thyssenkrupp

Interim report 9 months 2023/2024

October 1, 2023 – June 30, 2024

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thyssenkrupp in figures

		Group			
		9 months ended June 30, 2023	9 months ended June 30, 2024	Change	in %
Order intake	million €	28,755	24,904	(3,851)	(13)
Sales	million €	28,723	26,231	(2,492)	(9)
EBITDA	million €	1,396	787	(608)	(44)
EBIT[1]	million €	349	(73)	(421)	--
EBIT margin	%	1.2	(0.3)	(1.5)	--
Adjusted EBIT[1]	million €	615	416	(199)	(32)
Adjusted EBIT margin	%	2.1	1.6	(0.6)	(26)
Income/(loss) before tax	million €	205	(213)	(418)	--
Net income/(loss) or earnings after tax	million €	2	(410)	(412)	--
attributable to thyssenkrupp AG's shareholders	million €	(64)	(446)	(382)	--
Earnings per share (EPS)	€	(0.10)	(0.72)	(0.61)	--
Operating cash flows	million €	668	(61)	(729)	--
Cash flow for investments	million €	(909)	(879)	30	3
Cash flow from divestments	million €	55	56	1	1
Free cash flow[2]	million €	(186)	(885)	(698)	--
Free cash flow before M&A[2]	million €	(234)	(983)	(749)	--
Net financial assets (June 30)	million €	3,238	3,191	(46)	(1)
Total equity (June 30)	million €	13,957	11,667	(2,290)	(16)
Gearing (June 30)	%	—[3]	—[3]	—	—
Employees (June 30)		98,624	97,860	(764)	(1)

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

		Group			
		3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024	Change	in %
Order intake	million €	9,390	8,355	(1,035)	(11)
Sales	million €	9,598	8,986	(612)	(6)
EBITDA	million €	445	257	(188)	(42)
EBIT[1]	million €	212	84	(128)	(61)
EBIT margin	%	2.2	0.9	(1.3)	(58)
Adjusted EBIT[1]	million €	243	149	(94)	(39)
Adjusted EBIT margin	%	2.5	1.7	(0.9)	(34)
Income/(loss) before tax	million €	174	26	(148)	(85)
Net income/(loss) or earnings after tax	million €	107	(33)	(141)	--
attributable to thyssenkrupp AG's shareholders	million €	83	(54)	(137)	--
Earnings per share (EPS)	€	0.13	(0.09)	(0.22)	--
Operating cash flows	million €	599	249	(350)	(58)
Cash flow for investments	million €	(267)	(481)	(215)	(81)
Cash flow from divestments	million €	32	29	(3)	(9)
Free cash flow[2]	million €	364	(203)	(567)	--
Free cash flow before M&A[2]	million €	347	(256)	(602)	--
Net financial assets (June 30)	million €	3,238	3,191	(46)	(1)
Total equity (June 30)	million €	13,957	11,667	(2,290)	(16)
Gearing (June 30)	%	—[3]	—[3]	—	—
Employees (June 30)		98,624	97,860	(764)	(1)

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

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 2024	€	4.04
ADR (over-the-counter-trading)	US88629Q2075	Stock exchange value end June 2024	million €	2,515
Symbols				
Shares	TKA			
ADR	TKAMY			

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 the internal management model applied by thyssenkrupp in fiscal year 2023 / 2024.

As a consequence of the thyssenkrupp group's new segment structure, which was resolved in the 4th quarter of fiscal year 2022 / 2023 and introduced effective October 1, 2023, there have been the following reporting changes compared with the prior year:

- The former Multi Tracks segment was dissolved as of October 1, 2023.
- Since October 1, 2023, the bearings business Rothe Erde (reported separately as the Bearings segment as of September 30, 2023), Uhde, Polysius and thyssenkrupp nucera (all three reported in the Multi Tracks segment until September 30, 2023) have been bundled in the new Decarbon Technologies segment. In addition, the new Decarbon Technologies segment contains thyssenkrupp Immobilien Verwaltungs GmbH, which was previously assigned to the Steel Europe segment.
- Since October 1, 2023, the Automation Engineering and Springs & Stabilizers businesses (assigned to the former Multi Tracks segment until September 30, 2023) have been part of the Automotive Technology segment. The same applies to the Forged Technologies business (reported as a separate segment as of September 30, 2023).
- Since October 1, 2023, the investment in TK Elevator held by thyssenkrupp since the sale of the Elevator Technology business at the end of July 2020 has been assigned to "reconciliation" in the segment reporting (included in the former Multi Tracks segment in the 2022 / 2023 fiscal year).
- thyssenkrupp Transrapid GmbH, which was previously part of the Marine Systems segment, has also been assigned to "reconciliation" in the segment reporting since October 1, 2023.

Corresponding adjustments have been made for these changes in the recognition and presentation of the data for the prior year.

For further details of the investment in TK Elevator, see also Note 09 (Segment reporting) and Note 08 (Financial instruments).

In fiscal year 2022 / 2023, a divestment process was initiated for the activities of thyssenkrupp Industries India, which was part of the Decarbon Technologies segment. This transaction was completed on May 8, 2024 and thyssenkrupp Industries India was therefore deconsolidated.

The business performance is presented by segment.

Report on the economic position

	Order intake million €		Sales million €		EBIT[1] million €		Adjusted EBIT[1] million €		Employees	
	9 months ended June 30, 2023	9 months ended June 30, 2024	9 months ended June 30, 2023	9 months ended June 30, 2024	9 months ended June 30, 2023	9 months ended June 30, 2024	9 months ended June 30, 2023	9 months ended June 30, 2024	June 30, 2023	June 30, 2024
Automotive Technology[2]	6,141	5,630	5,939	5,699	178	163	198	174	31,418	31,848
Decarbon Technologies[2]	3,119	2,140	2,560	2,775	36	(119)	53	(61)	14,985	12,601
Materials Services	10,521	9,244	10,489	9,217	192	8	155	153	16,221	16,114
Steel Europe[2]	9,946	8,044	9,511	8,127	21	(14)	266	238	26,249	27,090
Marine Systems[2]	380	810	1,484	1,403	44	74	46	72	7,502	7,896
Corporate Headquarters	7	5	5	6	(128)	(165)	(122)	(144)	610	633
Reconciliation[2]	(1,359)	(970)	(1,265)	(996)	6	(19)	19	(16)	1,639	1,678
Group	**28,755**	**24,904**	**28,723**	**26,231**	**349**	**(73)**	**615**	**416**	**98,624**	**97,860**

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

	Order intake million €		Sales million €		EBIT[1] million €		Adjusted EBIT[1] million €	
	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024
Automotive Technology[2]	2,063	1,886	2,046	1,914	41	83	44	78
Decarbon Technologies[2]	1,097	800	856	945	(29)	(91)	(16)	(59)
Materials Services	3,272	3,094	3,346	3,194	78	17	50	58
Steel Europe[2]	3,221	2,732	3,251	2,818	163	117	190	100
Marine Systems[2]	117	141	480	438	12	30	12	30
Corporate Headquarters	2	1	2	2	(45)	(62)	(37)	(47)
Reconciliation[2]	(382)	(299)	(381)	(325)	(9)	(11)	(2)	(11)
Group	**9,390**	**8,355**	**9,598**	**8,986**	**212**	**84**	**243**	**149**

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

Summary

Financial indicators after the first 9 months, especially in the 3rd quarter, below expectations due to the persistently challenging market environment

- Performance of the group in the first 9 months and the 3rd quarter (each compared with the prior year):
  - Order intake in the first 9 months (down €3.9 billion or 13%): below the prior year in almost all segments (except Marine Systems)
  - Order intake in the 3rd quarter (down €1.0 billion or 11%): below the prior year in almost all segments (except Marine Systems)
  - Sales in the first 9 months (down €2.5 billion or 9%): below the prior year in almost all segments (except Decarbon Technologies)
  - Sales in the 3rd quarter (down €612 million or 6%): below the prior year in almost all segments (except Decarbon Technologies)
  - Adjusted EBIT in the first 9 months (down €199 billion or 32%): below the prior year in almost all segments (except Marine Systems), principally in Decarbon Technologies
  - Adjusted EBIT in the 3rd quarter (down €94 billion or 39%): below the prior year, principally in Decarbon Technologies and Steel Europe
  - Net income in the first 9 months (down €412 million): negative and below the prior year, principally due to the development of adjusted EBIT and higher negative special items, for example, impairment losses at Materials Services and effects from the measurement of the CO_2 forward contracts at Steel Europe
  - Net income in the 3rd quarter (down €141 million): negative and below the prior year, principally due to the development of adjusted EBIT and higher negative special items, for example, restructuring expenses at Decarbon Technologies and Materials Services
  - FCF before M&A in the first 9 months (down €749 million): negative and below the prior year, principally due to the development of adjusted EBIT and an increase in inventories, compared with a corresponding reduction in the prior-year period
  - FCF before M&A in the 3rd quarter (down €602 million): negative and below the prior year, principally due to the development of adjusted EBIT and a temporary increase in capital expenditures in connection with the DRI plant at Steel Europe
- APEX performance program, which bundles the group's established and new transformation and performance measures: implementation on schedule with continuous ramp-up of the earnings effects; the measures introduced to improve efficiency are successfully countering the negative developments outlined but cannot fully offset them
- Performance of the segments in the first 9 months compared with prior year – the performance of the segments in the 3rd quarter is described in the section headed "Segment reporting:"
  - Automotive Technology: lower order intake and sales in the construction machinery and plant engineering businesses and customer- and model-driven declines in parts of the automotive serial business; adjusted EBIT below the prior-year level; positive one-time effects lower than in the prior year; lower material and transportation costs, positive effects from successful negotiation of prices and compensation for lower volumes as well as measures to improve efficiency; countered, among other things, by lower volumes, higher personnel expenses (mainly as a result of collective wage agreements) and, in particular, non-conformity costs in the Automation Engineering business
  - Decarbon Technologies: lower order intake, especially due to project deferrals by plant engineering customers and more sluggish demand in the Chinese wind energy market; higher sales on a comparative basis thanks to good order situation in plant engineering resulting from previous years; adjusted EBIT significantly below the prior-year level, influenced, on the one hand, by volume and mix effects and, on the other, by declines in plant engineering at Polysius

(cement business) influenced by the higher costs in prior periods of individual (legacy) projects; in addition, structural adjustments at Polysius due to the sale of thyssenkrupp Industries India
  - Materials Services: drop in order intake and sales mainly as a result of lower prices and restrained demand; adjusted EBIT close to the prior-year level, despite subdued development of prices and demand, partly due to positive effects from cost-cutting measures and renegotiated supply chain contracts; volumes below the prior-year level, except at the automotive-related service centers in North America
  - Steel Europe: lower order intake as a consequence of persistently weak demand; sales down year-on-year, principally due to significantly lower steel prices; shipment volumes likewise down year-on-year (down 5.2%); adjusted EBIT also lower than in the previous year, principally due to a drop in sales revenues, despite lower raw material and energy prices, and a reduction in depreciation and amortization resulting from the significant impairment losses in fiscal year 2022 / 2023
  - Marine Systems: significantly higher order intake, mainly due to major extensions of two existing orders for submarines, but sales nevertheless declined; however, adjusted EBIT up significantly year-on-year, driven mainly by improved margins on existing orders as a consequence of stabilization of older low-margin orders and margin processing of new orders to ensure stable margins
- Full-year forecast for the group revised in an ad-hoc release published on July 25, 2024:
  - Sales: decrease by between 6% and 8% compared with the prior year (previously: below the prior year)
  - Adjusted EBIT: over €500 million (previously: increase to a figure in the high three-digit million euro range)
  - Free cash flow before M&A: in the range of €(100) million (previously: decline to a positive figure in the low three-digit million euro range)
- Other key events in the 3rd quarter:
  - On April 11, 2024, the Executive Board of Steel Europe presented the first outline for a planned realignment of the steel business to the Strategy Committee of the Steel Supervisory Board. This is aimed at optimizing the production network to increase the segment's competitiveness and profitability.
  - On April 26, 2024, thyssenkrupp AG and EP Corporate Group a.s. (EPCG) agreed that EPCG would take a stake in thyssenkrupp's steel business. In this transaction, EPCG is acquiring 20% of the shares in thyssenkrupp's steel business. This transaction was closed on July 31, 2024 (see Note 16, Subsequent events). In addition, the parties are discussing the acquisition by EPCG of a further 30% of the steel business. The aim is to establish an equal 50:50 joint venture.

