

GENERAL INFORMATION / ACCOUNTING POLICIES

These Interim Consolidated Financial Statements of voestalpine AG as of September 30, 2021, for the first half of the business year 2021/22 were prepared in accordance with the International Financial Reporting Standards (IFRS)—as adopted by the European Union—pursuant to IAS 34, Interim Financial Reporting, as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRS-IC), which require application in 2021. The accounting policies are unchanged from the Consolidated Financial Statements for the business year 2020/21, with the exception of the changes below.

The following new and revised Standards and Interpretations were adopted for the first time in the business year 2021/22:

Standard	Content	Effective date ¹
IFRS 4, amendments	Insurance Contracts – Deferral of IFRS 9	January 1, 2021
IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16, amendments	Interest Rate Benchmark Reform – Phase 2	January 1, 2021
IFRS 16, amendments	COVID-19-Related Rent Concessions	April 1, 2021

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

The amendments and new versions of Standards and Interpretations did not have any material effect on the voestalpine Group's net assets, financial position, and results of operations.

Further information on the other principles of preparation is provided in the Consolidated Financial Statements as of March 31, 2021, on which these Interim Consolidated Financial Statements are based.

The Interim Consolidated Financial Statements are presented in millions of euros (the functional currency of the parent company). The use of automated calculation systems may result in rounding differences that affect amounts and percentages.

Unless otherwise stated, comparative information relates to the first half of the business year 2020/21 (reporting date: September 30, 2020).

The present Interim Consolidated Financial Statements have not been audited or reviewed by auditors.

EFFECTS OF THE COVID-19 PANDEMIC

EFFECTS ON THE GROUP'S SEMI-ANNUAL PERFORMANCE AND LIQUIDITY

Worldwide and macroeconomically, catch-up effects related to the rebound from the COVID-19 pandemic characterized the first half of the business year 2021/22. The economic climate stabilized at a high level over the course of the reporting period. In this environment, the voestalpine Group harnessed the positive upward trend to its advantage, with the result that almost all of its business segments show signs of a noticeable recovery. The Automotive Components segment is the only one whose performance was a bit restrained, especially due to supply chain distortions affecting semi-conductors for electronic components. The liquidity position as of September 30, 2021, was highly positive, with the result that in October 2021 voestalpine redeemed the corporate bond 2014–2021 using own funds.

As of September 30, 2021, short time work was still in effect on a small scale at a few facilities in Germany. Deferrals of social security contributions, non-wage costs, and taxes that both domestic and foreign subsidiaries utilized in the business year 2020/21 were already settled in large part as of March 31, 2021.

EFFECTS ON UNCERTAINTIES IN ACCOUNTING ESTIMATES AND ASSUMPTIONS

The potential effects of the COVID-19 pandemic discussed in the Consolidated Financial Statements as of March 31, 2021, on uncertainties in accounting estimates and assumptions were repeatedly reviewed during the preparation of the present Interim Consolidated Financial Statements; they remain valid.

CHANGES IN THE SCOPE OF CONSOLIDATION

The changes made in the scope of consolidation during the first half of the business year 2021/22 were as follows:

	Full consolidation	Equity method
As of April 1, 2021	280	11
Additions from acquisitions		
Change in the consolidation method and incorporation		
Additions	7	1
Disposals		
Reorganizations		
Divestments or disposals		
As of September 30, 2021	287	12
Of which foreign companies	229	4

The following entities are being included in the Interim Consolidated Financial Statements for the first time in the first half of the business year 2021/22:

Name of entity	Equity interest in %
Full consolidation	
voestalpine High Performance Metals DIGITAL SOLUTIONS GmbH	100.000%
voestalpine High Performance Metals SCM GmbH	100.000%
voestalpine High Performance Metals SCM GmbH & Co KG	100.000%
voestalpine Giesserei Traisen Verwaltung GmbH	100.000%
voestalpine US Holding GmbH	100.000%
voestalpine High Performance Metals LLC	100.000%
voestalpine Steel US Holding LLC	100.000%
At-equity consolidation	
voestalpine Digital Track Management GmbH	50.000%

The additions of fully consolidated entities to the scope of consolidation include seven newly established entities.

SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Name of the subsidiary	Domicile	09/30/2020	09/30/2021
voestalpine Tubulars GmbH & Co KG	Kindberg, Austria		
Proportion of ownership		49.8875%	49.8875%
Proportion of ownership interests held by non-controlling interests		50.1125%	50.1125%
CNTT Chinese New Turnout Technologies Co., Ltd.	Qinhuangdao, China		
Proportion of ownership		50.0000%	50.0000%
Proportion of ownership interests held by non-controlling interests		50.0000%	50.0000%

As of September 30, 2021, the total of all non-controlling interests is EUR 126.6 million (September 30, 2020: EUR 130.3 million), of which EUR 36.4 million (September 30, 2020: EUR 48.6 million) is attributable to voestalpine Tubulars GmbH & Co KG and EUR 31.5 million (September 30, 2020: EUR 32.0 million) is attributable to CNTT Chinese New Turnout Technologies Co., Ltd. The remaining non-controlling interests, considered individually, can be deemed immaterial to the Group.

Summarized financial information for each subsidiary with non-controlling interests that are material to the Group is depicted in the following chart. 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.	
	09/30/2020	09/30/2021	09/30/2020	09/30/2021
Non-current assets	114.4	106.3	13.7	16.2
Current assets	88.9	156.0	97.9	97.2
Non-current provisions and liabilities	28.4	24.6	1.8	1.9
Current provisions and liabilities	94.1	178.8	45.7	48.3
Net assets (100%)	80.8	58.9	64.1	63.2

In millions of euros

SUMMARIZED INCOME STATEMENT

	voestalpine Tubulars GmbH & Co KG		CNTT Chinese New Turnout Technologies Co., Ltd.	
	04/01– 09/30/2020	04/01– 09/30/2021	04/01– 09/30/2020	04/01– 09/30/2021
Revenue	101.9	193.7	52.6	40.1
EBIT	-28.2	1.3	13.8	13.0
Profit after tax	-28.2	0.0	12.0	11.5
Attributable to:				
Equity holders of the parent	-14.1	0.0	6.0	5.7
Non-controlling interests	-14.1	0.0	6.0	5.7
Dividends paid to non-controlling interests	0.0	0.0	3.1	2.6

In millions of euros

SUMMARIZED STATEMENT OF CASH FLOWS

	voestalpine Tubulars GmbH & Co KG		CNTT Chinese New Turnout Technologies Co., Ltd.	
	04/01– 09/30/2020	04/01– 09/30/2021	04/01– 09/30/2020	04/01– 09/30/2021
Cash flows from operating activities	22.1	-17.3	16.7	2.6
Cash flows from investing activities	-3.7	-5.4	0.1	-0.3
Thereof additions to/divestments of other financial assets	0.0	0.0	0.0	0.0
Cash flows from financing activities	-18.3	22.7	-16.0	-17.8
Net decrease/increase in cash and cash equivalents	0.1	0.0	0.8	-15.5

In millions of euros

INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

SHARES IN IMMATERIAL JOINT VENTURES

Profits from the joint ventures, which are individually immaterial to voestalpine's Interim Consolidated Financial Statements, are included using the equity method. This information relates to the interests of the voestalpine Group in the immaterial joint ventures and is broken down as follows:

	04/01- 09/30/2020	04/01- 09/30/2021
Group share of		
Profit after tax	0.1	-0.5
Other comprehensive income	-0.1	0.1
Comprehensive income	0.0	-0.4
Carrying amount, immaterial joint ventures	3.8	4.9

In millions of euros

SHARES IN IMMATERIAL ASSOCIATES

The profit from associates that are individually immaterial to voestalpine's Interim 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:

	04/01- 09/30/2020	04/01- 09/30/2021
Group share of		
Profit after tax	7.6	10.4
Other comprehensive income	-1.1	0.9
Comprehensive income	6.5	11.3
Carrying amount, immaterial associates	126.1	135.1

In millions of euros

IMPAIRMENT LOSSES AND REVERSAL OF IMPAIRMENT LOSSES

The general descriptions of plans and models—as specified in Note 11., Impairment losses and reversal of impairment losses, of the Annual Report 2020/21—still apply.

