



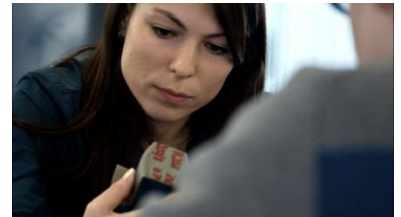
1st Half 2013/14

Press Conference, November 6, 2013
Welcome!

voestalpine Group

1st Half of Business Year 2013/14 – Highlights

- Decrease in revenue of 3.5% due to raw materials prices
- Earnings performance slightly lower than previous year
- Investments increased from EUR 301 million to EUR 434 million (+ 44.2%)
- Equity rose to EUR 5.06 billion (+ 3.6%)
- Gearing ratio fell from 51% to 46.7%
- Number of employees increased by 3.5% to 47,744
- Internationalization strategy for USA and Asia being implemented (including direct reduction plant in Texas; new automotive sites in Cartersville, Georgia/USA, Suzhou, and Qinhuangdao, China, and acquisitions in Canada, USA, China)

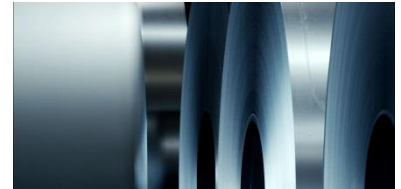


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Business model

From steel manufacturer to global technology and capital goods group

- **High-tech steel** forms the backbone of the Group and also includes the processing of other materials
- In line with our consistent **downstream strategy**, the Group has developed from a classic steel manufacturer into a steel-based **technology and capital goods group**
- A combination of **metallurgical know-how** in steel production and leading **processing expertise** gives rise to future-oriented technical solutions and innovative products



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Business model (2)

Number 3 in Europe in revenue and market capitalization

- Focus on **strategic markets** with the highest technological and quality demands – **mobility and energy** (60% of revenue)
- **Long-term partnerships** with customers, suppliers, and R&D institutions **are the key to innovation**
- Sustainable **market, quality, technology, and earnings leadership**



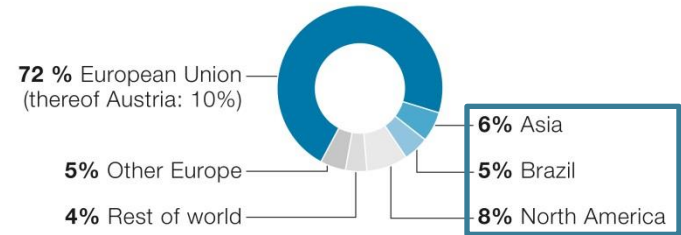
voestalpine Group Global Presence



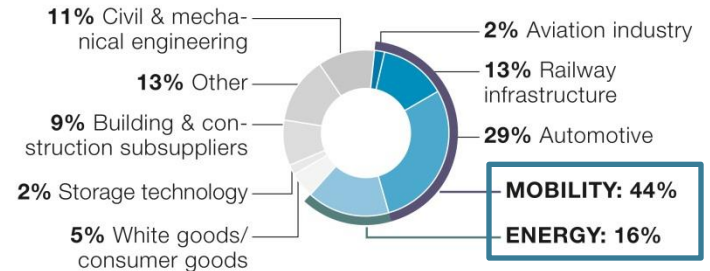
500 Group companies and sites
50 Countries – 5 Continents

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Revenue by regions (Business year 2012/13)



Revenue by industries (Business year 2012/13)



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ONE STEP AHEAD.

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1st Half of BY 2013/14 – Market Environment

- **Inconsistent global economic trend – attenuation of slight upward trend during the first half of the year**
 - Europe (eurozone): recession slowly overcome, however economic growth remains very cautious
 - USA: economic impact of the government shutdown on future development difficult to assess
 - Growth expectations for China again over 7%
 - Brazil with moderate economic growth driven by domestic demand
- **Impact of macroeconomic developments varies across the divisions**
- **Q2: significant seasonal weaknesses in individual business segments with regard to revenue and results and a non-recurring expenditure of EUR 10 million (Steel Division)**



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Overview of key figures

(values rounded)

EUR million	BY 2012/13	H1 2012/13	H1 2013/14	Change (in %)
Revenue	11,524	5,933	5,724	-3.5

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Overview of key figures

(values rounded)

EUR million	BY 2012/13	H1 2012/13	H1 2013/14	Change (in %)
Revenue	11,524	5,933	5,724	-3.5
Operating result (EBITDA)	1,442	725	687	- 5.2
EBITDA margin (%)	12.5	12.2	12.0	

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EBIT margin (%)	7.4	7.3	7.0	

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Profit before tax	655	348	320	-7.9
Profit for the period	522	270	240	-10.9

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Gearing ratio (%)	44.5	51.0	46.7	

