

BUSINESS YEAR 2020/21

2nd QUARTER, 1st HALF

Investor Relations
NOVEMBER 2020

voestalpine GROUP

MANAGEMENT ATTENTION

- » **In past years** we have pursued a strategic course to strengthen quality and technology leadership
 - » Broadened global footprint of voestalpine Group
 - » State-of-the-art facilities due to meaningful investments and maintenance capex
- » **At present** we focus on optimizing existing technology, cash generation and reduction of net debt
 - » Extensive working capital management and rational capex cuts
 - » But, continuation of selected investments to maintain technological edge
 - » Implementation of comprehensive cost-cutting & restructuring measures

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BUSINESS ENVIRONMENT H1 BY 2020/21

- » Uneven regional economic development in H1 2020/21
 - » China back on level before COVID-19
 - » Europe and North America slump in Q1 followed by recovery in Q2 2020/21
 - » Brazil recovery delayed, but positive signs visible recently
- » Fast rebound in major customer segments in Q2 2020/21 after difficult Q1
 - » Strong upturn in automotive industry after complete production shutdown in Q1
 - » Recovery in consumer goods- and building industry, moderate improvement in mechanical engineering industry
 - » Railway systems & storage technology continue performance on high level
 - » Unchanged challenging conditions in aviation and oil & gas sectors

DEVELOPMENT OF DIVISIONS H1 BY 2020/21

STEEL DIVISION

BUSINESS DEVELOPMENT H1 BY 2020/21

- » Lockdowns in Europe determined development in Q1, broad-based recovery of demand in Q2
 - » Rebound of automotive industry
 - » Recovery of Consumer goods and building industry
 - » Positive signs in mechanical engineering
 - » Oil and gas unchanged difficult but unique product portfolio of voestalpine supports performance of heavy plate business
- » Restart of idled blast furnace in September
- » HBI suffering from high iron ore and low scrap prices
- » Further improvements in H2 2020/21 expected
 - » Demand expected to stay healthy in H2 2020/21
 - » Price increases from Q3 2020/21 on expected

| €m | Q1 20/21 | Q2 20/21 | H1 20/21 | H1 19/20 | Delta in % |
|----------|-------------|-------------|--------------|-------------|---------------|
| Revenue | 835 | 996 | 1,831 | 2,321 | -21.1 |
| EBITDA | 68 | 93 | 162 | 261 | -38.0 |
| EBITDA-% | 8.2% | 9.4% | 8.8% | 11.2% | |
| EBIT | -14 | -155 | -169 | 81 | -308.3 |
| EBIT-% | -1.6% | -15.6% | -9.2% | 3.5% | |

HIGH PERFORMANCE METALS DIVISION

BUSINESS DEVELOPMENT H1 BY 2020/21

- » Low demand for special materials for aerospace- and oil and gas industry
- » Only very moderate recovery in tool steel business
 - » Europe showing only very moderate demand improvements
 - » North America with low demand in addition to market restrictions from Sec. 232
 - » China back to pre-crisis level
- » Comprehensive restructuring and cost cutting projects initiated
- » Only moderate upturn in H2 20/21 expected

| €m | Q1 20/21 | Q2 20/21 | H1 20/21 | H1 19/20 | Delta in % |
|----------|-------------|-------------|-------------|-------------|---------------|
| Revenue | 527 | 534 | 1,062 | 1,501 | -29.3 |
| EBITDA | 40 | 36 | 77 | 177 | -56.7 |
| EBITDA-% | 7.7% | 6.8% | 7.2% | 11.8% | |
| EBIT | -2 | -5 | -6 | 92 | -106.7 |
| EBIT-% | -0.3% | -0.9% | -0.6% | 6.2% | |

METAL ENGINEERING DIVISION

BUSINESS DEVELOPMENT H1 BY 2020/21

- » Railway Systems with stable strong development in H1 2020/21
 - » Seasonal weaker demand in H2 2020/21 expected
- » Weak demand in wire business in H1 2020/21
 - » Improved demand from automotive recovery very recently
- » Very low demand for OCTG products pressures Tubulars business
- » Welding business performing reasonable in sluggish market environment
- » Stable development in H2 2020/21 expected
 - » Improvements in Wire and Welding business offsetting seasonal weakness in railways business

| €m | Q1 20/21 | Q2 20/21 | H1 20/21 | H1 19/20 | Delta in % |
|----------|-------------|-------------|-------------|-------------|---------------|
| Revenue | 669 | 667 | 1,336 | 1,538 | -13.1 |
| EBITDA | 55 | 56 | 110 | 172 | -36.0 |
| EBITDA-% | 8.2% | 8.3% | 8.3% | 11.2% | |
| EBIT | 10 | -20 | -10 | 76 | -112.6 |
| EBIT-% | 1.5% | -3.0% | -0.7% | 5.0% | |

