

voestalpine: world's most advanced special steel plant in Kapfenberg begins gradual start-up

Around four years after the official groundbreaking ceremony in 2018, construction of the new special steel plant at the voestalpine site in Kapfenberg is now complete. The plant will gradually start operating this summer, with intermittent parallel operations using the existing electric steel mill beginning in the fall. The state-of-the-art facility, which will produce 205,000 tons of special steel for the international aerospace, oil & natural gas, automotive and toolmaking industries annually, represents a technological milestone in terms of digitalization and sustainability for the High Performance Metals Division of the voestalpine Group.

The newly constructed special steel plant, which will replace the existing voestalpine Böhler Edelstahl GmbH & Co KG plant in Kapfenberg, is designed to produce premium quality pre-materials for the production of aircraft components, tools for the automotive industry, equipment for oil & natural gas extraction, and the 3D printing of highly complex metal parts. The first facilities are already undergoing cold testing. "As the plant starts operating in fall 2022, initially with intermittent parallel operations using the existing electric steel mill, we can supply our customers with even better material qualities to further expand our global market leadership in tool and special steels. Our heartfelt thanks go to our dedicated employees at the site whose flexibility and extensive expertise will make this successful start-up possible," says Franz Rotter, Member of the Management Board of voestalpine AG and Head of the High Performance Metals Division.

The project progressed despite the challenges posed by the coronavirus pandemic, although delays in the delivery of key equipment caused by suppliers led to project completion being pushed back by over a year. At the same time, as already communicated, voestalpine calculates that due to the difficult framework conditions, costs will rise by around 10% to 20% over the initial planned investment of EUR 350 million.

Setting new standards in digitalization

The state-of-the-art plant is setting international standards for digitalized production processes. Around 8,000 process data will be simultaneously recorded, implemented, and evaluated on an ongoing basis. Due to the high degree of digitalization, excellently trained specialists are needed to control the machinery and analyze the data. Our employees gain the necessary qualifications in robotics, sensor technology, and data analysis at our own Digitalization Competence Center. In all, the new special steel plant will secure around 3,000 jobs at the Styrian voestalpine sites in Kapfenberg and Mürzzuschlag.

Using sustainable future technologies

There is also a focus on environmentally friendly and resource-efficient steel production. "The new special steel plant will set new global benchmarks in sustainability and energy efficiency. This makes this investment an integral part of our overall sustainability strategy," stresses Franz Rotter. At the heart of the plant is the electric arc furnace which will be operated using only electricity generated from renewables. Using closed cooling circuits allows the necessary volume of cooling water to be reduced

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by up to 90%. In addition, an efficient recovery system ensures that the heat generated during the process is used within the plant, as well as being fed into the public district heating network.

High Performance Metals Division

The voestalpine Group's High Performance Metals Division focuses on producing and processing high-performance materials and customer-specific services such as heat treatment, high-tech surface treatments, and additive manufacturing processes—increasingly using digital technologies. Thanks to its unique sales and service network, the division offers its customers material availability and processing as well as local points of contact at about 140 sites around the world. The High Performance Metals Division is the global market leader for tool steel and a leading provider of high-speed steels, valve steels as well as other products made of special steels, powder materials, nickel-based alloys, titanium, and components, some of which are produced using additive manufacturing technologies. Its most important customer segments are the automotive supplier industry, oil & gas exploration, the mechanical engineering industry as well as the consumer goods and aerospace industries. In the business year 2021/22, the division reported revenue of around EUR 3.1 billion, of which about 50% was generated outside Europe, and an operating result (EBITDA) of EUR 400 million; it had around 13,300 employees worldwide.

The voestalpine Group

voestalpine is a globally leading steel and technology Group with a unique combination of materials 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 premium 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; it is also the world market leader in railway systems, tool steel, and special sections. voestalpine is fully committed to the global climate goals, and its greentec steel program represents a clear plan for decarbonizing the production of steel. In the business year 2021/22, the Group generated revenue of EUR 14.9 billion, with an operating result (EBITDA) of EUR 2.3 billion; it had about 50,200 employees worldwide.

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