### Key figures at a glance

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hot metal purchase</strong></td>
<td>2,025</td>
<td>2,201</td>
<td>8.70%</td>
</tr>
<tr>
<td><strong>Crude steel production</strong></td>
<td>2,315</td>
<td>2,520</td>
<td>8.86%</td>
</tr>
<tr>
<td><strong>Sales revenues per region</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>1,523</td>
<td>1,385</td>
<td></td>
</tr>
<tr>
<td>Rest of the EU</td>
<td>605</td>
<td>583</td>
<td></td>
</tr>
<tr>
<td>Third party countries</td>
<td>364</td>
<td>312</td>
<td></td>
</tr>
<tr>
<td><strong>Total turnover</strong></td>
<td>2,492</td>
<td>2,280</td>
<td></td>
</tr>
<tr>
<td><strong>Workforce (not incl. trainees)</strong></td>
<td>6,745</td>
<td>6,384</td>
<td></td>
</tr>
<tr>
<td><strong>Personnel costs</strong></td>
<td>418</td>
<td>400</td>
<td></td>
</tr>
<tr>
<td><strong>Balance sheet total</strong></td>
<td>3,834</td>
<td>3,614</td>
<td></td>
</tr>
<tr>
<td><strong>Fixed assets</strong></td>
<td>2,336</td>
<td>2,170</td>
<td></td>
</tr>
<tr>
<td><strong>Investments</strong></td>
<td>141</td>
<td>84</td>
<td></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td>2,768</td>
<td>2,577</td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>147</td>
<td>19</td>
<td></td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>9</td>
<td>-131</td>
<td></td>
</tr>
<tr>
<td><strong>Result from ordinary business activities</strong></td>
<td>-11</td>
<td>-147</td>
<td></td>
</tr>
<tr>
<td><strong>Net income for the year</strong></td>
<td>32</td>
<td>-158</td>
<td></td>
</tr>
<tr>
<td><strong>Operating cash flow</strong></td>
<td>277</td>
<td>46</td>
<td></td>
</tr>
</tbody>
</table>
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### Members of the Supervisory Board

<table>
<thead>
<tr>
<th>Name</th>
<th>Title and Additional Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Michael H. Müller, Saarbrücken</td>
<td>Chairman of the Management Board of the Curatorship for the Montan-Stiftung-Saar trust</td>
</tr>
<tr>
<td>Armin Schild, Biebertal</td>
<td>First Deputy Chairman District Manager of IG Metall Hesse, Rhineland Palatinate, Thuringia and Saarland</td>
</tr>
<tr>
<td>Henner Wittling, Ottweiler</td>
<td>Second Deputy Chairman Member of the Management Board of the Curatorship for the Montan-Stiftung-Saar trust</td>
</tr>
<tr>
<td>Stephan Ahr, Wadgassen</td>
<td>Chairman of the Central Works Council of Saarstahl AG and Chairman of the Works Council of the Völklingen Plant of Saarstahl AG</td>
</tr>
<tr>
<td>Dr. Bernd Bergmann, Wallerfangen</td>
<td>Member of the Management Board of the Curatorship for the Montan-Stiftung-Saar trust</td>
</tr>
<tr>
<td>Prof. Dr. Heinz Bierbaum, Saarbrücken</td>
<td>Director of the INFO-Institute</td>
</tr>
<tr>
<td>Elke Hannack, Berlin</td>
<td>Trade Union Secretary / Deputy Chairwoman of the German Confederation of Trade Unions Since 12 September 2013</td>
</tr>
<tr>
<td>Robert Hiry, Rehlingen-Siersburg</td>
<td>Primary Authorized Representative of IG Metall Administrative Unit Völklingen</td>
</tr>
<tr>
<td>Michel Maulvault, Paris</td>
<td>Chairman of the Board of Management of Dillinger Hüttenwerke, Dillingen / Saar, retired</td>
</tr>
<tr>
<td>Markus Menges, Waldbrunn</td>
<td>Managing Director Baustahlgewebe GmbH</td>
</tr>
<tr>
<td>Dr. Axel Nawrath, Frankfurt a. M.</td>
<td>Member of the Board of Management of the KfW Banking Group</td>
</tr>
<tr>
<td>Eleonore Neumann, Ottweiler</td>
<td>Member of the Central Works Council of Saarstahl AG and Chairwoman of the Neunkirchen Works Council of Saarstahl AG</td>
</tr>
<tr>
<td>Ingrid Sehrbrock, Bergfelde</td>
<td>Trade Union Secretary / Deputy Chairwoman of the German Confederation of Trade Unions Until 31 July 2013</td>
</tr>
<tr>
<td>Angelo Stagno, Saarbrücken</td>
<td>Member of the Central Works Council of Saarstahl AG and Chairman of the Works Council of the Burbach Plant of Saarstahl AG</td>
</tr>
<tr>
<td>Reinhard Störmer, Völklingen</td>
<td>Managing Director of re:cas GmbH</td>
</tr>
<tr>
<td>Erich Wilke, Königstein (Taunus)</td>
<td>Bank Manager (retired)</td>
</tr>
</tbody>
</table>
Members of the Board of Management

Dr. Karlheinz Blessing  Chairman
Martin Baues  Chief Technology Officer
Fred Metzken  Chief Financial Officer
Dr. Klaus Richter  Chief Sales & Marketing Officer
Since 01 October 2013
Dr. Peter Schäfer  Chief Sales & Marketing Officer
Until 30 September 2013
Peter Schweda  Chief Human Resources Officer / Labour Director
Management Report

Basis of the group

Business model

The core business of the Saarstahl group comprises the manufacture and sale of wire rod, bar and semi-finished products in various grades and for numerous technical applications. The product portfolio also includes high-grade open-die forgings. The most significant clients include automotive manufacturers and their suppliers, companies for power generation machinery, general mechanical engineering and the aerospace industry, the construction industry and other steel processing industries. Besides an LD steelmaking plant, a rolling mill and a high-tech forge in Völklingen, a considerable part of the production of the Saarstahl group is carried out, above all, in the rolling mills in Neunkirchen and Burbach. At locations both in Germany and abroad further subsidiaries offer additional services and customized solutions in the fields of further processing, trade, sales and distribution. The Saarstahl Group also includes transport and logistics companies which are involved in both the transport of raw materials as well as the shipping of semi-finished products and finished products.

Legal Framework

A domination agreement according to § 291 of the German Company Law (AktG) has been concluded between Saarstahl AG as the parent company of the Saarstahl Group and its majority shareholder, SHS – Stahl-Holding-Saar GmbH & Co. KGaA.

The majority shareholder of Saarstahl AG, as well as the associate company, DHS – Dillinger Hütte Saarstahl AG with its most important subsidiary AG der Dillinger Hüttenwerke, is SHS – Stahl-Holding-Saar GmbH & Co. KGaA (SHS), a wholly owned subsidiary of the Saarland coal and steel foundation – Montan-Stiftung-Saar – under which the two companies work closely together.

Overall economic and sector-related conditions

Continued weak growth in the world economy

The global gross domestic product grew in 2013 by a moderate 3%\(^1\) (2012: 3.1%) and therefore fell short of the forecasts by 0.2%. World trade remained at the level of 2012 (+2.7%). The gross domestic product of industrialized countries increased in 2013 by a total of 1.3% (2012: 1.4%). The euro zone, with a decline in economic performance of 0.4% (2012: -0.7%), prevented a more positive result. In other industrialized countries, on the other hand, the economic mood brightened considerably. As a result, the increase in production in the United States began to accelerate significantly in the summer, which led to a 1.9% growth rate (2012: 2.8%). In Japan, there was an increase of 1.7%. Surprisingly, the trend for economic performance in the emerging markets did not weaken in 2013 as much as was expected at the middle of the year. China, with 7.7%, remained on its steady course of growth; good growth rates were achieved in India (4.4%) and Brazil (2.3%).

\(^1\) All figures regarding economic conditions and the steel market are based on currently available and sometimes preliminary information from official and unofficial sources.
Economic activity in the euro zone revives only slightly
After a weak first half of the year, economic growth in Europe experienced a slight upturn of 0.4% (2012: -0.4%). The differences between the individual countries remained great. While key countries like Germany (0.5%), the United Kingdom (1.7%) and France (0.2%) posted mildly positive growth indicators, economic activity in Spain (-1.2%) and Italy (-1.8%) continued to be burdened by structural reform processes. Economic activity stabilized in Germany as well, after a weak phase at the start. Despite unusually favorable financing conditions, companies refrained from investing; production capacities were utilized at normal levels on average for the year. The recovery was sustained for the most part by private consumption and a rise in public expenditures. There was less statistical impetus for growth from foreign trade than in the previous years.

Growth in global steel demand continued
The steady growth of global steel demand continued and resulted in increasing worldwide crude steel production, despite the subdued world economy of the past year. Total worldwide production for all of 2013 increased by 3.1% and achieved a new record high of 1.6 billion tons (previous year: 1.56 billion tons). However, the expansion of production capacities also continued and reached nearly 2.2 billion tons, which resulted in a drop in the utilization of worldwide capacities for crude steel to below 80%.
China increased production by 6.6% to 779,000,000 tons and thus was responsible for 48% of worldwide crude steel production. In addition to China, India and Japan also contributed notably to growth in 2013. In contrast, traditionally strong steel producers such as the EU, the CIS, NAFTA and South Korea recorded an in part significantly lower level of crude steel production. Crude steel production in Germany, at 42.6 million tons, reached the level of the previous year (2012: 42.7 million tons).

European steel market in crisis mode
While producers in China and other emerging markets profit first and foremost from the rising worldwide demand for steel, the European steel industry struggles with an ongoing crisis. According to the European Steel Association (Eurofer), Europe’s steel market in 2013 was once again characterized overall by sinking demand. After apparent consumption fell in 2012 by 10%, it fell again in 2013 in comparison to the previous year, if only by 0.5% to 141 million tons. This weak demand faces massive overcapacities, which leads to increasingly intense price competition.

2 The OECD assumes a production volume too high by one third in Europe alone.
Course of business

The course of business of the Saarstahl group is largely characterized by the companies Saarstahl AG und Saarschmiede GmbH Freiformschmiede.

Saarstahl AG
As a consequence of the restrained global economy, there was only subdued development in the worldwide demand for steel last year. In spite of this, Saarstahl AG was able to achieve satisfactory figures in its sales and financial result in this difficult environment in the business year 2013.

The trend towards economic recovery, still fragile in the first half of the year, consolidated increasingly in the second six months. In particular, Saarstahl was able to benefit from the positive development in quantities in the automotive industry in Germany. There was a corresponding positive development in incoming orders and in capacity utilisation of equipment. On the revenue side, it was possible to establish price increases in the field of long products in quality steel at the beginning of the second quarter. However, the generally difficult economic framework conditions in the other European states and the unsatisfactory degree of capacity utilisation of steel producers as a whole led to growing downward pressure and finally to a step by step retraction of the prices in the second half of the year.

Saarschmiede GmbH Freiformschmiede
With regard to sales, Saarschmiede GmbH Freiformschmiede is divided up into the three industrial segments of power generation machinery, general mechanical engineering and special materials. As a result of this structure, the company is able to accommodate market requirements and especially to allow for various product cycles.

2013 was again a very difficult business year for the company with a significant negative contribution to the consolidated financial result. The environment for the production of energy systems remains difficult. The reasons lie in the changes in the field of energy generation as well as in the considerable restraint being exercised in financing new power plants. These significant factors mean that there is less investment in new construction of power plants than in the boom years 2007 / 2008. Many power plant manufacturers have introduced cost cutting programmes and also reduced their production capacities.

There were positive developments in 2013 for products for hydro-power for larger projects with power plant manufacturers and in tool steel with plastic mould steels. For the nuclear industry, for which ASME certification was successfully carried out in 2012, two components were manufactured and delivered for the primary circulation system. The “Future Programme”, a restructuring programme, was commenced in the summer of 2013 in order to improve competitiveness.
Earnings position

Slightly higher sales quantity with a continued decrease in sales revenues

In the Saarstahl group, the development of the previous year continued in the business year 2013 to a slightly lesser extent. With a moderate increase in shipping by 3% to 2,171 kt, both the sales revenues fell from € 2,492 million to € 2,280 million and the total performance from € 2,425 million to € 2,322 million. The drop in sales is, above all, due to the massive price pressure specific to the industry but also to the continuing unsatisfactory order situation at Saarschmiede GmbH Freiformschmiede.

