

Development of the Key Figures

| In millions of euros | 2011/12 | 2012/13 | 2013/14 | 2014/15 ¹ | 2015/16 |
|---|-------------|-------------|-------------|----------------------|-------------------|
| Revenue | 12,058.2 | 11,524.4 | 11,077.2 | 11,189.5 | 11,068.7 |
| EBITDA | 1,301.9 | 1,431.3 | 1,374.0 | 1,530.1 | 1,583.4 |
| EBITDA margin | 10.8% | 12.4% | 12.4% | 13.7% | 14.3% |
| EBIT | 704.2 | 843.1 | 788.4 | 886.2 | 888.8 |
| EBIT margin | 5.8% | 7.3% | 7.1% | 7.9% | 8.0% |
| Profit before tax (EBT) | 504.4 | 654.7 | 640.8 | 739.0 | 751.3 |
| Profit after tax ² | 413.3 | 521.9 | 503.4 | 595.0 | 602.1 |
| EPS – Earnings per share (euros) | 1.98 | 2.61 | 2.59 | 3.18 | 3.35 |
| Total assets | 12,612.1 | 13,079.3 | 12,634.9 | 13,204.7 | 14,006.6 |
| Cash flows from operating activities | 856.5 | 1,321.9 | 934.6 | 1,119.9 | 1,282.2 |
| Investments in tangible and intangible assets and interests | 574.6 | 851.5 | 936.0 | 1,177.8 | 1,310.9 |
| Depreciation | 597.7 | 588.2 | 585.6 | 643.9 | 694.6 |
| Equity | 4,836.3 | 5,075.3 | 5,261.6 | 5,115.0 | 5,651.6 |
| Net financial debt | 2,585.7 | 2,259.2 | 2,421.4 | 2,978.1 | 3,079.9 |
| Net financial debt in % of equity (gearing) | 53.5% | 44.5% | 46.0% | 58.2% | 54.5% |
| Return on capital employed (ROCE) | 8.6% | 10.4% | 9.3% | 10.0% | 9.2% |
| Market capitalization, end of period | 4,255.0 | 4,128.8 | 5,501.1 | 5,878.7 | 5,143.5 |
| Number of outstanding shares as of March 31 | 168,749,435 | 172,358,534 | 172,420,566 | 172,420,566 | 174,920,566 |
| Share price, end of period (euros) | 25.22 | 23.96 | 31.91 | 34.10 | 29.41 |
| Dividend per share (euros) | 0.80 | 0.90 | 0.95 | 1.00 | 1.05 ³ |
| Employees (full-time equivalent), end of period | 46,473 | 46,351 | 47,485 | 47,418 | 48,367 |

¹ Business year 2014/15 retroactively adjusted. Further details are given in the Notes to the consolidated financial statements 2015/16 under "B. Summary of accounting policies."

² Before deduction of non-controlling interests and interest on hybrid capital.

³ As proposed to the Annual General Shareholders' Meeting.

Overview of the Key Figures

voestalpine Group

| In millions of euros | 2014/15 ¹ | 2015/16 | Change in % |
|----------------------------------|----------------------|----------|-------------|
| Revenue | 11,189.5 | 11,068.7 | -1.1 |
| EBITDA | 1,530.1 | 1,583.4 | 3.5 |
| EBITDA margin | 13.7% | 14.3% | |
| EBIT | 886.2 | 888.8 | 0.3 |
| EBIT margin | 7.9% | 8.0% | |
| Employees (full-time equivalent) | 47,418 | 48,367 | 2.0 |

¹ Business year 2014/15 retroactively adjusted.

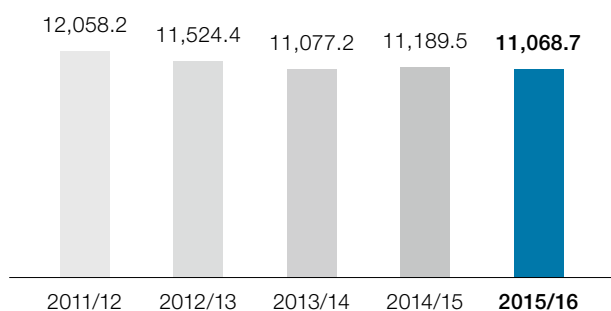
Further details are given in the Notes to the consolidated financial statements 2015/16 under "B. Summary of accounting policies."

voestalpine Divisions

| In millions of euros | Steel | Special Steel | Metal Engineering | Metal Forming |
|----------------------------------|---------|---------------|-------------------|---------------|
| Revenue | 3,753.7 | 2,650.9 | 2,850.4 | 2,224.9 |
| EBIT | 220.0 | 227.2 | 314.9 | 194.5 |
| EBIT margin | 5.9% | 8.6% | 11.0% | 8.7% |
| Employees (full-time equivalent) | 10,891 | 13,470 | 12,675 | 10,470 |

