

BUSINESS YEAR 2017/18

1st QUARTER

Investor Relations
September 2017

voestalpine GROUP

OVERVIEW

- » voestalpine is a **leading technology** and **capital goods group** with combined material and processing expertise
- » It is holding **global top positions** in its business units
- » The group focuses on most demanding **product** and **system solutions** based on **steel** and **other metals** in **technology-intensive** industries and niches
- » Clear **focus** on strategically in the long run most promising sectors like **mobility** and **energy**
- » **Long-term relationships** with customers, suppliers and R&D-institutions as **key drivers for innovation**

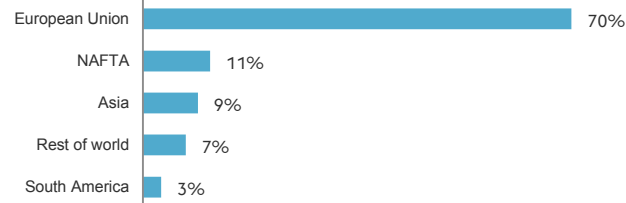


voestalpine GROUP GLOBAL FOOTPRINT

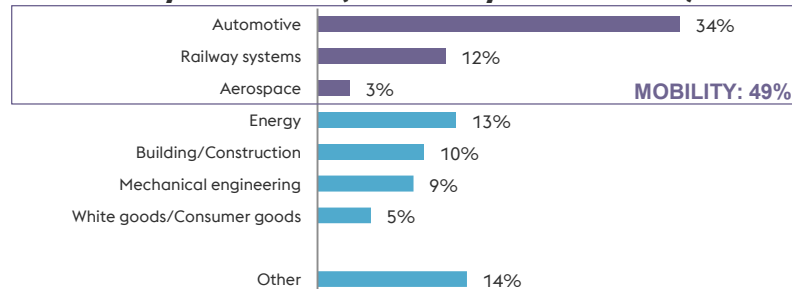
One Group – 500 sites – 50 countries – 5 continents



Revenue by regions (Business year 2016/17)



Revenue by industries (Business year 2016/17)



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BUSINESS DEVELOPMENT Q1 BY 2017/18 – SUMMARY

- » In a solid business environment earnings back to pre-crisis level in Q1 2017/18
 - » Boost of EBITDA to 514m EUR and of EBIT to 329m EUR
 - » Positive growth in Europe and Asia, only moderate trend in the US
 - » Strong momentum in European steel industry & successful implementation of downstream strategy as drivers
- » Excellent demand from automotive, aviation, consumer goods as well as mechanical engineering industries
- » Volume-based recovery in oil & gas sector, still restrained price situation
- » Worldwide substantially differing order situation in railway infrastructure

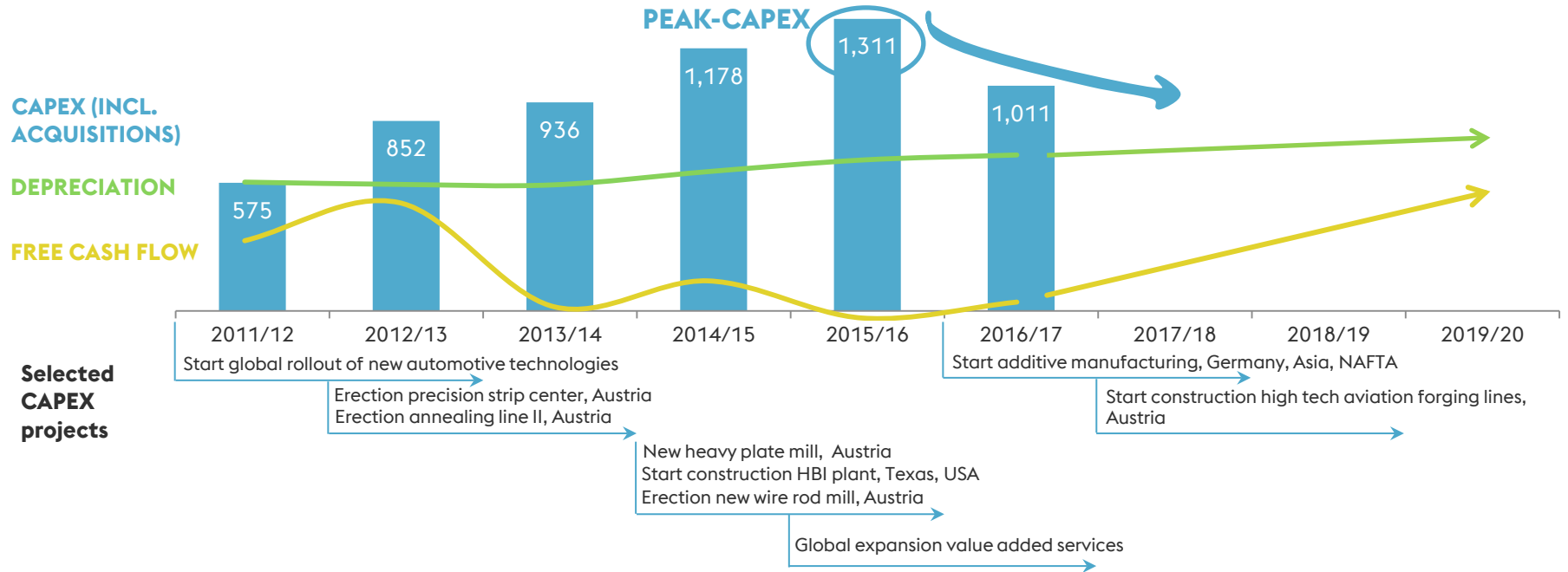
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QUARTERLY FIGURES Q1 BY 2017/18

