



## **El Sewedy Cables Acquires** **Iskraemeco d.d, a Leading** **Electrometers Manufacturer** **Headquartered in Slovenia**

El Sewedy Cables signed a Sale and Purchase Agreement yesterday for the acquisition of the Slovenian Electrometers manufacturer, Iskraemeco d.d.

El Sewedy Cables bid for the company in partnership with El Sewedy Electrometers Egypt SAE (an Egypt based electro-mechanical and electronic electricity meters producer), jointly acquiring a 97.55% controlling stake. El Sewedy Cables post acquisition will own a 68.3% stake in Iskraemeco d.d. Total consideration for the 68.3% acquired stake is EUR 26.3 million.

Iskraemeco d.d. is a leading manufacturer of electronic meters, electro-mechanical meters as well as comprehensive metering systems, and is currently the 3rd largest player in the European Market and 7th largest globally, with a 4% global market share. The Company has presence in over 100 countries, with 3 state of the art manufacturing facilities in Slovenia, India, and Malaysia.

Iskraemeco d.d. represents a great opportunity for El Sewedy Cables, with its products being a natural complement to El Sewedy Cables' long line of products. El Sewedy Cables' strategic partnership with El Sewedy Electrometers, adds value to the acquisition by leveraging its industry know how, and expertise to further drive this business.

El Sewedy Cables' CEO, Mr. Ahmed El Sewedy, commented on the acquisition stating that "Iskraemeco will further enhance El Sewedy Cables' ability to offer a full solution to its customers whilst adding a reputable brand with a strong presence in the global metering industry." Mr. El Sewedy elaborated further stating that "the acquisition of Iskraemeco opens up new untapped markets for El Sewedy Cables, especially in Europe and North America through Iskraemeco's prominent client base and solid establishments in these markets. El Sewedy Cables compliments Iskraemeco by opening up other markets in the Middle East and Africa, creating a combined entity with global reach through a widespread and loyal client base. The acquisition supplements El Sewedy Cables' ability to offer to its customers an integrated turnkey product solution."

EFG-Hermes Investment Banking acted as sole financial advisor on this transaction.

**About El Sewedy Cables**

El Sewedy Cables SAE is the largest producer of power cables & electrical products in the Middle East, based in Cairo, Egypt, with current total production capacity of 124.6 thousand tons per annum, sales of USD 1 billion, and earnings of USD 89 million as of year end 2006.

El Sewedy Cables was floated in May 2006 through a USD 224 million international offering; today El Sewedy Cables has a market capitalization of USD 2.4 billion as of November 11th, 2007 and is one of the most actively traded stocks on the Cairo and Alexandria Stock Exchanges.

**About El Sewedy Electrometer Egypt SAE**

El Sewedy Electrometer is the leading company in Egypt and the Middle East specializing in the design and manufacturing of electromechanical and electronic electricity meters solutions including Automatic Meter Management Systems, Multifunction Metering Systems, and Prepayment Metering Systems with a total production capacity of 2.0 million meters per annum.

El Sewedy Electrometer has 5 state of the art production facilities located in Egypt, Ghana, Zambia, Mexico and Brazil.

**Note**

Further details will be provided on El Sewedy Cables 3Q 2007 results conference call hosted by EFG-Hermes on Thursday November 15<sup>th</sup>, 2007 at 6:00 p.m. Cairo time (4:00 p.m. GMT). The conference call number will be sent by the end of the day.

A presentation that includes the details of the acquisition will be posted on El Sewedy Cables' Website within a few days. <http://www.elsewedycables.com>