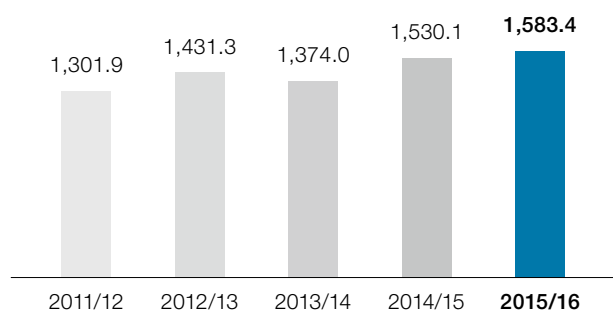
Revenue

In millions of euros



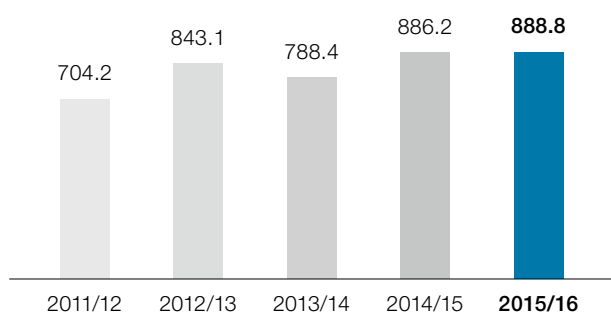
EBITDA

In millions of euros



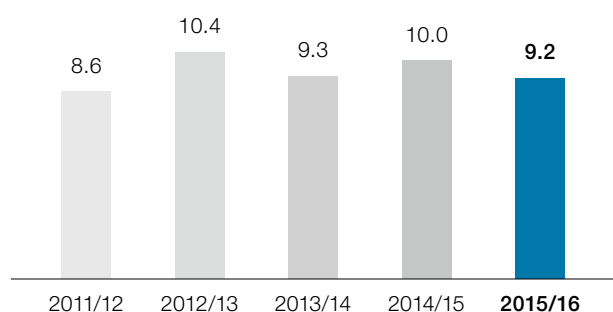
EBIT

In millions of euros



ROCE Return on capital employed

in %



Highlights 2015/16

- Global economic environment very challenging: Europe in a moderate upward trend, but with major regional differences; dwindling momentum in North America; Brazil and Russia in a deep recession; lower growth in China due to massive structural changes; India begins economic catch-up process
- Cooling of economy and overcapacity in commodities (especially steel) in China results in a glut of cheap exports, which, in turn, causes global price pressure
- Deterioration of raw materials prices (including crude oil and iron ore) continues
- By concentrating on technologically sophisticated market segments, voestalpine experiences largely stable performance despite the precarious environment
- Positive non-recurring effects in annual results for 2015/16 due to first-time consolidation of companies belonging to the Metal Engineering Division, which had previously been consolidated at equity, as of the beginning of the business year 2015/16 (comparative period of the previous year also positively affected by non-recurring divestment proceeds)
- voestalpine Group posts relatively stable revenue with increases in all reporting categories; adjusted for non-recurring effects, figures slightly down in a year-to-year comparison
- At EUR 11,069 million, Group's revenue virtually unchanged compared to the previous year's figure of EUR 11,190 million (-1.1%)
- In a year-over-year comparison, EBITDA up by 3.5% from EUR 1,530 million to EUR 1,583 million; excluding non-recurring effects at EUR 1,446 million, just below the previous year's figure of 1,468 million (-1.5%)
- EBIT improves marginally by 0.3% from EUR 886 million to EUR 889 million (excluding non-recurring effects, slight decline of 3.2% from EUR 841 million to EUR 814 million)
- EBITDA and EBIT margins (excluding non-recurring effects) virtually stable (EBITDA margin unchanged at 13.1%, EBIT margin decreases minimally from 7.5% to 7.4%)
- Profit before tax improves by 1.7% from EUR 739 million to EUR 751 million (excluding non-recurring effects, decline of 2.5% from EUR 694 million to EUR 677 million)
- Profit after tax up by 1.2%, going from EUR 595 million in the previous year to EUR 602 million (excluding non-recurring effects, a decrease of 7.7% from EUR 553 million to EUR 510 million)
- Positive free cash flow (before dividend) despite record investment expenditure of EUR 1.3 billion
- Equity up by 10.5% to EUR 5.7 billion with an increase of net financial debt of only 3.4% to EUR 3.1 billion; gearing ratio (net financial debt in percent of equity) down in a year-to-year comparison from 58.2% to 54.5%
- Dividend proposed to the Annual General Shareholders' Meeting: EUR 1.05 per share, increase of EUR 0.05 compared to previous year (EUR 1.00 per share)
- Construction of the direct reduction plant in Corpus Christi, Texas, USA, for the production of high-quality HBI (hot briquetted iron/sponge iron) in its final phase

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This report is a translation of the original report in German, which is solely valid.

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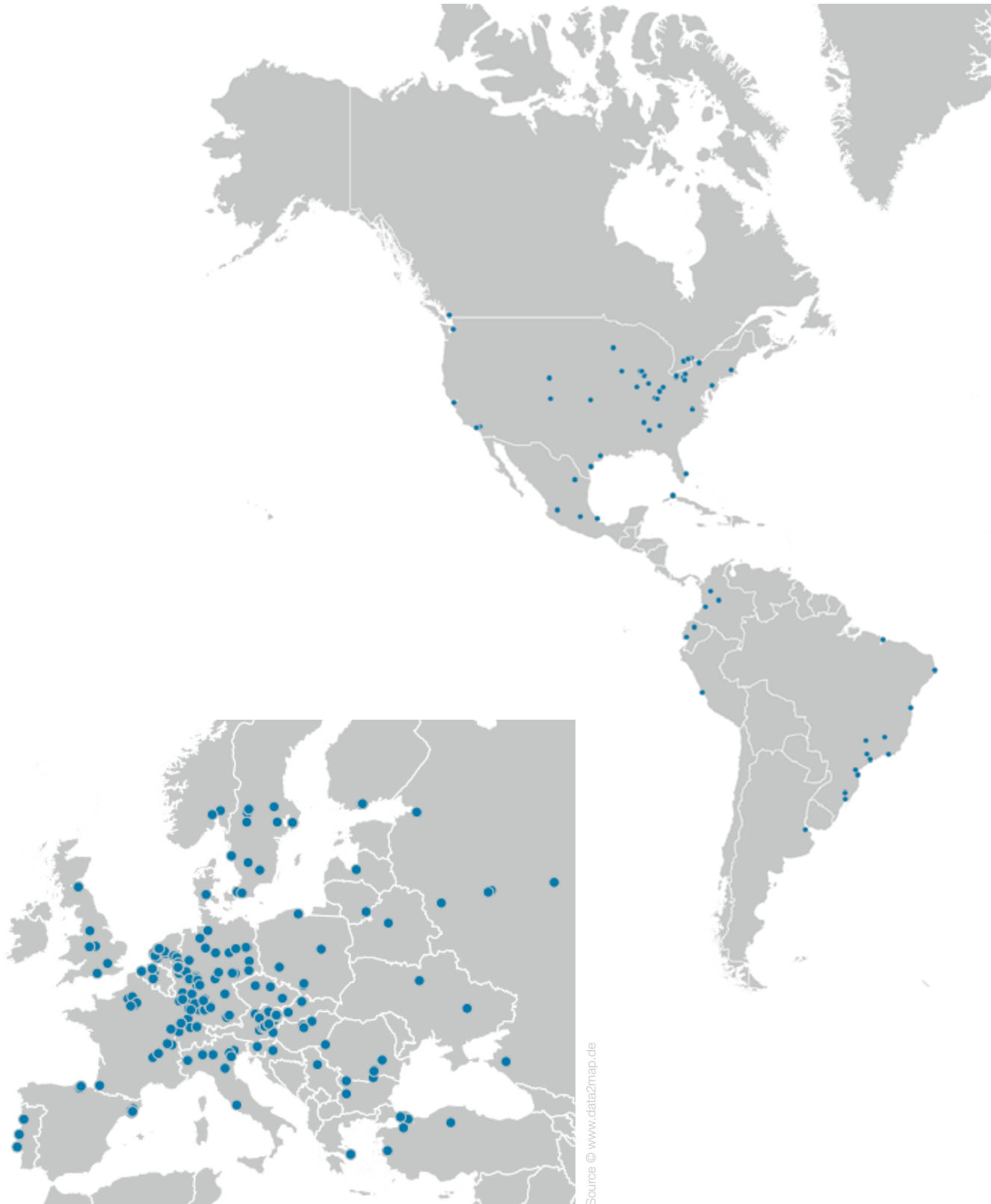
Consolidated Financial Statements

