

voestalpine with major new orders for the global railway systems industry—order volumes worth several hundred million euros

As the global market leader for complete turnout systems and European market leader for high-quality rails, voestalpine is continuously recording increasing order volumes for international railway infrastructure projects. The Metal Engineering Division, responsible for railway technology within the Group, is further extending its global leadership position, particularly by winning orders for key projects in the growing markets in Asia and the NAFTA region. At the same time, advancing digitalization of Europe's railways is resulting in rising demand for innovative signaling and safety technology from the voestalpine Group. This was the backdrop to the Group's appearance at InnoTrans 2016, the leading international trade fair for transport technology which ran from September 23 to 26 in Berlin and focused on integrated and highly digitalized system solutions for railway operators.

In line with Group strategy, the share of total voestalpine revenue generated in the future-oriented mobility sector (automotive, railway, aerospace) should rise from its current level of 48 percent to 50 percent by 2020, with railway technology as a significant driver of growth and innovation. In the business year 2015/16, total Group revenue in the railway systems sector amounted to around EUR 1.5 billion, or about 13 percent of Group revenue. "With deliveries of turnouts and rails to the value of several hundred million euros for what are currently the world's most high-profile rail projects we are again underlining our market and technology leadership in this sophisticated customer segment. With the know-how in signaling technology we have consistently built up over the past years, and we are responding very successfully to the constantly accelerating trend towards digitalized railway systems," says Franz Kainersdorfer, Member of the Management Board of voestalpine AG and Head of the Group's Metal Engineering Division.

Major orders for pioneering signaling technology in Europe

Germany, Austria, and Switzerland are all regarded throughout the world as pioneers in digitalized railway infrastructures. For the first time, voestalpine has now received two major orders to develop and supply high-tech monitoring systems in Germany and Austria. As part of its strategy of digitalizing its railways by the end of 2019, Deutsche Bahn, or DB (German Federal Railway) has commissioned voestalpine to install software-based hazard alarm systems. voestalpine technology will enable DB to automatically and continually record the conditions of tracks and turnouts on some of the most important sections of its network. A second order in this segment involves the installation of 50 sensor-based checkpoints which will allow the ÖBB (Austrian Federal Railways) to monitor border crossings. By installing these innovative voestalpine systems over the next six years, in future the ÖBB will be able to significantly improve transparency in cross-border transport and remove rolling stock which congests the tracks in real time.

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voestalpine rail technology for major projects in Asia

In addition to numerous other projects outside Europe, voestalpine is playing a key role in extending China's high-speed rail network as a recognized specialist for high-speed turnouts. Already the longest network in the world, by 2025 it will have been extended to around 38,000 kilometers, roughly twice its current length. Most recently, around 300 special turnouts a year designed for speeds of up to 350 km/h have been delivered. In the short-distance traffic sector, the Group has also won other important contracts in Asia to supply special turnouts for construction of the rapid transit railway in Kuala Lumpur, Malaysia, and for the metros in Bangkok, Thailand, Ho Chi Min City, Vietnam, and Doha, Qatar. All in all, the Group has recently succeeded in winning orders in the short-distance traffic sector for over 800 turnouts including transmission systems. Besides, voestalpine is supplying more than 26,000 tonnes of sophisticated high-quality rails for what is currently the world's largest metro project in Riyadh, Saudi Arabia, together with the corresponding turnout and transmission technology.

Short-distance traffic orders in the NAFTA region and India

In the NAFTA region voestalpine is profiting particularly from the growing volumes of local traffic in urban centers. The most recent orders have been secured by US voestalpine Group company voestalpine Nortrak, the leading provider of trackwork components and turnout systems in the USA and Canada with around a third of market share. The orders include supplies for extending the rapid transit and metro lines in major cities such as New York, Los Angeles, San Jose, Seattle, Baltimore, and Toronto, and for San Francisco's streetcar system. In India, too, over 900 turnouts and more than 60,000 tonnes of voestalpine rails have been used in metro projects over the past decade alone. The company has most recently won additional orders with a total volume of 170 turnouts for the metros in the Indian metropolises of Kochi and Lucknow. The Group is also supplying 19,000 tonnes of especially hardened rails for the extension to the Delhi metro network: with a planned length of around 500 km, by 2020 this will be the longest network of its kind in the world. voestalpine technology is also in demand in India's heavy-load sector, with 645 ultra high-strength special turnouts ordered for extensions to the freight transport network, so-called dedicated freight corridors.

Metal Engineering Division

The voestalpine Metal Engineering Division is the global market leader in turnout technology, and the European market leader in high-quality rails and quality wire. The Division is also a leading provider of tubulars and high-quality welding consumables. Customer segments include the railway infrastructure industry, the oil and gas industry, the steel industry, the mechanical engineering and automotive industries, as well as the construction industry. In the business year 2015/16 the Division and its Steel, Rail Technology, Wire Technology, Tubulars, Turnout Systems, and Welding Consumables business units generated revenue of nearly EUR 2.9 billion, of which around 40% was generated outside Europe. The division, with its approximately 12,700 employees worldwide, generated an operating result (EBITDA) of EUR 511 million.

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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 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 around 48,500 employees worldwide, who are collectively a major shareholder in the company with a stake of 14.5 percent.

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