

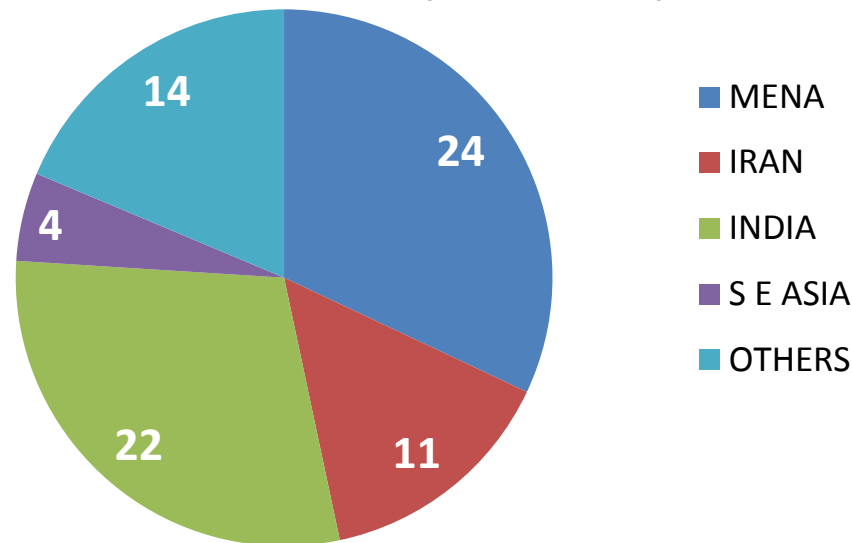
Bahrain Steel

- Established in 1984, BS is fully owned by Foulath.
- BS owns and operates 2 pelletizing plants in the Kingdom of Bahrain:
 - a) Pelletizing Plant No. 1**
 - Operating since 1984, with a design capacity of 4 Mt/y
 - In 2007, the capacity was upgraded in-house to 5 Mt/y
 - b) Pelletizing Plant No.2**
 - Design capacity: 6 Mt/y (capable of producing 7 Mt/y), being the largest rotary kiln of its kind in the world.
 - On 15 January 2010, the plant built by Kobe Steel, started commercial operation and immediately achieved its design capacity (i.e. without any ramp-up period) due to BS more than 27 years experience in pelletizing. The project was completed within budget.
- BS sells about 77% of its production in GCC and the balance 23% is sold outside the region.

Gas Based DRI Producers

Gas based route for DRI production is adopted mainly in the regions which have adequate supply of Natural Gas at a competitive price, namely, Middle East, N. Africa, Malaysia, Indonesia, India, etc. The following table shows the World's DRI production.

DRI PRODUCTION 2012 (75 MT est.)



India's production includes about 12 MT based on coal.

BS's Pellet Plants are strategically located in Bahrain, which is in the midst of MENA region which producing 30-35% of World's DRI.

Target Market

DR Pellet Demand (2013) in MENA, India & Far East region (in Mt)

Consumer	DRI Capacity	Total Pellet Requirements	Requirement at 75% Plant Utilization
SULB	1.50	2.25	
Qatar Steel	2.30	3.45	
Hadeed	5.20	7.80	
DRICL (Inc. Pakistan)	3.20	4.80	
Shadeed Steel	1.60	2.40	
Emirates Steel	3.40	5.10	
Sub Total (GCC)	17.2	25.8	19.4
Ezz Steel	5.10	7.65	
ESISCO (Beshay)	1.76	2.64	
Suez Steel	1.90	2.85	
LISCO	1.80	2.70	
Sub Total (North Africa)	10.56	15.84	11.9
Ispat Industries	1.50	2.25	
Welspun	1.35	2.03	
Essar Steel	5.60	8.40**	
Sub Total (India)	8.45	12.68	3.2
Perwaja	1.40	2.10	
PTKS	1.35	2.03	
Mega Steel	2.20	3.30	
Sub Total (Far East)	4.95	7.43	5.6
TOTAL	41.16	61.75	40.0

(Million Tons)	2012 A	2013F	2014F	2015F
BS's Sales Contracts	16.3	17.8	18.3	17.8
BS Production	5.0*	3.6*	5.0*	11.2

• *Constrained due to limited iron ore availability*

** *Sourced from their own pelletizing plant*

Raw Material (iron ore) Supply

BS entered into two long term iron ore supply agreements to meet its total raw material requirement:

1. Anglo Ferrous Brazil (formerly MMX, Brazil)

In November 2006, BS entered into long term (20 Years) iron ore supply contract with Anglo for supply of 13 Mt/y pellet feed. Anglo has obtained all the required approvals for Minas Rio Mines and is expected to start production by the end of 2014. The quality of Pellet feed from Mina Rio Is among the best in the World, to produce high grade DR pellets.

