bt100

TOP 100 LISTED COMPANIES IN EGYPT

Presented in association with:
Sigma Capital, Mansour & Co. PricewaterhouseCoopers, Fiani & Partners/Kompass Egypt

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The Big Picture

The second annual *bt* 100 paints a not-always-so-pretty, but realistic picture of Egypt's business landscape

WRITING ABOUT GROWING BUSINESSES during one of the worst times for the economy may seem like a practice in futility, but the truth is that bad times are good at separating the wheat from the chaff, the movers from the losers, so to speak.

If you read our first-ever ***bt*** 100 last year, you might think we slipped up and reprinted last year's list. While it is true that the list has 89 of the same firms as last year and that the top of the list is near-identical to last year's leaders, a closer look shows some interesting differences.

The biggest change is in market capitalization. Last year's aggregate market cap was LE 47.86 billion; this year that figure grew to LE 61.42 billion. This year's ***bt*** 100 employs about the same number of people — 223,679 — throughout 29 industries, about a dozen more sectors than last year.

The ***bt*** 100 produced slightly more in combined revenue and combined net profit than last year's ***bt*** 100. Last year's list (which contained financial information from 2001) showed combined revenue of LE 36.47 billion; this year's list, with financial data from 2002, resulted in combined revenue of LE 39.66 billion, an increase of more than 8 percent — despite the fact that 2001-2002 was a pretty dismal economic year worldwide.

On the combined net profit side? Last year the amount was LE 4.22 billion; this year, it was up a little more than 4 percent to LE 4.39 billion.

Our methodology was the same as last year. Out of the 1151 companies that were listed on the Cairo and Alexandria Stock Exchange as of December 2002 (today that number is down to 869 after numerous delistings for non-compliance), our partner in research, Sigma Securities, whittled the number down to 105, or only the actively traded stocks (stocks that trade for at least five days out of each month and at least LE 0.5 million worth of shares). Sigma also disregarded companies that had known disclosure problems and/or operational issues.

From there, Sigma was able to scientifically rank the companies by each firm's revenue figures from 2002 (the most recent year from which all companies have posted financial results). We added some of last year's data on the list for quick comparisons.

Once again we also highlighted a small number of companies that we find to be examples or barometers of their particular sectors. Those profiles are peppered throughout the 100 short, informal biographies of each company on the list, starting on page 88.

Among the industries we found particularly interesting are pharmaceuticals, most of which have been tremendously affected by the pound's devaluation since nearly all their materials are imported, yet they operate under tight price controls; steel, which has been in the spotlight lately due to Parliament's upcoming anti-monopoly law implementation; and banks, which are also sharing the limelight as they get pounded by international ratings agencies all the while fighting for a slice of the retail business and smoothing over their tarnished images.

Other companies featured include one of the largest hotel operators, the deliverer

Definitions

REVENUE: The Top 100 Listed Companies in Egypt are ranked by audited revenue figures provided by the individual companies to the Cairo and Alexandria Stock Exchange (CASE). All listed holding companies are required to include the financial results from all subsidiaries. And if those subsidiaries are also listed under their stock symbol, the revenue will be accounted for under both tickers. Unless otherwise noted, all revenue data is from the most recent accessible year, 2002. Additionally, unless otherwise noted, all companies on the list trade in Egyptian pounds. Revenue is the entire amount of income (including interest earned, and receipts from sales, services provided, rents and royalties) before any deductions are made.

NET PROFIT: A profit is achieved after taxes, extraordinary credits or charges appear on a company's income statement, and after all accounting changes are made. Figures with a '–' negative sign indicate a loss. If a company had a loss in 2001 and a profit in 2002, or a loss in both 2001 and 2002, or a profit in 2001 and a loss in 2002, the percentage change is mathematically misleading and therefore is marked with —.

BRAND VALUE: This metric is calculated by subtracting a company's 2002 equity from its 2003 market capitalization. Because equity is what a company's shares are worth based on transaction prices, and market capitalization is the 'street' value of a company's equity, Brand Value indicates how much investors value the intangible components of the company such as its management, image, the appreciation of real estate assets, and more.

TOTAL ASSETS: Assets represent any item of economic value owned by a company that could be converted to cash. Examples are cash, securities, accounts receivable, inventory, office equipment, buildings, cars and other property.

MARKET CAPITALIZATION: The market price of an entire company, calculated by multiplying the number of shares outstanding by the price per share. This number was calculated on Dec. 31, 2003.

SHARE PRICE: The cost per share in Egyptian pounds for that company's stock as of Dec. 31, 2003 as compared to its price on Dec. 31, 2002.

VOLUME: The total number of shares in millions that were traded during Jan. 1, 2003, to Dec. 31, 2003.

VALUE: The total value in LE millions of transactions made on a company's shares during Jan. 1, 2003, to Dec. 31, 2003.

FASTEST-GROWING LIST: The Fastest-Growing Listed Companies in Egypt is a ranking of the percentage of revenue growth from 2001 to 2002. The financial data used is the same data from the Top 100 Listed Companies in Egypt list.

FOOTNOTES:

- New to the *bt* 100

[1] EKHO and EGSA trade in dollars. Their data was figured by converting dollars into pounds by using the rate of LE 6.25 = $1.

[2] OPTD figures are from 2001 because the company did not submit new financial results.

FAST FACT: This year's top 100 companies' combined revenue of LE 39.66 billion represents 10.9 percent of the country's Gross Domestic Product from 2001-2002.

of Arab culture via TVs all over the country, the dominant cement firm, and Egypt's answer to Dubai Internet City.

Not every story is a pretty one. The pound float (see "Year of the Float," January *bt* 2004) has crippled a lot of industries. Prime Minister Atef Ebeid, while defending the float decision, spoke more openly about the dismal state of the economy (See "Sound The Alarm," page 30), in his late-December speech.

But we thought it was important to provide an accurate picture of the entire economy — warts and all.

On the upside, a new list this year (page 84) ranks the top companies by percentage of revenue growth. The No. 1 company on this list is Media Production City. Read more about MPC on page 117, MPC.

Getting through the next 66 pages may also be a little easier this year with the addition of the index (at right) of companies that shows on which page they appear on the list, in the biography section, and if they have a full-page profile, and the cheatsheet (below) of financial terms and definitions.

Stay tuned for next year's *bt* 100 when things will really get tough, after all, the CASE's stricter listing regulations went into full effect in 2003, the year for which next year's list is based. bt

Elizabeth Drachman

Sample company biography entry:

 # Company name
(Company's common or trade name)

SYMBOL: Company's stock ticker
INDUSTRY: Company's field or sector
BASED: Company's executive headquarters. Information provided by Fiani & Partners.
EMPLOYEES: Workforce numbers. Information provided by Fiani & Partners.

(Company biography)

MANAGEMENT: The most recent chairmen and managing directors as reported
LISTED: The year the company listed its shares on the Cairo and Alexandria Stock Exchange. Information provided by Fiani & Partners.
PAR VALUE: The pound (or in some cases, dollar) amount assigned to a security by the listing company, or the amount paid per share by the company founders. Par value bears no relationship to share price.
MARKET CAP: See definition on previous page
TRADING DAYS: The number of days that a company's shares were traded in 2003.
VOLUME OF TRADES: See previous page
VALUE OF TRADES: See previous page

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A Thank You To The bt 100 Partners

Once again, the *bt* 100 would not have been possible without the assistance and advice of our partners

Sigma Capital

Established in 2000 to offer high-quality financial services to a diverse customer base in Egypt and abroad, the company's main operations include Sigma Securities Brokerage, asset management, and investment banking and research arms.

Sigma Capital, like last year, was *bt*'s partner in the *bt* 100, providing us with the financial data — via the CASE — upon which the *bt* 100 is based.

Sigma Securities provides brokerage services to clients worldwide for all securities listed on the Cairo and Alexandria Stock Exchange, the US markets, as well as global depository receipts (GDRs) listed internationally.

These services, coupled with the team's knowledge of capital markets, are the foundation for Sigma Capital's expansion into other markets. Sigma Securities prides itself on quality personalized service, a powerful execution arm and cutting-edge technology.

The recent big news at Sigma is a new joint venture it entered into just last month. Sigma has joined forces with Switzerland-based investment banking firm Swicorp to create Swicorp Sigma Egypt.

The joint venture will focus mainly on corporate finance services, including mergers and acquisitions advice, strategic partnerships and joint ventures, the raising of debt and equity capital and general financial engineering and restructuring.

Sigma's Vice Chairman and CEO Ahmed Marwan says, "We at Sigma are very excited about the opportunities that this joint venture brings. I believe it will raise the bar in terms of the service levels to be provided regionally."

The new joint venture will take Sigma beyond Egypt's borders for the first time as Swicorp is active across the MENA region and has offices in Switzerland, Saudi Arabia, Algeria and Tunisia.

Swicorp Sigma Egypt's approach focuses on providing a fresh perspective that guarantees innovative strategic solutions for its clients. Sigma is uniquely positioned to identify, structure and successfully execute transactions while possessing the skills and resources necessary to efficiently carry out transactions that often demand sophisticated financing structures.

Mansour & Co. PricewaterhouseCoopers

Established in 1999 by the merger of Price, Waterhouse and Coopers & Lybrand (Farid S. Mansour & Co.), Mansour & Co. PricewaterhouseCoopers is a member firm of PricewaterhouseCoopers, the world's largest professional services organization with 120,000 people in 139 countries and an integral part of PwC's growing network of Middle East offices.

Mansour & Co. PricewaterhouseCoopers was one of the original partners on the *bt* 100. Not only did it provide advice, it audited the lists, and certified that the printed lists did not vary from the data provided.

With more than 230 professionals, Mansour & Co. PricewaterhouseCoopers serves multinational companies, internationally funded organizations, the local business community and public institutions by providing industry-focused services based on quality and integrity.

Mansour & Co. PricewaterhouseCoopers core services include:

Assurance services: Our assurance services team combines the skills and local knowledge of well-trained Egyptian professionals and the broad international experience of senior expatriates. Our Egyptian and internationally qualified audit and internal audit professionals assist clients in meeting a wide range of needs including assurance that statutory audit and international reporting, compliance and governance requirements are being met.

Tax services: our tax services team advises clients ranging from major global corporate organizations to family businesses on all tax and legal aspects of their financial affairs including company incorporation, social insurance procedures and tax planning and compliance. In addition, our financial accounting services division offers a range of support services to help organizations ensure their management accounting and reporting is timely and accurate.

Advisory services: With a network of global offices, industry-specific knowledge and capabilities in strategy, process improvement and human resource services, our advisory consultants help organizations realize strategic vision as well as enhancing enterprise value and effectiveness by ensuring that the client's organization, processes and human resources are properly aligned to the organization's strategy.

Transaction services: Our transaction services team provides a suite of services aimed at deal management from start to conclusion including financial due diligence and business valuations. We respond to the increasing trend for companies to grow through mergers and acquisitions.

In addition, our services also include disposals, business plans, privatization, feasibility studies, debt restructuring and business recovery.

Fiani & Partners / Kompass Egypt

Fiani & Partners / Kompass Egypt is Egypt's premier corporate marketing consultancy and a recognized pioneer in information services.

As partner of Kompass International, Fiani & Partners created and operates one of the only company databases in Egypt, linked to Kompass' 75-country web marketplace.

It also operates a leading commercial credit-reporting agency as well as Egyptwatch.com, a business and finance web portal, and a series of vertical business-to-business websites in the agribusiness, automotive and real estate sectors.

For the *bt* 100, Kompass Egypt allowed *bt* staff to draw on and reprint data from the 2003 Kompass Egyptian Financial Yearbook, a leading directory to listed companies available in print and on CD.

MANSOUR & CO. PRICEWATERHOUSECOOPERS

22 El Nasr Street
PO Box 42
New Maadi 11435, Cairo
Cairo, Egypt
Telephone: (202) 5169027
Facsimile: (202) 5168169
Web site: www.pwcglobal.com/me
e-mail: pwc@info.com

Mansour & Co. PricewaterhouseCoopers is pleased to have been the audit partner for the second annual edition of *Business Today Egypt*'s Top 100 Listed Companies in Egypt.

To verify the accuracy of the data used to prepare the Top 100 Listed Companies in Egypt ranked by revenue in this magazine, *Business Today Egypt* provided PwC with:

(1) An electronic copy of the original financial data from 2002 used to compile the Revenue List, as provided to *Business Today Egypt* by Sigma Capital, along with an electronic version of the final designed list as it would appear in the magazine. This Revenue List ranks the most actively traded listed companies in descending order according to their 2002 revenue figures as disclosed to the Cairo and Alexandria Stock Exchange (CASE) in the candidate companies' annual reports.

(2) Staff at Mansour & Co. PricewaterhouseCoopers first verified that the designed list as it would appear in the magazine is a 100 percent accurate reflection of the data provided to *Business Today Egypt* by Sigma Capital. After ascertaining this fact, our staff verified the accuracy of the data provided to *Business Today Egypt* by Sigma Capital by checking the top 20 companies against our own data sources and performing random audits on the data for companies ranked 21-100.

Mansour & Co. PricewaterhouseCoopers thus warrants that by this standard, the Revenue List is an accurate reflection of the financial information provided to *Business Today Egypt* by Sigma Capital and has not been modified or adulterated in any manner.

We look forward to working with **bt** to develop and expand this valuable addition to Egyptian financial journalism in Egypt in the coming years.

Tarek Farid Mansour
Country Senior Partner
Mansour & Co. PricewaterhouseCoopers

February 2004

TOP 100 COMPANIES BY REVENUE

Rank 2003	Rank 2002	Company Registered Name (Trade Name)	Symbol	Revenue (LE mn) 2002	Revenue (LE mn) 2001	Revenue % change	Net Profit (LE mn) 2002	Net Profit (LE mn) 2001	Net Profit % change	Brand Value (LE mn) 2003	Brand Value (LE mn) 2002
1	1	**Orascom Telecom Holdings** (OT, OTH)	ORTE	4,064.0	3,907.1	4.0%	1,047.0	-435.3	——	5,669.9	-739.0
2	2	**Orascom Construction Industries** (OCI)	OCIC	2,911.0	2,419.1	20.3%	364.0	303.8	19.8%	5,470.3	754.5
3	3	**Egyptian Company for Mobile Services** (MobiNil, ECMS)	EMOB	2,576.0	2,316.9	11.2%	422.0	336.9	25.3%	5,749.0	1,468.3
4	4	**Eastern Tobacco Company** (Eastern Tobacco)	EAST	2,299.0	2,170.9	5.9%	290.0	277.8	4.4%	921.0	533.5
5	5	**Egypt Aluminum** (Misr Aluminum, Egyptalum)	EGAL	1,500.0	1,319.6	13.7%	121.0	115.7	4.6%	309.5	-1,079.3
6	7	**Ezz Steel Rebars** (Ezz Steel)	ESRS	1,199.0	1,065.8	12.5%	-125.0	-40.3	——	26.8	-352.9
7	6	**Suez Cement**	SUCE	1,139.0	1,131.8	0.6%	51.3	95.5	-46.3%	1,783.0	817.1
8	10	**Egyptian Iron and Steel Company**	IRON	1,108.0	846.9	30.8%	-621.7	-709.3	——	579.5	687.8
9	73	**Olympic Group for Financial Investment** (Olympic Group)	OLGR	967.0	884.9	9.3%	88.5	83.4	6.1%	-2.4	-193.9
10	8	**Abu Qir Fertilizers & Chemical Industries** (Abu Qir Fertilizers)	ABUK	932.0	938.5	-0.7%	338.0	317.2	6.6%	929.3	298.8
11	9	**Commercial International Bank** (CIB)	COMI	930.9	893.0	4.2%	381.0	401.8	-5.2%	906.6	196.6
12	11	**Egyptian Contracting (Mokhtar Ibrahim)** (Mokhtar Ibrahim)	ECMI	909.0	801.9	13.4%	33.0	35.9	-8.0%	12.0	-3.2
13	12	**Oriental Weavers**	ORWE	790.0	689.7	14.5%	148.0	133.2	11.1%	172.3	123.1
14	14	**Central and West Delta Flour Mills** (Middle and West Delta Flour Mills)	WCDF	782.0	664.0	17.8%	34.0	43.4	-21.7%	-12.7	12.1
15	15	**Upper Egypt Flour Mills**	UEFM	626.0	583.0	7.4%	37.0	41.4	-10.5%	-28.4	-12.4
16	17	**Central Egypt Flour Mills** (Middle Egypt Mills)	CEFM	624.0	521.5	19.6%	30.0	29.0	3.4%	-34.5	-41.9
17	20	**National Cement (Kawmia)** (National Cement)	NCEM	558.0	500.4	11.5%	-151.0	78.7	——	649.1	480.3
18	35	**Cairo Poultry**	POUL	534.0	461.3	15.8%	44.0	40.0	10.0%	-121.1	-77.8
19	16	**Industrial and Engineering Projects**	IEEC	515.0	550.2	-6.4%	5.0	13.2	-62.0%	-66.6	-53.5
20	18	**North Cairo Flour Mills** (North Cairo Mills)	MILS	513.0	510.7	0.4%	25.0	26.1	-4.2%	-31.8	-2.9

9 OLYMPIC GROUP: Arguably the largest white goods appliances company in the country, Olympic bought the licensing rights for all Sony products in Egypt in 2003.

Total Assets (LE mn) 2002	2001	% change	Market Cap (LE mn) 2003	2002	% change	Share Price (LE) 31-12-03	31-12-02	Volume (mn) 2003	Value (LE mn) 2003	Industry
14,003.0	12,099.8	15.7%	8,820.9	1,131.9	679.3%	80.19	10.83	95.8	3,053.9	Wireless telecommunications services
6,327.0	5,649.8	12.0%	6,909.3	2,011.4	243.5%	72.51	23.16	19.4	906.5	Construction and engineering
4,892.0	4,186.9	16.8%	7,527.0	3,116.0	141.6%	75.27	31.01	33.7	1,874.2	Wireless telecommunications services
2,403.0	2,395.8	0.3%	1,920.0	1,388.0	38.3%	76.80	57.69	2.0	128.9	Tobacco
3,965.0	3,798.8	4.4%	2,004.5	593.2	237.9%	40.09	14.44	0.7	22.2	Construction materials
2,240.0	2,062.3	8.6%	363.8	127.3	185.8%	4.23	1.48	72.4	265.8	Construction materials
2,817.0	3,417.7	-17.6%	2,912.0	2,027.5	43.6%	45.50	31.91	5.4	233.7	Construction materials
7,243.0	6,481.0	11.8%	1,279.5	1,389.1	-7.9%	3.85	4.14	2.2	8.7	Construction materials
1,489.0	674.6	120.7%	492.6	269.0	83.1%	14.45	7.93	3.6	34.6	Consumer durables
2,271.0	2,214.1	2.6%	2,144.3	1,488.1	44.1%	46.73	32.63	1.7	80.9	Fertilizers and agricultural chemicals
19,759.0	18,601.5	6.2%	2,862.6	1,768.7	61.9%	22.02	27.26	22.6	877.8	Financial institutions
1,241.0	226.2	448.6%	159.0	126.1	26.1%	13.25	10.51	0.8	28.7	Construction and engineering
1,167.0	1,090.6	7.0%	785.3	736.3	6.7%	58.17	54.12	1.4	115.5	Textiles
360.0	327.6	9.9%	111.3	139.8	-20.4%	14.84	18.80	1.4	23.3	Food distributors
264.0	348.0	-24.1%	104.6	120.8	-13.4%	14.94	17.34	2.0	32.6	Food distributors
276.0	385.5	-28.4%	86.5	76.4	13.2%	9.25	8.18	0.4	4.2	Food distributors
1,159.0	1,226.6	-5.5%	808.1	729.6	10.7%	7.83	6.98	4.9	39.6	Construction materials
780.0	739.0	5.6%	236.9	236.5	0.2%	9.40	11.26	1.0	8.3	Agriculture
898.0	1,008.8	-11.0%	24.4	43.9	-44.5%	4.06	7.32	0.9	4.6	Construction and engineering
219.0	276.8	-20.9%	54.2	81.0	-33.0%	9.04	13.50	0.5	5.2	Food distributors

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TOP 100 COMPANIES BY REVENUE

Rank 2003	Rank 2002	Company Registered Name (Trade Name)	Symbol	Revenue (LE mn) 2002	Revenue 2001	Revenue % change	Net Profit (LE mn) 2002	Net Profit 2001	Net Profit % change	Brand Value (LE mn) 2003	Brand Value 2002
21	21	**Misr International Bank** (MIBank)	MIBA	495.7	484.3	2.4%	136.0	209.1	-35.0%	-325.2	-621.5
22	26	**Egyptian International Pharmaceutical Industries** (EIPICO)	PHAR	481.0	428.3	12.3%	102.0	100.7	1.3%	-151.9	-165.9
23	24	**East Delta Flour Mills**	EDFM	465.0	444.8	4.5%	26.0	27.2	-4.4%	-21.5	-16.6
24	19	**Torah Cement**	TORA	461.0	502.6	-8.3%	5.0	100.7	-95.0%	100.0	-231.7
25	•	**Misr Oil and Soap**	MOSC	452.0	381.7	18.4%	20.0	19.7	1.6%	-4.2	7.2
26	23	**Natural Gas and Mining Project** (Egypt Gas)	EGAS	428.0	448.4	-4.5%	134.0	134.5	-0.4%	15.2	-112.3
27	27	**International Electronics** (Baghat)	INEC	390.0	405.3	-3.8%	-138.0	-222.2	——	-187.6	73.4
28	47	**Sixth of October Development and Investment** (SODIC)	OCDI	373.0	198.7	87.7%	12.0	0.0	——	-124.2	-107.9
29	31	**National Societe Generale Bank** (NSGB)	NSGB	366.6	328.0	11.8%	165.0	142.1	16.1%	846.5	134.4
30	34	**Egyptian American Bank** (EAB)	EABK	356.2	300.8	18.4%	50.0	73.3	-31.8%	-37.2	-92.4
31	29	**Delta Industries** (IDEAL, Delta Industrial)	IDEA	354.0	350.9	0.9%	122.0	101.8	19.8%	234.0	5.0
32	30	**Export Development Bank of Egypt** (EDB, EDBE)	EXPA	349.1	341.7	2.2%	134.0	132.8	0.9%	44.0	-201.1
33	28	**Amreya Cement**	AMRI	325.0	404.6	-19.7%	50.0	93.9	-46.7%	151.8	80.5
34	88	**Egyptian Satellite Company** [1] (NileSat)	EGSA	318.8	253.4	25.8%	25.0	-62.4	——	-680.3	-772.2
35	36	**South Cairo and Giza Mills and Bakeries** (South Cairo and Giza Mills)	SCFM	305.0	295.3	3.3%	12.0	10.1	18.7%	-26.3	-22.8
36	43	**Giza General Contracting and Real Estate Investment**	GGCC	298.0	222.5	33.9%	3.0	2.7	11.0%	-15.0	-14.0
37	37	**Extracted Oils and Derivatives** (Extracted Oils)	ZEOT	292.0	275.9	5.8%	14.0	14.9	-6.1%	-28.9	-34.4
38	32	**Alexandria Flour Mills**	AFMC	290.0	311.5	-6.9%	7.0	1.0	615.0%	-31.6	-26.5
39	38	**Medical Union Pharmaceuticals**	MEDU	280.0	264.1	6.0%	39.0	37.4	4.2%	-97.7	-154.4
40	33	**Suez Canal Bank**	CANA	277.2	303.9	-8.8%	74.0	102.3	-27.7%	-564.1	-731.0

25 MISR OIL AND SOAP: This list newcomer exports its oil, ghee, toilet soaps and animal feed to Saudi Arabia, Syria, some African countries, Romania and Iraq.

Total Assets (LE mn) 2002	2001	% change	**Market Cap** (LE mn) 2003	2002	% change	**Share Price** (LE) 31-12-03	31-12-02	**Volume** (mn) 2003	**Value** (LE mn) 2003	**Industry**
14,179.0	13,063.8	8.5%	769.8	421.6	82.6%	27.37	14.99	11.2	202.9	Financial institutions
1,189.0	1,099.8	8.1%	638.1	605.8	5.3%	8.85	8.40	9.3	80.5	Pharmaceuticals
232.0	296.8	-21.8%	84.5	88.4	-4.5%	14.08	14.81	2.5	36.9	Food distributors
1,078.0	1,552.2	-30.6%	746.0	545.3	36.8%	31.29	22.86	6.1	156.7	Construction materials
221.0	235.8	-6.3%	63.8	74.8	-14.7%	10.63	12.46	0.1	0.6	Consumer durables
1,288.0	1,216.5	5.9%	616.2	438.1	40.7%	102.70	72.69	0.6	55.5	Gas utilities
774.0	866.1	-10.6%	18.4	6.0	205.1%	1.83	2.27	2.8	5.5	Consumer electronics
787.0	897.8	-12.3%	57.8	62.5	-7.5%	3.44	3.72	1.2	5.2	Real estate management & development
7,985.0	6,675.2	19.6%	1,573.5	705.3	123.1%	31.47	23.19	2.2	61.2	Financial institutions
8,164.0	6,902.1	18.3%	534.8	423.8	26.2%	37.14	29.83	2.2	72.9	Financial institutions
764.0	619.0	23.4%	643.0	335.8	91.5%	8.49	17.05	40.4	320.1	Consumer durables
8,857.0	7,578.4	16.9%	589.0	328.3	79.4%	11.78	13.20	5.3	71.0	Financial institutions
742.0	740.0	0.3%	530.8	410.2	29.4%	26.54	20.51	1.1	20.1	Construction materials
2,184.8	2,215.6	-1.4%	369.8	259.3	42.6%	10.88	7.63	1.2	12.3	Broadcasting and cable TV
185.0	187.7	-1.5%	26.7	32.8	-18.5%	8.90	10.56	0.9	9.7	Food distributors
242.0	256.4	-5.6%	8.0	8.5	-5.3%	4.47	9.44	3.9	20.8	Construction (homebuilding)
254.0	256.3	-0.9%	40.1	32.4	23.6%	7.65	6.25	5.0	42.8	Food distributors
261.0	261.1	0.0%	19.4	23.8	-18.5%	4.86	5.79	0.7	4.2	Food distributors
481.0	471.2	2.1%	288.3	223.1	29.2%	9.20	7.12	0.1	1.1	Pharmaceuticals
11,048.0	11,001.4	0.4%	253.9	372.8	-31.9%	11.04	16.05	0.2	2.9	Financial institutions

TOP 100 COMPANIES BY REVENUE

Rank 2003	Rank 2002	Company Registered Name (Trade Name)	Symbol	Revenue (LE mn) 2002	Revenue 2001	Revenue % change	Net Profit (LE mn) 2002	Net Profit 2001	Net Profit % change	Brand Value (LE mn) 2003	Brand Value 2002
41	45	**Arab Polvara Spinning and Weaving**	APSW	270.0	213.5	26.4%	14.0	12.1	15.4%	-302.5	-408.5
42	39	**Pfizer Egypt** (Pfizer)	PFIZ	254.0	260.6	-2.5%	-11.0	-6.6	——	95.3	127.9
43	44	**Paints and Chemical Industries** (PACHIN)	PACH	253.0	220.1	14.9%	65.0	51.0	27.4%	129.0	-99.9
44	41	**Nile Pharmaceutical and Chemical Industries** (Nile Pharmaceuticals)	NIPH	251.0	229.2	9.5%	35.0	34.2	2.4%	51.2	70.9
45	•	**Amoun Pharmaceuticals**	AMUN	240.9	404.6	-40.5%	2.7	93.9	-97.1%	229.1	4,074.9
46	42	**Egyptian Electrical Cables**	ELEC	233.0	227.8	2.3%	-40.0	-89.2	——	-236.7	-292.1
47	46	**Egyptian Financial and Industrial** (EFIC)	EFIC	222.0	200.2	10.9%	48.0	42.0	14.3%	-167.9	-237.3
48	60	**Sinai Cement**	SCEM	216.0	131.2	64.6%	20.0	26.7	-25.1%	211.4	-45.7
49	48	**National Development Bank of Egypt** (NBD, NDBE)	DEVE	214.5	195.7	9.6%	0.0	62.6	-100.0%	-182.7	-146.3
50	•	**Alexandria Containers and Goods**	ALCN	205.0	208.6	-1.7%	105.4	104.9	0.5%	308.7	234.1
51	51	**Alexandria Cement** (Alexandria Portland Cement)	ALEX	184.0	184.1	0.0%	-97.0	113.3	——	-9.8	-91.3
52	50	**El-Ezz Porcelain** (El-Jawhara, El-Gawhara)	ECAP	180.0	184.6	-2.5%	-18.0	-5.2	——	-103.0	-156.9
53	52	**Cairo Pharmaceuticals**	CPCI	179.0	170.8	4.8%	35.0	33.5	4.4%	-33.4	-63.1
54	54	**Alexandria Spinning and Weaving** (Spinalex)	SPIN	173.0	160.7	7.7%	19.0	18.1	4.9%	-369.5	-424.9
55	40	**Al-Watany Bank of Egypt** (Al-Watany Bank, AWB)	WATA	170.2	254.7	-33.2%	0.0	107.9	-100.0%	-117.0	-153.0
56	66	**General Silos and Storage**	GSSC	161.0	120.7	33.4%	30.0	24.5	22.7%	-67.0	-86.2
57	71	**Heliopolis Housing and Development** (Heliopolis Housing)	HELI	156.0	103.4	50.9%	58.0	54.5	6.5%	222.5	191.7
58	•	**El Nasr Clothes and Textiles** (KABO)	KABO	147.0	132.3	11.1%	14.0	16.4	-14.8%	-208.5	-194.7
59	63	**Egypt Free Shops** (EFSCO)	MFSC	143.0	125.3	14.1%	16.0	16.3	-1.9%	29.5	-10.8
60	82	**Egyptian Media Production City** (Media City, EMPC, MPC)	MPRC	140.0	62.5	124.1%	24.0	27.2	-11.8%	456.6	-444.2

43 PAINTS AND CHEMICAL INDUSTRIES: Although sales started to slow in 2003, PACHIN managed to improve its bottom line, with net profits reaching LE 65 million.

