

## The establishment of a steel service center in Mexico

JFE Shoji Trade Corporation (President: Naosuke Oda), through its subsidiary, JFE Shoji Trade America (President: Brion Talley, hereinafter called as JFE Shoji America), and PRODUCTOS LAMINADOS DE MONTERREY, S.A.DE C.V. (hereinafter called as PROLAMSA) , a leading steel pipe manufacturer in Mexico, established a joint venture company 「JFE SHOJI STEEL SERVICE CENTER BAJIO S.A.P.I DE C.V. (hereinafter called as JSSB)」 in Mexico to promote processing and sales of steel products for automotive industry.

JSSB is constructed in a land adjacent to NUCOR-JFE STEEL MEXICO, a joint venture between JFE Steel Corporation and NUCOR CORPORATION for manufacturing steel products for automotive industry. JSSB is expected to be installed with facilities capable of processing ultra-high strength steel and exposed steel panels for automobiles to capture the rising demand of steel for auto industry, with greater attention paid to safety and quality assurance.

PROLAMSA and JFE Shoji America have already been business partners and established a joint venture plant of Cold Drawn Tube Manufacturing (PROSANKIN) in 2015. JSSB was established to realize the desires of both JFE Shoji America, which aims to capture the demand of steel for automobiles, and PROLAMSA GROUP, which intends to further expand automotive related business.

JFE Shoji will fully utilize the expertise accumulated through the operations of steel service centers in Japan, China, Thailand and Indonesia in collaboration with JFE Steel's manufacturing plants for steel products for automobiles, and will respond to the customers' requirements through the provision of various services.

### 【Outline of the new steel service center】

- ① Company Name : JFE SHOJI STEEL SERVICE CENTER BAJIO S.A.P.I. DE C.V.
- ② Location : Silao, Guanajato, Mexico
- ③ Establishment : April 2019
- ④ Investment amount : Approx. 3 billion JPY  
(JFE Shoji America 95%, PROLAMSA GROUP 5%)
- ⑤ Form of business : Processing and sales of steel products
- ⑥ Facility : Big slitter machine capable of processing ultra-high strength steel  
(Thickness range : 0.4~3.6mm, Max. width : 1,880mm, TS max. : 1,470Mpa)

⑦ Start of Operation : October 2020 (Planned)

⑧ Land area : 104,897 m<sup>2</sup>

**【Outline of PROLAMSA】**

① Company name : PRODUCTOS LAMINADOS DE MONTERREY, S.A.DE C.V.

② Establishment : 1954

③ Form of business : Steel pipe manufacturing, automotive tubes and components

**■ Contact**

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