



Lecico to launch Sarrdesign brassware in Summer 2010

Lecico to launch Sarrdesign brassware brand in Summer 2010 with production facilities in Borg El Arab

Alexandria, 31st March 2010 – Lecico is pleased to announce the launch of Sarrdesign, a new brassware JV, in partnership with Engineer Raouf Shaarawi, the former Chairman and Managing Director of Jacob Delafon in Egypt.

“This is an exciting project for Lecico. Brassware is a natural complement to our existing business, sharing the same distribution channels in most of our markets. We could not hope to find a more experienced manager and partner than Engineer Raouf Shaarawi, who brings over 25 years of experience in the taps business as the local partner of one of the most respected brassware brands in Europe,” commented Gilbert Gargour, Lecico Egypt Chairman and CEO. “Sarrdesign's business model will be built on Lecico's competitive strategy of offering European quality and design at competitive pricing.

“The taps market in Egypt is estimated at over 4.0 million pieces and we also see a great potential for brassware exports, so I hope that this 300,000 unit factory will be our first step in building a larger brassware business. If current market conditions hold constant, our Sarrdesign JV has the potential to generate incremental annual revenues of around LE 50 million with an operating margin of around 20%. Of course, it may take up to four years from our launch this summer to build our brand in Egypt and reach this level of sales.”

"I am pleased to launch this new partnership with Lecico," commented Raouf Shaarawi MD of Sarrdesign. "Lecico's industrial experience and international footprint adds great deal of value to our JV and the Sarrdesign team brings a great deal of brassware manufacturing and marketing experience.

"We have selected Sarrdesign's range and features - based on 25 years of industry experience - to surpass the market's expectations in design, quality and service at competitive prices. Our initial offer will consist of 13 contemporary design ranges with a large variety of the latest shower solutions and accessories. All our products will be subject to international quality control inspections. All our components will be purchased from EN 200 compliant European suppliers. All products will come with a life-time guarantee and full after-sales service. With this base of design, quality and service, I am confident we can establish Sarrdesign as a leading brassware brand in Egypt."

The plant is expected to cost around LE 16.5 million, of which LE 12.3 million was invested in 2009. Sarrdesign brassware is a 70/30 partnership between Lecico and the Sharaawi family under the company name “Burg Armaturen Fabrik – Sarrdesign S.A.E”. The plant is located on land leased from International Ceramics Company, a fully owned subsidiary of Lecico.



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 products 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.

For additional information, please contact:

Taher G. Gargour

Telephone: +203 518 0011

Fax: +203 518 0029

E-mail: tgargour@lecico.com

Visit our website at: www.lecico.com

Forward-looking statements

This release may contain certain "forward-looking statements", relating to the Company's business, which can be identified by the use of forward-looking terminology such as "will", "planned", "expectations", "forecast" or similar expressions, or by discussions of strategy, plans or intentions. Such statements may include descriptions of investments planned or currently under development by the company and the anticipated impact of these investments. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results that may be expressed or implied by such forward-looking statements.