



DILLINGER HÜTTE

EXECUTIVE SUMMARY
OF THE 2011
FINANCIAL STATEMENT



KEY FIGURES

	2010	2011	Change
Hot metal purchase in kt*	1 813	2 135	+ 17.8 %
Crude steel production in kt	2 125	2 497	+ 17.5 %
Total production of heavy plate in kt	1 882	2 110	+ 12.1 %
of which produced in Dillingen in kt	1 216	1 425	+ 17.2 %
of which produced in Dunkerque in kt	666	685	+ 2.9 %
Total shipments in kt	2 454	2 715	+ 10.6 %
of which heavy plate in kt	1 881	2 104	+ 11.9 %
of which semi-finished product in kt	573	611	+ 6.6 %
Total workforce (excluding trainees) as of 31 Dec.	5 412	5 464	
Personnel expenses in millions of €	316	334	
Total assets in millions of €	2 754	2 723	
Shareholders' equity in millions of €	1 662	1 742	
Fixed assets in millions of €	1 531	1 582	
Net income for the year before profit transfer in millions of €	165	167	
Earnings from ordinary activities in millions of €	166	169	
EBITDA in millions of €	214	220	
EBIT in millions of €	158	163	
Cash flow from operations in millions of €	209	93	
Net sales by country in millions of €			
Germany	759	938	
France	450	578	
Other EU countries	263	421	
Other exports	483	562	
Total sales	1 955	2 499	+ 27.8 %

* Total production ROGESA Roheisengesellschaft Saar mbH: 4 176 kt (2010: 3 539 kt)





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*Mecca Royal Clock Tower:
Dillinger Hütte delivered 1,000 tons
of quality plate for the supporting
structure and the crescent tip
of the tower
(Photograph with kind permission
of the CTBUH)*

** This abridged English-language financial statement is an excerpt from the Annual Report of Dillinger Hütte for the 2011 financial year. This publication does not constitute the complete form required by law (for this, please see the 2011 Annual Report for Dillinger Hütte in German).*



MEMBERS OF THE SUPERVISORY BOARD

Dr. MICHAEL H. MÜLLER Saarbrücken Chairman	<i>Chairman of the Management Board of the Curatorship for the Montan-Stiftung-Saar trust</i>
ARMIN SCHILD Biebertal 1st Deputy Chairman	<i>District Manager for IG Metall Hessen, Rheinland-Pfalz, Thüringen and Saarland</i>
MICHEL WURTH Luxembourg 2nd Deputy Chairman	<i>Member of the Group Management Board, ArcelorMittal</i>
Dr. BERND BERGMANN Wallerfangen	<i>Member of the Management Board of the Curatorship for the Montan-Stiftung-Saar trust</i>
Prof. Dr. HEINZ BIERBAUM Saarbrücken	<i>Director of the INFO-Institute, Saarbrücken</i>
JÜRGEN BLUDAU Dillingen	<i>Member of the Dillinger Hütte Works Council</i>
CARL DE MARÉ Belsele	<i>Vice President ArcelorMittal, Chief Technical Officer Flat Carbon Europe</i>
ALBERT HETTRICH Saarbrücken	<i>Chief Representative of SHS - Stahl-Holding-Saar</i>
ROBERT HIRY Rehlingen-Siersburg	<i>Primary Authorized Representative for IG Metall Völklingen Administrative Office</i>
GÜNTER LUDWIG Losheim	<i>Deputy Chairman of the Dillinger Hütte Works Council</i>
EUGEN ROTH Merchweiler	<i>Chairman of Deutscher Gewerkschaftsbund Saar (German Federation of Trade Unions, Saar District)</i>
ROMAN SELGRATH Dillingen	<i>Chairman of the Dillinger Hütte Works Council</i>
CLAUDE SEYWERT Luxembourg	<i>Chief Operating Officer Finishing Florange, ArcelorMittal</i>
ERICH WILKE Königstein/Taunus	<i>Bank Executive (ret.)</i>
Henner Wittling Ottweiler	<i>Member of the Management Board of the Curatorship for the Montan-Stiftung-Saar trust</i>



MEMBERS OF THE BOARD OF MANAGEMENT

Dr. KARLHEINZ BLESSING Chairman (as of 10 Feb. 2011)	<i>Chief Commercial Officer (as of 10 Feb. 2011) Chief Human Resources Officer/Labor Director (up to 11 April 2011)</i>
Dr. PAUL BELCHE Chairman (up to 10 Feb. 2011)	<i>Chief Commercial Officer (up to 10 Feb. 2011)</i>
Dr. NORBERT BANNENBERG	<i>Chief Technical Officer</i>
FRED METZKEN	<i>Chief Financial Officer</i>
PETER SCHWEDA	<i>Chief Human Resources Officer/Labor Director (as of 11 April 2011)</i>



Fred Metzken, Peter Schweda, Dr. Norbert Bannenberg, Dr. Karlheinz Blessing (from left to right)



REPORT OF THE BOARD OF MANAGEMENT (abridged)

General economic situation

World economy loses vitality

The economic vitality of the world economy observed at the beginning of 2011 declined noticeably during the course of the year. The reasons for this lie primarily in the government debt crisis in Europe and in the persistent, critical public and private debt situation in the United States, where the difficult job market situation also depressed economic activity (2011: + 1.5 %; 2010: + 3.0 %). In Japan, the effects of the earthquake disaster led to a significant decline in economic growth (2011: - 0.5 %; 2010: + 4.0 %). Overall, the world economy grew in 2011 by 4 %* (2010: + 5.1 %) and world trade increased by only 4.1 % (2010: + 14.4 %).

The individual regions, meanwhile, presented a highly heterogeneous picture: while economic development in industrial countries was sluggish, most newly industrialized countries continued to experience relatively solid growth. Supported by private consumption and investments, China again showed above-average, 9.5 % growth in 2011 (2010: + 10.3 %), and India's economy also continued to grow vigorously, with 7.8 % (2010: + 10.1%)

Growth in Europe remains restrained

In Europe, growth continued to be rather moderate, at 1.7 % (2010: + 1.8 %). Aside from weaker world trade, the economic situation in many countries was burdened by high unemployment, a darkening mood among consumers and the necessity for budget consolidation due to the continuing financial crisis. Overall, growth in Europe varied widely: while countries such as Austria, Finland and Germany experienced comparatively solid growth, the economic situation in Greece and Portugal was especially precarious.

The German economy grew significantly faster in 2011 than many other major national economies (+ 2.7 %). German industrial production, which experienced an 8 % growth rate in 2011 (2010: + 10 %) significantly above average for the Eurozone (excluding Germany), contributed considerably to this growth. Growth diminished in the second half of the year, however, as both foreign trade and private consumption declined due to the debt crisis.

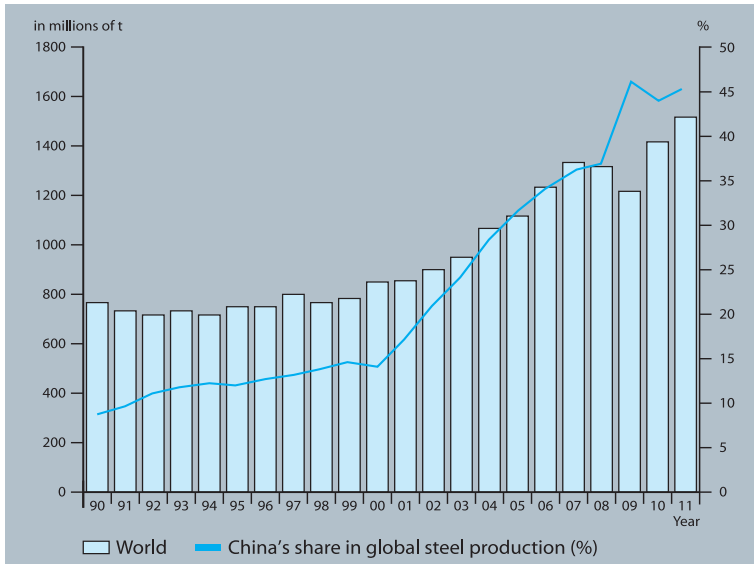
The steel market

Worldwide crude steel production again on the ascent

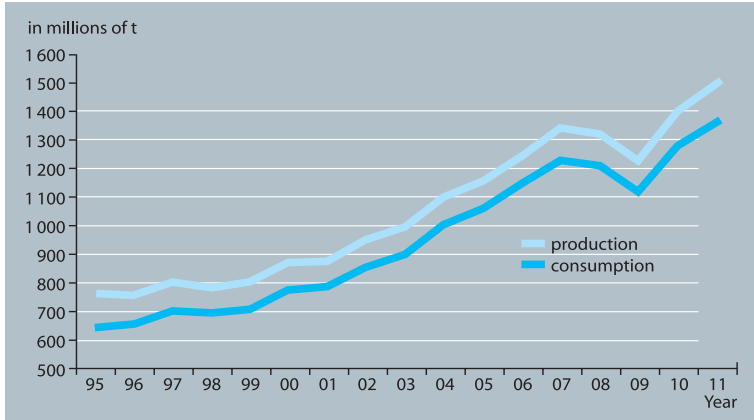
Worldwide crude steel production displayed a steep growth curve for the past decade. This growth was once again supported considerably by the increase in production in China, where nearly half (45 %) of the world's crude steel was produced in 2011. World crude steel production was estimated in 2011 at another record 1.527 billion tons, which is almost 7 % higher than production during the previous year (2010: 1.430 billion tons).**

** All figures regarding economic conditions and the steel market are based on currently available, sometimes preliminary official estimates and unofficial statistics.*

*** These and all of the following production figures are based on production statistics from countries documented by the World Steel Association (issued: 3 Feb. 2012).*



Global steel production / China's share



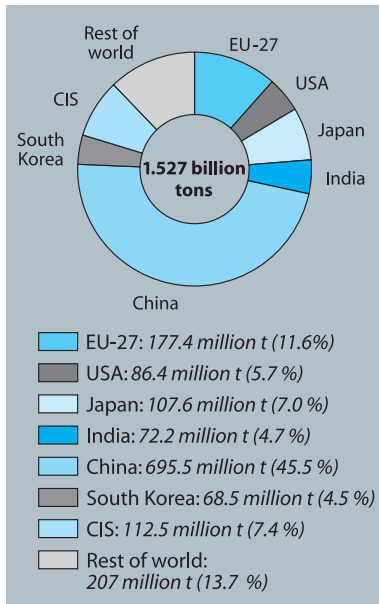
Worldwide steel production and apparent steel consumption (finished products)

With an 8.9 % increase in crude steel production to 695.5 million tons, China remained the world's biggest steel producer at the end of the year, followed by the CIS countries with 112.5 million tons (+ 4 %). Due to a temporary dampening of economic activity after the earthquake and the disaster in Fukushima, production output in Japan fell by 1.8 % to 107.6 million tons. Spurred on by rising exports, South Korea on the other hand achieved an increase in its crude steel production rate of 16.2 %, far exceeding the average (2011: 68.5 million tons). With the production of 177 million tons (+ 2.7 %), the EU (27) defended its market share of around 12 %. In Germany, the biggest producer of steel in the European Union, 44 million tons (+ 1%) of crude steel were produced.

After the serious slump in the steel market in 2009, which was followed by growth in apparent steel consumption in 2010 (+ 15.1 %), the course of growth that had been interrupted by the global financial crisis of 2008-2009 resumed in 2011 with a 6.5 % increase to 1.398 billion tons. Despite fears about the possibility of a dramatic economic slowdown, almost all major steel consumers nonetheless noticed a moderate upturn in demand in 2011. The automotive industry experienced rising worldwide production figures – despite disruptions in the production chain caused by the earthquake disaster – and machine manufacturing also showed solid growth overall.

