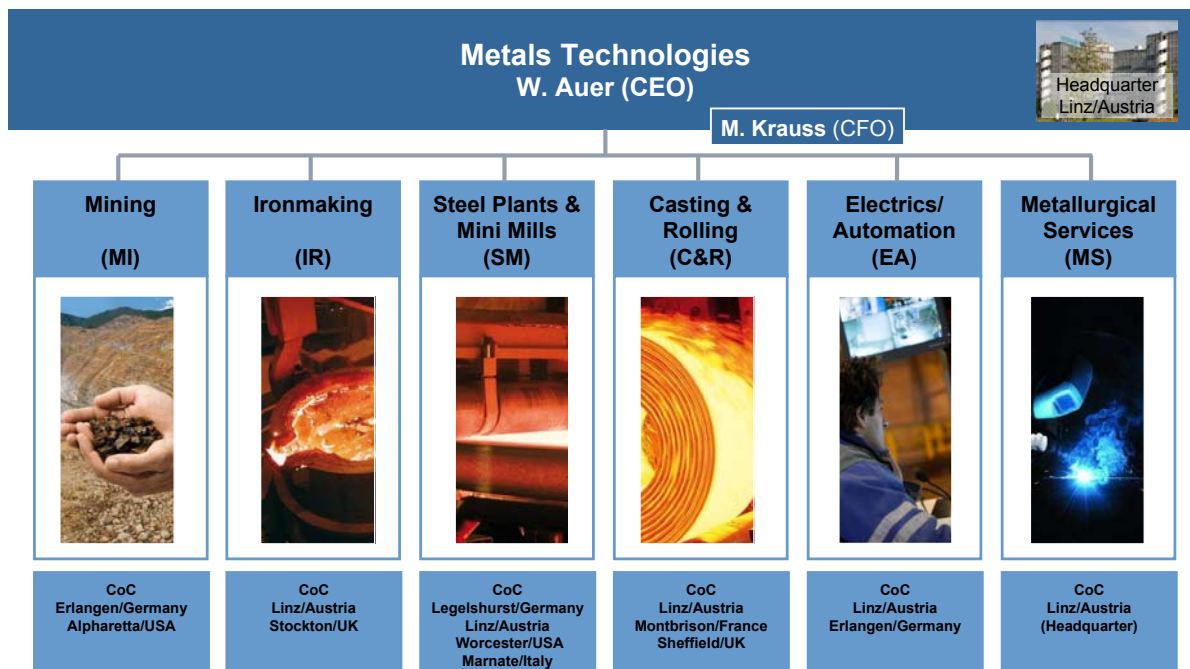


Drive Change for Future Success

Werner Auer, Siemens VAI

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Siemens VAI Metals Technologies Business Segments

