

euro adhoc: VA Technologie AG / other / VAI gets off to a flying start in 2005 (E)

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- Over EUR 500 million in order intakes already during January 2005
- EUR 2 bn order backlog secures use of capacity
- Record year in 2004 with order intake of EUR 1.62 bn

Following the record year 2004, the successful business development of VAI, a subsidiary of the listed VA Technologie AG, continued at the beginning of 2005. As Gerhard Falch, the VOEST-ALPINE Industrieanlagenbau GmbH Chairman and Vice-Chairman of VA Technologie AG explains, "Due to the taking effect of the major orders from Hadeed worth around EUR 340 million, negotiated and agreed upon in October 2004, and other contracts worth more than EUR 160 million from Saudi Arabia, the CIS, China, Iran, Poland and Turkey, VAI can already point to an order intake in January 2005 of over EUR 500 million."

Further order from Saudi Arabia

Apart from the major orders for the world's largest direct reduction plant and the enlargement of the electric steelmaking plant, Hadeed has allocated VAI a further order worth around EUR 13 million for modifications to the hot dip galvanizing plant at Al-Jubail, which was originally supplied by VAI in 1998. This new order was presented to VAI on the occasion of an official ceremony to mark the start of the complete project.

Additional order successes in traditionally strong markets

In the CIS, VAI has secured orders with a total value of around EUR 60 million. These include contracts for a continuous caster for Alchevsk and a ladle furnace for Azovstal.

Orders for a dry dedusting system for the Chinese steel producer, Baosteel, an electrical steelmaking plant for the Turkish steel

company Colakoglu and a strip coating plant for the Huta Florian in Poland represent further items on the list of current order successes.

Steel plant for long products in Iran

The Iranian steel producer, Vian Steel, has commissioned VAI POMINI, an Italian VAI subsidiary specialising in technologies for the production and processing of long products, with the supply of an electrical steelmaking plant and a billet caster worth over EUR 50 million for its plant in the province of Hamadan. As a result of its planned steel production expansion, Iran remains an interesting market for VAI.

Record order backlog secures employment and confirms the strategic orientation

As a consequence of the steady increase in order intake, which in 2004 reached an all-time high of EUR 1.62 bn, the VAI order backlog has also risen in January 2005 to a record value of over EUR 2 bn. Gerhard Falch, "This order backlog means that the use of capacity within the VAI Group is secured for the next two years. The probity of our choice of strategy as a life cycle partner for the iron, steel and aluminium industry is further underlined by the continuing positive developments in the areas of automation and metallurgical services."

Further inquiry note:

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