



thyssenkrupp had a good start to fiscal year 2024/2025 and expects a positive free cash flow before M&A for the full year

- Order intake, adjusted EBIT and free cash flow before M&A increased year-on-year in the 1st quarter
- Sales slightly down on the prior year due to lower prices and weaker demand
- APEX performance program delivers positive earnings effects
- Further progress made in the renewal process: Steel Europe presented key aspects of the industrial concept for the future and successfully closed the sale of the electrical steel business in India
- thyssenkrupp raises the full-year forecast for free cash flow before M&A, confirms forecast for adjusted EBIT and lowers expectation for group sales due to demand factors

In a persistently very challenging market environment, thyssenkrupp systematically pursued the group's renewal in the 1st quarter of 2024/2025 and made a good start overall to the new fiscal year. Due to major orders in the Marine Systems segment, **order intake** increased by more than 50 percent year-on-year between October and December, to €12.5 billion. Due to the effects of declining prices and demand, **group sales** of €7.8 billion were down on the prior-year quarter (€8.2 billion). thyssenkrupp improved **adjusted EBIT** to €191 million, buoyed by effects from the expanded APEX 2.0 performance program. **Free cash flow before M&A** amounted to €(21) million and was thus significantly higher than the prior-year figure (€(531) million), bolstered by advanced payments for a major project at Marine Systems. On this basis, thyssenkrupp has raised the forecast for free cash flow before M&A and now expects a positive figure of up to €300 million for the full year (previous expectation: between €(400) million and €(200) million).

Miguel López, CEO of thyssenkrupp AG: "In the 1st quarter, we performed well in a difficult market environment overall. We still have our financial targets firmly in our sights and continue to pursue the necessary transformation of thyssenkrupp with great determination – always with the ambition of strengthening the competitiveness of our businesses, generating sustainable growth and thus safeguarding jobs in the long term. Months of intensive work lie ahead for the Steel and Marine Systems businesses especially. On the basis of the business plan proposed by the Steel Executive Board, we aim to restructure Steel Europe as an independent, high-performing steel company. At Marine Systems, we are working hard on the spin-off with the aim of positioning the business optimally to process the large order backlog and respond to continuing high customer interest in a changed security policy environment."

Performance of the thyssenkrupp group and segments in the 1st quarter 2024/2025

Compared with the prior year, **order intake** increased by more than 50 percent to €12.5 billion. This is due to the addition of four submarines in a substantial extension of the order for the ongoing German-Norwegian 212CD program and the award of the contract for the Polarstern II ice-breaking research vessel at Marine Systems. Despite macroeconomic challenges, Materials Services posted a slight increase in orders. Demand-induced declines were evident at Steel Europe and Automotive Technology. In a market environment characterized by project deferrals, Decarbon Technologies saw a decline in order intake in the water electrolysis and chemical plant construction businesses.

At €7.8 billion, **group sales** were below the level of €8.2 billion a year earlier. The reasons for this were weaker demand and lower prices at Automotive Technology, Materials Services and Steel Europe. Sales of Decarbon Technologies were significantly higher than the prior year (adjusted for the sale of subsidiary thyssenkrupp Industries India). This was primarily due to sales growth in the water electrolysis, chlor-alkali and chemical plant construction businesses. Marine Systems expanded sales thanks to progress in new construction projects and the marine electronics business.

Compared with the prior year, the group's **adjusted EBIT** increased significantly, by €107 million to €191 million. Decarbon Technologies and Marine Systems grew their earnings contributions year-on-year. Despite lower sales revenues and shipments, Steel Europe posted a significant increase compared with the prior year, due especially to higher positive effects relating to energy and decreasing raw material and energy costs. By contrast, the difficult market situation was evident at Automotive Technology and Materials Services. Positive effects from the APEX efficiency program supported earnings in all segments.

At €(21) million, **free cash flow before M&A** was significantly higher than the prior-year figure of €(531) million. It included, above all, advance payments of €1 billion in connection with the order extension at Marine Systems. These will be gradually used up in the course of implementing the project milestones. In particular, the stronger growth in inventories (for example, ahead of planned plant shutdowns) and increased investments (for example, in connection with the construction of a direct reduction plant in the Steel Europe segment) had a negative impact on free cash flow before M&A.

Net financial assets of €4.3 billion on the reporting date were almost constant compared with September 30, 2024 (€4.4 billion). With cash and cash equivalents and undrawn committed credit lines totaling €6.8 billion on the reporting date, thyssenkrupp retained a very good liquidity position.

