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Interim report 9 months 2016/2017
October 1, 2016 – June 30, 2017
thyssenkrupp AG

thyssenkrupp

thyssenkrupp in figures

GROUP TOTAL

		9 months ended June 30, 2016	9 months ended June 30, 2017	Change	in %	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017	Change	in %
Order intake	million €	28,236	32,673	4,437	16	9,399	10,725	1,327	14
Net sales	million €	29,265	32,013	2,748	9	9,865	10,929	1,064	11
EBIT [1]	million €	846	205	(640)	(76)	372	529	158	42
EBIT margin	%	2.9	0.6	(2.2)	(78)	3.8	4.8	1.1	29
Adjusted EBIT [1]	million €	1,001	1,376	375	37	441	620	179	41
Adjusted EBIT margin	%	3.4	4.3	0.9	26	4.5	5.7	1.2	27
EBT	million €	445	(287)	(732)	--	261	293	32	12
Net income/(loss)	million €	115	(721)	(836)	--	124	134	10	8
attributable to thyssenkrupp AG's shareholders	million €	168	(751)	(919)	--	130	120	(10)	(8)
Earnings per share (EPS)	€	0.30	(1.33)	(1.62)	--	0.23	0.21	(0.02)	(8)
Operating cash flows	million €	(158)	(1,338)	(1,180)	--	545	1	(543)	(100)
Cash flow for investments	million €	(890)	(1,182)	(292)	(33)	(343)	(456)	(112)	(33)
Cash flow from divestments	million €	35	68	33	96	3	9	6	172
Free cash flow	million €	(1,014)	(2,452)	(1,439)	--	205	(445)	(650)	--
Free cash flow before M&A	million €	(1,007)	(2,326)	(1,318)	--	205	(377)	(582)	--
Net financial debt (June 30)	million €	4,770	6,311	1,540	32	4,770	6,311	1,540	32
Total equity (June 30)	million €	2,723	2,242	(482)	(18)	2,723	2,242	(482)	(18)
Gearing (June 30)	%	175.2	281.5	106.3	61	175.2	281.5	106.3	61
Employees (June 30)		155,248	161,781	6,533	4	155,248	161,781	6,533	4

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

CONTINUING OPERATIONS

		9 months ended June 30, 2016	9 months ended June 30, 2017	Change	in %	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017	Change	in %
Order intake	million €	27,372	31,456	4,085	15	9,090	10,213	1,123	12
Net sales	million €	28,430	30,772	2,342	8	9,603	10,437	834	9
EBIT	million €	936	985	49	5	318	484	167	52
EBIT margin	%	3.3	3.2	(0.1)	(3)	3.3	4.6	1.3	40
Adjusted EBIT	million €	1,100	1,222	122	11	401	519	118	29
Adjusted EBIT margin	%	3.9	4.0	0.1	3	4.2	5.0	0.8	19
EBT	million €	550	679	129	23	212	396	184	86
Income/(loss) (net of tax)	million €	251	326	75	30	89	268	179	203
attributable to thyssenkrupp AG's shareholders	million €	223	296	73	33	82	254	172	210
Earnings per share (EPS)	€	0.39	0.52	0.13	33	0.14	0.45	0.30	211
Operating cash flows	million €	(68)	(1,256)	(1,188)	--	526	24	(502)	(95)
Cash flow for investments	million €	(814)	(1,067)	(253)	(31)	(323)	(432)	(110)	(34)
Cash flow from divestments	million €	33	62	29	86	3	8	5	176
Free cash flow [1]	million €	(849)	(2,261)	(1,412)	--	206	(400)	(606)	--
Free cash flow before M&A [1]	million €	(843)	(2,190)	(1,347)	--	206	(332)	(538)	--
Employees (June 30)		151,511	157,634	6,123	4	151,511	157,634	6,123	4

[1] See reconciliation in the analysis of the statement of cash flows.

In the context of the Strategic Way Forward, thyssenkrupp reached agreement with Ternium on the sale of the Brazilian steel mill CSA and the signing took place in February 2017. The transfer is to take retroactive effect from September 30, 2016. The competent competition authorities have in the meantime given their approval. The approval of the Brazilian competition authority CADE is not yet final. The transaction meets the criteria of IFRS 5 for reporting the Steel Americas business area as a discontinued operation.

BUSINESS AREAS

	Order intake million €		Net sales million €		EBIT [1] million €		Adjusted EBIT [1] million €		Employees	
	9 months ended June 30, 2016	9 months ended June 30, 2017	9 months ended June 30, 2016	9 months ended June 30, 2017	9 months ended June 30, 2016	9 months ended June 30, 2017	9 months ended June 30, 2016	9 months ended June 30, 2017	June 30, 2016	June 30, 2017
Components Technology	5,093	5,738	5,122	5,648	218	216	256	274	30,281	32,469
Elevator Technology	5,691	6,038	5,526	5,703	569	584	614	662	51,467	52,460
Industrial Solutions	2,715	4,149	4,343	4,002	283	48	287	70	19,530	21,678
Materials Services	8,891	10,244	8,914	10,185	36	189	66	245	19,623	19,862
Steel Europe	6,294	6,692	5,664	6,616	198	347	207	352	27,201	27,384
Corporate	173	190	179	195	(385)	(388)	(347)	(370)	3,409	3,781
Consolidation	(1,485)	(1,594)	(1,317)	(1,577)	18	(10)	18	(10)		
Continuing operations	**27,372**	**31,456**	**28,430**	**30,772**	**936**	**985**	**1,100**	**1,222**	**151,511**	**157,634**
Steel Americas	1,040	1,477	1,011	1,483	(91)	(781)	(100)	152	3,737	4,147
Consolidation	(176)	(261)	(176)	(241)	0	2	0	2	0	0
Group Total	**28,236**	**32,673**	**29,265**	**32,013**	**846**	**205**	**1,001**	**1,376**	**155,248**	**161,781**

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

	Order intake million €		Net sales million €		EBIT [1] million €		Adjusted EBIT [1] million €	
	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017
Components Technology	1,775	2,000	1,783	1,970	72	93	100	99
Elevator Technology	1,867	2,024	1,906	1,954	205	232	225	240
Industrial Solutions	541	1,031	1,228	1,241	41	15	43	6
Materials Services	3,123	3,430	3,087	3,504	35	57	52	73
Steel Europe	2,265	2,171	2,015	2,337	92	231	91	232
Steel Americas	0	0	0	0	(1)	(1)	(1)	(1)
Corporate	80	97	64	69	(130)	(145)	(113)	(131)
Consolidation	(562)	(539)	(481)	(639)	4	1	4	1
Continuing operations	**9,090**	**10,213**	**9,603**	**10,437**	**318**	**484**	**401**	**519**
Steel Americas	383	605	336	566	53	44	39	100
Consolidation	(74)	(92)	(74)	(73)	1	1	1	1
Group Total	**9,399**	**10,725**	**9,865**	**10,929**	**372**	**529**	**441**	**620**

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

THYSSENKRUPP STOCK / ADR MASTER DATA AND KEY FIGURES

ISIN			Number of shares (total)	shares	565,937,947
Shares (Frankfurt, Düsseldorf stock exchanges)	DE 000 750 0001		Closing price end June 2017	€	24.88
ADRs (over-the-counter trading)	US88629Q2075		Stock exchange value end June 2017	million €	14,080
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

Report on the economic position

Summary

After 9 months remaining on growth track with significant progress in earnings

- Group and continuing operations with order intake, sales, and adjusted EBIT clearly higher year-on-year
- Highest 9-month order intake since start of Strategic Way Forward
  - Capital goods businesses and materials businesses with double-digit growth rates overall
  - Components Technology and Elevator Technology with new record highs
- Capital goods business overall and all materials businesses with sales growth
- Group and continuing operations with adjusted EBIT significantly higher year-on-year:
  - Elevator Technology with continued earnings and margin improvement
  - Temporary decline at Industrial Solutions (lower-margin project milestones and partial underutilization)
  - Steel Europe with strong margin expansion
- “impact”: €670 million EBIT effects increase efficiency in first 9 months. Also:
  - Further measures of around €400 million to reduce general and administrative costs at Corporate and in all business areas by end of fiscal 2019 / 2020
  - Expansion of efficiency program at Industrial Solutions to lower costs by a three-digit million euro amount on top of measures previously initiated
- Group’s net income in reporting period impacted by negative income effect in 2nd quarter from sale of CSA; 3rd-quarter net income clearly positive and higher year-on-year
- As expected, free cash flow of Group and continuing operations clearly negative in first 9 months due to increase in net working capital
- Sale of the Brazilian steel mill CSA to Ternium approved without restrictions by the Brazilian competition authority CADE on August 1, approval not yet legally binding; closing of the transaction expected before end of fiscal year; clearly positive effects on net financial debt and gearing
- Sales and earnings forecast for Group and continuing operations affirmed. FCF before M&A now expected to be negative in mid to higher three-digit million euro range
  - Due to the earlier than expected closing of the sale of CSA to Ternium in the 4th quarter and absence therefore of the anticipated NWC release by CSA towards the end of the fiscal year. The absence of this NWC release results in a correspondingly higher purchase price. This is neutral for expected net financial debt and FCF overall but will burden FCF before M&A
- Key milestones in product innovation and digitization support long-term growth prospects
  - MULTI, world’s first rope-free, sideways-moving elevator, unveiled in test tower; first customer order received for MULTI
  - 100,000th MAX unit installed, elevator sector’s first predictive maintenance solution
  - In-house developed IIoT (Industrial Internet of Things) platform “toii” connects machinery at Materials Services

