

BUSINESS YEAR 2018/19

1st QUARTER

Investor Relations
SEPTEMBER 2018

voestalpine GROUP

OVERVIEW – BUSINESS MODEL

- » 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
- » 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

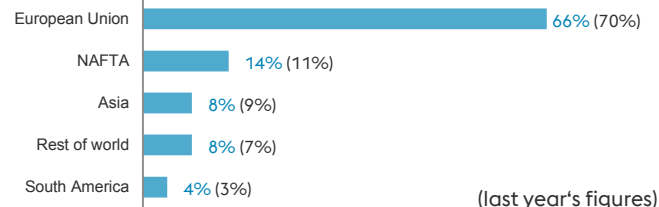


INCREASING NON-EU-BUSINESS, MOBILITY-SECTOR STABLE

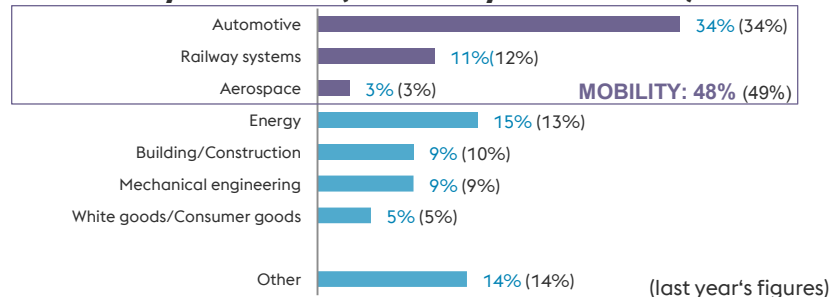
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3 | September, 2018 | Investor Relations

Revenue by regions (Business year 2017/18)



Revenue by industries (Business year 2017/18)



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ONE STEP AHEAD.

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BUSINESS YEAR Q1 2018/19

- » Continuation of overall positive economic trends in Q1 2018/19
 - » With exemption of railway infrastructure, development of core customer segments in Europe on healthy level
 - » Still solid sentiment in North America, future implications of US walls-up policy hardly predictable. US-Mexico agreement step into right direction (?)
 - » voestalpine relevant industries in China – automotive, consumer goods & railway infrastructure – stable
 - » Slight recovery in Brazil, however sustainable upturn still far away
- » Group-EBIT with 324m EUR in Q1 2018/19 below preceding Q4 2017/18-figure (345m EUR) mainly due to blast furnace relining in the Steel Division since early June
- » YTD-build up of working capital expected to reverse over summer after working up semi-finished products during blast furnace repairs

STEEL DIVISION

BUSINESS DEVELOPMENT Q1 BY 2018/19

- » Prolongation of positive business environment
 - » Stable strong order intake from automotive, consumer goods, machine building & construction industries
 - » Implementation of safeguard measures in Europe as response to protective US-tariffs on steel imports
- » Intensified project activities in oil & gas sector
 - » Solid deep-sea pipeline business (cladded heavy plate)
- » Start of (scheduled) blast furnace relining in June
 - » First effects on earnings already in Q1, intense impact in Q2 2018/19
 - » Planned restart of facility in 2nd half of September

| €m | Q1 17/18 | Q2 17/18 | Q3 17/18 | Q4 17/18 | Q1 18/19 | Delta in % |
|----------|-------------|-------------|-------------|-------------|-------------|---------------|
| Revenue | 1,213 | 1,086 | 1,176 | 1,298 | 1,276 | 5.2 |
| EBITDA | 228 | 215 | 210 | 256,0 | 224 | -1.7 |
| EBITDA-% | 18.8% | 19.8% | 17.8% | 19.7% | 17.5% | |
| EBIT | 150 | 138 | 131 | 174 | 145 | -3.5 |
| EBIT-% | 12.4% | 12.7% | 11.1% | 13.4% | 11.4% | |

HIGH PERFORMANCE METALS DIVISION

BUSINESS DEVELOPMENT Q1 BY 2018/19

- » Dynamics in core industries unchanged strong
 - » Automotive and consumer goods industries as powerful driving forces for excellent tool steel demand
 - » Business activities in aviation sector stable on high level
 - » Increasing order intake for high-tech materials in oil & gas drilling & first deliveries of additive manufactured components (3D-printing technology)
- » Attractive order situation in Europe – no negative effects on HPM-Division from Brexit so far
- » Development in North America only moderate
 - » Protectionist US-policy with impact on value chains in toolmaking
- » Brazil: improving home market but challenging US exports
- » China still on high level, but easing momentum

| €m | Q1 17/18 | Q2 17/18 | Q3 17/18 | Q4 17/18 | Q1 18/19 | Delta in % |
|----------|-------------|-------------|-------------|-------------|--------------|---------------|
| Revenue | 739 | 692 | 704 | 783 | 780 | 5.5 |
| EBITDA | 127 | 99 | 103 | 125 | 129 | 1.4 |
| EBITDA-% | 17.2% | 14.3% | 14.6% | 15.9% | 16.6% | |
| EBIT | 90 | 63 | 67 | 79 | 92 | 2.6 |
| EBIT-% | 12.1% | 9.0% | 9.5% | 10.0% | 11.8% | |

