thyssenkrupp

Interim report 1st half 2021 / 2022

October 1, 2021 –
March 31, 2022

engineering. tomorrow. together.

thyssenkrupp in figures

		Full group				Group – continuing operations[1]			
		1st half ended March 31, 2021	1st half ended March 31, 2022	Change	in %	1st half ended March 31, 2021	1st half ended March 31, 2022	Change	in %
Order intake	million €	16,491	23,960	7,470	45	16,491	23,960	7,470	45
Sales	million €	15,899	19,622	3,723	23	15,899	19,622	3,723	23
EBITDA	million €	422	1,581	1,159	++	438	1,572	1,134	++
EBIT[2]	million €	(49)	1,090	1,139	++	(33)	1,082	1,115	++
EBIT margin	%	(0.3)	5.6	5.9	++	(0.2)	5.5	5.7	++
Adjusted EBIT[2]	million €	298	1,180	882	++	298	1,180	882	++
Adjusted EBIT margin	%	1.9	6.0	4.1	++	1.9	6.0	4.1	++
Income/(loss) before tax	million €	(217)	922	1,139	++	(202)	913	1,115	++
Net income/(loss) or earnings after tax	million €	(313)	709	1,021	++	(297)	700	997	++
attributable to thyssenkrupp AG's shareholders	million €	(356)	671	1,027	++	(340)	662	1,002	++
Earnings per share (EPS)	€	(0.57)	1.08	1.65	++	(0.55)	1.06	1.61	++
Operating cash flows	million €	(212)	(1,082)	(870)	--	(209)	(1,082)	(873)	--
Cash flow for investments	million €	(602)	(555)	47	8	(602)	(555)	47	8
Cash flow from divestments	million €	908	578	(331)	(36)	908	578	(331)	(36)
Free cash flow[3]	million €	94	(1,060)	(1,154)	--	97	(1,060)	(1,157)	--
Free cash flow before M&A[3]	million €	(718)	(1,630)	(912)	--	(718)	(1,630)	(912)	--
Net financial assets (March 31)	million €	(4,229)	(2,446)	1,783	42				
Total equity (March 31)	million €	10,414	12,754	2,340	22				
Gearing (March 31)	%	–[4]	–[4]	—	—				
Employees (March 31)		102,306	97,542	(4,764)	(5)				

[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]			
		2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022	Change	in %	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022	Change	in %
Order intake	million €	8,646	13,562	4,916	57	8,646	13,562	4,916	57
Sales	million €	8,577	10,599	2,022	24	8,577	10,599	2,022	24
EBITDA	million €	172	1,026	854	++	184	1,018	834	++
EBIT[2]	million €	(69)	792	861	++	(57)	783	840	++
EBIT margin	%	(0.8)	7.5	8.3	++	(0.7)	7.4	8.1	++
Adjusted EBIT[2]	million €	220	802	582	++	220	802	582	++
Adjusted EBIT margin	%	2.6	7.6	5.0	++	2.6	7.6	5.0	++
Income/(loss) before tax	million €	(124)	718	843	++	(112)	710	822	++
Net income/(loss) or earnings after tax	million €	(187)	587	775	++	(175)	579	754	++
attributable to thyssenkrupp AG's shareholders	million €	(211)	565	776	++	(199)	556	755	++
Earnings per share (EPS)	€	(0.34)	0.91	1.25	++	(0.32)	0.89	1.21	++
Operating cash flows	million €	(476)	(483)	(7)	(1)	(474)	(483)	(9)	(2)
Cash flow for investments	million €	(328)	(303)	26	8	(328)	(303)	26	8
Cash flow from divestments	million €	35	553	518	++	35	553	518	++
Free cash flow[3]	million €	(769)	(233)	537	70	(767)	(233)	534	70
Free cash flow before M&A[3]	million €	(750)	(772)	(21)	(3)	(750)	(772)	(21)	(3)
Net financial assets (March 31)	million €	(4,229)	(2,446)	1,783	42				
Total equity (March 31)	million €	10,414	12,754	2,340	22				
Gearing (March 31)	%	–[4]	–[4]	—	—				
Employees (March 31)		102,306	97,542	(4,764)	(5)				

[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 March 2022	€	7.79
ADR (over-the-counter trading)	US88629Q2075	Stock exchange value end March 2022	million €	4,849
Symbols				
Shares	TKA			
ADR	TKAMY			

Contents

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

Foreword

Dear Shareholders,

The decisive 2nd quarter of the current 2021 / 2022 fiscal year is now behind us. Russia’s war of aggression against Ukraine is continuing without an end in sight. All of us are deeply affected by the untold suffering inflicted on the civilian population. We can see a huge willingness to help and donate throughout our group of companies. This is particularly the case for the sites close to Ukraine, for example at Automotive Technology in Poland, Hungary and Romania, in the national subsidiaries of Materials Services in Eastern Europe and at thyssenkrupp Group Services in Gdansk, Poland. But it also holds true for many other sites.

We at thyssenkrupp do not do that much business in Russia – the sales our segments generate with Russian customers came in at well below 1% of total sales in the past fiscal year. Even so, we, like many other companies, are being profoundly affected by the fallout from the war. On the one hand, rising input costs and increasing supply bottlenecks plus the related delays in customer call-offs are impacting on our components business most of all. On the other hand, market prices for many materials have surged in an already positive environment. This led to significantly higher margins and earnings in the materials businesses in particular. Overall, we have thus achieved the best half-year result in over 10 years, and the bottom line also shows significant net income for the period.

In light of this situation, we have revised our full-year forecast for adjusted EBIT upwards and based on current assumptions now expect a significant increase to at least €2.0 billion. Despite and subject to the continuing uncertainty about how the geopolitical and macroeconomic environment will evolve and the ensuing reduction in the ability to plan for its effects – such as rising or in some cases highly volatile raw material prices as well as considerable volatility in call-offs by customers from the automotive industry – we have now resumed our forecast for free cash flow before M&A, which had been temporarily suspended in March, mainly to improve transparency in an uncertain environment. Here, too, we expect to see a substantial improvement on the prior year. However, the higher prices of raw and other materials and delays in customer call-offs led to a temporary increase in net working capital. We therefore anticipate a negative free cash flow before M&A in the mid-three-digit million euro range for the current fiscal year.

We made progress in the first half of the current fiscal year not only in improving operating performance but also in the strategic transformation of thyssenkrupp. In spite of the challenging conditions, our employees worldwide are doing sterling work and continue to show a high level of commitment to our customers, business partners and their colleagues. We aim to build on this.

As regards our transformation, we are still on the path outlined at the Capital Markets Day and the Annual General Meeting. In the current situation, the most important thing is to continue to focus on performance and meeting our customers' requirements. And that is precisely what we are doing. At the same time, it is vital to analyze how the geopolitical changes may change supply chains and entire value chains in the medium and long term. Another thing that is clear is that we will continue to apply and contribute our expertise along the green value chains. Our strengths lie in the fact that we have a crucial role to play at key points in the green transformation – with good prospects for the future in demand, supply, and infrastructure: After all, our solutions for green steel production will necessitate large quantities of hydrogen (demand). We are one of the few suppliers worldwide to already offer technologies for the production of hydrogen on a giga-scale with our electrolysis business thyssenkrupp nucera (supply). When it comes to infrastructure, our plant engineers at Uhde are experts in the construction of ammonia and methanol plants – the transport media for importing green hydrogen. On top of this, our innovative bearings are what is making the boom in wind energy possible in the first place (infrastructure). These different prospects are turning us into a relevant partner for the green transformation.

Even if the challenges in the environment increase, a return to a positive free cash flow before M&A and restoration of thyssenkrupp's ability to pay dividends remain priority goals. Russia's war of aggression in Ukraine makes it more difficult to predict when precisely we will achieve these goals. Having said this, we will not relax in our efforts. We are doing everything in our power. Above all, that means improving performance in order to develop new growth prospects for thyssenkrupp.

Thank you for joining us in this mission.

Martina Merz
Chief Executive Officer

Dr. Klaus Keysberg
Chief Finance Officer

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 were 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 March 31, 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 with the sale of the Australian activities.

Since the sale of the Elevator Technology business at the end of July 2020, thyssenkrupp has held an investment that 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	
	1st half ended March 31, 2021	1st half ended March 31, 2022	1st half ended March 31, 2021	1st half ended March 31, 2022	1st half ended March 31, 2021	1st half ended March 31, 2022	1st half ended March 31, 2021	1st half ended March 31, 2022	March 31, 2021	March 31, 2022
Materials Services	5,579	8,256	5,256	7,736	143	550	131	555	15,495	15,657
Industrial Components	1,318	1,308	1,247	1,311	188	124	198	121	13,005	12,384
Automotive Technology	2,341	2,205	2,382	2,250	191	34	184	41	20,719	19,880
Steel Europe	4,845	5,869	4,155	6,061	(138)	607	68	603	25,912	25,945
Marine Systems	664	3,623	1,054	853	8	2	7	9	6,466	6,619
Multi Tracks[2]	2,785	3,861	2,622	2,533	(317)	(99)	(191)	(34)	18,305	14,878
Corporate Headquarters	2	3	9	3	(110)	(108)	(103)	(88)	642	618
Reconciliation	(1,042)	(1,165)	(827)	(1,126)	3	(29)	4	(28)	1,762	1,561
Group continuing operations[2]	**16,491**	**23,960**	**15,899**	**19,622**	**(33)**	**1,082**	**298**	**1,180**	**102,306**	**97,542**
Discontinued elevator operations[2]	0	0	0	0	(16)	9	0	0	0	0
Full group	**16,491**	**23,960**	**15,899**	**19,622**	**(49)**	**1,090**	**298**	**1,180**	**102,306**	**97,542**

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

	Order intake million €		Sales million €		EBIT[1] million €		Adjusted EBIT[1] million €	
	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022
Materials Services	3,096	4,533	2,888	4,446	132	331	126	336
Industrial Components	656	707	626	707	90	67	97	65
Automotive Technology	1,158	1,115	1,167	1,143	74	(4)	75	3
Steel Europe	2,437	3,389	2,238	3,392	(161)	495	47	479
Marine Systems	405	3,144	689	476	3	3	2	3
Multi Tracks[2]	1,360	1,294	1,422	993	(133)	(49)	(80)	(33)
Corporate Headquarters	0	2	5	2	(56)	(47)	(49)	(36)
Reconciliation	(468)	(622)	(457)	(560)	(7)	(14)	1	(14)
Group continuing operations[2]	**8,646**	**13,562**	**8,577**	**10,599**	**(57)**	**783**	**220**	**802**
Discontinued elevator operations[2]	0	0	0	0	(12)	9	0	0
Full group	**8,646**	**13,562**	**8,577**	**10,599**	**(69)**	**792**	**220**	**802**

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

Summary

Best half-year result in over ten years, with significant improvement in the 2nd quarter compared with prior year and prior quarter: effects of worsening supply chain problems and rising factor costs as a result of the war in Ukraine more than offset by associated dynamic price effects in materials businesses

