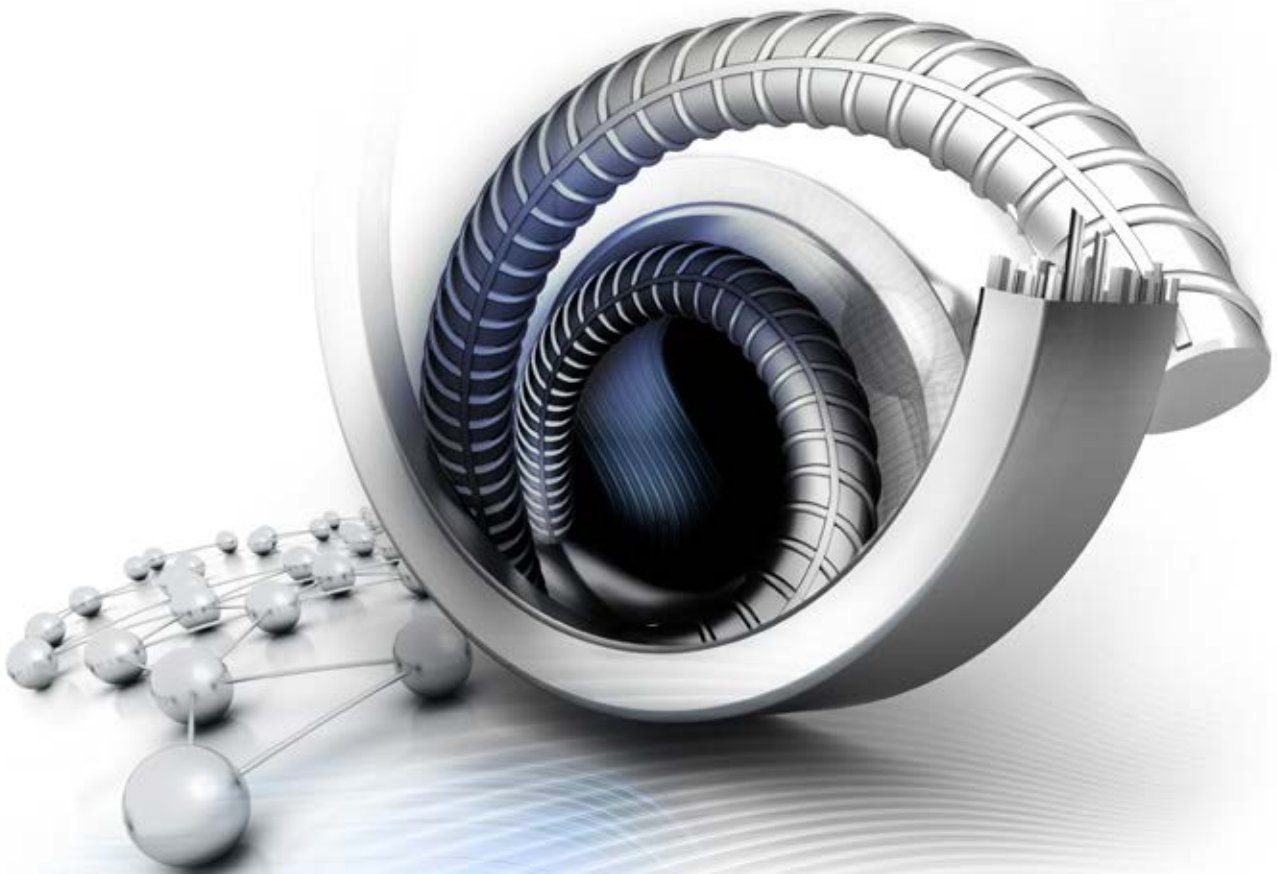




حديد الإمارات
emirates steel
إحدى شركات صناعات a SENAAT company

Completed Action Plans Review

Thinking Ahead Strategic planning 2016



Shaping the Future



www.emiratessteel.com



EmiratesSteel_UAE



Emirates Steel



emirates-steel-industries



Saeed Al Romaithi
Chief Executive Officer

Dear Colleagues,

It gives me a great pleasure to share with you the Second Strategic Planning Report launched as part of our ongoing series of strategic updates.

In this report we will highlight the significant achievements accomplished over the course of one year by various departments and we will outline the initiatives launched by Project Falcon, our recently launched supply chain management initiatives.

As you are all aware, Emirates Steel has decided to embark on a path breaking journey to enhance our operational efficiency with a set of strategic initiatives. We have adapted our business model to match new market realities and intensified our efforts to control costs. I am happy to report that these considerable efforts are yielding results. We have made major progress by achieving 93% of our strategic initiatives that were launched in 2013 with a very positive outlook to complete our entire plan by the first quarter of next year.

I would like to thank all various team members for their hard work and I am pleased to see that some are already setting their plans and objectives for this year and eyeing some opportunities that will make us realize Emirates Steel's vision for a brighter future.

In conclusion, I am very satisfied with the progress we are making. The actions we have taken over the past 2 years are yielding the right results.

