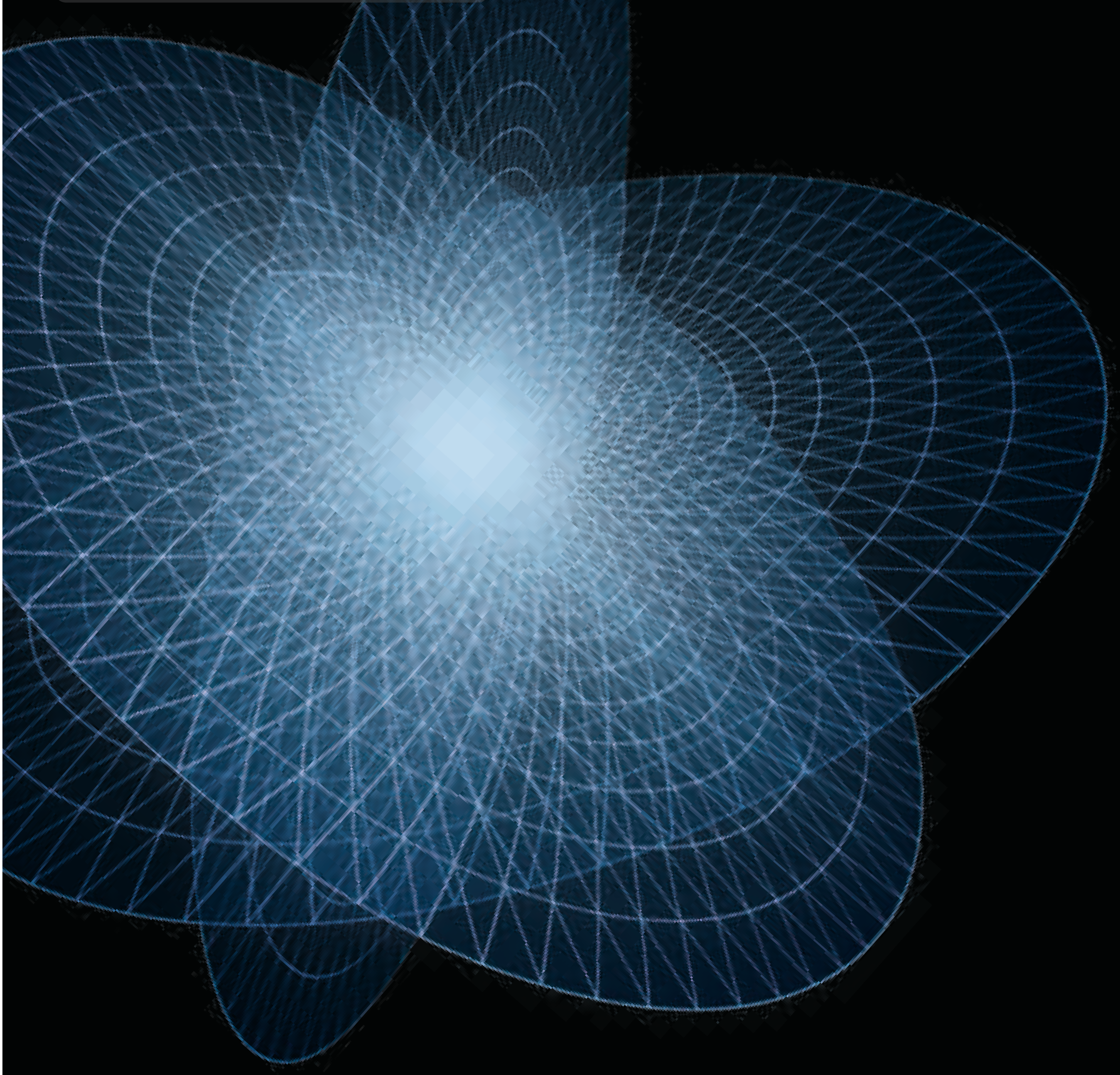
Interim Report 11/12

ThyssenKrupp AG

1st quarter
October 01 – December 31, 2011



Developing the future.

ThyssenKrupp

ThyssenKrupp in brief

Our employees in around 80 countries work with passion and expertise to develop solutions for sustainable progress. Their skills and commitment are the basis of our success.

For us, innovations and technical progress are key factors in managing global growth and using finite resources in a sustainable way. With our engineering expertise in the areas of “Material”, “Mechanical” and “Plant”, we enable our customers to gain an edge in the global market and manufacture innovative products in a cost- and resource-efficient way.

The basis for this is responsible corporate governance geared towards long-term value growth. In an ever-changing business environment we are continuously evolving our company to enable us to meet the global challenges of the future with innovative solutions.

Contents

This interim report was published on February 14, 2012.

ThyssenKrupp in figures

Group

		Continuing operations				including Stainless Global*			
		1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Change	Change in %	1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Change	Change in %
Order intake	million €	9,997	10,078	81	1	11,260	11,260	0	—
Sales	million €	10,020	9,896	(124)	(1)	11,370	11,138	(232)	(2)
EBITDA	million €	592	471	(121)	(20)	645	412	(233)	(36)
EBIT	million €	261	(33)	(294)	--	273	(357)	(630)	--
EBIT margin	%	2.6	(0.3)	(2.9)	—	2.4	(3.2)	(5.6)	—
Adjusted EBIT	million €	261	83	(178)	(68)	273	25	(248)	(91)
Adjusted EBIT margin	%	2.6	0.8	(1.8)	—	2.4	0.2	(2.2)	—
EBT	million €	136	(183)	(319)	--	145	(514)	(659)	--
Adjusted EBT	million €	136	(66)	(202)	--	145	(131)	(276)	--
Employees (Dec. 31)		167,095	159,682	(7,413)	(4)	178,291	171,312	(6,979)	(4)
Net income/(loss)	million €					101	(480)	(581)	--
Basic earnings per share	€	0.29	(0.30)	(0.59)	--	0.31	(0.89)	(1.20)	--
Net financial debt (Dec. 31)	million €					5,814	5,937	123	2
Total equity (Dec. 31)	million €					11,351	10,000	(1,351)	(12)

* discontinued operation

Business Areas

	Order intake (million €)		Sales (million €)		EBIT (million €)		Adjusted EBIT (million €)		Employees	
	1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2011
Steel Europe	2.929	2.705	2.958	2.530	258	102	258	102	34.204	28.273
Steel Americas	84	583	86	498	(378)	(288)	(378)	(288)	3.571	4.081
Materials Services	3.259	3.201	3.311	3.145	85	40	85	40	34.196	27.910
Elevator Technology	1.306	1.466	1.299	1.348	171	113	171	142	44.489	46.581
Plant Technology	1.016	871	897	943	107	125	107	125	13.001	13.786
Components Technology	1.602	1.778	1.599	1.753	127	169	127	103	29.649	30.936
Marine Systems	426	222	504	366	46	(116)	46	39	5.407	5.301
Corporate	31	33	31	35	(88)	(99)	(88)	(101)	2.578	2.814
Consolidation	(656)	(781)	(665)	(722)	(67)	(79)	(67)	(79)	0	0
Continuing operations	9.997	10.078	10.020	9.896	261	(33)	261	83	167.095	159.682

ThyssenKrupp stock master data

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

As part of its strategic development program ThyssenKrupp is divesting its stainless steel and high-performance alloy business. As of September 30, 2011 the Stainless Global business area is therefore classified as a discontinued operation in accordance with IFRS. The continuing operations of the Group comprise the remaining seven business areas and Corporate.

Strategic development of the Group

Diversified industrial group on attractive growth markets

In the 1st quarter 2011/2012 ThyssenKrupp successfully continued the strategic development program adopted in May 2011. We want to significantly improve our earning power and develop into a diversified industrial group with strong businesses in attractive growth markets. As part of our portfolio optimization we will divest activities which are no long part of our core business and for which there are stronger alternative options outside the Group.

Materials remain an important pillar of our business; in the future however we will be focusing more strongly on our Technologies businesses. Global trends such as population growth, urbanization and globalization present diverse opportunities for our Group, particularly in the world's growth regions, where we aim to further expand our presence.

Portfolio optimization continued

The strategic portfolio optimization was continued as planned in the reporting quarter:

– On January 31, 2012, ThyssenKrupp and the Finnish stainless steel manufacturer Outokumpu agreed to combine Outokumpu and Inoxum, the stainless steel arm of ThyssenKrupp. The combination will create a new world market leader in the stainless steel sector with sales of €11.8 billion and more than 19,000 employees. The combination is subject to the customary closing conditions, including approval by the competent regulatory authorities. The transaction is expected to be completed by the end of 2012.

– We found a best owner for the Xervon group in the industrial service provider REMONDIS. The closing took place on November 30, 2011.

– The closing of the sale of the Brazilian Automotive Systems operations to a subsidiary of the automotive supplier Magna took place on December 06, 2011.

– The restructuring of the shipbuilding operations is largely complete. On December 11, 2011 we signed a purchase and sale agreement with UK-based Star Capital Partners for the civil shipbuilding operations of ThyssenKrupp Marine Systems. The closing followed on January 31, 2012. The companies sold were Blohm + Voss Shipyards, Blohm + Voss Repair (including Blohm + Voss Oil Tools) and Blohm + Voss Industries as well as their subsidiaries. ThyssenKrupp will concentrate on naval surface vessel and submarine construction in the future.

– The integration of the chassis operations of the Bilstein group and Presta Steering has begun; the management structure of the new entity is in place. The move will create a major chassis full-service provider with a global footprint and sales of around €3 billion.

– The first bids for our US iron foundry business Waupaca are being evaluated.

impact underway

Our Groupwide program impact is also developing promisingly. It is intended to help us achieve the ambitious goals of the strategic development plan with a bundle of measures to increase the productivity, customer focus and innovativeness of our Group. In the current fiscal year alone, impact is expected to contribute to earnings with cost savings of around €300 million.

Group review

ThyssenKrupp in the 1st quarter 2011/2012 – performance impacted by economy

Subdued economic activity in our core markets significantly impacted the performance of the Group in the 1st quarter 2011/2012 (October 01 – December 31, 2011). Orders from continuing operations were only slightly up from the prior year, sales slightly down. Order intake reached €10.1 billion, sales €9.9 billion. Including the discontinued operation Stainless Global, which operates under the name Inoxum, the Group's order intake was level with the prior year at €11.3 billion, while the Group's sales decreased year-on-year by 2% to €11.1 billion.

The economic slowdown was reflected particularly in our earnings performance. Adjusted EBIT from continuing operations came to €83 million, compared with €261 million a year earlier. With the exception of Steel Americas all continuing business areas reported positive adjusted EBIT in the 1st quarter 2011/2012. In the Materials division the €288 million loss incurred by Steel Americas could not be offset by the other business areas Steel Europe and Materials Services. In the Technologies division (Elevator Technology, Plant Technology, Components Technology, Marine Systems) adjusted EBIT came to €409 million. Corporate costs and consolidation items amounted to €(180) million. Including Stainless Global, the Group's adjusted EBIT decreased from €273 million to €25 million.

EBIT from continuing operations fell to €(33) million from €261 million in the 1st quarter of the prior fiscal year. Including Stainless Global, EBIT came to €(357) million, compared with €273 million a year earlier.

The highlights for the 1st quarter 2011/2012:

- Order intake from continuing operations increased year-on-year by 1% or €81 million to €10.1 billion.

- Sales from continuing operations decreased by 1% or €124 million to €9.9 billion.

