Q&A voestalpine Group results Q2 BY 2026/27

Q.) Were there any one-off effects in the Q2 2026/27 results?

A.) No, there were no one-offs in the Q2 2026/27 results.

Q.) Were you impacted by low water levels of the Danube?

A.) We have not experienced any material supply chain impact regarding the deliveries of raw materials as the major part is transported via railway. However, low water levels on the Danube and the resulting bottlenecks in inland waterway and rail transport have been impacting the delivery of finished products in the Steel Division, and have increased logistic costs, particularly since August.

Q.) What is the status of your decarbonization projects?

A.) The greensteel projects in Linz and Donawitz are unchanged on time and on budget. We continuously expect that the first two electric arc furnaces in Linz and Donawitz will start the ramp-up phase in the first half of CY 2027.

Q.) How developed net financial result in Q2 2026/27? What is your expectation for net financial result for the full BY 2026/27?

A.) Net financial result amounted to EUR -34 million in Q2 2026/27. For BY 2026/27 we expect unchanged a net financial result of c. EUR -140 million.

Q.) What was the change in working capital and free cash flow development in Q2 BY 2026/27?

A.) Net working capital increased by EUR 215 million in Q2 2026/27, largely driven by a build-up of inventories of EUR 170 million.

Free cashflow generation was negative in Q2 2026/27 with EUR -200 million.

Q.) What is your free cash flow expectation for BY 2026/27?

A.) We expect free cash flow to come in at c. EUR 250 million in BY 2026/27. It includes roughly EUR 150 million cash inflow from the sale of BÖHLER Profil and peak CAPEX from greensteel projects.

Q.) What net working capital and capex assumptions are included in your free cash flow guidance for BY 2026/27?

A.) Our free cash flow guidance is based on broadly stable net working capital levels for the full BY 2026/27. Cash flow from investing activities is expected to amount to approximately EUR -1,150 million, which includes c. EUR -400 million peak CAPEX from greensteel projects.

Q.) What is the rationale behind the adjustment of the guidance from between EUR 1.60 billion to 1.70 billion from previously between EUR 1.60 billion to EUR 1.85 billion?

A.) The longer-than expected war in Middle East, and its associated consequences on energy and logistic costs, logistical challenges as well as provisional additional U.S. duties are dampening earnings potential in the second half of the BY 2026/27.

The forecasts for EBITDA and EBIT include the positive one-off effects recognized in the first quarter of 2026/27, which amounted to a net total of approximately EUR 100 million.

Q.) Which segment is affected by the provisional additional U.S. duties?

A.) The OCTG business in the Tubulars business unit of the Metal Engineering Division is negatively affected from further protectionist measures in terms of provisional additional U.S. duties. In addition to the 50% tariffs that apply to steel imports into the U.S., Tubulars is impacted by provisional countervailing duties of 10% as well as provisional anti-dumping duties of 47%.

Q.) What is voestalpine's exposure to the Middle East, and how is the ongoing conflict affecting the Group?

A.) Revenue exposure to the affected countries in the Middle East accounts for approx. 1% of Group revenue. The conflict has resulted in the postponement of energy-related projects.