

**thyssenkrupp held its ground in a difficult market environment – positive free cash flow before M&A and progress with the transformation in fiscal year 2023/2024**

- At €35.0 billion, sales 7 percent below the prior year due to the challenging market environment
- Solid development of adjusted EBIT to €567 million and within the forecast range
- Free cash flow before M&A positive at €110 million and above the forecast
- Dividend continuity: Distribution of €0.15 per share proposed
- Company expands APEX performance program and initiates necessary restructuring in other businesses
- Forecast for current fiscal year: Adjusted EBIT between €600 million and €1 billion, free cash flow before M&A between €(400) million and €(200) million and net income between €100 million and €500 million expected
- CEO Miguel López: “Despite the very challenging market conditions, we achieved a respectable result in the past fiscal year, continued implementing the transformation of the thyssenkrupp group with great determination and made key progress.”

In fiscal year 2023/2024 (September 30), thyssenkrupp performed well in a persistently very challenging market environment and continued on its transformation course. En route to improving its performance, the group was able to cushion a large part of the negative market effects thanks to its APEX performance program and is now systematically expanding the program. The aim is to support the return to a sustainably positive free cash flow before M&A and a positive value added in the long term.

“Despite the very challenging market conditions, we achieved a respectable result in the past fiscal year, continued implementing the transformation of the thyssenkrupp group with great determination and made key progress,” summarizes **Miguel López, CEO of thyssenkrupp AG**.

**Fiscal year 2023/2024: Key indicators for the thyssenkrupp group**

Significantly weaker demand from key customer industries like the automotive industry, engineering and construction had a negative impact on the group’s key financial indicators in the past fiscal year. This was primarily evident from the declining **order intake**, which amounted to €32.8 billion in fiscal year 2023/2024 (prior year: €37.1 billion). Whereas Marine Systems significantly increased order intake thanks to substantial extensions of two existing orders in the submarine business and higher order intake in the marine electronics business, Steel Europe, Materials Services and Automotive Technology recorded declines. Decarbon Technologies also posted a significant decline following the high demand in the chemical plant engineering business in the prior year.

**Sales** of the thyssenkrupp group also declined against the backdrop of subdued market momentum, amounting to €35.0 billion (prior year: €37.5 billion). This was mainly attributable to weaker demand and lower prices at Materials Services and Steel Europe. Automotive Technology also saw a downward trend in the construction machinery business, in automotive assembly lines and in parts of the automotive original equipment business. By contrast, thanks to the high order intake in the prior period, ongoing major projects at Uhde and the growth of water electrolysis, Decarbon Technologies significantly increased sales year-on-year. At Marine Systems too, sales increased due to reasons such as the delivery of a submarine and progress in new construction projects.

**Adjusted EBIT** amounted to €567 million (prior year: €703 million). Whereas Materials Services and Marine Systems improved their contributions to earnings year-on-year, the difficult market situation had a noticeable impact at Steel Europe and Automotive Technology especially. Compared with the prior year, Decarbon Technologies also saw reduced earnings, due to factors including higher costs for individual (legacy) projects in the cement engineering business. Positive effects from the APEX performance program supported earnings in all segments and cushioned a large part of the negative market effects. thyssenkrupp thus achieved its earnings forecast of more than €500 million, last adjusted in July 2024 in light of the persistently weak macroeconomic environment.

At €110 million, **free cash flow before M&A** was positive and above the latterly forecast amount, also due to early payments by Marine Systems customers in the 4th quarter.

“We achieved our target for adjusted earnings and actually exceeded the target for free cash flow before M&A, again ending the year positively,” emphasizes **Jens Schulte, CFO of thyssenkrupp AG**. “In order to create the necessary financial headroom for the continuing transformation, we will be using APEX 2.0 to now focus more on structural issues as well. In this way, we will establish the conditions for continuing to make progress, even in a difficult market situation.”

Overall, thyssenkrupp posted a **net loss** of €1.4 billion in the past fiscal year (prior year: net loss of €2.0 billion). The negative figure reflects the extensive transformation measures and is mainly attributable to asset impairments totaling some €1.2 billion. Most of these had to be recognized by Steel Europe (around €1 billion), Materials Services and Automotive Technology. Alongside increasingly gloomy volume and earnings expectations, factors included the structural changes in the steel industry, the anticipated future investments for the green transformation and the economic effects expected from the ongoing construction of the direct reduction plant. Other expenses of around €270 million resulted from the necessary restructuring measures in Automotive Technology, Decarbon Technologies and Materials Services especially. Net income after deducting minority interest was €(1.5) billion (prior year: €(2.1) billion); earnings per share came to €(2.42) (prior year: €(3.33)).

