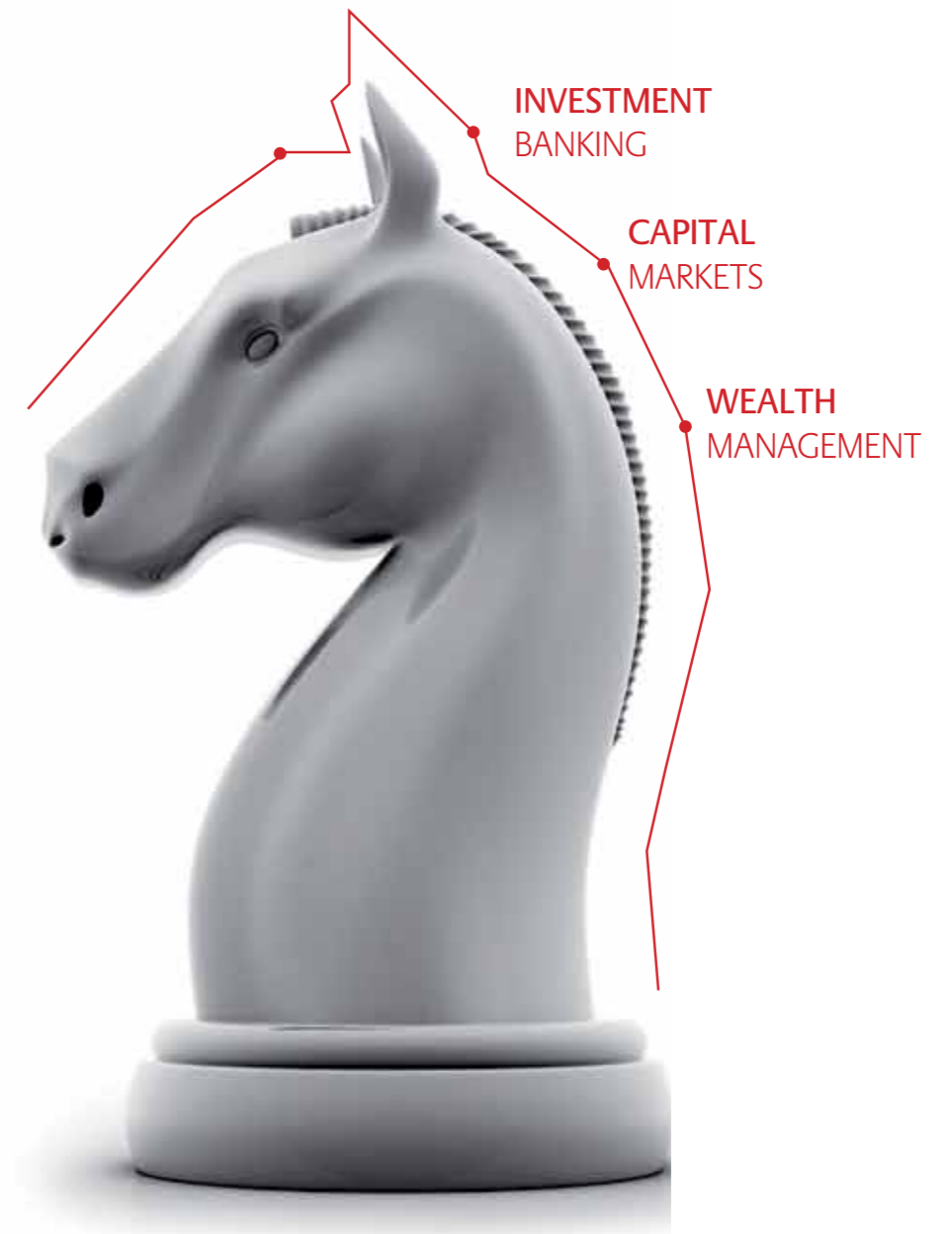




GFIC
Gulf Finance & Investment Co.



CHAIRMAN'S LETTER

While the slow recovery of the world economy continues and mainstream adoption of new communications technology levels off, new opportunities and more risks abound.

Against this backdrop, GFIC has been enhancing its investment services to deliver what matters most to the people we value most: relevant advice, growth and strong financial performance for our stakeholders. Our performance has been consistently impressive across the region as we increase net revenues year-over-year.

