voestalpine GROUP
OVERVIEW – BUSINESS MODEL

» voestalpine is a leading technology and capital goods group with combined material and processing expertise
» It is holding global top positions in its business units
» The group focuses on most demanding product and system solutions based on steel and other metals in technology-intensive industries and niches
» Clear focus on strategically in the long run most promising sectors like mobility and energy
» Long-term relationships with customers, suppliers and R&D-institutions as key drivers for innovation
voestalpine GROUP
GLOBAL FOOTPRINT

One Group – 500 sites – 50 countries – 5 continents

Revenue by regions (Business year 2016/17)

- European Union: 70%
- NAFTA: 11%
- Asia: 9%
- Rest of world: 7%
- South America: 3%

Revenue by industries (Business year 2016/17)

- Automotive: 34%
- Railway systems: 12%
- Aerospace: 3%
- Energy: 13%
- Building/Construction: 10%
- Mechanical engineering: 9%
- White goods/Consumer goods: 5%
- Other: 14%

MOBILITY: 49%
voestalpine GROUP
BUSINESS DEVELOPMENT Q1-Q3 BY 2017/18 – SUMMARY

» Significant **boost of earnings** compared to Q1-Q3 2016/17
  » Steel business driving profitability → **high-tech steel-strategy paying off**
  » Processing divisions with continuous growth and improving earnings → **downstream-strategy as solid basis**

» **Increasing private investments supporting** economic **upturn** in Europe
  » Pick-up of mechanical engineering and building industry, on-going strong development of automotive industry as well as consumer goods segments, oil and gas with (slowly) rising prices

» **Overall business climate in the US unchanged positive**

» Growth rates in **China on stable solid level**
  » Strong performance of voestalpine-relevant sectors (railway systems, automotive, consumer goods)

» Recent language regarding trade relations between USA and China causing uncertainty
voestalpine GROUP & DIVISIONS
Q1-Q3 BY 2017/18 (vs. Q1-Q3 BY 2016/17)

voestalpine AG

STEEL
Sales €m 3,475 (+28.5%)
EBITDA €m 652 (+76.8%)
EBIT €m 419 (+168.8%)

HIGH PERFORMANCE METALS
Sales €m 2,135 (+9.5%)
EBITDA €m 329 (+15.6%)
EBIT €m 219 (+22.6%)

METAL ENGINEERING
Sales €m 2,239 (+12.2%)
EBITDA €m 262 (+2.7%)
EBIT €m 124 (-11.5%)

METAL FORMING
Sales €m 1,998 (+13.9%)
EBITDA €m 236 (+5.8%)
EBIT €m 153 (+4.1%)

33% (of group sales)
23%
23%
21%
STEEL DIVISION
BUSINESS DEVELOPMENT Q1-Q3 BY 2017/18

» Tailwind from economic growth drives EU steel industry
» Steel imports still on high level but shift of trade flows
  » Easing price pressure from Chinese steel imports due to trade barriers as well as improving domestic market and first plant closures in China
  » Lower Chinese imports offset by India, South Korea & Turkey
» Core segments of Steel Division with overall excellent performance
  » Automotive, consumer goods & mechanical engineering as drivers for strong demand situation
  » Despite still difficult market environment Heavy Plate with solid order intake

<table>
<thead>
<tr>
<th>€m</th>
<th>Q1 17/18</th>
<th>Q2 17/18</th>
<th>Q3 17/18</th>
<th>Q1-Q3 17/18</th>
<th>Q1-Q3 16/17</th>
<th>Delta %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,213</td>
<td>1,086</td>
<td>1,176</td>
<td>3,475</td>
<td>2,704</td>
<td>28.5</td>
</tr>
<tr>
<td>EBITDA</td>
<td>228</td>
<td>215</td>
<td>210</td>
<td>652</td>
<td>369</td>
<td>76.8</td>
</tr>
<tr>
<td>EBITDA-%</td>
<td>18.8%</td>
<td>19.8%</td>
<td>17.8%</td>
<td>18.8%</td>
<td>13.6%</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>150</td>
<td>138</td>
<td>131</td>
<td>419</td>
<td>156</td>
<td>168.8</td>
</tr>
<tr>
<td>EBIT-%</td>
<td>12.4%</td>
<td>12.7%</td>
<td>11.1%</td>
<td>12.1%</td>
<td>5.8%</td>
<td></td>
</tr>
</tbody>
</table>
Broadly positive market sentiment

