

Interim Report 9 months 09/10

ThyssenKrupp AG
October 01, 2009 – June 30, 2010

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This interim report was published on August 13, 2010.

The Group in figures

GROUP

		Year-to-date comparatives				3rd quarter comparatives			
		9 months ended June 30, 2009	9 months ended June 30, 2010	Change	Change in %	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010	Change	Change in %
Order intake	million €	28,455	30,631	2,176	8	7,926	10,930	3,004	38
Sales	million €	30,680	31,137	457	1	9,299	11,679	2,380	26
EBITDA	million €	726	2,443	1,717	—	(180)	935	1,115	—
EBIT	million €	(466)	1,418	1,884	—	(597)	587	1,184	—
Adjusted EBIT	million €	15	1,423	1,408	—	(289)	653	942	—
EBT	million €	(987)	918	1,905	—	(772)	414	1,186	—
Adjusted EBT	million €	(506)	923	1,429	—	(464)	480	944	—
Net income/(Net loss)	million €	(829)	727	1,556	—	(630)	298	928	—
Basic earnings per share	€	(1.73)	1.38	3.11	—	(1.38)	0.58	1.96	—
Employees	June 30	188,501	174,541	(13,960)	(7)	188,501	174,541	(13,960)	(7)

		Sept. 30, 2009	June 30, 2010
Net financial debt	million €	2,059	3,753
Total equity	million €	9,696	10,941

BUSINESS AREAS

	Order intake (million €)		Sales (million €)		EBT (million €)		Adjusted EBT (million €)		Employees		
	9 months ended June 30, 2009	9 months ended June 30, 2010	9 months ended June 30, 2009	9 months ended June 30, 2010	9 months ended June 30, 2009	9 months ended June 30, 2010	9 months ended June 30, 2009	9 months ended June 30, 2010	June 30, 2009	Sept. 30, 2009	June 30, 2010
Steel Europe	5,568	8,205	7,325	7,835	142	450	294	450	36,607	36,416	34,434
Steel Americas	0	47	0	47	(117)	(98)	(117)	(98)	1,590	1,659	2,876
Stainless Global	2,992	3,820	3,191	4,379	(812)	(112)	(706)	(112)	11,869	11,755	11,150
Materials Services	9,204	9,435	9,855	9,239	(204)	316	(204)	235	44,744	44,316	32,096
Elevator Technology	3,937	3,835	3,964	3,760	474	459	474	459	42,761	42,698	43,066
Plant Technology	3,075	2,948	3,366	2,864	238	230	244	230	13,062	13,043	12,975
Components Technology	3,205	4,090	3,462	4,149	(95)	164	(44)	211	27,963	27,973	28,860
Marine Systems	1,710	357	1,238	964	(211)	(40)	(45)	(1)	8,057	7,770	6,588
Corporate	82	94	82	94	(427)	(442)	(427)	(442)	1,848	1,865	2,496
Consolidation	(1,318)	(2,200)	(1,803)	(2,194)	25	(9)	25	(9)			
Group	28,455	30,631	30,680	31,137	(987)	918	(506)	923	188,501	187,495	174,541

	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
Steel Europe	2,223	2,706	2,151	2,887	(312)	183	(172)	183
Steel Americas	0	24	0	24	(19)	(62)	(19)	(62)
Stainless Global	1,207	1,317	1,050	1,708	(202)	64	(156)	64
Materials Services	2,469	3,695	2,751	3,598	(128)	144	(128)	144
Elevator Technology	1,186	1,390	1,328	1,313	166	151	166	151
Plant Technology	807	800	1,101	970	65	62	66	62
Components Technology	899	1,584	1,063	1,568	(101)	58	(76)	105
Marine Systems	(339)	108	321	423	(127)	(23)	(31)	(4)
Corporate	22	32	22	32	(131)	(167)	(131)	(167)
Consolidation	(548)	(726)	(468)	(844)	17	4	17	4
Group	7,926	10,930	9,299	11,679	(772)	414	(464)	480

ThyssenKrupp in brief

Tailored materials of all kinds and a comprehensive range of high-end technological goods, backed by a broad portfolio of services, characterize the activities of our roughly 175,000 committed and skilled employees. They provide innovative solutions for sustainable progress for our customers in more than 80 countries on all five continents. In our eight business areas – Steel Europe, Steel Americas, Stainless Global, Materials Services, Elevator Technology, Plant Technology, Components Technology and Marine Systems – we are meeting global challenges and turning them into opportunities. Our high-tech materials, plants, components and systems offer answers to many questions of the future. The Group headed by ThyssenKrupp AG includes, directly and indirectly, around 850 subsidiaries and equity interests. Two thirds of our 2,500 production sites, offices and service bases are outside Germany.

Group review

ThyssenKrupp – profit higher again

ThyssenKrupp's performance has improved noticeably in the reporting year, with order intake and sales increasing quarter by quarter. Cumulative orders and sales in the first 9 months 2009/2010 were up from the prior-year period. In particular the higher rate of increase in orders reflects the effects of the economic recovery on ThyssenKrupp's operations.

The earnings situation also improved. A profit was generated in all three quarters, with the past quarter's result the best for seven quarters. Altogether ThyssenKrupp achieved earnings before taxes of €918 million in the first 9 months 2009/2010 – an increase of €1,905 million from the pre-tax loss of €987 million in the prior-year period. Adjusted EBT at €923 million was also considerably higher than the prior-year figure of €(506) million.

As from the beginning of fiscal year 2009/2010, certain defined nonrecurring items are excluded from EBT and EBIT. Specifically, these are gains and losses on disposals, restructuring costs, impairment of non-current assets, other non-operating expense, and other non-operating income. These items are only excluded if the event is of material importance to the consolidated financial statements. The startup losses in the Steel Americas business area that were excluded in the prior year are no longer classified as nonrecurring items as they are no longer of a project nature due to the commissioning of the steel making and processing plants in the current fiscal year. The prior-year comparative has been adjusted accordingly.

The highlights for the first 9 months 2009/2010:

- Compared with the first 9 months of the previous fiscal year, order intake increased by 8% to €30.6 billion.
- Sales were 1% higher at €31.1 billion.
- EBITDA improved to €2,443 million from €726 million in the prior year.
- EBIT came to €1,418 million, compared with €(466) million in the prior year.
- Adjusted EBIT increased from €15 million in the prior year to €1,423 million.
- EBT at €918 million exceeded the prior-year figure of €(987) million.
- Adjusted EBT amounted to €923 million, compared with €(506) million in the prior year.
- Earnings per share improved year-on-year from €(1.73) to €1.38.
- Net financial debt at June 30, 2010 was €3,753 million, an increase of €1,694 million compared with September 30, 2009, when we reported net financial debt of €2,059 million. On June 30, 2009 net financial debt stood at €3,122 million.

Economic upturn stabilized

The global economic upturn has stabilized since the beginning of the year. In particular in the emerging countries of Asia the dynamic economic growth continued. However, the recovery in North America and above all in Europe slowed noticeably. Following a 1% decrease in the previous year, world gross domestic product is estimated to have grown by 4.5% in the 1st half 2010. Impetus continued to be generated by the in part very expansive monetary and fiscal policies of some countries and the strong growth in world trade.

The economic situation in the euro zone remained subdued due to the debt problems of individual countries. In both the euro zone and Germany, economic growth in the 1st quarter 2010 was only very moderate at 0.2% quarter-on-quarter. Positive effects came from capital spending, exports, government spending and stock building. However, negative factors were consumer spending and construction investment, which suffered in the cold weather. In the 2nd quarter 2010 the upturn in the euro zone gathered momentum, with the German economy showing the fastest growth thanks to higher exports, strong industrial activity and catch-up effects in the construction sector.

The US economy picked up a little at the beginning of the year. Economic output in the 1st quarter 2010 was 0.9% higher than in the previous quarter. The growth was based mainly on consumer spending, with business spending slowing slightly. However, the pace of growth slowed noticeably in the 2nd quarter 2010.

Most of the emerging economies expanded strongly. In the 1st quarter 2010 China's gross domestic product advanced almost 3% from the previous quarter due to high public-sector investment and rising consumer spending; this corresponds to year-on-year growth of almost 12%. The positive trend continued in the 2nd quarter – albeit at a slower pace. The other major emerging economies such as Brazil, Russia and India also reported pleasing growth rates.

The picture in the sectors of importance to ThyssenKrupp was as follows:

- The improved economic environment led to a strong increase in demand for steel worldwide. In the first six months of 2010, global crude steel production exceeded the very low prior-year figure by 28%. China and India, which raised their output by 21% and 7%, respectively, carried on their growth trend of the previous year. In the rest of the world, there were in part even stronger increases as markets bounced back from the drastic declines in the previous year. Despite production growth of 45%, the European Union did not quite return to its pre-crisis levels. The German steel mills, which raised their output by 64% to almost 23 million metric tons in the 1st half, profited particularly from customers' strong export focus. Towards the end of the reporting period, the previously very high global demand for steel slowed slightly and pressure on prices increased in many regions. With the positive impetus from stock building receding and real steel consumption rising only moderately, the upward trend in steel prices in Europe came to a halt. The situation on the raw materials markets continued to cause major uncertainty.
- The European carbon steel flat-rolled market improved noticeably over long stretches of the reporting period. Orders received by steel suppliers showed a marked upturn from the 4th quarter 2009 but weakened slightly in the course of the 2nd quarter 2010. In the first six months 2010, the Eurofer producers' shipments in the EU were up by 51% from an albeit very low level in the comparable prior-year period. The expansive demand was driven noticeably by restocking. In the course of the economic recovery, distributors and end consumers had to replenish stocks run down during the recession. By mid-year, inventory levels had largely returned to normal. End consumer demand improved only hesitantly in the 1st half 2010. However, in terms of volumes the overall situation was positive, to the benefit in particular of the European suppliers; imports from third countries remained at a moderate level in the first five months of this year.

- After demand for stainless steel flat products slackened worldwide last year, orders received by stainless producers in Europe, North America and China picked up significantly at the beginning of 2010, aided by distributor restocking and increasing demand in various end consumer segments. However, orders in all regions slipped back again in the further course of the 1st half 2010. The nickel price initially trended upwards at the start of the year and in April reached its highest level since May 2008; this was followed by a downwards correction.

Base prices for stainless steel flat products in Germany, Europe and North America rallied again from the beginning of the year. At the same time alloy surcharges increased due to rising nickel prices. In China, prices climbed strongly initially before slipping again at the end of the 1st half 2010.

In the area of nickel alloys, demand improved from the start of the year, though the volatility of metal prices meant that the recovery was slow, with very pronounced differences depending on sector and region. The titanium market appears to be through the worst of the recession, with signs of improvement in both the aviation and plant construction sectors.

- The international auto industry has recovered from last year's severe slump. Since the 3rd quarter 2009 global vehicle demand has been trending upwards, driven mainly by the Asian and North American markets. Sales of cars and light trucks in the USA increased year-on-year by 17% in the 1st quarter 2010 to 5.6 million units. In China, now the world's biggest single car market, almost 5.6 million cars were sold in the same period – representing year-on-year growth of 23%.

In Europe, however, vehicle sales were impacted by the ending of rebate programs. With 7.3 million new car registrations in the 1st half 2010, sales in the European Union stagnated. New car registrations in Germany fell by as much as 29% to 1.5 million units. However, the German vehicle industry with its focus on higher-end cars was less affected. Thanks to a 44% rise in exports, production in Germany climbed 23% from the weak prior-year level to 2.8 million vehicles. The German manufacturers are therefore in a better position than many of their competitors.

- The international machinery sector was again characterized by low capacity utilization and a reluctance to invest in the year to date. A notable exception was the Chinese machinery sector, which benefited from government stimulus programs. In Germany the order situation improved significantly from the beginning of the year. Adjusted for prices, order intake in the first six months of 2010 exceeded the albeit low prior-year level by 32%. At around 83%, capacity utilization rose steeply, but remained below the long-term average. However, orders for elevators and escalators declined. In Germany's plant engineering sector, too, new business was still slow in the first months of 2010.
- The construction markets remained very weak in most industrial countries in the first half 2010. In the USA construction activity declined further despite government stimulus programs. In Europe, too, construction output fell, in Germany partly as a result of the cold weather at the beginning of the year. However, order intake in the German construction sector showed a positive trend. In the emerging nations, construction activity was on the increase; the Chinese construction sector profited greatly from government stimulus programs.

Order intake and sales picking up again

ThyssenKrupp's business performance improved appreciably in the course of the current fiscal year. Although the levels of the years before the financial and economic crisis have not yet been reached, sales and order intake increased quarter by quarter. The more favorable economic environment was reflected in particular in the growth in orders.

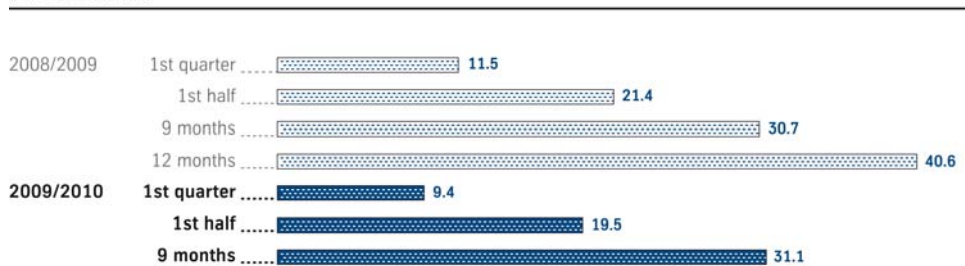
THYSSENKRUPP IN FIGURES

		9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
Order intake	million €	28,455	30,631	7,926	10,930
Sales	million €	30,680	31,137	9,299	11,679
EBITDA	million €	726	2,443	(180)	935
EBIT	million €	(466)	1,418	(597)	587
Adjusted EBIT	million €	15	1,423	(289)	653
EBT	million €	(987)	918	(772)	414
Adjusted EBT	million €	(506)	923	(464)	480
Capital expenditures	million €	3,094	2,460	898	942
Employees	June 30	188,501	174,541	188,501	174,541

Orders received by the Group in the first 9 months 2009/2010 climbed 8% year-on-year to €30.6 billion. In the 3rd quarter alone, year-on-year growth reached 38%. Most business areas reported higher orders in the reporting period, with demand for flat-rolled carbon steel, stainless steel and industrial components showing the strongest growth. By contrast, orders at Marine Systems fell sharply.

3rd-quarter sales improved year-on-year by 26%; apart from Plant Technology all business areas succeeded in maintaining or bettering their prior-year performance. Overall sales in the first 9 months rose by 1% to €31.1 billion. Sales declined at the shipyards and for billing reasons in plant construction; in materials services and elevators and escalators, too, prior-year sales levels were not quite reached. However, business with flat-rolled carbon steel, stainless steel and components for the auto industry showed in part vigorous growth.

