Interim report
9 months 2021 / 2022

October 1, 2021 –
June 30, 2022

engineering. tomorrow. together.

thyssenkrupp in figures

		Full group				Group – continuing operations[1]			
		9 months ended June 30, 2021	9 months ended June 30, 2022	Change	in %	9 months ended June 30, 2021	9 months ended June 30, 2022	Change	in %
Order intake	million €	25,260	33,906	8,646	34	25,260	33,906	8,646	34
Sales	million €	24,575	30,571	5,996	24	24,575	30,571	5,996	24
EBITDA	million €	1,006	2,533	1,527	++	1,023	2,525	1,502	++
EBIT[2]	million €	284	1,396	1,112	++	301	1,387	1,086	++
EBIT margin	%	1.2	4.6	3.4	++	1.2	4.5	3.3	++
Adjusted EBIT[2]	million €	564	1,901	1,337	++	564	1,901	1,337	++
Adjusted EBIT margin	%	2.3	6.2	3.9	++	2.3	6.2	3.9	++
Income/(loss) before tax	million €	5	1,102	1,097	++	23	1,094	1,071	++
Net income/(loss) or earnings after tax	million €	(168)	801	969	++	(151)	792	943	++
attributable to thyssenkrupp AG's shareholders	million €	(231)	746	978	++	(214)	738	952	++
Earnings per share (EPS)	€	(0.37)	1.20	1.57	++	(0.34)	1.19	1.53	++
Operating cash flows	million €	(222)	(1,267)	(1,044)	--	(219)	(1,266)	(1,048)	--
Cash flow for investments	million €	(861)	(802)	59	7	(861)	(802)	59	7
Cash flow from divestments	million €	973	593	(380)	(39)	973	593	(380)	(39)
Free cash flow[3]	million €	(110)	(1,475)	(1,365)	--	(107)	(1,475)	(1,368)	--
Free cash flow before M & A[3]	million €	(953)	(2,042)	(1,089)	--	(953)	(2,042)	(1,089)	--
Net financial assets (June 30)	million €	(3,986)	(1,969)	2,017	51				
Total equity (June 30)	million €	10,756	14,085	3,329	31				
Gearing (June 30)	%	—[4]	—[4]	—	—				
Employees (June 30)		101,592	97,152	(4,440)	(4)				

[1] See preliminary remarks.
[2] See reconciliation in segment reporting (Note 09).
[3] See reconciliation in the analysis of the statement of cash flows.
[4] Due to the strongly positive total equity and the reported net financial assets, the significance of the gearing key ratio is of no relevance.

		Full group				Group – continuing operations[1]			
		3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022	Change	in %	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022	Change	in %
Order intake	million €	8,770	9,946	1,176	13	8,770	9,946	1,176	13
Sales	million €	8,676	10,950	2,273	26	8,676	10,950	2,273	26
EBITDA	million €	584	953	369	63	585	953	367	63
EBIT[2]	million €	332	305	(27)	(8)	334	305	(29)	(9)
EBIT margin	%	3.8	2.8	(1.0)	(27)	3.8	2.8	(1.1)	(28)
Adjusted EBIT[2]	million €	266	721	455	++	266	721	455	++
Adjusted EBIT margin	%	3.1	6.6	3.5	++	3.1	6.6	3.5	++
Income/(loss) before tax	million €	223	180	(43)	(19)	224	180	(44)	(20)
Net income/(loss) or earnings after tax	million €	145	92	(53)	(36)	146	92	(54)	(37)
attributable to thyssenkrupp AG's shareholders	million €	125	76	(49)	(39)	126	76	(50)	(40)
Earnings per share (EPS)	€	0.20	0.12	(0.08)	(39)	0.20	0.12	(0.08)	(40)
Operating cash flows	million €	(10)	(184)	(174)	--	(10)	(184)	(174)	--
Cash flow for investments	million €	(259)	(247)	12	5	(259)	(247)	12	5
Cash flow from divestments	million €	65	16	(49)	(76)	65	16	(49)	(76)
Free cash flow[3]	million €	(204)	(415)	(211)	--	(204)	(415)	(211)	--
Free cash flow before M & A[3]	million €	(235)	(412)	(177)	(75)	(235)	(412)	(177)	(75)
Net financial assets (June 30)	million €	(3,986)	(1,969)	2,017	51				
Total equity (June 30)	million €	10,756	14,085	3,329	31				
Gearing (June 30)	%	—[4]	—[4]	—	—				
Employees (June 30)		101,592	97,152	(4,440)	(4)				

[1] See preliminary remarks.
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THYSSENKRUPP STOCK / ADR MASTER DATA AND KEY FIGURES

ISIN		Number of shares (total)	shares	622,531,741
Shares (Frankfurt, Düsseldorf stock exchanges)	DE 000 750 0001	Closing price end June 2022	€	5.41
ADR (over-the-counter trading)	US88629Q2075	Stock exchange value end June 2022	million €	3,368
Symbols				
Shares	TKA			
ADR	TKAMY			

Contents

Our fiscal year begins on October 1 and ends on September 30 of the following year.

Foreword

Dr. Klaus Keysberg
Chief Financial Officer (CFO)

Dear Shareholders,

thyssenkrupp again performed well in the 3rd quarter of the 2021 / 2022 fiscal year in an environment which remains challenging, due not least to the war in Ukraine. The continued tight situation in global supply chains, with associated delayed customer call-offs, pandemic-related plant closures in China, and above all the rise in factor costs remains challenging overall, especially at Automotive Technology and Industrial Components. In some cases, however, we have already succeeded in countering the sharp rise in materials, energy and logistics costs through corresponding price adjustments. With sales volumes declining overall, the higher market prices for many materials up to the beginning of the 3rd quarter again led to improved revenues and margins at Materials Services and Steel Europe. Additionally, in-depth performance initiatives in all segments are supporting the development of both sales and, in particular, earnings. Overall, we recorded significant growth in both order intake and sales. And we also significantly increased our adjusted EBIT year-on-year.

We made further progress on our journey towards becoming a high-performance group of companies with strong, independent businesses: Marine Systems will expand its strategic options for the construction of submarines and surface vessels in the naval sector with the acquisition of MV Werften Wismar. A stock market listing remains our preferred option for our hydrogen business thyssenkrupp nucera so we can benefit from the growth prospects for green electrolysis plants as a global technology leader. The potential remains enormous, and thyssenkrupp nucera’s growth and value prospects have gained additional opportunities in recent months, including support from political decisions. This is demonstrated by the dynamic growth in order intake, the increase in the order backlog to a total of around €1.4 billion, and the significantly higher demand for electrolysis plants to produce green hydrogen as a result of the now even faster transition from fossil fuels to green hydrogen]. A decision on the timing of any IPO depends on the situation on the capital markets. In the automotive business, we are also exploring a potential joint venture with Japanese industrial group NSK. We remain convinced that the strategy of establishing steel as a stand-alone business opens up bright prospects for the future – which is why we are continuing to work on it, even if the specific implementation form must necessarily remain open for the moment due to the geopolitical situation. We also still need concrete financial support pledges and greater clarity about the political environment in order to be able to implement the green transformation.

The transition to green steel is an enormous lever for achieving the climate targets. However, the steel business is just one of thyssenkrupp's perspectives on the green transformation: our multiple forward-looking technologies and diverse capabilities along the hydrogen value chains in demand, supply and infrastructure make thyssenkrupp a unique partner for the green transformation. We are already seeing enormous potential here for further growth, especially in the medium and long term, and are confident that we can make a significant contribution to the green transformation. We are standing by with our solutions to make this happen.

Notwithstanding the continuing uncertainty over the further development of the geopolitical and macroeconomic environment and the associated limited ability to predict the effects reliably – particularly with regard to the necessary supply of fossil fuels for our industrial plants – we are reiterating our full-year forecast for adjusted EBIT and FCF before M & A: for adjusted EBIT, we continue to expect a significant improvement to a figure of at least €2.0 billion. In the case of free cash flow before M & A, we are also aiming for a significant year-on-year improvement to reach a negative figure in the mid-three-digit million euro range. For net income, we have had to adjust our forecast for the year to a figure in the high three-digit million euro range. The operating improvement is partly offset by impairment losses in connection with, among other factors, the higher cost of capital due to the recent sharp rise in interest rates.

Overall, with an equity ratio of well over 30% and net financial assets of €2 billion, thyssenkrupp has a healthy balance sheet that we will strengthen further not only through our operating performance, but in particular through the clearly positive FCF before M & A expected in the 4th quarter.

Precisely because the challenges and risks in our environment are continuing, it is all the more important to step up efforts in all businesses to improve our performance and satisfy the requirements of our customers. In these challenging conditions, our employees all over the world are doing an impressive job. We will continue to drive this forward with all our strength and increase the pace. thyssenkrupp's priority goals remain positive free cash flow before M & A and restoring our ability to pay dividends. We are delighted that we can count on your support in these volatile times as we transform thyssenkrupp.

Dr. Klaus Keysberg

Interim management report

Preliminary remarks

This report follows thyssenkrupp's internal control concept.

The disposal processes initiated in the 2020 / 2021 fiscal year for the plant engineering activities of the mining, infrastructure, and stainless steel businesses in the Multi Tracks segment met the criteria for presentation as disposal groups in accordance with IFRS 5 for the first time in the 4th quarter of the 2020 / 2021 fiscal year. Accordingly, the assets and liabilities attributable to these activities have been disclosed separately for the first time in the statement of financial position as of September 30, 2021. The assets and liabilities attributable to the plant engineering activities of the Mining business are also presented separately as of June 30, 2022. The disposal process for the stainless steel business was completed at the end of January 2022. In connection with the sale of the stainless steel business, it was agreed that thyssenkrupp retains shares in the amount of 15% in the Italian company Acciai Speciali Terni S.p.A. (AST) in order to strengthen the existing operational cooperation with the acquirer Arvedi. These shares have since January 31, 2022 been allocated to "Reconciliation" in segment reporting. The sale process for the infrastructure business was likewise completed at the end of January 2022.

Since the sale of the Elevator Technology business at the end of July 2020, thyssenkrupp has held an investment which was part of the consideration received for the sale. For further details regarding this investment, see also Note 02 (Discontinued operations, disposal groups, and disposals) and Note 08 (Financial instruments). Irrespective of the deconsolidation already recognized, subsequent expenses and income and cash flows directly related to the sale of the elevator activities will continue to be reported separately in the statement of income and the statement of cash flows.

The Elevator investment mentioned above has been allocated to the Multi Tracks segment since October 1, 2020.

In addition, thyssenkrupp AG and its subsidiaries are referred to in this interim management report as a "group." The group comprises the entities included in the legal scope of consolidation.

The description of the course of business is classified by segment. The disclosures on each segment start with a description of the business model and the explanation of the mid-term targets.

Report on the economic position

	Order intake million €		Sales million €		EBIT[1] million €		Adjusted EBIT[1] million €		Employees	
	9 months ended June 30, 2021	9 months ended June 30, 2022	9 months ended June 30, 2021	9 months ended June 30, 2022	9 months ended June 30, 2021	9 months ended June 30, 2022	9 months ended June 30, 2021	9 months ended June 30, 2022	June 30, 2021	June 30, 2022
Materials Services	9,191	12,350	8,545	12,528	411	943	363	941	15,454	15,737
Industrial Components	1,924	2,028	1,877	2,012	247	177	266	170	12,937	12,062
Automotive Technology	3,416	3,398	3,459	3,456	245	17	234	47	19,764	19,962
Steel Europe	7,333	8,967	6,572	9,619	(84)	604	87	980	26,015	25,862
Marine Systems	817	3,911	1,450	1,264	(1)	4	(2)	12	6,472	6,646
Multi Tracks[2]	4,273	4,775	4,043	3,262	(355)	(172)	(236)	(96)	18,652	14,718
Corporate Headquarters	4	4	12	5	(162)	(149)	(146)	(119)	637	610
Reconciliation	(1,696)	(1,528)	(1,383)	(1,574)	(1)	(38)	(3)	(34)	1,661	1,555
Group continuing operations[2]	**25,260**	**33,906**	**24,575**	**30,571**	**301**	**1,387**	**564**	**1,901**	**101,592**	**97,152**
Discontinued elevator operations[2]	0	0	0	0	(17)	9	0	0	0	0
Full group	**25,260**	**33,906**	**24,575**	**30,571**	**284**	**1,396**	**564**	**1,901**	**101,592**	**97,152**

[1] See reconciliation in segment reporting (Note 09).
[2] See preliminary remarks.

	Order intake million €		Sales million €		EBIT[1] million €		Adjusted EBIT[1] million €	
	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022
Materials Services	3,612	4,095	3,289	4,793	268	393	232	386
Industrial Components	606	720	630	702	59	53	68	49
Automotive Technology	1,076	1,193	1,077	1,206	55	(17)	51	6
Steel Europe	2,488	3,098	2,416	3,558	55	(3)	19	376
Marine Systems	153	288	396	411	(9)	2	(9)	3
Multi Tracks[2]	1,488	914	1,421	728	(38)	(73)	(45)	(62)
Corporate Headquarters	2	1	2	1	(52)	(41)	(44)	(31)
Reconciliation	(655)	(363)	(555)	(449)	(3)	(10)	(6)	(5)
Group continuing operations[2]	**8,770**	**9,946**	**8,676**	**10,950**	**334**	**305**	**266**	**721**
Discontinued elevator operations[2]	0	0	0	0	(2)	0	0	0
Full group	**8,770**	**9,946**	**8,676**	**10,950**	**332**	**305**	**266**	**721**

[1] See reconciliation in segment reporting (Note 09).
[2] See preliminary remarks.

Summary

Developments in the first nine months and in the 3rd quarter dominated by continued tight situation in global supply chains and high factor costs, including as a result of the war in Ukraine and sharp price rises, especially at Materials Services and Steel Europe

- Performance of continuing operations in first nine months compared with prior year:
  - Order intake and sales with significant overall improvement, due mainly to price-driven increase at Materials Services and Steel Europe; order intake also driven by major order at Marine Systems in 2nd quarter
  - Adjusted EBIT up significantly year-on-year: significantly higher margins at Materials Services and Steel Europe offset rising factor costs and effects of delayed customer call-offs, especially at Automotive Technology and Industrial Components, with adjusted EBIT in 3rd quarter improving significantly overall year-on-year, although slight decrease quarter-on-quarter, due among other factors to lower shipment volumes at Steel Europe
  - Net income improves significantly to positive result, mainly because of growth in adjusted EBIT, impairment losses, largely at Steel Europe due among other things to higher cost of capital, are offsetting factor
  - FCF before M & A significantly lower year-on-year and still negative: increase in working capital as a result of higher prices of raw materials and commodities and delayed customer call-offs due to supply chain bottlenecks, FCF before M & A improves significantly quarter-on-quarter in 3rd quarter, 4th quarter expected to be significantly positive due to significant reduction in net working capital
- Performance of the segments in the first nine months compared with prior year:
  - Materials Services reports significant rise in sales, adjusted EBIT, and adjusted EBIT margin, mainly because of significantly higher material prices across all product groups, especially in 2nd quarter and beginning of 3rd quarter; sales volume declining and down slightly year-on-year
  - Industrial Components with slight increase overall in order intake and sales because of significant increase at Forged Technologies, underpinned by price adjustments and positive exchange rate effects; adjusted EBIT down significantly year-on-year, 3rd quarter with significant decline in the bearings business, due among other factors to higher competition, especially in connection with a temporary decline in demand in China, and significantly increased factor costs, with increase at Forged Technologies an offsetting factor
  - Automotive Technology with order intake and sales on a level with prior year and significant increase in 3rd quarter, underpinned by price adjustments and positive exchange rate effects; adjusted EBIT down significantly year-on-year, with significant rise in factor costs partly offset by negotiated new price conditions and positive one-time effect from remeasurement of selected pension commitments in 1st quarter
  - Steel Europe with significantly higher order intake, sales and adjusted EBIT, largely due to sequential rise in revenues; order intake volume and shipments down year-on-year because of weaker demand on the back of persistent supply chain disruptions, especially in automotive and automotive supplier sectors
  - Marine Systems records significantly higher order intake, mainly due to a major order for a submarine project in 2nd quarter, the extension of an existing contract for surface vessels, as well as major service and marine electronics projects; order books again at record levels in 3rd quarter; adjusted EBIT up significantly on prior year
  - Multi Tracks with significantly higher order intake, mainly due to major projects at thyssenkrupp nucera in the water electrolysis business and further increases from plant engineering, more than offsetting the deconsolidation of the stainless steel business; loss in adjusted EBIT significantly

  reduced, mainly due to the positive performance of the stainless steel business until its deconsolidation in January, the closure of Heavy Plate in the prior year and a lower loss at Automation Engineering; plant engineering higher year-on-year
  – Corporate Headquarters with mainly lower administrative expenses
- Group confirms full-year forecast for adjusted EBIT and FCF before M & A (following increase and resumption after 1st six months, respectively); net income forecast adjusted to a figure in the high three-digit million euro range (see section "Forecast")
- Portfolio and performance measures continue to be pursued undiminished; further year-on-year reduction of a total of 4,440 employees
- Portfolio: statement on the feasibility of a potential stand-alone solution for the steel business still not possible due to current economic parameters; sale of the infrastructure business to FMC Beteiligungs KG and of the stainless steel business to Italian company Arvedi closed on November 30, 2021 and on January 31, 2022, respectively; IPO currently the preferred option for thyssenkrupp nucera; agreement to acquire the location of MV Werften in Wismar to expand strategic options for the construction of submarines and surface vessels in the naval sector signed in June 2022; exploration of a potential joint venture between Automotive Technology and the steering business of NSK launched
- Ambitious mid-term targets for the group of companies published at the Capital Markets Day on December 2, 2021: adjusted EBIT of 4-6%, clearly positive FCF before M & A and return to a reliable dividend payment for the company as a whole; for mid-term targets at segment level, see section "Segment reporting"