With investor road shows already underway, GFIC is currently promoting three major projects in its capacity as Investment Banker to arrange fundraising for each business opportunity. [The Water Explorers Project](#), the biggest of the three projects, is an initiative to export water in bulk from Lebanon's rich natural reserves into water-poor neighboring countries. [The Re-Launching of Al-Jarida newspaper](#) aims to revitalize a prominent name in the industry by giving it a modern take on news and developing a business model suitable to today's market and reader preferences. [The Bachoura Real Estate Development](#) is an innovative project encompassing two full-service office buildings and a luxury apartment building located near Beirut Central District. Our fundraising effort is expected to meet the demands of the three projects before the end of this year.

In 2011, one great task defined our firm's effort to maintain its competitive services in capital markets. First, we increased our organic growth strategy by expanding client relationships across the region. Next, we began integrating emerging technologies into our core trading facilities in order to create more value for our stakeholders. In 2012, we will be launching a new and drastically improved website that will cater to our clients' needs by integrating our numerous facilities and Web/Mobile Trader apps. In the information age, we know that true insights are hard to find under the constant flow of data. In this super-charged environment, our teams of trained professionals sift through a wealth of data and translate analyses into actionable insights that promise superior returns and mitigate risk.

While the unpredictability of the global market and the certitude of the technological revolution in communications have reshaped capital market trading and investment banking, they do not alter the fundamental truths of our business. Our clients will continue to be, as they always have been, the main factor that determines the value we deliver. As we continue to serve their needs, we continue to achieve our *raison d'être*, no matter the context.



AT A GLANCE

Gulf Finance and Investment Company (GFIC) is a leading regional Investment Banking, Capital Markets Trading and Wealth Management firm. We offer extensive expertise, state of the art facilities and bespoke financial services to corporations, governmental agencies and high-net-worth individuals. Our objective is to consistently provide high returns for our clients.

Founded in 1995, GFIC is one of the first financial firms in the MENA region. We pride ourselves on having established and pioneered many of the best practices that have become the industry standard in the region. Today, we continue to innovate and implement creative solutions and applications in everything we do. Our unremitting drive to find the best solutions reflects our commitment to anticipate market changes and offer genuine solutions. Moving forward, we aim to offer unrivaled services for our clients' aspirations as we evolve with the marketplace and pursue our measured growth.

Over the years, GFIC has established a regional network of facilitators backed by solid relationships with international financial institutions. Our global reach, regional network and local know-how allow us to discover local insights and capitalize on major trends.

At GFIC, our clients' interests always come first. Our years of experience demonstrate that when our clients attain their objectives, the success of our firm follows.

GFIC is regulated by the Central Bank of Lebanon under license number thirteen and registered as 68325 at the Lebanese Commercial Register.

VISION AND MISSION

We are determined to achieve excellence in everything we undertake. Our fundamental commitment to our stakeholders defines our business and drives our vision to be the best rather than the biggest firm. While we work hard to support and expand our reach to be big enough to undertake any project, we aim to remain small enough to preserve the intimacy of our working relationships because we consider it an asset that contributes to our continued success.

Over the past two decades, we've witnessed and helped shape the great changes that have revolutionized financial services in the region. We know firsthand that the world of finance is quick to adopt new technologies that are constantly evolving. To anticipate the changing needs of our clients, we are continuously developing and refining our services to meet clients' needs and exceed expectations. In this respect, GFIC is committed to educating investors and offering guidance, data and insights to help clients take ownership of their finances.

“In everything we undertake we stress integrity,
transparency, dependability and our clients’ interests
as we move forward.”





APPROACH

At the heart of our work ethos and business standards is an uncompromising commitment to integrity and exceptional service. Our rigorous procedures and quality oversight guarantee minute detail scrutiny without losing sight of the bigger picture. In other words, no stone is left unturned while we work to attain our clients' visions.

Based on seventeen years of experience, GFIC is shaped by our client-centered approach. At every step, we analyze our clients' immediate needs and long-term goals to provide tailored financial services. We've modeled our firm and oriented our teams to offer contextual solutions that delve into the intricacies of every job to meet the different needs and demands of our clients. This highly personalized attention translates into an investment rationale that is powered by true insights rather than standard practices and common problem-solution frameworks. At GFIC, sound investment advice is a given; we judge our work based on our ability to consistently offer superior returns while mitigating risks. Our continued success is based on an unwavering commitment to this standard.