SALES in billion €



Earnings before taxes up to €918 million

In the first 9 months 2009/2010, ThyssenKrupp achieved EBT of €918 million, exceeding the prior-year figure by €1,905 million. The earnings figures include nonrecurring items of €5 million – income from the disposal of the Industrial Services units of the Materials Services business area and one-time charges in the Components Technology and Marine Systems business areas. 3rd-quarter EBT was €414 million; with the exception of Steel Americas and Marine Systems, all business areas returned a pre-tax profit.

EBT in million €

2008/2009	1st quarter	240
	1st half	(215)
	9 months	(987)
	12 months	(2,364)
2009/2010	1st quarter	313
	1st half	504
	9 months	915

The Group's adjusted EBT in the first 9 months 2009/2010 was €923 million, up €1,429 million from the prior-year figure of €(506) million.

ADJUSTED EBT in million €

	9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
EBT	(987)	918	(772)	414
+/- Disposal losses/gains	(1)	(81)	(1)	0
+ Restructuring expense	302	43	236	43
+ Impairment	150	4	74	4
+ Other non-operating expense	30	39	(1)	19
- Other non-operating income	0	0	0	0
Adjusted EBT	(506)	923	(464)	480

At €31,137 million, net sales in the first 9 months of fiscal 2009/2010 were €457 million or 1% higher than in the corresponding prior-year period. Despite the increase in sales, the cost of sales decreased by €961 million or 4%. Alongside lower personnel and material expenses, other factors in this were significantly reduced inventory writedowns and a marked decrease in restructuring and impairment charges compared with the prior-year period. Gross profit improved by a substantial €1,418 million or 42% to €4,788 million, leading to a correspondingly large increase in gross margin from 11.0% to 15.4%.

The decrease in selling expenses by €63 million was caused mainly by reduced personnel expense. General and administrative expenses were €126 million lower than the corresponding prior-year figure, also as a result of the cost-reduction measures. The €80 million decrease in other operating income was mainly due to the cancellation of foreign currency hedges for planned raw material purchases in the prior-year period as a result of the financial crisis. The €72 million decrease in other operating expenses included €10 million lower losses on the disposal of non-current assets and €17 million in effects from the translation of foreign currency items. The €97 million increase in income from the disposal of consolidated companies was due mainly to the disposals of ThyssenKrupp Industrieservice and ThyssenKrupp Safway in the Materials Services business area. The €92 million increase in income from companies accounted for using the equity method was due to the significantly improved earnings of the companies in question compared with the prior year. The €96 million increase in other financial income was mainly due to a €25 million improvement in exchange rate gains on financial transactions and a €60 million year-on-year increase in capitalized interest costs relating to the construction of the steel mills in Brazil and the USA.

Income tax expense amounted to €191 million in the reporting period; this represents a tax rate of 21%. In the corresponding prior-year period there was an income tax benefit of €158 million mainly due to the negative earnings situation.

After taking into account income taxes, net income in the reporting period was €727 million, up €1,556 million from the prior-year period when a net loss of €829 million was posted.

Including non-controlling interest in income, earnings per share in the first 9 months 2009/2010 improved significantly to €1.38 from a negative value of €(1.73) in the prior-year period.

ThyssenKrupp PLuS successfully continued

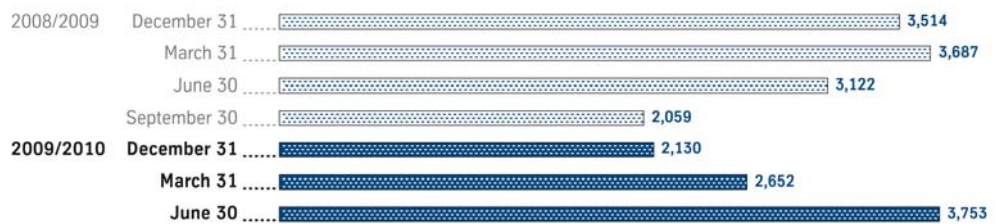
With the Groupwide action program ThyssenKrupp PLuS we aim to achieve positive earnings effects on the cost and sales side and at the same time to stabilize and further improve liquidity to keep borrowing requirements to a minimum. The results achieved in the first 9 months 2009/2010 are promising: We remain on track and will achieve our targets at the end of the fiscal year.

The success of our action program is reflected alongside other factors in the significant improvement in the Group's earnings. Compared with the previous fiscal year, net working capital increased only to the extent necessary for the improved level of business. Supporting measures such as more efficient inventory management and improved receivables management also played a part. By exercising restraint in allocating funds, we stayed within our spending targets on the investment side too.

Net financial debt and capital expenditures

On June 30, 2010, net financial debt stood at €3,753 million. The increase of €1,694 million from September 30, 2009 is mainly due to operating business – in particular the startup of the major projects in Brazil and the USA – investing activities and the dividend payment. Nonrecurring items – including the capital contribution at ThyssenKrupp CSA Siderúrgica do Atlântico Ltda. by the co-shareholder Vale S.A. and the disposals of ThyssenKrupp Industrieservice and ThyssenKrupp Safway – limited the increase.

NET FINANCIAL DEBT in million €



ThyssenKrupp invested a total of €2,460 million in the first 9 months 2009/2010, 20% less than in the same period of the prior year. €2,384 million was spent on property, plant and equipment and intangible assets, and €76 million on the acquisition of businesses, shareholdings and other financial assets. Excluding the major projects in Brazil and the USA, capital expenditures came to €752 million, compared with €1,509 million in the prior-year period.

Current issuer ratings

In the 1st quarter 2009/2010 the rating agency Standard & Poor's lowered its rating on ThyssenKrupp to BB+, meaning ThyssenKrupp lost investment grade status with Standard & Poor's. At Moody's and Fitch our rating remains investment grade. On July 30, 2010 Fitch upgraded the outlook for the BBB- rating from negative to stable.

RATINGS

	Long-term rating	Short-term rating	Outlook
Standard & Poor's	BB+	B	stable
Moody's	Baa3	Prime-3	negative
Fitch	BBB-	F3	stable

Business area review

Steel Europe

STEEL EUROPE IN FIGURES

		9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
Order intake	million €	5,568	8,205	2,223	2,706
Sales	million €	7,325	7,835	2,151	2,887
EBT	million €	142	450	(312)	183
Adjusted EBT	million €	294	450	(172)	183
Employees	June 30	36,607	34,434	36,607	34,434

The Steel Europe business area brings together the Group's carbon flat steel activities, mainly in the European market. As the main sales driver, the ThyssenKrupp Steel Europe operating unit delivers high-grade flat-rolled carbon steel products directly to the market and also supplies starting material, e.g. for tinplate, electrical steel and tailored blanks, to the Processing operating unit, which is mainly active in downstream production areas.

Orders improved, sales stabilized

Aided by the more favorable market environment, order intake in the first 9 months of the reporting year climbed 47% year-on-year to €8.2 billion. This was mainly due to higher volumes: they increased year-on-year by 96% but leveled off again slightly recently. Production has in the meantime reached the capacity limit. Sales rose by 7% to €7.8 billion. Shipments also steadily improved and were 33% up from the prior year. This positive volume trend was partly offset by negative price effects. Although average selling prices were largely stable throughout the reporting period, they were significantly down from the extremely high prior-year levels. However, in the 3rd quarter steel prices increased from the previous quarter. Due to the ongoing long-term contracts, there will be a time lag before the cost-related rises in market prices are reflected in average selling prices.

Steel Europe achieved a pre-tax profit of €450 million, €308 million up from the prior-year period. This was mainly due to the positive trend in volumes and the continuing cost-reduction and earnings-improvement programs. In the corresponding prior-year period the market downturn and significant restructuring costs had a negative impact.

The companies of the business area employed a total of 34,434 people on June 30, 2010. The reduction by 2,173 from a year earlier was mainly due to personnel adjustments under the 20/10 program at ThyssenKrupp Steel Europe AG and in the metal forming business.

Performance of the operating units

The ThyssenKrupp Steel Europe operating unit increased its sales. A steep rise in volumes more than offset the fall in selling prices. The increase in industry sales was due in particular to outside-customer business, which recorded a sharp decline a year earlier and now profited mainly from restocking but also from the growth in real demand in individual sectors. The strongest impetus came from distributors and steel service centers. Shipments to automotive customers stabilized increasingly, but following last year's collapse were still significantly lower than the record levels of previous years. With the cost reductions achieved and higher sales volumes, ThyssenKrupp Steel Europe significantly improved its pre-tax profits.

Equipment utilization increased further as a result of higher demand in the 3rd quarter of the fiscal year. After blast furnace A was fired back up at investee company Hüttenwerke Krupp Mannesmann in January 2010, all available blast furnaces are now once again in use. Crude steel production including supplies from Hüttenwerke Krupp Mannesmann was 9.9 million metric tons in the reporting period, 49% higher than the prior-year level. This meant that the metallurgical operations had a full workload. Capacity utilization improved significantly in the downstream processing lines so that as of May 2010 no further short-time working was necessary.

The downstream activities combined in the Processing operating unit showed a mixed picture. Overall, sales were slightly higher year-on-year and pre-tax earnings improved.

The tinplate business continued to hold up well in a market characterized by demand overhangs, and sales increased slightly. The strong volume-related increase in sales of medium-wide strip was mainly due to improved workloads at automotive suppliers and rollers. Sales of electrical steel were higher year-on-year because the production of non-grain-oriented electrical steel previously part of ThyssenKrupp Steel Europe was allocated to the electrical steel unit effective October 01, 2009. In heavy plate, market factors caused sales and selling prices to fall; shipments have recently picked up considerably.

The tailored blanks unit achieved significant growth in business; volumes continued to be favorably influenced by government stimulus programs for the auto industry in many European countries and the USA. The metal forming business also benefited from this and increased its sales. Following the successful restructuring of this business, a best-owner solution is now being sought. Color/Construction recorded a lower volume of business. Despite improving volumes in individual segments such as the garage door industry and parts of the automotive industry, the market as a whole remained tight.

Steel Americas

STEEL AMERICAS IN FIGURES

		9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
Order intake	million €	0	47	0	24
Sales	million €	0	47	0	24
EBT	million €	(117)	(98)	(19)	(62)
Adjusted EBT	million €	(117)	(98)	(19)	(62)
Employees	June 30	1,590	2,876	1,590	2,876

With the Steel Americas business area we are tapping into the North American market for premium flat-rolled steel products. The business area includes the steel making and processing plants under construction in Brazil and the USA. It also organizes slab logistics between Brazil, Germany and the USA.

Inauguration of the steel mill in Brazil

On June 18, 2010 the new integrated iron and steel mill of ThyssenKrupp CSA Siderúrgica do Atlântico near Santa Cruz in the west of Rio de Janeiro was officially opened in the presence of Brazil's President Luiz Inácio Lula da Silva. With an investment budget of €5.2 billion, it is the biggest foreign investment for ThyssenKrupp in the history of the Group. It is also the biggest industrial investment project in Brazil in the past ten years and the first major steel mill to be built in the country since the mid-1980s. It will have the capacity to produce around 5 million metric tons of crude steel per year.

Construction work is nearing the finishing line. The port terminal and materials handling facilities have been completed; battery A of the coke plant and the melt shop are at an advanced stage of completion; the power plant, sinter plant and blast furnaces were technically completed in the first half of 2010, and the two gas turbines went into operation in the past quarter. Work on the ancillary facilities, such as power distribution and water treatment, and on other infrastructure facilities is also progressing well.

Following the startup of the first blast furnace, which took place during the inauguration ceremony for the iron and steel mill, the first full production line with blast furnace, melt shop converter and continuous caster will go into operation at the end of August 2010; a second melt shop line will follow as soon as the first line is operating stably. The startup of the second blast furnace is being planned flexibly, depending on the requirements of the market; as things stand, this is likely to be before the end of 2010.

At the end of June 2010 almost 24,000 people were working on the construction site, and CSA in Brazil had almost 1,900 employees.

Processing plant in the USA

Construction work on our processing plant in Calvert, Alabama/USA is also well advanced. The investment budget amounts to 3.6 billion US dollars. Construction is largely on schedule. The hot rolling mill came on line at the end of July 2010. The cold rolling mill, pickling line and finishing lines will start production in the 2nd half 2010. Due to the economic situation, completion of the coating lines will be postponed until next fiscal year, with the individual coating lines being completed step by step. The total hot rolled capacity of around 5 million tons/year includes the rolling capacity needed for Stainless Global's stainless steel plant in Alabama.

At the end of June 2010 around 7,000 people were working on the construction site; ThyssenKrupp Steel USA had around 1,000 employees.

Earnings situation and workforce

The earnings situation is dominated by the startup costs for the projects and the ramp-up of production. In the first 9 months 2009/2010, the business area reported a pre-tax loss of €98 million. In addition to the project startup costs, this figure was mainly influenced by positive currency effects due to the movement of the real against the euro, and the capitalization of interest costs during construction.

On June 30, 2010 the Steel Americas business area had 2,876 employees, 1,286 more than a year earlier.

Entry to the NAFTA market

In parallel with the construction work we have systematically continued our market analyses of price and volume trends and customer requirements in the NAFTA region and optimized our sales plans for the ramp-up phase in line with the wishes of our customers and the available product specifications. For this, our sales experts are intensifying their visits to key customers in the target automotive and electrical sectors as well as steel service centers and the tube/pipe industry, with the result that the first commitments have already been obtained from customers in the NAFTA region.

Stainless Global

STAINLESS GLOBAL IN FIGURES

		9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
Order intake	million €	2,992	3,820	1,207	1,317
Sales	million €	3,191	4,379	1,030	1,708
EBT	million €	(812)	(112)	(202)	64
Adjusted EBT	million €	(706)	(112)	(156)	64
Employees	June 30	11,869	11,150	11,869	11,150

As a world-leading producer of stainless steel, the Stainless Global business area specializes in premium-quality stainless steel flat products and high-performance materials such as nickel alloys and titanium. The business area also includes the stainless steel mill in Alabama, which is being built in cooperation with Steel Americas.

Orders and sales improved, losses further reduced

Stainless Global's order situation improved in the first 9 months 2009/2010 compared with the year before. The volume of orders received increased by 17%, with demand for stainless cold-rolled up by as much as 27%. Order volumes were also higher for nickel alloys, and steady for titanium. In terms of value, the business area's order intake climbed by 28% to €3.8 billion – mainly due to the year-on-year rise in alloy surcharges.

Overall deliveries were up 30% at 1.7 million metric tons. While shipments of stainless increased, deliveries of titanium and nickel alloys declined year-on-year. Overall the business area's sales grew by 37% to €4.4 billion.

