

نمنح للحديد بُعداً آخر
WE MAKE STEEL MATTER



قطر ستيل
QATAR STEEL

ANNUAL REPORT 2014

www.qatarsteel.com.qa







حضرة صاحب السمو الشيخ
حمد بن خليفة آل ثاني
الأمير الوالد

H.H. Sheikh Hamad Bin Khalifa Al-Thani
The Father of Emir



حضرة صاحب السمو الشيخ
تميم بن حمد آل ثاني
أمير البلاد المفدى

H.H. Sheikh Tamim Bin Hamad Al-Thani
Emir of the State of Qatar



قطر ستيل
QATAR STEEL

ANNUAL REPORT 2014

QATAR STEEL COMPANY (Q.S.C.) (QATAR)

P.O.Box : 50090, Mesaieed Qatar

Tel. : +974 44778778 - Fax : +974 44771424

P.O.Box : 689 , Doha Qatar

Tel. : +974 44576666 - Fax : +974 44576650

QATAR STEEL COMPANY FZE (UAE)

P.O.Box : 18255, Jebel Ali Free Zone,UAE

Tel. : +971 48053111

Fax : +971 48053222

www.qatarsteel.com.qa

WE MAKE STEEL MATTER

CONTENTS

CHAIRMAN'S MESSAGE	5
MANAGING DIRECTOR & GENERAL MANAGER'S MESSAGE	7
BOARD OF DIRECTORS	8
MANAGEMENT TEAM	9
FINANCIAL HIGHLIGHTS	10
QATAR STEEL COMPANY	14
• OVERVIEW	14
• VISION, MISSION, VALUES & PURPOSE	17
HEALTH, SAFETY & ENVIRONMENT (HSE)	18
SUSTAINABILITY	20
GROWTH STRATEGY	21
• ORGANIC GROWTH	21
• STRATEGIC INVESTMENTS & JOINT VENTURES	22
OPERATIONAL OVERVIEW	24
• SALES & MARKETING	24
• PRODUCTION	27
RESEARCH & DEVELOPMENT	32
CORPORATE SOCIAL RESPONSIBILITY (CSR)	34
• COMMUNITY INVESTMENTS	34



CHAIRMAN'S MESSAGE



2014 was a challenging year as the steel industry downturn across the globe started since the beginning of the year, coupled with falling crude oil prices. However, Qatar Steel performed well in 2014, in terms of production, sales and revenues, despite all challenges.

Qatar Steel, as one of the subsidiaries of Industries Qatar (IQ), plays a significant role in supporting the national economy of Qatar, which witnessed in the past years, a high percentage of growth and prosperity.

Since its establishment in 1974, the company has achieved many successes and made an outstanding progress in line with Qatar's industrialization plan and National Vision 2030. The company also aspires to reach higher levels of excellence in all its business endeavors, and to further achieve sustainable development in fields such as economic, social and environment.

As a growing and committed steel company, we are focusing our efforts to help accelerate sustainable socio-economic growth. Qatar Steel will continue striving for excellence, capacity expansion and for introduction of value-added products proactively meeting market requirements and customers' expectations.

We are confident that Qatar Steel will positively respond to any anticipated challenges and would be able to successfully fulfill its long-term vision.

H.E. DR. MOHAMED BIN SALEH AL-SADA
Chairman



MANAGING DIRECTOR & GENERAL MANAGER'S MESSAGE



The year 2014 was quite a positive year for Qatar Steel, as we have achieved good results in terms of production, sales and revenues. Comparing with 2013, Qatar Steel recorded revenue growth of about 2.5% and achieved higher production across all plant facilities [DR, SMS and RM plants]. The Sales volumes of all the products also had an YoY increase of up to 9%.

As for the re-bar production volume, Qatar Steel recorded 2.123 million tons with a YOY increase of 4.0% over 2013 while achieving re-bar sales of 2.056 million tons , marginally lower compared to 2013 sales volume of 2.109 million tons. However, with steel prices tumbling in the region, it was necessary for Qatar Steel to be proactively price competitive in both domestic and export markets. Consequently, we registered a lower net profit as compared to the year 2013.

The year 2014 has also witnessed the production commencement of the EF-5, which was constructed utilizing state-of-the-art technology.

As we are committed to producing sustainable steel, our concerns go beyond our direct operations. We focus on innovation, the development of more sustainable products and recycling solutions working alongside our customers to meet their needs and anticipate future trends.

Throughout the past 40 years, we succeeded to establish ourselves in the markets, locally and in exports with a strong network of traders. Qatar Steel is committed to continual improvement, and thus to provide high quality products and best services that meet our customers' requirements and expectations.

We expect 2015 to be another tough year for steel business and our company is fully geared up to meet the market challenges.