Macro and sector environment

Slow economic recovery in Germany – growth still significantly lower than in other industrialized countries

- Global economic development still sluggish, especially in Germany, due to strong global export dependence; higher momentum in some regions such as the USA and other EU countries; still hardly any impetus from the Chinese economy following low point in 2023
- Growth in global economic output projected to slow down to 2.8% in 2023; growth expected to be at a similar level of 2.7% in 2024
- Slight recovery in the German economy following stagnation in the prior year; GDP growth of 0.3% forecast for 2024, driven mainly by consumer spending; positive growth of 1.0% forecast for the EU in 2024; better outlook for the USA with growth of 2.4% in 2024; relatively subdued momentum

expected in China compared with the prior year, with expected growth of 5.0% and growth of 6.8% forecast for India

- Risks and uncertainties: continued economic pressure due to possible continuation of the central banks' policy of higher interest rates than in recent years; political uncertainty resulting from the upcoming elections in the USA; risk of disruption of global logistics flows due to armed conflicts in the Middle East; possibility of further escalation and prolongation of the war in Ukraine; uncertainty about the future development of many other geopolitical trouble spots and trade conflicts; risk of recurrent floods and natural catastrophes, for example, as a result of climate change; ongoing risks resulting from high energy, material and raw material prices, especially in industrialized regions

GROSS DOMESTIC PRODUCT

Real change compared to previous year in %	2023[1]	2024[1]
European Union	0.6	1.0
Germany	0.0	0.3
Eastern Europe and Central Asia	4.0	3.9
USA	2.5	2.4
Brazil	2.9	2.1
Japan	1.9	0.7
China	5.2	5.0
India	8.1	6.8
Middle East & North Africa	1.3	1.7
World	**2.8**	**2.7**

[1] Calendar year; forecast (in some cases)
Source: S&P Global Market Intelligence, Global Economy (July 2024)

Automotive

- Global production of cars and light trucks expected to decline year-on-year in 2024; up to now volumes expected to be slightly above the prior-year level; however, recent revision of forecasts
- Europe: volume sales expected to be positive year-on-year in 2024; production weaker
- North America: volume sales positive year-on-year in 2024; production projected to be around the prior-year level
- China: volume sales positive year-on-year in 2024; production expected to be around the prior-year level
- Considerable manufacturer-, engine-type- and model-specific differences in individual volume performance
- Shifts in investment and adjustment of the pace of the transformation by major OEMs in response to slower regional volume growth in battery-electric vehicles
- Chinese OEMs continuing to gain market share on the domestic market and expanding into global markets, including Europe
- Increased pressure for production adjustments due to progressive increase in inventories; possible leading indicator of a dip in demand
- Threatened expansion of customs duties on cars would result in additional price rises and thus reduce demand

Machinery

- Germany: real sales decline of 1.3% in 2023; no recovery in 2024, with a decline of 2.4% expected; forecasting reliability hampered by sharp monthly fluctuations in order intake; further pronounced weakness in capital spending in Germany compared with the international situation
- USA: projected reduction of 4.1% in machinery production in 2023 as a result of the economically induced investment restraint; no recovery expected in 2024, with the downturn projected to be slightly lower at 3.4%; potential tailwind in the long term in the event of a cut in the key interest rate
- China: only 2.6% growth in machinery production in 2023; prospect of a slight upturn to 3.8% in 2024, but below the targets set by the Chinese government; order intake and capacity utilization still at a low level

Construction

- Germany: construction activity currently stabilizing at a low level; slightly positive sales growth of 0.9% in 2023 and cautious recovery to 1.8% expected in 2024; subdued impetus due to lower key interest rates and declining inflation
- USA: slight recovery from the sharp downturns in 2022 with real sales growth of 3% in 2023; particularly strong growth of 6.9% expected for 2024, driven by investment in infrastructure
- China: growth of 7.1% expected for 2023 due to catch-up effects following weak prior year; weaker growth of 3.4% forecast for 2024; possible easing of the crisis on the real estate market due to state aid packages for public-sector housing construction

Steel

- Increase of 1.7% in global demand for finished steel expected in 2024 after two years of contraction; demand for steel dampened by high costs, delayed effects of more restrictive monetary policy and ongoing geopolitical uncertainty; high market volatility still projected; increase in demand in 2024, for example, in Germany (+3.2%), India (+8.2%), the USA (+1.8%) and Turkey (+9.0%); by contrast, slight drop in demand, for example, in South Korea (–0.8%) and Japan (–0.1%); stagnation at prior-year level in China; moderate growth of 1.2% in global demand for finished steel forecast for 2025; growth of 5.5% expected in the EU27
- Demand for high-quality carbon steel in the EU up 2.1% year-on-year in Q2 2023 / 2024; higher demand served by significant rise in imports (+31.7% year-on-year), while deliveries from EU works were down 4.3% year-on-year
- Negative trend in spot market prices for flat steel since March, settling at a low level following previous slight recovery in prices between October 2023 and February 2024; flat steel prices remain at a low level due to persistently high import volumes, delays in the economic recovery and continued weak demand; raw material prices on the spot market in Q3 2023 / 2024 at the same level as in the prior-year quarter
- Market environment still extremely challenging; stabilizing effects coming from declining inflation and energy costs; however, weaker outlook for industrial production and major steel-processing industries in the current year; outlook further dampened by increasing protectionism and ongoing geopolitical crises

IMPORTANT SALES MARKETS

	2023[1)]	2024[1)]
Vehicle production, million cars and light trucks[2)]		
World	90.5	88.7
Western Europe (incl. Germany)	11.2	10.4
Germany	4.3	4.2
North America (USA, Mexico, Canada)	15.7	15.8
USA	10.3	10.5
Mexico	3.8	4.0
Japan	8.6	7.9
China	28.8	28.8
India	5.4	5.7
Brazil	2.2	2.3
Machinery production, real, in % versus prior year		
World	0.4	1.7
European Union	0.8	(0.8)
Germany	(1.3)	(2.4)
USA	(4.1)	(3.4)
Japan	(6.3)	(1.3)
China	2.6	3.8
India	8.9	7.6
Construction output, real, in % versus prior year		
World	4.5	3.0
European Union	2.3	1.5
Germany	0.9	1.8
USA	3.0	6.9
Japan	3.7	1.5
China	7.1	3.4
India	9.6	1.6
Demand for steel, in % versus prior year		
World	(1.1)	1.7
European Union	(10.0)	2.9
Germany	(13.7)	3.2
USA	(4.2)	1.8
China	(3.3)	0.0
India	14.8	8.2

[1)] Calendar year; forecast (in some cases)
[2)] Passenger cars and light commercial vehicles up to 6t
Sources: S&P Global Market Intelligence, Comparative Industry (July 2024), S&P Global Mobility, LV Production (July 2024), Oxford Economics, worldsteel, national associations, own estimates

Segment reporting

Automotive Technology

Performance in the 3rd quarter

AUTOMOTIVE TECHNOLOGY IN FIGURES[1)]

		9 months ended June 30, 2023	9 months ended June 30, 2024	Change in %	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024	Change in %
Order intake	million €	6,141	5,630	(8)	2,063	1,886	(9)
Sales	million €	5,939	5,699	(4)	2,046	1,914	(6)
EBITDA	million €	416	388	(7)	117	149	27
EBIT	million €	178	163	(8)	41	83	++
Adjusted EBIT	million €	198	174	(12)	44	78	76
Adjusted EBIT margin	%	3.3	3.1	—	2.2	4.1	—
Investments	million €	209	205	(2)	78	65	(17)
Employees (June 30)		31,418	31,848	1	31,418	31,848	1

[1)] See preliminary remarks.

Order intake

- Lower than in the prior year; downward trend in the construction machinery and plant engineering businesses, as well as customer- and model-related declines in the automotive serial business

Sales

- Below the prior-year level; sales follow order intake in the automotive serial business; declining development in the construction machinery business and in plant engineering at Automotive Body Solutions

Adjusted EBIT

- Above the prior year; lower material and transportation costs and positive one-time effects (mainly due to the partial reversal of a provision for quality costs at Bilstein); by contrast, reduction in volumes and higher personnel expenses (mainly due to collective wage agreements)
- Positive effects from APEX measures, principally from negotiation of new prices and claims for compensation for volume shortfalls, reduced material costs and measures to improve efficiency (e.g., optimization of cycle times, shorter tooling times, reduction in reject costs, etc.)

Main special items

- No material special items

Investments

- Focus on investments for order-related projects, with the goal of supporting cost and profitability targets and leveraging growth opportunities

Decarbon Technologies

Performance in the 3rd quarter

DECARBON TECHNOLOGIES IN FIGURES[1)]

		9 months ended June 30, 2023	9 months ended June 30, 2024	Change in %	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024	Change in %
Order intake	million €	3,119	2,140	(31)	1,097	800	(27)
Sales	million €	2,560	2,775	8	856	945	10
EBITDA	million €	125	(11)	--	9	(63)	--
EBIT	million €	36	(119)	--	(29)	(91)	--
Adjusted EBIT	million €	53	(61)	--	(16)	(59)	--
Adjusted EBIT margin	%	2.1	(2.2)	—	(1.8)	(6.3)	—
Investments	million €	53	45	(15)	17	20	19
Employees (June 30)		14,985	12,601	(16)	14,985	12,601	(16)

1) See preliminary remarks.

Order intake

- Below the prior year overall, with heterogeneous development in individual business units
- thyssenkrupp nucera above the prior year; Rothe Erde more or less at the prior-year level; plant engineering businesses below the strong prior-year level due to project deferrals by customers

Sales

- Above the prior year overall; plant engineering businesses above the prior year overall due to some major projects
- Rothe Erde slightly below the prior-year level due to slowdown in demand on the Chinese wind energy market

Adjusted EBIT

- Lower than in the prior year due to declines in plant engineering at Polysius (cement business), which were affected by higher costs in prior periods for individual (legacy) projects
- Slight drop in earnings in the wind energy business due to negative price effects
- thyssenkrupp nucera below the prior-year level as expected, held back by expansion of the alkaline water electrolysis (AWE) business and the scheduled increase in costs for growth plans
- Countered by APEX measures, especially efficiency improvements and optimization of procurement, that still did not fully offset the sharp decline in adjusted EBIT

Main special items

- Total of €32 million, mainly due to the establishment of a restructuring provision at Polysius and expense for the deconsolidation of thyssenkrupp Industries India

Investments

- Increased investment driven mainly by thyssenkrupp nucera's expenditure on growth and technology
- In the other business units, investments to strengthen the technology portfolio and order-related projects

Materials Services

Performance in the 3rd quarter

MATERIALS SERVICES IN FIGURES

		9 months ended June 30, 2023	9 months ended June 30, 2024	Change in %	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024	Change in %
Order intake	million €	10,521	9,244	(12)	3,272	3,094	(5)
Sales	million €	10,489	9,217	(12)	3,346	3,194	(5)
EBITDA	million €	293	204	(30)	112	50	(55)
EBIT	million €	192	8	(96)	78	17	(78)
Adjusted EBIT	million €	155	153	(1)	50	58	16
Adjusted EBIT margin	%	1.5	1.7	—	1.5	1.8	—
Investments	million €	54	43	(20)	18	16	(12)
Employees (June 30)		16,221	16,114	(1)	16,221	16,114	(1)

Order intake

- Below the prior-year level, principally due to lower prices, especially for finished steel
- Drop in orders in most business units; direct-to-customer and supply chain business as well as warehousing business in North America above the prior year.

Sales

- Year-on-year drop due to lower prices; declines in warehousing business in Europe and at the automotive-related service centers
- Direct-to-customer business up year-on-year, mainly due to volumes; higher sales in the supply chain business as a result of extension of contracts with major customers on optimized conditions
- Volumes of materials and raw materials at the prior-year level (2.3 million tons), with the increase in volumes in direct-to-customer business offsetting the decline in warehousing business

Adjusted EBIT

- Above the prior year with positive earnings contributions from almost all business units, especially international supply chain and direct-to-customer business and the North American distribution units and service centers
- Ongoing efficiency measures, bundled in the APEX program, e.g., through positive effects from the renegotiation in the last fiscal year of contracts with major customers in the supply chain business, reduction of freight costs and site consolidation in the North American Aerospace business

Main special items

- Total of €41 million, mainly expenses for restructuring of the European warehousing business

Investments

- Investment focused on the USA: further payments in connection with construction of the newly opened site in Texas, for production facilities in Wisconsin and for the Aerospace business
- Modernization and replacement investment at warehousing and service units; continuing digital transformation

Steel Europe

Performance in the 3rd quarter

STEEL EUROPE IN FIGURES[1)]

		9 months ended June 30, 2023	9 months ended June 30, 2024	Change in %	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024	Change in %
Order intake	million €	9,946	8,044	(19)	3,221	2,732	(15)
Sales	million €	9,511	8,127	(15)	3,251	2,818	(13)
EBITDA	million €	572	242	(58)	228	140	(39)
EBIT	million €	21	(14)	--	163	117	(28)
Adjusted EBIT	million €	266	238	(11)	190	100	(47)
Adjusted EBIT margin	%	2.8	2.9	—	5.8	3.6	—
Investments	million €	523	524	0	127	361	++
Employees (June 30)		26,249	27,090	3	26,249	27,090	3

1) See preliminary remarks.

