Annual Report 2012/13

voestalpine
ONE STEP AHEAD.

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Development of the Key Figures

In millions of euros	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue	11,724.9	8,550.0	10,953.7	12,058.2	11,524.4
EBITDA	1,710.1	1,004.3	1,605.6	1,301.9	1,441.8
EBITDA margin	14.6%	11.7%	14.7%	10.8%	12.5%
EBIT	988.7	352.0	984.8	704.2	853.6
EBIT margin	8.4%	4.1%	9.0%	5.8%	7.4%
Profit before tax (EBT)	700.0	183.3	781.0	504.4	654.7
Profit for the period[1]	611.6	186.8	594.6	413.3	521.9
EPS – Earnings per share (euros)	3.26	0.65	3.04	1.98	2.61
Total assets	12,846.5	12,294.1	13,076.4	12,612.1	13,079.3
Cash flows from operating activities	1,357.9	1,606.1	957.6	856.5	1,321.9
Investments in tangible and intangible assets and interests	1,078.9	542.5	422.7	574.6	851.5
Depreciation	721.3	652.3	620.8	597.7	588.2
Equity	4,262.5	4,262.4	4,691.1	4,836.3	5,075.3
Net financial debt	3,761.6	3,037.3	2,713.1	2,585.7	2,259.2
Net financial debt in % of equity (gearing)	88.2%	71.3%	57.8%	53.5%	44.5%
Return on capital employed (ROCE)	11.4%	4.4%	12.4%	8.6%	10.6%
Market capitalization, end of period	1,645.0	5,043.3	5,585.1	4,255.0	4,128.8
Number of outstanding shares as of March 31	167,003,706	168,390,878	168,581,289	168,749,435	172,358,534
Share price, end of period (euros)	9.85	29.95	33.13	25.22	23.96
Dividend per share (euros)	1.05	0.50	0.80	0.80	0.90[2]
Employees (full-time equivalent), end of period	44,004	42,021	45,260	46,473	46,351

[1] Before deduction of non-controlling interests and interest on hybrid capital.
[2] As proposed to the Annual General Shareholders' Meeting.

Overview of the Key Figures

voestalpine Group

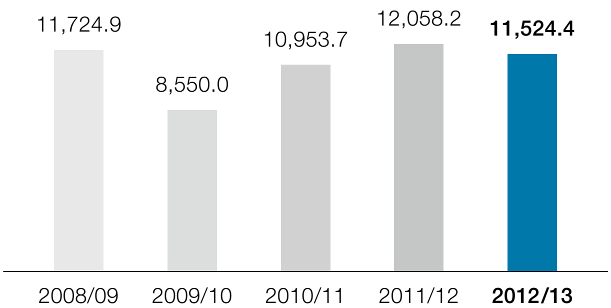
In millions of euros	2011/12	2012/13	Change in %
Revenue	12,058.2	11,524.4	–4.4
EBITDA	1,301.9	1,441.8	10.7
EBITDA margin	10.8%	12.5%	
EBIT	704.2	853.6	21.2
EBIT margin	5.8%	7.4%	
Employees (full-time equivalent)	46,473	46,351	–0.3

voestalpine Divisions

In millions of euros	Steel	Special Steel	Metal Engineering	Metal Forming
Revenue	3,921.7	2,748.4	2,913.6	2,310.2
EBIT	218.4	223.6	319.6	167.6
EBIT margin	5.6%	8.1%	11.0%	7.3%
Employees (full-time equivalent)	10,676	12,721	11,374	10,853

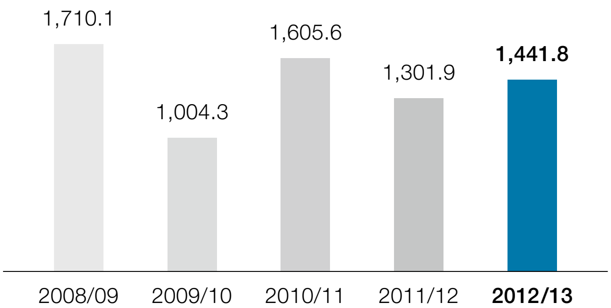
Revenue

In millions of euros



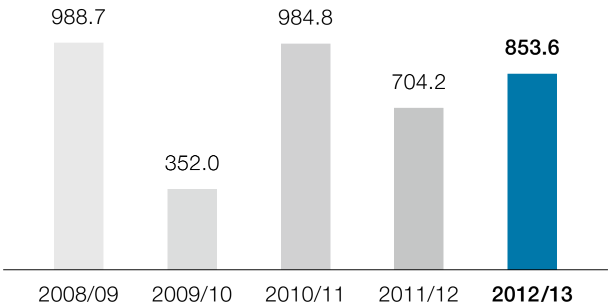
EBITDA Profit from operations before depreciation

In millions of euros



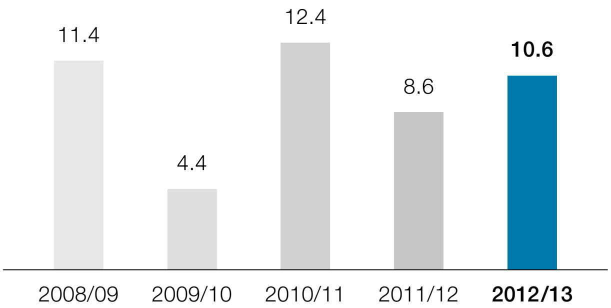
EBIT Profit from operations

In millions of euros



ROCE Return on capital employed

in %



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of our current Annual Report
on our website
www.voestalpine.com

Highlights

- Cooling down of the global economy throughout the entire business year 2012/13; move toward stabilization in the second half of the year lacked sufficient momentum to reverse the trend.

- Regionally varied development with upward trends in the USA and, more recently, in Brazil, as opposed to dwindling momentum in Asia (especially China); in Europe, continuing recessive trends due to the crisis in Southern Europe and broad-based national austerity measures.

- Group undertakes its largest ever foreign investment—construction of a direct reduction plant in Texas.

- With its largely stable earnings performance in a difficult environment, the Steel Division is a benchmark in the EU steel industry.

- Despite a moderate decline in operating result, the Special Steel and Metal Forming Divisions continue to enjoy solid profitability.

- Due to its broad-based positioning and a high degree of specialization, the Metal Engineering Division demonstrated outstanding performance.

- Compared to previous year, Group revenue drops by 4.4% from EUR 12.1 billion to EUR 11.5 billion, primarily due to lower raw materials prices.

- All reporting categories improve significantly compared to the previous year, which was adversely affected by non-recurring provisions in the amount of EUR 205.0 million.

- After EUR 1,301.9 million in the previous year, operating result (EBITDA) rose by 10.7% to EUR 1,441.8 million; at EUR 853.6 million, profit from operations (EBIT) increased compared to 2011/12 (EUR 704.2 million) by 21.2%.

- Despite investment expenditures that had grown by 48.2%, improvement of free cash flow by 50.5% from EUR 337.8 million to EUR 508.3 million.

- Structure of statement of financial position substantially enhanced: equity over EUR 5 billion for the first time, net financial debt reduced to EUR 2.26 billion, gearing ratio (net financial debt in percent of equity) as of March 31, 2013 lowered to 44.5% (previous year: 53.5%).

- Dividend proposed to the Annual General Shareholders' Meeting: EUR 0.90 per share (after EUR 0.80 per share in the previous year)—dividend yield increased from 2.9% to 3.8%.

- At 46,351, number of employees (FTE/full-time equivalent) as of March 31, 2013 remains practically constant (previous year: 46,473).

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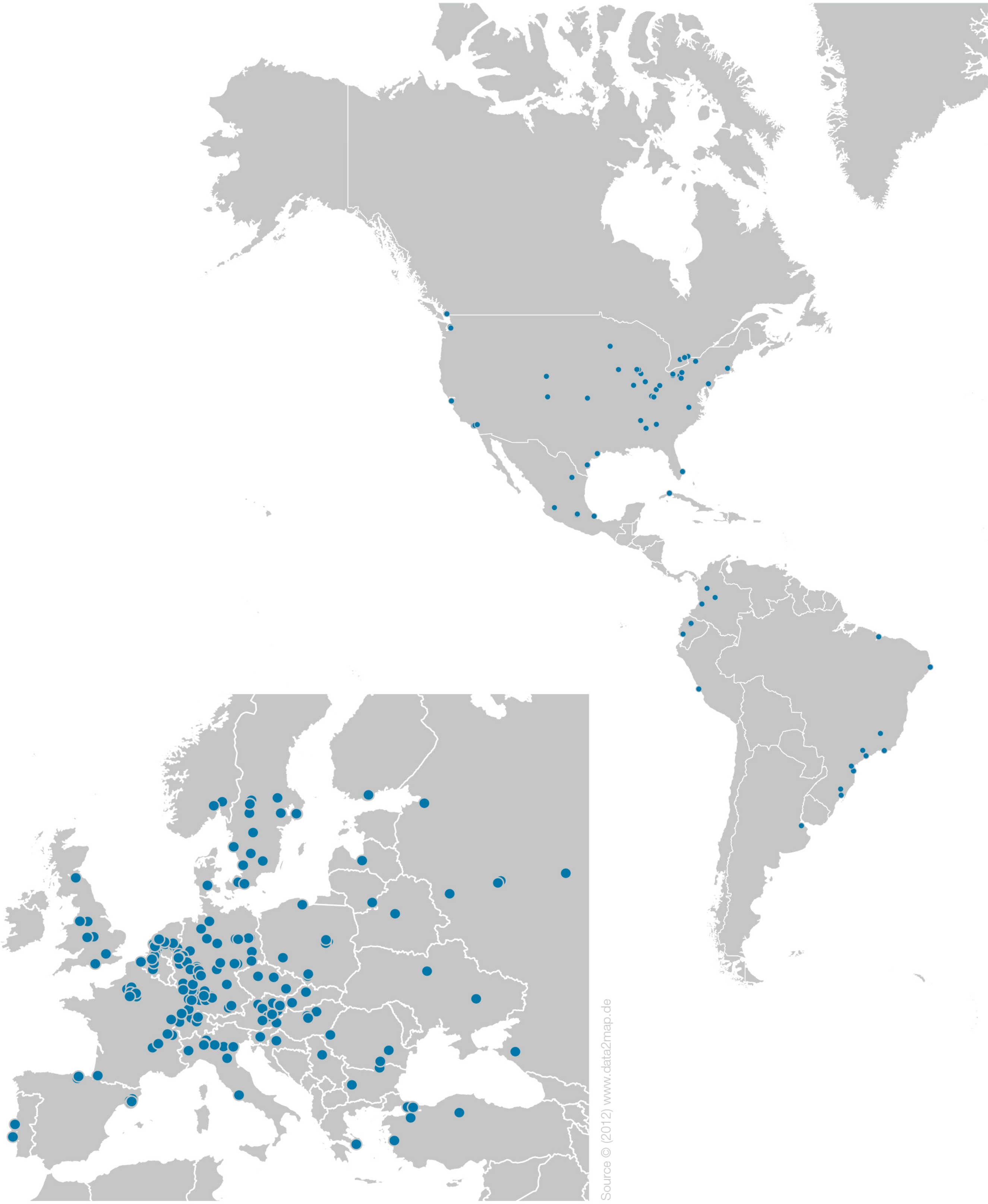
Divisional Reports

Consolidated Financial Statements

Service

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 five continents. With revenue of EUR 11.5 billion in the business year 2012/13 and an operating result (EBITDA) of EUR 1.4 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

Top European player
Top European supplier of 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)	3,921.7
EBIT (in millions of euros)	218.4
EBIT margin	5.6%
Employees (full-time equivalent)	10,676

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)	2,748.4
EBIT (in millions of euros)	223.6
EBIT margin	8.1%
Employees (full-time equivalent)	12,721

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)	2,913.6
EBIT (in millions of euros)	319.6
EBIT margin	11.0%
Employees (full-time equivalent)	11,374

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 steel strip, and special components for the automotive and aviation industries.

19%
of Group revenue

Revenue (in millions of euros)	2,310.2
EBIT (in millions of euros)	167.6
EBIT margin	7.3%
Employees (full-time equivalent)	10,853

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 (since July 4, 2012)
Deputy Chairman of the Supervisory Board (since July 4, 2012)
Initial appointment: July 4, 2012
CEO of Raiffeisenlandesbank Oberösterreich AG, Linz

KR Mag. Dr. Ludwig Scharinger
Deputy Chairman of the Supervisory Board (until July 4, 2012)
Initial appointment: January 20, 1994
Former 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

Dr. Josef Krenner
Member of the Supervisory Board
Initial appointment: July 1, 2004
Head of the Directorate of Finance of the Federal State of Upper Austria, Linz

Dr. Michael Kutschera MCJ. (NYU)
Member of the Supervisory Board
Initial appointment: July 1, 2004
Attorney at law; partner with Binder Grösswang Rechtsanwälte GmbH, Vienna

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 & Co KG, Donawitz

Brigitta Rabler (as of May 1, 2013)
Member of the Supervisory Board
Initial appointment: May 1, 2013
Chairwoman of the Works Council for Salaried Employees of voestalpine AG, Linz

Johann Heiligenbrunner (until April 30, 2013)
Member of the Supervisory Board
Initial appointment: March 24, 2000
Chairman of the Works Council for Salaried Employees 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

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

The Management Board of voestalpine AG

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 area of responsibility:
Long-term development of new products and markets

Dr. Wolfgang Eder
Born 1952
Member of the Management Board since 1995
Chairman of the Management Board since 2004
Head of the Steel Division
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 Metal Forming 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:
Procurement Strategy

At its meeting on March 22, 2013, the Supervisory Board of voestalpine AG extended the terms of office for all five members of the Management Board, which were due to expire as of March 31, 2014, for another five years; the assigned areas of responsibility remain unchanged.

Ladies and Gentlemen:

After the boom years of reconstruction after the Second World War, it has now been around 25 years since the European steel industry was rocked by an existential crisis. Politically dominated ownership structures, the belief in limitless growth, and obliviousness to the fundamental principles of a free market economy in favor of political intervention, characterized increasingly by protectionism and subsidies, ultimately led to the outcome that more and more countries could not afford "their" steel industry that was suffering from enormous overcapacity. What subsequently followed were plant closures that went hand in hand with demonstrations, strikes, and wild disputes between politicians and political parties, unions, workers, and company management and finally, the inevitable consequence of a fundamental paradigm shift—privatization and consolidation. Industry that was dominated by state ownership became exchange-listed or privately managed corporations; of the approximately 30 major steel companies that still existed in the early 1990s, today less than ten more or less large corporate groups remain in the European Union.

One would be tempted to call this an exemplary development—straight out of a business administration textbook: the European steel industry and the political establishment have proven that they are capable of learning from the mistakes made in the past. Far from it! What did actually happen? After the structural adjustments of the 1990s, which were ultimately quite modest, and shortly after the events of 9/11, a worldwide economic upturn, driven mainly by the economic awakening of China, began with a momentum never seen before in recent economic history, continuing until the events surrounding the Lehman collapse in September 2008 put an abrupt end to this cycle. For years, the global boom in demand, which comprised all of the major industrial sectors, covered up the still existing, serious structural weaknesses of the European steel industry; in fact, it even intensified them insofar as many companies succumbed to the temptation of the prospect of making a quick profit by expanding their capacity in the mass market steel segment, thus contributing to the additional escalation of their capacity problems.
The financial and economic crisis and the sovereign debt crisis, which have now been ongoing for almost five years and which have ravaged Europe more severely than any other global economic region, have given the steel industry more than just an unhappy déjà-vu of the 1980s and 90s: not only that state interventionism, labor struggles, protectionism, and talk of subsidies are all heating up the current discussion, but the industry, which is largely suffering from increasing erosion of financial assets, is less and less able to afford the necessary investments in quality and future-oriented technologies that it needs to make in order to be able to maintain its global competitiveness. Against this backdrop, the European steel industry is in the midst of losing the technological supremacy it has maintained for hundreds of years.

In the course of events, it is an undeniable fact that each product, each process has a life cycle—shorter for some, longer for others—and at some point in time this life cycle reaches its end. This also applies to steel products, steel production processes, and steel plants. When products, processes, and plants, no matter in which industry sector, are not updated on a regular basis—and due to increasingly tough competition and consequently ever scarcer financial means, this is bumping up against limits—they too are subject to an expiration date. And the more competitive an industry is, the more limited the demand is, the more clearly one can see this date.

Today, there are some social and political groups that want to override this economic cycle—sometimes as a reaction to developments in recent decades that were oriented only toward the ultimate monetary gain. In other words, keeping production sites going, which are no longer competitive, no matter what—whether by way of political pressure on owners and management, subsidies, protectionist measures, or ultimately, nationalization. And this means nothing less than invalidating the fundamental laws of supply and demand. The experience of the first such attempt in the 1980s teaches us that this does not work, not least because in the end, this inevitably results in a race for subsidies that governments cannot afford in the long term. At the end of the day, this would only result in overdue structural reforms, but on an even larger scale, with even more painful social hardships, and even higher costs, as the longer unprofitable companies are artificially maintained, the more still healthy companies are threatened in their existence. For the people involved, this is anything but a fair method because they are being kept in a state of false illusion that their jobs are safe. It is fairer and more humane—and at the same time more economically expedient—to disclose the facts openly and enable them to upgrade their skills or start a new career path as long as there are still sufficient funds to assist them. But such action would require courage and honesty—qualities that many decisionmakers cannot claim to possess. Postponing problems, trying to explain or argue them away, or sitting them out no longer works in a globalized and extremely dynamic business world. Anyone trying to sit problems out, will be overrolled by the competition—and this is just what is threatening the European steel industry.

In this context, we can only reiterate that it has proven to have been a wise decision to develop our company away from the classic steel company to a steel-based technology and capital goods group that is oriented toward the high-end sector as an alternative to much of the industry that still thinks in millions of tons. And we will pursue this path with relentless consistency—that is something you can rely on. Jointly with our Supervisory Board, we have created the basis for this course of action in the form of our "Strategy 2020"—for the next ten years and beyond.

Linz, May 27, 2013

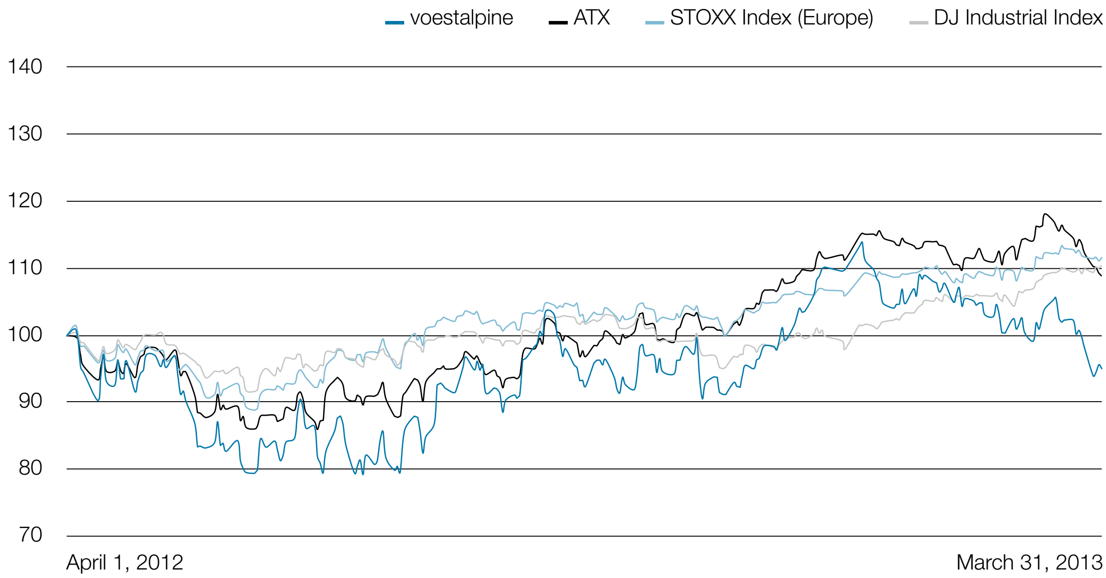
The Management Board

Wolfgang Eder Herbert Eibensteiner Franz Kainersdorfer Robert Ottel Franz Rotter

Investor relations

voestalpine AG vs. the ATX and international indices

Changes compared to March 31, 2012, in %



Price development of the voestalpine share

The negative mood on the financial markets in the early part of the business year 2012/13, which also affected the voestalpine AG share, was the result of global fears surrounding the economy on one hand and on the other, of the continuing sovereign debt crisis, primarily in Europe, but in the USA as well. In the summer of 2012, at a time when economic expectations began to deteriorate, a counter movement began to emerge on the international stock exchanges that was triggered by the announcement made by ECB President Mario Draghi that in the event of a worsening of the crisis, action would be taken to provide de facto unlimited assistance to already struggling nations. As a result, despite a phase of economic gloom, shares went up with some experiencing tremendous gains. The voestalpine share's sharp price increases toward the end of the 2012 calendar year were, however, not only due to external factors but were also based on the solid earnings performance of the first half of the business year 2012/13. The bank crisis in Cyprus, which escalated in the first quarter of 2013, demonstrated once again—using the performance of the voestalpine share as an example—that in times of uncertain market conditions, international investors will first of all pull back from less liquid markets and sell off equities sensitive to fluctuations in the economy. Furthermore, from a fundamental perspective, no support could be identified in the first calendar quarter of 2013; indeed, growth expectations for Europe in 2013 were lowered in the course of the quarter.

Viewed over the course of the entire business year 2012/13, as a result of this market environment, the ATX, the STOXX Index (Europe), and the DJ Industrial Index each gained around 10% in the course of the business year, but the value of the voestalpine share lost about 5% in the same period, going from EUR 25.22 to EUR 23.96.

Investing in the voestalpine share

The voestalpine AG share has been listed on the Vienna Stock Exchange since October 1995; shortly thereafter (December 1995), it was listed in the ATX. After the 1:4 share split in August 2006, the initial offering price of EUR 20.71 corresponds to a share price of EUR 5.18, which equals a total increase in value (without dividends) of 363% as of the end of March 2013. Including the distributed dividends, this period saw a total shareholder return of 572%. Since its IPO, voestalpine AG has therefore created sustainable value not only for its customers and employees, but for its shareholders as well.

As a result of the Group's consistent focus on high-quality niche products for high-end customer segments, it was successful in considerably limiting its dependence on the "classic" steel cycle. The sound business model with a broad diversification of products according to both regions and industries has contributed to reducing the overall dependence on the economy, i.e., cyclicality. The leading market position in all of the major business segments is based on innovative product solutions involving steel as the basic material as well as the Group's technology and quality leadership due to its strong focus on research and development.

The long-term growth perspectives of the voestalpine Group are primarily directed toward the mobility and energy sectors with a definite growth focus outside of Europe and the objective of increasing revenue by 2020 from the current figure of EUR 11.5 billion to a figure in the range of around EUR 20 billion. The investments required to achieve this goal will not impair the dividend policies of voestalpine AG, which—under normal economic conditions—provide for a sustainable, four percent interest rate on the average share price of the respective business year. Since the IPO in 1995, dividends have been distributed to shareholders continuously without any interruptions caused by turbulent economic times. Despite the past crisis years, the average dividend return for the business years 1996 to 2012/13 is just slightly under this 4 percent mark at 3.9%.

Capital increase by 2% for the purpose of continued expansion of the employee shareholding scheme

On September 12, 2012, the Management Board of voestalpine AG resolved to exercise its authorization to increase the Company's share capital pursuant to Section 4 (2) of the Articles of Association and increase the share capital of voestalpine AG by around 2% by issuing 3,400,000 new, no-par value bearer shares. The issue price per no-par value share was fixed at EUR 23.51. This price corresponds to the average closing price of the voestalpine share on the stock exchange during the last ten trading days immediately preceding the resolution.

The newly issued shares will ensure continued expansion and consolidation of the employee shareholding scheme of voestalpine AG. An employee shareholding scheme was put in place in 2000 and has been continuously expanded since then. The capital increase was recorded in the Commercial Register on November 24, 2012. Therefore, the share capital of the company now amounts to EUR 313,309,235.65 and is divided into 172,449,163 shares. Each share carries the right to one vote.

Bonds

Hybrid bonds (2007–2014, 2013–2019)

Within the scope of financing the acquisition of the BÖHLER-UDDEHOLM Aktiengesellschaft, voestalpine AG issued a subordinated hybrid bond in October 2007 with an issue volume of EUR 1 billion and a coupon rate of 7.125%. The earliest possible call option by voestalpine AG is in October 2014. During its first two years, the hybrid bond traded consistently under its initial offering price due to the generally difficult financial and economic situation. It reached its lowest price at 75 (% of the face value) in the spring of 2009. Subsequently, the bond's price started to rise in early 2010. Since then it has continued its very positive development, closing at the end of the business year 2012/13 at about 105 (% of the face value).

In order to optimize its financing portfolio, in February 2013, voestalpine AG offered all existing holders of the hybrid bond 2007 the opportunity to exchange their holdings for a new hybrid bond 2013 with a volume of up to EUR 500 million on a 1:1 basis. As more than 70% of the investors wanted to take advantage of this offer, allocation of the new bonds must be curtailed accordingly. The coupon rate of the (new) hybrid bond 2013 is fixed at 7.125% until October 31, 2014, then it is set at 6% until October 31, 2019. Demand for this security was so high that the price rose within just a few days after issue (March 20, 2013) to around 109.5 (% of the face value).

Corporate bond 1 (2009–2013)

In order to secure the Group's liquidity, in March 2009, voestalpine AG issued a corporate bond with a volume of EUR 400 million and a coupon rate of 8.75%. The bond was redeemed at the end of March 2013. Demand for the bond was very strong right from the beginning and about one year after being issued, it reached a high of more than 114 (% of the face value).

Corporate bond 2 (2011–2018)

In early February 2011, voestalpine AG successfully placed a seven-year bond issue on the capital market with a coupon rate of 4.75% and a volume of EUR 500 million. From the very beginning, demand on the part of investors was very strong, and this was manifested by the positive development of the price. Particularly in the 2012 calendar year, the price rose significantly. As of the end of March 2013, the price of this bond was at about 109.5 (% of the face value).

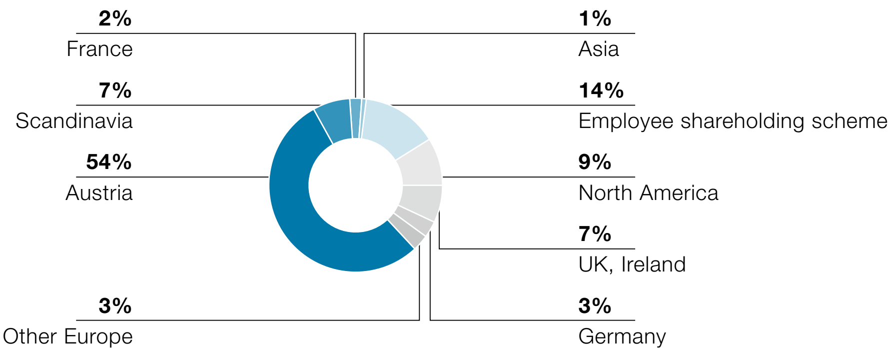
Corporate bond 3 (2012–2018)

At the end of September 2012, voestalpine successfully placed another bond issue on the capital market with a volume of EUR 500 million and an interest rate of 4%. The bond was subscribed primarily by international investors, mainly from Germany, Switzerland, and the UK. The order book totaled EUR 1.7 billion and included 270 different investors. Issue of the bond and the start of official trading was on October 5, 2012 on the Luxembourg Stock Exchange. The development of the price on the secondary market shows that the bondholders have a great deal of confidence in the company. By the end of March 2013, the price of this bond had risen to about 106 (% of the face value).

Ownership structure

The (indicative) ownership structure according to regions as of April 1, 2013 is as follows:

Shareholder structure



Largest individual shareholders

Raiffeisenlandesbank Oberösterreich Invest GmbH & Co OG	< 15%
voestalpine Mitarbeiterbeteiligung Privatstiftung	14.4%
Oberbank AG	7.9%
Norges Bank	> 4%

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

■ Baader Bank AG, Munich ■ Bank of America/Merrill Lynch, London ■ Citigroup, London ■ Commerzbank, Frankfurt ■ Credit Suisse, London ■ Davy, Dublin ■ Deutsche Bank, London ■ Erste Bank, Vienna ■ Exane BNP Paribas, Paris ■ Goldman Sachs, London ■ HSBC, London ■ Jefferies, London ■ JP Morgan, London ■ Kepler Cheuvreux, Frankfurt ■ MainFirst, Frankfurt ■ Morgan Stanley, London ■ Raiffeisen Centrobank, Vienna ■ Société Générale, Paris ■ Steubing, Frankfurt ■ UBS, London.

Share information

Share capital	EUR 313,309,235.65, divided into 172,449,163 no-par value shares
Shares in proprietary possession as of March 31, 2013	90,629 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 2012 to March 2013	EUR 28.71
Share price low April 2012 to March 2013	EUR 19.98
Share price as of March 31, 2013	EUR 23.96
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, 2013*	EUR 4,128,848,681.97

* Based on total number of shares minus repurchased shares.

Business year 2012/13	
Earnings per share	EUR 2.61
Dividend per share	EUR 0.90*
Book value per share	EUR 29.06

* As proposed to the Annual General Shareholders' Meeting.

Financial calendar 2013/14	
Annual General Shareholders' Meeting	July 3, 2013
Ex-dividend date	July 8, 2013
Dividend payment date	July 15, 2013
Letter to shareholders for the first quarter of 2013/14	August 7, 2013
Letter to shareholders for the second quarter of 2013/14	November 6, 2013
Letter to shareholders for the third quarter of 2013/14	February 11, 2014
Annual Report 2013/14	June 4, 2014
Annual General Shareholders' Meeting	July 2, 2014

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 2012. 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].

With reference to Rule 49 of the Code, it is noted herewith that the law firm of Binder Grösswang Rechtsanwälte GmbH, where Supervisory Board member Dr. Michael Kutschera is a partner, has served as legal counsel to voestalpine AG in the business year 2012/13 in matters relating to questions associated with the squeeze-out procedure for minority shareholders of BÖHLER-UDDEHOLM AG. Fees for this engagement were invoiced at the normal hourly rates of the law firm of Binder Grösswang Rechtsanwälte GmbH applicable at the time. Total net fees of EUR 35,420.83 were incurred for services provided by the law firm of Binder Grösswang Rechtsanwälte GmbH in the business year 2012/13.

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 2013/14.

None of the members of the Supervisory Board missed more than one 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.

[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

Dr. Wolfgang Eder Born 1952	Member of the Management Board since 1995; Chairman of the Management Board since 2004; End of the current term of office: March 31, 2014 (on March 22, 2013, reappointed until March 31, 2019); Member of the Supervisory Board of Oberbank AG, Linz	**Head of the Steel Division** *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 April 1, 2012; End of the current term of office: March 31, 2014 (on March 22, 2013, reappointed until March 31, 2019); Member of the Supervisory Board of Gemeinnützige Donau-Ennstaler Siedlungs-Aktiengesellschaft	**Head of the Metal Forming Division** *Assigned area of responsibility:* Information Technology
Dipl.-Ing. Dr. Franz Kainersdorfer Born 1967	Member of the Management Board since July 1, 2011; End of the current term of office: March 31, 2014 (on March 22, 2013, reappointed until March 31, 2019); Member of the Supervisory Board of VA Erzberg GmbH	**Head of the Metal Engineering Division** *Assigned area of responsibility:* Procurement Strategy
Mag. Dipl.-Ing. Robert Ottel, MBA Born 1967	Member of the Management Board since 2004; End of the current term of office: March 31, 2014 (on March 22, 2013, reappointed until March 31, 2019); Chairman of the Supervisory Board of VA Intertrading Aktiengesellschaft, Linz; Chairman of the Supervisory Board of APK-Pensionskasse AG, Vienna; Member of the Supervisory Board of Josef Manner & Comp. AG, Vienna	**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 January 1, 2011; End of the current term of office: March 31, 2014 (on March 22, 2013, reappointed until March 31, 2019)	**Head of the Special Steel Division** *Assigned area of responsibility:* Long-term development of new products and markets

Composition of the Supervisory Board

Dr. Joachim Lemppenau Born 1942	**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 Born 1959	**Deputy Chairman of the Supervisory Board** (since July 4, 2012) Initial appointment: July 4, 2012 CEO of Raiffeisenlandesbank Oberösterreich AG, Linz Member of the Supervisory Board of Raiffeisen Bank International AG, Vienna Member of the Supervisory Board of AMAG Austria Metall AG, Braunau-Ranshofen
KR Mag. Dr. Ludwig Scharinger Born 1942	**Deputy Chairman of the Supervisory Board** (since July 1, 2004, until July 4, 2012) Initial appointment: January 20, 1994 Former CEO of Raiffeisenlandesbank Oberösterreich AG, Linz Deputy Chairman of the Supervisory Board of Raiffeisen Bank International AG, Vienna Member of the Supervisory Board of AMAG Austria Metall AG, Braunau-Ranshofen
KR Dr. Franz Gasselsberger, MBA Born 1959	**Member of the Supervisory Board** Initial appointment: July 1, 2004 CEO 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
Dr. Hans-Peter Hagen Born 1959	**Member of the Supervisory Board** Initial appointment: July 4, 2007 CEO of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, Vienna
Dr. Josef Krenner Born 1952	**Member of the Supervisory Board** Initial appointment: July 1, 2004 Head of the Directorate of Finance of the Federal State of Upper Austria, Linz Chairman of the Supervisory Board of AMAG Austria Metall AG, Braunau-Ranshofen Member of the Supervisory Board of Lenzing AG, Lenzing
Dr. Michael Kutschera, MCJ (NYU) Born 1957	**Member of the Supervisory Board** Initial appointment: July 1, 2004 Attorney at law; partner at Binder Grösswang Rechtsanwälte GmbH, Vienna
Mag. Dr. Josef Peischer Born 1946	**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 Born 1961	**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

Delegated by the Works Council:

■ **Josef Gritz** Born 1959	**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
■ **Brigitta Rabler** Born 1959	**Member of the Supervisory Board** (since May 1, 2013) Initially delegated: May 1, 2013 Chairwoman of the Works Council for Salaried Employees of voestalpine AG, Linz
■ **Johann Heiligenbrunner** Born 1948	**Member of the Supervisory Board** (until April 30, 2013) Initially delegated: March 24, 2000 Former Chairman of the Works Council for Salaried Employees of voestalpine AG, Linz
■ **Gerhard Scheidreiter** Born 1964	**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
■ **Hans-Karl Schaller** Born 1960	**Member of the Supervisory Board** Initially delegated: September 1, 2005 Chairman of the Group Works Council voestalpine AG, Linz Chairman of the European Works Council of voestalpine AG, Linz

Information regarding the independence of the members of the Supervisory Board

All of the members elected to the Supervisory Board by the Annual General 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 Dr. Peischer, who represents the voestalpine Mitarbeiterbeteiligung Privatstiftung, none of the members elected to the Supervisory Board by the Annual General 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. Pursuant to 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, the recommendation for the appropriation of earnings, and the Management 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
- Dr. Josef Krenner (Financial expert)
- 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 2012/13, the Supervisory Board fulfilled its responsibilities under the law and the Articles of Incorporation, holding seven plenary sessions, three meetings of the Audit Committee, and four meetings of the General Committee. In addition to ongoing reports on the Group's current economic and financial situation, these meetings dealt in particular with issues surrounding the Group's strategic development, matters dealing with antitrust law, measures involving risk management and securing the Group's liquidity as well as the extension of the terms of office of the members of the Management Board. 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. The General Committee focused on questions regarding the Group's strategy as well as matters dealing with antitrust law; furthermore, in its function as Compensation Committee, it dealt with questions concerning the compensation of the members of the Management Board. In its function as the Nomination Committee, focal points of its activity were the preparation of the recommendation for the appointment of the successor of Dr. Scharinger, Dr. Heinrich Schaller, as member of the Supervisory Board of voestalpine AG and the extension of the terms of office 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.

External evaluation of compliance with the Corporate Governance Code

The Corporate Governance Code provides for a regular external evaluation of the Company's compliance with the Code. This evaluation was carried out by the Group's auditor during the audit of the 2012/13 financial statements (audit pursuant to Rule 62 of the Corporate Governance Code). The review of compliance with the rules of the Code regarding the audit (Rules 77 to 83) was conducted by the law firm WOLF THEISS Rechtsanwälte GmbH. As a result of this evaluation, the auditors have determined that the declaration given by voestalpine AG with regard to compliance with the 2012 version of the Corporate Governance Code conforms to the actual conditions and/or facts.

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

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

In the business year 2012/13, the percentage of female executives (members of the Management Board excepted) was at about 10.1%, thus remaining practically unchanged compared to the previous year. Within the scope of internal leadership development efforts, great importance is being placed on continuing to expand the percentage of female participants. Therefore, the relative resolution by the Management Board stipulates that women must be represented at each level of training/education of the management development system. In the business year 2012/13, there were 22 women of a total of 146 participants. The percentage of women in the management development system has therefore increased from 12.4% in the previous year to 15.1%.
The percentage of women in the voestalpine Group overall in the business year 2012/13 was 12.6%. 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 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 respective external facilities is being accelerated in order to support women entering or reentering into the workforce.
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 in financial, human resources, and legal departments of various Group companies.
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.

Linz, May 21, 2013

The Management Board

Wolfgang Eder	Herbert Eibensteiner	Franz Kainersdorfer	Robert Ottel	Franz Rotter

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. Since 2002, trainings in antitrust law have been held in all of the Group's divisions on a regular basis. A major additional step was the introduction of a Code of Conduct in 2009, which is valid for all of the Group's employees.
In the business year 2011/12, a new, comprehensive compliance management system was implemented—not least as a consequence of the "rail antitrust proceedings." In addition to a Group compliance officer, a compliance officer was appointed for each division of the Group. The Group compliance officer reports directly to the Chairman of the Management Board and is not bound by directives. The divisional compliance officers report to the Group compliance officer and to the respective heads of the divisions.

Code of Conduct

The Code of Conduct of voestalpine AG, which was updated in the past business year, provides the basis for morally, ethically, and legally sound conduct by the management and 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, regulations, or provisions of the voestalpine Code of Conduct, employees will be subject to disciplinary measures. Furthermore, violations can have consequences under criminal and civil law, e.g., recourse claims and claims for compensatory damages.

Compliance guidelines

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

- **Business conduct**

This guideline regulates, for example, the permissibility of 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 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 partner's business environment and scope of activities prior to establishing business relations is required to ensure that the partner can comply with all applicable laws and the Code of Conduct of the voestalpine Group.

The Code of Conduct and the compliance guidelines apply across the entire Group and are available in 14 languages.

Whistleblower 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. The new 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 also enable systematic use of internal information to effectively uncover compliance risks within the company early on.

Prevention

Preventive measures are the first line of defense of a compliance management system. In this context, comprehensive training programs were again carried out in the business year 2012/13 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, in the last business year alone more than 4,500 of the Group's employees received training on antitrust law and more than 18,000 employees received training on the Code of Conduct, both including a final test, in web-based e-learning courses. Compliance training has also been provided for some years within the scope of executive training programs. Additionally, compliance issues are brought to the attention of our employees on a regular basis, particularly through employee magazines and poster campaigns or at Group and divisional events.

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

Report of the Management Board

Management Report 2012/13

This Consolidated Management Report refers to the Consolidated Financial Statement, which was prepared in accordance with the International Financial Reporting Standards (IFRS) as mandated by Sec. 245a (1) of the Austrian Commercial Code (UGB). We have made use of the provision under Sec. 267 (4) of the Austrian Commercial Code (UGB), which permits the consolidation of the Management Report and the Group Management Report.

Market environment

Since the financial and economic crisis broke out in 2008, the global economy has not been able to stabilize sustainably, despite massive interventions by individual governments and widespread measures by institutions of the international community.

While a certain broad-based optimism was noticeable in 2011, in the course of 2012 and thus during the entire business year 2012/13 of the voestalpine Group, a pessimistic mood took its place in most of the global economic regions. The economies cooled down worldwide; since then, individual economies have confronted this trend using various methods and their success has been varied as well. An economic recovery by way of consistent austerity measures or by way of debt-financed economic stimulus programs was the fundamental ideological conflict.

Europa

Thus far, the austerity measures taken across almost all of Europe have led to initial successes in consolidating budgets, but they have not resulted in a revitalization of the economy. Southern Europe overall has remained in a recession, and, in the course of the business year 2012/13, the negative mood has spread to individual countries in Central and Western Europe (France, Slovenia). This development has affected almost all of the customer sectors that are important for voestalpine AG, although the picture is quite a bit more differentiated at the individual customer level. Customers with global operations who have the opportunity to offset the weaknesses in Europe through exports are in a considerably more positive situation than companies that are focused only on European markets.
This applies basically to all industries, it is, however, particularly visible in the European automobile industry, the most important customer segment by far of the voestalpine Group. While the German automobile industry has been able to largely compensate declining sales figures in Europe by way of exports—particularly to the USA and Asia—those manufacturers who are focused on the European home market have been dramatically impacted by declines in new car registrations and must now adjust their production capacity to a saturated and shrinking market, a factor that additionally weakens the development of the economy overall in their respective home markets. The truck, bus, and mechanical engineering industries are fundamentally following the same principle. With its primarily regionally oriented markets, the construction industry has remained the weakest industry segment because, on one hand, public infrastructure investments in almost all the European countries are expected to remain at a low level for years due to depleted state finances and, on the other, the private construction sector is characterized by financing

restrictions and general cautiousness. The situation in the energy sector is similar, as there is a broad-based uncertainty in Europe about the long-term direction of the basic supply structures. Private consumption, however, has remained comparatively solid therefore the consumer goods and white goods sectors have shown relatively robust demand during the business year 2012/13.

USA / North America

As opposed to Europe, the United States are mainly moving in the direction of a policy emphasizing economic stimulus. For the time being, the economic development has been proving this strategy right, as the U.S. growth rates during the past business year in most business segments were substantially more positive than in Europe. In addition to a stabilization in the construction sector, it was especially the U.S. automobile industry that experienced an impressive rebound. Private consumption, a cornerstone of the American economic model, also showed a robust development over long stretches of the previous business year, although toward the end of the year a slowdown of the growth rates became noticeable. Despite all of the problems that have cropped up in connection with Boeing's Dreamliner, the U.S. aviation industry has continued its successful performance.
Short-term economic setbacks in conjunction with reaching the debt ceiling, which is restricted by federal law, have more recently lost some of their intensity, although this challenges the sustainability of U.S. fiscal policies time and again. In any case, the problem of the country's enormous sovereign debt remains unresolved.

Brazil

In the business year 2012/13, the development of the economy in Brazil, the most important South American economic region for the voestalpine Group, could not match the momentum of the past years. The trend regarding capital goods was cautious, while private consumer behavior remained at a solid level. Toward the end of the business year, announcements from the political scene regarding additional economic stimulus programs resulted in a more optimistic mood with regard to the overall economic trend.

Asia

In the course of the business year 2012/13, the Chinese economy lost momentum. Especially in the fall of 2012, economic activity leveled off, due—among other factors—to the transfer of political power. Toward the end of the business year, the economic development overall gained some momentum, although there are growing doubts that this uptrend will be sustainable in the sense of a "real" recovery.

Toward the end of the business year 2012/13, Japan, which has been locked in a phase of stagnation for two decades, reacted to the cautious global developments with a massively expansive monetary policy. This unexpected about-face in its strategy by the Bank of Japan had a direct impact on the rates of exchange; since then, these measures have put additional wind in the sails of the traditionally very export-oriented Japanese industry as far as global competitiveness is concerned. Especially in the energy industry, these developments resulted in a direct improvement in its position vis-à-vis European competitors in global projects.