METAL ENGINEERING DIVISION

BUSINESS DEVELOPMENT Q1 BY 2018/19

- » Varying conditions in railway infrastructure markets
 - » Only slowly improving demand & still strong price competition in European rail market
 - » Significantly better performance in turnouts sector globally due to strong overall market position
 - » Postponement of railway infrastructure projects in China
 - » Recovery of heavy haul business in North America
- » Wire Technology benefits strongly from new wire rod mill, healthy automotive demand
- » Seamless tubes: Further upswing in oil & gas drilling activities in North America but Q1 partly affected by US tariffs (Sec. 232)

| €m | Q1 17/18 | Q2 17/18 | Q3 17/18 | Q4 17/18 | Q1 18/19 | Delta in % |
|----------|-------------|-------------|-------------|-------------|-------------|---------------|
| Revenue | 770 | 741 | 728 | 751 | 800 | 3.9 |
| EBITDA | 87 | 91 | 84 | 110 | 99 | 13.0 |
| EBITDA-% | 11.3% | 12.2% | 11.5% | 14.7% | 12.3% | |
| EBIT | 47 | 34 | 43 | 67 | 56 | 19.8 |
| EBIT-% | 6.1% | 4.6% | 5.8% | 8.9% | 7.0% | |

METAL FORMING DIVISION

BUSINESS DEVELOPMENT Q1 BY 2018/19

- » Strong order intake in Automotive Components in Europe
 - » Further rising EU-car sales in H1 2018
 - » Start-up-activities in the US and China translating more and more into regular operations in the course of BY 2018/19
- » Sentiment in Tubes & Sections broadly stable
 - » Steady growth in European core markets, however easing dynamics in UK due to BREXIT
 - » Volatile order situation in the US (protective measures)
 - » Slightly improving economic environment in Brazil
- » Still solid order intake in Precision Strip business after boom situation last year
- » Continuously positive momentum in Warehouse & Rack Solutions

| €m | Q1 17/18 | Q2 17/18 | Q3 17/18 | Q4 17/18 | Q1 18/19 | Delta in % |
|----------|-------------|-------------|-------------|-------------|-------------|---------------|
| Revenue | 673 | 649 | 676 | 746 | 748 | 11.2 |
| EBITDA | 89 | 75 | 73 | 89 | 84 | -4.7 |
| EBITDA-% | 13.2% | 11.6% | 10.7% | 11.9% | 11.3% | |
| EBIT | 61 | 47 | 44 | 60 | 56 | -9.1 |
| EBIT-% | 9.1% | 7.3% | 6.5% | 8.0% | 7.5% | |

