

PRESS RELEASE

January 21, 2021

voestalpine restarts 2nd blast furnace in Donawitz

In response to the current level of orders in the long steel sector, voestalpine is now once again operating two blast furnaces at the site in Donawitz. One of the two furnaces, which has an annual pig iron production capacity of around 750,000 tons and underwent scheduled interim repairs during summer 2020, was restarted in order to meet the growth in demand. The Metal Engineering Division of the voestalpine Group produces high-quality steel products in Donawitz which are then processed into special rails, high-quality wire rod, and extremely high load-bearing OCTG by the Group's Styrian subsidiaries.

The Railway Systems business unit in the voestalpine Metal Engineering Division is the global market leader for complete railway systems. Its performance has remained stable even during the economic crisis caused by the coronavirus. Now the wire and seamless tubes segments, both hit last year by the COVID-related slump in demand from the automotive and oil and gas industries, are also showing a slight improvement in capacity utilization. The current market situation is stimulating demand for prematerials in the Metal Engineering Division's business segments, making it necessary to restart the second blast furnace in Donawitz. The two furnaces at the site in Styria have a joint annual capacity of around 1.5 million tons of pig iron. Following the restart, all five voestalpine Group blast furnaces are now in operation, including those in Linz which have a total combined annual production capacity of around five million tons of pig iron. However, due to the coronavirus pandemic and continued lockdown measures in many countries, the economic outlook for the coming months remains extremely uncertain.

Metal Engineering Division

The Railway Systems business unit of the voestalpine Group's Metal Engineering Division is the global market leader in railway infrastructure systems and signaling technology. Through its Industrial Systems business unit, the division also is the European market leader in high quality wire and a global provider of complete welding solutions. In addition, the division delivers tubulars throughout the world from its plant in Kindberg, Austria. Its customer segments include the railway infrastructure industry, the oil & gas industry as well as the mechanical engineering, automotive, and construction industries. In the business year 2019/20, the Metal Engineering Division generated revenue of around EUR 2.9 billion through its Railway Systems and Industrial Systems business units, of which over 40% was generated outside Europe. With around 13,300 employees worldwide, the division thus generated an operating result (EBITDA) of EUR 301 million.

The voestalpine Group

In its business segments, voestalpine is a globally leading steel and technology group with a unique combination of material and processing expertise. voestalpine, which operates globally, has around 500 Group companies and locations in more than 50 countries on all five continents. It has been listed on the Vienna Stock Exchange since 1995. With its top-quality products and system solutions, it is a leading partner to the automotive and consumer goods industries, as well as the aerospace and oil & gas industries, and is also the world market leader in railway systems, tool steel, and special sections.

voestalpine AG

voestalpine is fully committed to the global climate goals, and is working intensively to develop technologies which will allow it to decarbonize and reduce its CO2 emissions over the long term. In the business year 2019/20, the Group generated revenue of EUR 12.7 billion, with an operating result (EBITDA) of EUR 1.2 billion; it has around 49,000 employees worldwide.

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