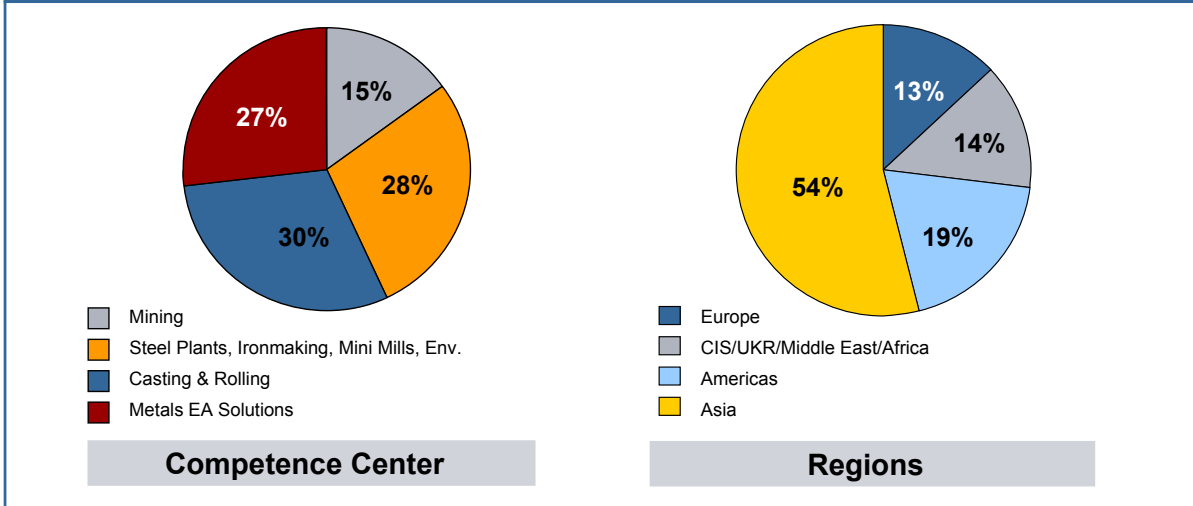


Metals Technologies – Order Intake FY 2009 Competence Center and Regional Portfolio