Macro and sector environment

Numerous negative factors slowing global economic recovery – risks remain high

- War in Ukraine, continued high inflation, ongoing supply bottlenecks and lockdowns in China are holding back global economic expansion
- Compared with the start of the fiscal year, forecast growth in global economic output in 2022 revised considerably downward to 2.8%; growth in 2021 was at 5.8%
- Industrialized countries: rise in economic output in 2021 at 5.3%; significantly slower growth of 2.2% currently forecast for 2022
- Emerging economies: GDP growth of 6.4% in 2021; expansion by 3.5% expected for 2022
- Risks and uncertainties: uncertainty about the further course of the war in Ukraine and geographic spread of the conflict; risks due to possible further supply restrictions for oil and gas resulting in production stoppages in manufacturing industry; continued high energy, material and commodity prices and associated fears of rising inflation with negative impact on consumer and investment confidence, also due to further interest rate hikes; persistent or worsening supply bottlenecks for starting products; uncertainty over further progression of the coronavirus pandemic in particular because of new virus mutations, in light of the trends in vaccination rates and further lockdown measures; uncertainty about the further course of numerous geopolitical flashpoints and about trade conflicts; recurring floods and other natural disasters as a consequence of climate change; pronounced and lasting slowdown of growth in China, including as a result of the zero-Covid strategy; indebtedness problems in particular in some European countries, particularly as a result of numerous state support measures to mitigate the impact of the pandemic; volatile exchange rates

GROSS DOMESTIC PRODUCT

Real change compared to previous year in %	2021[1]	2022[2]
Euro zone	5.4	2.5
Germany	2.9	1.4
Russia	4.7	(7.5)
Rest of Central/Eastern Europe	5.3	(1.1)
USA	5.7	1.4
Brazil	4.9	1.3
Japan	1.7	1.3
China	8.1	4.0
India	8.7	6.8
Middle East & Africa	5.0	4.7
World	**5.8**	**2.8**

[1] partly preliminary figures
[2] Forecast
Sources: IHS Markit, IMF, Consensus Forecasts, misc. banks and research institutes, own estimates

Automotive

- Significant recovery predicted for 2022 held back by impact of production and global supply chains of continuing chip shortages, local Covid outbreaks, and the war in Ukraine
- Return to pre-pandemic level expected in 2024 at the earliest due to ongoing chip shortage
- Europe: slight recovery in production expected for 2022, albeit still significantly below pre-pandemic levels; decline in sales volumes, due in particular to the collapse of the market in Russia
- North America: production expected to recover in 2022, albeit still low pre-pandemic levels; sales volumes at the prior-year level expected
- China: production and sales volumes expected to be in a similar range as prior year in 2022 as a result of local Covid outbreaks

Machinery

- Germany: after 6.4% rise in production in 2021 forecast for 2022 revised downward to slight growth of 0.5%; negative factors include worsening supply chain restrictions, high inflation rates and general uncertainty among customers
- USA: following a clear production rise of 11.2% in 2021, forecast for 2022 marked by somewhat less dynamic growth of 7.3%; fiscal stimulus measures supportive of output, persistent supply chain problems in the short term still holding back production opportunities and profit margins
- China: after a sharp production increase of 12% in 2021, substantially slower pace of growth of 6.3% expected this year; growth of private-sector investment spending is slowing, government infrastructure spending supportive

Construction

- Germany: production fell to 1.2% in 2021; persistent problems in material procurement and high price rises for starting materials will limit growth in 2022 to 1.4%; rising construction interest rates are curbing growth, demand for new housing and office space is a positive factor
- USA: after a 3.2% increase in production in 2021, 0.5% decline in construction activity this year; considerably materials costs and rising construction interest rates the course of the year are negative factors; fiscal policy measures provide support
- China: after growth of 4.4% in 2021, production slightly lower in the current year, at around 3.8%; tighter regulation of the real estate sector and regional lockdowns curbing growth, but more expansionary monetary policy and continued trend toward urbanization support housing construction and civil engineering projects

Steel

- Global 2.7% growth in demand for finished steel in 2021 slowed by significant 5.4% drop in demand in China; prospects for 2022 and 2023 subject to great uncertainty: April forecast was 0.4% and 2.2%
- Demand in the EU market for flat carbon steel in the first six months of the current fiscal year was up 11% year-on-year; increase in imports, which are rising significantly by 56%, while deliveries by the EU steel manufacturers are almost flat at +1%
- After the outbreak of the war in Ukraine, spot market prices for flat steel jumped especially in Europe and the USA; continuous decline in prices since the end of March to currently pre-war levels in some cases; raw material prices have also declined again, after reaching record levels in March in some cases
- Market environment remains challenges due to a variety of risks: these include the persistent materials backlogs, inflation, the energy crises and the high uncertainty due to the war in Ukraine

IMPORTANT SALES MARKETS

	2021[1]	2022[2]
Vehicle production, million cars and light trucks[3]		
World	77.2	80.8
Western Europe (incl. Germany)	9.4	10.4
Germany	3.2	3.9
North America (USA, Mexico, Canada)	13.0	14.7
USA	8.9	10.0
Mexico	3.0	3.4
Japan	7.5	7.7
China	24.8	24.9
India	4.1	4.8
Brazil	2.1	2.2
Machinery production, real, in % versus prior year		
World	12.9	4.5
Europe	12.6	1.7
Germany	6.4	0.5
USA	11.2	7.3
Japan	15.0	6.0
China	12.0	6.3
Construction output, real, in % versus prior year		
Euro zone	5.2	3.1
Germany	(1.2)	1.4
USA	3.2	(0.5)
China	4.4	3.8
India	16.9	4.9
Demand for steel, in % versus prior year		
World	2.7	0.4
Germany	12.9	(0.6)
EU(27) + Great Britain	16.8	(1.3)
USA	21.3	2.8
China	(5.4)	0.0

[1] partly preliminary figures
[2] Forecast
[3] Passenger cars and light commercial vehicles up to 6t
Sources: IHS Markit, Oxford Economics, wordsteel, national associations, own estimates

Segment reporting

Materials Services

Materials Services is the largest independent materials distributor and service provider in the western world (Europe & North America). Our offering ranges from high-quality raw materials and materials, through technical services, down to intelligent solutions for digital and more sustainable supply chains.

Our primary goal is to reinforce and further extend our leading market positions in Europe and North America. In both regions, we intend growing faster than the market. Our mid-term planning envisages warehouse shipments of more than six million tonnes worldwide, an adjusted EBIT margin of 2 to 3% and a ROCE of more than 9%. The cash conversion rate is expected to be approximately 0.8.

In the current fiscal year, the main emphasis of our activities continues to be on sharpening the focus of our network of locations and on profitable growth in North America. In the first nine months, for example, we closed a total of twelve warehouse sites and drove forward our major investment projects at sites in the USA. In addition, our segment is focusing on the AI-based expansion of digital supply chain solutions and the further enhancement of sustainable products and services, such as the carbon footprint calculator product, among other things.

Logistics center in Rotenburg

€12.5 bn

Sales
in the first 9 months

15,737

employees worldwide

Performance in the 3rd quarter

MATERIALS SERVICES IN FIGURES

		9 months ended June 30, 2021	9 months ended June 30, 2022	Change in %	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022	Change in %
Order intake	million €	9,191	12,350	34	3,612	4,095	13
Sales	million €	8,545	12,528	47	3,289	4,793	46
EBITDA	million €	514	1,040	++	304	425	40
EBIT	million €	411	943	++	268	393	47
Adjusted EBIT	million €	363	941	++	232	386	67
Adjusted EBIT margin	%	4.2	7.5	—	7.1	8.1	—
Investments	million €	56	49	(13)	14	17	21
Employees (June 30)		15,454	15,737	2	15,454	15,737	2

Order intake

- Considerable year-on-year increase driven by higher prices in all business areas, particularly in warehousing and distribution, and the service centers
- Only direct-to-customer business down year-on-year due to overall weaker demand in steel distribution

Sales

- Significantly up overall year-on-year, driven largely by further price increases at the beginning of the 3rd quarter
- Considerably higher sales in warehousing and distribution, direct-to-customer business, and automotive-related service centers
- Aerospace and Plastics also up on prior year
- Materials and raw materials sales volume down overall year-on-year (2.3 million t vs. 2.4 million t); declining trend in the European and North American service center business and in warehousing; direct-to-customer business at Materials Trading with slightly positive growth due to new business in Singapore

Adjusted EBIT

- Significant increase overall due to rise in margin driven by higher prices despite lower overall total sales volumes
- Further progress in strategic transformation, driven mainly by network optimization, including closure of thyssenkrupp Materials Vietnam
- Enhancement of transformation as part of the strategic materials as a service approach, e.g. by progressing development and marketing phase of pacemaker (AI-controlled tool for requirements analysis and emissions tracking)

Main special items in the reporting period

- No material special items

Investments

- Progress payments for new sites in Mexico and Texas and for the expansion of our processing capacity in Wisconsin
- Completion and start of operation of a multiple strip blanking line in Ulm
- Modernization and replacement investment at warehousing and service units; continuing digital transformation

Industrial Components

Industrial Components comprises two business units: Bearings and Forged Technologies. Overall, we are striving in the mid-term for an adjusted EBIT margin for the segment of at least 10% and a cash conversion rate of 0.6–0.8.

As the global market leader for bearings and one of the largest manufacturers of seamless rolled slewing rings, we as Bearings are striving for average sales growth in the mid-term of at least 5% per year. To increase our performance, we intend to continually implement measures to cut costs and improve efficiency – and this continues to be the case in the current fiscal year. These measures are also being accompanied by a long-term investment strategy aimed at profiting from ongoing market growth in the wind energy industry. We are making good progress with the implementation of HR measures to boost efficiency. In the first nine months, we successfully concluded two restructuring measures in Germany and implemented personnel adjustments in China.

Forged Technologies is a specialist in the forgings business and is among the leading global manufacturers of components for engines, undercarriages and construction machinery. Our mid-term goal is to increase our market share and achieve growth with new products. The main focus in the current fiscal year continues to be on enhancing our personnel efficiency, improving energy efficiency and optimizing our production and logistics processes. Another key focus is on successfully implementing our investment project to transform the business unit. In the first nine months, we were able to deliver the first sample parts for truck chassis components to our customers on schedule. The start of series production is planned for fall 2022.


rothe erde® slewing bearing


Manufacture of a truck crankshaft

€870 m
Bearings sales
in the first 9 months

6,253
Bearings employees worldwide

€1.1 bn
Forged Technologies sales
in the first 9 months

5,809
Forged Technologies employees
worldwide

Performance in the 3rd quarter

INDUSTRIAL COMPONENTS IN FIGURES

		9 months ended June 30, 2021	9 months ended June 30, 2022	Change in %	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022	Change in %
Order intake	million €	1,924	2,028	5	606	720	19
Sales	million €	1,877	2,012	7	630	702	11
EBITDA	million €	321	258	(20)	84	81	(3)
EBIT	million €	247	177	(28)	59	53	(10)
Adjusted EBIT	million €	266	170	(36)	68	49	(28)
Adjusted EBIT margin	%	14.2	8.4	—	10.8	7.0	—
Investments	million €	132	92	(31)	52	27	(47)
Employees (June 30)		12,937	12,062	(7)	12,937	12,062	(7)

Order intake

- Up considerably year-on-year: positive development in both business units
- Bearings: up slightly year-on-year, increase in the wind energy segment, compared with lower volumes in industrial applications (especially conveyor technology and construction machinery)
- Forged Technologies: considerable year-on-year increase, underpinned by price adjustments due to higher factor costs and positive USD exchange rate effects; increase in the industrial business and continued high level at powertrain components for trucks; passenger cars down slightly especially in Europe, due in particular to semiconductor problems, disrupted supply chains, and the effects of the war in Ukraine; undercarriages for construction machinery experiencing continued high demand in all relevant regions, supported slightly by expanded product offering and development of new markets and business areas

Sales

- Up year-on-year: increase at Forged Technologies fully compensates decline at Bearings
- Bearings: down year-on-year, temporary demand dip in China (above all in the wind energy segment) set against increase in industrial applications, especially in general engineering and in the construction machinery sector; Germany sales region considerably up year-on-year, rest of Europe, Americas and Asia (excluding China) up slightly year-on-year
- Forged Technologies: sales follow order intake and are up considerably year-on-year, with positive exchange rate and price adjustment effects

Adjusted EBIT

- Down considerably year-on-year: decrease at Bearings compared with increase at Forged Technologies
- Bearings: significantly lower than prior year, driven largely by higher competition, in particular in conjunction with the temporary decline in demand in China, product and regional structure of sales volume, and substantially increased materials and energy costs; this was offset to a small extent by efficiency enhancement measures (including restructuring)
- Forged Technologies: considerable increase, due largely to positive effects from the retrospective pass-through of higher material, energy and freight costs; continued cost-cutting measures with associated optimization of personnel cost ratio

Main special items in the reporting period

- Forged Technologies: income from the sale of land, including building in India

Investments

- Mainly growth capex to increase production capacity above all in the wind energy segment, primarily at European and Asian production sites
- Continued investment in fully automated forging press for truck front axles at Homburg site in Germany and launch of new investments in the further localization of the construction machinery business in North America

Automotive Technology

Automotive Technology is a leading German supplier and engineering partner to the international automotive industry. The product and services offering comprises high-tech components, systems and automation solutions for vehicle manufacturing, as well as mechatronic solutions with electronics and internally developed software.

Our growth and performance goal is to be among the best in our competitive environment and to grow faster than the market. To achieve our mid-term performance targets – adjusted EBIT margin of 7–8% and a cash conversion rate of at least 0.5 – we are focusing on improving production efficiency and on measures in the field of procurement. Another focus is on margin improvements by expanding claim management resources.

The challenges in our market environment that have occurred since the middle of last fiscal year, such as shortage in supplies of electronic semiconductors and other starting products, disruptions to the supply chain, the war in Ukraine and volatile customer call-offs continued to weigh on the first nine months. In the 3rd quarter, there were additionally pandemic-related plant closures at our customers and suppliers, primarily in China. The high level of commitment of our Chinese employees during the lockdowns enabled us to maintain customer deliveries to a certain extent and prevented production stoppages at our customers. The rise in factor costs remains a challenge, which we are countering by negotiating new price conditions and imposing strict cost control.

