

# ThyssenKrupp Steel USA, LLC ThyssenKrupp Stainless USA, LLC



News Release  
For Immediate Release

## ThyssenKrupp Breaks Ground on the Site of its Steel and Stainless Steel Facility

Alabama Plant to Begin Operations in 2010

MOBILE, ALABAMA [November 2, 2007] – ThyssenKrupp Steel USA, LLC, and ThyssenKrupp Stainless USA, LLC, today broke ground on the site of its \$3.7 billion carbon and stainless steel processing facility in Calvert, Alabama. The groundbreaking marks the beginning of construction of the 3,500-acre plant.

Permit applications required to begin construction were approved by State and Federal agencies, allowing ThyssenKrupp to remain on schedule for the commencement of operations in March 2010.

“The global steel industry is undergoing a dynamic consolidation process. We are taking our own individual approach, with a clear forward strategy to further position ourselves as a global player in the steel markets of Europe and North America,” Ekkehard D. Schulz, Chairman of the Executive Board of ThyssenKrupp AG, said. “This is the type of project that represents a very long-term commitment. We will be in Alabama for decades to come, providing good jobs for many generations.”

Karl-Ulrich Koehler, Chairman of the Executive Board of ThyssenKrupp Steel and member of the Executive Board of ThyssenKrupp AG, added, “This new processing facility will allow us to strengthen our position in North America. It will create major advantages in terms of quality, costs, and access to a customer base with a demand greater than current supply.”

“Our investment in Alabama is a central element of the ThyssenKrupp Stainless strategy. The NAFTA stainless steel market has great potential and we are committed to significantly expanding our business in this growth region,” noted Juergen H. Fechter, Chairman of the Executive Board of ThyssenKrupp Stainless and member of the Executive Board of ThyssenKrupp AG.

The facility will include a hot strip mill which will be used primarily to process slabs from ThyssenKrupp's new steel plant in Brazil. It will also feature cold rolling and hot-dip coating capacities for high-quality end products of flat carbon steel. The facility will have an annual capacity of 4.1 million metric tons of carbon steel end products. In addition, a stainless steel melt shop will be built with an annual capacity of up to one million metric tons of slabs, which will also be processed on the hot strip mill. A cold rolling facility is to be built, which will be designed initially to produce 350,000 tons of cold strip and 125,000 tons of pickled hot strip. In addition, the stainless steel plant will provide ThyssenKrupp Mexinox in San Luis Potosi (Mexico) with its required pre-material (340,000 metric tons of hot band).

In May, ThyssenKrupp announced that it will build a new state-of-the-art carbon and stainless steel processing facility in Alabama. Since that time, the company has opened a project office in Mobile, awarded several site preparation contracts to Alabama-based companies and placed an order for the hot strip mill and cold rolling complex. ThyssenKrupp has also held four Community open house meetings throughout the Mobile area to inform approximately 2,000 residents about the new plant.

Along with construction, the company's next focus will be on developing a first-rate workforce to help operate the facility – producing 5.1 million metric tons of high-end products each year. ThyssenKrupp will work together with the Alabama Industrial Development Training office (AIDT), to train and recruit workers for the facility. When fully operational, 2,700 permanent jobs will be created, including opportunities in management, engineering, equipment operations, logistics, production, maintenance and administration.

Throughout the construction and operation of the new facility, ThyssenKrupp is committed to meet the most stringent environmental protection standards. The plant will employ the most technologically advanced protection measures. It will use clean-burning natural gas and electricity - not coal - to fire its process heaters and furnaces. The process equipment will also be designed with extensive energy recovery and re-use technologies.

Once operational, the new facility will process carbon and stainless steel for high-value applications by manufacturers in the United States and throughout North America. The plant will serve industries including automotive, construction and household appliances.

*The ThyssenKrupp Group, based in Duesseldorf, Germany, is a global technology company which consists of five business segments – Steel, Stainless, Technologies, Elevator and Services. The company has annual sales of approximately €47 billion (US\$61 billion) and employs 188,000 employees in over 70 countries worldwide.*

*ThyssenKrupp Steel, based in Duisburg, Germany, is the holding company for the carbon steel activities of the Group. Last year, it produced approximately 14 million metric tons of crude steel and generated sales of €10.7 billion (US\$14 billion). This business segment is focused on high-quality carbon steel flat products and is one of the world's leading producers, ranking second in Europe. The segment employs over 30,000 people. Its subsidiaries are active in processing, coating and steel services. Subsidiaries include Rasselstein GmbH, the world's largest tinplate production site in Andernach, Germany, and Duisburg-based ThyssenKrupp Tailored Blanks GmbH, world market and technology leader in laser-welded blanks for the auto industry.*

*ThyssenKrupp Stainless, also based in Duisburg, Germany, unites all of ThyssenKrupp's activities in the areas of stainless steel flat-rolled products, nickel alloys and titanium. Thanks to its innovation potential, the ThyssenKrupp Stainless has achieved leading market positions worldwide. The segment has annual sales of €6.4 billion (US\$8.3 billion) and 12,200 employees around the globe. Operating companies include German-based ThyssenKrupp Nirosta, Italy's ThyssenKrupp Acciai Speciali Terni, ThyssenKrupp Mexinox in Mexico, Shanghai Krupp Stainless in China and ThyssenKrupp VDM. ThyssenKrupp Stainless International is responsible for all stainless sales, distribution and service activities of the Stainless segment where these are not directly allocated to the production companies. The Stainless segment serves global customers in the appliance, electronics, automotive and aerospace industries.*

*ThyssenKrupp operations can be found in every state in the U.S. There are 70 ThyssenKrupp companies in more than 400 locations accounting for 25,000 employees and more than \$9.7 billion in annual sales. Through its predecessor companies, ThyssenKrupp has been part of the U.S. historical landscape for 170 years, dating back to 1837 when Alfred Krupp, founder of predecessor company Krupp, provided coin minting machine prototypes to the U.S.*

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