

PRESS RELEASE

Düsseldorf, June 28, 2006

Order for SMS Meer GmbH

Universal rail and section rolling mill for WISCO

Wuhan Iron & Steel (Group) Co. (WISCO), China has placed an order with SMS Meer, Mönchengladbach, Germany, for the supply of a new universal rail and section rolling mill with a total annual capacity of 1.05 million t. On this new mill, WISCO can produce i. a. 550,000 t per year of rails with lengths of up to 100 m for the Chinese market.

Close tolerances, good surface finish and high straightness of the rails are preconditions for the expansion of the rail network and in particular for high-speed rail traffic. In addition, parallel-flanged beams up to 600 x 300 mm and piling sections can be rolled on the new mill.

SMS Meer is to supply the complete engineering and the key equipment, including the rail straightening technology. This includes the reversing tandem rolling group consisting of three CCS[®] (Compact Cartridge Stand) units with hydraulic roll adjustment and the mechanical drives, the hot saws and the horizontal/vertical rail straightener. Erection and commissioning of the mill will be supervised by SMS Meer. Extensive training of the customer's personnel in Germany is also to be provided.

WISCO is now the fourth Chinese rail manufacturer to use the technology and equipment from SMS Meer. This enables WISCO to produce rails and sections using the proven SMS Meer universal reverse rolling method. With this mill, WISCO is well equipped to face the national and international competition. For universal beam rolling, the XH[®] rolling method (final rolling of sections on a tandem group) patented by SMS Meer is employed that is already successfully used by 15 section manufacturers worldwide.

SMS Meer GmbH forms part of the Tube, Long Product and Forging Technology Business Area of the SMS group.

(31 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.