Interim report 1st quarter 2018/2019

October 1, 2018 – December 31, 2018
thyssenkrupp AG

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thyssenkrupp in figures

		Full Group[1]				Group – continuing operations[1)2)]			
		1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018	Change	in %	1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018	Change	in %
Order intake	million €	9,398	10,111	713	8	7,690	8,131	441	6
Net sales	million €	9,543	9,736	194	2	7,725	7,942	217	3
EBIT[3]	million €	426	296	(129)	(30)	236	142	(94)	(40)
EBIT margin	%	4.5	3.0	(1.4)	(32)	3.1	1.8	(1.3)	(42)
Adjusted EBIT[3]	million €	448	333	(115)	(26)	265	168	(97)	(37)
Adjusted EBIT margin	%	4.7	3.4	(1.3)	(27)	3.4	2.1	(1.3)	(38)
Income/(loss) before tax	million €	322	215	(108)	(33)	151	77	(74)	(49)
Net income (loss) or income (loss) net of tax	million €	93	145	52	55	(24)	58	82	++
attributable to thyssenkrupp AG's shareholders	million €	81	136	55	69	(37)	51	88	++
Earnings per share (EPS)	€	0.13	0.22	0.09	69	(0.06)	0.08	0.14	++
Operating cash flows	million €	(1,276)	(2,245)	(969)	(76)	(902)	(1,485)	(583)	(65)
Cash flow for investments	million €	(289)	(257)	33	11	(199)	(170)	29	15
Cash flow from divestments	million €	30	25	(5)	(17)	18	14	(4)	(22)
Free cash flow[4]	million €	(1,535)	(2,477)	(941)	(61)	(1,083)	(1,641)	(558)	(52)
Free cash flow before M & A[4]	million €	(1,549)	(2,477)	(928)	(60)	(1,097)	(1,641)	(545)	(50)
Net financial debt (Dec. 31)	million €	3,544	4,684	1,140	32				
Total equity (Dec. 31)	million €	3,282	3,422	140	4				
Gearing (Dec. 31)	%	108.0	136.9	28.9	27				
Employees (Dec. 31)		159,175	161,496	2,321	1				

[1] Prior-year figures have been adjusted due to the adoption of IFRS 15.
[2] Cf. Note 02.
[3] See reconciliation in segment reporting (Note 08).
[4] See reconciliation in the analysis of the statement of cash flows.

	Order intake[2] million €		Net sales[2] million €		EBIT[1)2)] million €		Adjusted EBIT[1)2)] million €		Employees	
	1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018	1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018	1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018	1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2018
Components Technology	1,578	1,653	1,564	1,580	76	44	77	49	33,152	34,662
Elevator Technology	1,959	2,143	1,844	1,923	201	199	220	204	52,909	53,282
Industrial Solutions[3]	788	940	835	840	10	(31)	13	(23)	15,841	15,656
Marine Systems[3]	58	107	256	298	(1)	0	(1)	0	5,853	5,868
Materials Services	3,363	3,370	3,288	3,388	49	22	52	22	19,981	20,378
Steel Europe	2,071	2,341	2,181	2,131	162	34	163	38	27,478	27,613
Corporate	91	51	93	63	(72)	(91)	(75)	(77)	3,961	4,037
Consolidation	(510)	(495)	(518)	(487)	(1)	119	(1)	119	0	0
Full Group	**9,398**	**10,111**	**9,543**	**9,736**	**426**	**296**	**448**	**333**	**159,175**	**161,496**
Discontinued steel operations	1,707	1,980	1,818	1,794	190	155	183	165	29,144	29,354
Group continuing operations[3]	**7,690**	**8,131**	**7,725**	**7,942**	**236**	**142**	**265**	**168**	**130,031**	**132,142**

[1] See reconciliation in segment reporting (Note 08).
[2] Prior-year figures have been adjusted due to the adoption of IFRS 15.
[3] See preliminary remarks.

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 December 2018	€	14.98
ADRs (over-the-counter trading)	US88629Q2075		Stock exchange value end December 2018	million €	9,326
Symbols					
Shares	TKA				
ADRs	TKAMY				

Contents

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

Interim management report

Preliminary remarks

In connection with the realignment of the Industrial Solutions business area, Marine Systems was taken out and managed as a separate business unit as of October 1, 2018. The discontinued steel operations include the Steel Europe business area, thyssenkrupp MillServices & Systems GmbH from the Materials Services business area, and in the prior year individual Corporate companies. The preliminary remarks in the 2017 / 2018 annual report also apply.

Report on the economic position

Summary

Order intake and sales higher year-on-year, adjusted earnings lower in line with expectations

- Increase in order intake and sales of continuing operations, all capital goods businesses up year-on-year:
  - Components Technology due to growth in industrial components
  - Elevator Technology with new record highs on back of several major projects
  - Industrial Solutions and Marine Systems through smaller and medium-size orders
  - Materials Services with sales growth and stable order intake
- Adjusted EBIT of the continuing operations clearly lower year-on-year as expected:
  - Components Technology mainly due to higher start-up costs for new customer projects and higher costs at Springs & Stabilizers
  - Elevator Technology mainly due to material and selling price trends in China and the USA
  - Industrial Solutions mainly due to lower margins on projects billed
  - Marine Systems stable with margins on projects billed remaining low
  - Materials Services due to lower volumes and slowing price momentum
  - Corporate stable owing to continued reduction of G&A costs, prior year with higher one-time income
- Net income of continuing operations up significantly: lower tax expense due to absence of one-time effect of US tax reform in prior year and reduced pre-tax income, and improved net interest
- Cash flow of the continuing operations temporarily clearly negative in line with expectations: increased net working capital mainly at Materials Services
- Steel Europe (discontinued operation) down sharply from prior year reflecting lower volumes and higher costs on account of low water levels on the Rhine and new emission standards (WLTP) in the auto industry; pronounced seasonal increase in net working capital
- Next milestone for separation into two companies reached with decision on efficient management structures clearly oriented to business requirements for thyssenkrupp Materials and thyssenkrupp Industrials:
  - Greater entrepreneurial freedom for businesses
  - Management structure simplified by reducing number of directorates and combining corporate functions at both companies

- – Regional structure simplified and adapted to local requirements of the business units
- – Shared service units allocated in line with business requirements and focused more strongly
- – Continued implementation of previously planned measures to reduce administrative costs
- Corporate cost target for the two new companies together of below €300 million compared with €377 million in 2017 / 2018
- Personnel changes:
  – New chief financial officer of thyssenkrupp appointed as of February 1, 2019
  – New chief executive officers at Elevator Technology and Materials Services
- Future management board of planned steel joint venture announced
- Full-year forecast confirmed (see forecast report); but economic and political uncertainties growing

Macro and sector environment

Global economy less dynamic this year

- Compared with start of fiscal year, growth expectations revised downwards worldwide and in almost all regions
- Industrialized countries: weaker upturn with continued supportive monetary policy and positive domestic impetus
- Emerging economies: growth slowing slightly with high political and economic uncertainties
- Risks and uncertainties: further escalation of trade conflicts, geopolitical flashpoints, Brexit negotiations, interest rate turnaround in USA, severe and sustained weakening of growth in China; indebtedness problems particularly in some countries of Europe, and volatile material and commodity prices

GROSS DOMESTIC PRODUCT

Real change compared to previous year in %	2018[1]	2019[2]
Euro zone	2.0	1.5
Germany	1.5	1.4
Russia	1.6	1.5
Rest of Central/Eastern Europe	4.1	3.0
USA	2.9	2.5
Brazil	1.4	1.8
Japan	0.8	0.9
China	6.6	6.3
India	7.2	7.0
Middle East & Africa	2.9	2.7
World	**3.5**	**3.3**

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

Automotive

- Global sales and production of cars and light trucks in 2018 down slightly from year before due among other things to weaker second half in China; weakening could continue in 2019
- Subdued outlook for 2019 mainly reflecting situation in world's largest car market, China
- Europe: sales stable in 2018; sideways movement expected in 2019, including impact of WLTP
- NAFTA: 2018 with sideways movement of market at high level; decline in sales forecast for 2019
- China: car sales and production down in 2018 due to weak second half; forecasts for 2019 highly uncertain, Chinese manufacturers' association currently anticipating sideways movement in car sales
- Trucks above 6t: 2018 with weaker second half China, other markets stable to positive, especially USA Class 8; in 2019 overall market expected to contract due to decline in China and passing of cyclical peak in USA

Machinery

- Germany: weaker growth in 2019 due to slowing global economy, tight trade restrictions and capacity bottlenecks
- USA: production growth significantly slower in 2019; growth impetus from tax reform weakening
- China: reduced growth in 2019 due to slowing demand for capital goods and trade restrictions