Steel market in Europe: heterogeneous development

The level of production among European steel processing firms rose in 2011 by an average of around 6 % over the previous year. There were large differences between individual sectors, however: whereas the situation in ship building (- 4.7 %) and among producers of household goods (- 3.1 %) indicated activity well below average, activity increased sharply among manufacturers of motor vehicles (+ 10.8 %) and steel pipe (+ 9.9 %) as well as among machine manufacturers (+ 10.4 %) in particular. For 2011 the European Confederation of Iron and Steel Industries (Eurofer) quantifies the increase in real steel consumption, which includes changes in stock levels, at 6.6 %.



World steel production in 2011:
1.527 billion tons (as of February 2012)

Revival of the heavy plate market slowed at midyear

The revival of the heavy plate market continued until the end of the first half of 2011, and demand initially surged. Over the course of the economic slowdown, however, demand on the heavy plate market began to fall off again beginning in summer and the plants reacted with declines in production. Overall, heavy plate manufacturers, with average utilization of capacities at around 68 %, did not achieve the good production output of the pre-crisis years (around 90 %). In addition to weakening demand, the increasing overcapacities had a negative impact on the global market situation.

For 2011 as a whole, deliveries of Eurofer plants to end-consumers nonetheless increased by 16 % and heavy plate production in the EU (27) rose accordingly by around 10 % compared to the previous year. Particularly positive growth was experienced in deliveries to trading companies (+ 12 %) and a few stronger key sectors such as the construction machinery industry (+ 26.5 %), machine construction (+ 28 %) and pipe manufacturers (+ 17.3 %). Imports to European markets likewise showed a significant upward trend (+ 54 %); stock inventories meanwhile remained balanced overall in 2011 – in part due to the conservative purchasing activities among trading companies in the 3rd quarter.

The price level initially experienced incremental improvement in 2011, but pressure on prices increased along with the declining demand on the European market, particularly for commodity steel. Heavy plate manufacturers were therefore only partially able to pass the increases in raw material costs on to consumers through price increases. In the specialty segment, price improvements proceeded more continuously.

Dillinger Hütte: a good 2011

The 2011 financial year at Dillinger Hütte (DH) was marked on the whole by consistently good utilization of production facility capacities and a good level of incoming orders. The company was able to increase sales revenue and significantly improve operating profit compared to the previous year.

Good level of incoming orders – high utilization of capacities

Based on a very high backlog of orders at the start of the year, Dillinger Hütte once again registered a good level of incoming orders for its main products, normal and pipe plate, which allowed production facility capacities to be more uniformly and altogether better utilized than in 2010. Optimized logistical tools and the use of highly sophisticated process models made it possible to ensure stable order processing in all production stages during 2011 despite the planned annual shutdown in the rolling mill in autumn.

In the 4th quarter the incoming orders – especially in the pipe plate segment – stalled due to the economic slowdown in major markets as well as the poor performance of the line pipe market, which suffered from the postponements and delays in major projects.

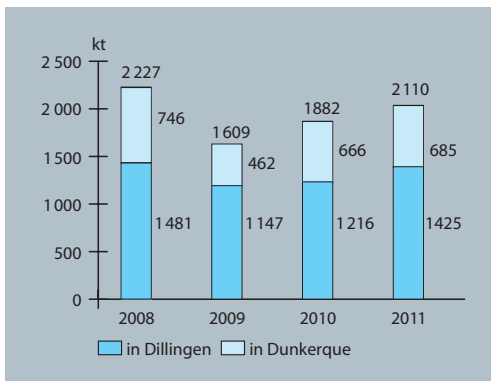
Since the beginning of the year, the price level also noticeably improved through the middle of the year and beyond. Commodity products began to experience price pres-



Report of the Board of Management

sure starting in the 3rd quarter, due in part to more restrained demand, while higher grades first began to experience price pressure at the end of the year.

Production figures in the primary stages (hot metal and steel production), as well as at both rolling mills, i.e., at Dillinger Hütte itself and at GTS Industries S.A. in Dunkerque (France), were significantly higher than the figures from the previous year. At 2 135 kt, hot metal deliveries rose by about 17.8 % (2010: 1 813 kt), and crude steel production increased by 17.5 % over the previous year, to 2 497 kt (2010: 2 125 kt).



Heavy plate production

As in previous years, steel production levels satisfied the slab supply requirements for the rolling mill in Dillingen as well as the majority of slab requirements of GTS Industries. The production of the rolling mills (2 110 kt) increased by a total of 12.1 % from the previous year (2010: 1 882 kt), whereas 1 425 kt of heavy plate was produced in Dillingen (2010: 1 216 kt) and 685 kt of heavy plate was produced by GTS Industries in Dunkerque (2010: 666 kt).

Higher sales revenue due to higher volumes and price levels

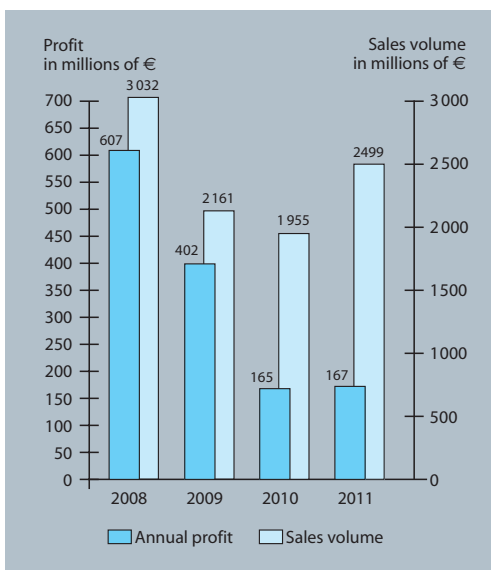
Sales revenue in 2011 exceeded the previous year's revenues due to both higher sales volumes and an improved revenue level. Total sales of heavy plate rose from 1 881 kt in the previous year to 2 104 kt (+ 11.9 %) in 2011, whereas sales growth in normal plate significantly offset the moderate decline in pipe plate.

Due above all to an improved average price level in addition to higher sales, Dillinger Hütte posted a significant increase in sales revenue in 2011 – from € 1 955 million in the previous year to € 2 499 million (+ 27.8 %) in the year under review.

Following dramatic declines in the previous periods, sales revenue rose in 2011 much more intensely in the European Union than in the other export countries, whereas the levels of the record year in 2008 were not quite achieved. Distribution of the sales revenue showed only negligible displacement between the individual regions.

Results of operation, net assets and financial position

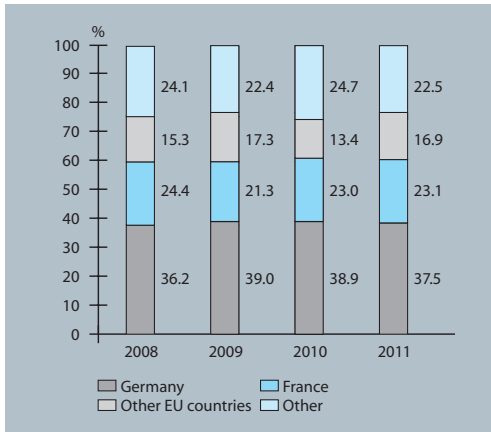
Direct comparison of the current financial year with the previous year's figures in the reporting sections of the annual financial statement is possible only to a limited extent because of the first-time application last year of the new accounting criteria of the German Commercial Code (HGB). Conversion to the German Accounting Law Modernization Act (BilMoG) had a sometimes significant impact on the results of operation, net assets and financial position in 2010. In addition, restructuring began in 2011 within SHS - Stahl-Holding Saar (SHS), which is increasingly involved in operations, with the goal being to develop synergies in Dillinger Hütte and Saarstahl. The process calls for reorganization of duties and fields of activity, which also resulted in employees of Dillinger Hütte switching to companies within SHS or to SHS Holding itself.



Sales and profit performance



Report of the Board of Management



Geographic distribution of sales

Improved business operations

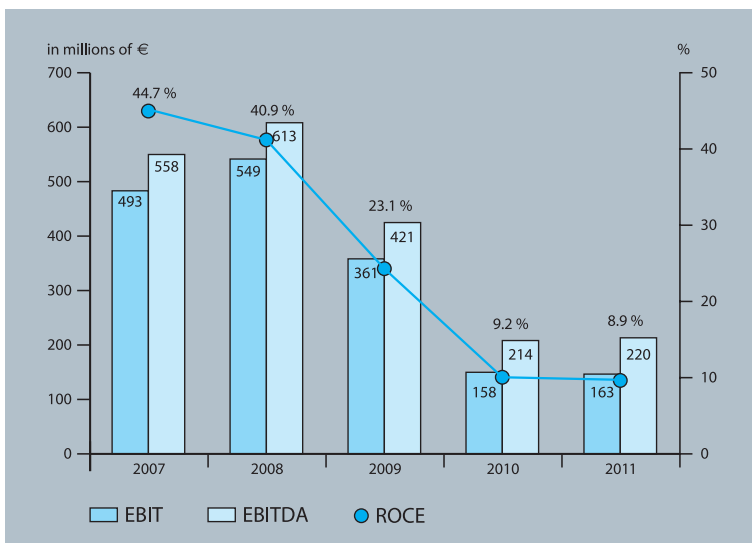
Dillinger Hütte significantly improved its operating profit in 2011. The company's € 189 million operating profit exceeded the previous year's amount of € 133 million by 42 %.

The improved situation with respect to earnings first emerged in the middle of the 2nd quarter, and more visibly in midyear, when more and more orders that made allowances for the sharp rise in the prices for energy and for procuring raw materials were delivered. Through this and through the overall increase in sales volumes, the significant cost increases could be nearly completely passed on.

Personnel expenditures rose in the financial year by 5.7 % to € 334 million (2010: € 316 million). The increase in activity in 2011 prompted the creation of new positions and the expanded use of overtime. The resulting increases in wages and salaries as well as increases in pay rates drove up costs – effects that did not appear to this extent in 2010. Due to investments, depreciation of fixed assets increased slightly by € 1.7 million.

Other operating expenses fell after one-time effects in the previous year by a cumulative € 20 million, whereas sales-related expenses were at the expected levels due to volumes; administrative and general operating expenses remained similar.

Dividend disbursements that were down by € 50 million led to a € 31 million drop in income from participating interests. Net interest income fell slightly by € 1.8 million to € 6.3 million. At € 169 million, 2011 earnings from ordinary activities reached the levels of the previous year (€ 166 million).



EBIT, EBITDA and ROCE

After deduction of taxes and compensatory payment to outside shareholders and an extraordinary profit in the previous year, net income for the year, before profit transfer, amounted to € 167 million (2010: € 165 million). After allocations to earnings reserves amounting to € 80 million, the profit transfer to the controlling company, DHS - Dillinger Hütte Saarstahl AG, amounted to € 87 million. EBIT amounted to € 163 million (2010: € 158 million) and EBITDA was € 220 million (€ 214 million). Thus, despite significantly lower income from participating interests, positive performance was achieved in the key figures most important to the structure of assets, liabilities and capital, as well as yield performance. The return on capital employed (ROCE) during the year



Report of the Board of Management

under review amounted to 8.9 % (previous year: 9.2 %); return on sales (EBIT margin) amounted to 8.5 % (previous year: 10.6 %).

Increased shareholders' equity ratio

The total assets fell slightly from the previous year by € 32 million to € 2 723 million. At the same time, investments of € 95 million were made in tangible assets during the year under review, which led to a € 36 million increase in book value as at the reporting date. In the current assets, increases were once again led by inventories (+ € 64 million) as a result of the higher cost of procuring raw materials and of larger stock levels.

Accruals and liabilities decreased by € 112 million. Aside from the € 42 million decline in accruals primarily due in the short term, there was a decrease in pension accruals classified as long term. The short-term trade accounts payable rose vis-à-vis both external and affiliated companies, while liabilities to associated companies had dropped as at the reporting date.

