



Press release

Stockholm, 17 February 2017

Ovako inaugurates SEK 300 million investment in Hofors

Over the past ten years Ovako has invested around SEK 300 million in Hofors to address customer demand for heavier and larger rings. The new production process was inaugurated on February 16 by Gävleborg's County Governor Per Bill and the President of Ovako in Hofors, Carl-Michael Raihle.

The need for larger bearings is growing worldwide as investment is made in more and bigger wind turbines. To meet this demand, Ovako in Hofors is now investing in larger ingots, doubling their size. This makes it possible to produce bearing rings with a diameter in excess of four meters and up to five tons in weight. These help to drive wind turbines with outputs up to 3 megawatts, equivalent to the consumption of up to 750 homes annually.

"These investments in Hofors mean we can now double the format of some of our ingots, from 4.2 tons to 8.4 tons, allowing us to remain relevant, grow and take market share in an industry of the future. The program is also a preparation for the potential to handle even larger formats, making it an investment for the future," says Carl-Michael Raihle, President Ovako Hofors.

Ovako's steel mill in Hofors has supplied clean steel with high fatigue strength to producers of high-quality bearings for over 100 years. Ovako's steel has been developed to meet the ever-tougher demands set by our customers for their high-performance components. Preventing fatigue failure is critical for Ovako's customers in a variety of industries, and this applies particularly to wind power since the turbines are installed in difficult to reach locations.

- - -

About Ovako

Ovako develops high-tech steel solutions for, and in cooperation with, its customers in the bearing, transport and manufacturing industries. Our steel makes our customers' end products more resilient and extends their useful life, ultimately resulting in smarter, more energy-efficient and more environmentally friendly products.

Our production is based on recycled scrap and includes steel in the form of bar, tube, ring and components. Ovako is represented in more than 30 countries and has sales offices in Europe, North America and Asia. Ovako's sales in 2016 amounted to EUR 781 million, and the company had 2,773 employees at year-end. For more information, please visit us at www.ovako.com.

Further information can be obtained from:

Media contacts

Oskar Bosson, Head of Group Communications

Telephone: +46 704 10 71 80

E-mail: oskar.bosson@ovako.com