- 1st half performance of continuing operations compared with prior year:
  - Total order intake and sales improved significantly due to price-related rise in materials businesses, especially in the 2nd quarter, Marine Systems with major order in February
  - Adjusted EBIT up significantly year-on-year: significantly higher margins in the materials businesses more than offset rising factor costs and effects of delayed customer call-offs, especially in parts of the components businesses; significant improvement in 2nd quarter compared with prior year and prior quarter
  - Net income improves significantly to positive result, mainly because of rise in earnings
  - FCF before M&A down significantly year-on-year and still clearly 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
- 1st half performance of the segments 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; stable sales volume growth overall
  - Industrial Components records rise in sales overall as a result of significant increase in 2nd quarter: growth in the forged technologies business set against decline in bearings business; adjusted EBIT significantly down on prior year, weighed down by rising factor costs
  - Automotive Technology with lower order intake and sales in both quarters, mainly because of delayed customer call-offs as a result of persistent bottlenecks in the supply chain; adjusted EBIT significantly down on prior year, additionally weighed down by higher factor costs; partially offset by positive one-time effect due to remeasurement of selected pension commitments in the 1st quarter
  - Steel Europe with sequentially significant rise in sales and adjusted EBIT, mainly due to higher revenues; order intake volume and shipments down because of delayed customer call-offs resulting from persistent supply bottlenecks, especially in the automotive sector
  - Marine Systems records significantly higher order intake, mainly due to receipt of another major order for a submarine project in February, the extension of an existing contract for surface vessels, as well as major service and marine electronics projects; adjusted EBIT slightly up on prior year
  - Multi Tracks with significant rise in order intake, primarily in the water electrolysis and plant engineering businesses and a substantially lower loss in adjusted EBIT, mainly due to the positive trend in the stainless steel business until deconsolidation, the closure of Heavy Plate, and improved project execution in plant engineering
  - Corporate Headquarters with mainly lower administrative expenses
- Full-year forecast adjusted: forecast for adjusted EBIT raised, significant improvement expected to at least €2.0 billion; significant improvement of FCF before M&A to a negative figure in mid three-digit million euro range amid continuing limited forecast ability due to geopolitical and economic upheavals (see forecast report)
- Portfolio: statement on the feasibility of a potential stand-alone solution for the steel business not possible at present 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
- 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

Geopolitical situation slows recovery of global economy – uncertainty remains high
- War in Ukraine, continuing high figures reported for new COVID infections, supply bottlenecks, and current weakness of the Chinese economy are hampering ongoing global upturn
- Compared with the start of the fiscal year, forecast growth in global economic output in 2022 revised considerably downward to 3.2%; growth in 2021 was at 5.6%
- Industrialized countries: rise in economic output in 2021 at 5.2%; significantly slower growth of 2.8% currently forecast for 2022
- Emerging economies: 2021 GDP growth of 5.9%; forecast revised to 3.4% for 2022
- Risks and uncertainties: uncertainty about the course the war will take in Ukraine, possible supply restrictions for oil and gas, and geographical spread of the conflict; uncertainty over further progression of the coronavirus pandemic in particular because of new virus mutations, in light of the trends in vaccination rates and renewed lockdown measures; uncertainty about the course of numerous other geopolitical flashpoints and trade conflicts; persistent supply bottlenecks for starting products in manufacturing industry; 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 also as a result of numerous state support measures to mitigate the impact of the pandemic; significant rise in energy, material, and commodity prices and associated fears about inflation rising further

GROSS DOMESTIC PRODUCT

Real change compared to previous year in %	2021[1]	2022[2]
Euro zone	5.3	2.4
Germany	2.9	2.0
Russia	4.3	(11.1)
Rest of Central/Eastern Europe	4.8	(2.1)
USA	5.7	3.3
Brazil	4.7	0.1
Japan	1.7	2.5
China	8.1	4.5
India	7.8	6.4
Middle East & Africa	4.7	4.7
World	**5.6**	**3.2**

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

Automotive

- Global sales volumes and production of passenger cars and light trucks in 2021 with growth compared with the prior year, held back above all by materials-related production restrictions (affecting, e.g., semiconductors, cable harnesses) and logistical challenges in global supply chains
- Significant recovery predicted for 2022 held back by impact on production and global supply chains of continuing chip shortages, local covid outbreaks, and the war in Ukraine
- Return to pre-pandemic level at the earliest in 2023 / 2024 due to ongoing chip shortage
- Europe: production and sales volumes weaker in 2021 than in prior year; recovery expected in 2022, but still well below pre-pandemic levels
- North America: production on a level with prior year in 2021, sales volumes up slightly at the expense of dealer inventories; significant recovery expected in 2022, but still below pre-pandemic levels
- China: production and sales volumes in 2021 slightly up on prior-year period; 2022 expected to be in a similar range as prior year as a result of local covid outbreaks

Engineering

- Germany: after 6.4% rise in production in 2021 forecast for 2022 revised downward to 4% growth; negative factors include continuing supply chain restrictions, further rises in energy prices, and general uncertainty among customers
- USA: following a clear production rise of 11% in 2021, forecast for 2022 marked by less dynamic growth of just over 5%; fiscal stimulus measures supportive, persistent supply chain problems in the short term still holding back production opportunities
- China: after a sharp production increase of around 12% in 2021, substantially slower pace of growth of 3.5% expected this year; government measures to limit excess capacity in heavy industry curbing growth opportunities

Construction

- Germany: production up by a mere 0.6% in 2021; persistent problems in material procurement and high price rises for construction materials will limit growth in 2022 to, at best, 0.5%; positive factors are pent-up purchasing power, continued favorable financing conditions, and demand for new housing and office space
- USA: after a 3.4% increase in production in 2021 considerably slower expansion of around 1.5% this year; rising house prices, higher cost of materials, and further interest rate hikes in the course of the year are negative factors; fiscal policy measures provide support
- China: after growth of 4.4% in 2021, production only slightly higher in the current year, at around 5%; tighter regulation of the real estate sector curbing growth, but more expansionary monetary policy and continued trend toward urbanization support housing construction and civil engineering projects

Steel

- Given high uncertainty caused by factors such as the Russia-Ukraine crisis or the renewed coronavirus lockdown in China, global demand for finished steel expected to expand by as little as 0.4% in 2022; demand in China stagnates at prior-year level, EU market to contract by 1.3%
- Demand in the EU market for flat carbon steel up 15% on prior year in first four months of current fiscal year, pushing up share of imports significantly to 27%
- Following slight declines in the prior months, spot market prices for flat steel rose significantly in March, particularly in the USA and in Europe, mainly due to collapse in supply from Russia and Ukraine and significantly higher raw materials prices
- Market environment continues to be extremely challenging due to persistent supply bottlenecks, extremely volatile raw material prices, geopolitical flashpoints, and high levels of uncertainty about future economic trend

IMPORTANT SALES MARKETS

	2021[1]	2022[2]
Vehicle production, million cars and light trucks[3]		
World	77.2	80.6
Western Europe (incl. Germany)	9.4	10.5
Germany	3.2	3.9
North America (USA, Mexico, Canada)	13.0	14.7
USA	8.9	9.9
Mexico	3.0	3.5
Japan	7.5	7.9
China	24.6	24.4
India	4.2	4.5
Brazil	2.1	2.3
Machinery production, real, in % versus prior year		
World	12.6	4.0
Europe	12.1	3.9
Germany	6.4	4.0
USA	11.0	5.3
Japan	15.8	4.7
China	12.1	3.5
Construction output, real, in % versus prior year		
Euro zone	5.3	2.3
Germany	0.6	0.5
USA	3.4	1.5
China	4.4	5.0
India	16.0	7.3
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

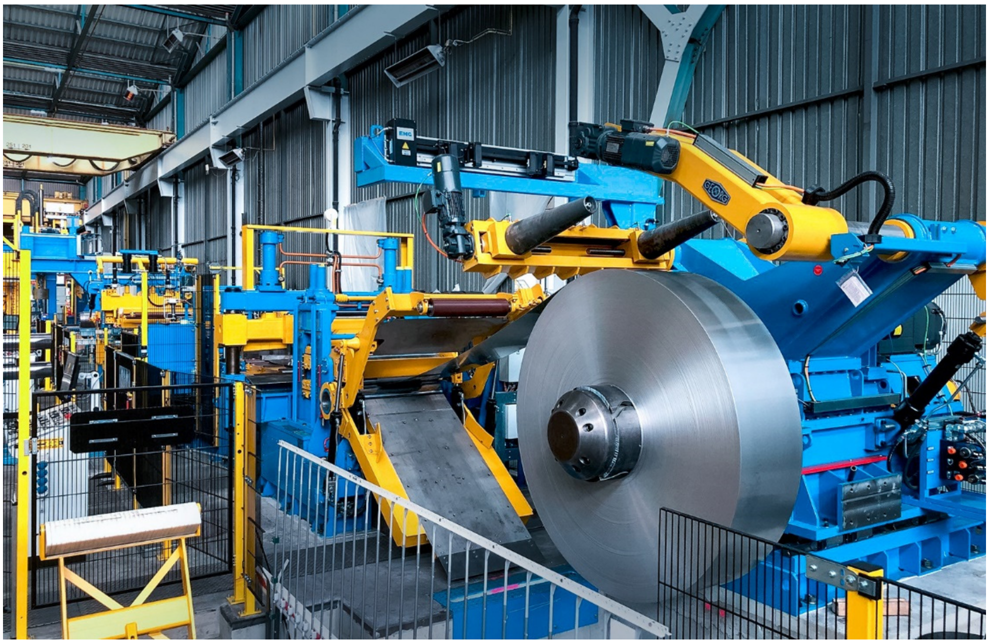
Segment reporting

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 to grow 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 1st half, for example, we closed a total of six warehouse sites and drove forward our major investment projects at sites in the USA. In addition, our segment focuses on the expansion of digital supply chain solutions using tools such as AI.



