

PRESS RELEASE

Düsseldorf, January 29, 2007

Electric arc furnace successfully commissioned at Feng Hsin

In December 2006, Feng Hsin Iron & Steel Co. Ltd., Taichung, Taiwan (Republic of China), successfully commissioned an electric arc furnace supplied by SMS Demag AG, Germany.

The scope of work included the basic and detail engineering of the electric arc furnace with doghouse, dedusting plant, material handling system as well as further auxiliary equipment. SMS Demag supplied the mechanical core equipment, electric and instrumentation as well as the automation system consisting of Levels 1 and 2. The automation system is also linked to the customer's existing production planning system (Level 3) and is provided with interfaces to the laboratory and ladle furnace.

The whole automation system was tested and optimized in SMS Demag's workshop prior to the installation at site. This made it possible to use the "Plug & Work" concept in the plant. As a result, the commissioning time has been substantially reduced. SMS Demag also provided the supervision of erection and commissioning and trained the customer crew. The AC-type electric arc furnace replaces two existing furnaces at Feng Hsin's meltshop.

(19 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.