- EBITDA from continuing operations fell by 20% to €471 million from €592 million in the prior year.

- Adjusted EBIT from continuing operations came to €83 million compared with €261 million in the prior year.

- EBIT from continuing operations was €(33) million, down from €261 million a year earlier. EBIT margin slipped from 2.6% to (0.3)%.

- Earnings per share from continuing operations decreased from €0.29 to €(0.30).

- Net financial debt, including Stainless Global, was €5,937 million at December 31, 2011, an increase of €2,359 million compared with September 30, 2011, when we reported net financial debt of €3,578 million. On December 31, 2010 net financial debt stood at €5,814 million.

Our goal in fiscal 2011/2012 remains to reduce complexity in the Group, cut costs and sustainably improve cash generation. In addition, we aim to reduce net financial debt.

Sharp slowing of global economy

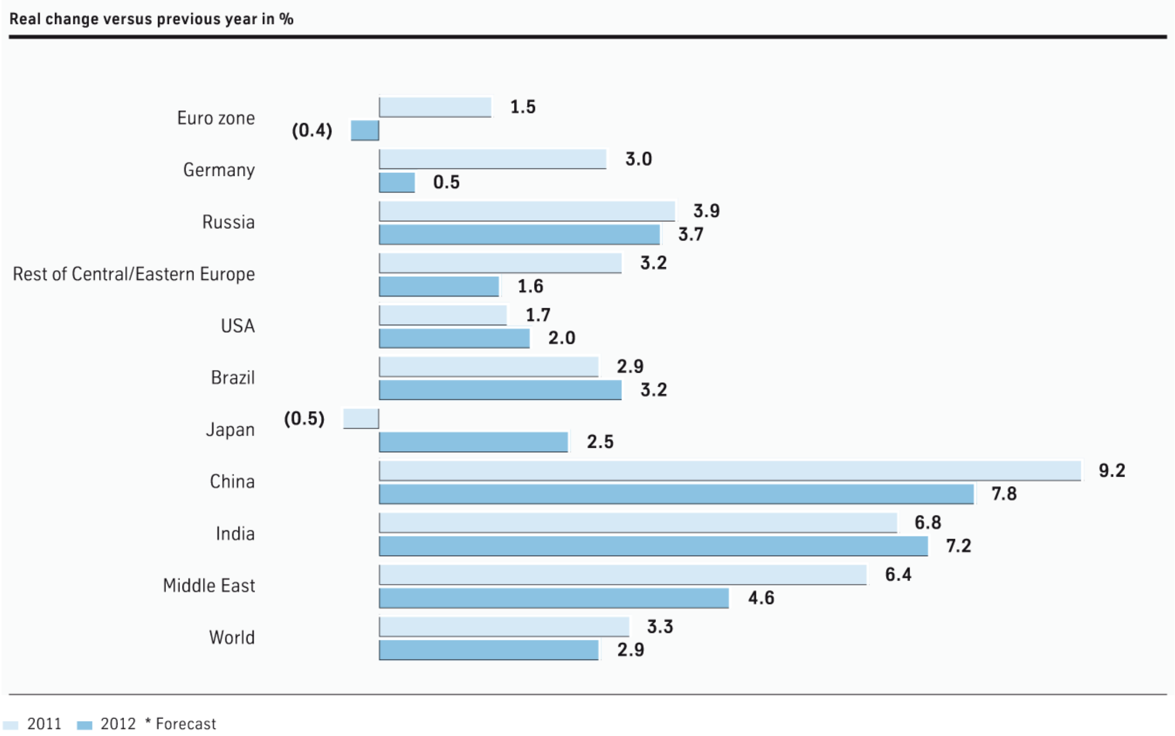
Global economic growth slowed significantly last year. Global GDP increased by only 3.3% in 2011, compared with 4.6% the year before. Particularly in the 2nd half of 2011, the pace of growth slackened considerably. This was true above all of the industrialized countries, which recorded GDP growth of only 1.7% in 2011. In the emerging markets, economic activity slowed only slightly to 5.6%.

Euro zone growth flattened noticeably in the course of 2011. The uncertainties caused by the euro debt crisis resulted in a marked reluctance to spend among consumers and businesses. In the 2nd half of 2011 growth rates in many euro zone countries stagnated or declined. After a good start, the German economy also showed little growth in the further course of the year; however, at 3.0%, German GDP growth in 2011 was higher than the euro zone average of 1.5%.

The US economy also slowed noticeably in 2011, growing by 1.7%. Growth was weighed down by the continuing weakness of the labor and real estate markets and by pressure to consolidate public budgets. Towards the end of the year however there were increasing signs of economic stabilization. Japan's economy contracted by 0.5% as a result of the natural disaster in spring 2011, but recovered slightly in the 2nd half of the year.

Despite a moderate slowdown the BRIC countries recorded high growth rates in part: GDP increased in Brazil and Russia by 2.9% and 3.9%, respectively, and in India and China by 6.8% and 9.2%, respectively.

Gross domestic product 2011, 2012*



* Forecast

Situation in the sectors mixed

Flat carbon steel – International steel market activity slowed noticeably in the course of 2011. World crude steel output declined in the final quarter of 2011 as many countries including China adjusted their capacities to lower demand. However, global production in the 4th quarter 2011 was still 3% higher than a year earlier. In 2011 as a whole, 1.5 billion tons of crude steel were produced worldwide, almost 7% more than in 2010. The USA recorded a 7% increase to 86 million tons, and the EU produced 177 million tons, 3% up from 2010. The German steel industry increased its output by 1% to 44.3 million tons.

Demand on the European flat carbon steel market weakened from early summer 2011. Steel demand fell to a lower but stable level and consumers drew down their inventories. As a result the European steel industry recorded lower orders. Steel prices slipped, partly as a result of a temporary fall in raw material prices, and this strengthened customers' reluctance to buy. Imports from third countries showed a declining trend from mid-2011. Together with supply-side adjustments by the European producers, this resulted in a stabilization of the market towards the end of the year. On the US market, which was also characterized by a supply overhang and price pressure in the summer months, a recovery began in the final quarter of 2011. Low inventory levels and a slight brightening of the economic outlook caused an improvement in steel demand.

Automotive – According to preliminary estimates, global automobile production increased in 2011 by 4% to 74 million passenger cars and light trucks. In the USA, strong pent-up demand led to an 11% surge in production. In the 4th quarter 2011 sales were up 10% from the prior year. In China, government economic measures slowed production growth in 2011 to less than 3%.

In Western Europe including Turkey, almost 15.0 million passenger cars and light trucks rolled off the production lines in 2011, 3% more than a year earlier. In the EU, by contrast, new registrations decreased by 2%, and by as much as 4% in the 4th quarter 2011. Auto manufacturers in Germany increased their production year-on-year by over 6% to 6.1 million vehicles, including almost 5.9 million passenger cars. They profited both from increased exports and from higher domestic demand. In the final quarter of 2011, new car registrations rose by 3%. The German market for heavy trucks was also positive throughout the year.

Machinery – The major machinery markets recorded still high growth rates in 2011. Only Japan reported a decrease in output, by 2%, due to the natural disaster and its aftermath. Production increased in China by 13% and in the USA by 11%.

Germany's machinery manufacturers recorded a 10% increase in orders in 2011. Domestic and foreign orders rose strongly initially, slowing slightly from the summer months. Overall, machinery output climbed by 15% in 2011. Capacity utilization was above the long-term average. The situation in the German plant engineering sector and in elevators and escalators also improved.

Construction – The construction industry continued to show a very mixed regional picture in 2011. Emerging economies like China and India recorded higher growth. Construction activity in the industrialized countries was mainly weak. The US housing market remained severely depressed, stabilizing recently at a low level.

The German construction sector was robust in 2011. Orders for commercial and above all housing construction showed a positive trend; the situation in public-sector construction remained weaker. German construction output increased overall by 3.6% in 2011.

Orders and sales roughly unchanged year-on-year

The difficult economic situation towards the end of 2011 weighed heavily on the performance of ThyssenKrupp in the 1st quarter 2011/2012. Year-on-year, order intake increased only slightly and sales showed a small decrease. Both orders and sales were down from the prior quarter. EBIT was significantly lower year-on-year.

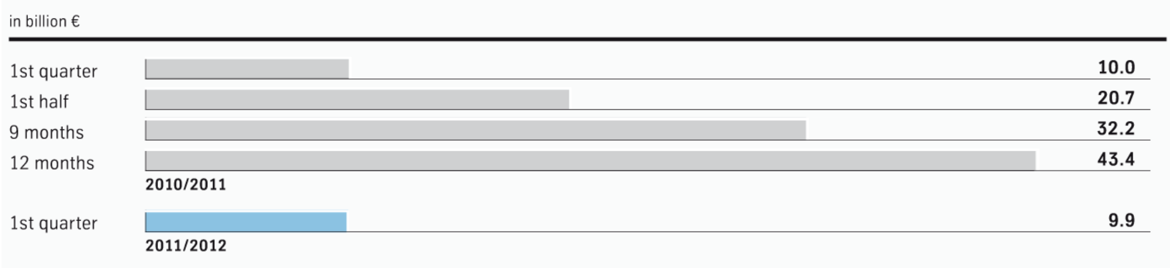
ThyssenKrupp continuing operations in figures

		1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Change in %
Order intake	million €	9,997	10,078	1
Sales	million €	10,020	9,896	(1)
EBITDA	million €	592	471	(20)
EBIT	million €	261	(33)	--
EBIT margin	%	2.6	(0.3)	—
Adjusted EBIT	million €	261	83	(68)
Adjusted EBIT margin	%	2.6	0.8	—
EBT	million €	136	(183)	--
Adjusted EBT	million €	136	(66)	--
Employees (Dec. 31)		167,095	159,682	(4)

Order intake from continuing operations came to €10.1 billion, up €81 million or 1% from the prior year, while sales declined 1% to €9.9 billion. In the Materials area – for example flat carbon steel – both orders and sales were adversely affected by low price levels and declining volumes. By contrast, demand in the Technologies area, e.g. for elevators and components for the auto industry, was mainly favorable.

Including Stainless Global, the Group's order intake at €11.3 billion was unchanged from the prior year, while Group sales decreased year-on-year by 2% to €11.1 billion.

Sales from continuing operations



Adjusted EBIT positive

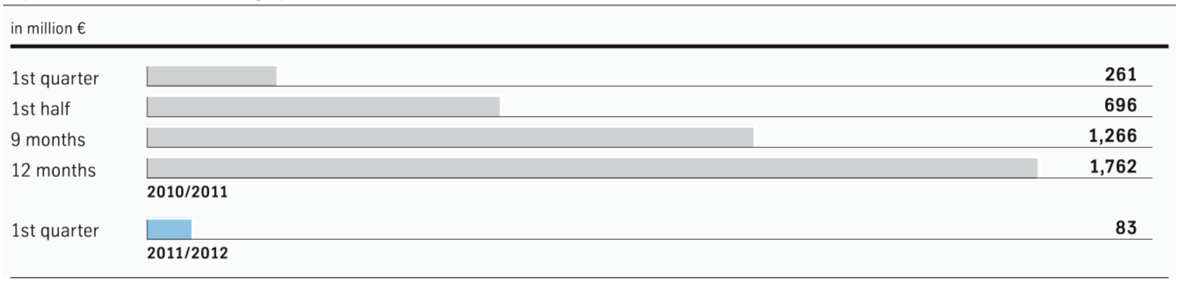
Adjusted EBIT from continuing operations was positive at €83 million, though down €178 million from €261 million in the prior year.

