

## **PRESS RELEASE**

Düsseldorf, March 25, 2008

### Order for SMS Demag AG

#### **NLMK modernizes its hot strip mill**

NLMK, Russia, has placed an order with SMS Demag, a company of the SMS group, Germany, for the further modernization of the finishing train of its hot strip mill.

The aim is to improve the dimensional accuracy of the hot strip in respect of thickness, profile and flatness. The modernization includes the installation of the CVC plus<sup>®</sup> system and of new work-roll bending systems in stands F2, F6 and F7. In addition, stands F1 to F4 are to be equipped with hydraulic roll-gap adjustment systems, and a new profile, contour and flatness control system (PCFC) will be installed for the finishing mill. Upon completion of this order, all finishing stands will possess not only hydraulic roll-gap adjustment systems but also CVC plus<sup>®</sup> technology (except for F1).

All revamping work will take place during the regular maintenance shutdowns and therefore there will be no need for any additional interruptions to production. The modernization work will be completed in 2011.

The new order dovetails smoothly with the series of revamps carried out by SMS Demag during the last few years on the Hot Strip Mill 2000 in Lipetsk, Russia. In 2007 three new UNI plus coilers were put into operation. At present, the plant and equipment in the interstand area is being renewed, as are also the entry and exit guides in the finishing mill.

(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 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.