



The Case For A 15,000Tonne Open Die Forging Press

Materials Supply Chain for UK Power Generation



Outline

- Company & Employees
- Performance & Markets
- Investments
- World Demand
- Future Direction
- Funding Support

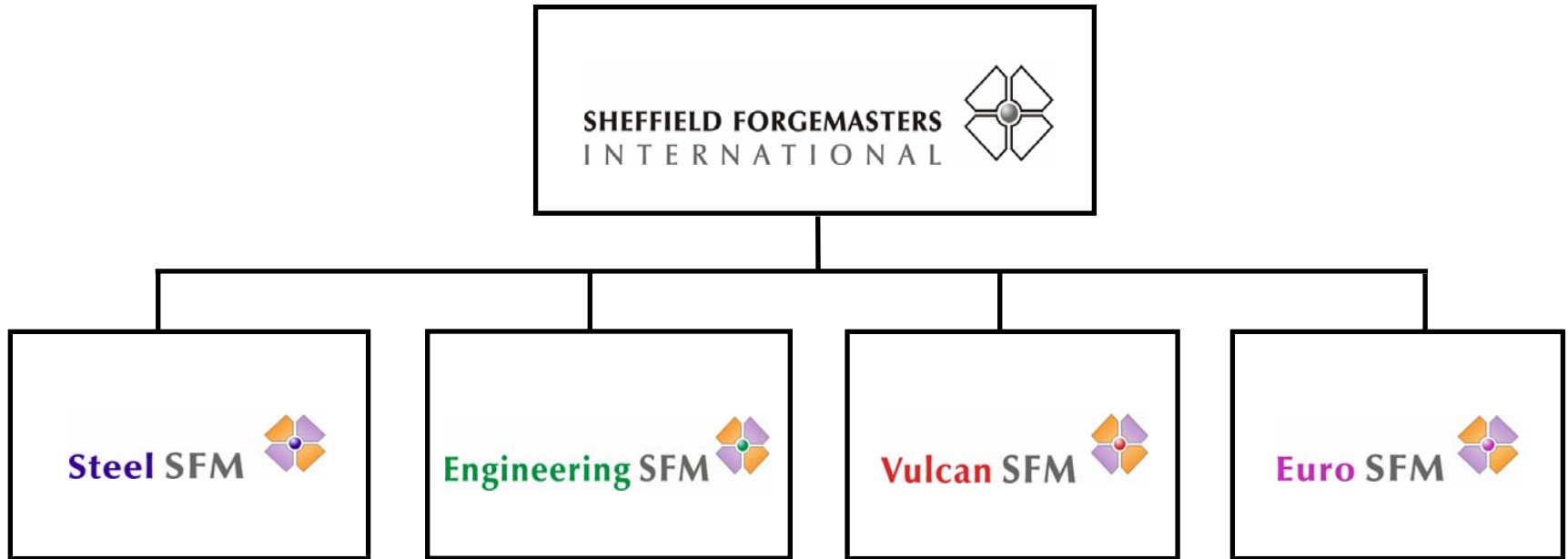


Company & Employees

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INTERNATIONAL



Group Structure

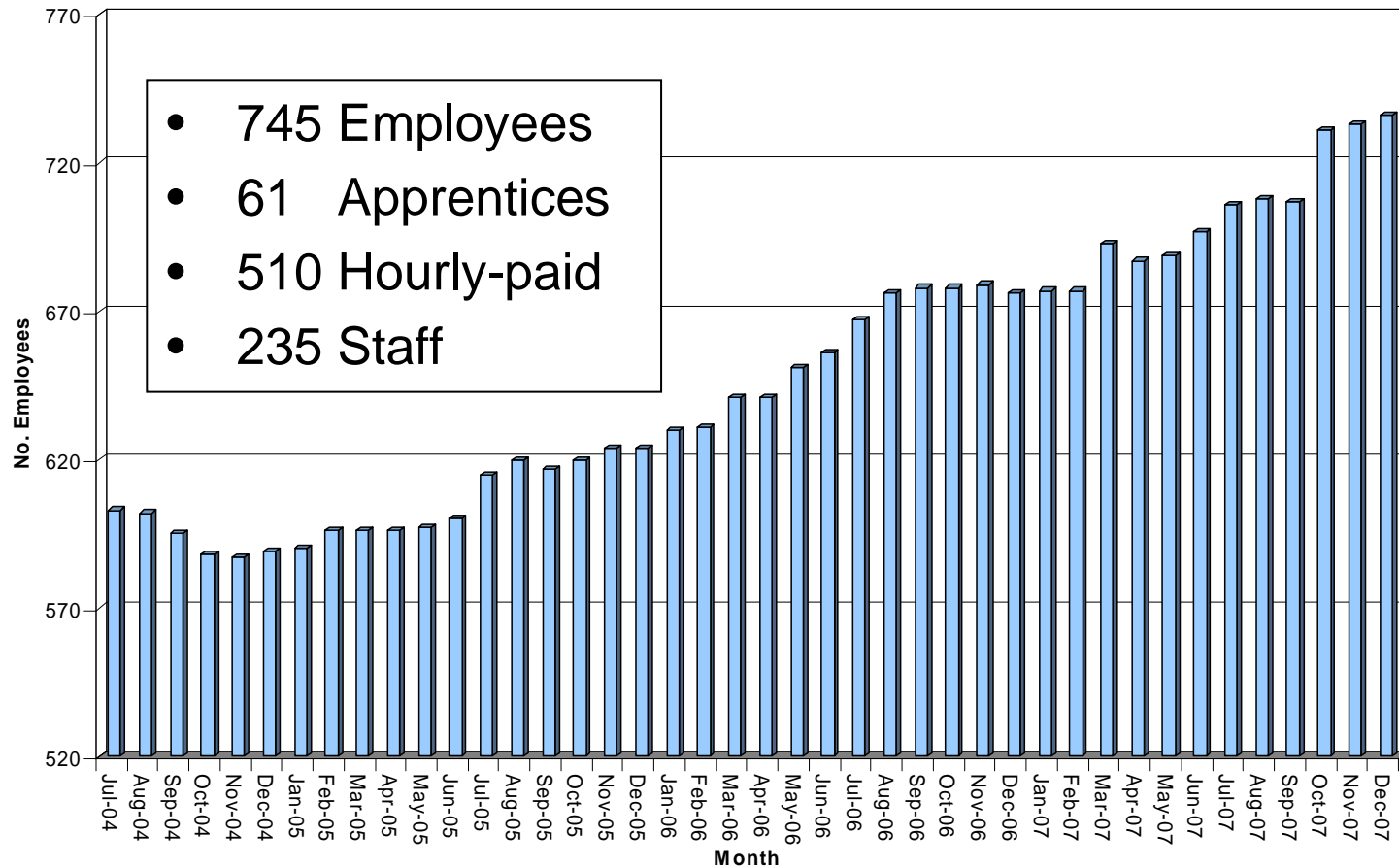


Current Shareholders

Shareholders	Holding
SFIL Management and Workforce	100%