Order intake

- Reduction in volume and value compared with the prior year due to a drop in order volume to 2.3 million tons (down 9.8% versus prior year) and lower spot market prices; positive development of packaging steel and in the construction, machinery and plant engineering sectors; lower demand from the automotive industry

Sales

- Below the prior year as a result of significantly lower prices; in particular, declines in electrical steel, packaging steel and the automotive sector
- Shipment volumes also down year-on-year at 2.3 million tons (down 9.0%); principally at industrial customers, for example, in the pipework industry, steel trading and steel services; partly offset by higher shipment volumes of packaging steel

Adjusted EBIT

- Below the prior year; lower raw material and energy costs and lower depreciation and amortization as a result of the impairment losses in fiscal year 2022 / 2023 could not fully offset the negative market effects
- Support from APEX measures, e.g., efficiency improvements in production, energy and logistics and further cost improvements and procurement successes

Main special items

- Total income of €17 million from special items in the 3rd quarter, mainly effects from the measurement of CO_2 forward contracts

Investments

- Progress with dismantling work and preparation of the site for construction of the direct reduction plant with two integrated electric smelters in Duisburg; initial construction work (e.g., pile foundations) continued
- Major investment in Bochum as part of the Steel Strategy 20-30 to support rising demand for high-quality electrical steel; assembly of the new annealing and isolating line completed; function testing and general start-up with production run in heated furnace currently under way

Marine Systems

Performance in the 3rd quarter

MARINE SYSTEMS IN FIGURES[1]

		9 months ended June 30, 2023	9 months ended June 30, 2024	Change in %	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024	Change in %
Order intake	million €	380	810	++	117	141	20
Sales	million €	1,484	1,403	(5)	480	438	(9)
EBITDA	million €	89	125	41	27	47	71
EBIT	million €	44	74	69	12	30	++
Adjusted EBIT	million €	46	72	57	12	30	++
Adjusted EBIT margin	%	3.1	5.1	—	2.6	6.9	—
Investments	million €	67	58	(14)	22	18	(20)
Employees (June 30)		7,502	7,896	5	7,502	7,896	5

[1] See preliminary remarks.

Order intake

- Higher than in the prior year, mainly due to several small-scale service orders, for example, for spare parts and repairs

Sales

- Below the prior year, mainly due to typical fluctuations in project business

Adjusted EBIT

- Significantly above the prior year, mainly as a result of improved margin effects for current projects and lower selling expenses
- Stabilization of older low-margin orders, margin processing of new orders ensures stable margins
- Positive effects of APEX measures, including efficiency improvements in the areas of materials, human resources, and administration

Main special items

- No material special items

Investments

- Continued modernization of the Kiel shipyard to optimize project execution, increase efficiency, create technical conditions for building larger boats in line with the market trend and sustainably improve profitability
- Continued development of the Wismar site for possible expansion of capacity

Corporate Headquarters

Performance in the 3rd quarter

Adjusted EBIT

- Below the prior year, mainly as a result of expenses in connection with the APEX performance program and higher general and administrative expenses
- By contrast, lower expenses for adjustments of provisions for share-based compensation

Main special items

- Higher expenditure in connection with M&A transactions

Investments

- No material investments

Results of operations and financial position

Analysis of the statement of income

Income/(loss) from operations

- Significant drop in sales overall in the first 9 months of the reporting year compared with the prior-year period; predominately price-induced declines in the Materials Services segment and price- and volume-induced declines in the Steel Europe segment; cost of sales declined in parallel with sales, mainly as a result of the reduced cost of materials, as well as extensive impairment losses in the Steel Europe segment in the previous reporting year and consequently lower depreciation and amortization expenses; countered mainly by higher expenses for commodity derivatives and higher personnel expenses in the first 9 months and higher costs incurred in prior periods for individual (legacy) projects in plant engineering at Polysius (cement business); gross profit of €3,089 million in the first 9 months of the reporting year below the prior-year level, but gross margin of 11.8% slightly above the prior-year level; gross profit of €1,158 million in the 3rd quarter of the reporting year below the corresponding prior-year quarter but gross margin of 12.9% slightly above the corresponding prior-year quarter
- Overall increase in selling expenses, mainly due to impairment losses recognized in the 1st half of the reporting year in the Materials Services segment (€36 million in the 1st quarter and €60 million in the 2nd quarter) and the Steel Europe segment (€5 million in the 1st quarter), and higher personnel expenses, especially in connection with restructuring measures; offset in particular by sales-related drop in costs for freight, insurance and customs duties
- Overall increase in general and administrative expenses mainly influenced by higher personnel expenses, an increase in consultancy and IT expenses and higher insurance premiums
- Increase in other income, mainly as a result of higher income in connection with compensation for electricity prices in the Steel Europe segment and the entry into effect of a supply agreement classified as an embedded lease

- Increase in other expenses, principally as a result of the impairment losses recognized on goodwill in the 1st half of the reporting year in connection with the thyssenkrupp Industries India disposal group existing until its sale at the beginning of May 2024 (€24 million), €9 million of this recognized in the 1st quarter and €15 million in the 2nd quarter of the reporting year, as well as costs incurred in the Steel Europe segment in connection with a hydrogen pipeline
- Deterioration in other gains and losses, mainly due to losses from the sale of property, plant and equipment in the first 9 months and the loss on the aforementioned sale of thyssenkrupp Industries India at the beginning of May 2024

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

- Overall negative yet improved financial income/(expense), net in the first 9 months of the reporting year, principally as a result of the significant improvement in interest on net financial assets and higher income overall from the interest-free loans acquired in connection with the sale of the Elevator activities; by contrast, increase in the negative income from investments accounted for using the equity method, mainly due to higher losses on the ordinary shares acquired in connection with the sale of the Elevator activities
- Income taxes almost unchanged overall; despite negative earnings, tax expense in the first 9 months of the reporting year influenced principally by tax expense on positive foreign earnings, while negative earnings, especially in Germany, resulting in part from impairment losses, do not reduce tax expenses as deferred tax assets cannot be recognized for this

Earnings per share (EPS)

- Net income decreased significantly by €412 million in the first 9 months of the reporting year, from net income of €2 million to a net loss of €410 million; this includes a reduction of €430 million in the income/(loss) from operations and a reduction of €11 million in negative financial income/(expense). Net income in the 3rd quarter also reduced by €141 million, from net income of €107 million to a net loss of €33 million; this includes a drop of €138 million in the income/(loss) from operations and an increase of €10 million in negative financial income/(expense).
- The loss per share (taking into account the earnings attributable to thyssenkrupp AG's shareholders) therefore decreased by €0.61 to €0.72 in the first 9 months of the reporting year and by €0.22 to a loss per share of €0.09 in the 3rd quarter.

Analysis of the statement of cash flows

Operating cash flow

Operating cash flow slightly negative in the first 9 months of the reporting year and significantly lower than in the prior year, mainly due to the reduction in net income before depreciation, amortization and impairment of non-current assets; at the same time, primarily an increase in inventories and in trade accounts payable, as well as a smaller increase in trade accounts receivable and a reduction in contract assets

Cash flows from investing activities

- Cash outflows for investments in property plant and equipment (including advance payments) higher in the first 9 months of the reporting year than in the prior-year period; countered, in particular, by government grants in the 1st quarter of the reporting year in connection with construction of the direct reduction plant in the Steel Europe segment, which started in the prior year
- Cash inflows from disposals in line with prior-year level overall in the first 9 months of the reporting year; this includes cash inflows from the sale of thyssenkrupp Industries India at the beginning of May 2024; simultaneous reduction in cash inflows from the disposal of property, plant and equipment

Cash flows from financing activities

- Cash flows from financing activities down year-on-year in the first 9 months of the reporting year, mainly due to increased redemption of bonds

Free cash flow and net financial assets

RECONCILIATION TO FREE CASH FLOW BEFORE M&A

million €	9 months ended June 30, 2023	9 months ended June 30, 2024	Change	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024	Change
Operating cash flows (consolidated statement of cash flows)	668	(61)	(729)	599	249	(350)
Cash flow from investing activities (consolidated statement of cash flows)	(854)	(823)	31	(235)	(452)	(218)
Free cash flow (FCF)	**(186)**	**(885)**	**(698)**	**364**	**(203)**	**(567)**
–/+ Cash inflow/cash outflow resulting from material M&A transactions	44	(22)	(66)	7	(16)	(23)
Adjustment due to IFRS 16	(92)	(77)	15	(24)	(36)	(12)
Free cash flow before M&A (FCF before M&A)	**(234)**	**(983)**	**(749)**	**347**	**(256)**	**(602)**

- FCF before M&A in the first 9 months negative and below the prior year, principally due to the development of adjusted EBIT and an increase in inventories compared with a corresponding reduction in the prior-year period
- Decrease in net financial assets at June 30, 2024 to €3.2 billion compared with September 30, 2023, mainly due to negative FCF
- Available liquidity of €5.9 billion (€4.7 billion cash and cash equivalents and €1.2 billion undrawn committed credit lines)

Rating

RATING

	Long-term rating	Short-term rating	Outlook
Standard & Poor's	BB	B	stable
Moody's	Ba3	Not Prime	positive

- In December 2023, Moody's rating agency left its rating unchanged but raised the outlook from stable to positive
- thyssenkrupp discontinued rating by Fitch as of December 31, 2023

Analysis of the statement of financial position

- Decline in total assets, especially attributable to the sharp reduction in cash and cash equivalents

Non-current assets

- Reduction in intangible assets, mainly due to the deconsolidation of thyssenkrupp Industries India at the beginning of May 2024 and the impairment losses recognized in the Materials Services segment in the 1st half
- Overall decline in property, plant and equipment mainly due to the impairment losses recognized in the 1st quarter of the reporting year in the Steel Europe segment (€180 million) and the impairment losses recognized in the 2nd quarter of the reporting year in the Materials Services segment (€45 million); countered, in particular, by transfers of advance payments from other non-financial assets

- Reduction in investments accounted for using the equity method, principally due to the subsequent measurement in the first 9 months of the reporting period of the ordinary shares recognized in connection with the Elevator investment
- Slight overall increase in other financial assets, mainly as a result of subsequent measurement of interest-free loans and preference shares recognized here in connection with the Elevator investment; countered by the deconsolidation of thyssenkrupp Industries India
- Reduction in other non-financial assets primarily due to lower advance payments on property, plant and equipment as a consequence of the aforementioned transfers to property, plant and equipment

Current assets

- Significant rise in inventories, mainly due to the pre-production of materials ahead of planned conversion measures at plants in the Steel Europe segment and to Automotive Technology; countered mainly by the reduction in inventories in the Materials Services segment and the decline resulting from the deconsolidation of thyssenkrupp Industries India at the beginning of May 2024
- Increase in trade accounts receivable, especially attributable to increases at Marine Systems, principally due to the final delivery of an order; by contrast, declines due to the deconsolidation of thyssenkrupp Industries India
- Decrease in contract assets, mainly as a result of the execution of construction contracts by Marine Systems and the deconsolidation of thyssenkrupp Industries India
- Reduction in other financial assets, mainly due to accounting for derivatives and in connection with accounting for CO_2 rights in the Steel Europe segment and lower receivables in connection with the sale of property, plant and equipment and consolidated companies
- Overall increase in other non-financial assets, mainly due to higher claims on the public sector in the Steel Europe segment; also a general increase in advance payments in connection with the operating business and higher refund claims in connection with non-income taxes; countered by the deconsolidation of thyssenkrupp Industries India
- Sharp reduction in cash and cash equivalents in the first 9 months of the reporting year, mainly due to scheduled redemption of a bond in February 2024 (€1,500 million) and as a consequence of the negative free cash flow

