

## United States Ambassador Alexa Wesner visits voestalpine headquarters

voestalpine currently has over 70 sites in North America and is continually expanding its local presence. This includes the current construction of a direct reduction plant in Texas which, at over EUR 550 million, is the largest foreign investment made by the Group, or any Austrian company, in the USA to date. voestalpine plans to increase annual revenue in North America from its current level of over one billion euros to around three billion euros by 2020. United States Ambassador to Austria, Alexa Wesner, today showed great interest in the activities technology and capital goods group voestalpine is driving forward in the US. During a visit to the Group's headquarters in Linz she discussed current economic framework conditions in Europe and the USA with voestalpine CEO Wolfgang Eder, as well as voestalpine's future prospects in the United States.

After US President Obama had praised voestalpine investment in a state-of-the-art automotive component plant in Cartersville, Georgia, at the SelectUSA Investment Forum at the end of 2013, the Group has now been invited to present its direct reduction plant voestalpine Texas LLC project during the next SelectUSA Summit, again generating international coverage of the company's intensive activities in the USA. US Ambassador Alexa Wesner appeared impressed by voestalpine's wide-ranging commitment during her visit to Linz. She will also head a 20-strong delegation at the SelectUSA Investment Summit from March 23 to 24 in Washington, DC. As well as voestalpine, 15 other Austrian companies and organizations will be represented.

### Construction in Texas on schedule

As part of its strategy of driving forward internationalization, the voestalpine Group is continuing to expand its activities in the US. The automotive component plant for ultra-high strength body-in-white parts which opened last year in Cartersville, Georgia (EUR 50 million investment, 220 employees) will become the future strategic focal point for voestalpine automotive activities in North America. The plant has now entered its second expansion phase, and a third is currently in preparation. Construction of the direct reduction plant in Corpus Christi, Texas, is also advancing rapidly. With its state-of-the-art technologies, the plant is already regarded as an environmental benchmark for the region and beyond. The port facilities will be completed in the coming months, and the basic contours of the main plant are also becoming visible. Around 1,400 people will be working on the site over the summer. From 2016 onwards, and with 150 employees, the plant will produce two million tons of HBI (hot briquetted iron/'sponge iron') annually, also supplying the Austrian sites at Linz and Donawitz with high-quality pre-materials for crude steel production.

### voestalpine profits from cost advantages

In discussions with the US Ambassador, CEO Wolfgang Eder again confirmed the reasons for choosing to locate in the USA: "Recent developments have proved again that we were absolutely correct in our decision to locate in Texas. The USA offers voestalpine a cost-efficient source of energy in a politically stable and predictable environment. If we built the plant in Europe, it would cost us around EUR 200 million more each year to operate." Furthermore, the professional and

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open cooperation with all those involved on site continues to be exemplary, and the USA's comprehensive efforts to reindustrialize are perceptible everywhere.

### **Many growing industries in the USA**

An important growth industry in the USA, in addition to the automotive sector, is railway infrastructure. With a US rail network extending over 250,000 km, the consistently high demand for railway infrastructure products offers significant potential for voestalpine. The largest single Group company in the USA is voestalpine Nortrak; with around 1,000 employees and nine production and sales sites, it is the market and technology leader in North America's rail and turnout technology segment. The Group also enjoys a strong presence in the special steel, energy, and aviation sectors. voestalpine is currently generating almost 10% of total Group revenue of EUR 11.2 billion through its more than 2,600 employees in North America. In the USA alone, over 2,000 employees generated revenue of almost EUR 900 million. Around 11% of voestalpine shares are also held by North American investors.

### **The voestalpine Group**

The voestalpine Group is a steel-based technology and capital goods group that operates worldwide. With around 500 Group companies and locations in more than 50 countries and on all five continents, the Group 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 2013/14, the voestalpine Group reported revenue of EUR 11.2 billion and an operating result (EBITDA) of EUR 1.4 billion; it had around 48,100 employees worldwide.

### ***US Embassy: The SelectUSA Investment Summit 2015***

*The SelectUSA Summit 2015 is building on the success of the first conference in 2013 to bring together 2,500 participants, including investors, from more than 60 countries in order to demonstrate the wide-ranging opportunities for all types of investment, throughout the USA. Investors can talk with business development experts from all over the USA, either in person or virtually. At the same time, leading representatives from business and government will provide input on highly topical issues in a series of events. At the SelectUSA Summit participants will find the necessary tools, practical information, and important contacts needed for successful investments, all under one roof.*

*With its revitalized economy and a sound basis for continued strong growth over the coming years, the United States is the top global destination for companies wishing to enter new markets and make investments. The USA excels with its unique investment climate for foreign investors of all sizes. The USA offers a well-educated and productive workforce, an excellent tertiary education sector, strengthened protection for intellectual property rights, a willingness to innovate, and a rich and stable energy supply. The dynamic internal market is even more attractive having been opened up to millions of international consumers through wide-ranging trade agreements.*

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**Please direct your inquiries to**

voestalpine AG  
Peter Felsbach  
Head of Group Communications | Spokesman

voestalpine-Strasse 1  
4020 Linz  
Phone: +43/50304/15-2090  
[peter.felsbach@voestalpine.com](mailto:peter.felsbach@voestalpine.com)  
[www.voestalpine.com](http://www.voestalpine.com)