Total Assets (LE mn) 2002	2001	% change	Market Cap (LE mn) 2003	2002	% change	Share Price (LE) 31-12-03	31-12-02	Volume (mn) 2003	Value (LE mn) 2003	Industry
743.0	787.4	-5.6%	192.5	70.7	172.1%	4.11	1.54	112.9	496.2	Textiles
282.0	283.8	-0.6%	119.3	162.1	-26.4%	18.08	24.74	1.2	26.4	Pharmaceuticals
597.0	609.1	-2.0%	560.0	320.0	75.0%	28.00	16.02	12.6	313.2	Commodity Chemicals
252.0	233.8	7.8%	142.2	156.0	-8.9%	47.39	52.00	0.1	5.2	Pharmaceuticals
225.8	740.0	-69.5%	415.6	4,404.6	-90.6%	20.78	220.23	0.5	8.3	Pharmaceuticals
614.0	612.3	0.3%	61.3	25.2	142.9%	4.13	1.69	40.8	169.1	Electrical components and equipment
789.0	743.1	6.2%	336.1	253.7	32.5%	51.73	39.05	1.3	54.8	Fertilizers and agricultural chemicals
688.0	686.4	0.2%	512.4	236.5	116.7%	14.64	9.40	15.2	179.8	Construction materials
7,572.0	7,034.5	7.6%	267.3	267.0	0.1%	10.04	10.49	1.7	16.9	Financial services
477.2	469.7	1.6%	476.7	402.0	18.6%	19.38	16.34	0.0	0.8	Marine transport
937.0	911.9	2.8%	196.2	216.0	-9.2%	16.35	18.00	0.0	0.6	Construction materials
545.0	562.3	-3.1%	71.0	35.1	102.1%	1.96	0.99	61.0	111.7	Building products
369.0	339.2	8.8%	141.6	142.0	-0.3%	39.99	40.17	0.2	8.4	Pharmaceuticals
651.0	658.0	-1.1%	134.5	79.5	69.2%	11.25	6.40	0.1	1.2	Textiles
5,951.0	5,596.9	6.3%	210.0	232.0	-9.5%	8.40	9.27	13.9	122.3	Financial institutions
405.0	393.3	3.0%	116.0	92.3	25.7%	11.60	9.46	3.3	39.7	Food distributors
722.0	678.0	6.5%	318.5	266.4	19.6%	21.47	54.00	0.5	10.3	Real estate management & development
488.0	490.5	-0.5%	54.5	54.7	-0.4%	7.00	7.03	3.2	24.1	Textiles
117.0	106.5	9.8%	114.5	58.0	97.2%	32.70	16.40	0.4	14.0	Department stores
2,104.0	2,056.7	2.3%	2,318.6	1,360.5	70.4%	13.48	8.09	116.3	1,178.5	Movies and entertainment

TOP 100 COMPANIES BY REVENUE

Rank 2003	Rank 2002	Company Registered Name (Trade Name)	Symbol	Revenue (LE mn) 2002	Revenue 2001	Revenue % change	Net Profit (LE mn) 2002	Net Profit 2001	Net Profit % change	Brand Value (LE mn) 2003	Brand Value 2002
61	56	**Egypt Kuwait Holding Company** [1] (Egyptian Kuwaiti Holdings)	EKHO	135.2	184.5	-26.8%	109.0	99.7	9.3%	1,938.4	92.4
62	99	**Orascom Hotel Holdings** (OHH)	ORHC	135.0	130.5	3.4%	-40.0	-20.3	—	-264.8	-406.7
63	13	**Faisal Islamic Bank of Egypt**	FAIS	130.4	140.9	-7.5%	17.0	39.2	-56.6%	-331.2	-302.0
64	61	**Memphis Pharmaceuticals**	MPCI	130.0	128.0	1.6%	29.0	28.3	2.6%	24.5	30.8
65	64	**Nasr Civil Works** (Nasr Company for Civil Works)	NCCW	127.0	122.7	3.5%	18.0	18.7	-3.9%	2.9	0.9
66	58	**Housing and Development Bank**	HDBK	125.7	153.3	-18.0%	16.0	30.9	-48.2%	-217.6	-192.8
67	62	**Arab Drugs and Chemical Industries** (Arab Pharmaceuticals, ADCO)	ADCI	125.0	127.1	-1.7%	16.0	15.8	1.5%	2.6	1.9
68	67	**Orascom Projects and Touristic Development** [2] (OPTD)	OPTD	121.0	120.6	0.3%	4.0	4.0	1.2%	-124.2	-200.4
69	55	**EFG-Hermes Holding** (EFG-Hermes)	HRHO	117.0	158.7	-26.3%	15.0	19.8	-24.1%	-368.6	-452.4
70	72	**Egyptian Starch and Glucose**	ESGI	116.0	99.7	16.4%	16.0	15.2	5.2%	51.7	-11.9
71	•	**Bisco Misr**	BISM	111.0	101.7	9.1%	24.0	27.8	-13.6%	142.0	85.9
72	57	**RAKTA Paper Manufacturing** (RAKTA)	RAKT	108.0	154.3	-30.0%	4.0	11.8	-66.2%	-70.9	-65.8
73	•	**Arab Cotton Ginning**	ACGC	102.0	73.1	39.5%	9.0	5.9	52.5%	-135.3	56.8
74	70	**T3 - A Pharmaceutical Group** (T3 Pharma)	TAGP	101.0	104.1	-3.0%	4.0	9.8	-59.0%	-107.1	-71.1
75	•	**Misr Qena Cement**	MCQE	94.4	N/A	—	57.0	—	—	100.5	-101.4
76	69	**United Bank of Egypt** (UBE)	UBEE	89.2	105.9	-15.8%	0.0	31.2	-100.0%	-156.4	-93.4
77	78	**Kafr El-Zayat Pesticides**	KZPC	88.0	74.2	18.7%	10.0	6.0	66.1%	14.9	14.7
78	74	**Misr Chemical Industries**	MICH	85.2	87.0	-2.2%	13.0	7.5	72.4%	66.4	-18.5
79	76	**Medinet Nasr Housing and Development** (Nasr City Housing)	MNHD	84.0	83.9	0.1%	50.0	52.7	-5.1%	223.3	157.4
80	68	**Egyptian Gulf Bank**	EGBE	81.8	108.8	-24.8%	7.0	17.7	-60.4%	-211.6	-214.8

70 EGYPTIAN STARCH AND GLUCOSE: Kuwait Food Company (Americana), said it would participate in a tender to acquire a 42.99 percent stake in Egyptian Starch.

Total Assets (LE mn) 2002	2001	% change	**Market Cap** (LE mn) 2003	2002	% change	**Share Price** (LE) 31-12-03	31-12-02	**Volume** (mn) 2003	**Value** (LE mn) 2003	**Industry**
1,448.2	1,096.1	-32.1%	2,887.5	1,008.8	186.2%	24.06	16.81	13.6	341.2	Multi-sector holdings
1,056.0	626.2	68.6%	77.2	44.7	72.8%	4.01	2.28	18.1	56.6	Hotels, resorts and cruise lines
11,091.0	9,973.0	11.2%	42.8	42.2	1.2%	140.00	138.50	0.0	0.6	Financial institutions
210.0	195.1	7.7%	117.5	125.2	-6.2%	46.99	50.08	0.0	2.2	Pharmaceuticals
183.0	198.4	-7.8%	55.9	52.2	7.0%	13.97	13.05	0.3	4.0	Construction (homebuilding)
6,069.0	5,581.5	8.7%	69.4	78.3	-11.3%	12.86	14.47	0.1	2.1	Financial institutions
144.0	180.7	-20.3%	57.6	61.7	-6.6%	48.00	51.41	0.1	6.3	Pharmaceuticals
823.0	822.9	0.0%	149.8	74.1	102.1%	3.90	1.93	14.2	52.7	Hotels, resorts and cruise lines
1,254.0	1,273.0	-1.5%	246.4	170.5	44.6%	6.00	4.05	37.0	281.4	Diversified capital markets
92.0	89.9	2.3%	113.7	49.6	129.1%	24.72	10.67	3.0	53.1	Food distributors
116.0	112.4	3.2%	207.0	151.9	36.3%	18.00	13.21	2.6	44.9	Food distributors
178.0	195.4	-8.9%	58.1	60.8	-4.3%	5.35	5.79	0.2	1.1	Forest products
294.0	128.0	129.7%	103.7	79.6	30.3%	2.24	35.50	17.7	60.9	Textiles
223.0	210.6	5.9%	16.9	23.4	-27.8%	4.12	5.71	0.3	1.3	Pharmaceuticals
845.0	767.5	10.1%	454.5	270.0	68.3%	15.15	9.00	17.0	212.7	Construction materials
4,333.0	4,197.4	3.2%	94.6	158.0	-40.1%	4.73	7.90	2.3	18.3	Financial institutions
69.0	69.4	-0.6%	42.9	38.3	12.0%	28.61	26.14	0.1	2.3	Fertilizers and agricultural chemicals
519.0	519.0	0.0%	197.4	114.2	72.8%	6.17	3.52	14.2	93.9	Diversified chemicals
766.0	765.9	0.0%	420.3	346.7	21.2%	26.27	22.14	2.8	69.5	Real estate management & development
2,308.0	2,294.1	0.6%	43.5	32.8	32.5%	1.10	0.83	7.1	7.8	Financial institutions

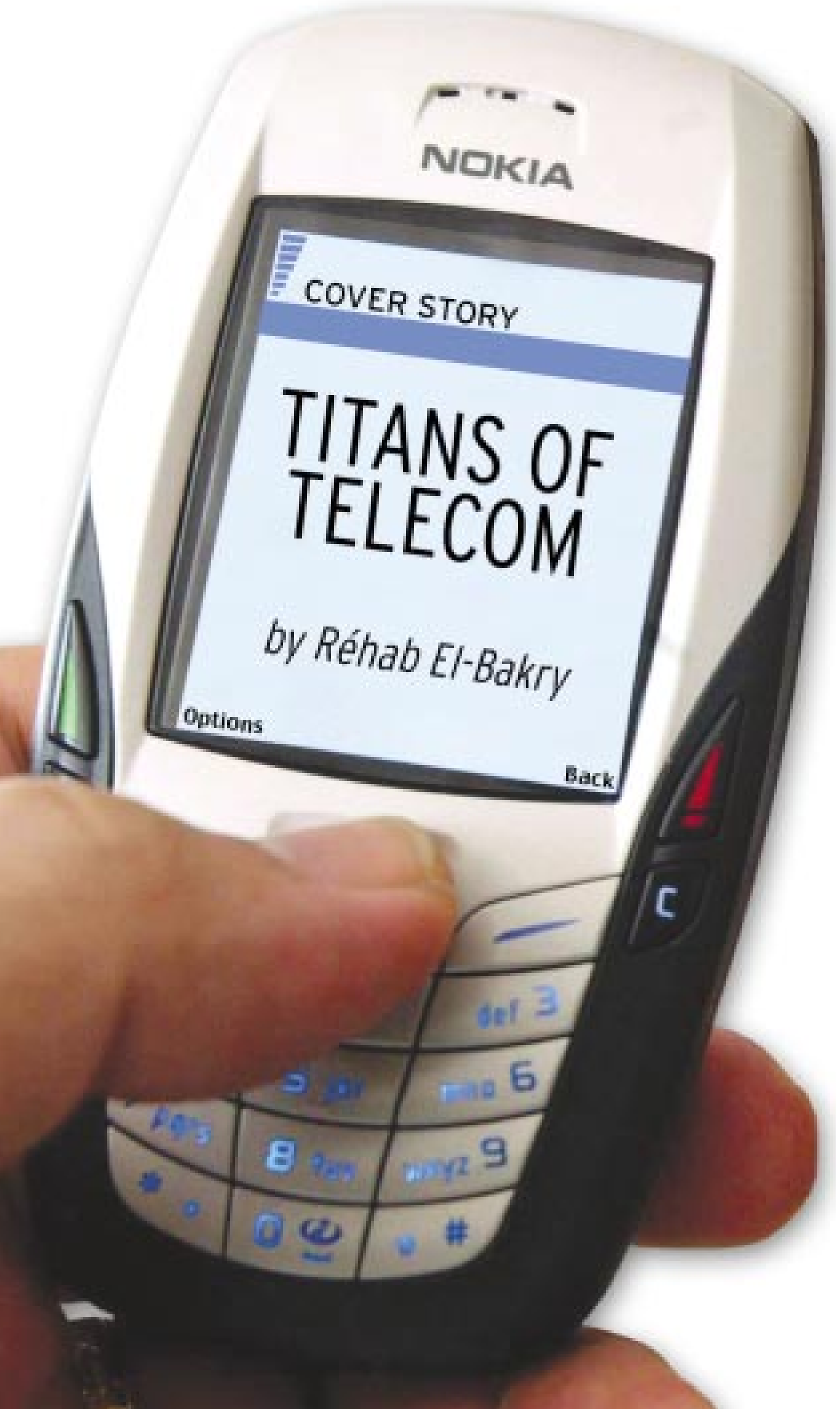
TOP 100 COMPANIES BY REVENUE

Rank 2003	2002	**Company Registered Name** (Trade Name)	**Symbol**	**Revenue** (LE mn) 2002	2001	% change	**Net Profit** (LE mn) 2002	2001	% change	**Brand Value** (LE mn) 2003	2002
81	79	**Arab Ceramics** (Aracemco)	CERA	71.0	71.5	-0.8%	5.0	4.9	2.6%	15.7	-16.8
82	81	**Egyptian Saudi Finance Bank** (ESFB)	SAUD	64.4	69.0	-6.7%	0.0	11.8	-100.0%	-48.3	-53.0
83	83	**Alexandria Commercial and Maritime Bank**	MART	61.5	59.3	3.8%	19.0	16.5	15.2%	-120.8	-95.7
84	87	**Upper Egypt General Contracting** (Upper Egypt Contracting)	UEGC	53.0	52.7	0.6%	1.0	1.6	-36.2%	-9.2	-10.3
85	77	**Mohandes Bank**	MOHA	44.7	81.1	-44.9%	0.0	0.0	0.0%	-78.0	-74.0
86	80	**Canal Shipping Agencies**	CSAG	44.0	70.4	-37.5%	53.0	52.7	0.5%	124.0	165.0
87	84	**Nile Match and Prefabricated Houses** (Nile Matches)	NMPH	40.0	57.6	-30.6%	5.0	3.9	28.9%	-20.5	-23.9
88	75	**Misr Hotels** (Hilton)	MHOT	37.0	53.1	-30.3%	37.1	59.6	-37.8%	-77.0	-79.8
89	91	**Development and Engineering Consultants**	DAPH	34.2	27.6	24.2%	14.0	1.7	724.5%	-28.5	-26.1
90	92	**Acrow Misr Metallic Scaffolding and Frameworks** (Acrow Misr)	ACRO	31.0	23.6	31.5%	4.0	3.4	19.3%	-1.6	-4.5
91	•	**Mena Touristic and Real Estate Development**	MENA	31.0	21.8	42.5%	2.0	165.0	-98.8%	-83.9	-83.1
92	89	**Cairo Housing**	ELKA	24.9	39.6	-37.1%	4.0	3.3	21.4%	-42.6	-52.6
93	94	**Mohandes Insurance**	MOIN	20.0	20.7	-3.5%	19.0	16.5	15.1%	-32.6	-33.3
94	•	**United Arab Shipping**	UASG	17.9	16.2	10.3%	-19.1	-16.2	——	24.9	2.8
95	•	**El Nasr Dehydrated Agriculture Products**	NDAP	17.0	15.0	13.2%	1.0	-7.7	——	10.8	611.8
96	96	**El-Shams Housing and Urbanization** (El-Shams Housing and Development)	ELSH	14.0	11.3	24.3%	7.0	8.0	-12.9%	21.8	-20.8
97	97	**United Housing and Development**	UNIT	14.0	9.8	42.6%	8.0	7.8	2.6%	34.4	22.1
98	100	**Export Development Trading Company**	EXPO	4.0	0.0	——	-3.0	-2.8	——	-30.5	-30.9
99	93	**Al-Ahli Investment and Development**	AFDI	1.0	20.9	-95.2%	-18.0	0.3	——	-99.0	-118.7
100	•	**Misr Beni Suef Cement**	MBSC	0.0	N/A	——	0.0	——	——	200.0	14.7

88 MISR HOTELS (HILTON): Privatization plans were scuttled once again in 2003, when investors announced their disinterest due to the financial situation of the company.

Total Assets (LE mn) 2002	2001	% change	Market Cap (LE mn) 2003	2002	% change	Share Price (LE) 31-12-03	31-12-02	Volume (mn) 2003	Value (LE mn) 2003	Industry
86.0	84.6	1.7%	58.7	23.6	148.3%	7.82	4.20	0.4	2.7	Building products
2,781.0	2,288.6	21.5%	120.7	103.3	16.9%	6.26	7.23	0.9	6.0	Financial institutions
1,953.0	1,611.0	21.2%	69.2	75.7	-8.6%	8.23	9.00	0.2	1.8	Financial institutions
94.0	99.4	-5.4%	1.8	2.5	-27.2%	6.01	8.13	0.2	1.1	Construction and engineering
5,376.0	5,166.1	4.1%	89.0	97.4	-8.6%	5.53	5.77	0.1	0.8	Financial institutions
564.0	568.1	-0.7%	406.0	246.0	65.0%	2.03	1.22	36.6	79.7	Marine transport
60.0	61.7	-2.8%	8.5	10.1	-16.2%	4.23	5.00	0.7	3.4	Forest products
342.0	358.0	-4.5%	216.0	211.2	2.3%	65.44	64.56	0.3	19.7	Hotels, resorts and cruise lines
248.0	231.2	7.3%	29.5	31.1	-5.4%	7.65	8.09	1.5	12.1	Real estate management & development
46.0	40.6	13.4%	28.4	28.3	0.3%	23.69	23.62	0.2	6.2	Construction and engineering
296.0	311.6	-5.0%	10.1	9.0	12.1%	3.66	4.90	0.3	1.6	Hotels, resorts and cruise lines
214.0	227.9	-6.1%	46.4	33.1	40.1%	3.04	2.14	38.5	116.8	Real estate management & development
487.0	442.1	10.1%	62.4	56.0	11.4%	15.59	14.00	0.1	1.5	Property and casulty insurance
19.1	17.9	7.0%	9.5	6.5	46.2%	2.50	1.71	0.3	0.9	Marine transport
11.0	10.7	3.2%	11.2	5.8	94.5%	14.04	7.22	0.1	1.5	Agriculture
200.0	212.8	-6.0%	87.8	50.2	74.9%	4.18	2.43	9.7	40.8	Real estate management & development
60.0	58.3	3.0%	56.4	45.5	23.9%	3.37	2.60	5.6	19.5	Real estate management & development
418.0	417.5	0.1%	2.5	2.2	13.7%	1.66	1.45	1.1	2.6	Trading companies and distributors
281.0	333.2	-15.7%	57.0	57.2	-0.3%	3.80	3.80	0.3	1.1	Multi-sector holdings
745.0	633.0	17.7%	353.0	173.9	103.0%	17.65	11.59	24.3	395.2	Construction materials

It Takes Two



The country's busiest sector delved into markets unknown, threw itself at the mercy of the stock market — and most importantly, decided that three makes a crowd. That's right, 2003 saw a state-owned dinosaur outsmart them all to become a major player in one of the two private operators.

NEW AND IMPROVED TELECOM EGYPT: "In a sense, we just became a major player in the mobile market with control over just 25.5 percent of Vodafone."

One out of two ain't bad. This time last year we made a couple of predictions. One said that we'd have a third mobile operator by now. Wrong. The other said that Vodafone Egypt would list its stock on the bourse. Spot-on. Oh, and another thing, when we said 2003 would be the Year of the Telecoms? We were right on target there, too. Egypt's telecoms branched into Baghdad, launched new technologies and services, became publicly traded, went from completely private to partially state-owned, gave birth to new holding companies and, of course, remained on top as the most profitable — and exciting — sector in the country.

The results are not exactly surprising, considering that throughout 2003 events within the telecommunications sector have been the subject of numerous headlines and much chatter. From the January passing of Telecommunications Law No. 10 to the debate over the existence of a third mobile operator to Orascom Telecom landing one of three mobile licenses in Iraq in October, the sector earned the right to rule — yet again — *Business Today Egypt*'s second-annual Top 100 Listed Companies in Egypt.

The life and death (and life?) of the third operator

At the beginning of 2003, the market was abuzz with the expected launch of the third mobile operator, Wataneya, the license for which was acquired by Telecom Egypt (TE). Acquiring the license was expected to be TE's gateway into the modern telecommunications era that would have transformed it from a traditional, fixed-line operator into a contemporary telecom conglomerate — a company that would be second to none since it would have been the only firm with both fixed and mobile lines.

Although the law does not give TE a monopoly over fixed lines in Egypt, Akil Beshir, TE chairman, points out that logic does. "We don't have a monopoly over fixed lines. This is a myth we are trying to dispel. Anyone who has the money and the time could set up a second fixed-line operator, but good luck trying to get the infrastructure in place in cities as congested as Cairo and Alexandria. We don't have a monopoly by law — we have one by default."

The entry of TE into the mobile market would have been the jewel in the crown of the largest fixed-line operator in the region. While things looked good at the start of the year, the results of a feasibility study revealed that the market could not handle another operator.

"Studies revealed that it would take at least seven years for the [third operator] to make profit," explains Minister of Communications and Information Technology Ahmed Nazif. "This business requires a large investment up front. TE would have been required to make an investment of at least LE 4 billion up front … and then it would have had to wait for such a long period of time before turning a profit. It just wasn't the best option."

While Nazif still believes the ideal situation is to have more competition, the problem with more competition sometimes is that the market itself cannot handle it.

"If you literally don't have the market for three operators, then you should have only two," he says. "If you don't have the market for four operators then you should have three, etc. You must look at the type of investment required and the type of returns."

He believes that the investment made so far by the current operators, MobiNil and Vodafone, has been sufficient. "If I say that the market today has an investment of about LE 12 billion, and that any additional investment will be a minimum of LE 4 billion, that means I have to raise the LE 12 billion to LE 16 billion. The problem is there is no payback on an LE 16-billion operation. So, one of two things would happen: either a third operator would fail, or it would bring down one or two of the other operators. You have to be [realistic] in your decision-making process."

While — in the opinion of those decision-makers — the results of the feasibility studies were not positive, there was a second factor involved, Nazif says: a lack of suitable investors.

"There's a difference between an 'investor' and a 'suitable investor,'" explains Nazif. "There were no suitable investors available to partner up with TE. So the only option was for TE to do it alone. That means, in this case, put public money into a battle that we know is very risky and against very able competitors — numbers 1 and 2 in the world, Vodafone and Orange (MobiNil's foreign shareholder)." He says that even if TE had brought in the know-how through an outside management contract, it would still be a big risk, and too many factors were not favorable.

Since the reaction to TE's initial decision not to launch a mobile network after so much pomp and circumstance was met with the ire of the general public and the government, TE considered two other potential partnership offers, the first by a French company, and the second by a South African one. The two bids were rumored to be from Bouygues Telecom and Telkom South Africa, according to one industry insider who wishes to remain anonymous.

While both companies were interested in acquiring 49 percent of the third operator, the details of the deal did not suit TE, the ministry or the National Telecommunications Regulatory Authority (NTRA).

"First of all, their feasibility studies were very close to ours, showing that there would be a seven-year wait before profits, not taking into account the cost of the license," explains Nazif.

"Second, both companies imposed a condition that was not feasible or legal in Egypt," Nazif alleges. "They wanted the MCIT to force the other two operators to allow the third operator to use their networks for national roaming." In other words, the third operator would have been permitted to use the resources of the first and second operators to provide services to their own clients. "They thought that to minimize the initial investment, they would build part of the network on their own and share the other part," says Nazif.

"There's nothing in the contracts [of either MobiNil or Vodafone] that allows us to force them to comply with that. Moreover, that has never been done anywhere in the world. … Ultimately, this offer was not really suitable for this market."

But since being part of the mobile sector still held great lure for TE, Chairman Beshir says the company was forced to come up with an alternative way to enter the market. "We decided to approach the other two companies [in the first quarter of 2003] about the possibility of acquiring shares in [one of them]," he says. "Vodafone was more interested. We began the negotiation process of how we were going to accomplish the agreement without being silent partners, because this was not a suitable option for us."

After almost a year's worth of negotiating, TE announced in December it was acquiring 25.5 percent of Vodafone Egypt.

Ian Gray, CEO and managing director of Vodafone Egypt, says the talks were lengthy and exhausting. "The negotiations went on and off for almost the entire year because there were a lot of details that we needed to iron out," Gray says.

But Gray says the outcome was well worth the wait and worry.

"We thought the idea was certainly a worthy one, mostly because it would benefit so many parties," explains Gray. "First of all, this deal was going to provide the [current operators with] the opportunity to expand to 1800 spectrum, which was a much-needed development for both networks to grow. So from a customer-care point of view, this was very important."

The second factor that Gray says made the deal a zinger for Vodafone was the potential growth in the Egyptian telecom sector.

He says that TE's access to customers will contribute to growth in the industry. "As a long-term strategic investor in the Egyptian telecom sector, we are just as interested in initiatives that will help the overall development in the market in the long term. This deal is going to help the development of one of the major players in the market — and that is good for the market as a whole."

Wataneya's (sort of) resurrection

In order to truly understand the exact breakdown of the deal, it's important to understand the many branches of ownership of Vodafone Egypt prior to TE's purchase.

Originally, in 1998 when it entered the market, 72 percent of Vodafone Egypt was owned by the UK's Vodafone Group, 5 percent by Alkan Group, 5 percent by Banque du Caire and the remaining 18 percent was held by minority shareholding companies and individuals. The 25.5 percent that TE acquired was divided between shares that TE bought from Vodafone Group amounting to 16.9 percent and the remaining 8.6 percent from the other shareholders.

TE bought the shares for an average price of LE 23.30 per share; the owners of those shares had originally purchased them for LE 5 apiece — so a tidy sum was made by all.

Beshir explains that the agreement between TE and Vodafone Group entailed more than just buying shares into a company — it created an entirely new ownership scheme.

The Enforcer

The new regulatory authority director uses his military and private sector background to enforce the spirit of transparency in the telecoms law

From the birth of the forward-thinking Ministry of Communications and Information Technology (MCIT), creating a new law to govern the telecom sector topped Minister Ahmed Nazif's to-do list.

Ever since his 1999 appointment as the first minister for the new MCIT, Nazif believed that having a thorough law would be the key to promoting the telecom sector as "the first fully de-regulated business sector in Egypt, that is based on transparency and free competition.

"The telecom sector has proven that de-regulation can work. It also showed that there is great room for growth for the private sector in the various areas of the telecommunications, and that all this will be accomplished in a very transparent manner," he says.

In *Business Today Egypt*'s Top 100 issue in 2003, Nazif explained that these characteristics — fast growth and multi-faceted competition — need a strong telecommunications law to protect and enforce fair rules. (See *"Targets Acquired,"* February 2003).

After more than two years of waiting, wrangling and negotiating, the law was passed by Parliament at the end of January 2003. Considering the amount of time and effort that went into getting this law passed, it's no surprise the Nazif sees it as one of last year's major accomplishments.

"[The law] did something very important to the sector because not only does it offer a legal framework, but it also legalized and gave strength and influence to the National Telecommunications Regulatory Authority (NTRA)," says Nazif. The law reinforced the authority the NTRA has over all actors in the market as well as its indepen-

Omar Mohsen

Alaa El-Din Fahmy is one of the first NTRA directors with a non-TE history.

VODAFONE EMBRACES TE: "We thought the idea was certainly a worthy one, mostly because it would benefit so many parties. This deal is good for the market as a whole."

"Vodafone [Group] did not want to sell to the point that they would own less than 50 percent of the company, and we didn't want to be a silent minority shareholder," he says. "So we devised a way to give both of us what we wanted."

And that's exactly what Beshir got: TE now has a major voice in Vodafone's decision-making process through a (resurrected) Wataneya.

TE and Vodafone Group co-formed a company called Wataneya — the name of the never-born third mobile network — that is owned 50-50 by the two companies. "[TE's] capital in this company is the 25.5 percent shares that we acquired; Vodafone Group will put an equal number of shares into the company, that is another 25.5 percent shares of their 50.1 percent," explains Beshir. "This gives Wataneya an ownership of 51 percent of Vodafone Egypt, making the joint company the majority stakeholder in Vodafone Egypt."

This created the ownership scheme of Vodafone Egypt as such:

- 51 percent owned by Wataneya
- 24.6 percent owned by Vodafone International
- 24.6 percent owned by minority shareholders

"This way we have equal control over Wataneya because we are equal owners, and thus good control over Vodafone Egypt," smiles Beshir. "So, in a sense, we became a major player in the mobile market with control over just 25.5 percent of the company."

Not only did TE get control of a major portion of one of the two mobile operators in the market, they partnered up with the No. 1 mobile operator in the world, achieved their goal of jumping into the mobile sector and raising the company's portfolio, but they also did it for a fraction of the cost of building a third mobile network.

Instead of spending close to an estimated $260 million building a network, TE spent roughly half that amount and still managed to maneuver its way into the mobile sector.

While some may spend time lamenting the loss of the third mobile operator and its potential benefits to consumers, Nazif is not among them. He is more than happy to list the advantages of this new deal:

"First, TE avoided a risky investment with public money. It returned the license and got the fees it paid back. The third license is still available for anyone who's interested. We're not going to turn down a good business offer," says Nazif.

"Second, TE acquired shares in Vodafone Egypt, which means it's now in the mobile business and has gained some liquidity. Third, TE went into a strategic partnership with the No. 1 mobile company in the world. We had been looking for another partner when we had one right under our noses the whole time.

"Fourth — and this is for the broader benefit of the country — this deal has a direct affect on the country's hard currency situation. We avoided a large investment in dollars and other hard currencies, where almost 90 percent of the revenues were going to be in Egyptian pounds. Plus, the revenue on the 25.5 percent [owned by TE] will remain in the country. The revenue from that same percentage used to leave the country."

dence over all of these bodies, including the ministry. This is a far cry from the telecommunications sector Nazif first joined in 1999.

"In 1999, everything was mixed together," he says with a broad smile. "We had Telecom Egypt (TE), the NTRA and the ministry all in one building in Ramses. They were all mixed up together in a very unusual manner. Now each [of these bodies is] separate from each other, both in their physical locations and in the business sense."

Nazif also points out that the number of people working for the NTRA has increased to help meet its mandate.

"There [was also] a restructuring of the departments and a new board of directors for the body," says Nazif. "The law has allowed them to become more active in all aspects of the deregulation process [within the industry]. They have the right human resources system, and they are becoming closer to the [clients] by creating a customer-care network and call center. More and more, we see the regulator becoming more like regulators in other parts of the world."

Not only does the NTRA have a new law and a new look, it also has a new ministry-appointed director since April 2003.

Unlike his predecessors, the new NTRA Director, Alaa El-Din Fahmy, does not come from a TE background. Instead, he comes from the private business side of the telecommunications industry.

Fahmy was originally a military engineer, something he says he has always been proud of because he made the choice to join the military even though his grades in school were high enough to secure entrance into any university he wanted.

"I was proud to be part of an entity that taught me discipline and how to follow and enforce rules," he says. But Fahmy did more than just live his professional life via military code, he was heavily involved in the information technology sector, having worked for Cabinet's Information and Decision Support Center, which is credited with helping launch the internet in Egypt

He also joined the private sector at various points during his career.

It was this combination of private and public experience that made Fahmy an attractive candidate to head up the NTRA. Another very attractive factor about Fahmy is the fact that at no point during his career did he work with state-owned TE. "I think this was a very important factor during the selection process," says Fahmy. "Because I didn't come from TE, there are no loyalties toward TE, and that gives me a free hand to deal with TE the exact same way that I would deal with any other organization or company in the market."

Having a non-TE director was important to Nazif. He wanted to completely sever any connection between the NTRA and TE in order for things to build more transparency and avoid any conflicts of interest.

"The new director of the NTRA is from outside TE," Nazif confirms. "Moreover, all the directors of the various departments in the NTRA are also from outside TE and the ministry."

Nazif took a further step to stamp out the synonymy between TE and the NTRA by making all TE employees working in the NTRA decide whether they wanted to join the regulator permanently or return to their original jobs at TE. "All these changes will give the NTRA a freer hand in dealing with TE and other companies in the same manner."

