

SALZGITTER GROUP

PRESENTATION OF THE GROUP



SALZGITTERAG
People, Steel and Technology

01 KEY DATA PER 2023/03/31

Financials

		Q1 2023	Q1 2022	Δ
Crude steel production	kt	1,585	1,713	-128
External sales ¹	€ million	2,983	3,350	-367
EBITDA	€ million	290	548	-258
Earnings before tax	€ million	184	465	-282
Earnings after tax	€ million	140	369	-228
Earnings per share (undiluted)	€	2.6	6.8	-4.2
ROCE	%	12.6	35.2	-22.6
Core workforce ²		22,705	22,492	213

¹ only from entities within the Group of Consolidated Companies of Salzgitter Group

² per reporting date

Promising start into the financial year 2023

01 INCOME STATEMENT

Financials

Income Statement (€ million)	01 2023	01 2022	Δ
Sales	2,982.5	3,349.9	-367.3
Increase/decrease in finished goods and work in process/other own work capitalized	-40.2	-10.5	-29.7
	2,942.3	3,339.3	-397.0
Other operating income	186.1	162.2	24.0
Cost of materials	1,959.5	2,193.8	-234.3
Personnel expenses	465.2	447.2	18.0
Amortization and depreciation of intangible assets and property, plant and equipment	75.8	69.3	6.5
Other operating expenses	446.9	366.8	80.1
Result from impairment losses and reversal of impairment losses of financial assets	-2.9	-0.1	-2.8
Income from shareholdings	-	-	-
Result from investments accounted for using the equity method	36.0	54.7	-18.6
Finance income	8.0	1.9	6.1
Finance expenses	38.5	15.5	23.0
Earnings before taxes (EBT)	183.7	465.3	-281.6
Income tax	43.2	96.5	-53.3
Consolidated result	140.5	368.9	-228.5

01 CONSOLIDATED BALANCE SHEET

Financials

Assets (€ million)	2023/03/31	2022/03/31	Δ
Non-current assets	4,559.3	4,510.0	49.3
Intangible assets, property, plant and equipment	2,455.6	2,416.5	39.1
Investment property	77.7	78.1	-0.4
Financial assets	41.6	38.3	3.3
Investments accounted for using the equity method	1,581.9	1,565.3	16.6
Trade receivables	3.4	3.5	-0.1
Other receivables and other assets	14.3	15.7	-1.4
Income tax assets	0.6	-	0.6
Deferred income tax assets	384.1	392.6	-8.5
Current assets	6,627.6	6,593.3	34.3
Inventories	3,180.0	3,474.3	-294.3
Trade receivables	1,780.2	1,543.8	236.4
Contract assets	365.7	318.3	47.4
Other receivables and other assets	246.0	217.9	28.1
Income tax assets	29.6	23.6	6.0
Securities	-	-	-
Cash and cash equivalents	1,026.0	988.4	37.6
Assets available for sale	-	27.1	-27.1
Balance sheet total	11,186.9	11,103.3	83.6

01 CONSOLIDATED BALANCE SHEET

Financials

Equity and liabilities (€ million)

	2023/03/31	2022/03/31	Δ
Equity	4,968.8	4,850.4	118.5
Subscribed capital	161.6	161.6	0.0
Capital reserve	257.0	257.0	0.0
Retained earnings	4,706.0	4,585.7	120.3
Other reserves	142.4	145.5	-3.1
Unappropriated retained earnings	60.1	60.1	0.0
Treasury shares	-369.7	-369.7	0.0
Minority Interest	11.5	10.2	1.3
Non-current liabilities	2,711.3	2,704.3	7.0
Provisions for pensions and similar obligations	1,834.2	1,618.8	15.4
Deferred tax liabilities	196.9	195.2	1.7
Income tax liabilities	33.5	33.5	0.0
Other provisions	274.8	272.3	2.5
Financial liabilities	567.2	579.3	-12.1
Other liabilities	4.7	5.2	-0.5
Current liabilities	3,506.8	3,548.7	-41.9
Other provisions	257.1	246.2	10.9
Financial liabilities	1,112.4	1,119.1	-6.7
Trade payables	1,195.8	1,331.8	-136.0
Liability contracts	442.6	412.3	30.3
Income tax liabilities	57.4	51.2	6.2
Other liabilities	441.5	380.9	60.6
Liabilities associated with assets held for sale	-	7.2	-7.2
Balance sheet total	11,186.9	11,103.3	83.5



