



Welcome!

voestalpine AG Annual Press Conference

Vienna, June 4, 2014

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Business Year 2013/14 – Market Environment

- **Very challenging global economic environment**
 - General business performance slightly below original expectations
 - Positive trend reversal began only in the fall of 2013
- **Uneven development of the global markets**
 - Stagnation in Europe until the end of 2013, revival since early 2014
 - Positive economic mood in the USA temporarily interrupted by “government shutdown” – since then stable upward trend
 - China maintains its trajectory of growth – 2013 GDP growth of 7.7%
 - Structural deficits in Brazil affect growth rates
 - Weak development continues in India and Russia



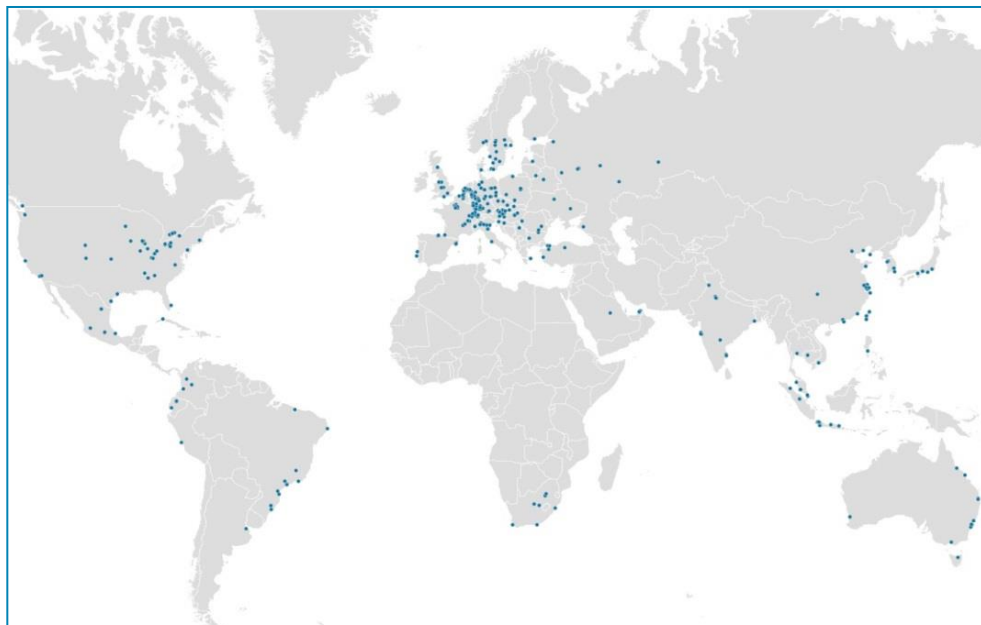
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Business Year 2013/14 – Highlights

- At **-2.6%**, revenue down slightly (declining prices triggered by falling pre-material costs and intense competition)
- Operating result (EBITDA) slightly below (**-3.4%**) and profit for the period minimally (**+0.2%**) above previous year
- Investments up from EUR 852 million to **EUR 944 million (+10.9%)**
- Equity up by another 3.7% to **EUR 5.3 billion**
- At **46%**, gearing ratio stable despite high level of investment
- Dividend per share rises from EUR 0.90 to **EUR 0.95**
- Number of employees goes up to **48,113 (+ 1,762 employees)**
- Groundbreaking for direct reduction plant in Texas (Group's largest ever foreign investment and largest US commitment by an Austrian company)



