

Innovative voestalpine process brings a major order worth EUR 250 million

With the opening of the world's first phs-directform facility in Schwäbisch Gmünd, Germany, in July 2016, the voestalpine Group took a technological leap forward in lightweight automotive construction. A European premium automobile manufacturer is now also relying on this innovative production process for manufacturing of ultra high-strength body-in-white parts in a single step, with an order worth EUR 250 million. voestalpine will again be investing EUR 13 million in expanding the site in Baden-Württemberg by summer 2017 in order to handle this major order, not only creating 40 new jobs but also continuing to drive its expansion in the automotive sector. Today marks the groundbreaking ceremony for the new project.

It was only a few months ago that the first phs-directform facility, a world innovation in lightweight automotive construction, went into operation at voestalpine Automotive Components Schwäbisch Gmünd, Germany, a company in the Metal Forming Division of voestalpine AG. This technology enables press-hardened, ultra high-strength and corrosion-resistant body-in-white parts in galvanized steel strip to be produced using a "direct process", that means a single step including both heat treatment and final forming. This results in extremely lightweight, tough, and therefore safe components for the automotive industry which are used in parts including stiffeners, side panels, and door elements. "Our intensive research and development work, as well as consistent efforts to create pioneering solutions have given us a technological advantage which allows us to meet the ever growing demands of the automotive industry. The current major order again confirms our global leadership role in developing premium automotive components in lightweight construction," explains Peter Schwab, Member of the Management Board of voestalpine AG and Head of the Metal Forming Division.

Components for 300,000 sports cars and electric vehicles

Under the EUR 250 million order, a range of premium structural and exterior body parts for a series of sports cars and electric vehicles of a well-known manufacturer will be produced. "We are delighted that this new technology has enabled us to secure such a major order so soon after the facility has gone into operation. As a result, we are able not only to produce ready-to-install components but also complex body modules according to our customers' designs. This is a visible sign of the successful, cooperative partnerships with key customers in developing new technologies," Schwab concludes. The production of these components and modules for future assembly in a total of 300,000 vehicles is scheduled to start in summer 2017.

Plant expansion and 40 new jobs

In order to handle the order, voestalpine is investing another EUR 13 million in expanding the site in Schwäbisch Gmünd. As a result of acquiring a new plot of land, the current production area of around 52,000 m² will be additionally extended by almost 6,000 m². The plot will house a new production hall with several complex shell constructions and a further assembly line. After today's groundbreaking ceremony, the hall and facilities are scheduled for completion by the end of July

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this year. Up to 40 new skilled workers will be taken on before the start of production. The voestalpine plant in Schwäbisch Gmünd, the Group's competence center for hot forming, currently has a workforce of 650 employees. The site is renowned for its long-term partnerships with well-known automotive customers who rely on its technical expertise.

Metal Forming Division

The Metal Forming Division of the voestalpine AG achieved a total sales volume of EUR 2.2 billion and an operating result (EBITDA) of EUR 290 million during 2015/16. The division employs around 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. 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 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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