Ali Bin Hassan Al-Muraikhi
Managing Director & General Manager

BOARD OF DIRECTORS



H.E. Dr. Mohamed Bin Saleh Al-Sada
Chairman



AbdulRahman Ahmed Al-Shaibi
Vice Chairman



Ali Bin Hassan Al-Muraikhi
Managing Director & General Manager



Ahmad Ali Abdulla Al-Mawlawi
Director



Sh. Saoud Bin AbdulRahman Al-Thani
Director



Ibrahim Akber Ali Al- Mulla
Director



Khalid Mohamed Laram
Director

MANAGEMENT TEAM



Ali Bin Hassan Al-Muraikhi
Managing Director & General Manager



Mohammed Tahir Al-Hammadi
Projects Division Manager



Saad Rashid Al-Mohannadi
Supply Chain Division Manager



Yousef Abdulla Q. Al-Emadi
Production Division Manager



Kefah Mustafa Al-Mulla
Administration Division Manager



Ahmed A. Aziz A. Al-Ansari
Commercial Division Manager



Salah Ibrahim Babiker Karga
Finance Manager



Dr. Abdellatif Laasraoui
Advisor, Managing Director
& General Manager's office



Natarajan Gopal
Strategic Planning Manager

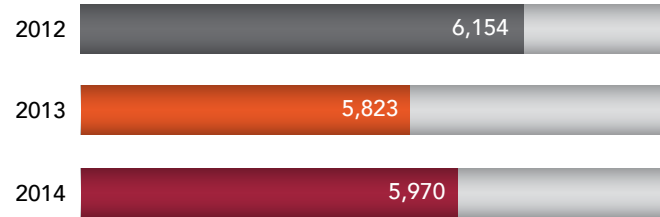


Hani F. Zahran
Legal Manager

FINANCIAL HIGHLIGHTS (Consolidated)

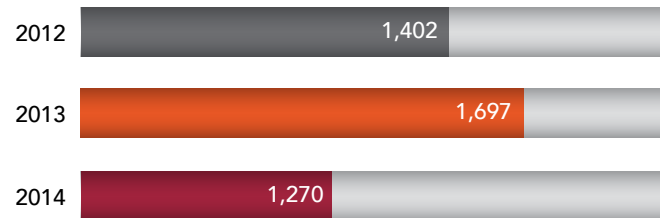
	Unit	2012	2013	2014
Revenue	QR Million	6,154	5,823	5,970
Net Profit	QR Million	1,402	1,697	1,270
Net Profit % of Revenue	%	23	29	21
Sales Volume	KMT	2,511	2,424	2,633
Production Volume				
DRI/HBI	KMT	2,423	2,385	2,547
Crude Steel (Billets)	KMT	2,148	2,236	2,867
Rebar	KMT	1,967	2,044	2,123
Coil (Wire Rod and Rebars in Coils)	KMT	122	156	150
Total Capital Employed	QR Million	8,792	9,298	8,280
Return on Capital Employed	%	17	19	17
Shareholder's Funds	QR Million	7,078	7,434	7,685
Return on Shareholder's Funds	%	20	23	17
Retained Earnings	QR Million	6,387	6,633	6,753
Earnings per Share	QR	47	57	42
Debt-to - Equity Ratio	%	23	27	22
Dividend paid % of Net Profit	%	71	94	79

Revenue - QR Million



The increase in Revenue by 2.5% in 2014 is mainly due to higher sales volume of Billets as compared to 2013.

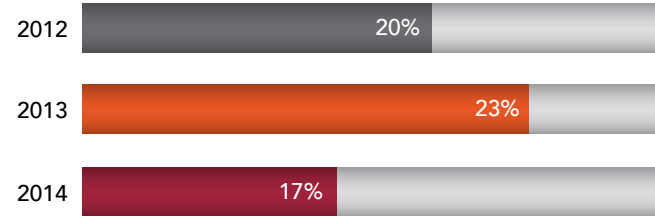
Net Profit - QR Million



Net Profit for the year 2014 is lower by 25% as compared to 2013 mainly due to drop in selling prices of all the products ranging from 1% to 4.5% and usage of imported HBI/DRI/Scrap in order to meet the feedstock of the expanded capacity of new EF5 plant has further reduced the Net Profit.



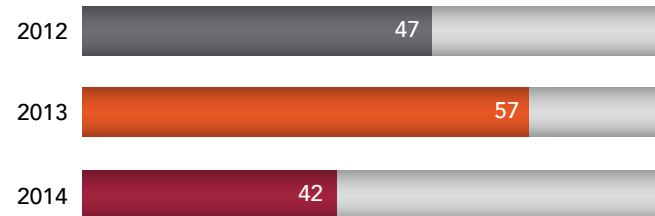
Return on Shareholders' Funds - %



In 2014, the Return on Shareholders' Funds has reduced by 6% as compared to 2013 due to drop in Net Profit by 25%.

(Return on Shareholder's Funds-%=Net Profit/Shareholders Funds)

Earnings per Share - QR



Earnings per share in 2014 has dropped by QR 15 per share as compared to 2013 due to reduction in Net Profit by 25%.

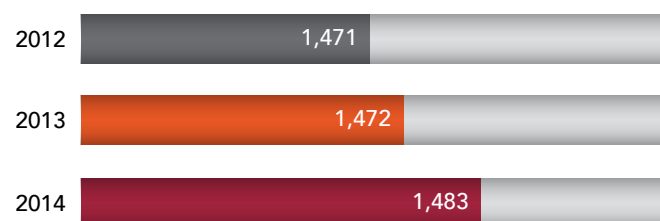
AFFILIATES (Book Value)

QR Million

Name of the Company	Shareholding	2012	2013	2014
Qatar Metals Coating Company W.L.L.	50%	26	26	24
SOLB Steel Company (Formerly South Steel Company W.L.L.)	31.03%	213	197	209
Foulath Holding B.S.C. (C)* (Formerly Gulf United Steel Holding Company (Foulath) BSC Closed)	25%	1,227	1,246	1,246
Qatar Steel International	50%	5	3	4
Total		1,471	1,472	1,483

* Foulath Holding B.S.C (C) is a Bahraini holding company for a group of commercial/industrial companies that are engaged in the manufacture and sale of Iron ore pellets, Stainless Steel flat products, Medium & Heavy beams and Structural Steel Sections. During 2013, Qatar Steel management has decided to dispose of this investment in the upcoming year. Accordingly, the carrying value of this investment amounting to QR 1.2 Billion was reclassified to Asset Held for Sale. During the current year, no change came up on the management commitment to hold this investment for sale, and the delay to sell this asset during 2014 was caused by circumstances beyond the entity's control.