Stainless Global improved its EBT by €700 million to €(112) million and achieved a pre-tax profit in the 3rd quarter 2009/2010. With the exception of ThyssenKrupp Stainless USA all operating units of the stainless steel business reported substantially reduced losses in the first nine months, thanks mainly to significantly lower inventory writedowns and impairment charges, targeted cost reductions, and a generally improved market situation permitting higher base prices and better utilization of production capacities. We continued to systematically implement the restructuring measures resolved at the end of 2008/2009 at all locations. Our SPRINT performance-enhancement program is already helping achieve a sustainable improvement in our earnings and competitiveness and a further flexibilization of our cost base.

At June 30, 2010, Stainless Global had 11,150 employees, 719 fewer than a year earlier.

Performance of the operating units

Rising demand for stainless flat products led to significantly improved order volumes and higher shipments at ThyssenKrupp Nirosta and ThyssenKrupp Acciai Speciali Terni. Sales in these operating units were also substantially higher. Following a heavy loss in the prior-year period, EBT improved at both ThyssenKrupp Nirosta and ThyssenKrupp Acciai Speciali Terni in the first 9 months 2009/2010, but remained negative. Higher base prices, increased cold- and hot-rolled volumes and intensified implementation of the restructuring measures played a role in this. Continued stable growth in the forging operations additionally bolstered earnings at ThyssenKrupp Acciai Speciali Terni.

ThyssenKrupp Mexinox and Shanghai Krupp Stainless also recorded higher order and shipment volumes, improved sales and virtually break-even results. Hire rolling orders from the Chinese market led to increased utilization of capacities at Shanghai Krupp Stainless; in conjunction with higher shipments and improved prices, this significantly reduced the pre-tax loss.

As a result of the worldwide recovery in demand, both shipments and sales at ThyssenKrupp Stainless International were almost doubled.

Business at ThyssenKrupp VDM was impacted by the postponement or cancellation of customer projects. While order intake increased for nickel alloys and remained stable for titanium mill products, sales in both businesses decreased year-on-year. Earnings remained negative despite the introduction of restructuring measures and the virtual absence of inventory writedowns.

Stainless steel mill in the USA

A modern, integrated stainless steel mill is being built in Alabama/USA in cooperation with Steel Americas at a cost of around 1.4 billion US dollars. The startup phase for the stainless steel mill is being extended. It is planned to start production with one cold rolling mill and an annual cold-rolled capacity of 100,000 metric tons in October 2010, expanding capacity in the subsequent period to a maximum of 140,000 tons per year. In preparation for the hot commissioning of the line, the first white coils were delivered to the USA by ThyssenKrupp Nirosta in June 2010. Startup of the hot-rolled annealing and pickling line has been brought forward to 2011. The ramp-up of the remaining facilities is still being kept flexible. The same applies to the startup of the melt shop, which was planned for early 2012 and can be delayed by up to 24 months. The site will initially be supplied with starting material from the European mills.

Materials Services

MATERIALS SERVICES IN FIGURES

		9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
Order intake	million €	9,204	9,435	2,469	3,695
Sales	million €	9,855	9,239	2,751	3,598
EBT	million €	(204)	316	(128)	144
Adjusted EBT	million €	(204)	235	(128)	144
Employees	June 30	44,744	32,096	44,744	32,096

With 500 locations in 40 countries, the Materials Services business area specializes in materials distribution, logistics and services, the provision of technical services as well as services for industrial plants and steel mills. In addition to rolled steel, stainless steel, tubes and pipes, nonferrous metals, specialty materials and plastics, Materials Services also offers services from processing and logistics to warehouse and inventory management through to supply chain and project management.

Recovery strengthening – cost-reduction programs taking effect

In the first 9 months 2009/2010, the business area achieved sales of €9.2 billion, 6% lower than in the corresponding prior-year period. While 1st-half sales were 21% lower year-on-year, sales in the 3rd quarter for the first time significantly exceeded the 2008/2009 figures. This was due to both growth in volumes and substantially increased selling prices. Following their disposal in the 1st quarter, ThyssenKrupp Industrieservice and ThyssenKrupp Safway are included in the sales figures of the current year on a prorated basis only.

Materials Services reported 3rd-quarter EBT of €144 million, which means that its earnings before nonrecurring items improved significantly from quarter to quarter. Including nonrecurring gains of €81 million on the disposal of ThyssenKrupp Industrieservice and ThyssenKrupp Safway, the business area generated EBT of €316 million in the first 9 months; excluding this amount EBT was €235 million. Alongside the economic recovery, the growth in earnings was attributable above all to sustainable cost reductions in all areas.

At the end of the reporting period, the business area had 32,096 employees, 12,648 fewer than a year earlier. The reduction was mainly attributable to the disposals at Industrial Services. However, the number of employees also decreased at nearly all companies of the Metal Services operating unit.

Performance of the operating units

The Metal Services operating unit combines our global materials, warehouse, service and direct-to-customer business activities. Sales in the first 9 months 2009/2010 showed a year-on-year decline, mainly as a result of continued lower average price level. In our key European and North American markets there were signs of a recovery towards the end of the 2nd quarter which strengthened in the 3rd quarter. Demand from manufacturing industry, the engineering sector and to a limited extent the construction sector increased appreciably, though not to the same extent as prices. Major structural measures significantly improved the operating unit's business situation. Thanks to demand from the automotive industry, the auto-related service center activities again showed a major improvement on the very weak prior-year period. International direct-to-customer business continued to suffer from subdued demand and fierce competition for the few major projects available. Customers are exercising increasing restraint, placing orders on a purely project-related basis and at very short notice. Following a substantial loss in the prior-year period as a result of drastic price falls which necessitated high write-downs on inventory, the operating unit achieved a significant improvement in profits in the 3rd quarter and reported the business area's best earnings over the 9 months.

The Special Services operating unit encompasses the materials and supply chain management activities for the aerospace industry and the plastics business. It also includes raw materials trading, system solutions in railway and construction equipment, and steel mill and technical services. The operating unit's overall sales were higher year-on-year. The plastics business picked up noticeably after the long weather-related winter break placing constraints on the construction industry. The aerospace business remained on a stable growth track. New projects and contracts were signed in Europe and North America in the reporting period. Following the marked improvement in workloads in the steel industry, the raw materials business grew strongly. Sales in the railway and construction equipment business were impacted by weather-related postponements, delays in the implementation of stimulus programs, financing difficulties for major projects and also increased competitive pressure. The workload in Brazil for our steel mill services stabilized at an encouragingly high level. In the reporting quarter the first major projects were billed for the CSA steel mill in Brazil. Capacity utilization in Germany increased due to the upturn in the steel industry. Overall the operating unit achieved a clear profit and exceeded its prior-year earnings.

The Industrial Services operating unit's figures were dominated by the disposals of ThyssenKrupp Industrieservice and ThyssenKrupp Safway. Sales and earnings are included on a prorated basis only. The remaining unit was impacted with a time lag by the general economic crisis; orders from the chemicals and energy sectors remained slow. Sales and pre-tax profits excluding nonrecurring items in the first 9 months of the current fiscal year were down from the prior-year period.

Elevator Technology

ELEVATOR TECHNOLOGY IN FIGURES

		9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
Order intake	million €	3,937	3,835	1,186	1,390
Sales	million €	3,964	3,760	1,328	1,313
EBT	million €	474	459	166	151
Adjusted EBT	million €	474	459	166	151
Employees	June 30	42,761	43,066	42,761	43,066

The Elevator Technology business area supplies passenger and freight elevators, escalators and moving walks, passenger boarding bridges, stair and platform lifts as well as service for the entire product range. More than 43,000 employees at over 900 locations provide a tight-knit service network to keep us close to customers.

Good performance

Despite a continued difficult market environment, the business area performed well in the first 9 months 2009/2010. At €3.8 billion, orders almost reached the prior-year level. A decline in new installations and modernization business was offset by strong growth in service business. In addition, exchange-rate factors boosted order intake by €31 million. While most operating units reported slightly lower orders, the Asia/Pacific unit achieved significant growth.

Due to the weaker new installation and modernization business, sales slipped 5% to €3.8 billion, offset slightly by exchange-rate effects of €25 million. At the same time sales in the service business increased, with the number of maintenance units under contract continuing to rise.

Elevator Technology generated EBT of €459 million, maintaining its strong prior-year performance. All operating units contributed to this profit.

At 43,066 the number of employees on June 30, 2010 was slightly higher than a year earlier, due mainly to the growth in the workforce of Asia/Pacific. In the Americas operating unit the headcount decreased slightly.

Performance of the operating units

Order intake in the Central/Eastern/Northern Europe operating unit was slightly lower due to a decline in France. All other regions remained stable. Sales were likewise down from the prior-year period, due mainly to the United Kingdom and France. In all other markets sales were essentially level. The weaker performance in the United Kingdom and France also resulted in a significant decline in EBT.

Orders in the Southern Europe/Africa/Middle East operating unit fell just short of the prior-year level, due in particular to weaker activity in the new installations and modernization business. Unfavorable factors were the negative market environment on the Iberian Peninsula and the return to normal of the Egyptian operations. These were partly offset by substantial growth in the Gulf region. Thanks to strong expansion above all in the Gulf states, Egypt and Italy, the operating unit reported a small increase in sales. Pre-tax income was slightly lower year-on-year.

Despite small positive exchange-rate effects, the Americas operating unit reported lower orders, sales and EBT. In addition, the new installation and modernization business in North America suffered a sharp decline, while service business improved further. Focused on Brazil, the South American activities again achieved significant growth in orders, sales and in particular EBT.

The Asia/Pacific operating unit performed significantly better year-on-year, bolstered on the whole by exchange-rate effects. Order intake and sales rose steeply due in particular to the continued pleasing growth in China. Pre-tax earnings exceeded the prior-year level thanks mainly to the Chinese and Korean activities.

Business was weaker in the Escalators/Passenger Boarding Bridges operating unit. While the escalator activities performed steadily, orders, sales and pre-tax earnings for passenger boarding bridges fell short of the good level of the prior year for project-related reasons.

Despite growth in Europe and Asia, order intake, sales and pre-tax earnings in the Accessibility operating unit were slightly lower year-on-year. Due to the continuing crisis on the US housing market, business in the USA declined and in response strict cost-reduction measures are being implemented.

Plant Technology

PLANT TECHNOLOGY IN FIGURES

		9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
Order intake	million €	3,075	2,948	807	800
Sales	million €	3,366	2,864	1,101	970
EBT	million €	238	230	65	62
Adjusted EBT	million €	244	230	66	62
Employees	June 30	13,062	12,975	13,062	12,975

The Plant Technology business area is a leading international supplier of chemical plants, refineries, cement plants, innovative solutions for the mining and handling of raw materials and minerals, and production systems and assembly lines for the automotive industry. The business area's plants and processes open up new possibilities for environmental protection and sustainable development.

Stable performance in more difficult market environment

Thanks to the continued good order situation at Uhde, Fördertechnik and System Engineering, the Plant Technology business area achieved order intake of €2.9 billion in the first 9 months, almost matching the prior-year level. Individual areas of the plant engineering market were subject to intensified competition, with increased surplus capacities on the supply side and a lower number of projects up for award. However, the rallying raw materials markets led to increased orders for projects in the mining and minerals segment.

Sales in the first 9 months 2009/2010 fell 15% to €2.9 billion due to billing technicalities. Orders in hand of around €6.5 billion at June 30, 2010, mainly for long-term project business, continue to secure over one year's sales.

With a pre-tax profit of €230 million, Plant Technology again delivered a pleasing result in the first 9 months of the current fiscal year. The main earnings drivers were Uhde, Polysius and Fördertechnik.

At 12,975, the number of employees at June 30, 2010 decreased only insignificantly from a year earlier.

Performance of the operating units

Thanks to major orders for several fertilizer plants in Abu Dhabi and Egypt, a coke plant with gas treatment in Taiwan and a hydrogen plant in India, Uhde's order intake in the first 9 months 2009/2010 was markedly higher than the prior-year figure. Sales however were substantially down from the prior year, when several major orders were billed. Pre-tax profit significantly exceeded the already high prior-year level.

At Polysius, one of the leading engineering companies for equipment for the cement and minerals industries, order intake was considerably lower than in the prior year. This was due to several major orders that positively influenced the prior-year order intake and to delays in the award of several projects in the reporting period. Due to high orders in hand, however, sales were slightly higher than a year earlier. Pre-tax profit was slightly down from the strong prior-year figure.

Orders received at Fördertechnik in the first three quarters 2009/2010 were pleasing, exceeding the prior-year level significantly. Major factors in this were the orders from Brazil for surface mining equipment including two fully mobile crusher plants, a power station coaling plant in South Africa, as well as the very good order situation in India. Sales also increased again from their high prior-year level. EBT likewise came in level with the good prior year.

At System Engineering – specialists in production systems and assembly lines for the auto industry – the order situation improved further. Higher orders mainly in the body-in-white business significantly outweighed declining orders for parts production caused by lower production volumes and temporary plant closures at individual customers in the first months of the current fiscal year. However, sales were lower year-on-year due to billing technicalities. Lower orders for parts production and underutilization in the assembly systems business contributed to negative pre-tax earnings.

Components Technology

COMPONENTS TECHNOLOGY IN FIGURES

		9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
Order intake	million €	3,205	4,090	899	1,584
Sales	million €	3,462	4,149	1,063	1,568
EBT	million €	(95)	164	(101)	58
Adjusted EBT	million €	(44)	211	(76)	105
Employees	June 30	27,963	28,860	27,963	28,860

The Components Technology business area supplies a broad range of high-tech components for wind turbines, the automotive and construction equipment industries, and general engineering applications. Our automotive operations are focused on crankshafts and camshafts, steering systems, dampers, springs and the assembly of axle modules.

Positive performance continued

The pleasing positive performance of the Components Technology business area continued. In the first 9 months 2009/2010 order intake improved by 28% to €4.1 billion. Sales rose by 20% to €4.1 billion. In the 3rd quarter 2009/2010 sales were up almost 50% from the weak prior-year quarter. The pick-up in demand in the auto industry was due among other things to the economic recovery, government stimulus programs in many countries and stockbuilding by our customers.

After a loss in the prior year the business area achieved a pre-tax profit of €164 million in the first 9 months 2009/2010. Stronger demand from the auto industry and lower restructuring and impairment charges played a role in this. In addition, the restructuring measures initiated in the prior year and continued this year had a positive effect. These measures are mainly focused on structural capacity adjustments and include both personnel cutbacks and closures of plants in Europe and the USA. Further cost-reduction programs were also implemented. Excluding restructuring and impairment charges, adjusted EBT came to €211 million.

At the end of June 2010 Components Technology employed 28,860 people, 897 more than a year earlier. Thanks to the improved demand situation on the international auto markets, more employees were hired in particular in the USA as well as in Brazil and China; in Germany the number of employees declined.

Performance of the operating units

The performance of the operating units was positive on the whole.

The automotive operations continued to perform well. Thanks to higher orders from the auto industry Presta Camshafts, Presta Steering and the Bilstein group achieved significantly higher sales of assembled camshafts, steering systems, dampers, springs and axle modules in the first 9 months 2009/2010. Presta Camshafts and Presta Steering improved their earnings and generated a pre-tax profit; earnings at the Bilstein group were impacted by restructuring and impairment charges.