Construction

- Germany: slightly lower growth in 2019; housing and public-sector construction continue to be main drivers, increasing capacity bottlenecks slowing growth
- USA: output growth lower in 2019; interest rate turnaround leading to less favorable financing conditions, tax reform providing less support
- China and India: growth in China slowing slightly in 2019; output growth in India also weakening at high level

IMPORTANT SALES MARKETS

	2018[1]	2019[2]
Vehicle production, million cars and light trucks		
World	91.1	91.8
Western Europe (incl. Germany)	14.2	14.1
Germany	5.3	5.3
USA	11.0	10.9
Mexico	3.9	4.1
Japan	9.2	9.4
China	26.7	27.1
India	4.7	4.9
Brazil	2.7	2.8
Machinery production, real, in % versus prior year		
Germany	3.0	2.0
USA	6.7	2.6
Japan	3.9	2.0
China	9.0	5.3
Construction output, real, in % versus prior year		
Germany	2.5	2.0
USA	2.9	2.1
China	3.9	3.5
India	9.4	8.5

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

Steel

- Global finished steel demand around 2% higher year-on-year in 2018; weaker growth expected in 2019 with significantly increased risks
- EU carbon flat steel market with slight growth and mainly robust in 2018; further sharp increase in imports, situation unlikely to ease significantly in the short term as levels for triggering safeguard measures not yet reached
- Market environment remains extremely challenging structurally – with continuing global overcapacities, risks from trade imbalances, and highly volatile raw material prices

Group and business area review

Order intake and sales of continuing operations higher; adjusted EBIT of continuing operations as expected clearly lower year-on-year

ORDER INTAKE

million €	1st quarter ended Dec. 31, 2017[2]	1st quarter ended Dec. 31, 2018	Change in %	Change on a comparable basis[1] in %
Components Technology	1,578	1,653	5	5
Elevator Technology	1,959	2,143	9	10
Industrial Solutions[3]	788	940	19	19
Marine Systems[3]	58	107	85	85
Materials Services	3,363	3,370	0	0
Steel Europe	2,071	2,341	13	13
Corporate	91	51	(44)	(44)
Consolidation	(510)	(495)	—	—
Full Group	**9,398**	**10,111**	**8**	**7**
Discontinued steel operations	1,707	1,980	16	
Group continuing operations[3]	**7,690**	**8,131**	**6**	**5**

[1] Excluding material currency and portfolio effects
[2] Prior-year figures have been adjusted due to the adoption of IFRS 15.
[3] See preliminary remarks.

1st-quarter order intake in all the **capital goods businesses** was significantly higher year-on-year:

Components Technology

- Higher year-on-year due to growth in industrial components
- Car components: down slightly from prior year, growth in steering business with start of production at new plants, assembly of axle modules lower year-on-year, demand slowdown in China and Western Europe, influenced in part by new test procedures for fuel and electricity consumption and vehicle emissions (WLTP), Brexit uncertainties noticeable with customers
- Heavy truck components: USA, Europe remain positive with slowing growth rates
- Industrial components: higher order intake in wind energy sector, demand for construction machinery components remains positive

Elevator Technology

- Order intake at continued high level and with clear year-on-year growth
- All regions contributing to growth, particularly Asia-Pacific, up from year before due mainly to a major metro project in Australia and several major projects in China

Industrial Solutions

- Order intake up from prior year mainly due to orders in chemical plant construction and mining
- Chemical plant construction: improved market environment; medium-size order for fertilizer plant in Saudi Arabia and orders for services in Asia, Africa and Europe

- Cement: current market situation marked by overcapacities built up in recent years; smaller orders for plant components and services
- Mining: continuing robust demand; medium-large order for stockyard equipment in Australia
- System Engineering: stable demand for production systems for the auto industry, mainly in Europe, Asia and Africa; in part increasing uncertainties due to Brexit and economic risks

Marine Systems

- Extension of an existing order plus smaller maintenance and service contracts

Order intake of the **materials businesses** as a whole increased:

- Materials Services at prior-year level, warehousing business outweighs weaker direct-to-customer and service business
- Steel Europe (discontinued operation) higher for price reasons despite significantly lower volumes (2.2 million t; prior year: 2.6 million t); substantial production restrictions due to low Rhine water levels – causing restricted booking possibilities

NET SALES

million €	1st quarter ended Dec. 31, 2017[2]	1st quarter ended Dec. 31, 2018	Change in %	Change on a comparable basis[1] in %
Components Technology	1,564	1,580	1	1
Elevator Technology	1,844	1,923	4	5
Industrial Solutions[3]	835	840	1	1
Marine Systems[3]	256	298	17	17
Materials Services	3,288	3,388	3	3
Steel Europe	2,181	2,131	(2)	(2)
Corporate	93	63	(32)	(31)
Consolidation	(518)	(487)	—	—
Full Group	**9,543**	**9,736**	**2**	**2**
Discontinued steel operations	1,818	1,794	(1)	
Group continuing operations[3]	**7,725**	**7,942**	**3**	**3**

[1] Excluding material currency and portfolio effects
[2] Prior-year figures have been adjusted due to the adoption of IFRS 15.
[3] See preliminary remarks.

Sales of the **capital goods businesses**:

- Components Technology with increase due to growth in industrial components, car components slightly down year-on-year; positive exchange rate effects especially from USD, negative from BRL
- Elevator Technology higher year-on-year mainly due to positive trend in the USA and Europe; number of installations sold in China stable, but lower overall year-on-year due to price pressure
- Industrial Solutions at prior-year level: chemical plant construction with higher progress on a major project in Hungary, offset by sales decrease at System Engineering
- Marine Systems up from weak prior year, but temporarily lower progress level in order execution; significant increase still expected for full year

The **materials businesses** as a whole increased their sales year-on-year.

Materials Services

- Increase mainly due to very positive trend in North America and still higher average price level compared with prior year
- After increasing in almost all product segments last fiscal year prices are now falling again, particularly for stainless steel
- Overall materials sales volumes lower year-on-year (2.4 million t shipments; prior year: 2.7 million t shipments)
- Warehousing and distribution on the whole still positive due to strong volumes in North America outweighing demand fall in Europe; declining volumes in auto-related service centers and direct-to-customer business
- Volumes and prices at Acciai Speciali Terni (AST) lower year-on-year mainly due to continuing import pressure from Asia
- Sales of the continuing operations of Materials Services at €3.3 billion

Steel Europe (discontinued operation)

- Volume-related decrease: significant reductions in shipments (2.4 million t; prior year: 2.7 million t) affecting practically all end customer groups, above all necessary due to low Rhine water levels; additional negative effects of WLTP problem on auto volumes
- Higher prices compared with prior year partly offset the volume decrease

ADJUSTED EBIT

million €	1st quarter ended Dec. 31, 2017[2]	1st quarter ended Dec. 31, 2018	Change in %
Components Technology	77	49	(36)
Elevator Technology	220	204	(7)
Industrial Solutions[1]	13	(23)	--
Marine Systems[1]	(1)	0	++
Materials Services	52	22	(57)
Steel Europe	163	38	(76)
Corporate	(75)	(77)	(3)
Consolidation[3]	(1)	119	—
Full Group	**448**	**333**	**(26)**
Discontinued steel operations	183	165	(10)
Group continuing operations[1]	**265**	**168**	**(37)**

[1] See preliminary remarks.
[2] Prior-year figures have been adjusted due to the adoption of IFRS 15.
[3] 1st quarter ended Dec. 31, 2018 includes an effect of €115 million due to suspension of scheduled amortization and depreciation of discontinued steel operations.

Adjusted EBIT of the **capital goods businesses** lower year-on-year as expected:

Components Technology

- Lower year-on-year mainly due to higher costs for the launch of new customer projects and weaker performance at Springs & Stabilizers; in China declining demand for auto components and flatter ramp-up curve for new plants
- Weaker demand in Western Europe; partly offset by improved business with crankshafts and construction equipment components

Elevator Technology

- Despite positive contribution of performance program, lower year-on-year mainly due to material and selling price trends in China and in particular the USA owing to tariffs on material imports
- Margin decrease year-on-year by 1.3 points to 10.6%, significant improvement expected in following quarters

Industrial Solutions

- Negative and lower year-on-year, mainly due to lower margins on projects billed; gradual improvement expected for full year
- Comprehensive turnaround program initiated for plant construction; measures to increase profitability include structural adjustments, a reduction of administrative, material and product costs, improved project execution and optimized selling costs

Marine Systems

- Steady year-on-year; continuing low margins on projects billed

In a weak market environment adjusted EBIT of the **materials businesses** was down significantly year-on-year, despite support from cost reduction programs.

