

BAADER INVESTMENT CONFERENCE 2022

Investor Relations
SEPTEMBER 2022

voestalpine GROUP

BUSINESS ENVIRONMENT Q1 BY 2022/23

- » Robust demand situation in Q1 despite cooling of economic climate
 - » Europe: soaring energy prices drive up inflation and negatively impact consumer confidence
 - » USA: decreasing sentiment due to tightening of monetary policy
 - » Brazil: strongly rising interest rates as consequence of high inflation
 - » China: zero-COVID policy curbed economic development
- » Rail technology, energy, storage technology and aerospace with positive momentum in Q1, moderate improvement in automotive
- » Slowing dynamics towards end of Q1 in consumer goods and building and construction projects
- » Sale of 80% of HBI-plant in Texas completed end of Q1
- » Q1 with best quarterly EBITDA (879m EUR) ever
- » Gearing ratio reduced to below 30 % despite substantial working capital build-up

DEVELOPMENT OF DIVISIONS Q1 BY 2022/23

STEEL DIVISION

BUSINESS DEVELOPMENT Q1 BY 2022/23

€m	Q1 21/22	Q2 21/22	Q3 21/22	Q4 21/22	Q1 22/23	Delta in %
Revenue	1,206	1,262	1,433	1,801	1,826	+51.4
EBITDA	245	243	272	391	527	+114.9
EBITDA-%	20.3%	19.3%	18.9%	21.7%	28.8%	
EBIT	179	178	207	326	462	+158.3
EBIT-%	14.8%	14.1%	14.4%	18.1%	25.3%	

STEEL DIVISION

BUSINESS DEVELOPMENT Q1 BY 2022/23

- » Development in Q1 2022/23
 - » Highly volatile business environment in European steel sector as consequence of the war in Ukraine
 - » In general favorable steel price situation based on high energy & raw material prices
 - » Gratifying demand development in most industry segments, automotive sector slightly up from low level
 - » However, destocking effects visible toward the end of business quarter
 - » Heavy Plate business with strong order intake due to brisk demand from energy industry
- » Current situation & Outlook
 - » Decrease of steel prices on spot markets affecting voestalpine steel business with time-lag
 - » In addition, extremely high and volatile energy prices expected to impact gross margins
 - » No meaningful recovery in automotive after summer visible, also cautious view on consumer goods, mechanical engineering and building industries, on-going positive trend in energy sector
 - » Capacity curtailments in European steel sector

HIGH PERFORMANCE METALS DIVISION

BUSINESS DEVELOPMENT Q1 BY 2022/23

€m	Q1 21/22	Q2 21/22	Q3 21/22	Q4 21/22	Q1 22/23	Delta in %
Revenue	704	721	736	891	959	+36.2
EBITDA	101	90	78	130	146	+44.3
EBITDA-%	14.4%	12.5%	10.6%	14.5%	15.2%	
EBIT	61	51	39	76	108	+75.4
EBIT-%	8.7%	7.0%	5.3%	8.5%	11.2%	

HIGH PERFORMANCE METALS DIVISION

BUSINESS DEVELOPMENT Q1 BY 2022/23

- » Development in Q1 2022/23
 - » Robust performance on high level of HPM Division
 - » Increasing cost burden from raw materials & energy successfully passed on in Europe, however limited capability in oversea markets
 - » Tool steel: automotive sector as driver for positive order intake, slightly weaker trend in consumer goods industry
 - » Special materials: recovery in aerospace and oil & gas sectors prolonged
 - » Construction of new special steel plant in Kapfenberg completed end of Q1
- » Current situation & Outlook
 - » Slowing trends in tool steel for automotive and consumer goods industries expected
 - » In contrast, positive development in aerospace as well as oil & gas sectors expected to proceed
 - » Broad product and market positioning partially compensate for market weaknesses
 - » Ramp-up cost from new Kapfenberg-plant through-out BY 2022/23

METAL ENGINEERING DIVISION

BUSINESS DEVELOPMENT Q1 BY 2022/23

€m	Q1 21/22	Q2 21/22	Q3 21/22	Q4 21/22	Q1 22/23	Delta in %
Revenue	801	814	858	903	1,042	+30.1
EBITDA	96	104	87	119	121	+26.0
EBITDA-%	12.0%	12.7%	10.1%	13.2%	11.6%	
EBIT	52	59	43	74	77	+48.4
EBIT-%	6.5%	7.3%	5.0%	8.2%	7.4%	