Macro and sector environment

Global economy has gained momentum – outlook remains marked by great uncertainty

- Compared with start of fiscal year, slight acceleration in global economic growth despite high political uncertainty
- Industrialized countries: Continued, faster upturn thanks to continuing expansionary monetary policy and stabilization of economy in the USA and Europe
- Emerging economies: Increasing momentum and end of recession in Brazil and Russia; growth in China in 2017 level with prior year
- But risks and uncertainties for global economy remain exceptionally high (geopolitical flashpoints, impact of US economic policy and interest rate liftoff in USA, Brexit negotiations, volatility of oil and raw material prices, high volatility in Chinese financial and real estate sectors)

GROSS DOMESTIC PRODUCT

Real change compared to previous year in %	2016	2017[1]
Euro zone	1.7	1.8
Germany	1.9	1.7
Russia	(0.2)	1.1
Rest of Central/Eastern Europe	2.4	2.8
USA	1.6	2.2
Brazil	(3.6)	0.3
Japan	1.0	1.3
China	6.7	6.7
India	7.0	7.0
Middle East & Africa	2.4	3.0
World	**2.9**	**3.4**

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

Automotive

- Slight growth in global sales and production of cars and light trucks in 2017 from high prior-year level
- Europe: Outlook for 2017 slightly positive in virtually all markets
- USA: Significantly weaker production, particularly in car sector, very high inventories
- Mexico: Steep increase, among other things ramp-up of new production plants, particularly for exports
- Brazil: Economic and political conditions remain uncertain; production at low level
- China: Sales and production of cars with double-digit growth in 2016, benefiting in part from pull-forward effects due to reduced tax breaks; further growth expected in 2017 with reduced government incentives
- Heavy trucks: Increase in global production expected for 2017, driven mainly by China; Europe stable; NAFTA Class 8 showing first signs of market recovery; Brazil weak

Machinery

- Germany: Forecast for 2017 raised significantly, in particular demand from abroad expected to increase
- USA: Continued upturn in investment in oil and gas production
- China: Growth in 2017 to slow slightly at a higher level than previously expected; lower government fiscal incentives for infrastructure and state-owned companies; however, planned transformation to high-tech nation should keep growth at a solid level

Construction

- Germany: Further slight increase in growth expected in 2017; driver remains housing construction, but also public sector and commercial construction
- USA: Continued solid growth albeit at lower level, potential additional stimulus from new administration’s fiscal measures
- China and India: In China government measures to cool down real estate market taking effect in 2017; continuing urbanization to provide further important impetus in India

IMPORTANT SALES MARKETS

	2016	2017[1]
Vehicle production, million cars and light trucks		
World	90.6	92.0
Western Europe (incl. Germany)	14.5	14.7
Germany	5.9	5.8
USA	12.0	11.2
Mexico	3.5	4.1
Japan	8.8	9.2
China	27.0	27.3
India	4.1	4.3
Brazil	2.0	2.3
Machinery production, real, in % versus prior year		
Germany	0.0	3.0
USA	(2.7)	2.7
Japan	(1.0)	3.9
China	6.5	6.0
Construction output, real, in % versus prior year		
Germany	4.0	2.7
USA	3.5	3.8
China	6.7	4.6
India	2.7	5.2

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

Steel

- Global finished steel demand rising faster (+3%) than expected at start of year with economic growth accelerating in 2017
- EU carbon flat steel market up slightly year-on-year in first six months of 2017 – with further pressure from imports: lower volumes from China and Russia but significantly higher imports from other third countries, particularly India and Turkey
- Market environment remains extremely challenging, particularly on account of global overcapacities, increasing export risks, and continued highly volatile raw material prices

Group and business area review

ORDER INTAKE BY BUSINESS AREA

million €	9 months ended June 30, 2016	9 months ended June 30, 2017	Change in %	Change on a comparable basis[1] in %	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017	Change in %	Change on a comparable basis[1] in %
Components Technology	5,093	5,738	13	12	1,775	2,000	13	12
Elevator Technology	5,691	6,038	6	5	1,867	2,024	8	7
Industrial Solutions	2,715	4,149	53	51	541	1,031	90	82
Materials Services	8,891	10,244	15	14	3,123	3,430	10	9
Steel Europe	6,294	6,692	6	6	2,265	2,171	(4)	(4)
Corporate	173	190	10	10	80	97	21	21
Consolidation	(1,485)	(1,594)	—	—	(562)	(539)	—	—
Order intake of the continuing operations	**27,372**	**31,456**	**15**	**14**	**9,090**	**10,213**	**12**	**11**
Steel Americas	1,040	1,477	42	39	383	605	58	54
Consolidation	(176)	(261)	—	—	(74)	(92)	—	—
Order intake of the Group	**28,236**	**32,673**	**16**	**15**	**9,399**	**10,725**	**14**	**13**

[1] Excluding material currency and portfolio effects

Order intake in all **capital goods businesses** was clearly higher year-on-year in the first 9 months, supported partly by positive exchange-rate effects.

Components Technology

- Car components: Growth in particular in axle assembly, damping systems and camshaft modules; positive trend in China and Western Europe more than offset slowdown in the USA and continuing weak demand in Brazil
- Components for heavy trucks: Market improvement in China, Europe solid, further upturn in USA in 3rd quarter, Brazil still weak
- Industrial components: Growth in demand for construction equipment components against weak prior year, signs of recovery over last two quarters; higher order intake also for wind energy and machinery components

Elevator Technology

- Order intake at new record high, driven by major projects; continued high level of orders in hand (€5.2 billion excl. service)
- Positive trend in the USA, Brazil, and South Korea; major infrastructure projects in Germany and Turkey; China lower year-on-year (mainly due to negative exchange rate effects and high price pressure)

Industrial Solutions

- Clear year-on-year increase in first 9 months and in 3rd quarter confirms turnaround in order intake and strong project pipeline
- Marine Systems: Major submarine order in 2nd quarter; nominated as exclusive strategic partner for Norwegian/German submarine program
- Cement: Orders for new plants in Algeria in 1st quarter and Bolivia in 3rd quarter; also various orders for plant expansions and modernizations
- Mining: Major order (ship loader and stockyard equipment) in North America in 3rd quarter and further medium-size and smaller orders (incl. belt conveyor systems, bucket wheel excavators, and coal handling facility in Asia as well as biomass power plant in Australia)
- Chemical plant engineering: Major projects at advanced stage of negotiation
- System Engineering: Orders for battery assembly plant, body-in-white lines and test systems from leading German automakers in Europe and Asia; temporary decline in first 9 months with full-year outlook remaining positive

Orders in the **materials businesses** Materials Services and Steel Europe were clearly up year-on-year in the first 9 months thanks in particular to higher prices. At Steel Europe orders in 3rd quarter were down from prior year as a result of lower volumes.

Steel Americas (discontinued operation) clearly up from prior-year due to higher prices.

NET SALES BY BUSINESS AREA

million €	9 months ended June 30, 2016	9 months ended June 30, 2017	Change in %	Change on a comparable basis[1] in %	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017	Change in %	Change on a comparable basis[1] in %
Components Technology	5,122	5,648	10	9	1,783	1,970	10	9
Elevator Technology	5,526	5,703	3	2	1,906	1,954	3	1
Industrial Solutions	4,343	4,002	(8)	(11)	1,228	1,241	1	(9)
Materials Services	8,914	10,185	14	14	3,087	3,504	13	13
Steel Europe	5,664	6,616	17	17	2,015	2,337	16	16
Corporate	179	195	9	9	64	69	8	8
Consolidation	(1,317)	(1,577)	—	—	(481)	(639)	—	—
Sales of the continuing operations	**28,430**	**30,772**	**8**	**7**	**9,603**	**10,437**	**9**	**7**
Steel Americas	1,011	1,483	47	44	336	566	68	64
Consolidation	(176)	(241)	—		(74)	(73)	—	
Sales of the Group	**29,265**	**32,013**	**9**	**8**	**9,865**	**10,929**	**11**	**9**

[1] Excluding material currency and portfolio effects

Overall sales in the **capital goods businesses** were higher year-on-year.

- Rising sales at Components Technology (particularly for auto components) and Elevator Technology (particularly positive trend in the USA and South Korea) outweighed declining sales at Industrial Solutions (lower number of milestone billings in plant engineering; but sales gains at Marine Systems and System Engineering)

The **materials businesses** Materials Services and Steel Europe increased their sales significantly year-on-year mainly due to higher prices.

Materials Services

- Double-digit percentage sales gains year-on-year
- Following recovery, prices now declining in almost all product segments; however prices for flat steel products from Asia currently rising again; stainless steel prices remain highly volatile
- Overall materials volumes level with prior year (7.3 million tons shipments)
- Stable warehousing and service business, particularly due to new service centers in Hungary and Spain; situation in global materials trading likewise stable
- Gains at AST due to higher volumes and prices
- Raw material trading volumes down from 2.3 million tons to 0.9 million tons; stronger focus on higher-value, higher-margin products

Steel Europe

- Higher sales due to higher average net selling prices and rising shipments (8.6 million tons; up 4 %), but lower volumes in heavy plate due to market- and production-related factors
- Price recovery for all products and business units with exception of Electrical Steel

Steel Americas (discontinued operation) achieved higher sales due to higher prices, with shipments temporarily lower (3.1 million tons; down 5 %). Good progress building further long-term customer relationships and increase in local shipment volumes.