Materials Services

- Margin pressure from declining prices particularly in warehousing and distribution, compared with positive effects from dynamic price increases in the prior year
- Acciai Speciali Terni (AST) significantly lower year-on-year mainly due to price trend in stainless steel caused by continuing import pressure
- Adjusted EBIT of the continuing operations of Materials Services at €20.5 million

Steel Europe (discontinued operation)

- Significantly lower year-on-year; positive price effects overshadowed by effects of lost volumes (low Rhine water levels and WLTP)
- Significantly higher costs partly due to changed transportation logistics as a result of low water levels

Corporate

- Further implementation of measures to reduce general and administrative costs
- Positive earnings effect from real estate and property sales

Earnings impacted by special items

SPECIAL ITEMS

million €	1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018	Change
Components Technology	2	5	3
Elevator Technology	19	5	(13)
Industrial Solutions[1]	2	7	5
Marine Systems[1]	0	0	0
Materials Services	2	1	(2)
Steel Europe	0	4	4
Corporate	(3)	14	16
Full Group	**22**	**36**	**14**
Discontinued steel operations	(7)	10	17
Group continuing operations[1]	**29**	**26**	**(3)**

[1] See preliminary remarks.

- Main special items in the reporting period:
  - Components Technology: mainly restructurings at Springs & Stabilizers
  - Elevator Technology: restructuring and reorganization in Europe
  - Industrial Solutions: earnout agreement for technology purchase as well as expenses in connection with the turnaround program
  - Corporate: mainly project expenses in connection with the planned steel joint venture and the repositioning of the Group

Results of operations and financial position

Analysis of the statement of income

Income from operations

- Increase in net sales of the continuing operations coupled with disproportionate increase in cost of sales of the continuing operations mainly due to higher material and personnel costs; decrease in gross profit margin to 15.1%
- Reduction in general and administrative costs of the continuing operations mainly due to lower personnel costs
- Improvement in the balance of other income and other expenses of the continuing operations mainly due to higher insurance recoveries

Financial income/expense and income tax

- Overall improvement in net financial expense of the continuing operations mainly due to lower interest expense for financial debt
- Decrease in tax expense of the continuing operations due to absence of one-time effect of US tax reform in prior year and lower tax expense due to decrease in pre-tax income

Earnings per share

- Net income up by €52 million to €145 million mainly due to improved income from continuing operations (net of tax) which increased by €82 million to a profit of €58 million
- Profit per share accordingly up by €0.09 to €0.22

Analysis of the statement of cash flows

Operating cash flows

- Higher negative operating cash flows of the continuing operations primarily due to net increase in funds tied up in operating assets and liabilities mainly at Materials Services
- Significant increase in negative operating cash flows of the discontinued steel operations likewise mainly due to net increase in funds tied up in operating assets and liabilities

Cash flows from investing activities

- Capital spending of continuing operations and Group lower year-on-year; share of capital goods businesses in Group capital spending steady at around 59%
- Investments at the discontinued steel operations slightly lower year-on-year
- In all business areas and at Corporate renewal of IT and harmonization of systems landscape to increase efficiency and reduce costs and as basis for Industry 4.0

INVESTMENTS

million €	1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018	Change in %
Components Technology	128	111	(14)
Elevator Technology	23	23	0
Industrial Solutions[1]	11	9	(20)
Marine Systems[1]	7	8	19
Materials Services	15	18	20
Steel Europe	88	94	7
Corporate	14	4	(69)
Consolidation	4	(10)	—
Full Group	**290**	**257**	**(11)**
Discontinued steel operations	91	87	(4)
Group continuing operations[1]	**199**	**170**	**(15)**

[1] See preliminary remarks.

Components Technology

- Global automotive production network progressing further; start of production deliveries at new plant for electric steering systems in China and damper systems at the expanded plant in Romania, setting up of springs and stabilizers plant in Hungary well advanced

Elevator Technology

- Investments mainly in the area of regular maintenance capital expenditure

Industrial Solutions

- Continuing investment in expansion of technology portfolio to safeguard market position as well as infrastructure measures in plant construction
- Continuation of organic growth through order-related investment for e-mobility at System Engineering

Marine Systems

- Further implementation of modernization program at Kiel shipyard

Materials Services

- Modernization and maintenance measures at warehouse and service units as well as at AST

Steel Europe (discontinued operation)

- Construction of a further hot-dip coating line (FBA 10) at the Dortmund site to serve rising demand for high-quality hot-dip coated products; building preparations begun

Corporate

- Investments for the Carbon2Chem project (technical center: buildings and power supply)

Cash flows from financing activities

- Overall strongly improved cash flows from financing activities of the continuing operations mainly due to proceeds from borrowings in the reporting period after cash outflows in the prior year due to the repayment of financial debt; partly offset by increased financing of the discontinued steel operations

Free cash flow and net financial debt

RECONCILIATION TO FREE CASH FLOW BEFORE M & A

million €	1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018	Change
Operating cash flows – continuing operations (consolidated statement of cash flows)	(902)	(1,485)	(583)
Cash flow from investing activities – continuing operations (consolidated statement of cash flows)	(181)	(156)	25
Free cash flow of the continuing operations (FCF)[1]	**(1,083)**	**(1,641)**	**(558)**
–/+ Cash inflow/cash outflow resulting from material M&A transactions	(13)	0	13
Free cash flow before M&A – continuing operations (FCF before M&A)[1]	**(1,097)**	**(1,641)**	**(545)**
Discontinued steel operations	(452)	(836)	(383)
Free cash flow before M&A – Group (FCF before M & A)	**(1,549)**	**(2,477)**	**(928)**

[1] See preliminary remarks.

- FCF before M & A as expected significantly lower year-on-year mainly due to increased negative operating cash flows
- Net financial debt up to €4.7 billion at December 31, 2018 due to mainly temporary significantly negative FCF before M & A
- Ratio of net financial debt to equity (gearing) at 136.9% higher than at September 30, 2018 (72.2%)
- Available liquidity of €4.9 billion (€2.3 billion cash and cash equivalents and €2.6 billion undrawn committed credit lines)
- Existing commercial paper program with a maximum emission volume of €1.5 billion was drawn in the amount of €0.6 billion at December 31, 2018; loans of €1.0 billion were also drawn

Financing measure

Placement of a €100 million loan note in December 2018; maturity three years; coupon 1.15% p.a.

Rating

RATING

	Long-term rating	Short-term rating	Outlook
Standard & Poor's	BB	B	developing
Moody's	Ba2	not Prime	negative
Fitch	BB+	B	watch negative

Analysis of the statement of financial position

Non-current assets

- Mainly investment-related increase in property, plant and equipment

Current assets

- Increases in inventories mainly in components business and at the continuing materials operations
- Decreases in trade accounts receivable mainly at the continuing materials operations
- Increase in contract assets in particular from the execution of construction contracts
- Increase in other non-financial assets mainly due to higher assets in connection with non-income taxes
- Sharp overall decrease in cash and cash equivalents mainly due to negative free cash flow in the reporting period and the financing of the discontinued steel operations; at the same time significant cash inflows from proceeds from borrowings
- Significant increase in assets held for sale due to ongoing business activity of the discontinued steel operations

Total equity

- Increase compared with September 30, 2018 mainly due to net income in the reporting quarter and gains from currency translation recognized in other comprehensive income
- At the same time decrease due to losses on remeasurement of pension and similar obligations recognized in other comprehensive income

Non-current liabilities

- Increase in accrued pension and similar obligations mainly due to losses on plan assets in the reporting quarter resulting from remeasurement
- Reduction of financial debt in particular due to reclassification of a bond due in October 2019 to current financial debt

Current liabilities

- Significant net increase in current liabilities mainly due to higher financial debt, in particular from the aforementioned reclassification of a bond from non-current financial debt as well as an increase in liabilities to financial institutions and utilization of the commercial paper program
- Increase in contract liabilities mainly due to higher customer advance payments
- Sharp decrease in trade accounts payable, above all in the continuing materials operations
- Reduction of liabilities associated with assets held for sale due to ongoing business activity of the discontinued steel operations

Compliance

- We build on strong values: reliability, honesty, credibility and integrity
- Our values are anchored in the Group Mission Statement, Code of Conduct and Compliance Commitment
- Ongoing implementation of the provisions of the EU General Data Protection Regulation
- Investigations by Federal Cartel Office: thyssenkrupp Steel Europe AG and others are the subject of ongoing investigations into alleged cartel agreements relating to heavy plate and flat carbon steel; thyssenkrupp takes this matter very seriously and immediately launched its own internal investigation; provision set aside in last consolidated financial statements by way of precaution; based on facts currently known, significant adverse effects on the Group's asset, financial and earnings situation still cannot be excluded
- More information on compliance at thyssenkrupp in the 2017 / 2018 Annual Report and on the website www.thyssenkrupp.com

Forecast, opportunity and risk report

2018 / 2019 forecast

For key assumptions and expected economic conditions see forecast section and “Macro and sector environment” in the report on the economic position in the 2017 / 2018 Annual Report and this interim management report.

