

## voestalpine with significant increase in earnings in the first three quarters 2017/18

The positive economic trend visible already end of 2016 was confirmed in the course of calendar year 2017. Above all the upswing of the economy in Europe was on a broad scale, whereas in the US the upward trend was fuelled by private consumption rather than by increasing investment activities. In particular foreign direct investments were at a low level there. China's economy continued to grow at a robust stable pace. The economy in Brazil has bottomed out in the 2<sup>nd</sup> half of 2017.

With respect to industry segments the automotive industry proved to be the driving force of the excellent development of voestalpine Group in the first three quarters 2017/18. Positive to highlight as well are the order intake from the consumer goods industry which remained stable at a solid level, the strong dynamics in the aviation sector as well as the improving environment in the mechanical engineering industry. Furthermore signs of an economic recovery were noticeable in the construction industry and at least from a volume's perspective in the oil and gas sector as well. On the negative side, investment activities in combination with a fierce price competition in the European railway infrastructure market had to be faced in the reporting period.

Against this backdrop, voestalpine Group achieved significant growth in the first three quarters 2017/18 in comparison with the corresponding previous year both in revenues and in the particular earnings categories. More specifically the Steel Division posted by far the highest improvement in earnings due to a pick-up of prices as a consequence of the excellent demand situation for high quality flat steel products. But also the processing divisions were able to expand their operating profits, primarily based on volume expansions as a result of the "downstream"-growth strategy.

In the quarter-on-quarter comparison the solid development of the 2<sup>nd</sup> quarter was prolonged in the current 3<sup>rd</sup> quarter. From today's point of view the operating result (EBITDA) in the 4<sup>th</sup> quarter should achieve a level similar to the very strong 1<sup>st</sup> quarter, so that the expectations from the beginning of the business year regarding a substantially positive year-over-year development in both revenue and earnings are confirmed.

Key figures of voestalpine Group

(acc. IFRS)	Q1-Q3 2016/17 04/01-12/31/2016	Q1-Q3 2017/18 04/01-12/31/2017	Delta %
Revenue	8,101.2	9,460.4	+16.8
EBITDA	1,061.1	1,405.5	+32.5
EBITDA margin in %	13.1	14.9	
EBIT	545.0	834.6	+53.1
EBIT margin in %	6.7	8.8	
Profit before tax	461.4	737.1	+59.8
Profit before the period *	343,9	555.9	+61.6
EPS (euros)	1.86	2.95	+58.6
Gearing-ratio in % (12/31)	61.2	53.5	

In millions of euros

\*Before deduction of non-controlling interests and interest on hybrid capital.

Further details on the 3<sup>rd</sup> quarter results 2017/18 are available on our homepage [www.voestalpine.com](http://www.voestalpine.com) or feel free to contact our Investor Relations team +43/50304/15-9949.

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