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PUBLISHED MONTHLY BY THE PUBLIC RELATIONS OFFICE OF QATAR STEEL COMPANY (Q.S.C.) - (QASCO)
A SUBSIDIARY OF INDUSTRIES QATAR (IQ)

ISSUE NO. 77 ♦ 2006

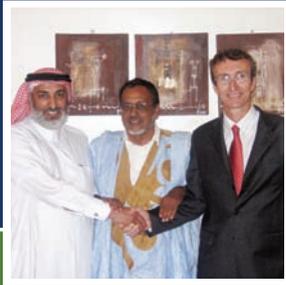
TRUST QATAR STEEL TO BE
THE TOUGH BACKBONE
OF ALL YOUR STRUCTURES.

PUT YOUR TRUST IN QATAR
STEEL, THE MARKET LEADER
IN QUALITY.

PUT YOUR TRUST IN THE
WORLD OF QATAR STEEL.

PUT YOUR TRUST IN THE
MARKET LEADER.

PUT YOUR TRUST
IN QATAR STEEL.



HIGHLIGHT

On Tuesday, April 11, 2006 Qatar Steel Company (QSC) signed a new oxygen and nitrogen purchase agreement for its steel plant at Mesaieed with Qatar Industrial Gases (QIG).



EDITOR'S MESSAGE

Dear Alsolb Reader,
This is Issue No. 77 of Alsolb Magazine which carries a wide range of articles covering various aspects of the Company.

It gives an account of the contract according to which Qatar Industrial Gases is to supply QASCO with Oxygen and Nitrogen gases; and of the agreement where QASCO bought a sizeable share in Sphere Investment Ltd. which is listed in the Australian Stock Market.

In a culmination of the efforts exerted by the Technical Department to further the Company's objectives through quality productivity, the Company attained the British CARES Quality Certificate which is considered to be a new qualitative addition within the efforts to achieve sustainable prosperity and upgrading of this landmark industrial edifice.

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Articles and contributions in ALSOLB express the views of the writers and do not necessarily reflect the policies of QASCO.

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QASCO Agreement with SPHERE



(from left) Sheikh Nasser Bin Hamad Al Thani, QASCO's Director and General Manager, Mr. Abdallah Ould Abdel Fettah, Director of Studies & Development (SNIM), and Mr. Alexander Burns, Managing Director (Sphere)

Qatar Steel Company (QASCO), a Qatari joint stock company, has signed a Share Placement Agreement with ASX listed Sphere Investments Limited (ASX: SPH) to acquire a strategic shareholding in Sphere. The agreement involves the issue of 9,125,000 fully paid ordinary shares to QASCO at an issue price of A\$ 1.15 per share, raising A\$ 10,493,750.

QASCO has also purchased an additional 2,300,000 shares at the same price per share amounting to A\$ 2,645,000 from some of the Directors of Sphere in order to meet QASCO's desire of having a strategic stake in Sphere.

Accordingly, QASCO now becomes the owner of 9.07% of Sphere shares.

Commenting on the transaction, Sheikh Nasser Bin Hamad Al Thani, QASCO's Director and General Manager, said that this investment is of strategic importance to QASCO and sets the stage for penetrating the Mauritanian iron ore industry with a joint venture involving capable, experienced and reliable partners.

Sphere is currently earning a 50% interest from a joint venture with its Mauritanian iron ore partner Société Nationale Industrielle et Minière (SNIM) by completing the Bankable Feasibility Study (BFS) on the Guelb el Auoj DR pellet project that is due for completion in the first quarter of 2007. SNIM is the world's seventh largest supplier to the seaborne traded market in iron ore and currently exports approximately twelve million tons per annum of iron ore, primarily to the major European steel producers.

QASCO Signs a New Oxygen and Nitrogen Purchase Agreement with Qatar Industrial Gases (QIG)



On Tuesday, April 11 2006 Qatar Steel Company (Q.S.C.) signed a new oxygen and nitrogen purchase agreement for its steel plant at Mesaieed with Qatar Industrial Gases (QIG), a joint venture between Air Liquide, Qatar Nitrogen Company and Qatar Petroleum, with the Qatari companies having a 60% share holding.

