

BUSINESS YEAR 2018/19

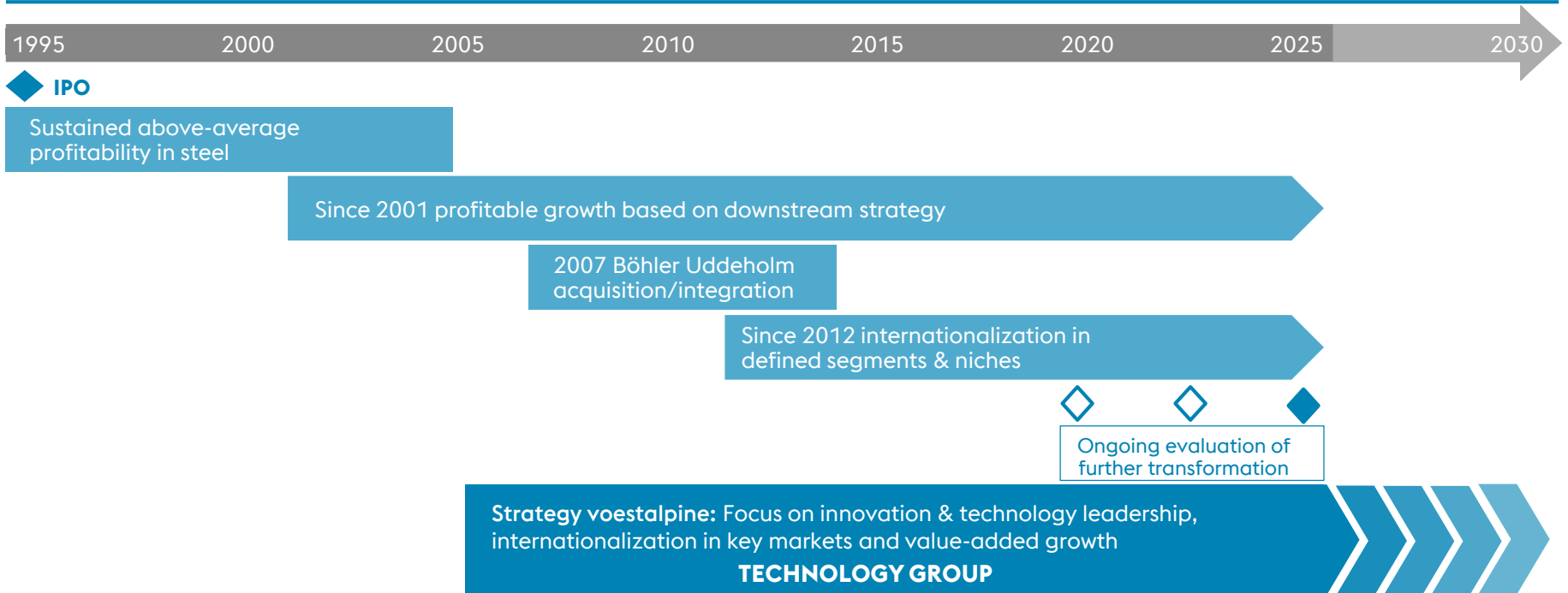
Investor Relations
JUNE 2019

SUCCESSFUL BUSINESS MODEL BASIS FOR THE FUTURE



» voestalpine is a leading technology group with combined material and processing expertise, holding global top positions in its business units. The group focuses on product and system solutions based on steel and other metals of the highest quality in technology-intensive industries and niches.

voestalpine TECHNOLOGY GROUP TRANSFORMATION IN IMPLEMENTATION



KEY STRATEGIC QUESTIONS

UPCOMING DECADE

- » Will the previous endeavors for open markets be replaced by a new era of protectionism?
- » What's the solution for the steel technology of the future?
- » In which direction are future technologies in the automotive industry heading?

By 2025 we will have collectively developed a sound basis for responding to these future challenges.

