

Press release

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Second pilot plant completed for TENCEL™ Luxe filament yarn

Sbt.: New pilot production line supports opening up new fields of business in the luxury fashion segment

Lenzing – The Lenzing Group completed the second pilot production plant announced in May 2018 for its innovative filament yarn TENCEL™ Luxe. Construction of the facility at the Lenzing site involving investments of EUR 30 mn could be concluded on schedule and within budget after 20 months of intensive work. The new pilot production line, which was put into operation in the middle of December 2019, gives Lenzing sufficient capacity for commercial programs and further application development.

Innovation in the eco-couture segment

Thanks to TENCEL™ Luxe, Lenzing is able to embed the issue of sustainability in the premium luxury market in combination with superior aesthetics. The properties of the fine filament yarn can be compared to those of silk due to its airy feeling on the skin and the matte finish. At the same time, TENCEL™ Luxe also stands out because of its extensive strength and high level of environmental compatibility. It is perfectly suited for very fine fabrics and as a blending partner for silk, cashmere and wool. For example, the yarn is used for making blouses and shirts, dresses, scarves, ties and the inner lining of suits.

"TENCEL™ Luxe opens up new markets for Lenzing and thus contributes to the successful implementation of our sCore TEN corporate strategy. At the same time, we are setting new standards in the luxury segment of the fashion industry with respect to sustainability", says Stefan Doboczky, Chief Executive Officer of the Lenzing Group. "Many luxury brands have already realized what opportunities they would have by using this yarn made of the renewable raw material wood. The second pilot plant enables us to further press ahead with opening up new areas of application in collaboration with our customers", Stefan Doboczky adds.

Important basis for further growth

The new pilot production line will build upon the knowledge gained from operating the predecessor facility and leverage completely new and innovative automation models. The pilot plant developed by Lenzing and the knowhow acquired during the construction phase will comprise the basis for the company's further expansion in the field of sustainable filament yarns. This will also comprise the starting point for the planned construction of a large commercial production plant at the Lenzing site.



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About the Lenzing Group

The Lenzing Group stands for ecologically responsible production of specialty fibers made from the renewable raw material wood. As an innovation leader, Lenzing is a partner of global textile and nonwoven manufacturers and drives many new technological developments.

The Lenzing Group's high-quality fibers form the basis for a variety of textile applications ranging from elegant ladies clothing to versatile denims and high-performance sports clothing. Due to their consistent high quality, their biodegradability and compostability Lenzing fibers are also highly suitable for hygiene products and agricultural applications.

The business model of the Lenzing Group goes far beyond that of a traditional fiber producer. Together with its customers and partners, Lenzing develops innovative products along the value chain, creating added value for consumers. The Lenzing Group strives for the efficient utilization and processing of all raw materials and offers solutions to help redirect the textile sector towards a closed-loop economy.

Key Facts & Figures Lenzing Group 2018

Revenue: EUR 2.18 bn

Nameplate capacity: 1,034,000 tons

Employees: 6,839

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