Key figures		2007	2008	2009	2010	2011
Capital intensity						
Shareholders' equity	millions of €	1 119	1 369	1 519	1 662	1 742
Total assets	millions of €	2 466	2 748	2 768	2 754	2 723
	in %	45.4	49.8	54.9	60.3	64.0
Liquidation ratio for fixed assets						
Shareholders' equity	millions of €	1 119	1 369	1 519	1 662	1 742
Fixed assets	millions of €	1 131	1 488	1 516	1 531	1 582
	in %	98.9	92.0	100.2	108.6	110.1
Debts						
Long-term bank liabilities	millions of €	100	93	145	123	152
Shareholders' equity	millions of €	1 119	1 369	1 519	1 662	1 742
	in %	8.9	6.8	9.5	7.4	8.7
EBIT margin						
EBIT	millions of €	493	549	361	158	163
Sales DH-products	millions of €	2 043	2 343	1 726	1 484	1 926
	in %	24.1	23.4	20.9	10.6	8.5
EBITDA margin						
EBITDA	millions of €	558	613	421	214	220
Sales DH-products	millions of €	2 043	2 343	1 726	1 484	1 926
	in %	27.3	26.2	24.4	14.4	11.4
Return on capital employed (ROCE)						
EBIT	millions of €	493	549	361	158	163
Shareholders' equity, tax provisions, liabilities subject to interest (average)	millions of €	1 102	1 342	1 564	1 726	1 840
	in %	44.7	40.9	23.1	9.2	8.9
Internal financing capability						
Cash flow from operations	millions of €	608	532	523	209	93
Net investment in tangible assets	millions of €	78	121	56	74	95
	in %	779.5	439.7	933.9	282.4	97.9
Expense structure in % of total operating revenue						
Material intensity	in %	66.5	67.7	67.4	75.8	76.9
Personnel intensity	in %	12.5	11.3	14.6	15.9	13.1
Gross yield from business property (location-based)						
Gross operating result	millions of €	475	506	280	81	137
Gross business property	millions of €	847	845	915	1 016	1 163
	in %	56.1	59.9	30.6	8.0	11.8

Financial key figures

Cash and cash equivalents declined by € 151 million as a consequence of the lower cash flow from operations, payments for investments and the previous year's profit and loss transfer.

Shareholders' equity increased from the previous year due to allocations to revenue reserves by the amount of € 80 million, after being increased by € 143 million in 2010 through the reserve allocation not affecting net income as a consequence of the first-time application of the rules in the German Accounting Law Modernization Act (BilMoG). With this, the equity ratio as at 31 Dec. 2011 was, at 64.0 %, higher than the previous year's level of 60.3 %.

Large investments continued

Cash flow from operations amounted to € 93 million (previous year: € 209 million). Meanwhile, cash flow from the annual result and write-offs in the amount of € 225 million (previous year: € 221 million) were accompanied by significant cash outflows to build up working capital. Resources required for investments amounted to € 107 million (previous year: € 96 million).



Report of the Board of Management

Including cash flow from financing activities (primarily for payment of the previous year's earnings) in the amount of - € 137 million (2010: - € 273 million), liquid assets fell by € 151 million to € 284 million.

Sustainability as a fixed component of corporate policy

The success and productivity of Dillinger Hütte can be seen not only in the key economic figures, but in the sustainability of its economic activity as well. Sustainable and responsible conduct is a central component of the corporate policy. In the following sections of the report, examples of sustainable management at Dillinger Hütte are presented using a wide range of topics and fields of activity.

Essential areas of a sustainable corporate policy for Dillinger Hütte include:

- human resources efforts designed for continuity and high social standards,
- internal company improvement processes that bring the principles of sustainability and safe conduct to each workplace and each employee,
- bundling competence and service for the sustained success of the customer during efficient implementation of unique and innovative projects,
- safeguarding and enhancing Dillinger Hütte's technological leadership through investing in new facilities and modernizing existing facilities as well as through developing innovative products and processes,
- procurement oriented on security of supplies and environmentally compatible modes of transport,
- efficient conduct that protects resources through numerous environmental protection measures for efficient use of energy, for the recycling of byproducts from steel production and for the reduction of emissions.

Not least, the very material that Dillinger Hütte produces – steel – satisfies the sustainability principle more clearly than virtually any other: through its versatile applications and possibilities for use, steel makes a valuable contribution to protecting the environment and climate. No other material is produced in such an environmentally compatible process as steel. When steel has fulfilled its purpose after a few decades or generations it becomes scrap, which is a valuable raw material that can be completely recycled in the steel production process as many times as desired and can be reintroduced in its entirety into the economic cycle.

Effective extraction of renewable energies from wind, water and sun is virtually impossible without steel. Steel makes up more than 80 % of a wind power plant. An average of about 1 700 tons of steel are required for an offshore plant. Innovative products made from steel such as wind power plants or modern power stations save six times as much CO₂ as is produced during their manufacture.* The use of steel in building construction – likewise an important customer segment for Dillinger Hütte – is marked by

* Source: Boston Consulting Group



especially short installation times, which reduces to a minimum any negative impacts on the environment such as noise, dirt, or traffic disruptions during bridge construction. In structures subjected to high stresses, it is not uncommon for material usage to be reduced by up to 50 % through the use of high-tensile steels, which thus helps preserve valuable resources and protects the environment.

Number of employees increased – accident rate improved

Qualified and dedicated employees are critical to the success of Dillinger Hütte. Their know-how and flexibility drive the company's advancements and its success with customers. Personnel policy continued to focus in 2011 on continuous improvement of workplace safety, expansion of training and human resource development activities, effective promotion of good health and on organizing the workplace to be family- and age-appropriate. Thus, Dillinger Hütte is fulfilling its responsibility toward its workforce and meeting the challenges of demographic change.

Number of employees in Dillingen increased

A total of 5 464 people were employed at the Dillingen location at the end of the financial year (31 Dec. 2010: 5 412). These employees worked at Dillinger Hütte itself, at Zentralkokerei Saar GmbH (ZKS) and at ROGESA Roheisengesellschaft Saar mbH (ROGESA).

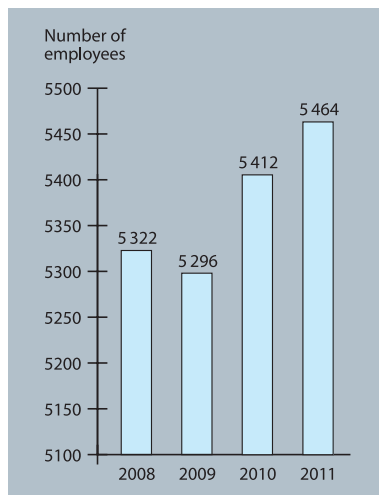
Because of the improved economic situation compared to 2010, 246 employees were newly hired in 2011, of which 204 were wage earners and 42 were salaried staff. In addition, 76 trainees and 2 people retraining for a new vocation were hired on. Since 100 Dillinger Hütte employees switched to SHS, the increase in the number of employees compared to the previous year is 52 persons (+ 0.96 %). Another 2 496 people were employed at Dillinger Hütte's subsidiaries and affiliated companies (2010: 2 660).

Lower accident rate

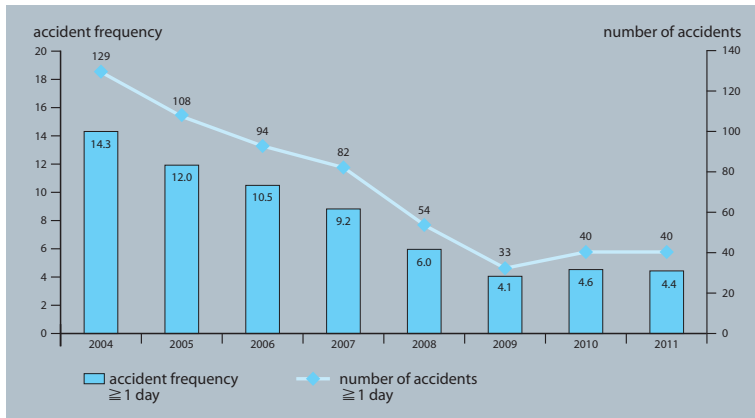
Workplace safety is paramount in the corporate philosophy of Dillinger Hütte. It has priority over all other business objectives. Following noticeable improvement in workplace safety in recent years, in 2011 the number of accidents (40, from 1 day of leave) remained unchanged from the previous year. The accident rate (number of accidents requiring one day of leave per 1 million working hours) again dropped slightly, to 4.4, compared to 4.6 in the previous year. To achieve the company's goal of 100 % workplace safety, Dillinger Hütte will continue to make every effort and will carry on with its dedication to safety. In the process, the focus is increasingly on modifying behavior and on ingraining the issue more firmly in the consciousness of company staff.

Increase in the number of trainees

Dillinger Hütte began the new training year on 1 Aug. 2011 with 73 trainees (previous year: 63). As a result, the company employed a total of 260 trainees when all training class years are included. In addition, 65 students from technically oriented college preparatory schools were able to perform an internship in their future career field. In all, Dillinger Hütte offered 273 trainees a view into the company's operations. As part of the cooperative degree program with the University of Applied Sciences in Saarbrücken



Total workforce



Number of accidents

(HTW), the University of Saarland and the University of Kaiserslautern, 21 students (as at 31 Dec. 2011) were supported in their areas of specialization in a systematic effort to promote young academic talent.

Continuing education expanded as a factor for success

The time-tested strategy of tailoring the continuing education program to daily tasks and thus to requirements was continued in 2011. As a result, the number of continuing education hours increased compared to the previous year to an average of 29 hours per employee (2010: 26 hours).

Social commitment expanded – second “Kleine Hüttenbären” location opened

In addition to good retirement benefits, Dillinger Hütte has a tradition of offering its employees a wide range of employee benefits, which again in 2011 included an attractive financial participation in the company's success. The commitment to integrating family and career was expanded: an opening ceremony was held on 25 Aug. 2011 for the second location of the AWO “Kleine Hüttenbären” day care center. The company made space available for this facility as well, which provides for 28 children, and had it remodeled as needed. A total of 58 children can now be cared for in the two day care centers that Dillinger Hütte initiated and supports. With this child care service, which is intended to serve not only employees, Dillinger Hütte is taking on social responsibility for the region as well.

More systematic improvement with GPS, DILLIGENZ and proDH

Dillinger Hütte relies on its GPS management program for integrated planning and control of its improvement process. The core element is the annual development plan (JEP), in which – based on the current situation and the assessment of the Board of Management – key company-wide issues are specified along with objectives that are to be given priority by the plants and departments in their work. In 2011, as in previous years, these included, among others, improvements in workplace safety.

The GPS system is supplemented by the DILLIGENZ continuous improvement process (CIP) tool, which was introduced in 2008. Its goal is the continuous improvement of customer satisfaction, productivity, and the protection of jobs, health and the environment.

The proDH company idea management program also helps provide for cost and performance improvements as well as optimization of workplace quality and safety. During 2011, a total of 1 098 suggestions were evaluated and decided on. The number of newly submitted employee suggestions, at 914, was 4 % higher than the previous year.



DILLINGERHÜTTE

Eröffnung KITA

„Die kleinen Hüttenbären“

Zweiter Standort – Werderstraße 107

25. August 2011



Opening ceremony of the second Dillinger Hütte-supported daycare center "Kleine Hüttenbären"





Demanding and sustainable solutions in steel

Customized solutions with premium quality plate from Dillinger Hütte make it possible to realize extraordinary and demanding projects all over the world. The sustainability and versatility of heavy plate steel are reflected in countless projects that would not be possible without the use of steels with special properties. By continuously developing these steels, the objective of Dillinger Hütte is to consistently fulfill the most stringent requirements and to offer engineers worldwide effective and attractive solutions in steel.

Louis Vuitton building in Paris

When completed, the new headquarters of the Louis Vuitton Foundation for Creation, one of the most ambitious projects in France's capital city, will house a museum, educational facilities for children and families, cafés and multipurpose spaces for events. The shape of the 40-meter high, 150-meter long building is meant to be reminiscent of clouds and transparent flower petals. Due to the overlapping of the various structures, the building designed by famed architect Frank O. Gehry presents an enormous architectural challenge. For the complicated tripod connections of the windows and the secondary frame, Dillinger Hütte and its subsidiary GTS Industries delivered 190 tons of heavy plate with higher-than-average requirements for the purity of the steel, in thicknesses up to 85 mm.

