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Interim report 9 months 2017/2018

October 1, 2017 – June 30, 2018
thyssenkrupp AG

thyssenkrupp in figures

GROUP WITHOUT STEEL AMERICAS (AM)[1)]

		9 months ended June 30, 2017	9 months ended June 30, 2018	Change	in %	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018	Change	in %
Order intake	million €	31,456	31,122	(334)	(1)	10,213	10,886	673	7
Net sales	million €	30,772	31,683	911	3	10,437	11,117	681	7
EBIT	million €	985	1,098	113	12	484	243	(241)	(50)
EBIT margin	%	3.2	3.5	0.3	8	4.6	2.2	(2.5)	(53)
Adjusted EBIT	million €	1,222	1,276	54	4	519	332	(187)	(36)
Adjusted EBIT margin	%	4.0	4.0	0.1	1	5.0	3.0	(2.0)	(40)
Income/(loss) before tax	million €	679	814	135	20	396	158	(238)	(60)
Income/(loss) (net of tax)	million €	326	230	(96)	(30)	268	(114)	(382)	--
attributable to thyssenkrupp AG's shareholders	million €	296	190	(106)	(36)	254	(131)	(385)	--
Earnings per share (EPS)	€	0.52	0.31	(0.22)	(42)	0.45	(0.21)	(0.66)	--
Operating cash flows	million €	(1,256)	(797)	460	37	24	60	36	149
Cash flow for investments	million €	(1,067)	(855)	212	20	(432)	(293)	139	32
Cash flow from divestments	million €	62	78	16	26	8	34	26	321
Free cash flow	million €	(2,261)	(1,573)	688	30	(400)	(199)	201	50
Free cash flow before M&A	million €	(2,190)	(1,592)	597	27	(332)	(211)	121	36
Employees (June 30)		157,634	159,655	2,021	1	157,634	159,655	2,021	1

[1)] See preliminary remarks.

FULL GROUP[1)]

		9 months ended June 30, 2017	9 months ended June 30, 2018	Change	in %	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018	Change	in %
Order intake	million €	32,673	31,122	(1,551)	(5)	10,725	10,886	160	1
Net sales	million €	32,013	31,683	(331)	(1)	10,929	11,117	188	2
EBIT[2)]	million €	205	1,098	893	435	529	243	(286)	(54)
EBIT margin	%	0.6	3.5	2.8	440	4.8	2.2	(2.7)	(55)
Adjusted EBIT[2)]	million €	1,376	1,276	(100)	(7)	620	332	(288)	(46)
Adjusted EBIT margin	%	4.3	4.0	(0.3)	(6)	5.7	3.0	(2.7)	(47)
Income/(loss) before tax[2)]	million €	(287)	814	1,101	++	293	158	(135)	(46)
Net income/(loss)	million €	(721)	230	951	++	134	(114)	(248)	--
attributable to thyssenkrupp AG's shareholders	million €	(751)	190	941	++	120	(131)	(251)	--
Earnings per share (EPS)	€	(1.33)	0.31	1.63	++	0.21	(0.21)	(0.42)	--
Operating cash flows	million €	(1,338)	(797)	541	40	1	60	59	++
Cash flow for investments	million €	(1,182)	(855)	327	28	(456)	(293)	162	36
Cash flow from divestments	million €	68	78	10	16	9	34	25	286
Free cash flow	million €	(2,452)	(1,573)	879	36	(445)	(199)	247	55
Free cash flow before M&A[3)]	million €	(2,326)	(1,592)	734	32	(377)	(211)	166	44
Net financial debt (June 30)	million €	6,311	3,808	(2,503)	(40)	6,311	3,808	(2,503)	(40)
Total equity (June 30)	million €	2,242	3,341	1,099	49	2,242	3,341	1,099	49
Gearing (June 30)	%	281.5	114.0	(167.5)	(60)	281.5	114.0	(167.5)	(60)
Employees (June 30)		161,781	159,655	(2,126)	(1)	161,781	159,655	(2,126)	(1)

[1)] See preliminary remarks.
[2)] See reconciliation in segment reporting (Note 07).
[3)] See reconciliation in the analysis of the statement of cash flows.

GROUP – CONTINUING OPERATIONS[1)]

		9 months ended June 30, 2017	9 months ended June 30, 2018	Change	in %	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018	Change	in %
Order intake	million €	25,881	25,263	(618)	(2)	8,381	8,797	416	5
Net sales	million €	25,218	25,762	544	2	8,504	9,010	505	6
EBIT	million €	655	500	(155)	(24)	260	35	(225)	(86)
EBIT margin	%	2.6	1.9	(0.7)	(25)	3.1	0.4	(2.7)	(87)
Adjusted EBIT	million €	878	648	(230)	(26)	285	97	(187)	(66)
Adjusted EBIT margin	%	3.5	2.5	(1.0)	(28)	3.3	1.1	(2.3)	(68)
Income/(loss) before tax[2)]	million €	392	273	(119)	(30)	186	(31)	(217)	--
Income/(loss) (net of tax)	million €	161	(137)	(298)	--	124	(240)	(364)	--
attributable to thyssenkrupp AG's shareholders	million €	133	(173)	(306)	--	110	(254)	(364)	--
Earnings per share (EPS)	€	0.23	(0.28)	(0.51)	--	0.19	(0.41)	(0.60)	--
Operating cash flows	million €	(946)	(1,364)	(418)	(44)	(142)	(228)	(86)	(61)
Cash flow for investments	million €	(635)	(595)	40	6	(246)	(209)	37	15
Cash flow from divestments	million €	47	55	8	17	8	23	15	174
Free cash flow[3)]	million €	(1,534)	(1,903)	(369)	(24)	(379)	(414)	(35)	(9)
Free cash flow before M&A[3)]	million €	(1,462)	(1,922)	(460)	(31)	(311)	(426)	(116)	(37)
Employees (June 30)		128,584	130,907	2,323	2	128,584	130,907	2,323	2

[1)] See preliminary remarks.
[2)] See reconciliation in segment reporting (Note 07).
[3)] See reconciliation in the analysis of the statement of cash flows.

THYSSENKRUPP STOCK / ADR MASTER DATA AND KEY FIGURES

ISIN			Number of shares (total)	shares	622,531,741
Shares (Frankfurt, Düsseldorf stock exchanges)	DE 000 750 0001		Closing price end June 2018	€	20.82
ADRs (over-the-counter trading)	US88629Q2075		Stock exchange value end June 2018	million €	12,961
Symbols					
Shares	TKA				
ADRs	TKAMY				

BUSINESS AREAS

	Order intake million €		Net sales million €		EBIT[1] million €		Adjusted EBIT[1] million €		Employees	
	9 months ended June 30, 2017	9 months ended June 30, 2018	9 months ended June 30, 2017	9 months ended June 30, 2018	9 months ended June 30, 2017	9 months ended June 30, 2018	9 months ended June 30, 2017	9 months ended June 30, 2018	June 30, 2017	June 30, 2018
Components Technology	5,738	5,889	5,648	5,878	216	232	274	268	32,469	34,126
Elevator Technology	6,038	5,814	5,703	5,538	584	591	662	642	52,460	52,683
Industrial Solutions	4,149	2,823	4,002	3,591	48	(250)	70	(224)	21,678	21,583
Materials Services	10,244	10,957	10,185	10,997	189	215	245	236	19,862	20,148
Steel Europe	6,692	7,029	6,616	7,065	347	597	352	586	27,384	27,090
Corporate	190	242	195	245	(388)	(292)	(370)	(237)	3,781	4,025
Consolidation	(1,594)	(1,633)	(1,577)	(1,631)	(10)	6	(10)	6		
Group without AM	**31,456**	**31,122**	**30,772**	**31,683**	**985**	**1,098**	**1,222**	**1,276**	**157,634**	**159,655**
Discontinued operations Steel Americas	1,217	0	1,242	0	(779)	0	153	0	4,147	0
Full Group	**32,673**	**31,122**	**32,013**	**31,683**	**205**	**1,098**	**1,376**	**1,276**	**161,781**	**159,655**
Discontinued steel operations	5,575	5,859	5,554	5,921	329	598	344	627	29,050	28,748
Discontinued operations Steel Americas	1,217	0	1,242	0	(779)	0	153	0	4,147	0
Group continuing operations	**25,881**	**25,263**	**25,218**	**25,762**	**655**	**500**	**878**	**648**	**128,584**	**130,907**

[1] See reconciliation in segment reporting (Note 07).