ADJUSTED EBIT BY BUSINESS AREA

million €	9 months ended June 30, 2016	9 months ended June 30, 2017	Change in %	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017	Change in %
Components Technology	256	274	7	100	99	(1)
Elevator Technology	614	662	8	225	240	7
Industrial Solutions	287	70	(76)	43	6	(87)
Materials Services	66	245	273	52	73	39
Steel Europe	207	352	70	91	232	154
Corporate	(347)	(370)	(7)	(113)	(131)	(16)
Consolidation	18	(10)	—	4	1	—
Adjusted EBIT of the continuing operations	**1,100**	**1,222**	**11**	**401**	**519**	**29**
Steel Americas	(100)	152	++	39	100	156
Consolidation	0	2	—	1	1	—
Adjusted EBIT of the Group [1]	**1,001**	**1,376**	**37**	**441**	**620**	**41**

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

In the **capital goods businesses** adjusted EBIT in the first 9 months was lower year-on-year despite sustainable efficiency and cost reduction measures.

- Continued growth at Components Technology and Elevator Technology could not offset decline at Industrial Solutions

Components Technology

- Adjusted EBIT level with prior year in 3rd quarter and higher year-on-year in first 9 months
- Improvements in car components outweighed declines in industrial components

Elevator Technology

- Adjusted EBIT and margin in 3rd quarter higher year-on-year for the 19th quarter in succession
- Margin at 12.3 % in 3rd quarter 0.5 percentage points higher year-on-year as a result of performance program

Industrial Solutions

- Adjusted EBIT down sharply year-on-year, reflecting lower-margin project milestones as well as partial underutilization; partly offset by positive effects from full consolidation of Atlas Elektronik

In the **materials businesses** Materials Services and Steel Europe adjusted EBIT was significantly higher year-on-year, also supported by cost programs.

Materials Services

- Positive price trend particularly in 1st half and continued earnings-securing measures led to strong earnings improvement in all units
- AST with significantly higher earnings contribution, reflecting positive price trend and sustainable success of performance programs

Steel Europe

- Earnings in 9-month period significantly higher year-on-year, primarily due to higher selling prices, and with clear improvement over course of fiscal year; raw material costs softened in reporting quarter, but now rising again
- Correspondingly positive margin trend: Adjusted EBIT margin in 3rd quarter increased to 9.9 %, compared with 1.5 % and 3.9 % in previous two quarters

At **Corporate** adjusted EBIT was down year-on-year and continues to include project expenditures in connection with the digital initiatives (IT infrastructure standardization and data and process harmonization).

At **Steel Americas** (discontinued operation) the positive price trend, cost reduction measures and valuation effects on input tax credits outweighed lower shipments and higher raw material costs and negative cost effects from the stronger Brazilian real.

Earnings impacted by special items

SPECIAL ITEMS BY BUSINESS AREA

million €	9 months ended June 30, 2016	9 months ended June 30, 2017	Change	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017	Change
Components Technology	38	58	20	28	6	(22)
Elevator Technology	45	78	33	19	8	(12)
Industrial Solutions	4	22	18	2	(9)	(11)
Materials Services	29	57	27	18	15	(2)
Steel Europe	9	4	(5)	0	1	1
Corporate	38	18	(20)	17	14	(3)
Consolidation	0	0	—	0	0	—
Special items from continuing operations	**164**	**237**	**73**	**84**	**35**	**(49)**
Steel Americas	(9)	933	942	(14)	56	70
Consolidation	0	0	—	0	0	—
Total special items	**155**	**1,170**	**1,015**	**70**	**91**	**21**

- Main special items in the reporting period:
  - Components Technology: restructurings and capacity adjustments at Forging & Machining due to weak market and order situation in Brazil, in “heavy crankshafts” in Germany and construction equipment components in Italy, as well as non-period expenses in steering systems business
  - Elevator Technology: restructuring and reorganization in Europe and the Middle East
  - Industrial Solutions: restructuring of plant construction and reorganization; positive valuation effects in connection with full consolidation of Atlas Elektronik in 3rd quarter
  - Materials Services: several restructuring measures; winding-up of railway equipment
  - Corporate: subsequent expenses from divestment projects
  - Steel Americas (discontinued operation): updated valuation of a long-term freight contract; negative earnings effect in connection with sale of CSA

Results of operations and financial position

Analysis of the statement of income

Income from operations

- Growth in cost of sales of continuing operations slightly higher than growth in net sales; gross profit margin down year-on-year to 17.0 % (prior year: 17.3 %)
- Increase in selling expenses of continuing operations mainly due to higher expenses for sales-related freight and insurance charges and tariffs
- Increase in general and administrative expenses of continuing operations resulting mainly from higher personnel expenses, due in part to increased restructuring provisions, and higher consulting and IT costs
- Increase in other income of continuing operations mainly due to remeasurement of the investment in Atlas Elektronik in connection with the switch to full consolidation as a result of acquisition of the remaining shares
- Increase in other expenses of continuing operations mainly due to higher non-income taxes

Financial income/expense and income tax

- Decrease in finance income mainly due to lower exchange rate gains in connection with financial transactions alongside higher income from derivatives in connection with financing
- Net decrease in finance expense mainly due to much lower exchange rate losses in connection with financial transactions and lower interest expense for financial debt and pensions alongside higher expenses from derivatives in connection with financing
- Increased tax expense on rising profits in the USA and non-recognition of deferred tax assets

Earnings per share

- Net income down by €836 million to loss of €721 million; impairment charges in connection with the initiated sale of the Brazilian steel mill CSA to Ternium impacted income from discontinued operations
- Improvement in non-controlling interest mainly due to takeover of minority interest in thyssenkrupp CSA in 3rd quarter of fiscal 2015 / 2016
- Large decrease in earnings per share to loss of €1.33

Analysis of the statement of cash flows

Operating cash flows

- Operating cash flows from continuing operations positive in the 3rd quarter but lower year-on-year mainly due to increase in operating assets and liabilities; clearly negative and likewise lower year-on-year in the first 9 months mainly due to net increase in operating assets and liabilities
  – Volume recovery and strong rise in materials prices in the materials businesses
  – Working down of existing orders and temporary shift in payment profile at Industrial Solutions

Cash flows from investing activities

- Capital spending at continuing operations higher year-on-year in the first 9 months; share of capital goods businesses in continuing operations 51 %
- Modernization of IT and harmonization of systems landscape at all business areas and Corporate to enhance efficiency, lower costs and as a basis for Industry 4.0

INVESTMENTS BY BUSINESS AREA

million €	9 months ended June 30, 2016	9 months ended June 30, 2017	Change in %	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017	Change in %
Components Technology	296	397	34	133	170	28
Elevator Technology	83	110	34	27	34	27
Industrial Solutions	52	41	(22)	19	8	(55)
Materials Services	72	63	(12)	27	20	(29)
Steel Europe	280	425	51	105	184	75
Corporate	33	36	8	11	11	(5)
Consolidation	(2)	(5)	—	0	5	—
Investments of the continuing operations	**814**	**1,067**	**31**	**323**	**432**	**34**
Steel Americas	76	115	51	21	23	11
Consolidation	0	0	—	0	0	—
Total investments	**890**	**1,182**	**33**	**343**	**456**	**33**

Components Technology

- Building of highly automated plants in China following orders by international and Chinese OEMs for electric steering systems, springs and stabilizers
- Opening of new development center for drive technology in Dalian/China, focused on custom development of innovative valvetrain products for the Chinese marketExpansion of production in Hungary: cylinder head covers with integrated camshafts, front and rear axle assembly, production of springs and stabilizers and electric steering systems

Elevator Technology

- China: Completion of 249 m high test tower in Zhongshan running to plan, commissioning scheduled for late 2017
- Germany: MULTI, innovative rope-less elevator system, unveiled in Rottweil test tower in June; first order for a new high-rise in Berlin
- Germany: Start of installation of membrane facade as final step in completion of 246 m high test tower in Rottweil

Industrial Solutions

- Cement and Mining: expansion of infrastructure and optimization of technology portfolio to strengthen market position
- Chemical plant construction: continued investment in optimization of technology portfolio
- System Engineering: continued growth and international expansion in forming dies
- Marine Systems: further implementation of modernization program at Kiel shipyard (currently mainly IT and infrastructure); acquisition of 49 % share in Atlas Elektronik formerly held by Airbus completed in April to strengthen competitive position

Materials Services

- Modernization and maintenance measures at warehousing and service units and AST; at AST also relocation of cold-rolled anneal and pickle line from Turin to Terni

Steel Europe

- Reline of blast furnace B at HKM (Hüttenwerke Krupp Mannesmann GmbH)
- New ladle furnace at BOF shop 2 to produce high-quality grades, in particular ultrahigh-strength steels for the auto industry; project started last fiscal year
- Acquisition of a previously leased CHP plant completed at the end of May

Corporate

- Investments for the Carbon2Chem project and at Carbon Components
- Centrally pooled property investments and license purchases

At **Steel Americas** (discontinued operation) investments included the insourcing of water and effluent treatment services with the acquisition of two Brazilian companies as well as environmental protection and technical optimization measures.

The slight increase in cash inflows from divestments at the continuing operations was mainly the result of proceeds in the reporting period from the disposal of German property classed as non-operating real estate.