Falcon Project

The Project Falcon Team, led by Christian Ammermann provided an overview of this exciting set of business initiatives. The project, announced by the CEO at the end of 2014, is designed to transform the efficiency and effectiveness of Emirates Steel's end to end supply chain to bring it in line with the best performers in the world. Project Falcon encompasses everything we do in our business that should ultimately result in high-quality, profitable products delivered to our customer, in a timely and efficient manner and thus support and enable Emirates Steel's continued business growth ambitions.



Thus the scope ranges from developing sound business decision-making processes regarding what products we make and what new products we introduce and when, through planning (order planning, production planning, maintenance planning, dispatch planning and so on), manufacturing, procurement, materials management, transportation (including road layout and the potential future introduction of rail) dispatch and distribution.

The program currently consists of 8 key interlinked and interdependent projects, consisting of:

1. Overall Equipment Effectiveness (OEE)
2. Product Complexity Management
3. Supply Chain Planning (SCP)
4. Procurement
5. Transportation Optimization (Truck/Traffic Flow Redesign)
6. Transportation Optimization (Dispatch Process)
7. Maintenance, Repair and Operations (MRO)
8. IT Enablers

**Comprised
of 8 Interlink
sub-sets
of activity**



Each of these projects has a cross-functional team and a Team Leader with the responsibility to bring improvement ideas and, where necessary, business cases to the Project Falcon Steering Committee consisting of the CCO, the CEO Advisor, the COO, the VP of Sales and the VP of Procurement.

Each Cross-Functional Team Leader presented their Project, its scope, goals and objectives, its plans and progress to date. The Falcon Program, which began at the beginning of 2015, has already delivered:

- Supplier credit terms renegotiation – 1.68 M AED Savings/yr.
- Consolidate transportation contract – 4.4 M AED Savings/yr.
- Contract coverage increased – 6% to 47% by value.
- Average Procurement lead time reduced – 74 to 35 days.
- Overall PR to PO cycle time reduced – 123 to 60 days.
- External Storage Area completed. Expected savings 4.8M AED/yr starting Oct. Additional 148Kt loading/yr.
- Modifications RM4 Hot Saw No2 completed. Expected additional production of 1.5 M USD/yr.
- RM4 Dispatch cranes magnet being replaced. Increasing loading capacity by 25%.
- APO Implemented. Use started, needs fine-tuning.
- HSM OTD increase – 37% to 68%; target 80% by Q4.
- New dispatch process - SAP redesign in progress.
- Inventory Management system (RFID) being implemented; tagging during production to start on 31st Oct.
- Wi-Fi coverage extended to whole HSM yard – reduces truck waiting time.
- True cost/profit analysis and calculation is in final stage.
- Supply chain KPI score card implemented – provides transparency of overall supply chain performance.

The Project Falcon Team encouraged everyone at the meeting to participate fully in the Project, bring their ideas, and those of their teams to the Project, and made a commitment that any idea, no matter how big or small, would be given full attention and where appropriate put in front of the Steering Committee for its consideration and approval. The Project will shortly be issuing its own Report where you will find details of how to get your ideas to the Project. In the meantime, please call Christian Ammermann who will be delighted to help you bring your idea forward.



**“Pride, Passion, Precision,
Performance”**

EXCO

STRATEGIC ACTION PLANS



EXCO Objective No 1 (Saeed Al Ghaferi)



COST REDUCTION IN SUPPLY CHAIN / RAW MATERIALS

	Activity	Actions
1	Assess and optimize current Procurement cycle	<ul style="list-style-type: none"> - Introduce KPI to measure PR cycle - PR cycle started at 90 days and ended in 2014 with 40 days. P&L is currently working on introducing contracts which will ensure that PR cycle is reduced even further with a target of 15 days - Low Value procurement procedure for PRs with values below AED 1000 will shorten PR cycle - Introduce an emergency and shut down team to focus on transactional activities
2	Introduce key strategic sourcing projects	<ul style="list-style-type: none"> - Introduce KPI to measure contract coverage - P&L finalized its categorization and spend analysis by end of Q1 2015. This shall ensure that strategic sourcing activities are initiated. - This requires 2 years until the spend is cleansed and properly identified
3	Assess and reduce current Logistic costs	<ul style="list-style-type: none"> - Project Falcon identified key projects which shall ensure that ES Logistics costs are reduced - P&L has included a KPI to measure reduction in ES Logistic costs
4	Change production planning to improve supply chain of ES	<ul style="list-style-type: none"> - Project Falcon includes a major stream about ES corporate planning including production planning. This will be one of long term streams in Project Falcon in order to have an agile supply chain - Project Falcon includes other streams i.e. Procurement, MRO and product complexity etc, which would aim at improving ES corporate planning
5	Assess current Inventory model including finished products	<ul style="list-style-type: none"> - P&L is currently working on monitoring ES Iron Ore Inventory which is a major contributor to ES Inventory, holding inventory will be up to 1 and half months only; a huge reduction compared to previous years - Project Falcon would focus on MRO inventory including min-max and material criticality classification, a team has been identified by CEO
6	Assess current Maintenance Planning cycle	<ul style="list-style-type: none"> - Assessment has been done in Project Falcon - Project Falcon include two streams about maintenance planning and MRO Inventory which are a work in progress
7	Assess ERP system	<ul style="list-style-type: none"> - SAP Inc. was engaged to assess ES ERP system. A report has been generated which includes areas of improvement - Stephen Pope and Hassan Shashaa are leading the implementation
8	Develop a plan for waste management	<ul style="list-style-type: none"> - A preliminary plan has been developed by the ES waste management team - A centralized function for waste management is required and it is currently looked at internally by COO - The function would include managing ES slag treatment and material handling contracts as well
9	Assess current distribution network and current customer order management	<ul style="list-style-type: none"> - Project Falcon includes two streams which focus on this activity