Investment in Affiliates - QR Million



In 2014, value of Investments in Affiliates is higher by 1% as compared to 2013 due to improved performance of SOLB Steel Company.

QATAR STEEL COMPANY

1- OVERVIEW

a. QATAR STEEL COMPANY Q.S.C.

Qatar Steel Company was formed in 1974 as the first integrated steel plant in the Arabian Gulf. Commercial production commenced in 1978 with the company becoming wholly owned by Industries Qatar (IQ) in 2003.

Today, Qatar Steel is widely recognized as a foremost leader in the steel industry, extending its pioneering commitment from an expansive mill site located in the heart of the progressive Mesaieed Industrial City, 45 kilometers south of the nation's capital, Doha.

Inspired to meet the growing demand for steel in Qatar as well as the region in general, Qatar Steel has embarked upon a series of initiatives aimed at increasing its production capacity. State-of-the-art technically advanced expansion projects are designed to produce world class products. Over the years, Qatar Steel has successfully

forged a remarkable reputation by establishing unrivalled quality, flexibility and reliability in all the products and service offerings. Central to this achievement has been the drive to exceed customers' expectations.

The plant with its office occupies an area of 1,354,601 square meters, adjacent to which is a further 375,000 square meters plot reserved for future development and expansion. The total employee-base of over 2,000 spans 12 different nationalities and the mill runs on a 3-shift system.

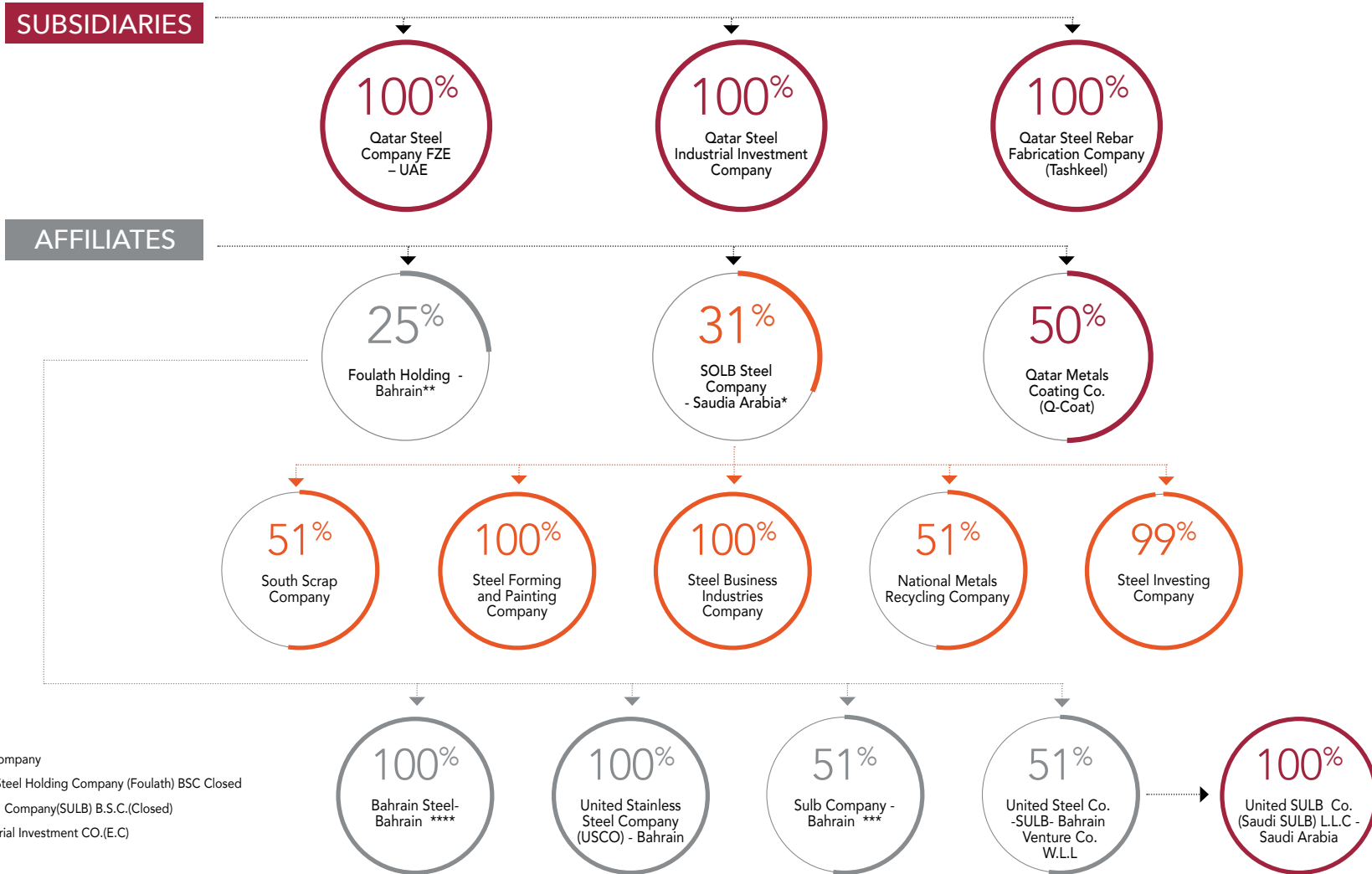
b. QATAR STEEL COMPANY FZE-UAE

The subsidiary was established in August 2003 (wholly owned by Qatar Steel) to meet the growing demand for high-quality steel wire-rod products within the GCC as well as in international markets and growing import demand for re-bars in the UAE market.