	1 st quarter 2016/17	2 nd quarter 2016/17	3 rd quarter 2016/17	4 th quarter 2016/17	1 st quarter 2017/18	Delta in %
Sales	2,772	2,635	2,693	3,193	3,252	+17.3
EBITDA	334	371	356	480	514	+53.9
EBITDA-margin	12.0%	14.1%	13.2%	15.0%	15.8%	
EBIT	168	201	176	278	329	+96.2
EBIT-margin	6.0%	7.6%	6.5%	8.7%	10.1%	

In millions of euros

voestalpine GROUP INVESTMENTS & CASH FLOW DEVELOPMENT



STEEL DIVISION

BUSINESS DEVELOPMENT Q1 BY 2017/18

- » Steel Division with best quarterly earnings since “Lehmann”
 - » Satisfying demand situation with positive effect on steel prices
 - » Highly fluctuating raw material prices, in particular coking coal
 - » Flat steel imports continuously on high level
- » Core segments of Steel Division with overall good performance
 - » Automotive, consumer goods & mechanical engineering as drivers for strong demand situation
 - » Satisfactory capacity utilization due to processing of major orders in Heavy Plate business
 - » Temporary production stop of HBI plant in Texas but only limited damages because of hurricane “Harvey”

€m	Q1 16/17	Q2 16/17	Q3 16/17	Q4 16/17	Q1 17/18	Delta in %
Sales	909	867	928	1,209	1,213	33.5
EBITDA	87	144	138	195	228	161.2
EBITDA-%	9.6%	16.6%	14.9%	16.1%	18.8%	
EBIT	21	76	59	107	150	611.8
EBIT-%	2.3%	8.8%	6.3%	8.9%	12.4%	

HIGH PERFORMANCE METALS DIVISION

BUSINESS DEVELOPMENT Q1 BY 2017/18

(Former:
Special Steel Division)

- » Overall satisfactory market conditions in Q1 2017/18
 - » Tool steel benefiting from good demand of automotive & consumer goods industries
 - » Gradual recovery in oil & gas sector prolonged
 - » Strong deliveries to aviation industry
 - » Solid growth in heavy mechanical engineering segment
- » Upward trend with regional disparities
 - » Asia, in particular China as driver of growth
 - » Improving sentiment in Europe
 - » Dynamics in US below expectations
 - » Slight encouraging signals in Brazil after long recession

€m	Q1 16/17	Q2 16/17	Q3 16/17	Q4 16/17	Q1 17/18	Delta in %
Sales	667	639	644	748	739	10.8
EBITDA	99	94	91	111	127	28.4
EBITDA-%	14.9%	14.8%	14.1%	14.8%	17.2%	
EBIT	63	58	57	74	90	41.3
EBIT-%	9.5%	9.1%	8.8%	9.9%	12.1%	