Compared with a year earlier, **equity** decreased from €12.7 billion to €10.4 billion. Alongside the net loss, this development was caused by effects from the remeasurement of pensions due to the application of lower discount rates and by currency translation effects. The **equity ratio** remained at a comfortable value of 35 percent (prior year: 39 percent).

Thanks to the positive **free cash flow before M&A, net financial assets** on the reporting date increased to €4.4 billion (prior year: €4.3 billion). With cash and cash equivalents and undrawn committed credit lines totaling €7.1 billion on the reporting date, thyssenkrupp retained a very good liquidity position.

It will be proposed to the Annual General Meeting on January 31, 2025 that a **dividend** of €0.15 per share be paid for fiscal year 2023/2024. In this way, thyssenkrupp is ensuring dividend continuity following the distribution in the past two years.

### **Strategic development in the segments in fiscal year 2023/2024**

**Automotive Technology** implemented portfolio measures and the necessary structural optimizations in its businesses. In the past fiscal year, the decision was taken to restructure Automotive Body Solutions. Alongside measures to improve efficiency and optimize processes, this also includes up to 400 job reductions. Automotive Technology is continuing its discussions with potential buyers for the Springs & Stabilizers business unit. By contrast, the divestment process for Automation Engineering was halted for the time being. Instead, it is planned to gradually shut down the powertrain activities in Bremen by 2026.

Established one year ago, thyssenkrupp **Decarbon Technologies** is already one of the world's largest and most respected industrial suppliers of cutting-edge technologies for the green transformation. Now it is a question of increasing the pace of transformation of the individual business models and technology development. In parallel, the segment is continuing to implement the necessary restructuring measures. For example, the cement engineering business continues to focus strongly on the areas of green technologies, service and engineering.

In the past fiscal year, **Materials Services** initiated a fundamental realignment of the materials business in Germany. thyssenkrupp Schulte is adjusting its business model to market developments and in future will focus more consistently on the growing demand for materials-related services. The measures include fundamental structural adjustments such as the closure of several sites and up to 450 job reductions.

In the past fiscal year, thyssenkrupp made important progress in restructuring **Steel Europe** as an independent, high-performing steel company. thyssenkrupp agreed to sell a 20-percent interest in Steel Europe to EP Corporate Group (EPCG) and completed the transaction. The aim is to establish an equal 50/50 joint venture. The basis for this is a viable and financeable business plan that is currently being prepared by the Steel Executive Board.

Moreover, in October 2024, market strategy reasons led Steel Europe to divest the Indian electrical steel business to an Indo-Japanese joint venture. The aim is to close the transaction within the coming months. The proceeds of around €440 million from the sale are intended to increase the capital resources of the steel segment.

Despite the withdrawal of investment company Carlyle from the bidding process, thyssenkrupp remains committed to finding a stand-alone solution for **Marine Systems**. This is intended to enable the marine business to achieve lasting and stable growth and assume a strong position in the global competitive environment. To this end, the segment is exploring high-value options, especially a spin-off, but also remains open to industrial partnerships. In addition, thyssenkrupp is still negotiating with the German government concerning state participation.

#### **Forecast 2024/2025: Improvement in adjusted EBIT to a figure between €600 million and €1 billion**

The ongoing macroeconomic challenges are shaping the **outlook** for the current fiscal year as well. Overall, thyssenkrupp is assuming that its key financial indicators will develop as follows.

Despite declines at Decarbon Technologies (declining order intake in the past fiscal year) and Marine Systems (postponements due to fluctuations in recognizing sales that are customary for the industry), thyssenkrupp expects to increase **sales** by 0 to 3 percent in fiscal year 2024/2025. The main contributions are expected to come from the increases at Automotive Technology, Materials Services and Steel Europe, resulting from factors including an expected stabilization in demand in the 2nd half of the fiscal year.