New narrow-strip center for stainless steel manufactures strips up to 25 km long (Mannheim site)

€7.7 bn

sales in 1st half

15,657

employees worldwide

Performance in the 2nd quarter

MATERIALS SERVICES IN FIGURES

		1st half ended March 31, 2021	1st half ended March 31, 2022	Change in %	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022	Change in %
Order intake	million €	5,579	8,256	48	3,096	4,533	46
Sales	million €	5,256	7,736	47	2,888	4,446	54
EBITDA	million €	210	615	++	166	364	++
EBIT	million €	143	550	++	132	331	++
Adjusted EBIT	million €	131	555	++	126	336	++
Adjusted EBIT margin	%	2.5	7.2	—	4.4	7.5	—
Investments	million €	42	32	(25)	16	16	(1)
Employees (March 31)		15,495	15,657	1	15,495	15,657	1

Order intake

- Significant year-on-year increase driven by higher prices in all business areas, particularly in warehousing and distribution, service centers, and direct-to-customer business
- Plastics also up on prior year

Sales

- Up significantly year-on-year, mainly because of sharp increase in prices
- Significantly 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 volumes slightly up on prior year overall (2.30 million t vs. 2,26 million t); positive trend especially in North American warehousing and distribution as well as direct-to-customer business at Materials Trading

Adjusted EBIT

- Significant increase overall due to rise in margin driven by higher prices combined with a slight expansion of total sales volumes
- Further progress in strategic transformation, driven mainly by network optimization and restructuring; continued site consolidation by closing four more warehouse sites
- Enhancement of transformation as part of the strategic materials as a service approach, e.g., by launching the design phase of our new digital steel marketplace

Main special items in the reporting period

- No material special items

Investments

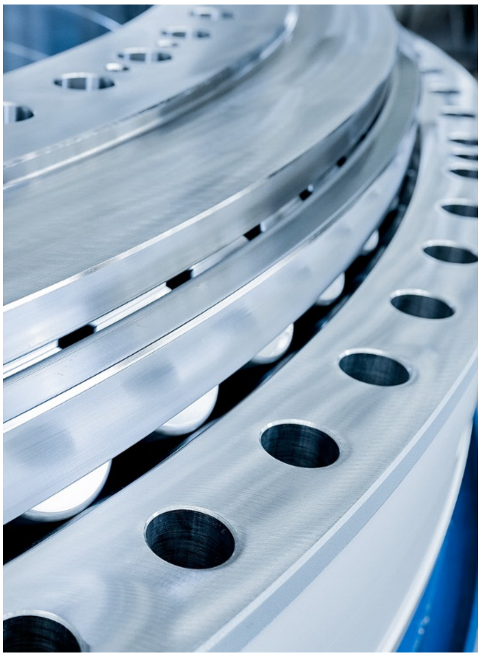
- Expansion of the Veghel warehouse site in the Netherlands to optimize logistics network in Benelux
- Start of operation of cut-to-length line for aluminum and other non-ferrous metals in Poland to enhance processing options and expand product range
- Modernization and replacement investment at warehousing 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 – including 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. For example, in 1st half 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 processes. Another key focus is on successfully implementing our investment project to transform the business unit. In the 1st half, we were able to deliver the first sample parts for chassis components to our customers on schedule.



rothe erde® rotor bearing

Manufacture of a truck crankshaft

€596 m
Bearing sales in 1st half

6,379
Bearings employees worldwide

€715 m
Forged Technologies sales in 1st half

6,005
Forged Technologies employees worldwide

Performance in the 2nd quarter

INDUSTRIAL COMPONENTS IN FIGURES

		1st half ended March 31, 2021	1st half ended March 31, 2022	Change in %	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022	Change in %
Order intake	million €	1,318	1,308	(1)	656	707	8
Sales	million €	1,247	1,311	5	626	707	13
EBITDA	million €	237	177	(25)	115	93	(19)
EBIT	million €	188	124	(34)	90	67	(26)
Adjusted EBIT	million €	198	121	(39)	97	65	(34)
Adjusted EBIT margin	%	15.9	9.2	—	15.5	9.1	—
Investments	million €	81	65	(20)	49	34	(31)
Employees (March 31)		13,005	12,384	(5)	13,005	12,384	(5)

Order intake

- Up year-on-year, especially driven by positive development in the forgings business
- Bearings: considerable rise in industrial applications largely offset significant decline in wind energy segment (particularly in China)
- Forged Technologies: significant increase, largely driven by growth 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

- Sales up year-on-year: rise in forgings business set against decline in bearings business
- Bearings: down slightly year-on-year, temporary demand dip in China (above all in the wind energy segment) set against uptick in industrial applications, especially in general engineering and in the construction machinery sector; Germany and Americas sales regions significantly up year-on-year, rest of Europe and Asia (excluding China) up slightly year-on-year
- Forged Technologies: sales follow order intake with significant year-on-year increase; positive effects in particular from passing through increased factor costs and US dollar exchange rate movements

Adjusted EBIT

- Considerably lower than prior year because of decrease in both business units
- Bearings: significantly lower than prior year, driven largely by higher competition, product and regional structure of sales volume, and substantially increased materials and energy costs; this was partially offset by efficiency enhancement measures (above all restructuring)
- Forged Technologies: decrease primarily because of delayed opportunities for passing through further rises in steel prices as well as energy and freight costs; continued cost-cutting measures with associated optimization of personnel cost ratio were able to partly offset rise in costs

Main special items in the reporting period

- No material special items

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

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, volatile customer call-offs, and higher starting materials, logistics, and energy costs, continued to weigh on the 1st half. In March, the effects of the war in Ukraine led to production stoppages at our customers. In addition, there were pandemic-related plant closures at our customers, suppliers, and at our own sites in China. We counter these challenges by maintaining the greatest possible flexibility in personnel deployment, negotiating new price conditions, and implementing strict cost control.

Steer-by-wire test vehicle

€2.3 bn

Sales in 1st half

19,880

employees worldwide

Performance in the 2nd quarter

AUTOMOTIVE TECHNOLOGY IN FIGURES

		1st half ended March 31, 2021	1st half ended March 31, 2022	Change in %	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022	Change in %
Order intake	million €	2,341	2,205	(6)	1,158	1,115	(4)
Sales	million €	2,382	2,250	(6)	1,167	1,143	(2)
EBITDA	million €	296	151	(49)	127	57	(55)
EBIT	million €	191	34	(82)	74	(4)	--
Adjusted EBIT	million €	184	41	(78)	75	3	(95)
Adjusted EBIT margin	%	7.7	1.8	—	6.4	0.3	—
Investments	million €	104	87	(17)	54	40	(26)
Employees (March 31)		20,719	19,880	(4)	20,719	19,880	(4)

Order intake

- Slightly down year-on-year, mainly due to continuing bottlenecks in the supply chain (above all for semiconductor products) and resulting volatile customer call-offs, but up on weaker prior quarter
- March impacted by production stoppages at customers due to the effects of the war in Ukraine (above all supply bottlenecks for starting materials) as well as pandemic-related plant closures at our customers, suppliers, and at our own sites in China
- This was partially offset by positive USD and CNY exchange rate effects

Sales

- Sales follow order intake, with year-on-year decline and positive exchange rate effects

Adjusted EBIT

- Down significantly year-on-year, mainly due to higher factor costs (above all logistics and materials) as well as a decline in customer demand and capacity utilization resulting from continuing bottlenecks in the supply chain, the war in Ukraine, and pandemic-related plant closures in China
- Offset to some extent by measures to enhance flexibility of personnel deployment, such as less use of temporary work, short-time working, and adjustments to shift models, as well as negotiating new price conditions

Main special items in the reporting period

- Mainly impairment losses on non-current assets in the steering business

Investments

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

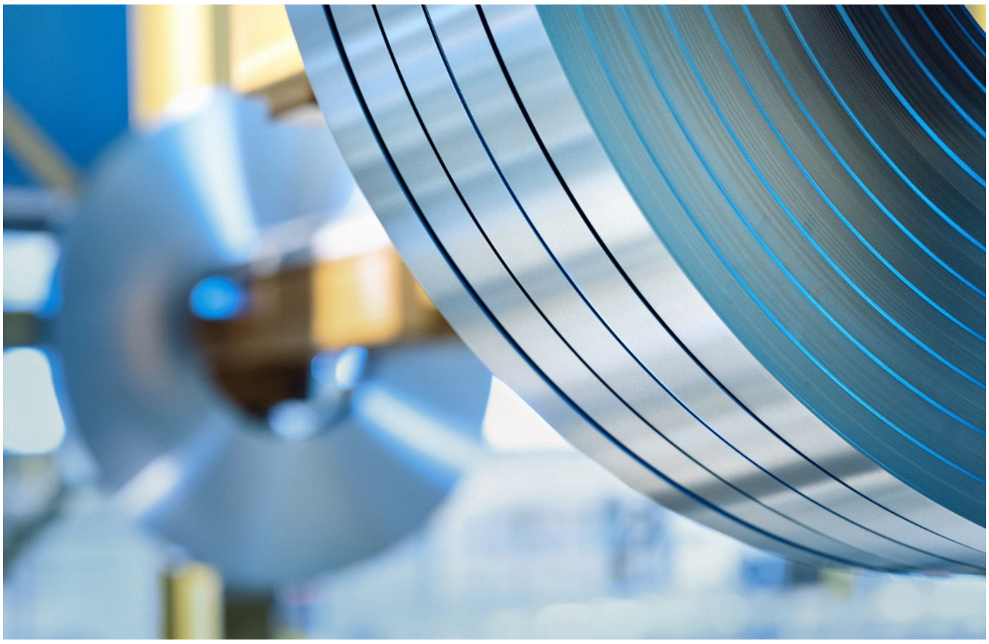
Steel Europe

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 currently has a significant impact on our business, in particular on energy and commodity costs, which we counter with active crisis and cash management. 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, 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 marked an important milestone at the start of the 1st half by delivering the first product volumes of the new bluemint® Steel brand with reduced carbon intensity.



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

€6.1 bn

Sales in 1st half

25,945

employees worldwide

Performance in the 2nd quarter

STEEL EUROPE IN FIGURES

		1st half ended March 31, 2021	1st half ended March 31, 2022	Change in %	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022	Change in %
Order intake	million €	4,845	5,869	21	2,437	3,389	39
Sales	million €	4,155	6,061	46	2,238	3,392	52
EBITDA	million €	(1)	770	++	(92)	571	++
EBIT	million €	(138)	607	++	(161)	495	++
Adjusted EBIT	million €	68	603	++	47	479	++
Adjusted EBIT margin	%	1.6	10.0	—	2.1	14.1	—
Investments	million €	275	309	13	174	185	6
Employees (March 31)		25,912	25,945	0	25,912	25,945	0

Order intake

- Significantly above prior year due to higher prices, with declining volumes, especially in the automotive sector
- Increases in revenues for both short- and long-term contracts
- Volumes decline to 2.6 million t as a result of lower call-offs from almost all customer sectors, mainly due to bottlenecks in the supply chains, recently exacerbated further by the war in Ukraine

Sales

- Significantly up year-on-year as a result of higher revenues; decline in shipments to 2.5 million t in particular to the automotive industry and suppliers because of the semiconductor shortage, partly offset by increased supplies to industrial customers

Adjusted EBIT

- Up significantly year-on-year due to considerably higher revenues, offset by a significant rise in raw materials and energy costs and lower shipments
- Positive effects from progressive restructurings and the ongoing performance program

Main special items in the reporting period

- No material special items

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; 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. 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.

