

# Interim Report 9 months 2008 – 2009

ThyssenKrupp AG

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October 31, 2008 – June 30, 2009

# 03

**ThyssenKrupp**





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Interim report 9 months 2008 – 2009

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## The Group in figures

### GROUP

		Year-to-date comparatives				3rd quarter comparatives			
		9 months ended June 30, 2008	9 months ended June 30, 2009	Change	Change in %	3rd quarter ended June 30, 2008	3rd quarter ended June 30, 2009	Change	Change in %
Order intake	million €	41,535	28,455	(13,080)	(31)	14,181	7,926	(6,255)	(44)
Sales	million €	39,650	30,680	(8,970)	(23)	14,181	9,299	(4,882)	(34)
EBITDA	million €	3,646	726	(2,920)	(80)	1,366	(180)	(1,546)	(113)
Earnings before taxes (EBT)	million €	2,297	(987)	(3,284)	(143)	909	(772)	(1,681)	(185)
Net income/(loss)	million €	1,550	(829)	(2,379)	(153)	613	(630)	(1,243)	(203)
Basic earnings per share	€	3.06	(1.73)	(4.79)	(157)	1.21	(1.38)	(2.59)	(214)
Employees (June 30)		198,033	188,501	(9,532)	(5)	198,033	188,501	(9,532)	(5)
			Sept. 30, 2008	June 30, 2009					
Net financial debt	million €	1,584	1,584	3,122					
Total equity	million €	11,489	11,489	9,434					

### SEGMENTS

	Order intake (million €)		Sales (million €)		Earnings before taxes (million €)		Employees		
	9 months ended June 30, 2008	9 months ended June 30, 2009	9 months ended June 30, 2008	9 months ended June 30, 2009	9 months ended June 30, 2008	9 months ended June 30, 2009	June 30, 2008	Sept. 30, 2008	June 30, 2009
Steel	10,939	6,008	10,755	7,602	1,138	(41)	40,733	41,311	39,321
Stainless	5,883	2,992	5,726	3,191	86	(826)	12,037	12,212	11,869
Technologies	9,717	7,987	9,208	8,060	566	(128)	54,334	54,043	49,349
Elevator	4,254	3,937	3,559	3,964	301	465	42,108	42,992	42,761
Services	12,950	8,516	12,702	9,168	515	(171)	46,506	46,486	43,620
Corporate	83	82	83	82	(291)	(298)	2,315	2,330	1,581
Consolidation	(2,291)	(1,067)	(2,383)	(1,387)	(18)	12	—	—	—
<b>Group</b>	<b>41,535</b>	<b>28,455</b>	<b>39,650</b>	<b>30,680</b>	<b>2,297</b>	<b>(987)</b>	<b>198,033</b>	<b>199,374</b>	<b>188,501</b>
	3rd quarter ended June 30, 2008	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2008	3rd quarter ended June 30, 2009	3rd quarter ended June 30, 2008	3rd quarter ended June 30, 2009			
Steel	3,765	2,321	3,902	2,272	389	(348)			
Stainless	1,732	1,207	1,933	1,030	93	(204)			
Technologies	3,397	1,367	3,357	2,483	201	(187)			
Elevator	1,324	1,186	1,211	1,328	92	163			
Services	4,677	2,256	4,603	2,539	248	(123)			
Corporate	23	22	23	22	(110)	(87)			
Consolidation	(737)	(433)	(848)	(375)	(4)	14			
<b>Group</b>	<b>14,181</b>	<b>7,926</b>	<b>14,181</b>	<b>9,299</b>	<b>909</b>	<b>(772)</b>			

## ThyssenKrupp in brief

We have almost 189,000 skilled and committed employees working in the areas of Steel, Capital Goods and Services to provide innovative solutions for sustainable progress for our customers in around 80 countries on all five continents. In our five segments – Steel, Stainless, Technologies, Elevator and Services – we are meeting the 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, over 800 subsidiaries and equity interests. Two thirds of our 2,700 production sites, offices and service bases are outside Germany.

## Group review

### ThyssenKrupp – Business down due to recession

The overall economic environment deteriorated further in the reporting period. The global recession is affecting our company in all areas. The worldwide slump in demand – coupled with in part hefty price falls – was particularly dramatic in our carbon and stainless steel and international materials services activities. The capital goods business was also increasingly sucked into the global downturn. Our plant technology, elevator and escalator businesses remained relatively robust. Against this background, sales and earnings in the first 9 months of 2008/2009 slipped significantly. The Group's sales fell by 23%.

From a profit in the prior year the Group's earnings before taxes decreased to a loss of €987 million. This negative result was significantly influenced by falling material prices, which resulted in inventory writedowns of €204 million and lower revenues. Earnings were also significantly impacted by nonrecurring restructuring costs, impairment charges and project costs totaling €540 million. To manage the crisis we have launched an extensive package of cost reduction measures in the current fiscal year and freed up significant funds as part of a net working capital initiative. In addition we will be restructuring the Group to sustainably reduce administrative costs and make ThyssenKrupp leaner and more efficient in the future.

The highlights for the first 9 months 2008/2009:

- Order intake decreased by 31% to €28.5 billion compared with the first 9 months of the previous fiscal year.
- Sales fell by 23% to €30.7 billion.
- EBITDA came to €726 million, compared with €3,646 million in the prior year.
- Earnings before taxes declined from €2,297 million in the prior year to €(987) million.
- Earnings per share dropped from €3.06 to €(1.73).
- Net financial debt at June 30, 2009 was €3,122 million, an increase of €1,538 million compared with September 30, 2008, when we reported net financial debt of €1,584 million. On June 30, 2008, net financial debt stood at €2,127 million. Compared with March 31, 2009 net financial debt decreased by €565 million.

### Outlook

We expect a significant drop in order intake and sales for full fiscal year 2008/2009. This will be reflected in earnings. Price and volume declines will be only partly offset by falling input material prices and sustained efforts to enhance efficiency. In addition, targeted steps are being taken to significantly reduce net working capital. We are also carrying out measures to reduce or postpone our investment program and implementing portfolio optimizations.

ThyssenKrupp expects to end the current fiscal year with a loss before taxes and major nonrecurring items – restructuring costs, impairment charges and project costs – in the upper three-digit million euro range.

Earnings before taxes will be considerably impacted by restructuring expense for our cost reduction programs and the reorganization. However, these measures will play a decisive role in significantly strengthening the future earning power of the Group. Impairment charges and project costs for the new steel plants will also have a major impact on earnings before taxes.

**World economy: Recession continuing**

The global economic downturn continued in the first half of 2009. Important economic indicators such as indexes of new orders and industrial production were down significantly from the prior year. International trade in goods and services experienced large falls. The extensive government measures to stabilize the finance sector and stimulate demand have had only a limited effect so far.

In the USA, gross domestic product in the 1st quarter 2009 shrank by 1.6% quarter-on-quarter after a similar drop in the final quarter of 2008. The downturn slowed perceptibly in the 2nd quarter with a 0.3% quarter-on-quarter drop; consumer spending and construction and equipment investment had a moderating effect. In Japan, economic output in the 1st half of 2009 fell even more sharply than in the USA; in the 1st quarter alone, gross domestic product declined quarter-on-quarter by 4.0%. A key factor in the slump was the drastic fall in exports.

In the euro zone, too, the slide continued. Economic output in the 1st quarter was down 2.5% from the prior quarter, although the decline in the 2nd quarter is expected to be slightly smaller. The downturn is mainly due to falling exports and lower business spending. The German economy in particular recorded a massive slump as a result of its strong dependence on global demand. Gross domestic product in the 1st quarter 2009 was down 3.8% from the prior quarter, the largest fall since statistical records began in 1970. Foreign trade and capital spending delivered a negative growth contribution, while private and public consumption increased slightly. According to estimates, the downturn continued in the 2nd quarter 2009 but at a slower pace.

The global recession also impacted growth in the emerging and developing economies. The slump in world trade made itself felt particularly in the Asian emerging countries. The previous high pace of growth in China slowed. Without the USD580 billion government stimulus program, the slowdown would have been even more severe. In Brazil, too, declining demand on important sales markets had a negative impact. In Russia, gross domestic product has decreased significantly since the start of the year, due among other things to lower demand for raw materials and falling energy prices. The economic situation in the rest of Central and Eastern Europe also deteriorated in the 1st half of 2009.

The global recession had a severe impact in all sectors important to ThyssenKrupp. The picture in the individual sectors was as follows:

- World steel demand fell dramatically – in most regions to levels that are cancelling out the entire growth of recent years. In the first six months of this year world crude steel output was 21% lower than in the same period a year earlier. The EU, the NAFTA region and Japan suffered falls of more than 40%. Against this negative trend, China and India again increased their output slightly. Steel industry capacity utilization in most other regions dropped considerably, resulting in increased temporary shutdowns and closures. Since June however there have been signs of an end to this slide, with some producers ramping up their production again or announcing plans to do so in response to gradually rising demand. Orders for rolled steel received by the German steel industry in June neared the 3 million ton mark for the first time in eleven months. The average for the first five months of 2009 was below 2 million tons. A sustainable turnaround cannot yet be read into this as the increased demand was mainly due to stock-building and in some cases speculative purchasing. However, the worldwide slump in steel spot prices has been halted.

There are also signs of volumes and prices on the European carbon steel flat-rolled market bottoming at the middle of the year. However, EU shipments by European steel producers in the first five months were still on average around 50% down from the prior year, due to extremely weak activity in all main customer industries and the accompanying reduction in inventory levels. But even though inventories have decreased in recent months, they are still generally regarded as too high measured against low consumption levels. Orders received by European flat-rolled producers have been showing a slight upward trend since April but are still significantly lower than the corresponding prior-year volumes. Extremely weak demand and low prices on the European market have slowed imports from third countries; imports of carbon steel flat products in the first five months of 2009 were substantially lower than a year earlier.

- World demand for stainless steel flat products fell sharply but there has been a marked recovery recently due to restocking. Inventories at distributors and service centers in Europe were at high levels at the beginning of 2009 but since then have been progressively drawn down. Towards the end of the 2nd quarter 2009 many distributors increased their purchases in view of low inventory levels but also in response to rising nickel prices and the expectation of higher alloy surcharges. In North America, destocking by distributors and service centers has slowed as stocks approach minimum levels. New orders and shipments at local producers have increased slightly in recent weeks, also to fill the gap left by lower imports. In addition, purchases have been brought forward due to rising alloy surcharges. In Asia, inventories are still at a very high level, although purchases by distributors have increased due to the rising nickel price. In China, demand has increased thanks in part to major government infrastructure projects. Reviving demand in Europe, the USA and Asia has pushed production up in recent weeks, resulting in better capacity utilization.

The decline in stainless steel prices came to a halt in Europe and North America. Base prices have been raised again in recent months, albeit at a low level. The rising nickel price pushed up alloy surcharges. In Asia, stainless steel prices recovered noticeably and are now almost at European levels. This in turn reduced the incentive for Asian producers to export. Their exports to Europe were very low.

The order situation for nickel alloys was again characterized by project postponements and short-term purchasing at inadequate levels. Orders for titanium decreased considerably, mainly due to delays in the production of the new aircraft generations. Continuing high inventory levels and low consumption are additionally exacerbating the demand weakness.

- The global economic crisis has also had a severe impact on the auto industry. Demand for new vehicles in the industrialized countries slumped dramatically in the 1st half of 2009; two large US manufacturers were forced to file for bankruptcy. In the USA, 1st-half sales of cars and light trucks were down 35% from the prior year. In the European Union, new car registrations in the first six months of 2009 were 11% down year-on-year. In some EU countries demand was boosted by government measures.

In Germany, for example, the scrappage scheme pushed up domestic sales significantly. In the period January to June 2009 new car registrations increased by 26% from the prior year. However, at the same time exports slumped by 35%. As a result, car production fell by 24%. The truck sector showed a particularly sharp decline; production decreased by 61%. New car sales also dropped significantly in the previously fast-growing countries of Central and Eastern Europe. However, China continued to grow thanks to considerable new demand and government support measures.

- The shipping markets are characterized by growing overcapacity as a result of the global recession and the accompanying slump in world trade. Orders for new ships have come to an almost complete standstill. Full order books are still being reported around the world, but in some cases they cannot be regarded as guaranteed due to lack of financing. Germany's shipyards did not receive any new orders in the first months of 2009. In addition, several orders were cancelled, with the result that orders in hand dropped significantly compared with the end of 2008.
- The engineering sector is particularly affected by the fact that many businesses have reviewed their investment decisions in light of the global recession and either cancelled or postponed numerous modernization or capacity expansion projects. In the major industrialized countries, machinery orders fell significantly and output decreased. In China, sector growth slowed appreciably. In Germany, orders declined at an unprecedented pace after years of high growth. In the first six months of 2009 orders were down 46% from the prior-year period. As output decreased, capacity utilization fell drastically. Order intake in the German plant engineering sector in the first half of 2009 was also well down from a year earlier.
- Construction activity slowed appreciably in almost all countries in the 1st half 2009. Growth rates in China and India were lower year-on-year. In the USA, the downward trend on the real estate market continued. The construction sector in most of Central and Eastern Europe also stagnated or shrank. The German construction industry suffered a drop in orders from the prior year, with commercial construction particularly affected. The stimulus packages have generated only little impetus so far.