Fahmy says this lack of distinction and favoritism between companies is at the heart of the telecommunications law. The spirit of the law can be summed up in the concept of transparency, he says, even when it comes to companies that are owned by the government itself.

"Ultimately, transparency is in the best interest of the country, and the law gives the NTRA the power it needs to ensure this transparency exist among all the players," says Fahmy.

He also sees the law as setting the standard, which all products and services in the telecom sector must meet. "In order to protect the consumer, the law requires all companies in this sector to follow a very specific and standardized licensing procedure," says Fahmy. "This procedure includes the specifics of the assigned frequencies, power supplies and the sharing of resources."

Creating a perfectly transparent authority in Egypt is no small order, but Fahmy appears to be more than up to the task. bt

For his part, Vodafone's Gray sees the deal as a great strategic partnership for both TE and Vodafone. He says that TE couldn't really do much better than the No. 1 mobile provider worldwide. "The new ownership scheme fits with the direction in which the industry as a whole is going," says Gray.

"This sector [thrives] on good partnerships, and this is a very good example of a good partnership for the sector. This will allow both parties to better serve the customers in Egypt."

Revenue for all

Since the mobile license being relinquished by TE is technically owned by the NTRA, the regulatory authority was heavily involved in the negotiations, playing a fundamental role in ensuring that the deal took place in as transparent a manner as possible.

"We were involved in several areas of the negotiations," explains Alaa El-Din Fahmy, head of the NTRA. "First, the return of the third mobile license to the NTRA required our involvement because we had to refund the money that TE paid. This also involved both MobiNil and Vodafone because the proposal was for each of the two companies to pay LE 1 billion to acquire the frequencies that had originally been allocated to the third operator. So the regulator was heavily involved in this part of the deal."

The one party that has been quiet about the deal is, of course, Vodafone rival MobiNil. CEO Osman Sultan doesn't appear to be shaking in his boots too much about his new-and-improved competitor. In fact, the one aspect Sultan was most worried about was resolved with the aid of the NTRA.

The idea that the deal could stifle competition didn't sit well with Sultan. "On the one hand, there is nothing that encourages growth in any market as much as free competition," he says. "But on the other hand, there was very little room in the market for a third operator. We were going to be faced with a very difficult situation because the third operator was going to drop prices, which would have cut into everyone's revenue in a market where the price for customers is one of the lowest in the world," says Sultan.

"The price per minute, on average, is around 30 piasters. That translates into less than four cents of a euro or less than five cents of a dollar. And this is an investment-heavy industry where the cost of developing our products and installing the right equipment to provide better service is all in hard currency. So, it was very important to recognize the limitations of the market," he adds.

Sultan also explains that TE's decision to give up the third license freed up some very needed frequencies for the other two operators to grow and better provide services.

While he acknowledges the upside of TE's decision, he also recognizes that having a nationally owned operator partnering up with one of the two private mobile operators does raise some concerns.

"[We] raised [a concern] while this deal was being negotiated of [possible] favoritism or cross-subsidies between TE and its mobile partner," says Sultan. "Both the ministry and the NTRA acknowledged our concerns and all the parties involved signed an agreement that there will be no cross-subsidies between TE and Vodafone."

Minister Nazif agrees this was a valid concern; the ministry allowed MobiNil to propose an agreement that it found acceptable.

The CASE For Telecoms

Telecom Egypt targets the third quarter for its possible listing on the bourse

Many of the changes that took place in 2003 in the telecom sector unfolded on the Cairo and Alexandria Stock Exchange (CASE). Perhaps the biggest news of all was Vodafone's long-awaited decision to register shares on the bourse. The announcement came after at least two false alarms.

The news came at the end of 2003 following intense rumors that the nationally owned Telecom Egypt (TE) would acquire shares in Vodafone Egypt as a way to enter the mobile sector instead of establishing a third mobile network.

TE struck a deal with Vodafone Group that allowed TE to buy 25.5 percent of the shares of Vodafone Egypt. The listing was not an initial public offering (IPO) and Vodafone did not issue any shares, which basically means that minority stakeholders will be allowed to sell their shares on the CASE. At the time of listing, the price of shares was expected to be about LE 34 where it continues to hover today.

Vodafone CEO and Managing Director Ian Gray points out that Vodafone's decision to list on the CASE signifies that the company is more interested in doing what is to the benefit of the market as a whole.

"Vodafone has operated and continues to operate in many countries throughout the world without registering on stock exchanges, but the decision to register here was made because it was seen as a benefit to the telecommunications sector as a whole. Investors will have the option of buying shares in a local company that has an affiliation with a strong international contender."

TE Chairman Akil Beshir explains that Vodafone's decision to list on the CASE was not directly tied to TE acquiring shares in the company. Although, he points out, it may allow TE to acquire more shares off the CASE. "We now have the option to buy more shares directly into Vodafone Egypt from the minority stakeholders," says Beshir. "But [if this happens] it will not make any difference in the control over the company. These shares will have the same position as any other minority stakeholder."

Sigma Capital head Ahmed Marwan says that Vodafone Egypt's decision to finally list on the bourse will mean some major changes in the portfolios of potential investors.

"It will certainly have an effect on the way investors allocate money within their portfolio for shares in the telecom sector," he says. "Prior to the listing, anyone interested in investing in a local company listed on the CASE would buy shares in MobiNil because they had no other choice. But now they do. So, over the weeks before Vodafone listed, you found investors dividing their money and buying shares in [both companies]."

Marwan also explains that, contrary to common belief, Vodafone's listing will not really have any effect on the demand for Orascom Telecom (OT) shares because these companies have different agendas. "You can compare MobiNil and Vodafone Egypt because they are both mobile operators affiliated with big international companies. In other words, they fill the same category in the portfolio of the investor. OT is a different story. OT is a telecom empire with subsidiaries all over the world. This gives the investor a different category to deal with that is on the international level and not strictly the local one."

But Vodafone was not the only company with big news on the CASE during 2003. OT stocks also hit it big following the announcement that it landed the contract for one of the three mobile networks being built in Iraq.

WIN-WIN SITUATION: "Vodafone Group did not want to own less than 50 percent, and we didn't want to be a silent minority shareholder ... so we devised a way to give both of us what we wanted."

"The agreement explicitly states that TE is committed to the same lines of non-preferential treatment between Vodafone and MobiNil. We also have the regulatory authority, which is in charge of monitoring the activities of all the players in the market for any inappropriate dealings. The agreement we signed is [modeled after] the one the French government is applying," says Nazif. "They have the same problem because state-owned France Telecom owns one of the mobile operators in the country. [MobiNil] came up with a draft that resembles the agreement France Telecom has in place. It's all very clear — it talks about preferential treatment in the form of cross-subsidies and other indirect forms of preferential treatment. And the NTRA is there to enforce it."

The long-term effects of this agreement on the sector remain to be seen. The new union between TE and Vodafone has certainly turned TE into a powerhouse. This major shuffle will also have implications for potential outside investment as well as serious implications for the values of the stocks of all the companies involved throughout 2004. (See "The CASE For Telecoms.") (below)

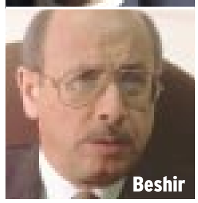
Not only is there a new player in the sector for 2004 but it's not out of the question for a new company to appear on the horizon and make a bid for the third mobile license. And with mobile penetration at 6 percent and Egypt's 70 million population that means there's a lot of ears out there for listening and fingers for dialing.

At the same time, the rivalry that often develops in any competitive industry will continue to rage between MobiNil and Vodafone/TE. Don't be surprised if the telecom sector is once more at the top of the ***bt*** 100 come February 2005. bt


Nazif


Gray


Sultan


Beshir

Clash Of The Titans

Despite the fact that the Vodafone-Telecom Egypt deal took a year, most parties came out of the negotiations happy.

MCIT'S NAZIF: "TE avoided a risky investment with public money. [Plus], the third license is still available on the market for anyone who's interested. We're not going to turn down a good business offer."

VODAFONE'S GRAY: "We thought the idea was certainly a worthy one, mostly because it would benefit so many parties."

MOBINIL'S SULTAN: "We were going to be faced with a difficult situation because a third operator would have dropped prices, which would have cut into everyone's revenue."

TE'S BESHIR: "Vodafone [Group] did not want to sell to the point that they would own less than 50 percent of the company, and we didn't want to be a silent minority shareholder ... we devised a way to give both of us what we wanted."

OT's stock has traditionally been one of the strongest, and often most expensive, on the CASE, followed very closely by the stock of its subsidiary, MobiNil. The price of OT's shares jumped by more than 25 percent on the day of the announcement in early October and a jump of an astounding 692 percent compared to the price of the share on the same date in 2002 from LE 7.26 in October 2002 to LE 57.48 in October 2003.

OT chief Naguib Sawiris, says that this is a reflection in the faith the market has in the company's plan to focus their expansion strictly on the Middle East as opposed to focusing on Africa and the Middle East. "We believe that this is where the future of OT is, and Iraq is simply a first step on that road."

While Sawiris might believe this is a reflection of the shift in focus for OT, Marwan believes it is about much more than that. "This is about a company that turned its management around after falling into a rut due to the conditions in the world economy. The reason that OT's stock is doing so well is because this company truly deserves for its stock to do so well. OT is a classic case of a local company rocketing internationally."

Speaking of a more international level, MobiNil CEO Osman Sultan says that the improved performance of telecom stocks in Egypt is in line with the improved performance of all telecom stocks around the world.

"This year, we saw the stocks of the industry around the world on a steady rise, which is an indication that the performance of telecom stocks will continue to improve around the world," says Sultan. "This will directly affect the interest of both national and international investors when in comes to buying stocks in the local telecom companies. This is especially true when the telecom market in Egypt is in a continuous process of evolution."

It is precisely the steady improvement in the performance of telecom stocks internationally that may propel TE to begin trading shares on the CASE. Although TE has always maintained that trading stocks on the CASE has been on the agenda, poor performance of telecom stocks globally forced the delay of these plans in the past few years.

"We have often discussed the idea of an IPO," says Beshir. "On the political level, there is a great commitment to selling shares of the company on the CASE, but unfortunately, the financial situation has not been very encouraging. We have been advised by our financial consultants to wait until the market picks up before the IPO."

Beshir also says that TE wanted to wait until it was active in the mobile business. "This time around, I think we are ready. We will need to wait until the company's overall evaluation is completed by our international rating firm; and we believe that we will be ready for the IPO sometime in the fall of this year."

While TE has made this promise far too often, Marwan says that the general feeling on the CASE is that they will list soon. "There are lots of factors for them to consider before actually listing on the CASE; being in the mobile market is just one of them. He says one of those factors is that the sector will be completely open to foreign investment by 2005 when the WTO communication protocol goes into full effect.

The second factor is whether Egypt will get a third mobile operator. "There is still a license available for any company that's interested. The fact that TE gave up its license is just a short-term delay. We don't know what the case will be down the road."

In spite of the above, Marwan says that the track record of those running TE and the ministry implies that they are doers, not just sayers.

He adds that three years ago, TE promised it would double the number of fixed lines in Egypt and it did. "Three years ago, there were only 5.5 million fixed lines and today, there are more than 11 million. So if they say a listing is on the agenda, I'm inclined to believe them." bt

Invincible OT

Orascom Telecom wins one for the home team

THERE'S NO DENYING THAT TWO-TIME ***bt*** 100 No. 1-ranked Orascom Telecom (OT) has managed to single-handedly raise the profile of the Egyptian telecommunications sector in the international arena.

OT competed with — and beat — some of the biggest international names in the industry to land the most coveted of three mobile contracts in Iraq, the central region, which includes Baghdad. The other winning bids were by Wataniya Telecom (in partnership with AsiaCell) and AtheerTel (a joint venture between the Kuwaiti wireless company MTC, Kuwaiti investors and Iraqi investors) in the northern and southern parts of Iraq, respectively.

The news was greeted with much cheer in Egypt, after all, the most expected Arab companies would be left out in the cold when it came to reconstruction contracts in Iraq. But for Naguib Sawiris, OT chairman, there was no surprise. He simply views this contract as one in many successful steps in the shift of OT's strategy from expanding further into Africa to focusing exclusively on the Middle East.

"I believe this was a testament to the success of the strategy that OT has adopted to focus on the Middle East," says Sawiris. "The best illustration of this is the fact that the other two companies that have landed contracts in Iraq have also adopted a similar strategy to focus on the Middle East. Each of them has interests in other Arab countries." As a testament to OT's new focus, as of late last month, the telecom company was on a shortlist to start a network in Iran and it had bid on one in Saudi Arabia as well.

Sawiris explains that the Iraq contract was very important to OT, not only from a business point of view, but also from a humanitarian viewpoint.

"Iraq's infrastructure is completely ruined, and I am proud that OT gets to contribute to the rebuilding process as well as provide Iraqis with a needed service in the absence of fixed-line telephones," he says.

Sawiris is known for his dedication to the idea of Arab support. He's also known for his willingness to bluntly share his opinion about touchy subjects that most shy away from, at least in public. For example, toward the end of 2002, OT launched a TV ad campaign where the names of the Arab countries where OT had licenses were listed, along with the statement: "And soon in Palestine." A new campaign being launched now by OT has a similar flavor touching on some very vivid, political issues.

Emotions aside, Sawiris is the first to acknowledge that the contract in Iraq is about a lot more than just sentiment. Despite the allegations of favoritism immediately after the announcement, the stocks of OT and MobiNil (majority owned by OT) shot through the ceiling. "This is a market with great potential for growth," he says. "It is also a great opportunity for OT to utilize Egyptian expertise, [and to offer] good salary and benefits packages [to those who will] help build the new network and company in Iraq."

OT recruited for several positions in the new Iraq company, called Iraqna, from within OT, MobiNil and other local companies in addition to within Iraq itself. "This is very important for Egypt, because we are exporting technical know-how to other countries. For so long, we have been importing it. So for those who do get to go to Iraq, they are raising the profile of the Egyptian employment market."

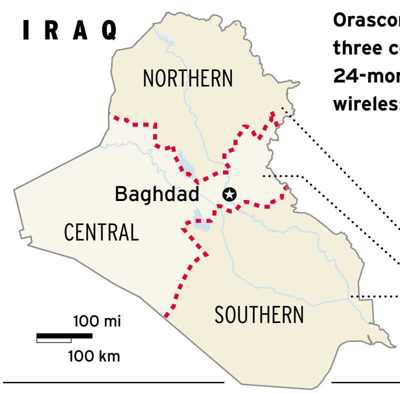
Minister of Communications and Information Technology, Ahmed Nazif, sees the successful bid as a win not just for OT but also for Egypt and the telecom sector as a whole.

"We are all proud of what OT has achieved, not only because it is a very important contract but also because it has projected the image that Egypt has specialized companies that can compete on a global level. I was in Geneva at the time of the announcement and the headline in the papers read 'Egyptians take central Iraq.' This is how important this contract is to the industry."

Nazif also points out that the contract has particular significance because — with the exception of US-based Motorola — OT's technical partners in the building of the new network are from Egypt as well. "That shows that the know-how transfer that took place in MobiNil through the OT and Orange partnership has been internalized by both MobiNil and OT. And that we are now ready to transfer this know-how to someone else [is significant]," says Nazif.

"The message is that the partnerships currently taking place in the telecom market in Egypt, targeting first the Egyptian market, can then turn around and attack the regional market — with success," Nazif boasts. "This is a very important framework that I

Look Who's Talking Now...



Orascom Telecom was one of three companies awarded a 24-month contract for Iraq's wireless phone service.

COMPANY	POPULATION*
AsiaCell	4.4 million
Orascom	6.9 million
AtheerTel	5.3 million

*Estimated population of cities

SOURCE: Coalition Provisional Authority AP

ONE OF OUR OWN: "We are all proud of what OT has achieved, not only because it is a very important contract but also because it has projected the image that Egypt can compete globally."

Mohsen Allam

think we have encouraged and will continue to do so, not only in the mobile sector but in other sectors as well."

While the contract was business victory for OT and a strategic victory for the telecom sector as a whole, MobiNil CEO Osman Sultan says that there was an even stronger victory on the human level. "I think that this is a victory and proof for many Egyptians that with perseverance, we can compete and succeed, which I think people need to hear and see every once in a while," he says.

"This is a very good example of a local Egyptian who created a business, created jobs for Egyptians, and then created new opportunities for expansion, the benefits of which will also be realized locally," Sultan says. He also adds that this will give those Egyptians working in Iraq invaluable experience that will ultimately raise the caliber of their portfolios.

Several employees from OT and its subsidiaries have already relocated to Baghdad to begin establishing the network in Iraq. Sawiris himself secretly visited the city during the holiday season in order to spend time with the employees who were away from their families.

OT's mobile contract in Iraq is set for two years because international law stipulates that a short-term occupation can only last for a period of up to two years. Following this time period, it is expected that the governing body that will take over in Iraq will review all three contracts.

If OT provides Iraqis with the high quality of service for which it has become known, chances are Iraqna will find its temporary, two-year home transform into a permanent one. bt

OT's Media Love Affair

Orascom Telecom seems to be expanding from telecommunications to all forms of communication.

Throughout 2003, OT made several connections with some very powerful media players — CNN and BBC. Earlier in the summer, OT announced its sponsorship of the monthly show "Inside The Middle East" on CNN International. The show covers all aspects of the Middle East, social, cultural and historic — but absolutely no politics.

Just days before press time, OT Chairman Naguib Sawiris confirmed that his company is pursuing a license to start a television station in Iraq.

Sawiris has long been fascinated with media but his good business sense has often held him back from jumping directly into the television business. "I am not very convinced of the feasibility studies of owning a satellite television channel," he said during a press conference announcing OT's sponsorship of a new program on BBC World, "The Middle East Business Report."

"But when I saw the opportunity to own a land television station, I decided to apply and we have been granted preliminary approvals," he says.

News reports tag the deal at $25 million, although nothing has been finalized. Little is actually known about the content of the channel since it is still in its embryonic stages of development.

But considering Sawiris's general love of everything political, financial and controversial, it's not very far-fetched to expect a lot of politics, a lot of economics and a lot of controversy.

TOP 40 COMPANIES BY REVENUE GROWTH

Rank Growth	bt100	Company Registered Name (Trade Name)	Symbol	Revenue (LE mn) 2002	2001	% change	Net Profit (LE mn) 2002	2001	% change	Industry
1	60	**Egyptian Media Production City** (Media City, EMPC, MPC)	MPRC	140.0	62.5	124.1%	24.0	27.2	-11.8%	Movies and entertainment
2	28	**Sixth of October Development and Investment** (SODIC)	OCDI	373.0	198.7	87.7%	12.0	0.0	—	Real estate mgt. & dev.
3	48	**Sinai Cement**	SCEM	216.0	131.2	64.6%	20.0	26.7	-25.1%	Construction materials
4	57	**Heliopolis Housing and Development** (Heliopolis Housing)	HELI	156.0	103.4	50.9%	58.0	54.5	6.5%	Real estate mgt. & dev.
5	97	**United Housing and Development**	UNIT	14.0	9.8	42.6%	8.0	7.8	2.6%	Real estate mgt. & dev.
6	91	**Mena Touristic and Real Estate Development**	MENA	31.0	21.8	42.5%	2.0	165.0	-98.8%	Hotels, resorts & cruise lines
7	73	**Arab Cotton Ginning**	ACGC	102.0	73.1	39.5%	9.0	5.9	52.5%	Textiles
8	36	**Giza General Contracting and Real Estate Investment**	GGCC	298.0	222.5	33.9%	3.0	2.7	11.0%	Construction
9	56	**General Silos and Storage**	GSSC	161.0	120.7	33.4%	30.0	24.5	22.7%	Food distributors
10	90	**Acrow Misr Metallic Scaffolding and Frameworks** (Acrow Misr)	ACRO	31.0	23.6	31.5%	4.0	3.4	19.3%	Construction & engineering
11	8	**Egyptian Iron and Steel Company**	IRON	1108.0	846.9	30.8%	-621.7	-709.3	—	Construction materials
12	41	**Arab Polvara Spinning and Weaving**	APSW	270.0	213.5	26.4%	14.0	12.1	15.4%	Textiles
13	34	**Egyptian Satellite Company** [1] (NileSat)	EGSA	318.8	253.4	25.8%	25.0	-62.4	—	Broadcasting and cable TV
14	96	**El-Shams Housing and Urbanization** (El-Shams Housing and Development)	ELSH	14.0	11.3	24.3%	7.0	8.0	-12.9%	Real estate mgt. & dev.
15	89	**Development & Engineering Consultants**	DAPH	34.2	27.6	24.2%	14.0	1.7	724.5%	Real estate mgt. & dev.
16	2	**Orascom Construction Industries** (OCI)	OCIC	2911.0	2419.1	20.3%	364.0	303.8	19.8%	Construction & engineering
17	16	**Central Egypt Flour Mills** (Middle Egypt Mills)	CEFM	624.0	521.5	19.6%	30.0	29.0	3.4%	Food distributors
18	77	**Kafr El-Zayat Pesticides**	KZPC	88.0	74.2	18.7%	10.0	6.0	66.1%	Fertilizers & agr. chemicals
19	25	**Misr Oil and Soap**	MOSC	452.0	381.7	18.4%	20.0	19.7	1.6%	Consumer durables
20	30	**Egyptian American Bank** (EAB)	EABK	356.2	300.8	18.4%	50.0	73.3	-31.8%	Financial institutions

bt100

TOP 40 COMPANIES BY REVENUE GROWTH

Rank Growth	Rank bt100	Company Registered Name (Trade Name)	Symbol	Revenue (LE mn) 2002	Revenue 2001	Revenue % change	Net Profit (LE mn) 2002	Net Profit 2001	Net Profit % change	Industry
21	14	**Central and West Delta Flour Mills** (Middle and West Delta Flour Mills)	WCDF	782.0	664.0	17.8%	34.0	43.4	-21.7%	Food distributors
22	70	**Egyptian Starch and Glucose**	ESGI	116.0	99.7	16.4%	16.0	15.2	5.2%	Food distributors
23	18	**Cairo Poultry**	POUL	534.0	461.3	15.8%	44.0	40.0	10.0%	Agriculture
24	43	**Paints and Chemical Industries** (PACHIN)	PACH	253.0	220.1	14.9%	65.0	51.0	27.4%	Commodity Chemicals
25	13	**Oriental Weavers**	ORWE	790.0	689.7	14.5%	148.0	133.2	11.1%	Textiles
26	59	**Egypt Free Shops** (EFSCO)	MFSC	143.0	125.3	14.1%	16.0	16.3	-1.9%	Department stores
27	5	**Egypt Aluminum** (Misr Aluminum, Egyptalum)	EGAL	1500.0	1319.6	13.7%	121.0	115.7	4.6%	Construction materials
28	12	**Egyptian Contracting** (Mokhtar Ibrahim)	ECMI	909.0	801.9	13.4%	33.0	35.9	-8.0%	Construction & engineering
29	95	**El Nasr Dehydrated Agriculture Products**	NDAP	17.0	15.0	13.2%	1.0	-7.7	—	Agriculture
30	6	**Ezz Steel Rebars** (Ezz Steel)	ESRS	1199.0	1065.8	12.5%	-125.0	-40.3	—	Construction materials
31	22	**Egyptian International Pharmaceutical Industries** (EIPICO)	PHAR	481.0	428.3	12.3%	102.0	100.7	1.3%	Pharmaceuticals
32	29	**National Societe Generale Bank** (NSGB)	NSGB	366.6	328.0	11.8%	165.0	142.1	16.1%	Financial institutions
33	17	**National Cement (Kawmia)** (National Cement)	NCEM	558.0	500.4	11.5%	-151.0	78.7	—	Construction materials
34	3	**Egyptian Company for Mobile Services** (MobiNil, ECMS)	EMOB	2576.0	2316.9	11.2%	422.0	336.9	25.3%	Wireless telecom services
35	58	**El Nasr Clothes and Textiles** (KABO)	KABO	147.0	132.3	11.1%	14.0	16.4	-14.8%	Textiles
36	47	**Egyptian Financial and Industrial** (EFIC)	EFIC	222.0	200.2	10.9%	48.0	42.0	14.3%	Fertilizers & agr. chemicals
37	94	**United Arab Shipping**	UASG	17.9	16.2	10.3%	-19.1	-16.2	—	Marine transport
38	49	**National Development Bank of Egypt** (NBD, NDBE)	DEVE	214.5	195.7	9.6%	0.0	62.6	-100.0%	Financial institutions
39	44	**Nile Pharmaceutical and Chemical Industries** (Nile Pharmaceuticals)	NIPH	251.0	229.2	9.5%	35.0	34.2	2.4%	Pharmaceuticals
40	9	**Olympic Group for Financial Investment** (Olympic Group)	OLGR	967.0	884.9	9.3%	88.5	83.4	6.1%	Consumer durables

1 Orascom Telecom Holdings (OT, OTH)

SYMBOL: ORTE
PREVIOUS YEAR'S RANKING: 1
INDUSTRY: Wireless telecommunication services
BASED: Cairo (Agouza)
EMPLOYEES: 6757

After an intense 2003, two-time *bt* 100 No. 1 slot-holder Orascom Telecom ended the year with a contract in hand to build a mobile network for central Iraq. Definitely its biggest news of the year, the mobile giant was dragged into some nasty news reports that claimed the bidding process was rigged and nepotistic. After some months of finger-pointing, the contract was signed and OT has moved forward on its Iraqna network.

Another success in 2003 for OT happened in Algeria, where its mobile operator, Djezzy was a major contributor to OT's scale, growth and mobile telecommunications leadership in the region. OT started commercial operations there in February 2002 and has already become Algeria's leading telecommunications services provider. The company already has more than 1.2 million subscribers representing over 88 percent of the country's mobile market and a network coverage area serving over 70 percent of Algeria's roughly 31.8 million inhabitants.

MANAGEMENT: Naguib Sawiris (chairman)
LISTED: 2000
PAR VALUE: LE 10
MARKET CAP: LE 8.8 billion
TRADING DAYS: 244
VOLUME OF TRADES: 95,810,328
VALUE TRADED: LE 3.1 billion

2 Orascom Construction Industries (OCI)

SYMBOL: OCIC
PREVIOUS YEAR'S RANKING: 2
INDUSTRY: Construction and engineering
BASED: Giza (Agouza)
EMPLOYEES: 2652

Established in 1950, Orascom Construction Industries is Egypt's largest and most diversified private-sector construction and building materials group. OCI has strategic partnerships with leading multinational companies in the construction and gas industries. Its main projects include large industrial and infrastructure projects, construction materials manufacturing and infrastructure concessions.

OCI's activities range from the construction of Cairo's tallest buildings (the twin Nile City towers near the Conrad Cairo) to a wastewater treatment system in Luxor, as well as electricity plants and private port construction and management contracts, among others. OCI boasts major alliances with the Nile Valley Gas Company, City Gas Company, Suez Industrial Development Company and Egyptian Container Handling Company, of which it owns 50 percent. That concern has a joint venture with SSA, Stevedoring Services of America, and a co-op agreement with American Presidential Line, APL.

In its most recent quarterly report, OCI stated that it expects to participate in "meaningful" development projects beginning in 2004.

OCI increased its capital in January from LE 866.25 million to LE 952.88 million. OCI is one of the bourse's top performers and had its trading ceiling lifted.

MANAGEMENT: Nassef Sawiris (chairman and CEO), Naguib Sawiris (vice chairman)
LISTED: 1999
PAR VALUE: LE 10
MARKET CAP: LE 6.9 billion
TRADING DAYS: 244
VOLUME OF TRADES: 19,404,017
VALUE TRADED: LE 906.5 million

3 Egyptian Company for Mobile Services (MobiNil, ECMS)

SYMBOL: EMOB
PREVIOUS YEAR'S RANKING: 3
INDUSTRY: Wireless telecommunication services
BASED: Cairo
EMPLOYEES: 1715

Formed in May 1998, MobiNil was the nation's first GSM operator but remains in a neck-in-neck battle with rival Vodafone. Its bottom-line revenue benefits from roaming agreements with 236 operators in 106 countries and includes GSM, non-GSM and satellite partners. The company also has a broad retail base, with some 2000 points of sale nationwide.

Shareholders include Orange (France Telecom's mobile arm) and Orascom Telecom, the leading Africa and Middle East GSM conglomerate. MobiNil's total investment in the domestic economy tops LE 5 billion.

MobiNil's rivalry with Vodafone should heat up in 2004 now that Vodafone has listed on the Cairo and Alexandria Stock Exchange, and has a new part-owner in Telecom Egypt. Vodafone's access to TE's landline customers could propel it ahead of MobiNil in terms of subscribers. Both operators launched competing GPRS services last year as well.

MANAGEMENT: Naguib Sawiris (chairman), Osman Sultan (CEO)
LISTED: 1998
PAR VALUE: LE 10
MARKET CAP: LE 7.5 billion
TRADING DAYS: 244
VOLUME OF TRADES: 33,700,569
VALUE TRADED: LE 1.9 billion

4 Eastern Tobacco Company (Eastern Tobacco)

SYMBOL: EAST
PREVIOUS YEAR'S RANKING: 4
INDUSTRY: Tobacco
BASED: Cairo
EMPLOYEES: 12,621

Established in 1920, Eastern Tobacco produces cigarettes and tobacco products on behalf of international brands and benefits from a complete market monopoly on domestic cigarette production.

Late last year, in an effort to boost its image, Eastern introduced new local brands of higher quality than its popular Cleopatra and Boston labels. Analysts estimate Eastern produces 99 percent of the cigarettes sold in Egypt and controls 55-60 percent of the market for shisha tobacco. Forbidden by law from growing tobacco in Egypt, Eastern's profitability has grown since 1999, when Egypt joined the Common Market of Eastern and Southern Africa (COMESA). The move immediately slashed duties on imported African tobacco from 80 percent to 20 percent.

Price controls on cigarettes became less stringent after 1999, when shares in Eastern Tobacco were sold to the public. The company is now allowed to increase prices on revamped old brands and new brands. This may lead to price increases in the future.

Eastern benefits from the huge popularity of smoking in Egypt. According to the US Drug Administration, Egypt has the highest cigarette consumption in the Middle East and North Africa region (MENA). In 1999, Egypt consumed 46,600 million cigarettes, or 24 percent of the total MENA consumption, despite that Egypt only accounted for 21 percent of MENA's total population.

