

voestalpine posts strong revenue and earnings increase in the first half of the business year 2021/22

- » Revenue for first half of the business year 2021/22 rises 37.8% year over year to EUR 7 billion (H1 2020/21: EUR 5.1 billion)
- » At EUR 1 billion, EBITDA is 2.7 times higher year over year
- » At EUR 651 million, EBIT reaches very high level (H1 2020/21: EUR –215 million)
- » Profit before tax is EUR 611 million (H1 2020/21: EUR –268 million), and profit after tax is EUR 486 million (H1 2020/21: EUR –276 million)
- » Very solid gearing ratio of 45.1% (H1 2020/21: 66.2%)
- » Equity rises to EUR 6.1 billion (H1 2020/21: EUR 5.3 billion)
- » Number of employees is 49,068 FTE (+2.4% year over year)

In the first half of the business year 2021/22 (April 1 to September 30), voestalpine was able to build on the previous business year's positive development—despite challenging parameters such as the global increase in energy prices, partly disrupted supply chains as well as new mutations and variants of the novel coronavirus in the face of regionally divergent progress in vaccinations. All key market and product segments of the steel and technology group delivered very solid performance. The supply chain problems intensified over the summer solely in the Automotive segment, even though voestalpine's North American and Asian facilities were affected much less by the lack of semiconductors than the European ones. Orders from the aerospace industry also rose again for the first time since the onset of the COVID-19 pandemic. The satisfactory trend in the energy segment, which benefited from growing investment activity in the oil & natural gas industry, continued. The Railway Systems business segment posted stable performance yet again. And the storage technology segment did very well indeed: Orders in this segment were at record highs due to the e-commerce boom.

“We were able to deliver strong revenue and earnings increases in the business year's first half thanks to very solid demand for voestalpine's products in all markets and product segments that are material to us, our focus on efficiency-boosting measures, and the excellent commitment of our employees,” says Herbert Eibensteiner, Chairman of the Management Board of voestalpine AG.

Development of Revenue and Earnings

The key performance indicators (KPIs) of the voestalpine Group for the first half of the business year 2021/22 show strong year-over-year growth. Compared with the first half of the previous business year, revenue rose by 37.8%, from EUR 5.1 billion to EUR 7 billion. EBITDA surged year over year by 165.8%, from EUR 395 million to EUR 1 billion. After EUR –215 million in the first half of 2020/21, EBIT soared to EUR 651 million in the first half of 2021/22. Profit before tax for the reporting period jumped to EUR 611 million (H1 2020/21: EUR –268 million), and profit after tax to EUR 486 million (H1 2020/21: –276 million). The positive development of the company's net financial debt from EUR 3.5 billion as of September 30, 2020, to EUR 2.7 billion as of September 30, 2021, showcases the company's ability to generate strong cash flow, especially in the previous business year's second half. Equity rose year over

year from EUR 5.3 billion to EUR 6.1 billion. The gearing ratio (net financial debt as a percentage of equity) improved year over year, from 66.2% to 45.1%. And the number of employees (FTE) in the voestalpine Group climbed by 2.4% compared with the previous business year, from 47,917 to 49,068.

Outlook

The economic recovery from the COVID-19 crisis, which at the beginning was partially accompanied by overheating tendencies, continued overall in the first half of 2021/22. However, given the recent developments that have come into focus, the further positive growth expectations appear somewhat more uncertain.

Toward the end of the reporting period, the continued high volatility on the raw materials side was accompanied by sharp increases in energy costs. From today's perspective, no change in this situation on the purchasing side can be expected at least until the end of the current business year.

As far as sales are concerned, our expectations going forward differ depending on the market and region. The automotive industry continues to suffer from semiconductor supply chain difficulties. This situation is unlikely to ease before the middle of the next business year. It is important to note in this regard that the decrease in automotive production does not stem from a weakness in demand. Absent microchips, end consumers' high demand, which continues unabated, cannot be fully satisfied. It is expected, therefore, that some areas will see a time lag in order call-ups for voestalpine's products.

Demand from the construction, mechanical engineering, and consumer goods industries for the voestalpine Group's products remains high. At this point in time, we expect the railways segment—a stabilizing earnings factor—to continue delivering good performance despite the usual seasonal weakening. The energy sector (oil & natural gas) has rebounded substantially of late, and this trend should continue throughout the second half of the business year 2021/22.

Aerospace, too, is showing signs of a recovery. Recently, the major aircraft manufacturers issued more optimistic forecasts for short and medium-haul jets, a trend that is already reflected in rising order levels.

Regionally speaking, the positive development of the U.S. economy continues unabated, whereas some economic indicators for China point to a slowing down of that country's momentum. Nonetheless, the economic forecasts for China on the whole remain substantially positive. The current forecasts for Europe also point to positive economic growth, both for the current calendar year and the next one.

Based on the Group's results for the first half of the business year 2021/22 and the assumption that there will be no unexpected economic distortions, at this time the Management Board of voestalpine AG thus continues to expect EBITDA of between EUR 1,900 million and EUR 2,200 million for the business year 2021/22.

KEY FIGURES – voestalpine GROUP

(pursuant to IFRS)	H1 BY 2020/21 04/01/-09/30/2020	H1 BY 2021/22 04/01/-09/30/2021	Change in %
Revenue	5,110.1	7,042.9	37.8
EBITDA	395.0	1,049.8	165.8
EBITDA margin in %	7.7 %	14.9 %	
EBIT	-215.0	650.6	
EBIT margin in %	-4.2 %	9.2 %	
Profit before tax	-267.5	611.1	
Profit after tax *	275.8	485.7	
Earnings per share	-1.53	2.65	
Gearing ratio in % (09/30)	66.2 %	45.1 %	

In millions of euros

* Before deduction of interest of non-controlling interests

The Report of the first half of 2021/22 of voestalpine AG as of the September 30, 2021, may be accessed on the company's website at www.voestalpine.com under the 'Investors' tab.

In case of questions, please contact the company's Investor Relations team at +43/50304/15-9949.

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