METAL ENGINEERING DIVISION

BUSINESS DEVELOPMENT Q1 BY 2022/23

- » Development in Q1 2022/23
 - » Railway Systems: rail deliveries in European core markets on good level, global satisfactory demand for turnout systems
 - » Wire Technology: somewhat easing dynamics in course of Q1 after strong start into BY 2022/23
 - » Tubulars: improved market conditions in oil & gas sector as well as lower burden from US-tariffs bolster profitability
 - » Welding: favorable market conditions in Europe & South America; China and USA somewhat behind expectations
- » Current situation & Outlook
 - » Strong order backlog in Railway Systems reaching into next year, seasonally weaker performance in H2 2022/23
 - » Decreasing order intake in Wire business due to on-going supply chain issues in automotive
 - » OCTG business expected to continue on high level
 - » Weakening sentiment in Welding in Europe and US in forthcoming months

METAL FORMING DIVISION

BUSINESS DEVELOPMENT Q1 BY 2022/23

€m	Q1 21/22	Q2 21/22	Q3 21/22	Q4 21/22	Q1 22/23	Delta in %
Revenue	826	792	836	1,021	1,039	+25.8
EBITDA	105	87	90	153	114	+9.1
EBITDA-%	12.7%	10.9%	10.7%	14.9%	11.0%	
EBIT	68	50	52	51	78	+14.6
EBIT-%	8.2%	6.3%	6.2%	5.0%	7.5%	

METAL FORMING DIVISION

BUSINESS DEVELOPMENT Q1 BY 2022/23

- » Development in Q1 2022/23
 - » Mixed development in Automotive Components: volatile order call offs in Europe, somewhat better utilization rates in China and the US
 - » Twofold situation at Tubes and Sections
 - » Project deferrals in building industry, weaker demand from agricultural and construction machinery due to supply chain issues
 - » Commercial vehicle sector and solar industry with unchanged strong demand
 - » Continuation of excellent performance in Precision Strip and Warehouse & Rack Solutions business
- » Current situation & Outlook
 - » Broadly unchanged development in automotive sector as most realistic scenario
 - » Tubes & Sections: further downswing in basic customer segments with volatility of call-offs expected to increase, persisting strong demand in solar business
 - » Forecast in Precision Strip for coming months remains favorable
 - » Very high order backlog supporting development in Warehouse & Rack Solutions business

FINANCIAL OVERVIEW

Q1 BY 2022/23

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FINANCIAL OVERVIEW

	Q1 BY 2021/22** 2021/04/01-2021/06/30	Q1 BY 2022/23 2022/04/01-2022/06/30	Delta %
Revenue	3,374	4,645	+37.7
EBITDA	522	879	+68.5
EBITDA margin	15.5%	18.9%	
EBIT	332	693	+109.0
EBIT margin	9.8%	14.9%	
Profit before tax	311	670	+115.6
Profit after tax from continuing operations	251	523	+108.3
Profit after tax from discontinued operations	8	91	+1,053.2
Profit after tax*	259	615	+137.1
EPS – earnings per share (euros)	1.42	3.34	+135.2