Total Employees

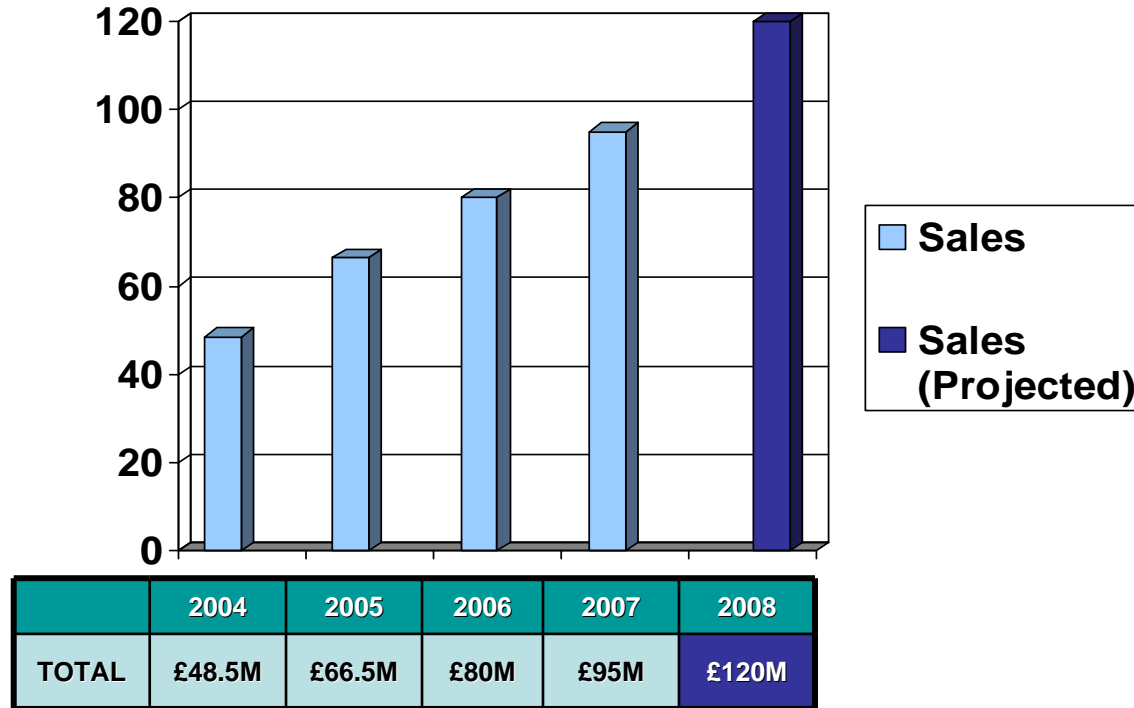


Performance & Markets

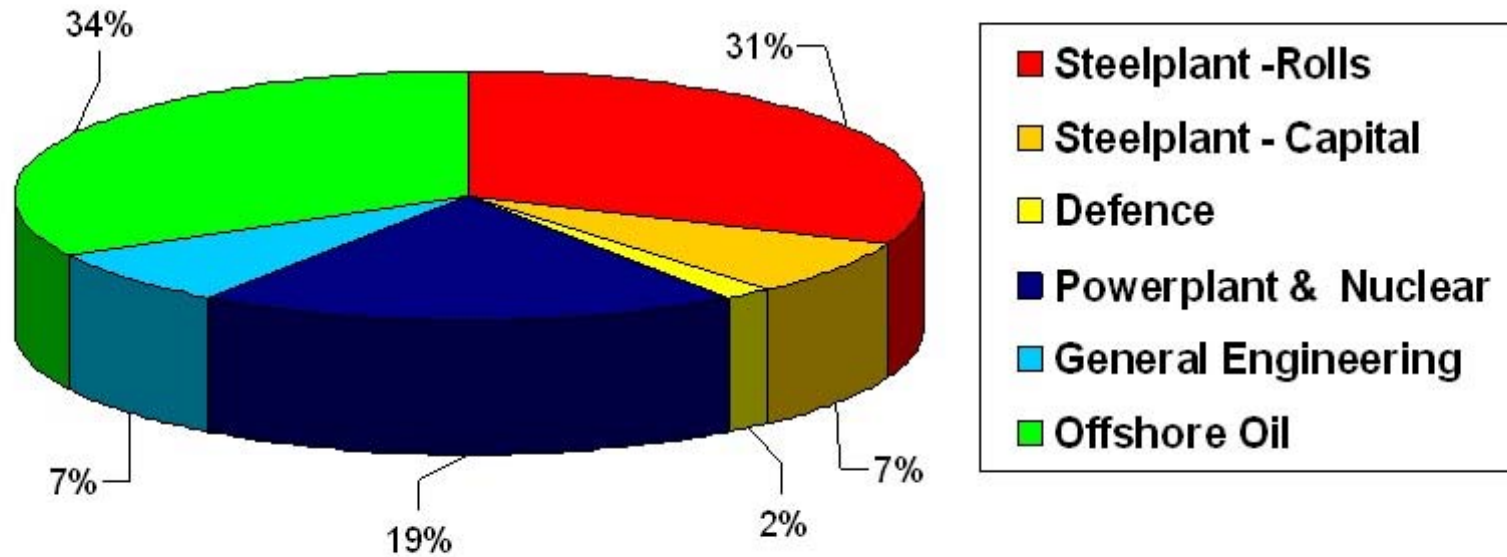
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Total Sales



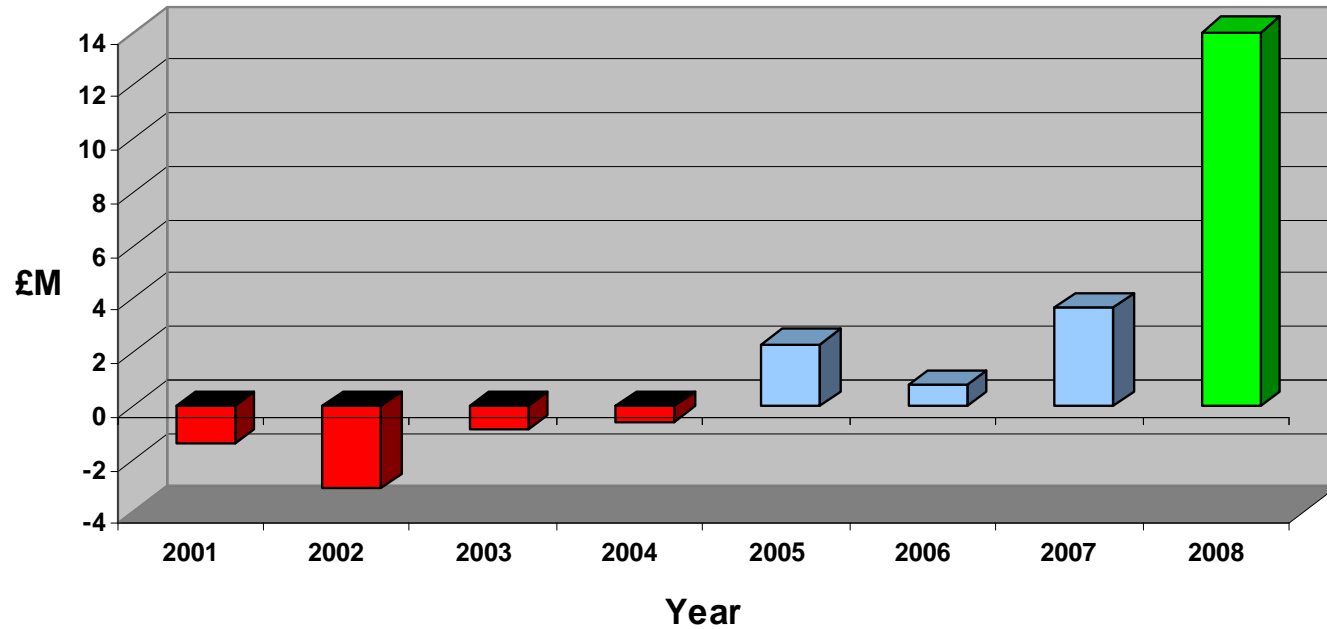
Current Sales by Product



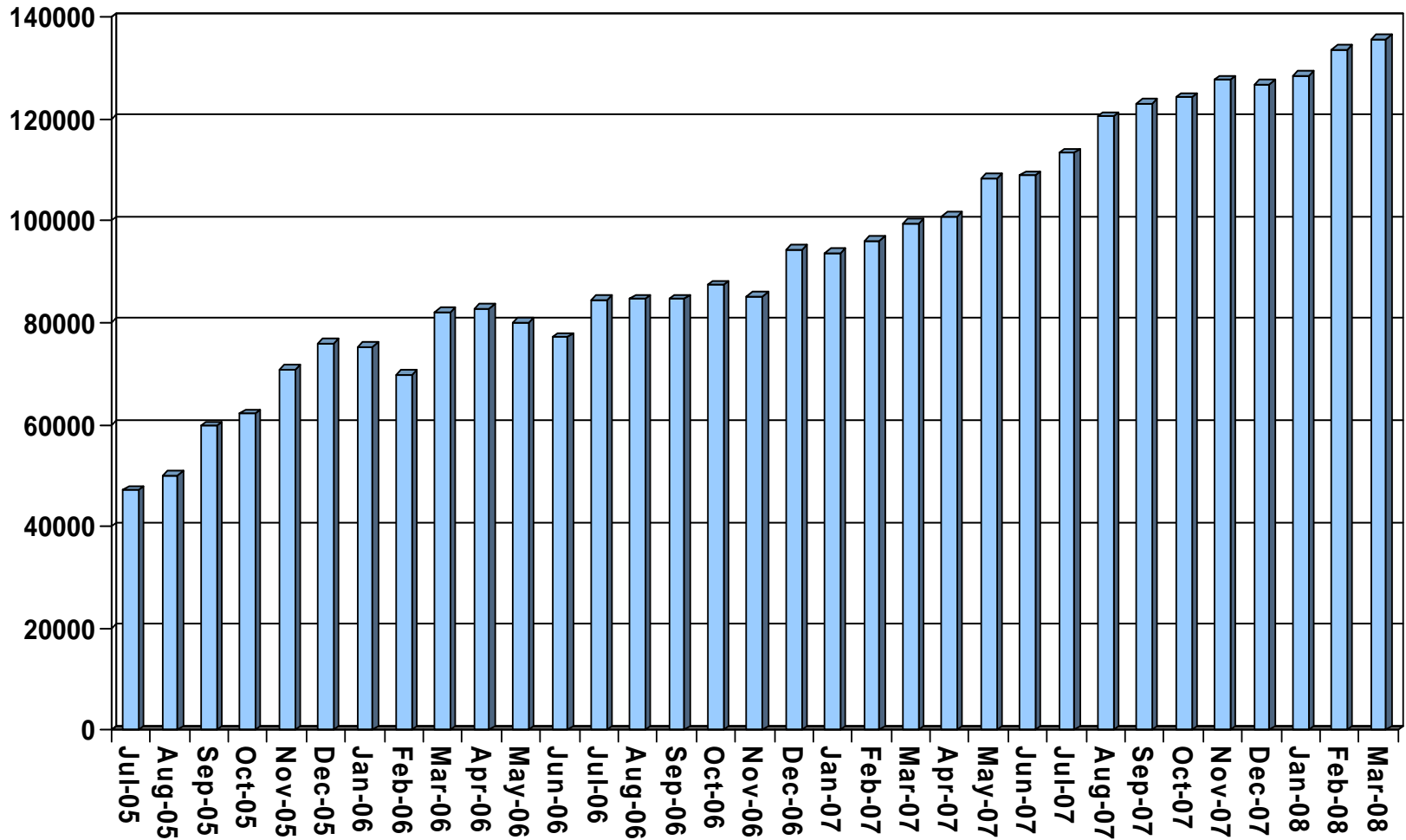
Serving a Worldwide Business



Operating Profit/Loss



External Order Book



Investments



Total Investment 2006/08

Business Unit	£K
Steel SFM	1769
Engineering SFM	9669
Vulcan SFM	11125
Total Investment	22563