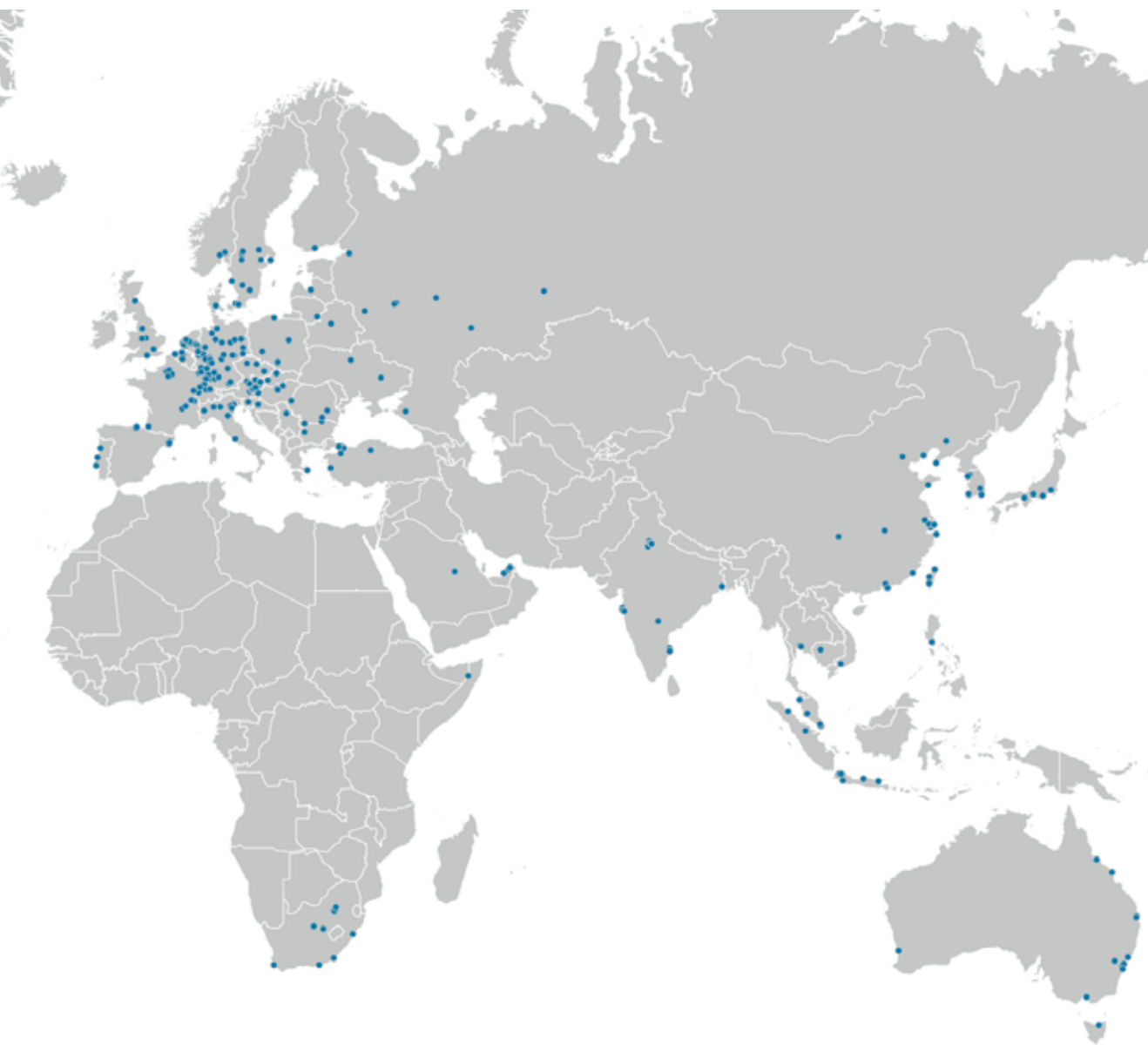
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voestalpine Group – Global presence





Present in more than 50 countries as global leader in the manufacturing, processing, and development of sophisticated steel products, particularly for technology-intensive sectors, such as the automotive, railway, aerospace, and energy industries. In 500 Group companies and locations in more than 50 countries and on all 5 continents. With revenue of EUR 11.1 billion in the business year 2015/16 and an operating result (EBITDA) of EUR 1.6 billion.

Overview of the voestalpine Group

The voestalpine Group is divided into four divisions. Their product portfolios make them leading providers in Europe and worldwide.

Steel Division

Worldwide quality leadership

Global quality leadership in highest quality steel strip and global market leader in heavy plate for the most sophisticated applications as well as casings for large turbines.

33%

of Group revenue

| | |
|----------------------------------|---------|
| Revenue (in millions of euros) | 3,753.7 |
| EBIT (in millions of euros) | 220.0 |
| EBIT margin | 5.9% |
| Employees (full-time equivalent) | 10,891 |

The voestalpine Steel Division is a strategic partner for Europe's well-known automobile manufacturers and major automotive suppliers. Additionally, it is one of the largest suppliers to the European consumer goods and white goods industries as well as to the mechanical engineering sector. voestalpine produces heavy plate for the energy sector that is used under extreme conditions in the oil and gas industries, for example, for deep-sea pipelines or in the permafrost regions of the world. Furthermore, the division is a global leader in the casting of large turbine casings.

Special Steel Division

Global leadership

Worldwide leadership in tool steel; leading position in high-speed steel and special forgings.

23%

of Group revenue

| | |
|----------------------------------|---------|
| Revenue (in millions of euros) | 2,650.9 |
| EBIT (in millions of euros) | 227.2 |
| EBIT margin | 8.6% |
| Employees (full-time equivalent) | 13,470 |

The voestalpine Special Steel Division is the leading global manufacturer of high performance metals, which have specially developed material properties with regard to high resistance to wear, polishability, and toughness. Customers for these materials are the automotive and consumer goods industries in the segment of tool steel applications as well as the power plant construction industry and the oil and gas industries in the segment of special components. The division is also a leading supplier of forgings for the aviation and power generation industries.

Metal Engineering Division

Global leadership

Worldwide market leader in turnout technology; European market leader in rails and specially treated wire; and leading position in seamless tubes for special applications and high quality welding consumables.

25%

of Group revenue

| | |
|----------------------------------|---------|
| Revenue (in millions of euros) | 2,850.4 |
| EBIT (in millions of euros) | 314.9 |
| EBIT margin | 11.0% |
| Employees (full-time equivalent) | 12,675 |

The voestalpine Metal Engineering Division has developed a leading position on the global railway market with its ultra long, head-hardened HSH® rails with a length of up to 120 meters. Furthermore, the division is the largest global provider of highly developed turnout systems as well as track-based monitoring systems for all railway applications. The division also has a leading market position in the specially treated wire segment, for sophisticated seamless tubes for the oil and gas industries worldwide, and high quality welding consumables.

Metal Forming Division

Global leadership

Leading global provider of high-quality metal processing solutions in the segments of special sections, precision strip steel, and special components for the automotive and aviation industries.

19%

of Group revenue

| | |
|----------------------------------|---------|
| Revenue (in millions of euros) | 2,224.9 |
| EBIT (in millions of euros) | 194.5 |
| EBIT margin | 8.7% |
| Employees (full-time equivalent) | 10,470 |

The voestalpine Metal Forming Division is a leading global provider of customer-specific special and precision sections as well as solutions for section systems in the construction, cab construction for commercial vehicles, and aviation sectors. The division supplies the automobile industry with both sophisticated body skin pressed parts and highly innovative structural parts and safety components. The division also produces cold-rolled, special, precision thin strips and provides one-stop solutions in the segment of high-bay warehousing systems.