Cash flows from financing activities

- Increase in cash flows from financing activities at the continuing operations mainly due to higher proceeds from borrowings in the reporting period; offsetting effects mainly due to increased expenditures for the financing of discontinued operations and higher repayments of currency and cross currency swaps in connection with Group financing

Free cash flow and net financial debt

RECONCILIATION TO FREE CASH FLOW BEFORE M&A

million €	9 months ended June 30, 2016	9 months ended June 30, 2017	Change	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017	Change
Operating cash flows - continuing operations (consolidated statement of cash flows)	(68)	(1,256)	(1,188)	526	24	(502)
Cash flows from investing activities - continuing operations (consolidated statement of cash flows)	(781)	(1,005)	(224)	(320)	(424)	(104)
Free cash flow - continuing operations (FCF)	**(849)**	**(2,261)**	**(1,412)**	**206**	**(400)**	**(606)**
–/+ Cash inflow/cash outflow resulting from material M&A transactions	6	71	65	0	68	68
Free cash flow before M&A – continuing operations (FCF before M&A)	**(843)**	**(2,190)**	**(1,347)**	**206**	**(332)**	**(538)**
Steel Americas	(165)	(136)	28	(2)	(45)	(44)
Free cash flow before M&A - Group (FCF before M&A)	**(1,007)**	**(2,326)**	**(1,318)**	**205**	**(377)**	**(582)**

- FCF before M&A of continuing operations and of Group as expected down from prior year in the first 9 months mainly due to higher negative operating cash flows
- Net financial debt correspondingly up at June 30, 2017 to €6,311 million
- Ratio of net financial debt to equity (gearing) at 281.5 % higher than at September 30, 2016 (134.2 %); significant reduction expected at end of fiscal year
- Available liquidity of €6.0 billion (€2.2 billion cash and cash equivalents and €3.8 billion undrawn committed credit lines)
- Additional emission volume of €0.4 billion under existing €1.5 billion commercial paper program at June 30, 2017

Financing measure

- Placement of a €1,250 million bond in March 2017; maturity 5 years; coupon 1.375 % p.a.

Rating

RATING

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

Analysis of the statement of financial position

Non-current assets

- Increase in intangible assets mainly due to inclusion of preliminary goodwill from the first-time consolidation of Atlas Elektronik in the reporting quarter
- Decreases in property, plant and equipment and other non-financial assets mainly due to reclassifications to assets held for sale (classification of Steel Americas as discontinued operation)
- Decrease in equity method investments mainly due to above-mentioned first-time consolidation of Atlas Elektronik
- Decrease in deferred tax assets mainly the result of interest rate changes for pension obligations at June 30, 2017

Current assets

- Net increase in current assets mainly due to increase in assets held for sale (classification of Steel Americas as discontinued operation)
- Increase in inventories and trade accounts receivable mainly due to significant rise in capital employed at the continuing materials operations and at Industrial Solutions; at the same time decreases mainly due to reclassifications to assets held for sale
- Decrease in other non-financial assets mainly due to lower advance payments; in addition lower entitlements in connection with non-income taxes due to reclassifications to assets held for sale
- Significant decrease in cash and cash equivalents mainly the result of negative free cash flow from continuing operations in the reporting period and financing of Steel Americas business area classified as a discontinued operation; offsetting effect: proceeds from borrowings

Total equity

- Net decrease; besides currency translation and dividend payments mainly due to net loss for the reporting period (impairment charges in connection with the initiated sale of CSA)
- At the same time increases due to gains (after taxes) recognized in other comprehensive income from the remeasurement of pensions and similar obligations as a result of higher discount rates

Non-current liabilities

- Decrease in provisions for pensions and similar obligations mainly due to higher discount rates
- Increase in financial debt mainly due to placement of a bond in March 2017; in addition decreases due to reclassifications to liabilities associated with assets held for sale

Current liabilities

- Increase in current liabilities mainly due to increase in liabilities associated with assets held for sale (classification of Steel Americas as a discontinued operation)
- Reduction in provisions for current employee benefits mainly due to utilization
- Decrease in financial debt mainly reflects repayment of a bond in February 2017 combined with drawings from the existing commercial paper program in the reporting period
- Reduction in other financial liabilities mainly due to lower interest liabilities and reclassification of derivatives to liabilities associated with assets held for sale
- Increase in other non-financial liabilities mainly in connection with non-income taxes

Compliance

Compliance – a question of mindset

- We build on strong values: reliability, honesty, credibility and integrity
- Compliance is a must
- Our values are anchored in the Group mission statement, Code of Conduct and Compliance Commitment
- We investigate reports of violations and clear up the facts; violations are stopped immediately; necessary sanctions are independent of person and function
- Public prosecutor's investigation into Atlas Elektronik completed, no fine imposed; for more information see risk report
- Israel: state attorney investigations over naval projects, also into local sales agent of thyssenkrupp Marine Systems; according to current knowledge no investigations into thyssenkrupp companies or employees; in-house investigation initiated; we are cooperating with the investigating authorities; where necessary further measures will be taken
- More information on compliance at thyssenkrupp in the 2015 / 2016 Annual Report

Subsequent events

The reportable events occurring between the end of the reporting period (June 30, 2017) and the date of authorization for issuance (August 7, 2017) are presented in Note 10 to the interim financial statements.

Forecast, opportunity and risk report

2016 / 2017 forecast

Overall assessment by the Executive Board

- Pleasing progress on transformation of the Group and continuation of good operating performance in the first 9 months:
  - Sale of Brazilian steel mill CSA to Ternium in 2nd quarter concludes Steel Americas exit
  - Group and continuing operations with highest order intake since the start of the Strategic Way Forward; sales and adjusted EBIT higher year-on-year
- However, also severe dislocations on the raw materials markets, especially for coking coal, with temporary effects on expected costs and net working capital
- Sales and earnings forecast for the Group and the continuing operations affirmed; forecast for FCF before M&A of the Group revised (see below)

For key assumptions and expected economic conditions see forecast section and "Macro and sector environment" in the report on the economic position in the 2015 / 2016 Annual Report and this interim report.

2016 / 2017 expectations

- **Group sales** and **sales of the continuing operations** to increase on a comparable basis in the high single-digit percentage range
  - Capital goods businesses: on a comparable basis increase in single-digit percentage range for Components Technology and Elevator Technology; decrease in single-digit percentage range for Industrial Solutions
  - Materials businesses: on a comparable basis Materials Services, Steel Europe and Steel Americas (discontinued operation) to achieve increase in double-digit percentage range driven by volumes and in particular prices/costs

- **Adjusted EBIT of the Group** expected to be around €1.8 billion (prior year: €1,469 million), supported by €850 million planned EBIT effects from "impact"
- **Adjusted EBIT of continuing operations** expected to be around €1.7 billion
- Capital goods businesses
  - Components Technology: improvement in adjusted EBIT (prior year: €335 million) from significant rise in sales and slight improvement in margin (prior year: 4.9 %)
  - Elevator Technology: improvement in adjusted EBIT (prior year: €860 million) from slight sales growth and increase in adjusted EBIT margin by 0.5 to 0.7 percentage points (prior year: 11.5 %)
  - Industrial Solutions:
    - Short-term focus on reversing trend in orders and cash flow
    - Decline in adjusted EBIT due to partial underutilization (prior year: €355 million) with slight decline in sales
    - Marine Systems and chemical plant construction with temporary sharp decline in margin and earnings
    - Overall margin temporarily noticeably below target range of 6 to 7 %
- Materials businesses
  - Materials Services: adjusted EBIT significantly higher year-on-year (prior year: €128 million)
  - Steel Europe: adjusted EBIT significantly higher year-on-year (prior year: €315 million)
- Steel Americas (discontinued operation): adjusted EBIT significantly higher year-on-year (prior year: loss of €33 million); no depreciation due to classification as discontinued operation
- **Net income of the Group:** with positive operating earnings and continuing restructuring expense, overall significant net loss expected (prior year: €261 million net income) exclusively as a result of negative earnings impact from sale of CSA
- **tkVA of the Group:** clearly positive trend due to good operating performance, but as a result of negative earnings impact from sale of CSA overall significantly lower year-on-year (prior year: loss of €85 million)
- **Capital spending of the Group before M&A:** expected around €1.5 billion (prior year: €1,387 million)
- **FCF before M&A of the Group:** Negative in mid to higher three-digit million euro range (prior year: €198 million)
  - Due to the significant increase in net working capital at our materials businesses as a result of dislocations on raw materials markets and higher volumes and prices
  - Due to the earlier than expected closing of the sale of CSA to Ternium in the 4th quarter and absence therefore of the anticipated NWC release by CSA towards the end of the fiscal year. The absence of this NWC release results in a correspondingly higher purchase price. This is neutral for expected net financial debt and FCF overall but will burden FCF before M&A

Opportunities and risks

Opportunities

- Strong and stable earnings, cash flow and value added through positioning as diversified industrial group and systematic continuation of “impact” measures as well as utilization of advantages in interplay between business areas, regions, corporate functions and service units
- Increasing focus on high-earning capital goods and service businesses
- Announced infrastructure programs of new US administration
- Strategic and operational opportunities described in 2015 / 2016 Annual Report continue to apply

Risks

- No risks threatening ability to continue as a going concern; detailed information on risks described in 2015 / 2016 Annual Report continues to apply
- Sale of CSA significantly reduces risks going forward
- Economic risks from numerous geopolitical flashpoints; increasing volatility in external environment, among other things due to Brexit negotiations with the UK; increased uncertainty over global economy and effects on the Group’s business models
- Trade measures of new US administration being continuously monitored
- Risks from attacks on IT infrastructure; countermeasure: further expansion of information security management and security technologies
- Bremen public prosecutor has ended all proceedings against Atlas Elektronik by issuing a forfeiture order in the amount of approx. €48 million; no fine imposed; support for investigations and improvements made to compliance and risk management structures recognized by the public prosecutor