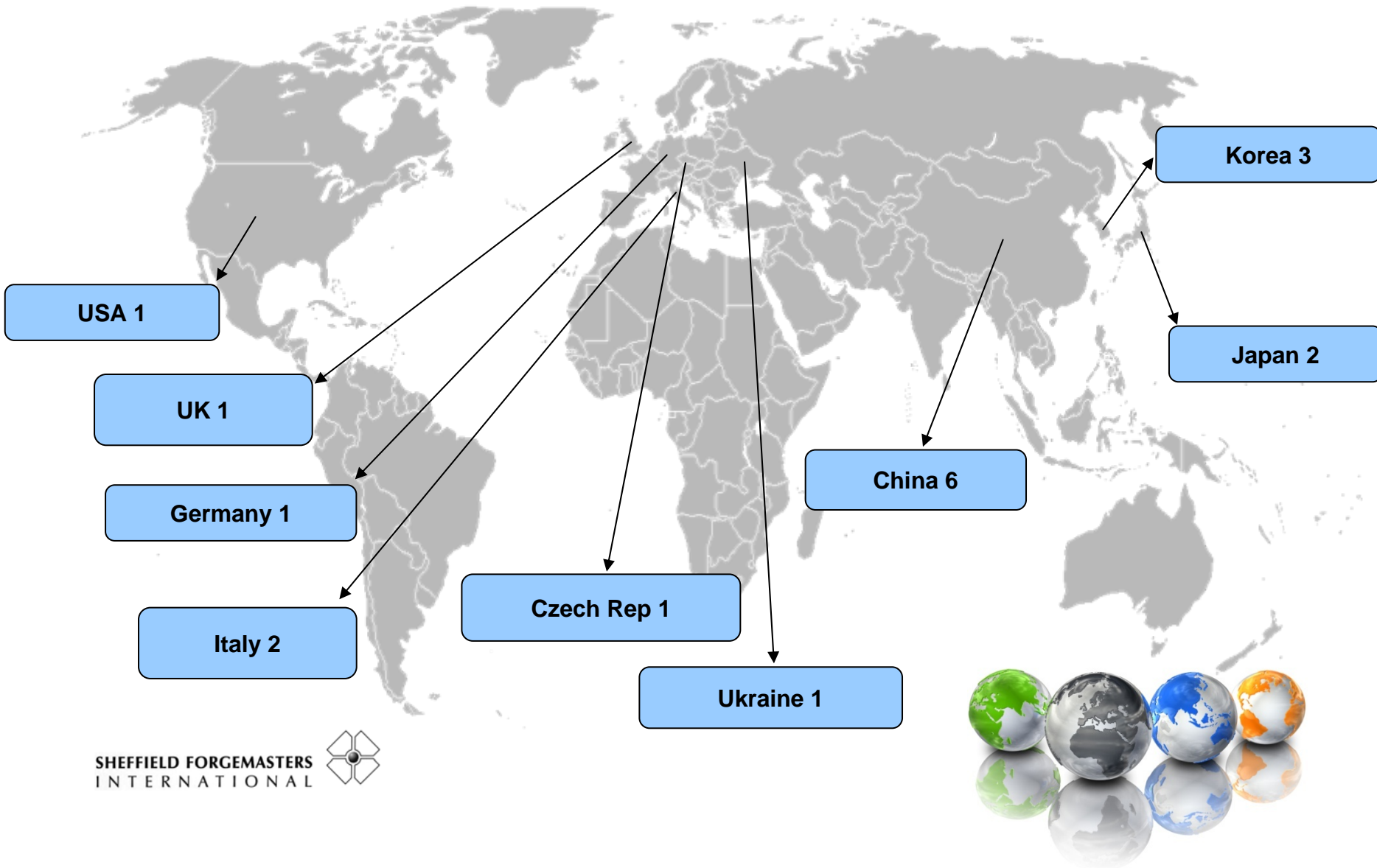
**SFIL Has Invested More In the last 12 Months Than
In The Previous Decade**