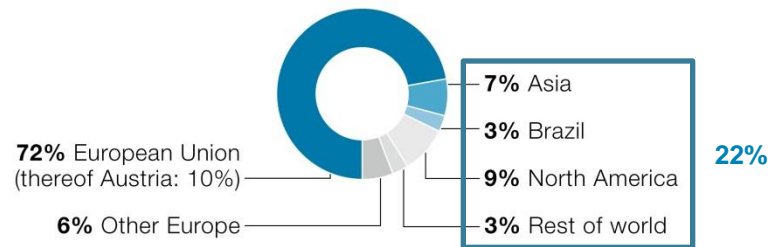
voestalpine Group Global Presence



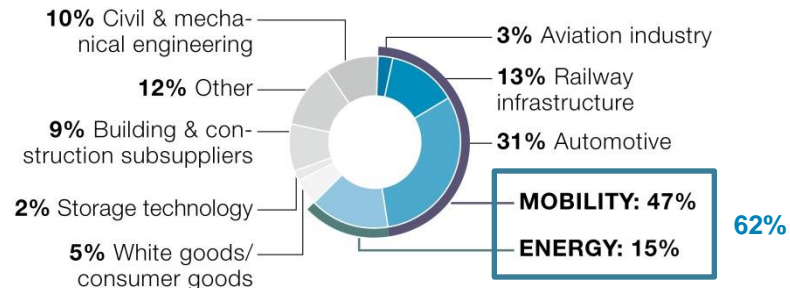
**500 Group companies and sites
50 countries – 5 continents**

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Revenue by regions (Business year 2013/14)



Revenue by industries (Business year 2013/14)



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Business Model

- High-tech steel as basis – processing of other materials as well (titanium, aluminum, etc.)
- Consistent “downstream strategy” → technology and capital goods group
- Combination of metallurgical know-how and leading processing expertise
→ new technical solutions and innovative products
- All 4 divisions global market/quality/technology leaders in their core segments
- Focus: markets with highest technology and quality requirements
→ mobility and energy (62% of revenue)
- Long-term R&D partnerships are key for innovation
- Lasting market, quality, technology, and earnings leadership
- Industry benchmark in Europe, including environmental standards and resource efficiency

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Overview of Key Figures

		2012/13	2013/14	Change in %
Revenue	in millions of EUR	11,524.4	11,228.0	-2.6
Operating result (EBITDA)	in millions of EUR	1,431.3	1,382.7	-3.4
Profit from operations (EBIT)	in millions of EUR	843.1	792.3	-6.0
Profit before tax (EBT)	in millions of EUR	654.7	656.0	0.2
Profit for the period	in millions of EUR	521.9	522.9	0.2
Earnings per share	EUR	2.61	2.60	
Dividend per share	EUR	0.90	0.95*	5.6
Employees (full-time equivalent as of March 31)		46.351	48.113	3.8

* As proposed to the Annual General Shareholders' Meeting

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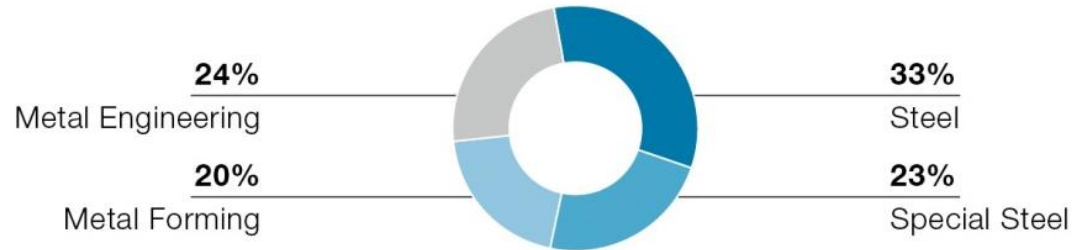
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Revenue by Divisions

- **Steel**
EUR 3,809.7 million 
- **Special Steel**
EUR 2,627.9 million 
- **Metal Engineering**
EUR 2,830.7 million 
- **Metal Forming**
EUR 2,356.9 million 

