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news release

ArcelorMittal Ostrava launches the company's first European production of new steel for auto industry

Ostrava 3rd October 2016 – ArcelorMittal Ostrava is producing a new steel that will be used in the automotive industry.

The plant's medium section rolling mill has developed and is now producing flat bars that will be used to make leaf springs, a steel spring that is used in a vehicle's suspension system.

ArcelorMittal Ostrava is the company's first European plant to produce the flat bars for leaf springs; ArcelorMittal currently makes the same bars in its Canada, South Africa and Brazil operations.

The bars are made of high quality, low-alloy chromium vanadium steel with outstanding elastic formability, hardenability (the depth up to which a material is hardened after putting it through a heat treatment process) and resilience. This makes them an ideal material to use in the production of highly-stressed machinery parts, such the leaf springs.

Extending the product portfolio has required an investment in the modification of the rolling mill amounting to more than CZK 210m (€7.7m) which will be completed in 2017. ArcelorMittal Ostrava has been included in the list of suppliers of bars for the production of leaf springs, a prerequisite for the new product to be used in the automotive industry.

"The production of bars for the automotive industry represents another step in our efforts towards extending the portfolio of high added value products to increase our competitiveness. The new product, which was developed here in Ostrava, also shows our commitment to research and development," said Vijay Mahadevan, CEO of ArcelorMittal Ostrava.

Leaf springs are most commonly used as parts of service vehicles, vans, lorries, trailers, pick-ups, SUVs, trucks, railway carriages and agricultural machines. Among the customers for the new products are well-known Tier 1 suppliers, who further process the bars in order to manufacture the final product for the automotive sector.

Low-alloy chromium vanadium steel is suitable for the manufacture of spring-like components of all kinds. The required hardenability and resilience are achieved by special heat treatment – quenching and tempering. In order to ensure the necessary results, the alloying elements chromium and vanadium are added. The high quality of the mechanical properties and chemical composition has a major effect on the resilience of the leaf springs.

The medium section rolling mill will offer flat bars in three basic profiles: for parabolic and multi-leaf springs and air linkers, and in sizes of 50 to 100 mm width and 5 to 50 mm thickness.

The medium section rolling mill currently produces around 750,000 tonnes of steel products, including a large variety of hot-rolled long products such as ribbed bars for concrete reinforcement or beams.

Thanks to a recent investment of CZK 200m (€7.4m), the rolling mill also manufactures threaded bars in sizes of 15 to 75 mm, which are used in buildings, underground construction and geotechnical structures.

The medium section rolling mill is approximately one kilometre long. At the time of its construction in the 1980s, the mill was the second largest investment in Czechoslovakia (the first being the Temelín nuclear power plant), costing 7 billion Czechoslovak crowns.

Ends

ArcelorMittal Ostrava a.s. is part of the world's largest steel and mining group ArcelorMittal. Annually it produces more than 2 million tonnes of steel, which is mainly used in construction and machinery. It is the biggest manufacturer of road safety barriers and the only producer of grain-oriented steel sheets in the Czech Republic. Besides the Czech market the company delivers its products to more than 40 countries around the world. ArcelorMittal Ostrava and its subsidiaries employ 7 250 people. In 2015 average income was CZK 34 615. As a result of the completion of a range of greening technologies the company produces iron and steel with the minimum possible impact on the environment. The sole shareholder is ArcelorMittal S.A.