

# DEBT INVESTOR UPDATE

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BUSINESS YEAR 2020/21

# voestalpine GROUP

## STRATEGY UPDATE

- » Stabilization of balance sheet remains an important goal but strategy with value added growth comes back into focus
- » The backbone of the voestalpine-strategy is the combination of metallurgical expertise and processing know-how in order to manufacture premium products and system solutions made of steel and other metals
- » In order to realize value enhancing growth, we focus on
  - » Technological leadership in markets with high quality requirements
  - » Development of new products and solutions together with our customers, predominantly in our downstream segments
  - » Digitalization of our internal processes as well as digital interconnection with our customers
- » Climate protection is an integral part of voestalpine's strategy



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## CORPORATE RESPONSIBILITY

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- » We are committed to global climate goals and we have a consistent, long-term strategy to directly avoid CO<sub>2</sub> emissions: “greentec steel”
- » **By 2030: hybrid concept**
  - » Incremental shift from blast furnace route to steel production using green electricity
  - » Potential to reduce CO<sub>2</sub> emissions by around 30%
- » **By 2050: focus on green hydrogen**
  - » Long-term increase of green electricity and green hydrogen
  - » CO<sub>2</sub>-neutral production feasible
- » We hold a **patent for CO<sub>2</sub> neutral DRI/HBI production**, based on hydrogen, which is valid in all relevant European countries
- » Corporate responsibility is one of the basic principles of our decisions



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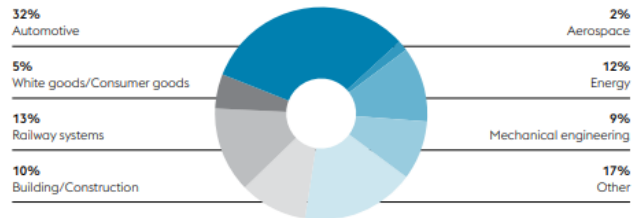
## GLOBAL FOOTPRINT

One Group – 500 sites – 50 countries – 5 continents



### REVENUE BY INDUSTRIES

As percentage of Group revenue, business year 2020/21



### REVENUE BY REGIONS

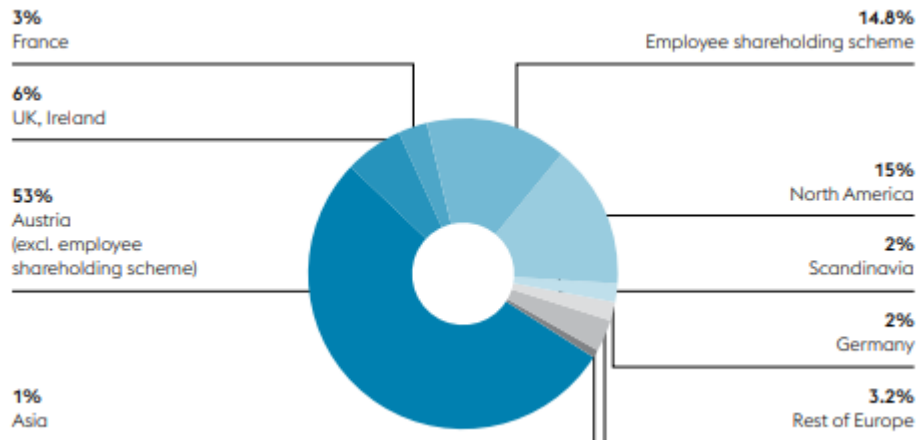
As percentage of Group revenue, business year 2020/21



