



Financial Year 2007/08

Investor Relations
June 2008

Highlights in FY 2007/08

- New record figures
 - New dimension in terms of sales and earnings
 - Growth track record successfully prolonged
- Growth strategy & Portfolio optimization continued
 - 'Linz 2010' implemented, 'L6' on track
 - Successful acquisitions in processing divisions
 - Portfolio optimization in automotive division
- Successful integration of Böhler-Uddeholm
 - Squeeze out procedure initiated
 - Financing of transaction largely contracted
 - € 1 bn hybrid bond launched
 - Successful placement of other financing instruments
 - Synergies of 123 m€ defined



Division Steel



Division Special Steel



Division Railway Systems



Division Profilform



Division Automotive

Solid strategy – Record figures

Steel



Top European player

Special Steel



Worldwide leadership

Railway Systems



Worldwide leadership

Profilform



European leadership

Automotive

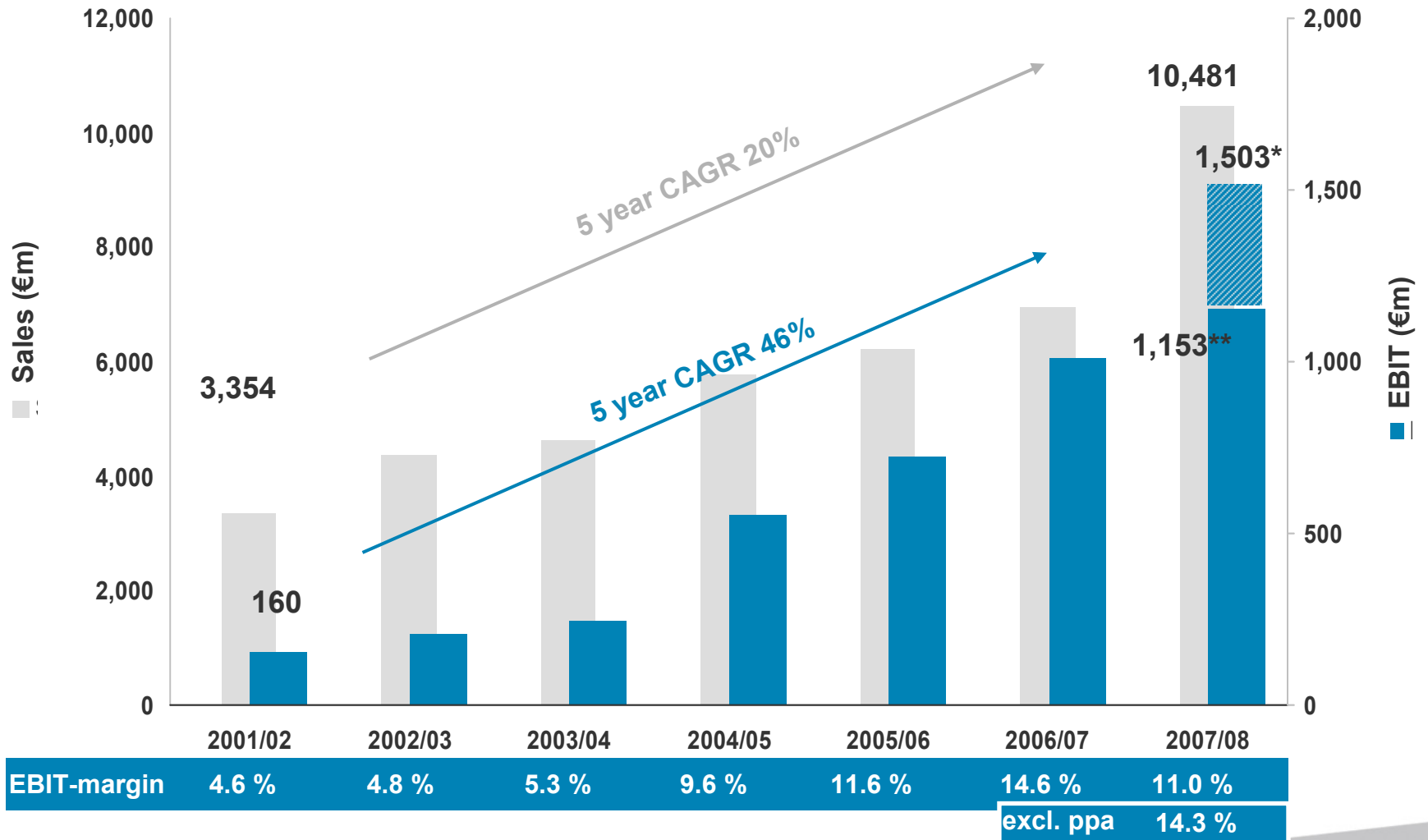


Top European player

	Sales	EBITDA	EBIT
1Q 2007/08	1,931 m€	407 m€	315 m€
2Q 2007/08 excl. ppa*	2,764 m€	545 m€	422 m€
3Q 2007/08 excl. ppa*	2,753 m€	502 m€	378 m€
4Q 2007/08 excl. ppa*	3,033 m€	515 m€	388 m€
Q1-4Q 2007/08 excl. ppa*	10,481 m€	1,969 m€	1,503 m€
ppa* Implications		- 132 m€	- 350 m€
Q1-Q4 2007/08 incl. ppa*	10,481 m€	1,837 m€	1,153 m€

*) preliminary purchase price allocation

Growth track record



*) excl. ppa Böhler-Uddeholm

**) incl. ppa Böhler-Uddeholm

Division Steel – Business development



- High demand and steel price increase set off higher raw material prices
 - Stable growth in automotive, white goods and building industry, outstanding demand from energy sector continues
 - Stocks back to normal after peak in CQ 3 / 4 2007
