

PRESS RELEASE

Düsseldorf, February 9, 2007

Order for SMS Demag AG

Wisco places order for CSP[®] plant

China's Wuhan Iron & Steel Co. Ltd., or Wisco for short, has awarded a contract to SMS Demag, Germany, to design and construct a new two-strand CSP[®] (Compact Strip Production) plant. Our scope of supply embraces the entire engineering, the main mechanical equipment components as well as the complete electrical and automation systems.

The CSP[®] plant is designed for an annual capacity of 2.5 million t of hot strip in widths ranging from 900 to 1,600 mm and thicknesses from 0.8 to 12.7 mm. Depending on the requirements of the process and the final product, the slab thickness can be set in an infinitely variable manner from 55 mm to 90 mm.

The CSP[®] plant consists of two casters, a roller hearth furnace with swivel transfer car, a seven-stand finishing mill, a laminar strip cooling system with intensive cooling and two downcoilers.

Wisco will use the plant for the production of particularly high-quality steel grades. One of the main purposes of the plant is to manufacture electric sheet. The product spectrum will also cover pipe grades, dual-phase steels for the automobile industry and sheeting for containers.

The CSP[®] process offers good preconditions for the profitable production of high-quality steel grades. This applies in particular to electric sheet. The decisive factors in the production process for electric sheet are quick solidification during the casting process, direct charging into the furnace at a high temperature and uniform rolling conditions.

(27 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.