Chassis engineers at a mobile development platform

€3.5 bn

Sales
in the first 9 months

19,962

employees worldwide

Performance in the 3rd quarter

AUTOMOTIVE TECHNOLOGY IN FIGURES

		9 months ended June 30, 2021	9 months ended June 30, 2022	Change in %	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022	Change in %
Order intake	million €	3,416	3,398	(1)	1,076	1,193	11
Sales	million €	3,459	3,456	0	1,077	1,206	12
EBITDA	million €	400	215	(46)	104	64	(38)
EBIT	million €	245	17	(93)	55	(17)	--
Adjusted EBIT	million €	234	47	(80)	51	6	(88)
Adjusted EBIT margin	%	6.8	1.4	—	4.7	0.5	—
Investments	million €	158	133	(16)	54	46	(15)
Employees (June 30)		19,764	19,962	1	19,764	19,962	1

Order intake

- Up considerably compared with the prior year, which had already been hit by semiconductor shortages; growth in almost all business units, in particular due to price adjustments on the back of higher factor costs and positive USD and CNY exchange rate effects
- Pandemic-related plant closures mainly at customers and suppliers in China, especially in April and May, fully offset by catch-up effects in June
- Continued supply bottlenecks for starting materials and volatile customer call-offs

Sales

- Sales follow order intake, June with strongest monthly sales in the fiscal year
- Positive exchange rate and price adjustment effects

Adjusted EBIT

- Down significantly year-on-year, due largely to higher factor costs (especially logistics and materials), volatile customer demand and capacity utilization as the result of persistent bottlenecks in the transportation and supply chains, as well as pandemic-related plant closures in China; prior year with positive one-time effects, including from compensation agreed with a customer
- Higher factor costs partly offset by further negotiations for new price conditions

Main special items in the reporting period

- Mainly impairment losses on non-current assets in the steering business, including due to higher cost of capital

Investments

- Focus in the area of steering systems for order-related projects, with the goal of supporting cost and profitability targets and leveraging growth opportunities

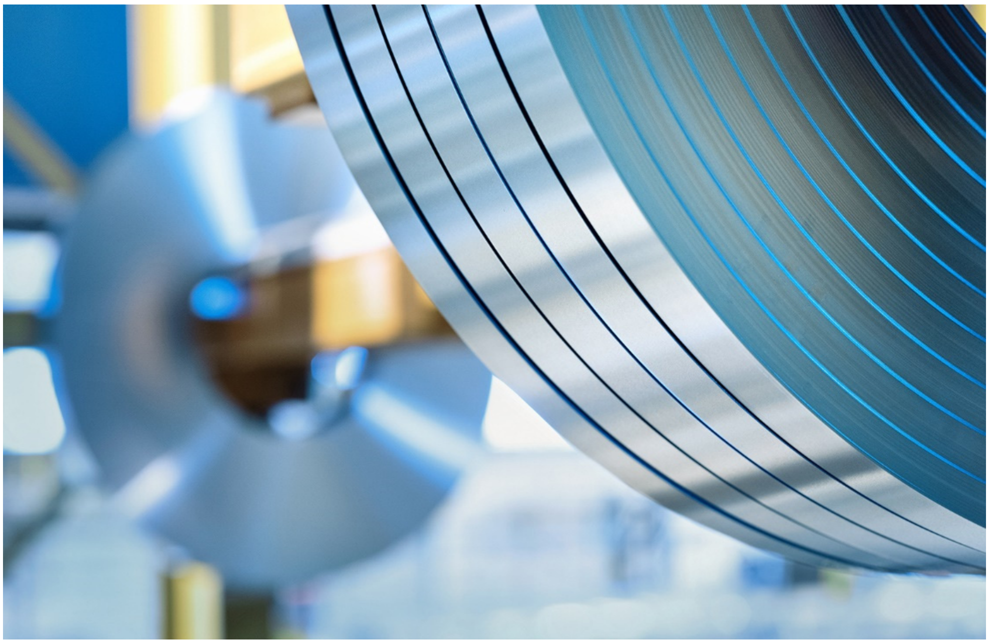
Steel Europe

Steel Europe is Germany's largest steel producer. It concentrates on attractive market segments for high-quality flat carbon steel, where it is one of the leading suppliers in its core European market.

Our growth and performance goal is to be among the best in our competitive environment. By systematically continuing to implement our Steel Strategy 20-30, we intend to significantly increase our operating performance and strengthen and enhance our market position.

The war in Ukraine, high energy and raw materials costs, disruptions in the supply chains, uncertainty about supplies of fossil fuels (in particular natural gas) and a slowing economy are currently marking a challenging macroeconomic environment. We are generally keeping our targets in place. For example, we plan to increase our shipments in the mid-term to around 11 million tonnes and achieve an adjusted EBIT margin of 6-7% and a cash conversion rate of at least 0.4.

In the current fiscal year, in addition to ongoing restructuring, initiatives are geared to investments in enhancing the efficiency of the core units of our production network. We are focusing in particular on the growing demands of automotive customers and individual industrial sectors. We are also working at full speed on the green transformation, with the goal of being climate-neutral by 2045. We already reached an important milestone in the first nine months by delivering the first product volumes of the new bluemint® Steel high-quality flat carbon steel brand with a reduced carbon intensity in the 1st quarter. This was followed by a range of further orders for bluemint® from various customer sectors.



Non-corn-oriented electrical steel being produced for the manufacture of generators and electric motors

€9.6 bn

Sales
in the first 9 months

25,862

employees worldwide

Performance in the 3rd quarter

STEEL EUROPE IN FIGURES

		9 months ended June 30, 2021	9 months ended June 30, 2022	Change in %	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022	Change in %
Order intake	million €	7,333	8,967	22	2,488	3,098	25
Sales	million €	6,572	9,619	46	2,416	3,558	47
EBITDA	million €	123	1,231	++	123	461	++
EBIT	million €	(84)	604	++	55	(3)	--
Adjusted EBIT	million €	87	980	++	19	376	++
Adjusted EBIT margin	%	1.3	10.2	—	0.8	10.6	—
Investments	million €	389	436	12	114	127	12
Employees (June 30)		26,015	25,862	(1)	26,015	25,862	(1)

Order intake

- Up significantly year-on-year on the back of higher prices
- Volumes slip to 1.9 million tons due to lower orders from almost all customer sectors

Sales

- Significant increase due to considerable revenue growth
- Decline in shipments to 2.4 million tons; call-offs down year-on-year, especially from the automotive and automotive supplier sectors; partly offset by increased deliveries to construction and tube industry and of grain-oriented electrical steel

Adjusted EBIT

- Up significantly year-on-year, due largely to significantly higher revenues
- Partly offset by lower shipments and higher raw materials and energy costs
- Positive effects from progressive restructurings and the ongoing performance program continue to provide support

Main special items in the reporting period

- Mainly impairment losses on non-current assets, including due to higher cost of capital

Investments

- Functional tests of the new hot-dip coating line 10 in Dortmund, which is intended to service the growing demand from automotive manufacturers for higher-quality hot-dip coated products; the line is expected to start operating in the course of the fiscal year
- Major investments under Strategy 20–30 are in the engineering phase with the suppliers, as planned, preparatory construction site measures were initiated; they include the transformation of the casting-rolling line in Duisburg-Bruckhausen to improve quality and cut costs, as well as the construction of an annealing and isolating line in Bochum to support the ramp-up of e-mobility and growing demand for high-quality electrical steel; assembly preparations already in progress at the new double reversing mill being constructed in Bochum

Marine Systems

Marine Systems is a leading manufacturer of conventional submarines, surface vessels, and marine electronics and offers services worldwide. As a fully integrated systems supplier, we develop and manufacture holistic solutions from a single source for our customers.

Our aim is to underline our technology leadership and further strengthen our competitive position. The current order situation – particularly in the submarine business – has further enhanced the key strategic role of thyssenkrupp Marine Systems for the German marine industry. In view of the "Sondervermögen Bundeswehr" (Federal Armed Forces Investment Fund) and the long-term structural increase in the defense budget – in addition to increased global demand – we have identified additional opportunities for the marine business.

We are striving in the mid-term to achieve average annual sales growth of 6%, an improvement in the adjusted EBIT margin to industry standard levels (approx. 6–7%), as well as a cash conversion rate of 1.0. To safeguard profitability in the long term, we systematically implement our performance program and optimize processes, tools, and structures along the entire value chain, while reducing administrative expenses. Signature of the agreement to acquire MV Werft in Wismar in June 2022 will expand our strategic options for submarine and surface vessel construction. Depending on future attractive order intake, we are planning to hire employees flexibly over the next few years and thereby to develop the site, depending on demand, and ensure its optimization in the network with our other locations. The more orders we receive, the more jobs we will create.

Class 212A submarine

€1.3 bn

Sales
in the first 9 months

6,646

employees worldwide

Performance in the 3rd quarter

MARINE SYSTEMS IN FIGURES

		9 months ended June 30, 2021	9 months ended June 30, 2022	Change in %	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022	Change in %
Order intake	million €	817	3,911	++	153	288	88
Sales	million €	1,450	1,264	(13)	396	411	4
EBITDA	million €	46	52	13	6	17	++
EBIT	million €	(1)	4	++	(9)	2	++
Adjusted EBIT	million €	(2)	12	++	(9)	3	++
Adjusted EBIT margin	%	(0.1)	0.9	—	(2.3)	0.7	—
Investments	million €	54	53	(2)	8	21	++
Employees (June 30)		6,472	6,646	3	6,472	6,646	3

Order intake

- Up significantly year-on-year due mainly to larger order intake in maintenance, service and marine electronics as well as extension orders in surface vessel business

Sales

- Slight increase over prior year; stable sales growth continues as planned

Adjusted EBIT

- Up considerably year-on-year; stable legacy orders and ramp-up of new orders

Main special items in the reporting period

- Minor one-time items in the reporting period, mainly restructuring provisions

Investments

- Continuation of modernization of Kiel shipyard to optimize project execution, increase efficiency, create technical conditions for building larger boats in line with market trend and sustainably improve profitability; investigation of alternative manufacturing solutions to optimize capital expenditure

Multi Tracks

The Multi Tracks segment combines the businesses for which thyssenkrupp is considering other ownership structures in the short to medium term. This may be a full or partial disposal, for example, or the continuation of a business with one or more external partners.

Currently, several businesses are in the process of being sold at the same time. The most advanced of these is the sale of Mining Technologies to FLSmidth: the transaction is expected to be fully completed by the end of the fiscal year. We are in talks with potentially interested buyers for the Automation Engineering business unit, which, as a plant engineer, is focused on the growth market of e-mobility. We have started preparations for an M & A process for the Springs & Stabilizers business unit.

The further development of our hydrogen business thyssenkrupp nucera is another focus of activities in the Multi Tracks segment. As one of the world's technology leaders for electrolysis plants, an IPO is our preferred option so we can benefit from the growth prospects of the business. A decision on timing depends on the situation on the capital markets. One thing is clear: the potential for water electrolysis remains substantial. This is documented not least by the order backlog at thyssenkrupp nucera, which has now grown to around €1.4 billion. Our chemical plant engineers in the Uhde business unit are also delivering key building blocks for withdrawing from fossil fuels: as experts in the construction of ammonia and methanol plants, they are supplying a future technology for transporting green hydrogen. The portfolio of the Multi Tracks segment also includes the Polysius business unit, which specializes in the construction of turnkey cement plants and provides technologies for more sustainable cement production as well as solutions for digitalization and automation. Solutions range from using calcined clays for more sustainable clinker production, through the use of alternative fuels, to using a modified oxyfuel process to reduce the carbon footprint of the cement industry.

Assembling electrolysis cells

€3.3 bn

Sales
in the first 9 months

14,718

employees worldwide

Performance in the 3rd quarter

MULTI TRACKS IN FIGURES

		9 months ended June 30, 2021	9 months ended June 30, 2022	Change in %	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022	Change in %
Order intake	million €	4,273	4,775	12	1,488	914	(39)
Sales	million €	4,043	3,262	(19)	1,421	728	(49)
EBITDA	million €	(246)	(89)	64	11	(54)	--
EBIT	million €	(355)	(172)	52	(38)	(73)	(93)
Adjusted EBIT	million €	(236)	(96)	59	(45)	(62)	(39)
Adjusted EBIT margin	%	(5.8)	(2.9)	—	(3.1)	(8.5)	—
Investments	million €	65	35	(46)	16	10	(35)
Employees (June 30)		18,652	14,718	(21)	18,652	14,718	(21)

Order intake

- Down considerably year-on-year, driven by the disposal of the stainless steel business and Infrastructure, despite increases at thyssenkrupp nucera, in plant engineering and at Automation Engineering
- Strong growth at thyssenkrupp nucera especially as a result of the chlor-alkali new plant business and the award of a major hydrogen project in the Netherlands
- Plant engineering: growth at Polysius due to major orders received in Germany and India, as well as slight increase at Uhde; offsetting trend at Mining, including because of the war in Ukraine
- Automation Engineering with significant increase thanks to higher order intake abroad and in both the battery and powertrain business

Sales

- Down significantly year-on-year, driven by the disposals of the stainless steel business and at Infrastructure, the closure of Heavy Plate as well as a decline in plant engineering; other businesses with slight improvement
- thyssenkrupp nucera: up slightly year-on-year
- Plant engineering: Uhde's sales down because of lower order intake in prior periods, due to concentrating on more attractive market segments and delays in the execution of individual projects, among other things; Mining down significantly on prior year, due among factors to the war in Ukraine; Polysius down slightly year-on-year
- Automation Engineering up slightly year-on-year due to growth in new business
- Springs & Stabilizers up significantly on prior year thanks to slight increase in volumes and pass-through of materials price increases

Adjusted EBIT

- Down considerably year-on-year, driven largely by deconsolidation of the stainless steel business and decline in profits at thyssenkrupp nucera, which could not be offset by positive effects from the closure of Heavy Plate
- thyssenkrupp nucera: down on prior year, mainly due to higher development costs, growing administration and selling expenses, and the development of structures for a listed company in connection with the planned growth

- Plant engineering on a level with the prior year: Uhde with significant improvement from reduction in reworking costs, Polysius hit by one-time expenses from project delays and discontinuation of positive one-time effects from the prior year, Mining down on prior year due to termination of Russian projects because of the war in Ukraine
- Springs & Stabilizers: slight improvement, albeit continued negative earnings contribution, largely because of higher materials and energy costs and delayed opportunities for pass-through
- Automation Engineering up slightly year-on-year due to lower reworking costs and improved project margins
- Restructuring and cost-cutting measures with corresponding headcount reduction curb losses significantly in almost all businesses

Main special items in the reporting period

- Main special item is adjustment of a restructuring provision in connection with the closure of Heavy Plate and consulting expenses in connection with a possible IPO at thyssenkrupp nucera; reversal of a restructuring provision at Automation Engineering that was not utilized in full an offsetting factor

Investments

- Continuing investment in the technology portfolio, mainly in plant engineering for preserving asset value

Corporate Headquarters

Adjusted EBIT

- Administrative expenses reduced, mainly as a result of partial price-driven reversal of the provisions for stock-based compensation and IT cost savings at Corporate Headquarters

Main special items in the reporting period

- Project expenditure in connection with M & A transactions

Investments

- No major capital expenditures

Results of operations and financial position

Analysis of the statement of income

Income/(loss) from operations

- Sales of continuing operations up significantly by more than 20% year-on-year in both the reporting period and the 3rd quarter, in particular because of the significant price-driven sales growth in the materials businesses of the Materials Services and Steel Europe segments, despite the deconsolidations in the reporting period (stainless steel business and Infrastructure disposal groups); at the same time, in the reporting period cost of sales of continuing operations increased more slowly than sales overall, in particular as a result of almost proportionate increase in materials expenses, accompanied by lower personnel expenses and higher expenses as a result of the impairment losses of €356 million recognized on non-current assets in the Steel Europe segment in 3rd quarter of the reporting period; by contrast, overall disproportionately high increase in cost of sales of continuing operations compared with sales growth in 3rd quarter of the reporting year due in particular to impairment losses mentioned above; at €4,397 million, gross profit margin of continuing operations up 40% year-on-year in the reporting period and, at €1,394 million, up 11% year-on-year in 3rd quarter, gross profit margin correspondingly improved to 14.4% in the reporting period (prior year: 12.8%), although declined to 12.7% (prior year: 14.4%) in 3rd quarter
- Increase in selling expenses of continuing operations mainly resulting from higher sales-related freight, insurance, and customs expenses
- Reduction in general and administrative expenses of continuing operations, driven primarily by lower personnel expenses, including in connection with restructuring measures; impairment losses recognized in the Steel Europe segment in the 3rd quarter of the reporting year and higher consulting and IT expenses in particular were offsetting factors
- Increase in other income of continuing operations in particular because of overall increase in insurance claims as well as higher income from hedging operating exchange rate risks
- Increase in other expenses of continuing operations driven mainly by increased expenses in connection with hedging operating exchange rate risks and higher additions to other provisions
- Reduction in other gains and losses of continuing operations mainly because of losses from deconsolidation (stainless steel business and Infrastructure disposal groups) recognized in the reporting period and lower overall gains from the sale of property, plant, and equipment, in particular as a result of the discontinuation of gains in connection with site disposals in Germany in the prior-year period in the Materials Services segment and from the disposal of investment property

Financial income/(expense), net and income tax (expense)/income

- Overall widening of net financial expense of continuing operations, mainly because of increased loss from investments accounted for using the equity method due because of impairment losses of €63 million recognized in connection with the Elevator investment in the 3rd quarter of the reporting year; offsetting decline in interest expenses for financial debt
- Increase in income tax expense of continuing operations, primarily as a result of a rise in income before tax of continuing operations

Earnings per share (EPS)

- Improvement in income/(loss) from discontinued operations (net of tax) impacted by subsequent income in the 2nd quarter of the reporting year as a result of an agreement with the buyer of the elevator activities sold in 2019/2020 on offsetting mutual claims and obligations from tax guarantees.
- Net income in the reporting period significantly improved by €969 million to a profit of €801 million, and reduced in the 3rd quarter by €53 million to a profit of €92 million
- Correspondingly, earnings per share in the reporting period significantly improved by €1.57 to a positive €1.20, and reduced in the 3rd quarter by €0.08 to a positive €0.12

Analysis of the statement of cash flows

Operating cash flows

- Negative operating cash flows of continuing operations worsened significantly year-on-year in the reporting period, in particular because of increased inventories and trade accounts receivable due to price increases as well as reduction in increase of trade payables; significantly improved net income of continuing operations before despeciation, amortization, impairment and increased contract liabilities as main offsetting factors

Cash flows from investing activities

- Capital expenditures of continuing operations down slightly year-on-year
- Cash inflows from disposals of continuing operations down overall on the prior year, mainly as a result of reduction of time deposits with an original term of more than 90 days in the 1st quarter of the prior year; offsetting effect due to proceeds from the sale of the stainless steel business in the 2nd quarter of the reporting year

Cash flows from financing activities

- Cash flows from financing activities of continuing operations down, mainly because of higher payments for the early repayments of bonds

Free cash flow and net financial assets

RECONCILIATION TO FREE CASH FLOW BEFORE M & A

million €	9 months ended June 30, 2021	9 months ended June 30, 2022	Change	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022	Change
Operating cash flows – continuing operations (consolidated statement of cash flows)	(219)	(1,266)	(1,048)	(10)	(184)	(174)
Cash flow from investing activities – continuing operations (consolidated statement of cash flows)	112	(209)	(321)	(194)	(231)	(37)
Free cash flow – continuing operations (FCF)[1]	**(107)**	**(1,475)**	**(1,368)**	**(204)**	**(415)**	**(211)**
–/+ Cash inflow/cash outflow resulting from material M & A transactions	78	(490)	(568)	7	28	22
Adjustment due to IFRS 16	(74)	(77)	(3)	(37)	(25)	12
Adjustment due to time deposits	(850)	0	850	0	0	0
Free cash flow before M & A – continuing operations (FCF before M & A)[1]	**(953)**	**(2,042)**	**(1,089)**	**(235)**	**(412)**	**(177)**
Discontinued elevator operations[1]	0	0	0	0	0	0
Free cash flow before M & A – group (FCF before M & A)	**(953)**	**(2,042)**	**(1,089)**	**(235)**	**(412)**	**(177)**

[1] See preliminary remarks.