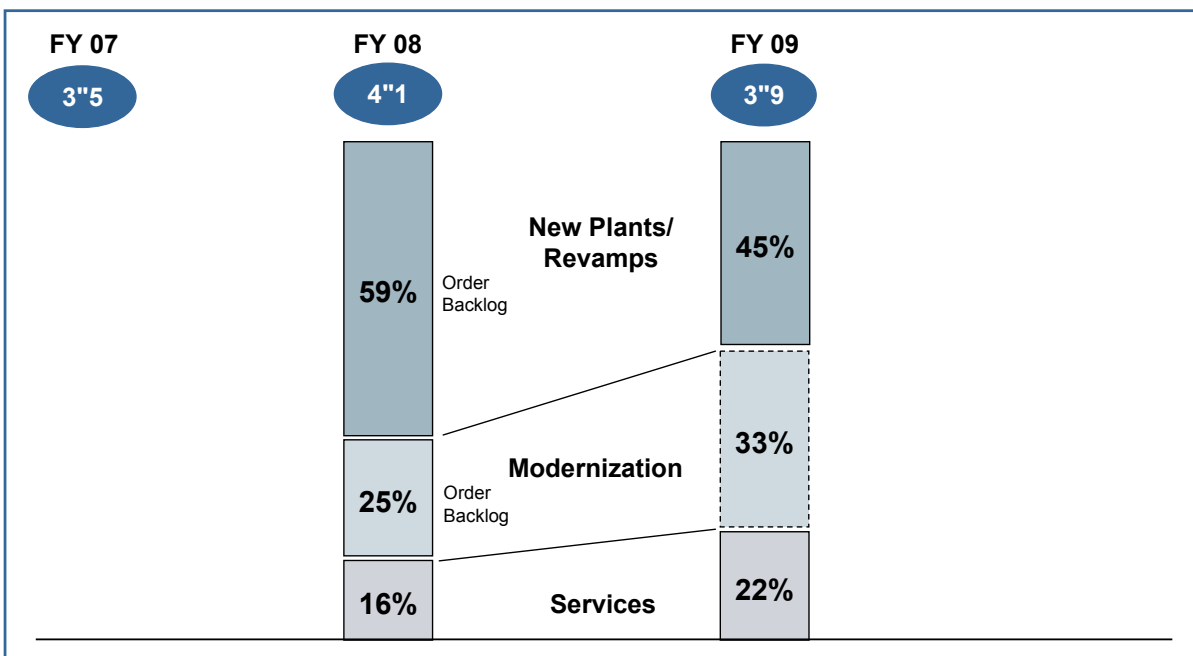


Siemens VAI	FY 07	FY 08	FY 09
New orders (in million EUR)	3,500	4,100	2,400

Order intake according to business segment and region

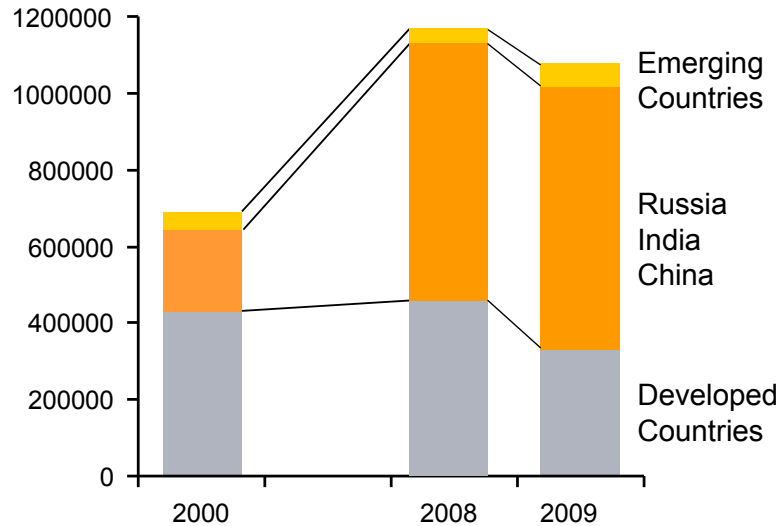


The strong order backlog is the foundation for Siemens VAI current business



The economic crisis has accelerated the establishing of new steel production centers

Development of steel production 2000 - 2009 in 1000 tons



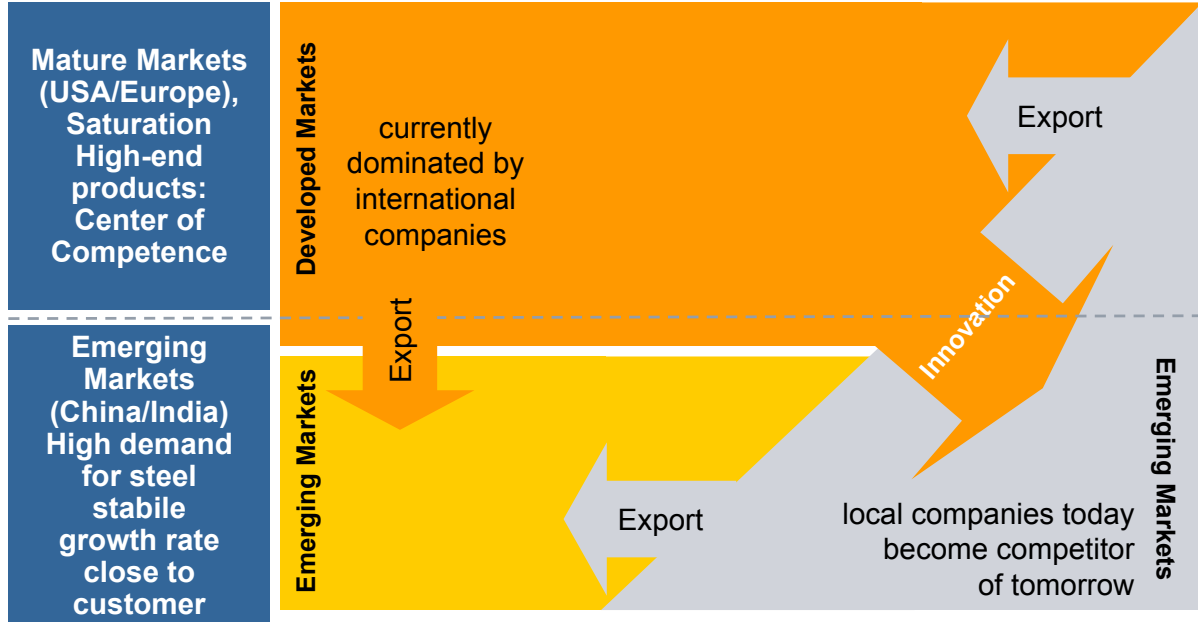
Source: www.worldsteel.org

Siemens VAI meets the customer requirements in different market segments

Customer Interests	Functionality	Price	Market Volume
Highest technical requirements	Intense engineering and research capability, special quality, performance	Performance driven	3.7 bln Euro
Economic balance between features and price	Standard engineering and process know how, local supply to meet market price	Optimal price-performance ratio	11.2 bln Euro
Strongly price driven with local requirements	Standard engineering and process know how to fulfill local requirements	Price for basic functions	
Lowest price solutions	Basic engineering, no international standards and safety requirements	Lowest price	5.6 bln Euro