The agreement was signed by Sh. Nasser Bin Hamad Al Thani, Director & General Manager of QASCO and Mr. Dominique Rouge, General Manager of Qatar Industrial Gases (QIG).

This agreement will also cover the purchase of the asset of QASCO's existing Air Separation Unit (ASP-2) of 3700 N cum/hour oxygen production capacity by Qatar Industrial Gases (QIG) who will supply 72.5 million ncum yearly to QASCO after the completion of the new oxygen unit.

QIG will also install a new Air Separation Plant adjacent to ASP-2 for producing additional oxygen to meet the increased demand of QASCO after the implementation of the ongoing expansion for steel making facilities.

QIG will supply 8400 N cum/hour of oxygen and 600 N cum/hour of nitrogen to QASCO from the new plant and ASP-2.

The new oxygen plant will be commissioned within 18 months from the date of signing the agreement in order to meet the expanding demand of QASCO. The project will be implemented on a fast-track basis.

QIG will also supply nitrogen and oxygen to other consumers in and around Mesaieed from their Air Separation Plant installation.

As QASCO is already planning for the next phase of its steel making production capacity hike, which will result in a higher demand for oxygen in the near future, further oxygen production capacity may be required to be added by QIG in the future to match QASCO's expansion program.

QASCO gets Stamp of Quality from CARES

CARES (CERTIFICATION AUTHORITY FOR REINFORCING STEELS) PRODUCT CERTIFICATION

Cares Product Certification was developed to meet the needs of users of steel products for the reinforcement of concrete. CARE's certification covers all stages in the supply chain from processing raw materials, manufacture through delivery to the customer. CARES product certification ensures product conformity and consistent product quality.

WHAT CARES CERTIFICATION MEANS:

- Management control
- Product and technical conformity
- Comprehensive, covers key processes and areas of business
- Industry developed standards
- Certificate of product conformity
- Quality Management System to Certificate BS EN ISO 9001:2000

WHY NEED CARES PRODUCT CERTIFICATION?

How an organization is perceived and by whom it is known, is clearly of crucial importance to its success. A reputation for quality and the ability to reflect this in its corporate image has long been recognized as one of the most powerful weapons in any organization's armoury. CARES product certification helps to improve this image. Other reasons are as follows:

- Improve consistency of products
- Competitive pressure
- Enhancement of existing system
- Good business practice
- A marketing tool
- External recognition of capabilities to consistently produce conforming products

By achieving CARES Product Certification an organization and its customers will have the confidence that comes from knowing organization's Quality Management System and product are periodically audited by CARES auditors.



DR Plant Performance

DR plant has demonstrated excellent productivity and performance in the first four months of 2006 (January - April 2006).

The highlights are:

- Achieved average productivity of 2467 T/day against the budgeted figure of 2400 T/day.
- Achieved monthly production record of 77446 tons in March 2006 exceeding the previous monthly production record of 75888 tons (January 2005) by 1558 tons.
- Achieved the milestone of 16 million tons production on 13th April 2006. This million was made in 410 calendar days against the previous million in 442 days.

The above achievements are due to our continuous efforts to pursue higher productivity by optimizing equipment efficiency and process control parameters. In this regard, we took the following remarkable steps in the first quarter of 2006.