MANAGEMENT: Mohamed Sadek Ragab (chairman and managing director)
LISTED: 1995
PAR VALUE: LE 10
MARKET CAP: LE 1.9 billion
TRADING DAYS: 224
VOLUME OF TRADES: 1,968,933
VALUE TRADED: LE 128.9 million

TOP 100 BY SECTOR

CHEMICALS

		2002 Revenue (LE mn)
10	**Abu Qir Fertilizers and Chemical Industries** (Abu Qir Fertilizers)	932.0
43	**Paints and Chemical Industries** (PACHIN)	253.0
47	**Egyptian Financial and Industrial** (EFIC)	222.0
77	**Kafr El-Zayat Pesticides**	88.0
78	**Misr Chemical Industries**	85.2

CONSTRUCTION AND ENGINEERING

2	**Orascom Construction Industries** (OCI)	2911.0
12	**Egyptian Contracting** (Mokhtar Ibrahim)	909.0
19	**Industrial and Engineering Projects**	515.0
36	**Giza General Contracting and Real Estate Investment**	298.0
65	**Nasr Civil Works** (Nasr Company for Civil Works)	127.0
84	**Upper Egypt General Contracting** (Upper Egypt Contracting)	53.0
90	**Acrow Misr Metallic Scaffolding and Frameworks** (Acrow Misr)	31.0

CONSTRUCTION MATERIALS

5	**Egypt Aluminum** (Misr Aluminum) (Egyptalum)	1500.0
6	**Ezz Steel Rebars** (Ezz Steel)	1199.0
7	**Suez Cement**	1139.0
8	**Egyptian Iron and Steel Company**	1108.0
17	**National Cement** (Kawmia) (National Cement)	558.0
24	**Torah Cement**	461.0
33	**Amreya Cement**	325.0
48	**Sinai Cement**	216.0
51	**Alexandria Cement** (Alexandria Portland Cement)	184.0
52	**El-Ezz Porcelain** (El-Jawhara, El-Gawhara)	180.0
75	**Misr Qena Cement**	94.4
81	**Arab Ceramics** (Aracemco)	71.0
100	**Misr Beni Suef Cement**	0.0

CONSUMER DURABLES

9	**Olympic Group for Financial Investment** (Olympic Group)	967.0
25	**Misr Oil and Soap**	452.0
27	**International Electronics** (Baghat)	390.0
31	**Delta Industries** (IDEAL, Delta Industrial)	354.0

FINANCIAL INSTITUTIONS

11	**Commercial International Bank** (CIB)	930.9
21	**Misr International Bank** (MIBank)	495.7
29	**National Societe Generale Bank** (NSGB)	366.6
30	**Egyptian American Bank** (EAB)	356.2
32	**Export Development Bank of Egypt** (EDB, EDBE)	349.1
40	**Suez Canal Bank**	277.2
49	**National Development Bank of Egypt** (NBD, NDBE)	214.5
55	**Al-Watany Bank of Egypt** (Al-Watany Bank, AWB)	170.2
63	**Faisal Islamic Bank of Egypt**	130.4
66	**Housing and Development Bank**	125.7
76	**United Bank of Egypt** (UBE)	89.2
80	**Egyptian Gulf Bank**	81.8
82	**Egyptian Saudi Finance Bank** (ESFB)	64.4
83	**Alexandria Commercial and Maritime Bank**	61.5
85	**Mohandes Bank**	44.7

MISC

26	**Natural Gas and Mining Project** (Egypt Gas)	428.0
46	**Egyptian Electrical Cables**	233.0
59	**Egypt Free Shops** (EFSCO)	143.0
69	**EFG-Hermes Holding** (EFG-Hermes)	117.0
72	**RAKTA Paper Manufacturing** (RAKTA)	108.0
87	**Nile Match and Prefabricated Houses** (Nile Matches)	40.0
93	**Mohandes Insurance**	20.0
98	**Export Development Trading Company**	4.0

FOOD & TOBACCO

		2002 Revenue (LE mn)
4	**Eastern Tobacco Company** (Eastern Tobacco)	2299.0
14	**Central and West Delta Flour Mills** (Middle & West Delta Flour Mills)	782.0
15	**Upper Egypt Flour Mills**	626.0
16	**Central Egypt Flour Mills** (Middle Egypt Mills)	624.0
18	**Cairo Poultry**	534.0
20	**North Cairo Flour Mills** (North Cairo Mills)	513.0
23	**East Delta Flour Mills**	465.0
35	**South Cairo and Giza Mills and Bakeries** (South Cairo & Giza Mills)	305.0
37	**Extracted Oils and Derivatives** (Extracted Oils)	292.0
38	**Alexandria Flour Mills**	290.0
56	**General Silos and Storage**	161.0
70	**Egyptian Starch and Glucose**	116.0
71	**Bisco Misr**	111.0
95	**El Nasr Dehydrated Agriculture Products**	17.0

HOTELS, RESORTS AND CRUISE LINES

62	**Orascom Hotel Holdings** (OHH)	135.0
68	**Orascom Projects and Touristic Development** (OPTD)	121.0
88	**Misr Hotels** (Hilton)	37.0
91	**Mena Touristic and Real Estate Development**	31.0

MARINE TRANSPORT

50	**Alexandria Containers and Goods**	205.0
86	**Canal Shipping Agencies**	44.0
94	**United Arab Shipping**	17.9

MULTI-SECTOR HOLDINGS

61	**Egypt Kuwait Holding Company** (Egyptian Kuwaiti Holdings)	135.2
99	**Al-Ahli Investment and Development**	1.0

PHARMACEUTICALS

22	**Egyptian International Pharmaceutical Industries** (EIPICO)	481.0
39	**Medical Union Pharmaceuticals**	280.0
42	**Pfizer Egypt** (Pfizer)	254.0
44	**Nile Pharmaceutical & Chemical Industries** (Nile Pharmaceuticals)	251.0
45	**Amoun Pharmaceuticals**	240.9
53	**Cairo Pharmaceuticals**	179.0
64	**Memphis Pharmaceuticals**	130.0
67	**Arab Drugs and Chemical Industries** (Arab Pharmaceuticals, ADCO)	125.0
74	**T3 - A Pharmaceutical Group** (T3 Pharma)	101.0

REAL ESTATE MANAGEMENT & DEVELOPMENT

28	**Sixth of October Development and Investment** (SODIC)	373.0
57	**Heliopolis Housing and Development** (Heliopolis Housing)	156.0
79	**Medinet Nasr Housing and Development** (Nasr City Housing)	84.0
89	**Development and Engineering Consultants**	34.2
92	**Cairo Housing**	24.9
96	**El-Shams Housing & Urbanization** (El-Shams Housing & Dev.)	14.0
97	**United Housing and Development**	14.0

TECH, TELECOM & MEDIA

1	**Orascom Telecom Holdings** (OT, OTH)	4064.0
3	**Egyptian Company for Mobile Services** (MobiNil, ECMS)	2576.0
34	**Egyptian Satellite Company** (NileSat)	318.8
60	**Egyptian Media Production City** (Media City, EMPC, MPC)	140.0

TEXTILES

13	**Oriental Weavers**	790.0
41	**Arab Polvara Spinning and Weaving**	270.0
54	**Alexandria Spinning and Weaving** (Spinalex)	173.0
58	**El Nasr Clothes and Textiles** (KABO)	147.0
73	**Arab Cotton Ginning**	102.0

5 Egypt Aluminum
(Misr Aluminum, Egyptalum)

SYMBOL: EGAL
PREVIOUS YEAR'S RANKING: 5
INDUSTRY: Construction materials
BASED: Cairo
EMPLOYEES: 9500

Founded in 1969, Egypt Aluminum enjoys a monopoly on the local aluminum production market and exports 55 percent of its production. On the auction block since 2000, Egypt Aluminum has completed the first phase of privatization and is still planning to go completely private but hasn't had many serious takers. The float of the Egyptian pound has both hurt and helped the company, increasing its exports value while penalizing its foreign currency loans.

MANAGEMENT: Zaki Bassiouny (chairman and managing director)
LISTED: February 1998
PAR VALUE: LE 10
MARKET CAP: LE 2 billion
TRADING DAYS: 232
VOLUME OF TRADES: 669,474
VALUE TRADED: LE 22.2 million

Comings & Goings

NEW TO bt100

Rank	Company	Revenue (LE millions)
25	Misr Oil and Soap	452.0
45	Amoun Pharmaceuticals	240.9
50	Alexandria Containers and Goods	205.0
58	El Nasr Clothes and Textiles	147.0
71	Bisco Misr	111.0
73	Arab Cotton Ginning	102.0
75	Misr Qena Cement	94.4
91	Mena Touristic & Real Estate Development	31.0
94	United Arab Shipping	17.9
95	El Nasr Dehydrated Agriculture Products	17.0
100	Misr Beni Suef Cement	0.0

GONE FROM bt100*

Rank	Company	Revenue (LE millions)
22	Helwan Portland Cement	459.7
25	Arabian International Construction	432.6
49	Amriyah Pharmaceuticals	191.2
53	Alexandria Chemical Industries	162.6
59	Egyptian Glass Company	151.7
65	Al-Ahram Beverages Company	120.8
85	Egyptian Chemical Industries	55.3
86	Egyptian Commercial Bank	54.0
90	Egyptian Workers Bank	28.1
95	Engineering Industries	17.0
98	Egyptians Abroad for Investment & Dev.	3.1

*2001 rankings given

6 Ezz Steel Rebars
(Ezz Steel)

SYMBOL: ESRS
PREVIOUS YEAR'S RANKING: 7
INDUSTRY: Construction materials
BASED: Giza (Mohandiseen)
EMPLOYEES: 1279

Established in 1994, Ezz Steel Rebars is the largest steel producer in the region, manufacturing steel products for the domestic, African and Arab markets. It is held by El Ezz Holding with a 61 percent share, Xandia Holding with 11 percent, and the remaining 28 percent in the hands of the public. ESR is Egypt's second-largest rebar producer, controlling 20 percent of the market share in terms of production, and was expected to reach 30 percent by this year.

In October 1999, ESRS acquired a controlling stake in Alexandria National Iron and Steel Company (ANSDK), the largest steel producer in Egypt. Later Egyptian authorities implemented anti-dumping duties on steel imports from the Ukraine, Latvia and Romania, which helped relieve pressure on local producers. Nevertheless, the company realized losses worth LE 40 million in fiscal year 2001.

ESR's production facilities are currently comprised of a mini-mill in Sadat city (ESR) and a rolling mill in 10th of Ramadan city (ESM). The mini-mill in Sadat City includes a melt shop for the melting of steel scrap and the casting of billet, two rolling mills, where billet is reheated and rolled into rebars. Auxiliary equipment includes a power substation, three water treatment plants, an oxygen plant, three LPG stations and two automatic generators. ESM's facilities are comprised of a rolling mill and a wire mesh factory.

MANAGEMENT: Ahmed Abdel Aziz Ezz (chairman and managing director)
LISTED: June 1999
PAR VALUE: LE 5
MARKET CAP: LE 364 million
TRADING DAYS: 244
VOLUME OF TRADES: 72,351,340
VALUE TRADED: LE 265.8 million

7 Suez Cement

SYMBOL: SUCE
PREVIOUS YEAR'S RANKING: 6
INDUSTRY: Construction materials
BASED: Cairo (Maadi)
EMPLOYEES: 1738

As the majority shareholder of Torah Cement, Suez Cement is Egypt's leading cement mill with a total annual production capacity of 7.8 million tons (which includes Torah's capacity). Suez Cement is one of the market's large cap cement producers, which was initially established in 1977. The public holds a minority stake of 26.31 percent, leaving the remainder in the hands of Ciments Francais and the Egyptian government, 34.10 percent and 39.61 percent, respectively. Ciments Francais is still considering taking over a majority stake in the company, yet had not acted as of the end of 2003.

MANAGEMENT: Alaa El Din Mounir Abdel Wahab (chairman and managing director)
LISTED: February 1995
PAR VALUE: LE 10
MARKET CAP: LE 2.9 billion
TRADING DAYS: 240
VOLUME OF TRADES: 5,350,784
VALUE TRADED: LE 233.7 million

8 Egyptian Iron and Steel Company

SYMBOL: IRON
PREVIOUS YEAR'S RANKING: 10
INDUSTRY: Construction materials
BASED: Cairo (Helwan)
EMPLOYEES: 14,523

The Egyptian Iron and Steel Company, founded in 1954, is the largest integrated steel mill. It was started as a joint stock company with majority equity from the state. It manufactures and exports metallurgical products such as steel and iron sheets, metal coils, plates and hot and cold rolled stripes, galvanized and corrugated iron.

In the recent past it has been saddled with huge debt and has gone through numerous rounds of layoffs. In 1995, it had 22,770 workers; today that number is closer to 14,000.

In 2002 it underwent some financial restructuring and capacity upgrades. There were also allegations in 2002 of corruption and mismanagement. Things started to look up in 2003 with some profitable quarters and the signing of a contract in March with a Russian-French consortium to develop the company's third kiln with a total investment of LE 317 million over a period of 18 months.

MANAGEMENT: Ali Helmy (chairman and managing director)
LISTED: –
PAR VALUE: LE 2
MARKET CAP: LE 1.3 billion
TRADING DAYS: 241
VOLUME OF TRADES: 2,162,011
VALUE TRADED: LE 8.7 million

6 EZZ STEEL REBARS: ESR is Egypt's second-largest rebar producer, controlling 20 percent of the market share, a figure expected to reach 30 percent by year's end.

Mohsen Allam

Strong Gains, Greater Scrutiny

Rising steel prices have helped Ezz Steel Rebars improve its bottom line at the cost of a stiffening political debate over the company's market dominance

An unexpectedly strong rebound of world steel prices helped Ezz Steel Rebars reverse its fortunes in 2003.

Although local demand for steel shrunk about 2 percent, Ezz officials say they had a particularly good year on the export market, where prices have been robust. China's strong demand for raw materials, including iron ore, scraps and billets used in the production of steel, have given the worldwide steel industry a tremendous lift.

"This is a complete turn-around to what we witnessed two years ago," says George Matta, marketing director for Ezz-Al-Dekheila (EZDK), which coordinates marketing activities for Ezz Steel Rebars and Alexandria National Iron and Steel (ANSDK). The group is the largest steel producer in the region.

Ezz Steel's revenues were up 12.5 percent from 2001 to 2002, helping lock the company in at No. 6 on the ***bt*** 100. Ezz Steel is expecting to report healthy profits for 2003 following net losses of LE 125 million in 2002. Share prices in the company also increased to LE 4.23 in late December of 2003 compared to LE 1.48 in the previous year.

The company traces its history back to the formation of the Ezz Foreign Trade Group in 1958 to import steel. Reaching 400,000 tons in the early 1990s, the company became Egypt's leading steel importer as it moved into the manufacturing arena. The acquisition of El-Baraka Steel Mills in 1991 helped capitalize on a booming construction industry, which was followed by the establishment of Ezz Steel Rebars in 1995. Ezz Steel became the controlling shareholder of Alexandria National Iron and Steel in 2000. Ahmed Ezz, who declined to be interviewed, serves as the chairman of both companies.

Of course, the bottom line doesn't always give a complete picture of how a company is doing. Price increases have almost doubled in the last year — from LE 1400 per ton last year to more than LE 3000 now, according to MP Gamal Abu Zekri — intensifying charges among opposition MPs that Ezz Steel is exploiting a monopoly in the local steel industry.

Matta calls charges that EZDK lacks competition a "fallacy." He estimates, for instance, the Egyptian steel industry has enough capacity without EZDK to meet the nation's demand for steel. EZDK holds a 3-million-ton capacity for rebars, Matta says, while Egypt's total capacity is about 6.4 million tons. Still, EZDK holds more than 60 percent of the market share.

If anything is to blame for the rise of steel prices, Matta says, it's China's "insatiable appetite" for raw materials, which is both driving up the costs of producing steel and freight costs to deliver raw materials. This helps explain why costs have continued to increase in recent months, he says, even as the Egyptian pound has stabilized against the dollar.

"Consumers don't accept or do not understand at the same time why these increases are being introduced while the dollar somehow, especially in the last few months, is stable against the Egyptian pound," says Matta. "So, it was a kind of mystery. It's a technical issue that only the people in the industry would understand."

Apart from price hikes, the absence of large steel-intensive projects has also abated local demand for rebars, Matta says, which are used to reinforce concrete. Matta estimates the domestic demand for steel will slip another 2 to 3 percent in the coming year. As a result, EZDK is ramping up efforts to expand exports, which account for about 30 percent of its business. Matta expects exports to surpass $400 million this year after hitting $250 million in 2003.

"We, of course, use exports as a safety valve," says Matta.

Company officials are especially interested in increasing production of flat products, which are becoming more popular in the production of automobile parts, air conditioners, and "white goods" in Egypt, mainly for export, and are consistently in demand on the international market. The company will eventually have a flat products capacity of 2.2 million tons per year with production being ramped up at a new factory in Suez under the management of EZDK's latest addition, the Egyptian Flat Steel company.

With steel prices running on 18- to 24-month cycles, Matta is "cautiously optimistic" about the EZDK's prospects this year. However, he believes current prices are unsustainable and foresees a dip in prices later on this year. More seriously, if China loses its appetite for steel production the market could quickly become oversaturated.

"The whole world could turn around tomorrow if, for example, China decides they have enough capacities and therefore they don't need to import as much," says Matta.

You know the saying. What goes up… bt

Jeson Ingraham

9 Olympic Group for Financial Investment (Olympic Group)

SYMBOL: OLGR
PREVIOUS YEAR'S RANKING: 73
INDUSTRY: Consumer durables
BASED: Cairo (Nasr City)
EMPLOYEES: 7 (executive team); 5000 (including all subsidiaries)

The Olympic Group Financial Investment Co. is arguably the largest white goods appliances company in the country. It is the holding company for several firms, including the Cairo Company for Light Industry, the Delta Industrial Company/ IDEAL, and Cairo Precision Industries. It is also poised to be a seller of electronic goods. In 2003, after a year of negotiations, it finally bought the licensing rights for all Sony products in Egypt. The products will be sold in Olympic's B•Tech and other retail shops.

Olympic-owned IDEAL's production capacity now extends to 600,000 washing machines and 500,000 refrigerators per year. Olympic Group's investments in the domestic market top LE 587 million.

The company recently decided to offer certificates of international deposit in the London Stock Market on the Global Depository Receipts (GDR) system with a value of $100 million.

NOTE: OLGR in 2002 reported consolidated financial data, which included all its subsidiaries, thus dramatically propelling the company up the list when compared to last year.

MANAGEMENT: Saad El Din Sallam (chairman), Niazy Abdallah Sallam (vice chairman)
LISTED: 1998
PAR VALUE: LE 10
MARKET CAP: LE 493 million
TRADING DAYS: 153
VOLUME OF TRADES: 3,644,917
VALUE TRADED: LE 34.6 million

10 Abu Qir Fertilizers and Chemical Industries (Abu Qir Fertilizers)

SYMBOL: ABUK
PREVIOUS YEAR'S RANKING: 8
INDUSTRY: Fertilizers and agricultural chemicals
BASED: Alexandria
EMPLOYEES: 2950

Egypt's largest fertilizer company with a 70 percent share of the domestic market, Abu Qir also produces for export to France, Italy, Greece and England. The company, founded in 1976, has made steady progress in adopting new production technologies, including the production of ammonium nitrate granules using natural-gas fired plants.

MANAGEMENT: Osama El-Sayed El-Ganayny (chairman and managing director)
LISTED: 1994
PAR VALUE: LE 10
MARKET CAP: LE 2.1 billion
TRADING DAYS: 241
VOLUME OF TRADES: 1,748,014
VALUE TRADED: LE 80.9 million

11 Commercial International Bank (CIB)

SYMBOL: COMI
PREVIOUS YEAR'S RANKING: 9
INDUSTRY: Financial institutions
BASED: Cairo
EMPLOYEES: 1701

Commercial International Bank is the only bank in the top 20, having moved from the 9th slot down to the 11th. Last year, it was the only bank in the *bt* 10.

Established in 1975 by the National Bank of Egypt and Chase Manhattan as the nation's first private joint-venture bank, CIB remains Egypt's leading private-sector financial institution measured by revenue, net profits, total deposits, loans, total assets and its securities portfolio. Other leading shareholders include the International Finance Corporation (5 percent) and GDR holders (18 percent in total).

CIB spent a good deal of 2003 trying to raise its profile with retail customers. It started a small and medium enterprise loan program, a ladies credit card and gave customers mobile phone access to their accounts. It also plans to launch a smart card.

At the end of the year CIB was involved in a landmark transaction. The three largest financial institutions, Banque Misr, National Bank of Egypt and CIB, signed one of the largest transactions in Egypt totaling LE 675 million. The LE 1.5 billion deal is financing Telecom Egypt's acquisition of a 25.5 percent stake in Vodafone Egypt.

MANAGEMENT: Hesham Ezz El-Arab (chairman), Mohamed Ashmawy (vice chairman and managing director)
LISTED: February 1995
PAR VALUE: LE 10
MARKET CAP: LE 2.9 billion
TRADING DAYS: 244
VOLUME OF TRADES: 22,639,558
VALUE TRADED: LE 877.8 million

12 Egyptian Contracting (Mokhtar Ibrahim)

SYMBOL: ECMI
PREVIOUS YEAR'S RANKING: 11
INDUSTRY: Construction and engineering
BASED: Giza (Mohandiseen)
EMPLOYEES: 5291

Established in 1952 and one of the first state-owned companies to be partially privatized through an offering on the CASE, Mokhtar Ibrahim's construction activities include housing and infrastructure projects and services in real estate, land reclamation and utilities. The company is currently engaged in large-scale projects in Oman and the United Arab Emirates worth more than LE 250 million. It has also made bids for reconstruction projects in Iraq.

MANAGEMENT: Mounir Ali El Ghanem (chairman and managing director)
LISTED: 1998
PAR VALUE: LE 5
MARKET CAP: LE 159 million
TRADING DAYS: 144
VOLUME OF TRADES: 787,779
VALUE TRADED: LE 28.7 million

13 Oriental Weavers

SYMBOL: ORWE
PREVIOUS YEAR'S RANKING: 12
INDUSTRY: Textiles (home furnishings)
BASED: Cairo (Heliopolis)
EMPLOYEES: 1783

Ranked among the top three carpet producers worldwide, Oriental Weavers is one of Egypt's most successful exporters. Oriental, established in 1981 by the Orientals Group, uses mechanical manufacturing processes to make carpets at its complex of four integrated factories in Tenth

Total Assets (Banks)

Rank	Company	Total Assets (LE millions)
1	Commercial International Bank	19,759.0
2	Misr International Bank	14,179.0
3	Faisal Islamic Bank of Egypt	11,091.0
4	Suez Canal Bank	11,048.0
5	Export Development Bank of Egypt	8857.0
6	Egyptian American Bank	8164.0
7	National Societe Generale Bank	7985.0
8	National Development Bank of Egypt	7572.0
9	Housing and Development Bank	6069.0
10	Al-Watany Bank of Egypt	5951.0
11	Mohandes Bank	5376.0
12	United Bank of Egypt	4333.0
13	Egyptian Saudi Finance Bank	2781.0
14	Egyptian Gulf Bank	2308.0
15	Alexandria Commercial & Maritime Bank	1953.0

of Ramadan City.

In 2002, Oriental Weavers announced a number of new projects, including the investment of LE 450 million in plant expansion in the free zone area in Tenth of Ramadan City and new facilities. The first is for the production of fibers, while the second will produce textiles with total investments of LE 195 million, the majority being internally financed. And last April, the company announced it is building a factory in China.

Toward the end of the year, Oriental Weavers said it expected net profit for 2003 to increase by about 14 or 15 percent due to rising exports following the devaluation of the Egyptian pound. Farida Khamis, investor relations director, said Oriental Weavers was seeing some of the fastest sales growth in Asia and was looking at Iraq, a major market for Egypt before the war. "The fall of the Egyptian pound allowed us to become more competitive. It helped to offer lower prices in difficult market conditions," Khamis said. *(For more on Oriental Weavers, see "Sister Act," October 2003.)*

MANAGEMENT: Mohamed Farid Khamis (chairman and managing director)
LISTED: 1997
PAR VALUE: LE 10
MARKET CAP: LE 785 million
TRADING DAYS: 201
VOLUME OF TRADES: 1,356,717
VALUE TRADED: LE 115.5 million

14 Central and West Delta Flour Mills
(Middle and West Delta Flour Mills)

SYMBOL: WCDF
PREVIOUS YEAR'S RANKING: 14
INDUSTRY: Food distributors
BASED: Tanta (Gharbia)
EMPLOYEES: 5738

Established in 1967 and now 61 percent privatized, Middle and West Delta Flour Mills owns 20 mills and 26 bakeries. It manages the manufacturing, trading, importing, exporting, vaporizing, maintenance, packing and distribution of grains while serving one-third of Egypt's population. The year 2003 was not kind; the company posted net profits of LE 16.08 million for the first nine months of 2002-03, compared to LE 23.6 million for the same period last year, a drop of 29 percent.

MANAGEMENT: Abu Zeid Mohamed Abu Zeid (chairman), Aly Mohamed Al-Etr (vice chairman)
LISTED: 1996
PAR VALUE: LE 10
MARKET CAP: LE 111 million
TRADING DAYS: 243
VOLUME OF TRADES: 1,381,829
VALUE TRADED: LE 23.3

15 Upper Egypt Flour Mills

SYMBOL: UEFM
PREVIOUS YEAR'S RANKING: 15
INDUSTRY: Food distributors
BASED: Sohag
EMPLOYEES: 5815

The Upper Egypt Flour Mills, founded in 1965, was privatized using a majority sale IPO (51 percent) in 1996. As such, the government holds 39 percent of the company, while employees retain a 10 percent stake. Located in an area of lower competition and embarking on expansion plans, the company holds a considerable share of the market with its 24 mills. The company also controls a majority stake in King's Valley Mills (since 1999), giving it a large share of premium flour milling throughout Upper Egypt and the Red Sea area.

MANAGEMENT: Sami Taha (chairman)
LISTED: 1996
PAR VALUE: LE 10
MARKET CAP: LE 105 million
TRADING DAYS: 243
VOLUME OF TRADES: 1,998,878
VALUE TRADED: LE 32.6 million

16 Central Egypt Flour Mills
(Middle Egypt Mills)

SYMBOL: CEFM
PREVIOUS YEAR'S RANKING: 17
INDUSTRY: Food distributors
BASED: Minya
EMPLOYEES: 4420

Central Egypt Flour Mills was founded in 1967. As a milling company, it manufactures, trades, imports, exports, vaporizes, maintains, packs and distributes grains. It also operates on other commodities such as macaroni, dough, food commodities, fodders and its content, yeast, ice, freezing and cooling, packing and packaging requirements, equipment, spare parts related to these purposes, operating and production requirements. It owns 21 mills and other facilities, including 25 storage facilities, six silos, and a number of bakeries, packaging units and retail outlets. In October it announced it would increase its capital by LE 32.2 million using a grant from Denmark. As of Dec. 31, 2001, 23.26 percent of the company's shares have been free floating.

MANAGEMENT: Wagid Osman Tawfik
LISTED: April 1996
PAR VALUE: LE 10
MARKET CAP: LE 86.5 million
TRADING DAYS: 243
VOLUME OF TRADES: 435,881
VALUE TRADED: LE 4.2 million

17 National Cement
(Kawmia)

SYMBOL: NCEM
PREVIOUS YEAR'S RANKING: 20
INDUSTRY: Construction materials
BASED: Cairo
EMPLOYEES: 3500

Established in 1956, National Cement overcame financial challenges by rescheduling its short-term loans, raising capital through the private sector. It finally achieved profitability in 2001. NCEM produces all types of cement and industrial gypsum. The state owns roughly 98 percent of NCEM, with just 2 percent traded on the CASE, and has been trying to privatize 90 percent of its holdings since July 2000.

The year 2003 was tough for all cement companies and National Cement was not spared. In February it announced that it had losses of LE 50 million for the previous six months as a result of the sharp decrease in cement prices. The Central Auditing Agency reviewed the company's financial statements for fiscal year 2002-03 and stated that National Cement has unutilized fixed assets worth LE 24.7 million that cost the company LE 900,000. The report added that the company uses fully depreciated assets and does not meet production targets.

MANAGEMENT: Nabil Sayed El-Gabry (chairman and managing director)
LISTED: 1995
PAR VALUE: LE 2

Top By Assets (except banks)

Rank	Company	Total Assets (LE millions)
1	Orascom Telecom Holdings	14,003.0
2	Egyptian Iron and Steel Company	7243.0
3	Orascom Construction Industries	6327.0
4	Egyptian Company for Mobile Services	4892.0
5	Egypt Aluminum	3965.0
6	Suez Cement	2817.0
7	Eastern Tobacco Company	2403.0
8	Abu Qir Fertilizers & Chemical Industries	2271.0
9	Ezz Steel Rebars	2240.0
10	Egyptian Satellite Company	2184.8
11	Egyptian Media Production City	2104.0
12	Olympic Group for Financial Investment	1489.0
13	Egypt Kuwait Holding Company	1448.2
14	Natural Gas and Mining Project	1288.0
15	EFG-Hermes Holding	1254.0

7 SUEZ CEMENT: Ciments Francais is still considering taking over a majority stake in Suez Cement, but has not yet acted as of the end of 2003.

Industry Heavies

Dogged by dropping prices, leaders Suez and subsidiary Torah Cement are poised to bounce back once the economy improves


Mohsen Allam

Drive through any of Cairo's satellite cities with their rows of unfinished houses and empty apartment buildings and you will understand fully the predicament that Egyptian cement companies are currently facing. Throughout most of the 1990s construction was king. The demand for cement greatly outweighed the supply.

During the good old days when "megaprojects" and "BOOT" were the catch phrases of the business community, the cement sector scrambled to whip itself into shape, improving productivity and increasing production in an attempt to meet the new requirements. Large multinational players like Lafarge, Cemex, Ciments Francais and Titan all bought their way into the Egyptian market via stake sales and initial public offerings of the state's assets in the sector.

But unfortunately, the boom didn't last long. The slowdown in the economy has meant for most cement companies mounting inventories despite gradual decreases in production levels. Let's just say 2003 was the year for them to re-adjust.

According to Alaa El-Din Abdel Wahab, the new chairman and managing director of ***bt*** 100 No. 7 Suez Cement, one of the leading cement companies, "Last year, the demand for cement grew by only 3 percent while aggregate cement capacities increased to 33 million tons per annum representing a 14-percent surplus in supply. This was the first time in recent history that this has happened in Egypt."

Despite the challenging economy, Suez Cement has fared better than others in the industry. Established in 1977 as the first private cement company in Egypt with two dry-process production line plants located near the Red Sea port of Suez and one production line in Qattamia, 30 kilometers southeast of Cairo, Suez Cement has a total annual capacity of 4.2 million tons.

In addition, the company also owns a 66.12 percent stake in Torah Cement that it acquired in January 2000, an investment valued at LE 1.3 million.

Torah, the oldest cement company in Egypt was established in 1927. Its factories are strategically located on the outskirts of the city on the Cairo-Helwan road. The acquisition greatly strengthened Suez's position in the Greater Cairo area, which accounts for 45 percent of the local market. Torah, which is now considered a subsidiary of Suez Cement, has a production capacity of approximately 3.8 million tons per annum.

In September 2001, Ciments Francais acquired a 25-percent stake in the company through a capital increase of 10.1 million shares in addition to the acquisition of 5.9 million shares from Suez Cement's free float at a price of LE 51 per share for a total investment amounting to $224.43 million.

According to Sigma Securities, "proceeds from the sale were partially used to repay a portion of the debt acquired to pay for the Torah acquisition. Five months after the initial shares were bought, Ciments Francais decided to increase its stake to 34.1 percent by purchasing an additional 1.8 million shares from Suez's employee shareholder's association for LE 51 per share."

The share purchase agreement between Suez Cement and Ciments Francais stipulates that after October 2003 the French manufacturer has the right to increase its 34 percent stake to a majority interest. But thus far, no moves have been taken to up the holdings. Sigma claims that the acquisition of a controlling minority stake in the company by Ciments Francais has had a strong positive impact on the company's performance. It predicts a subsequent bid for Suez Cement's remaining free float within the coming two years.