	Order intake million €		Net sales million €		EBIT[1] million €		Adjusted EBIT[1] million €	
	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018
Components Technology	2,000	2,027	1,970	2,043	93	67	99	98
Elevator Technology	2,024	1,981	1,954	1,938	232	203	240	218
Industrial Solutions	1,031	1,053	1,241	1,254	15	(216)	6	(213)
Materials Services	3,430	3,818	3,504	3,863	57	76	73	85
Steel Europe	2,171	2,474	2,337	2,496	231	240	232	228
Corporate	97	73	69	74	(145)	(124)	(131)	(82)
Consolidation	(539)	(540)	(639)	(551)	1	(2)	1	(2)
Group without AM	**10,213**	**10,886**	**10,437**	**11,117**	**484**	**243**	**519**	**332**
Discontinued operations Steel Americas	512	0	493	0	45	0	101	0
Full Group	**10,725**	**10,886**	**10,929**	**11,117**	**529**	**243**	**620**	**332**
Discontinued steel operations	1,832	2,089	1,932	2,108	224	208	234	234
Discontinued operations Steel Americas	512	0	493	0	45	0	101	0
Group continuing operations	**8,381**	**8,797**	**8,504**	**9,010**	**260**	**35**	**285**	**97**

[1] See reconciliation in segment reporting (Note 07).

Contents

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

Interim management report

Preliminary remarks

This report follows thyssenkrupp's internal management model which continues to be based on the current structure of the business areas and thus on the full Group in its current structure (Group without Steel Americas (AM)).

In addition, the continuing operations are presented, comprising the full Group without the discontinued steel operations; the latter include the Steel Europe business area, thyssenkrupp MillServices & Systems GmbH from the Materials Services business area, and individual Corporate companies.

Changes to the Executive Board and Supervisory Board

- Guido Kerkhoff succeeded Dr. Heinrich Hiesinger as Chief Executive Officer of thyssenkrupp AG on July 13, 2018. Dr. Heinrich Hiesinger left the company by mutual agreement on July 6, 2018.
- Prof. Dr. Ulrich Lehner resigned as Chairman of the Supervisory Board of thyssenkrupp AG and left the Supervisory Board effective July 31, 2018.

Report on the economic position

Summary

Additional project expenses at Industrial Solutions weigh on adjusted EBIT; full-year adjusted EBIT expected around €1.8 billion

- After changes on the Executive Board and Supervisory Board, continued focus on improving operating performance in our capital goods and materials businesses:
  - Introduction of turnaround plan at Industrial Solutions
  - Corporate with additional effects from carve-out of steel business
- Order intake in the capital goods businesses:
  - Components Technology with best order intake in seven years
  - Elevator Technology, adjusted for currency factors, higher year-on-year
  - Industrial Solutions down after major orders in prior year, higher year-on-year in 3rd quarter

- Group sales higher: materials businesses up from prior year in continuing good market environment; sales growth at Components Technology and – excluding currency factors – at Elevator Technology; Industrial Solutions significantly lower year-on-year
- Adjusted EBIT €1,276 million:
  - Overall materials businesses continuing to profit from cyclical upswing
  - Corporate with faster than planned reduction in G&A costs and lower expenses for Group initiatives
  - Components Technology temporarily slightly lower year-on-year due to adverse exchange-rate effects and higher material costs, on a comparable basis higher year-on-year
  - Elevator Technology with robust margin growth compared with competitors despite adverse exchange-rate effects and higher material costs
  - Industrial Solutions significantly lower year-on-year due to additional project expenses at Marine Systems and in plant construction
- €560 million EBIT effects from “impact” enhance efficiency in the first 9 months
- Net income in reporting period down: lower special items, and improved net interest; offset by write-downs of deferred tax assets on loss carryforwards in connection with the joint venture in the 3rd quarter, higher tax expense resulting from increased EBT, and additional project expenses at Industrial Solutions; net income for the full Group significantly higher
- Free cash flow significantly improved year-on-year in 3rd quarter and after 9 months, but negative mainly due to continuing low order intake and high expenditures from orders in hand at Industrial Solutions
- Important milestone reached: agreement signed to combine the European steel activities in the 50 / 50 joint venture thyssenkrupp Tata Steel
  - Expected annual synergies of €400-500 million confirmed in due diligence; further synergies in capital expenditures and optimization of working capital
  - Economic ratio of 55 / 45 in favor of thyssenkrupp in case of an IPO; exclusive right to decide on timing of a potential IPO
  - On closing, significant improvement in balance sheet ratios and easing of cash flow
  - Closing of transaction subject mainly to approval of regulatory authorities
- Full-year forecast for the Group: adjusted EBIT now at bottom end of target range due mainly to additional project expenses at Industrial Solutions; FCF before M&A with significant year-on-year improvement, but negative owing to low order intake and delayed milestone payments at Industrial Solutions; net income still significantly higher year-on-year

Macro and sector environment

Global economic growth at solid prior-year level in 2018 – but uncertainties increasing recently

- Industrialized countries: economic momentum seems to have peaked; expansionary monetary policy continues to drive growth
- Emerging economies: economic upturn continues, but regional differences increasing again
- Uncertainties and risks further increased (continued escalation of trade conflicts, geopolitical flashpoints, interest rate turnaround in USA, Brexit negotiations, critical indebtedness levels in numerous countries, high volatility in Chinese financial and real estate sectors, and volatile material and commodity prices)

GROSS DOMESTIC PRODUCT

Real change compared to previous year in %	2017	2018[1]
Euro zone	2.3	2.1
Germany	2.2	2.0
Russia	1.5	1.7
Rest of Central/Eastern Europe	4.1	3.7
USA	2.3	2.8
Brazil	1.0	2.0
Japan	1.7	1.1
China	6.9	6.6
India	6.5	7.1
Middle East & Africa	3.3	3.3
World	**3.6**	**3.6**

[1] Forecast
Sources: IHS Markit, IMF, consensus forecasts, misc. banks and research institutes, own estimates

Automotive

- Continued slight growth in global sales and production of cars and light trucks in 2018
- Europe: following higher sales in 2017, stable to slightly positive in 2018
- NAFTA: sales in 2017 down from record prior year, further slight decline in 2018
- China: car sales and production up slightly in 2017 with reduced government incentives, slight growth in 2018
- Heavy trucks: global production output in 2017 positive, buoyed by strong growth in China and incipient recovery in NAFTA; China expected to be weaker in 2018 due to pull-forward effects in prior year, remaining markets positive, in particular USA Class 8 very positive

Machinery

- Germany: higher growth again in 2018 due to rising capital investment and exports
- USA: 2018 production growth revised sharply upwards; capital investment continues to ensure strong improvement
- China: growth weakening at high level in 2018; need to modernize economy continues to provide support

Construction

- Germany: solid growth in 2018 due to housing, commercial and public sector construction; low mortgage rates and public sector investment programs boosting growth
- USA: faster growth in 2018 after weak prior year
- China and India: slowing growth in China in 2018 due to reduced government incentives, appreciable increase in output in India

IMPORTANT SALES MARKETS

	2017	2018[1]
Vehicle production, million cars and light trucks		
World	92.2	94.1
Western Europe (incl. Germany)	14.7	14.9
Germany	5.7	5.6
USA	10.9	11.1
Mexico	3.9	4.1
Japan	9.2	9.1
China	27.7	28.2
India	4.4	4.7
Brazil	2.6	2.9
Machinery production, real, in % versus prior year		
Germany	3.9	4.5
USA	7.2	7.2
Japan	8.2	5.6
China	11.0	8.3
Construction output, real, in % versus prior year		
Germany	3.2	2.6
USA	0.7	3.0
China	4.4	3.7
India	1.8	7.2

[1] Forecast
Sources: IHS Markit, Oxford Economics, national associations, own estimates

Steel

- Continued growth in global finished steel demand in 2018; stagnation or slight increase in China, but solid gains in rest of world; higher growth in the emerging economies
- EU carbon flat steel market with slight year-on-year growth in first five months of 2018; with third country imports slightly lower, moderate growth in shipments of European suppliers
- Market environment remains challenging structurally and characterized by uncertainty: volatile raw materials markets, continuing global overcapacities, imbalances on the international steel trading markets as a result of US tariffs on steel imports and concerns over escalation of trade conflicts; provisional safeguard measures of EU in place since mid-July to prevent trade diversion into EU as a result of US tariff policy

Group and business area review

Order intake below high prior-year level; slight growth in sales; additional project expenses at Industrial Solutions impacting adjusted EBIT

ORDER INTAKE BY BUSINESS AREA

million €	9 months ended June 30, 2017	9 months ended June 30, 2018	Change in %	Change on a comparable basis[1] in %	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018	Change in %	Change on a comparable basis[1] in %
Components Technology	5,738	5,889	3	8	2,000	2,027	1	5
Elevator Technology	6,038	5,814	(4)	3	2,024	1,981	(2)	3
Industrial Solutions	4,149	2,823	(32)	(33)	1,031	1,053	2	4
Materials Services	10,244	10,957	7	10	3,430	3,818	11	14
Steel Europe	6,692	7,029	5	6	2,171	2,474	14	15
Corporate	190	242	27	27	97	73	(25)	(25)
Consolidation	(1,594)	(1,633)	—	—	(539)	(540)	—	—
Group without AM	**31,456**	**31,122**	**(1)**		**10,213**	**10,886**	**7**	
Discontinued operations Steel Americas	1,217	0	--		512	0	--	
Full Group	**32,673**	**31,122**	**(5)**	**(2)**	**10,725**	**10,886**	**1**	**4**
Discontinued steel operations	5,575	5,859	5		1,832	2,089	14	
Discontinued operations Steel Americas	1,217	0	--		512	0	--	
Group continuing operations	**25,881**	**25,263**	**(2)**	**1**	**8,381**	**8,797**	**5**	**9**