With the exception of Steel Americas, all continuing business areas recorded positive earnings in the 1st quarter 2011/2012. In the Materials division, the €288 million loss of Steel Americas could not be offset by the other business areas Steel Europe and Materials Services, so overall Materials reported negative adjusted EBIT of €146 million. In the Technologies division (Elevator Technology, Plant Technology, Components Technology, Marine Systems), adjusted EBIT came to €409 million. Corporate costs and consolidation items amounted to €(180) million.

Adjusted EBIT margin from continuing operations decreased year-on-year from 2.6% to 0.8%.

Including Stainless Global, the Group's adjusted EBIT slipped from €273 million to €25 million; adjusted EBIT margin fell from 2.4% to 0.2%.

Adjusted EBIT from continuing operations



EBIT from continuing operations impacted by special items

EBIT from continuing operations in the reporting quarter came to €(33) million. Impairment charges of €155 million at Marine Systems in connection with the sale of the civil shipbuilding operations had an adverse effect on earnings. In addition there were special items of €29 million at Elevator Technology, mainly relating to provisions for restructuring measures. There were positive special items of €65 million at Components Technology, reflecting gains on the disposal of the chassis components manufacturer ThyssenKrupp Automotive Systems Industrial do Brasil as well as healthcare savings at the US foundry group Waupaca.

Including Stainless Global, the Group's EBIT slipped from €273 million to €(357) million; EBIT margin fell from 2.4% to (3.2)%. The reason for this was the negative earnings contribution from the discontinued operations, which was mainly due to a further fair value adjustment of €265 million in connection with the carve-out of Stainless Global.

Adjusted EBIT in million €

	1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Change in %
EBIT	273	(357)	--
+/- Disposal losses/gains		(52)	
+ Restructuring expense		34	
+ Impairment		420	
+ Other non-operating expense		9	
- Other non-operating income		(29)	
Adjusted EBIT	273	25	(91)

Analysis of the statement of income

At €9,896 million, net sales from continuing operations in the 1st quarter of fiscal 2011/2012 were €124 million or 1% lower than in the corresponding prior-year period. The cost of sales was roughly unchanged from the prior year at €8,601 million. As a result, gross profit from continuing operations decreased to €1,295 million, while gross margin dropped from 14% to 13%.

Research and development cost from continuing operations was level with the prior year.

The €39 million increase in selling expenses from continuing operations was mainly caused by higher expenses for sales-related freight and insurance charges. General and administrative expenses from continuing operations decreased by €21 million, mainly due to lower personnel expense.

The €98 million increase in other expenses from continuing operations was mainly due to goodwill impairment charges in connection with the initiated sale of the civil operations of Blohm + Voss to a UK financial investor.

The €17 million decrease in other gains and losses attributable to continuing operations was mainly due to negative exchange rate effects from non-income taxes; this was partly offset by the gains on the disposal of the Xervon group and the Brazilian Automotive Systems operations recognized in the 1st quarter 2011/2012.

The main causes of the €86 million higher financing income and the €104 million higher financing expenses from continuing operations were exchange rate effects in connection with finance transactions.

The tax benefit from continuing operations of €11 million resulted in an effective tax rate benefit of 6.0% in the 1st quarter 2011/2012, mainly due to valuation allowances for deferred income tax assets.

After taking into account income taxes, the loss from continuing operations came to €172 million; this was a deterioration of €262 million from the prior-year quarter.

Including the €308 million after-tax loss from discontinued operations attributable to the Stainless Global business area, there was a net loss of €480 million in the reporting period, compared with a net income of €101 million in the prior year.

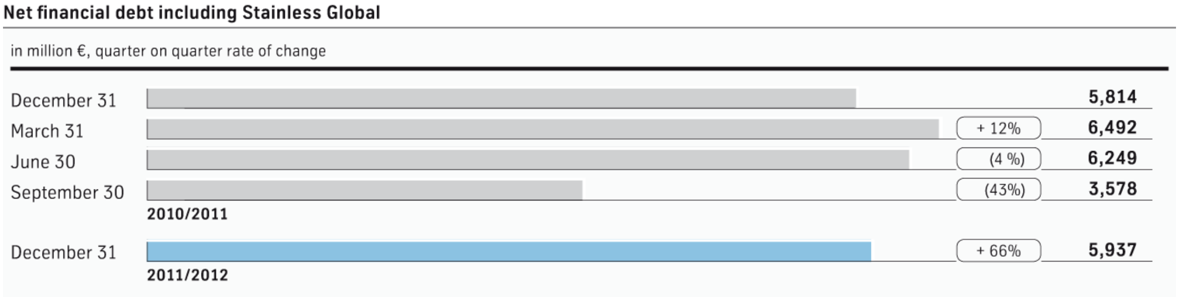
A net loss of €20 million was attributable to non-controlling interest in the reporting period, compared with a net loss of €41 million in the corresponding prior-year quarter. The €21 million improvement was mainly due to the lower loss at ThyssenKrupp CSA.

Earnings per share based on the net income/loss attributable to the shareholders of ThyssenKrupp AG decreased by €1.20 to €(0.89). Earnings per share from continuing operations came to €(0.30), a decrease of €0.59 from the prior year.

Net financial debt and capital expenditure

Net financial debt including Stainless Global was €5,937 million at December 31, 2011 – an increase of €2,359 million compared with September 30, 2011, when we reported net financial debt of €3,578 million. This increase is due to both the increase in net working capital and the ramp-up of the new carbon and stainless steel plants in Brazil and the USA. On December 31, 2010 net financial debt stood at €5,814 million.

Net financial debt including Stainless Global



ThyssenKrupp invested a total of €558 million in the 1st quarter 2011/2012, 28% less than a year earlier. €502 million was spent on property, plant and equipment and intangible assets, and €56 million on the acquisition of businesses, shareholdings and other financial assets. Excluding the major projects in Brazil and the USA, capital expenditures came to €405 million, compared with €249 million in the prior year.

Current issuer ratings

ThyssenKrupp has been rated by Moody’s and Standard & Poor’s since 2001 and by Fitch since 2003. In the 1st quarter 2009/2010 Standard & Poor’s lowered our long-term rating to BB+, meaning the Group lost investment grade status with this rating agency. At Moody’s and Fitch our rating remains investment grade.

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

Business area review

Steel Europe

Steel Europe in figures

		1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Change in %
Order intake	million €	2,929	2,705	(8)
Sales	million €	2,958	2,530	(14)
EBIT	million €	258	102	(60)
EBIT margin	%	8.7	4.0	—
Adjusted EBIT	million €	258	102	(60)
Adjusted EBIT margin	%	8.7	4.0	—
Employees (Dec. 31)		34,204	28,273	(17)

The Steel Europe business area brings together the Group's flat carbon steel activities, mainly in the European market. Premium flat products are supplied to customers in the auto industry and other steel-using sectors. The range also includes products for attractive specialist markets such as the packaging industry.

Orders and sales lower

The value of orders received at Steel Europe in the 1st quarter 2011/2012 was down 8% year-on-year at €2.7 billion. However, this reduction was due to the disposal of the Metal Forming business, still included in the prior-year figures. Without this effect, the value of new orders increased slightly. Order volumes reached 2.9 million tons in the reporting period, down 7% from a year earlier. However, in December 2011 order intake showed a marked improvement, with many customers replenishing depleted inventories.

Sales decreased by 14% to €2.5 billion. Apart from the change in the scope of consolidation, this was due to an 18% decline in shipments. Selling prices were positively influenced by the high share of long-term contract business. While sales to customers in the auto industry remained relatively stable at a high level, business with other customers fell sharply in some cases. Sales of tinplate and electrical steel decreased due to lower volumes. However, sales of heavy plate and medium-wide strip were slightly higher due to improved selling prices. Our average selling prices increased year-on-year and remained steady quarter-on-quarter, going against the negative trend on the spot markets.

Production reduced

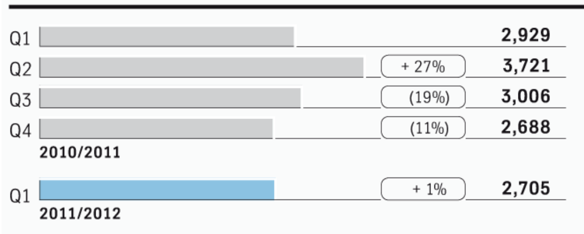
Crude steel production including supplies from Hüttenwerke Krupp Mannesmann was reduced by 21% to 2.8 million tons in the reporting period, and production in the processing operations was likewise cut. In view of weaker market demand, the relining of blast furnace 9 scheduled for 2014 was brought forward to the beginning of 2012.

EBIT down year-on-year

Steel Europe's earnings before interest and taxes (EBIT) decreased from €258 million in the prior-year quarter to €102 million. At the same time EBIT margin fell from 8.7% to 4.0%. The decline in earnings was caused by a cyclical downturn in volumes and higher raw material costs.

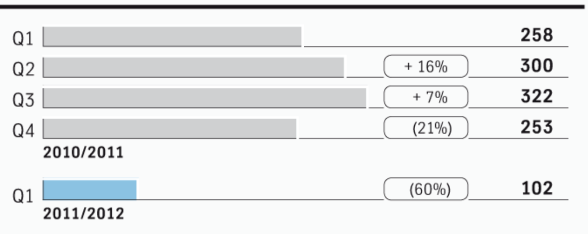
Steel Europe order intake

in million €, quarter on quarter rate of change



Steel Europe EBIT

in million €, quarter on quarter rate of change



Steel Americas

Steel Americas in figures

		1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Change in %
Order intake	million €	84	583	594
Sales	million €	86	498	479
EBIT	million €	(378)	(288)	24
EBIT margin	%	—	—	—
Adjusted EBIT	million €	(378)	(288)	24
Adjusted EBIT margin	%	—	—	—
Employees (Dec. 31)		3,571	4,081	14

With its steelmaking and processing plants in Brazil and the USA the Steel Americas business area is tapping into the North American market for premium flat steel products.

Market entry progressing

In the 1st quarter 2011/2012 Steel Americas further expanded its operations in the NAFTA market. As the ramp-up progressed we widened and optimized the range of premium flat steel products on offer. The quality of our steel grades is meeting with a strong response from our North American customers. We won new customers in the appliance, agricultural and construction machinery sectors. In addition, we drove forward the certification processes, in particular for the auto industry.

Order intake and sales climbed strongly in the reporting period. Order intake reached €583 million, sales €498 million. We sold a total of 0.6 million tons of flat steel on the North American market.

Higher startup costs weigh on EBIT

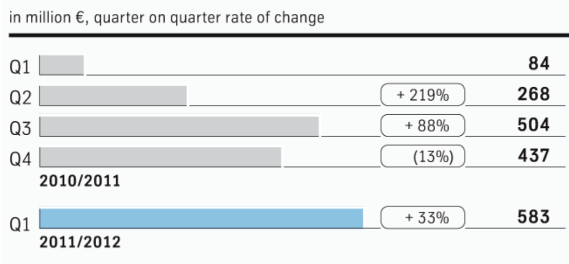
EBIT came to €(288) million compared with €(378) million in the prior-year quarter. Repair expenses for the coke plant at the Brazilian steel mill were a negative factor. An unscheduled shutdown of blast furnace 1 lasting several weeks also impacted earnings. In addition, steel prices on the North American market were weak.

