

AvestaPolarit revises organisational structure

In order to better align the AvestaPolarit organisational structure to the strategic business development framework, a decision has been made by the Executive Committee to reorganise the operations at the Avesta site in Sweden and also link the Sheffield melting shop to the Long Products business unit. This reorganisation will mean discontinuing the current Primary Products business unit.

Avesta Integrated Mill

The operating units located in Avesta, namely the melting shop, hot rolling mill, KBR and their central services will be combined to form a new business unit: Avesta Integrated Mill.

Mr. **Ulf Öhnfeldt** is appointed manager of the new business unit as Senior Vice President, Avesta Integrated Mill. He is currently Senior Vice President, Avesta KBR and Site Manager at Avesta.

Long Products, to include SMACC

The SMACC melting shop in Sheffield will be combined with Long Products, enlarging the current Long Products business unit.

The main focus of SMACC will be to supply the Group's own Long Products and Hot Rolled Plate operational units with high-quality billets and slabs respectively. In addition, a certain volume of slabs will be produced for the Group's Coil Products business area and for external sale.

The immediate business challenge for the new Long Products business unit is to establish billet and bloom casting at the SMACC melting shop in Sheffield and to transfer long products casting from Degerfors in Sweden to Sheffield.

Mr. **Peter Holes** currently Senior Vice President, Long Products, continues as manager of the enlarged business unit.

Business Development and Integration

Mr. **Sean Lyons**, who is currently manager of the Primary Products business unit, is appointed Senior Vice President, Group Strategic Development on the corporate staff, reporting to Executive Vice President John Newborn.

Mr Lyons' initial main task will be to assist Mr. Peter Holes to establish the new combined SMACC & Long Products business and facilities, but he will increasingly work with individual Executive Committee members to develop the strategic framework for the Group in a global context.

The above re-structuring will lead to further development of the organisations within the new business units, to be announced separately as decisions and appointments will be made. The new organisation for the Avesta Integrated Mill is subject to "MBL"-negotiations, which have been initiated with the local unions.

The new appointments and business structure are valid as from 1 April 2002.

For further information, please contact:

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