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## SHAREHOLDER STRUCTURE

Ownership structure according to **regions** *(Figures as of March 31, 2021)*



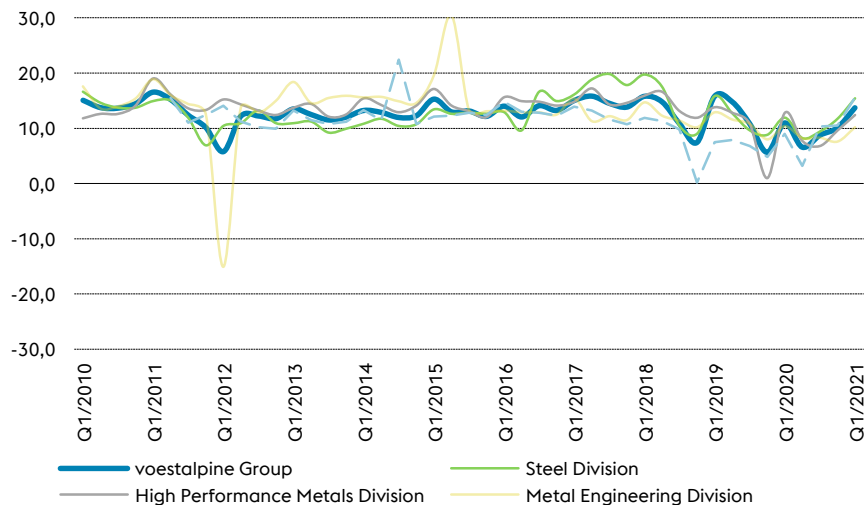
### Major individual shareholders (as of March 31, 2018)

Raiffeisenlandesbank Oberösterreich Invest GmbH & Co KG	< 15 %
voestalpine employee shareholding scheme	14.8 %
Oberbank AG	8.0 %

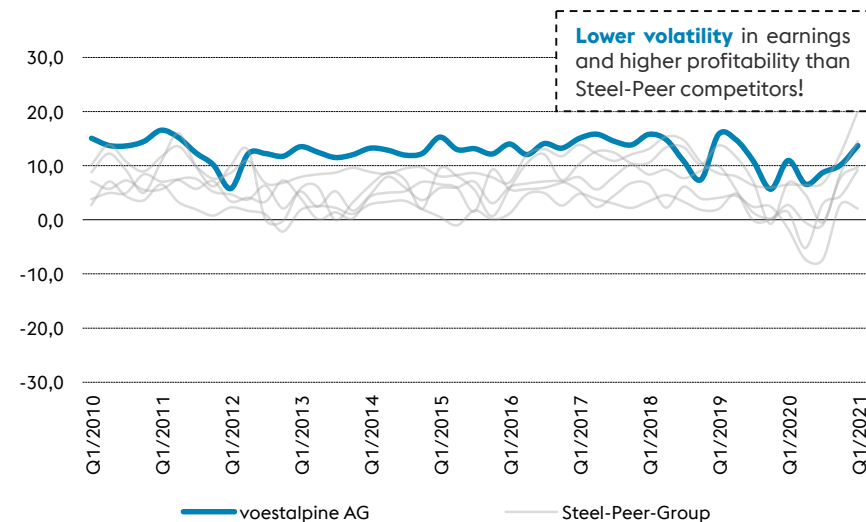
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## SOLID PERFORMANCE IN A CYCLICAL BUSINESS

EBITDA margin (%) by divisions



EBITDA margin (%) voestalpine AG vs. European competitors



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## HIGHLIGHTS OF THE BUSINESS YEAR 2020/21

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- » The business year 2020/21 was **determined by the spread of the Corona Virus pandemic**
  - » After the slump at the beginning of the business year, the economy recovered quickly
- » First priority was health and safety of our employees
  - » We immediately implemented safety concepts and hygiene standards
- » A crisis-related booking of impairment charges was necessary in BY 2020/21
- » **Crisis management proved successful**
  - » We were able to supply our customers at any point of time
  - » As a result, we reached an **EBITDA of 1.1 bn EUR**
  - » Each of the Divisions contributed to this success and delivered a **positive EBIT in BY 2020/21**
  - » With a **Free Cash Flow of more than 1 bn EUR**, we **reduced Net Debt to 2.7 bn EUR** and reached our Gearing target of **below 50%**
- » This success is a merit of all voestalpine employees and the whole management team

# BUSINESS DEVELOPMENT BY 2020/21

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## COMPANY STRUCTURE AND MARKET POSITION

voestalpine Group (Revenue in BY 2020/21)

36%

19%

23%

22%



### Steel Division

#### Global quality leadership

Global quality leadership in **highest quality steel strip** and market leader in **heavy plate** and **foundry products** for the most sophisticated energy applications.



### High Performance Metals Division

#### Global leadership

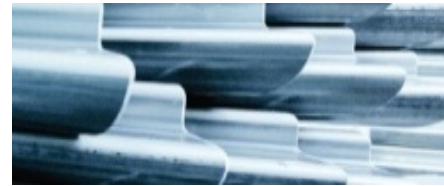
Worldwide leadership in **tool steel**, leading position in **high-speed steel**, **aircraft**, **special forgings** and **powder technology**. Innovation leader in **additive manufacturing**.