FINANCIAL OVERVIEW

Q1 BY 2018/19

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FINANCIAL OVERVIEW

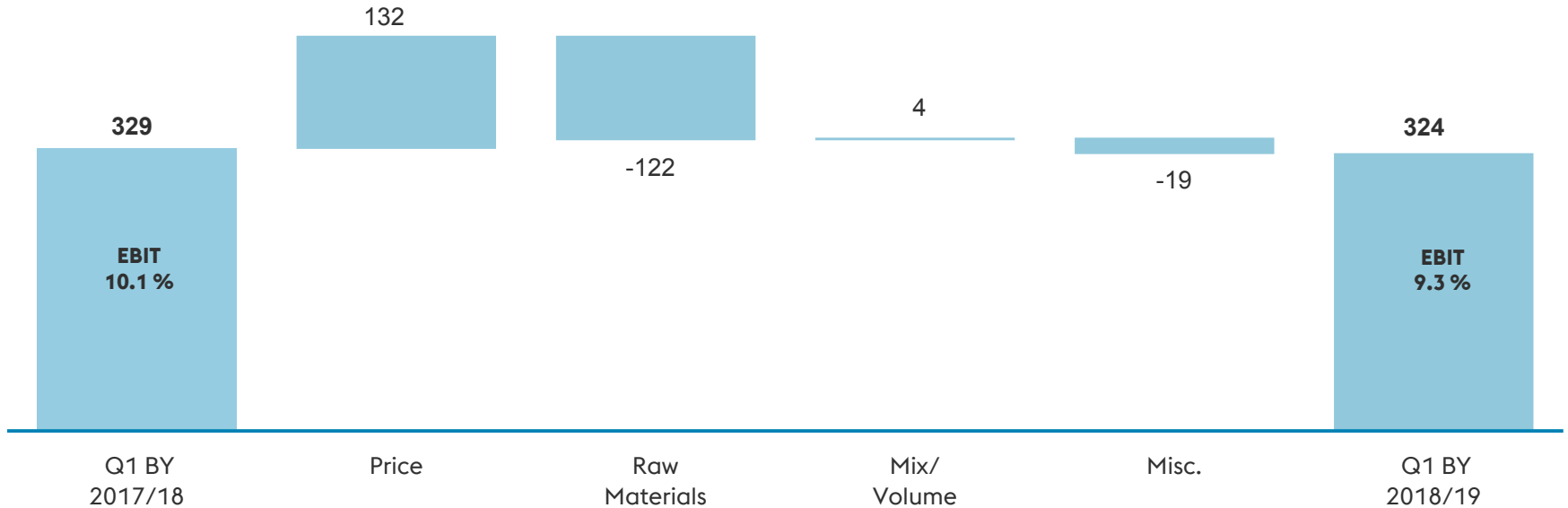
| | Q1 BY 2017/18 2017/04/01-2017/06/30 | Q1 BY 2018/19 2018/04/01-2018/06/30 | Delta % |
|----------------------------------|---|---|-------------------|
| Revenue | 3,252 | 3,469 | +6.7 |
| EBITDA | 514 | 513 | -0.2 |
| EBITDA margin | 15.8 % | 14.8 % | |
| EBIT | 329 | 324 | -1.5 |
| EBIT margin | 10.1 % | 9.3 % | |
| Profit before tax | 292 | 294 | +0.6 |
| Profit after tax ¹ | 218 | 224 | +2.7 |
| EPS – earnings per share (euros) | 1.18 | 1.21 | +2.5 |

In millions of euros

¹Before deduction of non-controlling interests and interest on hybrid capital.

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DEVELOPMENT EBIT Q1 BY 2018/19



