

voestalpine AG

Consolidated Financial Statements 2009/10

Consolidated Financial Statements

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Report of the Supervisory Board on the business year 2009/10

During the business year 2009/10, the Supervisory Board fulfilled its responsibilities under the law and the Articles of Incorporation, holding six plenary sessions, two meetings of the Audit Committee, and three meetings of the General Committee. The Management Board provided information both orally and in written form regarding the state of business and the situation of the Company.

The annual financial statements and the Group's consolidated financial statements as of March 31, 2010, were audited by Grant Thornton Wirtschaftsprüfungs- und Steuerberatungs-GmbH, Vienna, which was engaged as mandated by § 270 of the Austrian Commercial Code (*Unternehmensgesetzbuch—UGB*).

The audit showed that the accounting practices, the annual financial statements and the Group's consolidated financial statements conform to the statutory regulations and the provisions of the Articles of Incorporation. The audit also concluded that the provisions of § 269 of the Austrian Commercial Code were fully met so that the auditor issued an unqualified audit opinion.

There was no cause for any objections. The annual financial statements were reviewed by the Audit Committee of the Supervisory

Board in its meeting on May 31, 2010, and was forwarded to the Supervisory Board with the recommendation that it be approved. The Supervisory Board reviewed and approved the annual financial statements and the Group's consolidated financial statements, as well as the Management Report, the Corporate Governance Report, and the recommendation for the appropriation of earnings. The annual financial statements are herewith deemed adopted pursuant to § 125 of the Austrian Stock Corporation Act (*Aktiengesetz*). The consolidated financial statements were prepared according to the International Financial Reporting Standards (IFRS). These financial statements were also audited by Grant Thornton Wirtschaftsprüfungs- und Steuerberatungs-GmbH, Vienna, and accorded an unqualified certification. The Supervisory Board took note of and approved the Group's consolidated financial statements and the Group Management Report.

The Corporate Governance Report was also audited by Grant Thornton Wirtschaftsprüfungs- und Steuerberatungs-GmbH, Vienna, within the scope of the annual external audit, and it was determined that the report is in agreement with the actual circumstances.

It has been established that the business year 2009/10 has ended with a net profit of EUR 85,000,000.00; it is being recommended that a dividend of EUR 0.50 per dividend-bearing share be paid to the shareholders and the remaining amount be carried forward.

The Supervisory Board



Dr. Joachim Lemppenau
(Chairman)

Linz, May 31, 2010

voestalpine AG

Consolidated statement of financial position

for the year ended March 31, 2010

Assets

	Notes	03/31/2009	03/31/2010
A. Non-current assets			
Property, plant and equipment	9	4,378,253	4,484,043
Goodwill	10	1,420,874	1,420,404
Other intangible assets	11	596,704	462,416
Investments in associates	12	129,151	126,525
Other financial assets	12	141,524	167,154
Deferred tax assets	13	408,999	411,681
		7,075,505	7,072,223
B. Current assets			
Inventories	14	2,909,701	2,198,300
Trade and other receivables	15	1,785,529	1,458,113
Other financial assets	12	218,029	536,827
Cash and cash equivalents	16	857,736	1,028,619
		5,770,995	5,221,859
Total assets		12,846,500	12,294,082

In thousands of euros

Equity and liabilities

	Notes	03/31/2009	03/31/2010
A. Equity			
Share capital		305,042	307,132
Capital reserves		402,063	417,511
Hybrid capital		992,096	992,096
Reserve for own shares		-46,855	-34,450
Other reserves		-210,215	-163,902
Retained earnings		2,743,796	2,671,216
Equity attributable to equity holders of the parent		4,185,927	4,189,603
Minority interest		76,581	72,844
	17	4,262,508	4,262,447
B. Non-current liabilities			
Pensions and other employee obligations	18	854,564	853,045
Provisions	19	58,263	57,435
Deferred tax liabilities	13	312,060	246,021
Financial liabilities	20	3,500,555	3,268,281
		4,725,442	4,424,782
C. Current liabilities			
Provisions	19	396,709	382,002
Tax liabilities		117,471	50,951
Financial liabilities	20	1,445,010	1,448,033
Trade and other payables	21	1,899,360	1,725,867
		3,858,550	3,606,853
Total equity and liabilities		12,846,500	12,294,082

In thousands of euros

voestalpine AG

Consolidated
statement of cash flows 2009/10

	Notes	2008/09	2009/10
Operating activities			
Profit for the period		611,556	186,799
Adjustments	24	627,790	546,942
Changes in working capital		118,520	872,386
Cash flows from operating activities		1,357,866	1,606,127
Investing activities			
Additions of other intangible assets, property, plant and equipment		-979,477	-615,419
Income from disposals of assets		22,354	31,819
Cash flows from changes in the consolidation range and acquisitions of minority interest		-353,971	-3,304
Additions of other financial assets		61,694	-327,586
Cash flows from investing activities		-1,249,400	-914,490
Financing activities			
Dividends paid		-412,725	-246,776
Dividends paid to minority interest/other changes in equity		-4,282	-7,636
Acquisitions/disposals of own shares		72,151	4,104
Capital increase		42,840	0
Borrowing/repayment of financial liabilities		715,449	-289,256
Cash flows from financing activities		413,433	-539,564
Net decrease/increase in cash and cash equivalents			
Cash and cash equivalents, beginning of year		331,892	857,737
Net exchange differences		3,945	18,809
Cash and cash equivalents, end of year	16	857,736	1,028,619

