ANNUAL REPORT 2023/24

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voestalpine
ONE STEP AHEAD.

DEVELOPMENT OF THE KEY FIGURES

In millions of euros	2019/20	2020/21	2021/22	2022/23[1]	2023/24
Income statement					
Revenue	12,717.2	10,901.9	14,923.2	18,225.1	16,684.3
EBITDA	1,181.5	1,148.1	2,291.3	2,543.9	1,666.1
Depreciation	1,270.5	809.8	837.0	921.1	1,096.8
EBIT	–89.0	338.2	1,454.3	1,622.8	569.3
Profit before tax	–230.3	234.8	1,382.5	1,489.4	383.4
Profit after tax from continuing operations		255.7	1,072.4	1,083.9	215.6
Profit after tax from discontinued operations		–224.0	257.9	93.4	–8.5
Profit after tax[2]	–216.5	31.7	1,330.3	1,177.3	207.1
Statement of financial position					
Investments in property, plant and equipment and intangible assets	775.7	610.4	708.4	922.0	1,233.0
Equity[4]	5,614.9	5,649.9	7,069.3	7,686.4	7,499.6
Net financial debt	3,775.0	2,742.8	2,291.2	1,661.0	1,650.8
Net financial debt in % of equity (gearing)	67.2%	48.5%	32.4%	21.6%	22.0%
Financial key performance indicators (KPIs)					
EBITDA margin	9.3%	10.5%	15.4%	14.0%	10.0%
EBIT margin	–0.7%	3.1%	9.7%	8.9%	3.4%
Return on capital employed (ROCE)	–0.8%	3.4%	15.5%	15.5%	5.4%
Cash flows from operating activities	1,304.0	1,633.5	1,242.9	956.2	1,447.9
Share information					
Share price, end of period (euros)	18.54	35.33	27.02	31.28	26.00
Dividend per share (euros)[3]	0.20	0.50	1.20	1.50	0.70
Market capitalization, end of period	3,308.9	6,307.1	4,823.6	5,400.5	4,457.7
Number of outstanding shares as of March 31	178,520,566	178,520,616	178,520,616	172,650,943	171,450,616
Diluted and basic earnings per share (euros) from continuing operations		1.49	5.84	5.48	0.64
Diluted and basic earnings per share (euros) from discontinued operations		–1.25	1.44	0.53	–0.05
Diluted and basic earnings per share (euros)	–1.24	0.24	7.28	6.01	0.59
Personnel					
Employees (full-time equivalent), end of period	49,682	48,654	50,225	51,202	51,589

[1] Business year 2022/23, retroactively adjusted.
[2] Before deduction of non-controlling interests.
[3] As proposed to the Annual General Meeting.
[4] Business year 2021/22, before retroactively adjusted.

CONTENTS

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THE GROUP

CONSOLIDATED MANAGEMENT REPORT

CONSOLIDATED FINANCIAL STATEMENTS

OTHER

HIGHLIGHTS 2023/24

» The high interest rates had a negative impact on economic development in Europe. Economic growth in North America remained robust. There was good economic momentum in South America, which only slowed towards the end of the business year. The Chinese economy grew by around 5% despite ongoing problems in the real estate sector.

» The voestalpine Group's global positioning and diversified portfolio led to a good operating result in the business year 2023/24. Revenue and earnings are naturally lower compared to the record figures of the previous year.

» In an environment of falling raw material and energy costs, revenue decreased from EUR 18,225.1 million to EUR 16,684.3 million in the business year 2023/24.

» The earnings categories in the business year 2023/24 are affected by both the economic downturn and one-off effects.

» Impairment losses in the High Performance Metals Division had a negative impact of EUR 360 million on EBIT in the business year 2023/24 (of which EUR 92 million also affects EBITDA) and EUR 68 million in the Metal Forming Division.

» The previous business year 2022/23 was also influenced by non-recurring effects. EBITDA in the previous year included positive one-off effects totaling EUR 101 million. The one-off effects on EBIT amounted to EUR –72 million in the comparative period of 2022/23.

» The operating income (EBITDA) fell by around a third year-on-year to EUR 1,666.1 million (previous year: EUR 2,543.9 million).

» The profit from operations (EBIT) fell by 64.9% from EUR 1,622.8 million to EUR 569.3 million in the business year 2023/24.

» Earnings before taxes fell by 74.3% to EUR 383.4 million (previous year: EUR 1,489.4 million).

» Earnings after taxes fell by 82.4% to EUR 207.1 million (previous year: EUR 1,177.3 million).

» Equity decreased marginally by 2.4% to EUR 7,499.6 million as of March 31, 2024 (previous year's figure of EUR 7,686.4 million adjusted retrospectively).

» Despite high investment activity, net financial debt remained stable at EUR 1,650.8 million as of March 31, 2024 compared to the previous year's figure of EUR 1,661.0 million.

» Gearing ratio (net financial debt as a percentage of equity) stayed virtually unchanged at 22.0% as of March 31, 2024 (previous year: 21.6%).

» Dividend proposal to the Annual General Meeting: EUR 0.70 per share.

THE voestalpine GROUP OVERVIEW

Worldwide, we at voestalpine work on innovative solutions made of steel and other metallic materials, day in and day out. Our focus is on innovation, technology, and quality. We want to continue expanding profitably in our defined markets and, at the same time, make our contribution to a sustainable future.

As a globally leading steel and technology group that **combines materials and processing expertise,** we want to develop highest-quality product solutions and drive innovation purposefully in collaboration with our customers.

Permanent innovation and **refinement of technology** are key to our performance in the long term. We invested a total of EUR 214 million in research & development over the business year 2023/24 so that we can launch cutting-edge products for our customer segments in timely fashion. Going forward, we will collaborate even more closely with our customers and intensify our cooperation with external development partners in order to accelerate the innovation process yet further.

Our thinking is long term, our actions are responsible. Our entrepreneurial activity rests on three pillars: We want to create **economic, environmental, and social value. Sustainability** is **crucial** to all of our business processes. We conceive of sustainability as a wholly integrated roadmap based on a best-in-class approach.

The **digital transformation** is integral to our activities. Not only is it the basis for optimizing business processes and further enhancing our operational excellence, it will also become an ever-growing aspect of the systems solutions and service models we offer.

Highly qualified employees are decisive to voestalpine's success. We work intensely to ensure that our work environment offers added value so that we can continue recruiting and keeping the best minds. Our comprehensive Training and Continuing Professional Development programs aim to foster each and everyone according to their talents and abilities. A trusting leadership culture is designed to ensure that every single employee can contribute to the company's success in ways that are self directed, solution oriented, and efficient.

Thanks to its investments and acquisitions, through the years voestalpine has built a **portfolio comprising four divisions** that stands out through a unique combination of expertise in both materials and processing. These four divisions benefit from **mutual synergy effects.** The segments specialized in processing are expanding worldwide in their defined markets together with their long-term, strategic customers. In materials development, our focus is on continual refinement in terms of both technology and quality while maintaining capacities. The intensifying trend toward sustainability ensures ever growing demand for voestalpine's products.

THE voestalpine PORTFOLIO

With its top-quality products and system solutions, the voestalpine Group is a leading partner of the automotive and consumer goods industries as well as of the aerospace and oil & natural gas industries. In addition, we are the world market leader in rail technology systems, and in tool steel and special sections. The Group's broad customer base ensures earnings stability in a cyclical market environment overall.

STEEL DIVISION

GLOBAL QUALITY LEADERSHIP
in highest-quality strip steel and market leader in heavy plate and foundry products for the most sophisticated applications in the energy sector.

35%

OF GROUP REVENUE

Revenue (in millions of euros)	6,087.8
EBITDA (in millions of euros)	686.6
EBITDA margin	11.3%
Employees (full-time equivalent)	10,747

The Steel Division has been setting environmental benchmarks in steel production for years. At the same time, it is working to develop cutting-edge, hydrogen-based options that aim to make CO_2-neutral production of steel a reality. Thanks to its high-quality strip steel, the Steel Division is the first point of contact for major automotive manufacturers and suppliers worldwide. Moreover, it also is a key partner of the European white goods and mechanical engineering industries. It produces heavy plate for energy sector applications used under the most difficult conditions. Besides serving the oil & natural gas industries, it also provides customized solutions for generating renewable energy.

HIGH PERFORMANCE METALS DIVISION

GLOBAL LEADERSHIP
in tool steel as well as leading position in high-speed steel, aerospace materials, special steel parts, and powder technology. Innovation leader in additive manufacturing.

20%

OF GROUP REVENUE

Revenue (in millions of euros)	3,541.7
EBITDA (in millions of euros)	185.3
EBITDA margin	5.2%
Employees (full-time equivalent)	13,308

The High Performance Metals Division is a global leader in the manufacture and downstream processing of high performance metals—particularly tool steel, high-speed steel, and other special steel as well as titanium and nickel-based alloys. Its unique product portfolio is powerfully enhanced by component production, heat treatment, coating, and additive manufacturing—all of which is embedded in a global marketing and service network. The customers of these products include the automotive and consumer goods supplier industries, special purpose engineering companies, the oil & natural gas industries as well as the aerospace industry.

METAL ENGINEERING DIVISION

GLOBAL LEADERSHIP
in railway systems; global provider of complete welding solutions; European technology leader in premium wire products; and preferred provider of high-tech seamless tubes for the oil & natural gas industries as well as for industrial applications.

25%
OF GROUP REVENUE

Revenue (in millions of euros)	4,315.7
EBITDA (in millions of euros)	606.2
EBITDA margin	14.0%
Employees (full-time equivalent)	14,724

As the leading provider worldwide of integrated track systems, the Metal Engineering Division's Railway Systems business unit offers customized, comprehensive solutions for all rail technology segments—from mass transit, to mixed traffic, all the way to heavy-haul and high-speed networks. The division's Industrial Systems business unit has established itself as a global, integrated provider of complete welding solutions. It also plays a leading role as a development partner and manufacturer of premium wire products and high-tech seamless tubes.

METAL FORMING DIVISION

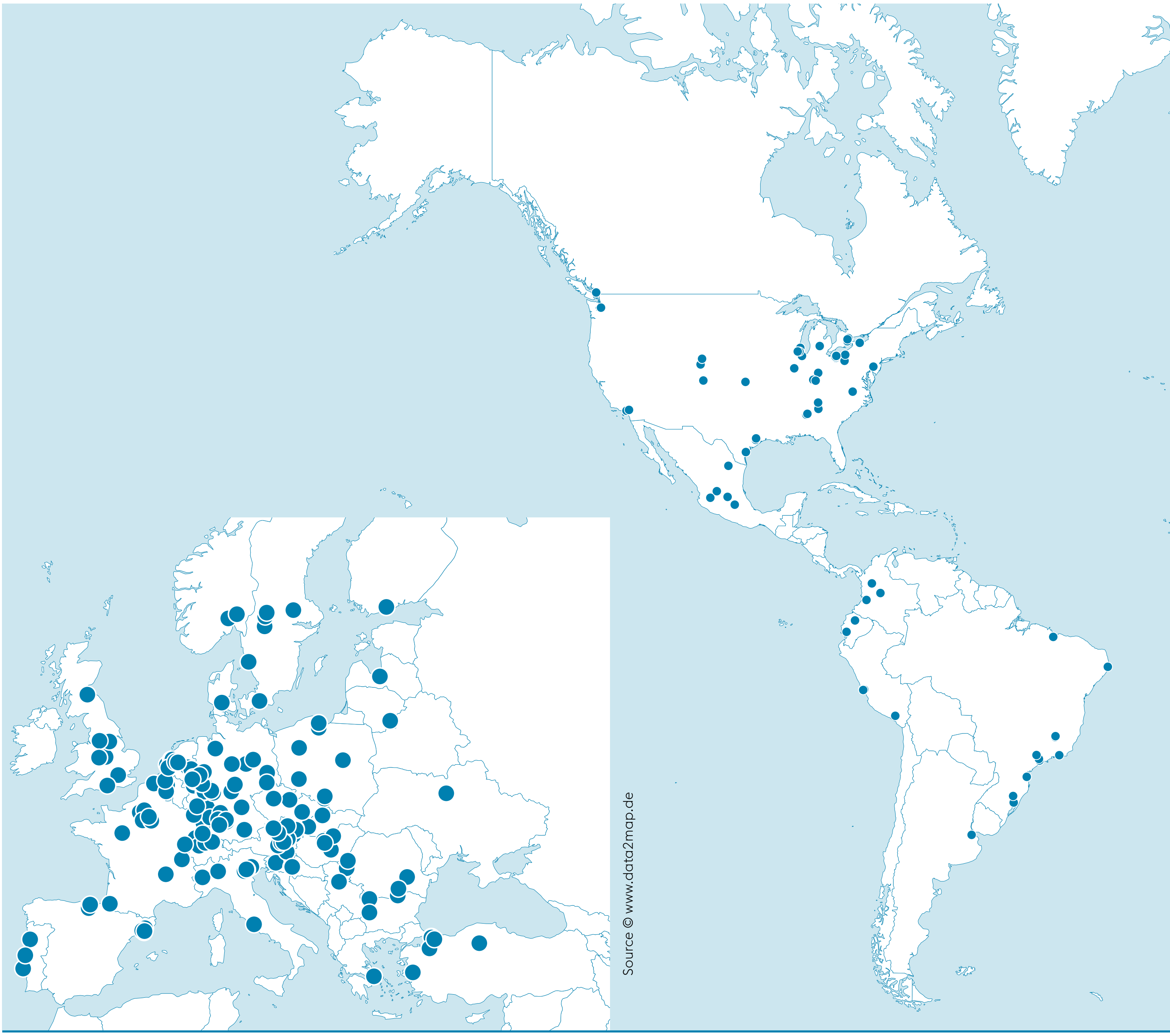
GLOBAL LEADERSHIP
in defined niches that require the highest quality and the most sophisticated technology for metal processing solutions within a global network that generates the best possible customer value.

20%
OF GROUP REVENUE

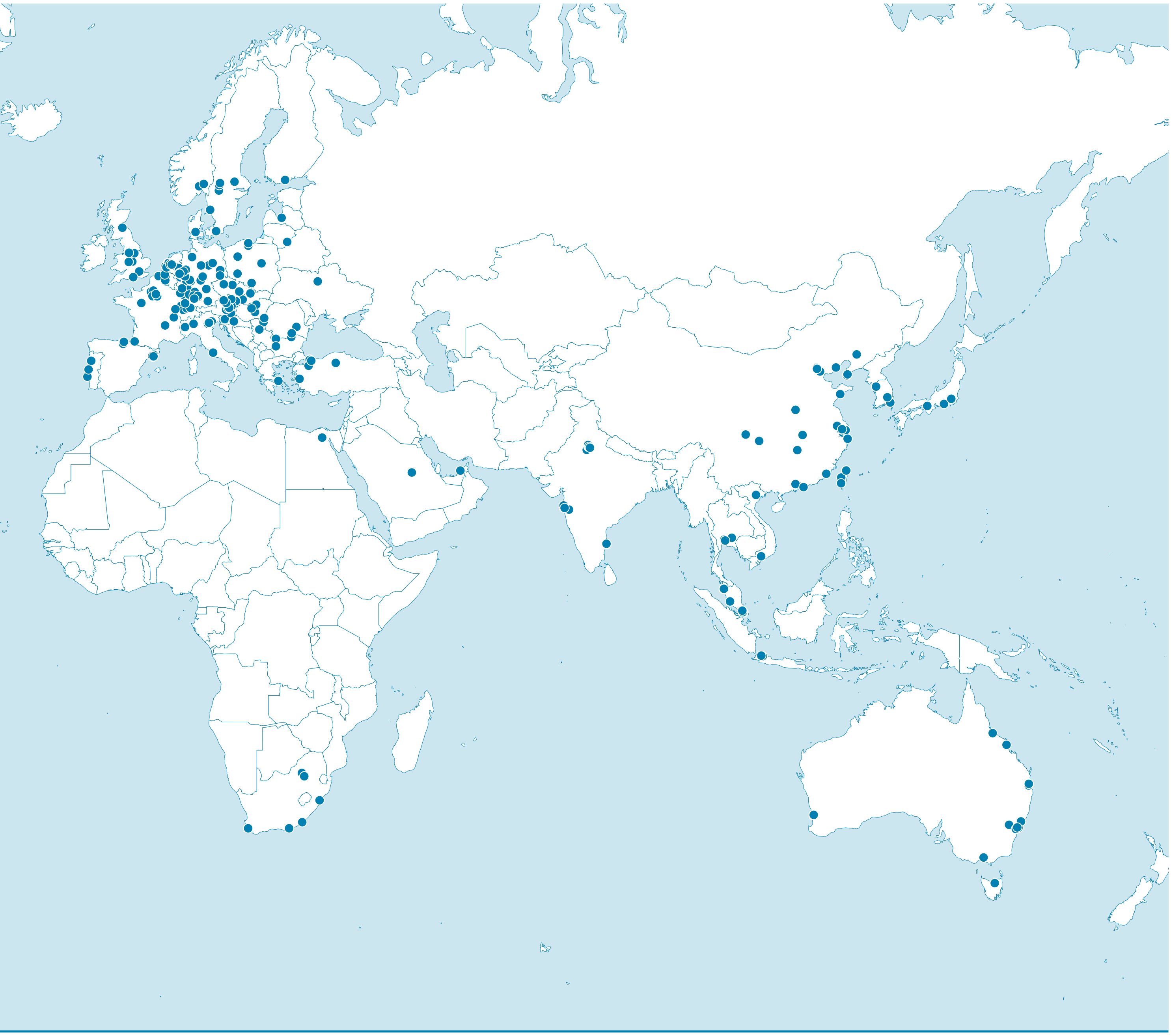
Revenue (in millions of euros)	3,368.4
EBITDA (in millions of euros)	301.0
EBITDA margin	8.9%
Employees (full-time equivalent)	11,571

The Metal Forming Division is voestalpine's competence center for highly developed special sections, tube, and precision strip steel products as well as for pre-finished system components made of pressed, stamped, and roll-formed parts that are used in a wide range of industries, but especially in the premium automotive segment. This combination of expertise in materials and processing, which is unique in the industry, and the division's global presence make it the first choice for customers who value innovation and quality.

voestalpine
IS A GLOBAL COMPANY



voestalpine, which operates globally, has about 500 Group companies and locations in more than 50 countries on all five continents. With its top-quality products and system solutions, voestalpine is a leading partner of the automotive and consumer goods industries as well as of the aerospace and energy industries. The company also is the world market leader in railway systems, tool steel, and special sections. voestalpine is fully committed to the global climate goals and works intensively to develop technologies that will decarbonize and reduce its CO_2 emissions in the long term.



SUPERVISORY BOARD
voestalpine AG

Dr. Wolfgang Eder
Chairman of the Supervisory Board since 04/01/2022
Initial appointment: 07/03/2019
Former Chairman of the Management Board of voestalpine AG, Linz

Dr. Heinrich Schaller
Deputy Chairman of the Supervisory Board since 07/04/2012
Initial appointment: 07/04/2012
CEO of Raiffeisenlandesbank Oberösterreich AG, Linz

KR Dr. Franz Gasselsberger, MBA
Member of the Supervisory Board, Chairman of the Audit Committee since 07/03/2019
Initial appointment: 07/01/2004
CEO of Oberbank AG, Linz

Mag. Ingrid Jörg
Member of the Supervisory Board
Initial appointment: 07/03/2019
Executive Vice President & Chief Operating Officer, Constellium Switzerland AG, Zurich

Dr. Florian Khol
Member of the Supervisory Board
Initial appointment: 07/03/2019
Attorney at law; partner at Binder Grösswang Rechtsanwälte GmbH, Vienna

Mag. Maria Kubitschek
Member of the Supervisory Board
Initial appointment: 07/03/2019
Former Deputy Director of the Federal Chamber of Workers/Vienna Chamber of Workers, Vienna

Prof. Elisabeth Stadler
Member of the Supervisory Board
Initial appointment: 07/03/2019
Chairwoman of the Management Board of Vienna Insurance Group AG
(Wiener Versicherung Gruppe), Vienna until 06/30/2023

Delegated by the Works Council:

Josef Gritz
Member of the Supervisory Board
Initial delegation: 01/01/2000
Chairman of the Works Council for Workers of voestalpine Stahl Donawitz GmbH, Donawitz

Sandra Fritz
Member of the Supervisory Board
Initial delegation: 06/15/2019
Member of the Works Council for Salaried Employees of voestalpine AG, Linz

Hans-Karl Schaller
Member of the Supervisory Board
Initial delegation: 09/01/2005
Chairman of the Group Works Council of voestalpine AG, Linz
Chairman of the European Works Council of voestalpine AG, Linz

Gerhard Scheidreiter
Member of the Supervisory Board
Initial delegation: 01/01/2012
Chairman of the Works Council for Workers of voestalpine BÖHLER Edelstahl GmbH & Co KG, Kapfenberg

MANAGEMENT BOARD
voestalpine AG


Herbert Eibensteiner


Franz Kainersdorfer


Robert Ottel (until 03/31/2024)


Franz Rotter (until 03/31/2024)


Peter Schwab (until 03/31/2024)


Hubert Zajicek


Gerald Mayer (since 04/01/2024)


Reinhard Nöbauer (since 04/01/2024)


Carola Richter (since 04/01/2024)

» **Dipl.-Ing. Herbert Eibensteiner,** born 1963
Chairman of the Management Board since 07/03/2019, Member of the Management Board since 04/01/2012

Assigned areas of responsibility within the Group: Corporate Development; R&D and Innovation Strategy; Strategic Human Resources Management; Corporate Communications and Corporate Image; Public Affairs; Legal; Compliance; M&A; Data Protection; Sustainability Strategy; Investor Relations; Trade & Statistics; Internal Audit

» **Dipl.-Ing. Dr. Franz Kainersdorfer,** born 1967
Head of the Metal Engineering Division, Member of the Management Board since 07/01/2011

Assigned area of responsibility within the Group: Energy Supply of the Group

» **Mag. Dipl.-Ing. Robert Ottel, MBA,** born 1967
Chief Financial Officer (CFO), Member of the Management Board from 04/01/2004 to 03/31/2024

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

» **Dipl.-Ing. Franz Rotter,** born 1957
Head of the High Performance Metals Division, Member of the Management Board from 01/01/2011 to 03/31/2024

Assigned area of responsibility within the Group: health & safety

» **Dipl.-Ing. Dr. Peter Schwab, MBA,** born 1964
Head of the Metal Forming Division, Member of the Management Board from 10/01/2014 to 03/31/2024

Assigned area of responsibility within the Group: Procurement Strategy

» **Dipl.-Ing. Hubert Zajicek, MBA,** born 1968
Head of the Steel Division, Member of the Management Board since 07/04/2019

Assigned area of responsibility within the Group: Supply of raw materials to the Group

» **Mag. Gerald Mayer,** born 1971
Chief Financial Officer (CFO), Member of the Management Board since 04/01/2024

Assigned area of responsibility within the Group: Corporate Accounting and Reporting; Controlling, including Investment Controlling; Group Treasury; Taxes; Management Information Systems; Risk Management; Insurance; Information Technology

» **Dipl.-Ing. Dr. Reinhard Nöbauer,** born 1963
Head of the High Performance Metals Division, Member of the Management Board since 04/01/2024

Assigned area of responsibility within the Group: Procurement Strategy

» **Dr. Carola Richter,** born 1973
Head of the Metal Forming Division, Member of the Management Board since 04/01/2024

Assigned area of responsibility within the Group: health & safety

LETTER FROM THE MANAGEMENT BOARD

Ladies and gentlemen,
valued shareholders,

The voestalpine Group performed solidly in the business year 2023/24. We look back on a reporting period that was characterized by geopolitical conflicts and high inflation and interest rates in all major economies, with the exception of China.

With revenue of EUR 16.7 billion and an operating result (EBITDA) of close to EUR 1.7 billion, the voestalpine Group achieved a good result in the business year 2023/24 despite the very challenging economic development in a long-term comparison and met expectations.

The resilience that the Group has shown under these difficult economic conditions is the result of the consistent implementation of voestalpine's long-term strategy: The global positioning helped to cushion the weakness of the European core markets. The focus on technologically demanding market segments was the basis for expanding market share in the face of global competition. Diversification ensured stability in an environment in which interest rate-sensitive segments such as the construction and mechanical engineering industries experienced a significant decline in demand. The robust development in the automotive sector and strong demand from the railway infrastructure, aviation and energy industries proved to be the main pillars of earnings performance in the 2023/24 business year.

In order to further strengthen our strategic positioning, we implemented important projects in our international markets in this reporting period. Highlights in the Railway Systems division, for example, included the continued strategic focus on becoming a railway infrastructure systems provider via the global roll-out of technologies from the previous year's acquisitions in the areas of fastening and sleeper technology. In the Warehouse & Rack Solutions business, a new production site for automated high-bay warehouses was opened in the USA. In South America, production capacity for special sections, particularly for photovoltaic systems, was doubled. In China, where the automotive industry is booming the fifth phs® plant has now been put into operation and production capacity for air suspension systems has been significantly expanded.

Due to structural changes in the general conditions, the strategic decision was made to initiate a sales process for Buderus Edelstahl in Wetzlar, Germany. As a result, the High Performance Metals Division will focus its product portfolio on the technologically demanding segment of special materials in the future and the production share of tool steel and engineering steel in the standard-grade area will be reduced.

As the automotive supply industry in Germany is suffering from structural underutilization, the Metal Forming Division began to reorganize its Automotive Components business in Germany in the business year 2023/24.

Based on these decisions in particular, impairment losses had to be recognized in both divisions in the business year 2023/24. The path thus taken will sustainably strengthen the future positions of these two divisions in global competition.

Of particular strategic importance for the future of the Group are the projects to achieve the climate targets in all divisions. The downstream areas have an almost negligible direct CO_2 footprint (Scope 1). The High Performance Metals Division also produces special steels exclusively using climate-friendly electric arc furnace technology. These areas accounted for slightly more than half of the voestalpine Group's revenue in the business year 2023/24. Accordingly, the measures to achieve the climate targets focus on the supply chain (Scope 2 and 3).

The relevant area for reducing voestalpine's direct CO_2 emissions (Scope 1) is steel production based on blast furnace technology. The products from this process accounted for slightly less than half of Group revenue in the business year 2023/24. With greentec steel voestalpine has developed a clearly defined step-by-step plan to transform the production route towards net zero CO_2 emissions in this area. In a first step, one electric arc furnace will be built at each of the two sites in Linz and Donawitz. The integration of the two green electricity-powered electric arc furnaces into steel production will make it possible to electrify energy-intensive processes and thus save up to around 30% of CO_2 emissions from 2027. The traditional groundbreaking ceremony took place in fall 2023. Since then, important milestones have been reached with the award of the core aggregates. The projects are on schedule and on budget.

The investment volume for the two projects amounts to EUR 1.5 billion. The Group is ideally positioned for this with its solid balance sheet. Financial debt is at a historically low level, which, in addition to the good results, is due to the solid cash flow generation in recent years.

The strategy of generating value-enhancing growth in the downstream business areas in addition to decarbonizing our steel production will be pursued further. voestalpine is well positioned to significantly further develop the Group's portfolio in the future.

Linz, May 27, 2024

The Management Board

Herbert Eibensteiner — Franz Kainersdorfer — Gerald Mayer

Reinhard Nöbauer — Carola Richter — Hubert Zajicek

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REPORT OF THE SUPERVISORY BOARD ON THE BUSINESS YEAR 2023/24

During the past business year, the Supervisory Board fulfilled its responsibilities under the law and the Articles of Association, holding nine plenary sessions, three meetings of the Audit Committee, eight meetings of the General Committee and three meetings of the Compensation Committee. In both the General Committee and the Audit Committee meetings, the Management Board provided comprehensive verbal and written information on the development of the company's business and the voestalpine Group as well as its position and financial management.

In addition to these regular reports, the Supervisory Board gave particular attention in the business year 2023/24 to the appointment of members and the composition of the Management Board as of April 1, 2024, the Strategy 2030+, including the HR strategy, the long-term supply of energy and raw materials, the critical topic of sustainability as well as the compensation policy for members of the Management and Supervisory Boards. Another focus of the Supervisory Board meetings was the Management Board's report on the implementation of the first steps towards decarbonizing steel production at the Linz and Donawitz sites. This concerns the replacement of two of the five coal-based blast furnaces currently in operation with one electric arc furnace running on renewable electricity at each of the two sites, which was approved by the Supervisory Board in March 2023. As part of the plan developed under "greentec steel" with an investment volume of EUR 1.5 billion, the main plants were awarded in the business year 2023/24. Commissioning of the two units is planned for 2027. The goal is that, following a successful ramp-up by 2029 to save 30% of the Group's CO_2 emissions compared with 2019 (Scope 1 and Scope 2). This equates to about 5% of Austria's overall annual CO_2 emissions, making the project the country's largest singular undertaking in terms of climate action. The company's long-term aim is a steel production with net zero CO_2 emissions. To achieve this goal by 2050 at the latest, the Group is researching several new processes and investing in pilot projects exploring alternative pathways in steel production. These include research projects such as the H2FUTURE hydrogen pilot facility at the Linz plant for manufacturing and using "green" hydrogen on an industrial scale, as well as the testing facilities at the Donawitz plant for carbon-neutral steel production based on direct reduction of iron ore using hydrogen. Further research projects are dedicated to the capture, storage, and utilization of carbon dioxide (CCUS).

The Management Board's reporting also included the construction of the new stainless steel plant at the Kapfenberg site, another key Group project in terms of both innovation and sustainability. The world's most modern plant of its kind was put into operation in the business year 2023/24.

In addition to questions of compensation, the General Committee focused primarily on filling positions on the Management Board as of April 1, 2024, and the preparations for the election of the new Supervisory Board at the 2024 Annual General Meeting.

The Compensation Committee monitored compliance with the compensation policy in the employment contracts of the Management Board members and prepared a proposal concerning the compensation policy for the Management Board members for submission to the Supervisory Board and subsequently to the Annual General Meeting of voestalpine AG on July 3, 2024.

The Audit Committee concerned itself chiefly with the preparation and review of voestalpine AG's

Consolidated and Annual Financial Statements, the auditor's independence, and topics related to the current and future structure of the internal control system, the risk management system, and Internal Audit.

For details regarding the composition and procedures of the Supervisory Board and its committees, see the Consolidated Corporate Governance Report 2023/24.

Both the Annual Financial Statements and the Consolidated Financial Statements as of March 31, 2024, were audited by the auditor elected at the Annual General Meeting on July 5, 2023, specifically Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna, Austria. The auditor's representatives attended all three meetings of the Audit Committee and were available for questions and discussions.

The audit did not give rise to any objections and showed that the Annual Financial Statements as well as the Consolidated Financial Statements (the latter having been prepared in accordance with the International Financial Reporting Standards (IFRS) as mandated by Section 245a Austrian Commercial Code *(Unternehmensgesetzbuch – UGB)* conform to statutory requirements. 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 that the Consolidated Management Report is consistent with the Consolidated Financial Statements.

On June 4, 2024, following the Audit Committee's prior review, the Supervisory Board reviewed and approved the Annual Financial Statements as of March 31, 2024. The Annual Financial Statements are herewith deemed adopted pursuant to Section 96 (4) Austrian Stock Corporation Act *(Aktiengesetz – AktG)*. Furthermore, following the Audit Committee's prior review, the Supervisory Board reviewed and approved the Management Report and the Consolidated Financial Statements, which include the Consolidated Management Report, the Consolidated Corporate Governance Report, and the Corporate Responsibility Report for the business year 2023/24. The Supervisory Board's reviews did not raise any objections.

The Consolidated Corporate Governance Report 2023/24 was audited by Deloitte Audit Wirtschaftsprüfungs GmbH as part of the annual external review of voestalpine AG's compliance with the Austrian Code of Corporate Governance (the "Code"). This review did not bring to light any facts and circumstances that would cause us to assume that the company's Consolidated Corporate Governance Report does not comply with material aspects of the Code. Compliance with the Code's C rules pertaining to the auditor (Rules 77 through 83) was reviewed by the law firm WOLF THEISS Rechtsanwälte GmbH & Co KG. This review, too, confirmed compliance with the rules.

The Corporate Responsibility Report 2023/24 (CR Report) was audited by Deloitte Audit Wirtschaftsprüfungs GmbH, Vienna. These audit procedures did not bring to light any facts and circumstances either that would cause us to assume that the CR Report of voestalpine AG does not comply with material aspects of applicable legal requirements and the Global Reporting Initiative (GRI) standards.

It is hereby established that voestalpine closed the business year 2023/24 with a net profit of EUR 125.0 million. We propose paying a dividend of EUR 0.70 per share to the shareholders entitled to a dividend and to carry forward the remaining amount.

Yet again, the Supervisory Board must first thank the roughly 50,000 employees of the voestalpine Group worldwide for their commitment and their loyalty in these difficult times. The Board's thanks are also due to both the Management Board and the executive team for their determination and their consistency in action under challenging conditions. Last but not least, we thank our shareholders for staying loyal to the company in these economically unsettled times.

The Supervisory Board

Dr. Wolfgang Eder
(Chairman)

Linz, June 4, 2024

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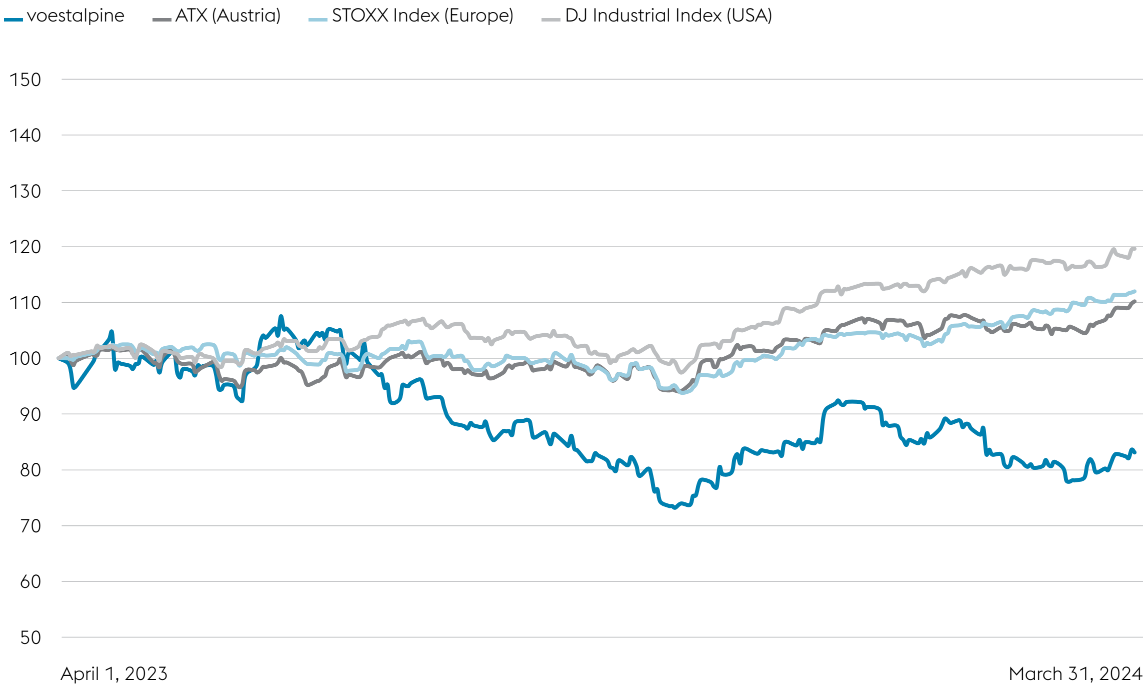
INVESTOR RELATIONS

voestalpine AG VS. THE ATX AND INTERNATIONAL INDICES

Changes compared with March 31, 2023, in %



DEVELOPMENT OF THE voestalpine SHARE

As in the previous reporting period, inflation and interest rate issues continued to dominate the international stock markets in the 2023/24 business year. The interest rate turnaround took place in the summer of 2022 and the central banks ended their previously loose interest rate policy in order to combat rising inflation. In calendar year 2023 alone, the European Central Bank (ECB) raised its key interest rate six times. The continuous rise in interest rates had a dampening effect on consumer spending and increased refinancing costs for companies. In addition, fixed-interest securities became more attractive as an investment alternative due to the higher interest rates. In economic terms, the discussion centered on whether there would be a "soft landing" or a "hard landing" in the USA and Europe, i.e., whether a recession could be avoided or not.

At the beginning of the business year 2023/24, the voestalpine share price was still characterized by sideways movements. From the second quarter of 2023/24, however, the share price weakened significantly.

In addition to the negative interest rate environment, other adverse factors influenced the capital markets in the Northern summer and early Northern fall. For example, the economic environment in Europe and China was very subdued. The Middle East conflict, which came to a head with the Hamas attack on Israel in October 2023, had an additional negative impact.

The situation on the capital markets improved in the third quarter of 2023/24. One of the triggers was the decline in inflation in Europe and the USA. The prospect of central banks lowering interest rates again had a positive impact. Overall, the measures taken by central banks to combat inflation had an effect. From an economic perspective, gross domestic product (GDP) in the European Union stagnated. Sentiment in the construction and manufacturing industries remained subdued.

In the fourth quarter of 2023/24, there was growing concern that hopes of rapid interest rate cuts, which had been priced into share prices, were premature. This caused share prices to remain volatile.

At the end of the business year 2023/24, the voestalpine share was finally quoted at EUR 26.00. This represents a decline of 16.9% compared to the price at the beginning of the business year. The benchmark indices improved slightly in the same period. The ATX and the STOXX Index (Europe) rose by around 10% over the course of the year. The Dow Jones Industrial Index even climbed by 20%.

TREASURY SHARE BUYBACK PROGRAM

The Management Board of voestalpine AG resolved on November 3, to buy back up to ten million shares equating to equity of about 5.6%. The share buyback program was launched on November 10, 2022. It was effected solely via the stock exchange and multilateral trading facilities. The share buyback program was concluded as planned on July 10, 2023. In all, a total of 7,070,000 voestalpine AG shares were acquired, representing 3.96% of the share capital.

CONVERTIBLE BOND

In April 2023, voestalpine AG successfully placed a convertible bond in the amount of EUR 250 million. The offer was made exclusively to institutional investors as part of an accelerated offering. The convertible bond has a denomination of EUR 100,000 and has a coupon of 2.75% p.a. payable semi-annually. The initial conversion price was set at EUR 40.8915, which corresponds to a conversion premium of 30% over the reference share price of EUR 31.455. The bonds were issued on April 28, 2023 and, unless previously converted, redeemed, or repurchased, will be redeemed after five years at the nominal value plus accrued interest. The convertible bonds are listed on the Vienna MTF market of the Vienna Stock Exchange.

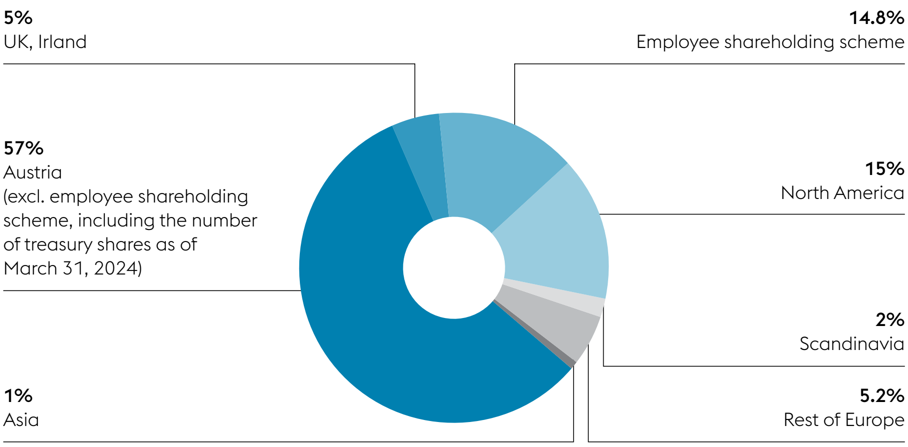
BONDS

Type of bond	ISIN number	Issuing volume	Interest rate	Share price (03/31/2024)
Corporate Bond 2017 – 2024	AT0000A1Y3P7	EUR 500 million	1.375%	98.7
Corporate Bond 2019 – 2026	AT0000A27LQ1	EUR 500 million	1.75%	96.2
Convertible Bond 2023 – 2028	AT0000A33R11	EUR 250 million	2.75%	96.6

SHAREHOLDER STRUCTURE

The shareholder structure by region as of the end of the business year 2023/24 presents the following (indicative) picture:

SHAREHOLDER STRUCTURE



MAJOR INDIVIDUAL SHAREHOLDERS

Raiffeisenlandesbank Oberösterreich Invest GmbH & Co OG	< 15%
voestalpine employee shareholding scheme	14.8%
Oberbank AG	8.0%

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

» Baader Bank AG, Munich
» Bank of America, London
» Barclays, London
» Citigroup, London
» Deutsche Bank, London
» Erste Bank, Vienna
» BNP Paribas Exane, Paris
» Jefferies, London
» J.P. Morgan, London
» Kepler Cheuvreux, Frankfurt
» Morgan Stanley, London
» Oddo BHF, Paris
» Raiffeisen Centrobank, Vienna
» UBS, London
» Wiener Privatbank, Vienna

SHARE INFORMATION

Share capital	324,391,840.99 EUR, divided into 178,549,163 no-par value shares
Treasury shares as of March 31, 2024	7,098,547 shares
Class of shares	Ordinary bearer shares
Stock identification number	93750 (Vienna Stock Exchange)
ISIN	AT0000937503
Reuters	VOES.VI
Bloomberg	VOE AV

PRICES (AS OF END OF DAY)

Share price high, April 2023 to March 2024	EUR 33.64
Share price low, April 2023 to March 2024	EUR 22.90
Share price as of March 31, 2024	EUR 26.00
Initial offering price (IPO), October 1995	EUR 5.18
All-time high price (July 12, 2007)	EUR 66.11
Market capitalization as of March 31, 2024[1]	EUR 4,457,716,016.00

[1] Basis: Total number of shares minus repurchased shares.

BUSINESS YEAR 2023/24

Earnings per share	EUR 0.59
Dividend per share	EUR 0.70[1]
Carrying amount per share as of March 31, 2024	EUR 41.93

[1] As proposed to the Annual General Meeting.

FINANCIAL CALENDAR

Record date for attendance at the AGM	June 23, 2024
Annual General Meeting	July 3, 2024
Ex-dividend date	July 11, 2024
Record date for dividend payment	July 12, 2024
Dividend payment date	July 16, 2024
Publication Q1 2024/25	August 7, 2024
Publication Q2 2024/25	November 13, 2024
Publication Q3 2024/25	February 12, 2025
Publication Business year 2024/25	June 4, 2025
Annual General Meeting	July 2, 2025

CONSOLIDATED CORPORATE GOVERNANCE REPORT 2023/24

COMMITMENT TO THE CODE OF CORPORATE GOVERNANCE

The Austrian Code of Corporate Governance (the "Code") provides domestic stock corporations with a framework for managing and monitoring their companies. It serves to establish a system for managing and controlling companies and groups that is accountable and geared to creating sustainable, long-term value. This is designed to ensure a high degree of transparency for all stakeholders of a company.

The Code is based on the provisions of Austrian stock corporation, stock exchange, and capital market law; the EU recommendations regarding the responsibilities of members of supervisory boards and the compensation of directors; and the OECD Principles of Corporate Governance. The Code has undergone a number of revisions since 2002. The present Corporate Governance Report is based on the Code's most recent amendment, which was adopted in January 2023.

» The Code can be accessed at www.corporate-governance.at

The Code achieves validity when companies voluntarily undertake to adhere to it. The Management Board and the Supervisory Board of voestalpine AG decided as early as 2003 to recognize the Austrian Code of Corporate Governance and have also accepted and implemented the amendments introduced since that date. voestalpine AG is thus committed to complying with the Austrian Code of Corporate Governance as amended.

In the business year 2023/24, voestalpine AG complied with the Code's mandatory "L Rules" in addition to all "C Rules"—with the exception of C Rule 39, from which it deviated—and all "R Rules."[1]

Under the Code's provisions, any non-compliance with its C Rules (comply or explain) must be explained and justified. By providing the following explanation, voestalpine AG is adhering to the Code's requirements:

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

Rule 39:
Under C Rule 39, the majority of committee members shall satisfy the independence criteria established by the Supervisory Board in accordance with C Rule 53. In addition to one employee representative, the General and Compensation Committee includes two members elected by the Annual General Meeting. Having been elected Chairman of the Supervisory Board of voestalpine AG with effect from April 1, 2022, pursuant to the Supervisory Board's rules of procedure Dr. Wolfgang Eder also chairs both the General Committee (which simultaneously serves as the Nominating Committee) and the Compensation Committee. Owing to his prior position as Chairman of the Management Board of voestalpine AG until July 3, 2019, Dr. Eder does not fulfill one of the Supervisory Board's criteria of independence as stipulated in Rule 53 of the Code. As a result, these two committees do not comply with Rule 39 of the Code, because the majority of the committee members elected by the Annual General Meeting do not fulfill the independence criteria required by the Supervisory Board. By electing Dr. Eder as Chairman of the Supervisory Board and thus also Chairman of the General and Compensation Committee, the Supervisory Board is relying—in the company's interest with regard to these key responsibilities—on his many years of experience in both the industry and management as well as his insights into the Group.

COMPOSITION OF THE MANAGEMENT BOARD

Management Board of voestalpine AG in the business year 2023/24 (04/01/2023 to 03/31/2024)

Dipl.-Ing. Herbert Eibensteiner Chairman of the Management Board	**Dipl.-Ing. Franz Rotter** Head of the High Performance Metals Division
Dipl.-Ing. Dr. Franz Kainersdorfer Head of the Metal Engineering Division	**Dipl.-Ing. Dr. Peter Schwab, MBA** Head of the Metal Forming Division
Mag. Dipl.-Ing. Robert Ottel, MBA Chief Financial Officer (CFO)	**Dipl.-Ing. Hubert Zajicek, MBA** Head of the Steel Division

Management Board of voestalpine AG in the business year 2024/25 (as of 04/01/2024)

Dipl.-Ing. Herbert Eibensteiner Chairman of the Management Board	**Dr. Reinhard Nöbauer** Head of the High Performance Metals Division
Dipl.-Ing. Dr. Franz Kainersdorfer Head of the Metal Engineering Division	**Dr. Carola Richter** Head of the Metal Forming Division
Mag. Gerald Mayer Chief Financial Officer (CFO)	**Dipl.-Ing. Hubert Zajicek, MBA** Head of the Steel Division

» Dipl.-Ing. Herbert Eibensteiner

Chairman of the Management Board Born 1963; Member of the Management Board since 04/01/2012; Chairman of the Management Board since 07/03/2019; End of his current term of office: 03/31/2029	**Assigned areas of responsibility within the Group:** Corporate Development; R&D and Innovation Strategy; Strategic Human Resources Management; Corporate Communications and Corporate Image; Public Affairs; Legal; Compliance; M&A; Data Protection; Sustainability Strategy; Investor Relations; Trade & Statistics; Internal Audit **Positions at material subsidiaries[1] of the voestalpine Group:** voestalpine Stahl GmbH, Chairman of the Supervisory Board; voestalpine High Performance Metals GmbH, Chairman of the Supervisory Board; voestalpine Metal Engineering GmbH, Chairman of the Supervisory Board; voestalpine Metal Forming GmbH, Chairman of the Supervisory Board

» Dipl.-Ing. Dr. Franz Kainersdorfer

Head of the Metal Engineering Division Born 1967; Member of the Management Board since 07/01/2011; End of his current term of office: 03/31/2029; Member of the Supervisory Board of VA Erzberg GmbH, Eisenerz, Austria	**Assigned area of responsibility within the Group:** Energy Supply of the Group **Positions at material subsidiaries[1] of the voestalpine Group:** voestalpine Metal Engineering GmbH, Chairman of the Executive Management Board; voestalpine Stahl GmbH, Member of the Supervisory Board; voestalpine High Performance Metals GmbH, Member of the Supervisory Board; voestalpine Metal Forming GmbH, Member of the Supervisory Board; voestalpine Stahl Donawitz GmbH, Chairman of the Supervisory Board; voestalpine Rail Technology GmbH, Chairman of the Supervisory Board; voestalpine Tubulars GmbH, Chairman of the Supervisory Board; voestalpine Rohstoffbeschaffungs GmbH, Deputy Chairman of the Advisory Board; voestalpine Wire Rod Austria GmbH, Member of the Supervisory Board

» Mag. Dipl.-Ing. Robert Ottel, MBA (until 03/31/2024)

Chief Financial Officer (CFO) Born 1967; Member of the Management Board since 04/01/2004; End of his current term of office: 03/31/2024; Member of the Supervisory Board of Wiener Börse AG, Vienna, Austria	**Assigned areas of responsibility within the Group:** Corporate Accounting and Reporting; Controlling, including Investment Controlling; Group Treasury; Taxes; Management Information Systems; Risk Management; Information Technology **Positions at material subsidiaries[1] of the voestalpine Group:** voestalpine Stahl GmbH, Deputy Chairman of the Supervisory Board; voestalpine High Performance Metals GmbH, Deputy Chairman of the Supervisory Board; voestalpine Metal Engineering GmbH, Deputy Chairman of the Supervisory Board; voestalpine Metal Forming GmbH, Deputy Chairman of the Supervisory Board

[1] The material subsidiaries listed in this Report are the divisions' lead companies as well as subsidiaries of the voestalpine Group with revenue of over EUR 200 million.

» **Dipl.-Ing. Franz Rotter (until 03/31/2024)**

Head of the High Performance Metals Division Born 1957; Member of the Management Board since 01/01/2011; End of his current term of office: 03/31/2024	**Assigned area of responsibility within the Group:** health & safety **Positions at material subsidiaries[1] of the voestalpine Group:** voestalpine High Performance Metals GmbH, Chairman of the Executive Management Board; voestalpine Stahl GmbH, Member of the Supervisory Board; voestalpine Metal Engineering GmbH, Member of the Supervisory Board; voestalpine Metal Forming GmbH, Member of the Supervisory Board; voestalpine BÖHLER Edelstahl GmbH, Member of the Supervisory Board; Buderus Edelstahl GmbH, Member of the Supervisory Board; Uddeholms AB, Member of the Executive Board; voestalpine High Performance Metals Deutschland GmbH, Member of the Advisory Board; Villares Metals S.A., Member of the Supervisory Board; voestalpine BÖHLER Aerospace GmbH, Member of the Supervisory Board

» **Dipl.-Ing. Dr. Peter Schwab, MBA (untill 03/31/2024)**

Head of the Metal Forming Division Born 1964; Member of the Management Board since 10/01/2014; End of his current term of office: 03/31/2024; Chairman of the Supervisory Board of Austrian Institute of Technology (AIT), Vienna, Austria	**Assigned area of responsibility within the Group:** Procurement Strategy **Positions at material subsidiaries[1] of the voestalpine Group:** voestalpine Metal Forming GmbH, Chairman of the Executive Management Board; voestalpine Stahl GmbH, Member of the Supervisory Board; voestalpine High Performance Metals GmbH, Member of the Supervisory Board; voestalpine Metal Engineering GmbH, Member of the Supervisory Board; voestalpine Automotive Components Cartersville LLC, Member of the Board; voestalpine Automotive Components Dettingen GmbH & Co KG, Chairman of the Advisory Board; voestalpine Krems GmbH, Chairman of the Supervisory Board; voestalpine Sadef nv, Chairman of the Executive Board; voestalpine Precision Strip GmbH, Chairman of the Supervisory Board

» **Dipl.-Ing. Hubert Zajicek, MBA**

Head of the Steel Division Born 1968; Member of the Management Board since 07/04/2019; End of his current term of office: 03/31/2029; Member of the Board of Directors of ArcelorMittal Texas HBI Holdings LLC, Portland, Texas, USA	**Assigned area of responsibility within the Group:** Supply of raw materials to the Group **Positions at material subsidiaries[1] of the voestalpine Group:** voestalpine Stahl GmbH, Chairman of the Executive Management Board; voestalpine High Performance Metals GmbH, Member of the Supervisory Board; voestalpine Metal Engineering GmbH, Member of the Supervisory Board; voestalpine Metal Forming GmbH, Member of the Supervisory Board; voestalpine Grobblech GmbH, Chairman of the Supervisory Board; voestalpine Steel & Service Center GmbH, Chairman of the Supervisory Board; Logistik Service GmbH, Chairman of the Supervisory Board; voestalpine Rohstoffbeschaffungs GmbH, Chairman of the Advisory Board

[1] The material subsidiaries listed in this Report are the divisions' lead companies as well as subsidiaries of the voestalpine Group with revenue of over EUR 200 million.

» **Mag. Gerald Mayer (from 04/01/2024)**

Chief Financial Officer (CFO) Born 1971; Member of the Management Board since 04/01/2024; End of his current term of office: 03/31/2027; Member of the Supervisory Board of AMAG Austria Metall AG, Braunau-Ranshofen, Austria (from 04/11/2024)	**Assigned areas of responsibility within the Group:** Corporate Accounting and Reporting; Controlling, including Investment Controlling; Group Treasury; Taxes; Management Information Systems; Risk Management; Insurance; Information Technology **Positions at material subsidiaries[1] of the voestalpine Group:** voestalpine Stahl GmbH, Deputy Chairman of the Supervisory Board; voestalpine High Performance Metals GmbH, Deputy Chairman of the Supervisory Board; voestalpine Metal Engineering GmbH, Deputy Chairman of the Supervisory Board; voestalpine Metal Forming GmbH, Deputy Chairman of the Supervisory Board

» **Dr. Reinhard Nöbauer (from 04/01/2024)**

Head of the High Performance Metals Division Born 1963; Member of the Management Board since 04/01/2024; End of his current term of office: 03/31/2027	**Assigned area of responsibility within the Group:** Procurement Strategy **Positions at material subsidiaries[1] of the voestalpine Group:** voestalpine High Performance Metals GmbH, Chairman of the Executive Management Board; voestalpine Stahl GmbH, Member of the Supervisory Board; voestalpine Metal Engineering GmbH, Member of the Supervisory Board; voestalpine Metal Forming GmbH, Member of the Supervisory Board; voestalpine BÖHLER Edelstahl GmbH, Member of the Supervisory Board; Buderus Edelstahl GmbH, Member of the Supervisory Board; Uddeholms AB, Member of the Executive Board; voestalpine High Performance Metals Deutschland GmbH, Deputy Chairman of the Advisory Board; Villares Metals S.A., Member of the Supervisory Board; voestalpine BÖHLER Aerospace GmbH, Member of the Supervisory Board

» **Dr. Carola Richter (from 04/01/2024)**

Head of the Metal Forming Division Born 1973; Member of the Management Board since 04/01/2024; End of her current term of office: 03/31/2027	**Assigned area of responsibility within the Group:** health & safety **Positions at material subsidiaries[1] of the voestalpine Group:** voestalpine Metal Forming GmbH, Chairperson of the Executive Management Board; voestalpine Stahl GmbH, Member of the Supervisory Board; voestalpine High Performance Metals GmbH, Member of the Supervisory Board; voestalpine Metal Engineering GmbH, Member of the Supervisory Board; voestalpine Automotive Components Cartersville LLC, Member of the Board; voestalpine Automotive Components Dettingen GmbH & Co KG, Chairperson of the Advisory Board; voestalpine Krems GmbH, Chairperson of the Supervisory Board; voestalpine Sadef nv, Chairperson of the Executive Board; voestalpine Precision Strip GmbH, Chairperson of the Supervisory Board

[1] The material subsidiaries listed in this Report are the divisions' lead companies as well as subsidiaries of the voestalpine Group with revenue of over EUR 200 million.

COMPOSITION OF THE SUPERVISORY BOARD

» **Dr. Wolfgang Eder** Born 1952	**Chairman of the Supervisory Board (since 04/01/2022)** Initial appointment: 07/03/2019 Former Chairman of the Management Board of voestalpine AG, Linz, Austria; Chairman of the Supervisory Board of Mayr-Melnhof Karton AG, Vienna, Austria (since 04/26/2023)
» **Dr. Heinrich Schaller** Born 1959	**Deputy Chairman of the Supervisory Board (since 07/04/2012)** Initial appointment: 07/04/2012 CEO of Raiffeisenlandesbank Oberösterreich AG, Linz, Austria; Second Deputy Chairman of the Supervisory Board of Raiffeisen Bank International AG, Vienna, Austria; Deputy Chairman of the Supervisory Board of AMAG Austria Metall AG, Braunau-Ranshofen, Austria
» **KR Dr. Franz Gasselsberger, MBA** Born 1959	**Member of the Supervisory Board** **Chairman of the Audit Committee (since 07/03/2019)** Initial appointment: 07/01/2004 CEO of Oberbank AG, Linz, Austria; Member of the Supervisory Board of Bank für Tirol und Vorarlberg Aktiengesellschaft, Innsbruck, Austria; Member of the Supervisory Board of BKS AG, Klagenfurt, Austria; Member of the Supervisory Board of Lenzing AG, Lenzing, Austria
» **Mag. Ingrid Jörg** Born 1969	**Member of the Supervisory Board** Initial appointment: 07/03/2019 Executive Vice President & Chief Operating Officer, Constellium Switzerland AG, Zurich, Switzerland
» **Dr. Florian Khol** Born 1971	**Member of the Supervisory Board** Initial appointment: 07/03/2019 Attorney at law; partner at Binder Grösswang Rechtsanwälte GmbH, Vienna, Austria
» **Mag. Maria Kubitschek** Born 1962	**Member of the Supervisory Board** Initial appointment: 07/03/2019 Former Deputy Director of the Federal Chamber of Workers/ Vienna Chamber of Workers, Vienna, Austria
» **Prof. Elisabeth Stadler** Born 1961	**Member of the Supervisory Board** Initial appointment: 07/03/2019 Chairwoman of the Management Board of Vienna Insurance Group AG (Wiener Versicherung Gruppe), Vienna, Austria (until 06/30/2023); Chairwoman of the Supervisory Board of Österreichische Post Aktiengesellschaft, Vienna, Austria (since 04/20/2023); Member of the Supervisory Board of OMV Aktiengesellschaft, Vienna, Austria; Deputy Chairwoman of the Supervisory Board of Andritz AG, Graz, Austria (since 04/08/2024)

Delegated by the Works Council:

» **Josef Gritz** Born 1959	**Member of the Supervisory Board** Initial delegation: 01/01/2000 Chairman of the Works Council for Workers of voestalpine Stahl Donawitz GmbH, Donawitz, Austria
» **Sandra Fritz** Born 1977	**Member of the Supervisory Board** Initial delegation: 06/15/2019 Member of the Works Council for Salaried Employees of voestalpine AG, Linz, Austria
» **Hans-Karl Schaller** Born 1960	**Member of the Supervisory Board** Initial delegation: 09/01/2005 Chairman of the Group Works Council of voestalpine AG, Linz, Austria; Chairman of the European Works Council of voestalpine AG, Linz, Austria
» **Gerhard Scheidreiter** Born 1964	**Member of the Supervisory Board** Initial delegation: 01/01/2012 Chairman of the Works Council for Workers of voestalpine BÖHLER Edelstahl GmbH & Co KG, Kapfenberg, Austria

All Supervisory Board positions held by the shareholder representatives end as of the close of the Annual General Meeting of voestalpine AG tasked with adopting resolutions regarding the business year 2023/24.

None of the members of the Supervisory Board missed more than one half of the meetings of the Supervisory Board during the past business year. Seven members of the Supervisory Board attended all nine meetings of the Supervisory Board in the 2023/24 business year. Two members were unable to attend one meeting and two members were unable to attend two meetings.

COMPENSATION REPORT FOR MANAGEMENT BOARD AND SUPERVISORY BOARD

The compensation of the members of the Management Board and the members of the Supervisory Board for the business year 2023/24 is accounted for as part of the Compensation Report to be prepared in accordance with Sections 78c and 98a Austrian Stock Corporation Act *(Aktiengesetz – AktG)*. The Compensation Report will be submitted to the Annual General Meeting on July 3, 2024, for a vote and subsequently published on the company's website. In contrast to previous years, therefore, there will be no separate reporting on compensation as part of the Consolidated Corporate Governance Report.