Saeed Al Ghaferi – Mr. Saeed Al Ghaferi, Vice President, Procurement & Logistics played a key role in establishing the Procurement and Logistics, function, as well as driving key strategic expansion projects within Emirates Steel. He has provided an outstanding leadership, guidance and direction to ensure an effective work flow of the Procurement and Logistics Department and to ensure that all services provided are efficient, prompt and in line with policies, procedures and business goals.

Team Leaders :
Saeed Al Ghaferi



Special Thanks

Tariq Al Afeefi, Adel Al Attar, Maged El Banna, Sabri Omar, Ibrahim Al Hammadi, Mohammed Al Ameri, Anand Singh, Mohamed Mahmoud, Jitendra Acharekar, Suresh Kumar, Said Sajid, Shyama Kushary, Nadeem Ahmed, Islam Shafie and Pablo Perez.

EXCO Objective No 5 (VENKAT AN)



55% SALES IN DOMESTIC MARKET (GCC) Q4 2014

As rebar production was increased by accruing RM5 with 30,000 tons of rebar, Emirates Steel had to increase its domestic sales and capture more market share. As of today, we are regularly selling 125,000 tons of rebar in the UAE market which accounts for 55% of the market size.

Key implementations:

- Lobbying EPC contractors to design using ESI's regularly rolled products.
- Maintain our rebar market share in the UAE market.
- Continually nurture our relations with the region's National Oil Companies.
 - Meetings have taken place and approved vendor status achieved, ensuring that Emirates Steel is in the tender documents when EPCs bid for the projects.
 - Aramco – numerous meetings and discussions have taken place, documentation and approvals are in place.
 - Qatar Petroleum – QP SAP Vendor Registration obtained.
 - Kuwait – through the relationship with Petrofac, the Oil Companies in Kuwait are aware of Emirates Steel as we're supplying to their projects.
- Improve our customer service in terms of delivery.
- Provide information to customers when orders are facing delays and develop the ability to substitute free-stock materials and offer alternatives.
- Coordinate with governmental departments to give preference to local products.
 - Emirates Steel coordinate with government departments to ensure local mills have the preference on supplying to the mega projects in the country.
 - Meeting held with Abu Dhabi Municipality Standards and Audit department to deliver the message and to seek support to place Emirates Steel in an advantageous position over imports.

Venkat AN – is a seasoned professional with over two decades of experience across various functions in the steel industry. He is a metallurgical Engineer from IIT Roorkee - India, who started his career in steelmaking operations with Tata Steel - India, wherein he worked in various capacities in the primary and secondary metallurgy areas. He has published various technical papers on hot metal desulphurization and its effect on steelmaking.

He subsequently moved to the Marketing & Sales of Tata Steel and later on of ArcelorMittal's Kazakhstan, Romania and Ukraine operations. From then onwards, he held the position of Managing Director of ArcelorMittal International GCC & India, followed by a short stint in the distribution segment in the UAE. In June 2010, he moved to his current position as Vice President of Sales at Emirates Steel, the largest integrated steel plant in the UAE, with an installed capacity of 3.5 MMT, producing Rebar, Wire Rod and Structural Steel.

Special Thanks

Russell Bowen, Sachin Kulkarni and Zia Jabbar.



EXCO Objective No 6 (HASSAN SHASHAA)



Assure 100% Compliance with commodities and securities authority

In compliance with the Abu Dhabi Accountability Authority and the UAE Securities Commission, our Board of Directors is embarking on an initiative to standardize our policies and procedures to be implemented by our delegation of authorities and our standard departmental policies.

This initiative has long term benefits to our organization, and aims to safeguard our current and future plans. Policies and procedures are a strategic tool to help Emirates Steel tackle some of the most demanding challenges of modern business. It ensures that business operations are as efficient as possible, increases productivity and helps in accessing new markets.


There will be a continual process of review and assessment to verify that our system is working as it is supposed to, to find out where it can improve and to correct or prevent problems identified. This approach is considered healthier and easier for internal auditors, and the same goes for external certification bodies.