2018 / 2019 expectations

- **Sales of the continuing operations** – adjusted for effects from the adoption of IFRS 15 – expected to achieve growth in the low single-digit percentage range year-on-year (prior year, continuing operations, adjusted for effects of IFRS 15: €33.6 billion); potential decline at Materials Services due to effects of restructuring and trade restrictions should be more than offset by growth in other segments
- **Adjusted EBIT of continuing operations** expected to be >€1 billion (prior year, continuing operations: €706 million); supported by initiatives from corporate program “impact”
  - **Components Technology** – assuming a largely stable automotive market – with significant recovery of adjusted EBIT (prior year €197 million) from sales increase in mid-single-digit percentage range (prior year, adjusted for effects of IFRS 15: €6.6 billion) and significant improvement in margin (prior year, adjusted for effects of IFRS 15: 3.0%), reflecting in particular the absence of additional expenses for quality-related risk provisions and the further ramp-up of new plants, supported by efficiency and restructuring programs
  - **Elevator Technology** with improvement in adjusted EBIT (prior year: €866 million) from sales growth in the low single-digit percentage range and increase in adjusted EBIT margin (prior year: 11.5%) from restructuring and efficiency measures, also depending on effects of materials price movements – particularly in China – and tariffs on imports of materials to the USA
  - **Industrial Solutions** – depending on order intake – with significant recovery in sales in the almost double-digit percentage range; supported by extensive transformation and restructuring measures and absence of additional expenses incurred in prior year for extensive project analysis and reassessment of individual projects, significant improvement in adjusted EBIT expected with gradual progress over the course of the year towards break-even (prior year: €(127) million)
  - **Marine Systems** with significant recovery in order intake; supported by extensive performance program and absence of additional costs of project analysis and reassessment in the prior year, clear improvement towards break-even adjusted EBIT (prior year: €(128) million)

  - **Materials Services** – with signs of a slowing economy – with adjusted EBIT slightly lower year-on-year (prior year: €317 million; prior year continuing operations of Materials Services €308 million)
  - **Corporate** with continued cost reductions adjusted EBIT, which benefited in the prior year from positive nonrecurring items, expected to be roughly level with the prior year (prior year: €(377) million; prior year continuing operations of Corporate €(370) million

- **Income net of tax of the continuing operations** with continuing restructuring expenses expected to improve significantly and return to positive (prior-year income net of tax, continuing operations: €(198) million)
- **Capital spending before M & A of the continuing operations** at around €1 billion (prior year, continuing operations: €935 million)
- **FCF before M & A of the continuing operations** (prior year, continuing operations: €(678) million) expected to improve significantly year-on-year as a result of improved earnings and depending on order intake and payment profiles for individual major projects, in particular at Marine Systems, but remain negative overall
- **FCF of the full Group** (prior year, Group FCF: €(115) million) with negative effects in particular from portfolio changes:
  Until the closing of the steel joint venture Steel Europe (discontinued operation) with:
  - significant positive contribution to the Group's adjusted EBIT
  - negative impact on FCF in mid to high 3-digit million euro range also due to the typical seasonal increase in net working capital

  FCF could be further impacted depending on the outcome of Federal Cartel Office investigations into alleged cartel agreements at thyssenkrupp Steel Europe AG relating to the product groups heavy plate and flat carbon steel.
  Following closing and initial recognition of our share in the joint venture, significant positive effect on net income of the full Group and a correspondingly positive effect on total equity
- Creation of the transaction structures for the **separation of the Group** will significantly impact net income and FCF; based on current preliminary calculations, impact in the high three-digit million euro range
- **Net financial debt of the Group** to increase sharply year-on-year (prior year: €2,364 million) due in particular to aforementioned effects; at the same time reduction of pension liabilities by almost half upon closing of the joint venture deal
- **Net income of the Group** to improve significantly year-on-year (prior year: €60 million); expense from preparation of the separation of the Group will be comfortably offset by earnings increases of the continuing operations and positive effects of the closing of the steel joint venture
- **tkVA of the Group** positive and significantly higher than a year earlier (prior year: €(217) million) due to operational improvements at continuing operations, positive contribution of discontinued operation Steel Europe and positive effects upon closing of the steel joint venture

Opportunities and risks

Opportunities

- Opportunities as a result of resolved separation of the Group into two separate and much more focused companies; separation combines industrial logic with requirements of capital market
- With digitization increasing, global thyssenkrupp research and development network offers opportunities for convergence of previously separate value chains
- Opportunities from systematic continuation of corporate initiatives launched in previous years
- Strategic and operational opportunities described in 2017 / 2018 Annual Report continue to apply

Risks

- No risks threatening ability to continue as going concern; detailed information on risks described in 2017 / 2018 Annual Report continues to apply
- Economic risks: Further escalation of trade conflicts, geopolitical flashpoints, Brexit negotiations, interest rate turnaround in USA, distinct and lasting slowdown of growth in China, problems of indebtedness in particular in some European countries, volatile material and commodity prices, further slowing of automotive market
- Trade measures of US administration being continuously monitored
- Risks of cost and schedule overruns in the execution of major projects
- Risks from attacks on IT infrastructure; countermeasure: further expansion of information security management and security technologies
- Federal Cartel Office investigations: thyssenkrupp Steel Europe AG alongside others is the subject of ongoing investigations into alleged cartel agreements relating to heavy plate and flat carbon steel; thyssenkrupp takes the matter very seriously, immediately launched its own internal investigation; provision set aside in last consolidated financial statements by way of precaution; based on the facts currently known significant adverse effects on the Group's asset, financial and earnings situation cannot be ruled out

Condensed interim financial statements

thyssenkrupp AG – Consolidated statement of financial position

ASSETS

million €	Note	Oct. 1, 2017[1]	Sept. 30, 2018[1]	Dec. 31, 2018
Intangible assets		4,813	4,393	4,400
Property, plant and equipment (inclusive of investment property)		7,605	4,791	4,838
Investments accounted for using the equity method		154	48	48
Other financial assets		43	32	33
Other non-financial assets		218	156	158
Deferred tax assets		1,684	1,115	1,135
Total non-current assets		**14,517**	**10,534**	**10,612**
Inventories		6,946	5,094	5,510
Trade accounts receivable		4,837	4,345	4,185
Contract assets		1,367	1,719	1,860
Other financial assets		583	478	516
Other non-financial assets		1,923	1,838	1,972
Current income tax assets		220	249	284
Cash and cash equivalents		5,292	2,987	2,262
Assets held for sale	02	0	7,255	7,891
Total current assets		**21,169**	**23,963**	**24,480**
Total assets		**35,686**	**34,498**	**35,091**

See accompanying notes to consolidated financial statements.
[1] Figures have been adjusted (cf. Note 01).

EQUITY AND LIABILITIES

million €	Note	Oct. 1, 2017[1]	Sept. 30, 2018[1]	Dec. 31, 2018
Capital stock		1,594	1,594	1,594
Additional paid-in capital		6,664	6,664	6,664
Retained earnings		(5,402)	(5,536)	(5,511)
Cumulative other comprehensive income		33	83	193
[thereof discontinued operations]		[—]	[97]	[107]
Equity attributable to thyssenkrupp AG's stockholders		**2,889**	**2,805**	**2,940**
Non-controlling interest		515	469	483
Total equity		**3,404**	**3,274**	**3,422**
Accrued pension and similar obligations	04	7,924	4,128	4,217
Provisions for other employee benefits		354	182	153
Other provisions		645	295	262
Deferred tax liabilities		113	28	32
Financial debt	05	5,326	5,087	3,937
Other financial liabilities		182	157	125
Other non-financial liabilities		5	4	9
Total non-current liabilities		**14,549**	**9,882**	**8,736**
Provisions for current employee benefits		357	334	244
Other provisions		1,320	1,226	1,197
Current income tax liabilities		254	207	207
Financial debt	05	1,930	147	2,912
Trade accounts payable		5,729	5,266	4,164
Other financial liabilities		826	634	770
Contract liabilities		4,866	4,978	5,274
Other non-financial liabilities		2,452	2,118	2,101
Liabilities associated with assets held for sale	02	0	6,430	6,064
Total current liabilities		**17,733**	**21,342**	**22,933**
Total liabilities		**32,282**	**31,223**	**31,669**
Total equity and liabilities		**35,686**	**34,498**	**35,091**