General trends

Apart from the specific development in the major economic regions that have been described above, the trends in the globally interconnected industry segments that are important for the voestalpine Group can be summarized as follows:

Pipeline projects, a central segment in the energy sector, showed a declining trend in practically all of the global economic regions. While exploration activities remained at a good level—primarily driven by the USA—major pipeline

projects were postponed practically worldwide. In the segment of energy conversion—the construction of power plants—demand, which had been restrained for quite some time, remained at a low level worldwide throughout the business year 2012/13. In contrast, global demand in the railway infrastructure sector showed a widely different picture. With the exception of Europe, almost all other regions worldwide are investing heavily in railway infrastructure. Demand in North America, most countries in Asia, and practically all mining regions worldwide remains strong, and there has been additional momentum from the Middle East and South Africa.
The aviation industry, as well as the agricultural machinery and vehicle sector, defied the faltering global economic trend. Demand in both segments throughout the entire business year 2012/13 was very stable.

Performance of the divisions

The divisions of the voestalpine Group were impacted differently by these developments, depending on in which regions and which industries their focus lay. While the Metal Engineering Division performed quite satisfactorily in practically all of its business segments, the other divisions were—to a greater or lesser degree—impacted by the declining overall economic situation. None of the divisions, however, experienced major problems with regard to either capacity utilization or the earnings situation. Due to its global presence, the Special Steel Division was able to mostly compensate the declines in Europe and in other parts of the world. The internationalization strategy of the Metal Forming Division, which performed extremely well compared to industry competitors, has proven itself based on its figures. The Steel Division faced the greatest challenges because around 85% of its activities are focused on Europe, and the European steel industry was in a difficult situation. However, it once again proved itself to be a benchmark of the industry in the European Union.

The steel industry 2012/13

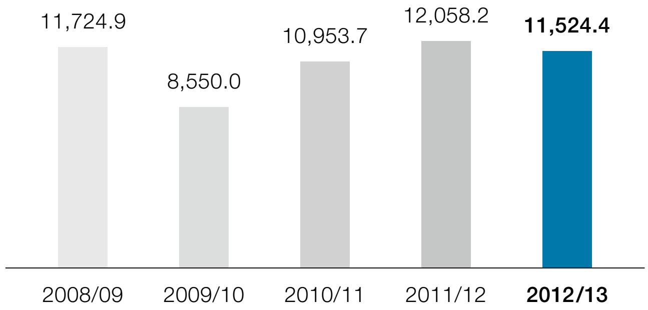
In the 2012 calendar year, worldwide production of crude steel showed very moderate growth of only 1.2% to a total of 1,518 million tons. This increase is largely due to the comparatively more favorable situation in the first half of the year.

Europe did not contribute to global growth, as production on the Continent declined noticeably by −4.7% compared to the previous year. This development clearly reflects the overall economic situation on the Continent, whereby "cyclical" industries, such as the steel industry, are impacted disproportionately by recessive trends. The lower production volume illustrates yet again the structural capacity utilization problems confronting European crude steel producers. Continuing competition for volume, which is being increasingly fought via prices, results unavoidably in ever lower profitability for the entire sector. The European steel industry has been responding to this situation for quite some time with more and more cost-cutting programs across the board. This makes the industry as a whole more productive, but it also creates the concrete risk that companies will lose effectiveness as far as global competitiveness is concerned because they are lacking the funds to make investments and to undertake research and development, which are absolutely indispensable in order to meet the challenges that steel will face in the future (key word: alternative materials).

Viewed globally, the considerably more positive development in North America and Asia—especially in China—was able to more than compensate for the decline in Europe. Concretely, the main contributors to global production growth were North America with an increase of 2.5% and Asia with an overall gain of 2.7% (China +3.1%). However, it is striking that with a plus of 3.1% in 2012, China had a conspicuously lower growth rate than in previous years (+9.3% in 2010 and +8.9% in 2011).

Revenue of the voestalpine Group

In millions of euros



The development of the European steel industry demonstrates yet again how spot-on the strategy of voestalpine AG has been of concentrating only on the most sophisticated product segments in the classic steel sector and driving the Group's development in the direction of a technology and capital goods group that is focused on future-oriented product solutions.

Business performance of the voestalpine Group

Revenue and operating result

With a decline of 4.4% down to EUR 11,524.4 million (compared to EUR 12,058.2 million in the previous year), in a year-to-year comparison, the revenue of the voestalpine Group reflects the weakening of the global economic situation on one hand and, on the other, the lower pre-material costs.

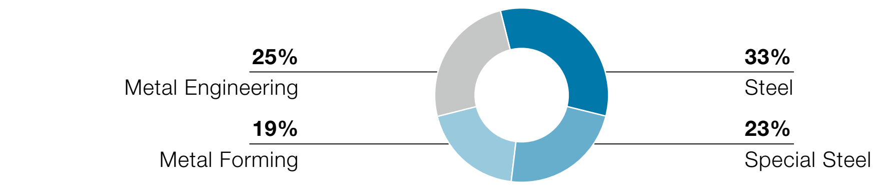
The decrease in revenue impacted all the divisions, although at −1.4%, the drop in the Metal Engineering Division was kept within narrow limits.

As far as earnings are concerned, the Group experienced growth in all categories—in some cases very significant growth—compared to the previous year. In this context, however, when comparing the figures of the year under review to those of the business year 2011/12, it should be noted that the latter business year was impacted by negative non-recurring effects in the form of provisions amounting to EUR 205.0 million set aside for risks resulting from the antitrust proceedings in Germany and closure of the standard rail production facility in Duisburg.

The operating result (EBITDA) in 2012/13 was EUR 1,441.8 million, an increase of 10.7% compared to the previous year's figure of EUR 1,301.9 million.

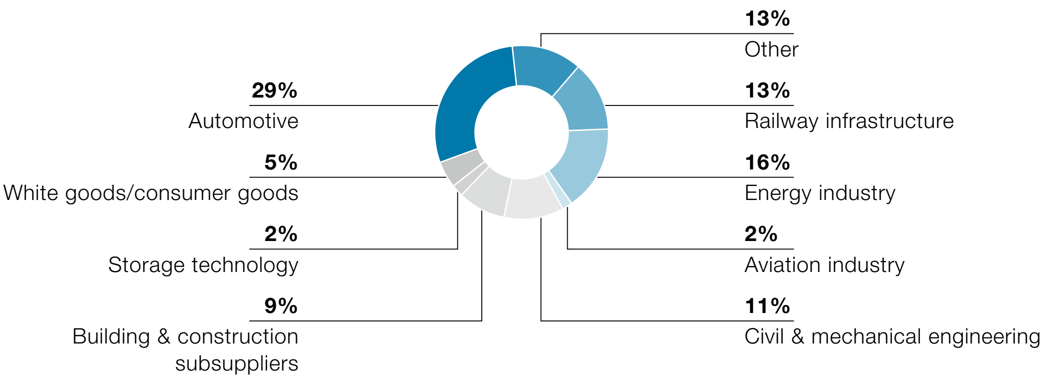
Revenue by divisions

As percentage of total divisional revenue
Business year 2012/13



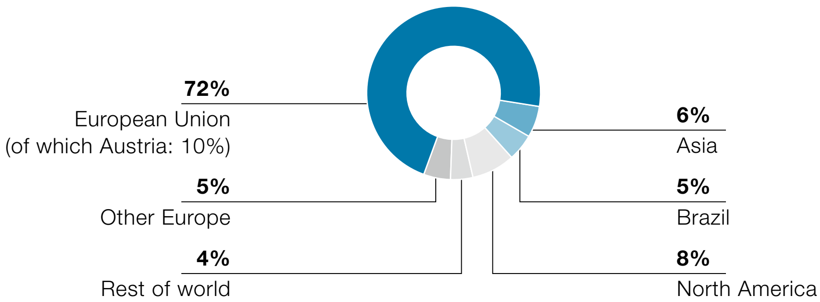
Revenue by industries

As percentage of Group revenue
Business year 2012/13



Revenue by regions

As percentage of Group revenue
Business year 2012/13



Profit from operations (EBIT) experienced a boost of 21.2%, going from EUR 704.2 million in the business year 2011/12 to EUR 853.6 million in the year under review.

The non-recurring effect of the previously mentioned provisions amounting EUR 205.0 million in the business year 2011/12 impacted solely the Metal Engineering Division; therefore, this division's earnings show significant growth in a year-to-year comparison. But even adjusted for this effect, the division was able to again surpass the already very high previous year's figures both with regard to EBITDA and EBIT.

In the other divisions, development of earnings in a year-to-year comparison were varied. While the Steel Division experienced only marginal losses (EBITDA −1.6%, EBIT −3.6%) and the Metal Forming Division's figures fell moderately (EBITDA −6.7%, EBIT −9.5%), the Special Steel Division's results fell considerably short of the outstanding results of the business year 2011/12 (EBITDA −14.2%, EBIT −18.1%).

Viewed overall, considering the economic environment, the performance of the voestalpine Group has been gratifying, including in the comparison to other companies in the industry. This is the result of the Group's broad-based geographical and sectoral set-up, with its combination of steel production and downstream processing of steel—and increasingly other materials as well—and its focus on technologically sophisticated market segments. The performance of earnings—especially in a challenging economic environment—confirms that the strategy of extending the value chain based on premium products, which has been pursued consistently for the past twelve years, was the right path to take.

Profit before tax and profit for the period

In a year-to-year comparison, profit before tax rose from EUR 504.4 million in the previous year to EUR 654.7 million in the business year 2012/13, a gain of 29.8%. As of March 31, 2013, profit for the period was EUR 521.9 million, an increase of 26.3% compared to the previous year's figure of EUR 413.3 million. Earnings per share rose accordingly by 31.8% from EUR 1.98 per share in the previous year to EUR 2.61 per share for the business year 2012/13.

Proposed dividend

Subject to the approval of the Annual General Shareholders' Meeting of voestalpine AG on July 3, 2013, a dividend of EUR 0.90 per share will be paid to shareholders, an increase of 12.5% compared to the previous year's dividend of EUR 0.80 per share. Based on the earnings per share (EPS) of EUR 2.61 EUR, this recommendation corresponds to a distribution ratio of around 35%.

Based on the average share price in the business year 2012/13 of EUR 23.99, the dividend yield is 3.8%.

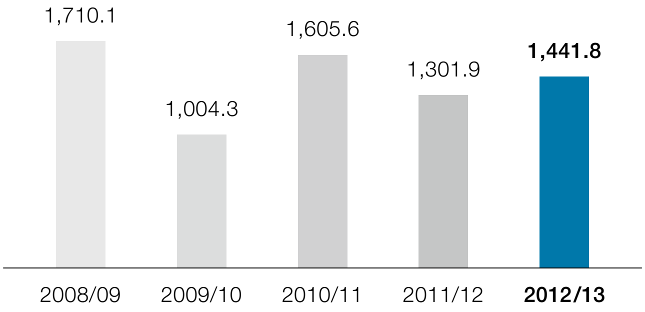
Gearing ratio falls from 53.5% to 44.5% as of March 31, 2013

The performance in the past business year brought another substantial consolidation for the structure of the statement of financial position of the voestalpine Group. Despite the difficult economic environment and an increase in investments by almost 50%, the gearing ratio (net financial debt in percent of equity) dropped as of March 31, 2013 in a year-to-year comparison by 9 percentage points to 44.5%.

The significant further improvement of the equity to debt ratio in the past business year, which was very challenging, was the result of both an increase in equity (by 4.9% from EUR 4.836.3 million as of March 31, 2012 to EUR 5,075.3 million as of March 31, 2013) and a decline in net financial debt (by 12.6% from EUR 2,585.7 million as of March 31, 2012 to EUR 2,259.2 million as of March 31, 2013). Above all, the reduction of debt by another EUR 326.5 million is a remarkable development, especially since the past business

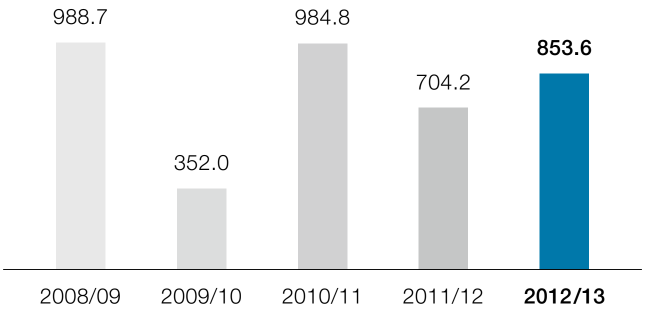
EBITDA – Profit from operations before depreciation

In millions of euros



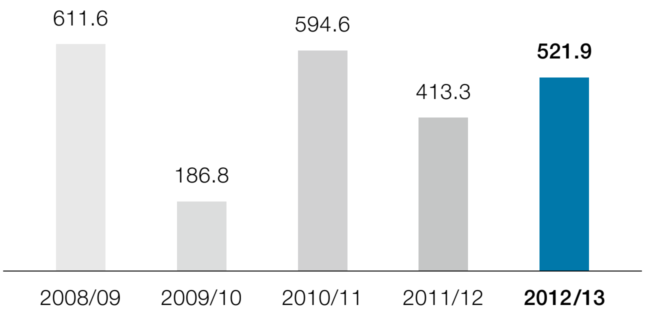
EBIT – Profit from operations

In millions of euros



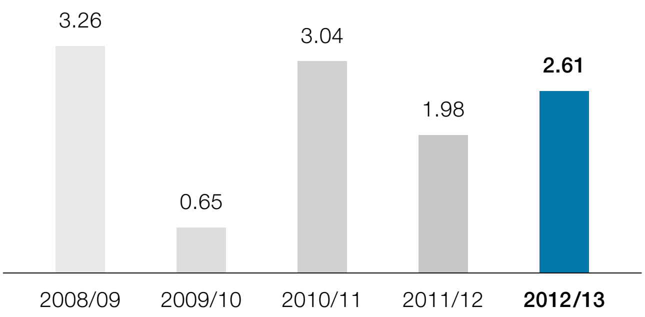
Profit for the period

In millions of euros



EPS – Earnings per share

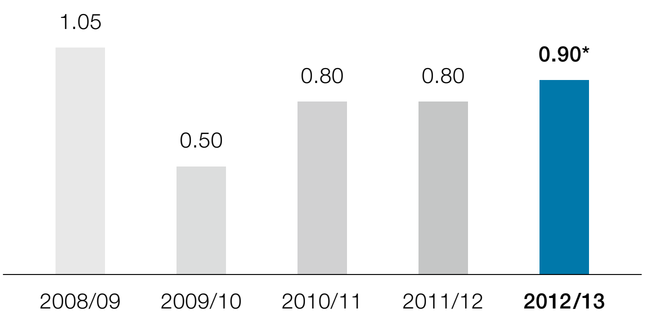
In euros



Dividend per share

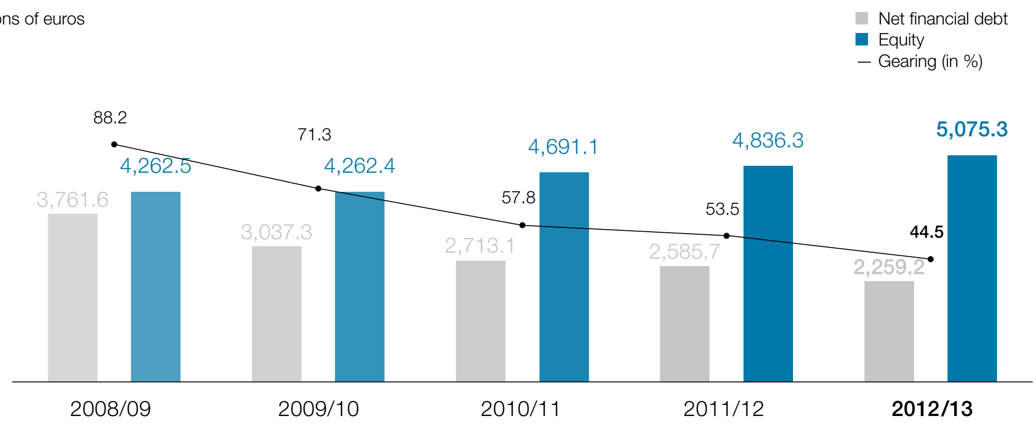
In euros

* As proposed to the Annual General Shareholders' Meeting.



Net financial debt – Equity – Gearing ratio

In millions of euros



year saw investments in the amount of EUR 851.5 million due to the implementation of the first step of our Group Strategy 2020. The Group's strong self-financing capability that was again demonstrated in 2012/13 forms a solid foundation that is vital for the realization of our ambitions for future growth.

Cash flow

At EUR 1,321.9 million, cash flow from operating activities went up compared to last year's figure of EUR 856.5 million, a boost of 54.3%. This increase is due not only to the improved profit for the period but also to the performance of working capital, which enabled a release of cash and cash equivalents in the amount of EUR 225.0 million in the business year 2012/13. This positive development is due not only to the decline in revenue in a year-to-year comparison but to the structural reduction of working capital that was lowered in relation to revenue as of March 31, 2013 to 15.9% (down from 16.9% as of March 31, 2012).

Investments were considerably higher than in the previous year, which affected cash flow from investing activities in the business year 2012/13 (EUR −829.6 million)—a significant increase of 73.3% compared to the previous year's figure of EUR −478.6 million. This increase in the use of appropriations was more than compensated by the cash flow from operating activities that rose even more substantially.

At EUR −74.7 million, the cash flow from financing activities in the business year 2012/13 was only slightly negative, a significant change compared to the previous year's figure of EUR −933.7 million. This change in cash flow from financing activities is due not only to scheduled repayments of loans and debt securities but to the very successful international placement of another benchmark bond in October 2012.

Quarterly development of the voestalpine Group

In millions of euros	1st quarter 2012/13	2nd quarter 2012/13	3rd quarter 2012/13	4th quarter 2012/13	BY 2012/13	BY 2011/12	Change in %
Revenue	3,050.6	2,882.2	2,719.7	2,871.8	11,524.4	12,058.2	–4.4
EBITDA	375.0	354.8	321.9	390.1	1,441.8	1,301.9	10.7
EBITDA margin	12.3%	12.3%	11.8%	13.6%	12.5%	10.8%	
EBIT	230.7	210.0	174.4	238.6	853.6	704.2	21.2
EBIT margin	7.6%	7.3%	6.4%	8.3%	7.4%	5.8%	
Profit before tax (EBT)	185.1	162.7	125.9	181.0	654.7	504.4	29.8
Profit for the period	144.9	124.6	100.0	152.4	521.9	413.3	26.3
Employees (full-time equivalent)	46,075	46,115	44,696	46,351	46,351	46,473	–0.3

Important events in the course of the year

Adoption of the long-term Group Strategy

Ever since its IPO in 1995, but especially since the strategic realignment in the business year 2001/02, the voestalpine Group has consistently followed the path of value-added growth. With this strategy that is oriented not toward revenue or volume but exclusively toward "high tech/high quality," the Group has established a leading position in Europe in its core segments both with respect to profitability and quality and technology. Furthermore, it is world market leader in some significant business segments.

Against the background of this global macroeconomic environment that is constantly changing with ever increasing speed, it is our intention to not only secure this claim in the long term but to expand it.

Therefore, after intensive and detailed discussions with the Management Board over the course of twelve months, in December 2012, the Supervisory Board of voestalpine AG approved the central elements of our Group Strategy 2020, which comprises the following propositions and objectives:

- The voestalpine Group is consistently forging ahead with its long-term path of value-added growth.
- Growth will be focused on the mobility and energy industries and geographically, primarily on the growth markets outside of Europe. In Europe, the consolidation of market, quality, and technology leadership in the core business segments will be the main target.
- The continued expansion of processing operations, which are already dominating current activities, will be pursued systematically; thus, the transformation from a steel company to a technology and capital goods group will be driven forward consistently.
- In the technologically most sophisticated market and product segments of mobility and energy, the Group is aiming for a leading position worldwide.
- Concurrently, the Group is striving to sustainably consolidate its earnings leadership.

Provided that the global economic environment will stabilize in the medium term, the target revenue for the business year 2020/21 is EUR 20 billion, with EBITDA and EBIT margins of 14% and 9% respectively and a return on capital employed (ROCE) of 15% as long-term, average figures.

In order to realize these quantitative objectives, the long-term direction must be primarily focused on the consistent expansion of leadership role as a provider of top-quality products in the Group's core business segments.

- Since our IPO in 1995, the revenue generated outside of Europe has been continually expanded from a mere 6% to currently 23%. Over the long term, the objective is to achieve a balanced revenue ratio between Europe and the rest of the world. For the business year 2020/21, the goal is that 40% of revenue will be generated in non-European markets. Europe continues to be the point of origin for innovations, but—as opposed to Asia and the Americas—it will no longer be a primary driver of growth.
- Since 1995, the share of the Group's key growth sectors mobility (automotive, railway, aviation) and energy has risen from 32% of the Group's revenue to currently 60%. By 2020/21, these two sectors should be generating around 70% of the Group's revenue.

- The development of the "classic," cyclical steel operations versus the comparatively more stable processing activities has been similarly significant in the past years. Since 2001/02, the steel segment's share of the Group's revenue has been reduced from 55% to 29%; by 2020/21, it should decline even further to around 25%. While completely phasing out steel production has been part of our strategy discussion, this possibility was rejected, as eliminating voestalpine's own high-quality steelmaking capabilities would result in a massive weakening of the downstream segments that build on the Group's own materials expertise.

Even though ongoing changes are impacting the global environment—and will continue to do so—as the Group Strategy 2020 is implemented, the voestalpine Group will remain an innovative and reliable partner for its customers, its employees, and its shareholders.

Closure of TSTG Schienen Technik GmbH & Co KG

After the decision by the Management Board in March 2012 to close the rail production of TSTG Schienen Technik GmbH & Co KG in Duisburg, the subsequent negotiations with the Works Council regarding a reconciliation of interests and a social compensation plan for the remaining roughly 350 employees were successfully concluded on May 16, 2013. The final closure will take place toward the end of the 2013 calendar year after all still remaining orders have been completed (regarding provisions formed for the closure, please see the chapter "Antitrust proceedings relative to railway superstructure material.").

Streamlining of the Group's structure

In the early part of the business year 2012/13, the previously independent Profilform and Automotive Divisions were merged to jointly form the Metal Forming Division. Now, for the first time, all of the Group's competencies have been incorporated into four large divisions that are approximately the same size.
After the first year, the new division can boast quite positive results. Sustained by orders from renowned companies, the extensive steps toward globalization taken by the Tubes & Sections and Automotive Body Parts business units are fully on track, both time-wise and as far as costs are concerned. Due to its stronger global presence inherited from the two former divisions, the new division can expand its market position more efficiently and in a more goal-oriented manner. It is currently investing a total of around EUR 120 million in the establishment and/or expansion of production locations in Germany, Romania, the USA, China, South Africa, and Brazil.

As far as the key figures of the Metal Forming Division are concerned, please refer to the chapter with the divisional reports.

Antitrust proceedings relative to railway superstructure material

In the antitrust proceedings relative to railway superstructure material, in early July, the German Federal Cartel Office (Bundeskartellamt) imposed fines totaling EUR 124.5 million on four manufacturers and suppliers of rails for having entered into anti-competitive agreements to the detriment of Deutsche Bahn AG. EUR 8.5 million of these fines were levied against companies belonging to the voestalpine Group. This means that the German Federal Cartel Office has thus confirmed voestalpine's status of cooperating witness for the major part of the proceedings and the comparatively small fine concerns marginal segments only. Therefore, the antitrust proceedings involving for the most part Deutsche Bahn have now been resolved. At a later date, the German Federal Cartel Office will examine the deliveries of railway superstructure material to regional and local customers. From today's perspective, it is still too early to estimate when we can count on a final decision regarding these additional issues. After very intensive negotiations with Deutsche Bahn, in late April 2013, we succeeded in reaching an agreement with regard to payment of compensation for damages for direct deliveries made within the scope of the rail cartel; it was agreed to keep the details regarding the actual amount confidential. This means that the first—and large—portion of the antitrust proceedings has now been concluded for voestalpine AG. Furthermore, this should enable us to restore the foundation for a continuing long-term, stable collaboration with Deutsche Bahn.

The provisions created for the antitrust proceedings and associated actions and costs as well as for the closure of TSTG Schienentechnik GmbH & Co KG in the annual financial statements 2011/12 in the amount of EUR 205.0 million were adjusted downward to EUR 204.4 million in accordance with the current estimate and are considered to be appropriate.

Important events after the reporting date

We refer to the information in the notes to the consolidated financial statements under Item 29.

Investments

While in the interest of a progressive reduction of debt, the investments of the past years were characterized by a restriction of expenses to approximately the level of depreciation, the investment activities at the voestalpine Group again became significantly more dynamic after the gearing ratio fell below 50% in the business year under review.

At EUR 851.5 million (previous year: EUR 574.6 million), investments in 2012/13—for the first time since the business year 2008/09—were markedly above the level of depreciation (depreciation in the business year 2012/13: EUR 588.2 million). These investments dealt with required repair and maintenance measures, such as the relining of a blast furnace in the Metal Engineering Division; however, they primarily involved plans that consistently promoted the further enhancement of the Group's leadership in technology and quality, and at the same time advanced the Group's regional diversification outside of Europe. The investment activities of the individual divisions in the business year 2012/13 can be illustrated in detail as follows:

At EUR 277.3 million, the Steel Division accounted for almost one-third of the Group's investment expenditures in the business year 2012/13 (previous year: EUR 197.8 million or +40.2%). At the center of these activities were the final measures of "L6," the major investment program, which has been ongoing since 2009, supplemented by necessary replacement and maintenance investments. After the operational launch of the $DeNO_X$ system on the sintering belt toward the end of 2012, the start-up of the continuous annealing line 2 (investment volume of EUR 150 million) will mark the completion of the "L6" program. At that point, the Steel Division will possess the most modern installation currently available in the world for the production of electric steel strip.

The next investment program, "Linz 2020," will serve to secure the Group's leadership in technology and quality over the long term and also facilitate cost and product mix optimization. Critical components of the project entail the relining of all three blast furnaces, including the installation of pulverized coal injection ("PCI") systems, the expansion of secondary metallurgical capacities to 80% of the steel mill's capacity, and the updating of the slab processing systems. Under this program, an expansion of steel production capacity at the Linz site to more than 6 million tons is not being planned. In heavy plate production, the new construction of the rolling stands is currently underway as scheduled. In connection with a new rolling technology, it will be possible to develop new product qualities in this segment.

In the business year 2012/13, the Special Steel Division invested a total of EUR 257.2 million, thereby doubling the previous year's figure of EUR 128.7 million. Among the most significant investments is the expansion of capacities at the Kapfenberg site for the production of powder-metallurgical steel. Execution of the steel mill redesign at the Wetzlar (Germany) site is running right on schedule. In this endeavor, the division intensified its focus on productivity, quality, environmental protection, and job security as part of an expansion program slated to run for four years. In the division's international service and sales network, the Group is consistently investing in the expansion of pre-processing and processing activities. In this regard, the focus was on Canada, China, and Germany in the year under review. Thus, the Special Steel Division not only aimed to extend the value creation chain, it also strived for a significant strengthening of its own position in customer service.

The investments of the Metal Engineering Division in the business year 2012/13 equaled EUR 164.9 million, which exceeds the previous year's figure (EUR 129.3 million) by approximately 27.5%. The most comprehensive project, in terms of cost, involved the relining of one of the two blast furnaces at the Donawitz site. In the wire segment, construction continued and was nearly completed on a production facility for the manufacture of ultra-high-tensile fine wire at CPA Filament GmbH, a unit that was taken over approximately one year ago through the acquisition of a majority stake. The company is currently beginning the run-up phase (see also the "Acquisitions" chapter).

In addition to an array of smaller projects that are being implemented on schedule, a representative example of one such project is the installation of comprehensive laboratory and test devices for the quality control testing of seamless tubes at the Kindberg (Austria) site.

In the business year 2012/13, the Metal Forming Division's investment expenditure soared by 30% compared to the previous year, from EUR 109.8 million to EUR 142.6 million. The groundbreaking ceremony for the construction of a plant to produce automotive parts in Cartersville, Georgia (USA) took place in mid-November 2012 with production slated to begin in the first half of business year 2013/14. As part of the accelerated internationalization of the Automotive Body Parts business segment, new production sites are also being constructed in South Africa and China. Also in China, the contract to install a special section production facility (customer focus: construction and agricultural machinery) was awarded in the third quarter of the business year 2012/13. In the Precision Strip business segment, the investments in a new rolling and strip processing center at the Kematen (Austria) site were largely completed.

Acquisitions

In the business year 2012/13, the Special Steel Division effected three acquisitions. In the third quarter, the division acquired the Canadian company Sturdell Industries Inc. with one location each in Canada and the USA in the proximity of existing Special Steel Division sales offices, in order to step up its service activities in the Northeast of the U.S., which deal especially with the mechanical processing (sawing, milling, grinding) of tool steels. This acquisition enables the division to leverage synergies and optimize cost structure in the local markets.
In the fourth quarter of the business year, nine companies with annual revenue of around EUR 50 million and 330 employees were acquired from the Eifeler Group, headquartered in Düsseldorf. Six of the companies are in Germany, two in Switzerland, and one in the USA. They are specialized in high-quality and innovative coatings for tools. This will enable the division to expand its service offerings in the highest quality segment and to meet the needs of toolmakers and tool users even better than before.
In the first quarter of 2012/13, the Metal Engineering Division made a strategically important acquisition in the wire segment. voestalpine Austria Draht GmbH expanded its activities in the sophisticated wire processing segment by acquiring 54.1% of the shares of CPA Filament GmbH from the Austrian Steinklauber Group. Within the scope of this joint venture, a new facility for the production of ultra-high-tensile fine wire (diameter of up to 0.08 mm) was erected in Fürstenfeld (Styria); it is currently in the process of launching operations.
Further expansion is planned in stages for the next several years. By the time all expansion plans have been completed, the new company is expected to generate a revenue of about EUR 70 to 80 million.

After the closing date, voestalpine took over the assets of Rieckermann Steeltech Ltd. (Shanghai) and P.M. Technology Ltd. (Shenzhen) in order to enhance the position of the Special Steel Division in China, a growth market. Around 100 employees are working at the two locations on the preprocessing and heat treatment of sophisticated special steels, which are used primarily in oil and natural gas production, energy and power plant technology, and the aviation industry and which have a high growth potential.

Employees

Development of the headcount

As of March 31, 2013, the total headcount in the voestalpine Group was at 46,351 employees (based on FTE/full-time equivalent), thus remaining practically unchanged compared to the previous year (46,473). With a slight increase of permanent staff (+1.0% from 41,649 to 42,078 employees) and apprentices (+6.9% from 1,263 to 1,350 young people) the marginal decline by 0.3% results from a year-to-year lower employment of temporary employees (–11.4% from 4,305 to 3,816 person years).
The continuing internationalization of the Group is reflected in the greater—albeit only slightly—percentage of employees working outside of Austria. As of the end of the business year, 22,567 persons or 53.6% (previous year: 53.5%) of employees were working at international locations; 46.4% or 19,511 employees (previous year: 46.5%) were working at Austrian Group companies.
The percentage of apprentices who are being trained at locations outside of Austria remained almost unchanged at 36.3% (previous year: 36.4%) or 490 persons.

Employee shareholding scheme

The employee shareholding scheme, which has existed since 2001 and has since been expanded, is currently available abroad for Group employees in Great Britain, Germany, the Netherlands, Poland, and Belgium. Particularly in Poland and Belgium, additional companies were included in the model in the business year 2012/13, and thus the employee shareholding scheme was significantly expanded.
As of March 31, 2013, a total of around 22,600 employees are voestalpine AG shareholders through the voestalpine Mitarbeiterbeteiligung Privatstiftung and hold a total of 23 million shares. Due to the general bundling of voting rights, these employees, with a holding of 13.3% of the share capital (previous year: 11.9%), are one of the two largest core shareholders of voestalpine AG. About 1.8 million private shares owned by current and former employees (this corresponds to about 1.1% of the voting shares) are also managed by the voestalpine Mitarbeiterbeteiligung Privatstiftung. Thus, currently 14.4% of voestalpine AG's share capital (previous year: just under 13%) are owned by employees.

The Stahlstiftung (Steel Foundation) in Austria

The Stahlstiftung, which was established in 1987, provides former employees of voestalpine from almost all of the Austrian Group companies with the opportunity to take up to four years to complete training and continuing education courses to upgrade their skills or to start a new career path. This institution significantly mitigates the social consequences of lay-offs, and the participants receive the best possible assistance in their search for a new job. In the business year 2012/13, more than 85% of the participants who were looking for work were able to find a new job with the help of the Stahlstiftung; this high placement rate, which is excellent by international standards as well, remained unchanged compared to the previous year.
As of the end of the business year, a total of 437 persons were being assisted by the Stahlstiftung, of whom 37.3% were participants from companies not belonging to the voestalpine Group. The number of participants declined compared to the business year 2011/12 (506 persons) by 13.6%.

Focus of HR activities

CAREER'S BEST RECRUITERS award

According to CAREER'S BEST RECRUITERS 2012/13 study for Austria, voestalpine AG was in first place for the iron/metal industry for the third consecutive time and received the "Golden Seal" award. More than 500 Austrian companies in 23 industries were evaluated with regard to their online and offline corporate presence and the feedback obtained from applicants.

Personnel marketing

In the past business year, the voestalpine Group was again represented at numerous target group events both in Austria and abroad, providing primarily interested students with the opportunity to get to know the "voestalpine working environment."

In addition to classic activities, such as trade fairs and sponsorships, the HR online presence was again expanded: since March 2012, the Group has a career page on Facebook, which provides a look into the working environment at various Group locations. Furthermore, a website for apprentices was also set up that introduces the apprenticeship occupations that the Group offers as well as the training locations.

Apprentices

Complementing local activities by the individual Group companies, in the business year 2012/13, "steel sounds," a campaign aimed at apprentices, was implemented jointly with Austrian and German sites that offer training for apprentices. In this competition, the young people were able to creatively explore the world of steel and submit videos, in which they created sounds using everyday steel products. The best sounds were selected online and integrated into a song that had been composed for voestalpine. As the campaign targeted young people, it was conducted online and on Facebook. This campaign attracted not only the attention of the youthful target groups, but it was nominated from among 500 submissions for the German Award for Online Communication in the "Recruiting Campaign" category.

In early December, the first Group Apprentice Day took place for apprentices from Austria and Germany in the last year of their apprenticeship. Besides a panel discussion with the Management Board of voestalpine AG, there were contests that involved a specially designed voestalpine Monopoly game, guided tours of the plant and the voestalpine Stahlwelt in Linz, and an award ceremony for the winners of the "steel sounds" competition.

Development of executives

In the business year 2012/13, 146 participants from 16 countries took part in the four-phase "value:program," a development program for executives. Around 40% of the participants were from Group companies in other countries; the percentage of women was 15%.

High mobility pool

After the very successful, Europe-wide recruitment of participants for the "Generation 2011," the internationalization of the high mobility pool is being driven forward. Participants from Brazil, China, Canada, and Mexico qualified for the "Generation 2013." The high mobility pool offers young, well-educated, and geographically flexible people, who have a few years of professional experience, the possibility to get to know the voestalpine Group in a very structured form by way of concrete projects and to embrace this as an attractive career opportunity.

Raw materials

The prices of the raw materials iron ore and coking coal, which are vital for steel production, remained highly volatile throughout the business year 2012/13. In recent years, a very transparent spot market has developed for these two raw materials, which makes all the critical information about pricing available online. Therefore, the pricing model today is not based on annual, half-yearly, or quarterly prices as it was in the past—even with mining operators with whom one has had a longstanding relationship—but is instead on an up-to-the-minute basis.

Starting at around USD 150 for a ton of iron ore on the spot market (CFR China) at the beginning of the business year 2012/13, from the spring of 2012 onward, there was an initial downward trend until, subsequently, a certain stabilization occurred. During the summer months, the iron ore price collapsed and by early September 2012, it reached its lowest level to date at less than USD 90 per ton. This development is based on a weaker demand for ore by Chinese steel producers as their domestic economic outlook deteriorated. By pushing through infrastructure projects and taking additional measures to bolster the economy, subsequently, the Chinese economy stabilized. Anticipating increasing crude steel production figures, toward the end of 2012, prices on the iron ore spot market began to rise to more than USD 150 per ton. As doubts mounted that construction activity would be sustainable due to the extremely cold winter in China, toward the end of the business year 2012/13, the iron ore prices again began to decline and since then, they have been fluctuating in a range between USD 130 and 140 per ton.

The price decline for coking coal that began in early 2011 continued in the business year 2012/13. Starting at a per ton price of around USD 300 in January 2011, the price did not begin to stabilize until the fall of 2012 at about USD 150 per ton. An additional reason for this is the supplementary supply of coal from Mongolia edging into the market that is primarily destined for the Chinese steel industry, which then, in turn, needs to buy less coal internationally. Furthermore, the large mine operators in Australia have been mostly spared production stoppages due to inclement weather, which they had had to deal with in previous years.

The trend for coke, a product refined from coking coal, has been similar to that of coal. The price on the spot market, which was still at USD 500 per ton in early 2011, had fallen to under USD 300 per ton in the course of the business year 2012/13. The fact that in early 2013 China did away with the 40% export tax on coke most recently put even more pressure on the price of coke.

Price movements for scrap—also a basic material for the production of steel—were much more moderate. As was the case in recent years, in the business year 2012/13, the scrap price has been moving within a certain range around EUR 300 per ton. The price trend for the most important alloy metals was likewise largely unremarkable.

The long-term raw materials strategy of voestalpine AG continues to aim for a diversified and broad basis of supply sources in order to avoid becoming dependent on individual suppliers. From today's perspective, problems regarding the availability of raw materials are not being anticipated.

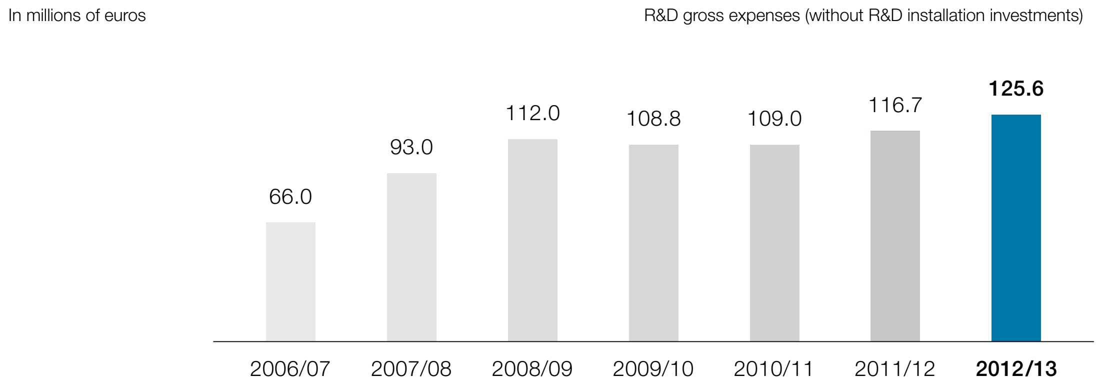
Research and development

In business year 2012/13, the voestalpine Group's expenditures on research and development reached a new record level of EUR 125.6 million, surpassing the previous year (EUR 116.7 million) by 7.6%. The research ratio (proportion of R&D expenditures in relation to revenue) rose from 1.0% to 1.1% compared to the previous year.

For the current business year, the budget for research and development funds will further increase to EUR 137 million, thereby reaching a new R&D budget record.
This reflects the fundamental significance of this area to the strategic direction of the voestalpine Group, which envisions the long-term expansion of the Group's leadership in technology and quality, specifically in the now dominating and confirmed long-range growth industries of mobility and energy. Beside these product-related innovations, another important focus of R&D activities is the continuing process optimization with respect to energy and raw materials efficiency as well as further emissions reduction. In this respect, voestalpine not only uses its intra-Group know-how, but also calls upon the collective expertise of a network of approximately 150 renowned scientific institutions throughout the world, and upon the Company's intensive, long-term development partnerships with selected customers.
In addition to the research projects described in thorough detail in previous letters to shareholders of the business year 2012/13—including key areas such as electrical steel strip, the development of special sections, maintenance-free lattice towers for wind energy, and the Group's leading role in the ALIVE project for lightweight automobile construction, a part of the EU Green Car Initiative—the following other innovation activities of the Steel Division should be highlighted as exemplary:

- Accelerated development of multiphase steels for the next generations of automotive car bodies: using the AHSS HD steels (Advanced High-Strength Steels High Ductility), automotive engineers achieve up to 60% better forming properties with the highest strength. The goal is to deploy these types of higher-strength steels in safety-related areas (such as doors and hatches) and in exterior skin components (such as side walls). Indeed, at one renowned automobile manufacturer, the approval process for the innovative material is already underway.
- Advanced development of the zinc-magnesium coating for automotive steel and first production deliveries of an auto body panel to a premium brand automaker.
- The addition and expansion of further expertise with phs-ultraform, the hot-dipped galvanized hot-stamping steel developed by voestalpine Research & Development as a world innovation. This steel enables automakers to manufacture safety-related components in the auto body that achieve a substantial weight reduction without compromising strength. phs-ultraform components represent a pioneering solution in the automotive industry for safety-specific yet corrosion-prone auto parts. To a great extent they are already in use by premium brand carmakers: for longitudinal chassis beams, A and B columns, side walls and front walls, rocker panels, and for doors and hatches as well. This technology helps substantially reduce fuel consumption and at the same time, significantly boosts passenger safety. Through corresponding local investments, they will also become available soon to customers in the USA, South Africa, and China.

Research expenses for the voestalpine Group



The focus of rail technology lies on the development and optimization of new materials for local transit, mixed traffic, and heavy haul sectors, and on research into the damage phenomena that affects wheel-to-rail contact. At the same time, track tests with the new fatigue-resistant bainitic rail steel have thus far run very well. A new, wear-resistant grooved rail steel grade, optimized in terms of welding technology, was specially developed for the tram segment and will come into market in the near future.

In turnout technology, the division engineered a new type of heavy haul turnout (that also takes into account innovative special rail sections), which was successfully installed in Australia. This new generation of turnouts can even tolerate a load per axle in excess of 40 tons (European standard: 22.5 tons). This new kind of turnout design goes hand-in-hand with the development of an innovative integrated turnout point setting system solution, on a hytronics basis, that is specially geared to the requirements of the heavy haul sector and that further enhances operational efficiency.

For welding consumables—primarily in accordance with a customer requirement from the petrochemicals industry—the division developed a special bismuth-free, high-grade alloy manufacturing process for cored wire. The process stands out for markedly improved product features in the processing stage (such as heat treatment).

In the high-quality stainless steel segment, the accelerated materials development primarily made it possible to raise the degree of efficiency in energy generation—for example, through the production and use of larger and yet lighter-weight low-pressure steam turbine blades. In addition, the Special Steel Division recently engineered new materials that take two essential and yet frequently conflicting material properties—namely good workability under tempered conditions and optimized abrasive wear resistance—and combines them in the best possible manner. As a result, tool manufacturers can use these materials to produce geometrically sophisticated tool holders without any diminution in the material properties—and in a considerably more feasible way then before.

Last but not least, another development in this segment being jointly pursued with industrial partners warrants special note: a corrosion-proof stainless steel for use in offshore, deep-hole drilling under extreme corrosion, pressure, and temperature conditions.

To a great extent, this kind of research success involves an intensive exchange of knowledge both within the Group and with external partners. Therefore, the sixth annual "Synergy Platform" was held in October 2012; what had initially started as a "researcher conference" has since evolved into a professional conference for a broad spectrum of Group employees. Under the slogan "From Idea to Innovation," the event featured lectures by external experts and a profile of developments and examples of best practices from the innovation management of the voestalpine Group.

