

Joint press release

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Ansteel and Bekaert build plant in Chongqing

Ansteel, a leader in the Chinese steel industry and one of the top steel producers in the world, and Bekaert, global market and technological leader in advanced metal transformation and in advanced materials and coatings, decided to set up a 50/50 joint venture.

Following the announcement of May 26, 2008 on the Memorandum of Understanding outlining the terms for a strong cooperation between Ansteel and Bekaert, the joint venture is a first step in the realization of the strategic partnership.

Ansteel and Bekaert will invest a total of € 150 million in the construction of a new steel cord plant to be built in the Shuangqiao District within the Chongqing Municipality. This investment will, in line with market development, take place in phases. The first phase is scheduled to enter production in 2009 and involves a capital investment of € 40 million. Both companies will sign the investment agreement with the Shuangqiao District Government in Chongqing on June 8, 2008.

According to Mr. Chen Ming, Director of the Strategic Development Department of Anshan Iron & Steel Group Corporation, this joint venture is an important step in Ansteel's strategic downstream integration plans since it will open up new markets for Ansteel in partnership with Bekaert, a world leader in advanced wire products.

Mr. Geert Roelens, Group Executive Vice President of Bekaert, adds: "with Ansteel being our partner in wire rod development and supply, as well as an industry leader with great knowledge of the local market, we are confident that this first tangible realization of our partnership agreement will be the start of an extensive and fruitful cooperation." Mr. Roelens also states that this project well addresses the westward development objectives and actions of the Chinese Government and of the customers to whom Bekaert wants to continue to ensure nearby support.



Ansteel profile

Anshan Iron and Steel Group Corporation (www.ansteelgroup.com) was established in 1916 and has its headquarters in Anshan, Liaoning Province. After many years of continuous growth and development, Ansteel has turned into an industry leader, strong in innovation and in quality assurance, as evidenced by international quality certificates. Ansteel produces and sells steel products such as hot-rolled and cold-rolled sheet, galvanized steel sheet, color coating plates, silicon steel, wire rod and seamless steel pipes. These products are used in the automotive, construction and shipbuilding industries, in electrical appliances and in railroad construction and pipelines. In 2007, Ansteel produced over 16 million tons of steel and reported record revenues over CNY 80 billion (ca € 7.3 billion). The company's goal is to be ranked in the *Global 500 Forum* by 2010 and become one of the most international and competitive steel companies.

Bekaert Profile

Bekaert (www.bekaert.com) seeks sustainable profitable growth based on its two core competences: advanced metal transformation and advanced materials and coatings. Bekaert aims to consolidate its position as both market and technological leader around the world. With its broad range of high technological products, systems and services, Bekaert offers high added value for its customers. Bekaert (Euronext Brussels: BEKB) is a European based company, headquartered in Belgium, employing 20 400 people. Bekaert, present in 120 countries, generates combined annual sales of more than € 3.4 billion.