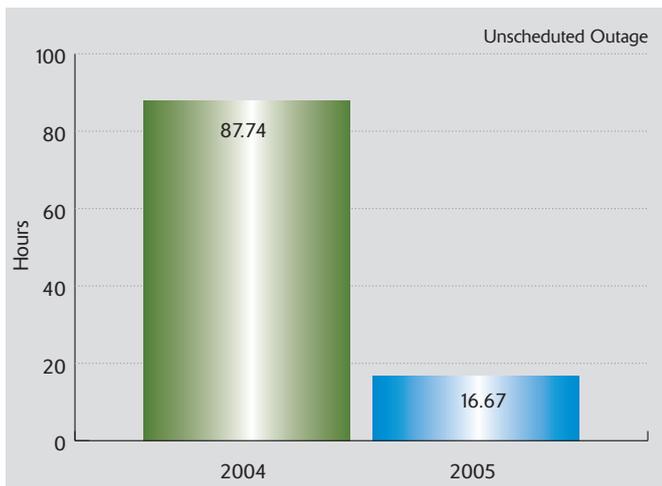
Improvement of heat distribution in reformer: In the month of January 2006, reformer roof high temperature became the production bottleneck. We conducted several brainstorming sessions for trouble shooting and finally we overcame the problem by fine-tuning the natural gas flow to the auxiliary combustion system and the main combustion system.

Improvement of preheater efficiency: As one of the two preheater tube bundles was replaced with a better quality material in December 2005, the related parameters have been re-adjusted to improve its efficiency. It has contributed positively to plant productivity.

Conservation of heat energy of the hot ducts: Conservation of heat energy contributes positively to plant productivity. Accordingly, we have started the campaign of minimizing heat loss from the hot ducts of our plant. With that objective in view, we have provided ceramic kaowool insulation on Feed Mix Gas headers, Feed Mix Gas flexible hoses, preheaters' discharge and by-pass ducts and combustion air raisers where insulation was missing or was not available before. We strive to plug any loophole, big or small, so that plant productivity is improved. In this regard, we are very grateful for the continued support of the Management as well as the dedicated efforts of all employees.

EXCEPTIONAL PLANT AVAILABILITY

Since November 2005, the plant has operated smoothly and continuously. 100% plant availability for about six months is a record. It has been achieved capping the 2005 results. In 2005, outage was 16.67 hrs (87.74 hrs in 2004).

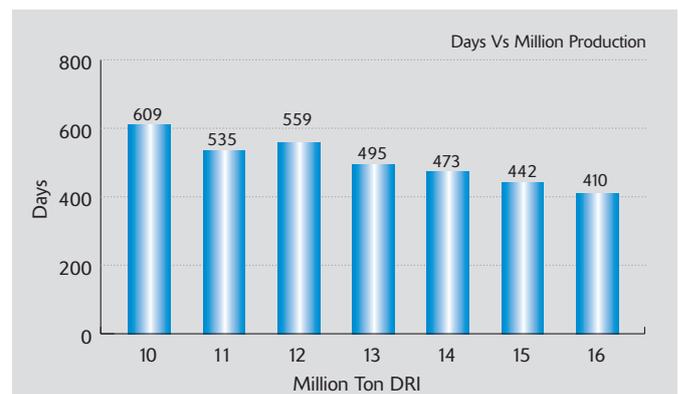


HIGHEST PRODUCTIVITY

Highest hourly average productivity in 2005 was 101.5 tons/hour. In 2006, we aim to break this record by a minimum of 1.0 ton/hour.

16 MILLION MILESTONE

The 16 million ton DRI production was achieved on 13th April 2006. The 16th million was achieved in the lowest duration of 410 days as displayed in the graph below.





Celebration of '25 months zero accident in DR'

Last LTA (Lost Time Accident) occurred in DR on 13th November, 2003. In the month of January 2006 we celebrated '25 months zero accident in DR' in a festive and joyous mood. Some invited guests from other departments also participated in our celebrations, which included cake cutting, quiz competition, fun games and dinner.