Hassan Shashaa – is currently the Advisor to the CEO, a member of the Executive Business Planning and Procurement Committees and oversees the development of ES policies and procedures for various departments and compliance with statutory requirements.

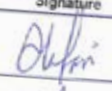

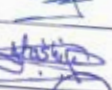


Special Thanks

Mubarak Al Mansoori.

 **حديد الإمارات**
emirates steel

Integrated Management System
Pricing Committee (PC) Procedure

CEO-PR-002
Rev. 02 Issued 2015-06-22

	Name	Title	Signature
Prepared by	Verikat A.N.	V.P. Sales Heavy Sections	
	Juma Al Mansouri	V.P. Sales Rebars and Wire Rod	
Reviewed by	Ahmed Al Chaheri	Chief Commercial Officer	
	Hassan Shashaa	CEO Advisor	
Approved by	Saeed Al Romalhi	Chief Executive Officer	

GROUP B

PROCUREMENT,
LOGISTICS, HEALTH
& SAFETY

Group B Objective 1 (OMAR AL AKBARI)



SAFETY BEHAVIOR SMP

Objective of the Action Plan is to improve safety culture in SMP3 by initiating major changes to reduce accident rates and reduce the severity of incidents. A number of initiatives have been introduced:

- Provide full PPE in EISC
- Complete WI practice offline to complete efficiently
- Daily SMP3 meeting beginning with H&S matters and actions
- Arrange monthly safety meeting
- Near Miss system to be established on EISC server
- Complete the process hazard analysis and radiological risk assessment for SMP3
- Carry out routine emergency simulations – CCM, simulations, etc
- Provide First training to staff – safety and technical
- Supervisor to complete one inspection per week min
- Electronic display for Safety report/incident in ES
- Design modifications required after CEO Safety Tour

New EAF roof gantry platform & access



Installation of new Ladle nozzle filling stand



LRF roof platform (before)



LRF roof platform (after)



Omar Al Akbari – is the SMP3 assistant manager reporting to SMP1&3 manager Mr. Ali Al Hammadi.

My target is improving safety behavior in SMP3 with major changes in place to reduce accident and incident by half and support decline among injuries. With big support from Safety manager Mr. Grant and his team, and continued modification of plant design and condition by engineering, along with complete support from P&L.



Special Thanks

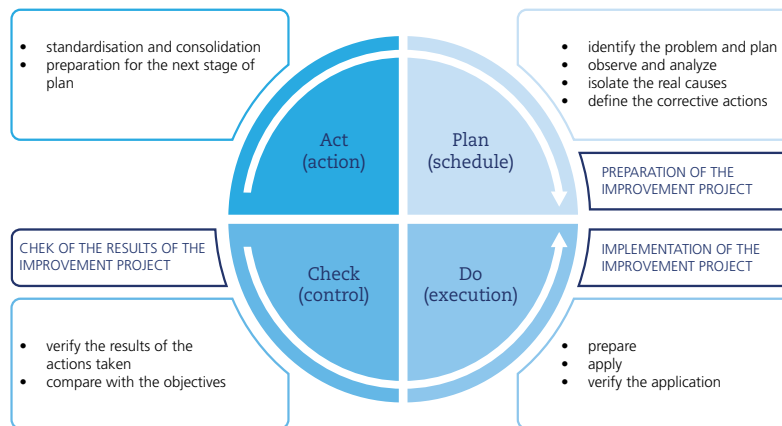
Abdel Moneim Tawfik, Mohamed El Tom, Thuraya Omar and all SMP3 section heads.

Group B Objective No 2 (HAMAD AL MARRI)



IMPLEMENTATION QC CIRCLE

The QC Circle problem-solving approach seeks to find and remove the root cause of problems through the four stages of the PDCA Cycle – draft the plans (plan), implement the plans (do), confirm the results of the implementation, and carry out any necessary follow-up action. Plan, Do, Check and Act: the PDCA cycle.



The QC Circle approach, and quality management in general, is based solidly on facts. This means first getting the facts, and then, wherever possible, converting those facts into numerical values.

When they are in numerical form, it is easier to analyze them objectively and accurately, and to reach a sound judgement. This data-processing procedure includes:

- Convert facts into numerical values, as far as possible.
- Distinguish causes from results.
- Analyze results in a stratified manner (where data is divided according to its sources, e.g. stratified by employees, by machines etc.).
- Prioritize items for consideration.
- Pay attention to dispersion (How the different items of data are scattered in relation to how they are supposed to be, i.e. in relation to the standard or target values).

QC Circles are also about the quality of our working life. We all have a natural desire to develop our latent abilities and display them to good effect. QC Circle activities give employees the opportunity to fulfill this desire by gaining knowledge, solving problems, and achieving goals.

Discussions at QC Circles also help us understand our co-workers better, develop good relationships, and, in all, make our work place more pleasant, more cheerful and more dynamic.

Hamad Bin Futais Almarri - currently the acting assistant manger of Engineering Department, looking after the four sections:

- Central crane maintenance
- Condition monitoring
- Maintenance Planning
- Engineering design office

Special Thanks

Syed Sajid, Chelam, T.C Mohamed and the RM QCC team.