[1] Excluding material currency and portfolio effects

Order intake of **capital goods businesses** in the first 9 months:

- Components Technology with best order intake in seven years despite adverse currency effects; Elevator Technology down from strong prior-year level but positive on comparable basis
- Industrial Solutions clearly down from strong prior-year level due to slowdown in major project awards, 3rd quarter slightly higher year-on-year

Components Technology

- Car components: growth in first 9 months in particular in camshaft modules, axle assembly and damper systems; demand remains robust in China and Western Europe, declining in USA, 3rd quarter slightly higher year-on-year despite adverse currency effects (USD and CNY)
- Heavy truck components: good market situation in USA, Europe stable, growth in Brazil from a low level
- Industrial components: demand remains weaker in wind energy sector, in particular in Brazil and India, rising demand for construction machinery components from low level in generally improved environment

Elevator Technology

- Order intake in first 9 months remains high, but lower year-on-year due to adverse currency effects (mainly USD, CNY, BRL); on a comparable basis, orders are higher
- Positive operating performance in USA and Canada; new installations business in Europe down slightly year-on-year due to major order in prior-year period; China lower year-on-year with high price pressure, number of new installations level with prior year

Industrial Solutions

- Chemical plant engineering: medium-size refinery contract in Germany and orders for new plants and services, above all in Asia and Europe; continued difficult order situation for major projects due to customers' reluctance to invest, particularly in the area of fertilizers
- Cement: small and medium-size orders for plants and machines in Mexico, West Africa and India; current market situation characterized by overcapacities built up in recent years
- Mining with continuing upturn in demand: orders among other things for coal handling and power plant equipment in India, port handling system in Russia, grinding and crushing equipment in Europe and the USA; investment in new mine openings still subdued
- System Engineering: continuing demand for production systems for the automotive industry, mainly in Europe and Asia; major order for body-in-white production lines from German carmaker in 3rd quarter
- Marine Systems: smaller and medium-size orders in marine electronics, maintenance and service, and contract extensions; prior year profited from major submarine order

Orders in the **materials businesses** overall higher:

- Steel Europe up due to higher prices, with order volumes stable (8.3 million tons)
- Materials Services up year-on-year mainly reflecting higher volumes

NET SALES BY BUSINESS AREA

million €	9 months ended June 30, 2017	9 months ended June 30, 2018	Change in %	Change on a comparable basis[1] in %	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018	Change in %	Change on a comparable basis[1] in %
Components Technology	5,648	5,878	4	9	1,970	2,043	4	8
Elevator Technology	5,703	5,538	(3)	3	1,954	1,938	(1)	4
Industrial Solutions	4,002	3,591	(10)	(12)	1,241	1,254	1	2
Materials Services	10,185	10,997	8	11	3,504	3,863	10	13
Steel Europe	6,616	7,065	7	7	2,337	2,496	7	7
Corporate	195	245	26	25	69	74	7	7
Consolidation	(1,577)	(1,631)	—	—	(639)	(551)	—	—
Group without AM	**30,772**	**31,683**	**3**		**10,437**	**11,117**	**7**	
Discontinued operations Steel Americas	1,242	0	--		493	0	--	
Full Group	**32,013**	**31,683**	**(1)**	**2**	**10,929**	**11,117**	**2**	**4**
Discontinued steel operations	5,554	5,921	7		1,932	2,108	9	
Discontinued operations Steel Americas	1,242	0	--		493	0	--	
Group continuing operations	**25,218**	**25,762**	**2**	**6**	**8,504**	**9,010**	**6**	**9**

[1] Excluding material currency and portfolio effects

Sales in the **capital goods businesses** in the first 9 months:

- Components Technology higher year-on-year despite adverse currency effects; Elevator Technology down slightly year-on-year due to currency effects (USD, CNY and BRL) but with growth on a comparable basis
- Industrial Solutions sharply down mainly due to weaker order intake and lower billing progress at Marine Systems

The **materials businesses** significantly increased their sales year-on-year.

Materials Services

- Prices relatively stable in almost all product segments; price of stainless steel higher
- Overall materials volumes at 8.5 million tons higher than prior year (8.2 million tons shipments)
- Increasing sales in warehousing and service business; clear gains in materials warehousing and distribution in large parts of Europe and North America and in international direct-to-customer business
- Volumes at AST up from prior year

Steel Europe

- Year-on-year increase in sales due to higher average net selling prices while shipments were slightly down (8.5 million tons); volume growth with customers in the automotive industry offset above all lower shipments of heavy plate due to production-related factors
- Higher net selling prices across all products and business units – with further improvements over the course of the year

ADJUSTED EBIT BY BUSINESS AREA

million €	9 months ended June 30, 2017	9 months ended June 30, 2018	Change in %	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018	Change in %
Components Technology	274	268	(2)	99	98	(1)
Elevator Technology	662	642	(3)	240	218	(9)
Industrial Solutions	70	(224)	--	6	(213)	--
Materials Services	245	236	(4)	73	85	18
Steel Europe	352	586	67	232	228	(2)
Corporate	(370)	(237)	36	(131)	(82)	38
Consolidation	(10)	6	—	1	(2)	—
Group without AM	**1,222**	**1,276**	**4**	**519**	**332**	**(36)**
Discontinued operations Steel Americas	153	0	--	101	0	--
Full Group	**1,376**	**1,276**	**(7)**	**620**	**332**	**(46)**
Discontinued steel operations	344	627	83	234	234	0
Discontinued operations Steel Americas	153	0	--	101	0	--
Group continuing operations[1]	**878**	**648**	**(26)**	**285**	**97**	**(66)**

[1] See reconciliation in segment reporting (Note 07).

In the **capital goods businesses** as a whole, adjusted EBIT was lower year-on-year mainly due to steep decline in earnings at Industrial Solutions.

Components Technology

- Adjusted EBIT slightly lower year-on-year: adverse currency effects (USD and CNY), higher materials prices, lower demand for wind turbine components alongside strong price competition, weaker productivity in springs and stabilizers, flatter start-up curve for new plants due to factors on customer side; partly offset by improvements in camshaft modules, damper systems, crankshafts and construction machinery components; on a comparable basis higher year-on-year
- Margin lower year-on-year at 4.6 % in first 9 months, due partly to mix effects (higher axle module assembly sales); level quarter-on-quarter at 4.8 % in 3rd quarter

Elevator Technology

- Adjusted EBIT lower year-on-year due to negative currency effects (USD, BRL, CNY) and higher material costs particularly in China, on a comparable basis higher year-on-year
- Margin at 11.6 % at prior-year level in first 9 months, supported by performance measures; robust compared with competitors

Industrial Solutions

- Adjusted EBIT negative and down sharply year-on-year, mainly reflecting additional expenses in connection with a major project review and revaluation of individual projects in the 3rd quarter
- Additionally impacted by lower sales, less favorable sales mix, and partial underutilization

In the **materials businesses** adjusted EBIT was clearly higher year-on-year in a positive market environment, also supported by cost-saving programs.

Materials Services

- Earnings down slightly year-on-year at high level; positive price and volume trend plus performance measures on the one hand, lower effects from weaker price dynamics versus prior year on the other; Q3 higher year-on-year
- AST with earnings down from high prior year but still at high level thanks to profitable growth in end consumer business and operating performance improvements

Steel Europe

- Earnings significantly higher year-on-year and with clear gains over the course of the year due to higher selling prices, supported by cost and efficiency measures
- Pleasing margin: adjusted EBIT margin significantly higher

Corporate

- Adjusted EBIT with clear improvement year-on-year: alongside faster than planned implementation of measures to reduce G&A costs, lower project expenses for IT infrastructure standardization and data and process harmonization
- Positive income effect from real estate sale in 1st quarter

Earnings impacted by special items

SPECIAL ITEMS BY BUSINESS AREA

million €	9 months ended June 30, 2017	9 months ended June 30, 2018	Change	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018	Change
Components Technology	58	36	(22)	6	31	25
Elevator Technology	78	51	(27)	8	15	7
Industrial Solutions	22	25	3	(9)	3	12
Materials Services	57	21	(35)	15	9	(6)
Steel Europe	4	(11)	(15)	1	(12)	(13)
Corporate	18	55	37	14	42	28
Group without AM	**237**	**178**	**(60)**	**35**	**88**	**54**
Discontinued operations Steel Americas	933	0	(933)	56	0	(56)
Full Group	**1,170**	**178**	**(993)**	**91**	**88**	**(2)**
Discontinued steel operations	14	29	15	10	26	16
Discontinued operations Steel Americas	933	0	(933)	56	0	(56)
Group continuing operations	**223**	**148**	**(75)**	**24**	**62**	**37**

- Main special items in the reporting period:
  - Components Technology: adjustments mainly in connection with closure costs and impairment charges on operating assets
  - Elevator Technology: restructuring and reorganization in Europe
  - Industrial Solutions: prior-period special expenses for legacy contract in 2nd quarter
  - Materials Services: several restructuring measures among other things in materials distribution in Germany
  - Steel Europe: income from M&A divestment projects
  - Corporate: sale of an investment; expenses from M&A divestment projects