Jens Schulte, CFO of thyssenkrupp AG: “Despite the challenging market environment, we improved our performance in the 1st quarter. The increase in EBIT especially is evidence that our structural measures to improve efficiency and reduce costs are delivering initial successes. We will continue to work systematically on these measures in the future.”

Overall, thyssenkrupp posted a **net loss** of €33 million, following a loss of €305 million in the prior-year quarter. The significant improvement was attributable to the operating result and the significantly lower impairments compared with the prior-year quarter. Excluding the restructuring provisions of €42 million also included in this figure, earnings would have been slightly positive. Net income after deducting minority interest was €(51) million (prior year: €(314) million); earnings per share came to €(0.08) (prior year: €(0.50)).

Total equity was constant at €10.4 billion. The **equity ratio** remained at a comfortable value of 35 percent.

Strategic performance of the segments in the 1st quarter 2024/2025

The focus at **Automotive Technology** remains on portfolio adjustments and restructuring of the businesses. The segment continues to invest in order-related projects like those for electric power-assisted steering systems in the Steering business unit or the production of rotor and camshaft modules in the Dynamic Components business unit. Negotiations for the sale of the Springs & Stabilizers business unit are still ongoing. The powertrain activities of the Automation Engineering business unit in Bremen are to be shut down gradually by 2026. Car body specialist thyssenkrupp Automotive Body Solutions is being restructured to improve its competitiveness and profitability. Targeted measures to improve profitability were also initiated at Italian subsidiary Berco, a manufacturer of crawler drive components for construction machinery.

Decarbon Technologies continues to press ahead with transforming its business models toward modularized and standardized products. In the years ahead, the decarbonization businesses of thyssenkrupp will display enormous potential, with major growth opportunities in Southern Europe, the Middle East, North America and Asia in particular. The Polysius business unit is supplying the key technology for the world’s first carbon-neutral cement factories. Heidelberg Materials and Polysius have signed a contract for the plant design of the clinker production line in Geseke. This has a potential capture capacity of as much as 3.5 percent of the German cement industry’s emissions. Polysius will construct two carbon capture plants for the Greek Titan Group which, from 2029, are expected to cut carbon dioxide emissions by around 1.9 million tons a year or 12 percent of all industrial greenhouse gas emissions in Greece. In addition, listed company thyssenkrupp nucera – in which thyssenkrupp AG holds a majority interest – signed a memorandum of understanding with Hydrom to support the growing green hydrogen sector in Oman.

Materials Services is focusing on data-driven supply chain solutions and digital business models in order to further expand its market position. The product range of start-up “pacemaker” was expanded by the acquisition of WAVES, a leading provider of sustainability management platforms based in Luxembourg. In addition, the segment strengthened its presence in growth markets such as electric vehicle infrastructure, power generation and telecommunications by purchasing a precision metal processor in the USA.

In November 2024, in connection with restructuring **Steel Europe** as an independent, high-performing steel company, the Steel Executive Board presented a concept for the future as the starting point for a preliminary business plan. It is also the basis for further negotiations with co-shareholder EP Group concerning the establishment of an equal 50/50 joint venture. Moreover, at the end of January, the sale of the electrical steel business in India to an Indo-Japanese buyer consortium was successfully closed for a price of €440 million. The proceeds from the sale increase the capital resources of the steel segment.

In recent months, **Marine Systems** has been awarded lucrative major orders, giving it a record order backlog of €16.4 billion as of December 31, 2024. Due to geostrategic developments, the segment expects that demand will keep on rising in the future. The stand-alone solution being sought will make it possible to optimally leverage this potential. To this end, the announced spin-off of Marine Systems is being pursued at a fast pace.

Updated forecast for fiscal year 2024/2025

For the current fiscal year, thyssenkrupp expects the market environment to remain challenging overall, dominated by uncertainty about future global economic growth. For this reason, the forecast was formulated expressly with corresponding ranges for the key performance indicators.

As the result of demand-induced adjustments in all segments, with the exception of Marine Systems, thyssenkrupp now expects a year-on-year increase in **sales** in a range between (3) percent and 0 percent for fiscal year 2024/2025. Previously, an increase between 0 percent and 3 percent had been assumed.

Due to good progress in ramping up structural improvement projects, the group confirms its forecast for **adjusted EBIT** between €600 million and €1 billion.

