



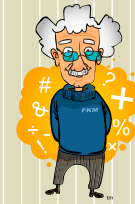
PLANT ADDITIONS
We expand our production capacity in Frankfort, IL.



GRAND OPENING
We celebrate the grand opening of our China plant.



NEW PRODUCTS
We introduce a new hybrid fabric roll material in 2008.



ASK DOC
We answer industry questions in our new Ask Doc segment.



Roll Call

FKM USA Technology News

1ST ED. | YEAR END | 2007

ASK YOUR FKM USA SALES REPRESENTATIVE ABOUT OUR LATEST INNOVATION IN ROLL FINISHING.



Roll Call is a quarterly publication of FKM USA. To be added to our mailing list or to suggest a story idea, please contact us at info@fkmusa.com or by phoning (815) 469-2473.



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Production demands brings new equipment for a new year... Thank you!



The new machines are custom built with high-end CNC to ensure consistent quality production of FKM's roll products.

Thank you for all of your business in 2007. Customer confidence in FKM is evident in the growing production demands at our Frankfort, IL facility and we're very grateful for your business.

To answer growing production demands, we continue to improve our production operations and add new machinery to keep pace. This past summer we ordered a new CNC controlled lathe and in September we ordered an additional, larger machine.

Each machines is custom-built and adapted to FKM specifications to handle a variety of operations, such as turning, grinding, super finishing and milling, all at extremely tight tolerances. Both machines will be production-ready in early 2008.

Basic specs for the additional FKM USA machines are:

- 67"Ø at 500" between centers
- 87"Ø at 300" between centers

FKM China's Grand Opening is a Success...

With installation and launch completed, the latest FKM venture, an autonomous facility in China, celebrated its grand opening in grand style. Some 100+ industry leaders, government officials and celebrities joined the Freudenberg family and FKM China Board of Directors in celebrating the grand opening of the new facility.

Upon arrival, guests were welcomed by dancing dragons and escorted into the factory where they were treated to gourmet cuisine, more fanfare and some special guest speakers.

The China location marks the birth of a new industry for the Chinese economy as FKM is the first industrial roll producer to establish a manufacturing site within mainland China with the sole charter to serve the automotive and metals industries needs in China.

China is hungry for competent, domestic roll manufacturing—FKM is ready.

FKM China Grand Opening Celebration

FKM China is the latest venture of FKM, having already exported know-how from Germany to the USA. FKM China hosted a grand opening this past month to welcome its many new customers to FKM's latest state-of-the-art facility.



Guests are greeted by dancing dragons.



Visitors are welcomed throughout the day.



FKM China's ribbon cutting ceremony.



Dr. Freudenberg dedicated the facility.



Visitors are treated to special guest speakers and a gourmet meal.



The evening concludes with fireworks.

Did you know?

There are some products and services that FKM USA offers that you may not be aware of; such as bearing services and standard roll containers.

Bearing Services: Often we're asked to rebuild housings, order and reinstall bearings and stage the rolls for rapid replacement. These are services that we have offered for several years now as a convenience to customers. Customers can opt to drop-ship their new bearings to our facility or allow us to purchase new bearings for them.

Roll Storage Containers: We also offer a flexible, rugged shipping/storage container. Our containers are designed to be nested in stacks to store rolls of various lengths and diameters and can be hoisted by an overhead crane or moved with a fork truck. We can adapt our design to handle a family of rolls to suit your needs.



CUSTOMER SERVICE IS NUMBER ONE

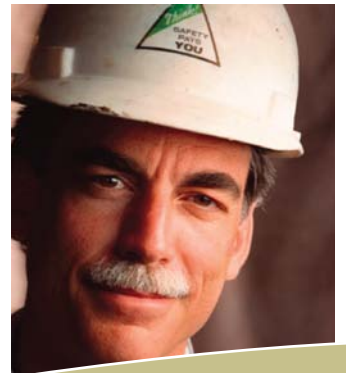
Crisis doesn't necessarily build character; it reveals what is already there.

And when crisis strikes, we're always there to help. Do our customer's challenges teach us to be tough, innovative and hard working? No, it just helps reveal those qualities.