SHAPING THE TRANSITION PROACTIVELY

WHAT IS IMPORTANT TO US



- » Proactively drive innovation, technology and value-adding growth
- » Most qualified and top motivated employees
- » Focus on sustainability
- » Continuously expand international presence
- » Consistently implement digitization
- » Strategy „voestalpine 2025“ is the progression of the successful voestalpine business model

DEVELOPMENT OF BY 2018/19

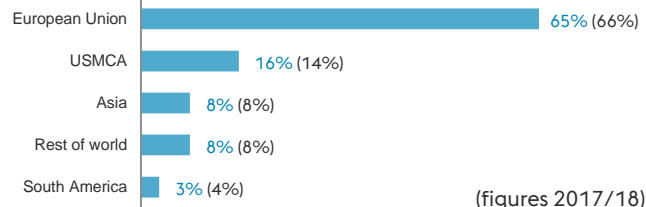
voestalpine GROUP GLOBAL FOOTPRINT

One Group – 500 sites – 50 countries – 5 continents



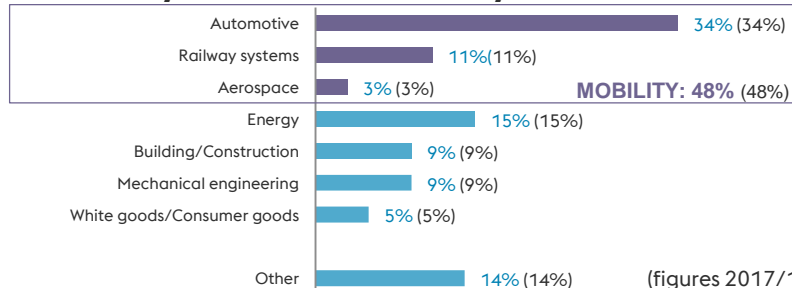
INCREASING NON-EU-BUSINESS, MOBILITY-SECTOR STABLE

Revenue by regions - Business year 2018/19



(figures 2017/18)

Revenue by industries - Business year 2018/19



(figures 2017/18)

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ONE STEP AHEAD.

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BUSINESS DEVELOPMENT BY 2018/19

- » Strong start into BY 2018/19 but slowing economic momentum in H2 2018/19
 - » Europe & China harmed by escalating global trade conflicts and slowing automotive industry
 - » US-economy with sustained upswing, however less euphoric sentiment recently
 - » Brazil with moderate recovery in BY 2018/19
- » Performance in BY 2018/19 negatively affected by one-offs, solid development in Q4 2018/19 despite slowing economy
 - » Earnings – mainly in Q2 & Q3 – impacted by blast furnace repairs, provision in Heavy Plate & start up costs at US-automotive components plant
 - » Downward trend in tool steel (Europe, China) triggered by global trade tensions
 - » Cost burden from rising raw material prices in Q4 2018/19 already, but full impact yet to come
- » Efficiency improvement programs in all 4 divisions intensified as response to challenging conditions

STEEL DIVISION

BUSINESS DEVELOPMENT BY 2018/19

- » Steel Division with high volatility in earnings throughout BY 2018/19
 - » Profitability in Q2 impacted by (scheduled) major blast furnace repairs, in Q3 by cartel provision in Heavy Plate
- » Increasingly difficult environment in H2 2018/19
 - » Fading momentum in automotive and consumer goods
 - » Still robust order intake in building & mechanical engineering
 - » Solid activities in energy business, however drop in deep-sea pipeline investments recently
 - » Ongoing strong steel imports in Europe – above all from Russia & Turkey – despite safeguard measures
 - » First negative effects from soaring iron ore prices in Q4
- » Improving capacity utilization at HBI-plant in Texas in H2

€m	Q1	Q2	Q3	Q4	BY	BY	Delta
	18/19	18/19	18/19	18/19	18/19	17/18	in %
Revenue	1,276	1,139	1,175	1,297	4,887	4,773	2.4
EBITDA	224	119	106	205	653	908	-28.1
EBITDA-%	17.5%	10.4%	9.0%	15.8%	13.4%	19.0%	
EBIT	145	37	19	118	319	593	-46.2
EBIT-%	11.4%	3.2%	1.6%	9.1%	6.5%	12.4%	