The Supervisory Board of voestalpine AG

Dr. Joachim Lemppenau

Chairman of the Supervisory Board (since July 1, 2004)

Initial appointment: July 7, 1999

Former Chairman of the Management Board of Volksfürsorge Versicherungsgruppe, Hamburg

Dr. Heinrich Schaller

Deputy Chairman of the Supervisory Board (since July 4, 2012)

Initial appointment: July 4, 2012

CEO of Raiffeisenlandesbank Oberösterreich AG, Linz

KR Dr. Franz Gasselsberger, MBA

Member of the Supervisory Board

Initial appointment: July 1, 2004

CEO of Oberbank AG, Linz

Dr. Hans-Peter Hagen

Member of the Supervisory Board

Initial appointment: July 4, 2007

CEO of VIENNA INSURANCE GROUP AG

Wiener Versicherung Gruppe, Vienna (until December 31, 2015)

Dr. Michael Kutschera, MCJ. (NYU)

Member of the Supervisory Board

Initial appointment: July 1, 2004

Attorney at law; partner at Binder Grösswang Rechtsanwälte GmbH, Vienna

Prof. (em) Dr. Helga Nowotny, Ph.D.

Member of the Supervisory Board

Initial appointment: July 2, 2014

Former President of the European Research Council

Mag. Dr. Josef Peischer

Member of the Supervisory Board

Initial appointment: July 1, 2004

Former Director of the Chamber of Workers and Employees for Upper Austria, Linz

Dipl.-Ing. Dr. Michael Schwarzkopf

Member of the Supervisory Board

Initial appointment: July 1, 2004

CEO of Plansee Holding AG, Reutte

Appointed by the Works Council:

Josef Gritz

Member of the Supervisory Board

Initial appointment: January 1, 2000

Chairman of the Works Council for Wage Earners of voestalpine Stahl
Donawitz GmbH, Donawitz

Brigitta Rabler

Member of the Supervisory Board

Initial appointment: May 1, 2013

Chairwoman of the Works Council for Salaried Employees of voestalpine AG, Linz

Hans-Karl Schaller

Member of the Supervisory Board

Initial appointment: September 1, 2005

Chairman of the Group Works Council of voestalpine AG, Linz
Chairman of the European Works Council of voestalpine AG, Linz

Gerhard Scheidreiter

Member of the Supervisory Board

Initial appointment: January 1, 2012

Chairman of the Works Council for Wage Earners of BÖHLER Edelstahl
GmbH & Co KG, Kapfenberg

The Management Board of voestalpine AG



from left to right: Robert Ottel, Franz Rotter, Wolfgang Eder, Herbert Eibensteiner, Peter Schwab, Franz Kainersdorfer

Dr. Wolfgang Eder

born 1952, Member of the Management Board since 1995,
Chairman of the Management Board since 2004

Assigned areas of responsibility: Corporate Development, including Raw Materials Strategy; R&D and Innovation Strategy; Corporate Human Resources, Corporate Communications and Corporate Image; Compliance; Legal Department; M&A; Strategic Environmental Management; Investor Relations; Internal Auditing

Dipl.-Ing. Herbert Eibensteiner

born 1963, Member of the Management Board since 2012, Head of the Steel Division

Assigned area of responsibility: Information Technology

Dipl.-Ing. Dr. Franz Kainersdorfer

born 1967, Member of the Management Board since 2011, Head of the Metal Engineering Division

Assigned area of responsibility: Long-term energy supply of the Group

Mag. Dipl.-Ing. Robert Ottel, MBA

born 1967, Member of the Management Board since 2004, CFO

Assigned areas of responsibility: Corporate Accounting and Reporting; Controlling including Investment Controlling; Group Treasury; Taxes; Management Information Systems; Risk Management

Dipl.-Ing. Franz Rotter

born 1957, Member of the Management Board since 2011, Head of the Special Steel Division

Assigned areas of responsibility: Procurement Strategy; Health & Safety

Dipl.-Ing. Dr. Peter Schwab, MBA

born 1964, Member of the Management Board since 2014, Head of the Metal Forming Division

Ladies and Gentlemen:

The business year 2015/16 was not a year like so many others for the voestalpine Group; instead, the main trends were even more oriented toward the future—or rather more crucial for the future—than in previous years. This was not the case because our company again did better than many of its competitors in a market environment that continues to be difficult or because our financial structure and our bottom line improved yet again despite record investment expenditure. Rather, 2015/16 was a special year for voestalpine because it became even more manifest than ever before where the future of our Group lies. Validated by the challenging framework conditions during the past twelve months, the high-tech/high-quality strategy that has been practiced for 15 years proved itself once again to be the most effective instrument in countering the “new economic normal,” which has emerged from the financial and economic crisis. This realization was reflected in the comprehensive 2015 update of “Strategy 2020,” which had been originally adopted in 2012, and it is firmly based on an explicit commitment to sustainable value-added growth—with value appreciation as the top priority.

The strategic foundation of the Group is a combination of leading materials expertise in the metallurgical sector combined with cutting-edge technological expertise in the processing of these materials to create high-quality products in the industrial goods sector. Building on the decisions made in the past business year, this is where the presence of our Group will be even more significant in the future, whether as a partner of the automotive industry, aerospace and railway companies, the mechanical engineering sector, or the energy sector. In 2015/16, the requirements for this future were developed even more consistently than ever before. With investment in state-of-the-art technology of more than EUR 1.3 billion, a global record, with the highest ever expenditure for research and innovation, but also for the training and continuing education of our employees, with the construction of a direct reduction plant, which will provide new options for strategic and cost optimization of future-directed, high-tech steel production, and with the construction of numerous new plants for sophisticated products and services that will be deployed in diverse industrial applications, the path forward has been clearly defined.

A strategy that is so pro-active requires stability and openness in customer relationships, knowledge and commitment on the part of employees, and—not least—the confidence of our shareholders. Working continuously on all of these issues is the core

responsibility not just of the management of a company but of all of its employees. After all, it is ultimately up to all of us together to convince our stakeholders that we are serious about our claims.

What is outside of our sphere of influence are, however, the framework conditions for our actions, the regulatory environment in its widest sense, and the question of the conditions at our sites, both on a national and a European level. This is where business and industry and everyone who bears responsibility in these areas is dependent on the understanding and the cooperativeness of the political arena and of all major social groups. And this is where there is a need for action—action we have called for repeatedly in recent years. The need for action is urgent if Europe wants to retain its industry in the future, which is ultimately the backbone of jobs and prosperity. We, for our part, are doing our utmost for this to succeed.