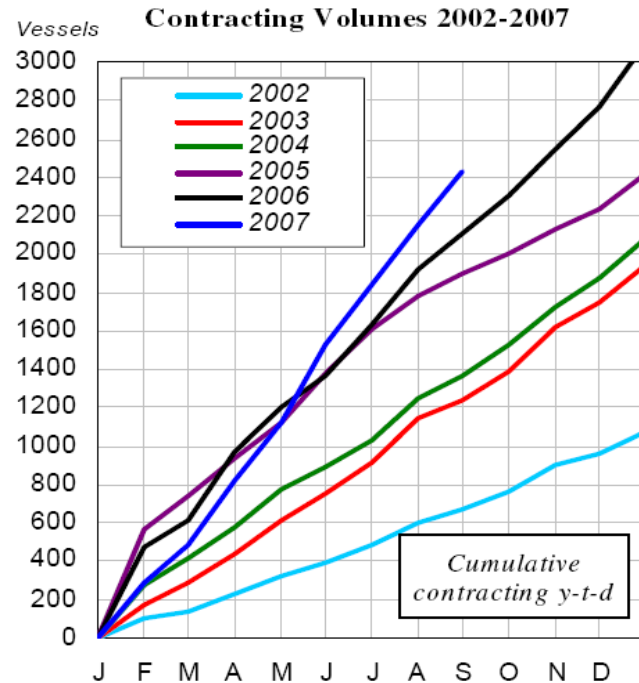
World Demand



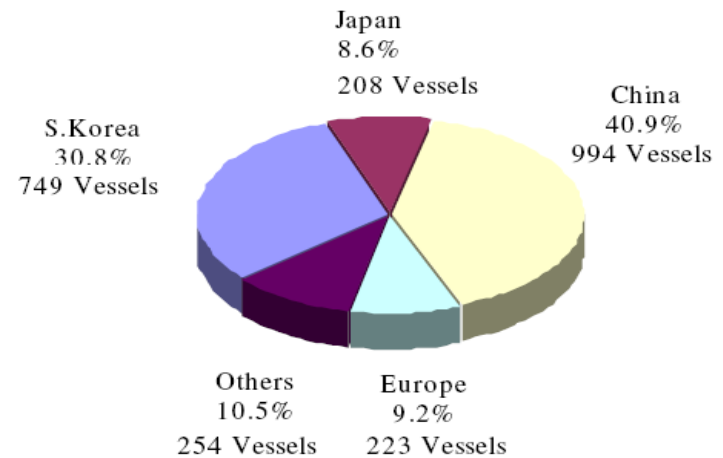
New & Proposed Presses >10,000 tonnes



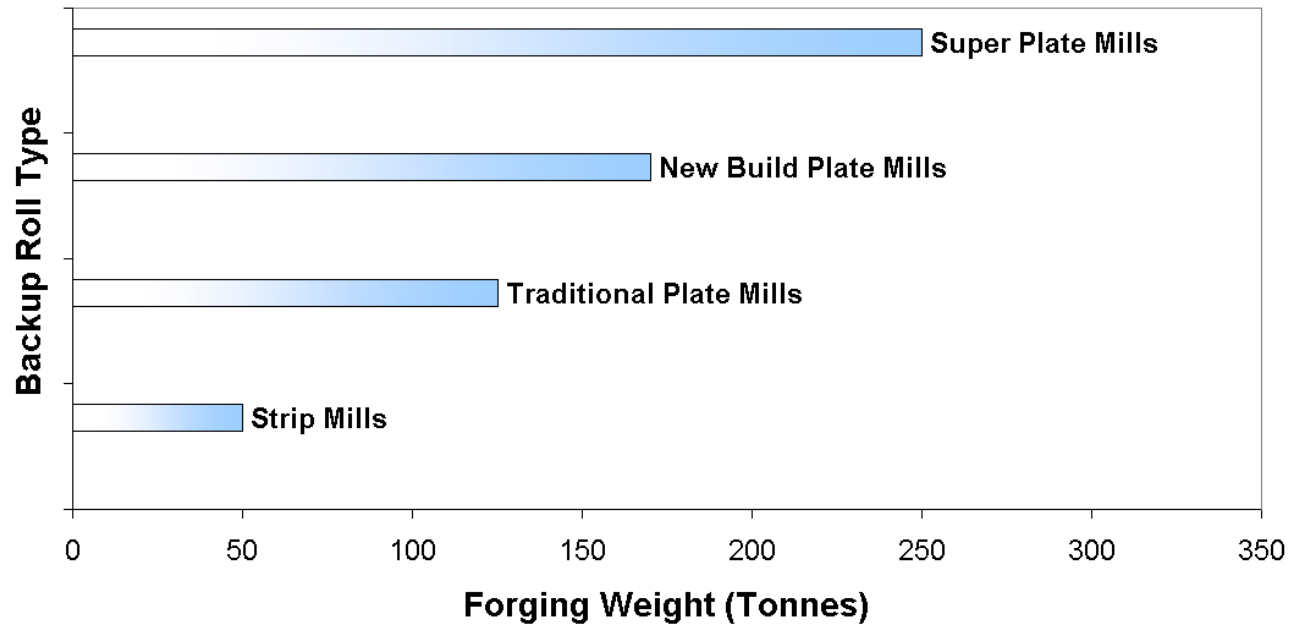
Shipbuilding



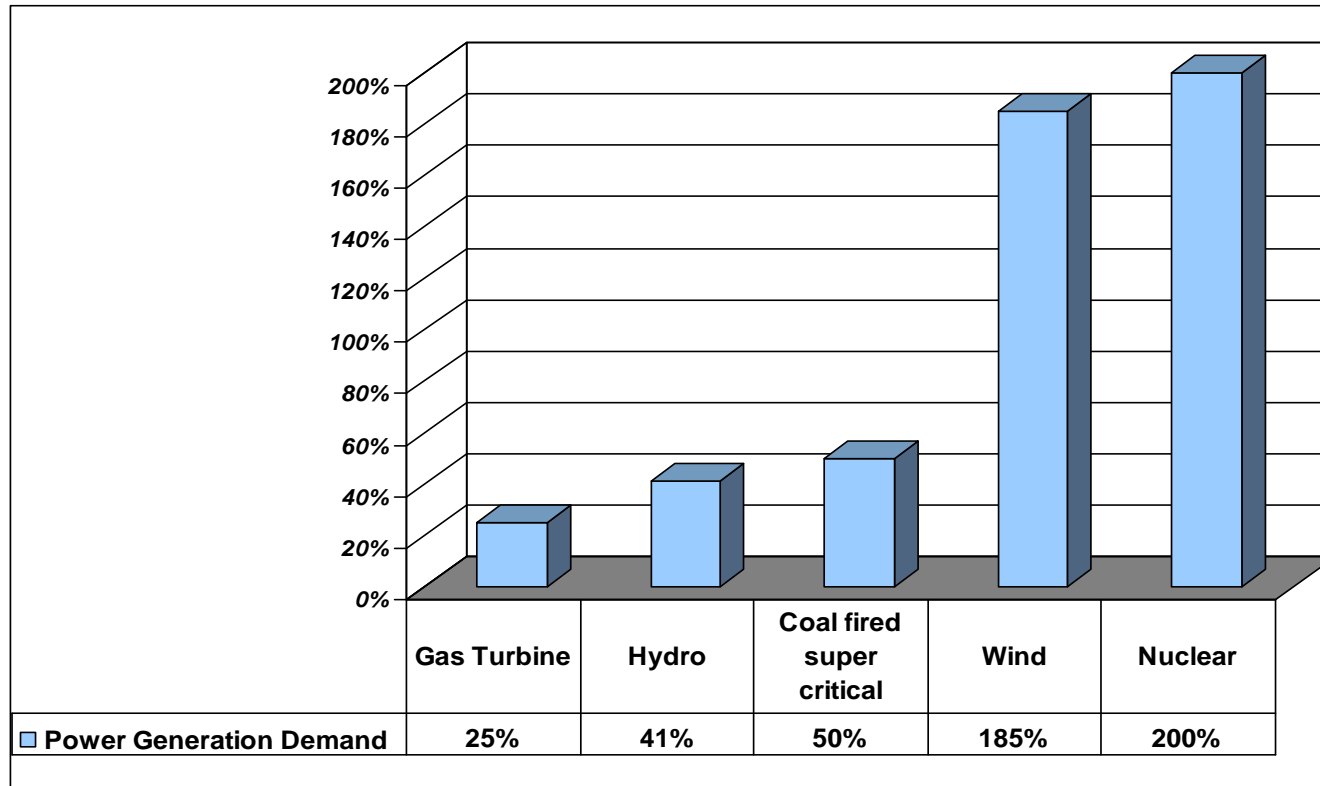
Contracting by Builder Country in Vessels, 2007



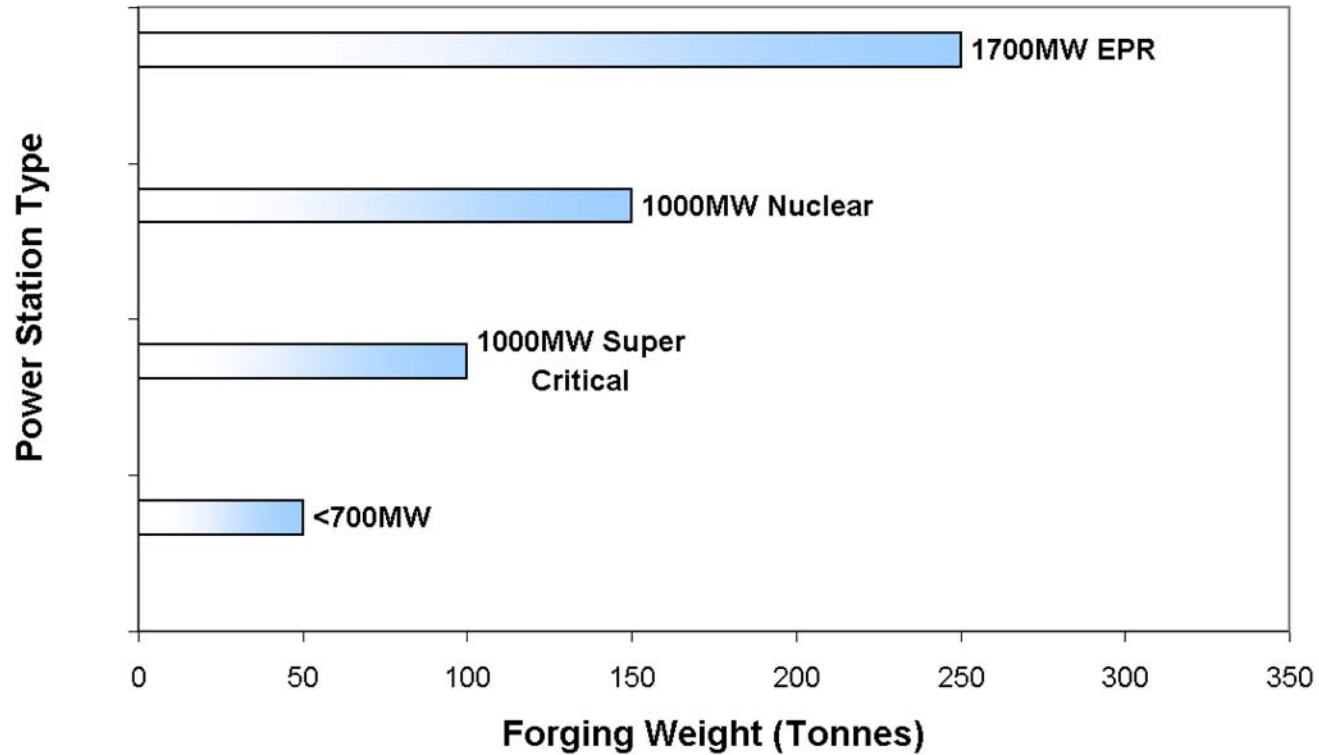
Backup Roll Weights



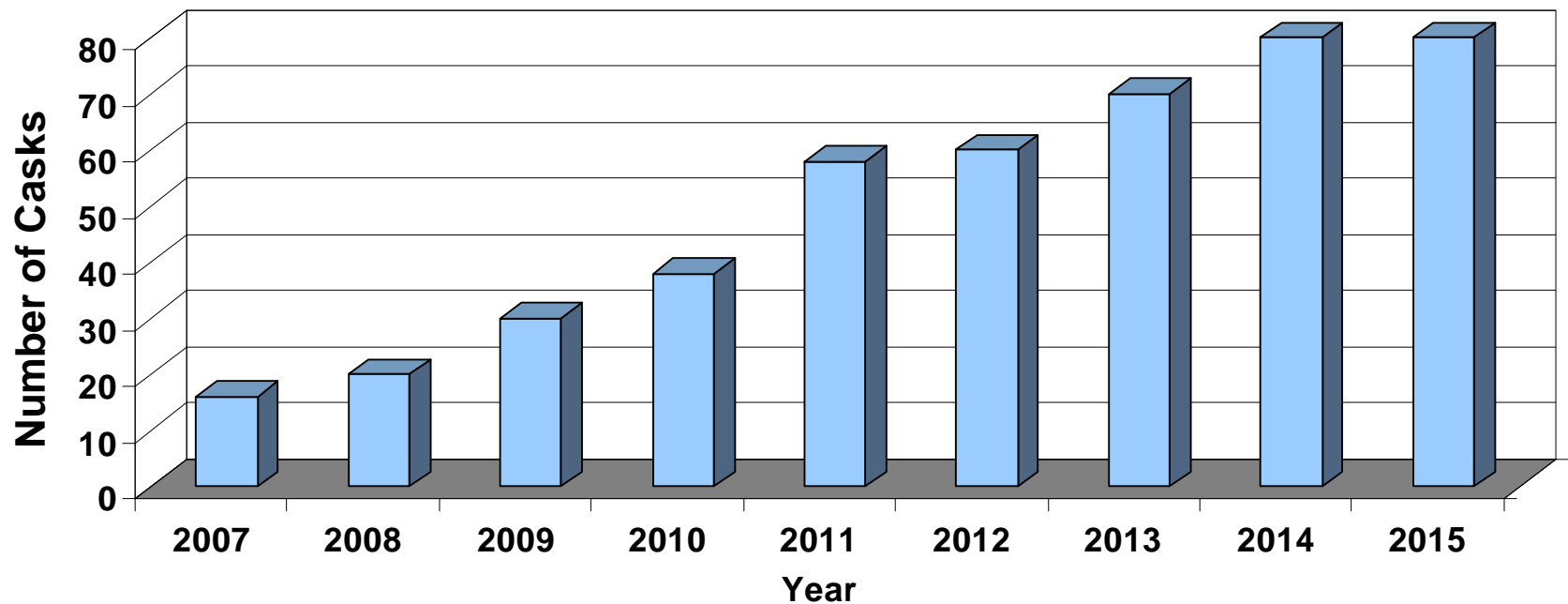
Increase In Power Generation New Build 2007/11(base date 2002/06)