The company operates two primary facilities at its 60,000 Sq. meter with State-of-the-art Wire Rod Mill with an installed capacity of 240,000 metric tons [MT] per annum and the advanced Rebar Mill installed with a capacity of 300,000 MT per annum.



C. SUBSIDIARIES & AFFILIATES



* Formerly South Steel Company
 ** Formerly Gulf United Steel Holding Company (Foulath) BSC Closed
 *** Formerly United Steel Company(SULB) B.S.C.(Closed)
 **** Formerly Gulf Industrial Investment CO.(E.C)





2-VISION, MISSION, VALUES &

At Qatar Steel we are highly inspired by Vision, Mission, and Purpose which set the stage to show our commitment towards meeting our stakeholders' expectations & corporate goals.

• VISION

We endeavor to be universally recognized as a leading and most valuable company for our shareholders and customers, and for bringing in the most innovative and talented people.

• MISSION

We will continue to be the first name in the region's steel industry for quality, operational excellence, and good corporate citizenship.

• VALUES

The drivers of our ambition are:

- Trustworthy
- Reliable
- Dynamic
- Creative
- Perceptive

• PURPOSE

- To reach a league where we will matter beyond our normal commercial objectives
- To become the standard for quality enterprise and to exude a winning attitude in order to make a difference in our environment.

MISSION & PURPOSE

and Purpose which set the stage to show our commitment towards meeting our stakeholders' expectations & corporate goals.

and Purpose which set the stage to show our commitment towards meeting our stakeholders' expectations & corporate goals.

and Purpose which set the stage to show our commitment towards meeting our stakeholders' expectations & corporate goals.

HEALTH, SAFETY & ENVIRONMENT (HSE)



In 2014, Qatar Steel made significant safety improvements at all plants with a well-established safety management in place. These improvements included the provision of necessary training, guidelines, procedures, regulations, motivation awards, and HSE support to all employees.

Qatar Steel has gone ahead with key initiatives such as:

• Refresher and Induction Training

In 2014, reinforced induction training for Visitors and VIPs covering around 400 persons and refresher training for existing and new employees covering around 700 employees along with contractors.

• Safety Monitoring

To keep our premises safe, Qatar Steel took initiatives to monitor the employees, assets/equipment/process plant and environment by conducting Company Safety Patrol on a monthly basis in each particular area.

• OHSAS 18001:2007

Qatar Steel has adopted the OSHAS 18001:2007 certification in 2014 to improve the awareness and knowledge with regard to Health and Safety.

A Third Party Auditing by Applus Velosi was conducted in December 2014.

• Environment Monitoring

Qatar Steel has installed an AAQMS (Ambient Air Quality Monitoring Station), at Qatar Steel Dormitory to monitor the environmental impacts at community area. CEMS (Continuous Emission Monitoring System) was also installed in our stacks to monitor the emission caused from our operations.

• Emergency Preparedness

Qatar Steel developed and established training schedule and mock drill to handle all emergencies inside the plant.

• Motivation

Qatar Steel has a well-established near miss reporting system that encourages every employee to report any incident or condition which has potential to become a cause of an accident in future. The system was further reinforced by implementing an Incident Tracking System developed by in-house IT resources.

• Housekeeping initiative

Good housekeeping is a vital factor in preventing accidents. The majority of all work accidents are caused during the handling of goods or materials, and by people falling, being hit by falling objects, or striking against objects in the workplace. All these causes can be reduced by good housekeeping practices, in fact, good housekeeping is the only cure for hundreds of accidents that occur.

• Go green Initiative

This initiative has created a green working environment and contributed in keeping the Qatar Steel area green at all seasons giving boost to human health. New gardens were developed in different areas & plantation has been done. Around 400 new trees were planted in QS premises.

نمنح للحديد بُعداً آخر
WE MAKE STEEL MATTER



SUSTAINABILITY

Sustainability is a critical component of Qatar Steel's business strategy. Our sustainability framework addresses economic, social and environmental performances for maximizing our stakeholder's value. Through constant innovation, new technologies and processes, we achieved significant improvements in productivity, product quality, HSE standards, reduction of carbon and GHG emissions and in recycling of production wastes comparable to global standards.

We are proactive in meeting customer needs in products and services. We are committed to the well-being of our employees as they are our greatest assets. The company management fully supports Qatarization initiatives and local community services.



As primary integrated steel producer in Qatar, we are well aligned to Qatar's National Development Strategies, Qatar National Vision 2030 and Qatar's sustainability initiatives.

Our sustainability approach and performances for the period 2009-2013 were well outlined in the three sustainability reports released till 2013. The company received "Innovative Waste recycle/ Waste Management practices" award from the Minister of Energy and Industry for innovation in waste management for the 2013 performances.

In our Sustainability Report for 2014, we have highlighted our achievements and challenges in 'making steel matter' through operational and environmental efficiencies, profitable growth and good corporate citizenship. Our Sustainability approach concerns go beyond our direct operations; they also focus on innovation, the development of more sustainable products and recycling solutions, and the creation of a healthy and safe environment for our people. In 2014, we brought online our fifth Electric Arc Furnace [EAF5], with a production capacity of 1.1 mtpa. We also managed to develop a new variety of high-strength steel which reduces the consumption of construction materials and carries great environmental benefits. Additionally, we succeeded in initiating several programmes to recycle our waste, such as the dust produced by our plants and also to recycle waste from Qatar Petroleum, Q-Chem, QAFCO, Qatalum and Qatar Qas which we use as an input for our own production.

