

voestalpine Setting Course for Railway Market in Gulf Region

- **Signing Joint Venture is first step into Arabian market for VAE**
- **Developing emerging market for infrastructure together with local partner**
- **High quality production of turnouts to start middle of 2011**

A Joint Venture Agreement has been signed in Riyadh City between Austrian based VAE, the worldwide market leader in turnout systems on one hand and Sarab Al Modon Saudi Arabia, a member of Al Mobty group of companies, working in the field of railway materials on the other hand.

VAE is a subsidiary of voestalpine AG, traded on Vienna stock exchange and inter alia internationally well known in manufacturing high quality rails and turnout systems. The joint venture aims to service the market with state of the art turnouts for Railways and Metros in Saudi Arabia and on a later stage the Gulf Region.

The actual production of this joint venture company will start in the middle of 2011 with the assembling of turnouts complying with international standards under the technical supervision of voestalpine contributing its technical expertise and know how from around 40 manufacturing plants operating in all continents.

For voestalpine the Joint Venture with Sarab al Modon represents the first step to manufacture in the Gulf Region with the target to provide the best service and products to the infrastructure investments which are already taking place in the region and are expected to further grow in the future.

The plant will be established in Riyadh city close to the railway line between Riyadh and Dammam adjacent to the factory for concrete sleepers owned by Sarab Al Modon which has started production in June 2010 to support the railway projects in Saudi Arabia.

Sarab Al Modon aims to establish the manufacturing of most advanced technologies in the railway sector in the Kingdom and to train Saudi manpower to fulfill the requirements of all the new railway projects in Saudi Arabia and later on the Gulf and Arab Region. Sarab Al Modon gives due care to start such industrial activities in cooperation and partnership with the biggest internationally well known companies, who have vast and exceptional experience in this field.

voestalpine Group

voestalpine is a globally active group with a number of specialized and flexible companies that produce, process and further develop high-quality steel products. The Group is represented by 360 production and sales companies in more than 60 countries.

With its highest quality flat steel products, voestalpine is one of Europe's leading partners to the automotive, white goods and energy industries. Furthermore, voestalpine is the world market leader in turnout technology, tool steel and special sections, as well as number one in Europe in the production of rails.

The voestalpine Group generated revenues of EUR 8,55 billion in the business year 2009/10 and employs around 41,000 staff throughout the world.

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