- FCF before M & A down significantly year-on-year and still significantly negative: temporary increase in working capital as a result of higher prices of commodities and other materials and delayed customer call-offs due to supply chain bottlenecks, although 3rd quarter FCF before M & A improves significantly quarter-on-quarter
- Significant decrease in net financial assets at June 30, 2022 to €2.0 billion compared with September 30, 2021 mainly due to negative FCF
- Available liquidity of €7.5 billion (€6.0 billion cash and cash equivalents and €1.5 billion undrawn committed credit lines)
- €1,250 million bond due on March 3, 2022 redeemed early on December 3, 2021 in accordance with an early redemption option under the terms and conditions of issue
- Repayment of €100 million loan notes due on December 14, 2021 and €8 million due on June 30, 2022
- Placement of new €8 million loan note due June 30, 2025

Rating

RATING

	Long-term rating	Short-term rating	Outlook
Standard & Poor's	BB-	B	stable
Moody's	B1	not Prime	positive
Fitch	BB-	B	stable

- Rating agencies Standard & Poor's and Moody's changed their outlook from "negative" to "stable" and from "stable" to "positive," respectively, in December 2021, with no change in their rating.

Analysis of the statement of financial position

Non-current assets

- Decrease in property, plant and equipment driven mainly by the impairment losses recognized in the Steel Europe segment in the 3rd quarter of the reporting year; offsetting increase because of currency translation
- Decrease in investments accounted for using the equity method in particular because of the impairment losses recognized in the 3rd quarter of the reporting year in connection with the Elevator investment
- Increase in other financial assets, primarily as a result of the subsequent measurement of interest-free loans recognized in this item in conjunction with the Elevator investment and of the interest in Italian company Acciai Speciali Terni S.p.A. (AST) retained in connection with the sale of the stainless steel business.
- Increase in other non-financial assets primarily due to higher advance payments on property, plant and equipment

Current assets

- Sharp increase in inventories and trade accounts receivable in particular in the materials businesses of the Steel Europe and Materials Services segments
- Increase in contract assets mainly in connection with the execution of construction contracts in the plant engineering businesses in the Multi Tracks segment and the materials businesses in the Steel Europe segment

- Decrease in other financial assets primarily from the accounting for commodity derivatives qualifying for hedge accounting
- Increase in other non-financial assets mainly because of higher refund claims in connection with non-income taxes as well as higher advance payments in operating activities
- Sharp decrease in cash and cash equivalents mainly as a result of the early repayment of a bond originally due in March 2022 and the scheduled repayment of a loan note in December 2021, the negative operating cash flows of continuing operations and capital expenditures of continuing operations; offset above all by proceeds from the sale of the stainless steel business disposal group
- Sharp decline in assets held for sale, especially as a consequence of the sale of the stainless steel business disposal group completed in the 2nd quarter of the reporting year

Total equity

- Sharp increase compared with September 30, 2021 mainly due to net income in the reporting period and gains recognized in other comprehensive income from remeasurement of pensions and similar obligations, from currency translation and from cash flow hedges

Non-current liabilities

- Significant decrease in provisions for pensions and similar obligations primarily due to gains from the remeasurement of pensions mainly as a result of the higher pension discount rate in Germany
- Significant reduction in financial debt in particular due to reclassification to current financial liabilities of a bond due in March 2023

Current liabilities

- Lower provisions for current employee benefits and other provisions, influenced in particular by lower additions than utilizations and reversals
- Increase in current income tax liabilities in particular as a result of higher payment obligations due to the rise in income before tax
- Overall decline in financial debt, mainly due to above-mentioned repayment of a bond and a loan note in December 2021; partly offset by the above-mentioned reclassification of a bond from non-current financial liabilities
- Increase in trade accounts payable especially at the automotive businesses
- Increase in contract liabilities especially because of the execution of construction contracts in the marine business
- Increase in other non-financial liabilities mainly influenced by higher liabilities in connection with non-income taxes
- Significant decline in liabilities in connection with assets held for sale, especially as a consequence of the sale of the stainless steel business disposal group completed in the 2nd quarter of the reporting year

Compliance

- Strong values as foundation of our work – particularly in difficult economic environment; anchored in Mission Statement, Code of Conduct and Compliance Commitment
- Continuous implementation and enhancement of thyssenkrupp compliance management system in our core compliance areas corruption prevention, antitrust law, data protection, money laundering, and trade compliance
- Close involvement of Compliance in various sanctions related issues and additionally in M & A activities to advise on a number of antitrust issues
- More information on compliance at thyssenkrupp in the 2020 / 2021 Annual Report and on the website www.thyssenkrupp.com

Forecast, opportunity and risk report

Forecast for 2021 / 2022

Overall assessment and key assumptions

For key assumptions and expected economic parameters, see the Forecast section and the section “Macro and sector environment” in this interim management report. The corresponding opportunities and risks are set out in the “Opportunity and risk report” that follows this section.

We are pushing ahead with our realignment as a high-performance, sustainable group of companies. The definition of our target portfolio in May 2020 placed a clear focus on the industrial portfolio and business models, development potential, competitive profitability and cash flow of our businesses.

Against this background, in fiscal 2021 / 2022 we will continue to focus on the performance, structural improvement and further development of our businesses as well as continuing targeted growth initiatives despite the significant increase in geopolitical and economic uncertainty. All mid-term targets are backed up by concrete action plans.

Within the segment Multi Tracks we were able to complete the sale processes for the infrastructure business and the stainless steel business at the end of November 2021 and the end of January 2022, respectively. We also expect to complete the transaction for the mining business, for which a sales agreement has already been signed, by the end of the current fiscal year. We will also develop other “best & fair owner” concepts towards a closing. An IPO remains the preferred option for further developing the hydrogen business.

Since the outbreak of the war in Ukraine in February 2022, a variety of geopolitical and economic turmoil have been apparent. At the present time, the further development and consequences of the war in Ukraine on thyssenkrupp’s business development – such as rising energy prices, which are moving at a high level, equally highly volatile raw material prices, highly volatile call-offs by customers from the automotive industry as well as possible restrictions on the availability of fossil fuels (in particular natural gas) – remain associated with high uncertainties and only allow for a limited assessment of possible effects and risks, especially in relation to the development of net working capital and, consequently, free cash flow before M & A.

Both the development of the economic conditions for our businesses and the underlying planning assumptions for the 2021 / 2022 forecast are marked by in some cases considerable uncertainties arising partly from:

- lack of clarity about how the war in Ukraine will develop – including the direct and indirect consequences – and the resulting trade conflicts and restrictions
- the continued need for a steady supply of fossil fuels (especially natural gas) and raw materials, particularly for steel production
- the volatility – including sudden fluctuations which are sometimes extreme and almost impossible to predict – and further development of raw material prices and factor costs (including energy,

material and freight costs) as well as associated fears of rising inflation with negative effects on consumer and investment confidence
- the continued strained situation in the global procurement market and supply bottlenecks for industrial starting products (including semiconductors)
- lack of clarity over the further progression of the coronavirus pandemic including any further or renewed lockdown measures, especially in China and across Asia
- the possible slowing growth of the Chinese economy as a key factor for global growth and as an important sales market

Expectations for 2021 / 2022

Our forecast is based on the market forecasts and the description of opportunities and risks provided in the section "Macro and sector environment". GDP growth in 2022 for regions of importance to us – Germany, the USA and China – is expected to be 1.4%, 1.4% and 4.0% respectively.

Moreover, the 2021 / 2022 forecast is based in particular on the assumption that necessary fossil fuels (especially natural gas) and raw materials will continue to be available without restriction and that they will not result in any restrictions on planned production.

The disposal process initiated in the 2020 / 2021 fiscal year for the plant engineering activities of the mining, infrastructure and the stainless steel businesses in the Multi Tracks segment met the criteria for presentation as disposal groups in accordance with IFRS 5 for the first time in the 4th quarter of the 2020 / 2021 fiscal year. As the sale processes for the infrastructure business and the stainless steel business were completed at the end of November 2021 and end of January 2022, respectively, these businesses no longer form part of the forecast and are termed "sold disposal groups" in the following. The prior-year reference values remain unchanged. For the sales and adjusted EBIT of the Multi Tracks segment and the Group, the prior-year figures for the sold disposal groups are shown on a pro forma basis in the following.

The forecast assumes no effects from further possible portfolio measures.

In view of the forecast economic conditions and underlying assumptions, the structural improvement in our business that we still expect and the increased uncertainties at present, we believe that the following view of fiscal year 2021 / 2022 is appropriate:

Sales are expected to be up significantly year-on-year with an increase in the low double-digit percentage range (prior year: €34 billion, of which sold disposal groups: pro forma €2.2 billion).

Taking the existing uncertainties described above into account, we are expecting a significant improvement in **adjusted EBIT** to a figure of at least €2.0 billion (prior year: €796 million, of which sold disposal groups: pro forma €61 million). This performance stems essentially from the significant earnings improvement at Steel Europe and at Materials Services and a further reduced loss at Multi Tracks, partially offset by the currently lower earnings contributions from the components businesses. However, it will not be possible to compensate fully for headwinds in the components businesses due to supply chain issues and further rising factor costs by means of efficiency gains and cost pass through.

- At **Materials Services**, we are expecting volumes to be down year-on-year. Thanks to supportive dynamic price movements, we expect adjusted EBIT to reach up to €1.0 billion (previous year: €587 million).

- At Industrial Components, we are expecting a primarily price-driven increase in sales and adjusted EBIT to decline to a figure in the low three-digit million euro range (prior year: sales: €2.5 billion; adjusted EBIT: €322 million), mainly because of higher factor costs. A temporary regional slowdown in demand for wind energy is expected, particularly due to pull-forward effects already caused by subsidies in China. In the forgings business we are expecting headwinds for car and truck components from the ongoing bottlenecks in customer supply chains.

- At **Automotive Technology** we expect sales to remain largely stable (previous year: €4.5 billion). However, especially given the increased uncertainties at present, this depends on how planned customer call-offs develop due to ongoing bottlenecks in the supply chain. We are expecting adjusted EBIT to come in significantly below the prior year (prior year: €264 million), also because of the recent sharp rises in factor costs, which cannot be fully compensated by continued efficiency and pricing measures.

- At **Steel Europe** we expect a significant increase in adjusted EBIT by at least €1.0 billion as a result of a significant margin increase amid slightly declining volumes and structural improvements from implementing the Steel Strategy 20–30. This performance depends particularly on the further development of economic conditions, including the supply chain issues, and in the ensuing shipment volumes, as well as on further development of raw material prices and energy costs (prior year: adjusted EBIT: €116 million).

- At **Marine Systems**, we are projecting a slight decrease in sales for billing reasons and slightly higher adjusted EBIT (prior year: sales: €2.0 billion, adjusted EBIT: €26 million), also supported by improvements in project execution.

- For the businesses combined in Multi Tracks, following the sale of the infrastructure business and the stainless steel business, we are expecting a significant decline in sales (prior year: €5.7 billion, of which sold disposal groups: pro forma €2.2 billion) accompanied by an improvement in adjusted EBIT (prior year: adjusted EBIT €(298) million, of which sold disposal groups: pro forma €61 million). This will be mainly the result of the closure of the heavy plate mill, improved project execution in plant engineering and the ongoing restructuring measures.

- For **Corporate Headquarters** we anticipate adjusted EBIT above the prior year's level (prior year: adjusted EBIT €(194) million).

Capital spending is expected to be down considerably year-on-year (prior year: €1,630 million). Investments will be approved on a restrictive basis, especially in light of the increased uncertainties at present, and depending on business performance. At Steel Europe, focus on the investments will be in conjunction with the Steel Strategy 20–30. Investments for targeted growth initiatives will continue to be made in the other businesses.

For **free cash flow before M & A** we expect a significant improvement year-on-year. Taking into account the uncertainties and assumptions mentioned above and the current geopolitical and economic turmoil, we are expecting a negative figure in the mid-three-digit million euro range for the current fiscal year (prior year: €(1.3) billion). The improvement will come primarily from the increase in adjusted EBIT. An increase in net working capital, particularly fueled by price increases and further cash outflows for restructurings, is having an opposite effect. In addition, cash flows from order intake and the payment profile of project businesses (especially at Marine Systems and Multi Tracks) might also have an influence on this development.

We are now expecting net income in the high three-digit million euro range (prior year: €(25) million). The operational improvements are partly offset by impairment losses, including in connection with higher cost of capital due to the recent sharp rise in interest rates.

The effects described above mean that **tkVA** is expected to be higher than a year ago and significantly positive (prior year €(622) million).

We will take into account the development of our key performance indicators – also keeping in mind economic justifiability – in preparing our **dividend proposal** to the Annual General Meeting.

Opportunities and risks

Opportunities

- Detailed information on opportunities described in the 2020/2021 Annual Report continues to apply
- Opportunities from further systematic implementation of the transformation into a high-performing, sustainable group of companies
- Opportunities from comprehensive technology expertise under the strong "thyssenkrupp" umbrella brand; sustainable products and technologies offer increased opportunities of participating in growth, for example in the areas of renewable energy, hydrogen and e-mobility

Risks

- Detailed information on risks described in the 2020/2021 Annual Report continues to apply; changes in individual risk assessments as a consequence of the war in Ukraine and the associated sanctions; in particular risk of gas availability
- No going concern risks as long as the supply of gas to our industrial plants, especially at Steel Europe, can be maintained even if Russia possibly cuts of gas supplies; depending on the availability scenario, uneconomic operation down to irreparable damage to the coking plant and other equipment cannot be ruled out
- Uncertainty about the further course of the war in Ukraine and geographic spread of the conflict; risks due to possible further supply restrictions for oil and gas resulting in production stoppages in manufacturing industry; continued high energy, material and commodity prices and associated fears of rising inflation with negative impact on consumer and investment confidence, also due to further interest rate hikes; persistent or worsening supply bottlenecks for starting products
- Uncertainties over further progression of the coronavirus pandemic in particular because of new virus mutations, vaccination rate trends and fresh lockdown measures; growth risks for the global economy and in markets relevant to thyssenkrupp
- Uncertainty about developments at numerous other geopolitical flashpoints and about trade conflicts, recurring floods and other natural disasters as a consequence of climate change; pronounced and lasting slowdown of growth in China, including as a result of the zero-Covid strategy; indebtedness problems in particular in some European countries, particularly as a result of numerous state support measures to mitigate the impact of the pandemic; volatile exchange rates
- Risks through temporary efficiency losses in production as a result of restructurings in connection with our company transformation
- Risks of cost and schedule overruns in the execution of major projects
- Risks from further increase in attacks on IT infrastructure; countermeasure: further continuous expansion of information security management and security technologies

Condensed interim financial statements of the thyssenkrupp group

thyssenkrupp group – statement of financial position

ASSETS

million €	Note	Sept. 30, 2021	June 30, 2022
Intangible assets		1,892	1,870
Property, plant and equipment (inclusive of investment property)		6,513	6,193
Investments accounted for using the equity method		670	637
Other financial assets		718	837
Other non-financial assets		337	527
Deferred tax assets		472	504
Total non-current assets		**10,602**	**10,567**
Inventories		7,116	9,557
Trade accounts receivable		4,308	5,802
Contract assets		1,434	1,562
Other financial assets		849	700
Other non-financial assets		1,386	1,575
Current income tax assets		123	176
Cash and cash equivalents	14	8,974	5,860
Assets held for sale	02	2,019	561
Total current assets		**26,209**	**25,794**
Total assets		**36,811**	**36,361**

See accompanying notes to financial statements.