Progress with ramp-up of new plants

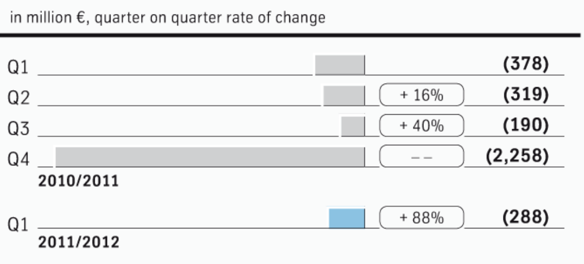
The new integrated iron and steel mill near Rio de Janeiro produced around 0.8 million tons of slabs for the US processing plant and Steel Europe in the 1st quarter 2011/2012. The final coke oven battery is scheduled to go into operation in spring 2012, which will further improve the energy network towards the end of the current fiscal year. Total crude steel capacity will be more than 5 million tons per year.

Construction work on the hot and cold rolling mills in the USA was completed with the startup of the pickling line in the last fiscal year. Three of the four hot dip galvanizing lines are also already in operation. The final line is scheduled to follow towards the end of fiscal 2011/2012. Hot-rolling capacity will total over 5 million tons/year.

Steel Americas order intake



Steel Americas EBIT



Materials Services

Materials Services in figures

		1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Change in %
Order intake	million €	3,259	3,201	(2)
Sales	million €	3,311	3,145	(5)
EBIT	million €	85	40	(53)
EBIT margin	%	2.6	1.3	—
Adjusted EBIT	million €	85	40	(53)
Adjusted EBIT margin	%	2.6	1.3	—
Employees (Dec. 31)		34,196	27,910	(18)

With 500 locations in over 40 countries the Materials Services business area specializes in materials distribution including technical services.

Prices and margins under severe pressure

Materials Services achieved sales of €3.1 billion in the 1st quarter 2011/2012, down 5% from the 1st quarter of the prior year. Excluding the divested Xervon group, the decrease in sales amounted to €108 million, or 3.5%.

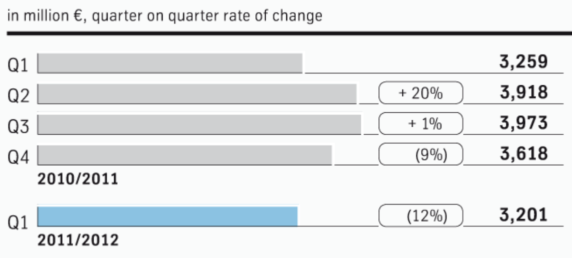
Capacity utilization and demand in the main customer industries were for the most part good to satisfactory. However, widespread uncertainty due to the financial crisis meant that orders were placed very carefully and users ran down inventories. As a result sales in the metals warehousing business were slightly lower year-on-year; demand weakened mainly towards the end of the quarter, especially in Germany and the countries of Western Europe. By contrast, sales volumes in Eastern Europe and North America were up from the prior year. However, in all regions price and margin pressure increased from the middle of last year. This also applied to the international direct-to-customer and project business, which was marked by very intense competition and increasing order deferrals. While the aerospace business performed for the most part positively, sales of plastics followed a similar pattern to metals.

Demand for metallurgical raw materials decreased in the wake of numerous production cutbacks in the steel industry. The slide in demand for coke was particularly drastic; in addition, global overcapacity caused a sharp fall in prices. Capacity utilization and sales of our steel mill services business remained stable at a high level.

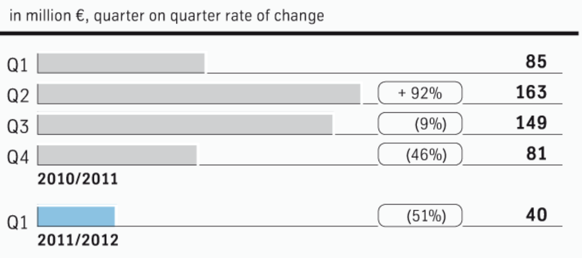
EBIT more than halved

High price pressure and intense competition in the materials business as well as significant volume and sales losses in raw materials distribution were the main reasons for a drop in EBIT from €85 million to €40 million; EBIT margin halved from 2.6% to 1.3%.

Materials Services order intake



Materials Services EBIT



Elevator Technology

Elevator Technology in figures

		1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Change in %
Order intake	million €	1,306	1,466	12
Sales	million €	1,299	1,348	4
EBIT	million €	171	113	(34)
EBIT margin	%	13.2	8.4	—
Adjusted EBIT	million €	171	142	(17)
Adjusted EBIT margin	%	13.2	10.5	—
Employees (Dec. 31)		44,489	46,581	5

The Elevator Technology business area supplies passenger and freight elevators, escalators and moving walks, passenger boarding bridges, stair and platform lifts as well as service for the entire product range. Over 900 locations worldwide form a tight-knit sales and service network that keeps us close to customers.

Order intake and sales higher

Elevator Technology performed positively in the 1st quarter 2011/2012 despite an in part difficult market environment.

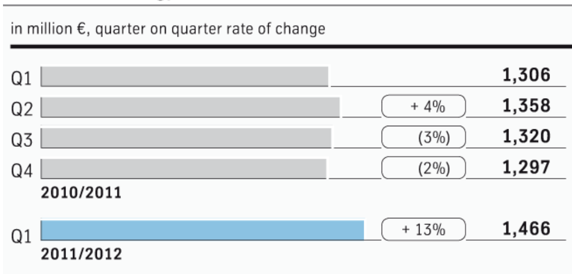
Orders increased 12% year-on-year to €1.5 billion. Exchange-rate effects had no significant impact. Both the new installations and the service and modernization businesses achieved growth. While the level of new orders in Europe remained steady, in part significant growth was achieved in the North American and Asian markets and in the Gulf region.

Sales amounted to €1.3 billion, an increase of 4% year-on-year. Exchange-rate effects had no major impact. Lower sales as a result of the difficult market environment in some regions of Europe were outweighed by the continuous expansion of the maintenance portfolio and growth in the USA, Brazil and Asia – in particular China.

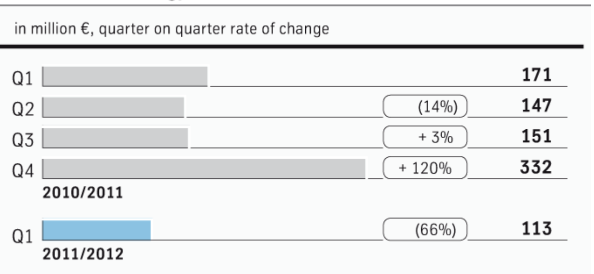
Earnings lower year-on-year

In the 1st quarter 2011/2012 Elevator Technology achieved EBIT of €113 million. Excluding special items – mainly provisions for restructuring – earnings came to €142 million. The weaker performance on the Spanish and North American markets prevented a repeat of the very high prior-year level. Adjusted EBIT margin amounted to 10.5%, compared with 13.2% in the prior-year quarter.

Elevator Technology order intake



Elevator Technology EBIT



Plant Technology

Plant Technology in figures

		1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Change in %
Order intake	million €	1,016	871	(14)
Sales	million €	897	943	5
EBIT	million €	107	125	17
EBIT margin	%	11.9	13.3	—
Adjusted EBIT	million €	107	125	17
Adjusted EBIT margin	%	11.9	13.3	—
Employees (Dec. 31)		13,001	13,786	6

The product portfolio of Plant Technology includes chemical plants and refineries, equipment for the cement industry, innovative solutions for the mining and extraction of raw materials, and production systems for the auto industry. The business area’s equipment and processes open up new possibilities for environmental protection and sustainability.

Good order situation continues

Plant Technology achieved order intake of €871 million in the first three months of 2011/2012, 14% down from the prior-year period. While the market situation remained good, the awarding of orders was delayed by project deferrals – particularly for large chemical plants. This was mainly due to the political upheavals in parts of North Africa. The order situation for coke plants remained very good. In the cement and minerals business, orders were at a stable high level. In addition, we significantly increased our order intake for production systems for the auto industry.

In the 1st quarter 2011/2012 Plant Technology achieved sales of €943 million, up 5% year-on-year.

Orders in hand at December 31, 2011 were slightly higher than a year earlier at €6.5 billion. This high order backlog is the result of long-term project business and will secure capacity utilization and sales for a period of more than one year.

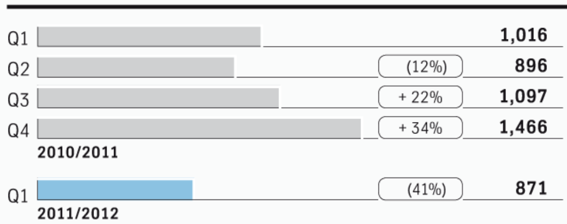
In connection with the expansion of our market presence in coke plant technology, we acquired the Tokyo-based Otto Corporation.

Pleasing earnings

Plant Technology achieved EBIT of €125 million, up €18 million from the year-earlier figure. This pleasing result was mainly due to the successful billing of orders. EBIT margin at 13.3% was significantly above the prior-year level of 11.9%.

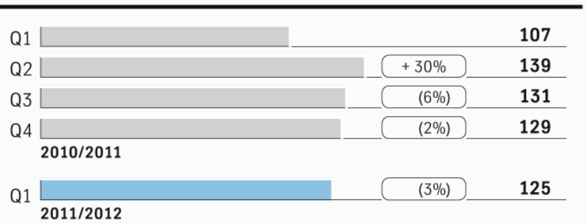
Plant Technology order intake

in million €, quarter on quarter rate of change



Plant Technology EBIT

in million €, quarter on quarter rate of change



Components Technology

Components Technology in figures

		1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Change in %
Order intake	million €	1,602	1,778	11
Sales	million €	1,599	1,753	10
EBIT	million €	127	169	33
EBIT margin	%	7.9	9.6	—
Adjusted EBIT	million €	127	103	(19)
Adjusted EBIT margin	%	7.9	5.9	—
Employees (Dec. 31)		29,649	30,936	4

The Components Technology business area supplies a range of high-tech components for wind turbines, construction equipment and general engineering applications. In the auto sector our activities are focused on crankshafts, camshafts, steering systems, dampers, springs, and the assembly of axle modules.

Further increase in orders and sales

The Components Technology business area started the 2011/2012 fiscal year successfully. 1st-quarter order intake climbed 11% year-on-year to €1.8 billion. Demand for car and truck components as well as parts for general engineering and construction equipment applications was higher than the year before. The market for automotive components remained positive in particular in the USA and Brazil. The business area also profited from good demand in the midsize and premium segments and the growth of individual major customers. In China, anti-inflationary measures by the government led to slower growth. Also, the expansion of the wind energy grid was delayed, causing a fall in orders for components.

Sales followed the pleasing trend in orders and reached €1.8 billion, up 10% from the prior year.

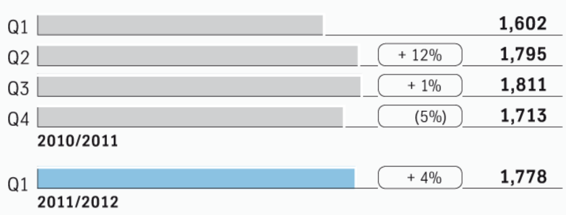
Rise in profits

Components Technology achieved EBIT of €169 million, improving on the good level of the prior year. The figure includes special items relating to the gain on the disposal of the chassis components manufacturer ThyssenKrupp Automotive Systems Industrial do Brasil and further significant healthcare savings at the US foundry group Waupaca.