In thousands of euros

voestalpine AG
Consolidated
income statement 2009/10

	Notes	2008/09	2009/10
Revenue	1	11,724,869	8,550,049
Cost of sales		-9,248,099	-6,880,198
Gross profit		2,476,770	1,669,851
Other operating income	2	439,962	365,218
Distribution costs		-1,005,057	-853,199
Administrative expenses		-542,029	-509,125
Other operating expenses	3	-380,909	-320,773
Profit from operations (EBIT)		988,737	351,972
Share of profit of associates	4	24,358	20,379
Finance income	5	73,585	93,895
Finance costs	6	-386,686	-282,903
Profit before tax (EBT)		699,994	183,343
Income tax expense	7	-88,438	3,456
Profit for the period from continuing operations		611,556	186,799
Discontinued operations	8	0	0
Profit for the period		611,556	186,799
Attributable to:			
Equity holders of the parent		529,844	108,403
Minority interest		9,698	6,382
Share planned for hybrid capital owners		72,014	72,014
Basic earnings per share from continuing operations (euros)	31	3.26	0.65
Diluted earnings per share from continuing operations (euros)		3.24	0.65
Statement of comprehensive income:			
Profit for the period		611,556	186,799
Other comprehensive income			
Hedge accounting		7,199	-19,538
Currency translation		-9,665	85,070
Actuarial gains/losses		-17,277	-13,202
Other comprehensive income for the period, net of income tax		-19,743	52,330
Total comprehensive income for the period		591,813	239,129
Attributable to:			
Equity holders of the parent		509,959	154,716
Minority interest		9,840	12,399
Share planned for hybrid capital owners		72,014	72,014
Total comprehensive income for the period		591,813	239,129

In thousands of euros

voestalpine AG

Consolidated statement of changes in equity 2009/10

	Share capital	Capital reserves	Hybrid capital	Reserve for own shares	Translation reserve
Balance as of April 1, 2008	298,756	470,633	992,096	-272,304	-66,045
Profit for the period	0	0	0	0	0
Other comprehensive income					
Hedge accounting	0	0	0	0	0
Currency translation	0	0	0	0	-10,915
Actuarial gains/losses	0	0	0	0	0
Other comprehensive income for the period, net of income tax	0	0	0	0	-10,915
Total comprehensive income for the period	0	0	0	0	-10,915
Own shares acquired/disposed	0	-109,585	0	225,449	0
Dividends	0	0	0	0	0
Capital increase	6,286	39,388	0	0	0
Share-based payment	0	-2,795	0	0	0
Other changes	0	4,422	0	0	0
	6,286	-68,570	0	225,449	0
Balance as of March 31, 2009 = Balance as of April 1, 2009	305,042	402,063	992,096	-46,855	-76,960
Profit for the period	0	0	0	0	0
Other comprehensive income					
Hedge accounting	0	0	0	0	0
Currency translation	0	0	0	0	79,040
Actuarial gains/losses	0	0	0	0	0
Other comprehensive income for the period, net of income tax	0	0	0	0	79,040
Total comprehensive income for the period	0	0	0	0	79,040
Own shares acquired/disposed	0	-8,301	0	12,405	0
Dividends	0	0	0	0	0
Capital increase	2,090	18,786	0	0	0
Share-based payment	0	0	0	0	0
Other changes	0	4,963	0	0	0
	2,090	15,448	0	12,405	0
Balance as of March 31, 2010	307,132	417,511	992,096	-34,450	2,080

Other reserves						Total equity
Hedging reserve	Actuarial gains (+)/losses (-)	Retained earnings	Total attributable to equity holders of the parent	Minority interest		
-16,365	-106,310	2,734,942	4,035,403	253,894	4,289,297	
0	0	601,858	601,858	9,698	611,556	
8,418	0	0	8,418	-1,219	7,199	
0	0	0	-10,915	1,250	-9,665	
0	-17,388	0	-17,388	111	-17,277	
8,418	-17,388	0	-19,885	142	-19,743	
8,418	-17,388	601,858	581,973	9,840	591,813	
0	0	0	115,864	0	115,864	
0	0	-412,725	-412,725	-5,782	-418,507	
0	0	0	45,674	0	45,674	
0	0	0	-2,795	-38	-2,833	
-11	-1,599	-180,279	-177,467	-181,333	-358,800	
-11	-1,599	-593,004	-431,449	-187,153	-618,602	
-7,958	-125,297	2,743,796	4,185,927	76,581	4,262,508	
0	0	180,417	180,417	6,382	186,799	
-19,515	0	0	-19,515	-23	-19,538	
0	0	0	79,040	6,030	85,070	
0	-13,212	0	-13,212	10	-13,202	
-19,515	-13,212	0	46,313	6,017	52,330	
-19,515	-13,212	180,417	226,730	12,399	239,129	
0	0	0	4,104	0	4,104	
0	0	-246,776	-246,776	-7,769	-254,545	
0	0	0	20,876	0	20,876	
0	0	0	0	0	0	
0	0	-6,221	-1,258	-8,367	-9,625	
0	0	-252,997	-223,054	-16,136	-239,190	
-27,473	-138,509	2,671,216	4,189,603	72,844	4,262,447	

In thousands of euros