OUR PEOPLE

At GFIC, we know that our reputation is based on our people and consider our staff to be our main asset. We take great pride in the professionalism of our team and the quality of work we deliver. Our business standards and professional work environment allows us to attract, retain and assign the most qualified personnel for our clients. In fact, we take extraordinary steps to find and recruit the most qualified person for every job.

Our staff always works closely with clients to build strong relationships and create the confidence and trust needed to achieve successful ventures. The talent and sheer dedication of our people form the basis of GFIC's best practices and great customer service. As a leading financial firm, we know that it takes the most qualified people to be the frontrunner in this competitive industry.





Safety of Customer Assets

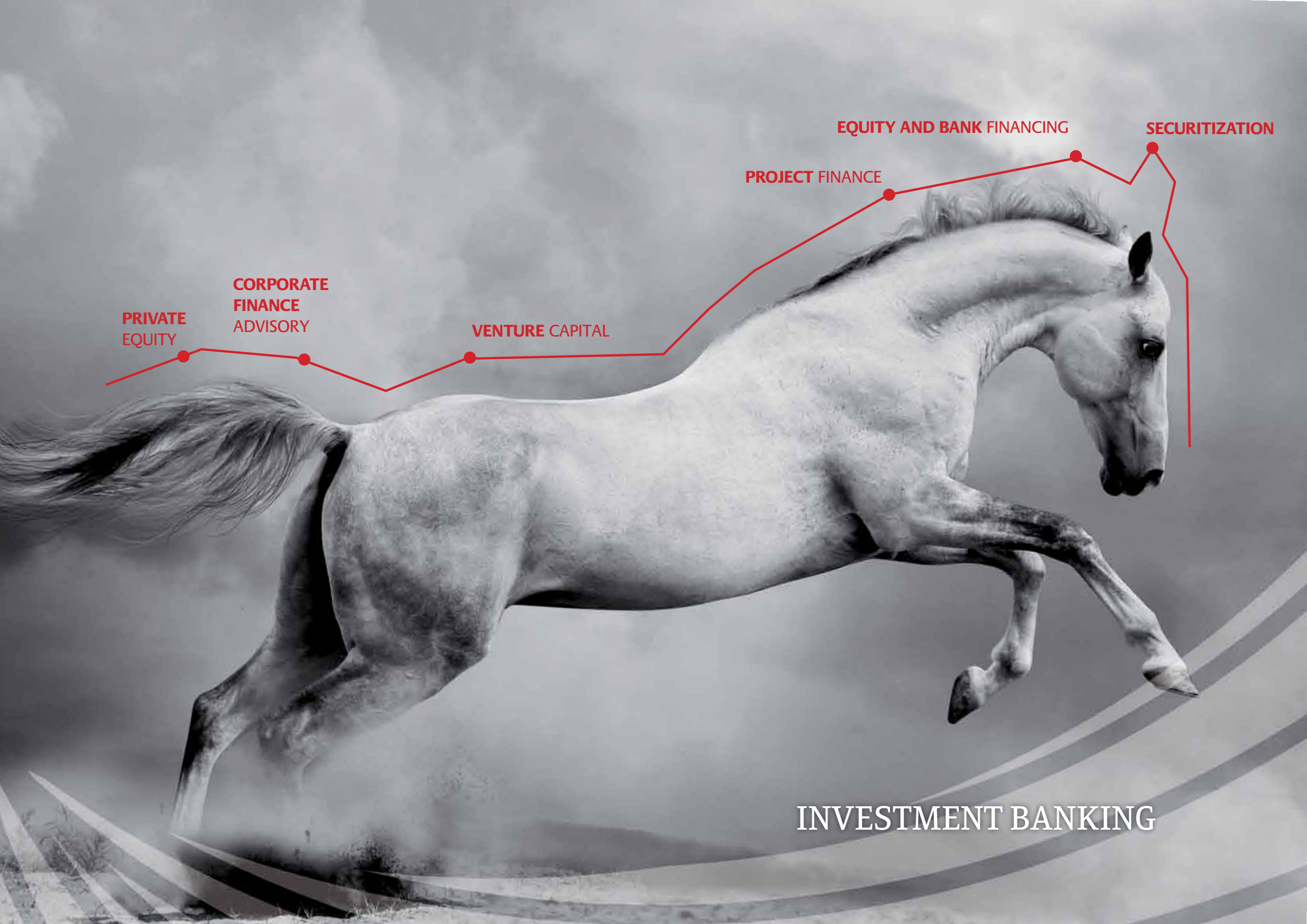
GFIC is fully committed to the principles of safety and security. We manage our business based on a thorough capital structure and always take appropriate actions to guarantee the security of your accounts. We take the protection of your assets very seriously and take every measure to safeguard your accounts and information.

