



MSA Takes Steps in South Africa to Enhance Growth

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Company Establishes Holding Company with 25.1 Percent African Ownership and Acquires Select Personal Protective Equipment Co. from Mathomo Group Ltd.

PITTSBURGH, Jan. 19 /PRNewswire-FirstCall/ -- MSA (NYSE: MSA) announced today that it has completed a two-part deal in South Africa with Mineworkers Investment Company (MIC) that will enhance the company's growth and competitiveness in the region while ensuring compliance with government-established Black Economic Empowerment (BEE) requirements.

In a move that strengthens MSA's BEE credentials in Africa, the two companies have formed a new holding company - Samsac Holdings (Proprietary) Limited (SAMSAC) - in which MIC will own a 25.1 percent ownership stake. Concurrent with this transaction, SAMSAC has acquired 100 percent of the equity of Select Personal Protective Equipment (Select PPE) from JSE-listed Mathomo Group Ltd., with funding provided by MSA. The newly established holding company will also own 100 percent of the equity in MSA Africa Pty. Ltd. Select PPE has annual sales of approximately \$15 million (U.S.).

MSA Africa and Select PPE will continue to operate independently under the SAMSAC umbrella and focus on developing their respective business models. Select PPE is an established supplier of multi-brand safety equipment and solutions to the South African mining industry. The company will continue to grow its network of leading safety supply stores serving mining and other remote industry sites with brands selected by the user. Select PPE employs approximately 200 people at 100 mine sites across South Africa. MSA Africa (Pty.) Ltd. will continue to leverage its expertise in sophisticated safety equipment, with the MSA brand at its core, focused on serving the safety needs of industry, construction and first responders.

Company officials described the deals as meaningful and exciting, noting they represent a win-win proposition for all parties. These transactions are expected to generate new growth opportunities for both MSA and MIC.

"At MSA we have been focused on enhancing our BEE credentials for the better part of three years," said Ron Anderson, Managing Director, MSA Africa. "Today, BEE compliance with mining charter requirements is a prerequisite for achieving meaningful growth in South Africa. Through our venture with MIC, we can now fully serve our customers needs as a legitimate BEE supplier and, at the same time, enable MSA and MIC to capitalize on opportunities that emerge from the state's infrastructural investment programs."

BEE is a South African government program similar to Affirmative Action in the United States, whereby preferences are given to previously disadvantaged individuals. Through a complex scorecard system that includes equity ownership, companies that qualify for BEE certification are better positioned to compete for public procurement contracts as well as business opportunities indirectly arising from the public sector.

MIC's executive director, Keshan Pillay, said its association with a large international organization adds a crucial element to their business. "We're proud to be associated with a global leader and a company that has dedicated more than 90 years to advancing the cause of safety throughout the world. We will be looking for ways to further our relationship in pursuit of our shared goals."

Mr. Pillay and Rob Canizares, President, MSA International, share similar sentiments about the motivation behind the deals, noting that MIC and MSA serve the market with a common goal of enhancing workplace safety. "Both entities aim to build a safer working environment and brighter future for South African mine workers, their families and their communities," Mr. Pillay said.

Mr. Canizares concurred, saying that "protecting life was the principal objective of MSA in the early 1900s" when the company's founders, John T. Ryan and George H. Deike, became disillusioned with the loss of life in U.S. coal mines. "As engineers for the U.S. Bureau of Mines, they vowed to do something to protect miners and, thus, formed MSA in 1914. This important step fulfills that mission and positions us to better contribute to the safety needs of the mining and industry workers in South Africa," Mr. Canizares said.

MIC is wholly owned by the Mineworkers Investment Trust, which provides funding for development projects associated with the members of the National Union of Mineworkers. Its current major investments in Africa include a 21 percent share in Primedia, a 25 percent stake of document storage company Metrofile, and a number of other strategic holdings spread across the media, telecoms and the financial services sectors. MIC currently maintains majority control of Mathomo Holdings.

Established in 1914, MSA is a global leader in the development, manufacture and supply of sophisticated safety products that protect people's health and safety. Sophisticated safety products typically integrate any combination of electronics, mechanical systems and advanced materials to protect users against hazardous or life-threatening situations. The company's comprehensive line of products is used by workers around the world in the fire service, homeland security, construction and other industries, as well as the military. Principal products include self-contained breathing apparatus, gas masks, gas detection instruments, head protection, respirators and thermal imaging cameras. The company also provides a broad range of consumer and contractor safety products through retail channels. These products are marketed and sold under the MSA Safety Works brand. MSA has annual sales of more than \$850 million, manufacturing operations throughout the United States and Europe, and more than 30 international locations. Additional information is available on the company's Web site at www.msanet.com.

SOURCE MSA (Mine Safety Appliances Company)

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