Class F125 frigate "Baden-Württemberg"

€853 m

Sales in 1st half

6,619

employees worldwide

Performance in the 2nd quarter

MARINE SYSTEMS IN FIGURES

		1st half ended March 31, 2021	1st half ended March 31, 2022	Change in %	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022	Change in %
Order intake	million €	664	3,623	++	405	3,144	++
Sales	million €	1,054	853	(19)	689	476	(31)
EBITDA	million €	40	35	(13)	19	20	4
EBIT	million €	8	2	(77)	3	3	12
Adjusted EBIT	million €	7	9	23	2	3	43
Adjusted EBIT margin	%	0.7	1.1	—	0.3	0.7	—
Investments	million €	46	33	(30)	10	13	32
Employees (March 31)		6,466	6,619	2	6,466	6,619	2

Order intake

- Significantly up on prior year, predominantly because of the receipt of a major order for a submarine project, the extension of an existing contract for surface vessels, and other significant orders in the areas of maintenance, service, and marine electronics; order backlog of around €14 billion at record high

Sales

- Significantly down on prior year, mainly due to the delivery of a major order in the prior-year quarter; sales ramp-up as planned

Adjusted EBIT

- Slight increase year-on-year; focus continues to be on necessary stabilization of low-margin legacy orders; optimization of administrative expenses having an effect at the same time

Main special items in the reporting period

- No material special items

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 is where thyssenkrupp combines the businesses for which the thyssenkrupp group 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.

In the current fiscal year, the sale of the stainless steel business (AST) and of Infrastructure already resulted in the closing of two transactions. For the remainder of the fiscal year, the main focus will be on closing the Mining Technologies transaction. We also started preparing for the planned M&A processes for the Automation Engineering and Springs & Stabilizers business units. Another focus is on further developing the hydrogen business. thyssenkrupp nucera is one of the world’s technology leaders in green hydrogen plants. With over 600 projects completed, 240,000 electrolysis cells produced, and more than 10 gigawatts of installed electrolysis output, the company is a market leader in the chloralkali business. This strong expertise is the foundation for alkaline water electrolysis, which produces green hydrogen on a large scale. Compared to other technologies, alkaline water electrolysis allows the centralized production of large quantities of green hydrogen on an industrial scale. Depending on the capital market environment, an IPO is currently the preferred option for thyssenkrupp nucera. Such a transaction can be used to make the true value of the business visible and to fund further growth.

Solutions for the cement industry

€2.5 bn

Sales in 1st half

14,878

employees worldwide

Performance in the 2nd quarter

MULTI TRACKS IN FIGURES

		1st half ended March 31, 2021	1st half ended March 31, 2022	Change in %	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022	Change in %
Order intake	million €	2,785	3,861	39	1,360	1,294	(5)
Sales	million €	2,622	2,533	(3)	1,422	993	(30)
EBITDA	million €	(258)	(35)	86	(98)	(29)	71
EBIT	million €	(317)	(99)	69	(133)	(49)	63
Adjusted EBIT	million €	(191)	(34)	82	(80)	(33)	59
Adjusted EBIT margin	%	(7.3)	(1.3)	—	(5.6)	(3.3)	—
Investments	million €	50	25	(49)	24	9	(60)
Employees (March 31)		18,305	14,878	(19)	18,305	14,878	(19)

Order intake

- Slightly below prior year due to the disposal of the stainless steel business and Infrastructure – despite significant increases in plant engineering, at thyssenkrupp nucera, and Automation Engineering
- Plant engineering: Mining (major projects in Uzbekistan) and Uhde (polyester plant in Turkey) up significantly year-on-year; Cement also significantly higher than prior year
- Automation Engineering records significant rise, driven mainly by considerable recovery in powertrain business; largest order intake for a module line in Germany in the battery business
- Strong growth at thyssenkrupp nucera especially as a result of the chlor-alkali service business in Germany and Japan and award of a major hydrogen project in the USA
- Springs & Stabilizers slightly up year-on-year

Sales

- Significantly down on prior year, driven by the disposals of the stainless steel business, Heavy Plate, and Infrastructure as well as mixed performance in the other businesses
- Plant engineering: Uhde's sales are down significantly 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 slightly down on prior year; upward trend at Cement
- Automation Engineering records significant rise over prior year, especially in the battery business
- thyssenkrupp nucera: year-on-year increase due to stable chlor-alkali business and growth in the hydrogen electrolysis business
- Springs & Stabilizers slightly up year-on-year

Adjusted EBIT

- Loss narrowed significantly compared with prior year, driven particularly by the stainless steel business (up to deconsolidation in January) and the closure of Heavy Plate
- Plant engineering slightly lower than in prior year: Uhde particularly due to smaller non-recurring effects and Cement because of impairment losses on receivables; Mining records improved project processing; carve-out activities in mining business reduce earnings

- Springs & Stabilizers: negative financial implications of storm damage at a Chinese plant in November as well as adverse effect of significantly increased materials and energy costs, which can be passed on to customers only in part and with a delay
- thyssenkrupp nucera: down on prior year, due in particular to higher development costs and rising administrative expenses in connection with the market growth in the hydrogen business described above
- Automation Engineering slightly up on prior year as a result of cost reductions (mainly restructuring) and improved project execution
- Restructuring and cost-cutting measures with corresponding headcount reduction curb losses significantly in almost all businesses

Main special items in the reporting period

- Primarily deconsolidation effects in the stainless steel business and consulting costs in connection with the potential IPO of thyssenkrupp nucera

Investments

- Continuing investment in technology portfolio, mainly in plant engineering, aimed at, among other things, upgrading the service sites of Cement and Mining, as well as investment in the businesses to preserve asset value

Corporate Headquarters

Adjusted EBIT

- Administrative expenses reduced, mainly as a result of reversing some 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 were up significantly year-on-year in both the six-month period and the second quarter, in particular because of the significant sales growth in the materials businesses of the Materials Services and Steel Europe segments, each rising by more than 23%; at the same time, cost of sales of continuing operations increased more slowly than sales overall, especially as a result of higher cost of materials, accompanied by declining personnel expenses; gross profit of continuing operations at €3,004 million and up very significantly, by 58% in the six-month period and, at €1,810 million, by 73% in the quarter; gross profit margin rose correspondingly to 15.3% (prior-year: 12.0%) in the first half and to 17.1% (prior year: 12.2%) in the second quarter
- Increase in selling expenses of continuing operations mainly resulting from higher sales-related freight, insurance, and customs expenses
- Significant reduction in general and administrative expenses of continuing operations, driven primarily by lower personnel expenses, including in connection with restructuring measures
- Increase in other income of continuing operations in particular because of overall increase in insurance claims
- Deterioration in other gains and losses of continuing operations mainly because of losses from deconsolidation (stainless steel business and Infrastructure disposal groups) recognized in the six-month reporting period and lower overall resultsCash on the sale of property, plant, and equipment and investment property

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

- Overall slight widening of net financial expense of continuing operations, mainly due to a deterioration of the share of the profit or loss of equity-accounted investments resulting from a higher share of losses assumed from the Elevator investment and an offsetting drop in interest expenses for financial debt
- Increase in income tax expense of continuing operations, primarily as a result of a significant rise in income before tax of continuing operations

Earnings per share

- Improvement in income/(loss) from discontinued operations (net of tax) impacted by subsequent income in the second quarter 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/(loss) for the six-month period improves significantly by €1,021 million to a positive €709 million
- Earnings per share correspondingly improve significantly by €1.65 to a positive €1.08

Analysis of the statement of cash flows

Operating cash flows

- Negative operating cash flows of continuing operations worsened significantly in the six-month reporting period, in particular because of increased inventories and trade accounts receivable due to price increases; significantly improved net income of the period of continuing operations before depreciation, amortization, and impairment losses as an offsetting factor

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

Cash flows from financing activities

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

Free cash flow and net financial assets

RECONCILIATION TO FREE CASH FLOW BEFORE M&A

million €	1st half ended March 31, 2021	1st half ended March 31, 2022	Change	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022	Change
Operating cash flows – continuing operations (consolidated statement of cash flows)	(209)	(1,082)	(873)	(474)	(483)	(9)
Cash flow from investing activities – continuing operations (consolidated statement of cash flows)	306	22	(284)	(293)	250	543
Free cash flow – continuing operations (FCF)[1]	**97**	**(1,060)**	**(1,157)**	**(767)**	**(233)**	**534**
–/+ Cash inflow/cash outflow resulting from material M&A transactions	72	(518)	(590)	43	(505)	(547)
Adjustment due to IFRS 16	(37)	(52)	(15)	(26)	(34)	(8)
Adjustment due to time deposits	(850)	0	850	0	0	0
Free cash flow before M&A – continuing operations (FCF before M&A)[1]	**(718)**	**(1,630)**	**(912)**	**(750)**	**(772)**	**(21)**
Discontinued elevator operations[1]	0	0	0	0	0	0
Free cash flow before M&A – group (FCF before M&A)	**(718)**	**(1,630)**	**(912)**	**(750)**	**(772)**	**(21)**

[1] See preliminary remarks.

- FCF before M&A of continuing operations in the 1st half down significantly on prior year and still clearly negative: temporary 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
- Significant decrease in net financial assets at March 31, 2022 to €2.4 billion compared with September 30, 2021 mainly due to negative FCF
- Available liquidity of €8.0 billion (€6.5 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
- Redemption of €100 million loan note due December 14, 2021

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

- Overall low increase in property, plant and equipment mainly due to currency translation; depreciation, amortization, and impairment losses slightly higher than additions as an offsetting factor
- Increase in other financial assets, primarily as a result of the subsequent measurement of the Elevator investment and of the interest in the 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 in particular in the materials businesses of the Steel Europe and Materials Services segments
- Sharp increase in trade accounts receivable especially at the materials businesses in the Materials Services and Steel Europe segments
- Overall decrease in contract assets primarily in connection with the execution of construction contracts in the marine business
- Decline in other financial assets, mainly as a result of lower discount claims and of derivatives accounting
- Increase in other non-financial assets mainly due to higher advance payments in operating activities and increased refund claims in connection with non-income taxes
- Significant 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 flow 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 second quarter

Total equity

- Sharp increase compared with September 30, 2021 mainly due to net income in the six-month 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 increase 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 utilization
- 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 materials businesses of the Steel Europe segment and in automotive businesses
- Increase in contract liabilities especially because of the execution of construction contracts in the marine business
- increase in other non-financial liabilities 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 second quarter

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 of 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

Employees

- 97,542 Group employees worldwide as of March 31, 2022; this represents a decline of 3,733 employees, or 3.7%, from September 30, 2021 and a decline of 4,764 employees, or 4.7% from March 31, 2021; this is mainly attributable to disposals of companies in the Multi Tracks segment
- Ongoing advice and support to the thyssenkrupp Executive Board involving technical experts and an operational task force of the global occupational safety and health (OSH) organization on the continuing global coronavirus pandemic in order to provide the best possible protection for employees and limit the negative impacts on the businesses
- Standing offer of “confidential employee advice” (EAP) for thyssenkrupp employees and their families: professional advice provided by trained staff on the additional professional or private challenges facing employees, especially in view of the continuing pandemic situation and the current situation in Ukraine
- More information on employees at thyssenkrupp in the 2020/ 2021 Annual Report and on the website www.thyssenkrupp.com

Technology and innovations

As a group of companies with international operations, thyssenkrupp develops technologies and solutions for future market and customer needs, focusing on climate change mitigation, digitization, and the mobility of the future.