### Order intake and sales down

#### THYSSENKRUPP IN FIGURES

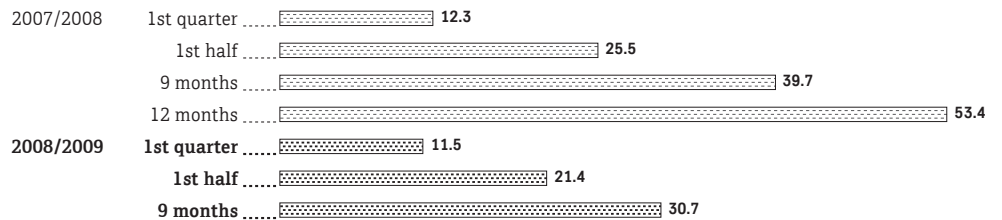
		9 months ended June 30, 2008	9 months ended June 30, 2009	3rd quarter ended June 30, 2008	3rd quarter ended June 30, 2009
Order intake	million €	41,535	28,455	14,181	7,926
Sales	million €	39,650	30,680	14,181	9,299
EBITDA	million €	3,646	726	1,366	(180)
Earnings before taxes (EBT)	million €	2,297	(987)	909	(772)
Employees (June 30)		198,033	188,501	198,033	188,501

The global demand slump significantly impacted ThyssenKrupp's business. Sales and above all orders dropped substantially. There were particularly sharp falls in the 2nd and 3rd fiscal quarters.

ThyssenKrupp's order intake in the first 9 months of 2008/2009 reached €28.5 billion, 31% down from the corresponding prior-year period. 3rd-quarter orders were slightly higher than the prior quarter but 44% lower year-on-year. All segments recorded lower new orders in the first three quarters of the current fiscal year. In addition to sharply falling material prices, business at Steel, Stainless and Services was particularly impacted by lower volumes. At Technologies, customer uncertainty over investment decisions had a negative impact. The drop in orders at Elevator was due to lower new equipment business.

The Group's sales decreased by 23% to €30.7 billion in the first 9 months of 2008/2009. 3rd-quarter sales were down 6% from the prior quarter and 34% from the prior year. Sales in the first 9 months of the reporting year were noticeably weaker in all segments with the exception of Elevator. Sales at Steel were impacted by a significant fall in shipments, although average steel selling prices had a stabilizing effect due to the high proportion of long-term contracts. Price and demand falls were the reasons for declining sales at Stainless and Services. At Technologies, higher sales in plant engineering failed to offset declines in the automotive, construction equipment and shipbuilding areas. Elevator remained on growth track, expanding its business in almost all regions.

SALES in billion €



Significant decline in earnings

In the first 9 months of 2008/2009 ThyssenKrupp's earnings before taxes decreased year-on-year by €3,284 million to €(987) million. Earnings deteriorated progressively in the course of the year. A profit of €240 million in the 1st quarter was followed by a loss of €455 million in the 2nd quarter and a loss of €772 million in the 3rd. The earnings figures for the first 9 months of 2008/2009 include provisions for restructuring costs – including personnel adjustments – of €250 million, impairment of non-current assets of €159 million at Steel, Stainless and Technologies, and project costs of €131 million for the new plants in Brazil and the USA. Inventory writedowns accounted for €204 million.

The main reason for the earnings decline in the Steel segment was the slump in shipments; in addition, significant restructuring provisions were accrued. The large loss at Stainless was caused by a dramatic demand slump combined with a significant drop in base prices. Necessary impairment charges and inventory writedowns also weighed on earnings. Writedowns and massive earnings falls in the materials business also resulted in negative earnings at Services. At Technologies, higher profits in plant engineering were unable to offset lower earnings in the automotive and construction equipment businesses and heavy losses in civil shipbuilding. Elevator remained successful, achieving profits in all areas.

## EARNINGS BEFORE TAXES (EBT) in million €

2007/2008	1st quarter	646
	1st half	1,388
	9 months	2,297
	12 months	3,128
2008/2009	1st quarter	240
	1st half	(215)
	9 months	(987)

Net sales in the first 9 months of 2008/2009 were €8,970 million or 23% lower than in the corresponding prior-year period. The cost of sales decreased by €5,544 million or 17% and therefore to a lesser extent than sales. The main reasons for this were the significantly higher inventory writedowns this year as well as impairment charges for intangible assets and property, plant and equipment, which partly offset the sales-related decline in other costs of sales. Overall, gross profit decreased by €3,426 million, combined with a decline in gross margin from 17% to 11%.

The decrease in selling expenses by €180 million was caused mainly by lower expenses for sales-related freight and insurance charges in the Steel, Stainless and Services segments due to the decline in business. The increase in other operating income by €63 million was connected with the cancellation of qualifying foreign currency hedges for planned raw material purchases, since the volume of raw material purchases was lower due to the recession. The €41 million decrease in other operating expenses was mainly due to €34 million lower losses on the disposal of non-current assets. Lower disposal activity resulted in a €78 million decline in income from disposals of consolidated companies. The €91 million decrease in income from companies accounted for using the equity method was due mainly to the overall drop in earnings at the companies concerned compared with the corresponding prior-year period. The €203 million deterioration in net interest was connected with the higher net financial debt. The €195 million improvement in net other financial income/(expense) was primarily due to a €112 million improvement in net exchange rate gains/(losses) on financial transactions and a €98 million year-on-year increase in capitalized interest cost, mainly relating to construction progress on the steel mill in Brazil.

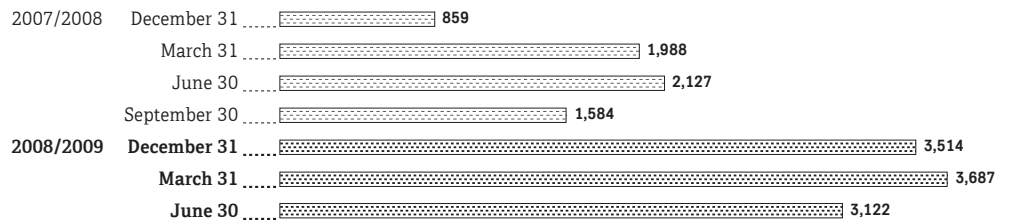
The posting of tax income of €158 million for the reporting period compared with tax expense of €747 million in the comparative prior-year period was due in full to the loss situation. As a result of the losses, current income taxes decreased year-on-year by €430 million to €227 million. To the extent that losses will reduce tax payments in the future, deferred tax assets were recognized. This resulted in deferred tax income of €385 million in the reporting period compared with deferred tax expense of €90 million a year earlier. After taking into account taxes on income, the net loss for the period was €829 million; in the corresponding prior-year period a net income of €1,550 million was achieved.

Including minority interest in losses of €29 million, earnings per share for the period deteriorated to €(1.73).

**Net financial debt and capital expenditures**

On June 30, 2009, net financial debt stood at €3,122 million. The increase of €1,538 million from September 30, 2008 was influenced to a large degree by the global recession and the associated burdens on day-to-day operations, capital spending for our major projects, and the dividend payment. Compared with March 31, 2009 net financial debt was reduced by €565 million.

**NET FINANCIAL DEBT in million €**



ThyssenKrupp invested a total of €3,094 million in the first 9 months 2008/2009, 5% more than in the same period of the prior year. €2,875 million was spent on property, plant and equipment and intangible assets, and €219 million on the acquisition of businesses, shareholdings and other financial assets.

**Current issuer ratings**

The rating agencies Standard & Poor’s, Moody’s and Fitch lowered their ratings on ThyssenKrupp in the 3rd quarter. However, all three ratings remain investment-grade. The creditworthiness of ThyssenKrupp is currently assessed by the rating agencies as follows:

	Long-term rating	Short-term rating	Outlook
Standard & Poor’s	BBB-	A-3	watch negative
Moody’s	Baa3	Prime-3	negative
Fitch	BBB-	F3	negative

### **Construction of new plants in Brazil and the USA**

The implementation of the strategic investments of the Steel and Stainless segments is making further progress. Of central importance for Steel is the steel mill complex under construction at Santa Cruz in the state of Rio de Janeiro/Brazil with an annual capacity of 5 million metric tons of crude steel. As at June 30, 2009 the value of contracts concluded stood at €4.3 billion.

On July 22, 2009 the Brazilian iron ore producer Vale S.A. and ThyssenKrupp Steel AG signed a Memorandum of Understanding under which Vale will increase its stake in ThyssenKrupp CSA Siderúrgica do Atlântico Ltda. from around 10% currently to 26.87% through a capital infusion of €965 million. This decision is subject among other things to approval by the boards of Vale and ThyssenKrupp.

Construction work on the site in Santa Cruz is in full swing. Structural steel erection and mechanical and electrical installation are proceeding in parallel in all areas. The port terminal, materials handling facilities and sinter plant are almost complete. The power plant and blast furnaces will be production-ready at the end of 2009. The same applies to the ancillary facilities such as power distribution and water treatment and to other infrastructure facilities. Due to quality problems, reworking is necessary on the structural steel work in some areas. In view of the current situation on the steel market, we are not taking any acceleration measures; production is currently expected to start in the 1st half of 2010. At the end of June 2009, 1,397 employees were working for ThyssenKrupp CSA in Brazil and a total of 19,000 people were working on the construction site.

To be able to process a large part of the slabs made in Brazil into finished products for the European market, investments have also been carried out at our German sites. A series of modernization measures to improve performance capabilities have now been completed at the hot-rolled plants in Duisburg-Beeckerwerth and Bochum and on four hot-dip coating lines.

Construction of the new joint steelmaking and processing plant of the Steel and Stainless segments began near Mobile in Alabama/USA in fall 2007. Work is being continued as scheduled for the production lines of the Steel segment, whereas the construction period for the Stainless facilities has been extended. Steel will operate hot and cold rolling as well as coating lines at the Mobile plant and will process slabs produced in Brazil into high-quality flat products. Total hot-rolling capacity will be over 5 million tons a year. Work on the project is running largely to schedule, so start-up in spring 2010 remains possible. As at June 30, 2009 the value of contracts concluded totaled USD3.0 billion.

Around 3,500 workers are currently employed on the site. Concreting work for buildings and machine foundations is largely complete for the hot strip mill, cold rolling mill and hot-dip coating lines. Structural steel erection and electrical work for the production equipment is currently underway. The shipping buildings for cold-rolled and hot-dip galvanized products, which are needed for the intermediate storage of machine parts, are nearing completion.

Market analyses into prices, demand, imports and customer requirements in the NAFTA region are being systematically continued. Possible delivery volumes by product and customer for the ramp-up phase and subsequent production operation have been determined. The general economic situation is also being analyzed on an ongoing basis for potential risks. Customer visits are being continued in all target industries, with support from technical advisory teams.

The construction period for the stainless flat products plant in Mobile, Alabama, has been extended. At the beginning of the year it was decided to postpone the start-up of production by at least a year in light of the poor state of the stainless market. The business plan and ramp-up schedule are currently being reviewed. The Supervisory Board will decide on the further course of action in its meeting on September 04, 2009.

## Segment review

### Steel: Order volumes halved

#### STEEL IN FIGURES

		9 months ended June 30, 2008	9 months ended June 30, 2009	3rd quarter ended June 30, 2008	3rd quarter ended June 30, 2009
Order intake	million €	10,939	6,008	3,765	2,321
Sales	million €	10,755	7,602	3,902	2,272
Earnings before taxes (EBT)	million €	1,138	(41)	389	(348)
Employees (June 30)		40,733	39,321	40,733	39,321

The global recession left a deep mark on the steel market and on ThyssenKrupp Steel's business. Due to falling market prices for steel products the revenues of the Steel segment slipped during the first 9 months of the reporting year. In total, the value of new orders received decreased by 45% to €6.0 billion, with order volumes dropping by 53%. However, volume demand firmed slightly in the 3rd quarter and was pointing clearly upwards in June.

Operating adjustments were necessary in all stages of production throughout the reporting period. Blast furnace 9 with a hot metal capacity of 4,500 tons per day was shut down in March 2009. The three other blast furnaces were operated at minimum levels. Blast furnace A at investee company Hüttenwerke Krupp Mannesmann was also shut down temporarily in connection with a scheduled reline. The downstream processing lines responded with block shutdowns and adapted their daily output to the changed market situation. As a result of the adjustments, material inventories were significantly reduced.

Steel's sales decreased by 29% to €7.6 billion. This was mainly due to a 37% decline in shipments. Average net revenues dropped in the course of the year but thanks to a large proportion of long-term contracts were still significantly higher than in the comparable prior-year period.