- Strong tool steel market, improving product mix
- On-going recovery in onshore oil & gas sector, offshore activities still at low level
- Continuous growth in aviation industry

Upward trend with regional disparities

- Economic recovery bolstering demand in Europe
- Strong order intake in China
- Volatile market, but upward tendency in the US
- First positive signals in Brazil after long recession

### Financial Overview Q1-Q3 2017/18

<table>
<thead>
<tr>
<th></th>
<th>Q1 17/18</th>
<th>Q2 17/18</th>
<th>Q3 17/18</th>
<th>Q1-Q3 17/18</th>
<th>Q1-Q3 16/17</th>
<th>Delta %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>739</td>
<td>692</td>
<td>704</td>
<td>2,135</td>
<td>1,950</td>
<td>9.5</td>
</tr>
<tr>
<td>EBITDA</td>
<td>127</td>
<td>99</td>
<td>103</td>
<td>329</td>
<td>285</td>
<td>15.6</td>
</tr>
<tr>
<td>EBITDA-%</td>
<td>17.2%</td>
<td>14.3%</td>
<td>14.6%</td>
<td>15.4%</td>
<td>14.6%</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>90</td>
<td>63</td>
<td>67</td>
<td>219</td>
<td>179</td>
<td>22.6</td>
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<tr>
<td>EBIT-%</td>
<td>12.1%</td>
<td>9.0%</td>
<td>9.5%</td>
<td>10.3%</td>
<td>9.2%</td>
<td></td>
</tr>
</tbody>
</table>
METAL ENGINEERING DIVISION
BUSINESS DEVELOPMENT Q1-Q3 BY 2017/18

» Restrained demand situation in core segments
  » Fierce price competition in European rail market, minor impulses from mining regions, project deferrals in Mid-East
  » Volume-driven recovery in tubulars, price upturn following slowly

» Turnout Systems compensating regional weaknesses by strong market position and excellent performance in China

» Automotive industry driving wire market
  » Most modern wire rod mill in full operation since end of Q2
  » -15m EUR EBIT-effect in H1 2017/18 from impairment in ultra-high strength fine wire segment due to on-going market weakness

» Market conditions in Welding Consumables still challenging

<table>
<thead>
<tr>
<th></th>
<th>Q1 17/18</th>
<th>Q2 17/18</th>
<th>Q3 17/18</th>
<th>Q1-Q3 17/18</th>
<th>Q1-Q3 16/17</th>
<th>Delta %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>770</td>
<td>741</td>
<td>728</td>
<td>2,239</td>
<td>1,995</td>
<td>12.2</td>
</tr>
<tr>
<td>EBITDA</td>
<td>87</td>
<td>91</td>
<td>84</td>
<td>262</td>
<td>255</td>
<td>2.7</td>
</tr>
<tr>
<td>EBITDA-%</td>
<td>11.3%</td>
<td>12.2%</td>
<td>11.5%</td>
<td>11.7%</td>
<td>12.8%</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>47</td>
<td>34</td>
<td>43</td>
<td>124</td>
<td>140</td>
<td>-11.5</td>
</tr>
<tr>
<td>EBIT-%</td>
<td>6.1%</td>
<td>4.6%</td>
<td>5.8%</td>
<td>5.5%</td>
<td>7.0%</td>
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</tr>
</tbody>
</table>
### METAL FORMING DIVISION
**BUSINESS DEVELOPMENT Q1-Q3 BY 2017/18**

- **Automotive Components with on-going solid performance**
  - Further increasing car sales in Europe in CY 2017
  - Premium-class with strong performance in Europe and high incoming order levels at non-European sites
  - Global rollout of advanced automotive technologies on schedule

- **Mixed market conditions in Tubes & Sections**
  - Favorable sentiment in Europe, no notable setbacks from “Brexit”
  - US lagging behind, China improving, slight recovery in Brazil

- **Excellent performance of Precision Strip**
  - Outstanding market position & solid business environment bolstering strong earnings