Group B Objective No 3 (GRANT DANIELS)



H&S INSPECTORS IN PLANTS

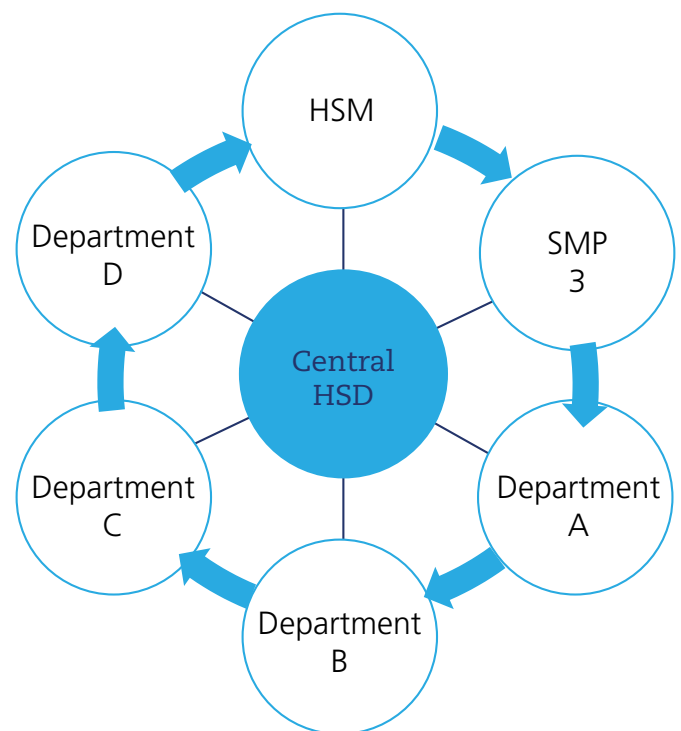
The Health & Safety Department currently operates under a shift rota system so that at least 1 H&S Inspector will be available at all times. While this approach ensures a 24/7 availability of the department's specialist advisors, it has its limitations because the inspectors cannot be in all locations watching all activities.

These individuals did not have time to become specialists in 1 area or department because they had to cover all departments. This did nothing to help develop a proactive H&S culture because the department was often seen as the H&S Police. This in turn helped develop a culture of fear and mistrust, and ultimately it did not encourage the workforce to take responsibility for themselves.

In order to positively affect the health and safety performance of individual departments and people, it was necessary to change the traditional model.

Other companies had reported great success by attaching a dedicated H&S expert to departments to support them directly. This has several advantages:

- Inspectors could fully learn the operations and processes of their department;
- Investigations would be more in depth identifying the real root cause because the Inspector would know and understand the situation more easily;
- Inspections/audits could be more specifically targeted to tackle the real issues;
- There would be a single dedicated point of contact for all departments on H&S matters;
- Working in only 1 department, the Inspectors could develop a better working relationship with their co-workers.



A strategic approach was developed in stages to carefully implement this model without causing disruption to the existing arrangements:

- **Step 1 – Select the plant.**
 - The Heavy Section Mill was selected. This was a new plant that was still under commissioning at the time. Statistics for 2013 showed that there were 19 injuries.
- **Step 2 – Identify appropriate H&S Inspector.**
 - A careful selection process identified that Aji Roy was the most suitable H&S Inspector for this role based on experience, competence and personality.
- **Step 3 – Develop a scope of work for this new role.**
 - A strategy to help improve H&S performance was developed that consisted of toolbox talks, training, inspections and audits, reviewing procedures and investigating all incidents.



- **Step 4 – Commence the trial and periodically review the performance.**

- Weekly and monthly reviews were completed to ensure that the trial ran smoothly.

After 6 months, the trial was completed and a final review was made. To determine whether the trial was a success, a simple question was asked. "Would the H&S performance of HSM improve if the H&S Inspector was removed?" The answer was a clear "NO". The H&S Inspector had established himself as a valuable resource. The injury statistics also helped to support this improvement with 10 reported injuries in 2014; a reduction of nearly 50% over 2013. This was an improvement, but there was still some way to go.

Following the success of the first trial, the decision was taken to conduct a second trial. This time SMP3 was selected. The challenges at SMP3 were different to the HSM, but nevertheless as challenging. Following the purchase of the plant by Emirates Steel there was significant investment to improve performance and safety of the new workforce. The key was to select a suitable H&S Inspector with the right qualities to support this. H&S Inspector Jahangir Mohamed was selected and again key strategies were developed to help improve H&S performance of SMP3. The trial was completed as planned and was determined to be another success. Injuries were reduced from 7 in 2013 to 4 in 2014.

After proving the value of the new model, the decision was taken to continue the roll out and select the next department.

Grant Daniels – is the Company H&S Manager reporting directly to the CEO.

The placement of H&S Inspectors within all Operations and Engineering departments was only possible with the support of SMP3 Assistant Manager Omar Al Akbari, and with the cooperation of each department manager.

