

NEWS RELEASE

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OCI Announces 2007 First Quarter Results

Summary of First Quarter '07 Performance:

- Consolidated revenue grew 46% to US\$ 835.6 million (LE 4,768.8 million) versus US\$ 571.8 million (LE 3,286.2 million) in Q1 2006
- EBITDA rose 42% to US\$ 230.1 million (LE 1,313.3 million) versus US\$ 161.8 million (LE 930.3 million) in Q1 2006
- Net income increased 54% to US\$ 140.3 million (LE 800.4 million) versus US\$ 91.4 million (LE 525.0 million) in Q1 2006
- Consolidated EBITDA margin of 28% and operating margin of 24%
- Annualized return on equity of 45%, (Q1 2006, 47%)
- Annualized net debt/EBITDA of 1.5, (Q1 2006, 1.8)

Performance Highlights by Division

Cement Group

- Cement Group EBITDA grew 55% during the first quarter 2007
- Cement Group sold 4.2 million tonnes during the first quarter, up 61%
- Growth driven by healthy pricing and strong organic volume growth

Construction Group

- Construction EBITDA grew 22% and net income increased 30% during the first quarter 2007
- Backlog as of 31 March 2007 grew to US\$ 2.6 billion (LE 14.8 billion), compared to US\$ 2.2 billion as at 31 December 2006
- Construction Group recorded US\$ 1 billion in new contract awards during the first quarter 2007, a 211% increase over the same period last year



Nassef Sawiris, Chief Executive Officer said:

Orascom Construction Industries (OCI) has witnessed another exceptional start to the year, driven by strong markets for both our cement products and construction services. In recent months, our Cement Group announced greenfield projects in Saudi Arabia and Syria, strengthening OCI's presence in two new high growth emerging markets. Grupo GLA's acquisition of new aggregates operations in March further asserts our strategy to expand our investments in ready-mix and aggregates operations. We have also acquired the largest aggregates producer in Algeria as we strive to lead the development of the aggregates and ready-mix sectors in our core emerging markets. During the next six months, our Cement Group is focused on delivering four new greenfield plants in the UAE, northern Iraq, and Algeria in addition to an upgrade of our plant in Turkey, which will raise our total annual production capacity to 30 million tonnes.

During the first quarter, our Construction Group was awarded new contracts worth approximately a billion dollars including \$180 million for work on the first phase of the third Cairo Metro expansion project and US\$ 133 million for the construction of the El-Tebbin thermal power plant in Egypt emphasizing our core competence in the transportation and power sectors. We continue to benefit from fast growth in opportunities in the region yet remain selective of our projects and clients.

The first quarter witnessed the incorporation of Sorfert Algeria, our urea and ammonia production joint venture with Algerian state-owned oil and gas company Sonatrach. This investment together with the ammonia plant under construction in Egypt, which is scheduled for completion in 2008, will contribute substantially to our consolidated growth in 2010 onwards. These projects stand to benefit from historic high prices for fertilizers which are being partially fueled by the rising demand for agricultural – based commodities as an alternative fuel.

For the year ahead, we aim to continue investing our free cash flow in new greenfield investments, select acquisitions and the build-up of our ready-mix and aggregates business. Our focus continues to be the delivery of the highest returns possible to our shareholders.



For additional information CONTACT:

Investor Relations Department:

Hassan H. Badrawi - Director
Sarah Makiya
Omar Darwazah
Tel: +202 2461 1039/1036
Fax: +202 2461 9409
Email: hassan.badrawi@orascomci.com

Orascom Construction Industries

Orascom Construction Industries (OCI) is a leading cement producer and construction contractor active in emerging markets. Based in Cairo, we employ more than 40,000 people in over 20 countries. Working together with our employees, business partners and customers, we are helping to build the future in developing countries around the world.

As a cement producer, we own and operate cement plants in Egypt, Algeria, Turkey, Pakistan, northern Iraq, and Spain which have a combined annual production capacity approaching 21 million tonnes. Our new investments in northern Iraq, Turkey, Nigeria, Algeria, the United Arab Emirates, Saudi Arabia and Syria will increase our annual production capacity to 39 million tonnes. Our Cement Group exports primarily from Egypt to customers in more than 30 countries including the USA, Europe, Africa and the Middle East. We produce and distribute aggregates and ready-mix concrete in Spain, Egypt and Algeria. We also manufacture cement bags in Egypt and Algeria.

As a contractor, we provide engineering procurement and construction services on large, complex and demanding industrial, commercial, water/sewage, transportation, telecommunications, maritime, tourism and railway projects for private and public customers principally in the Middle East, Africa and Central Asia. Our Construction Group is active in over 100 projects in more than 20 countries. Through partnerships with industry leaders, we also manufacture fabricated steel products as well as architectural curtain walling and window systems. As part of our long-term strategy to create a sustainable flow of construction opportunities, we also have investments in natural gas industries, including fertilizers and in infrastructure concessions including a port operator and an industrial park developer.

For additional information on OCI: www.orascomci.com

Orascom Construction Industries (OCI)
Nile City Towers – South Tower
2005A Corniche El Nil, Cairo, Egypt
Tel: +202 2461 1111, Fax: +202 2461 9400,
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