Adjusted EBIT was down from the prior year at €103 million. This was due to the downturn in demand in the wind energy sector in China, higher development costs for new products, costs for reopening Waupaca's previously idled Etowah plant in the USA, startup costs for new plants in China and India, and negative exchange-rate effects for exports from Brazil to the USA. Adjusted EBIT margin therefore decreased from 7.9% to 5.9%.

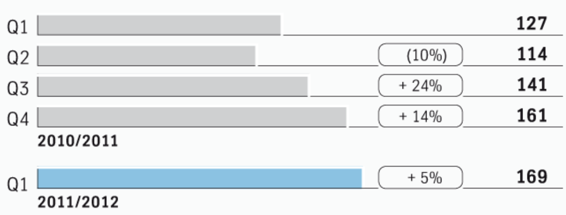
Components Technology order intake

in million €, quarter on quarter rate of change



Components Technology EBIT

in million €, quarter on quarter rate of change



Marine Systems

Marine Systems in figures

		1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Change in %
Order intake	million €	426	222	(48)
Sales	million €	504	366	(27)
EBIT	million €	46	(116)	--
EBIT margin	%	9.1	(31.7)	—
Adjusted EBIT	million €	46	39	(15)
Adjusted EBIT margin	%	9.1	10.7	—
Employees (Dec. 31)		5,407	5,301	(2)

After the restructuring of our shipyards, the Marine Systems will focus exclusively on naval shipbuilding in the future as part of the Group's strategic development.

Lower order intake and sales

Despite the uncertain political situation in key regions such as the Middle East and North Africa, the market environment for naval orders was generally stable. However, civil shipbuilding was impacted by the continuing decline in freight rates, though the effect on our operations remained limited.

Order intake at Marine Systems reached €222 million in the reporting period, driven mainly by the repair and ship's component businesses. The higher value of new orders in the prior year was due to one-time effects from the restructuring of the submarine orders from Greece.

With sales of €366 million, Marine Systems held up well overall. The unusually high comparative figure from the prior-year quarter was strongly influenced by the above-mentioned one-time effects of the Greek orders.

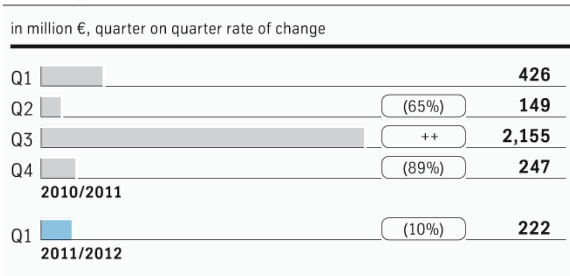
Negative earnings due to special items

The business area's EBIT came to €(116) million, down from €46 million in the year-earlier quarter. However, the prior-year figure was positively influenced by the one-time effects of the restructuring of the transaction with Greece. Earnings in the reporting period were also impacted by special items of €155 million resulting from impairment charges in particular on goodwill in connection with the sale of the civil shipbuilding operations. With adjusted EBIT of €39 million, adjusted EBIT margin was up from 9.1% a year earlier to 10.7%.

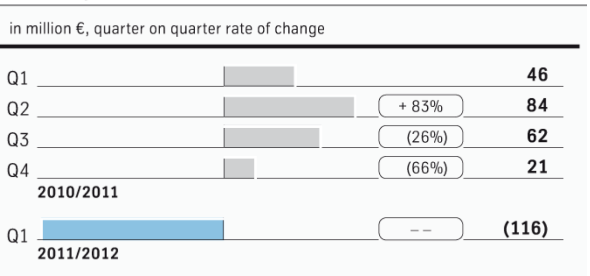
Restructuring of the shipyards

The restructuring of the shipyards is largely complete. The UK-based financial investor Star Capital Partners has taken over Hamburg-based Blohm + Voss Shipyards and thus the mega-yacht construction business. Blohm + Voss Industries and Blohm + Voss Repair have also been transferred to Star Capital Partners. The agreements were signed in the reporting period; the closing took place on January 31, 2012.

Marine Systems order intake



Marine Systems EBIT



Corporate at ThyssenKrupp AG

Corporate comprises the Group's head office including management of the business areas. It also includes the business services activities in the areas of finance, communications, IT and human resources, as well as non-operating real estate and inactive companies. Sales of services by Corporate companies to Group companies in the reporting period came to €35 million, up from €31 million a year earlier.

EBIT amounted to €(99) million, compared with €(88) million in the prior year. The deterioration is mainly the result of higher administrative costs. Adjusted EBIT came to €(101) million. There were no special items in the prior-year period.

Stainless Global (discontinued operation)

Stainless Global in figures

		1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Change in %
Order intake	million €	1,483	1,372	(7)
Sales	million €	1,605	1,438	(10)
EBIT	million €	7	(321)	--
EBIT margin	%	0.4	(22.3)	—
Adjusted EBIT	million €	7	(56)	--
Adjusted EBIT margin	%	0.4	(3.9)	—
Employees (Dec. 31)		11,196	11,630	4

The discontinued operation Stainless Global stands for premium-quality stainless steel flat products and high-performance materials such as nickel alloys, titanium and zirconium.

Order intake and sales lower

Business at Stainless Global declined in the reporting period. Although order volumes were only slightly lower at 496,000 tons, the value of new orders fell 7% to €1.4 billion due mainly to lower alloy surcharges. 573,000 tons of stainless steel flat products and 10,200 tons of high-performance materials were produced.

Overall shipments were 1% down from the prior year at 491,000 tons. Due to the generally lower price level and reduced alloy surcharges, sales decreased by 10% to €1.4 billion.

Earnings weaker

Following a further fair value adjustment of €265 million in connection with the carve-out of Stainless Global, EBIT decreased from €7 million in the 1st quarter of the prior year to €(321) million. EBIT margin dropped from 0.4% to (22.3)%. In addition, earnings were impacted by the continuing difficult market environment and associated price pressure. The reduced nickel price and the €51 million startup costs of the new stainless steel mill in the USA also had a negative effect. The high-performance alloys business profited from the continued stable market situation and increased its positive earnings. Furthermore with the classification as a discontinued operation, non-current assets are no longer depreciated. In the 1st quarter 2011/2012 this resulted in the absence of depreciation expenses of €46 million.

Stainless steel mill in the USA

At the US site in Calvert construction work and the ramp-up of already commissioned equipment is continuing as planned. In the cold-rolling mill the hot-rolled annealing and pickling line has gone into operation and is now being ramped up. The third rolling mill is currently being installed and is scheduled to go into operation in summer 2012. The 1 million ton per year capacity melt shop is due to start operation in December 2012. Until then the location will continue to be supplied with hot band and slabs from the European mills.

ThyssenKrupp including Stainless Global

ThyssenKrupp including Stainless Global in figures

		1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011	Change in %
Order intake	million €	11.260	11.260	—
Sales	million €	11.370	11.138	(2)
EBITDA	million €	645	412	(36)
EBIT	million €	273	(357)	--
EBIT margin	%	2,4	(3,2)	—
Adjusted EBIT	million €	273	25	(91)
Adjusted EBIT margin	%	2,4	0,2	—
EBT	million €	145	(514)	--
Adjusted EBT	million €	145	(131)	--
Employees (Dec. 31)		178.291	171.312	(4)

Including Stainless Global, the Group's order intake came in level with the prior-year quarter at €11.3 billion; sales were 2% lower at €11.1 billion.

Including Stainless Global, the Group's EBIT came to €(357) million, €630 million lower than a year earlier. EBIT margin decreased from 2.4% to (3.2)%.

ThyssenKrupp stock

As in the prior quarter, share prices were affected by the development of the debt crisis and uncertain macroeconomic expectations.

In the first few weeks of the 2011/2012 fiscal year, ThyssenKrupp's stock initially profited from economic hopes following measures to resolve the European debt crisis. However, economic concerns quickly returned to the fore. The situation was exacerbated by the Group's uncertain outlook for the new fiscal year. As a consequence, the share price ended the reporting period down.

After reaching a quarterly high of €22.30 on October 28, 2011, ThyssenKrupp's share price on December 30, 2011 stood at €17.73, almost 5% lower than on September 30, 2011. In the same period, the DAX and DJ STOXX indices performed better, gaining 7% and almost 9% respectively.

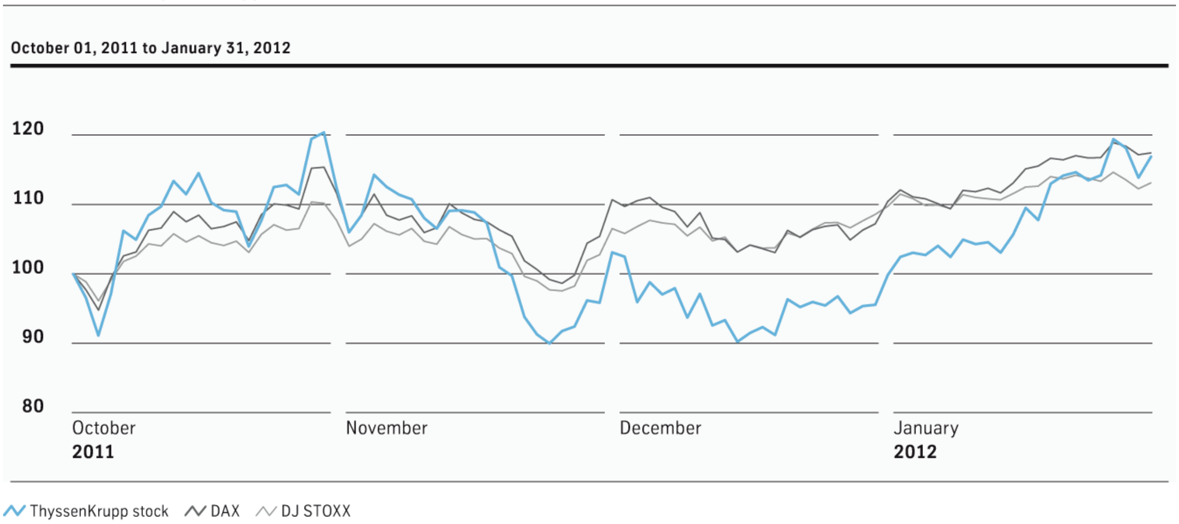
Capital Markets Day focused on Technologies division

As part of our efforts to position ThyssenKrupp as a diversified industrial group, international capital market experts were invited to the Technologies division's Capital Markets Day in early December 2011. We provided the analysts and institutional investors, who mainly cover the steel sector, with a detailed insight into the business models, market potential and management quality of the Elevator Technology, Plant Technology, Components Technology and Marine Systems business areas.

In the individual presentations, the management also highlighted the global growth trends driving each of the businesses and the products and services ThyssenKrupp offers outside its materials businesses. The event was rounded out by a Tech Show, at which participants were able to see and experience products such as components for the automotive industry for themselves.

The positive feedback from participants reinforces our commitment to staging regular Capital Market Days in the future. We are convinced that targeted IR measures on the Group's Strategic Way Forward will have additional positive effects on the valuation of ThyssenKrupp's stock.

Performance of ThyssenKrupp stock relative to DAX and DJ STOXX, indexed



Innovations

Innovative materials for the auto industry should enhance component quality while also being compatible with the manufacturing processes used. Both requirements are met by steel sheet with the new GammaProtect® coating, which we supply for the single-stage hot stamping of crash-relevant parts. This electrolytic coating has a higher melting point than galvanized surfaces which enables it to withstand the extremely high temperatures of hot stamping. Like conventional galvanizing it provides both anti-scaling and active anti-corrosion protection. Hot-stamped steel parts with GammaProtect® coating can also be used in the wet areas of car bodies where the risk of corrosion is particularly high. As a cost-efficient forming process that meets rigorous requirements for both safety and weight reduction, hot stamping is currently gaining in popularity in the automotive industry.