- **Ongoing decent demand situation in Warehouse & Rack Solutions**

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<table>
<thead>
<tr>
<th></th>
<th>Q1 17/18</th>
<th>Q2 17/18</th>
<th>Q3 17/18</th>
<th>Q1-Q3 17/18</th>
<th>Q1-Q3 16/17</th>
<th>Delta %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>673</td>
<td>649</td>
<td>676</td>
<td>1,998</td>
<td>1,754</td>
<td>13.9</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>89</td>
<td>75</td>
<td>73</td>
<td>236</td>
<td>223</td>
<td>5.8</td>
</tr>
<tr>
<td><strong>EBITDA-%</strong></td>
<td>13.2%</td>
<td>11.6%</td>
<td>10.7%</td>
<td>11.8%</td>
<td>12.7%</td>
<td></td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>61</td>
<td>47</td>
<td>44</td>
<td>153</td>
<td>147</td>
<td>4.1</td>
</tr>
<tr>
<td><strong>EBIT-%</strong></td>
<td>9.1%</td>
<td>7.3%</td>
<td>6.5%</td>
<td>7.7%</td>
<td>8.4%</td>
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</tr>
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**voestalpine AG**

9 | February, 2018 | Investor Relations
FINANCIAL OVERVIEW
Q1-Q3 BY 2017/18
## voestalpine GROUP

### FINANCIAL OVERVIEW

<table>
<thead>
<tr>
<th></th>
<th>Q1-Q3 BY 2016/17 (2016/04/01-2016/12/31)</th>
<th>Q1-Q3 BY 2017/18 (2017/04/01-2017/12/31)</th>
<th>Delta %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>8,101</td>
<td>9,460</td>
<td>16.8</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,061</td>
<td>1,406</td>
<td>32.5</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>13.1%</td>
<td>14.9%</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>545</td>
<td>835</td>
<td>53.1</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>6.7%</td>
<td>8.8%</td>
<td></td>
</tr>
<tr>
<td>EBT</td>
<td>461</td>
<td>737</td>
<td>59.8</td>
</tr>
<tr>
<td>Net profit</td>
<td>344</td>
<td>556</td>
<td>61.6</td>
</tr>
<tr>
<td>EPS</td>
<td>1.86</td>
<td>2.95</td>
<td>58.6</td>
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</table>

In millions of euros
## voestalpine GROUP

### Q1-Q3 BY 2017/18 (vs. Q1-Q3 BY 2016/17)

<table>
<thead>
<tr>
<th></th>
<th>1st quarter 2017/18</th>
<th>2nd quarter 2017/18</th>
<th>2nd quarter 2017/18</th>
<th>Q1-Q3 2017/18</th>
<th>Q1-Q3 2016/17</th>
<th>Delta %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>3,252</td>
<td>3,051</td>
<td>3,158</td>
<td>9,460</td>
<td>8,101</td>
<td>+16.8</td>
</tr>
<tr>
<td>EBITDA</td>
<td>514</td>
<td>455</td>
<td>437</td>
<td>1,406</td>
<td>1,061</td>
<td>+32.5</td>
</tr>
<tr>
<td>EBITDA-margin</td>
<td>15.8%</td>
<td>14.9%</td>
<td>13.8%</td>
<td>14.9%</td>
<td>13.1%</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>329</td>
<td>255</td>
<td>250</td>
<td>835</td>
<td>545</td>
<td>+53.1</td>
</tr>
<tr>
<td>EBIT-margin</td>
<td>10.1%</td>
<td>8.4%</td>
<td>7.9%</td>
<td>8.8%</td>
<td>6.7%</td>
<td></td>
</tr>
<tr>
<td>EBT</td>
<td>292</td>
<td>221</td>
<td>224</td>
<td>737</td>
<td>461</td>
<td>+59.8</td>
</tr>
<tr>
<td>Net profit</td>
<td>218</td>
<td>171</td>
<td>167</td>
<td>556</td>
<td>344</td>
<td>+61.6</td>
</tr>
</tbody>
</table>

In millions of eurs

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**voestalpine AG**

February, 2018 | Investor Relations
# voestalpine GROUP
## FINANCIAL OVERVIEW

<table>
<thead>
<tr>
<th></th>
<th>Q1-Q3 BY 2016/17 (2016/04/01-2016/12/31)</th>
<th>Q1-Q3 BY 2017/18 (2017/04/01-2017/12/31)</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>%</td>
</tr>
<tr>
<td>CAPEX*</td>
<td>711</td>
<td>527</td>
<td>-25.9</td>
</tr>
<tr>
<td>Depreciation</td>
<td>516</td>
<td>571</td>
<td>+10.7</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>-196</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>5,798</td>
<td>6,303</td>
<td>+8.7</td>
</tr>
<tr>
<td>Net Financial Debt</td>
<td>3,546</td>
<td>3,370</td>
<td>-5.0</td>
</tr>
<tr>
<td>Gearing</td>
<td>61.2%</td>
<td>53.5%</td>
<td></td>
</tr>
</tbody>
</table>