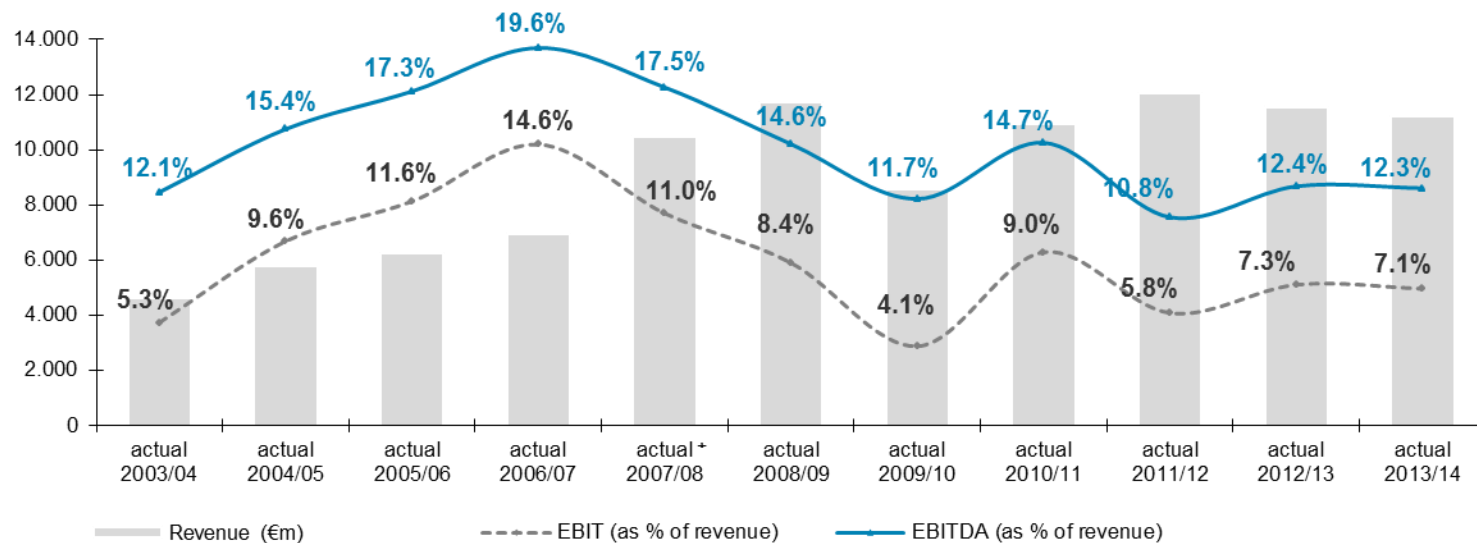
Revenue by divisions

As percentage of divisional revenue
Business year 2013/14



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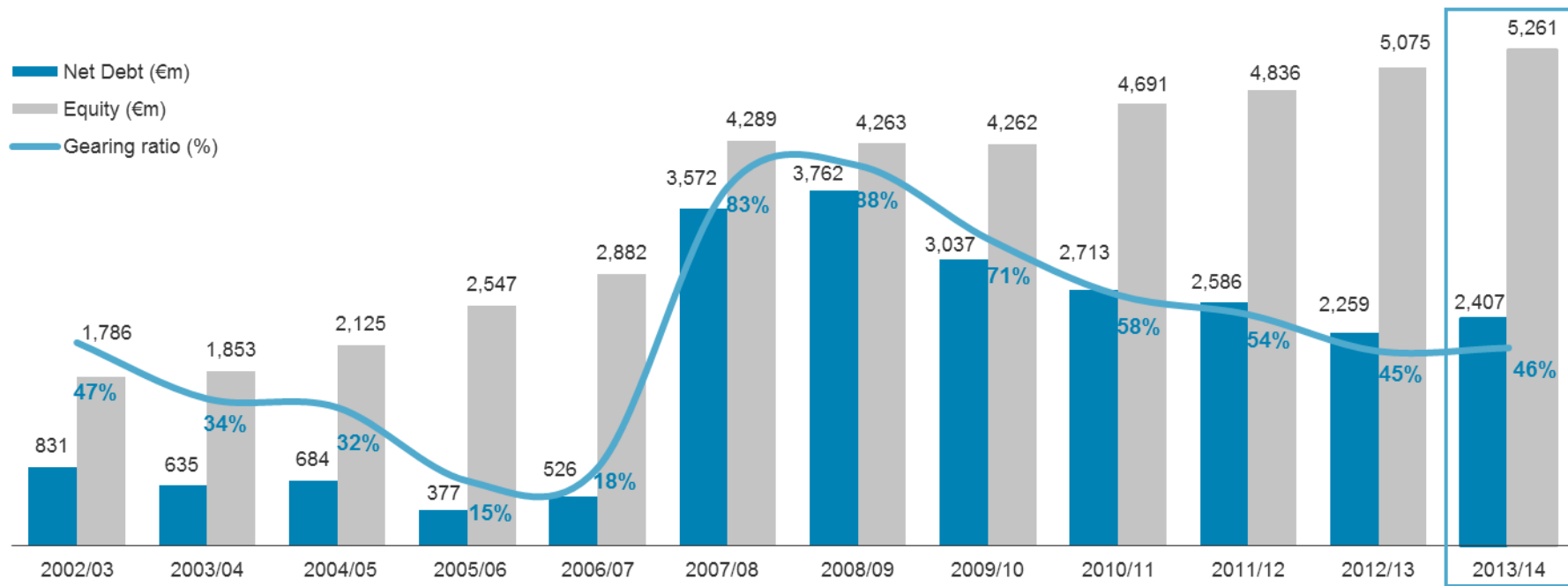
EBIT margin/EBITDA margin in %