Impairment tests of cash generating units or groups of cash generating units containing goodwill

Impairment losses

In the business year 2020/21, an impairment loss of EUR 25.0 million on the goodwill of the Metal Engineering Division's **Tubulars** unit to which goodwill had been allocated was recognized in other operating expenses as of September 30, 2020; this unit engages in the production of high quality seamless tubes. Negative developments in the selling environment, particularly the sharp drop in both crude oil prices and production rates that continued to intensify on account of the COVID-19 crisis, led to substantially lower forecasts of revenue and earnings. The expected future cash flows underlying the impairment test as of September 30, 2020—especially those related to the detailed planning period—thus were lower than those underlying the impairment test as of March 31, 2020. The recoverable amount (value in use) for this unit was EUR 249.7 million as of September 30, 2020.

The fifth plan year was used to calculate the perpetual annuity based on a growth rate of 1.33%. The after-tax WACC was 6.21%; the pre-tax WACC was 7.58%.

In the second half of 2020/21, a recovery in sales has already started again resulting in a significant excess of the carrying amount as of March 31, 2021.

Impairment test of cash generating units that have no goodwill and of other assets

In the business year 2020/21, a total of USD 190.5 million (EUR 167.6 million as of September 30, 2020) in impairment losses on “Land, land rights, and buildings” as well as “Plant and equipment” were recognized in other operating expenses for the **Texas** cash generating unit of the Steel Division, which consists of a single facility and produces hot briquetted iron (HBI). Economic developments owing to the COVID-19 crisis led to an adjustment of the short-term earnings forecasts that is greater than the adjustment taken as of March 31, 2020. The HBI spot market price disintegrated to a much greater degree than anticipated due to the deteriorating scrap/iron ore price ratio. The strong price sensitivity of the HBI spot market prices as well as the expectation that volatilities in the raw materials markets would continue unabated also led to the reversal particularly of the medium-term earnings forecasts and the cash flows for the Texas unit. The recoverable amount (value in use) for this unit was EUR 447.8 million as of September 30, 2020. An after-tax discount rate of 6.79% was applied; the pre-tax WACC was 7.98%.

In the business year 2020/21, a total of EUR 8.6 million in impairment losses on “Land, land rights, and buildings” and “Plant and equipment” were recognized in other operating expenses (of which EUR 5.9 million had already been recognized as of September 30, 2020) for the **Special Wire** cash generating unit of the Metal Engineering Division, which comprises a single facility and focuses on the production of special wire (fine wire). This impairment loss initially stemmed from the reduction in quantities purchased by the unit’s main customer, partly due to COVID-19; in turn, this triggered both lower capacity utilization and higher price pressures, in turn further lowering sales and thus also future earnings and cash flow forecasts. The recoverable amount (value in use) for this unit was EUR 18.0 million as of March 31, 2021; it was determined on the basis of estimated net sales proceeds. These comprised the current individual sales proceeds of the assets and the carrying amount of working capital.

Hot Forming is a cash generating unit of the Metal Forming Division’s Automotive Components business unit. It comprises two plants in Germany and the United States and uses hot forming to develop metal pressed parts for the automotive industry.

The current sensitivities for the Hot Forming unit, whose performance is affected by the current challenges in the automotive industry—particularly the shortage of semiconductors for electronic components—are shown.

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 in the future. An increase in the after-tax discount rate by one percentage point and/or a decrease in the cash flows by 10% 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%
09/30/2021			
Hot Forming	0.0	-24.6	-18.0

In millions of euros

As of September 30, 2021, no impairment losses were recognized for cash generating units that have no goodwill and other assets. For all other disclosures related to cash generating units that have no goodwill, see the Consolidated Financial Statements as of March 31, 2021.

NOTES ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In the first half of the business year 2021/22, depreciation totaling EUR 399.2 million exceeded actual investments of EUR 238.8 million. This essentially led to a decline in non-current assets from EUR 8,444.2 million to EUR 8,219.4 million. This is contrasted by positive currency translation effects of EUR 22.5 million. Due to the operational increase in inventories (see the consolidated statement of cash flows), compared with March 31, 2021, the carrying amount of the inventories as of the reporting date rose by EUR 977.3 million.

