

## Major automotive order results in strong growth for voestalpine in the USA

The technology and capital goods group voestalpine plans to increase its revenue in the NAFTA region from the present EUR 1.2 billion to EUR 3 billion by 2020. A new USD 500 million order for its automotive sector brings the company one step closer to this goal. To be able to fulfill this large order from a German premium automotive manufacturer, voestalpine invests more than USD 60 million in two US sites. On the one hand, the automotive component plant in Cartersville, Georgia, opened in 2014, is already entering the third expansion stage, and on the other, the Group is investing in a new site in Birmingham, Alabama. voestalpine thus creates a total of over 400 jobs at these two locations by 2020.

The voestalpine Group is consistently expanding its global presence in the future mobility market. It is the Metal Forming Division, which currently has over 30 automotive sites on four continents, that is primarily responsible for the automotive sector. In early July, the division set a milestone in automotive lightweight construction by opening the world's first facility for phs-directform in Germany where it produces press-hardened, high-strength, corrosion-resistant body parts from hot-dip galvanized steel strip in a single process step. And it recently added the next company to its mobility portfolio with an acquisition in the automotive safety segment in Canada. voestalpine is thus also responding to constantly growing requirements and increasing local demand of its premium automotive customers. Now, a USD 500 million order is causing the next expansion wave in North America combined with investments of more than USD 60 million. "This is another example of how the voestalpine Group is consistently continuing its internationalization strategy in the NAFTA region with its high potential, once again strengthening the core growth segment of mobility that is responsible for nearly 50 percent of Group revenue today," states Wolfgang Eder, CEO of voestalpine AG.

### Third expansion stage in Cartersville, Georgia

The majority of the investment volume—around USD 50 million—will go into expanding the automotive components plant in Cartersville, Georgia. The state-of-the-art plant is the first production site for high-strength lightweight body parts in the NAFTA region. It has been continually expanding since its opening in 2014. When the second expansion stage is completed next year, the company will have 220 employees. As a result of the current order, the third expansion stage will soon start. By 2018, the phs technology will be further rolled out locally, and a number of new presses and assembly lines for automotive parts are planned. This will create another 150 jobs in total. The company's target revenue is roughly USD 200 million by 2020. "voestalpine has long been the technology and quality leader when it comes to producing ultra high-strength, corrosion-resistant, lightweight parts. The recent major order and the resulting capacity expansion underscores that the strategy the company has been following for years—to follow our customers in their future markets—has paid off," comments Peter Schwab, Member of the Management Board of voestalpine AG and Head of the Metal Forming Division.

## **voestalpine AG**

### **New automotive production in Birmingham, Alabama**

voestalpine is investing an additional USD 11 million in a new automotive site in Birmingham, Alabama, in the direct vicinity of two production sites belonging to the Group company voestalpine Nortrak, which specializes in the production of sophisticated turnout systems. On 5,000 m<sup>2</sup> of leased land, an existing building will be equipped with several automatic assembly lines for high-quality automotive parts. Building of the assembly lines will start in the first quarter of 2017. Production is scheduled to start in September 2017. When it is in full operation, the subsidiary in Birmingham will provide 42 new jobs. The site will ensure the best possible supply of the nearby automotive customers with time-critical and logistically challenging parts. In the future, it will serve as an additional production hub for Cartersville.

### **Metal Forming Division**

The Metal Forming Division of the voestalpine AG achieved a total sales volume during 2015/16 of EUR 2.2 billion and an operating result (EBITDA) of EUR 291 million. The division employs roughly 10,500 staff members and does business with almost all European car manufacturers. Within the Group, it constitutes the center of competence for highly refined sections, tubes, and precision steel strip products as well as ready-to-install components made of pressed, stamped, and roll-formed parts in steel and in aluminum, with a focus on the automotive industry. Its combination of material expertise and processing competence is unparalleled throughout the industry, and its global presence makes the division the preferred partner to customers who are looking for innovativeness and quality.

### **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, the Group is one of the leading partners to the automotive and consumer goods industries in Europe and to the oil and gas industries worldwide. The voestalpine Group is also the world market leader in turnout technology, special rails, tool steel, and special sections. In the business year 2015/16, the Group generated revenue of EUR 11.1 billion, with an operating result (EBITDA) of EUR 1.6 billion; it has 48,500 employees worldwide, who are collectively a major shareholder in the company with a stake of 14.5 percent.

### **Please direct your inquiries to**

voestalpine AG  
Peter Felsbach  
Head of Group Communications | Spokesman  
voestalpine-Strasse 1

4020 Linz, Austria  
Phone: +43/50304/15-2090  
peter.felsbach@voestalpine.com  
www.voestalpine.com

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