Generator Rotor Weights

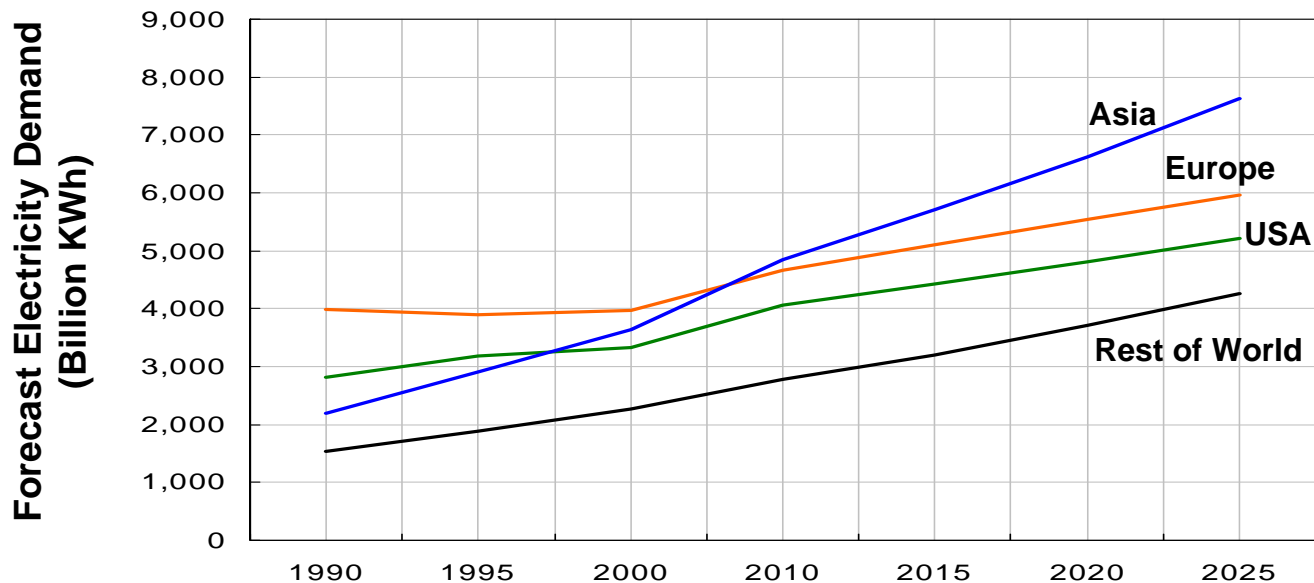


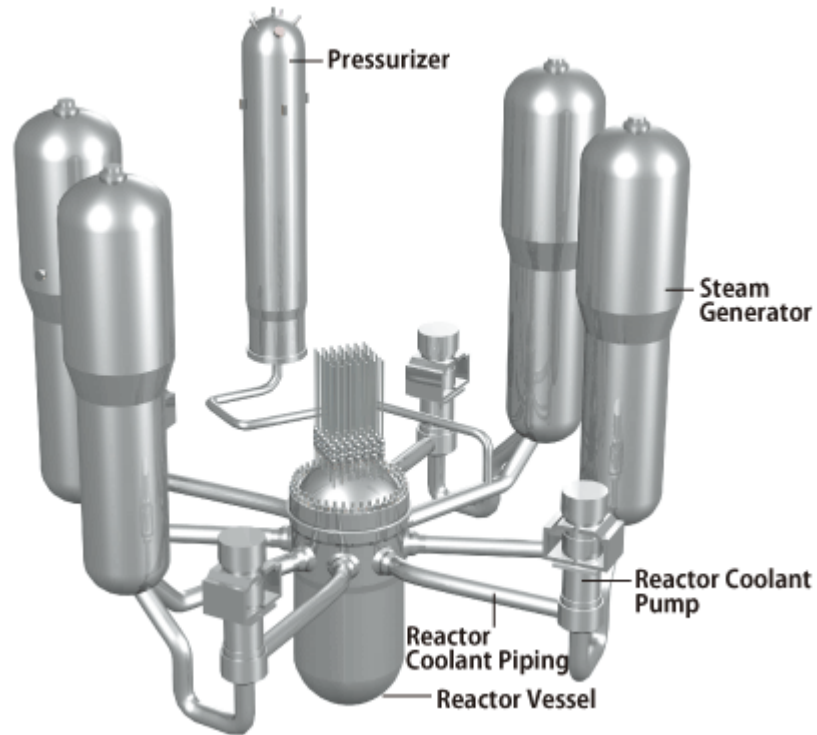
Demand For New Casks For High-Level Waste Transport Casks Type B



Nuclear Renaissance

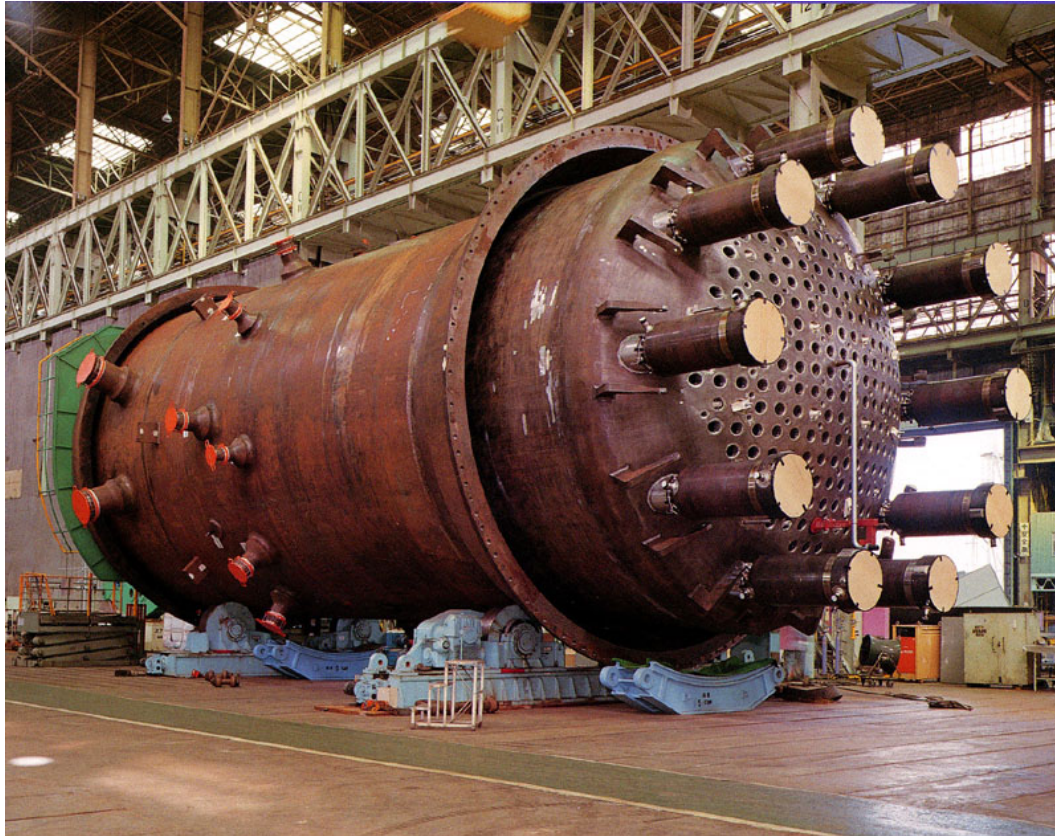
Growing demand for clean, safe electricity





- Nuclear Reactor – Core Components





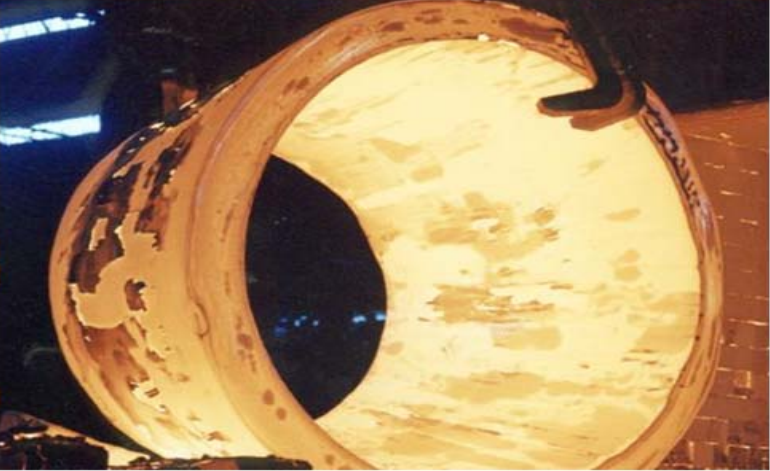
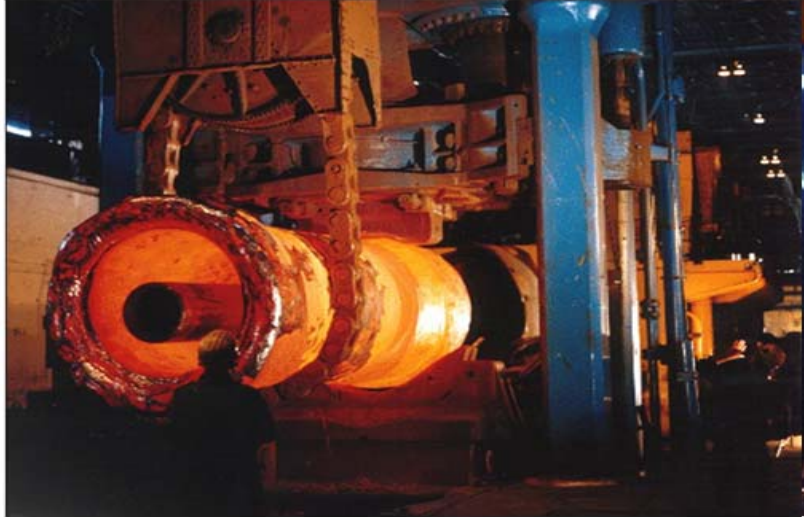
- Nuclear Reactor Pressure Vessel