INFORMATION REGARDING THE INDEPENDENCE OF THE MEMBERS OF THE SUPERVISORY BOARD

Under Rule 53 of the Austrian Code of Corporate Governance (the "Code"), the majority of the members elected to the Supervisory Board by the Annual General Meeting shall be independent of the company and its Management Board. The Supervisory Board shall establish and publish criteria regarding such independence (see www.voestalpine.com » Investors » Corporate Governance).

Based on the criteria established by the Supervisory Board, all members elected to the Supervisory Board by the Annual General Meeting, with one exception, have confirmed that they consider themselves to be independent. Supervisory Board member Dr. Wolfgang Eder pointed out in his confirmation that, given his position as the Management Board Chairman of voestalpine AG until July 3, 2019, he does not fulfill one of the Supervisory Board's criteria of independence. With the exception of Dr. Heinrich Schaller (who represents the shareholder, Raiffeisenlandesbank Oberösterreich Invest GmbH & Co OG) and Mag. Maria Kubitschek (who represents the voestalpine Mitarbeiterbeteiligung Privatstiftung), none of the Supervisory Board members elected by the Annual General Meeting are shareholder members with an investment of more than 10% in voestalpine AG or represent the interests of such shareholders (Rule 54).

As legal counsel to voestalpine AG and its subsidiaries, the law firm Binder Grösswang Rechtsanwälte GmbH, of which the Supervisory Board member Dr. Florian Khol is a partner, provided legal services in the business year 2023/24 particularly in connection with matters related to capital market, civil and copyright law. Fees for these matters were billed at customary market rates. For the business year 2023/24, total net fees of EUR 53,202 (2022/23: EUR 32,237.67) were incurred for services provided by the law firm Binder Grösswang Rechtsanwälte GmbH. Until June 30, 2023, Supervisory Board member Prof. Elisabeth Stadler was the Chairwoman of the Management Board of Vienna Insurance Group AG (Wiener Versicherung Gruppe – VIG). The voestalpine Group has purchased insurance policies from VIG at terms and conditions customary for the market and industry primarily for the following areas: property/business interruptions, corporate liability, and transportation. In the business year 2023/24, VIG accounted for about 34% (2022/23: about 33.8%) of the voestalpine Group's premiums for insurance programs.

COMMITTEES OF THE SUPERVISORY BOARD

The Articles of Association authorize the Supervisory Board to appoint committees from among its ranks and to define their rights and responsibilities. The committees may also be given the right to make decisions. In accordance with the ratio defined in Section 110 (1) Austrian Labor Constitution Act *(Arbeitsverfassungsgesetz – ArbVG),* the employee representatives on the Supervisory Board have the right to nominate members with a seat and a vote for Supervisory Board committees. The following Supervisory Board committees have been established:

GENERAL COMMITTEE

The General Committee simultaneously serves as the Nomination Committee as defined in the Code. The Chairman of the Supervisory Board and one or all of his deputies are members of the General Committee. With the exception of matters concerning relations between the company and the members of the Management Board, pursuant to Section 110 (1) ArbVG one or two employee representatives are also members of the General Committee.

The General Committee is responsible for executing, amending, or rescinding directors' contracts with members of the Management Board as well as for all matters associated with the administration of Management Board members' stock option plans. As the Nomination Committee, the General Committee submits recommendations to the Supervisory Board concerning candidates for positions on the Management and/or Supervisory Board that are becoming vacant. The General Committee is authorized to make decisions in urgent cases.

Members of the General Committee of the Supervisory Board:

» Dr. Wolfgang Eder (Chairman)
» Dr. Heinrich Schaller
» Hans-Karl Schaller

AUDIT COMMITTEE

The Audit Committee is tasked with the responsibilities set forth in Section 92 (4a) AktG and in Rule 40 of the Code. Hence it is responsible for monitoring the financial reporting process; reviewing and monitoring the auditor's independence and supervising their work; reviewing and preparing the adoption of the annual financial statements; reviewing the proposal for the appropriation of earnings, the Management Report, and the Consolidated Corporate Governance Report; and approving non-audit services. It is also tasked with monitoring the consolidated financial reporting process, reviewing the Group's Consolidated Financial Statements, and submitting a recommendation for the selection of the auditor. The Audit Committee also is responsible for monitoring the effectiveness of the Group-wide Internal Control system, Internal Audit, and the Risk Management system as well as for reporting the findings of its reviews to the Supervisory Board.

Members of the Audit Committee of the Supervisory Board:

» KR Dr. Franz Gasselsberger, MBA (Chairman)
» Dr. Wolfgang Eder
» Dr. Heinrich Schaller
» Hans-Karl Schaller
» Josef Gritz

COMPENSATION COMMITTEE

The Compensation Committee consists of at least two shareholder representatives, including the Chairman of the Supervisory Board. It prepares proposals for the Compensation Policy applicable to the members of the Management Board and monitors whether the directors' contracts with Management Board members comply with the policy.

Members of the Compensation Committee of the Supervisory Board:

» Dr. Wolfgang Eder (Chairman)
» Dr. Heinrich Schaller
» Hans-Karl Schaller

In the business year 2023/24, the majority of members of all Supervisory Board committees, with the exception of the General Committee and the Compensation Committee, met the criteria for independence pursuant to Rule 53 of the Austrian Code of Corporate Governance. In addition to one employee representative, the General and Compensation Committee includes two members elected by the Annual General Meeting. Having been elected Chairman of the Supervisory Board of voestalpine AG with effect from April 1, 2022, pursuant to the Supervisory Board's rules of procedure Dr. Wolfgang Eder also chairs both the General Committee (which simultaneously serves as the Nominating Committee) and the Compensation Committee. Owing to his prior position as Chairman of the Management Board of voestalpine AG until July 3, 2019, Dr. Eder does not fulfill one of the Supervisory Board's criteria of independence as stipulated in Rule 53 of the Code. As a result, these two committees do not comply with Rule 39 of the Code, because the majority of the committee members elected by the Annual General Meeting do not fulfill the independence criteria required by the Supervisory Board. By electing Dr. Eder as Chairman of the Supervisory Board and thus also Chairman of the General and Compensation Committee, the Supervisory Board is relying—in the company's interest with regard to these key responsibilities—on his many years of experience in both the industry and management as well as his insights into the Group.

NUMBER OF AND SIGNIFICANT CONTENT OF THE SUPERVISORY BOARD AND COMMITTEE MEETINGS IN THE BUSINESS YEAR 2023/24

During the business year 2023/24, the Supervisory Board fulfilled its responsibilities under the law and the Articles of Association, holding nine plenary sessions, three meetings of the Audit Committee, eight meetings of the General Committee and three meetings of the Compensation Committee.

In both the General Committee and the Audit Committee meetings, the Management Board provided comprehensive oral and written information regarding the development of the company's business as well as its financial management and position.

In addition to these regular reports, the Supervisory Board gave particular attention in the business year 2023/24 to the appointment of members and the composition of the Management Board as of April 1, 2024, the Strategy 2030+, including the HR strategy, the long-term supply of energy and raw materials, the critical topic of sustainability as well as the compensation policy for members of the Management and Supervisory Boards. Another focus of the Supervisory Board meetings was the Management Board's report on the implementation of the first steps towards decarbonizing steel production at the Linz and Donawitz sites. This concerns the replacement of two of the five coal-based blast furnaces currently in operation with one electric arc furnace powered by renewable electricity at each of the two sites, which was approved by the Supervisory Board in March 2023. As part of the plan developed under "greentec steel" with an investment volume of EUR 1.5 billion, the main plants were awarded in the business year 2023/24. Commissioning of the two units is planned for 2027. The goal is to reduce 30% of the Group's CO_2 emissions (Scope 1 and Scope 2) by 2029 compared to 2019 following a successful ramp-up. This equates to about 5% of Austria's overall annual CO_2 emissions, making the project the country's largest singular undertaking in terms of climate action. The company's long-term aim is steel production with net zero carbon emissions. To achieve this goal by 2050 at the latest, the Group is researching several new processes and investing in pilot projects exploring alternative pathways in steel production. These include research projects such as the H2FUTURE hydrogen pilot facility at the Linz plant for manufacturing and using "green" hydrogen on an industrial scale, as well as the testing facilities at the Donawitz plant for carbon-neutral steel production based on direct reduction of iron ore using hydrogen. Further research projects are dedicated to the capture, storage, and utilization of carbon dioxide (CCUS). The Management Board's reporting also included the construction of the new stainless steel plant at the Kapfenberg site, another key Group project in terms of both innovation and sustainability. The world's most modern plant of its kind was put into operation in the business year 2023/24.

In addition to questions of compensation, the General Committee focused primarily on filling positions on the Management Board as of April 1, 2024, and the preparations for the election of the new Supervisory Board at the 2024 Annual General Meeting.

The Compensation Committee monitored compliance with the compensation policy in the employment contracts of the Management Board members and prepared a proposal concerning the compensation policy for the Management Board members for submission to the Supervisory Board and subsequently to the Annual General Meeting of voestalpine AG on July 3, 2024.

The Audit Committee concerned itself chiefly with the preparation and review of voestalpine AG's Consolidated and Annual Financial Statements, the auditor's independence, and topics related to the current and future structure of the internal control system, the risk management system, and Internal Audit.

The representatives of the auditing firm, Deloitte Audit Wirtschaftsprüfungs GmbH, attended all three meetings of the Audit Committee in the business year 2023/24 and were available for questions and discussions.

At its meeting on March 19, 2024, the Supervisory Board also carried out the self-evaluation required under Rule 36 of the Code and, after asking the Management Board to leave the room, used a list of questions to address the general cooperation between the Management Board and the Supervisory Board, the quality and scope of the documents made available to the Supervisory Board, and organizational issues.

PRINCIPLES OF THE voestalpine GROUP'S COMPENSATION POLICY

Employees' total compensation takes the form of fixed, market-rate salaries, some of which are supplemented by variable compensation.

The amount of the fixed salaries is based on the activities, role, and position of the given employee, as well as their individual experience and expertise. Any relevant statutory requirements and contracts under collective bargaining agreements or works agreements are complied with as applicable. In the event of supplementary, variable compensation, the amount of this compensation component is contingent on the achievement of stipulated targets. Depending on the given employee's role, both qualitative and quantitative targets are agreed. The qualitative targets are usually set for one business year at a time, whereas the quantitative targets are usually set either for one business year at a time or for a minimum of three years.

Requirements applicable to managing directors and officers of the Group in Austria concern the amount of the maximum possible variable compensation and the weighting of the targets. Compensation packages for all other employees are determined by each individual company in line with market conditions, taking into account both local practice and local requirements. Various compensation elements are possible in this connection, including non-monetary components:

- Pension plans (e.g., the Austrian pension fund)
- Insurance (e.g., accident insurance)
- Discounts at the cafeteria
- Coupons

The compensation packages of managing directors and officers always include variable compensation (bonus) and, in some cases, a pension plan and a company car.

COMPOSITION OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

Professional suitability (i.e., whether the candidate possesses the requisite competence and experience) and personality traits (e.g., personal integrity) are material criteria in the selection and appointment of Management Board members. In addition, age and gender are also factors in the decision-making process. Independent management audits by external advisers, which are conducted as necessary, ensure that the decisions are based on objective evaluations. Since April 1, 2024, one woman sits on the Management Board of voestalpine AG. The members of the current Management Board are between 50 and 60 years of age, possess a range of educational credentials primarily in technical fields, as well as widely ranging professional and international management experience. The shareholder representatives on the Supervisory Board are elected by the Annual General Meeting in accordance with the applicable statutory framework. At this time, the Supervisory Board includes four women and one non-Austrian national. The members of the Supervisory Board are between 53 and 72 years of age and possess a wide range of professional expertise along with professional and management experience.

STEPS FOR PROMOTING WOMEN

In the business year 2023/24, the percentage of female executives[1] was 14.5%, thus up slightly from 13.6% in the previous business year. One woman has been appointed to a divisional management position since the business year 2013/14. Since April 1, 2024, one woman is represented on the Management Board of voestalpine AG.

As part of internal leadership development efforts, great importance is placed on continuing to increase the number of female participants. The Group thus takes care to ensure that women are represented at each stage of the Leadership Development Program ("value:program"). Thanks to the consistent implementation of the Group's self-imposed commitment to boost the employment of women in all of the Group's divisions, the share of women in voestalpine's three-stage executive development program (pre-stage, stage 1, stage 2: total of 171 female and male participants) in the business year 2023/24 was raised to an impressive 32.7% (previous year: 23.3%).

[1] The basis of the calculation is the number of employees (headcount).

Overall, the percentage of women in the voestalpine Group in the business year 2023/24 was 16% (previous year: 15.7%). There are industry-specific, historical, and cultural reasons for this percentage—which remains low compared with other industries. In the public's consciousness, the image of a steel and technology Group still conforms to the image of heavy industry, with the result that broad-based recruitment of female employees is a challenging undertaking. Nonetheless, the percentage of women in the voestalpine Group among salaried employees up to the age of 30 is now around 37.1%. Despite all of our efforts, however, women still only account for a mere 10.4% among workers.

There is a general desire to sustainably increase the proportion of women in the Group at all levels with suitable measures, in particular the proportion of women in management positions from the current 14% to 18% by 2030. These measures include a number of activities, some of which are country specific, e.g., participation in the "Girls' Day," the specific advancement of women in technical trades requiring apprenticeships, and/or boosting the hiring of female graduates of technical schools and universities. In addition, the establishment and expansion of in-house childcare facilities and/or collaborations with external facilities is being accelerated. Such facilities and partnerships already exist at many of the Group's locations. A kindergarten with 24-hour care was opened at the Linz location in the business year 2023/24. These offerings are supplemented by flexible work and shift models; enhanced technical training geared to women; upskilling opportunities for apprentices and assistants; mentoring programs; special health programs; guidance on equality and non-discrimination; and so forth. As a result of these efforts, by now women are also employed in leadership positions in the company's traditionally male-dominated, technical areas. Women also hold executive positions in the financial, legal, strategic, communications, and human resources departments in a number of Group companies.

As part of the annual Human Resources Report, data on the percentage of women in executive positions is regularly collected and analyzed based on qualifications and training programs for the purpose of monitoring the long-term impact of all measures.

EXTERNAL EVALUATION OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Corporate Governance Code requires a regular external evaluation of the company's compliance with the Code. This evaluation was carried out by the Group's auditor as part of the audit of the 2023/24 financial statements. The review did not bring to light any facts and circumstances that would cause us to assume that the company's Consolidated Corporate Governance Report 2023/24 does not comply with material aspects of the Code. Compliance with the Code's C rules pertaining to the auditor (Rules 77 through 83) was reviewed by the law firm WOLF THEISS Rechtsanwälte GmbH & Co KG. This review confirmed that, in the business year 2023/24, voestalpine AG complied with Rules 77 through 83 of the Code to the extent that they are C-Rules.

The external review report may be viewed on the company's website www.voestalpine.com

Linz, May 27, 2024

The Management Board

Herbert Eibensteiner	Franz Kainersdorfer	Gerald Mayer
Reinhard Nöbauer	Carola Richter	Hubert Zajicek

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

COMPLIANCE

CODE OF CONDUCT

In its business units, voestalpine is a global steel and technology group that combines materials and processing expertise, focuses on product and system solutions in technology-intensive industries and niches using steel and other metals, and applies stringent quality standards. As a reliable partner, voestalpine takes ownership of the challenges facing its customers. Furthermore, it is fully aware of its responsibilities in its dealings not only with customers, suppliers, and other business partners but also, and in equal measure, with its employees and shareholders.

The voestalpine Code of Conduct encourages employees of the voestalpine Group to be conscious of their individual responsibilities when carrying out their business activities. It provides the basis for the morally, ethically, and legally sound conduct of all of the Group's employees.

Our employees are integral to the Group's success and are therefore key to both the trust placed in voestalpine and its reputation. This is precisely why it is important to establish unequivocal policies and principles on matters of ethics and morality in business. The Code of Conduct provides the relevant parameters to that end. By enabling each and every employee to put its principles into practice, it is also designed to form a central element of the Group's corporate culture. The Management Board is explicitly and emphatically committed to both this Code of Conduct and a zero-tolerance policy toward violations thereof.

COMPLIANCE MANAGEMENT SYSTEM

The Compliance management system encompasses risk analysis/prevention, identification, and reaction. In addition to a Group Compliance Officer, additional Compliance officers have been appointed for all divisions and a number of business units as well as larger Group companies. The Group Compliance Officer reports directly to the Chairman of the Management Board, but is not bound by instructions.

The Compliance organization is responsible for the following areas:

» Antitrust law;
» Corruption;
» Compliance with capital market regulations;
» Fraud (internal cases of theft, fraud, embezzlement, breach of trust);
» Conflicts of interest; and
» Special issues that are assigned to the Compliance officers by the Management Board of voestalpine AG (e.g., UN or EU sanctions).

All other Compliance issues—e.g., environmental law, taxes, accounting, labor law, protection of employees or data—are not part of the Compliance officers' sphere of responsibility. Other organizational units are responsible for these Compliance issues.

COMPLIANCE GUIDELINES

The provisions of the Code of Conduct are supplemented and fleshed out by Group guidelines as follows:

» **ANTITRUST LAW**
This guideline describes the prohibition of agreements restricting competition; establishes rules for dealing and interacting with industry associations, professional associations, and other sector organizations; and defines particular rules of conduct for employees of the voestalpine Group.

» **BUSINESS CONDUCT**
Among other things, this guideline regulates conduct relative to gifts, invitations, and other benefits; donations, sponsoring, and secondary

employment; as well as private purchases of goods and services by employees from customers and suppliers.

» **GUIDELINE ON DEALINGS WITH BROKERS AND CONSULTANTS**
This guideline prescribes the procedure to be followed prior to contracting with or engaging sales representatives, marketing and other consultants, or lobbyists. An objective analysis of business partners' environment and scope of activities before establishing business relationships with them serves to ensure that the business partners also comply with both applicable law and the voestalpine Code of Conduct.

The Code of Conduct is available in 21 languages, and the Compliance Guidelines in 14. The entire body of Compliance rules and regulations applies Group-wide.

PREVENTION

Preventive measures are the first line of defense of an efficient Compliance management system. Comprehensive training programs to that end have been carried out across the Group in recent years. E-learning systems, in particular, are increasingly being used in addition to face-to-face training in order to achieve the broadest possible training effect. So far, web-based courses have been used to train some 15.400 Group employees in antitrust law and some 35.700 employees in matters relating to the Code of Conduct; a final test is carried out in all cases. Face-to-face training is tailored to target groups, and it is also generally carried out as part of executive training programs as well as specific training offered to non-executive employees in sales and procurement. Over and above these measures, Compliance issues are repeatedly brought to the attention of voestalpine's personnel through regular communications, especially employee magazines and poster campaigns or in the context of Group and division-level events.

» Information on the subject of Compliance in the voestalpine Group is also available on the website of voestalpine AG and, specifically for employees, on the Group's intranet.

WHISTLEBLOWING SYSTEM

A web-based whistleblower system was launched in January 2012. Reports of Compliance violations should be made openly for the most part, i.e., divulging the whistleblower's name. However, this web-based system also offers the option of reporting misconduct anonymously and of communicating with whistleblowers in ways that allow them to remain completely anonymous. The system is designed to systematically utilize information for the purpose of identifying Compliance risks within the Group early on and effectively. Initially, the areas in regard to which irregularities could be reported using this system were limited. As of the business year 2022/23, however, it has been possible to use this web-based whistleblower system to file reports concerning the following areas:

» Antitrust law, corruption, fraud, conflicts of interest, capital market compliance
» Discrimination, sexual harassment, mobbing, human rights
» Data privacy and protection
» Technical compliance with special reference to adhering to technical standards and certifications in production processes and IT security
» Environmental issues
» health & safety
» Violations in other areas

CONSOLIDATED MANAGEMENT REPORT 2023/24

This Consolidated Management Report refers to the Consolidated Financial Statements, which were prepared in accordance with the International Financial Reporting Standards (IFRS) as mandated by Section 245a (1) of the Austrian Commercial Code *(Unternehmensgesetzbuch – UGB).*

CORPORATE GOVERNANCE REPORT

The consolidated Corporate Governance Report for the business year 2023/24 has been published on voestalpine AG's website under the "Investors" tab.

» The complete web address is http://www.voestalpine.com/group/en/investors/corporate-governance

CORPORATE RESPONSIBILITY REPORT

As regards the reporting on the consolidated, non-financial statement, please see the Corporate Responsibility Report (CR Report) for the business year 2023/24 that was prepared separately from the Consolidated Financial Statements pursuant to Section 267a (6) UGB. It, too, is available on voestalpine AG's website.

REPORT ON THE GROUP'S BUSINESS PERFORMANCE AND ECONOMIC SITUATION

The business year 2023/24 was characterized by high inflation rates and considerable interest rate levels in key markets in which voestalpine operates. Central banks in both Europe and the USA aimed to reduce inflation by raising interest rates, with varying degrees of success and effects on the economic environment. While the European economy developed only moderately over the entire business year, the US economy proved to be much more robust.

The dominant topic in China was the ongoing crisis in the real estate sector. This not only slowed down consumption, but also other areas of the economy with the exception of the high-tech sector. Although the signs in China pointed to growth in the business year 2023/24, the figures fell short of expectations. In contrast to Europe, the USA, and South America, China did not struggle with high inflation rates in the reporting period, but with falling consumer prices and the negative consequences of a deflationary environment.

As in previous years, the global economy was confronted with geopolitical conflicts and uncertainties also in this reporting period. These included the Hamas attack on Israel in Northern fall 2023 and the attacks on international shipping in the Suez Canal.

EUROPE

The European economy was characterized by very weak momentum in the business year 2023/24. As a result, gross domestic product stagnated at a low level. There was only a slight recovery in the fourth quarter. The economic environment in Europe was characterized by sharp interest rate hikes, particularly in the first three quarters of the business year, with which the European Central Bank sought to combat high inflation. This hit the construction and manufacturing industries hard in particular. After consumption had benefited from people's travel activities in the summer months, it subsequently lost momentum. Inflation fell at the end of the third quarter, which led the ECB to refrain from further interest rate hikes. The trend of the previous months continued in the fourth quarter of 2023/24. Additional geopolitical tensions created further headwinds, including the attacks on international shipping in the Suez Canal. However, this did not slow down growth any further. Inflation weakened further due to lower basic materials and energy prices. The European Central Bank (ECB) therefore held out the prospect of lowering interest rates later in 2024.

The difficult economic environment in Europe meant a decline in demand for voestalpine from the construction, mechanical engineering, and consumer goods industries in the business year 2023/24. Toolmaking in particular, which the High Performance Metals Division supplies with tool steel, reported very low demand in the second and third quarters of 2023/24. At the same time, imports of material from Asia, particularly China, were high.

The automotive industry benefited from an easing of tensions of international supply chains, particularly at the beginning of the business year 2032/24, and remained stable over the remainder of the reporting period. Unlike the economy as a whole, the railways and aviation industries performed very positively. This also applies to the energy industry.

The strategic focus in the business year 2023/24 was on expanding promising business areas such as railway infrastructure and warehouse technology. Strategic adjustments were made in sectors that are experiencing sustained economic difficulties. These included the initiated sales process for Buderus Edelstahl, Wetzlar, Germany, and the reorganization of the Automotive Components business in Germany.

NORTH AMERICA/USA

In contrast to Europe, the economic environment in the USA was much more positive. In the business year 2023/24, the US economy defied the sharp interest rate hikes and performed better than expected. Even the bankruptcy of Silicon Valley Bank at the start of the business year 2023/24 was unable to halt the momentum. Stubbornly high inflation is one downside of this development. The rapid and substantial interest rate hikes did not have a sufficient effect on combating inflation in the business year 2023/24. Hopes that inflation could ease were dashed in the fourth quarter of 2023/24. Accordingly, expectations that there will be a major easing of interest rates very soon are now subdued.

Although sectors such as the construction industry, which is particularly sensitive to interest rate hikes, have cooled down, this has not been as strong or as widespread as feared. The main pillar of the positive economic development in the USA was private consumption, which was characterized by a very strong labor market with low unemployment and high wage growth. The real estate market also picked up again towards the end of the reporting period.

Demand for voestalpine products in the North American market was solid in the business year 2023/24, with declines only in individual segments. The energy and railway infrastructure business performed very well. Positive momentum also came from the aerospace sector. By comparison, the capital goods sector was more moderate.

In the business year 2023/24, voestalpine focused on expanding its North American production capacities in the areas of railway infrastructure, storage technology, and tubes and sections.

BRAZIL/SOUTH AMERICA

Brazil was confronted with high inflation and corresponding interest rate hikes much earlier than Europe and North America. For this reason, Brazil passed the peak of inflation at the beginning of the business year 2023/24. The Brazilian National Bank began to cut interest rates as early as the second quarter of 2023/24. Overall, the Brazilian economy recorded remarkable growth of just under 3% in the business year 2023/24, despite interest rates and inflation remaining very high. This positive development was primarily driven by a record harvest and the associated high food production as well as robust consumption. The latter benefited from high wage increases. Economic momentum slowed in the third and fourth quarters. At the end of the business year, both domestic demand and private consumption were only moderate. Over the business year as a whole, the industrial sectors performed more modestly than GDP on average and became increasingly weaker towards the end of the reporting period.

The voestalpine sites in Brazil performed well in this environment for most of the business year 2023/24. The ongoing boom in the photovoltaic sector drove demand for special sections. The high international demand for products for the oil and gas industry was reflected in good demand for special steels. The slowdown in momentum in the fourth quarter of 2023/24 was also felt by the voestalpine sites, which responded with targeted cost savings.

CHINA/ASIA

China remained in growth mode in the business year 2023/24 despite the ongoing negative developments in the real estate sector. At 5%, however, GDP growth is significantly lower than in the past and is also below expectations. The problems in the real estate sector in particular, which had a negative impact on other areas of the economy and depressed private consumption, were felt across all business quarters. The countermeasures taken by the Chinese central government failed to reverse the trend, but at best had a stabilizing effect.

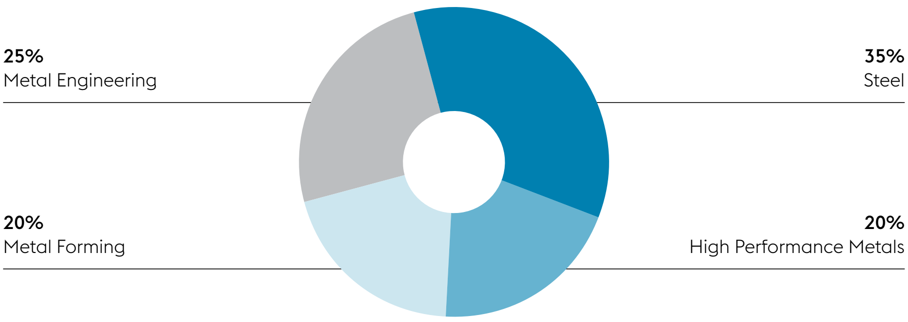
The extremely low inflation and, in some quarters, recognizable deflationary trend are a reflection of the weak momentum in Chinese domestic demand. The manufacturing industry sector—and in particular the high-tech sector—stands out positively. However, low domestic demand and, in some cases, subdued demand in Western markets led to a significant fall in consumer prices in China over the course of the business year. In the fourth quarter, the Chinese central bank therefore stepped up its expansionary monetary policy and lowered interest rates, among other things. The Chinese central government also announced economic stimulus measures, but these are only likely to lead to a stabilization of the economic situation.

There is a special situation in the Chinese steel industry: Although the construction sector is weak and demand for steel is correspondingly lower, Chinese steel manufacturers are producing at record levels. As has often been the case in the past, the international steel markets came under pressure due to exports from China.

The Chinese voestalpine sites performed very satisfyingly in the business year 2023/24. By focusing on the highest quality segment, the Steel Division is not directly affected by Chinese steel exports and imports to Europe. In order to strengthen its market position for the future, voestalpine invested in a new phs® plant in Shenyang, China, and the expansion of the sales network in the High Performance Metals Division, among others.

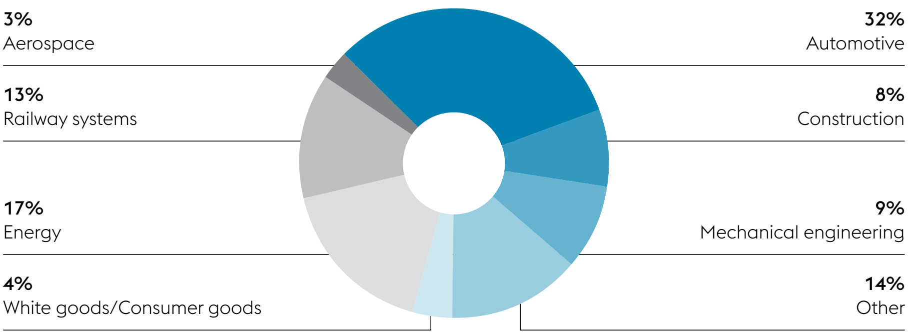
REVENUE BY DIVISIONS

As percentage of total divisional revenue, business year 2023/24



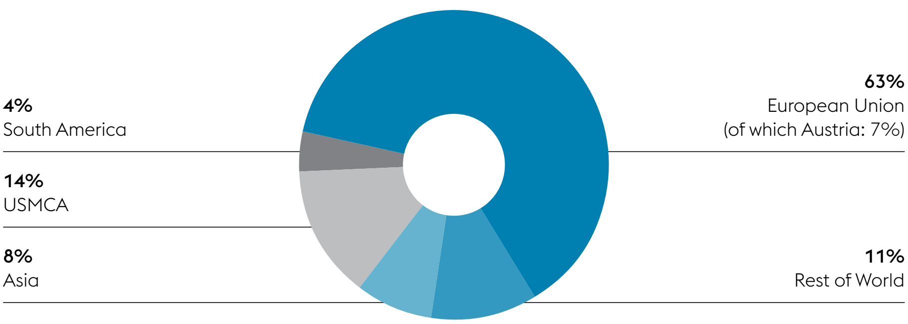
REVENUE BY INDUSTRIES

As percentage of Group revenue, business year 2023/24



REVENUE BY REGIONS

As percentage of Group revenue, business year 2023/24



REPORT ON THE FINANCIAL KEY PERFORMANCE INDICATORS OF THE voestalpine GROUP[1]

REVENUE

The voestalpine Group's financial performance indicators have weakened year-on-year, with the previous year's figures at record levels both on the revenue side and in numerous earnings categories. In operational terms, the downward trend in earnings is attributable to the subdued economic momentum. In addition, negative one-off effects influenced the reporting figures in the business year 2023/24.

Revenue developed more moderately compared to the previous year. In the previous year, all four divisions of the voestalpine Group recorded record levels of revenue, which was due not least to exorbitant increases in raw material and energy costs that were passed on to the market. As a result of the normalization in the business year 2023/24, revenue decreased by 8.5% from EUR 18,225.1 million in the business year 2022/23 to EUR 16,684.3 million. Only the Metal Engineering Division was able to maintain the record figures from the previous year due to the positive development in the energy and railway infrastructure sectors. The reasons for the declines in revenue in the other divisions were divergent. Although the Steel Division was confronted with falling prices, sales volumes increased slightly. This contrasted with the situation in the High Performance Metals Division: A slightly higher price level was offset by significantly lower shipment volumes. In terms of sector trends, the construction and mechanical engineering industries in particular felt the effects of the difficult economic environment and were therefore disproportionately affected by declining sales. In contrast, the Railway Systems segment was actually able to increase its revenue year-on-year. The energy industry and the aerospace sector also recorded a very solid trend.

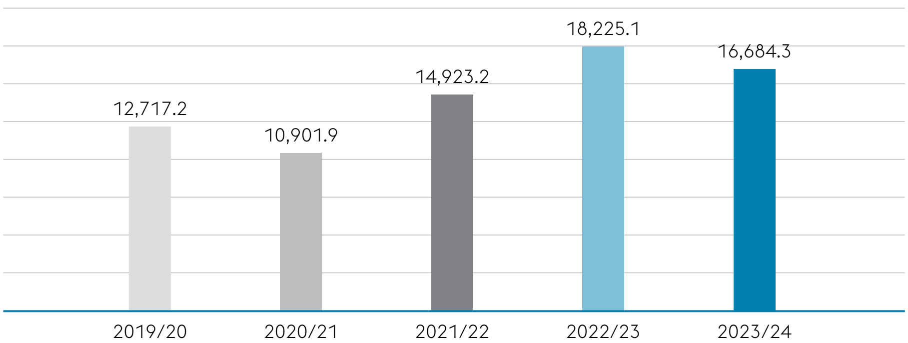
OPERATING INCOME

As on the sales side, the development on the earnings side was also unable to match the record figures of the previous year. In addition to the economic slowdown, this was also due to one-off effects in both reporting periods. In the previous business year 2022/23, EBITDA included positive one-off effects of EUR 101 million. By contrast, the previous year's EBIT reported one-off effects of EUR –72 million. Specifically, these consisted of positive effects from a land sale and negative effects from impairment losses in the Steel Division and the High Performance Metals Division.

The earnings figures for the business year 2023/24 also included one-off effects. Impairment losses as a result of the initiated sales process at Buderus Edelstahl had a negative impact of EUR 181 mil-

REVENUE OF THE voestalpine GROUP

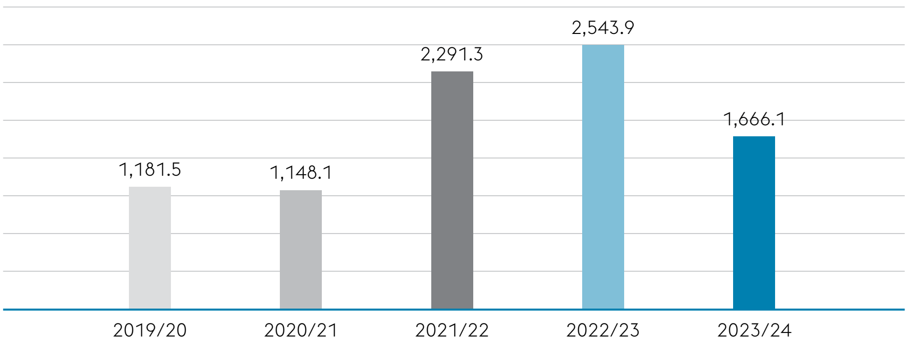
In millions of euros



[1] Business year 2022/23, and 1st to 3rd quarter 2023/24, retroactively adjusted.

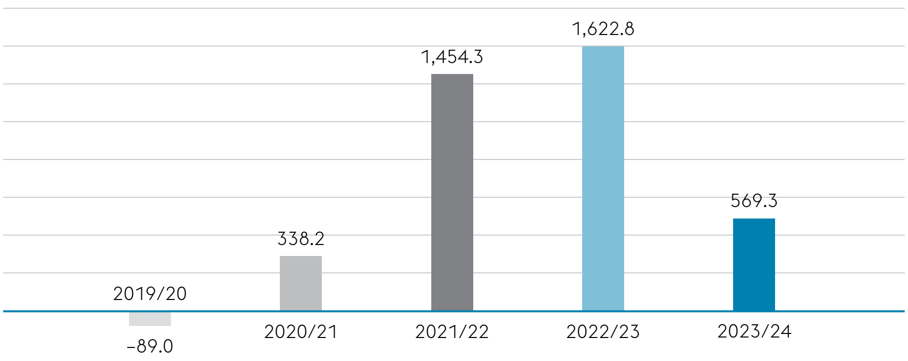
EBITDA

In millions of euros



EBIT

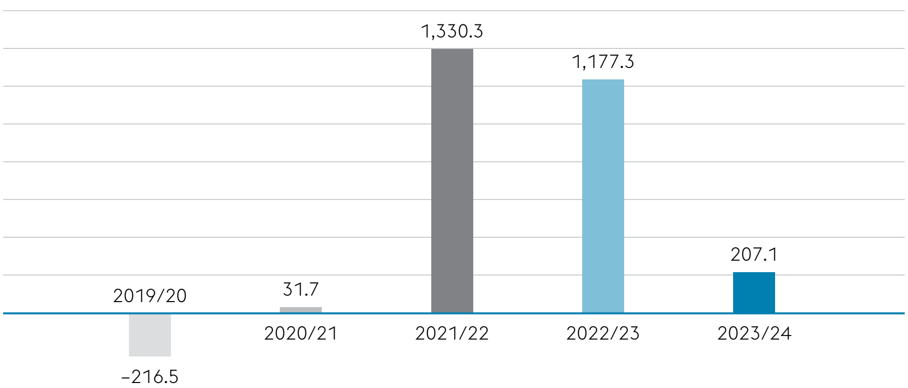
In millions of euros



PROFIT AFTER TAX

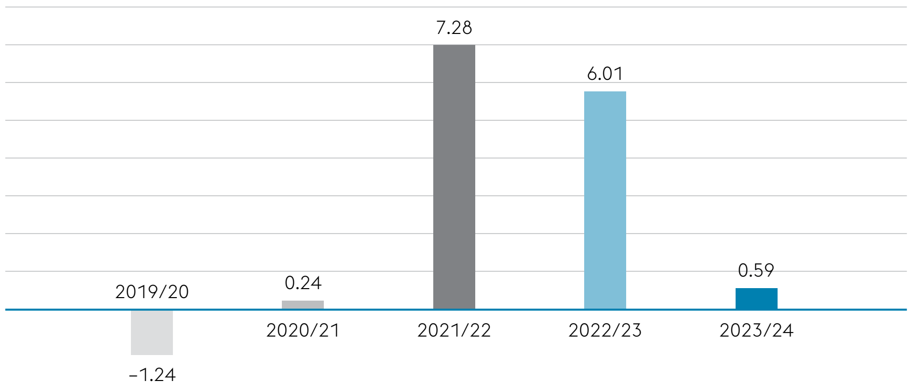
In millions of euros

Before deduction of non-controlling interests.



EPS – EARNINGS PER SHARE

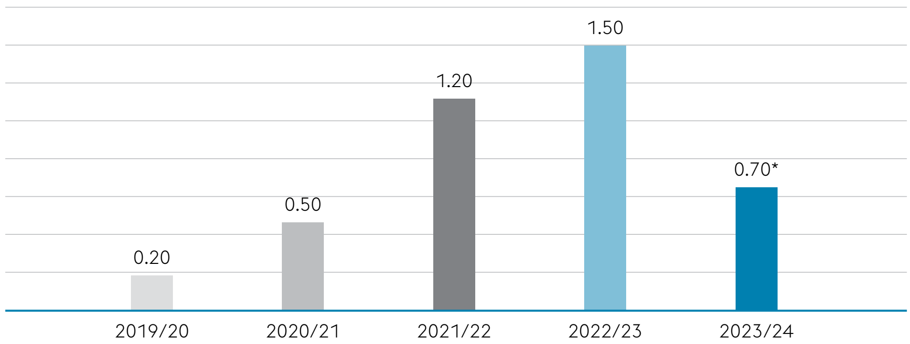
In euros



DIVIDEND PER SHARE

In euros

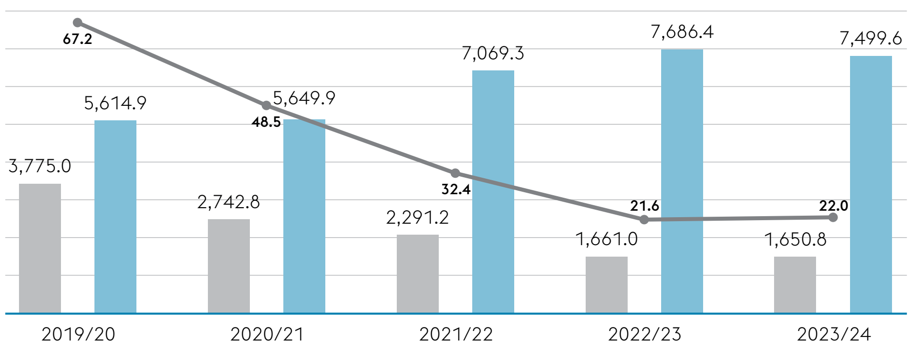
* As proposed to the Annual General Meeting.



NET FINANCIAL DEBT – EQUITY – GEARING RATIO

In millions of euros

Net financial debt Equity Gearing (in %)



lion on EBIT, of which EUR 92 million also affected EBITDA. In the High Performance Metals Division, goodwill impairments in the High Performance Metals Production cash-generating unit amounting to EUR 179 million also had a negative impact on the development of EBIT in the current reporting period. EBIT in the Metal Forming Division in the business year 2023/24 includes non-recurring effects in the form of impairment losses of EUR 68 million due to the adjustment of planning assumptions in the Automotive Components business segment.

In addition to these significant effects, the operating income (EBITDA) and consequently the profit from operations (EBIT) for the business year 2023/24 were also affected by positive and negative one-off effects of medium and small magnitude, which almost completely canceled each other out in total. On the positive side, these include government support payments, and on the negative side, for example, the valuation of the gas storage facility.

Based on the IFRS reporting figures, and thus including one-off effects, EBITDA fell by more than a third from EUR 2,543.9 million in the business year 2022/23 to EUR 1,666.1 million in the business year 2023/24. While the Metal Engineering Division was even able to slightly exceed the record results of the previous year, EBITDA decreased in the other three divisions. EBIT weakened by 64.9% year-on-year from EUR 1,622.8 million to EUR 569.3 million.

PROFIT BEFORE AND AFTER TAXES

As a consequence of the higher interest rate level, financial expenses increased in the business year 2023/24. The net financial result (financial expenses reduced by financial income) developed accordingly from EUR –133.4 million in the previous year to EUR –185.9 million in the current reporting period. This results in profit before tax of EUR 383.4 million in the business year 2023/24, which is a decrease of 74.3% compared to the figure for the business year 2022/23 (EUR 1,489.4 million). Based on a tax rate of 43.8% (previous year: 27.2%) and profit after tax from discontinued operations of EUR –8.5 million (previous year: EUR 93.4 million), profit after tax amounted to EUR 207.1 million (previous year: EUR 1,177.3 million). The high tax burden in relation to profit before tax is due to the fact that the impairments do not lead to any tax relief in the business year 2023/24.

PROPOSED DIVIDEND

Subject to the approval of the shareholders of voestalpine AG at the Annual General Meeting, which will take place on July 3, 2024, a dividend of EUR 0.70 will be paid to the company's shareholders. Compared to the previous year's dividend of EUR 1.50, this represents a reduction of 53.3%. Taking into account the decline in earnings per share from EUR 6.01 in the business year 2022/23 to EUR 0.59 in the business year 2023/24 as a result of the sluggish economic environment and numerous negative one-off effects, a more differentiated picture emerges. In this respect, this proposal corresponds to a payout ratio of 118.6% (previous year: 25.0%). In relation to the average market price of the voestalpine share in the business year 2023/24 of EUR 27.86, this results in a dividend yield of 2.5%. Since the IPO in 1995, voestalpine has continuously distributed dividends to shareholders. The average dividend yield is 3.6%.

CASH FLOWS

Despite the decline in earnings, the voestalpine Group was able to significantly increase its cash flows from operating activities in the business year 2023/24 by more than half, from EUR 956.2 million in the previous year to EUR 1,447.9 million. This was mainly due to the development of working capital: While working capital rose sharply by EUR 1,013.3 million in the previous year due to the material increase in raw material costs and the first-time storage of natural gas, working capital was reduced by EUR 179.1 million in the current reporting period. Investment activities in other intangible assets and property, plant, and equipment were expanded in the business year 2023/24. In the previous year, cash flow from investing activities also included considerable cash inflows from the sale of 80% of the shares in voestalpine-Texas to ArcelorMittal and the sale of real property in Düsseldorf, Germany. Against this backdrop, cash flow from investing activities was only slightly negative at EUR –47.1 million in the business year 2022/23, while it amounted to EUR –853.0 million in the current reporting period.

Cash flow from financing activities developed year-on-year from EUR –685.9 million to EUR –325.3 million. This resulted in an increase in cash and cash equivalents of EUR 269.6 million in the business year 2023/24 (business year 2022/23: increase of EUR 223.2 million). Including the change in currency translation, this results in a closing balance of cash and cash equivalents of EUR 1,322.1 million as of March 31, 2024 (March 31, 2023: EUR 1,055.8 million).

GEARING RATIO

The voestalpine Group has been able to continuously reduce its net financial debt in recent years. In the current reporting period, the Group succeeded in keeping the debt ratio stable at a low level despite accelerated investment activity. Specifically, net financial debt decreased from EUR 1,661.0 million as of March 31, 2023 to EUR 1,650.8 million as of March 31, 2024, creating a solid basis for the Group's further growth and the transformation of steel production. By contrast, the voestalpine Group's equity weakened slightly in a year-on-year comparison. In particular, the negative one-off effects in the form of impairment losses in the business year 2023/24 had an impact. Compared to the reporting date of March 31, 2023 (EUR 7,686.4 million), equity decreased slightly by 2.4% to EUR 7,499.6 million as of March 31, 2024. It should be noted that equity as of March 31, 2023 was adjusted retrospectively from EUR 7,769.4 million to EUR 7,686.4 million. Despite the slight decrease in equity in the current reporting period, the gearing ratio (net financial debt as a percentage of equity) remained virtually unchanged compared to the previous year at 22.0% as of March 31, 2024 (March 31, 2023: 21.6%).

HUMAN RESOURCES

The number of employees (FTE, full-time equivalents) in the voestalpine Group rose by 0.8% year-on-year, from 51,202 as of March 31, 2023, to 51,589 as of March 31, 2024. The Metal Engineering Division recorded a significant increase as a result of staffing for growth projects. The Steel Division reported a moderate year-on-year increase. By contrast, the Metal Forming Division reduced its headcount in response to the structurally more difficult environment in the automotive supply sector in Germany. The number of employees in the High Performance Metals Division was adjusted to the lower level of capacity utilization in the production plants over the course of the business year 2023/24.

Net financial debt can be broken down as follows:

NET FINANCIAL DEBT

In millions of euros	03/31/2023	03/31/2024
Financial liabilities, non-current	2,242.2	1,459.7
Financial liabilities, current	836.6	1,688.0
Cash and cash equivalents	–1,055.8	–1,322.1
Other financial assets	–341.3	–158.2
Loans and other receivables from financing	–20.7	–20.4
Net financial debt from disposal groups	0.0	3.8
Net financial debt	**1,661.0**	**1,650.8**

QUARTERLY DEVELOPMENT OF THE voestalpine GROUP

In millions of euros					BY		
	1st quarter 2023/24[1]	2nd quarter 2023/24[1]	3rd quarter 2023/24[1]	4th quarter 2023/24	2023/24	2022/23[1]	Change in %
Revenue	4,445.7	4,067.1	3,874.8	4,296.7	16,684.3	18,225.1	–8.5
EBITDA	499.4	404.0	363.8	398.9	1,666.1	2,543.9	–34.5
EBITDA margin	11.2%	9.9%	9.4%	9.3%	10.0%	14.0%	
EBIT	310.8	208.5	177.4	–127.4	569.3	1,622.8	–64.9
EBIT margin	7.0%	5.1%	4.6%	–3.0%	3.4%	8.9%	
Profit before tax	273.0	154.8	130.3	–174.7	383.4	1,489.4	–74.3
Profit after tax[2]	212.8	108.0	93.9	–207.6	207.1	1,177.3	–82.4
Employees (full-time equivalent)	51,164	51,212	50,712	51,589	51,589	51,202	0.8

[1] Business year 2022/23, and 1st to 3rd quarter 2023/24, retroactively adjusted.
[2] Before deduction of non-controlling interests.

STEEL DIVISION

STRATEGIC DEVELOPMENT

The groundbreaking ceremony for greentec steel in Linz in October 2023 marked another milestone for the green future of voestalpine and an important contribution to climate protection in Austria. The decision to award the contract and order the electric arc furnace for Linz followed in January 2024. This is scheduled to go into operation in 2027 and produce around 1.6 million tons of CO_2-reduced steel per year when fully operational. In the business year 2023/24, important preparatory work was also driven forward at the site: This included expanding the infrastructure, further clearing the construction site, and adapting the scrap yard. As part of clearing the construction site, a new raw material supply system was also built with an approx. 750-meter-long conveyor belt bridge made of in-house produced, CO_2-reduced steel.

Overall, the Steel Division is seeing growing demand for CO_2-reduced steel. voestalpine now supplies 35 companies from various industries with steel products in the greentec steel edition—from wind energy to building technology.

In addition to the transformation of the production route, the continuous development of the product portfolio remains a key strategic objective. In the business year 2023/24, the Steel Division implemented further measures to improve quality in the production of high-strength and ultra-high-strength steels, such as the modernization of the hot-dip galvanizing lines. The core and, at the same time, the challenge of the Steel Division's transformation strategy is the production of technologically highly sophisticated steels in a climate-friendly production process.

MARKET ENVIRONMENT AND BUSINESS DEVELOPMENT

In the business year 2023/24, the European steel market was dominated by the European Central Bank's sharp interest rate hikes. It raised the base rate to 4.5% by September 2023, triggering a significant economic slowdown in many market segments. The construction industry, which is one of the largest steel-consuming industries, was particularly hard hit. As a result, demand for steel in Europe was very subdued overall in the reporting period.

In this subdued economic environment, the Steel Division, with its focus on technologically sophisticated products, performed consistently well. Although it was unable to escape the generally low demand from the construction, mechanical engineering, and white goods segments, demand for the division's products was good in the strategically important automotive and energy sectors.

Overall, the Steel Division's development of shipment volumes was satisfying in the business year 2023/24, although demand was somewhat subdued in both the second and third quarters of 2023/24. During these phases, some competitors had to shut down production capacities. By contrast, the Steel Division benefited from the relatively stable demand from the high-tech segments of the energy and automotive industry, where volumes were increased via active marketing.

While the European **automotive industry** was still suffering from problems in international supply chains in recent years and was unable to fully utilize its own production capacities, the situation eased from the start of the business year 2023/24. As a result, demand improved significantly. This continued even after the automotive manufacturers had worked off their order backlog, ensuring good capacity utilization in this segment throughout the business year.

Electromobility continues to provide strong impetus. This led to numerous bookings of electrical steel for long-term projects in the **electrical industry segment.** Demand in the **consumer goods and household appliances industry** remained low over the course of the reporting year. Following the boom during the COVID-19 pandemic and the current weak development of the construction industry, the business year 2023/24 saw restrained development at a low but stable level.

The market cooled in the **mechanical engineering sector,** which became increasingly noticeable over the course of the business year 2023/24.

A comparatively small market segment for the Steel Division is the **construction industry,** where the situation deteriorated due to rising interest rates and financing costs. This trend continued throughout the business year 2023/24 and stabilized at a low level from the third quarter of 2023/24.

There were positive developments in the **energy sector.** The Heavy Plate business unit in particular reported good order intake for the business year 2023/24. The business unit benefited from the very good project landscape.

The prices of important raw materials for steel production such as iron ore and metallurgical coal largely moved sideways in the first half of 2023/24, while the third and fourth quarters were characterized by volatility. Steel prices on the European spot market stabilized after an initial downward trend in Northern fall 2023. From this point onwards, price increases prevailed—also supported by higher raw material prices. After peaking in the fourth quarter of the business year 2023/24, prices on the European steel market fell again. The price trend in the Steel Division was much more stable over the course of the reporting period, as steel products are sold exclusively via contract transactions and not on the spot market.

FINANCIAL KEY PERFORMANCE INDICATORS

The Steel Division recorded declines in its key financial figures in the business year 2023/24. Revenue fell by 8.5% from EUR 6,650.3 million to EUR 6,087.8 million. Admittedly, shipment volumes increased slightly in the reporting period. However, the Steel Division was confronted with falling prices after steel prices had risen sharply in the previous business year due to the massive increase in raw material and energy costs following the outbreak of the war in Ukraine.

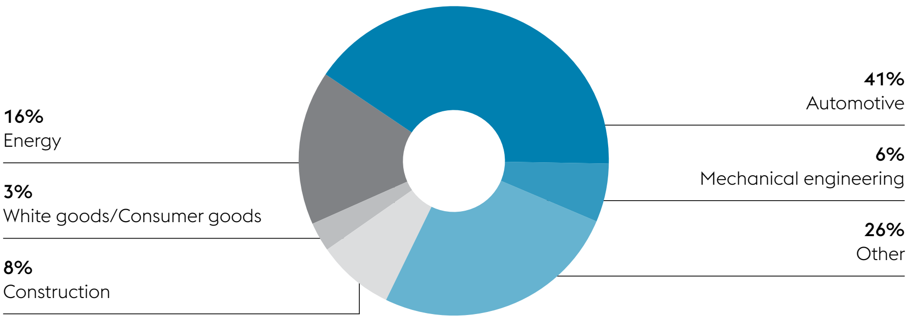
After two business years at record levels, the Steel Division's results were solid in the reporting period. However, the negative effects on the price side had a much greater impact than the reduction in expenses for raw materials and energy. Inflation-related cost increases, particularly in the area of personnel, also had a negative impact on the earnings trend. EBITDA therefore fell from EUR 1,120.4 million (margin of 16.8%) to EUR 686.6 million (margin of 11.3%) in the business year 2023/24. This is a drop of 38.7%. The previous year's figures also included extraordinary write-downs of EUR 32 million on the 20% stake in the ArcelorMittal Texas HBI Group. Since the second quarter of 2022/23, this investment has been reported under the item "Share of profit of entities consolidated according to the equity method." EBIT in the Steel Division fell by 50.3% from EUR 862.5 million (margin of 13.0%) to EUR 428.3 million (margin of 7.0%) in the reporting period.

The Steel Division's financial performance indicators developed positively in the business year from Q3 to Q4 2023/24. Revenue increased by 15.3% from EUR 1,374.6 million to EUR 1,584.9 million in this period. One reason for the growth was the predominantly seasonal increase in shipment volumes. The price level was also very robust. The slight decline in prices for longer-term contracts was largely offset by better prices in quarterly business. EBITDA increased by 11.2% quarter-on-quarter from EUR 156.9 million (margin of 11.4%) to EUR 174.4 million (margin of 11.0%). This was mainly due to positive volume and mix effects. In terms of EBIT, the Steel Division reported an increase from EUR 93.3 million (margin of 6.8%) to EUR 108.3 million (margin of 6.8%) in a quarter-on-quarter comparison. This is an increase of 16.1%.

The number of employees (FTE) in the Steel Division rose by 1.0% from 10,636 to 10,747 as of March 31, 2024.

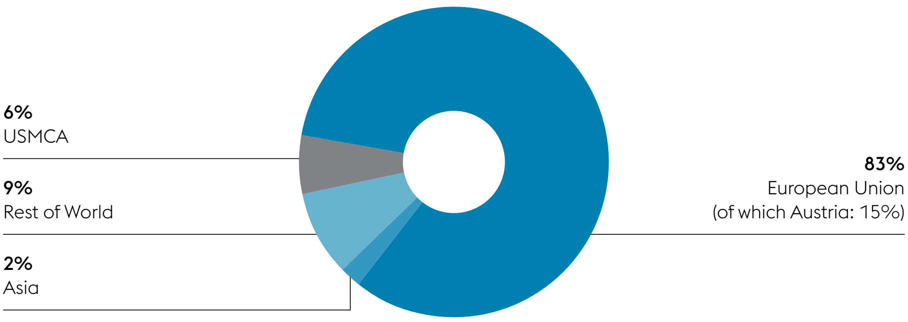
CUSTOMERS OF THE STEEL DIVISION

As percentage of divisional revenue, business year 2023/24



MARKETS OF THE STEEL DIVISION

As percentage of divisional revenue, business year 2023/24



QUARTERLY DEVELOPMENT OF THE STEEL DIVISION

In millions of euros

	1st quarter 2023/24	2nd quarter 2023/24	3rd quarter 2023/24	4th quarter 2023/24	BY 2023/24	BY 2022/23	Change in %
Revenue	1,643.6	1,484.7	1,374.6	1,584.9	6,087.8	6,650.3	–8.5
EBITDA	174.2	181.1	156.9	174.4	686.6	1,120.4	–38.7
EBITDA margin	10.6%	12.2%	11.4%	11.0%	11.3%	16.8%	
EBIT	110.0	116.7	93.3	108.3	428.3	862.5	–50.3
EBIT margin	6.7%	7.9%	6.8%	6.8%	7.0%	13.0%	
Employees (full-time equivalent)	10,657	10,748	10,617	10,747	10,747	10,636	1.0

HIGH PERFORMANCE METALS DIVISION

STRATEGIC DEVELOPMENT

With the commissioning of the new special steel plant in Kapfenberg, Austria, a pioneering strategic step was taken in the business year 2023/24 to focus the product range on the top quality segment. In order to strengthen the position of the High Performance Metals Division in global competition, a sales process was initiated in the course of the strategic realignment of Buderus Edelstahl in Wetzlar, Germany.

The aerospace sector is a growing business area. Due to increasing demand, the sales network for materials in Europe and North America has been expanded. As the sole supplier of titanium sheet for the aerospace industry in Europe, the High Performance Metals Division has concluded its first contracts for the supply of titanium sheet in North America and Asia.

The High Performance Metals Division also strengthened its position as a global partner for oil and gas companies in the most important regions in the business year 2023/24.

The global sales and service network, which focuses on heat treatments, coatings, mechanical processing, and additive manufacturing, continued to grow in the business year 2023/24.

MARKET ENVIRONMENT AND BUSINESS DEVELOPMENT

The High Performance Metals Division was confronted with different developments in the main product and customer segments. Global demand for tool steel from the automotive and consumer goods industries was weak. Special materials for the aerospace industry and the oil and gas sector provided positive momentum.

The consumer goods industry is a key driver of demand for **tool steel.** This industry faced several challenges in the business year 2023/24. For example, sales of white goods (refrigerators, washing machines, etc.) are heavily dependent on the real estate sector, particularly new residential construction. This suffered from high interest rates in Europe and North America. The electronics sector was also subdued: While demand for mobile devices and computers boomed during the COVID-19 pandemic, momentum has since slowed. In contrast to the difficult conditions for tool steel, particularly in the standard-grade area, competitive pressure in the high-quality product segment was significantly lower.

In terms of regional development, the tool steel product segment in Europe recorded a significant drop in demand for the business year 2023/24.

In addition to the general weakness in toolmaking, car manufacturers also postponed the launch of new models. Weak demand and strong import pressure from Asia, particularly China, resulted in significant surplus capacity in Europe.

In North America, there was reduced demand in toolmaking in the business year 2023/24. Demand for tool steel was also quite restrained in South America. Overall, there was little momentum in Asia from the consumer goods industry, the automotive supply industry, and the electronics industry. The situation in South East Asia in particular was very subdued. In China, there were initial signs in the fourth quarter of 2023/24 that the situation was gradually improving. Positive news came from India, where the business year 2023/24 saw a significant upward trend.

There was tailwind for the **special materials product segment** from the aerospace and energy sectors. The aerospace sector benefited from the continued rise in passenger numbers. Regional air traffic had already recovered noticeably in the previous business year. Intercontinental air traffic also improved significantly in the business year 2023/24. Passenger volumes are thus back at the level they were at before the outbreak of the COVID-19 pandemic. These developments resulted in growing orders for passenger aircraft. In addition to long products and closed die-forged components, titanium sheet was also added to the product range.

In addition to aerospace, the oil and gas sector also performed well and ensured good order intake in the High Performance Metals Division. Although economic conditions became more difficult in the business year 2023/24, numerous new projects were implemented in the area of oil exploration. Drilling activities varied from region to region. Active drilling fields (rig counts) declined in North America in the business year 2023/24, while they increased slightly in the Middle East, Africa, and Europe. Special materials were also required for the expansion of the LNG infrastructure.

In the energy machinery customer segment, the European market for power plant turbines was buoyant. A slightly positive trend was recorded in wind energy, where the High Performance Metals Division supplies materials for key components. Demand from the truck industry remained at a high level, while orders from the agricultural machinery sector were somewhat weaker.

The **High Performance Metals Division's production plants** were not fully utilized in the business year 2023/24. This is due to the subdued global demand for tool steel, which could not be fully compensated by the good market for special materials.

While the Villares Metals special steel plant in Brazil performed well and only experienced a slowdown towards the end of the business year, the European sites were unable to fully utilize their production capacities for practically the entire reporting period.

