

## Q&A voestalpine group results BY 2021/22

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Q.) Are there any one-offs included in the FY 2021/22 results?

A.) There are two major one-offs in the FY 2021/22 results:

1.) we had to book impairments in the Metal Forming Division (Cartersville) and in the High Performance Metals Division (Buderus)

2.) As already announced, the HBI-plant in Texas (Steel Division) is reported under "discontinued operations" after the sale to ArcelorMittal.

Q.) What is the impact on earnings of the impairment at Cartersville in BY 2021/22 and what was the reason for it?

A.) The earnings impact on the Metal Forming Division is -52 million EUR. The impairment on Cartersville is -64 million EUR, but due to an organisational change of cash generating units, we had to book +12 million EUR of reversal of impairment in a different CGU at the same time.

We had to book impairments at Cartersville because of increased volatility of sales due to supply chain constraints in the automotive industry while we experienced significant wage cost inflation in North-America at the same time. The effects on our operational performance resulted in changes of the business plan.

Q.) What is the impact on earnings of the impairment at Buderus in BY 2021/22 and what was the reason for it?

A.) The earnings impact on the High Performance Metals Division is -15 million EUR.

We had to book impairments at Buderus because of surging energy cost, which in certain product categories cannot be passed on in full to the market. Those effects resulted in changes of the business plan.

Q.) Sale of the HBI-plant in Texas: How much accounting profit is included in the line "profit after tax from discontinued operations" in the profit and loss account of BY 2021/22?

A.) The profit after tax from discontinued operations is 257.9 million EUR. The valuation result at fair value less costs to sell is 256.6 million EUR.

Q.) What additional accounting profit from the sale of the HBI-plant in Texas do you expect to be reported in Q1 BY 2022/23?

A.) The accounting profit from revaluation of the assets of the HBI-plant in Texas is reflected in full in the results of the BY 2021/22. The profit after tax from discontinued operations in Q1 BY 2022/23 will contain no accounting profits, but the net profit of the HBI-plant in Texas plus a reclassification of FX-conversions in an expected amount of around 50 million EUR.

## Q&A Outlook BY 2022/23

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Q.) On which scenarios is the range of the EBITDA-guidance for BY 2022/23 based?

A.) Based on our current order books we have visibility until summer 2022. For some areas we expect the current positive trends to continue also after summer, such as the uptrend in the oil and gas-industry as well as in the aerospace-industry. We expect the railway infrastructure business to develop relatively stable throughout the whole of BY 2022/23. We expect the Automotive industry to develop quite similar in BY 2022/23 like it did in BY 2021/22. Regarding the more cyclical markets, like mechanical engineering, building and consumer goods-industries, we expect a cooldown of demand (latest) after summer. The range of the guidance is primarily reflecting the uncertainty about the magnitude of this cooldown.

Our guidance range of reaching an EBITDA of between 1.8 and 2.0 billion EUR in BY 2022/23 excludes any scenarios of further distortions of the economy from the Ukraine-war, new aggressive COVID1-19 infection waves and / or broad-based supply chain disruptions.

Q.) What are your expectations for the development of the single divisions in BY 2022/23?

A.) On a Year-to-year comparison we expect the Steel Division to report lower earnings in BY 2022/23 after an exceptional strong "steel year" in BY 2021/22.

We expect the Metal Forming Division to report somewhat lower earnings in BY 2022/23. The main reason are windfall gains from rising steel prices, the Division enjoyed in BY 2021/22. We do not expect windfall gains in BY 2022/23.

We expect the High Performance Metals Division and the Metal Engineering Division to perform relatively flat year-over-year.

Q.) What will be the impact on earnings of the sale of the HBI-plant in Texas in BY 2022/23?

A.) The total effect of the revaluation of the assets is already reported in BY 2021/22. Until closing of the transaction, the net profit of the HBI-plant is reported as "profit after tax from discontinued operations". There is a one-time effect of reclassification of FX-conversions in an expected amount of around 50 million EUR, most probably in Q1 2022/23.

After closing of the transaction, the net profit of the HBI-Plant (20% stake) will be reported as part of EBIT under "Share of profit of entities consolidated according to the equity method"

Q.) What are your expectations for CAPEX in BY 2022/23 and beyond?

A.) BY 2022/23 we expect CAPEX to be around 950 million EUR. In the years thereafter, CAPEX is expected to amount to 950 million to 1 billion EUR.