*) Fixed assets and acquisitions

In millions of euros
voestalpine GROUP

DEVELOPMENT EBIT Q1-Q3 2017/18

In millions of euros

- EBIT 6.7%
- Price
- Raw Materials
- Mix/Volume
- Misc.
- EBIT 8.8%
- Q1-Q3 BY 2017/18

Q1-Q3 BY 2016/17

545
654
-484
88
32
835
## voestalpine GROUP
### DEVELOPMENT CASH FLOW

<table>
<thead>
<tr>
<th></th>
<th>Q1-Q3 BY 2016/17 (2016/04/01-2016/12/31)</th>
<th>Q1-Q3 BY 2017/18 (2017/04/01-2017/12/31)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from results</td>
<td>863</td>
<td>1,180</td>
</tr>
<tr>
<td>Changes in working capital</td>
<td>-264</td>
<td>-618</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>599</td>
<td>562</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td>-795</td>
<td>-556</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>-196</td>
<td>6</td>
</tr>
</tbody>
</table>

In millions of euros
voestalpine GROUP
DEVELOPMENT GEARING RATIO

Net Debt (€m) Equity (€m) Gearing ratio (%)
### voestalpine GROUP

#### LIQUIDITY AND REDEMPTION SCHEDULE

February, 2018

<table>
<thead>
<tr>
<th></th>
<th>2017/18</th>
<th>2018/19</th>
<th>2019/20</th>
<th>2020/21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liquidity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>728</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td>646</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Committed lines</td>
<td>700</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,074</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

|                |         |         |         |         |
| **Redemption** |         |         |         |         |
| -471           | -915    | -956    | -110    |

In millions of euros

as of 2017/12/31
voestalpine GROUP

GLOBAL ECONOMIC SITUATION – OUTLOOK 2018

WORLD
Global economic upturn still gaining traction, but increasing uncertainty because of protectionist measures

NORTH AMERICA
Satisfying fundamental data, but moderate momentum

EUROPE
Still robust growth across the board

SOUTH AMERICA
Recovery continues, but at slow pace

ASIA
Unchanged driver of global economic upward trend

NEAR EAST & N-AFRICA
Unstable business environment and geopolitical risks

SUBSAHARA-AFRICA
Inconsistent outlook, political uncertainty
voestalpine GROUP
OUTLOOK BY 2017/18

» Excellent economic environment with further increasing GDP growth rates on global level

» BUT: Increasing uncertainties, in particular in the context of economic-political measures of the US administration

» Strong demand in all essential customer segments

» Increasing volatility of raw material prices, starting out from high levels (in particular iron ore and coking coal)
voestalpine generates revenues in USA of ~ EUR 1 bn. (BY 2016/17)

About two third of total US-revenue is derived from domestic US production sites
   - HBI-plant, turnout production facilities, special sections plants, automotive components plants, etc.

About one third of total US-revenue is derived from imports; examples are
   - Sophisticated flat steels primarily processed into automotive components (Steel Division)
   - Tool steels as well as special alloys for aviation and oil & gas sectors (HPM Division)
   - Seamless tubes, especially for oil & gas exploration (Metal Engineering)
   - Ultra thin strip steels for scalpels etc. (Metal Forming Division)
voestalpine GROUP
US FOOTPRINT 2016/17

Revenue: EUR 983 million
Employees: 2,698 FTEs

<table>
<thead>
<tr>
<th>In EUR million</th>
<th>Steel</th>
<th>HPM</th>
<th>Metal Engineering</th>
<th>Metal Forming</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (BY 2016/17)</td>
<td>121</td>
<td>327</td>
<td>276</td>
<td>259</td>
<td>983</td>
</tr>
<tr>
<td>Revenue (BY 2017/18 Q1-Q3)</td>
<td>173</td>
<td>280</td>
<td>283</td>
<td>225</td>
<td>961</td>
</tr>
<tr>
<td>Employees*</td>
<td>261</td>
<td>541</td>
<td>962</td>
<td>934</td>
<td>2,698</td>
</tr>
</tbody>
</table>

* FTEs

Main segments:
- Energy: 22 %
- Automotive: 20 %
- Railway Systems: 14 %
- Aerospace: 11 %
- White Goods/Consumer Goods: 10 %
- Building/Construction: 8 %

48 companies and locations thereof 40 production sites incl. value added services