The German special steel plant Buderus Edelstahl in Wetzlar, Germany, was confronted with the most difficult situation in the High Performance Metals Division. The product range of tool and engineering steels with a high proportion in the standard-grade area showed low demand on the European market, resulting in low capacity utilization of the production facilities. Combined with high energy costs in Germany, this led to the decision to turn the advanced process of strategic repositioning into a sales process for this plant.

The Swedish special steel plant Uddeholms was also confronted with reduced capacity utilization for large parts of the business year, but has a better position in terms of energy costs compared to the rest of Europe.

The new special steel plant in Kapfenberg, Austria, was commissioned in the business year 2023/24 and stepwise ramped up. This plant is considered to be the most modern plant in the world for the production of high-quality tool steel and special materials. The necessary certification processes, particularly for the aerospace and energy sectors, were positively initiated and largely implemented as planned in the reporting period.

The **Value Added Services business unit** comprises the global sales and service network of the High Performance Metals Division. It supplies customers with high-quality tool steels and also offers services such as mechanical processing, heat treatment, and surface coating. In Europe, particularly in Germany, the division was faced with a decline in orders for tool steel. The situation in North America and Asia also declined, but was somewhat better. In contrast to tool steel, sales of materials for the aerospace industry and the oil and gas sector were very positive. Demand for services such as surface coating and texturing developed very well worldwide.

FINANCIAL KEY PERFORMANCE INDICATORS

Lower shipment volumes meant that revenue in the High Performance Metals Division fell by 6.5% from EUR 3,789.6 million to EUR 3,541.7 million in the business year 2023/24. Average sales prices were even higher in the reporting period, but the price level gradually weakened over the course of the year due to lower alloy prices.

Earnings in the business year 2023/24 were impacted by one-off effects in the fourth quarter. Impairment losses due to the initiated sales process at Buderus Edelstahl (EUR 181 million) had a negative impact, as did goodwill impairments at the High Performance Metals Production cash-generating unit (EUR 179 million). Of the negative one-off effects of EUR 360 million in the current reporting period, EUR 92 million are also reflected in EBITDA. In the business year 2022/23, EBITDA included positive one-off effects of EUR 133 million from a sale of real property. In the previous year, EBIT also included negative one-off effects of EUR 173 million due to impairment losses.

Against this backdrop, EBITDA fell by 67.0% from EUR 561.5 million (margin of 14.8%) in the business year 2022/23 to EUR 185.3 million (margin of 5.2%) in the business year 2023/24. In addition to the non-recurring effects, the challenging conditions for tool steel were also reflected in a significant decline in operating results.

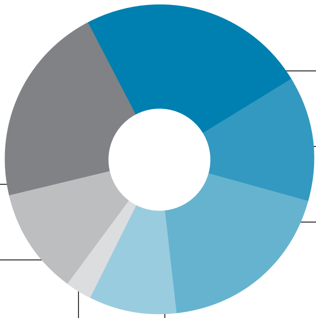
EBIT turned negative in the business year 2023/24 due to the aforementioned one-off effects: from EUR 239.2 million (margin of 6.3%) to EUR –248.2 million (margin of –7.0%).

In a quarter-on-quarter comparison from Q3 to Q4 2023/24, revenue in the High Performance Metals Division increased by 12.1% from EUR 827.1 million to EUR 926.9 million. This was due to the significant increase in shipment volumes. Sales prices, on the other hand, declined due to falling alloy costs. The operating result (EBITDA) developed negatively due to the negative one-off effects in Q4 2023/24 and fell from EUR 56.2 million (margin 6.8%) to EUR –14.1 million (margin –1.5%). However, excluding the non-recurring effects of EUR 92 million mentioned in the year-on-year comparison, EBITDA improved. EBIT fell from EUR 13.6 million (margin of 1.6%) to EUR –320.8 million (margin of –34.6%) due to the impairment losses recognized in Q4 2023/24. EBIT also developed positively in a quarter-on-quarter comparison excluding non-recurring effects.

The number of employees (FTE) fell by 2.5% in the business year 2023/24, from 13,654 as of March 31, 2023 to 13,308 as of March 31, 2024. The decrease in the number of employees is due to the adjustment to the lower production and sales volume of the High Performance Metals Division in the business year 2023/24.

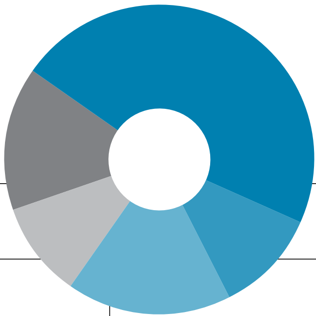
CUSTOMERS OF THE HIGH PERFORMANCE METALS DIVISION

As percentage of divisional revenue, business year 2023/24



MARKETS OF THE HIGH PERFORMANCE METALS DIVISION

As percentage of divisional revenue, business year 2023/24



QUARTERLY DEVELOPMENT OF THE HIGH PERFORMANCE METALS DIVISION

In millions of euros	1st quarter 2023/24	2nd quarter 2023/24	3rd quarter 2023/24	4th quarter 2023/24	BY 2023/24	BY 2022/23	Change in %
Revenue	934.4	853.3	827.1	926.9	3,541.7	3,789.6	–6.5
EBITDA	96.4	46.8	56.2	–14.1	185.3	561.5	–67.0
EBITDA margin	10.3%	5.5%	6.8%	–1.5%	5.2%	14.8%	
EBIT	55.1	3.9	13.6	–320.8	–248.2	239.2	
EBIT margin	5.9%	0.5%	1.6%	–34.6%	–7.0%	6.3%	
Employees (full-time equivalent)	13,560	13,492	13,308	13,308	13,308	13,654	–2.5

METAL ENGINEERING DIVISION

STRATEGIC DEVELOPMENT

In the business year 2023/24, the Metal Engineering Division continued to work intensively on the implementation of projects for CO_2-reduced steel production. At greentec steel, for example, key investment steps were taken with the preparatory work and the awarding of the contract for the electric arc furnace.

In research activities relating to hydrogen-based steel production, in 2024, the HYFOR pilot plant at the Donawitz site produced the first hydrogen-direct-reduced iron and, together with scrap, subsequently produced high-quality "green" wire rod in the Group's own Technikum Metallurgie research facility, a complete steelworks on a small scale. The Railway Systems division accelerated its strategic orientation towards becoming a railway infrastructure systems provider with targeted acquisitions in the areas of rail fastening technology, switches, and sleepers. Based on the company's own sensor solutions and the "Zentrak" asset management software platform, the Signaling product segment has significantly developed the turnout into a fully digitalized turnout system.

In the Tubulars product segment, the focus in the business year 2023/24 was on diversifying the product portfolio. Thanks to the strategic acquisition of a competitor's equipment and additional investments, Tubulars is now the only supplier of seamless hollow sections in Europe. In addition, the product range is gradually being geared towards a broader customer spectrum. For example, tailor-made customer solutions in the areas of geogenic hydrogen storage, seamless tube systems for the sequestration of carbon dioxide, and in the growing geothermal energy segment have been developed and are already being used on the market.

The Welding product segment has taken further important steps towards becoming a full-service provider that can supply both the material and the necessary equipment. One focus in the business year 2023/24 was on the further development of automated welding solutions.

MARKET ENVIRONMENT AND BUSINESS DEVELOPMENT

The Metal Engineering Division continued its very positive development in the business year 2023/24. The tailwind for the very good performance was provided by the Railway Systems business segment, which recorded very satisfactory demand worldwide, as well as the favorable market environment in the oil and gas sector.

As a leading provider of system solutions for railway infrastructure, the **Railway Systems division** closed the business year 2023/24 on a very satisfactory note, as in the previous year. The Rails product segment is focused on the European market, where it recorded positive development in Austria, Germany, and Switzerland in the business year 2023/24. Both mixed and urban transport contributed to the good order situation. Due to the very good market conditions in Europe, sales on overseas markets played a subordinate role in the past business year. Rail projects outside Europe were realized in Africa and Australia, for example. Rail production capacity at the Donawitz site in Austria was fully utilized in the business year 2023/24.

In the globally positioned Turnout Systems product segment, innovative turnout systems are produced close to customers on all continents. In the European core markets, the product segment benefited from stable demand at a high level. North America developed well overall, with the Class 1 segment of the largest freight railroads in the United States performing rather moderately, while the urban passenger transport segment benefited from very good demand. In China, the market is increasingly changing. While only a few new projects are now being implemented in the high-speed segment, Turnout Systems' business is increasingly being driven by maintenance investments in the existing high-speed network, as has been the case in the rail networks in Europe and North America for decades. After several difficult years, South Africa showed positive momentum again for the first time in the reporting period.

The Signaling product segment rounds off the Railway Systems division's complete system approach with the production of drive and locking systems for switches as well as diagnostic systems and hazard warning systems for fixed railroad infrastructure systems and rolling stock (wagons and locomotives). In the Signaling product segment, the business year 2023/24 was characterized by a satisfactory project landscape in Europe and North America. Project call-offs in Australia and the Middle East fell slightly short of expectations.

The **Industrial Systems division's** product segments performed differently in the businesss year 2023/24. The Wire Technology product segment (wire rod and drawn wire), for example, operated in a difficult market environment. Wire Technology supplies a wide range of customized wire solutions to its predominantly European customers in the automotive, construction, mechanical engineering, and consumer goods industries. Call-offs from the automotive industry in the business year 2023/24 were still relatively good compared to the previous year, while those from the construction and consumer goods industries were quite weak. The market environment for the further processing of wire rod into drawn wire was positive in the past business year.

The Tubulars product segment (seamless tubes) primarily supplies oil and gas field equipment manufacturers with high-quality OCTG (Oil Country Tubular Goods) seamless tubes and threaded connections for the exploration of oil and gas fields. Following the sharp price spikes at the beginning of the war in Ukraine, the oil price weakened somewhat in the current business year, but remained above the long-term historical average. By contrast, natural gas prices fell significantly over the course of the business year, particularly in North America. Against this backdrop, global oil drilling activity remained high, while natural gas exploration declined noticeably and with it the demand for OCTG seamless pipes in this customer segment. The regional performance of the Tubulars product segment varied in the business year 2023/24: The number of all active oil and gas drilling fields in the US (rig counts) declined in the business year 2023/24 due to the weak natural gas price, while it increased slightly in the Middle East, Africa, and Europe. The MENA region (Middle East and North Africa) in particular is becoming increasingly interesting, as demand for more complex products for exploration is on the rise. The market for industrial tubes (mechanical engineering, automotive supply industry) was characterized by more volatile conditions in the business year 2023/24.

The Welding product segment produces and markets complete solutions in the field of welding technology ("The Perfect Weldstream") for demanding customer segments worldwide. Numerous production sites in North and South America and Asia offer good regional market access. Market conditions in Europe were challenging—particularly in the construction and mechanical engineering sectors. The situation in the European energy sector was better. The economic environment in the overseas markets was more favorable. Market development in North America was largely satisfactory. In Brazil, the energy sector was responsible for good incoming orders. Demand in Asia was consistently good—this applies to India as well as the Middle East and the Asia-

Pacific region. In China, the product segment developed in a good economic environment—particularly in the demanding crane construction sector (e.g., cranes for erecting wind turbines) and for thermal power plants.

FINANCIAL KEY PERFORMANCE INDICATORS

The Metal Engineering Division can look back on an overall stable revenue trend in the business year 2023/24. Revenue increased slightly by 0.6% from EUR 4,289.2 million to EUR 4,315.7 million in the reporting period. The business and product segments presented a varied picture: The Railway Systems business segment benefited from the improved price level and the stable, good delivery volumes for rails. In addition, the business volume for turnout systems was expanded. The situation was different in the Industrial Systems business, where sales declined. The Wire Technology product segment in particular struggled with the difficult market environment over the course of the business year 2023/24. Prices for seamless tubes (Tubulars product segment) remained high, although volumes were slightly below the previous year's level.

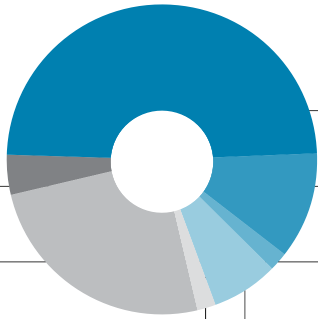
The Metal Engineering Division's results developed positively in the business year 2023/24. After individual key figures had already set historic records in the previous year, they were again slightly exceeded in the current reporting period. EBITDA recorded an increase of 3.5%, rising from EUR 585.9 million (margin of 13.7%) to EUR 606.2 million (margin of 14.0%). This growth was driven by the Railway Systems business segment. The situation in the Industrial Systems business segment was mixed. The Tubulars product segment continued to perform very well in the business year 2023/24, with earnings only moderately below the excellent level of the previous year. The Welding product segment reported slight growth, while the Wire Technology product segment was confronted with a declining earnings situation. EBIT improved by 5.9% in the business year 2023/24, from EUR 404.0 million (margin of 9.4%) to EUR 427.7 million (margin of 9.9%).

In a direct comparison of the third and fourth business quarters of 2023/24, revenue increased by 4.7% from EUR 1,026.3 million to EUR 1,074.7 million. In contrast to the previous year, revenue in the Railway Systems business segment decreased, while it increased in the Industrial Systems business segment thanks to higher volumes for wire and seamless tube deliveries. On the earnings side, the Metal Engineering Division also benefited quarter-on-quarter from the positive development of the Industrial Systems business segment, where the Wire Technology, Tubulars, and Welding product segments improved. EBITDA thus increased by 27.1% from EUR 128.1 million (margin of 12.5%) to EUR 162.8 million (margin of 15.1%) in Q4 2023/24. EBIT increased from EUR 86.9 million (margin of 8.5%) to EUR 117.8 million (margin of 11.0%). This corresponds to an increase of 35.6%.

As of March 31, 2024, the number of employees (FTE) in the Metal Engineering Division was 14,724, up 4.8% on the previous year's figure of 14,053. The increase was primarily in the Turnout Systems product segment, partly due to the expansion of business activities in North America. However, the Tubulars product segment also increased its headcount due to investment in production facilities for the manufacture of seamless hollow sections.

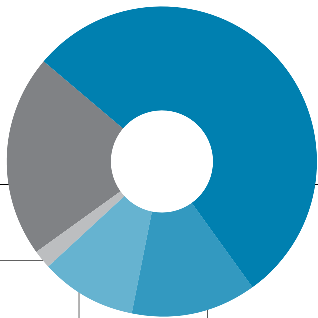
CUSTOMERS OF THE METAL ENGINEERING DIVISION

As percentage of divisional revenue, business year 2023/24



MARKETS OF THE METAL ENGINEERING DIVISION

As percentage of divisional revenue, business year 2023/24



QUARTERLY DEVELOPMENT OF THE METAL ENGINEERING DIVISION

In millions of euros	1st quarter 2023/24	2nd quarter 2023/24	3rd quarter 2023/24	4th quarter 2023/24	BY 2023/24	BY 2022/23	Change in %
Revenue	1,144.4	1,070.3	1,026.3	1,074.7	4,315.7	4,289.2	0.6
EBITDA	182.3	133.0	128.1	162.8	606.2	585.9	3.5
EBITDA margin	15.9%	12.4%	12.5%	15.1%	14.0%	13.7%	
EBIT	138.0	85.0	86.9	117.8	427.7	404.0	5.9
EBIT margin	12.1%	7.9%	8.5%	11.0%	9.9%	9.4%	
Employees (full-time equivalent)	14,145	14,247	14,287	14,724	14,724	14,053	4.8

METAL FORMING DIVISION

STRATEGIC DEVELOPMENT

In the business year 2023/24, the Metal Forming Division pressed ahead with the further expansion of capacity and market share in the **Warehouse & Rack Solutions** business segment (shelving and storage systems). A new production facility for the American market was opened in Louisville, Kentucky, USA. In Northern fall 2023, voestalpine also acquired Torri S.R.L. in Vicenza, Italy, through its subsidiary NEDCON in order to expand its customer and product portfolio in the storage systems segment. With an annual revenue of around EUR 75 million and around 135 employees, Torri S.R.L. manufactures shelving systems and storage platforms for a wide range of industrial requirements. The product portfolio includes both manual and automated storage systems as well as special solutions for individual requirements.

In the **Tubes & Sections** business segment, an existing plant in Vyskov (Czech Republic) was significantly expanded. Overseas, the processing activities of voestalpine Roll Forming Corporation (USA) were bundled and expanded in a separate processing center. Production capacity was also doubled at Plant II of voestalpine Meincol in Brazil. The business segment also responded to the strong growth in the Chinese automotive industry, whereby voestalpine Profilform China invested in five plants for the production of air suspension components, particularly for Chinese OEMs.

In the **Automotive Components** business segment, a fifth phs® production unit was put into operation at the Shenyang site (China). For the first time, this is a CO_2-neutral production plant, as it is operated entirely electronically with electricity from the company's own PV system and, if required, with purchased green electricity.

Due to the strong pressure on margins in the automotive industry, the focus remains on leveraging internal synergies and operational excellence.

The **Precision Strip** business segment launched the new product category of NEM (non-ferrous metals) special strips, which are used in electronics applications.

MARKET ENVIRONMENT AND BUSINESS DEVELOPMENT

The development of the Metal Forming Division in the business year 2023/24 was characterized by diverging trends in individual industries. In general, the environment in Europe was relatively challenging, whereas Asia and, to some extent, North and South America recorded good growth rates.

In the **Automotive Components** business segment, production and sales figures remained largely stable. Production and sales of new vehicles increased slightly in the business year 2023/24 compared to the previous year, albeit from a low level. The Automotive Components business segment has adjusted its production capacities accordingly and reorganized the business unit. Against this backdrop, impairment losses were recognized in the fourth quarter of 2023/24 due to the adjustment of planning assumptions and underutilized plants, primarily in Germany. The sale of voestalpine Automotive Components Nagold also took place in the third quarter of 2023/24.

The locations in North America were well utilized in the past reporting year. The Chinese automotive market developed very dynamically in the business year 2023/24, albeit with high growth rates on the part of Chinese car manufacturers. By contrast, the Chinese branches of European OEMs, which form the customer base of the voestalpine Automotive Components plants, remained largely stable at a good level. This resulted in continued good capacity utilization at the Chinese plants of the Automotive Components business segment.

The **Tubes & Sections** business segment recorded increased demand in the photovoltaic segment in Europe, partially offsetting the weak demand figures from the construction industry and the commercial business. The truck business also performed very well, and demand in the cabin construction segment was also very good.

Extremely positive developments in warehouse technology and in some areas of the aircraft industry were reported in North America. In South America, especially in Brazil, the boom in the photovoltaic industry continued for much of the business year 2023/24, which was reflected in the good performance of the sites in the region. In China, the Tubes & Sections business segment can also look back on a good overall performance in the reporting period. The weakness of the Chinese construction industry was offset by demand for special tube components for air suspension systems in the automotive sector.

In the **Precision Strip** business segment, the business year 2023/24 was characterized by a noticeable decline in demand. In addition to the overall economic downturn, destocking within the value chain led to a significant decrease in orders. At a regional level, demand was massively subdued, particularly in Europe, especially in the areas of band saw steel and cutting lines for the packaging industry. Only modest figures for band saw steel were also reported from the USA. The market environment in China improved somewhat, but the European voestalpine sites continue to be confronted with unfavorable conditions for exports due to high energy costs.

The **Warehouse & Rack Solutions** business segment posted positive results, continuing the good performance of previous years. High order backlogs from previous periods also led to a good overall performance in the business year 2023/24 and offset the reduced project awards due to high interest rates in Europe and the USA. The reduction in input material costs and the significant easing on the logistics side also had a positive effect. The expansion and commissioning of a new production hall in Louisville, Kentucky, with three production facilities further strengthened the market in the USA. Technological expertise and market share were also further expanded in Europe with the acquisition of Torri S.R.L. in Vicenza, Italy.

FINANCIAL KEY PERFORMANCE INDICATORS[1]

The Metal Forming Division recorded declines in the key financial performance indicators in the business year 2023/24. Revenue fell by 12.8% from EUR 3,860.7 million to EUR 3,368.4 million. In principle, this development affected all four of the division's business segments. While the Automotive Components business segment was only confronted with a slight decline, revenue in the other three business segments fell more sharply, short of the previous year's figures. Similar to revenue, earnings also declined in all four segments in the business year 2023/24. EBITDA fell by 19.6% from EUR 374.6 million (margin of 9.7%) to EUR 301.0 million (margin of 8.9%). The strongest decline was recorded in the Precision Strip segment, which had to contend with a significant drop in demand in the reporting period. The declines in the other three business segments were at a moderate level. EBIT was impacted by one-off effects in the business year 2023/24: In response to the structural underutilization of capacity in the automotive supply industry in Germany, planning assumptions had to be adjusted in the Automotive Components segment. This resulted in impairment losses of EUR 68 million. Specifically, EBIT fell by 61.7% from EUR 228.7 million (margin of 5.9%) to EUR 87.5 million (margin of 2.6%).

Revenue and operating profit developed much more positively in a quarter-on-quarter comparison during the year. Revenue increased from EUR 790.3 million in the third quarter of 2023/24 to EUR 878.0 million in the fourth quarter of 2023/24. This is an increase of 11.1%. While Warehouse & Rack Solutions showed a stable trend, the other three business segments were able to increase due to seasonal factors. EBITDA increased by 81.0% from EUR 53.7 million (margin of 6.8%) to EUR 97.2 million (margin of 11.1%) in the same period. The Tubes & Sections and Automotive Components segments achieved a significant improvement. The Precision Strip segment recorded slight increases due to seasonal factors. The Warehouse & Rack Solutions business performed stably.

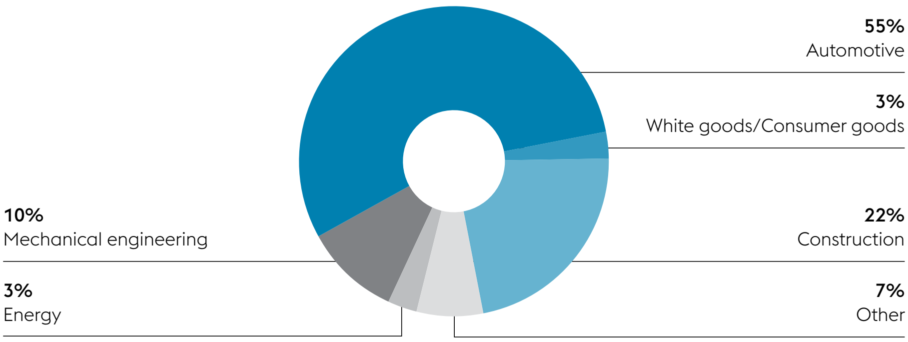
EBIT was negative at EUR –7.9 million (margin –0.9%) in the fourth quarter of 2023/24 due to the non-recurring effects of EUR 68 million described in the year-on-year comparison. In the immediately preceding quarter, the Metal Forming Division reported EBIT of EUR 18.2 million (margin of 2.3%).

The number of employees (FTE) was 11,571 as of March 31, 2024, a decrease of 2.4% compared to March 31, 2023 (11,853). The Tubes & Sections and Warehouse & Rack Solutions segments increased their headcount due to acquisition and investment projects. By contrast, the Automotive Components segment reduced the number of employees in response to the changed economic conditions for the automotive supply industry in Germany. The sale of the production site in Nagold, Germany, also resulted in a divestment in the business year 2023/24.

[1] Business year 2022/23, and 1st to 3rd quarter 2023/24 retroactively adjusted.

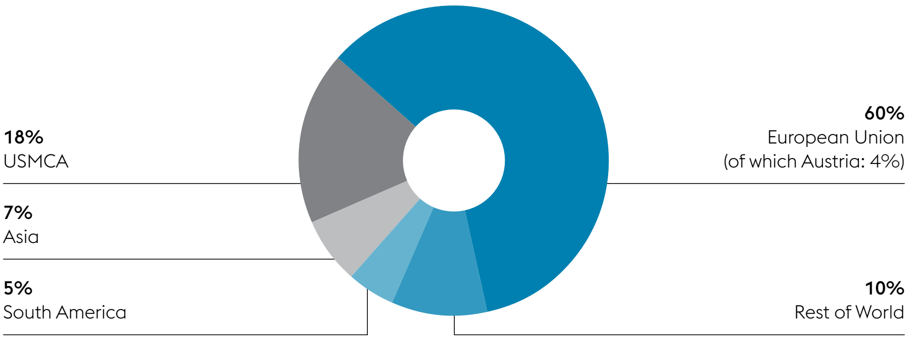
CUSTOMERS OF THE METAL FORMING DIVISION

As percentage of divisional revenue, business year 2023/24



MARKETS OF THE METAL FORMING DIVISION

As percentage of divisional revenue, business year 2023/24



QUARTERLY DEVELOPMENT OF THE METAL FORMING DIVISION

In millions of euros	1st quarter 2023/24[1]	2nd quarter 2023/24[1]	3rd quarter 2023/24[1]	4th quarter 2023/24	BY 2023/24	BY 2022/23[1]	Change in %
Revenue	884.0	816.1	790.3	878.0	3,368.4	3,860.7	–12.8
EBITDA	76.2	73.9	53.7	97.2	301.0	374.6	–19.6
EBITDA margin	8.6%	9.1%	6.8%	11.1%	8.9%	9.7%	
EBIT	40.5	36.7	18.2	–7.9	87.5	228.7	–61.7
EBIT margin	4.6%	4.5%	2.3%	–0.9%	2.6%	5.9%	
Employees (full-time equivalent)	11,782	11,668	11,315	11,571	11,571	11,853	–2.4

[1] Business year 2022/23, and 1st quarter to 3rd quarter 2023/24, retroactively adjusted.

INVESTMENTS

voestalpine completed and advanced important investment projects in the business year 2023/24. One focus was on the implementation of greentec steel, the ambitious and feasible step-by-step plan for green steel production. In a first step, one blast furnace at each of the Linz and Donawitz sites will be replaced by an electric arc furnace (EAF) powered by green electricity. The investment volume amounts to EUR 1.5 billion. The technology switch will enable the Group to reduce its emissions by up to 30% from 2027—this corresponds to a saving of almost four million tons of CO_2 per year. This means that domestic CO_2 emissions can be reduced by around 5% once the two new electric arc furnaces go into operation in 2027. greentec steel is therefore the largest climate protection program in Austria.

In the business year 2023/24, voestalpine reached several milestones on the road to green steel production. In the Northern fall of 2023, ground was broken for the construction of the first two electric arc furnaces in Linz and Donawitz. In the reporting period, orders were also placed for the two plants, and construction work at the two sites progressed rapidly.

voestalpine also completed important investment projects in the business year 2023/24 which will make a significant contribution to its future competitiveness. One milestone was the opening of the world's most modern special steel plant in Kapfenberg in October 2023. The new plant, which is a global pioneer in terms of digitalization and sustainability, is the first of its kind to be built in Europe in four decades. The pickling tandem line ("Beta 3") was ramped up in Linz. In addition to these major projects, voestalpine has also invested in the processing areas, including the expansion of capacity at the global sites in the Tubes & Sections and Warehouse & Rack Solutions business units, which are part of the Metal Forming Division.

In total, the voestalpine Group invested EUR 1,233.0 million in property, plant, and equipment and intangible assets in the business year 2023/24, 33.7% more than in the previous year (EUR 922.0 million).

The **Steel Division** made investments of EUR 546.4 million in the 2023/24 business year. Compared to the previous year (EUR 310.0 million), this represents an increase of 76.3%. The Steel Division has made significant progress towards green steel production. For example, progress was made in clearing the construction site and implementing infrastructure measures for greentec steel. These include the relocation of pig iron solidification and residual slag recycling, as well as the adaptation of the scrap yard. In addition, the conveyor belt bridge was built, which will supply the new electric arc furnace in Linz, among others, with raw materials from 2027. CO_2-reduced steel from voestalpine was used for this. Austrian Power Grid (APG) has begun construction of the transformer station. In the metallurgy sector, blast furnace 5 (8-meter furnace) was repaired for the last time in the Northern summer/fall 2023 and will be replaced by an electric arc furnace from 2027. Preparations were also made for the repair of blast furnace 6 (8-meter furnace), which will take place in August 2024 and last around three months. In the steelworks, modernization measures in secondary metallurgy and a continuous casting plant were on the agenda. Progress was also made at the company's own power plant. Here, metallurgical gases from the coking plant, the blast furnace, and the steelworks are converted into electricity. This ensures a high degree of self-sufficiency in electricity at the Linz site. The Steel Division awarded numerous contracts for the new power plant unit 8 in the 2023/24 business year—e.g., for the boiler, the electrical system, and the simulator. The ramp-up of the pickling line in cold rolling mill 3 ("Beta 3")—one of the Steel Division's central key facilities—began in the fourth quarter of 2023/24. The process systems were already delivered in the first half of 2023/24. The fully automated pickling tandem line, which meets the highest Industry 4.0 standards, enables a further increase in quality in the production of high-strength and ultra-high-strength steels for the automotive, household appliance, and construction industries, as well as electrical steel for e-mobility. BETA 3 also sets new standards in terms of sustainability: instead of using sulphuric acid as before, pickling will in future be carried out with hydrochloric acid, which will be recycled in a closed-loop system using a regeneration plant. The production capacity is approx. 2 million tons per year. Another focus was the modernization of hot-dip galvanizing lines 2 and 4, with the aim of increasing the quantities of ultra-high-strength grades. The work should be largely completed in the 2024/25 business year. The modernization of all hot-dip galvanizing lines is expected to take until calendar year 2027.

The **High Performance Metals Division** invested EUR 189.9 million in the 2023/24 business year. Compared to the previous year (EUR 245.6 million), this is a decrease of 22.7%. The most important investment project was the new special steel plant in Kapfenberg. With the official opening in October 2023, voestalpine set a technological milestone in the production of future-oriented high-performance materials for the international automotive, energy, and aerospace industries. In full operation, 205,000 tons of special steels can be produced annually for the most demanding customer segments. In addition to the focus on fully digitalized systems and highly automated processes, the new special steel plant focuses on environmentally friendly and resource-saving steel production. The electric arc furnace—the heart of the plant—will be powered 100% by electricity from renewable energy sources. Commissioning and production of the first product for sale already took place in May 2023. The old and new plants were operated in parallel until the end of the 2023 calendar year. At the beginning of January 2024, 3-shift operation started in the new steel plant, and operations were continuously optimized in the following months. The certification process for the manufacture of products in the new plant—primarily for customers in the aerospace and automotive sectors—was initiated and largely implemented in the 2023/24 business year. The buffer stocks that were built up to supply customers during the certification process have been dismantled since the fourth quarter of 2023/24.

At the Villares site in Sumaré, Brazil, the High Performance Metals Division expanded the furnace capacity for remelting electrical slag for nickel-based alloys and tool steel. The project was completed at the end of the 2023/24 business year. The engineering for the new vacuum arc remelting plant was carried out in the reporting period. Delivery of the unit and completion are scheduled for the next business year. The Value Added Services business unit relocated the Chinese site of the company Advanced Tooling Tek (Shanghai). The previous location had reached the limits of its capacity. Sales, machining and coating activities in North America were concentrated at the Elgin site in Illinois, USA.

The **Metal Engineering Division's** investment volume amounted to EUR 291.1 million in the 2023/24 business year, up 49.1% on the previous year (EUR 195.2 million). The Metal Engineering Division drove the transformation to green steel production forward. As in Linz, an electric arc furnace (EAF) with an annual capacity of 850,000 tons will be built in Donawitz by 2027 as part of greentec steel. Site clearance for the EAF and the new scrap hall was completed in the 2023/24 business year. This included the demolition of the existing continuous casting plant and the old rail track. In Northern summer 2023, the contract for the electric arc furnace was awarded to the Italian plant manufacturer Danieli & C. Officine Meccaniche S.p.A. The next steps are the construction of the 220 kV connection and the new transformer station by APG. The construction site for this was already prepared during the reporting period. The entire project is on schedule and on budget. In the metallurgy area, flood protection was built at the Donawitz steel site in the 2023/24 business year. Preparations were also made for the planned repair of blast furnace 4, which will take place for the last time in the Northern summer 2024. Blast furnace 4 will be replaced by an electric arc furnace in 2027. The Railway Systems Group carried out numerous measures with manageable investment volumes in the 2023/24 business year. For example, a new production line for railway sleepers was put into operation at Travertec, Romania. In the Industrial Systems business unit, the tubulars product segment successfully modernized the rotary hearth furnace including the chimney at the Kindberg site. The plant was shut down for six weeks in the Northern summer of 2023. At the Kindberg site, investments were made in a new production facility for seamless hollow sections and a profile pipe finishing line including a hall. To this end, equipment including all rights was purchased from a competitor in Germany in the Northern spring. The new infrastructure will enable the tubulars product segment to produce square and rectangular hollow sections for the agricultural machinery and mechanical engineering industries, among others.

Investments in the **Metal Forming Division** amounted to EUR 188.2 million in the 2023/24 business year, slightly above the previous year's figure of EUR 152.9 million. The Automotive Components business unit has completed its capacity expansions for the time being with the enlargement of the site in Shenyang, China. In view of the structural developments in the automotive industry in Germany, and the reorganization of the Automotive Components business unit, investments were moderate overall. The Tubes & Sections business unit expanded its capacities at several locations. In Vyskov, Czech Republic, the production hall was expanded, and investment was made in a new roll forming line. Meincol's Brazilian site was also expanded. At RFC in Louisville, Kentucky, USA, the business unit consolidated its processing activities in new halls and facilities. voestalpine Profilform, Suzhou, China, invested in facilities for air spring components for the automotive industry. The Warehouse & Rack Solutions business unit recorded a significant increase in business volume and project activity, driven by online trading. This growth made it necessary to expand capacity in the 2023/24 business year. Own production capacities were established in Louisville, USA. In the Northern fall 2023, the business unit ramped up three profiling lines for the production of storage systems.

ACQUISITIONS & DIVESTMENTS

As a result of the strategy implementation, the voestalpine Group realized selected acquisitions in the business year 2023/24. Although the size of these projects was moderate, they will strengthen the product portfolio in the processing segments in the future. However, voestalpine also initiated processes to sell companies in the past business year. These measures became necessary against the backdrop of changing economic conditions.

In October 2023, the Metal Forming Division completed an acquisition in the Warehouse & Rack Solutions business unit. It has been an important partner in the project implementation of innovative racking and storage systems for decades. The acquisition of Torri S.R.L. from Vicenza, Italy, by voestalpine subsidiary Nedcon B.V., headquartered in Doetinchem, the Netherlands, was aimed at strengthening the product range.

Torri S.R.L. has been developing, producing, and assembling high-quality racking systems and storage platforms for a wide range of requirements for over 50 years. The company recently achieved a revenue of around EUR 75 million with around 140 employees. The product portfolio comprises both manual and automated storage systems, including customized solutions for individual customer needs. The acquisition is an important addition to the Nedcon Group's existing product and service offering. The acquisition not only enables the Metal Forming Division to consistently pursue its strategy of complex storage systems from development to assembly, but also to better serve the Southern European market.

In the business year 2023/24, the Metal Engineering Division made an acquisition as part of an asset deal in the Railway Systems business segment. With the acquisition of the production facilities for manufacturing concrete sleepers, voestalpine Railway Systems Nortrak LLC, USA, took an important step towards becoming a system solution provider for the North American railway market. With the transaction, 21 employees were taken over.

On March 14, 2024, the Management Board of voestalpine AG decided to initiate the sale process of Buderus Edelstahl. The special steel plant in Wetzlar, Germany, has already been restructured in recent years. With the planned sale, the management of voestalpine is now reacting to the changed economic conditions for industrial manufacturing companies. As a result, the High Performance Metals Division is concentrating its product portfolio on the technologically most demanding segment of high-performance materials. At the same time, the division is reducing its production share in tool steel and engineering steel in the performance-standardized segment.

With the divestment of voestalpine Automotive Components Nagold, the Metal Forming Division took a strategic step to consolidate the production network in the automotive supply sector in Germany. The company from Baden-Württemberg has around 130 employees and produces stator and rotor packages for electromobility in addition to stamped and formed parts for the automotive industry. The reorganization process currently being implemented is the consequence of the structural underutilization of capacity in the automotive supply industry in Germany. The internationalization strategy pursued in the Automotive Components division is unaffected by the reorganization and will be continued.

HUMAN RESOURCES

At the end of the business year 2023/24 on March 31, 2024, the voestalpine Group had 49,082 employees, excluding apprentices and leased personnel. This corresponds to an increase of 851 employees or 1.8% compared to March 31, 2023. Including 1,513 apprentices and 2,822 leased employees, the total full-time equivalent (FTE) is 51,589 person-years, an increase of 0.8% (+386 FTE) compared to the previous year. 27,969 employees (FTE), or 54.2%, are employed at Group sites outside of Austria, while 23,620 employees (FTE), or 45.8%, are employed at voestalpine sites in Austria. Of the 1,513 apprentices at the end of the business year, 68.9% were trained at sites in Austria and 31.1% outside of Austria. Overall, the number of apprentices increased by 111 or 7.9% compared to the previous year.

EMPLOYEE SHAREHOLDING SCHEME

voestalpine has had an employee shareholding scheme since 2001, which has been continuously expanded since then. In addition to all Austrian employees, employees in Great Britain, Germany, the Netherlands, Poland, Belgium, the Czech Republic, Italy, Switzerland, Romania, Spain, and Sweden also have a share in "their" company. The voting rights from the employee shares are bundled in the voestalpine Mitarbeiterbeteiligung Privatstiftung (employee foundation for the Group's employee shareholding scheme), which makes it a stable core shareholder of voestalpine AG. As of March 31, 2024, a total of around 26,550 employees hold shares in voestalpine AG. They hold around 25.5 million shares, which represent 14.3% of the company's share capital due to the general pooling of voting rights (previous year: 14.3%). In addition, former voestalpine employees hold around 0.9 million "private shares" through the foundation, which corresponds to 0.5% of the voting shares. The foundation exercises the voting rights of these shares, too, as long as the former employees do not exercise their free right of disposal. On the whole, as of March 31, 2024, the voting rights of around 14.8% of voestalpine AG's share capital are therefore pooled in the foundation.

THE STAHLSTIFTUNG

In 1987, the Stahlstiftung (Steel Foundation) was established in Linz, Austria, as a legally independent non-profit foundation. Its aim was to provide employees of the VOEST-ALPINE Group (as it was called at this time) who had left the company due to the crisis, as well as employees of companies outside the Group, with opportunities for professional reorientation. Training and continued professional development (CPD) are paid for a period of up to four years. The foundation's services are financed by solidarity contributions from employees and administrative cost sharing arrangements with all member companies. As of the March 31, 2024, reporting date, the Steel Foundation supported 229 individuals, 155 of whom came from voestalpine Group companies. The total number of active Stahlstiftung participants in the business year 2023/24 was 379, 18.0% less than in the previous year (462). In the 2023/24 business year, 84.2% of job-seeking participants found new career prospects with the help of the Stahlstiftung. The fact that this figure fell by around 2% compared to the 2022/23 business year reflects the situation on the labor market in the reporting period. In addition to the participants in the Stahlstiftung as a traditional employee foundation, 30 individuals were supported in their activities as part of educational leave in the reporting period. In addition, a total of 154 employees of the Stahlstiftung member companies received individual consultations in the 2023/24 business year to ensure their employability.

APPRENTICES & YOUNG SKILLED WORKERS

voestalpine remains committed to the goal of providing sound training for young people: 535 places are planned for the start of training in the Northern fall of 2024. The company invests around EUR 90,000 per apprentice in the extensive three- or four-year training program. In order to present the approximately 50 different apprenticeships at the 39 voestalpine training locations in Europe’s German speaking region (Germany, Austria, and Switzerland), voestalpine AG once again carried out a cross-media advertising campaign this year, aimed at young people as well as their parents and relatives. The goal is to provide the Group companies with the best possible support in their search for future young skilled workers. The campaign is being advertised in the geographical vicinity of voestalpine sites, using the global platforms TikTok, Snapchat, YouTube, and Instagram—in other words, on social media channels that young people like to use. The campaign also addresses the target group of parents via Facebook and Google, as well as through cooperation with regional print media. The focus is on the young people themselves. The visual language and wording were developed involving voestalpine apprentices, who also appear as the main actors and testimonials. The campaign slogan “I choose” stands for self-determination, but also for the youthful touch and forms the creative bracket of the campaign. The campaign website www.voestalpine.com/ichoose has the same look and feel as the numerous short videos and photos, and forms the link to the application for an apprenticeship at voestalpine.

The voestalpine Group Apprentice Day is an annual fixture and took place for the 11th time—after three years of virtual events, it was held for the first time as a live event at voestalpine Stahlwelt in Linz. All apprentices in their final year of training are invited to the headquarters in Linz to experience an eventful day with a talk with the Management Board, a tour of the plant, team challenges, and lots of fun and action. Around 400 apprentices from 39 sites in Austria, Germany, and Switzerland took the opportunity to meet in person and get to know the Group headquarters in Linz at the voestalpine Group Apprentice Day on October 10, 2023. As a highlight, the entire voestalpine Management Board was on hand to answer questions from the apprentices in a roundtable discussion. Current topics such as the greentec steel step-by-step plan and the new special steel plant at the Kapfenberg site were of particular interest to the young people. EU Youth Ambassador and watchado founder Ali Mahlodji gave a keynote speech to motivate the young professionals to take their future into their own hands. Between the program items, there was also an opportunity for in-depth discussions with colleagues from other locations. A festival of appreciation and a strong sign of the importance of teaching. In recent years, over 4,000 apprentices have taken part in the previous Apprentice Days and experienced this special spirit.

Excellent apprenticeship completion figures in the Group promise a solid base of skilled workers for the future: 97.0% of apprentices in Austria, Germany, and Switzerland passed their final apprenticeship examination in the 2023/24 business year. Of the Austrian graduates, 61.6% even passed the exam with good or excellent grades.

Numerous successes achieved by voestalpine apprentices confirm the quality of their training, such as the European vice-champion title in the plant electrics vocational category at the EuroSkills vocational championships in Gdansk. voestalpine was also successful at the AustrianSkills2023 vocational championships: state champion and 1st to 3rd place in the plant and operating technology category. This means that voestalpine will once again be represented at WorldSkills2024 in France and EuroSkills2025 in Denmark. This shows once again that voestalpine's training of skilled workers is a showcase example in the industry. But our young professionals have also won numerous awards at national level: In September 2023, a total of six young skilled workers from Kapfenberg were honored as part of the "Stars of Styria" awards. All of them are graduates of a regular apprenticeship who passed their final apprenticeship examination with distinction. A total of 17 awards were presented to our voestalpine apprentices at the Upper Austrian Chamber of Commerce's Apprentice Award in Linz.

We are particularly keen to encourage women to take up technical apprenticeships. The proportion of women in technical apprenticeships has more than doubled in the last ten years and currently stands at 21,7%. Measures such as participation in careers fairs and visits to schools as well as Girls' Day are intended to further increase the proportion of women in technical apprenticeships in particular.

DEVELOPMENT OF EXECUTIVES

In the last business year, voestalpine continued to focus on broad Group-wide management development based on the proven "value:program." In 2023/24, 171 employees from 20 countries started the multi-stage leadership program. We also succeeded in increasing the proportion of women to 32.7% from around 23% in the previous year. The target group-specific training and development programs take place for all management levels as classroom and online training courses and are supplemented by external postgraduates and business schools. In addition to extensive skills training by internationally renowned experts, the intensive involvement of representatives from the voestalpine management team is proving particularly valuable. They are involved as speakers, project facilitators or as "sparring partners" as part of a broad exchange of experience. The mix of external and internal expertise and the commitment to high qualification standards make the voestalpine Leadership Program a central component of the "one step ahead" claim.

OTHER EMPLOYEE DEVELOPMENT PROGRAMS

The voestalpine Group runs a number of other programs to promote and strengthen the relevant skills of its employees, both professionally and regionally. These include the "Purchasing Power Academy," the "HR Academy," the "Early Career Program" in North America, and the "Young Professional Training Program" (YPTP) in China.

The last Early Career Program in North America started at the end of the 2022/23 business year. After eight exciting and eventful months, 31 participants successfully completed the Early Career Program in October 2023: A unique program that provides intensive support specifically for employees of our North American Group companies during the early stages of their career development. Theory was taught and practical examples exchanged in three face-to-face modules in Atlanta (USA, GA), Toronto (CAN, ON), and Chicago (USA, IL).

EMPLOYEE SURVEY

Following the last Group-wide voestalpine employee survey in the Northern fall of 2022, the review process began in December 2022 with the presentation of the results to the Management Board committees and the distribution of the respective results to the companies worldwide. Once the results had been analyzed, the companies were asked to report at least the two most significant measures to the Group. A total of 440 measures were reported by 210 companies. In addition to the engagement score recorded in the survey, these focused primarily on the surveyed areas of action "Information & communication," "Appreciation," and "Cooperation between colleagues." For the first time, respondents were also asked which of voestalpine's three corporate values the measures contribute to. Multiple answers were possible, which is why the results added together exceed the number of measures: 339 measures are aimed at "Living appreciation," 171 at "Sustainable action," and 133 at "Entrepreneurial thinking."

In the final reporting of measures (until March 31, 2024), the companies are asked to report on the implementation status before preparations for the voestalpine Employee Survey 2024 begin. This will again take place worldwide from September 30 to October 27, 2024.

COOPERATION WITH EDUCATIONAL INSTITUTIONS

Many voestalpine companies offer students the opportunity to complete internships. One focus is on scientific work in cooperation with voestalpine companies. Numerous diploma and master's theses as well as dissertations are currently being written in cooperation with the Group. voestalpine relies on innovative formats for different target groups in order to present itself to future employees: These include numerous training cooperations, sponsorship commitments aimed at kindling young people's interest in technical degrees, and participation in job fairs or the "#voestalpinetalks" at the University of Mining and Metallurgy in Leoben, Austria—a cooperative event with all student representatives.

RAW MATERIALS

In recent years, commodity prices have been heavily influenced by events such as the COVID-19 pandemic and the war in Ukraine. The start of the war in February 2022 in particular triggered a price shock for raw materials and energy sources that are important for steel production. Prices for iron ore and coking coal largely returned to normal in the 2023/24 business year. However, the overseas transportation of raw materials from Asia and Australia did not function smoothly in the second half of the business year. This was triggered by the attacks by the Houthi rebels in the Red Sea. As a result, shipping companies largely avoided the Suez Canal and chose the route around the Cape of Good Hope. This meant longer transport times and increased costs. The trend in energy prices eased increasingly in the 2023/24 business year, after natural gas and electricity prices had previously reached historic highs.

IRON ORE

Iron ore is the most important raw material for the production of crude steel via the blast furnace and direct reduction route. With the outbreak of the war in Ukraine, voestalpine had to diversify its procurement of iron ore pellets more strongly. Despite the turmoil of war and logistical challenges, Ukraine continued to be an important iron ore supplier for voestalpine in the past business year. As the traditional transport routes across the Black Sea could not be used for the most part, alternative logistics routes were in demand for the procurement of Ukrainian iron ore.

The price trend for iron ore is traditionally closely linked to the development of the steel sector in China, which is responsible for more than half of global steel production. At the start of the business year, the price of iron ore (62% Fe, CFR China) was around USD 125 per ton, but subsequently came under pressure. Fears arose that China's struggling real estate sector could put the brakes on Chinese steel production. Accordingly, the price of iron ore approached the USD 100 per ton mark in Northern spring 2023 and subsequently fluctuated in a range of around USD 100 up to USD 125 per ton. Contrary to expectations, however, steel production in China remained high. Although other sectors were unable to compensate for the weakness in the real estate sector, China strengthened its export activities.

In Northern fall 2023, the price of iron ore also recovered due to the prospect of economic stimulus measures by the Chinese government. Towards the end of the 2023 calendar year, it stood at around USD 140 per ton. The price trend remained volatile in the fourth quarter of 2023/24. Towards the end of the 2023/24 business year, the iron ore price finally stood at around USD 100 per ton.

COKING COAL

Coking coal forms the basis for the production of metallurgical coke and is therefore an essential primary raw material for crude steel production using blast furnace technology. As a reducing agent, coke extracts oxygen from the iron ore. It also serves as a source of energy for the smelting process.

The most important supplier of metallurgical coal is Australia. Growing steel production in India in particular resulted in robust demand for coking coal in the 2023/24 business year. The expansion of coal mine capacity slowed down in light of steel manufacturers' plans for the transformation of steel production: away from the smelting process and towards the electrification of steel production. On the supplier side, however, there are signs of increasing concentration. For example, the Swiss commodities group Glencore acquired a majority stake in the coal business of Teck Resources from Canada in the 2023 calendar year. In addition, the Australian mining group BHP intends to acquire its competitor Anglo American from South Africa.

With the war in Ukraine, global transport routes have shifted somewhat. Due to the sanctions, Russian coking coal is increasingly being delivered to Asia instead of Europe. After China had switched to American coal mines more and more in recent years due to political tensions with Australia, China increasingly imported Australian coking coal again in the 2023 calendar year. Unlike with iron ore, however, China is not such a decisive factor in the global pricing of coking coal, as it relies more heavily on domestic sources of coking coal or imports from neighboring Mongolia.

The price of coking coal (HCC Premium, FOB Australia) was around USD 300 per ton at the start of the business year and subsequently fell to around USD 225 per ton. The price of metallurgical coal remained at this level until June 2023. In contrast to iron ore, the price of coal increased continuously over the Northern summer and rose to just under USD 375 per ton by the beginning of October 2023. In the fourth business quarter, prices for coking coal fell again slightly and stood at around USD 230 per ton at the end of the 2023/24 business year.

STEEL SCRAP

High-quality scrap serves as a valuable raw material in blast furnace-based steel production and supplements the use of pig iron. In steel production in electric arc furnaces, however, steel scrap forms the main raw material basis. Steel as a material is characterized by the fact that it can be recycled again and again. Steel products that have reached the end of their life cycle are reprocessed, making steel an integral part of a circular economy. However, steel scrap is also generated during steel production and is fed back into the production process as circular scrap. High-quality scrap is also produced during steel processing, for example during stamping processes in the automotive or white goods industry.

The weak development of the European construction industry and the mechanical engineering sector resulted in subdued demand for steel in the reporting period. This also had an impact on the demand for steel scrap in Europe. Due to the slightly improved car production in Germany in the calendar year 2023, the volume of so-called return scrap developed slightly better.

The price of steel scrap (CFR Turkey) fell from just under USD 450 per ton to around USD 375 per ton in the first business quarter of 2023/24. Over the Northern summer of 2023, the scrap price fluctuated between USD 350 and USD 375 per ton. The price of steel scrap did not recover until October 2023, but remained volatile and came to around USD 380 per ton towards the end of the 2023/24 business year.

ALLOYS

Alloys are a key cost factor in the High Performance Metals Division. They are also used in steel shops as a supplement to pig iron and scrap in order to produce the highest quality steel grades.

Nickel is the most important alloying element for the High Performance Metals Division. As with many other alloys, the outbreak of the war in Ukraine resulted in massive price increases for nickel. Price volatility largely returned to normal at the start of the 2023/24 business year. The nickel price was around USD 23,000 per ton at the start of the 2023/24 business year, weakened noticeably as the year progressed and stabilized at around USD 16,000 per ton towards the end of the 2023 calendar year. In the fourth business quarter of 2023/24, the price finally fluctuated between USD 16,000 and USD 18,000 per ton.

Ferro-chrome is an alloying element that is very energy-intensive to produce. With the outbreak of the war in Ukraine, there were sharp upward swings. With the gradual reduction in energy costs, the price of ferro-chrome has fallen continuously and stabilized at a lower level over the course of the 2023/24 business year.

The price of ferro-titanium, another important element for stainless steel production, spiked at the start of the war in Ukraine, but fell significantly over the course of the 2022/23 business year. The price is now even below the level of the Northern spring 2022.

Ferro molybdenum was characterized by a completely different price trend. After an unremarkable trend in Northern spring 2022, prices jumped sharply at the beginning of 2023. As a by-product of copper mining, the price doubled within a few months compared to Northern fall 2022. Price volatility was significantly lower in the 2023/24 business year.

ENERGY

In addition to coking coal and coke, natural gas and electricity are the main sources of energy for voestalpine. Natural gas is primarily used to heat crude steel prior to further processing in the rolling mills and for the heat treatment of steel products in furnaces. Already today electricity is of central importance to the High Performance Metals Division for the production of stainless steel products using electric arc furnaces. For voestalpine's blast furnace-based steel sites in Austria, the metallurgical gases produced are converted into electricity internally. They are therefore largely energy self-sufficient in terms of electricity.

As with raw materials, the start of the war in Ukraine also led to massive price distortions on the energy markets. The price of natural gas multiplied with peaks of over EUR 300 per MWh (spot market THE Settlement, Germany) and the price of electricity with peaks of around EUR 500 per MWh (spot market EXAA AT Base). The spot markets calmed down considerably in the final quarter of the 2022/23 business year. This continued unabated over the course of the 2023/24 business year. The escalation of the conflicts in the Middle East in the Northern fall of 2023 did not have a significant impact on natural gas and electricity prices.

At the start of the 2023/24 business year, the price of natural gas was around EUR 50 per MWh and fluctuated in a range between EUR 25 and EUR 50 per MWh over the rest of the business year. This means that prices are even below the level before the outbreak of the war in Ukraine.

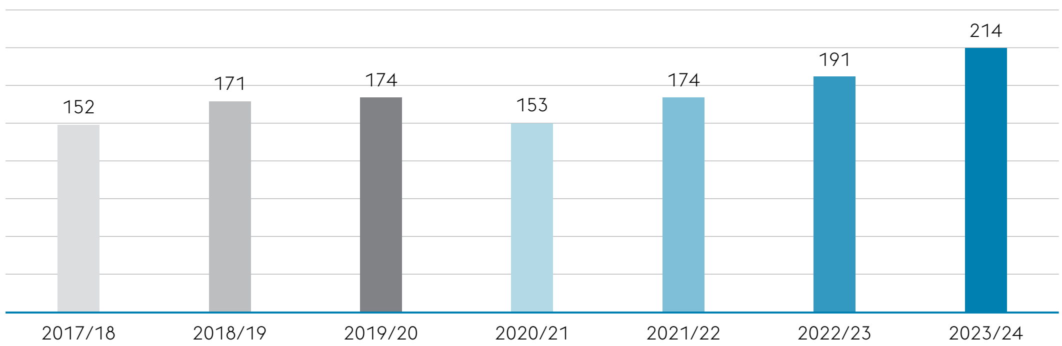
The gas supply in Europe has meanwhile eased considerably as a result of decreased gas consumption and the conscious diversification of gas supply sources, which has reduced dependence on Russia. For strategic reasons, voestalpine is nevertheless holding on to its own gas storage capacities, which has been contractually secured in May 2022 in order to secure the gas supply, particularly at the Austrian sites. Should the external supply fail, full operation can be maintained for a period of three months with an existing reserve of 1.5 TWh of natural gas. Limited operation is possible for a correspondingly longer period, depending on the respective production process.

The price trend for electricity in the 2023/24 business year was similar to that for natural gas. At the start of the business year, the price of electricity was just over EUR 100 per MWh. As the year progressed, it fluctuated between EUR 75 and EUR 100 per MWh before falling further in the fourth business quarter of 2023/24.

RESEARCH AND DEVELOPMENT

RESEARCH EXPENDITURE FOR THE voestalpine GROUP

In millions of euros, R&D gross expenditure (without R&D facility investments)



voestalpine's corporate strategy is geared towards innovation, technology, and quality leadership. Research and development therefore plays a central role in the business model, which is also reflected in the continuous increase in the R&D budget.

Steel is one of the most widely used materials in the world and is also indispensable in a sustainable society. It is durable and can be recycled again and again, making it the basis for modern solutions in mobility and the energy industry.

The two major topics of electrification (as part of the energy transition) and artificial intelligence were the focus of this year's two Group-wide events for employees in research and development and digitalization.

At the R&D Day, the relevant topics of electrification were discussed by external experts, from the holistic view of the energy transition to the role hydrogen will play here in future mobility developments.

The topic of the Digitalization Day was artificial intelligence. External experts provided an overview of the positioning of AI, its status of development, and the impact it could have on business activities. The program was supplemented by a session with internal contributions on AI applications in the voestalpine Group.

The Group's R&D activities follow the voestalpine strategy, which is based on current and relevant megatrends. They are summarized in prioritized innovation roadmaps and cover the topics discussed below.

CLIMATE-NEUTRAL STEEL PRODUCTION

One focus is on the further development of the existing process and the research and development of new technologies for sustainable steel production with the aim of achieving net zero emissions.

These initially include switching the process route to electric arc furnaces, maximizing the circular economy, and also developing the new HYFOR and SuSteel technologies for reducing iron ores.

The switch to the electric arc furnace route poses a challenge for the production of high-quality steel grades, which are required in the automotive industry or wire rod production, for example. The aim is to be able to produce the same high-quality products as before using the electric arc furnace route.

Depending on the input material used (scrap, HBI, pig iron), the increased addition of scrap can result in higher levels of so-called by-elements in the steel, which has a direct influence on the strength, ductility, hardenability, and other important mechanical-technological properties of the end product. R&D is therefore focusing on determining the correlation between steel grade, input material mix, and the resulting product properties as well as developing adequate metallurgical countermeasures and forecast-controlled process adjustments to the production facilities.

As part of the circular economy, work is being done to optimize the availability and quality of scrap, among other things. New sources of scrap are being developed by establishing closed loops with customers. In order to increase scrap quality, work is being carried out on AI-supported scrap sorting processes. voestalpine is involved in the KiRAMET project, the FFG lead project for AI-based recycling of metal composite waste.

In order to achieve the goal of CO_2 neutrality by 2050, research is being conducted into hydrogen-based technologies.

The H2FUTURE trial program was successfully completed; in addition to producing green hydrogen, the electrolysis plant at the Linz site provides grid services by participating in the balancing energy market. The project H2FUTURE Follow-up has been launched; it comprises the planning, installation, and operation of a system for compressing and purifying the hydrogen produced in the PEM electrolyzer, which can be used to supply R&D pilot plants, for example. Commissioning is planned for mid-2025.

In the HYFOR (Hydrogen-Based Fine-Ore Reduction) research project by Primetals Technologies, the applicability of the process of fine ore reduction using hydrogen was confirmed. Hydrogen-reduced material from the HYFOR test facility was melted down together with scrap in a trial melt at the "Technikum Metallurgie," a metallurgy technical center, and a low-CO_2 bearing steel was produced that met the required quality standards. This proved that a HYFOR or hydrogen-generated steel melt has no disadvantages in comparison with standard material.

A follow-up project for a demonstration plant for the HYFOR process with continuous operation at the Linz site is currently in preparation.

In the SuSteel (Sustainable Steelmaking) basic research project, the technical feasibility of producing crude steel directly from iron ore using hydrogen plasma was demonstrated at the pilot plant at the Donawitz site.

METAL ADDITIVE MANUFACTURING

This technology includes process development tailored to the respective requirements, from powder production to design, actual printing, and post-processing through to the finished component. All process steps are carried out by voestalpine.

The process is used, for example, in the improvement of tool repairs and upgrade services for hot stamping, high pressure die casting and hot forming applications and strengthens voestalpine's position as a full service provider in this field. Damage analysis, 3D scanning, programming, laser metal deposition with suitable filler materials, machining, and post-heat treatment are carried out. The results, such as reuse of tools through repair and design changes, longer service life through upgrades via multi-material coating, scrap avoidance, and minimization of raw material requirements, lead to considerable cost savings on the one hand and make a major contribution to sustainability on the other.

DIGITALIZATION

The topic of sustainability includes R&D activities to increase resource, energy, and general process efficiency, which is optimally supported and driven forward with the help of digitalization.

Robust sensor technology during operation provides the data for model-based control. Data-based algorithms in combination with machine learning and artificial intelligence (AI) not only help to optimize processes and increase their efficiency and, as a result, product quality, but also ensure a better understanding of the process as a basis for successful further developments. However, optimizing plant availability and capacity utilization as well as the entire process chain also means a reduction in energy consumption and CO_2 emissions.

Optical systems are already being used successfully in many voestalpine companies for AI-based defect detection, for example. This allows defects on the surface, such as cracks on the product or component, to be detected at an early stage.

With the help of OCR (Optical Character Recognition), i.e., algorithms for optical character recognition supported by artificial intelligence, parts can be clearly identified and their path can be traced.

