



"The fundamental transformation of the economic environment will continue for the foreseeable future. Instead of continuous and linear developments, we will have to adjust to quickly occurring upheavals that cause far-reaching shifts as well as to an overall greater degree of volatility. voestalpine has already struck a good balance between short-term economic optimization and strategic responsiveness to long-term changes, but its challenge will be to continue to improve."



Mag. Dipl.-Ing. Robert Ottel, MBA

voestalpine AG  
Consolidated Financial Statements 2010/11

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Consolidated  
Financial Statements

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## Report of the Supervisory Board on the business year 2010/11

During the business year 2010/11, the Supervisory Board fulfilled its responsibilities under the law and the Articles of Incorporation, holding five plenary sessions, two meetings of the Audit Committee, and four meetings of the General Committee. The Management Board provided comprehensive information both orally and in written form regarding the state of business and the situation of the Company.

The annual financial statements and the Group's consolidated financial statements as of March 31, 2011, 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 audits did not give rise to any objections and showed that the annual financial statements and the consolidated financial statements, which were prepared in accordance with the International Financial Reporting Standards (IFRS) as mandated by § 245a of the Austrian Commercial Code, conform to the statutory regulations. The auditor issued an unqualified audit opinion both for the annual financial statements and the consolidated financial statements and confirmed that

the Management Report and the Consolidated Management Report are consistent with the annual financial statements and the consolidated financial statements.

After they had been considered by the Audit Committee on May 30, 2011, the Supervisory Board reviewed and approved the annual financial statements as of March 31, 2011. The annual financial statements are herewith deemed adopted pursuant to § 96 (4) of the Austrian Stock Corporation Act (*Aktiengesetz – AktG*). Furthermore, after they had been considered by the Audit Committee, the Supervisory Board acknowledged and approved the Management Report as well as the consolidated financial statements together with the Consolidated Management Report and the Corporate Governance Report.

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

It has been established that the business year 2010/11 has ended with a net profit of EUR 136,000,000; it is being recommended that a dividend of EUR 0.80 per dividend-bearing share be paid to the shareholders and that the remaining amount be carried forward.

The Supervisory Board



Dr. Joachim Lemppenau  
(Chairman)

Linz, May 30, 2011

**voestalpine AG**

# Consolidated statement of financial position

for the year ended March 31, 2011

**Assets**

	Notes	03/31/2010	03/31/2011
<b>A. Non-current assets</b>			
Property, plant and equipment	8	4,484,043	4,371,380
Goodwill	9	1,420,404	1,419,550
Other intangible assets	10	462,416	379,888
Investments in associates	11	126,525	142,799
Other financial assets	11	167,154	158,695
Deferred tax assets	12	411,681	383,196
		<b>7,072,223</b>	<b>6,855,508</b>
<b>B. Current assets</b>			
Inventories	13	2,198,300	2,824,106
Trade and other receivables	14	1,458,113	1,709,767
Other financial assets	10	536,827	453,633
Cash and cash equivalents	15	1,028,619	1,233,433
		<b>5,221,859</b>	<b>6,220,939</b>
<b>Total assets</b>		<b>12,294,082</b>	<b>13,076,447</b>

In thousands of euros

## Equity and liabilities

	Notes	03/31/2010	03/31/2011
<b>A. Equity</b>			
Share capital		307,132	307,132
Capital reserves		417,511	421,083
Hybrid capital		992,096	992,096
Reserve for own shares		-34,450	-24,485
Other reserves		-163,902	-167,482
Retained earnings		2,671,216	3,089,439
<b>Equity attributable to equity holders of the parent</b>		<b>4,189,603</b>	<b>4,617,783</b>
Non-controlling interests		72,844	73,330
	16	<b>4,262,447</b>	<b>4,691,113</b>
<b>B. Non-current liabilities</b>			
Pensions and other employee obligations	17	853,045	833,156
Provisions	18	57,435	83,324
Deferred tax liabilities	12	246,021	237,010
Financial liabilities	19	3,268,281	3,070,553
		<b>4,424,782</b>	<b>4,224,043</b>
<b>C. Current liabilities</b>			
Provisions	18	382,002	402,073
Tax liabilities		50,951	134,719
Financial liabilities	19	1,448,033	1,427,930
Trade and other payables	20	1,725,867	2,196,569
		<b>3,606,853</b>	<b>4,161,291</b>
<b>Total equity and liabilities</b>		<b>12,294,082</b>	<b>13,076,447</b>

In thousands of euros

## voestalpine AG

Consolidated  
statement of cash flows 2010/11

	Notes	2009/10	2010/11
<b>Operating activities</b>			
Profit for the period		186,799	594,559
Adjustments	23	546,942	600,011
Changes in working capital		872,386	-236,950
<b>Cash flows from operating activities</b>		<b>1,606,127</b>	<b>957,620</b>
<b>Investing activities</b>			
Additions of other intangible assets, property, plant and equipment		-615,419	-467,155
Income from disposals of assets		31,819	11,904
Cash flows from changes in the consolidation range and acquisitions of non-controlling interests		-3,304	-11,647
Additions of other financial assets		-327,586	100,237
<b>Cash flows from investing activities</b>		<b>-914,490</b>	<b>-366,661</b>
<b>Financing activities</b>			
Dividends paid		-246,776	-155,525
Dividends paid to non-controlling interests/other changes in equity		-7,636	-6,112
Acquisitions/disposals of own shares		4,104	5,160
Borrowing/repayment of financial liabilities		-289,256	-233,984
<b>Cash flows from financing activities</b>		<b>-539,564</b>	<b>-390,461</b>
<b>Net decrease/increase in cash and cash equivalents</b>			
		<b>152,073</b>	<b>200,498</b>
Cash and cash equivalents, beginning of year		857,737	1,028,619
Net exchange differences		18,809	4,316
<b>Cash and cash equivalents, end of year</b>	15	<b>1,028,619</b>	<b>1,233,433</b>

