



AMAG Executive Board: Helmut Wieser, CEO, Dr. Helmut Kaufmann, COO, Gerald Mayer, CFO

# AMAG 2020

AluReport talked with CEO Helmut Wieser about the „AMAG 2020“ investment project.

**AluRep:** Mr. Wieser, what is „AMAG 2020“ about?

The „AMAG 2014“ expansion project was a first step towards manufacturing wider products. The new hot-rolling mill and the associated finishing equipment for aluminium plates allow us to produce hot-rolled plates in widths up to 2,300 mm. Launching the „AMAG 2020“ project will help us continue on our path and will allow us to produce cold-rolled sheets and strips in widths of more than 2,000 mm in the future, so we can consistently continue our growth course in an expanding market. We are the growth partner of choice among our customers because we are in a position to meet the increasing demand for special products, ensuring high quality and delivery reliability. It is important to us that our valued customers do not have to wait long for this step. Preparations are in full swing, and this project stage will be completed in 2017.

**AluRep:** What are the investments required?

We are going to build a new cold-rolling mill in addition to new heat treatment and surface treatment facilities, which will double the total capacity of the Ranshofen rolling mill to over 300,000 tons per year, and to expand our rolling slab casthouse. AMAG is going to invest over 300 million euros.

**AluRep:** What is your view of the market?

With this expansion project, AMAG is sending a clear signal in the market for rolled aluminium products, a market seeing strong growth of over 6% per year worldwide. In particular the transportation sector, dominated by the automotive and aircraft industries, far exceeds the average, with about 11% annual growth having been forecast in the medium term. There is also increasing demand for AMAG's new products from the sporting equipment, electronic goods, construction, mechanical engineering and packaging industries.



**A** Investment project „AMAG 2020“: Cold-rolling mill, Continuous heat-treatment furnace, Passivation line, Rolling slab casthouse

**B** Investment project „AMAG 2014“: Hot-rolling mill, Plate production center, Rolling slab casthouse

**AluRep:** What are the advantages for AMAG's customers?

AMAG is already a member of the exclusive circle of aluminium producers that supply special sheet both for automotive bodies (panels and structural parts) and for modern passenger aircraft. The new plant contributes to further strengthening our position of leader in technology.

As we develop our strengths concerning the special products even further, we are becoming a full-range supplier and thus an attractive growth partner for our customers. The advanced skills gained in the fields of heat-treating high-strength aluminium alloys and surface finishing also make us an innovative development partner, in particular for the aircraft, automotive, electronic goods, sporting equipment and packaging sectors.

In addition to product quality, delivery reliability and flexibility are becoming increasingly important. With the expanded equipment and additional production capacities, AMAG is well prepared to meet future requirements.

**AluRep:** Why have you decided on the location of Ranshofen?

Located in the heart of Europe, Austria is a

politically stable country, with excellent infrastructure and energy supply. Additionally, we have a great education system and excellent universities, from where we draw many of our staff, who are intelligent, open-minded and eager to learn. As many as approximately 250 new jobs will be created in the final stage of construction of the new plant. In addition to the advantages already mentioned, the Ranshofen location is an integrated plant that concentrates all of the expertise and skills required to perform a wide range of challenging tasks in the value chain, from raw materials to final product. Accordingly, we are in a position to promptly and efficiently satisfy individual customer demands.

**AluRep:** Finally, where do you see AMAG in five years?

With all the uncertainties in the economic and social environment it is particularly important to pursue a clear strategy. In recent years we have established a position in the market as a provider of specialities

for a large number of industries with clear customer focus. Continuous development, innovation and customer satisfaction are a priority for us. Our distinctive strengths in recycling and the interest we hold in the Canadian Alouette smelter, which secures our primary aluminium supply and which we are also planning to expand, provide a sustainable basis for our growth.

” The new cold-rolling mill will see its start-up in 2017. “

AMAG in Ranshofen is thus developing into a prime location of the European aluminium industry in terms of technology. With a clear strategy and meeting the requirements mentioned above, we are well prepared to satisfy the demands of our global customers from a wide range of industries. ■