AI is used successfully in condition monitoring and predictive maintenance applications. However, the use of AI is not just limited to production processes, but also supports intelligent product solutions.

In the latest generation of turnouts, AI is used to assess the respective status from the recorded data and decide whether a turnout failure and therefore a track closure is imminent. In this way, the perfect functioning of this important system component can be ensured with a high degree of accuracy and maintenance can be initiated proactively.

Visual Train Analysis (VTA), a camera-based condition analysis for wagons in motion, is used to automatically assess their condition on an ongoing basis and track the development of the wagons with regard to relevant wearing parts. A pilot system for speeds of up to 40 km/h is currently being tested. Further development is planned to make the system suitable for high-speed trains and to record additional condition data. This will increase safety in rail traffic and enable the wagon maintenance to be planned in advance.

PRODUCT DEVELOPMENTS

High-strength steels are continuously developed and adapted to customer requirements by constantly optimizing the alloy design in order to improve the weldability of the material and by optimizing and expanding the operation of the galvanizing lines. Outstanding quality performance has led to further customer approvals.

The new tailormade functional steel technology has already been successfully implemented on heating panels together with a customer. Further customer applications are in preparation. voestalpine Stahl GmbH received the Upper Austrian Innovation Award 2023 for this innovation.

In addition, a rail steel with optimum resistance to the formation of dents on the rail surface was developed. The material approval of this steel with increased toughness has already been successfully completed and the track tests have been started as part of Europe's Rail.

Various forged parts made of titanium alloy were developed for aircraft landing gear with the help of finite element analysis, taking into account the ideal load. This makes it possible to meet the extremely high quality and safety requirements. On this basis, the framework agreement with an important customer was extended as a result.

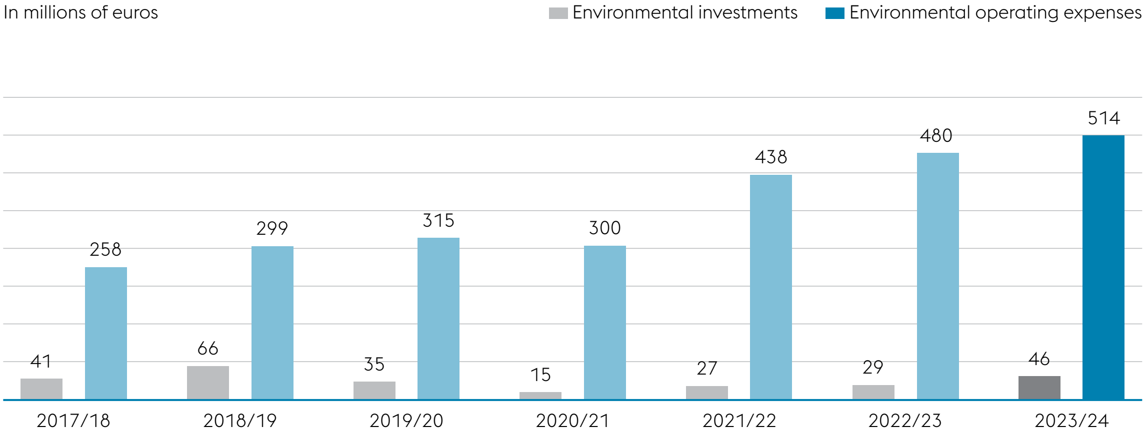
Finite element analysis is also used in component development and approval in the area of high-bay warehouse systems. Further developments have been successfully implemented for various automatic guided vehicles and autonomous mobile robots using modular profile systems and standardized racking systems. voestalpine is the cost/benefit leader in this area.

The development of the substructure for agrivoltaic applications such as vertical solar and canopy structures, e.g., over fruit trees, led to the realization of a first pilot system with a customer. The optimal use of land for agriculture and energy purposes with minimal impact on agricultural yields is still being tested in collaboration with a research center. A patent has already been granted.

ENVIRONMENT

ENVIRONMENTAL EXPENDITURES

In millions of euros



ENVIRONMENTAL INVESTMENTS AND EXPENSES

The voestalpine Group's environmental expenses reached a new record level in the business year 2023/24 with an increase of more than 7%, while investments were maintained at a consistently high level.

Current operating expenses related to the environment increased by 7.2% from EUR 479.9 million to EUR 514.4 million. Over the past ten years, voestalpine's environmental expenses have already totaled around EUR 3.3 billion.

Investments in environmentally relevant assets increased to EUR 45.8 million (previous year: EUR 28.9 million).

EU EMISSIONS TRADING/ CO_2 CERTIFICATES

In the first half of the business year 2023/24, the price of certificates from the EU Emissions Trading Scheme largely ranged between EUR 80 and EUR 90. However, the price subsequently weakened significantly and reached its lowest point in the 2023/24 business year in February 2024 at around EUR 50. Over the entire reporting period, the certificate price fell by 32.8% from EUR 89.24 as of March 31, 2023 to EUR 59.98 as of March 31, 2024.

The voestalpine Group's purchase requirement is calculated from the total quantity of certificates required (amount of emissions) minus the allocated free certificates. On average in recent years, it has amounted to around one third of total CO_2 emissions.

As a result, the burden from certificate trading recognized in profit or loss amounted to EUR 231.6 million in the business year 2023/24 (previous year: EUR 242.1 million).

CLIMATE PROTECTION

The greentec steel climate protection program, with which voestalpine aims to achieve net-zero emissions by 2050 at the latest, is being implemented as planned. The political-regulatory framework for European and national energy and climate policy was fleshed out in certain aspects during the reporting period, but remains open in key areas.

POLITICAL FRAMEWORK

At EU level, a number of key issues, such as the directives on energy efficiency, were adopted in 2023 and industrial and raw materials policy decisions will be taken in spring 2024 shortly before the final trilogue agreement between the Commission, Council and Parliament. These include the "Net-Zero Industry Act" (NZIA), which is intended to support important industrial activities for the transformation, and the "Critical Raw Materials Act" (CRMA) to secure the (domestic) supply of the necessary raw materials.

October 2023 also saw the start of the three-year trial phase of the CO_2 carbon border adjustment mechanism (CBAM), the political objective of which is to treat imports of certain products into the EU in a comparable way to the level of CO_2 pricing that applies here. Accordingly, anyone importing goods into the EU must either provide evidence of a CO_2 pricing system corresponding to the EU Emissions Trading Scheme (ETS) or otherwise pay import duties.

CBAM initially covers the iron, steel, aluminium, cement, electricity, fertilizer and hydrogen sectors, as well as selected upstream and downstream products. With the "live operation" of the world's first such border adjustment from 2026, a gradual phasing out of the free allocation of emissions trading certificates is planned in these sectors by 2034.

However, solutions for exports from the EU to compensate for additional costs due to higher climate protection standards compared to other regions and thus create reasonably comparable competitive conditions on the global market are still outstanding.

Despite their fundamentally understandable intentions, what all of these European and national regulations have in common is that they are in some cases associated with excessive additional administrative work. It therefore remains to be seen whether they will actually have a positive impact on both climate and industrial policy. What is certain is that the reduction in bureaucracy originally promised by the EU Commission has not yet materialized.

While important components of the “Green Deal” have not yet been finally adopted or implemented, the new 2040 climate targets are being discussed at EU level. The EU Commission published its ideas on this at the beginning of February. Specifically, a net target of minus 90% compared to 1990 is proposed in conjunction with an “Industrial Carbon Management Strategy” for unavoidable residual emissions. This primarily concerns carbon capture and utilization or storage (CCUS).

Although decisions will no longer be made in the legislative period of the EU Parliament or by the current Commission, which ends in the first half of 2024, the implications of a renewed tightening of targets would be considerable, as all matters of the “Fit for 55” package, including the legal implementation at national level, would have to be adapted.

Similar discussions are currently taking place in the individual EU member states. Both Austria and Germany are working on a carbon management strategy, which voestalpine believes should be an integral part of the corresponding EU plans.

The key question for all energy-intensive sectors will be how the industrial transformation can be made economically viable in the long term. The key aspects remain the future European and national subsidy regime, the development of “green” lead markets for CO_2-reduced products as well as availability, secure supply, infrastructure and competitive price levels in relation to renewable energies. These challenges can only be met to a limited extent by individual companies themselves and require a coordinated industrial policy geared towards them. The discussion about a new “Industrial Deal” for the European Union in the coming legislative period, which has been gaining momentum since the beginning of 2024, should not only create greater awareness of the fact that all relevant issues such as climate, energy, competition, trade, finance, research/innovation must be considered in an integrated and coordinated manner, but should ultimately also lead to a long-term, sustainable industrial policy agenda for the EU and its member states.

greentec steel: voestalpine’s FUTURE-ORIENTED CLIMATE PROTECTION PROGRAM

With greentec steel, the voestalpine Group is gradually implementing an ambitious step-by-step plan. greentec steel encompasses all of voestalpine’s activities and innovations on the path to steel production with net zero emissions. As part of the Science Based Targets Initiative (SBTi), the voestalpine Group is committed to reducing the sum of Scope 1 and Scope 2 emissions by 30% and Scope 3 emissions by 25% by 2029 compared to the reference year 2019. Achievement of the 2029 target is also subject to external factors and influencing variables such as raw materials, energy and the economy. greentec steel envisages various technological options with high CO_2 reduction potential. The phased plan thus offers voestalpine a certain degree of flexibility in order to be able to react to changing conditions and at the same time limit the economic risk to a manageable level.

greentec steel comprises an initial investment-volume of around EUR 1.5 billion. This will initially involve installing two green electricity-powered electric arc furnaces at the Linz and Donawitz sites and decommissioning two coal-based blast furnace units. Depending on the quality requirements, a mix of input materials consisting of scrap, liquid pig iron and hot briquetted iron (HBI) will be used. voestalpine obtains the required HBI primarily from the direct reduction plant in Texas/USA, which has been majority-owned by a global steel producer since 2022; 20% is owned by voestalpine with long-term purchase agreements.

In the meantime, the decisions for the facilities and suppliers have been made and construction of the electric arc furnaces has begun. The Austrian federal government had approved funding of around EUR 90 million for this as part of the "Transformation of Industry" program. The environmental impact assessment procedure for the necessary upgrading of the electricity grid has been completed at the Donawitz site and is imminent at the Linz site at the time of reporting. After planned completion in 2027 and successful ramp-up, 2.5 million tons of CO_2-reduced steel can be produced annually.

voestalpine's long-term concept for achieving net zero emissions by 2050 at the latest, in line with the target path of the EU Emissions Trading System, consists of several modular technology steps and options. These focus equally on the greatest possible CO_2 reduction effect, taking into account the actual feasibility (e.g. with regard to the availability of raw and input materials and renewable energies, including the corresponding infrastructure).

An overview of the key elements and milestones of the greentec steel climate protection program (reference year 2019 for Scope 1 and 2):

By 2029: Phase 1 with a target of minus 30% CO_2 emissions

» Investment in two electric arc furnaces powered by renewable electricity in Linz and Donawitz and decommissioning of two coal-based blast furnaces.

From 2030 to 2035: Phase 2 with a target of minus 50% CO_2 emissions

» Focus on direct CO_2 avoidance through the further replacement of fossil pig iron production and the likely additional use of CO_2 capture and utilization technologies (carbon capture storage and utilization).

By 2050 at the latest: Phase 3 with net zero CO_2 emissions target

» Focus on replacing the remaining fossil pig iron capacities using fossil-free energy sources, such as "green" hydrogen and bioenergy, as well as the capture of CO_2 (CCUS) with the aim of achieving the greatest possible flexibility while ensuring that the net-zero strategy is actually economically viable.

» The final decisions will be made at a later date in line with investment cycles and in accordance with foreseeable conditions.

OPERATIONAL MEASURES

In the business year 2022/23, voestalpine launched a Group-wide expansion offensive for the generation of its own renewable energy. This includes the installation of PV systems on technically suitable building roofs and open spaces as well as investments in wind and hydropower. The expansion of renewable energy production continued in the business year 2023/24. In addition, the construction of e-charging stations will be further accelerated at European locations.

The High Performance Metals Division's sites are continuously working to reduce energy consumption and increasingly cover it from renewable sources. In the business year 2023/24, a 187.5 kWp photovoltaic system was installed at the Johannesburg site in South Africa, among others. Initiatives to replace fossil fuels with sustainable alternatives are also underway at production sites. These include projects for the production of biomethane and the evaluation of the effects of hydrogen as an energy source on the products and processes of the High Performance Metals Division. At the Hagfors plant in Sweden, 50% of natural gas requirements are already covered by biomethane and the conversion of heat treatment furnaces to electricity is being accelerated.

The High Performance Metals Division is continuously driving forward improvements in energy efficiency. In the past year, around 70 GWh of energy was saved. The measures implemented include the optimization of combustion technology, the conversion of heating technology in furnaces, the installation of efficient LED lighting systems, various optimizations of the plant control system and numerous process improvements. The High Performance Metals Division has set itself the target of reducing CO_2 emissions (Scope 1 and Scope 2) by 50% by 2029 compared to 2019. Progress and target achievement are monitored using a detailed roadmap based on individual projects.

With its highly efficient technology, closed water circuits and efficient heat extraction, the new special steel plant in Kapfenberg, Austria, makes a significant contribution to reducing environmental impact and sets new standards worldwide.

The opportunities to leverage the remaining energy-saving potential at sites that produce crude steel conventionally are limited. Nevertheless, significant progress has been made at the Metal Engineering Division's Donawitz site in Austria. A newly installed system for preheating combustion air has led to energy savings of 27,000 MWh per year. In addition, the implementation of a natural gas expansion machine reduces the annual energy requirement by a further 2,200 MWh by converting the energy from the pressure difference between the external and internal gas network into electricity and thus making it usable. In addition, measures were taken to generate renewable electricity at the site. For example, PV systems were installed on the plant restaurant and an industrial building, which feed the electricity generated directly into the plant grid.

At the Metal Engineering Division site in Kindberg, Austria, the expansion of PV system capacity is underway. Process optimization measures and improvements to exhaust gas recirculation at various heating units minimized heat losses in the reporting period. Another highlight at the site is the extraction of district heating, which can feed up to 15,000 MWh into the district heating network of the town of Kindberg when completed, which will significantly reduce the use of primary energy in the region.

PV systems were also installed at various locations in the Metal Forming Division. In many cases, mounting systems produced in-house ("iFIX") were used. Several sites also switched to energy-saving LED hall lighting, which further reduced electricity consumption.

In addition, voestalpine Precision Strip GmbH has increased the proportion of electricity it generates itself by modernizing its own hydropower plants and installing a PV system. The use of waste heat from the company's own plants and the procurement of waste heat from the neighboring company (sector coupling) for hall heating reduced the purchase of natural gas and thus CO_2 emissions.

In the Steel Division, work on greentec steel is already in full swing. Construction of the electric arc furnace began in the past calendar year. Work has already begun on the new power supply system using the microtunneling process and a new conveyor belt bridge for supplying raw materials has been implemented.

In addition to greentec steel, the division also focused on expanding its own renewable energy generation. In the past calendar year 2023, for example, another PV system with an output of almost 1,400 kWp was commissioned on the foundry's production hall.

Another key focus was on the CO_2-reduced product portfolio. Since 2021, voestalpine has also been offering all flat steel and heavy plate products manufactured at the Linz site in a greentec steel edition. Thanks to optimization measures in process management, such as the use of scrap and reducing agents, and the use of renewable electricity, these products have a CO_2 footprint that is around 10% lower, resulting in savings of more than 200,000 t CO_2 along the entire value chain since the start of the project. In addition to the automotive industry, steel produced in this way is already being used by customers in façade construction, building technology, crane construction and the heating and heat pump industry, among others.

PRODUCT SUSTAINABILITY

The political and legal framework in Europe aims to transform the economic system towards a circular economy. Sustainability along the supply and value chains is of particular importance here.

The concept of the circular economy requires a consideration of the entire value chain of products in terms of ecological, economic and social aspects across all phases of the life cycle—from raw materials through production, use and consumption to the end of life, which in turn represents the beginning of a new life cycle.

At voestalpine, the circular economy has long been implemented at process and product level in many areas and is constantly being developed further.

Steel products are inherently durable and contribute to the further development of the circular economy approach. Modern lightweight steels and manufacturing processes such as additive manufacturing make it possible to reduce the amount of material used in products. During the use phase, steel products can be repaired and refurbished using various processes, thereby extending their service life. Due to their durability and longevity, steel products can also be reused and recycled again and again. At the end of their service life, they serve as a secondary raw material from which new high-quality steel products can be manufactured. Steel is multi-recyclable, which means that the cycle is closed and can be repeated as often as required. The use of waste and recycled materials from our own steel production, as well as waste and secondary raw materials from external production processes, also contributes to the circular economy. The by-products from steel production can in turn be used as secondary raw materials for the manufacture of products in other industrial sectors. One example of such industrial symbioses is blast furnace slag, which is a by-product of steel production. They are used by the cement industry as additives, which conserves natural resources and reduces CO_2 emissions in the production of cement. Through research and development, voestalpine promotes the efficient use of alternative or secondary raw material sources.

voestalpine's current focus in determining the sustainability of products (product sustainability) is on ecological aspects, i.e. analyzing the environmental impact of products and their decarbonization. Life cycle assessment (LCA) is a central element and methodological tool in this process. This requires standardized, reliable and globally comparable methods that can help to create an international level playing field and thus promote sustainable economic growth.

Environmental Product Declarations (EPDs) are an essential tool for voestalpine to determine and communicate the environmental impact of products based on a life cycle assessment. EPDs are based on the international standards EN 15804 and ISO 14025 and are checked and verified by independent third parties. voestalpine has listed and published environmental product declarations for numerous products (such as hot-rolled steel strip, hot-dip galvanized steel strip, hot-formed pressed steel parts, prestressed concrete turnout sleepers, rails and seamless tubes) from the Group's various units in the declaration program of the Institut Bauen und Umwelt e.V. (IBU). EPDs for various other voestalpine products are being prepared on an ongoing basis.

Product development is inextricably linked to the circular economy. The transformation towards largely CO_2-free production should ensure the consistently high quality of products and materials. A technology transformation also has an impact on existing substance and material cycles and industrial symbioses and therefore requires the further or new development of sectoral and cross-sectoral circular economy approaches.

Regular dialog with the various stakeholders on decarbonization and product sustainability along the supply and value chains contributes to the ongoing specification and step-by-step implementation of voestalpine's strategy for CO_2-reduced and, in the long term, climate-neutral steel production.

In order to create the greatest possible transparency for stakeholders and make the transformation steps comparable, the voestalpine Group has committed to setting targets for reducing greenhouse gas emissions as part of the Science Based Targets initiative (SBTi). The proposed targets for voestalpine's Near-Term Science Based Targets have been reviewed and validated by SBTi and are in line with the 2-degree reduction pathway (well-below 2 °C trajectory).

As part of its comprehensive decarbonization strategy, the Steel Division has already implemented short-term decarbonization measures at the Linz site with the "CO_2-reduced steel" climate project. The goal is to reduce direct CO_2 emissions along the existing steel production processes. The environmental impact of the products manufactured in this process, in particular the carbon footprint, is determined and reported on the basis of a life cycle assessment in accordance with internationally recognized methods and standards.

Sustainable and decarbonized products are playing an increasingly important role in supply and value chains. It is therefore essential to create uniform definitions, methodologies and framework conditions and thus a level playing field in international competition for sustainable products.

Cross-industry initiatives can support this development. These include, for example, the ResponsibleSteel initiative, which voestalpine was one of the first steel companies to join in 2019.

REPORT ON THE COMPANY'S RISK EXPOSURE

Proactive risk management, as it is understood and regularly practiced in the voestalpine Group, serves to ensure the Group's existence as a going concern in the long term as well as to increase its value, and is thus a key success factor. Risk management guidelines are rooted in a general policy that applies throughout the Group, and the risk management system is continuously updated and refined. In order to achieve corporate goals in the best possible way, the **systematic risk management process** helps management to identify risks at an early stage and initiate suitable precautionary measures to avert or avoid dangers. In the interests of sustainable, responsible, and value-oriented corporate management, risk management is an integral part of decision-making and business processes in all areas of the company and at all hierarchical levels, and also includes the responsible use of resources and the environment as well as compliance with regulatory requirements. Risk management extends across both the strategic and operational levels. It is a key element for the Group's sustainable success and makes a significant contribution to the successful implementation of the corporate strategy and the objectives derived from it.

Strategic risk management serves to evaluate and safeguard strategic planning for the future. The strategy is reviewed as to its conformity with the Group's system of objectives in order to ensure value-added growth through the best possible allocation of resources. Opportunities identified in the risk management process are taken up, considered in the strategy process and pursued further. **Operational risk management**, which also ensures conformity with the strategy, is based on a process that must be carried out several times a year uniformly throughout the Group ("identify and analyze, assess, manage, document, and monitor").

» A supporting checklist is available for risk identification; it is regularly reviewed as to its topicality and adjusted as necessary.

» Identified risks are appraised using a nine-field assessment matrix that evaluates possible losses and the probability of their occurring. Essentially, this involves documenting operational, market, procurement, technology, financial, human resource, compliance, IT, and environmental risks as well as other sustainability risks on a strategic and operational level.

» Risk management measures pursue different strategies taking into account risk appetite and risk-bearing capacity (such as "avoid," "mitigate," "secure," and combinations thereof; the wording, "bear" risk, comes into play to the extent that financial considerations preclude any other actions). Local management is responsible for making decisions as to what steps to pursue and implement.

» The risk management process, including documentation and monitoring, is supported by a special web-based IT system.

The operating units appoint risk managers who, in coordination with the respective management, drive and are responsible for the decentralized risk management process in the given units. The findings of the risk management process are also part of the regular divisional and Group controlling meetings, in which significant changes in the risk landscape are reported at the business unit or divisional level. The Management Board of voestalpine AG receives standardized reports on risk management every six months and on an ad hoc basis as required. **Overall responsibility** for risk management lies with the Management Board of voestalpine AG.

Among other things, the **Audit Committee** of voestalpine AG continuously addresses issues relating to risk management and the internal control system (ICS) as well as the monitoring thereof. Both risk management and internal control are integral components of existing management systems within the voestalpine Group. Internal Audit monitors all operational and business processes and the associated risks as well as the ICS. As regards both the reporting on and the appraisal of the audit results, Internal Audit acts as an independent in-house department not bound by instructions. The functionality of the submitted **risk management system** applied is again reviewed annually by an external auditor (Rule 83 of the Austrian Code of Corporate Governance). The Audit Committee also receives a report on risk management every six months.

DESCRIPTION OF MATERIAL FIELDS OF RISK

The material fields of risk and associated preventive measures that were presented in the previous business year's Consolidated Management Report remain valid.

» GEOPOLITICAL CONFLICTS AND THEIR IMPACT

The past business year continued to be characterized by geopolitical conflicts and tensions. Geopolitical developments—particularly the war in Ukraine—were and continue to be monitored on an ongoing basis in order to identify any future effects on the voestalpine Group at an early stage and to proactively counteract potential risks in a constantly changing geopolitical environment in the best possible way with a robust and sustainable organization. The activities initiated or adapted at the beginning of the war in Ukraine to maintain and secure the supply of relevant raw materials and natural gas continue to apply and are listed in the section "Availability of Raw Materials and Energy Supplies."

» RISKS OF DECARBONIZATION/ CLIMATE PROTECTION PROGRAM

greentec steel

voestalpine AG is committed to the Paris Climate Agreement, which aims to keep the increase in the average global temperature well below 2°C above pre-industrial levels and to make efforts to limit the temperature increase to 1.5°C above pre-industrial levels. Building on this, the European Union has set itself the binding target of achieving climate neutrality by 2050 as part of the European Green Deal, laid out in the European Climate Law. This requires a significant reduction of current greenhouse gas emissions over the next few decades. With greentec steel, the voestalpine Group is gradually implementing an ambitious step-by-step plan. greentec steel involves all of voestalpine's activities and innovations on the path to steel production with net zero emissions. As part of the Science Based Targets initiative (SBTi), the voestalpine Group is committed to reducing the sum of Scope 1 and Scope 2 emissions by 30% and Scope 3 emissions by 25% by 2029 compared to the reference year 2019. Target achievement in 2029 is also subject to external factors and influencing variables such as raw materials, energy, and the economy.

voestalpine's long-term concept for producing steel at net zero by 2050 at the latest, in line with the EU emissions trading target path, consists of several modular technology steps and options. These are based equally on the greatest possible CO_2 reduction effect and the actual feasibility (e.g., due to the respective political and legal framework, the availability of raw and input materials, and renewable energies as well as the availability of the necessary infrastructures) as well as the economic feasibility. Here is an overview of the key elements of the greentec steel climate protection program (reference year 2019 for Scope 1 and Scope 2):

» **By 2029: Phase 1 with a target of minus 30%**

greentec steel comprises an investment volume of around EUR 1.5 billion in the first stage. This will initially involve installing two green electricity-based electric arc furnaces at the Linz and Donawitz sites and decommissioning two coal-based blast furnace units. Depending on the quality requirements, a mix of input materials consisting of scrap, liquid pig iron, and HBI (hot briquetted iron) will be used. voestalpine obtains the required HBI primarily from the direct reduction plant in Texas/USA, which has been majority-owned by a global steel producer since 2022; 20% is owned by voestalpine with corresponding long-term purchase agreements.
Following the granting of EUR 90 million by the Austrian federal government as part of the "Transformation of Industry" program funded by environmental subsidies in Austria and the plant and supplier decisions, construction has now begun. The environmental impact assessment procedure for the necessary upgrading of the electricity grid has been completed at the Donawitz site and at the time of writing has almost been completed at the Linz site. After the planned completion in 2027 and following a successful ramp-up, 2.5 million tons of CO_2-reduced steel will be produced annually.

» **From 2030 to 2035: Phase 2 with a target of minus 50%**
Focus on direct CO_2 avoidance through further replacement of fossil pig iron production capacities and likely supplementary use of CO_2 capture and utilization technologies (carbon capture utilization and storage).

» **By 2050 at the latest: Phase 3 with a target of net zero emissions**
Focus on replacing the remaining fossil pig iron capacities using fossil-free energy sources, e.g., “green” hydrogen and bioenergy, as well as CO_2 capture (CCUS) with the aim of achieving the greatest possible flexibility while ensuring that the net-zero strategy is actually economically feasible. The final decisions on these options will not be made until a later date and they will be in line with investment cycles and in accordance with the foreseeable conditions.

For the forward-looking greentec steel climate protection program, which extends over several years and comprises investments of around EUR 1.5 billion in the first stage, possible risks of varying degrees cannot be ruled out due to the complexity of the overall project, possible changes to the schedule and with regard to internal and external financing options. Experienced plant engineers are always used for important sub-projects such as the construction of the electric arc furnaces. In particular, detailed risk analyses of anticipated cost increases are continuously documented in a project organization and measures are developed and evaluated. Regular reports are submitted to the Management Board and Supervisory Board of voestalpine AG. voestalpine currently considers a financial burden beyond the estimated investment volume as unlikely. The greentec steel project management organization that has been installed also monitors the basic assumptions underlying the investment decision, such as sales expectations, raw material and energy price assumptions as well as their availability, and regulatory changes. The developments are constantly compared with the current situation and the progress of the project. greentec steel offers various technological options (such as electrification, hydrogen technologies, use of biogenic energy sources, etc.) with high CO_2 reduction potential. The phased plan thus allows voestalpine a certain degree of flexibility in achieving its targets in order to be able to react to changing framework conditions and at the same time keep the business risk at a manageable level.

The largest climate protection program in Austria was launched with the greentec steel phased plan for the transformation of steel production. However, successful implementation for Phase 2 and Phase 3 still requires appropriate framework conditions to ensure that no disadvantages arise compared to other markets. A basic prerequisite for the transformation is the sufficient availability of energy from renewable sources at economically viable, competitive prices.

Further risks associated with greentec steel (such as the availability of raw materials and energy, project management, uncertainties in legislation, availability of qualified staff) will be discussed in the following chapters.

CO_2-reduced steel is already being supplied to almost 40 customers in the form of the greentec steel edition. This means that voestalpine is already meeting the increasing demand for innovative product solutions.

» **AVAILABILITY OF RAW MATERIALS AND ENERGY SUPPLIES**

In order to ensure the long-term supply of raw materials and energy in the required qualities and quantities, the voestalpine Group has for many years been pursuing a diversified procurement strategy in line with the heightened political and economic risks of this globalized market. This is also reinforced by the various decarbonization activities and geopolitical developments (such as the Ukraine conflict).

- For example, since the beginning of the war in Ukraine, alternative suppliers and transport routes have been activated to ensure the supply of relevant raw materials (such as iron ore, iron ore pellets, pulverized coal injection (PCI) coal, alloys) to the Group's production plants (especially the steelworks in Austria). The short-term holding of inventories of critical raw materials (such as iron ore and coal) also helps to bridge short-term supply bottlenecks.
- In addition, the voestalpine Group has contractually secured its own natural gas storage facilities in order to secure the natural gas supply (particularly for heat treatment and for the rolling mills at the Austrian sites). With an existing reserve of 1.5 TWh of natural gas, full operation can be maintained for three months or, depending on the respective production mode, partial operation for a correspondingly longer period in the event of a complete loss of the external supply. In addition, work has been and continues to be carried out with existing and new suppliers to continuously expand sources of natural gas supply. For example, natural gas supplies from non-Russian sources are increasingly being transported to Austria off the conventional Russian-Ukrainian transport routes and used for ongoing operations. In the event of a potential natural gas bottleneck, contingency plans would also come into effect in which production could be gradually adjusted to the available energy volumes. Last but not least, the Group's international orientation with 500 companies and locations worldwide—and therefore numerous unaffected locations outside Europe—would also make it possible to compensate for production bottlenecks to some extent. Bottlenecks could be avoided by quickly adapting the supply and logistics processes to the new challenges.
- Long-term supply relationships, long-term supply contracts, the further expansion of the supplier portfolio, and the optimization of both the Group's self-sufficiency and the circular economy (for example, in the area of scrap, the opportunities for a circular economy along the entire value chain will be further intensified by expanding or establishing supply options with customers, suppliers, and process partners) form the core elements of a diversified procurement strategy. This strategy has become even more important in view of geopolitical events and the given volatility on the raw materials markets (for more details, see the "Raw materials" chapter of this Management Report).

Developments in the supply of energy and, in particular, natural gas and raw materials supplies are constantly monitored, especially on the basis of geopolitical developments, and evaluated in regular discussions between experts and the Management Board.

In the area of energy supply, the development of alternative energy resources is constantly being investigated and driven forward. This is motivated not only by the aforementioned war in Ukraine and the associated activities to strengthen resilience, but also in particular by the changes in energy requirements resulting from decarbonization activities. In addition to the systematic expansion of our own renewable energy capacities and the purchase of renewable energy based on long-term PPAs (Power Purchase Agreements), the focus here remains on numerous research and demonstration projects in the areas of hydrogen, biogas and biomass as well as projects in alternative iron and steel production technologies (such as "H2FUTURE" [hydrogen pilot plant], "HYFOR" [Hydrogen-Based Fine-Ore Reduction], and smelter as well as "SuSteel" [Sustainable Steelmaking]). Research activities in the field of CO_2 capture, utilization, and storage (CCUS) complete the overall picture.

» HEDGING THE PRICE OF RAW MATERIALS AND ENERGY

Objectives, principles, responsibilities, and accountabilities as well as methods, procedures, and decision-making processes for dealing with commodity and energy price risks are set out in an internal guideline. Based on this and taking into account the individual characteristics of the business model of the respective Group company, prices are hedged by means of short-term supply contracts with a fixed price agreement or by means of derivative financial instruments. PPAs (power purchase agreements) are a new instrument used for long-term hedging of electricity price fluctuations. Depending on the business model of the Group company concerned, changes in energy and commodity prices can for the most part be passed on to customers, sometimes with a time delay. In this case, the aim of risk management is to secure the previously determined contribution margins under the sales contracts. Iron ore, coke, coking coal, zinc, nickel, CO_2, cobalt, and energy (electricity, natural gas) are subject to raw materials risk and energy risk management. The goal is to reduce the fluctuation in earnings from the volatility of raw material and energy prices to a level that is consistent with the principle of conservative financial policy as defined in the voestalpine Group's financial constitution. The underlying guideline was updated in the current business year, with the topic of energy in particular being adapted to new circumstances. The issue of security of supply (procurement risk) has already been addressed under "Availability of raw materials, energy supply." The comprehensive measures help to ensure financial stability and strengthen the company's resilience to volatile markets and effectively manage relevant risks with the necessary flexibility.

» DISRUPTIONS IN LOGISTICS AND SUPPLY CHAINS

In general, global supply chains can be disrupted by geopolitical conflicts (such as the current war in Ukraine) or other events (such as a pandemic). This can lead to restrictions on the part of suppliers, customers, disruptions to transport routes, and potential sanctions or embargoes. The focus on less vulnerable supply chains and the simultaneous broadening of logistics options have already significantly increased the resilience of our logistics and supply chains in the past (e.g., when transporting raw materials). Diversified procurement strategies and supply chains serve to provide the best possible protection and resilience against unforeseen events.

» EFFECTS OF A PANDEMIC

The Group crisis management initiated in the course of the COVID-19 pandemic was put on hold by the end of the 2022/23 business year. The applied crisis management, defined measures and lessons learned were evaluated and compiled in a general pandemic guide in order to be able to counteract the effects of such an incident (e.g., general pandemic) in the best possible way. Developments relating to any pandemics are monitored so that the Group's crisis management system can be adapted and implemented if necessary.

» FAILURE OF PRODUCTION FACILITIES

Targeted and comprehensive investments serving to optimize sensitive units technologically have been and are being carried out to minimize the risk of failure of critical facilities. Necessary investments in modernization and replacements are also planned for the long term. Additional supplementary measures include consistent, systematic and preventive maintenance, risk-oriented storage of critical spare parts, and appropriate employee training, to continuously improve the performance and reliability of the systems and further minimize the risk of failure. In addition, appropriate emergency plans have been defined for key plants to minimize any effects and to enable a controlled restart.

Emergency generators are available to protect critical facilities and processes at key plants in case of sudden, unplanned power interruptions (i.e., blackouts). These generators can be used to power limited partial operations, emergency operations, and, in extreme cases, controlled plant shutdowns. Furthermore, the Linz facility, for example, has a captive power plant with black start capacity and special internal grids (i.e., self-contained, segregated areas). Regular run-throughs of a range of scenarios are carried out (e.g., tests of the emergency generators and the emergency and communications plans for different failure scenarios) to ensure that the facilities are ideally prepared for adverse events.

Existing emergency plans are regularly evaluated by the respective experts and adapted to new or changed circumstances if necessary.

» IT, FAILURE OF IT SYSTEMS

Services for business and production processes, which are mainly based on complex IT systems, are provided at most Group sites by IT subsidiaries wholly owned by voestalpine AG (voestalpine group-IT GmbH in Austria and its sister companies in Germany, Brazil, and China). Due to the great importance of IT security and IT availability and in order to further minimize potential IT failure and IT security risks, minimum IT security standards, including business continuity management requirements, are available. They are regularly adapted to new circumstances and compliance with the relevant requirements is reviewed annually in the form of internal and external audits. The highly qualified voestalpine Security Operation Center (SOC) ensures that security-relevant incidents are identified and rectified on an ongoing basis, thereby also contributing to prevention. Penetration tests are carried out regularly to reduce the risk of unauthorized access to IT systems and applications. Extensive online campaigns were also initiated in the past business year to raise employee awareness of security issues, particularly the dangers of phishing attacks. An internal working group collects information on possible cyber fraud attacks (e.g., social engineering, CEO fraud, payment/delivery detours, phishing) and develops preventive measures that are reviewed for their effectiveness and adjusted if necessary. All of these measures are aimed at reducing the risk and downtime of IT systems due to cyber attacks, human error, manipulation, hardware defects, and similar causes as much as possible or keeping them as low as possible.

» PERSONNEL RISKS

In the voestalpine Group, employees and their expertise and dedication are a key success factor. The positioning of voestalpine AG as an attractive employer on the one hand and measures to retain employees on the other are intended to ensure the availability of qualified specialists to the required extent. Ongoing training and continuing education, fair working conditions and terms, a modern working environment, and a wide range of training and development opportunities are individual aspects in this regard. Internal apprentice training is another focal point.

» KNOWLEDGE MANAGEMENT/ PROJECT MANAGEMENT

Complex projects that were initiated in the past are consistently refined and/or adjusted in order to sustainably safeguard the Group's knowledge—especially to prevent the loss of its expertise. Besides permanently documenting all available knowledge, new findings from key projects as well as lessons learned as a result of unplanned events are incorporated where appropriate. Detailed process documentation, especially in IT-supported areas, also contributes to securing the available knowledge.

Any risks arising from projects (e.g., from major projects, investments or project business) are countered by using a wide range of project management tools and appropriate project monitoring and, depending on the size of the project, by holding regular project oversight meetings with the involvement of top management. In particular, this also concerns any risks associated with ramp-ups and/or cost increases. Insights gained from earlier activities are also compiled in the sense of lessons learned and form the basis of ongoing enhancements of already available tools to ensure that they are consistently applied in future projects.

» COMPLIANCE RISKS

Compliance violations (e.g., antitrust and corruption violations) represent a significant risk and may have adverse effects in that they may trigger financial losses and damage the Group's reputation. A Group-wide compliance management system is designed to counteract these risks, particularly antitrust and corruption violations. In-person training focused on particular topics is part of this system, along with e-learning programs.

» RISKS OF NONCOMPLIANCE WITH DATA PROTECTION REQUIREMENTS

Violations of requirements under data protection laws may have adverse financial effects and lead to reputational damage. A data protection unit was established pursuant to the data protection requirements that apply throughout the Group. It helps Group company managers carry out their responsibilities regarding compliance with statutory and intra-Group data protection requirements. Topic-focused e-learning is offered as a supplementary measure.

» RISKS FROM NATURAL HAZARDS, PHYSICAL CLIMATE RISKS

The short- and medium-term physical risks associated with climate change from natural hazards (such as fire, flooding or low water as well as fluctuating water levels, snow load, drought, strong winds and storms, temperature fluctuations) were determined as part of the implementation of the EU Taxonomy Regulation. Detailed climate risk and vulnerability analyses were carried out for relevant operating sites. Physical climate risks were identified, quantified, and disclosed using a simulation-based software tool. Heavy rainfall, flooding, and mudslides are significant physical climate risks for the voestalpine Group. Based on this, appropriate precautionary measures have been taken. These include structural and technical measures such as flood protection, fire alarms, sprinkler systems, and logistics adjustments in the event of low water, for example. As part of regular drills, tests of existing emergency plans as well as inspections and risk surveys conducted with insurance companies, existing precautionary measures are checked to ensure they are up to date and complete and, if necessary, adapted or expanded to new circumstances. Existing insurance cover for natural hazards and other risks is regularly reviewed with our internal insurance company (voestalpine Insurance Broker GmbH) to ensure that it is up to date. Measures taken are regularly checked for effectiveness in order to manage risks and to counteract the progression of climate change in the best possible way.

Further details can be found in the annual Corporate Responsibility Report (this report will be integrated into the Management Report in the coming business year).

» OTHER SUSTAINABILITY RISKS

Potential risks pertaining to sustainability and associated issues such as climate action and environmental protection, social and personnel issues, respect for human rights, and the fight against corruption are considered in terms of their impact at all levels, in compliance with the Group's sustainability strategy.

» For more information on the impact of the climate and energy policies on the voestalpine Group, including its decarbonization strategy, please see the disclosures in the Notes under item B "Summary of Accounting Policies" in the Notes.

» Sustainability issues—chief among them climate action and risk management—are also addressed in a separate Sustainability Report that is published annually. This Corporate Responsibility Report is prepared in accordance with the international standards of the Global Reporting Initiative (GRI). In addition, the "Environment" chapter of the Management Report contains greater detail on the CO_2 issue.

In addition, corresponding activities relating to the Supply Chain Due Diligence Act have been initiated and process guidelines have been rolled out or are being processed at the affected locations. Developments relating to supply chain due diligence laws continue to be monitored and evaluated on an ongoing basis.

» RISKS FROM THE FINANCIAL SECTOR

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 that apply to both Group Treasury and the finance departments of individual Group companies. Financial risks are monitored continuously and hedged where feasible. Our strategy for managing foreign currency risks is aimed, in particular, at creating natural hedges. The management of other risks (interest rates and raw materials) serves to reduce fluctuations in both cash flows and income and to safeguard contribution margins. Market risks are largely hedged through derivative financial instruments that are used exclusively in connection with an underlying transaction.

Specifically, financing risks are hedged using the following measures:

» Liquidity risk

Liquidity risks generally arise when a company is potentially unable to raise the funds necessary to meet its financial obligations. Existing liquidity reserves enable the company to meet its obligations when due, even in times of crisis. Over and above the liquidity reserve, a precise financial plan that is prepared on a revolving, quarterly basis is the Group's primary instrument for controlling liquidity risk. Group Treasury centrally determines the need for new funding and bank credit lines based on the consolidated operating results. The intention is to ensure that the liquidity reserve covers the Group's planned liquidity needs for the next 12 months. As far as banking policies are concerned, care is taken to avoid cluster risks by diversifying the financial partners. Particular attention was and still is paid to boosting the company's internal funding capacity.

» Credit risk

Credit risk refers to financial losses that may occur due to non-fulfillment of contractual obligations by individual business partners. The credit risk of the underlying transactions is minimized as far as possible through a large number of credit insurances and bankable securities (guarantees, letters of credit). The default risk related to the Group's remaining own risk is managed by way of defined credit assessment, risk evaluation, risk classification, and credit monitoring processes. The current Ukraine war did not cause loan insurers to significantly tighten credit limits in individual customer segments in the past, nor have these events led to greater receivable charge-offs. Counterparty credit risk in financial contracts is managed through daily monitoring of the counterparties' credit ratings and any changes in their credit default swap (CDS) levels. Investment limits weighted by the probability of default (PD) are allocated on that basis.

» Foreign currency risk

Foreign currency risk management aims primarily to create a natural hedge (cross-currency netting) within the Group by combining the cash flows. In this respect, hedges are implemented centrally by Group Treasury based on derivative hedging instruments. voestalpine AG hedges the budgeted (net) foreign currency payment streams for up to 12 months. Longer-term hedging is carried out only in connection with contracted project business. While the hedging ratio is between 25% and 100% of the budgeted cash flows for the next 12 months, the amount of the hedging ratio depends on the business model of the respective Group company concerned. In addition, the hedging ratio generally decreases with maturity.

» **Interest rate risk**
voestalpine AG conducts interest rate risk assessments centrally for the entire Group. In particular, this entails managing cash flow risks (i.e., the risk that interest expense or interest income may undergo an adverse change). As of the March 31, 2024, reporting date, any increase in the interest rate by one percentage point would decrease the net interest expense associated with bank loans and capital market indebtedness in the subsequent business year by EUR 0.5 million. However, this is a reporting date assessment that may be subject to fluctuations over time.

» **Price risk**
voestalpine AG also assesses price risk. Mainly scenario analyses are used to quantify interest and currency risks.

UNCERTAINTIES STEMMING FROM LEGISLATION

Changes in legislation—such as regulations on climate and environmental protection or energy policy—can lead to changes in production conditions and purchasing behavior. In general, there is a long-term risk that regulatory requirements lead to poor competitiveness. High energy costs compared to international competitors and the investments required to implement climate protection targets are increasingly jeopardizing the competitiveness of European locations.

Geopolitical conflicts, in particular the war in Ukraine, could lead to new or additional sanctions and embargoes, which in turn could lead to further restrictions throughout the European economic area and the global economy with consequences that are difficult to predict.

The legal situation and draft legislation as well as any effects resulting from geopolitical conflicts are monitored on an ongoing basis.

ECONOMIC RISKS

Based on the insights gained from economic and financial crises in the past and their effects on the voestalpine Group and in particular from crises in the recent past (such as the Ukraine war, interest rate and inflation developments, COVID-19 pandemic) additional steps primarily of a corporate nature have been and are being taken to mitigate the Group's risk exposure. These measures are consistently applied and followed up on in order to achieve the objectives below, in particular:

» Minimize the negative effects that even a recessionary economic trend would have on the company through relevant scenario planning;
» Maintain high product quality along with concurrent continual efficiency gains and ongoing cost optimization;
» Ensure the security of supply chains as far as possible;
» Counteract any price volatilities—especially in connection with energy and raw materials—by means of suitable tools and measures and also pass them on to customers;

» Have sufficient financial liquidity available even in the event of constricted financial markets;
» Secure in-house expertise even more efficiently than before with a view to continuing the long term expansion of the Group's quality and technology leadership.

In a persistently difficult economic environment, any consequences of global (trade) conflicts and the effects of changes in geopolitical conditions are monitored on a continual basis.

Specific measures to hedge the risks previously identified within the voestalpine Group have been developed and implemented. These steps are aimed at reducing potential losses and/or minimizing the likelihood of losses occurring. It must be stated that, from today's perspective, the operating risks facing the voestalpine Group—over and above global crises and their consequences—are limited and manageable, and that they do not threaten the company's existence as a going concern.

REPORT ON THE KEY FEATURES OF THE GROUP'S INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM WITH REGARD TO ACCOUNTING PROCEDURES

Pursuant to Section 243a (2) Austrian Commercial Code *(Unternehmensgesetzbuch – UGB),* Austrian companies whose shares are traded on a regulated market must describe the key features of their internal control and risk management system with regard to accounting procedures in their management reports.

Section 82 Austrian Stock Corporation Act *(Aktiengesetz – AktG)* requires the Management Board to establish a suitable internal control and risk management system for accounting procedures. The Management Board of voestalpine AG has adopted relevant guidelines that are binding on the entire Group. In line with the voestalpine Group's decentralized structure, the local management of each Group company is obliged to establish and shape an internal control and risk management system for accounting procedures that meets the requirements of that individual company and ensures compliance with the relevant, existing Group-wide guidelines and regulations.

The entire process, from procurement to payment, is subject to strict and unified Group-wide guide lines that are designed to reduce the risks associated with the business processes to a minimum. These Group guidelines set forth measures and rules for avoiding risk, such as the strict separation of functions, signature authority rules, and, in particular, signing authorizations for payments that apply only collectively and are limited to only a few individuals (four-eyes principle). In this context, control measures related to IT security are a cornerstone of the internal control system (ICS). Issuing IT authorizations restrictively supports the separation and/or segmentation of sensitive activities. The accounting in the individual Group companies is largely carried out using SAP software. The reliability of these SAP systems is guaranteed by automated business process controls that are built into the system as well as by other methods. Reports on critical authorizations and authorization conflicts are generated in an automated process.

To prepare the Consolidated Financial Statements, the data pertaining to fully consolidated entities is transferred to the unified Group consolidation and reporting system. Group-wide accounting policies applicable to the recording, posting, and recognition of business transactions are governed by the voestalpine Consolidated Financial Statements Manual and are binding on all Group companies. Automatic controls built into the reporting and consolidation system, along with numerous manual reviews, have been put in place to avoid material misstatements to the greatest extent possible. These controls range from management reviews and discussions of the net profit/loss for the reporting period all the way to the specific reconciliation of accounts. voestalpine AG's Controlling Manual contains a summarizing presentation of how the accounting system is organized. The accounting and controlling departments of the individual Group companies submit monthly reports containing key performance indicators (KPIs) to their own managing directors and to the management boards of the respective divisions and, upon approval, to the holding company's Corporate Accounting & Reporting department to be aggregated, consolidated, and reported to the Group Management Board. Additional information, such as detailed target/performance comparisons, is prepared in a similar process as part of quarterly reporting. Quarterly reports are submitted to the supervisory board, board, or advisory board of the given Group company, and a consolidated report is submitted to the Supervisory Board of voestalpine AG.

Besides operational risks, the accounting system is also subject to Group risk management. In this context, possible accounting risks are analyzed on a regular basis, and measures to avoid them are taken. The focus is on those risks that are regarded as fundamental to the given company's activities. Compliance with the ICS, including the required quality standards, is monitored continuously by way of audits at the Group company level. Internal Audit works closely with the appropriate management board members and managing directors. It reports directly to the Chairman of the Management Board of voestalpine AG and submits reports periodically to the Group Management Board and, subsequently, to the Audit Committee of the Supervisory Board of voestalpine AG.

NUMBER OF TREASURY SHARES

The Annual General Meeting on July 7, 2021, authorized the Management Board for a period of 30 months to buy back treasury shares representing up to 10% of the respective share capital. The buyback price may, at most, be 20% less than or 10% higher than the average closing price of the shares on the three market trading days prior to the buyback. The Management Board exercised this authorization on November 3, 2022, and resolved a buyback program involving up to 10,000,000 ordinary shares (= about 5.6% of the share capital) starting on November 10, 2022, and likely ending on July 10, 2023. Until July 10, 2023, voestalpine AG has bought back 7,070,000 ordinary shares under this stock buyback program.

	Treasury shares in thousands of shares	Percentage of share capital in %	Percentage of share capital in thousands of euros
As of 03/31/2023	**5,898.2**	**3.3**	**10,716.0**
Additions in 2023/24	1,200.30	0.7	2,180.8
Disposals in 2023/24	0.0	0.0	0.0
As of 03/31/2024	**7,098.5**	**4.0**	**12,896.8**

DISCLOSURES ON CAPITAL, SHARE, VOTING, AND CONTROL RIGHTS AS WELL AS ASSOCIATED OBLIGATIONS

As of March 31, 2024, the share capital of voestalpine AG is EUR 324,391,840.99 (March 31, 2023: EUR 324,391,840.99) and is divided into 178,549,163 ordinary no-par value shares (March 31, 2022: 178,549,163). There are no restrictions on voting rights (1 share = 1 vote). voestalpine AG is unaware of any agreements among or between its shareholders that restrict voting rights or the transfer of shares.

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

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

As regards those powers of the Management Board that do not follow directly from the law—such as buybacks of the company's treasury shares and/or authorized or contingent capital—reference is made to Note 17 (Equity) of the Notes to the Consolidated Financial Statements 2023/24.

The EUR 500 million fixed-interest bonds 2017–2024; the EUR 500 million fixed-interest bonds 2019–2026; the EUR 250 million convertible bonds 2023–2028 issued in April 2023; the EUR 50 million privately floated fixed-interest bond 2019–2031; a total of EUR 190,5 million and USD 100 million, respectively, in promissory note loans; as well as the EUR 1,000 million syndicated loan obtained in 2019 (revolving credit facility, undrawn); and bilateral loans for a total of EUR 355 million and USD 132,9 million, respectively, contain change-of-control clauses. Under the terms of these financing agreements, the bondholders or lenders have the right, respectively, to demand redemption of their bonds or repayment of their loans if control of the company changes hands. With the exception of the terms of the EUR 250 million convertible bonds 2023–2028, the terms of the aforementioned financing agreements specify that a change of control at voestalpine AG is triggered when a party acquires a controlling interest in the company as defined in the Austrian Takeover Act *(Übernahmegesetz)*. In the case of the EUR 250 million convertible bonds 2023–2028, the terms governing a change of control are defined in Section 11 (d) of the convertible bond terms and conditions (see www.voestalpine.com » Investors » Debt Investor Relations » Outstanding bonds). In addition to a bondholder's right to demand redemption of their convertible bonds in the event of a change of control, the latter also lowers the conversion price.

There are no indemnity agreements between the company and the members of its Management Board, the members of its Supervisory Board, or its employees in the event of a public takeover bid.

OUTLOOK

Economic momentum in the business year 2023/24 varied greatly both regionally and in the individual market segments. Thanks to its global positioning and broad diversification, the voestalpine Group was able to generate a solid operating result in the past business year despite the economic weakness in Europe.

The current trends have not changed significantly with the start of the new 2024/25 business year. While Europe is currently still experiencing very subdued economic growth, momentum in North America is solid despite high interest rates. Brazil has cooled off recently, whereas economic growth in China has picked up again somewhat.

Based on this, the economic developments for the 2024/25 business year are estimated as follows:

In Europe, the economy appears to have bottomed out in many segments, which means that at least stable development can be expected for the 2024/25 business year. In addition, possible interest rate cuts could provide positive impetus in the second half of the year.

The presidential elections make forecasts for North America challenging. However, given the resilience of the U.S. economy to interest rate hikes and geopolitical shocks to date, a continuation of the growth trend is quite possible.

Economic growth in South America/Brazil is expected to be slightly weaker in the 2024/25 business year compared to the previous year.

The problems in the real estate sector are likely to continue to affect China in the current business year. However, the latest economic stimulus measures make economic growth around the target range of 5% appear realistic.

With regard to the market segments, the good market environment in the railway infrastructure, aerospace, and warehouse technology segments is expected to continue. The automotive industry and the energy sector should largely continue their stable development to date. The construction, mechanical engineering, and consumer goods segments are likely to remain at least at the current level. Any positive stimuli, such as interest rate cuts, could lead to an upturn in the second half of the 2024/25 business year.

Based on these assumptions and assuming no economic distortions from geopolitical developments, the Management Board of voestalpine AG expects an EBITDA in the range of EUR 1.7 to 1.8 billion for the business year 2024/25.

Strategically, voestalpine's management will continue to expand the Group's processing activities globally in the business year 2024/25 and the following years and continue to drive forward the implementation of the greentec steel transformation project towards net zero CO_2 emissions.

Linz, May 27, 2024

The Management Board

Herbert Eibensteiner	Franz Kainersdorfer	Gerald Mayer
Reinhard Nöbauer	Carola Richter	Hubert Zajicek

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

voestalpine AG

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED MARCH 31, 2024

ASSETS

	Notes	04/01/2022[1]	03/31/2023[1]	03/31/2024
A. Non-current assets				
Property, plant and equipment	9	5,634.3	5,662.5	5,965.3
Goodwill	10	1,448.6	1,331.3	1,107.8
Other intangible assets	10	289.9	297.7	312.8
Investments in entities consolidated according to the equity method	12	162.7	270.0	268.5
Other financial assets and other equity investments	12	70.2	72.7	77.3
Deferred tax assets	13	279.3	178.3	145.5
		7,885.0	**7,812.5**	**7,877.2**
B. Current assets				
Inventories	14	4,904.3	5,701.3	5,056.9
Trade and other receivables	15	2,250.5	2,110.8	2,035.7
Other financial assets	24	145.6	341.3	158.2
Cash and cash equivalents	16	842.8	1,055.8	1,322.1
Current assets excl. IFRS 5 assets		**8,143.2**	**9,209.2**	**8,572.9**
Assets held for sale	C.	0.0	0.0	107.3
Assets from discontinued operations	C.	921.5	0.0	0.0
Current assets incl. IFRS 5 assets		**9,064.7**	**9,209.2**	**8,680.2**
Total assets		**16,949.7**	**17,021.7**	**16,557.4**

[1] Opening balance and business year 2022/23, retroactively adjusted.

In millions of euros

EQUITY AND LIABILITIES

	Notes	04/01/2022[1]	03/31/2023[1]	03/31/2024
A. Equity				
Share capital		324.3	324.3	324.3
Capital reserves		664.9	664.8	677.8
Treasury shares		–1.5	–177.3	–214.6
Other reserves		–26.2	–160.6	–185.4
Retained earnings		5,871.6	6,794.7	6,586.3
Equity attributable to equity holders of the parent		**6,833.1**	**7,445.9**	**7,188.4**
Non-controlling interests		154.6	240.5	311.2
	17	**6,987.7**	**7,686.4**	**7,499.6**
B. Non-current liabilities				
Pensions and other employee obligations	18	1,082.4	938.9	949.9
Provisions	19	117.3	93.6	62.2
Deferred tax liabilities	13	74.9	86.2	84.6
Financial liabilities	20	2,646.2	2,242.2	1,459.7
		3,920.8	**3,360.9**	**2,556.4**
C. Current liabilities				
Provisions	19	1,035.9	1,055.1	922.5
Tax liabilities		263.9	238.3	224.0
Financial liabilities	20	623.9	836.6	1,688.0
Trade and other payables	21	2,869.0	2,809.2	2,654.7
Trade payables from bills of exchange and trade payables from reverse factoring agreements	22	1,153.4	1,023.1	868.3
Current liabilities		**5,946.1**	**5,962.3**	**6,357.5**
Liabilities held for sale	C.	0.0	0.0	143.9
Liabilities from discontinued operations	C.	95.1	12.1	0.0
Current liabilities incl. liabilities from discontinued operations		**6,041.2**	**5,974.4**	**6,501.4**
Total equity and liabilities		**16,949.7**	**17,021.7**	**16,557.4**

[1] Opening balance and business year 2022/23, retroactively adjusted.

In millions of euros

voestalpine AG

CONSOLIDATED STATEMENT OF CASH FLOWS 2023/24

	Notes	2022/23[1]	2023/24
Operating activities			
Profit after tax		1,177.3	207.1
Non-cash expenses and income, deposits and disbursements not recognized in income statement	25	792.2	1,061.7
Change in inventories		–818.4	586.2
Change in receivables and liabilities		–181.4	–269.6
Change in provisions		–13.5	–137.5
Changes in working capital		**–1,013.3**	**179.1**
Cash flows from operating activities[2]		**956.2**	**1,447.9**
Thereof from discontinued operations		47.6	0.0
Investing activities			
Additions to other intangible assets, property, plant and equipment		–752.1	–1,081.9
Income from disposals of assets		166.3	29.0
Cash flows from the acquisition of control of subsidiaries	25	–8.1	–19.9
Cash flows from the loss of control of subsidiaries	25	735.8	18.5
Additions to/divestments of other financial assets		–189.0	201.3
Cash flows from investing activities		**–47.1**	**–853.0**
Thereof from discontinued operations		731.4	–2.9
Financing activities			
Dividends paid		–214.2	–257.2
Dividends paid, non-controlling interests		–23.7	–32.9
Capital increase, non-controlling interests		0.0	0.6
Acquisition of non-controlling interests		0.0	–1.0
Acquisitions/disposals of treasury shares		–175.8	–37.3
Increase in non-current financial liabilities	25	7.9	251.7
Repayment of non-current financial liabilities	25	–301.1	–233.8
Repayment of lease liabilities	25	–49.4	–63.8
Change in current financial liabilities and other financial liabilities	25	70.4	48.4
Cash flows from financing activities		**–685.9**	**–325.3**
Thereof from discontinued operations		0.0	0.0
Change in cash and cash equivalents		**223.2**	**269.6**
Cash and cash equivalents, beginning of year		842.8	1,055.8
Net exchange differences		–10.2	–3.3
Cash and cash equivalents, end of year	16	**1,055.8**	**1,322.1**

[1] Business year 2022/23, retroactively adjusted.
[2] Cash flows from operating activities includes the following items in continuing operations:

	2022/23	2023/24
interest received of	11.4	36.2
interest paid of	130.5	204.5
taxes paid of	345.3	164.2
and dividend income of	18.2	17.1

In millions of euros

voestalpine AG

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 2023/24

CONSOLIDATED INCOME STATEMENT

	Notes	2022/23[1]	2023/24
Revenue	1, 2	**18,225.1**	**16,684.3**
Cost of sales		–14,590.8	–13,889.4
Gross profit		**3,634.3**	**2,794.9**
Other operating income	3	778.9	698.3
Distribution costs		–1,335.8	–1,344.0
Administrative expenses		–781.8	–841.0
Other operating expenses	4	–664.9	–751.6
Share of profit of entities consolidated according to the equity method	5	–7.9	12.7
EBIT		**1,622.8**	**569.3**
Finance income	6	49.1	95.5
Finance costs	7	–182.5	–281.4
Profit before tax		**1,489.4**	**383.4**
Tax expense	8	–405.5	–167.8
Profit after tax from continuing operations		**1,083.9**	**215.6**
Profit after tax from discontinued operations	C.	93.4	–8.5
Profit after tax		**1,177.3**	**207.1**
Attributable to:			
Equity holders of the parent		1,064.6	100.8
Non-controlling interests		112.7	106.3
Diluted and basic earnings per share (euros) from continuing operations	31	**5.48**	**0.64**
Diluted and basic earnings per share (euros) from discontinued operations	31	**0.53**	**–0.05**
Diluted and basic earnings per share (euros)	31	**6.01**	**0.59**

CONSOLIDATED OTHER COMPREHENSIVE INCOME

	2022/23[1]	2023/24
Profit after tax	**1,177.3**	**207.1**
Items of other comprehensive income that will be reclassified subsequently to profit or loss		
Cash flow hedges	–44.8	–12.9
Currency translation	–87.0	–13.9
Share of result of entities consolidated according to the equity method	–4.9	–1.4
Subtotal of items of other comprehensive income that will be reclassified subsequently to profit or loss	**–136.7**	**–28.2**
Items of other comprehensive income that will not be reclassified subsequently to profit or loss		
Actuarial gains/losses	88.1	–52.9
Actuarial gains/losses of entities consolidated according to the equity method	0.1	0.2
Subtotal of items of other comprehensive income that will not be reclassified subsequently to profit or loss	**88.2**	**–52.7**
Other comprehensive income for the period, net of income tax	**–48.5**	**–80.9**
Total comprehensive income for the period	**1,128.8**	**126.2**
Attributable to:		
Equity holders of the parent	1,018.0	23.3
Non-controlling interests	110.8	102.9
Total comprehensive income for the period	**1,128.8**	**126.2**

[1] Business year 2022/23, retroactively adjusted.

