

## PRESS RELEASE

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# POSCO Pohang modernizes its wire rod and bar-in-coil mill #2 with SMS group

Quality, process and plant efficiency will be highlighted with the new pouring reel for special steels in South Korea



From left: Nam Kyu Go, EPI Procurement Section, POSCO; David Maurizio, Area Manager, Sales, SMS group; Hee-Jea Lee, Plant, Equipment & Materials Procurement Office, POSCO; Pierluigi Fenati, Legal & Compliance, SMS group.

Pohang Iron and Steel Company (POSCO), the fifth largest steel producer in the world and largest in Korea, has awarded SMS group the order to modernize its existing wire rod mill at its Pohang works.

The plant presently produces 540,000 tons per year of wire rod and bar-in-coils for automotive applications in the diameter range from 14 up to 42 millimeters with coils up to two tons.

The target of the modernization includes the replacement of some equipment along the mill (existing descaler and additional one on the rolling mill), a new cropping shear, a shiftable water cooling line, pouring reel machines with walking beam conveyor, cooling fans and hoods assuring in-line treatment of coils.

The project foresees to widen coiled round products up to 55 millimeters diameter and smaller products rolled at 22 meters per second. The mechanical areas will be connected with a scratch-free conveying system that, combined with the automation package supplied by SMS group, will grant POSCO a quality improvement on the rolled surface of the bars and a better coil shape and formation. Further implementations are the off-line simulation process with CCT<sup>®</sup> (Controlled Cooling Technology) and quick changing system of the water cooling line in less than five minutes to grant better plant efficiency. These features will give POSCO the possibility to better supply the automotive and special steels market.

This latest modernization project further underlines SMS group's upgrade expertise and its position as a leading supplier of rolling mills for quality steels in all size ranges.

*SMS group is a group of companies internationally active in plant construction and mechanical engineering for the steel and nonferrous metals industry. It has some 14,000 employees who generate worldwide sales of about EUR 3 billion. The sole owner of the holding company SMS GmbH is the Familie Weiss Foundation.*