



Joint venture in China: thyssenkrupp Steel Europe plans production of lightweight and steel design wheels with Chinese partners

- Jingu, Chinese market leader for steel wheels, and Ansteel will be partners in the joint venture
- Production of high-quality lightweight and steel design wheels planned
- Closing expected in a few months
- Production ramp-up after closing: volumes expected in the low single-digit million range

Hangzhou, June 21, 2018 • thyssenkrupp Steel Europe today signed contracts for a joint venture to produce lightweight and steel design wheels for the auto industry in China. Its partners in the planned joint venture will be the leading Chinese steel wheel manufacturer Jingu and the steel producer Ansteel. The main shareholder will be Jingu with 51 percent, while thyssenkrupp Steel Europe will hold 34 percent and Ansteel 15 percent. The Chinese competition authorities are now examining the tie-up. The closing could take place in a few months.

Potential identified for innovative lightweight and steel design wheels

The aim of the joint venture is to develop market potential for lightweight and steel design wheels with innovative products. thyssenkrupp Steel Europe will bring in proven technological expertise: as part of the InCar plus project the steelmaker's developers achieved major lightweighting success above all via the hot forming route. The wheels they developed were not only lighter than comparable aluminum wheels, they also cost much less, while complying with strict safety standards. The wheels can be assembled from a common carrier with rim and additional design shell. This modular approach allows new design freedom. For the Chinese partners

one of the key reasons for recruiting thyssenkrupp Steel Europe for the joint project was the company's proven expertise in hot forming and lightweight construction. "We are delighted to be giving the starting signal for this joint venture together with our partners Jingu and Ansteel today," says Dr. Heribert Fischer, production executive at thyssenkrupp Steel Europe. "There is a clear trend towards lightweight solutions on the main global auto markets. Now, with Jingu and Ansteel we have exactly the right partners to convert our know-how in the wheel segment into convincing products for customers." After the closing the plan is to reach production numbers in the low single-digit million range in the medium term.

thyssenkrupp Steel Europe with long experience in China

thyssenkrupp has had successful links with Ansteel for 16 years: Since 2002 the two companies have been producing high-quality hot dip coated sheet for the Chinese auto market via their joint venture Tagal. Ansteel will supply the steel for wheel production. With a capacity of around 40 million tons per year, Anshan-based Ansteel Iron and Steel Group is one of the world's biggest steel producers.

Jingu, the main shareholder in the planned joint venture, is the Chinese market leader for steel wheels, producing at five sites and employing 2,400 people. The company also boasts advanced research and test facilities. One clear focus of the joint venture will be the development of hot-formed steel wheels in China.

The products are to be marketed under the joint venture's own brands. An e-commerce platform is also to be set up for this purpose.

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