The forging group increased its sales of forged car and truck crankshafts significantly and returned to the profit zone. Demand was higher particularly on the Brazilian and US markets. The market improved also in Europe, causing rising sales in the 3rd quarter in particular.

The American foundries of Waupaca, which produce components for cars, trucks and other applications, also profited from higher market demand as well as from further savings in the health care program and structural capacity adjustments. Sales increased substantially year-on-year and a pre-tax profit was achieved.

In Berco's construction equipment business, demand improved from March 2010. From a low base level in the prior year, sales almost doubled in the 3rd quarter, due among other things to customers replenishing their depleted inventories. Sales also increased year-on-year. An extensive cost reduction program including structural capacity adjustments was initiated to further improve competitiveness. Restructuring and impairment charges as well as increased material costs resulted in a loss.

With demand in the general engineering sector still weak and wind energy customers placing orders for immediate needs only, order intake for slewing bearings and rings at the Rothe Erde operating unit had been weaker in the 1st half 2009/2010. However, in the 3rd quarter orders improved significantly both year-on-year and quarter-on-quarter, so overall order intake in the first 9 months 2009/2010 was level with the prior year. Sales failed to reach the prior-year level but the trend in the 3rd quarter was rising. Rothe Erde remained the business area's main earnings contributor but was unable to equal the high profit of the prior year.

Marine Systems

MARINE SYSTEMS IN FIGURES

		9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
Order intake	million €	1,710	357	(339)	108
Sales	million €	1,238	964	321	423
EBT	million €	(211)	(40)	(127)	(23)
Adjusted EBT	million €	(45)	(1)	(31)	(4)
Employees	June 30	8,057	6,588	8,057	6,588

With the restructuring of our shipyards, the Marine Systems business area will focus increasingly in the future on its outstanding global position in naval shipbuilding.

Order intake and sales down, earnings improved

The market environment for Marine Systems was mainly unfavorable in the reporting period. In the naval business, tight public finances in important customer countries had a negative effect. However in recent months freight rates for merchant shipping have improved significantly, boosting the market for repairs, refits and conversions.

Against this background, order intake in the first 9 months 2009/2010 decreased by 79% to €357 million; most of the orders were for smaller projects. The contract with Turkey for six material packages to build export class 214 submarines, which was initiated in the last fiscal year, is expected to come into effect in the current fiscal year after the financing conditions are clarified.

Sales in the first 9 months of the current fiscal year came to €964 million. The main reason for the 22% decline was the absence of sales from the submarine orders for Greece, which were canceled in September 2009. The increase in freight rates made it possible to sell new container ships canceled by customers to third parties.

Earnings before taxes improved year-on-year by €171 million to €(40) million and included in particular charges due to Hellenic Shipyards in Greece. Excluding these nonrecurring items, earnings were almost breakeven.

Due to the restructuring of the shipyards the number of employees at June 30, 2010 was 1,469 lower than a year earlier at 6,588.

Restructuring of the shipyards

The restructuring of the Marine Systems business area was continued in the first 9 months 2009/2010:

The design and project management unit of the surface naval vessel business at Blohm + Voss Nordseewerke is to be transferred to a 50/50 joint venture with the Abu Dhabi MAR Group. At the same time it was agreed to sell 100% of the mega yacht construction business and an initial 80% share of both the ship repair and component production activities. In addition, Abu Dhabi MAR will acquire the employees and facilities of the merchant shipbuilding operations of HDW-Gaarden in Kiel, which were discontinued in fall 2009. The contracts for these agreements were signed on April 13, 2010.

The corresponding regulatory approval procedures for these restructurings have been initiated and in part already completed.

Talks over a possible sale of Hellenic Shipyards in Greece to Abu Dhabi MAR are also in progress with the involvement of the Greek government, which takes a positive view of such a solution.

Corporate at ThyssenKrupp AG

Corporate comprises the Group's head office including management of the business areas. It also includes the business services activities in the areas of finance, communications, IT and human resources, as well as non-operating real estate and inactive companies. Sales of services by Corporate companies to Group companies in the reporting period came to €94 million, compared with €82 million a year earlier.

Corporate's earnings before taxes came to €(442) million, a year-on-year deterioration of €15 million.

Consolidation mainly includes the results of intercompany profit elimination.

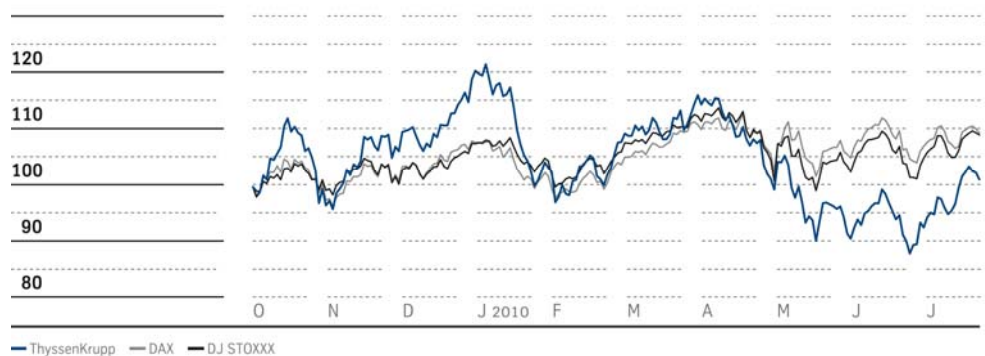
ThyssenKrupp stock

The positive performance of ThyssenKrupp's stock continued in the first three months of 2009/2010. On January 08, 2010 the stock reached a fiscal year-to-date high of €28.07, driven by general economic expectations and ThyssenKrupp's strategic measures.

In the 2nd quarter the stock made up most of the losses it suffered in a weak phase at the end of January.

In the 3rd quarter steel stocks came under pressure due to fears that sharply increased raw material prices would impact steel company earnings as well as concerns that the economic recovery could slow. ThyssenKrupp's stock was also affected by this. On June 30, 2010 it stood at €20.35, meaning that since September 30, 2009 it has underperformed the DAX and DJ STOXX indices.

PERFORMANCE OF THYSSENKRUPP STOCK IN COMPARISON indexed, Oct. 01, 2009 to July 30, 2010, in %



ThyssenKrupp employee stock program 2010

In spring 2010 around 80,000 employees in the German Group companies were given the opportunity, for the seventh time, to buy ThyssenKrupp shares on special terms. The program again met with broad acceptance in the workforce with a 56% participation rate. Around one in two employees also participated in each of the previous programs in 2001 and from 2004 to 2008.

In total, over 500,000 shares were issued to employees. At a price of €22.09 per share, each employee was able to buy twelve shares.

The offer was based on the 50/50 model: Employees purchase ThyssenKrupp shares up to a value of €270 and pay only half themselves – i.e. up to €135. The employer pays the other half. Under German tax law this 50% employer contribution is free of tax and social security contributions.

Basic information on the stock market listing

ThyssenKrupp stock is listed on the Frankfurt and Düsseldorf stock exchanges.

THYSSENKRUPP STOCK MASTER DATA

		Securities identification number
Stock exchange		
Frankfurt (Prime Standard), Düsseldorf		DE 000 750 0001
Symbols		
Stock exchange	Frankfurt, Düsseldorf	TKA
Reuters	Frankfurt Stock Exchange	TKAG.F
	Xetra trading	TKAG.DE
Bloomberg	Xetra trading	TKA GY

Innovations

Whether in business or private life, energy is indispensable, above all for heat and mobility. However, finite reserves of primary energy sources and the challenges of climate change demand higher efficiency in energy conversion and use in the future. Novel solutions can reduce CO₂ emissions and at the same time conserve increasingly scarce resources.

With its innovative materials ThyssenKrupp is contributing to reducing CO₂ emissions in energy production. In collaboration with E.ON and Hitachi Power Europe we have developed a material which could play a major role in the construction of advanced high-temperature power plants in the future. To increase the efficiency of new power plants the steam temperature in boilers and turbines has been raised from the conventional 600°C to around 700°C while at the same time pressure has been increased from 250 bar to 350 bar. The materials used in current power plants would be unable to withstand these loads on a long-term basis. However our new nickel-based material is able to do so; it displays high strength yet can be readily formed and welded. It could be used to make tubes, valves, connectors and plates in future-generation power plants. The optimized high-performance material is to be trialed in several pilot plants from 2012; laboratory tests will continue in parallel. A precursor has already been tested successfully for roughly five years in various laboratories and test facilities. ThyssenKrupp also expects the further optimized material to confirm the desired properties. With this innovative material the Group is moving towards the goal of facilitating more efficient, low-CO₂ power plants.

As a metal that displays particularly high strength, low weight and the ability to withstand high temperatures, titanium saves energy in aviation. Large quantities of titanium alloys are used in the engine, undercarriage, wings and airframe of the A380 super jumbo. Thanks to their comparatively low weight they reduce kerosene consumption. A new titanium alloy is also used in a dense forged component in the undercarriage of the twin-deck passenger plane, where the hydraulic block of the brake system has to withstand a pressure of 300 bar.

Uhde in the Plant Technology business area is one of the world's leading engineering companies in the design and construction of chemical, refining and other industrial plants, with more than 2,000 plants to its credit. The sustainable production of starting materials is growing in importance around the world. Uhde has now agreed a further alliance in the area of biotechnology with a US partner. Commercial production of succinic acid is expected to begin before the end of 2010. Succinic acid shows great promise for the future of various commercially manufactured chemicals. Compared with conventional alternatives, succinic acid from renewable feedstocks offers favorable production costs, low price volatility and significantly reduced CO₂ emissions. Succinic acid is used in a wide range of applications including polymers, solvents, pharmaceuticals and food. Typical end products include car components, electronic casings and paints.

Weight reduction in new vehicle design places demands on both automotive OEMs and their suppliers. By making individual components as light as possible, the aim is to reduce the overall weight of the vehicle and so help cut fuel consumption and emissions. This is also a key issue in the Components Technology business area. It includes measures for the powertrain as well as chassis components that thanks to innovative designs or targeted material selection weigh substantially less than comparable conventional components. In addition, lightweight struts and axles provide added ride comfort.

Next to weight reduction another focus of attention is improved product function, as illustrated by a further important innovation from the business area: DampTronic® Sky, a weight-optimized, robust yet high-tech active damping system. DampTronic® Sky lets the driver steplessly adjust the vehicle's handling properties, making the ride firmer and more agile or more comfortable. This is an active damping system that uses multi-way valve technology in conjunction with a lighter monotube damper to produce exceptionally comfortable handling. In addition, driving safety is enhanced by independent control of compression and rebound damping. Initial production orders have already been placed for the product.

These and further developments illustrate the ambition and ingenuity of our engineers in pursuing sustainable solutions and offering our customers efficient and innovative products.

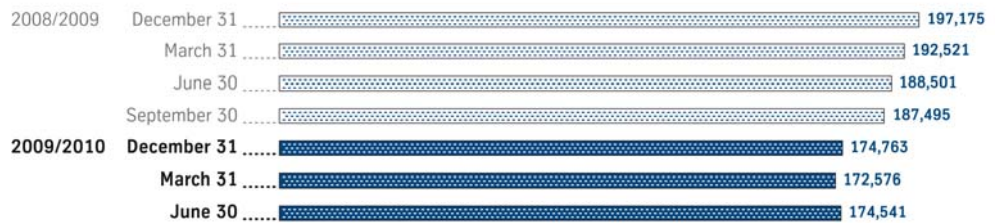
Employees

Employee numbers up slightly quarter-on-quarter

On June 30, 2010, ThyssenKrupp had 174,541 employees worldwide, representing a slight increase in the 3rd quarter 2009/2010. Compared with the same date a year earlier there was a decrease of 13,960 employees or 7.4%. In particular the Materials Services business area employed fewer people due to disposals. There was an increase in the headcount at Steel Americas and to a lesser extent at Components Technology and Elevator Technology.

Compared with September 30, 2009 the number of employees declined by 12,954 or 6.9%. The workforce decreased by 13.4% to 70,350 in Germany and by 2.0% to 104,191 in other countries. At the end of June 2010 40% of employees were based in Germany, 24% in the rest of Europe, 13% in the NAFTA region, 11% in Asia – particularly in China and India – 10% in South America and 2% in the rest of the world.

EMPLOYEES



Short-time working was scaled back significantly. At the end of June 2010 only 3,456 employees were still affected by short-time working in the Group worldwide, compared with a high of 38,020 in April 2009. In the Steel Europe business area, which still had 14,004 workers on short time in April 2009, it was reduced almost completely. The main area of short-time working at the end of June 2010 was outside Germany, particularly in the plants of Components Technology.

Move to the new ThyssenKrupp Quarter

After three years of construction the new head office of ThyssenKrupp AG – the ThyssenKrupp Quarter – was officially inaugurated in Essen on June 17, 2010. The building of the new Quarter was a milestone for the Group, not just from an architectural point of view. With the move of ThyssenKrupp AG employees to Essen the reorganization of the holding company begun in October 2009 was largely completed, also in locational terms.

Last year, head office structures were optimized and consolidated organizationally in the 13 corporate centers of ThyssenKrupp AG. Around 700 employees were spread over four locations in Düsseldorf, Duisburg and Essen. With the move into the new buildings of the Quarter the staff of the corporate centers have now been brought together in line with their communications relationships.

Financial position

Analysis of the statement of cash flows

The amounts taken into account in the statement of cash flows correspond to the item “Cash and cash equivalents” as reported in the statement of financial position.

In the first 9 months of fiscal 2009/2010 there was a cash outflow from operating activities of €147 million compared with a cash inflow of €1,954 million in the corresponding prior-year period. The main reason for this was a €3,720 million deterioration in funds tied up in inventories and trade receivables and payables. Whereas a release of funds of €2,156 million was achieved in the corresponding prior-year period, there was a €1,564 million increase in funds tied up in the reporting period, mainly due to the recovery in demand. This was partly offset by the significant improvement in net income before impairment losses/reversals and deferred tax income, which was up by €1,483 million to €1,474 million.

The cash outflow from investing activities was down €808 million from the corresponding prior-year period at €1,937 million. This was due to a €417 million reduction in capital expenditures for property, plant and equipment (including advance payments and investment property) to €2,316 million, and a €473 million increase in proceeds from the disposal of consolidated companies, mainly due to the disposals of ThyssenKrupp Industrieservice and ThyssenKrupp Safway. This was partly offset by a €73 million reduction in proceeds from disposals of property, plant and equipment and investment property.

As in the prior-year period, free cash flow, i.e. the sum of operating cash flows and cash flows from investing activities, was negative. Compared with the prior-year period, there was a significant increase in the negative free cash flow by €1,293 million to €(2,084) million, which was mainly due to the substantial cash outflow from operating activities compared with the prior year.