Chinese and Indian plant engineering push into local and international markets

Product Portfolio



New market dynamics are challenging for global plant engineering companies

<p>Performance driven markets</p>	<p>Requirements for performance</p> <ul style="list-style-type: none"> ▪ life cycle solutions ▪ cost effective, flexible production ▪ quality, safety, environment ▪ innovation set new standards ▪ economic balance between feature and price
<p>Price driven markets</p>	<p>Standards for mass production</p> <ul style="list-style-type: none"> ▪ need for local supply ▪ price for basic functionality ▪ conventional plant design <p>Solutions for plant products by local plant engineering companies</p> <ul style="list-style-type: none"> ▪ copy of technology ▪ exports of plant components

Siemens VAI expands portfolio with focus on the strategic position of a multi-local supplier



Strategy

To China: Downstream

- Reversing Cold Mill
- Finishing Lines
- Alu Foil Mill
- Caster Segments
- Shapetech Products
- Bar Mills

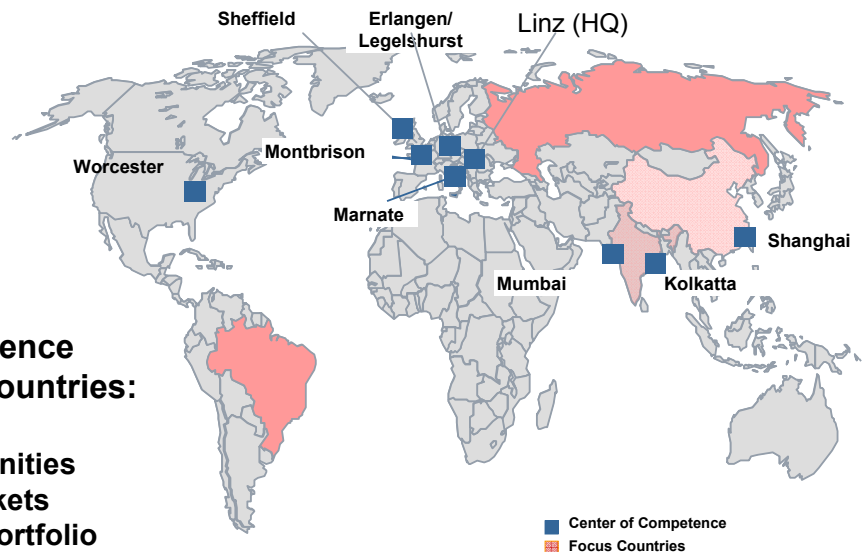
To India: Upstream

- Billet Caster
- Ladle Furnace
- Vacuum Degassing
- Blast Furnace
- Sinter Plant

Siemens VAI in China and India become responsible for

- Design, engineering and development of local products and solutions
- Partnering with local customers
- Own manufacturing
- Global sales
- Customer relations
- Integration of new technologies

Siemens VAI is further leveraging the global footprint



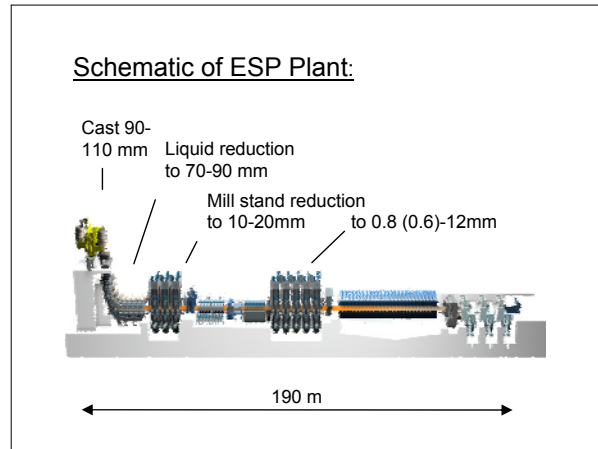
Expand Global Competence Footprint with Focus Countries:

- Extensive sales opportunities
- Protection of home markets
- Improvement of entire portfolio
- Reducing global price pressure