In thousands of euros

## voestalpine AG

Consolidated  
income statement 2010/11

	Notes	2009/10	2010/11
<b>Revenue</b>	1	<b>8,550,049</b>	<b>10,953,695</b>
Cost of sales		-6,880,198	-8,519,672
<b>Gross profit</b>		<b>1,669,851</b>	<b>2,434,023</b>
Other operating income	2	365,218	334,015
Distribution costs		-853,199	-959,173
Administrative expenses		-509,125	-554,805
Other operating expenses	3	-320,773	-269,213
<b>Profit from operations (EBIT)</b>		<b>351,972</b>	<b>984,847</b>
Share of profit of associates	4	20,379	30,088
Finance income	5	93,895	54,107
Finance costs	6	-282,903	-288,074
<b>Profit before tax (EBT)</b>		<b>183,343</b>	<b>780,968</b>
Income tax expense	7	3,456	-186,409
<b>Profit for the period</b>		<b>186,799</b>	<b>594,559</b>
Attributable to:			
Equity holders of the parent		108,403	512,745
Non-controlling interests		6,382	9,800
Share planned for hybrid capital owners		72,014	72,014
<b>Basic earnings per share (euros)</b>	30	<b>0.65</b>	<b>3.04</b>
<b>Diluted earnings per share (euros)</b>	30	<b>0.65</b>	<b>3.04</b>
<b>Statement of comprehensive income 2010/11</b>			
<b>Profit for the period</b>		<b>186,799</b>	<b>594,559</b>
<b>Other comprehensive income</b>			
Hedge accounting		-19,538	7,344
Currency translation		85,070	9,503
Actuarial gains/losses		-13,202	-21,110
<b>Other comprehensive income for the period, net of income tax</b>		<b>52,330</b>	<b>-4,263</b>
<b>Total comprehensive income for the period</b>		<b>239,129</b>	<b>590,296</b>
Attributable to:			
Equity holders of the parent		154,716	509,165
Non-controlling interests		12,399	9,117
Share planned for hybrid capital owners		72,014	72,014
<b>Total comprehensive income for the period</b>		<b>239,129</b>	<b>590,296</b>

In thousands of euros

## voestalpine AG

# Consolidated statement of changes in equity 2010/11

	Share capital	Capital reserves	Hybrid capital	Reserve for own shares	Translation reserve
<b>Balance as of April 1, 2009</b>	<b>305,042</b>	<b>402,063</b>	<b>992,096</b>	<b>-46,855</b>	<b>-76,960</b>
<b>Profit for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other comprehensive income</b>					
Hedge accounting	0	0	0	0	0
Currency translation	0	0	0	0	79,040
Actuarial gains/losses	0	0	0	0	0
<b>Other comprehensive income for the period, net of income tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>79,040</b>
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>79,040</b>
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
	<b>2,090</b>	<b>15,448</b>	<b>0</b>	<b>12,405</b>	<b>0</b>
<b>Balance as of March 31, 2010 = Balance as of April 1, 2010</b>	<b>307,132</b>	<b>417,511</b>	<b>992,096</b>	<b>-34,450</b>	<b>2,080</b>
<b>Profit for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other comprehensive income</b>					
Hedge accounting	0	0	0	0	0
Currency translation	0	0	0	0	10,151
Actuarial gains/losses	0	0	0	0	0
<b>Other comprehensive income for the period, net of income tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,151</b>
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,151</b>
Own shares acquired/disposed	0	-4,805	0	9,965	0
Dividends	0	0	0	0	0
Capital increase	0	0	0	0	0
Share-based payment	0	-5,165	0	0	0
Other changes	0	13,542	0	0	0
	<b>0</b>	<b>3,572</b>	<b>0</b>	<b>9,965</b>	<b>0</b>
<b>Balance as of March 31, 2011</b>	<b>307,132</b>	<b>421,083</b>	<b>992,096</b>	<b>-24,485</b>	<b>12,231</b>

Other reserves						Total equity
Hedging reserve	Actuarial gains(+)/losses (-)	Retained earnings	Total attributable to equity holders of the parent	Non-controlling interests		
-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	
0	0	584,759	584,759	9,800	594,559	
7,317	0	0	7,317	27	7,344	
0	0	0	10,151	-648	9,503	
0	-21,048	0	-21,048	-62	-21,110	
7,317	-21,048	0	-3,580	-683	-4,263	
7,317	-21,048	584,759	581,179	9,117	590,296	
0	0	0	5,160	0	5,160	
0	0	-155,525	-155,525	-8,490	-164,015	
0	0	0	0	0	0	
0	0	0	-5,165	7	-5,158	
0	0	-11,011	2,531	-148	2,383	
0	0	-166,536	-152,999	-8,631	-161,630	
-20,156	-159,557	3,089,439	4,617,783	73,330	4,691,113	

In thousands of euros