Condensed interim financial statements

thyssenkrupp AG – Consolidated statement of financial position

ASSETS

million €	Note	Sept. 30, 2016	June 30, 2017
Intangible assets		4,570	4,820
Property, plant and equipment		8,872	7,375
Investment property		66	65
Investments accounted for using the equity method		284	154
Other financial assets		44	52
Other non-financial assets		445	277
Deferred tax assets		2,322	1,886
Total non-current assets		**16,604**	**14,629**
Inventories		6,341	7,301
Trade accounts receivable		5,003	6,016
Other financial assets		407	422
Other non-financial assets		2,376	2,218
Current income tax assets		172	233
Cash and cash equivalents		4,105	2,204
Assets held for sale	02	65	2,104
Total current assets		**18,468**	**20,497**
Total assets		**35,072**	**35,126**

EQUITY AND LIABILITIES

million €	Note	Sept. 30, 2016	June 30, 2017
Capital stock		1,449	1,449
Additional paid-in capital		5,434	5,434
Retained earnings		(5,255)	(5,500)
Cumulative other comprehensive income		474	362
[thereof discontinued operations]		[—]	[218]
Equity attributable to thyssenkrupp AG's stockholders		**2,102**	**1,745**
Non-controlling interest		507	497
Total equity		**2,609**	**2,242**
Accrued pension and similar obligations	03	8,754	7,950
Provisions for other employee benefits		373	367
Other provisions		589	585
Deferred tax liabilities		33	41
Financial debt	04	6,157	7,049
Other financial liabilities		221	188
Other non-financial liabilities		6	7
Total non-current liabilities		**16,134**	**16,186**
Provisions for current employee benefits		408	303
Other provisions		963	986
Current income tax liabilities		279	302
Financial debt	04	1,455	1,248
Trade accounts payable		5,119	5,021
Other financial liabilities		975	839
Other non-financial liabilities		7,130	7,258
Liabilities associated with assets held for sale	02	0	741
Total current liabilities		**16,329**	**16,698**
Total liabilities		**32,463**	**32,885**
Total equity and liabilities		**35,072**	**35,126**

See accompanying notes to consolidated financial statements.

thyssenkrupp AG – Consolidated statement of income

million €, earnings per share in €	Note	9 months ended June 30, 2016[1]	9 months ended June 30, 2017	3rd quarter ended June 30, 2016[1]	3rd quarter ended June 30, 2017
Net sales	07	28,430	30,772	9,603	10,437
Cost of sales		(23,523)	(25,532)	(7,913)	(8,554)
Gross margin		**4,907**	**5,240**	**1,690**	**1,883**
Research and development cost		(260)	(270)	(92)	(93)
Selling expenses		(2,109)	(2,169)	(727)	(719)
General and administrative expenses		(1,709)	(1,871)	(587)	(652)
Other income		130	210	44	120
Other expenses		(66)	(141)	(16)	(66)
Other gains/(losses), net		12	(6)	(5)	(3)
Income/(loss) from operations		**907**	**993**	**307**	**470**
Income from companies accounted for using the equity method		38	10	12	12
Finance income		814	631	209	132
Finance expense		(1,208)	(955)	(316)	(218)
Financial income/(expense), net		**(357)**	**(314)**	**(95)**	**(74)**
Income/(loss) from continuing operations before tax		**550**	**679**	**212**	**396**
Income tax (expense)/income		(299)	(353)	(124)	(128)
Income/(loss) from continuing operations (net of tax)		**251**	**326**	**89**	**268**
Income/(loss) from discontinued operations (net of tax)		**(136)**	**(1,047)**	**36**	**(134)**
Net income/(loss)		**115**	**(721)**	**124**	**134**
Thereof:					
thyssenkrupp AG's shareholders		**168**	**(751)**	**130**	**120**
Non-controlling interest		(53)	30	(6)	14
Net income/(loss)		**115**	**(721)**	**124**	**134**
Basic and diluted earnings per share based on	08				
Income/(loss) from continuing operations (attributable to thyssenkrupp AG's shareholders)		0.39	0.52	0.14	0.45
Net income/(loss) (attributable to thyssenkrupp AG's shareholders)		**0.30**	**(1.33)**	**0.23**	**0.21**

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

thyssenkrupp AG – Consolidated statement of comprehensive income

million €	9 months ended June 30, 2016	9 months ended June 30, 2017	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017
Net income/(loss)	**115**	**(721)**	**124**	**134**
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	(978)	836	(405)	205
Tax effect	296	(232)	121	(53)
Other comprehensive income from remeasurements of pensions and similar obligations, net	(682)	604	(284)	152
Share of unrealized gains/(losses) of investments accounted for using the equity-method	(1)	6	(2)	0
Subtotals of items of other comprehensive income that will not be reclassified to profit or loss in future periods	**(683)**	**610**	**(286)**	**152**
Items of other comprehensive income that will be reclassified to profit or loss in future periods:				
Foreign currency translation adjustment				
Change in unrealized gains/(losses), net	106	(121)	128	(330)
Net realized (gains)/losses	0	0	0	1
Net unrealized (gains)/losses	106	(121)	128	(329)
Unrealized gains/(losses) from available-for-sale financial assets				
Change in unrealized gains/(losses), net	2	2	2	0
Net realized (gains)/losses	0	0	0	0
Tax effect	0	0	0	0
Net unrealized (gains)/losses	2	2	2	0
Unrealized gains/(losses) on derivative financial instruments (cash flow hedges)				
Change in unrealized gains/(losses), net	(31)	(8)	6	33
Net realized (gains)/losses	14	3	(3)	(22)
Tax effect	18	1	3	(3)
Net unrealized (gains)/losses	1	(4)	6	8
Share of unrealized gains/(losses) of investments accounted for using the equity-method	(7)	(4)	0	(7)
Subtotals of items of other comprehensive income that will be reclassified to profit or loss in future periods	**102**	**(127)**	**136**	**(328)**
Other comprehensive income	**(581)**	**483**	**(150)**	**(176)**
Total comprehensive income	**(466)**	**(238)**	**(26)**	**(42)**
Thereof:				
thyssenkrupp AG's shareholders	(439)	(253)	(28)	(24)
Non-controlling interest	(27)	15	2	(18)
Total comprehensive income attributable to thyssenkrupp AG's stockholders refers to:				
Continuing operations	(400)	773	(68)	68
Discontinued operations[1]	(39)	(1,026)	40	(92)

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

thyssenkrupp AG – Consolidated statement of changes in equity

million €, (except number of shares)	Number of shares outstanding	Capital stock	Additional paid-in capital	Retained earnings	Foreign currency translation adjustment	Available-for-sale financial assets	Derivative financial instruments (cash flow hedges)	Share of investments accounted for using the equity method	Total	Non-controlling interest	Total equity
	Equity attributable to thyssenkrupp AG's stockholders				Cumulative other comprehensive income						
Balance as of Sept. 30, 2015	**565,937,947**	**1,449**	**5,434**	**(4,123)**	**417**	**6**	**(58)**	**57**	**3,182**	**125**	**3,307**
Net income/(loss)				168					168	(53)	115
Other comprehensive income				(683)	90	1	(8)	(7)	(607)	26	(581)
Total comprehensive income				**(515)**	**90**	**1**	**(8)**	**(7)**	**(439)**	**(27)**	**(466)**
Profit attributable to non-controlling interest									0	(28)	(28)
Payment of thyssenkrupp AG dividend				(85)					(85)	0	(85)
Changes of shares of already consolidated companies				(456)	9				(447)	440	(7)
Other changes				10					10	(8)	2
Balance as of June 30, 2016	**565,937,947**	**1,449**	**5,434**	**(5,169)**	**516**	**7**	**(66)**	**50**	**2,221**	**503**	**2,723**
Balance as of Sept. 30, 2016	**565,937,947**	**1,449**	**5,434**	**(5,255)**	**484**	**6**	**(64)**	**48**	**2,102**	**507**	**2,609**
Net income/(loss)				(751)					(751)	30	(721)
Other comprehensive income				610	(105)	1	(4)	(4)	498	(15)	483
Total comprehensive income				**(141)**	**(105)**	**1**	**(4)**	**(4)**	**(253)**	**15**	**(238)**
Profit attributable to non-controlling interest									0	(25)	(25)
Payment of thyssenkrupp AG dividend				(85)					(85)	0	(85)
Other changes				(19)					(19)	0	(19)
Balance as of June 30, 2017	**565,937,947**	**1,449**	**5,434**	**(5,500)**	**379**	**7**	**(68)**	**44**	**1,745**	**497**	**2,242**

See accompanying notes to consolidated financial statements.