Results of operations and financial position

Analysis of the statement of income

Income from operations

- Growth in net sales of continuing operations by 2 %; disproportionate increase in cost of sales, mainly in connection with materials costs, in conjunction with decrease in gross profit margin to 15 %
- Decrease in selling expenses of continuing operations mainly due to lower allowances for trade accounts receivable
- Decrease in general and administrative costs primarily due to lower consulting and restructuring expenses

- Reduction in other income from continuing operations mainly reflecting the absence of income reported in the prior year from remeasurement of the investment in Atlas Elektronik in connection with the switch to full consolidation as a result of acquisition of the remaining shares
- Decrease in other expenses of continuing operations mainly due to lower non-income taxes
- Improvement in other gains/losses of continuing operations mainly through gains from the disposal of property, plant and equipment

Financial income/expense and income tax

- Improvement in income from investments accounted for using the equity method at continuing operations in particular due to the absence of the losses reported in the prior year from the measurement of the Atlas Elektronik shares using the equity method
- Overall improvement in net financial income/expense mainly due to lower interest expense for financial debt
- Increased tax expense of continuing operations mainly influenced by once-only effects from the US tax reform alongside write-down of deferred tax assets on tax loss carryforwards in Germany; partly offset by economic allocation to discontinued operations

Earnings per share

- Net income strongly improved by €951 million to profit of €230 million, particularly reflecting the absence of losses reported in the prior year at Steel Americas and the improvement in earnings of the discontinued steel operations
- Consequently earnings per share up significantly by €1.64 to €0.31 profit

Analysis of the statement of cash flows

Operating cash flows

- Operating cash flows from continuing operations as in the prior year clearly negative mainly on account of operating assets and liabilities
- Negative operating cash flows of the Group significantly lower year-on-year mainly due to improved net income before depreciation charges, and reduced funds tied up in operating assets and liabilities of discontinued operations

Cash flows from investing activities

- Capital spending down from prior year, mainly due to reduced investing activity of discontinued operations; share of capital goods businesses in total capital spending higher at 58 %
- Modernization of IT and harmonization of systems landscape at all business areas and Corporate to enhance efficiency, lower costs, and as a basis for Industry 4.0

INVESTMENTS BY BUSINESS AREA

million €	9 months ended June 30, 2017	9 months ended June 30, 2018	Change in %	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018	Change in %
Components Technology	397	365	(8)	170	123	(27)
Elevator Technology	110	78	(29)	34	30	(12)
Industrial Solutions	41	57	40	8	22	157
Materials Services	63	66	5	20	26	36
Steel Europe	425	249	(41)	184	79	(57)
Corporate	36	42	19	11	12	12
Consolidation	(5)	(4)	—	5	1	—
Group without AM	**1,067**	**855**	**(20)**	**432**	**293**	**(32)**
Discontinued operations Steel Americas	115	0	--	23	0	--
Full Group	**1,182**	**855**	**(28)**	**456**	**293**	**(36)**
Discontinued steel operations	432	260	(40)	187	84	(55)
Discontinued operations Steel Americas	115	0	--	23	0	--
Group continuing operations	**635**	**595**	**(6)**	**246**	**209**	**(15)**

Components Technology

- Continuation of growth and regionalization strategy
- Global automotive production network progressing further; for example start of production at new plant for electric steering systems in China, expansion of damper system site in Romania well advanced; new plants for three product groups in Hungary being set up along with a further production plant for springs and stabilizers in China

Elevator Technology

- China: commissioning of 248 m high test tower in Zhongshan in March
- Germany: 246 m high test tower in Rottweil complete; research activities fully up and running
- USA: decision to build a new test tower (128 m) and new headquarters in Atlanta

Industrial Solutions

- Cement and Mining: infrastructure measures and strengthening of technology portfolio to safeguard market position
- Chemical plant construction: continued investment in expansion of technology portfolio
- System Engineering: continued organic growth through order-related investment in e-mobility
- Marine Systems: further implementation of modernization program at Kiel shipyard (currently mainly IT and infrastructure) as well as technology investment

Materials Services

- Expansion, modernization and maintenance of sites; achievement of further milestones in business area’s digital transformation
- Expansion of Dabrowa Gornicza site in Poland by 11,000 m^2; now with 90.000 m^2 one of the biggest and most modern warehouses in Europe to support growth in eastern European region

Steel Europe

- New ladle furnace at BOF meltshop 2 to produce high-quality grades, in particular high-strength steels for the auto industry; startup planned in current fiscal year
- Construction of new dust collector for sinter belt 4 started in 2nd quarter to further improve air quality
- Commissioning of new grain-oriented electrical steel production plant in Nashik, India in April

Corporate

- Acquisition of fractional shares in connection with planned steel joint venture
- Investments for the Carbon2Chem project (technical center: building and power supply) and the purchase of licenses for the thyssenkrupp Group

Cash flows from financing activities

- Slight improvement in cash flows from financing activities at the continuing operations mainly due to a significant reduction in the financing of discontinued operations alongside net repayments of financial debt in the reporting period following high proceeds from borrowings in the prior year
- Sharp net decrease in cash flows from financing activities mainly due to the above-mentioned reduction in the Group financing of discontinued operations

Free cash flow and net financial debt

Reconciliation to free cash flow before M&A

million €	9 months ended June 30, 2017	9 months ended June 30, 2018	Change	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018	Change
Operating cash flows – continuing operations (consolidated statement of cash flows)	(946)	(1,364)	(418)	(142)	(228)	(86)
Cash flow from investing activities – continuing operations (consolidated statement of cash flows)	(588)	(540)	48	(237)	(186)	51
Free cash flow from continuing operations (FCF)	**(1,534)**	**(1,903)**	**(369)**	**(379)**	**(414)**	**(35)**
–/+ Cash inflow/cash outflow resulting from material M&A transactions	71	(19)	(90)	68	(12)	(81)
Free cash flow before M&A – continuing operations (FCF before M&A)	**(1,462)**	**(1,922)**	**(460)**	**(311)**	**(426)**	**(116)**
Discontinued steel operations	(727)	330	++	(21)	215	++
Discontinued operations Steel Americas	(136)	0	--	(45)	0	--
Free cash flow before M&A – Group (FCF before M&A)	**(2,326)**	**(1,592)**	**734**	**(377)**	**(211)**	**166**

- FCF before M&A negative overall in first 9 months, but significantly higher year-on-year, mainly due to reduction in net working capital at the materials businesses, partly offset by continuing low order intake and high expenditures from orders in hand at Industrial Solutions
- Increase in net financial debt from €1,957 million at September 30, 2017 to €3,808 million at June 30, 2018, due to negative though significantly improved year-on-year FCF before M&A

- Ratio of net financial debt to equity (gearing) at 114.0 % significantly higher than at September 30, 2017 (57.5 %)
- Available liquidity of €6.9 billion (€3.3 billion cash and cash equivalents and €3.6 billion undrawn committed credit lines)

Rating

RATING

	Long-term rating	Short-term rating	Outlook
Standard & Poor’s	BB	B	watch positive
Moody’s	Ba2	Not Prime	developing
Fitch	BB+	B	watch positive

Analysis of the statement of financial position

Non-current assets

- Sharp decrease in non-current assets primarily influenced by reclassification of property, plant and equipment and intangible assets to assets held for sale effective June 30, 2018 in connection with the discontinued steel operations
- Decrease in deferred tax assets reflecting once-only effects from the US tax reform, write-down of deferred tax assets on tax loss carryforwards in Germany, and reclassifications in connection with the discontinued operations

Current assets

- Strong net increase in current assets mainly the result of reclassifications of non-current and current assets to assets held for sale associated with the discontinued steel operations
- Clear decreases in inventories and trade accounts receivable chiefly due to reclassifications to assets held for sale associated with the discontinued steel operations, at the same time increases in both items at the continuing materials and capital goods operations
- Decrease in cash and cash equivalents mainly the result of negative free cash flow from continuing operations in the reporting period

Total equity

- Increase due to net profit in the reporting period, partly offset by losses recognized in other comprehensive income from the remeasurement of pensions and similar obligations as a result of lower discount rates and from currency translation and dividend payments

Non-current liabilities

- Sharp decrease in non-current liabilities mainly due to reclassifications to liabilities associated with assets held for sale in connection with the discontinued steel operations, particularly pensions and similar obligations

Current liabilities

- Steep net increase in current liabilities mainly due to reclassifications of non-current and current liabilities to liabilities associated with assets held for sale in connection with the discontinued steel operations
- Significant decrease in trade accounts payable almost entirely the result of reclassifications to liabilities associated with assets held for sale in connection with the discontinued steel operations

Compliance

Compliance – a question of mindset

- We build on strong values: reliability, honesty, credibility and integrity
- Our values are anchored in the Group Mission Statement, Code of Conduct and Compliance Commitment
- Implementation of EU General Data Protection Regulation: continuous implementation of the regulation's requirements, intensification due to entry into force in May 2018
- More information on compliance at thyssenkrupp in the 2016 / 2017 Annual Report and on the website www.thyssenkrupp.com