In millions of euros

voestalpine AG

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 2023/24

	Share capital	Capital reserves	Treasury share reserve
Balance as of April 1, 2022	**324.3**	**664.9**	**–1.5**
Profit after tax	**–**	**–**	**–**
Items of other comprehensive income that will be reclassified subsequently to profit or loss			
Cash flow hedges	–	–	–
Currency translation	–	–	–
Share of result of entities consolidated according to the equity method	–	–	–
Subtotal of items of other comprehensive income that will be reclassified subsequently to profit or loss	**–**	**–**	**–**
Items of other comprehensive income that will not be reclassified subsequently to profit or loss			
Actuarial gains/losses	–	–	–
Actuarial gains/losses of entities consolidated according to the equity method	–	–	–
Subtotal of items of other comprehensive income that will not be reclassified subsequently to profit or loss	**–**	**–**	**–**
Other comprehensive income for the period, net of income tax	**–**	**–**	**–**
Total comprehensive income for the period	**–**	**–**	**–**
Dividends	–	–	–
Treasury share reserve	–	–	–175.8
Share-based payment	–	–0.1	–
Acquisition of control of subsidiaries	–	–	–
Other changes	–	–	–
	–	**–0.1**	**–175.8**
Balance as of March 31, 2023 = Balance as of April 1, 2023	**324.3**	**664.8**	**–177.3**
Profit after tax	**–**	**–**	**–**
Items of other comprehensive income that will be reclassified subsequently to profit or loss			
Cash flow hedges	–	–	–
Currency translation	–	–	–
Share of result of entities consolidated according to the equity method	–	–	–
Subtotal of items of other comprehensive income that will be reclassified subsequently to profit or loss	**–**	**–**	**–**
Items of other comprehensive income that will not be reclassified subsequently to profit or loss			
Actuarial gains/losses	–	–	–
Actuarial gains/losses of entities consolidated according to the equity method	–	–	–
Subtotal of items of other comprehensive income that will not be reclassified subsequently to profit or loss	**–**	**–**	**–**
Other comprehensive income for the period, net of income tax	**–**	**–**	**–**
Total comprehensive income for the period	**–**	**–**	**–**
Dividends	–	–	–
Convertible bonds	–	18.8	–
Treasury share reserve	–	–	–37.3
Share-based payment	–	–2.8	–
Other changes	–	–3.0	–
	–	**13.0**	**–37.3**
Balance as of March 31, 2024	**324.3**	**677.8**	**–214.6**

[1] Opening balance and business year 2022/23, retroactively adjusted.

Other reserves					
Translation reserve	Cash flow hedge reserve	Retained earnings[1]	Total attributable to equity holders of the parent[1]	Non-controlling interests	Total equity[1]
–65.4	**39.2**	**5,871.6**	**6,833.1**	**154.6**	**6,987.7**
–	**–**	**1,064.6**	**1,064.6**	**112.7**	**1,177.3**
–	–44.8	–	–44.8	–	–44.8
–84.7	–	–	–84.7	–2.3	–87.0
–4.9	–	–	–4.9	–	–4.9
–89.6	**–44.8**	**–**	**–134.4**	**–2.3**	**–136.7**
–	–	87.7	87.7	0.4	88.1
–	–	0.1	0.1	–	0.1
–	**–**	**87.8**	**87.8**	**0.4**	**88.2**
–89.6	**–44.8**	**87.8**	**–46.6**	**–1.9**	**–48.5**
–89.6	**–44.8**	**1,152.4**	**1,018.0**	**110.8**	**1,128.8**
–	–	–214.2	–214.2	–23.4	–237.6
–	–	–	–175.8	–	–175.8
–	–	–	–0.1	0.1	0.0
–	–	–	–	0.7	0.7
–	–	–15.1	–15.1	–2.3	–17.4
–	**–**	**–229.3**	**–405.2**	**–24.9**	**–430.1**
–155.0	**–5.6**	**6,794.7**	**7,445.9**	**240.5**	**7,686.4**
–	**–**	**100.8**	**100.8**	**106.3**	**207.1**
–	–12.9	–	–12.9	–	–12.9
–11.2	–	–	–11.2	–2.7	–13.9
–0.9	–0.5	–	–1.4	–	–1.4
–12.1	**–13.4**	**–**	**–25.5**	**–2.7**	**–28.2**
–	–	–52.2	–52.2	–0.7	–52.9
–	–	0.2	0.2	–	0.2
–	**–**	**–52.0**	**–52.0**	**–0.7**	**–52.7**
–12.1	**–13.4**	**–52.0**	**–77.5**	**–3.4**	**–80.9**
–12.1	**–13.4**	**48.8**	**23.3**	**102.9**	**126.2**
–	–	–257.2	–257.2	–33.0	–290.2
–	–	–	18.8	–	18.8
–	–	–	–37.3	–	–37.3
–	–	–	–2.8	–	–2.8
0.7	–	0.0	–2.3	0.7	–1.6
0.7	**–**	**–257.2**	**–280.8**	**–32.3**	**–313.1**
–166.4	**–19.0**	**6,586.3**	**7,188.4**	**311.2**	**7,499.6**

In millions of euros

voestalpine AG

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 2023/24

A. GENERAL INFORMATION AND CORPORATE PURPOSE

The voestalpine Group is a global steel and technology Group. With its top-quality products, the Group is one of the leading partners to the automotive and consumer goods industries in Europe and to the oil and gas industry worldwide, in railroad infrastructure systems, tool steel and special profiles.

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 Vienna stock exchange.

The Consolidated Financial Statements for the year ended March 31, 2024 have been prepared pursuant to Section 245a (1) of the Austrian Commercial Code *(Unternehmensgesetzbuch – UGB)* in accordance with the International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB) and adopted by the European Union as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRS-IC), which require application in 2023.

The Consolidated Financial Statements are presented in millions of euros (= functional currency of the parent company).

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

The use of automated calculation systems may result in rounding differences that affect amounts and percentages.

On May 27, 2024, the Management Board of voestalpine AG approved the Consolidated Financial Statements and authorized the submission thereof to the Supervisory Board.

B. SUMMARY OF ACCOUNTING POLICIES

EFFECTS OF NEW AND REVISED IFRS

The accounting policies applied to the Consolidated Financial Statements are consistent with those of the previous year with the exceptions listed below.

The following new and revised Standards and Interpretations were adopted for the first time in the business year 2023/24:

Standard	Content	Effective date[1]
IFRS 17	Insurance Contracts	January 1, 2023
IAS 1, amendments	Disclosure of Accounting Policies	January 1, 2023
IAS 8, amendments	Definition of Accounting Estimates	January 1, 2023
IAS 12, amendments	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023
IFRS 17, amendments	Initial Application of IFRS 17 and IFRS 9 – Comparative Information	January 1, 2023
IAS 12, amendments	International Tax Reform – Pillar-Two-Model	January 1, 2023

[1] In accordance with EU endorsements, these Standards are applicable to reporting periods beginning on or after the effective date.

The application of the aforementioned revisions did not have any material effects on the Consolidated Financial Statements.

Further amendments to IAS 12 were published in May 2023. The amendments introduced a temporary exemption from the requirement to recognize and disclose information about deferred tax assets and liabilities arising from the global minimum taxation (Pillar II). Regarding the expected effects on the Consolidated Financial Statements, see B. Summary of Accounting Policies (section entitled “Income taxes”).

The following new and revised Standards and Interpretations had already been published as of the reporting date, but their application was not yet mandatory for the business year 2023/24 or they have not yet been adopted by the European Union:

Standard	Content	Effective date according to IASB[1]
IFRS 16, amendments	Lease Liability in a Sale and Leaseback	January 1, 2024
IAS 1, amendments	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants	January 1, 2024
IAS 7 / IFRS 7, amendments	Disclosures: Supplier Finance Arrangements	January 1, 2024
IAS 21, amendments	Lack of Exchangeability	January 1, 2025
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027

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

These Standards—to the extent they have been adopted by the European Union—will not be adopted early by the Group. For the voestalpine Group, only the application of IFRS 18 is expected to result in a material change to the presentation of the Group's earnings position due to an adjustment to the structure of the Consolidated Income Statement. There will also be changes to the presentation of the Consolidated Statement of Cash Flows and the disclosures in the Notes. From today's perspective, the other new and revised Standards and Interpretations are not expected to have any material effects on the voestalpine Group's net assets, financial position, and results of operations.

Towards the end of the fourth quarter of the business year 2023/24 it was discovered within a company of the Metal Forming Division that intentional journal entries had been made in the recognition and measurement of assets and liabilities to improve reported profits. Specifically, regarding advance payments within inventories and other receivables (including contract assets), assets were overstated or derecognitions were omitted in the context of accounting for tools and development services, as well as price adjustments for serial production.

During extensive analyses conducted in the preparation period, the necessary corrections were identified. The determined adjustments were allocated to and retrospectively adjusted for the previously reported periods in accordance with IAS 8.42. Tax-related counter-effects were not recognized due to significant uncertainties.

The table below shows the effects of the error correction on the opening balance sheet as of April 1, 2022:

CHANGE IN CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	03/31/2022	Adjustments according to IAS 8	04/01/2022
Assets			
Property, plant and equipment	5,635.9	–1.6	5,634.3
Inventories	4,935.1	–30.8	4,904.3
Trade and other receivables	2,293.1	–42.6	2,250.5
Total assets	**17,024.7**	**–75.0**	**16,949.7**
Equity and Liabilities			
Retained earnings	5,953.2	–81.6	5,871.6
Trade and other payables	2,862.4	6.6	2,869.0
Total equity and liabilities	**17,024.7**	**–75.0**	**16,949.7**

In millions of euros

The table below shows the effects of the error correction on the affected items of the Consolidated Statement of Financial Position as of March 31, 2023, and the Consolidated Income Statement for the business year 2022/23. All adjustments are allocated to cash flows from operating activities and have no net effect.

CHANGE IN CONSOLIDATED STATEMENT OF FINANCIAL POSITION

03/31/2023	Values as originally reported	Adjustments according to IAS 8	Retroactively adjusted
Assets			
Property, plant and equipment	5,664.8	–2.3	5,662.5
Inventories	5,724.6	–23.3	5,701.3
Trade and other receivables	2,156.3	–45.5	2,110.8
Total assets	**17,092.8**	**–71.1**	**17,021.7**
Equity and Liabilities			
Retained earnings	6,877.7	–83.0	6,794.7
Trade and other payables	2,797.3	11.9	2,809.2
Total equity and liabilities	**17,092.8**	**–71.1**	**17,021.7**

In millions of euros

CHANGE IN CONSOLIDATED INCOME STATEMENT

2022/23	Values as originally reported	Adjustments according to IAS 8	Retroactively adjusted
Revenue	18,225.1	0.0	18,225.1
Cost of sales	–14,589.4	–1.4	–14,590.8
Gross profit	**3,635.7**	**–1.4**	**3,634.3**
EBIT	**1,624.2**	**–1.4**	**1,622.8**
Profit before tax	**1,490.8**	**–1.4**	**1,489.4**
Profit after tax from continuing operations	**1,085.3**	**–1.4**	**1,083.9**
Profit after tax from discontinued operations	93.4	0.0	93.4
Profit after tax	**1,178.7**	**–1.4**	**1,177.3**
Equity holders of the parent	1,066.0	–1.4	1,064.6
Diluted and basic earnings per share (euros) from continuing operations	5.48	0.00	5.48
Diluted and basic earnings per share (euros) from discontinued operations	0.53	0.00	0.53
Diluted and basic earnings per share (euros)	**6.01**	**0.00**	**6.01**

In millions of euros

BASIS OF CONSOLIDATION

The annual financial statements of all fully consolidated entities are prepared based on uniform accounting policies. For entities included using the equity method (associates and joint ventures), local accounting policies and different reporting dates (see “Investments” appendix to the Notes) were maintained for time reasons and cost/benefit considerations if the relevant amounts were immaterial.

Upon initial consolidation, assets, liabilities, and contingent liabilities are measured at their fair value as of the acquisition date. Any excess of the cost 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, the difference is recognized in profit or loss in the acquisition period. The hidden reserves and/or hidden losses attributed to the non-controlling interests are also accounted for.

All intra-Group profits, receivables, and payables as well as income and expenses are eliminated.

NON-CURRENT ASSETS HELD FOR SALE, DISPOSAL GROUPS, AND DISCONTINUED OPERATIONS

The Group classifies non-current assets or disposal groups as held for sale if the carrying amount of the assets or disposal groups will be recovered principally through a sale transaction rather than through continuing use. A disposal group is classified as discontinued operations as soon as the business unit is classified as available for sale or as soon as it has already been disposed of and if the business unit represents a separate, material division.

Assets held for sale are measured at the lower of the carrying amount and fair value less costs to sell. To the extent that any impairment requirement exceeds the non-current assets, other assets within the disposal group are also written down. The determination of the fair value less costs to sell is subject to estimates and assumptions that may be beset by uncertainties.

Upon consolidation, the assets are shown separately in the line items, "assets held for sale" and "liabilities held for sale," of the statement of financial position. In the consolidated income statement, discontinued operations are shown separately from continuing operations, and the entries for the previous year are adjusted accordingly. In the consolidated statement of cash flows, discontinued operations are shown in an item labeled "thereof."

For further explanations, see item C. Scope of Consolidation – Discontinued operations and disposal groups. All other Notes disclosures contain amounts related to operations to be continued, unless otherwise stated.

FOREIGN CURRENCY TRANSLATION

Pursuant to IAS 21, annual financial statements prepared in foreign currencies that are included in the Consolidated Financial Statements are translated into euros using the functional currency method. Except for a few companies, the relevant national currency is the functional currency because—in financial, economic, and organizational terms—these entities run their businesses independently. Assets and liabilities are translated using the exchange rate on the reporting date. Income and expenses are 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 individual financial statements of consolidated entities, foreign currency transactions are translated into the functional currency of the given entity using the exchange rate on the transaction date. Foreign exchange gains and losses resulting from translation as of 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:

	USD	GBP	BRL	SEK	SGD	CNY	PLN
Closing exchange rate							
03/31/2023	1.0875	0.8792	5.5158	11.2805	1.4464	7.4763	4.6700
03/31/2024	1.0811	0.8551	5.4032	11.5250	1.4587	7.8144	4.3123
Average annual rate							
2022/23	1.0411	0.8645	5.3674	10.8110	1.4296	7.1346	4.7073
2023/24	1.0845	0.8630	5.3499	11.4999	1.4587	7.7778	4.4473

UNCERTAINTIES IN ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the Consolidated Financial Statements in accordance with IFRS requires 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.

Ramifications of the Ukraine war and geopolitical developments

The company has been and is continuously monitoring the Ukraine war and geopolitical developments so that it can counteract any effects thereof on the voestalpine Group as effectively as possible in the future, too. For example, alternative suppliers and transport routes were identified and activated to secure supplies of relevant raw materials (e.g., iron ore, iron ore pellets, pulverized coal injection (PCI) coal, alloys) to the Group's production plants (particularly its steelworks in Austria). Moreover, raw material stockpiles (especially iron ore and coal) are also held to bridge short-term supply bottlenecks.

To ensure natural gas supplies (especially at its Austrian facilities), in May 2022 the voestalpine Group also contractually secured natural gas storage facilities for its own use. In an emergency involving the complete loss of external supplies, existing natural gas storage supply of 1.5 TWh would enable the Group to maintain full operations for a period of three months or limited operations for a longer period, depending on the production process. The Group has also been working with both existing and new suppliers on expanding its natural gas sources. In addition, a potential natural gas bottleneck would trigger existing emergency plans, whereby production could be incrementally adjusted to the energy supplies available.

Rapid adjustments to the supply and logistics processes in light of the new challenges presented made it possible to avoid bottlenecks. Developments regarding supplies of energy (particularly natural gas) and raw materials are monitored on an ongoing basis and evaluated in regular exchanges between experts and the Management Board.

The following assumptions entail significant risks of triggering material adjustments of assets and liabilities in future periods:

» **Recoverability of assets**
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 amounts or the impairment amounts during the impairment tests is based on several assumptions. These include, for example, future cash flows from continuing use, cash flows from the planned disposal of assets, the discount rate, or the fair values less costs to sell of the individual assets. A sensitivity analysis of both the discount rate and the cash flows is shown (see Note 11. Impairment losses and reversal of impairment losses). The cash flows correspond to the figures in the most current business plan at the time the Consolidated Financial Statements are prepared. In addition, uncertain assumptions—regarding the development of CO_2 allowance prices, the development of sales prices (in particular the price premium on greentec steel), changes in the raw material mix (availability and price development), scope of investments required for the further replacement of fossil pig iron production and CO_2 capture technologies (CCUS)—flowed into the determination of the recoverable amounts for the cash generating units affected by decarbonization and associated technology transfers. See the item, Effects of sustainability strategy—decarbonization and green transformation; B. Summary of Accounting Policies (the section entitled "Impairment testing of goodwill, other intangible assets, and property, plant and equipment"); as well as Note 9. Property, plant and equipment; Note 10. Goodwill and other intangible assets; and Note 11. Impairment losses and reversal of impairment losses.

» **Recoverability of financial instruments**
Alternative actuarial models are used to measure the recoverability of financial instruments for which there is no active market. The parameters used to determine the fair values are based partially on assumptions concerning the future. See B. Summary of Accounting Policies (the section entitled "Financial instruments") as well as Note 24. Financial instruments.

» **Determining lease terms and discount rates**
An assessment of the terms of every lease and the discount rate to be applied is made to determine lease liabilities. The estimated term of a lease is based on the lease's non-cancelable term. Lease periods comprising options to terminate or renew are included in the assessment if the non-exercise of termination options or the exercise of renewal options is deemed to be reasonably certain. This requires management to make a judgment. All facts and circumstances that represent an economic incentive to exercise or not to exercise a given option must be considered. Following initial recognition, the lease term shall be reassessed if there is a significant event or a significant change in circumstances that the company can control and that influences its decision whether to exercise or not to exercise the given option.

The incremental borrowing rate in its capacity as a maturity-dependent, risk-free interest rate is used as the discount rate for measuring the lease liabilities, taking into account the respective currency and the company's credit rating. This requires making an assessment when no observable interest rates are available (e.g., subsidiaries that do not engage in financial transactions) or when the interest rates must be adjusted to reflect the terms and conditions of the given lease (e.g., consideration of the repayment structure).

» **Pensions and other employee obligations**
The measurement of existent severance payment and pension obligations is based on assumptions regarding interest rates, the retirement age, life expectancy, and future salary/wage increases. See B. Summary of Accounting Policies (section entitled "Pensions and other employee obligations") as well as Note 18. Pensions and other employee obligations.

» **Assets and liabilities associated with acquisitions**
Acquisitions require making estimates in connection with the determination of the fair value of identified assets, liabilities, and contingent consideration. All available information on the circumstances of the acquisition date is applied. The fair values of buildings and land are typically determined by external experts or intra-Group experts. Intangible assets are measured using appropriate valuation methods depending on the type of asset and the availability of information. These measurements are closely connected to assumptions about the future development of the estimated cash flows as well as the applied discount rates.

Information on acquisitions made during the reporting period is reported under D. Acquisitions and other additions to the scope of consolidation.

» **Other provisions**
Other provisions for present obligations arising from past events, which lead to an outflow of resources embodying economic benefits, are stated at the amount that reflects the most probable value based on reliable estimates. Provisions are discounted if the effect is material. Details concerning provisions follow from B. Summary of Accounting Policies (section entitled "Other provisions") as well as Note 19. Provisions.

» **Income taxes**
Income tax expense represents the total of current tax expenses and deferred taxes. The current tax expense is determined based on the taxable income using the currently applicable tax rates. Deferred taxes are determined based on the respective local income tax rates. Future fixed tax rates are also considered in the deferral. The recognition and measurement of actual and deferred taxes is subject to numerous uncertainties.

Given its international activities, the voestalpine Group is subject to different tax regulations in the respective tax jurisdictions. The tax items presented in the Consolidated Financial Statements are determined based on the relevant tax regulations and, because of their complexity, may be subject to different interpretations by taxpayers, for one, and local finance authorities, for another. Because varying interpretations of tax laws may lead to additional tax payments for past years as a result of comprehensive tax audits, they are included in the analysis based on management's assessment.

Deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which deductible differences and/or tax losses carried forward but not yet applied may be utilized. This assessment requires making assumptions regarding future taxable income and thus is subject to uncertainties. It is made based on the planning for a five-year period. Changes in future taxable income may result in lower or higher deferred tax assets.

Further information follows from B. Summary of Accounting Policies (section entitled "Income taxes") as well as Note 8. Income taxes and Note 13. Deferred taxes.

» Legal risks

As an internationally active company, the voestalpine Group is exposed to legal risks. The outcome of present or future legal disputes is generally not predictable and may have a material effect on the Group's net assets, financial position, and results of operations. To reliably assess potential obligations, management continually reviews the underlying information and assumptions; both internal and external legal counsel is used for further evaluation. Provisions are recognized to cover probable present obligations, including a reliable estimate of legal costs. The option to record a contingent liability is considered if the future outflow of resources is not probable or if the company has no control over the confirmation of actual events.

Both the estimates and the underlying assumptions are reviewed on an ongoing basis. The actual figures may differ from these assumptions and estimates if the stated parameters differ from reporting date expectations. Revisions are recognized through profit or loss in the period in which the estimates are revised, and the assumptions are adjusted accordingly.

» Effects of sustainability strategy—decarbonization and green transformation

The voestalpine Group is committed to the Paris Climate Agreement, which aims to keep the increase in the average global temperature well below 2°C above pre-industrial levels and to make efforts to limit the temperature increase to 1.5°C above pre-industrial levels. Building on this, the European Union has set itself the binding target of achieving climate neutrality by 2050 as part of the European Green Deal with the European Climate Law. This will require a significant reduction in current greenhouse gas emissions over the next few decades. With greentec steel, the voestalpine Group is gradually implementing an ambitious step-by-step plan. greentec steel encompasses all voestalpine's activities and innovations on the path to steel production with net zero emissions. As part of the Science Based Targets initiative (SBTi), the voestalpine Group is committed to reducing the sum of Scope 1 and Scope 2 emissions by 30% and Scope 3 emissions by 25% by 2029 compared to the reference year 2019. The achievement of the 2029 target is also subject to external factors and influencing variables such as raw materials, energy and the economy.

voestalpine's long-term concept for achieving net zero production by 2050 at the latest, in line with the EU emissions trading target pathway, consists of several modular technology steps and options. These focus equally on the greatest possible CO_2 reduction effect, taking into account the actual feasibility (e.g., regarding the respective political and legal framework, the availability of raw and input materials and renewable energies, as well as corresponding infrastructures) and economic feasibility. The most important elements of the greentec steel climate protection program (reference year 2019 for Scope 1 and Scope 2) is:

» **By 2029: Phase 1 with a target of minus 30%**
The first phase of greentec steel comprises an investment volume of about EUR 1.5 billion, which was approved by the Supervisory Board in March 2023. This will initially involve the installation of two electric arc furnaces, at the Linz and Donawitz sites, that will run on green electricity. Commissioning is planned for 2027, along with the decommissioning of two coal-based blast furnace units. Depending on the quality requirements, a mix of input materials consisting of scrap, liquid pig iron and HBI (hot briquetted iron) will be used. voestalpine sources most of the HBI it requires from the direct reduction plant in Texas, USA; this plant has been majority-owned by a global steel manufacturer since 2022. voestalpine holds a 20% stake, with corresponding long-term purchase agreements.

Following receipt of the funding commitment of EUR 90 million from the Austrian federal government as part of the "Transformation of Industry" program, financed from environmental subsidies in Austria, and the plant and supplier decisions, construction has now begun. The environmental impact assessment procedure for the necessary upgrading of the electricity grid has been completed at the Donawitz site and is imminent at the Linz site at the time of preparing this report. After the planned completion in 2027 and following a successful ramp-up, 2.5 million tons of CO_2-reduced steel will be produced annually.

» **From 2030 to 2035: Phase 2 with a target of minus 50%**
Focus on direct CO_2 avoidance through further replacement of fossil pig iron production as well as the expected additional use of CO_2 capture and utilization technologies (Carbon Capture Utilization and Storage, CCUS).

» **By 2050 at the latest: Phase 3 with net zero emissions target**
Focus on replacing the remaining fossil pig iron capacities by using fossil-free energy sources, such as "green" hydrogen and bioenergy, and capturing CO_2 (CCUS) with the aim of achieving the greatest possible flexibility while ensuring that the net zero strategy is economically feasible. The final decisions on these options will not be made until a later date and they will be in line with investment cycles and in accordance with the foreseeable conditions.

The decarbonization activities also result in changes to the company's energy needs. In addition to the systematic expansion of our own renewable energy capacities and the purchase of renewable energy based on long-term PPAs (Power Purchase Agreements), which are intended to improve the security of supply of green electricity, the focus here remains on numerous research and demonstration projects in the areas of hydrogen, biogas and biomass as well as projects in alternative iron and steel production technologies, such as, for example, "H2FUTURE" (hydrogen pilot plant) in Linz, Austria; "HYFOR" (Hydrogen-Based Fine-Ore Reduction) and smelter as well as "SuSteel" (Sustainable Steelmaking) in Donawitz, Austria. The further optimization of energy efficiency in production processes is also being investigated and driven forward on an ongoing basis. Research regarding the capture and utilization of CO_2 (CCUS) supplements the overall approach.

The green transformation is also leading to changes in raw material requirements. As a result, the existing volatility in the raw materials markets is becoming increasingly important. Long-term supply relationships, the further expansion of the supplier portfolio, and the expansion of in-house supply and the circular economy form the core elements of a diversified procurement strategy.

The budgetary accounting for the plants affected by the technological shift (chiefly Linz and Donawitz (both in Austria)) take the resulting consequences into consideration, to the extent that they can be estimated at this time. These assumptions are subject to material uncertainties in accounting estimates. This includes investments of about EUR 1.5 billion for the two green electricity-based electric arc furnaces in the medium-term business plan, as well as investments for the further replacement of fossil pig iron production and CCUS technologies in the rough planning stage. CO_2 allowance price increases as well as the incremental reduction and elimination of no-cost allowances by calendar year 2034, the raw material mix required due to the change in technology including effects from the CBAM (Carbon Border Adjustment Mechanism), and a price premium for greentec steel are included in the planning. As far as the CO_2 allowance price increases are concerned—which were derived from the forecasts of the emission volumes and allowance prices prepared by internal experts and external analysts, as well as from estimates of consequences prepared by the EU Commission—our planning accounts for an incremental increase of up to a near tripling of the current price level, and considers effects from the CBAM. A price premium on greentec steel is to be expected at the start of the marketing phase; it can already be derived from market developments at this time. The assumptions regarding the development of the sales prices are also based on the assumption that mitigating actions (in particular the CBAM) will be introduced to offset the elimination of no-cost allowances. As a result of the revision of the EU ETS and the simultaneous introduction of the Carbon Border Adjustment Mechanism (CBAM), the steel industry is undergoing a paradigm shift (a reduction in the total number of allowances as well as the gradual elimination up to calendar year 2034 of no-cost allowance allocations, thus substantially increasing the EU steel industry's need to purchase allowances).

In light of the changed raw material mix (scrap, liquid pig iron and HBI), corresponding price adjustments have been made in the planning calculations. On the one hand, voestalpine is countering the associated uncertainties by expanding or establishing supply relationships with suppliers, customers and process partners in order to intensify the opportunities for a circular economy along the entire value chain, and on the other, long-term purchase agreements exist in the area of HBI supply.

At this time, key political decisions are still being debated, both at the national and at the European level, regarding the topics described above. By definition, therefore, voestalpine is exposed to several risks—especially and also against the backdrop of divergent energy and transformation policies in EU member states.

The short and medium-term physical risks associated with climate change from natural hazards (such as fire, flooding or low water as well as fluctuating water levels, snow load, drought, strong winds and storms, temperature fluctuations) were analyzed on the basis of detailed climate risk and vulnerability analyses for relevant operating locations. Heavy rainfall, flooding and mudslides are significant physical climate risks for the voestalpine Group. Based on this, appropriate precautionary measures have been initiated or have already been implemented. Necessary future measures are, to a subordinate extent, included in the planning calculations.

There was no need to recognize impairment losses on account of climate-related risks in the business year 2023/24. The assumptions in this connection were considered in both the medium-term business plan and a rough planning stage based on the insights available as of the reporting date using best possible estimates.

REVENUE RECOGNITION

In the voestalpine Group, revenue is realized when a customer obtains control over goods or services. See the disclosures in Note 2. Operating Segments regarding the type of goods and services offered by the individual business segments.

As a rule, revenue is recognized at the time the goods or services are delivered, taking into account the stipulated terms and conditions. This is generally the time at which risks and opportunities are transferred in accordance with the stipulated Incoterms. The payment terms typically are between 30 and 90 days.

The transaction price corresponds to the contractually stipulated consideration, taking into account any variable components. Variable consideration is recognized only if it is highly probable that there will be no material revenue reversals in the future.

Revenue from series products that satisfy the revenue recognition criteria of IFRS 15.35 (c) is recognized over time. This mainly concerns products of the automotive and aerospace segments for which there are no alternative uses because they are developed and produced specifically for a customer based on the latter's specific requirements and thus may generally not be used for any other purpose or where any alternative use would result in significant losses. Furthermore, a legally or contractually enforceable claim to payment of consideration, including a reasonable margin, applies to any components under construction as well as to finished goods, provided the company is not responsible for any termination of the contract.

Where revenue is recognized over time, such recognition must be prorated based on the ratio of the costs incurred to the estimated total costs. This method is the most reliable way to reflect progress in performance. Expected losses under a contract are recognized immediately. The cash flows are obtained in accordance with the contractual arrangements. The payment terms typically are between 30 and 90 days.

The claims of the voestalpine Group to consideration for completed performance not yet billed as of the reporting date are recognized as contract assets in trade and other receivables. The contract liabilities presented in trade and other payables concern primarily consideration received from customers in advance for performance not yet delivered.

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, in line with the associated expenses. Government grants of EUR 123.1 million (2022/23: EUR 48.0 million) for capital expenditures, research and development, and promotion of job opportunities were recognized as income in the reporting period.

RECOGNITION OF EXPENSES

Operating expenses are recognized when goods or services are used or when the expense is incurred. In the business year 2023/24, expenses for research and development were EUR 213.9 million (2022/23: EUR 191.2 million).

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 appropriate portions of materials and indirect labor costs required for production as well as borrowing costs in case of qualifying assets. The capitalization date is the date from which expenditures for the asset and borrowing costs are incurred and activities necessary to prepare the asset for its intended use or sale are undertaken.

Depreciation is recognized on a straight-line basis over the expected useful life. Land is not subject to depreciation. The expected depreciation for each asset category is as follows:

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

LEASES

The Group determines at lease inception whether a given lease satisfies the definition of a lease as per IFRS 16. As of the commencement date, the Group recognizes an asset for the right of use granted as well as a lease liability. The right of use is depreciated over the lease term on a straight-line basis. However, the right of use is depreciated over the asset's economic life if a transfer of title is stipulated or if it is reasonably certain that a purchase option will be exercised. The right of use must also be tested for impairment.

For the most part, the following depreciation/amortization periods are applied to right-of-use assets:

Right-of-use assets related to land, land rights, and buildings	1 – 50 years
Right-of-use assets related to plant and equipment	1 – 6 years
Right-of-use assets related to fixtures and fittings	1 – 8 years

The lease liability is measured using the incremental borrowing rate, provided the interest rate underlying the lease cannot be readily determined.

In subsequent measurements, the lease liability is measured using the effective interest method and adjusted. The associated interest expense is included in finance costs. The lease liability is remeasured if, for example, future lease payments will change due to changes in an index or interest rate or if there is a change in the assessment regarding the exercise of a purchase, renewal, or termination option. The carrying amount of the right-of-use asset is generally adjusted directly in equity after such remeasurement.

In the statement of financial position, the Group recognizes right-of-use assets (that do not satisfy the definition of investment property) in property, plant and equipment, and lease liabilities in financial liabilities.

The Group has elected the option not to determine a right-of-use asset or lease liability for leases with terms of up to 12 months (short-term leases) and for leases where the underlying asset is of low value. In the voestalpine Group, leased assets whose cost does not exceed EUR 5,000 are considered low-value assets.

No separation is made with respect to contracts containing both lease and non-lease components; this does not apply to land and buildings, however.

IFRS 16 is not applied to intangible asset leases.

The Group does not act as a lessor.

GOODWILL

All acquisitions are accounted for using the purchase method. Goodwill arises from the acquisition of subsidiaries and equity investments in associates and joint ventures.

Goodwill is allocated to cash generating units (CGUs) or groups of cash generating units and, pursuant to IFRS 3, is not amortized but tested for impairment at least annually as well as additionally if circumstances indicate possible impairment. The carrying amount of investments in associates and joint ventures 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 the relative value pursuant to IAS 36.86.

OTHER INTANGIBLE ASSETS

Expenses for research activities that are undertaken with the prospect of gaining new scientific or technical insights are immediately recognized as an expense. Pursuant to IAS 38.57, development expenditure is capitalized from the date on which the relevant criteria are satisfied. This means that the expenses incurred are not capitalized subsequently if all the above conditions are met only at a later date. Expenditures for internally generated goodwill and brands are immediately recognized as an expense.

Other intangible assets are stated at cost less accumulated amortization and impairment losses. In the case of a business combination, the fair value as of the acquisition date is the acquisition cost. Amortization is recognized on a straight-line basis over the expected useful life of the asset. The maximum useful life based on previous transactions is as follows:

Backlog of orders	1 year
Customer relations	15 years
Technology	10 years
Software	10 years

IMPAIRMENT TESTING OF CASH GENERATING UNITS WITH AND WITHOUT GOODWILL AND OF OTHER ASSETS

CGUs or groups of CGUs to which goodwill has been allocated and other intangible assets with an indefinite useful life are tested for impairment at least annually as well as additionally if circumstances indicate possible impairment. All other assets and CGUs are tested for impairment if there are any indications of impairment. Impairment testing is generally based on the value in use approach.

For impairment testing, assets are grouped at the lowest levels at which cash flows are independently generated (CGUs). Goodwill is allocated to those CGUs or groups of CGUs that are expected to benefit from synergies of the related acquisition, and this must be on the lowest level at which the goodwill in question is monitored for internal management purposes.

An impairment loss is recognized at the amount by which the carrying amount of the asset or CGU exceeds the recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the value in use. Impairment losses recognized for CGUs or groups of CGUs to which goodwill has been allocated are applied first against the carrying amount of the goodwill. Any remaining impairment loss reduces the carrying amounts of the assets of the CGU or groups of CGUs on a pro rata basis, with the fair values less costs to sell of the individual assets representing the lower limit. If the goodwill impairment test is conducted for a group of CGUs and if this results in an impairment loss, the individual CGUs included in this group are also tested for impairment and any resulting impairment of assets is recognized at this level first. Subsequently, this is followed by another impairment test for the CGUs at the Group level.

If there is any indication that an impairment loss recognized for an asset, a CGU, or a group of CGUs (excluding goodwill) in earlier periods no longer exists or may have declined, the recoverable amount must be estimated and then recognized (reversal of impairment). In this respect, see Note 11. Impairment losses and reversal of impairment losses.

FINANCIAL INSTRUMENTS

IFRS 9 contains three measurement categories which—apart from a few measurement choices—must always be considered mandatory:

» Measured at amortized cost (Amortized Cost, AC);

» Measured at fair value through other comprehensive income
(Fair Value through Other Comprehensive Income, FVOCI); and

» Measured at fair value through profit or loss (Fair Value through Profit or Loss, FVTPL).

Currently, measurement at FVOCI is not applied in the voestalpine Group.

Other financial assets

The other financial assets include non-current receivables and loans that are measured at amortized cost. Equity instruments held (especially equity investments) are measured at FVTPL, because the option to elect measurement at FVOCI was not utilized.

All other current and non-current financial assets (particularly securities) must be measured at FVTPL, because they are either allocated to a business model oriented toward active purchases and sales or do not satisfy the cash flow requirement (cash flows at specified dates comprising solely payments of interest and principal).

Trade and other receivables

Trade and other receivables are always recognized at amortized cost. Identifiable risks are mainly covered by buying credit insurance. Interest-free or low-interest receivables with a remaining term of more than one year are recognized at their discounted present value. Sold receivables are derecognized in accordance with the provisions of IFRS 9 (see Note 29. Disclosures of transactions not recognized in the statement of financial position).

Trade receivables held for sale under an existent factoring agreement are measured at FVTPL, because they are allocated to the "sale" business model.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at banks, and checks and are carried at amortized cost.

Loss allowance
The voestalpine Group recognizes loss allowances for expected credit losses on financial assets measured at amortized cost and on contract assets (portfolio loss allowance, stage 1 and stage 2). The Group applies the simplified approach to trade receivables and contract assets, pursuant to which any impairment determined with respect to such financial assets must, under certain conditions, equal the lifetime expected credit losses.

Historical data derived from actual historical credit losses in the past five years are used as the basis for the estimated expected credit losses. Differences between the economic conditions at the time the historical data were collected, the current conditions, and the Group's view of the economic conditions over the expected maturities of the receivables must be considered. There is no significant concentration of default risks, given the existent credit insurances and a diversified customer portfolio that is dominated by very good to good credit ratings. Loss allowances on an individual basis are recognized for receivables with impaired credit ratings (stage 3). Note 24. Financial instruments contains additional information on impairment.

Derivative financial instruments
The voestalpine Group uses derivative financial instruments exclusively for the purpose of hedging the interest rate, foreign currency, and raw materials price risks. Derivative financial instruments are carried at fair value through profit or loss. Hedge accounting as defined in IFRS 9 is used for some of the Group's derivative financial instruments. Consequently, gains or losses resulting from changes in the value of derivative financial instruments are recognized either in profit or loss or in other comprehensive income (for the effective portion of a cash flow hedge). Positive fair values from derivative financial instruments are shown in trade and other receivables. Negative fair values from derivative financial instruments are shown in trade and other payables.

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). Observable currency exchange rates and raw materials prices as well as interest rates are the inputs for determining the fair values. The fair values are calculated based on the inputs using generally accepted actuarial formulas.

Unrealized profits or losses from hedged transactions are treated as follows:

» If the hedged asset or liability has already been recognized in the statement of financial position, or if an obligation not recognized in the statement of financial position is hedged, the unrealized profits and losses from the hedged transaction are recognized through profit or loss. At the same time, the hedged item is also measured at fair value, regardless of the initial valuation method used. Any resulting unrealized profits and losses are offset against the unrealized results of the hedged transaction in the income statement so that, in sum, only the ineffective portion of the hedged transaction is recognized 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 in other comprehensive income. Ineffective portions are recognized through profit or loss. If the transaction results in the recognition of a non-financial asset or a liability in the statement of financial position, the amount recognized in other comprehensive income is considered in the determination of the carrying amount of this item. Otherwise, the amount reported in other comprehensive income is recognized through profit or loss in keeping with the effectiveness of the future transaction or existent obligation (cash flow hedges).

Trade and other liabilities
Liabilities (except liabilities from derivative financial instruments) are recognized at amortized cost.

Convertible Bond
The convertible bond issued is divided into a liability component and an equity component. For this purpose, the fair value of the liability component was determined at the time of issue by applying a market interest rate of a similar non-convertible bond. This amount is reported as a financial liability and recognized at amortized cost using the effective interest method until the maturity or conversion date. If the conversion right is exercised, the liability component is reclassified to equity with no effect on profit or loss. The equity component is recognized in the amount of the difference between the nominal value of the entire convertible bond and the fair value of the liability component. As part of equity, the carrying amount of this conversion option is not remeasured in subsequent years.

OTHER EQUITY INVESTMENTS
Subsidiaries, joint ventures, and associates that are not included in these Consolidated Financial Statements by way of full consolidation or the equity method are recognized in other financial assets and other equity investments. These other assets are measured at amortized cost.

INCOME TAXES
Income tax expense represents the total of current tax expenses and deferred taxes. The current tax expense is determined based on the taxable income using the currently applicable tax rates.

Pursuant to IAS 12, all temporary differences between the income tax base and the Consolidated Financial Statements are included in deferred taxes. Deferred tax assets on unused tax loss carryforwards are recognized to the extent that sufficient taxable (deferred) temporary differences between carrying amounts are available or to the extent that, based on the planning, sufficient taxable profit will be available against which the tax loss carryforwards can be offset.

In accordance with IAS 12.39 and IAS 12.44, deferred taxes arising on differences resulting from investments in subsidiaries, associates, and joint ventures are generally not recognized. Deferred tax liabilities are recognized for planned dividend payments subject to withholding tax.

Deferred taxes are determined based on the respective local income tax rates. Future fixed tax rates are also considered in the deferral. Deferred tax assets and deferred tax liabilities are offset when they relate to the same tax authority and when there is a claim to offsetting.

The Group has applied for the temporary exemption from the accounting requirements for deferred taxes in IAS 12 published by the IASB in May 2023. Accordingly, no deferred taxes are recognized in relation to income taxes under the Pillar 2 rules and no related information is disclosed.

On December 30, 2023, the Austrian legislator, where the parent company is domiciled, transformed the Pillar 2 rules into national tax law with effect from January 1, 2024 *(Mindestbesteuerungsreformgesetz)*. If the effective tax rate in a tax jurisdiction is less than 15%, the application of the Pillar 2 rules may result in an additional tax burden.

As of March 31, 2024, the Pillar 2 rules are not expected to have a material impact on the Group profit. This information is based on the results of the country-by-country safe harbor calculations based on historical and planning data on the one hand and on trial calculations for countries that are not expected to reach the safe harbor provisions on the other. As not all adjustments that would have been required by the legislation have been made, the actual impact that the legislation would have had on the consolidated result if it had already been in force for the business year ending March 31, 2024 may differ.

The impact of the Pillar 2 legislation on the Group's future profitability is reviewed on an ongoing basis.

INVENTORIES

Inventories are measured at the lower of cost and the net realizable value. The net realizable value is the estimated selling price less estimated costs of completion and 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 using the weighted average price method or a similar method. The cost includes directly attributable costs and all prorated material and production overheads based on normal capacity utilization. Borrowing costs, general administrative expenses, and distribution costs are not capitalized.

EMISSION ALLOWANCES

Free allowances are measured at zero cost over the entire holding period, as the rights have been allocated free of charge. Purchased emission allowances are recognized in current assets at their actual cost and written down to a possible lower fair value as of the reporting date.

Amounts for CO_2 emissions allowances are included in other provisions. The measurement is based on the fair value for the part of the under-allocation and the carrying amount for the allowances already acquired.

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.

Actuarial gains and losses from severance and pension provisions are recognized directly in other comprehensive income 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.

Severance obligations

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

Defined contribution plans

Defined contribution plans do not entail further obligations on the company's part once the premiums have been paid to the managing pension fund or insurance company.

Defined benefit plans

Under defined benefit plans, the company promises a given employee that they will be paid a pension in a specified amount. The pension payments begin upon retirement (or disability or death) and end upon the death of the former employee (or that of their survivors). Widow's and widower's pensions (equivalent to between 50% and 75% of the old age pension) are paid to the surviving spouse until their death or remarriage. Orphan's pensions (equivalent to between 10% and 20% of the old age pension) are paid to dependent children until the completion of their education, but at most up to the age of 27.

Longevity thus is the central risk to the Group under the defined benefit pension plans. All measurements are based on the most recent mortality tables. Given a relative decrease or increase of 10% in mortality, the defined benefit obligation (DBO) of pensions changes by +3.6% or –3.2% as of the reporting date. Other risks such as the risk of rising medical costs do not materially affect the scope of the obligation.

Almost all the Group's pension obligations concern claims that have already vested.

Austria
The amount of the pension is based either on a certain percentage of the final salary depending on the years of service or on a fixed, valorized amount per year of service. Most of the obligations under defined benefit plans is transferred to a pension fund, but the liability for any shortfall rests with the company.

Germany
There are different pension schemes in Germany, whose benefit rules may be described as follows:

» A certain percentage of the final salary depending on the years of service;
» A rising percentage of a fixed target pension depending on the years of service;
» A stipulated, fixed pension amount;
» A fixed, valorized amount per year of service that is linked to the average salary in the company;
» A fixed, valorized amount per year of service.

A small portion of the pensions are financed by insurance companies, but liability for the obligations themselves rests with the given companies.

In all countries with significant defined benefit plan obligations, the employee benefits are determined based on the following parameters:

	2022/23	2023/24
Interest rate (%)	3.80	3.60
Salary/wage increases (%)[1]	4.00	4.00
Pension benefit increases (%)[1]	2.50	2.50
Retirement age – men/women		
Austria	max. 62 years	max. 62 years
Germany	63 – 67 years	63 – 67 years
Mortality tables		
Austria	AVÖ 2018-P	AVÖ 2018-P
Germany	Heubeck-Richttafeln 2018 G	Heubeck-Richttafeln 2018 G

[1] Only salary-dependent and/or value-guaranteed commitments are recognized.

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

Long-service bonus obligations

In most of the Group's Austrian companies, employees are entitled to payment of a long-service bonus, which is based either on a collective agreement or on a provision in a works agreement. This is a one-time payment that is made when the respective service anniversary has been reached; depending on the length of service, the bonus generally equates to between one and three monthly salaries.

OTHER PROVISIONS

Other provisions related to present obligations arising from past events, which lead to an outflow of resources embodying economic benefits, 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 underlying the provisions are reviewed on an ongoing basis. The actual figures may deviate from the assumptions if the underlying parameters as of the reporting date have not developed as expected. As soon as better information is available, changes are recognized through profit or loss and the assumptions are adjusted accordingly.

Note that we are invoking the safeguard clause under IAS 37.92, pursuant to which information on provisions is not disclosed if doing so 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 that the company cannot control in full). A contingent liability must also be recognized if, in extremely rare cases, an existent liability cannot be recognized in the statement of financial position as a provision because the liability cannot be reliably estimated.

As regards possible obligations, note that pursuant to IAS 37.92 information on contingent liabilities is not disclosed if doing so could seriously and adversely impact the company's interests.

EMPLOYEE SHAREHOLDING SCHEME

The employee shareholding scheme of the Group's Austrian companies is based on the appropriation of a portion of employees' salary and wage increases under collective bargaining agreements over several business years. The business year 2000/01 was the first time employees were granted voestalpine AG shares in return for a reduction by 1% of their salary or wage increase.

In each of the business years 2002/03, 2003/04, 2005/06, 2007/08, 2008/09, 2014/15, and 2018/19, between 0.3 percentage points and 0.5 percentage points of the increases under collective agreements were used to provide voestalpine AG shares to employees in addition to the amounts agreed until the given date. The actual amounts follow from the contributions—which are determined on the basis of the collective agreements as of November 1 in each of the years 2002, 2003, 2005, 2007, 2008, 2014, and 2018—as well as from application of the annual increase in the contributions by 3.5%. In the business years 2012/13, 2013/14, 2016/17, 2017/18, 2021/22, and 2022/23, additional contributions of between 0.27 percentage points and 0.50 percentage points of the pay increases under collective agreements for 2012, 2013, 2016, 2017, 2021, and 2022, respectively, were used for the shareholding scheme for those Austrian Group companies that participated in the employee shareholding scheme from a later date.

The Works Council and each company enter into an agreement to implement the Austrian employee shareholding scheme. Shares are acquired by voestalpine Mitarbeiterbeteiligung Privatstiftung (a private foundation that manages 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 share price fluctuations. Therefore, IFRS 2 does not apply to the allocation of shares based on collective bargaining agreements that stipulate lower salary or wage increases.

An international participation model that was developed for Group companies outside Austria was initially implemented in the business year 2009/10 in several companies in Great Britain and Germany. Due to the highly 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, in Belgium, in the Czech Republic, in Italy, in Switzerland, in Romania, in Sweden, and in Spain in subsequent business years. In the business year 2023/24, a total of 93 companies in these 11 countries participated in the international employee shareholding scheme.

As of March 31, 2024, the voestalpine Mitarbeiterbeteiligung Privatstiftung held approximately 14.3% (March 31, 2023: 14.3%) of voestalpine AG's shares for employees. In addition, active and former employees of voestalpine hold approximately 0.5% (March 31, 2023: 0.5%) of the shares of voestalpine AG, the voting rights of which are exercised by the foundation. On the whole, therefore, as of March 31, 2024, the voting rights of approximately 14.8% (March 31, 2023: 14.8%) of the share capital of voestalpine AG are bundled in the foundation.

C. SCOPE OF CONSOLIDATION

The consolidated Group (see the "Investments" appendix to the Notes) is defined in accordance with IFRS requirements. 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). Entities controlled by voestalpine AG that are not included in the Consolidated Financial Statements of voestalpine AG are negligible, both individually and collectively.

Subsidiaries are entities controlled by the Group. Control exists when the voestalpine Group has power over the investee, is exposed to fluctuating returns on its investment, and has the ability to use its power over the investee to affect the amount of the investor's returns. The annual financial statements of subsidiaries are included in the Consolidated Financial Statements as of the point in time at which the Group acquires control over the subsidiary up to the point in time at which the Group ceases to exercise control over it.

Associates are entities over which the voestalpine Group has significant influence because it participates in the entities' financial and operating policy decisions, but the decision-making processes are not controlled nor jointly managed. Joint ventures are joint arrangements in which partner companies (the voestalpine Group and one or more partners) exercise joint control over the arrangement and possess rights to the entity's net assets. The annual financial statements of associates and joint ventures are included in the Consolidated Financial Statements using the equity method from the acquisition date until the disposal date. The Group's associates and joint ventures are listed in the "Investments" appendix to the Notes.

CHANGES IN THE SCOPE OF CONSOLIDATION

The scope of consolidation changed as follows during the past business year:

	Full consolidation	Equity method
As of April 1, 2023	**283**	**13**
Additions from acquisitions	4	
Change in the consolidation method and incorporation		
Additions	3	
Disposals	–1	
Reorganizations	–4	
Divestments or disposals	–3	
As of March 31, 2024	**282**	**13**
Of which foreign companies	224	5

The following fully consolidated entities were deconsolidated during the business year 2023/24:

Name of entity	**Date of deconsolidation**
Full consolidation in the business year 2022/23	
voestalpine High Performance Metals Portugal, Unipessoal, Lda	May 31, 2023
voestalpine Steel Trading (Shenyang) Co., Ltd.	June 30, 2023
voestalpine Stamptec Holding GmbH in Liqu.	July 13, 2023
voestalpine Automotive Components Nagold GmbH & Co. KG	November 21, 2023
Reorganizations	
voestalpine Additive Manufacturing Center Singapore Pte. Ltd.	April 1, 2023
voestalpine Edelstahl Wärmebehandlung GmbH	April 1, 2023
voestalpine Special Wire GmbH	April 1, 2023
voestalpine group-IT AB	September 30, 2023

At the end of May, the sale of voestalpine High Performance Metals Portugal, Unipessoal, Lda, Portugal, was completed in the High Performance Metals Division in the Value Added Services unit. voestalpine decided to divest the company due to the decline of the Portuguese market in the automotive industry. The core business of the Portuguese subsidiary was the distribution of Buderus brand materials. With the sale to one of the largest distributors in Portugal, the presence of the Buderus brand in Portugal continues to be secured. The company generated revenue of around EUR 6.2 million in fiscal year 2022/23 and employed 31 people.

In November 2023, the sale of voestalpine Automotive Components Nagold GmbH & Co. KG, a company of the Cold Stamping Group based in Germany, to Tempel Steel (a Worthington Steel company) was completed in the Metal Forming Division. The motivation for the sale was the strategic concentration on the core area of Automotive Components. voestalpine Automotive Components Nagold GmbH & Co. KG employed around 130 people and generated a revenue of about EUR 35 million in the business year 2022/23. The company develops and produces stamped and formed parts for the automotive industry, such as radiator components, longitudinal beam reinforcements and other pressed parts and assemblies. The site also produces inline bonded stator and rotor stacks for e-motors.

The sale of the companies have the following effects on the Consolidated Financial Statements:

	Recognized values
Non-current assets	14.8
Current assets	15.0
Non-current liabilities	–1.2
Current liabilities	–4.2
Net assets	**24.4**
Result from the loss of control	–1.0
Consideration received	**23.4**
Portion of selling price not yet paid	–0.2
Cash and cash equivalents disposed of	–1.2
Net cash inflow	**22.0**

In millions of euros

The previously fully consolidated voestalpine Steel Trading (Shenyang) Co., Ltd. was deconsolidated at the end of June 2023 due to a changed and downsized business model. Due to liquidation, voestalpine Stamptec Holding GmbH was also deconsolidated in July 2023. The effects of these two disposals on the consolidated financial statements are deemed immaterial.

DISCONTINUED OPERATIONS AND DISPOSAL GROUPS

On March 22, 2022, the voestalpine Group's Supervisory Board approved the decision to sell 80% of the Steel Division's "Texas" cash generating unit (CGU), which comprises a single plant that produces hot briquetted iron (HBI). The agreement on the sale of the 80% equity interest was signed on April 14, 2022.

In addition, an agreement was made to secure 420,000 tons annually of the HBI produced in the Corpus Christi, Texas, USA, plant for voestalpine. This provides the basis for further decarbonizing the Group's steel production activities in Linz and Donawitz (both in Austria) as part of the "greentec steel" project. The HBI plant has an annual production capacity of about two million tons.

The criteria regarding the classification of the assets as held for sale were satisfied in the fourth quarter of the business year 2021/22. Management classified the Texas CGU as discontinued operations because it constitutes a separate significant business unit. The transaction was closed on June 30, 2022. voestalpine received the purchase price as of the closing date. The discontinued operations had produced the following results:

	2022/23
Revenue	225.9
Expenses incl. other expenses	–146.7
Other operating income	0.8
Financial results	–0.2
Profit after tax	**79.8**
Thereof attributable to equity holders of the parent	79.8
Profit after tax	**79.8**
Profit from the disposal	13.6
Profit after tax from discontinued operations	**93.4**
Diluted earnings per share (euros) from discontinued operations	0.53
Weighted average number of outstanding ordinary shares	177,280,772

In millions of euros

The main groups of assets and liabilities related to the discontinued operations at the time of disposal are shown in the following table. In addition, the table shows both the income from the disposal and the net cash inflow.

	2022/23
Non-current assets	745.2
Current assets	254.8
Total assets (total disposed assets)	**1,000.0**
Non-current liabilities	32.3
Current liabilities	48.7
Total equity and liabilities (total disposed liabilities)	**81.0**
Net assets sold	**919.0**
Consideration for 100%[1]	**872.6**
Recycled cumulative OCI	73.2
Transaction costs, obligations assumed, and other effects	–13.1
Profit from the disposal	13.6
[1] Of which cash and cash equivalents received (for 80%)	747.0
Cash and cash equivalents disposed of	–11.2
Net cash inflow	**735.8**

In millions of euros

The taxable gain on the disposal is offset against existing loss carryforwards.

Transitional consolidation due to the change in the controlling interest

The voestalpine Group no longer controls the subsidiaries of the voestalpine Texas Group. The gain on deconsolidation was recognized in income. It was determined based on the difference between

» the total fair value of the consideration received and the fair value of the remaining equity interest of 20%, for one, and
» the disposed net assets of the discontinued operations including any reclassified (“recycled”) items in other comprehensive income (OCI), for another.

The total of EUR 73.2 million shown in OCI in connection with the voestalpine Texas Group was recognized in the same way an asset sale would be. However, the present case concerned a reclassification of differences from currency translation to the Consolidated Income Statement.

As the voestalpine Group is retaining 20% of its equity interest in the former voestalpine Texas Group, this stake was recognized at the fair value of EUR 134.4 million as determined at the time control was relinquished. This value represents the cost of the equity interest, which is subsequently valued using the equity method in accordance with the rules applicable to associates.

The fair value of the 20% stake was derived from the purchase price for the 80% equity interest and represents a Level 3 fair value. Given the Group's limited control and co-determination rights under its 20% equity interest, a deduction that was determined based on transaction data was taken.

DISPOSAL GROUP (ASSETS AND LIABILITIES HELD FOR SALE)
The main groups of assets and liabilities of the disposal group comprise the following items:

	2023/24
Inventories	54.4
Trade and other receivables	49.5
Other assets	3.4
Total assets	**107.3**
Pensions and other non-current employee obligations	22.2
Provisions	33.5
Financial liabilities	7.0
Trade and other receivables	81.2
Total equity and liabilities	**143.9**

In millions of euros

On March 14, 2024, the Management Board decided to sell **Buderus Edelstahl** (consisting of the two cash generating units **Buderus Edelstahl ohne Schmiede** with the steel mill, rolling lines, drop forge, and **Buderus Edelstahl Schmiede** consisting of the open die forging, which are mainly involved in the production of drop-forged parts, tool steel, high-grade engineering steel, and rolled products) in the High Performance Metals segment. This decision to sell was made because the High Performance Metals Division wishes to concentrate on its core business of high-alloy steel. Buderus Edelstahl, with its product range of low-alloy steel, therefore, no longer fits into the portfolio. As part of a structured sales process, several potential investors submitted non-binding offers in March 2024.

The criteria for classifying as "held for sale" were satisfied in the fourth quarter of the business year 2023/24. Management classified Buderus Edelstahl as a disposal group.

The Group measures disposal groups at fair value less costs to sell. The fair value less costs to sell of EUR –36.6 million is derived from the expected sales proceeds (fair value level 3), which was determined on the basis of the offers received. As of March 31, 2024, an impairment loss of EUR 86.2 million was recognized in other operating expenses (specifically, in "Land, land rights, and buildings" as well as in "Plant and equipment" and "Other intangible assets"), as a result of which the non-current assets were fully depreciated. In addition, EUR 91.6 million was recognized as an impairment loss of current assets in the cost of sales. The proportionate goodwill allocated as part of the reclassification in accordance with IFRS 5 in the amount of EUR 2.9 million was fully impaired.

D. ACQUISITIONS AND OTHER ADDITIONS TO THE SCOPE OF CONSOLIDATION

The following entities were included in the Interim Consolidated Financial Statements for the first time in the first half of the business year 2023/24:

Name of entity	Equity interest in %	Date of initial consolidation
Full consolidation		
voestalpine group-IT (Suzhou) Co., Ltd.	100.000%	April 1, 2023
voestalpine Specialty Metals UK Ltd	100.000%	April 26, 2023
voestalpine Turnout Technology Egypt S.A.E	60.000%	October 1, 2023
voestalpine Tubulars Germany GmbH	100.000%	October 1, 2023
TORRI S.R.L.	100.000%	October 17, 2023
Torri Australia Pty Ltd	100.000%	October 17, 2023
Torri Immobiliare s.r.l.	100.000%	October 17, 2023

The additions of fully consolidated entities to the scope of consolidation include four acquisitions, one newly established entity, and the consolidation of one entity not previously included in the Consolidated Financial Statements.

In accordance with IFRS 3, acquired companies are included in the Consolidated Financial Statements at the fair value carried forward of the acquired assets, liabilities, and contingent liabilities determined as of the acquisition date, taking into account depreciation, amortization, and impairment as appropriate. The carrying amount of the non-controlling interests is determined based on the fair values carried forward for the assets and liabilities acquired.

