



PRESS RELEASE

EL SEWEDY CABLES TO ESTABLISH A TRANSFORMERS PLANT IN 10TH OF RAMADAN CITY, EGYPT

El Sewedy Cables invests in a Greenfield operation for the production of power and dry type transformers

Cairo, Egypt- June 18th, 2007: As part of its strategy to expand its electrical products segment, El Sewedy Cables announced today that it will establish a state of the art facility in Egypt for the production of Power and Distribution Dry Type Transformers. The plant will be the first of its kind in the Middle East and Africa. The transformers will be produced under license from TBEA, the leading manufacturer of transformers in China, and one of the most recognized names for the production of transformers world-wide.

With a total investment cost of US\$ 50 million, the new plant will cover a surface of 260,000 square meters and will have an initial production capacity of 600 Dry Type Transformers per annum of up to 22KV- 3,150 KVA and 105 Power Transformers per annum from 66KV-20MVA up to 220KV-125MVA. The plant is expected to employ about 800 employees.

The Dry Type Transformers are manufactured from cast resin and are non-flammable and self-extinguishing, posing less risk of fire. These transformers are mainly used in Chemical Plants, Oil & Gas Refineries, Utilities & Power Plants, Hospitals, Hotels & Schools, Airport Terminals, Water Treatment Plants and Paper & Steel Mills. The Power Transformers utilize the oil immersed technology and are mainly used in Utilities and Power Plants and Subway & Rapid Transmission projects. By offering both types of transformers, El Sewedy Cables will be serving a diverse customer base, in addition to supplying both the local and Middle East and African markets.

Production of the Dry Type Transformers is expected to commence by April 2008 and the production of the Power Transformers is expected to commence during Q1 2009. The plant will enjoy a ten year tax exemption from the start of production.

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