One of 12 cement companies currently operating in Egypt, Suez Cement enjoys a comfy 30-percent market share but the company has still experienced a sharp drop in profits due to an increase in competition and a decrease in cement prices — from LE 185 per ton in 2001 to LE 170 per ton in 2002. Ongoing price wars caused cement prices to plummet further in 2003, reaching a record low of LE 125 per ton in the first quarter. In an attempt to remedy the situation, producers agreed to set price benchmarks which brought the price back up to a high of LE 225.

"We predict that revenue will improve steadily because of the recent jump in prices. Export capacity will also increase with further devaluation of the Egyptian pound," say Sigma's cement analysts. They expect Suez to increase its stake in Torah to 100 percent by 2005.

According to Sigma, "Suez is strategically positioned to take advantage of a number of opportunities once the market improves."

Once the long-awaited mortgage law is approved and the stagnant real estate market is awakened from its slumber, companies like Suez Cement will be able to utilize their dormant potential. bt

Hadia Mostafa

MARKET CAP: LE 808 million
TRADING DAYS: 244
VOLUME OF TRADES: 4,887,894
VALUE TRADED: LE 39.6 million

18 Cairo Poultry

SYMBOL: POUL
PREVIOUS YEAR'S RANKING: 35
INDUSTRY: Agriculture
BASED: Giza
EMPLOYEES: 4661

Cairo Poultry was established in 1977 by the Kharafy Group of Kuwaiti Foods/Americana. It is a parent company controlling a web of integrated subsidiaries, and an operating entity with specialized activities in two main areas: poultry operation and poultry feed. CPC, together with its branches, covers the entire poultry cycle, commencing with raising chicks from hatching, and ending with consumer end products of various chicken-meat types. The company caters to both Egyptian fast-food chains and exports to the Arab Gulf market.

MANAGEMENT: Mamdouh Sharaf El-Din (chairman), Ahmed El-Khayat (managing director), Moataz El-Alfy (vice chairman)
LISTED: 1983
PAR VALUE: LE 2
MARKET CAP: LE 237 million
TRADING DAYS: 144
VOLUME OF TRADES: 966,981
VALUE TRADED: LE 8.3 million

19 Industrial and Engineering Projects

SYMBOL: IEEC
PREVIOUS YEAR'S RANKING: 16
INDUSTRY: Construction and engineering
BASED: Cairo
EMPLOYEES: -

Industrial and Engineering Projects (IEEC) is involved in general and real estate construction, paving roads and constructing general gardens. The company was established in 1952 and partially privatized in 1997. IEEC has an authorized capital worth LE 50 million and an issued and paid-in capital of LE 30 million distributed among 6 million shares at a par value of LE 5 per share. About 45.02 percent of the company's shares were free floating as of Dec. 31, 2001. The company has been suffering in recent years, with its net profit going from LE 13.1 million in fiscal year 2001 to LE 5.3 million in fiscal year 2002.

MANAGEMENT: -
LISTED: 1997
PAR VALUE: LE 5
MARKET CAP: LE 24 million
TRADING DAYS: 218
VOLUME OF TRADES: 946,055
VALUE TRADED: LE 4.6 million

20 North Cairo Flour Mills (North Cairo Mills)

SYMBOL: MILS
PREVIOUS YEAR'S RANKING: 18
INDUSTRY: Food distributors
BASED: Cairo (Salaam City)
EMPLOYEES: 4700

Founded in 1976, North Cairo Flour Mills holds a 17 percent market share in flour, enough to make it Egypt's number-two producer. MILS operates 13 mills, five bakeries and a macaroni factory. Partially privatized (42 percent), the company is believed to have completed its upgrade from stone crushers to cylinders, in line with a Cabinet decree.

MANAGEMENT: Profi El-Hoss (chairman), Ali Abul Hamid Haridi (managing director)
LISTED: 1995
PAR VALUE: LE 10
MARKET CAP: LE 54 million
TRADING DAYS: 215
VOLUME OF TRADES: 510,253
VALUE TRADED: LE 5.2 million

21 Misr International Bank (MIBank)

SYMBOL: MIBA
PREVIOUS YEAR'S RANKING: 21
INDUSTRY: Financial institutions
BASED: Cairo
EMPLOYEES: 9957

Misr International Bank (MIBank) provides a broad range of lending depository and related financial services to the industrial and business sectors. It was established in September 1975. The bank has operations in the Middle East, Eastern Europe, and Japan.

MANAGEMENT: Hatem Sadek (executive chairman and managing director), Kamal Sorour (vice chairman and managing director)
LISTED: 1995
PAR VALUE: LE 5
MARKET CAP: LE 770 million
TRADING DAYS: 244
VOLUME OF TRADES: 11,240,191
VALUE TRADED: LE 202.9 million

22 Egyptian International Pharmaceutical Industries (EIPICO)

SYMBOL: PHAR
PREVIOUS YEAR'S RANKING: 26
INDUSTRY: Pharmaceuticals
BASED: Cairo (Nasr City)
EMPLOYEES: 2225

Formed in 1980 and presently run by the state's Pharmaceutical Industries Holding Company, EIPICO accounts for 25 percent of Egypt's drug exports and has an 8 percent share of the domestic market. It produces 190 products, 65 under license from other companies. EIPICO's future plans include expansion of its sterilized eye-drop production plant and the opening of a new biotechnology center to research and produce genetically engineered therapies. EIPICO increased its capital to LE 721.24 million after its merger with the Egyptian Packaging Company.

MANAGEMENT: Ahmed Borhan El-Din Ismail (chairman and managing director)
LISTED: 1995

Top By Brand Value

Rank	Company	Brand Value (LE millions)
1	Egyptian Company for Mobile Services	5749.0
2	Orascom Telecom Holdings	5669.9
3	Orascom Construction Industries	5470.3
4	Egypt Kuwait Holding Company	1938.4
5	Suez Cement	1783.0
6	Abu Qir Fertilizers & Chemical Industries	929.3
7	Eastern Tobacco Company	921.0
8	Commercial International Bank	906.6
9	National Societe Generale Bank	846.5
10	National Cement	649.1
11	Egyptian Iron and Steel Company	579.5
12	Egyptian Media Production City	456.6
13	Egypt Aluminum	309.5
14	Alexandria Containers and Goods	308.7
15	Delta Industries	234.0
16	Amoun Pharmaceuticals	229.1
17	Medinet Nasr Housing and Development	223.3
18	Heliopolis Housing and Development	222.5
19	Sinai Cement	211.4
20	Misr Beni Suef Cement	200.0
21	Oriental Weavers	172.3
22	Amreya Cement	151.8
23	Bisco Misr	142.0
24	Paints and Chemical Industries (PACHIN)	129.0
25	Canal Shipping Agencies	124.0
26	Misr Qena Cement	100.5
27	Torah Cement	100.0
28	Pfizer Egypt (Pfizer)	95.3
29	Misr Chemical Industries	66.4
30	Egyptian Starch and Glucose	51.7

PAR VALUE: LE 10
MARKET CAP: LE 638 million
TRADING DAYS: 237
VOLUME OF TRADES: 9,345,751
VALUE TRADED: LE 80.5 million

23 East Delta Flour Mills

SYMBOL: EDFM
PREVIOUS YEAR'S RANKING: 24
INDUSTRY: Food distributors
BASED: Zagazig (Sharqia)
EMPLOYEES: 4487

East Delta Flour Mills, established in 1967 and partially privatized (61 percent), owns 17 mills and nine bakeries as well as a macaroni factory. It produces flour and bread products, distributes local wheat for the Ministry of Supply and has been upgrading its stone mills to cylinder systems.

MANAGEMENT: Mahmoud El-Hattab (chairman and managing director)
LISTED: 1996
PAR VALUE: LE 10
MARKET CAP: LE 84 million

Top By Market Capitalization

Rank	Company	Market Cap (LE millions)
1	Orascom Telecom Holdings	8820.9
2	Egyptian Company for Mobile Services	7527.0
3	Orascom Construction Industries	6909.3
4	Suez Cement	2912.0
5	Egypt Kuwait Holding Company	2887.5
6	Commercial International Bank	2862.6
7	Egyptian Media Production City	2318.6
8	Abu Qir Fertilizers & Chemical Industries	2144.3
9	Egypt Aluminum	2004.5
10	Eastern Tobacco Company	1920.0
11	National Societe Generale Bank	1573.5
12	Egyptian Iron and Steel Company	1279.5
13	National Cement	808.1
14	Oriental Weavers	785.3
15	Misr International Bank	769.8
16	Torah Cement	746.0
17	Delta Industries	643.0
18	Egyptian International Pharmaceutical Ind.	638.1
19	Natural Gas and Mining Project	616.2
20	Export Development Bank of Egypt	589.0
21	Paints and Chemical Industries	560.0
22	Egyptian American Bank	534.8
23	Amreya Cement	530.8
24	Sinai Cement	512.4
25	Olympic Group for Financial Investment	492.6
26	Alexandria Containers and Goods	476.7
27	Misr Qena Cement	454.5
28	Medinet Nasr Housing and Development	420.3
29	Amoun Pharmaceuticals	415.6
30	Canal Shipping Agencies	406.0

TRADING DAYS: 244
VOLUME OF TRADES: 2,472,617
VALUE TRADED: LE 36.9 million

24 Torah Cement

SYMBOL: TORA
PREVIOUS YEAR'S RANKING: 19
INDUSTRY: Construction materials
BASED: Cairo (Helwan)
EMPLOYEES: 1977

Torah Cement is one of Egypt's largest cement manufacturers and distributors, established in 1927 by Switzerland's Holderbank Cement and the government. Suez Cement acquired 66 percent of TORA in 2000, leaving 5 percent in the hands of the employees, 18 percent under the state-owned Holding Company's control, and 11 percent traded publicly. The company has a production capacity of 4.30 million tons per annum. It produces all varieties of gray cement by using the dry method.

MANAGEMENT: Alaa El-Din Mounir El-Wahab (chairman and managing director) Essam Mahmoud (managing director)
LISTED: 1995
PAR VALUE: LE 10
MARKET CAP: LE 746 million
TRADING DAYS: 244
VOLUME OF TRADES: 6,116,843
VALUE TRADED: LE 156.7 million

25 Misr Oil and Soap

SYMBOL: MOSC
PREVIOUS YEAR'S RANKING: New to the list
INDUSTRY: Consumer durables
BASED: Cairo
EMPLOYEES: 3767

Founded by Talaat Harb in 1938, MOSC produces 70,000 tons of oil, 36,000 tons of ghee, 12,500 tons of toilet soap, and 36,000 tons of animal feeds. It exports its products to Saudi Arabia, Syria, African Countries, Romania and Iraq. MOSC has been hurting recently, reporting an 83 percent plummet in bottom-line profits, down to LE 1.1 million in the first quarter of fiscal year 2003-04, compared to LE 6.3 million in the year prior.

MANAGEMENT: Mohamed Abdel Rahman (chairman and managing director)
LISTED: August 1996
PAR VALUE: LE 10
MARKET CAP: LE 64 million
TRADING DAYS: 87
VOLUME OF TRADES: 53,780
VALUE TRADED: LE 0.6 million

26 Natural Gas and Mining Project (Egypt Gas)

SYMBOL: EGAS
PREVIOUS YEAR'S RANKING: 23
INDUSTRY: Gas utilities
BASED: Giza (Imbaba)
EMPLOYEES: 3045

Established in 1983 with a mandate to develop natural gas networks in urban areas, Egypt Gas operates LNG networks in Alexandria and the Greater Cairo area. EGAS recently expanded its network to completely cover the Nile Delta. Some 20 percent of its shares are privatized, with feasibility studies under way for further privatization phases. The petroleum sector is currently studying selling shares of Egypt Gas, while retaining at least 50 percent.

MANAGEMENT: Mohamed Adel Abdel Hamid (chairman and managing director)
LISTED: 1998
PAR VALUE: LE 10
MARKET CAP: LE 616 million
TRADING DAYS: 227
VOLUME OF TRADES: 636,871
VALUE TRADED: LE 55.5 million

27 International Electronics (Bahgat)

SYMBOL: INEC
PREVIOUS YEAR'S RANKING: 27
INDUSTRY: Consumer electronics
BASED: Giza (Sixth of October City)
EMPLOYEES: 1301

International Electronics was created in 1985, manufacturing, fixing, exporting and importing all kinds of electronic equipment. INEC also franchises and manufactures medical equipment, telescopes, laser equipment and parts for the chemical, mechanical and electronics industries. As an offshoot, the company also manufactures furniture and refrigerators. It is best known for its Goldi brand of appliances. It is also Egypt's market leader in medical equipment manufacturing and sales, holding licenses from Siemens and Johnson & Johnson Medical. Poor 2002 financial results caused the board to decide the company needed restructuring, during which operations have continued.

MANAGEMENT: Ahmed Bahgat (chairman), Mohamed Salah Salem (managing director), Mahmoud Bahgat (vice chairman)
LISTED: May 1998
PAR VALUE: LE 5
MARKET CAP: LE 18 million
TRADING DAYS: 215
VOLUME OF TRADES: 2,795,963
VALUE TRADED: LE 5.5 million

11 COMMERCIAL INTERNATIONAL BANK: CIB is the only bank in the top 20, moving from the ninth slot down to the 11th. It was the only bank in the top 10 last year.

Shining Example

Egypt's largest private sector bank challenges a sluggish economy to set an example for successful private banking

WHILE THE COUNTRY'S BANKING SECTOR is directly judged within the larger economic framework, Commercial International Bank (CIB) is seen — locally and worldwide — as a leading banking institution in Egypt. Even though international rating agencies have lately downgraded the bank — along with other Egyptian banks — CIB officials stress that the downgrade is due to the connection to Egypt's low sovereign rates.

In August 2003, Standard and Poor's Ratings revised its outlook on CIB to "negative" from "stable," flowing the downgrade of the long-term local currency sovereign rating on Egypt to BBB- from BBB. "The [CIB] ratings are constrained, however, by the risks associated with operating in the problematic Egyptian economy," the S&P report says.

"We were downgraded because [Egypt] as a country is a risk. How can you have a rating better than your country's? CIB loans are [inextricably tied to] the risk of the country," says Sahar El-Sallab, CIB's managing director.

"But the comments coming from all the rating agencies are that if this bank was rated in another environment, it would have [gotten] a higher grade. That is enough [for me]," she proudly says. S&P also praised in its report CIB's "solid wholesale franchise, good financial profile, experienced management team and well-developed credit culture."

Looking back at turning points in the bank's history, El-Sallab mentions bracing for global depository receipt (GDR) and ratings. "We passed through two major processes. The first was GDRs in 1996, and the second was the ratings. We were the first bank in Egypt in 1998 to be rated officially by S&P. To pass these processes, we had to be geared up for many things such as corporate governance, transparency, [providing] full reports and [improving] our performance," she says.

CIB was established in 1975 as a joint venture between the National Bank of Egypt (51 percent) and Chase Manhattan Bank (49 percent); it was then called Chase National Bank of Egypt. Following Chase's decision to divest its equity stake in 1987, the National Bank of Egypt increased its piece to 99.9 percent, and the bank officially became Commercial International Bank (Egypt) SAE.

During 1993, as part of its privatization strategy, ***bt*** 100 11th-ranked CIB successfully launched a public share issue, resulting in a decrease of the major shareholder's stake to 43 percent, while CIB and NBE employees became the owners of 16 percent of the bank's capital in a parallel employee ownership plan. The remaining 41 percent was sold to over 14,000 Egyptian, Arab and multinational investors, including the International Finance Corp.

In July 1996, National Bank of Egypt, CIB's principal shareholder, sold an additional 20 percent equity stake in CIB's capital through a GDR offering listed on the London Stock Exchange. This was the first such offering by an Egyptian company and has proven to be a great success representing the highest level of subscription of any Middle East international equity offer to date, raising over $120 million.

El-Sallab credits the success of CIB to its "unique management." "First, you cannot find young, trained, aggressive management that is able to take risks and make prompt decisions like we have at CIB — they [are hard to find] not only in Egypt but in the Middle East. Secondly, we always worked out policies for everything: credit, treasury, personnel and IT. The third factor is training. Our personnel is the biggest asset at CIB," she says.

Transparency also ranks high on CIB's priority list, according to El-Sallab. "We are a very transparent bank. There is nothing to hide, and we are able to give our shareholders a full picture of what is going on in the bank," she says.

But if CIB was the first private bank in Egypt, the country now hosts a significant number of private and foreign banks in addition to the public banks. How does CIB keep its competitive edge in the market? El-Sallab says she believes in the "survival of the fittest" rule. "To be fit with your product and service and quick in response," she says as the rules of the game. Meanwhile, CIB is recognizing an increasing need for growth to face new competition. According to bank figures, its network of branches and units grew from 73 in 2001 to 86 in 2003. Automatic teller machine locations grew from 94 to 169 in the same time frame.

Khaled Habib

"We were downgraded because [Egypt] is a risk. How can you have a rating better than your country's?" asks Managing Director Sahar El-Sallab.

El-Sallab believes CIB has managed to take precautions and foresee economic crises, which decreases their impact on the bank's operations. However, the economic crises have necessarily affected growth. "We have been slow in the growth for the past few years. There is an impact [from economic deterioration] and we are affected [as bad as] other banks," she says.

While it took all the right steps on the corporate banking ladder, CIB is now testing the waters of retail banking. Its market share in that sector is still modest. For example, it holds only 14.46 percent of the MasterCard and Visa card business in the country. El-Sallab admits that the bank was late getting into retail banking. Rating agency Moody's however, disagrees, stating "We value CIB's growing commitment to develop its retail franchise, and we believe that with the help of the external advisers the bank will put into place a solid platform to grow its consumer banking business." bt

Rania Oteify

28 Sixth of October Development and Investment (SODIC)

SYMBOL: OCDI
PREVIOUS YEAR'S RANKING: 47
INDUSTRY: Real estate management and development
BASED: Giza (Mohandiseen)
EMPLOYEES: 300

Established in 1996 to develop land in and near Sixth of October City, SODIC continues integrated real estate operations in the Beverly Hills area with plans under way for school and health-care facilities to be constructed.

MANAGEMENT: Mohamed Magdi Rasekh (chairman), Shafik El Boghdady (managing director)
LISTED: 1998
PAR VALUE: LE 10
MARKET CAP: LE 58 million
TRADING DAYS: 192
VOLUME OF TRADES: 1,208,823
VALUE TRADED: LE 5.2 million

Biggest Winners By Net Profit

Rank	Company	Profits (LE millions)
1	Orascom Telecom Holdings	1047.0
2	Egyptian Company for Mobile Services	422.0
3	Commercial International Bank	381.0
4	Orascom Construction Industries	364.0
5	Abu Qir Fertilizers and Chemical Industries	338.0
6	Eastern Tobacco Company	290.0
7	National Societe Generale Bank	165.0
8	Oriental Weavers	148.0
9	Misr International Bank	136.0
10	Natural Gas and Mining Project	134.0
11	Export Development Bank of Egypt	134.0
12	Delta Industries	122.0
13	Egypt Aluminum	121.0
14	Egypt Kuwait Holding Company	109.0
15	Alexandria Containers and Goods	105.4
16	Egyptian International Pharmaceutical Ind.	102.0
17	Olympic Group for Financial Investment	88.5
18	Suez Canal Bank	74.0
19	Paints and Chemical Industries	65.0
20	Heliopolis Housing and Development	58.0
21	Misr Qena Cement	57.0
22	Canal Shipping Agencies	53.0
23	Suez Cement	51.3
24	Egyptian American Bank	50.0
25	Amreya Cement	50.0
26	Medinet Nasr Housing and Development	50.0
27	Egyptian Financial and Industrial	48.0
28	Cairo Poultry	44.0
29	Medical Union Pharmaceuticals	39.0
30	Misr Hotels	37.1

29 National Societe Generale Bank (NSGB)

SYMBOL: NSGB
PREVIOUS YEAR'S RANKING: 31
INDUSTRY: Financial institutions
BASED: Cairo
EMPLOYEES: 800

Created in 1978 as an investment bank, NSGB is one of Egypt's largest private banks ranked by balance sheet and continues to expand its corporate and retail banking activities and services, including savings packages and 24-hour banking services through Fona Bank.

The year 2003 was NSGB's 25th year and the bank celebrated with a major marketing campaign. It also upgraded its ATM machines with new technology.

In 2002, Societe Generale acquired an additional 3.33 percent stake in NSGB by purchasing 1 million shares at market price. The acquisition brought SG's stake in NSGB to 43.33 percent. The state-owned National Bank of Egypt owns 19 percent, with the remaining 26.67 percent trading on the CASE.

MANAGEMENT: Mohamed Madbuly Sayed Ahmed (chairman), Jerome Guiraud (managing director)
LISTED: 1996
PAR VALUE: LE 10
MARKET CAP: 1.6 billion
TRADING DAYS: 224
VOLUME OF TRADES: 2,165,351
VALUE TRADED: LE 61.2 million

30 Egyptian American Bank (EAB)

SYMBOL: EABK
PREVIOUS YEAR'S RANKING: 34
INDUSTRY: Financial institutions
BASED: Cairo (Zamalek)
EMPLOYEES: 807

Established as a joint venture between American Express Bank Holdings (Amex Holdings) and the Bank of Alexandria in 1976. Amex now holds a 41 percent stake in EAB, and the Bank of Alex a 36 percent share after the balance was offered on the CASE as an IPO.

Ranked number five among actively-traded full-service banks listed on the CASE, EAB was the center of an insider trading controversy early in 2002 after Britain's Standard Chartered Bank in late 2001 ended six months of speculation by announcing it was not interested in taking a majority stake in EAB. Both Amex and the Bank of Alex had offered their stakes for sale, but the two sides could not reach an agreement about share value or the value of the Egyptian pound. In 2003, the Capital Market Authority said that shareholders should be compensated by the courts for the losses caused by the leak of information regarding the sale.

The bank reported in 2003 that it is looking into establishing a real estate mortgage company with a paid-in capital of LE 500 million. It is negotiating with foreign institutions as investors.

MANAGEMENT: Mahmoud Abdel Latif (chairman), Francis Stankard (vice chairman), Roderick Richards (managing director)
LISTED: 1996
PAR VALUE: LE 10
MARKET CAP: LE 535 million
TRADING DAYS: 237
VOLUME OF TRADES: 2,175,063
VALUE TRADED: LE 72.9 million

31 Delta Industries (IDEAL, Delta Industrial)

SYMBOL: IDEA
PREVIOUS YEAR'S RANKING: 29
INDUSTRY: Consumer durables
BASED: Cairo (Nasr City)
EMPLOYEES: 2416

Founded in 1920 and purchased by the Olympic Group in 1997, IDEAL specializes in the production, domestic sale and export of household appliances. Its new plant in Tenth of Ramadan City has increased its production capacity under the leading Zanussi license.

In August, the company signed a contract to establish a refrigerator factory in Sudan.

MANAGEMENT: Niazy Abdallah Sallam (chairman), Nabil Abdallah Sallam (vice chairman), Abdel Fattah Sallam (managing director)
LISTED: September 1996
PAR VALUE: LE 10
MARKET CAP: LE 643 million
TRADING DAYS: 224
VOLUME OF TRADES: 40,362,665
VALUE TRADED: LE 320 million

32 Export Development Bank of Egypt (EDB, EDBE)

SYMBOL: EXPA
PREVIOUS YEAR'S RANKING: 30
INDUSTRY: Financial institutions
BASED: Giza (Mohandiseen)
EMPLOYEES: 858

The Export Development Bank of

Egypt focuses on financing external trade, promoting export-oriented projects beside its other banking operations. Established in 1985, the bank has a wide ownership base, with the National Investment Bank holding the largest share of 30.73 percent. The National Bank of Egypt, Banque Misr and Banque du Caire each hold 11.45 percent. The Bank of Alexandria holds 10.107 percent, whereas 24.85 percent of the bank's shares are free floating.

In 2003, the bank increased its authorized capital from LE 500 million to LE 1 billion. It also signed an agreement in February with the Arab Trade Financing Program through which the program will offer the bank credit facilities worth $15 million to finance mutual trade between Egypt and Arab countries. In other news, the bank got a new chairman in 2003, Mohamed Sherif Sharaf.

MANAGEMENT: Mohamed Sherif Sharaf (chairman)
LISTED: 1995
PAR VALUE: LE 10
MARKET CAP: LE 589 million
TRADING DAYS: 244
VOLUME OF TRADES: 5,304,765
VALUE TRADED: LE 71 million

33 Amreya Cement

SYMBOL: AMRI
PREVIOUS YEAR'S RANKING: 28
INDUSTRY: Construction materials
BASED: Alexandria
EMPLOYEES: 646

Created in 1998 as a state-owned subsidiary of Alexandria Portland Cement, and then split up, Amreya Cement makes all types of cement using two dry-method production lines. In 2003, Amreya was hit with a lawsuit from the Ministry of the Environment for violating environmental laws. Portugal's Cimbor bought its 91 percent stake in 2002.

MANAGEMENT: Philipe Secuira Martinez (chairman), Jose Antonio Texteira (managing director)
LISTED: February 1995
PAR VALUE: LE 5
MARKET CAP: LE 531 million
TRADING DAYS: 85
VOLUME OF TRADES: 1,052,715
VALUE TRADED: LE 20.1 million

Biggest Losers By Net Profit

Rank	Company	Profits (LE millions)
1	Egyptian Iron and Steel Company	-621.7
2	National Cement	-151.0
3	International Electronics	-138.0
4	Ezz Steel Rebars	-125.0
5	Alexandria Cement	-97.0
6	Egyptian Electrical Cables	-40.0
7	Orascom Hotel Holdings	-40.0
8	United Arab Shipping	-19.1
9	El-Ezz Porcelain	-18.0
10	Al-Ahli Investment and Development	-18.0
11	Pfizer Egypt	-11.0
12	Export Development Trading Company	-3.0

34 Egyptian Satellite Company (NileSat)

SYMBOL: EGSA
PREVIOUS YEAR'S RANKING: 88
INDUSTRY: Broadcasting and cable TV
BASED: Giza (Sixth of October City)
EMPLOYEES: 208

NileSat was established in 1996 for the purpose of operating direct-to-home (DTH) broadcasting satellites and their associated ground control and up-linking facilities. The company has launched two satellites, NileSat 101 and 102, catering to the TV needs of more than 5 million viewers in Egypt, the Middle East and Africa. The two satellites cover every spot in the country as well as large parts of the Arab world, the Middle East, north and central Africa and southern Europe. They have 24 transponders that can carry the broadcasts of as many as 180 television channels and 800 radio stations. The Egyptian Radio and Television (ERTU) owns 40 percent of the company's shares and public subscription amounts to 20 percent.

NOTE: Egyptian Satellite Company trades in dollars, but all revenue, net profit and share price data reported here was converted into Egyptian pounds using the exchange rate of LE 6.25 = $1.

MANAGEMENT: Amin Bassiouny (chairman and managing director)
LISTED: –
PAR VALUE: $5
MARKET CAP: LE 370 million
TRADING DAYS: 229
VOLUME OF TRADES: 1,248,868
VALUE TRADED: LE 12.3 million

35 South Cairo and Giza Mills and Bakeries (South Cairo and Giza Mills)

SYMBOL: SCFM
PREVIOUS YEAR'S RANKING: 36
INDUSTRY: Food distributors
BASED: Giza (Pyramids)
EMPLOYEES: 3661

South Cairo and Giza Mills and Bakeries, founded in 1966, ranks as Egypt's fourth-largest flour mill. SCFM owns nine flour mills and has been 40 percent privatized; the company has been part of the Holding Company for Food Industries since 1999.

MANAGEMENT: Adel Ahmed Abd El-Tawab (chairman and managing director)
LISTED: 1996
PAR VALUE: LE 10
MARKET CAP: LE 27 million
TRADING DAYS: 223
VOLUME OF TRADES: 885,272
VALUE TRADED: LE 9.7 million

36 Giza General Contracting and Real Estate Investment

SYMBOL: GGCC
PREVIOUS YEAR'S RANKING: 43
INDUSTRY: Construction (homebuilding)
BASED: Cairo (Bab El-Louq)
EMPLOYEES: 1030

Founded in 1935 and majority privatized in 1997, Giza General Contracting operates three offices in Egypt and one in Abu Dhabi while maintaining two factories for cement bricks and prefabricated units. It operates 75 sites locally and overseas. Contracting activities include utilities networks, government projects, housing and real estate development, and engineering consulting.

MANAGEMENT: Mohamed Ezzat Al Ma'ayergy (chairman and managing director)
LISTED: 1997
PAR VALUE: LE 10
MARKET CAP: LE 8 million
TRADING DAYS: 238
VOLUME OF TRADES: 3,883,832
VALUE TRADED: LE 20.8 million

37 Extracted Oils and Derivatives (Extracted Oils)

SYMBOL: ZEOT
PREVIOUS YEAR'S RANKING: 37
INDUSTRY: Food distributors
BASED: Alexandria
EMPLOYEES: 3100

Extracted Oils, created in 1959 and 51 percent privatized in 1995 and 1997, operates five factories and exports products to both Arab and Asian markets. It specializes in the production of edible oils, ghee and margarine, soaps and industrial detergents, and animal feeds. The company is facing increasing competition in its field

limiting its market share of edible oil to 2 to 3 percent.
MANAGEMENT: Youssef Mohamed Hewila (chairman and managing director)
LISTED: April 1995
PAR VALUE: LE 10
MARKET CAP: LE 40 million
TRADING DAYS: 243
VOLUME OF TRADES: 4,958,617
VALUE TRADED: LE 42.8 million

38 Alexandria Flour Mills (Alexandria Mills & Bakeries)

SYMBOL: AFMC
PREVIOUS YEAR'S RANKING: 32
INDUSTRY: Food distributors
BASED: Alexandria
EMPLOYEES: 3193

Alexandria Flour Mills' 16 plants process and package grains and grain by-products ranging from wheat to dough, macaroni and bakery goods. Established in 1965, AFMC was merged with North and South Alexandria Mills in 1995; 30 percent of the company was privatized in 1997.

MANAGEMENT: Mahfouz Gomaa (chairman and managing director)
LISTED: April 1997
PAR VALUE: LE 10
MARKET CAP: LE 19 million
TRADING DAYS: 220
VOLUME OF TRADES: 746,111
VALUE TRADED: LE 4.2 million

39 Medical Union Pharmaceuticals

SYMBOL: MEDU
PREVIOUS YEAR'S RANKING: 38
INDUSTRY: Pharmaceuticals
BASED: Ismailia
EMPLOYEES: 948

Created in 1984 as a subsidiary of ACDIMA (as the Arab League-backed Arab Company for Drug Industries and Medical Applications is better known), Medical Union Pharmaceuticals manufactures and exports medications and other pharmaceutical products.

In August 2003, MEDU announced net profits of LE 33.2 million for the first half of 2003, compared to LE 24 million for the same period the previous year, an increase of 38 percent.