The increase in majority interests is treated as a transaction between owners. The difference between the acquisition costs of additional shares and the prorated carrying amount of the non-controlling interests is recognized directly in equity. In the reporting period, EUR 1.0 million was paid for the acquisition of non-controlling interests. Non-controlling interests in the amount of EUR 0.3 million were derecognized, and an amount of EUR 0.7 million was recognized directly in equity.

Put options granted to non-controlling shareholders in exchange for their shares in Group companies are recognized in the statement of financial position as liabilities stated at fair value. If, in individual cases, the risks and rewards associated with ownership of a non-controlling interest had already been transferred at the time the majority interest was acquired, the assumption is that 100% of the entity was acquired. If, however, the risks and rewards are not transferred, the non-controlling interests continue to be shown in equity. The liability is covered by a direct transfer from retained earnings with no effect on profit or loss (double credit approach). The subsequent fair value measurement is recognized through profit or loss.

The liabilities for outstanding put options as of March 31, 2024, are EUR 9.1 million (March 31, 2023: EUR 11.1 million). The discounted cash flow method is applied for valuation purposes, taking the contractual maximum limits into account. The medium-term business plan and the discount rate, in particular, are some of the input factors in the discounted cash flow method.

As part of an asset deal at the end of June 2023, voestalpine Railway Systems Nortrak LLC, USA, a company of the Metal Engineering Division, acquired the production facilities it needed to manufacture concrete sleepers for the North American railroad market along with 21 employees that were integrated during the transaction. This asset deal strengthens the strategic market position of voestalpine Railway Systems Nortrak LLC, USA, by integrating concrete sleepers for the running railroad track into the existing product portfolio. The product expansion is a significant milestone in the company's development into a complete system solution provider for railroad infrastructure in North America.

The asset deal has the following impact on the Consolidated Financial Statements:

	Recognized values
Non-current assets	0.2
Current assets	2.0
Net assets = Acquisition costs = Net cash outflow	**2.2**

In millions of euros

voestalpine subsidiary Nedcon B.V., headquartered in Doetinchem, the Netherlands, a company of the Metal Forming Division, acquired 100% of the shares of warehouse and racking specialist TORRI S.P.A., Vicenza, Italy, Torri Immobiliare s.r.l., Milan, Italy, and Torri Australia Pty Ltd, Sydney, Australia with transfer of effective control on October 17, 2023. TORRI S.P.A. is a provider of racking solutions and is active in the design, manufacture and sale of high-bay warehouses. It employs around 140 people and has two sites, one for manufacturing and one for separate warehousing. TORRI S.P.A. has since been converted into a limited liability company and now trades under the name TORRI S.R.L.

These acquisitions have the following impact on the Consolidated Financial Statements:

	Recognized values
Non-current assets	23.1
Current assets	33.0
Non-current liabilities	–5.4
Current liabilities	–30.4
Net assets	**20.3**
Goodwill	3.2
Acquisition costs	**23.5**
Cash and cash equivalents acquired	–8.2
Net cash outflow	**15.3**

In millions of euros

The above table contains goodwill of EUR 3.2 million, that arises from the company's earnings potential which, according to IFRS rules, may not be allocated to items that can be capitalized individually. The goodwill of TORRI S.R.L. (formerly TORRI S.P.A.) is allocated to the goodwill-carrying Warehouse & Rack Solutions business unit. It is not expected that portions of the recognized goodwill will be deductible for corporate tax purposes.

The acquisition complements the existing product and service offering of the Nedcon Group. The acquisition enables the Metal Forming Division not only to consistently pursue its strategy with complex bearing systems from development to assembly, but also to better serve the Southern European market. The product portfolio and the market orientation give reason to expect a significant improvement in the market position.

Since their initial consolidation, the acquisitions have contributed revenue of EUR 22.6 million to consolidated revenue. Their share of the Group's profit after tax for the same period was EUR –0.3 million. The reported consolidated revenue would have been EUR 50.0 million higher and the reported Group's profit after tax would have been EUR 1.9 million lower if the acquisitions had been consolidated as of April 1, 2023.

As part of the first-time full consolidation of TORRI S.R.L. (formerly TORRI S.P.A.), fair values for trade receivables of EUR 15.4 million (gross carrying amount: EUR 15.4 million), other receivables of EUR 0.6 million (gross carrying amount: EUR 0.6 million) and for tax receivables of EUR 0.4 million (gross carrying amount: EUR 0.4 million) were taken over. Receivables that are probably uncollectible are considered immaterial.

At the end of September 2023, voestalpine Tubulars GmbH, Linz, Austria, a company of the Metal Engineering Division, acquired 100% of the shares in Diamant239. GmbH, Düsseldorf, Germany, which now operates as voestalpine Tubulars Germany GmbH, Düsseldorf, Germany. Its effects on the consolidated financial statements are deemed immaterial.

In the current reporting period, EUR 2.1 million was paid for previous acquisitions in accordance with IFRS 3.

E. SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Name of the subsidiary	Domicile	03/31/2023	03/31/2024
voestalpine Tubulars GmbH & Co KG	Kindberg, Austria		
Proportion of equity interests		49.8875%	49.8875%
Proportion of equity interests held by non-controlling interests		50.1125%	50.1125%
CNTT Chinese New Turnout Technologies Co., Ltd.	Qinhuangdao, China		
Proportion of equity interests		50.0000%	50.0000%
Proportion of equity interests held by non-controlling interests		50.0000%	50.0000%

In the reporting period, the total of all non-controlling interests is EUR 311.2 million (March 31, 2023: EUR 240.5 million), of which EUR 215.0 million (March 31, 2023: EUR 142.9 million) is attributable to voestalpine Tubulars GmbH & Co KG and EUR 25.9 million (March 31, 2023: EUR 30.9 million) is attributable to CNTT Chinese New Turnout Technologies Co., Ltd. The remaining non-controlling interests, considered individually, may be considered immaterial to the Group.

Summarized financial information for each subsidiary with non-controlling interests that are material to the Group is shown below. The figures correspond to the amounts prior to the elimination of intra-Group transactions.

SUMMARIZED STATEMENT OF FINANCIAL POSITION

	voestalpine Tubulars GmbH & Co KG		CNTT Chinese New Turnout Technologies Co., Ltd.	
	03/31/2023	03/31/2024	03/31/2023	03/31/2024
Non-current assets	107.1	132.7	13.6	12.2
Current assets	322.4	443.9	82.4	76.2
Non-current liabilities	28.8	26.9	1.1	0.9
Current liabilities	120.8	125.7	33.1	35.7
Net assets (100%)	**279.9**	**424.0**	**61.8**	**51.8**

In millions of euros

SUMMARIZED INCOME STATEMENT

	voestalpine Tubulars GmbH & Co KG		CNTT Chinese New Turnout Technologies Co., Ltd.	
	2022/23	2023/24	2022/23	2023/24
Revenue	828.5	803.3	51.2	35.4
EBIT	204.6	174.2	15.2	10.8
Profit after tax	198.4	178.4	13.4	9.3
Attributable to:				
Equity holders of the parent	99.0	89.0	6.7	4.7
Non-controlling interests	99.4	89.4	6.7	4.7
Dividends paid to non-controlling interests	0.0	15.0	13.7	8.4

In millions of euros

SUMMARIZED STATEMENT OF CASH FLOWS

	voestalpine Tubulars GmbH & Co KG		CNTT Chinese New Turnout Technologies Co., Ltd.	
	2022/23	2023/24	2022/23	2023/24
Cash flows from operating activities	177.3	167.0	12.9	7.4
Cash flows from investing activities	–78.4	–152.7	–0.2	–0.3
Thereof additions to/divestments of other financial assets	–63.3	–113.3	0.0	0.0
Cash flows from financing activities	–98.9	–14.2	–26.3	–16.9
Change in cash and cash equivalents	**0.0**	**0.1**	**–13.6**	**–9.8**

In millions of euros

F. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

SHARES IN MATERIAL ASSOCIATES

Following the sale of 80% of its equity interest in the ArcelorMittal Texas HBI Group (formerly the voestalpine Texas Group) domiciled in the State of Delaware, USA, voestalpine now holds a 20% share and exercises substantial influence over this group of companies. This share is accounted for at equity.

The deal was closed on June 30, 2022. Control was transferred to the buyer as of said date. This was followed by the deconsolidation of the subsidiary and its initial recognition as an associate. The gain on the sale of the equity interest is recognized in the income from discontinued operations (see C. Scope of consolidation – Discontinued operations and disposal groups). The ArcelorMittal Texas HBI Group operates a direct reduction plant and supplies hot briquetted iron (HBI) to the voestalpine Group. The company is not a listed entity.

The following tables contain the financial data on the ArcelorMittal Texas HBI Group. The disclosures for the previous business year shown comprise the earnings of the ArcelorMittal Texas HBI Group for the period from July 1, 2022 (closing date: June 30, 2022) through March 31, 2023.

SUMMARIZED STATEMENT OF FINANCIAL POSITION

	ArcelorMittal Texas HBI Group	
	03/31/2023	**03/31/2024**
Non-current assets	461.8	411.8
Current assets	302.0	385.5
Non-current liabilities	44.1	34.2
Current liabilities	88.4	120.4
Net assets (100%)	**631.3**	**642.7**

In millions of euros

SUMMARIZED INCOME STATEMENT

	ArcelorMittal Texas HBI Group	
	07/01/2022 – 03/31/2023	2023/24
Revenue	642.5	586.3
Profit after tax	–13.0	–18.3
Profit after tax (20%)	**–2.6**	**–3.7**
Impairment as of 03/31/2023	–31.6	0.0
Other comprehensive income	–2.8	0.1
Elimination of intra-Group profits incl. deferred taxes	1.6	5.7
Comprehensive income (20%)	**–35.4**	**2.1**
Proportional dividends received	–1.1	0.0

In millions of euros

RECONCILIATION OF CARRYING AMOUNTS

	ArcelorMittal Texas HBI Group	
	03/31/2023	03/31/2024
Net assets, closing balance	**631.3**	**642.7**
20% Group share of net assets	126.3	128.6
Goodwill and other adjustments incl. net exchange differences	3.1	3.1
Impairment as of 03/31/2023 incl. net exchange differences	–31.6	–31.8
Carrying amount of the Group's equity interest	**97.8**	**99.9**

In millions of euros

In the previous business year, given the losses at the ArcelorMittal Texas HBI Group, an impairment test was conducted based on the net present value of the expected future operating cash flows as of March 31, 2023. This resulted in an impairment loss of EUR 31.6 million and a recoverable amount of EUR 97.8 million. The impairment loss stemmed from the reduction in both earnings and margins compared with June 30, 2022.

SHARES IN IMMATERIAL JOINT VENTURES

Profits from the joint ventures that are individually immaterial to voestalpine's Consolidated Financial Statements are included using the equity method. Interests held are presented in the "Investments" appendix to the Notes. In each case, this information relates to the equity interests of the voestalpine Group in immaterial joint ventures and is broken down as follows:

	2022/23	2023/24
Group share of		
Profit after tax	0.0	–0.2
Other comprehensive income	–0.2	–0.2
Comprehensive income	**–0.2**	**–0.4**
Carrying amount, immaterial joint ventures	**4.2**	**4.3**

In millions of euros

voestalpine Giesserei Linz GmbH holds an interest of 51.0% in Jiaxing NYC Industrial Co., Ltd. The entity's Articles of Incorporation require at least one vote from the other partner for all material decisions (budget, investments). It is assumed, therefore, that control is not exercised over the entity despite the 51.0% interest.

SHARES IN IMMATERIAL ASSOCIATES

Profits from associates that are individually immaterial to the voestalpine Consolidated Financial Statements are included using the equity method. This information relates to the interests of the voestalpine Group in associates and is broken down as follows:

	2022/23	2023/24
Group share of		
Profit after tax	24.7	10.8
Other comprehensive income	–1.9	–1.1
Comprehensive income	**22.8**	**9.7**
Carrying amount, immaterial associates	**168.0**	**164.3**

In millions of euros

Associates and the interests in them are presented in the "Investments" appendix to the Notes.

G. EXPLANATIONS AND OTHER DISCLOSURES

1. REVENUE

The revenue stems solely from contracts with customers as defined in IFRS 15 (Revenue from Contracts with Customers) and includes all revenue generated through the voestalpine Group's ordinary business.

The table below contains information on the breakdown of the external revenue of the voestalpine Group by region and industry for the business years 2023/24 and 2022/23:

REVENUE BY REGION

	Steel Division		High Performance Metals Division	
	2022/23	2023/24	2022/23	2023/24
European Union (excluding Austria)	4,278.3	4,030.0	1,566.8	1,432.0
Austria	732.5	608.4	181.2	183.9
USMCA	313.3	322.0	590.4	541.1
Asia	87.3	73.7	576.8	581.8
South America	182.5	43.2	391.9	361.5
Rest of World	471.9	492.4	410.1	404.5
Total revenue by region	**6,065.8**	**5,569.7**	**3,717.2**	**3,504.8**

REVENUE BY INDUSTRY

	Steel Division		High Performance Metals Division	
	2022/23	2023/24	2022/23	2023/24
Automotive	2,302.4	2,271.1	947.7	831.0
Energy	933.1	918.2	702.4	754.1
Railway systems	9.9	7.2	15.5	15.5
Construction	602.4	468.4	132.3	104.0
Mechanical engineering	429.5	341.7	774.9	658.4
White goods/Consumer goods	183.3	148.9	419.9	375.0
Aerospace	0.0	0.0	380.8	473.1
Other	1,605.2	1,414.2	343.7	293.7
Total revenue by industry	**6,065.8**	**5,569.7**	**3,717.2**	**3,504.8**

In keeping with IFRS 15.121, no disclosures are made with respect to the remaining performance obligations as of March 31, 2024, because all performance obligations have an expected initial term of one year or less.

	Metal Engineering Division		Metal Forming Division		Holding & Group Services		Total Group	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
	1,937.9	1,953.7	2,105.3	1,906.1	53.3	0.7	9,941.6	9,322.5
	306.5	318.5	138.6	109.5	2.6	2.6	1,361.4	1,222.9
	1,047.8	902.1	840.2	601.0	337.7	16.6	3,129.4	2,382.8
	381.5	444.8	212.0	232.3	0.6	0.0	1,258.2	1,332.6
	94.2	98.2	169.4	154.3	0.0	0.0	838.0	657.2
	468.0	548.5	346.5	320.9	0.0	0.0	1,696.5	1,766.3
	4,235.9	**4,265.8**	**3,812.0**	**3,324.1**	**394.2**	**19.9**	**18,225.1**	**16,684.3**

In millions of euros

	Metal Engineering Division		Metal Forming Division		Holding & Group Services		Total Group	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
	599.4	477.3	1,910.2	1,839.0	0.0	0.0	5,759.7	5,418.4
	1,073.6	1,054.4	94.3	105.0	0.0	0.0	2,803.4	2,831.7
	1,851.0	2,094.6	2.0	2.1	0.0	0.0	1,878.4	2,119.4
	119.0	104.2	987.2	729.4	0.0	0.0	1,840.9	1,406.0
	189.8	157.9	419.5	337.2	0.0	0.0	1,813.7	1,495.2
	73.6	66.3	129.7	108.3	0.0	0.0	806.5	698.5
	0.1	0.1	11.2	15.5	0.0	0.0	392.1	488.7
	329.4	311.0	257.9	187.6	394.2	19.9	2,930.4	2,226.4
	4,235.9	**4,265.8**	**3,812.0**	**3,324.1**	**394.2**	**19.9**	**18,225.1**	**16,684.3**

In millions of euros

2. OPERATING SEGMENTS

The voestalpine Group has five reportable segments: Steel Division, High Performance Metals Division, Metal Engineering Division, Metal Forming Division, and Holding & Group Services. The reporting system, which is based primarily on the nature of the products provided, reflects the internal financial reporting system, the management structure, and the company's main sources of risks and rewards.

The Steel Division's activities include the production of sophisticated hot and cold-rolled strip steel as well as electrogalvanized, hot-dip galvanized, and organically coated strip steel. This is augmented by electrical steel strip, heavy plate, and foundry products as well as the downstream Steel & Service Center and Logistics Services. The division is the first point of contact for renowned automotive manufacturers and suppliers with respect to strategic product development and supports its customers globally. Moreover, it also is a key partner of the European white goods and mechanical engineering industries. The Steel Division produces heavy plates for applications in the energy sector that are used in the most difficult conditions.

The High Performance Metals Division is the global market leader in high alloy tool steel and high-speed steel. The division holds a leading position in the global special alloys market for the oil and natural gas industry, the aerospace industry, and the energy engineering industry; nickel-base alloys as well as titanium are also utilized. It operates a global network of service centers with a focus on tool manufacturing, offering component processing, heat treatment, and coating services besides warehousing and preprocessing of special steels. In Houston (Texas, USA), Singapore, and Birmingham (Great Britain), the division offers a broad range of services including logistics, distribution, and processing especially for the oil and natural gas industry, thus underscoring its position as a technology leader in this field by virtue of the one-stop-shop solutions it provides to its customers. Additive manufacturing is considered a line of business that will be hugely important in the future. The Group's facilities in Düsseldorf (Germany), Toronto (Canada), Houston (Texas, USA), Singapore, Shanghai (China), Dongguan (China), and Nantou (Taiwan) manufacture components using metal powders. The fact that the powder is produced at the divisions own factories in Hagfors (Sweden) and Kapfenberg (Austria) enables it to cover its entire value chain by itself—from the powder all the way to the finished "printed" component.

The Group's expertise as the world market leader in turnout technology and as the leading provider of high-quality rails and digital monitoring systems as well as services related to rail infrastructure are brought together in the Metal Engineering Division. In addition, this division offers a broad range of high-quality wire rod and drawn wire, premium seamless tubes for special applications as well as high-quality welding consumables and welding machinery. The Metal Engineering Division also possesses its own expertise in steel, which ensures ultra high-quality supplies of pre-materials throughout the division.

The Metal Forming Division is voestalpine's center of expertise for highly developed special sections; tube and precision strip steel products; pre-finished system components made from pressed, punched, and roll-profiled parts as well as storage system solutions. This combination of expertise in materials and processing, which is unique in the industry, and the division's global presence make it the first choice for customers who value innovation and quality. These customers include nearly all leading manufacturers in the automotive production and supply industries, with a significant focus on the premium segment, as well as numerous companies in the commercial vehicle, construction, storage, energy, and (agricultural) machinery industries.

In addition to the holding company, the business segment "Holding & Group Services" also comprises two holding companies for the U.S. tax group, two financing entities, one raw materials purchasing company, one personal services entity as well as the group-IT companies. These companies were combined because their focus is on providing coordination services and support to the subsidiaries.

Segment revenue, segment expenses, and segment results include transfers between the operating segments. Such transfers are accounted for at transfer prices that correspond to competitive market prices charged to unaffiliated customers for similar products. These transactions are eliminated in the Consolidated Financial Statements.

The voestalpine Group uses earnings before interest and taxes (EBIT) as well as earnings before interest, taxes, depreciation, and amortization (EBITDA) as the key performance indicators (KPIs) to measure segment performance. These key figures are the generally accepted indicators for measuring profitability in the Group.

The key figures for the Group's operating segments are as follows:

OPERATING SEGMENTS

	Steel Division		High Performance Metals Division	
	2022/23	2023/24	2022/23	2023/24
Segment revenue	6,650.3	6,087.8	3,789.6	3,541.7
Of which revenue with third parties	6,065.8	5,569.7	3,717.2	3,504.8
Of which revenue with other segments	584.5	518.1	72.4	36.9
EBITDA	1,120.4	686.6	561.5	185.3
Depreciation and amortization of property, plant and equipment and intangible assets	257.9	258.3	322.4	433.5
Of which impairment	0.0	0.0	174.1	268.0
Reversal of impairment of property, plant and equipment and intangible assets	0.0	0.0	0.0	0.0
Share of profit of entities consolidated according to the equity method	–9.1	10.1	0.0	0.0
EBIT	862.5	428.3	239.2	–248.2
EBIT margin	13.0%	7.0%	6.3%	–7.0%
Interest and similar income and income from other securities and loans	5.7	6.9	24.5	42.7
Interest and similar expenses	48.8	99.2	86.4	147.5
Income tax expense	–191.1	–55.1	–55.5	–18.1
Profit after tax from continuing operations	633.3	286.4	121.4	–370.5
Segment assets	5,264.6	5,076.9	4,953.1	4,423.0
Of which investments in entities consolidated according to the equity method	234.4	230.4	0.0	0.0
Net financial debt	770.0	1,345.4	1,631.5	1,971.8[2]
Investments in property, plant and equipment and intangible assets	310.0	546.4	245.6	189.9[2]
Employees (full-time equivalent)	10,636	10,747	13,654	13,308

[1] Business year 2022/23, retroactively adjusted.
[2] Including values from assets and liabilities held for sale.

Metal Engineering Division		Metal Forming Division		Holding & Group Services		Reconciliation		Total Group	
2022/23	2023/24	2022/23[1]	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23[1]	2023/24
4,289.2	4,315.7	3,860.7	3,368.4	1,810.3	1,056.2	–2,175.0	–1,685.5	18,225.1	16,684.3
4,235.9	4,265.8	3,812.0	3,324.1	394.2	19.9	0.0	0.0	18,225.1	16,684.3
53.3	49.9	48.7	44.3	1,416.1	1,036.3	–2,175.0	–1,685.5	0.0	0.0
585.9	606.2	374.6	301.0	–113.5	–111.3	15.0	–1.7	2,543.9	1,666.1
181.9	178.5	146.0	213.5	12.9	13.0	0.0	0.0	921.1	1,096.8
3.8	0.0	1.0	69.9	0.0	0.0	0.0	0.0	178.9	337.9
0.2	0.5	2.1	0.4	0.0	0.0	0.0	0.0	2.3	0.9
0.2	–0.2	0.0	0.0	0.0	0.0	1.0	2.8	–7.9	12.7
404.0	427.7	228.7	87.5	–126.6	–124.3	15.0	–1.7	1,622.8	569.3
9.4%	9.9%	5.9%	2.6%					8.9%	3.4%
6.8	16.1	7.0	9.1	313.2	377.8	–323.0	–384.7	34.2	67.9
49.6	78.1	41.2	63.7	275.5	277.6	–320.0	–385.0	181.5	281.1
–61.8	–34.7	–21.8	–16.7	–70.0	–44.2	–5.3	1.0	–405.5	–167.8
299.4	331.2	172.4	16.7	1,135.4	–186.6	–1,278.0	138.4	1,083.9	215.6
3,969.3	4,202.7	2,744.4	2,593.3	11,658.2	11,169.0	–11,567.9	–10,907.5	17,021.7	16,557.4
5.1	4.9	0.0	0.0	0.0	0.0	30.5	33.2	270.0	268.5
903.4	933.6	733.3	879.9	–2,377.0	–3,479.7	–0.2	–0.2	1,661.0	1,650.8[2]
195.2	291.1	152.9	188.2	18.3	17.4	0.0	0.0	922.0	1,233.0[2]
14,053	14,724	11,853	11,571	1,006	1,239	0	0	51,202	51,589

In millions of euros

The reconciliation of the key performance indicators, EBITDA and EBIT, is shown in the following tables:

EBITDA

	2022/23	2023/24
Net exchange differences and result from valuation of derivatives	–3.5	–1.1
Consolidation	18.5	–0.6
EBITDA – Total reconciliation	**15.0**	**–1.7**

In millions of euros

EBIT

	2022/23	2023/24
Net exchange differences and result from valuation of derivatives	–3.5	–1.1
Consolidation	18.5	–0.6
EBIT – Total reconciliation	**15.0**	**–1.7**

In millions of euros

All other key performance indicators contain solely the effects of consolidation.

Geographical information

The following table provides select financial information summarized according to the major geographical areas. External segment revenue is broken down by the customers' geographical location.

Non-current assets and investments are reported based on the entities' geographical location.

	Austria		European Union		Other Countries	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
External revenue	1,361.4	1,222.9	9,941.6	9,322.5	6,922.1	6,138.9
Non-current assets	5,166.3	5,315.4	1,465.2[1]	1,381.0	929.8	957.8
Investments in property, plant and equipment and intangible assets	586.2	879.3	191.8	215.9	144.0	137.8

[1] Business year 2022/23, retroactively adjusted.

In millions of euros

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

3. OTHER OPERATING INCOME

	2022/23	2023/24
Gains on disposal and revaluation of intangible assets, property, plant and equipment	138.5	19.5
Income from the reversal of provisions	67.8	55.0
Currency gains	142.7	100.9
Income from the valuation of derivatives	66.9	17.1
Gains from deconsolidation	2.2	0.3
Other operating income	360.8	505.5
	778.9	**698.3**

In millions of euros

In the business year 2023/24, operating income of EUR 259.3 million (2022/23: EUR 194.6 million) from the sale of products not generated in the course of the Group's ordinary activities (by-products) is included in other operating income. The latter also includes EUR 11.2 million (2022/23: EUR 17.1 million) in income from short-time work grants and other government grants for personnel expenses as well as EUR 92.8 million from the Energy Cost Subsidy 2 *(Energiekostenzuschuss 2 – EKZ 2)* and the Electricity Price Equalization Act 2022 *(Strompreiskosten-Ausgleichsgesetz 2022 – SAG 2022)*. Gains on the disposal and revaluation of intangible assets, property, plant and equipment include EUR 0.9 million (2022/23: EUR 2.3 million) in reversals of impairment losses. In the business year these gains also include proceeds of EUR 132.6 million from the sale of real property in Düsseldorf, Germany. For further information, see Chapter 9. Property, plant and equipment.

4. OTHER OPERATING EXPENSES

	2022/23	2023/24
Taxes other than income taxes	15.1	13.4
Losses on the disposal of property, plant and equipment	5.8	4.6
Currency losses	184.2	90.1
Expenses from the valuation of derivatives	47.9	33.1
Losses from deconsolidation	0.0	1.6
Other operating expenses	411.9	608.8
	664.9	**751.6**

In millions of euros

Other operating expenses for the business year 2023/24 contain EUR 337.9 million (2022/23: EUR 178.9 million) in impairment losses on property, plant and equipment, other intangible assets, goodwill and other assets. They also contain EUR 191.0 million (2022/23: EUR 212.3 million) in expenses attributable to the other functional area. In the main, these concern expenses related to the by-products specified in other operating income.

5. INCOME FROM ENTITIES CONSOLIDATED ACCORDING TO THE EQUITY METHOD

	2022/23	2023/24
Income from associates	26.7	13.2
Expenses from associates	–34.7	–0.4
Income from joint ventures	0.1	0.3
Expenses from joint ventures	0.0	–0.4
	–7.9	**12.7**

In millions of euros

Income from associates is primarily attributable to APK Pensionskasse AG, Kocel Steel Foundry Co., Ltd., ArcelorMittal Texas HBI Holdings LLC, and Scholz Austria GmbH. In the previous business year expenses from associates include EUR 31.6 million in impairment losses for ArcelorMittal Texas HBI Holdings LLC. For further information, please see chapter F. Investments in associates and joint ventures. All current income from entities consolidated according to the equity method concerns the prorated annual profit.

6. FINANCE INCOME

	2022/23	2023/24
Income from equity investments	5.9	6.3
Income from other securities and loans	2.3	2.8
Other interest and similar income	31.9	65.1
Income from the disposal and revaluation of financial assets and securities classified as current assets	9.0	21.3
	49.1	**95.5**

In millions of euros

7. FINANCE COSTS

	2022/23	2023/24
Expenses from the disposal and valuation of securities	1.0	0.1
Other expenses	0.0	0.2
Other interest and similar expenses	181.5	281.1
	182.5	**281.4**

In millions of euros

Other interest and similar expenses include negative interest income of EUR 0.1 million (2022/23: EUR 0.3 million).

8. INCOME TAXES

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

	2022/23	2023/24
Current tax expense	**310.0**	**118.2**
Effective tax expense	286.7	131.9
Adjustments of taxes from previous periods	23.4	–13.7
Recognition of tax losses from previous periods	–0.1	0.0
Deferred tax expense	**95.5**	**49.6**
Origination/reversal of temporary differences	112.3	50.2
Adjustments of taxes from previous periods	–2.1	17.9
Impact of changes in tax rates	–0.2	0.1
Recognition of tax losses from previous periods	–14.5	–18.6
	405.5	**167.8**

In millions of euros

The following reconciliation shows the difference between the Austrian corporate tax rate of 23.75% (previous year: 24.75%) and the effective Group tax rate:

	2022/23		2023/24	
Profit before tax		**1,489.4**		**383.4**
Income tax expense (+)/benefit (–) using the Austrian corporate tax rate	24.75%	369.0	23.8%	91.1
Difference to foreign tax rates	0.0%	0.3	–3.1%	–11.9
Non-taxable income	–1.5%	–23.0	–3.8%	–14.6
Non-taxable income from equity investments	–0.5%	–7.3	–1.3%	–5.0
Effects of depreciation of equity investments and utilization of previously unincluded loss carryforwards and non-recognition of loss carryforwards	–0.2%	–3.0	3.4%	12.9
Effects of non-recognition and subsequent recognition of deductible temporary differences	0.0%	0.0	12.7%	48.7
Taxes from previous periods	1.4%	21.3	1.1%	4.2
Non-tax-effective impairment	2.5%	37.3	13.9%	53.4
Non-deductible expenses and other differences	0.7%	10.9	–2.8%	–11.0
Effective Group tax rate (%)/income tax expense (+)/income tax benefit (–)	**27.2%**	**405.5**	**43.9%**	**167.8**

In millions of euros

The eco-social tax reform adopted in Austria as of February 14, 2022, provides for a reduction of 24% in the corporate income tax rate, to be applied to the first three quarters of the business year, as well as a reduction of 23% to be applied to the last quarter of the business year. This results in a corporate tax rate of 23.75%.

9. PROPERTY, PLANT AND EQUIPMENT

	Land, land rights, and buildings	Plant and equipment[1]	Fixtures and fittings	Advance payments and plant under construction	Total
Gross carrying amount	4,136.9	13,255.2	1,514.0	850.3	19,756.4
Accumulated depreciation and impairment	−2,137.5	−10,172.2	−1,149.1	−4.3	−13,463.1
Reclassification of discontinued operations	−151.6	−445.3	−2.3	−59.8	−659.0
Carrying amount as of April 1, 2022	**1,847.8**	**2,637.7**	**362.6**	**786.2**	**5,634.3**
Gross carrying amount	3,983.9	12,564.9	1,562.1	1,032.7	19,143.6
Accumulated depreciation and impairment	−2,168.1	−10,109.7	−1,197.8	−5.5	−13,481.1
Carrying amount as of March 31, 2023	**1,815.8**	**2,455.2**	**364.3**	**1,027.2**	**5,662.5**
Gross carrying amount	4,292.9	12,617.1	1,590.1	807.6	19,307.7
Accumulated depreciation and impairment	−2,174.0	−9,905.8	−1,189.0	−3.7	−13,272.5
Reclassification of assets held for sale	−40.1	−22.5	−7.3	0.0	−69.9
Carrying amount as of March 31, 2024	**2,078.8**	**2,688.8**	**393.8**	**803.9**	**5,965.3**

[1] Business year 2022/23, retroactively adjusted.

In millions of euros

The reconciliation of the carrying amounts of property, plant and equipment for the periods presented in the Consolidated Financial Statements as of March 31, 2024, is as follows:

	Land, land rights, and buildings	Plant and equipment[1]	Fixtures and fittings	Advance payments and plant under construction	Total
Carrying amount as of April 1, 2022	**1,847.8**	**2,637.7**	**362.6**	**786.2**	**5,634.3**
Changes in the scope of consolidation	6.5	4.5	1.0	0.2	12.2
Additions	98.2	176.9	102.4	487.7	865.2
Transfers	18.2	187.9	23.2	–238.2	–8.9
Disposals	–26.7	–5.6	–6.7	–4.5	–43.5
Depreciation	–115.0	–487.5	–103.4	–0.7	–706.6
Impairment losses	–5.3	–40.9	–12.2	–0.6	–59.0
Reversal of impairment losses	0.6	1.5	0.2	0.0	2.3
Net exchange differences	–8.5	–19.3	–2.8	–2.9	–33.5
Carrying amount as of March 31, 2023	**1,815.8**	**2,455.2**	**364.3**	**1,027.2**	**5,662.5**
Changes in the scope of consolidation	4.5	–2.4	–0.6	–1.3	0.2
Additions	139.9	334.7	115.6	581.8	1,172.0
Transfers	303.9	433.8	36.6	–785.6	–11.3
Disposals	–6.0	–6.4	–3.7	–3.3	–19.4
Depreciation	–124.7	–488.4	–108.0	0.0	–721.1
Impairment losses	–12.8	–11.8	–2.1	–14.5	–41.2[2]
Reversal of impairment losses	0.0	0.9	0.0	0.0	0.9
Net exchange differences	–1.7	–4.3	–1.0	–0.4	–7.4
Reclassification of assets held for sale	–40.1	–22.5	–7.3	0.0	–69.9
Carrying amount as of March 31, 2024	**2,078.8**	**2,688.8**	**393.8**	**803.9**	**5,965.3**

[1] Business year 2022/23, retroactively adjusted.
[2] Less impairment losses on assets held for sale of EUR 84.3 million.

In millions of euros

As of March 31, 2024, restrictions on the disposal of property, plant and equipment were EUR 0.0 million (March 31, 2023: EUR 0.0 million). Furthermore, as of March 31, 2024, commitments for the purchase of property, plant and equipment were EUR 795.9 million (March 31, 2023: EUR 421.6 million).

Borrowing costs related to qualifying assets in the amount of EUR 12.1 million (2022/23: EUR 10.0 million) were capitalized in the reporting period. The calculation was based on an average borrowing rate of 2.9% (2022/23: 1.9%).

In the business year 2022/23, the Management Board resolved, and the Supervisory Board approved the sale of a property in Düsseldorf, Germany, which was largely not required for operating purposes and had a carrying amount of EUR 23.4 million. This led to negotiations with several interested parties. The sale is in line with the strategy of selling assets not required for operating purposes. The proceeds from the sale of this property in the business year 2022/23 came to EUR 156.0 million. A lease agreement was concluded for those portions of the property that are required for operating purposes. The property was allocable to the High Performance Metals Division.

Right-of-use assets as per IFRS 16

The Group leases mainly land, buildings, and manufacturing facilities as well as vehicle fleets including locomotives. Most of the leases contain renewal options and rights to terminate, some of which are also stipulated in conjunction with non-cancelable lease terms.

In some cases, the Group has the option to purchase the assets at the end of the contractually agreed period.

The lease payments typically are either fixed or based on market interest rates or indices (e.g., the consumer price index (CPI)). A few leases provide for variable lease payments (e.g., usage-based leases).

The carrying amount of each class of right-of-use assets pursuant to IFRS 16, which are shown in property, plant and equipment, is as follows:

	Property, plant and equipment			Total
	Land, land rights, and buildings	Plant and equipment	Fixtures and fittings	
Carrying amount as of April 1, 2022	**285.4**	**11.0**	**36.4**	**332.8**
Changes in the scope of consolidation	0.8	0.2	0.0	1.0
Additions	51.8	6.0	12.5	70.3
Transfers	–4.7	0.0	0.0	–4.7
Disposals	–7.1	–0.1	–0.9	–8.1
Depreciation	–33.8	–3.1	–10.3	–47.2
Impairment	–0.4	0.0	0.0	–0.4
Reclassification of discontinued operations	–1.2	–0.1	0.0	–1.3
Carrying amount as of March 31, 2023	**290.8**	**13.9**	**37.7**	**342.4**
Changes in the scope of consolidation	–0.1	0.0	0.0	–0.1
Additions	72.7	2.3	17.2	92.2
Transfers	–8.4	–0.2	0.0	–8.6
Disposals	–4.1	–0.9	–0.3	–5.3
Depreciation	–38.8	–4.1	–12.4	–55.3
Impairment	–0.3	–0.3	0.0	–0.6
Reclassification of discontinued operations	–0.8	0.1	–0.1	–0.8
Carrying amount as of March 31, 2024	**311.0**	**10.8**	**42.1**	**363.9**

In millions of euros

Lease expenses in the Consolidated Income Statement

	2022/23	2023/24
Interest expenses for lease liabilities	8.3	11.4
Expenses for short-term leases	8.8	8.0
Expenses for small-ticket leases	7.7	10.2
Expenses for variable lease payments	4.0	5.5

In millions of euros

The total cash outflows for leases are EUR 98.9 million (2022/23: EUR 78.2 million). In addition to repayments, this also includes cash outflows from short-term leases, small-ticket leases, and variable lease payments.

The expected future variable lease payments are mainly based on a consumption or production component (particularly in the case of PPAs). To estimate these payments, historical data is used where available or future developments are forecast. Based on the contracts concluded as of March 31, 2024, the future variable lease payments amount to EUR 68.8 million. The remaining terms are mainly 9 – 23 years.

As of March 31, 2024, there were no material leases that had not yet been made available and thus had not yet been recognized.

The effect of the measurement of residual value guarantees and purchase options on the carrying amount is deemed negligible.

Effect of renewal and termination options

Renewal and termination options can be exercised without the lessor's approval. The fact that leases contain termination and renewal options gives the operating units of the voestalpine Group, which are responsible for utilizing the assets, a high degree of operational flexibility. The resulting flexibility and thus the range of potential future lease payments that have not yet been recognized in the statement of financial position is high. voestalpine generally assumes that renewal options will be exercised.

As regards the maturity analysis of lease liabilities, see Note 20. Financial liabilities.

RECONCILIATION OF DEPRECIATION, AMORTIZATION, AND IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND OTHER NON-CURRENT ASSETS BY FUNCTIONAL CLASSIFICATION

	2022/23[1]	2023/24
Cost of sales	633.6	649.5
Distribution costs	41.9	43.1
Administrative expenses	44.3	44.4
Other operating expenses	201.3	359.8
	921.1	**1,096.8**

[1] Business year 2022/23, retroactively adjusted.

In millions of euros

Other operating expenses for the business year 2023/24 contain EUR 337.9 million (2022/23: EUR 178.9 million) in impairment losses on property, plant and equipment, other intangible assets, other non-current assets and goodwill.

10. GOODWILL AND OTHER INTANGIBLE ASSETS

GOODWILL

	03/31/2022	03/31/2023	03/31/2024
Gross carrying amount	1,564.8	1,546.9	1,546.0
Impairment losses	–93.8	–213.1	–435.3
Reclassification of discontinued operations and assets held for sale	–22.4	–2.5	–2.9
Carrying amount	**1,448.6**	**1,331.3**	**1,107.8**

In millions of euros

The following table shows the reconciliation of the carrying amounts of goodwill for the periods presented in the Consolidated Financial Statements as of March 31, 2024:

	Goodwill
Carrying amount as of April 1, 2022	**1,448.6**
Additions	4.2
Impairment losses	–119.3
Net exchange differences	0.3
Reclassification of discontinued operations	–2.5
Carrying amount as of March 31, 2023	**1,331.3**
Additions	3.5
Disposals	–2.1
Impairment losses	–222.1
Net exchange differences	0.1
Reclassification of assets held for sale	–2.9
Carrying amount as of March 31, 2024	**1,107.8**

In millions of euros

Details on the impairment of goodwill are explained in Note 11. Impairment losses and reversal of impairment losses.

OTHER INTANGIBLE ASSETS

	Trademarks	Other	Advance payments or payments in progress	Total
Gross carrying amount	227.6	1,450.8	16.2	1,694.6
Accumulated amortization and impairment	–57.0	–1,337.5	0.0	–1,394.5
Reclassification of discontinued operations	0.0	–10.2	0.0	–10.2
Carrying amount as of April 1, 2022	**170.6**	**103.1**	**16.2**	**289.9**
Gross carrying amount	227.6	1,458.7	29.8	1,716.1
Accumulated amortization and impairment	–57.0	–1,361.3	–0.1	–1,418.4
Carrying amount as of March 31, 2023	**170.6**	**97.4**	**29.7**	**297.7**
Gross carrying amount	170.6	1,411.4	44.0	1,626.0
Accumulated amortization and impairment	0.0	–1,311.5	0.1	–1,311.4
Reclassification assets held for sale	0.0	–1.6	–0.2	–1.8
Carrying amount as of March 31, 2024	**170.6**	**98.3**	**43.9**	**312.8**

In millions of euros

The “Trademarks” column contains trademarks with an indefinite useful life in the amount of EUR 170.6 million (2022/23: EUR 170.6 million).

Intangible assets with an unlimited useful life

The following cash generating units (CGUs) and groups of CGUs contain trademarks with an indefinite useful life:

	2022/23	2023/24
High Performance Metals Division	**155.4**	**155.4**
Welding	12.6	12.6
Total Metal Engineering Division	**12.6**	**12.6**
Precision Strip	2.6	2.6
Total Metal Forming Division	**2.6**	**2.6**
voestalpine Group	**170.6**	**170.6**

In millions of euros

The period during which these trademarks are expected to generate cash flows is not subject to a foreseeable limit. Hence trademarks are not subject to wear and tear and are not amortized. No impairments have arisen.

The following table shows the reconciliation of the carrying amounts of the other intangible assets for the periods presented in the Consolidated Financial Statements as of March 31, 2024:

	Trademarks	Other	Advance payments or payments in progress	Total
Carrying amount as of April 1, 2022	**170.6**	**103.1**	**16.2**	**289.9**
Changes in the scope of consolidation	0.0	6.7	0.0	6.7
Additions	0.0	12.9	15.5	28.4
Transfers	0.0	11.4	–2.0	9.4
Disposals	0.0	0.0	0.0	0.0
Amortization	0.0	–35.6	0.0	–35.6
Impairment losses	0.0	–0.6	0.0	–0.6
Net exchange differences	0.0	–0.5	0.0	–0.5
Carrying amount as of March 31, 2023	**170.6**	**97.4**	**29.7**	**297.7**
Changes in the scope of consolidation	0.0	8.0	0.0	8.0
Additions	0.0	17.0	19.9	36.9
Transfers	0.0	15.0	–4.9	10.1
Disposals	0.0	0.0	–0.6	–0.6
Amortization	0.0	–37.8	0.0	–37.8
Impairment losses	0.0	0.0	0.0	0.0[1]
Net exchange differences	0.0	0.3	0.0	0.3
Reclassification assets held for sale	0.0	–1.6	–0.2	–1.8
Carrying amount as of March 31, 2024	**170.6**	**98.3**	**43.9**	**312.8**

[1] Less impairment losses on assets held for sale of EUR 1.8 million.

In millions of euros

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

As of March 31, 2024, commitments for the acquisition of intangible assets were EUR 0.0 million (March 31, 2023: EUR 0.0 million). As of March 31, 2024, other intangible assets (column "Other") include a software project designed to map business processes across companies and business processes that have been harmonized in the Steel Division, with a carrying amount of EUR 14.8 million (March 31, 2023: EUR 29.7 million) and a remaining useful life of one year.

11. IMPAIRMENT LOSSES AND REVERSAL OF IMPAIRMENT LOSSES

As a rule, the discounted cash flow method is used to test the property, plant and equipment, the intangible assets, and the carrying amounts for impairment (generally based on the value-in-use approach). Impairment tests are conducted whenever impairment losses or a reversal of impairment losses are indicated. In addition, cash generating units (CGUs) and groups of CGUs containing goodwill as well as intangible assets with unlimited useful lives are tested for impairment at least once a year, specifically, in early March. The calculation is performed on the basis of the projected cash flows as per a five-year, medium-term business plan approved by management. 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 expanded by sectoral planning assumptions in this connection. Intra-Group evaluations are supplemented by external market studies.

The medium-term business plan was expanded by a rough planning stage (13 years) modeled on the appraisal and approval of the investment associated with greentec steel by the Supervisory Board in March 2023 for the CGUs affected by the technological transformation—particularly two key units: the Steel Division and Railway Systems. This extended planning period ensures that the determination of the perpetual annuity is based on a steady state. As regards the underlying assumptions, see the chapter, Uncertainties in accounting estimates and assumptions – Effects of sustainability strategy—decarbonization and green transformation.

The determination of the perpetual annuity is based on country-specific growth figures derived from external sources. The capital costs are calculated as the weighted average cost of equity and borrowings using the capital asset pricing model (weighted average cost of capital (WACC)). The parameters used in connection with the determination of WACC are established on an objective basis. To date, a five-year mean value analysis of the forecast inflation has been used to determine both expected inflation in connection with the determination of the WACC and the growth rate of the cash flows in the perpetual annuity. This approach was no longer deemed appropriate given the enormous increase in the expected inflation over the short and the medium term—subject to consistent forecasts of long-term inflation expectations. As of September 30, 2022, therefore, the procedure was shifted to both forecast inflation and the long-term inflation expectation in the fifth year.

Impairment tests of CGUs or groups of CGUs containing goodwill

Goodwill is allocated to the following CGUs or groups of CGUs:

	2022/23	2023/24
Total Steel Division	**135.2**	**135.2**
HPM Production	259.5	77.7
Value Added Services	315.5	315.8
Total High Performance Metals Division	**575.0**	**393.5**
Wire Technology	12.2	12.2
Railway Systems	178.1	178.1
Tubulars	28.5	28.5
Welding	133.3	133.3
Total Metal Engineering Division	**352.1**	**352.1**
Tubes & Sections	70.0	70.0
Automotive Components	84.0	38.8
Precision Strip	103.8	103.8
Warehouse & Rack Solutions	11.2	14.4
Total Metal Forming Division	**269.0**	**227.0**
voestalpine Group	**1,331.3**	**1,107.8**

In millions of euros

The following estimates and assumptions were used to measure the recoverable amounts of CGUs or groups of CGUs that account for a significant portion of the voestalpine Group's total goodwill:

The **Steel Division** focuses on the production and processing of steel products for the automotive, white goods, electrical, processing as well as energy and engineering industries. The five-year, medium-term business plan for the Steel Division was prepared, for one, based on external economic forecasts for the eurozone, the United States, China, and Mexico (based on the World Economic Outlook of the International Monetary Fund (IMF)[1]) and, for another, taking into account expected steel consumption.[2] The production plan reflects the sales forecasts. The CRU Index was considered in the revenue planning for the flat products. Additionally, minor positive, quality-related adjustments were made in individual customer segments. As regards procurement, the planning was based on assumptions concerning raw materials derived from global market forecasts (on the basis of Platts price assessments,[3] among others). Based on these assumptions, a slight increase in the gross margin is expected in the medium-term business plan after the business year 2023/24, taking one

[1] World Economic Outlook, International Monetary Fund (IMF)
[2] The European Steel Association (EUROFER) regarding steel consumption in Europe; World Steel Association for non-European data
[3] S&P Global Platts

further blast furnace lining work into account. The five-year, medium-term business plan was supplemented by a rough planning stage. The latter includes the investments toward greentec steel—i.e., the substitution of two of the three blast furnaces by electric arc furnaces (EAFs) to be commissioned from calendar year 2027 and 2032—and investments in CO_2 capture technologies (CCUS). In addition, expected increases in emissions allowance prices and the incremental reduction in the number of no-cost allowances pursuant to European Union measures aimed at lowering CO_2 up until the complete elimination of the no-cost allowances in calendar year 2034 as well as a price premium for greentec steel and changes to the raw material mix are taken into account.

The last plan year was used to determine the perpetual annuity based on an expected growth rate of 1.34% (2022/23: 1.33%). The after-tax WACC is 8.10% (2022/23: 8.02%); the pre-tax WACC is 9.84% (2022/23: 9.96%).

The five-year, medium-term business plan for the **High Performance Metals Division** and its two units to which goodwill has been allocated—i.e., High Performance Metals (HPM) Production and Value Added Services—was based on the general economic environment of the relevant industry segments (particularly the automotive, oil and natural gas, and aerospace industries) as well as on the growth forecasts[1] for the regional sales markets of its core markets, especially the eurozone, the United States, China, and Brazil.

Seven production facilities around the world are combined in the **HPM Production** unit. Its manufacturing activities cover a highly complex and highly demanding range of production: tool steel, high-speed steel, valve steel, high-grade engineering steel, powder-metallurgical steel, powder for additive manufacturing, special steels, and nickel-based alloys. Product manufacturing ranges from smelting to transforming (rolling and forging, hot-rolled and cold-rolled strips) all the way to heat treatment and processing as well as fulfilment of the properties and specifications required by customers. The processing companies produce plates, profiles, and special forged parts made of titanium alloys, nickel-based alloys as well as high, medium, and low-grade alloyed steels.

The internal forecasts and estimates of HPM Production—particularly with respect to the business that targets sophisticated metallurgical applications in the aerospace, oil and natural gas as well as automotive industries—rely on external sources of information and are consistent with them. In the automotive industry, production is expected to increase worldwide in the coming years. Moderate growth is also expected in Germany this year and next (based on the current low level). The production level of 2018 will no longer be reached in the planning period.[2] Electric mobility offers additional opportunities for growth. Demand in the oil and natural gas/CPI segment is expected to remain high in the long term. The decline in the demand for crude oil in the mobility segment (combustion engines) will be offset by greater demand for petrochemicals (CPI).[3] The rebound in the aviation market continues unabated in the aerospace industry.[4] Overall, this will lead to higher revenue and a positive gross margin trend in the planning period, not least due to the efficiency gains obtained through the new special steel plant in Kapfenberg, Austria, and the fixed cost digression.

[1] OECD, Agenda Austria
[2] LMC Automotive Q4/2022
[3] IAE New World Outlook
[4] IATA Global Outlook for Air Transportation, January 2024

Increases in the cost of input materials due to alloy prices can largely be passed on to customers. The last plan year was used to calculate the perpetual annuity. The perpetual annuity is determined based on a growth rate of 1.64% (2022/23: 1.62%). The after-tax WACC is 8.63% (2022/23: 8.35%); the pre-tax WACC is 11.03% (2022/23: 10.80%).

In the **Value Added Services** business segment, the continued systematic expansion of services in the planning period will lead to both greater customer loyalty and deeper value creation. Pre-processing, heat treatment, and coating will also be expanded in line with customer requirements. Moreover, an all-out effort is being undertaken in coordination with the powder strategy of the HPM Production unit to turn additive manufacturing into one of the division's core competences. Ongoing activities will additionally focus on the consistent pursuit of tried and tested cost-savings and optimization programs as well as on new initiatives, especially with respect to the digitalization of processes and workflows, which will lead to higher revenue and a positive gross margin trend in the planning period.

Increases in the cost of input materials due to alloy prices can largely be passed on to customers. The last plan year was used to calculate the perpetual annuity based on an expected growth rate of 1.57% (2022/23: 1.47%). The after-tax WACC is 8.63% (2022/23: 8.37%); the pre-tax WACC is 11.15% (2022/23: 10.83%).

The Group's expertise as the leading provider of high-quality rails, high-tech turnouts, and digital monitoring systems as well as all associated services was combined in the **Railway Systems** business segment to further expand the Group's global presence as a provider of complete railway infrastructure systems. The five-year, medium-term business plan for Railway Systems is based on market forecasts[1] and project planning for railway infrastructure, taking into consideration the business segment's strategic focus and the ongoing digital transformation of the rail segment. It also accounts for the different levels of economic development in individual regions.[2] As regards the development of material factor costs, general forecasts of the development of personnel expenses and internal assumptions on the development of steel prices were integrated into the budgets. The planning assumes that the gross margin will be kept relatively constant over the planning period and that potential fluctuations in individual markets will balance each other out due to the business segment's global reach. Likewise, the investments toward greentec steel are included in both the five-year, medium-term business plan and the rough planning stage for one electric arc furnace in the pre-production stage. In addition, expected increases in emissions allowance prices and the incremental reduction in the number of no-cost allowances pursuant to European Union measures aimed at lowering CO_2 up until the complete elimination of the no-cost allowances in calendar year 2034 as well as a price premium for greentec steel and changes to the raw material mix are taken into account.

[1] UNIFE Annual Report
[2] World Economic Outlook, International Monetary Fund (IMF)

The last plan year was used to determine the perpetual annuity based on an expected growth rate of 1.51% (2022/23: 1.44%). The after-tax WACC is 8.39% (2022/23: 8.31%); the pre-tax WACC is 10.23% (2022/23: 9.94%).

The five-year, medium-term business plan for the **Welding** business unit, which is one of the leading manufacturers of products and implementers of complete solutions in the field of welding and joining technology, considers macroeconomic trends[1] in each region as well as the specific forecasts for the relevant industry segments. The company's own position in the respective market in relation to the competition and the overall market as well as its forecast development were taken into account with this. The expected development of specific cost components was taken into account for the production factors used in the value creation process. Expected cost trends and price trends based on these were derived for raw materials, energies, and alloys, based on current market prices and available forecasts. Implementation of the strategy introduced for the full-service provider of the "Perfect Weld Seam" will be continued consistently in the planning period. Optimization programs that have been initiated and are already being implemented as well as ongoing continuous optimization programs are being driven forward. In summary, the planning, which is derived from market expectations, assumes moderate volume growth with a slight improvement in gross margin. The fifth plan year was used to calculate the perpetual annuity based on an expected growth rate of 1.43% (2022/23: 1.41%). The after-tax WACC is 8.45% (2022/23: 8.38%); the pre-tax WACC is 11.05% (2022/23: 10.92%).

The cash flow forecasts for **Automotive Components** are based on the medium-term market growth and production forecasts for the global automotive market based on the forecasts published by LMC Automotive,[2] in this case particularly for the most important markets in Europe, the USMCA region, and Asia, as well as for the most important customers—the European premium manufacturers. Internal estimates reflect the business segment's internationalization and growth strategy. External indicators and market dynamics were adjusted in line with the current model portfolio of Automotive Components customers. Furthermore, customer-specific information regarding medium-term outlooks and sales projections served as sources for the sales planning of Automotive Components. An assumption regarding the tendency towards lower sales levels in Europe was taken into account in the planning. This will lead to a rather flat revenue trend and more cautious margins in the five-year, medium-term business plan. The fifth plan year was used to calculate the perpetual annuity based on an expected growth rate of 1.37% (2022/23: 1.33%). The after-tax WACC is 9.32% (2022/23: 9.20%); the pre-tax WACC is 12.14% (2022/23: 11.99%).

[1] World Economic Outlook, International Monetary Fund (IMF)
[2] LMCA GAPF Data

Precision Strip specializes in the production of globally available, technologically complex cold-rolled strip steel products with precise dimensional accuracy, excellent surface quality, and unique edge profiles for the highest customer requirements in the process industry. The five-year, medium-term business plan for Precision Strip was prepared considering the general regional parameters in the core markets and reflects the general economic environment of the industry segments that are key to the entities. Current market conditions are characterized by stiff competition and strong pressure on margins. The growth indicated in the planning is largely based on securing market leadership in niche markets, expanding market share, and developing new markets. External forecasts were taken into account in internal estimates and generally adjusted very slightly downward. These external forecasts are country-specific figures for expected economic growth (GDP forecasts)[1] that were supplemented by industry-specific experience in the relevant markets for the respective product segments. Customer-specific information regarding medium-term outlooks and sales projections also served as sources for sales planning at Precision Strip. As a result, revenue is expected to increase, and the gross margin should be stable in the planning period. The fifth plan year was used to calculate the perpetual annuity based on an expected growth rate of 1.34% (2022/23: 1.32%). The after-tax WACC is 9.14% (2022/23: 9.02%); the pre-tax WACC is 11.40% (2022/23: 11.35%).

Impairment losses of CGUs or groups of CGUs containing goodwill

	Impairment
03/31/2024	
Automotive Components	43.1
HPM Production	178.9

In millions of euros

In the business year 2023/24, an impairment of goodwill in the amount of EUR 43.1 million was recognized in other operating expenses in the Metal Forming Division at the **Automotive Components** unit, to which goodwill had been allocated and which supplies a broad product range from highly innovative structural parts to outer skin parts, high-strength hot-formed parts, laser-welded blanks, and complex assemblies with a focus on lightweight solutions made of steel and aluminum to customers in the automotive industry. Management is maintaining its internationalization and growth strategy in the Automotive Components unit but is making targeted adjustments in response to the structural shortfall in capacity utilization in the automotive supply industry in Germany. The Metal Forming Division is reorganizing its automotive supply business in Germany against this backdrop and has adjusted its planning assumptions accordingly. These significant reductions in planning assumptions lead to an analogous reduction in cash flows and therefore result in an impairment loss.

[1] World Economic Outlook, International Monetary Fund (IMF)

The recoverable amount (value in use) of this unit amounted to EUR 567.9 million as of March 31, 2024. The fifth plan year was used to calculate the perpetual annuity. The perpetual annuity is determined based on a growth rate of 1.37%. The after-tax WACC is 9.32%; the pre-tax WACC is 12.14%.

The discount rate and the cash flows are the most important forward-looking assumptions. There is the risk that any change in these assumptions will necessitate a material adjustment of the carrying amounts within the next business year. Any increase in the after-tax discount rate by one percentage point or any decrease in the cash flows by 10% or 20% would trigger the following reductions in the carrying amounts:

	Excess of carrying amount over recoverable amount	**Increase in discount rate by 1% point**	**Decrease in cash flows by 10%**	**Decrease in cash flows by 20%**
03/31/2024				
Automotive Components	0.0	–76.7	–56.8	–113.6

In millions of euros

In mid-March 2024, an indicator of impairment was identified, and an impairment test was therefore carried out in the High Performance Metals Division due to the planned sale of two cash-generating units (Buderus Edelstahl) within the **HPM Production** unit, to which goodwill had been allocated and which produces high-quality stainless steels. The goodwill of the **HPM Production** unit to which goodwill had been allocated was impaired by EUR 178.9 million due to the high negative effect from the planned sale of Buderus Edelstahl. This was recognized in other operating expenses.

The recoverable amount (value in use) of this unit amounted to EUR 2,053.7 million within the scope of the impairment test prior to the reclassification of IFRS 5. The fifth plan year was used to determine the perpetual annuity, with the disposal group included in the impairment test with the estimated disposal result as of September 30, 2024. The perpetual annuity is determined based on a growth rate of 1.64%. The after-tax WACC is 8.63%; the pre-tax WACC is 11.23%.

In connection with the separation of the Buderus Edelstahl disposal group from the goodwill-bearing HPM Production unit, there was a total effect of EUR –359.6 million, which is made up of the impairment of goodwill in the amount of EUR –181.8 million, the impairment of non-current assets in the amount of EUR –86.2 million, and the impairment of current assets in the amount of EUR –91.6 million. See IFRS 5 reclassification Buderus Edelstahl also chapter C. Scope of consolidation – Discontinued operations and disposal groups.

The headroom as of March 31, 2024 amounts to EUR 144.4 million following elimination of the disposal group from the carrying amount and the cash flows of **HPM Production** (see the following presentation of the break-even and general sensitivity analysis).

In the first half of the previous business year (business year 2022/23), impairment of goodwill in the amount of EUR 119.3 million was recognized in the High Performance Metals Division at the **HPM Production** unit, to which the goodwill is allocated, and which produces sophisticated stainless steels. The impairment loss was recognized in other operating expenses. The impairment loss resulted from a planning update due to the significant increase in the discount rate (WACC), which was used as the basis for the impairment test as of September 30, 2022. The recoverable amount (value in use) of this unit was EUR 2,228.2 million as of September 30, 2022. The fifth plan year was used to calculate the perpetual annuity. As of September 30, 2022, the perpetual annuity was determined based on a growth rate of 1.63%. The after-tax WACC was 8.54%; the pre-tax WACC was 11.06% as of September 30, 2022.

The impairment tests confirmed the carrying amount of all other goodwill as of March 31, 2024. A sensitivity analysis of the aforementioned units to which goodwill has been allocated shows that the carrying amounts of the goodwill-bearing units—Steel Division, Value Added Services, Railway Systems, Welding, and Precision Strip—would still be covered if the discount rate were to rise by one percentage point and thus that there is no need to recognize an impairment loss. Furthermore, the cash flow sensitivity analysis has shown that, if the cash flows are reduced by 10%, the carrying amounts of the Steel Division, Value Added Services, Railway Systems, Welding, and Precision Strip would also still be covered. If the discount rate is raised by one percentage point and the cash flows are lowered by 10% as part of a combined sensitivity analysis, the carrying amounts of the aforementioned goodwill-bearing units (Steel Division, Welding, and Value Added Services) would still be covered.