METAL FORMING DIVISION

BUSINESS DEVELOPMENT H1 BY 2020/21

- » Strong rebound in Q2 2020/21 in Automotive Components business after production shutdown in Q1 2020/21
- » Tubes & Sections improving due to positive demand in solar, commercial vehicle and storage technology sectors
- » Precision Strip performing on solid levels
- » All time high order intake in Warehouse & Rack Solutions
- » Further improvements in H2 2020/21 expected

| €m | Q1 20/21 | Q2 20/21 | H1 20/21 | H1 19/20 | Delta in % |
|----------|-------------|-------------|--------------|-------------|---------------|
| Revenue | 456 | 637 | 1,093 | 1,453 | -24.8 |
| EBITDA | 15 | 66 | 80 | 107 | -25.2 |
| EBITDA-% | 3.2% | 10.3% | 7.3% | 7.4% | |
| EBIT | -21 | 31 | 10 | 38 | -74.0 |
| EBIT-% | -4.5% | 4.8% | 0.9% | 2.6% | |

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FINANCIAL HIGHLIGHTS H1 2020/21

EBITDA
395m EUR

666m EUR
in H1
2019/20

Free cash flow
281m EUR

-183m EUR
in H1
2019/20

Gearing Ratio
66%

75%
per
2019/09/30

Liquidity
1,976m EUR

1,895m EUR
per
2019/09/30

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FINANCIAL OVERVIEW

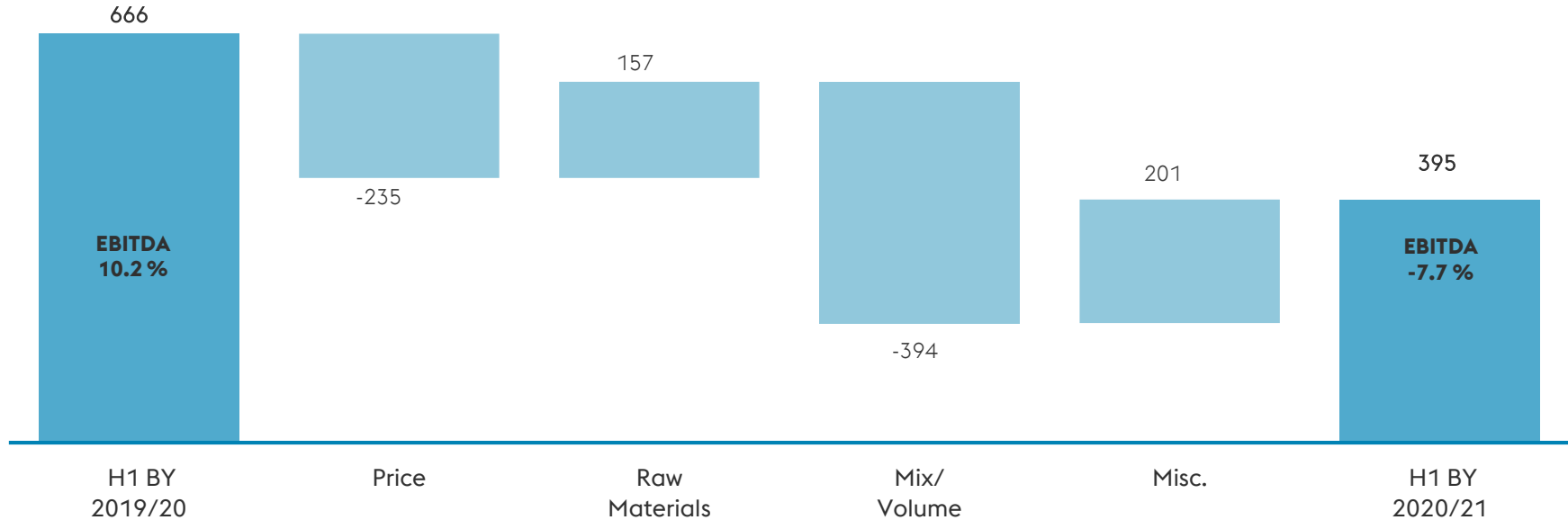
| | H1 BY 2019/20 2019/04/01-2019/09/30 | H1 BY 2020/21 2020/04/01-2020/09/30 | Delta % |
|----------------------------------|---|---|-------------------|
| Revenue | 6,542 | 5,110 | -21.9 |
| EBITDA | 666 | 395 | -40.6 |
| EBITDA margin | 10.2 % | 7.7 % | |
| EBIT | 230 | -215 | -193.6 |
| EBIT margin | 3.5 % | -4.2 % | |
| Profit before tax | 163 | -268 | -264.6 |
| Profit after tax* | 115 | -276 | -339.4 |
| EPS – earnings per share (euros) | 0.54 | -1.53 | -383.3 |

In millions of euros

* Before deduction of interest on hybrid capital (where relevant) and non-controlling interests.