The geographic distribution of the sales revenues shows that, in the year 2013, the Saarstahl Group was able to retain its position on the core market in Germany and the remaining EU countries while it suffered a further slight decline in the third-party countries (NAFTA, Asia and the rest of the world). There was thus an over-proportionate decrease in sales revenues in the third-party countries in 2013 by more than 14% compared with the previous year.

The decline in overall performance in 2013 amounting to € 103 million is to be seen alongside reduced expenditure for raw materials and energy of € 133 million over the same period. Personnel costs also fell in the Saarstahl Group compared with those of the previous year. In spite of tariff adjustments, personnel expenditure in the business year 2013 was at € 400 million, below the level of the previous year (€ 418 million), in particular due to changes in the consolidation group and the decline in the number of employees in some companies.

As a result, the Saarstahl Group closed the business year 2013 with an EBIT of € -131 million (previous year: € -9 million) and an EBITDA of € 19 million (previous year € 147 million).

Due to the course of investment, and due to extraordinary depreciation amounting to € 5 million, at € 151 million, depreciation lay slightly above the level of the previous year (€ 138 million). Other operating expenditure increased as expected due to increased sales but also essentially due to additional expenses for restructuring measures, by € 60 million to € 229 million.

The financial result, which is made up of the income from participations and interest income, was € -88 million in 2013 (previous year: € 26 million). While there was a slight improvement in interest over the level of the year before, the income from participations turned from € 46 million in 2012 to € -69 million in 2013. Taking the economic environment of the steel industry and especially of the heavy plate division into account, in 2013 it was not possible to book a positive effect on the result due to the equity valuation adjustment for participation in DHS-Dillinger-Hütte-Saarstahl AG; instead, this led to a loss amounting to € 68 million in 2013. For this reason, the result from ordinary business activities fell to € -147 million (previous year: € -11 million).

Taking the tax result of € -11 million into account, the Saarstahl group closes with an annual deficit for the year of € -158 million (previous year: annual surplus € 32 million).
Financial position

Lower reduction in liquid assets due to positive operative cash flow
At € 46 million, the cash flow from operating activities lay well below the figure for the previous year of € 277 million; the large decline was mainly due to the significant drop in the result and the reduction in cash flow from the working capital compared to the previous year. The cash flow from the operating activities is to be seen alongside resource needs for investments amounting to € -63 million (previous year: € -118 million). Taking cash flow from financing activities amounting to € -42 million (previous year: € -115 million) into account, mainly due to paying off of short-term and long-term loans as well as the dividend payments to shareholders of Saarstahl AG, liquid assets decreased by € 59 million to € 252 million.

The investments in intangible assets and fixed assets amount to € 83 million in the business year for the group (previous year: € 135 million). A significant part of this went to the LD steelmaking plant as well as to the rolling mills in Neunkirchen and Nauweiler. There were investments amounting to € 7.9 million in the wire mill Drahtwerk St. Ingbert GmbH. Furthermore, on the financial statement date, liabilities from purchase commitments from investments and repair projects amounted to € 46 million (previous year: € 92 million).

Net asset position

Equity ratio continues to remain above 70%
The balance sheet total fell by € 220 million to € 3,614 million compared to the previous year. The net asset position is thereby characterized in the allocation of funds by a reduction in the capital assets amounting to € 166 million, working capital on the level of the previous year and a decrease of € 59 million in liquid assets. The equity fell due to the distribution of dividends to the shareholders of Saarstahl AG (€ 30 million), measures not affecting net income (€ -4 million) as well as due to the annual deficit (€ -158 million) by a total of € -192 million to € 2,577 million. With regard to borrowings, in particular liabilities towards credit institutions (€ -21 million) were paid back according to plan, and other operating provisions were increased by a total of € 12 million.

Key figures for the Saarstahl group 2013
The course of business of the Saarstahl group in 2013 is also reflected in the most important key figures of the assets, liabilities and shareholders’ equity as well as in the development of the rate of return. Countervailing influences in the net asset position, financial status and profit situation meant that the equity ratio fell only slightly in 2013 to 71.3 %. A reduction in tangible fixed assets, largely brought about by planned depreciation and amortisation, and reduced financial assets due to equity adjustments together with a simultaneous decrease in equity led to the scope of the fixed assets, financed with equity being almost unchanged compared to the previous year.

The negative development of the result of the Saarstahl group in the business year 2013 is reflected in all of the key figures for earnings; based on a deficit for the year amounting to € -158 million, there was a negative operating result before interest and tax (EBIT) and a slightly positive operating result before interest, tax, depreciation and amortisation (EBITDA). ROCE (Return on Capital Employed) amounted to -3.9 % for the reporting year and the profit margin (EBIT margin: -5.7 % or EBITDA margin 0.8 %, respectively).
## Financial key figures

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equity intensity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity million €</td>
<td>1,995</td>
<td>2,639</td>
<td>2,788</td>
<td>2,768</td>
<td>2,577</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coverage Ratio</td>
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<td></td>
</tr>
<tr>
<td>Equity million €</td>
<td>1,995</td>
<td>2,639</td>
<td>2,788</td>
<td>2,768</td>
<td>2,577</td>
</tr>
<tr>
<td>Fixed assets million</td>
<td>1,779</td>
<td>2,220</td>
<td>2,319</td>
<td>2,336</td>
<td>2,170</td>
</tr>
<tr>
<td>Debt</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term liabilities to banks million €</td>
<td>159</td>
<td>401</td>
<td>540</td>
<td>469</td>
<td>447</td>
</tr>
<tr>
<td>Equity million €</td>
<td>1,995</td>
<td>2,639</td>
<td>2,788</td>
<td>2,768</td>
<td>2,577</td>
</tr>
<tr>
<td>Debt</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT Margin</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT million €</td>
<td>-119</td>
<td>442</td>
<td>210</td>
<td>9</td>
<td>-131</td>
</tr>
<tr>
<td>Product sales million €</td>
<td>1,370</td>
<td>2,296</td>
<td>2,673</td>
<td>2,492</td>
<td>2,280</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA million €</td>
<td>-64</td>
<td>553</td>
<td>354</td>
<td>147</td>
<td>19</td>
</tr>
<tr>
<td>Product sales million €</td>
<td>1,370</td>
<td>2,296</td>
<td>2,673</td>
<td>2,492</td>
<td>2,280</td>
</tr>
<tr>
<td>Return On Capital Employed (ROCE)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT million €</td>
<td>-119</td>
<td>442</td>
<td>210</td>
<td>9</td>
<td>-131</td>
</tr>
<tr>
<td>Equity, provisions for taxation, Liabilities subject to interest (average) million €</td>
<td>2,612</td>
<td>2,788</td>
<td>3,369</td>
<td>3,327</td>
<td>3,319</td>
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<tr>
<td>Internal financing capability</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Operating cash flow million €</td>
<td>191</td>
<td>17</td>
<td>1</td>
<td>277</td>
<td>46</td>
</tr>
<tr>
<td>Net investments in tangible assets million €</td>
<td>316</td>
<td>309</td>
<td>207</td>
<td>131</td>
<td>78</td>
</tr>
<tr>
<td>Expense structure in % of the overall performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Material intensity in %</td>
<td>73.4</td>
<td>64.4</td>
<td>72.0</td>
<td>74.6</td>
<td>72.2</td>
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<tr>
<td>Personnel intensity in %</td>
<td>27.3</td>
<td>16.5</td>
<td>14.9</td>
<td>17.2</td>
<td>17.2</td>
</tr>
</tbody>
</table>
The perfect cycle: Scrap which is no longer required is used to produce high-quality steel.
Sustainability as an integral part of corporate policy

The success and efficiency of the Saarstahl Group are also reflected in the sustainability of its economic management. Responsible and sustainable practices are a key element of corporate policy.

Key areas include:
- Human resources that are geared to continuity and high social standards,
- Company internal improvement processes that bring the principles of sustainable and reliable conduct to each workplace and each employee,
- Pooling expertise and service for the sustained success of the customers in the economic implementation of unusual and innovative projects,
- Safeguarding and expanding our technological capabilities by investing in new facilities and modernizing of existing facilities and by developing innovative products and processes,
- A procurement system that is based on procurement reliability and environment friendly means of transport,
- Economical and resource saving conduct using numerous environmental protection measures for the efficient use of energy, such as the introduction of a certified energy management system and
- Long-term partnerships with universities, research institutions and customers in the development and improvement of materials

Steel, the material itself, and the product of the Saarstahl Group, correspond more clearly than any other material with the principle of sustainability: Through numerous applications and uses, steel provides a valuable contribution to environmental and climate protection. No other material is produced in such an environment friendly manner than steel. When it has fulfilled its purpose after a few decades or generations of use it has become scrap and is therefore a valuable raw material which can be fully recycled over and over again without any loss of quality and returned completely to the economic cycle.

Innovative products made of steel, such as wind turbines and power plant turbines save six times more CO₂ than is used in their production, according to a study by Boston Consulting Group. In automotive engineering, high-strength steels reduce vehicle weight to ensure significant fuel and emissions savings. The use of advanced steels in structures that are subject to high stress loads can in many cases reduce the amount of materials used by up to 50%, thus helping to conserve valuable resources and boost environmental protection.
Increased networking as an objective of human resources policy

The Saarstahl group continues to consistently pursue the aim of being able to assert itself amongst global competition. For this, it relies to a significant extent on the commitment and capabilities of its employees as well as on the competence of its management. For these reasons, new initiatives have been commenced and the cooperation with Dillinger Hütte in the field of human resources has also been further strengthened.

This includes, for example, the childcare centre "Stahlsternchen", which was opened close to the company in February 2013 and which is making a contribution to further improving the compatibility of working life and family life at the Völklingen location. "Operational Health Management" offers an instrument within human resources policy which will be used more in future in order to maintain the health, well-being and productive efficiency of the company’s workforce. In order to intensify communication between management and employees and in order to promote a strong culture of feedback, appraisal interviews were developed and carried out for the first time in 2013.

Training and personnel development

In 2013, too, the focus at Saarstahl lay on state-of-the-art and practical basic training which underwent further improvement due to the use of the new training centre at the Völklingen site. In the year 2013, the number of trainees developed as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Trainees</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.12.2012</td>
<td>303</td>
</tr>
<tr>
<td>31.12.2013</td>
<td>252</td>
</tr>
</tbody>
</table>

As of 31.12.2013, the workforce of the Saarstahl group comprised 3,867 employees of Saarstahl AG, 986 employees of Saarschmiede and 1,531 employees of further companies within the group.

<table>
<thead>
<tr>
<th>Date</th>
<th>Wage earners</th>
<th>Salary earners</th>
<th>Total</th>
</tr>
</thead>
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Talk to each other: Around 1,300 employee interviews were carried out in 2013.
The Saarstahl group continued its investment programme in the year 2013. The emphasis here was on the LD steelmaking plant and on the rolling mills in Neunkirchen and Nauweiler. For Saarstahl AG itself, the investment volume amounted to € 55 million (previous year: € 99 million). For the two indirect subsidiaries ROGESA and ZKS, the total investments amounted to € 26 million, of which Saarstahl AG bears half in accordance with its share in the companies. The wire mill Drahtwerk St. Ingbert GmbH recorded investments amounting to € 7.9 million.

**LD steelmaking plant**
The secondary metallurgy facilities could be put into operation completely and according to schedule at the beginning of 2013. The ramping up phase of the secondary metallurgy has largely been concluded. The system was completely optimised within the context of the commissioning phase so that the aggregates are available to provide a successful and efficient production operation. Due to the new facilities, Saarstahl has numerous new possibilities for treatment at its disposal. The existing product range can thus be sustainably further developed.