Total equity

- Strong decline compared with September 30, 2023, mainly due to the net loss in the first 9 months of the reporting year (€410 million) and, in particular, to losses recognized in cumulative other comprehensive income resulting from the remeasurement of pensions and similar obligations (€239 million) and from cash flow hedges (including losses from basis adjustments) (€115 million); in addition, declines due to the dividend payment by thyssenkrupp AG (€93 million) and a reduction in the non-controlling interest (€92 million) caused by the deconsolidation of thyssenkrupp Industries India

Non-current liabilities

- Increase in provisions for pensions and similar obligations primarily driven by losses resulting from the remeasurement of pensions, mainly as a result of the lower pension discount rate in Germany
- Reduction in financial debt in particular due to reclassification to current financial debt in the 2nd quarter of the reporting year of a bond due in February 2025

Current liabilities

- Decline in other provisions, mainly due to an overall reduction in warranty obligations and to lower obligations in connection with the surrender of CO_2 rights in the Steel Europe segment
- Significant overall reduction in financial debt, principally attributable to the redemption of a bond due in February 2024; offset above all by the aforementioned reclassification of a bond from non-current financial debt
- Overall increase in trade accounts payable mainly in the Steel Europe segment as a result of increased purchases of raw materials and at Automotive Technology; by contrast reduction at Materials Services and the deconsolidation of thyssenkrupp Industries India
- Overall reduction in other financial liabilities mainly related to lower interest payables, a reduction in liabilities in connection with the purchase of property, plant and equipment and slight declines overall in accounting for derivatives
- Overall decline in contract liabilities, mainly as a result of the deconsolidation of thyssenkrupp Industries India
- Increase in other non-financial liabilities, especially as a result of higher liabilities in connection with non-income taxes

Compliance

- Strong values as foundation of our work – particularly in difficult economic environment; anchored in Mission Statement, the updated Code of Conduct and the Compliance Commitment
- Continuous implementation and enhancement of the thyssenkrupp compliance management system in the core compliance areas corruption prevention, antitrust law, data protection, prevention of money laundering, and trade compliance
- Close involvement of Compliance in various questions relating to legal sanctions and implementation of the German Act on Corporate Due Diligence Obligations in Supply Chains and, as in the past, in M&A activities to advise on various antitrust issues
- More information on compliance at thyssenkrupp in the 2022 / 2023 Annual Report and on the website https://www.thyssenkrupp.com/en/company/compliance[1]

[1] The link is outside the scope of the review report.

Forecast, opportunity and risk report

2023 / 2024 forecast

Basic conditions and key assumptions

The realignment of the portfolio was implemented at the beginning of fiscal year 2023 / 2024 and the structure of thyssenkrupp was simplified (see Preliminary remarks in the management report). The prior-year sales and adjusted EBIT figures for the Automotive Technology and Decarbon Technologies segments are therefore presented on a pro forma basis. The forecast assumes no effects from additional portfolio measures.

The expected economic conditions and the main assumptions on which our forecast is based can be found in the section headed “Macro and sector environment” in the “Report on the economic position.” For the corresponding opportunities and risks see the “Opportunity and risk report,” which follows this section. We also expect a continuation of the challenging market environment and further volatile price levels on sales and procurement markets (e.g., for raw materials and energy). The development of sales and earnings could therefore be exposed to corresponding fluctuations.

Expectations for 2023 / 2024

Based on the expected economic conditions as of the date of this forecast and the underlying assumptions, we consider the following view on fiscal year 2023 / 2024 to be appropriate. Compared with the previous forecast in the interim report on the 1st half-year of 2023 / 2024, the expectations for the group have been amended as follows:

- We now expect **sales** to decrease by between 6% and 8% compared with the prior year (previously: below the prior year) as a result of the continued challenging market environment. The market is not expected to stabilize in the short term in the current fiscal year. This is having an impact, in particular, at Steel Europe and Material Services (reduced volume expectations and lower price levels) and at Automotive Technology (lower order call-offs).

- **Adjusted EBIT** is expected to decrease to a figure of over €500 million (previously: increase to a figure in the high three-digit million euro range). The efficiency improvement measures introduced as part of the APEX performance program are countering the negative developments outlined above but cannot fully offset them.

- **Free cash flow before M&A** is now expected to decrease to a figure in the range of €(100) million (previously: decrease; figure in the low three-digit million euro range). The adjustment results principally from the revised sales and adjusted EBIT expectations set out above.

- Accordingly, it is now anticipated that **net income** will improve to a negative figure in the mid to high three-digit million euro range (previously: increase to a negative figure in the low three-digit million euro range).

- In line with this, we have also adjusted our expectations for **tkVA** to an improvement to a negative figure in the range of €(1.6) billion (previously: increase to a negative figure of over €1 billion) and for **ROCE** to an improvement to a negative figure in the low single-digit percentage range (previously: increase to a figure in the low single-digit percentage range).

For further information on the expected development of our key performance indicators, please refer to the Forecast, opportunity and risk report in the Annual Report 2022 / 2023, the interim report on the 1st quarter of 2023 / 2024, and the interim report on the 1st half of 2023 / 2024.

EXPECTATIONS FOR THE SEGMENTS AND THE GROUP

			Fiscal year 2022 / 2023	Forecast for fiscal year 2023 / 2024
Steel Europe	Sales	million €	12,375	Significantly below the prior year
	Adjusted EBIT	million €	320	Slight decrease (previously: largely stable)
Marine Systems	Sales	million €	1,832[1]	Significantly above the prior year
	Adjusted EBIT	million €	73[1]	Increase; figure in the high two-digit million euro range
Automotive Technology	Sales	million €	7,910[2]	Below the prior year (previously: slightly below the prior year)
	Adjusted EBIT	million €	266[2]	Slight decrease (previously: increase; figure in the low to mid three-digit million euro range)
Decarbon Technologies	Sales	million €	3,438[2]	Significantly above the prior year
	Adjusted EBIT	million €	28[2]	Decrease; negative figure in the mid to high two-digit million euro range (previously: largely stable)
Materials Services	Sales	million €	13,613	Significantly below the prior year
	Adjusted EBIT	million €	178	Increase; figure in the low three-digit million euro range
Corporate Headquarters	Adjusted EBIT	million €	(169)	Decrease; negative figure in the low three-digit million euro range
Group	Sales	million €	37,536	Decrease by between 6% and 8% compared with the prior year (previously: below the prior year)
	Adjusted EBIT	million €	703	Decrease to a figure of over €500 million (previously: increase to a figure in the high three-digit million euro range)
	Capital spending including IFRS 16 effects	million €	1,823	Significantly below the prior year
	Free cash flow before M&A	million €	363	Decrease; figure in the range of €(100) million (previously: decrease; figure in the low three-digit million euro range)
	Net income	million €	(1,986)	Improve to a negative figure in the mid to high three-digit million euro range (previously: increase to a negative figure in the low three-digit million euro range)
	tkVA	million €	(2,818)	Improve to a negative figure in the range of €(1.6) billion (previously: increase to a negative figure of over €1 billion)
	ROCE	%	(9.3)%	Improve to a negative figure in the low single-digit percentage range (previously: increase to a figure in the low single-digit percentage range)

Note on the forecast for sales and capital spending including IFRS 16: “Significantly above/below” indicates a change of at least +/– 5%; “Above/below” indicates a change of between +/- 2.5% and +/-5%; “Slightly above/below” indicates a change of up to +/– 2,5%
[1] Excluding Transrapid GmbH, which has been allocated to “Reconciliation” in the segment reporting since October 1, 2023
[2] Pro forma

Opportunities and risks

Opportunities

- Opportunities arising from the transformation of our company through the specific alignment with future-oriented areas for our technologies
- In particular, enormous potential for further growth in connection with the green transformation, for example, in the areas of hydrogen, green chemicals, renewable energies, e-mobility, and sustainable supply chains.

Risks

- No risks that threaten ability to continue operating as a going concern
- Risk of disruption of global logistics flows as a result of armed conflicts in the Middle East; possible further escalation and prolongation of the war in Ukraine
- Continued risks from high energy, material and raw material prices, especially in industrial regions
- Uncertainty about the future development of many geopolitical crises and trade conflicts
- Political uncertainties as a result of the upcoming elections in the USA
- Ongoing economic pressure from possible continuation of the central banks' policy of higher interest rates than in recent years
- Risk of recurrent floods and natural catastrophes, for example, as a result of climate change
- Risks from new or altered legal framework affecting business activities in the markets of relevance to us
- Risks resulting from 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 and long-term orders
- High risk of cost and schedule overruns in the execution of major capital expenditures (new)
- Risks from a rising number of attacks on IT infrastructure; countermeasure: further continuous expansion of information security management and security technologies

In addition, the detailed comments on opportunities and risks in the 2022 / 2023 Annual Report remain valid.

Condensed interim financial statements of the thyssenkrupp group

thyssenkrupp group – statement of financial position

ASSETS

million €	Note	Sept. 30, 2023[1]	June 30, 2024
Intangible assets		1,828	1,775
Property, plant and equipment (inclusive of investment property)		4,954	4,851
Investments accounted for using the equity method		382	248
Other financial assets		980	1,017
Other non-financial assets		634	543
Deferred tax assets		495	494
Total non-current assets		**9,272**	**8,928**
Inventories		7,553	7,908
Trade accounts receivable		4,765	4,899
Contract assets		1,069	903
Other financial assets		568	477
Other non-financial assets		1,867	2,160
Current income tax assets		168	198
Cash and cash equivalents	15	7,339	4,685
Total current assets		**23,330**	**21,229**
Total assets		**32,603**	**30,157**

[1] Figures have been adjusted (see Note 16).

See accompanying notes to financial statements.

EQUITY AND LIABILITIES

million €	Note	Sept. 30, 2023[1]	June 30, 2024
Capital stock		1,594	1,594
Additional paid-in capital		6,664	6,664
Retained earnings		2,972	2,193
Cumulative other comprehensive income		608	454
Equity attributable to thyssenkrupp AG's stockholders		**11,838**	**10,905**
Non-controlling interest		854	762
Total equity		**12,693**	**11,667**
Provisions for pensions and similar obligations	03	5,474	5,652
Provisions for other non-current employee benefits		258	239
Other provisions	04	407	411
Deferred tax liabilities		16	37
Financial debt	05	1,313	665
Other financial liabilities		13	15
Other non-financial liabilities		0	1
Total non-current liabilities		**7,482**	**7,020**
Provisions for current employee benefits		159	149
Other provisions	04	1,112	1,010
Current income tax liabilities		144	153
Financial debt	05	1,712	841
Trade accounts payable		4,270	4,396
Other financial liabilities		906	791
Contract liabilities		2,566	2,492
Other non-financial liabilities		1,558	1,638
Total current liabilities		**12,428**	**11,470**
Total liabilities		**19,910**	**18,490**
Total equity and liabilities		**32,603**	**30,157**

[1] Figures have been adjusted (see Note 16).

