

Consolidated
Financial Statements
2012/13

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. Compliance with the C rules of the Code pertaining to the auditor (Rules 77 to 83) was 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

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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

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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

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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		Retained earnings	Total attributable to equity holders of the parent	Non-controlling interests	Total equity
Translation reserve	Hedging reserve				
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

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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 Ven-

tures” 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 CO₂ 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 segments¹ 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 Edelmetall 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	Invest- ments in associates	Other invest- ments	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

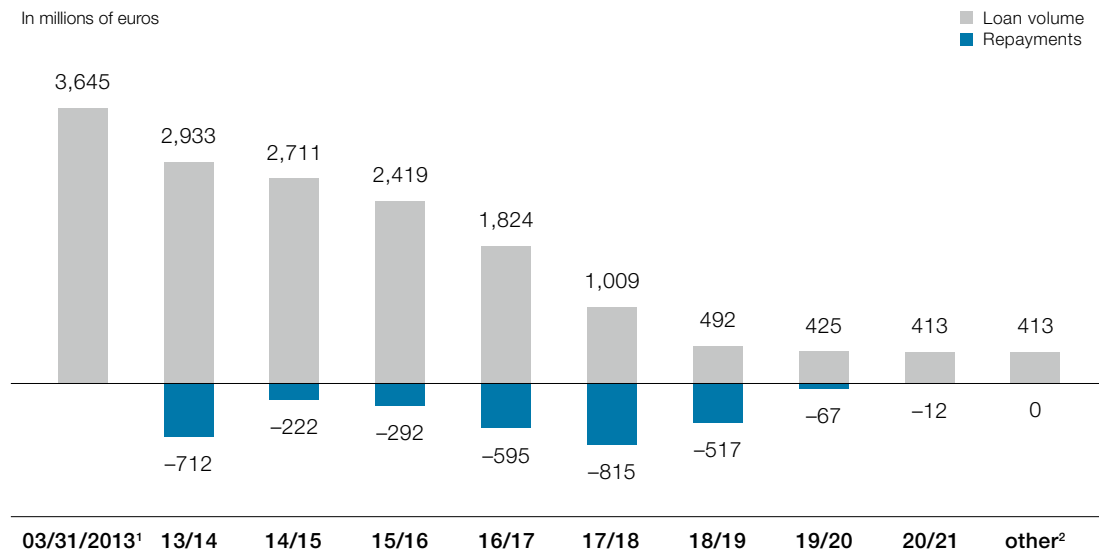
As estimated as of the reporting date, the following (prospective) interest charges correspond to these existing liabilities:

	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

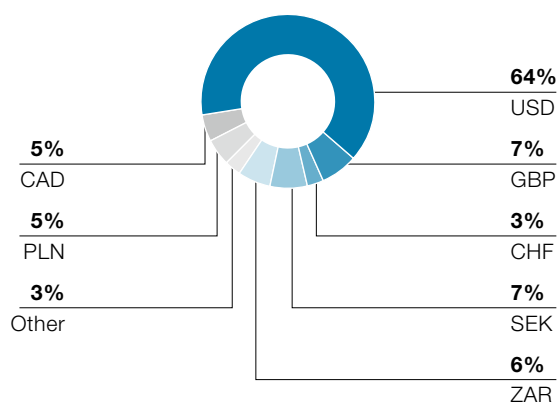
Currency risk

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		Total
Categories	Loans and receivables	Financial assets measured at fair value through profit or loss		
		Held for trading (derivatives)	Other	
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	Total
Categories	Financial liabilities measured at amortized cost	Financial liabilities measured at fair value through profit or loss – Held for trading (derivatives)	
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	
	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
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 compensation	Current variable compensation	Compensation 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
Chairman of the
Management Board



Herbert Eibensteiner
Member of the
Management Board



Franz Kainersdorfer
Member of the
Management Board



Robert Ottel
Member of the
Management Board



Franz Rotter
Member of the
Management Board