

Dortmund, June 2007

PRESS RELEASE

Large-Scale Order for Dortmund Engineering Company

The Dortmund-based company W + K IndustrieTechnik GmbH & Co. KG has received a large-scale order for the supply of machinery and equipment for the manufacture of spirally welded large-diameter pipes from the US company Berg Spiral Pipe Corp.

Berg Spiral Pipe Corp. is a newly founded subsidiary of Berg Steel Pipe Corp., www.bergpipe.com, which is domiciled in Panama City in the US federal state of Florida and has been manufacturing longitudinally welded large-diameter pipes in lengths up to 12 m according to the three-roller bending process for more than 25 years.

Berg Steel Pipe Corp. is a 100 % subsidiary of Europipe GmbH, Mülheim a.d. Ruhr, www.europipe.com, one of the world's leading companies in the steel pipe sector with more than one million tonnes of fabricated pipes per year (that corresponds to a length of around 3,000 kilometres) in the diameter range of 500 - 1,500 mm.

In future, steel pipes for the transport of oil and gas with a diameter of 600 - 1,500 mm will be produced on the machines to be supplied from Dortmund, the first part-shipment is to be effected as early as January 2008. In the new mill which will be erected in the city of Mobile in the federal state of Alabama in the south of the USA, it will be possible to manufacture around 200,000 tonnes of high-quality spiral pipes per year as from the middle of 2008. The new pipe mill will be technologically supported not only by Europipe GmbH, Mülheim a.d. Ruhr, but also by Salzgitter Großrohre GmbH, Salzgitter, which belongs to the group of companies as well.

The two-stage fabrication process technology applied by W + K IndustrieTechnik was already developed at HOESCH in Dortmund and in Salzgitter in the seventies and is the decisive factor for the awarding of the order.

The order value for W + K IndustrieTechnik lies in the double-figure million range.

Spiral pipes from so-called coils, i.e. sheet strips wound up into steel rolls with weights up to 45 tonnes, are utilised in the two-stage process. In a first step, they are formed into a pipe and are tack-welded. The subsequent final welding of the pipes is carried out on three welding stands arranged in parallel using the submerged-arc multi-wire welding process for the pipe inside and outside welding.

Before the pipes are completed, they pass through additional processing stations and are subjected to various hydrostatic and non-destructive tests so that they can subsequently be utilised in the oil and gas pipelines with the greatest possible safety. The new spiral pipe mill of the Europipe group will be the first in the USA to apply this two-stage process for the manufacture of quality pipes.

W + K IndustrieTechnik which has now been active as a mechanical and plant engineering company for over ten years has constantly improved the spiral pipe manufacturing machines and installations to be supplied here. Therefore, W + K occupies a market-leading position today.

Approx. 50 people (predominantly engineers) are employed at the Dortmund location. Since 2005, W + K IndustrieTechnik has been a partner of the Graebener Group, Netphen, a corporate group with competence in hydraulics, electrics / electronics and mechanical engineering and with an annual turnover in the order of magnitude of Euro 80.0 million as well as around 300 employees.

W + K IndustrieTechnik is glad about the good order situation at the moment and about the orders on hand worth more than Euro 40.0 million which, even today, are safeguarding employment until the end of 2008.

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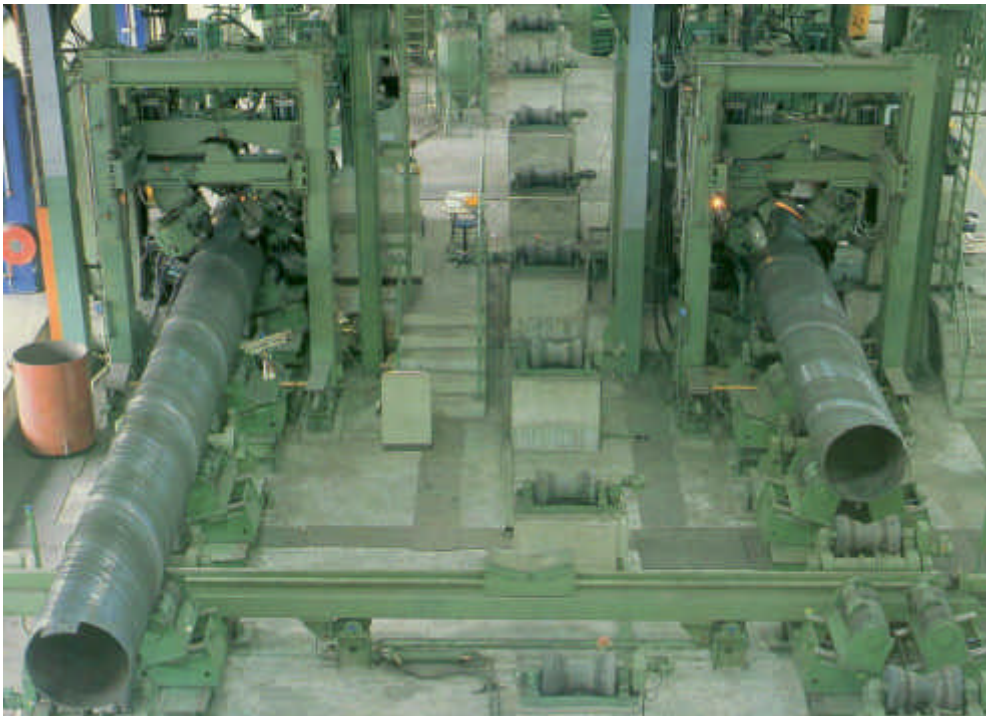
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A part of the spiral pipe forming and tack-welding machine can be seen on the above photograph.



Spiral pipe production on two Submerged Arc Final Welding Stands is shown.



Spiral Pipe Mill Finishing Line