STEEL DIVISION

QUARTERLY DEVELOPMENT OF THE STEEL DIVISION

In millions of euros	Q 1 2025/26 04/01–06/30/2025	Q 1 2026/27 04/01–06/30/2026	Change in %
Revenue	1,493.8	1,530.5	2.5
EBITDA	189.8	218.4	15.1
EBITDA margin	12.7%	14.3%	
EBIT	126.1	153.1	21.4
EBIT margin	8.4%	10.0%	
Employees (full-time equivalent), end of period	10,586	10,753	1.6

BUSINESS DEVELOPMENT

Despite challenging market conditions, the Steel Division posted stable and generally positive performance in the first quarter of the 2026/27 business year. This was primarily due to the division's continued, consistent focus on high-quality steel sheets for technologically demanding applications and its strong positioning in premium segments.

The European steel market continued to be characterized by high import volumes during the quarter under review. This was because traders—and, in some cases, customers—deliberately increased their inventories ahead of the entry into force of the new EU safeguard measures. With the expiration of the previous regulations on June 30, 2026, and the entry into force of the new safeguard measures on July 1, 2026—together with the Carbon Border Adjustment Mechanism (CBAM)—a significantly more robust trade policy framework was established to protect the European steel industry. Against this backdrop, however, overall demand remained weak. In the first quarter of the business year, imports were brought forward to avoid tariffs; the resulting increase in inventory levels triggered a slight price correction. These effects are expected to be offset in the second half of the business year, which is why a clear upward price trend is anticipated.

The individual market segments performed as follows in the first quarter of 2026/27:

Demand for steel sheet in the **automotive industry** remained robust overall. Despite declining production levels in Europe, the Steel Division was able to gain further market share thanks to excellent product quality, high delivery reliability, and stable logistics solutions.

The broadly diversified business model, which does not depend on individual OEMs, once again proved to be a stabilizing factor. Selective price agreements and continued solid demand in specific product segments also had a supportive effect.

The **energy sector** showed a somewhat more subdued performance in the first quarter of 2026/27 compared to the previous quarter. The market for high-quality heavy plate, in which voestalpine holds a leading position, continued to benefit in the first few months of the 2026/27 business year from successful project contracts secured in the previous reporting period. However, momentum in the energy segment is expected to weaken as the business year progresses. The Steel Division's strong positioning in the premium segment with the highest technical requirements remains intact. The conflict in the Middle East led to delays in individual projects.

The **construction industry** continued to show subdued performance in the first quarter of 2026/27, particularly in building construction and industrial construction. A sustained recovery in construction activity failed to materialize, primarily due to persistently weak investment activity in Europe. There were only isolated signs of slight improvement.

Mechanical engineering also remained stable at an overall subdued level. Demand therefore remained subdued throughout the first quarter of 2026/27 due to low investment momentum.

The implementation of the greentec steel transformation project at the Linz site continued according to plan in the first quarter of 2026/27. The new electric arc furnace is scheduled to go into operation at the end of the current business year, as planned.

DEVELOPMENT OF THE KEY FIGURES

Revenue for the Steel Division in the first quarter of 2026/27 totaled EUR 1,530.5 million, up 2.5% compared with the prior-year period (Q1 2025/26: EUR 1,493.8 million). While price levels remained largely stable, shipment volumes increased slightly compared with the prior year.

Earnings in the Steel Division improved further and exceeded the strong performance of the first quarter of 2025/26. The gross margin expanded as a result of lower raw material and energy costs. In addition, the slightly higher sales volume had a positive impact on earnings growth. Against this backdrop, EBITDA improved by 15.1% from EUR 189.8 million in the first quarter of 2025/26 to EUR 218.4 million in the first quarter of 2026/27. The EBITDA margin rose from 12.7% to 14.3%. During the same period, EBIT increased by 21.4% from EUR 126.1 million (with a margin of 8.4%) to EUR 153.1 million (with a margin of 10.0%).

As of June 30, 2026, the Steel Division reported a 1.6% increase in the number of employees (FTE, full-time equivalents) to 10,753 (compared with 10,586 as of the same date the previous year).