

PRESS RELEASE

Düsseldorf, May 12, 2011

Major order for Chinese companies of SMS Siemag

Yichang Three Gorges places order with SMS Siemag for the supply of two annealing lines including the Chinese local portion

In conjunction with the supply of two annealing lines to Yichang Three Gorges Quantong Co. Ltd., Hubei JiangZhong Machine Manufacturing Co. Ltd. has entrusted SMS Siemag, Germany, with the supply of all plant components for both lines. For the first time, SMS Siemag has also been awarded the local project portion. During the last few years, SMS Siemag has been setting up manufacturing and assembly capacities in China to handle orders of this magnitude. "The customer benefits from placing the supply of the local portion in the hands of SMS Siemag in that he will obtain an integrated top-quality plant from one source", says Markus Meier, Vice-President SMS Siemag Strip Processing Lines in China.

For each of the two lines, the shops in China will manufacture and install two payoff reels, the cleaning section, two skin-pass mills (for wet and dry operation), the inspection stand, the flying shear and two tension reels as well as three horizontal strip accumulators. In addition, all rolls or rollers, bridle roll sets, coil cars and side guards will be provided by the SMS locations in China.

For Yichang Three Gorges Quantong, SMS Siemag is building two annealing lines for a cold rolling complex which is currently under construction near the Three Gorges Dam in Hubei Province in central southern China. Both lines will process 350,000 tpy of ultra-thin sheet, which will then be electroplated and used as packaging material. Recrystallization annealing and subsequent post-treatment serve to set the mechanical properties and the surface quality in a controlled way. The lines will be able to reliably process ultra-thin strip (down to 0.14 mm) at high constant process speeds (600 m/min), while maintaining high quality standards.

During handling of this order, the manufacturing and assembly location SMS Siemag Metallurgical Equipment in Wujin will be assisted by SMS Siemag Strip Processing Lines Shanghai and SMS Siemag Technology Wuhan Branch. SMS Siemag opened the Wujin location, around 150 km west of Shanghai, in October 2008. Since then, plant components have been manufactured and assembled for various strip processing lines supplied by SMS Siemag. The work is performed in two bays outfitted with high-quality equipment for the manufacture and assembly of machine components. Assembly and quality assurance are key features of the service spectrum.

(42 lines with max. 55 letters)

SMS Siemag AG is a company of the SMS group, which is, under the roof of SMS Holding 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 Siemag and SMS Meer. In 2010, some 9,000 employees worldwide generated a turnover of EUR 3.1 bn.