### Metal Engineering Division

#### Global leadership

Global market leader in **railway systems**; European technology leader in **Premium wire products**; and Preferred provider of high-tech **seamless tubes** for the oil & Natural gas industry as well as for industrial applications.



### Metal Forming Division

#### Global leadership

Global market leader in **defined niches** with highest quality demands supplying **metal processing solutions** with a **global network** for generating best possible customer value.

# STEEL DIVISION

## BUSINESS DEVELOPMENT BY 2020/21

- » Quick recovery of European steel markets in H2 2020/21
- » Restart of idled blast furnace in September 2020, full utilization of flat steel facilities since then
- » Strong demand and high iron ore prices triggered rising steel prices and earnings recovery
- » Current situation
  - » Demand still strong, inventories low and steel prices rising
  - » Order books reaching into FQ3 21/22

€m	Q1 20/21	Q2 20/21	Q3 20/21	Q4 20/21	BY 20/21	BY 19/20	Delta in %
Revenue	835	996	1,126	1,260	4,217	4,571	-7.7
EBITDA	68	93	131	194	487	494	-1.5
EBITDA-%	8.2%	9.4%	11.7%	15.4%	11.5%	10.8%	
EBIT	-14	-155	49	129	9.2	-101	
EBIT-%	-1.6%	-15.6%	4.4%	10.2%	0.2%	-2.2%	

# HIGH PERFORMANCE METALS DIVISION

## BUSINESS DEVELOPMENT BY 2020/21

### » Tool Steel

- » Recovery in tool steel business in Europe and North America predominantly in FQ4 20/21, China with solid demand throughout BY 2020/21

### » Special Materials

- » Signs of recovery in oil and gas industry since end of BY 2020/21
- » Aerospace industry on low level, gradually improving

### » Value-Added-Services growing in BY 2020/21

### » Current situation

- » Recovery gaining traction in Europe, sound demand in North America and China

€m	Q1 20/21	Q2 20/21	Q3 20/21	Q4 20/21	BY 20/21	BY 19/20	Delta in %
Revenue	527	534	572	666	2,300	2,891	-20.4
EBITDA	40	36	55	83	214	276	-22.3
EBITDA-%	7.7%	6.8%	9.6%	12.4%	9.3%	9.5%	
EBIT	-2	-5	15	40	49	77	-36.3
EBIT-%	-0.3%	-0.9%	2.6%	6.1%	2.1%	2.6%	

# METAL ENGINEERING DIVISION

## BUSINESS DEVELOPMENT BY 2020/21

- » Railway Systems basically unaffected from COVID-crisis, solid development in BY 2020/21
- » Wire Technology hit by bullwhip effect in automotive supply chain and started recovery somewhat delayed in FQ4 20/21
- » Low demand from oil & gas business pressured Seamless Tubes segment in BY 2020/21, recovery started in FQ4 20/21
- » Solid performance of Welding business in BY 2020/21
- » Current situation
  - » Ongoing recovery in Wire Technology and Seamless Tubes business, seasonal demand improvement in Railway Systems, Welding staying solid

€m	Q1 20/21	Q2 20/21	Q3 20/21	Q4 20/21	BY 20/21	BY 19/20	Delta in %
Revenue	669	667	624	708	2,667	2,942	-9.3
EBITDA	55	56	47	72	230	301	-23.7
EBITDA-%	8.2%	8.3%	7.6%	10.2%	8.6%	10.2%	
EBIT	10	-20	2	24	16	33	-50.5
EBIT-%	1.5%	-3.0%	0.3%	3.4%	0.6%	1.1%	

# METAL FORMING DIVISION

## BUSINESS DEVELOPMENT BY 2020/21

- » Automotive Components hit hard by production shutdowns in FQ1, rebound in FQ2 and further recovery in H2 2020/21
- » Similar pattern in Tubes & Sections: strong demand from solar, commercial vehicle and storage technology in H2 2020/21
- » Performance of Precision Strip on solid levels
- » Business of Warehouse & Rack Solutions benefit from e-commerce boom
- » Current situation
  - » High demand in almost all market segments
  - » Hick-ups in automotive business (semiconductors)
  - » Sourcing of steel is challenging (supply constraints)

