutions that resolve challenges in business. That's a tribute to you and the hard work you put in.

Together we can make real change – so long as we continue to be focused on our clients and differentiate ourselves in the financial sector from others that are aggressively attempting to increase their market share in MENA.

Well'spring' – an abundant source of ideas

## Beltone bites the 'Big Apple'

Beltone Enclave opened in New York – the first investment bank to dedicate all its resources in the Americas to helping investors in the MENA region.

Stephen Inglis, President and CEO, said: "We are responding to the growing number of institutional and high-net-worth investors who are searching for excellent professional advice to seize opportunities in the hottest investment market in the world.

"What's happening in the MENA region is an echo of markets in Korea and South East Asia 10 years ago. Securities traded in MENA are reflecting a similar trajectory. Investors in the United States say they need more information. We're here on their doorsteps now with all they need to allocate a proportion of their portfolios to MENA."

Beltone has received an upsurge of requests for information from investors in emerging markets. "Being right there, organizing conferences, accompanying people with knowledge and expertise to North America to meet investors is absolutely the right strategy to adopt now," said Aly El-Tahry.

## Vision

Enriching individual, corporate and community wealth by engaging in transformational relationships.

## Mission

Beltone is a catalyst in MENA and beyond, innovatively creating synergies to benefit stakeholders.

## Values

Beltone culture of partnership and ownership is the source of empowerment that drives transformation in our clients and the financial community we serve.

**1st**  
Beltone launches first MENA fund to list on the DIFC



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Growth of

# 200%

The Money Market Fund is flourishing among growing public demand.

## Investment Banking

The Investment Banking team's strength lies in members' widespread, diverse experience working with leading regional and international bulge-bracket investment banks in emerging and developing markets. The team has grown progressively to 18 bankers since being established in 2004.

### Landmark transactions

Raised £1.27 billion in expansion capital for GB Auto, the leading automotive player in the Middle East. Beltone advised the family business on a complete corporate and organizational restructuring.

US\$100 million capital increase for Orascom Hotels & Developments. Beltone demonstrated its unique placement and execution capabilities by running an accelerated book building process.

£387 million sale of Sprea & Plasticem, a leading specialty chemicals company.

£734 million share swap between Amwal Arabia and Arabia Cotton & Ginning Company that created the leading integrated textiles player in the Middle East.



Investment banking growth 2004 - 2007  
£ million

2007	3,300
2006	2,600
2005	825
2004	375

More than

# 7bn

£ in transactions



Ghabbour Auto

**£1,270,870,293**

**Initial Public Offering**

Global Coordinator, Lead  
Manager and Sole Bookrunner

July 2007

## Graduate Course

Beltone Financial is offering a limited number of places to graduates seeking a career in Investment Banking. In January 2008, selected candidates will begin a 3-month course to introduce the skills required.

Graduates will learn more about Beltone, business and investment banking's key role in three key modules: Business Skills, Fundamental and Specialized Financial Knowledge

The course, delivered by representatives from internationally renowned institutions, will focus on professional know-how and skills rather than academic foundations.

## Brokerage in Top 5

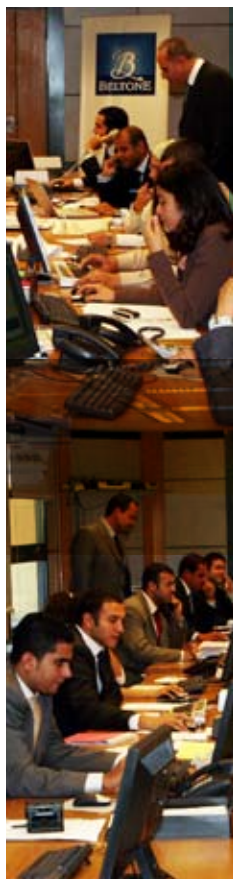
Beltone's Brokerage is ranked among the region's Top 5 – winning more than 10% of market share. Almost 70% of transactions are on behalf of institutions. Trading is centralized to best serve institutional clients and minimize market impact (blocks, percentage of volume, vwap).

The balance of trading is distributed among high-net-worth individuals, counterparts and retail clients.

Sales & Trading is well integrated with Research. Roddy El-Helw has traveled widely, often accompanied by Angus Blair, to introduce Beltone's brokerage services to prospective clients in Europe and MENA.