See accompanying notes to consolidated financial statements.
[1] Figures have been adjusted (cf. Note 01).

thyssenkrupp AG – Consolidated statement of income

million €, earnings per share in €	Note	1st quarter ended Dec. 31, 2017[1]	1st quarter ended Dec. 31, 2018
Net sales	08, 09	7,725	7,942
Cost of sales		(6,401)	(6,739)
Gross margin		**1,324**	**1,203**
Research and development cost		(59)	(62)
Selling expenses		(531)	(543)
General and administrative expenses		(523)	(489)
Other income		47	70
Other expenses		(30)	(41)
Other gains/(losses), net		10	4
Income/(loss) from operations		**237**	**142**
Income from companies accounted for using the equity method		1	1
Finance income		157	193
Finance expense		(243)	(258)
Financial income/(expense), net		**(85)**	**(65)**
Income/(loss) from continuing operations before tax		**151**	**77**
Income tax (expense)/income	03	(175)	(19)
Income/(loss) from continuing operations (net of tax)		**(24)**	**58**
Income/(loss) from discontinued operations (net of tax)	02	**117**	**87**
Net income/(loss)		**93**	**145**
Thereof:			
thyssenkrupp AG's shareholders		**81**	**136**
Non-controlling interest		13	9
Net income/(loss)		**93**	**145**
Basic and diluted earnings per share based on	10		
Income/(loss) from continuing operations (attributable to thyssenkrupp AG's shareholders)		(0.06)	0.08
Net income/(loss) (attributable to thyssenkrupp AG's shareholders)		**0.13**	**0.22**

See accompanying notes to consolidated financial statements.
[1] Figures have been adjusted (cf. Note 01 and 02).

thyssenkrupp AG – Consolidated statement of comprehensive income

million €	1st quarter ended Dec. 31, 2017[1]	1st quarter ended Dec. 31, 2018
Net income/(loss)	**93**	**145**
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	(180)	(81)
Tax effect	29	13
Other comprehensive income from remeasurements of pensions and similar obligations, net	(152)	(68)
Share of unrealized gains/(losses) of investments accounted for using the equity-method	0	0
Subtotals of items of other comprehensive income that will not be reclassified to profit or loss in future periods	**(152)**	**(68)**
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	(71)	62
Net realized (gains)/losses	0	1
Net unrealized (gains)/losses	(71)	63
Unrealized gains/(losses) from fair value measurement of securities		
Change in unrealized gains/(losses), net	2	1
Net realized (gains)/losses	0	0
Tax effect	0	0
Net unrealized (gains)/losses	2	1
Unrealized gains/(losses) from valuation allowances of financial instruments		
Change in unrealized gains/(losses), net		(1)
Net realized (gains)/losses		(2)
Tax effect		1
Net unrealized (gains)/losses		(3)
Unrealized gains/(losses) on cash flow hedges		
Change in unrealized gains/(losses), net	33	7
Net realized (gains)/losses	(6)	6
Tax effect	(7)	(4)
Net unrealized (gains)/losses	20	9
Share of unrealized gains/(losses) of investments accounted for using the equity-method	(1)	1
Subtotals of items of other comprehensive income that could be reclassified to profit or loss in future periods	**(50)**	**71**
Other comprehensive income	**(202)**	**3**
Total comprehensive income	**(108)**	**148**
Thereof:		
thyssenkrupp AG's shareholders	(116)	125
Non-controlling interest	8	22
Total comprehensive income attributable to thyssenkrupp AG's stockholders refers to:		
Continuing operations	(193)	34
Discontinued operations	77	91

See accompanying notes to consolidated financial statements.
[1] Figures have been adjusted (cf. Note 01).

thyssenkrupp AG – Consolidated statement of changes in equity

		Equity attributable to thyssenkrupp AG's stockholders		
million €, (except number of shares)	Number of shares outstanding	Capital stock	Additional paid-in capital	Retained earnings
Balance as of Sept. 30, 2017	**622,531,741**	**1,594**	**6,664**	**(5,401)**
Adjustment due to the retrospective adoption of IFRS 15				(1)
Balance as of Oct. 1, 2017	**622,531,741**	**1,594**	**6,664**	**(5,402)**
Net income/(loss)[1]				81
Other comprehensive income				(152)
Total comprehensive income[1]				**(71)**
Profit attributable to non-controlling interest				
Changes of shares of already consolidated companies				(5)
Balance as of Dec. 31, 2017[1]	**622,531,741**	**1,594**	**6,664**	**(5,477)**
Balance as of Sept. 30, 2018[1]	**622,531,741**	**1,594**	**6,664**	**(5,536)**
Adjustment due to the adoption of IFRS 9				(43)
Balance as of Oct. 1, 2018	**622,531,741**	**1,594**	**6,664**	**(5,579)**
Net income/(loss)				136
Other comprehensive income				(68)
Total comprehensive income				**68**
Profit attributable to non-controlling interest				
Balance as of Dec. 31, 2018	**622,531,741**	**1,594**	**6,664**	**(5,511)**

See accompanying notes to consolidated financial statements.
[1] Figures have been adjusted (cf. Note 01 and Note 02).

	Equity attributable to thyssenkrupp AG's stockholders								
	Cumulative other comprehensive income								
				Cash flow hedges					
	Foreign currency translation adjustment	Fair value measurement of securities	Valuation allowance of financial instruments	Designated risk component	Hedging costs	Share of investments accounted for using the equity method	Total	Non-controlling interest	Total equity
	34	**8**	**—**	**(50)**	**—**	**41**	**2,890**	**515**	**3,404**
							(1)	0	(1)
	34	**8**	**—**	**(50)**	**—**	**41**	**2,889**	**515**	**3,404**
							81	13	93
	(66)	1		20		(1)	(197)	(5)	(202)
	(66)	**1**	**—**	**20**	**—**	**(1)**	**(116)**	**8**	**(108)**
							0	(12)	(12)
							(5)	4	(1)
	(32)	**10**	**—**	**(30)**	**—**	**40**	**2,768**	**514**	**3,282**
	(34)	**8**	**—**	**69**	**—**	**40**	**2,805**	**469**	**3,274**
			53				9	(5)	5
	(34)	**8**	**53**	**69**	**0**	**40**	**2,814**	**465**	**3,279**
							136	9	145
	51	1	(3)	7	0	1	(11)	13	3
	51	**1**	**(3)**	**7**	**0**	**1**	**125**	**22**	**148**
							0	(4)	(4)
	17	**8**	**50**	**76**	**0**	**41**	**2,940**	**483**	**3,422**

thyssenkrupp AG – Consolidated statement of cash flows

million €	1st quarter ended Dec. 31, 2017[1]	1st quarter ended Dec. 31, 2018
Net income/(loss)	**93**	**145**
Adjustments to reconcile net income/(loss) to operating cash flows:		
Income/(loss) from discontinued operations (net of tax)	(117)	(87)
Deferred income taxes, net	166	(26)
Depreciation, amortization and impairment of non-current assets	158	168
Income/(loss) from companies accounted for using the equity method, net of dividends received	(1)	(1)
(Gain)/loss on disposal of non-current assets	(10)	(5)
Changes in assets and liabilities, net of effects of acquisitions and divestitures and other non-cash changes		
– Inventories	(321)	(397)
– Trade accounts receivable	12	195
– Contract assets	(94)	(147)
– Accrued pension and similar obligations	17	11
– Other provisions	(202)	(181)
– Trade accounts payable	(538)	(1,114)
– Contract liabilities	78	268
– Other assets/liabilities not related to investing or financing activities	(143)	(314)
Operating cash flows – continuing operations	**(902)**	**(1,485)**
Operating cash flows – discontinued operations	(374)	(760)
Operating cash flows – total	**(1,276)**	**(2,245)**
Purchase of investments accounted for using the equity method and non-current financial assets	(1)	(1)
Expenditures for acquisitions of consolidated companies net of cash acquired	(3)	0
Capital expenditures for property, plant and equipment (inclusive of advance payments) and investment property	(180)	(146)
Capital expenditures for intangible assets (inclusive of advance payments)	(15)	(23)
Proceeds from disposals of investments accounted for using the equity method and non-current financial assets	1	0
Proceeds from disposals of property, plant and equipment and investment property	17	9
Proceeds from disposals of intangible assets	0	5
Cash flows from investing activities – continuing operations	**(181)**	**(156)**
Cash flows from investing activities – discontinued operations	(78)	(75)
Cash flows from investing activities – total	**(259)**	**(231)**