EQUITY AND LIABILITIES

million €	Note	Sept. 30, 2021	June 30, 2022
Capital stock		1,594	1,594
Additional paid-in capital		6,664	6,664
Retained earnings		1,771	4,321
Cumulative other comprehensive income		372	1,014
thereof relating to disposal groups		(34)	(17)
Equity attributable to thyssenkrupp AG's stockholders		**10,400**	**13,593**
Non-controlling interest		445	492
Total equity	03	**10,845**	**14,085**
Provisions for pensions and similar obligations	04	7,896	5,952
Provisions for other non-current employee benefits		298	259
Other provisions	05	513	480
Deferred tax liabilities		60	50
Financial debt	06	3,784	2,783
Other financial liabilities		66	37
Other non-financial liabilities		1	1
Total non-current liabilities		**12,619**	**9,561**
Provisions for current employee benefits		176	151
Other provisions	05	1,175	1,028
Current income tax liabilities		151	261
Financial debt	06	1,640	1,177
Trade accounts payable		4,244	4,481
Other financial liabilities		729	694
Contract liabilities		2,205	2,548
Other non-financial liabilities		1,794	2,028
Liabilities associated with assets held for sale	02	1,232	346
Total current liabilities		**13,347**	**12,715**
Total liabilities		**25,966**	**22,276**
Total equity and liabilities		**36,811**	**36,361**

See accompanying notes to financial statements.

thyssenkrupp group – statement of income

million €, earnings per share in €	Note	9 months ended June 30, 2021	9 months ended June 30, 2022	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022
Sales	09, 10	24,575	30,571	8,676	10,950
Cost of sales		(21,421)	(26,174)	(7,424)	(9,556)
Gross Margin		**3,154**	**4,397**	**1,252**	**1,394**
Research and development cost		(168)	(171)	(57)	(62)
Selling expenses		(1,756)	(1,832)	(643)	(630)
General and administrative expenses		(1,140)	(1,120)	(300)	(404)
Other income	11	217	252	57	76
Other expenses		(70)	(129)	(20)	(75)
Other gains/(losses), net		48	(20)	34	(3)
Income/(loss) from operations		**286**	**1,376**	**323**	**295**
Income from companies accounted for using the equity method	12	(86)	(142)	(43)	(72)
Finance income		540	911	173	415
Finance expense		(717)	(1,051)	(228)	(458)
Financial income/(expense), net		**(263)**	**(283)**	**(99)**	**(115)**
Income/(loss) from continuing operations before tax		**23**	**1,094**	**224**	**180**
Income tax (expense)/income		(173)	(301)	(78)	(88)
Income/(loss) from continuing operations (net of tax)		**(151)**	**792**	**146**	**92**
Income/(loss) from discontinued operations (net of tax)	02	**(17)**	**9**	**(2)**	**0**
Net income/(loss)		**(168)**	**801**	**145**	**92**
Thereof:					
thyssenkrupp AG's shareholders		**(231)**	**746**	**125**	**76**
Non-controlling interest		63	55	20	16
Net income/(loss)		**(168)**	**801**	**145**	**92**
Basic and diluted earnings per share based on	13				
Income/(loss) from continuing operations (attributable to thyssenkrupp AG's shareholders)		**(0.34)**	**1.19**	**0.20**	**0.12**
Net income/(loss) (attributable to thyssenkrupp AG's shareholders)		**(0.37)**	**1.20**	**0.20**	**0.12**

See accompanying notes to financial statements.

thyssenkrupp group – statement of comprehensive income

million €	9 months ended June 30, 2021	9 months ended June 30, 2022	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022
Net income/(loss)	**(168)**	**801**	**145**	**92**
Items of other comprehensive income that will not be reclassified to profit or loss in future periods:				
Other comprehensive income from remeasurements of pensions and similar obligations				
Change in unrealized gains/(losses), net	390	1,805	35	1,085
Tax effect	(23)	(4)	(3)	6
Other comprehensive income from remeasurements of pensions and similar obligations, net	367	1,801	32	1,091
Unrealized gains/(losses) from fair value measurement of equity instruments				
Change in unrealized gains/(losses), net	6	3	1	0
Tax effect	0	0	0	0
Net unrealized (gains)/losses	6	3	1	0
Share of unrealized gains/(losses) of investments accounted for using the equity-method	2	5	4	5
Subtotals of items of other comprehensive income that will not be reclassified to profit or loss in future periods	**375**	**1,809**	**37**	**1,096**
Items of other comprehensive income that could be reclassified to profit or loss in future periods:				
Foreign currency translation adjustment				
Change in unrealized gains/(losses), net	72	371	15	149
Net realized (gains)/losses	1	1	0	0
Net unrealized (gains)/losses	73	372	15	149
Unrealized gains/(losses) from fair value measurement of debt instruments				
Change in unrealized gains/(losses), net	7	3	1	2
Net realized (gains)/losses	0	0	0	0
Tax effect	0	0	0	0
Net unrealized (gains)/losses	7	3	1	2
Unrealized gains/(losses) from impairment of financial instruments				
Change in unrealized gains/(losses), net	(20)	(4)	(18)	(3)
Net realized (gains)/losses	1	3	2	1
Tax effect	4	0	4	0
Net unrealized (gains)/losses	(14)	(1)	(12)	(2)
Unrealized gains/(losses) on cash flow hedges				
Change in unrealized gains/(losses), net	280	175	82	(86)
Net realized (gains)/losses	14	(4)	14	33
Tax effect	(19)	(2)	25	(1)
Net unrealized (gains)/losses	276	169	121	(54)
Share of unrealized gains/(losses) of investments accounted for using the equity-method	75	126	64	56

million €	9 months ended June 30, 2021	9 months ended June 30, 2022	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022
Subtotals of items of other comprehensive income that could be reclassified to profit or loss in future periods	**417**	**668**	**189**	**151**
Other comprehensive income	**792**	**2,477**	**226**	**1,247**
Total comprehensive income	**624**	**3,278**	**371**	**1,339**
Thereof:				
thyssenkrupp AG's shareholders	540	3,194	352	1,325
Non-controlling interest	84	84	18	14
Total comprehensive income attributable to thyssenkrupp AG's stockholders refers to:				
Continuing operations	557	3,185	354	1,325
Discontinued operations	(17)	9	(2)	0

See accompanying notes to financial statements.

thyssenkrupp group – statement of changes in equity

million €, (except number of shares)	Equity attributable to thyssenkrupp AG's stockholders Number of shares outstanding	Capital stock	Additional paid-in capital	Retained earnings
Balance as of Sept. 30, 2020	**622,531,741**	**1,594**	**6,664**	**1,472**
Net income/(loss)				(231)
Other comprehensive income				369
Total comprehensive income				**138**
Profit attributable to non-controlling interest				
Capital increase				
Changes of shares of already consolidated companies				(7)
Other changes				(16)
Balance as of June 30, 2021	**622,531,741**	**1,594**	**6,664**	**1,588**
Balance as of Sept. 30, 2021	**622,531,741**	**1,594**	**6,664**	**1,771**
Net income/(loss)				746
Other comprehensive income				1,806
Total comprehensive income				**2,552**
Profit attributable to non-controlling interest				
Other changes				(2)
Balance as of June 30, 2022	**622,531,741**	**1,594**	**6,664**	**4,321**

See accompanying notes to financial statements.

	Equity attributable to thyssenkrupp AG's stockholders									
	Cumulative other comprehensive income									
					Cash flow hedges					
	Foreign currency translation adjustment	Fair value measurement of debt instruments	Fair value measurement of equity instruments	Impairment of financial instruments	Designated risk component	Hedging costs	Share of investments accounted for using the equity method	Total	Non-controlling interest	Total equity
	(93)	**6**	**2**	**42**	**84**	**(1)**	**40**	**9,810**	**364**	**10,174**
								(231)	63	(168)
	59	4	6	(14)	272	1	75	771	21	792
	59	**4**	**6**	**(14)**	**272**	**1**	**75**	**540**	**84**	**624**
								0	(41)	(41)
								0	2	2
								(7)	4	(3)
								(16)	16	0
	(34)	**9**	**8**	**28**	**355**	**0**	**115**	**10,328**	**428**	**10,756**
	19	**10**	**8**	**33**	**217**	**(37)**	**123**	**10,400**	**445**	**10,845**
								746	55	801
	340	2	3	(1)	158	15	126	2,448	30	2,477
	340	**2**	**3**	**(1)**	**158**	**15**	**126**	**3,194**	**84**	**3,278**
								0	(35)	(35)
								(2)	(1)	(3)
	359	**12**	**11**	**32**	**375**	**(22)**	**249**	**13,593**	**492**	**14,085**

thyssenkrupp group – statement of cash flows

million €	9 months ended June 30, 2021	9 months ended June 30, 2022	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022
Net income/(loss)	**(168)**	**801**	**145**	**92**
Adjustments to reconcile net income/(loss) to operating cash flows:				
Income/(loss) from discontinued operations (net of tax)	17	(9)	2	0
Deferred income taxes, net	17	(9)	13	(38)
Depreciation, amortization and impairment of non-current assets	731	1,139	258	646
Reversals of impairment losses of non-current assets	(56)	(52)	(22)	(18)
Income/(loss) from companies accounted for using the equity method, net of dividends received	86	142	43	72
(Gain)/loss on disposal of non-current assets	(55)	13	(35)	(4)
Changes in assets and liabilities, net of effects of acquisitions and divestitures and other non-cash changes				
– Inventories	(1,151)	(2,316)	(608)	(470)
– Trade accounts receivable	(538)	(1,295)	(23)	(119)
– Contract assets	(91)	(68)	(138)	(165)
– Provisions for pensions and similar obligations	(104)	(157)	(53)	(38)
– Other provisions	12	(293)	(86)	(1)
– Trade accounts payable	1,074	164	256	(378)
– Contract liabilities	(176)	241	(130)	37
– Other assets/liabilities not related to investing or financing activities	182	432	369	199
Operating cash flows – continuing operations	**(219)**	**(1,266)**	**(10)**	**(184)**
Operating cash flows – discontinued operations	(3)	0	0	0
Operating cash flows	**(222)**	**(1,267)**	**(10)**	**(184)**
Purchase of investments accounted for using the equity method and non-current financial assets	(2)	(7)	0	0
Expenditures for acquisitions of consolidated companies net of cash acquired	(37)	(1)	0	0
Capital expenditures for property, plant and equipment (inclusive of advance payments) and investment property	(802)	(764)	(254)	(236)
Capital expenditures for intangible assets (inclusive of advance payments)	(20)	(30)	(5)	(11)
Proceeds from disposals of previously consolidated companies net of cash disposed	2	575	3	6
Proceeds from disposals of property, plant and equipment and investment property	120	18	61	10
Proceeds from disposals of intangible assets	1	0	1	0
Proceeds from disposals of time deposits	850	0	0	0
Cash flows from investing activities – continuing operations	**112**	**(209)**	**(194)**	**(231)**
Cash flows from investing activities – discontinued operations	0	0	0	0
Cash flows from investing activities	**112**	**(209)**	**(194)**	**(231)**

million €	9 months ended June 30, 2021	9 months ended June 30, 2022	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022
Repayments of bonds	(850)	(1,250)	0	0
Proceeds from liabilities to financial institutions	202	133	49	26
Repayments of liabilities to financial institutions	(233)	(115)	(131)	(15)
Lease liabilities	(105)	(106)	(36)	(35)
Proceeds from/(repayments on) loan notes and other loans	(141)	(193)	(3)	(94)
Profit attributable to non-controlling interest	(41)	(35)	(31)	(7)
Expenditures for acquisitions of shares of already consolidated companies	(3)	0	0	0
Financing of discontinued operations	(3)	0	0	0
Other financial activities	(29)	(102)	7	(42)
Cash flows from financing activities – continuing operations	**(1,203)**	**(1,670)**	**(144)**	**(167)**
Cash flows from financing activities – discontinued operations	3	0	0	0
Cash flows from financing activities	**(1,201)**	**(1,669)**	**(144)**	**(167)**
Net increase/(decrease) in cash and cash equivalents	(1,311)	(3,144)	(349)	(582)
Effect of exchange rate changes on cash and cash equivalents	22	53	14	9
Cash and cash equivalents at beginning of year	10,697	9,017	9,742	6,498
Cash and cash equivalents at end of year	**9,408**	**5,925**	**9,408**	**5,925**
thereof cash and cash equivalents within the disposal groups	0	65	0	65
Additional information regarding cash flows from interest, dividends and income taxes which are included in operating cash flows of continuing operations:				
Interest received	7	10	3	4
Interest paid	(151)	(124)	(13)	(13)
Dividends received	16	33	15	33
Income taxes (paid)/received	(120)	(243)	(48)	(97)

See accompanying notes to financial statements.

thyssenkrupp group – Selected notes

Corporate information

thyssenkrupp Aktiengesellschaft (“thyssenkrupp AG” or “Company”) is a publicly traded corporation domiciled in Duisburg and Essen in Germany. The condensed interim consolidated financial statements of thyssenkrupp AG and its subsidiaries, collectively the “group”, for the period from October 1, 2021 to June 30, 2022, were reviewed and authorized for issue in accordance with a resolution of the Executive Board on August 9, 2022.

Basis of presentation

The accompanying group’s condensed interim consolidated financial statements have been prepared pursuant to section 115 of the German Securities Trading Act (WpHG) and in conformity with IAS 34 “Interim financial reporting”. They are in line with the International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB) for interim financial information effective within the European Union. Accordingly, these financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting purposes.

The accounting principles and practices as applied in the group’s condensed interim consolidated financial statements as of June 30, 2022 correspond to those pertaining to the most recent annual consolidated financial statements with the exception of the recently adopted accounting standards. A detailed description of the accounting policies is published in the notes to the consolidated financial statements of our annual report 2020 / 2021.

Review of estimates and judgments

The preparation of the group financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. All estimates and assumptions are made to the best of management’s knowledge and belief in order to fairly present the group’s financial position and results of operations; they are reviewed on an ongoing basis. This applies in particular with regard to the possible impacts of the war in Ukraine and the current global coronavirus pandemic. Against this background an impairment test was conducted on the critical items goodwill, other intangible assets and property, plant and equipment, investments, deferred tax assets, trade accounts receivable and contract assets (see Note 08).

The following impairment losses should be highlighted in the 1st quarter ended December 31, 2021: In the Steel Europe segment, an impairment loss of €13 million was necessary on construction in progress due to construction defects caused by the upstream supplier. At a Chinese Springs & Stabilizers plant in the Multi Tracks segment, damage caused by adverse weather resulted in impairment losses of €12 million, which largely related to technical plant and machinery as well as buildings.

After impairment losses of €6 million were recognized on technical equipment and machinery in the global electric steering product area in the Steering business unit of the Automotive Technology segment in the 2nd quarter ended March 31, 2022 due to reduced sales expectations, further impairment losses of €23 million were recognized on technical equipment and machinery in the global electric steering gear product area in this business in the 3rd quarter ended June 30, 2022, mainly due to increased materials and logistics costs and the higher cost of capital. The continuing shortage of semiconductors and the impact of the war in Ukraine are continuing to lead to reduced call-offs by customers in the automotive industry. The recoverable amount relevant for determining the impairment loss is the value in use, which amounts to a total of €565 million and for which a discount rate (after tax) of 8.40 % was applied.

Due to the significant increase in the cost of capital in the 3rd quarter ended June 30, 2022 (a triggering event in accordance with IAS 36.12) all cash-generating units of the thyssenkrupp group were subject to a further impairment test in accordance with IAS 36 as of June 30, 2022; as a result an impairment loss had to be recognized in the Steel Europe segment. Applying a discount rate (after tax) of 7.67 % for the future cash flows, the total carrying amount of €6,869 million as of June 30, 2022 resulted in a relevant value in use of €6,475 million. The resulting impairment loss required to be recognized at Steel Europe amounts to €390 million. Of this amount, €204 million relates to technical machinery and equipment, €109 million to construction in progress, €46 million to buildings, €21 million to other equipment, factory and office equipment, €8 million to development costs and €2 million to other intangible assets. Furthermore, this resulted in an impairment loss on corporate assets amounting to €4 million. The underlying value in use is based on a range of scenarios for the future course of business. In addition to the steel-specific cyclical risks already used in previous measurements, potential temporary restrictions on gas supplies (for thyssenkrupp's own production facilities and those of customers) and the resulting temporary underutilization of Steel Europe in relation to the winter half year of 2022 / 2023 has now been taken into account as a scenario, which will burden the short-term cash flow expectations for next fiscal year. The results of the scenarios were weighted using probabilities that reflect the current management assessment. The current measurement environment continues to be affected by uncertainty about economic conditions as well as the dynamic development in the cost of capital. It can therefore not be ruled out from today's perspective that future trends will have a negative impact on the value development of the assets at Steel Europe.

