

### **voestalpine increases research budget to a record high**

- **In the new business year 2011/12, which begins on April 1, 2011, more than EUR 120 million have been set aside for product and technology development**
- **Compared to 2010/11, this is an increase of 10% viewed across the Group, with a 25% surge in the Special Steel Division**
- **Strong focus on long-term growth technologies in the energy and mobility sectors**

**voestalpine Group is spending more money than ever on the continued expansion of its research and technology development. According to the budget that was approved yesterday, Thursday, by the Supervisory Board of voestalpine AG for the business year 2011/12, which begins on April 1, R&D funds will increase from EUR 111 million by another 10% to an new high of more than EUR 120 million. This increase is based on higher budget volumes in all five divisions of the Group, with the Special Steel Division showing the most substantial growth at about 25%. “This signal underscores our long-term strategy to position the voestalpine Group even more clearly as the global technology leader in the most sophisticated high-quality growth segments,” states Wolfgang Eder, Chairman of the Management Board and CEO of voestalpine AG.**

The increased research and development funding is focused on cross-divisional, long-term projects in the mobility and energy sectors, which already represent the two largest customer segments of the voestalpine Group.

“In addition to continuing development of lightweight materials for the automotive and consumer goods industries we are also focusing on the most technologically challenging applications in the energy sector, such as high-temperature materials that enable a significantly higher efficiency in power plant turbines and aircraft engines,” adds Peter Schwab, voestalpine’s head of research. “We are working toward an optimum combination of material, tooling, and processing because future applications are becoming more and more complex and we must increasingly develop highly integrated solutions in close cooperation with customers and external research institutions.”

This also applies to innovations in the renewable energy sector, where the voestalpine Group is positioning itself in the high-end technology segment for the long term.

## **R&D funds quadrupled in the past 10 years—voestalpine remains the most research-intensive company in Austria by far**

With the latest increase in the research and development budget, according to EU statistics, the voestalpine Group remains Austria's most research-intensive company. "Apart from the consolidation of spending during the last two business years due to the economic crisis at the level of the previous all-time high, the voestalpine Group has been substantially and continuously increasing its R&D expenditures since the business year 2000/01, in other words, for more than ten years," Eder emphasizes. During this period, voestalpine has quadrupled its R&D funding from just under EUR 30 million to the current budget of more EUR 120 million. Overall, the company has invested EUR 780 million in R&D over this period.