

voestalpine to build a Turnout Production in Turkey

- **New production for high speed turnouts and modernisation of existing rail tracks.**
- **Important expansion in the booming railway market in Turkey.**
- **Plant will be a joint venture of voestalpine, Turkish State Railways and Turkish steel producer Kardemir.**
- **140 jobs will be created in first stage of expansion.**

The VAE Group, a Group of companies within the listed voestalpine Group, has made an important move to participate in the booming railway market in Turkey even better than before. Yesterday an agreement was signed in Turkey for the establishment of a new turnout production, with the attendance of Turkish Minister of Transport and Communication Binali Yildirim. The new plant is a joint venture of Turkish State Railways (TCDD), Turkish integrated long steel producer Karabuk Demir Celik Sanayi ve Ticaret A.S (Kardemir), and VAE Group. The new factory will be built close to the existing turnout plant of TCDD in Cankiri province in central Turkey. The new production will manufacture high speed turnouts and switches for the modernisation of existing rail tracks.

Turkish State Railways wants to make use of advanced technology for expanding its rail network to cope with the rapidly increasing demand for transportation as the economy of the country is growing fast. The initial investment for the turnout production is EUR 10 million. In this first stage of expansion already 140 people will be employed. voestalpine will have a 51 percent share in the joint venture and will bring in the technological know how. Turkish rail producer Kardemir will have a share of 34 percent and Turkish State Railways 15 percent.

With this expansion voestalpine is well positioned to participate in the booming railway market in Turkey even better than before.

VAE Group

VAE Group is a company of the voestalpine Group and the world's market leader in turnout technology. VAE currently has 41 production sites in 20 countries on all five continents. In business year 2008/09, the company achieved total revenues of EUR 710 million and had approx. 4,300 employees.

About voestalpine Group

voestalpine is an industry leader in customized high-quality and high-tech steel products and solutions. The group is represented worldwide by more than 360 production and sales companies in more than 60 countries throughout the world. voestalpine is worldwide number one in switch technology and special steel (such as tool steel) and a leading partner in the energy sector with high-quality heavy plates and seamless tubes. The group is market leader in Europe in high-quality steel strip, rails, special tubes and high-quality wire and a leading European supplier of high-quality automotive components.

In the 2008/09 business year voestalpine Group had annual sales of 11.6 billion euros and employs 39,000 people around the globe.

For further information please contact:

voestalpine AG
Corporate Communications

Gerhard Kürner
T. +43/50304/15-2090
gerhard.kuerner@voestalpine.com

Peter Schiefer
T. +43/50304/15-2397
peter.schiefer@voestalpine.com