Climate change mitigation

- Low-carbon bluemint® steel
  - Steel Europe has begun producing steel with carbon intensity reduced by 70%.
  - The basis for bluemint® steel is the use of sponge iron (HBI) that has already been reduced. This cuts the use of carbon in the blast furnace.
  - Internationally accredited DNV confirms carbon footprinting method for bluemint® steel.
  - Low-carbon steels part of Steel's transformation strategy. Decisive step will be replacing blast furnaces with hydrogen-powered direct reduction plants.
- Green cement production
  - Research company CI4C (Cement Innovation for Climate) constructs polysius® pure oxyfuel cement kiln line. Capacity of 450 tonnes per day.
  - polysius® pure oxyfuel uses pure oxygen rather than ambient air in the combustion process. Result: highly concentrated carbon emissions that can be efficiently separated. Objective: to capture almost 100% of a cement plant's carbon emissions.
  - Use of CO_2 to produce climate-neutral synthetic fuels with the help of renewable energy. Example: aviation fuel.
  - First green cement production to start at the end of 2024.
- Green hydrogen
  - thyssenkrupp involved in all three hydrogen lead projects of the German Federal Ministry of Education and Research (BMBF). Lead projects are the BMBF's biggest research initiative for the energy transition.
  - thyssenkrupp-led H2Giga project "INSTALL AWE" focuses on industrialization of alkaline water electrolysis (AWE). Standard modules for large-scale technical applications already part of the thyssenkrupp portfolio.
  - "PtX-Wind" project processed in the H_2Mare lead project. Objective: to develop the foundations for producing synthetic fuels (methanol, ammonia, and synthetic methane) using hydrogen at sea.
  - thyssenkrupp's contribution to third lead project, TransHyDE: determining potential of ammonia cracking process. Over long distances, ammonia can be shipped more efficiently as hydrogen carrier than other solutions. After shipping, liquid ammonia is split into its components, hydrogen and nitrogen.

Digitization

- Supply chain coordination
  - Material Services has expanded its range of services by adding “Control Tower.” All-in-one package for coordinating the entire supply chain.
  - At its core is a data dashboard that provides an overview of planning and call-off data for the customer and its various suppliers.
  - Control Tower is a further element in the strategic development of materials as a service to expand the supply chain service business.
- Industrial Internet of Things
  - Materials distributor Knauf Interfer uses the toii® platform independently developed by thyssenkrupp Materials Services for digital production networking. toii® is an Industrial Internet of Things (IIoT) application.
  - Application offers ® realtime transparency for productivity, quality, and project progress.
  - Solution initially realized by thyssenkrupp Materials Services for inhouse production is marketed to external customers via thyssenkrupp Materials IoT GmbH.
  - To date, processing centers of thyssenkrupp Materials Services have achieved productivity gains of 10 to 15%.

Mobility of the future

- Components for electromobility
  - Former Camshafts business unit of Automotive Technology prepared for faster growth in electromobility.
  - Business unit renamed Dynamic Components.
  - In addition to development of complete rotors for electric drives, other development projects in the area of thermal management for battery electric vehicles.
  - Permanent research and development work on undercarriages: integration of software and electrical/electronic components in steering system and shock absorber product areas. Aimed at expanding the functionality and performance of the existing product program.
  - Permanent R&D activities for body: development of new products in equipment manufacture. Examples: laser welding systems, adhesive and folding technologies.
- Lightweight steel construction
  - Steel Europe, jointly with Japanese steel producer JFE Steel Corporation, has developed new high-tensile steel.
  - Material enables weight reductions in the body. Improved crash performance at the same time. Other benefits: productivity gains and lower manufacturing costs at customer.
  - New material designed for variety of applications in next-generation vehicles, including battery electric vehicles.
  - JFE and thyssenkrupp Steel also jointly developing products with even higher tensile strength.

More information on technology and innovation at thyssenkrupp in the 2020 / 2021 Annual Report.

Forecast, opportunity and risk report

Forecast for 2021 / 2022 adjusted

Overall assessment and key assumptions

For key assumptions and expected economic parameters, see the Forecast section and the section "Macro and sector environment" in the Report on the economic position in the 2020 / 2021 Annual Report and 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.

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. In addition, depending principally on when we receive approval from all relevant antitrust authorities, we expect to complete the transaction of the mining business from the Multi Tracks segment for which a sales agreement has already been signed. We will also develop other "best & fair owner" concepts towards a closing. An IPO remains the preferred option for further developing the hydrogen business.

The forecast for free cash flow before M&A for the current fiscal year was suspended in March 2022 in view of the current geopolitical and economic turmoil. At the present time, the specific extent of the direct and indirect consequences of the war in Ukraine on the business development of thyssenkrupp – such as rising or in some cases highly volatile raw material prices as well as considerable volatility in call-offs by customers from the automotive industry – remains associated with high uncertainties. To some extent, the geopolitical and economic turmoil only allows for a limited assessment of possible effects and risks and thus reduces the ability to make projections, 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)
- the continued strained situation in the global procurement market and supply bottlenecks for industrial starting products (including semiconductors and cable harnesses), which could increasingly hold back growth
- lack of clarity over the further progression of the coronavirus pandemic including any new 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” in the report on the economic position. GDP growth in 2022 for regions of importance to us – Germany, the USA and China – is expected to be 2.0%, 3.3% and 4.5%, 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. It is also assumed that prices for raw materials and energy for the rest of the fiscal year will remain at the overall average observable levels of the 2nd quarter.

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 for the remainder of the fiscal year 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 Material Services and a significantly 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 – exacerbated in part by both the war in Ukraine and the new lockdown measures in China and Asian region – 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 dynamic price movements remaining supportive, we expect adjusted EBIT to reach up to €1.0 billion (previous year: €587 million).

- At **Industrial Components** we are expecting sales to be on a level overall with the prior year 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 that can not be fully compensated by continued efficiency 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 stable volumes and structural improvements from implementing the Steel Strategy 20–30. This performance depends particularly on further developments with 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 project a slight improvement in sales 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 a significant 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 slightly above the prior-year 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 above-mentioned assumptions (including availability of fossil fuels and price levels for raw materials and energy) and the currently elevated geopolitical and economic turmoil, which reduces our ability to make projections, 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. A temporary 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. Considering the high volatility at present, both in relation to raw material and energy prices and as regards call-offs by customers from the automotive industry, we do not rule out to respectively readjust the targeted range in the course of the fiscal year.

We are expecting net income of at least €1.0 billion (prior year: €(25) million).

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

- No risks that threaten the Company's ability to continue as a going concern, provided that gas supplies to our industrial plants, particularly at Steel Europe, can be maintained; detailed information on risks described in the 2020 / 2021 Annual Report continues to apply
- Serious uncertainty about the course the war will take in Ukraine, possible supply restrictions for oil and gas, and geographical expansion of the conflict
- 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
- Further economic risks: uncertainty about developments at numerous other geopolitical flashpoints and about trade conflicts, persistent or worsening supply bottlenecks for starting products in manufacturing industry; 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; significant rise in energy, material, and commodity prices and associated fears of inflation continuing to rise
- 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	March 31, 2022
Intangible assets		1,892	1,882
Property, plant and equipment (inclusive of investment property)		6,513	6,563
Investments accounted for using the equity method		670	677
Other financial assets		718	814
Other non-financial assets		337	479
Deferred tax assets		472	470
Total non-current assets		**10,602**	**10,886**
Inventories		7,116	9,015
Trade accounts receivable		4,308	5,578
Contract assets		1,434	1,385
Other financial assets		849	719
Other non-financial assets		1,386	1,596
Current income tax assets		123	155
Cash and cash equivalents	14	8,974	6,455
Assets held for sale	02	2,019	539
Total current assets		**26,209**	**25,444**
Total assets		**36,811**	**36,329**

See accompanying notes to financial statements.

EQUITY AND LIABILITIES

million €	Note	Sept. 30, 2021	March 31, 2022
Capital stock		1,594	1,594
Additional paid-in capital		6,664	6,664
Retained earnings		1,771	3,150
Cumulative other comprehensive income		372	861
thereof relating to disposal groups		(34)	(13)
Equity attributable to thyssenkrupp AG's stockholders		**10,400**	**12,269**
Non-controlling interest		445	485
Total equity	03	**10,845**	**12,754**
Provisions for pensions and similar obligations	04	7,896	7,069
Provisions for other non-current employee benefits		298	274
Other provisions	05	513	492
Deferred tax liabilities		60	79
Financial debt	06	3,784	2,779
Other financial liabilities		66	34
Other non-financial liabilities		1	1
Total non-current liabilities		**12,619**	**10,727**
Provisions for current employee benefits		176	131
Other provisions	05	1,175	1,013
Current income tax liabilities		151	212
Financial debt	06	1,640	1,278
Trade accounts payable		4,244	4,795
Other financial liabilities		729	686
Contract liabilities		2,205	2,468
Other non-financial liabilities		1,794	1,859
Liabilities associated with assets held for sale	02	1,232	406
Total current liabilities		**13,347**	**12,848**
Total liabilities		**25,966**	**23,575**
Total equity and liabilities		**36,811**	**36,329**

See accompanying notes to financial statements.

thyssenkrupp group – statement of income

million €, earnings per share in €	Note	1st half ended March 31, 2021	1st half ended March 31, 2022	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022
Sales	09, 10	15,899	19,622	8,577	10,599
Cost of sales		(13,996)	(16,618)	(7,532)	(8,789)
Gross Margin		**1,902**	**3,004**	**1,045**	**1,810**
Research and development cost		(111)	(109)	(60)	(58)
Selling expenses		(1,113)	(1,201)	(584)	(632)
General and administrative expenses		(840)	(716)	(492)	(355)
Other income	11	160	176	60	47
Other expenses		(50)	(55)	(36)	(22)
Other gains/(losses), net		14	(17)	3	(10)
Income/(loss) from operations		**(38)**	**1,081**	**(63)**	**779**
Income from companies accounted for using the equity method	12	(42)	(70)	9	(28)
Finance income		367	496	156	250
Finance expense		(489)	(594)	(214)	(292)
Financial income/(expense), net		**(164)**	**(168)**	**(49)**	**(69)**
Income/(loss) from continuing operations before tax		**(202)**	**913**	**(112)**	**710**
Income tax (expense)/income		(95)	(213)	(63)	(131)
Income/(loss) from continuing operations (net of tax)		**(297)**	**700**	**(175)**	**579**
Income/(loss) from discontinued operations (net of tax)	02	**(16)**	**9**	**(12)**	**9**
Net income/(loss)		**(313)**	**709**	**(187)**	**587**
Thereof:					
thyssenkrupp AG's shareholders		**(356)**	**671**	**(211)**	**565**
Non-controlling interest		43	38	24	23
Net income/(loss)		**(313)**	**709**	**(187)**	**587**
Basic and diluted earnings per share based on	13				
Income/(loss) from continuing operations (attributable to thyssenkrupp AG's shareholders)		**(0.55)**	**1.06**	**(0.32)**	**0.89**
Net income/(loss) (attributable to thyssenkrupp AG's shareholders)		**(0.57)**	**1.08**	**(0.34)**	**0.91**