Linz, May 31, 2016

The Management Board

Wolfgang Eder

Herbert Eibensteiner

Franz Kainersdorfer

Robert Ottel

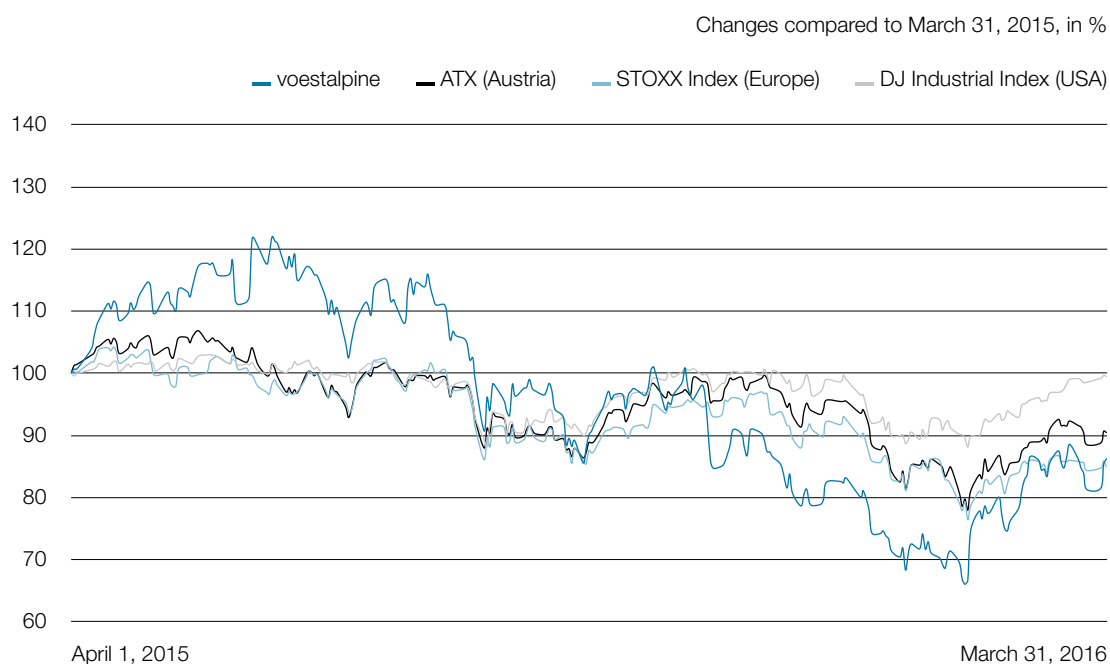
Franz Rotter

Peter Schwab

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Investor relations

voestalpine AG vs. the ATX and international indices



Price development of the voestalpine share

In the business year 2015/16, the voestalpine share experienced a significantly more volatile development than in the previous year, an indication that macroeconomic uncertainties have again gained in intensity. The early part of the business year was characterized by an optimistic mood

that relied on positive economic indicators. With the solid annual key figures, which were published in early June 2015, providing an additional tailwind, the share price gained more than 20% over two and one half months. Subsequently, within a period of exactly eight months—between June 10, 2015, when the highest share price of the year was reached at EUR 41.58 and February 10, 2016, which saw the lowest price in the past

business year at EUR 22.52—the price of the voestalpine share plummeted by more than 45%. The sharp fall of the share price was caused, first of all, by external factors, such as the increasing doubts in the course of 2015 regarding the health of the Chinese economy and the international ramifications of Brazil and Russia sliding deeper and deeper into a recession. Additionally, the intensifying political situation in the troublespots in the Middle East and Africa had an increasingly adverse impact on the mood of the international capital markets. Following customary patterns, the increasingly uncertain market conditions primarily affected the development of equities sensitive to fluctuations in the economy. The trend on the capital markets finally slipped into the negative zone during late fall of 2015 as a result of the rapid decline of the oil and natural

gas prices on one hand and the dramatically increasing trade conflicts between China and the rest of the world on the other, triggered, among other things, by the global glut of artificially cheap Chinese mass market steel products.

It was not until around mid-February 2016 that international stock markets settled down somewhat. Overall, the value of the voestalpine share declined in the course of the business year 2015/16 by 14.4%, falling to EUR 29.41 by March 31, 2016 from EUR 34.34 at the beginning of the business year. Therefore, the voestalpine share trended slightly better than the STOXX Index Europe, but somewhat below the ATX, the leading Austrian share index. As of March 31, 2016, the US benchmark index Dow Jones Industrial closed at practically the same level as twelve months before.

Bonds

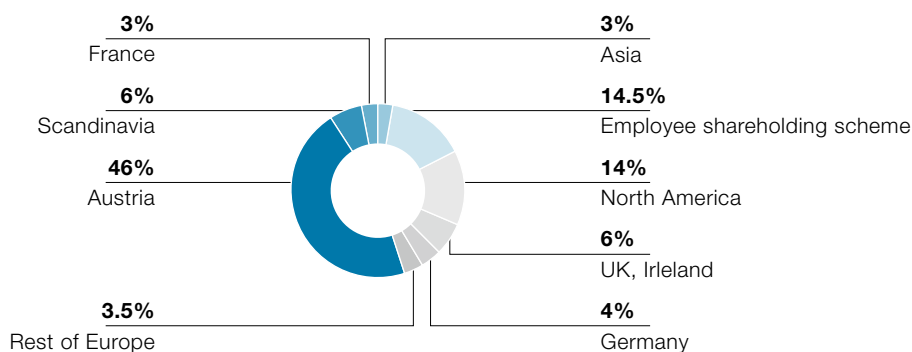
| Type of bond | ISIN number | Issue volume | Interest rate | Share price (03/31/2016) |
|--------------------------|--------------|-----------------|---------------------|--------------------------|
| Corporate bond 2011–2018 | AT0000A0MS58 | EUR 500 million | 4.75% | 106.5 |
| Corporate bond 2012–2018 | XS0838764685 | EUR 500 million | 4.0% | 107.0 |
| Hybrid bond 2013 | AT0000A0ZHF1 | EUR 500 million | 7.125% ¹ | 110.0 |
| Corporate bond 2014–2021 | AT0000A19S18 | EUR 400 million | 2.25% | 105.0 |

¹ Interest rate: 7.125% p.a. from issue date to October 31, 2014 (excl.); 6% p.a. from October 31, 2014 to October 31, 2019; five-year swap rate (from October 31, 2019) + 4.93% p.a. from October 31, 2019 to October 31, 2024; then three-month EURIBOR +4.93% p.a. + step-up of 1% p.a. from October 31, 2024.

