

# Press Release

---

Lenzing Aktiengesellschaft  
Werkstraße 2  
4860 Lenzing, Austria  
www.lenzing.com

**Phone** +43 (0) 7672 701-2713  
**Fax** +43 (0) 7672 918-2713  
**E-mail** w.kaserer@lenzing.com

**Ref.** kawa  
**Date** 2017/03/21

## Capacity Expansion in Heiligenkreuz starts with Ground-Breaking Ceremony

- **Expansion of capacities for premium specialty fibers by 25,000 tons**
- **Investments of about EUR 70 mn over the next twelve months**
- **Project highlights strategic importance of Heiligenkreuz for TENCEL® premium fibers**

Heiligenkreuz – The Lenzing Group is expanding production capacities for its specialty fiber TENCEL® at its site in Heiligenkreuz, Burgenland. After obtaining all required approvals and permits, the expansion project was initiated today, Tuesday, March 21, 2017. The ground-breaking ceremony was attended by Lenzing CEO Stefan Doboczky, along with Bernd Zauner and Dieter Eichinger, the two managing directors of Lenzing Fibers, Burgenland’s Provincial Governor Hans Niessl and Alexander Petschnig, the Regional Minister for Economic Affairs.

“We will invest about EUR 70 mn over the coming twelve-month period to expand production capacities for our high-quality botanic specialty fibers”, Doboczky says. “With this investment we are responding to strong global demand for new types of TENCEL® premium fibers such as the Refibra™ fiber, using cotton scraps from the manufacturing of cotton garments and wood as raw materials. This fiber makes a widely-recognized contribution to the circular economy in the textile industry. The fiber was very successfully launched on the market in February by our strategic partner Inditex in its Zara stores”, he adds.

Annual production capacities for fibers will be increased by about 25,000 tons as a result of the investment. The fibers will be available to customers starting at the end of the first quarter of 2018. “We launched the production of lyocell fibers in Heiligenkreuz 20 years ago, and have expanded the site to make it to one of the largest industrial employer in Southern Burgenland. The new investments comprise a further important milestone in our success story, and will provide added impetus to growth in a structurally weak region”, states Zauner.

# Press Release

---

Lenzing put its first industrial-scale lyocell fiber production facility into operation 20 years ago. Today the fibers are sold under the TENCEL® brand name. A recent study carried out under the scientific supervision of Friedrich Schneider, Professor at Johannes Kepler University in Linz, concluded that the Lenzing plant in Heiligenkreuz generates considerable regional economic effects. In addition to the approximately 230 jobs at Lenzing Fibers itself, around 940 additional jobs are secured on a long-term basis thanks to the company's economic activities in the region. The additional value creation equals about EUR 102 mn per year.

In its 20-year history, the Heiligenkreuz plant has sold close to 700,000 tons of fibers and exported the majority across the globe, as far away as China, Korea and Japan. The factory in Heiligenkreuz has been continuously expanded due to rapidly growing demand. Up until now, Lenzing has invested a total of roughly EUR 750 mn to build and extend production capacities for TENCEL® fibers. In addition to the Heiligenkreuz facility, these specialty fibers are also manufactured at the Lenzing site, in Mobile (USA) and Grimsby (Great Britain).

The lyocell technology applied in Heiligenkreuz is characterized by a very good environmental performance. The cellulose fibers are derived from the renewable raw material wood in a closed-loop process, resulting in a minimal amount of environmentally harmful emissions. Due to their outstanding properties, TENCEL® fibers boast a particularly broad range of applications, both in the world of fashion as well as technical areas and nonwovens. Lenzing is the leading producer of lyocell fibers by far, and is continually upgrading and refining this technology.

**Photo download:**

<https://mediadb.lenzing.com/pindownload/login.do?pin=Z145W>

PIN-Code: Z145W

**For more information, please contact:**

Waltraud Kaserer

Vice President Corporate Communications  
& Investor Relations

Phone: +43 (0) 7672 701-2713

E-mail: [w.kaserer@lenzing.com](mailto:w.kaserer@lenzing.com)

# Press Release

---

---

## **The Lenzing Group**

The Lenzing Group is a world market leader headquartered in Austria, with production sites in all major markets as well as a worldwide network of sales and marketing offices. Lenzing supplies the global textile and nonwovens industry with high-quality, botanic cellulose fibers. Its portfolio ranges from dissolving pulp to standard and specialty cellulose fibers.

Lenzing quality and innovative strength set global standards for cellulose fibers. With 79 years of experience in fiber production, the Lenzing Group is the only company worldwide combining the manufacturing of all three cellulose fiber generations on a large scale under one roof – from the classic viscose to modal and the lyocell fiber TENCEL®.

The success of the Lenzing Group is based on its consistent customer orientation together with its leadership in innovation, technology and quality. Lenzing is committed to the principles of sustainable management and very high environmental standards. In addition to its core business of fibers, the Lenzing Group also operates in the field of engineering and plant construction.

### **Key Facts & Figures Lenzing Group 2015**

Revenue: EUR 1.98 bn  
Fiber sales volumes: 965,000 tons  
Employees: 6,127

TENCEL®, Refibra™, Lenzing Modal® and Lenzing Viscose® are registered trademarks of Lenzing Aktiengesellschaft.

---