HIGH PERFORMANCE METALS DIVISION

BUSINESS DEVELOPMENT BY 2018/19

- » After positive business conditions in H1 2018/19, fading dynamics in particular regions & sectors
 - » Advancing protectionism as major driver for margin pressure
 - » Decreasing order intake in consumer goods and automotive sectors in Europe & China
 - » In contrast, stable development in North America, improving sentiment in Brazil
- » Activities in aviation sector unchanged strong
- » Sentiment in oil & gas overall positive
- » New special steel plant in Kapfenberg well on track

€m	Q1 18/19	Q2 18/19	Q3 18/19	Q4 18/19	BY 18/19	BY 17/18	Delta in %
Revenue	780	766	751	839	3,136	2,918	7.5
EBITDA	129	101	90	116	435	454	-4.2
EBITDA-%	16.6%	13.1%	11.9%	13.8%	13.9%	15.6%	
EBIT	92	64	52	73	280	298	-5.9
EBIT-%	11.8%	8.3%	6.9%	8.6%	8.9%	10.2%	

METAL ENGINEERING DIVISION

BUSINESS DEVELOPMENT BY 2018/19

- » Railway Systems business with mixed development
 - » Margin impact from raw materials on rails after slight market recovery in early BY 2018/19
 - » Unchanged strong performance in turnouts bolstered by strong conditions in China, the US, Australia, Brazil and recently also EU
- » Market development and protective US-tariffs dampening performance of Industrial Systems business
 - » Easing automotive industry affecting order intake in wire
 - » Strong seamless tubes deliveries to North America, but margins impacted by US-duties
 - » Focus in welding consumables on further operational performance improvement

€m	Q1	Q2	Q3	Q4	BY	BY	Delta
	18/19	18/19	18/19	18/19	18/19	17/18	in %
Revenue	800	748	771	828	3,147	2,990	5.3
EBITDA	99	85	78	107	369	372	-0.8
EBITDA-%	12.3%	11.4%	10.2%	12.9%	11.7%	12.4%	
EBIT	56	44	37	65	202	191	5.8
EBIT-%	7.0%	5.9%	4.8%	7.8%	6.4%	6.4%	

METAL FORMING DIVISION

BUSINESS DEVELOPMENT BY 2018/19

- » Automotive Components business significantly down in H2 2018/19
 - » Car sales in Europe heavily impacted by WLTP after summer
 - » Massive start-up cost overrun in US-automotive component plant Cartersville
- » Sentiment in Tubes & Sections on average level
 - » Solid order intake from construction, commercial & agricultural vehicle industries in Europe
 - » Continuation of step by step recovery in Brazil, USA with positive momentum in building & aviation sectors
- » Precision strip with increasing competition in Europe & China, but still with healthy demand situation
- » Ongoing strong project activities in Warehouse & Rack Solutions

€m	Q1 18/19	Q2 18/19	Q3 18/19	Q4 18/19	BY 18/19	BY 17/18	Delta in %
Revenue	748	697	698	794	2,937	2,743	7.1
EBITDA	84	68	1	60	213	325	-34.4
EBITDA-%	11.3%	9.8%	0.2%	7.5%	7.3%	11.9%	
EBIT	56	39	-29	28	94	213	-55.9
EBIT-%	7.5%	5.6%	-4.1%	3.5%	3.2%	7.8%	

FINANCIAL OVERVIEW BY 2018/19

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FINANCIAL OVERVIEW

	BY 2017/18 2017/04/01-2018/03/31	BY 2018/19 2018/04/01-2019/03/31	Delta %
Revenue	12,898	13,561	+5.1
EBITDA	1,954	1,565	-19.9
EBITDA margin	15.2%	11.5%	
EBIT	1,180	779	-33.9
EBIT margin	9.1%	5.7 %	
Profit before tax	1,043	646	-38.1
Profit after tax*	825**	459	-44.4
EPS – earnings per share (euros)	4.40	2.31	-47.5