 - Imports on low levels

- Growth strategy continued
 - € 2 bn capex program “Linz 2010” implemented, “L6” capex program (€ 1 bn) launched
 - New Steel Service Center in Poland in full operation, ground breaking in Romania
 - Black Sea Region – steel mill under detailed investigation

Division Steel 2007/08

	Sales (€m)	EBIT (€m)	EBIT (%)
1Q FY 07/08	965	187	19.4
2Q FY 07/08	950	182	19.2
3Q FY 07/08	949	140	14.7
4Q FY 07/08	1,079	175	16.3
1Q-4Q FY 07/08	3,943	684	17.4
1Q-4Q FY 06/07	3,680	544	14.8
yoy in %	+7.1	+25.7	

BÖHLER-UDDEHOLM

Business development



- 2007 new record year for BÖHLER-UDDEHOLM group
- Significant increase in sales and earnings
- Continued high demand in all BÖHLER-UDDEHOLM business segments and core markets globally
 - Emphasis on energy and oilfield equipment, mechanical engineering and aircraft industry
- Order intake unchanged on high level
- Increased volumes in all business units, full utilisation of all core facilities
 - Capacity extensions in Austria, Germany, Brazil and China

BÖHLER-UDDEHOLM 2007*

(€m)	CY 2006	CY 2007	yoy in %
Sales	3,090	3,637	+18%
EBIT	376	476	+27%
EBIT%	12.2%	13.1%	
Net income	248	326	+31%
Employees	14,324	15,217	+6%

According to published figures
of BÖHLER-UDDEHOLM

* stand alone figures

Division Special Steel – Business development



- Start of consolidation July 1, 2007
- Squeeze out procedure initiated
 - >90% majority since March, 25, 2008
- Excellent business development
- Figures in voestalpine group accounting affected by purchase price allocation (ppa)
- Growth strategy of BÖHLER-UDDEHOLM within voestalpine group continued
 - Largest capex program in BÖHLER-UDDEHOLM-history launched in December 2007
 - Capacity extensions especially at forging and remelting facilities

