

## **PRESS RELEASE**

Düsseldorf, September 18, 2007

### Order for SMS Meer from China

#### **WISCO subsidiary, Jiangbei Steel Processing, orders world's largest welded tube plant**

Jiangbei Steel Processing and Logistics Co. Ltd., part of the Chinese WISCO steel group, has placed an order with SMS Meer, a company of the SMS group, Germany, for the supply of a 26-inch high-frequency welded tube plant. The continuous welding line in Wuhan on the Yangtze River will be the largest of its kind in the world. It is scheduled to go into operation at the end of 2008 and will then produce up to 350,000 t of pipes per year.

The pipes to be produced have diameters from 244 mm to 660 mm with wall thicknesses up to 24 mm. They have a maximum length of 18.5 m. WISCO will supply the starting material from its own steelworks in Wuhan. The delivered coils are up to 2.13 m in width and 45 t in weight.

The new plant will produce pipes for the oil and gas industry and for the building sector. Linepipes for pipelines will be produced to API standard in steel grades up to X80. Casings for oil exploration will also be manufactured to API standard in steel grades up to N80. The plant is additionally designed to produce structurals and square/rectangular hollow sections required in the construction industry in dimensions up to 500 x 500 mm and 600 x 400 mm, respectively.

The new welded tube plant is being built by WISCO as part of the “North River Project”. A new steelworks complex is being established on the outskirts of Wuhan on the north shore of the Yangtze River that will cover the whole added-value chain from hot metal through to finished steel products.

(27 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 essentially 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.