The future success of electric vehicles depends on the availability of efficient, low-cost, high-quality batteries. Our automation technology specialists have received a contract from a French carmaker to build an assembly line for battery systems using lithium-ion cells. The lines for cell manufacture and module and battery assembly are being developed at a new technology center near Chemnitz. Rather than single machines, the focus is on creating a complete line as a turnkey product.

Employees

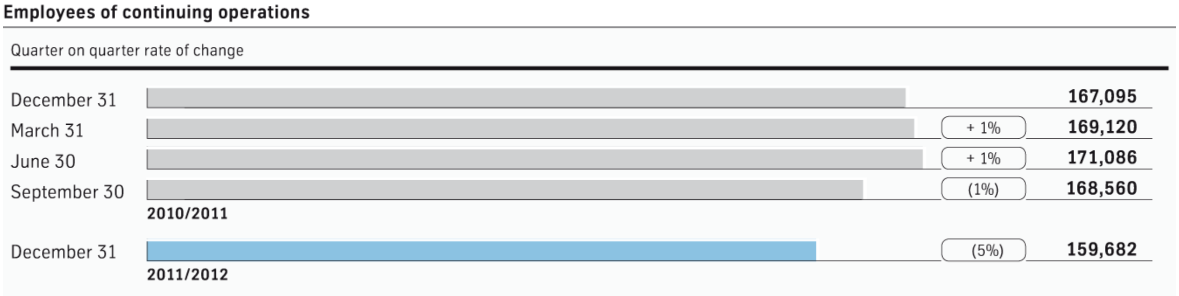
On December 31, 2011, the Group's continuing operations employed 159,682 people, 7,413 or 4.4 % fewer than a year earlier.

The construction of the new steelmaking and processing plants in Brazil and the USA created a large number of new jobs in the Steel Americas business area. Elevator Technology, Plant Technology and Components Technology also recruited new employees. The headcount fell at Steel Europe due to restructuring and at Materials Services and Marine Systems due to disposals.

At the end of December 2011, 13.5% of all employees were based in South America, 14.5% in the NAFTA region, 20% in Europe outside Germany, 13.5% in Asia – in particular China and India – and 1.5% in the rest of the world.

Including Stainless Global, ThyssenKrupp had 171,312 employees worldwide at the end of 2011, a year-on-year reduction of 6,979 or 3.9%. Compared with September 30, 2011, the workforce decreased by 8,738 or 4.9%.

Employees of continuing operations



Financial position

Analysis of the statement of cash flows

The amounts taken into account in the statement of cash flows correspond to the item “Cash and cash equivalents” as reported in the statement of financial position and also include the cash and cash equivalents relating to the disposal groups including the discontinued operations. For the reporting period and the corresponding prior-year quarter, the discontinued operations comprise the activities of the Stainless Global business area.

In the 1st quarter of fiscal 2011/2012 there was a net cash outflow from operating activities of €1,815 million, compared with €1,435 million in the prior-year quarter. Cash outflow from continuing operations was also higher, rising by €484 million to €1,578 million. This was mainly caused by a €376 million increase in funds tied up in other assets/liabilities not related to investing or financing activities, of which €298 million related to liabilities from construction contracts. In addition, net income before depreciation and deferred taxes fell by €120 million. In the discontinued operations, €176 million lower funds were tied up in inventories and trade receivables, resulting in a €104 million improvement in operating cash flow to €(237) million.

The cash outflow from investing activities decreased by €414 million year-on-year to €239 million. The €442 million reduction in the continuing operations was due to €272 million lower capital expenditure for property, plant and equipment and €275 million higher proceeds from the disposal of previously consolidated companies – mainly the Xervon group and the Brazilian Automotive Systems activities. The discontinued operations reported a €28 million increase in cash outflow from investing activities; this was mainly due to higher capital expenditure for property, plant and equipment.

The free cash flow, i.e. the sum of operating cash flows and cash flows from investing activities, was negative in both the continuing operations and the discontinued operations, in each case unchanged from the prior-year quarter. Overall, free cash flow in the 1st quarter 2011/2012 was €(2,054) million.

The €75 million cash inflow from financing activities in the continuing operations was €708 million less than a year earlier. On the one side borrowings were €454 million lower; on the other side, the cash outflow from other financing activities was €297 million higher – in particular through the reduction in liabilities to associated companies. In the discontinued operations there was a €324 million cash inflow from financing activities; this was €70 million lower than in the prior-year quarter and related in particular to the integration of the Stainless Global business area into the Group financing system. Overall, the Group’s cash inflow from financing activities decreased by €778 million to €399 million.

Analysis of the statement of financial position

Compared with September 30, 2011, total assets decreased by €498 million to €43,105 million. This includes a currency translation-related increase of €866 million.

Non-current assets increased by a total of €739 million. The €186 million rise in intangible assets was mainly due to exchange rate effects and higher goodwill in connection with acquisitions in the Elevator Technology and Plant Technology business areas. The €341 million increase in property, plant and equipment was mainly currency related. In addition to currency translation effects, the €155 million increase in deferred tax assets was mainly caused by the increase in tax-deductible losses in Germany and abroad.

Current assets decreased overall by €1,237 million.

Inventories stood at €8,760 million on December 31, 2011, up €655 million from September 30, 2011. Exchange rate effects resulted in a €118 million increase. Further increases in particular at the Steel Europe and Materials Services business areas were due to lower shipments and sales in December 2011.

The €106 million rise in other current financial assets was mainly due to claims against raw materials suppliers from discounts and contractually agreed price adjustments. Other current non-financial assets were €294 million higher, due in particular to higher refund entitlements in connection with taxes not based on income as well as increased advance payments for the procurement of inventories.

The €1,463 million decrease in cash and cash equivalents was mainly attributable to the negative free cash flow from continuing operations of €(1,733) million in the 1st quarter 2011/2012.

Assets held for sale decreased by €828 million to €4,933 million. The decrease reflected the disposals initiated in the 2010/2011 fiscal year and completed in November 2011 of the Xervon group in the Materials Services business area (€451 million) and the Chinese operations of the Metal Forming group in the Steel Europe business area (€65 million). In addition, there were €155 million impairment charges on non-current assets in connection with the initiated disposal of the civil operations of Blohm + Voss to a British financial investor, as well as a €32 million reduction in the Stainless Global business area, where increases resulting from the continuing business operations were more than offset by €265 million impairment charges based on the agreement with Outokumpu.

Total equity at December 31, 2011 was €10,000 million, down €382 million from September 30, 2011. The €480 million net loss for the period and in particular the net actuarial losses from pensions and similar obligations (€259 million after taxes) recognized in other comprehensive income led to a sharp decrease in total equity. This was offset above all by unrealized gains from foreign currency translation (€327 million) and from derivative financial instruments (€52 million after taxes) recognized in other comprehensive income.

Non-current liabilities increased in total by €777 million. This included a €345 million increase in accrued pension and similar obligations, of which €378 million was due to the updated interest rates used for the revaluation of pension and healthcare obligations at December 31, 2011. In addition, non-current financial debt increased by €469 million, which was almost entirely attributable to liabilities to financial institutions.

Current liabilities decreased overall by €893 million.

Current provisions for employee benefits decreased by €108 million, mainly due to utilization. The €587 million increase in current financial debt related in particular to liabilities to financial institutions and liabilities in connection with a commercial paper program.

Trade accounts payable decreased by €497 million, mainly due to reductions in the Materials Services and Components Technology business areas.

The €128 million decrease in current financial liabilities was due mainly to a reduction in liabilities to associated companies.

The €636 million reduction in liabilities associated with assets held for sale to €2,588 million included €397 million for the aforementioned disposal of the Xervon group; further reductions resulted in particular from the continuing business operations of the Stainless Global business area.

Subsequent events

On January 31, 2012, the Supervisory Board of ThyssenKrupp AG approved the combination of the Group's stainless steel operations with the Finnish stainless steel producer Outokumpu Oyj. The Board of Directors of Outokumpu has also given its approval. ThyssenKrupp will hold a 29.9% minority interest in the new company. The business combination is subject to the customary closing conditions, including approval by the relevant regulatory authorities. The transaction is to be completed by the end of 2012. For further details, turn to the section "Strategic development of the Group" on page 03.

Expected developments and associated opportunities and risks

Economic forecasts subject to uncertainties

Expectations for the economy as a whole and the individual sectors in 2012 are marked by great uncertainties. For the industrialized countries in particular, the risk of a further slowdown, especially in the 1st half of the year, has increased. The main reasons for this are the turbulence on the financial markets and the consequences of the sovereign debt crisis. On the other hand, despite now noticeable signs of slowing most emerging countries are still showing relatively solid growth, which limits the risk of a global recession.

For 2012 we expect global economic growth of 2.9%, compared with 3.3% in the prior year. The emerging countries should expand by 5.3% altogether, the industrialized countries by only around 1.3%. We expect a similar picture for 2013.

In the euro zone, GDP is expected to decline slightly in 2012, hampered by the pressure to consolidate public budgets and cautious business spending. For Germany we expect an increase of only 0.5%; growth rates may even be negative in the 1st quarter.

In the USA economic growth could pick up slightly to 2.0% in 2012. Industrial activity remains relatively robust, and positive signs are coming from the labor market, which could stimulate private consumption. In Japan the catch-up process after the natural disaster will lead to an expansion of 2.5%.

The emerging countries will remain growth drivers of the global economy in 2012. GDP growth of 7.8% is forecast for China. The other BRIC countries are also expected to show solid growth rates.

Industrial sectors mainly positive

Flat carbon steel – The global steel market will continue to grow in 2012, although probably slightly more slowly than in the prior year. Europe and NAFTA are expected to show little if any growth in steel consumption against the background of slowing economic momentum. The main impetus will again come from the emerging markets. In China, demand growth will weaken only slightly. With capacities in China and other emerging countries still increasing, steel production will continue to expand, so the situation on the raw materials markets is unlikely to ease significantly in 2012. The costs of input materials in steel production will therefore remain generally high. Global finished steel demand is expected to rise by 4% in 2012; this corresponds to crude steel production of around 1.6 billion metric tons. In Germany, steel demand will be level with the prior year at 40.5 million tons.

Automotive – The international auto market will remain on a moderate growth track in 2012. Worldwide production of cars and light trucks is expected to increase by around 4% year-on-year to 77.4 million units. Production growth in the USA could reach 3%, and in Japan catch-up demand will result in above-average expansion rates of around 22%. In China government curbs will restrict growth to just below 6%. The Western European and German auto industries will probably stagnate at the level of 2011.

Machinery – The machinery sector will not maintain its very high prior-year rate of expansion in 2012, with capital spending in several countries subdued. Growth in the USA could slow to 5%, and is also expected to soften slightly in China to 11%. By contrast, production in Japan is expected to be 7% higher after the decline in the prior year. In Germany output will at least stabilize at the high level of 2011. The German plant engineering sector also has a good workload for 2012.

Construction – Construction activity will continue to show regional differences in 2012. In Western Europe little more than stagnation is expected, while the prospects for some Central and Eastern European countries are brighter. The US construction sector could make a slight recovery with growth of around 3%. Construction activity in India and China will remain relatively strong, with growth rates of 8% and 10% respectively.