Proceeds from liabilities to financial institutions	735	1,133
Repayments of liabilities to financial institutions	(824)	(100)
Proceeds from/(repayments on) loan notes and other loans	(73)	595
Increase/(decrease) in bills of exchange	(1)	0
Profit attributable to non-controlling interest	(12)	(4)
Expenditures for acquisitions of shares of already consolidated companies	(1)	0
Financing of discontinued operations	(442)	(857)
Other financing activities	(8)	133
Cash flows from financing activities – continuing operations	**(626)**	**900**
Cash flows from financing activities – discontinued operations	420	851
Cash flows from financing activities – total	**(207)**	**1,750**
Net increase/(decrease) in cash and cash equivalents – total	(1,742)	(726)
Effect of exchange rate changes on cash and cash equivalents – total	(8)	17
Cash and cash equivalents at beginning of year – total	5,292	3,006
Cash and cash equivalents at end of year – total	**3,542**	**2,297**
[thereof cash and cash equivalents within the discontinued operations]	[31]	[35]
Additional information regarding cash flows from interest, dividends and income taxes which are included in operating cash flows of continuing operations:		
Interest received	10	6
Interest paid	(70)	(61)
Dividends received	0	0
Income taxes paid	(113)	(94)

See accompanying notes to the consolidated financial statements.
[1] Figures have been adjusted (cf. Note 01 and 02).

thyssenkrupp AG – Selected notes

Corporate information

thyssenkrupp Aktiengesellschaft ("thyssenkrupp AG" or "Company") is a publicly traded corporation domiciled in Duisburg and Essen in Germany. The condensed interim consolidated financial statements of thyssenkrupp AG and its subsidiaries, collectively the "Group", for the period from October 1, 2018 to December 31, 2018, were reviewed and authorized for issue in accordance with a resolution of the Executive Board on February 6, 2019.

Basis of presentation

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

The accounting principles and practices as applied in the condensed interim consolidated financial statements as of December 31, 2018 correspond to those pertaining to the most recent annual consolidated financial statements with the exception of the recently adopted accounting standards. A detailed description of the accounting policies is published in the notes to the consolidated financial statements of our annual report 2017 / 2018.

01 Recently adopted accounting standards

In fiscal year 2018 / 2019, thyssenkrupp adopted the following standards, interpretations and amendments to already existing standards and interpretations that, with the exemption of IFRS 15 and IFRS 9, do not have a material impact on the Group's consolidated financial statements:

In July 2014 the IASB issued the final version of IFRS 9 "Financial Instruments". The new standard includes revised requirements for the classification and measurement of financial assets, fundamental changes to the regulations on the impairment of financial assets, and revised rules on hedge accounting. thyssenkrupp adopts IFRS 9 in the fiscal year beginning on October 1, 2018 and, in accordance with the transition options, does not provide comparative information on classification, measurement and impairment according to IFRS 9 for prior periods. Resultant transition effects are reported in retained earnings. The new hedge accounting rules will be applied prospectively.

Regarding the classification of financial assets, a part of trade accounts receivable, so far accounted for exclusively at amortized cost, is recognized at fair value in equity through other comprehensive income. Equity instruments so far recognized at amortized cost are recognized at fair value in profit or loss. This does not impact earnings.

Under the new impairment model (expected loss model) expected losses are reported and forward-looking information is used to a greater extent. To implement the new rules on impairment, suitable models were developed in particular to determine the expected loss rates for trade accounts receivable. The expected loss rates are determined mainly on the basis of external credit information and ratings.

thyssenkrupp applies the simplified impairment model under IFRS 9 and reports lifetime expected losses for all trade accounts receivable and contract assets. The reporting of expected losses under the new model will likely result in earlier recognition of loss allowances. The expected credit losses were calculated for the first time at October 1, 2018. This resulted in a €43 million increase (after tax) in loss allowances compared with September 30, 2018, which is reported in equity under retained earnings. In addition, the expected credit losses for trade accounts receivable, which are recognized at fair value in other comprehensive income, result in a transition effect of €53 million. Both transition effects are reported in the consolidated statement of changes in equity in the line "Adjustment due to the adoption of IFRS 9".

All existing designated hedges meet the requirements of IFRS 9 and will be continued. In some cases the hedging of components is possible. The option of reporting hedge costs in connection with designated hedges initially in other comprehensive income will be used prospectively in fiscal year 2018 / 2019. This will further reduce earnings volatility.

In May 2014 the IASB issued the new standard IFRS 15 "Revenue from Contracts with Customers". The purpose of the new standard on revenue recognition is to bring together the large number of existing guidelines contained in various standards and interpretations. At the same time it establishes uniform core principles to be applied to all industries and all types of revenue transactions. In April 2016 clarifications to IFRS 15 were issued relating mainly to the identification of separate performance obligations as well as the definition of principal and agent.

thyssenkrupp adopts IFRS 15 for the 2018 / 2019 fiscal year beginning on October 1, 2018 (IFRS 15 effective date). The full retrospective approach to initial application is applied, i.e. the cumulative transition effects will be included directly in retained earnings at the start of the comparative period on October 1, 2017. With this the Group is making use of the practical expedients provided in IFRS 15. In this connection at October 1, 2017 in particular contracts that begin and are completed within the same fiscal year or are completed at October 1, 2017 were not restated.

At the start of the comparative period on October 1, 2017, there are IFRS 15 transition effects versus the consolidated balance sheet on September 30, 2017 which are explained in the Notes to the 2017 / 2018 Annual Report (see Note 01). The transition effects versus the consolidated statement of financial position on September 30, 2018 result from the IFRS 15 transition effects described therein and adjusted for the effects of business activity in the 2017 / 2018 fiscal year:

IFRS 15 – CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Oct. 1, 2017			Sept. 30, 2018		
	Before IFRS 15 adjustment	IFRS 15 adjustment	After IFRS 15 adjustment	Before IFRS 15 adjustment	IFRS 15 adjustment	After IFRS 15 adjustment
Total non-current assets	**14,502**	**15**	**14,517**	**10,524**	**11**	**10,534**
thereof:						
Other non-financial assets	207	11	218	144	11	156
Total current assets	**20,546**	**623**	**21,169**	**23,344**	**619**	**23,963**
thereof:						
Inventories	6,957	(11)	6,946	5,159	(66)	5,094
Trade accounts receivable	5,734	(897)	4,837	5,529	(1,184)	4,345
Contract assets	0	1,367	1,367	0	1,719	1,719
Other financial assets	420	164	583	330	147	478
Total assets	**35,048**	**638**	**35,686**	**33,868**	**630**	**34,498**
Total equity	**3,404**	**(1)**	**3,404**	**3,274**	**0**	**3,274**
Total non-current liabilities	**14,546**	**3**	**14,549**	**9,882**	**0**	**9,882**
Total current liabilities	**17,097**	**636**	**17,733**	**20,711**	**630**	**21,342**
thereof:						
Other provisions	1,183	137	1,320	1,067	160	1,226
Contract liabilities	0	4,866	4,866	0	4,978	4,978
Other non-financial liabilities	6,802	(4,350)	2,452	6,626	(4,508)	2,118
Total liabilities	**31,643**	**639**	**32,282**	**30,593**	**630**	**31,223**
Total equity and liabilities	**35,048**	**638**	**35,686**	**33,868**	**630**	**34,498**

The IFRS 15 transition effects in the consolidated statement of income for the 1st quarter ended December 31, 2017 result mainly from the concretized definition of principal and agent in IFRS 15 based on the principle of control for certain business models in the automotive supply business of the Components Technology business area. This leads to significant reductions in reported net sales and cost of sales of the continuing operations:

IFRS 15 – CONSOLIDATED STATEMENT OF INCOME

	1st quarter ended Dec. 31, 2017		
million €, earnings per share in €	Before IFRS 15 adjustment[1]	IFRS 15 adjustment	After IFRS 15 adjustment
Net sales	8,010	(285)	7,725
Cost of sales	(6,688)	286	(6,401)
Gross margin	**1,322**	**1**	**1,324**
Income/(loss) from operations	**235**	**1**	**237**
Financial income/(expense), net	**(85)**	**0**	**(85)**
Income/(loss) from continuing operations before tax	**150**	**1**	**151**
Income tax (expense)/income	(175)	0	(175)
Income/(loss) from continuing operations (net of tax)	**(25)**	**1**	**(24)**
Income/(loss) from discontinued operations (net of tax)	**115**	**2**	**117**
Net income/(loss)	**91**	**3**	**93**
Thereof:			
thyssenkrupp AG's shareholders	**78**	**3**	**81**
Non-controlling interest	13	0	13
Net income/(loss)	**91**	**3**	**93**
Basic and diluted earnings per share based on			
Income/(loss) from continuing operations (attributable to thyssenkrupp AG's shareholders)	(0.06)	0.00	(0.06)
Net income/(loss) (attributable to thyssenkrupp AG's shareholders)	**0.12**	**0.00**	**0.13**