Continual Improvement

In the first quarter of 2006, a total of six QC Circles were formed. The themes are based on both improvement of productivity and plant safety & environment. The themes are:

1. Enhanced Utilization of Dust Collection Facilities
2. Combating Pollution in DR plant
3. Minimizing Toxic Gas Risk in DR Plant
4. Guide to Instrumentation Loop Calibration
5. Prevention of Vehicle and Equipment Accidents in DR Plant
6. Oxide Coating System Upgrade

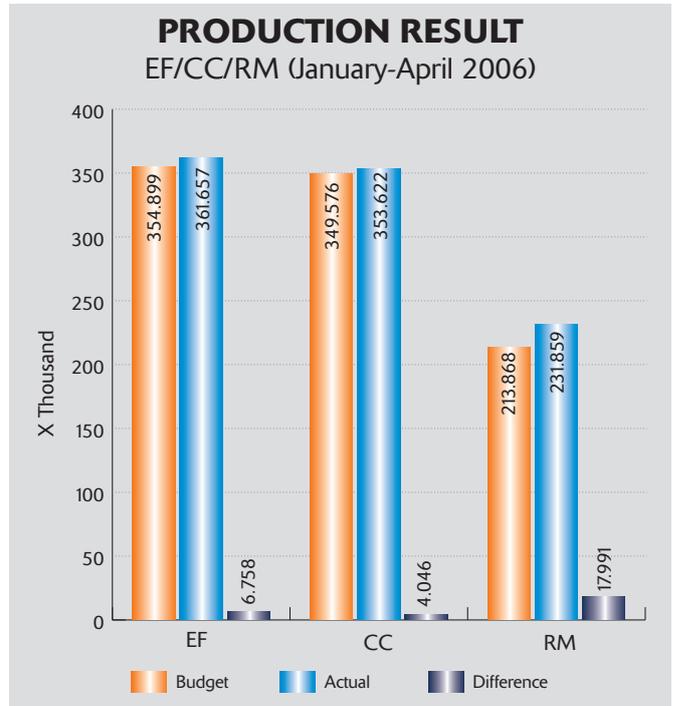
All the above QC Circle activities are progressing well.

Production Department Performance

PRODUCTION PERFORMANCE

The production results of all units of the Manufacturing Department during the Jan-Apr months of 2006 has exceeded the budget. The results achieved against the budget in each shop are illustrated below. The major shutdown works budgeted for EF3 and RM during this period were partially executed & the remaining has been postponed.

	EF Section (Molten Steel)	CC Section (Billet)	RM Section (Bar)
Budget (Tons)	354,899	349,576	213,868
Actual (Tons)	361,657	353,622	231,859
Difference (Tons)	+ 6,758	+ 4,046	+ 17,991



PARTICULARS

EF PLANT

Dolomite is being used in EF1 & EF2 in order to increase the wall refractory life to 800 heats.

Total of 7 campaigns were continuously completed in EF3 with 600 heats from Gunning Robot operation which increased the furnace availability.

CC PLANT

It was decided to use multi-tapered mould tubes in CC1 & CC2 machines, for the first time, for the betterment of the quality of billet production, and less operational troubles.

RM SECTION

Straightening machine is under operation and the following sizes were produced during the months from Jan-Apr 2006:

D8 = 2,506 Tons

D10 = 1,373 Tons

LOGISTICS

The introduction of Mgo-C bricks in the ladle slag line & the modification of the ladle well block design has resulted in an increased ladle life.

List of Exhibitions QASCO Participated in 2006

CONSTRUCT ABU DHABI 2006

3rd Gulf International Building & Construction Exhibition & Conference, April 2 - 5, 2006
Abu Dhabi International Exhibition & Conference Center, Abu Dhabi, U.A.E.



PROJECT QATAR 2006

Qatar International Exhibition Center, May 1 - 4, 2006, Doha, Qatar



GULF BUILDING, INTERIORS & DESIGN EXHIBITION (gulfBID)

Bahrain International Exhibition Center, Manama, Bahrain



زيارة السفير الياباني الى شركة قطر للحديد والصلب Japanese Ambassador Visits QASCO

The Japanese Ambassador and a group of Japanese businessmen recently visited QASCO. They were received by Sheikh Nasser Bin Hamad Al Thani, QASCO's General Manager who took the visitors on a field tour during which they were appraised about the production process at the D.R. Unit. The Japanese Ambassador and his group were very pleased with their experience at QASCO.