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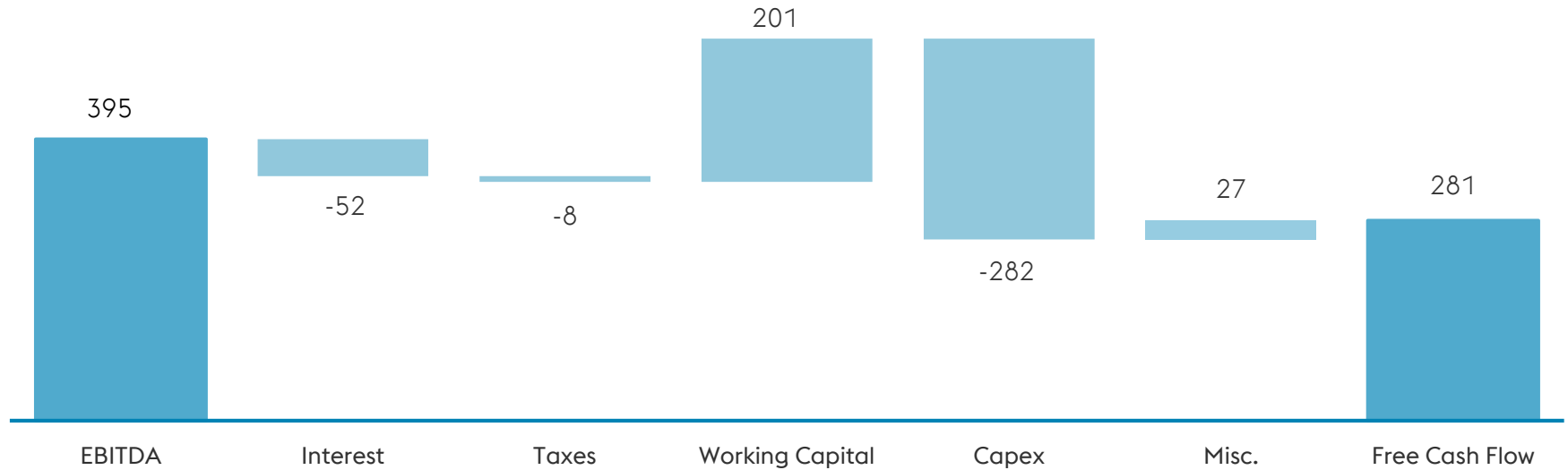
DEVELOPMENT EBITDA H1 BY 2020/21



In millions of euros

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FROM EBITDA TO FREE CASH FLOW H1 BY 2020/21



