



ADVANCING THE TECHNICAL DEVELOPMENT, PRODUCTION, PROCESSING AND APPLICATION OF IRON AND STEEL

FROM: Assoc. for Iron & Steel Technology (AIST)
186 Thorn Hill Road
Warrendale, PA 15086 USA

CONTACT: Stacy Varnecky
724.776.6040 x 637

FOR IMMEDIATE RELEASE

**EUROPE AND NAFTA KEY MARKETS FOR GROWTH
SAYS THYSSENKRUPP USA CHIEF**

PITTSBURGH, May 13, 2008 — Even as China booms, ThyssenKrupp sees greater prospects for growth as a supplier of premium, high-value steels to the European and NAFTA markets.

Robert P. Soulliere, president and chief executive officer of ThyssenKrupp USA, LLC, delivered that message during his keynote address at *AISTech 2008 — The Iron and Steel Technology Conference and Exposition* in Pittsburgh last week.

Soulliere expects steel demand to rise by 6 percent annually in China over the next eight years — compared with just 1.6 and 1.2 percent in NAFTA and Europe. He indicated that growth would be primarily in low-value-added products, such as hot-rolled and heavy plate steel.

For that reason, the NAFTA region and European markets will remain the central focus of ThyssenKrupp's manufacturing and marketing efforts. In those parts of the world, Soulliere believes that demand for the high-tech, high-quality products in which his company specializes, will soar by more than 40 percent.

To meet this anticipated demand, Soulliere said ThyssenKrupp has made two major investments in the NAFTA region. The first is a new \$400 million facility in Brazil that will produce low-cost steel slabs to be further processed into high-value hot-rolled, cold-rolled and coated products. The second is a new \$3.7 billion steel and stainless steel processing facility in Mobile, Alabama.

The Brazilian plant, which will begin operations next year in Sepetiba Bay, Rio de Janeiro, will encompass two blast furnaces, a BOF shop, two continuous casters and a coke and sinter plant. Annual capacity is expected to exceed 5 million metric tons.

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The Brazilian works will supply ThyssenKrupp's existing facilities in Germany and provide feedstock to the new Mobile plant.

The Alabama facility, which will be jointly owned by ThyssenKrupp Steel USA and ThyssenKrupp Stainless Steel USA, will include a hot strip mill, a cold-rolling facility and a hot dip coating line. The cold rolling plant will process 350,000 tons of strip annually while the hot-dip line will generate 125,000 tons of hot pickled strip steel per year. A new stainless steel facility co-located on the 3,500-acre site, will have an annual melting capacity of more than 1 million tons. The new Mobile works is slated to begin production in 2010.

Looking toward the future, Soulliere sees excellent prospects for the global steel industry, despite the sluggish U.S. economy. His forecast for the U.S. and European economies is flat growth through most of 2009, followed by strengthening in 2010.

Even with the current economic slowdowns — and the increasingly high costs for scrap, iron ore and energy — Soulliere believes the industry has plenty of reason for optimism. “The world appetite for steel is growing,” he asserted, while the number of major players in the industry is decreasing, a trend he expects to continue.

With a total crude steel output of approximately 14.5 million metric tons in fiscal 2006-07, ThyssenKrupp Steel is Germany's largest and Europe's second-largest steel producer. The company employs roughly 40,000 people and generated sales of more than 13.2 billion Euros (\$20.3 billion USD) in its latest fiscal year.

AISTech 2008 was one of the largest gatherings of industry personnel in the world this year, with more than 8,300 people attending. The four-day conference program encompassed more than 350 technical presentations, and exhibits by 470 domestic and international companies.

AIST is an international technical association of more than 14,400 professional and student members, representing iron and steel producers, their allied suppliers and related academia. The association is dedicated to advancing the technical development, production, processing and application of iron and steel.

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