Forecast, opportunity and risk report

2017 / 2018 forecast

Overall assessment by the Executive Board

- Increase in Group sales; order intake down from high prior year
- Adjusted EBIT at €1,276 million: continued positive materials environment and faster than planned cost reduction at Corporate; but at Industrial Solutions major project awards remain slow and earnings significantly impacted by additional project expenses in 3rd quarter

- Net income down due to write-downs of deferred tax assets on loss carryforwards in connection with the steel joint venture in the 3rd quarter as well as additional project expenses at Industrial Solutions
- Free cash flow significantly higher year-on-year in both the 3rd quarter and the 9-month period, but negative mainly due to impact of continued low order intake and high expenditures from orders in hand at Industrial Solutions
- Continued significant effects from changes in exchange rates, mainly USD and CNY, particularly at our capital goods businesses Components Technology and Elevator Technology
- Also, continued stable and high prices on the commodity and material markets with positive income effects on Steel Europe, negative effects due to higher material costs at Components Technology and Elevator Technology
- Adjustment of full-year forecast for the Group and at our capital goods businesses reflects in particular the above effects

For key assumptions and expected economic conditions see forecast section and “Macro and sector environment” in the report on the economic position in the 2016 / 2017 Annual Report and this interim management report.

2017 / 2018 expectations

- **Group sales** to increase in low single-digit percentage range (prior year, continuing operations: €41.4 billion)
- **Adjusted EBIT** of the Group expected around €1.8 billion (prior year, continuing operations: €1,722 million), supported by €750 million planned EBIT effects under “impact”
- Capital goods businesses
  - Components Technology: increase in sales in mid single-digit percentage range, with adjusted EBIT slightly lower year-on-year due to negative exchange-rate effects, increased material costs, and weaker productivity at Springs & Stabilizers; excluding exchange-rate effects and material cost increases higher year-on-year (prior year: €377 million)
  - Elevator Technology: due to negative effects from exchange rates, sales slightly below prior-year level (prior year: €7,674 million); adjusted EBIT and margin slightly down year-on-year with significant adverse exchange-rate effects and additional impact of material cost inflation particularly in China; on a comparable basis higher year-on-year (prior year: adjusted EBIT €922 million, margin 12.0 %)
  - Industrial Solutions: due to slowdown in major project awards, overall reduced order expectations; adjusted EBIT clearly negative mainly due to slightly lower sales, additional project expenses, and partial underutilization (prior year: €111 million)
- Materials businesses
  - Materials Services: adjusted EBIT close to prior-year level (prior year: €312 million)
  - Steel Europe: assuming prices on the materials markets remain stable at a high level throughout the fiscal year adjusted EBIT significantly higher year-on-year, in addition, stopped regular depreciation charges (prior year: €547 million)

- **Net income:** significant increase year-on-year despite additional project expenses and write-downs of deferred tax assets on loss carryforwards in connection with the steel joint venture in the 3rd quarter (prior-year net income, continuing operations: €271 million)
- **tkVA:** accordingly, also significant improvement (prior year: €(651) million)
- **Capital spending:** expected around €1.5 billion (prior year, continuing operations: €1,535 million)
- **FCF before M&A:** significant improvement versus prior year but negative owing to low order intake and delayed milestone payments at Industrial Solutions (prior year, continuing operations: €(855) million)

Opportunities and risks

Opportunities

- Strong and stable earnings, cash flow and value added through positioning as diversified industrial group and systematic continuation of "impact" measures as well as utilization of advantages in interplay between business areas, regions, corporate functions and service units
- Increasing focus on high-earning capital goods and service businesses
- Announced infrastructure programs in the USA
- Strategic and operational opportunities described in 2016 / 2017 Annual Report continue to apply

Risks

- No risks threatening ability to continue as a going concern; detailed information on risks described in 2016 / 2017 Annual Report continues to apply
- Economic risks from numerous geopolitical flashpoints and increased protectionist tendencies; increasing volatility in external environment, among other things due to Brexit negotiations with the UK; continued uncertainty over global economy and effects on the Group's business activities
- Trade measures of US administration (mainly in steel and automotive sectors) being continuously monitored
- Risks of cost and schedule overruns in the execution of major projects at Industrial Solutions
- Risks from attacks on IT infrastructure; countermeasure: further expansion of information security management and security technologies
- Federal Cartel Office investigations: thyssenkrupp Steel Europe AG alongside others is the subject of ongoing investigations into alleged cartel agreements relating to heavy plate and flat carbon steel; thyssenkrupp takes the matter very seriously, immediately launched its own internal investigation; based on the facts currently known significant adverse effects on the Group's asset, financial and earnings situation cannot be ruled out

Condensed interim financial statements

thyssenkrupp AG – Consolidated statement of financial position

ASSETS

million €	Note	Sept. 30, 2017	June 30, 2018
Intangible assets		4,813	4,368
Property, plant and equipment (inclusive of investment property)		7,605	4,649
Investments accounted for using the equity method		154	53
Other financial assets		43	33
Other non-financial assets		207	184
Deferred tax assets	03	1,680	1,004
Total non-current assets		**14,502**	**10,291**
Inventories		6,957	5,326
Trade accounts receivable		5,734	5,315
Other financial assets		420	359
Other non-financial assets		1,923	2,108
Current income tax assets		220	301
Cash and cash equivalents		5,292	3,211
Assets held for sale	02	0	7,457
Total current assets		**20,546**	**24,077**
Total assets		**35,048**	**34,368**

EQUITY AND LIABILITIES

million €	Note	Sept. 30, 2017	June 30, 2018
Capital stock		1,594	1,594
Additional paid-in capital		6,664	6,664
Retained earnings		(5,401)	(5,445)
Cumulative other comprehensive income		33	50
[thereof discontinued operations]		[—]	[48]
Equity attributable to thyssenkrupp AG's stockholders		**2,890**	**2,863**
Non-controlling interest		515	478
Total equity		**3,404**	**3,341**
Accrued pension and similar obligations	04	7,924	4,210
Provisions for other employee benefits		354	168
Other provisions		645	292
Deferred tax liabilities		111	34
Financial debt		5,326	5,086
Other financial liabilities		182	156
Other non-financial liabilities		5	3
Total non-current liabilities		**14,546**	**9,949**
Provisions for current employee benefits		357	293
Other provisions		1,183	1,000
Current income tax liabilities		254	205
Financial debt		1,930	1,858
Trade accounts payable		5,729	4,528
Other financial liabilities		842	673
Other non-financial liabilities		6,802	6,484
Liabilities associated with assets held for sale	02	0	6,036
Total current liabilities		**17,097**	**21,078**
Total liabilities		**31,643**	**31,027**
Total equity and liabilities		**35,048**	**34,368**

See accompanying notes to consolidated financial statements.

thyssenkrupp AG – Consolidated statement of income

million €, earnings per share in €	Note	9 months ended June 30, 2017[1]	9 months ended June 30, 2018	3rd quarter ended June 30, 2017[1]	3rd quarter ended June 30, 2018
Net sales	07	25,218	25,762	8,504	9,010
Cost of sales		(21,062)	(21,977)	(7,100)	(7,869)
Gross margin		**4,156**	**3,785**	**1,405**	**1,141**
Research and development cost		(197)	(183)	(70)	(61)
Selling expenses		(1,698)	(1,651)	(557)	(582)
General and administrative expenses		(1,654)	(1,535)	(578)	(476)
Other income		184	130	110	28
Other expenses		(120)	(74)	(51)	(29)
Other gains/(losses), net		6	30	(1)	13
Income/(loss) from operations		**677**	**501**	**258**	**35**
Income from companies accounted for using the equity method		(14)	3	3	2
Finance income		627	550	129	214
Finance expense		(898)	(782)	(203)	(282)
Financial income/(expense), net		**(285)**	**(228)**	**(72)**	**(65)**
Income/(loss) from continuing operations before tax		**392**	**273**	**186**	**(31)**
Income tax (expense)/income		(231)	(410)	(62)	(209)
Income/(loss) from continuing operations (net of tax)		**161**	**(137)**	**124**	**(240)**
Income/(loss) from discontinued operations (net of tax)	02	**(882)**	**367**	**10**	**126**
Net income/(loss)		**(721)**	**230**	**134**	**(114)**
Thereof:					
thyssenkrupp AG's shareholders		**(751)**	**190**	**120**	**(131)**
Non-controlling interest		30	40	14	17
Net income/(loss)		**(721)**	**230**	**134**	**(114)**
Basic and diluted earnings per share based on	08				
Income/(loss) from continuing operations (attributable to thyssenkrupp AG's shareholders)		**0.23**	**(0.28)**	**0.19**	**(0.41)**
Net income/(loss) (attributable to thyssenkrupp AG's shareholders)		**(1.33)**	**0.31**	**0.21**	**(0.21)**

See accompanying notes to consolidated financial statements.
[1] Figures have been adjusted (cf. Note 02).

