Tsingshan's Entrance Strategy into the World Market
Build up Lofty Tsingshan
Make Lifetime Stainless Steel
筑万仞青山 炼百年不锈
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1. INTRODUCTION
2. PRODUCTION
3. SALES
4. INTERNATIONALIZATION
About Tsingshan

**Ownership**
- Private share holding

**Core Business**
- Production and sales of stainless steel flat and long products

**Capacity & Output**
- Capacity: 5 Million Tons/Year (end of 2014)
- Output: 3.2 Million Tons in 2013  +33%↑

**Sales Revenue**
- 8.3 Billion US Dollars in 2013  +21%↑

**Employees**
- About 18 Thousands
Six Groups

- Tsingtuo Industry Group
- Tsingshan Holding Group
- Tsingshan Indonesia
- Guangdong Jeray Group
- Ruipu Technology Group
- Stellar Tube & Pipe Group
- Shanghai Decent Group

SHANGHAI DECENT GROUP

- OVERSEAS INVESTMENTS
- INDONESIA NICKEL MINE

TSINGSHAN HOLDING GROUP

- FINANCIAL SUPERVISION
- FINANCING FOR THE OTHER 5 GROUPS

STELLAER TUBE&PIPE GROUP

- MANUFACTURING SS SEAMLESS PIPE/TUBE

RUIPU TECHNOLOGY GROUP

- MANUFACTURING SS ROUND BAR/WIRE ROD

TSINGTUO INDUSTRY GROUP

- MANUFACTURING NARROW STRIP

GUANGDONG JERAY GROUP

- MANUFACTURING WIDE COILS

TSINGSHAN INDONESIA

- NPI PLANT
- STAINLESS STEEL PLANT
Supply Chains

- Nickel Mine
- NPI mill abroad
- FE-CR MILL

Upstream
- RKEF Process
- NPI Plant
- Hot Charge
- S/S casting
- HRM

Midstream

Downstream
- CRM
- Pipe&Tube
- Bright Bar
- Fittings etc...

TSINGSHAN
Coil & Plate Production Process
Bar & Wire Rod Production Process
Stainless Steel Production

- **Year 2008**
  - World: 74%
  - China w/o Tsingshan: 24%
  - Tsingshan: 2%

- **Year 2013**
  - World w/o China: 50%
  - China w/o Tsingshan: 42%
  - Tsingshan: 8%

- **Incr. 2008-2013**
  - 637 Thousand Tons (Incr.: 371%)
  - 3200 Thousand Tons
Production in Year 2013

- Long Product: 33%
- Flat Product: 67%
- Round Bar: 66%
- Wire Rod: 30%
- Tube & Pipe: 4%
- Slab: 31%
- Narrow Strip: 64%
- Wide Coil: 5%
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Export History – Wide Coil

Export History – Wire Rod


Thousand Tons

- China
- Tsingshan
Markets

- Russia
- Tsingshan USA
- USA
- Europe
- Turkey
- Mid-east
- India
- Southeast Asia
- Korea
- Taiwan
- Brazil
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Internationalization – Overseas Investments

- Nickel Ore ♦ Indonesia
- NPI ♦ Indonesia
- FeCr ♦ Zimbabwe
- FeCr ♦ Iran
Overseas Investment - Indonesia

Nickel Ore Mine
- Since Year 2009
- Abt 47,000 Hectare
- Nickel Content: above 1.8%

Nickel Pig Iron Plant
- 1st Phase: End of 2014, Capacity: 300,000 Tons/Year
- 2nd Phase: Beginning of 2016, Capacity: 600,000 Tons/Year
- 3rd Phase: End of 2017, Capacity: 900,000 Tons/Year
## Overseas Investment - Indonesia

### Stainless Steel Plant
- **Estimate time of commissioning:** Year 2017
- **Capacity:** 3 million tons/year, slab.
- **Main Sales Market:** Japan, Taiwan, Europe, etc.
Overseas Investment - Zimbabwe

- Ferro Chrome Smelter
  - Since end of Year 2013
  - Capacity: 60,000 Tons/Year
# Internationalization - Products

## 1780MM HRM

<table>
<thead>
<tr>
<th>Capacity</th>
<th>Hot Rolling: 3 Million Tons per Year</th>
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<tbody>
<tr>
<td></td>
<td>Annealing &amp; Pickling: 1.6 M Tons/year</td>
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<tr>
<td>Product Dimension</td>
<td>Wide: 850mm~1560mm</td>
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<tr>
<td></td>
<td>Thickness: 2.2mm~16mm</td>
</tr>
</tbody>
</table>

- Wide: 850mm~1560mm
- Thickness: 2.2mm~16mm
# Internationalization - Products

<table>
<thead>
<tr>
<th>Product Diversification</th>
<th>Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>➢ Flat Product</td>
<td>ASTM, EN, JIS, PED...</td>
</tr>
<tr>
<td>➢ Long Product</td>
<td></td>
</tr>
<tr>
<td>- Seamless Welded Tube &amp; Pipe</td>
<td></td>
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<tr>
<td>- Wire Rod</td>
<td></td>
</tr>
<tr>
<td>- Round Bar</td>
<td></td>
</tr>
<tr>
<td>- HR coils &amp; strip</td>
<td></td>
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<tr>
<td>- CR strip</td>
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<td>...</td>
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Thank you!

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