The Steel segment made a loss of €41 million in the first 9 months of 2008/2009, following a profit of €1.1 billion in the comparable prior-year period. The main reason was a slump in shipments. Net revenues decreased in all business units. In addition there were inventory writedowns of €54 million and restructuring provisions of around €155 million, mainly relating to an adjustment program in the segment. The cost-reduction measures introduced at short notice – with a total potential of €400 million for fiscal year 2008/2009 – contributed to a significant improvement but were unable to offset the market-related earnings declines.

The number of employees in the Steel segment decreased significantly. At the end of June 2009 the segment had 1,412 employees fewer than a year earlier. The biggest personnel reduction was in the Metal Forming unit. From the beginning of 2009 short-time working was operated on a large scale throughout the segment – including the administrative areas; in total, almost 20,000 employees were affected.

#### Corporate

The Corporate business unit comprises the administrative functions of ThyssenKrupp Steel AG and manages the construction projects in Brazil and the USA. The costs of these projects were set against positive effects in connection with currency derivatives, resulting overall in a lower loss for the business unit.

#### Steelmaking

The Steelmaking business unit, which includes all of the metallurgical operations in Duisburg as well as the transportation companies, recorded a drop in sales due to a sharp fall in outside business and reduced transportation work. Profits were significantly down from the prior year. Crude steel production including supplies from investee company Hüttenwerke Krupp Mannesmann decreased year-on-year by 38% to 6.7 million tons.

**Industry**

Sales of the Industry business unit decreased considerably, mainly due to a sharp fall in shipments. Following a profit in the prior year, Industry made a loss. Low activity levels in practically all user industries had a massive impact on business in the Industry/Services profit center, resulting in a large loss. However, towards the end of the reporting period there was a marked rise in inquiries in some sections of the market, as many customers had run down their inventories. This benefited steel distributors and service centers, who use us to meet short-term demand. The Color/Construction competence center and Steel Service Europe also recorded lower sales and made a loss. With prices falling, the main reason here too was a sharp drop in volumes. In the Heavy Plate unit, business slumped even further in recent months. The worsening situation in the truck industry and continuing poor activity in the shipbuilding and construction equipment sectors made themselves increasingly felt. Earnings – though clearly positive – were lower year-on-year.

**Auto**

The continuing crisis in the automobile industry caused a sharp fall in sales at the Auto business unit. Drastic drops in volumes as a result of lower production figures in Germany and Europe were only partly cushioned by a high proportion of long-term contracts. The business unit recorded a considerable drop in earnings. The Auto division of ThyssenKrupp Steel AG, which accounts for more than four-fifths of the business unit's sales, was hit particularly hard by falling automobile industry output at the beginning of the reporting period, although orders from auto customers increased again slightly in the 3rd quarter. Sales at Tailored Blanks also decreased due to lower volumes, though less sharply than in the other businesses, and profits dropped significantly. Sales volumes at our steel service activities in North America decreased by more than half; unforeseeable production shutdowns by important customers aggravated an already difficult situation. Sales and profits were down from the prior year.

Metal Forming's performance also continued to be hit by the difficult situation in the auto industry. Sales were down year-on-year. The loss was lower, although the prior year was also impacted by significant restructuring expense.

**Processing**

The Processing business unit comprises our tinplate, medium-wide strip and grain-oriented electrical steel operations. Sales and profits declined overall. The tinplate business stood up comparatively well, but sales and earnings were down from the prior year. Positive price effects were outweighed by cost increases and a fall in volumes. Competition intensified appreciably as the relatively attractive prices and more stable demand drew competitors back to the tinplate market. The situation was much more difficult in the medium-wide strip business, which suffered a dramatic slump in volumes above all in the first few months of 2008/2009 due to its strong dependency on the automotive supply and cold rolling industries. Demand improved perceptibly in the 3rd fiscal quarter, which had a positive effect on shipments. Despite this, the business posted a loss, compared with a profit a year earlier. The business situation for grain-oriented electrical steel deteriorated in the course of the reporting period; sales declined due to lower volumes, which necessitated operating adjustments. With prices falling sharply, profit was lower year-on-year.

## Stainless: Collapse in demand and earnings

### STAINLESS IN FIGURES

		9 months ended June 30, 2008	9 months ended June 30, 2009	3rd quarter ended June 30, 2008	3rd quarter ended June 30, 2009
Order intake	million €	5,883	2,992	1,732	1,207
Sales	million €	5,726	3,191	1,933	1,030
Earnings before taxes (EBT)	million €	86	(826)	93	(204)
Employees (June 30)		12,037	11,869	12,037	11,869

The order situation at ThyssenKrupp Stainless deteriorated significantly due to the market recession. In terms of volumes, orders in the first 9 months of 2008/2009 were 25% down from the comparative prior-year period. Order volumes fell by 30% for cold-rolled stainless steel but rose by 15% for hot-rolled. Orders for nickel alloys and titanium also decreased significantly by 40% and 75% respectively. With prices also lower, the value of orders received slipped by as much as 49% to €3.0 billion.

Overall deliveries by Stainless in the reporting period reached 1,275,800 metric tons. This 28% year-on-year decline affected all product areas. As a result of the reduced shipments as well as lower base prices and alloy surcharges, sales decreased by 44% to €3.2 billion.

Compared with the prior year, earnings at Stainless in the first 9 months of the current fiscal year fell drastically by €912 million to €(826) million; all business units reported losses. This decline in earnings – unprecedented on such a scale – was triggered by a dramatic drop in demand from distributors as well as in all end customer segments and sales regions of the stainless steel market. This led to extreme underutilization of production capacities at all stainless steel manufacturers. The Stainless segment responded with massive production cutbacks and inventory reductions. Up to the end of the 2nd fiscal quarter, the recession on the stainless steel market was accompanied by a significant decline in base prices, which further exacerbated the loss situation. The €49 million inventory writedowns made necessary by this market environment additionally impacted earnings. Income was also affected by impairment losses on intangible assets and property, plant and equipment of €108 million. With nickel prices starting to recover from early April, the stainless steel markets are showing first signs of stabilization, backed by restocking at distributors who had run down their inventories to a minimum. At present it is not possible to foresee whether the current situation merely represents a temporary calming of the market or will turn into a sustainable market recovery.

Stainless responded immediately to the tight earnings situation. In addition to the Groupwide ThyssenKrupp PLuS cost-reduction program, further measures were initiated. This moderated the slump in earnings but was unable to offset it completely. To improve the tight liquidity situation, the ongoing investment program, including the construction of the American stainless steel mill, has been postponed. In addition, the segment is implementing a performance enhancement program to sustainably secure competitiveness and improve earnings.

At the end of June 2009 Stainless had 11,869 employees, 168 fewer than a year earlier. The weak order situation meant that the plants operated at well below capacity, especially in the 1st half of the fiscal year. As a result, short-time working had to be introduced in wide areas of the segment after working time accounts had been run down; roughly 5,200 employees were affected.

**ThyssenKrupp Nirosta**

In the reporting period, the situation at ThyssenKrupp Nirosta, as at the other stainless companies in the segment, was characterized by weak demand from distributors and reduced end customer business. Orders and production started to pick up slightly towards the end of the period. Despite this, the situation was negative overall. The decline in shipments and lower prices led to a severe downturn in sales. The drastic fall in base prices for austenitic and ferritic cold-rolled products and massive underutilization of capacity at the plants were also the main reasons for the collapse in earnings at ThyssenKrupp Nirosta. Inventory writedowns made necessary by the decline in raw material prices further increased losses. The measures introduced to cut costs only partly cushioned the earnings decrease.

**ThyssenKrupp Acciai Speciali Terni**

The performance of the Italian business unit ThyssenKrupp Acciai Speciali Terni was likewise characterized by the sharp fall in demand for stainless steel. This necessitated substantial production cutbacks which together with lower prices resulted in a significant drop in sales. At ThyssenKrupp Titanium, too, plant capacities were not fully utilized due to weak demand from the key aerospace and plant construction sectors. Full warehouses and low consumption by distributors and end users further exacerbated the demand situation. In this negative market environment, ThyssenKrupp Acciai Speciali Terni reported a huge loss, including necessary writedowns on inventories. Stable earnings at the forging operations and the cost-cutting programs introduced only slightly eased the loss situation.

**ThyssenKrupp Mexinox**

With the us and Mexican markets in recession, order intake and sales at ThyssenKrupp Mexinox fell significantly year-on-year. Production in Mexico also had to be cut back sharply; cost-reduction measures are being implemented. Plummeting base prices and inventory writedowns made necessary by the decline in raw material prices resulted in a dramatic decrease in earnings.

**Shanghai Krupp Stainless**

In a market environment characterized by overcapacities, Shanghai Krupp Stainless reported a severe decrease in orders and sales in the period under review. This led to a massive underutilization of production capacities. Very low shipments combined with weak prices and necessary inventory writedowns caused earnings to collapse. The cost-cutting measures implemented only mitigated the slump in earnings.

**ThyssenKrupp Stainless International**

As a result of weak global demand, the ThyssenKrupp Stainless International business unit also reported sharp declines in orders and sales. Combined with inventory writedowns at the service centers due to the fall in raw material prices, this led to a drastic drop in earnings.

**ThyssenKrupp vDM**

In the nickel alloy business of ThyssenKrupp vDM, order intake and sales were likewise down from the prior-year level. The situation was characterized by order postponements and cancellations from the aerospace sector, a severe downturn on the automotive market and increasing deferrals of major plant construction projects. The cost-cutting measures introduced only partly cushioned the significant year-on-year fall in earnings.

## Technologies: Declining orders

### TECHNOLOGIES IN FIGURES

		9 months ended June 30, 2008	9 months ended June 30, 2009	3rd quarter ended June 30, 2008	3rd quarter ended June 30, 2009
Order intake	million €	9,717	7,987	3,397	1,367
Sales	million €	9,208	8,060	3,357	2,483
Earnings before taxes (EBT)	million €	566	(128)	201	(187)
Employees (June 30)		54,334	49,349	54,334	49,349

Order intake at Technologies in the first 9 months of fiscal 2008/2009 was €8.0 billion, 18% lower than the high prior-year figure. In the 2nd and 3rd quarters there were also signs of uncertainty in plant construction as customers delayed investment decisions, due among other things to the financial bottlenecks in the banking sector, falling raw material prices and general market uncertainty. In this difficult environment, the booking of a major order for a low-density polyethylene plant in Qatar at Plant Technology and the initialing of a major submarine order for six material packages for the Turkish navy at Marine Systems, which is not yet included in order intake, were all the more pleasing. There was no significant recovery in demand in the automotive and construction machinery businesses. Order intake in the 3rd quarter was at the low level of the prior quarter and substantially down from the prior year. The Technologies segment's orders in hand of €15.8 billion at June 30, 2009 are mainly from long-term project business and will secure future sales in this area.

Although Plant Technology realized significantly higher sales on orders in hand, the segment's sales in the first 9 months were down 12% year-on-year at €8.1 billion. This was due to a sharp decline in the automotive and construction machinery business, portfolio changes and lower sales at Marine Systems.

Technologies reported a loss for the first 9 months of €128 million, which included expenses of €84 million for restructuring provisions. In the 2nd and 3rd quarters in particular, the segment had to deal with significant negative factors at Marine Systems including high restructuring expense for personnel adjustments, order cancellations, possible liability risks in civil shipbuilding and higher project costs for yachts. This was compounded by sharply declining sales, substantial restructuring expense, impairment of current and non-current assets and provisions for onerous contracts in the automotive and construction machinery businesses. Plant Technology's profit was higher than the prior year.

The number of employees decreased by 4,985, mainly due to low workloads. Most of the workforce changes related to the foreign subsidiaries of the Mechanical Components business unit, but there were also job cuts at Marine Systems and Plant Technology. In addition, the employment of more than 2,000 people from outside contractors has been terminated since the start of the fiscal year. Up to June 2009, around 15,700 employees were on short-time work in response to the declining workloads.

### Plant Technology

Order intake at Plant Technology in the 2nd and 3rd quarters 2008/2009 was impacted by the postponement of investment decisions by customers. As a result, new orders in the first 9 months were significantly lower than the high prior-year level. This affected all areas of the business unit. One encouraging aspect was the acquisition of a major order to build a 300,000 ton per year low-density polyethylene plant in the chemical plant sector.

Thanks to the high level of orders in hand in the chemical and cement plant sectors, Plant Technology achieved a year-on-year increase in sales. The unit also bettered its high prior-year profit.

### **Marine Systems**

Thanks to major orders for six material packages to build class 214 submarines for South Korea and two material packages for class 212A submarines for Italy, order intake at Marine Systems in the nine-month period to June 2009 was significantly higher than a year earlier. In addition, an agreement was initialed on July 02, 2009 for six material packages to build export class 214 submarines for the Turkish navy. The submarines, which will feature fuel cell technology, will be built and assembled at a Turkish shipyard. By contrast, the civil shipbuilding operations suffered numerous order cancellations for yachts and further cancellations for container ships in the 3rd quarter as a result of the severe drop in freight rates and financing problems at customers. Declining volumes in the global ocean freight trade also resulted in weaker repair and service business.