When our customers need us, we're there 24/7/365. Lean on us—we're here to keep your production rolling.

When you have service, installation support, or training needs, please lean on us...

(815) 469-2473



New FKM Hybrid Material Coming in 2008



Our R&D facility in Germany has been running field trials after perfecting a next generation wringer roll fabric.

Our work in the area of new product development is ongoing and always working towards bringing you the best in roll products.

This winter FKM is proud to introduce a new hybrid fabric that blends the best characteristics of our VNP11a (orange) fabric with our VNP09 (brown) fabric. The new material is based on the filament structure and material properties of our orange fabric and the polymer binder used in our current brown fabric—the results are impressive.

In European field trials the new material, code named VNP09a, outperforms both of the parent materials in resilience to abrasion, while offering superior wringing capabilities.

The first pair of VNP09a wringer rolls will debut in an American-made blankwasher for one of the Big-3, domestic automakers in the first quarter of 2008. Look for more product details on our website in the coming months.

○ 1ST ED. | ○ YEAR END | ○ 2007

FKM USA, Serving all of your industrial roll needs.

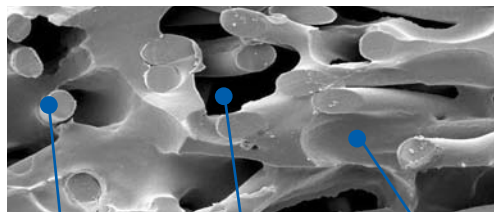
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ASK Doc™

ASK Doc covers questions posed by you. Write us at, AskDoc@fkmusa.com.

Q How does a fabric roll wring oil?

A Fabric rolls can be looked at as porous sponges that are hard to the touch. The orifices of the fabric's porosity are so tiny that they can only be seen under a microscope, see figure below. Even compressed you can see the black areas. These are actually air pockets, or void, just like in a sponge.



Filament

Air Pocket

Binder

Depending on the type of material, about 20–35% of an FKM roll is made up of open structure.

As the roll is compressed against another roll, a nip or flat area forms that further compresses the air or void out of the roll. As the rolls rotate clear of the nip zone, the roll expands allowing the void to return to its open state, drawing in oil from the steel passing by. This constant compression/expansion cycle creates a pumping action that draws in and expels oil, while filtering debris leaving a cleaner, homogeneous oil film on the exiting steel.

Rolls that have more void tend to remain cleaner and are able to work for longer periods of time in-between regrinds.

FKM Profile

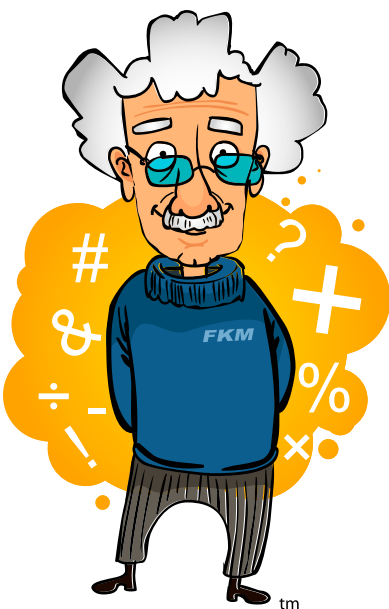
FKM USA, founded in 2000 in Hammond, Indiana by Dr. Ulrich Freudenberg, sole owner of the company, has strong ties to the Freudenberg Works. Dr. Freudenberg pioneered the formulation of fabrics designed specifically for cleaning, deoiling and tensioning steel strip and blanks. FKM utilized these proprietary fabrics exclusively for FKM's roll business. This level of product control has proven to be a substantial advantage for our customers.

Another key to FKM success is our popularity with Ford Motor Company and more recently Toyota.

FKM Walzentechnik, the parent company is active in the development and the manufacture of coatings for rolls and rollers including the relevant all-round service.

Closeness to customers and shortest delivery times are characteristic of our satellite company's. You can find FKM products in a wide range of industries:

Personal customer service and co-operation make us a reliable business partner.



NORTH AMERICA FKM USA, LLC.



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ASIA FKM CHINA



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