ORASCOM CONSTRUCTION INDUSTRIES

Press Release

Cairo, Egypt / 30 April, 2012 8:30 AM

OCI Receives Approval from EFSA to call for an EGM to Approve the Demerger of the Company's Construction Business from its Fertilizer Business

Orascom Construction Industries (OCI or the Company) announced today that it has received approval from the Egyptian Financial Supervisory Authority (EFSA) to call for an Extraordinary General Meeting (EGM) to approve the demerger of the company's construction business from its fertilizer business.

The EGM date has been set at 17 May 2012. The EGM Notice to shareholders including the agenda of the general meeting's resolutions and an information statement will be made available on the corporate website at www.orascomci.com starting tomorrow 1 May 2012.

The Demerger Proposal

The Board of Directors of OCI (the Board) has decided to submit a proposal to the EGM to demerge the Company along its business lines of construction and fertilizers into two separate and independent legal entities in accordance with the Companies Law No. 159 of 1981 and the other laws, decrees and regulations of relevance. The Board believes that this demerger will effectively position each business to capitalize on its growth opportunities and to create value for shareholders.

This proposal contemplates demerging the Company into two companies, whereby all of the fertilizer business/companies will continue to be owned by the Company, which will be renamed OCI Fertilizers S.A.E (OCI Fertilizers) after completion of the demerger, and all of the construction business/companies (the Demerged Assets) will be transferred to a new demerged company to be called Orascom Engineering & Construction S.A.E. (Orascom Engineering & Construction). The demerger of assets and liabilities between OCI Fertilizers and Orascom Engineering & Construction will be executed on the basis of book value according to the audited financial statements of the Company for the financial year ended 31 December 2011.

The demerger will be carried out by the reduction of the par value of the issued shares of the Company and the issuance of new shares in Orascom Engineering & Construction equal to the amount deducted from the par value of the Company's shares. Upon completion of the demerger, each shareholder as of the record date will continue to hold his shares in the Company and will also receive shares of Orascom Engineering & Construction in a one-for-one ratio free from payment for such additional shares. Accordingly, the shareholder base of both OCI Fertilizers and Orascom Engineering & Construction immediately following the demerger will be identical to the shareholder base of the Company.

The same approach will apply to the holders of the Company's American Depository Receipts (ADRs) and Global Depository Receipts (GDRs). Orascom Engineering & Construction intends to establish a GDR program and an ADR program while OCI Fertilizers will continue to trade through the existing ADR and GDR programs. Eligible

holders of the Company's ADRs and GDRs will receive an equal number of ADRs and GDRs of Orascom Engineering & Construction free from payment for such securities.

Rationale for the Proposed Demerger

The Company's construction business is one of the largest in the region with construction activities spanning more than 25 countries. The Company has also been developing its international fertilizer business. Since 2010, the fertilizer business has grown strongly and it has overtaken the construction business in terms of overall EBITDA and net income contribution to the Company. For the full year ended 31 December 2011, 69.5% of consolidated EBITDA and 71.9% of consolidated net income of OCI was contributed by the fertilizer business while 30.5% of consolidated EBITDA and 28.1% of consolidated net income was contributed by the construction business.

Fertilizers and construction offer distinct value propositions to investors. Given the growth in size of the fertilizer business and its contribution to the overall operating profits, the Company's Board of Directors believes that it is the right time to demerge the construction business from the fertilizer business. This demerger should enhance investor understanding and transparency of the businesses and allows each business to pursue its independent development strategy. The Board envisages the benefits of this demerger will include:

- **Share liquidity:** Creates two separately listed companies offering discrete investment propositions, each with clear market valuations. This should serve to attract a wider investor base, and therefore liquidity, in each company's shares.
- **Business transparency:** Allows for a better understanding of each company's business, prospects and impact of sector-focused events on its performance.
- **Flexibility:** Provides greater flexibility for both groups to manage their own resources and pursue strategies appropriate to their markets.
- **Growth opportunities:** Allows each business to participate actively in consolidation opportunities in their respective markets.
- **Efficient capital structure:** Enables each business to adopt a capital structure, balance sheet and financing strategy which more efficiently meet its individual requirements.
- **Enhanced Credit Profile:** Improves lenders' ability to evaluate each independent businesses, thereby increasing balance sheet effectiveness
- **Improved management focus:** Sharpens management focus, helping the two businesses to maximize their performance and make full use of their available resources.
- **Alignment of incentives:** Aligns management's and employees' rewards more directly with business and stock market performance, helping to attract, retain and motivate the best people.