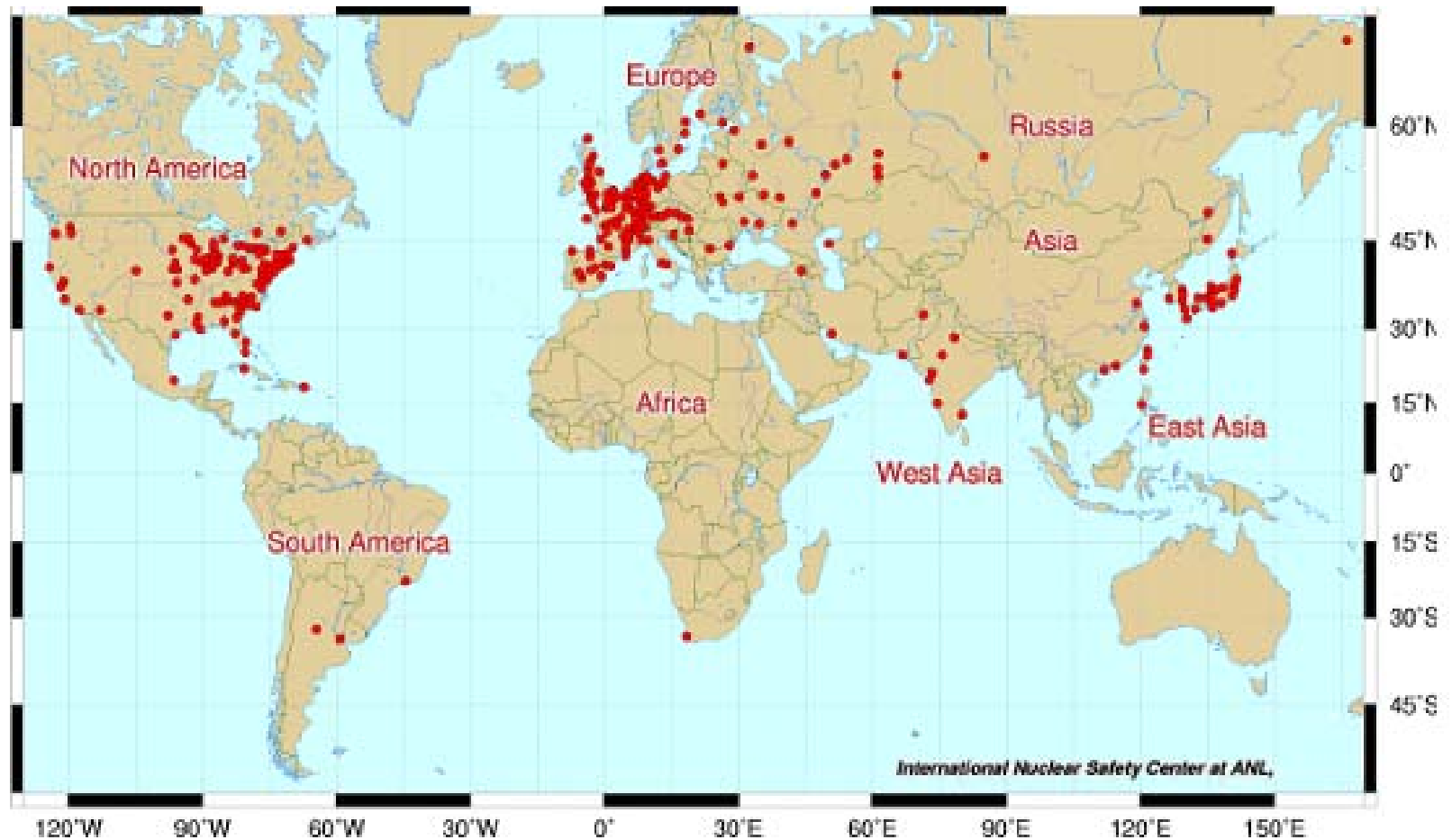
- Forged Steel Nuclear Vessel Components