As a result of the advance payments in connection with the addition of four submarines in a substantial extension of an order at Marine Systems, the group is now predicting **free cash flow before M&A** between 0 and €300 million. Previously, a figure between €(400) million and €(200) million was expected.

Regarding **net income**, thyssenkrupp continues to assume a return to profit with an improvement to a figure between €100 million and €500 million.

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thyssenkrupp in figures – key performance indicators at a glance

THYSSENKRUPP IN FIGURES

| | | Group | | | |
|--|-----------|------------------------------------|------------------------------------|---------|------|
| | | 1st quarter ended Dec. 31, 2023 | 1st quarter ended Dec. 31, 2024 | Change | in % |
| Order intake | million € | 7,973 | 12,481 | 4,508 | 57 |
| Sales | million € | 8,181 | 7,831 | (350) | (4) |
| EBITDA | million € | 238 | 394 | 156 | 66 |
| EBIT ¹⁾ | million € | (185) | 102 | 287 | ++ |
| EBIT margin | % | (2.3) | 1.3 | 3.6 | ++ |
| Adjusted EBIT ¹⁾ | million € | 84 | 191 | 107 | ++ |
| Adjusted EBIT margin | % | 1.0 | 2.4 | 1.4 | ++ |
| Income/(loss) before tax | million € | (232) | 20 | 253 | ++ |
| Net income/(loss) or earnings after tax | million € | (305) | (33) | 272 | 89 |
| attributable to thyssenkrupp AG's shareholders | million € | (314) | (51) | 263 | 84 |
| Earnings per share (EPS) | € | (0.50) | (0.08) | 0.42 | 84 |
| Operating cash flows | million € | (424) | 306 | 730 | ++ |
| Cash flow for investments | million € | (107) | (277) | (170) | -- |
| Cash flow from divestments | million € | 32 | (9) | (42) | -- |
| Free cash flow ²⁾ | million € | (499) | 19 | 518 | ++ |
| Free cash flow before M&A ²⁾ | million € | (531) | (21) | 510 | 96 |
| Net financial assets (Dec. 31) | million € | 3,796 | 4,298 | 502 | 13 |
| Total equity (Dec. 31) | million € | 11,607 | 10,378 | (1,229) | (11) |
| Gearing (Dec. 31) | % | — ³⁾ | — ³⁾ | — | — |
| Employees (Dec. 31) | | 99,973 | 97,360 | (2,613) | (3) |

¹⁾ See reconciliation in segment reporting (Note 08).

²⁾ See reconciliation in the analysis of the statement of cash flows.

³⁾ Due to the strongly positive total equity and the reported net financial assets, the gearing key ratio is negative and the significance of the gearing key ratio therefore has no relevance.

| | Order intake million € | | Sales million € | | EBIT ¹⁾ million € | | Adjusted EBIT ¹⁾ million € | | Employees | |
|------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|--|------------------------------------|---------------|---------------|
| | 1st quarter ended Dec. 31, 2023 | 1st quarter ended Dec. 31, 2024 | 1st quarter ended Dec. 31, 2023 | 1st quarter ended Dec. 31, 2024 | 1st quarter ended Dec. 31, 2023 | 1st quarter ended Dec. 31, 2024 | 1st quarter ended Dec. 31, 2023 | 1st quarter ended Dec. 31, 2024 | Dec. 31, 2023 | Dec. 31, 2024 |
| Automotive Technology | 1,854 | 1,630 | 1,863 | 1,669 | 42 | (21) | 48 | 12 | 31,753 | 31,285 |
| Decarbon Technologies | 644 | 568 | 900 | 907 | (25) | 12 | (17) | 17 | 14,981 | 12,690 |
| Materials Services | 2,857 | 2,885 | 2,860 | 2,737 | (13) | 7 | 26 | 8 | 16,233 | 15,867 |
| Steel Europe | 2,397 | 2,306 | 2,446 | 2,178 | (143) | 146 | 69 | 168 | 26,923 | 27,146 |
| Marine Systems | 529 | 5,436 | 433 | 568 | 18 | 31 | 17 | 31 | 7,793 | 8,105 |
| Corporate Headquarters | 1 | 1 | 2 | 1 | (61) | (52) | (57) | (42) | 631 | 669 |
| Reconciliation | (309) | (345) | (323) | (229) | (3) | (22) | (3) | (3) | 1,659 | 1,598 |
| Group | 7,973 | 12,481 | 8,181 | 7,831 | (185) | 102 | 84 | 191 | 99,973 | 97,360 |

¹⁾ See reconciliation in segment reporting (Note 08).