The impairment loss of €4 million on assets used jointly in the thyssenkrupp group (corporate assets) was recognized in Special Units. These assets are allocated proportionately to the cash-generating units for impairment testing purposes as they do not generate independent cash inflows. The impairment loss results from the reduced viability of the corporate assets due in particular to the Steel Europe cash-generating unit in connection with the impairment losses recognized there in the 3rd quarter ended June 30, 2022.

Moreover, in the 3rd quarter ended June 30, 2022, an impairment loss of €63 million was recognized on the ordinary shares in Vertical Topco I S.A., Luxembourg, which are part of the Elevator investment (cf. Note 02).

The uncertainties in assessing the impact of the continuing global COVID-19 pandemic on current business performance, including earnings prospects, have not changed since September 30, 2021. Since the outbreak of the war in Ukraine in February 2022, a variety of geopolitical and economic upheavals have been apparent. From today's perspective, further developments and their impact on our business, such as sharp fluctuations in energy materials and raw materials prices, potential further supply restrictions for oil and gas and associated fears of further rising inflation rates with negative effects on the consumer and investment willingness, persistent or worsening supply bottlenecks for intermediate products in manufacturing industry as well as considerable volatility in call-offs by customers from the automotive industry remain associated with a high level of uncertainty; see also the detailed description of overall conditions in the report on economic position in the interim management report.

01 Recently adopted accounting standards

In fiscal year 2021 / 2022, thyssenkrupp adopted the following interpretations and amendments to existing standards that do not have a material impact on the Group's consolidated financial statements:

- Amendments to IFRS 4 "Insurance Contracts – deferral of IFRS 9", issued in June 2020

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 und IFRS 16 "Interest Rate Benchmark Reform – Phase 2", issued in August 2020

02 Discontinued operation, disposal groups and disposals

Discontinued Elevator operations

End of February 2020, thyssenkrupp signed an agreement with a bidding consortium led by Advent International and Cinven on the full sale of its elevator business Elevator Technology. After all the responsible authorities had approved the sale, the closing of the transaction together with the deconsolidation of Elevator Technology took place on July 31, 2020. The transaction met the criteria for presentation as a discontinued operation under IFRS 5. It encompassed Elevator Technology and individual units from Corporate Headquarters. Irrespective of the deconsolidation already recognized, subsequent expenses and income and cash flows directly related to the sale of the elevator activities are continued to be reported separately in the statement of income and the statement of cash flows.

The table below shows the subsequent expenses incurred and subsequent income generated in the 9 months and 3rd quarter ended June 30, 2022 as well as in the corresponding prior-year periods arising from the mutual obligations under the agreement on the sale of the elevator operations of 2019 / 2020. In relation to the mutual claims and obligations from tax guarantees, a new agreement was entered into with the buyer in the 2nd quarter ended March 31, 2022 that specifies that claims and obligations previously recognized can be fully offset.

DISCONTINUED ELEVATOR OPERATIONS

million €	9 months ended June 30, 2021	9 months ended June 30, 2022	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022
Sales	0	0	0	0
Other income	0	0	0	0
Expenses	(17)	9	(2)	0
Ordinary income/(loss) from discontinued operations (before tax)	**(17)**	**9**	**(2)**	**0**
Income tax (expense)/income	0	0	0	0
Ordinary income/(loss) from discontinued operations (net of tax)	**(17)**	**9**	**(2)**	**0**
Gain/(loss) recognized on disposal of discontinued operations (before tax)	0	0	0	0
Income tax (expense)/income	0	0	0	0
Gain/(loss) recognized on disposal of discontinued operations (net of tax)	**0**	**0**	**0**	**0**
Income/(loss) from discontinued operations (net of tax)	**(17)**	**9**	**(2)**	**0**
Thereof:				
thyssenkrupp AG's shareholders	(17)	9	(2)	0
Non-controlling interest	0	0	0	0

In the context of the disposal of Elevator Technology business as of July 31, 2020 thyssenkrupp holds an investment that was part of the consideration received from the disposal. It comprises several financing instruments which are accounted for as follows:

- Ordinary shares (with voting rights) in Vertical Topco I S.A., Luxembourg. Due to the existence of significant influence, the ordinary shares are treated and reported as an investment accounted for using the equity method in accordance with the requirements of IAS 28. Amortization of the acquisition cost is recognized in financial income from companies accounted for using the equity method in the statement of income.

- Preference shares (with voting rights) in Vertical Topco I S.A., Luxembourg. The preference shares are treated as an equity instrument in accordance with IAS 32 and IFRS 9 and reported under other non-current financial assets. Subsequent measurement is at fair value, with changes in fair value recognized directly in equity (without recycling).

- Interest-free loans (borrower: Vertical Topco I S.A., Luxembourg). The interest-free loans are treated as debt instruments in accordance with IAS 32 and IFRS 9 and likewise reported under other non-current financial assets. They are measured at amortized cost, with income effects from subsequent measurement recognized in finance income/finance expense under financial income/expense in the statement of income.

Disposal groups

In the course of its transformation and strategic realignment, thyssenkrupp is also focusing on its portfolio. In this context in the 4th quarter of 2020 / 2021 the disposal of Mining, Infrastructure and the stainless steel business has been initiated. These transactions do not meet the requirements of IFRS 5 for a presentation of a discontinued operation. Therefore, expenses and income will continue to be presented as income from continuing operations until the date of disposal and the assets and liabilities of the respective disposal groups will be disclosed separately in the balance sheet as of September 30, 2021 and – if not disposed of in the meantime – also in the balance sheet as of June 30, 2022 in the line items “Assets held for sale” and “Liabilities associated with assets held for sale”.

Mining disposal group

On July 29, 2021, thyssenkrupp signed an agreement to sell the mining business in the Multi Tracks segment to Danish company FLSmidth. The disposal group provides technologies for the mining industry. The transaction is subject to merger control approvals, which have largely been obtained. The comprehensive carve-out activities have also been largely completed. We are expecting the transaction to close in the last quarter of the current fiscal year. In connection with the initiated sale immediately before the initial classification as a disposal group it has been ensured that the measurement of the assets is in accordance with IAS 36; this has not resulted in any impairment.

As of June 30, 2022, the allocation of individual current assets and liabilities (mainly trade accounts receivable/trade accounts payable and contract assets and liabilities) to the disposal group was changed, as selected customer contracts cannot be transferred to the acquirer because of legal factors. No change was made to the transaction object itself. The change in the composition of the disposal group resulted in particular in a €29 million decrease in liabilities associated with assets held for sale compared with March 31, 2022. This did not result in any impairment.

The assets and liabilities of the disposal group as of September 30, 2021 and as of June 30, 2022, respectively are presented in the following table; €(17) million (September 30, 2021: €(30) million) of cumulative other comprehensive income presented within equity is attributable to the disposal group.

MINING DISPOSAL GROUP

million €	Sept. 30, 2021	June 30, 2022
Intangible assets	93	95
Property, plant and equipment (inclusive of investment property)	66	70
Deferred tax assets	18	17
Inventories	98	111
Trade accounts receivable	115	86
Contract assets	74	68
Other current financial assets	1	1
Other current non-financial assets	33	45
Current income tax assets	4	3
Cash and cash equivalents	31	65
Assets held for sale	**532**	**561**
Provisions for pensions and similar obligations	37	27
Provisions for other non-current employee benefits	4	4
Other non-current provisions	4	4
Deferred tax liabilities	0	2
Non-current financial debt	6	4
Provisions for current employee benefits	10	11
Other current provisions	39	26
Current income tax liabilities	2	2
Current financial debt	3	2
Trade accounts payable	95	60
Other current financial liabilities	1	2
Contract liabilities	167	137
Other current non-financial liabilities	78	64
Liabilities associated with assets held for sale	**445**	**346**

Infrastructure disposal group

On August 5, 2021, thyssenkrupp signed an agreement with FMC Beteiligungs KG to sell Infrastructure in the Multi Tracks segment. The disposal group is active in civil engineering, port engineering and special-purpose civil engineering, as well as in structural engineering. The product portfolio comprises the areas of profiles and anchor technology, flood protection, pile driving and drawing technology, drilling engineering, trench sheeting and shoring.

In connection with the allocation of Infrastructure to the Multi Tracks segment, comprehensive studies of the market environment and of the potential for disposing of individual assets were performed. In light of this, Infrastructure was tested again for impairment under IAS 36 in the 3rd quarter of 2020 / 2021 and an impairment loss of €27.3 million was identified; €0.2 million of this amount related to intangible assets and €24.3 million to property, plant and equipment. €2.8 million could not be recognized due to the lower value limits under IAS 36.105. The relevant recoverable amount used to determine the impairment loss in each case corresponded to the respective value in use, which amounted to €58 million in total and was determined applying a discount rate (after taxes) of 7.65 %. In addition, the carrying amounts of assets and liabilities were reviewed in the 4th quarter of 2020 / 2021 on initial classification as a disposal group as part of the initiated sale process; this resulted in further impairment losses of €20 million, which relate in particular to current assets. Impairment losses are reported in cost of sales in the 4th quarter of 2020 / 2021. Following the recognized impairment losses, the carrying amount of the disposal group corresponded to fair value less costs of disposal.

After receiving all merger control approvals, the sale of Infrastructure to FMC Beteiligungs KG, with the exception of the Australian activities, was completed on November 30, 2021. This resulted in a loss of €6 million, which is reported in other gains and losses in the 1st quarter ended December 31, 2021. For the Australian activities, completion took place with the completion of the IT carve-out activities on January 31, 2022. This resulted in a loss of €0.2 million, which is reported in other gains and losses in the 2nd quarter ended March 31, 2022.

The assets and liabilities that were part of the disposal group as of September 30, 2021 are presented in the following table; €(2) million of cumulative other comprehensive income presented within equity was attributable to the disposal group as of September 30, 2021.

INFRASTRUCTURE DISPOSAL GROUP

million €	Sept. 30, 2021
Inventories	39
Trade accounts receivable	22
Other current non-financial assets	2
Cash and cash equivalents	5
Assets held for sale	**68**
Provisions for pensions and similar obligations	17
Provisions for other non-current employee benefits	1
Non-current financial debt	3
Other current provisions	2
Current income tax liabilities	1
Current financial debt	2
Trade accounts payable	8
Other current financial liabilities	1
Contract liabilities	1
Other current non-financial liabilities	5
Liabilities associated with assets held for sale	**40**

Stainless steel business disposal group

On September 16, 2021, thyssenkrupp signed an agreement with Italian Arvedi group to sell the stainless steel business (stainless steel plant in Terni, Italy, (AST) including the associated sales organization in Germany, Italy and Turkey) in the Multi Tracks segment.

The carrying amounts of the assets and liabilities were reviewed in connection with the initiated sale process on initial classification as a disposal group in accordance with IAS 36; this resulted in the reversal of an impairment loss in the total amount of €38 million, as the fair value (level 3, derived from the purchase price) less costs of disposal is higher than the carrying amount. This had been written down as of September 30, 2020, due to the lower expectations regarding the future results of operations because of the coronavirus pandemic. Of the total €38 million reversal, €6 million is attributable to buildings and €32 million to technical machinery and equipment. It is reported in cost of sales in the 4th quarter of 2020 / 2021; deferred tax liabilities of €11 million were recognized at the same time. This resulted in the 1st quarter ended December 31, 2021 in impairment losses of a total of €26 million, reflecting the arrangements in the purchase agreement and changes in working capital from the measurement of the disposal group at fair value less costs to sell.

Once all legal approvals of the merger had been obtained, the sale of the stainless steel business (stainless steel plant in Terni, Italy (AST), including the associated distribution organization in Germany, Italy, and Turkey) to the Italian Arvedi Group was closed on January 31, 2022. Subject to finalizing the contractually agreed processes for determining the purchase price, this transaction resulted in a disposal loss of €8 million, which is reported in other gains and losses.

As part of the sale, it was agreed that thyssenkrupp retains shares in the amount of 15 % in AST in order to strengthen the already existing operating cooperation with Arvedi; thyssenkrupp accounts for these shares as debt instruments at amortized cost.

The assets and liabilities of the disposal group as of September 30, 2021 are presented in the following table. There were also intragroup financing liabilities of €276 million as of September 30, 2021 and €(1) million of cumulative other comprehensive income presented within equity was attributable to the disposal group.

STAINLESS STEEL BUSINESS DISPOSAL GROUP

million €	Sept. 30, 2021
Intangible assets	22
Property, plant and equipment (inclusive of investment property)	282
Investments accounted for using the equity method	17
Other financial assets	7
Deferred tax assets	60
Inventories	521
Trade accounts receivable	477
Other current financial assets	6
Other current non-financial assets	8
Current income tax assets	12
Cash and cash equivalents	6
Assets held for sale	**1,419**
Provisions for pensions and similar obligations	20
Provisions for other non-current employee benefits	1
Other non-current provisions	15
Non-current financial debt	1
Provisions for current employee benefits	1
Other current provisions	24
Current financial debt	1
Trade accounts payable	577
Other current financial liabilities	9
Contract liabilities	38
Other current non-financial liabilities	59
Liabilities associated with assets held for sale	**747**

Disposals

In the 9 months ended June 30, 2022, besides some smaller disposals in the Materials Services segment, the sale was closed of the two disposal groups, Infrastructure and the stainless steel business; based on their values at the respective disposal dates, the transactions had the following total effect on the consolidated financial statements:

DISPOSALS

million €	9 months ended June 30, 2022
Other intangible assets	23
Property, plant and equipment (inclusive of investment property)	268
Investments accounted for using the equity method	17
Other non-current financial assets	7
Deferred tax assets	60
Inventories	619
Trade accounts receivable	533
Other current financial assets	28
Other current non-financial assets	11
Current income tax assets	12
Cash and cash equivalents	89
Total assets disposed of	**1,670**
Provisions for pensions and similar obligations	39
Provisions for other non-current employee benefits	2
Other non-current provisions	15
Non-current financial debt	24
Other non-current financial liabilities	19
Provisions for current employee benefits	1
Other current provisions	18
Current income tax liabilities	9
Current financial debt	255
Trade accounts payable	696
Other current financial liabilities	21
Other current non-financial liabilities	109
Total liabilities disposed of	**1,208**
Net assets disposed of	**462**
Cumulative other comprehensive income	(11)
Non-controlling interest	(1)
Gain/(loss) resulting from the disposals	(15)
Selling price / Consideration received	**435**
Sale of day-to-day receivables	**288**
Selling price / consideration received inclusive of sale of day-to-day receivables	**723**
Thereof: paid in cash and cash equivalents	664
Thereof: paid in debt instruments	60

03 Total equity

The following authorizations were issued by the resolution of the Annual General Meeting of thyssenkrupp AG on February 4, 2022:

The Executive Board of thyssenkrupp AG was authorized, with the approval of the Supervisory Board, to increase the capital stock of the company once or several times in installments, on or before February 3, 2027 by up to €300 million by issuing up to 117,187,500 new no-par bearer shares in exchange for cash and/or contribution in kind (authorized capital). The shareholders are in principal entitled to subscription rights. However, the Executive Board is authorized, with the approval of the Supervisory Board, to exclude shareholder subscription rights in certain cases; the option of excluding subscription rights is limited to 10 % of the capital stock.

The Executive Board was authorized, with the approval of the Supervisory Board, to issue once or several times in installments, including simultaneously in different tranches, on or before February 3, 2027 subordinated or senior bearer or registered warrant and/or convertible bonds, participation rights and/or participating bonds and combinations of these instruments in the total par value of up to €2 billion with or without limited terms and, in the case of warrant and/or convertible bonds, to grant to or impose on their holders or creditors option or conversion rights or option or conversion obligations for no-par bearer shares of thyssenkrupp AG with a total share of the capital stock of up to €250 million in accordance with the conditions of these instruments. They can be issued in exchange for cash or contributions in kind. The Executive Board is authorized, with the approval of the Supervisory Board, to exclude shareholder subscription rights in certain cases; the option of excluding subscription rights is limited to 10 % of the capital stock.

Furthermore the Executive Board was authorized to conditionally increase the capital stock by up to €250 million by issue of up to 97,656,250 no-par bearer shares (conditional capital). The conditional capital increase shall be used to grant no-par bearer shares upon exercise of an option of the Company to grant no-par shares of thyssenkrupp AG in whole or in part instead of payment of the cash amount due to the holders or creditors of convertible and/or warrant bonds, participation rights, participating bonds and combinations of these instruments that are issued by thyssenkrupp AG or a Group company on or before February 3, 2027.

The Executive Board was authorized on or before February 3, 2027 to purchase treasury shares up to a total of 10 % of the capital stock at the time of the resolution or – if lower – at the time the authorization is exercised and use them for the purpose expressly stated in the authorization resolution and for all legally permissible purposes. The Executive Board is authorized under certain circumstances to exclude shareholders' tender rights when purchasing treasury shares or subscription rights when using treasury shares. The resolution also includes authorization to use derivatives (put options, call options, forward purchase contracts or a combination thereof) in connection with the purchase of treasury shares and to exclude tender and subscription rights. The Supervisory Board of thyssenkrupp AG may determine that measures of the Executive Board under these shareholder resolutions are subject to its approval.