Sales at Marine Systems fell significantly year-on-year. The business unit reported a substantial loss, compared with a profit a year earlier. This was due to negative nonrecurring effects in the 2nd and 3rd quarters, including high restructuring expense for workforce adjustments, cancellations of container ship and yacht orders, possible liability risks in civil shipbuilding as well as higher project costs for yachts.

### **Mechanical Components**

The Mechanical Components business unit is a manufacturer of high-tech components for the automotive and construction machinery sectors as well as for general engineering applications. Order intake in the first 9 months fell short of the prior-year level. The sharp drop in demand in the automotive and construction machinery businesses and in the engineering sector in general resulted in a substantial decrease in orders. This impacted all areas, but particularly the business with construction machinery components and forged crankshafts. There was also a structural effect from the disposal of a company in the 2nd quarter of the prior year.

Sales were also significantly lower than a year earlier. Mechanical Components achieved a small profit, but owing to sharply falling sales in the 2nd and 3rd quarters, substantial restructuring expense, impairment of current and non-current assets and the absence of a prior-year gain on the sale of a business, earnings were significantly lower year-on-year. With workloads declining, the cost-cutting measures already introduced were extended further, including reductions in the number of temporary workers, an increase in short-time working, savings on the healthcare program at the North American foundries and major personnel cutbacks at foreign locations.

### **Automotive Solutions**

The Automotive Solutions business unit supplies innovative system solutions for the automotive industry in the areas of steering systems, dampers, body-in-white lines, body and chassis components as well as assembly systems for engines, transmissions and axles. Demand in the automotive industry continued to decline in the 3rd fiscal quarter and resulted in a year-on-year decrease in orders and sales in all areas.

As a result of falling demand, high provisions for onerous contracts, impairment of current and non-current assets and restructuring expense, the business unit reported a heavy loss. Here again, a variety of measures were implemented aimed at reducing costs and adapting to the lower workloads and the structural changes in the auto industry.

### **Transrapid**

Transrapid generated a lower level of sales. Despite restructuring expenditure to adjust capacity in the 1st quarter and increased writedowns, a break-even result was achieved in the reporting period.

**Elevator: Positive performance continued****ELEVATOR IN FIGURES**

		9 months ended June 30, 2008	9 months ended June 30, 2009	3rd quarter ended June 30, 2008	3rd quarter ended June 30, 2009
Order intake	million €	4,254	3,937	1,324	1,186
Sales	million €	3,559	3,964	1,211	1,328
Earnings before taxes (EBT)	million €	301	465	92	163
Employees (June 30)		42,108	42,761	42,108	42,761

The Elevator segment continued its positive performance in the first 9 months of the reporting year. Order intake fell 7% year-on-year to €3.9 billion as a consequence of the global financial and economic crisis and the associated decline in the market for new installations. However, thanks to the high level of orders received in the prior year, sales were up 11% to €4.0 billion.

On the back of strong sales and increased efficiency, earnings increased year-on-year by €164 million or 54% to €465 million. All business units generated profits.

The 653 rise in the number of employees was mainly due to growth in the service and modernization business as well as a stronger presence in the growth markets of China, India and the Middle East.

**Central/Eastern/Northern Europe**

Orders at the Central/Eastern/Northern Europe business unit fell noticeably year-on-year. This was due to the difficult market environment for new installations, in particular in the UK and Eastern Europe. In France, too, it was not possible to repeat the high order intake of the prior year, especially in the modernization business. By contrast, the business unit's sales increased due to the high level of orders in hand, with particular contributions coming from the French, German and Dutch operations. As a consequence of the higher sales, the business unit's profit also improved significantly. Earnings were also positively influenced by the reduction in restructuring costs compared with the prior year.

**Southern Europe/Africa/Middle East**

9-month order intake at the Southern Europe/Africa/Middle East business unit was slightly down from the prior-year level. Growth in the Gulf states and Portugal was unable to fully offset declines in the Spanish and Southeast European operations. The business unit's sales also fell slightly year-on-year, due mainly to a distinct decline in the Spanish new installations market. By contrast, sales expanded strongly in the Gulf region. Thanks largely to the strong earnings of the Spanish and Portuguese operations, the business unit achieved an appreciable year-on-year increase in profit. The reduction in restructuring costs compared with a year earlier also contributed to the profit improvement.

**Americas**

Despite positive exchange-rate effects, the Americas business unit failed to match its high prior-year order intake. In the USA and Canada in particular, orders fell appreciably as a result of the financial and economic crisis. By contrast, orders in South America were level with the previous year. Sales of the business unit rose substantially thanks to the high prior-year order intake. The US operations made a major contribution to this increase. The other operations also achieved higher sales. The business unit's profit was significantly higher than a year earlier due both to a further expansion in service business and positive exchange-rate effects.

**Asia/Pacific**

Order intake in the Asia/Pacific business unit was down slightly year-on-year. While strong improvements were reported in China and South Korea, new orders decreased in Australia in particular as well as India and Southeast Asia. The business unit's sales showed a pleasing improvement, driven primarily by the Chinese and Australian operations. Sales in South Korea were weaker due to a decline in the new installations market and strongly negative exchange-rate effects. By contrast with the prior year, the business unit recorded a profit in the first 9 months of 2008/2009.

**Escalators/Passenger Boarding Bridges**

Order intake at the Escalators/Passenger Boarding Bridges business unit was slightly lower than a year earlier. While the escalator operations failed to match the prior-year level, orders rose substantially in the passenger boarding bridges business, driven mainly by the major "Doha Airport (Qatar)" order. The business unit's sales showed a significant improvement. The Chinese escalator operations in particular reported strong sales growth. After recording a loss a year earlier, the business unit returned a profit for the first 9 months of the current fiscal year. Both the escalators and passenger boarding bridges businesses contributed to this with positive earnings.

**Accessibility**

The Accessibility business unit remained on growth course in the first 9 months of the fiscal year. Both the European and US operations achieved significant improvements in order intake and sales. In the USA, however, this increase was solely due to the acquisition of The National Wheel-o-Vator company in the past fiscal year. The business unit's earnings fell just short of the prior-year level. This was caused by a fall in profits at the US operations due to the difficult situation on the market for single-family homes.

## Services: Earnings impacted by losses in warehouse business

### SERVICES IN FIGURES

		9 months ended June 30, 2008	9 months ended June 30, 2009	3rd quarter ended June 30, 2008	3rd quarter ended June 30, 2009
Order intake	million €	12,950	8,516	4,677	2,256
Sales	million €	12,702	9,168	4,603	2,539
Earnings before taxes (EBT)	million €	515	(171)	248	(123)
Employees (June 30)		46,506	43,620	46,506	43,620

The Services segment achieved sales of €9.2 billion in the first 9 months of 2008/2009, 28% lower than in the comparable prior-year period. The negative trend in volumes and prices compared with the record year 2007/2008 continued, though the fall in prices slowed toward the end of the reporting period; prices for some materials stabilized at a very low level or even rose slightly. However, writedowns on inventory totaling €65 million had to be recorded at June 30, 2009.

The substantial earnings fall in the materials business was only slightly offset by profits in other areas. As a result the segment recorded its weakest ever quarterly income, with losses for the current fiscal year increasing to €171 million. Further sustainable adjustment measures were initiated to supplement the cost-cutting measures already in place.

On June 30, 2009, the segment's headcount was 2,900 lower than the same date a year earlier. In the current fiscal year almost 2,400 employees joined Services, in particular due to the strong order situation for industrial and scaffold services in Brazil, North America and Egypt. Due to low workloads more than 5,300 jobs were cut in the segment, above all in the auto-related service business in Germany and in the materials services business outside Germany. Around 4,800 employees were affected by short-time working.

### Materials Services International

The continuing poor economic conditions impacted all product areas of the Materials Services International business unit. This applied in equal measure to Germany, Western and Eastern Europe, South America and Asia. Both sales volumes and revenues declined significantly. In many areas, business was affected by customer creditworthiness or even insolvency issues. In addition orders were placed at increasingly shorter intervals and for smaller volumes. Demand remained very weak and was accompanied in the course of the fiscal year by a massive fall in prices, which only started to slow at a low level in the 3rd quarter. This affected rolled steel, stainless steel, nonferrous metals and tubes. Overall the business unit had to contend with massive inventory writedowns and sliding margins in the reporting period. The plastics business was weak as a result of the noticeable decrease in orders from industry and the construction sector. Due in particular to the massive fall in prices, the Materials Services International business unit reported a significant loss, compared with a profit in the prior year.

### Materials Services North America

The persistent recession in the USA since late 2007 and the associated fall in demand and prices for carbon and stainless steel and nonferrous metals intensified further in the reporting period. As a result, sales at the business unit fell more sharply than in the rest of the world, despite the more favorable euro/US dollar exchange rate. The earnings situation also deteriorated further; Materials Services North America reported a substantial loss.

### **Industrial Services**

The Industrial Services business unit achieved a slight year-on-year improvement in sales, but the global financial and economic crisis nonetheless left its mark. While the scaffold services business in North America performed excellently, business with the auto industry in particular declined sharply. Service business with the power generation and petrochemical sectors was significantly slower. As a result of the continued weak level of service activities for the automotive industry and the associated restructuring measures, earnings at Industrial Services were lower year-on-year but the business unit still returned a clear profit.

As reported, the Industrial Services business unit is to be sold. The businesses not up for sale – steel mill services and industrial services in Brazil – were therefore assigned to the Special Products business unit with effect from the beginning of fiscal 2008/2009.

### **Special Products**

The Special Products business unit, which has always been very successful, also felt the effects of the global crisis. Having started the fiscal year with higher year-on-year sales, in the further course of the period the business unit was impacted by the demand slump and sharply falling prices in the raw materials business and failed to match its prior-year sales level. It was not until the 3rd quarter that alloy prices staged a slight recovery at a low level. Due to high export duties, much of the business with coke was transacted within China only. Increased deliveries of raw materials were made to a local coke plant in which the business unit holds an interest and where production is currently being expanded. The rolled steel and tube businesses and the technical trading operations recorded a significant drop in orders in recent months but held up well overall compared with the excellent prior year. Despite some weakening in the 3rd quarter, the contractors' plant and railway equipment operations remained stable. The Brazilian service activities were once again a highlight. Special Products failed to match its very good prior-year profit but still made the biggest contribution to the segment's earnings.

### **Corporate at ThyssenKrupp AG**

**Corporate** includes the Group's head office and internal service providers as well as inactive companies not assignable to individual segments. Also included here is the non-operating real estate, which is managed and utilized centrally by Corporate. Sales in the first 9 months of the reporting year were €82 million compared with €83 million a year earlier.

Corporate reported a loss of €298 million, a year-on-year increase of €7 million. This is mainly the result of higher net interest expense due to increased borrowing. Running counter to this were effects from cross-currency swaps.

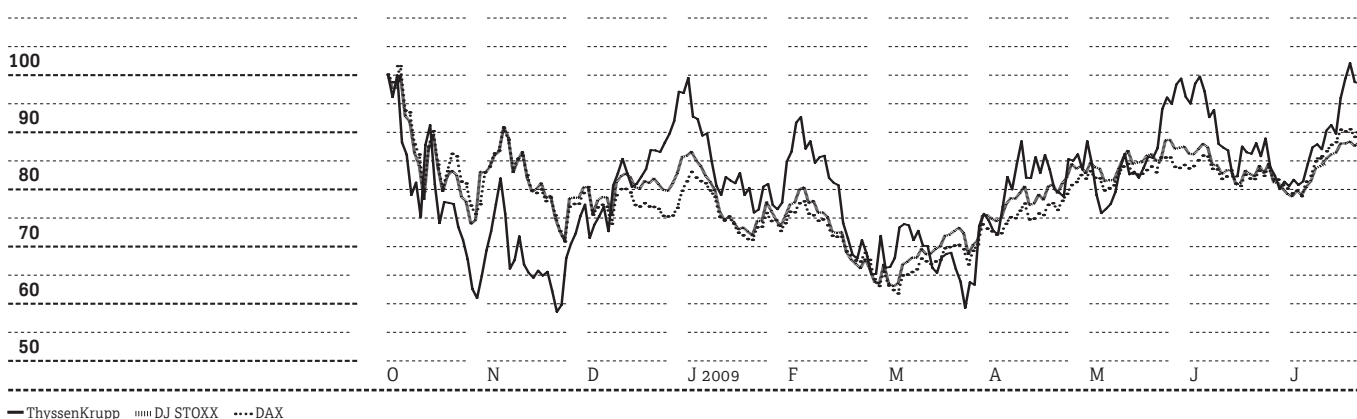
**Consolidation** mainly includes the results of intercompany profit elimination.