London Array Wind Farm

With the installation of a 268-ton monopile, the first foundation for the London Array Wind Farm was set off the coast of Kent and Essex on 8 March 2011. It is a part of the highly ambitious British offshore wind farm development program that began at the end of 2000. In the first stage of expansion, another 174 monopiles will be installed by the end of 2012 in an area of 100 km². After its planned completion in 2016, London Array with its 341 turbines with a total capacity of more than 1 000 MW will supply around 750 000 households with electricity and save 1.9 million tons of CO₂. Dillinger Hütte delivered around 53 000 tons of thermomechanically rolled heavy plate in thicknesses up to 100 mm for the monopile foundation structures.

Mecca Royal Clock Tower Hotel

At 601 meters and 120 storeys, this skyscraper in the center of the Saudi Arabian pilgrimage city became the second-highest building in the world when it reached its final height in July 2011. It is the trademark of the Abraj Al Bait building complex with more than 1 million m² of usable space and it is intended to house the many thousands of Muslim pilgrims who visit the mosque and the holy city in Mecca. The architecture of the main tower is reminiscent of Big Ben and it is crowned with an immense crescent moon on its peak. The tower received the biggest clock in the world, with hands measuring 22 meters in length and clockworks for each of the clock faces pointing in all four directions. For the tower's supporting structure and the crescent moon tip, Dillinger Hütte delivered 1 000 tons of heavy plate in thicknesses up to 80 mm – specifically, a higher-tensile, thermomechanically rolled structural steel.



Berlin Brandenburg Airport

The international Berlin Brandenburg Airport, which was renamed at the start of the year, is currently being expanded by 970 hectares to a total area of 1,470 hectares. After its planned opening on 3 June 2012, the airport – which also bears the name of former German Chancellor and one-time mayor of Berlin, Willy Brandt – will replace both current Berlin airports, Schönefeld and Tegel. The new airport serves specifically to expand the capacity for air transport in and around Berlin to up to 27 million passengers per year. For the new terminal's visible roof girders, Dillinger Hütte delivered 600 tons of heavy plate with special surface and flatness requirements.

Warsaw Stadium

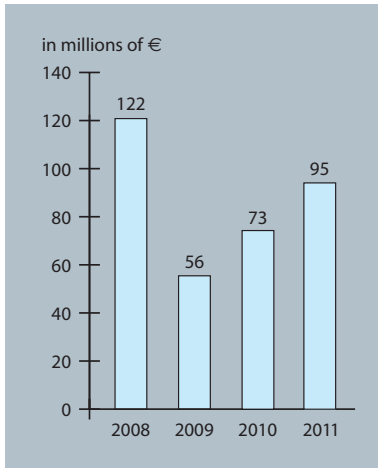
The venue for the opening game of the 14th European Football Championship on 8 June 2012 will be the new national stadium in Warsaw. With a capacity of 58 000 seats, it is the largest of the stadiums that have been newly constructed especially for the European Football Championship. The sport center, built on a total area of 18 hectares, will replace the old stadium that dates from 1954, and upon completion, will feature a coliseum with 20 000 seats as well as a swimming stadium with 4 500 seats. The supporting structure, designed by renowned international architects "Gerkan, Marg and Partners" and "Schlaich, Bergermann and Partners", consists of 32-meter long tubular supports. For these, Dillinger Hütte delivered around 900 tons of thermomechanically rolled heavy plate in thicknesses up to 110 mm.

Vianden Hydroelectric Power Plant

The Vianden pumped storage hydroelectricity plant in Luxembourg, with a nominal capacity of 1 096 MW, is one of the highest capacity power plants of its kind in Europe. The plant, which opened back in 1964, consists of a man-made reservoir on the Our river, two upper reservoirs at an elevation of 509 meters, an underground cavern hall and a hydroelectric gallery. In spring 2010 work began to install another 200 MW turbine, whereby the capacity of the upper and lower reservoirs also had to be enlarged. The pressure pipes for the new turbine have a diameter of 4.50 meters and are 550 meters long. In order to be able to safely discharge the pressure created by a head of 280 meters, 2 000 tons of thermomechanically rolled heavy plate in thicknesses up to 50 mm were used. These plates, which easily fulfilled the project's very high requirements for the welding properties of the steel, were processed and delivered by the heavy fabrication division of Dillinger Hütte into shell sections.

Intensive investment policy continued

Continuous investment in the modernization and optimization of facilities and processes is an important precondition for the success of Dillinger Hütte as a manufacturer of heavy plate steel with global operations and a premium product mix. At € 95 million, total investment was once again significantly higher than during the previous year (€ 73 million). In addition, a total of an additional € 57 million (previous year: € 120 million) was invested in both associated companies ROGESA and ZKS at the Dillinger location. Dillinger Hütte bore half of these investment costs, in proportion to its shares



Investments in property, plant and equipment at Dillinger Hütte

in the companies. As in years past, the primary focus of these investments was on improving environmental protection. Detailed information on these investment projects can be found in the section "Most significant shareholdings of Dillinger Hütte."

Steel plant

The expansion of Hall 5 (casting house) represents an important investment in the steel plant. The hall will house the new ingot casting section in combination with a new crane system. In addition, excavation work began and was nearly completed in 2011 for the revamping of Vacuum System 1 in the area of secondary metallurgy. The system will be installed in 2012. The most important key investment is the new CC6 double-strand continuous caster, which at around € 300 million, represents the single biggest investment at the Dillingen location to date. It will begin operating in the first half of 2014. Preparations for the excavation work were made in 2011. CC6 ensures the supply of slabs for both heavy plate rolling mills in Dillingen and Dunkerque and will further develop and solidify the leading position of Dillinger Hütte as a manufacturer of thick plate.

Rolling mill

In the rolling mill, the focus is on strengthening and redesigning the roughing stand cooling bed to improve handling of the slabs. In order to optimize utilization of transverse crane capacities, the discharge roller table of Double Side-Trimming Shears 2 were lengthened by 101 meters, and measures required for direct transport of the 450 mm slabs to the roughing stand were carried out.

Heavy fabrication

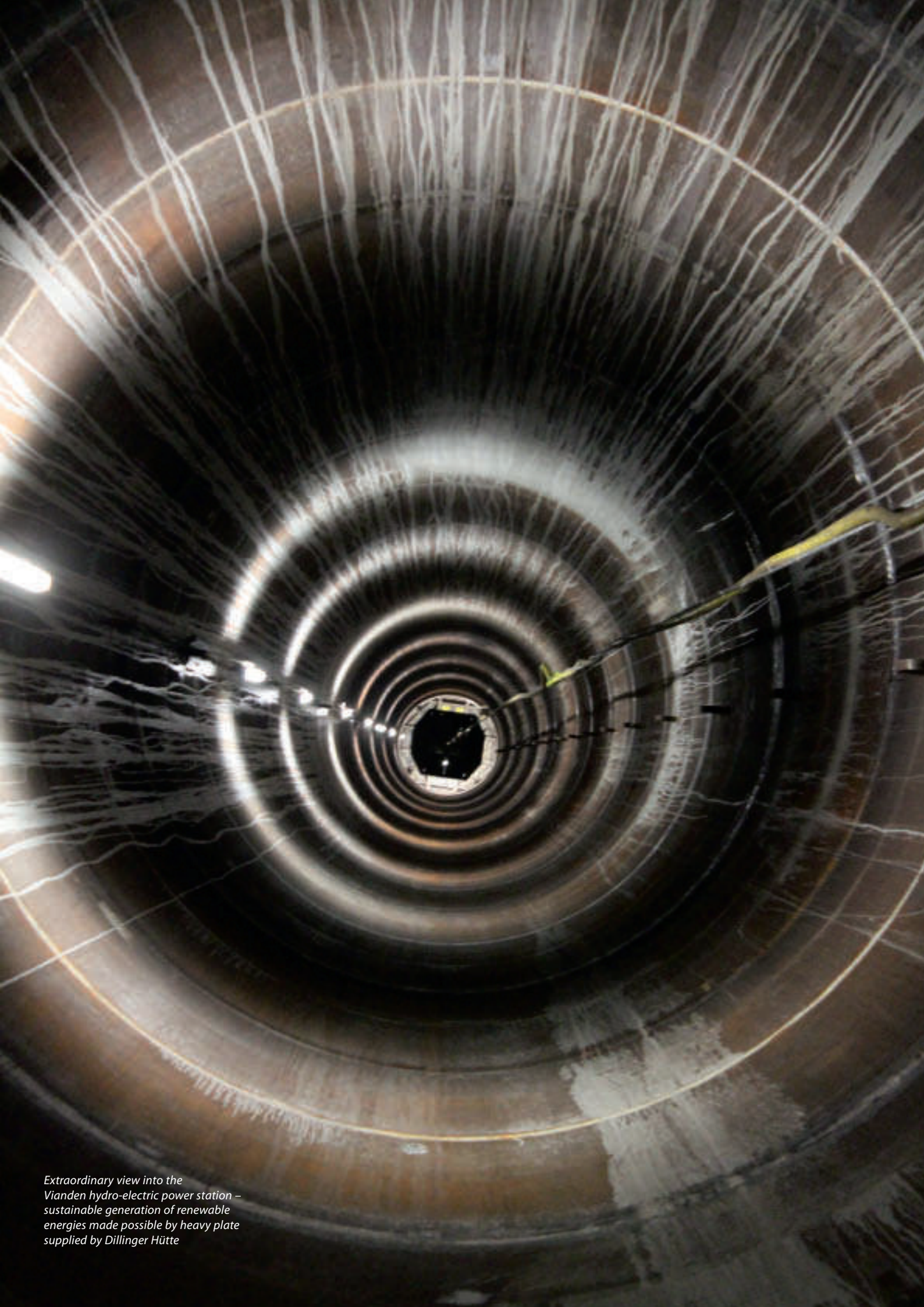
In addition, in September 2011, an investment of around € 9 million was approved for the construction of a second state-of-the-art plate edge-milling machine in the heavy fabrication division. This machine allows highly precise milling of exact, mechanically processed plate edges, such as those used in pressure vessels and offshore monopiles. Startup of operation is planned for mid-2013.

Research and development for innovative products and optimized processes

Dillinger Hütte continuously invests in research and development in order to further expand the company's technological leadership and thus remain sustainable. For this, it is critical to develop innovative products for the markets of tomorrow and beyond and to continuously optimize processes and technologies for cost-effective and environmentally compatible production of these products.

Production of hot metal and coke

Following the successful start of operation of the ZKS B3 coke oven battery, fulfilling the target set for coke production during the financial year was at the forefront. For this, the time cycles for the oven machines were identified as central factors and potential for improving function times and interaction of oven machines was investigated, solutions were developed and successfully implemented in a cooperative effort involving a specialized firm, ZKS and the ZKS maintenance department. To support the production of sinter and hot metal, the researchers worked intensively on internal and external control



Extraordinary view into the Vianden hydro-electric power station – sustainable generation of renewable energies made possible by heavy plate supplied by Dillinger Hütte



and model approaches. In addition, an innovative procedure for measuring gas temperature using the speed of sound is currently being installed in Blast Furnace 4; its testing and evaluation is being co-supervised by R&D. The goal of these efforts is to improve process performance.

Reduction of CO₂ emissions

Sustained reduction of CO₂ emissions in the steel industry is a focus of research in Europe. As core members of the major European ULCOS project (Ultra-Low Carbon Dioxide Steelmaking), Dillinger Hütte and Saarstahl AG are participating in an extensive EU initiative to examine the long-term potential to reduce CO₂ emissions during the production of iron and steel.

Steel production

Among the activities of the employees in the Dillinger Hütte Research and Development department during the 2011 financial year was their participation in preparing and planning multiple large investment projects in the steel plant. Here, the primary highlight was the department's support of the major new construction project for the CC6 continuous casting machine (see "Investments"). Other focal areas included expert support of the metallurgical process models developed by the R&D department, as the models were being migrated to the new steel plant management system.

