

PRESS RELEASE

Düsseldorf, June 4, 2007

Expansion of Electrics and Automation Division

SMS Demag AG takes over Hellingrath

SMS Demag, with some 4,500 employees one of the world's leading metallurgical plant and rolling mill technology production companies, has acquired Hellingrath Gesellschaft für Prozessleittechnik mbH, previously a privately-owned company.

Yet, even after its purchase, the company will continue to operate as a legally independent entity based in Mülheim an der Ruhr, Germany. Right now, the transaction is still subject to examination and approval by the anti-trust authorities.

Hellingrath generated sales of some EUR 16.5 million in 2006 with a workforce of 85. It has, for more than 60 years, operated in industrial automation with a focus on the European steel industry. Its range of products and services covers all aspects of planning and implementation of electrics and automation projects.

Already successful long-term partners in plant construction projects, SMS Demag and Hellingrath will intensify their cooperation in the future.

The acquisition is in the wake of the SMS Demag strategy of expanding its scope of electrics and automation services for both new plants and revamps.

This is where the company is positioned on the market as an integrated system supplier of holistic mechanical-electronic solutions as well as electrics and automation systems for the steel industry.

(24 lines with max. 55 letters)

SMS group is, under the roof of the holding SMS GmbH, a group of companies internationally active in plant construction and mechanical engineering for the steel and nonferrous metals industry. It essentially consists of the two Business Areas SMS Demag and SMS Meer, which jointly form SMS metallurgy. In 2006, some 9,000 employees worldwide generated a turnover of about EUR 2.8 bn.