



## ezzsteel Business Update

**Cairo, 23 March 2011** – ezzsteel (*formerly: Al Ezz Steel Rebars S.A.E.*) (EGX: ESRS; London Stock Exchange: AEZD), the largest independent producer of steel in the MENA region, today gave the following business update:

- All of ezzsteel's plants are currently operating at normal capacity. During recent weeks, production was affected at some of its plants, due to the impact of the government imposed curfew and disruption to communications, logistics and banking services. The interruption at each plant is outlined below:
  - ESR (Sadat City) and ERM (10<sup>th</sup> of Ramadan City) operated at normal capacity throughout the period
  - EZDK (Alexandria) had a total stoppage from January 29<sup>th</sup> until February 1<sup>st</sup>, and had reduced production levels from the 2<sup>nd</sup> until the 6<sup>th</sup> of February. EZDK returned to normal production starting February 6<sup>th</sup> 2011.
  - EFS (Suez) had several interruptions to production, but returned to normal production on the 20<sup>th</sup> of February
- As with many surrounding shops and buildings in Mohandessin, Cairo, one of ezzsteel's corporate offices has been looted and damaged. This is the only damage that the company's facilities have sustained to date. The building is fully insured. After successful relocation of the corporate team, the Company is already fully operational.
- Mr. Ahmed Ezz, the founder of ezzsteel, its major shareholder and Chairman, is currently under investigation by the Egyptian Authorities in relation to alleged business wrongdoings. This investigation is strictly personal to Mr. Ezz. Mr. Ezz strongly denies any wrongdoing and is confident that he will be cleared from charges following due legal process.

- Mr. Ezz's role at ezzsteel has largely been focused in recent years to his responsibilities as Chairman and the day to day management of the business has been conducted by a professional management team, which remains in place. The current investigation concerning Mr. Ezz is not expected to impact the management of the business.

**For further information:**

<b>Ezzsteel</b>	<b>Tel</b>	<b>Mobile</b>
Kamel Galal	+ 20 2 3762 2144	+ 20 10 539 5499
Ashraf El Ghannam	+ 20 2 3762 2144	
<b>Capital MS&amp;L</b>		
Nick Bastin	+ 44 20 7307 5330	+ 44 7931 500 066
Supriya Mathur	+ 44 20 7307 5347	+ 44 7725 952 314

**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 2009, the Company produced 3.3 million tonnes of long products (typically used in construction) and 1.0 million tonnes of flat products (typically used in consumer / industrial goods). ezzsteel's customer base is geographically diversified, with flat products directed to export markets, whereas long products are 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.