METAL ENGINEERING DIVISION

BUSINESS DEVELOPMENT Q1 BY 2017/18

- » Continuation of prevailing trends from previous quarters
 - » Unabated weakness in the European rails market
 - » Recovery of drilling activities in the US driving demand for OCTG products, price upturn following only slowly
- » Solid performance of Turnout Systems due to comprehensive global positioning
 - » Weakness in Europe offset by excellent development in Asia
 - » First signs of upturn in US-heavy haul business
- » Order intake in Wire Technology bolstered by strong car sales in Europe
 - » New wire rod mill fully operational by end of Q2 2017/18
- » Welding Consumables successfully restructured but still facing competitive framework

€m	Q1 16/17	Q2 16/17	Q3 16/17	Q4 16/17	Q1 17/18	Delta in %
Sales	680	652	662	690	770	13.2
EBITDA	88	84	83	106	87	-0.5
EBITDA-%	12.9%	12.9%	12.5%	15.4%	11.3%	
EBIT	50	46	45	61	47	-5.4
EBIT-%	7.3%	7.0%	6.7%	8.8%	6.1%	

METAL FORMING DIVISION

BUSINESS DEVELOPMENT Q1 BY 2017/18

- » On-going strong development of Automotive Components
 - » Further increasing car sales in Europe in CY 2017
 - » German premium brands with stagnating sales volumes in the US but continuing growth in China
 - » On-going global rollout of key automotive technologies
- » Positive market environment in Tubes & Sections
 - » Improving sentiment in Europe based on upturn of commercial vehicles and agricultural machinery industries
 - » Largely restrained investment activities in the US, slight recovery in Brazil
- » Excellent performance of Precision Strip
 - » Outstanding market position & solid business environment bolstering strong earnings
- » Attractive project activities in Warehouse & Rack Solutions

€m	Q1 16/17	Q2 16/17	Q3 16/17	Q4 16/17	Q1 17/18	Delta in %
Sales	616	572	566	672	673	9.2
EBITDA	80	73	70	94	89	10.8
EBITDA-%	13.0%	12.8%	12.3%	13.9%	13.2%	
EBIT	55	48	44	64	61	11.1
EBIT-%	9.0%	8.4%	7.7%	9.5%	9.1%	

FINANCIAL OVERVIEW

Q1 BY 2017/18

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FINANCIAL OVERVIEW

	Q1 BY 2016/17 2016/04/01-2016/06/30	Q1 BY 2017/18 2017/04/01-2017/06/30	Delta in %
Sales	2,772	3,252	+17.3
EBITDA	334	514	+53.9
EBITDA-margin	12.0%	15.8%	
EBIT	168	329	+96.2
EBIT-margin	6.0%	10.1%	
EBT	139	292	+110.5
Net profit	106	218	+106.4
EPS	0.58	1.18	+103.4