**Rolling mill Neunkirchen**
The building measures to extend halls 18, 19, 20 and 22 in the rolling mill in Neunkirchen were concluded in November 2013. This means that the first modular step within the context of the advancement programme for rolling train 31 has been completed. In this project, within the approved investment sum of € 11.5 million, a hall area of approx. 10,000 m² was erected and comprehensive infrastructural measures were carried out including railway, sewage conduit and road construction. Furthermore, in summer 2013, the first construction stage of a new wire coil cooling line was put into operation on rolling train 31 with the possibility to have combined cooling with air and water mist.

**Drahtwerk St. Ingbert GmbH**
In the spring of 2013, on the company grounds of Drahtwerk St. Ingbert, construction of an additional surface treatment facility for wire coils commenced. In this facility, surface treatment of wire coils with pickling and/or surface coating is to be carried out. This will make it possible to meet the customers’ increased demands regarding quality and quantity. The total volume of the investment amounts to around € 13.5 million. Assembly of the facility could begin according to schedule in autumn 2013.

**Saarschmiede GmbH Freiformschmiede**
In 2013, only one larger investment was made in a ladle car for the ingot casting operation in the steelmaking plant. The total investment amounted to € 3.5 million, of which € 1.7 million affected expenses in 2013.

![Development of investments 2009–2013 (in € million).](image-url)
Strategy

For years, the Saarstahl group has been using a wide range of instruments in order to promote internal improvement processes and remain competitive in the long term. As a participle, the company pursues the strategy of compensating fluctuations in demand due to economic cycles by having the highest degree of flexibility so that an adequate result can always be achieved. This objective is accompanied by a programme which questions the development of all products and business fields critically with regard to their contribution to the financial result and to their potential for development. In connection with this, a strengthening of the co-operation the business units Research and Development and Quality became effective in 2013. The focus is on strengthening technical competence for existing as well as for new products.

In the process of this, the activities of the subsidiaries in further processing are being newly aligned: based on a comprehensive analysis of the portfolio, any overlapping of products and markets is to be determined and reduced. Possibilities through working with suitable partners (including acquisition) in order to optimize activities in selected areas of further processing are also being analysed.

With regard to export to third-party countries, the commitment, above all in China and the USA, is to be significantly increased. The technical competence of the sales organisations on site is to be improved, checks will be carried out for suitable locations whether own production sites are to be set up. Saarstahl is thus following the wishes of numerous European customers who already operate comprehensive production facilities in China.

In order to improve our own position with regard to costs, in 2013, the cost cutting programme commenced the year before was subjected to a consistent review of measures and potentials. As a result, considerable cost reductions could already be achieved in the year 2013. Through implementation of a Cost Management unit, improved sensitivity for costs in all technical areas as well as precise control of expenditure depending on the current revenue situation are to be ensured in the long term. In addition, measures which are already in place for process optimisation within the context of SixSigma projects and the production system approach for continuous improvement are being pursued further.

The main aim within the context of process improvement in 2014 is to improve delivery reliability. In order to achieve this aim, the existing approaches from the OTIF project (On Time In Full) were taken up in the second half of 2013. The open measures were given priority and will be consistently implemented in 2014. Furthermore, the analysis possibilities for evaluating anomalies are to be improved. The basic idea behind OTIF is to structure internal processes in such a way that the product required by the customer can be delivered on the agreed date without any quality restrictions.

In 2014 the potentials of the most recently made investments in the field of systems engineering are to be successfully positioned on the market. This includes the new secondary metallurgy facility with which the change in the portfolio towards higher grade qualities requiring vacuum treatment, is to be promoted. This will particularly benefit the rolling mill in Völklingen where the investments of the last few years will show the expected positive economic effects.
Innovation

Innovative products form the basis of the capacity to compete and of the sustainable success of the company. Continuous further development of products and processes, always orientated towards the customers’ requirements, has therefore been an inherent part of the Saarstahl corporate strategy for many years.

Activities were continued and extended in 2013 for the production of continuous cast billets largely free of core segregation using the Mechanical Soft-Reduction (MSR) technology. Saarstahl is the first steel manufacturer in the world to also use this process which had, up till then, only been used for continuous casting of slabs or blooms, for continuous casting of billets in casting formats of 150 mm x 150 mm and 180 mm x 180 mm. Above all for tyre wire, where homologation trials commenced in 2012, the tonnage produced through MSR for major customers will be doubled in 2014 as a result of the change-over.

There was particular focus in 2013 on commissioning of the new secondary metallurgy. Here, the business unit Innovation made a decisive contribution to drawing up the necessary work steps for the aggregates for the new secondary metallurgy and starting up the new aggregates, especially to the adaptation of the slag operation and the temperature model. It is expected that the aggregates in the new secondary metallurgy will allow a further leap forward in quality as well as opening up new areas of business.

After the release of the SiCr wire rod from direct continuous casting of 150 mm x 150 mm for so-called Super Clean (SC) spring steel applications at a European spring manufacturer in 2012, first small series were delivered in 2013 for applications close to the engine valve. Based on this experience, the aim is to achieve accreditation for an engine application in 2014. First discussions about the use of engine valve springs made of Saarstahl spring wire in a trial engine of an premium automotive manufacturer have already taken place. The trials are scheduled to start in the middle of 2014. There is great potential for the product of SC spring steels on the European market since the need for springs to fulfill the highest demands is predominantly met by wire rod from the Far East with the result that manufacturing is along a far more cost intensive route with continuous casting with primary rolling (repeated rolling of a thick initial cross-section).

The emphasis in 2013 was also on trials to reduce annealing times as well as on intensifying trials on thermo-mechanical rolling with the aim of improving the workability of wires for our customers for cold heading products.

In order to ensure product quality by confining processes to within very tight tolerances, one constant element of development work is the continuous capture of process data and the resulting data analyses and simulation calculations. In the field of modelling, it should be highlighted that there is cooperation with the electric steelmaking plant of the forge with regard to flow simulations in order to establish a dual casting process over a ladle car.
Analytical: The new pneumatic tube delivery system delivers around 126,000 samples per year to one of the 13 receiving stations in the new LD laboratory for further analysis.
ULCOS project: reduction of CO₂ emissions
Saarstahl and Dillinger Hütte are participating as "core members" in the large scale European project "Ultra Low Carbon Dioxide Steelmaking" (ULCOS). This is a comprehensive EU initiative for examining the long-term potential for reducing CO₂ emissions in iron and steel manufacturing. Currently, two new technologies are predominant here: the blast furnace process with top gas recycling (TGR-BF = Top Gas Recycling Blast Furnace) and the melt reduction process HIsarna. The results are intended to serve as a basis for the conceptual design of a blast furnace on an industrial scale.

New LD laboratory
After the new LD laboratory went into operation in January 2013, the focus is now on integrating the production samples from the aggregates in the new secondary metallurgy into the work process. The samples must be integrated into the running automation processes; in doing so, the requirements of the process as well as quality management requirements must be taken into account. Preparatory measures for implementing automation of the slag analysis are being further advanced.

Accredited Quality Management
The focus of the central business unit Quality Management is on accredited quality and on maintaining and extending the quality management system as well as organising the internal audit system. The successful result of this work has been the setting up of an integrated management system (Quality, Environmental Protection, Industrial Safety and Energy Efficiency) as well as certification according to DIN EN ISO 9001, ISO 14001 and ISO 50001 for Saarstahl AG and Saarschmiede GmbH Freiformschmiede and according to ISO/TS 16949 (Saarstahl AG) and DIN EN 9100 (Saarschmiede GmbH Freiformschmiede).
Focus of work EU emission trading

Since 2003, the central business unit Innovation has been coordinating a workgroup together with Dillinger Hütte in order to process the requirements resulting from emission trading. Some key points of emphasis for this work resulted from the end of the first year of the third trading period in European emission trading (2013–2020). Due to changes in the Emission Trading Directive, the rolling mills in Burbach and Neunkirchen, as well as both forging operations at Saarschmiede GmbH Freiformschmiede, are obliged to participate in emission trading. Furthermore, renewed changes in what is known as "Monitoring" of CO₂ emissions in production facilities resulted in a corresponding increase in the amount of effort involved.

In 2013, the emphasis was on "backloading", i.e. the one-off and temporary withholding of emission allowances from the auction. The European steel industry, together with other energy-intensive industries, has spoken out against backloading since this political intervention aimed at increasing market prices for CO₂ is in fundamental opposition to the nature of emission trading as a market system. The associated proposal by the Commission is currently being implemented.

Procurement of raw materials and transport

In 2013, the trend towards postponing projects for tapping new sources of raw materials, cutting back on the expansion of existing capacity and reducing the associated budgets continued. By carrying out these measures, producers of raw materials are aiming at preventing an oversupply of raw materials. China continues to be the principle player on the market. In spite of several proclamations by the Chinese government that they intend to restrict steel production, the amounts of iron ore and raw materials were constantly on the increase. This factor essentially determined demand on the markets for raw materials, in particular for ores. Imports of ore by China in the reporting year were in the range of over 800 million t. This corresponds to around two thirds of total sea-going trade in iron ore worldwide.

Ores: Market prices remain volatile

The fall in the index for iron ore trade IODEX (CFR China 62% Fe), which was expected at the beginning of the year, did not come about. In fact, as a consequence of the China factor and the oligopoly of producers, it was an average of 5 USD/t higher than in the previous year.

Fuel: prices under pressure

In 2013, the market for coking coke and coal for blast furnaces was characterized by slightly weakening prices. ROGESA was able to secure comparably favourable conditions for coal for blast furnaces by renegotiating purchasing contracts in the second half of the year. For coking coke, ZKS was able to benefit from falling prices by concluding short-term contracts.

Ocean transport: cargo rates create wave movements

After an increase in the spot market in September 2012, ocean transport of cargo levelled off at a low level until the middle of 2013. In the third quarter, however, levels increased again and, at the end of the year, they were significantly above the average for the year. In December 2013, cargo for the route from Tubarao / Brazil to Rotterdam / Netherlands was the highest monthly average recorded in the last three years. In order to provide a supply to ROGESA and ZKS in times of increasing cargos, the very low rates secured through previously concluded long-term contracts were used for partial quantities. Where there was a fall in prices, opportunities offered by the spot market were taken.
Successful supply strategy
To ensure the supply to ROGESA and ZKS, the contracts concluded in order to minimize risk with different contractual periods and conditions as well as the volatile situation on the market were consistently utilised. Furthermore, tapping of new sources of supply and use of new products had a positive effect on the cost of iron ore. With regard to ores as well as fuel, further diversification of the supplier structure provided alternatives to the existing oligopolies. In addition, favourable conditions could be secured for the coal supply to block 3 of the Ensdorf power plant which is operated by Saarstahl AG and Saarschmiede GmbH Freiformschmiede. A secure supply of ores, fuel and additives to ROGESA and ZKS was guaranteed at all times and at good conditions.

Transport routes optimised
It was possible to guarantee a secure supply of raw materials to the locations of the steel industry of the Saarland in spite of some impediments in logistics. The very long period of frost in the spring had a detrimental effect on supply systems and on shipping. In the late summer, flooding in Germany and strikes by lock personnel affected inland waterway transportation. The shipping volume of the locations of Saarstahl AG reached around 2.256 million t. At 70%, the portion transported by rail was within the range targeted by the objective we have set to carry out cross-docking in the plants. It was possible to provide the rolling mills in Völklingen and Dillingen with suitable loading space to permit inexpensive loading.

Saar Rail extends range of services
Saar Rail GmbH carries out in-plant and external railway transport on behalf of Saarstahl. In addition, it performs services for third parties, i.e. transport of semi-finished products from Hamburg to Burbach. In order to process the railway transport, it has entered into business relations with companies within the group (e.g. SHS Logistik) as well as with third parties (e.g. HSL Logistik). Existing cooperation with DB Schenker was successfully continued in 2013. The takeover of external transport in the form of complete trains to German seaports and to other selected stations ensured inexpensive cargoes in 2013. In 2014, Saar Rail GmbH will commence railway transport with complete trains towards Italy in cooperation with external railway transport companies.

Environment and energy
The topics of the environment and energy play a predominant role in present politics as well as in public debate. They are inextricably intertwined with the questions of energy generation and energy utilisation, climate protection, with the globalized economy and with the principle of sustainability in its ecological, economic and social dimensions. The company places high priority to environmental protection in its corporate mission.