thyssenkrupp AG – Consolidated statement of cash flows

million €	9 months ended June 30, 2016[1]	9 months ended June 30, 2017	3rd quarter ended June 30, 2016[1]	3rd quarter ended June 30, 2017
Net income/(loss)	**115**	**(721)**	**124**	**134**
Adjustments to reconcile net income/(loss) to operating cash flows:				
Income/(loss) from discontinued operations (net of tax)	136	1,047	(36)	134
Deferred income taxes, net	44	119	35	48
Depreciation, amortization and impairment of non-current assets	789	799	261	266
Reversals of impairment losses of non-current assets	(3)	0	(1)	0
Income/(loss) from companies accounted for using the equity method, net of dividends received	(38)	(10)	(12)	(12)
(Gain)/loss on disposal of non-current assets	142	(1)	158	2
Changes in assets and liabilities, net of effects of acquisitions and divestitures and other non-cash changes				
– Inventories	410	(1,220)	232	(268)
– Trade accounts receivable	(152)	(999)	(133)	(437)
– Accrued pension and similar obligations	(123)	(132)	(15)	(15)
– Other provisions	(119)	(169)	43	(12)
– Trade accounts payable	(654)	174	27	(196)
– Other assets/liabilities not related to investing or financing activities	(614)	(143)	(156)	381
Operating cash flows – continuing operations	**(68)**	**(1,256)**	**526**	**24**
Operating cash flows – discontinued operations	(90)	(82)	19	(23)
Operating cash flows – total	**(158)**	**(1,338)**	**545**	**1**
Purchase of investments accounted for using the equity method and non-current financial assets	(8)	(60)	0	(58)
Expenditures for acquisitions of consolidated companies net of cash acquired	(17)	53	(1)	60
Capital expenditures for property, plant and equipment (inclusive of advance payments) and investment property	(702)	(947)	(289)	(398)
Capital expenditures for intangible assets (inclusive of advance payments)	(88)	(112)	(33)	(36)
Proceeds from disposals of investments accounted for using the equity method and non-current financial assets	0	2	0	1
Proceeds from disposals of previously consolidated companies net of cash disposed	8	5	0	0
Proceeds from disposals of property, plant and equipment and investment property	23	54	2	7
Proceeds from disposals of intangible assets	2	0	1	0
Cash flows from investing activities – continuing operations	**(781)**	**(1,005)**	**(320)**	**(424)**
Cash flows from investing activities – discontinued operations	(75)	(109)	(20)	(23)
Cash flows from investing activities – total	**(855)**	**(1,114)**	**(340)**	**(447)**

million €	9 months ended June 30, 2016[1]	9 months ended June 30, 2017	3rd quarter ended June 30, 2016[1]	3rd quarter ended June 30, 2017
Proceeds from issuance of bonds	850	1,250	0	0
Repayments of bonds	(1,000)	(1,250)	0	0
Proceeds from liabilities to financial institutions	907	2,912	217	760
Repayments of liabilities to financial institutions	(854)	(2,949)	(599)	(955)
Proceeds from/(repayments on) loan notes and other loans	(26)	1,094	(100)	99
Increase/(decrease) in bills of exchange	(2)	4	(1)	(2)
Payment of thyssenkrupp AG dividend	(85)	(85)	0	0
Profit attributable to non-controlling interest	(28)	(25)	(4)	(1)
Expenditures for acquisitions of shares of already consolidated companies	(6)	0	0	0
Financing of discontinued operations	(214)	(255)	(44)	(36)
Other financing activities	(114)	(201)	(167)	(49)
Cash flows from financing activities – continuing operations	**(572)**	**495**	**(698)**	**(185)**
Cash flows from financing activities – discontinued operations	108	121	12	(22)
Cash flows from financing activities – total	**(464)**	**616**	**(686)**	**(206)**
Net increase/(decrease) in cash and cash equivalents – total	(1,478)	(1,836)	(482)	(652)
Effect of exchange rate changes on cash and cash equivalents – total	37	(38)	37	(81)
Cash and cash equivalents at beginning of year – total	4,535	4,105	3,539	2,964
Cash and cash equivalents at end of year – total	**3,094**	**2,231**	**3,094**	**2,231**
[thereof cash and cash equivalents within the discontinued operations]	[43]	[27]	[43]	[27]
Additional information regarding cash flows from interest, dividends and income taxes which are included in operating cash flows of continuing operations:				
Interest received	67	47	17	12
Interest paid	(307)	(239)	(20)	(25)
Dividends received	59	34	5	34
Income taxes paid	(256)	(287)	(79)	(67)

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

thyssenkrupp AG – Selected notes

Corporate information

thyssenkrupp Aktiengesellschaft („thyssenkrupp AG“ or „Company“) is a publicly traded corporation domiciled in Duisburg and Essen in Germany. The condensed interim consolidated financial statements of thyssenkrupp AG and subsidiaries, collectively the “Group”, for the period from October 1, 2016 to June 30, 2017, were reviewed and authorized for issue in accordance with a resolution of the Executive Board on August 7, 2017.

Basis of presentation

The accompanying Group’s condensed interim consolidated financial statements have been prepared pursuant to section 37w of the German Securities Trading Act (WpHG) and in conformity with IAS 34 “Interim financial reporting”. They are in line with the International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB) for interim financial information effective within the European Union. Accordingly, these financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting purposes.

The accounting principles and practices as applied in the condensed interim consolidated financial statements as of June 30, 2017 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 2015 / 2016.

Recently adopted accounting standards

In fiscal year 2016 / 2017, thyssenkrupp adopted the following amendments to already existing standards that did not have a material impact on the Group’s consolidated financial statements:

- Amendments to IAS 1 “Presentation of Financial Statements“, issued in December 2014. The amendments mainly include clarifications regarding the judgment of materiality of disclosures, explanations how to aggregate and disaggregate line items of the balance sheet and the statement of comprehensive income, the order to the notes and the disclosure to significant accounting policies.
- Amendments to IFRS 11 “Joint Arrangements“: „Accounting for Acquisitions of Interests in Joint Operations“, issued in May 2014
- Amendments to IAS 16 “Property, Plant and Equipment“ and IAS 38 „Intangible Assets“: „Clarification of Acceptable Methods of Depreciation and Amortisation“, issued in May 2014
- Annual Improvements to IFRSs 2012-2014 Cycle, issued in September 2014
- Amendments to IFRS 10, IFRS 12 and IAS 28: “Investment Entities – Applying the Consolidation Exception“, issued in December 2014

01 Acquisitions

At the beginning of April 2017 thyssenkrupp completed the full takeover of Atlas Elektronik after approval for the acquisition of the 49% share held by Airbus was also given by the German government and the competition authorities. thyssenkrupp already held a 51% share in Atlas Elektronik and managed the company together with Airbus as a joint venture, which was accounted for in the consolidated financial statements using the equity method. Following the full acquisition, the Atlas Elektronik group is now fully consolidated.

The Atlas Elektronik group is an international maritime high-tech supplier of ships' electronic systems and has been a technology partner of thyssenkrupp Marine systems for many years. With the takeover the Marine Systems business of the Industrial Solutions business area is repositioning itself as an integrated system provider and developing strategic advantages in the global market for submarines and naval surface vessels.

Immediately before the acquisition of the remaining share, the value of the investment accounted for using the equity-method amounted to €111 million. Following remeasurement in connection with the acquisition, this increased to €161 million taking into account the purchase price for the 49% share; the resultant profit of €50 million is reported under other income in the consolidated statement of income. The purchase price for the 49% share amounted to €155 million. In the context of the first-time consolidation a preliminary goodwill of €255 million was recognized, which contains assets such as know-how and customer relationships. Currently the purchase price is allocated.

Based on the preliminary values at the time of acquisition, the acquisition affected the consolidated financial statements as follows:

ACQUISITION OF ATLAS ELEKTRONIK GROUP

million €	
Goodwill	255
Other intangible assets	12
Property, plant and equipment	67
Other non-current financial assets	3
Other non-current non-financial assets	1
Deferred tax assets	14
Inventories	132
Trade accounts receivable	224
Other current financial assets	16
Other current non-financial assets	30
Current income tax assets	14
Cash and cash equivalents	167
Total assets	**935**
Accrued pension and similar obligations	176
Deferred tax liabilities	10
Other non-current financial liabilities	2
Other current provisions	96
Current income tax liabilities	8
Trade accounts payable	28
Other current financial liabilities	18
Other current non-financial liabilities	281
Total liabilities	**619**
Net assets	**316**
Non-controlling interest	0
Purchase price (paid via cash and fair value of equity-investment)	**316**
Thereof: paid in cash and cash equivalents	155

Since it was fully consolidated in the Group's financial statements effective April 3, 2017, the Atlas Elektronik group has generated sales of around €119 million and earnings before taxes of around €0.5 million, which are contained in the consolidated income statement for the first 9 months ended June 30, 2017 and for the 3rd quarter ended June 30, 2017. If the acquisition had taken place instead as of October 1, 2016, the Atlas Elektronik group would have contributed additional sales of around €196 million and earnings before taxes of around €(17) million to the Group.

In the 9 months ended June 30, 2017, the Group acquired furthermore the two Brazilian Ecosteel companies in December 2016 and acquired additional smaller companies that are, on an individual basis, immaterial. Based on the values as of acquisition date, these acquisitions affected in total the Group's consolidated financial statements as presented below:

ADDITIONAL ACQUISITIONS

million €	9 months ended June 30, 2017
Goodwill	11
Other intangible assets	4
Property, plant and equipment	31
Other non-current financial assets	20
Deferred tax assets	1
Trade accounts receivable	3
Current income tax assets	1
Cash and cash equivalents	4
Total assets	**75**
Deferred tax liabilities	1
Other non-current non-financial liabilities	3
Trade accounts payable	1
Other current financial liabilities	1
Other current non-financial liabilities	3
Total liabilities	**8**
Net assets	**67**
Non-controlling interest	0
Purchase prices	**67**
Thereof: paid in cash and cash equivalents	67

02 Discontinued operation

As part of the Strategic Way Forward, thyssenkrupp reached agreement with Ternium on the sale of the Brazilian steel mill CSA Siderúrgica do Atlantico (CSA) at the end of February 2017. As of June 30, 2017 the sale was still subject to the approval of the responsible Brazilian competition authority CADE and is due for completion by September 30, 2017. The transaction meets the criteria of IFRS 5 for presentation of the Steel Americas business area as a discontinued operation. Consequently in the current reporting periods all expense and income of Steel Americas 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 Steel Americas are only reported separately at the current balance sheet date.