GROWTH STRATEGY

Qatar Steel pursues its growth strategy of upgrades and new expansions in order to meet the growing steel demand in Qatar and to consolidate its competitive position in the regional markets within GCC. We look for strategic investments by way of acquisitions and joint ventures in iron ore and steel related production facilities to secure basic raw materials for production and to seize market opportunities for down-stream products.

The growth strategies are addressed in our 5-year business plan and the last consolidated Business Plan 2015-2019 represents our existing business from the operating units in Qatar and Dubai and all strategic investments and alliances namely Q-Coat, Solb Steel and Foulath Holdings .

Qatar Steel growth strategy is aligned to Industries Qatar’s Group Growth Strategy that defines overall vision, strategic direction and 10-year aspirations across it’s chemicals, fertilizer and steel businesses. Qatar Steel will strive to grow with operations in the GCC and across the MENA region by leveraging available and cheap natural resources, acquiring new technology and product diversification through partnerships and acquisitions.

1-ORGANIC GROWTH

Electric Arc Furnace-EF5 Project

The SMS Greenfield Project [EF5] was successfully commissioned in December 2013, with an annual designed capacity of 1.1 million tons, boosting Qatar Steel’s overall billet production capacity to over 3.00 million tons per annum (including EF1&2 of 0.6 mtpa). The new facility attained 77% of production capacity during first year of commissioning and reached planned production ramp-up ahead of schedule. After stabilizing the EF5 Operations, a decision of mothballing the operations of EF1&2 was taken in December 2014 which is in line with QS business strategy.



STRATEGIC INVESTMENTS & JOINT VENTURES



SOLB STEEL COMPANY (Formerly South Steel Co.)

Qatar Steel owns 31.03% of SOLB Steel Company, commenced commercial operations of a 1.0 mtpa Steel Melt Shop and a 0.5 mtpa Rolling Mill in January 2013. The steel melt shop and the rolling mill are operating at full capacity. Construction of a second rolling mill was completed; started production after successful commissioning in July 2014.



INVESTMENTS IN FOULATH HOLDING B.S.C (Formerly Gulf United Steel Holding Company B.S.C)

Foulath is a Bahraini closed Joint Stock Company established in June 2008, primarily focused on investing in the growth of steel industry in the Gulf Cooperation Council (GCC) Countries and Middle East and North African (MENA) region. Qatar Steel owns 25% of Foulath. The group comprises the following companies:



BAHRAIN STEEL B.S.C (Formerly Gulf Industrial Investment Company):

Established in 1984 and fully owned by Foulath, is a leading producer of Iron Ore Pellets in GCC with total capacity of 11 mtpa. It is one of the three major merchant pelletizing producers in the world.

UNITED STAINLESS STEEL COMPANY B.S.C (USCO):

Fully owned by Foulath and started operations in 2008 to produce cold rolled stainless steel coils and sheet with capacity of 90,000 TPA. Due to ongoing challenges in the stainless steel business USCO's operations have been idled since December 2011.



SULB COMPANY B.S.C (Formerly United Steel Company):

A Joint Venture between Foulath (51%) and Yamato Kogyo Japan (49%). Operation started in 4th Quarter of 2012. The facilities comprise Direct Reduction Iron Plant with a nameplate capacity of 1.5 mtpa, Steel Melt Shop 1.0 mtpa and Rolling Mill (Medium & Heavy Sections) 0.6 mtpa. During 2014, the DR plant operated at 96% capacity, Steel Melt Shop operates at 83% capacity and Section Mill operating at 50% respectively of its full capacities.

UNITED SULB COMPANY (SAUDI SULB) L.L.C:

Foulath acquired a medium and light section mill in Saudi Arabia in September 2011 with production capacity of 0.45 mtpa; during 2014 the plant produced 292 KT medium and light sections.



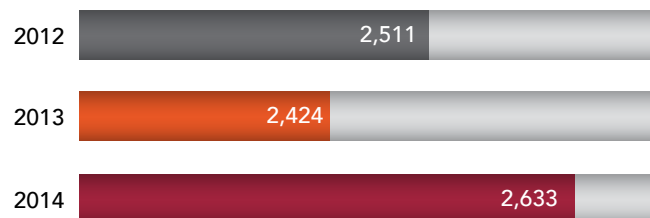


OPERATIONAL OVERVIEW

1 - SALES & MARKETING (Consolidated)

PRODUCTS (KMT)	2012	2013	2014
DRI/HBI	387	176	91
BILLETS	34	-	361
REBAR	2,005	2,109	2,056
COIL (WIRE ROD & REBARS IN COILS)	85	139	125
TOTAL	2,511	2,424	2,633

Sales Volume - KMT



COUNTRY (KMT)	2012	2013	2014
QATAR	1,031	1,162	1,305
GCC (Excludes Qatar)	1,310	1,241	1,191
OTHERS	170	21	137
TOTAL	2,511	2,424	2,633

Sales Volume - %

	2012 100% (2,511)	2013 100% (2,424)	2014 100% (2,633)
Qatar	41%	48%	50%
GCC (Excludes Qatar)	52%	51%	45%
Others	7%	1%	5%



STEEL INDUSTRY IN 2014 (GLOBAL & REGIONAL)

Early indicators showed that the global economic growth in Y2014 was 3.3% YOY up marginally from Y2013. This growth was primarily backed up by the effect of the strong USA economy and despite the general slowdown in the growth rate of China and Eurozone (except United Kingdom). The global steel market in 2014 has seen substantial fluctuations in demand and prices. A major change in the steel market was the fall in import iron ore prices in China which started the year at US\$133/MT CFR and declined by almost 50% during the course of the year to US\$68/MT CFR reaching its lowest levels in five years' time. This was triggered by the drop in steel consumption in China (the world's top consumer and producer of steel) by about 1.9% YOY for the first time in 14 years due to the slowing construction and real estate industry in China. This coupled with the major slowdown in South America and the CIS countries due to falling commodity prices and political tension have brought the growth in the global steel demand down to 2% YOY, lower than the expected rate of 3.1% YOY.