The cash inflow from financing activities in the reporting period came to €367 million, compared with a cash inflow of €3,163 million in the corresponding prior-year period. The €2,796 million net cash outflow was mainly due to low repayments of financial debt of €19 million in the reporting period, compared with borrowings of €3,971 million in the corresponding prior-year period. This was partly offset by a €500 million increase in proceeds to equity in connection with the increase of the shareholding of Vale S.A. in ThyssenKrupp CSA Siderúrgica do Atlântico Ltda. In addition, compared with the prior-year period there were reduced dividend payments (€470 million) and lower expenditures for the acquisition of shares in already consolidated companies (€147 million).

Analysis of the statement of financial position

Compared with September 30, 2009, total assets increased by €3,774 million to €45,141 million. This increase was influenced by currency translation effects of €1,980 million, mainly due to the fall in the US dollar exchange rate in the reporting period.

Non-current assets increased in total by €2,687 million, which included a €2,291 million increase in property, plant and equipment. As well as exchange-rate effects, which caused an increase of €718 million, the two major projects in Brazil and the USA played a major part in the increase. This was partly offset by reclassifications of €120 million to assets held for sale. The increase in intangible assets was due to exchange-rate effects of €301 million; this was also partly offset by reclassifications of €140 million to assets held for sale. The €151 million decrease in other non-financial assets related in particular to advance payments to suppliers, which were reclassified to property, plant and equipment in connection with further construction progress on the steel mill in Brazil. The €328 million increase in deferred tax assets includes exchange-rate effects of €152 million.

Current assets increased in total by €1,087 million. The increase was due in particular to significant increases in inventories and trade accounts receivable, which were partly offset by a substantial reduction in cash and cash equivalents.

The €1,357 million increase in inventories included €307 million exchange-rate effects. In addition, due to the marked improvement in the business situation in the reporting period, there were increases mainly in the business areas Steel Europe (€313 million) and Materials Services (€165 million). The increase in the Steel Americas business area (€181 million) was connected with the planned start of production of the Brazilian steel mill. The large increase in inventories in the Stainless Global business area (€457 million) was due to price and volume increases. Reclassifications to assets held for sale resulted in a reduction of €50 million.

Trade accounts receivable were €1,429 million higher. In addition to a €323 million increase for exchange-rate reasons, there were increases in the business areas Steel Europe (€356 million), Materials Services (€313 million) and Components Technology (€188 million) due to the recovery in demand during the reporting period. The increase in the Stainless Global business area (€210 million) was due to both volume increases and raw material price rises in the reporting period. The increase in the Plant Technology business area (€84 million) was due in particular to the increase in receivables from construction contracts. Reclassifications to assets held for sale resulted in a reduction of €82 million.

Other financial assets reported under current assets decreased by €448 million, mainly due to the capital contributions at ThyssenKrupp CSA Siderúrgica do Atlântico Ltda. made in the reporting period by co-shareholder Vale S.A.

The €226 million increase in other current non-financial assets included, besides exchange-rate effects (€95 million), in particular higher tax refund entitlements. Reclassifications to assets held for sale resulted in a reduction of €87 million.

The €1,686 million decrease in cash and cash equivalents to €3,663 million was due mainly to the negative free cash flow in the reporting period of €(2,084) million and dividend payments of €173 million. Reclassifications to assets held for sale resulted in an additional decrease of €245 million. This was partly offset by exchange-rate effects of €249 million and in particular the €500 million capital contribution made in the reporting period at ThyssenKrupp CSA Siderúrgica do Atlântico Ltda. in connection with the increase in the shareholding of co-shareholder Vale S.A.

Assets held for sale increased by €260 million. At September 30, 2009 assets of €491 million were recognized here in connection with the disposals initiated in October 2009 of ThyssenKrupp Industrie-service and ThyssenKrupp Safway in the Materials Services business area; these disposals were completed by mid December 2009. As part of the ongoing portfolio optimization measures, the disposal of parts of the Marine Systems business area was initiated in April 2010. This resulted in the recognition of assets held for sale of €681 million at June 30, 2010; overall, non-current assets of €202 million and current assets of €479 million were reclassified in this connection. In addition, assets held for sale at June 30, 2010 included €70 million property, plant and equipment in the Steel Americas business area.

The €1,245 million increase in total equity to €10,941 million was attributable mainly to the net income for the reporting period of €727 million and to net unrealized gains recognized in other comprehensive income from foreign currency translation (€804 million) and from derivative financial instruments (€224 million after taxes). This was partly offset by profit distributions (€173 million) and actuarial losses on pensions and similar obligations recognized in other comprehensive income (€437 million after taxes). The €190 million increase in non-controlling interests contained in the increase in total equity includes €85 million net income attributable to non-controlling interests. The remaining increase was mainly due to unrealized gains from foreign currency translation attributable to non-controlling interests (€50 million) and to derivative financial instruments (€82 million after taxes); this was partly offset by profit distributions (€34 million).

Non-current liabilities decreased in total by €164 million. This included an €873 million decrease in financial debt, which related in the amount of €749 million to the reclassification of a bond to current financial debt. This was partly offset by a €668 million increase in provisions for pension and similar obligations, €312 million of which was due to currency translation effects. In addition there was an increase of €601 million due to the updated interest rates used for the revaluation of pension and healthcare obligations at June 30, 2010. Reclassifications to liabilities associated with assets held for sale resulted in a decrease of €121 million.

Current liabilities increased overall by €2,693 million. This includes a €1,063 million increase in current financial debt mainly due to the aforementioned reclassification of a bond from non-current financial debt.

The €288 million decrease in other current provisions was mainly due to the use of provisions for the restructuring measures initiated in the Group in fiscal 2008/2009, and to €48 million reclassifications to liabilities associated with assets held for sale.

The significant €843 million increase in trade accounts payable included €159 million currency translation effects. In addition there were increases in the Stainless Global business area (€404 million), mainly due to significant payment term extensions with raw material suppliers and higher purchasing prices, as well as in the business areas Components Technology (€150 million) and Materials Services (€123 million) as a result of the demand improvement in the reporting period. The increase was partly offset by the reclassification of €56 million to liabilities associated with assets held for sale.

The €184 million increase in other current financial liabilities was mainly caused by €227 million higher payment obligations from the purchase of property, plant and equipment, particularly for the major project in the USA. This was partly offset by reclassifications of €21 million to liabilities associated with assets held for sale. Current non-financial liabilities increased by €768 million, of which €287 million was attributable to exchange-rate effects. In addition there was a €351 million increase in liabilities from construction contracts in the Plant Technology business area and increases in advance payments received in the business areas Elevator Technology (€152 million) and Plant Technology (€48 million). Reclassifications to liabilities associated with assets held for sale resulted in a decrease of €197 million.

Liabilities associated with assets held for sale were €183 million higher. This includes a decrease of €288 million relating to the disposals of ThyssenKrupp Industrieservice and ThyssenKrupp Safway in the Materials Services business area which were initiated in October 2009 and completed in the reporting period. The disposal of parts of the Marine Systems business area initiated in April 2010 resulted in a €471 million increase in liabilities associated with assets held for sale at June 30, 2010. Overall, non-current liabilities of €134 million and current liabilities of €337 million were reclassified.

Risk report

ThyssenKrupp remains exposed to the risks from the after-effects of the financial and economic crisis. Our systematic and efficient risk management tools contain and manage these risks for our business activities. There are no risks threatening the existence of the Company. We continue to rigorously implement our extensive action program to reduce costs and increase efficiency in all areas of the Group.

In the wake of the financial crisis the focus of attention has shifted increasingly to financial risks such as liquidity and credit risks. ThyssenKrupp takes account of these risks and manages its liquidity requirements with foresight. Despite the difficult market environment, our financing for this and next fiscal year is on a secure foundation. At June 30, 2010 the Group had €8.5 billion in cash, cash equivalents and committed credit lines.

Credit risks (default risks) arise from the fact that the Group is exposed to possible default by a contractual party in relation to financial instruments, e.g. financial investments. In times of crisis, default risks take on greater significance; we therefore manage them with particular care as part of our business policy. Financial instruments used for financing are concluded within specified risk limits only with counterparties who have very good credit standing and/or who are covered by a deposit guarantee fund.

Further financial risks such as currency, interest rate and commodity price risks are reduced by the use of derivative financial instruments. Restrictive principles regarding the choice of counterparties also apply to the use of these financial instruments.

In our operating activities we continue to see risks of an economic setback. In particular the price increases for iron ore and coking coal represent risks going forward for our steel activities. To secure our competitiveness we are responding to the huge price increases with correspondingly adjusted selling prices.

In the Marine Systems business area the negotiations with the Greek customer on outstanding payments are not yet complete, so negative effects on our financial position and earnings still cannot be ruled out.

We do not see any major risks from the start of production of our steel activities in North and South America. The expansion of our global presence with good and long-standing customer relationships in the markets relevant to our business activities will contribute to making us less dependent on individual sales markets and sectors and help moderate falls in demand.

The commitment and skills of our employees reduce risks in the various areas of the Group. Risks such as bad debt and changes in political and regulatory conditions are countered by continuous monitoring. Beyond this, the detailed information contained in the risk report on pages 155-165 of our 2008/2009 Annual Report is still valid.

We report on pending lawsuits, claims for damages and other risks in Note 7.

Subsequent events, opportunities and outlook

Subsequent events

There were no reportable events.

Economic upturn continues in 2010

The global economic upturn that began in the 2nd half 2009 will continue in the further course of 2010 – albeit at a slower pace. After declining sharply last year, global GDP is expected to grow by around 4% in 2010. However, major uncertainties lie in the debt crisis, the continuing high need for write-downs in the banking sector and the price situation for raw materials. The prospects for world trade have improved, with growth of around 10% expected in 2010. Due to the ending of numerous stimulus programs and the need to consolidate government budgets, world economic growth in 2011 is expected to be slightly weaker.

The euro zone will perform below average in 2010 with GDP growth of around 1%. The main growth drivers are exports, which are profiting from strong global demand and the weaker euro. However the debt crisis of some euro countries will impact consumer and government spending and thus significantly slow the pace of growth. Slightly higher economic growth of around 2% is expected for Germany due to rising exports, buoyant industrial activity and a surprisingly strong job market.

The US economy will recover moderately in 2010 with GDP growth of around 3%. Consumer spending will exert only moderate growth impetus due to high unemployment, low income growth, falling house prices and difficult borrowing conditions.

The high pace of growth in China and India will continue in 2010 with GDP increases of around 10% and 8% respectively; however there is a risk of overheating in China, particularly in the property sector. Thanks to increased raw material prices Brazil and Russia will also achieve higher economic growth.

Future developments on the raw material markets are a source of major uncertainty. In the 1st half of the year the three big iron ore producers succeeded in switching their contracts with steel companies from annual to quarterly deals, with the ore price recalculated each quarter based on the volatile spot market. As spot prices were much higher than the annual prices due to demand in China, the switch caused price increases of over 100% in some cases at the beginning of April 2010. The increasing power of the raw materials producers, rising demand and also speculative elements mean there could be major price swings in the coming quarters, detached from the general economic and sector trends.

We expect the following developments on the sales markets of importance to ThyssenKrupp:

- On the steel markets in Europe, the NAFTA region and Japan, demand this year will be higher than in 2009, mainly due to restocking, but will remain far below the levels of previous years, especially as the markets have calmed considerably in the summer months. A significant increase in real consumption cannot be expected in 2010, especially not in Europe. A further expansion in capacities worldwide means there is also a risk of rising European imports from third countries, especially China, where domestic demand growth has slowed in recent weeks. Steel consumption in the emerging countries is expected to grow further. According to the spring forecast of the World Steel Association, global steel demand will increase by 11% this year; that corresponds to a crude steel output of around 1.4 billion metric tons. The significant cost increases for raw materials that have occurred to date will have to be reflected in higher steel prices.

- Despite the current weakness, demand for stainless flat products is expected to recover in all regions in 2010, with worldwide growth of 18% forecast for this year. The markets of Western Europe and North America are expected to expand by 22% and 28% respectively. In China the pace of growth is expected to slow to 12%, while an increase of 22% is forecast for the rest of Asia.
- The upturn on the global auto market will continue in 2010. Worldwide, production this year is forecast to grow by 11% to just under 66 million cars and light trucks. After sharp dips in previous years the USA and Japan are expected to post gains of up to 20%, albeit without reaching pre-crisis levels. At 28%, Chinese vehicle production will grow slightly faster than previously expected. In Western Europe, production growth will be slower at 5%, with the ending of incentive programs in many countries having a negative effect. German auto manufacturers could exceed their prior-year production levels thanks to higher exports.
- The machinery sector in the industrialized countries is showing signs of a slight recovery after the drastic slumps of last year. Because of low capacity utilization and cautious production expectations capital investment will remain slow. Only a moderate production increase of 3% is expected for Germany and the USA; a sharper rise is forecast for China and Japan. The prospects for the German plant engineering industry have improved with recovering economic activity in many emerging countries.
- Construction activity will remain weak in most industrialized countries in 2010. Construction output is expected to decline sharply again in the USA and slip further in Western Europe. In Germany public-sector construction should grow this year thanks to the government stimulus packages. However, this increase will not be enough to offset the decline in commercial construction. Construction activity in China and India will remain strong.

Opportunities through economic improvement and rationalization

Improved economic prospects and above all our high-quality products and services and the successful measures we have taken to reduce costs and enhance value offer the Group promising opportunities for the future. The strategic and operating opportunities described in detail on pages 168-171 of our 2008/2009 Annual Report remain valid. Our corporate initiatives ThyssenKrupp PLuS and ThyssenKrupp best will help in further increasing productivity, profitability and market success.

Outlook

We are cautiously optimistic that the current economic recovery will prove sustainable.

Based on the positive business trend in the first 9 months of the fiscal year our outlook for full-year sales and earnings has improved.

We expect a slight increase in sales in fiscal 2009/2010. Earnings are expected to improve significantly and return to profit, thanks in part to the cost reduction programs we have initiated. Adjusted earnings before interest and taxes (excluding nonrecurring items) will probably exceed one billion euros. Adjusted earnings before taxes (excluding nonrecurring items) are expected to be in the mid to higher three-digit million euro range. Adjusted EBT will be significantly impacted by startup losses in the Steel Americas business area in the mid three-digit million euro range.