See accompanying notes to financial statements.

thyssenkrupp group – statement of comprehensive income

million €	1st half ended March 31, 2021	1st half ended March 31, 2022	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022
Net income/(loss)	**(313)**	**709**	**(187)**	**587**
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	355	719	521	586
Tax effect	(21)	(10)	(15)	(2)
Other comprehensive income from remeasurements of pensions and similar obligations, net	335	710	506	584
Unrealized gains/(losses) from fair value measurement of equity instruments				
Change in unrealized gains/(losses), net	5	3	0	2
Tax effect	0	0	0	0
Net unrealized (gains)/losses	5	3	0	2
Share of unrealized gains/(losses) of investments accounted for using the equity-method	(1)	0	(1)	0
Subtotals of items of other comprehensive income that will not be reclassified to profit or loss in future periods	**339**	**713**	**505**	**587**
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	58	218	141	113
Net realized (gains)/losses	0[1]	5	0	2
Net unrealized (gains)/losses	58	223	141	115
Unrealized gains/(losses) from fair value measurement of debt instruments				
Change in unrealized gains/(losses), net	5	1	3	1
Net realized (gains)/losses	0	0	0	0
Tax effect	0	0	0	0
Net unrealized (gains)/losses	5	1	3	1
Unrealized gains/(losses) from impairment of financial instruments				
Change in unrealized gains/(losses), net	(2)	(1)	0	(1)
Net realized (gains)/losses	(1)	1	0	1
Tax effect	0	0	0	0
Net unrealized (gains)/losses	(2)	1	0	0
Unrealized gains/(losses) on cash flow hedges				
Change in unrealized gains/(losses), net	196	262	28	29
Net realized (gains)/losses	3	(37)	14	(18)
Tax effect	(43)	(2)	2	(2)
Net unrealized (gains)/losses	155	223	45	9
Share of unrealized gains/(losses) of investments accounted for using the equity-method	12	70	(16)	49

million €	1st half ended March 31, 2021	1st half ended March 31, 2022	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022
Subtotals of items of other comprehensive income that could be reclassified to profit or loss in future periods	**228**	**517**	**173**	**175**
Other comprehensive income	**566**	**1,231**	**678**	**761**
Total comprehensive income	**254**	**1,939**	**491**	**1,349**
Thereof:				
thyssenkrupp AG's shareholders	188	1,869	459	1,304
Non-controlling interest	66	70	32	45
Total comprehensive income attributable to thyssenkrupp AG's stockholders refers to:				
Continuing operations	204	1,861	471	1,295
Discontinued operations	(16)	9	(12)	9

[1] The split of realized and unrealized foreign currency translation adjustment has been adjusted.
See accompanying notes to financial statements.

thyssenkrupp group – statement of changes in equity

		Equity attributable to thyssenkrupp AG's stockholders		
million €, (except number of shares)	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)				(356)
Other comprehensive income				333
Total comprehensive income				**(23)**
Profit attributable to non-controlling interest				
Changes of shares of already consolidated companies				(7)
Other changes				(16)
Balance as of March 31, 2021	**622,531,741**	**1,594**	**6,664**	**1,427**
Balance as of Sept. 30, 2021	**622,531,741**	**1,594**	**6,664**	**1,771**
Net income/(loss)				671
Other comprehensive income				710
Total comprehensive income				**1,380**
Profit attributable to non-controlling interest				
Other changes				(1)
Balance as of March 31, 2022	**622,531,741**	**1,594**	**6,664**	**3,150**

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**
							(356)	43	(313)
53	3	5	(2)	140	1	12	544	22	566
53	**3**	**5**	**(2)**	**140**	**1**	**12**	**188**	**66**	**254**
							0	(10)	(10)
							(7)	4	(3)
							(16)	16	0
(40)	**9**	**7**	**40**	**223**	**0**	**52**	**9,976**	**439**	**10,414**
19	**10**	**8**	**33**	**217**	**(37)**	**123**	**10,400**	**445**	**10,845**
							671	38	709
192	1	3	1	204	18	70	1,199	32	1,231
192	**1**	**3**	**1**	**204**	**18**	**70**	**1,869**	**70**	**1,939**
							0	(28)	(28)
							(1)	(1)	(2)
211	**11**	**11**	**34**	**421**	**(19)**	**193**	**12,269**	**485**	**12,754**

thyssenkrupp group – statement of cash flows

million €	1st half ended March 31, 2021	1st half ended March 31, 2022	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022
Net income/(loss)	**(313)**	**709**	**(187)**	**587**
Adjustments to reconcile net income/(loss) to operating cash flows:				
Income/(loss) from discontinued operations (net of tax)	16	(9)	12	(9)
Deferred income taxes, net	4	29	14	12
Depreciation, amortization and impairment of non-current assets	473	494	243	235
Reversals of impairment losses of non-current assets	(34)	(34)	(16)	(17)
Income/(loss) from companies accounted for using the equity method, net of dividends received	42	70	(9)	28
(Gain)/loss on disposal of non-current assets	(20)	17	(7)	10
Changes in assets and liabilities, net of effects of acquisitions and divestitures and other non-cash changes				
– Inventories	(542)	(1,846)	(317)	(635)
– Trade accounts receivable	(515)	(1,176)	(762)	(913)
– Contract assets	46	97	(254)	(6)[1]
– Provisions for pensions and similar obligations	(50)	(119)	(35)	(99)
– Other provisions	98	(292)	199	(149)
– Trade accounts payable	818	543	609	534
– Contract liabilities	(46)	203	(54)	(76)[1]
– Other assets/liabilities not related to investing or financing activities	(187)	232	91	13
Operating cash flows – continuing operations	**(209)**	**(1,082)**	**(474)**	**(483)**
Operating cash flows – discontinued operations	(3)	0	(3)	0
Operating cash flows	**(212)**	**(1,082)**	**(476)**	**(483)**
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)	(2)	0
Capital expenditures for property, plant and equipment (inclusive of advance payments) and investment property	(548)	(528)	(317)	(291)
Capital expenditures for intangible assets (inclusive of advance payments)	(15)	(19)	(9)	(11)
Proceeds from disposals of investments accounted for using the equity method and non-current financial assets	0	0	0	1
Proceeds from disposals of previously consolidated companies net of cash disposed	(1)	569	(1)	551
Proceeds from disposals of property, plant and equipment and investment property	59	8	36	1
Proceeds from disposals of time deposits	850	0	0	0
Cash flows from investing activities – continuing operations	**306**	**22**	**(293)**	**250**
Cash flows from investing activities – discontinued operations	0	0	0	0
Cash flows from investing activities	**306**	**22**	**(293)**	**250**

million €	1st half ended March 31, 2021	1st half ended March 31, 2022	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022
Repayments of bonds	(850)	(1,250)	0	0
Proceeds from liabilities to financial institutions	153	107	121	21
Repayments of liabilities to financial institutions	(102)	(100)	(13)	(27)
Lease liabilities	(69)	(71)	(36)	(36)
Proceeds from/(repayments on) loan notes and other loans	(138)	(99)	(128)	0
Profit attributable to non-controlling interest	(10)	(28)	(2)	(19)
Expenditures for acquisitions of shares of already consolidated companies	(3)	0	(3)	0
Financing of discontinued operations	(3)	0	(3)	0
Other financial activities	(36)	(60)	(46)	(8)
Cash flows from financing activities – continuing operations	**(1,059)**	**(1,503)**	**(109)**	**(69)**
Cash flows from financing activities – discontinued operations	3	0	3	0
Cash flows from financing activities	**(1,056)**	**(1,502)**	**(107)**	**(69)**
Net increase/(decrease) in cash and cash equivalents	(962)	(2,563)	(876)	(302)
Effect of exchange rate changes on cash and cash equivalents	7	44	7	36
Cash and cash equivalents at beginning of year	10,697	9,017	10,611	6,764
Cash and cash equivalents at end of year	**9,742**	**6,498**	**9,742**	**6,498**
thereof cash and cash equivalents within the disposal groups	0	43	0	43
Additional information regarding cash flows from interest, dividends and income taxes which are included in operating cash flows of continuing operations:				
Interest received	4	6	2	3
Interest paid	(138)	(111)	(111)	(90)
Dividends received	1	0	0	0
Income taxes (paid)/received	(72)	(146)	(52)	(87)

[1] Compared to the 1st quarter ended December 31, 2021 contract assets and contract liabilities were reclassified.
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 March 31, 2022, were reviewed and authorized for issue in accordance with a resolution of the Executive Board on May 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 March 31, 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 current global coronavirus pandemic and the war in Ukraine. Against this background an impairment test was conducted on the critical items goodwill, other intangible assets and property, plant and equipment, deferred tax assets, trade accounts receivable and contract assets (see Note 07). 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. Further impairment losses were recognized in the 2nd quarter ended March 31, 2022 in the Steering business unit of the Automotive Technology segment: Impairment losses of €6 million were recognized on technical equipment and machinery in the global electric steering gears product area; this was attributable to reductions in sales volumes expected for ongoing orders since the coronavirus pandemic; these reductions are continuing due to factors such as the persistent semiconductor shortage and are currently being exacerbated by the effects of the war in Ukraine.

The uncertainty in our assessment of the impact of the ongoing global coronavirus pandemic on current business performance, including earnings prospects, remains unchanged from September 30, 2021. New is the impact of the war in Ukraine: as things stand, the precise scale of the direct and indirect impact on the business performance of thyssenkrupp, such as rising or in some cases highly volatile energy, materials, and commodity prices as well as considerable volatility in call-offs by customers from the automotive industry, remains very uncertain; see the detailed presentation of the parameters in the report on the 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 1st half and 2nd quarter ended March 31, 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 €	1st half ended March 31, 2021	1st half ended March 31, 2022	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022
Sales	0	0	0	0
Other income	0	0	0	0
Expenses	(16)	9	(12)	9
Ordinary income/(loss) from discontinued operations (before tax)	**(16)**	**9**	**(12)**	**9**
Income tax (expense)/income	0	0	0	0
Ordinary income/(loss) from discontinued operations (net of tax)	**(16)**	**9**	**(12)**	**9**
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)	**(16)**	**9**	**(12)**	**9**
Thereof:				
thyssenkrupp AG's shareholders	(16)	9	(12)	9
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 March 31, 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 approval. Signing triggered extensive carve-out activities expected to be completed by closing in a period of approximately twelve months. 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.