In millions of euros

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DEVELOPMENT CASH FLOW

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

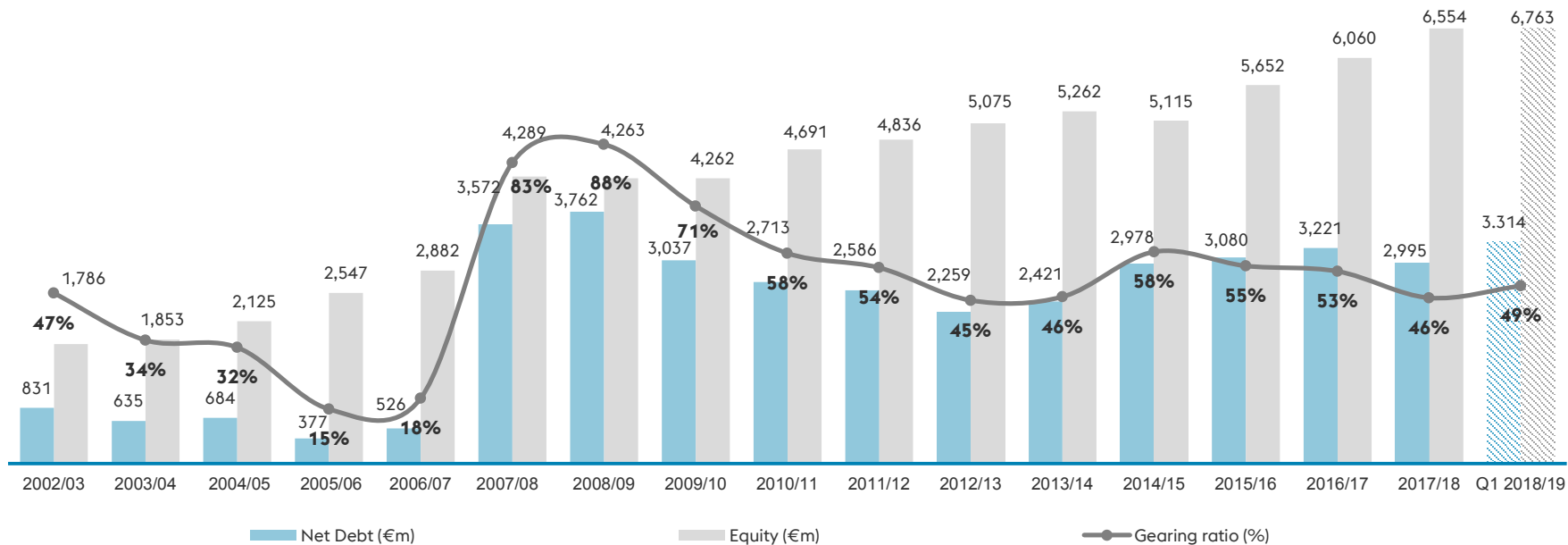
Q1 BY 2018/19
2018/04/01-2018/06/30

| | | |
|-------------------------------------|------|------|
| Cash flow from results | 414 | 369 |
| Changes in working capital | -393 | -372 |
| Cash flow from operating activities | 21 | -3 |
| Cash flow from investing activities | -213 | -291 |
| Free cash flow | -192 | -294 |

In millions of euros

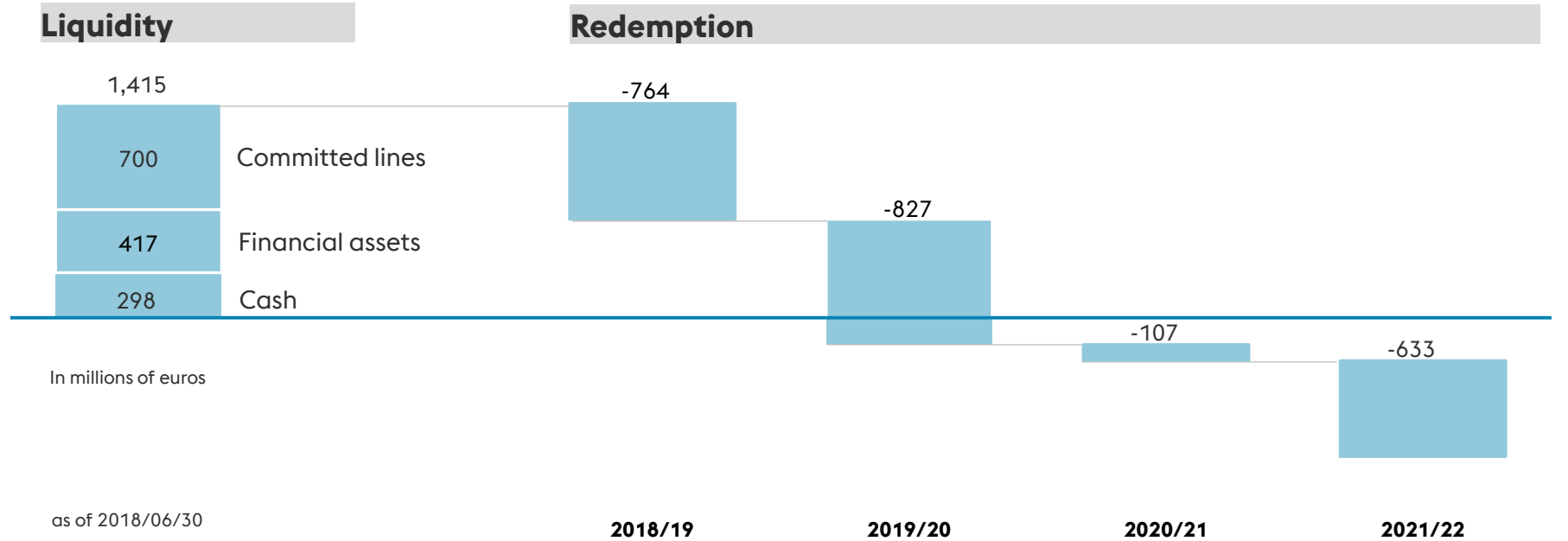
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DEVELOPEMENT GEARING RATIO



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LIQUIDITY AND REDEMPTION SCHEDULE



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OUTLOOK BY 2018/19

- » Worldwide economic sentiment seems robust until end of CY 2018
 - » However rising potential for serious threats because of US- (and increasingly other countries') protectionist measures
 - » 2nd quarter negatively impacted by blast furnace relining in Steel Division
- » Ramp-ups of several new plants expected to translate into full operation in the course of H2 2018/19
- » Improving sentiment in railway infrastructure as well as further recovery in oil & gas sector expected

IN A GEOPOLITICALLY "BLUE SKY SCENARIO" 2018/19
EARNINGS ON SIMILAR LEVEL AS IN 2017/18



INVESTOR RELATIONS

Peter Fleischer

T. +43/50304/15-9949

peter.fleischer@voestalpine.com

Gerald Resch

T. +43/50304/15-3152

gerald.resch@voestalpine.com