Our expectations for the individual business areas in the 4th fiscal quarter are as follows:

- Steel Europe – Good capacity utilization, higher average selling prices and significantly higher raw material costs
- Steel Americas – Negative EBT contribution due to startup losses for the steel and processing plants in Brazil and the USA
- Stainless Global – Slipping volumes, mainly due to seasonal factors, stable end-customer business and slow demand from distributors due to nickel price
- Materials Services – Slipping volumes, mainly due to seasonal factors, higher flat steel prices and continuing strong demand from the auto and machinery sectors
- Elevator Technology – Continuing high earnings contributions thanks to high orders in hand and steady maintenance business
- Plant Technology – Continuing good revenue and earnings visibility in project business due to order backlog with good earnings quality
- Components Technology – Recovery in demand for construction equipment, mainly positive earnings from automotive suppliers and continuing positive earnings contribution from slewing bearings for the wind energy sector
- Marine Systems – Continuing losses due to underutilization in civil shipbuilding until completion of consolidation of shipyard sites

In 2010/2011 we expect an improvement in the overall economic environment and further positive effects from our cost reduction programs. This will have a corresponding impact on sales and earnings.

Personnel changes on the Executive Board

In its meeting on May 12, 2010 the Supervisory Board of ThyssenKrupp AG, at the proposal of the Personnel Committee, appointed Dr. Heinrich Hiesinger, currently member of the Managing Board of Siemens AG, Munich, to succeed Dr. Ekkehard Schulz as Chairman of the Executive Board of ThyssenKrupp AG with effect from the close of the General Stockholders' Meeting of ThyssenKrupp AG on January 21, 2011. Dr. Hiesinger will join the Executive Board of ThyssenKrupp AG as Vice Chairman at October 01, 2010. As Chairman of the Executive Board, Dr. Hiesinger will be responsible for Corporate Strategy & Technology, Corporate Executives, Corporate Communications, Corporate Information Technology and Internal Auditing.

In addition, the Supervisory Board appointed Dr. Jürgen Claassen, currently Executive Vice President of ThyssenKrupp AG, as member of the Executive Board with effect from the close of the General Stockholders' Meeting of ThyssenKrupp AG on January 21, 2011. As Chief Officer Corporate Development and Compliance, Dr. Claassen will be responsible for Corporate Development, Legal & Compliance, Corporate Programs and Corporate Sustainability.

ThyssenKrupp AG

Condensed consolidated statement of financial position

Assets million €

	Note	Sept. 30, 2009	June 30, 2010
Intangible assets		4,642	4,773
Property, plant and equipment		13,793	16,084
Investment property		341	342
Investments accounted for using the equity method		480	577
Other financial assets		94	84
Other non-financial assets		455	304
Deferred tax assets		638	966
Total non-current assets		20,443	23,130
Inventories, net		6,735	8,092
Trade accounts receivable		5,120	6,549
Other financial assets		1,253	805
Other non-financial assets		1,724	1,950
Current income tax assets		252	201
Cash and cash equivalents		5,349	3,663
Assets held for sale	02	491	751
Total current assets		20,924	22,011
Total assets		41,367	45,141

Equity and Liabilities million €

	Note	Sept. 30, 2009	June 30, 2010
Capital stock		1,317	1,317
Additional paid in capital		4,684	4,684
Retained earnings*		3,643	3,742
Cumulative other comprehensive income* thereof relating to disposal groups (Sept. 30, 2009: (12); June 30, 2010: 1)		(296)	635
Treasury stock	06	(1,421)	(1,396)
Equity attributable to ThyssenKrupp AG's stockholders		7,927	8,982
Non-controlling interest		1,769	1,959
Total equity		9,696	10,941
Accrued pension and similar obligations	05	7,525	8,193
Other provisions		792	857
Deferred tax liabilities		307	283
Financial debt		7,160	6,287
Other financial liabilities		4	0
Other non-financial liabilities		46	50
Total non-current liabilities		15,834	15,670
Other provisions		2,040	1,752
Current income tax liabilities		794	734
Financial debt		305	1,368
Trade accounts payable		4,169	5,012
Other financial liabilities		1,585	1,769
Other non-financial liabilities		6,656	7,424
Liabilities associated with assets held for sale	02	288	471
Total current liabilities		15,837	18,530
Total liabilities		31,671	34,200
Total equity and liabilities		41,367	45,141

* Prior year figure adjusted

See accompanying notes to the condensed consolidated financial statements.

ThyssenKrupp AG

Condensed consolidated statement of income

million €, earnings per share in €

	Note	9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
Net sales	10	30,680	31,137	9,299	11,679
Cost of sales*	03	(27,310)	(26,349)	(8,577)	(9,848)
Gross profit*		3,370	4,788	722	1,831
Selling expenses*		(2,085)	(2,022)	(668)	(715)
General and administrative expenses*		(1,855)	(1,729)	(622)	(574)
Other operating income		286	206	56	73
Other operating expenses*		(350)	(278)	(125)	(116)
Gain/(loss) on the disposal of subsidiaries, net		(5)	92	(5)	(1)
Income/(loss) from operations		(639)	1,057	(642)	498
Income/(expense) from companies accounted for using the equity method		(30)	62	(15)	27
Interest income		196	247	61	77
Interest expense		(717)	(747)	(236)	(250)
Other financial income/(expense), net		203	299	60	62
Financial income/(expense), net		(348)	(139)	(130)	(84)
Income/(loss) before income taxes		(987)	918	(772)	414
Income tax (expense)/income		158	(191)	142	(116)
Net income/(loss)		(829)	727	(630)	298
Attributable to:					
ThyssenKrupp AG's stockholders		(800)	642	(639)	272
Non-controlling interest		(29)	85	9	26
Net income/(loss)		(829)	727	(630)	298
Basic and diluted earnings per share	11				
Net income/(loss) (attributable to ThyssenKrupp AG's stockholders)		(1.73)	1.38	(1.38)	0.58

* Prior year figure adjusted

See accompanying notes to the condensed consolidated financial statements.

ThyssenKrupp AG

Condensed consolidated statement of comprehensive income

million €

	9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
Net income/(loss)	(829)	727	(630)	298
Foreign currency translation adjustment				
Change in unrealized gains/(losses), net	(5)	790	(6)	403
Net realized (gains)/losses	0	14	0	0
Net unrealized gains/(losses)	(5)	804	(6)	403
Unrealized gains/(losses) from available-for-sale financial assets				
Change in unrealized gains/(losses), net	(5)	0	2	(1)
Net realized (gains)/losses	0	0	0	0
Tax effect	1	0	(1)	0
Net unrealized gains/(losses)	(2)	0	1	(1)
Actuarial gains/(losses) from pensions and similar obligations				
Change in actuarial gains/(losses), net	(787)	(603)	(241)	(396)
Tax effect	243	166	75	123
Net actuarial gains/(losses) from pensions and similar obligations	(544)	(437)	(166)	(273)
Gains/(losses) resulting from asset ceiling				
Change in gains/(losses), net	1	(50)	0	10
Tax effect	0	16	0	(2)
Net gains/(losses) resulting from asset ceiling	1	(34)	0	8
Unrealized (losses)/gains on derivative financial instruments				
Change in unrealized gains/(losses), net	67	297	88	132
Net realized (gains)/losses	(5)	1	(4)	5
Tax effect	(19)	(74)	(26)	(50)
Net unrealized gains/(losses)	43	224	58	87
Share of unrealized gains/(losses) of investments accounted for using the equity-method	(1)	26	(6)	21
Other comprehensive income	(508)	583	(119)	245
Total comprehensive income	(1,337)	1,310	(749)	543
Attributable to:				
ThyssenKrupp AG's stockholders	(1,308)	1,093	(756)	456
Non-controlling interest	(29)	217	7	87

See accompanying notes to the condensed consolidated financial statements.

ThyssenKrupp AG

Condensed consolidated statement of changes in equity

million € (except number of shares)

	Equity attributable to ThyssenKrupp AG's stockholders											Total equity
	Number of shares outstanding	Capital stock	Additional paid in capital	Retained earnings	Cumulative other comprehensive income				Treasury stock	Total	Non-controlling interest	
					Foreign currency translation adjustment	Available-for-sale financial assets	Derivative financial instruments	Share of investments accounted for using the equity method				
Balance as of Sept. 30, 2008	463,473,492	1,317	4,684	6,845	(283)	(2)	(130)	(3)	(1,421)	11,007	482	11,489
Net loss				(800)						(800)	(29)	(829)
Other comprehensive income				(547)	(9)	(2)	47	3		(508)	0	(508)
Total comprehensive income				(1,347)	(9)	(2)	47	3		(1,308)	(29)	(1,337)
Profit attributable to non-controlling interest										0	(40)	(40)
Dividend payment				(603)						(603)	0	(603)
Share-based compensation				3						3	0	3
Other changes				(35)						(35)	(43)	(78)
Balance as of June 30, 2009	463,473,492	1,317	4,684	4,863	(292)	(4)	(83)	0	(1,421)	9,064	370	9,434
Balance as of Sept. 30, 2009	463,473,492	1,317	4,684	3,643	(329)	5	33	(5)	(1,421)	7,927	1,769	9,696
Net income				642						642	85	727
Other comprehensive income				(480)	754	0	142	35		451	132	583
Total comprehensive income				162	754	0	142	35		1,093	217	1,310
Profit attributable to non-controlling interest										0	(34)	(34)
Dividend payment				(139)						(139)	0	(139)
Treasury stock sold	920,845			(7)					28	21	0	21
Tax effects on income and expense directly recognized in equity				3					(3)	0	0	0
Share-based compensation				(7)						(7)	0	(7)
Other changes				87						87	7	94
Balance as of June 30, 2010	464,394,337	1,317	4,684	3,742	425	5	175	30	(1,396)	8,982	1,959	10,941

See accompanying notes to the condensed consolidated financial statements.

ThyssenKrupp AG

Condensed consolidated statement of cash flows

million €

	9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
Operating:				
Net income/(loss)	(829)	727	(630)	298
Adjustments to reconcile net income/(loss) to operating cash flows:				
Deferred income taxes, net	(385)	(128)	(148)	37
Depreciation, amortization and impairment of non-current assets	1,194	1,028	417	348
Reversals of impairment losses of non-current assets	(2)	(3)	0	0
(Income)/loss from companies accounted for using the equity method, net of dividends received	40	(61)	20	(26)
(Gain)/loss on disposal of non-current assets, net	(27)	(89)	(5)	4
Changes in assets and liabilities, net of effects of acquisitions and divestitures and other non-cash changes:				
- inventories	2,281	(1,099)	1,231	(771)
- trade accounts receivable	2,190	(1,193)	249	(607)
- accrued pension and similar obligations	63	(170)	154	(52)
- other provisions	(102)	(298)	36	13
- trade accounts payable	(2,315)	728	(54)	612
- other assets/liabilities not related to investing or financing activities	(154)	411	61	121
Operating cash flows	1,954	(147)	1,331	(23)
Investing:				
Purchase of investments accounted for using the equity method and non-current financial assets	(39)	(26)	(13)	(4)
Expenditures for acquisitions of consolidated companies*	(21)	(50)	(4)	(4)
Cash acquired from acquisitions	1	3	0	0
Capital expenditures for property, plant and equipment (inclusive of advance payments) and investment property	(2,733)	(2,316)	(817)	(912)
Capital expenditures for intangible assets (inclusive of advance payments)	(142)	(68)	(64)	(22)
Proceeds from disposals of investments accounted for using the equity method and non-current financial assets	57	3	17	1
Proceeds from disposals of previously consolidated companies**	6	479	5	0
Cash of disposed businesses	(5)	(5)	(5)	0
Proceeds from disposals of property, plant and equipment and investment property	114	41	39	14
Proceeds from disposals of intangible assets	17	2	1	0
Cash flows from investing activities	(2,745)	(1,937)	(841)	(927)
Financing:				
Proceeds from issuance of bonds	2,985	0	1,500	0
Repayment of bonds	(500)	0	0	0
Proceeds from liabilities to financial institutions	3,345	716	606	456
Repayments of liabilities to financial institutions	(2,014)	(767)	(1,316)	(122)
Proceeds from notes payable and other loans	167	30	88	3
(Decrease)/increase in bills of exchange	(9)	2	(12)	0
Decrease of liabilities due to sales of receivables not derecognized from the balance sheet	(3)	0	0	0
(Increase)/decrease in current securities	(34)	184	12	10
Proceeds from non-controlling interest to equity	0	500	0	0
Proceeds from treasury shares sold	0	8	0	6
Payment of ThyssenKrupp AG dividend	(603)	(139)	0	0
Profit attributable to non-controlling interest	(40)	(34)	(3)	(15)
Expenditures for acquisitions of shares of already consolidated companies	(159)	(12)	0	0
Other financing activities	28	(121)	35	(219)
Cash flows from financing activities	3,163	367	910	119
Net increase/(decrease) in cash and cash equivalents	2,372	(1,717)	1,400	(831)
Effect of exchange rate changes on cash and cash equivalents	(3)	250	6	130
Cash and cash equivalents at beginning of reporting period	2,725	5,375	3,688	4,609
Cash and cash equivalents at end of reporting period	5,094	3,908	5,094	3,908
[thereof cash and cash equivalents within disposal groups]	[0]	[245]	[0]	[(33)]
Additional information regarding cash flows from interest, dividends and income taxes which are included in operating cash flows:				
Interest received	107	159	31	47
Interest paid	(294)	(481)	(90)	(151)
Dividends received	10	7	4	7
Income taxes received/(paid)	291	(224)	101	(56)

* Prior year figure adjusted due to the adoption of the revised IAS 7.

** The amount of the 1st quarter ended Dec. 31, 2009 has been adjusted due to the reclassification of the settlement of financial debt of €170 million in the context of the disposal of consolidated companies in proceeds from investing activities.

See note 12 to the condensed consolidated financial statements.

ThyssenKrupp AG

Notes to the interim condensed consolidated financial statements

Corporate Information

ThyssenKrupp Aktiengesellschaft (“ThyssenKrupp AG” or “Company”) is a publicly traded corporation domiciled in Germany. The interim condensed consolidated financial statements of ThyssenKrupp AG and subsidiaries, collectively the “Group”, for the period from October 01, 2009 to June 30, 2010, were authorized for issue in accordance with a resolution of the Executive Board on August 09, 2010.

Basis of presentation

The accompanying Group’s interim condensed consolidated financial statements have been prepared in accordance with section 37x para. 3 in connection with section 37w para. 2 of the German Securities Trading Act (WpHG) and 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 accompanying Group’s interim condensed consolidated financial statements have been reviewed. In the opinion of Management, the interim financial statements include all adjustments of a normal and recurring nature considered necessary for a fair presentation of results for interim periods. Results of the period ended June 30, 2010, are not necessarily indicative for future results.

The preparation of interim financial statements in conformity with IAS 34 Interim Financial Reporting requires Management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The accounting principles and practices as applied in the interim condensed consolidated financial statements correspond to those pertaining to the most recent annual consolidated financial statements. A detailed description of the accounting policies is published in the notes to the consolidated financial statements of our annual report 2008/2009.

Recently adopted accounting standards

In fiscal year 2009/2010, ThyssenKrupp adopted the following standards, interpretations and amendments:

In September 2007, the IASB issued a revised version of IAS 1 “Presentation of Financial Statements” that is aimed at improving users’ ability to analyse and compare the information given in financial statements. The application of the revised standard is compulsory for fiscal years beginning on or after January 01, 2009. The adoption of the standard has a material impact on the Group’s consolidated financial statements.

