



For Immediate Release
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**LENZING GROUP ANNOUNCES \$293 MILLION EXPANSION
Axis Plant to Become Largest TENCEL® Fiber Production Site in the World**

Axis, AL - The Mobile Area Chamber of Commerce announced on Wednesday, Lenzing Group approved an expansion of its production facility in Axis that, when complete in 2019, will increase its workforce with 163 new jobs.

"This expansion in TENCEL® fiber capacity represents a unique milestone in the history of the Axis facility and for the Lenzing Group. The investment of \$293 million is part of our strategic growth program sCoreTEN announced a year ago. It underscores our commitment to all customers and consumers who want to make a positive impact as our TENCEL® fiber is recognized as world's most sustainable botanic fiber for fashion and nonwoven products," explained Lenzing Chief Commercial Officer Robert van de Kerkhof.

"This type of foreign direct investment and the addition of these high-wage jobs is yet another example of our manufacturing growth that continues to outpace the national rate. The commitment from Lenzing to locate the facility at the Mobile site demonstrates our area's success in locating large economic development projects," said Troy Wayman, vice president of economic development for the Mobile Area Chamber.

"The expansion will more than double current TENCEL® production in Axis, making it the largest production site in the world with a total capacity of 140,000 tons annually. We are very proud to have in Axis the first generation production site and now the most advanced, state-of-the-art facility in the same location," said Kevin Allen, site manager.

"Austria's Lenzing is an innovative manufacturer with a longtime presence in Mobile County, Alabama, the home of its only U.S. production facility," said Greg Canfield, secretary of the Alabama Department of Commerce. "This significant new investment in its Mobile County operation will not only create jobs but also strengthen the partnership we have forged together over the years."

"This project is significant for Mobile County because it represents the fruits of our labor in expanding our manufacturing sector," said Merceria Ludgood, president of the Mobile County

Commission. The project is located in her district. “The county has experienced a 31 percent boost in manufacturing from 2010 to 2015. Our region is a federally designated manufacturing community. Our high schools and community colleges offer specialized advanced manufacturing training. This announcement means jobs will be available right here in our county, keeping our best and brightest right here at home.”

The region’s manufacturing growth has earned recognition twice from the U.S. Department of Commerce, first as one of the first 12 Manufacturing Communities in the country in 2014 and second – the redesignation in 2016. The following statistics were tracked by the Mobile Area Chamber’s research division and are the results of decades of Chamber-led economic development initiatives.

- The average salary in Mobile’s manufacturing sector is \$68,146 – more than 50 percent of Mobile’s private sector average salary of \$44,458.
- The manufacturing sector in Mobile has experienced 16 percent wage growth from 2010 to 2015. More importantly, it experienced a 7 percent increase in real wages – greater than increases experienced at the state (+3 percent) and national level (+2 percent).
- In August 2016, manufacturing employment in Mobile reached 20,500 employees – the highest point of employment since 1998 when manufacturing employment reached 20,700.
- Manufacturing jobs in Mobile increased by 31 percent from 2010 to 2015, compared to 9 percent in Alabama and 7 percent at the national level.
- 4,640 new manufacturing jobs were added to the Mobile economy between 2010 and 2015, representing every 1 in 5 (22 percent) new manufacturing jobs in Alabama (21,514) during this same period.
- Chemical manufacturing employment in Mobile is expected to increase by 8.5 percent between 2015 and 2020 – compared to an expected national decline of 2.2 percent during the same period (*source: Economic Modeling (EMSI)*)
- The average wage in chemical manufacturing in Mobile is \$98,567, an increase of 34 percent from 2005 to 2015 (\$743,492), and a real increase of 11 percent.
- More than half (18) of Mobile’s chemical manufacturing companies are basic chemical manufacturers – those who produce the foundational components of more complex products such as fertilizers, paints and synthetics.
- 30 companies along a 60-mile corridor of Mobile employ nearly 2,500 skilled workers.

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The Lenzing Group

The Lenzing Group is a world market leader headquartered in Austria, with production sites in all major markets as well as a worldwide network of sales and marketing offices. Lenzing supplies the global textile and nonwovens industry with high-quality, botanic cellulose fibers. Its portfolio ranges from dissolving pulp to standard and specialty cellulose fibers.

Lenzing quality and innovative strength set global standards for cellulose fibers. With 78 years of experience in fiber production, the Lenzing Group is the only company worldwide combining the manufacturing of all three cellulose fiber generations on a large scale under one roof – from the classic viscose to modal and the lyocell fiber TENCEL®.

The success of the Lenzing Group is based on its consistent customer orientation together with its leadership in innovation, technology and quality. Lenzing is committed to the principles of sustainable management and very high environmental standards. In addition to its core business of fibers, the Lenzing Group also operates in the field of engineering and plant construction.

Key Facts & Figures Lenzing Group 2015

Revenue: EUR 1.98 bn

Fiber sales volumes: 965,000 tons

Employees: 6,127

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