The following table shows the excess of the carrying amount over the recoverable amount as well as the amount by which both major assumptions would have to change for the estimated recoverable amount to be equal to the carrying amount (break-even analysis); it also shows the reduction in the carrying amount resulting from an increase in the after-tax discount rate by one percentage point or a decrease in the cash flows by 10% or 20% (general sensitivity analysis):

	Break-even analysis			General sensitivity analysis		
	Excess of carrying amount over recoverable amount	**Discount rate in percentage points**	**Cash flow in %**	**Increase in discount rate by 1% point**	**Decrease in cash flows by 10%**	**Decrease in cash flows by 20%**
03/31/2024						
HPM Production	144.4	0.6	–7.2	–106.1	–56.6	–257.6
Railway Systems	336.8	1.7	–22.9	0.0	0.0	0.0
Precision Strip	46.4	1.0	–12.5	0.0	0.0	–27.8

In millions of euros

	Break-even analysis			General sensitivity analysis		
	Excess of carrying amount over recoverable amount	Discount rate in percentage points	Cash flow in %	Increase in discount rate by 1% point	Decrease in cash flows by 10%	Decrease in cash flows by 20%
03/31/2023						
HPM Production	217.7	0.7	–8.9	–104.1	–28.1	–273.9
Railway Systems	108.2	0.6	–9.2	–69.0	–9.6	–127.4
Welding	11.8	0.2	–2.7	–47.0	–32.7	–77.1
Automotive Components	18.2	0.2	–2.2	–69.4	–63.6	–145.4
Precision Strip	55.1	1.3	–14.3	0.0	0.0	–22.0

In millions of euros

Sensitivity regarding decarbonization and technological transformation

The impairment tests of the cash generating units affected by the technological transformation—particularly the key units, Steel Division and Railway Systems—were carried out pursuant to a baseline scenario regarding the price premium (see explanations in the foregoing), where the price premium melts away up to the last plan year; the numbers used for determining the perpetual annuity thus do not include a price premium. An alternative scenario that does not include an assumed price premium for greentec steel was developed for each unit over and above the aforementioned general sensitivity analysis. In this scenario, too, the carrying amount of the Steel Division and Railway Systems units would still substantially exceed the recoverable amount.

Impairment test of cash generating units that have no goodwill and of other assets

	Impairment
03/31/2024	
Schwäbisch Gmünd	24.5

In millions of euros

In the business year 2023/24, an impairment loss of EUR 24.5 million was recognized in other operating expenses (specifically, in “Land, land rights, and buildings,” “Plant and equipment” and “Fixtures and fittings”) for the **Schwäbisch Gmünd** cash generating unit with the hot forming and large assemblies product portfolio. The impairment loss resulted from the structural shortfall in capacity utilization in the automotive supply industry in Germany. The planning assumptions for some quantity-critical models were reduced based on experience from recent years. The recoverable amount (value in use) amounted to EUR 82.3 million. The discount rate applied was 8.99% after tax and 12.45% before tax.

The discount rate and the cash flows are the most important forward-looking assumptions. There is a risk that any change in these assumptions will necessitate a material adjustment of the carrying amount within the next business year. Any increase in the after-tax discount rate by one percentage point or any decrease in the cash flows by 10% or 20% would trigger the following reduction in the carrying amount:

	Excess of carrying amount over recoverable amount	Increase in discount rate by 1% point	Decrease in cash flows by 10%	Decrease in cash flows by 20%
03/31/2024				
Schwäbisch Gmünd	0.0	–13.0	–8.2	–16.5

In millions of euros

In the first half of the previous business year (business year 2022/23), impairment losses of EUR 54.1 million were recognized in other operating expenses in the High Performance Metals Division at the cash generating unit **Buderus Edelstahl ohne Schmiede** (consisting of the steel mill, rolling lines, and drop forge sub-divisions), which is devoted to the production of drop-forged parts, semi-finished products, and hot-rolled and cold-rolled steel. The impairment loss resulted primarily from the increase in the discount rate (WACC) as well as from high energy costs. Due to the products' low competitive differentiation, these increases can be passed on to the market only to a limited extent, thus leading to the loss of market share. The recoverable amount (value in use) for this unit as of September 30, 2022, was EUR 148.5 million. As of September 30, 2022, the discount rate applied was 7.91% after tax and 10.85% before tax.

As the lower limit for any further impairment is the fair value less costs to sell (individual sale proceeds), adjustments if any of the key forward-looking assumptions such as discount rates and cash flows would not have led to any further material impairment.

An additional impairment loss of EUR 2.2 million (2022/23: EUR 5.5 million) was recognized for individual assets due to the lack of subsequent use.

12. INVESTMENTS IN ENTITIES CONSOLIDATED ACCORDING TO THE EQUITY METHOD, OTHER FINANCIAL ASSETS AND OTHER EQUITY INVESTMENTS

	Investments in affiliates	Investments in associates	Investments in joint ventures	Other investments	Securities	Loans	Advance payments	Total
Gross carrying amount	23.5	159.0	4.4	48.1	13.3	2.4	0.1	250.8
Accumulated depreciation/revaluation	–13.9	–0.7	0.0	–2.8	0.1	–0.5	0.0	–17.8
Carrying amount as of April 1, 2022	**9.6**	**158.3**	**4.4**	**45.3**	**13.4**	**1.9**	**0.1**	**233.0**
Gross carrying amount	18.7	296.6	4.2	48.0	14.1	3.1	0.1	384.8
Accumulated depreciation/revaluation	–9.7	–30.8	0.0	0.0	–1.0	–0.6	0.0	–42.1
Carrying amount as of March 31, 2023	**9.0**	**265.8**	**4.2**	**48.0**	**13.1**	**2.5**	**0.1**	**342.7**
Gross carrying amount	20.2	296.7	4.3	48.0	13.7	3.3	0.1	386.3
Accumulated depreciation/revaluation	–9.9	–32.5	0.0	2.4	0.1	–0.6	0.0	–40.5
Carrying amount as of March 31, 2024	**10.3**	**264.2**	**4.3**	**50.4**	**13.8**	**2.7**	**0.1**	**345.8**

In millions of euros

In the business year 2022/23, investments in associates rose substantially due to the initial at-equity consolidation of the ArcelorMittal Texas HBI Group. For further information, see F. Investments in associates and joint ventures.

The following table shows the reconciliation of the carrying amounts of investments in entities consolidated according to the equity method, other financial assets, and other investments for the periods presented in the Consolidated Financial Statements as of March 31, 2024:

	Investments in affiliates	Investments in associates	Investments in joint ventures	Other investments	Securities	Loans	Advance payments	Total
Carrying amount as of April 1, 2022	**9.6**	**158.3**	**4.4**	**45.3**	**13.4**	**1.9**	**0.1**	**233.0**
Changes in the scope of consolidation	0.0	134.4	0.0	0.0	0.0	0.0	0.0	134.4
Additions	0.0	27.6	0.0	0.0	0.2	0.7	0.0	28.5
Transfers	−0.3	0.0	0.0	0.0	0.6	0.0	0.0	0.3
Disposals	−0.3	−19.7	0.0	−0.1	0.0	−0.1	0.0	−20.2
Depreciation/ impairment	0.0	−31.6	0.0	0.0	−1.1	0.0	0.0	−32.7
Revaluation	0.0	1.5	0.0	2.8	0.0	0.0	0.0	4.3
Net exchange differences	0.0	−4.7	−0.2	0.0	0.0	0.0	0.0	−4.9
Carrying amount as of March 31, 2023	**9.0**	**265.8**	**4.2**	**48.0**	**13.1**	**2.5**	**0.1**	**342.7**
Changes in the scope of consolidation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Additions	0.0	13.0	0.3	0.0	0.0	0.4	0.0	13.7
Transfers	1.5	0.0	0.0	0.0	0.1	0.0	0.0	1.6
Disposals	0.0	−13.9	0.0	0.0	−0.5	−0.2	0.0	−14.6
Depreciation/ impairment	−0.2	0.0	0.0	−0.1	0.0	0.0	0.0	−0.3
Revaluation	0.0	0.0	0.0	2.5	1.1	0.0	0.0	3.6
Net exchange differences	0.0	−0.7	−0.2	0.0	0.0	0.0	0.0	−0.9
Carrying amount as of March 31, 2024	**10.3**	**264.2**	**4.3**	**50.4**	**13.8**	**2.7**	**0.1**	**345.8**

In millions of euros

Loans granted comprise the following items:

	03/31/2022	03/31/2023	03/31/2024
Loans to affiliates	0.0	0.0	0.0
Other loans	1.8	1.9	1.9
Other receivables from financing	0.1	0.6	0.8
	1.9	**2.5**	**2.7**

In millions of euros

13. DEFERRED TAXES

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

	Deferred tax assets		Deferred tax liabilities	
	03/31/2023	03/31/2024	03/31/2023	03/31/2024
Non-current assets	170.3	138.7	230.1	225.4
Current assets	89.3	86.5	193.2	160.6
Non-current liabilities	225.3	212.0	51.2	61.5
Current liabilities	82.0	96.3	26.3	32.2
Losses carried forward	53.3	45.8	0.0	0.0
	620.2	**579.3**	**500.8**	**479.7**
Intercompany profit elimination (netted)	29.2	22.9	0.0	0.0
Hidden reserves (netted)	0.0	0.0	64.1	65.2
Other	15.3	13.2	7.7	9.6
Netting of deferred taxes owed to the same tax authority	–486.4	–469.9	–486.4	–469.9
Net deferred taxes	**178.3**	**145.5**	**86.2**	**84.6**

In millions of euros

Deferred taxes are calculated using the currently applicable tax rates. To determine the deferred taxes of the Austrian companies, the weighted expected tax rate of 23% was applied pursuant to the legally enacted reduction in the corporate income tax rate. The difference relative to the applicable corporate tax rate of 23.75% arises from a further reduction in the corporate tax rate to 23% with effect from calendar year 2024.

Deferred tax assets on losses carried forward in the amount of EUR 45.8 million (March 31, 2023: EUR 53.3 million) were recognized. As of March 31, 2024, unused tax losses of approximately EUR 1,174.6 million (corporate income tax) (March 31, 2023: approximately EUR 1,227.1 million), for which no deferred tax asset has been recognized, are available. No deferred tax assets were recognized for deductible temporary differences in the amount of EUR 205.1 million. Approximately EUR 254.1 million (March 31, 2023: approximately EUR 396.1 million) in tax loss carryforwards (corporate income tax) can only be used for a limited time.

Deferred tax assets of EUR 62.5 million (previous year: EUR 74.8 million)—which are instrumental to the recognition of future taxable income in excess of the effects on earnings from the reversal of taxable temporary differences—were recognized for Group companies that incurred a tax loss in the reporting period or previous business year. The recognized amount is based on the tax-related planning for the respective company or tax group.

No deferred tax liabilities are shown for EUR 2,110.1 million (March 31, 2023: EUR 2,256.1 million) in taxable temporary differences from equity investments in subsidiaries, joint ventures, and associates, because the parent company can control the timing of the reversal of the temporary differences, and because no reversal of the temporary differences is expected for the foreseeable future.

The change in the difference between deferred tax assets and deferred tax liabilities is EUR –31.2 million (March 31, 2023: EUR –112.4 million). This basically corresponds to the deferred tax expense of EUR –49.6 million (March 31, 2023: deferred tax expense of EUR –95.5 million); to the change in deferred tax assets recognized in other comprehensive income in the amount of EUR 18.8 million (March 31, 2023: EUR –17.0 million); to the change in deferred taxes due to differences from foreign currency translation in the amount of EUR 1.1 million (March 31, 2023: EUR 1.4 million); and the change in deferred taxes from first-time consolidations and deconsolidations in the amount of EUR –1.3 million (March 31, 2023: EUR –1.4 million).

Additional disclosures pursuant to IAS 12.81 (ab):

	Change 2022/23	03/31/2023	Change 2023/24	03/31/2024
Deferred taxes on actuarial gains/losses	–30.9	116.8	15.0	131.8
Deferred taxes on cash flow hedges	13.9	1.7	3.8	5.5
Total of deferred taxes recognized in other comprehensive income	**–17.0**	**118.5**	**18.8**	**137.3**

In millions of euros

14. INVENTORIES

	03/31/2023[1]	03/31/2024
Raw materials and supplies	2,255.0	1,935.5
Work in progress	1,563.7	1,341.3
Finished goods	1,676.1	1,562.5
Merchandise	177.7	181.4
As yet unbillable services	14.1	14.6
Advance payments	14.7	21.6
	5,701.3	**5,056.9**

[1] Business year 2022/23, retroactively adjusted.

In millions of euros

The Consolidated Financial Statements contain write-downs to the lower net realizable value in the amount of EUR 239.5 million (March 31, 2023: EUR 225.8 million). The carrying amount of the inventories that have been written down to the lower net realizable value is EUR 782.2 million (March 31, 2023: EUR 641.9 million). As in the previous business year, no inventories are pledged as security for liabilities as of March 31, 2024. An amount of EUR 9,763.7 million (March 31, 2023: EUR 11,345.8 million) has been recognized as cost of materials.

15. TRADE AND OTHER RECEIVABLES

	03/31/2023[1]	Of which with a remaining term of more than 1 year	03/31/2024	Of which with a remaining term of more than 1 year
Trade receivables	1,135.3	1.6	1,144.3	0.5
Contract assets	239.0	11.6	242.9	2.8
Other receivables and other assets	736.5	24.3	648.5	23.9
Of which receivables from income taxes	23.9	0.0	55.6	0.0
Of which other tax assets	215.0	1.8	186.0	6.7
Of which purchased emissions allowances	263.2	0.0	192.3	0.0
	2,110.8	**37.5**	**2,035.7**	**27.2**

[1] Business year 2022/23, retroactively adjusted.

In millions of euros

16. CASH AND CASH EQUIVALENTS

	03/31/2023	03/31/2024
Cash on hand, cash at banks, checks	**1,055.8**	**1,322.1**

In millions of euros

17. EQUITY

Share capital (incl. disclosures in accordance with Section 241 Austrian Commercial Code *(Unternehmensgesetzbuch – UGB))*

As of March 31, 2024, the share capital is EUR 324,391,840.99 (March 31, 2023: EUR 324,391,840.99) and is divided into 178,549,163 (March 31, 2023: 178,549,163) no-par value bearer shares. All shares are fully paid in.

Under Article 4 (2a) of the Articles of Association, the Management Board of voestalpine AG is authorized until June 30, 2024, to increase the company's share capital with the approval of the Supervisory Board by up to EUR 64,878,368.92 by issuing up to 35,709,833 shares (= 20%) in return for cash contributions—if necessary, in several tranches (Authorized Capital 2019/I). The Management Board has not exercised this authorization up until now.

Under Article 4 (2b) of the Articles of Association, the Management Board of voestalpine AG is authorized until June 30, 2024, to increase the company's share capital by up to EUR 32,439,183.55 with the approval of the Supervisory Board by issuing up to 17,854,916 shares (= 10%) in return for contributions in kind and/or in cash for the purpose of issuing shares to employees, executives, and members of the Management Board of the company or an affiliated company—if necessary in several tranches—as well as to exclude shareholders' subscription right (i) if the capital increase is made in return for contributions in kind, i.e., if shares are issued for the purpose of acquiring companies, operations, or partial operations, or if shares are issued for one or more companies located in Austria or abroad; or (ii) if the capital increase is carried out for the purpose of issuing shares to employees, executives, and members of the Management Board of the company or an affiliated company in the context of an employee shareholding scheme (Authorized Capital 2019/II). The Management Board has not exercised this authorization up until now.

Under Article 4 (6) of the Articles of Association, the Management Board of voestalpine AG is authorized to increase the share capital of the company by up to EUR 31,330,922.84 by issuing up to 17,244,916 ordinary no-par value bearer shares (= 10%) to be issued to creditors of financial instruments as defined in Section 174 Austrian Stock Corporation Act *(Aktiengesetz – AktG)* (convertible bonds, income bonds, or participation rights); the Management Board was authorized to issue these shares at the Annual General Meeting on July 3, 2019 (Contingent Capital Increase). To date, the Management Board has not exercised the authorization to issue financial instruments as defined in Section 174 Austrian Stock

Corporation Act. On April 19, 2023, the Management Board exercised the authorization to issue financial instruments as defined in Section 174 Austrian Stock Corporation Act *(Aktiengesetz – AktG)* (convertible bonds, income bonds or participation rights) and issued a non-subordinated, unsecured convertible bond due in 2028 with a total nominal value of EUR 250 million (ISIN AT0000A33R11), which was initially convertible into up to 6,113,740 new and/or existing shares.

If the dividend of voestalpine AG is more than EUR 1.20 per share, the conversion price is reduced. Due to the dividend of EUR 1.50 per share in July 2023, the conversion price has been reduced from EUR 40.8915 to EUR 40.4874 and the reference dividend is adjusted from EUR 1.20 to EUR 1.1881 per share. The adjustment of the conversion price serves as protection against dilution. The equity component of the convertible bond amounts to EUR 18.8 million. The convertible bonds are considered potential ordinary shares and are included in the calculation of diluted earnings per share from the date of issue if they have a dilutive effect on earnings per share. The convertible bond has no dilutive effect on earnings as of March 31, 2024 and is therefore not included in the calculation of basic earnings per share. See also Note 31. Earnings per share.

At the Annual General Meeting on July 7, 2021, the Management Board was authorized for a period of 30 months to repurchase treasury shares representing up to 10% of the respective share capital. The buyback price may not be more than 20% less than or 10% higher than the average closing price of the shares on the three market trading days prior to the buyback. The Management Board exercised this authorization on November 3, 2022, and resolved a buyback program involving up to 10,000,000 ordinary shares (= about 5.6% of the share capital) starting on November 10, 2022, and likely ending on July 10, 2023. The buyback program was completed as planned on July 10, 2023. A total of 7,070,000 ordinary shares with a total value of EUR 213.1 million were bought back as part of this buyback program. The number of repurchased shares in the 2023/24 business year amounted to 1,200,327 ordinary shares with a total value of EUR 37.3 million.

At the Annual General Meeting on July 5, 2023, the Management Board was authorized for a period of 30 months to repurchase treasury shares representing up to 10% of the respective share capital. The buyback price may not be more than 20% less than or 10% higher than the average closing price of the shares on the three market trading days prior to the buyback. The Management Board has not exercised this authorization up until now.

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

Reserves for treasury shares include the deducted acquisition cost and/or the increase in equity from disposals of treasury shares at cost.

Retained earnings include the profit after tax less dividend distributions. When majority interests are increased or decreased, the difference between the acquisition cost of the additional shares and the prorated carrying amount of the non-controlling interests is recognized directly in retained earnings. Actuarial gains and losses from provisions for severance payments and pension obligations are recognized directly and in full in retained earnings in the year in which they are incurred.

The translation reserve serves to cover 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 earnings.

The number of shares outstanding for the periods presented in the Consolidated Financial Statements as of March 31, 2024, has changed as follows:

	Number of no-par value shares	Number of treasury shares	Number of shares outstanding
Balance as of April 1, 2022	**178,549,163**	**28,547**	**178,520,616**
Treasury share buybacks		5,869,673	–5,869,673
Balance as of March 31, 2023	**178,549,163**	**5,898,220**	**172,650,943**
Treasury share buybacks		1,200,327	–1,200,327
Balance as of March 31, 2024	**178,549,163**	**7,098,547**	**171,450,616**

Share-based compensation

As part of the practice of granting employees voestalpine shares in connection with the annual performance bonus, 141.7 thousand shares with a fair value of EUR 4.7 million (2022/23: EUR 4.7 million) were removed from equity for this purpose, and 70.1 thousand shares with a value of EUR 1.8 million (2022/23: EUR 4.6 million) were added to equity.

18. PENSIONS AND OTHER EMPLOYEE OBLIGATIONS

	03/31/2023	03/31/2024
Provisions for severance payments	469.9	488.3
Provisions for pensions	329.6	308.0
Provisions for long-service bonuses	139.4	153.6
	938.9	**949.9**

In millions of euros

PROVISIONS FOR SEVERANCE PAYMENTS

	2022/23	2023/24
Present value of the defined benefit obligations (DBO) as of April 1	**522.2**	**469.9**
Service costs for the period	8.7	6.9
Past service costs	0.0	0.0
Interest costs for the period	9.6	16.9
Gains (–)/losses (+) on plan settlements	0.0	0.0
Changes in the scope of consolidation	0.0	0.0
Severance payments	–32.1	–41.8
Actuarial gains (–)/losses (+) due to changes in financial assumptions	–65.0	8.0
Actuarial gains (–)/losses (+) due to changes in demographic assumptions	0.0	0.0
Actuarial gains (–)/losses (+) due to experience-based adjustments	26.7	29.7
Plan settlements	0.0	0.0
Other	–0.2	–1.3
Present value of the defined benefit obligations (DBO) as of March 31	**469.9**	**488.3**

In millions of euros

EUR 18.7 million (2022/23: EUR 16.0 million) in expenses were recognized in the income statement for defined contribution severance payments to external employee pension funds.

PROVISIONS FOR PENSIONS

	Present value of the DBO	Plan assets	Provisions for pensions
Balance as of April 1, 2022	**709.4**	**–299.5**	**409.9**
Service costs for the period	7.1	0.0	7.1
Past service costs	0.3	0.0	0.3
Net interest for the period	15.0	–6.2	8.8
Income (-)/loss (+) on plan assets (excluding amounts included in net interest)	0.0	26.3	26.3
Gains (–)/losses (+) on plan settlements/curtailments	0.1	0.0	0.1
Changes in the scope of consolidation	0.0	0.0	0.0
Pension payments	–36.4	20.2	–16.2
Net exchange differences	–5.5	1.9	–3.6
Employer contributions/repayments	0.0	–1.5	–1.5
Employee contributions	0.0	–1.0	–1.0
Actuarial gains (–)/losses (+) due to changes in financial assumptions	–118.1	0.0	–118.1
Actuarial gains (–)/losses (+) due to changes in demographic assumptions	0.0	0.0	0.0
Actuarial gains (–)/losses (+) due to experience-based adjustments	11.8	0.0	11.8
Plan settlements	0.0	0.0	0.0
Other	0.3	5.4	5.7
Balance as of March 31, 2023	**584.0**	**–254.4**	**329.6**

In millions of euros

PROVISIONS FOR PENSIONS

	Present value of the DBO	Plan assets	Provisions for pensions
Balance as of April 1, 2023	**584.0**	**–254.4**	**329.6**
Service costs for the period	5.7	0.0	5.7
Past service costs	–1.2	0.0	–1.2
Net interest for the period	23.0	–9.7	13.3
Income (-)/loss (+) on plan assets (excluding amounts included in net interest)	0.0	–4.2	–4.2
Gains (–)/losses (+) on plan settlements/curtailments	0.0	0.0	0.0
Changes in the scope of consolidation	0.0	0.0	0.0
Pension payments	–36.8	20.8	–16.0
Net exchange differences	0.8	–1.0	–0.2
Employer contributions/repayments	0.0	–28.4	–28.4
Employee contributions	0.0	–1.6	–1.6
Actuarial gains (–)/losses (+) due to changes in financial assumptions	11.5	0.0	11.5
Actuarial gains (–)/losses (+) due to changes in demographic assumptions	–0.1	0.0	–0.1
Actuarial gains (–)/losses (+) due to experience-based adjustments	22.8	0.0	22.8
Plan settlements	0.0	0.0	0.0
Other	–0.9	–0.8	–1.7
Reclassification of liabilities held for sale	–21.5	0.0	–21.5
Balance as of March 31, 2024	**587.3**	**–279.3**	**308.0**

In millions of euros

The major plan asset categories for the periods presented in the Consolidated Financial Statements as of March 31, 2024, are as follows:

2022/23

Category	Assets with a quoted market price in an active market	Assets without a quoted market price in an active market	Total assets
Debt instruments	38.4%	0.0%	38.4%
Equity instruments	30.6%	0.0%	30.6%
Property	0.0%	4.5%	4.5%
Cash and cash equivalents	4.2%	0.0%	4.2%
Insurance contracts	0.0%	8.8%	8.8%
Other assets	13.4%	0.1%	13.5%
Total	**86.6%**	**13.4%**	**100.0%**

2023/24

Category	Assets with a quoted market price in an active market	Assets without a quoted market price in an active market	Total assets
Debt instruments	39.3%	0.0%	39.3%
Equity instruments	30.3%	0.0%	30.3%
Property	0.0%	5.4%	5.4%
Cash and cash equivalents	4.6%	0.0%	4.6%
Insurance contracts	0.0%	8.8%	8.8%
Other assets	11.6%	0.0%	11.6%
Total	**85.8%**	**14.2%**	**100.0%**

The plan assets include treasury shares with a fair value of EUR 0.6 million (March 31, 2023: EUR 0.8 million).

The average expected return is determined by the portfolio structure of the plan assets, empirical data, and estimates of future returns. The calculation of the provisions for pensions was based on an expected (average) interest rate of 3.8% on plan assets. The actual interest rate was 5.5% (2022/23: –6.7%).

Pension obligations arising from the Group's Austrian companies are transferred to APK-Pensionskasse Aktiengesellschaft.

The investment policies aim to ensure that the plan assets have the best possible structure and that existing entitlements are always covered.

Investment of the plan assets in Austria is governed by Section 25 Austrian Pension Fund Act *(Pensionskassengesetz – PKG)* and the Austrian Investment Fund Act *(Investmentfondsgesetz – InvFG)*. Beyond these statutory requirements, the investment guidelines of APK-Pensionskasse Aktiengesellschaft regulate issues such as the range of asset allocation, the use of umbrella funds, and the selection of fund managers. New investment instruments or the use of a broader range of funds require the approval of APK-Pensionskasse Aktiengesellschaft's management board. Both equity and debt securities are diversified globally, but most of the debt securities are denominated or hedged in euros.

The assets of the Austrian Investment and Risk Association (Veranlagungs- und Risikogemeinschaft – VRG 15) are invested in international equity and bond funds, alternative investment strategies (e.g., properties and private equity) as well as money market funds. The Association's long-term investment goal is to outperform the benchmark—30% global equities, 10% private equity, 40% global bonds, 5% cash, 5% alternatives, and 10% properties—and to cover its current and future payment obligations. In accordance with Section 25 PKG, the assets of VRG 15 are invested in ways that guarantee the security, quality, liquidity, and profitability of the assets allocated to the Association on the whole.

Asset allocation or regional allocation that deviates from the benchmark allocation are permitted if APK-Pensionskasse Aktiengesellschaft believes that current asset prices and/or future expected returns warrant such an approach. Active asset management strategies may be utilized for all asset classes if market characteristics and/or cost/benefit considerations justify doing so.

Most of VRG 15's assets are invested in liquid markets where prices are regularly quoted. Assets for which no active market price is quoted (e.g., certain property assets and private equity strategies) may be subject to conservative approaches as long as the risk/return profile of such assets is deemed advantageous.

Risk is managed actively, and it is generally expected that volatility and especially drawdown risks will be lower than the benchmark risk.

EUR 57.3 million (2022/23: EUR 52.8 million) in expenses were recognized in the income statement for defined contribution plans.

The sensitivity analysis of the key actuarial assumptions used to determine defined benefit obligations affects the DBO as follows:

SENSITIVITIES

	Interest rate		Salary/wage increases		Pension increases	
	+1.0%	**–1.0%**	**+0.5%**	**–0.5%**	**+0.25%**	**–0.25%**
Pensions	–10.2%	+12.5%	+0.3%	–0.3%	+2.3%	–2.2%
Severance payments	–8.2%	+9.5%	+4.5%	–4.2%	0.0%	0.0%

Group-wide figures were determined for the effects associated with the interest rate, wage and salary increases, and pension increases. The sensitivities are not determined by way of estimates or approximations but instead by way of comprehensive analyses subject to variation of the parameters.

For the business year 2024/25, the expected contributions to the defined benefit plans are EUR 1.8 million.

The average interest-weighted term of pension plans is 11.5 years, and 9.1 years for severance payments.

PROVISIONS FOR LONG-SERVICE BONUSES

	2022/23	2023/24
Present value of the long-service bonus obligations (DBO) as of April 1	**150.3**	**139.4**
Service costs for the period	9.2	8.2
Interest costs for the period	2.8	5.1
Changes in the scope of consolidation	0.0	0.0
Long-service bonus payments	–8.0	–10.1
Actuarial gains (–)/losses (+) due to changes in assumptions	–22.1	3.2
Actuarial gains (–)/losses (+) due to experience-based adjustments	7.2	8.4
Other	0.0	0.1
Reclassification of liabilities held for sale	0.0	–0.7
Present value of the long-service bonus obligations (DBO) as of March 31	**139.4**	**153.6**

In millions of euros

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

	2022/23	2023/24
Service costs for the period and past service costs	25.3	19.6
Net interest for the period	21.2	35.2
Gains (–)/losses (+) on plan settlements/curtailments	0.1	0.0
Actuarial gains (–)/losses (+) from long-service bonus obligations	–14.9	11.6
Expenses/revenue recognized in the income statement	**31.7**	**66.4**

In millions of euros

Net interest for the period is recognized in finance costs.

19. PROVISIONS

	Balance as of 04/01/2023	Changes in the scope of consolidation	Net exchange differences	Use	Re-versals	Trans-fers	Addi-tions	Reclassifi-cation of discontinued operations	Balance as of 03/31/2024
Non-current provisions									
Other personnel expenses	10.3	0.0	0.0	−1.7	−0.1	0.0	1.3	−5.0	4.8
Warranties and other risks	4.3	0.0	0.0	−2.1	−0.1	−0.5	7.6	0.0	9.2
Other non-current provisions	79.0	0.6	0.4	−2.8	−21.6	−7.1	11.9	−12.2	48.2
	93.6	**0.6**	**0.4**	**−6.6**	**−21.8**	**−7.6**	**20.8**	**−17.2**	**62.2**
Current provisions									
Unused vacation entitlements	158.9	0.0	−0.1	−101.2	−0.6	0.1	113.8	−1.8	169.1
Other personnel expenses	301.0	−0.7	−0.1	−241.2	−10.4	−0.1	195.8	−8.9	235.4
Warranties and other risks	75.1	0.0	−0.5	−14.8	−12.5	0.6	23.8	−1.8	69.9
Onerous contracts	36.2	0.0	−0.1	−17.9	−3.6	0.2	19.1	0.0	33.9
Other current provisions	483.9	−0.4	−0.1	−376.0	−16.1	14.9	302.5	5.5	414.2
	1,055.1	**−1.1**	**−0.9**	**−751.1**	**−43.2**	**15.7**	**655.0**	**−7.0**	**922.5**
	1,148.7	**−0.5**	**−0.5**	**−757.7**	**−65.0**	**8.1**	**675.8**	**−24.2**	**984.7**

In millions of euros

The provisions for personnel expenses mainly include incentive payments and bonuses. Provisions for warranties and other risks as well as for onerous contracts concern current operating activities. The other provisions mainly consist of provisions for sales commission; litigation, legal, and consulting fees; and environmental protection obligations. Other current provisions include environmental protection obligations of EUR 225.5 million (2022/23: EUR 293.7 million), which relate almost exclusively to CO_2 allowances.

The total expense for CO_2 certificates in the past business year 2023/24 amounted to EUR 231.6 million and was recognized in the cost of sales.

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

Provisions for onerous contracts are recognized when the unavoidable cost of meeting the given contractual obligations exceeds the expected revenue. Before recognizing separate provisions for an onerous contract, an entity recognizes an impairment loss on the assets associated with the given contract.

The antitrust investigations of the German Federal Cartel Office *(Bundeskartellamt)* regarding railway superstructure material that voestalpine triggered in 2011 by way of an application under the Leniency Notice were completed in 2013 as far as voestalpine is concerned. A total of EUR 14.9 million in fines were issued against voestalpine in this connection. Another application under the Leniency Notice by voestalpine triggered the Bundeskartellamt's investigation against special steel companies; it was completed in July 2018 as far as voestalpine is concerned. As the principal witness, no fines were imposed on voestalpine. In connection with the proceedings that the Bundeskartellamt launched in September 2017 pursuant to a search warrant on suspicion of anti-competitive practices under German competition law in the heavy plate segment, voestalpine agreed in December 2019 to settle the matter by paying a fine of EUR 65.5 million. Hence these proceedings have been ended as well.

To the extent relevant, voestalpine set up provisions as of the March 31, 2024, reporting date for any negative effects from these anti-trust investigations.

Increases in provisions totaling EUR 1.5 million (2022/23: EUR 1.7 million) are included in these Consolidated Financial Statements due to both accrued interest and changes in the discount rate.

20. FINANCIAL LIABILITIES

	Remaining term of up to 1 year		Remaining term of more than 1 year	
	03/31/2023	03/31/2024	03/31/2023	03/31/2024
Bonds and liabilities to banks	735.9	1,488.3	1,908.2	1,205.0
Liabilities from leases	51.2	121.0	298.0	246.3
Liabilities to affiliates	7.2	6.9	0.0	0.0
Other financial liabilities	42.3	71.8	36.0	8.4
	836.6	**1,688.0**	**2,242.2**	**1,459.7**

In millions of euros

On September 27, 2017, voestalpine AG issued a fixed interest bond of EUR 500.0 million. The bond will be redeemed in September 2024 and carries an annual interest rate of 1.375%.

On April 10, 2019, voestalpine AG issued a fixed interest bond of EUR 500.0 million. The bond will be redeemed in April 2026 and carries an annual interest rate of 1.75%.

A convertible bond with a nominal value of EUR 250.0 million was issued in the 2023/24 business year. The bond matures on April 28, 2028 and carries an annual interest rate of 2.75% payable semi-annually in arrears. The bondholders have the right to convert the bond with a nominal value of EUR 100,000.00 each into settlement shares during the conversion period from June 8, 2023 to the 24th business day before the final maturity date (final maturity date April 28, 2028) or, in the event of termination by voestalpine AG, until the 24th business day before the repayment date. Regarding the equity component of this convertible bond, see Note 17. Equity.

21. TRADE AND OTHER PAYABLES

	03/31/2023[1]	03/31/2024
Trade payables	1,956.3	1,739.1
Contract liabilities	267.8	291.7
Other liabilities from taxes	125.5	126.5
Other liabilities related to social security	73.0	80.5
Other liabilities	386.6	416.9
	2,809.2	**2,654.7**

[1] Business year 2022/23, retroactively adjusted.

In millions of euros

22. TRADE PAYABLES FROM BILLS OF EXCHANGE AND TRADE PAYABLES FROM REVERSE FACTORING AGREEMENTS

	03/31/2023	03/31/2024
Trade payables from bills of exchange accepted and drawn	968.9	842.1
Trade payables with reverse factoring agreements	54.2	26.2
	1,023.1	**868.3**

In millions of euros

voestalpine enables select suppliers to participate in a variety of supply chain finance models. This largely concerns bills of exchange payable as well as reverse factoring models.

Suppliers are given the option to receive early payment by selling their receivables to a financial institution at a discount. voestalpine pays at the time the associated bill of exchange is due or at the time the invoice under the reverse factoring agreement is due.

The invoice amounts arise from supply and service relationships. They are an integral part of working capital. voestalpine paid a total of EUR 39.0 million (2022/23: EUR 20.1 million) in interest expense that it incurs in connection with these models. The company also provides Group guarantees to the financial institutions. The payment terms are usually extended by up to 115 days.

The payments to the financial institutions at the time the bills of exchange are presented, and the reverse factoring liabilities paid are shown in the cash flows from operating activities, because they are considered a part of the Group's ordinary operating cycle and continue to be elements of its operating costs, i.e., payments for goods and services.

23. CONTINGENT LIABILITIES

	03/31/2023	03/31/2024
Liabilities from the issue and transfer of bills of exchange	0.0	0.0
Surety bonds and guarantees	0.5	0.5
	0.5	**0.5**

In millions of euros

In addition, there are long-term purchase commitments in connection with the Group's raw material and energy supply, which are controlled by procurement management. As of the balance sheet date, there are long-term supply contracts for raw materials (in particular HBI, iron ore, coke, and coal) and operating supplies (in particular oxygen and nitrogen) resulting in other financial obligations with a nominal value of EUR 5,268.6 million, the majority of which are based on variable price formulas and can therefore be assumed to be transferable in the market. The remaining terms are 2 – 11 years.

In addition, there are other financial obligations with a nominal value of EUR 438.4 million from long-term energy purchase agreements (band hedges with energy supply companies and PPAs that do not fall under IFRS 16), the majority of which are based on fixed prices and are not measured as derivatives using the own use exemption in accordance with IFRS 9. The remaining terms are mainly 2 – 13 years.

24. FINANCIAL INSTRUMENTS

General information

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

The Group also uses derivative financial instruments. They mainly include interest rate swaps, forward exchange transactions, and commodity swaps. These derivative financial instruments serve to hedge interest rate and currency risks as well as 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 the availability of the liquidity necessary for supporting the Group's business activities and maximizing shareholder value, the primary objective of its capital management is to ensure an adequate credit rating and a satisfactory equity ratio.

The voestalpine Group manages its capital using the net financial debt to EBITDA ratio as well as the gearing ratio, i.e., the net financial debt to equity ratio. Net financial debt consists of interest-bearing loans less financing receivables, loan receivables, securities as well as cash and cash equivalents. Equity includes non-controlling interests in Group companies.

The target 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/EBITDA ratio shall not exceed 2.0 and, if it does, only for a limited time. All growth measures and capital market transactions are aligned with these ratios.

These two ratios developed as follows in the reporting period:

	03/31/2023[1]	03/31/2024
Gearing ratio in %	21.6%	22.0%
Net financial debt to EBITDA ratio	0.7	1.0

[1] Business year 2022/23, retroactively adjusted.

Financial risk management – Corporate finance organization

Financial risk management also includes raw material and energy risk management. Financial risk management is organized centrally with respect to policy-making power, strategy determination, and target definition. The existent policies include targets, principles, duties, and responsibilities for both Group Treasury and individual Group companies. In addition, they govern matters related to pooling; money markets; credit and securities management; currency, interest rate, liquidity, and commodity price risks; and the reporting system. Group Treasury, acting as a service center, is responsible for implementation. Three organizationally separate units are responsible for closing, processing, and recording transactions, which makes sure that a six-eyes principle is followed. These policies, policy compliance, and the conformity of the business processes with the internal control system (ICS) are additionally reviewed at regular intervals by an external auditor.

It is part of the voestalpine Group's corporate policy to continuously monitor, quantify, and—where reasonable—hedge financial risks. The Group's risk appetite is more on the low side. The strategy is aimed at achieving natural hedges and reducing fluctuations in cash flows and earnings. Market risks are also hedged by means of derivative financial instruments.

To quantify interest rate risks, voestalpine AG uses the interest rate exposure as an indicator. The interest rate exposure quantifies the impact of a one-percentage-point change in the market rate on interest income and/or interest expense.

Putting in place a netting process aggregates and balances the Group's foreign currency cash flows. This creates a natural hedge.

A sensitivity analysis is carried out to quantify the currency risk based on a potential strengthening (weakening) of the euro relative to the other currencies by 10% as of March 31. The analysis posits that all other influencing factors are constant.

Liquidity risk – Financing
Liquidity risk refers to the risk of not being able to fulfill payment obligations due to insufficient funds.

The primary instrument for controlling liquidity risks is an up-to-date knowledge of the Group-wide liquidity position and a precise financial plan that is submitted quarterly on a revolving basis by the operating entities directly to Group Treasury of voestalpine AG. The need for funds and bank credit lines is determined based on the consolidated results. The planned liquidity needs for the next 12 months are to be covered by a liquidity reserve.

Working capital is financed by 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. Group Treasury deposits any residual liquidity with its principal banks. This makes it possible to lower the borrowing volume and optimize net interest income.

Financing is either conducted in the given borrower's local currency to avoid exchange rate risks or is currency hedged using currency swaps.

voestalpine AG carries contractually guaranteed credit lines of EUR 1,000.0 million (2022/23: EUR 1,000.0 million) as a capitalized liquidity reserve. In addition, an item in current assets comprises securities and short-term investments that are used to cover any unexpected need for liquidity. As of March 31, 2024, freely disposable securities were EUR 158.2 million (March 31, 2023: EUR 341.3 million). These encompass repo transactions entailing CO_2 repos (purchases of CO_2 allowances subject to simultaneous repurchase agreements) in the amount of EUR 54.9 million (March 31, 2023: EUR 266.3 million). Furthermore, cash and cash equivalents in the amount of EUR 1,322.1 million (March 31, 2023: EUR 1,055.8 million) are reported in the Consolidated Financial Statements.

The voestalpine Group's payable bills of exchange may lead to a concentration of risk because liabilities previously distributed among diverse creditors are now concentrated in the financial institutions involved. Any unilateral withdrawal by one or more banks of the arrangements regarding future transactions would lead to short-term liquidity needs. The voestalpine Group manages the concentration of risk by broadly diversifying the relevant financial instruments among different banks. In addition, the risk is mitigated by way of the existent liquidity reserve as well as cash and cash equivalents in the amount of EUR 2,322.1 million (previous year: EUR 2,055.8 million). As far as the payable bills of exchange are concerned, the largest of the twelve creditors accounts for a mere EUR 217.6 million (March 31, 2023: EUR 217.4 million), i.e., 9.4% (March 31, 2023: 10.6%), when compared with the liquidity reserve and the cash and cash equivalents. The liquidity risk from reverse factoring liabilities is of minor significance because of the low volume of such liabilities.

The sources of financing are managed pursuant to the principle that the Group must remain independent of banks. Hence financing is currently provided by approximately 20 different domestic and foreign banks. The capital market is also used as a source of financing.

In the business year 2022/23, no capital market transaction was effected.

In the business year 2023/24 the following capital market transaction was effected.

Emission Convertible Bond	EUR 250.0 million

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

LIABILITIES

	Due within 1 year		Due between 1 and 5 years		Due after more than 5 years	
	2022/23[1]	2023/24	2022/23	2023/24	2022/23	2023/24
Bonds	131.0	676.9	998.2	732.2	49.9	50.0
Bank loans	604.9	811.4	798.1	422.8	62.0	0.0
Trade payables	1,955.8	1,738.8	0.5	0.3	0.0	0.0
Trade payables from bills of exchange and trade payables from reverse factoring agreements	1,023.1	868.3	0.0	0.0	0.0	0.0
Liabilities from leases	51.2	121.0	143.9	122.8	154.1	123.5
Liabilities from foreign currency hedges and commodity hedges	27.7	33.8	8.3	7.1	0.0	0.0
Thereof designated as hedge accounting	16.5	24.8	8.3	4.7	0.0	0.0
Liabilities from interest hedges (incl. cross currency swaps)	0.9	0.0	0.0	0.0	0.0	0.0
Thereof designated as hedge accounting	0.0	0.0	0.0	0.0	0.0	0.0
Other financial liabilities	49.5	78.7	36.0	8.4	0.0	0.0
Other liabilities	127.8	148.8	24.3	16.5	0.0	0.0
Total liabilities	**3,971.9**	**4,477.7**	**2,009.3**	**1,310.1**	**266.0**	**173.5**

[1] Business year 2022/23, retroactively adjusted.

In millions of euros

As estimated as of the reporting date, the following (prospective) interest expense corresponds to these existent liabilities:

	Due within 1 year		Due between 1 and 5 years		Due after more than 5 years	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
Interest on bonds	16.9	24.2	36.8	45.2	3.6	2.7
Interest on bank loans	43.6	34.9	34.0	13.8	1.3	0.0
Interest on liabilities from leases	10.2	9.1	26.6	21.0	26.2	53.6
Interest on interest hedges (incl. cross currency swaps)	11.3	6.7	0.0	0.0	0.0	0.0
Interest on other financial liabilities	0.8	0.9	0.9	0.2	0.0	0.0
Total interest expense	**82.8**	**75.8**	**98.3**	**80.2**	**31.1**	**56.3**

In millions of euros

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

The management of credit risks 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 being contingent on the bank's rating.

For the most part, cash and cash equivalents are deposited with banks whose credit ratings are good. They are generally invested for the short term. The associated credit risk thus is secondary.

BREAKDOWN OF INVESTMENTS AT FINANCIAL INSTITUTIONS BY RATING CLASS

	AAA	AA	A	BBB	<BBB/NR
Money market investments excl. account credit balances	0.0	258.0	213.0	0.0	0.0
Derivatives[1]	0.0	4.2	5.1	0.0	0.1

[1] Only positive fair values.

In millions of euros

The credit risk associated with derivative financial instruments is limited to transactions with a positive fair value and, in this case, to the amount of the fair value. As a result, solely the positive fair value of the derivative transactions is counted against the limit. Derivatives are closed exclusively based on standardized master agreements for financial futures transactions.

The credit risk of the underlying transactions is minimized to a large degree through a large number of credit insurances and bankable securities (guarantees, letters of credit). The default risk related to the Group's remaining own risk is managed by way of defined credit assessment, risk evaluation, risk classification, and credit monitoring processes. The credit risk of the counterparties to financial contracts is managed by monitoring the given counterparties' credit ratings and changes in their credit default swap (CDS) levels on a regular basis.

Depending on both the customer structure and the line of business, in most cases financial assets are deemed to have been defaulted when they are more than 180 days past due or when it is no longer certain that they will be paid in full absent collateral sales.

Receivables are classified as financial assets with impaired credit ratings when specific indicators of impairment are present (in particular, substantial financial difficulties on the part of the debtor, default or late payments, heightened risk of insolvency). Receivables are written off (derecognized) when they become uncollectible (especially when the counterparty becomes insolvent). A write-up to the amortized cost is made if the reasons for the write-down no longer exist.

The maximum theoretical default risk equals the amount at which the receivables are recognized in the statement of financial position.

The expected loss rates are determined based on historical default rates in the past five years.

As most of the receivables are insured, the risk of bad debt losses may be considered minor. There is no concentration of default risks because the customer portfolio is well diversified.

The gross carrying amounts and allowances for trade receivables and contract assets are as follows:

	2022/23[1]	2023/24
Gross carrying amount of trade receivables and contract assets	1,406.8	1,416.9
Less gross carrying amount of trade receivables and contract assets that are credit-impaired	–45.4	–33.2
Gross carrying amount of trade receivables and contract assets that are not credit-impaired	**1,361.4**	**1,383.7**
Less portfolio value adjustments	–0.5	–0.5
Net carrying amount of trade receivables and contract assets that are not credit-impaired	**1,360.9**	**1,383.2**

[1] Business year 2022/23, retroactively adjusted.

In millions of euros

TRADE RECEIVABLES AND CONTRACT ASSETS THAT ARE PAST DUE BUT NOT CREDIT-IMPAIRED

	2022/23	2023/24
Up to 30 days past due	146.5	183.1
31 to 60 days past due	31.6	43.6
61 to 90 days past due	16.1	14.5
91 to 120 days past due	5.8	10.7
More than 120 days past due	24.1	25.5
Total	**224.1**	**277.4**

In millions of euros

The loss allowances for trade receivables and contract assets that are credit-impaired have developed as follows:

LOSS ALLOWANCE FOR RECEIVABLES THAT ARE CREDIT-IMPAIRED (INDIVIDUAL VALUE ADJUSTMENTS)

	2022/23	2023/24
Opening balance as of April 1	**34.9**	**32.0**
Additions	8.6	6.2
Net exchange differences	–0.4	0.1
Changes in the scope of consolidation	0.0	0.0
Reversal	–8.9	–6.4
Use	–2.2	–2.5
Reclassification of assets held for sale	0.0	–0.1
Closing balance as of March 31	**32.0**	**29.3**

In millions of euros

In the business year 2023/24, the portfolio value adjustments were not affected by any significant individual loss allowances.

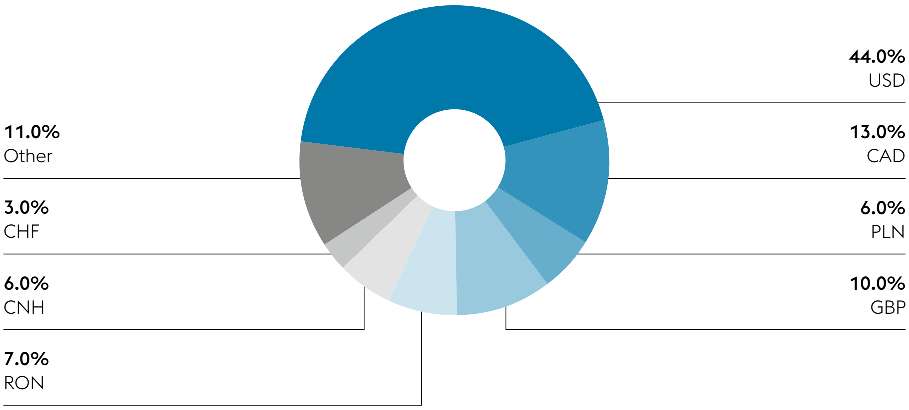
Currency risk

The largest currency position in the Group arises from raw materials purchases in USD; however, the global business activities of the voestalpine Group also give rise to currency exposures in various other currencies.

Cash inflows and outflows in the respective currencies are offset thanks to the implementation of rolling multi-currency netting. The natural hedge created in this way mitigates risk. The use of derivative hedging instruments is another option. voestalpine AG hedges budgeted foreign currency payments at most over the next 12 months. Longer-term hedging occurs only for contracted projects. The hedging ratio is between 25% and 100%. The further in the future the cash flows, the lower the hedging ratio.

In the business year 2023/24, the net need for US dollars in the voestalpine Group was USD 698.7 million. In particular, the decrease compared with the previous business year (USD 1,458.8 million) is due to decreased USD requirements for raw materials purchases. The remaining foreign currency exposure, resulting primarily from exports to “non-eurozone countries” and raw material purchases, is significantly lower than the USD risk.

FOREIGN CURRENCY PORTFOLIO 2023/24



Based on the sensitivity analysis, as of March 31, 2024, the risks of all open positions relative to the Group currency for the upcoming business year are as follows:

FOREIGN CURRENCY PORTFOLIO FOR 2024/25

	Planned position	Rate 03/31/2024	Planned position (EUR)	Planned position (EUR) +10%	Delta (EUR) +10%	Planned position (EUR) −10%	Delta (EUR) −10%
USD	−775.5	1.0811	−717.3	−652.1	65.2	−797.0	−79.7
GBP	108.4	0.8551	126.8	115.3	−11.5	140.9	14.1
RON	465.5	4.9735	93.6	85.1	−8.5	104.0	10.4
PLN	385.2	4.3123	89.3	81.2	−8.1	99.3	9.9
CAD	125.8	1.4672	85.7	77.9	−7.8	95.3	9.5
CNH	550.3	7.8144	70.4	64.0	−6.4	78.2	7.8
SEK	−333.6	11.5250	−28.9	−26.3	2.6	−32.2	−3.2
Other			33.7	30.6	−3.1	37.4	3.8
Total					**22.4**		**−27.4**

In millions of euros

Interest rate risks

voestalpine AG is primarily subject to cash flow risks (the risk that interest expenses or interest income will undergo a detrimental change) in connection with variable-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 the interest expense subject to risk considerations.

The variable-interest positions on the asset side of EUR 1,320.5 million (2022/23: EUR 1,067.6 million) exceed the variable-interest positions on the liabilities side of EUR 1,271.7 million (2022/23: EUR 1,327.8 million), so that a one-percentage-point increase in the money market rate decreases the net interest expense by EUR –0.5 million (2022/23: increases by EUR 2.6 million). A decrease in the interest rate by one-percentage-point increases the net interest expense by EUR 0.5 million (2022/23: decreases by EUR –2.6 million).

The weighted average interest rate for asset positions is 3.82% (2022/23: 2.63%) with a duration of 0.00 years (2022/23: 0.00 years)—including money market investments—and 3.13% (2022/23: 2.85%) for liability positions with a duration of 1.28 years (2022/23: 1.71 years).

	Position[1]	Weighted average interest rate	Duration (years)[2]	Average capital commitment (years)[2]	Cash flow risk +1% point[1]	Cash flow risk –1% point[1]
Assets	1,320.5	3.82%	0.00	0.00	–13.2	13.2
Liabilities	2,795.3	3.13%	1.28	1.34	12.7	–12.7
Net	–1,474.8				–0.5	0.5

[1] In millions of euros.
[2] Excluding revolving export loans of EUR 150.0 million.

Derivative financial instruments

In the business year 2023/24, hedge accounting in accordance with IFRS 9 was used to hedge foreign currency cash flows, interest-bearing receivables and liabilities, and raw materials purchase agreements. In this connection, all transactions related to foreign currency and interest rate hedges are hedged in total. The commodity index component is hedged solely in connection with raw materials procurement contracts. A hedging ratio of 100% is stipulated in this connection. The hedges are cash flow hedges. Hedge accounting is only applied to a portion of the completed hedge transactions.

The following derivative financial instruments are classified as cash flow hedges:

	Nominal amount[1]		Fair value			
			Assets		Liabilities	
	03/31/2023	03/31/2024	03/31/2023	03/31/2024	03/31/2023	03/31/2024
Cash flow hedge						
Foreign currency hedges	519.2	665.1	4.9	4.4	14.0	5.9
Commodity hedges	266.7	251.1	12.5	1.1	10.7	23.6
Total	**785.9**	**916.2**	**17.4**	**5.5**	**24.7**	**29.5**

[1] A total of EUR 747.1 million (2022/23: EUR 564.9 million) of the derivative financial instruments classified as cash flow hedges have short-term maturities. The remaining portion largely has maturities up to five years (2022/23: up to five years).

Line item in the statement of financial position that includes the hedging instrument	Change in the fair value used as the basis for recognizing hedge ineffectiveness		Ineffectiveness	
	2022/23	2023/24	2022/23	2023/24
Trade and other receivables (assets), Trade and other payables (liabilities)	−9.1	−1.5	0.0	0.0
Trade and other receivables (assets), Trade and other payables (liabilities)	1.8	−22.5	0.0	0.0
	−7.3	**−24.0**	**0.0**	**0.0**

In millions of euros

The hedging volume of key foreign currency hedges is as follows:

	Nominal amount (in millions of euros)		Average hedging rate	
	03/31/2023	03/31/2024	03/31/2023	03/31/2024
Cash flow hedge				
Foreign currency hedges				
USD	410.9	533.2	1.1227	1.1022

The following underlying transactions were hedged:

	Change in the value of the hedged item used as the basis for recognizing any ineffectiveness		Cash flow hedge reserve	
	03/31/2023	03/31/2024	03/31/2023	03/31/2024
Cash flow hedge				
Currency risk (future purchase and sale transactions)	9.1	1.5	–9.1	–1.5
Commodity price risk (future purchase and sale transactions)	–1.8	22.5	1.8	–22.5
Total	**7.3**	**24.0**	**–7.3**	**–24.0**

In millions of euros

The cash flow hedge reserve developed as follows:

CASH FLOW HEDGE

	2022/23	2023/24
Opening balance as of April 1	**39.2**	**–5.6**
Hedging gains and losses recognized in other comprehensive income	–4.3	–22.5
Foreign currency hedges	–5.8	0.5
Commodity hedges	1.5	–23.0
Reclassification from other comprehensive income to profit or loss (revenue)	3.7	4.0
Foreign currency hedges	3.7	4.0
Reclassification from other comprehensive income to non-financial assets	–58.1	1.8
Foreign currency hedges	–1.8	3.2
Commodity hedges	–56.3	–1.4
Deferred taxes on changes in the cash flow hedge reserve	13.9	3.8
Closing balance as of March 31	**–5.6**	**–18.5**

In millions of euros

The following derivative financial instruments are measured at fair value. The associated gains/losses are posted in the income statement:

	Nominal amount		Fair value			
			Assets		Liabilities	
	03/31/2023	03/31/2024	03/31/2023	03/31/2024	03/31/2023	03/31/2024
Foreign currency hedges	1,322.1	976.5	16.6	2.0	10.7	11.3
Cross currency swaps	163.1	161.1	4.1	1.8	0.9	0.0
Commodity hedges	10.1	3.0	0.2	0.1	0.6	0.2
Total	**1,495.3**	**1,140.6**	**20.9**	**3.9**	**12.2**	**11.5**

In millions of euros

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

	Total contractual cash flows		Contractual cash flows					
			up to 1 year		between 1 and 5 years		more than 5 years	
	03/31/ 2023	03/31/ 2024	03/31/ 2023	03/31/ 2024	03/31/ 2023	03/31/ 2024	03/31/ 2023	03/31/ 2024
Foreign currency hedges								
Assets	4.9	4.4	3.1	0.8	1.0	2.1	0.8	1.5
Liabilities	–14.0	–5.9	–5.8	–2.4	–8.2	–3.5	0.0	0.0
	–9.1	**–1.5**	**–2.7**	**–1.6**	**–7.2**	**–1.4**	**0.8**	**1.5**
Commodity hedges								
Assets	12.6	1.1	12.1	1.1	0.5	0.0	0.0	0.0
Liabilities	–10.8	–23.6	–10.7	–22.4	–0.1	–1.2	0.0	0.0
	1.8	**–22.5**	**1.4**	**–21.3**	**0.4**	**–1.2**	**0.0**	**0.0**

In millions of euros

The nominal amounts are allocated to the aforementioned maturity buckets as follows:

	Total nominal amount		Nominal amount					
			up to 1 year		between 1 and 5 years		more than 5 years	
	03/31/ 2023	03/31/ 2024	03/31/ 2023	03/31/ 2024	03/31/ 2023	03/31/ 2024	03/31/ 2023	03/31/ 2024
Foreign currency hedges								
Assets	239.0	197.7	125.9	83.2	50.4	77.6	62.7	36.9
Liabilities	280.2	467.4	175.0	421.0	105.2	46.4	0.0	0.0
	519.2	**665.1**	**300.9**	**504.2**	**155.6**	**124.0**	**62.7**	**36.9**
Commodity hedges								
Assets	115.5	23.2	113.4	23.2	2.1	0.0	0.0	0.0
Liabilities	151.2	227.9	150.6	219.7	0.6	8.2	0.0	0.0
	266.7	**251.1**	**264.0**	**242.9**	**2.7**	**8.2**	**0.0**	**0.0**

In millions of euros

Categories of financial instruments

Categories	Financial assets measured at AC[1]	Hedge accounting	Financial assets measured at FVTPL	Total
Assets 03/31/2023				
Other financial assets, non-current	2.6	0.0	57.1	59.7
Trade and other receivables[2]	1,066.9	17.4	214.7	1,299.0
Other financial assets, current[2]	266.3	0.0	75.0	341.3
Cash and cash equivalents	1,055.8	0.0	0.0	1,055.8
Carrying amount	**2,391.6**	**17.4**	**346.8**	**2,755.8**

[1] The carrying amount of the financial assets measured at AC represents an adequate approximation of the fair value.
[2] Business year 2022/23, retroactively adjusted.

In millions of euros

Categories	Financial assets measured at AC[1]	Hedge accounting	Financial assets measured at FVTPL	Total
Assets 03/31/2024				
Other financial assets, non-current	2.9	0.0	60.2	63.1
Trade and other receivables	1,097.5	5.5	176.5	1,279.5
Other financial assets, current	54.9	0.0	103.3	158.2
Cash and cash equivalents	1,322.1	0.0	0.0	1,322.1
Carrying amount	**2,477.4**	**5.5**	**340.0**	**2,822.9**

[1] The carrying amount of the financial assets measured at AC represents an adequate approximation of the fair value.

In millions of euros

Categories	Financial liabilities measured at AC		Hedge accounting	Financial liabilities measured at FVTPL	Total	
	Carrying amount	Fair value	Carrying amount (= fair value)	Carrying amount (= fair value)	Carrying amount	Fair value
Liabilities 03/31/2023						
Financial liabilities, non-current	2,242.2	2,177.7	0.0	0.0	2,242.2	2,177.7
Financial liabilities, current	836.6	834.7	0.0	0.0	836.6	834.7
Trade and other payables[1, 2]	2,108.4	2,108.4	24.7	12.2	2,145.3	2,145.3
Trade payables from bills of exchange and trade payables from reverse factoring agreements[1]	1,023.1	1,023.1	0.0	0.0	1,023.1	1,023.1
Total	**6,210.3**	**6,143.9**	**24.7**	**12.2**	**6,247.2**	**6,180.8**

[1] The carrying amount of the trade and other payables, the trade payables from bills of exchange, and the payables from reverse factoring agreements represents an adequate approximation of the fair value.
[2] Business year 2022/23, retroactively adjusted.