Plate production

One area of emphasis in the tasks of Research and Development is expanding the limits of heavy plate with respect to its properties and dimensions as well as improving the ability to reliably produce plate that meets complex technical requirements. Ground-breaking advances have been achieved in multiple areas: both the thickness range and strength class of HIC steels were successfully enhanced. Plate for structural pipe for the world's highest tension-leg platform were developed to the point of reliable producibility. Good progress was again made in the development of steels for strain-based design. This places high demands on the ductility of the steel – an important condition for use in pipelines in areas with unstable soil conditions, for instance.

Markets for raw materials and transport continue to be tense

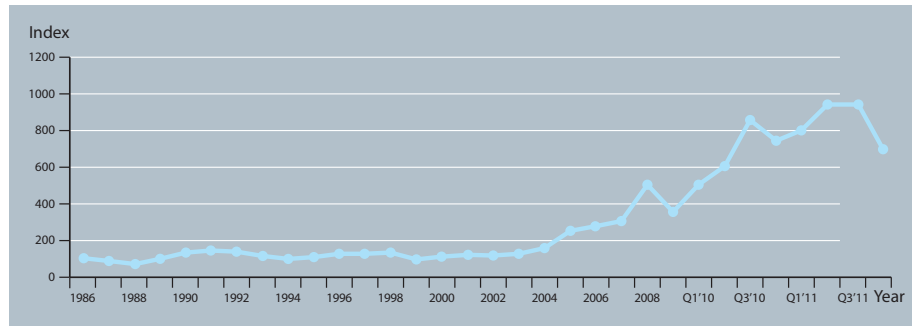
Demand for raw materials for the production of coke, hot metal and steel was again very high in 2011 – especially in Asia. Under these circumstances, raw material prices reached new record highs at the beginning of the year and then remained at a high level. Appreciable price reductions occurred only in the second half of the year, whereas the average price level did not fall below that of 2010. The trend toward shorter price formation periods intensified; price volatility increased accordingly.

Renewed modification of the price system for ore

In 2010 the benchmark system based on yearly prices was replaced with a quarterly price system oriented on spot price development in China. This system was again modified in the 4th quarter of 2011 by market leader Vale, to the effect that the three-month price formation period and the respective delivery quarter are identical, and the system



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Ore prices, FOB Brazil, index-based (1986 = 100) Carajas Sinterfeed

has been adopted in this form by the majority of European steel producers. Ore prices free on board (FOB) China once again reached a record high in February 2011. They held at a very high level until the end of the 3rd quarter, before declining to roughly the average level of 2010.

Volatility on the coal and coke market

The beginning of 2011 was marked by the impact of the flooding disaster in the Australian state of Queensland – the world's biggest export region for coking coal – which resulted in numerous mining pits being flooded. According to estimates, about 15 million tons of production was lost, which caused prices to reach historic highs in the first half of the year. In the second half of the year, prices for coking coal experienced the necessary downward correction, as there was a decline in demand – including that from China – and the impact of the flood was successively resolved.

The world's biggest coal producer, China, virtually disappeared from the world market as an exporter due to protectionist measures, causing the available worldwide supply of blast furnace coke to sink.

Supplies for ROGESA and ZKS safeguarded

Despite the difficult market situation, the supply of ROGESA and ZKS with all required raw materials was safeguarded at all times during the year under review. Here, the strategy for basic provision with suitable qualities on the basis of long-term agreements has proven prudent. In parallel, in consideration of general market developments, new sources of supplies were developed, which could allow greater diversification in purchasing over the long term.

New founding of SHS Logistics GmbH

As part of the reorganization of operational activities under the umbrella of SHS, on 1 June 2011, the logistics activities of Dillinger Hütte and Saarstahl as well as their associated companies – particularly ROGESA and ZKS – were consolidated in the newly founded company SHS Logistics GmbH. The goal is to further increase efficiencies and synergies by bundling all of the Group's transport volumes and logistical activities.



Purchasing company transferred to SHS Services

At the start of 2011 the existing purchasing company, Einkaufsgesellschaft der Dillinger Hütte und Saarstahl mbH, was transferred to SHS Services GmbH, which is devised as an operational service company whose most important service customers are Aktiengesellschaft der Dillinger Hüttenwerke, Saarstahl AG and Saarschmiede GmbH Freiformschmiede. Thus, SHS Services GmbH maintains all business relationships of Einkaufsgesellschaft der Dillinger Hütte and Saarstahl mbH.

In other purchases, e.g. steel plant raw materials such as alloys and refractory material, 2011 was largely marked by the challenge of holding at approximately the existing price level, whereas many price developments were caused by the increased energy costs.

Future prospects: markets still volatile

The raw material markets will continue to be volatile in 2012 and will largely be shaped by demand trends in China and India. Due to the demand situation, raw material prices are expected to range around the level they were at the beginning of the year. Despite measures introduced by shipping companies, such as taking ships out of service, it is expected that sea freight will again face pressure in the coming year. Efforts to shorten price formation periods and implement index-linked prices are currently being intensified through suppliers.

Environmental protection and energy efficiency are key focal areas

Environmentally compatible production of premium heavy plate is a central component of the corporate culture at Dillinger Hütte. More than 50 % of the ongoing investments at the Dillingen site go into improving protection of the environment. The focus of environmental protection activities in 2011 was once again on improving emission control, increasing energy efficiency and optimizing material recycling processes.

Emission control

Following the 2008 start up of operation of ROGESA's PAN 1 the final inspection of PAN 2 process exhaust treatment system, was completed in 2011. Together the two innovative systems reduce dust emissions at Sintering Plants 2 and 3 by about 80 %. In Rolling Mill 2, the old filter unit on the heavy plate descaling unit was completely replaced by a new, more efficient filter unit and was successfully put into operation. In both of the large investment projects in the steel plant (see "Investments of Dillinger Hütte"), the revamping of Vacuum System 1 and the construction of the new continuous casting machine, two new highly efficient dust-removal systems are planned.

To continuously improve the noise situation at the Dillingen location, additional acoustically relevant areas are being renovated for better acoustics or are being completely enclosed. Along with the acoustic renovation, for all acoustically relevant new construction or revamping projects, noise-protection measures are planned in from the start and implemented during the construction phase. In what has now become a nearly plant-wide noise register, additional sections of the location are acoustically documented and integrated.



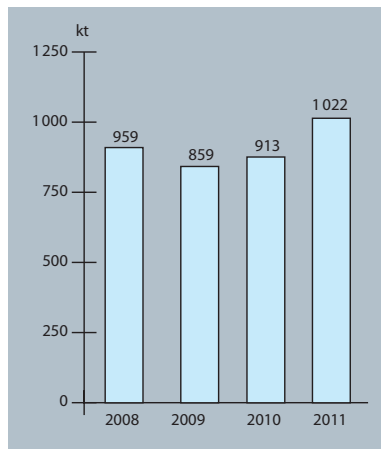
The final pipe of the second strand of the Nord Stream pipeline, for which EUROPIPE supplied 714,000 tons of pipe (Photograph with kind permission of Nord Stream AG)



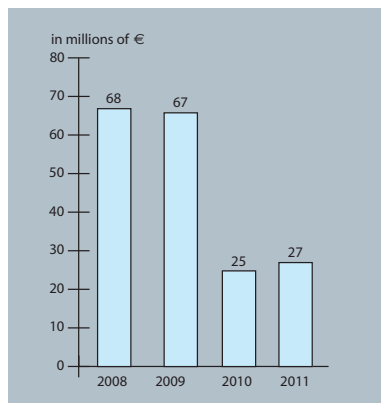
Lasting improvement of energy efficiency

The blast furnace gas-fired power plant of Gichtgaskraftwerk Dillingen GmbH & Co. KG (see "Shareholdings of Dillinger Hütte – ROGESA") led to a significant improvement in energy efficiency at the Dillingen location. In 2011, more than two thirds of total electricity requirements could be filled by the company's own power production – with 73.5 % coming from the blast furnace gas-fired power plant. In addition, the blast furnace gas-fired power plant is a highly efficient combined heat and power plant with which the volume of useful heat fed into the relevant steel plant grid to fulfill heating requirements could be increased during 2011 to approx. 230 million kWh (2010: approx. 160 million kWh).

Most significant shareholdings



ZKS coke production



Investments in plant, property and equipment at ZKS

Zentralkokerei Saar GmbH, Dillingen

Aktien-Gesellschaft der Dillinger Hüttenwerke and Saarstahl AG each hold an indirect 50 % interest in Zentralkokerei Saar GmbH. ZKS produces coke intended exclusively for use in ROGESA's blast furnaces. Coke production (1 022 kt) increased by 11.9 % from the previous year (913 kt). This production increase is attributed to the year-round use and optimized operating characteristics of the new Coke Oven Battery B3, which began operating in 2010. ZKS is a company without employees. Personnel required for operation of the coking plant are provided by Dillinger Hütte.

Investments at ZKS in 2011 amounted to € 27 million (2010: € 25 million). The central investment project was the refurbishment of Coke Oven Battery B1. After demolition of the old Battery 1 in 2010, the first stone for the new battery was placed in June 2011. At the end of the year, the refractory lining was completed on schedule and the remaining refurbishment measures were carried out according to plan.

In spring 2012, the final installation of the steel construction will be completed by mid-May; the new battery will then be heated up. After successful startup of operation, the old Battery B2 will be shut down for good. Implementation of this important investment project ensures that the coking plant's furnace technology and environmental protection are state of the art and that the original production capacity of around 1.25 million tons will be restored at the end of 2012.

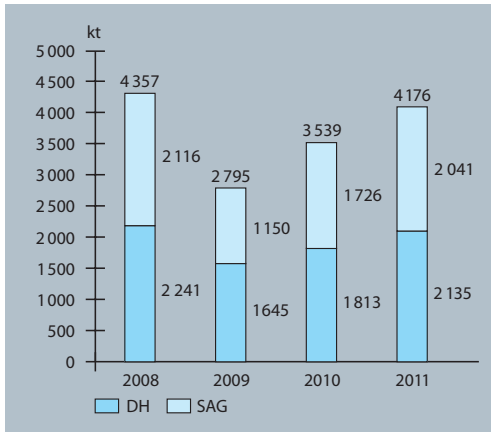
Another major investment was initiated during the period under review: In September 2011, after extensive planning, a new tamping, charging and extracting machine was ordered. Plans call for the machine to begin operating in spring 2013. In addition, a new fire-fighting car was ordered and began operating in December 2011.

ROGESA Roheisengesellschaft Saar mbH, Dillingen

ROGESA Roheisengesellschaft Saar mbH, in which Dillinger Hütte 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.



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Hot metal production by ROGESA for DH and SAG

Utilization of ROGESA plant capacities were up significantly compared to the previous year. Annual production in 2011, at 4 176 kt, was 18 % above the production for the previous year (3 539 kt). The primary cause for this increase in production was the availability of Blast Furnace 5, which was used in production to a significantly lesser extent during the previous year due to the relining from mid-July to mid-October. Of the quantity produced, 2 135 kt of hot metal was supplied to Dillinger Hütte (2010: 1 813 kt) and 2 041 kt went to Saarlöhle (2010: 1 726 kt).

Investments at ROGESA amounted to about € 30 million during 2011 compared to € 95 million in the previous year. After most major projects were successfully completed in the area of ROGESA in 2010, such as the second relining of Blast Furnace 5, the repair of the granulation facility at Blast Furnace 5, the new coal pulverizing plant and the PAN 2 process exhaust treatment system for Sintering Plant 3, the finishing work for these investments was the primary focus in 2011. For example, a new infrared oven-head camera was installed to monitor the charging profile on Blast Furnace 5, and the nitrogen supply for the blast furnace and coal pulverizing plant was renovated.

After completion of the trial and service operations for the blast furnace gas-fired power plant in 2010, production of electricity and heating for the Dillingen location increased significantly in 2011 due to the highly efficient power plant (see "Environmental protection and energy efficiency"). Shareholders in the blast furnace gas-fired power plant, Gichtgaskraftwerk Dillingen GmbH & Co. KG, are STEAG New Energies GmbH (49.9 %), VSE AG (25.2 %), and ROGESA Roheisengesellschaft Saar mbH (24.9 %).

