

MEDIA RELEASE**Franke acquires market leader in Egypt**

Aarburg, Switzerland, 7 December 2005 – Franke acquires majority interest in the market-leading sink manufacturer "SAMI" - Nile Metallic Industries Company in Cairo, Egypt and substantially strengthens the presence in Africa.

The Egyptian sink market is considered to be one of the biggest volume markets in Africa. SAMI, the company acquired by Franke, started as a licensee of Franke in 1986 and mainly produces household sinks from stainless steel with Swiss know-how and engineering. Today, SAMI is the market leader in the Egyptian household sink market. The SAMI production plant is located about 30 km outside of Cairo. SAMI employs about 300 people and will generate in 2005 sales of approximately CHF 14 million.

A further milestone in the expansion into African markets by the Franke Group has occurred with the acquisition in Egypt. Egypt is part of COMESA (Common Market of Eastern and Southern Africa), the most important and most successful commercial agreement in Africa. This means that other African markets can be directly supplied without any trade barriers. In addition, the intention is to expand the kitchen system products (sinks etc.) to washroom and sanitary systems in the African markets.

With the acquisition of SAMI in Egypt, the already strong position in South Africa (which is due in part to the recently

acquired water heating companies of Supa Heat Geysers (Pty.) Ltd. and The Geyser Company (Pty) Ltd.), and the Franke trading companies in Morocco and Tunisia Franke is going to create a new Business Unit Africa/Middle East within Franke Kitchen Systems with headquarters in Johannesburg. This Business Unit will employ over 750 employees.

*The **Franke** Group is a global provider of products, services and custom solutions for a wide range of applications in the household food preparation and catering sectors. Franke, whose holding company is domiciled in Aarburg, Switzerland, has some 7,500 employees around the world, and is firmly established with 85 subsidiaries in 39 countries. The two divisions **Franke Kitchen Systems** (sinks, taps, cooking hobs, ovens, hoods and washroom and sanitary systems) and **Franke Foodservice Systems** (products and services for quick service restaurants) are the global market leaders in their business sectors, exporting to over 100 countries. The activities of Franke also include **Franke Coffee Systems** with a broad product programme of fully-automatic, professional and semi-professional coffee machines as well as the technology field and beverage containers. In the financial year 2004, Franke generated consolidated sales of CHF 1,628.0 million.*

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