



Cairo, Egypt- March 21st, 2007

**EL SEWEDY CABLES ANNOUNCES 19 MONTHS CONSOLIDATED RESULTS AND
12 MONTHS PRO FORMA CONSOLIDATED RESULTS ENDING DECEMBER 31ST, 2006**

EL SEWEDY CABLES REPORTS ROBUST GROWTH WITH NET PROFITS AFTER MINORITY INTEREST REACHING LE 508 MILLION FOR THE 12 MONTHS ENDING DECEMBER 31ST, 2006

The main highlights for the 19 months financials are as follows:

- Total Revenues reached LE 7,254 million.
- Gross Operating Profit reached LE 823.7 million.
- Net Profits after Tax and Minority Interest reached LE 558.9 million.

The main highlights for the 12 months comparative figures for 2006 versus 2005 are as follows:

- Total Revenues surged by 81% to LE 5,746 million compared to 2005.
- Gross Operating Profit (excluding depreciation) increased by 60% to LE 805 million compared to 2005.
- EBITDA increased by 60% to LE 648 million compared to 2005.
- Net Profits after Tax and Minority Interest increased 54% to LE 508 million versus 2005 profits of LE 330 million.

Revenue Contribution by Segment

Overall, revenue increased substantially in all three segments as follows:

<i>LE 000's</i>	2005	2006	% Change
Sales			
Wire & Cable	3,008,909	5,353,552	78%
Electrical Products	81,739	126,369	55%
Turnkey Projects	77,971	266,350	242%
Total Sales	3,168,619	5,746,271	81%

- Wire and Cable continues to be the largest contributor of group revenues at 93% of sales versus 2% for Electrical Products and 5% for Turnkey Projects in 2006.
- Exports record impressive growth of 76% reaching LE 3,101 million in 2006 versus LE 1,762 million in 2005.
- International revenues exceed expectations reaching LE 684 million in 2006 versus LE 69 million in 2005 as Syria becomes fully operational for the full year.
- International revenues contributed 12% to total group revenues versus 2% in 2005.

Wire and Cables Segment

- Revenue in the Wire and Cables segment increases 78% to reach LE 5,353 million in 2006.
- Capacity for Power Cables increases 53% to reach 110,890 tons per annum in 2006, whilst production of Power Cables increases 36%, from 58,774 tons in 2005 to 79,970 tons in 2006.

- Exports record impressive growth of 66% reaching LE 2,837 million in 2006 versus LE 1,713 million in 2005, with Europe as a new market in 2006 representing 22% of export revenues.
- International revenues exceed expectations reaching LE 617 million in 2006 versus LE 55 million in 2005 as Syria becomes fully operational for the full year. Syria capitalized on its proximity to Iraq, realizing total revenues of LE 334 million of which 73% were exports.

Electrical Products Segment

- Revenue in the Electrical Products segment increases 55% to reach LE 126 million in 2006.
- International revenues increase 353% to reach LE 67 million mainly as a result of the impressive performance of the transformer plant in Sudan.

Turnkey Segment

- Revenue in the Turnkey segments record a huge surge, increasing from LE 78 million in 2005 to reach LE 266 million in 2006.
- The huge increase is mainly as a result of the turnkey projects outside of Egypt which represent approximately 94% of total turnkey revenues.

Gross Profit Contribution by Segment

Overall, gross profit increased substantially in the Wire and Cable and Turnkey segments as follows:

<i>LE 000's</i>	2005	2006	% Change
Gross Profit*			
Wire & Cable	431,467	665,288	54%
Electrical Products	45,242	45,853	1%
Turnkey Projects	26,398	93,436	254%
Gross Profit	503,107	804,577	60%

*excludes depreciation

EBITDA

EBITDA continued to show a healthy year on year growth of 60%, however margins declined from 13% in 2005 to 11% in 2006, as a result of the increase in copper prices in 2006. However, there was a significant improvement in gross profit per ton increasing 21% from LE 4,996 in 2005 to LE 6,065 in 2006 for the power cables and increasing 6% from LE 1,033 in 2005 to LE 1,099 per ton in 2006 for the copper rods which combined represent approximately 90% of total revenues in 2006.

Ahmed El Sewedy, Chief Executive Officer of El Sewedy Cables commented ***“Our strong financial performance in 2006 was very encouraging. Our international operations surpassed our expectations, especially El Sewedy Cables Syria, which was profitable in its first year of operations. Business in Sudan in both the transformers and power cables continues to grow strongly. With the commencement of the transformers plant in Syria to begin production this year in addition to the new capacity of 38,600 tons of power cables coming on line in 2008 in Saudi Arabia and Libya, we believe that our international operations will be a key driver of growth in our business. In addition, given that Egypt is one of the lowest cost cables producers globally, we believe that our exports will continue to grow as our products remain competitive on a cost and quality basis.”***

Financial Highlights

<i>LE 000's</i>	2005	2006	% Change
Sales			
Wire & Cable	3,008,909	5,353,552	78%
Electrical Products	81,739	126,369	55%
Turnkey Projects	77,971	266,350	242%
Others		0	
Total Sales	3,168,619	5,746,271	81%
Total COGS*	(2,665,512)	(4,941,694)	
Gross Profit	503,107	804,577	60%
<i>Gross Profit Margin</i>	<i>16%</i>	<i>14%</i>	
Selling, General & Administrative Expenses	(85,246)	(167,823)	
<i>SG&A/Sales %</i>	<i>3%</i>	<i>3%</i>	
EBITDA	406,007	647,986	60%
<i>EBITDA Margin</i>	<i>13%</i>	<i>11%</i>	
EBIT	362,323	593,840	64%
<i>EBIT Margin</i>	<i>11%</i>	<i>10%</i>	
Taxes Paid	(9,405)	(11,485)	
Net Income After Taxes	330,366	533,483	61%
<i>Return on Sales</i>	<i>10%</i>	<i>9%</i>	
Minority Interest	(125)	(25,429)	
Net Income After Minority Interest	330,241	508,054	54%

*excludes depreciation

El Sewedy Cables was incorporated on June 1st 2005 as the holding company that would consolidate all the group's various power cables, raw material and electrical products companies under one company. According to the company's articles of incorporation the first audited financial statements have to be prepared for the period since incorporation date. As a result, the audited financial statements attached are for the period starting June 1st, 2005 and ending December 31st, 2006 (19 months).

For further information related to the financial performance of El Sewedy Cables please contact:

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