For **adjusted EBIT**, thyssenkrupp is assuming an improvement to a figure between €600 million and €1 billion. The planned improvements in all businesses will be supported in particular by the continuing measures of the expanded APEX 2.0 performance program.

thyssenkrupp expects **free cash flow before M&A** to be between €(400) million and €(200) million. This figure includes around €250 million in cash outflows for restructuring and higher investments compared with the prior year. In addition, the payments profiles in the project businesses – mainly prepayments at Marine Systems – will have a major influence on development.

Regarding **net income**, thyssenkrupp is assuming a return to the black with an improvement to a figure between €100 million and €500 million.

“The current fiscal year is a year of transition on our path to achieving our medium-term financial targets, even in a challenging environment. We are still seeking to achieve an adjusted EBIT margin of 4 to 6 percent at group level, a significantly positive value for free cash flow before M&A and reliable dividend payments for our shareholders. In respect of our main strategic issues, the current fiscal year will be a year of decisions – especially for Steel Europe and Marine Systems. In parallel,

we are seeking to further improve the performance of all our businesses and better leverage the opportunities presented by the green transformation,” says **CEO Miguel López**, explaining the further steps on the route to transformation that the company has embarked on.

You will find the current Annual Report here:

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## thyssenkrupp in figures – key performance indicators at a glance

### THYSSENKRUPP IN FIGURES

		Group			
		Year ended Sept. 30, 2023	Year ended Sept. 30, 2024	Change	in %
Order intake	million €	37,060	32,815	(4,245)	(11)
Sales	million €	37,536	35,041	(2,494)	(7)
EBITDA	million €	1,679	895	(784)	(47)
EBIT <sup>1)</sup>	million €	(1,431)	(1,041)	389	27
EBIT margin	%	(3.8)	(3.0)	0.8	22
Adjusted EBIT <sup>1)</sup>	million €	703	567	(136)	(19)
Adjusted EBIT margin	%	1.9	1.6	(0.3)	(14)
Income/(loss) before tax	million €	(1,583)	(1,196)	388	24
Net income/(loss) or earnings after tax	million €	(1,986)	(1,450)	537	27
attributable to thyssenkrupp AG's shareholders	million €	(2,072)	(1,506)	566	27
Earnings per share (EPS)	€	(3.33)	(2.42)	0.91	27
Operating cash flows	million €	2,064	1,353	(711)	(34)
Cash flow for investments	million €	(1,607)	(1,196)	412	26
Cash flow from divestments	million €	25	66	41	++
Free cash flow <sup>2)</sup>	million €	482	224	(258)	(53)
Free cash flow before M&A <sup>3)</sup>	million €	363	110	(253)	(70)
Net financial assets (Sept. 30)	million €	4,325	4,411	86	2
Total equity (Sept. 30)	million €	12,693	10,358	(2,334)	(18)
Gearing (Sept. 30)	%	— <sup>3)</sup>	— <sup>3)</sup>	—	—
ROCE	%	(9.3)	(8.0)	1.3	14
thyssenkrupp Value Added	million €	(2,818)	(2,476)	342	12
Dividend per share	€	0.15	0.15 <sup>4)</sup>	—	—
Dividend payout	million €	93	93 <sup>4)</sup>	—	—
Employees (Sept. 30)		99,981	98,120	(1,861)	(2)

<sup>1)</sup> See reconciliation in segment reporting (Note 24).

<sup>2)</sup> See reconciliation in the analysis of the statement of cash flows.

<sup>3)</sup> 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.

<sup>4)</sup> Proposal to the Annual General Meeting

## THYSSENKRUPP IN FIGURES

		Group		Change	in %
		4th quarter ended Sept. 30, 2023	4th quarter ended Sept. 30, 2024		
Order intake	million €	8,305	7,911	(394)	(5)
Sales	million €	8,812	8,810	(2)	0
EBITDA	million €	283	107	(176)	(62)
EBIT <sup>1)</sup>	million €	(1,779)	(969)	811	46
EBIT margin	%	(20.2)	(11.0)	9.2	46
Adjusted EBIT <sup>1)</sup>	million €	88	151	63	72
Adjusted EBIT margin	%	1.0	1.7	0.7	72
Income/(loss) before tax	million €	(1,788)	(982)	806	45
Net income/(loss) or earnings after tax	million €	(1,989)	(1,040)	949	48
attributable to thyssenkrupp AG's shareholders	million €	(2,008)	(1,061)	947	47
Earnings per share (EPS)	€	(3.23)	(1.70)	1.52	47
Operating cash flows	million €	1,396	1,415	19	1
Cash flow for investments	million €	(698)	(317)	382	55
Cash flow from divestments	million €	(30)	11	41	++
Free cash flow <sup>2)</sup>	million €	668	1,109	441	66
Free cash flow before M&A <sup>2)</sup>	million €	597	1,093	495	83
Net financial assets (Sept. 30)	million €	4,325	4,411	86	2
Total equity (Sept. 30)	million €	12,693	10,358	(2,334)	(18)
Gearing (Sept. 30)	%	— <sup>3)</sup>	— <sup>3)</sup>	—	—
Employees (Sept. 30)		99,981	98,120	(1,861)	(2)