MANAGEMENT: Zakaria Ibrahim Gad (chairman and managing director)
LISTED: 2001
PAR VALUE: LE 10
MARKET CAP: LE 288 million
TRADING DAYS: 121
VOLUME OF TRADES: 125,310
VALUE TRADED: LE 1.1 million

40 Suez Canal Bank (SCB)

SYMBOL: CANA
PREVIOUS YEAR'S RANKING: 33
INDUSTRY: Financial institutions
BASED: Cairo (Garden City)
EMPLOYEES: 1015

Founded in 1978 by the Suez Canal Authority Employees Fund and other financial institutions, SCB today is involved in nearly all aspects of economic activities utilizing its comprehensive geographical coverage through 24 branches and representative office in Tripoli, Libya, and a wide range of effective network of correspondents throughout the world. Suez Canal Bank established the Suez Canal Mutual Fund, which is managed by the Egyptian Anglo Co. For Mutual Funds. Despite its low public profile, CANA ranks among the top five private-sector banks and is particularly strong in industrial project financing. Its large investment franchise has heavy direct investment in companies.

MANAGEMENT: Moustafa Hablas (chairman and managing director)
LISTED: 1995
PAR VALUE: LE 10
MARKET CAP: LE 254 million
TRADING DAYS: 169
VOLUME OF TRADES: 239,805
VALUE TRADED: LE 2.9 million

41 Arab Polvara Spinning and Weaving

SYMBOL: APSW
PREVIOUS YEAR'S RANKING: 45
INDUSTRY: Textiles
BASED: Alexandria
EMPLOYEES: 6100

Established in 1968 and then privatized in 1997 by merging two companies, UNIRAB International for Marketing and Trading and United Arab Polivara Spinning, Weaving and Silk Company, the company's factories occupy 73 feddans in Siouf. Activities include spinning and weaving, yarn production and exports. Revenues grew by 36.4 percent in the first quarter of 2003.

MANAGEMENT: Salah Adbel Salam
LISTED: 1995
PAR VALUE: LE 10
MARKET CAP: LE 193 million
TRADING DAYS: 244
VOLUME OF TRADES: 112,927,212
VALUE TRADED: LE 496.2 million

42 Pfizer Egypt (Pfizer)

SYMBOL: PFIZ
PREVIOUS YEAR'S RANKING: 39
INDUSTRY: Pharmaceuticals
BASED: Cairo
EMPLOYEES: 800

Founded in 1961 and 85 percent held by Pfizer International, Pfizer Egypt produces human and veterinary pharmaceutical products on behalf of its parent company, which monitors production quality and manufacturing methods.

Pfizer has had a rough go of it in Egypt. It went up against the government a couple of years ago to protect its Viagra patent, and in 2002, it sued the Egyptian International Pharmaceuticals Industries (EIPICO) claiming EIPICO has violated Pfizer's patent on Lipitor by producing a generic version, sold as Ator, before the

Most Actively Traded Stocks

Rank	Company	Volume (millions)
1	Egyptian Media Production City	116.3
2	Arab Polvara Spinning and Weaving	112.9
3	Orascom Telecom Holdings	95.8
4	Ezz Steel Rebars	72.4
5	El-Ezz Porcelain	61.0
6	Egyptian Electrical Cables	40.8
7	Delta Industries	40.4
8	Cairo Housing	38.5
9	EFG-Hermes Holding	37.0
10	Canal Shipping Agencies	36.6
11	Egyptian Company for Mobile Services	33.7
12	Misr Beni Suef Cement	24.3
13	Commercial International Bank	22.6
14	Orascom Construction Industries	19.4
15	Orascom Hotel Holdings	18.1
16	Arab Cotton Ginning	17.7
17	Misr Qena Cement	17.0
18	Sinai Cement	15.2
19	Orascom Projects & Touristic Development	14.2
20	Misr Chemical Industries	14.2
21	Al-Watany Bank of Egypt	13.9
22	Egypt Kuwait Holding Company	13.6
23	Paints and Chemical Industries	12.6
24	Misr International Bank	11.2
25	El-Shams Housing and Urbanization	9.7
26	Egyptian International Pharmaceutical Ind.	9.3
27	Egyptian Gulf Bank	7.1
28	Torah Cement	6.1
29	United Housing and Development	5.6
30	Suez Cement	5.4

drug giant's patent on the cholesterol-lowering medication ran out.

Financially, the company suffered huge losses in 2002 and continued that trend in 2003, announcing a 68 percent increase in net losses for the first nine months of 2003, versus that same time frame a year prior. Pfizer International, in fact, saved the company from liquidation for the second consecutive year, as it provided the local pharma with LE 54.2 million in grants and discounts.

Foreign-exchange losses reached LE 7.4 million, due to the increase in the US dollar exchange rate while drug prices remained stable.

MANAGEMENT: Mohamed Mohamed Attia (chairman), Mohamed Salah El Din Rushdy (vice chairman and managing director)
LISTED: –
PAR VALUE: LE 4
MARKET CAP: LE 119 million
TRADING DAYS: 240
VOLUME OF TRADES: 1,207,427
VALUE TRADED: LE 26.4 million

Biggest Employers

Rank	Company	Employees
1	Egyptian Iron and Steel Company	14,523
2	Eastern Tobacco Company	12,621
3	Misr International Bank	9957
4	Egypt Aluminum	9500
5	Orascom Telecom Holdings	6757
6	Arab Polvara Spinning and Weaving	6100
7	Upper Egypt Flour Mills	5815
8	Central and West Delta Flour Mills	5738
9	Egyptian Contracting	5291
10	Olympic Group for Financial Investment	5000
11	El Nasr Clothes and Textiles	4820
12	North Cairo Flour Mills	4700
13	Orascom Projects & Touristic Dev.	4700
14	Cairo Poultry	4661
15	East Delta Flour Mills	4487
16	Central Egypt Flour Mills	4420
17	United Arab Shipping	4000
18	Misr Oil and Soap	3767
19	South Cairo and Giza Mills and Bakeries	3661
20	National Cement	3500
21	General Silos and Storage	3500
22	Alexandria Flour Mills	3193
23	Extracted Oils and Derivatives	3100
24	Alexandria Spinning and Weaving	3100
25	Natural Gas and Mining Project	3045
26	Egyptian Financial and Industrial	3000
27	Abu Qir Fertilizers & Chemical Industries	2950
28	Bisco Misr/Egyptian Foods	2700
29	Orascom Construction Industries	2652
30	Cairo Pharmaceuticals	2463

43 Paints and Chemical Industries (PACHIN)

SYMBOL: PACH
PREVIOUS YEAR'S RANKING: 44
INDUSTRY: Commodity chemicals
BASED: Cairo
EMPLOYEES: 1022

Privatized in 1997, Pachin leads Egypt's paint-producing sector with a market share of 30-35 percent. A production complex opened in New Obour City in 2000 with imported equipment and the latest production technologies. Pachin's future plans include the development of more retail outlets and tapping new export markets.

Although sales slowed in 2003, Pachin still managed to improve its bottom line, with net profits for fiscal year 2002-03 reaching LE 65 million, compared to LE 63 million in fiscal year 2001-02.

Pachin was at the center of stake-sale rumors in late 2002, with market chatter claiming Akzo Nobel Coatings, a subsidiary of the Dutch Akzo Nobel NV chemical group, was interested in buying the state's 38.5 percent stake in Pachin. In January 2003, the Holding Company for Chemical Industries chairman Adel Al Mozy denied that the holding company received any offers for the acquisition of Pachin. He added that a "Dutch company has only shown interest" in the acquisition of the company but it did not submit an offer.

MANAGEMENT: Sherif Mahmoud Shawki (chairman and managing director)
LISTED: August 1994
PAR VALUE: LE 10
MARKET CAP: LE 560 million
TRADING DAYS: 244
VOLUME OF TRADES: 12,550,697
VALUE TRADED: LE 313.2 million

44 Nile Pharmaceutical and Chemical Industries (Nile Pharmaceuticals)

SYMBOL: NIPH
PREVIOUS YEAR'S RANKING: 41
INDUSTRY: Pharmaceuticals
BASED: Cairo (Amereyya)
EMPLOYEES: 2417

Established in 1962 and 33.3 percent privatized by 1997, Nile Pharmaceuticals manufactures cosmetics and 56 pharmaceutical lines for sale on the local, Middle Eastern, African and Eastern European markets. The award-winning company hopes to open the Middle East's first genetic-engineering facility to produce specialty drugs that are now imported.

The pharmaceutical raised the prices in 2003 of three drugs it produces, signaling a potential trend of rising drug prices throughout the country due to the effects of the pound float.

MANAGEMENT: Mohamed A. El Azim Ibrahim (chairman and managing director)
LISTED: 1995
PAR VALUE: LE 10
MARKET CAP: LE 142 million
TRADING DAYS: 95
VOLUME OF TRADES: 99,169
VALUE TRADED: LE 5.2 million

45 Amoun Pharmaceuticals Industries

SYMBOL: AMON
PREVIOUS YEAR'S RANKING: New to the list
INDUSTRY: Pharmaceuticals
BASED: Cairo
EMPLOYEES: 2300

Amoun was founded as an importation and distribution company of pharmaceutical products in 1976. Its first factory, Advanced Biochemical Industries, was bought by GlaxoWellcome Co. in 1989. Amoun's second factory, Amoun Pharmaceutical Industries Co., was also sold to GlaxoWellcome in 1998 and is now part of GlaxoSmithkline Egypt.

Amoun's products cover most of the therapeutic classes such as antirheumatics, antihistaminics, gastrointestinals, cardiovasculars, antipyretics, analgesics, and vitamins and supplements. Amoun is the first Egyptian pharmaceutical company to have sister companies in the US, Romania, Russia and Kenya. The company exports to 19 other European, Arab and African countries. The company was honored in 1997 by the United Nations with an award for innovation in Africa. Future plans include achieving the production of 110 million packages of different pharmaceutical forms by 2007.

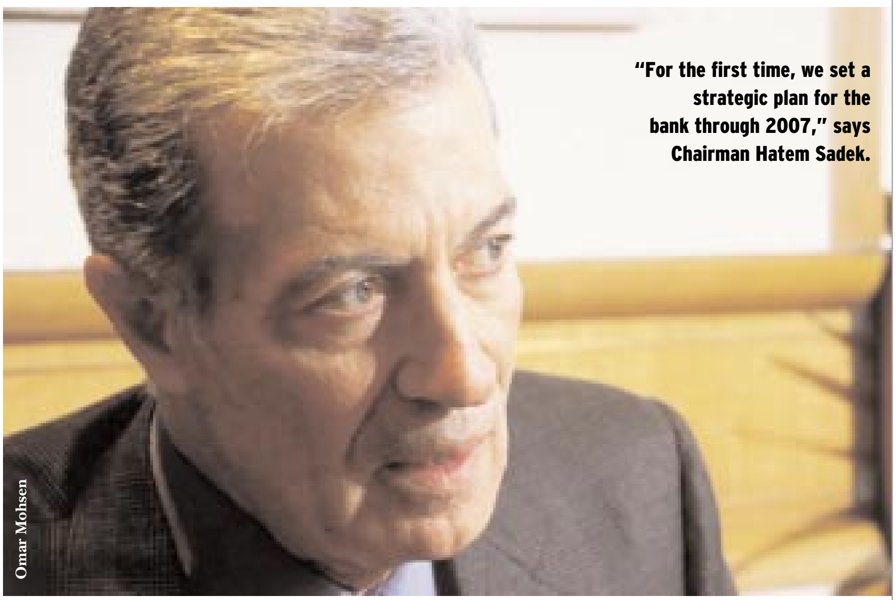
MANAGEMENT: Dr. Sarwat Thabet Bassily (chairman and CEO), Elijah Saruat Thabet(deputy chairman and CEO)
LISTED: 2001
PAR VALUE: LE 100
MARKET CAP: LE 416 million
TRADING DAYS: 148
VOLUME OF TRADES: 488,705
VALUE TRADED: LE 8.35 million

46 Egyptian Electrical Cables

SYMBOL: ELEC
PREVIOUS YEAR'S RANKING: 42

Mission: Possible?

MIBank is on a quest to restructure and contain bad loans in order to refocus on corporate and individual banking



Omar Mohsen

"For the first time, we set a strategic plan for the bank through 2007," says Chairman Hatem Sadek.

ESTABLISHED IN 1975, MISR INTERNATIONAL Bank (MIBank) is the third-largest private bank in Egypt after Commercial International Bank (CIB) and National Société Générale Bank (NSGB) in terms of profitability. It was also the fourth bank in Egypt to issue global depository receipts (GDR), which allows receipts of its shares to be traded on an international stock exchange.

Even though MIBank has suffered the same trend of non-performing loans (NPLs) in the last few years as all other banks have, 2003 was a good year for the Giza-based bank. "For the first time, we set a strategic plan for the bank through 2007," says Hatem Sadek, MIBank's chairman. MIBank maintained its rank of No. 21 on the ***bt*** 100.

"We started implementing [that plan] last year that includes annual business plans for each segment of the bank, illustrating its goals through 2007. Automatically, this changes all operations in the bank," says Sadek, who joined MIBank two and half years ago and was named chairman in July 2003.

Advised by banking giant Lloyds TSB of the United Kingdom, MIBank's management team started a number of projects aimed at upgrading all aspects of bank operations, including improving its credit approval system and other retail services. "We started to push very hard in the last six or seven months to finish or translate these projects into [real] work," he says.

The ambitious reform program also included a restructuring plan, he continues. "We started a totally different approach in human resources. We [empowered] senior officials to set their own organization charts and choose their staffs. [We also created new] policies for overall risk management in the bank. We always had credit risk management but for the first time we are focusing on credit, marketing and operations," says Sadek.

Individual banking infrastructure was among one of the first projects that was accomplished during 2003. "In the last six months, we finished the infrastructure required for retail banking such as a card center, a call center, etc. For the first time ever, we have a retail, or individual, line of business. Before it was left to branches and clients. Finally, [our retail banking] products will appear in the market in the first quarter in this year," says Sadek.

Retail banking seems to be all the rage in the sector these days. "It is highly profitable," explains Sadek.

"[Additionally], corporate credit has become highly competitive, especially with the economic slowdown under way. All banks are competing for the same pie. Subsequently, the volume of work we can attract is small. We did increase our work from good clients, but still the competition on this point is high — and the risk is high as well," he says.

In spite of the bank's unfinished reforms and Egypt's difficult economic situation, Sadek says that MIBank's overall operational profits [before provisions] in 2003 [will be] higher than 2002. Sadek did not comment on the exact numbers.

"Our profits in 2003 are much higher than last year, before provisions for NPLs and so on. But any provisions we make aim to strengthen the bank's financial position. Shareholders look at the bottom line because they want to know how much they are making this year. But more important is to support the bank's position, which delivers returns to shareholders if the bank becomes a strong financial institution, he says.

The road ahead is not a smooth one, however. MIBank previously had one of the highest levels of non-performing loans as a percentage of gross loans among Egypt's private banks, but has recently reduced that to 16.8 percent in 2003 from more than 19 percent in 2002.

According to Commercial International Brokerage Co. analysts, a fall in bad debts is a sign the bank is turning around and could be one of the biggest beneficiaries from a sector recovery.

Sadek describes the bank's strategy as a "rational approach" that led to decreasing the percentage of NPLs in the loan portfolio in 2003.

"First a remedial department was established to handle NPL cases. Second, the bank worked on increasing good loans. MIBank joined for the first time loan syndications. We also entered other syndications with Banque Misr and others. So, we managed to attract new business that increased our loan portfolio," he concludes.

In a not-so-friendly environment for investment and finance, MIBank's steady progress in chipping away at its non-performing loans while building up its retail side, sets an example for all banks. bt

Rania Oteify

INDUSTRY: Electrical components and equipment
BASED: Cairo (Shubra El-Kheima)
EMPLOYEES: 2100

Founded in 1954 and fully privatized in 1997, ELEC is a market leader in the production of low- and medium-voltage cables with seven factories and a production capacity of 60,000 tons a year. The company decreased its capital from LE 445.5 million to LE 297 million to cover previous losses and early retirement schemes.

The company aggressively pursued contracts with Iraq and Libya in 2003, and it managed to get its losses under control, announcing net losses of LE 5.1 million for fiscal year 2002, compared to losses of LE 102.8 million in fiscal year 2001.

MANAGEMENT: Essmat El-Sayyed (chairman and managing director)
LISTED: March 1995
PAR VALUE: LE 20
MARKET CAP: LE 61 million
TRADING DAYS: 243
VOLUME OF TRADES: 40,795,280
VALUE TRADED: LE 169.1 million

47 Egyptian Financial and Industrial (EFIC)

SYMBOL: EFIC
PREVIOUS YEAR'S RANKING: 46
INDUSTRY: Fertilizers and agricultural chemicals
BASED: Cairo
EMPLOYEES: 3000

Established in 1929 as an investment bank that became a heavy investor in the fertilizer industry, EFIC is now solely a fertilizer concern and became Egypt's largest producer of phosphate fertilizers after being merged with Arab Granulated Fertilizers, once a subsidiary. EFIC presently owns 70 percent of the domestic market and accounts for 65 percent of Egypt's phosphate fertilizer exports. The company recently established a new granulated and compound fertilizer factory in Suez to specifically tap export markets.

The company spent much of 2003 increasing its business in Brazil, reporting that it increased exports to 170,000 tons, worth LE 60 million, compared to 130,000 tons worth LE 31 million in the previous year. The company atributed the increase to growth in the Brazilian market.

In March, the Gulf Investment Company, which had intended to acquire a controlling stake in EFIC, withdrew its offer because EFIC's share price increased to LE 40 a share and Gulf had only offered LE 32 a share. The same month the company said it was investing LE 140 million in a new fertilizer plant in Ain Sukhna.

MANAGEMENT: Yehia Mahmoud Qutb (chairman and managing director)
LISTED: May 1995
PAR VALUE: LE 40
MARKET CAP: LE 336 million
TRADING DAYS: 190
VOLUME OF TRADES: 1,250,500
VALUE TRADED: LE 54.8 million

48 Sinai Cement Company

SYMBOL: SCEM
PREVIOUS YEAR'S RANKING: 60
INDUSTRY: Construction materials
BASED: Giza (Dokki)
EMPLOYEES: 217

Founded in 1997 by private investors as the largest investment in the North Sinai region, Sinai Cement produces cement products using Danish technology. Production commenced in 2000-01 with cement exports beginning in 2002, six months ahead of schedule. Sinai operates as the second white-cement producer in Egypt.

In June, France-based Ciments Vicat became the company's strategic partner and the cement firm was able to increase its paid-in capital to LE 350 million.

Also in 2003, the company announced that it is exporting 150,000 tons of white cement.

MANAGEMENT: Hassan Kamel Rateb (chairman), Mohamed Ahmed Abd El-Karim (managing director)
LISTED: September 2000
PAR VALUE: LE 10
MARKET CAP: LE 512 million
TRADING DAYS: 243
VOLUME OF TRADES: 15,171,287
VALUE TRADED: LE 179.8 million

49 National Development Bank of Egypt (National Bank for Development, NBD, NDBE)

SYMBOL: DEVE
PREVIOUS YEAR'S RANKING: 48
INDUSTRY: Financial services
BASED: Cairo
EMPLOYEES: 2462

The National Development Bank was established in 1980. Operating in the financial sector, the bank carries out all banking operations related to its activities through its head quarters and 67 branches throughout the country. The bank has authorized capital of LE 310 million. As at 30 June 2002, 19.99 percent of the bank's shares were free floating. Future plans include the expansion of retail banking services.

MANAGEMENT: Mohamed Zaki El Orabi (chairman and managing director)
LISTED: 1996
PAR VALUE: LE 10
MARKET CAP: LE 267 million
TRADING DAYS: 227
VOLUME OF TRADES: 1,695,756
VALUE TRADED: LE 16.9 million

50 Alexandria Containers and Goods (Alexandria Container Handling)

SYMBOL: ALCN
PREVIOUS YEAR'S RANKING: New to the list
INDUSTRY: Marine transport
BASED: Alexandria
EMPLOYEES: 2150

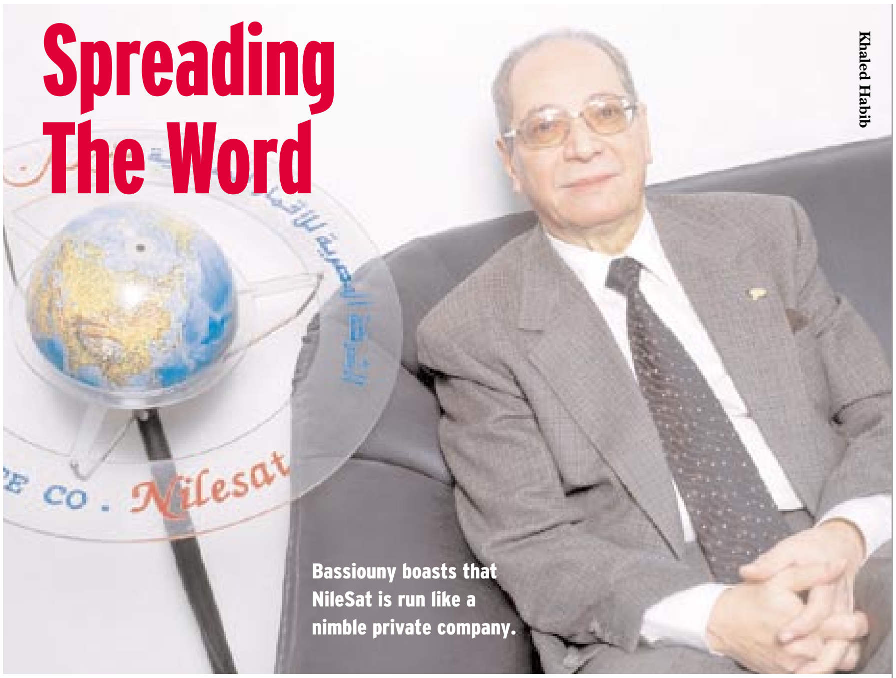
Movin' On Up The List

Rank	Company	No. Of Slots Moved Up
1	Olympic Group for Financial Investment*	64
2	Egyptian Satellite Company	54
3	Orascom Hotel Holdings	37
4	Egyptian Media Production City	22
5	Sixth of October Development and Inv.	19
6	Cairo Poultry	17
7	Heliopolis Housing and Development	14
8	Sinai Cement	12
9	General Silos and Storage	10
10	Giza General Contracting & Real Estate Inv.	7
11	Egyptian International Pharmaceutical Ind.	4
12	Egyptian American Bank	4
13	Arab Polvara Spinning and Weaving	4
14	Egypt Free Shops	4
15	National Cement	3
16	Upper Egypt General Contracting	3
17	Egyptian Iron and Steel Company	2
18	National Societe Generale Bank	2
19	Egyptian Starch and Glucose	2
20	Development and Engineering Consultants	2
21	Acrow Misr Metallic Scaffolding & Frameworks	2
22	Export Development Trading Company	2
23	Ezz Steel Rebars	1
24	Central Egypt Flour Mills	1
25	East Delta Flour Mills	1
26	South Cairo and Giza Mills and Bakeries	1
27	Paints and Chemical Industries	1
28	Kafr El-Zayat Pesticides	1
29	Mohandes Insurance	1

• OLGR moved up due to the addition of data from subsidiaries.

34 EGYPTIAN SATELLITE COMPANY: The lion's share of NileSat's revenue comes from the rent it charges television stations to use its satellite channels.

Spreading The Word



Khaled Habib

Bassiouny boasts that NileSat is run like a nimble private company.

More influential than most business operations, young NileSat's satellites have beamed Arab culture and media into the living rooms of Egypt's future generation

WHEN AMIN BASSIOUNY LEFT THE STATE-owned Egyptian Radio and Television Union (ERTU) after chairing it for almost 40 years to the head the newly formed Egyptian Satellite Company in 1996, he also left his government bureaucrat mentality behind.

Instead, he embraced the spirit of free enterprise and Egyptian Satellite Company — better known as NileSat — became one of Egypt's largest listed companies under his watch, as well as the first in the space sector. Bassiouny likes to stress that NileSat is run like a private-sector firm, dispelling any notions that ERTU's 40 percent-majority stake in the company makes it a de facto part of the public sector, as some analysts claim.

"When we began thinking of the satellite project, we decided to establish it within the framework of an investment company. If we were keen to have it within a governmental body, we could have done so at the time," he explains. "But we said no, let us prepare ourselves for the future. And the private sector is the future."

But back in 1998, when the company launched its first satellite — Nile Sat 101 — the future didn't look so rosy. After pouring over $200 million into the satellite, built by French firm Matra Marconi, all NileSat saw in its ledger books was a lot of red ink. And going fast into the black became a non-option when the company launched a second satellite two years later in 2000, forking out another $140 million to complete it.

"We knew from the very beginning that this was a long-term investment," says Bassiouny. And now, after almost a decade in the market, NileSat (***bt*** 100 No. 34) seems geared to finally hit pay dirt.

In 2002, NileSat posted revenue of approximately $51 million (about LE 318 million), up 34 percent from 1998. Net profits for the company in 2003 came to a respectable $3.7 million (about LE 25 million), a considerable jump from the loss of $10 million the company experienced in 2001. On the stock market, financial analysts say that the company performed well in 2003, with a growth of 67 percent.

Looking back at the company's bumpy beginning, Salah Hamza, NileSat's head of engineering, explains: "Yes, we made a loss, yes we suffered. Our initial business model didn't take into account launching a second satellite so soon after the first, but we had to."

Why? It was a simple matter of overwhelming demand, claims Hamza.

"Our feasibility studies showed that we wouldn't be able to lease the first satellite completely until two years after the launch, but what actually happened was that three months after launching we were 70 percent full," he says. "This made it absolutely essential to invest in another satellite."

The first digital compression satellite in Africa and the Middle East — a technology that was more advanced than the predominant analogue satellites of the time as it allowed for more than one TV channel to be compressed on the same transponder — NileSat 101 is designed to carry a total of 120 TV channels. Its sibling, NileSat 102, carries the same number of channels and today is 80 percent full, according to company officials.

In addition to relaying TV signals, both NileSats have a data transmission capability that allows service providers to send multimedia data packages and internet content to any personal computer. The Cairo and Alexandria Stock Exchange, for example, is using NileSat to send real-time stock quotes to its e-subscribers.

The lion's share of NileSat's revenue, however, comes from the rent it charges TV stations to use its satellite channels, the going rate being $400,000 per year per channel. While the company has attracted predominately local and Arab channels, it also boasts important international clients like Showtime, BBC World and TV5.

The variety and scope of the programming available through NileSat has drawn in a sizable number of viewers. Bassiouny estimates that today NileSat channels have an audience of 12 to 13 million people. And with NileSat's second satellite nearing saturation, plans are already in the works to build a third one, he says.

But for Bassiouny and company, sending satellites into space isn't merely about the bottom line — it's also about underlining Arab culture in global media.

"The world is becoming an 'open buffet' of influences. We want to be a part of this world, but we have to be represented," the company's chairman says. "Without satellite technology, Arab media would have been absent as an influence on its own coming generations. Imagine that." bt

Yasmin Moll

Alexandria Containers and Goods specializes in cargo services and shipping containers; the Holding Company for Land and Maritime Transport holds a 55.3 percent stake.

MANAGEMENT: Fathi Ahmed Hassan Sorour (chairman and managing director)
LISTED: –
PAR VALUE: LE 5
MARKET CAP: LE 477 million

On The Downside

Rank	Company	No. Of Slots Moved Down
1	Faisal Islamic Bank of Egypt	-50
2	Al-Watany Bank of Egypt	-15
3	RAKTA Paper Manufacturing	-15
4	EFG-Hermes Holding	-14
5	Misr Hotels	-13
6	Egyptian Gulf Bank	-12
7	Housing and Development Bank	-8
8	Mohandes Bank	-8
9	Suez Canal Bank	-7
10	United Bank of Egypt	-7
11	Alexandria Flour Mills	-6
12	Canal Shipping Agencies	-6
13	Al-Ahli Investment and Development	-6
14	Torah Cement	-5
15	Amreya Cement	-5
16	Egypt Kuwait Holding Company	-5
17	Arab Drugs and Chemical Industries	-5
18	Egyptian Electrical Cables	-4
19	T3 - A Pharmaceutical Group	-4
20	Misr Chemical Industries	-4
21	Industrial and Engineering Projects	-3
22	Natural Gas and Mining Project	-3
23	Pfizer Egypt	-3
24	Nile Pharmaceutical and Chemical Industries	-3
25	Memphis Pharmaceuticals	-3
26	Medinet Nasr Housing and Development	-3
27	Nile Match and Prefabricated Houses	-3
28	Cairo Housing	-3
29	Abu Qir Fertilizers and Chemical Industries	-2
30	Commercial International Bank	-2
31	North Cairo Flour Mills	-2
32	Delta Industries	-2
33	Export Development Bank of Egypt	-2
34	El-Ezz Porcelain	-2
35	Arab Ceramics	-2
36	Suez Cement	-1
37	Egyptian Contracting	-1
38	Oriental Weavers	-1
39	Medical Union Pharmaceuticals	-1
40	Egyptian Financial and Industrial	-1
41	National Development Bank of Egypt	-1
42	Cairo Pharmaceuticals	-1
43	Nasr Civil Works	-1
44	Orascom Projects and Touristic Development	-1
45	Egyptian Saudi Finance Bank	-1

TRADING DAYS: 73
VOLUME OF TRADES: 42,026
VALUE TRADED: LE 0.8 million

51 Alexandria Cement (Alexandria Portland Cement)

SYMBOL: ALEX
PREVIOUS YEAR'S RANKING: 51
INDUSTRY: Construction materials
BASED: Alexandria
EMPLOYEES: 500

Opened in 1948 and subsequently nationalized, Alexandria Cement was privatized in the 1990s, with Britain's Blue Circle Cement (owned by French cement titan Lafarge) taking an 80 percent stake. Alexandria Cement specializes in cement production and packaging; a new production line, the company's fifth, will increase its total annual capacity to 1.5 million tons.

In January, Lafarge began negotiations with the Holding Company for Metallurgical Industries for the acquisition of its 6.9 percent stake in Alexandria Cement, in view of the holding company's plan to sell its stakes in joint companies. Also in January the company approved the establishment and appointment of a joint administrative committee to manage the company together with Beni Suef Cement (*bt* 100 No. 100).

MANAGEMENT: David Sero (chairman), Stamatis Doznas (vice chairman), Saad Dabar (CEO)
LISTED: July 1999
PAR VALUE: LE 10
MARKET CAP: LE 196 million
TRADING DAYS: 91
VOLUME OF TRADES: 37,402
VALUE TRADED: LE 0.6 million

52 El-Ezz Porcelain (El-Jawhara, El-Gawhara)

SYMBOL: ECAP
PREVIOUS YEAR'S RANKING: 50
INDUSTRY: Building products
BASED: Giza
EMPLOYEES: 1250

Established by steel magnate Ahmed Ezz in 1994, the company specializes in the production and export of porcelain and ceramic tiles. The company's products cater to the upper-class. El-Jawhara emerged from the merger of Ezz Porcelain and Ezz Ceramic. El-Ezz Porcelain has not been as controversial as sister company Ezz Steel Rebars, which has in the past been accused of being a monopoly while CEO Ezz was named to the ruling National Democratic Party's secretariat.

MANAGEMENT: Raed El-Beblawy (chairman), Karim Abd El-Gelil
LISTED: 1998
PAR VALUE: LE 5
MARKET CAP: LE 71 million
TRADING DAYS: 244
VOLUME OF TRADES: 61,014,655
VALUE TRADED: LE 111.7 million

53 Cairo Pharmaceuticals

SYMBOL: CPCI
PREVIOUS YEAR'S RANKING: 52
INDUSTRY: Pharmaceuticals
BASED: Cairo (Shubra)
EMPLOYEES: 2463

Founded in 1962 through the merger of three laboratories and now 40 percent privatized, Cairo Pharmaceuticals manufactures more than 30 registered products, with licenses from international companies such as Abbott, Zeneca, MSD, SKF and Searle. Cairo Pharma claims particular expertise in producing gelatin and coated capsules. It has a new factory in Badr Industrial City, which performs research on vaccines against the viruses that cause hepatitis and AIDS.