Description of the Demerger Process

The proposed demerger is conditional upon, among other things, the following:

- the approval by the shareholders of the Company of the demerger at the EGM scheduled to be held on May 17 2012; and
- the approval of EFSA on the capital decrease of the Company and the issuance of the shares of Orascom Engineering & Construction; and
- the approval by the General Authority of Financial Investments (GAFI) at their discretion

Shareholders may review all documents related to the EGM scheduled on the Company's website and/or at the Company's headquarters. These documents include: the demerger contract, the detailed demerger proposal, the audited pro forma standalone financial statements for the financial year ended 31 December 2011 for each business including the auditor's report, and the unaudited proforma consolidated financial statements for OCI Fertilizers and Orascom Engineering & Construction.

The Company will demerge the assets by way of a legal demerger as per the related laws, particularly the Companies Law No. 159 of 1981 and Tax Law No. 91 of 2005 as amended and all relevant decrees and regulations. Through the demerger, the Company will be demerged into two companies with exactly the same shareholders (subject to applicable legal restrictions) as of a certain date (the "Demerger Date") depending on the date of the final approval of the demerger by GAFI. This date will be communicated to the Company's shareholders at a later stage.

The following key steps will be implemented once required approvals from shareholders, GAFI, and EFSA have been obtained and all other procedural requirements have been satisfied:

- **The Company Demerger:** under Egyptian law, upon completion of the legal demerger of the Company whereby the Company is demerged into two companies, Orascom Engineering & Construction, a newly incorporated company, will hold the Company's Demerged Assets while OCI Fertilizers will continue to hold all remaining assets and liabilities of the Company. Subject to applicable legal restrictions, the shareholding structure of OCI Fertilizers and Orascom Engineering & Construction following the execution of the demerger will mirror that of the Company as of the Demerger Date.

- **Continued Listing of OCI Fertilizers on the EGX:** promptly after the issuance of GAFI's final approval of the demerger, the trading of the Company's shares will then be suspended until the demerger is completed. To the extent required by applicable law or regulation, the Company will request the suspension of trading of the Company's GDRs on the London Stock Exchange and/or the Company's ADRs on the NASDAQ OTC BB for an equivalent period. Trading for OCI Fertilizers will resume simultaneously once the trading of Orascom Engineering & Construction commences.

- **Listing of Orascom Engineering & Construction on EGX and the establishment of new GDR and ADR programs:** the listing of Orascom Engineering & Construction on the Egyptian Stock Exchange will occur promptly after the execution of the demerger. The shares of Orascom Engineering & Construction are expected to start trading simultaneously with OCI Fertilizers. Additionally, Orascom Engineering & Construction intends to establish a GDR program and an ADR program concurrently with its listing on the EGX. The Company expects that these programs will be effectively the same as the current GDR and ADR programs and that the Bank of New York Mellon will remain the depositary bank.

Management of OCI Fertilizers and Orascom Engineering & Construction

Nassef Sawiris will serve as Chairman and CEO of OCI Fertilizers and Salman Butt and Renso Zwiers will serve as CFO and COO respectively. Nassef Sawiris will serve as Chairman of Orascom Engineering & Construction and Osama Bishai and Sherif Tantawy will serve as CEO and CFO respectively. For more details on the management team for each business, please refer to the information statement on the Company's corporate website.

