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PRESS RELEASE

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Techint and SMS Demag acquire LOI Thermprocess

Techint and SMS Demag, two of the leading European metallurgical plant building companies, are taking over LOI Thermprocess GmbH, based in Essen, Germany, from the Elster Group. The transaction is subject to approval by the antitrust authorities.

With around 600 employees and sales of approx. EUR 200 million, the LOI Group is an international supplier of high-quality industrial furnaces for the steel and aluminum industry. Since 2003 DREVER International based in Liège, Belgium, has been part of the LOI Group, a subsidiary of the Elster Group, the former Ruhrgas Industries.

The leading position of the LOI Group will continue to expand as a result of the takeover by Techint and SMS Demag. The existing corporate structure of LOI as an independent supplier of furnace technology will be maintained. The Essen headquarters and all other locations of the LOI Group will be retained and further developed. Techint and SMS Demag have formed a joint-venture company for the takeover of LOI.

The transaction has a strong industrial logic and will benefit all stakeholders of LOI, Techint and SMS Demag.

The Techint Group comprises more than 100 companies with about 49,000 employees operating worldwide. Its annual sales are EUR 13 billion.

Techint through its Division Techint Technologies is active in the fields of industrial furnaces and iron and steel plants. Techint Technologies generates sales of approx. EUR 500 million with about 800 employees.

SMS Demag belongs to the SMS metallurgy companies within the SMS group, which reached an order intake of more than EUR 2.2 billion (2005) with approx. 6,500 employees. SMS Demag is one of the world's leading suppliers in the area of metallurgical plant and rolling mill technology and has been successfully cooperating with LOI Thermprocess on many projects.

Elster Group is based in Luxembourg and had a turnover of EUR 1.2 billion in 2004. The group concentrates on gas measurement and control, electricity and water metering and industrial furnaces. The disposal of LOI is a further step in focusing Elster on the metering business.

(37 lines with max. 55 letters)

SMS GmbH is the holding for a group of companies internationally active in plant construction and mechanical engineering relating to the processing of steel, non-ferrous metals and plastics. The group is divided into the Business Areas of Metallurgical Plant and Rolling Mill Technology, Tube, Long Product and Forging Technology and Plastics Technology. In the year 2005 some 9,250 employees worldwide generated a turnover of about EUR 2.33 bn.