€m	Q1 20/21	Q2 20/21	Q3 20/21	Q4 20/21	BY 20/21	BY 19/20	Delta in %
Revenue	456	637	666	795	2,554	2,838	-10.0
EBITDA	15	66	70	124	274	203	34.7
EBITDA-%	3.2%	10.3%	10.5%	15.6%	10.7%	7.2%	
EBIT	-21	31	34	80	124	9	
EBIT-%	-4.5%	4.8%	5.2%	10.0%	4.9%	0.3%	

# KEY FINANCIALS BY 2020/21

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## FINANCIAL OVERVIEW

	<b>BY 2019/20</b> 2019/04/01-2020/03/31	<b>BY 2020/21</b> 2020/04/01-2021/03/31	<b>Delta</b> %
Revenue	12,717	11,267	-11.4
EBITDA	1,182	1,135	-4.0
EBITDA margin	9.3%	10.1%	
EBIT	-89	115	
EBIT margin	-0.7 %	1.0%	
Profit before tax	-230	11	
Profit after tax*	-217	32	
EPS – earnings per share (euros)	-1.24	0.24	

In millions of euros

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

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## DEVELOPMENT CASH FLOW

**BY 2019/20**  
2019/04/01-2020/03/31

**BY 2020/21**  
2020/04/01-2021/03/31

Cash flow from results	870	1,001
Changes in working capital	434	633
Cash flow from operating activities	1,304	1,634
Cash flow from investing activities	-716	-582
Free cash flow	588	1,052

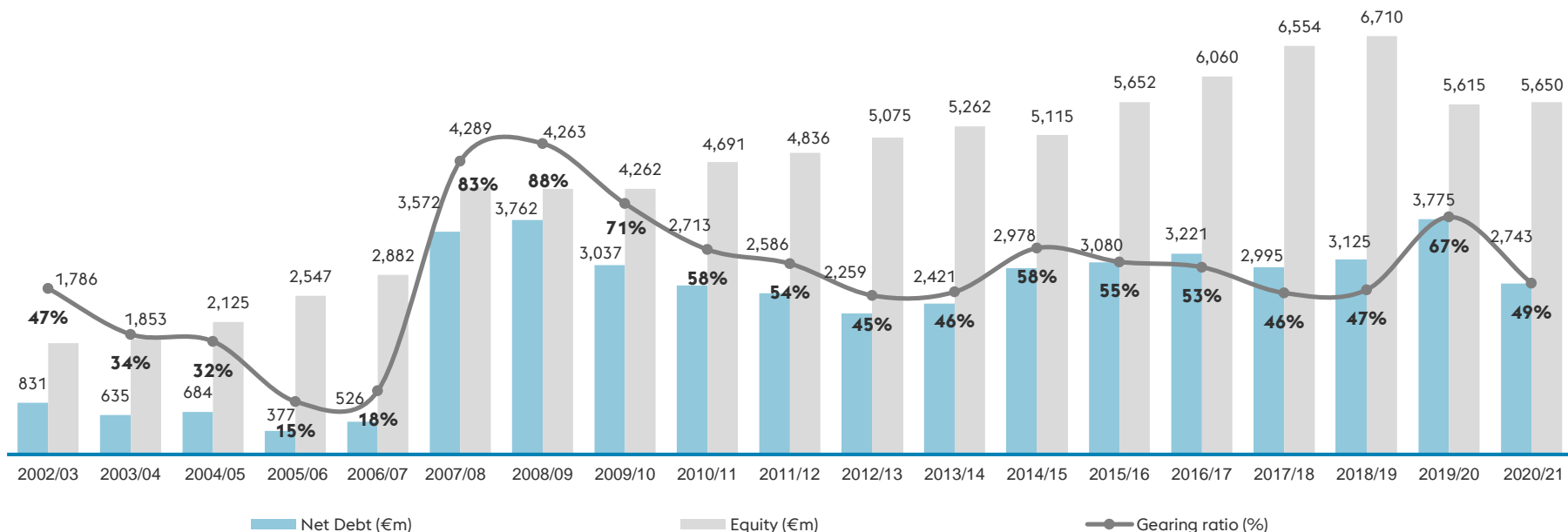
In millions of euros



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## DEVELOPEMENT GEARING RATIO