MANAGEMENT: Mohamed Salah Fayed (chairman and managing director)
LISTED: April 1996
PAR VALUE: LE 10
MARKET CAP: LE 142 million
TRADING DAYS: 206
VOLUME OF TRADES: 201,102
VALUE TRADED: LE 8.4 million

54 Alexandria Spinning and Weaving (SPINALEX)

SYMBOL: SPIN
PREVIOUS YEAR'S RANKING: 54
INDUSTRY: Textiles
BASED: Alexandria
EMPLOYEES: 3100

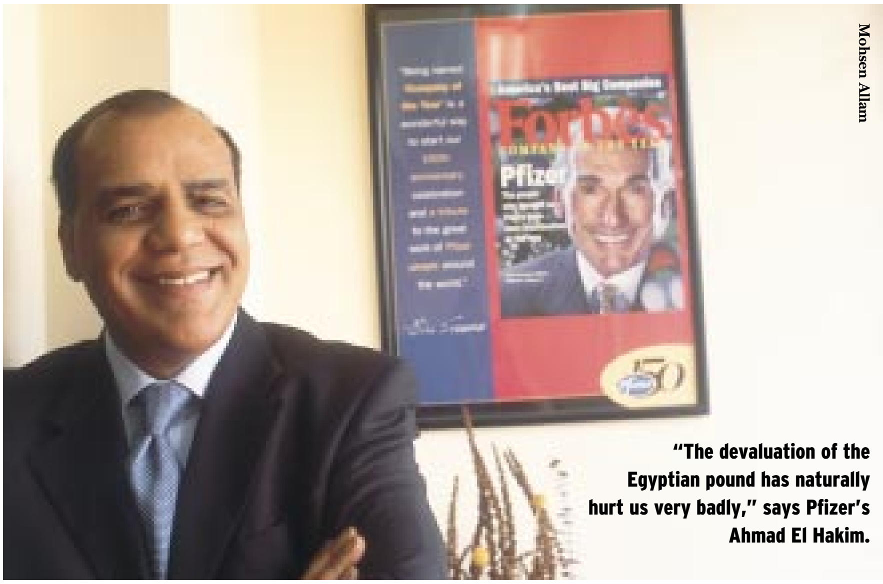
Opened in 1947 and privatized in 1997 through the sale of all state holding shares, or about 53 percent, to Kabo (*bt* 100 No. 58). Activities include the processing and exportation of cotton yarn. The company has a 13 percent market share of cotton yarn production. The company posted a record net profit growth of 213 percent in the first quarter of 2003. At the same time, sales grew by 13.8 percent to reach LE 40.5 million.

MANAGEMENT: Samir Riad (chairman), Refaat Helal (vice chairman and managing director)

42 PFIZER EGYPT: Pfizer churns out over 200 products and dosage forms from its Almaza factory near Heliopolis.

Growing Pains

Will Pfizer and other pharmaceuticals receive the financial injection they so desperately need to survive the downturn?



Mohsen Allam

"The devaluation of the Egyptian pound has naturally hurt us very badly," says Pfizer's Ahmad El Hakim.

THE EGYPTIAN PHARMACEUTICALS INDUSTRY — like many other sectors — is feeling the squeeze of tough times. Pfizer Egypt, the No. 5 company in terms of market share and the first multinational drug manufacturer to invest in Egypt more than 40 years ago, is fighting for survival in a market that appears dead set on placing one obstacle after another in the pathway of growth.

According to Pfizer's statistics, the Egyptian pharmaceuticals sector is actually constricting — going from $1.3 billion in 2001 to $780 million in 2003.

"The devaluation of the Egyptian pound has naturally hurt us very badly," says Ahmad El Hakim, director of external affairs policy for Pfizer Middle East. "Eighty percent of the raw materials used in our locally manufactured products are imported, but our pricing system was set when the exchange rate was still LE 3.4 to $1 back in 2001. Now the pound has reached $7 [on the black market] and we have yet to increase our prices," says El Hakim.

The numbers speak for themselves. As of the third quarter 2003, Pfizer had reported net losses of LE 56.7 million vs. a net loss of LE 33.8 million for the corresponding period in 2002. Although final figures were not yet in as of press time, net losses for 2003 are expected to reach a massive LE 100 million vs. LE 11 million in 2002.

Pfizer is one of six multinational pharmaceutical companies that have all suffered a similar fate since the pound was floated approximately one year ago. Their contribution to the market is not insignificant.

Together, the six multinational pharmaceuticals cover 65 percent of the country's medicinal needs. ***bt*** 100 No. 42-ranked Pfizer alone employs 1000 people locally and 200 additional workers in the Middle East. Its Egypt operation is the only manufacturing facility in the Middle East. It churns out over 200 products and dosage forms from its Almaza factory near Heliopolis.

"All of Pfizer's major products can usually be produced locally within two years of [US-based Food and Drug Administration] FDA approval," explains El Hakim.

"We have thus far been unable to pass on any of our increased production costs to the consumer because the government insists that our prices remain fixed regardless of the country's economic situation," says El Hakim.

"I am a firm believer that medicine should be available at reasonable prices for low-income individuals but the public health-care system must bear the burden for some of the cost involved. Subsidized medicine should not be available to those who can afford to pay normal prices. In other words, we need to subsidize the patient not the medicine," he adds.

According to El Hakim, pharmaceutical prices currently break down as follows: 75 percent of all medicines sell for less than LE 20 per package. Of that 75 percent, 32 percent sell for less than LE 5; 22 percent sell for between LE 5-10; and 20 percent sell for between LE 10-20. "The average selling price for the 100 pharmaceutical products on the Egyptian market is LE 6.65 per package, which is [around] $1," says El Hakim.

When you couple the fixed pricing system with the ongoing legal battles that Pfizer Egypt has been embroiled in over patent infringement on products like Viagra and Lipitor, the picture becomes even cloudier.

Local sales of Viagra have been 75 percent less than the figures originally anticipated by Pfizer when the drug was first legalized in 1999. According to El Hakim, the company had hoped for annual sales in the LE 50 million vicinity but thus far monthly sales lag at around LE 1 million primarily due to the counterfeit versions of the drug that are illegally sold on the market.

So where does the company go from here? For now, the pharma is carefully weighing its options. One of those is through help from the government; Pfizer is lobbying a gradual increase in drug prices for all pharmas over an 18-month period.

"A total revision of the pricing system in light of the new economic conditions is crucial at this point — without it the entire sector is at risk of collapsing," says El Hakim.

Since late last year, the drug firm, which is 85-percent owned by Pfizer International, has considered following in the footsteps of other pharmas Novartis and Aventis and delisting its shares from the CASE. Pharmaceuticals get a 10-percent tax break on profits as an incentive to list their shares but the mounting losses have rendered the tax break useless.

The company has also had to put two major projects on hold: the construction of a state-of-the-art $6 million factory in Sixth of October City and a long-anticipated move to its new LE 150 million office in Dokki.

"We hope that we will be able to proceed with both of these projects in the near future," says El Hakim, a firm believer that Egypt still has the potential to pull out of its slump and become a major exporter of pharmaceuticals in the region. bt

Hadia Mostafa

LISTED: September 1995
PAR VALUE: LE 40
MARKET CAP: LE 134 million
TRADING DAYS: 116
VOLUME OF TRADES: 137,137
VALUE TRADED: LE 1.2 million

55 Al-Watany Bank of Egypt (Al-Watany Bank, AWB)

SYMBOL: WATA
PREVIOUS YEAR'S RANKING: 40
INDUSTRY: Financial institutions
BASED: Giza (Mohandiseen)
EMPLOYEES: 1300

Al-Watany Bank of Egypt, established in 1980, is still in the expansion phase, with its plan to increase its number of branches from 16 to 30 by 2005.

Despite an increase in its issued capital to LE 700 million and its paid-in capital to LE 500 million, AWB had a difficult 2003. The bank posted net profits of LE 2.9 million for the first nine months of 2003, compared to LE 21.3 million for the same period in 2002, a drop of 86 percent. According to General Manager Yasser Ismail Hassan, the unaudited profit figure masked a 23 percent rise in operating profits for the same period as the bank reduced funding costs and boosted interbank and securities income.

It also fought off rumors of a merger with HSBC in 2003 and lost its chairman Adel Ezzy, who resigned for "health reasons." In other dismal news, in April the bank was downgraded by Fitch Ratings. The rating action reflects concern over AWB's weakening profitability, asset quality and capital adequacy trends, said Fitch.

MANAGEMENT: Ahmed Hassan Kuoura (designated chairman and managing director), Yasser Ismail Hassan (general manager for investments, external relations and finance)
LISTED: September 1994
PAR VALUE: LE 10
MARKET CAP: LE 210 million
TRADING DAYS: 244
VOLUME OF TRADES: 13,879,866
VALUE TRADED: LE 122.3 million

56 General Silos and Storage

SYMBOL: GSSC
PREVIOUS YEAR'S RANKING: 66
INDUSTRY: Food distributors
BASED: Cairo (Amereyya)
EMPLOYEES: 3500

Created in 1988 to serve the state's flour mills and since partially privatized (40 percent), General Silos and Storage offers a range of grain services from storage to transport.

The company plans to upgrade silos and streamline unloading processes while increasing its capacity at the port of Alexandria. To face its revenue drop in recent years, the company put together a new marketing plan to attract the private sector, it signed long-term contracts and has made itself into an agent for the sale of local and imported wheat. It is also bidding on numerous silo contracts on a BOOT basis.

MANAGEMENT: Mohamed Refaat Abu Zeina (chairman and managing director)
LISTED: May 1996
PAR VALUE: LE 10
MARKET CAP: LE 116 million
TRADING DAYS: 242
VOLUME OF TRADES: 3,340,886
VALUE TRADED: LE 39.7 million

57 Heliopolis Housing and Development (Heliopolis Housing)

SYMBOL: HELI
PREVIOUS YEAR'S RANKING: 71
INDUSTRY: Real estate management and development
BASED: Cairo (Heliopolis)
EMPLOYEES: 1267

Established in 1906 by Baron Empain and Nubar Basha, Heliopolis Housing and Development continues to develop land throughout Heliopolis, including New Heliopolis and Obour. The company is partially privatized, with 27 percent of shares available to the public. The passage of the mortgage law should enhance the company's growth prospects in 2004.

MANAGEMENT: Fadel Mohamed El-Shahawy (chairman and managing director)
LISTED: May 1995
PAR VALUE: LE 5
MARKET CAP: LE 318 million
TRADING DAYS: 210
VOLUME OF TRADES: 456,847
VALUE TRADED: LE 10.3 million

58 El Nasr Clothes and Textiles

SYMBOL: KABO
PREVIOUS YEAR'S RANKING: New to list
INDUSTRY: Textiles
BASED: Alexandria
EMPLOYEES: 4820

El Nasr Clothes and Textiles (Kabo), a major producer and exporter of cotton knitwear with several franchises, was established in 1940 and merged with several companies to be nationalized. In 1997, it was fully privatized with 92.98 percent of its shares sold.

Over the past decade, the textile industry's output has soared from 76 million to 181 million units in 1995. Of the 12 formerly publicly owned clothing factories, the largest is Kabo, the knitwear giant which has traditionally specialized in underwear, night wear and T-shirts. The firm has diversified into a wide range of products for its export sales ($11 million in 1995), with the UK and Germany together accounting for three quarters of its exports.

MANAGEMENT: Samir Riad (chairman and managing director)
LISTED: 1995
PAR VALUE: LE 29
MARKET CAP: LE 54 million
TRADING DAYS: 203
VOLUME OF TRADES: 3,150,014
VALUE TRADED: LE 24.1 million

59 Egypt Free Shops (EFSCO, Misr Free Shops)

SYMBOL: MFSC
PREVIOUS YEAR'S RANKING: 63
INDUSTRY: Department stores
BASED: Giza (Mohandiseen)
EMPLOYEES: 815

Originally a subsidiary of EgyptAir and spun off in 1975, Egypt Free Shops imports and sells household goods through its trading outlets. EFSCO was successfully privatized with its employee association purchasing the majority of its publicly traded shares. By the end of 2003, the company announced net profits of LE 10.4 million for the first quarter of 2003-04, compared to LE 5 million for the same period the prior year, an increase of 108 percent.

MANAGEMENT: Mohamed Moustafa El Sallawy (chairman and managing director)
LISTED: May 1997
PAR VALUE: LE 10
MARKET CAP: LE 114 million
TRADING DAYS: 198
VOLUME OF TRADES: 419,899
VALUE TRADED: LE 14 million

60 Egyptian Media Production City (Media City, EMPC, MPC)

SYMBOL: MPRC
PREVIOUS YEAR'S RANKING: 82

INDUSTRY: Movies and entertainment
BASED: Sixth of October City
EMPLOYEES: 1868

Established in a tax-free zone in Sixth of October City in 1997, Media Production City operates 2 million square meters of studios and production facilities for local and foreign productions. Originally designed to attract Europe-based Arab satellite broadcasters including MBC, Orbit and ANN, Media Production City established an academy for media technical training and a new company for news, production, marketing and satellite channels.

In 2003, MPC received an LE 350 million loan from the National Bank and Alexandria Bank. Also in 2003, MPC signed an agreement to lease out eight cinemas for the next 12 years, and another contract with Good News for Financial News. MPC profits and dividends have tax-exempt status.

MANAGEMENT: Abd El-Rahman Hafez (chairman), Sami Badawy (managing director)
LISTED: September 1999
PAR VALUE: LE 10
MARKET CAP: LE 2.3 billion
TRADING DAYS: 244
VOLUME OF TRADES: 116,320,411
VALUE TRADED: LE 1.2 billion

61 Egypt Kuwait Holding Company
(Egyptian Kuwaiti Holdings)

SYMBOL: EKHO
PREVIOUS YEAR'S RANKING: 56
INDUSTRY: Multi-sector holdings
BASED: Giza (Mohandiseen)
EMPLOYEES: 16

The Egypt Kuwait Holding Company (EKHC) was formed in 1997 to participate in Egypt's privatization process. Today, it holds a 70 percent stake in the National Gas Company, a 20 percent share in Delta Insurance and a 37.5 percent stake in Americana Agriculture Development.

In mid-July 2003, the company signed a contract to establish a new fertilizer production company with an issued capital of $165 million, in conjunction with Abu Qir Fertilizers and several banks, including CIB, MIBank and Export Development Bank of Egypt.

Then in August, EKHC inked an agreement to buy a 27 percent stake in Shell Egypt for Natural Gas, which will construct conversion stations for cars using natural gas as well as natural gas fuel stations. Shell Egypt for Natural Gas is wholly owned by Shell International.

After announcing another agreement in November, this one to buy 10 percent of Egyptian Fertilizers Company, the Egypt Kuwait Holding Company posted net profits of $15.7 million for the nine months of 2003, a 46 percent increase over the previous year.

NOTE: The Egypt Kuwait Holding Company trades in dollars, but all revenue, net profit and share price data reported here was converted into Egyptian pounds using the exchange rate of LE 6.25 = $1.

MANAGEMENT: Nasser Mohamed Abd El-Mohsen El-Kharafi (chairman), Bassam Youssef Ahmed El-Ghanem (vice chairman), Moataz Adel El-Alfy (managing director)
LISTED: –
PAR VALUE: $10
MARKET CAP: LE 2.8 billion
TRADING DAYS: 242
VOLUME OF TRADES: 13,618,560
VALUE TRADED: LE 341.2 million

62 Orascom Hotel Holdings
(OHH)

SYMBOL: ORHC
PREVIOUS YEAR'S RANKING: 99
INDUSTRY: Hotels, resorts and cruise lines
BASED: Giza (Agouza)
EMPLOYEES: 2103

Orascom Hotel Holdings owns nine hotels in El-Gouna and Taba Heights totaling 20,170 rooms. OHH properties are managed by Hyatt, InterContinental, Club Med and Swisshotels, among others. The company continues to develop its operations in hotels and custom-built tourist villages as its original shareholders contemplate a share buyback. The company has a large resort currently under development in Aqaba, Jordan, in partnership with Gulf investors.

OHH is looking into the possibility of merging with its sister company, Orascom Projects and Touristic Development, which has been performing poorly over the past few years.

MANAGEMENT: Samih Onsi Sawiris (chairman), Emad Adly (vice chairman), Roger Sabet (managing director)
LISTED: June 1998
PAR VALUE: LE 10
MARKET CAP: LE 77 million
TRADING DAYS: 243
VOLUME OF TRADES: 18,097,286
VALUE TRADED: LE 56.6 million

63 Faisal Islamic Bank of Egypt

SYMBOL: FAIS
PREVIOUS YEAR'S RANKING: 13
INDUSTRY: Financial institutions
BASED: Giza (Dokki)
EMPLOYEES: 1332

Established in 1977, the Faisal Islamic Bank of Egypt continues to operate all of its commercial and investment activities according to Islamic finance principles derived from *Shari'a* and has branched out into real estate and leasing activities.

In 2003, the bank plans to issue its first-ever credit card, to increase its capital by 50 percent over the next three years, and establish an LE 500 million credit line for small and medium size enterprises.

MANAGEMENT: Prince Mohamed Al-Faisal Al-Saud (chairman), Ahmed Oweida (vice chairman)
LISTED: June 1995
PAR VALUE: $100
MARKET CAP: LE 43 million
TRADING DAYS: 61
VOLUME OF TRADES: 3,904
VALUE TRADED: LE 0.6 million

64 Memphis Pharmaceuticals and Chemical Industries

SYMBOL: MPCI
PREVIOUS YEAR'S RANKING: 61
INDUSTRY: Pharmaceuticals
BASED: Cairo (Amereyya)
EMPLOYEES: 1430

Founded in 1940 as Egypt's first pharmaceutical company, state-owned Memphis operates two factories and produces approximately 190 products, 40 percent under license. The company, partially privatized (40 percent), is also the world's leading producer of kidney, colic and psoriasis treatments.

MANAGEMENT: Fardous Mohamed Abdel Rahman (chairman and managing director)
LISTED: September 1995
PAR VALUE: LE 10
MARKET CAP: LE 117 million
TRADING DAYS: 117
VOLUME OF TRADES: 43,614
VALUE TRADED: LE 2.2 million

65 Nasr Civil Works
(Nasr Company for Civil Works)

SYMBOL: NCCW
PREVIOUS YEAR'S RANKING: 64
INDUSTRY: Construction (homebuilding)
BASED: Cairo
EMPLOYEES: 700

Founded in 1965 and fully privatized in 1998, NCCW is now owned largely by Nasr City Housing and Development. NCCW operates four branches in Egypt — in Alexandria, Mina, Mansoura and Luxor — and specializes in infrastructure projects, utilities and electrical works, and housing and general contracting.

Nasr Civil Works is registered as a Class 1 in the Federation of Egyptian Contractors. The company posted net profits of LE 3.4 million for the first quarter of 2003, an 8 percent drop from the same period last year.

MANAGEMENT: Mohamed Taher El-Maghraby (chairman and managing director), Hamdy Amin Abu Zeid (vice chairman)
LISTED: 1998
PAR VALUE: LE 5
MARKET CAP: LE 56 million
TRADING DAYS: 106
VOLUME OF TRADES: 273,318
VALUE TRADED: LE 4 million

66 Housing and Development Bank

SYMBOL: HDBK
PREVIOUS YEAR'S RANKING: 58
INDUSTRY: Financial institutions
BASED: Giza (Mohandiseen)
EMPLOYEES: 2147

The Housing and Development Bank, established in 1979, finances urban development projects for low-income earners. HDB provides banking and financial services to private and corporate customers. HDB is included among banks authorized to deal in the foreign exchange market pursuant to ministerial act No. 421 for the year 1993.

The bank also provides developed banking services for its clients in the field of foreign trade.

Besides its multiple financial services, HDB works in the field of housing and reconstruction to assist in solving the housing problem through narrowing the gap between the supply and demand of housing units throughout Egypt as it concentrates on constructing housing projects that suit all different income sections. HDB also provides companies, cooperative housing societies and individuals with long-term loans for building new housing units.

The bank's shareholders include the Commercial International Investment Company, CIB and the Suez Canal Bank.

MANAGEMENT: Fathi El-Sebaie (chairman and managing director), Hussein Selim (vice chairman)
LISTED: -
PAR VALUE: LE 10
MARKET CAP: LE 69 million
TRADING DAYS: 156
VOLUME OF TRADES: 147,243
VALUE TRADED: LE 2.1 million

67 Arab Drugs and Chemical Industries

(Arab Pharmaceuticals, ADCO)

SYMBOL: ADCI
PREVIOUS YEAR'S RANKING: 62
INDUSTRY: Pharmaceuticals
BASED: Cairo (Amereyya)
EMPLOYEES: 1300

The Cairo-based Arab Drugs and Chemical Industries, formed in 1964 and partially privatized (40 percent) in 1996, manufactures and trades pharmaceutical products for human and veterinary use, while specializing in the production of lyophilized parentrals, effervescent granules and medicinal cosmetics.

Its Rivo-brand analgesic is ADCO's leading product with a 95 percent share of the domestic market, while its general market share is 4.2 percent in Egypt. ADCI also exports its products to Arab and African countries.

ADCO posted a net profit of LE 4.7 million in the first quarter of 2003, a drop of 11 percent from LE 5.3 million during the same period in 2002.

MANAGEMENT: Dr. Moustafa Ibrahim (chairman and managing director)
LISTED: 1996
PAR VALUE: LE 10
MARKET CAP: LE 58 million
TRADING DAYS: 179
VOLUME OF TRADES: 122,337
VALUE TRADED: LE 6.3 million

68 Orascom Projects and Touristic Development (OPTD)

SYMBOL: OPTD
PREVIOUS YEAR'S RANKING: 67
INDUSTRY: Hotels, resorts and cruise lines
BASED: Cairo (Agouza)
EMPLOYEES: 4700

OPTD was established in 1996 and is considered a pioneer in developing the concept of integrated tourist resorts in Egypt. The Sawiris family has controlling interest in OPTD through direct and indirect shareholdings, remainder held by other Egyptian investors. Currently, OPTD retains majority stakes in three subsidiaries, in addition to minority shareholdings in six affiliates.

Orascom Projects and Touristic Development plans, develops and builds world-class destination resorts, hotels and restaurants in Egypt, with firms including Movenpick, Sonesta and Sheraton managing its properties. Properties include El-Gouna, with its own hotels, museums, shopping facilities, airport, marina and golf course. OPTD also builds and operates independent, upscale restaurants, nightclubs and pubs.

In April 2003, however, Nile Rating, a member of Fitch Ratings, downgraded the national senior unsecured debt rating of OFTD's LE 100 million ($17.3 million) seven-year, 12.875 percent second bond issue to CCC+ Outlook Negative from B- Rating Watch Negative. The CCC grade ratings denote an "extremely weak credit risk" relative to other issuers or issues in the same country.

According to Nile Rating, the downgrade reflects the deterioration in the company's financial performance in 2001. The rating also reflects the negative impact of the Sept. 11, 2001, attacks on the tourism industry, the political instability in the region and the slow down in the domestic real estate.

MANAGEMENT: Samih Onsi Sawiris (chairman and managing director)
LISTED: 1998
PAR VALUE: LE 5
MARKET CAP: LE 150 million
TRADING DAYS: 194
VOLUME OF TRADES: 14,235,191
VALUE TRADED: LE 52.7 million

69 EFG-Hermes Holding

(EFG-Hermes)

SYMBOL: HRHO
PREVIOUS YEAR'S RANKING: 55
INDUSTRY: Diversified capital markets
BASED: Giza (Dokki)
EMPLOYEES: 279

Created in 1996 from the merger of Egyptian Financial Group and Hermes Financial Group, EFG-Hermes is generally considered the region's premier investment bank. Hermes opened its first Gulf office in the UAE in 2002.

After taking the Middle East by storm and forming a strategic alliance with former competitor Fleming-CIIC, EFG-Hermes was hard hit by the vagaries of the local economy.

After a record number of layoffs in

60 EGYPTIAN MEDIA PRODUCTION CITY: During 2003, Media City inked several agreements, including one to lease out eight cinemas for the next 12 years.


Media Production City

On Screen

Egyptian Media Production City hopes to lure film producers back to Cairo with flashy, new technology

BACK IN THE 1940S AND 1950S, EGYPTIAN cinema was considered one of the top five worldwide, especially in production quality. Because the technology available in Cairo studios at the time was almost identical to that available in the Italian or even the American industry, Egyptian films earned local cinema production the nickname "Hollywood of the East."

But those days have come and gone.

By the late 1980s, the quality of the production of Egyptian movies and television had fallen so far behind the international standards that many producers opted to develop and edit their footage outside Egypt.

It was precisely this exodus that drove the creation of the Egyptian Media Production City (EMPC), billed as the most advanced and complete production city in the region.

"There was [a time] in the history of the industry where our production facilities were so far behind the technology available that producers had no option but to use studios in other parts of the Arab world to shoot the footage," says Wessam Hendawy, investor relations manager at EMPC. "Then, they had to go to another country to develop and cut the film and mix the sound. As a result, the Egyptian production industry lost thousands of pounds in revenues."

Hendawy says members of the desperate production industry then conceived an idea — EMPC. The concept, he says, was to combine as many facilities as possible with the most up-to-date equipment in the industry all in one compound that would include indoor and outdoor studios, film developing equipment, and sound editing studios.

"The key was not just to bring these facilities together, but to bring the most advanced equipment that might be needed and train individuals to use it so that producers would have the capability to receive the same end as result they would abroad without paying extra for it," Hendawy says.

Over the past five years, the Egyptian government and the ministry of information began breathing life into the new facility.

Since the project needed a lot of space, the decision was made to locate EMPC in Sixth of October City. This allowed the construction of 35 massive indoor studios, as well as the re-creation of some of the most commonly used outdoor sets such as the Karnak Temple.

Egyptian National Television, which is the major producer of most television soap operas in Egypt, was the first to film in EMPC. "This was a very good experiment for us, because we were still in our soft launch when television began shooting here," explains Hendawy. "One of the lessons we learned was to stipulate that all sets built in the EMPC have to remain in the city, and because they are built to meet the taste of the producer, they are usually built second-to-none."

But it was the success of the experiment with Egyptian National Television that encouraged the team of EMPC to go after bigger clients.

First on the list was Arabic media satellite channel MBC, which had the copyrights to the Arabic version of "Who wants to be a Millionaire." The channel was shopping for new studios to replace its Paris location.

"We provided them with such a competitive offer that cut their cost by more than half because we have the advantage of cheaper labor and resources, such as the cost of electricity, but with identical equipment and editing facilities," says Hendawy. "This was proof that we can compete with the best."

The next step for ***bt*** 100 No. 60 EMPC was to register on the Cairo and Alexandria Stock Exchange. The company's capital was estimated at LE 1.72 billion and at the time of registry, shares were priced at LE 10. As of the last week in January, the shares were priced at LE 20.28. "This is very good growth for a company that is not even fully functional yet. We were modeled after the idea of having a nationally owned company traded on the CASE and actively pursuing investors from other parts of the world," says Hendawy. "We are also working right now to register in other Arab stock exchanges, starting with the Dubai Stock Exchange, because we want investors who believe in the importance of our company."

Hendawy believes that buying shares in EMPC is a good idea that is getting better all the time, because of the volume of production of Egyptian television and films.

"We have a very active industry and we are working on attracting other television and film production crews to working with EMPC because we can offer them the same high-tech equipment but at a lower cost," he says, pointing out that EMPC has also added a cinema complex in Maadi to its list of facilities.

"This way, you can shoot the film, edit it, mix, package it and show all without having to leave the EMPC. This is the future of media production in the Middle East." bt

Réhab El-Bakry

2001 and 2002, notoriously press-shy EFG posted a 75 percent drop in the first half of 2002's consolidated net profits to finish at LE 7.04 million compared to LE 27.65 million for the same period in 2001. While the situation looked to stay the same in the first quarter of 2003 — with the company posting a 51 percent drop in net profits to LE 3.1 million — the situation improved, with losses in the first half of the year only a 10 percent drop to LE 6.3 million.

In October, EFG-Hermes announced a rights issue to raise the capital from LE 205.4 million during the period from Nov. 17 to Dec. 18. But in late December, the company was calling on shareholders to subscribe for the uncovered portion of the rights offering between Dec. 28, 2003, and Jan. 12, 2004.

A 2001 merger with CIIC Fleming also resulted in a large portfolio management contract worth LE 1.4 billion in 2003.

MANAGEMENT: Mohamed Taymour (chairman), Ramzy Zaki (CFO), Yasser Mellawany (vice chairman and CEO), Mustafa Abdel-Wadood (managing director)
LISTED: 1998
PAR VALUE: LE 5
MARKET CAP: LE 246 million
TRADING DAYS: 243
VOLUME OF TRADES: 36,983,244
VALUE TRADED: LE 281.4 million

70 Egyptian Starch and Glucose

SYMBOL: ESGI
PREVIOUS YEAR'S RANKING: 72
INDUSTRY: Food distributors
BASED: Cairo
EMPLOYEES: 1413

Created in 1942, and now partially privatized, Egyptian Starch and Glucose owns two factories in Mostorod and Torah and holds an 80 percent market share in the production and export of starch and glucose.

While the Ministry of Public Enterprise has been claiming the company is in the final stages of privatization since 1999, little has changed. However, the Kuwait Food Company (Americana), said in September that it will compete against five other investors in a tender to acquire a 42.99 percent stake — 1,977,523 shares — in Egyptian Starch and Glucose, which is part of the Food Industries Holding Company.

The tender closed Nov. 3, 2003, but no winner had been announced by press time.

MANAGEMENT: Abd El Satar Soliman Khalil (chairman), Reda Abdu Ali Salem (managing director)
LISTED: 1996
PAR VALUE: LE 10
MARKET CAP: LE 114 million
TRADING DAYS: 165
VOLUME OF TRADES: 3,001,335
VALUE TRADED: LE 53.1 million

71 Bisco Misr/Egyptian Foods

SYMBOL: BISM
PREVIOUS YEAR'S RANKING: New to the list
INDUSTRY: Food
BASED: Cairo
EMPLOYEES: 2700

Bisco Misr, established in 1957, is considered one of the largest companies producing all sorts of biscuits and sweets for public consumption. It has three large factories in Cairo and Alexandria and exports its products to many Arab countries such as Lebanon, Bahrain, Saudi Arabia, Kuwait and the United Arab Emirates. It also exports its products to some African countries as Angola, Kenya, Zaire and Senegal, as well as countries such as Canada, Australia and Sweden.

MANAGEMENT: Abdel Hamid Salama (chairman), Ahmed El-Rakayby (managing director)
LISTED: 1997
PAR VALUE: LE 9
MARKET CAP: LE 207 million
TRADING DAYS: 165
VOLUME OF TRADES: 2,583,130
VALUE TRADED: LE 44.9 million

72 RAKTA Paper Manufacturing (RAKTA)

SYMBOL: RAKT
PREVIOUS YEAR'S RANKING: 57
INDUSTRY: Forest products
BASED: Alexandria
EMPLOYEES: 2059

The Egyptian government established Rakta in 1958 to supply part of Egypt's growing demand for writing and printing paper.