01 CASH FLOW STATEMENT

Financials

(€ million)	Q1 2023	Q1 2022	Δ
Cash and cash equivalents at the start of the period	988.4	741.8	246.6
Cash flow from operating activities	167.0	-15.2	182.2
Cash flow from investment activities	-100.2	-48.5	-51.7
Cash flow from financial activities	-25.2	-14.8	-10.4
Changes in cash	37.6	-73.6	111.2
Cash and cash equivalents at the end of the period	1,026.0	668.2	357.8

Active working capital management positively impacts the net cash position

01 STEEL PRODUCTION BUSINESS UNIT

Financials

		Q1 2023	Q1 2022	Δ
External sales	€ million	1,039	1,204	-166
Order bookings	kt	1,356	1,587	-231
Order backlog ¹	kt	1,072	1,378	-306
EBITDA	€ million	136	331	-195
EBT	€ million	80	290	-210
Core workforce ¹		7,339	7,271	68

¹ per reporting date

Decrease of selling prices resulted in declining sales and earnings

01 STEEL PROCESSING BUSINESS UNIT

Financials

		Q1 2023	Q1 2022	Δ
External sales	€ million	562	467	95
Order bookings	kt	703	789	-86
Order backlog ¹	kt	1,020	1,045	-25
EBITDA	€ million	100	19	81
EBT	€ million	82	4	77
Core workforce ¹		5,358	5,340	18

¹ per reporting date

Results increase due to higher performance of all companies

01 TRADING BUSINESS UNIT

Financials

		Q1 2023	Q1 2022	Δ
External sales	€ million	918	1,303	-384
Shipments	kt	788	1,062	-274
EBITDA	€ million	3	102	-98
EBT	€ million	-5	98	-103
Core workforce ¹		2,006	1,935	71

¹ Adjustment of the previous year's figure due to the new Group structure

² per reporting date

Subdued demand in conjunction with still rather high inventory prices in stockholding steel trade resulted in break even result

01 TECHNOLOGY BUSINESS UNIT

Financials

		Q1 2023	Q1 2022	Δ
External sales	€ million	420	334	87
Order bookings	kt	584	519	65
Order backlog ¹	kt	1,368	1,075	294
EBITDA	€ million	27	19	8
EBT	€ million	20	13	6
Core workforce ¹		5,380	5,323	57

¹ per reporting date

Orders on hand at new record level, KHS Group more than doubled its earnings

01 INDUSTRIAL PARTICIPATIONS / CONSOLIDATION

Financials

		Q1 2023	Q1 2022	Δ
External sales	€ million	43	42	1
EBITDA	€ million	24	77	-53
EBT	€ million	8	59	-52
Core workforce ¹		2,622	2,623	-1

¹ Adjustment of the previous year's figure due to the new Group structure

² per reporting date

Earnings include € 29.3 million contribution from the Aurubis participation

01 MANAGEMENT GUIDANCE

Guidance

Following the pleasing start to the year, we affirm our earnings guidance and, taking account of the ongoing considerable uncertainty from the political and economic framework conditions, anticipate the following for the financial year 2023

/ sales of between € 11.5 billion and € 12.0 billion,

/ EBITDA of between € 750 million and € 850 million,

/ a pre-tax profit of between € 300 million and € 400 million, and

/ a return on capital employed (ROCE) notably below the previous year's level.

Legal Note and other remarks

As in recent years, please note that opportunities and risks from currently unforeseeable trends in selling prices, input material prices and capacity level developments, as well as exchange rate fluctuations, may considerably affect business performance in the course of the financial year 2023. The resulting impact on performance may be within a considerable range, either to the positive or to the negative.

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Salzgitter AG

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