



PRESS RELEASE

EL SEWEDY CABLES ACQUIRES AL WATANIYA

Cairo, Egypt- May 7th, 2007: El Sewedy Cables announced today that it has acquired 100% of the shares of Al Wataniya, which enjoys a ten year tax exemption for the production of power cables. The acquisition includes a plot of land amounting to 47,000 square meters, a steel structure and an administration building adjacent to Egytech Cables, which currently is the largest producer of power cables in terms of tonnage for the Group. The new acquisition will be managed by the existing senior management of Egytech Cables and will be considered for practical purposes an extension to Egytech's existing facilities.

Ahmed El Sewedy, CEO of El Sewedy Cables commented "We believe that this was an excellent opportunity for El Sewedy Cables to be able to expand our production facilities of power cables in Egypt, which in our opinion enjoys one of the lowest cost of production worldwide, whilst benefiting from the 10 year tax exemption."

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