thyssenkrupp AG – Consolidated statement of comprehensive income

million €	9 months ended June 30, 2017	9 months ended June 30, 2018	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018
Net income	**(721)**	**230**	**134**	**(114)**
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	836	(162)	205	15
Tax effect	(232)	18	(53)	(10)
Other comprehensive income from remeasurements of pensions and similar obligations, net	604	(144)	152	5
Share of unrealized gains/(losses) of investments accounted for using the equity-method	6	0	0	0
Subtotals of items of other comprehensive income that will not be reclassified to profit or loss in future periods	**610**	**(144)**	**152**	**5**
Items of other comprehensive income that will be reclassified to profit or loss in future periods:				
Foreign currency translation adjustment				
Change in unrealized gains/(losses), net	(121)	(71)	(330)	129
Net realized (gains)/losses	0	0	1	0
Net unrealized (gains)/losses	(121)	(71)	(329)	129
Unrealized gains/(losses) from available-for-sale financial assets				
Change in unrealized gains/(losses), net	2	1	0	0
Net realized (gains)/losses	0	0	0	0
Tax effect	0	0	0	0
Net unrealized (gains)/losses	2	1	0	0
Unrealized gains/(losses) on derivative financial instruments (cash flow hedges)				
Change in unrealized gains/(losses), net	(8)	104	33	(3)
Net realized (gains)/losses	3	(5)	(22)	3
Tax effect	1	(35)	(3)	(4)
Net unrealized (gains)/losses	(4)	64	8	(4)
Share of unrealized gains/(losses) of investments accounted for using the equity-method	(4)	1	(7)	1
Subtotals of items of other comprehensive income that will be reclassified to profit or loss in future periods	**(127)**	**(5)**	**(328)**	**126**
Other comprehensive income	**483**	**(150)**	**(176)**	**131**
Total comprehensive income	**(238)**	**80**	**(42)**	**18**
Thereof:				
thyssenkrupp AG's shareholders	(253)	62	(24)	13
Non-controlling interest	15	18	(18)	5
Total comprehensive income attributable to thyssenkrupp AG's stockholders refers to:				
Continuing operations	416	(333)	(134)	(137)
Discontinued operations[1]	(669)	395	109	149

See accompanying notes to consolidated financial statements.
1) Prior-year figures have been adjusted (cf. Note 02).

thyssenkrupp AG – Consolidated statement of changes in equity

		Equity attributable to thyssenkrupp AG's stockholders									
					Cumulative other comprehensive income						
million €, (except number of shares)	Number of shares outstanding	Capital stock	Additional paid-in capital	Retained earnings	Foreign currency translation adjustment	Available-for-sale financial assets	Derivative financial instruments (cash flow hedges)	Share of investments accounted for using the equity method	Total	Non-controlling interest	Total equity
Balance as of Sept. 30, 2016	**565,937,947**	**1,449**	**5,434**	**(5,255)**	**484**	**6**	**(64)**	**48**	**2,102**	**507**	**2,609**
Net income/(loss)				(751)					(751)	30	(721)
Other comprehensive income				610	(105)	1	(4)	(4)	498	(15)	483
Total comprehensive income				**(141)**	**(105)**	**1**	**(4)**	**(4)**	**(253)**	**15**	**(238)**
Profit attributable to non-controlling interest									0	(25)	(25)
Payment of thyssenkrupp AG dividend				(85)					(85)	0	(85)
Other changes				(19)					(19)	0	(19)
Balance as of June 30, 2017	**565,937,947**	**1,449**	**5,434**	**(5,500)**	**379**	**7**	**(68)**	**44**	**1,745**	**497**	**2,242**
Balance as of Sept. 30, 2017	**622,531,741**	**1,594**	**6,664**	**(5,401)**	**34**	**8**	**(50)**	**41**	**2,890**	**515**	**3,404**
Net income/(loss)				190					190	40	230
Other comprehensive income				(145)	(53)	0	68	1	(128)	(22)	(150)
Total comprehensive income				**46**	**(53)**	**0**	**68**	**1**	**62**	**18**	**80**
Profit attributable to non-controlling interest									0	(31)	(31)
Payment of thyssenkrupp AG dividend				(93)					(93)	0	(93)
Changes of shares of already consolidated companies				4					4	(23)	(19)
Balance as of June 30, 2018	**622,531,741**	**1,594**	**6,664**	**(5,445)**	**(18)**	**9**	**18**	**41**	**2,863**	**478**	**3,341**

See accompanying notes to consolidated financial statements.

thyssenkrupp AG – Consolidated statement of cash flows

million €	9 months ended June 30, 2017[1]	9 months ended June 30, 2018	3rd quarter ended June 30, 2017[1]	3rd quarter ended June 30, 2018
Net income/(loss)	(721)	230	134	(114)
Adjustments to reconcile net income/(loss) to operating cash flows:				
Income/(loss) from discontinued operations (net of tax)	882	(367)	(10)	(126)
Deferred income taxes, net	6	264	(13)	148
Depreciation, amortization and impairment of non-current assets	480	491	160	167
Income/(loss) from companies accounted for using the equity method, net of dividends received	14	(3)	(3)	(2)
(Gain)/loss on disposal of non-current assets	(9)	(30)	1	(14)
Changes in assets and liabilities, net of effects of acquisitions and divestitures and other non-cash changes				
– Inventories	(619)	(697)	(207)	(148)
– Trade accounts receivable	(701)	(578)	(369)	(118)
– Accrued pension and similar obligations	(61)	(16)	12	(15)
– Other provisions	(148)	(154)	(27)	63
– Trade accounts payable	113	11	(95)	4
– Other assets/liabilities not related to investing or financing activities	(182)	(516)	275	(73)
Operating cash flows – continuing operations	**(946)**	**(1,364)**	**(142)**	**(228)**
Operating cash flows – discontinued operations	(392)	567	143	288
Operating cash flows – total	**(1,338)**	**(797)**	**1**	**60**
Purchase of investments accounted for using the equity method and non-current financial assets	(60)	(2)	(58)	0
Expenditures for acquisitions of consolidated companies net of cash acquired	53	(8)	60	(1)
Capital expenditures for property, plant and equipment (inclusive of advance payments) and investment property	(548)	(503)	(224)	(173)
Capital expenditures for intangible assets (inclusive of advance payments)	(79)	(82)	(24)	(35)
Proceeds from disposals of investments accounted for using the equity method and non-current financial assets	2	1	1	0
Proceeds from disposals of previously consolidated companies net of cash disposed	5	0	0	0
Proceeds from disposals of property, plant and equipment and investment property	40	54	7	23
Cash flows from investing activities – continuing operations	**(588)**	**(540)**	**(237)**	**(186)**
Cash flows from investing activities – discontinued operations	(526)	(237)	(210)	(73)
Cash flows from investing activities – total	**(1,114)**	**(776)**	**(447)**	**(259)**

million €	9 months ended June 30, 2017[1]	9 months ended June 30, 2018	3rd quarter ended June 30, 2017[1]	3rd quarter ended June 30, 2018
Proceeds from issuance of bonds	1,250	0	0	0
Repayments of bonds	(1,250)	0	0	0
Proceeds from liabilities to financial institutions	2,852	267	716	41
Repayments of liabilities to financial institutions	(2,930)	(342)	(945)	(153)
Proceeds from/(repayments on) loan notes and other loans	1,066	(75)	65	4
Increase/(decrease) in bills of exchange	4	(11)	(2)	(3)
(Increase)/decrease in current securities	0	1	0	0
Payment of thyssenkrupp AG dividend	(85)	(93)	0	0
Profit attributable to non-controlling interest	(25)	(31)	(1)	(11)
Expenditures for acquisitions of shares of already consolidated companies	0	(2)	0	0
Financing of discontinued operations	(858)	267	(50)	165
Other financing activities	(134)	(52)	(8)	(26)
Cash flows from financing activities – continuing operations	**(111)**	**(72)**	**(226)**	**17**
Cash flows from financing activities – discontinued operations	727	(343)	19	(200)
Cash flows from financing activities – total	**616**	**(416)**	**(206)**	**(183)**
Net increase/(decrease) in cash and cash equivalents – total	(1,836)	(1,989)	(652)	(382)
Effect of exchange rate changes on cash and cash equivalents – total	(38)	(42)	(81)	(14)
Cash and cash equivalents at beginning of year – total	4,105	5,292	2,964	3,657
Cash and cash equivalents at end of year – total	**2,231**	**3,261**	**2,231**	**3,261**
[thereof cash and cash equivalents within the discontinued operations]	[53]	[49]	[53]	[49]
Additional information regarding cash flows from interest, dividends and income taxes which are included in operating cash flows of continuing operations:				
Interest received	47	28	12	10
Interest paid	(239)	(160)	(25)	(16)
Dividends received	31	33	31	33
Income taxes paid	(273)	(284)	(65)	(85)

See accompanying notes to consolidated financial statements.
[1] Figures have been adjusted (cf. Note 02).

thyssenkrupp AG – 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, 2017 to June 30, 2018, were reviewed and authorized for issue in accordance with a resolution of the Executive Board on August 6, 2018.