04 Provisions for pensions and similar obligations

Based on updated interest rates and fair value of plan assets, an updated valuation of pension obligations was performed as of June 30, 2022.

PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

million €	Sept. 30, 2021	June 30, 2022
Pension obligations	7,647	5,703
Partial retirement	290	241
Other pension-related obligations	34	35
Reclassification due to the presentation as liabilities associated with assets held for sale	(75)	(27)
Total	**7,896**	**5,952**

In the 1st quarter ended December 31, 2021, the reduction in the conversion rate for pension commitments in Liechtenstein resulted in a €24 million reversal of provisions for pensions to profit or loss.

The Group applied the following weighted average assumptions to determine pension obligations:

WEIGHTED AVERAGE ASSUMPTIONS

	Sept. 30, 2021			June 30, 2022		
in %	Germany	Other countries	Total	Germany	Other countries	Total
Discount rate for accrued pension obligations	0.90	1.51	1.04	3.20	3.01	3.15

05 Other provisions

The restructuring provisions included in other provisions decreased by €107 million to €229 million compared with September 30, 2021. Additions in the amount of €32 million, mainly relating to the Steel Europe, Multi Tracks, Industrial Components and Materials Services segments, were outweighed mainly by amounts utilized.

06 Financial debt

The €1,250 million bond originally due on March 3, 2022 was redeemed early on December 3, 2021 in accordance with an early redemption option under the terms and conditions of issue. Furthermore, the €100 million loan note due on December 14, 2021 was repaid on schedule in the 1st quarter.

An €8 million loan note of thyssenkrupp AG was due on June 30, 2022. At the same time, a new €8 million loan note due on June 30, 2025 was issued.

07 Contingencies and commitments

Contingencies

thyssenkrupp AG as well as, in individual cases, its subsidiaries have issued or have had guarantees in favour of business partners or lenders. The following table shows obligations under guarantees where the principal debtor is not a consolidated group company:

CONTINGENCIES

million €	Maximum potential amount of future payments as of June 30, 2022	Provision as of June 30, 2022
Advance payment bonds	57	1
Performance bonds	20	0
Other guarantees	5	0
Total	**82**	**1**

The thyssenkrupp group has issued or has had issued guarantees for TK Elevator GmbH and its subsidiaries in favor of their customers which decreased by €34 million to €24 million as of June 30, 2022 compared to September 30, 2021. The buyer consortium has undertaken to indemnify thyssenkrupp against expenses in connection with the guarantees until they are fully discharged. As additional security, thyssenkrupp has received guarantees in the same amount from the buyer.

The basis for possible payments under the guarantees is always the non-performance of the principal debtor under a contractual agreement, e.g. late delivery, delivery of non-conforming goods under a contract or non-performance with respect to the warranted quality.

All guarantees are issued by or issued by instruction of thyssenkrupp AG or subsidiaries upon request of the principal debtor obligated by the underlying contractual relationship and are subject to recourse provisions in case of default. If such a principal debtor is a company owned fully or partially by a foreign third party, the third party is generally requested to provide additional collateral in a corresponding amount.

Commitments and other contingencies

Due to the high volatility of iron ore prices, in the Steel Europe segment the existing long-term iron ore and iron ore pellets supply contracts are measured for the entire contract period at the iron ore prices applying as of the respective balance sheet date. Compared with September 30, 2021, purchasing commitments decreased significantly by around €1.1 billion to €1.5 billion due to price and volume movements.

The transmission grid operator Amprion GmbH has filed a claim against Hüttenwerke Krupp Mannesmann (HKM) for information and payment of EEG levies and interest on account of the in-house production of electricity by thyssenkrupp Steel Europe AG plants for calendar years 2014 to 2019 by way of an action by stages, and notified thyssenkrupp Steel Europe AG of the dispute. Because of its contractual obligations, thyssenkrupp Steel Europe AG is liable to HKM for recourse in the event that Amprion wins the case. In the 3rd quarter, HKM asked the plaintiff to enter into a settlement pursuant to section 104 (5) of the German Renewable Energies Act (EEG) as of June 30, 2022. Based on the statutory provision, HKM has a right to refuse performance with regard to the EEG levy for 2014 to 2020 after the settlement has been entered into. thyssenkrupp has recognized a provision in the double-digit million range for the EEG levy to be paid in exchange for electricity purchases in 2021 and 2022. The additional risk from these proceedings explained in the Annual Report 2020/2021 (page 215) with regard to contingent liabilities will no longer apply when the settlement is entered into; the other proceedings reported at the same place will continue to exist.

There have been no material changes to the other commitments and contingencies since the end of fiscal year 2020/2021.

08 Financial instruments

The carrying amounts of trade accounts receivable measured at amortized cost, other current financial assets as well as cash, cash equivalents and time deposits equal their fair values. For trade accounts receivable measured at fair value, the fair value equals the carrying amount less impairment losses recognized in other comprehensive income.

For the preference shares in connection with the Elevator investment, which are classified as equity instruments, the option was exercised to recognize them at fair value in equity (without recycling) due to their significance. Debt instruments disclosed in the balance sheet item "Other financial assets – non-current" include the loans from the elevator transaction, which are measured at amortized cost; see also Note 02. Other equity and debt instruments are in general measured income-effective at fair value, which is based to the extent available on market prices as of the interim balance sheet date or internal valuation models.

The fair value of foreign currency forward transactions is determined on the basis of the middle spot exchange rate applicable as of the interim balance sheet date, and taking account of forward premiums or discounts arising for the respective remaining contract term compared to the contracted forward exchange rate. Common methods for calculating option prices are used for foreign currency options. The fair value of an option is influenced not only by the remaining term of an option, but also by other factors, such as current amount and volatility of the underlying exchange or base rate.

Interest rate swaps and cross currency swaps are measured at fair value by discounting expected cash flows on the basis of market interest rates applicable for the remaining contract term. In the case of cross currency swaps, the exchange rates for each foreign currency, in which cash flows occur, are also included.

The fair value of commodity futures is based on published price quotations. It is measured as of the interim balance sheet date, both internally and by external financial partners.

The carrying amounts of trade accounts payable and other current liabilities equal their fair values. The fair value of fixed rate non-current liabilities equals the present value of expected cash flows. Discounting is based on interest rates applicable as of the balance sheet date. The carrying amounts of floating rate liabilities equal their fair values.

Financial liabilities measured at amortized cost with a carrying amount of €8,335 million as of June 30, 2022 (September 30, 2021: €9,585 million) have a fair value of €8,222 million (September 30, 2021: €9,673 million) that was determined based on fair value measurement attributable to level 2.

Financial assets and liabilities measured at fair value could be categorized in the following three level fair value hierarchy:

FAIR VALUE HIERARCHY AS OF SEPT. 30, 2021

million €	Sept. 30, 2021	Level 1	Level 2	Level 3
Financial assets at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting	75	0	75	0
Equity instruments	12	7	5	0
Fair value recognized in equity				
Trade accounts receivable	**1,891**			**1,891**
Equity instruments	59			59
Debt instruments (measured at fair value)	25	25	0	0
Derivatives qualifying for hedge accounting	220	0	220	0
Total	**2,283**	**32**	**301**	**1,950**
Financial liabilities at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting	114	0	114	0
Fair value recognized in equity				
Derivatives qualifying for hedge accounting	147	0	147	0
Total	**260**	**0**	**260**	**0**

FAIR VALUE HIERARCHY AS OF JUNE 30, 2022

million €	June 30, 2022	Level 1	Level 2	Level 3
Financial assets at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting	121	0	121	0
Equity instruments	12	7	5	0
Fair value recognized in equity				
Trade accounts receivable	**3,055**			**3,055**
Equity instruments	62			62
Debt instruments (measured at fair value)	30	30	0	0
Derivatives qualifying for hedge accounting	31	0	31	0
Total	**3,312**	**37**	**157**	**3,117**
Financial liabilities at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting	121	0	121	0
Fair value recognized in equity				
Derivatives qualifying for hedge accounting	105	0	105	0
Total	**226**	**0**	**226**	**0**

The fair value hierarchy reflects the significance of the inputs used to determine fair values. Financial instruments with fair value measurement based on quoted prices in active markets are disclosed in level 1. In level 2 determination of fair values is based on observable inputs, e.g. foreign exchange rates. Level 3 comprises financial instruments for which the fair value measurement is based on unobservable inputs using recognized valuation models.

In the reporting quarter there were no reclassifications between level 1 and level 2. For the trade accounts receivable classified as level 3, the fair value equals the carrying amount less impairment losses recognized in other comprehensive income.

Changes of the equity instruments included in level 3 were as follows:

RECONCILIATION LEVEL 3 FINANCIAL INSTRUMENTS

million €	
Balance as of Sept. 30, 2021	**59**
Changes income non-effective	3
Balance as of June 30, 2022	**62**

The equity instruments based on individual measurement parameters and recognized at fair value include only the preference shares from the Elevator investment. The shares were measured taking into account expected cash flows on the basis of recognized financial mathematical models and taking into account the market data available at the balance sheet date. The effect resulting from the measurement is reported directly in equity under other comprehensive income under the item “Fair value measurement of equity instruments”.

Impairment of trade accounts receivable and contract assets

thyssenkrupp has developed the following model to determine expected credit losses, in particular expected default rates for trade accounts receivable:

The expected default rates are mainly derived from external credit information and ratings for each counterparty, which allows more accurate calculation of the probability of default compared with the formation of rating classes. The customer risk numbers assigned by trade credit insurers and the creditworthiness information provided by credit agencies are translated into an individual probability of default per customer using a central allocation system. This individual probability of default per customer is used uniformly throughout the thyssenkrupp group. The information is updated quarterly. If no rating information is available at counterparty level, an assessment is made based on the average probability of default for each segment plus an appropriate risk premium. For the group financial statements as of June 30, 2022, the latest external credit information and ratings were used, which already take into account current expectations of the possible effects of the coronavirus pandemic and the war in Ukraine.

09 Segment reporting

Segment reporting follows thyssenkrupp's internal control concept.

Segment information for the 9 months ended June 30, 2021 and 2022 and for the 3rd quarter ended June 30, 2021 and 2022, respectively is as follows:

SEGMENT INFORMATION

million €	Materials Services	Industrial Components	Automotive Technology	Steel Europe	Marine Systems	Multi Tracks	Corporate Headquarters	Reconciliation	Elevator Technology[1]	Group[2]
9 months ended June 30, 2021										
External sales	8,186	1,863	3,456	5,839	1,450	3,738	8	35	0	24,575
Internal sales within the group	359	15	3	732	1	305	4	(1,418)	0	0
Sales	8,545	1,877	3,459	6,572	1,450	4,043	12	(1,383)	0	24,575
EBIT	411	247	245	(84)	(1)	(355)	(162)	(1)	(17)[3]	284
Adjusted EBIT	363	266	234	87	(2)	(236)	(146)	(3)	0	564
9 months ended June 30, 2022										
External sales	12,271	2,000	3,447	8,493	1,262	3,085	1	12	0	30,571
Internal sales within the group	257	12	9	1,126	2	176	4	(1,586)	0	0
Sales	12,528	2,012	3,456	9,619	1,264	3,262	5	(1,574)	0	30,571
EBIT	943	177	17	604	4	(172)	(149)	(38)	9[3]	1,396
Adjusted EBIT	941	170	47	980	12	(96)	(119)	(34)	0	1,901
3rd quarter ended June 30, 2021										
External sales	3,120	626	1,075	2,133	396	1,315	1	10	0	8,676
Internal sales within the group	169	4	1	284	0	105	1	(565)	0	0
Sales	3,289	630	1,077	2,416	396	1,421	2	(555)	0	8,676
EBIT	268	59	55	55	(9)	(38)	(52)	(3)	(2)[3]	332
Adjusted EBIT	232	68	51	19	(9)	(45)	(44)	(6)	0	266
3rd quarter ended June 30, 2022										
External sales	4,723	698	1,204	3,195	409	717	0	3	0	10,950
Internal sales within the group	69	3	2	363	2	11	1	(452)	0	0
Sales	4,793	702	1,206	3,558	411	728	1	(449)	0	10,950
EBIT	393	53	(17)	(3)	2	(73)	(41)	(10)	0[3]	305
Adjusted EBIT	386	49	6	376	3	(62)	(31)	(5)	0	721

[1] Discontinued operation (see Note 02).
[2] Inclusive of disposal groups
[3] It refers to expenses and income directly related to the Elevator sale that reconcile to group EBIT (see Note 02).

Compared with September 30, 2021, average capital employed decreased by €453 million to €1,233 million at Marine Systems and by €544 million to €287 million at Multi Tracks, while it increased by €1,274 million to €3,861 million at Materials Services, by €233 million to €1,609 million at Industrial Components and by €1,472 million to €5,535 million at Steel Europe as of June 30, 2022.

The column “Reconciliation” breaks down as following:

BREAKDOWN RECONCILIATION

million €	Service Units	Special Units	Consolidation	Reconciliation
9 months ended June 30, 2021				
External sales	30	5	0	35
Internal sales within the group	174	35	(1,627)	(1,418)
Sales	205	40	(1,627)	(1,383)
EBIT	2	(1)	(2)	(1)
Adjusted EBIT	2	(4)	0	(3)
9 months ended June 30, 2022				
External sales	11	1	0	12
Internal sales within the group	152	25	(1,763)	(1,586)
Sales	163	26	(1,764)	(1,574)
EBIT	1	(23)	(17)	(38)
Adjusted EBIT	1	(18)	(17)	(34)
3rd quarter ended June 30, 2021				
External sales	10	0	0	10
Internal sales within the group	60	11	(636)	(565)
Sales	70	10	(636)	(555)
EBIT	2	(1)	(5)	(3)
Adjusted EBIT	2	(5)	(3)	(6)
3rd quarter ended June 30, 2022				
External sales	4	(1)	0	3
Internal sales within the group	51	9	(512)	(452)
Sales	56	8	(512)	(449)
EBIT	1	(13)	2	(10)
Adjusted EBIT	1	(8)	2	(5)

The reconciliation of the earnings figure EBIT to EBT according to the statement of income is presented below:

RECONCILIATION EBIT TO INCOME/(LOSS) FROM CONTINUING OPERATIONS BEFORE TAX

million €	9 months ended June 30, 2021	9 months ended June 30, 2022	3rd quarter ended June 30, 2021	3rd quarter ended June 30, 2022
Adjusted EBIT as presented in segment reporting	**564**	**1,901**	**266**	**721**
Special items[1]	(280)	(506)	66	(416)
EBIT as presented in segment reporting	**284**	**1,396**	**332**	**305**
+ Non-operating income/(expense) from companies accounted for using the equity method	(108)	(148)	(55)	(79)
+ Finance income	540	911	173	415
– Finance expense	(717)	(1,051)	(228)	(458)
– Items of finance income assigned to EBIT based on economic classification	(2)	(3)	(2)	(3)
+ Items of finance expense assigned to EBIT based on economic classification	8	(1)	3	0
Income/(loss) group (net of tax)	**5**	**1,102**	**223**	**180**
– Income/(loss) from discontinued operations (before tax)	17	(9)	2	0
Income/(loss) from continuing operations before tax as presented in the statement of income	**23**	**1,094**	**224**	**180**

[1] Refer to the explanation of the special items of the quarter in the "Report on the economic position" in "Segment reporting".

In the current nine-month reporting period, special items were mainly attributable to impairment losses in the Steel Europe, Multi Tracks and Automotive Technology segments, disposal gains/losses on the deconsolidation of Infrastructure and the stainless steel business, consulting costs in connection with a possible IPO of thyssenkrupp nucera at Multi Tracks, and project expenses in connection with M & A transactions at Corporate Headquarters.