- Nuclear Vessel Components in Forging

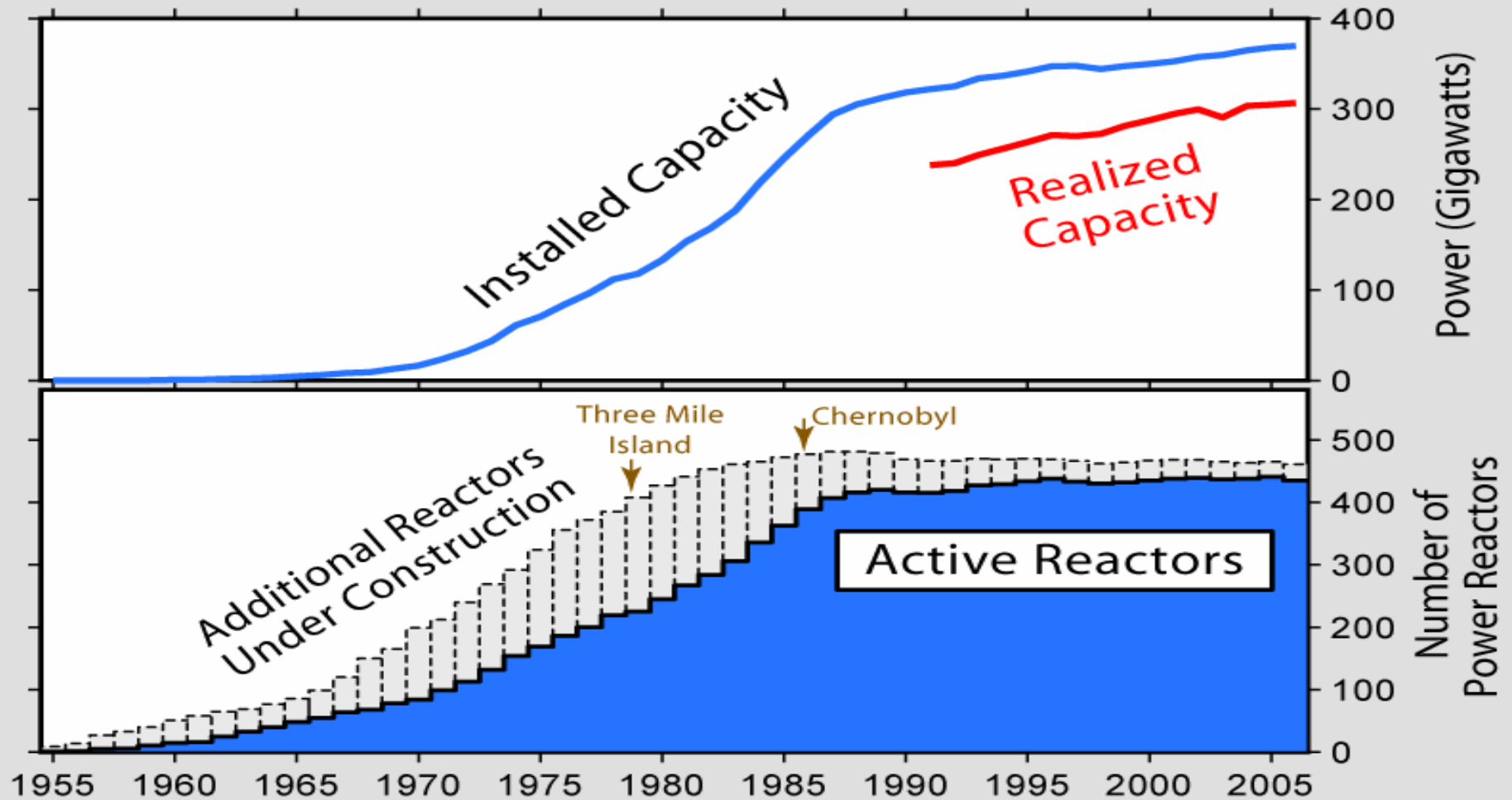




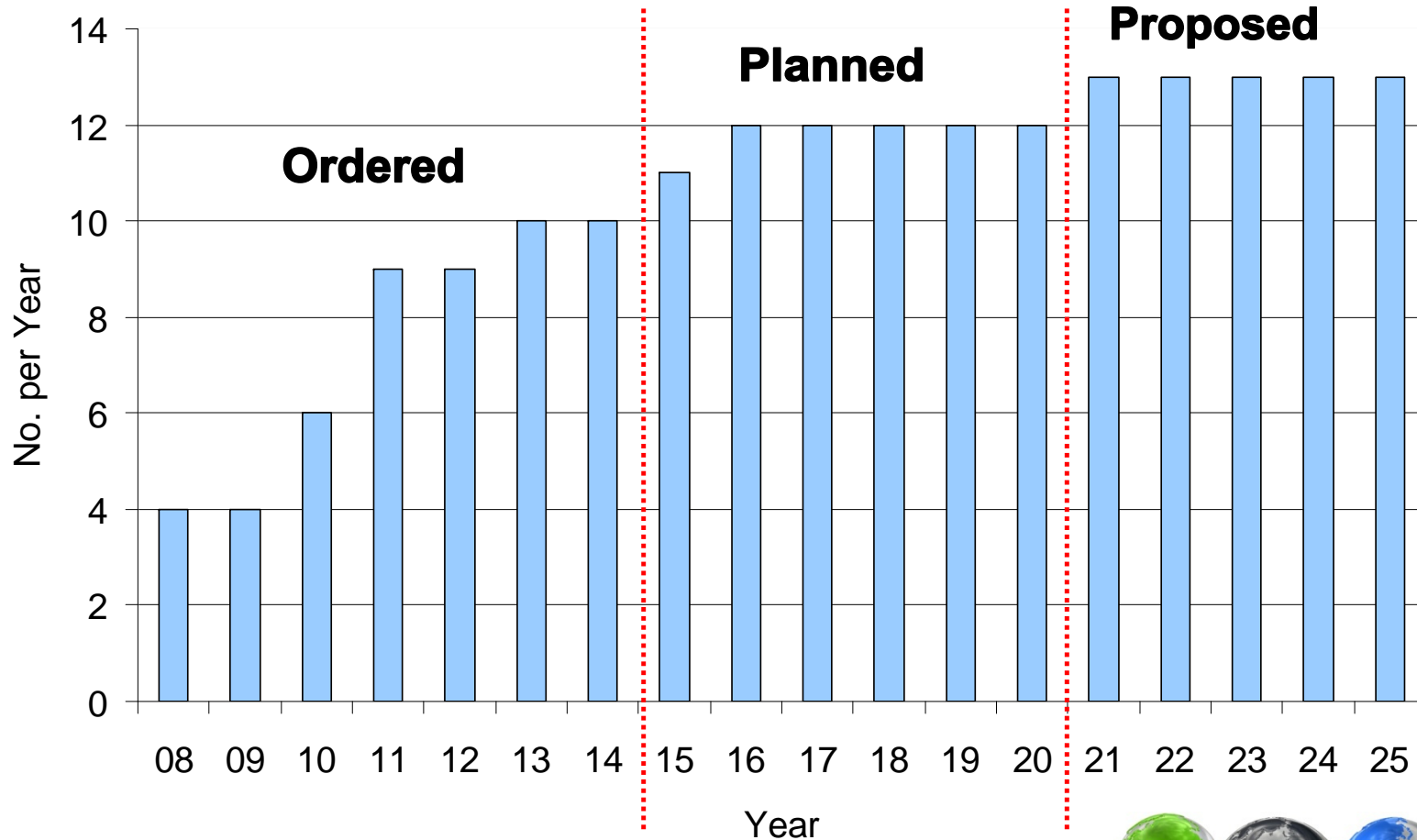
- Global use of Nuclear Power



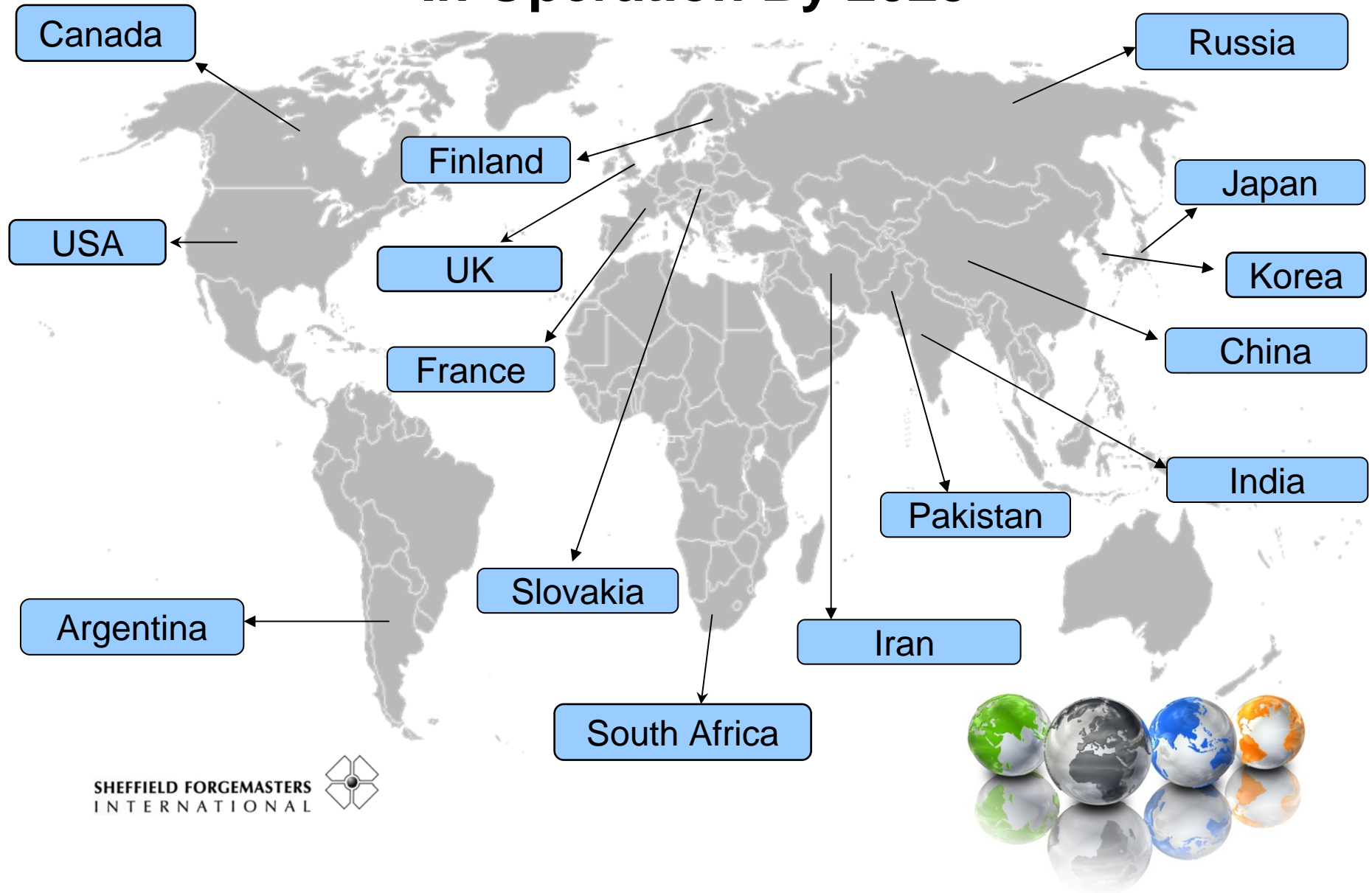
History of the Global Nuclear Power Industry