The Environmental Protection department offers advice to the business units on all aspects of the environment and takes care of special areas such as emission control and water protection, waste management and recycling management, hazardous goods, environmental and safety management as well as Saarstahl’s own waste disposal sites. The environmental and safety management system ensures that the statutory regulations are fulfilled and that the continuous improvement process is maintained. Within the context of new marketing strategies for in-plant residual materials, new possible fields of application are being developed and thus a valuable contribution is being made to conserving resources. With targeted training of employees, Saarstahl is creating a high level of awareness for the environmental effects resulting from the activities of each individual. This approach ensures factual and open communication with public authorities and with the general public. The aim is to guarantee sustainable and resource-efficient production through preventive measures and future-orientated strategies.
Recycling management and prevention of air pollution

In the field of recycling management, besides material recycling of all residual materials containing iron from the LD steelmaking plant, iron dust has now been successfully positioned on the market. The mono-deposit concept, which has been in operation for many years now, with defined depositing areas for individual residual substances and materials, has therefore proven itself to be an extremely efficient strategy.

For the transport of waste, there was an increase in transport by ship. Thus, in 2013, approx. 65,000 t of residual materials of Saarstahl AG could be transported using the considerably more environmentally friendly waterway transport. This procedure not only saved fuel but also unburdened the motorways of approx. 2,600 trucks, which is the equivalent of a queue of trucks approximately 65 km long.

The new secondary metallurgy with its new high-performance dust-removal facility and additional optimisation measures on other dust removal facilities meant that total emissions of dust in Völklingen could be further reduced. As a result, there was another tangible improvement in the emission situation there.

In 2013, too, Saarstahl AG with its locations in Völklingen, Burbach, Neunkirchen as well as the limestone pit Auersmacher and Saarschmiede GmbH Freiformschmiede were successfully certified in accordance with the international environmental management standard ISO 14001:2004. This certification documents the continuing efforts to sustainably reduce to a minimum consumption of resources, dust and noise emissions and the amount of waste produced.

In comparison with other countries and with its competitors, the relatively high energy prices and costs incurred through emission trading present a huge burden for the Saarstahl group. In particular, in comparison with countries which have inexpensive energy resources such as natural gas and shale gas, the European steel industry is clearly at a disadvantage. In order to have better planning reliability but also for improving reliability of supply, the steel industry in Saarland has, over the last few years, consistently invested in capacities for producing its own electricity.

The Renewable Energy Law

In addition to high energy prices, there are uncertainties due to possible changes in the national law on renewable energy (EEG). An additional risk is entailed in the proceedings commenced by the EU commission at the end of 2013 to investigate whether the exemptions granted to energy-intensive industries are compatible with EU law or if they are to be categorized as inadmissible government aid.

Using synergies within the framework of SHS activities

Due to the construction of the new coking battery no. 3 and complete refurbishment of coking battery no. 1, ZKS, in 2013, was again able to provide significantly more coke and coking furnace gas. The additional amounts of coking furnace gas will be used at the Dillingen location as well as at Saarstahl AG in Völklingen and Burbach in order to minimize the purchase of fuels, in particular of natural gas, from third parties.

This measure is supported by a new joint natural gas supply contract between Dillinger Hütte and Saarstahl AG. With this contract, it is possible to have a targeted shift in quantities of natural gas between the individual plants and to use more coking furnace gas than in the past at the Dillingen location. Consequently, the coking furnace gas compaction costs (electricity) of ZKS, which are incurred for transport of the coking furnace gas between Dillingen and Burbach / Völklingen could be minimized on the one hand and, on the other hand, there was a tangible reduction in the quantities of natural gas required at the Dillingen location.
Parent Company Saarstahl AG

Human Resources

Continued emphasis on industrial safety

The stabilization of a high level of safety which was achieved in the past years – based on 69 one-day lost time injuries (LTI) in 2010 – as well as current or planned projects, form a sound basis at Saarstahl for the reduction of accidents and occupational illnesses. The internal frequency of accidents only increased slightly in 2013 and now lies at 7.2 accidents per 1 million working hours (previous year: 6.8). In absolute terms, there were 47 LTI in the reporting year (previous year: 46).

The emphasis of projects carried out in 2013 was on preventive industrial safety and health protection. In order to reduce or prevent both occupational accidents and work-related illnesses, a combination of instruments which have already proven themselves such as workshops with the safety representative and some newly implemented measures were utilised.

The restructuring measures and implementation of communication instruments implemented in the reporting year are also based on this approach. These include coupling different media such as the regularly issued safety brochure “Aber sicher” with appropriate presentation slides that can be called up on the intranet. Thus, in team meetings, the topics can be consolidated using descriptions, and everyone’s awareness of the risks can be heightened. A company-wide poster activity “Pass auf dich auf!”, which started in 2013, places the focus on the employee’s individual responsibility for their own personal physical integrity.

Slight increase in the number of employees

At Saarstahl, the workforce increased by 2% in 2013 to 3,867 employees (previous year: 3,791). On 31st May, the last members of the workforce changed from the working phase of their partial retirement to the retirement phase. In total, there were 372 employees in the retirement phase of partial retirement at the end of the year.

In order to be able to achieve also long-term fulfillment of the requirement for specialised employees who are critical for the company’s success from the faculties of Material Science / Metallurgy, Saarstahl is offering scholarships together with the coal and steel foundation of the Saarland – Montan-Stiftung-Saar. The objective of this measure is to create enthusiasm in young, talented school leavers from the region who are qualified for entry into university for studies in Metallurgy at the University of Duisburg-Essen since this course of study is no longer offered in Saarland. There are currently 7 scholarship students who will all have close associations with our company through course-related practical projects and who are later to fill the positions as metallurgists, which are so important for Saarstahl. Furthermore, in 2013, Saarstahl offered a total of 12 student trainees the possibility to gain practical experience during their studies.

Forward-looking training and further training

In 2013, the Saarstahl training department proved once again its high degree of efficiency and quality. This was clearly demonstrated in the final examination for the occupation requiring formal training of “Industrial mechanic specializing in maintenance”, where a Saarstahl trainee was both best in his year at regional as well as at national level.

In the year 2013, Saarstahl hired 58 new trainees of whom 11 were in commercial and 47 in industrial occupations, and thus a total of 252 trainees were employed. In order to facilitate the integration of new trainees into the company and into this new phase of their lives, in 2013, too, a three-day seminar for getting acquainted was organized. After successful completion of their training, 73 trainees were taken on into employment at Saarstahl AG and 93 into the Saarstahl group.
Aiming high: The new secondary metallurgy opens up optimum perspectives for the future.
Production

As core facilities, the production division of Saarstahl AG comprises the steelmaking plant in Völklingen along with three rolling mills located at the locations in Völklingen (Nauweiler), Burbach and Neunkirchen. The preliminary stages of production, i.e. the production of coke and hot metal, are located at the Dillingen site with the two companies ZKS and ROGESA (Saarstahl AG share 50% in each).

Steelmaking plant
The LD steelmaking plant of Saarstahl AG in Völklingen is supplied by rail with hot metal from ROGESA and operates three 170 t LD converters as well as four continuous casting machines in which the steel is cast to form billets or blooms.

In 2013, due to better utilisation of capacity, the LD steelmaking plant blast approx. 2.2 million t of hot metal and produced 2.45 million t of steel on the four continuous casting machines. This corresponds to an increase in steelmaking plant production of around 200,000 t compared with the previous year.

In February 2013, the new secondary metallurgy was put into operation according to schedule in the new LD steelmaking plant. This investment consolidates the company's position in the long term as one of the leading manufacturers of high quality long products worldwide. Two TWIN ladle furnaces, a second RH vacuum facility and a new injection station for solids including the corresponding auxiliary aggregates supplement the existing equipment.

The commissioning phase for the new secondary metallurgy has largely been completed and the homologation of the grades by the customer is fully underway and will be completed in 2014. The possibility to heat the melts after converter tapping as well as to double the vacuum capacity is opening up new perspectives with regard to production quantities, further improving supplier reliability and supplementing the product range with new, higher grades of steel.

Rolling mill Völklingen
The rolling mill in Völklingen produces high grade bar steel in round, square, hexagonal, and flat dimensions as well as semi-finished forgings on a half-open line. The product range covers round dimensions from Ø 38 mm to Ø 180 mm and in semi-finished products for customers from 46.5 mm² to 200 mm². Grades which require a certain deformation degree are also produced in first-class quality in the rolling mill in Völklingen.

In 2013, it was possible to achieve another increase in the average shift output of the rolling mill from 737 t to 760 t. Due to the positive development of the order quantities and the process stability of the line, production could be increased in total by 8.8% to 523,555 t (previous year: 481,150 t). The optimisation measures in the area of the rake-type cooling bed have largely been completed. The pilot project which was commenced on the peeling and inspection line no. 4 in 2011 based on the Six Sigma system was successfully concluded in 2013 and will be extended to other parts of the operation in 2014.

Rolling mill Burbach
With its wide range of products, the rolling mill in Burbach is one of the world leaders in drawing qualities and, with the four-strand wire mill for the dimensional range from 5 mm to 20 mm, it has one of the most efficient systems of this type at its disposal.

In 2013, production fell slightly by 3.7% to 945,886 t (previous year: 982,716 t). By increasing rolling speeds for various dimensional ranges, it was possible to achieve a shift output of 1,474 t in spite of the reduction in quantities for the high performance constructional steel grades. Through various optimisation measures, the output of the rolling process could be increased to a new record level of 97.88%.
Rolling mill Neunkirchen
The rolling mill Neunkirchen produces wire rod and bar steel for use in mechanical engineering and in the electrical and automotive industries. Both the bar steel and wire rod are manufactured on a combined, one-strand light section mill for bar and wire rod as well as on a one-strand wire mill in round, square, hexagonal and flat formats and as special profiles. The rolled steel grades (free-cutting steels, quality and stainless steels, spring steels and bearing steels) are further processed by the customer into precision-turned parts, forged components, gear and engine components, connecting elements, vehicle springs and roller bearings.

In the light of the global debate on climate change and CO₂ emissions, lightweight construction of vehicles and the energy savings which can thus be achieved is a predominant theme. In this connection, the rolling mill in Neunkirchen provides, among other products, materials for engine technology which still have good workability in spite of being of the highest strength and capable of withstanding great stresses. Improved material characteristics have allowed pressure in the diesel injection system, for example, to be considerably increased, thus contributing to significant fuel savings. The regular cooperation and intense, trusting dialogue with renowned system suppliers of the highest "Tier 1" class ensures that Saarstahl products are continuously further developed.

An increase in the tapping cross-section whilst keeping the proven rolling parameters also has a positive influence on the surface quality of the wire rod. In 2013, around 825,000 t of rolled steel were produced on the rolling mill trains of the Neunkirchen plant.
Most important participations

Zentralkokerei Saar GmbH, Dillingen
Saarstahl AG and Aktien-Gesellschaft der Dillinger Hüttenwerke each hold an indirect 50% interest in Zentralkokerei Saar GmbH. ZKS produces coke intended exclusively for use in ROGESA’s blast furnaces. Coke production (1,287 kt) increased by 27.7% from the previous year (1,008 kt). ZKS is a company without employees. Personnel required for operation of the coking plant are provided by Dillinger Hütte.

Investments at ZKS in 2013 amounted to €16 million (2012: €47 million). As part of a comprehensive renovation concept for ZKS, B 3 battery was constructed in 2010 and B 1 battery was refurbished in 2012; both coke oven batteries are now state-of-the-art facilities. As a result, they contribute significantly to supplying the blast furnaces of ROGESA with top-quality coke as well as to improving environmental protection at the Dillingen site. Daily coke production increased steadily during the course of the year under review. After a two-year construction period, the SBA 3 tamping, charging and extracting machine ordered in 2012 began operating in 2013 and has been in a "warm" test phase since August 2013. After completing the adjustment and optimization work in 2014, the new SBA 3 will replace one of the two "old" machines and will thus contribute to optimizing system availability.

