

PRESS RELEASE

August 3, 2005, Düsseldorf

New order for SMS Meer

New cooling bed with finishing line for Mechel Steel Group

The Mechel Steel Group, Russia, a manufacturer of bar steel and wire rod, has placed an order with SMS Meer S.p.A., Italy, for the supply of a complete cooling bed and finishing line for bars for its mill in Chelyabinsk (OAO Chelyabinsk Integrated Iron & Steel Works).

The scope of supply includes a finishing block, water cooling sections with equalizing zones for quenching and self-tempering, a high-speed delivery system (patented H.S.D.[®]) with rake-type cooling bed, cold cut-to-length and automatic bundle forming facilities. The complete power and automation system for the finishing line will be also supplied by SMS Meer.

The mill will operate on the principle of single-strand high speed rolling. The high cooling bed entry speed of 36 m/s for bars combines the high demands for surface finish and geometry with a high production output.

The line with its capacity of 400,000 tonnes per year will be used to produce plain rounds and rebars with diameters from 10 to 20 mm.

The new mill is scheduled to go into operation at the end of 2005.

SMS Meer S.p.A. forms part of the Tube, Long Product and Forging

Technology Business Area of the SMS group.

(21 lines with max. 55 letters)

SMS GmbH is the holding for a group of companies internationally active in plant construction and mechanical engineering relating to the processing of steel, non-ferrous metals and plastics. The group is divided into the Business Areas of Metallurgical Plant and Rolling Mill Technology, Tube, Long Product and Forging Technology and Plastics Technology. In the year 2004 some 9,500 employees worldwide generated a turnover of about EUR 2.20 bn.