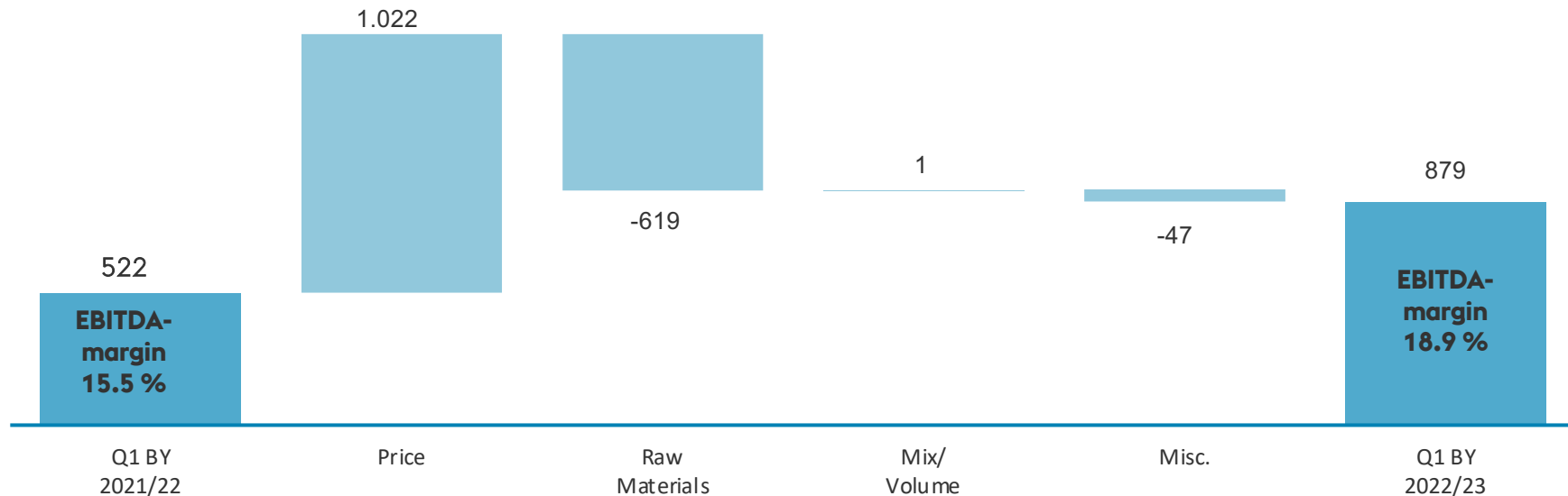
In millions of euros

* Before deduction of non-controlling interests.

** Q1 BY 2021/22 partially adjusted retrospectively.

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YoY DEVELOPMENT EBITDA Q1 BY 2022/23