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

The following table shows the IFRS 15 transition effects in the consolidated statement of cash flows:

IFRS 15 – CONSOLIDATED STATEMENT OF CASH FLOWS

	1st quarter ended Dec. 31, 2017		
million €	Before IFRS 15 adjustment	IFRS 15 adjustment	After IFRS 15 adjustment
Net income/(loss)	**91**	**3**	**93**
Adjustments to reconcile net income/(loss) to operating cash flows:			
Income/(loss) from discontinued operations (net of tax)	(115)	(2)	(117)
Deferred income taxes, net	166	0	166
Depreciation, amortization and impairment of non-current assets	158	0	158
Reversals of impairment losses of non-current assets	0	0	(0)
Income/(loss) from companies accounted for using the equity method, net of dividends received	(1)	0	(1)
(Gain)/loss on disposal of non-current assets	(10)	0	(10)
Changes in assets and liabilities, net of effects of acquisitions and divestitures and other non-cash changes			0
– Inventories	(377)	57	(321)
– Trade accounts receivable	193	(181)	12
– Contract assets	0	(94)	(94)
– Accrued pension and similar obligations	17	0	17
– Other provisions	(200)	(2)	(202)
– Trade accounts payable	(539)	1	(538)
– Contract liabilities	0	78	78
– Other assets/liabilities not related to investing or financing activities	(285)	141	(143)
Operating cash flows – continuing operations	**(903)**	**1**	**(902)**
Operating cash flows – discontinued operations	(373)	(1)	(374)
Operating cash flows – total	**(1,276)**	**0**	**(1,276)**
Cash flows from investing activities – continuing operations	**(181)**	**0**	**(181)**
Cash flows from investing activities – discontinued operations	(78)	0	(78)
Cash flows from investing activities – total	**(259)**	**0**	**(259)**
Cash flows from financing activities – continuing operations	**(625)**	**(1)**	**(626)**
Cash flows from financing activities – discontinued operations	419	1	420
Cash flows from financing activities – total	**(207)**	**0**	**(207)**
Net increase/(decrease) in cash and cash equivalents – total	(1,742)	0	(1,742)
Effect of exchange rate changes on cash and cash equivalents – total	(8)	0	(8)
Cash and cash equivalents at beginning of year – total	5,292	0	5,292
Cash and cash equivalents at end of year – total	**3,542**	**0**	**3,542**
[thereof cash and cash equivalents within the discontinued operations]	[31]	0	[31]

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

Furthermore in fiscal year 2018 / 2019, thyssenkrupp adopted the following standards, interpretations and amendments to already existing standards that do not have a material impact on the Group's consolidated financial statements:

- Amendments to IFRS 2 "Share-based Payment": "Classification and Measurement of Share-based Payment Transactions", issued in June 2016
- Annual Improvements to IFRSs 2014-2016 Cycle, issued in December 2016
- IFRIC 22: "Foreign Currency Transactions and Advance Consideration", issued in December 2016
- Amendments to IAS 40: „Transfers of Investment Property", issued in December 2016

Issued accounting standards that have not been adopted in fiscal year 2018 / 2019

Regarding the expected impact of the adoption of IFRS 16 "Leases" in fiscal year 2019 / 2020, we refer to the statement given in the notes to the consolidated financial statements of the annual report 2017 / 2018 that is still relevant.

02 Discontinued operation

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

The transaction meets the criteria of IFRS 5 for reporting a discontinued operation. This comprises the Steel Europe business area, thyssenkrupp MillServices & Systems GmbH from the Materials Services business area, and in 2017 / 2018 individual Corporate companies. In accordance with IFRS 5, in the current reporting period all expense and income of the discontinued steel operations are reported separately in the income statement and all cash flows reported separately in the statement of cash flows; prior-period figures are adjusted accordingly. In the statement of financial position, assets and liabilities attributable to the discontinued steel operations are reported separately from the date of first-time classification as discontinued operation; prior-period figures are not adjusted. In connection with the initiated disposal, the assets and liabilities continue to be measured at their carrying amount as this is lower than the fair value less costs of disposal. On the classification as a discontinued operation, non-current assets are no longer amortized or depreciated.

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

DISCONTINUED STEEL OPERATIONS

million €	Sept. 30, 2018[1]	Dec. 31, 2018
Intangible assets	457	466
Property, plant and equipment (inclusive of investment property)	3,040	3,118
Investments accounted for using the equity method	84	89
Other financial assets	13	13
Other non-financial assets	90	93
Deferred tax assets	138	97
Inventories	2,266	2,591
Trade accounts receivable	818	1,029
Contract assets	12	6
Other current financial assets	231	211
Other current non-financial assets	67	118
Current income tax assets	21	26
Cash and cash equivalents	19	35
Assets held for sale	**7,255**	**7,891**
Accrued pension and similar obligations	3,709	3,681
Provisions for other employee benefits	163	163
Other non-current provisions	279	280
Deferred tax liabilities	31	20
Non-current financial debt	104	96
Provisions for current employee benefits	8	6
Other current provisions	346	344
Current income tax liabilities	18	23
Current financial debt	38	42
Trade accounts payable	1,266	982
Other current financial liabilities	150	144
Contract liabilities	33	31
Other current non-financial liabilities	285	252
Liabilities associated with assets held for sale	**6,430**	**6,064**

[1] Figures have been adjusted (cf. Note 01).

The results of the discontinued steel operations are as following:

DISCONTINUED STEEL OPERATIONS

million €	1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018
Net sales	1,818	1,794
Other income	41	26
Expenses	(1,688)	(1,682)
Ordinary income/(loss) from discontinued operations (before tax)	**171**	**137**
Income tax (expense)/income	(54)	(51)
Ordinary income/(loss) from discontinued operations (net of tax)	**117**	**87**
Gain/(loss) recognized on disposal of discontinued operations (before tax)	0	0
Income tax (expense)/income	0	0
Gain/(loss) recognized on disposal of discontinued operations (net of tax)	**0**	**0**
Income/(loss) from discontinued operations (net of tax)	**117**	**87**
Thereof:		
thyssenkrupp AG's shareholders	118	85
Non-controlling interest	(1)	2

03 Income taxes

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

04 Accrued pension and similar obligations

Based on updated interest rates and fair value of plan assets, an updated valuation of accrued pension obligations was performed as of December 31, 2018.

ACCRUED PENSION AND SIMILAR OBLIGATIONS

million €	Sept. 30, 2018	Dec. 31, 2018
Accrued pension obligations	7,607	7,686
Partial retirement	188	175
Other accrued pension-related obligations	43	37
Reclassification due to the presentation as liabilities associated with assets held for sale	(3,709)	(3,681)
Total	**4,128**	**4,217**

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

WEIGHTED AVERAGE ASSUMPTIONS

	Sept. 30, 2018			Dec. 31, 2018		
in %	Germany	Outside Germany	Total	Germany	Outside Germany	Total
Discount rate for accrued pension obligations	1.70	2.54	1.91	1.70	2.54	1.91

05 Financial debt

Alongside other financing measures, a €100 million loan note with a maturity of three years and a coupon of 1.15% p.a. was placed in December 2018.

The existing commercial paper program with a maximum emission volume of €1.5 billion was drawn in the amount of €0.6 billion at December 31, 2018; loans of €1.0 billion were also drawn.

06 Contingencies and commitments

Contingencies

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

CONTINGENCIES

million €	Maximum potential amount of future payments as of Dec. 31, 2018	Provision as of Dec. 31, 2018
Advance payment bonds	20	0
Performance bonds	1	0
Residual value guarantees	61	15
Other guarantees	3	0
Total	**85**	**15**

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

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

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.

The discontinued operation thyssenkrupp Steel Europe AG, alongside other steel companies and associations, is the subject of ongoing investigations by the Federal Cartel Office into alleged cartel agreements. Based on current knowledge we are still unable to rule out substantial adverse effects on the Group's financial position.

Commitments and other contingencies

Due to the high volatility of iron ore prices, in the Steel Europe business area (part of the discontinued steel operations) the existing long-term iron ore and iron ore pellets supply contracts are measured for the entire contract period at the iron ore prices applying as of the respective balance sheet date. Compared with September 30, 2018, purchasing commitments decreased by approx. €150 million to €1.1 billion.

There have been no material changes to the other commitments and contingencies since the end of fiscal year 2017 / 2018.

07 Financial instruments

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

Equity and debt instruments are in general measured at fair value, which is based to the extent available on market prices as of the interim balance sheet date or internal valuation models.