Regional rebar demand at the start of the year was strongly driven by the surge in GCC's awarded construction projects by the end of 2013. The demand was further boosted in Q1'14 by the significant increase in residential projects awards in UAE which drove the country civil sector to six year high in first half of 2014 and by the acceleration in the execution of Qatar's infrastructure projects and FIFA related construction projects. However, due to seasonal factor (onset of summer, Holy Month of Ramadan and Eid

Holidays) rebar demand slowed down during Q3'14. Thereafter the expectation was that demand would pick up supporting the weakening prices and it would remain sustained through Q4'14. However, demand remained generally weak-steady in Q4'14 on account of increasingly negative market sentiments due to large scale Chinese steel products dumping into the region, slow cash flow in many GCC countries and the falling oil prices which out pressure on GCC governments to re-consider their project spending and prioritizing future spending based on importance of the projects.

In Qatar, the domestic demand was strong bolstered by positive sentiments generated on account of all time high Qatar Budget of QR 226 bn. The expenditure allocation for Y2014 was QR 218 bn (up 4% YOY) out of which QR 163.1 bn was allocated for completion and implementation of key development and infrastructure projects (19% up YOY). As a result, Qatar domestic rebar demand had seen a surge of 18% YOY. With higher allocation of the production to the domestic market in Y2014, Qatar Steel Domestic Sales Volume had increased by more than 7% YOY, while the Export Sales were down 13.6% YOY. Overall Rebar Sales volume in Y2014 was marginally lower by 2.5% YOY mainly due to severe competition from GCC Mills and continued influx of cheap imported rebar and billets in Key Export Markets. On the other hand, with the startup of the new EAF in December 2013, Qatar Steel achieved remarkable Billet Sales Volume of nearly 0.5 million MT from the available saleable production in Y2014.



CUSTOMER FOCUS

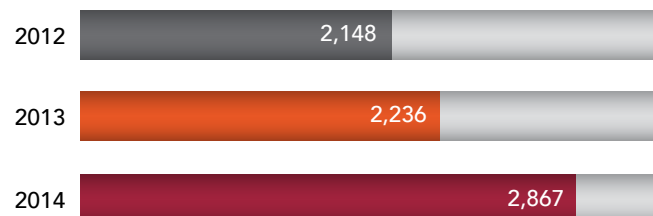
In our effort to remain closer to the market and consolidate strong brand-client relationship, Qatar Steel worked on a comprehensive plan with strong message consistency all throughout the year spread through Sales promotions, sponsorships and advertisements. Qatar Steel participated in different events; exhibition and conferences, such as Orbis Conference in Berlin, as Main Sponsor of Qatar Projects-Doha (organized by MEED, as Platinum sponsor of the Arab Iron and Steel Union Conference 2014, 18th ME Iron and Steel Conference-Dubai, QP Environment Fair in QNCC – Doha. Qatar Steel also participated in Project Qatar, The Big 5 Saudi, and The Big 5 Show Dubai.

2-PRODUCTION (Consolidated)

PRODUCTS (KMT)	2012	2013	2014
DRI/HBI	2,423	2,385	2,547
CRUDE STEEL (BILLETS)	2,148	2,236	2,867
REBAR	1,967	2,044	2,123
COIL (WIRE ROD & REBARS IN COILS)	122	156	150



Crude Steel (Billets- KMT)



QATAR STEEL COMPANY Q. S. C.

Qatar Steel implemented several process improvement and modification projects at different plants to improve productivity, enhance process control and stabilize product quality.

Some of the key Process improvement initiatives completed in 2014 are as follows:

Direct Reduction Plant

- Installation of cold flare system and dust collection system at Reclaim conveyor head chute
- Installation of Purge Gas Dryer and new purge gas compressor
- Installation of new SCHENCK panel and proper enclosures at dust pits for environmental safety
- Natural gas to cooling gas venture and Seal gas introduction to main burner fuel line
- Superheat NG introduction and CDRI dust collection system up gradation
- New Silo dust collection system and Oxide fines bunker enclosure provided

Steel Making Facilities

- Successfully commissioned new Steel Melt shop (EF/CC5).
- Exchanged O₂ jet to combined jet system at EF3 to enhance the productivity and cost saving.
- Modified dummy bar quick sealing device at CC5, by in-home T-pin design to achieve QS cost saving target.
- CC4/CC5 achieved highest in casting time(117/129h) and Tundish refractory life as (150/ 164) Heat /Tundish.
- Introduce dolomite refractory bricks for ladle lining and achieve highest Ladle life recording of 149 heats.

