

EQS-Ad-hoc: voestalpine AG / Key word(s): Disposal

voestalpine AG: voestalpine sells majority stake in voestalpine Texas to ArcelorMittal

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voestalpine sells majority stake in voestalpine Texas to ArcelorMittal Necessary HBI volume to implement first decarbonization step secured long-term

voestalpine today signed an agreement with ArcelorMittal to sell 80% of its stake in voestalpine Texas Holding LLC, a hot briquetted iron (HBI) direct reduction plant in Corpus Christi, with production capacity of approximately two million tons per year. Part of voestalpine's further shareholding is a long-term supply agreement of 420,000 tons per year of the HBI produced in Corpus Christi. This provides the basis for further decarbonization of the steel production in Linz and Donawitz ("greentec steel"). In addition, this cooperation with ArcelorMittal reduces the spot market risk for the quantities not required by voestalpine.

The enterprise value for 100% of the shares in voestalpine Texas is approximately EUR 900 million (USD 1 billion). As a result of today's signing, voestalpine Texas will be reported as a discontinued operation in the 2021/22 financial statements in accordance with IFRS 5. The accounting profit from the transaction is expected to amount to approximately EUR 280 million (approximately USD 310 million), of which the majority will be reported in net income in the 2021/22 financial statements. The closing of the transaction is expected to take place in 2 to 3 months. Taking into account the expected debt development of voestalpine Texas as of today, the transaction will lead to a cash inflow in the amount of the equity value for 80% of the shares in voestalpine Texas of approximately EUR 610 million (approximately USD 680 million) at closing and thus to a significant reduction of the net financial debt of the voestalpine Group.

Irrespective of this transaction, the company's outlook for the 2021/22 financial year will be raised from an EBITDA of previously up to EUR 2.2 billion to slightly below EUR 2.3 billion.

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