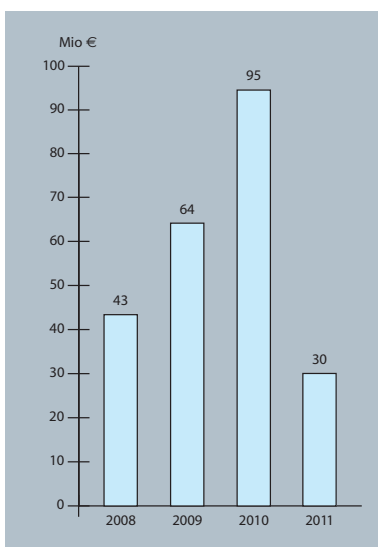
GTS Industries S.A., Dunkerque

GTS Industries S.A. (GTS) is a wholly owned subsidiary of Dillinger Hütte that operates a heavy plate rolling mill in Dunkerque. The products are marketed almost exclusively through Dillinger Hütte. GTS also procures the majority of its input material from Dillinger Hütte.

Net sales rose

Heavy plate producers including Dillinger Hütte and GTS Industries experienced essentially the same development as the overall economy and thus experienced a decline in activities in the 4th quarter of 2011. Meanwhile, the pipe plate business division, which is tied to the energy market, was more powerfully impacted. Causes included the suspension of projects and political uncertainty linked to the Arab spring. This reversal of the trend in the pipe plate segment intensified the decline in activity for GTS Industries at the end of the year.

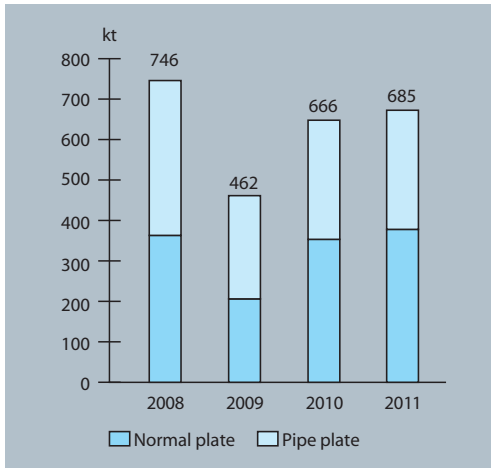
Thanks to investments made in recent years at both Dillingen and GTS Industries, the strategy of the Dillinger Hütte Group to position itself in the market with increasingly sophisticated and complex products has had a particularly strong impact since the second half of 2010, and especially during the period under review. Although expectations



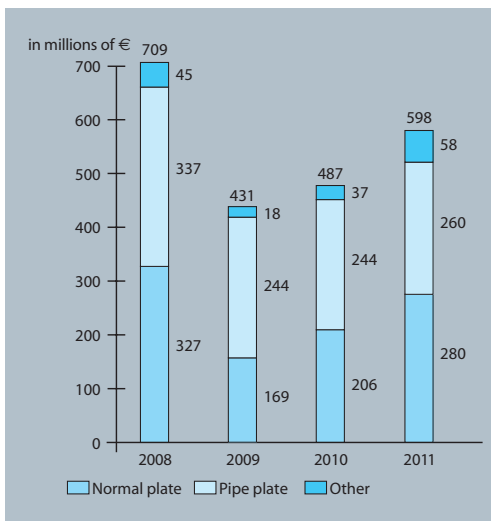
Investments in property, plant and equipment at ROGESA



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Heavy plate production at GTS Industries



Sales performance of GTS Industries

from the first half of the year were not met, the production of GTS Industries, with 685 kt of heavy plate, increased slightly from 2010 (666 kt).

End-buyer prices rose by the end of the 3rd quarter of 2011 after a slight decline in the 4th quarter of 2010, which resulted in positive earnings again being achieved. In the 4th quarter, a price decline as a consequence of weak demand was noted. Nonetheless, a significant improvement over the previous year was achieved in the average end-buyer sales price for normal plate. In general, the average price for pipe plate was also positive compared with 2010 and remained relatively stable during the year under review. As a consequence, sales at GTS Industries in 2011 amounted to € 598 million, which corresponds to an increase of 23 % over 2010.

Number of employees increased – accident situation improved

GTS Industries continued its ambitious hiring policy in 2011: there were 60 new employees as opposed to 33 departing employees, most of whom entered retirement. Thus, 618 people were employed by GTS Industries on 31 Dec. 2011 (compared to 590 at the end of the previous year).

GTS Industries, like its parent company, gives top priority to the issue of safety. GTS Industries was able to achieve excellent results once again in 2011. There were 2 workplace accidents requiring leave (starting at 1 day) (2010 and 2009: 3), whereas the amount of leave time fell by almost two thirds. The number of all reported workplace accidents fell from 18 in 2010 to 11 in 2011. A further reduction of the accident rate is expected due to the close involvement of all employees in safety measures that have been intensified since 2011.

Ongoing investment continued

The ambitious investment strategy was continued in 2011. In addition to the investments made to secure the future, which are aimed at the increasingly important goal of maintaining a high technical level and safeguarding product quality (continued revamping of the roller tables, renovation of electronics, continued migration of process information, renovation of the heavy plate turner, etc.), additional investments of a more strategic type were implemented or initiated during the year under review. In early 2011, for instance, a new sample processing center was successfully launched, to be followed in 2012 by three additional and likewise fully automated centers. As with the HIC laboratory, which was fully renovated previously, customers have responded very positively to these facilities. The investments cited above, and the renovation of the tensile strength testing equipment starting in 2012, will allow the company to respond even better to current and future quantitative and qualitative requirements.

Renovation of the roller hearth furnace increased its capacity and above all the quality of thermal treatment, with greater flexibility between both of the current furnaces at



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GTS Industries. In addition, renovation began in 2011 on the marking unit (stamping and signing), which should begin operating in 2012 and will then be able to adapt markings perfectly to customer requirements. Efforts also began to replace all signal processing electronics and all process controls for the ultrasonic machine with state-of-the-art technologies. The goal is to achieve harmonization of the machines of both Dillinger Hütte and GTS Industries and to expand the capacities of these strategically important tools, which are expected to begin operating in 2012.

Positive business prospects for 2012

The premium heavy plate segment – the core strategic business of Dillinger Hütte and GTS Industries – is less impacted by declining demand than that for commodity grade heavy plate, but the trend is for orders to be received later. Despite a first half of 2012 marked by relatively weak activity from a current perspective, the business prospects for GTS Industries are positive. The primary goal for 2012 will be cost reduction, with increasing flexibility in fixed cost at the forefront.

EUROPIPE GmbH, Mülheim

The EUROPIPE Group manufactures and sells welded large-diameter line pipe made of steel. The diameters of the line pipe range from 20 inches (508 mm) to 60 inches (1 524 mm). As a corporate group with annual production of more than one million tons and about 3 000 km, EUROPIPE GmbH and its affiliated companies are among the world's leading corporations. As the management company for the EUROPIPE Group, EUROPIPE GmbH manages the group and coordinates the technical and commercial activities of the subsidiaries. Dillinger Hütte holds a 50% share of EUROPIPE GmbH.

Within Europe, large-diameter line pipe is produced at Mülheim, Germany, and Dunkerque, France. Both the acquisition of the input material and the sale of the pipe produced at the German and French locations to customers worldwide are handled through EUROPIPE GmbH in Mülheim. EUROPIPE France, with its plant in Dunkerque, handles the conversion of the pipe from EUROPIPE GmbH in France. Coating of the pipe in Mülheim is carried out by MÜLHEIM PIPECOATINGS GmbH (MPC), Mülheim, whose sole shareholder is EUROPIPE GmbH. In France, the pipe produced by EUROPIPE is coated by an external service provider.

In the United States, the operating companies of the EUROPIPE Group were consolidated in 2008 under the holding company, BERG EUROPIPE Holding Corp. (BEHC), of New York. Berg Steel Pipe Corp. (BSPC) of Panama City, Florida, primarily supplies the North American market with longitudinally welded pipe. The pipe is coated at the same site by eb Pipe Coating Inc. (ebPC). The North American distribution activities of the American companies and EUROPIPE GmbH are combined in the trading company BERG EUROPIPE Corp. (BEC) in Houston, Texas. The spiral pipe mill Berg Spiral Pipe Corp. (BSPM) in Mobile, Alabama, primarily supplies the North American market with spiral pipe.

The shares of EUROPIPE GmbH in the subsidiary TUBOS SOLDADOS ATLÂNTICO Ltda. (TSA), Serra (Brazil), in which EUROPIPE held a 70 % participation, were sold on 15 Dec.



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2011 to V & M do Brasil S.A., so that EUROPIPE GmbH no longer reports any shares in TSA as of 31 Dec. 2011.

Order backlog and sales volume declining

After the previous year's extraordinarily good utilization of capacities characterized by the Nord Stream pipeline and its connection lines, the backlog of orders of EUROPIPE GmbH fell to 20 kt as of 31 Dec. 2011 (previous year: 748 kt). Due to the politically based discontinuation of a major order, the order and activity situation changed in an unfavorable direction. Starting in December 2011, all European pipe mills of the EUROPIPE Group didn't show any activity. For this reason, all efforts were aimed at reducing the consequences of this dramatic change as much as possible through suitable measures and at acquiring alternative projects. The backlog of orders for the EUROPIPE Group decreased accordingly as at 31 Dec. 2011 to 58 kt (previous year: 779 kt).

Sales achieved by the EUROPIPE Group in 2011 were 16 % lower than in the previous year, at € 1 122 million (previous year: € 1 345 million). This decline is attributed to lower revenue compared to the previous year. In addition, the delivered shipped tonnage decreased from the previous year by 12 % and amounted to 1 075 kt (previous year: 1 198 kt). The tendency toward greater weight per meter continued during the financial year for the European plants, in keeping with the longtime trend of the previous years; the weight per meter for quantities shipped, at 680 kg/m, was within the 700 kg/m range of the previous year.

The decline in shipping and the poorer revenue quality had a diminishing impact on the earnings of the EUROPIPE Group. The EUROPIPE Group concluded the 2011 financial year with earnings after taxes (pursuant to the German Commercial Code [HGB]) of € 25.5 million (previous year: € 57.9 million). The unexpected discontinuation of the major order was reflected in the Group's earnings. After-tax earnings for EUROPIPE GmbH were € 47.1 million (previous year: € 4.3 million)

At the end of 2011, the EUROPIPE Group employed a total of 1 324 people (previous year: 1 303). Of these, 625 employees worked for EUROPIPE GmbH (previous year: 627).

Investment and research efforts continued

The EUROPIPE Group invested a total of € 30.4 million in 2011 (previous year: € 17.9 million). Of this, € 10.2 million (previous year: € 9.0 million including coating) were invested at the Mülheim site (large-diameter line pipe, surface coating plant and headquarters) for tangible and intangible assets. The investments served primarily to improve workplace safety, to further rationalization and to stabilize the market position through continuously improving product quality. Particularly worthy of note is the conversion at the Mülheim plant of the x-ray testing of unexpanded pipe to modern digital flat-panel technology. In Dunkerque, crossheads of the O press were replaced during the summer shutdown. At MPC, due to the heavy weight of pipes, among other things, large investments were made in renovating the pipe handling equipment.



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EUROPIPE GmbH invested € 3.8 million during 2011 (previous year: € 4.1 million) in the enhancement of its products and the continuous improvement of production and quality assurance methods. The overriding goal of all development efforts is to expand the range of use of large-diameter line pipe for gas transport and to improve quality through, among other things, greater wall thicknesses for offshore projects at greater depths, greater strength of the material with the same or greater toughness, and optimized heat-affected zone.