The assets and liabilities of the disposal group as of September 30, 2021 and as of March 31, 2022, respectively are presented in the following table; €(13) 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	March 31, 2022
Intangible assets	93	94
Property, plant and equipment (inclusive of investment property)	66	67
Deferred tax assets	18	19
Inventories	98	104
Trade accounts receivable	115	120
Contract assets	74	49
Other current financial assets	1	1
Other current non-financial assets	33	39
Current income tax assets	4	3
Cash and cash equivalents	31	43
Assets held for sale	**532**	**539**
Provisions for pensions and similar obligations	37	34
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	3
Provisions for current employee benefits	10	10
Other current provisions	39	26
Current income tax liabilities	2	1
Current financial debt	3	2
Trade accounts payable	95	74
Other current financial liabilities	1	1
Contract liabilities	167	157
Other current non-financial liabilities	78	87
Liabilities associated with assets held for sale	**445**	**406**

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 1st half ended March 31, 2022, 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 €	1st half ended March 31, 2022
Other intangible assets	23
Property, plant and equipment (inclusive of investment property)	269
Investments accounted for using the equity method	17
Other non-current financial assets	7
Deferred tax assets	60
Inventories	609
Trade accounts receivable	526
Other current financial assets	27
Other current non-financial assets	11
Current income tax assets	12
Cash and cash equivalents	87
Total assets disposed of	**1,650**
Provisions for pensions and similar obligations	37
Provisions for other non-current employee benefits	2
Other non-current provisions	15
Non-current financial debt	22
Other non-current financial liabilities	19
Provisions for current employee benefits	1
Other current provisions	18
Current income tax liabilities	9
Current financial debt	254
Trade accounts payable	691
Other current financial liabilities	21
Other current non-financial liabilities	107
Total liabilities disposed of	**1,196**
Net assets disposed of	**454**
Cumulative other comprehensive income	(11)
Non-controlling interest	(1)
Gain/(loss) resulting from the disposals	(15)
Selling price / Consideration received	**427**
Sale of day-to-day receivables	**288**
Selling price / consideration received inclusive of sale of day-to-day receivables	**715**
Thereof: paid in cash and cash equivalents	655
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 March 31, 2022.

PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

million €	Sept. 30, 2021	March 31, 2022
Pension obligations	7,647	6,817
Partial retirement	290	255
Other pension-related obligations	34	30
Reclassification due to the presentation as liabilities associated with assets held for sale	(75)	(34)
Total	**7,896**	**7,069**

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			March 31, 2022
in %	Germany	Other countries	Total	Germany	Other countries	Total
Discount rate for accrued pension obligations	0.90	1.51	1.04	1.60	2.27	1.76

05 Other provisions

The restructuring provisions included in other provisions decreased by €90 million to €246 million compared with September 30, 2021. Additions in the amount of €8 million, mainly relating to the Materials Services, Industrial Components, Steel Europe and Multi Tracks 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.

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 March 31, 2022	Provision as of March 31, 2022
Advance payment bonds	59	1
Performance bonds	27	0
Other guarantees	5	0
Total	**91**	**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 €27 million to €31 million as of March 31, 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 €0.8 billion to €1.8 billion due to price and volume movements.

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 €8,750 million as of March 31, 2022 (September 30, 2021: €9,585 million) have a fair value of €8,756 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 MARCH 31, 2022

million €	March 31, 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	137	0	137	0
Equity instruments	12	7	5	0
Fair value recognized in equity				
Trade accounts receivable	**2,944**			**2,944**
Equity instruments	63			63
Debt instruments (measured at fair value)	27	27	0	0
Derivatives qualifying for hedge accounting	120	0	120	0
Total	**3,303**	**34**	**262**	**3,006**
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	95	0	95	0
Total	**208**	**0**	**208**	**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 March 31, 2022	**63**

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 March 31, 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 1st half ended March 31, 2021 and 2022 and for the 2nd quarter ended March 31, 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]
1st half ended March 31, 2021										
External sales	5,066	1,236	2,381	3,706	1,053	2,423	7	26	0	15,899
Internal sales within the group	190	10	1	449	0	199	3	(853)	0	0
Sales	5,256	1,247	2,382	4,155	1,054	2,622	9	(827)	0	15,899
EBIT	143	188	191	(138)	8	(317)	(110)	3	(16)[3]	(49)
Adjusted EBIT	131	198	184	68	7	(191)	(103)	4	0	298
1st half ended March 31, 2022										
External sales	7,548	1,302	2,243	5,298	853	2,368	1	9	0	19,622
Internal sales within the group	188	9	7	763	1	165	2	(1,135)	0	0
Sales	7,736	1,311	2,250	6,061	853	2,533	3	(1,126)	0	19,622
EBIT	550	124	34	607	2	(99)	(108)	(29)	9[3]	1,090
Adjusted EBIT	555	121	41	603	9	(34)	(88)	(28)	0	1,180
2nd quarter ended March 31, 2021										
External sales	2,784	621	1,167	1,987	689	1,313	3	14	0	8,577
Internal sales within the group	104	5	0	251	1	110	1	(471)	0	0
Sales	2,888	626	1,167	2,238	689	1,422	5	(457)	0	8,577
EBIT	132	90	74	(161)	3	(133)	(56)	(7)	(12)[3]	(69)
Adjusted EBIT	126	97	75	47	2	(80)	(49)	1	0	220
2nd quarter ended March 31, 2022										
External sales	4,355	702	1,140	2,981	476	941	1	5	0	10,599
Internal sales within the group	91	5	4	412	1	53	1	(566)	0	0
Sales	4,446	707	1,143	3,392	476	993	2	(560)	0	10,599
EBIT	331	67	(4)	495	3	(49)	(47)	(14)	9[3]	792
Adjusted EBIT	336	65	3	479	3	(33)	(36)	(14)	0	802

[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 €475 million to €1,211 million at Marine Systems and by €569 million to €261 million at Multi Tracks, while it increased by €1,037 million to €3,624 million at Material Services, by €202 million to €1,579 million at Industrial Components and by €980 million to €5,042 million at Steel Europe as of March 31, 2022.

The column "Reconciliation" breaks down as following:

BREAKDOWN RECONCILIATION

million €	Service Units	Special Units	Consolidation	Reconciliation
1st half ended March 31, 2021				
External sales	20	5	0	26
Internal sales within the group	114	25	(992)	(853)
Sales	135	30	(992)	(827)
EBIT	0	(16)	19	3
Adjusted EBIT	0	1	3	4
1st half ended March 31, 2022				
External sales	7	2	0	9
Internal sales within the group	101	16	(1,252)	(1,135)
Sales	107	19	(1,252)	(1,126)
EBIT	0	(10)	(18)	(29)
Adjusted EBIT	0	(10)	(18)	(28)
2nd quarter ended March 31, 2021				
External sales	12	2	0	14
Internal sales within the group	59	5	(535)	(471)
Sales	71	6	(535)	(457)
EBIT	0	(20)	2	(7)
Adjusted EBIT	0	0	(2)	1
2nd quarter ended March 31, 2022				
External sales	3	2	0	5
Internal sales within the group	54	8	(628)	(566)
Sales	57	10	(628)	(560)
EBIT	3	(6)	(10)	(14)
Adjusted EBIT	2	(6)	(10)	(14)

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 €	1st half ended March 31, 2021	1st half ended March 31, 2022	2nd quarter ended March 31, 2021	2nd quarter ended March 31, 2022
Adjusted EBIT as presented in segment reporting	**298**	**1,180**	**220**	**802**
Special items[1]	(347)	(90)	(289)	(11)
EBIT as presented in segment reporting	**(49)**	**1,090**	**(69)**	**792**
+ Non-operating income/(expense) from companies accounted for using the equity method	(53)	(69)	0	(32)
+ Finance income	367	496	156	250
– Finance expense	(489)	(594)	(214)	(292)
– Items of finance income assigned to EBIT based on economic classification	0	0	0	0
+ Items of finance expense assigned to EBIT based on economic classification	6	(1)	3	0
Income/(loss) group (net of tax)	**(217)**	**922**	**(124)**	**718**
– Income/(loss) from discontinued operations (before tax)	16	(9)	12	(9)
Income/(loss) from continuing operations before tax as presented in the statement of income	**(202)**	**913**	**(112)**	**710**

[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 six-month reporting period, special items were mainly attributable to impairment losses in the Multi Tracks and Steel Europe 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
1st half ended March 31, 2021									
Sales from sale of finished products	720	1,064	1,832	3,866	19	1,292	0	(586)	8,207
Sales from sale of merchandise	4,326	144	207	36	4	163	0	(173)	4,707
Sales from rendering of services	239	4	86	108	20	220	9	(63)	624
Sales from construction contracts	5	0	250	0	994	918	0	(10)	2,158
Other sales from contracts with customers	0	34	8	148	17	25	0	(8)	223
Subtotal sales from contracts with customers	**5,291**	**1,246**	**2,383**	**4,158**	**1,054**	**2,619**	**9**	**(840)**	**15,919**
Other sales	(35)	1	0	(3)	0	3	0	13	(21)
Total	**5,256**	**1,247**	**2,382**	**4,155**	**1,054**	**2,622**	**9**	**(827)**	**15,899**
1st half ended March 31, 2022									
Sales from sale of finished products	1,040	1,093	1,734	5,605	27	1,237	0	(851)	9,886
Sales from sale of merchandise	6,686	161	158	116	2	200	0	(218)	7,106
Sales from rendering of services	279	5	84	103	27	233	3	(69)	665
Sales from construction contracts	6	0	266	0	794	843	0	(13)	1,896
Other sales from contracts with customers	0	52	8	245	3	21	0	(9)	320
Subtotal sales from contracts with customers	**8,012**	**1,312**	**2,250**	**6,069**	**853**	**2,533**	**3**	**(1,160)**	**19,873**
Other sales	(277)	(1)	0	(8)	0	0	0	34	(251)
Total	**7,736**	**1,311**	**2,250**	**6,061**	**853**	**2,533**	**3**	**(1,126)**	**19,622**

SALES

million €	Materials Services	Industrial Components	Automotive Technology	Steel Europe	Marine Systems	Multi Tracks	Corporate Headquarters	Reconciliation	Group
2nd quarter ended March 31, 2021									
Sales from sale of finished products	399	533	896	2,098	12	659	0	(322)	4,275
Sales from sale of merchandise	2,382	72	102	0	1	115	0	(123)	2,548
Sales from rendering of services	117	2	36	61	10	120	5	(31)	319
Sales from construction contracts	4	0	131	0	656	515	0	(7)	1,299
Other sales from contracts with customers	0	20	3	83	11	15	0	(4)	128
Subtotal sales from contracts with customers	**2,902**	**626**	**1,168**	**2,242**	**689**	**1,425**	**5**	**(488)**	**8,569**
Other sales	(14)	(1)	(1)	(4)	1	(2)	0	30	9
Total	**2,888**	**626**	**1,167**	**2,238**	**689**	**1,422**	**5**	**(457)**	**8,577**
2nd quarter ended March 31, 2022									
Sales from sale of finished products	597	582	895	3,162	14	352	0	(434)	5,169
Sales from sale of merchandise	3,687	94	74	52	0	74	0	(96)	3,885
Sales from rendering of services	146	3	38	55	15	107	2	(36)	328
Sales from construction contracts	2	0	133	0	445	451	0	(7)	1,025
Other sales from contracts with customers	0	27	5	128	1	9	0	(6)	165
Subtotal sales from contracts with customers	**4,432**	**706**	**1,144**	**3,397**	**476**	**994**	**2**	**(578)**	**10,572**
Other sales	14	1	0	(5)	0	(1)	0	17	27
Total	**4,446**	**707**	**1,143**	**3,392**	**476**	**993**	**2**	**(560)**	**10,599**

