



# *AFRICAN CABLES*

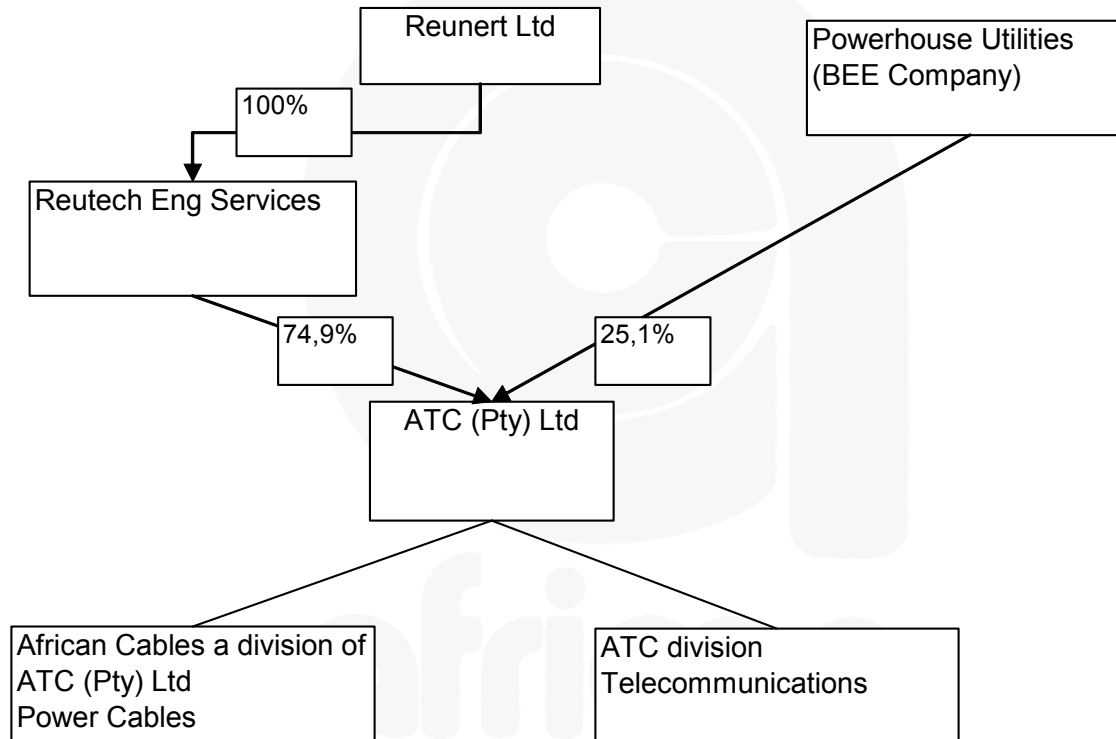
*INVESTOR VISIT*

*22 JULY 2005*





# Structure & shareholding



# Facilities

- Total plant area of 132 950 sqm of which 75 522 is under roof
- Production capacity of 37 000 Cable Tons p.a. (+/-16 000 tons of Cu content)
- Product range
  - Bells
  - Mains
  - Splits
  - ABC
  - Paper
  - MV XLPE
  - HV XLPE
  - Cable Installation
- Value added services
  - Only HV cable installation company in RSA
  - Consignment stock for key customers



# Quality

- SABS Mark Holder
  - Product accreditation
- ISO 9001:2000
- ISO 9001 Listing for Power Installations in 2001
- ISO 14001 and ISO 18001
- The company boasts the highest level of Quality Accreditation in the South African cable industry

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## *The Copper issue*

- All raw material supplies except Cu are secured for the foreseeable future
- Uncertainties about Cu supplies as a result of the financial performance of PMC
  - Options
    - Buy rod from PMC as in the past
    - Buy rod from overseas/Zambia
    - Buy cathode and convert inhouse
  - Evaluation currently in process

## *Market share*

- Total S.A. power cable market +/- R2bn
- Afcab market share +/- 30%
- Imports +/- 15%

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# Low Voltage Cables



- 1.0mm<sup>2</sup> to 1000mm<sup>2</sup> single and multi-core (dependant on product)
- 300/500V to 3.8/6.6kV
- Stranded copper or aluminium and solid sector aluminium conductors
- PVC/LVXLPE insulated
- Manufactured to SANS 1507