Rolling Mills

- Improvement in Time utilization factor at both mills.
- RM1-89.2% in 2014 against 88.3% in 2013
- RM2- 92.6% in 2014 as against 91.1% in 2013
- In-house modification of the roll pass design of stands# 5 and #6 which enhanced the roughing rolls lifetime by about 70% and improve annual productivity by about 7,000 tons.
- Roll Guide equipment upgrading with a more reliable designs to improve the stability of the rolling operation.
- Modification of shear #6 trough and two piece design of delivery guides at stand #5 and #9.
- Installation of bundle former and trial of 6 mm binding wire to improve the quality and reduce failure of rolls and bearings

All above initiatives leads to productivity improvement (TPH) of 1% and 3.2% in RM1 & RM2 respectively from 2013.

Improvements in Maintenance Practices and Asset Management

Qatar Steel made a paradigm shift to condition based maintenance from time based maintenance on most of the Critical Assets. This shift has improved in identifying operational problems, enhance the life of equipment, decrease production loss and improve plant reliability and availability, therefore boosting overall productivity and human safety.

Some of the initiatives completed in 2014 are tabulated as under:

Direct Reduction Plant

- Oxide Screen size & material modification for Increasing DRI throughput and reducing inventory cost
- Sacrificial Conveyor (CV-F11) elimination and Top gas duct jacket cooling with MCW

Steel Making Facilities

- EF3 Suction ducts and cooling tower modification. Optimizing chemical input into Furnace.
- Up-grading Ladle crane (Crane # 3, 4 & 29) capacity from 120 SWL to 130 SWL as a safety measure
- Up-gradation & Relocation of CC3 slide valve hydraulic system to prevent metal spillage and to improve plant availability.

Rolling Mills

- Upgrading of RM1 power capacity for the braking pinch rolls of HSFBM.
- RM 2 PROFIBUS network Modification to eliminate the unscheduled delays and consumption of the PROFIBUS modules and connectors
- Redesign of cooling system in RM2 for the mill main drives for eliminating the unscheduled delays.



QATAR STEEL COMPANY FZE-UAE

PRODUCTS	2012	2013	2014
PRODUCTION (KMT)			
REBARS	314	348	370
COILS			
-REBAR IN COILS	40	52	73
-WIRE ROD	82	104	77
TOTAL	436	504	520
SALES (KMT)			
REBARS	313	353	368
COILS			
-REBAR IN COILS	39	52	73
-WIRE ROD	73	108	74
TOTAL	425	513	515

Qatar Steel Company FZE achieved another strong operating results in 2014 with growth in overall production and sales for the 3rd consecutive year achieving record production and sales. We maintained standards of excellence in a number of areas.

Key Achievements in 2014:

- Achieved records in overall production and sales with 6.3% growth in bar production, 4.2% growth in bar sales & 3.2% growth in overall production.
- WRM Reheating Furnace revamping project completed successfully and production resumed in mid of Feb 2014 as per schedule. Achieved 12% savings in fuel consumption in WRM and savings expected to rise above 15% with standardized operations in 2015.
- UK CARES Certification secured for 14 & 16 mm Rebar Coils in grade BS4449:2005; B500B.
- Management's commitment to environment paved way to secure certificate for Environmental Management System-ISO 14001-2004.
- Introduced energy conservation and recycling environmental programs. In RM3, observed 1.7% savings in electricity consumption & 0.8% savings in water consumption. Production yield improved 0.34% from previous year to reach 98.73% in RM3.
- Achieved zero environmental & regulatory non-conformances in 2014.

AWARDS & ACCREDITATIONS

As a result of the company's determination to produce quality products, Qatar Steel has received and is maintaining many prestigious certifications including the

- Quality Management System (QMS / ISO 9001)
- Saudi Arabia Standardization Organization (SASO) Certification
- UK CARES Certification (Product)
- DCL (Dubai Central Laboratory) Certification
- ISO/IEC 17025 (Lab Accreditation Certificate) -DAC (Dubai Accreditation Center)
- UK CARES Sustainability Certification.
- In 2014, the third Sustainability Report has won in QP DG's Category for Innovation in Waste Management.





RESEARCH & DEVELOPMENT

At Qatar Steel, our approach towards innovation is driven by understanding market needs and developing that customer insight into the right solution. By working closely with Sales & Marketing, we turn our in-depth knowledge of customer requirements into optimized steel products and services that improves efficiency, give advantage and help to succeed in the market. The key Product Development & Sustainability initiatives in 2014:

1. Wire Rod for Stick Welding Electrode Application

In FY'14, Qatar Steel successfully developed wire rod (EWNR/DIN 17145 S1) in 5.5mm section for stick welding electrode application to serve potential customers in Qatar and GCC region.