## ThyssenKrupp stock

Global economic expectations have had a major influence on our share performance in the course of the fiscal year to date. In the first two months, stocks in the steel sector in particular – which are regarded as early-cyclicals – lost heavily. On November 20, 2008, ThyssenKrupp's share price fell to a year-to-date low of €12.11.

After recovering around the turn of the year, the global economic downturn once again gathered pace in the 2nd fiscal quarter. This impacted ThyssenKrupp's shares. It was not until the end of the 2nd quarter that general economic expectations brightened and brought about a price trend reversal for steel stocks, including ThyssenKrupp. Toward the end of the 3rd quarter, ThyssenKrupp's share price twice reached just above €20, the level at the start of the fiscal year. Subsequently, however, renewed economic pessimism resulted in profit-taking. On June 30, 2009 the share price stood at €17.69, 16% down from September 30, 2008. ThyssenKrupp's stock thus slightly outperformed the benchmark DAX and DJ STOXX indices, which each lost around 17% in the same period.

PERFORMANCE OF THYSSENKRUPP STOCK IN COMPARISON indexed, Oct. 01, 2008 to July 31, 2009, in %



### Reliable investor relations

While largely maintaining its IR program, the Investor Relations team at ThyssenKrupp provided private and institutional investors with a constant and open flow of information about the opportunities and risks of the Group in an extremely difficult environment. Investors showed particular interest in our efficiency enhancement measures, including for our major capital expenditure projects, as well as our restructuring and portfolio optimization efforts. The aim of the Investor Relations team in all of this is to remain available to investors and analysts for reliable dialogue, in particular in time of crisis.

### Basic information on the stock market listing

ThyssenKrupp stock has been listed on the following stock exchanges since March 25, 1999:

Stock Exchange	Securities identification number	
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

Innovations play a central role in ThyssenKrupp's strategy – including in times of global economic crisis. Our researchers and developers continued their work in the reporting period, developing numerous new and improved products and processes in close cooperation with our customers and also with external partners. In addition to high customer value, many new developments offer enhanced resource and energy efficiency.

### **Steel: New tailored plates**

As part of our cooperation with the Japanese steel producer JFE we are working on globally available high-strength steels in the 800 – 1,200 megapascal range. Combining outstanding strength with good forming properties, these materials contribute to further weight savings in auto construction which helps reduce fuel consumption and lower CO<sub>2</sub> emissions. One new hot-rolled variant is almost production-ready, while another is currently undergoing testing.

The laser-welded tailored product family developed by the Steel segment has now been extended to include heavy plate. As with tailored blanks, which have been used successfully in auto construction for some time, the new tailored plates are made of individual plates of different grades and thickness to match the stresses in the finished component. This not only reduces component weight but also lowers manufacturing costs for our customers. At present prototype lightweight dumper bodies are being tested by our customer. ThyssenKrupp Steel is currently the only producer offering tailored plates of this kind.

### **Stainless: Innovative material for high-voltage power lines**

Innovative nickel alloys are opening the way to enhanced products for the energy sector. An attractive material innovation currently under development is Pernifer 36 MoW. With its low thermal expansion, this material is highly resistant to sagging. Designed for use in overhead power lines, it could permit the distance between pylons to be doubled. Alternatively, if the pylon arrangement remains unchanged, significantly higher voltages can be transmitted.

Important progress has been made in the development and implementation of stainless steel structural automotive components under a joint R&D project of the major European stainless and auto manufacturers. Successes include the development of virtual components by simulation, an analysis of the material formability required in auto construction, and the development of tools suitable for manufacturing stainless steel structural components.

### **Technologies: Active steering systems made quieter**

To meet the growing requirements for vehicle interior noise control, the reduction of vibrations in innovative active steering systems fitted in modern vehicles is of central importance. With a new housing design featuring the composite material Bondal® developed by the Steel segment, the engineers from Technologies succeeded in damping the vibrations of the servo motor and gearbox much more efficiently than is possible with conventional steel designs. With the composite material permitting reduced wall thickness, these housings help lower component weight. Initial prototypes have met with keen interest from our customers.

**Elevator: Eco-friendly elevators with regenerative drive system**

ThyssenKrupp Elevator is constantly working to reduce the energy requirements of its products. An outstanding example are the eco-friendly passenger elevators for Deutsche Börse's new headquarters in Eschborn near Frankfurt/Main. In keeping with the ecological design of the building, most of the elevators are fitted with regenerative drives. Energy generated when braking the cabs is converted into electricity and fed back to the power supply system. This lowers energy consumption by more than 30% compared with conventional designs. In addition, some of the elevator cabs are fitted with energy-efficient LED lighting. Compared with conventional light bulbs, these lights use up to 90% less energy and last considerably longer.

**Services: Maintenance of roll stands improved**

Engineers and technicians in the Services segment have developed a process for roll stand maintenance which permits longer intervals between repairs and reduces repair time. A common cause of wear in roll stands is the vibration of the bolted fastenings on the wear plates. The new process, in which a two-component material is injected in the cavity between roll stand and wear plate, significantly dampens these vibrations.

# Employees

## Decline in employee numbers

Against the background of the economic downturn, the number of employees has declined significantly. On June 30, 2009, ThyssenKrupp had 188,501 employees worldwide, 10,873 or 5.5% fewer than at the end of the last fiscal year (September 30, 2008). With the exception of Elevator, where the number of employees remained virtually constant, all segments were affected by job cuts, in some cases significantly. Compared with the prior-year quarter ended June 30, 2008 the headcount was also down, by 9,532 employees or 4.8%.

### EMPLOYEES

2007/2008	December 31	193,137
	March 31	195,828
	June 30	198,033
	September 30	199,374
2008/2009	December 31	197,175
	March 31	192,521
	June 30	188,501

The number of employees decreased in all regions. Compared with September 30, 2008 the headcount fell by 4.6% in Germany to 81,167 employees, and by 6.1% in the rest of the world to 107,334. At the end of June 2009, 43% of our employees were based in Germany, 23% in the rest of Europe, 15% in the NAFTA region, 9% in Asia – in particular China and India – 8% in South America and 2% in the rest of the world.

## Short-time working – a key instrument of personnel policy in the crisis

In view of the severity of the slump in orders that impacted numerous businesses of the Group at the beginning of the new fiscal year, our instruments of personnel policy had to be quickly readjusted. In the first few weeks, working time account balances and residual leave entitlements helped cushion underutilization in the plants. In the companies concerned, the use of temporary employees was also restricted.

It is part of ThyssenKrupp's corporate culture to carry out all adjustments necessary in times of crisis with a strong sense of responsibility towards our employees. Structurally necessary personnel cutbacks are implemented in a socially compatible way. Cyclical employment problems are solved with the help of all flexible working measures available to prevent redundancies wherever possible. For this reason, many of the Group's subsidiaries have introduced short-time working for their employees in recent months.

In the current fiscal year approx. 29,000 employees in Germany and a further 17,000 abroad have already worked short hours. The main segment affected is Steel, where almost 20,000 employees have had their working time reduced. That is roughly half of the segment's global workforce. In the Stainless segment, some 5,200 employees – or over 40% of the workforce – are working short hours. At Technologies around 15,700 employees (approx. 30% of the workforce) had their hours reduced. In the Elevator segment only 693 employees were affected by short-time working, which is less than 2% of the workforce. In the Services segment around 4,800 employees (approx. 10% of the workforce) have worked short hours in the current fiscal year.

Wherever appropriate and possible, ThyssenKrupp endeavors to use periods of short-time working to upgrade the skills of the employees affected. Despite considerable administrative hurdles, our subsidiaries have found various solutions for this. While ThyssenKrupp Steel organized thousands of training shifts with in-house trainers in April and May 2009 alone, smaller subsidiaries – for example in the Services segment – are making increased use of external service providers.

## Financial position

### Analysis of cash flow statement

The amounts taken into account in the cash flow statement correspond to the balance sheet item “Cash and cash equivalents”.

There was a cash inflow from operating activities of €1,954 million in the reporting period, compared with €1,509 million the year before. The growth in operating cash flows by €445 million was the result of a €2,991 million improvement in the net working capital situation relating to operating assets and liabilities including pensions and similar obligations. This was set against a €2,546 million decrease in net income before impairment losses/reversals in connection with non-current assets and before deferred taxes, income from investments accounted for by the equity method, and income from asset disposals.

Cash outflow from investing activities increased year-on-year by €253 million to €2,904 million. This was due in particular to an increase of €166 million to €2,733 million in capital expenditure on property, plant and equipment, including advance payments.

As in the corresponding prior-year period, free cash flow – i.e. the sum of operating cash flows and cash flows from investing activities – was negative. However, compared with the prior year free cash flow improved by €192 million to €(950) million.

There was a cash inflow from financing activities of €3,322 million in the first 9 months of the current fiscal year, compared with €267 million in the corresponding prior-year period. This was due in particular to the €2,626 million increase in borrowings, and outgoing payments in the prior year of €523 million for the purchase of treasury shares.

### Analysis of the balance sheet structure

Compared with September 30, 2008 the balance sheet total decreased by €161 million to €41,481 million.

Non-current assets increased overall by €2,281 million. This increase was mainly due to a €1,210 million increase in property, plant and equipment – related mainly to construction progress on the major projects in Brazil and the USA – as well as a €457 million increase in advance payments on property, plant and equipment recognized under other non-current, non-financial assets, mainly in connection with the construction of the steel facility in the USA. In addition, deferred taxes increased by €561 million mainly in connection with losses which will have a tax-reducing effect in a future period.

Current assets decreased in total by €2,442 million. This reduction was mainly due to sharp declines in inventories and trade accounts receivable; running counter to this was an increase in cash and cash equivalents.

Inventories decreased by €2,309 million to €7,185 million. The decline concerned the Steel (€523 million) and Stainless (€853 million) segments and was the result in particular of production cutbacks as a consequence of the downturn on the steel and stainless markets in the reporting period. The additional significant decline in the Services segment (€827 million) was the result of a reduction in inventory volumes in conjunction with significant writedowns for price-related reasons.

The sharp fall (€2,217 million) in trade accounts receivable related in particular to the Steel (€506 million), Stainless (€246 million) and Services (€899 million) segments and was due to the significant weakening of business activity. The reduction in the Technologies segment (€315 million) was attributable above all to the sharp decline in automotive and construction machinery business.

The €2,369 million rise in cash and cash equivalents to €5,094 million was mainly the result of net borrowings in the amount of €3,971 million, which were set against a negative free cash flow (€(950) million) due to weaker business activity and high capital expenditure, and dividend payments of €643 million.

The €2,055 million reduction in total equity to €9,434 million related in the amount of €829 million to the net loss for the reporting period. On top of this came dividend distributions in the amount of €643 million in the reporting period, and expenses in connection with actuarial losses associated with the valuation of pensions recognized directly in equity (€791 million before taxes). Running counter to this were tax effects recognized directly in equity (€225 million).

Non-current financial liabilities increased in total by €5,531 million. Of this, €4,585 million related to the increase in non-current financial debt, €2,985 million of which was in connection with the issue of bonds. The €829 million increase in accrued pension and similar obligations mainly reflects the net actuarial losses recognized in the reporting period (€791 million).

Current liabilities decreased by €3,637 million. This was due in particular to the €2,330 million fall in trade accounts payable. This mainly related to the Steel (€591 million), Stainless (€568 million) and Services (€838 million) segments as a result of sharply declining business activity. The principal reason for the €335 million increase in current income tax liabilities was that it was not possible to fully offset the losses incurred against profit-making operations; this mainly affected the operations outside Germany. In addition, current financial debt decreased by €644 million, of which €500 million related to the redemption of a bond. The €411 million reduction in other current financial liabilities related in the amount of €341 million to the recognition of derivative financial instruments. The €399 million reduction in other current non-financial liabilities resulted mainly from a decrease in liabilities to employees and from the exercise of a put option by One Equity Partner (OEP) in connection with the acquisition of the remaining 25% shareholding in ThyssenKrupp Marine Systems AG.

## Risk report

In the current fiscal year the business activities of ThyssenKrupp have been significantly affected by the impact of the financial and economic crisis. However, thanks to our systematic and efficient risk management system, these risks remain contained and manageable. There are no risks threatening the existence of the Company. ThyssenKrupp is responding to the current economic risks in the markets of importance to us with an extensive action program comprising sustained cost-cutting and efficiency enhancement measures in all areas of the Group.

Against the background of the financial crisis, financial risks such as liquidity and credit risks are an increasing focus of attention. ThyssenKrupp takes account of these risks and manages liquidity requirements with foresight. Despite the difficult market environment, financing in this fiscal year and the next is on a secure foundation. In particular with the issue of bonds with a total volume of €3 billion in the 2nd and 3rd quarters of the current fiscal year, we improved our maturities profile and further strengthened our liquidity situation. However, like other companies ThyssenKrupp could not escape the current market conditions which are characterized by relatively high risk premiums for borrowed capital.