Expertise Trust Success
Profit **Integrity** Transparency

Your Assets Belong to You

In compliance with BDL requirements, customer securities such as fully paid stocks and bonds or excess margin securities are always separated from our securities. This is a legal requirement for all financial institutions. In the unlikely event of insolvency, your assets are not available to general creditors and are protected against creditors' claims.

There are reporting and auditing requirements in place by government regulators and the Central Bank of Lebanon to ensure that all financial institutions comply with regulations.



PRIVATE
EQUITY

CORPORATE
FINANCE
ADVISORY

VENTURE CAPITAL

PROJECT FINANCE

EQUITY AND BANK FINANCING

SECURITIZATION

INVESTMENT BANKING

Equity and Debt Financing Project Finance
Corporate Finance Advisory Securitization
 Venture Capital Private Equity



INVESTMENT BANKING

Our Investment Banking Division works side-by-side with institutional clients in identifying, structuring, and executing diverse public and private market transactions, in both developed and emerging countries.

GFIC also provides corporations with services across debt and equity capital markets as well as mergers & acquisitions, restructuring, and general corporate finance advisory.

The Investment Banking Division aims to assist you throughout every phase of a market transaction and all the way until your objectives are realized; from identification of opportunities, execution of feasibility studies, comprehensive due diligence exercises, and company valuation, we are here to guide you.

Corporate & Project Financing

Equity Capital Markets

Equity advisory: structure, size, timing and valuation of any capital raising activities, including IPO's, secondary offerings, private placements, and privatization programs; these activities involve common shares, preferred shares, global depository receipts and other equity-linked products.

Debt Capital Markets

Debt advisory: raising new funds, balance sheet restructuring [including carrying out negotiations with banks], investor negotiations, rating advisory, capital optimization and analysis of debt capacity.

Loan financing: mezzanine financing, syndicated loans, acquisition financing and bridge financing.

Fixed income primary issues: public bond financing and private placements.