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<tr>
<td>2013</td>
<td>1,287</td>
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### ROGESA Roheisengesellschaft Saar mbH, Dillingen

ROGESA Roheisengesellschaft Saar mbH, in which Saarstahl holds a 50% interest (indirect and direct), produces hot metal exclusively for its shareholders, AG der Dillinger Hüttenwerke and Saarstahl AG. Operational management of ROGESA, as a company without employees, lies in the hands of Dillinger Hütte.

Hot metal production in 2013, at 3,945 kt, was slightly below the previous year’s level of 3,990 kt. Of the hot metal produced, 1,744 kt was supplied to Dillinger Hütte (2012: 1,965 kt) and 2,201 kt went to Saarstahl (2012: 2,025 kt). Investments at ROGESA amounted to about € 10 million during 2013 compared to € 8 million in the previous year. In March 2013, Blast Furnace 5 was blown down for a planned interim repair. The main point of this repair was to replace the cooling plates with copper cooling elements in the section above the blow molds.

<table>
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<tr>
<td>2013</td>
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<td>2,201</td>
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</table>

Other activities included installing blow mold cameras and work in the surroundings, such as maintenance of the dust scrubber, dust bag and gas wash water treatment. The interim repair was successfully completed after 17 days of shutdown, 3 days earlier than planned, so that the first hot metal could be tapped on 13 April 2013. The existing dispatching building was also renovated during the year under review so that it could be used as a new blast furnace air control room. This ensures a state-of-the-art air supply to the blast furnaces. Along with STEAG New Energies GmbH (49.9%) and VSE AG (25.2%), ROGESA holds a 24.9% stake in Gichtgaskraftwerk Dillingen GmbH & Co. KG, which leases a 90 MW power plant at the Dillingen site to the operators of GKW, Dillinger Hütte, ROGESA and ZKS, for the production of electricity.
Subsidiaries in the field of further processing

In 2013, the level of sales achieved was slightly above that of the previous year. Industry-specific variations could be observed. While subsidiaries within the supply chain for the automotive industry were able to achieve increases in quantity, there were mainly reductions in sales in those companies producing for the construction industry and for general demand.

In the field of general industrial and manufacturing wires, there was a reduction in overall quantities. While the sales of bright wire could be increased in some cases, there was a significant decrease in galvanized wire. In spite of falling prices for steel applications in the course of the year, in this area, in particular, it was not possible to avoid erosion of margins. Due to overcapacities in connection with increased imports, galvanized wire remain under considerable pressure with regard to quantities and prices. The same applies to the situation for clamping and stapling wires where quantity pressure and price pressure are mainly triggered by imports from Eastern Europe and Asia. In the case of bright steel as well as the special products cold rolled strip steels or high-alloy welding steels, it was possible to exceed the sales levels of the previous year in total.

With its independent companies, with shipping of 397 kt (2012: 384 kt), the further processing segment of Saarstahl AG achieved sales revenues of € 416 million (2012: € 446 million) in 2013. The EBT of all further processing subsidiaries amounts to € -4 million.

Saarschmiede GmbH Freiformschmiede

Saarschmiede GmbH Freiformschmiede (Saarschmiede) is divided up into three branches of industry from the sales point of view: power generation machinery, general mechanical engineering and special materials. Here, the power generation machinery division is the largest sales market for Saarschmiede.

General market situation

The environment for the power generation machinery division remains difficult. This is due to changes in the field of energy generation – the growth of renewable energy sources, the exploitation of shale gas in the USA, the shutdown of nuclear power stations in Japan and Germany – and the continued reticence with regard to financing new power stations. These main factors result in less investment activity in construction of new power stations than in the boom years 2007 / 2008. Many power plant manufacturers have introduced programmes for cost reduction and also lowered their production capacities.

Regionally, demand has been most stable in Asia and North Africa / the Middle East. Europe and, in particular Germany, are currently rather more in a situation where further political decisions are awaited before any decisions regarding investments are taken. In North America, too, numerous projects are on stand-by.

Course of business 2013

2013 was again a very difficult business year for Saarschmiede GmbH. Sales amounted to 24,120 t in the business year and therefore fell by approximately 25% whereby the portion of open-die forgings remained the same. Due to stronger competition between the open-die forges, prices on the buyers’ market, which continues to exist, fell once again. As a consequence, sales fell by approx. 22 % to around € 215 million (previous year: € 275 million). There were positive signs in 2013 for products for hydro-power, larger projects with machinery manufacturers and in tool steel with plastic mould steels. For the nuclear industry, for which ASME certification was successfully carried out in 2012, two components for the primary circulation system were manufactured and delivered.

In order to improve competitive capability, restructuring measures commenced in summer 2013 with the "Future Programme", which already brought about tangible success in 2013. Implementation of the programme will continue in 2014.

In 2013, there was only one larger investment – a ladle car for the ingot casting operation in the steelmaking plant. The total investment amounted to € 3.5 million, of which € 1.7 million had an effect on expenditure in 2013. Saarschmiede dealt with the difficult business year by carrying out socially-compatible adaptation of staffing levels, which was largely implemented by increased transfer of employees to Saarstahl AG and by utilizing natural fluctuation. The number of employees therefore decreased from 1,056 employees in
2012 to 986 in 2013. Continuous further development of the industrial safety culture is a fundamental aspect of company strategy at Saarschmiede. The objective of ensuring a high level of safety was further pursued in 2013. This is also reflected in the accident statistics. The total number of accidents recorded which occurred in the forge fell significantly from almost 300 incidents in 2011 to now 166.

**Outlook 2014**

For the year 2014, slight improvements are expected for Saarschmiede GmbH Freiformschmiede compared with the previous year. In total, competition on the market will continue to be fierce whereby, as a result of the weak exchange rate, the Japanese manufacturers will have an advantage in the Asian region in particular. However, there will be a positive effect in that the stocks of machinery manufacturers have been greatly reduced with the consequence that a demand is due which will also need to be fulfilled through production by forges. Furthermore, the increased efficiency resulting from the "Future Programme" will improve competitive capability.

**Sales companies**

In Germany, Saarstahl AG sells its products in direct marketing through its own company. Abroad, products are mainly marketed by sales subsidiaries. Besides the European locations of France, Italy, Belgium, Switzerland, the Czech Republic and Turkey, Saarstahl AG is represented with further branch offices worldwide including in the USA and major Asian markets (China: Hongkong, Shanghai; India; Malaysia). Saarstahl-Export GmbH in Düsseldorf is responsible for marketing in other European countries and in the markets of third-party countries where Saarstahl does not have its own sales organisation.

The emphasis of the international sales organisation's activities is on selling the long products of Saarstahl AG and its subsidiaries. Furthermore, to a limited degree, trading deals are carried out and outside companies represented.

Exports to third-party countries declined slightly in 2013 compared with the previous year. In Asia, there were tangible negative effects, in particular, due to the considerable over-capacities in China, which resulted in increased exports to South-East Asia. In addition the low price levels on the markets of third-party countries in Asia made it difficult to achieve sales postings with adequate revenues. It was possible to over-compensate the decline in exports to third-party countries through a targeted increase of sales quantities on the domestic market and in European export markets.

In 2013, the sales companies achieved an EBT of € 1 million (2012: € 3 million).

**Aktien-Gesellschaft der Dillinger Hüettenwerke**

As the most important subsidiary of DHS – Dillinger Hütte Saarstahl AG, in which Saarstahl has a share of 33.75%, Aktien-Gesellschaft der Dillinger Hüettenwerke (Dillinger Hütte) specialises in the manufacture of high quality heavy plate. Together with its subsidiary GTS Industries S.A. (as of 1.1.2014 Dillinger France S.A.) in Dunkerque, France, Dillinger Hütte is the global leader in its market segment.

**Market for heavy plate particularly affected by the steel crisis**

The market for heavy plate is particularly badly affected by the weak demand for steel. On the market for pipe plate, in particular, the situation proved to be drastic; deliveries to the European manufacturers of large diameter pipes alone fell by half in 2013. In total, capacity utilisation of Eurofer-Grobblechwerke was only at around 61% – the lowest value since 2006 with the exception of the crisis year 2009. Without taking the market for large diameter pipes into account, visible market consumption in Europe in 2013 fell by another 4% compared with the previous year – with a slight upward trend towards the end of the year. The gap between capacity and consumption also led to great price pressure on the market.

**Very difficult year for Dillinger Hütte**

2013 was characterised for Dillinger Hütte from the second quarter onwards by a significant reduction in incoming orders with a resulting continuous decrease in capacity utilisation. Due to the very difficult market situation and associated significant reductions in production and sales quantities, the business year 2013 closed with losses. In order to counteract this loss situation and to be able to respond more flexibly to the market situation, a structural and cost-reduction programme "DH 2014 plus" was initiated in the third quarter
with the objective of saving 130 million euro annually at the Dillingen location in the long term. The strategy of Dillinger Hütte to also invest in the optimisation and modernisation of important facilities in difficult times was continued; investment expenditure was significantly higher again than in the previous year.

Steel production as well as production in the two rolling mills, i.e. at Dillinger Hütte itself and at its wholly owned subsidiary GTS Industries, fell compared to the previous year and therefore lay almost on the same level as in the year of crisis 2009. Purchase of hot metal at 1,744 kt in 2013 (2012: 1,905 kt) fell by 11.2% compared with the previous year and production of crude steel at 2,023 kt (2012: 2,298 kt) by 12.0% compared with the previous year. As in the previous years, steel production fulfilled the requirements for the supply of slabs to the rolling mill in Dillingen as well as essentially satisfying the demand for slabs of GTS Industries. Production by the rolling mills (1,660 kt) increased by a total of 11.8% compared with the previous year (2012: 1,882 kt), whereby 1,114 kt of heavy plate (2012: 1,309 kt) were produced in Dillingen and 546 kt of heavy plate (2012: 573 kt) in Dunkerque.

In 2013, sales revenues fell as a consequence of a significant decrease in sales especially, but also due to a further decline in revenues in the heavy plate segment as a whole. Sales of heavy plate decreased in total from 1,856 kt in the previous year to 1,677 kt (-9.6%) in 2013 and therefore corresponded to the sales figures for the crisis year 2009. The increase in sales for normal plate was unable to compensate for the massive decline in sales of pipe plate.

The EBIT (Earnings before Interest and Tax) amounted to -€53 million (2012: €209 million) and the EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation) to €3 million (2012: €266 million). The ROCE in the reporting year amounted to -2.6% (previous year: 10.6%).

**Decrease in the number of employees**
At the Dillingen location, at the end of the reporting year there were 5,291 employees (previous year: 5,377). These worked at Dillinger Hütte itself, at Zentralkokerei Saar GmbH (ZKS) and at ROGESa Roheisengesellschaft Saar mbH (ROGESa). In 2013, 34 employees were newly hired. In addition, 67 trainees were taken on into employment. This is to be seen alongside employees retiring from the company on reaching retirement age as well as around 100 employees with temporary contracts who transferred to Saarstahl within the context of the structural and cost reduction programme “DH 2014 plus” so that the total number of employees fell by 86 people (-1.6%) compared with the previous year. At the end of the business year, there was a workforce of 590 employed at the wholly owned subsidiary GTS Industries in Dunkerque (previous year: 624).

With 49 LTI and a frequency of accidents of 5.8 LTI per 1,000,000 working hours the number of accidents remained unchanged compared with the previous year.

**Investments increased once again**
With an investment volume of €193 million, investments at Dillinger Hütte in 2013 were significantly higher again than the figure for the year before, which, at €171 million, had already been high.

The focus of investments in the steelmaking plant in 2013 was on construction of the new continuous casting machine CC 6, which will ensure the supply of slabs to the two heavy plate rolling mills in Dillingen and Dunkerque as well as replacing continuous casting machine 3, and on the new vacuum treatment facility VD 4. This facility accommodates the increased demand for vacuum treated steel with a very high degree of purity, and trial operations commenced in March 2013.

A new slab turnover machine was installed on the slab finishing line and, in the further processing area, in July 2013, a second modern plate edge milling machine went into operation with the objective of satisfying the market demand expected in the coming years for plates with milled edges suitable for direct mechanical welding.