Shareholder structure

The (indicative) shareholder structure according to regions as of the end of the business year 2015/16 is as follows:

Shareholder structure



Major individual shareholders

| | |
|---|-------|
| Raiffeisenlandesbank Oberösterreich Invest GmbH & Co OG | < 15% |
| voestalpine employee shareholding scheme | 14.5% |
| Oberbank AG | 7.6% |
| Norges Bank | > 4% |

voestalpine AG is currently being analyzed by the following investment banks/institutions:

- Alpha Value, Paris ■ Baader Bank AG, Munich ■ Bank of America/Merrill Lynch, London
- Barclays, London ■ Berenberg, London ■ Citigroup, London ■ Commerzbank, Frankfurt
- Credit Suisse, London ■ Deutsche Bank, London ■ Erste Bank, Vienna ■ Exane BNP Paribas, Paris
- Goldman Sachs, London ■ Jefferies, London ■ J.P Morgan, London ■ Kepler Cheuvreux, Frankfurt
- Macquarie, London ■ Morgan Stanley, London ■ Raiffeisen Centrobank, Vienna
- Redburn, London ■ Royal Bank of Canada Europe Ltd., London ■ Société Générale, Paris
- Steubing, Frankfurt ■ UBS, London.

Share information

| | |
|---|--|
| Share capital | EUR 317,851,287.79 divided into 174,949,163 no-par value shares |
| Shares in proprietary possession as of March 31, 2016 | 28,597 shares |
| Class of shares | Ordinary bearer shares |
| Stock identification number | 93750 (Vienna Stock Exchange) |
| ISIN | AT0000937503 |
| Reuters | VOES.VI |
| Bloomberg | VOE AV |

Prices (as of end of day)

| | |
|---|----------------------|
| Share price high April 2015 to March 2016 | EUR 41.58 |
| Share price low April 2015 to March 2016 | EUR 22.52 |
| Share price as of March 31, 2016 | EUR 29.41 |
| Initial offering price (IPO) October 1995 | EUR 5.18 |
| All-time high price (July 12, 2007) | EUR 66.11 |
| Market capitalization as of March 31, 2016* | EUR 5,143,539,243.23 |

* Based on total number of shares minus repurchased shares.

Business year 2014/15

| | |
|----------------------|-----------|
| Earnings per share | EUR 3.35 |
| Dividend per share | EUR 1.05* |
| Book value per share | EUR 31.28 |

* As proposed to the Annual General Shareholders' Meeting.

Financial calendar 2016/17

| | |
|--|------------------|
| Record date for participation in the AGM | June 26, 2016 |
| Annual General Shareholders' Meeting | July 6, 2016 |
| Ex-dividend date | July 14, 2016 |
| Record date for dividend payment | July 15, 2016 |
| Dividend payment date | July 18, 2016 |
| Letter to Shareholders for the first quarter of 2016/17 | August 9, 2016 |
| Letter to Shareholders for the second quarter of 2016/17 | November 9, 2016 |
| Letter to Shareholders for the third quarter of 2016/17 | February 9, 2017 |
| Annual Report 2016/17 | June 1, 2017 |
| Annual General Shareholders' Meeting | July 5, 2017 |

Corporate Governance Report

Commitment to the Austrian Corporate Governance Code

The Austrian Corporate Governance Code provides Austrian stock corporations with a framework for managing and monitoring their company. The Code aims to establish a system of management and control of companies and Groups that is accountable and geared to creating sustainable, long-term value. It is designed to increase the degree of transparency for all stakeholders of a company.

The Code is based on the provisions of Austrian stock corporation, stock exchange, and capital market law, the EU recommendations regarding the responsibilities of members of Supervisory Boards and the compensation of company directors as well as the OECD Principles of Corporate Governance. Since 2002, the Code has undergone a number of revisions.

- The present Corporate Governance Report is based on the most recent amendment of the Code, which was adopted in January 2015. The Code can be accessed by the public at www.corporate-governance.at

The Code achieves validity when companies voluntarily undertake to adhere to it. The Management Board and the Supervisory Board of voestalpine AG recognized the Corporate Governance Code in 2003 and have also accepted and implemented the amendments introduced since that date. voestalpine AG has thus committed itself to comply with the most recent version, as amended, of the Austrian Corporate Governance Code.

In addition to the mandatory "L rules," the Company also complies with all of the "C rules" and "R rules" of the Code.

¹ The Corporate Governance Code contains the following rules: "L rules" (= Legal) are measures prescribed by law; "C rules" (= Comply or Explain) must be justified in the event of non-compliance; "R rules" (= Recommendations) are recommendations.

Composition of the Management Board

| | | |
|--|--|---|
| <p>■ Dr. Wolfgang Eder Born 1952</p> | <p>Member of the Management Board since 1995; Chairman of the Management Board since 2004; End of the current term of office: March 31, 2019; Member of the Supervisory Board of Oberbank AG, Linz</p> | <p><i>Assigned areas of responsibility:</i> Corporate Development, including Raw Materials Strategy; R&D and Innovation Strategy; Corporate Human Resources; Corporate Communications and Corporate Image; Compliance; Legal Depart- ment; M&A; Strategic Environmental Management; Investor Relations; Internal Auditing</p> |
| <p>■ Dipl.-Ing. Herbert Eibensteiner Born 1963</p> | <p>Member of the Management Board since 2012; End of the current term of office: March 31, 2019</p> | <p>Head of the Steel Division <i>Assigned area of responsibility:</i> Information Technology</p> |
| <p>■ Dipl.-Ing. Dr. Franz Kainersdorfer Born 1967</p> | <p>Member of the Management Board since 2011; End of the current term of office: March 31, 2019; Member of the Supervisory Board of VA Erzberg GmbH</p> | <p>Head of the Metal Engineering Division <i>Assigned area of responsibility:</i> Long-term energy supply of the Group</p> |
| <p>■ Mag. Dipl.-Ing. Robert Ottel, MBA Born 1967</p> | <p>Member of the Management Board since 2004; End of the current term of office: March 31, 2019; Chairman of the Supervisory Board of APK-Pensionskasse AG, Vienna; Member of the Supervisory Board of Josef Manner & Comp. AG, Vienna; Member of the Supervisory Board of CEESEG AG; Member of the Supervisory Board of Wiener Börse AG</p> | <p>CFO <i>Assigned areas of responsibility:</i> Corporate Accounting and Reporting; Controlling, including Investment Controlling; Group Treasury; Taxes; Management Information Systems; Risk Management</p> |
| <p>■ Dipl.-Ing. Franz Rotter Born 1957</p> | <p>Member of the Management Board since 2011; End of the current term of office: March 31, 2019</p> | <p>Head of the Special Steel Division <i>Assigned areas of responsibility:</i> Procurement Strategy; Health & Safety</p> |
| <p>■ Dipl.-Ing. Dr. Peter Schwab, MBA Born 1964</p> | <p>Member of the Management Board since October 2014; End of the current term of office: March 31, 2019</p> | <p>Head of the Metal Forming Division</p> |