2. Development of high strength rebar (YS>600 MPa)

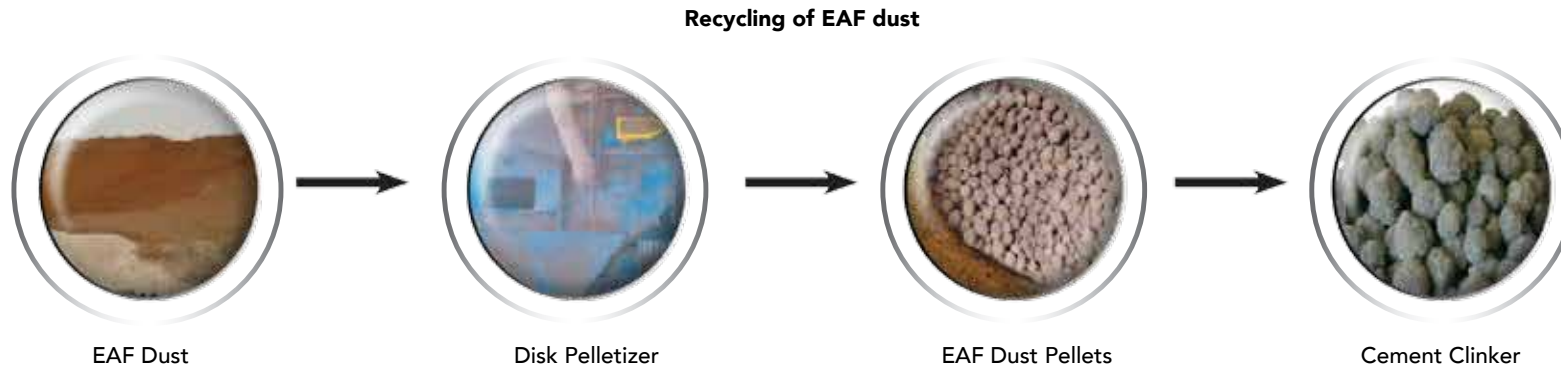
Qatar Steel has successfully developed re-bar with yield strength in excess of 600MPa conforming to ASTM Gr 80 and above. This high strength re-bar will reduce the steel consumption by around 20 - 25 % in construction, which in turn lowers the overall cost of project. Using high strength rebar can also lead to reduction in column size of heavily loaded structure which in turn relieves re-bar congestion.

3. Sustainable Steel – Recycling of Qatar Steel EAF dust in cement clinker production

In 2014, we initiated a project with neighbouring cement producer M/s Al Khalij Cement to recycle Qatar Steel EAF dust in clinker production [approximately 300T/day]. It will be a sustainable solution for both Qatar Steel and Al –Khalij Cement Company. Approval from Qatar Ministry of Environment and Ministry of Health is in pipeline to proceed further.

Synergy between neighboring Companies for recycling and sustainability

After successful collaboration with Qatalum in 2013 for recycling their carbon waste in our furnaces, Qatar Steel has mutually agreed with other neighbouring Companies like Qatar Gas, Qatar Petroleum Refinery Waste Management, Q-Chem and QAFCO to recycle their waste at Qatar Steel furnaces. This will not only add carbon credit and reduce CO2 emission but also serve as a sustainable solution for both Qatar Steel and Q-Companies in line with QNV 2030.



CORPORATE SOCIAL RESPONSIBILITIES (CSR)



COMMUNITY INVESTMENTS

Qatar Steel invests in various initiatives in the local community, with a focus on society, culture, health, sports, and environment. All of our community investment activities are thematically linked, and we intend to honour our 2014 commitment to establish a community investment programme, though this has been delayed until 2015. This community investment scheme will allow us to align our donations and sponsorships with our sustainability programmes.

In 2014, Qatar Steel sponsored and participated in several community activities. We remain devoted to supporting important social causes, in line with our promise to enrich the social lives of our communities.

Sponsorship of Blood Donors Honouring Ceremony

Qatar Steel was platinum sponsor of the 2014 ceremony to honour blood donors. The ceremony is organised annually by Hamad Medical Corporation's Blood Donation Centre on the International Day for Blood Donation (June 12). The event was designed to create societal awareness of the importance of donating blood and its role in saving lives.

Sponsorship of Ice Hockey Tournament

On the occasion of National Sports Day, Qatar Steel remained visible and vibrant by sponsoring an Ice Hockey Tournament held in Qatar. The Qatar national ice hockey team is a member of the International Ice Hockey Federation.

Sponsorship of Volunteer Activities

As part of its corporate social responsibility, and in order to further support community activities, Qatar Steel sponsored voluntary activities organised by Qatar Centre.

Participation in the National Heritage Festival

The National Heritage Festival is an annual event organised by Al Khor Sports Club. Qatar Steel sponsored the festival, committing 100,000 QR to the event.

Donation to Syria

In recognition of its membership of a global community, and out of sympathy for the plight of the Syrian people, Qatar Steel contributed 200,000 QR in social services through Qatar Charity. This donation helped to improve the lives of men, women, and children in beleaguered Syrian communities.

Donation to Ramadan Project

As a socially responsible corporate citizen, Qatar Steel extended financial assistance of 30,000 QR to projects undertaken during the holy month of Ramadan. The project was undertaken by the Qatar Society for Rehabilitation of Social Needs.

Sponsorship of Annual Handicraft Exhibitions

To remain visible and further extend a warm and friendly hand to local communities, Qatar Steel sponsored the Annual Exhibition for Handicrafts organised by the Qatar Society for Rehabilitation of Social Needs.

Donation to School

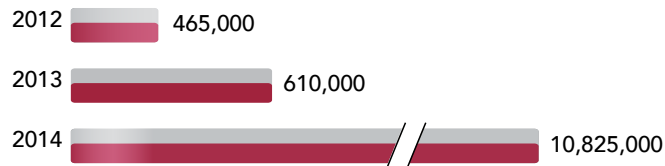
As part of its corporate social responsibility to facilitate developmental activities in schools, Qatar Steel donated to Al Khor Independent Model School.

Sponsorship of the World Handball Championship

During 2014, Qatar Steel became one of the main sponsors of the 2015 World Handball Championship to be held in Doha. The sponsorship amount of 10 million QR was routed through IQ (Industries of Qatar).



Community Investments (QR)



In 2014, Qatar Steel spent over 10.8 million QR on its community investment projects, compared to 610,000 QR in 2013. The majority of this increase stemmed from the company's 10 million QR sponsorship of the 2015 World Handball Championship.



قطر ستيل
QATAR STEEL

نمنح للحديد بعداً آخر
WE MAKE STEEL MATTER