First Application: Very successful start-up in Cremona, Italy

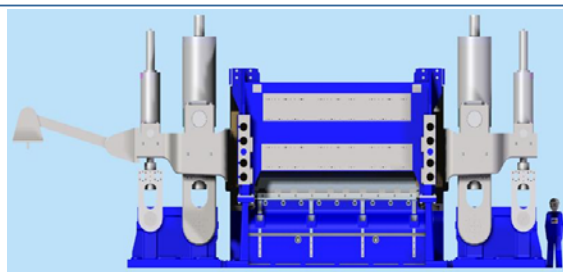
Current Highlights of Start-up (April 2010)

- 114,000 tons monthly production
- All products are sold
- At full width of 1,540 mm
 - Casting speed: 6.0 m/min achieved
 - Minimum Strip thickness of 0.9 mm achieved
 - 25% of production below minimum of conventional hot rolled strip thickness (of 1.5 mm)



Innovation

SmartShear



Description

A new hydraulically operated cross-cut plate shear that provides improved cutting quality

Customer Benefits/USP

Faster cutting of thin plate, better cut quality, easier maintenance, quicker delivery, better for revamps (easier to customise width, no oil cellar)

Gimbal Top® - Successful start-up with impressing results



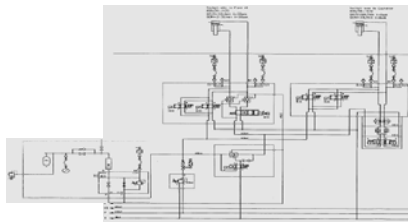
Description

Furnace Blow-in
22nd September 2009

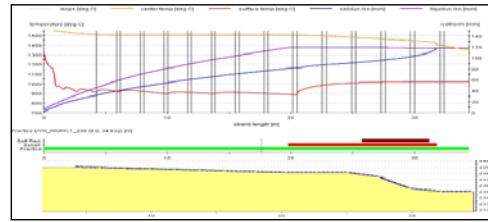
Customer Benefits/USP

- Tata Steel has achieved fuel efficiency exceeding design specifications
- Infinite flexibility placement of burden, incl. true centre coke charging
- Simple design with non-reliance on proprietary equipment supply
- Hydraulic drive, repeatability and accuracy over life cycle

1 Mechatronic Packages



Gas Recovery Switch over Station (SoS)



SIMETAL DynaGap – Smart strand guiding system

2 Implementation

Gas Recovery Switch over Station (SoS): About 20 installations in steel plants to date.

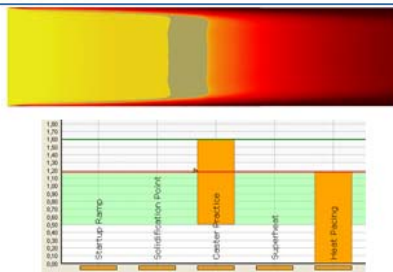
SIMETAL DynaGap – Smart strand guiding system: Continuous Casting Plants.

3 Customer Benefits

SIMETAL DynaGap – Smart strand guiding system: Improved flexibility and productivity due to fast thickness change. Improved inner quality due to reduced centerline segregation.

Gas Recovery Switch over Station (SoS): Identical mechanical and E&A design for preferred sub-suppliers (frame contract). Minimum internal engineering (scheme, electrics, automation, etc.). No specialists required for commissioning (t.b.c). Short commissioning periods and no trouble-shooting activities, lowest NCC's (t.b.c).

Speed Expert (Level 2):



Visualisation of optimum casting speed to the operator via HMI based on calculated rules

Customer Benefits

- Optimum casting speed guidance during all casting conditions (productivity, quality).
- Automatic proposals for the best productivity.
- Securing high quality of casting products.

LiquiRob EAF



Development of LiquiRob EAF for multiple applications (e.g. temperature measurement and sampling)

Lead Customer: Riva SAM Neuves Maisons, (FAC in February 2010)

Customer Benefits

- Increased safety.
- Enables higher degree of automation for operating.
- Reduction of human resources, especially in dangerous areas.