

PRESS RELEASE

Düsseldorf, February 16, 2007

Order for SMS Demag AG

ThyssenKrupp Steel modernizes the Bochum hot strip mill

ThyssenKrupp Steel AG has awarded to SMS Demag, both Germany, an order for modernization of the roughing train of the hot strip mill in Bochum.

The order includes the installation of a new, fully hydraulic edging stand which is to be flanged to the existing roughing stand. The supply scope also comprises new hydraulic side guards and work roller tables in the area of the roughing stand as well as the renewal of essential components of the horizontal stand. SMS Demag is supplying the electrical systems for the mechanical equipment and the complete automation of the roughing train.

The aim of the modernization is to improve the width tolerances of the hot strip, to increase the yield and to heighten the rolling stability in the finishing mill by minimizing the formation of camber in the transfer bar (camber-free rolling). This modernization will allow ThyssenKrupp Steel to increase the annual capacity of the hot strip mill.

All of the essential mechanical components will be manufactured and assembled in our workshop and tested in combination with the hydraulics and automation before being delivered. In Bochum, the edging stand will again be assembled and piped next to the hot strip mill. The complete unit will be transported from the pre-assembly area to the final installation location with the aid of a skidding system. This will only take a few hours during the main shutdown.

The automation of the roughing train, comprising the basic automation, the pass schedule computer for the roughing train and the rolling-sequence control system, will be tested and optimized prior to delivery with the aid of our Plug & Work procedure. It will then be installed and put into operation parallel to the existing automation system at the Bochum works.

These measures will ensure that the scheduled revamp times are observed and that the production attains the desired level and the requisite quality within minimum time. Commissioning of the new facilities is scheduled for the middle of 2008.

(35 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.