



Phone: +49 211 881-4449
Fax: +49 211 881-4386
Mobile: +49 151 40226502
E-mail: thilo.sagermann@sms-group.com
Thilo Sagermann

PRESS RELEASE

Düsseldorf, February 20, 2013

Order for SMS Siemag from Korea

SMS Siemag to deliver the world's largest submerged arc furnace to POSCO SNNC

POSCO SNNC, an internationally leading manufacturer of ferronickel, has contracted SMS Siemag, Germany, for the delivery of the world's largest submerged arc furnace with six electrodes for the production of ferronickel in Gwangyang, Korea.

With the extension of the works in Gwangyang, the annual production capacity will be increased from 30,000 to 54,000 t of nickel. Commissioning is scheduled for the end of 2014.

The power rating of the rectangular-shaped FeNi smelter is 140 MVA at a total nominal power input of 100 MW. To implement these performance values, furnace dimensions of 40 x 15 m are required.

Dr. Rolf Degel, Senior Divisional Specialist for the SMS Siemag Managing Board: "We are proud to work on this project together with POSCO. Even for such an experienced plant manufacturer as SMS Siemag, a furnace with these dimensions is a very special project."

SMS Siemag's scope of supply comprises all engineering and supervisory services, the delivery of the furnace and the X-Pact® electrical and automation systems.

The design of the smelter includes a thermally optimized air cooling system for the bottom part of the furnace shell as well as the patented sidewall copper cooling system for the slag line level. The overall required cooling rate is moderate, which improves both the thermal efficiency and the productivity of the furnace.

The high-quality electrode columns have been developed by SMS Siemag especially for rectangular FeNi furnaces; they are energy-efficient and operate at highest availability levels.

The furnaces are equipped with thyristors (power semiconductor component for high power levels), allowing for flexible furnace operation and maximum production rates.

POSCO SNNC (Société du Nickel de Nouvelle-Calédonie et Corée Pty. Ltd.) is a joint venture between the Korean company POSCO and the mining company SMSP (Société Minière du Sud Pacifique S.A.), which is based in New Caledonia. From there, the nickel ore is shipped to the Gwangyang plant, where it is converted to ferronickel.

SMS Siemag is one of the leading manufacturers of ferronickel smelters.

(39 lines of max. 65 characters per line)



First row, from left to right

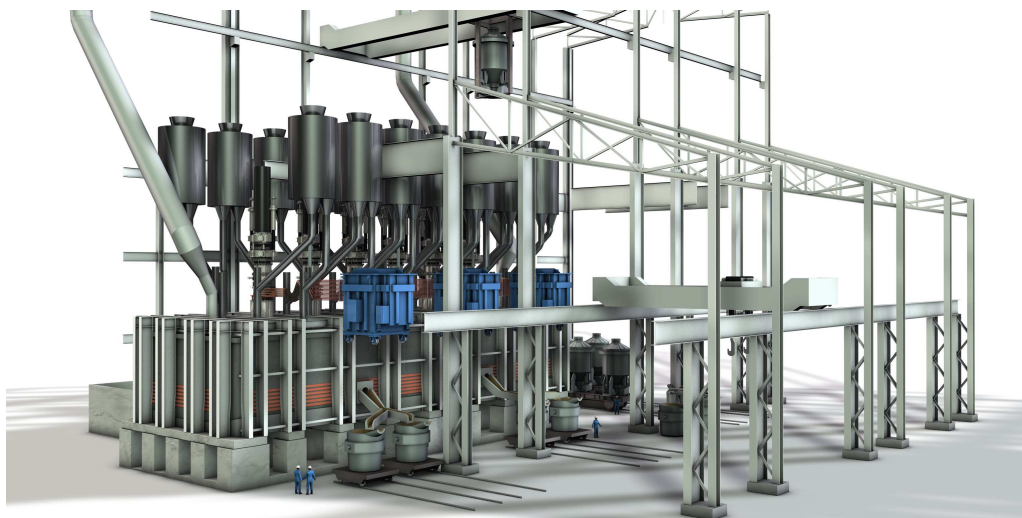
Mr. G.Y.Lim, Deputy Managing Director of SNNC

Mr. Y.H.Lee, Managing Director of Tong-II Boiler (consortium partner of SMS Siemag)

Mr. Sang-Hong Lee, Managing Director of SNNC

Dr. Guido Kleinschmidt, Member of the Managing Board of SMS Siemag

Mr. Ki-Bong Kim, Deputy Managing Director of SNNC



Layout of the rectangular furnace for POSCO.

SMS Siemag AG is a company of the SMS group which, under the roof of the SMS Holding GmbH, consists of a group of companies internationally active in plant construction and mechanical engineering for the steel and nonferrous metals industry. With some 13,000 employees, the group generates sales of over EUR 3.5 billion.