See accompanying notes to financial statements.

thyssenkrupp group – statement of income

million €, earnings per share in €	Note	9 months ended June 30, 2023	9 months ended June 30, 2024	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024
Sales	09, 10	28,723	26,231	9,598	8,986
Cost of sales	11	(25,440)	(23,142)	(8,397)	(7,828)
Gross Margin		**3,283**	**3,089**	**1,201**	**1,158**
Research and development cost		(169)	(181)	(54)	(62)
Selling expenses		(1,822)	(1,942)	(614)	(638)
General and administrative expenses		(1,169)	(1,206)	(395)	(413)
Other income	12	233	313	65	64
Other expenses		(51)	(141)	(19)	(32)
Other gains/(losses), net		24	(33)	18	(13)
Income/(loss) from operations		**328**	**(101)**	**202**	**64**
Income from companies accounted for using the equity method	13	(30)	(91)	(10)	(28)
Finance income		652	597	207	182
Finance expense		(745)	(617)	(226)	(193)
Financial income/(expense), net		**(123)**	**(112)**	**(29)**	**(39)**
Income/(loss) before tax		**205**	**(213)**	**174**	**26**
Income tax (expense)/income		(203)	(197)	(67)	(59)
Net income/(loss)		**2**	**(410)**	**107**	**(33)**
Thereof:					
thyssenkrupp AG's shareholders		**(64)**	**(446)**	**83**	**(54)**
Non-controlling interest		66	36	24	21
Net income/(loss)		**2**	**(410)**	**107**	**(33)**
Basic and diluted earnings per share based on	14				
Net income/(loss) (attributable to thyssenkrupp AG's shareholders)		**(0.10)**	**(0.72)**	**0.13**	**(0.09)**

See accompanying notes to financial statements.

thyssenkrupp group – statement of comprehensive income

million €	9 months ended June 30, 2023	9 months ended June 30, 2024	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024
Net income/(loss)	**2**	**(410)**	**107**	**(33)**
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	(7)	(234)	(15)	179
Tax effect	0	(5)	0	(1)
Other comprehensive income from remeasurements of pensions and similar obligations, net	(7)	(239)	(14)	178
Unrealized gains/(losses) from fair value measurement of equity instruments				
Change in unrealized gains/(losses), net	11	7	1	2
Tax effect	0	0	0	0
Net unrealized gains/(losses)	11	7	1	2
Share of unrealized gains/(losses) of investments accounted for using the equity-method	2	(2)	(1)	0
Subtotals of items of other comprehensive income that will not be reclassified to profit or loss in future periods	**6**	**(234)**	**(14)**	**180**
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	(426)	(42)	(24)	23
Net realized (gains)/losses	0	26	0	23
Net unrealized gains/(losses)	(426)	(17)	(24)	46
Unrealized gains/(losses) from fair value measurement of debt instruments				
Change in unrealized gains/(losses), net	2	(38)	1	(49)
Net realized (gains)/losses	0	0	0	0
Tax effect	0	3	0	3
Net unrealized gains/(losses)	2	(36)	1	(46)
Unrealized gains/(losses) from impairment of financial instruments				
Change in unrealized gains/(losses), net	(1)	0	0	0
Net realized (gains)/losses	(13)	0	1	0
Tax effect	4	0	0	0
Net unrealized gains/(losses)	(10)	0	1	0
Unrealized gains/(losses) on cash flow hedges				
Change in unrealized gains/(losses), net	(5)	72	(35)	6
Net realized (gains)/losses	26	(27)	(2)	1
Tax effect	4	1	(1)	1
Net unrealized gains/(losses)	24	45	(38)	9
Share of unrealized gains/(losses) of investments accounted for using the equity-method	(213)	(12)	(76)	(20)

million €	9 months ended June 30, 2023	9 months ended June 30, 2024	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024
Subtotals of items of other comprehensive income that could be reclassified to profit or loss in future periods	**(622)**	**(18)**	**(136)**	**(10)**
Other comprehensive income	**(617)**	**(252)**	**(150)**	**170**
Total comprehensive income	**(614)**	**(662)**	**(43)**	**136**
Thereof:				
thyssenkrupp AG's shareholders	(645)	(682)	(59)	129
Non-controlling interest	30	19	17	7

See accompanying notes to financial statements.

thyssenkrupp group – changes in equity

million €, (except number of shares)	Number of shares outstanding	Equity attributable to thyssenkrupp AG's stockholders Capital stock	Additional paid-in capital	Retained earnings
Balance as of Sept. 30, 2022	**622,531,741**	**1,594**	**6,664**	**4,777**
Net income/(loss)				(64)
Other comprehensive income				(6)
Total comprehensive income				**(70)**
Gains/(losses) resulting from basis adjustment				
Profit attributable to non-controlling interest				
Payment of thyssenkrupp AG dividend				(93)
Balance as of June 30, 2023	**622,531,741**	**1,594**	**6,664**	**4,614**
Balance as of Sept. 30, 2023	**622,531,741**	**1,594**	**6,664**	**2,972**
Net income/(loss)				(446)
Other comprehensive income				(242)
Total comprehensive income				**(688)**
Gains/(losses) resulting from basis adjustment				
Profit attributable to non-controlling interest				
Payment of thyssenkrupp AG dividend				(93)
Other changes				2
Balance as of June 30, 2024	**622,531,741**	**1,594**	**6,664**	**2,193**

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
524	**15**	**7**	**79**	**215**	**(26)**	**352**	**14,202**	**540**	**14,742**
							(64)	66	2
(384)	1	11	(10)	34	(14)	(213)	(581)	(36)	(617)
(384)	**1**	**11**	**(10)**	**34**	**(14)**	**(213)**	**(645)**	**30**	**(614)**
				(33)			(33)		(33)
							0	(45)	(45)
							(93)		(93)
139	**16**	**19**	**69**	**216**	**(40)**	**139**	**13,431**	**526**	**13,957**
211	**21**	**21**	**0**	**253**	**(43)**	**144**	**11,838**	**854**	**12,693**
							(446)	36	(410)
(16)	(20)	7	0	48	(2)	(12)	(236)	(16)	(252)
(16)	**(20)**	**7**	**0**	**48**	**(2)**	**(12)**	**(682)**	**19**	**(662)**
				(160)			(160)		(160)
							0	(39)	(39)
							(93)		(93)
							2	(73)	(71)
195	**1**	**28**	**0**	**142**	**(45)**	**133**	**10,905**	**762**	**11,667**

thyssenkrupp group – statement of cash flows

million €	9 months ended June 30, 2023[1]	9 months ended June 30, 2024	3rd quarter ended June 30, 2023[1]	3rd quarter ended June 30, 2024
Net income/(loss)	**2**	**(410)**	**107**	**(33)**
Adjustments to reconcile net income/(loss) to operating cash flows:				
Deferred income taxes, net	16	10	(8)	(11)
Depreciation, amortization and impairment of non-current assets	1,045	860	233	172
Reversals of impairment losses of non-current assets	(57)	(65)	(19)	(22)
(Income)/loss from companies accounted for using the equity method, net of dividends received	30	91	10	28
(Gain)/loss on disposal of non-current assets	(22)	39	(18)	16
Changes in assets and liabilities, net of effects of acquisitions and divestitures and other non-cash changes				
– Inventories	581	(420)	347	(1)
– Trade accounts receivable	(290)	(118)	90	(193)
– Contract assets	(121)	43	(1)	(57)
– Provisions for pensions and similar obligations	(118)	(56)	(30)	(19)
– Other provisions	(48)	(99)	0	46
– Trade accounts payable	(212)	196	120	49
– Contract liabilities	157	13	(325)	158
– Other assets/liabilities not related to investing or financing activities	(296)	(146)	92	116
Operating cash flows	**668**	**(61)**	**599**	**249**
Purchase of investments accounted for using the equity method and non-current financial assets	0	(1)	0	0
Expenditures for acquisitions of consolidated companies net of cash acquired	(3)	(15)	0	0
Capital expenditures for property, plant and equipment (inclusive of advance payments) and investment property	(874)	(1,042)	(255)	(491)
Capital expenditures for intangible assets (inclusive of advance payments)	(32)	(39)	(12)	(16)
Proceeds from government grants	0	218	0	26
Proceeds from disposals of investments accounted for using the equity method and non-current financial assets	1	0	0	0
Proceeds from disposals of previously consolidated companies net of cash disposed	0	52	0	23
Proceeds from disposals of property, plant and equipment and investment property	54	3	32	6
Cash flows from investing activities	**(854)**	**(823)**	**(235)**	**(452)**

million €	9 months ended June 30, 2023[1]	9 months ended June 30, 2024	3rd quarter ended June 30, 2023[1]	3rd quarter ended June 30, 2024
Repayments of bonds	(1,000)	(1,500)	0	0
Proceeds from liabilities to financial institutions	59	67	31	14
Repayments of liabilities to financial institutions	(129)	(112)	(26)	(26)
Lease liabilities	(110)	(100)	(35)	(34)
Proceeds from/(repayments on) loan notes and other loans	36	35	(1)	2
Payment of thyssenkrupp AG dividend	(93)	(93)	0	0
Proceeds from capital increase	0	(4)	0	0
Profit attributable to non-controlling interest	(45)	(39)	(7)	(7)
Proceeds from disposals of shares of already consolidated companies	0	11	0	10
Other financial activities	66	4	13	(11)
Cash flows from financing activities	**(1,216)**	**(1,732)**	**(25)**	**(52)**
Net increase/(decrease) in cash and cash equivalents	(1,403)	(2,616)	339	(255)
Effect of exchange rate changes on cash and cash equivalents	(72)	(38)	(11)	(20)
Cash and cash equivalents at beginning of reporting period	7,638	7,339	5,835	4,960
Cash and cash equivalents at end of reporting period	**6,163**	**4,685**	**6,163**	**4,685**
Additional information regarding cash flows from interest, dividends and income taxes which are included in operating cash flows:				
Interest received	77	166	8	41
Interest paid	(103)	(86)	(5)	(8)
Dividends received	24	36	23	35
Income taxes (paid)/received	(189)	(207)	(50)	(73)

[1] Figures have been adjusted (see Note 16).

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 for the period from October 1, 2023 to June 30, 2024, were reviewed and authorized for issue in accordance with a resolution of the Executive Board on August 12, 2024.

Basis of presentation

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

The accounting principles and practices as applied in the group's condensed interim consolidated financial statements as of June 30, 2024 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 2022 / 2023.

In December 2021, the OECD issued guidelines for a new global minimum tax framework. In December 2022, the EU member states agreed on an EU Directive to implement these guidelines. The global minimum taxation rules became effective in Germany on December 28, 2023 when the German Minimum Tax Act (MinStG) came into force. Under this legislation, the thyssenkrupp group is subject to the German regulations on the global minimum taxation from fiscal year 2024 / 2025 onward; the impact on the group is currently being examined.

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 to the possible impacts of the war in Ukraine and possible disruption of global logistics flows due to armed conflicts in the Middle East. In view of this and given the ratio of market capitalization to the thyssenkrupp group's equity, material goodwill and other intangible assets and property, plant and equipment were tested for impairment.

In the 1st quarter ended December 31, 2023, an impairment loss of €5.0 million was recognized on technical machinery and equipment in the electric steering gear product area in the Automotive Technology segment's Steering business unit and an impairment loss of €3 million was recognized in the column EPS product area. The main reason for these impairment losses was the increase in the cost of capital. In the steering gear product area, the recoverable amount relevant for the determination of the impairment loss is the value in use, which amounts to €386 million, calculated by applying a discount rate (after tax) of 9.08%. In the column EPS product area, too, the recoverable amount relevant for determining the impairment loss is the value in use, which amounts to a total of €166 million and was calculated by applying a discount rate (after tax) of 9.06%. However, €6 million of the impairment losses calculated in this way could not be recognized as the minimum carrying amount specified in IAS 36.105 had already been reached.

Due to the fall in demand in the warehousing business, particularly due to the weak economy in Germany and the associated lower expectations of future earnings, an impairment loss of €37 million had to be recognized in the Materials Germany business field of the Distribution Services business unit in the Materials Services segment in the 1st quarter ended December 31, 2023. Of this amount, €6 million relate to development costs, €15 million to buildings and €16 million to technical machinery and equipment. The recoverable amount relevant for determining the impairment loss is the value in use, which was calculated by applying a discount rate (after tax) of 7.32%. The total value in use was €421 million.

In the 1st quarter ended December 31, 2023, an impairment loss had to be recognized in the Steel Europe segment mainly due to the increase in the cost of capital. Applying a discount rate (after tax) of 8.54% to future cash flows, the total carrying amount of €3,841 million as of December 31, 2023 resulted in a relevant value in use of €3,655 million. The resulting impairment loss required to be recognized at Steel Europe amounts to approximately €183 million. Of this amount, €81 million relates to technical machinery and equipment, €60 million to construction in progress, €17 million to buildings, €13 million to land, €9 million to other equipment, factory and office equipment, €2 million to development costs and €1 million to other intangible assets. The underlying value in use is based on the current assumptions for the course of business up to 2034 / 2035, taking into account the effects of the green transformation that has been initiated. Thereafter, a simple projection is used for the period to 2063. The current measurement environment remains characterized by uncertainties regarding the economic environment and the dynamic development of the cost of capital. Since the 2nd quarter ended March 31, 2024, the amortized carrying amounts in the Steel Europe segment are confirmed as part of an impairment test; the recoverable amount is based on an income-based fair value less costs to sell.

In the 2nd quarter ended March 31, 2024, total impairment losses of €7 million were recognized in the Automotive Body Solutions business unit in the Automotive Technology segment; of this amount, €6 million relates to technical machinery and equipment and €1 million to other equipment, factory and office equipment. The impairment losses were caused by lower earnings expectations based on a reduction in customer offtake of orders and delays in new projects. The recoverable amount relevant for determining the impairment loss is the value in use, which was calculated by applying a discount rate (after tax) of 7.67%. The total value in use was €118 million.