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
1st half ended March 31, 2021									
Automotive	706	394	2,255	1,261	0	529	1	(23)	5,123
Trading	762	52	112	715	7	239	1	(267)	1,623
Engineering	58	732	8	106	7	502	0	(6)	1,918
Steel and related processing	933	12	1	1,179	0	572	0	(547)	2,151
Construction	282	9	0	11	0	55	0	(3)	354
Public sector	27	1	0	0	1,016	0	0	1	1,046
Packaging	48	0	0	580	0	0	0	0	629
Energy and utilities	43	14	0	127	0	20	0	0	205
Other customer groups	1,922	30	7	177	24	700	7	5	2,871
Total	**5,291**	**1,246**	**2,383**	**4,158**	**1,054**	**2,619**	**9**	**(840)**	**15,919**
1st half ended March 31, 2022									
Automotive	953	475	2,122	1,398	0	563	1	9	5,521
Trading	933	117	106	1,219	3	200	1	(422)	2,157
Engineering	900	635	13	159	9	47	0	(19)	1,745
Steel and related processing	1,575	27	1	1,895	0	585	0	(684)	3,399
Construction	515	15	0	30	0	27	0	(13)	575
Public sector	55	3	0	3	834	0	0	10	906
Packaging	73	0	0	764	0	0	0	7	845
Energy and utilities	71	9	0	275	0	15	0	2	371
Other customer groups	2,937	30	8	325	8	1,095	1	(49)	4,354
Total	**8,012**	**1,312**	**2,250**	**6,069**	**853**	**2,533**	**3**	**(1,160)**	**19,873**
2nd quarter ended March 31, 2021									
Automotive	372	211	1,099	645	0	271	1	(20)	2,579
Trading	417	25	60	393	6	141	0	(141)	902
Engineering	329	357	5	56	2	295	0	(6)	1,037
Steel and related processing	504	5	0	677	0	299	0	(317)	1,168
Construction	152	6	0	8	0	28	0	(2)	191
Public sector	9	1	0	(1)	665	0	0	0	675
Packaging	27	0	0	294	0	0	0	(1)	320
Energy and utilities	24	6	0	73	0	8	0	0	111
Other customer groups	1,069	16	4	97	16	382	3	(1)	1,586
Total	**2,902**	**626**	**1,168**	**2,242**	**689**	**1,425**	**5**	**(488)**	**8,569**
2nd quarter ended March 31, 2022									
Automotive	509	263	1,085	769	0	205	0	(21)	2,811
Trading	644	63	47	585	2	70	0	(85)	1,327
Engineering	495	336	7	91	0	14	0	(6)	936
Steel and related processing	832	15	1	1,196	0	141	0	(495)	1,690
Construction	250	8	0	19	0	1	0	(1)	277
Public sector	29	1	0	2	470	0	0	(1)	502
Packaging	37	0	0	453	0	0	0	(2)	488
Energy and utilities	44	4	0	150	0	3	0	(1)	200
Other customer groups	1,592	16	4	133	3	559	1	33	2,341
Total	**4,432**	**706**	**1,144**	**3,397**	**476**	**994**	**2**	**(578)**	**10,572**

SALES FROM CONTRACTS WITH CUSTOMERS BY REGION

million €	Materials Services	Industrial Components	Automotive Technology	Steel Europe	Marine Systems	Multi Tracks	Corporate Headquarters	Reconciliation	Group
1st half ended March 31, 2021									
German-speaking area[1)]	2,043	212	777	2,357	201	448	8	(577)	5,468
Western Europe	871	206	364	879	59	825	0	(157)	3,046
Central and Eastern Europe	780	24	128	308	1	202	0	(53)	1,391
Commonwealth of Independent States	22	15	5	25	0	65	0	0	132
North America	1,210	248	516	312	10	177	1	(49)	2,426
South America	16	74	30	45	16	126	0	1	309
Asia / Pacific	236	28	25	22	298	220	0	(3)	825
Greater China	30	411	429	65	3	165	0	(3)	1,100
India	23	16	4	22	9	102	0	0	176
Middle East & Africa	60	12	105	123	458	288	0	1	1,047
Total	**5,291**	**1,246**	**2,383**	**4,158**	**1,054**	**2,619**	**9**	**(840)**	**15,919**
1st half ended March 31, 2022									
German-speaking area[1)]	2,649	272	727	3,575	245	432	2	(854)	7,048
Western Europe	1,328	247	296	1,243	113	815	0	(150)	3,891
Central and Eastern Europe	1,314	27	97	438	3	164	0	(97)	1,946
Commonwealth of Independent States	26	9	5	26	0	56	0	0	122
North America	2,145	328	571	368	9	212	1	(72)	3,563
South America	21	97	25	72	44	111	0	4	374
Asia / Pacific	375	31	22	27	158	158	0	(6)	766
Greater China	37	260	447	55	4	208	0	6	1,018
India	36	24	3	41	12	188	0	2	307
Middle East & Africa	80	16	57	225	265	189	0	8	839
Total	**8,012**	**1,312**	**2,250**	**6,069**	**853**	**2,533**	**3**	**(1,160)**	**19,873**

SALES FROM CONTRACTS WITH CUSTOMERS BY REGION

million €	Materials Services	Industrial Components	Automotive Technology	Steel Europe	Marine Systems	Multi Tracks	Corporate Headquarters	Reconciliation	Group
2nd quarter ended March 31, 2021									
German-speaking area[1]	1,152	119	384	1,282	151	256	4	(320)	3,028
Western Europe	481	105	182	464	32	426	0	(95)	1,597
Central and Eastern Europe	434	14	66	167	0	131	0	(34)	777
Commonwealth of Independent States	8	8	2	14	0	33	0	0	66
North America	648	137	263	159	5	91	1	(31)	1,273
South America	14	36	15	25	11	66	0	0	168
Asia / Pacific	121	13	14	14	222	138	0	(3)	520
Greater China	12	179	189	35	1	76	0	(3)	489
India	13	9	2	11	5	60	0	0	100
Middle East & Africa	19	6	49	71	260	148	0	(1)	552
Total	**2,902**	**626**	**1,168**	**2,242**	**689**	**1,425**	**5**	**(488)**	**8,569**
2nd quarter ended March 31, 2022									
German-speaking area[1]	1,607	151	355	2,000	161	146	1	(436)	3,985
Western Europe	698	132	159	711	64	222	0	(70)	1,917
Central and Eastern Europe	718	15	56	244	0	77	0	(34)	1,076
Commonwealth of Independent States	8	3	2	15	0	31	0	0	58
North America	1,131	184	311	197	8	99	1	(28)	1,903
South America	6	54	15	41	24	59	0	(1)	199
Asia / Pacific	172	15	11	17	83	80	0	(3)	374
Greater China	21	131	201	26	4	103	0	(3)	483
India	18	13	2	22	7	106	0	(1)	169
Middle East & Africa	52	7	31	122	125	71	0	(1)	408
Total	**4,432**	**706**	**1,144**	**3,397**	**476**	**994**	**2**	**(578)**	**10,572**

[1] Germany, Austria, Switzerland, Liechtenstein

Of the sales from contracts with customers €2,598 million (prior year: €2,285 million) results in the 1st half ended March 31, 2022 and €1,439 million (prior year: €1,188 million) in the 2nd quarter ended March 31, 2022 from long-term contracts, while €17,274 million (prior year: €13,635 million) results in the 1st half ended March 31, 2022 and €9,133 million (prior year: €7,381 million) in the 2nd quarter ended March 31, 2022 from short-term contracts. €3,016 million (prior year: €2,571 million) relates in the 1st half ended March 31, 2022 and €1,728 million (prior year: €1,351 million) in the 2nd quarter ended March 31, 2022 to sales recognized over time, and €16,856 million (prior year: €13,348 million) relates in the 1st half ended March 31 2022 and €8,844 million (prior year: €7,218 million) in the 2nd quarter ended March 31, 2022 to sales recognized at a point in time.

11 Other income

Gains from premiums and from grants in the amount of €13 million (prior year: €18 million) in the 1st half ended March 31, 2022 and of €3 million (prior year: €5 million) in the 2nd quarter ended March 31, 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 €25 million (prior year: €20 million) in the 1st half ended March 31, 2022 and €1 million (prior year: €6 million) in the 2nd quarter ended March 31, 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 €69 million (prior year: €53 million) in the 1st half ended March 31, 2022 and of €32 million (prior year: €0 million) in the 2nd quarter ended March 31, 2022 from ordinary shares in Vertical Topco I S.A., Luxembourg, which are part of the Elevator investment (cf. Note 02).

13 Earnings per share

Basic earnings per share are calculated as follows:

EARNINGS PER SHARE (EPS)

	1st half ended March 31, 2021		1st half ended March 31, 2022		2nd quarter ended March 31, 2021		2nd quarter ended March 31, 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)	(340)	(0.55)	662	1.06	(199)	(0.32)	556	0.89
Income/(loss) from discontinued operations (net of tax) (attributable to thyssenkrupp AG’s shareholders)	(16)	(0.03)	9	0.01	(12)	(0.02)	9	0.01
Net income/(loss) (attributable to thyssenkrupp AG's shareholders)	**(356)**	**(0.57)**	**671**	**1.08**	**(211)**	**(0.34)**	**565**	**0.91**
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 €	March 31, 2021	Sept. 30, 2021	March 31, 2022
Cash and cash equivalents according to the balance sheet	9,742	8,974	6,455
Cash and cash equivalents of disposal groups	0	42	43
Liquid funds according to statement of cash flows	9,742	9,017	6,498

As of March 31, 2022 cash and cash equivalents of €21 million (March 31, 2021: €92 million; September 30, 2021: €44 million) result from the joint operation HKM.

Essen, May 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 March 31, 2022, which are part of the half-year 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, May 10, 2022

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Harald Kayser	Michael Preiß
(German Public Auditor)	(German Public Auditor)

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for the half-year reporting, the condensed interim consolidated financial statements give a true and fair view of assets, liabilities, financial position and profit and loss of the group, and the group interim management report includes a fair view of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group in the remaining months of the year.

Essen, May 9, 2022

thyssenkrupp AG
The Executive Board

Merz

Burkhard　　Keysberg

Additional information

Contact and 2022 / 2023 financial calendar

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2022 / 2023 financial calendar

August 11, 2022
Interim report 9 months 2021 / 2022 (October to June)

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)

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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.

www.thyssenkrupp.com

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