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## China Precision Steel business outlook

*Thursday, 14 May, 2009*

China Precision Steel is currently constructing its third cold rolling mill and expects to have completed the construction in the first quarter of fiscal 2010. The new mill is designed to process steel with a width up to 1,450 mm and will be a tandem mill with best-in-class gauge control and shape performance capable of producing high quality steel for exposed and unexposed products.

Dr Li said "While near-term visibility for the steel industry remains limited, we believe that the implementation of several economic and industry stimulus packages are helping to restore stability and reaccelerate global growth. Moreover, China is still in the middle of a grand scale modernization and industrialization which we believe supports long-term demand for precision steel products. Precision steel remains the material of choice in many important and exacting applications and we have the right people, facilities and technology to deliver the steel solutions our customers need. Therefore, we believe we are well positioned to participate in an economic recovery when it occurs as well as to resume our growth strategy to increase our market share."

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