The voestalpine Group makes a substantial contribution to K1-MET, the Austrian competence center for metallurgical and environmental technology processes, and supports the technology network, founded in 2008, with a project volume of EUR 7.5 million. Within this framework, Scientific Exchange Day, a symposium at the Graz University of Technology, took place in March 2012. The latest research data—such as those on energy and raw materials efficiency in metallurgy and industrial recycling processes—took center stage. The insights gained at the competence center are continuously applied to practical innovations, such as the optimizing of MEROS technology for the offgas treatment of the sintering plants at the Linz site, or the pilot system for the recycling of zinc-rich dust particles installed at the Leoben University of Mining and Metallurgy.

Environment

Environmental expenditures

In business year 2012/13, the environmental expenditures of the voestalpine Group[1] equaled a total of EUR 240 million, thus remaining at the previous year's high level (EUR 244 million). Specifically, approximately EUR 27 million were attributed to environmental investments (2011/12: EUR 32 million) and EUR 213 million (2011/12: EUR 212 million) went to ongoing operating expenses for environmental systems.

Focus of environmental measures

The focus of the activities, which partly have already been presented in detail in previous letters to shareholders, was also placed on the areas of energy and raw materials efficiency, air and water pollution control as well as waste prevention and recycling.

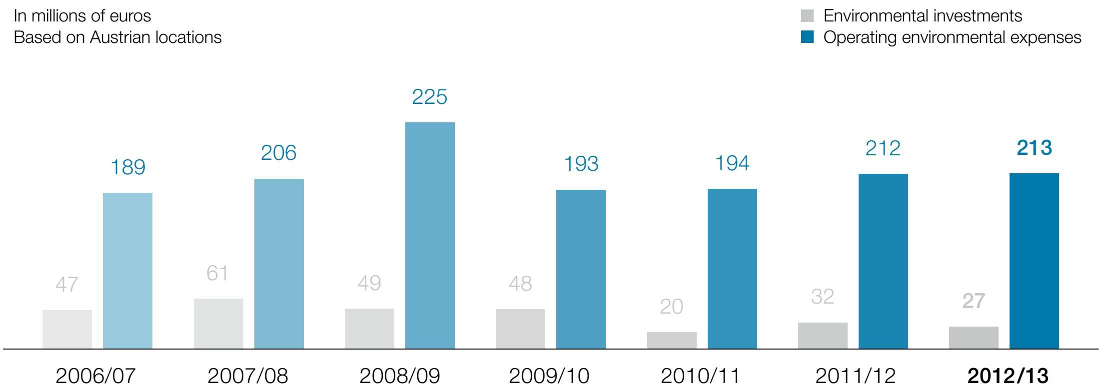
For example, at the Linz site, an additional melting pot gas holder was put into operation so that the plant can optimize its use of the melting pot gas accumulated during the LD-process in the steel mill and minimize any losses through flaring. In addition, in the area of air purification, the first $DeNO_X$ system ever installed in Europe for the denitrification of sinter exhaust was put into operation at the end of 2012. This trend-setting system will enable a further reduction of NO_X emissions by approximately 400 tons per year.
Furthermore, the environmental remediation of the coking plant at the Linz site, which began in October 2012, represents a long-term remediation focal point. Restoration of the subsoil, which became heavily contaminated due to the destruction in the Second World War, will take place in gradual stages and, due to the dimension of the affected area, will last for a period of at least ten years.
To increase energy efficiency in the Special Steel Division, the Group collected data on current conditions at eight production sites; in addition, it defined energy KPIs (Key Performance Indicators). The implementation of concrete measures should lead to a sustained increase in energy efficiency, and thus an annual savings of a magnitude ranging up to EUR 4 million. Those projects already realized primarily relate to the improved heat insulation of buildings, multiple process optimizations, and a change in combustion fuels from oil to liquid natural gas at the site in Hagfors, Sweden.

The environmental plans at a number of the Metal Engineering Division's Austrian and international sites were specifically geared toward the further optimization of water resources management and energy efficiency across all process steps (including additional heat insulation and heat recovery measures). The same approach applies to the Metal Forming Division, which additionally invested in a number of companies in order to lower production waste first and foremost, and to improve its re-use as valuable raw materials. This was able to substantially improve resource efficiency in production.

For several years now, the ambitious environmental efforts of the voestalpine Group have been honored with national and international distinctions. Thus in June 2012, voestalpine Schienen

[1] Basis: Austrian Group locations because the vast majority of the Group's environment-sensitive emissions policies apply here.

Environmental expenditures[1]



GmbH was given the EMAS Award for the "Best Austrian Environmental Team" in recognition of the unique commitment demonstrated by the employees and management staff in minimizing the environmental impact of business operations.

Environmental policy topics

EU 2050 Roadmaps

In 2011, the EU Commission published a series of announcements in the form of so-called "2050 Roadmaps" on the issues of climate policy, energy, and resource efficiency and, with the same time horizon, a white book on the issue of traffic and transportation as well. Meanwhile, the Commission's Roadmaps were also discussed both by the European Parliament as well as the Council of the European Union. Whereas the EU Parliament was able to agree on a resolution about all four announcements, the Council was only able to achieve consensus on the resource efficiency roadmap. Thus, the Commission has been given an unequivocal implementation assignment in this area only; in other words, the Commission's implementation activities are currently restricted to the area of resource efficiency.

In the area of climate policy, the EU Commission is pushing ahead with the further advancement of the Emissions Trading Directive. For example, it has made recommendations on the changes to the auction calendar ("backloading") to increase certificate prices by means of interventionist measures. In order to continue making progress on the strategic development of climate policy, despite the absence of the European Council's complete assignment, in March 2013 the Commission launched a public survey about climate policy leading up to 2030.

[1] Basis: Austrian Group locations because the vast majority of the Group's environment-sensitive emissions policies apply here.

CO_2 emissions trading

The draft of the allocation table that applies to Austria was already published nationally on March 5, 2012, and presented to the EU Commission. However, other member states did not transmit their records until much later; consequently, the review of these proposals is currently still pending. Since the EU Commission can only determine the Cross-Sectoral Correction Factor—which is used to balance the allocations using the EU-wide cap—after all reviews have been completed, the country-specific allocations can only be finalized once the review of all data has been concluded. Hence, at this time it is impossible to make any reliable assertions on the definitive CO_2 cost burden for the next few years.

The compilation of a "Low Carbon Steel Roadmap" by EUROFER, the European Steel Association, currently represents an important focus in this context. It contains more definitive statements on the EU roadmaps and on the technically feasible potential for the European steel industry to reduce CO_2 emissions as well as on the cost-effectiveness of such reductions. Potential is characterized specifically by the optimized use of available quantities of scrap, by the ongoing technological developments of the systems, and—though only on a long-term basis—by so-called "break-through" technologies, such as the partial replacement of the conventional blast furnace route through DRI/EAF steel production, or in other words, through the direct reduction of iron ore and its further processing on the basis of electric furnaces.

Life Cycle Assessment

Life Cycle Assessment (LCA) is a systematic analysis of the environmental impact of products across their entire life cycle. Moreover, it is also becoming increasingly significant on the customer side. A Group-wide working group was established on this issue within voestalpine (incorporating Purchasing, Sales, Marketing, Production, and Research as well as the environmental sector). In addition to monitoring developments, this working group handles the coordination of various LCA activities, such as data management and active participation in interest groups that represent the industry, for example, EUROFER and the World Steel Association.

Industrial Emissions Directive

The revised version of the Industrial Emissions Directive (IED) 2010/75/EU became effective at the start of 2011, replacing the IPPC Guideline (Integrated Pollution Prevention and Control Directive). It is intended to guarantee the Europe-wide standardization of systems-oriented threshold values and measures for certain industry facilities. On a national level, it is currently being implemented through the relevant administrative laws for facilities requiring permits (Materienrechte), such as the Waste Management Act, the Industrial Code, and Water Rights Act.

Currently at the voestalpine Group, the relevant plants and facilities are being inspected with an eye to any adjustment needs so that the Group can plan for and implement the measures and changes necessitated by these European regulations in a timely manner. To ensure the ecologically efficient implementation of the provisions of the industrial emissions directive on a national level, the Group is also actively involved with the ongoing implementation process within Austria.

Risk management

Since the business year 2000/01, the voestalpine Group has implemented a comprehensive risk management system that was established based on a general, Group-wide policy; in the meantime, it has been updated and expanded on an ongoing basis.

Risk management, as it is understood and practiced in the voestalpine Group, serves to ensure both the continued long-term existence of the Group and an increase in its value, thus representing a key factor in its success.

In accordance with the Austrian Company Law Amendment Act of 2008 (Unternehmensrechts-Änderungsgesetz) and the associated increased importance of an internal control system (ICS) and a risk management system, an Audit Committee has been set up at voestalpine AG, which addresses questions related to risk management and the internal control system (ICS) on an ongoing basis as well as the monitoring thereof.

Both the risk management and the internal control systems are integral components of the existing management systems within the voestalpine Group. The Internal Auditing department independently monitors operational and business processes and the ICS and, as an independent, in-house department, has full discretion when reporting and assessing audit results.

The systematic risk management process is an integral part of the business processes within the Group; it serves to recognize potential risks early on and initiate appropriate action to avert them. Risk management covers both the strategic and the operational levels and is therefore a major element in the sustainable success of the Group.

- Strategic risk management serves to evaluate and safeguard strategic planning for the future. Strategies are reviewed to ensure conformity with the Group's system of objectives in order to ensure value-adding growth by way of an optimum allocation of resources.

- Operational risk management is based on a revolving procedure that is run at least once a year across the entire Group. The evaluation of identified risks is implemented using an evaluation matrix that assesses possible losses and the probability of occurrence. The main risks being documented are operational, environmental, market, procurement, technological, financial, and IT risks. This process is aided by a special web-based IT system.

The preventive measures for the main risk areas presented in last year's Annual Report are still valid:

- **Availability of raw materials**

In order to ensure the supply of the required quantity and quality of raw materials and energy, the voestalpine Group has for some years maintained a diversified procurement strategy that reflects the increased risks. Long-term, close relationships with suppliers, the expansion of the supplier portfolio, and the development of the Group's self-sufficiency are the core elements of this strategy that is becoming increasingly important in view of the trend toward higher volatility on the raw materials markets (for more details, please refer to the "Raw Materials" chapter of this Annual Report).

Guidelines for hedging raw materials price risk

Management of raw materials price risk determines the effects that fluctuations on the raw materials market have on profit from operations (EBIT). Based on the acquired information and taking the individual distinctive characteristics of each raw material into consideration, price risks for raw materials are hedged by executing delivery contracts containing fixed price agreements or by utilizing derivative financial instruments. An internal guideline regulates the details of the relevant procedure Group-wide.

CO_2 issues

Risks associated with CO_2 are covered separately in the "Environment" chapter of this Annual Report.

Failure of IT systems

The servicing of business and production processes that are largely based on complex IT systems is handled by voestalpine group-IT GmbH, a company that specializes in IT and that is wholly owned by the Group holding company voestalpine AG.
Due to the importance of IT security and in order to minimize possible IT security risks, minimum security standards for IT have been developed, and compliance with these standards is reviewed annually by way of an audit. In order to reduce the risk of unauthorized access to IT systems and applications even further, additional periodic penetration tests are carried out.

Failure of production facilities

In order to minimize the risk of breakdowns of critical production facilities, targeted and comprehensive investments in the technical optimization of sensitive units are undertaken. Consistent preventive maintenance, risk-oriented storage of spare parts, and comprehensive employee training are additional measures.

Knowledge management

Extensive projects have already been undertaken in the past in order to sustainably secure knowledge and especially to prevent the loss of know-how; these projects are consistently maintained. Available knowledge is permanently documented on an ongoing basis, while new findings from key projects as well as lessons learned as the result of unplanned events are incorporated accordingly. Detailed process documentation, especially in IT-supported areas, also contributes to secure knowledge management.

Risks in the financial sector

Financial risk management is organized centrally with respect to policy-making power, strategy determination, and target definition. The existing rules and regulations include targets, principles, tasks, and responsibilities for both the Group Treasury and the financial department of each Group company. Financial risks are continuously monitored, quantified and—where this is feasible—hedged. The strategy aims to reduce fluctuations in cash flow and income. Market risks are largely secured through the use of derivative financial instruments that are used exclusively in connection with an underlying transaction.

Financing risks are hedged using the following measures:

■ Liquidity risk

Liquidity risks generally consist of a company being potentially unable to meet its financial obligations. Appropriate liquidity reserves enable the company to meet its obligations on schedule. The primary instrument for managing liquidity risk is a precise financial plan drawn up quarterly on a revolving basis. Required financing and bank credit lines are determined by the central Group Treasury based on the consolidated operating results.

■ Credit risk

Credit risk refers to financial losses that may occur through non-fulfillment of contractual obligations by individual business partners. The credit risk of the underlying transactions is minimized to the greatest degree possible through credit insurance and bankable securities (guarantees, letters of credit). The default risk for the Group's own remaining risk is kept manageable by way of monitoring and close contact with customers—and based on voestalpine's experience during the crisis in recent years—is considered manageable. A high percentage of delivery transactions is covered by credit insurance. Bankable types of security, such as guarantees and letters of credit, are also provided. As of March 31, 2013, 76% of our trade receivables were covered by credit insurance. Counterparty credit risk in financial contracts is managed by way of daily monitoring of ratings and any changes in the CDS levels (credit default swap).

■ Currency risk

The Group implements a hedge centrally through the Group Treasury by means of derivative hedging instruments. voestalpine AG hedges budgeted (net) foreign currency payment flows for the next twelve months. Longer-term hedging is only carried out for contracted projects. The hedging ratios are between 50% and 100% of the budgeted payment flows for the next twelve months.

■ Interest rate risk

The interest rate risk assessment is made centrally for the entire Group by voestalpine AG by basically differentiating between cash flow risk (the risk that interest expenses or interest income will undergo an adverse change) for variable-interest financial instruments and present value risk for fixed-interest financial instruments. While taking the interest expense into consideration, this strategy aims to minimize the effects of interest rate volatility through the simultaneous management of interest rate risk and interest rate sensitivity. As of the reporting date of March 31, 2013, an increase of the interest rate by 1% will result in a reduction of the net interest expense amounting to EUR 8.2 million in the next business year. This is, however, an assessment of risk potential on the reporting date, and it can be subject to significant fluctuations over time. As voestalpine AG maintains a liquidity reserve to ensure availability of liquidity, it also has interest-bearing investments. In order to avoid interest rate risk stemming from these investments, interest rate exposure on the asset side, expressed by way of the modified duration, is coupled with interest rate exposure on the liability side (asset-liability management).

■ Price risk

voestalpine AG also assesses price risk, primarily using scenario analyses to quantify interest and currency risk but also the value-at-risk concept. The maximum potential loss within the next business day and within a year is determined with 95% certainty. This process takes the correlations between the individual currencies into account. The present value basis point method is also applied in the interest management process.

Economic and financial crisis

Based on the knowledge gained as a result of the recent economic and financial crisis and its effect on the voestalpine Group, additional—primarily corporate—measures were taken during the past several years to minimize risk exposure, and these measures are continuing to be consistently implemented and will be maintained in the coming years. They are in particular targeted at

- Minimizing the negative effects that a recessionary economic trend would have on the company by means of relevant planning precautions (scenario planning)
- Maintaining high product quality with concurrent continual increases in efficiency and ongoing cost optimization
- Having sufficient financial liquidity available even in the event of constricted financial markets, and
- Securing in-house expertise with a view to continuing the long-term expansion of our quality and technology leadership even more efficiently than before

Concrete measures to eliminate or minimize the risks previously identified within the voestalpine Group have been developed and implemented. These measures are aimed at reducing potential losses and/or minimizing the likelihood of losses occurring.

It can be stated that, from today's perspective, the voestalpine Group is exposed to limited, manageable risks that do not threaten the continuation of the Group. There is no indication of any risks that endanger the future survival of the Group.

Report on the key features of the Group's internal control and risk management systems with regard to accounting procedures

In accordance with Sec. 243a (2) of the Austrian Commercial Code (Unternehmensgesetzbuch, UGB) as amended by the Austrian Company Law Amendment Act of 2008 (Unternehmensrechts-Änderungsgesetz, URÄG), companies whose shares are traded on the regulated markets must describe the key features of their internal control and risk management system with regard to accounting procedures in their management reports.

It is the responsibility of the Management Board to establish a suitable internal control and risk management system for accounting procedures pursuant to Sec. 82 of the Austrian Stock Corporation Act (Aktiengesetz, AktG). Therefore, the Management Board has adopted guidelines that are binding for the entire Group.
In line with the decentralized structure of the voestalpine Group, the local management of each Group company is obligated to establish and refine an internal control and risk management system for accounting procedures that meets the requirements of that individual company and ensures compliance with existing Group-wide guidelines and regulations.
The entire process, from procurement to payment, is subject to strict Group guidelines that are designed to avoid the risks associated with the business processes. These Group guidelines set forth measures and rules for avoiding risk, such as, the separation of functions, signature authority rules, and signatory powers for authorizing payments that apply only collectively and are limited to only a few persons (four-eyes principle).
In this context, control measures for IT security constitute a cornerstone of the internal control system. Issuing IT authorizations restrictively supports the separation of sensitive activities. Accounting in the respective Group companies is largely performed using SAP software. Starting in this business year, the reliability of these SAP systems is being guaranteed by automated business process controls that are built into the system as well as by other methods. Furthermore, also starting in this business year, reports about critical authorizations and authorization conflicts will be generated automatically.
In preparing the consolidated financial statements, the data for fully consolidated or proportionately consolidated entities is transferred to the unified Group consolidation and reporting system.

The unified Group accounting policies for recording, posting, and recognition of commercial transactions are regulated in the voestalpine consolidated financial statements handbook and are binding for all Group companies concerned.

Automatic controls built into the reporting and consolidation system, together with numerous manual controls, are implemented in order to avoid material misstatements. These controls extend from management reviews of income and expenses for each period through to the specific reconciliation of accounts.

The form in which the Group reports its accounting processes is summarized in the voestalpine controlling handbook.

The accounting and controlling departments of the individual Group companies submit monthly reports with key performance indicators (KPIs) to their own Management Boards and managing directors, and, after approval, to Corporate Accounting & Reporting to be aggregated, consolidated, and reported to the Group Management Board. Quarterly reports include additional information, such as detailed target-performance comparisons, and follow a similar process. Quarterly reports are submitted to the Supervisory or Advisory Board of each Group company and a consolidated report is submitted to the Supervisory Board of voestalpine AG.

As with operational risks, accounting procedures are also subject to risk management. Potential accounting risks are regularly surveyed and avoidance measures implemented. The focus is placed on those risks that are regarded as fundamental to the activities of that company.

Compliance with the internal control system and its quality is monitored on an ongoing basis in the form of audits at the Group company level. The Internal Audit department works closely with the responsible Management Board members and managing directors. The Internal Audit department reports directly to the CEO and submits reports periodically to the Management Board of voestalpine AG and, subsequently, to the Audit Committee of the Supervisory Board.

The control systems of each company division are also subject to audit procedures by the auditor within the scope of preparation of the annual financial statements to the extent that these control systems are relevant to the preparation of the Group's consolidated financial statements and to a true and fair view of the Group's financial position.

Disclosures in accordance with Sec. 243a of the Austrian Commercial Code (UGB)

As of March 31, 2013, the share capital of voestalpine AG amounted to EUR 313,309,235.65 and is divided into 172,449,163 no-par value bearer shares. There are no restrictions on voting rights (1 share = 1 vote). voestalpine AG is unaware of any agreements among its shareholders or between its shareholders and third parties that restrict voting rights or the transfer of shares.

Raiffeisenlandesbank Oberösterreich Invest GmbH & Co OG, Linz, as well as the voestalpine Mitarbeiterbeteiligung Privatstiftung (a private foundation for the Company's employee shareholding scheme), Linz, each hold more than 10% (and less than 15%) of the Company's share capital. Oberbank AG, Linz, holds more than 5% (and less than 10%) and Norges Bank (Norwegian Central Bank) holds more than 4% (and less than 5%) of the Company's share capital.

The Management Board of voestalpine Mitarbeiterbeteiligung Privatstiftung exercises the voting rights of shares that are held in trust by voestalpine Mitarbeiterbeteiligung Privatstiftung for the employees of the Group companies of voestalpine AG participating in the employee shareholding scheme. However, the way in which the voting rights are exercised requires the approval of the Advisory Board of the voestalpine Mitarbeiterbeteiligung Privatstiftung. The Advisory Board decides on the approval with a simple majority. The Advisory Board is constituted on a basis of parity, with six members representing employees and six members representing the employer. The Chairman of the Advisory Board, who must be appointed by the employee representatives, has the deciding vote in the event of a tie.

With regard to the Management Board's powers that are not derived directly from applicable statutes, such as the purchase of the Company's own shares, authorized or contingent capital, reference is made to item 17 (Equity) of the notes to the consolidated financial statements 2012/13.

The hybrid bond issued in October 2007 with a current volume of EUR 500 million, the hybrid bond issued in March 2013 with a volume of EUR 500 million, EUR 500 million fixed-interest securities 2011–2018, EUR 500 million fixed-interest securities 2012–2018, the promissory note loan that was issued in the fall of 2008 and partly extended in November 2012 in the amount of EUR 237 million, the promissory note loan that was issued in May 2012 in the amount of EUR 400 million as well as the syndicated loan executed in November 2011 in the amount of EUR 800 million (a EUR 400 million loan to consolidate liquidity requirements for investments and repayments, which was drawn in the business year 2012/13, and EUR 400 million as a revolving credit facility to ensure liquidity), and the EUR 250 million loan granted by the European Investment Bank contain so-called change-of-control clauses. With the exception of the hybrid bond, according to the terms of these financing agreements, the bondholders or the lending banks have the right to demand redemption of their bonds or repayment of their loans if control of the company changes. Under the terms and conditions of the hybrid bond issue, the fixed interest rate (interest rate during the fixed-interest periods) and/or the margin (interest rate during the variable interest periods) go up by 5% 61 days after a change in control occurs. voestalpine AG has the right to call and redeem the bonds no later than 60 days after a change in control. According to the terms and conditions of the aforementioned bonds and financing agreements, control by voestalpine AG changes when a controlling interest within the meaning of the Austrian Takeover Act (Übernahmegesetz) is acquired by another party.

The company has no compensation agreements with the members of the Management Board, Supervisory Board, or employees in the event of a public takeover bid.

Outlook

After four and a half years of financial and economic crisis, 2013 was supposed to finally bring a turn for the better in many parts of the world. At least this was the expectation of the majority of the experts, whether they were in renowned economic think tanks or in the political mainstream in the major economic regions. The belief was that the Chinese economy would stabilize after the formation of the new government, that the fiscal cliff problem in the USA was being overstated, and that the European Union would get the sovereign debt crisis in its Southern member states increasingly under control.

Confronted with day-to-day reality that looked quite a bit different, many companies had doubts even then that these optimistic expectations would be fulfilled. Simply said, the facts showed a different picture. Rather, they pointed to a continuation of the stagnating, even recessive, trend in Europe, at best a bumpy recovery in the USA, and continuing economic uncertainties in China. India is lingering in a state of bureaucratic lethargy and the result of Japan flooding its economy with money is completely uncertain; of the major economies, only Brazil is showing a real trend toward recovery.
From today's vantage point, one can say that, unfortunately, global economic reality in early summer of 2013 corresponds precisely to these critical expectations and has very little in common with the repeatedly expressed confidence in the early part of the year. In the meantime, the economic forecast for the year has been revised downward across the board—and that not just once.

Against this backdrop, it appears less and less probable that the hoped for economic recovery will actually occur in the course of this year. It is increasingly unrealistic to hope for more than a temporary pickup of demand resulting from inventory cycle effects in individual industry segments.

In any case, indications for the next several months from the most important customer industries point largely to a continuing cautious trend as far as demand is concerned. Due to the budget restrictions in the public sector, only very modest growth rates—if there is any growth at all—can be expected in Europe for years to come in the construction and construction supply industries; in the short term, even a continuing recessive trend, especially in Southern Europe must be anticipated. In the USA, the picture is better, however, the improvement is not broad-based enough that it can be considered a far-reaching trend reversal in the construction sector. Even in China, the economic stimulus programs initiated by the new government have not brought the anticipated sweeping success; furthermore, in comparison to past years, the country's economic momentum is being significantly slowed by its accelerated transformation from a state-run economy to one that is driven primarily by consumption.

In the automobile industry, demand in non-European markets is for the most part still satisfactory, however, automobile production in Europe will continue to face a declining trend in the medium term. The main reasons are increased relocation of production facilities to growth markets by a number of manufacturers on one hand and, on the other, more restrained buying habits by European consumers due to the crisis.
In the energy sector, the uptick in new projects in the oil and natural gas production segments, which was anticipated for 2013, has not occurred; therefore, expectations are now focused on the

second half of the year. Apart from China, there is no uptrend in sight in the second half of the year for the other conventional energy generation segments. The same applies to alternative energies, where the cutbacks of subsidies in many countries are making investments increasingly unprofitable.
The consumer goods, white goods, and electrical industries should generally see a comparatively solid level of demand in 2013. The same applies to the mechanical engineering segment as well as the construction and agricultural machinery market, although China has been significantly weaker in some segments, particularly construction machinery, than in recent years.
The aviation industry and the overseas railway sector continue to enjoy a high level of demand.

All in all, the overall economic picture toward the end of the first half of 2013 indicates that, while the downtrend that dominated the second half of 2012 has stopped, the anticipated trend reversal has not—at least not yet—occurred and there are no real signs that it will occur in the next months.

Against this background, the following development appears likely for the voestalpine Group in the first half of the new business year:

- **Steel Division**

Full capacity utilization, albeit continuing price pressure in Europe due to continuing weak demand, and volatile raw materials prices that are trending downward.

- **Special Steel Division**

With the exception of seasonal fluctuations, practically full capacity utilization with a price level that is mostly stable both for sales and procurement.

- **Metal Engineering Division**

Full capacity utilization with a steady level of demand and stable or slightly declining (yet still satisfactory) prices at a solid level.

- **Metal Forming Division**

Almost full capacity utilization, however, prices continue to be subdued due to lagging demand; additional challenges due to the start-up phase of new, international production sites.

From today's perspective, there is little change to be expected in the second half of the business year, as the incentives necessary for a more positive trend at the global level are absent—an assessment that is confirmed by the revision of growth expectations in all current economic forecasts.

Despite this economic environment that continues to be challenging, the voestalpine Group—due to its specific competitive position as a quality and technology leader in the high-end steel production sector—should be able to maintain the earnings leadership it has held in recent years in the business year 2013/14 as well.
The accelerated transformation from a steel corporation to a technology and capital goods group enables voestalpine to maintain far greater stability with regard to earnings compared to industry competitors, thus increasing its predictability for the capital markets.

Against the backdrop of continuing global uncertainty about future economic development, from today's vantage point, for the business year 2013/14, an operating result (EBITDA) and profit from operations (EBIT) at about the same level as the past business year can be anticipated.

“Our lightweight steels open the door to innumerable, future possibilities.”

Thomas Kurz, Project Manager for Material Development, voestalpine Stahl GmbH, Austria

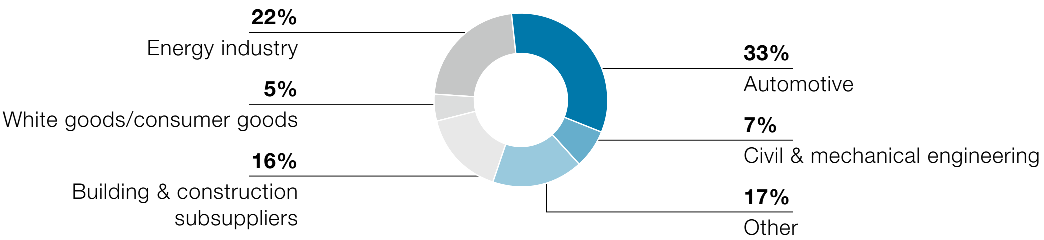
Steel Division

Key figures of the Steel Division

In millions of euros	2011/12	2012/13	Change in %
Revenue	4,130.3	3,921.7	–5.1
EBITDA	456.9	449.8	–1.6
EBITDA margin	11.1%	11.5%	
EBIT	226.5	218.4	–3.6
EBIT margin	5.5%	5.6%	
Employees (full-time equivalent)	10,702	10,676	–0.2

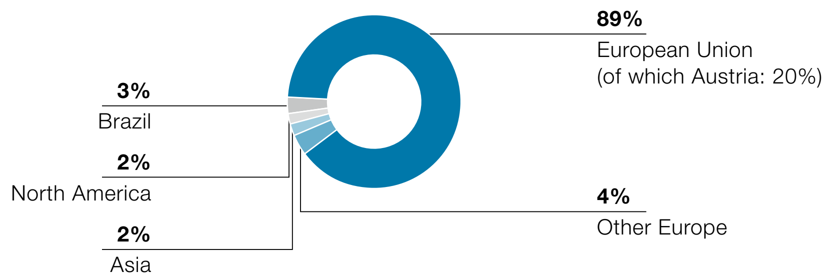
Customers of the Steel Division

As percentage of divisional revenue
Business year 2012/13



Markets of the Steel Division

As percentage of divisional revenue
Business year 2012/13



Market environment and business development

The development of the European steel industry in the past business year continued to be precarious. The fact that demand dropped again compared to the previous year, while crude steel capacity remained largely the same, resulted in increasing competition for volume and capacity utilization, which was conducted to a great extent by way of prices.

At the same time, raw materials prices, which are crucial for the development of the cost structure, remained extremely volatile as they were significantly affected by the situation in China and, as a result, triggered additional negative effects. Due to substantial declines in the price of iron ore—sparked by purchasing restraint on the part of Chinese traders—steel prices came under massive pressure in the fall of 2012, resulting in a wait-and-see attitude by customers that impacted their purchasing and thus additionally accelerated the downward spiral.

This trend continued until the end of the 2012 calendar year. As by then inventories had dropped to an extremely low level, the fourth quarter initially saw a positive inventory cycle, which, however, lost its momentum by the end of the quarter.

This trend corresponds to a customer behavior pattern that has been increasingly observed in recent years—a trend that is characterized by short-term reactivity rather than long-term planning.

Considering these circumstances, the Steel Division's good results and capacity utilization compared to industry competitors are yet another confirmation that it had been a wise decision to focus the production program years ago on the most sophisticated quality and customer segments.

A look at the division's most important customer segments makes it clear just how challenging the market environment was, which it faced in the business year 2012/13. While in previous years, it was the mass market manufacturers in the automotive and automotive supply industries that were impacted by declining demand in Europe, in the course of this business year, the premium manufacturers were increasingly affected by global market fluctuations.

Projects in the segment of oil and natural gas production, which are particularly vital for the heavy plate segment, failed to materialize in the past twelve months due to postponements. With regard to the few remaining projects, there were significant competitive disadvantages for European producers due to the monetary policies in some countries that benefited Asian manufacturers. In the field of alternative energies, there has been a considerable decline in demand in the past quarters as a result of the increasingly restrictive award of subsidies in more and more countries.

On the other hand, business in consumer-oriented industries, especially in the white goods and electrical industries, has been relatively stable. The mechanical engineering industry, which is supported by the strong export position of German manufacturers, continues to show a satisfactory trend. The construction and construction supply industries remained at a very weak level during the entire course of the business year 2012/13. Orders from the tube and section industries were also subdued during the past business year.

Development of the key figures

In the business year 2012/13, the Steel Division faced declining prices overall; as a result, revenue fell by 5.1% from EUR 4,130.3 million in the previous year to EUR 3,921.7 million in the year under review. Despite the difficult environment, the division succeeded in keeping the operating result (EBITDA) stable at EUR 449.8 million (previous year: EUR 456.9 million). Considering the precarious market environment, this was quite a satisfactory trend that was the result of very good capacity utilization at the facilities of the main voestalpine site of Linz and lower raw materials prices for iron ore—and especially for coal and coke. The EBITDA margin even rose slightly from 11.1% to 11.5%, and the EBIT margin saw a marginal gain from 5.5% to 5.6%. Analyzing the individual quarters, it becomes evident that the division had a relatively stable earnings performance over the entire business year, with an operating margin that was always within a two-digit range. Considering the difficult conditions, profit from operations (EBIT) was also quite favorable, with a figure of EUR 218.4 million that almost matched the figure in the business year 2011/12 (EUR 226.5 million).

Compared to the immediately preceding quarter, revenue of EUR 926.4 million in the third quarter of 2012/13 rose to EUR 1,015.7 million in the fourth quarter of 2012/13, a gain of 9.6%, primarily a result of a significant increase in delivered volumes. Despite an environment where average revenue was weak and raw material costs partly unchanged, EBITDA improved by 9.8%, going from EUR 100.8 million to EUR 110.7 million, and EBIT went up by 20.0%, going from EUR 42.5 million to EUR 51.0 million; this was due to optimized capacity utilization. Compared to the immediately preceding quarter, the EBIT margin rose from 4.6% to 5.0%, while the EBITDA margin remained stable at 10.9%.

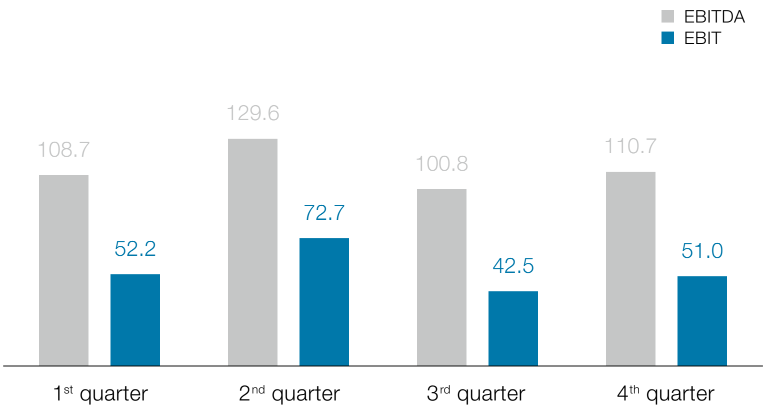
As of March 31, 2013, the Steel Division had 10,676 employees (FTE/full-time equivalent), slightly below the previous year's figure (10,702 employees).

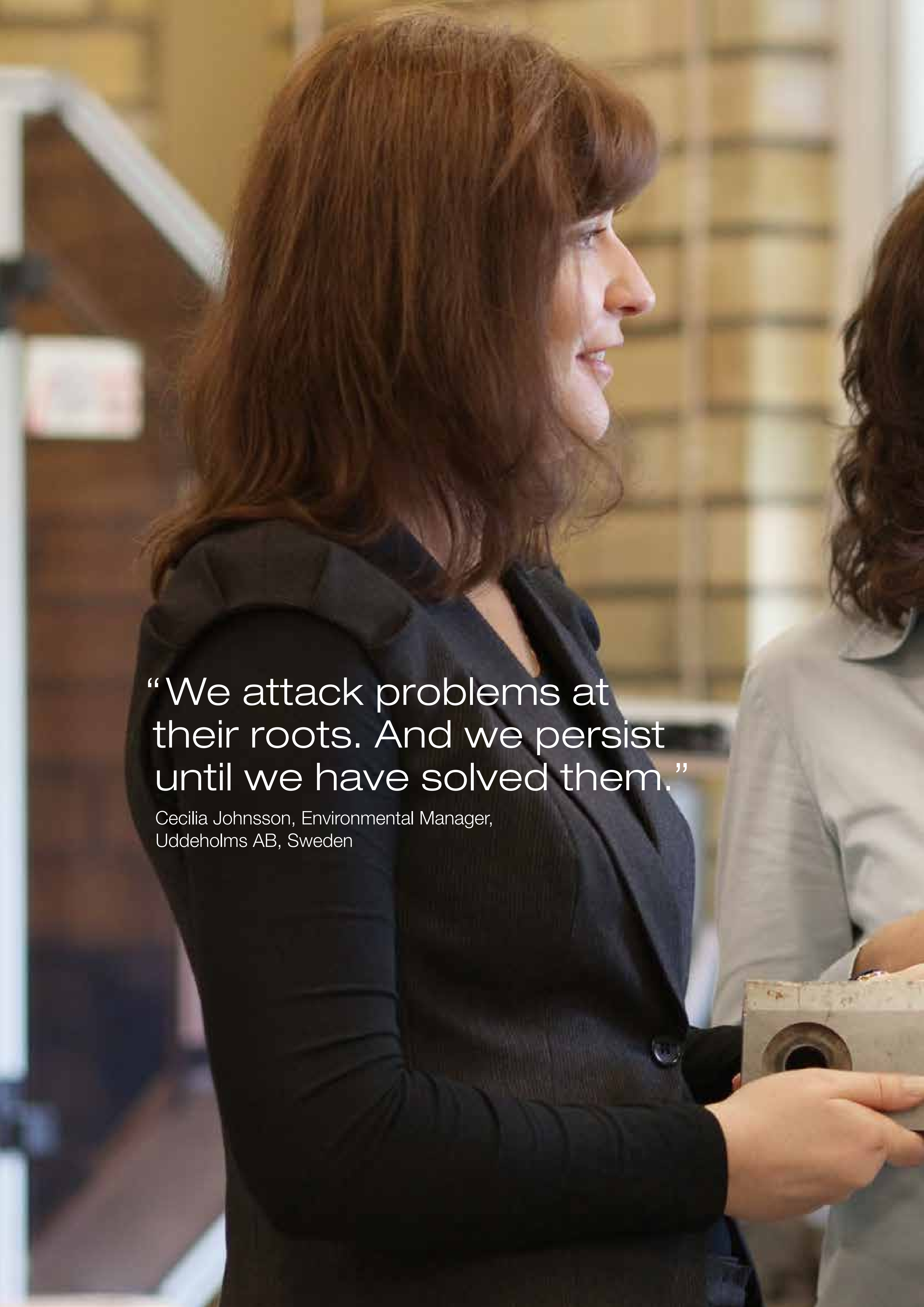
Quarterly development of the Steel Division

In millions of euros	1st quarter 2012/13	2nd quarter 2012/13	3rd quarter 2012/13	4th quarter 2012/13	BY 2012/13
Revenue	999.8	979.8	926.4	1,015.7	3,921.7
EBITDA	108.7	129.6	100.8	110.7	449.8
EBITDA margin	10.9%	13.2%	10.9%	10.9%	11.5%
EBIT	52.2	72.7	42.5	51.0	218.4
EBIT margin	5.2%	7.4%	4.6%	5.0%	5.6%
Employees (full-time equivalent)	10,459	10,591	10,414	10,676	10,676

Quarterly development of the Steel Division

In millions of euros
Business year 2012/13





"We attack problems at their roots. And we persist until we have solved them."

Cecilia Johnsson, Environmental Manager,
Uddeholms AB, Sweden

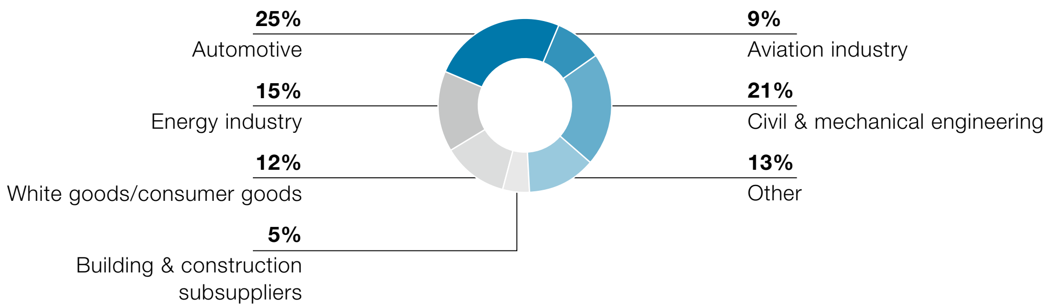
Special Steel Division

Key figures of the Special Steel Division

In millions of euros	2011/12	2012/13	Change in %
Revenue	2,945.0	2,748.4	–6.7
EBITDA	429.7	368.7	–14.2
EBITDA margin	14.6%	13.4%	
EBIT	272.9	223.6	–18.1
EBIT margin	9.3%	8.1%	
Employees (full-time equivalent)	12,363	12,721	2.9

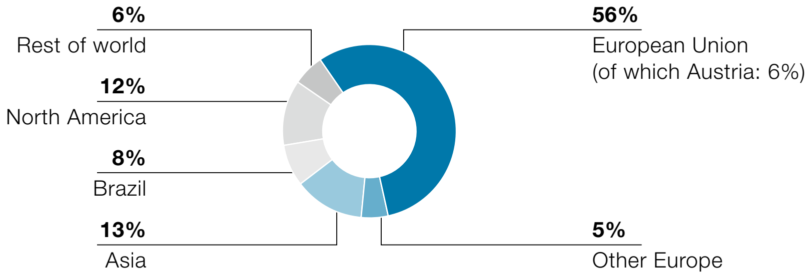
Customers of the Special Steel Division

As percentage of divisional revenue
Business year 2012/13



Markets of the Special Steel Division

As percentage of divisional revenue
Business year 2012/13



Market environment and business development

In the Special Steel Division, the business year 2012/13 was characterized by an economic environment that became more and more difficult as the year progressed. The performance in the first half of the year was still quite stable, starting in the fall, however, demand declined markedly. In Europe, this was caused primarily by increasing uncertainty in major customer segments due to the continuing sovereign debt crisis. Customers' order patterns became more and more cautious and short-term, resulting in accelerated reduction of inventories so that, the division's production and delivery volumes declined compared to the figures of the previous year.

Especially in the High Performance Metals business segment, these deteriorating framework conditions had a direct impact on business development. Most of the product segments saw incoming orders drop in the course of the business year, although in the last quarter, the situation for tool steel and high-speed steel began to stabilize. The order situation for special steels for oil and natural gas production and the aviation industry remained at a good level throughout the entire business year, although, here too, customers proceeded more cautiously. Valve steel and special constructional steel, however, experienced a downward trend. Demand for hot and cold work steel continued to be restrained due to weaker demand from the automotive sector and the metalworking industry. The situation in these sectors was marked by a reduction of inventories along the entire value chain. Overall, the High Performance Metals business segment experienced a solid level of demand in the first half of 2012/13, due primarily to orders from the automotive, mechanical engineering, oil and natural gas exploration, consumer goods, and aviation sectors. Weaker demand in the second half of the business year 2012/13 was largely the result of a downturn in the automotive industry, especially the commercial vehicle industry, and also—as opposed to the Steel Division—in the mechanical engineering and consumer goods industries as well.

All in all, performance in the Special Forgings business segment was satisfactory, even though demand for forged components in the commercial vehicle, agricultural machinery, and mechanical engineering sectors lagged behind expectations. On the other hand, aircraft manufacturers continually increased their production figures.

Development of the key figures

In the business year 2012/13, the figures achieved by the Special Steel Division were somewhat weaker than in the previous year. It was not lower prices that were responsible for this, as they even rose slightly, but the main factor was a decline in production and delivery volumes that had an adverse impact on revenue and operating result. While revenue fell by 6.7% from EUR 2,945.0 million in the business year 2011/12 to EUR 2,748.4 million, the drop in the reporting categories was more significant. At EUR 368.7 million (EBITDA margin: 13.4%), the operating result (EBITDA) was 14.2% lower than the previous year's figure of EUR 429.7 million (EBITDA margin: 14.6%). Profit from operations (EBIT) declined accordingly by 18.1% from EUR 272.9 million (EBIT margin: 9.3%) in the business year 2011/12 to EUR 223.6 million (EBIT margin: 8.1%) in the year under review.