Prospects for the large-diameter line pipe market fraught with risks

The world market for large-diameter line pipe, as a late-cycle sector, was impacted by the 2008-2009 world economic crisis during the year under review. According to current estimates, this will change by the end of 2012-2013 at the earliest, particularly since with the European debt and financial crisis and the problematic economic situation in the United States, no positive signals can be seen. Notable growth is currently occurring only in Asia. Accompanying the improving world economy, oil prices, which had risen previously, stabilized overall at a high level in 2011. The price of oil is not linked to that of gas, however, and the sinking demand for gas and the resulting considerable price pressure in Europe and the United States lead to low project activity in this important market for EUROPIPE.

The pipe mills in the United States continue to suffer considerably from the recession due to the economic crisis and are currently booked only until the end of February 2012 (BSPM) or until early April 2012 (BSPC).

In addition, the number of major projects ready for awarding in the high-tech segment – so important for EUROPIPE – remains small. At minimum, realization of major European projects such as Nabucco, South Stream and Shtokman will be delayed. The positive outlook for securing a base load for the 18-meter production line as of spring 2012 to 2013 results in particular from successful acquisition of the Australian pipeline project Ichthys, which was booked in February 2012.

The booking probability for EUROPIPE for 2012 beyond a base load is currently unsatisfactory. Some overall risk to bookings and earnings must therefore be noted for 2012.

Saarstahl AG, Völklingen

Specialties of Saarstahl AG, in which Aktien-Gesellschaft der Dillinger Hüttenwerke holds 25.1% of shares, include the production of wire rod, bar steel and semifinished products in various qualities. Open-die forgings are also included in the product range. Customers include automotive companies and their suppliers, companies that build machinery for power generation, the general machine manufacturing sector, the aerospace industry, the construction industry and other sectors that process steel.

The 2011 financial year was inconsistent for Saarstahl AG but with good revenue and earnings figures overall. After an economically strong first half of the year there was a noticeable loss of vitality in the year's second half. Incoming orders, especially in the 1st



Report from the Board of Management

quarter of 2011, reflected the overall good demand situation at the beginning of the year. Later, the increasing adjustment of stock inventories for upstream and semifinished products along the industrial value chain led to a significant reduction in incoming orders. In parallel to overall economic development, sales ranged at a high level, particularly in the 1st quarter. Saarstahl was meanwhile able to profit during the entire course of the year from the persistently good level of activity in its principle customer sectors, the automotive and machine construction industries.

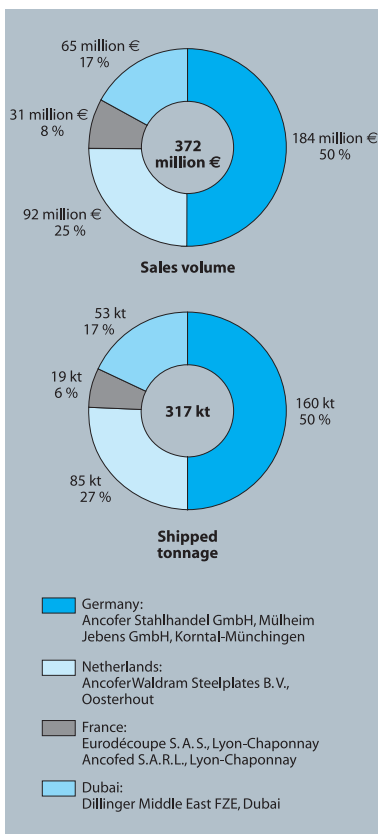
Crude steel production for 2011 was 2.3 million tons, an increase from the previous year of 0.3 million tons (+ 17 %). Shipping of steel products rose by 0.2 million tons (+ 7 %) to about 2 million tons.

Sales revenue rose from € 1 441 million in the previous year to € 1 816 million (+ 26 %). The growth was due to both quantities and price conditions. The same development was seen in the subsidiaries of the heavy fabrication division. At Saarschmiede GmbH Freiformschmiede, caution that emerged in the power generation machinery sector following the nuclear disaster in Japan made itself negatively felt. Net income for the year amounted to € 146 million (previous year: € 120 million). In 2011, additions to Saarstahl AG property, plant and equipment amounted to € 125 million (previous year: € 58 million).

Planned investments were carried out consistently and according to schedule once again during 2011. In addition to numerous small and medium-size investments, the following projects are particularly worthy of note: On 12 May 2011, the new bar steel center in Völklingen-Nauweiler began operating during an International Customer Day. Investments in the descaling and inspection line, the black inspection line, a new rake-type cooling bed with finishing shop and optimized logistics have made the plant one of the most modern bar steel centers in all of Europe. It solidifies the company's position as a strategic bar steel supplier in the German automotive industry, in machine manufacturing and in other highly demanding industrial sectors.

In the LD steel plant, construction work was continued on the new secondary metallurgy system. The new facility includes two twin ladles for the treatment and heating of molten steel, an additional vacuum degassing system (RH system) and a completely independent alloying system with 35 bunkers. The new secondary metallurgy system – the biggest investment in the LD steel plant since it was built in 1980 – will be ready to start production in early 2013.

As of 31 Dec. 2011, 3 905 people were employed by Saarstahl AG. As in years past, a high number of trainees were hired during the year under review. A total of 91 (previous year: 89) young people were able to start their vocational training at Saarstahl AG. With this, the company – as one of the biggest employers in the federal state of Saarland – is once again fulfilling its social responsibility to the region.



Sales volume and shipped tonnage in 2011 for the distribution and flame-cutting companies affiliated with DH



Distribution and flame-cutting companies in the DH Group

To supplement the range of products and lengthen the value chain, Dillinger Hütte holds several indirect and direct shareholdings in distribution and flame-cutting companies in Germany, the Netherlands, France, Dubai and India. These companies are specialized both with regard to their regional alignment and their product ranges and processing depth, whereby products from other steel producers are also distributed and processed.

All key geographic markets experienced an increasing recovery in 2011 of customer demand for the products of the distribution and flame-cutting companies. Thus, the business trend for the distribution, flame-cutting and treatment activities was marked by higher sales volumes and good revenue levels. Despite a continuing higher average revenue level for the year, the gross margin increasingly fell in the second half of the year due to depreciation of inventories on the reporting date as well as due to more intense price pressure. While Dillinger Middle East FZE improved its earnings, the European companies ended with poorer results.

Overall, sales for 2011, at € 371.7 million, were 35.3 % above the previous year's level (€ 274.7 million). Net shipped tonnage increased by 19.6 % to 317 kt (2010: 265 kt), with the increase in sales amounting to 23.4 % for the flame-cutting activities and to 17.6 % for the distribution activities. Earnings from operations for 2011 amounted to € 9.6 million (2010: € 13.2 million).

Future prospects

Global recovery stagnates

The recovery of the world economy stalled in 2011 but did not collapse. In 2012 the economic upturn can be moderately continued. The reason is that there are multiple centers of growth worldwide and as a rule, the importance of the newly industrialized nations is growing, even if the growth in China in 2012 is no longer in the double digits. Robust growth is also expected in the remaining BRIC countries and in the nations of the Middle East: the reduction of indebtedness of the traditional industrial nations is likely to continue, but it will slow their growth. For 2012, the International Monetary Fund (IMF) currently expects growth of the global economy of only 3.3 %. This essentially positive scenario remains fraught with considerable uncertainty, above all with the central question of whether the debt crises in Europe, the United States and Japan can be successfully mastered and an international crisis of finances and confidence averted.

For the European economy, coping with the debt crisis therefore remains of prime importance. If the crisis should intensify, recession cannot be ruled out. Today, the most likely scenario assumes that policymakers will react in the short term to market developments and that an escalation in the financial markets can be prevented. Under these circumstances, very restrained growth is expected for the European Union.



The German economy cannot maintain the pace of growth of the past year: the IMF forecast assumes growth of less than 1 %. It is expected that investments will indeed improve during the course of 2012 and that private consumption will contribute to stabilization. Moreover, foreign trade will likely pick up appreciably.

Slowing growth in the world steel market

Despite continued economic risks, the forecast for the global steel market in 2012 remains generally optimistic. Growth rates for crude steel production (+ 4.5 %) and steel consumption (+ 5.4 %) are weakening compared to the previous year; in absolute terms, however, further record highs will be achieved. According to an estimate by the World Steel Association, global steel use should increase by approximately 5.4 % to 1.48 billion tons. The emerging markets will continue to be the drivers behind growing steel demand in 2012.

In the European Union (27), weaker recovery of demand (+ 2.5 % to 159 million tons) is expected. This lower increase will not be sufficient to achieve the level of consumption before the boom years of 2008 and 2009. The production increases in machine manufacturing (+ 1.5 %) and in the building sector (+ 1.2 %) should continue to grow. The generally existing economic uncertainty and the continued limited access to credit burden capital goods and therefore steel demand as well. The fact that stock inventories reached a level that conformed to the market at the beginning of the year should have a generally stabilizing effect on the market.

Slow recovery on the heavy plate market

Current signs for the heavy plate market in 2012 point to a similar situation in many respects as in 2011, with comparable market development. If the economic uncertainties continue and a generally poor investment climate prevails, the general requirements for steel – and therefore for heavy plate as a whole – will not increase more vigorously. The trend for demand of heavy plate should vary according to consumer segments, however: on the one hand, the market for heavy plate is strained because projects are delayed at some large-diameter line pipe plants and some markets are inaccessible due to political uncertainty. On the other hand, quite good demand can be expected from other consumer segments, such as machine manufacturing or the offshore wind industry.

One positive note is that the price decline trend that was observed at the beginning of the year could be stopped, as initial price increases could already be observed in late 2011 in the United States and in early 2012 in Europe. The extent to which rising manufacturing costs at the plants can be passed on to steel processing firms through corresponding price increases remains uncertain, however. Provided that there are no drastic changes to the market trends that were observed at the beginning of the year, the prospects for generally stable and positive growth in the heavy plate market remain good.



Dillinger Hütte: 2012 fraught with risks

Opportunities and challenges in the future

Since newly industrialized countries such as China, India and Brazil are largely responsible for the basic trend toward increasing demand for steel and therefore, proportionately, for heavy plate as well, the goal of Dillinger Hütte remains to further establish itself in these growth markets, without giving up its market position in the traditional markets. The opening in November 2011 of DILLINGER INDIA STEEL SERVICE CENTER PVT Ltd., a warehouse in India, by the subsidiary DILLINGER MIDDLE EAST FZE, represents one step toward this goal.

Dillinger Hütte is meeting the challenges that exist worldwide due to the buildup of new heavy plate capacities – including those in the higher quality product segment – by consistently pursuing its successful, selective market and product strategy: to offer a highly specialized product mix for sustainable consumer segments. Among its customers, Dillinger Hütte is known and valued as a reliable partner. Retaining and further developing this reservoir of trust remains a central component of the brand strategy.

As a response to future high demand in the offshore wind park market, Dillinger Hütte founded a plant to manufacture offshore monopiles (Steelwind Nordenham project) in 2011. With this, the company is extending its value chain. A total of around € 135 million will be invested in construction of the plant, which will be built in an ideal logistical position directly on the North Sea and is expected to begin operating in 2014.

At the same time, Dillinger Hütte's investment policy for safeguarding its technological competitive edge and the sustained development of its product mix at the Dillingen location as well is being continued. This is underscored by the investments in construction of the new CC6 continuous casting line and in a new plate edge-milling machine, which were approved in 2011 and will ensure sufficient supplies of plate in the technically demanding grades and large dimensions both customers and the monopile plant in Nordenham will require in the future.

The situation in the market for large-diameter line pipe is currently more problematic for pipe manufacturers, which are experiencing relatively poor utilization of capacities: the capacities of the pipe mills have risen worldwide, and so has the number of suppliers of premium plate for large-diameter line pipe. In the future, a major challenge for all participants in the market will be to respond flexibly and appropriately to market-induced fluctuations in demand. Dillinger Hütte will also have to face more intense volume fluctuations in coming years, particularly in the classic markets it has served up to now.