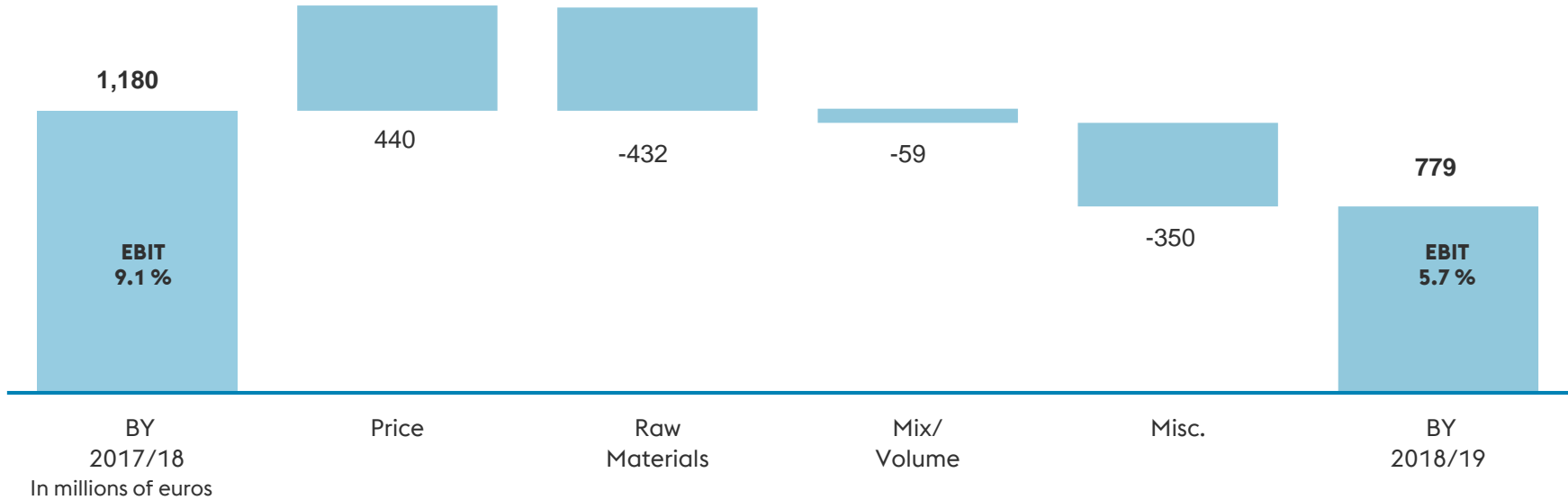
In millions of euros

* Before deduction of non-controlling interests and interest on hybrid capital.

