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**
» 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 2017/18)

- European Union: 66% (70%)
- NAFTA: 14% (11%)
- Asia: 8% (9%)
- Rest of world: 8% (7%)
- South America: 4% (3%)

Revenue by industries (Business year 2017/18)

- Automotive: 34% (34%)
- Railway systems: 11% (12%)
- Aerospace: 3% (3%)
- Energy: 15% (13%)
- Building/Construction: 9% (10%)
- Mechanical engineering: 9% (9%)
- White goods/Consumer goods: 5% (5%)
- Other: 14% (14%)

INCREASING NON-EU-BUSINESS, MOBILITY-SECTOR STABLE

INVESTOR RELATIONS
Continuation of overall positive economic trends in Q1 2018/19

- With exemption of railway infrastructure, development of core customer segments in Europe on healthy level
- Still solid sentiment in North America, future implications of US walls-up policy hardly predictable. US-Mexico agreement step into right direction (?)
- voestalpine relevant industries in China – automotive, consumer goods & railway infrastructure – stable
- Slight recovery in Brazil, however sustainable upturn still far away

Group-EBIT with 324m EUR in Q1 2018/19 below preceding Q4 2017/18-figure (345m EUR) mainly due to blast furnace relining in the Steel Division since early June

YTD-build up of working capital expected to reverse over summer after working up semi-finished products during blast furnace repairs
Prolongation of positive business environment
- Stable strong order intake from automotive, consumer goods, machine building & construction industries
- Implementation of safeguard measures in Europe as response to protective US-tariffs on steel imports

Intensified project activities in oil & gas sector
- Solid deep-sea pipeline business (cladded heavy plate)

Start of (scheduled) blast furnace relining in June
- First effects on earnings already in Q1, intense impact in Q2 2018/19
- Planned restart of facility in 2nd half of September

<table>
<thead>
<tr>
<th>€m</th>
<th>Q1 17/18</th>
<th>Q2 17/18</th>
<th>Q3 17/18</th>
<th>Q4 17/18</th>
<th>Q1 18/19</th>
<th>Delta in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,213</td>
<td>1,086</td>
<td>1,176</td>
<td>1,298</td>
<td>1,276</td>
<td>5.2</td>
</tr>
<tr>
<td>EBITDA</td>
<td>228</td>
<td>215</td>
<td>210</td>
<td>256,0</td>
<td>224</td>
<td>-1.7</td>
</tr>
<tr>
<td>EBITDA-%</td>
<td>18.8%</td>
<td>19.8%</td>
<td>17.8%</td>
<td>19.7%</td>
<td>17.5%</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>150</td>
<td>138</td>
<td>131</td>
<td>174</td>
<td>145</td>
<td>-3.5</td>
</tr>
<tr>
<td>EBIT-%</td>
<td>12.4%</td>
<td>12.7%</td>
<td>11.1%</td>
<td>13.4%</td>
<td>11.4%</td>
<td></td>
</tr>
</tbody>
</table>
Dynamics in core industries unchanged strong

- Automotive and consumer goods industries as powerful driving forces for excellent tool steel demand
- Business activities in aviation sector stable on high level
- Increasing order intake for high-tech materials in oil & gas drilling & first deliveries of additive manufactured components (3D-printing technology)

Attractive order situation in Europe – no negative effects on HPM-Division from Brexit so far

Development in North America only moderate
- Protectionist US-policy with impact on value chains in toolmaking

Brazil: improving home market but challenging US exports

China still on high level, but easing momentum

<table>
<thead>
<tr>
<th>€m</th>
<th>Q1 17/18</th>
<th>Q2 17/18</th>
<th>Q3 17/18</th>
<th>Q4 17/18</th>
<th>Q1 18/19</th>
<th>Delta in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>739</td>
<td>692</td>
<td>704</td>
<td>783</td>
<td>780</td>
<td>5.5</td>
</tr>
<tr>
<td>EBITDA</td>
<td>127</td>
<td>99</td>
<td>103</td>
<td>125</td>
<td>129</td>
<td>1.4</td>
</tr>
<tr>
<td>EBITDA-%</td>
<td>17.2%</td>
<td>14.3%</td>
<td>14.6%</td>
<td>15.9%</td>
<td>16.6%</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>90</td>
<td>63</td>
<td>67</td>
<td>79</td>
<td>92</td>
<td>2.6</td>
</tr>
<tr>
<td>EBIT-%</td>
<td>12.1%</td>
<td>9.0%</td>
<td>9.5%</td>
<td>10.0%</td>
<td>11.8%</td>
<td></td>
</tr>
</tbody>
</table>
Varying conditions in railway infrastructure markets
- Only slowly improving demand & still strong price competition in European rail market
- Significantly better performance in turnouts sector globally due to strong overall market position
- Postponement of railway infrastructure projects in China
- Recovery of heavy haul business in North America