In millions of euros

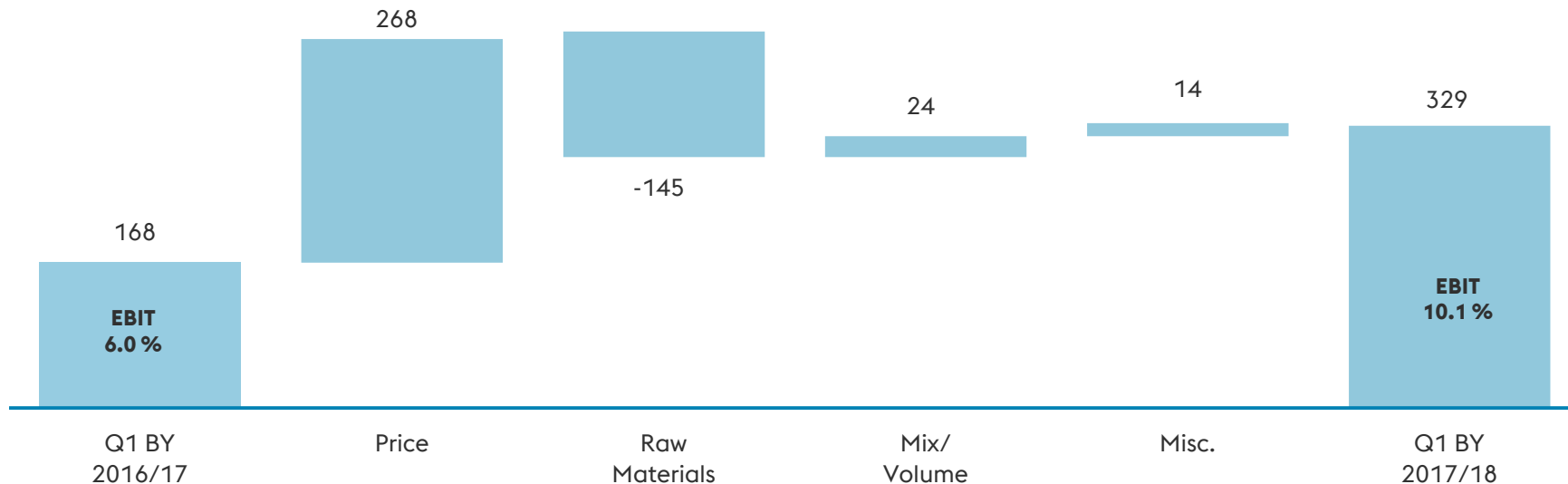
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FINANCIAL OVERVIEW

	Q1 BY 2016/17 2016/04/01-2016/06/30	Q1 BY 2017/18 2017/04/01-2017/06/30	Delta in %	
CAPEX*	233	162	-30.4	*) Fixed assets and acquisitions
Depreciation	166	185	+11.2	
Net Financial Debt	3,189	3,347	+5.0	
Gearing	55.9%	53.8%		

In millions of euros

voestalpine GROUP DEVELOPMENT EBIT



In millions of euros

voestalpine GROUP

DEVELOPMENT CASH FLOW

Q1 BY 2016/17
2016/04/01-2016/06/30

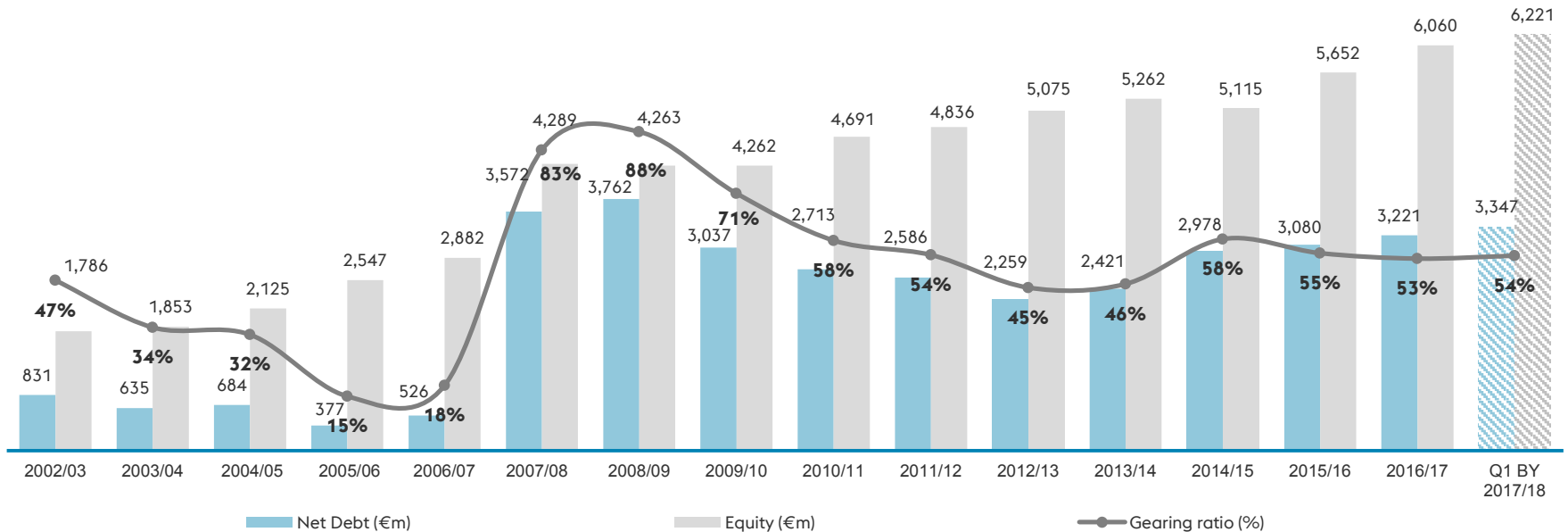
Q1 BY 2017/18
2017/04/01-2017/06/30

Cash flow from results	276	414
Changes in working capital	-60	-393
Cash flow from operating activities	216	21
Cash flow from investing activities	-295	-213
Free cash flow	-79	-192

