



**Cairo, 18 November 2012** – ezzsteel (EGX: ESRS; London Stock Exchange: AEZD), the largest independent producer of steel in the MENA region, today announced that its subsidiary Ezz Rolling Mills has been awarded a new license for the construction of Direct Reduced Iron (DRI) modules and additional melt shop facilities at ezzsteel's facilities in Sokhna-Suez.

The company has been awarded the new license replacing a previously owned one which had been annulled following the announcement on the 15th of September 2011 of the Egyptian Court of First Instance's decision to annul the licenses previously awarded to ezzsteel and three other Egyptian steel producers in 2008.

The new license relates only to ezzsteel's new expansions and do not relate to any of ezzsteel's current production, which continues to operate normally.

Ezz Rolling Mills (a 99 per cent held subsidiary of ezzsteel) has undergone all the necessary procedures which resulted in the approval of the Egyptian Industrial Development Authority to issue a new license instead of the previously issued license based on the same grounds that have been applied for the three other steel producers that were part of the aforementioned Court ruling.

These terms reflect a total payment of EGP330 million to be paid over the next six and a half years, with a 15% down payment, followed by a grace period of 18 months, and the remaining 85% to be paid over the following five years in equal instalments.

Ezz Rolling Mills has paid the down payment and received this licence on Wednesday, November 14<sup>th</sup> 2012.

**For further information:**

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**About ezzsteel**

ezzsteel (formerly: Al Ezz Steel Rebars) is the largest independent steel producer in the Middle East and North Africa, and the Egyptian market leader, with a total actual capacity of 5.8 million tonnes of finished steel.

In 2011, the Company produced 3.6 million tonnes of long products (typically used in construction) and one million tonnes of flat products (typically used in consumer / industrial goods). ezzsteel's customer base is geographically diversified, with flat products mainly directed to export markets, whereas long products are mostly sold in the domestic market. More than 50 per cent of its plants are less than 10 years old, using the latest in modern steel making technology.