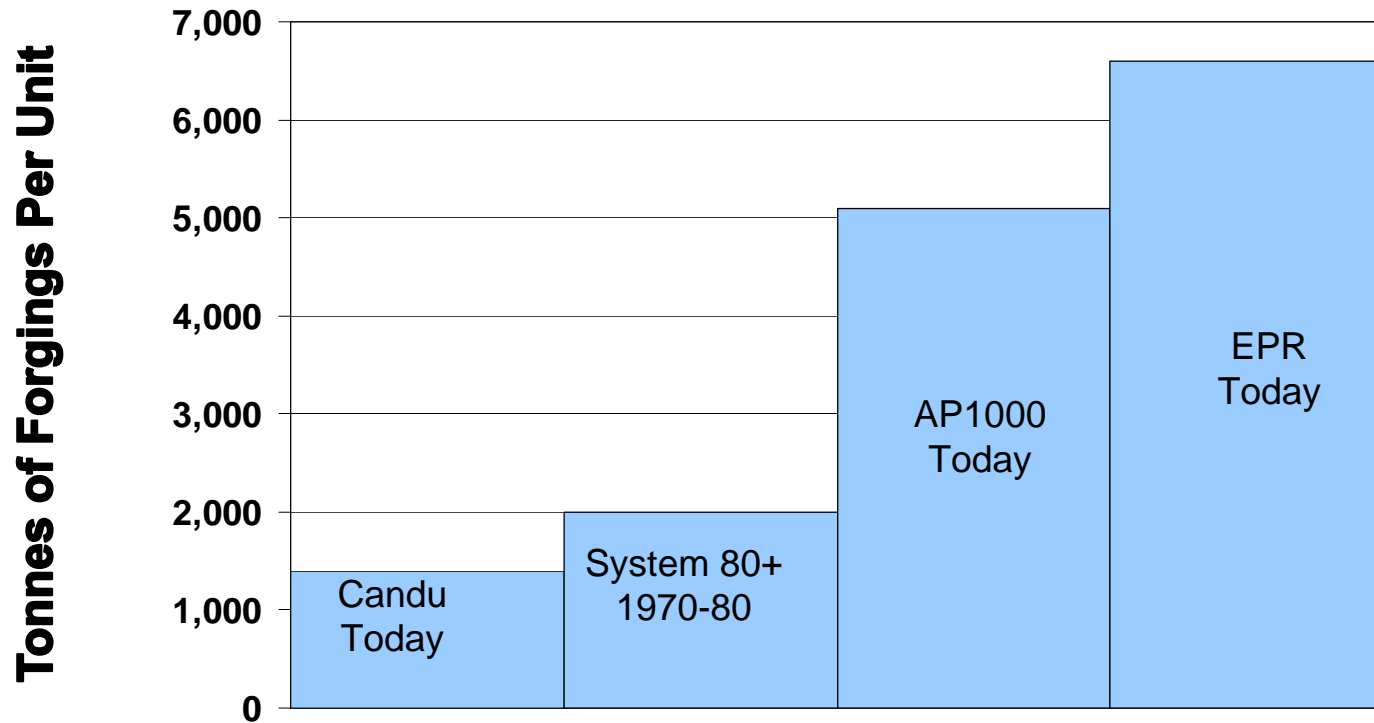
Plans For New Reactors Worldwide



Location Of New And Proposed Nuclear Build In Operation By 2025



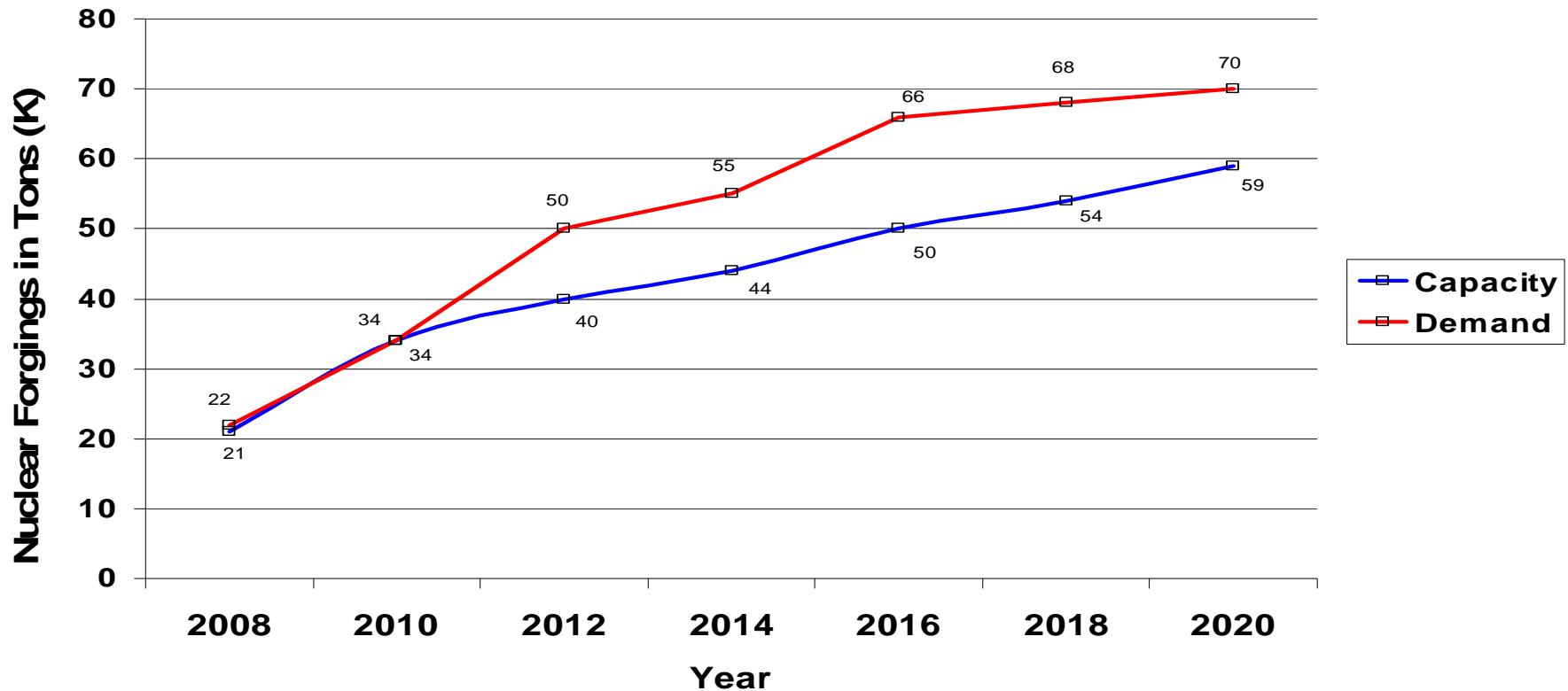
Forging Demand Per Reactor Type



Major Nuclear Forges

	Mx Ingot	Press (tonnes)
• Japan Steelworks	600t	14,000
• Creusot (France)	250t	11,300
• OMZ (Russia)	360t	12,000
• Sheffield Forgemasters (UK)	300t	10,000
• Doosan (S. Korea)	540t	10,000





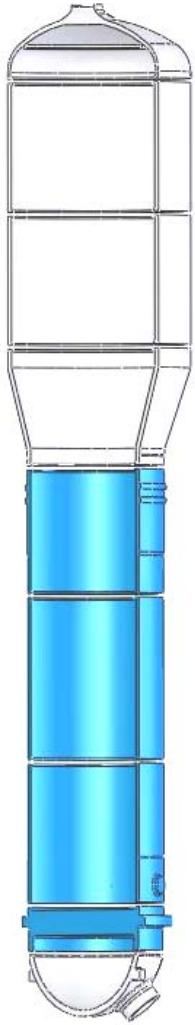
- Capacity and Demand for Heavy Nuclear Forgings



Steam Generator Components (SG)

EPR

AP1000



- Steam Generator (SG)

9 Parts on the EPR
(4 per installation)

4 Parts with Current
Capabilities

9 Parts on the AP1000
(4 per installation)

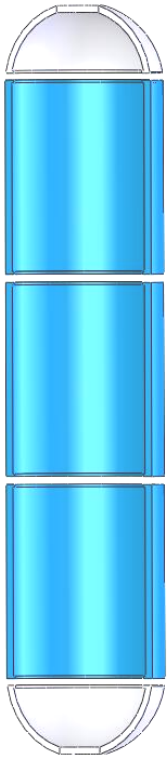
4 Parts with Current
Capabilities

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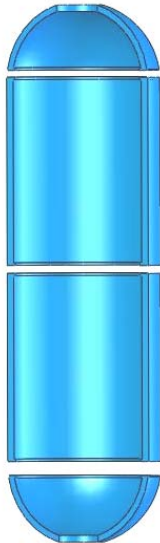


Pressurizer Components (P)

EPR



AP1000



- Pressurizer (P)

5 Parts on the EPR

4 Parts on the AP1000

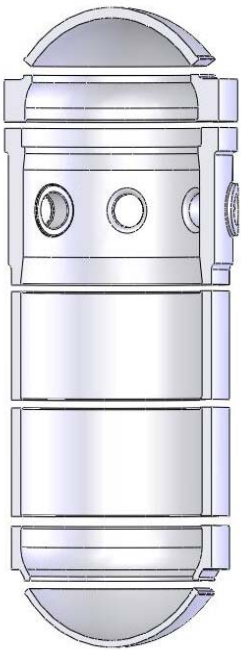
3 Parts with Current Capabilities

4 Parts with Current Capabilities

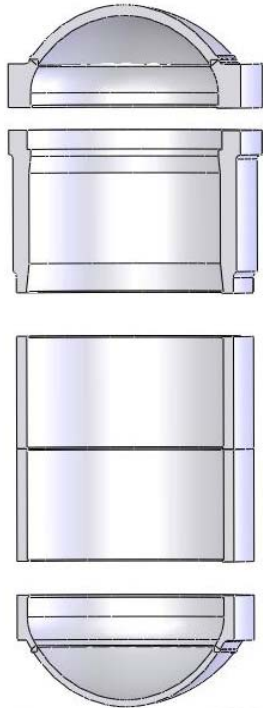


Reactor Pressure Vessel Components (RPV)

EPR



AP1000



- Reactor Pressure Vessel (RPV)

7 Parts on the EPR
(1 per installation)

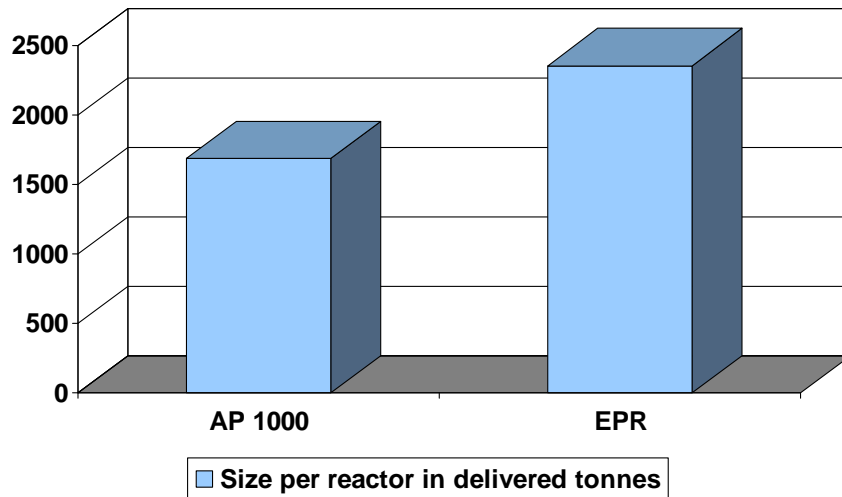
0 Parts with Current
Capabilities

4 Parts on the AP1000
(1 per installation)

0 Parts with Current
Capabilities



Assembled Forging Weight Per Reactor Type



SFIL can cover today :

- ✓ 26 % of AP 1000
- ✓ 44% of EPR

If 5+5 UK programme:

Total expected demand
= 20225 tonnes

SFIL can cover:

- ✓ 34% of total demand



Future Direction

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Proposed Investment at SFIL To Support The UK Nuclear Program

Investment – Melt Shop

Equipment	£K
Secondary Steelmaking Unit	6000
High bay extension	2000
New Vacuum Tank	750
500Tonne Crane	2000
Ladle Processing Facility	1000
Ironware and Ladles	1000
Power and Transformers	2000
Total	14750



Proposed Investment at SFIL To Support The UK Nuclear Program

Investment – Forge

Equipment	£K
15000 Tonne Press	10000
Forge and HT Building	6000
Electrical Supplies	2000
Civil Works	2000
2x Forge Furnaces	3000
6x HT Furnaces	4000
2x Class 8 Forging Cranes	3000
Quench Tank	1000
Forge Manipulator	2000
Forge Tooling	2000
2x HT Cranes	1000
Total	36000



Proposed Investment at SFIL To Support The UK Nuclear Program

Investment – Machining

Equipment	£K
Building	4000
3x Vertical Boring Mills	7000
2x Lathes	6000
Various Equipment	2000
Total	19000



Expected Outputs From Proposed Investment at SFIL

Output	Impact
New Jobs created	120 (direct) 80 (indirect)
Safeguarded Jobs	750
New Sales (Domestic)	£230M
Safeguarded Sales	£120M/y
UK Nuclear Program Build Schedule	Underpinned



Funding Options

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Funding Support

Source
Private Equity
Trade Partners
Banks
Government