After the downward trend that settled in from the summer of 2012 on, a comparison of the fourth quarter of 2012/13 with the immediately preceding quarter shows a modest upswing. Quarterly revenue rose by 6.4% from EUR 642.7 million to EUR 683.6 million. EBITDA went up by 17.3% from EUR 79.7 million to EUR 93.5 million, and EBIT rose substantially by 29.7% from EUR 43.8 million to EUR 56.8 million. The main factor behind this improvement was the higher capacity utilization of steel production facilities both at European locations in Austria, Germany, and Sweden and at the Brazilian subsidiary Villares Metals, resulting in an attendant increase in global delivery volumes. Concurrently, the EBITDA margin improved from 12.4% to 13.7%, and the EBIT margin rose from 6.8% to 8.3%.

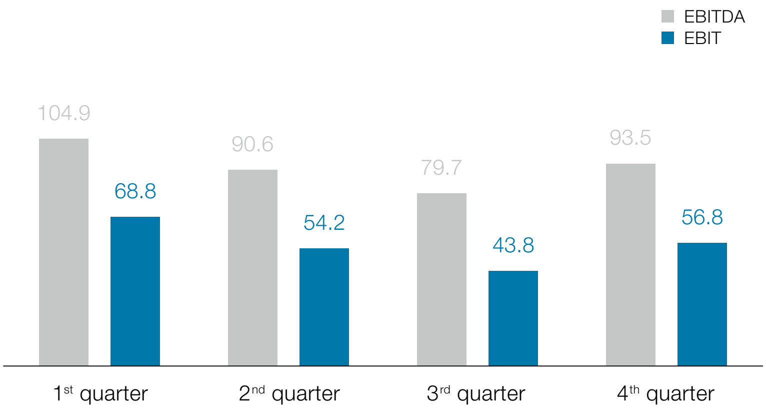
As of March 31, 2013, the Special Steel Division had 12,721 employees (FTE/full-time equivalent); compared to the figure on the same reporting date in the previous year (12,363 employees); this corresponds to a slight increase of 2.9% mainly due to the acquisitions made by the division.

Quarterly development of the Special Steel Division

In millions of euros	1st quarter 2012/13	2nd quarter 2012/13	3rd quarter 2012/13	4th quarter 2012/13	BY 2012/13
Revenue	735.7	686.4	642.7	683.6	2,748.4
EBITDA	104.9	90.6	79.7	93.5	368.7
EBITDA margin	14.3%	13.2%	12.4%	13.7%	13.4%
EBIT	68.8	54.2	43.8	56.8	223.6
EBIT margin	9.3%	7.9%	6.8%	8.3%	8.1%
Employees (full-time equivalent)	12,348	12,322	12,144	12,721	12,721

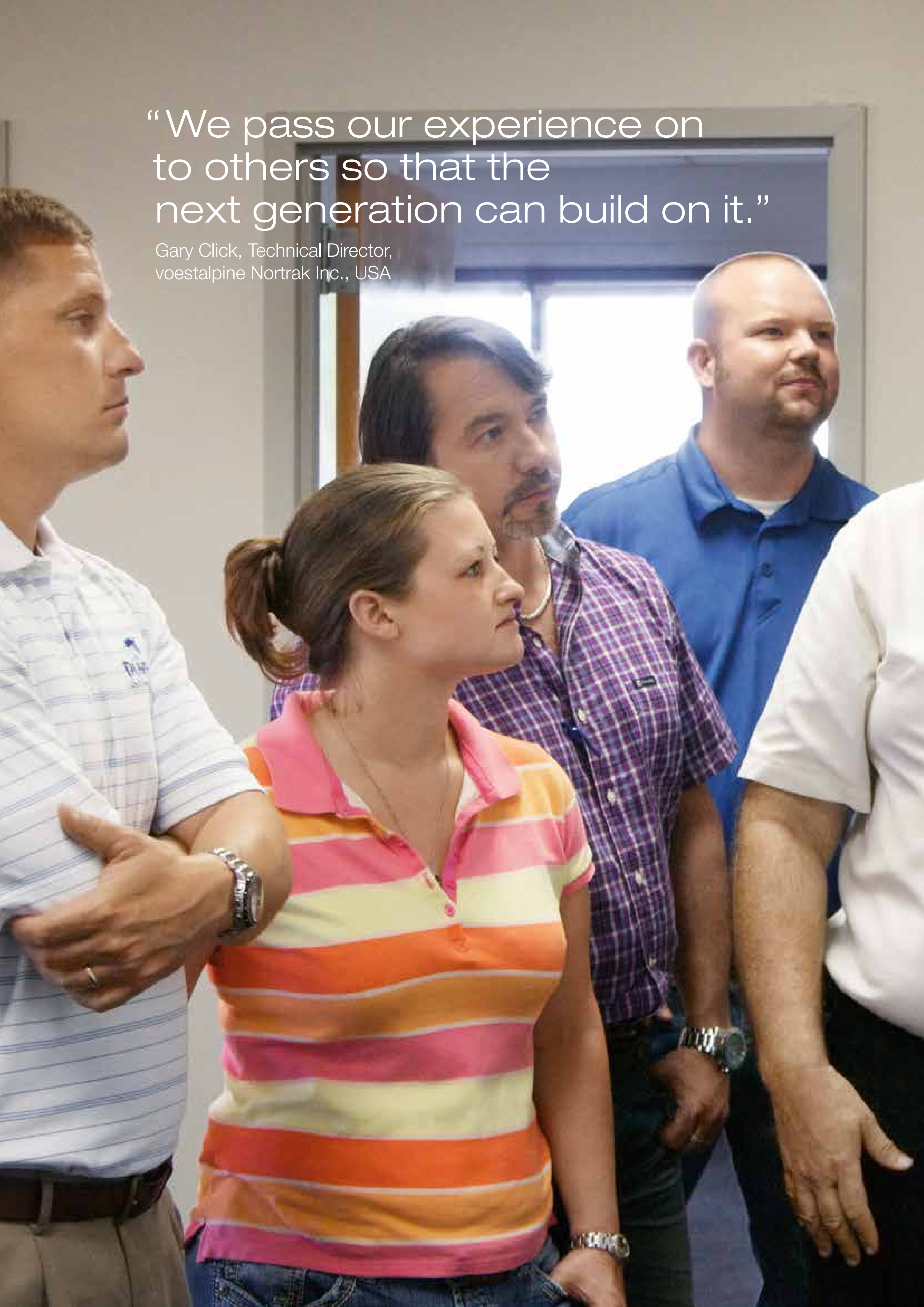
Quarterly development of the Special Steel Division

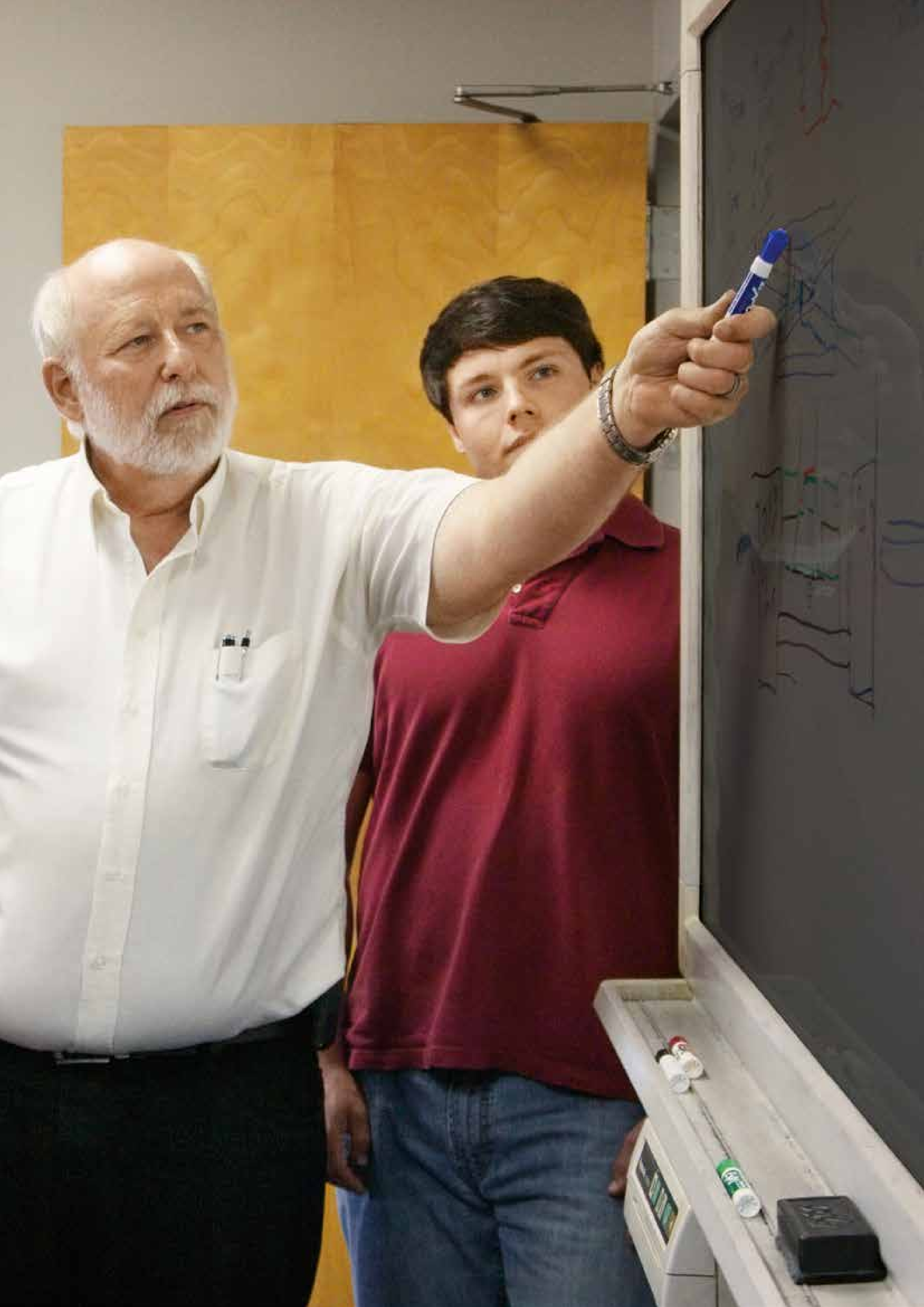
In millions of euros
Business year 2012/13



"We pass our experience on to others so that the next generation can build on it."

Gary Click, Technical Director, voestalpine Nortrak Inc., USA





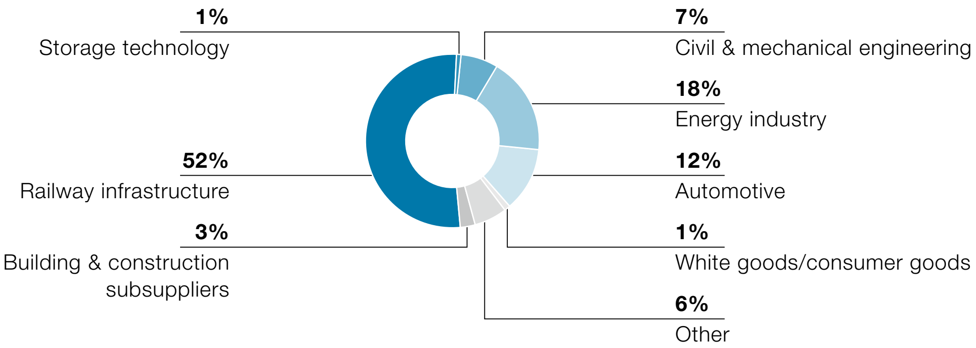
Metal Engineering Division

Key figures of the Metal Engineering Divsion

In millions of euros	2011/12	2012/13	Change in %
Revenue	2,955.6	2,913.6	–1.4
EBITDA	210.3	434.6	106.7
EBITDA margin	7.1%	14.9%	
EBIT	96.9	319.6	229.8
EBIT margin	3.3%	11.0%	
Employees (full-time equivalent)	11,344	11,374	0.3

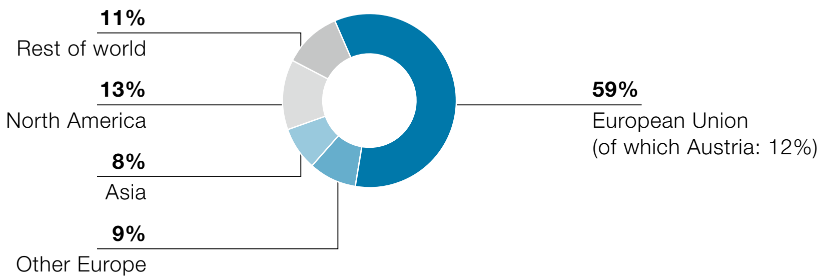
Customers of the Metal Engineering Division

As percentage of divisional revenue
Business year 2012/13



Markets of the Metal Engineering Division

As percentage of divisional revenue
Business year 2012/13



Market environment and business development

The Metal Engineering Division's performance in the business year 2012/13 was at a solid level, which has practically become a tradition. Based on the railway infrastructure customer segment, which has performed reliably for years and which is the source of about half of the division's revenue, it continues to be the Group's most profitable division.

In the business year 2012/13, the Rail Technology business segment's capacity utilization for premium quality products continued to be excellent despite persistent weak demand in Europe, as it was able to shift part of its business to overseas markets. Intense competition in the standard rail segment due to massive overcapacities and resulting price pressure emphasizes the wisdom of the decision to withdraw from this segment with the closure of the Duisburg site.

Due to its worldwide presence, the Turnout Technology business segment was able to compensate for weaker sales in Europe due to budget restrictions and declining investments by European railways by increasing its global activities. We anticipate that there will be pent-up demand in the railway infrastructure segment in North and South America, Africa, the Near and Middle East, and Turkey for some time.

The Seamless Tube business segment continued to be in robust shape in 2012/13. Despite declining drilling activities in the American market that is important for the OCTG segment (oil country tubular goods/oilfield tubes), results remained stable at a high level. The reason for this development is that the segment shifted its attention to other regions that have been newly developed or where sales activities have been intensified (Russia, the MENA region, Australia). As drilling has become increasingly demanding both in oil and natural gas production, necessitating more and more complex processes, the focus in the Seamless Tube business segment is on continuing to develop new technologies for its product portfolio.

In the Wire business segment, a drop in demand in the first three quarters of 2012/13, which was primarily a result of falling production figures among European automobile manufacturers, was reversed most recently as business began to recover. Here, too, the segment's orientation toward a qualitatively sophisticated product portfolio prevented more dramatic losses.

The Welding Consumables business segment was also characterized by a restrained market environment in Europe. Mainly as a result of delays in power plant construction projects, demand for welding consumables in Asia was somewhat more subdued than in the previous years. In contrast, the development in North America improved significantly.

Due to very good sales in the downstream processing segment, production facilities in the Steel business segment enjoyed full capacity utilization. It even became necessary to temporarily purchase pre-materials for the production of rails, seamless tubes, and wire due to a (scheduled) repair of a blast furnace in the summer of 2012.

Development of the key figures

When discussing the financial key figures of the Metal Engineering Division compared to the previous year, it should be noted that the previous year's figures (business year 2011/12) were adversely impacted by non-recurring effects in the amount of EUR 205.0 million. Provisions in this amount, which were recognized in income, were set aside for risks in connection with the rail antitrust proceedings and for the closure of the standard rail production in Duisburg (see also the "Significant events in the course of the year" chapter in the Management Report.

At EUR 2,913.6 million, revenue in the business year 2012/13 was only slightly below last year's figure (EUR 2,955.6 million). The operating result (EBITDA) of EUR 210.3 million was more than doubled to EUR 434.6 million. Adjusted for the previously cited non-recurring effect in the amount of EUR 205.0 million, the EBITDA figure is still 4.6% higher. The EBITDA margin for the year under review is 14.9%, compared to 7.1% (adjusted figure 14.1%) in the previous year. With a gain of EUR 96.9 million to EUR 319.6 million, profit from operations (EBIT) more than tripled in the year under review. Therefore, the EBIT margin rose from 3.3% to 11.0%. Without taking the non-recurring effects into account, EBIT would still have risen by 5.9% and the previous year's EBIT margin would have been at 10.2%.

Comparing the fourth quarter 2012/13 with the immediately preceding quarter (Q3 2012/13), there is a slight decline in revenue (−2.7% from EUR 693.3 million in Q3 to EUR 674.4 million in Q4), however, at the same time, there is a significant increase in earnings and profit. The rise in earnings in the fourth quarter for the Railway Infrastructure segment, despite the customary seasonal effects, is due mainly to the improvement in the performance of the Wire business segment, but the Seamless Tube and Welding Consumables business segments were also able to maintain their earnings level into the new calendar year.

Against this backdrop, the operating result (EBITDA) of EUR 104.0 million in Q3 2012/13 was increased to EUR 124.2 million in the fourth quarter, a gain of 19.4%. This means that in the fourth quarter, the Metal Engineering Division achieved an EBITDA margin of 18.4% compared to 15.0% in the third quarter.

Profit from operations (EBIT) even surged by 26.3% from EUR 74.5 million in the third quarter to EUR 94.1 million in the fourth quarter. As a result, the EBIT margin in the fourth quarter was 14.0% compared to 10.7% in the immediately preceding quarter.

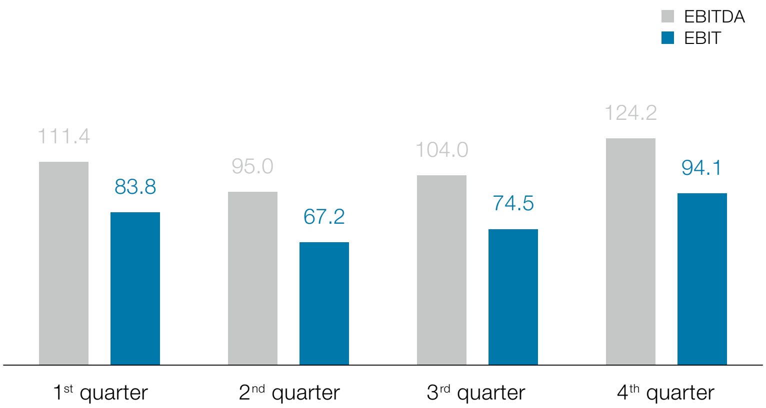
As of March 31, 2013, the Metal Engineering Division had 11,374 employees (FTE/full-time equivalent), remaining largely stable compared to the previous year (11,344 employees).

Quarterly development of the Metal Engineering Division

In millions of euros	1st quarter 2012/13	2nd quarter 2012/13	3rd quarter 2012/13	4th quarter 2012/13	BY 2012/13
Revenue	805.6	740.3	693.3	674.4	2,913.6
EBITDA	111.4	95.0	104.0	124.2	434.6
EBITDA margin	13.8%	12.8%	15.0%	18.4%	14.9%
EBIT	83.8	67.2	74.5	94.1	319.6
EBIT margin	10.4%	9.1%	10.7%	14.0%	11.0%
Employees (full-time equivalent)	11,291	11,426	11,137	11,374	11,374

Quarterly development of the Metal Engineering Division

In millions of euros
Business year 2012/13



“We are just around the corner from the entire world.”

Jim Nicolaas, Sales Account Manager,
voestalpine Polynorm B.V., Holland


voestalpine

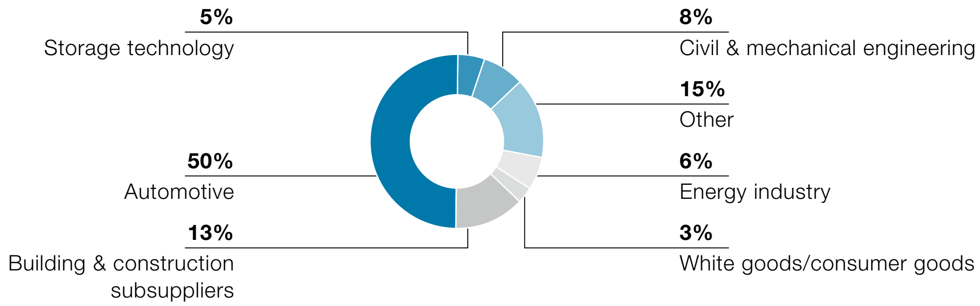
Metal Forming Division

Key figures of the Metal Forming Division

In millions of euros	2011/12	2012/13	Change in %
Revenue	2,475.2	2,310.2	–6.7
EBITDA	276.2	257.6	–6.7
EBITDA margin	11.2%	11.1%	
EBIT	185.1	167.6	–9.5
EBIT margin	7.5%	7.3%	
Employees (full-time equivalent)	11,365	10,853	–4.5

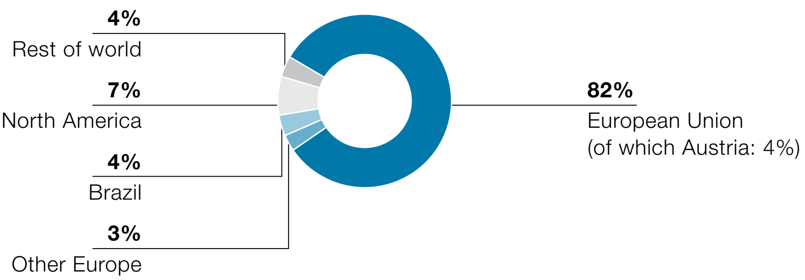
Customers of the Metal Forming Division

As percentage of divisional revenue
Business year 2012/13



Markets of the Metal Forming Division

As percentage of divisional revenue
Business year 2012/13



Market environment and business development

In 2012/13, business performance of the Metal Forming Division was affected by a market environment that became progressively more difficult, which, however, stabilized in the fourth quarter, albeit at a low level. But despite the challenging economic circumstances, the individual business segments demonstrated a performance that was satisfactory overall.

The Tubes & Sections segment was characterized primarily by falling demand from the construction machinery segment, while the agricultural machinery segment showed a consistent and favorable level of demand. The trend in Europe in the bus and commercial vehicle sectors was inconsistent. While export-oriented manufacturers profited from sales that—viewed globally—were satisfactory, those companies who do business primarily on the European markets came under pressure. The construction sector, however, which is important to the division, continued to be a challenge, as it has not shown any significant trends toward recovery. The aviation industry performed at a consistently solid level; the construction rates for new models were slightly below expectations, however, this did not have any negative effects.

The Automotive Body Parts business segment continued to operate at largely full production capacity despite the fact that automobile sales have been steadily decreasing. A good level of demand, especially from the premium segment, into the third quarter ensured very satisfactory growth of production. Toward the end of the calendar year, sales of individual models declined slightly, while mass market automobile sales stabilized during the course of the business year at a low level. In view of the continually falling sales figures in Europe, voestalpine's internationalization strategy is becoming an ever more significant factor in ensuring the long-term stability of sales and profitability of this business segment.

In 2012/13, the Precision Strip business segment still performed satisfactorily all in all despite a decline in incoming orders, due primarily to demand from the consumer goods industry, for example, razor blades and highly precise cutting rules for the packaging industry.

A similar development can be seen with regard to incoming orders in the Material Handling business segment, where stable demand in the segment of high-bay warehouse systems came largely from consumer-oriented industries (food and beverage industries, clothing industry, and mail-order retail industry).

Viewed regionally, North America showed a marked uptick in demand, while European markets overall had to deal with economic setbacks. This applies particularly to Southern Europe and, most recently, to France, not, however, to Great Britain, where demand has been consistently stable. Subdued sales in Brazil in the early part of the business year experienced a noticeable upwards trend during the second half of the year as a result of state funding programs.

Development of the key figures

The development of key financial figures of the Metal Forming Division was positively affected by non-recurring effects in the amount of around EUR 10 million. This non-operating result is based on a structural reorganization of pension obligations in individual divisional companies, which resulted, in some cases, in a reevaluation, resulting in positive effects in the fourth quarter. Despite these non-recurring effects, the division's operating result could not fully maintain the previous year's trend. Revenue fell over the twelve-month period by 6.7% from EUR 2,475.2 million in the previous year to EUR 2,310.2 million in the business year 2012/13. The operating result (EBITDA) fell from EUR 276.2 million to EUR 257.6 million, which corresponds to a decline of 6.7% as well. This results in an EBITDA margin of 11.1%, remaining almost the same as the previous year's figure (11.2%). Profit from operations (EBIT) fell during the period under review from EUR 185.1 million in the previous year to EUR 167.6 million, a decline of 9.5%. In relation to revenue, this results in an EBIT margin of currently 7.3%, a very slight decrease compared to 7.5% margin in the previous year.

The drop in revenue and operating result was due to the generally weaker economy on one hand and, on the other, to the specific development of the division's most important customer industries: while optimism had still reigned in the Tubes and Sections business segment in the early part of the business year 2011/12 and the Automotive Body Parts business segment had experienced a level of demand during the first half of the period that had been stable at a high level, the trend had cooled substantially for both segments in the second half of the business year, finally stabilizing again toward the end of the last quarter. Viewed overall, in the business year 2012/13, the very good levels of the previous year—both as far as volumes and prices are concerned—could not quite be maintained.

In a direct comparison of the fourth quarter of the business year 2012/13 with the immediately preceding quarter (third quarter 2012/13), the cited non-recurring effect was one of the main factors behind the increase in the operating result. Not least due to this effect, the operating result (EBITDA) rose in the fourth quarter by 41.5% to EUR 77.0 million (third quarter: EUR 54.4 million) and profit from operations (EBIT) even gained 65.7% to EUR 53.7 million (third quarter: EUR 32.4 million). As a result, the EBITDA margin went up in the last quarter of the business year 2012/13 from 9.9% to 13.2%; the EBIT margin increased from 5.9% to 9.2%. However, the boost in sales revenue of 6.5% to EUR 583.9 million (third quarter: EUR 548.2 million) also demonstrates an improvement in the operating performance, due to the previously mentioned general stabilization of the negative, seasonal effects in the third quarter.

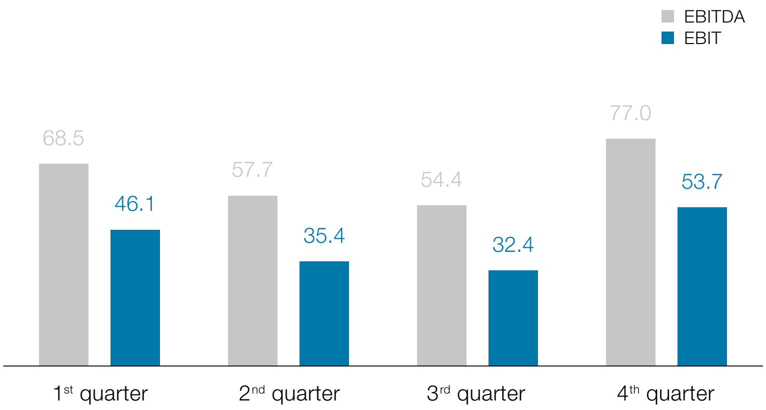
As of the end of the business year 2012/13, the Metal Forming Division had 10,853 employees (FTE, full-time equivalent), a decline of 4.5% compared to the same date in the previous year (11,365 employees).

Quarterly development of the Metal Forming Division

In millions of euros	1st quarter 2012/13	2nd quarter 2012/13	3rd quarter 2012/13	4th quarter 2012/13	BY 2012/13
Revenue	611.1	567.0	548.2	583.9	2,310.2
EBITDA	68.5	57.7	54.4	77.0	257.6
EBITDA margin	11.2%	10.2%	9.9%	13.2%	11.1%
EBIT	46.1	35.4	32.4	53.7	167.6
EBIT margin	7.5%	6.2%	5.9%	9.2%	7.3%
Employees (full-time equivalent)	11,272	11,068	10,283	10,853	10,853

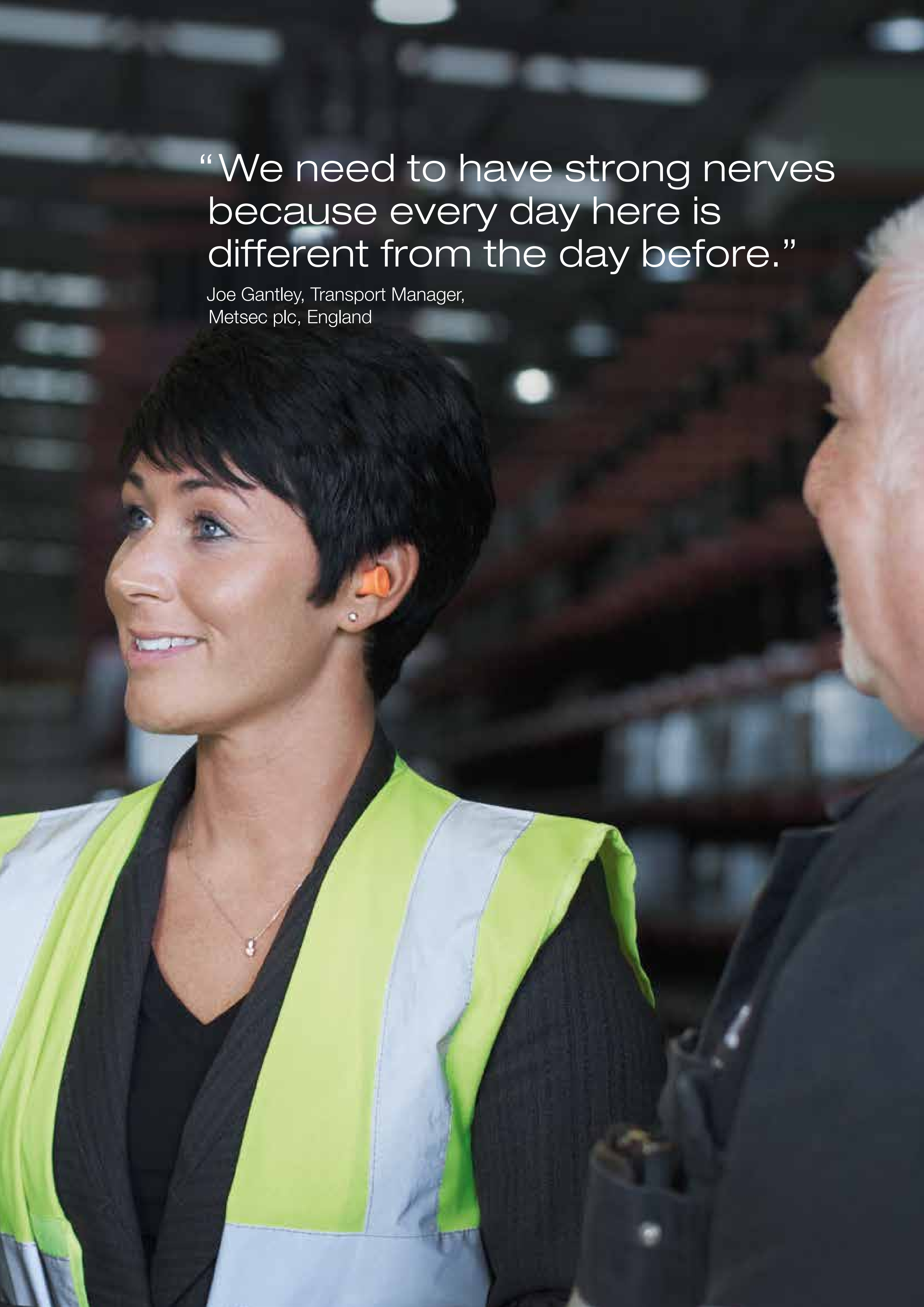
Quarterly development of the Metal Forming Division

In millions of euros
Business year 2012/13



“We need to have strong nerves because every day here is different from the day before.”

Joe Gantley, Transport Manager,
Metsec plc, England



voestalpine AG
Consolidated Financial Statements 2012/13

Consolidated Financial Statements

Service

Report of the Supervisory Board on the business year 2012/13

During the business year 2012/13, the Supervisory Board fulfilled its responsibilities under the law and the Articles of Incorporation, holding seven plenary sessions and three meetings of the Audit Committee. The Management Board provided comprehensive information both orally and in written form regarding the state of business and the situation of the company.
The Annual Financial Statements and the Group's Consolidated Financial Statements as of March 31, 2013 were audited by Grant Thornton Unitreu GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, which was engaged as mandated by Section 270 of the Austrian Commercial Code (Unternehmensgesetzbuch, UGB). The audits did not give rise to any objections and showed that the Annual Financial Statements and the Consolidated Financial Statements, which were prepared in accordance with the International Financial Reporting Standards (IFRS) as mandated by Section 245a of the Austrian Commercial Code, conform to the statutory regulations. The auditor issued an unqualified audit opinion both for the Annual Financial Statements and the Consolidated Financial Statements and confirmed that the Management Report is consistent with the Annual Financial Statements and the Consolidated Management Report is consistent with the Consolidated Financial Statements.
After having been brought to the attention of the Audit Committee, on June 4, 2013, the Supervisory Board reviewed and approved the Annual Financial Statements as of March 31, 2013. The Annual Financial Statements are herewith deemed adopted pursuant to Section 96 (4) of the Austrian Stock Corporation Act (Aktiengesetz). Furthermore, after they had been brought to the attention of the Audit Committee, the Supervisory Board acknowledged and approved the Management Report as well as the Consolidated Financial Statements together with the Consolidated Management Report and the Corporate Governance Report.
The Corporate Governance Report was also audited by Grant Thornton Unitreu GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, within the scope of the annual external review of voestalpine AG's compliance with the C and R rules of the Corporate Governance Code, and it was determined that the report is in agreement with actual circumstances. The C rules of the code pertaining to the auditor (Rules 77 to 83) were reviewed by the law firm WOLF THEISS Rechtsanwälte GmbH. This review also confirmed compliance with the rules.
It has been established that the business year 2012/13 has ended with a net profit of EUR 156,000,000.00; it is being recommended that a dividend of EUR 0.90 per dividend-bearing share be paid to the shareholders and that the remaining amount be carried forward.

The Supervisory Board

Dr. Joachim Lemppenau
(Chairman)

Linz, June 4, 2013

voestalpine AG

Consolidated statement of financial position for the year ended March 31, 2013

Assets

	Notes	03/31/2012	03/31/2013
A. Non-current assets			
Property, plant and equipment	9	4,378,335	4,580,658
Goodwill	10	1,421,162	1,470,165
Other intangible assets	11	321,992	320,874
Investments in associates	12	149,405	156,387
Other financial assets	12	160,458	109,207
Deferred tax assets	13	369,825	343,621
		6,801,177	**6,980,912**
B. Current assets			
Inventories	14	2,952,712	2,876,876
Trade and other receivables	15	1,774,397	1,655,559
Other financial assets		406,580	473,329
Cash and cash equivalents	16	677,229	1,092,671
		5,810,918	**6,098,435**
Total assets		**12,612,095**	**13,079,347**

In thousands of euros

Equity and liabilities

	Notes	03/31/2012	03/31/2013
A. Equity			
Share capital		307,132	313,309
Capital reserves		405,664	472,533
Hybrid capital		992,096	993,248
Reserve for own shares		–15,686	–4,743
Other reserves		–181,906	16,103
Retained earnings		3,258,635	3,217,504
Equity attributable to equity holders of the parent		**4,765,935**	**5,007,954**
Non-controlling interests		70,356	67,298
	17	**4,836,291**	**5,075,252**
B. Non-current liabilities			
Pensions and other employee obligations	18	852,857	1,004,660
Provisions	19	131,308	113,769
Deferred tax liabilities	13	204,004	189,609
Financial liabilities	20	1,970,658	2,558,804
		3,158,827	**3,866,842**
C. Current liabilities			
Provisions	19	631,060	612,237
Tax liabilities		78,845	60,747
Financial liabilities	20	1,799,194	1,324,609
Trade and other payables	21	2,107,878	2,139,660
		4,616,977	**4,137,253**
Total equity and liabilities		**12,612,095**	**13,079,347**

In thousands of euros

voestalpine AG

Consolidated statement of cash flows 2012/13

In thousands of euros	Notes	2011/12	2012/13
Operating activities			
Profit for the period		413,274	521,928
Adjustments	24	581,030	574,989
Changes in working capital		–137,759	225,015
Cash flows from operating activities		**856,545**	**1,321,932**
Investing activities			
Additions of other intangible assets, property, plant and equipment		–552,884	–740,125
Income from disposals of assets		35,351	9,452
Cash flows from the acquisition of control of subsidiaries		–1	–86,094
Cash flows from the loss of control of subsidiaries		1,344	1,527
Additions of other financial assets		37,578	–14,403
Cash flows from investing activities		**–478,612**	**–829,643**
Financing activities			
Dividends paid		–206,225	–220,036
Dividends paid/capital increase non-controlling interests		–7,274	–7,968
Acquisitions/disposals of own shares		5,651	4,886
Change of non-controlling interests		–3,043	–39,685
Capital increase/shareholder contribution		0	78,807
Change in non-current financial liabilities		–1,097,389	585,487
Change in current financial liabilities		374,611	–476,211
Cash flows from financing activities		**–933,669**	**–74,720**
Net decrease/increase in cash and cash equivalents		**–555,736**	**417,569**
Cash and cash equivalents, beginning of year		1,233,433	677,229
Net exchange differences		–468	–2,127
Cash and cash equivalents, end of year	16	**677,229**	**1,092,671**

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Consolidated income statement 2012/13

In thousands of euros	Notes	2011/12	2012/13
Revenue	1, 2	**12,058,249**	**11,524,401**
Cost of sales		–9,614,069	–9,216,757
Gross profit		**2,444,180**	**2,307,644**
Other operating income	3	354,025	371,667
Distribution costs		–985,419	–963,006
Administrative expenses		–594,596	–566,411
Other operating expenses	4	–514,001	–296,267
Profit from operations (EBIT)		**704,189**	**853,627**
Share of profit of associates	5	20,081	15,362
Finance income	6	79,564	63,284
Finance costs	7	–299,461	–277,614
Profit before tax (EBT)		**504,373**	**654,659**
Tax expense	8	–91,099	–132,731
Profit for the period		**413,274**	**521,928**
Attributable to:			
Equity holders of the parent		333,506	444,872
Non-controlling interests		7,754	4,436
Share planned for hybrid capital owners		72,014	72,620
Basic and diluted earnings per share (euros)	30	**1.98**	**2.61**

voestalpine AG

Statement of comprehensive income 2012/13

In thousands of euros	Notes	2011/12	2012/13
Profit for the period		**413,274**	**521,928**
Other comprehensive income			
Hedge accounting		4,131	9,294
Currency translation		7,371	2,746
Actuarial gains/losses		–24,562	–126,838
Other comprehensive income for the period, net of income tax		**–13,060**	**–114,798**
Total comprehensive income for the period		**400,214**	**407,130**
Attributable to:			
Equity holders of the parent		321,320	331,147
Non-controlling interests		6,880	3,363
Share planned for hybrid capital owners		72,014	72,620
Total comprehensive income for the period		**400,214**	**407,130**

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Consolidated statement of changes in equity 2012/13

	Share capital	Capital reserves	Hybrid capital	Reserve for own shares
Balance as of April 1, 2011	**307,132**	**421,083**	**992,096**	**–24,485**
Profit for the period	**0**	**0**	**0**	**0**
Other comprehensive income				
Hedge accounting	0	0	0	0
Currency translation	0	0	0	0
Actuarial gains/losses	0	0	0	0
Other comprehensive income for the period, net of income tax	**0**	**0**	**0**	**0**
Total comprehensive income for the period	**0**	**0**	**0**	**0**
Own shares acquired/disposed	0	–3,148	0	8,799
Dividends	0	0	0	0
Share-based payment	0	–15,528	0	0
Other changes	0	3,257	0	0
	0	**–15,419**	**0**	**8,799**
Balance as of March 31, 2012 = Balance as of April 1, 2012	**307,132**	**405,664**	**992,096**	**–15,686**
Profit for the period	**0**	**0**	**0**	**0**
Other comprehensive income				
Hedge accounting	0	0	0	0
Currency translation	0	0	0	0
Actuarial gains/losses	0	0	0	0
Other comprehensive income for the period, net of income tax	**0**	**0**	**0**	**0**
Total comprehensive income for the period	**0**	**0**	**0**	**0**
Own shares acquired/disposed	0	–6,057	0	10,943
Dividends	0	0	0	0
Dividends to hybrid capital owners	0	0	0	0
Changes in hybrid capital	0	0	1,152	0
Capital increase	6,177	72,958	0	0
Share-based payment	0	–32	0	0
Other changes	0	0	0	0
	6,177	**66,869**	**1,152**	**10,943**
Balance as of March 31, 2013	**313,309**	**472,533**	**993,248**	**–4,743**

Other reserves					
Translation reserve	**Hedging reserve**	**Retained earnings**	**Total attributable to equity holders of the parent**	**Non-controlling interests**	**Total equity**
12,231	**–20,156**	**2,929,882**	**4,617,783**	**73,330**	**4,691,113**
0	**0**	**405,520**	**405,520**	**7,754**	**413,274**
0	4,135	0	4,135	–4	4,131
8,219	0	0	8,219	–848	7,371
0	0	–24,540	–24,540	–22	–24,562
8,219	**4,135**	**–24,540**	**–12,186**	**–874**	**–13,060**
8,219	**4,135**	**380,980**	**393,334**	**6,880**	**400,214**
0	0	0	5,651	0	5,651
0	0	–206,225	–206,225	–8,879	–215,104
0	0	0	–15,528	–153	–15,681
–2,075	0	–30,262	–29,080	–822	–29,902
–2,075	**0**	**–236,487**	**–245,182**	**–9,854**	**–255,036**
18,375	**–16,021**	**3,074,375**	**4,765,935**	**70,356**	**4,836,291**
0	**0**	**517,492**	**517,492**	**4,436**	**521,928**
0	9,294	0	9,294	0	9,294
3,767	0	0	3,767	–1,021	2,746
0	0	–126,786	–126,786	–52	–126,838
3,767	**9,294**	**–126,786**	**–113,725**	**–1,073**	**–114,798**
3,767	**9,294**	**390,706**	**403,767**	**3,363**	**407,130**
0	0	0	4,886	0	4,886
0	0	–135,121	–135,121	–8,070	–143,191
0	0	–99,710	–99,710	0	–99,710
0	0	–3,952	–2,800	0	–2,800
0	0	0	79,135	0	79,135
0	0	0	–32	0	–32
688	0	–8,794	–8,106	1,649	–6,457
688	**0**	**–247,577**	**–161,748**	**–6,421**	**–168,169**
22,830	**–6,727**	**3,217,504**	**5,007,954**	**67,298**	**5,075,252**

In thousands of euros

voestalpine AG

Notes to the consolidated financial statements 2012/13

A. General information and corporate purpose

voestalpine AG and its Group companies (hereinafter referred to as the "Group") are primarily engaged in the production, processing, and distribution of materials made of steel and in research and development in the areas of metallurgy, metal processing, and materials technology.

voestalpine AG is the Group's ultimate parent company and prepares the consolidated financial statements. It is registered in the commercial register of Linz and has its registered office in voestalpine-Strasse 1, 4020 Linz, Austria. The shares of voestalpine AG are listed on the stock exchange in Vienna, Austria.

The consolidated financial statements for the year ended March 31, 2013, (including comparative figures for the year ended March 31, 2012) have been prepared pursuant to Sec. 245a (1) of the Austrian Commercial Code (Unternehmensgesetzbuch, UGB) in accordance with the International Financial Reporting Standards (IFRS) as published by the International Accounting Standard Board (IASB) and adopted by the European Union.

The consolidated financial statements are presented in euros (= functional currency of the parent company) rounded to the nearest thousand.

The consolidated income statement has been prepared using the cost-of-sales method.

The Management Board of voestalpine AG approved the consolidated financial statements and authorized the consolidated financial statements for submission to the Supervisory Board on May 27, 2013.