In millions of euros

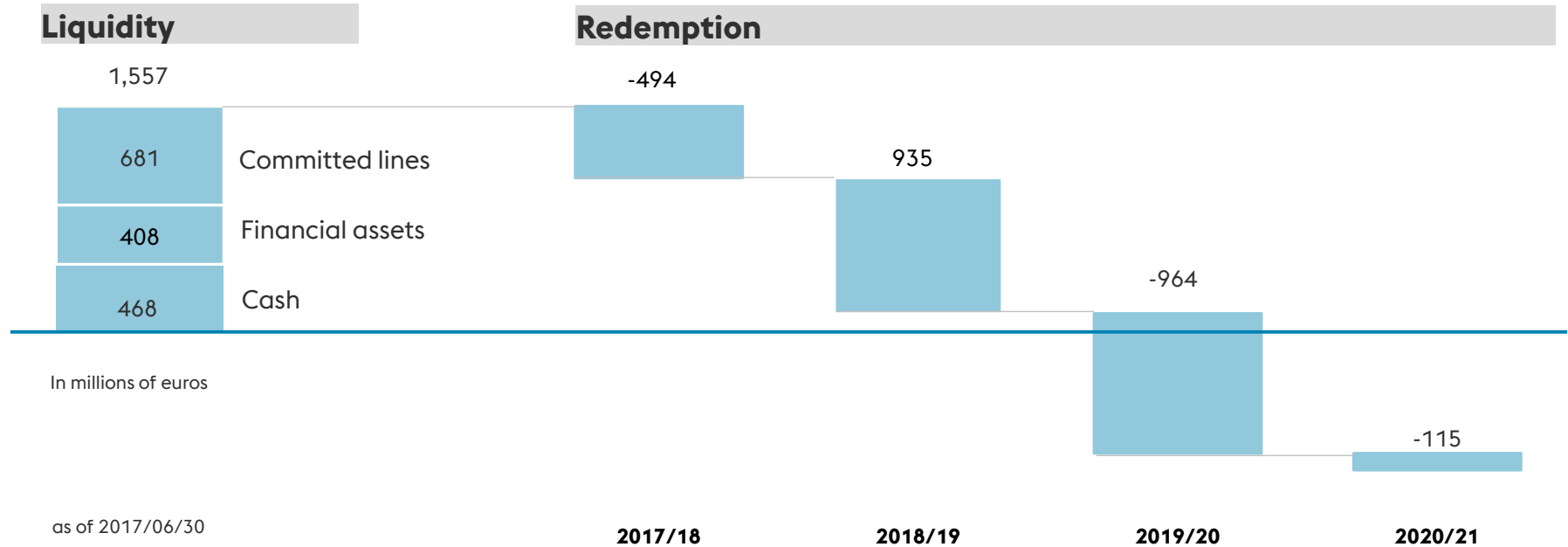
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DEVELOPEMENT GEARING RATIO



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LIQUIDITY AND REDEMPTION SCHEDULE



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OUTLOOK

- » Worldwide growth gaining momentum, but political threats rising
- » Impact of US economic policy on global trade flows hard to predict
- » Growth driven by Asia – foremost China, enhanced support from Europe
- » After long-lasting recession in Brazil & Russia first cautious signs of (possible) trend reversals
- » Further step-by-step recovery of oil & gas sector, European building/ construction industry with positive trend, railway infrastructure showing mixed signals
- » Unchanged solid development of automotive, consumer goods, machine building and aviation industries expected
- » Realistic forecast for H2 2017/18 difficult due to volatility of raw material prices

Outlook 2017/18: Substantially positive development of revenue & earnings



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