Situation on important sales markets

	2011	2012*
Demand for finished steel, million tons		
World	1,395	1,456
Germany	40.5	40.5
USA	89	91
China	635	668
Vehicle production, million cars and light trucks		
World	74.1	77.4
Western Europe/Turkey	15.0	14.9
Germany	6.1	6.1
USA	8.5	8.7
Japan	7.4	9.0
China	16.1	17.0
Brazil	3.5	3.8
Machinery production, real, in % versus prior year		
Germany	15.0	0.0
USA	11.0	5.0
Japan	(2.0)	7.0
China	13.0	11.0
Construction output, real, in % versus prior year		
Germany	3.6	1.7
USA	1.6	3.1
China	10.4	9.9

* Forecast

Expected results of operations

Our performance in 2011/2012 will be shaped to a very large extent by the impact of the sovereign debt crisis on our core markets in Europe and the NAFTA region, the scale of which still cannot be accurately assessed. For this reason we are unable to provide a reliable full-year forecast at present.

Our quarter-on-quarter view for the 2nd quarter 2011/2012 is as follows:

- At Materials, ThyssenKrupp expects shipments and sales volumes to increase quarter-on-quarter. Softer prices in contract business resulting from the weaker environment in the 1st quarter will be offset by rising prices in shorter-term transactions and on the spot market. The losses at Steel Americas are expected to be lower. However, higher volumes and improved productivity will continue to be offset by technical startup costs.

- At Technologies, adjusted EBIT should be level with the prior quarter. We anticipate higher earnings contributions from Components Technology as a result of continuing strong demand from car makers. By contrast, earnings contributions from Plant Technology could decline temporarily; the projects due to be billed there will result in lower adjusted EBIT.

With a view to the 2nd half of the current fiscal year, we expect the following developments:

- For Materials we are currently seeing encouraging signs on the price and volume side. Despite this, the uncertain economic parameters make it impossible to provide a reliable forecast for the 3rd and 4th quarters. The losses at Steel Americas should continue to decline.

- At Technologies, the structure of orders in hand at our Plant Technology business continues to provide high planning certainty; earnings contributions from this business should be higher in the 2nd fiscal half than in the 1st. The Components Technology business is more cyclical, so we cannot yet assume that the strong current overall operating levels will continue in the 2nd fiscal half. Earnings contributions from Marine Systems are expected to be at a normalized level in the 2nd half of the year.

Our goal in fiscal 2011/2012 remains to reduce complexity in the Group, cut costs, and sustainably improve cash generation. In addition we aim to reduce net financial debt.

In the 2012/2013 fiscal year:

- We will continue to work on the structural improvement of the Group and rigorously implement our integrated strategic development plan. This may include measures to achieve sustainable cost reductions or to optimize the portfolio.

- Provided the economic effects of the sovereign debt crisis do not extend into our 2012/2013 fiscal year, we expect our sales to increase with the general growth in the economy. Offsetting effects could result from portfolio measures. Rising sales and structural improvements should have a correspondingly positive impact on earnings. Further upside potential should come from operating improvements at Steel Americas. We will continue to seek to reduce our net financial debt.

Opportunities through growth in emerging economies

There are significant opportunities for ThyssenKrupp's sophisticated product and process innovations in emerging countries and other growth markets, in particular if the overall economic environment improves. In the application fields "Material", "Mechanical" and "Plant" we are gaining an edge in the global market and can offer our customers innovative products in a cost- and resource-efficient way. Moreover, we are constantly improving our productivity and carrying out value-enhancement measures in all areas of the Group.

Our operating and strategic opportunities in the individual markets were set out on pages 106-108 of our 2010/2011 Annual Report; this information is still valid.

Risks remain manageable and contained

The debt crises in the USA and some European countries and the uncertainties on the financial markets continue to impact our business activities. This poses macroeconomic risks to the markets of relevance to us. Our continuous and systematic risk management helps us keep the risks manageable and contained and avoid risks that threaten the existence of the Company. Our corporate program impact has been launched successfully and is contributing to sustainable cost reductions and efficiency improvements in all areas of the Group.

ThyssenKrupp manages its liquidity and credit risks proactively. The Group's financing and liquidity remain on a secure foundation in fiscal 2011/2012. At December 31, 2011 the Group had €6.0 billion in cash, cash equivalents and committed credit lines.

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

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.

Our steel activities are currently being impacted by a weakening market, fluctuating raw material prices and rising energy prices. We secure our competitiveness with extensive measures such as adjusted selling prices and alternative procurement sources where possible. As the ramp-up of the Steel Americas plants progresses, delays or quality problems may occur which will be minimized through close collaboration and coordination with our experts at Steel Europe.

We are constantly increasing our global presence, in particular in the identified growth markets in the emerging economies. This further expands our good and longstanding customer relationships and makes us less dependent on individual sales markets and sectors.

Risks from developments in specific countries and political unrest in the Middle East and North Africa are continuously monitored with regard to our current and planned business activities. At present we see no significant constraints from these risks.

Changes to the legal framework at national or European level may entail risks for us if these lead to higher costs or competitive disadvantages for our activities. We monitor discussions in this area intensively through close working contacts with the relevant institutions.

Beyond this, the detailed information contained in the risk report on pages 108-119 of our 2010/2011 Annual Report is still valid.

We report on pending lawsuits, claims for damages and other risks in Note 5.

ThyssenKrupp AG
Consolidated statement of financial position

Assets million €

	Note	Sept. 30, 2011	Dec. 31, 2011
Intangible assets		4,166	4,352
Property, plant and equipment		12,649	12,990
Investment property		301	301
Investments accounted for using the equity method		593	619
Other financial assets		71	74
Other non-financial assets		453	481
Deferred tax assets		940	1,095
Total non-current assets		19,173	19,912
Inventories, net		8,105	8,760
Trade accounts receivable*		5,138	5,128
Other financial assets*		499	605
Other non-financial assets		1,563	1,857
Current income tax assets		134	143
Cash and cash equivalents		3,230	1,767
Assets held for sale	02	5,761	4,933
Total current assets		24,430	23,193
Total assets		43,603	43,105

Equity and Liabilities million €

	Note	Sept. 30, 2011	Dec. 31, 2011
Capital stock		1,317	1,317
Additional paid in capital		4,684	4,684
Retained earnings		2,833	2,103
Cumulative other comprehensive income		178	510
thereof relating to disposal groups/discontinued operations (Sept. 30, 2011: (19); Dec. 31, 2011: 1)			
Equity attributable to ThyssenKrupp AG's stockholders		9,012	8,614
Non-controlling interest		1,370	1,386
Total equity		10,382	10,000
Accrued pension and similar obligations	04	6,940	7,285
Provisions for other employee benefits*		197	176
Other provisions*		451	501
Deferred tax liabilities		324	257
Financial debt		6,494	6,963
Other financial liabilities		1	2
Other non-financial liabilities		7	7
Total non-current liabilities		14,414	15,191
Provisions for employee benefits*		300	192
Other provisions*		1,200	1,160
Current income tax liablilities		409	338
Financial debt		178	765
Trade accounts payable*		4,926	4,429
Other financial liabilities*		1,238	1,110
Other non-financial liabilities		7,332	7,332
Liabilities associated with assets held for sale	02	3,224	2,588
Total current liabilities		18,807	17,914
Total liabilities		33,221	33,105
Total equity and liabilities		43,603	43,105

* Prior year figure adjusted.
See accompanying selected notes.

ThyssenKrupp AG
Consolidated statement of income

million €, earnings per share in €

	Note	1st quarter ended Dec. 31, 2010*	1st quarter ended Dec. 31, 2011
Net sales	08	10,020	9,896
Cost of sales	09	(8,562)	(8,601)
Gross profit		1,458	1,295
Research and development cost		(41)	(37)
Selling expenses		(640)	(679)
General and administrative expenses		(558)	(537)
Other income		54	52
Other expenses		(55)	(153)
Other gains/(losses)		25	8
Income/(loss) from operations		243	(51)
Income/(expense) from companies accounted for using the equity method		14	7
Finance income		226	312
Finance expenses		(347)	(451)
Financial income/(expense), net		(107)	(132)
Income/(loss) before income taxes		136	(183)
Income tax (expense)/income		(46)	11
Income/(loss) from continuing operations		90	(172)
Discontinued operations (net of tax)		11	(308)
Net income/(loss)		101	(480)
Attributable to:			
ThyssenKrupp AG's stockholders		142	(460)
Non-controlling interest		(41)	(20)
Net income/(loss)		101	(480)
Basic and diluted earnings per share	10		
Income from continuing operations (attributable to ThyssenKrupp AG's stockholders)		0.29	(0.30)
Net income/(loss) (attributable to ThyssenKrupp AG's stockholders)		0.31	(0.89)

* Prior year figures adjusted.
See accompanying selected notes.

ThyssenKrupp AG
Consolidated statement of comprehensive income

million €

	1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011
Net income/(loss)	101	(480)
Foreign currency translation adjustment		
Change in unrealized gains/(losses), net	449	334
Net realized (gains)/losses	0	(7)
Net unrealized gains/(losses)	449	327
Unrealized gains/(losses) from available-for-sale financial assets		
Change in unrealized gains/(losses), net	(2)	0
Net realized (gains)/losses	0	0
Tax effect	0	0
Net unrealized gains/(losses)	(2)	0
Actuarial gains/(losses) from pensions and similar obligations		
Change in actuarial gains/(losses), net	604	(370)
Tax effect	(185)	111
Net actuarial gains/(losses) from pensions and similar obligations	419	(259)
Gains/(losses) resulting from asset ceiling		
Change in gains/(losses), net	(25)	8
Tax effect	8	(2)
Net gains/(losses) resulting from asset ceiling	(17)	6
Unrealized (losses)/gains on derivative financial instruments		
Change in unrealized gains/(losses), net	24	64
Net realized (gains)/losses	(4)	7
Tax effect	(5)	(19)
Net unrealized gains/(losses)	15	52
Share of unrealized gains/(losses) of investments accounted for using the equity-method	7	10
Other comprehensive income	871	136
Total comprehensive income	972	(344)
Attributable to:		
ThyssenKrupp AG's stockholders	940	(384)
Non-controlling interest	32	40

See accompanying selected notes.

ThyssenKrupp
Consolidated statement of changes in equity

million € (except number of shares)

		Equity attributable to ThyssenKrupp AG's stockholders										
					Cumulative other comprehensive income							
	Number of shares outstanding	Capital stock	Additional paid in capital	Retained earnings	Foreign currency translation adjustment	Available-for-sale financial assets	Derivative financial instruments	Share of investments accounted for using the equity method	Treasury stock	Total	Non-controlling interest	Total equity
Balance as of Sept. 30, 2010	464,394,337	1,317	4,684	3,703	127	5	50	10	(1,396)	8,500	1,888	10,388
Net income				142						142	(41)	101
Other comprehensive income				401	376	(2)	15	8		798	73	871
Total comprehensive income				543	376	(2)	15	8		940	32	972
Profit attributable to non-controlling interest										0	(12)	(12)
Share-based compensation				5						5	0	5
Other changes				(3)						(3)	1	(2)
Balance as of Dec. 31, 2010	464,394,337	1,317	4,684	4,248	503	3	65	18	(1,396)	9,442	1,909	11,351
Balance as of Sept. 30, 2011	514,489,044	1,317	4,684	2,833	170	2	(22)	28	0	9,012	1,370	10,382
Net loss				(460)						(460)	(20)	(480)
Other comprehensive income				(256)	277	0	42	13		76	60	136
Total comprehensive income				(716)	277	0	42	13		(384)	40	(344)
Profit attributable to non-controlling interest										0	(21)	(21)
Other changes				(14)						(14)	(3)	(17)
Balance as of Dec. 31, 2011	514,489,044	1,317	4,684	2,103	447	2	20	41	0	8,614	1,386	10,000

See accompanying selected notes.