In millions of euros

Categories	Financial liabilities measured at AC		Hedge accounting	Financial liabilities measured at FVTPL	Total	
	Carrying amount	Fair value	Carrying amount (= fair value)	Carrying amount (= fair value)	Carrying amount	Fair value
Liabilities 03/31/2024						
Financial liabilities, non-current	1,459.7	1,414.8	0.0	0.0	1,459.7	1,414.8
Financial liabilities, current	1,688.0	1,680.4	0.0	0.0	1,688.0	1,680.4
Trade and other payables[1]	1,904.3	1,904.3	29.5	11.5	1,945.3	1,945.3
Trade payables from bills of exchange and trade payables from reverse factoring agreements[1]	868.3	868.3	0.0	0.0	868.3	868.3
Total	**5,920.3**	**5,867.8**	**29.5**	**11.5**	**5,961.3**	**5,908.8**

[1] The carrying amount of the trade and other payables, the trade payables from bills of exchange, and the payables from reverse factoring agreements represents an adequate approximation of the fair value.

In millions of euros

The financial liabilities measured at amortized cost, excluding bonds issued, fall under Level 2. Valuation is performed according to the discounted cash flow method, whereby the input parameters for the calculation of the fair values are the foreign exchange rates, interest rates, and credit spreads observable on the market. Using the input parameters, the fair values are calculated by discounting estimated future cash flows at market interest rates.

Bonds issued are measured using Level 1 inputs based on the quoted price as of the reporting date.

The table below analyzes regular fair value measurements of financial assets and financial liabilities. These measurements are based on a fair value hierarchy that categorizes the inputs included in the valuation methods used to measure fair value into three levels. The three levels are defined as follows:

INPUTS

Level 1	Comprises quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Comprises inputs other than the quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Comprises unobservable inputs for the asset or liability.

FAIR VALUE HIERARCHY LEVELS USED FOR RECURRING FAIR VALUE MEASUREMENTS

	Level 1	Level 2	Level 3	Total
03/31/2023				
Financial assets				
Other financial assets, non-current	13.1	0.0	44.0	57.1
Receivables from derivatives – hedge accounting	0.0	17.4	0.0	17.4
Trade and other receivables	0.0	20.9	193.8	214.7
Other financial assets, current	75.0	0.0	0.0	75.0
	88.1	**38.3**	**237.8**	**364.2**
Financial liabilities				
Liabilities from derivatives – hedge accounting	0.0	24.7	0.0	24.7
Trade and other payables	0.0	12.2	0.0	12.2
	0.0	**36.9**	**0.0**	**36.9**
03/31/2024				
Financial assets				
Other financial assets, non-current	13.7	0.0	46.5	60.2
Receivables from derivatives – hedge accounting	0.0	5.5	0.0	5.5
Trade and other receivables	0.0	3.9	172.6	176.5
Other financial assets, current	103.3	0.0	0.0	103.3
	117.0	**9.4**	**219.1**	**345.5**
Financial liabilities				
Liabilities from derivatives – hedge accounting	0.0	29.5	0.0	29.5
Trade and other payables	0.0	11.5	0.0	11.5
	0.0	**41.0**	**0.0**	**41.0**

In millions of euros

The derivative transactions (Level 2) are measured using the discounted cash flow method by determining the value that would be realized if the hedging position were closed out (liquidation method). The observable currency exchange rates and raw materials prices as well as interest rates are the input for the calculation of fair values. Fair values are calculated based on the inputs by discounting expected future cash flows at market interest rates.

The voestalpine Group recognizes reclassifications between different levels of the fair value hierarchy as of the end of the reporting period in which the change occurred. There were no reclassifications in the business years 2022/23 or 2023/24.

The table below presents the reconciliation of Level 3 financial assets measured at fair value between the opening balance and the closing balance, as follows:

LEVEL 3 – FVTPL – OTHER FINANCIAL ASSETS – NON-CURRENT

	2022/23	2023/24
Opening balance	**41.3**	**44.0**
Total of gains/losses recognized in the income statement:		
Finance costs/Finance income	2.7	2.5
Closing balance	**44.0**	**46.5**

In millions of euros

Level 3 includes the equity investment in Energie AG Oberösterreich that is measured at fair value. The fair value of this entity can be reliably determined based on the valuation report that is prepared once a year for Energie AG Oberösterreich as a whole, taking into account all relevant information.

Significant sensitivities in the determination of the fair values may result from changes in the underlying market data of comparable entities and the input factors used to determine the net present value (particularly discount rates, non-current forecasts, plan data, etc.).

LEVEL 3 – FVTPL – TRADE RECEIVABLES (SALE BUSINESS MODEL)

	2022/23	2023/24
Opening balance as of April 1	**260.2**	**193.8**
Reclassification of discontinued operations	0.0	0.0
Disposals	–260.2	–193.8
Additions	193.8	172.6
Closing balance as of March 31	**193.8**	**172.6**

In millions of euros

The receivables in this portfolio are sold monthly on a rolling basis as part of the Group's factoring programs. The measurement gains or losses allocable to this portfolio are of secondary significance.

The credit risk associated with a particular debtor is the key factor in the fair value determination of the portfolio entitled, "Trade and other receivables held for factoring." Any increase/decrease by 1% in the established default rates thus would change the fair value of this portfolio at most in the same amount; as a rule, however, the fair value change is disproportionately low, because credit insurance has been purchased for significant portions of the portfolio.

The table below shows the net gains and losses on financial instruments, broken down by measurement category:

	2022/23	2023/24
Financial assets at AC	21.2	49.9
Financial liabilities at AC	–95.5	–143.5
Financial assets at FVTPL	12.9	19.4
Derivatives at FVTPL	–4.9	–31.0

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 are as follows:

	2022/23	2023/24
Total interest income	23.7	49.7
Total interest expense	–95.8	–143.6

In millions of euros

The impairment loss on financial instruments measured at AC is EUR 6.2 million (2022/23: EUR 9.3 million), and the reversals of loss allowances are EUR 6.4 million (2022/23: EUR 8.9 million).

25. 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 consolidation were eliminated and reported in the cash flows from investing activities.

NON-CASH EXPENSES AND INCOME, DEPOSITS AND DISBURSEMENTS NOT RECOGNIZED IN INCOME STATEMENT

	2022/23[1]	2023/24
Depreciation, amortization, impairment / reversal	938.3	1,072.4
Thereof from discontinued operations	0.0	0.0
Result from the sale of assets	–130.5	–14.0
Changes in pensions and other employee obligations, non-current provisions, and deferred taxes	45.8	0.8
Other non-cash expenses and income, deposits and disbursements not recognized in income statement	–61.4	2.5
Thereof from discontinued operations	–26.8	0.0
	792.2	**1,061.7**
Thereof from discontinued operations	**–26.8**	**0.0**

[1] Business year 2022/23, retroactively adjusted.

In millions of euros

Cash flows from investing activities include inflows of cash and cash equivalents from acquisitions in the amount of EUR 8.6 million (2022/23: EUR 1.5 million) and outflows of acquisition costs in the amount of EUR 28.5 million (2022/23: EUR 9.6 million). The disposal of subsidiaries resulted in an outflow of cash and cash equivalents from cash flows from investing activities of EUR 2.5 million (2022/23: EUR 11.2 million) and in a cash inflow in the amount of EUR 21.0 million (2022/23: EUR 747.0 million).

The cash flows and non-cash changes in financial liabilities are presented below:

	Balance as of April 1	Increase in non-current financial liabilities	Repayment of non-current financial liabilities (including current maturities of long-term debt)	Repayment of lease liabilities
Financial liabilities 2022/23				
Non-current financial liabilities	2,356.2	7.9	–214.0	0.0
Current financial liabilities	572.8	0.0	–87.1	0.0
Non-current lease liabilities	290.0	0.0	0.0	–1.2
Current lease liabilities	51.1	0.0	0.0	–48.2
Total financial liabilities	**3,270.1**	**7.9**	**–301.1**	**–49.4**
Financial liabilities 2023/24				
Non-current financial liabilities	1,944.2	251.7	–4.1	0.0
Current financial liabilities	785.4	0.0	–229.7	0.0
Non-current lease liabilities	298.0	0.0	0.0	–2.7
Current lease liabilities	51.1	0.0	0.0	–61.1
Total financial liabilities	**3,078.7**	**251.7**	**–233.8**	**–63.8**

The additions to assets due to finance lease activities contain non-cash investments in the amount of EUR 90.3 million (2022/23: EUR 70.3 million), which are included in other changes in the table above. Other changes also include the equity component of the convertible bond in the amount of EUR –18.8 million.

	Cash flows	Non-cash changes					Balance as of March 31
	Change in current financial liabilities and other financial liabilities	Changes in the scope of consolidation	Foreign exchange effects	Reclassifications	Reclassification from discontinued operations	Other changes	
	–1.2	2.9	22.5	–230.5	0.0	0.4	1,944.2
	77.0	2.6	–10.4	230.5	0.0	0.0	785.4
	–4.1	0.6	–1.4	–47.4	0.0	61.5	298.0
	–1.3	0.4	–0.3	47.4	0.0	2.1	51.2
	70.4	**6.5**	**10.4**	**0.0**	**0.0**	**64.0**	**3,078.8**
	0.0	0.5	–0.6	–963.9	0.0	–14.4	1,213.4
	50.1	10.4	–6.5	963.9	–6.6	0.0	1,567.0
	–1.3	0.0	–0.5	–131.1	–0.4	84.3	246.3
	–0.4	0.0	–0.4	131.1	0.0	0.7	121.0
	48.4	**10.9**	**–8.0**	**0.0**	**–7.0**	**70.6**	**3,147.7**

In millions of euros

26. RELATED PARTY DISCLOSURES

Business transactions between the Group and non-consolidated subsidiaries and associates or their subsidiaries as well as joint ventures primarily relate to supply relationships in connection with the purchase of raw materials or the sale of finished goods and are conducted at arm's length. They are included in the following items of the Consolidated Financial Statements:

	2022/23		2023/24	
	With joint ventures	With associates and non-consolidated subsidiaries	With joint ventures	With associates and non-consolidated subsidiaries
Revenue	0.0	652.0	0.0	220.6
Cost of materials	2.1	462.0	1.0	426.1
Other operating income	0.2	12.1	0.1	9.7
Other operating expenses	0.0	31.0	0.0	34.4
	03/31/2023		03/31/2024	
Trade and other receivables	0.0	94.4	0.0	56.4
Financial liabilities/ trade and other payables	0.2	87.7	0.1	53.0

In millions of euros

The substantial decline in revenue on transactions with associates and non-consolidated subsidiaries in the business year 2023/24 is due to the expiry of raw material deliveries to ArcelorMittal Texas HBI Holdings LLC (ArcelorMittal Texas HBI Group).

Receivables from and liabilities to associates and joint ventures as well as non-consolidated subsidiaries comprise both direct and indirect relationships.

In addition, there are business transactions with core shareholders that document a significant influence because the voestalpine shares are consolidated using the equity method. Business transactions are conducted at arm's length and are presented as follows:

	03/31/2023	03/31/2024
Cash and cash equivalents	40.1	0.2
Financial liabilities/trade and other payables	81.6	69.3
Trade payables from bills of exchange and trade payables from reverse factoring agreements	0.0	0.0
Guarantees received	2.0	0.0

In millions of euros

Interest expense of EUR 2.7 million (2022/23: EUR 1.5 million) was recognized in connection with the aforementioned financial liabilities as well as trade and other payables.

There are no trade payables from bills of exchange and trade payables from reverse factoring agreements with core shareholders as of the reporting date.

Under the first type of factoring agreement (see Note 29. Disclosures of transactions not recorded in the statement of financial position), receivables are sold to core shareholders at arm's length. As of March 31, 2024, these receivables were recognized at a total of EUR 191.5 million (2022/23: EUR 230.7 million). Interest expense of EUR 5.4 million (2022/23: EUR 2.8 million) was recognized for the business year 2023/24 in this connection.

The non-inclusion of the non-consolidated entities in the Consolidated Financial Statements has no material 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 Austrian legal requirements 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 that consists 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 quantitative targets are achieved exactly, 60% of the maximum bonus applies; if the agreed qualitative targets are achieved, 20% of the maximum bonus applies. Any overachievement of the quantitative targets is taken into consideration proportionately until the maximum bonus is reached. The quantitative targets are "earnings before interest and taxes" (EBIT); "return on capital employed" (ROCE); and "operating working capital as a percentage of revenue." The specific target amounts applicable to EBIT and ROCE are determined periodically (in each case for a period of three years) by the General

Committee of the Supervisory Board in consultation with the Management Board. The target amount for operating working capital as a percentage of revenue is determined specifically for a given business year. The given target amounts are computed independently of the respective budget and/or the medium-term business plan, i.e., budget compliance does not mean that a bonus is granted. The qualitative targets for the business year 2023/24 were as follows: (1) the structuring, cost comparison and further development of the strategic energy and raw materials supply of the voestalpine Group up to calendar year 2030 and beyond on the basis of the structurally changed energy and raw materials requirements; and (2) “Employees: the competitive factor of the future,” development of a holistic HR strategy up to calendar year 2030 and beyond with special consideration of increasing the underrepresented gender in management positions.

In the reporting period, two members of the Management Board are entitled to a defined benefit pension due to pension commitments under legacy contracts or activities within the Group that preceded their appointment to the Management Board. The amount of the contractual pension payable to these two Management Board members depends on the length of their service. The amount of the annual pension equals 1.2% of the most recent annual gross salary for each year of service. However, the pension benefit may not exceed 40% of their most recent annual gross base salary.

A review of the adequacy of the claim to pension resulting from the contributions paid up to the time at which three members of the Management Board were reappointed to their positions was conducted in 2018, and an additional contribution to the existing defined contribution agreement was resolved (= 15% of the annual gross base salary). Disbursement of the additional defined contribution payment in five annual instalments started in the business year 2019/20 and ended on March 31, 2024.

Upon termination of their director’s contracts, Management Board members are granted severance pay that is modelled on the approach set forth in the Austrian Employment Act *(Angestelltengesetz – AngG)*, pursuant to which the maximum allowable under the law may not be surpassed.

D&O insurance has been purchased for the members of the Management Board (as well as for the Group’s executives) and for the members of the Supervisory Board; the cost is borne by the company.

The compensation paid to the members of the Management Board of voestalpine AG for the business year 2023/24 comprises the following:

	2022/23	2023/24
Short-term employee benefits	20.29	13.32
Post-employment benefits	2.84	8.83
Termination benefits	0.00	0.47
	23.13	**22.62**

In millions of euros

As of the reporting date, the outstanding balance of the variable compensation was EUR 5.02 million (2022/23: EUR 12.00 million), EUR 0.82 million of the post-employment benefits and EUR 0.47 million of the termination benefits. No advances or loans were granted to the members of the Management Board of voestalpine AG.

Pension payments in the amount of EUR 1.74 million (2022/23: EUR 1.61 million) were paid by the pension fund for former members of the Management Board with defined benefit pension agreements.

Dr. Carola Richter and Mag. Gerald Mayer were appointed members of the Management Board in the business year 2023/24, each with effect from April 1, 2024. In this context, Dr. Carola Richter was paid a sign-in bonus of EUR 1.200.000, gross, and Mag. Gerald Mayer was paid a sign-in bonus of EUR 585,000, gross, in the business year 2023/24.

Supervisory Board

Pursuant to Article 15 of the AoA of voestalpine AG, the amount of the compensation and of the attendance fee payable to the Supervisory Board members elected by the Annual General Meeting (AGM)—i.e., the shareholder representatives—is determined by the AGM.

The members of the Supervisory Board nominated by the Works Council are not entitled to any compensation for their work on the Supervisory Board, nor to any attendance fees.

The Management Board and the Supervisory Board will propose the following Supervisory Board compensation and the amount of the attendance fee to the Annual General Meeting on July 3, 2024:

Chairman	EUR 120,000
Deputy Chairman	EUR 90,000
Member	EUR 60,000
Chairperson of a Committee (unless s/he is the Chairman of the Supervisory Board)	EUR 30,000
Attendance fee	EUR 500

Subject to approval by the Annual General Meeting on July 3, 2024, the total compensation payable to the Supervisory Board (including attendance fees) for the business year 2023/24 is EUR 0.60 million (2022/23: EUR 0.51 million).

The compensation of the Supervisory Board for the business year 2023/24 will be paid at the latest 14 days after the Annual General Meeting on July 3, 2024.

No advances or loans were granted to members of the Supervisory Board of voestalpine AG.

27. EMPLOYEE INFORMATION

TOTAL NUMBER OF EMPLOYEES

	Reporting date		Average	
	03/31/2023	03/31/2024	2022/23	2023/24
Waged employees	29,451	29,752	28,988	29,578
Salaried employees	18,780	19,330	18,485	19,097
Apprentices	1,402	1,513	1,478	1,560
	49,633	**50,595**	**48,951**	**50,235**
Thereof employees from discontinued operations	0	0	78	0

The personnel expenses included in these Consolidated Financial Statements are EUR 3,666.4 million (2022/23: EUR 3,446.6 million).

28. EXPENSES FOR THE GROUP AUDITOR

Expenses for the Group auditor in the business year 2023/24 are structured as follows:

	2022/23	2023/24
Expenses for the audit of the Consolidated Financial Statements and the separate financial statements of voestalpine AG	0.28	0.30
Expenses for the audit of the subsidiaries of voestalpine AG	1.00	1.07
Expenses for other certifications	0.13	0.14
Expenses for tax consulting services	0.00	0.00
Expenses for other services	0.07	0.02
	1.48	**1.53**

In millions of euros

29. DISCLOSURES OF TRANSACTIONS NOT RECORDED IN THE STATEMENT OF FINANCIAL POSITION

In the voestalpine Group, trade receivables are sold monthly to various banks on a revolving basis. In this context, there are four different types of factoring agreements.

Under the first type of factoring agreement, trade receivables totaling EUR 1,214.8 million (March 31, 2023: EUR 1,267.3 million) were sold to various banks. Receivables covered by credit insurance were assigned to banks in an amount corresponding to 100% of the nominal value, with the acquiring banks assuming the risk of default. Any claims arising under the credit insurance were assigned to the acquiring bank. The selling Group company only assumes liability for default up to—generally—9% of the retention level under the credit insurance. As of the reporting date, the maximum risk associated with the liability for default was EUR 109.3 million (March 31, 2023: EUR 114.1 million). The liability for default corresponds to the theoretical maximum loss. The probability of needing to fall back on this liability is extremely low. The fair value of this risk is assessed at EUR 0.0 million (March 31, 2023: EUR 0.0 million). The receivables are derecognized in full in accordance with the provisions of IFRS 9 due to the transfer of the material risks and opportunities as well as control to the acquiring party.

Under the second type of factoring agreement, uninsured trade receivables of EUR 371.1 million (March 31, 2023: EUR 363.5 million) were sold. The acquiring bank assumes 100% of the default risk. All the receivables are fully derecognized. Except for the capitalized service fee mentioned below for the administration of the receivables, there is no ongoing commitment.

Under the third type of factoring agreement—introduced in October 2014—both insured and uninsured trade receivables of EUR 61.7 million (March 31, 2023: EUR 125.9 million) were sold. Any claims arising under the credit insurance were assigned to the acquiring bank. At the time the receivables were sold, loss reserves of 0.9% and dilution reserves of 1.6% (with reference to the sold receivables) were deducted from the purchase price. The dilution reserves totaling EUR 1.0 million (March 31, 2023: EUR 2.0 million) for receivables sold as of the reporting date concern claims to discounts, bonuses, etc. and are posted as other receivables. The carrying amount corresponds to the fair value. A loss reserve to cover any defaults in the amount of EUR 0.6 million (March 31, 2023: EUR 1.3 million) for receivables sold as of the reporting date was posted as an expenditure, which is reversed in the absence of any defaults. The theoretical maximum loss is limited to the loss reserve. The receivables are derecognized in full in accordance with the provisions of IFRS 9 due to the transfer of the material risks and opportunities as well as control to the acquiring party.

Under the fourth type of factoring agreement, both insured and uninsured trade receivables of EUR 23.1 million (March 31, 2023: EUR 32.9 million) were sold. Any claims araising under the credit insurance were assigned to the acquiring bank. For bad debts, a “first loss reserve account” was funded in the amount of EUR 0.3 million for 12 months by the selling Group company. The first loss reserve account was EUR 0.3 million (March 31, 2023: EUR 0.3 million) as of the reporting date and was reported as cash. The carrying amount corresponds to the fair value. The theoretical maximum loss is limited to the amount of the first loss reserve account. Due to the transfer of the material risks and opportunities as well as control to the acquiring party, the receivables were derecognized in full in accordance with the provisions of IFRS 9.

Under all the types of factoring agreements, the payments received from customers during the period between the last sale of receivables and the reporting date are recognized on an accrual basis in other current financial liabilities.

The administration of receivables for all types of factoring contracts remains with the respective Group companies. For the receivables sold, as of March 31, 2024, a total service fee of 0.15% of the sold receivables of EUR 2.5 million (March 31, 2023: EUR 2.7 million) was recognized in other provisions. The carrying amount corresponds to the fair value of the ongoing commitment.

30. EVENTS AFTER THE REPORTING PERIOD

No significant events occurred after the reporting period.

31. EARNINGS PER SHARE

In accordance with IAS 33, the diluted and basic earnings per share are calculated as follows:

	2022/23	2023/24
Profit attributable to equity holders of the parent (in millions of euros)	**1,064.6**	**100.8**
Issued ordinary shares (average)	178,549,163	178,549,163
Effect of treasury shares held (average)	–1,268,391	–7,036,040
Weighted average number of outstanding ordinary shares	**177,280,772**	**171,513,123**
Basic and diluted earnings per share (euros) from continuing operations	**5.48**	**0.64**
Basic and diluted earnings per share (euros) from discontinued operations	**0.53**	**–0.05**
Diluted and basic earnings per share (euros)	**6.01**	**0.59**

The convertible bond issued on April 28, 2023 is not included in the calculation of diluted earnings per share as of March 31, 2024, as it would have had an anti-dilutive effect. The convertible bond can potentially dilute earnings per share in the future; if the conversion right is exercised, the number of shares would increase by 6,174,761 based on the conversion price as of the balance sheet date (see Chapter 17. Equity).

32. APPROPRIATION OF NET PROFIT

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, 2024. They show net retained profits of EUR 125.0 million. The Management Board proposes a dividend of EUR 0.70 per share (2022/23: EUR 1.50).

Linz, May 27, 2024

The Management Board

Herbert Eibensteiner	Franz Kainersdorfer	Gerald Mayer
Reinhard Nöbauer	Carola Richter	Hubert Zajicek

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

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

AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of voestalpine AG, Linz and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year then ended, and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements comply with legal requirements and give a true and fair view of the consolidated financial position of the Group as at March 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the additional requirements under section 245a UGB.

BASIS FOR OPINION

We conducted our audit in accordance with Regulation (EU) No. 537/2014 and with the Austrian Generally Accepted Auditing Standards. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with laws and regulations applicable in Austria, and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of goodwill, other intangible assets, property plant and equipment, investments in associates and assets held for sale

» Description and Issue

Goodwill, other intangible assets, property plant and equipment, investments in associates and assets held for sale are presented in the total amount of EUR 7.761,7 million in the consolidated financial statements of voestalpine AG and represent a significant part of the assets of the group. Impairment losses of EUR 429,5 million were recognized within the business year 2023/24.

An impairment loss is recognized at the amount by which the carrying amount of an asset or cash generating unit exceeds the recoverable amount. For detailed explanations with regard to the determination of impairments and further information, please refer to Section B. Summary of accounting policies, "Uncertainties in accounting estimates and assumptions", "Impairment testing of cash generating units with and without goodwill and of other assets", Section C. Scope of consolidation, “Disposal Group (Assets and liabilities held for sale) as well as “9. Property, plant and equipment”, “10. Goodwill and other intangible assets”, “11. Impairment losses and reversal of impairment losses” and “12. Investments in entities consolidated according to the equity method, other financial assets and other equity investments, in the notes to the consolidated financial statements.

The assessment of the recoverability is based on assumptions concerning the future. The determination of the recoverable amount in the course of an impairment test is based on several assumptions such as future net cash flows, discount rates or alternatively derived fair values. Estimates of future cash flows are subject to uncertainties. The determination of the discount rate is complex and depends to a high degree on management’s estimates. Small changes of the assumptions applied can significantly influence the recoverable amount. Due to these facts and also given the significance of these assets and impairment losses accounted for in the consolidated financial statements we identified this position as a key audit matter.

» **Our Response**

We have assessed the controls implemented by the management in the process to identify triggers for impairments and reversal of impairments with regard to design and implementation. We assessed the appropriateness of the assumptions underlying the planning of future cash flows made by the management of the divisions and compared these to the approved five-year mid-term planning. We compared the parameters of the impairment tests, such as planned development of revenue or profit, working capital or capital expenditure, with internal information and available industry-specific market expectations derived from external sources, validated them based on historical data and discussed them with management. For disposal groups we have assessed the expected sales proceeds on the basis of the offers received.

Furthermore we verified the appropriateness and mathematical correctness of the valuation model by involvement of internal experts. We assessed the applied discount rates by determining a range for plausible discount rates.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the information in the annual financial report and the annual report, excluding the financial statements, the management report, the consolidated financial statements, the consolidated management report and the respective audit opinions. We received the annual financial report and the annual report (each not including the report of the Supervisory Board) prior to the date of our independent auditor’s report; the report of the Supervisory Board will be provided to us after this date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, the additional requirements under section 245a UGB and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Regulation (EU) No 537/2014 and with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Regulation (EU) No 537/2014 and with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

» Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

» Obtain an understanding of internal control relevant to the audit 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.

» Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

» Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

» Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

» We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

- We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

- From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE AUDIT OF THE CONSOLIDATED MANAGEMENT REPORT

Pursuant to statutory provisions, the consolidated management report is to be audited as to whether it is consistent with the consolidated financial statements and whether it has been prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the consolidated management report in accordance with the Austrian Commercial Code.

We conducted our audit in accordance with laws and regulations applicable with respect to the consolidated management report.

OPINION

In our opinion, the consolidated management report is prepared in accordance with the applicable legal requirements, includes appropriate disclosures according to section 243a UGB and is consistent with the consolidated financial statements.

STATEMENT

In the light of the knowledge and understanding of the Group and its environment obtained in the course of our audit of the consolidated financial statements, we have not identified material misstatements in the consolidated management report.

OTHER MATTERS WHICH WE ARE REQUIRED TO ADDRESS ACCORDING TO ARTICLE 10 OF REGULATION (EU) NO 537/2014

We were appointed as auditors by the annual general meeting on July 5, 2023 and commissioned by the supervisory board on September 27, 2023 to audit the consolidated financial statements. We have been auditing the Group since the financial year ending March 31, 2020.

We confirm that our opinion expressed in the section "Report on the Audit of the Consolidated Financial Statements" is consistent with the additional report to the audit committee referred to in Article 11 of Regulation (EU) No 537/2014.

We declare that we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 and that we remained independent of Group in conducting the audit.

ENGAGEMENT PARTNER

The engagement partner responsible for the audit is Marieluise Krimmel.

Vienna

May 27, 2024

Deloitte Audit Wirtschaftsprüfungs GmbH

Marieluise Krimmel
Certified Public Accountant (Austria)

pp. Monika Viertlmayer
Certified Public Accountant (Austria)

This English translation of the audit report was prepared for the client's convenience only. It is not a legally binding translation of the German audit report.

The consolidated financial statements and our auditor's report may be published or transmitted together only if the consolidated financial statements and the consolidated management report are identical with the confirmed version. Section 281 para 2 Austrian Commercial Code applies to versions that differ.

MANAGEMENT BOARD STATEMENT
IN ACCORDANCE WITH SECTION 124 (1) OF THE AUSTRIAN STOCK EXCHANGE ACT 2018 *(BÖRSEGESETZ 2018 – BÖRSEG 2018)*

The Management Board of voestalpine AG confirms to the best of its knowledge that the Consolidated Financial Statements, which have been prepared in accordance with the applicable accounting standards, give a true and fair view of the Group's net assets, financial position, and results of operations; that the Group Management Report describes the Group's development, business performance, and position such that it gives a true and fair view of the Group's net assets, financial position, and results of operations; and that the Group Management Report describes the material risks and uncertainties to which the Group is exposed.

Linz, May 27, 2024

The Management Board

Herbert Eibensteiner Chairman of the Management Board	Franz Kainersdorfer Member of the Management Board	Gerald Mayer Member of the Management Board
Reinhard Nöbauer Member of the Management Board	Carola Richter Member of the Management Board	Hubert Zajicek Member of the Management Board

voestalpine AG

INVESTMENTS

Explanations:

KV Full consolidation
KEA Equity method associates
KEG Equity method joint ventures
K0 No consolidation

Company names reflect the status as of April 19, 2024.

STEEL DIVISION

		03/31/2024		03/31/2023	
	Domicile of the company	Interest held	Type of consol-idation	Interest held	Type of consol-idation
voestalpine Stahl GmbH	AUT	100.000%	KV	100.000%	KV
Cargo Service GmbH	AUT	100.000%	KV	100.000%	KV
Caseli GmbH	AUT	100.000%	KV	100.000%	KV
Logistik Service GmbH	AUT	100.000%	KV	100.000%	KV
VAPS GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Camtec GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Eurostahl GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Giesserei Linz GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Giesserei Traisen GmbH & Co KG	AUT	100.000%	KV	100.000%	KV
voestalpine Giesserei Traisen Verwaltung GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Grobblech GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Standortservice GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Steel & Service Center GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Steel Service Center Polska Sp. z o.o.	POL	100.000%	KV	100.000%	KV
voestalpine Steel Service Center Romania SRL	ROU	100.000%	KV	100.000%	KV
voestalpine Steel US Holding LLC	USA	100.000%	KV	100.000%	KV
ArcelorMittal Texas HBI Holdings LLC[1]	USA	20.000%	KEA	20.000%	KEA
GEORG FISCHER FITTINGS GmbH[1]	AUT	49.000%	KEA	49.000%	KEA
Industrie-Logistik-Linz GmbH[1]	AUT	49.000%	KEA	49.000%	KEA
Kocel Steel Foundry Co., Ltd.[1]	CHN	49.000%	KEA	49.000%	KEA
Kühne + Nagel Euroshipping GmbH[1]	DEU	49.000%	KEA	49.000%	KEA
METALSERVICE S.P.A.[1]	ITA	40.000%	KEA	40.000%	KEA
Scholz Austria GmbH[1]	AUT	34.011%	KEA	34.011%	KEA
TransAnt GmbH[1]	AUT	48.100%	KEA	48.100%	KEA
Jiaxing NYC Industrial Co., Ltd[1]	CHN	51.000%	KEG	51.000%	KEG
Energie AG Oberösterreich	AUT	2.071%	K0	2.061%	K0

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

STEEL DIVISION

	Domicile of the company	03/31/2024 Interest held	Type of consolidation	03/31/2023 Interest held	Type of consolidation
K1-MET GmbH	AUT	35.000%	KO	35.000%	KO
Linzer Schlackenaufbereitungs- und vertriebsgesellschaft m.b.H.	AUT	33.333%	KO	33.333%	KO
vivo Mitarbeiter-Service GmbH	AUT	100.000%	KO	100.000%	KO
voestalpine Belgium NV/SA	BEL	100.000%	KO	100.000%	KO
voestalpine Camtec Corp.	CAN	100.000%	KO	100.000%	KO
voestalpine CR, s.r.o.	CZE	100.000%	KO	100.000%	KO
voestalpine d.o.o.	HRV	100.000%	KO	100.000%	KO
voestalpine d.o.o.	SRB	100.000%	KO	100.000%	KO
voestalpine d.o.o.	SVN	100.000%	KO	100.000%	KO
voestalpine Deutschland GmbH	DEU	100.000%	KO	100.000%	KO
voestalpine France SAS	FRA	100.000%	KO	100.000%	KO
voestalpine Hungaria Kft.	HUN	99.000%	KO	99.000%	KO
voestalpine Iberia S.L.	ESP	100.000%	KO	100.000%	KO
voestalpine Italia S.r.l.	ITA	100.000%	KO	100.000%	KO
voestalpine Nederland B.V.	NLD	100.000%	KO	100.000%	KO
voestalpine Polska Sp. z o. o.	POL	100.000%	KO	100.000%	KO
voestalpine Scandinavia AB	SWE	100.000%	KO	100.000%	KO
voestalpine Schweiz GmbH	CHE	100.000%	KO	100.000%	KO
voestalpine Slovakia, s.r.o.	SVK	100.000%	KO	100.000%	KO
voestalpine Stahlwelt GmbH	AUT	100.000%	KO	100.000%	KO
voestalpine Steel Trading (Shenyang) Co., Ltd.	CHN	100.000%	KO	100.000%	KV
voestalpine Turkey Celik Limited Sirketi	TUR	100.000%	KO	100.000%	KO
voestalpine UK Ltd.	GBR	100.000%	KO	100.000%	KO
voestalpine USA LLC	USA	100.000%	KO	100.000%	KO
Werksgärtnerei Gesellschaft m.b.H.	AUT	100.000%	KO	100.000%	KO

HIGH PERFORMANCE METALS DIVISION

		03/31/2024		03/31/2023	
	Domicile of the company	Interest held	Type of consol-idation	Interest held	Type of consol-idation
voestalpine High Performance Metals GmbH	AUT	100.000%	KV	100.000%	KV
AÇOS BÖHLER-UDDEHOLM DO BRASIL LTDA.	BRA	100.000%	KV	100.000%	KV
Advanced Tooling Tek (Shanghai) Co., Ltd.	CHN	100.000%	KV	100.000%	KV
ASSAB Japan KK	JPN	100.000%	KV	100.000%	KV
ASSAB Steels (HK) Ltd.	CHN	100.000%	KV	95.000%	KV
ASSAB Steels (Malaysia) Sdn Bhd	MYS	100.000%	KV	100.000%	KV
ASSAB Steels (Taiwan) Ltd.	TWN	94.500%	KV	94.500%	KV
ASSAB Steels (Thailand) Ltd.	THA	100.000%	KV	100.000%	KV
ASSAB Steels Korea Co., Ltd	KOR	100.000%	KV	100.000%	KV
ASSAB Steels Singapore (Pte) Ltd.	SGP	100.000%	KV	100.000%	KV
ASSAB Steels Vietnam Company Limited	VNM	100.000%	KV	100.000%	KV
ASSAB Tooling (Beijing) Co., Ltd.	CHN	100.000%	KV	100.000%	KV
ASSAB Tooling (Dong Guan) Co., Ltd.	CHN	100.000%	KV	95.000%	KV
ASSAB Tooling (Qing Dao) Co., Ltd.	CHN	100.000%	KV	100.000%	KV
ASSAB Tooling (Xiamen) Co., Ltd.	CHN	100.000%	KV	95.000%	KV
ASSAB Tooling Technology (Chongqing) Co., Ltd.	CHN	95.000%	KV	95.000%	KV
ASSAB Tooling Technology (Ningbo) Co., Ltd.	CHN	95.000%	KV	95.000%	KV
ASSAB Tooling Technology (Shanghai) Co., Ltd.	CHN	95.000%	KV	95.000%	KV
Bohlasia Steels Sdn. Bhd.	MYS	100.000%	KV	80.000%	KV
BÖHLER GRUNDSTÜCKS BETEILIGUNGS GMBH	DEU	100.000%	KV	100.000%	KV
Böhler Grundstücks GmbH & Co. Kommanditgesellschaft[1]	DEU	100.000%	KV	100.000%	KV
BÖHLER Immobilien GmbH & Co KG	AUT	100.000%	KV	100.000%	KV
BÖHLER Management & Service GmbH	AUT	100.000%	KV	100.000%	KV
Bohler Special Steels (Shanghai) Co., Ltd.	CHN	100.000%	KV	100.000%	KV
Buderus Edelstahl GmbH	DEU	100.000%	KV	100.000%	KV
Densam Industrial Co. Ltd.	TWN	97.305%	KV	97.305%	KV
Deville Rectification S.A.S.U.	FRA	100.000%	KV	100.000%	KV
EDRO Engineering LLC	USA	100.000%	KV	100.000%	KV
EDRO Specialty Steels GmbH	DEU	100.000%	KV	100.000%	KV
EDRO Specialty Steels LLC	USA	100.000%	KV	100.000%	KV
Eschmann Textura Internacional - Transformacao de Ferramentas, Unipessoal, LDA	PRT	100.000%	KV	100.000%	KV
Eschmann Textures India Private Limited	IND	100.000%	KV	100.000%	KV
Eschmann Textures International GmbH	DEU	100.000%	KV	100.000%	KV
GMV Eschmann International SAS	FRA	100.000%	KV	100.000%	KV
Gravutex Eschmann International Limited	GBR	100.000%	KV	100.000%	KV
Jing Ying Industrial Co. Ltd.	TWN	97.305%	KV	97.305%	KV
Metaltec AG	CHE	100.000%	KV	100.000%	KV
OOO voestalpine High Performance Metals RUS	RUS	100.000%	KV	100.000%	KV
PT Assab Steels Indonesia	IDN	100.000%	KV	100.000%	KV
Uddeholm Eiendom AS	NOR	100.000%	KV	100.000%	KV
Uddeholms AB	SWE	100.000%	KV	100.000%	KV

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

HIGH PERFORMANCE METALS DIVISION

		03/31/2024		03/31/2023	
	Domicile of the company	Interest held	Type of consol-idation	Interest held	Type of consol-idation
Villares Metals International B.V.	NLD	100.000%	KV	100.000%	KV
Villares Metals S.A.	BRA	100.000%	KV	100.000%	KV
voestalpine Additive Manufacturing Center GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Additive Manufacturing Center Singapore Pte. Ltd.	SGP			100.000%	KV
voestalpine Additive Manufacturing Centre Ltd.	CAN	100.000%	KV	100.000%	KV
voestalpine BÖHLER Aerospace GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine BÖHLER Aerospace GmbH & Co KG	AUT	100.000%	KV	100.000%	KV
voestalpine BÖHLER Bleche GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine BÖHLER Bleche GmbH & Co KG	AUT	100.000%	KV	100.000%	KV
voestalpine BÖHLER Edelstahl GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine BÖHLER Edelstahl GmbH & Co KG	AUT	100.000%	KV	100.000%	KV
voestalpine BÖHLER Profil GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Edelstahl Deutschland GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Edelstahl Wärmebehandlung GmbH	DEU			100.000%	KV
voestalpine eifeler Coating GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine eifeler Coatings LLC	USA	100.000%	KV	100.000%	KV
voestalpine eifeler Lasertechnik GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine eifeler Vacotec GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine High Performance Metal Anonim Sirketi	TUR	100.000%	KV	100.000%	KV
voestalpine High Performance Metals (Australia) Pty Ltd	AUS	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Africa (Pty) Ltd	ZAF	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Argentina S.A.	ARG	100.000%	KV	100.000%	KV
voestalpine High Performance Metals B.V.	NLD	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Colombia S.A.	COL	100.000%	KV	100.000%	KV
voestalpine High Performance Metals CZ s.r.o.	CZE	100.000%	KV	100.000%	KV
voestalpine High Performance Metals del Ecuador S.A.	ECU	100.000%	KV	100.000%	KV
voestalpine High Performance Metals del Peru S.A.	PER	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Deutschland GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Deutschland Holding GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine High Performance Metals DIGITAL SOLUTIONS GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Finland Oy Ab	FIN	100.000%	KV	100.000%	KV
voestalpine High Performance Metals France S.A.S.	FRA	100.000%	KV	100.000%	KV

HIGH PERFORMANCE METALS DIVISION

		03/31/2024		03/31/2023	
	Domicile of the company	Interest held	Type of consol-idation	Interest held	Type of consol-idation
voestalpine High Performance Metals Hungary Kft.	HUN	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Iberica, S.A.U.	ESP	100.000%	KV	100.000%	KV
VOESTALPINE HIGH PERFORMANCE METALS INDIA PRIVATE LIMITED	IND	100.000%	KV	100.000%	KV
voestalpine High Performance Metals International GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Italia S.p.A.	ITA	100.000%	KV	100.000%	KV
voestalpine High Performance Metals LLC	USA	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Ltd.	CAN	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Norway AS	NOR	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Pacific Pte. Ltd.	SGP	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Polska Sp. z o. o.	POL	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Portugal, Unipessoal, Lda	PRT			100.000%	KV
voestalpine High Performance Metals Romania S.R.L.	ROU	100.000%	KV	100.000%	KV
voestalpine High Performance Metals S.A. de C.V.	MEX	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Schweiz AG	CHE	99.833%	KV	99.833%	KV
voestalpine High Performance Metals SCM GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine High Performance Metals SCM GmbH & Co KG	AUT	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Slovakia, s.r.o.	SVK	100.000%	KV	100.000%	KV
voestalpine High Performance Metals Sweden AB	SWE	100.000%	KV	100.000%	KV
voestalpine High Performance Metals UK Limited	GBR	100.000%	KV	100.000%	KV
voestalpine HPM Denmark A/S	DNK	100.000%	KV	100.000%	KV
voestalpine HPM Deutschland Beteiligungs SE	DEU	100.000%	KV	100.000%	KV
voestalpine Specialty Metals (Shanghai) Co. Ltd.	CHN	100.000%	KV	100.000%	KV
voestalpine Specialty Metals Europe GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Specialty Metals Pte. Ltd.	SGP	100.000%	KV	100.000%	KV
voestalpine Specialty Metals UK Ltd	GBR	100.000%	KV		
voestalpine Technology Institute (Asia) Co. Ltd.	TWN	100.000%	KV	100.000%	KV
BÖHLER-UDDEHOLM UKRAINE LLC in Liquidation	UKR	100.000%	KO	100.000%	KO
Eschmann Beteiligungsgesellschaft mbH	DEU	100.000%	KO	100.000%	KO
Grundstück-Verwaltungsgesellschaft Gewerbehof Sendling mbH & Co. KG in Liquidation	DEU	62.916%	KO	62.916%	KO
voestalpine HPM Zagreb d.o.o.	HRV	100.000%	KO	100.000%	KO

METAL ENGINEERING DIVISION

	Domicile of the company	03/31/2024 Interest held	03/31/2024 Type of consol-idation	03/31/2023 Interest held	03/31/2023 Type of consol-idation
voestalpine Metal Engineering GmbH	AUT	100.000%	KV	100.000%	KV
CNTT Chinese New Turnout Technologies Co., Ltd.	CHN	50.000%	KV	50.000%	KV
Nortrak-Damy, Cambios de Via, S.A.P.I. de C.V.	MEX	51.007%	KV	51.007%	KV
OOO voestalpine Bohler Welding Russia	RUS	100.000%	KV	100.000%	KV
PT voestalpine Bohler Welding Asia Pacific	IDN	100.000%	KV	100.000%	KV
Ruzhou Zhengzhou Railway Sanjia Turnout Co., Ltd.	CHN	35.000%	KV	35.000%	KV
Travertec S.R.L.	ROU	75.000%	KV	60.000%	KV
TSF-A GmbH	AUT	50.100%	KV	50.100%	KV
TSTG Schienen Technik GmbH & Co KG[1]	DEU	100.000%	KV	100.000%	KV
TSTG Schienen Technik Verwaltungs GmbH	DEU	100.000%	KV	100.000%	KV
VALIDA Railway Systems Investment Co. Ltd.	CHN	50.000%	KV	50.000%	KV
VAMAV Vasúti Berendezések Kft.	HUN	50.000%	KV	50.000%	KV
voestalpine Bahnsysteme Vermögensverwaltungs GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Böhler weldCare AB	SWE	100.000%	KV	100.000%	KV
voestalpine Böhler Welding (China) Co., Ltd.	CHN	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Africa Pty. Ltd.	ZAF	51.000%	KV	51.000%	KV
voestalpine Bohler Welding Asia Pacific Pte. Ltd.	SGP	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Austria GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Austria Vertriebs-GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Automation GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Belgium	BEL	100.000%	KV	100.000%	KV
voestalpine Bohler Welding Canada Ltd.	CAN	100.000%	KV	100.000%	KV
voestalpine Böhler Welding CEE GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Fileur SRL	ITA	90.000%	KV	90.000%	KV
voestalpine Böhler Welding Fontargen GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Böhler Welding France SAS	FRA	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Germany GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Germany Vertriebs-GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Böhler Welding GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Group GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Hellas S.A.	GRC	100.000%	KV	100.000%	KV
voestalpine Bohler Welding India Private Limited	IND	100.000%	KV	100.000%	KV
voestalpine Bohler Welding India Technology Private Limited	IND	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Italia S.r.l.	ITA	100.000%	KV	100.000%	KV
voestalpine Bohler Welding Mexico S.A. de C.V.	MEX	100.000%	KV	100.000%	KV
voestalpine Bohler Welding Middle East FZE	ARE	100.000%	KV	100.000%	KV

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

METAL ENGINEERING DIVISION

	Domicile of the company	03/31/2024 Interest held	03/31/2024 Type of consolidation	03/31/2023 Interest held	03/31/2023 Type of consolidation
voestalpine Böhler Welding Nederland B.V.	NLD	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Nordic AB	SWE	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Northeast Asia Ltd.	KOR	100.000%	KV	100.000%	KV
voestalpine Bohler Welding Romania SRL	ROU	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Schweiz AG	CHE	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Selco Invest S.R.L.	ITA	90.000%	KV	90.000%	KV
voestalpine Böhler Welding Selco S.r.l.	ITA	90.000%	KV	90.000%	KV
voestalpine Böhler Welding Soldas do Brasil Ltda.	BRA	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Spain, S.A.	ESP	100.000%	KV	100.000%	KV
voestalpine Böhler Welding Trading (Shanghai) Co., Ltd.	CHN	100.000%	KV	100.000%	KV
voestalpine Bohler Welding UK Limited	GBR	100.000%	KV	100.000%	KV
voestalpine Bohler Welding USA LLC	USA	100.000%	KV	100.000%	KV
voestalpine Bohler Welding USA Technology LLC	USA	100.000%	KV	100.000%	KV
voestalpine Böhler Welding UTP GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Fastening Systems Sp. z o.o.	POL	50.000%	KV	50.000%	KV
voestalpine Forschungsservicegesellschaft Donawitz GmbH	AUT	93.986%	KV	93.986%	KV
voestalpine Kardemir Demiryolu Sistemleri Sanayi ve Ticaret Anonim Sirketi	TUR	59.935%	KV	59.935%	KV
voestalpine Klöckner Bahntechnik GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Metal Engineering US Holding LLC	USA	100.000%	KV	100.000%	KV
voestalpine Nortrak-Damy US LLC	USA	100.000%	KV	100.000%	KV
voestalpine Rail Technology GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Railway Systems Asia Co., Ltd.	THA	100.000%	KV	100.000%	KV
voestalpine Railway Systems Australia Pty Ltd	AUS	100.000%	KV	100.000%	KV
voestalpine Railway Systems Beijing Co. Ltd.	CHN	100.000%	KV	100.000%	KV
voestalpine Railway Systems Brazil Ltda.	BRA	100.000%	KV	100.000%	KV
voestalpine Railway Systems Bulgaria OOD	BGR	51.000%	KV	51.000%	KV
voestalpine Railway Systems France SAS	FRA	100.000%	KV	100.000%	KV
voestalpine Railway Systems GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Railway Systems JEZ, S.L.	ESP	100.000%	KV	100.000%	KV
voestalpine Railway Systems Latvia SIA	LVA	100.000%	KV	100.000%	KV
voestalpine Railway Systems Lietuva, UAB	LTU	66.000%	KV	66.000%	KV
voestalpine Railway Systems MFA SASU	FRA	100.000%	KV	100.000%	KV
voestalpine Railway Systems Nortrak LLC	USA	100.000%	KV	100.000%	KV
voestalpine Railway Systems Nortrak Ltd.	CAN	100.000%	KV	100.000%	KV
voestalpine Railway Systems Polska Sp. z o. o.	POL	100.000%	KV	100.000%	KV
voestalpine Railway Systems Romania S.A.	ROU	100.000%	KV	100.000%	KV
voestalpine Railway Systems Saudi Arabia Limited	SAU	51.000%	KV	51.000%	KV
voestalpine Signaling Austria GmbH	AUT	100.000%	KV	100.000%	KV

METAL ENGINEERING DIVISION

		03/31/2024		03/31/2023	
	Domicile of the company	Interest held	Type of consol-idation	Interest held	Type of consol-idation
voestalpine Signaling China Co. Ltd.	CHN	100.000%	KV	100.000%	KV
voestalpine Signaling Poland Sp. z o.o.	POL	100.000%	KV	100.000%	KV
voestalpine Signaling Sainerholz GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Signaling Siershahn GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Signaling UK Ltd.	GBR	100.000%	KV	100.000%	KV
voestalpine Signaling USA LLC	USA	100.000%	KV	100.000%	KV
voestalpine Special Wire GmbH	AUT			100.000%	KV
voestalpine Stahl Donawitz GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Track Solutions Duisburg GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Track Solutions Germany GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Track Solutions Königsborn GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Track Solutions Netherlands B.V.	NLD	70.000%	KV	70.000%	KV
VOEST-ALPINE TUBULAR CORP.	USA	57.500%	KV	57.500%	KV
voestalpine Tubulars Germany GmbH	DEU	57.500%	KV		
voestalpine Tubulars GmbH	AUT	57.500%	KV	57.500%	KV
voestalpine Tubulars GmbH & Co KG	AUT	49.888%	KV	49.888%	KV
voestalpine Turnout Technology Egypt S.A.E	EGY	60.000%	KV		
voestalpine Turnout Technology Germany GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Turnout Technology Netherlands B.V.	NLD	100.000%	KV	100.000%	KV
voestalpine Turnout Technology UK Limited	GBR	100.000%	KV	100.000%	KV
voestalpine Turnout Technology Zeltweg GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine VAE Africa (Pty) Ltd.	ZAF	100.000%	KV	100.000%	KV
voestalpine VAE SA (Pty) Ltd.	ZAF	49.000%	KV	49.000%	KV
voestalpine VAE VKN India Private Limited	IND	57.000%	KV	57.000%	KV
voestalpine Wire (Suzhou) Co., Ltd.	CHN	100.000%	KV	100.000%	KV
voestalpine Wire Austria GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Wire Germany GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Wire Italy s.r.l.	ITA	100.000%	KV	100.000%	KV
voestalpine Wire Rod Austria GmbH	AUT	100.000%	KV	100.000%	KV
Weichenwerk Wörth GmbH	AUT	56.950%	KV	56.950%	KV
WS Service GmbH[1]	AUT	49.000%	KEA	49.000%	KEA
voestalpine Digital Track Management GmbH	AUT	50.000%	KEG	50.000%	KEG
Burbiola S.A.	ESP	50.000%	KO	50.000%	KO
Casedo GmbH	AUT	100.000%	KO	100.000%	KO
KW PenzVAEE GmbH	AUT	49.000%	KO	49.000%	KO
Liegenschaftsverwaltungs GmbH	AUT	100.000%	KO	100.000%	KO
Parkwood Way Holdings Ltd.	CAN	40.000%	KO	40.000%	KO
Royal Fortune Holding Limited	HKG	25.000%	KO	25.000%	KO
Sistemas Ferroviarios Argentinos S.R.L.	ARG	40.000%	KO	40.000%	KO
Virtual Vehicle Research GmbH	AUT	8.000%	KO	8.000%	KO

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

METAL FORMING DIVISION

	Domicile of the company	03/31/2024 Interest held	Type of consol-idation	03/31/2023 Interest held	Type of consol-idation
voestalpine Metal Forming GmbH	AUT	100.000%	KV	100.000%	KV
Nedcon B.V.	NLD	100.000%	KV	100.000%	KV
Nedcon Bohemia, s.r.o.	CZE	100.000%	KV	100.000%	KV
Nedcon France SASU	FRA	100.000%	KV	100.000%	KV
Nedcon Lagertechnik GmbH	DEU	100.000%	KV	100.000%	KV
Nedcon USA LLC	USA	100.000%	KV	100.000%	KV
Polynorm Leasing B.V.	NLD	100.000%	KV	100.000%	KV
RFC LLC	USA	100.000%	KV	100.000%	KV
RFC-Sharon LLC	USA	100.000%	KV	100.000%	KV
STAMPTEC France SAS	FRA	100.000%	KV	100.000%	KV
Torri Australia Pty Ltd	AUS	100.000%	KV		
Torri Immobiliare s.r.l.	ITA	100.000%	KV		
TORRI S.R.L.	ITA	100.000%	KV		
voestalpine Automotive Components Aguascalientes S. de R.L. de C.V.	MEX	100.000%	KV	100.000%	KV
voestalpine Automotive Components Arad Beteiligung GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Automotive Components Arad SRL	ROU	100.000%	KV	100.000%	KV
voestalpine Automotive Components Birkenfeld GmbH & Co. KG[1]	DEU	100.000%	KV	100.000%	KV
voestalpine Automotive Components Böhmenkirch GmbH & Co. KG[1]	DEU	100.000%	KV	100.000%	KV
voestalpine Automotive Components Bunschoten B.V.	NLD	100.000%	KV	100.000%	KV
voestalpine Automotive Components Cartersville Beteiligung GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Automotive Components Cartersville LLC	USA	100.000%	KV	100.000%	KV
voestalpine Automotive Components Dettingen GmbH & Co. KG[1]	DEU	100.000%	KV	100.000%	KV
voestalpine Automotive Components East London (Pty) Ltd.	ZAF	100.000%	KV	100.000%	KV
voestalpine Automotive Components Fontaine	FRA	99.998%	KV	99.998%	KV
voestalpine Automotive Components Hungaria Kft.	HUN	100.000%	KV	100.000%	KV
voestalpine Automotive Components Linz GmbH & Co KG	AUT	100.000%	KV	100.000%	KV
voestalpine Automotive Components Nagold GmbH & Co. KG	DEU			100.000%	KV
voestalpine Automotive Components Schwäbisch Gmünd GmbH & Co. KG[1]	DEU	100.000%	KV	100.000%	KV
voestalpine Automotive Components Shenyang Co., Ltd.	CHN	100.000%	KV	100.000%	KV
voestalpine Automotive Components Tianjin Co., Ltd.	CHN	100.000%	KV	100.000%	KV
voestalpine HTI Beteiligungs GmbH	AUT	100.000%	KV	100.000%	KV

[1] These consolidated financial statements represent an exemption for voestalpine Automotive Components Birkenfeld GmbH & Co. KG, voestalpine Automotive Components Böhmenkirch GmbH & Co. KG, voestalpine Automotive Components Dettingen GmbH & Co. KG and voestalpine Automotive Components Schwäbisch Gmünd GmbH & Co. KG in accordance with Section 264b of the German Commercial Code *(dHGB)*.

METAL FORMING DIVISION

	Domicile of the company	03/31/2024 Interest held	Type of consol-idation	03/31/2023 Interest held	Type of consol-idation
voestalpine Krems Finaltechnik GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Krems GmbH	AUT	100.000%	KV	100.000%	KV
VOEST-ALPINE KREMS U.K. plc	GBR	100.000%	KV	100.000%	KV
voestalpine Meincol S.A.	BRA	100.000%	KV	100.000%	KV
voestalpine Metal Forming Netherlands Holding B.V.	NLD	100.000%	KV	100.000%	KV
voestalpine Metal Forming US Holding LLC	USA	100.000%	KV	100.000%	KV
voestalpine Metsec plc	GBR	100.000%	KV	100.000%	KV
voestalpine Präzisionsprofil GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine Precision Strip AB	SWE	100.000%	KV	100.000%	KV
voestalpine Precision Strip GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Precision Strip LLC	USA	100.000%	KV	100.000%	KV
voestalpine Precision Strip Trading (Suzhou) Co., Ltd	CHN	100.000%	KV	100.000%	KV
voestalpine Precision Strip, S.A.U.	ESP	100.000%	KV	100.000%	KV
voestalpine Profilafroid	FRA	99.925%	KV	99.925%	KV
voestalpine Profilform (China) Co., Ltd.	CHN	100.000%	KV	100.000%	KV
voestalpine Profilform s.r.o.	CZE	100.000%	KV	100.000%	KV
voestalpine Rotec Coating SRL	ROU	100.000%	KV	100.000%	KV
voestalpine Rotec de Mexico S. de R.L. de C.V.	MEX	100.000%	KV	100.000%	KV
voestalpine Rotec GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Rotec GmbH & Co. KG[1]	DEU	100.000%	KV	100.000%	KV
voestalpine Rotec Iberica S.A.	ESP	100.000%	KV	100.000%	KV
voestalpine Rotec Limited	GBR	100.000%	KV	100.000%	KV
voestalpine Rotec North America Corp.	CAN	100.000%	KV	100.000%	KV
voestalpine Rotec Sp. z o. o.	POL	100.000%	KV	100.000%	KV
voestalpine S.A.P.	FRA	100.000%	KV	100.000%	KV
voestalpine Sadef nv	BEL	100.000%	KV	100.000%	KV
voestalpine Stamptec Holding GmbH in Liqu.	AUT			100.000%	KV
Entwicklungsgesellschaft Gügling Verwaltungs GmbH	DEU	100.000%	KO	100.000%	KO
EURACIER	FRA	20.000%	KO	20.000%	KO
Hinckley Precision Tubes Limited	GBR			100.000%	KO
Metal Sections Limited	GBR	100.000%	KO	100.000%	KO
Munkfors Energi AB	SWE	40.000%	KO	40.000%	KO
SADEF FRANCE S.A.R.L.	FRA	100.000%	KO	100.000%	KO
voestalpine Automotive Components Dettingen Verwaltungs GmbH	DEU	100.000%	KO	100.000%	KO
voestalpine Automotive Components Dettingen Verwaltungs GmbH	AUT	100.000%	KO	100.000%	KO
voestalpine Automotive Components Linz Verwaltung GmbH	AUT	100.000%	KO	100.000%	KO
voestalpine Beteiligungsgesellschaft Schwäbisch Gmünd mbH	DEU	100.000%	KO	100.000%	KO
voestalpine Stamptec Beteiligungs GmbH	DEU	100.000%	KO	100.000%	KO

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

HOLDING & GROUP SERVICES

	Domicile of the company	03/31/2024 Interest held	Type of consol-idation	03/31/2023 Interest held	Type of consol-idation
voestalpine Financial Services B.V.	NLD	100.000%	KV	100.000%	KV
voestalpine Funding International GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine group-IT (Suzhou) Co., Ltd.	CHN	100.000%	KV	100.000%	KO
voestalpine group-IT AB in Liquidation	SWE			100.000%	KV
voestalpine group-IT GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine group-IT GmbH	DEU	100.000%	KV	100.000%	KV
voestalpine group-IT Tecnologia da Informacao Ltda.	BRA	100.000%	KV	100.000%	KV
voestalpine HR Services GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine Rohstoffbeschaffungs GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine US Holding GmbH	AUT	100.000%	KV	100.000%	KV
voestalpine US Holding LLC	USA	100.000%	KV	100.000%	KV
APK Pensionskasse AG[1]	AUT	32.104%	KEA	32.084%	KEA
VA Erzberg GmbH	AUT	0.000%	KEA	0.000%	KEA
AC styria Mobilitätscluster GmbH	AUT	12.333%	KO	12.333%	KO
Danube Equity GmbH	AUT	100.000%	KO	100.000%	KO
Donauländische Baugesellschaft m.b.H.	AUT	100.000%	KO	100.000%	KO
voestalpine HR Services GmbH in Liquidation	DEU	100.000%	KO	100.000%	KO
voestalpine Insurance Broker GmbH	AUT	100.000%	KO	100.000%	KO

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

GLOSSARY

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

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

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

Capital employed. Total employed interest-bearing capital.

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

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

EBIT margin. EBIT as a percentage of revenue.

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

EBITDA margin. EBITDA as a percentage of revenue.

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

Equity ratio. Equity divided by total assets.

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

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

Gearing. Ratio of net financial debt to equity.

Gross profit. Revenue less cost of sales.

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

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

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

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

Return on equity. ROE is the ratio of profit for the period to equity as recorded in the previous period.

ROCE (return on capital employed). ROCE is the ratio of EBIT to average capital employed, that is, profit generated by the capital invested.

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

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

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& IMPRINT

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