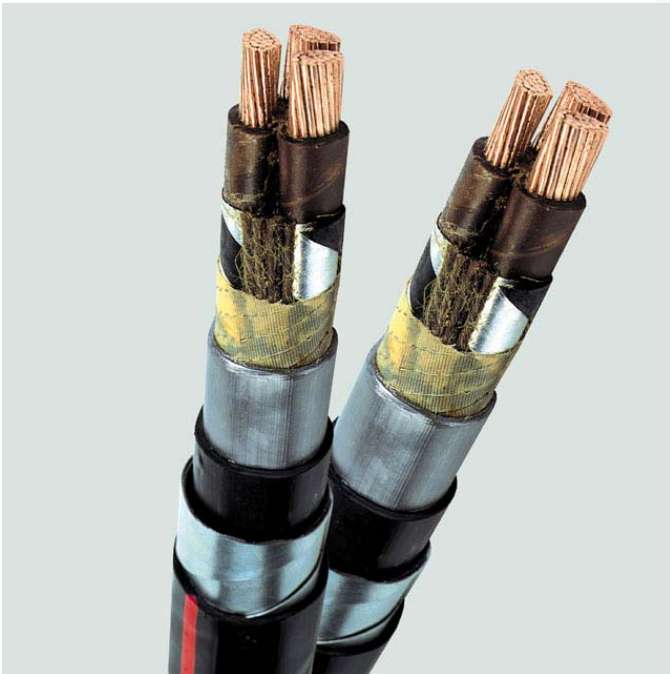
## *ABC and Split Concentric*



- 25mm<sup>2</sup> to 150mm<sup>2</sup> phase conductors with support core
- 600/1000V to 19/33kV
- ONLY permit holder for SABS 1713 in South Africa
- Stranded aluminium conductors
- XLPE insulated
- Manufactured to SANS 1418, 1713 and 1507



# *Paper Insulated Lead Cables*



- 25mm<sup>2</sup> to 400mm<sup>2</sup> in single core or 3 cores
- 3.8/6.6kV to 19/33kV
- Stranded copper or aluminium conductors
- Paper insulated
- Manufactured to SANS 97

## *Medium Voltage XLPE*



- 25mm<sup>2</sup> to 1000mm<sup>2</sup> in single core and 25mm<sup>2</sup> to 300mm<sup>2</sup> in 3 cores
- 3.8/6.6kV to 19/33kV
- Stranded copper or aluminium conductors
- MVXLPE insulated
- Manufactured to SANS 1339
- Underground reticulation and main distribution systems

# *Supertension Cables*

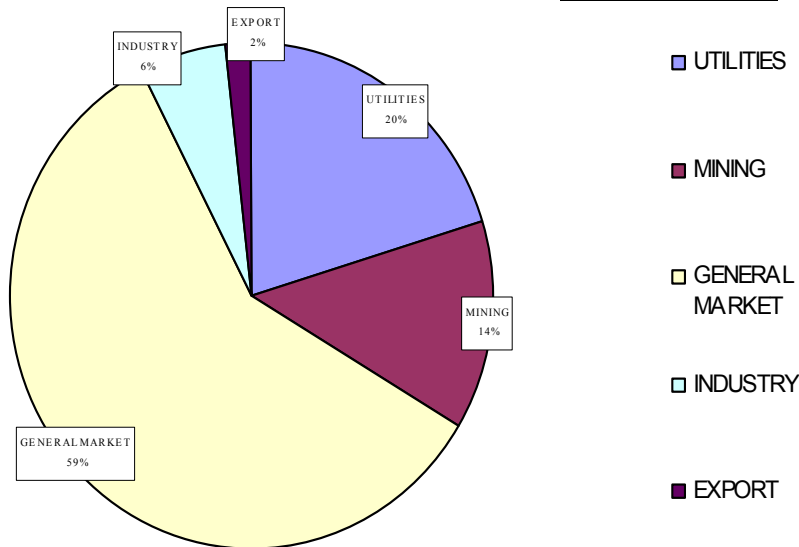


- 300mm<sup>2</sup> to 1000mm<sup>2</sup> in single core only
- 24/42kV to 76/132kV
- Stranded copper or aluminium conductors
- HVXLPE insulated
- Manufactured to IEC60840
- Underground reticulation, transmission, sub-stations and power stations

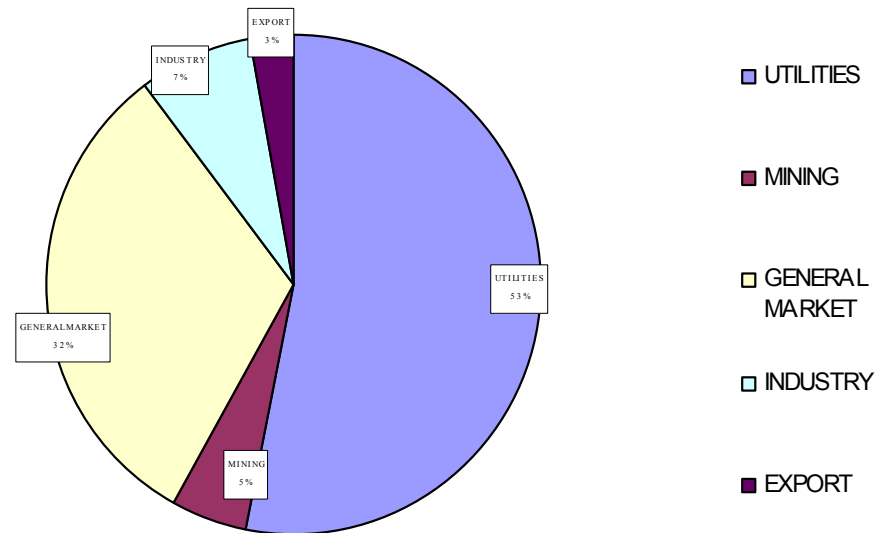
## *Critical success factors*

- Full range of power cable
- Quality of product and service
- Technical back-up
- Partnership with key customers
- Value added services
  - Installation
  - Maintenance
  - Consignment stock