In millions of euros

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DEVELOPMENT CASH FLOW

Q1 BY 2021/22
2021/04/01-2021/06/30

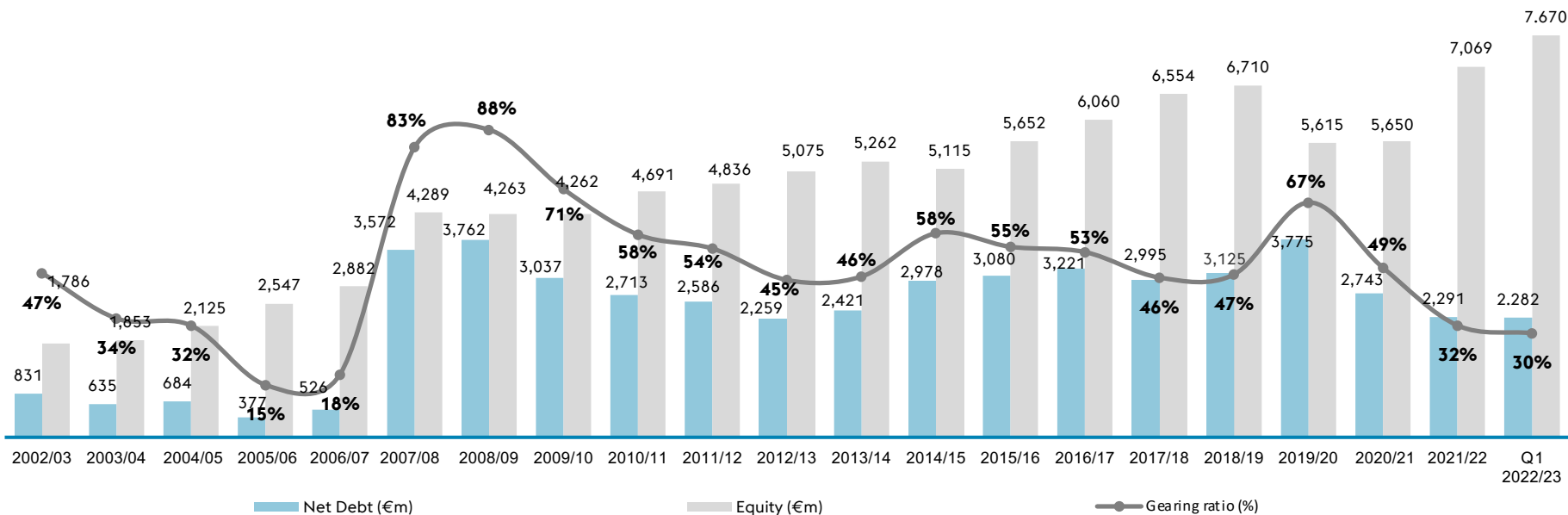
Q1 BY 2022/23
2022/04/01-2022/06/30

Cash flow from results	480	755
Changes in working capital	-208	-1,306
Cash flow from operating activities	272	-551
Cash flow from investing activities	-145	585
Free cash flow	127	34

In millions of euros

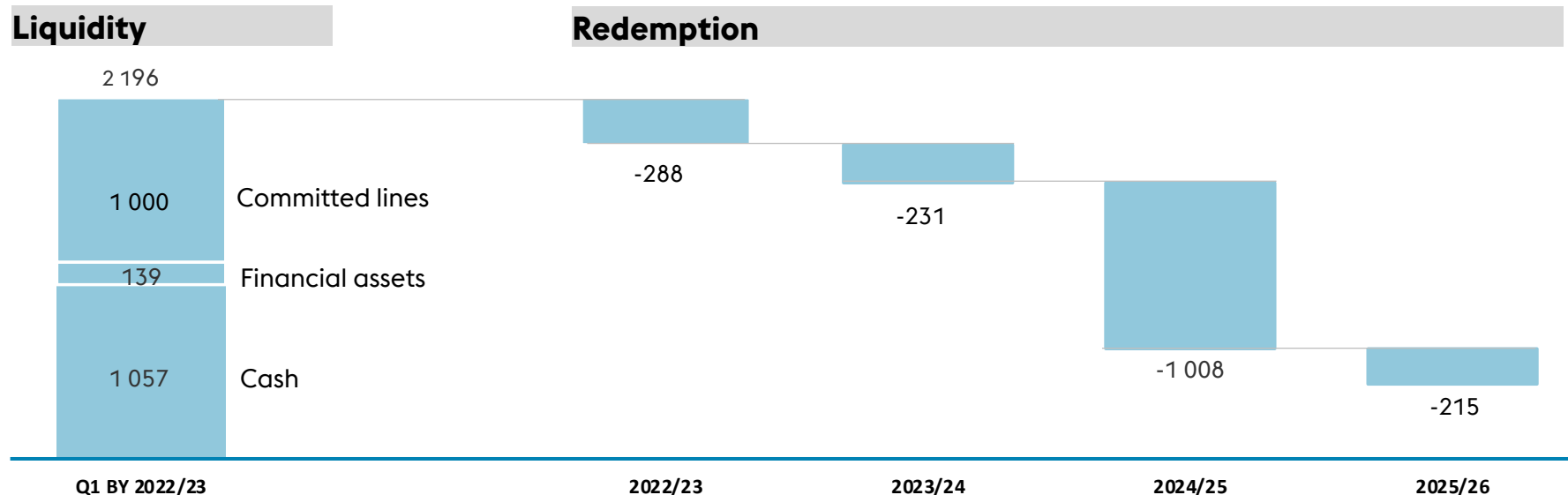
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DEVELOPEMENT GEARING RATIO



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LIQUIDITY AND REDEMPTION SCHEDULE



In millions of euros

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OUTLOOK BY 2022/23

- » Leading indicators point to an economic downturn for the remainder of BY 2022/23
 - » Soaring inflation rates and corresponding interest rate hikes cloud sentiment in Europe & the US
 - » Zero COVID-politics negatively impacts economy in China
- » In this environment, record results of Q1 remain beyond reach in subsequent quarters
 - » Steel margins expected to contract in course of BY 2022/23 due to declining steel prices combined with on-going high input cost (especially from energy)
- » voestalpine's specific positioning will mitigate the effects of the downturn
 - » Continued solid demand in railway infrastructure, aerospace and warehouse technology expected
 - » Energy sector expected to extend upwards trend
- » EBITDA-forecast for entire BY 2022/23 of about 2bn EUR

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