10 Sales

Sales and sales from contracts with customers are presented below:

SALES

million €	Materials Services	Industrial Components	Automotive Technology	Steel Europe	Marine Systems	Multi Tracks	Corporate Headquarters	Reconciliation	Group
9 months ended June 30, 2021									
Sales from sale of finished products	1,126	1,589	2,674	6,089	33	1,978	0	(920)	12,570
Sales from sale of merchandise	7,176	224	290	59	7	290	0	(343)	7,703
Sales from rendering of services	365	6	127	173	36	332	12	(101)	950
Sales from construction contracts	9	0	356	0	1,354	1,406	0	(16)	3,109
Other sales from contracts with customers	0	57	11	252	21	35	0	(14)	361
Subtotal sales from contracts with customers	**8,677**	**1,876**	**3,459**	**6,573**	**1,450**	**4,039**	**12**	**(1,394)**	**24,693**
Other sales	(132)	1	0	(1)	0	3	0	11	(118)
Total	**8,545**	**1,877**	**3,459**	**6,572**	**1,450**	**4,043**	**12**	**(1,383)**	**24,575**
9 months ended June 30, 2022									
Sales from sale of finished products	1,640	1,668	2,657	8,861	34	1,397	0	(1,236)	15,020
Sales from sale of merchandise	10,432	256	252	222	4	225	0	(285)	11,106
Sales from rendering of services	440	7	148	161	38	374	5	(103)	1,070
Sales from construction contracts	7	0	389	0	1,174	1,228	0	(16)	2,781
Other sales from contracts with customers	0	79	14	401	13	39	0	(14)	532
Subtotal sales from contracts with customers	**12,518**	**2,010**	**3,459**	**9,645**	**1,263**	**3,262**	**5**	**(1,653)**	**30,509**
Other sales	10	2	(3)	(27)	1	0	0	79	63
Total	**12,528**	**2,012**	**3,456**	**9,619**	**1,264**	**3,262**	**5**	**(1,574)**	**30,571**

SALES

million €	Materials Services	Industrial Components	Automotive Technology	Steel Europe	Marine Systems	Multi Tracks	Corporate Headquarters	Reconciliation	Group
3rd quarter ended June 30, 2021									
Sales from sale of finished products	407	525	842	2,223	14	686	0	(334)	4,362
Sales from sale of merchandise	2,850	80	83	23	3	126	0	(170)	2,996
Sales from rendering of services	126	2	41	65	15	112	2	(38)	326
Sales from construction contracts	4	0	106	0	360	487	0	(6)	951
Other sales from contracts with customers	0	23	3	104	4	10	0	(6)	138
Subtotal sales from contracts with customers	**3,386**	**630**	**1,076**	**2,415**	**397**	**1,421**	**2**	**(553)**	**8,773**
Other sales	(97)	1	0	2	0	0	0	(2)	(97)
Total	**3,289**	**630**	**1,077**	**2,416**	**396**	**1,421**	**2**	**(555)**	**8,676**
3rd quarter ended June 30, 2022									
Sales from sale of finished products	599	575	923	3,256	7	159	0	(384)	5,135
Sales from sale of merchandise	3,745	95	94	106	2	25	0	(67)	4,000
Sales from rendering of services	161	2	64	58	11	141	1	(33)	405
Sales from construction contracts	0	0	123	0	381	385	0	(3)	886
Other sales from contracts with customers	0	27	5	156	10	18	0	(5)	211
Subtotal sales from contracts with customers	**4,506**	**698**	**1,209**	**3,577**	**410**	**729**	**1**	**(493)**	**10,636**
Other sales	287	3	(3)	(19)	1	(1)	0	45	313
Total	**4,793**	**702**	**1,206**	**3,558**	**411**	**728**	**1**	**(449)**	**10,950**

SALES FROM CONTRACTS WITH CUSTOMERS BY CUSTOMER GROUP

million €	Materials Services	Industrial Components	Automotive Technology	Steel Europe	Marine Systems	Multi Tracks	Corporate Headquarters	Reconciliation	Group
9 months ended June 30, 2021									
Automotive	1,089	610	3,255	1,898	0	821	2	(13)	7,662
Trading	1,249	78	180	1,480	11	359	1	(724)	2,633
Engineering	963	1,083	12	165	10	714	0	(7)	2,940
Steel and related processing	1,597	16	1	1,569	0	868	0	(611)	3,440
Construction	476	16	0	22	0	91	0	(7)	598
Public sector	46	3	0	0	1,387	10	0	6	1,452
Packaging	84	1	0	910	0	0	0	(5)	990
Energy and utilities	69	20	0	208	0	31	0	1	328
Other customer groups	3,105	49	11	321	42	1,145	8	(32)	4,649
Total	**8,677**	**1,876**	**3,459**	**6,573**	**1,450**	**4,039**	**12**	**(1,394)**	**24,693**
9 months ended June 30, 2022									
Automotive	1,473	749	3,255	2,219	0	727	2	(62)	8,362
Trading	1,808	188	171	2,254	5	204	1	(925)	3,707
Engineering	1,374	950	18	254	17	48	0	(19)	2,643
Steel and related processing	2,356	26	2	2,470	0	599	0	(498)	4,955
Construction	762	24	0	52	0	27	0	(5)	861
Public sector	69	5	0	3	1,228	0	0	(1)	1,304
Packaging	116	1	0	1,282	0	0	0	(6)	1,392
Energy and utilities	123	11	0	462	0	15	0	(2)	607
Other customer groups	4,437	56	13	650	12	1,641	1	(134)	6,677
Total	**12,518**	**2,010**	**3,459**	**9,645**	**1,263**	**3,262**	**5**	**(1,653)**	**30,509**
3rd quarter ended June 30, 2021									
Automotive	382	216	1,000	636	0	293	1	9	2,537
Trading	487	25	68	764	3	120	0	(456)	1,011
Engineering	395	351	4	59	3	212	0	(2)	1,022
Steel and related processing	665	5	0	390	0	296	0	(65)	1,290
Construction	194	7	0	10	0	36	0	(4)	244
Public sector	19	2	0	0	372	10	0	4	405
Packaging	36	0	0	330	0	0	0	(5)	362
Energy and utilities	26	5	0	81	0	10	0	1	123
Other customer groups	1,183	19	4	144	19	445	1	(35)	1,779
Total	**3,386**	**630**	**1,076**	**2,415**	**397**	**1,421**	**2**	**(553)**	**8,773**
3rd quarter ended June 30, 2022									
Automotive	521	274	1,133	820	0	164	0	(69)	2,844
Trading	854	70	65	693	2	4	0	(151)	1,539
Engineering	476	315	5	95	8	0	0	0	899
Steel and related processing	788	(1)	1	916	0	14	0	(155)	1,563
Construction	250	9	0	22	0	0	0	6	287
Public sector	15	2	0	0	395	0	0	(10)	401
Packaging	43	0	0	517	0	0	0	(16)	544
Energy and utilities	51	2	0	187	0	0	0	(5)	235
Other customer groups	1,509	26	5	326	5	546	0	(94)	2,323
Total	**4,506**	**698**	**1,209**	**3,577**	**410**	**729**	**1**	**(493)**	**10,636**

SALES FROM CONTRACTS WITH CUSTOMERS BY REGION

million €	Materials Services	Industrial Components	Automotive Technology	Steel Europe	Marine Systems	Multi Tracks	Corporate Headquarters	Reconciliation	Group
9 months ended June 30, 2021									
German-speaking area[1)]	3,295	328	1,116	3,736	270	704	9	(973)	8,485
Western Europe	1,462	299	516	1,376	103	1,276	0	(248)	4,785
Central and Eastern Europe	1,317	35	191	482	1	292	0	(92)	2,226
Commonwealth of Independent States	30	18	8	45	0	106	0	1	207
North America	1,986	418	767	491	11	295	2	(79)	3,890
South America	37	113	46	69	81	201	0	3	550
Asia / Pacific	358	40	37	37	404	295	0	(4)	1,167
Greater China	62	583	642	102	7	269	0	1	1,667
India	37	24	6	36	14	160	0	0	278
Middle East & Africa	93	16	129	200	561	442	0	(3)	1,439
Total	**8,677**	**1,876**	**3,459**	**6,573**	**1,450**	**4,039**	**12**	**(1,394)**	**24,693**
9 months ended June 30, 2022									
German-speaking area[1)]	4,399	425	1,124	5,601	350	517	2	(1,235)	11,184
Western Europe	1,979	378	448	2,009	178	870	0	(221)	5,642
Central and Eastern Europe	1,930	42	155	696	3	224	0	(97)	2,953
Commonwealth of Independent States	27	16	6	32	0	81	0	(1)	162
North America	3,298	528	895	642	11	313	2	(78)	5,611
South America	28	160	45	105	70	168	0	(2)	575
Asia / Pacific	586	50	36	44	261	232	0	(5)	1,204
Greater China	66	350	657	77	4	285	0	(10)	1,429
India	84	37	6	69	16	272	0	(2)	483
Middle East & Africa	121	23	86	370	370	299	0	(3)	1,265
Total	**12,518**	**2,010**	**3,459**	**9,645**	**1,263**	**3,262**	**5**	**(1,653)**	**30,509**

SALES FROM CONTRACTS WITH CUSTOMERS BY REGION

million €	Materials Services	Industrial Components	Automotive Technology	Steel Europe	Marine Systems	Multi Tracks	Corporate Headquarters	Reconciliation	Group
3rd quarter ended June 30, 2021									
German-speaking area[1]	1,251	116	339	1,378	69	257	2	(395)	3,016
Western Europe	591	94	153	497	44	451	0	(91)	1,739
Central and Eastern Europe	537	11	63	173	0	90	0	(39)	836
Commonwealth of Independent States	8	3	4	20	0	40	0	1	75
North America	776	170	250	179	1	118	1	(30)	1,465
South America	21	39	15	24	65	74	0	2	241
Asia / Pacific	122	12	12	15	106	75	0	(1)	341
Greater China	33	173	213	37	4	104	0	4	567
India	14	8	3	14	5	58	0	0	102
Middle East & Africa	33	4	24	77	104	154	0	(5)	391
Total	**3,386**	**630**	**1,076**	**2,415**	**397**	**1,421**	**2**	**(553)**	**8,773**
3rd quarter ended June 30, 2022									
German-speaking area[1]	1,734	152	398	2,027	105	85	0	(375)	4,126
Western Europe	656	132	153	766	66	56	0	(67)	1,761
Central and Eastern Europe	623	15	58	258	0	60	0	(6)	1,008
Commonwealth of Independent States	2	8	1	5	0	25	0	(1)	41
North America	1,156	200	324	275	2	101	1	(13)	2,045
South America	7	63	20	34	26	57	0	(6)	201
Asia / Pacific	211	19	14	16	103	74	0	1	437
Greater China	28	91	210	21	0	77	0	(12)	415
India	46	13	3	29	4	84	0	(3)	176
Middle East & Africa	41	8	29	145	105	110	0	(11)	427
Total	**4,506**	**698**	**1,209**	**3,577**	**410**	**729**	**1**	**(493)**	**10,636**

[1] Germany, Austria, Switzerland, Liechtenstein

Of the sales from contracts with customers €3,642 million (prior year: €3,290 million) results in the 9 months ended June 30, 2022 and €1,043 million (prior year: €1,005 million) in the 3rd quarter ended June 30, 2022 from long-term contracts, while €26,867 million (prior year: €21,403 million) results in the 9 months ended June 30, 2022 and €9,593 million (prior year: €7,768 million) in the 3rd quarter ended June 30, 2022 from short-term contracts. €4,325 million (prior year: €3,893 million) relates in the 9 months ended June 30, 2022 and €1,309 million (prior year: €1,322 million) in the 3rd quarter ended June 30, 2022 to sales recognized over time, and €26,183 million (prior year: €20,800 million) relates in the 9 months ended June 30 2022 and €9,327 million (prior year: €7,452 million) in the 3rd quarter ended June 30, 2022 to sales recognized at a point in time.

11 Other income

Gains from premiums and from grants in the amount of €16 million (prior year: €22 million) in the 9 months ended June 30, 2022 and of €3 million (prior year: €4 million) in the 3rd quarter ended June 30, 2022 mainly include refunds of social security contributions in connection with the utilization of short-time work allowance in Germany, which the group received from the public sector. Furthermore other income includes €40 million (prior year: €22 million) in the 9 months ended June 30, 2022 and €15 million (prior year: €2 million) in the 3rd quarter ended June 30, 2022 resulting from insurance compensation.

12 Financial income/(expense), net

The line item "Income from investments accounted for using the equity method" includes expenses in the amount of €148 million (prior year: €108 million) in the 9 months ended June 30, 2022 and of €79 million (prior year: €55 million) in the 3rd quarter ended June 30, 2022 from ordinary shares in Vertical Topco I S.A., Luxembourg, which are part of the Elevator investment (cf. Note 02) and are assigned to the Multi Tracks segment. This includes an impairment loss of €63 million, which has arisen from the increase in the carrying amount (before impairment) of the equity investment as well as the simultaneous decrease in its fair value less costs of disposal sell due to changes in the discount rate and the USD to EUR exchange rate. The fair value less costs to sell relevant for determining the impairment loss, which was determined by applying a discount rate (after tax) of 11.48%, amounts to a total of €519 million. The fair value less costs of disposal is assigned to level 3 of the fair value hierarchy in accordance with IFRS 13; it was determined using the expected cash flows on the basis of recognized financial mathematical models as well as using observable and unobservable inputs available as of the balance sheet date.

13 Earnings per share

Basic earnings per share are calculated as follows:

EARNINGS PER SHARE (EPS)

	9 months ended June 30, 2021		9 months ended June 30, 2022		3rd quarter ended June 30, 2021		3rd quarter ended June 30, 2022	
	Total amount in million €	Earnings per share in €	Total amount in million €	Earnings per share in €	Total amount in million €	Earnings per share in €	Total amount in million €	Earnings per share in €
Income/(loss) from continuing operations (net of tax) (attributable to thyssenkrupp AG's shareholders)	(214)	(0.34)	738	1.19	126	0.20	76	0.12
Income/(loss) from discontinued operations (net of tax) (attributable to thyssenkrupp AG's shareholders)	(17)	(0.03)	9	0.01	(2)	0.00	0	0.00
Net income/(loss) (attributable to thyssenkrupp AG's shareholders)	**(231)**	**(0.37)**	**746**	**1.20**	**125**	**0.20**	**76**	**0.12**
Weighted average shares	622,531,741		622,531,741		622,531,741		622,531,741	

There were no dilutive securities in the periods presented.

14 Additional information to the statement of cash flows

The liquid funds considered in the statement of cash flows can be derived from the balance sheet position "Cash and cash equivalents" as following:

RECONCILIATION OF LIQUID FUNDS

million €	June 30, 2021	Sept. 30, 2021	June 30, 2022
Cash and cash equivalents according to the balance sheet	9,408	8,974	5,860
Cash and cash equivalents of disposal groups	0	42	65
Liquid funds according to statement of cash flows	9,408	9,017	5,925

As of June 30, 2022 cash and cash equivalents of €16 million (June 30, 2021: €84 million; September 30, 2021: €44 million) result from the joint operation HKM.

15 Subsequent event

At the date of publication of the interim report all closing conditions of the transaction to sell the mining business were fulfilled.

Essen, August 9, 2022

thyssenkrupp AG
The Executive Board

Merz

Burkhard

Keysberg

Review report

To thyssenkrupp AG, Duisburg and Essen

We have reviewed the condensed consolidated interim financial statements – comprising the consolidated statement of financial position, the consolidated statement of income and the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and selected explanatory notes – and the interim group management report of thyssenkrupp AG, Duisburg and Essen, for the period from October 1, 2021, to June 30, 2022, which are part of the quarterly financial report pursuant to § (Article) 115 WpHG ("Wertpapierhandelsgesetz" German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW) and additional observed the International Standard on Review Engagements "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE 2410). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Essen, August 10, 2022

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Michael Preiß
(German Public Auditor)

Philip Meyer zu Spradow
(German Public Auditor)

Additional information

Contact and 2022 / 2023 financial calendar

For more information please contact:

Communications
Phone: +49 201 844536043
Fax: +49 201 844536041
Email: press@thyssenkrupp.com

Investor Relations
Email: ir@thyssenkrupp.com

Institutional investors and analysts
Phone: +49 201 844536464
Fax: +49 201 8456531000

Private investors
Phone: +49 201 844536367
Fax: +49 201 8456531000

Published by
thyssenkrupp AG
thyssenkrupp Allee 1, 45143 Essen, Germany
Postfach, 45063 Essen, Germany

Phone: +49 201 8440
Fax: +49 201 844536000
Email: info@thyssenkrupp.com

www.thyssenkrupp.com

2022 / 2023 financial calendar

November 17, 2022
Annual report 2021 / 2022 (October to September)

February 03, 2023
Annual General Meeting

February 14, 2023
Interim report 1st quarter 2022 / 2023 (October to December)

May 11, 2023
Interim report 1st half 2022 / 2023 (October to March)

August 10, 2023
Interim report 9 months 2022 / 2023 (October to June)

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Forward-looking statements
This document contains forward-looking statements that reflect management's current views with respect to future events. Such statements are subject to risks and uncertainties that are beyond thyssenkrupp's ability to control or estimate precisely, such as the future market environment and economic conditions, the behavior of other market participants, the ability to successfully integrate acquired businesses and achieve anticipated synergies and the actions of government regulators. If any of these or other risks and uncertainties occur, or if the assumptions underlying any of these statements prove incorrect, then actual results may be materially different from those expressed or implied by such statements. thyssenkrupp does not intend or assume any obligation to update any forward-looking statements to reflect events or circumstances after the date of these materials.

Rounding differences and rates of change
Percentages and figures in this report may include rounding differences. The signs used to indicate rates of change are based on economic aspects: Improvements are indicated by a plus (+) sign, deteriorations are shown in brackets ( ). Very high positive and negative rates of change (≥100% or ≤(100)%) are indicated by ++ and −− respectively.

Variances for technical reasons
Due to statutory disclosure requirements the Company must submit this financial report electronically to the Federal Gazette (Bundesanzeiger). For technical reasons there may be variances in the accounting documents published in the Federal Gazette.
German and English versions of the financial report can be downloaded from the internet at www.thyssenkrupp.com. In the event of variances, the German version shall take precedence over the English translation.

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