

PRESS RELEASE

Düsseldorf, December 20, 2007

Order for SMS Meer from China

PQF[®] seamless tube plant for Anhui Tianda

The Chinese tube producer, Anhui Tianda Oil Pipe Co. Ltd., has placed an order with SMS Meer, a company of the SMS group, Germany, for the supply of a new seamless tube plant. The plant will employ the PQF[®] (Premium Quality Finishing) technology developed by SMS Meer and will have an annual capacity of 500,000 t of seamless tubes. The maximum tube diameter will be 9 5/8". Commissioning is scheduled for 2009.

SMS Meer will provide Anhui Tianda Oil Pipe with a comprehensive PQF[®] plant solution. This comprises the key components of the rolling mill equipment, including the media systems and the complete automation, as well as the whole engineering, project management, erection supervision and commissioning and hands-on training of the operating personnel.

With this new plant, Anhui Tianda Oil Pipe will be able to benefit from the advantages of the PQF[®] technology. The most important of these are: Rolling of thin walls within very close tolerances, lower material and energy consumption during production, new possibilities for higher material grades and greater flexibility in the rollable dimensions. The PQF[®] tubes meet all certification requirements. In environmental protection, too, the PQF[®] technology sets new standards with significantly reduced emissions.

With the new plant for Anhui Tianda, SMS Meer will further extend its worldwide leading position with the PQF[®] technology. Following the introduction of this new technology in 2003, the output of PQF[®] tubes will reach 4 million t in 2008. The PQF[®] technology has thus established itself on the world markets as the leading technology for the production of seamless tubes. Great interest and a high demand for the modern rolling technology currently exist in particular in the high-growth countries China, India and Russia.

SMS Meer is continuously enhancing the PQF[®] technology with the hydraulically adjusted three-roll arrangement. The latest plant generation that will be installed at Anhui Tianda, for example, has a maintenance-friendly modular design that allows standstill times to be shortened and hence productivity to be increased. In addition, the wall thickness tolerance of the finished tube is further improved.

(37 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.