

### Industry Sector Industry Solutions Division

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#### **60 million euro order from Krakatau Steel: Siemens to modernize slab steel works in Indonesia**

**Siemens has received an order from PT Krakatau Steel, Cilegon, Indonesia, to completely modernize its slab steel works no. 1. The purpose of the project is to both increase the production capacity and reduce the specific consumption of energy and operational resources. The order has a value of some 60 million euros. The modernized works is scheduled to come into production in the summer of 2012.**

Krakatau Steel – based in Cilegon, Banten Province – is the largest steel producer in Indonesia. It produces some 1.5 million tons of direct reduced iron and 2.4 million tons of raw steel per annum in its integrated steel works. This is then further processed to make hot and cold-rolled coils and bar steels. Slab steel works no. 1 will also be renovated as part of a program to expand the hot-rolled coil production to 2.4 million tons per annum. Siemens will, at the same time, install new electrical and automation equipment in the hot strip mill.

Siemens is responsible for the design, engineering, procurement and the turnkey installation of all new and modernized components of the slab steel works, and will coordinate the necessary constructional measures. Raw steel is produced in the works by four electric arc furnaces, three of which will be completely replaced during the project. This will not only increase reliability and productivity but also reduce the consumption of electricity, electrodes and refractory materials. The installation of new electric arc furnaces also makes it necessary to modify the associated dust cleaning systems. Their cleaning capacity and availability are to be substantially increased. The project also includes the conversion of the two continuous slab casters CCM 1 and CCM 2. A number of technology packages, specially developed for casting plants, will ensure that they produce slabs with the consistently high quality required by the downstream hot rolling process.

Siemens will also completely renew secondary plant equipment – such as the water treatment and the oxygen, argon and compressed-air supply systems – to meet the capacity and availability requirements of the modernized works.

The project is being implemented jointly by Siemens VAI Metals Technologies and PT Siemens Indonesia. Siemens Indonesia is responsible for the complete electrical and installation engineering, including the associated constructional measures and local procurement.

Further information about solutions for steel works, rolling mills and processing lines can be found at: <http://www.siemens.com/metals>

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