Composition of the Supervisory Board

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| <p>■ Dr. Joachim Lemppenau Born 1942</p> | <p>Chairman of the Supervisory Board (since July 1, 2004) Initial appointment: July 7, 1999 Former Chairman of the Management Board of Volksfürsorge Versicherungsgruppe, Hamburg</p> |
| <p>■ Dr. Heinrich Schaller Born 1959</p> | <p>Deputy Chairman of the Supervisory Board (since July 4, 2012) Initial appointment: July 4, 2012 CEO of Raiffeisenlandesbank Oberösterreich AG, Linz Second Deputy Chairman of the Supervisory Board of Raiffeisen Bank International AG, Vienna Member of the Supervisory Board of AMAG Austria Metall AG, Braunau-Ranshofen</p> |
| <p>■ KR Dr. Franz Gasselsberger, MBA Born 1959</p> | <p>Member of the Supervisory Board Initial appointment: July 1, 2004 Managing Director of Oberbank AG, Linz Chairman of the Supervisory Board of Bank für Tirol und Vorarlberg Aktiengesellschaft, Innsbruck Deputy Chairman of the Supervisory Board of BKS Bank AG, Klagenfurt Member of the Supervisory Board of AMAG Austria Metall AG, Braunau-Ranshofen Member of the Supervisory Board of Lenzing AG, Lenzing</p> |
| <p>■ Dr. Hans-Peter Hagen Born 1959</p> | <p>Member of the Supervisory Board Initial appointment: July 4, 2007 CEO of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, Vienna (until December 31, 2015)</p> |
| <p>■ Dr. Michael Kutschera, MCJ. (NYU) Born 1957</p> | <p>Member of the Supervisory Board Initial appointment: July 1, 2004 Attorney at law; partner at Binder Grösswang Rechtsanwälte GmbH, Vienna</p> |
| <p>■ Prof. (em) Dr. Helga Nowotny, Ph.D. Born 1937</p> | <p>Member of the Supervisory Board Initial appointment: July 2, 2014 Former President of the European Research Council</p> |
| <p>■ Mag. Dr. Josef Peischer Born 1946</p> | <p>Member of the Supervisory Board Initial appointment: July 1, 2004 Former Director of the Chamber of Workers and Employees for Upper Austria, Linz</p> |
| <p>■ Dipl.-Ing. Dr. Michael Schwarzkopf Born 1961</p> | <p>Member of the Supervisory Board Initial appointment: July 1, 2004 CEO of Plansee Holding AG, Reutte Member of the Supervisory Board of Mayr-Melnhof Karton AG, Vienna Member of the Board of Directors of Molibdenos y Metales S.A., Santiago, Chile</p> |

Delegated by the Works Council:

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| <p>■ Josef Gritz Born 1959</p> | <p>Member of the Supervisory Board Initially delegated: January 1, 2000 Chairman of the Works Council for Wage Earners of voestalpine Stahl Donawitz GmbH & Co KG, Donawitz</p> |
| <p>■ Brigitta Rabler Born 1959</p> | <p>Member of the Supervisory Board Initially delegated: May 1, 2013 Chairwoman of the Works Council for Salaried Employees of voestalpine AG, Linz</p> |
| <p>■ Hans-Karl Schaller Born 1960</p> | <p>Member of the Supervisory Board Initially delegated: September 1, 2005 Chairman of the Group Works Council of voestalpine AG, Linz Chairman of the European Works Council of voestalpine AG, Linz</p> |
| <p>■ Gerhard Scheidreiter Born 1964</p> | <p>Member of the Supervisory Board Initially delegated: January 1, 2012 Chairman of the Works Council for Wage Earners of BÖHLER Edelstahl GmbH & Co KG, Kapfenberg</p> |

All Supervisory Board positions held by shareholders' representatives terminate as of the close of the Annual General Meeting of voestalpine AG, which adopts resolutions relative to the business year 2018/19.

None of the members of the Supervisory Board missed more than one meeting of the Supervisory Board meetings during the last business year.

Compensation report for Management Board and Supervisory Board

Regarding the compensation report for Management Board and Supervisory Board, we refer to the notes to the annual financial statements.

Information regarding the independence of the members of the Supervisory Board

All of the members elected to the Supervisory Board by the Annual General Shareholders' Meeting have confirmed that they consider themselves to be independent based on the criteria defined by the Supervisory Board (Corporate Governance Code, Rule 53). The criteria for independence defined by the Supervisory Board may be viewed on the website www.voestalpine.com and correspond largely to Appendix 1 of the Corporate Governance Code. Furthermore, with the exception of Dr. Heinrich Schaller, who represents the shareholder Raiffeisenlandesbank Oberösterreich Invest GmbH & Co OG, and

Mag. Dr. Josef Peischer, who represents the voestalpine Mitarbeiterbeteiligung Privatstiftung, none of the members elected to the Supervisory Board by the Annual General Shareholders' Meeting are shareholders with an investment of more than 10% or represent the interests of such shareholders (Rule 54).

Committees of the Supervisory Board

The Articles of Incorporation authorize the Supervisory Board to appoint committees from among its ranks and to define their rights and responsibilities. The committees can also be given the right to make decisions. In accordance with the ratio defined in Sec. 110 (1) of the Labor Constitution Act (*Arbeitsverfassungsgesetz, ArbVG*), the employee representatives on the Supervisory Board have the right to nominate members with a seat and a vote for Supervisory Board committees. This does not apply to committees that handle relations between the Company and the members of the Management Board.

The following Supervisory Board committees have been established:

General Committee

The General Committee is both the Nomination and Compensation Committee as defined by the Corporate Governance Code.

As the Nomination Committee, the General Committee submits recommendations to the Supervisory Board regarding filling Management Board positions that become vacant and handles issues regarding succession planning. As the Compensation Committee, the General Committee is also responsible for executing, amending, and dissolving employment agreements with members of the Management Board as well as for all matters associated with the management of Management Board members' stock option plans. Furthermore, the General Committee has the right to make decisions in urgent cases. It also makes decisions regarding whether members of the Management Board are permitted to take on ancillary activities.

Members of the General Committee of the Supervisory Board:

- Dr. Joachim Lemppenau (Chairman)
- Dr. Heinrich Schaller (Deputy Chairman)
- Hans-Karl Schaller

Audit Committee

The Audit Committee is responsible for monitoring the financial reporting process, the work undertaken by the auditor, reviewing and preparing approval of the annual financial statements, reviewing and monitoring the independence of the auditor, and reviewing the recommendation for the appropriation of earnings, the Management Report, and the Corporate Governance Report. It is also this committee's responsibility to review the Group's Consolidated Financial Statements and to submit a recommendation for the selection of an auditor and to report to the Supervisory Board in this matter. Furthermore, the Audit Committee is responsible for monitoring the effectiveness of the company-wide internal control system, the internal audit system, and the risk management system.

Members of the Audit Committee of the Supervisory Board:

- Dr. Joachim Lemppenau (Chairman)
- Dr. Heinrich Schaller (Deputy Chairman)
- KR Dr. Franz Gasselsberger, MBA (Financial expert)
- Dr. Hans-Peter Hagen
- Hans-Karl Schaller
- Josef Gritz

Number of Supervisory Board meetings and significant matters raised during Supervisory Board meetings and meetings of the committees during the business year

During the business year 2015/16, the Supervisory Board fulfilled its responsibilities under the law and the Articles of Incorporation, holding five plenary sessions, three meetings of the Audit

Committee, and one meeting of the General Committee. In addition to ongoing reports on the Group's current economic and financial situation, these meetings dealt in particular with matters involving Strategy 2020, regional strategy for China, health and safety, supply of raw materials, innovation, and IT. The Audit Committee dealt with the review and preparation of the approval of the Company's consolidated financial statements and the individual financial statements, preparation of the recommendation for the appointment of an auditor as well as topics relative to the internal control system, the risk management system, and Internal Auditing. In its function as Compensation Committee, the Executive Committee dealt with questions concerning the compensation of the members of the Management Board.

