



Essar Steel Algoma Inc.  
105 West Street  
Sault Ste. Marie, Ontario  
Canada P6A 7B4

T +1 - 705 - 945 2351  
F +1 - 705 - 945 2203  
[www.essarsteelalgoma.com](http://www.essarsteelalgoma.com)

## NEWS RELEASE

Tuesday, November 13, 2012

### Essar Steel Algoma Releases Second Quarter Results

**SAULT STE. MARIE, ONTARIO** – Essar Steel Algoma Inc. reported an EBITDA loss of \$15.1 million and a net loss of \$88.4 million for the three month period ending September 30, 2012. EBITDA is a meaningful indicator of the Company's profitability.

The loss for the three month period reflects the impact of lower selling prices for the Company's products, lower volumes and higher costs compared to the three month period ending September 30, 2011. Compared to last quarter, selling prices decreased by 7.3%, shipments were down 15.0%, and costs increased 8.5%. Shipments in the quarter were 548,110 tons, generating \$410.9 million in revenue for the period.

Chief Executive Officer, Kalyan Ghosh commented on the results, "Though soft steel markets led to weaker financial performance, there were a number of significant accomplishments in the quarter. Safety performance remained strong, a new SAP Enterprise Resource System was launched, and liquidity improved as a result of a new U.S. \$350 million term loan agreement. These initiatives, combined with continued cost reduction efforts bode well for improved performance in the next quarter."

-30-

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.

Company contact:

Brenda Stenta  
Manager, Corporate Communications  
705-945-2209