As of September 30, 2021, voestalpine AG's share capital was EUR 324,391,840.99 (March 31, 2021: EUR 324,391,840.99) and was divided into 178,549,163 shares (March 31, 2021: 178,549,163). The company held 28,547 of its treasury shares as of the reporting date.

Due primarily to changes in the actuarial result (positive) and the currency translations (positive), the profit after tax of EUR 485.7 million rose to total comprehensive income of EUR 529.8 million. The Annual General Meeting on July 7, 2021, resolved a dividend per share of EUR 0.50 for the business year 2020/21. Therefore, voestalpine AG has distributed dividends of EUR 89.3 million to its shareholders in the current business year. Equity increased to EUR 6,077.5 million, mainly as a result of the positive total comprehensive income.

In the current business year, particularly the adjustment of the discount rate from 0.8% as of March 31, 2021, to 1.0% as of September 30, 2021, resulted in a decrease in the provisions for pension and severance obligations and consequently in an actuarial gain of EUR 33.9 million (after deferred taxes) that is recognized in other comprehensive income. The adjustment in the discount rate led to a decrease (recognized in income) of EUR 3.5 million (or EUR 2.6 million after deferred taxes) in the provisions for long-service bonuses.

NOTES ON THE CONSOLIDATED INCOME STATEMENT

At EUR 7,042.9 million, revenue for the period from April 1, 2021, to September 30, 2021, increased by 37.8% compared with EUR 5,110.1 million in the same period of the previous year. In the first half of the business year 2021/22, EBIT is EUR 650.6 million compared with EUR -215.0 million for the same period of the previous year. EBIT is EUR 311.0 million for the second quarter of 2021/22, compared with EUR -166.3 million for the second quarter of 2020/21. After consideration of the financial result and taxes, the profit after tax is EUR 485.7 million compared with EUR -275.8 million for the same period of the previous year.

Despite the profit before tax of EUR -267.5 million for the first half of the previous year, the tax expense of EUR 8.3 million is due primarily to the non-recognition of tax losses.

Diluted and basic earnings per share are calculated as follows:

	04/01- 09/30/2020	04/01- 09/30/2021
Profit attributable to equity holders of the parent (in millions of euros)	-272.5	473.9
Weighted average number of outstanding ordinary shares (millions)	178.5	178.5
Diluted and basic earnings per share (euros)	-1.53	2.65

CLASSIFICATION OF REVENUES

The following table contains information on the classification of external revenues by region and industry of the voestalpine Group for the first half of the business years 2021/22 and 2020/21, respectively:

REVENUE BY REGION

	Steel Division		High Performance Metals Division	
	04/01-09/30/2020	04/01-09/30/2021	04/01-09/30/2020	04/01-09/30/2021
European Union (without Austria)	1,009.6	1,568.6	430.7	579.6
Austria	197.7	295.4	30.8	76.5
USMCA	145.8	338.2	144.0	189.2
Asia	180.6	45.5	230.7	278.6
South America	4.8	16.0	74.3	127.4
Rest of world	132.8	177.0	132.6	151.7
Total revenue by region	1,671.3	2,440.7	1,043.1	1,403.0

REVENUE BY INDUSTRY

	Steel Division		High Performance Metals Division	
	04/01-09/30/2020	04/01-09/30/2021	04/01-09/30/2020	04/01-09/30/2021
Automotive	490.8	752.9	261.0	379.5
Energy	277.1	264.9	149.9	232.1
Railway systems	4.1	2.9	5.0	8.2
Building/Construction	183.7	281.1	42.2	51.4
Mechanical engineering	80.1	159.3	247.2	303.2
White goods/Consumer goods	60.7	86.6	152.9	192.1
Aerospace	0.0	0.0	81.4	103.3
Other	574.8	893.0	103.5	133.2
Total revenue by industry	1,671.3	2,440.7	1,043.1	1,403.0