قام سعادة السفير الياباني بالدوحة والوفد المرافق له بزيارة شركة قطر للحديد والصلب (قاسكو) وقد استقبلهم سعادة الشيخ ناصر بن حمد آل ثاني عضو مجلس الادارة ومدير عام الشركة. وفي البداية رحب بسعادة السفير والوفد المرافق له وتم مناقشة المواضيع التي تهم الطرفين وقد قام سعادة الشيخ والسفير الياباني بزيارة ميدانية لمصنع الاختزال المباشر الجديد تم خلاله شرح تفصيلي عن عمليات التشغيل المختلفة وقد ابدى الوفد اعجابهم بنظام اداء الجودة المتبع في الشركة.



زيارة سعادة السفير الموريتاني والوفد المرافق له Mauritanian Ambassador Visits QASCO



The Mauritanian Ambassador and a group of Mauritanian businessmen recently visited QASCO. They were received by Sheikh Nasser Bin Hamad Al Thani, QASCO's General Manager, Engineer Youssuf Kassem Al Emadi, the Production Manager and Dr. Idriss Jamil, the Legal Advisor-Secretary of the Board of Directors. They took the visitors on a field tour during which they were introduced to the production process at the plant. The Ambassador and his group were very pleased with their experience. At the end of his visit, the Mauritanian Ambassador invited Sheikh Nasser to visit his country.

قام بزيارة الشركة سعادة السفير الموريتاني ووفد من رجال الاعمال لشركة قطر للحديد والصلب وكان في استقبالهم سعادة الشيخ / ناصر بن حمد آل ثاني عضو مجلس الادارة والمدير العام والمهندس / محمد طاهر الحمادي مدير دائرة المشاريع والسيد / يوسف قاسم العمادي مدير دائرة الانتاج والدكتور / ادريس جميل المستشار القانوني وسكرتير مجلس الادارة وقد رحب سعادته بهم ورد على استفساراتهم كما كان هناك شرح تفصيلي لعمليات التشغيل المختلفه وبحث اوجه التعاون المختلفه في مجال صناعة الحديد وفي نهاية الزيارة ابدى سعادة السفير والوفد المرافق له اعجابهم بنظام الاداء بالشركة ووجه سعادة السفير الدعوة الى سعادة الشيخ لزيارة موريتانيا

زيارة وفد من رجال الاعمال والاقتصاد من دولة الامارات الى دولة قطر UAE Group of Businessmen Visit QASCO

A group of UAE businessmen recently visited QASCO. They were received by Sheikh Nasser Bin Hamad Al Thani, QASCO's Director & General Manager and a number of QASCO executives. The group was very pleased with their experience, especially the joint meeting during which they exchanged ideas with QASCO executives. The group also discussed possible means of establishing cooperation and mutual investments within the industry.

قام وفد من رجال الاعمال والاقتصاد بدولة الامارات العربية المتحدة بزيارة شركة قطر للحديد والصلب وكان سعادة الشيخ / ناصر بن حمد آل ثاني عضو مجلس الادارة ومدير عام الشركة وعدد من مدراء الدوائر والادارات في استقبالهم وقد كان الاجتماع في محيط تبادل الخبرات والاستفسار عن ما يتعلق بالاستثمار المشترك وتطور صناعة الحديد في المنطقة وقد قام سعادته بالرد عن استفساراتهم ورحب بالتعاون المشترك نظرا لما بين البلدين من اواصر وروابط اصيلة على مر العصور.



قائمة المعارض التي شاركت فيها قاسكو خلال عام ٢٠٠٦

أبو ظبي للإنشاءات ٢٠٠٦

معرض ومؤتمر الخليج الدولي الثالث للبناء والإنشاءات، ٢-٥ أبريل
مركز ابو ظبي الدولي للمعارض والمؤتمرات-ابو ظبي-دولة الامارات المتحدة



مشاريع قطر ٢٠٠٦

مركز قطر الدولي للمعارض، ١-٤ مايو ٢٠٠٦، الدوحة-قطر



معرض الخليج للبناء والتصميم الداخلي (جلف بيد)

مركز البحرين الدولي للمعارض المنامة-البحرين

