

PRESS RELEASE

EL SEWEDY CABLES TO ESTABLISH TRANSFORMERS FACTORY IN NIGERIA

El Sewedy Cables invests in a Greenfield operation for the production of electric transformer.

Cairo, Egypt- July 21st, 2009: As part of its expansion plan, El Sewedy Cables announced today that it will establish a plant in Nigeria for the production of oil immersed distribution transformers up to 5000 KVA.

El Sewedy Cables Nigeria is the result of a Joint Venture between El Sewedy Cables (94.74 %) and the Lagos State Government (5.26%) based on initial capital 15 million USD for the manufacturing of electric transformers to reach a total investment of 25 million USD. With total land of 118,000 m² located at Ibereko, Badagry expressway - Lagos.

El Sewedy Cables Nigeria Limited is going to contribute in the development of the state in the electric sector and the economy via producing products essential for the significant infrastructure improvement process, providing job opportunities to the Nigerian population and to transfer of knowledge and experience.

Project Description: The Transformer Factory will produce oil immersed distribution transformers from 50 KVA up to 5000 KVA, these ratings are determined based on our evaluation of the electrical network capacity. The factory production capacity will be expanded based on the success in the market and the market needs.

The factory will produce 2500 unit annually which will provide job opportunities for the Nigerian people approximately 125.

The Production for transformer is expected to start by the middle of next month.

Eng. Ahmed El Sewedy Comment:

Why Elsewedy invest in Nigeria?



- **Large Market:** Nigeria is in sub-Saharan Africa, with a population of about 120 million people. The Nigerian market potential also stretches into the growing West African sub-region.
- **The Biggest factory:** El Sewedy Cables Nigeria is the only factory in Nigeria to produce the total transformer and the biggest transformer factory in Nigeria and West Africa.
- **Political Stability:** Nigeria offers stable political environment.
- **Free Market Economy:** The Government has created a favorable climate for business and industrial ventures. Administrative and bureaucratic procedures have been greatly

streamlined. The Government has put in place policies and programmers that guarantee a free market economy.

- **Attractive Incentives:** A comprehensive package of incentives has been put in place to attract investment.
- **Fast Growing Financial Sector:** There is well-developed banking and financial sector. The investor has easy access to working capital and other credit facilities.
- **Skilled and Low Cost Labour:** There is an abundance of skilled labour at an economic cost, resulting in production costs.
- **Infrastructure:** Nigeria is suffering a weak infrastructure but it is developing rapidly, and has a very high potential to grow in the energy sector.

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