Single broker contact is available in markets in Egypt, KSA and UAE. Brokerage's capacity and leverage of a strong network of strategic partnerships enables seamless execution and settlement in several markets.

Brokerage is a beneficiary of Beltone's investment in state-of-the-art information technology, linking clients from every corner of the World to every market in MENA, executing transactions as quickly as two tenths of a second.



## RESEARCH

distribution covering  
**Over 30**  
countries

- Expert regional knowledge
- Expanding coverage of companies and key industry sectors across MENA

## MENA Fund

The Beltone MENA Fund reported positive growth of 2.4% during November, to reach 5.4% since its inception in mid October 2007.

The Saudi Arabian market was the top contributor to the fund's performance in November, led by the banking sector with Saudi Fransi Bank, SAMBA Financial Group and Al Rajhi Bank rising by 20%, 17% and 10% respectively. Following the banking sectors are the petrochemicals and fertilizers sector with SAFCO and SABIC rising by 14% and 7% respectively.

Egypt remains a positive contributor to the fund backed with strong corporate earnings announced during the month, coupled by the rally in the real estate sector.

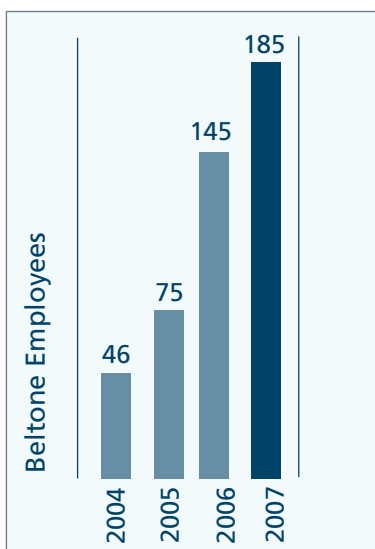
The largest negative contributor to the Fund is Kuwait, contributing a loss of 1%, in which the fund is maintaining its largest underweight position.

The UAE has witnessed profit taking post its rally in October with gains of more than 20%. During the month, the manager decreased exposure to the UAE markets in favour of opportunities in the Saudi market.



### 'Smart' Move

Beltone will move to Smart Village on the western outskirts of Cairo in the next two years. Amenities at Smart Village include conference and exhibition centres, a public library, health and day care centres. Smart Village aims to become a major commercial hub for the region, including a financial district dedicated to financial institutions, banks, and stockbrokers, home to CASE and the CMA.



## AUM up nearly 9,000%

Beltone Asset Management has become the industry leader, specializing in launching innovative products that meet client's objectives. Currently Assets Under Management exceed E£ 25 Billion.

Over the last two years, Beltone has launched:

- The first money market fund in E£, US\$ and Euros
- The first tax efficient savings plan
- The first regional hedge fund (lead sponsor)

Beltone Asset Management structures and manages Fixed Income funds and portfolios, including Money Market funds and Equity funds such as the MENA Fund and Islamic Equity Fund that are invested in Egypt and the MENA region. Other funds and portfolios include Dynamic Asset Allocation, the Capital Protected Program and Balanced programmes, including Islamic and ESSP.

Beltone Asset Management sets up and manages saving and pension plans and endowment funds.

In the pipeline, Beltone Asset Management is proposing the Morabha Fund, Sector Funds, ETFS and Indexed Funds.

## Tech Wizardry

Beltone is investing in state-of-the-art Information Technology, linking clients from every corner of the world to every market in MENA. Transactions can be made in real time. In certain circumstances clients can issue instructions direct on to the trading system without human intervention. No other investment bank offers such a trading network from anywhere in the world into Egypt, KSA, Qatar, Bahrain, Oman and soon, Libya and Sudan.

# Custody



The Custody team are using cutting-edge technologies to link custody information to clients, brokers and professional advisors all over the world.

Clients benefit from comprehensive reporting, portfolio accounting, corporate actions servicing, proxy services, pricing and tax information. Reports include income and dividend statements, detailed breakdowns of securities held, average share prices, transactions and pricing as well as measuring performance, including assets bought and sold and percentages held under various investment categories.

# Beltone is pioneering change in the financial markets of MENA. Wellspring asked members of the firm for their assessment.

