SCHULER

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PRESS RELEASE

Schuler awarded major order from Turkey

Largest single order in company history – line for production of railway wheels

Göppingen, August 16, 2013 – In order to expand its Rail division, the Turkish company Karabük Iron & Steel Industry and Trade Inc. (Kardemir) has placed an order with Schuler worth over € 90 million for a line to produce railway wheels. It represents the largest single order the press manufacturer has received in its 174-year history.

"This order confirms our successful strategic diversification into promising market segments like Railway and underlines our high technological expertise," stated Stefan Klebert, CEO of Schuler AG.

With 4,000 employees and an annual turnover of € 660 million, Kardemir is Turkey's oldest steel manufacturer with an annual capacity of 3 million metric tons. The company is based in Karabürk, a town some two hundred kilometers north of Ankara. Turkey's most modern integrated steel plant is located here with a wide range of equipment for processing raw materials into steel products.

"We aim to make Karabürk the center of Turkey's railway industry," stated Kardemir's CEO, Fadil Demirel, on signing the contract. "With our high-quality steel, we are able to produce top-class forged wheels which meet the needs of a high-speed rail network," added Demirel. Kardemir already manufactures railway lines and switch points for high-speed railroads – which the Turkish state is expanding strongly at present. According to

government sources, the whole rail network will be doubled to 25,000 kilometers by 2023.

Thanks to an economic boom, Turkey is a highly promising future market for Schuler – in addition to China. "The Turkish economy is on a fast track to success. We aim to expand our presence here as our innovative products fit perfectly with current needs," explained Martin Habert, Managing Director of subsidiary Schuler SMG GmbH & Co. KG, which will be handling the order.

The Turkish order is the second the company has received for its newly developed wheel rolling machine, which produces railway wheels from pre-forged blanks. As a systems supplier for the new manufacturing center, Schuler will also be supplying a heat treatment line and equipment for machining the railway wheels. Moreover, the complete package includes testing technology for the finished wheels. The production line will be able to produce around 200,000 wheels per year with an average blank weight of approximately 500 kilograms.

The order is also the first joint project of Schuler with a company belonging to the ANDRITZ Group since ANDRITZ acquired its majority stake in Schuler. As a partner of the project, ANDRITZ Maerz will supply heat treatment technology for the railway wheels.

The Turkish steel manufacturer Kardemir has awarded Schuler its largest-ever single order for a line to produce railway wheels. The contract was signed in Göppingen, Germany.	Major order for Schuler from Turkish steel producer Kardemir. The management teams of both companies signed the contract at Schuler's head office in Göppingen, Germany.

Photo: Schuler

About the Schuler Group – www.schulergroup.com

As the technological and global market leader in metalforming, Schuler supplies machines, production lines, dies, process know-how and services for the entire metal-working industry. Its clients include car manufacturers and their suppliers, as well as companies in the forging, household equipment, packaging, energy and electrical industries. Schuler is also the market leader in coin minting technology and supplies systems solutions for the aerospace and railway industries. The company employs around 5,500 people and is represented by its own facilities and sales offices in 40 nations around the world. In fiscal year 2011/12 (ending Sep. 30), Schuler posted sales of € 1,226.1 million. The Schuler Group can trace its roots back to a locksmith shop founded in Göppingen, Germany, by Louis Schuler in 1839. The company has produced metal-working machines since 1852. The Austrian ANDRITZ Group today holds a majority share in Schuler.

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