This new structure will help support each department and ensure continuous improvement in health and safety.

Special Thanks

Omar Al Akbari and Suresh Kumar.



GROUP C

PROJECT CONTROLS, STANDARDS & AUDITS

Group C Objective No 1 (ABDEL MONEIM TAWFIK)

COMPLIANCE TO STANDARD / REGULATION

Ensure that company products and activities are compliant with applicable standards and legal requirements. Obtain and maintain required operating licenses and permits, product certifications and management system certifications.

Certifications, licenses, studies and action plans:

- Dubai Central Laboratory (DCL) certifications renewal – completed



- Bureau of Indian Standards (BIS) certification – completed



- Sheikh Khalifa Excellence Award (SKEA Gold) – completed



- ISO17025 / Dubai Accreditation Center (DAC) – completed



- Environment Impact Assessment Update - Awaiting final sign off

Abdel Moneim Tawfik – is the Quality Assurance Manager responsible for developing, implementing, maintaining and updating Emirates Steel's Integrated Management System (IMS) and business process. He is also designated as the Management Representative for overseeing and coordinating with regulatory authorities, certification bodies and third parties on matters related to IMS certifications, accreditation, environmental permits and excellence award.

Appreciation is extended to Emirates Steel management, Quality Assurance Team and all departments for their full cooperation and support in implementing the Integrated Management System requirements, which enables the company to achieve the SKEA Gold award, new certifications and accreditation, while maintaining the other certifications and permits.



Special Thanks

Carmina Clavero and Grant Daniels.

Group C Objective No 3 (JOHN FRASER)



PROCEDURE FOR SMALL PROJECTS

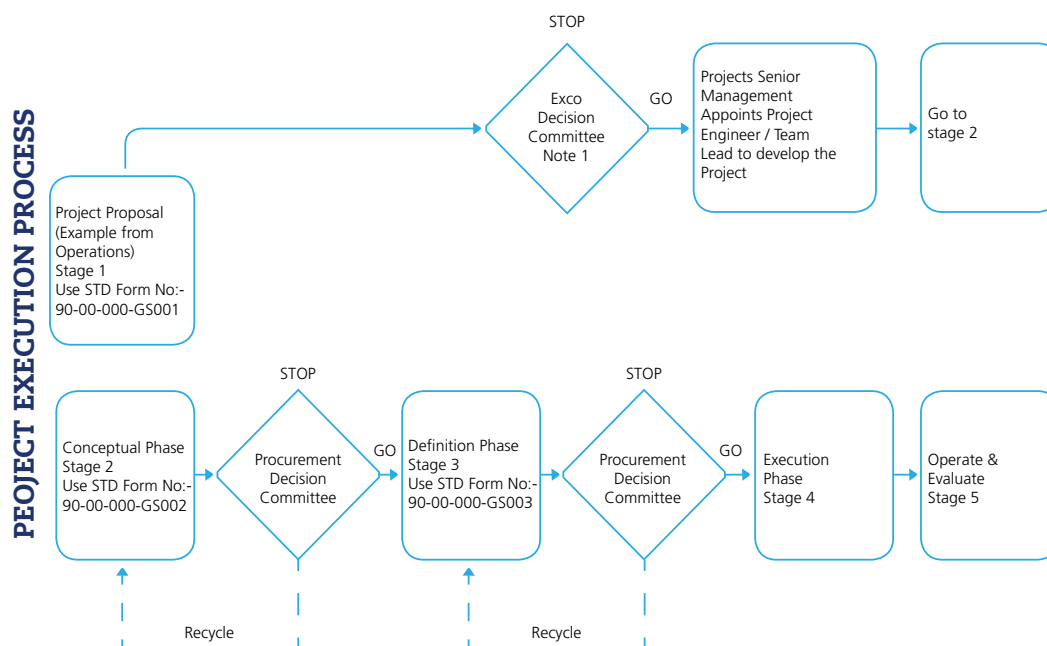
1.0 Executive Summary

Emirates Steel has grown rapidly in the last number of years from a simple re-roller to a major integrated Steelworks company in the UAE. What was once a one unit set up where communication and alignment of stakeholders was simple and small project execution was easier to achieve, has grown into a large company with multi process units making communication and alignment of both internal and external stakeholders more challenging. This rapid expansion is putting greater challenges on improving decision making and the execution of small projects whilst aligning Customers and Stakeholders requirements and therefore the need for a more formulated approach to Project Execution of Small Projects.

2.0 The Purpose of the Emirates Steel Procedure for Small Projects

It is to provide a systematic approach to better enable decision making and execution of small projects. To align the business opportunities with the strategic direction of Emirates Steel and effectively manage the planning of resources and cost by selecting the right projects to execute, achieve customer satisfaction and alignment of stakeholders.

SMALL PROJECT OVERALL FLOW CHART



Notes

1. Exco Decision Committee = Made up of Exco (C.F.O.,C.O.O.,C.C.O.)

John Fraser – Is the Senior Project Engineer in our Business Development Department which focuses more on the strategic aspects of Emirates Steel.