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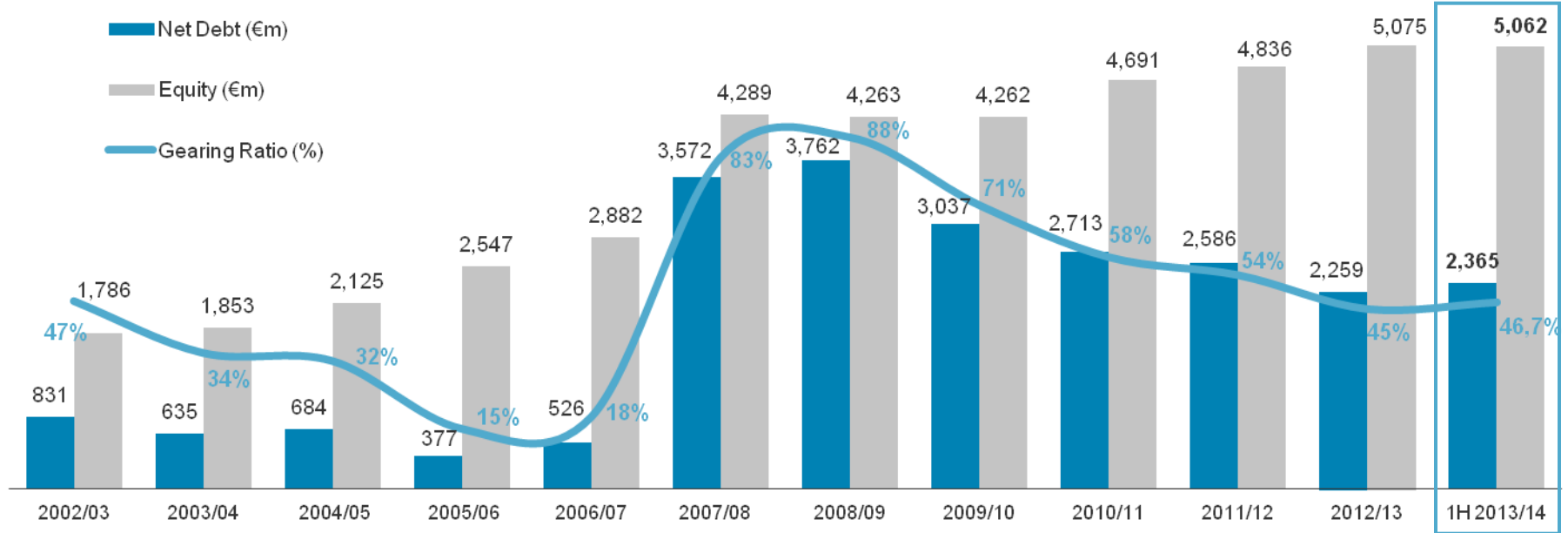
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Gearing ratio (%)	44.5	51.0	46.7	
Employees (FTE)	46,351	46,115	47,744	3.5

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Gearing Ratio



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Strategy 2020 – Overview

- Consistently forging ahead with long-term strategy of value-added growth
- Focus on growth in the mobility and energy industries (target: 70% of overall revenue); voestalpine is striving for global leadership in these technologically sophisticated market and product segments
- Expansion primarily outside Europe – in Europe a consolidation of market, quality, and technology leadership
- Continued expansion of processing operations → technology and capital goods group
- Sustainable consolidation of earnings leadership

Target revenue: EUR 20 bn

Target EBIT margin (Ø): 9%

Target EBITDA margin (Ø): 14%

Target ROCE (Ø): 15%

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Strategy 2020 – Example Asia

(currently 64 sites,
3,600 FTE)

- **Tripling of revenue**
 - Increasing Asian share of revenue from 6% to $\geq 10\%$
 - i.e., from EUR 700 million to \geq EUR 2 billion
 - Investment volume of EUR 400 to 500 million
- **Focus areas**
 - Customer segments **mobility** (railway infrastructure / turnout technology, automotive components) and **energy** (turbines, etc.); voestalpine is already leading in these sectors
 - From a regional perspective: **China – around 15 new plants**
 - Currently being implemented: **plant for special sections near Shanghai, automotive plant in Qinhuangdao**, others in preparatory phases



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Strategy 2020 – Example North America

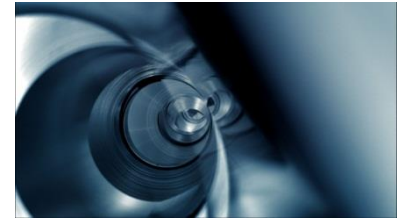
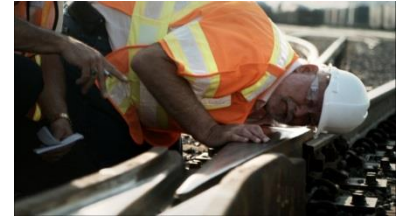
(currently 25 sites,
2,000 FTE)

■ Status quo

- Revenue: ~ EUR 850 million, currently around 8% of Group revenue
- Target (including Mexico): ~ EUR 3 billion and 15% of Group revenue

■ Focus areas

- Customer segments **mobility** (turnout technology, automotive components, aviation) and **energy** (oil, gas, turbines)
- Current investments
 - Direct reduction plant in Texas for the production of HBI; the Group's largest foreign investment (EUR 550 million)
 - Plant for ultra high-strength body skin parts in Cartersville, Georgia (EUR 50 million)



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Outlook

- For the moment, slow economic recovery in Europe – more dynamic growth expected from the first half of 2014 on
- During 2014, increasing economic revival, also on a global basis
 - US economy shows upward trend; China stable at over 7%
 - Brazil with solid domestic market but weak exports
- Performance of the voestalpine Group should continue at a stable level to the end of 2013, a slight increase in demand in the first quarter of 2014



EXPECTATION:

Results (EBITDA, EBIT) for BY 2013/14 at level of the previous year



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