In millions of euros

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DEVELOPMENT CASH FLOW

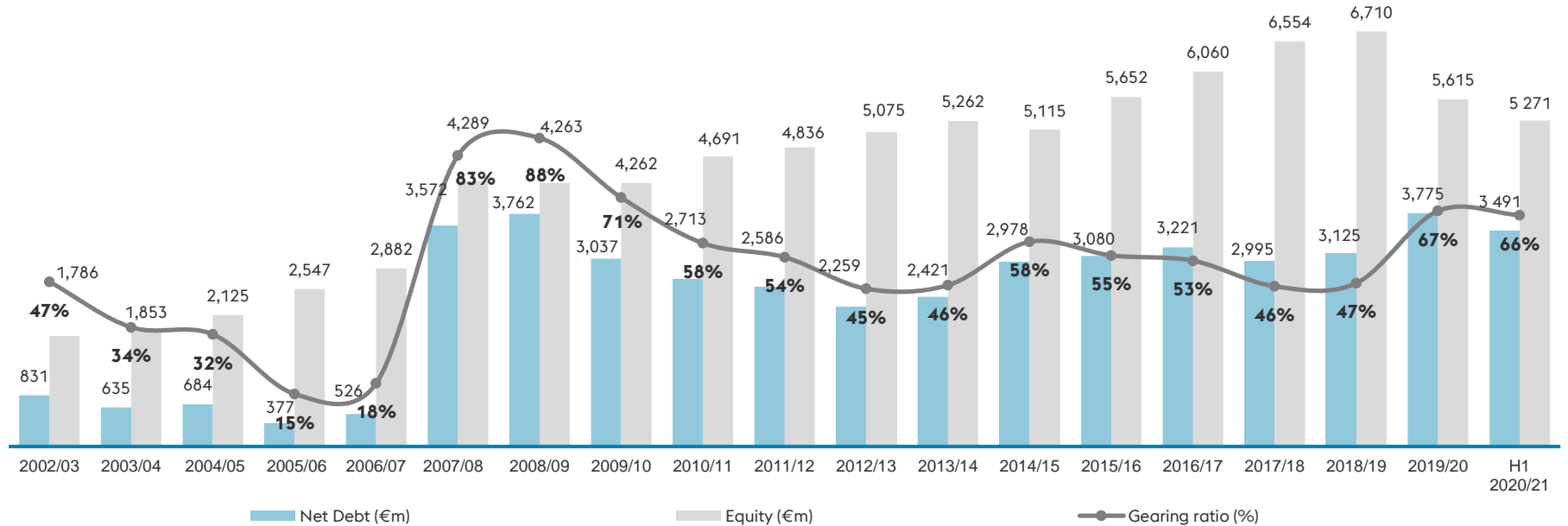
| | H1 BY 2019/20 2019/04/01-2019/09/30 | H1 BY 2020/21 2020/04/01-2020/09/30 |
|--|---|---|
|--|---|---|

| | | |
|-------------------------------------|------|------|
| Cash flow from results | 538 | 362 |
| Changes in working capital | -336 | 201 |
| Cash flow from operating activities | 202 | 563 |
| Cash flow from investing activities | -385 | -282 |
| Free cash flow | -183 | 281 |

In millions of euros

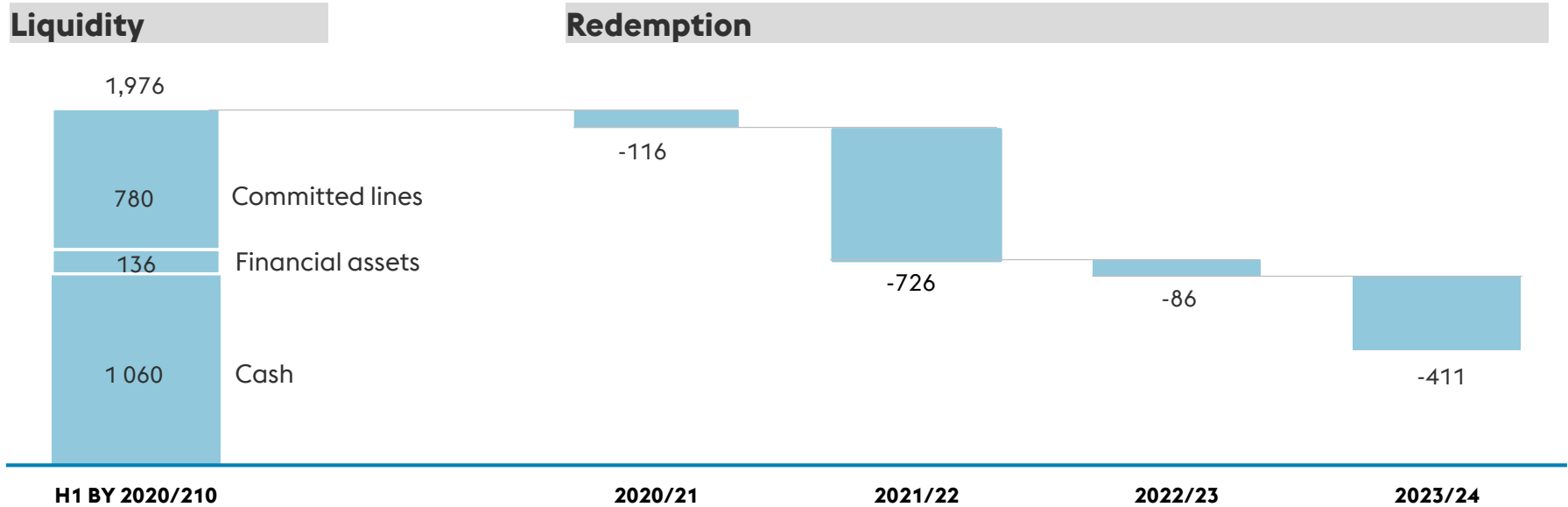
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DEVELOPEMENT GEARING RATIO