In addition, the impairment tests in the 2nd quarter ended March 31, 2024 identified in the Materials Services segment the need for an impairment loss on the warehousing business in Germany, the UK and Hungary and the automotive-related service centers in Germany. Total impairment losses of €53 million were recognized for the warehousing business; of this amount, €21 million relates to other equipment, factory and office equipment, €17 million to technical machinery and equipment and €15 million to development costs. The main reasons for the impairment losses were lower earnings expectations as a result of a drop in demand caused by the more gloomy economic situation. The recoverable amount relevant for determining the impairment losses is the value in use, which is €512 million in total. This was calculated by applying country-specific discount rates (after tax) of 7.20% (for Germany), 7.90% (for the UK) and 9.64% (for Hungary). However, €64 million of the impairment losses calculated in this way could not be recognized as the minimum carrying amount specified in IAS 36.105 had already been reached.

Impairment losses of €7 million were also recognized on the German automotive-related service centers in the Materials Services segment for the same reasons. As with the warehousing business, the recoverable amount relevant for determining the impairment losses is the value in use; applying a discount rate (after tax) of 7.31%, this is €252 million in total. However, €1 million of the impairment losses calculated in this way could not be recognized as the minimum carrying amount specified in IAS 36.105 had already been reached.

Furthermore, in the 2nd quarter ended March 31, 2024, an impairment loss of €3 million was recognized on the corporate assets utilized by the thyssenkrupp group, which are assigned to Special Units. For the purpose of impairment testing, these assets are allocated proportionately among the cash-generating units because they do not generate any separate cash inflows. The impairment loss is attributable to the reduced ability to support these corporate assets, especially in the cash-generating units at Materials Services in view of the impairment losses recognized for this segment in the 2nd quarter of ended March 31, 2024.

In the 3rd quarter ended June 30, 2024, the Automotive Technology segment recognized impairment loss reversals in the Steering business unit of €5 million for the steering gear product area and of €3 million for the column EPS product area; this was largely attributable to the lower weighted cost of capital compared with the previous quarter. In the case of the steering gear product area, the recoverable amount relevant for determining the impairment loss reversal totaled €475 million, based on a discount rate (after taxes) of 8.40%. In the case of the column EPS product area, the recoverable amount relevant for determining the impairment loss reversal totaled €167 million, with a discount rate (after taxes) of 8.39% applied in its calculation.

In addition to the items mentioned above, uncertainties arise from numerous other geopolitical crises and trade conflicts on current business performance, including the earnings outlook that already existed on September 30, 2023. Going forward, the developments and impacts on business performance, for example a potential continuation of the central banks' high interest rate policy compared to the last few years, recurrent flooding or natural catastrophes, for example, as a consequence of climate change, and persistently high energy, material and raw material prices, especially in the industrialized regions, are subject to considerable uncertainty from today's perspective; for further details see the presentation of economic conditions in the report on the economic position in the interim management report.

01 Recently adopted accounting standards

In fiscal year 2023 / 2024, thyssenkrupp adopted the following standards and amendments to existing standards that do not have a material impact on the group's consolidated financial statements:

- IFRS 17 "Insurance Contracts", issued in May 2017, including Amendments to IFRS 17 "Amendments to IFRS 17", issued in June 2020
- Amendments to IAS 1 "Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies", issued in February 2021
- Amendments to IAS 8 "Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates", issued in February 2021
- Amendments to IAS 12 "Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction", issued in May 2021
- Amendments to IFRS 17 "Insurance Contracts. Initial Application of IFRS 17 and IFRS 9 – Comparative Information", issued in December 2021
- Amendments to IAS 12 "Income Taxes: International Tax Reform – Pillar Two Model Rules", issued in May 2023

02 thyssenkrupp Industries India disposal group

thyssenkrupp Industries India operates in the mining, cement, energy, and sugar plants business areas. In connection with the refocusing of thyssenkrupp's portfolio, in the 2022 / 2023 fiscal year a divestment process was initiated by the Decarbon Technologies segment for thyssenkrupp's approximately 55% interest in thyssenkrupp Industries India Ltd., which met the criteria set out in IFRS 5 for recognition as a disposal group since the 1st quarter ended December 31, 2023. On January 22, 2024 an agreement to sell thyssenkrupp's shares to a consortium of co-owners who are already invested in this company was signed. The closing of this disposal took place on May 8, 2024 and thyssenkrupp India was deconsolidated.

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. Following initial classification as a disposal group, the measurement of the disposal group at fair value less costs to sell resulted in impairment loss of €9 million relating to intangible assets. The impairment loss was recognized in other expenses in the 1st quarter ended December 31, 2023. In the 2nd quarter ended March 31, 2024, the subsequent measurement of the disposal group at fair value less costs to sell resulted in further impairment losses of €15 million, which relate to intangible assets and are reported under other expenses. The non-recurring measurement at fair value less costs to sell is based on the negotiated purchase price in both quarters. The deconsolidation resulted in a loss of €13 million, which is reported in other gains and losses in the 3rd quarter ended June 30, 2024.

03 Disposals

In the 9 months ended June 30, 2024, in addition to completing the sale of the thyssenkrupp Industries India disposal group (see Note 02), the group made just one smaller sale in the Materials segment in the 1st quarter ended December 31, 2023 and one smaller sale in the Decarbon Technologies segment in the 2nd quarter ended March 31, 2024, which had the following total effect on the consolidated financial statements based on the values at the respective disposal dates:

DISPOSALS

million €	9 months ended June 30, 2024
Goodwill	4
Other intangible assets	1
Property, plant and equipment (inclusive of investment property)	13
Other non-current financial assets	54
Deferred tax assets	9
Inventories	48
Trade accounts receivable	34
Contract assets	107
Other current financial assets	2
Other current non-financial assets	32
Cash and cash equivalents	82
Total assets disposed of	**387**
Provisions for pensions and similar obligations	3
Deferred tax liabilities	8
Provisions for current employee benefits	3
Other current provisions	15
Current income tax liabilities	2
Current financial debt	4
Trade accounts payable	63
Contract liabilities	59
Other current non-financial liabilities	9
Total liabilities disposed of	**167**
Net assets disposed of	**220**
Cumulative other comprehensive income	(6)
Non-controlling interest	(77)
Gain/(loss) resulting from the disposals	(17)
Selling price / Consideration received	**120**
Sale of day-to-day receivables / subsequent purchase price payment	**14**
Selling price / consideration received inclusive of sale of day-to-day receivables	**134**
Thereof: paid in cash and cash equivalents	134

04 Provisions for pensions and similar obligations

Based on updated interest rates and fair value of plan assets, an updated valuation of pension obligations was performed as of June 30, 2024:

PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

million €	Sept. 30, 2023	June 30, 2024
Pension obligations	5,294	5,478
Partial retirement	150	141
Other pension-related obligations	30	33
Total	**5,474**	**5,652**

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

WEIGHTED AVERAGE ASSUMPTIONS

	Sept. 30, 2023			June 30, 2024		
in %	Germany	Other countries	Total	Germany	Other countries	Total
Discount rate for accrued pension obligations	4.20	3.83	4.11	3.70	3.44	3.64

05 Other provisions

The restructuring provisions included in other provisions increased by €23 million to €117 million compared with September 30, 2023. Additions in the amount of €69 million, mainly relating to the Material Services and Decarbon Technologies segments, were mainly compensated by amounts used.

06 Financial debt

In December 2023, Moody's rating agency left its rating unchanged but raised the outlook from stable to positive. thyssenkrupp discontinued rating by Fitch as of December 31, 2023.

On February 22, 2024 the €1,500 million thyssenkrupp AG bond was repaid on schedule.

07 Contingencies and commitments

Contingencies

thyssenkrupp AG as well as, in individual cases, its subsidiaries have issued or have had guarantees in favor 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, 2024	Provision as of June 30, 2024
Performance bonds	12	0
Payment guarantees	20	0
Other guarantees	5	0
Total	**37**	**0**

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 €5 million to €9 million as of June 30, 2024 compared to September 30, 2023. 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

The group's existing purchasing commitments from energy supply contracts decreased to €1.2 billion as of June 30, 2024, a drop of €0.6 billion compared with September 30, 2023. Furthermore 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, 2023, purchasing commitments increased by €1.2 billion to €2.1 billion; the sharp increase was mainly due to the conclusion of new iron ore contracts.

In the Steel Europe segment, there was a purchase commitment of €1,407 million as of June 30, 2024 (September 30, 2023: €1,450 million) relating to the construction of the direct reduction plant. This is covered to a significant extent by grants from the federal government and the state of North Rhine-Westphalia. In this context, the thyssenkrupp group received payments under government grants totaling €218 million in the 9 months ended June 30, 2024.

In the arbitration proceedings filed by the Greek government against thyssenkrupp Industrial Solutions AG, thyssenkrupp Marine Systems GmbH and the Greek shipyard Hellenic Shipyards (HSY), in which Industrial Solutions previously held a majority interest, and against the present majority shareholder of HSY, the arbitration court dismissed the claims against the thyssenkrupp companies in a partial ruling in September 2023. The Greek government has not appealed this partial ruling and the deadline for appeal has now passed. The arbitration proceedings in this matter therefore now only relate to claims against the other defendants. The thyssenkrupp companies are still formally party to the proceedings only because a decision on the allocation of the legal costs will only be taken uniformly at the end of the proceedings. A provision of a low six-digit amount has been recognized for this. As a result, since the 1st quarter of 2023 / 2024 the proceedings no longer meet the criteria for contingencies that have to be specified individually.

Al-Jafr Trading Contracting Company, until now co-shareholder of a company in Saudi Arabia, had filed claims for damages of €74 million against thyssenkrupp Industrial Solutions AG for breach of its fiduciary duty as a co-shareholder. By way of a contract concluded in June 2024, thyssenkrupp acquired the interest of Al-Jafr Trading Contracting Company in the Saudi Arabian company. In this connection, the asserted claims were waived upon execution of the contract and, as a result, the requirements for the further recognition of contingent liabilities are no longer met.

There have been no material changes to the other commitments and contingencies since the end of fiscal year 2022 / 2023.

08 Financial instruments

The carrying amounts of trade accounts receivable measured at amortized cost, other current receivables as well as cash and cash equivalents equal their fair values due to the short remaining terms. For money market funds and trade accounts receivable measured at fair value, the carrying amount equals the fair value.

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. Miscellaneous other financial assets include the loans from the elevator transaction, which are measured at amortized cost; see also Note 09. The other equity and debt instruments are in general measured at fair value income-effective, which is based to the extent available on market prices as of the balance sheet date. When no quoted market prices in an active market are available, equity and debt instruments are measured by discounting future cash flows based on current market interest rates over the remaining term of the financial instruments.

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. Since the beginning of the fiscal year 2022 / 2023, fluctuations in the fair value of CO_2 forward contracts have no longer been recognized directly in equity in other comprehensive income as part of hedge accounting but income effective in the statement of income under cost of sales.

The carrying amounts of trade accounts payable and other current liabilities equal their fair values due to the short remaining term. 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 approximately correspond to their fair values.

Financial liabilities measured at amortized cost with a carrying amount of €6,020 million as of June 30, 2024 (September 30, 2023: €7,405 million) have a fair value of €6,017 million (September 30, 2023: €7,382 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, 2023

million €	Sept. 30, 2023	Level 1	Level 2	Level 3
Financial assets at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting	48	0	48	0
Equity instruments	13	8	5	0
Fair value recognized in equity				
Trade accounts receivable	**1,181**		**1,181**	
Equity instruments	72			72
Debt instruments (measured at fair value)	48	48	0	0
Derivatives qualifying for hedge accounting	32	0	32	0
Total	**1,394**	**56**	**1,266**	**72**
Financial liabilities at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting	111	0	111	0
Cash equivalents	2,660	2,660		
Fair value recognized in equity				
Derivatives qualifying for hedge accounting	21	0	21	0
Total	**2,792**	**2,660**	**132**	**0**

FAIR VALUE HIERARCHY AS OF JUNE 30, 2024

million €	June 30, 2024	Level 1	Level 2	Level 3
Financial assets at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting	38	0	38	0
Equity instruments	13	7	5	0
Fair value recognized in equity				
Trade accounts receivable	**1,139**		**1,139**	
Equity instruments	79			79
Debt instruments (measured at fair value)	12	12	0	0
Derivatives qualifying for hedge accounting	19	0	19	0
Total	**1,301**	**20**	**1,202**	**79**
Financial liabilities at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting	107	0	107	0
Cash equivalents	900	900		
Fair value recognized in equity				
Derivatives qualifying for hedge accounting	16	0	16	0
Total	**1,023**	**900**	**123**	**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.