2. CSN, Brazil

In 2008, BS entered into long term (25 years) iron ore supply contract with CSN for supply of 15.3 Mt/y pellet feed (including Foulath option of 7.5 Mt/y iron ore for its future Egypt and Oman pelletizing plants). CSN iron ore supply to BS was based on their proposed expansion of mines at Namisa and Casa de Pedra which has been delayed due to differences between owners of the mine.

BS iron ore supply is expected to increase by 2015 after the start-up of Anglo's Minas Rio Mines, which has received all approvals and is currently under construction. As a result, BS capacity utilization is expected to increase from 5.0 Mt/y (46%) in 2014 to 11.0 Mt/y (100%) in 2015 and 12 Mt/y (100%) in 2016. BS has also entered into or proposes to enter into long term ore supply agreements with CMP, Chile and Northland Resources, Sweden. To diversity sources of supply.

Pellet Plant 1



Pellet Plant 2



Stockyard

Stock Yard Capacity -Iron Ore 1.2MT Pellet 600KT



Port Facilities



Port Facilities – Vessel at Dolphin Jetty



Port Facilities



SULB Bahrain

Established as joint venture between Foulath (51%) and Yamato Kogyo, Japan (49%), with US\$1.2 billion investment, SULB is an integrated steel complex in the Kingdom of Bahrain, for production of steel beams & sections (finished products).

Facilities

Sulb consists of the following 3 main facilities:

a) Direct Reduced Iron (“DRI”) Plant

Design capacity: 1.5 million tons/year (“Mt/y”) and capable to produce 1.8 Mt/y

b) Melt Shop

Design capacity of 0.85 Mt/y and capable to produce 0.97 Mt/y

c) Heavy Section Rolling Mill (“HSM”)

HSM has a design capacity of 0.60 Mt/y and capable to produce 0.8 Mt/y

Production Ramp-up

Sulb production started in year 2012 with start-up of Melt Shop in November 2012, HSM in December 2012 and the DRI Plant in January 2013.