**Events after the reporting period**
There were no events subject to report after the balance sheet date.
Skillful: With the 104 tonne tubesheet, the forge has recommended itself for the production of large components for reactors.
Risks and opportunities report

Due to its business activities as a manufacturer with global operations of wire rod, bar steel, semi-finished products and forgings in various grades, the Saarstahl group is exposed to both opportunities and risks. In view of this, the company set up an independent and company-wide risk management system many years ago. This system was extended and further developed in the business year 2013. The foundation stone had thus been laid for the integration of the Saarstahl group into a future, uniform risk management system for SHS – Stahl-Holding-Saar GmbH & Co. KG.

Organisation of risk management
Risk Management consists, on the one hand, of those responsible for risk in the departments and subsidiaries. They are responsible for the tasks of integrated operative risk control in the individual business units and subsidiaries. On the other hand, SHS Risk Management carries out coordinating, supporting and consolidating tasks for the Saarstahl group. In this, those responsible for risk and SHS Risk Management work together hand in hand.

Function of risk management
The risk management system of the Saarstahl group comprises all measures which ensure that risks are dealt with systematically and focuses on risk transparency, risk control and in risk communication.

- Risk transparency: Risk management pursues the aim of identifying and demonstrating the risks entailed in the business activity at the earliest possible stage. A systematic and standardised analysis and evaluation method is used for this purpose.
- Risk control: A further objective of risk management is to avoid, reduce or transfer the risks which have been identified by using risk control instruments already been implemented or to be introduced. Transfer of risk is carried out by the central service provider SHS Versicherungskontor GmbH, which is responsible for arranging a suitable degree of insurance cover.
- Risk communication: The Management Board is informed about the current risk situation at regular intervals. In addition, essential questions regarding risk management are discussed with the Supervisory Board.

The content, structure and results of the risk management system are documented in a manner which can be audited in accordance with the German Corporate Sector Supervision and Transparency Act (KonTraG). The internal group auditing service is part of the risk management system within the context of the overall approach of company management for setting up an internal guidance and monitoring system in accordance with the Corporate Sector Supervision and Transparency Act. In this function, it is also responsible for the systematic and target-orientated review and monitoring of the risk management system.

Risks of the industry, environment and market
The Saarstahl group itself as well as many of its customers are global players. The company is therefore generally dependent on international economic developments. In particular, there is dependency on the most important sales segments of the automotive and mechanical engineering industries. In this respect, any negative economic developments in these industries can put a strain on the company. However, any risks to this effect are currently to be considered moderate.
At the same time, however, there are still over-capacities on the steel market. These result in more intense competition so that risks of competition with an influence on the future market and sales situation cannot be ruled out. For this reason, Saarstahl continuously monitors its competitors and their strategic commitment in order to create a basis which will allow it to assert itself amongst the competition.
Saarstahl meets these challenges of the market and company environment by concentrating on the manufacture of wire rod, bar steel, semi-finished products and forgings made of high-quality steels. In doing so, Saarstahl reduces any dependency on the mass market. In addition, the product portfolio on offer has been significantly extended by intensification of further processing as well as by the commissioning of the secondary metallurgy which went into operation in 2013 at the Völklingen location. With respect to risk diversification, strategic decisions have a risk-reducing effect.
The competitive situation could be exacerbated by new laws and changes in the legal framework conditions at national and international level if these create potentially higher costs or other disadvantages for the company in comparison with international competition. Against this background, in particular, the reform of EU emission trading and the proceedings against the Federal Republic of Germany to review government aid which were started by the EU commission on 18 December 2013 in connection with the renewable energy law (EEG) should be mentioned. One of the points on which these proceedings to review government aid are focussing is the partial unburdening of energy-intensive companies due to the law on renewable energy which, in the eyes of the European Commission, represents government aid, which is not permitted under European Competition Law. As an energy-intensive company, the Saarstahl group along with some of its subsidiaries benefits from relief resulting from the renewable energy law. Risks could come about as a consequence of this as well as from the conclusion of the proceedings, which, from today’s point of view, is still open. Furthermore, a potential amendment to the renewable energy law could have an exacerbating effect in this respect.

Procurement risks
Raw materials and energy are of essential importance for the Saarstahl group. Ensuring the supply of all of the raw materials and energy required to the manufacturing locations therefore has top priority. Specific areas of procurement are therefore concentrated under the umbrella of SHS. Long term framework contracts are used in procurement. However, options are also used in order to ensure basic flexibility in the provision of raw materials, in particular at the affiliated companies ROGESA Roheisengesellschaft Saar mbH (ROGESA) and Zentralkokerei Saar GmbH (ZKS). In addition, a supply buffer is constantly maintained through corresponding warehouse logistics. Furthermore, new purchasing sources and, in connection with this, new alternatives to the use of raw materials are constantly being sought, tested and evaluated. Besides securing the supply, the measures implemented also make a contribution to lowering price risks. This is of particular importance within the context of ever more volatile purchasing prices for raw materials that are becoming and the associated strain on the company’s cost structures.

With regard to the energy supply and cost certainty, the lease and operation of block 3 of the power plant of VSE AG in Ensdorf, Saarland, by Saarstahl AG and Saarschmiede GmbH Freiformschmiede makes an important contribution to risk minimization. Furthermore, the lease reduces cost and supply risks. However, these should be seen alongside risks from the energy transition driven forward by Germany and aimed at significantly increasing the proportion of renewable energy. Within this context, the risks of increasing electricity prices entailed in financing the energy transition and a further increase in the renewable energy surcharge should be mentioned since these represent great challenges for the international competitive capability of energy intensive industrial companies such as Saarstahl. In this respect, potential regulatory amendments to the renewable energy law could have an exacerbating effect. Irrespective of this, the medium-term security of supply of raw materials and energy in the required amounts should be considered safeguarded.

Risks from operating activities
Due to the complexity of the manufacturing processes as well as the production facilities used, the risk of production stoppages and quality risks for technical reasons cannot be ruled out completely. Besides the application of innovative diagnostic systems for preventive and condition-orientated maintenance and consistent further development of the quality assurance system, which is certified according to international standards, specially continuous investments in state-of-the-art equipment counteract these risks and thus contribute to ensuring equipment availability and the quality of the company’s products. Nonetheless, there are risks due to force majeure such as explosions or large fires which can significantly damage the assets of the Saarstahl group as well as leading to serious disruptions in production. Indeed, these risks imply great potential for risk but the probability of their occurrence is to be seen as low. However, with fire protection facilities, emergency plans etc. the company has implemented preventive measures and concluded insurance contracts of an appropriate scope.
Financial risks
It is of central importance for the Saarstahl group to ensure the financial independence of the group by coordinating the financial requirements. This involves active steering of the company and limiting of financial risks.
In financing, Saarstahl therefore only carries out transactions concerning financial instruments with counterparties who have excellent credit-ratings. Receivables in the area of deliveries and services are continually monitored. Transactions are largely secured by credit insurance. Any risk of default is therefore to be seen as low.
Continuous financial and liquidity planning reduces the liquidity risk, which can currently be seen as low. All significant subsidiaries are involved in the short and medium term financial planning according to uniform standards. With regular analyses, both the status quo and planning are integrated into the risk management system.
Irrespective of this, market risks can cause fluctuations in current values or influence future cash flow from financial instruments. The Saarstahl group actively counteracts these risks through the use of currency or interest rate hedges. These instruments limit market price risks significantly or eliminate them completely. It generally applies that hedging instruments are not to be used uncoupled from the basic performance-related business. They are regularly monitored and analyses are created for control purposes, and the results of these are integrated into the risk management system. Any remaining risks are to be seen as low.
The balance sheet presentation of the hedging instruments listed is presented in detail in the explanatory notes.

Legal risks and compliance risks
Legal risks are currently to be seen as low. There is, however, a basic danger that the increasing internationalisation and expansion of the business activities of the Saarstahl group could result in legal uncertainties due to the large number of fields of law and legal systems involved.
Irrespective of this, the intentional, individual misconduct of individual persons cannot be completely ruled out. However, by its commitment to compliance, Saarstahl has taken preventive meas-
ures to counteract misconduct. In 2012, a code of conduct was introduced which was also aimed at ensuring legally compliant conduct of legal representatives, employees and of third parties from external companies. In addition, in the business year 2013, an interdisciplinary compliance committee was set up within SHS. One aim of this committee is to inform the management and employees as well as third-parties from external companies of the contents of the code of conduct, company policy and the company values of the SHS group and therefore also those of the Saarstahl group. The main emphasis is on education and prevention. Furthermore, in the case of breach of compliance, the compliance committee will make a contribution towards clarification. The Saarstahl group is currently not involved in any court or arbitration proceedings which can have a long-lasting negative effect on the economic situation of the company.

**IT risks**
Both the complex technical production processes as well as the administrative processes of the company are supported by modern IT systems. As a consequence of this as well as through extension of Saarstahl’s global presence, the availability of data and flow of information are gaining increasing importance. Due to human error, organisational or technical processes and/or security vulnerabilities, risks can therefore come about which endanger the confidentiality, availability and integrity of IT-supported information. Besides outages of important systems relevant to production and administration within the value chain, especially risks due to unauthorised third parties accessing the system such as, for example industrial espionage, are to be named. For this reason, the software used is continuously monitored by the Saarstahl group and SHS Services GmbH, and systems are updated as required. Furthermore, hardware components such as servers and networks are continuously being extended or adapted to technical innovations. For example, in 2013, a new ring line was put into operation which not only provides redundant connectivity of the group with its plants in Völklingen, Burbach and Neunkirchen but also with its partner company Aktien-Gesellschaft der Dillinger Hüttenwerke (Dillinger Hütte) and therefore ensures a high degree of availability, a greater bandwidth and more flexibility.

**Personnel risks**
For the Saarstahl group as a manufacturer of technologically and qualitatively high-value products, qualified specialists and executive staff along with their high level of commitment are vital elements for the success of the company. In view of this, the company places great importance on being an attractive employer. The company provides training in a wide range of occupations, thus securing the specialists of tomorrow for the company. In this way, active preventive measures are taken against the lack of skilled employees which is expected on the market in future. Nonetheless, risks can occur as a consequence of people leaving the company and the associated loss of know-how and records. This is counteracted by the cooperation between the generations in order to ensure systematic transfer of knowledge to subsequent employees.

**Environmental risks**
As a condition of the processes of hot metal and steel production as well as further processing entail intrinsic environmental risks such as pollution of air and water. As a result, the group makes every effort to exclude any damage that could arise from the product or its manufacture through intensive quality and environmental management. The group thus operates an integrated management system which combines quality management, industrial and environmental safety and incident management. In addition, the company continuously invests in measures to improve the effectiveness of environmental protection. However, there are still risks, over and above this, arising from stricter environmental specifications where the requirements cannot be met economically from today’s point of view. Furthermore, on ground belonging to the company, which is no longer used or only partially used today, risks due to inherited contamination could occur as a result of business activities in the past. Saarstahl counteracts these risks with continuous monitoring and scheduled decontamination measures.
Organisation of opportunity management
The opportunity management of the Saarstahl group systematically deals with opportunities and potentials. It is directly incorporated into the work of the Management Board, which identifies the opportunities and potentials, discusses these and, where appropriate, carries out a strategic dialogue concerning market and technological trends with the specialised business units and subsidiaries involved. The Management Board bases this strategic work on the current global and industry-specific drivers of growth and continuously develops the company further, taking global trends into account.

Strategic opportunities
Saarstahl sees the internationalisation of its business activities as both a challenge and an opportunity. Many of its customers from the main sales segments of the automotive and mechanical engineering industries have become international in the past or are driving their internationalisation further forward. In doing so, they are often orientated towards new growth markets. Therefore, through further internationalisation, the Saarstahl group sees the opportunity to secure ties with existing customers, on the one hand, and to gain new customers who have not been reached before, on the other. The company is therefore reinforcing its worldwide presence by extending its sales network and increasing potentials, in particular in new and emerging markets, without leaving its market position in traditional markets. This commitment is supported by setting up a business segment organisation.

