

PRESS RELEASE

Düsseldorf, December 15, 2008

Joint venture between SMS Demag and IMS Messsysteme

Founding of SURCON GmbH

SMS Demag AG, Düsseldorf, and IMS Messsysteme GmbH, Heiligenhaus, have founded a joint venture – SURCON GmbH. The registered office of the company will be Heiligenhaus, Germany.

SMS Demag is a company of the SMS group, Germany, which comprises internationally active companies in plant construction and mechanical engineering for the steel and nonferrous metals industries. It consists of the two Business Areas of SMS Demag and SMS Meer. In 2007, around 8000 employees all over the world generated sales of approx. EUR 3 billion.

IMS Messsysteme GmbH is an internationally active company group in the field of measuring technology for the steel and non-ferrous metals industries. The company has generated sales of EUR 70 million with around 300 employees.

The newly formed company utilizes the combined know-how of both partner firms in the fields of casting and rolling technology and of measuring technology for flats rolling.

SURCON GmbH will be offering slab inspection systems based on 3D measuring methods as well as hot and cold strip inspection systems which make use of 2D measuring methods. The firm will not only develop these measuring systems but also produce and market them itself.

In addition, the measuring results will be elaborated by technological processes so as to implement measures for avoiding surface defects. Such measures will cover all plant types and enable considerable cost savings.

The company name of SURCON GmbH is derived from “Surface-Control”.

(29 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 2007, some 8,000 employees worldwide generated a turnover of about EUR 3.0 bn.