By contrast with the increase in risk premiums for new financings, the reductions in the central bank interest rates are having a positive effect on refinancing costs as they reduce the base rate for our existing variable credit lines via the interbank interest rates, which have also fallen.

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 are therefore managing them very carefully as part of our business policy. Financial instruments used for financing are concluded only with counterparties of extremely good credit standing and within specified risk limits.

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 Steel and Stainless segments and also in the automotive and shipbuilding operations of Technologies, we are exposed to significant market-related capacity utilization and price risks to which we are responding with an extensive action program including short-time working. We are doing this in order to adjust to the new market conditions and safeguard our competitiveness.

In view of the current order situation in shipbuilding, the possibility cannot be ruled out that further surplus capacities may have to be removed and that the very difficult negotiations with the Greek customer may not be brought to a successful conclusion. Both these events could have a significantly negative effect on the Group's financial and earnings situation.

ThyssenKrupp's global presence and good, longstanding customer relations help us in the current market situation, ensuring that we are less dependent on individual sales markets. We do not expect the filing for bankruptcy protection by General Motors and Chrysler in the USA to have a major impact on our business.

Our skilled and motivated employees are helping mitigate the current risks for the Group. Furthermore, an intensive controlling and monitoring system ensures that risks from the handling of our major projects as well as other business risks – such as bad debt and changes in political and regulatory conditions – are efficiently managed. Beyond this, the detailed information contained in the risk report in our 2007/2008 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

No reportable events occurred.

### Global recession bottoming out

After the global economic freefall in the winter half-year, some leading indicators are showing increased signs that the global recession may be bottoming out and the economy could stabilize in the 2nd half of 2009. However, this trend is only gradually being confirmed by hard data. This means that a sustained upswing is not yet in sight, stabilization at a low level is the most that can be expected. In 2010 any growth in the global economy will be small; the risk of an economic setback remains high.

The us economy is expected to consolidate in the further course of the year, partly as a result of the government's economic stimulus programs. However, the financial latitude for private consumption – the most important component of the American economy – will continue to be restricted in particular by the difficult situation on the labor market. In Japan, no radical improvement is expected before the end of the year. This will only happen when Japan's export-oriented economy gains renewed impetus from world trade.

The export market situation is also responsible for the slowdown in many emerging countries. The decline in global trade has impacted exports in China; however, the robust domestic market and investment growth will continue to boost economic output in the further course of the year. In Russia an economic recovery will only be possible with a significant hike in energy prices.

Following the steep slide at the beginning of the year, the economy in the euro zone is also showing signs of bottoming out from the 2nd half of 2009. The economic situation in Germany remains particularly difficult on account of the country's strong dependence on exports. In particular, increasing unemployment will severely impact private consumption. Overall, therefore, sustainable growth is not expected in the foreseeable future.

We anticipate the following developments on the markets of importance for ThyssenKrupp:

- On the global steel market there are signs of stabilization at a very low level towards mid-year. After a significant fall in demand in the 1st half of 2009, we continue to expect global consumption of rolled steel to shrink by around 15% over the full year. This would correspond to global crude steel production of 1.1 – 1.2 billion tons – the output level of 2005. In the NAFTA region, the EU, the CIS and Japan a disproportionate fall in demand is expected. However, the other countries of Asia, the Middle East and Latin America are also likely to report significant declines in 2009. In particular in Europe, where real steel consumption will drop sharply, demand will be further dampened by still slightly high inventories. Based on the assumption that the crisis has bottomed out, we expect a slight recovery next year, though volumes in most regions are unlikely to return to the level of 2008. In Europe any recovery in volumes will mainly be due to stock building because as things stand at present steel consumption is not expected to grow in 2010.

- In recent months increasing raw material prices and low inventory levels have buoyed the market for stainless flat products. The downward trend in demand appears to have been broken. Bolstered by the global programs to stabilize the business and financial markets, the economy is expected to level out. In 2010, global demand for stainless flat products is likely to rally slightly. In high-performance materials, we expect to see the start of a recovery in the first half of 2010.
- Despite various sales-boosting measures in many countries, the international auto market is not expected to bounce back from the global slump in demand for the time being. A 20% drop in global production to around 57 million cars and trucks is forecast for 2009. A particularly dramatic slump in output – by more than 30% – will be reported by the US auto industry, with only a slight recovery expected in 2010. For producers in western Europe and Germany, an almost 20% fall in output is likely in 2009, with no improvement in sight for 2010. This year the passenger car market in Germany has been artificially inflated by the scrappage scheme. As a result, a fall in new registrations is forecast for next year.
- The outlook for shipbuilding has dramatically deteriorated. However, in some Asian countries continued growth is expected on the back of government support programs. Based on the slump in orders in the year to date, German shipbuilding output in 2009 and 2010 is likely to be significantly lower than in 2008.
- The global recession and the resultant weak level of investment have impacted the international machinery sector. Major industrialized countries will see a high double-digit decline in machinery output in 2009. A slight recovery could take place the year after. In Germany, an 18% fall in output is expected due to the lack of orders in hand. The Chinese machinery sector continues to expand, albeit at a much slower rate.
- The construction industry will cool significantly in most countries in 2009. While growth in China and India is slowing, some industrialized countries are registering sharp declines in construction output. Particularly affected by this are the USA and, in Europe, the United Kingdom and Spain. The German construction industry is also expected to shrink due to the weak level of commercial construction activity; growth in public-sector projects as a result of the government's economic stimulus programs will not kick in until later in the year. In 2010 only a moderate improvement in the global construction markets is expected.

### **Outlook**

We expect a significant drop in order intake and sales for full fiscal year 2008/2009. This will be reflected in earnings. Price and volume declines will be only partly offset by falling input material prices and sustained efforts to enhance efficiency. In addition, targeted steps are being taken to significantly reduce net working capital. We are also carrying out measures to reduce or postpone our investment program and implementing portfolio optimizations.

ThyssenKrupp expects to end the current fiscal year with a loss before taxes and major nonrecurring items – restructuring costs, impairment charges and project costs – in the upper three-digit million euro range.

Earnings before taxes will be considerably impacted by restructuring expense for our cost reduction programs and the reorganization. However, these measures will play a decisive role in significantly strengthening the future earning power of the Group. Impairment charges and project costs for the new steel plants will also have a major impact on earnings before taxes.

With the destocking cycle coming to an end, we are registering a recovery in demand in our materials and services business. Nevertheless, we expect demand to continue to suffer from weak consumption in the 4th fiscal quarter.

- At Steel we expect further price pressure accompanied by a gradual improvement in volumes and capacity utilization in the 4th quarter compared with the previous quarter. Due to the valuation of inventories according to the average cost method, lower raw material costs will not bring any significant relief until the beginning of the new fiscal year. This may give rise to the need for inventory valuation adjustments.
- With volumes and prices beginning to stabilize, we anticipate a loss at Stainless in the 4th quarter, though this should be smaller than in the 3rd quarter.
- At Services a reduction in the volume and price pressure, which will allow our margins to recover, is not expected until the end of the 4th quarter.

We anticipate the following developments for our capital goods activities in the 4th quarter:

- In the Technologies segment we anticipate continued capacity underutilization in automotive and construction machinery components and civil shipbuilding. The resultant impact on earnings before nonrecurring items is unlikely to be offset by business in plant construction, slewing bearings for the energy sector, and submarine and frigate construction.
- Earnings in the Elevator segment are expected to remain strong.

Looking ahead to fiscal 2009/2010, in view of the current forecasts for the global economy we expect a moderate stabilization in sales; effects from the restructuring and cost-reduction programs should improve earnings.

#### **Continued success with Group program ThyssenKrupp PLuS**

ThyssenKrupp launched the Groupwide program ThyssenKrupp PLuS at the beginning of the fiscal year to respond swiftly and firmly to the global recession and counter its effects. The aims of the program are to achieve positive earnings and liquidity effects in the current fiscal year as well as sustainable performance improvements.

For fiscal 2008/2009 earnings-enhancing measures totaling well over €1 billion have been initiated and implemented on schedule in the first three quarters. These include reducing costs in production and administration, optimizing procurement and sales processes and critically reviewing contracts with external service providers. Well over a third of the earnings-boosting measures are sustainable and will therefore enhance income not only in fiscal 2008/2009 but also in the years thereafter.

We aim to improve our cash position by systematically reducing net working capital, for example by significantly reducing inventories and optimizing receivables management in all segments of the Group.

In addition, we have analyzed all our capital investment projects – both the major projects of our Steel and Stainless operations in America and other investments in each of the segments – for possible reductions or postponements, also against the background of the current downgraded economic forecasts.

In all three areas – earnings, net working capital and investment – we achieved the savings targets set for each of the first three quarters of the current fiscal year.

#### **Supervisory Board to decide on reorganization**

In its last meeting on May 13, 2009, the Supervisory Board approved the Executive Board's proposal to concentrate the Group's activities into eight new business areas which will be tied directly to ThyssenKrupp AG in the future. These business areas are Steel Europe, Steel Americas, Stainless Global, Materials Services, Elevator Technology, Plant Technology, Components Technology and Marine Systems. In addition, Groupwide administrative services will be combined under a shared services strategy. In this way the Group is adapting to the changed economic environment. ThyssenKrupp will remain an integrated materials and technology group in the new structure.

The reorganization will create greater transparency both internally and externally and permit faster and better decision-making. Administrative expense and capacities will be significantly reduced, which will lead to sustainable cost savings. Strategically ThyssenKrupp will be managed by a strong corporate center, while operating decisions will be made on a decentralized basis even closer to the market.

We are currently working on the details of the new organizational structure. In its next meeting on September 04, the Supervisory Board will discuss the overall plan and decide on its legal and organizational implementation effective October 01, 2009. Following the meeting, the public and the employees will be informed of the outcome.

# ThyssenKrupp AG

## Condensed consolidated statement of income

million €, earnings per share in €

	Note	9 months ended June 30, 2008	9 months ended June 30, 2009	3rd quarter ended June 30, 2008	3rd quarter ended June 30, 2009
Net sales	10	39,650	30,680	14,181	9,299
Cost of sales*	02	(32,751)	(27,207)	(11,643)	(8,510)
<b>Gross margin*</b>		<b>6,899</b>	<b>3,473</b>	<b>2,538</b>	<b>789</b>
Selling expenses*		(2,256)	(2,076)	(782)	(659)
General and administrative expenses*		(1,880)	(1,845)	(647)	(615)
Other operating income		223	286	80	56
Other operating expenses		(513)	(472)	(260)	(208)
Gain/(loss) on the disposal of subsidiaries, net		73	(5)	30	(5)
<b>Income/(loss) from operations</b>		<b>2,546</b>	<b>(639)</b>	<b>959</b>	<b>(642)</b>
Income/(expense) from companies accounted for using the equity method		61	(30)	28	(15)
Interest income		204	196	72	61
Interest expense		(522)	(717)	(181)	(236)
Other financial income/(expense), net		8	203	31	60
<b>Financial income/(expense), net</b>		<b>(249)</b>	<b>(348)</b>	<b>(50)</b>	<b>(130)</b>
<b>Income/(loss) before income taxes</b>		<b>2,297</b>	<b>(987)</b>	<b>909</b>	<b>(772)</b>
Income tax (expense)/income		(747)	158	(296)	142
<b>Net income/(loss)</b>		<b>1,550</b>	<b>(829)</b>	<b>613</b>	<b>(630)</b>
<b>Attributable to:</b>					
ThyssenKrupp AG's stockholders		1,473	(800)	573	(639)
Minority interest		77	(29)	40	9
<b>Net income/(loss)</b>		<b>1,550</b>	<b>(829)</b>	<b>613</b>	<b>(630)</b>
<b>Basic and diluted earnings per share</b>	<b>11</b>				
<b>Net income/(loss) (attributable to ThyssenKrupp AG's stockholders)</b>		<b>3.06</b>	<b>(1.73)</b>	<b>1.21</b>	<b>(1.38)</b>

\* Prior year figure adjusted

See accompanying notes to the condensed consolidated financial statements.