In connection with the initiated disposal, the assets and liabilities of the discontinued operation are measured at fair value less costs to sell; this amounted to €1.5 billion (enterprise value). This resulted in a negative earnings effect of €0.9 billion in the 2nd quarter ended March 31, 2017, including an impairment loss of €808 million in accordance with IAS 36 immediately prior to reclassification. Of this €8 million relates to goodwill, €1 million to other intangible assets, €83 million to land and buildings, €555 million to technical equipment and machinery, €1 million to other assets and €160 million to other non-financial assets. In addition, in the 2nd quarter ended March 31, 2017 a €101 million provision has been recognized for an obligation resulting from the sale to Ternium in connection with the slab supply contract, which as a result of further slab supplies increased by €51 million to €152 million in the 3rd quarter ended June 30, 2017. The expenses are included in the consolidated statement of income in the line “Income/(loss) from discontinued operations (net of tax)”.

The assets and liabilities of the Steel Americas business area classified as a discontinued operation are presented in the following table:

DISCONTINUED OPERATION STEEL AMERICAS

million €	June 30, 2017
Intangible assets	1
Property, plant and equipment	1,088
Other non-financial assets	119
Deferred tax assets	18
Inventories	489
Trade accounts receivable	169
Other current financial assets	28
Other current non-financial assets	165
Cash and cash equivalents	27
Assets held for sale	**2,104**
Non-current financial debt	181
Other current provisions	153
Current financial debt	69
Trade accounts payable	194
Other current financial liabilities	88
Other current non-financial liabilities	55
Liabilities associated with assets held for sale	**741**

The results of the Steel Americas business area are as follows:

DISCONTINUED OPERATION STEEL AMERICAS

million €	9 months ended June 30, 2016	9 months ended June 30, 2017	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017
Net sales	835	1,242	262	493
Other income	206	244	123	61
Expenses	(1,146)	(2,451)	(337)	(657)
Ordinary income/(loss) from discontinued operations (before tax)	(105)	(966)	48	(103)
Income tax (expense)/income	(31)	(81)	(12)	(31)
Ordinary income/(loss) from discontinued operations (net of tax)	**(136)**	**(1,047)**	**36**	**(134)**
Gain/(loss) recognized on measurement adjustments/disposals of discontinued operations (before tax)	0	0	0	0
Income tax (expense)/income	0	0	0	0
Gain/(loss) recognized on measurement adjustments/disposals of discontinued operations (net of tax)	**0**	**0**	**0**	**0**
Income/(loss) from discontinued operations (net of tax)	**(136)**	**(1,047)**	**36**	**(134)**
Thereof:				
thyssenkrupp AG's shareholders	(55)	(1,047)	49	(134)
Non-controlling interest	(80)	0	(13)	0

03 Accrued pension and similar obligations

Based on updated interest rates and fair value of plan assets, an updated valuation of accrued pension obligations was performed as of June 30, 2017 taking into account these effects.

ACCRUED PENSION AND SIMILAR OBLIGATIONS

million €	Sept. 30, 2016	June 30, 2017
Accrued pension obligations	8,534	7,693
Partial retirement	178	194
Other accrued pension-related obligations	43	63
Total	**8,754**	**7,950**

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

WEIGHTED AVERAGE ASSUMPTIONS

	Sept. 30, 2016			June 30, 2017		
in %	Germany	Outside Germany	Total	Germany	Outside Germany	Total
Discount rate for accrued pension obligations	1.30	1.78	1.41	2.00	2.08	2.02

04 Issuance of a bond and utilization of the Commercial Paper Program

In March 2017 thyssenkrupp AG issued a bond with a total volume of €1,250 million with a maturity of five years and a coupon of 1.375% p.a. under its €10 billion debt issuance program.

As of June 30, 2017 the existing Commercial Paper Program with a maximum issuing volume of €1.5 billion was utilized with €1.1 billion.

05 Contingencies and commitments

Contingencies

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

CONTINGENCIES

million €	Maximum potential amount of future payments as of June 30, 2017	Provision as of June 30, 2017
Advance payment bonds	1	0
Performance bonds	2	0
Residual value guarantees	61	12
Other guarantees	7	0
Total	**71**	**12**

Compared with September 30, 2016 contingencies decreased significantly by €352 million to €71 million; this is in connection with the first-time consolidation of the Atlas Elektronik group as of April 3, 2017.

The terms of those guarantees depend on the type of guarantee and may range from three months to ten years (e.g. rental payment guarantees). The basis for possible payments under the guarantees is always the non-performance of the principal debtor under a contractual agreement, e.g. late delivery, delivery of non-conforming goods under a contract or non-performance with respect to the warranted quality or default under a loan agreement.

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

Commitments and other contingencies

Due to the high volatility of iron ore prices, in the Steel Europe and Steel Americas business areas 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, 2016, purchase commitments as of June 30, 2017 are again at the level of €7.1 billion; of this €5.0 billion relates to the discontinued operation Steel Americas.

There have been no other material changes since the end of the last fiscal year.

06 Financial instruments

The following table shows financial assets and liabilities by measurement categories and classes. Finance lease receivables and liabilities, and derivatives that qualify for hedge accounting are also included although they are not part of any IAS 39 measurement category.

FINANCIAL INSTRUMENTS AS OF SEPT. 30, 2016

		Measurement in accordance with IAS 39			Measurement in accordance with IAS 17	
million €	Carrying amount on balance sheet as of Sept. 30, 2016	(Amortized) cost	Fair value recognized in profit or loss	Fair value recognized in equity	Amortized cost	Fair value as of Sept. 30, 2016
Trade accounts receivable (excluding finance lease)	5,001	5,001				5,001
Loans and receivables		5,001				5,001
Finance lease receivables	1				1	1
Other financial assets	451	340	60	51		451
Loans and receivables		324				324
Available-for-sale financial assets		16		18		34
Derivatives not qualifying for hedge accounting (Financial assets held for trading)			60			60
Derivatives qualifying for hedge accounting			0	33		33
Cash and cash equivalents	4,105	4,105				4,105
Loans and receivables		4,105				4,105
Total of financial assets	**9,559**					
thereof by measurement categories of IAS 39:						
Loans and receivables	9,431	9,431				9,431
Available-for-sale financial assets	34	16		18		34
Derivatives not qualifying for hedge accounting (Financial assets held for trading)	60		60			60
Financial debt (excluding finance lease)	7,578	7,578				7,919
Financial liabilities measured at amortized cost		7,578				7,919
Finance lease liabilities	33				33	33
Trade accounts payable	5,119	5,119				5,119
Financial liabilities measured at amortized cost		5,119				5,119
Other financial liabilities	1,196	970	165	62		1,196
Financial liabilities measured at amortized cost		970				970
Derivatives not qualifying for hedge accounting (Financial assets held for trading)			163			163
Derivatives qualifying for hedge accounting			2	62		63
Total of financial liabilities	**13,927**					
thereof by measurement categories of IAS 39:						
Financial liabilities measured at amortized cost	13,667	13,667				14,008
Derivatives not qualifying for hedge accounting (Financial assets held for trading)	163		163			163

FINANCIAL INSTRUMENTS AS OF JUNE 30, 2017

million €	Carrying amount on balance sheet as of June 30, 2017	Measurement in accordance with IAS 39 (Amortized) cost	Measurement in accordance with IAS 39 Fair value recognized in profit or loss	Measurement in accordance with IAS 39 Fair value recognized in equity	Measurement in accordance with IAS 17 Amortized cost	Fair value as of June 30, 2017
Trade accounts receivable (excluding finance lease)	6,015	6,015				6,015
Loans and receivables		6,015				6,015
Finance lease receivables	1				1	1
Other financial assets	474	361	70	43		474
Loans and receivables		347				347
Available-for-sale financial assets		15		20		35
Derivatives not qualifying for hedge accounting (Financial assets held for trading)			56			56
Derivatives qualifying for hedge accounting			14	23		37
Cash and cash equivalents	2,204	2,204				2,204
Loans and receivables		2,204				2,204
Total of financial assets	**8,694**					
thereof by measurement categories of IAS 39:						
Loans and receivables	8,565	8,565				8,565
Available-for-sale financial assets	35	15		20		35
Derivatives not qualifying for hedge accounting (Financial assets held for trading)	56		56			56
Financial debt (excluding finance lease)	8,267	8,267				8,624
Financial liabilities measured at amortized cost		8,267				8,624
Finance lease liabilities	30				30	30
Trade accounts payable	5,021	5,021				5,021
Financial liabilities measured at amortized cost		5,021				5,021
Other financial liabilities	1,028	898	68	61		1,028
Financial liabilities measured at amortized cost		898				898
Derivatives not qualifying for hedge accounting (Financial assets held for trading)			58			58
Derivatives qualifying for hedge accounting			10	61		71
Total of financial liabilities	**14,345**					
thereof by measurement categories of IAS 39:						
Financial liabilities measured at amortized cost	14,186	14,186				14,543
Derivatives not qualifying for hedge accounting (Financial assets held for trading)	58		58			58

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

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

The fair value of foreign currency forward transactions is determined on the basis of the middle spot exchange rate applicable as of the interim balance sheet date, and taking into 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, 2016

million €	Sept. 30, 2016	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)	60	0	60	0
Derivatives qualifying for hedge accounting	0	0	0	0
Fair value recognized in equity				
Available-for-sale financial assets	18	16	3	0
Derivatives qualifying for hedge accounting	33	0	33	0
Total	**111**	**16**	**96**	**0**
Financial liabilities at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting (Financial liabilities held for trading)	163	0	51	113
Derivatives qualifying for hedge accounting	2	0	2	0
Fair value recognized in equity				
Derivatives qualifying for hedge accounting	62	0	62	0
Total	**227**	**0**	**114**	**113**

FAIR VALUE HIERARCHY AS OF JUNE 30, 2017

million €	June 30, 2017	Level 1	Level 2	Level 3
Financial assets at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting (Financial assets held for trading)	56	0	56	0
Derivatives qualifying for hedge accounting	14	0	14	0
Fair value recognized in equity				
Available-for-sale financial assets	20	18	3	0
Derivatives qualifying for hedge accounting	23	0	23	0
Total	**113**	**18**	**95**	**0**
Financial liabilities at fair value				
Fair value recognized in profit or loss				
Derivatives not qualifying for hedge accounting (Financial liabilities held for trading)	58	0	58	0
Derivatives qualifying for hedge accounting	10	0	10	0
Fair value recognized in equity				
Derivatives qualifying for hedge accounting	61	0	61	0
Total	**129**	**0**	**129**	**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.