A further opportunity for future business commitment lies in the engineering competence of our employees. This permits the company to optimize processes and equipment, to further develop or improve products or to redevelop them completely. One piece of evidence of this is the new secondary metallurgy at the Völklingen location; an extraordinary feat of engineering with which Saarstahl can extend its product range as well as optimising production processes. Saarstahl is therefore striving to continuously extend this engineering expertise further.

One important element in the business model of the Saarstahl group is further processing companies. These are managed as independent companies within the group. The company sees the basis for future continued growth in the strengthening and further expansion of these further processing companies. As a result, the company is in a position to offer its customers a varied portfolio of high quality steel products.

The Saarstahl group sees itself as a partner for its customers. The company therefore always works closely with its customers in order to find the optimum solution for them. This service-providing relationship is a characteristic which distinguishes the company from its competitors. For this reason, the further extension of various services is to be seen as an opportunity.

Operational opportunities
The business activities of the company comprise numerous processes that are sometimes interdependent or connected with each other through interfaces. Saarstahl sees an operational opportunity in the optimisation of these in-company processes. Through adaptation, it can be possible to accelerate operational procedures for selected processes and thus to save costs.

In addition, there are opportunities in the continued merging and combining of the functions and activities of Saarstahl and Dillinger Hütte in SHS. As a result, these can lead to a further increase in synergies as processes and operational procedures are harmonised.

Total assessment of the risk situation
Currently, no risks are recognized which could endanger the continuance of the company nor are there any signs of developments which could have a fundamental influence on the net asset position, financial status and earnings position.
Forecast

Opportunities and Challenges of the Future

The future of steel as a material is generally favourable due to the broad spectrum of applications and recycling capabilities. The fact that demand is currently weak will not affect long term demand for steel which is principally on the increase. The global steel market will be characterized by a further increase in the consumption of steel in the medium and long term in order to meet demand from threshold countries such as China, India or Brazil which are currently undergoing a process of industrialisation. It remains the objective of the Saarstahl Group to have proportionate participation in the growth which has been forecast by further establishing itself on growth markets, in particular for premium products, without leaving its market position in the core markets. A significant share of the increasing demand for steel is to be in the worldwide construction industry but also in the energy industry and transport sector. The company is in a favourable position in all of these sectors due to its highly specialised product mix. Furthermore, through target-orientated setting up of a distribution network, the company will be present on location where demand occurs.

One important factor in securing future competitiveness is the supply of raw materials. Here, the high volatility and unforeseeability of price developments for raw materials present challenges for manufacturers and customers alike. With a purchasing strategy which is characterised by a targeted policy of keeping of stocks, diversification in procurement and long-term partnerships, the company considers itself to be in a good position.

Another considerable factor influencing competitiveness is the energy supply to the production location. For the Saarstahl Group, in a comparison of countries and thus also of competition, the relatively high energy prices and costs incurred through emission trading create a burden on the production location. In addition, there is uncertainty regarding possible amendments to the renewable energy law. As an energy-intensive industry, the European steel industry is clearly at a disadvantage compared with locations with less expensive energy supplies such as from natural gas and shale gas.
The Saarstahl Group is continuing its strategy as a globally recognised producer of high quality steel products. Investments which are planned or have already been carried out are aimed at optimising processes and the quality of the products as well as further improving service for the customer. With high quality products, there is an increasing sales potential for the company from threshold countries with a high level of industrial growth.

In human resources, in 2014, the focus continues to be on cooperation between Saarstahl and Dillinger Hütte. For the first time, a new online platform for applicants will be implemented for actual use and will allow significantly more efficient processing and handling of applications.

The company’s earning power is reinforced by a continuous improvement process and by consistent cost management. In addition, closer cooperation between the two companies Dillinger Hütte and Saarstahl means that the forces of the management holding SHS, which is increasingly active in the operative field, are further consolidated thus allowing synergies to be exploited and resulting in further cost reductions. Here, initial synergy measures in the service companies SHS Services and SHS Logistics have already resulted in significant savings.

**Saarstahl Group cautiously optimistic**

Saarstahl AG commenced the year 2014 with good capacity utilization. Due to economic stimuli, the company expects that the turnover and income figures will be stable or increase slightly. At the beginning of 2014, it seems that market prices have reached trough level. In the course of the next few months, price increases are aimed at. In addition, export demand, especially from the premium sector which is largely occupied by the German automotive industry, will remain stable. Furthermore, it is to be expected that mechanical engineering will be supported by investment activity which is gradually reviving in the EU. In this respect, the investments carried out in the past form the basis for a sustainably successful product policy.

Saarschmiede GmbH Freiformschmiede expects a slight improvement in turnover and the financial result in 2014 compared with the previous year. All in all, the market will continue to be highly competitive whereby the weak exchange rate will provide an advantage for the Japanese producers, particularly in the Asian sector. However, there will be a positive effect due to the fact that stocks at power plant manufacturers have largely been reduced so that the resulting requirements will also have to be met by production in forges. In the USA and Canada, the great age of the fleet of power plants leads to expectations that power plant construction, in particular of gas power plants, will start to pick up. Furthermore, the increase in efficiency as a result of the internal “Future programme” has improved the competitiveness of Saarschmiede.

In view of the fact that the general conditions continue to be difficult, the Saarstahl Group expects that turnover will remain constant in 2014 and that the financial result for the year will be slightly negative with a corresponding development in the key figures EBIT and EBITDA.
## Consolidated Balance Sheet

<table>
<thead>
<tr>
<th>Assets</th>
<th>31 December 2013</th>
<th>31 December 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Fixed Assets</strong></td>
<td></td>
<td></td>
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<tr>
<td>I. Intangible assets</td>
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<tr>
<td>II. Tangible assets</td>
<td>1,204.7</td>
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<td>III. Financial assets</td>
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<td></td>
<td><strong>2,170.1</strong></td>
<td><strong>2,335.6</strong></td>
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<td><strong>B. Current Assets</strong></td>
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<tr>
<td>I. Inventories</td>
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<tr>
<td>1. Raw, auxiliary and operating materials</td>
<td>241.3</td>
<td>276.6</td>
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<tr>
<td>2. Unfinished products, unfinished services</td>
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<tr>
<td>and finished products</td>
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<td>410.3</td>
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<td>3. Advance payments for inventories</td>
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<td>4. Downpayments received on orders</td>
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<td></td>
<td>685.8</td>
<td></td>
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<td>II. Accounts receivable and other assets</td>
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</tr>
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<td>1. Trade accounts receivable</td>
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<td>318.8</td>
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<tr>
<td>2. Accounts receivable from affiliated companies</td>
<td>32.3</td>
<td>34.0</td>
</tr>
<tr>
<td>3. Accounts receivable from companies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>where a participatory interest exists</td>
<td>21.0</td>
<td>12.2</td>
</tr>
<tr>
<td>4. Other assets</td>
<td>134.9</td>
<td>492.9</td>
</tr>
<tr>
<td></td>
<td>497.4</td>
<td></td>
</tr>
<tr>
<td>III. Cash balance and credit with financial institutions</td>
<td>251.9</td>
<td>311.2</td>
</tr>
<tr>
<td></td>
<td><strong>1,432.4</strong></td>
<td><strong>1,494.4</strong></td>
</tr>
<tr>
<td><strong>C. Accruals and deferrals</strong></td>
<td>0.8</td>
<td>2.0</td>
</tr>
<tr>
<td><strong>D. Deferred taxes on the assets side</strong></td>
<td>1.0</td>
<td>2.0</td>
</tr>
<tr>
<td><strong>E. Debit difference in assets in the calculation of assets</strong></td>
<td>9.2</td>
<td>0.0</td>
</tr>
<tr>
<td></td>
<td><strong>3,613.5</strong></td>
<td><strong>3,834.0</strong></td>
</tr>
<tr>
<td>Liabilities</td>
<td>31 December 2013</td>
<td>31 December 2012</td>
</tr>
<tr>
<td>-------------------------------------------------</td>
<td>------------------</td>
<td>------------------</td>
</tr>
<tr>
<td><strong>A. Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I. Subscribed capital</td>
<td>200.0</td>
<td>200.0</td>
</tr>
<tr>
<td>II. Capital reserve</td>
<td>44.0</td>
<td>44.0</td>
</tr>
<tr>
<td>III. Other retained profit</td>
<td>1,183.4</td>
<td>1,187.5</td>
</tr>
<tr>
<td>IV. Balance sheet profit</td>
<td>1,149.1</td>
<td>1,336.9</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td>2,576.5</td>
<td>2,768.4</td>
</tr>
<tr>
<td><strong>B. Reserves</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Reserves for pensions</td>
<td>15.2</td>
<td>17.7</td>
</tr>
<tr>
<td>2. Reserves for taxes</td>
<td>10.7</td>
<td>15.5</td>
</tr>
<tr>
<td>3. Other reserves</td>
<td>184.7</td>
<td>172.7</td>
</tr>
<tr>
<td><strong>Total Reserves</strong></td>
<td>210.6</td>
<td>205.9</td>
</tr>
<tr>
<td><strong>C. Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Liabilities towards financial institutions</td>
<td>447.4</td>
<td>468.8</td>
</tr>
<tr>
<td>2. Downpayments received on orders</td>
<td>–</td>
<td>1.4</td>
</tr>
<tr>
<td>3. Trade liabilities</td>
<td>197.3</td>
<td>193.4</td>
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<tr>
<td>4. Liabilities from the acceptance of drawn</td>
<td></td>
<td></td>
</tr>
<tr>
<td>bills of exchange and issue of own bills of</td>
<td></td>
<td></td>
</tr>
<tr>
<td>exchange</td>
<td>–</td>
<td>0.2</td>
</tr>
<tr>
<td>5. Liabilities towards affiliated companies</td>
<td>5.7</td>
<td>7.6</td>
</tr>
<tr>
<td>6. Liabilities towards companies where a</td>
<td></td>
<td></td>
</tr>
<tr>
<td>participatory interest exists</td>
<td>38.3</td>
<td>42.0</td>
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<tr>
<td>7. Other liabilities</td>
<td>136.8</td>
<td>145.3</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td>825.5</td>
<td>858.7</td>
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<tr>
<td><strong>D. Accruals and deferrals</strong></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>0.9</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,613.5</td>
<td>3,834.0</td>
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</tbody>
</table>
## Consolidated Profit and Loss Account 2013

<table>
<thead>
<tr>
<th>Item</th>
<th>2013 million €</th>
<th>2012 million €</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Sales revenues</td>
<td>2,279.5</td>
<td>2,491.6</td>
</tr>
<tr>
<td>2. Changes in inventory and internally produced</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and internally produced and activated assets</td>
<td>42.3</td>
<td>-67.0</td>
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<tr>
<td>3. Other operating income</td>
<td>76.1</td>
<td>72.7</td>
</tr>
<tr>
<td></td>
<td>2,397.9</td>
<td>2,497.3</td>
</tr>
<tr>
<td>4. Material costs</td>
<td>1,676.7</td>
<td>1,809.3</td>
</tr>
<tr>
<td>5. Personnel costs</td>
<td>400.2</td>
<td>417.6</td>
</tr>
<tr>
<td>6. Depreciation and amortisation on intangible assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>of fixed assets and tangible assets</td>
<td>150.5</td>
<td>138.1</td>
</tr>
<tr>
<td>7. Other operating expenses</td>
<td>229.3</td>
<td>169.2</td>
</tr>
<tr>
<td></td>
<td>-58.8</td>
<td>-36.9</td>
</tr>
<tr>
<td>8. Income from participations</td>
<td>-69.5</td>
<td>45.9</td>
</tr>
<tr>
<td>9. Interest income</td>
<td>-18.9</td>
<td>-19.9</td>
</tr>
<tr>
<td><strong>10. Result from ordinary activities</strong></td>
<td><strong>-147.2</strong></td>
<td><strong>-10.9</strong></td>
</tr>
<tr>
<td>11. Taxes on income and earnings</td>
<td>7.6</td>
<td>-46.1</td>
</tr>
<tr>
<td>12. Other taxes</td>
<td>3.0</td>
<td>3.6</td>
</tr>
<tr>
<td><strong>13. Net result for the year</strong></td>
<td><strong>-157.8</strong></td>
<td><strong>31.6</strong></td>
</tr>
</tbody>
</table>
Consolidated Cash-Flow Statement