# ThyssenKrupp AG

## Condensed consolidated balance sheet

### ASSETS million €

	Note	Sept. 30, 2008	June 30, 2009
Intangible assets, net		4,683	4,775
Property, plant and equipment, net		11,266	12,476
Investment property		357	357
Investments accounted for using the equity method		515	491
Other financial assets		118	107
Other non-financial assets		902	1,355
Deferred tax assets		467	1,028
<b>Total non-current assets</b>		<b>18,308</b>	<b>20,589</b>
Inventories, net		9,494	7,185
Trade accounts receivable, net		7,885	5,668
Other financial assets		881	701
Other non-financial assets		1,953	2,004
Current income tax assets		381	240
Cash and cash equivalents		2,725	5,094
Assets held for sale		15	0
<b>Total current assets</b>		<b>23,334</b>	<b>20,892</b>
<b>Total assets</b>		<b>41,642</b>	<b>41,481</b>

### EQUITY AND LIABILITIES million €

	Note	Sept. 30, 2008	June 30, 2009
Capital stock		1,317	1,317
Additional paid in capital		4,684	4,684
Retained earnings		6,519	5,078
Cumulative income and expense directly recognized in equity		(92)	(594)
Treasury stock		(1,421)	(1,421)
<b>Equity attributable to ThyssenKrupp AG's stockholders</b>		<b>11,007</b>	<b>9,064</b>
Minority interest		482	370
<b>Total equity</b>	<b>05</b>	<b>11,489</b>	<b>9,434</b>
Accrued pension and similar obligations	<b>04</b>	6,550	7,379
Other provisions		641	663
Deferred tax liabilities		1,128	1,072
Financial debt	<b>06</b>	3,068	7,653
Other financial liabilities		321	479
Other non-financial liabilities		20	13
<b>Total non-current liabilities</b>		<b>11,728</b>	<b>17,259</b>
Other provisions		1,746	1,558
Current income tax liabilities		555	890
Financial debt		1,348	704
Trade accounts payable		5,731	3,401
Other financial liabilities		1,544	1,133
Other non-financial liabilities		7,501	7,102
<b>Total current liabilities</b>		<b>18,425</b>	<b>14,788</b>
<b>Total liabilities</b>		<b>30,153</b>	<b>32,047</b>
<b>Total equity and liabilities</b>		<b>41,642</b>	<b>41,481</b>

See accompanying notes to the condensed consolidated financial statements.

# ThyssenKrupp AG

## Condensed consolidated cash flow statement

million €

	9 months ended June 30, 2008	9 months ended June 30, 2009	3rd quarter ended June 30, 2008	3rd quarter ended June 30, 2009
<b>Operating:</b>				
Net income/(loss)	1,550	(829)	613	(630)
Adjustments to reconcile net income/(loss) to operating cash flows:				
Deferred income taxes, net	90	(385)	31	(148)
Depreciation, amortization and impairment of non-current assets	1,047	1,194	347	417
Reversals of impairment losses of non-current assets	(17)	(2)	(1)	0
(Income)/loss from companies accounted for using the equity method, net of dividends received	(59)	40	(28)	20
(Gain)/loss on disposal of non-current assets, net	(74)	(27)	(38)	(5)
Changes in assets and liabilities, net of effects of acquisitions and divestitures:				
- inventories	(621)	2,281	(376)	1,231
- trade accounts receivable	(733)	2,190	(588)	249
- accrued pension and similar obligations	(141)	63	(32)	154
- other provisions	(1)	(102)	206	36
- trade accounts payable	322	(2,315)	449	(54)
- other assets/liabilities not related to investing or financing activities	146	(154)	93	61
<b>Operating cash flows</b>	<b>1,509</b>	<b>1,954</b>	<b>676</b>	<b>1,331</b>
<b>Investing:</b>				
Purchase of investments accounted for using the equity method and financial assets	(21)	(39)	(2)	(13)
Expenditures for acquisitions of consolidated companies	(204)	(180)	(27)	(4)
Cash acquired from acquisitions	55	1	1	0
Capital expenditures for property, plant and equipment (inclusive of advance payments) and investment property	(2,567)	(2,733)	(878)	(817)
Capital expenditures for intangible assets (inclusive of advance payments)	(141)	(142)	(69)	(64)
Proceeds from disposals of investments accounted for using the equity method and financial assets	19	57	17	17
Proceeds from disposals of previously consolidated companies	170	6	82	5
Cash of disposed businesses	(68)	(5)	(52)	(5)
Proceeds from disposals of property, plant and equipment and investment property	99	114	57	39
Proceeds from disposals of intangible assets	7	17	3	1
<b>Cash flows from investing activities</b>	<b>(2,651)</b>	<b>(2,904)</b>	<b>(868)</b>	<b>(841)</b>
<b>Financing:</b>				
Proceeds from issuance of bonds	0	2,985	0	1,500
Repayment of bonds	0	(500)	0	0
Proceeds from liabilities to financial institutions	1,597	3,345	898	606
Repayments of liabilities to financial institutions	(556)	(2,014)	(94)	(1,316)
Proceeds from notes payable and other loans	296	167	77	88
Increase/(decrease) in bills of exchange	14	(9)	5	(12)
Decrease of liabilities due to sales of receivables not derecognized from the balance sheet	(6)	(3)	(2)	0
Decrease/(increase) in current securities	78	(34)	48	12
Payments to repurchase treasury stock	(523)	0	0	0
Payment of ThyssenKrupp AG dividend	(635)	(603)	0	0
Profit attributable to minority interest	(46)	(40)	(21)	(3)
Other financing activities	48	28	56	35
<b>Cash flows from financing activities</b>	<b>267</b>	<b>3,322</b>	<b>967</b>	<b>910</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(875)</b>	<b>2,372</b>	<b>775</b>	<b>1,400</b>
Effect of exchange rate changes on cash and cash equivalents	(28)	(3)	10	6
Cash and cash equivalents at beginning of reporting period	3,658	2,725	1,970	3,688
<b>Cash and cash equivalents at end of reporting period</b>	<b>2,755</b>	<b>5,094</b>	<b>2,755</b>	<b>5,094</b>
Additional information regarding cash flows from interest, dividends and income taxes which are included in operating cash flows:				
Interest received	104	107	36	31
Interest paid	(211)	(294)	(30)	(90)
Dividends received	22	10	4	4
Income taxes received	528	291	897	101

See note 12 to the condensed consolidated financial statements.

# ThyssenKrupp AG

## Condensed consolidated statement of recognized income and expense

million €

	9 months ended June 30, 2008	9 months ended June 30, 2009
Foreign currency translation adjustment	(265)	(2)
Unrealized (losses)/gains from available-for-sale financial assets	3	(3)
Actuarial losses from pensions and similar obligations	—	(791)
Gains resulting from asset ceiling	—	1
Unrealized (losses)/gains on derivative financial instruments	(121)	62
Tax effect	38	225
<b>Income and expense directly recognized in equity (net of tax)</b>	<b>(345)</b>	<b>(508)</b>
<b>Net income/(loss)</b>	<b>1,550</b>	<b>(829)</b>
<b>Total recognized income and expense for the period</b>	<b>1,205</b>	<b>(1,337)</b>
<b>Attributable to:</b>		
ThyssenKrupp AG's stockholders	1,138	(1,308)
Minority interest	67	(29)

The presentation includes income and expense attributable to joint ventures accounted for using the equity method.  
See accompanying notes 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, 2008 to June 30, 2009, were authorized for issue in accordance with a resolution of the Executive Board on August 10, 2009.

### 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, 2009, 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 2007/2008.

### Recently issued accounting standards

In fiscal year 2008/2009, the following Amendments to already existing Standards with relevance for ThyssenKrupp have been issued which still must be endorsed by the EU before they can be adopted:

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, while earlier application is permitted. 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 April 2009 the IASB issued the second omnibus standard “Improvements to IFRSs” as part of its annual improvement process project. This standard slightly adjusts ten existing standards and two interpretations by fifteen amendments. Unless otherwise specified, the amendments are effective for fiscal years beginning on or after January 01, 2010, while earlier application is permitted. Currently, Management does not expect the adoption of the amended standards and interpretations – if endorsed by the EU in the current version – to have a material impact on the Group’s consolidated financial statements.

In June 2009 the IASB issued an amendment to IFRS 2 “Share-based Payment – Group Cash-settled Share-based Payment Transactions” that clarify the accounting for Group cash-settled share-based payment transactions in the individual financial statements of the subsidiary. Furthermore the amendment to IFRS 2 incorporates guidance previously included in IFRIC 8 “Scope of IFRS 2” and IFRIC 11 “IFRS 2 – Group and Treasury Share Transactions”. The application of the amended Standard is compulsory for fiscal years beginning on or after January 01, 2010, while earlier application is permitted. Currently, Management does not expect the adoption of the amended standards and interpretations – 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, 2009, 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:

	9 months ended June 30, 2009		
	Carrying amounts as of acquisition date	Adjustments	Fair values as of acquisition date
Goodwill	0	18	18
Other intangible assets	0	7	7
Property, plant and equipment	1	0	1
Inventories	1	0	1
Trade accounts receivable	6	0	6
Other current non-financial assets	1	0	1
<b>Total assets acquired</b>	<b>9</b>	<b>25</b>	<b>34</b>
Accrued pension and similar obligations	1	0	1
Deferred tax liabilities	0	2	2
Current financial debt	1	0	1
Trade accounts payable	2	0	2
Other current non-financial liabilities	3	0	3
<b>Total liabilities assumed</b>	<b>7</b>	<b>2</b>	<b>9</b>
<b>Net assets acquired</b>	<b>2</b>	<b>23</b>	<b>25</b>
Minority interest			0
<b>Purchase prices (incl. incidental acquisition cost)</b>			<b>25</b>
thereof: paid in cash and cash equivalents			13

In January 2009, ThyssenKrupp acquired the remaining 25% share in ThyssenKrupp Marine Systems AG after One Equity Partner (OEP), the former minority holder of the shipyard group, had exercised the existing put option in December 2008. Due to the put option, the acquisition had only a minor impact on the Group's consolidated balance sheet as 100% of ThyssenKrupp Marine Systems AG is already consolidated.

In addition, in the first 9 months ended June 30, 2009, the Group sold companies as part of the portfolio optimization that are, on an individual basis, immaterial. Based on the values at the disposal date, these disposals affected, in total, the Group's consolidated financial statements as presented below:

	9 months ended June 30, 2009
Property, plant and equipment	13
Inventories	6
Trade accounts receivable	3
Other current non-financial assets	1
Cash and cash equivalents	5
<b>Total assets disposed of</b>	<b>28</b>
Accrued pension and similar obligations	1
Other current provisions	6
Trade accounts payable	7
Other current non-financial liabilities	2
<b>Total liabilities disposed of</b>	<b>16</b>
<b>Net assets disposed of</b>	<b>12</b>
Minority interest	3
Gain/(loss) resulting from the disposals	(5)
<b>Selling prices</b>	<b>4</b>
thereof: received in cash and cash equivalents	4

## 02 Cost of sales

In the 9 months period ended June 30, 2009, included in cost of sales are write-downs of inventories of €204 million which refer with the exception of the Elevator segment to all segments. Furthermore, impairment losses on intangible assets and property, plant and equipment of €137 million were recognized in cost of sales which refer with €56 million to the 3rd quarter ended June 30, 2009 and which mainly resulted from the Stainless and Technologies segments.

## 03 Share-based compensation

### Management incentive plans

In January 2009, ThyssenKrupp granted stock rights under the seventh installment of the mid-term incentive plan. In addition, in the 2nd quarter ended March 31, 2009, the stock rights granted in the fourth installment of the mid-term incentive plan were settled with a payment of €23.5 million. In total, ThyssenKrupp recorded a compensation expense of €0.8 million from the obligations of the mid-term incentive plan in the 3rd quarter ended June 30, 2009 (3rd quarter ended June 30, 2008: €13.4 million). In the 9 months period ended June 30, 2009, due to a downward trend of the value determining components, the mid-term incentive plan resulted in an income of €16.9 million from the reversal of the obligations of the mid-term incentive plan (9 months ended June 30, 2008: expense of €17.0 million).

