

## **PRESS RELEASE**

Düsseldorf, August 14, 2007

### Contract for SMS Demag AG

#### **Baoshan Iron & Steel orders Steckel mill**

Baoshan Iron & Steel Co., Ltd., Special Steel Branch (BSSB), China, has awarded SMS Demag, a company of the SMS group, Germany, a contract for the supply of a Steckel mill for the rolling of stainless steel and high-quality alloys.

Baosteel's BSSB subsidiary will use the mill to produce up to 1,300 mm-wide steel strips and plates. The mill is rated for the rolling of stainless-steel grades and special grades such as high-temperature resistant alloys, nickel-based and titanium alloys. The mill's capacity will be 282,000 t per year, of which 110,000 t will be hot coils.

SMS Demag's supply will include the Steckel mill stand with Steckel furnaces, crop shear and coiler as well as the trimming shear, hot and cold plate levelers for processing of the plates. SMS Demag will also be responsible for the technological models for pass schedule calculation and for the integrated profile and flatness model of the Steckel mill and roughing mill, as well as the complete automation system for the two levelers.

The Steckel mill stand will incorporate the CVC plus<sup>®</sup> technology. Depending on the properties of the material, the design of the Steckel furnaces will allow the application of different operating modes for hot strip coiling. This will optimize the Steckel process and minimize loads acting on the rolled stock and mechanical equipment.

In addition to the technological competence, the decisive factor in awarding the contract was our extensive experience with Steckel mills which we will contribute to the project together with our US affiliates, SMS Demag Tippins.

The mill is scheduled to go on stream in Shanghai at the end of 2009.

(29 lines with max. 55 letters)