In the last meeting of the business year, the Supervisory Board carried out the self-evaluation stipulated under Rule 36 of the Corporate Governance Code and, utilizing a list of questions, dealt with the general cooperation between Management Board and Supervisory Board, quality and scope of the documents made available to the Supervisory Board as well as organizational questions.

Measures to advance women on the Management Board, the Supervisory Board, and other leadership positions

In the business year 2015/16, the percentage of female executives was at about 12.0%, thus increasing slightly compared to the previous year (11.0%). Since the business year 2013/14, a woman has been in a divisional management position; and since the last election in July 2014, two women have been on the Supervisory Board of voestalpine AG, which consists of twelve members. Within the scope of internal leadership development efforts, great importance is being placed on continuing to expand the percentage of female participants. Therefore, voestalpine is making every effort to ensure that women are represented at each training level of the Leadership Development Program ("value:program"). In the business

year 2015/16, of the total of 228 participants, 15.4% were women. This means that the percentage of women has fallen compared to the previous year (18%), however, it is still above the Group average.

Overall, the percentage of women in the voestalpine Group in the business year 2015/16 was 13.1% (previous year: 13.3%). This percentage is still low compared to other sectors of the economy, and this has industry-specific, historical, and cultural reasons. In the consciousness of the public, the image of a steel, technology, and industrial goods company is still the image of heavy industry and, therefore, broad-based recruitment of female employees is a challenging undertaking.

None of the Group companies have explicit "female quotas." Rather, the voestalpine Group is striving to implement appropriate measures in order to increase the percentage of women in the Group at all levels. This includes a number of activities, some of which are country-specific, such as participation in Girls' Day, advancement of women in technical professions, and/or increased hiring of female graduates of technical schools and universities. Furthermore, establishment and expansion of in-house child care facilities and collaborations with external facilities is being accelerated. As a result of these efforts, women are now employed in top leadership positions in traditionally male-dominated, technical areas of the Company (e.g., hot-dip galvanizing plants, wire production facilities) and are in executive positions, primarily in the financial, legal, and human resources departments, in a number of Group companies. For example, the area "Legal and Compliance" in three of the four divisions is headed by women.

In annual human resources reporting, data on the percentage of women in executive positions is collected and analyzed regularly according to their qualifications and their status in the training programs in order to monitor the sustainability of the implemented measures.

External evaluation of compliance with the Corporate Governance Code

The Corporate Governance Code provides for a regular external evaluation of compliance with the Code. This evaluation was carried out by the Group's auditor during the audit of the 2015/16 financial statements. The review of compliance with the C rules of the Code regarding the audit (Rules 77 to 83) was conducted by the law firm

WOLF THEISS Rechtsanwälte GmbH & Co KG. As a result of this evaluation, the auditors have determined that the declaration given by voestalpine AG with regard to compliance with the January 2015 version of the Corporate Governance Code conforms to the actual conditions and/or facts.

- The external review report may be viewed on the website www.voestalpine.com.

Linz, May 18, 2016

The Management Board

Wolfgang Eder

Herbert Eibensteiner

Franz Kainersdorfer

Robert Ottel

Franz Rotter

Peter Schwab

This report is a translation of the original report in German, which is solely valid.

Compliance

Since its IPO in 1995, the voestalpine Group has continued to expand its compliance activities in order to protect the Company against financial damages and prevent damage to its reputation. Initially, within the scope of the IPO, the focus was on capital market compliance, with additional compliance issues being added subsequently.

In the business year 2011/12, a new, comprehensive compliance management system was established, and compliance efforts were undertaken on a very broad Group-wide basis. In addition to a Group compliance officer, a compliance officer was appointed for each division and for some business units of the Group. The Group compliance officer reports directly to the Chairman of the Management Board and is independent and not bound by directives.

Code of Conduct of voestalpine AG

The Code of Conduct of voestalpine AG provides the basis for morally, ethically, and legally sound conduct by the management and by all employees of the Group. The Code of Conduct is directed not only to the management and the employees, but also to customers, suppliers, and other business partners.

In the event of a violation of statutory provisions, internal guidelines, or provisions of the voestalpine Code of Conduct, employees will be subject to disciplinary measures. Furthermore, violations can have consequences under criminal and/or civil law, e.g., recourse claims and claims for compensatory damages.

Compliance guidelines

Additions to the provisions of the Code of Conduct were made in Group guidelines where they were defined more closely:

■ Antitrust law

This guideline describes the prohibition of agreements restricting competition, provides rules for dealings and interaction with and in associations, professional associations, or other industry organizations, and defines concrete rules of conduct for employees of the voestalpine Group.

■ Business conduct

This guideline regulates, for example, conduct relative to gifts, invitations, and other benefits, donations, sponsoring, ancillary activities, and the private purchase of goods and services by employees of customers and suppliers.

■ Guideline regarding dealings with business intermediaries/brokers and consultants

This guideline defines the procedure to be complied with prior to contracting or engaging sales representatives, other sales consultants, consultants, or lobbyists. An objective analysis of the prospective business partner's business environment and scope of activities prior to establishing business relations is required, in order to ensure that the business partner can comply with all applicable laws and the voestalpine Code of Conduct.

The Code of Conduct and the compliance guidelines apply across the entire Group and are available in 15 languages.

Whistleblowing system

In January 2012, a web-based whistleblower system was launched. Reports of compliance violations should primarily be made openly, that is, providing the whistleblower's name. This web-based system, however, provides the additional possibility of reporting misconduct anonymously and communicating with whistleblowers while enabling them to maintain their absolute anonymity. This system will enable systematic use of internal information to effectively uncover compliance risks within the company early on.

voestalpine employees on a regular basis by way of regular communications, particularly through employee magazines, poster campaigns, or at Group and divisional events.

- Information about the subject of compliance in the voestalpine Group is also available on the voestalpine AG website, and employees also have access to information on the Group intranet.

Prevention

Preventive measures are the first line of defense of a compliance management system. In this context, comprehensive training programs were carried out in recent years in all of the Group's divisions. In order to achieve a training effect that is as broad-based as possible, e-learning systems are being increasingly used in addition to face-to-face training. For example, within the scope of a single web-based e-learning course, more than 7,500 of the Group's employees received training on antitrust law and about 20,000 employees received training on the Code of Conduct; both courses included a final test. Face-to-face training is target-group oriented and is generally carried out during executive training programs and specific training programs for employees in sales and procurement. Additionally, compliance issues are brought to the attention of