

**Non-Oriented Electrical Steel From China, Germany, Japan, Korea, Sweden, and Taiwan  
701-TA-506-508 and 731-TA-1238-1243 (FINAL)  
HEARING: Oct. 8, 2014 - Statement By: Michael Schmitz of THYSSENKRUPP**

GOOD AFTERNOON. I AM MICHAEL SCHMITZ, HEAD OF NORTH AMERICAN NOES SALES FOR THYSSENKRUPP STEEL EUROPE. I HAVE WORKED AT THYSSENKRUPP FOR OVER 34 YEARS.

THYSSENKRUPP HAS BEEN SELLING NOES IN THE U.S. MARKET FOR A LONG TIME – NEARLY THREE DECADES. WE HAVE A FEW LONGSTANDING U.S. CUSTOMERS WHO NEED CERTAIN HIGH QUALITY NOES PRODUCTS. THE VAST MAJORITY OF OUR NOES SALES TO THE U.S. MARKET INVOLVE PRODUCTS THAT AK DOES NOT OFFER TO OUR CUSTOMERS.

I WILL BRIEFLY HIGHLIGHT 3 PRODUCTS THYSSENKRUPP SUPPLIES TO ITS U.S. CUSTOMERS THAT AK DOES NOT SUPPLY.

**FIRST**, OUR LARGEST U.S. CUSTOMER, SIEMENS ENERGY, REQUIRES OUR NOES FOR THE HIGH QUALITY LAMINATIONS IT USES TO MAKE ITS GENERATORS. SIEMENS REQUIRES NOES THAT MEETS ITS INTERNAL SPECIFICATIONS.

THIS CUSTOMER HAS A VERY SPECIFIC QUALIFICATION PROCESS WHICH MUST BE MET BEFORE IT WILL PURCHASE NOES FROM A SUPPLIER FOR THIS PURPOSE. IN OUR CASE, THE QUALIFICATION PROCESS TAKES A LONG TIME AND IS EXPENSIVE. THYSSENKRUPP IS QUALIFIED TO PROVIDE THIS MATERIAL TO THIS

OPERATIONS BACK TO GERMANY IN 2012, AND WE HAVE SIMILARLY SHIFTED THOSE U.S. SALES TO GERMANY. THIS, COUPLED WITH GERMANY'S HIGH CAPACITY UTILIZATION FURTHER ENSURES GERMAN NOES EXPORTS TO THE U.S. WILL REMAIN SMALL IN THE FUTURE.

THANK YOU.