



## PRESS RELEASE

### **EL SEWEDY CABLES TO PRODUCE POWER CABLES IN LIBYA**

*El Sewedy Cables invests in a Greenfield operation for the production of medium and high voltage power cables in Libya.*

**Cairo, Egypt- February 19<sup>th</sup>, 2007:** As part of its strategy to expand production facilities in the Middle East and Africa, El Sewedy Cables announced today that it will establish a new medium and high voltage (up to 220KV) power cables production plant in Tripoli, Libya. With a total investment cost of LE 365 million (US\$ 64 million), El Sewedy Cables will own 55%, whilst General Electricity Company of Libya (GECOL) and the Libyan Economic Development Fund collectively will own 45% of the new venture.

The new plant in Libya will cover a surface of 100,000 square meters and will have an initial production capacity of 13,600 tons per annum. The plant is expected to employ approximately 300 Egyptian and Libyan employees. The expansion in Libya is consistent with El Sewedy Cables' strategy to both enter new markets with our core products, and operate in a low-cost environment. The new plant is expected to increase our production capacity in the Middle East and Africa to 163,840 tons by mid-2008, (after the addition of the new capacity from the Saudi Arabia plant by the end of 2007.)

Ahmed El Sewedy, CEO of El Sewedy Cables commented "Libya Cables will be the first manufacturer in Libya of high voltage cables and we believe that the potential in the Libyan power cables market is tremendous. With a number of new infrastructure projects planned, we believe that our presence in Libya is critical to enable us to capitalize on this growth potential."

The new plant is expected to commence operations by the second half of 2008 and will enjoy an eight year tax exemption from the start of production.

For Further information please contact:

Deema Abu Ghazaleh

Director Corporate Finance

El Sewedy Cables

Tel: + 202 414 8369

Fax: + 202 417 5090

Email: [d.abughazaleh@elsewedy.com](mailto:d.abughazaleh@elsewedy.com)