Using rice straw as a basic source of fiber in its eight plants — located 15.5 miles east of Alexandria — the company manufactures writing and printing paper, as well as fluting and duplex board. Rakta's major clients are the public sector and the government press.

Rakta secured LE 10 million from Chemical Holding in April 2003 to complete upgrading plans and increase capital to LE 54.34 million. This move also brought Rakta's par value up from LE 2 to LE 5.

MANAGEMENT: Fouad Katkout (chairman and managing director)
LISTED: -
PAR VALUE: LE 5
MARKET CAP: LE 58 million
TRADING DAYS: 175
VOLUME OF TRADES: 197,447
VALUE TRADED: LE 1.1 million

73 Arab Cotton Ginning

SYMBOL: ACGC
PREVIOUS YEAR'S RANKING: New to the list
INDUSTRY: Textiles
BASED: Cairo
EMPLOYEES: 552

Established in June 1963 as a state-owned textile company, it was fully privatized and is now controlled by Egypt's leading cotton exporters. Its activities include cotton ginning, marketing raw cotton exports and acting as a commercial agent. It reduced its capital in May 2003 from LE 289 million to LE 231 million. Net profits grew by 26.6 percent in the first half of 2002-03.

MANAGEMENT: Amin Ahmed Abaza (chairman), Hani Abdel Latif (managing director)
LISTED: July 1995
PAR VALUE: LE 5
MARKET CAP: LE 104 million
TRADING DAYS: 124
VOLUME OF TRADES: 17,740,119
VALUE TRADED: LE 60.9 million

74 T3 - A Pharmaceutical Group (T3 Pharma)

SYMBOL: TAGP
PREVIOUS YEAR'S RANKING: 70
INDUSTRY: Pharmaceuticals
BASED: Giza
EMPLOYEES: 380

Established in 1994, T3 is one of Egypt's fastest-growing pharmaceutical companies with a strong presence in Europe and head office and production facilities in Giza. The company produces an array of chemical and pharmaceutical products, representing international companies from the US, UK, France and Japan. The company recently built a new plant in Assiut.

62 ORASCOM HOTEL HOLDINGS: Despite huge losses, OHH's investors are so confident in the potential that plans for completing Taba Heights are going full steam ahead.

Hospitality Honchos

Despite tough tourism times, OHH is moving ahead with Taba Heights

WHEN SAMIH SAWIRIS LAUNCHED ORAScom Hotel Holdings (OHH) in 1989, he didn't intend to merely build and operate hotels. He wanted to build a city. There is simply no other way to characterize El-Gouna, the jewel in his company's crown.

Located 20 kilometers north of Hurghada, El-Gouna is increasingly establishing itself as one of Egypt's hottest "sun-and-beach" tourist destinations. And with its own marina, hospital, school and even radio station, the resort town has also attracted close to 8000 permanent residents, according to company officials.

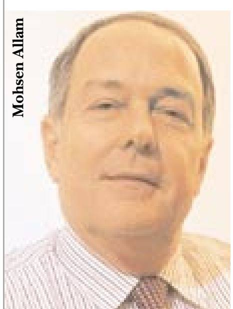
What makes El-Gouna and OHH's work-in-progress Taba Heights different is that they are the tourism sector's equivalent of a value-added product. When you check in, you don't just get a room with a view: You get an integrated and largely self-sufficient community.

For Egypt's largest private-sector hotel operator, this makes perfect business sense as it allows ***bt*** 100 No. 62-ranked OHH to achieve economies of scale and cut costs by centralizing all operations — from laundry, to transport, to staff housing — while at the same time keeping room rates at a premium by tightly controlling supply. At least, that's how things should work, sighs OHH management.

But the Middle East's notorious reputation for being one of the most conflict-ridden corners of the world is hitting regional tourism players hard.

In 2001, the year of the Sept. 11 terrorist attacks and their catastrophic effect on international travel traffic, OHH experienced a net loss of almost LE 20.3 million, according to figures from the Cairo and Alexandria Stock Exchange. And while OHH has seen considerable expansion since it went public in 1996 — doubling the number of its hotels from seven to 14 — the company has yet to post a net profit. In 2002, OHH had a loss of a slightly under LE 40 million.

Dana Smillie



Mohsen Allam

El-Gouna (above) is touted as more than a tourist destination – it's a self-sufficient resort city. OHH Managing Director Roger Tabet (left) hopes things improve regionally, so that Egypt's tourism will continue its bounceback.

Yet 2002 revenue, the data of measure for the ***bt*** 100 was LE 135 million — up 4 percent from the previous year.

So when asked what OHH hopes to see happen in 2004, Managing Director Roger Tabet answers simply: "Peace."

"I hope for peace in the region," he says. "The ups and downs in the Egyptian tourism sector are related to the wider region and not so much Egypt. We suffer anytime anything happens in the region. If, in the future, we can get three problem-free years in the Middle East, we will be huge," he adds.

With Egypt in 2003 setting a new record for itself in terms of tourist arrivals — 6.04 million according to the tourism ministry — industry players are beginning to see the light at the end of the tunnel. Overall, tourism jumped 16.4 percent from 2002, translating into 53 million tourist nights and brisk business for many hotel operators.

OHH is no exception. The company's 13 three- to five-star hotels in El-Gouna reported an average occupancy rate of 55 percent in 2003 and Tabet predicts that the rate could reach 75 percent in 2004 if all goes well on the geo-political front.

"We are optimistic because there is tremendous potential here," says Tabet. "We have everything: good weather, beaches, desert, archaeology, history. Even religious tourism could be developed."

In fact, OHH's investors are so confident that plans for completing the company's Taba Heights project are going full steam ahead. They estimate that the sprawling resort in Sinai will be fully developed within two years. Located only an hour by ferry from Saudi Arabia and across the border from Jordan, Israel and Palestine, OHH hopes that Taba Heights will lead to a boost in intra-regional travel.

The company also has its eye on regional expansion in conjunction with Orascom Projects for Touristic Development — which leases land to OHH, constructs its hotels, in addition to owning a controlling 57.55-percent stake in the company — and ground has already been broken in Aqaba, Jordan, where chairman Sawiris hopes to recreate an El-Gouna-type success story.

On the home front, OHH is looking to operate four more hotels by 2005, adding 1000 more rooms to its stable of 2635.

Tabet believes OHH has started something big with El-Gouna. The resort has made a name for itself in previously untapped niche markets, like eco-tourists and European retirees, who often settle in El-Gouna and open small businesses.

After all, says Tabet, "Today [El-Gouna] is a city. It represents something on the map of Egypt." bt

Yasmin Moll

MANAGEMENT: Tarek Moustafa El-Hadi Hashem (chairman and managing director), Ahmed Youssef (managing director)
LISTED: 1999
PAR VALUE: LE 10
MARKET CAP: LE 17 million
TRADING DAYS: 162
VOLUME OF TRADES: 262,405
VALUE TRADED: LE 1 million

75 Misr Qena Cement

SYMBOL: MCQE
PREVIOUS YEAR'S RANKING: New to the list
INDUSTRY: Construction materials
BASED: Cairo (Nasr City)
EMPLOYEES: 150

Misr Cement Company (Qena) was founded in 1997 by the Egyptian Federation for Construction and Building Contractors along with the biggest banks and insurance companies.

It was established for the purpose of producing different kinds of cement, construction materials, and for importing the necessary equipment. In 2002, about 37 percent of the company's shares were free floating.

MANAGEMENT: Mohamed Mahmoud Ali Hassan (chairman and managing director)
LISTED: 2000
PAR VALUE: LE 10
MARKET CAP: LE 455 million
TRADING DAYS: 244
VOLUME OF TRADES: 17,024,666
VALUE TRADED: LE 212.7 million

76 United Bank of Egypt (UBE)

SYMBOL: UBEE
PREVIOUS YEAR'S RANKING: 69
INDUSTRY: Financial institutions
BASED: Cairo
EMPLOYEES: 554

The United Bank of Egypt, founded in 1981, offers corporate and household banking services. Its future plans include opening new branches in Cairo, offering a range of new investment services, operating Diner's Club credit cards and the continued implementation of a new management information systems strategy designed to boost the bank's efficiency.

Its chairman and managing director Seif Allah Coutri resigned in June 2003, paving the way for a new chairman, Hassan Hussein.

Also in 2003, Suez Canal Bank acquired the Egyptian International Investment Company's 10-percent stake in UBE for LE 17 million, and Alexandria Commercial and Maritime Bank acquired the Egyptian Hazik Group's 5-percent stake in the bank.

MANAGEMENT: Hassan Hussein (chairman)
LISTED: 1997
PAR VALUE: LE 10
MARKET CAP: LE 95 million
TRADING DAYS: 113
VOLUME OF TRADES: 2,269,165
VALUE TRADED: LE 18.3 million

77 Kafr El-Zayat Pesticides

SYMBOL: KZPC
PREVIOUS YEAR'S RANKING: 78
INDUSTRY: Fertilizers and agricultural chemicals
BASED: Gharbia
EMPLOYEES: 570

Kafr El-Zayat, founded in 1955, produces pesticides and fertilizers for agribusiness and households. It has benefited from new product licenses from international companies, including Japan's Sumitomo, British Zenica and French Agrivo, and maintains a range of distribution channels from its base in the Delta region.

Following privatization in mid-2003, the company is currently controlled by Albert Chemicals and Pesticides, which purchased 250,000 shares —16.7 percent — of the company at LE 30 per share, in addition to the 5 percent it already held.

Year-on-year profits dropped 52 percent in the first nine months of 2003 to LE 3.8 million.

MANAGEMENT: Albert George El Dabaa (chairman), Allam El Sayed Allam (managing director)
LISTED: 1996
PAR VALUE: LE 5
MARKET CAP: LE 43 million
TRADING DAYS: 129
VOLUME OF TRADES: 83,251
VALUE TRADED: LE 2.3 million

78 Misr Chemical Industries

SYMBOL: MICH
PREVIOUS YEAR'S RANKING: 74
INDUSTRY: Diversified chemicals
BASED: Alexandria
EMPLOYEES: 1042

Alexandria-based Misr Chemical Industries, founded in 1959 and partially privatized in 1994, produces industrial chemicals including caustic soda, chlorines, acids and carbonates for local and export markets at its 200,000-ton per year plant.

There was a setback in production at Misr Chemicals, when urgent maintenance resulted in all operations being shut down for a month between May and June. In October 2001, an explosion in the company's main plant also shut down operations for several days and reduced production levels for a longer period.

On the upside, the company obtained approval from the German Development Bank to reduce the interest on its loan from 8 percent to 2.25 percent, applied to interest due since April 2000. The loan amounted to DM 127.4 million to be paid over 20 years.

The devaluation of the Egyptian pound versus the euro — which has since replaced the Deutsch mark — has resulted in a LE 98 million increase in the loan amount.

MANAGEMENT: Ragab El Sayed Ali (chairman and managing director)
LISTED: 1994
PAR VALUE: LE 4
MARKET CAP: LE 197 million
TRADING DAYS: 244
VOLUME OF TRADES: 14,168,311
VALUE TRADED: LE 93.9 million

79 Medinet Nasr Housing and Development (Nasr City Housing)

SYMBOL: MNHD
PREVIOUS YEAR'S RANKING: 76
INDUSTRY: Real estate management and development
BASED: Cairo (Nasr City)
EMPLOYEES: 464

Nasr City Housing was established in 1959 as a public sector land development company charged by the Egyptian government with developing housing for low to middle income groups in Cairo's Nasr City district. The company's main activity is real estate development, including land acquisition, construction of residential, commercial and administrative housing units, and the sale and lease of these units.

It became a joint stock company in 1996, when the Holding Company for Building and Construction (HCBC) sold 75 percent of the company's equity, in what became Egypt's first majority privatization completed through the stock exchange.

The Egyptian government remains the

largest single shareholder, with 25 percent of the shares.

Following privatization, Nasr City Housing moved on to higher revenue projects like luxury housing and diplomatic communities. Today, less than one-third of the housing units that the company currently develops are for the low-income market.

Like many construction industry players, the company has suffered since 1999, and net profits fell 17 percent to LE 37.7 million in the first nine months of 2003, compared to the previous year.

MANAGEMENT: Mohamed Taher El-Maghrabi (chairman and managing director)
LISTED: 1996
PAR VALUE: LE 5
MARKET CAP: LE 420 million
TRADING DAYS: 221
VOLUME OF TRADES: 2,779,861
VALUE TRADED: LE 69.5 million

80 Egyptian Gulf Bank

SYMBOL: EGBE
PREVIOUS YEAR'S RANKING: 68
INDUSTRY: Financial institutions
BASED: Giza
EMPLOYEES: 578

Established in 1981 by Egyptian and Arab businessmen with the creation of a LE 100 million mutual fund, Egyptian Gulf Bank promotes a range of commercial banking products including savings instruments, credit cards and internet-based services.

The bank experienced spectacular growth in 2003, reporting net profits of LE 20.6 million for the first nine months of 2003, compared to LE 9.1 million for the same period the year prior, a 126 percent increase.

MANAGEMENT: Khaldoun Bakry Barakat (chairman) Mohamed Gamal El-Din Mahmoud (vice chairman), Hesham Ramez (managing director)
LISTED: November 1983
PAR VALUE: $2
MARKET CAP: LE 43 million
TRADING DAYS: 210
VOLUME OF TRADES: 7,051,376
VALUE TRADED: LE 7.8 million

81 Arab Ceramics (Aracemco)

SYMBOL: CERA
PREVIOUS YEAR'S RANKING: 79
INDUSTRY: Building products
BASED: Giza (Dokki)
EMPLOYEES: 1815

Created in 1975 as a joint venture between Kuwait Real Estate and General China and Pottery in 1975, Aracemco produces sanitary ware, tiles and other ceramic items for local and export markets.

MANAGEMENT: Mohamed Salem El-Sayed (chairman and managing director), Mohamed Badr El-Tarkeit (vice chairman)
LISTED: March 1982
PAR VALUE: LE 4
MARKET CAP: LE 59 million
TRADING DAYS: 149
VOLUME OF TRADES: 448,613
VALUE TRADED: LE 2.7 million

82 Egyptian Saudi Finance Bank (ESFB)

SYMBOL: SAUD
PREVIOUS YEAR'S RANKING: 81
INDUSTRY: Financial institutions
BASED: Giza
EMPLOYEES: 600

Opened in 1980, the Egyptian Saudi Finance Bank operates as an Islamic commercial bank, with all activities governed in accordance with Islamic finance principles derived from *Shari'a* under the supervision of the Islamic Supervisory Authority.

ESFB continues to expand branch locations and marketing activities while encouraging foreign trade opportunities between Egypt, Saudi Arabia and other nations, primarily Muslim.

It increased its capital from LE 135 million to LE 150 million from reserves in June. Also in 2003, the bank hired a new managing director, Ashraf El-Ghamrawy. Among other future plans is an LE 80 million company to finance housing.

MANAGEMENT: Sheikh Saleh Abdallah Kamel (chairman), Sheikh Mahmoud Gamil Hassouba (vice chairman), Ashraf El-Ghamrawy (managing director)
LISTED: –
PAR VALUE: LE 7
MARKET CAP: LE 121 million
TRADING DAYS: 96
VOLUME OF TRADES: 906,564
VALUE TRADED: LE 5.9 million

83 Alexandria Commercial and Maritime Bank

SYMBOL: MART
PREVIOUS YEAR'S RANKING: 83
INDUSTRY: Financial institutions
BASED: Alexandria
EMPLOYEES: 578

Established by public-sector maritime companies in 1981, Alexandria Commercial and Maritime continues to expand its presence in coastal cities and in retail banking ventures, such as credit cards.

The bank plans on opening four new branches and increasing its capital from LE 84.1 million to LE 112.4 million through reserves. Bismallah Trade and Investment acquired 8.25 percent of MART at LE 247 per share in a deal worth LE 25 million in spring 2001.

MANAGEMENT: Essam Abu Hamed (chairman and managing director)
LISTED: November 1995
PAR VALUE: LE 10
MARKET CAP: LE 69 million
TRADING DAYS: 131
VOLUME OF TRADES: 212,368
VALUE TRADED: LE 1.8 million

84 Upper Egypt General Contracting (Upper Egypt Contracting)

SYMBOL: UEGC
PREVIOUS YEAR'S RANKING: 87
INDUSTRY: Construction and engineering
BASED: Cairo
EMPLOYEES: 540

Established in 1964 and fully privatized in 1997, Upper Egypt Contracting's activities include real estate purchasing and sales and general contracting for utilities, sewage and industrial buildings. Upper Egypt, along with Zein Bahiky Contracting, established a joint venture in Saudi Arabia. The company also plans to get into the gravel and quarry business.

MANAGEMENT: Abdel Moneim Hosny Fahmy (chairman and managing director)
LISTED: May 1997
PAR VALUE: LE 10
MARKET CAP: LE 2 million
TRADING DAYS: 159
VOLUME OF TRADES: 157,913
VALUE TRADED: LE 1.1 million

85 Mohandes Bank

SYMBOL: MOHA
PREVIOUS YEAR'S RANKING: 77
INDUSTRY: Financial institutions
BASED: Giza (Dokki)
EMPLOYEES: 672

Established in 1979 by the Engineers' Syndicate Pension Fund and Suez Canal Bank, Mohandes Bank finances development projects and professional syndicate activities while providing commercial banking services. Mohandes has plans to upgrade existing branches and open new branches in areas including Tenth of Ramadan City's industrial zone.

Mohandes Bank was successful in getting back about LE 200 million in bad debts. The bank also provides Islamic consumer finance services.

MANAGEMENT: Moustafa Moustafa Marzouk (chairman and managing director)
LISTED: –
PAR VALUE: LE 10
MARKET CAP: LE 89 million
TRADING DAYS: 104
VOLUME OF TRADES: 139,131
VALUE TRADED: LE 0.8 million

86 Canal Shipping Agencies

SYMBOL: CSAG
PREVIOUS YEAR'S RANKING: 80
INDUSTRY: Marine transport
BASED: Port Said
EMPLOYEES: 1112

Founded by the Suez Canal Authority in 1965, Canal Shipping oversees the activities of foreign ships in Egyptian territorial waters while carrying out maritime, freight and tourist operations. The company's performance is based largely on maritime regulations and market trends in international shipping.

MANAGEMENT: Selim Salem Yaccout (chairman and managing director)
LISTED: June 1996
PAR VALUE: LE 1
MARKET CAP: LE 406 million
TRADING DAYS: 234
VOLUME OF TRADES: 36,613,134
VALUE TRADED: LE 79.7 million

87 Nile Match and Prefabricated Houses (Nile Matches)

SYMBOL: NMPH
PREVIOUS YEAR'S RANKING: 84
INDUSTRY: Forest products
BASED: Alexandria
EMPLOYEES: 1589

Established in 1935 and partially privatized in 1996, Nile Matches leads Egypt's match industry with an 80-percent market share.

It also produces matchboxes and prefabricated wooden housing materials. It recently shut down its wood production line due to continuous losses.

The company is planning to sell off some real estate assets to offset its financial losses. It also intends to make its matches environmentally compliant, which should improve sales and its reputation.

MANAGEMENT: Mahmoud Fouad El-Guindi (chairman and managing director), Mohamed Tawfik Khairy (vice chairman)
LISTED: July 1996
PAR VALUE: LE 10
MARKET CAP: LE 8 million
TRADING DAYS: 206
VOLUME OF TRADES: 689,239
VALUE TRADED: LE 3 million

88 Misr Hotels (Hilton)

SYMBOL: MHOT
PREVIOUS YEAR'S RANKING: 75
INDUSTRY: Hotels, resorts and cruise lines
BASED: Cairo
EMPLOYEES: 90

Created as a joint venture in 1959, Misr Hotels built Cairo's Nile Hilton and was a nationalized tourism body. Misr Hotels continues to undergo a partial privatization program while operating under international management.

Though the Nile Hilton remains Misr Hotels' largest source of revenue, the company also owns shares in three other Hilton hotels and other properties throughout Egypt.

Although sale of the Hilton was approved in March 2001, the privatization process has been repeatedly delayed over the past few years, most notably in 2002, when the Ministry of Finance won a court order demanding that Nile Hilton pay LE 180 million in back taxes. Despite the financial issues, the hotel spent 2003 upgrading and promoting its nightclubs.

Misr Hotels did receive an offer in July 2003 from two investors — one Libyan and the other Saudi — to purchase 70 percent of the company shares, representing the government's stake.

But the negotiations were scuttled once again in November, when the investors announced their disinterest due to the financial situation of the company, compounded by the LE 270 million being disputed with the Tax Authority.

MANAGEMENT: Mohamed Hussein Ahmed (chairman and managing director)
LISTED: November 1994
PAR VALUE: LE 15
MARKET CAP: LE 216 million
TRADING DAYS: 212
VOLUME OF TRADES: 283,780
VALUE TRADED: LE 19.7 million

89 Development and Engineering Consultants

SYMBOL: DAPH
PREVIOUS YEAR'S RANKING: 91
INDUSTRY: Real estate management and development
BASED: Cairo (Garden City)
EMPLOYEES: 262

Established in 1954, DEC was privatized and renamed in 1996. The company participates in real estate and development activities for housing areas and tourist resorts and owns premium real estate in areas including Giza's Dokki district. Future plans include developing housing areas in Sixth of October City and around Alexandria, but recent negative financial results created some dispute with the company's private investors.

MANAGEMENT: Hosny Ahmed Omar (chairman and managing director)
LISTED: June 1996
PAR VALUE: LE 14
MARKET CAP: LE 29 million
TRADING DAYS: 93
VOLUME OF TRADES: 1,510,465
VALUE TRADED: LE 12 million

90 Acrow Misr Metallic Scaffolding and Frameworks (Acrow Misr)

SYMBOL: ACRO
PREVIOUS YEAR'S RANKING: 92
INDUSTRY: Construction and engineering
BASED: Cairo (Helwan)
EMPLOYEES: 480

A market leader in the production of metal scaffolding, Acrow Misr produces metal frameworks and structures in addition to offering design, engineering and installation services. Established in 1977 as a venture between Britain's Acrow, the Icon Company, Arab Contractors Investments and Al-Nasr Pipes, Acrow exports heavily to North Africa and the Arab Gulf.

MANAGEMENT: Osama Kamal El-Gerf (chairman and managing director)
LISTED: June 1998
PAR VALUE: LE 10
MARKET CAP: LE 28 million
TRADING DAYS: 77
VOLUME OF TRADES: 207,557
VALUE TRADED: LE 6.2 million

91 Mena Touristic and Real Estate Development

SYMBOL: MENA
PREVIOUS YEAR'S RANKING: New to the list
INDUSTRY: Real estate management and development

BASED: Giza (Mohandiseen)
EMPLOYEES: 110

One of the original developers of North Coast resort villages beginning with the opening of Mena 1 in 1987, MENA recently merged two subsidiaries, Mena Engineering Consultancy and Mena Construction and Trade. Current activities include real estate development projects in Lebanon and Libya.

MANAGEMENT: Fathallah Fawzi (chairman and managing director), Gamal Fawzi Fathallah (vice chairman and managing director)
LISTED: 1997
PAR VALUE: LE 10
MARKET CAP: LE 10 million
TRADING DAYS: 140
VOLUME OF TRADES: 303,685
VALUE TRADED: LE 1.6 million

92 Cairo Housing

SYMBOL: ELKA
PREVIOUS YEAR'S RANKING: 89
INDUSTRY: Real estate management and development
BASED: Cairo (Bab El-Louq)
EMPLOYEES: 36

Cairo Housing, founded in 1908 as Egypt's first urban-planning company and fully privatized in March 1997, conducts urban planning, design, and construction projects in Cairo, Alexandria and the new urban communities.

The small-cap real-estate developer grabbed market attention early in 2002 as investors rushed to buy ahead of the company's merger with one of its subsidiaries to benefit from large tax savings. New projects include a hotel in Maarouf, residential buildings in Alexandria and Moqattam, and a hospitality complex in Cairo.

MANAGEMENT: Mohamed Ezzat Zeitoun (chairman and managing director)
LISTED: March 1997
PAR VALUE: LE 5
MARKET CAP: LE 46 million
TRADING DAYS: 244
VOLUME OF TRADES: 38,451,174
VALUE TRADED: LE 116.7 million

93 Mohandes Insurance

SYMBOL: MOIN
PREVIOUS YEAR'S RANKING: 94
INDUSTRY: Property and casualty insurance
BASED: Giza (Dokki)
EMPLOYEES: 758

Created in 1980 by Engineers Syndicate & State Insurance Company as Egypt's second private insurance company, Mohandes Insurance continues to receive positive bond ratings.

Its lineup of services includes insurance and re-insurance products covering assets, businesses and individuals.

MANAGEMENT: Samir Moustafa (chairman and managing director)
LISTED: 1980
PAR VALUE: LE 10
MARKET CAP: LE 62 million
TRADING DAYS: 125
VOLUME OF TRADES: 95,653
VALUE TRADED: LE 1.5 million

94 United Arab Shipping

SYMBOL: UASG
PREVIOUS YEAR'S RANKING: New to the list
INDUSTRY: Marine transport
BASED: Alexandria
EMPLOYEES: 4000

United Arab Shipping Company was established 1976, and is considered the largest ocean carrier for dry cargo in the Middle East. As the national line of the Arabian Gulf states, UASC's primary mission is to serve the shipping needs of the Arabian Gulf region as it offers more services to the Arabian Gulf/Red Sea regions from the worldwide trading areas.

The company has maintained its market leadership by being the top carrier, both in terms of liner cargo carryings as well as the number of port calls to the Middle East region. UASC has successfully expanded its container services to serve the global trades between North Europe, Mediterranean, Far East, South and North America, South Africa and the Indian subcontinent.

It has also diversified through its subsidiaries and joint ventures to provide a range of shipping-related services, which include shipping agencies, freight forwarding, sea/air cargo, land transportation, petrochemical transportation, chartering, container repairs and storage.

MANAGEMENT: Samy Adb El-Meguid Azab (chairman and managing director)
LISTED: –
PAR VALUE: LE 1
MARKET CAP: LE 9.5 million
TRADING DAYS: 103
VOLUME OF TRADES: 345,052
VALUE TRADED: LE 887,152 million

95 El Nasr Dehydrated Agriculture Products

SYMBOL: NDAP
PREVIOUS YEAR'S RANKING: New to the list
INDUSTRY: Agriculture
BASED: Cairo
EMPLOYEES: 560

NDAP, a leading producer of dehydrated vegetables in the Middle East, was established in 1962 and privatized in 1996. NDAP owns and operates five factories and exports about 98 percent of its output to the European Union, Eastern Europe and the Gulf Arab countries. NDAP is working on establishing a new factory in the Beni Suef free zone. Most recent financial figures show El Nasr growing its net profits by 27 percent.

MANAGEMENT: Ali Mustafa Moussa (chairman), Imam Abdel Rahman (managing director)
LISTED: August 1996
PAR VALUE: LE 10
MARKET CAP: LE 11 million
TRADING DAYS: 130
VOLUME OF TRADES: 103,855
VALUE TRADED: LE 1.5 million

96 El-Shams Housing and Urbanization (El-Shams Housing and Development)

SYMBOL: ELSH
PREVIOUS YEAR'S RANKING: 96
INDUSTRY: Real estate management and development
BASED: Cairo
EMPLOYEES: 200

El-Shams Housing and Development, founded in 1946 and partially privatized in 1997, participates in land purchasing, leasing and real estate development projects. Recent activities include the adoption of a self-financing policy and the purchase of 170 acres in Sixth of October City. El-Shams is still in dispute with the National Investment Bank over $6 million of debt.

MANAGEMENT: Dr. Hosny Hafez Abdel Rahman (chairman and managing director)
LISTED: September 1995
PAR VALUE: LE 1
MARKET CAP: LE 88 million
TRADING DAYS: 243
VOLUME OF TRADES: 9,681,632
VALUE TRADED: LE 40.8 million

97 United Housing and Development

SYMBOL: UNIT
PREVIOUS YEAR'S RANKING: 97

INDUSTRY: Real estate management and development
BASED: Alexandria
EMPLOYEES: 149

Originally established in 1907 as El-Kabbary Land Co., it merged with numerous other companies and was nationalized under Nasser. United Housing completed privatization and continues land purchasing, leasing and real estate development activities throughout Alexandria.

MANAGEMENT: Eng. Abd El Moneim Mohamed Siam (chairman and managing director), Hassan Moustafa Hassan (vice chairman)
LISTED: October 1999
PAR VALUE: LE 1.25
MARKET CAP: LE 56 million
TRADING DAYS: 217
VOLUME OF TRADES: 5,599,122
VALUE TRADED: LE 19.5 million

98 Exports Development Trading Company

SYMBOL: EXPO
PREVIOUS YEAR'S RANKING: 100
INDUSTRY: Trading companies and distributors
BASED: Cairo
EMPLOYEES: 21

Founded as a joint stock company by the Export Development Bank in 1989 and charged with supporting Egyptian trade, the company's activities include managing corn imports and leasing grain mills. The company is presently working on opening a branch in Port Said.

MANAGEMENT: Farid Moheb El-Kassaby (chairman and managing director)
LISTED: 1996
PAR VALUE: LE 10
MARKET CAP: LE 2 million
TRADING DAYS: 164
VOLUME OF TRADES: 1,116,145
VALUE TRADED: LE 2.6 million

99 Al-Ahli Investment and Development

SYMBOL: AFDI
PREVIOUS YEAR'S RANKING: 93
INDUSTRY: Multi-sector holdings
BASED: Cairo
EMPLOYEES: 12

Al-Ahli Real Estate Development Company established in 1994, and is one of the leaders in the fields of real estate development, banking and construction. It has carried out various tourist development projects, high-end residential, commercial and office buildings, in addition to middle-class residential projects. Its current total value of projects is LE 1.3 billion. Al-Ahli's future plans are to concentrate on high-end residential, commercial and office buildings (60 percent), and to expand in touristic areas (at 25 percent), while devoting (15 percent) to middle-class residential projects with long-term loans and land division projects.

MANAGEMENT: Fouad Sultan (chairman and managing director)
LISTED: 1997
PAR VALUE: LE 10
MARKET CAP: LE 57 million
TRADING DAYS: 130
VOLUME OF TRADES: 283,397
VALUE TRADED: LE 1 million

100 Misr Beni Suef Cement

SYMBOL: MBSC
PREVIOUS YEAR'S RANKING: New to the list
INDUSTRY: Construction materials
BASED: Giza
EMPLOYEES: 90

MBSC was established in 1997 on 450 acres in Beni Suef, sponsored by Bank Misr and private investors. In 1999, the Greek-owned cement company Titan entered into an agreement with Lafarge of France to jointly acquire 76 percent of MBSC. Its total production capacity amounts to 1.4 million tons a year. MBSC not only produces cement, but also cement products and packaging material.

MANAGEMENT: Ali Mohamed Ahmed (chairman), Farouk Moustafa Mohamed (managing director)
LISTED: 1999
PAR VALUE: LE 10
MARKET CAP: LE 353 million
TRADING DAYS: 244
VOLUME OF TRADES: 24,297,066
VALUE TRADED: LE 395 million

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