One issue that will continue to be of critical importance for Dillinger Hütte as well as for the entire European steel industry is the need for a European energy and climate policy that allows steel manufacturers to remain internationally competitive long term while securing and further developing the future viability of the industrial locations. From a current standpoint, additional, high costs for emission rights will result from CO₂ emission trading in the third trading period that runs from 2013 to 2020. The CO₂ bench-



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marks specified in this process cannot currently be achieved by any steel company in the world with a blast furnace, even using the latest technology. In addition, the European Commission plans even more intensive climate protection objectives that will mean further heavy burdens on the steel industry and on its competitiveness.

The steel industry in Germany launched a communications initiative in 2011, in which Dillinger Hütte is participating, and which primarily addresses political decision makers. The goal of the initiative is to present information about the high environmental standards that already apply and the importance of steel to the development of alternative energies in order to prevent the threat of additional burdens from climate policy and the energy revolution in Germany, and to safeguard the competitiveness of the steel industry in Germany both nationally and internationally.

The raw material markets will continue to be volatile in 2012 and will be shaped considerably by demand trends in China and India. Dillinger Hütte is meeting this challenge with its proven purchasing strategy, i.e. a systematic inventory strategy, diversification in procurement and long-term partnerships. However, the risk due to high volatility in raw material prices to price formation for heavy plate in longer term projects cannot be completely eliminated. One particular challenge, meanwhile, continues to be the conversion of the price systems and the efforts toward shorter price formation periods. To safeguard existing supply structures and explore alternative sources of supply, SHS - Stahl-Holding-Saar wants to join the planned Raw Material Alliance in Germany.

An important factor in the company's success is the qualified, capable and flexible workforce. In addition to the know-how required by the company's high-tech equipment and state-of-the-art process technology, the flexibility of employees plays a critical role due to the increasing importance of project business to Dillinger Hütte. With its trendsetting and sustainable personnel policy, which relies on strong initial job training, the development of systematic continuing education and close cooperation with schools and universities, Dillinger Hütte provides for its own qualified and skilled young talent and works to counter demographic change.

With the coming together of Dillinger Hütte and Saarstahl in the increasingly operational SHS-Holding, the strengths are being further consolidated so that synergies may be exploited and costs can be reduced. With the 2011 founding of the companies SHS Services, SHS Logistics and SHS Versicherungskontor, further important steps toward this goal have been taken.

The profitability of Dillinger Hütte will also be sustainably increased by a strict cost management and by continuous cost controlling, so that positive earnings are expected for 2012 and 2013. With the GPS system for integrated planning and control, the corresponding annual development plans and the Dillingen DILLIGENZ TPM method, the company has introduced management instruments that provide continued and lasting support to the process for helping the company advance.

No transactions of major significance took place following the balance sheet date.



Report of the Board of Management

Stability expected in revenue and earnings

Presently, a general upturn in development of the heavy plate market can be expected for 2012. For the pipe plate product category, there are signs of a weaker first half of the year, given the current generally strained situation in the area of large-diameter line pipe. During the course of the year, the demand for pipe plate should revive due to anticipated large projects. At the same time, strong demand is expected in the normal plate product category, i.e. highly stable demand from other important consumer segments. For this reason, it can be assumed that capacities at Dillinger Hütte will be well utilized for the year as a whole. Due to the demand situation, raw material prices are expected in 2012 to range around the level of the beginning of the year.

The emphasis in 2012 in terms of corporate strategy will be on further development of the niche strategy with existing customers and the worldwide development of new customer relationships in growing consumer segments.

The price level for products from Dillinger Hütte showed a slight trend toward recovery at the start of the year. Provided that the current price level proves to be stable and no unforeseen cost increases occur, the company expects revenues and earnings for 2012 to be at the level of the previous year.

Dillingen, 22 March 2012

The Board of Management

Dr. BLESSING

Dr. BANNENBERG

METZKEN

SCHWEDA



ANNUAL FINANCIAL STATEMENT BALANCE SHEET

Assets

K €	31/12/2011	31/12/2010
A. Fixed assets		
I. Intangible assets	863	1 413
II. Tangible assets	441 272	404 380
III. Financial assets	1 139 783	1 125 104
	1 581 918	1 530 897
B. Current assets		
I. Inventories		
1. Raw materials and supplies	53 002	29 965
2. Work in process	90 691	57 330
3. Finished goods	77 597	69 866
	221 290	157 161
II. Receivables and other assets		
1. Trade accounts receivable	92 778	73 601
2. Receivables from affiliated companies	175 399	157 529
3. Receivables from companies in which the company has a participating interest	39 438	66 283
4. Other assets	322 299	329 683
	629 914	627 096
III. Cash and bank balances	283 753	434 503
	1 134 957	1 218 760
C. Deferred items	0	2 581
D. Positive difference from asset allocation	5 645	2 040
	2 722 520	2 754 278



Balance sheet

Shareholders' equity and liabilities

K €	31/12/2011	31/12/2010
A. Shareholders' equity		
I. Subscribed capital	178 500	178 500
II. Capital reserve	378 574	378 574
III. Earnings reserves	1 184 587	1 104 587
	1 741 661	1 661 661
B. Accruals and provisions		
1. Accruals for pensions and similar obligations	278 534	298 024
2. Tax accruals	789	978
3. Other accruals and provisions	225 381	266 320
	504 704	565 322
C. Liabilities		
1. Liabilities to financial institutions	151 734	123 211
2. Customer advance payments	2 494	1 172
3. Trade accounts payable	68 826	57 964
4. Payables to affiliated companies	137 530	256 044
5. Payables to companies in which the company has a participating interest	78 378	61 615
6. Other liabilities	37 193	27 289
	476 155	527 295
	2 722 520	2 754 278



PROFIT AND LOSS STATEMENT

K €	2011	2010
1. Net sales	2 499 090	1 955 066
2. Change in finished goods, work-in-process and other own work, capitalized	47 453	31 518
3. Other operating income	26 230	80 956
	2 572 773	2 067 540
4. Cost of materials	1 957 230	1 506 173
5. Personnel expenses	333 802	315 962
6. Amortization and depreciation	57 492	55 836
7. Other operating expenses	92 250	112 651
	2 440 774	1 990 622
8. Income from participating interests	30 951	81 353
9. Net interest income	6 273	8 086
10. Result from ordinary activities	169 223	166 357
11. Extraordinary profit	0	939
12. Taxes on income and earnings	- 110	- 187
13. Other taxes	- 756	- 869
14. Compensatory payment to minority shareholders	- 1 004	- 1 004
15. Profit transfer due to profit and loss transfer agreement	- 87 353	- 165 236
16. Net income	80 000	0
17. Transfer to earnings reserves	- 80 000	0
18. Unappropriated retained earnings	0	0



CASH FLOW STATEMENT

K €	2011	2010
Net income before profit transfer	167 353	165 236
Amortization and depreciation/write-ups		
Intangible assets and tangible assets	57 492	55 836
Financial assets	- 2	- 2
Change in long-term accruals	- 20 205	- 16 362
Change in receivables from and payables to affiliated companies	- 58 502	220 886
Change in inventories and receivables (without affiliated companies)	- 56 495	- 94 592
Result from the disposal of fixed assets	- 1 711	- 232
Change in other accruals, provisions and liabilities (without affiliated companies)	4 833	- 121 561
Cash flow from operations	92 763	209 209
Investments in		
Intangible assets and tangible assets	- 94 673	- 73 702
Financial assets	- 14 677	- 23 596
Proceeds from disposals of fixed assets	2 550	1 403
Cash flow from investment activities	- 106 800	- 95 895
Change in long-term financial liabilities	28 523	- 21 477
Previous year's profit transfer	- 165 236	- 251 762
Cash flow from financing activities	- 136 713	- 273 239
Change in cash and cash equivalents	- 150 750	- 159 925



LISTING OF SHAREHOLDINGS

	Currency	Share of capital in %		Shareholders' equity	Results 2011	
		Direct	Indirect			Total
1. Affiliated companies	K					
Domestic companies:						
Saarlux Stahl GmbH & Co. KG, Stuttgart	€	53.0		53.0	14 364	123
Dillinger Hütte Vertrieb GmbH, Stuttgart	€	100.0		100.0	4 210	¹⁾
SATRANS Speditionsgesellschaft mbH, Saarlouis	€	60.0		60.0	190	¹⁾
Ancofer Stahlhandel GmbH, Mülheim/Ruhr	€	90.0		90.0	26 585	1 434
Jebens GmbH, Korntal-Münchingen	€	100.0		100.0	19 808	¹⁾
DHC-Consult GmbH, Dillingen	€	100.0		100.0	183	10
Cargo-Rail GmbH, Dillingen	€	100.0		100.0	54	- 14
MSG Mineralstoffgesellschaft Saar mbH, Dillingen	€	100.0		100.0	18 223	650
DH Nordenham Projekt GmbH, Dillingen	€	100.0		100.0	10 039	- 211
Foreign companies:						
GTS Industries S.A., Grande-Synthe	€	100.0		100.0	225 800	6 014
Eurodécoupe S.A.S., Lyon-Chaponnay	€		100.0	100.0	- 2 756	3 793
Ancofed S.A.R.L., Lyon-Chaponnay	€		100.0	100.0	- 17	- 132
AncoferWaldram Steelplates B.V., Oosterhout	€	100.0		100.0	32 217	2 233
Trans-Saar B.V., Rotterdam	€	100.0		100.0	1 353	883
Dillinger Hütte GTS Nederland B.V., Amsterdam	€	100.0		100.0	677	356
Dillinger-GTS Ventes S.A., Paris	€	100.0		100.0	1 476	79
Dillinger Norge AS, Oslo	NOK	100.0		100.0	1 883	1 097
Dillinger Middle East FZE, Dubai	AED	100.0		100.0	68 061	16 891
Dillinger India Steel Service Center Private Ltd., Mumbai	INR		100.0	100.0	73 000	²⁾
Dillinger Hütte Services B.V., Zwijndrecht	€	100.0		100.0	35	13
Dillinger America Inc., New York	USD	100.0		100.0	779	511
Dillinger Sverige AB, Alingsås	SEK	100.0		100.0	1 208	971
Dillinger Italia S.R.L., Mailand	€	100.0		100.0	4	- 28
Dillinger Espana S.L.U., Madrid	€	100.0		100.0	19	8
Dillinger Hutte UK Ltd., London	GBP	100.0		100.0	51	26



Listing of shareholdings

	Currency	Share of capital in %		Shareholders' equity	Results 2011	
		Direct	Indirect			
2. Participating interests	K					
Domestic companies:						
Dillinger Hütte und Saarstahl Vermögens- verwaltungs- und Beteiligungs-OHG, Dillingen	€	50.0		50.0	263 812	¹⁾
Zentralkokerei Saar GmbH, Dillingen	€		50.0	50.0	137 212	¹⁾
ROGESA Roheisengesellschaft Saar mbH, Dillingen	€	24.5	25.5	50.0	224 636	¹⁾
ROGESA Beteiligungsgesellschaft mbH, Dillingen	€		50.0	50.0	3 028	14
Cokes de Carling S.A.S., Carling	€		50.0	50.0	- 22 809	819
EUROPIPE GmbH, Mülheim/Ruhr	€	50.0		50.0	210 022	47 072
EUROPIPE France S.A., Grande-Synthe	€		50.0	50.0	6 770	706
BERG EUROPIPE Holding Corp., New York	USD		50.0	50.0	183 273	- 8 151 ³⁾
MÜLHEIM PIPECOATINGS GmbH, Mülheim/Ruhr	€		50.0	50.0	19 791	1 690
Saarstahl AG, Völklingen	€	25.1		25.1	2 788 289	188 236 ³⁾
1. Dillinger Projekt GmbH, Dillingen	€	50.0		50.0	106	- 3

¹⁾ A profit and loss transfer agreement exists.

²⁾ Due to the financial year differing from the calendar year there are no statements for 31 December 2011.

³⁾ Consolidated profit



*Sustainable improvement of
environmental protection:
The new process off-gas treatment
facility of ROGESA reduces dust emissions
from the sinter plant by around 80 %.*



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