

PRESS RELEASE

Düsseldorf, January 29, 2007

Order for SMS Demag AG

Outokumpu Stainless AB to modernize its Avesta stainless steel annealing and pickling line

Outokumpu Stainless AB, Sweden, has awarded SMS Demag, Germany, a contract for the modernization of the KBR-L 76 stainless-steel annealing and pickling line at its Avesta works.

As part of the modernization project, chemical and electrolytic process sections of the KBR-L76 line will be equipped with new tanks, rollers, a new platform as well as a stainless-steel drip pan. In addition, SMS Demag will upgrade the recirculation systems and the intermediate rinsing tank.

The stainless-steel annealing and pickling line at the Avesta works is designed to handle particularly wide and thick stainless-steel strip. It processes 1.5 to 13-mm-thick hot and cold strip from stainless steel. Strip widths range between 1,250 and 2,100 mm. In addition to standard grades, special and duplex steels are processed at a maximum speed of 36 m/min. The annealing and pickling line is rated for an annual production of around 300,000 t.

Revamping is scheduled to take place in July 2007 during a two-week line shutdown.

(20 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 on the one hand into the Business Areas SMS Demag and SMS Meer under SMS metallurgy and, on the other hand, into the Business Area SMS Plastics Technology. In the year 2005 some 9,250 employees worldwide generated a turnover of about EUR 2.33 bn.