

Egypt GA raises \$274 Million in Sale of Bonds

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The biggest independent automotive assembler and distributor in the Middle East, Egypt's Ghabbour Auto (GA) plans to raise 1.5 billion Egyptian pounds (\$274 million) from selling bonds to fund expansion.

The bonds will have a nominal value of 100 pounds with a maturity of as long as seven years, the Cairo-based company, known as GB Auto, said in a statement to the Egyptian Exchange today. The bonds will be offered to Egyptian and foreign investors, the company said.

"The purpose of issuing the bonds is to fund the capital expansions and the company's investments in the transport sector in Egypt and countries in the region," Ghabbour Auto said in the statement. Bassem El-Shawy, head of investor relations at the company, declined to elaborate on the expansion plans.

Ghabbour Auto sells passenger cars, buses, trucks, trailers, motorbikes and tires. It reported a 72 percent decline in second-quarter net income in August on lower car sales.

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