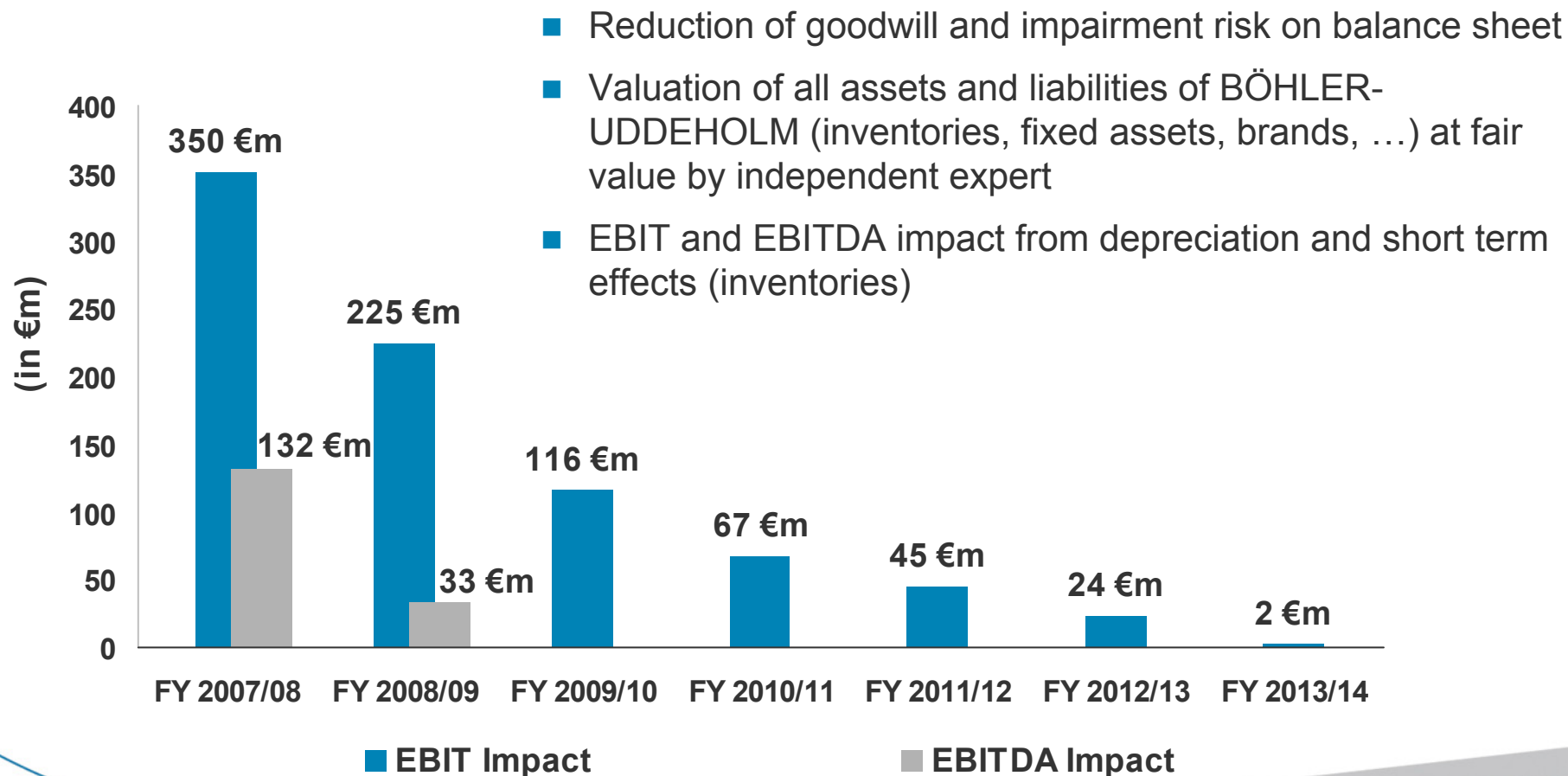
Division Special Steel in figures* Pre purchase price allocation

	Sales (€m)	EBIT (€m)	EBIT (%)
2Q FY 07/08	908	123	13.5
3Q FY 07/08	908	124	13.6
4Q FY 07/08	943	109	11.6
2Q-4Q FY 07/08	2,759	356	12.9

* BÖHLER-UDDEHOLM as consolidated in voestalpine (before ppa)

Division Special Steel - Purchase Price Allocation

Annual impact on EBIT and EBITDA



Division Railway Systems – Business development



- Unbowed high demand for **rails and switches** due to infrastructure boom in Europe and overseas markets
 - Full utilisation of rail production facilities
 - Continuous productivity improvements to increase volumes
 - Steady growth of switches business via acquisitions
- Solid demand and strong prices in **wire business**
 - High quality strategy supporting pricing power
 - Acquisition 'Finsterwalde' showing significant synergies and contributing to prosperity
 - Raw material price increases immediately put through to customers
- Changing environment in **seamless tubes** business in 2007
 - Supply / demand less balanced due to new market entries
 - Higher competition, weak US \$ and rising raw material cost affecting profitability
 - Since beginning of 2008 demand and prices improving again