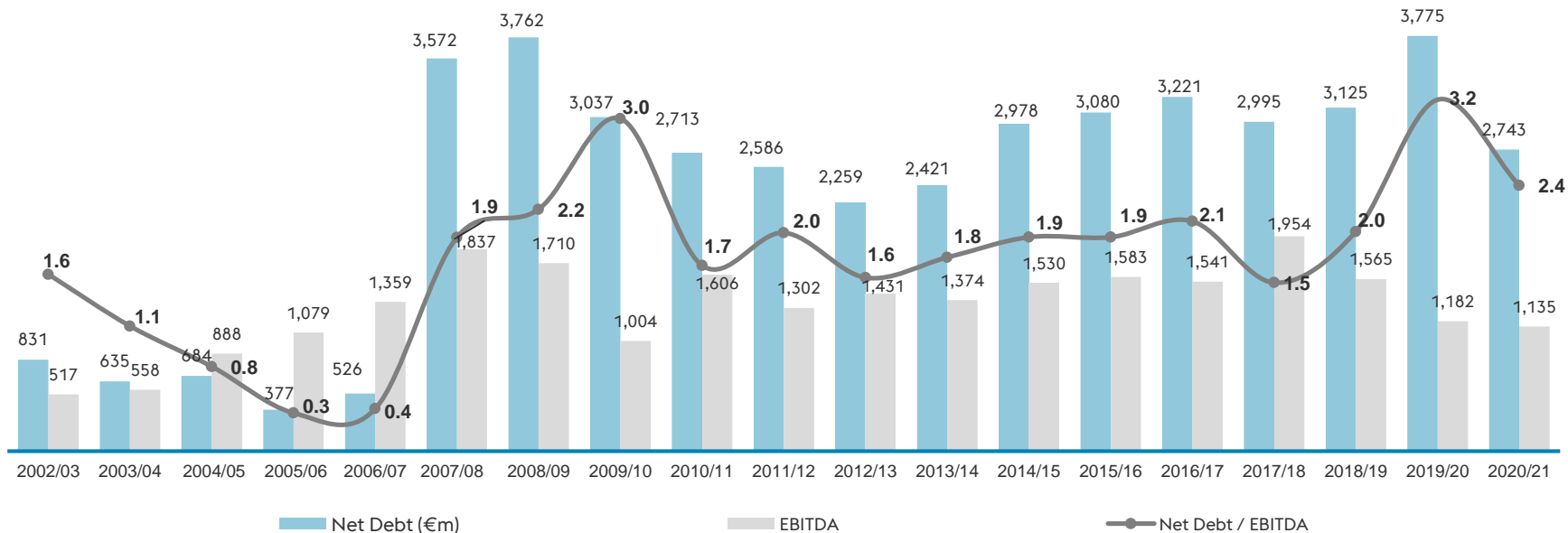
Figures in millions of euros



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## DEVELOPEMENT NET DEBT / EBITDA

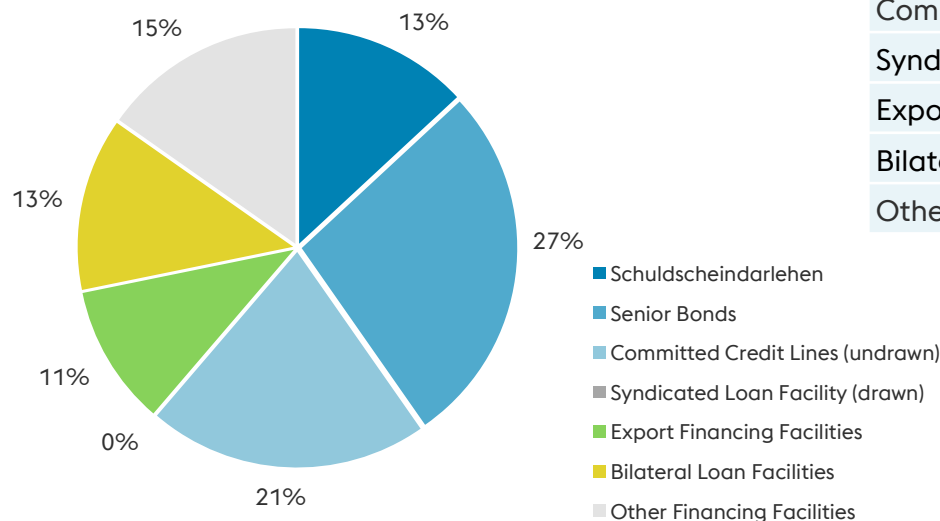
Figures in millions of euros



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## FINANCING PORTFOLIO

The financing strategy of voestalpine focuses on a well balanced financial structure using a **broad range of financing instruments!**