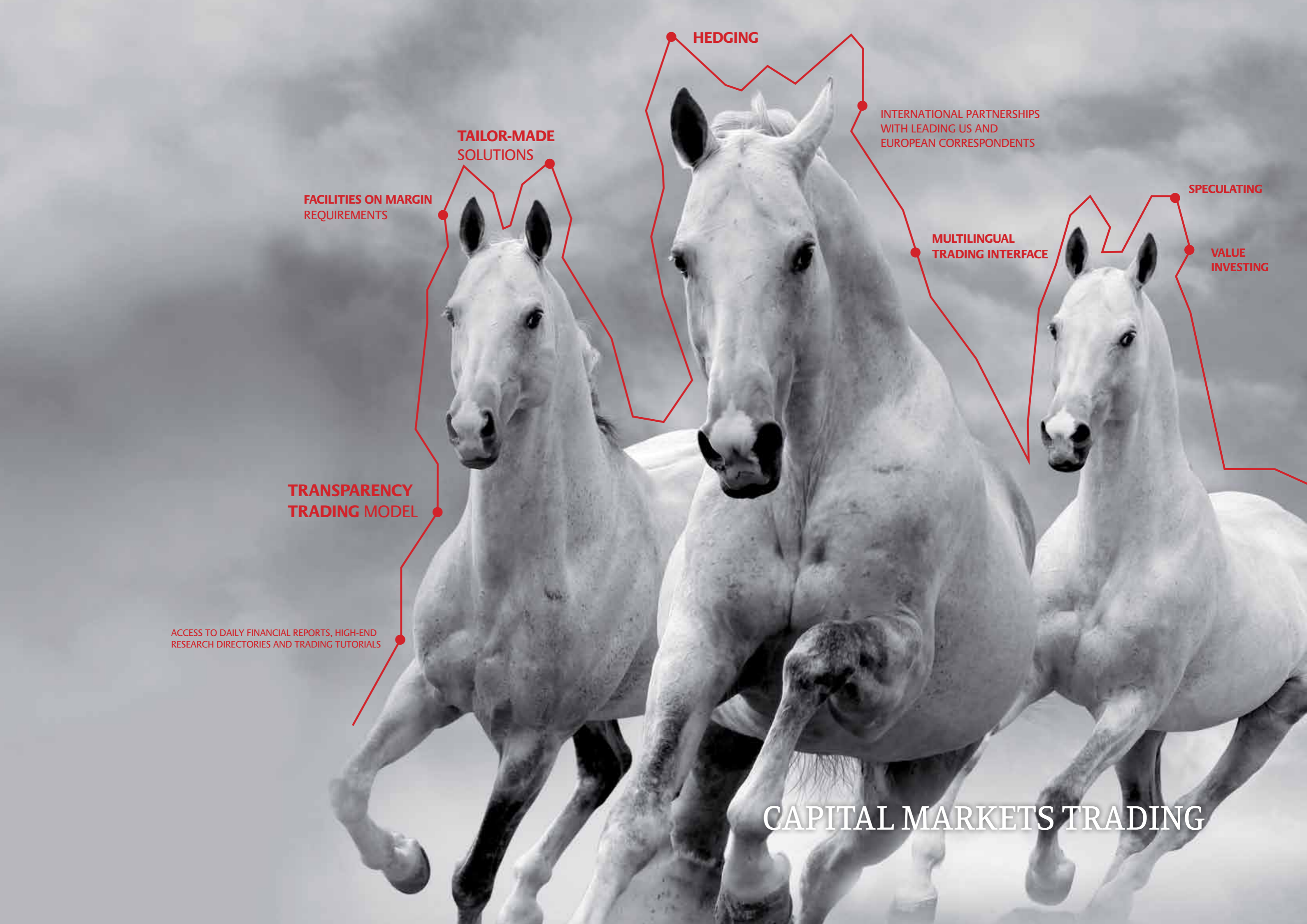
Financial Advisory

Our mergers & acquisitions services include general, as well as business-specific advice, putting us in a position to independently advise you on your every strategic corporate move

- Deal execution of domestic and cross-border mergers & acquisitions divestitures, joint ventures.
- Creation of detailed valuation analyses and transactional structures.
- Issuing fairness opinions.

We specialize in tailoring solutions for companies in financial distress and have advised on many of the largest and highest profile corporate restructurings in the region over the last few years

- Consent solicitations, distressed capital raising and recapitalization.
- Representation of issuers, bondholders, and creditors, as well as intermediation between buyers and sellers of assets.



HEDGING

INTERNATIONAL PARTNERSHIPS
WITH LEADING US AND
EUROPEAN CORRESPONDENTS

**TAILOR-MADE
SOLUTIONS**

**FACILITIES ON MARGIN
REQUIREMENTS**

SPECULATING

**MULTILINGUAL
TRADING INTERFACE**

**VALUE
INVESTING**

**TRANSPARENCY
TRADING MODEL**

ACCESS TO DAILY FINANCIAL REPORTS, HIGH-END
RESEARCH DIRECTORIES AND TRADING TUTORIALS

CAPITAL MARKETS TRADING

CAPITAL MARKETS TRADING

GFIC offers a variety of services to make our clients' trading activities on capital markets a success. Our main services include transactions on commodities, foreign exchange, equities and fixed income securities. Through the Capital Markets Division, GFIC also offers a selection of structured hedging strategies through derivative instruments, such as options, futures and forward contracts.


GFIC provides several cost effective types of facilities and tools for trading customers. Our main facilities include flexible margin requirements, competitive commission rates, low spreads and access to multiple platforms that allow our clients to trade listed securities from all over the world and across all asset classes.


