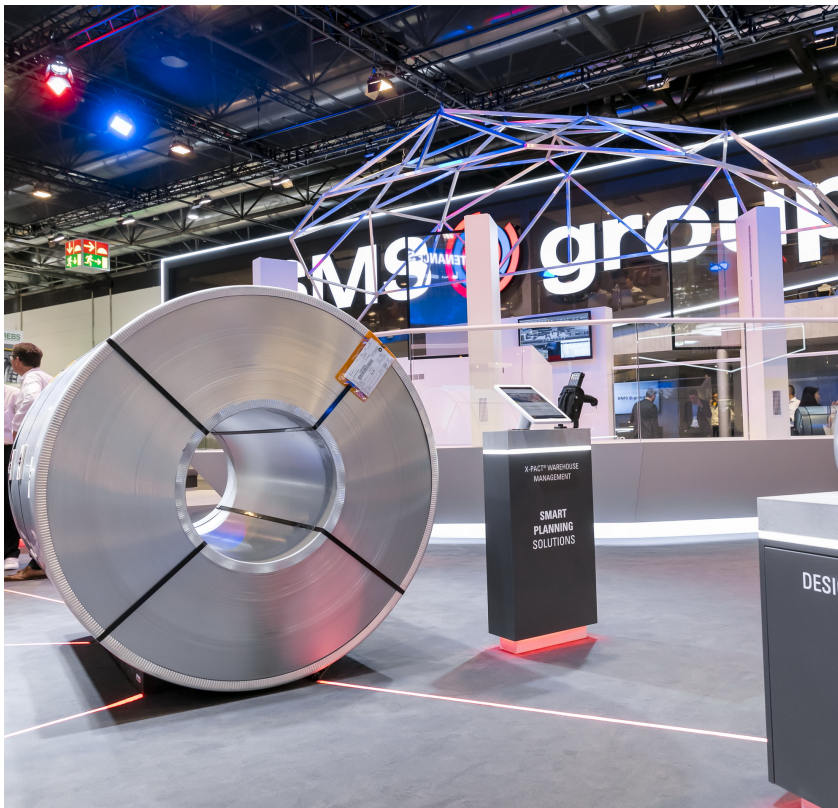


PRESS RELEASE

Düsseldorf, July 11, 2019

Salzgitter AG selects SMS group to build a new hot-dip galvanizing line at its Salzgitter site



This DP1000 steel coil presented at METEC in Düsseldorf was made available to SMS group by Salzgitter AG.

Salzgitter Flachstahl GmbH (SZFG), a subsidiary of Salzgitter AG, has launched its “Hot-Dip Galvanizing 3”

(FV3) project and one of its largest single investments of the last decade at the Salzgitter location. For plant engineering, the company selected SMS group as project partner. In addition to supplying all main components, SMS will also be responsible for erection and commissioning.

The new production facility, with an annual capacity of 500,000 tons, supplements SZFG's already existing hot-dip galvanizing lines. "This project is a key component in the strategy of Salzgitter Group that focuses on qualitative growth in the steel strip business and will help us strengthen our market position as a producer of premium products for national and international customers in the automotive industry," explains Prof. Dr.-Ing. Heinz Jörg Fuhrmann, Chief Executive Officer of Salzgitter AG.

FV3 is scheduled to start operation in 2022 and will then produce third- generation AHSS (Advanced High-Strength Steel) grades for chassis and body applications which play an important part in lightweight automotive construction and in vehicle security.

Ulrich Grethe, member of the Group Management Board and CEO of SZFG's Management Board says: "At the same time, FV3 is an essential factor in securing the future viability of Salzgitter as a steel location and the jobs there, as this investment will enable us to further optimize our already high-quality product portfolio." The new facilities to be supplied by SMS group will produce hot-dip galvanized sheets with thicknesses of between 0.7 and 2.5 millimeters and widths from 800 to 1,700 millimeters. The strip is wound to coils with a maximum weight of 32 tons.

The production of high-strength and ultra-high-strength steel grades will be ensured by the integration of a high-performance furnace from Drever International, a member of SMS group, which achieves very high cooling rates with the innovative UFC_{plus} rapid gas cooling system and features an oxidation/reduction process thanks to ProBOx[®] technology. The range of materials will cover ultra-high- strength dual-phase steels through to complex-phase steels and on to quench and partitioning steels," explains Dr.-Ing.

Michael Brühl, Managing Director of cold-rolled flat products at Salzgitter Flachstahl GmbH. The configuration of the facilities as a whole offers the structural and technical prerequisites for implementing further innovative materials concepts. A DUMA-BANDZINK JetPro air knife system with integrated eMASS® strip stabilization will be used to precisely adjust the zinc coat thickness.