<table>
<thead>
<tr>
<th>Description</th>
<th>2013 million €</th>
<th>2012 million €</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net loss / income for the year</td>
<td>-157.8</td>
<td>31.6</td>
</tr>
<tr>
<td>Amortisation and depreciation / appreciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Intangible assets and tangible assets</td>
<td>150.5</td>
<td>138.1</td>
</tr>
<tr>
<td>- Financial assets</td>
<td>4.6</td>
<td>0.0</td>
</tr>
<tr>
<td>Changes in long-term reserves</td>
<td>-2.5</td>
<td>-0.2</td>
</tr>
<tr>
<td>Expenses and income not affecting payments</td>
<td>-4.5</td>
<td>-51.7</td>
</tr>
<tr>
<td>CF acc. to DVFA/SG *)</td>
<td>-9.7</td>
<td>117.8</td>
</tr>
<tr>
<td>Changes in inventory and outstanding payments</td>
<td>-5.3</td>
<td>215.9</td>
</tr>
<tr>
<td>Result from the disposal of fixed assets</td>
<td>-2.8</td>
<td>-0.4</td>
</tr>
<tr>
<td>Result from equity accounted investments</td>
<td>68.3</td>
<td>43.3</td>
</tr>
<tr>
<td>Changes in the remaining reserves and liabilities</td>
<td>-4.8</td>
<td>-13.4</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>45.7</td>
<td>276.5</td>
</tr>
<tr>
<td>Investments in</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Intangible assets and tangible assets</td>
<td>-83.0</td>
<td>-135.3</td>
</tr>
<tr>
<td>- Financial assets</td>
<td>-1.0</td>
<td>-5.2</td>
</tr>
<tr>
<td>Disposal of assets</td>
<td>5.4</td>
<td>1.7</td>
</tr>
<tr>
<td>Changes in the consolidated group</td>
<td>2.7</td>
<td>-</td>
</tr>
<tr>
<td>Dividends from equity companies</td>
<td>12.8</td>
<td>20.7</td>
</tr>
<tr>
<td>Cash flow from investment activities</td>
<td>-63.1</td>
<td>-118.1</td>
</tr>
<tr>
<td>Changes in long and short-term financial liabilities</td>
<td>-21.4</td>
<td>-71.4</td>
</tr>
<tr>
<td>Dividend payments</td>
<td>-30.0</td>
<td>-56.0</td>
</tr>
<tr>
<td>Repayments from loan to SHS</td>
<td>9.5</td>
<td>12.0</td>
</tr>
<tr>
<td>Cashflow from financing activities</td>
<td>-41.9</td>
<td>-115.4</td>
</tr>
<tr>
<td>Change in liquidity</td>
<td>-59.3</td>
<td>43.0</td>
</tr>
<tr>
<td>Liquid assets at beginning of the period</td>
<td>311.2</td>
<td>268.2</td>
</tr>
<tr>
<td>Liquid assets at the end of the period</td>
<td>251.9</td>
<td>311.2</td>
</tr>
<tr>
<td>Change in liquid assets</td>
<td>-59.3</td>
<td>43.0</td>
</tr>
</tbody>
</table>

* DVFA/SG: German Association for Financial Analysis and Investment Consulting / Schmalenbach Association
## Statement of the Group’s Shareholdings

<table>
<thead>
<tr>
<th></th>
<th>Capital share</th>
<th>Equity</th>
<th>Result for the business year 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>direct %</td>
<td>indirect %</td>
<td>31 December 2013 million €</td>
</tr>
<tr>
<td>1. Full Consolidation acc. to § 294 Sect.1 German Comm. Code</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Affiliated Companies</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>a) Inland</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saar-Blankstahl GmbH, Homburg</td>
<td>100.00</td>
<td>43.2</td>
<td>3.8</td>
</tr>
<tr>
<td>Saar-Bandstahl GmbH, Völklingen</td>
<td>100.00</td>
<td>9.1</td>
<td>1.2</td>
</tr>
<tr>
<td>Saarstahl-Export GmbH, Düsseldorf</td>
<td>100.00</td>
<td>2.6</td>
<td>1.4</td>
</tr>
<tr>
<td>Metallurgische Gesellschaft Saar GmbH, Völklingen</td>
<td>100.00</td>
<td>5.8</td>
<td>0.7</td>
</tr>
<tr>
<td>Saarschmiede GmbH Freiformschmiede, Völklingen</td>
<td>99.95</td>
<td>0.05</td>
<td>193.7</td>
</tr>
<tr>
<td>Saarstahl Finanzanlagen GmbH, Völklingen</td>
<td>100.00</td>
<td>5.7</td>
<td>0.0</td>
</tr>
<tr>
<td>Drahtwerk St. Ingbert GmbH, St. Ingbert</td>
<td>2.49</td>
<td>97.51</td>
<td>5.8</td>
</tr>
<tr>
<td>Drahtwerk Luisenthal GmbH, Völklingen</td>
<td>100.00</td>
<td>4.9</td>
<td>0.0</td>
</tr>
<tr>
<td>DWK Drahtwerk Köln GmbH, Cologne</td>
<td>3.62</td>
<td>96.38</td>
<td>14.7</td>
</tr>
<tr>
<td>Schweißdraht Luisenthal GmbH, Völklingen</td>
<td>100.00</td>
<td>1.9</td>
<td>0.1</td>
</tr>
<tr>
<td>Stahlguss Saar GmbH, St. Ingbert</td>
<td>100.00</td>
<td>2.3</td>
<td>-1.9</td>
</tr>
<tr>
<td>Saar Stahlbau GmbH, Völklingen</td>
<td>100.00</td>
<td>8.2</td>
<td>-0.3</td>
</tr>
<tr>
<td>Saar Rail GmbH, Völklingen</td>
<td>100.00</td>
<td>11.0</td>
<td>1.5</td>
</tr>
<tr>
<td>Saarstahl Beteiligungsgesellschaft mbH, Völklingen</td>
<td>100.00</td>
<td>4.4</td>
<td>0.0</td>
</tr>
<tr>
<td>FORGE Saar GmbH, Dillingen</td>
<td>100.00</td>
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<td>0.0</td>
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<tr>
<td>FORGE Saar Besitzgesellschaft mbH &amp; Co KG, Dillingen</td>
<td>100.00</td>
<td>260.3</td>
<td>0.0</td>
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<tr>
<td><strong>b) Abroad</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secosar S.A.S., Bussy-Saint-Georges / France</td>
<td>99.99</td>
<td>0.01</td>
<td>14.5</td>
</tr>
<tr>
<td>Conflandey Industries S.A.S., Port-sur-Saône / France</td>
<td>80.00</td>
<td>20.00</td>
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</tr>
<tr>
<td>S.P.M. Participation S.A.S. / France</td>
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<td>-10.0</td>
</tr>
<tr>
<td>2. Proportionately Consolidated Companies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dillinger Hütte und Saarstahl Vermögens- verwaltungs- und Beteiligungs-OGH, Dillingen</td>
<td>50.00</td>
<td>265.5</td>
<td>7.2</td>
</tr>
<tr>
<td>ROGESA Roheisengesellschaft Saar mbH, Dillingen</td>
<td>24.50</td>
<td>25.50</td>
<td>224.6</td>
</tr>
<tr>
<td>Zentralkokerei Saar GmbH, Dillingen</td>
<td>50.00</td>
<td>137.2</td>
<td>0.0</td>
</tr>
<tr>
<td>3. Consolidation at Equity § 312 German Comm. Code</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>DHS-Dillinger Hütte Saarstahl AG, Dillingen</td>
<td>33.75</td>
<td>2,750.8</td>
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</tr>
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### 4. Waiver of Consolidation acc. to § 296 Section 2 Art. 1 German Comm. Code

<table>
<thead>
<tr>
<th>Capital share</th>
<th>Equity 31 December 2013 million €</th>
<th>Result for the business year 2013 million €</th>
</tr>
</thead>
<tbody>
<tr>
<td>% direct</td>
<td>% indirect</td>
<td>%</td>
</tr>
<tr>
<td>----------------</td>
<td>----------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>Saarstahl Inc., New York USA [3] [4]</td>
<td>100.00</td>
<td>0.2</td>
</tr>
<tr>
<td>Sodetal S.A.S., Tronville-en-Barois / France</td>
<td>100.00</td>
<td>-3.7</td>
</tr>
<tr>
<td>Saarstahl-Export Ltd., Hongkong / China [4]</td>
<td>60.00</td>
<td>1.2</td>
</tr>
<tr>
<td>Saarstahl (S.E.A.), Petaling Jaya / Malaysia [3] [4]</td>
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</tr>
<tr>
<td>EUROFIL Polska, Warsaw / Poland [4]</td>
<td>98.00</td>
<td>-0.1</td>
</tr>
<tr>
<td>Saarstahl Export India Pvt Ltd, Mumbai / India</td>
<td>1.00</td>
<td>99.00</td>
</tr>
<tr>
<td>Saarstahl Demir Celik Sanayi Ltd., Istanbul / Turkey [4]</td>
<td>100.00</td>
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</tr>
<tr>
<td>Saarstahl s.r.o. Ostrava / Czech Republic [4]</td>
<td>100.00</td>
<td>0.1</td>
</tr>
<tr>
<td>Saarstahl Vermögensverwaltung GmbH, Völklingen</td>
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<td>7.3</td>
</tr>
<tr>
<td>SAG Medienversorgungs-GmbH, Völklingen</td>
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<tr>
<td>SIB-Immobiliengesellschaft mbH, Völklingen</td>
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<tr>
<td>Neunkircher Eisenwerk Wohnungsgesellschaft mbH, Völklingen</td>
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<tr>
<td>Gewerbe- und Wohnpark Heubügel GmbH, Völklingen</td>
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<tr>
<td>44. Vermögensverwaltungs- und Beteiligungs-GmbH, Völklingen</td>
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</tr>
<tr>
<td>45. Saarstahl Beteiligungsgesellschaft mbH, Völklingen</td>
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<td>Secosar-Etorage S.A.S., Fontenay-sous-Bois / France</td>
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<tr>
<td>Quinofer S.A.S., Fontenay-sous-Bois / France</td>
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<td>1.1</td>
</tr>
<tr>
<td>Saarstahl AG, Zurich / Switzerland [4]</td>
<td>97.50</td>
<td>3.6</td>
</tr>
<tr>
<td>Les Aciers Fins de la Sarre S.A., Liège / Belgium</td>
<td>95.83</td>
<td>4.17</td>
</tr>
<tr>
<td>Acciai della Saar SpA, Milan / Italy</td>
<td>100.00</td>
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</tr>
<tr>
<td>Tréfilerie de Beuchot S.A.S., Saint-Loup-sur-Semouse / France</td>
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<td>Metalfil S.A., Granollers Barcelona / Spain</td>
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<tr>
<td>FILMETAL S.A., Bussy-Saint-Georges / France</td>
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<tr>
<td>Sodetal s.r.o., Košice / Slovakia</td>
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</table>

### 5. Waiver of Consolidation acc. to § 311 Section 2 German Comm. Code

<table>
<thead>
<tr>
<th>Capital share</th>
<th>Equity 31 December 2013 million €</th>
<th>Result for the business year 2013 million €</th>
</tr>
</thead>
<tbody>
<tr>
<td>% direct</td>
<td>% indirect</td>
<td>%</td>
</tr>
<tr>
<td>----------------</td>
<td>----------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>GAL Zentralkorei Saar Besitzgesellschaft mbH &amp; Co. KG, Dillingen</td>
<td>24.50</td>
<td>16.7</td>
</tr>
<tr>
<td>1. Dillinger Projekt GmbH, Dillingen</td>
<td>50.00</td>
<td>0.1</td>
</tr>
<tr>
<td>Kraftwerk Wehrden GmbH, Völklingen [3]</td>
<td>33.33</td>
<td>10.6</td>
</tr>
</tbody>
</table>

---

[2] Data is based on the result for the group.
[3] Data refers to the previous year as no final result was available when the financial result was drawn up.
Passed: The new pickling line at the wire mill in St. Ingbert has successfully passed the first functional tests.
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