B. Summary of accounting policies

General information

With the exception of financial instruments, which are measured at fair value, the consolidated financial statements are prepared on the historical cost basis.

The accounting policies applied to the consolidated financial statements are consistent with those of the previous year with the exceptions listed below.

The Automotive Division and Profilform Division were merged as of April 1, 2012, to create the Metal Forming Division. The preceding year's comparative figures were adjusted accordingly.

The following new and revised Standards were adopted for the first time in the business year 2012/13:

Standard	Content	Effective date[1]
IFRS 7 (2010)	Financial Instruments: Disclosures – Transfers of Financial Assets	July 1, 2011

[1] These Standards are applicable to reporting periods beginning on or after the effective date.

The changes in IFRS 7 require additional disclosures that enable the users of financial statements to comprehend the relationship between financial assets that have been transferred but not completely derecognized and the associated liabilities and to assess the nature of the entity's continuing involvement with derecognized financial assets and the associated risks. The first-time adoption of the new Standard in the business year 2012/13 had no impact on the consolidated financial statements.

The following Standards have been endorsed by the European Union as of the reporting date, but their application was not yet mandatory for the business year 2012/13:

Standard	Content	Effective date[1]
IFRS 10	Consolidated Financial Statements	January 1, 2014
IFRS 11	Joint Arrangements	January 1, 2014
IFRS 12	Disclosure of Interests in Other Entities	January 1, 2014
IFRS 13	Fair Value Measurement	January 1, 2013
IAS 27, new version	Separate Financial Statements	January 1, 2014
IAS 28, new version	Investments in Associates and Joint Ventures	January 1, 2014
IFRS 7, amendments	Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities	January 1, 2013
IAS 32, amendments	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities	January 1, 2014
IAS 12, amendments	Income Taxes – Deferred Tax: Recovery of Underlying Assets	January 1, 2013
IAS 1, amendments	Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income	July 1, 2012
IAS 19, amendments	Employee Benefits	January 1, 2013
Various Standards	Annual Improvements to International Financial Reporting Standards, 2009–2011 Cycle (Exception: amendments related to IAS 32 are early adopted)	January 1, 2013

[1] These Standards are applicable to reporting periods beginning on or after the effective date.

IFRS 10 comprehensively redefines the concept of control. This should create a uniform basis for defining the consolidated group. This Standard replaces the provisions of the previous IAS 27 "Consolidated and Separate Financial Statements" for consolidated financial statements.

IFRS 11 governs the accounting of entities that jointly control an arrangement that is classified either as a joint venture or a joint operation. This Standard replaces IAS 31 "Interests in Joint Ventures" and eliminates the possibility of proportionate consolidation of joint ventures, whereby these are to be included in the consolidated group in the future using equity method accounting. IAS 28 now includes the provisions for associates and joint ventures that are measured based on the equity method under IFRS 11.

IFRS 12 includes the disclosure requirements for subsidiaries, joint arrangements, associates, and unconsolidated structured entities.

IFRS 13 defines the concept of fair value, provides a framework for measuring fair value in a single Standard, and prescribes the disclosures related to the measurement of fair value.

The amendments to IAS 32 clarify the requirements for offsetting financial instruments in the statement of financial position; as a result, new provisions governing disclosures have been added to IFRS 7.

The amendments to IAS 1 require that the items of other comprehensive income are grouped according to whether they will be recycled later to the income statement or not.

The corridor method is eliminated and finance costs are determined on a net basis as a result of the amendments to IAS 19. Furthermore, past service cost is to be recognized immediately through profit or loss in the future and additional disclosures are required in relation to defined benefit plans.

The Group did not early adopt these Standards. The future effects of the new and revised Standards on voestalpine AG's consolidated financial statements are currently being examined.

The use of automated calculation systems may result in rounding differences.

Basis of consolidation

The annual financial statements of fully consolidated or proportionately consolidated entities are prepared using uniform accounting policies. For entities included using the equity method, local accounting policies and different reporting dates are maintained if the relevant amounts are immaterial.

In the case of initial consolidation, assets, liabilities, and contingent liabilities are measured at their fair value at the date of acquisition. Any excess of the cost of acquisition over the net of the assets acquired and liabilities assumed is recognized as goodwill. If the net of the assets acquired and liabilities assumed exceeds the cost of acquisition, the difference is recognized at the time of acquisition in profit or loss. Non-controlling interests in the acquired entity are stated at the non-controlling proportion of the net fair values of the acquired assets, liabilities, and contingent liabilities.

All intra-group profits, receivables and payables, income and expenses are eliminated.

Foreign currency translation

In accordance with IAS 21, annual financial statements in foreign currencies that are included in the consolidated financial statements are translated into euros using the functional currency method. The relevant national currency is the functional currency in all cases since, from a financial, economic, and organizational perspective, these entities all operate independently. Assets and liabilities have been translated using the exchange rate on the reporting date. Income and expenses have been translated using the average exchange rate for the business year.

Equity is translated using the historical exchange rate. Currency translation differences are recognized directly in equity in the currency translation reserve.

In the separate financial statements of consolidated entities, foreign currency transactions are translated into the functional currency of the entity using the exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from translation at the transaction date and reporting date are recognized in the consolidated income statement.

Currency exchange rates (ECB fixing) of key currencies have changed as follows:

Closing exchange rate	03/31/2012	03/31/2013
USD	1.3356	1.2805
GBP	0.8339	0.8456
BRL	2.4323	2.5703
SEK	8.8455	8.3553
PLN	4.1522	4.1804

Average annual rate	2011/12	2012/13
USD	1.3775	1.2869
GBP	0.8629	0.8147
BRL	2.3356	2.5891
SEK	9.0264	8.6150
PLN	4.1922	4.1653

Uncertainties in accounting estimates and assumptions

The preparation of the consolidated financial statements in conformity with IFRS requires the management to make accounting estimates and assumptions that may significantly affect the recognition and measurement of assets and liabilities, the recognition of other obligations as of the reporting date, and the recognition of income and expenses during the business year.

The following assumptions bear a significant risk of causing a material adjustment to assets and liabilities within the next business year:

- The assessment of the recoverability of intangible assets, goodwill, as well as property, plant and equipment is based on assumptions concerning the future. The determination of the recoverable amount in the course of an impairment test is based on various assumptions, such as future net cash flows and discount rates. The net cash flows correspond to the amounts in the most current business plan at the time of the preparation of financial statements.
- Where the fair values of financial instruments cannot be derived from active markets, they are determined using alternative actuarial models. The underlying parameters used in the determination of the fair values are based partially on assumptions concerning the future.
- The valuation of existing severance payment and pension obligations is based on assumptions regarding interest rate, retirement age, life expectancy, employee turnover, and future salary/wage increases.
- Recognition of deferred tax assets is based on the assumption that sufficient taxable profit will be generated in the future to utilize these tax loss carryforwards.

Estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates if the determining factors at the reporting date differ from expectations. Revisions to accounting estimates are recognized through profit or loss in the period in which the estimates are revised, and the assumptions are adjusted accordingly.

Recognition of revenue and expenses

Revenue arising from the provision of goods and services is realized when all material risks and rewards arising from the goods or services provided have passed to the buyer. Operating expenses are recognized when goods or services are used or when the expense is incurred.

Investment grants are treated as deferred items and recognized as income over the useful life of the asset. Cost subsidies are recognized on an accrual basis, corresponding to the associated expenses. Government grants of EUR 28.6 million (2011/12: EUR 11.4 million) for capital expenditures, research and development, and promotion of job opportunities were recognized as income during the reporting period. Expenses for research and development amounted to EUR 125.6 million (2011/12: EUR 116.7 million) in the business year 2012/13.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any impairment losses.

The cost of self-constructed property, plant and equipment includes direct costs and an appropriate portion of indirect materials and indirect labour.

Depreciation is calculated on a straight-line basis over the expected useful lives. Land is not subject to depreciation. Depreciation is based on the following rates:

Buildings	2.0–20.0%
Plant and equipment	3.3–25.0%
Fixtures and fittings	5.0–20.0%

With regard to borrowing costs relating to qualifying assets, for which the commencement date for capitalization is on or after April 1, 2009, the Group capitalizes borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset as part of the cost of that asset. The commencement date for capitalization is the date when expenditures for the asset and borrowing costs are incurred as well as activities are undertaken that are necessary to prepare the asset for its intended use or sale. Previously, the Group immediately recognized all borrowing costs as an expense.

Investment property is measured following the cost model. Useful lives and depreciation methods are identical to property, plant and equipment recognized under IAS 16.

Leases

Leased assets are treated as finance leases when they are considered asset purchases subject to long-term financing in economic terms. Lease agreements in which the Group assumes substantially all the risks and rewards of ownership as a lessee are considered asset purchases subject to long-term financing and are classified as finance leases; otherwise, they are classified as operating leases. Lease payments under operating leases are shown as expenses in the consolidated income statement.

Finance leases are initially recognized as Group assets at fair value or the lower present value of the minimum lease payments at the inception of the lease. The corresponding liabilities to the lessors are recorded under financial liabilities in the consolidated statement of financial position.

Finance leases are depreciated over their expected useful lives on the same basis as comparable assets or, where shorter, over the term of the relevant lease. The Group does not act as a lessor.

Goodwill

All corporate acquisitions are accounted for by applying the purchase method. Goodwill arises from the acquisition of subsidiaries and investments in associates.

Goodwill is allocated to cash-generating units and, in accordance with IFRS 3, is not amortized, but tested at least annually for impairment. The carrying amount of investments in associates also includes the carrying amount of goodwill.

Negative goodwill arising from an acquisition is immediately recognized as income.

On disposal of a subsidiary, the goodwill associated with the subsidiary is included in the determination of the profit or loss on disposal based on relative value in accordance with IAS 36.86.

Other intangible assets

Expenses for research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, are recognized as an expense as incurred. In accordance with IAS 38.57, development expenditure is capitalized if the relevant criteria are satisfied. Usually, the relevant criteria are not satisfied. Capitalized development costs are therefore not significant. Expenditure on internally generated goodwill and brands is recognized as an expense as incurred.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortization and impairment charges. Amortization is charged on a straight-line basis over the expected useful life of the asset. The maximum expected useful lives are as follows:

Backlog of orders	1 year
Customer relations	11 years
Technology	8 years

Impairment testing of goodwill, other intangible assets, and property, plant and equipment

Cash-generating units that include goodwill and other intangible assets with indefinite useful lives are tested for impairment at least annually. All other assets and cash-generating units are tested for impairment if there are any indications that impairment may have arisen.

For the purpose of impairment testing, assets are grouped at the lowest levels at which cash flows are independently generated (cash-generating units). Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors cash flows.

An impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of the fair value less cost to sell and value in use. Impairment losses recognized with regard to cash-generating units to which goodwill has been allocated are first applied against the carrying amount of goodwill. Any remaining impairment loss reduces the carrying amounts of the assets of the cash-generating unit on a pro-rata basis.

With the exception of goodwill, impairment losses are reversed when previous indications of impairment no longer exist.

Investments in associates

The proportionate results and equity of associates that are not of minor significance are included in the consolidated financial statements using the equity method.

Financial instruments

Derivative financial instruments are used exclusively by voestalpine AG for the purpose of hedging the foreign currency risk, interest rate risk, and raw materials price risk. Derivative financial instruments are carried at fair value. Hedge accounting in accordance with IAS 39 is used for the majority of the Group's derivative financial instruments. Gains or losses resulting from changes in the value of derivative financial instruments are recognized either as profit or loss or directly in equity, depending on whether a fair value hedge or cash flow hedge is involved.

Loans and receivables are carried at amortized cost. Since the Group's securities meet the criteria in accordance with IAS 39.9 for application of the fair value option, securities are recognized at fair value through profit or loss. There are no held-to-maturity financial instruments.

Other investments

Investments in subsidiaries, joint ventures, and associates that are not included in the consolidated financial statements by full consolidation, proportionate consolidation, or the equity method are reported under other investments at the lower of cost or market value.

Securities are carried at fair value. The fair value option is applied. Changes in the fair value are recognized through profit or loss in the income statement.

Income taxes

Income tax expense represents the total of current and deferred tax. Current tax is based on taxable income and is calculated using the tax rates currently applicable.

In accordance with IAS 12, all temporary differences between items in the consolidated financial statements and their tax bases are included in deferred taxes. Deferred tax assets on carryforwards of unused tax losses are recognized to the extent that it is probable that future taxable profit will be available against which the tax losses can be utilized.

In accordance with IAS 12.39, deferred taxes on differences resulting from investments in subsidiaries, associates, and joint ventures were not recognized.

The calculation of deferred taxes is based on the respective local income tax rates that have been enacted or substantively enacted.

Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value represents the estimated selling price less estimated costs of completion and estimated costs necessary to make the sale. In exceptional cases, the replacement cost of raw materials and supplies may serve as the basis of measurement in accordance with IAS 2.32.

The cost of inventories of the same type is determined by the weighted average price method or a similar method. Cost includes directly attributable costs and all pro-rated material and production overheads based on normal capacity utilization. Interest costs and general administrative and sales expenses are not recognized in inventory.

Emission certificates

Free certificates are measured at zero cost over the entire holding period, as the rights have been allocated free of charge. Purchased emission certificates are recorded at actual cost under current assets and measured at fair value at the reporting date (limited by the actual cost).

In the case of under-allocation, amounts for CO_2 emission certificates are included in the other provisions. The measurement is based on the rate prevailing on the reporting date (and the carrying amount, respectively) of the relevant certificates.

Trade and other receivables

Trade and other receivables are stated at amortized cost. Credit insurance is acquired to cover individually identifiable risks. Non-interest- or low-interest-bearing receivables with a remaining period of more than one year are recognized at their discounted present value. Sold receivables, for which the default risk is transferred to the buyer and for which the seller assumes a contingent liability to the extent of the retained amount from credit insurances, are derecognized because the power of disposition has transferred to the buyer.

When the outcome of a construction contract pursuant to IAS 11 can be estimated reliably, contract revenue and contract costs associated with the construction contract are recognized by reference to the stage of completion of the contract activity at the end of the reporting period ("percentage of completion method"), measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized to the extent of contract cost incurred that is probably recoverable. Contract costs are recognized as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is immediately recognized as an expense.

Accruals and deferrals are reported under other receivables and other liabilities.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at banks, and checks and are carried at market value.

Pensions and other employee obligations

Pensions and other employee obligations include provisions for severance payments, pensions, and long-service bonuses and are recognized in accordance with IAS 19 using the projected unit credit method.

Employees of Austrian entities who started their employment before January 1, 2003, are entitled to receive a severance payment if their employment is terminated by the employer or if they retire. The amount to be paid depends on the number of years of service and the employee's salary or wage at the time employment ends. For employees who started their employment after December 31, 2002, severance obligations are transferred to a contribution-based system. The contributions to external employee pension funds are recognized as expenses.

Both defined contribution and defined benefit pension plans exist within the Group. Defined contribution plans involve no additional future obligations after the payment of premiums. Defined benefit plans guarantee the employee a specified pension, which is based on a certain percentage of salaries or wages depending on years of service or on a valorized fixed amount per year of service. Defined benefit obligations are stated in the annual financial statements of the respective entities until the contractual vesting date. After that date, the pensions are transferred to a pension fund.

In accordance with IAS 19.93A, actuarial gains and losses from severance and pension obligations are recognized directly in equity in the year in which they are incurred. Actuarial gains and losses from provisions for long-service bonuses are recognized immediately in profit or loss.

The calculation of employee benefits in all countries where the Group has material operations is based on the following parameters:

	2011/12	**2012/13**
Interest rate (%)	4.75	3.50
Salary/wage increases (%)	3.25	3.00
Pension increases (%)	2.25	2.25
Retirement age men/women (years)	max. 65	max. 65
Mortality tables	AVÖ 2008-P	AVÖ 2008-P

Interest expenses resulting from employee benefits are included in the consolidated income statement under finance costs.

Other provisions

Other provisions due to present obligations arising from past events, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, are stated at the amount that reflects the most probable value based on a reliable estimate. Provisions are discounted where the effect is material.

The assumptions that underlie the provisions are reviewed on an ongoing basis. The actual figures can deviate from the assumptions if the underlying circumstances as of the reporting date have not developed as expected. As soon as better information is available, changes are recognized through profit and loss and the assumptions are adjusted accordingly.

Please note that we are invoking the safeguard clause according to which information about provisions is not provided if this could seriously and adversely impact the Company's interests.

Contingent liabilities

Contingent liabilities are present obligations arising from past events, where it is not probable that an outflow of resources will be required to settle the obligation, or possible obligations arising from past events whose existence or non-existence depends on less certain future events, which are not within the company's full control. When, in extremely rare cases, an existing debt cannot be stated in the statement of financial position as a provision because a reliable estimate of the debt is not possible, a contingent liability shall also be recognized.

With regard to possible obligations, we wish to point out that information about contingent liabilities is not provided if this could seriously and adversely impact the Company's interests.

Liabilities

Liabilities, except liabilities from derivative financial instruments, are stated at amortized cost.

Employee stock ownership plan

The employee stock ownership plan in Austrian Group companies is based on the appropriation of a part of the salary and wage increase due to collective bargaining agreements over several business years. For the first time in the business year 2000/01, employees received voestalpine AG shares in return for a 1% lower salary or wage increase.

In each of the business years 2002/03, 2003/04, 2005/06, 2007/08, and 2008/09, between 0.3% and 0.5% of the total amount of wages and salaries required for the increase were used to provide voestalpine AG shares to employees. The actual amount is calculated from the monthly amount of wages and salaries waived, based on November 1, 2002, 2003, 2005, 2007, and 2008, applying an annual increase of 3.5%. In business year 2012/13, an additional 0.3% of the total amount of wages and salaries needed for the pay increase collectively agreed for 2012 was used to provide shares under the participation plan for those Austrian Group companies that had first participated in the employee stock ownership plan starting in business year 2007/08.

The Works Council and each company shall execute an agreement for implementation of the Austrian employee stock ownership plan. Shares are acquired by the voestalpine Mitarbeiterbeteiligung Privatstiftung (a private foundation for the Company's employee shareholding scheme), which transfers the shares to employees according to the wages and salaries they have waived. The value of the consideration provided is independent of price fluctuations. Therefore, IFRS 2 does not apply to the allocation of shares based on lower collective bargaining agreements.

An international participation model was developed for Group companies outside Austria, which was initially implemented in several companies in Great Britain and Germany in the business year 2009/10. Due to very positive experience gained in these pilot projects, the model was expanded in these two countries and introduced step by step in the Netherlands, in Poland and in Belgium in the following business years. In the business year 2012/13, a total of 57 companies are participating in the international employee stock ownership program in these five countries.

In addition, employee bonuses are partially provided in the form of shares. Under IFRS 2, share-based payments settled with equity instruments are recognized as personnel expenses at fair value, with the offsetting entry recognized directly in equity.

On March 31, 2013, the voestalpine Mitarbeiterbeteiligung Privatstiftung (a private foundation for the Company's employee shareholding scheme) held approximately 14.4% (March 31, 2012: 12.9%) of voestalpine AG's shares in trust for employees.

C. Scope of consolidated financial statements

The consolidated Group (see "Investments" appendix to the notes) is established in accordance with IFRS. In addition to the annual financial statements of voestalpine AG, the consolidated financial statements also include the financial statements of entities controlled by voestalpine AG (and its subsidiaries).

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Joint ventures are included in the consolidated financial statements using proportionate consolidation. The annual financial statements of subsidiaries and joint ventures are included in the consolidated financial statements from the acquisition date until disposal date.

Associates are entities over which the Group has significant influence without having control over the financial and operating policies. The annual financial statements of associates are included in the consolidated financial statements using the equity method from the acquisition date until disposal date. The Group's associates are listed in the "Investments" appendix to the notes.

The following table shows the proportionate amounts included in the consolidated financial statements by proportionate consolidation:

	03/31/2012	03/31/2013
Non-current assets	25.7	28.6
Current assets	95.4	100.4
	121.1	**129.0**
Equity	29.0	80.0
Non-current provisions and liabilities	11.5	13.1
Current provisions and liabilities	80.6	35.9
	121.1	**129.0**

	2011/12	2012/13
Revenue	298.6	295.2
Cost of sales	225.5	213.3
Profit for the period	46.9	53.6

In millions of euros

The following table shows the values (100%) for entities included in the consolidated financial statements using the equity method:

	03/31/2012	03/31/2013
Non-current assets	342.6	354.0
Current assets	760.0	689.3
	1,102.6	**1,043.3**
Equity	394.8	408.8
Non-current provisions and liabilities	96.2	103.1
Current provisions and liabilities	611.6	531.4
	1,102.6	**1,043.3**

	2011/12	2012/13
Revenue	2,285.8	2,433.2
Profit for the period	53.1	47.9

In millions of euros

The scope of consolidated financial statements changed as follows during the business year:

	Full consolidation	Proportionate consolidation	Equity method
As of April 1, 2012	**278**	**2**	**12**
Acquisitions	15		
Change in consolidation method			
Acquisitions	7		
Disposals			
Reorganizations	–8		
Divestments or disposals	–1		
As of March 31, 2013	**291**	**2**	**12**
Of which foreign companies	235	0	6

The two proportionately consolidated entities are voestalpine Tubulars GmbH and voestalpine Tubulars GmbH & Co KG that are controlled jointly with NOV Grant Prideco.

The following entities were deconsolidated during the business year 2012/13:

Name of entity	Date of deconsolidation
Full consolidation in the previous year	
Breuckmann GmbH	June 30, 2012
Reorganization	
voestalpine Profilform GmbH	April 1, 2012
Avesta Welding LLC	April 1, 2012
Uddeholm Machining Aktiebolag	April 1, 2012
VAE Geschäftsführung (Deutschland) GmbH	April 1, 2012
VAE Holding (Deutschland) GmbH	April 1, 2012
voestalpine Stahl Donawitz GmbH & Co KG	April 1, 2012
WBG Weichenwerk Brandenburg GmbH	April 1, 2012
Buderus Edelstahl Schmiedetechnik GmbH	March 31, 2013

D. Acquisitions and other additions to the scope of consolidated financial statements

The following entities were included in the consolidated financial statements for the first time during the business year 2012/13:

Name of entity	Interest in %	Date of initial consolidation
Full consolidation		
voestalpine CPA Filament GmbH	54.092%	April 1, 2012
Cargo Service GmbH	100.000%	April 1, 2012
voestalpine Track Solutions Saudi Arabia Limited	51.000%	May 1, 2012
Bohler Special Steels (Shanghai) Co., Ltd.	100.000%	June 8, 2012
voestalpine Profilform (China) Co., Ltd.	100.000%	September 28, 2012
voestalpine Stamptec South Africa (Pty) Ltd.	100.000%	October 1, 2012
voestalpine Automotive Body Parts Inc.	100.000%	October 2, 2012
Grimstows Holdings Inc.	100.000%	December 3, 2012
Sturdell Holdings, Inc.	100.000%	December 3, 2012
Sturdell Industries Inc. (Canada)	100.000%	December 3, 2012
Sturdell Industries, Inc. (USA)	100.000%	December 3, 2012
voestalpine Stamptec Qinhuangdao Co., Ltd.	100.000%	December 25, 2012
E B C Eifeler Beschichtungs - Center GmbH	100.000%	March 31, 2013
Eifeler International GmbH	100.000%	March 31, 2013
Eifeler-Lafer-Inc.	100.000%	March 31, 2013
Eifeler Lasertechnik GmbH	100.000%	March 31, 2013
Eifeler Nord Coating GmbH Entwicklungscenter für Dünnschichttechnologien	100.000%	March 31, 2013
Eifeler Swiss AG	100.000%	March 31, 2013
Eifeler Süd-Coating GmbH	100.000%	March 31, 2013
Eifeler Werkzeuge GmbH	100.000%	March 31, 2013
EIFELER POLITEC GMBH	100.000%	March 31, 2013
Vacotec S.A.	100.000%	March 31, 2013

Additions to the scope of consolidated financial statements include 6 start-ups, 15 acquisitions, and the consolidation of 1 previously non-consolidated subsidiary.

In accordance with IFRS 3, the acquired companies are included in the consolidated financial statements at the fair value of the acquired assets, liabilities, and contingent liabilities determined as of the acquisition date, including depreciation and amortization as appropriate. The carrying amount of the non-controlling interests is determined based on the fair values of the acquired assets and liabilities. In accordance with IFRS 3, property, plant and equipment, intangible assets, inventories, and provisions shall be considered provisional due to uncertainties.

The increase of majority interests is treated as a transaction between owners. The difference between the costs of acquisition for the additional shares and the pro-rated carrying value of the non-controlling interests is recognized directly in equity. During the reporting period, EUR 14.9 million (2011/12: EUR 35.4 million) was paid or provisions for the payment thereof made for the acquisition of non-controlling interests. Non-controlling interests amounting to EUR 7.7 million (2011/12: EUR 0.5 million) were derecognized, and the remaining amount of EUR 7.2 million (2011/12: EUR 34.9 million) was charged directly in equity.

Put options granted to non-controlling shareholders in exchange for their shares in Group companies are disclosed in the statement of financial position as liabilities stated at fair value. If the risks and rewards associated with ownership of a non-controlling interest have already been transferred at the time the majority interest was acquired, an acquisition of 100% of the entity is assumed. Where the risks and rewards have not been transferred, the non-controlling interest continues to be shown in equity. The liability is covered by a direct transfer from Group capital reserves with no effect on profit or loss (double credit approach).

Open put options, which are charged against equity, had a fair value of EUR 10.0 million (2011/12: EUR 0.0 million) as of March 31, 2013.

Early in December 2012, the voestalpine Group acquired the Canadian company Sturdell Industries Inc., based in Rexdale (Toronto) with a second location in Rochester (New York, USA). The company, which specializes in processing mold steels with a wide range of services and customer-oriented sales, has around 80 employees and recently generated annual revenue of approximately EUR 19 million with positive earnings. voestalpine is expanding its market position in the North American special steel segment with this acquisition.

At the end of March 2013, the voestalpine Group acquired the Eifeler Group, based in Düsseldorf with revenue of around EUR 50 million and 330 employees. The nine operating companies – six of which in Germany, two in Switzerland, and one in the USA – specialize in innovative coatings of the highest quality for components, mainly for the tool industry.

At the beginning of the business year 2012/13, the voestalpine Group acquired 54.092% of voestalpine CPA Filament GmbH from the Steinklauber Group and is expanding its wire processing activities. voestalpine CPA Filament GmbH is constructing new production facilities for the production of ultra-high-tensile fine wire at the Fürstenfeld site which will be placed into operation at the end of 2013.

Both partners are contributing extensive expertise to the collaboration. voestalpine has extensive materials expertise, experience in metallurgical technology and can benefit from the proximity of its own steel plant in Donawitz and from the cooperation with the Styrian steel association. The expertise of the Steinklauber Group as a plant manufacturer and technology leader is in the production of high-tensile fine wire and cord.

Put options with a variable purchase price for the shares of non-controlling shareholders were agreed as part of the acquisition of a majority interest in voestalpine CPA Filament GmbH. The put options were valued at EUR 10.0 million at the acquisition date. For the measurement of the put options, the enterprise value is determined based on a multiplier method or the discounted cash flow method and EBITDs of EUR 9.9 million were applied over the plan years.

The acquisition of the Eifeler Group had the following effects on the consolidated financial statements:

	Recognized values	**Fair value adjustments**	**Carrying amounts**
Non-current assets	42.7	27.3	15.4
Current assets	16.4	0.0	16.4
Non-current provisions and liabilities	–14.7	–8.2	–6.5
Current provisions and liabilities	–6.6	0.0	–6.6
Net assets	**37.8**	**19.1**	**18.7**
Increase in non-controlling interests	0.0		
Goodwill/badwill	46.0		
Costs of acquisition	**83.8**		
Cash and cash equivalents acquired	–5.9		
Changes in purchase price liability	0.0		
Net cash outflow	**77.9**		

In millions of euros

The Eifeler Group's goodwill in the amount of EUR 46.0 million results from synergies with the present customer base, the existing sales structures, and through savings in administration. Since its initial consolidation, the Eifeler Group has contributed revenue of EUR 0.0 million to consolidated revenue. Its share of the Group's profit for the period was also EUR 0.0 million for the same period. Instead of these amounts, the consolidated revenue would have been EUR 52.3 million higher and the Group's profit for the period would have been EUR 7.6 million higher if the Eifeler Group had been consolidated as of April 1, 2012.

Fair values were applied for trade receivables in the amount of EUR 7.8 million, tax claims in the amount of EUR 0.5 million, and other receivables in the amount of EUR 1.4 million as part of this acquisition. The expected uncollectable receivables are immaterial.

Acquisition-related costs of EUR 0.8 million were recognized under cost of sales for this acquisition.

The acquisition of Sturdell Industries Inc. and voestalpine CPA Filament GmbH had the following effects on the consolidated financial statements:

	Recognized values	Fair value adjustments	Carrying amounts
Non–current assets	10.3	5.9	4.4
Current assets	24.1	0.5	23.6
Non–current provisions and liabilities	–1.8	–1.8	0.0
Current provisions and liabilities	–2.8	0.0	–2.8
Net assets	**29.8**	**4.6**	**25.2**
Increase in non–controlling interests	–9.1		
Goodwill/badwill	2.1		
Costs of acquisition	**22.8**		
Capital increase	–12.6		
Cash and cash equivalents acquired	–2.0		
Changes in purchase price liability	0.0		
Net cash outflow	**8.2**		

In millions of euros

The goodwill in the amount of EUR 2.1 million is exclusively assigned to the acquisition of Sturdell Industries Inc. and results from synergies both on the market as well as in the optimization of capacities and the cost structure. The two locations of Sturdell Industries Inc. are in the immediate proximity of existing Special Steel Division sales offices.

Since their initial consolidation, the acquisition of Sturdell Industries Inc. and voestalpine CPA Filament GmbH has contributed revenue of EUR 4.8 million to consolidated revenue. Their share of the Group's profit for the period was EUR –1.9 million for the same period.

Instead of these amounts, the consolidated revenue would have been EUR 10.5 million higher and the Group's profit for the period would have been EUR 0.5 million higher if Sturdell Industries Inc. had been consolidated as of April 1, 2012. voestalpine CPA Filament GmbH had been initially consolidated as of April 1, 2012.

Fair values were applied for trade receivables in the amount of EUR 2.5 million, tax claims in the amount of EUR 0.2 million, other receivables in the amount of EUR 1.4 million, and financing receivables in the amount of EUR 2.8 million as part of these two acquisitions. The expected uncollectable receivables are immaterial.

Acquisition-related costs of EUR 0.4 million were recognized under cost of sales for these two acquisitions.

Portions of the recognized goodwill for all of the aforementioned acquisitions are not expected to be deductible for corporate income tax purposes.

E. Explanations and other disclosures

1. Revenue

The breakdown of the revenue is reported as follows:

	2011/12	2012/13
Revenue invoiced	11,844.1	11,318.1
Revenue from construction contracts	214.1	206.3
Revenue	**12,058.2**	**11,524.4**

In millions of euros

2. Operating segments

The voestalpine Group operates in five reportable segments: Steel Division, Special Steel Division, Metal Engineering Division, Metal Forming Division, and Other. The reporting system, which is based primarily on the nature of the products provided, reflects the internal financial reporting, the management structure of the organization, and the Company's predominant sources of risks and rewards.

The Steel Division focuses on the production and processing of flat steel products for the automotive, white goods, and construction industries. This division is a top-three European supplier of high-quality strip steel and heavy plate for the most demanding applications. The division produces and processes hot- and cold-rolled steel as well as electrogalvanized, hot-dip galvanized, and organically coated plate and electrical steel strip. Its other activities include heavy plate production, a foundry, and a number of downstream processes.

The Special Steel Division is a global market leader in tool steel. Furthermore, it has a leading position in the high-speed steel and the special forging segments. The Special Steel Division manufactures long steel products, medium-wide strip steel, open-die forgings, and drop forgings. The main customer group is the tool industry, which mainly supplies the automotive industry and the consumer goods industry. The division's second foothold is energy technology—from exploration to components for gas and steam turbines. Furthermore, the Special Steel Division is a global supplier of the aviation industry.

The Metal Engineering Division manufactures the world's widest range of high-quality rails and turnout products, rod wire, drawn wire, prestressing steel, seamless tubes, welding filler materials, and semi-finished products. voestalpine is the global leader in both the market as well as technology in the railway systems sector. Furthermore, the division offers an extensive range of services in the rail and turnout sectors. Moreover, the Metal Engineering Division has access to its own steel production.

The Metal Forming Division is a leading global provider of high-quality metal processing solutions, in particular special tubes and sections, special strip steel, and complex components for the automotive industry. The Metal Forming Division is a leading global manufacturer of welded tubes and hollow sections, open special sections, and custom-made special tubes as well as precision parts of the highest quality. The division provides the automotive industry and well-respected suppliers with a complete range of pressed parts in the body segment as well as highly innovative structural components. Additionally, it produces cold-rolled special strip steel with a high degree of dimensional stability, extremely tight tolerances, and excellent surface qualities. The division is also a provider of sophisticated product solutions in the segments of high-bay warehouses, system racks, and road safety and also operates in the energy and heating industry.

The Automotive Division and Profilform Division were merged as of April 1, 2012, to create the Metal Forming Division. The preceding year's comparative figures were adjusted accordingly.

The holding company, several Group financing companies and raw materials purchasing companies as well as the group-IT companies are included in Other. These companies are combined in this segment because their focus is on providing coordination services and assistance to the subsidiaries.

Segment revenue, segment expenses, and segment results include transfers between operating segments. Such transfers are accounted for at competitive market prices charged to unaffiliated customers for similar products. These transactions have been eliminated in the consolidated financial statements.

The voestalpine Group uses EBIT as the key figure to measure the performance of the segments. In the voestalpine Group, this figure is a widely accepted indicator for measuring profitability.

The operating segments[1] of the Group are as follows:

Operating segments

	Steel Division		Special Steel Division	
	2011/12	2012/13	2011/12	2012/13
Segment revenue	4,130.3	3,921.7	2,945.0	2,748.4
Of which revenue with third parties	3,815.4	3,655.2	2,875.9	2,704.5
Of which revenue with other segments	314.9	266.5	69.1	43.9
EBITDA	456.9	449.8	429.7	368.7
Depreciation and amortization of property, plant and equipment and intangible assets	230.4	231.4	156.8	145.0
Of which impairment	0.0	0.0	0.6	0.2
Of which reversal of impairment	0.0	0.0	0.3	0.4
EBIT	226.5	218.4	272.9	223.6
EBIT margin	5.5%	5.6%	9.3%	8.1%
Share of profit of associates	14.8	11.4	0.0	0.0
Interest and similar income	1.7	1.9	18.2	12.6
Interest and similar expenses	67.7	55.1	57.2	46.4
Income tax expense	–26.7	–31.0	–74.2	–57.3
Profit for the period	154.1	152.1	156.9	134.5
Segment assets	3,652.0	3,684.8	4,007.9	4,025.8
Of which investments in associates	99.3	104.4	0.0	0.0
Net financial debt	1,026.4	1,011.9	647.6	806.3
Investments in property, plant and equipment and intangible assets	196.9	276.9	128.1	256.8
Employees (full-time equivalent)	10,702	10,676	12,363	12,721

[1] The Automotive Division and Profilform Division were merged as of April 1, 2012, to create the Metal Forming Division. The preceding year's comparative figures were adjusted accordingly.

Metal Engineering Division		Metal Forming Division		Other		Reconciliation		Total Group	
2011/12	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13
2,955.6	2,913.6	2,475.2	2,310.2	1,869.4	1,380.9	–2,317.3	–1,750.4	12,058.2	11,524.4
2,919.4	2,877.9	2,441.9	2,279.0	5.6	7.8	0.0	0.0	12,058.2	11,524.4
36.2	35.7	33.3	31.2	1,863.8	1,373.1	–2,317.3	–1,750.4	0.0	0.0
210.3	434.6	276.2	257.6	–68.7	–71.9	–2.5	3.0	1,301.9	1,441.8
113.3	114.9	91.0	90.0	6.2	6.9	0.0	0.0	597.7	588.2
0.1	0.3	0.3	0.1	0.0	0.0	0.0	0.0	1.0	0.6
1.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.2	0.4
96.9	319.6	185.1	167.6	–74.8	–78.8	–2.4	3.2	704.2	853.6
3.3%	11.0%	7.5%	7.3%					5.8%	7.4%
–0.2	0.9	0.0	0.0	4.7	2.2	0.8	0.9	20.1	15.4
47.0	2.9	2.5	3.2	169.9	101.0	–174.6	–78.8	64.7	42.8
37.3	35.4	31.9	27.8	291.8	182.6	–191.6	–75.6	294.3	271.7
–13.2	–78.4	–43.1	–31.9	70.3	66.2	–4.2	–0.3	–91.1	–132.7
94.9	209.6	113.3	111.6	929.1	290.4	–1,035.0	–376.3	413.3	521.9
2,552.1	2,659.3	2,021.2	1,947.1	9,621.1	10,268.5	–9,242.2	–9,506.2	12,612.1	13,079.3
16.7	19.0	0.0	0.0	3.1	0.8	30.3	32.2	149.4	156.4
432.3	291.5	416.1	490.2	117.9	–340.4	–54.6	–0.3	2,585.7	2,259.2
129.1	164.9	109.8	142.5	8.8	9.5	0.0	0.0	572.7	850.6
11,344	11,374	11,365	10,853	699	727	0	0	46,473	46,351

In millions of euros

The reconciliation of the key figures EBITDA and EBIT are shown in the following tables:

EBITDA	2011/12	2012/13
Net exchange differences incl. result from valuation of derivatives	–0.9	4.4
Consolidation	0.8	–1.1
Other	–2.4	–0.3
EBITDA – Total reconciliation	**–2.5**	**3.0**

In millions of euros

EBIT	2011/12	2012/13
Net exchange differences incl. result from valuation of derivatives	–0.9	4.4
Consolidation	0.8	–1.1
Other	–2.3	–0.1
EBIT – Total reconciliation	**–2.4**	**3.2**

In millions of euros

For the most part, all other key figures contain solely the effects of consolidation.

Geographical information

The following table provides selected financial information subsumed into the major geographical areas. External revenue is allocated by geographical location of the customers' companies. Non-current assets and investments are reported by geographical location of the companies.

	Austria		European Union		Other countries	
	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13
External revenue	1,213.4	1,161.6	7,482.2	7,111.0	3,362.6	3,251.8
Non-current assets	4,174.3	4,274.7	1,537.7	1,627.7	556.7	598.2
Investments in property, plant and equipment and intangible assets	363.6	511.5	143.9	243.4	65.2	95.7

In millions of euros

The voestalpine Group does not record any revenue from transactions with a single external customer amounting to 10% or more of the entity's revenue.

3. Other operating income

	2011/12	2012/13
Gains on disposal and appreciation of intangible assets, property, plant and equipment	12.4	5.6
Income from reversal of provisions	48.7	75.6
Exchange profits and income from the valuation of derivatives	60.9	42.0
Other operating income	232.0	248.5
	354.0	**371.7**

In millions of euros

In the business year 2012/13, operating income of EUR 98.0 million (2011/12: EUR 92.1 million) from the sale of products not generated in the course of ordinary activities is included in other operating income.

4. Other operating expenses

	2011/12	2012/13
Taxes other than income taxes	19.7	16.1
Losses on disposal of property, plant and equipment	2.5	2.9
Exchange losses and expenses from the valuation of derivatives	67.4	35.3
Other operating expenses	424.4	242.0
	514.0	**296.3**

In millions of euros

The difference compared to business year 2011/12 results mainly from the expenses for risks related to the antitrust proceedings regarding suppliers in the railway sector included in the previous year as well as the planned closure of TSTG Schienen Technik GmbH & Co KG in the amount of EUR 204.8 million.

5. Share of profit of associates

	2011/12	2012/13
Income from associates	21.3	17.1
Expenses from associates	–1.2	–1.7
	20.1	**15.4**

In millions of euros

Income from associates is primarily attributable to Ningxia Kocel Steel Foundry Co. Ltd., Scholz Austria GmbH, and VA Intertrading Aktiengesellschaft.

6. Finance income

	2011/12	2012/13
Income from investments	7.6	8.0
Of which from affiliated companies	5.6	6.3
Income from other long-term securities and loans	2.9	1.2
Of which from affiliated companies	0.3	0.0
Other interest and similar income	61.8	41.6
Of which from affiliated companies	0.2	0.2
Income from disposals and fair value measurements of investment at fair value through profit or loss	7.3	12.5
	79.6	**63.3**

In millions of euros

7. Finance costs

	2011/12	2012/13
Expenses from other financial assets		
Net loss from fair value measurement of investment at fair value through profit or loss	0.3	2.4
Expenses from affiliated companies	0.0	0.0
Other expenses	4.9	3.5
	5.2	**5.9**
Other interest and similar expenses	294.3	271.7
Of which from affiliated companies	0.4	0.2
	299.5	**277.6**

In millions of euros

8. Income tax

Income tax includes income taxes paid and owed as well as deferred taxes (+ income tax expense/ – income tax benefit).

	2011/12	2012/13
Current tax expense	**106.4**	**93.5**
Effective tax expense	108.7	95.8
Adjustments of taxes from previous periods	–1.8	–2.1
Recognition of tax losses from prior periods	–0.5	–0.2
Deferred tax expense	**–15.3**	**39.2**
Origination/reversal of temporary differences	–7.1	37.3
Adjustments of taxes from previous periods	–5.6	2.1
Impact of changes in tax rates	0.2	–3.3
Recognition of tax losses from prior periods	–2.8	3.1
	91.1	**132.7**

In millions of euros

The changes in tax rates apply solely to foreign taxes.

The following reconciliation shows the difference between the Austrian corporate tax rate of 25% and the effective Group tax rate:

	2011/12		2012/13	
Profit before tax		**504.4**		**654.7**
Income tax using the Austrian corporate tax rate	25.0%	126.1	25.0%	163.7
Difference to foreign tax rates	2.6%	13.1	0.6%	3.7
Non-taxable income and expenses	–3.4%	–17.0	–3.1%	–20.5
Non-taxable income from participations	–1.5%	–7.4	–0.8%	–5.4
Effects of depreciation of investments and utilization of previously unrecognized losses carried forward and non-recognition of losses carried forward, respectively	–4.5%	–22.8	0.5%	3.5
Taxes from previous periods	–1.5%	–7.5	0.0%	0.1
Own shares	0.2%	1.0	0.1%	0.5
Hybrid bond	–3.6%	–18.0	–2.8%	–18.0
Other differences	4.8%	23.6	0.8%	5.1
Effective Group tax rate (%)/income tax expense	**18.1%**	**91.1**	**20.3%**	**132.7**

In millions of euros

In Austria, dividends (interest) on hybrid capital represent a tax-deductible expense. The tax reduction is recognized through profit and loss and results in a decrease of the Group income tax expenses.

