

PRESS RELEASE

Düsseldorf, May 14, 2007

Order for SMS Demag AG

Dongkuk modernizes heavy plate mill

Dongkuk Steel Mill Co. Ltd., South Korea, has awarded a contract to SMS Demag, Germany, to modernize the mill train of the No. 2 heavy plate mill.

As part of the revamp, SMS Demag will for the first time equip an existing heavy-plate mill stand with the CVC plus[®] technology. The scope of supply furthermore includes the installation of more powerful hydraulic (roll-gap) adjusting systems in the finishing stand and of a new Level-2 automation system as well as technological control systems (TCS) including pass schedule calculation for the entire mill line.

The two-stand heavy plate mill of Dongkuk Steel was started up in 1997. SMS Demag supplied the descaler, hot plate leveler, two cooling beds and five shears. By installing the CVC plus[®] technology package in the finishing stand, Dongkuk Steel will enhance the product quality and increase the production capacity. For work roll shifting, new spade end spindles with integrated length compensation will be fitted. A rolling force increase from 80 to 90 MN is achieved by installing more powerful hydraulic (roll-gap) adjusting systems.

The combination of CVC plus[®] with a higher rolling force allows greater pass reductions, which is why fewer passes are required and productivity rises. In addition, CVC plus[®] makes flexible production possible due to the free organization of a rolling campaign.

The new equipment units will go into operation in early 2009. To ensure short commissioning and with a view to reaching the production level quickly, we will test the automation system extensively beforehand in large-scale integration tests.

(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, nonferrous 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 2006 some 9,000 employees worldwide generated a turnover of about EUR 2.8 bn.