A highly qualified team of traders operates the Capital Markets Division 24 hours a day, 5 days a week. Our team is always at our customers' disposal for technical analysis and for placing fast orders on the market.


GFIC also offers online workstations for clients who choose to trade online. We have three different platforms available that have complementary features for different types of trading. At GFIC, mobile trading is available through our very own application, called "Mobi-Trader."


Our division regularly updates our clients with a wealth of insightful research and actionable recommendations. Clients experience our global market coverage firsthand through daily reports, on-demand research reports, customized analysis and round-the-clock advisory services that aim to assist clients in making informed decisions.

WHAT WE OFFER


 **Forex Spot**
FX Spot trading in over 160 Forex Crosses

 **Contract Options**
Trading in Cash Stock Indices, Options and key Futures contracts on Stock Indices, Commodities, Interest Rates, Currencies and Bonds


 **Forex Forwards**
Trading Forward Outrights for all Forex currency pairs available, allowing the customer to take advantage of the exchange rate differentials and to hedge commercial risks by offsetting exchange rate fluctuations for Forex transactions at a chosen date in the future


 **Forex Options**
Trading in over 41 Forex options currency pairs with live streaming price quotes


 **CFD Single stocks**
Trading in over 7,300 single stock CFDs, providing the client with live price streaming (some exchanges require subscriptions)


 **Futures**
Trading in 136+ Futures on 19 exchanges including agricultural products, oil and energies, base metals, precious metals, bonds, currencies, short-term interest rates, metals, softs and stock indices (some exchanges require subscriptions)

 **CFD Commodities**
Trading in CFD commodities, allowing customers to trade smaller lot sizes when compared to Futures and offering the benefits of simple cash settlement, easy portfolio diversification and new hedging opportunities

 **CFD Indices**
Trading in 21 Index-Tracking CFDs (some exchanges require subscriptions)

 **Stocks (Cash)**
Trading in 14,000+ stocks from 27 major exchanges including the most important markets (some exchanges require subscriptions)

 **Bonds (Offline)**
Trading in a wide selection of Bonds including Sovereign, Government and Corporate Bonds and providing live charts and issuer information; Bonds purchased offline are included in the trading platforms and in customer's reporting

