



Essar Steel Algoma Inc.  
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## NEWS RELEASE

Monday, June 11, 2012

### Essar Steel Algoma Reports Positive Results for Fiscal Year 2012

**SAULT STE. MARIE, ONTARIO** – Essar Steel Algoma reported a net income of \$38.1 million for the fiscal year ended March 31, 2012. For the three month period ending March 31, 2012, the Company reported a net loss of \$18.0 million. The improvement over fiscal year 2011 is primarily attributable to increased volumes, higher selling prices, a favourable product mix, and lower costs.

Shipments for the year were 2,598,285 tons, up 8.9% from the prior year. In the three month period, shipments were 648,320 tons. Sales for fiscal 2012 were \$2,159.8 million and sales for the quarter were \$524.0 million.

The Company reported an EBITDA, excluding exceptional items, of \$281.9 million for fiscal year 2012 compared to an EBITDA loss of \$58.6 million for 2011. In the three month period ending March 31, 2012, the EBITDA earnings were \$55.9 million. EBITDA is a meaningful indicator of the Company's profitability.

Essar Steel Algoma Chief Executive Officer Jim Hrusovsky commented on the year's results, "Our strengthening product mix and enhanced operating reliability enabled us to perform favourably within the improved market environment this year. In addition, we raised the bar with the successful installation of an Individual Oven Pressure Control System on our No. 9 coke battery, demonstrating our continued commitment to environmental stewardship."

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Essar Steel Algoma Inc. is based in Sault Ste. Marie, Ontario. Revenues are derived primarily from the manufacture and sale of rolled steel products, including hot and cold rolled sheet and plate.

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