9. Property, plant and equipment

	Land, land rights, and buildings	Plant and equipment	Fixtures and fittings	Advance payments and plant under construction	Total
Gross carrying amount	2,542.6	8,159.7	926.8	275.6	11,904.7
Accumulated depreciation and impairment	–1,222.5	–5,612.5	–698.2	–0.1	–7,533.3
Carrying amount as of April 1, 2011	**1,320.1**	**2,547.2**	**228.6**	**275.5**	**4,371.4**
Gross carrying amount	2,581.0	8,526.1	958.7	297.7	12,363.5
Accumulated depreciation and impairment	–1,275.1	–5,974.7	–735.4	0.0	–7,985.2
Carrying amount as of March 31, 2012	**1,305.9**	**2,551.4**	**223.3**	**297.7**	**4,378.3**
Gross carrying amount	2,672.0	8,834.5	998.9	464.3	12,969.7
Accumulated depreciation and impairment	–1,329.9	–6,289.1	–769.8	–0.2	–8,389.0
Carrying amount as of March 31, 2013	**1,342.1**	**2,545.4**	**229.1**	**464.1**	**4,580.7**

In millions of euros

The following table shows a reconciliation of the carrying amounts of property, plant and equipment for the periods presented in the consolidated financial statements as of March 31, 2013:

	Land, land rights, and buildings	Plant and equipment	Fixtures and fittings	Advance payments and plant under construction	Total
Carrying amount as of April 1, 2011	**1,320.1**	**2,547.2**	**228.6**	**275.5**	**4,371.4**
Changes in the scope of consolidated financial statements	–0.6	–0.9	0.1	0.4	–1.0
Additions	40.0	267.8	50.0	201.6	559.4
Transfers	14.9	148.6	5.2	–175.2	–6.5
Disposals	–11.3	–2.1	–1.7	–3.0	–18.1
Depreciation	–61.3	–404.2	–58.6	0.0	–524.1
Impairment	–0.4	–0.6	0.0	0.0	–1.0
Reversal of impairment	1.3	0.8	0.1	0.0	2.2
Net exchange differences	3.2	–5.2	–0.4	–1.6	–4.0
Carrying amount as of March 31, 2012	**1,305.9**	**2,551.4**	**223.3**	**297.7**	**4,378.3**
Changes in the scope of consolidated financial statements	1.3	19.1	0.7	3.7	24.8
Additions	47.9	228.4	55.4	391.2	722.9
Transfers	52.7	165.9	9.4	–227.7	0.3
Disposals	–2.5	–2.3	–1.7	–0.3	–6.8
Depreciation	–62.3	–413.9	–58.5	–0.1	–534.8
Impairment	0.0	–0.6	0.0	0.0	–0.6
Reversal of impairment	0.0	0.0	0.4	0.0	0.4
Net exchange differences	–0.9	–2.6	0.1	–0.4	–3.8
Carrying amount as of March 31, 2013	**1,342.1**	**2,545.4**	**229.1**	**464.1**	**4,580.7**

In millions of euros

As of March 31, 2013, restrictions on the disposal of property, plant and equipment amounted to EUR 26.9 million (March 31, 2012: EUR 10.4 million). Furthermore, as of March 31, 2013, commitments for the purchase of property, plant and equipment amounted to EUR 426.4 million (March 31, 2012: EUR 271.4 million).

Borrowing costs related to qualifying assets in the amount of EUR 3.1 million (2011/12: EUR 0.4 million) were capitalized in the reporting period. The calculation was based on an average borrowing cost rate of 4.7% (2011/12: 4.7%).

As of March 31, 2013, the gross carrying amount and accumulated depreciation of investment properties (IAS 40) are reported as follows:

	03/31/2012	03/31/2013
Gross carrying amount	36.8	47.0
Accumulated depreciation and impairment	–11.5	–19.6
Carrying amount	**25.3**	**27.4**

In millions of euros

The following table shows a reconciliation of the carrying amounts of investment properties for the periods presented in the consolidated financial statements as of March 31, 2013:

	2011/12	2012/13
Carrying amount as of April 1	**26.8**	**25.3**
Additions	0.0	10.2
Transfers	0.3	0.0
Disposals	–1.4	–1.5
Depreciation	–0.4	–6.6
Carrying amount as of March 31	**25.3**	**27.4**

In millions of euros

Investment properties are measured at cost. Depreciation is recorded in line with the general accounting policies for property, plant and equipment. Based on comparable sales transactions, the market value of these assets is estimated at EUR 28.1 million (March 31, 2012: EUR 26.4 million). Rental income and expenses for investment properties are immaterial.

The carrying amount for each class of asset under finance leases is reported as follows:

	Property, plant and equipment				Intangible Assets	Total
	Land, land rights, and buildings	Plant and equipment	Fixtures and fittings	Advance payments and plant under construction		
2011/12						
Gross carrying amount	81.7	33.1	1.5	0.0	1.0	117.3
Accumulated depreciation and impairment	–21.7	–19.7	–1.0	0.0	–1.0	–43.4
Carrying amount	**60.0**	**13.4**	**0.5**	**0.0**	**0.0**	**73.9**
2012/13						
Gross carrying amount	75.5	40.4	1.9	0.0	1.0	118.8
Accumulated depreciation and impairment	–23.2	–22.9	–1.1	0.0	–1.0	–48.2
Carrying amount	**52.3**	**17.5**	**0.8**	**0.0**	**0.0**	**70.6**

In millions of euros

The present value of the minimum finance lease payments is due as follows:

	Minimum finance lease payments		Discounts on finance lease		Present value of the minimum finance lease payments	
	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13
Less than one year	11.2	8.3	–1.7	–1.8	9.5	6.5
Between one and five years	25.6	25.7	–5.8	–5.3	19.8	20.4
More than five years	23.4	21.0	–2.5	–1.7	20.9	19.3
	60.2	**55.0**	**–10.0**	**–8.8**	**50.2**	**46.2**

In millions of euros

The most significant finance lease agreements for buildings and production plants have a term between five and 22 years. Thereby, the Group has the option to purchase the plants at the end of the contracted period or renew the contract.

In addition to finance leases, obligations also exist under operating leases for property, plant and equipment that are not reported on the statement of financial position. These obligations are due as follows:

	2011/12	2012/13
Less than one year	38.0	41.3
Between one and five years	103.3	105.4
More than five years	48.3	46.0
	189.6	**192.7**

In millions of euros

Payments of EUR 49.2 million (2011/12: EUR 47.2 million) under operating leases have been recognized as expenses.

The most significant operating lease agreements are related to buildings with a lease term of at least 15 years and with a renewal obligation of about ten years in certain cases. At the end of the lease term there are purchase options. There are no restrictions concerning dividends, additional debt, and further leases.

Reconciliation of depreciation and amortization of property, plant and equipment and intangible assets by functional area

	2011/12	2012/13
Cost of sales	513.6	521.5
Distribution costs	38.5	27.3
Administrative expenses	30.0	24.0
Other operating expenses	15.6	15.4
	597.7	**588.2**

In millions of euros

Impairment losses and reversal of impairment losses

Impairment losses on property, plant and equipment (primarily due to obsolescence) amounting to EUR 0.6 million (March 31, 2012: EUR 1.0 million) were recognized during the reporting period (they affect plant and equipment in the Metal Engineering Division and the Special Steel Division). These are primarily recognized in the cost of sales.

Reversals of impairment losses on property, plant and equipment amounting to EUR 0.4 million were recognized through profit and loss due to an increase of the fair value during the reporting period (March 31, 2012: EUR 2.2 million; mainly in the Metal Engineering Division). The reversals of impairment losses mainly affect the Special Steel Division. These are recognized primarily in other operating income.

10. Goodwill

	03/31/2011	03/31/2012	03/31/2013
Gross carrying amount	1,435.0	1,436.6	1,485.6
Impairment loss	–15.4	–15.4	–15.4
Carrying amount	**1,419.6**	**1,421.2**	**1,470.2**

In millions of euros

The following table shows a reconciliation of the carrying amounts of goodwill for the periods presented in the consolidated financial statements as of March 31, 2013:

	Goodwill
Carrying amount as of April 1, 2011	**1,419.6**
Changes in the scope of consolidated financial statements	0.4
Net exchange differences	1.2
Carrying amount as of March 31, 2012	**1,421.2**
Changes in the scope of consolidated financial statements	48.3
Disposals	–0.1
Net exchange differences	0.8
Carrying amount as of March 31, 2013	**1,470.2**

In millions of euros

Impairment tests for cash-generating units containing goodwill

Goodwill is allocated to the following cash-generating units:

	2011/12	2012/13
Total Steel Division	**160.2**	**160.1**
HPM Production	378.8	378.8
Value Added Services	258.0	306.9
Total Special Steel Division	**636.8**	**685.7**
Steel	25.8	25.8
Rail Technology	31.9	31.9
Turnout Systems	123.7	123.9
Welding Consumables	169.4	169.4
Total Metal Engineering Division	**350.8**	**351.0**
Tubes & Sections	63.0	63.0
Automotive Body Parts	84.0	84.0
Precision Strip Group	103.8	103.8
Material Handling	11.2	11.2
Flamco Group	11.4	11.4
Total Metal Forming Division	**273.4**	**273.4**
voestalpine Group	**1,421.2**	**1,470.2**

In millions of euros

Automotive and Profilform Divisions' CGUs were redefined in part as a result of their merger to create the Metal Forming Division as of April 1, 2012. Due to the strategic positioning and restructuring within the divisions, the Special Steel Division's CGUs were also redefined. If a CGU's goodwill was to be reallocated, it was done based on the relative value of the redefined CGUs. The previous year was adjusted accordingly.

With regard to the value in use, goodwill is reviewed for impairment applying the discounted cash flow method. The calculation is performed on the basis of cash flows before tax of a three-year medium-term business plan as of the beginning of March. This medium-term business plan is based on historical data as well as on assumptions regarding the expected future market performance.

The Group's planning assumptions are extended to include sectoral planning assumptions. Intra-group evaluations are complemented by external market studies. The capital costs are calculated as the weighted average cost of equity and the weighted average cost of borrowed capital and using the capital asset pricing model (weighted average costs of capital). Cash flows are discounted using a pre-tax WACC of 7.96% (2011/12: 8.4%). Country risk is taken into account through a CGU-specific cash flow discount.

Estimates and assumptions used to measure the recoverable amounts of cash generating units with a significant share of the voestalpine Group's total goodwill include:

Both external market forecasts for the sale of flat steel products in Europe as well as internal sales forecasts were used for the three-year medium-term business plan of the CGU Steel Division. The production plan reflects the sales forecasts. With respect to procurement, the assumptions regarding raw materials according to global market forecasts were adjusted by factors that are specific to the Group. In the calculation of impairment, the last plan year was used as a basis to determine the cash flows in the perpetual annuity. The perpetual annuity is based on an expected growth rate of 1%.

The three-year medium-term business plan for the CGU High Performance Metals (HPM) Production was prepared under consideration of both the CGU's strategic orientation as well as the regional conditions in the core markets and reflects the general economic environment of the most important industry segments for the companies of the CGU. The external forecasts were supplemented by internal estimates. Changes in the cost of input materials due to the price of alloys can mostly be passed on to customers. The last plan year was used to calculate the perpetual annuity based on a growth factor of 1%.

The planning for the CGU Value Added Services was based on both the general economic environment of the relevant industry segments – adapted based on internal estimates – as well as the growth forecasts in the regional sales markets. Changes in this CGU's material costs due to alloy prices can also be passed on to the market through so-called "alloy surcharges". The perpetual annuity begins with the third plan year and is also based on a growth factor of 1%.

The planning process of the CGU Turnout Systems was based on the three-year detailed budgets and market forecasts of the individual companies assigned to the CGU. The planning also reflects their expectations with respect to the development of their respective general environments as well as the customers' substantial estimated demand and internal forecasts. With regard to the primary factor cost developments, general forecasts of the development of personnel expenses and internal assumptions over the development of steel prices were integrated in the budgets. The perpetual annuity begins with the third plan year and is based on a growth factor of 1%.

In addition to the generally applicable forecasts for economic growth in the relevant core markets, in particular the development and potential in the focus industries defined for the segment were taken into account for the three-year medium-term business plan for the CGU Welding Consumables. The discounted cash flow method used in the course of the impairment tests is applied using a perpetual annuity based on the last detailed planning period. A growth factor of 1% was applied for the perpetual annuity.

The cash flow forecasts for the CGU Automotive Body Parts are oriented on the regional growth forecasts and/or the medium-term production forecasts for the pan-European automobile market. External forecasts were adjusted downward based on internal estimates. The last plan year was used to calculate the perpetual annuity based on a growth factor of 1%.

The three-year medium-term business plan for the CGU Precision Strip was prepared under consideration of the general regional conditions in the core markets and reflects the general economic environment of the most important industry segments for the companies of the CGU. The external forecasts were supplemented by internal estimates. The last plan year was used to calculate the perpetual annuity based on a growth factor of 1%.

The value of all goodwill was confirmed by the impairment tests. A sensitivity analysis showed that the carrying amounts would still be covered if the interest rate (7.96%) were to rise by 10% and there is no need to recognize an impairment loss.

The following cash-generating units and groups of cash-generating units contain intangible assets with indefinite useful lives:

	2011/12	2012/13
Special Steel Division	**155.4**	**155.4**
Welding Consumables	12.6	12.6
Total Metal Engineering Division	**12.6**	**12.6**
Precision Strip Group	2.6	2.6
Total Metal Forming Division	**2.6**	**2.6**
voestalpine Group	**170.6**	**170.6**

In millions of euros

Intangible assets with indefinite useful lives contain solely trademark rights. The period, during which these trademark rights are expected to generate cash flows is not subject to a foreseeable limit. Therefore, trademark rights do not depreciate and are not amortized.

Until business year 2010/11, a capital market funding advantage associated with the brand name Böhler-Uddeholm was contained in the brands with an indefinite useful life. In November 2011, the former BÖHLER-UDDEHOLM Aktiengesellschaft was renamed voestalpine Edelstahl GmbH. The funding advantage will decline continuously over the long term. The depreciation period is ten years.

11. Other intangible assets

	Brands	Other	Advance payments or in progress	Total
Gross carrying amount	227.6	1,044.6	1.4	1,273.6
Accumulated amortization and impairment	0.0	–893.7	0.0	–893.7
Carrying amount as of April 1, 2011	**227.6**	**150.9**	**1.4**	**379.9**
Gross carrying amount	227.6	1,053.5	3.5	1,284.6
Accumulated amortization and impairment	–2.3	–960.3	0.0	–962.6
Carrying amount as of March 31, 2012	**225.3**	**93.2**	**3.5**	**322.0**
Gross carrying amount	227.6	1,081.0	14.6	1,323.2
Accumulated amortization and impairment	–8.1	–994.2	0.0	–1,002.3
Carrying amount as of March 31, 2013	**219.5**	**86.8**	**14.6**	**320.9**

In millions of euros

The column "Brands" contains brands with an indefinite useful life amounting to EUR 170.6 million. No impairments have arisen.

The following table shows a reconciliation of the carrying amounts of other intangible assets for the periods presented in the consolidated financial statements as of March 31, 2013:

	Brands	Other	Advance payments or in progress	Total
Carrying amount as of April 1, 2011	**227.6**	**150.9**	**1.4**	**379.9**
Changes in the scope of consolidated financial statements	0.0	0.6	0.0	0.6
Additions	0.0	10.3	1.4	11.7
Transfers	0.0	1.7	0.8	2.5
Disposals	0.0	–0.3	0.0	–0.3
Amortization	–2.3	–70.4	0.0	–72.7
Net exchange differences	0.0	0.4	–0.1	0.3
Carrying amount as of March 31, 2012	**225.3**	**93.2**	**3.5**	**322.0**
Changes in the scope of consolidated financial statements	0.0	24.5	0.0	24.5
Additions	0.0	12.4	14.4	26.8
Transfers	0.0	3.3	–3.3	0.0
Disposals	0.0	–0.1	0.0	–0.1
Amortization	–5.8	–46.6	0.0	–52.4
Net exchange differences	0.0	0.1	0.0	0.1
Carrying amount as of March 31, 2013	**219.5**	**86.8**	**14.6**	**320.9**

In millions of euros

The functional areas of cost of sales, distribution costs, administrative expenses, and other operating expenses may include amortization of intangible assets.

12. Investments in associates and other financial assets

	Investments in affiliated companies	Invest-ments in associates	Other invest-ments	Securities	Loans granted	Advance payments	Total
Gross carrying amount	19.6	143.2	59.8	85.4	10.4	0.0	318.4
Accumulated depreciation	–7.5	–0.4	–2.2	–4.9	–1.9	0.0	–16.9
Carrying amount as of April 1, 2011	**12.1**	**142.8**	**57.6**	**80.5**	**8.5**	**0.0**	**301.5**
Gross carrying amount	19.2	149.8	57.0	80.0	17.8	0.2	324.0
Accumulated depreciation	–7.1	–0.4	–2.2	–3.0	–1.4	0.0	–14.1
Carrying amount as of March 31, 2012	**12.1**	**149.4**	**54.8**	**77.0**	**16.4**	**0.2**	**309.9**
Gross carrying amount	18.6	158.5	57.1	19.6	28.8	0.0	282.6
Accumulated depreciation	–7.2	–2.1	–4.8	–0.3	–2.6	0.0	–17.0
Carrying amount as of March 31, 2013	**11.4**	**156.4**	**52.3**	**19.3**	**26.2**	**0.0**	**265.6**

In millions of euros

The following table shows a reconciliation of the carrying amounts of investments in associates and other financial assets for the periods presented in the consolidated financial statements as of March 31, 2013:

	Investments in affiliated companies	Investments in associates	Other investments	Securities	Loans granted	Advance payments	Total
Carrying amount as of April 1, 2011	**12.1**	**142.8**	**57.6**	**80.5**	**8.5**	**0.0**	**301.5**
Changes in the scope of consolidated financial statements	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Additions	0.3	4.3	0.3	0.5	10.0	0.2	15.6
Transfers	–0.2	0.0	–1.0	0.0	–0.3	0.0	–1.5
Disposals	0.0	0.0	–2.1	–5.4	–2.3	0.0	–9.8
Depreciation	–0.1	0.0	0.0	–0.2	–0.3	0.0	–0.6
Revaluation	0.0	0.0	0.0	1.6	0.8	0.0	2.4
Net exchange differences	0.0	2.3	0.0	0.0	0.0	0.0	2.3
Carrying amount as of March 31, 2012	**12.1**	**149.4**	**54.8**	**77.0**	**16.4**	**0.2**	**309.9**
Changes in the scope of consolidated financial statements	–0.1	0.0	0.0	0.0	0.0	0.0	–0.1
Additions	0.6	3.5	0.0	1.5	12.8	0.0	18.4
Transfers	–0.2	0.0	0.0	–0.1	–0.4	–0.2	–0.9
Disposals	–0.2	0.0	0.0	–59.4	–1.2	0.0	–60.8
Depreciation	–0.8	–1.7	–2.5	–0.1	–1.7	0.0	–6.8
Revaluation	0.0	0.0	0.0	0.4	0.4	0.0	0.8
Net exchange differences	0.0	5.2	0.0	0.0	–0.1	0.0	5.1
Carrying amount as of March 31, 2013	**11.4**	**156.4**	**52.3**	**19.3**	**26.2**	**0.0**	**265.6**

In millions of euros

Loans granted comprise the following items:

	03/31/2011	03/31/2012	03/31/2013
Loans to affiliated companies	1.1	1.1	0.9
Loans to associates	0.0	0.0	0.0
Loans to other investments	0.0	0.0	0.0
Other loans	6.9	12.5	17.0
Other receivables from financing	0.5	2.8	8.3
	8.5	**16.4**	**26.2**

In millions of euros

Other current investments include shares in the V54 investment fund amounting to EUR 385.1 million (March 31, 2012: EUR 316.8 million), EUR 60.0 million (March 31, 2012: EUR 60.0 million) in another liquidity fund, and other securities amounting to EUR 28.2 million (March 31, 2012: EUR 29.8 million).

Current and non-current securities amounting to EUR 57.5 million (March 31, 2012: EUR 151.6 million) are pledged for investment loans granted by the European Investment Bank.

13. Deferred taxes

The tax effects of temporary differences, tax losses carried forward, and tax credits that result in a recognition of deferred tax assets and liabilities include the following items:

	Deferred tax assets		Deferred tax liabilities	
	03/31/2012	03/31/2013	03/31/2012	03/31/2013
Non-current assets	28.3	29.4	122.4	131.9
Current assets	83.1	68.6	52.2	81.0
Non-current provisions and liabilities	109.5	155.9	29.8	28.3
Current provisions and liabilities	43.4	32.3	33.3	14.8
Losses carried forward	62.9	56.4	0.0	0.0
Netting of deferred taxes to the same tax authority	–155.6	–169.6	–155.6	–169.6
	171.6	**173.0**	**82.1**	**86.4**
Intercompany profit elimination (netted)	19.6	19.2	0.0	0.0
Hidden reserves (netted)	0.0	0.0	106.1	102.4
Acquisition-related tax credit	162.5	144.5	0.0	0.0
Other	16.1	6.9	15.8	0.8
Net deferred taxes	**369.8**	**343.6**	**204.0**	**189.6**

In millions of euros

Pursuant to IAS 12.34, the tax benefit from the acquisition of BÖHLER-UDDEHOLM Aktiengesellschaft is reported as unused tax credit and will be released over a period of 14 years with an amount of EUR 18.1 million per year. This is offset by actual tax savings.

Deferred tax assets on losses carried forward in the amount of EUR 56.4 million (March 31, 2012: EUR 62.9 million) were recognized. As of March 31, 2013, there is a total of unused tax losses of approximately EUR 158.0 million (corporate income tax) (March 31, 2012: total of approximately EUR 172.0 million), for which no deferred tax asset has been recognized. Up to 2023, approximately EUR 36.3 million of tax loss carryforwards (corporate income tax) will expire.

The change in the balance between deferred tax assets and liabilities of EUR –11.8 million does not correspond to the deferred tax expense of EUR 39.2 million. The main reasons for this are the deferred tax assets recognized directly in equity in the amount of EUR 39.8 million (March 31, 2012: EUR 7.9 million) and EUR –10.3 million in deferred tax liabilities from the initial consolidation.

Additional disclosures pursuant to IAS 12.81 (a) and (ab):

	Change 2011/12	**03/31/2012**	**Change 2012/13**	**03/31/2013**
Deferred taxes on actuarial gains/losses	9.3	60.9	42.9	103.8
Deferred taxes on hedge accounting	–1.4	5.3	–3.1	2.2
Total of deferred taxes recognized in equity (Other comprehensive income)	**7.9**	**66.2**	**39.8**	**106.0**

In millions of euros

14. Inventories

	03/31/2012	03/31/2013
Raw materials and supplies	922.9	870.6
Work in progress	823.9	780.9
Finished goods	941.3	987.2
Merchandise	245.6	218.1
As yet unbillable services	7.2	7.5
Advance payments	11.8	12.6
	2,952.7	**2,876.9**

In millions of euros

Write-downs to the lower net realizable value amounting to EUR 105.0 million (March 31, 2012: EUR 96.2 million) are recorded in the consolidated financial statements. The carrying amount of the inventories that have been written down to the lower net realizable value amounts to EUR 579.3 million (March 31, 2012: EUR 683.8 million). Inventories of EUR 2.4 million (March 31, 2012: EUR 3.2 million) are pledged as security for liabilities. An amount of EUR 6,548.0 million (March 31, 2012: EUR 7,152.6 million) has been recognized as cost of materials.

15. Trade and other receivables

	03/31/2012	Of which over one year	03/31/2013	Of which over one year
Trade receivables	1,427.8	3.6	1,287.9	0.9
Receivables from affiliated companies	10.4	0.0	6.8	0.0
Receivables from other investments	47.4	0.0	57.0	0.0
Other receivables and other assets	288.8	10.2	303.9	7.7
	1,774.4	**13.8**	**1,655.6**	**8.6**

In millions of euros

Trade receivables include the following receivables from construction contracts:

	03/31/2012	03/31/2013
Aggregate amount of costs incurred up to the reporting date	153.3	143.6
Aggregate amount of accrued profits up to the reporting date	18.8	21.5
Aggregate amount of incurred losses up to the reporting date	–5.6	–6.6
Gross receivables from construction contracts	**166.5**	**158.5**
Less amount of advances received	–105.4	–92.4
Receivables from construction contracts	**61.1**	**66.1**

In millions of euros

Revenue from construction contracts amounts to EUR 206.3 million in the business year 2012/13 (2011/12: EUR 214.1 million).

16. Cash and cash equivalents

	03/31/2012	03/31/2013
Cash on hand, cash at banks, checks	677.2	1,092.7

In millions of euros

17. Equity

Share capital (incl. disclosures in accordance with Sec. 240 of the Austrian Commercial Code (Unternehmensgesetzbuch, UGB))

As of March 31, 2013, the share capital amounts to EUR 313,309,235.65 (March 31, 2012: EUR 307,132,044.75) and is divided into 172,449,163 ordinary no-par value shares (March 31, 2012: 169,049,163). All shares are fully paid up.

Under Sec. 4 (2) of the Articles of Incorporation, the Management Board of voestalpine AG is authorized to increase the share capital of the Company by up to EUR 152,521,231.38 by issuing up to 83,949,516 ordinary no-par value bearer shares (about 48.68%) up to June 30, 2014, against cash contributions and/or, if necessary, by excluding shareholders' subscription rights in full or in part, (i) against contributions in kind, including but not limited to contributions of equity interests, companies, businesses, or business units, and/or (ii) to be issued to employees, executives, and members of the Management Board of the Company or an affiliated company under an employee stock ownership plan or stock option plan (authorized capital increase). The Management Board of voestalpine AG resolved on September 12, 2012, to exercise this authorization to increase voestalpine AG's share capital by issuing 3,400,000 new, no-par value bearer shares, thus increasing the share capital by approximately 2%. This capital increase was recorded in the Commercial Register effective November 24, 2012.

Under Sec. 4 (6) of the Articles of Incorporation, the Management Board of voestalpine AG is authorized to increase the share capital of the Company by up to EUR 145,345,668.35 by issuing up to 80,000,000 ordinary no-par value bearer shares (= 46.39%) for issuance to creditors of financial instruments within the meaning of Sec. 174 of the Austrian Stock Corporation Act (Aktiengesetz, AktG) (convertible bonds, income bonds, or participation rights); the Management Board was authorized to issue these shares during the Annual General Meeting on July 1, 2009 (contingent capital increase). During the reporting period, the Management Board did not exercise the authority granted on July 1, 2009, to issue financial instruments within the meaning of Sec. 174 AktG.

During the Annual General Meeting on July 7, 2010, the Management Board was authorized to repurchase own shares up to December 31, 2012, representing no more than 10% of the respective share capital. The repurchase price may not be more than 20% below or 10% above the average stock exchange price of the shares on the three market trading days prior to the repurchase. The Management Board did not exercise this authority during the reporting period.

Capital reserves mainly include the share premium (net of capital funding costs), gains/losses from the sale of own shares, and share-based compensation.

Reserves for own shares include the deducted cost of acquisition and the increase in equity from disposal of own shares at cost.

Retained earnings include the profit for the period less dividend distributions. When increasing majority interests, the difference between the cost of acquisition for the additional shares and the pro-rated carrying amount of the non-controlling interests is recognized directly in retained earnings. Actuarial gains and losses from severance and pension obligations are recognized directly in the retained earnings in the year in which they are incurred.

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign subsidiaries.

The hedging reserve comprises gains and losses from the effective portion of the cash flow hedges. The cumulative gains or losses from hedged transactions recognized in the reserves are not recognized in the income statement until the hedged transaction also affects the result.

The number of shares outstanding for the periods presented in the consolidated financial statements as of March 31, 2013, has changed as follows:

	Number of no-par value shares	Number of own shares	Number of shares outstanding
Balance as of April 1, 2011	**169,049**	**468**	**168,581**
Additions			0
Disposals		–168	168
Balance as of March 31, 2012	**169,049**	**300**	**168,749**
Additions	3,400		3,400
Disposals		–209	209
Balance as of March 31, 2013	**172,449**	**91**	**172,358**

In thousands of shares

Hybrid capital

On October 16, 2007, voestalpine AG issued a EUR 1 billion subordinated bond with an indefinite term (hybrid bond). The coupon rate of the bond, which can also be suspended if dividends are suspended, is 7.125%. Seven years after issue of the bond, voestalpine AG, but not the creditors, will have its first opportunity to redeem the bond or to continue it at a variable interest rate (3-month EURIBOR plus 5.05%). In the fourth quarter of the reporting period, voestalpine AG issued a new subordinate undated bond (hybrid bond 2013) with a volume of EUR 500 million following an invitation extended to the holders of the hybrid bond to exchange the bond for a new hybrid bond in a 1:1 ratio. The outstanding nominal value of the hybrid bond 2007 as a result of this exchange is thus EUR 500 million. The coupon of the hybrid bond 2013 is 7.125% until October 31, 2014, 6% from October 31, 2014, to October 31, 2019, the 5-year swap rate +4.93% from October 31, 2019, to October 31, 2024, and the 3-month EURIBOR +4.93% plus step-up of 1% starting October 31, 2024. The hybrid bond 2013 can be first called in and redeemed by voestalpine AG, but not the creditors, on October 31, 2019. The bond terms of the hybrid bond 2013 largely correspond to those of the hybrid bond 2007, but differ in some aspects. The detailed features of the hybrid bond 2013 are presented in the bond terms.

As the hybrid bond satisfies the IAS 32 criteria for equity, the proceeds from the bond issues are recognized as part of equity. Accordingly, coupon payments are also presented as dividend payments.

Interest accrued in the amount of EUR 13.7 million was recognized as of the exchange date for the portion of the hybrid bond 2007 that was submitted for exchange (nominal value EUR 500 million). Due to the resulting obligation to pay interest, EUR 14.8 million was recognized as an obligatory dividend payment for the remaining portion of the hybrid bond 2007 (nominal value EUR 500 million) as of the balance sheet date.

The issue costs of the new hybrid bond 2013 amounted to EUR 2.8 million. Therefore, equity increased by EUR 497.2 million, resulting in a total stated amount of EUR 993.2 million for the total hybrid capital, taking into account 50% of the amount recognized under hybrid capital in the previous year amounting to EUR 496.0 million.

Non-controlling interests

The non-controlling interests as of March 31, 2013, result primarily from non-controlling interests in the CGU Turnout Systems, voestalpine CPA Filament GmbH, voestalpine Railpro B.V., ASPAC Group, and Danube Equity AG.

18. Pensions and other employee obligations

	03/31/2012	03/31/2013
Provisions for severance payments	441.8	494.6
Provisions for pensions	307.8	394.5
Provisions for long-service bonuses	103.3	115.6
	852.9	**1,004.7**

In millions of euros

Provisions for severance payments

	2011/12	2012/13
Present value of defined benefit obligation (DBO) as of April 1	**436.1**	**441.8**
Service costs for the period	9.8	10.0
Interest costs for the period	20.1	20.5
Changes in the scope of consolidated financial statements	0.0	0.0
Severance payments	–32.0	–29.1
Actuarial gains (–)/losses (+)	7.8	51.4
Present value of defined benefit obligation (DBO) as of March 31	**441.8**	**494.6**

In millions of euros

	03/31/2009	03/31/2010	03/31/2011	03/31/2012	03/31/2013
Present value of defined benefit obligation (DBO)	444.3	424.6	436.1	441.8	494.6
Actuarial gains (+)/losses (–) due to parameter changes in %	3.5%	–2.4%	–2.7%	0.0%	–11.4%

In millions of euros

Provisions for pensions

	2011/12	2012/13
Present value of defined benefit obligation (DBO) as of April 1	**713.4**	**762.9**
Service costs for the period	9.6	8.9
Interest costs for the period	33.7	34.8
Termination benefits, curtailment, settlement	–2.2	–28.3
Changes in the scope of consolidated financial statements	0.0	5.2
Pension payments	–27.8	–31.2
Net exchange differences	4.8	2.4
Actuarial gains (–)/losses (+)	31.4	137.0
Present value of defined benefit obligation (DBO) as of March 31	**762.9**	**891.7**
Plan assets as of March 31	–455.1	–497.2
Provisions for pensions as of March 31	**307.8**	**394.5**

In millions of euros

As of March 31, 2013, the present value of the defined benefit obligations amounts to EUR 891.7 million (March 31, 2012: EUR 762.9 million), with EUR 624.2 million (March 31, 2012: EUR 529.5 million) thereof wholly or partly funded; EUR 267.5 million (March 31, 2012: EUR 233.4 million) are unfunded.

	2011/12	2012/13
Plan assets as of April 1	**423.6**	**455.1**
Expected return for the period	23.9	21.1
Actuarial gains (+)/losses (–)	8.7	18.8
Net exchange differences	3.7	–0.2
Changes in the scope of consolidated financial statements	0.0	2.0
Employer contributions	15.2	21.3
Pension payments	–20.0	–20.9
Plan assets as of March 31	**455.1**	**497.2**

In millions of euros

	03/31/2009	03/31/2010	03/31/2011	03/31/2012	03/31/2013
Present value of defined benefit obligation (DBO)	595.4	671.2	713.4	762.9	891.7
Plan assets	–297.0	–348.2	–423.6	–455.1	–497.2
	298.4	**323.0**	**289.8**	**307.8**	**394.5**
Actuarial gains (+)/losses (–) due to parameter changes in %	7.4%	–7.3%	–4.3%	–1.9%	–17.7%

In millions of euros

The major categories of plan assets for the periods presented in the consolidated financial statements as of March 31, 2013, are as follows:

	2011/12	2012/13
Equity instruments	28.7%	27.7%
Debt instruments	51.2%	52.1%
Property	4.6%	4.3%
Other	15.5%	15.9%
	100.0%	**100.0%**

The plan assets include own shares with a fair value of EUR 1.1 million (March 31, 2012: EUR 1.0 million).

The average expected return is determined by the portfolio structure of the plan assets, empirical data, as well as estimates of future investment returns. The calculation of the provisions for pensions was based on an expected interest rate of 4.75% on plan assets. The actual interest rate was 8.8%.

The amount recognized as an expense in the income statement for defined contribution plans is EUR 22.9 million (2011/12: EUR 21.1 million).

Provisions for long-service bonuses

	2011/12	2012/13
Present value of defined benefit obligation (DBO) as of April 1	**107.3**	**103.3**
Service costs for the period	5.4	5.4
Interest costs for the period	4.8	4.7
Changes in the scope of consolidated financial statements	0.0	0.0
Long-service bonus payments	–8.1	–7.0
Actuarial gains (–)/losses (+)	–6.1	9.2
Present value of defined benefit obligation (DBO) as of March 31	**103.3**	**115.6**

In millions of euros

	03/31/2009	03/31/2010	03/31/2011	03/31/2012	03/31/2013
Present value of defined benefit obligation (DBO)	111.9	105.5	107.3	103.3	115.6

In millions of euros

Expenses/revenue relative to provisions for severance payments, pensions, and long-service bonuses recognized in the income statement are as follows:

	2011/12	2012/13
Service costs for the period	24.8	24.3
Interest costs for the period	58.6	60.0
Expected return on plan assets for the period	–23.9	–21.1
Expenses/revenue recognized in the income statement	**59.5**	**63.2**

In millions of euros

Interest costs for the period are recognized in the finance costs.

19. Provisions

	Balance as of 04/01/2012	Changes in the scope of consolidated financial statements	Net exchange differences	Use	Reversal	Transfer	Addition	Balance as of 03/31/2013
Non-current provisions								
Other personnel expenses	60.0	0.0	0.0	–9.1	–1.1	0.0	10.7	60.5
Warranties and other risks	2.7	0.0	0.0	–0.3	–0.2	0.2	0.4	2.8
Other non-current provisions	68.6	0.1	–0.2	–4.3	–6.5	–16.7	9.5	50.5
	131.3	**0.1**	**–0.2**	**–13.7**	**–7.8**	**–16.5**	**20.6**	**113.8**
Current provisions								
Unused vacation entitlements	110.7	0.5	0.4	–65.3	0.0	0.0	71.9	118.2
Other personnel expenses	140.7	0.1	–0.1	–128.3	–11.6	0.0	153.4	154.2
Warranties and other risks	50.2	0.1	0.0	–16.3	–11.1	0.1	15.4	38.4
Onerous contracts	43.2	0.0	0.0	–100.9	–10.3	0.0	102.4	34.4
Other current provisions	286.3	1.2	0.3	–107.7	–14.9	16.4	85.4	267.0
	631.1	**1.9**	**0.6**	**–418.5**	**–47.9**	**16.5**	**428.5**	**612.2**
	762.4	**2.0**	**0.4**	**–432.2**	**–55.7**	**0.0**	**449.1**	**726.0**

In millions of euros

The provisions for personnel expenses mainly include bonuses. Provisions for warranties and other risks as well as onerous contracts apply to current operating activities. The other provisions mainly consist of provisions for commissions, litigation, legal, and consulting fees, and environmental protection obligations.

The amount recognized as a provision for warranties and other risks is calculated as the most reliable estimated value of the amount that would be required to settle these obligations at the reporting date. The statistical measure is the expected value, which is based on the probability of occurrence of an event according to past experience.

Provisions for onerous contracts are recognized when the earnings expected to be derived by the Group from contracts are lower than the unavoidable cost of meeting its obligations under these contracts. Before recognizing a separate provision for onerous contracts, the Group recognizes an impairment loss on the assets associated with such contracts.

The provisions recognized in the 2011/12 annual financial statements in the total amount of EUR 205.0 million for the antitrust proceedings and the closure of TSTG Schienen Technik GmbH & Co KG were adjusted to EUR 204.4 million to reflect the current estimate and are regarded as sufficient.

The provision for the EU antitrust fine of voestalpine Austria Draht GmbH from the previous year amounting to EUR 17.1 million (with the exception of the provision for interest) has been continued unchanged. Legal action was taken against the fine before the European General Court.

In the proceeding to review the cash settlement for the minority shareholders of BÖHLER-UDDEHOLM Aktiengesellschaft, on November 24, 2011, a settlement was reached. Approval of the settlement by the appropriate court was issued in early May 2012. Provisions amounting to EUR 36.9 million were recognized as of March 31, 2012, for payments to the former minority shareholders (base amount and interest) as well as for court and attorney's fees. This provision was fully utilized in business year 2012/13.

20. Financial liabilities

	Up to one year		Over one year	
	03/31/2012	03/31/2013	03/31/2012	03/31/2013
Bank loans and bonds	1,732.8	1,244.7	1,921.2	2,507.2
Liabilities from finance leases	9.5	6.5	40.7	39.7
Liabilities from affiliated companies	22.3	17.2	0.0	0.0
Liabilities from other investments	14.8	47.6	0.1	0.0
Other payables and liabilities	19.8	8.6	8.7	11.9
	1,799.2	**1,324.6**	**1,970.7**	**2,558.8**

In millions of euros

On March 30, 2009, voestalpine AG issued a fixed-interest bond amounting to EUR 400.0 million. The bond will be redeemed on April 2, 2013. The interest rate amounts to 8.75% p.a.

On February 3, 2011, voestalpine AG issued a corporate bond amounting to EUR 500.0 million. The bond will be redeemed on February 5, 2018. The interest rate amounts to 4.75% p.a.

On October 5, 2012, voestalpine AG issued a corporate bond with a volume of EUR 500.0 million. The bond will be redeemed on October 5, 2018. The interest rate amounts to 4.00% p.a.

21. Trade and other payables

	03/31/2012	03/31/2013
Prepayments received on orders	74.6	67.9
Trade payables	1,146.4	1,063.2
Liabilities from bills payable	423.4	456.6
Liabilities from affiliated companies	5.6	9.1
Liabilities from other investments	4.1	4.9
Other liabilities from taxes	109.0	87.9
Other liabilities related to social security	41.7	43.9
Other payables and other liabilities	303.1	406.2
	2,107.9	**2,139.7**

In millions of euros

22. Contingent liabilities

	03/31/2012	03/31/2013
Obligations from bills payable	3.1	3.7
Surety bonds and guarantees	11.4	2.9
	14.5	**6.6**

In millions of euros

The German Federal Cartel Office (Bundeskartellamt) inspected the business premises of the sales organization voestalpine Deutschland GmbH in Munich on February 28, 2013, due to an anonymous tip. The building was searched as a result of the charge of participation in systematic, anti-competitive agreements lasting more than several years with respect to the supply of strip steel and semi-finished goods to the German automobile industry. After the building was searched, an internal inspection of the company was conducted. To date no evidence has been found at voestalpine that confirms Federal Cartel Office's charges. Therefore, these charges are not taken into account in these annual financial statements.

23. Financial instruments

General information

The principal financial instruments used by the voestalpine Group consist of bank loans and short-term demand notes, bonds, and trade payables. The primary aim of the financial instruments is to finance the business activities of the Group. The Group holds various financial assets, such as trade receivables, short-term deposits, and non-current investments, which result directly from the Group's business activities.

The Group also uses derivative financial instruments. These instruments mainly include interest rate swaps and forward exchange transactions. These derivative financial instruments are used to hedge interest rate and currency risks and risks from fluctuations in raw materials prices, which result from the business activities of the Group and its sources of financing.

Capital management

In addition to ensuring availability of the liquidity necessary to support business activities and maximizing shareholder value, the primary objective of the Group's capital management is to ensure appropriate creditworthiness and a satisfactory equity ratio.

Capital management in the voestalpine Group is performed using the net financial debt to EBITDA ratio and the gearing ratio, i.e., the net financial debt to equity ratio. Net financial debt consists of interest-bearing loans less financing receivables and other loan receivables, securities, cash and cash equivalents. Equity includes non-controlling interests in Group companies and the hybrid capital.

The target amount for the gearing ratio is 50% and may only be exceeded up to a maximum of 75% for a limited period of time. The net financial debt to EBITDA ratio may not exceed 3.0. All growth measures and capital market transactions are based on these ratios.

The following table shows these two ratios for the reporting period:

	03/31/2012	03/31/2013
Gearing ratio in %	53.5%	44.5%
Net financial debt to EBITDA ratio	2.0	1.6

Financial risk management – Corporate finance organization

Financial risk management also includes the area of raw material risk management. Financial risk management is organized centrally with respect to policy-making power, strategy determination, and target definition. The existing policies include targets, principles, duties, and responsibilities for both the Group treasury and individual Group companies. In addition, they govern the areas of pooling, money market, credit and securities management, currency, interest rate, liquidity, and commodity price risk, and reporting. The Group treasury, acting as a service center, is responsible for implementation. Three organizationally separate units are responsible for closing, processing, and recording transactions, which guarantees a six-eyes principle. Policies, policy compliance, and all business processes are additionally audited every two years by an external auditor.

It is part of the voestalpine Group's corporate policy to continuously monitor, quantify, and, where reasonable, hedge financial risks. Our willingness to accept risk is relatively low. The strategy aims at reducing fluctuations in cash flows and income. Hedging of market risks is done to a large extent by means of derivative financial instruments.

To quantify interest rate risk, voestalpine AG uses interest rate exposure and fair value risk as indicators. Interest rate exposure quantifies the impact of a 1% change in the market interest rate on interest income and interest expenses. Fair value risk means the change in the fair value of an interest rate-sensitive item with a 1% parallel shift of the interest yield curve.

voestalpine AG uses the "@risk" concept to quantify currency risk. The maximum loss within one year is determined with 95% certainty. Risk is calculated for the open position, which is defined as the budgeted quantity for the next 12 months less the quantity that has already been hedged. The variance-covariance approach is used to evaluate foreign currency risk.

Liquidity risk – Financing

Liquidity risk refers to the risk of not being able to fulfill the payment commitments due to insufficient means of payment.

The primary instrument for controlling liquidity risk is a precise financial plan that is submitted quarterly by the operating entities directly to the Group treasury of voestalpine AG. The funding requirements with regard to financing and bank credit lines are determined based on the consolidated results.

Working capital is financed by the Group treasury. A central clearing system performs intra-group netting daily. Entities with liquidity surpluses indirectly put these funds at the disposal of entities requiring liquidity. The Group treasury places any residual liquidity with their principal banks. This allows the volume of outside borrowing to be decreased and net interest income to be optimized.

Financing is mostly carried out in the local currency of the borrower in order to avoid exchange rate risk or is currency-hedged using cross-currency swaps.

voestalpine AG holds securities and current investments as a liquidity reserve. As of March 31, 2013, non-restricted securities amounted to EUR 415.8 million (March 31, 2012: EUR 312.3 million). Furthermore, cash and cash equivalents in the amount of EUR 1,092.7 million (March 31, 2012: EUR 677.2 million) are reported in the consolidated financial statements.