In March 2007, the IASB issued a revised version of IAS 23 “Borrowing Costs”. Accordingly, borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset should be capitalized as part of the cost of the asset. The current option of immediately recognizing borrowing costs as an expense will be removed. The application of the revised standard is compulsory for fiscal years beginning on or after January 01, 2009. The revision has no impact on the Group’s consolidated financial statements because already before the amendment of the standard borrowing costs directly attributable to a qualifying asset has been capitalized as part of production costs.

In February 2008 the IASB issued amendments to “IAS 32 Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation”. The amendments mainly address the classification of particular types of financial instruments as equity or as a liability. Additional disclosures are required for the instruments affected by the amendments. The application of the amendments is compulsory for fiscal years beginning on or after January 01, 2009. Currently, Management does not expect the adoption of the amended standards to have a material impact on the Group’s consolidated financial statements.

In July 2008 the IASB issued “Eligible Hedged Items – Amendment to IAS 39 Financial Instruments: Recognition and Measurement”. The amendment clarifies how the existing principles underlying hedge accounting should be applied in two particular situations – the designation of inflation in a financial hedged item and the designation of a one-sided risk in a hedged item. The application of the amendment is compulsory for fiscal years beginning on or after July 01, 2009 and has to be applied retrospectively. Currently, Management does not expect the adoption of the amendment to have a material impact on the Group’s consolidated financial statements.

In March 2009 the IASB issued “Embedded Derivatives” which amends IFRIC 9 “Reassessment of Embedded Derivatives” and IAS 39 “Financial Instruments”. The amendments clarify the accounting treatment of embedded derivatives for entities that make use of the reclassification of financial instruments. The application of the amendments is compulsory for fiscal years beginning on or after June 30, 2009 and has to be applied retrospectively. Currently,

Management does not expect the adoption of the amendments to have a material impact on the Group's consolidated financial statements.

In January 2008, the IASB also issued an amendment to IFRS 2 "Share-based Payment". The amendment clarifies that vesting conditions are service conditions and performance conditions only. It also specifies that all plan cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The application of the amended standard is compulsory for fiscal years beginning on or after January 01, 2009. Currently, Management does not expect the adoption of the amended standard to have a material impact on the Group's consolidated financial statements.

In January 2008, the IASB issued the amended versions of IFRS 3 "Business Combinations" and IAS 27 "Consolidated and Separate Financial Statements". A material change of IFRS 3 concerns the accounting for acquisitions involving the purchase of less than 100% of the shares of a company. An option has been added allowing entities to recognize goodwill from an acquisition by the "full goodwill method", i.e. including the portion attributable to minority interests. Furthermore, all acquisition-related costs must be expensed as incurred. In accordance with IAS 27, acquisitions or disposals of shares without loss of control must be accounted for as equity transactions. In the context of the disposal of shares with loss of control any retained investment is recognized at fair value, with any difference to the previous carrying amount recognized in profit or loss. The amended standards must be applied to business combinations in fiscal years beginning on or after July 01, 2009. The adoption of the two amended standards has a material impact on the Group's consolidated financial statements.

In March 2009 the IASB issued an amendment to IFRS 7 "Financial Instruments: Disclosures" titled "Improving Disclosures about Financial Instruments". The amendment enhances the disclosure requirements about fair value measurements and about liquidity risk. The application of the amended standard is compulsory for fiscal years beginning on or after January 01, 2009. In the first year of application comparative disclosures are not required. The initial application at ThyssenKrupp will lead to additional disclosures in the Notes.

In July 2007, the IFRIC issued IFRIC 14 "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction". The interpretation provides general guidance on how to assess the limit in IAS 19 "Employee Benefits" on the amount of the surplus that can be recognized as an asset. It also explains how the pensions asset or liability may be affected when there is a statutory or contractual minimum funding requirement. The interpretation will standardise practice and ensure that entities recognize an asset in relation to a surplus on a consistent basis. In the EU, the application of the interpretation is compulsory for fiscal years beginning on or after January 01, 2009. Currently, Management does not expect the

adoption of the Interpretation to have a material impact on the Group's consolidated financial statements.

In May 2008 the IASB issued "Improvements to IFRSs", a first collection of minor amendments to existing IFRSs. This standard presents amendments to 20 IFRSs in two parts. The first part includes accounting changes relating to presentation, recognition or measurement. The second part includes terminology or editorial changes. Unless otherwise specified in the specific standard, the application of the amendments is compulsory for fiscal years beginning on or after January 01, 2009. Currently, Management does not expect the adoption of the amended standards to have a material impact on the Group's consolidated financial statements.

Recently issued accounting standards

In fiscal year 2009/2010, the following standards, interpretations and amendments to already existing standards have been issued which must still be endorsed by the EU before they can be adopted:

In November 2009 the IASB issued a revised version of IAS 24 "Related Party Disclosures". The revised standard simplifies the disclosure requirements for government-related entities and clarifies the definition of a related party. The application of the amended standard is compulsory for fiscal years beginning on or after January 01, 2011, while earlier application is permitted. Currently, Management does not expect the adoption of the amended standard – if endorsed by the EU in the current version – to have a material impact on the Group's consolidated financial statements.

In November 2009 the IASB issued the new standard IFRS 9 "Financial Instruments" on the classification and measurement of financial assets. This standard is the first part of the three-part project to replace completely IAS 39 "Financial Instruments: Recognition and Measurement" which should be completed by the end of 2010. In accordance with the approach of IFRS 9 financial assets are measured at amortized cost or fair value. The classification to one of the two measurement categories is based on how an entity manages its financial instruments (so called business model) and the contractual cash flow characteristics of the financial assets. The application of the standard is compulsory for fiscal years beginning on or after January 01, 2013, while earlier application is permitted for 2009 year-end financial statements. Currently, Management is not able to finally assess the impact of adoption of the standard – if endorsed by the EU in the current version.

In November 2009 the IASB issued an amendment to IFRIC 14, which is itself an interpretation of IAS 19 "Employee Benefits", titled "Prepayments of a Minimum Funding Requirement". The amendment applies in the limited circumstances when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendment permits such an entity to treat the benefit of such an early payment as an asset. The application of the amended interpretation is compulsory

for fiscal years beginning on or after January 01, 2011, while earlier application is permitted for 2009 year-end financial statements. Currently, Management does not expect the adoption of the interpretation – if endorsed by the EU in the current version – to have a material impact on the Group's consolidated financial statements.

In November 2009 the IFRIC issued IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments". The interpretation clarifies the requirements of IFRS when an entity renegotiates the terms of a financial liability with its creditor and the creditor agrees to accept the entity's shares or other equity instruments to settle the financial liability fully or partially. The application of the interpretation is compulsory for fiscal years beginning on or after July 01, 2010, while earlier application is permitted. Currently, Management does not expect the adoption of the interpretation – if endorsed by the EU in the current version – to have a material impact on the Group's consolidated financial statements.

In May 2010 the IASB issued the third omnibus standard "Improvements to IFRSs" as part of its annual improvement process project. This standard slightly adjusts six standards and one interpretation. Unless otherwise specified, the amendments are effective for fiscal years beginning on or after January 01, 2011, while earlier application is permitted. Currently, Management does not expect the adoption of the amended standards and interpretation – if endorsed by the EU in the current version – to have a material impact on the Group's consolidated financial statements.

01 / Acquisitions and disposals

In the first 9 months ended June 30, 2010, the Group acquired companies that are, on an individual basis, immaterial. Based on the values as of the acquisition date, these acquisitions affected in total the Group's consolidated financial statements as presented below:

million €

	9 months ended June 30, 2010		
	Carrying amounts as of acquisition date	Adjustments	Fair values as of acquisition date
Goodwill	0	2	2
Other intangible assets	4	0	4
Property, plant and equipment	13	0	13
Inventories	6	0	6
Trade accounts receivable	8	0	8
Other current financial assets	3	0	3
Cash and cash equivalents	3	0	3
Total assets acquired	37	2	39
Accrued pension and similar obligations	1	0	1
Current financial debt	19	0	19
Trade accounts payable	7	0	7
Other current non-financial liabilities	2	0	2
Total liabilities assumed	29	0	29
Net assets acquired	8	2	10
Non-controlling interest			0
Purchase prices			10
thereof: paid in cash and cash equivalents			10

In October 2009, as part of the portfolio optimization program, the Group initiated the disposal of ThyssenKrupp Industrieservice and ThyssenKrupp Safway of the Materials Services business area which was consummated end of November 2009 and mid of December 2009, respectively. ThyssenKrupp Industrieservice is a facility management service provider; its product range embraces maintenance, supply chain services, location services and technical cleaning as well as industrial assembly and installation. Safway is an American scaffolding services company. These disposals as well as other smaller disposals that are, on an individual basis, immaterial affected in total based on the values as of the disposal date the Group's consolidated financial statements as presented below:

million €	9 months ended June 30, 2010
Goodwill	97
Other intangible assets	6
Property, plant and equipment	173
Investments accounted for using the equity method	1
Other financial assets	3
Deferred tax assets	2
Inventories	27
Trade accounts receivable	163
Other current financial assets	9
Other current non-financial assets	9
Current income tax assets	2
Cash and cash equivalents	5
Total assets disposed of	497
Accrued pension and similar obligations	12
Other non-current provisions	23
Deferred tax liabilities	27
Non-current financial debt	2
Other current provisions	20
Current income tax liabilities	3
Current financial debt	20
Trade accounts payable	13
Other current financial liabilities	142
Other current non-financial liabilities	29
Total liabilities disposed of	291
Net assets disposed of	206
Cumulative other comprehensive income	13
Non-controlling interest	2
Gain/(loss) resulting from the disposals	93
Selling prices	310
thereof: received in cash and cash equivalents	310

02 / Disposal groups and single assets held for sale

In April 2010 the disposal of parts of the Marine Systems business area has been initiated as part of the portfolio optimization program. The transaction comprises on the one hand of the disposals of the TKMS Blohm + Voss Nordseewerke GmbH in the context of the formation of a 50:50 joint venture for the design and program management of naval vessels and on the other hand of the 100% disposal of Blohm + Voss Shipyards GmbH, operating in shipbuilding in particular of premium-segment yachts, and of an 80% stake in each of Blohm + Voss Repair GmbH and Blohm + Voss Industries GmbH, both engaged in ship repairing and the manufacturing of components. Additionally, the construction capacities for civil ship construction of former HDW Gaarden will be disposed of.

The transaction does not meet the requirements of IFRS 5 for presentation as a discontinued operation. Therefore, revenues and expenses will continue to be presented as income from continuing operations until the date of disposal; this is also applicable for the impairment loss triggered by the intended disposal of €6 million on property, plant and equipment resulting from the write-down of the assets to fair value less costs to sell which is recorded in cost of sales. With regard to the amounts that will be finally deconsolidated after the consummation of the transaction, the amounts presented in the following table as of June 30, 2010, are only preliminary.

million €	June 30, 2010
Goodwill	128
Other intangible assets	12
Property, plant and equipment	50
Other financial assets	7
Deferred tax assets	5
Inventories	50
Trade accounts receivable	82
Other current financial assets	15
Other current non-financial assets	87
Cash and cash equivalents	245
Assets held for sale	681
Accrued pension and similar obligations	121
Other non-current provisions	7
Deferred tax liabilities	2
Other non-current financial liabilities	4
Other current provisions	48
Current income tax liabilities	3
Current financial debt	12
Trade accounts payable	56
Other current financial liabilities	21
Other current non-financial liabilities	197
Liabilities associated with assets held for sale	471

In addition to the assets attributable to the disposal group the line item "assets held for sale" includes property, plant and equipment of €70 million held for sale in the Steel Americas business area.

03 / Cost of sales

Cost of sales for the first 9 months ended June 30, 2010, includes write-downs of inventories of €47 million which mainly relate to the Stainless Global and Components Technology business areas. As of September 30, 2009, write-downs amounted to €317 million. Furthermore, impairment losses on intangible assets, property, plant and equipment and investment property of €28 million were recognized in cost of sales with €6 million relating to the 3rd quarter ended June 30, 2010.

04 / Share-based compensation

Management incentive plans

In January 2010, ThyssenKrupp granted stock rights under the eighth installment of the mid-term incentive plan. At the same time, in the 2nd quarter ended March 31, 2010, the stock rights granted in the fifth installment of the mid-term incentive plan expired without any payment due a downward trend of ThyssenKrupp Value Added (TKVA) in the performance-period. In June 2010, stock rights under the eighth installment of the mid-term incentive plan were granted to additional executive employees. In the 3rd quarter ended June 30, 2010, the Group recorded from the mid-term incentive plan expenses of €1.6 million (3rd quarter ended June 30, 2009: €0.8 million). In the first 9 months ended June 30, 2010, the mid-term incentive plan resulted in an expense of €1.7 million (9 months ended June 30, 2009: income of €16.9 million).

After the first tranche of the Group's Share Purchase Program of fiscal year 2007/2008 had been settled with the purchase of 350,924 ThyssenKrupp shares at a discount by the beneficiaries in December 2009, the second tranche of the Group's Share Purchase Program was settled with the purchase of 40,793 ThyssenKrupp shares at a discount in March 2010. The Group's Share Purchase Program resulted in no expense in the 3rd quarter ended June 30, 2010 (3rd quarter ended June 30, 2009: 0) and in €0.9 million in the first 9 months ended June 30, 2010 (9 months ended June 30, 2009: €5.5 million).

Employee share purchase program

In the 3rd quarter ended June 30, 2010, the Group offered eligible members of its domestic workforce the right to purchase up to €270 in ThyssenKrupp shares at a 50% discount as part of an employee share purchase program. The program resulted in the Group recording a compensation expense of €6.1 million (3rd quarter ended June 30, 2009: 0).

