

PRESS RELEASE

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voestalpine commissions SMS group to supply the main melting units for the new special steel plant in Kapfenberg, Austria

Since the official groundbreaking ceremony in April 2018, preparations for the construction of the world's most advanced special steel plant in Kapfenberg have been progressing rapidly. By awarding the contract for the electric arc furnace, the converter, and the secondary metallurgical systems—which represent the technological core of the plant—voestalpine has taken another important step in realizing the project. The SMS group, based in Düsseldorf, Germany, will be responsible for the engineering, process technology, and start-up of the fully automated melting system, which will begin production in 2021. The key partners for the subsequent process systems, such as the entire casting area, and for the construction of the hall will be commissioned in the next few months.

voestalpine will invest up to EUR 350 million in the new special steel plant, which will secure around 3,000 jobs at the Kapfenberg location in the long term. Preparatory work on the 50,000 m² site is progressing rapidly. Construction of the access road and the assembly sites will be completed by fall. After the three-year construction phase, the high-tech plant will produce around 205,000 tons of high-performance steels annually for the international automotive, aviation, oil and gas industries. "Awarding the contract for the supply of the main melting units, which represent around one third of the total investment volume, lays the technological basis for the new special steel plant. The SMS group will contribute its comprehensive know-how to this project, both in the metallurgical systems and in the areas of digitalization and automation," says Franz Rotter, Member of the Management Board of voestalpine AG and Head of the High Performance Metals Division. In addition to the electric arc furnace, in which ultra-pure scrap and alloys are melted into liquid special steels at temperatures of up to 9,000°C, the SMS group will also supply various aftertreatment systems that give the material its special properties. The units are operated with electricity from 100 percent renewable energy.

Comprehensive training concept for employees

The plant technology will set new standards worldwide in terms of digitalization. An ultra-modern sensor and electronic system enables the entire production process to be controlled from a central control station. To ensure a smooth transition to the new technology, voestalpine Böhler Edelstahl and SMS group will set up their own training center for employees in Kapfenberg, where all production areas will be simulated virtually.

High Performance Metals Division

The voestalpine AG's High Performance Metals Division is focused on producing and processing high-performance materials and customer-specific services including heat treatment, high-tech surface treatments, and additive manufacturing processes. Due to its unique sales and service network at about 160 sites around the world the division offers its customers material availability and processing as well as local points of contact. The division is the global market leader for tool steel and a leading provider of high-speed steel, valve steel, and other products made of special steels, as well as powder materials, nickel-based alloys, titanium, and components produced using additive manufacturing technologies. The most important customer segments are the automotive, oil and natural gas exploration, and mechanical engineering industries as well as the consumer goods and aerospace industries. In the business year 2017/18, the division reported revenue of around EUR 2.9 billion, of which about 50% was generated outside Europe, and an operating result (EBITDA) of EUR 454 million; it has around 14,300 employees worldwide.

The voestalpine Group

In its business segments, voestalpine is a globally leading technology and capital goods 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 using steel and other metals, it is one of the leading partners to the automotive and consumer goods industries in Europe as well as to the aerospace and oil & gas industries worldwide. voestalpine is also the world market leader in turnout technology, special rails, tool steel, and special sections. In the business year 2017/18, the Group generated revenue of around EUR 13 billion, with an operating result (EBITDA) of almost EUR 2 billion; it has around 51,600 employees worldwide.

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