The Group's Share Purchase Program resulted in a compensation expense of €0 million in the 3rd quarter ended June 30, 2009 (3rd quarter ended June 30, 2008: €3.7 million) and of €5.5 million in the first 9 months ended June 30, 2009 (9 months ended June 30, 2008: €9.0 million).

million €

	9 months ended June 30, 2008		9 months ended June 30, 2009		3rd quarter ended June 30, 2008		3rd quarter ended June 30, 2009	
	Germany	Outside Germany	Germany	Outside Germany	Germany	Outside Germany	Germany	Outside Germany
Service cost	56	23	46	19	18	8	16	6
Interest cost	219	96	242	91	73	32	80	30
Expected return on plan assets	(9)	(105)	(10)	(77)	(3)	(35)	(4)	(25)
Past service cost	0	0	12	0	0	0	12	0
Curtailment and settlement gains	0	0	0	(1)	0	0	0	0
Termination benefit expense	0	0	0	8	0	0	0	0
<b>Net periodic pension cost</b>	<b>266</b>	<b>14</b>	<b>290</b>	<b>40</b>	<b>88</b>	<b>5</b>	<b>104</b>	<b>11</b>

## 04 Accrued pension and similar obligations

Significant changes in the interest rate and plan asset situation compared to September 30, 2008 as a consequence of the crisis in the international financial markets resulted in significant changes in accrued pension liability and accrued postretirement obligations other than pensions (health care obligations). Therefore, as of June 30, 2009, an updated valuation of accrued pension and health care obligations was performed taking into account these effects while other assumptions remained unchanged.

million €

	Sept. 30, 2008	June 30, 2009
Accrued pension liability	5,227	5,867
Accrued postretirement obligations other than pensions	1,029	1,089
Other accrued pension-related obligations	294	423
<b>Total</b>	<b>6,550</b>	<b>7,379</b>

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

in %

	Sept. 30, 2008		June 30, 2009	
	Germany	Outside Germany	Germany	Outside Germany
Discount rate for accrued pension liability	6.75	6.44	5.75	5.94
Discount rate for postretirement obligations other than pensions (only USA/Canada)	—	6.97	—	6.19

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

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

	9 months ended	9 months ended	3rd quarter ended	3rd quarter ended
	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009
	USA/Canada	USA/Canada	USA/Canada	USA/Canada
Service cost	8	6	3	1
Interest cost	44	50	15	16
Expected return on reimbursement rights	(3)	(4)	(1)	(1)
Past service cost	(1)	(25)	(1)	0
Curtailement and settlement gains	0	(20)	0	0
<b>Net periodic postretirement benefit cost</b>	<b>48</b>	<b>7</b>	<b>16</b>	<b>16</b>

## 05 Total equity

Total equity and the number of shares outstanding changed as follows:

million € (except number of shares)

	Equity attributable to ThyssenKrupp AG's stockholders								
	Number of shares outstanding	Capital stock	Additional paid in capital	Retained earnings	Cumulative income and expense directly recognized in equity	Treasury stock	Total	Minority interest	Total equity
<b>Balance as of Sept. 30, 2007</b>	<b>488,764,592</b>	<b>1,317</b>	<b>4,684</b>	<b>4,963</b>	<b>(241)</b>	<b>(697)</b>	<b>10,026</b>	<b>421</b>	<b>10,447</b>
Net income				1,473			1,473	77	1,550
Income and expense directly recognized in equity					(372)		(372)	(11)	(383)
Tax effects on income and expense directly recognized in equity					37		37	1	38
Profit attributable to minority interest							0	(46)	(46)
Dividend payment				(635)			(635)	0	(635)
Treasury stock purchased	(14,791,100)					(523)	(523)	0	(523)
Share-based compensation				(2)			(2)	0	(2)
Other changes				2			2	42	44
<b>Balance as of June 30, 2008</b>	<b>473,973,492</b>	<b>1,317</b>	<b>4,684</b>	<b>5,801</b>	<b>(576)</b>	<b>(1,220)</b>	<b>10,006</b>	<b>484</b>	<b>10,490</b>
<b>Balance as of Sept. 30, 2008</b>	<b>463,473,492</b>	<b>1,317</b>	<b>4,684</b>	<b>6,519</b>	<b>(92)</b>	<b>(1,421)</b>	<b>11,007</b>	<b>482</b>	<b>11,489</b>
Net loss				(800)			(800)	(29)	(829)
Income and expense directly recognized in equity					(731)		(731)	(2)	(733)
Tax effects on income and expense directly recognized in equity					223		223	2	225
Profit attributable to minority interest							0	(40)	(40)
Dividend payment				(603)			(603)	0	(603)
Share-based compensation				3			3	0	3
Other changes				(41)	6		(35)	(43)	(78)
<b>Balance as of June 30, 2009</b>	<b>463,473,492</b>	<b>1,317</b>	<b>4,684</b>	<b>5,078</b>	<b>(594)</b>	<b>(1,421)</b>	<b>9,064</b>	<b>370</b>	<b>9,434</b>

By the resolution of the Annual General Meeting on January 23, 2009, ThyssenKrupp AG is authorized through July 22, 2010, to purchase treasury stock for certain defined purposes up to a total of 10% of the current capital stock issued. In addition, by the resolution of the Annual General Meeting the Executive Board is authorized, subject to the approval of the Supervisory Board, to issue bearer bonds with a total par value up to €2 billion and to grant the bond holders the right to convert the bonds into a total of up to €50 million bearer shares of the Company (convertible bonds). The authorization is valid until January 22, 2014.

## 06 Bond issues

In February 2009, ThyssenKrupp Finance Nederland B.V. issued a €1.5 billion “Dual tranche”-bond documented under the company’s Debt Issuance Programme. The bond is unconditionally and irrevocably guaranteed by ThyssenKrupp AG. The bond was issued in two tranches with a 4 year and a 7 year maturity. The 4 year tranche has a volume of €0.5 billion and carries a coupon of 6.75% p.a., the 7 year tranche has a volume of €1.0 billion and carries a coupon of 8.50% p.a.

In April 2009, ThyssenKrupp Finance Nederland B.V. increased the volume of its 6.75% – €500 million bond of 2009/2013 issued in February 2009 which is unconditionally and irrevocably guaranteed by ThyssenKrupp AG by an amount of €500 million.

In June 2009, ThyssenKrupp AG issued a €1 billion bond documented under its existing Debt Issuance Programme. The bond, which was issued with a 5 year maturity, carries a coupon of 8.00% p.a.

The purpose of these transactions is to extend the Group’s financial debt maturity profile and to strengthen its liquidity.

## 07 Contingencies including pending lawsuits and claims for damages

### Guarantees

ThyssenKrupp AG and its segment lead companies as well as, 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, 2009	Provision as of June 30, 2009
Advance payment bonds	194	1
Performance bonds	79	0
Third party credit guarantee	40	0
Residual value guarantees	45	1
Other guarantees	76	2
<b>Total</b>	<b>434</b>	<b>4</b>

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 the segment lead companies 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, 2008, in the Steel and Stainless segments the commitment to enter into investment projects in Brazil and North America decreased by €1.6 billion to €3.1 billion.

### Pending lawsuits and claims for damages

The Group is involved in pending and threatened litigation in connection with the sale of certain companies, which may lead to partial repayment of the purchase price, the award of damages or reversal of sale. In addition, damage claims may be payable to customers 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. Customers are claiming damages in connection with the business activities of ThyssenKrupp.

There have been no significant changes since September 30, 2008 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, 2008	Fair value Sept. 30, 2008	Notional amount June 30, 2009	Fair value June 30, 2009
<b>Derivative financial instruments</b>				
<b>Assets</b>				
Foreign currency derivatives including embedded derivatives	5,696	213	4,433	217
Interest rate derivatives*	71	21	39	13
Commodity derivatives	1,273	292	523	102
<b>Total</b>	<b>7,040</b>	<b>526</b>	<b>4,995</b>	<b>332</b>
<b>Liabilities</b>				
Foreign currency derivatives including embedded derivatives	6,804	368	3,117	141
Interest rate derivatives*	898	25	753	3
Commodity derivatives	823	152	426	60
<b>Total</b>	<b>8,525</b>	<b>545</b>	<b>4,296</b>	<b>204</b>

\* 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, 2009, the Group realized sales of €0.3 million with ESG Legierungen GmbH from the sale of zinc. In the same period the Group purchased zinc alloy with a value of €19 thousand from ESG Legierungen GmbH. The transactions were carried out at market conditions and settled as of June 30, 2009.

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 period from November, 16, 2008 to June 30, 2009, the ThyssenKrupp Group realized sales of €9.5 million with the Heitkamp & Thumann Group from the sale of steel and stainless material as well as from industrial servicing. In the same period ThyssenKrupp purchased tools with a value of

€0.2 million from the Heitkamp & Thumann Group and services with a value of €1.3 million from the Heitkamp Baugruppe. The transactions were carried out at market conditions. As of June 30, 2009, the transactions with the Heitkamp & Thumann Group resulted in trade accounts receivable of €0.8 million and trade accounts payable of €1 thousand, the transactions with the Heitkamp Baugruppe resulted in trade accounts receivable of €4 thousand and trade accounts payable of €0.6 million.

In the first 9 months ended June 30, 2009, a Group subsidiary realized sales of €0.2 million resulting from a €2 million elevator modernization contract which the subsidiary received in 2006/2007 from an entity belonging to the Alfred Krupp von Bohlen and Halbach Foundation.

## 10 Segment reporting

Segment information for the first 9 months ended June 30, 2008 and June 30, 2009 as well as for the 3rd quarter ended June 30, 2008 and June 30, 2009 is as follows:

million €

	Steel	Stainless	Technologies	Elevator	Services	Corporate	Consolidation	Group
<b>9 months ended June 30, 2008</b>								
External sales	9,611	5,083	9,133	3,556	12,198	69	0	39,650
Internal sales within the Group	1,144	643	75	3	504	14	(2,383)	0
Total sales	10,755	5,726	9,208	3,559	12,702	83	(2,383)	39,650
Income/(loss) before income taxes	1,138	86	566	301	515	(291)	(18)	2,297
<b>9 months ended June 30, 2009</b>								
External sales	6,916	2,905	8,013	3,962	8,823	61	0	30,680
Internal sales within the Group	686	286	47	2	345	21	(1,387)	0
Total sales	7,602	3,191	8,060	3,964	9,168	82	(1,387)	30,680
Income/(loss) before income taxes	(41)	(826)	(128)	465	(171)	(298)	12	(987)
<b>3rd quarter ended June 30, 2008</b>								
External sales	3,494	1,711	3,317	1,210	4,431	18	0	14,181
Internal sales within the Group	408	222	40	1	172	5	(848)	0
Total sales	3,902	1,933	3,357	1,211	4,603	23	(848)	14,181
Income/(loss) before income taxes	389	93	201	92	248	(110)	(4)	909
<b>3rd quarter ended June 30, 2009</b>								
External sales	2,095	943	2,471	1,327	2,453	10	0	9,299
Internal sales within the Group	177	87	12	1	86	12	(375)	0
Total sales	2,272	1,030	2,483	1,328	2,539	22	(375)	9,299
Income/(loss) before income taxes	(348)	(204)	(187)	163	(123)	(87)	14	(772)

## 11 Earnings per share

Basic earnings per share is computed as follows:

million €

	9 months ended June 30, 2008		9 months ended June 30, 2009		3rd quarter ended June 30, 2008		3rd quarter ended June 30, 2009	
	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 €
<b>Numerator:</b>								
Net income/(loss) (attributable to ThyssenKrupp AG's stockholders)	1,473	3.06	(800)	(1.73)	573	1.21	(639)	(1.38)
<b>Denominator:</b>								
Weighted average shares	481,425,899		463,473,492		473,973,492		463,473,492	

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

Earnings per share have been calculated by dividing income/ (loss) attributable to common stockholders of ThyssenKrupp AG (numerator) by the weighted average number of common shares outstanding (denominator) during the period. Shares issued 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 2007/2008 the weighted average number of outstanding shares was reduced by the repurchase of treasury shares in February/March 2008 and July/August 2008.

There were no dilutive securities in the periods presented.

## 12 Additional information to the consolidated cash flow statement

#### Non-cash investing activities

In the first 9 months ended June 30, 2009, the acquisition and first-time consolidation of companies created an increase in non-current assets of €26 million (9 months ended June 30, 2008: €163 million). In the 3rd quarter ended June 30, 2009, these increases amounted to €1 million (3rd quarter ended June 30, 2008: €28 million).

The non-cash addition of assets under finance leases in the first 9 months ended June 30, 2009 amounted to €9 million (9 months ended June 30, 2008: €38 million) and in the 3rd quarter ended June 30, 2009 to €2 million (3rd quarter ended June 30, 2008: €7 million).

#### Non-cash financing activities

In the first 9 months ended June 30, 2009, the acquisition and first-time consolidation of companies resulted in an increase in gross financial debt of €1 million (9 months ended June 30, 2008: €71 million). In the 3rd quarter ended June 30, 2009, these increases amounted to €0 million (3rd quarter ended June 30, 2008: €1 million).

## 13 Subsequent events

No reportable events occurred.

## Review report

### To ThyssenKrupp AG, Duisburg and Essen

We have reviewed the condensed interim consolidated financial statements – comprising the balance sheet, the income statement, cash flow statement, statement of recognised income and expense and selected notes – and the interim group management report of ThyssenKrupp AG, Duisburg and Essen, for the period from October 1, 2008 to June 30, 2009 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 10, 2009

KPMG AG  
Wirtschaftsprüfungsgesellschaft

Michael Gewehr  
(German Public Auditor)

Markus Zeimes  
(German Public Auditor)

## Report by the Supervisory Board Audit Committee

The interim report on the first 9 months of fiscal year 2008/2009 (October 2008 to June 2009) 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 13, 2009 and explained by the Executive Board and the auditors. The Audit Committee approved the interim report.

Düsseldorf, August 13, 2009

Chairman of the Audit Committee  
Dr. Martin Kohlhaussen

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### 2009/2010 dates

#### November 27, 2009

Annual press conference

Analysts' and investors' conference

#### January 21, 2010

Annual General Meeting

#### February 12, 2010

Interim report

1st quarter 2009/2010 (October to December)

Conference call with analysts and investors

#### May 12, 2010

Interim report

1st half 2009/2010 (October to March)

Conference call with analysts and investors

#### August 13, 2010

Interim report

9 months 2009/2010 (October to June)

Conference call with analysts and investors

### 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.

### Variances for technical reasons

To meet statutory disclosure obligations, the Company has to submit the interim report to the electronic Federal Gazette (Bundesanzeiger) in electronic form. 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.





