

EANS-News: Lenzing AG / Lenzing invests EUR 100 mn in pulp production

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Company Information/Investment

Lenzing invests EUR 100 mn in pulp production

Lenzing/Vienna, 11.10.2016 - The Lenzing Group will expand and modernize its existing dissolving wood pulp production at the sites in Lenzing/Austria and Paskov/Czech Republic. At a press meeting in Vienna today, Lenzing CEO Stefan Doboczky announced a total investment program of EUR 100 mn, approximately EUR 60 mn of it in Lenzing and almost EUR 40 mn in Paskov. Additional new capacities of around 35,000 tons will be added over the next 2.5 years.

"With these investments, we are taking another step in the implementation of our new corporate strategy sCore TEN," said Stefan Doboczky. "We aim to increase our own dissolving wood pulp production from currently 56% to 75% of the group's requirements for the production of botanic cellulose fibers by the end of the decade. The modernization will lead to more efficiency of our plants. The upgrade and expansion of our bio-refinery setup will underline Lenzing's leadership as the most sustainable fiber producer."

Lenzing's bio-refinery concept is based on using only certified wood from countries in Western and Central Europe. It is an essential part of Lenzing's mission to turn CO₂ and sunlight into high value fibers, as it ensures that 100% of the wood components are used to produce fibers, bio-chemicals and bio-energy. This investment is also an essential part of Lenzing's quality strategy, as the high quality of our botanic fibers depends on the quality of the dissolving wood pulp.

In August 2016, Lenzing announced a capacity expansion for specialty fibers of 35,000 tons by mid-2018. Roughly EUR 70 mn will be invested in the site in Heiligenkreuz/Burgenland and approximately EUR 30 mn in Lenzing/Upper Austria as part of this project. The new pulp investment program will be implemented in addition to these investments.

These investments are yet another long-term commitment of the Lenzing Group to the Austrian production sites. In the next 2.5 years, Lenzing will therefore invest a total of EUR 160 mn in Austria. Lenzing is thus once again one of the leading industrial investors in Austria.

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