 **ETFs, ETCs and Online Funds**
Trading in 1600+ ETFs and ETCs (some exchanges require subscriptions)

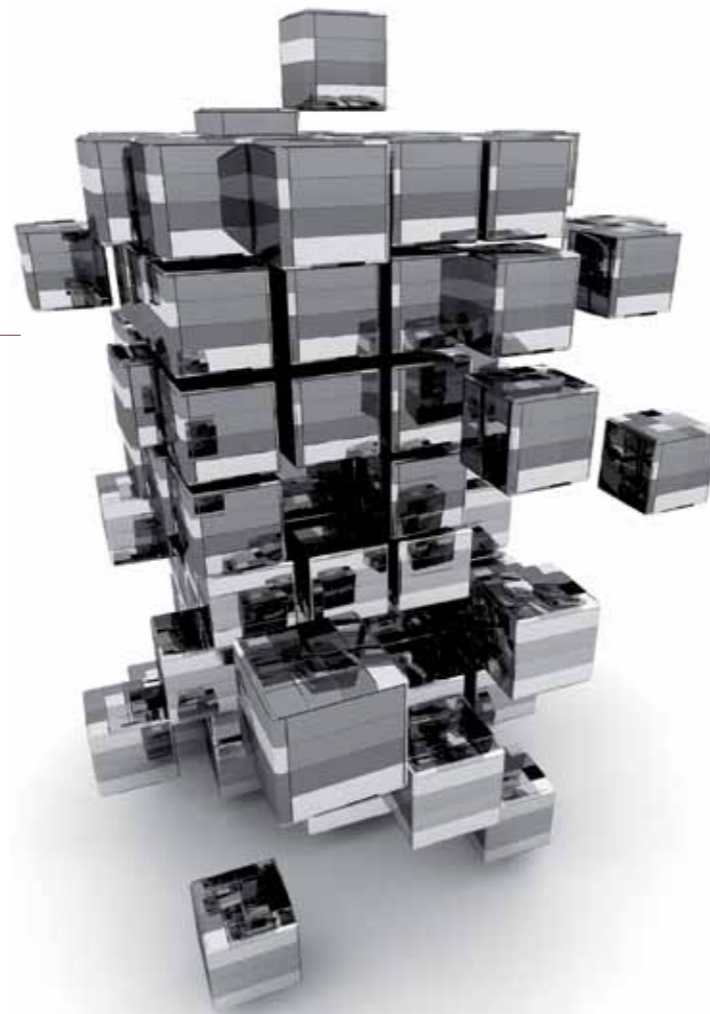


WEALTH MANAGEMENT

Risk Tolerance

Long-term Investment

Rigorous Analysis



Comprehensive Suite of Solutions

Portfolio Management

Optimal Performance

Structured Products

WEALTH MANAGEMENT

GFIC Wealth Management strives to assist you in achieving outstanding long-term investment performance through our best-in-class services, which reach out to a diverse client base, including institutions as well as individuals in the MENA region. Our all-inclusive structure provides you with a comprehensive suite of solutions, making it our goal to fulfill your investment needs and requirements.

Our objective is to customize solutions to adapt to each client's specific needs in terms of expected return, risk tolerance, periodic liquidity requirements and legal restrictions. In this respect, we advise on portfolio management and direct investments having risk/return profiles that best suit each client's specific objectives.

Through a rigorous analysis and projection process, our experts propose an asset allocation that takes into account numerous variables such as the solvency of investment vehicles and the needed diversification in terms of regions, sectors, and currencies. Combined with a rigorous macroeconomic and graphic breakdown, we then create a portfolio of tailored investments that achieve optimal performance at a given volatility.

We aim to select the best investment vehicles among the world's leading banks and financial institutions, offering a true open architecture platform for our clients. Unlike many banks and asset managers, we do not invest in any in-house products but rather focus on selecting and recommending the best available spectrum of specialized funds, exchange traded funds (ETFs), structured products and hedge funds.

Our Wealth Management Executives

Christoff Gasser

Having led Clarinden Leu's private banking activities in KSA, Bahrain, Egypt, and Lebanon as relationship manager of the ultra-high net worth segment, Mr Gasser has access to an extensive network of contacts in the MENA region. His professional background includes senior positions with multinational players in the private and commercial banking sectors, such as Deutsche Bank Switzerland [Senior Relationship Manager & VP], Deutsche Bank AG [Head of Representative Office in Bahrain], Crédit Suisse Zurich [Head of Representative Office Bahrain], and Crédit Suisse Zurich [VP of Private Banking Middle East]. In addition, Mr Gasser's educational accomplishments include his membership in the New York Finance Institute and his early apprenticeship at Zurich Business School under a program sponsored by Crédit Suisse.

Hans Baumann

Heading his own consultancy firm, Hans W. Baumann, Investment Management & Consulting in Zurich – Switzerland, Mr Baumann excels in investment consultancy encompassing major international banks and institutions, such as HSBC Guyer-Zeller Bank, State Bank of Lichtenstein. And, he has successfully and continuously advised several clients with forecasts on equity markets, currencies, interest rates, and precious metals, based on proprietary mathematical and cyclical models. Moreover, Mr Baumann possesses a remarkable professional background in investment banking and wealth management through previous positions he had held at names like Banque Paribas [Head of Investment Banking Middle East], Credit Suisse [Asset Manager in Charge of Government Agencies in the Middle East], and Chemical Bank of New York [Head of Asset Management Middle & Far East].

Attorney, Lebanon

Abouhamad, Merheb, Nohra
Chamoun & Chedid Law Firm (AMNCC)
Mr. Nassib Chedid
Attorney at Law
22, Chebaro Street
Warde Building
P.O. Box 11-8000 / 165126
Beirut – Lebanon

Auditors

UHY Andy Bryan, Jal El-Dib
Center Mallah, Fifth Floor
P.O.Box: 70951 Beirut - Lebanon
Phone Number: 961 4 717781
FAX: 961 4 717782
Email: beirut@UHY-lb.com



Beirut Central District
Bldg. 229 Foch Street Riad El-Solh
1107-2020 Beirut Lebanon

T +961 1 985 240
F +961 1 985 245

P.O.Box 11-0229
Beirut, Lebanon