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

RECONCILIATION LEVEL 3 FINANCIAL INSTRUMENTS

million €	
Balance as of Sept. 30, 2023	**72**
Changes income non-effective	7
Balance as of June 30, 2024	**79**

The equity instruments based on individual measurement parameters and recognized at fair value solely comprise the preference shares in Vertical Topco I S.A., Luxembourg, from the investment in TK Elevator. The fair value of the preference shares is determined on the basis of a financial valuation model (discounted cash flow method), which takes account of the contractually-based expected future cash flows from the preference shares. The value of the preference shares is determined by discounting the fixed interest rate with a capitalization interest rate, the amount of which is based on the risk/return structure observable on the capital market on the reporting date. The value of the preference shares is therefore subject to capital market-related fluctuations. As of June 30, 2024, a risk-adjusted discount rate of 10.12% was applied (Sept. 30, 2023: 11.05%).

The measurement result 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

The expected default rates for trade accounts receivable are mainly derived from external credit information and ratings for each counterparty, which allows more accurate calculation of the probability of default compared with the formation of rating classes. The customer risk numbers assigned by trade credit insurers and the creditworthiness information provided by credit agencies are translated into an individual probability of default per customer using a central allocation system. This individual probability of default per customer is used uniformly throughout the thyssenkrupp group. The information is updated quarterly. If no rating information is available at counterparty level, an assessment is made based on the average probability of default for each segment plus an appropriate risk premium. For the group financial statements as of June 30, 2024, the latest external credit information and ratings were used, which already take into account current expectations of the possible effects of the war in the Ukraine. Therefore, no additional adjustment of impairment is necessary in this model.

The defaults refer in particular to insolvency cases that could not be derived from the rating information in the prior year.

09 Segment reporting

Segment reporting follows thyssenkrupp's internal control concept.

As a consequence of the thyssenkrupp group's new segment structure, which was resolved in the 4th quarter of fiscal year 2022 / 2023 and introduced effective October 1, 2023, there have been the following reporting changes compared with the prior year:

- The former Multi Tracks segment was dissolved effective October 1, 2023.
- The bearings business Rothe Erde (reported separately as the Bearings segment as of September 30, 2023), Uhde, Polysius, and thyssenkrupp nucera (all three allocated to the former Multi Tracks segment until September 30, 2023) have been bundled in the new Decarbon Technologies segment since October 1, 2023. In addition, the new Decarbon Technologies segment contains thyssenkrupp Immobilien Verwaltungs GmbH, which was previously assigned to the Steel Europe segment.
- Since October 1, 2023, the Automation Engineering and Springs & Stabilizers businesses (assigned to the former Multi Tracks segment until September 30, 2023) have been part of the Automotive Technology segment. The same applies to the Forged Technologies business (reported as a separate segment as of September 30, 2023).
- Since October 1, 2023, the investment in TK Elevator held by thyssenkrupp since the sale of the Elevator Technology business at the end of July 2020 has been assigned to Special Units within the "Reconciliation" in the segment reporting (included in the former Multi Tracks segment in the 2022 / 2023 fiscal year). For information on the components of this investment, see below in this Note 09.
- thyssenkrupp Transrapid GmbH, which was previously part of the Marine Systems segment, has been reported within Service Units within the "Reconciliation" in the segment reporting since October 1, 2023.

Prior-year figures have been adjusted accordingly.

Segment information for the 9 months ended June 30, 2023 and 2024 and for the 3rd quarter ended June 30, 2023 and 2024, respectively is as follows:

SEGMENT INFORMATION

million €	Automotive Technology	Decarbon Technologies	Materials Services	Steel Europe	Marine Systems	Corporate Headquarters	Reconciliation	Group
9 months ended June 30, 2023								
External sales	5,938	2,534	10,263	8,484	1,486	1	18	28,723
Internal sales within the group	2	26	226	1,028	(2)	5	(1,283)	0
Sales	5,939	2,560	10,489	9,511	1,484	5	(1,265)	28,723
EBIT	178	36	192	21	44	(128)	6	349
Adjusted EBIT	198	53	155	266	46	(122)	19	615
9 months ended June 30, 2024								
External sales	5,697	2,762	9,042	7,307	1,405	0	18	26,232
Internal sales within the group	2	14	175	820	(2)	6	(1,014)	(1)
Sales	5,699	2,775	9,217	8,127	1,403	6	(996)	26,231
EBIT	163	(119)	8	(14)	74	(165)	(19)	(73)
Adjusted EBIT	174	(61)	153	238	72	(144)	(16)	416
3rd quarter ended June 30, 2023								
External sales	2,045	849	3,274	2,940	480	0	10	9,598
Internal sales within the group	0	6	71	312	0	1	(391)	0
Sales	2,046	856	3,346	3,251	480	2	(381)	9,598
EBIT	41	(29)	78	163	12	(45)	(9)	212
Adjusted EBIT	44	(16)	50	190	12	(37)	(2)	243
3rd quarter ended June 30, 2024								
External sales	1,913	940	3,138	2,550	439	0	5	8,987
Internal sales within the group	1	4	56	267	(1)	2	(330)	(1)
Sales	1,914	945	3,194	2,818	438	2	(325)	8,986
EBIT	83	(91)	17	117	30	(62)	(11)	84
Adjusted EBIT	78	(59)	58	100	30	(47)	(11)	149

Compared with September 30, 2023, average capital employed decreased by €145 million to €1,003 million at Decarbon Technologies, by €307 million to €3,361 million at Materials Services and by €1,714 million to €3,686 million at Steel Europe as of June 30, 2024.

The column “Reconciliation” breaks down as following:

BREAKDOWN RECONCILIATION

million €	Service Units	Special Units	Consolidation	Reconciliation
9 months ended June 30, 2023				
External sales	19	2	(3)	18
Internal sales within the group	179	21	(1,483)	(1,283)
Sales	198	23	(1,486)	(1,265)
EBIT	18	(38)	25	6
Adjusted EBIT	19	(25)	25	19
9 months ended June 30, 2024				
External sales	17	2	(1)	18
Internal sales within the group	188	21	(1,223)	(1,014)
Sales	205	23	(1,224)	(996)
EBIT	14	(28)	(5)	(19)
Adjusted EBIT	14	(25)	(5)	(16)
3rd quarter ended June 30, 2023				
External sales	9	1	0	10
Internal sales within the group	61	7	(459)	(391)
Sales	70	8	(459)	(381)
EBIT	6	(17)	2	(9)
Adjusted EBIT	6	(10)	2	(2)
3rd quarter ended June 30, 2024				
External sales	5	1	(1)	5
Internal sales within the group	65	7	(402)	(330)
Sales	71	7	(403)	(325)
EBIT	2	(11)	(2)	(11)
Adjusted EBIT	2	(11)	(2)	(11)

thyssenkrupp’s investment in TK Elevator comprises of 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.

The reconciliation of the earnings figure adjusted EBIT to income/(loss) before tax as presented in the statement of income is presented below:

RECONCILIATION ADJUSTED EBIT TO INCOME/(LOSS) BEFORE TAX

million €	9 months ended June 30, 2023	9 months ended June 30, 2024	3rd quarter ended June 30, 2023	3rd quarter ended June 30, 2024
Adjusted EBIT as presented in segment reporting	**615**	**416**	**243**	**149**
Special items[1]	(267)	(489)	(31)	(65)
EBIT as presented in segment reporting	**349**	**(73)**	**212**	**84**
+ Non-operating income/(expense) from companies accounted for using the equity method	(54)	(132)	(18)	(45)
+ Finance income	652	597	207	182
– Finance expense	(745)	(617)	(226)	(193)
– Items of finance income assigned to EBIT based on economic classification	(7)	(9)	(5)	(8)
+ Items of finance expense assigned to EBIT based on economic classification	11	21	4	5
Income/(loss) group (before tax)	**205**	**(213)**	**174**	**26**

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

In the 9 months ended June 30, 2024, the special items mainly comprised impairment losses and losses on the measurement of CO_2 forward contracts in the Steel Europe segment, impairment losses and restructurings in the Materials Services segment as well as impairment losses in the Decarbon Technologies and Automotive Technology segments. In the 9 months ended June 30 2023, the special items were mainly attributable to the Steel Europe segment; they resulted from the net effect of income from the measurement of the CO_2 forward contracts and from impairment losses on non-current assets due to the increased cost of capital.

10 Sales

Sales and sales from contracts with customers are presented below:

SALES

million €	Automotive Technology	Decarbon Technologies	Materials Services	Steel Europe	Marine Systems	Corporate Headquarters	Reconciliation	Group
9 months ended June 30, 2023								
Sales from sale of finished products	4,424	856	1,422	8,793	33	0	(959)	14,569
Sales from sale of merchandise	526	128	8,618	148	9	0	(109)	9,319
Sales from rendering of services	211	223	537	169	42	5	(121)	1,065
Sales from construction contracts	666	1,291	5	0	1,396	0	(8)	3,350
Other sales from contracts with customers	102	58	1	399	3	0	(8)	556
Subtotal sales from contracts with customers	**5,929**	**2,557**	**10,583**	**9,509**	**1,482**	**5**	**(1,206)**	**28,859**
Other sales	11	3	(94)	3	1	0	(59)	(135)
Total	**5,939**	**2,560**	**10,489**	**9,511**	**1,484**	**5**	**(1,265)**	**28,724**
9 months ended June 30, 2024								
Sales from sale of finished products	4,276	767	1,240	7,550	28	0	(784)	13,077
Sales from sale of merchandise	502	116	7,339	94	12	1	(86)	7,978
Sales from rendering of services	248	224	577	150	34	4	(105)	1,132
Sales from construction contracts	578	1,615	18	0	1,320	0	(12)	3,518
Other sales from contracts with customers	93	51	0	337	4	0	(10)	474
Subtotal sales from contracts with customers	**5,697**	**2,772**	**9,174**	**8,130**	**1,399**	**6**	**(998)**	**26,179**
Other sales	2	4	43	(3)	5	0	2	52
Total	**5,699**	**2,775**	**9,217**	**8,127**	**1,403**	**6**	**(996)**	**26,231**
3rd quarter ended June 30, 2023								
Sales from sale of finished products	1,520	252	463	3,006	13	0	(298)	4,957
Sales from sale of merchandise	183	48	2,724	51	2	0	(34)	2,974
Sales from rendering of services	66	69	173	58	16	1	(37)	346
Sales from construction contracts	236	466	4	0	523	0	(2)	1,227
Other sales from contracts with customers	39	18	0	136	(77)	0	(2)	114
Subtotal sales from contracts with customers	**2,043**	**854**	**3,364**	**3,251**	**477**	**2**	**(372)**	**9,618**
Other sales	3	1	(18)	0	3	0	(9)	(20)
Total	**2,046**	**856**	**3,346**	**3,251**	**480**	**2**	**(381)**	**9,598**
3rd quarter ended June 30, 2024								
Sales from sale of finished products	1,436	265	415	2,602	11	0	(257)	4,472
Sales from sale of merchandise	185	41	2,585	38	7	0	(31)	2,825
Sales from rendering of services	88	90	199	50	11	2	(35)	404
Sales from construction contracts	177	530	3	0	408	0	(6)	1,111
Other sales from contracts with customers	29	19	0	130	0	0	(4)	175
Subtotal sales from contracts with customers	**1,916**	**945**	**3,202**	**2,820**	**436**	**2**	**(334)**	**8,986**
Other sales	(1)	0	(8)	(2)	2	0	9	0
Total	**1,914**	**945**	**3,194**	**2,818**	**438**	**2**	**(325)**	**8,986**