Metal Engineering Division		Metal Forming Division		Other		Total Group	
04/01-09/30/2020	04/01-09/30/2021	04/01-09/30/2020	04/01-09/30/2021	04/01-09/30/2020	04/01-09/30/2021	04/01-09/30/2020	04/01-09/30/2021
611.8	736.0	618.5	847.9	3.8	5.2	2,674.4	3,737.3
109.9	147.9	45.5	58.9	0.8	0.8	384.7	579.5
189.2	275.2	236.2	403.3	0.0	0.0	715.2	1,205.9
178.1	178.6	66.0	80.9	0.2	0.3	655.6	583.9
22.6	33.5	30.3	74.0	0.0	0.0	132.0	250.9
200.3	223.7	82.5	133.0	0.0	0.0	548.2	685.4
1,311.9	1,594.9	1,079.0	1,598.0	4.8	6.3	5,110.1	7,042.9

In millions of euros

Metal Engineering Division		Metal Forming Division		Other		Total Group	
04/01-09/30/2020	04/01-09/30/2021	04/01-09/30/2020	04/01-09/30/2021	04/01-09/30/2020	04/01-09/30/2021	04/01-09/30/2020	04/01-09/30/2021
127.3	242.0	547.0	730.1	0.0	0.0	1,426.1	2,104.5
203.0	279.9	20.0	25.9	0.0	0.0	650.0	802.8
788.4	786.9	0.2	0.3	0.0	0.0	797.7	798.3
32.8	46.8	298.2	493.1	0.0	0.0	556.9	872.4
55.1	74.8	89.2	145.9	0.0	0.0	471.6	683.2
14.1	25.9	45.7	62.6	0.0	0.0	273.4	367.2
0.0	0.0	7.8	4.0	0.0	0.0	89.2	107.3
91.2	138.6	70.9	136.1	4.8	6.3	845.2	1,307.2
1,311.9	1,594.9	1,079.0	1,598.0	4.8	6.3	5,110.1	7,042.9

In millions of euros

OPERATING SEGMENTS

The following table contains information on the operating segments of the voestalpine Group for the first half of the business years 2021/22 and 2020/21, respectively:

OPERATING SEGMENTS

	Steel Division		High Performance Metals Division	
	04/01-09/30/2020	04/01-09/30/2021	04/01-09/30/2020	04/01-09/30/2021
Segment revenue	1,830.5	2,717.4	1,061.7	1,425.5
Of which revenue with third parties	1,671.3	2,440.7	1,043.1	1,403.0
Of which revenue with other segments	159.2	276.7	18.6	22.5
EBITDA	161.6	521.2	76.8	191.6
EBIT	-168.7	370.2	-6.2	112.0
EBIT margin	-9.2%	13.6%	-0.6%	7.9%
Segment assets	4,340.9	4,877.0	4,086.9	4,352.6
Employees (full-time equivalent)	10,321	10,581	12,381	12,891

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

EBITDA

	04/01-09/30/2020	04/01-09/30/2021
Net exchange differences and result from valuation of derivatives	-2.9	-5.0
Consolidation	1.4	-9.5
EBITDA – Total reconciliation	-1.5	-14.5

In millions of euros

	Metal Engineering Division		Metal Forming Division		Other		Reconciliation		Total Group	
	04/01-09/30/2020	04/01-09/30/2021	04/01-09/30/2020	04/01-09/30/2021	04/01-09/30/2020	04/01-09/30/2021	04/01-09/30/2020	04/01-09/30/2021	04/01-09/30/2020	04/01-09/30/2021
	1,335.9	1,614.9	1,092.5	1,617.1	451.9	1,038.5	-662.4	-1,370.5	5,110.1	7,042.9
	1,311.9	1,594.9	1,079.0	1,598.0	4.8	6.3	0.0	0.0	5,110.1	7,042.9
	24.0	20.0	13.5	19.1	447.1	1,032.2	-662.4	-1,370.5	0.0	0.0
	110.3	199.7	80.1	191.1	-32.3	-39.2	-1.5	-14.6	395.0	1,049.8
	-9.6	111.1	9.9	118.0	-38.9	-46.2	-1.5	-14.5	-215.0	650.6
	-0.7%	6.9%	0.9%	7.3%					-4.2%	9.2%
	3,265.5	3,472.4	2,496.4	2,737.6	10,523.0	9,902.4	-10,302.0	-9,905.7	14,410.7	15,436.3
	12,878	13,276	11,443	11,386	894	934	0	0	47,917	49,068