* excluding discontinued operations

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Gearing Ratio



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Presence in Asia

- Share of revenue: **EUR 747 million** → **7%**, of which ~ EUR 500 million in Southeast Asia
- **64 companies and locations**, of which 56 in Southeast Asia (22 alone in China)
- **3,600 employees** (FTE), of which ~ 3,000 in Southeast Asia (2,200 in China)

Objective 2020: EUR 2 billion



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Presence in North America

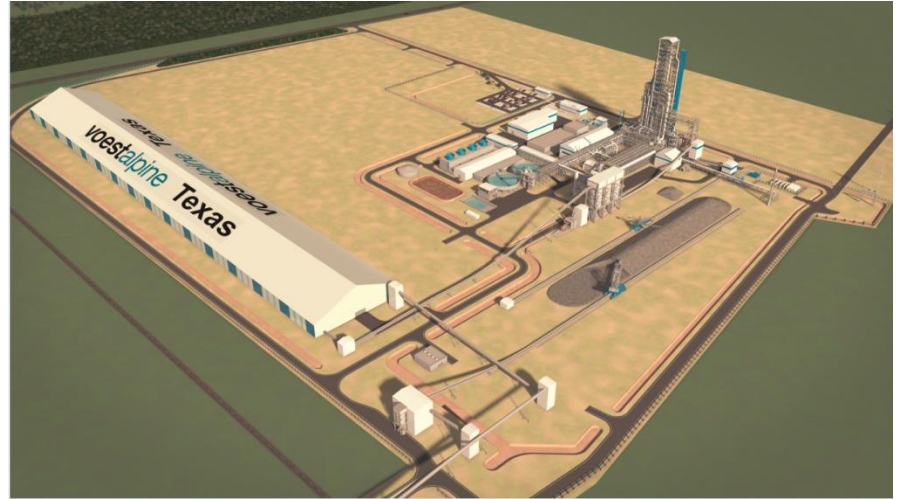


- Share of revenue: > EUR 1 billion → 9%
- 36 companies with a total of 68 locations and 2,617 employees (FTE) in the USA, Canada, and Mexico
 - USA: 49 locations, 2,111 employees
 - Canada: 10 locations, 119 employees
 - Mexico: 9 locations, 387 employees

Objective 2020: EUR 3 billion

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HBI direct reduction plant in Texas, USA



- Investment volume: EUR 550 million
- Annual capacity: 2 million tons HBI
- Size of property: about 2 km²

- New jobs: 150
- Planned start of production: end of 2015
- April 23, 2014: groundbreaking

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Outlook 2014/15

■ 2014 increasing momentum of economic growth

- Progress in restructuring Southern European and (in part) Central European (EU) nations
- Continuing upward trend of economic growth in North America and stabilization of GDP in China at an annual level of about 7%
- Increasing growth in India due to new government
- However: subdued growth outlook for Russia and Brazil

■ Customer industries with largely positive trend

- Signals of a certain degree of recovery of construction and construction supply industry in Europe
- Continuing uptrend in automobile industry, revival in mechanical engineering sector
- Energy exploration continues to be strong in contrast to energy transport (oil and natural gas)
- Stable, positive economic environment for agricultural machinery, aviation industry, and railway sector outside of Europe

**Expectations for 2014/15:
EBITDA and EBIT slightly above the level of 2013/14**





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