



PRESS RELEASE

Suez Cement's Board of Directors examines the first quarter 2007 consolidated results (under inspection by external auditors).

CONSOLIDATED NET SALES: 965.9 MILLION EGP

CURRENT GROSS OPERATING PROFIT: 398.5 MILLION EGP

OPERATING INCOME: 353.8 MILLION EGP

**NET PROFIT AFTER INCOME TAXES: 264.6 MILLION EGP
INCLUDING MINORITY INTEREST (39.2 MILION EGP)**

On April 24th 2007 Suez Cement's Board of Directors, at a meeting chaired by Mr. Omar Abdelaziz Mohanna, examined and approved the consolidated quarterly report at 31st of March 2007.

In the first three months of the year Suez Cement group reported net sales of 965.9 million EGP with an increase of 18.2% compared to the first three months of 2006; gross profit (398.5 million EGP) increased by 2.2% while the operating income (353.8 million EGP) was almost in line with the same period of the last year, and the net profit stood at 264.6 million EGP with an increase of 3.9%.

Despite the good market performance of the first quarter of the year, the results of the first quarter show a slower growth trend compared to the previous year. The profits of the first quarter were significantly affected by a greater charge for operating costs: electrical power and fuel, that represent about 32% of the total production costs, recorded respectively an increase of 7.8 % and 47.8% compared to the previous year, with an additional impact on the raw materials costs which have increased by 18%. The increase of the cost of factors has resulted in an increase of the total costs of production by 16%.

Commenting on the quarterly results, the top management of the Company underlined: *“Despite the increase of the operating costs, Suez Cement Group decided to comply with the recommendations of the Ministry of Industry regarding the cement price. During the first three months of the year the average price of the grey cement (ex work) sold by our Company was at 304 EGP/ton. Although many articles published by the local newspapers accused our Company of having increased the cement price, the results of the first quarter of 2007 are additional evidence that the price of our cement has increased by only 3% over the previous year”*.

Suez Cement group is the biggest Egyptian cement producer, with an industrial network composed of five production factories in Suez, Kattameya, Tourah, Helwan and El Minya, for a total capacity of approximately 12 million metric tons of clinker.