## What is the driving force behind Beltone?

### Aladdin Saba

Everything we do is driven by Beltone's culture. Everyone is an owner of the firm, colleagues working together to do the best for the institution, which means being absolutely focused on doing the best for the client. Everyone is addressed by first name. No job is beneath them. That's what drives Beltone's innovation and creativity.

The culture transports to the clients. Executing the client's mandate may take a year or more. But we are with the client for as much and as long as it takes.

Beltone's edge is our hunger for challenges, however daunting they might seem at the outset. Our people are drawn from diverse backgrounds and interests. We have gathered a unique set of people at Beltone.

### Aly El-Tahry

Ownership is the wellspring of passion. Ownership of Beltone manifests itself in the absence of hierarchy and a particular culture of fairness in all dealings and unquestioning compliance. Clients perceive that in the substance, the content, the products and the processes at Beltone.

Our vision demystifies the present and shows clients what could be. Others may say they offer something similar. The reality of our winning numbers is self-evident.

We only hire the best. Our people are empowered to think for themselves. The energy in the firm comes from empowerment. People act with a confidence that rubs off on others, including clients.

### Angus Blair

Beltone is new because it was only established in 2002. It is old because people of enormous experience, acumen and skill lead it. Beltone is new because of its collegiate nature. That's unusual in investment banking, unheard of in the Middle East region.



Aladdin Saba



Aly El-Tahry



Angus Blair



Roddy El-Helw

## How are you executing your mission?

### Aladdin Saba

We differentiate ourselves by introducing innovative products. We were the first with money market accounts, the first to launch an equity fund on the DIFX.

We have carried out successful IPO's in Egypt, Saudi Arabia and Dubai. No other Cairo investment bank has achieved that. We saw the potential and executed the offerings impeccably.

### Roddy El-Helw

Our business model is based entirely on doing what is best for the client. The knowledge and insight we have is invaluable. Our clients come to us because they feel comfortable with someone who is bound by a code of ethics that the broker respects. We hire the right people who do the right thing on each transaction.

### Angus Blair

It's important to be able to view information from many different angles. One person may come to a conclusion that may be contrary to another's interpretation. The Research Department has been built up to take different opinions into account so that our clients receive the best possible product of our investigation.

## How do you foresee Beltone's future?

### Aladdin Saba

We believe Beltone can become the preferred choice in all emerging markets. These markets around the world have characteristics that distinguish themselves from the mature, or developed, markets such as Europe, Japan and North America. MENA is developing in a unique way, supported by sound progressive reforms that are tailored to the region.

Our expertise in this environment is transportable to other emerging markets, such as Eastern Europe, South America, the Far East and the Indian sub-Continent. We will build on this knowledge and form more partnerships with stakeholders in those markets.

### Aly El-Tahry

I agree. The potential in emerging markets will be addressed by Beltone forming the superstructure to integrate the various products these markets demand.



## A Magical Evening

A glittering, dazzling, elegant evening brought together VIPs from the Institute of Private Investors for a dinner held on the starlit Manesterly Palace Terrace on 10<sup>th</sup> December.

The evening began with a visit to the Om Kalsoum Museum, built as a Turkish Palace in 1830 now restored as a commemorative museum on Manial El-Roda Island on the River Nile.

Our guests moved to one of the oldest structures in Cairo, the Nilometer in the peaceful garden complex of the Al-Manesterly Palace. The deputy Minister of Culture, Dr. Tarek Sharara organized the visit.

Before dinner, Aladdin Saba described Beltone's accomplishments "The Fastest Growing Investment Bank in the Region" pointing to the growth of staff to almost 200 and the new, innovative products Beltone has introduced.

Angus Blair looked to the future of "Beltone's Regional Perspective." He suggested that Beltone's expertise in emerging markets could be leveraged to other emerging markets around the world.

## COMING SOON

### Beltone is scheduled to open an office in Qatar in 2008.

Beltone is set to continue expanding its presence in the Gulf region after opening a brokerage office in the UAE. The Beltone Doha office will open in the first quarter of 2008 with an Investment Banking license that will permit arranging for deals and advising on transactions within Qatar. Also, we will be marketing other Beltone products and services through the Doha office, ahead of a future acquisition of a local brokerage license.

## Feedback

We want to hear from you. Please send your comments and suggestions to [Feedback@beltonefinancial.com](mailto:Feedback@beltonefinancial.com)