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LIQUIDITY AND REDEMPTION SCHEDULE

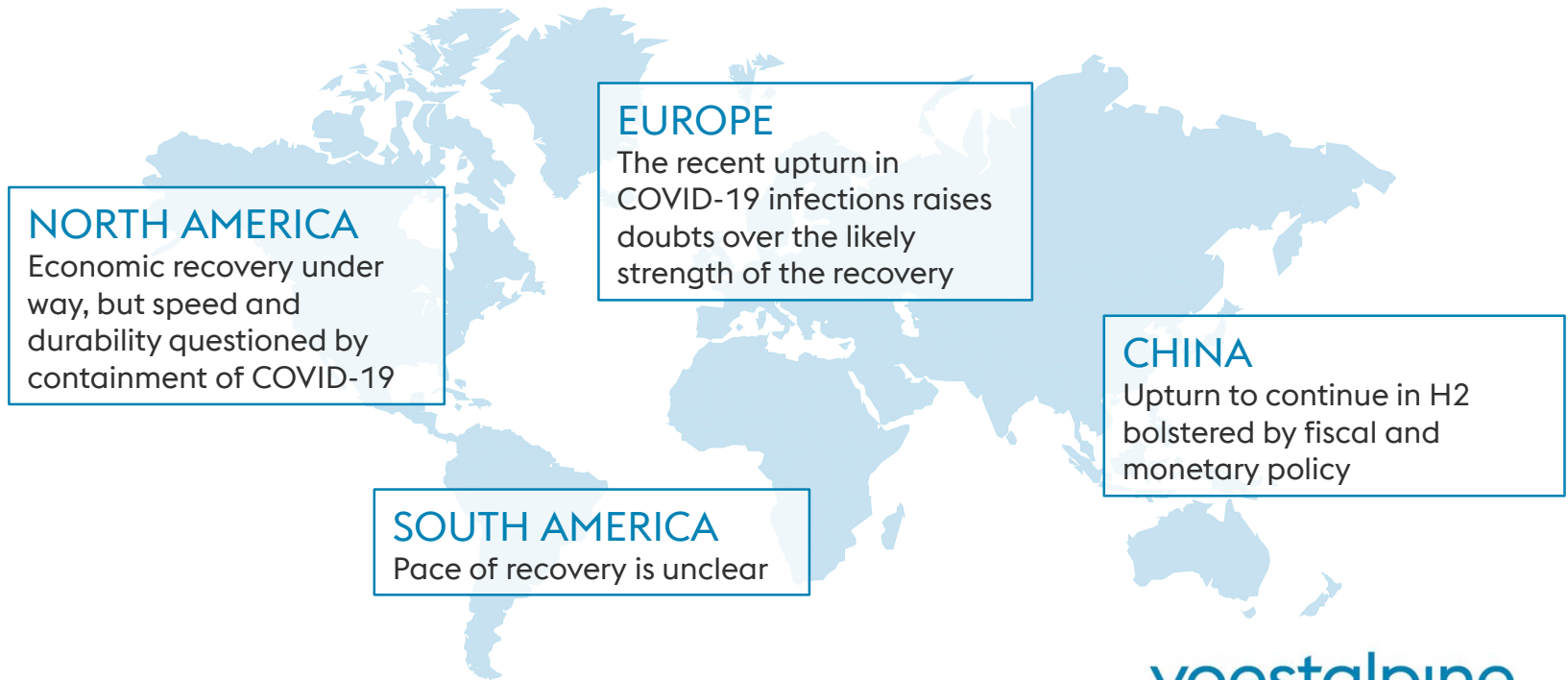


In millions of euros
as of 2020/09/30

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GLOBAL ECONOMIC SITUATION – OUTLOOK 2020



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Outlook BY 2020/21

EBITDA
800m – 1bn EUR

CAPEX
c. 600m EUR

Gearing Ratio
stable relative to
2020/09/30

Free Cash Flow
positive

- » Current pandemic situation adds uncertainty to forecast
- » Despite rising COVID-19 infections, positive demand trend expected to continue in H2 2020/21
- » Apart of aviation and oil & gas sectors, continuation of upturn in all other major customer segments expected
- » Unchanged focus on cost optimization, working capital management and low capex
- » High management attention on Cash Flow and balance sheet
- » Assuming no significant additional economic constraints from COVID-19, EBITDA expected to reach between 800m EUR and 1bn EUR

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