Additionally, adequate credit lines that are callable at any time exist with domestic and foreign banks. These credit lines have not been drawn. In addition to the possibility of exhausting these financing arrangements, contractually guaranteed credit lines of EUR 650 million (2011/12: EUR 800 million) are available to bridge any economic downturns.

The sources of financing are managed on the basis of the principle of bank independence. Financing is currently being provided by approximately 20 different domestic and foreign banks. Covenants agreed for a minor part of the total credit volume with a single bank are adhered to. The capital market is also used as a source of financing. The following capital market transactions were carried out during the business year 2012/13:

Issue of a senior bond	EUR 500 million
Issue of a promissory note loan	EUR 400 million
Restructuring of a promissory note loan	EUR 500 million
Renewal	EUR 169.5 million
Early repayment	EUR 263 million
Unchanged	EUR 67.5 million
Renewal of the hybrid bond	EUR 500 million

A maturity analysis of all liabilities existing as of the reporting date is presented below:

Liabilities

	Due within one year		Due between one and five years		Due after more than five years	
	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13
Bonds	399.8	400.0	0.0	497.1	496.5	495.8
Bank loans	1,333.0	844.7	1,368.6	1,412.1	56.1	102.2
Trade payables	1,146.0	1,062.9	0.4	0.3	0.0	0.0
Liabilities from finance leases	9.5	6.5	19.8	20.4	20.9	19.3
Other financial liabilities	19.8	8.6	8.6	11.8	0.1	0.1
Total liabilities	**2,908.1**	**2,322.7**	**1,397.4**	**1,941.7**	**573.6**	**617.4**

In millions of euros

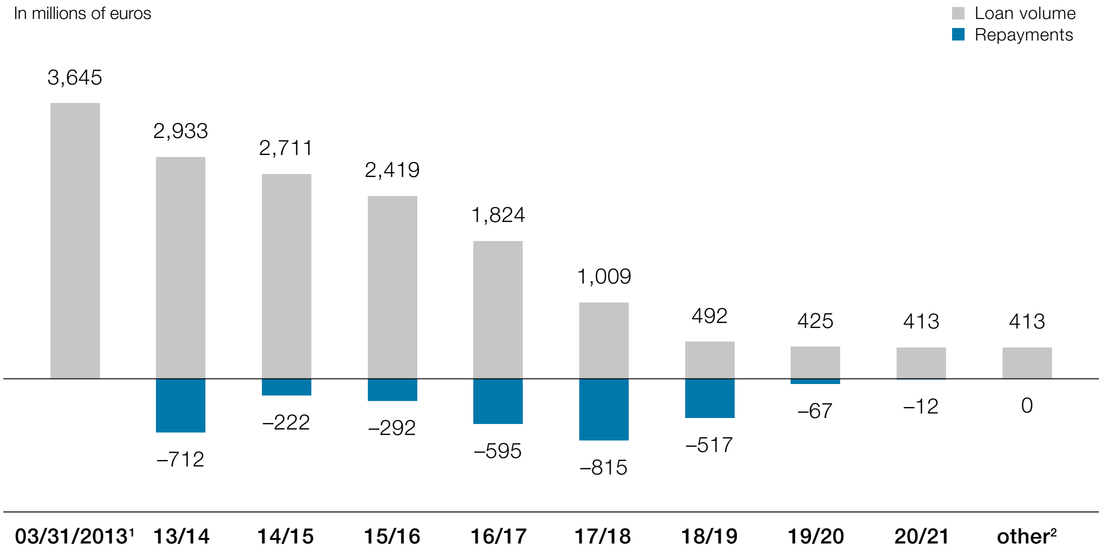
As estimated as of the reporting date, the following (prospective) interest charges correspond to these existing liabilities:

	Due within one year		Due between one and five years		Due after more than five years	
	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13
Interest on bonds	58.8	78.8	95.1	175.0	23.8	20.0
Interest on bank loans	113.9	43.6	113.8	86.7	2.1	5.7
Interest on trade payables	0.0	0.0	0.0	0.0	0.0	0.0
Interest on liabilities from finance leases	1.7	1.8	5.8	5.3	2.5	1.7
Interest on other financial liabilities	0.8	0.6	0.3	0.4	0.0	0.0
Total interest charges	**175.2**	**124.8**	**215.0**	**267.4**	**28.4**	**27.4**

In millions of euros

The maturity structure of the loan portfolio has the following repayment profile for the next several years:

Loan portfolio maturity structure



[1] Account balances not included amount to EUR 80.8 million
[2] Contains EUR 406.1 million of revolving export loans

Credit risk

Credit risk refers to financial losses that may occur through non-fulfillment of contractual obligations by business partners.

The credit risk of the underlying transactions is kept low by precise management of receivables. A high percentage of delivery transactions is covered by credit insurance. Bankable security is also provided, such as guarantees and letters of credit.

The following receivables, for which no impairment has been recorded, were past due as of the reporting date:

Receivables that are past due but not impaired

	03/31/2012	03/31/2013
Up to 30 days past due	174.9	176.0
31 to 60 days past due	44.8	42.4
61 to 90 days past due	25.3	14.5
91 to 120 days past due	10.8	11.7
More than 120 days past due	19.7	25.5
Total	**275.5**	**270.1**

In millions of euros

The following impairment was recorded for receivables of voestalpine AG during the reporting period:

Impairment for receivables

	2011/12	2012/13
Opening balance as of April 1	**46.5**	**41.8**
Additions	9.9	9.3
Net exchange differences	0.0	–0.1
Changes in the scope of consolidated financial statements	0.6	0.2
Reversal	–9.6	–5.2
Use	–5.6	–4.6
Closing balance as of March 31	**41.8**	**41.4**

In millions of euros

As most of the receivables are insured, the risk of bad debt losses is limited. The maximum loss, which is theoretically possible, equals the amount at which the receivables are stated in the statement of financial position.

The management of credit risk from investment and derivative transactions is governed by internal guidelines. All investment and derivative transactions are limited for each counterparty, with the size of the limit dependent on the rating of the bank.

The credit risk for derivative financial instruments is limited to transactions with a positive market value and to the replacement cost of such transactions. Therefore, derivative transactions are only valued at their positive market value up to this limit. Derivative transactions are exclusively based on standardized master agreements for financial forward transactions.

Breakdown of investments at financial institutions by rating classes

	AAA	AA	A	BBB	NR
Bonds	155.6	104.2	48.8	70.3	7.2
Money market investments excl. account credit balances	0.0	261.0	553.8	0.0	0.0
Derivatives[1]	0.0	1.1	16.8	2.2	0.0

[1] Only positive market value

In millions of euros

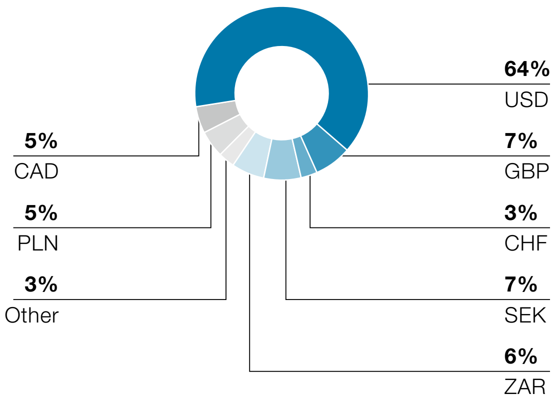
Currency risk

The largest currency position in the Group arises from raw materials purchases in USD and to a lesser degree from exports to the "non-euro area."

An initial hedge is provided by naturally covered items where, for example, trade receivables in USD are offset by liabilities for the purchase of raw materials (USD netting). The use of derivative hedging instruments is another possibility. voestalpine AG hedges budgeted (net) foreign currency payments over the next 12 months. Longer-term hedging occurs only for contracted projects. The hedging ratio is between 50% and 100%. The further in the future the cash flow lies, the lower the hedging ratio.

The net requirement for USD was USD 858.7 million in the business year 2012/13. The decline compared to the previous year (USD 1,555.1 million) was due to the decrease in quantities and prices of raw materials purchased. The remaining foreign currency exposure, resulting primarily from exports to the "non-euro area" and raw material purchases, is significantly lower than the USD risk.

Foreign currency portfolio 2012/13 (net)



Based on the Value-at-Risk calculation, as of March 31, 2013, the risks for all open positions for the upcoming business year are as follows:

Undiversified	USD	PLN	ZAR	GBP	CAD	CHF	SEK	Other
Position[1]	–206.9	–35.3	41.3	21.4	16.3	13.2	–40.6	12.4
VaR (95%/year)	33.93	5.44	8.38	2.70	2.53	2.07	4.71	1.95

[1] Unhedged planned positions for the business year 2013/14

In millions of euros

Taking into account the correlation between the different currencies, the resulting portfolio risk is EUR 28.0 million (March 31, 2012: EUR 66.0 million).

Interest rate risk

voestalpine AG differentiates between cash flow risk (the risk that interest expenses or interest income will undergo a detrimental change) for variable-interest financial instruments and present value risk for fixed-interest financial instruments. The positions shown include all interest rate-sensitive financial instruments (loans, money market, issued and purchased securities, as well as interest rate derivatives).

The primary objective of interest rate management is to optimize interest expenses while taking the risk into consideration. In order to achieve a natural hedge for the interest-bearing positions, an active/passive approach to management was introduced in business year 2012/13, whereby the modified duration of assets is closely linked to the modified duration of the liabilities.

The variable-interest positions on the assets side significantly exceed the positions on the liabilities side so that a 1% increase in the money market rate decreases the interest expense by EUR 8.2 million (2011/12: EUR –2.8 million).

The weighted average interest rate for asset positions is 0.81% (2011/12: 0.85%) with a duration of 0.89 years (2011/12: 0.82 years) – including money market investments – and 4,11% (2011/12: 3.53%) for liability positions with a duration of 2.07 years (2011/12: 1.42 years).

	Position[1]	Weighted average interest rate	Duration (years)	Average capital commitment (years)[2]	Sensitivity to a 1% change in the interest rate[1]	Cash flow risk[1]
Assets	1,601.9	0.81	0.89	1.03	–9.2	12.8
Liabilities	–3,725.9	4.11	2.07	3.78	95.6	–4.7
Net	–2,124.0				86.4	8.1

[1] In millions of euros
[2] Excluding revolving export loans of EUR 406.1 million

The present value risk determined using the Value-at-Risk calculation for March 31, 2013, is equal to EUR 37.1 million (2011/12: EUR 8.3 million) for positions on the assets side given a 1% change in the interest rate and EUR 267.1 million (2011/12: EUR 79.5 million) for positions on the liabilities side. Therefore, in the event of a 1% drop in the interest rate, voestalpine AG would have an imputed (unrecognized) net present value loss of EUR 230.0 million (2011/12: EUR 71.2 million).

After the merger of the two funds of funds V47 and V54 in business year 2012/13, the asset positions include EUR 410.3 million (previous year: EUR 399.0 million) of investments in the V54 fund of funds. 100% of the fund assets are invested in bonds and money market securities in euros or in cash in the three sub-funds V101, V102, and V103 and in various special funds as follows:

Funds	**Investment currency**	
Sub-fund V101	EUR 64.7 million	with a duration of 4.50
Sub-fund V102	EUR 142.8 million	with a duration of 2.56
Sub-fund V103	EUR 121.0 million	with a duration of 1.98
Special funds	EUR 81.6 million	(only included in V54)

The equity component in the fund of funds was reduced to EUR 0 million as part of the asset allocation (March 31, 2012: EUR 15.1 million, 3.7% of fund assets).

In addition to the investment fund, there are also securities exposures in the amount of EUR 69.6 million (March 31, 2012: EUR 60.0 million).

In the business year 2012/13, the following gains in the fund of funds were recorded:

Fund of funds	**Performance**
V54	4.20%

Securities are measured at fair value. For the determination of the fair value, quoted prices for identical assets or liabilities in active markets (unadjusted) are used. Net profit amounting to EUR 11.2 million (2011/12: net profit EUR 9.4 million) is recognized at fair value through profit or loss for financial instruments that are measured using the fair value option.

Derivative financial instruments

Portfolio of derivative financial instruments as of March 31, 2013:

	Nominal value (in millions of euros)	Fair value (in millions of euros)	Of which accounted for in equity	Maturity
Forward exchange transactions (incl. currency swaps)	786.6	8.7	6.2	< 2 years
Interest rate derivatives	1,539.3	–11.4	–15.2	< 7 years
Commodity swaps	15.6	–1.6	0.0	< 5 years
Total	**2,341.5**	**–4.3**	**–9.0**	

The derivative transactions are marked to market daily by determining the value that would be realized if the hedging position were closed out (liquidation method). Input for the calculation of fair values are observable currency exchange rates and raw materials prices as well as interest rates. Based on the input, the fair value is calculated using generally accepted actuarial formulas.

Unrealized profits or losses from hedged transactions are accounted for as follows:

- If the hedged asset or liability is already recognized in the statement of financial position or an obligation not recorded in the statement of financial position is hedged, the unrealized profits and losses from the hedged transaction are recognized through profit and loss. At the same time, the hedged item is reported at fair value, regardless of its initial valuation method. The resulting unrealized profits and losses are offset with the unrealized results of the hedged transaction in the income statement, so that in total, only the ineffective portion of the hedged transaction is reported in profit or loss for the period (fair value hedges).

- If a future transaction is hedged, the effective portion of the unrealized profits and losses accumulated up to the reporting date is recognized directly in equity. The ineffective portion is recognized through profit and loss. When the transaction that is hedged results in the recognition of an asset or a liability in the statement of financial position, the amount recognized in equity is taken into account when the carrying amount of this item is determined. Otherwise, the amount reported in equity is recognized through profit or loss in accordance with the income effectiveness of the future transaction or the existing obligation (cash flow hedges).

In the business year 2012/13, hedge accounting in accordance with IAS 39 was used for hedging foreign currency cash flows, interest-bearing receivables and liabilities, and raw materials purchase agreements. The interest rate and currency hedges are mainly cash flow hedges, while the raw material hedges are designated almost exclusively as fair value hedges. Hedge accounting is only applied to a part of currency and raw material hedges.

Net losses of foreign currency and interest rate derivatives (cash flow hedges) amounting to EUR 4.6 million (2011/12: gains amounting to EUR 25.3 million) were recognized through profit and loss in the reporting period.

Losses amounting to EUR 1.5 million (2011/12: losses amounting to EUR 2.6 million) on raw material hedges, which are designated as fair value hedges, were recognized through profit and loss. Gains for the corresponding hedged items amounting to EUR 1.5 million (2011/12: gains amounting to EUR 2.6 million) were also recognized through profit and loss.

Positive fair values amounting to EUR 4.1 million (2011/12: negative fair values amounting to EUR 5.7 million) previously recorded in the reserve for foreign exchange hedges were recognized through profit and loss during the reporting period; positive fair values amounting to EUR 6.2 million (2011/12: positive fair values amounting to EUR 4.1 million) were allocated to the reserve. Negative fair values in the amount of EUR 10.3 million were transferred through profit or loss from the reserve for interest rate hedges in business year 2012/13 due to ineffectiveness. The fair values of the remaining interest rate hedges that were applied for cash flow hedging remained the same. The reserve for interest rate hedges was reduced by EUR 4.3 million in business year 2011/12 due to changes in fair value.

Derivatives designated as cash flow hedges have the following effects on cash flows and profit or loss for the period:

	Total contractual cash flows		Contractual cash flows					
			< 1 year		> 1 year and < 5 years		> 5 years	
	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13
Interest derivatives								
Assets	4.6	9.5	2.8	4.4	1.3	4.6	0.5	0.5
Liabilities	–30.1	–24.7	–15.9	–10.7	–12.5	–13.5	–1.7	–0.5
	–25.5	**–15.2**	**–13.1**	**–6.3**	**–11.2**	**–8.9**	**–1.2**	**0.0**
Currency derivatives								
Assets	5.5	6.6	5.5	6.6	0.0	0.0	0.0	0.0
Liabilities	–1.4	–0.4	–1.4	–0.4	0.0	0.0	0.0	0.0
	4.1	**6.2**	**4.1**	**6.2**	**0.0**	**0.0**	**0.0**	**0.0**

In millions of euros

Categories of financial instruments

Classes	Financial assets measured at amortized cost	Financial assets measured at fair value		
Categories	Loans and receivables	Financial assets measured at fair value through profit or loss		
		Held for trading (derivatives)	Other	Total
Assets 2011/12				
Other financial assets – non-current	16.6		143.9	160.5
Trade and other receivables	1,772.5	1.9		1,774.4
Other financial assets – current			406.6	406.6
Cash and cash equivalents	677.2			677.2
Carrying amount	**2,466.3**	**1.9**	**550.5**	**3,018.7**
Fair value	**2,466.3**	**1.9**	**550.5**	**3,018.7**
Assets 2012/13				
Other financial assets – non-current	26.2		83.0	109.2
Trade and other receivables	1,634.9	20.7		1,655.6
Other financial assets – current			473.3	473.3
Cash and cash equivalents	1,092.7			1,092.7
Carrying amount	**2,753.8**	**20.7**	**556.3**	**3,330.8**
Fair value	**2,753.8**	**20.7**	**556.3**	**3,330.8**

In millions of euros

The item "Other" in the category "Financial assets measured at fair value through profit or loss" contains securities measured using the fair value option as well as other non-consolidated investments.

Classes	Financial liabilities measured at amortized cost	Financial liabilities measured at fair value	
Categories	**Financial liabilities measured at amortized cost**	**Financial liabilities measured at fair value through profit or loss – Held for trading (derivatives)**	**Total**
Liabilities 2011/12			
Financial liabilities – non-current	1,970.7		1,970.7
Financial liabilities – current	1,799.2		1,799.2
Trade and other payables	2,101.4	12.1	2,113.5
Carrying amount	**5,871.3**	**12.1**	**5,883.4**
Fair value	**5,954.7**	**12.1**	**5,966.8**
Liabilities 2012/13			
Financial liabilities – non-current	2,558.8		2,558.8
Financial liabilities – current	1,324.6		1,324.6
Trade and other payables	2,119.6	25.2	2,144.8
Carrying amount	**6,003.0**	**25.2**	**6,028.2**
Fair value	**6,105.8**	**25.2**	**6,131.0**

In millions of euros

The table below analyzes financial instruments measured at fair value, by valuation method. The different levels of valuation methods have been defined as follows:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices)
Level 3	Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	Level 1	Level 2	Level 3	Total
2011/12				
Financial assets				
Financial assets measured at fair value through profit or loss				
Held for trading (derivatives)		1.9		1.9
Other	483.6		66.9	550.5
	483.6	**1.9**	**66.9**	**552.4**
Financial liabilities				
Financial liabilities measured at fair value through profit or loss – Held for trading (derivatives)		12.1		12.1
	0.0	**12.1**	**0.0**	**12.1**
Total	**483.6**	**14.0**	**66.9**	**564.5**
2012/13				
Financial assets				
Financial assets measured at fair value through profit or loss				
Held for trading (derivatives)		20.7		20.7
Other	492.6		63.7	556.3
	492.6	**20.7**	**63.7**	**577.0**
Financial liabilities				
Financial liabilities measured at fair value through profit or loss – Held for trading (derivatives)		25.2		25.2
	0.0	**25.2**	**0.0**	**25.2**
Total	**492.6**	**45.9**	**63.7**	**602.2**

In millions of euros

Level 3 contains other investments that are measured at fair value in accordance with IAS 39. As the fair value is not reliably determinable for all other investments, amortized costs serve as an approximation. The costs (in the current reporting period as well as in the previous year) either correspond to the fair value, or the deviations are immaterial.

Financial instruments that are classified as Level 3 declined in the reporting period from EUR 66.9 million to EUR 63.7 million. The change is primarily the result of the impairment of non-consolidated entities.

The table below shows net gains and losses on categories of financial instruments:

	2011/12	**2012/13**
Loans and receivables	55.7	38.0
Held for trading (derivatives)	25.7	5.7
Other	11.9	16.3
Financial liabilities	–223.6	–200.3

In millions of euros

Total interest income and total interest expense for financial assets and financial liabilities that were not measured at fair value through profit or loss were recorded as follows:

	2011/12	**2012/13**
Total interest income	54.2	40.5
Total interest expense	–220.8	–203.8

In millions of euros

The impairment loss on financial instruments measured at amortized cost amounts to EUR 14.8 million (2011/12: EUR 13.2 million).

24. Consolidated statement of cash flows

The consolidated statement of cash flows was prepared using the indirect method. Cash and cash equivalents include cash on hand, cash at banks, and checks. The effects of changes in the scope of consolidated financial statements were eliminated and reported in the cash flows from investing activities.

	2011/12	2012/13
Interest received	61.8	41.6
Interest paid	248.5	185.5
Taxes paid	167.7	115.2

In millions of euros

Interest received and paid as well as taxes paid are included in the cash flows from operating activities.

Non-cash expenses and income

	2011/12	2012/13
Depreciation, amortization, and impairment	593.7	593.5
Result from sale of assets	–7.7	–2.1
Changes in pensions and other employee obligations, non-current provisions, and deferred taxes	24.0	–1.4
Other non-cash income and expenses	–29.0	–15.0
	581.0	**575.0**

In millions of euros

Cash flows from operating activities include dividend income of EUR 21.3 million (2011/12: EUR 22.7 million) from associates and other investments.

Cash flows from investing activities include inflows of cash and cash equivalents in the amount of EUR 20.5 million (2011/12: EUR 0.0 million) from initial consolidation of acquired companies and outflows of the purchase price in the amount of EUR 106.6 million (2011/12: EUR 0.0 million). The sale of a subsidiary resulted in an outflow of cash and cash equivalents from cash flows from investing activities of EUR 0.1 million (2011/12: EUR 0.0 million) and an inflow of the sale price in the amount of EUR 1.6 million (2011/12: EUR 1.4 million).

25. Related party disclosures

Business transactions between the Group and non-consolidated subsidiaries and entities consolidated according to the equity method or their subsidiaries as well as proportionately consolidated entities are carried out at arm's length terms and are included in the following items of the consolidated financial statements:

	2011/12		2012/13	
	With proportionately consolidated entities	With entities consolidated according to the equity method and non-consolidated subsidiaries	With proportionately consolidated entities	With entities consolidated according to the equity method and non-consolidated subsidiaries
Revenue	126.2	427.3	114.8	370.5
Material expenses	11.3	186.9	10.5	201.0
Other operating expenses	0.0	35.9	0.0	35.3
	03/31/2012		**03/31/2013**	
Trade and other receivables	11.4	100.0	12.3	93.1
Financial liabilities/trade and other payables	17.0	37.1	50.4	56.5

In millions of euros

The receivables and liabilities with entities consolidated according to the equity method and with non-consolidated subsidiaries comprise both direct and indirect relationships.

In addition, there are business transactions with core shareholders that have a significant influence due to consolidation of the voestalpine shares using the equity method. Business transactions are carried out at arm's length terms and are presented as follows:

	03/31/2012	03/31/2013
Cash and cash equivalents	88.4	168.0
Financial liabilities/trade and other payables	222.0	207.8
Guarantees received	2.1	4.6

In millions of euros

In the business year 2012/13, 828 temporary employees (2011/12: 873) from a company reported under other investments were employed to cover short-term personnel shortages.

The non-inclusion of non-consolidated entities in the consolidated financial statements has no significant impact on the Group's net assets, financial position, and results of operations.

Management Board

The fixed compensation of the Management Board is determined by the General Committee of the Supervisory Board pursuant to the Austrian legal situation and is reviewed periodically.

The award of a bonus is subject to a target agreement to be concluded with the General Committee of the Supervisory Board and consisting of quantitative and qualitative targets. The maximum bonus is limited to 200% of the annual gross salary for members of the Management Board and to 250% of the annual gross salary for the Chairman of the Management Board. If the agreed target values for quantitative targets are achieved exactly, 60% of the maximum bonus applies; if the agreed target values for qualitative targets are achieved, 20% of the maximum bonus applies. The over-achievement of the targets is taken into consideration proportionately until the maximum bonus is reached. The target amounts for the quantitative targets are EBIT and the return on capital employed (ROCE). Specific target amounts are determined periodically (for a period of three years) by the General Committee of the Supervisory Board in consultation with the Management Board. Its basis of calculation is independent of the respective budget and the three-year medium-term business plan, i.e., budget compliance does not mean achieving a bonus. In addition to submitting the strategy concept "voestalpine 2020" (including recommendations for the concrete strategic further development of the four divisions), an explicit, precisely quantified reduction of the gearing ratio was agreed in the business year 2012/13 as the qualitative target.

The amount of the contractually approved company pension depends on the length of service for members of the Management Board Dr. Eder, Dipl.-Ing. Mag. Ottel, and Dipl.-Ing. Eibensteiner. The amount of the annual pension equals 1.2% of the last annual gross salary for each year of service. The pension benefit cannot exceed 40% of the last annual gross salary (without variable compensation). A defined contribution arrangement was made with the members of the Management Board Dipl.-Ing. Rotter and Dipl.-Ing. Dr. Kainersdorfer; whereby 15% of their annual gross salary (without bonuses) is paid by the Company into the pension fund.

The members of the Management Board receive severance benefits at the time of termination of their employment by way of analogous application of the Salaried Employees Act (Angestelltengesetz).

For the members of the Management Board (as well as for executives) and for the members of the Supervisory Board there is a D&O insurance, the costs of which amounting to EUR 0.1 million (2011/12: EUR 0.2 million) are borne by the entity.

The compensation paid to the members of the Management Board of voestalpine AG is comprised as follows for the reporting period:

	Current fixed compen-sation	Current variable compen-sation	Compen-sation payments	Share-based payments	Total
Dr. Wolfgang Eder	0.9	1.4			**2.3**
Dipl.-Ing. Herbert Eibensteiner	0.4	0.6			**1.0**
Dipl.-Ing. Dr. Franz Kainersdorfer	0.7	0.7			**1.4**
Mag. Dipl.-Ing. Robert Ottel	0.7	0.8			**1.5**
Dipl.-Ing. Franz Rotter	0.7	0.8			**1.5**
2012/13	**3.4**	**4.3**	**0.0**	**0.0**	**7.7**
2011/12	3.7	3.9	7.3	5.2	20.1

In millions of euros

The 2011/12 comparative period includes compensation payments in the amount of EUR 7.3 million for three members of the Management Board who retired as well as one-time payments from a five-year stock option program in the amount of EUR 5.2 million. Currently there is no further stock option program.

Defined benefit (current service costs) and defined contribution pension expense for members of the Management Board amounted to EUR 0.3 million (2011/12: EUR 0.3 million) in the reporting period. Pension benefits were paid in the amount of EUR 0.4 million (2011/12: EUR 0.1 million) for retired members of the Management Board from the pension fund.

At the reporting date, the outstanding balance of the variable compensation was EUR 3.5 million (2011/12: EUR 2.9 million). No advances or loans were granted to the members of the Management Board of voestalpine AG.

Directors' dealings notices of the members of the Management Board are published on the website of the Austrian Financial Market Authority at www.fma.gv.at.

Supervisory Board

Under Sec. 15 of the Articles of Incorporation, the members of the Supervisory Board of voestalpine AG receive 0.1% of the profit for the period reported in the approved consolidated financial statements as compensation. The total amount is divided in proportion to the assigned fractions of 100% for the Chairman, 75% for the Vice-Chairman, and 50% for all other members, with a minimum compensation of EUR 20,000 for the Chairman, EUR 15,000 for the Vice-Chairman, and EUR 10,000 for all other members of the Supervisory Board. Compensation is limited to a multiple of four times the stated amounts. Additionally, members of the Supervisory Board receive an attendance honorarium amounting to EUR 500 per Supervisory Board meeting.

According to this regulation, the shareholders' representatives in the Supervisory Board received the following compensation for the business year 2012/13: Dr. Joachim Lemppenau (Chairman): EUR 80,000 (2011/12: EUR 80,000); Dr. Ludwig Scharinger (Vice-Chairman until July 4, 2012): EUR 15,000 (2011/12: EUR 60,000); Dr. Heinrich Schaller (Vice-Chairman as of July 5, 2012): EUR 45,000; all other shareholders' representatives: EUR 40,000 (2011/12: EUR 40,000). The members of the Supervisory Board nominated by the Works Council do not receive any compensation.

The annual compensation of members of the Supervisory Board and the mode of calculation are conclusively regulated by the Articles of Incorporation since the 2006 Annual General Meeting and do not require a separate resolution of the Annual General Meeting every year.

The compensation of the Supervisory Board (incl. attendance honorarium) totaled EUR 0.4 million (2011/12: EUR 0.4 million) in the business year 2012/13. Payment of the compensation of the Supervisory Board for the business year 2012/13 is carried out at the latest 14 days after the Annual General Meeting on July 3, 2013. No advances or loans were granted to members of the Supervisory Board of voestalpine AG.

Directors' dealings notices of the members of the Supervisory Board are published on the website of the Austrian Financial Market Authority at www.fma.gv.at.

As legal counsel to voestalpine AG, the law firm Binder Grösswang Rechtsanwälte GmbH, of which Dr. Michael Kutschera (member of the Supervisory Board) is partner, provided legal advisory services relative to the minority shareholder squeeze-out procedure related to BÖHLER-UDDEHOLM Aktiengesellschaft in the reporting period 2012/13. Fees for this matter are invoiced at the general hourly rates of the law firm of Binder Grösswang Rechtsanwälte GmbH applicable at the time. For the business year 2012/13, total net fees of EUR 35,420.83 (2011/12: EUR 89,791.00) were incurred for services provided by the law firm of Binder Grösswang Rechtsanwälte GmbH.

26. Employee information

Total number of employees

	Reporting date		Average	
	03/31/2012	03/31/2013	2011/12	2012/13
Workers	26,225	26,317	25,848	26,146
Salaried employees	15,424	15,761	15,321	15,515
Apprentices	1,263	1,351	1,430	1,421
	42,912	**43,429**	**42,599**	**43,082**

The average number of employees includes 563 employees (2011/12: 550 employees) for proportionately consolidated entities. The amounts stated for the proportionately consolidated entities are already presented proportionately (49.995%). The personnel expenses included in these consolidated financial statements amount to EUR 2,472.0 million (2011/12: EUR 2,411.3 million).

27. Expenses for the Group auditor

Expenses for the Group auditor are structured as follows:

	2011/12	2012/13
Expenses for the audit of the financial statements	0.2	0.2
Expenses for other certifications	0.9	1.1
Expenses for tax consulting services	0.0	0.0
Expenses for other services	0.0	0.0
	1.1	**1.3**

In millions of euros

28. Disclosures of transactions not recorded in the statement of financial position

Trade receivables amounting to EUR 709.4 million (March 31, 2012: EUR 691.0 million) were sold and derecognized. With regard to factoring, credit insured trade receivables are assigned to banks at 100% of their nominal value, whereby the acquiring banks assume the default risk (del credere risk and political risk); moreover, the power of disposition is transferred to the buyer of the receivables. The seller generally assumes a contingent liability in the amount of the deductible (mostly 10%) of the credit insurance. Since the likelihood of a liability claim in event of default is extremely low, the fair value of this risk is assessed at zero. At the reporting date, the maximum risk from the contingent liability amounts to EUR 69.3 million (March 31, 2012: EUR 69.1 million).

29. Events after the reporting period

No significant events have occurred after the reporting period.

30. Earnings per share

Diluted and basic (undiluted) earnings per share are calculated as follows:

	2011/12	2012/13
Profit attributable to equity holders of the parent	**333,506**	**444,872**
Issued ordinary shares (average)	169,049,163	170,749,163
Effect of own shares held (average)	–338,299	–160,339
Weighted average number of outstanding ordinary shares	**168,710,864**	**170,588,824**
Diluted and basic (undiluted) earnings per share (euros)	**1.98**	**2.61**

In thousands of euros

31. Dividend

In accordance with the Austrian Stock Corporation Act, the appropriation of net profit is based on the annual financial statements of voestalpine AG as of March 31, 2013. These financial statements show net retained profits of EUR 156.0 million. The Management Board proposes a dividend of EUR 0.90 per share (2011/12: EUR 0.80).

Linz, May 27, 2013

The Management Board

Wolfgang Eder   Herbert Eibensteiner   Franz Kainersdorfer   Robert Ottel   Franz Rotter

The consolidated financial statements of voestalpine AG and associated documents will be filed with the commercial register of the Commercial Court of Linz under company register number FN 66209 t.

Appendix to the notes: Investments

Unqualified auditor's report

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of voestalpine AG, Linz, for the fiscal year from April 1, 2012 to March 31, 2013. These consolidated financial statements comprise the consolidated balance sheet as of March 31, 2013, the consolidated income statement and the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the fiscal year ended March 31, 2013, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements and for the Accounting System

The Company's management is responsible for the group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing, as well as in accordance with International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as of March 31, 2013 and of its financial performance and its cash flows for the fiscal year from April 1, 2012 to March 31, 2013 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Report on the Management Report for the Group

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, May 27, 2013

Grant Thornton Unitreu GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Univ.-Doz. Dr. Walter Platzer

Mag. Josef Töglhofer

Austrian Chartered Accountants

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

Management Board statement in accordance with Sec. 82 (4) of the Stock Exchange Act (Börsegesetz, BörseG)

The Management Board of voestalpine AG confirms to the best of its knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group Management Report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

Linz, May 27, 2013

The Management Board

Wolfgang Eder	Herbert Eibensteiner	Franz Kainersdorfer	Robert Ottel	Franz Rotter
Chairman of the Management Board	Member of the Management Board	Member of the Management Board	Member of the Management Board	Member of the Management Board

voestalpine AG

Investments

Steel Division

	Domicile of the company	Interest held	Parent company	Type of consolidation
voestalpine Stahl GmbH	AUT	100.000%	voestalpine AG	KV
Cargo Service GmbH	AUT	100.000%	Logistik Service GmbH	KV
Logistik Service GmbH	AUT	100.000%	voestalpine Stahl GmbH	KV
voestalpine Anarbeitung GmbH	AUT	100.000%	voestalpine Stahl GmbH	KV
voestalpine Eurostahl GmbH	AUT	100.000%	voestalpine Stahl GmbH	KV
voestalpine Giesserei Linz GmbH	AUT	100.000%	voestalpine Stahl GmbH	KV
voestalpine Giesserei Traisen GmbH	AUT	100.000%	voestalpine Giesserei Linz GmbH	KV
voestalpine Grobblech GmbH	AUT	100.000%	voestalpine Stahl GmbH	KV
voestalpine Personalberatung GmbH	AUT	100.000%	voestalpine Stahl GmbH	KV
voestalpine Stahl Service Center GmbH	AUT	100.000%	voestalpine Stahl GmbH	KV
voestalpine Standortservice GmbH	AUT	100.000%	voestalpine Stahl GmbH	KV
voestalpine Steel Service Center Polska Sp. z o.o.	POL	100.000%	voestalpine Stahl Service Center GmbH	KV
voestalpine Steel Service Center Romania SRL	ROU	100.000%	voestalpine Stahl Service Center GmbH	KV
GEORG FISCHER FITTINGS GmbH[1]	AUT	49.000%	voestalpine Stahl GmbH	KE
Herzog Coilex GmbH[2]	DEU	25.100%	voestalpine Stahl Service Center GmbH	KE
Industrie-Logistik-Linz GmbH & Co KG[1]	AUT	37.000%	voestalpine Stahl GmbH	KE
Jiaxing NYC Industrial Co., Ltd[1]	CHN	51.000%	voestalpine Giesserei Linz GmbH	KE
Kühne + Nagel Euroshipping GmbH[1]	DEU	49.000%	Logistik Service GmbH	KE
METALSERVICE S.P.A.[1]	ITA	40.000%	voestalpine Stahl Service Center GmbH	KE
Ningxia Kocel Steel Foundry Co. Ltd.[1]	CHN	49.043%	voestalpine Giesserei Linz GmbH	KE
Scholz Austria GmbH[1]	AUT	25.883%	voestalpine Stahl GmbH	KE
Scholz Austria GmbH[1]	AUT	4.727%	voestalpine Stahl Donawitz GmbH	KE
Scholz Austria GmbH[1]	AUT	3.401%	BÖHLER Edelstahl GmbH & Co KG	KE
Wuppermann Austria Gesellschaft m.b.H.[1]	AUT	30.000%	voestalpine Stahl GmbH	KE
Austrian Center of Competence in Mechatronics GmbH	AUT	33.333%	voestalpine Stahl GmbH	K0
Caseli GmbH	AUT	100.000%	voestalpine Stahl GmbH	K0
Energie AG Oberösterreich	AUT	2.063%	voestalpine Stahl GmbH	K0

[1] For companies consolidated according to the equity method marked [1], the reporting date of December 31 applies.
[2] For the company consolidated according to the equity method marked [2], the reporting date of September 30 applies.

	Domicile of the company	Interest held	Parent company	Type of consolidation
GWL Gebäude- Wohnungs- und Liegenschafts-Verwaltungsgesellschaft m.b.H.	AUT	91.000%	voestalpine Stahl GmbH	K0
GWL Gebäude- Wohnungs- und Liegenschafts-Verwaltungsgesellschaft m.b.H.	AUT	9.000%	vivo Mitarbeiter-Service GmbH	K0
Industrie-Logistik-Linz Geschäftsführungs-GmbH	AUT	37.000%	voestalpine Stahl GmbH	K0
Kontext Druckerei GmbH	AUT	64.800%	voestalpine Stahl GmbH	K0
Linzer Schlackenaufbereitungs- und vertriebsgesellschaft m.b.H.	AUT	33.333%	voestalpine Stahl GmbH	K0
VA OMV Personalholding GmbH	AUT	50.000%	voestalpine Personalberatung GmbH	K0
vivo Mitarbeiter-Service GmbH	AUT	100.000%	voestalpine Stahl GmbH	K0
voestalpine Belgium NV/SA	BEL	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine CR, s.r.o.	CZE	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine d.o.o.	HRV	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine d.o.o.	SRB	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine d.o.o.	SVN	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine Danmark ApS.	DNK	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine Deutschland GmbH	DEU	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine France SAS	FRA	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine Hungaria Kft.	HUN	99.000%	voestalpine Eurostahl GmbH	K0
voestalpine Hungaria Kft.	HUN	1.000%	Donauländische Baugesellschaft m.b.H.	K0
voestalpine Italia S.r.l.	ITA	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine Nederland B.V.	NLD	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine Polska Sp. z o. o.	POL	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine Romania S.R.L	ROU	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine Scandinavia AB	SWE	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine Schweiz GmbH	CHE	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine Slovakia, s.r.o.	SVK	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine Stahlwelt GmbH	AUT	50.000%	voestalpine Stahl GmbH	K0
voestalpine Stahlwelt GmbH	AUT	50.000%	voestalpine AG	K0
voestalpine UK Ltd.	GBR	100.000%	voestalpine Eurostahl GmbH	K0
voestalpine USA Corp.	USA	100.000%	voestalpine Eurostahl GmbH	K0
Werksgärtnerei Gesellschaft m.b.H.	AUT	100.000%	voestalpine Stahl GmbH	K0

Special Steel Division

	Domicile of the company	Interest held	Parent company	Type of consolidation
voestalpine Edelstahl GmbH	AUT	100.000%	voestalpine AG	KV
Aceros Boehler del Ecuador S.A.	ECU	1.753%	BOHLER-UDDEHOLM COLOMBIA S.A.	KV
Aceros Boehler del Ecuador S.A.	ECU	98.247%	voestalpine Edelstahl GmbH	KV
Aceros Boehler del Peru S.A.	PER	2.500%	BÖHLER Edelstahl GmbH & Co KG	KV
Aceros Boehler del Peru S.A.	PER	95.000%	voestalpine Edelstahl GmbH	KV
Aceros Boehler del Peru S.A.	PER	2.500%	BÖHLER Edelstahl GmbH	KV
ACEROS BOEHLER UDDEHOLM S.A.	ARG	94.378%	voestalpine Edelstahl GmbH	KV
ACEROS BOEHLER UDDEHOLM S.A.	ARG	5.622%	BÖHLER Edelstahl GmbH	KV
Aceros Bohler Uddeholm, S.A. de C.V.	MEX	100.000%	voestalpine Edelstahl GmbH	KV
ACOS BÖHLER-UDDEHOLM DO BRASIL LTDA.	BRA	100.000%	voestalpine Edelstahl GmbH	KV
Aktiebolaget Finansa	SWE	100.000%	Uddeholms AB	KV
ASSAB Celik ve Isil Islem A.S.	TUR	99.888%	voestalpine Edelstahl GmbH	KV
ASSAB Celik ve Isil Islem A.S.	TUR	0.036%	Böhler Grundstücks GmbH & Co. KG	KV
ASSAB Celik ve Isil Islem A.S.	TUR	0.036%	BÖHLER-UDDEHOLM Immobilien GmbH	KV
ASSAB Celik ve Isil Islem A.S.	TUR	0.036%	BÖHLER Edelstahl GmbH	KV
ASSAB Celik ve Isil Islem A.S.	TUR	0.003%	Uddeholm Holding AB	KV
ASSAB International Aktiebolag	SWE	100.000%	voestalpine Edelstahl GmbH	KV
ASSAB Pacific Pte. Ltd.	SGP	100.000%	voestalpine Edelstahl GmbH	KV
ASSAB SRIPAD STEELS LIMITED	IND	70.000%	voestalpine Edelstahl GmbH	KV
ASSAB Steels (China) Ltd.	CHN	100.000%	ASSAB Steels (HK) Ltd.	KV
ASSAB Steels (HK) Ltd.	CHN	95.000%	ASSAB Pacific Pte. Ltd.	KV
ASSAB Steels (Korea) Co., Ltd.	KOR	85.000%	ASSAB Pacific Pte. Ltd.	KV
ASSAB Steels (Malaysia) Sdn Bhd	MYS	95.000%	ASSAB Pacific Pte. Ltd.	KV
ASSAB Steels (Taiwan) Ltd.	TWN	82.500%	ASSAB Pacific Pte. Ltd.	KV
ASSAB Steels (Thailand) Ltd.	THA	95.000%	ASSAB Pacific Pte. Ltd.	KV
ASSAB Steels Singapore (Pte) Ltd.	SGP	100.000%	ASSAB Pacific Pte. Ltd.	KV
ASSAB Technology (Malaysia) Sdn Bhd	MYS	100.000%	ASSAB Steels (Malaysia) Sdn Bhd	KV
ASSAB Tooling (Beijing) Co., Ltd.	CHN	95.000%	ASSAB Pacific Pte. Ltd.	KV
ASSAB Tooling (Dong Guan) Co., Ltd.	CHN	95.000%	ASSAB Pacific Pte. Ltd.	KV
ASSAB Tooling (Qing Dao) Co., Ltd.	CHN	95.000%	ASSAB Pacific Pte. Ltd.	KV
ASSAB Tooling (Xiamen) Co., Ltd.	CHN	95.000%	ASSAB Pacific Pte. Ltd.	KV