In millions of euros

EBIT

	04/01-09/30/2020	04/01-09/30/2021
Net exchange differences and result from valuation of derivatives	-2.9	-5.0
Consolidation	1.4	-9.5
EBIT – Total reconciliation	-1.5	-14.5

In millions of euros

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

NOTES ON THE CONSOLIDATED STATEMENT OF CASH FLOWS

Non-cash expenses and income include EUR 395.8 million in depreciation/revaluation (also of financial assets). Taking the change in working capital into account, the cash flows from operating activities in the reporting period are EUR 372.2 million, compared with EUR 562.8 million in the first half of the previous year. This decrease of -33.9% arises from the significant increase in working capital (particularly inventories). A total of EUR -512.7 million in cash flows from investing activities (which include EUR -259.8 million in investments in other financial assets) and EUR -459.6 million in cash flows from financing activities (largely repayments of non-current financial liabilities and dividend payments) lead to a change in cash and cash equivalents (excluding net exchange differences) of EUR -600.1 million. The investments in other financial assets include repo transactions entailing CO₂ repos (purchases of CO₂ allowances subject to simultaneous repurchase agreements) in the amount of EUR 259.9 million.

NOTES ON FINANCIAL INSTRUMENTS

Categories of financial instruments

Categories	Financial assets measured at AC ¹	Hedge accounting	Financial assets measured at FVTPL	Total
Assets 03/31/2021				
Other financial assets, non-current	2.1	-	50.6	52.7
Trade and other receivables	888.8	18.3	215.5	1,122.6
Other financial assets, current ²	84.2	-	61.1	145.3
Cash and cash equivalents	1,159.7	-	-	1,159.7
Carrying amount	2,134.8	18.3	327.2	2,480.3

¹ The carrying amount of the financial assets measured at AC represents an adequate approximation of the fair value.

² The "other financial assets, current" of EUR 145.3 million reported as of March 31, 2021, which were classified FVTPL, were adjusted by EUR 84.2 million.

In millions of euros

Categories	Financial assets measured at AC ¹	Hedge accounting	Financial assets measured at FVTPL	Total
Assets 09/30/2021				
Other financial assets, non-current	2.1	-	50.9	53.0
Trade and other receivables	960.3	30.8	241.7	1,232.8
Other financial assets, current	344.1	-	63.9	408.0
Cash and cash equivalents	563.8	-	-	563.8
Carrying amount	1,870.3	30.8	356.5	2,257.6

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 03/31/2021						
Financial liabilities, non-current	2,846.2	2,883.2	-	-	2,846.2	2,883.2
Financial liabilities, current	1,220.7	1,225.1	-	-	1,220.7	1,225.1
Trade and other payables ¹	1,597.4	1,597.4	9.4	8.2	1,615.0	1,615.0
Trade payables from bills of exchange and trade payables from reverse factoring agreements	782.1	782.1	-	-	782.1	782.1
Total	6,446.4	6,487.8	9.4	8.2	6,464.0	6,505.4

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

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 09/30/2021							
Financial liabilities, non-current	2,724.9	2,774.8	-	-	2,724.9	2,774.8	
Financial liabilities, current	1,010.0	1,010.1	-	-	1,010.0	1,010.1	
Trade and other payables ¹	1,769.2	1,769.2	23.9	9.3	1,802.4	1,802.4	
Trade payables from bills of exchange and trade payables from reverse factoring agreements	981.6	981.6	-	-	981.6	981.6	
Total	6,485.7	6,535.7	23.9	9.3	6,518.9	6,568.9	