Special Thanks

Stuart Webster, Gareth Evans, Ian Miller, Mohamed Habib, Mary Casia, Islam Gamal and ES Procurement Committee.



Group C Objective No 5 (FATIMA HAMMADI)



FINALIZE CONTRACT FASTER

In order to be fully aligned with Emirates Steel mission and vision statements, it was necessary to streamline our contractual documentation with all vendors, consultants and other companies around the world. To achieve the full benefits of the procurement process stages during the contract negotiation phase, Emirates Steel implemented a cohesive timing for all contractual awards in order to minimize the cost during this phase.

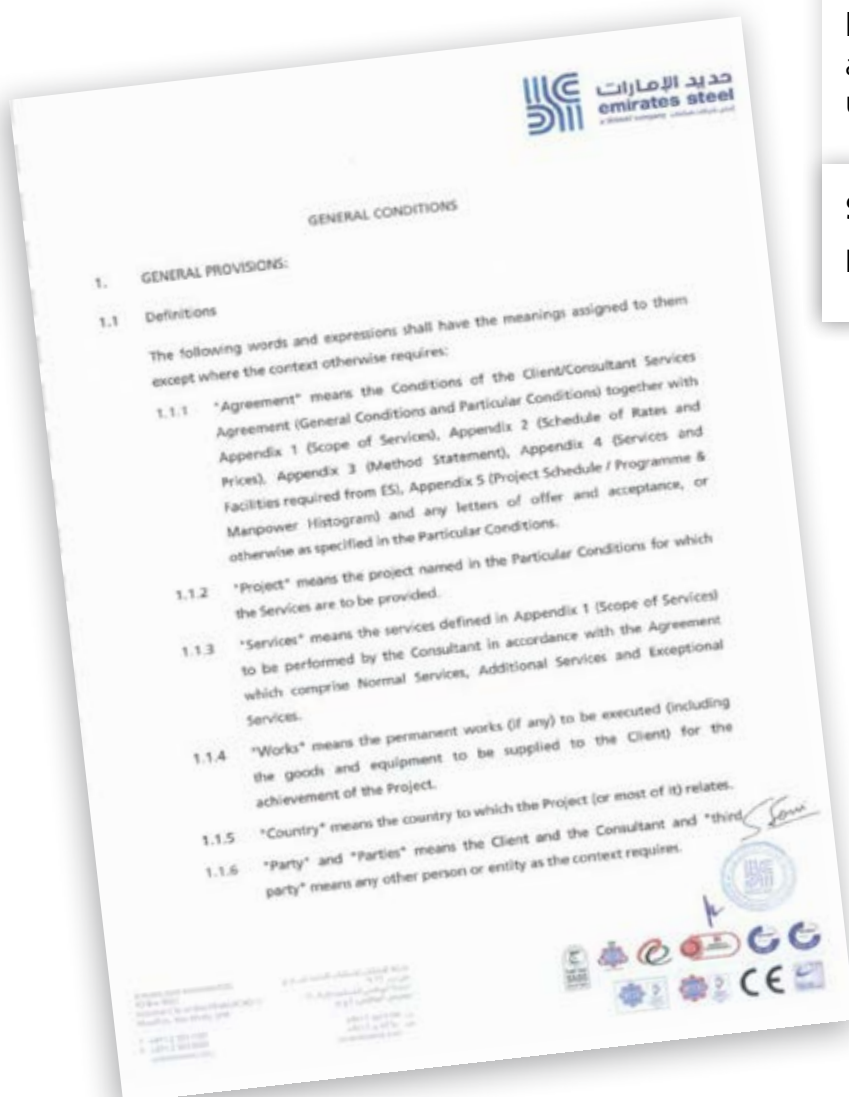
There are currently 12 templates that have been circulated and this will be updated on a monthly basis to ensure the professionalism that we aim to maintain with all our suppliers and service providers.



Fatima Al Hammadi – Responsible for managing and ensuring compliance with contract conditions including providing expert advice throughout the entire contract life cycle. She manages the fulfillment of and compliance with contractual obligations up to successful contract closure.

Special Thanks

Islam Gamal and Elaine Bell.



12 templates developed for various contracting strategies.

- Small Value Goods
- Large Value Goods
- Small Value Services
- High Value Services
- Civil Construction
- EPC
- Design and Build
- Mechanical, Electrical and Plumbing
- Raw Material
- Shipping and Logistics
- Consultancy

GROUP D

SALES & COMMERCIAL



Group D Objective No 2 (RUSSEL BOWEN)



Create Products pre-qualification document for customers

Emirates Steel's heavy sections rolling mill started production in early 2012 signaling the establishment of Emirates Steel as the largest manufacturer and supplier of structural steel sections in the Middle East. The HSM Prequalification Booklet provides clients in the region and beyond with a glimpse at the benefits of having a world class steel producer that understands and meets their requirements in terms of product consistency, dimensional accuracy, made to order products, short lead time, timely delivery and commercial competitiveness as their strategic business partner.