	Domicile of the company	Interest held	Parent company	Type of consolidation
ASSAB Tooling Technology (Chongqing) Co., Ltd.	CHN	95.000%	ASSAB Pacific Pte. Ltd.	KV
ASSAB Tooling Technology (Ningbo) Co., Ltd.	CHN	95.000%	ASSAB Pacific Pte. Ltd.	KV
ASSAB Tooling Technology (Shanghai) Co., Ltd.	CHN	95.000%	ASSAB Pacific Pte. Ltd.	KV
Associated Swedish Steels Aktiebolag	SWE	100.000%	Uddeholms AB	KV
Associated Swedish Steels Phils., Inc.	PHL	92.500%	ASSAB Pacific Pte. Ltd.	KV
Böhler Aktiengesellschaft	DEU	100.000%	voestalpine Edelstahl GmbH	KV
BÖHLER Bleche GmbH	AUT	100.000%	voestalpine Edelstahl GmbH	KV
BÖHLER Bleche GmbH & Co. KG	AUT	100.000%	voestalpine Edelstahl GmbH	KV
BÖHLER Edelstahl GmbH	AUT	100.000%	voestalpine Edelstahl GmbH	KV
BÖHLER Edelstahl GmbH & Co KG	AUT	100.000%	voestalpine Edelstahl GmbH	KV
BÖHLER GRUNDSTÜCKS BETEILIGUNGS GMBH	DEU	100.000%	Böhler Aktiengesellschaft	KV
Böhler Grundstücks GmbH & Co. KG[1]	DEU	100.000%	Böhler Aktiengesellschaft	KV
Bohler High Performance Metals Private Limited	IND	100.000%	voestalpine Edelstahl GmbH	KV
Böhler International GmbH	AUT	100.000%	voestalpine Edelstahl GmbH	KV
Böhler PROFIL GmbH	AUT	100.000%	voestalpine Edelstahl GmbH	KV
BÖHLER Schmiedetechnik GmbH	AUT	100.000%	voestalpine Edelstahl GmbH	KV
BÖHLER Schmiedetechnik GmbH & Co KG	AUT	99.999%	voestalpine Edelstahl GmbH	KV
BÖHLER Schmiedetechnik GmbH & Co KG	AUT	0.001%	BÖHLER Schmiedetechnik GmbH	KV
Bohler Special Steels (Shanghai) Co., Ltd.	CHN	100.000%	voestalpine Edelstahl GmbH	KV
Bohler Uddeholm (Australia) Pty Ltd	AUS	100.000%	voestalpine Edelstahl GmbH	KV
BOHLER UDDEHOLM AFRICA (PTY) LTD	ZAF	100.000%	voestalpine Edelstahl GmbH	KV
Böhler Uddeholm CZ s.r.o.	CZE	100.000%	voestalpine Edelstahl GmbH	KV
Böhler Uddeholm Italia S.p.A.	ITA	100.000%	voestalpine Edelstahl GmbH	KV
BOHLER UDDEHOLM POLSKA Sp. z o.o.	POL	100.000%	voestalpine Edelstahl GmbH	KV
BOHLER UDDEHOLM ROMANIA S.R.L.	ROU	100.000%	voestalpine Edelstahl GmbH	KV
BÖHLER Wärmebehandlung GmbH	AUT	51.000%	voestalpine Edelstahl GmbH	KV
BÖHLERSTAHL Vertriebsgesellschaft m.b.H.	AUT	100.000%	voestalpine Edelstahl GmbH	KV
BOHLER-UDDEHOLM (UK) LIMITED	GBR	100.000%	voestalpine Edelstahl GmbH	KV
Böhler-Uddeholm B.V.	NLD	100.000%	voestalpine Edelstahl GmbH	KV
BOHLER-UDDEHOLM COLOMBIA S.A.	COL	0.009%	BÖHLER Bleche GmbH & Co. KG	KV
BOHLER-UDDEHOLM COLOMBIA S.A.	COL	0.009%	BÖHLER Edelstahl GmbH & Co KG	KV
BOHLER-UDDEHOLM COLOMBIA S.A.	COL	90.635%	voestalpine Edelstahl GmbH	KV

	Domicile of the company	Interest held	Parent company	Type of consolidation
BOHLER-UDDEHOLM COLOMBIA S.A.	COL	9.347%	BÖHLER Edelstahl GmbH	KV
Bohler-Uddeholm Corporation	USA	100.000%	voestalpine Edelstahl GmbH	KV
BÖHLER-UDDEHOLM DEUTSCHLAND GMBH	DEU	100.000%	BÖHLER-UDDEHOLM HOLDING GMBH	KV
BÖHLER-UDDEHOLM France S.A.S.	FRA	100.000%	voestalpine Edelstahl GmbH	KV
BÖHLER-UDDEHOLM HÄRTEREITECHNIK GmbH	DEU	100.000%	voestalpine Edelstahl GmbH	KV
BÖHLER-UDDEHOLM HOLDING GMBH	DEU	100.000%	Böhler Aktiengesellschaft	KV
Böhler-Uddeholm Hungary Kft.	HUN	100.000%	voestalpine Edelstahl GmbH	KV
Böhler-Uddeholm Iberica S.A.U.	ESP	100.000%	voestalpine Edelstahl GmbH	KV
Bohler-Uddeholm KK	JPN	100.000%	ASSAB Pacific Pte. Ltd.	KV
Böhler-Uddeholm Ltd.	CAN	100.000%	voestalpine Edelstahl GmbH	KV
Böhler-Uddeholm SLOVAKIA, s.r.o.	SVK	100.000%	voestalpine Edelstahl GmbH	KV
BU Beteiligungs-und Vermögensverwaltung GmbH	AUT	100.000%	BÖHLER Edelstahl GmbH	KV
Buderus Edelstahl GmbH	DEU	100.000%	voestalpine Edelstahl GmbH	KV
DIN ACCIAI S.p.A.	ITA	100.000%	Böhler Uddeholm Italia S.p.A.	KV
Densam Industrial Co. Ltd.	TWN	51.000%	ASSAB Pacific Pte. Ltd.	KV
Densam Industrial Co. Ltd.	TWN	49.000%	ASSAB Steels (Taiwan) Ltd.	KV
Deville Rectification S.A.S.	FRA	99.996%	Buderus Edelstahl GmbH	KV
Deville Rectification S.A.S.	FRA	0.004%	Edelstahlwerke Buderus Nederland B.V.	KV
E B C Eifeler Beschichtungs - Center GmbH	DEU	100.000%	Eifeler Werkzeuge GmbH	KV
EDRO Engineering, Inc.	USA	100.000%	Bohler-Uddeholm Corporation	KV
EDRO Specialty Steels GmbH	DEU	100.000%	EDRO Specialty Steels, Inc.	KV
EDRO Specialty Steels, Inc.	USA	100.000%	Bohler-Uddeholm Corporation	KV
Eifeler International GmbH	DEU	100.000%	Eifeler Werkzeuge GmbH	KV
Eifeler Lasertechnik GmbH	DEU	100.000%	Eifeler Werkzeuge GmbH	KV
Eifeler Nord Coating GmbH Entwicklungscenter für Dünnschichttechnologien	DEU	100.000%	Eifeler Werkzeuge GmbH	KV
EIFELER POLITEC GMBH	DEU	100.000%	Eifeler Werkzeuge GmbH	KV
Eifeler Swiss AG	CHE	100.000%	Eifeler Süd-Coating GmbH	KV
Eifeler Süd-Coating GmbH	DEU	100.000%	Eifeler Werkzeuge GmbH	KV
Eifeler Werkzeuge GmbH	DEU	100.000%	voestalpine Edelstahl GmbH	KV
Eifeler-Lafer-Inc.	USA	100.000%	Eifeler International GmbH	KV

[1] These consolidated financial statements represent an exemption for Böhler Grundstücks GmbH & Co. KG in accordance with Sec. 264b of the German Commercial Code (dHGB).

	Domicile of the company	Interest held	Parent company	Type of consolidation
ENPAR Sonderwerkstoffe GmbH	DEU	85.000%	voestalpine Edelstahl GmbH	KV
EschmannStahl GmbH & Co. KG[1]	DEU	51.000%	BÖHLER-UDDEHOLM HOLDING GMBH	KV
EschmannStahl GmbH & Co. KG[1]	DEU	49.000%	voestalpine Edelstahl GmbH	KV
Eschmann Textura Internacional – Transformacao de Ferramentas, Unipessoal, LDA	PRT	100.000%	Eschmann Textures International GmbH	KV
Eschmann Textures India Private Limited	IND	99.980%	Eschmann Textures International GmbH	KV
Eschmann Textures India Private Limited	IND	0.020%	Eschmann Textura Internacional – Transformacao de Ferramentas, Unipessoal, LDA	KV
Eschmann Textures International GmbH	DEU	100.000%	voestalpine Edelstahl GmbH	KV
Eschmann Vermögensverwaltung GmbH	DEU	100.000%	voestalpine Edelstahl GmbH	KV
Eschmann-Stahl Portugal-Acos Finos e Transformacao de Ferramentas, Unipessoal Lda. – em Liquidacao	PRT	100.000%	voestalpine Edelstahl GmbH	KV
Gebrüder Böhler & Co. AG	CHE	99.830%	voestalpine Edelstahl GmbH	KV
GMV Eschmann International SAS	FRA	100.000%	Eschmann Textures International GmbH	KV
Grabados Eschmann International S.L.	ESP	100.000%	Eschmann Textures International GmbH	KV
Gravutex Eschmann International Limited	GBR	100.000%	Eschmann Textures International GmbH	KV
Grimstows Holdings Inc.	CAN	100.000%	Böhler-Uddeholm Ltd.	KV
IS Intersteel Stahlhandel GmbH	DEU	100.000%	voestalpine Edelstahl GmbH	KV
Jing Ying Industrial Co. Ltd.	TWN	100.000%	Densam Industrial Co. Ltd.	KV
OOO BÖHLER-UDDEHOLM	RUS	100.000%	voestalpine Edelstahl GmbH	KV
PT Assab Steels Indonesia	IDN	100.000%	ASSAB Pacific Pte. Ltd.	KV
Sacma Acciai Speciali S.p.A.	ITA	100.000%	Böhler Uddeholm Italia S.p.A.	KV
Sturdell Holdings, Inc.	USA	100.000%	Grimstows Holdings Inc.	KV
Sturdell Industries Inc.	CAN	100.000%	Grimstows Holdings Inc.	KV
Sturdell Industries, Inc.	USA	100.000%	Sturdell Holdings, Inc.	KV
Uddeholm A/S	DNK	100.000%	voestalpine Edelstahl GmbH	KV
Uddeholm AS	NOR	100.000%	voestalpine Edelstahl GmbH	KV
Uddeholm Eiendom AS	NOR	100.000%	voestalpine Edelstahl GmbH	KV
Uddeholm Holding AB	SWE	100.000%	voestalpine Edelstahl GmbH	KV

	Domicile of the company	Interest held	Parent company	Type of consolidation
Uddeholm Oy Ab	FIN	100.000%	voestalpine Edelstahl GmbH	KV
Uddeholm Svenska Aktiebolag	SWE	100.000%	Uddeholms AB	KV
Uddeholms AB	SWE	100.000%	Uddeholm Holding AB	KV
Vacotec S.A.	CHE	100.000%	Eifeler Werkzeuge GmbH	KV
Villares Metals International B.V.	NLD	100.000%	Villares Metals S.A.	KV
Villares Metals S.A.	BRA	100.000%	voestalpine Edelstahl GmbH	KV
voestalpine Treasury Holding GmbH	AUT	100.000%	voestalpine Edelstahl GmbH	KV
ACEROS BOEHLER BOLIVIA S.A.	BOL	98.000%	Aceros Boehler del Peru S.A.	K0
ACEROS BOEHLER BOLIVIA S.A.	BOL	1.000%	voestalpine Edelstahl GmbH	K0
ACEROS BOEHLER BOLIVIA S.A.	BOL	1.000%	BÖHLER Edelstahl GmbH	K0
ASSAB Steels Vietnam Company Limited	VIE	100.000%	ASSAB Pacific Pte. Ltd.	K0
Bohlasia Steels Sdn. Bhd.	MYS	53.333%	voestalpine Edelstahl GmbH	K0
Bohler Pacific Pte Ltd	SGP	100.000%	ASSAB Pacific Pte. Ltd.	K0
BÖHLER-UDDEHOLM Immobilien GmbH	AUT	100.000%	voestalpine Edelstahl GmbH	K0
Böhler-Uddeholm Solidaritätsfonds Privatstiftung	AUT	100.000%	BÖHLER Edelstahl GmbH & Co KG	K0
BÖHLER-UDDEHOLM UKRAINE LLC	UKR	100.000%	voestalpine Edelstahl GmbH	K0
BÖHLER-UDDEHOLM ZAGREB d.o.o.	HRV	100.000%	voestalpine Edelstahl GmbH	K0
DEGECANDOR Grundstücksverwaltungsgesell-schaft mbH & Co. Immobilien-Vermietungs KG	DEU	95.000%	Böhler Aktiengesellschaft	K0
Edelstahlwerke Buderus Nederland B.V.	NLD	100.000%	Buderus Edelstahl GmbH	K0
EDRO Limited	CHN	100.000%	EDRO Specialty Steels, Inc.	K0
Eschmann Beteiligungsgesellschaft mbH	DEU	50.977%	BÖHLER-UDDEHOLM HOLDING GMBH	K0
Eschmann Beteiligungsgesellschaft mbH	DEU	49.023%	Eschmann Vermögensverwaltung GmbH	K0
Grundstück-Verwaltungsgesellschaft Gewerbehof Sendling mbH & Co. KG	DEU	62.916%	Böhler Aktiengesellschaft	K0
HOTEL BÖHLERSTERN Gesellschaft m.b.H.	AUT	99.000%	BÖHLER Edelstahl GmbH & Co KG	K0
HOTEL BÖHLERSTERN Gesellschaft m.b.H.	AUT	1.000%	BÖHLER Schmiedetechnik GmbH & Co KG	K0
Schoeller-Bleckmann (UK) Limited	GBR	100.000%	BOHLER-UDDEHOLM (UK) LIMITED	K0
V.K. Italia S.r.l.	ITA	20.000%	Böhler Uddeholm Italia S.p.A.	K0

[1] These consolidated financial statements represent an exemption for EschmannStahl GmbH & Co. KG in accordance with Sec. 264b of the German Commercial Code (dHGB).

Metal Engineering Division

	Domicile of the company	Interest held	Parent company	Type of consolidation
voestalpine Metal Engineering GmbH & Co KG	AUT	100.000%	voestalpine AG	KV
Advanced Railway Systems GmbH	AUT	100.000%	voestalpine HYTRONICS GmbH	KV
Böhler Lastechniek Groep Nederland B.V.	NLD	100.000%	Böhler Welding Holding GmbH	KV
BÖHLER Schweißtechnik Austria GmbH	AUT	100.000%	Böhler Welding Holding GmbH	KV
Böhler Schweisstechnik Deutschland GmbH	DEU	100.000%	Böhler Welding Holding GmbH	KV
Böhler Soldaduras S.A. de C.V.	MEX	99.990%	Böhler Welding Holding GmbH	KV
Böhler Soldaduras S.A. de C.V.	MEX	0.010%	Böhler Welding Group Central Eastern Europe GmbH	KV
Böhler Tecnica de Soldagem Ltda.	BRA	100.000%	Böhler Welding Holding GmbH	KV
Bohler Welding Group Canada Ltd.	CAN	100.000%	Böhler Welding Holding GmbH	KV
Böhler Welding Group Central Eastern Europe GmbH	AUT	100.000%	Böhler Welding Holding GmbH	KV
Böhler Welding Group GmbH	AUT	100.000%	Böhler Welding Holding GmbH	KV
Böhler Welding Group Greece S.A.	GRC	100.000%	Böhler Welding Holding GmbH	KV
Bohler Welding Group India Private Limited	IND	99.999%	Böhler Welding Holding GmbH	KV
Bohler Welding Group India Private Limited	IND	0.001%	Böhler Welding Group Central Eastern Europe GmbH	KV
BOHLER WELDING GROUP ITALIA s.p.a.	ITA	100.000%	Böhler Welding Holding GmbH	KV
Bohler Welding Group Middle East FZE	ARE	100.000%	Böhler Welding Holding GmbH	KV
Böhler Welding Group Nordic AB	SWE	100.000%	BÖHLER Schweißtechnik Austria GmbH	KV
Böhler Welding Group Schweiz AG	CHE	100.000%	Böhler Welding Holding GmbH	KV
BOHLER WELDING GROUP SRL	ROU	100.000%	Böhler Welding Group Central Eastern Europe GmbH	KV
Bohler Welding Group UK Limited	GBR	100.000%	Böhler Welding Holding GmbH	KV
Bohler Welding Group USA Inc.	USA	100.000%	Böhler Welding Holding GmbH	KV
Böhler Welding Holding GmbH	DEU	94.500%	voestalpine Metal Engineering GmbH	KV
Böhler Welding Holding GmbH	DEU	5.500%	BÖHLER-UDDEHOLM HÄRTEREITECHNIK GmbH	KV
Böhler Welding Technology (China) Co. Ltd.	CHN	100.000%	Böhler Welding Holding GmbH	KV
Böhler Welding Trading (Shanghai) Co., Ltd.	CHN	100.000%	Böhler Welding Holding GmbH	KV
Contec GmbH Transportation Systems	DEU	62.376%	voestalpine HYTRONICS GmbH	KV

	Domicile of the company	Interest held	Parent company	Type of consolidation
Control and Display Systems Limited	GBR	100.000%	voestalpine HYTRONICS GmbH	KV
Digvijay Steels Private Limited	IND	50.100%	voestalpine VAE GmbH	KV
FONTARGEN Gesellschaft mit beschränkter Haftung	DEU	100.000%	Böhler Welding Holding GmbH	KV
Groupe Bohler Soudage France S.A.S.	FRA	100.000%	BÖHLER Schweißtechnik Austria GmbH	KV
Grupo Bohler Soldadura Espana S.A.	ESP	100.000%	Böhler Welding Holding GmbH	KV
JEZ Sistemas Ferroviarios S.L.	ESP	70.000%	voestalpine VAE GmbH	KV
LASA Schienentechnik GmbH	DEU	100.000%	voestalpine BWG GmbH	KV
Materiel Ferroviaire d'Arberats SASU	FRA	100.000%	JEZ Sistemas Ferroviarios S.L.	KV
Nortrak-Damy, Cambios de Via, S.A.P.I. de C.V.	MEX	51.007%	voestalpine Nortrak Inc.	KV
OOO Böhler Welding Group Russia	RUS	100.000%	Böhler Welding Holding GmbH	KV
PT Bohler Welding Group Asia Pacific	IDN	95.000%	Böhler Welding Holding GmbH	KV
PT Bohler Welding Group Asia Pacific	IDN	5.000%	BÖHLER Schweißtechnik Austria GmbH	KV
Rene Prinsen Spoorwegmaterialen B.V.	NLD	100.000%	voestalpine Railpro B.V.	KV
Soudokay S.A.	BEL	100.000%	Böhler Welding Holding GmbH	KV
SST Signal & System Technik GmbH	DEU	90.000%	voestalpine HYTRONICS GmbH	KV
SST Signal & System Technik GmbH	DEU	10.000%	voestalpine Weichensysteme GmbH	KV
TSF-A GmbH	AUT	50.100%	voestalpine Weichensysteme GmbH	KV
TSTG Schienen Technik GmbH & Co KG [1]	DEU	100.000%	voestalpine Bahnsysteme Beteiligungsverwaltung Deutschland GmbH	KV
TSTG Schienen Technik Verwaltungs GmbH	DEU	100.000%	voestalpine Bahnsysteme Beteiligungsverwaltung Deutschland GmbH	KV
VAMAV Vasúti Berendezések Kft.	HUN	50.000%	voestalpine VAE GmbH	KV
voestalpine Austria Draht GmbH	AUT	100.000%	voestalpine Metal Engineering GmbH & Co KG	KV
voestalpine Bahnsysteme Beteiligungsverwaltung Deutschland GmbH	DEU	100.000%	voestalpine Metal Engineering GmbH & Co KG	KV
voestalpine Bahnsysteme Vermögensverwaltungs GmbH	AUT	100.000%	voestalpine Metal Engineering GmbH & Co KG	KV
voestalpine BWG GmbH	DEU	100.000%	voestalpine VAE GmbH	KV
voestalpine CPA Filament GmbH	AUT	54.092%	voestalpine Austria Draht GmbH	KV
voestalpine Draht Finsterwalde GmbH	DEU	100.000%	voestalpine Austria Draht GmbH	KV

[1] These consolidated financial statements represent an exemption for TSTG Schienen Technik GmbH & Co KG in accordance with Sec. 264b of the German Commercial Code (dHGB).

	Domicile of the company	Interest held	Parent company	Type of consolidation
voestalpine HYTRONICS GmbH	AUT	100.000%	voestalpine VAE GmbH	KV
voestalpine Kardemir Demiryolu Sistemleri Sanayi ve Ticaret Anonim Sirketi	TUR	50.956%	voestalpine VAE GmbH	KV
voestalpine Kardemir Demiryolu Sistemleri Sanayi ve Ticaret Anonim Sirketi	TUR	0.022%	voestalpine Weichensysteme GmbH	KV
voestalpine Kardemir Demiryolu Sistemleri Sanayi ve Ticaret Anonim Sirketi	TUR	0.022%	Weichenwerk Wörth GmbH	KV
voestalpine Klöckner Bahntechnik GmbH	DEU	100.000%	voestalpine Bahnsysteme Beteiligungsverwaltung Deutschland GmbH	KV
voestalpine Metal Engineering GmbH	AUT	100.000%	voestalpine AG	KV
voestalpine Nortrak Inc.	USA	100.000%	voestalpine VAE GmbH	KV
voestalpine Nortrak Ltd.	CAN	100.000%	voestalpine Nortrak Inc.	KV
voestalpine Rail Center Duisburg GmbH	DEU	100.000%	voestalpine Bahnsysteme Beteiligungsverwaltung Deutschland GmbH	KV
voestalpine Railpro B.V.	NLD	70.000%	voestalpine Metal Engineering GmbH & Co KG	KV
voestalpine Schienen GmbH	AUT	100.000%	voestalpine Metal Engineering GmbH & Co KG	KV
voestalpine Stahl Donawitz GmbH	AUT	100.000%	voestalpine Bahnsysteme Vermögensverwaltungs GmbH	KV
voestalpine TENS Sp. z o.o.	POL	100.000%	voestalpine HYTRONICS GmbH	KV
voestalpine Track Solutions Saudi Arabia Limited	SAU	51.000%	voestalpine VAE GmbH	KV
voestalpine VAE GmbH	AUT	100.000%	voestalpine Metal Engineering GmbH & Co KG	KV
voestalpine VAE Africa (Pty) Ltd.	ZAF	100.000%	voestalpine VAE GmbH	KV
voestalpine VAE Apcarom SA	ROU	92.918%	voestalpine VAE GmbH	KV
voestalpine VAE Brasil Produtos Ferroviários Ltda.	BRA	59.000%	voestalpine VAE GmbH	KV
voestalpine VAE Italia S.r.l.	ITA	95.000%	voestalpine VAE GmbH	KV
voestalpine VAE Italia S.r.l.	ITA	5.000%	voestalpine VAE UK Ltd.	KV
voestalpine VAE Legetecha UAB	LTU	66.000%	voestalpine VAE GmbH	KV
voestalpine VAE Polska Sp. z o. o.	POL	100.000%	voestalpine VAE GmbH	KV

	Domicile of the company	Interest held	Parent company	Type of consolidation
voestalpine VAE Railway Systems Pty.Ltd.	AUS	100.000%	voestalpine VAE GmbH	KV
voestalpine VAE Riga SIA	LVA	100.000%	voestalpine VAE GmbH	KV
voestalpine VAE SA (Pty) Ltd.	ZAF	69.000%	voestalpine VAE Africa (Pty) Ltd.	KV
voestalpine VAE Sofia OOD	BGR	51.000%	voestalpine VAE GmbH	KV
voestalpine VAE UK Ltd.	GBR	100.000%	voestalpine VAE GmbH	KV
voestalpine VAE VKN India Private Limited	IND	51.000%	voestalpine VAE GmbH	KV
voestalpine VAE VKN India Private Limited	IND	6.000%	JEZ Sistemas Ferroviarios S.L.	KV
voestalpine WBN B.V.	NLD	100.000%	voestalpine VAE GmbH	KV
voestalpine Weichensysteme GmbH	AUT	100.000%	voestalpine VAE GmbH	KV
Weichenwerk Wörth GmbH	AUT	70.000%	voestalpine Weichensysteme GmbH	KV
voestalpine Tubulars GmbH	AUT	50.000%	voestalpine Bahnsysteme Vermögensverwaltungs GmbH	KQ
voestalpine Tubulars GmbH & Co KG	AUT	49.985%	voestalpine Bahnsysteme Vermögensverwaltungs GmbH	KQ
voestalpine Tubulars GmbH & Co KG	AUT	0.010%	voestalpine Tubulars GmbH	KQ
CNTT Chinese New Turnout Technologies Co., Ltd.	CHN	29.070%	voestalpine VAE GmbH	KE
CNTT Chinese New Turnout Technologies Co., Ltd.	CHN	20.930%	voestalpine BWG GmbH	KE
Burbiola S.A.	ESP	50.000%	JEZ Sistemas Ferroviarios S.L.	K0
Liegenschaftsverwaltungs GmbH	AUT	100.000%	voestalpine Bahnsysteme Vermögensverwaltungs GmbH	K0
KW PenzVAEE GmbH	AUT	49.000%	voestalpine Weichensysteme GmbH	K0
VAE Murom LLC	RUS	50.000%	voestalpine VAE GmbH	K0
voestalpine BWG ltd.	CHN	100.000%	voestalpine BWG GmbH	K0
voestalpine Schienentechnik Beteiligungs GmbH	AUT	100.000%	voestalpine Metal Engineering GmbH & Co KG	K0
voestalpine Tubulars Middle East FZE	ARE	100.000%	voestalpine Tubulars GmbH	K0
VOEST-ALPINE TUBULAR CORP.	USA	100.000%	voestalpine Tubulars GmbH	K0

Metal Forming Division

	Domicile of the company	Interest held	Parent company	Type of consolidation
voestalpine Metal Forming GmbH	AUT	100.000%	voestalpine AG	KV
Böhler Uddeholm Precision Steel AB	SWE	100.000%	BÖHLER-UDDEHOLM Precision Strip GmbH	KV
Böhler Uddeholm Precision Strip Trading (Suzhou) Co., Ltd	CHN	100.000%	BÖHLER-UDDEHOLM Precision Strip GmbH	KV
Böhler Uddeholm Saw Steel AB	SWE	100.000%	BÖHLER-UDDEHOLM Precision Strip GmbH	KV
Böhler Uddeholm Service Center AB	SWE	100.000%	BÖHLER-UDDEHOLM Precision Strip GmbH	KV
Böhler-Uddeholm Precision Strip AB	SWE	100.000%	BÖHLER-UDDEHOLM Precision Strip GmbH	KV
BÖHLER-UDDEHOLM Precision Strip GmbH	AUT	100.000%	voestalpine Metal Forming GmbH	KV
BOHLER-UDDEHOLM Precision Strip LLC	USA	100.000%	BÖHLER-UDDEHOLM Precision Strip GmbH	KV
Compania de Industria y Comercio, S.A. de C.V.	MEX	99.999%	BÖHLER-UDDEHOLM Precision Strip GmbH	KV
Compania de Industria y Comercio, S.A. de C.V.	MEX	0.001%	voestalpine Metal Forming GmbH	KV
Flamco AG	CHE	100.000%	Flamco Holding B.V.	KV
Flamco B.V.	NLD	100.000%	Flamco Holding B.V.	KV
Flamco Flexcon B.V.	NLD	100.000%	Flamco Holding B.V.	KV
Flamco Flexcon Ltd.	GBR	100.000%	Flamco Holding B.V.	KV
Flamco GmbH	DEU	100.000%	Flamco STAG Behälterbau GmbH	KV
Flamco Heating Accessories (Changshu) Co., Ltd.	CHN	100.000%	Flamco Holding B.V.	KV
Flamco Holding B.V.	NLD	100.000%	voestalpine Automotive Netherlands Holding B.V.	KV
Flamco IMZ B.V.	NLD	100.000%	Flamco Holding B.V.	KV
Flamco Kft.	HUN	100.000%	Flamco Holding B.V.	KV
Flamco Ltd.	GBR	100.000%	Flamco Flexcon Ltd.	KV
Flamco s.a.r.l.	FRA	100.000%	Flamco Holding B.V.	KV
Flamco Sp. z o.o.	POL	100.000%	Flamco Holding B.V.	KV
Flamco STAG Behälterbau GmbH	DEU	94.000%	Flamco Holding B.V.	KV
Flamco STAG Behälterbau GmbH	DEU	6.000%	Polynorm GmbH	KV
Flamco STAG GmbH	DEU	100.000%	Flamco STAG Behälterbau GmbH	KV
Global Rollforming Corporation	USA	100.000%	voestalpine Metal Forming GmbH	KV
Kadow und Riese Laser- und Umformtechnik GmbH	DEU	100.000%	voestalpine Stamptec Birkenfeld GmbH	KV

	Domicile of the company	Interest held	Parent company	Type of consolidation
Metsec plc	GBR	100.000%	VOEST-ALPINE KREMS U.K. plc	KV
Nedcon Bohemia, s.r.o.	CZE	100.000%	Nedcon Groep N.V.	KV
Nedcon France SASU	FRA	100.000%	Nedcon Groep N.V.	KV
Nedcon Groep N.V.	NLD	100.000%	voestalpine Metal Forming GmbH	KV
Nedcon Lagertechnik GmbH	DEU	100.000%	Nedcon Groep N.V.	KV
Nedcon Magazijninrichting B.V.	NLD	100.000%	Nedcon Groep N.V.	KV
Nedcon USA Inc.	USA	100.000%	Nedcon Groep N.V.	KV
Polynorm GmbH	DEU	100.000%	voestalpine Polynorm B.V.	KV
Polynorm Immobilien GmbH & Co. KG[1]	DEU	100.000%	voestalpine Polynorm B.V.	KV
Roll Forming Corporation	USA	100.000%	Global Rollforming Corporation	KV
SADEF N.V.	BEL	100.000%	voestalpine Metal Forming GmbH	KV
Servitroquel – Notting, S.A. Unipersonal	ESP	100.000%	BÖHLER-UDDEHOLM Precision Strip GmbH	KV
Sharon Custom Metal Forming, Inc.	USA	100.000%	Global Rollforming Corporation	KV
Société Automatique de Profilage (SAP)	FRA	100.000%	voestalpine Metal Forming GmbH	KV
Société Profilafroid	FRA	100.000%	voestalpine Metal Forming GmbH	KV
STAMPTEC France SAS	FRA	100.000%	STAMPTEC-Holding GmbH	KV
STAMPTEC-Holding GmbH	DEU	95.000%	voestalpine Metal Forming GmbH	KV
STAMPTEC-Holding GmbH	DEU	5.000%	voestalpine Polynorm GmbH & Co. KG	KV
Stratford Joists Limited	GBR	100.000%	Metsec plc	KV
voestalpine Automotive Body Parts Inc.	USA	100.000%	voestalpine Polynorm B.V.	KV
voestalpine Automotive Netherlands Holding B.V.	NLD	100.000%	voestalpine Metal Forming GmbH	KV
voestalpine Elmsteel Group Limited	GBR	100.000%	voestalpine Rotec GmbH	KV
voestalpine Europlatinen GmbH	AUT	100.000%	voestalpine Metal Forming GmbH	KV
voestalpine HTI Beteiligungs GmbH	AUT	100.000%	voestalpine Rotec GmbH	KV
voestalpine Krems Finaltechnik GmbH	AUT	100.000%	voestalpine Metal Forming GmbH	KV
voestalpine Krems GmbH	AUT	100.000%	voestalpine Metal Forming GmbH	KV
voestalpine Meincol S.A.	BRA	100.000%	voestalpine Metal Forming GmbH	KV
voestalpine Polynorm B.V.	NLD	100.000%	voestalpine Automotive Netherlands Holding B.V.	KV

[1] These consolidated financial statements represent an exemption for Polynorm Immobilien GmbH & Co. KG in accordance with Sec. 264b of the German Commercial Code (dHGB).

	Domicile of the company	Interest held	Parent company	Type of consolidation
voestalpine Polynorm GmbH & Co. KG[1]	DEU	100.000%	Polynorm GmbH	KV
voestalpine Polynorm Plastics B.V.	NLD	100.000%	voestalpine Polynorm Van Niftrik B.V.	KV
voestalpine Polynorm Van Niftrik B.V.	NLD	100.000%	voestalpine Automotive Netherlands Holding B.V.	KV
voestalpine Präzisionsprofil GmbH	DEU	90.000%	voestalpine Profilform Beteiligung GmbH	KV
voestalpine Präzisionsprofil GmbH	DEU	10.000%	voestalpine Metal Forming GmbH	KV
voestalpine Profilform (China) Co., Ltd.	CHN	100.000%	voestalpine Metal Forming GmbH	KV
voestalpine Profilform Beteiligung GmbH	AUT	100.000%	voestalpine Metal Forming GmbH	KV
voestalpine PROFILFORM s.r.o.	CZE	100.000%	voestalpine Metal Forming GmbH	KV
voestalpine Rotec AB	SWE	100.000%	voestalpine Rotec GmbH	KV
voestalpine Rotec France S.A.	FRA	100.000%	voestalpine Rotec GmbH	KV
voestalpine Rotec GmbH	AUT	100.000%	voestalpine Metal Forming GmbH	KV
voestalpine Rotec GmbH & Co. KG[1]	DEU	98.996%	voestalpine HTI Beteiligungs GmbH	KV
voestalpine Rotec GmbH & Co. KG[1]	DEU	1.004%	voestalpine Rotec GmbH	KV
voestalpine Rotec Iberica S.A.	ESP	100.000%	voestalpine Rotec GmbH	KV
voestalpine Rotec Incorporated	USA	100.000%	voestalpine Rotec GmbH	KV
voestalpine Rotec Limited	GBR	100.000%	voestalpine Rotec GmbH	KV
voestalpine Rotec Sp. z o. o.	POL	100.000%	voestalpine Rotec GmbH	KV
voestalpine Stamptec Birkenfeld GmbH[2]	DEU	100.000%	STAMPTEC-Holding GmbH	KV
voestalpine Stamptec Böhmenkirch GmbH & Co. KG[1]	DEU	100.000%	voestalpine Metal Forming GmbH	KV
voestalpine Stamptec France	FRA	99.998%	STAMPTEC France SAS	KV
voestalpine Stamptec GmbH[2]	DEU	100.000%	STAMPTEC-Holding GmbH	KV
voestalpine Stamptec Holding GmbH	AUT	100.000%	voestalpine Metal Forming GmbH	KV
voestalpine Stamptec Nagold GmbH & Co. KG[1]	DEU	99.667%	voestalpine Stamptec Holding GmbH	KV
voestalpine Stamptec Nagold GmbH & Co. KG[1]	DEU	0.333%	voestalpine Metal Forming GmbH	KV
voestalpine Stamptec Pfaffenhofen GmbH & Co. KG[1]	DEU	99.933%	voestalpine Stamptec Holding GmbH	KV
voestalpine Stamptec Pfaffenhofen GmbH & Co. KG[1]	DEU	0.067%	voestalpine Metal Forming GmbH	KV

	Domicile of the company	Interest held	Parent company	Type of consolidation
voestalpine Stamptec Qinhuangdao Co., Ltd.	CHN	100.000%	STAMPTEC-Holding GmbH	KV
voestalpine Stamptec Romania S.R.L.	ROU	50.000%	voestalpine Stamptec Böhmenkirch GmbH & Co. KG	KV
voestalpine Stamptec Romania S.R.L.	ROU	50.000%	voestalpine Stamptec Birkenfeld GmbH	KV
voestalpine Stamptec Schmölln GmbH[2]	DEU	100.000%	voestalpine Stamptec GmbH	KV
voestalpine Stamptec South Africa (Pty) Ltd.	ZAF	100.000%	STAMPTEC-Holding GmbH	KV
voestalpine Straßensicherheit GmbH	AUT	100.000%	voestalpine Metal Forming GmbH	KV
VOEST-ALPINE KREMS U.K. plc	GBR	100.000%	voestalpine Metal Forming GmbH	KV
W E M E F A Horst Christopeit Gesellschaft mit beschränkter Haftung	DEU	100.000%	Flamco STAG Behälterbau GmbH	KV
ZAO voestalpine Arkada Profil	RUS	100.000%	voestalpine Profilform Beteiligung GmbH	KV
Entwicklungsgesellschaft Gügling Ost GmbH & Co. KG	DEU	6.000%	Polynorm GmbH	K0
Entwicklungsgesellschaft Gügling Verwaltungs GmbH	DEU	100.000%	Polynorm GmbH	K0
EURACIER	FRA	20.000%	BÖHLER-UDDEHOLM Precision Strip GmbH	K0
Gemeinnützige Donau-Ennstaler Siedlungs-Aktiengesellschaft	AUT	33.333%	voestalpine Krems GmbH	K0
Martin Miller Blansko, spol. s r. o. (in Liquidation)	CZE	100.000%	BÖHLER-UDDEHOLM Precision Strip GmbH	K0
Martin Miller North America, Inc.	USA	100.000%	BÖHLER-UDDEHOLM Precision Strip GmbH	K0
Metal Sections Limited	GBR	100.000%	Metsec plc	K0
Munkfors Värmeverk Aktiebolag	SWE	40.000%	Böhler-Uddeholm Precision Strip AB	K0
Polynorm Immobilien Beteiligungs-GmbH	DEU	100.000%	voestalpine Polynorm B.V.	K0
SADEF FRANCE S.A.R.L.	FRA	90.000%	SADEF N.V.	K0
SADEF FRANCE S.A.R.L.	FRA	10.000%	voestalpine Krems GmbH	K0
voestalpine Arkada Zapad IP	BLR	100.000%	ZAO voestalpine Arkada Profil	K0
voestalpine Polynorm Beteiligungsgesellschaft m.b.H.	DEU	100.000%	voestalpine Polynorm GmbH & Co. KG	K0
voestalpine Stamptec Beteiligungs GmbH	DEU	100.000%	voestalpine Stamptec Böhmenkirch GmbH & Co. KG	K0

[1] These consolidated financial statements represent an exemption for voestalpine Polynorm GmbH & Co. KG, voestalpine Rotec GmbH & Co. KG, voestalpine Stamptec Böhmenkirch GmbH & Co. KG, voestalpine Stamptec Nagold GmbH & Co. KG, and voestalpine Stamptec Pfaffenhofen GmbH & Co. KG in accordance with Sec. 264b of the German Commercial Code (dHGB).

[2] These consolidated financial statements represent an exemption for voestalpine Stamptec Birkenfeld GmbH, voestalpine Stamptec GmbH, and voestalpine Stamptec Schmölln GmbH in accordance with Sec. 264 (3) of the German Commercial Code (dHGB).

Other companies

	Domicile of the company	Interest held	Parent company	Type of consolidation
Danube Equity AG	AUT	71.373%	voestalpine AG	KV
Importkohle Gesellschaft m.b.H.	AUT	100.000%	voestalpine Rohstoffbeschaffungs GmbH	KV
voestalpine Dienstleistungs- und Finanzierungs GmbH	DEU	100.000%	voestalpine Finanzierungs Holding GmbH	KV
voestalpine Finanzierungs GmbH	AUT	100.000%	voestalpine Finanzierungs Holding GmbH	KV
voestalpine Finanzierungs Holding GmbH	AUT	100.000%	voestalpine AG	KV
voestalpine group-IT AB	SWE	100.000%	voestalpine group-IT GmbH	KV
voestalpine group-IT GmbH	AUT	100.000%	voestalpine AG	KV
voestalpine group-IT GmbH	DEU	100.000%	voestalpine group-IT GmbH	KV
voestalpine group-IT Tecnologia da Informacao Ltda.	BRA	100.000%	voestalpine group-IT GmbH	KV
voestalpine Rohstoffbeschaffungs GmbH	AUT	100.000%	voestalpine AG	KV
APK-Pensionskasse Aktiengesellschaft[1]	AUT	19.110%	voestalpine AG	KE
APK-Pensionskasse Aktiengesellschaft[1]	AUT	10.082%	voestalpine Edelstahl GmbH	KE
VA Intertrading Aktiengesellschaft[1]	AUT	38.500%	voestalpine AG	KE
Donauländische Baugesellschaft m.b.H.	AUT	100.000%	voestalpine AG	K0
voestalpine Insurance Services GmbH	AUT	100.000%	voestalpine AG	K0

[1] For companies consolidated according to the equity method marked [1], the reporting date of December 31 applies.

Explanations:
KV Full consolidation
KQ Proportionate consolidation
KE Equity method
K0 No consolidation

Glossary

Acquisition. Takeover or purchase of companies or of interests in companies.

Affiliated companies. Companies that are directly or indirectly under the same management—in this case of voestalpine AG—in which voestalpine AG holds, directly or indirectly, a majority of the voting rights or exercises the controlling influence.

Asset deal. Company takeover, where the buyer purchases individual assets (rather than shares).

ATX. "Austrian Traded Index," the leading index of the Vienna Stock Exchange, which contains the 20 most important stocks in the prime market segment.

Borrowed capital. Inclusive term for provisions, trade and other payables, posted on the liabilities side of the statement of financial position.

Borrowed capital ratio. Ratio of borrowed capital recorded on the statement of financial position to total assets (the higher the ratio, the higher the debt burden).

Capital employed. Total employed interest-bearing capital.

Cash flow.
- From investing activities: outflow/inflow of liquid assets from investments/disinvestments;
- From operating activities: outflow/inflow of liquid assets not affected by investment, disinvestment, or financing activities.
- From financing activities: outflow/inflow of liquid assets from capital expenditures and capital contributions.

Cost of materials. Incorporates all expenditures necessary for the procurement of raw and auxiliary materials required for production.

Current assets. Those assets that are expected to be realized in cash or consumed in the short term, that is, they are not expected to be available for a company's business operations long-term, for example, inventory, trade accounts receivable, or securities.

EBIT (earnings before interest and taxes). Profit before the deduction of taxes, non-controlling interests, and financial result.

EBIT margin. EBIT percentage of revenue.

EBITDA (earnings before interest, taxes, depreciation, and amortization). Profit before the deduction of taxes, non-controlling interests, financial result, and depreciation and amortization expenses.

EBITDA margin. EBITDA percentage of revenue.

EBT (earnings before taxes). Profit before the deduction of taxes and non-controlling interests.

Equity. Assets made available to a corporation by the owners through deposits and/or contributions or from retained profits.

Equity ratio. Equity divided by total assets.

Free float. The portion of the share capital that is actively traded on the stock exchange.

Full-time equivalent (FTE). A full-time employee corresponds to a full-time equivalent of one, part-time employees are taken into account on a pro-rata basis corresponding to their working hours.

Gearing. Ratio of net financial debt to equity.

Gross profit. Revenue less cost of sales.

IFRS (International Financial Reporting Standards). Accounting regulations developed to guarantee comparable accounting and disclosure.

Joint venture. A business partnership between two or more companies, which remain independent but which pool capital to pursue a commercial goal, for example, the penetration of a foreign market.

Market capitalization. Market capitalization reflects the current market price of an exchange-listed company.

Net financial debt. Interest-bearing liabilities less interest-earning assets.

Purchase price allocation (ppa). Within the scope of the acquisition of a company, the purchase price is allocated to the assets and liabilities of the acquired enterprise, which are then assigned fair values and recognized in the Group's consolidated financial statements.

Rating. An evaluation of the credit quality of a company recognized on international capital markets.

Return on equity. ROE is the ratio between profit for the period and equity as recorded in the previous period.

ROCE (return on capital employed). ROCE is the ratio of EBIT to average capital employed (until business year 2008/09, EBIT to capital employed), that is, profit generated by the capital invested.

Share capital. The minimum capital requirement to be contributed by the shareholders for shares when establishing a stock corporation or limited partnership; it is issued in shares and constitutes a part of equity.

Volatility. The degree of fluctuation in stock prices and currency exchange rates or in prices of consumer goods in comparison to the market.

Weighted average cost of capital (WACC). Average capital costs for both borrowed capital and equity.

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