Wire Technology benefits strongly from new wire rod mill, healthy automotive demand
Seamless tubes: Further upswing in oil & gas drilling activities in North America but Q1 partly affected by US tariffs (Sec. 232)
Strong order intake in Automotive Components in Europe
- Further rising EU-car sales in H1 2018
- Start-up-activities in the US and China translating more and more into regular operations in the course of BY 2018/19

Sentiment in Tubes & Sections broadly stable
- Steady growth in European core markets, however easing dynamics in UK due to BREXIT
- Volatile order situation in the US (protective measures)
- Slightly improving economic environment in Brazil

Still solid order intake in Precision Strip business after boom situation last year

Continuously positive momentum in Warehouse & Rack Solutions
FINANCIAL OVERVIEW
Q1 BY 2018/19
# voestalpine GROUP

## FINANCIAL OVERVIEW

### Q1 BY 2017/18

<table>
<thead>
<tr>
<th></th>
<th>2017/04/01-2017/06/30</th>
<th>2018/04/01-2018/06/30</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>3,252</td>
<td>3,469</td>
<td>+6.7</td>
</tr>
<tr>
<td>EBITDA</td>
<td>514</td>
<td>513</td>
<td>-0.2</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>15.8 %</td>
<td>14.8 %</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>329</td>
<td>324</td>
<td>-1.5</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>10.1 %</td>
<td>9.3 %</td>
<td></td>
</tr>
<tr>
<td>Profit before tax</td>
<td>292</td>
<td>294</td>
<td>+0.6</td>
</tr>
<tr>
<td>Profit after tax¹</td>
<td>218</td>
<td>224</td>
<td>+2.7</td>
</tr>
<tr>
<td>EPS – earnings per share (euros)</td>
<td>1.18</td>
<td>1.21</td>
<td>+2.5</td>
</tr>
</tbody>
</table>

In millions of euros

¹Before deduction of non-controlling interests and interest on hybrid capital.
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DEVELOPMENT EBIT Q1 BY 2018/19

In millions of euros

<table>
<thead>
<tr>
<th>Q1 BY 2017/18</th>
<th>Price</th>
<th>Raw Materials</th>
<th>Mix/Volume</th>
<th>Misc.</th>
<th>Q1 BY 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>329</td>
<td>132</td>
<td>-122</td>
<td>4</td>
<td>-19</td>
<td>324</td>
</tr>
</tbody>
</table>

EBIT 10.1 %
EBIT 9.3 %
## DEVELOPMENT CASH FLOW

<table>
<thead>
<tr>
<th></th>
<th>Q1 BY 2017/18</th>
<th>Q1 BY 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from results</td>
<td>414</td>
<td>369</td>
</tr>
<tr>
<td>Changes in working capital</td>
<td>-393</td>
<td>-372</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>21</td>
<td>-3</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td>-213</td>
<td>-291</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>-192</td>
<td>-294</td>
</tr>
</tbody>
</table>

In millions of euros
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OUTLOOK BY 2018/19

» Worldwide economic sentiment seems robust until end of CY 2018
  » However rising potential for serious threats because of US- (and increasingly other countries’ ) protectionist measures
  » 2nd quarter negatively impacted by blast furnace relining in Steel Division
» Ramp-ups of several new plants expected to translate into full operation in the course of H2 2018/19
» Improving sentiment in railway infrastructure as well as further recovery in oil & gas sector expected

IN A GEOPOLITICALLY “BLUE SKY SCENARIO” 2018/19
EARNINGS ON SIMILAR LEVEL AS IN 2017/18
INVESTOR RELATIONS

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