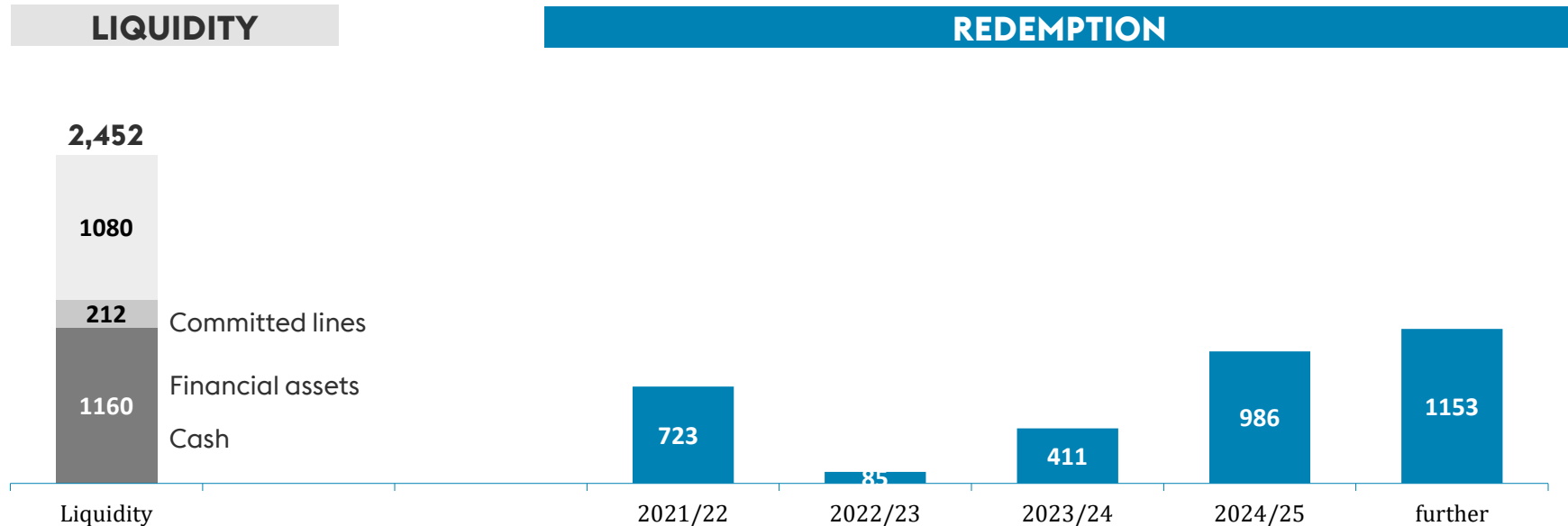
Instrument	Volume €m	Maturity
Schuldscheindarlehen	674	various
Senior Bonds	1,400	2021, 2024, 2026
Committed credit lines (undrawn)	1,080	mainly 2024
Syndicated loan facility (drawn)	0	2024
Export financing facilities	541	various
Bilateral loan facilities	667	various
Other financing facilities	785	Various

Figures in millions of euros as of 2021/03/31

The **documentation** is in line with **investment grade standards** and contains **no pledges of assets or financial covenants.**

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## LIQUIDITY AND REDEMPTION SCHEDULE



Figures in millions of euros as of 2021/03/31

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## OUTLOOK BUSINESS YEAR 2021/22

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- » We expect the current upward trend of the broad economy to continue at least until the end of calendar year 2021
- » The massive economic stimulus packages in the EU and the US should support the economy also in the medium term
- » Nevertheless, the COVID-crisis and its economic effects are not entirely overcome
- » High management attention on cash flow and balance sheet continues, but strategy and value added growth projects come back on the agenda
- » Assuming no unexpected distortions of the market, we expect to reach an EBITDA for BY 2021/22 between 1.6 and 1.9 billion EUR

# DEBT INVESTOR RELATIONS

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Günther Pastl

T. +43/50304/15-3830

[guenther.pastl@voestalpine.com](mailto:guenther.pastl@voestalpine.com)

Daniel Huber

T. +43/50304/15-2928

[daniel.d.huber@voestalpine.com](mailto:daniel.d.huber@voestalpine.com)

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