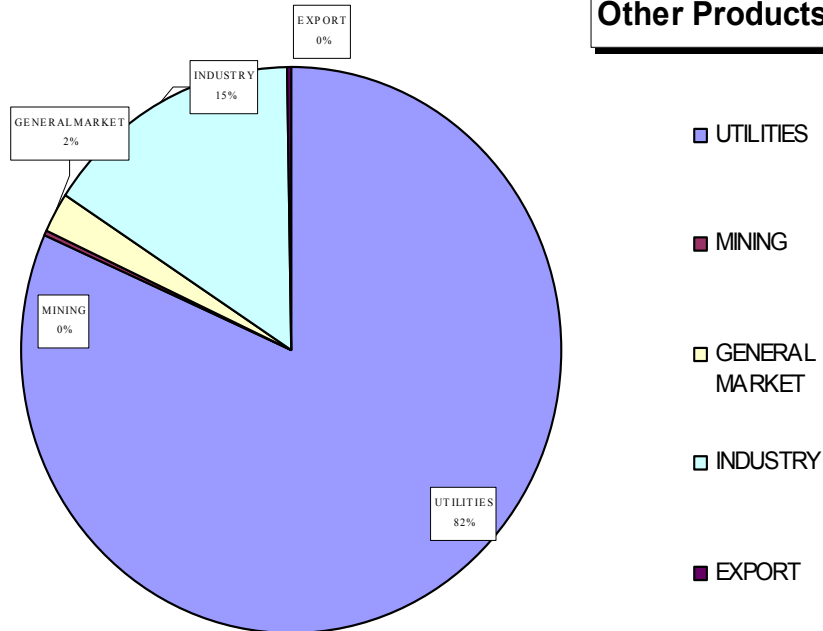
### Low Voltage Turnover



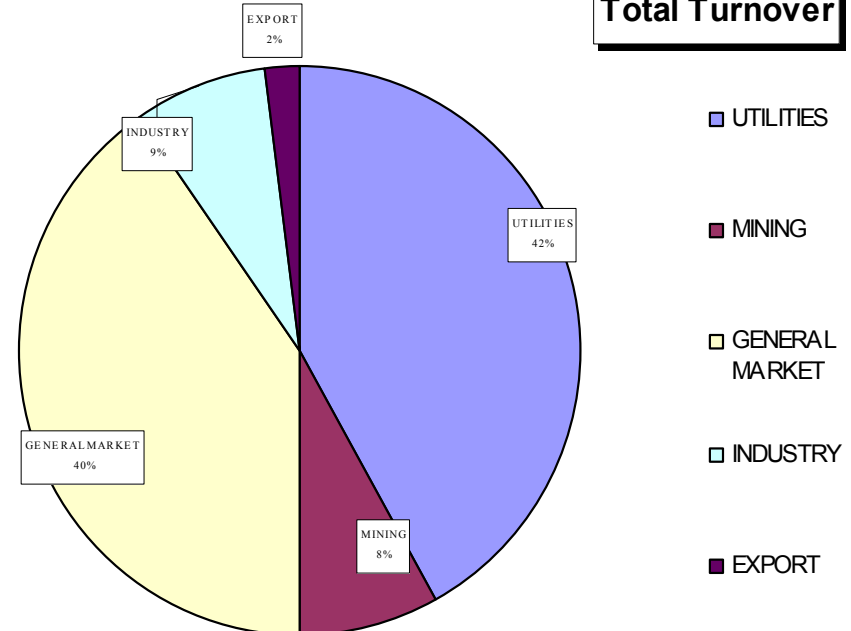
### Medium Voltage Turnover



### Other Products



### Total Turnover



## *Future prospects*

- Demand will remain high for at least the next 5 years
  - Positive growth is expected as a result of additional power generation capacity and low interest rates
  - Projects like the soccer World cup, an Aluminium smelter at Coega and the Gautrain will stimulate demand
  - Upgrading and strengthening of the power cable infrastructure will keep the need for power cable at a relatively high level.

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# Threats

- Economic collapse
- Reducing import tariffs
  - Currently 13,5% from E.U. reducing to 0% by 2012
  - Rest of the world still 15% - reduction dependent on specific agreements between RSA and other countries
- The SADC countries – 0 %

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