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 condensed interim consolidated financial statements as of June 30, 2018 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 2016 / 2017.

Recently adopted accounting standards

In fiscal year 2017 / 2018, thyssenkrupp adopted the following amendments to already existing standards that do not have a material impact on the Group’s consolidated financial statements:

- Amendments to IAS 12 “Income Taxes”: “Recognition of Deferred Tax Assets for Unrealised Losses”, issued in January 2016
- Amendments to IAS 7 “Statements of Cash Flows”: “Disclosure Initiative”, issued in January 2016

Issued accounting standards that have not been adopted in fiscal year 2017 / 2018

Regarding the expected impact of the adoption of the standards IFRS 9 “Financial Instruments” and IFRS 15 “Revenue from Contracts with Customers” in fiscal year 2018 / 2019 as well as of IFRS 16 “Leases” in fiscal year 2019 / 2020, we refer to the statement given in the notes to the consolidated financial statements of the annual report 2016 / 2017 that is still relevant.

01 Acquisitions

In the 9 months ended June 30, 2018, the Group acquired only some smaller companies that are, on an individual basis, immaterial. The total of the purchase prices amounted to €26 million and refers to intangible assets in the amount of €22 million and to trade accounts receivable in the amount of €3 million.

Furthermore in fiscal year 2016 / 2017 the Group acquired the 49 % share of Atlas Elektronik held by Airbus and after closing in April 2017, the Atlas Elektronik group was fully consolidated. After the completion of the analysis of the individual projects the purchase price allocation was finalized in the 2nd quarter ended March 31, 2018. Compared to the preliminary purchase price allocation it resulted in increased other current financial assets of €2 million and increased other current provisions of €5 million, while deferred tax liabilities decreased by €2 million. In total, the final purchase price allocation is presented below:

ACQUISITION OF ATLAS ELEKTRONIK GROUP

million €	
Goodwill	93
Other intangible assets	192
Property, plant and equipment	86
Other non-current financial assets	3
Other non-current non-financial assets	1
Deferred tax assets	13
Inventories	132
Trade accounts receivable	235
Other current financial assets	47
Other current non-financial assets	37
Current income tax assets	10
Cash and cash equivalents	167
Total assets	**1,017**
Accrued pension and similar obligations	176
Deferred tax liabilities	62
Other non-current financial liabilities	2
Provisions for current employee benefits	1
Other current provisions	104
Current income tax liabilities	9
Trade accounts payable	34
Other current financial liabilities	18
Other current non-financial liabilities	296
Total liabilities	**700**
Net assets	**316**
Non-controlling interest	0
Purchase price (paid via cash and fair value of equity-investment)	**316**
Thereof: paid in cash and cash equivalents	155

02 Discontinued operations

As part of the Strategic Way Forward, thyssenkrupp had reached an agreement with Ternium on the sale of the Brazilian steel mill CSA as essential part of the Steel Americas business area at the end of February 2017. After the approval of the respective competition authorities the sale was closed at the beginning of September 2017 and the business area was deconsolidated. The transaction met the criteria of IFRS 5 for presentation of the Steel Americas business area as a discontinued operation. Consequently in 2016 / 2017 from the beginning of the fiscal year until the disposal of Steel Americas all expense and income was reported separately in the income statement and all cash flows were reported separately in the statement of cash flows.

The results of the Steel Americas business area in the 9 months ended June 30, 2017 and in the 3r quarter ended June 30, 2017 are presented in the following table:

DISCONTINUED OPERATION STEEL AMERICAS

million €	9 months ended June 30, 2017	3rd quarter ended June 30, 2017
Net sales	1,242	493
Other income	244	61
Expenses	(2,451)	(657)
Ordinary income/(loss) from discontinued operations (before tax)	**(966)**	**(103)**
Income tax (expense)/income	(81)	(31)
Ordinary income/(loss) from discontinued operations (net of tax)	**(1,047)**	**(134)**
Gain/(loss) recognized on disposal of discontinued operations (before tax)	0	0
Income tax (expense)/income	0	0
Gain/(loss) recognized on disposal of discontinued operations (net of tax)	**0**	**0**
Income/(loss) from discontinued operations (net of tax)	**(1,047)**	**(134)**
Thereof:		
thyssenkrupp AG's shareholders	(1,047)	(134)
Non-controlling interest	0	0

In addition at the end of June 2018 thyssenkrupp signed an agreement with Tata Steel to create a new company by combining their European steel businesses in a 50 / 50 joint venture. The aim for the new company is to create a European flat steel provider positioned as a quality and technology leader. Annual recurring synergies of €400 to €500 million are expected alongside further synergies in capital expenditure and the optimization of working capital. Closing is subject to merger control clearance.

The transaction meets the criteria of IFRS 5 for reporting a discontinued operation. This comprises the Steel Europe business area, thyssenkrupp MillServices & Systems GmbH from the Materials Services business area, and individual Corporate companies. In accordance with IFRS 5, in the current reporting periods all expense and income of the discontinued steel operations are reported separately in the income statement and all cash flows reported separately in the statement of cash flows; prior-period figures are adjusted accordingly. In the statement of financial position, assets and liabilities attributable to the discontinued steel operations are only reported separately at the current balance sheet date. In connection with the initiated disposal, the assets and liabilities continue to be measured at their carrying amount as this is lower than the fair value less costs to sell.

The assets and liabilities of the discontinued steel operations are presented in the table below:

DISCONTINUED STEEL OPERATIONS

million €	June 30, 2018
Intangible assets	449
Property, plant and equipment (inclusive of investment property)	2,866
Investments accounted for using the equity method	85
Other financial assets	13
Other non-financial assets	91
Deferred tax assets	171
Inventories	2,380
Trade accounts receivable	1,022
Other current financial assets	200
Other current non-financial assets	108
Current income tax assets	22
Cash and cash equivalents	49
Assets held for sale	**7,457**
Accrued pension and similar obligations	3,759
Provisions for other employee benefits	165
Other non-current provisions	324
Deferred tax liabilities	22
Non-current financial debt	92
Provisions for current employee benefits	13
Other current provisions	106
Current income tax liabilities	21
Current financial debt	38
Trade accounts payable	1,073
Other current financial liabilities	142
Other current non-financial liabilities	280
Liabilities associated with assets held for sale	**6,036**

The results of the discontinued steel operations are as following:

DISCONTINUED STEEL OPERATIONS

million €	9 months ended June 30, 2017	9 months ended June 30, 2018	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018
Net sales	5,554	5,921	1,932	2,108
Other income	42	78	20	23
Expenses	(5,309)	(5,457)	(1,743)	(1,942)
Ordinary income/(loss) from discontinued operations (before tax)	287	541	210	188
Income tax (expense)/income	(122)	(175)	(66)	(63)
Ordinary income/(loss) from discontinued operations (net of tax)	**165**	**367**	**144**	**126**
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)	**165**	**367**	**144**	**126**
Thereof:				
thyssenkrupp AG's shareholders	163	363	144	123
Non-controlling interest	2	3	0	3

03 Income taxes

The effects of the US tax reform legislation enacted in December 2017 have been taken into account. In particular the valuation of the deferred tax items was adjusted by €114 million in the 1st quarter ended Dec. 31, 2017. In connection with the joint venture €247 million write-downs of deferred tax assets on loss carryforwards in Germany were recognized in the 3rd quarter.

Tax expense was allocated to the continuing and discontinued operations depending on its economic nature. Accordingly tax expense was allocated to the companies of the discontinued steel operations based on the earnings achieved by these companies.

04 Accrued pension and similar obligations

Based on updated interest rates and fair value of plan assets, an updated valuation of accrued pension obligations was performed as of June 30, 2018.

ACCRUED PENSION AND SIMILAR OBLIGATIONS

million €	Sept. 30, 2017	June 30, 2018
Accrued pension obligations	7,684	7,736
Partial retirement	193	188
Other accrued pension-related obligations	46	44
Reclassification due to the presentation as liabilities associated with assets held for sale	0	(3,759)
Total	**7,924**	4,210

Pension obligations for employees based in Germany are determined mainly with the help of the 2005G Heubeck tables. On July 20, 2018 Heubeck AG published new tables. In connection with the publication, Heubeck AG has also forecasted a generally expected increase in pension obligations of up to 2.5 %. A reliable estimate of an actual impact on pension obligations of the thyssenkrupp Group as of September 30, 2018 cannot yet be made.

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

WEIGHTED AVERAGE ASSUMPTIONS

	Sept. 30, 2017			June 30, 2018		
in %	Germany	Outside Germany	Total	Germany	Outside Germany	Total
Discount rate for accrued pension obligations	1.90	2.29	2.00	1.70	2.48	1.89

05 Contingencies and commitments

Contingencies

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

CONTINGENCIES

million €	Maximum potential amount of future payments as of June 30, 2018	Provision as of June 30, 2018
Advance payment bonds	20	1
Performance bonds	1	0
Residual value guarantees	61	15
Other guarantees	4	1
Total	**86**	**17**

€61 million of the above contingencies refer to the discontinued steel operations.

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 or default under a loan agreement.