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
03/31/2021				
Financial assets				
Other financial assets, non-current	14.2	-	36.4	50.6
Receivables from derivatives – hedge accounting	-	18.3	-	18.3
Trade and other receivables	-	23.1	192.4	215.5
Other financial assets, current	61.1	-	-	61.1
	75.3	41.4	228.8	345.5
Financial liabilities				
Liabilities from derivatives – hedge accounting	-	9.4	-	9.4
Trade and other payables	-	8.2	-	8.2
	0.0	17.6	0.0	17.6
09/30/2021				
Financial assets				
Other financial assets, non-current	14.5	-	36.4	50.9
Receivables from derivatives – hedge accounting	-	30.8	-	30.8
Trade and other receivables	-	21.4	220.3	241.7
Other financial assets, current	63.9	-	-	63.9
	78.4	52.2	256.7	387.3
Financial liabilities				
Liabilities from derivatives – hedge accounting	-	23.9	-	23.9
Trade and other payables	-	9.3	-	9.3
	0.0	33.2	0.0	33.2

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 year 2020/21, nor from April 1, 2021, through September 30, 2021.

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

	04/01– 09/30/2020	04/01– 09/30/2021
Opening balance	36.4	36.4
Total of gains/losses recognized in the income statement:		
Finance costs/Finance income	0.0	0.0
Closing balance	36.4	36.4

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)

	04/01– 09/30/2020	04/01– 09/30/2021
Opening balance	111.7	192.4
Disposals	-111.7	-192.4
Additions	151.1	220.3
Closing balance	151.1	220.3

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 most important 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.

SEASONALITY AND CYCLICALITY

Regardless of economic trends, the second and third business quarters are generally expected to see seasonally slightly weaker revenue, especially due to vacations or shutdowns of key customer segments.

RELATED PARTY DISCLOSURES

Business transactions in the form of deliveries and services are carried out with non-consolidated subsidiaries, joint ventures, and associated Group companies as part of operational activities. These business transactions are carried out exclusively based on normal market terms.

The volume of business transactions with associated companies and parties was similar to that reported in the Consolidated Financial Statements 2020/21. Neither the financial position nor the earnings of the voestalpine Group were materially affected during the first six months of the current business year.

Receivables are sold to core shareholders at arm's length in connection with the first type of factoring agreement (see Note 28 of the Consolidated Financial Statements 2020/21, Disclosures of transactions not recorded in the statement of financial position, for a description). As of September 30, 2021, these receivables totaled EUR 241.2 million (March 31, 2021: EUR 204.2 million).

ANTITRUST PROCEEDINGS

Provisions were recognized as of the interim reporting date for potential negative effects of the cartel proceedings described on page 168 in Note 19., Provisions, of the Consolidated Financial Statements 2020/21 (Notes to the Consolidated Financial Statements – G. Explanations and Other Disclosures).

PROVISIONS AND CONTINGENT LIABILITIES

Note that we are invoking the safeguard clause in accordance with IAS 37.92, pursuant to which detailed information on provisions and contingent liabilities is not disclosed if doing so could seriously and adversely impact the company's interests.

EVENTS AFTER THE REPORTING PERIOD

No significant events have occurred after the reporting period.

MANAGEMENT BOARD STATEMENT

IN ACCORDANCE WITH SECTION 125 (1) AUSTRIAN STOCK EXCHANGE ACT 2018 (BÖRSEGESETZ 2018 – BÖRSEG 2018)

The Management Board of voestalpine AG confirms to the best of its knowledge that the Condensed Interim Financial Statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group as required by the applicable accounting standards and that the Group Management Report gives a true and fair view of important events that have occurred during the first six months of the business year and their impact on the Condensed Interim Financial Statements, of the principal risks and uncertainties for the remaining six months of the business year, and of the major related party transactions to be disclosed.

Linz, November 4, 2021

The Management Board

Herbert Eibensteiner
Chairman of the Management Board

Franz Kainersdorfer
Member of the Management Board

Robert Ottel
Member of the Management Board

Franz Rotter
Member of the Management Board

Peter Schwab
Member of the Management Board

Hubert Zajicek
Member of the Management Board

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

Disclaimer

This report contains forward-looking statements that reflect the current views of voestalpine AG regarding future events. Forward-looking statements naturally are subject to risks and uncertainties, which is why actual events and hence results may differ substantially from such statements. The company is under no obligation to publish updates of the forward-looking statements contained herein unless so required under applicable law.

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

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