

PRESS RELEASE

February 8, 2023

voestalpine records very good results for Q3 2022/23 despite challenging environment

- » At EUR 13.6 billion, revenue for Q1 to Q3 2022/23 is 29.3% higher than in the previous year (EUR 10.5 billion)
- » EBITDA climbs by 23.4% to EUR 1.9 billion (previous year: EUR 1.5 billion)
- » EBIT increases year over year, from EUR 955 million to EUR 1.1 billion
- » Profit before tax at EUR 1.1 billion (previous year: EUR 901 million) and profit after tax at EUR 864 million (previous year: EUR 698 million)
- » Equity rises significantly to EUR 7.6 billion (previous year: EUR 6.3 billion)
- » Gearing ratio improves year over year, from 46% to 35.1%
- » Number of employees stands at 50,018 FTE (+1.8%)
- » Outlook for EBITDA increases to around EUR 2.5 billion

The international steel and technology group profited from its global positioning and industry diversification in the first three quarters of the business year 2022/23 (April 1 to December 31), allowing it to generate very good results compared to the previous year in an overall challenging environment. In the first nine months of the current business year, performance was particularly good in the energy sector, with international demand for voestalpine products continuing to grow, also in the solar industry. The clearly positive trend of the first three quarters was also reflected in the aerospace segment, primarily driven by increasing demand for single aisle aircraft used in regional air traffic. In the reporting period the Railway Systems business segment profited in particular from the high demand for rails in the core European markets. Demand for turnouts remained solid outside Europe. By contrast, the white goods and consumer goods industry as well as the construction industry had to contend with slowing momentum. The automotive industry continued to be hampered by ongoing supply chain bottlenecks. In Europe, there was no significant increase in call-ups from automotive customers. The business environment at the Group's facilities overseas was better, with generally favorable economic conditions especially in China. In the storage technology segment, the first nine months of the business year continued to enjoy a solid basis.

"In the first nine months of the current business year there was extremely strong demand for our high quality products, especially in the Energy, Aerospace, and Railway Systems segments. We also succeeded in passing on the rising costs of raw materials and energy in most business segments. The very good results are once again a reflection of our global positioning and sectoral diversification," says Herbert Eibensteiner, CEO of voestalpine AG.

Development of revenue and earnings

In the first nine months of the business year 2022/23 the voestalpine Group succeeded in boosting revenue by 29.3% year on year, from EUR 10.5 billion to EUR 13.6 billion. EBITDA rose by 23.4%, from EUR 1.5 billion to EUR 1.9 billion. EBIT climbed by 19.4% over the previous year, from EUR 955 million to EUR 1.1 billion, despite impairment losses totaling EUR 173 million taken in the High Performance Metals Division in the second quarter (as previously reported). Profit before tax for the reporting period grew over the first three quarters of 2022/23, to EUR 1.1 billion—a 16.9% rise over the same period in

the previous year (EUR 901 million). Profit after tax jumped by 23.9% to EUR 864 million (previous year: EUR 698 million). Equity as of 12/31/2022 is EUR 7.6 billion (+20.6%). Net financial debt fell 8% to EUR 2.7 billion within one year. The gearing ratio (net financial debt as a percentage of equity) was reduced year over year, from 46% to 35.1%. The number of employees (FTE) in the voestalpine Group rose 1.8% year over year, from 49,157 to 50,018.

Outlook

The economic sentiment was very good at the start of the business year 2022/23, but rapidly weakened as the year wore on. Economic growth then slowed dramatically in the business year's third quarter. Nonetheless, both economic indicators and actual business performance turned out to be more resilient than initially forecast.

Aside from a slight easing of inflationary pressures, the very fact that energy supplies in Europe remained intact contributed to the improvement in economic sentiment. Although economic researchers posit that the economic sentiment reached its lowest point in the third quarter of the business year 2022/23, the forecasts regarding both consumption and investments in the short and medium term remain subdued.

In this generally challenging economic environment, the voestalpine Group relies yet again on its broad positioning in different market segments and economic regions.

While the uncertainties in Europe still outweigh those elsewhere, especially owing to the war in Ukraine, the forecasts for North America now only expect a mild recession, if that. Brazil elected a new president, but the country's future economic policies are still not clear, even though the current environment is very stable. Economic developments in China at this time are being shaped by the complete reversal of the country's COVID policies. A massive wave of COVID-19 infections already engulfed the country toward the end of the reporting period; its economic ramifications are likely to affect the fourth business quarter also.

As far as markets are concerned, the upward trend in the energy and aerospace segments is expected to continue during the remainder of the business year 2022/23. Railway infrastructure is also expected to continue benefiting from very good demand. Developments in the automotive industry, which has still not been able to really solve its supply chain problems, will largely remain stable. This forecast also applies to the mechanical engineering industry, which continues to benefit from very strong order levels. The consumer goods industry already weakened substantially in the course of the reporting period, and demand in this sector is expected to be lower overall in the company's last business quarter. Slowing demand in the construction industry is likely to continue in the fourth business quarter.

At this time, the Management Board of voestalpine AG expects EBITDA of about EUR 2.5 billion for the entire business year 2022/23. This figure includes around EUR 120 million in positive non-recurring effects from the sale of property in the fourth business quarter. However, the closing of this transaction is still contingent on administrative authorizations.

The voestalpine Group

voestalpine is a globally leading steel and technology group with a unique combination of materials and processing expertise. voestalpine, which operates globally, has around 500 Group companies and locations in more than 50 countries on all five continents. It has been listed on the Vienna Stock Exchange since 1995. With its premium products and system solutions, voestalpine is a leading partner to the automotive and consumer goods industries, as well as to the aerospace and oil & natural gas industries. The company is also the global market leader in railway systems, tool steel, and special sections. voestalpine is committed to the global climate goals and has a clear plan for decarbonizing steel production with its greentec steel program. In the business year 2021/22, the Group generated revenue of EUR 14.9 billion, with an operating result (EBITDA) of EUR 2.3 billion; it has around 50,200 employees worldwide.

Please direct your inquiries to

voestalpine AG
Mag. Peter Felsbach, MAS
Head of Group Communications | Spokesman

voestalpine-Strasse 1
4020 Linz, Austria
T. +43/50304/15-2090
peter.felsbach@voestalpine.com
www.voestalpine.com