The booklet highlights Emirates Steel's ability to produce a wide range of sizes in BS4, Euronorm and W standards that meet the needs of customers and projects with special sizes and lengths up to 24 m as well as the steelmaker's quality manufacturing performance and delivery precision that have further strengthened our market position as an integral part of our clients' supply chain structure.





Russel Bowen – is the AVP Sales of the Heavy Section Mill, looking after project sales (oil & gas, power, petrochemicals, civil engineering...etc.)

Special Thanks

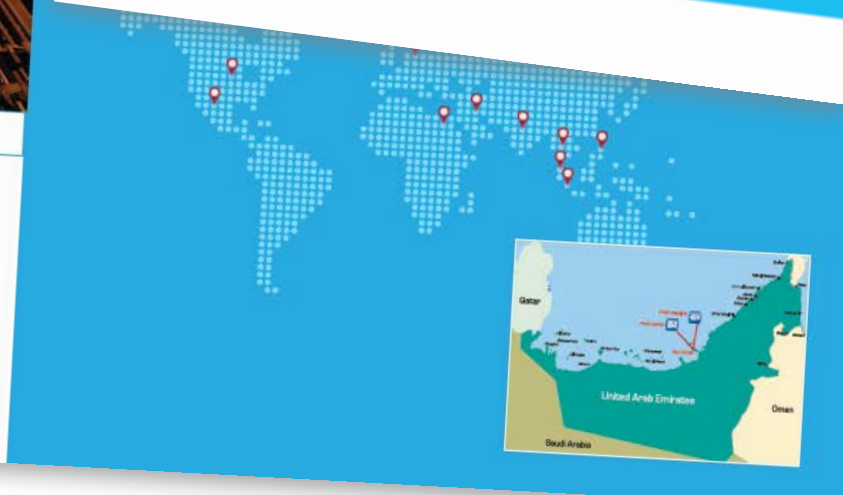
Simon Wright and Francisco Otero.

CONTINUOUS CASTING MACHINE	
Machine Type	Curved
Number of Strands	5
Machine Radius	12m
Unbending	12/18, 18/35, 35/infinite m
Casting Billet Section	150 x 150 mm
Casting Bloom Section	220 x 350 mm
Casting Beam Blank Section	BB1 430 x 350 x 90
	BB2 480 x 250 x 90
	BB3 510 x 470 x 100
	BB4 670 x 350 x 90
Strand Distance	BB5 1050 x 460 x 120
Ladle Support	2200mm
Ladle Capacity	Ladle Lifting turret "H-type" with load cells
Tundish Capacity	150 ton
Tundish Steel Level	40 ton
Tundish Level Control	750 mm operating level
Tundish Support	Load cells on tundish car
Mold for Billet and Bloom	Lifting tundish car
Mold for Beam Blank	Curved Copper Tube 1000mm long
Mold Lubrication	BB1, BB2, BB3 : Curved Copper Tube 780mm long
Electromagnetic stirrer	BB4, BB5 : Plate - type 780mm long
Tundish to Mold Flow Control	Oil and powder automatic feeding
Mold Level Control	Mold Internal EMS for 150 x 150 mm and 220 x 350 mm sections
Oscillating Unit	CNC, in-mold nozzles for semi-submerged casting mode and CS2 in close stream casting
Dummy Bar	Radioactive
	Hydraulically actuated
	Rigid



EXPORT MARKETS

The company is well positioned both geographically and strategically to become the region's major supplier to steel intensive construction, oil & gas, petrochemical and infrastructure projects. A significant proportion of our structural sections are being sold in the GCC market, while the remainder is exported outside the region to Arab countries, Europe, America, Australasia, the Indian subcontinent, and Asia.





Eng. Ahmed S. Al Dhaheri
Chief Commercial Officer

Dear Colleagues,

The strategic planning journey we embarked upon in 2013 has been the cornerstone of setting our company for the future, and a positive step towards thriving and attaining distinction. It is with great pride I announce that we have achieved a progress of 93% of the ambitious goals and initiatives we set for ourselves, despite the challenging steel industry. This would have not been possible without the commitment of each and every one of you.

There is ample evidence that we are aggressively moving forward on the course we set two years ago. Today, we continue to progress and prosper through our operational versatility.

While the future might hold challenges ahead, I have full confidence in the performance of the team, and I believe that with the powerful approach we are taking of adapting to the changing business environment and enhancing our operational efficiency, attaining our ultimate goal of this strategy will be achieved towards the end of the first quarter of 2016.

The ambitions of the company are limitless. Emirates Steel has moved forward with an initiative to present its 5-year business plan that will lead us to the next level. Several members of the organization have and will be continuously contributing to implement the various action plans that will streamline our capabilities with numerous world class steel producers around the globe.

Finally, the management team would like to thank all members who have helped in achieving the strategic plan that we have outlined 2 years ago. Your flawless contribution has been ever present and we hope to continue our growth into the next phase as we hope to achieve further success and accomplishments.