

PRESS RELEASE

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voestalpine boosts aerospace business with startup of new high-tech forge in Kapfenberg

By 2021* voestalpine will have invested around half a billion euros in technology development and digital transformation at the site in Kapfenberg. Now three major new facilities have successfully gone into operation. The highlight is a EUR 40 million forging line enabling materials for highly stressed, rotating aircraft turbine components to be manufactured for the first time; it also expands the portfolio of steel grades for the automotive and oil & gas industry. The run-up phases for a production facility for metal powder used in 3D printing and a state-of-the-art chemical laboratory were also completed at almost the same time. Work on constructing the new special steel plant is progressing rapidly.

The voestalpine High Performance Metals Division, with its Styrian sites Kapfenberg and Mürzzuschlag which together have a workforce of around 3,800 employees, is a leading global provider of high-performance materials and special forgings for the aerospace sector. The products are used in structural and undercarriage parts, engine components, and door segments in all major models of aircraft, including Airbus, Boeing, Embraer, and Bombardier. “With the new high-tech forging line at voestalpine Böhler Edelstahl going into operation, we are enhancing our position as a leading technological supplier of highly sophisticated aerospace materials. Manufacturing special materials for rotating—and thus particularly quality-critical—engine parts also allows us to enter a new product segment in this market,” explains Franz Rotter, Member of the Management Board of voestalpine AG and Head of the High Performance Metals Division.

The fully-digital plant started production last October after one and a half years of construction, and each year will process around 20,000 tons of material produced by the company’s own special steel plant. Significant investment is also being made into expanding activities in the aerospace sector at the sister companies in Styria: voestalpine Böhler Aerospace is erecting a state-of-the-art production facility for aerostructures close by (scheduled startup in 2019), while this summer voestalpine Böhler Bleche in Mürzzuschlag began operating a new rolling line for titanium plates for aerospace applications. Over the mid-term annual revenue in this industry is expected to rise from around EUR 300 to EUR 500 million.

Pioneering 3D printing and new chemical laboratory

After the start of a pilot plant two years ago, the launch of a major facility for manufacturing the extremely fine powder which serves as the pre-material for 3D printing represents a further technological milestone. In future external partners and the Group’s own 3D printing centers around the world will all be supplied from Kapfenberg. “We are one of only a few suppliers worldwide able to offer a complete value chain in the metal additive manufacturing sector—covering everything from powder and design through to the final metal part,” says Franz Rotter. In summer a new chemical laboratory was also opened, allowing the material production and processing at voestalpine Böhler Edelstahl in Kapfenberg to be optimized on an ongoing basis. Each year around 40 laboratory

*Business year 2017/18 to business year 2020/21

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technicians will analyze 200,000 material samples, ensuring they meet our customers' stringent quality criteria.

Training with a focus on digitalization

Since the start of this year the technological transformation at the Kapfenberg site has also included an in-house competence center for digitalization. Equipped with the latest tools, this new facility provides an innovative training and development environment. The apprenticeship workshop will also consistently apply digitally-supported training concepts. At the start of the current apprenticeship year a new electronics and automation laboratory was set up for jobs with a focus on process control, mechatronics, robotics, and IT technology. Around 270 apprentices in 12 trades are currently undergoing training using this forward-looking style of apprenticeship workshop.

New special steel plant: construction work on schedule

Since the groundbreaking ceremony in April this year, construction work for the world's most advanced special steel plant in Kapfenberg (investment volume of up to EUR 350 million) has progressed according to schedule. After completion of the access roads and an assembly area, preparation of the construction site will also shortly conclude. Work on building the foundations for the hall will begin this winter. From 2021 onwards the new plant will produce around 205,000 tons of high-performance steels annually, chiefly for the aerospace and automotive industry as well as the oil & gas sector.

voestalpine in Styria

Three of the four voestalpine Group divisions—the High Performance Metals Division, the Metal Engineering Division, and the Metal Forming Division—make a key contribution to regional value creation in Styria through their thirteen production companies and one holding company, spread over nine different sites. Around 9,700 employees generated a total revenue of EUR 3.7 billion during the business year 2017/18. Investment volume over the past ten years amounted to EUR 1.9 billion in total, the average export quota was about 86 percent. voestalpine companies in Styria are currently training around 340 apprentices in 16 trades, thereby securing their future employment prospects.

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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