SALES FROM CONTRACTS WITH CUSTOMERS BY CUSTOMER GROUP

million €	Automotive Technology	Decarbon Technologies	Materials Services	Steel Europe	Marine Systems	Corporate Headquarters	Reconciliation	Group
9 months ended June 30, 2023								
Automotive	5,215	23	1,622	2,605	0	2	33	9,500
Trading	412	30	1,483	2,165	0	2	(802)	3,292
Engineering	245	777	944	221	5	0	(3)	2,190
Steel and related processing	5	69	1,797	2,134	0	0	(350)	3,655
Construction	0	24	535	35	0	0	(6)	588
Public sector	0	8	57	6	1,462	0	6	1,539
Packaging	0	1	105	1,268	0	0	6	1,380
Energy and utilities	0	7	176	507	0	0	2	691
Other customer groups	51	1,618	3,863	567	15	1	(93)	6,022
Total	**5,929**	**2,557**	**10,583**	**9,509**	**1,482**	**5**	**(1,206)**	**28,859**
9 months ended June 30, 2024								
Automotive	5,030	33	1,475	2,384	0	2	(15)	8,909
Trading	284	13	1,472	1,778	2	2	(597)	2,955
Engineering	274	827	708	173	0	1	(4)	1,979
Steel and related processing	4	47	1,434	1,748	0	0	(301)	2,933
Construction	0	18	438	31	0	0	(1)	485
Public sector	0	12	45	5	1,385	0	1	1,448
Packaging	0	4	98	1,113	0	0	(2)	1,212
Energy and utilities	0	5	129	394	0	0	(1)	527
Other customer groups	104	1,813	3,377	503	11	0	(79)	5,731
Total	**5,697**	**2,772**	**9,174**	**8,130**	**1,399**	**6**	**(998)**	**26,179**
3rd quarter ended June 30, 2023								
Automotive	1,795	7	547	876	0	1	4	3,230
Trading	149	7	496	750	1	1	(246)	1,157
Engineering	95	226	290	70	2	0	(2)	680
Steel and related processing	2	20	565	743	0	0	(105)	1,225
Construction	0	8	172	8	0	0	(2)	187
Public sector	0	2	17	4	471	0	5	499
Packaging	0	0	32	454	0	0	1	487
Energy and utilities	0	2	41	156	0	0	0	200
Other customer groups	2	582	1,204	188	3	0	(27)	1,953
Total	**2,043**	**854**	**3,364**	**3,251**	**477**	**2**	**(372)**	**9,618**
3rd quarter ended June 30, 2024								
Automotive	1,659	14	501	797	0	1	(5)	2,966
Trading	112	3	486	604	1	1	(195)	1,011
Engineering	85	259	233	58	0	0	(2)	632
Steel and related processing	1	19	523	626	0	0	(99)	1,071
Construction	0	6	154	7	0	0	(1)	166
Public sector	0	4	15	3	432	0	1	455
Packaging	0	0	32	407	0	0	0	439
Energy and utilities	0	1	48	131	0	0	0	180
Other customer groups	58	639	1,210	187	3	0	(31)	2,066
Total	**1,916**	**945**	**3,202**	**2,820**	**436**	**2**	**(334)**	**8,986**

SALES FROM CONTRACTS WITH CUSTOMERS BY REGION

million €	Automotive Technology	Decarbon Technologies	Materials Services	Steel Europe	Marine Systems	Corporate Headquarters	Reconciliation	Group
9 months ended June 30, 2023								
German-speaking area[1]	1,723	391	3,647	5,196	362	1	(984)	10,338
Western Europe	890	365	1,647	2,179	296	0	(119)	5,258
Central and Eastern Europe	281	117	1,516	728	0	0	(61)	2,580
Commonwealth of Independent States	23	6	7	5	0	0	0	42
North America	1,751	254	3,169	789	4	3	(67)	5,903
South America	260	64	23	86	196	0	3	633
Asia / Pacific	60	141	282	27	183	0	1	694
Greater China	798	490	110	60	0	0	11	1,470
India	39	132	88	79	47	0	1	387
Middle East &Africa	103	595	94	360	393	0	8	1,554
Total	**5,929**	**2,557**	**10,583**	**9,509**	**1,482**	**5**	**(1,206)**	**28,859**
9 months ended June 30, 2024								
German-speaking area[1]	1,532	344	2,995	4,384	367	1	(787)	8,835
Western Europe	824	383	1,371	1,798	361	0	(111)	4,627
Central and Eastern Europe	454	65	1,183	697	2	0	(52)	2,349
Commonwealth of Independent States	4	6	8	10	14	0	0	42
North America	1,719	257	2,969	741	7	4	(49)	5,647
South America	289	134	39	78	287	0	(1)	826
Asia / Pacific	65	135	288	18	122	0	0	629
Greater China	746	414	109	40	0	0	2	1,310
India	30	362	119	87	31	0	0	630
Middle East &Africa	35	671	93	277	208	0	0	1,284
Total	**5,697**	**2,772**	**9,174**	**8,130**	**1,399**	**6**	**(998)**	**26,179**

SALES FROM CONTRACTS WITH CUSTOMERS BY REGION

million €	Automotive Technology	Decarbon Technologies	Materials Services	Steel Europe	Marine Systems	Corporate Headquarters	Reconciliation	Group
3rd quarter ended June 30, 2023								
German-speaking area[1]	607	(10)	1,166	1,766	139	0	(298)	3,370
Western Europe	305	122	539	775	92	0	(47)	1,786
Central and Eastern Europe	113	30	472	241	0	0	(21)	834
Commonwealth of Independent States	12	1	3	2	0	0	0	19
North America	617	78	1,009	251	2	1	(15)	1,942
South America	72	28	8	28	63	0	1	200
Asia / Pacific	22	46	86	7	69	0	1	231
Greater China	253	135	28	18	0	0	5	438
India	10	43	26	36	3	0	0	118
Middle East &Africa	33	382	27	128	109	0	3	680
Total	**2,043**	**854**	**3,364**	**3,251**	**477**	**2**	**(372)**	**9,618**
3rd quarter ended June 30, 2024								
German-speaking area[1]	536	119	991	1,516	49	0	(263)	2,947
Western Europe	267	139	471	585	117	0	(32)	1,546
Central and Eastern Europe	151	19	394	246	1	0	(17)	794
Commonwealth of Independent States	2	3	3	5	0	0	0	12
North America	588	75	1,063	285	3	1	(22)	1,993
South America	102	41	10	22	107	0	0	282
Asia / Pacific	26	54	127	7	39	0	0	252
Greater China	226	149	53	14	0	0	1	444
India	8	81	48	32	12	0	0	182
Middle East &Africa	9	266	43	107	109	0	0	534
Total	**1,916**	**945**	**3,202**	**2,820**	**436**	**2**	**(334)**	**8,986**

[1] Germany, Austria, Switzerland, Liechtenstein

Of the sales from contracts with customers €4,689 million (prior year: €3,808 million) results in the 9 months ended June 30, 2024 and €1,222 million (prior year: €1,229 million) in the 3rd quarter ended June 30, 2024 from long-term contracts, while €21,490 million (prior year: €25,050 million) results in the 9 months ended June 30, 2024 and €7,764 million (prior year: €8,390 million) in the 3rd quarter ended June 30, 2024 from short-term contracts. €4,682 million (prior year: €4,733 million) relates in the 9 months ended June 30, 2024 and €1,587 million (prior year: €1,783 million) in the 3rd quarter ended June 30, 2024 to sales recognized over time, and €21,497 million (prior year: €24,126 million) relates in the 9 months ended June 30, 2024 and €7,399 million (prior year: €7,835 million) in the 3rd quarter ended June 30, 2024 to sales recognized at a point in time.

11 Cost of sales

Cost of sales include impairment losses of other intangible assets and of property, plant and equipment in the amount of €176 million as well as higher costs incurred in prior periods for individual (legacy) projects in plant engineering at Polysius (cement business) in the amount of €71 million.

12 Other income

Other income includes particularly income from electricity price compensation, income from the effectiveness of a supply contract classified as an embedded lease and further income from premiums and from grants.

13 Financial income/(expense), net

The line item “Income from investments accounted for using the equity method” includes expenses in the amount of €132 million (prior year: €54 million) in the 9 months ended June 30, 2024 and of €45 million (prior year: €27 million) in the 3rd quarter ended June 30, 2024 from ordinary shares in Vertical Topco I S.A., Luxembourg, which are part of the Elevator investment (cf. Note 09).

14 Earnings per share

Basic earnings per share are calculated as follows:

EARNINGS PER SHARE (EPS)

	9 months ended June 30, 2023		9 months ended June 30, 2024		3rd quarter ended June 30, 2023		3rd quarter ended June 30, 2024	
	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 €
Net income/(loss) (attributable to thyssenkrupp AG's shareholders)	**(64)**	**(0.10)**	**(446)**	**(0.72)**	**83**	**0.13**	**(54)**	**(0.09)**
Weighted average shares	622,531,741		622,531,741		622,531,741		622,531,741	

There were no dilutive securities in the periods presented.

15 Additional information to the statement of cash flows

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

RECONCILIATION OF LIQUID FUNDS

million €	June 30, 2023	Sept. 30, 2023	June 30, 2024
Cash	1,806	2,641	2,392
Cash equivalents	4,357	4,699	2,293
Cash and cash equivalents according to the balance sheet	**6,163**	**7,339**	**4,685**
Liquid funds according to statement of cash flows	**6,163**	**7,339**	**4,685**

As of June 30, 2024 cash and cash equivalents of €124 million (June 30, 2023: €72 million; September 30, 2023: €104 million) result from the joint operation HKM.

16 Adjustment according to IAS 8.41f.

In the 3rd quarter ended June 30, 2024, the Marine Systems segment adjusted the balance sheet presentation of contracts with customers in accordance with IFRS 15. The reason for this was a previously unrecognized netting of contract assets and contract liabilities in connection with sub-contractual relationships within the segment.

The adjustment according to IAS 8.41f. had the following impacts on the statement of financial position as of September 30, 2023: a reduction in contract assets of €689 million and a reduction in contract liabilities of €689 million. In addition, in the reconciliation within operating cash flow in the statement of cash flows for the 9 months ended June 30, 2023, there was a reduction in the change in contract assets of €132 million (€110 million for the 3rd quarter ended June 30, 2023) and opposing an increase in the change in contract liabilities of €132 million (€110 million for the 3rd quarter ended June 30, 2023).

The adjustment had no impact on total equity, the statement of income, the statement of comprehensive income, earnings per share, operating cash flows, cash flows from investing activities, cash flows from financing activities and the amount of cash and cash equivalents recognized in the statement of cash flows.

17 Subsequent event

On July 31, 2024 thyssenkrupp completed the acquisition of the energy company EP Corporate Group (EPCG) in the thyssenkrupp's steel business after the transaction had been approved by the Supervisory Board of thyssenkrupp AG and all relevant authorities. With the completed closing, EPCG acquires a 20% stake in the thyssenkrupp's steel business in accordance with the agreement dated April 26, 2024. There are no significant effects on the Group's net assets, financial position and results of operations resulting from the closing to the transaction. In addition, the parties are in talks about the acquisition by EPCG of a further 30% stake of the steel business. The aim is to establish an equal 50/50 joint venture.

Essen, August 12, 2024

thyssenkrupp AG
The Executive Board

López

Burkhard   Dinstuhl   Henne   Schulte

Review report

To thyssenkrupp AG, Duisburg and Essen

We have reviewed the condensed interim consolidated financial statements of thyssenkrupp AG, Duisburg and Essen – 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 notes – together with the interim group management report of thyssenkrupp AG, for the period from October 1, 2023 to June 30, 2024 that are part of the quarterly financial report according to § 115 WpHG ["Wertpapierhandelsgesetz": "German Securities Trading Act"]. The preparation of the condensed interim consolidated financial statements in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting" as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, "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 requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments 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 auditor's report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Düsseldorf, August 13, 2024

KPMG AG
Wirtschaftsprüfungsgesellschaft

Marc Ufer Wirtschaftsprüfer	Dr. Markus Zeimes Wirtschaftsprüfer
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Additional information

Contact and 2024 / 2025 financial calendar

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2024 / 2025 financial calendar

November 19, 2024
Annual report 2023 / 2024 (October to September)

January 31, 2025
Annual General Meeting

February 13, 2025
Interim report 1st quarter 2024 / 2025 (October to December)

May 15, 2025
Interim report 1st half 2024 / 2025 (October to March)

August 14, 2025
Interim report 9 months 2024 / 2025 (October to June)

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Forward-looking statements
This document contains forward-looking statements that reflect management's current views with respect to future events. Such statements are subject to risks and uncertainties that are beyond thyssenkrupp's ability to control or estimate precisely, such as the future market environment and economic conditions, the behavior of other market participants, the ability to successfully integrate acquired businesses and achieve anticipated synergies and the actions of government regulators. Therefore, the actual results may differ materially from the results explicitly presented or implicitly contained in this financial report. The forward-looking statements contained in this financial report will not be updated in the light of events or developments occurring after the date of the report.

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.