Proforma Financial Highlights, Capital Structure and Dividend Policy

OCI Fertilizers
Unaudited Proforma Consolidated Figures

USD Millions	2011	2010	2009
Revenue	2,376.5	1,462.1	479.3
EBITDA	976.9	555.7	292.4
Net Income	486.1	313.5	140.8
Net Debt	2,631.9	2,411.9	1,851.6
Shareholders' Equity	2,008.2	2,034.0	1,921.0

Orascom Engineering & Construction
Unaudited Proforma Consolidated Figures

USD Millions	2011	2010	2009
Revenue	3,225.8	3,492.9	3,404.3
EBITDA	443.5	523.6	503.2
Net Income	205.9	265.3	288.5
Net Debt	(39.6)	(354.8)	(473.1)
Shareholders' Equity	1,085.4	1,069.1	1,065.8

The Company does not require any material long term refinancing activities as a result of the demerger. Working capital facilities for the construction business shall be repositioned according to the demerger.

It is expected that each independent business shall maintain a biannual dividend policy subject to confirmation from each Board of Directors.

Strategy Synopsis

Upon demerger, each business will pursue its own growth strategy. These strategies are outlined below:

Orascom Engineering & Construction intends to:

- continue to focus on growth markets
- expand EPC capability in areas where the business has developed core competencies such as power, petrochemicals and transportation
- maintain healthy profitability and backlog, growth rates and positive free cash flow
- identify and pursue new investment opportunities that provide scalable platforms and potential further scope for growth

OCI Fertilizers intends to:

- develop greenfield nitrogen fertilizer plants in strategic markets
- pursue strategic acquisitions that offer attractive synergies and add value propositions
- expand and diversify a portfolio of nitrogen-based fertilizers and associated derivatives
- develop a global and efficient distribution network for the business' products in strategic markets

Advisers

Citi, Zulficar & Partners Law Firm, Allen & Overy LLP and KPMG have been retained to advise OCI in relation to this transaction.

Important Notice

This announcement does not comprise a prospectus relating to the Company or Orascom Engineering & Construction. It does not constitute or form part of any offer of securities, or constitute solicitation of any offer of securities. You should not purchase or subscribe for securities referred to in this announcement on the basis of any information contained in this announcement.

This announcement does not constitute a recommendation concerning the demerger and should not be construed as legal, business, tax or investment advice. The value of shares can go down as well as up. Past performance is not a guide to future performance.

This announcement does not constitute an offer of any securities for sale in the United States or in any other jurisdiction where such offer or solicitation is unlawful. The issuance of any securities referred in this announcement will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state of the United States or other jurisdiction, and the securities may not be offered, sold, pledged or otherwise transferred unless they are registered under the Securities Act or pursuant to an exemption from, or in a transaction not suspect to the registration requirements of the Securities Act and applicable state securities laws.

This announcement contains certain forward-looking statements. Such forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. The Company disclaims any obligation to update any forward-looking statements contained herein, except as required pursuant to applicable law.

Citigroup Global Markets Limited, which is regulated in the UK by the Financial Services Authority, is acting for the Company as financial adviser in connection with the demerger and for no one else and will not be responsible to any other person for providing the protections afforded to its clients, or for providing advice in relation to the demerger.

Press Release

About Orascom Construction Industries

OCI is one of Egypt's largest corporations employing more than 72,000 people in 35 countries around the globe. The OCI Fertilizer Group owns and operates nitrogen fertilizer plants in Egypt, the Netherlands, the United States, and Algeria and has an international distribution platform spanning from the Americas to Asia. The OCI Fertilizer Group ranks among the world's top fertilizer producers with a production capacity which will exceed 7.0 million metric tons in 2012. The OCI Construction Group provides international engineering and construction services primarily on infrastructure, industrial and high-end commercial projects in Europe, the Middle East and North Africa for public and private clients. The OCI Construction Group ranks among the world's top global contractors.

For additional information contact:

OCI Investor Relations Department:

Omar Darwazah
Email: omar.darwazah@orascomci.com

Erika Wakid
Email: erika.wakid@orascomci.com

Hassan Badrawi
Director

Tel: +202 2461 1036/0727/0917
Fax: +202 2461 9409

For additional information on OCI:

www.orascomci.com

OCI stock symbols: OCIC.CA / OCIC EY / OCICqL / ORSD / ORSCY

Orascom Construction Industries (OCI)
Nile City Towers – South Tower
2005A Corniche El Nil
Cairo, Egypt