**Division Railway Systems
2007/08**

	Sales (€m)	EBIT (€m)	EBIT (%)
1Q FY 07/08	585	94	16.0
2Q FY 07/08	544	83	15.4
3Q FY 07/08	514	72	13.9
4Q FY 07/08	568	66	11.7
1Q-4Q FY 07/08	2,211	315	14.3
1Q-4Q FY 06/07	2,056	338	16.4
yoy in %	+7.5	-6.8	

Division Profilform – Business development



- Business performance in **special sections** and **storage technology** driven by outstanding high and stable demand
 - All customer segments showing pre-eminent performance in particular in CEE region
 - Rising steel prices passed on to markets
- Capacity expansion programs at several production sites leading to increased volumes, sales and earnings
- International growth track prolonged by successful acquisitions
 - Meincol / Brasil - market entry in South America
 - Sharon / USA - expanding activities in North America
 - Arcada / Russia and Profilafröid / France very well on track

Division Profilform 2007/08

	Sales (€m)	EBIT (€m)	EBIT (%)
1Q FY 07/08	281	38	13.6
2Q FY 07/08	274	39	14.4
3Q FY 07/08	268	40	14.9
4Q FY 07/08	316	42	13.0
1Q-4Q FY 07/08	1,139	159	13.9
1Q-4Q FY 06/07	970	146	15.0
yoy in %	+17.4	+8.9	

Division Automotive – Business development



- Upturn of worldwide automotive business in 2007
 - Car production: +5% globally, +6% in Europe
- Increasing demand for body and safety parts, stable development of laser welded blanks and precision parts
- Margins further improved
 - Internal cost cutting programs and consolidation
- Portfolio optimization and organic growth
 - Focus on core competences and profitability
 - Divestment of non-core activities
- Environment stays challenging
 - Rising prices for input material and steel
 - Ongoing cost pressure from OEMs
 - Further consolidation in automotive suppliers business

Division Automotive 2007/08

	Sales (€m)	EBIT (€m)	EBIT (%)
1Q FY 07/08	231	14	5.8
2Q FY 07/08	219	15	6.9
3Q FY 07/08	229	15	6.7
4Q FY 07/08	269	16	6.1
1Q-4Q FY 07/08	948	60	6.4
1Q-4Q FY 06/07	714	41	5.8
yoy in %	+32.8	+46.3	



Financial overview

Consolidated overview

		FY 2006/07	FY 2007/08	YoY in %	FY*** 2007/08 (excl. ppa)
Sales	€m	6,944	10,481	50.9 %	10,481
EBITDA	€m	1,359	1,837	35.2 %	1,969
% of Sales	%	19.6	17.5		18.8
EBIT	€m	1,011	1,153	14.0 %	1,503
% of Sales	%	14.6	11.0		14.3
EBT	€m	976	980	0.4 %	1,330
Net Profit	€m	765	752	-1.7 %	1,004
EPS**	€	4.76	4.69		6.13
Investments*	€m	908	3,910		
Depreciation	€m	347	684	97.1 %	466