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

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

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

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

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

FAIR VALUE HIERARCHY AS OF SEPT. 30, 2018

million €	Sept. 30, 2018	Level 1	Level 2	Level 3
Financial assets at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting (Financial assets held for trading)	65	0	65	0
Derivatives qualifying for hedge accounting	0	0	0	0
Fair value recognized in equity				
Available-for-sale financial assets	19	16	3	0
Derivatives qualifying for hedge accounting	4	0	4	0
Total	**88**	**16**	**72**	**0**
Financial liabilities at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting (Financial liabilities held for trading)	67	0	67	0
Derivatives qualifying for hedge accounting	0	0	0	0
Fair value recognized in equity				
Derivatives qualifying for hedge accounting	19	0	19	0
Total	**86**	**0**	**86**	**0**

FAIR VALUE HIERARCHY AS OF DEC. 31, 2018

million €	Dec. 31, 2018	Level 1	Level 2	Level 3
Financial assets at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting (Financial assets held for trading)	81	0	81	0
Derivatives qualifying for hedge accounting	3	0	3	0
Equity instruments	8	5	3	0
Fair value recognized in equity				
Equity and debt instruments	20	17	3	0
Derivatives qualifying for hedge accounting	9	0	9	0
Total	**121**	**22**	**99**	**0**
Financial liabilities at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting (Financial liabilities held for trading)	63	0	63	0
Derivatives qualifying for hedge accounting	5	0	5	0
Fair value recognized in equity				
Derivatives qualifying for hedge accounting	12	0	12	0
Total	**80**	**0**	**80**	**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.

08 Segment reporting

In connection with the realignment of the Industrial Solutions business area, Marine Systems was taken out and managed as a separate business unit as of October 1, 2018. The prior-period figures are adjusted accordingly.

Segment information for the 1st quarter ended December 31, 2017 and 2018, respectively is as follows:

SEGMENT INFORMATION [1]

million €	Components Technology	Elevator Technology	Industrial Solutions	Marine Systems	Materials Services [3]	Steel Europe [2]	Corporate [4]	Consolidation	Group
1st quarter ended Dec. 31, 2017									
Net sales	1,562	1,844	834	256	3,225	1,794	29	0	9,543
Internal sales within the Group	2	1	1	0	63	387	64	(518)	0
Total sales	1,564	1,844	835	256	3,288	2,181	93	(518)	9,543
EBIT	76	201	10	(1)	49	162	(72)	(1)	426
Adjusted EBIT	77	220	13	(1)	52	163	(75)	(1)	448
1st quarter ended Dec. 31, 2018									
Net sales	1,578	1,923	836	298	3,318	1,778	5	0	9,736
Internal sales within the Group	2	0	4	0	70	353	58	(487)	0
Total sales	1,580	1,923	840	298	3,388	2,131	63	(487)	9,736
EBIT	44	199	(31)	0	22	34	(91)	119	296
Adjusted EBIT	49	204	(23)	0	22	38	(77)	119	333

[1] 2017/2018 adjusted due to IFRS 15 and new Business Unit Marine Systems
[2] Discontinued operation
[3] Includes discontinued steel operations
[4] Includes discontinued steel operations in 2017/2018

In the Industrial Solutions business area average capital employed increased from €67 million as of September 30, 2018 to €172 million as of December 31, 2018.

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

RECONCILIATION NET SALES

million €	1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018
Net sales as presented in segment reporting	**9,543**	**9,736**
– Net sales discontinued steel operations	(1,818)	(1,794)
Net sales as presented in the statement of income	**7,725**	**7,942**

RECONCILIATION EBIT TO EBT

million €	1st quarter ended Dec. 31, 2017[1]	1st quarter ended Dec. 31, 2018
Adjusted EBIT as presented in segment reporting	**448**	**333**
Special items[2]	(22)	(36)
EBIT as presented in segment reporting	**426**	**296**
+ Finance income	172	196
– Finance expense	(258)	(279)
– Items of finance income assigned to EBIT based on economic classification	(13)	0
+ Items of finance expense assigned to EBIT based on economic classification	(5)	2
EBT-Group	**322**	**215**
– EBT discontinued steel operations	(171)	(137)
EBT from continuing operations as presented in the statement of income	**151**	**77**

[1] Figures have been adjusted (cf. Note 01 and 02).
[2] Refer to the explanation of the special items in the “Group and business area review” as part of the “Report on the economic position” of the interim management report.

09 Sales

Sales and sales from contracts with customers break down as follows:

SALES

million €	1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018
Sales from sale of finished products	2,251	2,127
Sales from sale of merchandise	2,494	2,673
Sales from rendering of services	1,165	1,189
Sales from construction contracts	1,750	1,810
Other sales from contracts with customers	143	91
Subtotal sales from contracts with customers	**7,803**	**7,891**
Other sales	(78)	51
Total	**7,725**	**7,942**

SALES FROM CONTRACTS WITH CUSTOMERS BY CUSTOMER GROUP

million €	1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018
Automotive	2,016	1,981
Trading	791	894
Engineering	940	932
Steel and related processing	813	666
Construction	968	1,055
Public sector	422	303
Packaging	95	74
Energie and utilities	137	99
Other customer groups	1,621	1,888
Total	**7,803**	**7,891**

SALES FROM CONTRACTS WITH CUSTOMERS BY REGION

million €	1st quarter ended Dec. 31, 2017	1st quarter ended Dec. 31, 2018
German-speaking area[1]	1,966	1,943
Western Europe	1,505	1,399
Central and Eastern Europe	525	523
Commonwealth of Independent States	60	56
North America	1,762	1,918
South America	252	216
Asia / Pacific	446	501
Greater China	657	772
India	85	105
Middle East & Africa	547	459
Total	**7,803**	**7,891**

[1] Germany, Austria, Switzerland, Liechtenstein

Of the sales from contracts with customers, €1,936 million (prior year: €1,841 million) results from long-term contracts and €5,955 million (prior year: €5,963 million) from short-term contracts, €3,069 million (prior year: €1,820 million) relates to sales recognized over time, and €4,822 million (prior year: €5,983 million) to sales recognized at a point in time.

10 Earnings per share

Basic earnings per share are calculated as follows:

EARNINGS PER SHARE

	1st quarter ended Dec. 31, 2017[1]		1st quarter ended Dec. 31, 2018	
	Total amount in million €	Earnings per share in €	Total amount in million €	Earnings per share in €
Income/(loss) from continuing operations (net of tax) (attributable to thyssenkrupp AG's shareholders)	(37)	(0.06)	51	0.08
Income/(loss) from discontinued operations (net of tax) (attributable to thyssenkrupp AG's shareholders)	118	0.19	85	0.14
Net income/(loss) (attributable to thyssenkrupp AG's shareholders)	**81**	**0.13**	**136**	**0.22**
Weighted average shares	622,531,741		622,531,741	

[1] Figures have been adjusted (cf. Note 01 and 02).

There were no dilutive securities in the periods presented.

11 Additional information to the consolidated statement of cash flows

The liquid funds considered in the consolidated statement of cash flows correspond to the "Cash and cash equivalents" line item in the consolidated statement of financial position inclusive of cash and cash equivalents attributable to the discontinued operation. As of December 31, 2018 cash and cash equivalents of €27 million (prior year: €22 million) result from the joint operation HKM.

Essen, February 6, 2019

thyssenkrupp AG
The Executive Board

Kerkhoff

Burkhard Dietsch Kaufmann

Review report

To thyssenkrupp AG, Duisburg and Essen

We have reviewed the condensed consolidated interim financial statements – comprising the consolidated statement of financial position, the consolidated statement of income and the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and selected explanatory notes – and the interim group management report of thyssenkrupp AG, Duisburg and Essen, for the period from October 1, 2018, to December 31, 2018, which are part of the quarterly financial report pursuant to § (Article) 115 WpHG ("Wertpapierhandelsgesetz" German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

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

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

Essen, February 11, 2019

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

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

Additional information

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2019 / 2020 financial calendar

May 14, 2019
Interim report 1st half 2018 / 2019 (October to March)

August 8, 2019
Interim report 9 months 2018 / 2019 (October to June)

End of 2019
(Date depends on completion of spin-off report)
2018 / 2019 Annual report (October to September)

January 31, 2020
Annual General Meeting

February 13, 2020
Interim report 1st quarter 2019 / 2020 (October to December)

This interim report was published on February 12, 2019.
Produced in-house using firesys.

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

Rounding differences and rates of change
Percentages and figures in this report may include rounding differences. The signs used to indicate rates of change are based on economic aspects: Improvements are indicated by a plus (+) sign, deteriorations are shown in brackets ( ). Very high positive and negative rates of change (≥500% or ≤(100)%) are indicated by ++ and –– respectively.

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

thyssenkrupp