

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

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

**Ref.** kawa  
**Date** 26/09/2018

## **Lenzing temporarily mothballs lyocell expansion project in Mobile, Alabama**

- Trade tensions among major economies elevate project risk
- Buoyant US labor market increases threat of substantial project cost overrun
- Lenzing will reassess this decision on an ongoing basis
- Intensified focus on lyocell expansion project in Prachinburi (Thailand)

Lenzing – Lenzing's Managing Board concluded today to temporarily mothball the lyocell expansion project in Mobile, Alabama (USA). The rising likelihood of increasing trade tariffs, paired with the potential surge in construction costs due to the buoyant US labor market, have increased the risk profile of this project. Consequently, Lenzing will put all its effort to readjust the execution of its growth plan to meet strong market demand of its lyocell fibers. This includes an increased focus on the lyocell expansion project in Prachinburi (Thailand). Lenzing will reassess this decision on a regular basis but no substantial additional lyocell volumes, over and above the successful 25.000 tons expansion in Heiligenkreuz (Austria), will be added to the market in 2019 and 2020 by Lenzing.

Lenzing continues to be fully committed to implement its sCore TEN strategy and remains on track for the specialty expansions such as TENCEL™ Luxe filaments and LENZING™ ECOVERO™ viscose fibers, however this decision will slow down the implementation of the lyocell specialty staple fiber growth.

### **Photo download:**

<https://mediadb.lenzing.com/pinaccess/showpin.do?pinCode=uXZtMUGWhBwL>

PIN: uXZtMUGWhBwL

**For more information please contact:**

**Mag. Waltraud Kaserer**

Vice President Corporate Communications &  
Investor Relations  
Lenzing Aktiengesellschaft  
Werkstraße 2, 4860 Lenzing, Austria

**Phone** +43 7672 701-2713

**Mobile** +43 664 81 31 834

**Fax** +43 7672 918-2713

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

**Web** [www.lenzing.com](http://www.lenzing.com)

**Dipl.-Ök. Stephanie Kniep**

Head of Investor Relations  
Corporate Communications & Investor Relations  
Lenzing Aktiengesellschaft  
Werkstraße 2, 4860 Lenzing, Austria

**Phone** +43 7672 701-4032

**Mobile** +43 676 757-6329

**Fax** +43 7672 918-4032

**E-mail** [s.kniep@lenzing.com](mailto:s.kniep@lenzing.com)

**Web** [www.lenzing.com](http://www.lenzing.com)

---

**About the Lenzing Group**

The Lenzing Group is an international company that produces high-quality fibers and filaments from the renewable raw material wood with environmentally friendly and innovative technologies. These fibers form the basis for a wide range of textile and nonwoven applications, and are also used in work and protective wear and in industrial applications.

Lenzing's quality and innovative strength set global standards for wood-based cellulose fibers. With 80 years of experience, the Lenzing Group is the only company in the world which produces significant volumes of all three wood-based cellulose fiber generations. Its products are marketed under the following brands: TENCEL™ for textile applications, VEOCEL™ for nonwoven and LENZING™ for special applications in other areas and other products. Innovations like REFIBRA™ technology, the identifiable LENZING™ ECOVERO™ branded fibers and TENCEL™ Luxe branded lyocell filament yarn make Lenzing a global innovation leader.

The Lenzing Group's success is based on consistent customer orientation combined with innovation, technology and quality leadership. Lenzing is committed to the principles of sustainable management with very high environmental standards and can underscore this commitment with numerous international sustainability certifications for its business processes as the most sustainable company in the sector. In addition to fibers, which form the core business, the Lenzing Group is also active in the fields of engineering and plant construction – mostly for its own locations, but also for external customers.

**Key Facts & Figures Lenzing Group 2017**

Revenue: EUR 2.26 bn

Nameplate capacity: 1,009,000 tons

Employees: 6,488

TENCEL™, VEOCEL™, LENZING™, REFIBRA™, ECOVERO™, LENZING MODAL™, LENZING VISCOSE™, MICROMODAL™ and PROMODAL™ are trademarks of Lenzing AG.