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.

thyssenkrupp Steel Europe AG that belongs to the discontinued steel operations, alongside other steel companies and associations, is the subject of ongoing investigations by the Federal Cartel Office into alleged cartel agreements relating to the product groups heavy plate and flat carbon steel. Based on the facts currently known to us, substantial adverse consequences with regard to the Group's asset, financial and earnings situation cannot be excluded.

Commitments and other contingencies

Due to the high volatility of iron ore prices, in the Steel Europe business area (part of the discontinued steel operations) 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, 2017, purchasing commitments decreased by €0.7 billion to €1.4 billion.

There have been no material changes to the other commitments and contingencies since the end of fiscal year 2016 / 2017.

06 Financial instruments

The carrying amounts of trade accounts receivable, other current financial assets as well as cash and cash equivalents equal their fair values. The fair value of loans equals the present value of expected cash flows which are discounted on the basis of interest rates prevailing on the interim balance sheet date.

Available-for-sale financial assets primarily include equity and debt instruments. They are in general measured at fair value, which is based to the extent available on market prices as of the interim balance sheet date. When no quoted market prices in an active market are available and the fair value cannot be reliably measured, equity instruments are measured at cost.

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 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 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, 2017

million €	Sept. 30, 2017	Level 1	Level 2	Level 3
Financial assets at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting (Financial assets held for trading)	65	0	65	0
Derivatives qualifying for hedge accounting	20	0	20	0
Fair value recognized in equity				
Available-for-sale financial assets	20	17	2	0
Derivatives qualifying for hedge accounting	32	0	32	0
Total	**137**	**17**	**120**	**0**
Financial liabilities at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting (Financial liabilities held for trading)	59	0	59	0
Derivatives qualifying for hedge accounting	10	0	10	0
Fair value recognized in equity				
Derivatives qualifying for hedge accounting	22	0	22	0
Total	**92**	**0**	**92**	**0**

FAIR VALUE HIERARCHY AS OF JUNE 30, 2018

million €	June 30, 2018	Level 1	Level 2	Level 3
Financial assets at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting (Financial assets held for trading)	79	0	79	0
Derivatives qualifying for hedge accounting	0	0	0	0
Fair value recognized in equity				
Available-for-sale financial assets	20	17	3	0
Derivatives qualifying for hedge accounting	10	0	10	0
Total	**109**	**17**	**92**	**0**
Financial liabilities at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting (Financial liabilities held for trading)	68	0	68	0
Derivatives qualifying for hedge accounting	0	0	0	0
Fair value recognized in equity				
Derivatives qualifying for hedge accounting	18	0	18	0
Total	**87**	**0**	**87**	**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.

07 Segment reporting

Segment information for the 9 months ended June 30, 2017 and 2018, respectively and for the 3rd quarter ended June 30, 2017 and 2018, respectively is as follows:

SEGMENT INFORMATION

million €	Components Technology	Elevator Technology	Industrial Solutions	Materials Services[2]	Steel Europe[1]	Corporate[2]	Steel Americas[1]	Consolidation	Group
9 months ended June 30, 2017									
Net sales	5,642	5,699	3,978	9,948	5,498	8	1,242	0	32,013
Internal sales within the Group	6	4	24	236	1,119	187	241	(1,818)	0
Total sales	5,648	5,703	4,002	10,185	6,616	195	1,483	(1,818)	32,013
EBIT	216	584	48	189	347	(388)	(781)	(10)	205
Adjusted EBIT	274	662	70	245	352	(370)	152	(10)	1,376
9 months ended June 30, 2018									
Net sales	5,870	5,535	3,580	10,790	5,863	44	—	0	31,683
Internal sales within the Group	8	2	11	207	1,201	201	—	(1,631)	0
Total sales	5,878	5,538	3,591	10,997	7,065	245	—	(1,631)	31,683
EBIT	232	591	(250)	215	597	(292)	—	6	1,098
Adjusted EBIT	268	642	(224)	236	586	(237)	—	6	1,276
3rd quarter ended June 30, 2017									
Net sales	1,965	1,950	1,228	3,406	1,917	(30)	493	0	10,929
Internal sales within the Group	5	4	13	97	420	99	73	(712)	0
Total sales	1,970	1,954	1,241	3,504	2,337	69	566	(712)	10,929
EBIT	93	232	15	57	231	(145)	44	2	529
Adjusted EBIT	99	240	6	73	232	(131)	100	2	620
3rd quarter ended June 30, 2018									
Net sales	2,037	1,938	1,255	3,790	2,093	5	—	0	11,117
Internal sales within the Group	5	0	(1)	74	403	69	—	(551)	0
Total sales	2,043	1,938	1,254	3,863	2,496	74	—	(551)	11,117
EBIT	67	203	(216)	76	240	(124)	—	(2)	243
Adjusted EBIT	98	218	(213)	85	228	(82)	—	(2)	332

[1] Discontinued operation
[2] Includes discontinued steel operations

In the Industrial Solutions business area average capital employed increased from €430 million as of September 30, 2017 to €724 million as of June 30, 2018.

The reconciliations of net sales and of the earnings figure EBIT to EBT according to the statement of income are presented below:

RECONCILIATION NET SALES

million €	9 months ended June 30, 2017	9 months ended June 30, 2018	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2018
Net sales as presented in segment reporting	**32,013**	**31,683**	**10,929**	**11,117**
– Net sales discontinued operation Steel Americas	(1,242)	—	(493)	—
– Net sales discontinued steel operations	(5,554)	(5,921)	(1,932)	(2,108)
Net sales as presented in the statement of income	**25,218**	25,762	**8,504**	9,010

RECONCILIATION EBIT TO EBT

million €	9 months ended June 30, 2017[1]	9 months ended June 30, 2018	3rd quarter ended June 30, 2017[1]	3rd quarter ended June 30, 2018
Adjusted EBIT as presented in segment reporting	**1,376**	**1,276**	**620**	**332**
Special items	(1,170)	(178)	(91)	(88)
EBIT as presented in segment reporting	**205**	**1,098**	**529**	**243**
+ Finance income	817	589	195	232
– Finance expense	(1,280)	(846)	(422)	(306)
– Items of finance income assigned to EBIT based on economic classification	(50)	(26)	(11)	(14)
+ Items of finance expense assigned to EBIT based on economic classification	22	(1)	2	2
EBT-Group	**(287)**	814	**293**	158
– EBT discontinued operation Steel Americas	966	—	103	—
– EBT discontinued steel operations	(287)	(541)	(210)	(188)
EBT from continuing operations as presented in the statement of income	**392**	273	**186**	(31)

[1] Figures have been adjusted (cf. Note 02).

08 Earnings per share

Basic earnings per share are calculated as follows:

EARNINGS PER SHARE

	9 months ended June 30, 2017[1]		9 months ended June 30, 2018		3rd quarter ended June 30, 2017[1]		3rd quarter ended June 30, 2018	
	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)	133	0.23	(173)	(0.28)	110	0.19	(254)	(0.41)
Income/(loss) from discontinued operations (net of tax) (attributable to thyssenkrupp AG's shareholders)	(884)	(1.56)	363	0.58	10	0.02	123	0.20
Net income/(loss) (attributable to thyssenkrupp AG's shareholders)	**(751)**	**(1.33)**	**190**	**0.31**	**120**	**0.21**	**(131)**	**(0.21)**
Weighted average shares	565,937,947		622,531,741		565,937,947		622,531,741	

[1] Figures have been adjusted (cf. Note 02).

The weighted average number of shares increased as a result of the capital increase carried out at the end of September 2017.

There were no dilutive securities in the periods presented.

09 Additional Information to the consolidated statements of cash flows

The liquid funds considered in the consolidated statement of cash flows correspond to the "Cash and cash equivalents" line item in the consolidated statement of financial position inclusive of cash and cash equivalents attributable to the discontinued operation. As of June 30, 2018 cash and cash equivalents of €39 million (prior year: €18 million) result from the joint operation HKM.

Essen, August 6, 2018

thyssenkrupp AG
The Executive Board

Kerkhoff

Burkhard   Kaufmann

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, 2017, to June 30, 2018, which are part of the quarterly financial report pursuant to § (Article) 115 WpHG ("Wertpapierhandelsgesetz" German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

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

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

Essen, August 8, 2018

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

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

Additional information

Contact and 2018 / 2019 financial calendar

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2018 / 2019 financial calendar

November 21, 2018
2017 / 2018 Annual Report (October to September)
Annual Press Conference, analysts' and investors' conference

February 1, 2019
Annual General Meeting

February 12, 2019
Interim report 1st quarter 2018 / 2019 (October to December)
Conference call with analysts and investors

May 14, 2019
Interim report 1st half 2018 / 2019 (October to March)
Conference call with analysts and investors

August 8, 2019
Interim report 9 months 2018 / 2019 (October to June)
Conference call with analysts and investors

This interim report was published on August 9, 2018.
Produced in-house using firesys.

We thank our employees for being part of our campaign.
Employee on cover: Bardia Sareh

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 future market 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 (≥500 % 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.

thyssenkrupp