<sup>1)</sup> See reconciliation in segment reporting (Note 24).

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## ORDER INTAKE

million €	Year ended Sept. 30, 2023	Year ended Sept. 30, 2024	Change in %	Change on a comparable basis <sup>1)</sup> in %	4th quarter ended Sept. 30, 2023	4th quarter ended Sept. 30, 2024	Change in %	Change on a comparable basis <sup>1)</sup> in %
Automotive Technology <sup>2)</sup>	7,879	7,418	(6)	(5)	1,738	1,788	3	4
Decarbon Technologies <sup>2)</sup>	4,004	3,031	(24)	(21)	885	891	1	6
Materials Services	13,684	12,062	(12)	(12)	3,163	2,818	(11)	(11)
Steel Europe	12,187	10,032	(18)	(18)	2,241	1,988	(11)	(11)
Marine Systems <sup>2)</sup>	952	1,459	53	53	571	649	14	14
Corporate Headquarters	6	6	3	5	0	1	++	++
Reconciliation <sup>2)</sup>	(1,652)	(1,195)	28	—	(293)	(225)	23	—
<b>Group</b>	<b>37,060</b>	<b>32,815</b>	<b>(11)</b>	<b>(11)</b>	<b>8,305</b>	<b>7,911</b>	<b>(5)</b>	<b>(4)</b>

<sup>1)</sup> Excluding material currency and portfolio effects.

<sup>2)</sup> See preliminary remarks.

## SALES

million €	Year ended Sept. 30, 2023	Year ended Sept. 30, 2024	Change in %	Change on a comparable basis <sup>1)</sup> in %	4th quarter ended Sept. 30, 2023	4th quarter ended Sept. 30, 2024	Change in %	Change on a comparable basis <sup>1)</sup> in %
Automotive Technology <sup>2)</sup>	7,911	7,536	(5)	(4)	1,972	1,837	(7)	(6)
Decarbon Technologies <sup>2)</sup>	3,438	3,850	12	19	878	1,074	22	37
Materials Services	13,613	12,126	(11)	(11)	3,124	2,908	(7)	(7)
Steel Europe	12,373	10,736	(13)	(13)	2,862	2,609	(9)	(9)
Marine Systems <sup>2)</sup>	1,832	2,118	16	16	349	715	++	++
Corporate Headquarters	7	7	(1)	0	2	1	(46)	(44)
Reconciliation <sup>2)</sup>	(1,639)	(1,331)	19	—	(375)	(335)	11	—
<b>Group</b>	<b>37,536</b>	<b>35,041</b>	<b>(7)</b>	<b>(6)</b>	<b>8,812</b>	<b>8,810</b>	<b>0</b>	<b>2</b>

<sup>1)</sup> Excluding material currency and portfolio effects.

<sup>2)</sup> See preliminary remarks.

## ADJUSTED EBIT

million €	Year ended Sept. 30, 2023	Year ended Sept. 30, 2024	Change in %	4th quarter ended Sept. 30, 2023	4th quarter ended Sept. 30, 2024	Change in %
Automotive Technology <sup>1)</sup>	266	245	(8)	68	71	4
Decarbon Technologies <sup>1)</sup>	29	(54)	--	(24)	6	++
Materials Services	178	204	15	23	51	++
Steel Europe	319	261	(18)	54	23	(57)
Marine Systems <sup>1)</sup>	73	125	71	27	53	94
Corporate Headquarters	(169)	(188)	(11)	(47)	(44)	7
Reconciliation <sup>1)</sup>	7	(25)	--	(13)	(9)	30
<b>Group</b>	<b>703</b>	<b>567</b>	<b>(19)</b>	<b>88</b>	<b>151</b>	<b>72</b>

<sup>1)</sup> See preliminary remarks.