



## Lecico calls for 4-for-1 stock split

Lecico has asked for regulatory approval to call for an EGM to approve stock split aimed at enhancing liquidity of the company's share

**Alexandria, 20 August, 2007** – Lecico Egypt announced that its Board of Directors has approved a 4-for-1 split of its equity shares. Lecico has applied for approval of the Capital Markets Authority (CMA) and Cairo and Alexandria Stock Exchange (CASE) to call for an Extra-ordinary General Meeting (EGM) to approve the proposed 4-for-1 stock split.

“We are calling for this stock split in a bid to improve liquidity for our stock, in both the GDR and in the local market but specifically in the latter.” commented Gilbert Gargour, Lecico Egypt Chairman and CEO. “To that end, I would encourage investors to take this opportunity to assist us in improving Lecico’s liquidity in the Egyptian market by converting some of their shares from GDRs to local shares in advance of this stock split.

“We believe that increasing liquidity in the Egyptian market will benefit all our shareholders. An active local market for our stock will allow us to enter the main Egyptian indexes and attract more local and regional retail and institutional investors to our stock. These new investors should enhance overall liquidity of Lecico shares and increase trading between the GDR and local markets.

“We hope this will continue the trend of increasing local liquidity we have witnessed over the past two months, wherein our stock is trading on the CASE almost every day with an average value of around USD 155,000 per day compared to less than USD 10,000 average daily trading value over the previous twelve months.”

As of 19 August, 2007, Lecico had 20,000,000 equity shares outstanding with a par value of EGP 5.00 each. Upon approval of the stock split by the shareholders, the number will increase to 80,000,000 shares with a par value of EGP 1.25 each.

Lecico will maintain a 1:1 parity between its GDR and local market listing, consequently the company is proposing that its GDR will also be split in the ratio of 4-for-1. As of 19 August, 2007, Lecico had 10,580,906 GDRs outstanding. Upon completion of the stock split, the number will increase to 42,323,624.

Lecico expects it will receive a response from the CMA and CASE in the coming weeks and will call for an EGM once this approval is received.

## About Lecico

Lecico (Stock symbols: LECIQ.L; LECI LI; LCSW.CA; LECI EY) is a leading producer of export-quality sanitary ware in the Middle East and one of the largest tile producers in Egypt and Lebanon, with over 45 years of experience in the industry and decades of experience as an exporter to developed markets.

Lecico benefits from significant cost advantages in labour, energy and investment costs resulting from its economies of scale and location in Egypt and Lebanon. Lecico's marketing strategy is to use its cost advantages to target the mass market with high quality pieces at competitive prices.

Lecico exports over half its sanitary ware production and has a significant presence in the United Kingdom and other European markets. Most of the Company's exports are done under the Lecico brand, although it also produces for other European brands. Lecico has a strategic relationship with Sanitec, a leading producer of sanitary ware in Europe, and benefits from this relationship through information sharing, extensive knowledge transfer programs and significant outsourcing contracts for Sanitec's brands.

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