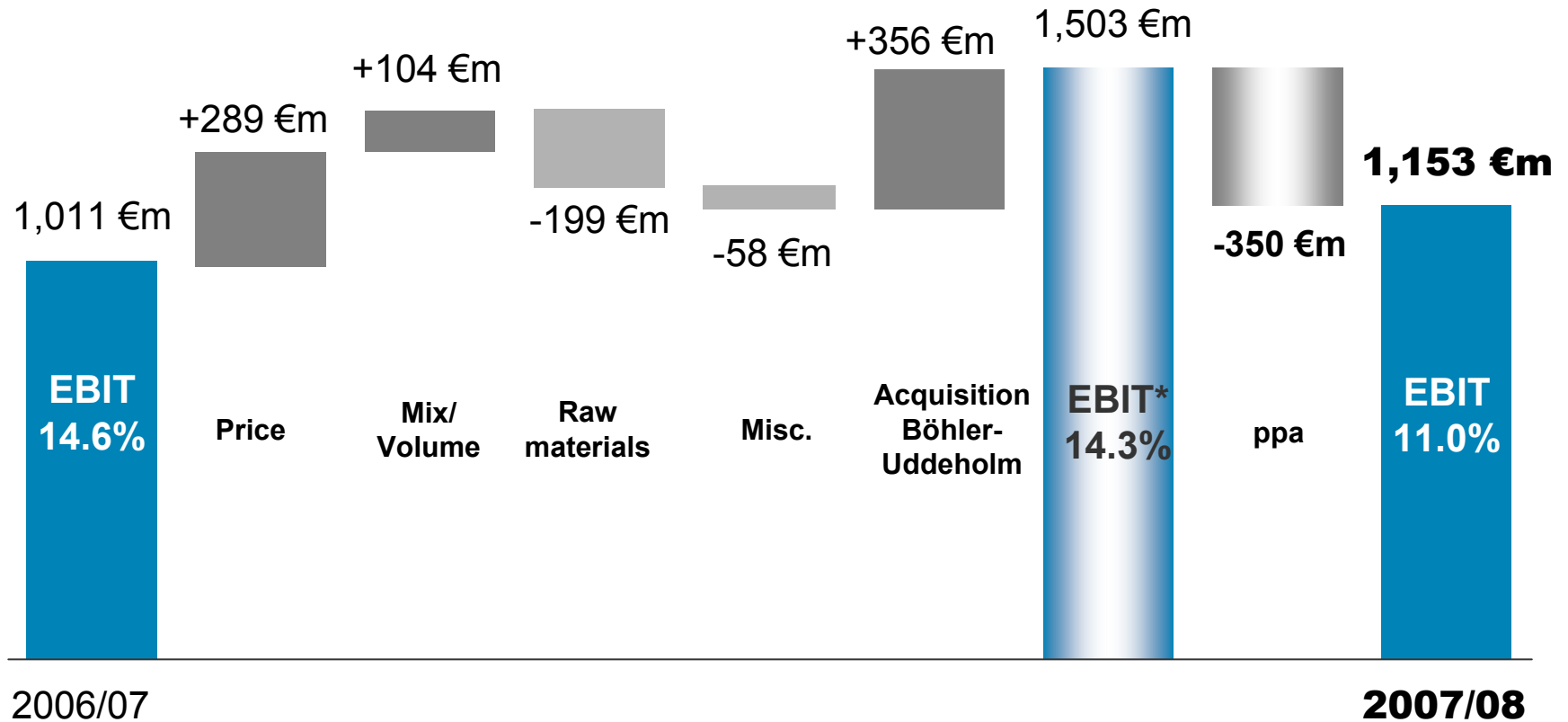
* Fixed assets and acquisitions

** Undiluted EPS, based on average number of shares FY 2007/08

*** pro forma figures

EBIT Development

FY 2007/08 vs FY 2006/07

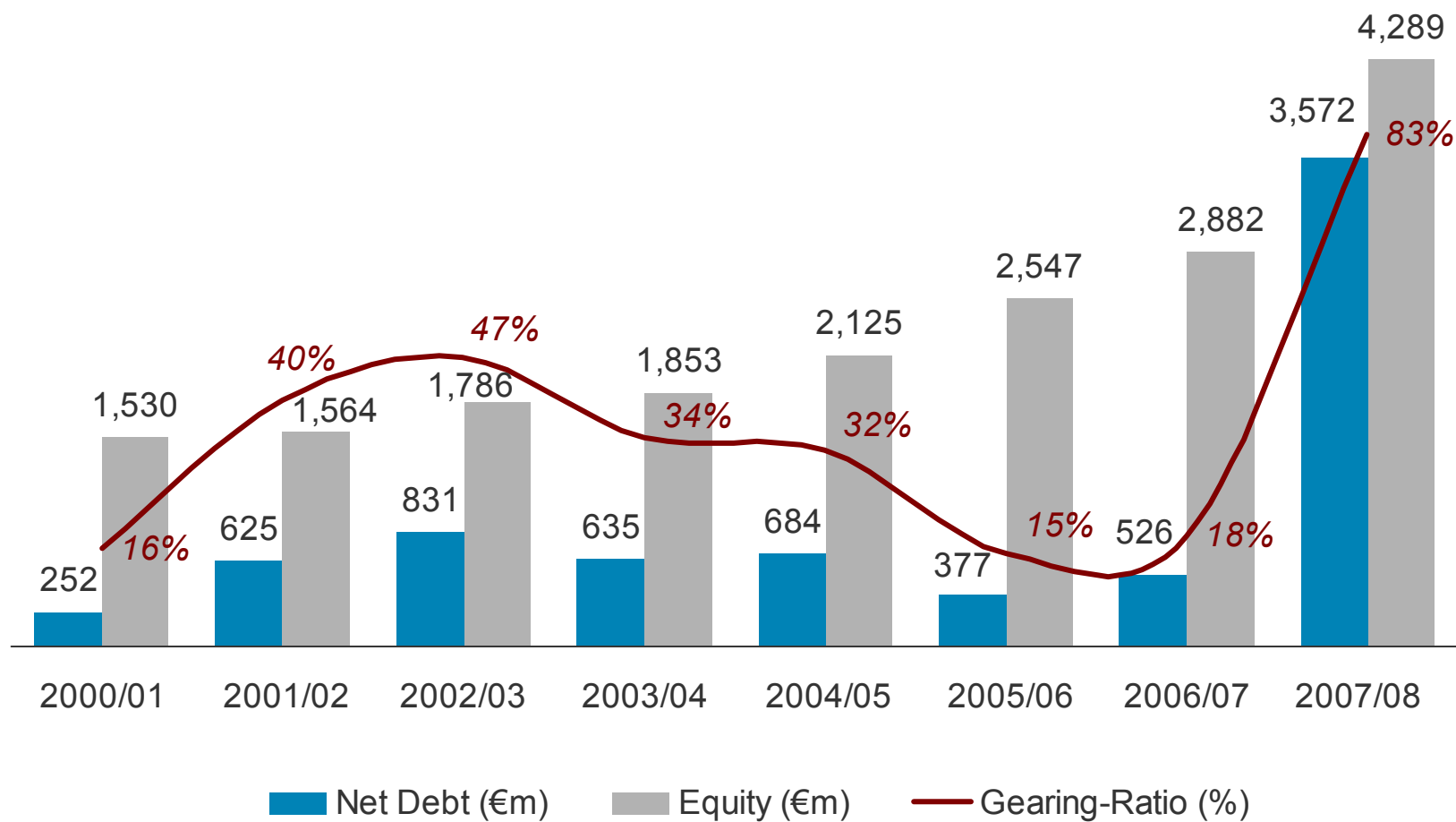


*) pro forma figures excl. ppa

Cash flow FY 2007/08 vs FY 2006/07

		FY 2006/07	FY 2007/08
Cash flow from result	€m	1,119	1,398
Changes in working capital	€m	-149	-262
Cash flow from operating activities	€m	970	1,136
Cash flow from investing activities	€m	-606	-4,166
Free Cash flow	€m	364	-3,030

Gearing ratio



voestalpine Group - Outlook 2008

- Up to now no significant impact of 'Sub prime crisis' on voestalpine and its core markets
- Dynamic market development
- Good visibility generally until end of 2008
- Demand situation solid on sound level
 - Strong order intake in all business units
 - Global markets generally in good shape (exemption North America)
- Steel prices rising further significantly in the course of 2008
 - Driven by unexpected high price increases of raw material
 - Increased input prices to be fully passed through to markets
 - Shortage of raw materials in H2 2008 ?
- Development of processing divisions partly affected by availability and pricing of steel, but prices most likely to be passed through as well
- Main risks for the next 12 months
 - Will US-economy start to recover in H2 2008 ?
 - Effects of 'Sub prime crisis' on real economy already overcome ?
 - Exchange rate developments and oil price are a permanent issue of uncertainty

Last year's EBIT-level of € 1.5 bn (before ppa) benchmark for 2008/09

voestalpine

ONE STEP AHEAD.

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