The following table shows the reconciliation of level 3 financial instruments:

RECONCILIATION LEVEL 3 FINANCIAL INSTRUMENTS

million €	
Balance as of Sept. 30, 2016 (assets/(liability))	(113)
Changes recognized in profit or loss	38
Reclassification due to the presentation as liabilities associated with assets held for sale	74
Balance as of June 30, 2017 (assets/(liability))	**0**

The financial liability, which is based on individual valuation parameters and recognized at fair value, primarily comprises a freight derivative which was valued according to the contractually agreed minimum volume on the basis of recognized hedge models taking into account the market data prevailing at the closing date. The resulting income effect is recognized in the consolidated statement of income under "Income/(loss) from discontinued operations (net of tax)".

The notional amounts and fair values of the Group's derivative financial instruments are as follows:

DERIVATIVE FINANCIAL INSTRUMENTS

million €	Notional amount as of Sept. 30, 2016	Carrying amount as of Sept. 30, 2016	Notional amount as of June 30, 2017	Carrying amount as of June 30, 2017
Assets				
Foreign currency derivatives that do not qualify for hedge accounting	2,100	41	1,634	32
Foreign currency derivatives qualifying as cash flow hedges	360	14	350	17
Embedded derivatives	70	1	77	4
Interest rate derivatives that do not qualify for hedge accounting	0	0	6	0
Interest rate derivatives qualifying as cash flow hedges[1]	618	9	133	4
Commodity derivatives that do not qualify for hedge accounting	278	18	282	21
Commodity derivatives qualifying as cash flow hedges	64	10	36	2
Commodity derivatives qualifying as fair value hedges	0	0	110	14
Total	**3,490**	**93**	**2,626**	**93**
Equity and liabilities				
Foreign currency derivatives that do not qualify for hedge accounting	2,662	30	1,339	28
Foreign currency derivatives qualifying as cash flow hedges	400	7	363	11
Embedded derivatives	169	2	139	7
Interest rate derivatives that do not qualify for hedge accounting	11	0	15	1
Interest rate derivatives qualifying as cash flow hedges[1]	406	32	204	26
Commodity derivatives that do not qualify for hedge accounting[2]	483	131	368	22
Commodity derivatives qualifying as cash flow hedges	152	23	161	24
Commodity derivatives qualifying as fair value hedges	50	2	158	10
Total	**4,332**	**227**	**2,747**	**129**

[1] Inclusive of cross currency swaps
[2] Inclusive of freights

07 Segment reporting

Segment information for the 9 months ended June 30, 2016 and 2017, respectively and for the 3rd quarter ended June 30, 2016 and 2017, respectively is as follows:

SEGMENT INFORMATION

million €	Components Technology	Elevator Technology	Industrial Solutions	Materials Services	Steel Europe	Corporate	Steel Americas[1]	Consolidation	Group
9 months ended June 30, 2016									
Net sales	5,117	5,524	4,335	8,708	4,718	28	835	0	29,265
Internal sales within the Group	4	3	8	206	947	150	176	(1,493)	0
Total sales	5,122	5,526	4,343	8,914	5,664	179	1,011	(1,493)	29,265
EBIT	218	569	283	36	198	(385)	(91)	18	846
Adjusted EBIT	256	614	287	66	207	(347)	(100)	18	1,001
9 months ended June 30, 2017									
Net sales	5,642	5,699	3,978	9,948	5,498	8	1,242	0	32,013
Internal sales within the Group	6	4	24	236	1,119	187	241	(1,818)	0
Total sales	5,648	5,703	4,002	10,185	6,616	195	1,483	(1,818)	32,013
EBIT	216	584	48	189	347	(388)	(781)	(10)	205
Adjusted EBIT	274	662	70	245	352	(370)	152	(10)	1,376
3rd quarter ended June 30, 2016									
Net sales	1,782	1,906	1,226	3,014	1,667	9	262	0	9,865
Internal sales within the Group	1	1	3	74	348	55	74	(555)	0
Total sales	1,783	1,906	1,228	3,087	2,015	64	336	(555)	9,865
EBIT	72	205	41	35	92	(130)	53	4	372
Adjusted EBIT	100	225	43	52	91	(113)	39	4	441
3rd quarter ended June 30, 2017									
Net sales	1,965	1,950	1,228	3,406	1,917	(30)	493	0	10,929
Internal sales within the Group	5	4	13	97	420	99	73	(712)	0
Total sales	1,970	1,954	1,241	3,504	2,337	69	566	(712)	10,929
EBIT	93	232	15	57	231	(145)	44	2	529
Adjusted EBIT	99	240	6	73	232	(131)	100	2	620

[1] Discontinued operation

In the Industrial Solutions business area, average capital employed increased from €(475) million as of September 30, 2016 to €349 million as of June 30, 2017.

Net sales as well as adjusted EBIT and EBIT reconcile to the respective figures as presented in the consolidated statement of income as following:

RECONCILIATION NET SALES

million €	9 months ended June 30, 2016	9 months ended June 30, 2017	3rd quarter ended June 30, 2016	3rd quarter ended June 30, 2017
Net sales as presented in segment reporting	**29,265**	**32,013**	**9,865**	**10,929**
– Net sales Steel Americas	(835)	(1,242)	(262)	(493)
Net sales as presented in the statement of income	**28,430**	**30,772**	**9,603**	**10,437**

RECONCILIATION EBIT TO EBT

million €	9 months ended June 30, 2016[1]	9 months ended June 30, 2017	3rd quarter ended June 30, 2016[1]	3rd quarter ended June 30, 2017
Adjusted EBIT as presented in segment reporting	**1,001**	**1,376**	**441**	**620**
Special items	(155)	(1,170)	(70)	(91)
EBIT as presented in segment reporting	**846**	**205**	**372**	**529**
+ Non-operating income/(expense) from companies accounted for using the equity method	0	0	0	0
+ Finance income	913	817	266	195
– Finance expense	(1,368)	(1,280)	(381)	(422)
– Items of finance income assigned to EBIT based on economic classification	38	(50)	(4)	(11)
+ Items of finance expense assigned to EBIT based on economic classification	16	22	8	2
EBT-Group	**445**	**(287)**	**261**	**293**
– EBT Steel Americas	105	966	(48)	103
EBT from continuing operations as presented in the statement of income	**550**	**679**	**212**	**396**

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

08 Earnings per share

Basic earnings per share are calculated as follows:

EARNINGS PER SHARE

	9 months ended June 30, 2016[1]		9 months ended June 30, 2017		3rd quarter ended June 30, 2016[1]		3rd quarter ended June 30, 2017	
	Total amount in million €	Earnings per share in €	Total amount in million €	Earnings per share in €	Total amount in million €	Earnings per share in €	Total amount in million €	Earnings per share in €
Income/(loss) from continuing operations (net of tax) (attributable to thyssenkrupp AG's shareholders)	223	0.39	296	0.52	82	0.14	254	0.45
Income/(loss) from discontinued operations (net of tax) (attributable to thyssenkrupp AG's shareholders)	(55)	(0.10)	(1,047)	(1.85)	49	0.09	(134)	(0.24)
Net income/(loss) (attributable to thyssenkrupp AG's shareholders)	**168**	**0.30**	**(751)**	**(1.33)**	**130**	**0.23**	**120**	**0.21**
Weighted average shares	565,937,947		565,937,947		565,937,947		565,937,947	

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

There were no dilutive securities in the periods presented.

09 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 taking into account the cash and cash equivalents attributable to the discontinued operation. As of June 30, 2017 cash and cash equivalents of €18 million (prior year: €142 million) result from the joint operation HKM.

Non-cash investing activities: In the 9 months ended June 30, 2017, the acquisition and first-time consolidation of companies created an increase in non-current assets of €418 million (prior year: €3 million).

10 Subsequent event

On August 1, 2017 the Brazilian competition authority CADE approved without restrictions the sale of the Brazilian steel mill CSA to Ternium. The approval is not yet final. All other competent competition authorities had already given their approval.

Essen, August 7, 2017

thyssenkrupp AG
The Executive Board

Hiesinger

Burkhard Kaufmann Kerkhoff

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, 2016, to June 30, 2017, which are part of the quarterly financial report pursuant to § (Article) 37w WpHG ("Wertpapierhandelsgesetz" German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

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

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

Essen, August 9, 2017

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Prof. Dr. Norbert Winkeljohann (German Public Auditor)

Michael Preiß (German Public Auditor)

Additional information

Contact and 2017 / 2018 financial calendar

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2017 / 2018 financial calendar

November 23, 2017
2016 / 2017 Annual Report (October to September)
Annual press conference
Analysts' and investors' conference

January 19, 2018
Annual General Meeting

February 14, 2018
Interim report 1st quarter 2017 / 2018 (October to December)
Conference call with analysts and investors

May 15, 2018
Interim report 1st half 2017 / 2018 (October to March)
Conference call with analysts and investors

August 9, 2018
Interim report 9 months 2017 / 2018 (October to June)
Conference call with analysts and investors

This interim report was published on August 10, 2017.
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www.thyssenkrupp.com

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