

voestalpine posts record performance in Q1 2022/23

- » **Revenue for Q1 2022/23 rises 37.7% year over year to EUR 4.6 billion (Q1 2021/22: EUR 3.4 billion)**
- » **EBITDA is EUR 879 million (Q1 2021/22: EUR 522 million)**
- » **EBIT doubles year over year, from EUR 332 million to EUR 693 million**
- » **Profit before tax is EUR 670 million (Q1 2021/22: EUR 311 million), and profit after tax is EUR 615 million (Q1 2021/22: EUR 259 million)**
- » **Gearing ratio improves year over year, from 43.8% to 29.8%**
- » **Equity jumps to EUR 7.7 billion (Q1 2021/22: EUR 6 billion)**
- » **Number of employees stands at 49,900 FTE (+2.1%)**
- » **Group's operating result for Q1 2022/23 is its best quarterly performance ever following the record business year 2021/22, however outlook falls short of that record**

voestalpine successfully carried its excellent performance in the business year 2021/22 over into the first quarter of the business year 2022/23 (April 1 to June 30, 2022). Demand for the high quality products of the steel and technology Group was positive in all segments despite the difficult environment: the Russia/Ukraine war, massive increases in energy prices, ongoing supply chain bottlenecks, and disruptions in logistics. Even the European automotive industry, which has had to contend with supply chain bottlenecks for over a year despite strong order levels, benefited from slight upward trends in the current business year's first quarter. A clearly positive upward trend lifted the aerospace segment, which profited from rising passenger numbers in regional air traffic and the resulting increase in demand for single aisle aircraft. In the oil and natural gas segment, demand rose considerably year over year as well. The sharp increases in energy prices are creating incentives to invest in oil and natural gas projects; the conversion of the US protectionist tariffs (Section 232) into a quota system with effect from January 1, 2022 is also having a positive impact on voestalpine's European production plants. The Railway Systems business segment posted stable performance again. Strong demand in the storage technology segment continues unabated and the photovoltaics segment, which voestalpine supplies with substructures, achieved record growth.

"voestalpine delivered extraordinarily strong results in its first business quarter. We are, however, aware of the potential risks that we may face due to the uncertainty of economic developments in the second half of calendar year 2022 and have prepared well for them," says Herbert Eibensteiner, CEO of voestalpine AG.

Development of Revenue and Earnings

Year over year, the voestalpine Group achieved significant improvements in both revenue and earnings, posting its best quarterly performance ever in the first quarter of the business year 2022/23. The numbers in detail: Revenue rose year over year by 37.7%, from EUR 3.4 billion in Q1 2021/22 to EUR 4.6 billion in Q1 2022/23. EBITDA soared by 68.5%, from EUR 522 million to EUR 879 million. The increase in EBIT was even more pronounced. It more than doubled, from EUR 332 million in Q1

2021/22 to EUR 693 million in Q1 2022/23. Profit before tax surged in the reporting period to EUR 670 million (Q1 2021/22: EUR 311 million), and profit after tax to EUR 615 million (Q1 2021/22: EUR 259 million). voestalpine considerably strengthened its equity to EUR 7.7 billion, both year over year (+28.5%) and compared with the reporting date for the business year 2021/22 (+8.5%). Net financial debt fell by 12.8% to EUR 2.3 billion within a single year. The gearing ratio (net financial debt as a percentage of equity) improved year over year, from 43.8% to 29.8%. The number of employees (FTE) in the voestalpine Group rose 2.1% year over year, from 48,880 to 49,900.

Outlook

Economic forecasts became increasingly pessimistic over the course of the first quarter of the business year 2022/23. Due to the dampening sentiment, the voestalpine Group cannot assume a continuation of its earning performance for the remainder of the business year 2022/23 on the record level posted for the first business quarter despite the high amount of order backlogs at the moment. The Management Board of voestalpine AG expects a significant cooling of the economy in the second half of 2022/23, with the corresponding impact on the company's earnings.

It is to be expected that this will affect especially the cyclical business segments of the voestalpine Group. Besides the flat steel business, this includes in particular voestalpine products that are delivered to the construction, mechanical engineering as well as consumer and white goods market segments. On the other hand, the prevailing positive momentum in the rail technology, energy, and aerospace sectors is expected to continue throughout the business year 2022/23.

While the production output of the European automotive industry still falls substantially short of pre-crisis levels, developments in the reporting period indicate a moderate improvement. Strong order books of the car producers (OEMs) lead us to expect that demand will at least be stable during the remainder of the current business year. By contrast, if the supply chain bottlenecks are resolved, we may expect a marked improvement in demand from this segment.

Based on its current estimates, therefore, the Management Board of voestalpine AG expects EBITDA of about EUR 2 billion for the entire business year 2022/23.

The threat scenario of insufficient supplies of natural gas to Europe as a result of the political tensions arising from the Russian war of aggression on Ukraine has intensified over the past few months. At the time of preparation of this report, sufficient supplies of natural gas are available in Europe. However, the continuation of adequate supplies is the precondition for the outlook presented here regarding the business year 2022/23. Significant disruptions of supply chains are to be expected in many industrial sectors if gas supply in Europe comes to a standstill, if emergency plans go into effect, or if prices force producers to curtail production.

Hence this outlook presupposes that Europe will continue to receive sufficient supplies of natural gas and that other risks, such as the general economic development, supply chain disruptions, developments regarding customer needs, raw materials, and energy prices, that can barely be quantified at this time, remain manageable.

KEY FIGURES – voestalpine GROUP

	Q1 BY 2021/22*	Q1 BY 2022/23	Change
	04/01/-06/30/2021	04/01/-06/30/2022	in %
Revenue	3,373.9	4,645.4	+37.7
EBITDA	521.7	879.1	+68.5
EBITDA margin in %	15.5%	18.9%	
EBIT	331.5	692.7	+109.0
EBIT margin in %	9.8%	14.9%	
Profit before tax	310.9	670.3	+115.6
Profit after tax from continuing operations	251.3	523.4	+108.3
Profit after tax from discontinued operations	7.9	91.1	+1,053.2
Profit after tax **	259.2	614.5	+137.1
Earnings per share (euros)	1.42	3.34	+135.2
Gearing ratio in % (06/30)	43.8%	29.8%	

In millions of euros

*Q1 2021/22 retroactively adjusted. For further details see Annual Report 2021/22.

** Before deduction of non-controlling interests.

The Report of the first quarter of 2022/23 of voestalpine AG as of the June 30, 2022, 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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