05 / Accrued pension and similar obligations

Based on updated interest rates and fair value of plan assets, an updated valuation of accrued pension and health care obligations was performed as of June 30, 2010, taking into account these effects while other assumptions remained unchanged.

million €

	Sept. 30, 2009	June 30, 2010
Accrued pension liability	6,068	6,599
Accrued postretirement obligations other than pensions	1,076	1,346
Other accrued pension-related obligations	393	369
Reclassification due to the presentation as liabilities associated with assets held for sale	(12)	(121)
Total	7,525	8,193

The Group applied the following weighted average assumptions to determine pension and postretirement benefit obligations other than pensions:

in %

	Sept. 30, 2009		June 30, 2010	
	Germany	Outside Germany	Germany	Outside Germany
Discount rate for accrued pension liability	5.25	5.24	4.50	4.91
Discount rate for postretirement obligations other than pensions (only USA/Canada)	—	5.50	—	5.05

The net periodic pension cost for the defined benefit plans is as follows:

million €

	9 months ended June 30, 2009		9 months ended June 30, 2010		3rd quarter ended June 30, 2009		3rd quarter ended June 30, 2010	
	Germany	Outside Germany	Germany	Outside Germany	Germany	Outside Germany	Germany	Outside Germany
Service cost	46	19	49	22	16	6	16	8
Interest cost	242	91	216	82	80	30	72	29
Expected return on plan assets	(10)	(77)	(9)	(78)	(4)	(25)	(3)	(28)
Past service cost	12	0	0	0	12	0	0	0
Curtailment and settlement gains	0	(1)	0	0	0	0	0	0
Termination benefit expense	0	8	0	0	0	0	0	0
Net periodic pension cost	290	40	256	26	104	11	85	9

The net periodic postretirement benefit cost for health care obligations is as follows:

million €

	9 months ended June 30, 2009	9 months ended June 30, 2010	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2010
	USA/Canada	USA/Canada	USA/Canada	USA/Canada
Service cost	6	5	1	2
Interest cost	50	42	16	15
Expected return on reimbursement rights	(4)	(3)	(1)	(1)
Past service cost	(25)	(19)	0	(3)
Curtailment and settlement gains	(20)	0	0	0
Net periodic postretirement benefit cost	7	25	16	13

06 / Total equity

In the context of the settlement of the Group's Share Purchase Program of fiscal year 2007/2008, as of December 02, 2009, 350,924 treasury shares were sold to the beneficiaries of the first tranche and as of March 04, 2010, 40,793 treasury shares were sold to the beneficiaries of the second tranche at a price of €24.62 per share. Another 529,128 treasury shares were sold at a price of €22.09 per share in the context of the German employee share purchase program. All prices stated before represent the basis for the discounted selling price.

By the resolution of the Annual General Meeting on January 21, 2010, ThyssenKrupp AG is authorized through January 20, 2015, to purchase treasury stock for certain predefined purposes up to a total of 10% of the capital stock at the time of the resolution. Treasury stock can also be purchased by using equity derivatives (put or call options or a combination of both).

07 / Contingencies including pending lawsuits and claims for damages

Guarantees

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

million €	Maximum potential amount of future payments as of June 30, 2010	Provision as of June 30, 2010
Advance payment bonds	238	1
Performance bonds	83	1
Third party credit guarantee	42	0
Residual value guarantees	45	1
Other guarantees	44	0
Total	452	3

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 the non-performance of the primary obligor 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 issued by or issued by instruction of ThyssenKrupp AG or subsidiaries upon request of the principal debtor are 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, then such a third party is generally requested to provide additional collateral in a corresponding amount.

Commitments and other contingencies

Compared to September 30, 2009, in the Steel Americas and Stainless Global business areas the commitment to enter into investment projects in Brazil and North America decreased by €1.3 billion to €1.4 billion.

Due to the high volatility of iron ore prices, the long-term supply contracts for iron ore and iron ore pellets existing in the Steel Europe and Steel Americas business areas are measured for the entire contract term at the ore prices applying as of the respective reporting date. The drastic increase in ore prices, which was further reinforced on a US dollar basis by the weaker euro as of the reporting date compared with September 30, 2009, resulted in an increase in purchasing commitments by €8 billion to around €19.5 billion compared with September 30, 2009. In addition, a long-term freight contract for the sea transportation of slabs was concluded in the 3rd quarter which will result in purchasing commitments totaling around €590 million over a period of 11 years.

Pending lawsuits and claims for damages

The Group is involved in pending and threatened litigation in connection with the purchase and the sale of certain companies, which may lead to partial repayment of the purchase price or the award of damages. In addition, damage claims may be payable to contractual partners, customers, consortium partners and subcontractors under performance contracts. Some of these claims have proven unfounded, have been ended by settlement or expired under the statute of limitations. A number of legal and regulatory proceedings are still pending.

There have been no significant changes since September 30, 2009 to other contingencies, including pending litigations.

08 / Derivative financial instruments

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

million €	Notional amount Sept. 30, 2009	Fair value Sept. 30, 2009	Notional amount June 30, 2010	Fair value June 30, 2010
Derivative financial instruments				
Assets				
Foreign currency derivatives including embedded derivatives	4,693	214	4,769	428
Interest rate derivatives*	786	37	772	3
Commodity derivatives	839	108	723	105
Total	6,318	359	6,264	536
Liabilities				
Foreign currency derivatives including embedded derivatives	4,112	155	2,510	203
Interest rate derivatives*	1	0	1,003	117
Commodity derivatives	374	41	908	61
Total	4,487	196	4,421	381

* inclusive of cross currency swaps

09 / Related parties transactions

ESG Legierungen GmbH is classified as a related party due to the fact that a close member of the family of an Executive Board member is a managing director. In the first 9 months ended June 30, 2010, the Group recorded sales of €0.5 million with ESG Legierungen GmbH from the sale of zinc. In the same period the Group purchased zinc alloy with a value of €45 thousand from ESG Legierungen GmbH. The transactions were carried out at market conditions and resulted in trade accounts receivable of €0.1 million and trade accounts payable of €49 thousand as of June 30, 2010.

The Heitkamp & Thumann Group located in Düsseldorf and the Heitkamp Baugruppe located in Herne are classified as related parties due to the fact that a member of the Supervisory Board has significant influence on both Groups. In the first 9 months ended June 30, 2010, the ThyssenKrupp Group recorded sales of €12.5 million with the Heitkamp & Thumann Group from the sale of steel and stainless material as well as from industrial servicing and sales of €0.3 million with the Heitkamp Baugruppe from the sale of goods. In the same period ThyssenKrupp purchased goods with a value of €7 thousand from the Heitkamp & Thumann Group and goods with a value of €0.1 million from the Heitkamp Baugruppe. The transactions were carried out at market conditions. As of June 30, 2010, the transactions with the Heitkamp & Thumann Group resulted in trade accounts receivable of €1.5 million and trade accounts payable of €0.1 million, the transactions with the Heitkamp Baugruppe resulted in trade accounts receivable of €0.1 million and trade accounts payable of €7 thousand.

In the first 9 months ended June 30, 2010, a Group subsidiary recorded sales of €0.1 million resulting from a €2 million elevator modernization contract which the subsidiary received in 2006/2007 from an entity belonging to the Alfried Krupp von Bohlen and Halbach Foundation.

10 / Segment reporting

Since the implementation of the new organizational structure as of October 01, 2009, the Group is organized in the following eight business areas that represent the Group's activities within materials and technologies. The business areas are in line with the internal organizational and reporting structure. Prior year figures have been adjusted accordingly.

Steel Europe: This business area brings together the premium flat carbon steel activities, from intelligent material solutions to finished parts.

Steel Americas: This business area includes the production, processing and marketing of high-quality steel products in North and South America. It also contains the steelmaking and processing plants currently under construction in Brazil and USA.

Stainless Global: This business area is a supplier of flat stainless steel products and high performance materials such as nickel alloys and titanium. The business area also includes the new stainless steel mill in the USA.

Materials Services: The business area activities comprise materials distribution, logistics and services, and the provision of technical services. In addition to rolled steel, stainless steel, tubes and pipes, nonferrous metals and plastics, Materials Services also offers services from processing and logistics to warehouse and inventory management through to supply chain management. The business area offers technical and infrastructure services in the areas of railway and construction equipment, industrial plants and steel mills.

Elevator Technology: This business area is active in the construction, modernization and servicing of elevators, escalators, moving walks, stair and platform lifts as well as passenger boarding bridges. Alongside a full range of installations for the volume market, the business area also delivers customized solutions.

Plant Technology: This business area is a supplier of chemical plants, refineries, cement plants, innovative solutions for the mining and handling of raw materials and minerals, production systems and assembly lines for the automotive industry.

Components Technology: This business area offers efficient and innovative components for the automotive, construction and engineering sectors as well as for wind turbines.

Marine Systems: This business area is a supplier for naval surface vessels, submarines and premium-segment yachts. After the restructuring and the consummation of the disposals the business area will focus its activities on the construction of naval vessels.

Corporate: Corporate comprises the Group's head office including management of the business areas. It also includes the business services activities in the areas of finance, communications, IT and human resources. In addition, part of Corporate is real estate not used in operating that is managed and utilized centrally as well as inactive companies that could not be assigned to an individual business area.

Segment information for the first 9 months ended June 30, 2009 and June 30, 2010 as well as for the 3rd quarter ended June 30, 2009 and June 30, 2010 is as follows:

million €

	Steel Europe	Steel Americas	Stainless Global	Materials Services	Elevator Technology	Plant Technology	Components Technology	Marine Systems	Corporate	Consolidation	Group
9 months ended June 30, 2009											
External sales	6,250	0	2,904	9,489	3,961	3,322	3,453	1,237	64	0	30,680
Internal sales within the Group	1,075	0	287	366	3	44	9	1	18	(1,803)	0
Total sales	7,325	0	3,191	9,855	3,964	3,366	3,462	1,238	82	(1,803)	30,680
Income/(loss) before income taxes	142	(117)	(812)	(204)	474	238	(95)	(211)	(427)	25	(987)
9 months ended June 30, 2010											
External sales	6,622	47	3,942	8,780	3,753	2,834	4,139	962	58	0	31,137
Internal sales within the Group	1,213	0	437	459	7	30	10	2	36	(2,194)	0
Total sales	7,835	47	4,379	9,239	3,760	2,864	4,149	964	94	(2,194)	31,137
Income/(loss) before income taxes	450	(98)	(112)	316	459	230	164	(40)	(442)	(9)	918
3rd quarter ended June 30, 2009											
External sales	1,890	0	942	2,652	1,327	1,089	1,059	321	19	0	9,299
Internal sales within the Group	261	0	88	99	1	12	4	0	3	(468)	0
Total sales	2,151	0	1,030	2,751	1,328	1,101	1,063	321	22	(468)	9,299
Income/(loss) before income taxes	(312)	(19)	(202)	(128)	166	65	(101)	(127)	(131)	17	(772)
3rd quarter ended June 30, 2010											
External sales	2,440	24	1,550	3,400	1,311	958	1,565	421	10	0	11,679
Internal sales within the Group	447	0	158	198	2	12	3	2	22	(844)	0
Total sales	2,887	24	1,708	3,598	1,313	970	1,568	423	32	(844)	11,679
Income/(loss) before income taxes	183	(62)	64	144	151	62	58	(23)	(167)	4	414

11 / Earnings per share

Basic earnings per share is calculated as follows:

	9 months ended June 30, 2009		9 months ended June 30, 2010		3rd quarter ended June 30, 2009		3rd quarter ended June 30, 2010	
	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 €
Numerator:								
Net income/(loss) (attributable to ThyssenKrupp AG's stockholders)	(800)	(1.73)	642	1.38	(639)	(1.38)	272	0.58
Denominator:								
Weighted average shares	463,473,492		463,847,079		463,473,492		464,118,014	

Relevant number of common shares for the determination of earnings per share

Earnings per share have been calculated by dividing net income/(loss) attributable to common stockholders of ThyssenKrupp AG (numerator) by the weighted average number of common shares outstanding (denominator) during the period. Shares sold during the period and shares reacquired during the period have been weighted for the portion of the period that they were outstanding.

In fiscal year 2009/2010 the weighted average number of outstanding shares was increased by the sale of treasury shares in December 2009 and March 2010 in the context of the Group's Share Purchase Program as well as by the sale of treasury shares in May 2010 in the context of the employee share purchase.

There were no dilutive securities in the periods presented.

12 / Additional information to the consolidated statement of cash flows

Non-cash investing activities

In the first 9 months ended June 30, 2010, the acquisition and first-time consolidation of companies created an increase in non-current assets of €24 million (9 months ended June 30, 2009: €26 million). In the 3rd quarter ended June 30, 2010, these increases amounted to €21 million (3rd quarter ended June 30, 2009: €1 million).

The non-cash addition of assets under finance leases in the first 9 months ended June 30, 2010 amounted to €10 million (9 months ended June 30, 2009: €9 million) and in the 3rd quarter ended June 30, 2010 to €4 million (3rd quarter ended June 30, 2009: €2 million).

Non-cash financing activities

In the first 9 months ended June 30, 2010, the acquisition and first-time consolidation of companies resulted in an increase in gross financial debt of €19 million (9 months ended June 30, 2009: €1 million). In the 3rd quarter ended June 30, 2010, these increases amounted to €15 million (3rd quarter ended June 30, 2009: 0).

13 / Subsequent events

No reportable events occurred.

Essen, August 09, 2010

ThyssenKrupp AG
The Executive Board

Schulz

Berlien

Eichler

Hippe

Labonte

Review report

To ThyssenKrupp AG, Duisburg and Essen

We have reviewed the condensed interim consolidated financial statements - comprising the statement of financial position, the statement of income, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and selected notes – and the interim group management report of ThyssenKrupp AG, Duisburg and Essen, for the period from October 1, 2009 to June 30, 2010 which form part of the quarterly financial report according to section 37x para. 3 in connection with section 37w para. 2 German Securities Trading Act (Wertpapierhandelsgesetz – WpHG). The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the German Securities Trading Act applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) and in supplementary compliance with the International Standard on Review Engagements (ISRE) 2410. Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material aspects, 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 aspects, in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to believe that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports.

Düsseldorf, August 9, 2010

KPMG AG
Wirtschaftsprüfungsgesellschaft

Prof. Dr. Rolf Nonnenmacher
(German Public Auditor)

Michael Gewehr
(German Public Auditor)

Report by the Supervisory Board Audit Committee

The interim report for the first 9 months of fiscal year 2009/2010 (October 2009 to June 2010) and the review report by the Group's financial statement auditors were presented to the Audit Committee of the Supervisory Board in its meeting on August 12, 2010 and explained by the Executive Board and the auditors. The Audit Committee approved the interim report.

Essen, August 12, 2010

Chairman of the Audit Committee
Prof. Dr. Bernhard Pellens

Contact / 2010/2011 dates

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Forward-looking statements

This report 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.

2010/2011 dates

November 30, 2010
Annual Press Conference
Analysts' and investors' conference

January 21, 2011
General Stockholders' Meeting

February 11, 2011
Interim report
1st quarter 2010/2011 (October to December)
Conference call with analysts and investors

May 13, 2011
Interim report
1st half 2010/2011 (October to March)
Analysts' and investors' conference

August 12, 2011
Interim report
9 months 2010/2011 (October to June)
Conference call with analysts and investors

Variances for technical reasons

To meet statutory disclosure obligations, the Company has to submit the interim report to the electronic Federal Gazette (Bundesanzeiger). For technical reasons (e.g. conversion of electronic formats) there may be variances in the accounting documents published in the electronic Bundesanzeiger.

This English version of the interim report is a translation of the original German version; in the event of variances, the German version shall take precedence over the English translation.

Both language versions of the interim report can be downloaded from the internet at <http://www.thyssenkrupp.com>. An interactive online version is also available on our website in both languages.