** BY 2017/18 adjusted retrospectively.

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DEVELOPMENT EBIT BY 2018/19



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DEVELOPMENT CASH FLOW

BY 2017/18
2017/04/01-2018/03/31

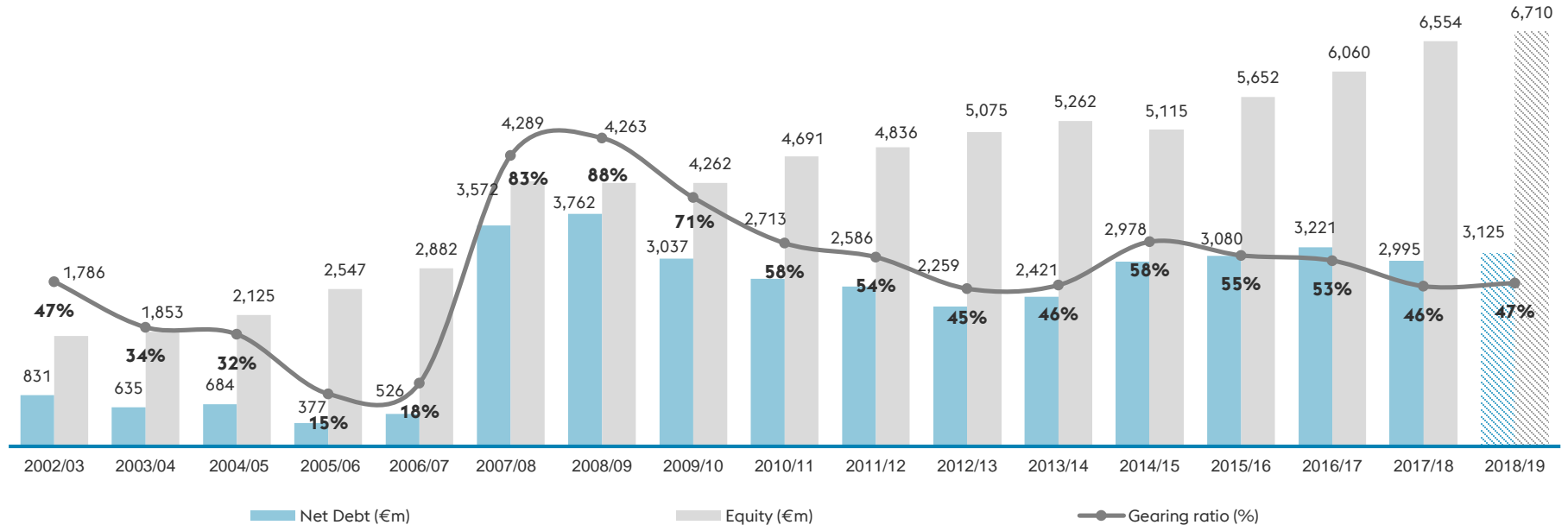
BY 2018/19
2018/04/01-2019/03/31

Cash flow from results	1,622	1,304
Changes in working capital	-427	-137
Cash flow from operating activities	1,195	1,167
Cash flow from investing activities	-827	-1,020
Free cash flow	368	147

In millions of euros

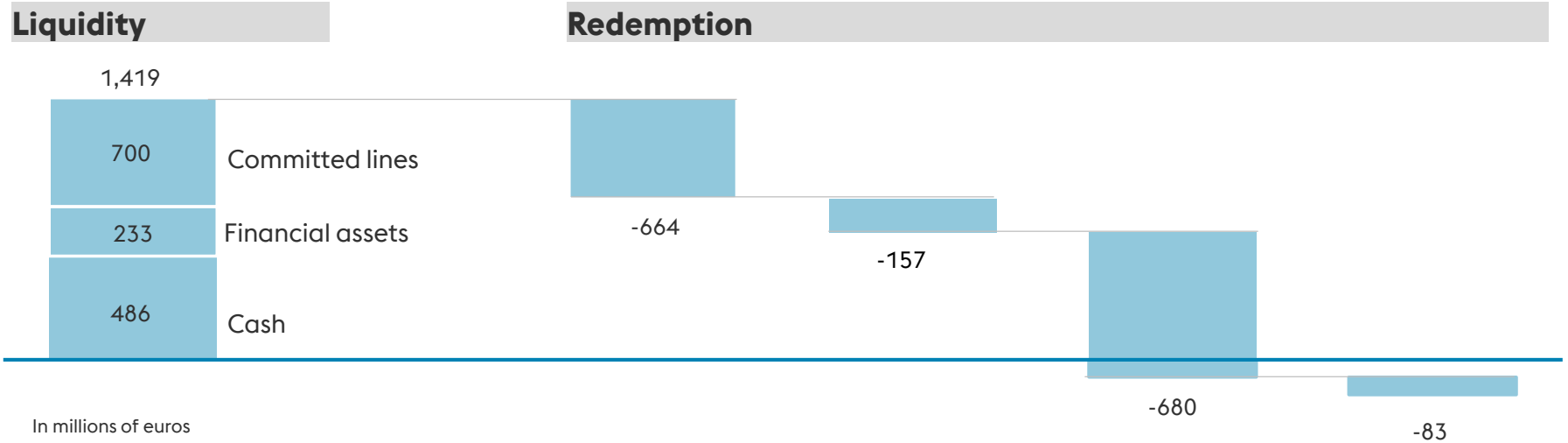
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DEVELOPEMENT GEARING RATIO



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LIQUIDITY AND REDEMPTION SCHEDULE



BY 2018/19

as of 2019/03/31

2019/20

2020/21

2021/22

2022/23

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ONE STEP AHEAD.

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OUTLOOK BY 2019/20

- » Determining factors for development of voestalpine Group in BY 2019/20
 - » Change of global trade structures due to growing protectionism
 - » Further trends in raw material prices, above all iron ore (including CO₂ pricing)
 - » Consequences of new emission test (RDE) and future mobility concepts on car sales and production
 - » Impact of BREXIT on European economy
 - » Further improvements at US-plants as main internal challenge
- » Despite increasing political & economic uncertainties, management works hard to keep EBITDA for BY 2019/20 stable in comparison to BY 2018/19



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