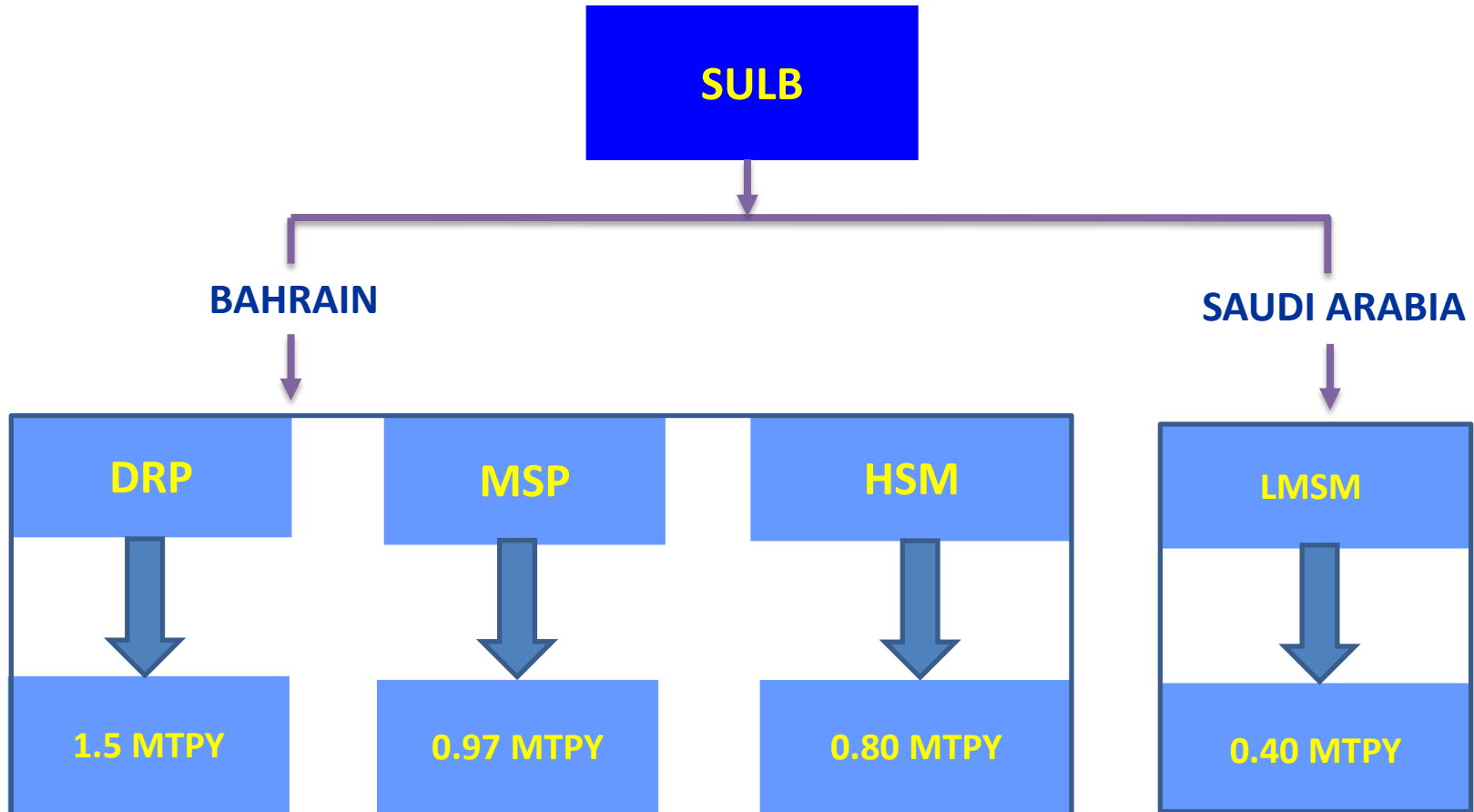
Sulb steel production ramp-up is illustrated below:

	2012 A	2013 F	2014 F	2015 F
Capacity Utilization	1%*	49%	100%	100%

* Plants starting up operation during Nov to Dec 2012.

Production

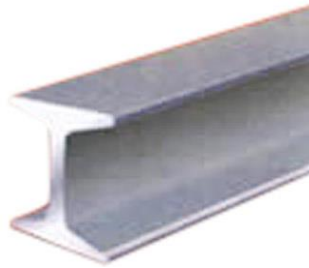
SULB is the only producer of the full range of light, medium and heavy sections & beams in the GCC region, with a combined (Bahrain & Saudi) capacity of about 1.2 MTPY.



Products To Be Produced By SULB Company “Bahrain”



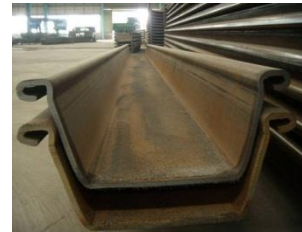
H Beam



I Beam



Channel



Sheet Pile



Angle

Products To Be Produced By SULB Company “Bahrain”

- I-beams (150x125mm to 600x190mm)
- Equal angles (120mm to 250mm)
- Channels (150x75mm to 380x100mm)
- U-shaped piling (up to 500mm)
- H-beams
 - Wide flange (100x100mm to 400x400mm)
 - Medium flange (150x100 to 900x300mm)
 - Narrow flange (150x75mm to 600x200mm)

Facilities At SULB “ Bahrain” DRP Hot DRI Conveyor



Facilities At SULB “Bahrain” DRP Furnace



Facilities At SULB “Bahrain” DRP Product Storage Yard



Facilities At SULB “Bahrain” MS Scrap Charging



Facilities At SULB “Bahrain” MS Electric Arc Furnace Tapping



Facilities At SULB “Bahrain” MS Continuous Caster



Facilities At SULB “Bahrain” MS Billet Storage



Facilities At SULB “Bahrain” HSM Re Heating Furnace



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Facilities At SULB “Bahrain” HSM Break Down Mill



Faculties AT SULB “Bahrain” HSM Tandem Mill



Facilities At SULB “Bahrain” HSM Cooling Bed



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Facilities At SULB “Bahrain” HSM Product Storage