ThyssenKrupp
Consolidated statement of cash flows

million €

	1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011
Net income/(loss)	101	(480)
Adjustments to reconcile net income/(loss) to operating cash flows:		
Discontinued operations (net of tax)	(11)	308
Deferred income taxes, net	(56)	(87)
Depreciation, amortization and impairment of non-current assets	342	515
Reversals of impairment losses of non-current assets	(2)	(1)
(Income)/loss from companies accounted for using the equity method, net of dividends received	(11)	(6)
(Gain)/loss on disposal of non-current assets, net	(21)	(60)
Changes in assets and liabilities, net of effects of acquisitions and divestitures and other non-cash changes:		
- inventories	(854)	(551)
- trade accounts receivable	37	69
- accrued pension and similar obligations	(76)	(81)
- other provisions	(28)	(134)
- trade accounts payable	(376)	(555)
- other assets/liabilities not related to investing or financing activities	(139)	(515)
Operating cash flows - continuing operations	(1,094)	(1,578)
Operating cash flows - discontinued operations	(341)	(237)
Operating cash flows - total	(1,435)	(1,815)
Purchase of investments accounted for using the equity method and non-current financial assets	(21)	(10)
Expenditures for acquisitions of consolidated companies net of cash acquired	(44)	(39)
Capital expenditures for property, plant and equipment (inclusive of advance payments) and investment property	(636)	(366)
Capital expenditures for intangible assets (inclusive of advance payments)	(15)	(51)
Proceeds from disposals of investments accounted for using the equity method and non-current financial assets	5	0
Proceeds from disposals of previously consolidated companies net of cash acquired	15	290
Proceeds from disposals of property, plant and equipment and investment property	96	14
Proceeds from disposals of intangible assets	3	7
Cash flows from investing activities - continuing operations	(597)	(155)
Cash flows from investing activities - discontinued operations	(56)	(84)
Cash flows from investing activities - total	(653)	(239)
Proceeds from liabilities to financial institutions	1,103	954
Repayments of liabilities to financial institutions	(61)	(338)
Proceeds from notes payable and other loans	171	149
Increase in bills of exchange	9	3
Proceeds from non-controlling interest to equity	2	0
Profit attributable to non-controlling interest	(12)	(21)
Expenditures for acquisitions of shares of already consolidated companies	0	(15)
Financing of discontinued operations	(460)	(391)
Other financing activities	31	(266)
Cash flows from financing activities - continuing operations	783	75
Cash flows from financing activities - discontinued operations	394	324
Cash flows from financing activities - total	1,177	399
Net decrease in cash and cash equivalents - total	(911)	(1,655)
Effect of exchange rate changes on cash and cash equivalents	101	61
Cash and cash equivalents at beginning of reporting period	3,673	3,568
Cash and cash equivalents at end of reporting period - total	2,863	1,974
[thereof cash and cash equivalents within disposal groups]	[294]	[136]
[thereof cash and cash equivalents within discontinued operations]	[-]	[71]
Additional information regarding cash flows of continuing operations from interest, dividends and income taxes which are included in operating cash flows:		
Interest received	53	40
Interest paid	(62)	(52)
Dividends received	4	2
Income taxes paid	(85)	(138)

See note 11.

ThyssenKrupp AG
Selected notes

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, 2011 to December 31, 2011, were authorized for issue in accordance with a resolution of the Executive Board on February 13, 2012.

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 December 31, 2011, 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 2010/2011.

Recently adopted accounting standards
In fiscal year 2011/2012, ThyssenKrupp adopted the following standards, interpretations and amendments:

In November 2009 the IASB issued a revised version of IAS 24 “Related Party Disclosures”. The revised standard simplifies the disclosure requirements for government-related entities and clarifies the definition of a related party. The application of the amended standard is compulsory for fiscal years beginning on or after January 01, 2011, while earlier application is permitted. The adoption of the amended standard did not have a material impact on the Group’s consolidated financial statements.

In November 2009 the IASB issued an amendment to IFRIC 14, which is itself an interpretation of IAS 19 “Employee Benefits”, titled “Prepayments of a Minimum Funding Requirement”. The amendment applies in the limited circumstances when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendment permits such an entity to treat the benefit of such an early payment as an asset. The application of the amended interpretation is compulsory for fiscal years beginning on or after January 01, 2011, while earlier application is permitted for 2009 year-end financial statements. The adoption of the interpretation did not have a material impact on the Group’s consolidated financial statements.

In May 2010 the IASB issued the third omnibus standard “Improvements to IFRSs” as part of its annual improvement process project. This standard slightly adjusts six standards and one interpretation. Unless otherwise specified, the amendments are effective for fiscal years beginning on or after January 01, 2011, while earlier application is permitted. The adoption of the amended standards and interpretation did not have a material impact on the Group’s consolidated financial statements.

In October 2010 the IASB issued amendments to IFRS 7 “Financial Instruments: Disclosures”. The amendments will allow users of financial statements to improve the understanding of transfer transactions of financial assets. The application of the amendments is compulsory for fiscal years beginning on or after July 01, 2011, while earlier application is permitted. In the year of adoption comparative disclosure is not required. Currently, Management does not expect the adoption of the amendments in the notes as of September 30, 2012 to have a material impact on the presentation.

Recently issued accounting standards
In fiscal year 2011/2012, the following amendments to already existing standards have been issued which must still be endorsed by the EU before they can be adopted:

In October 2011 the IASB issued the IFRIC interpretation 20 “Stripping Costs in the Production Phase of a Surface Mine”. The interpretation regulates the accounting for stripping costs in the production phase of a surface mine. The interpretation clarifies under which conditions an asset must be recognized for the relating stripping measures and how initial and subsequent measurement of this asset has to be determined. The interpretation is compulsory for fiscal years beginning on or after January 01, 2013; earlier application is permitted. Currently, Management does not expect the adoption of the interpretation – if endorsed by the EU in the current version – to have an impact on the Group’s consolidated financial statements.

In December 2011 the IASB issued an amendment to IAS 32 “Financial Instruments: Presentation” which clarifies the requirements for offsetting financial assets and financial liabilities to eliminate existing inconsistencies in current practice. The amendment is compulsory for fiscal years beginning on or after January 01, 2014 and shall be applied retrospectively; earlier application is permitted. Currently, Management does not expect the adoption of the amendment – if endorsed by the EU in the current version – to have a material impact on the Group’s consolidated financial statements.

In December 2011 the IASB issued an amendment to IFRS 7 “Financial Instruments: Disclosures” which requires disclosures in the context of certain offsetting arrangements. The obligation for disclosures has to be applied regardless of whether the offsetting arrangements result in any actual offsetting of the respective financial assets and financial liabilities. The new disclosure requirements shall simplify comparing financial statements prepared in accordance with IFRS and financial statements prepared in accordance with US GAAP. The amendment is compulsory for fiscal years beginning on or after January 01, 2013 and shall be applied retrospectively; earlier application is permitted. Currently, Management does not expect the adoption of the amendment – if endorsed by the EU in the current version – to have a material impact on the Group’s consolidated financial statements.

In December 2011 the IASB issued amendments to IFRS 9 “Financial Instruments” and IFRS 7 “Financial Instruments: Disclosures” that defer the mandatory effective date of IFRS 9 from January 01, 2013 to January 01, 2015. In addition the amendment provides relief from the requirement to restate comparative financial statements for the effect of applying IFRS 9. Instead, additional transition disclosures have been added to IFRS 7 to help users of the financial statements to understand the effect that the initial application of IFRS 9 has on the classification and measurement of financial instruments. Earlier application of IFRS 9 is still permitted. Currently, Management is not able to finally assess the impact of adoption of IFRS 9 – if endorsed by the EU in the current version.

01 Acquisitions and disposals

In August 2011, as part of the portfolio optimization, the Group initiated the disposal of the ThyssenKrupp Xervon Group in the Materials Services business area which was consummated in November 2011. The Xervon Group is one of the world’s leading providers of technical services for industrial plant construction and maintenance. This disposal, the disposal of the Chinese activities of the Metal Forming Group that were initiated in April 2011 and consummated in November 2011, the disposal of ThyssenKrupp Automotive Systems Industrial do Brasil Ltda. as well as other smaller disposals that are, on an individual basis, immaterial affected in total, based on the values as of the respective disposal date, the Group’s consolidated financial statements as presented below:

million €

	1st quarter ended Dec. 31, 2011
Goodwill	18
Other intangible assets	3
Property, plant and equipment	161
Other financial assets	1
Deferred tax assets	5
Inventories	118
Trade accounts receivable	209
Other current financial assets	31
Other current non-financial assets	26
Current income tax assets	1
Cash and cash equivalents	50
Total assets disposed of	623
Accrued pension and similar obligations	44
Other non-current provisions	1
Deferred tax liabilities	7
Non-current financial debt	2
Other current provisions	36
Current income tax liablilities	5
Current financial debt	29
Trade accounts payable	79
Other current financial liabilities	171
Other current non-financial liabilities	95
Total liabilities disposed of	469
Net assets disposed of	154
Cumulative other comprehensive income	(14)
Non-controlling interest	1
Gain/(loss) resulting from the disposals	52
Selling prices	191
thereof: received in cash and cash equivalents	187

In addition in the 1st quarter ended December 31, 2011, the Group acquired smaller companies that are, on an individual basis, immaterial. Based on the values as of the acquisition date, these acquisitions affected in total the Group’s consolidated financial statements as presented below:

million €

	1st quarter ended Dec. 31, 2011
Goodwill	59
Other intangible assets	23
Property, plant and equipment	3
Other financial assets	2
Deferred tax assets	6
Inventories	1
Trade accounts receivable	13
Other current financial assets	1
Other current non-financial assets	2
Cash and cash equivalents	7
Total assets acquired	117
Accrued pension and similar obligations	1
Deferred tax liabilities	1
Non-current financial debt	1
Current financial debt	1
Trade accounts payable	15
Other current non-financial liabilities	14
Total liabilities assumed	33
Net assets acquired	84
Non-controlling interest	0
Purchase prices	84
thereof: paid in cash and cash equivalents	76

02 Discontinued operations and disposal groups

As part of the portfolio optimization and of the decision about the concept for the further strategic development in May 2011, in fiscal year 2009/2010 as well as in fiscal year 2010/2011 the disposal of parts of the Marine Systems business area and the disposal of the entire Stainless Global business area have been initiated. Both disposals are not consummated as of the balance sheet date. The disposal of parts of the Marine Systems business area does not meet the requirements of IFRS 5 for a presentation as a discontinued operation. Therefore, revenues and expenses will continue to be presented as income from continuing operations until the date of the disposal. However the initiated disposal of the entire Stainless Global business area met the criteria for a presentation as a discontinued operation for the first time as of September 30, 2011. Therefore, all revenues and expenses of this business area of the reporting period will be presented in the consolidated statement of income in the line item “discontinued operations (net of tax)”. The prior year presentation has been adjusted accordingly. For entities for which the disposal has not been completed as of the balance sheet date of the respective reporting period, the assets and liabilities of the disposal group and of the discontinued operation have been disclosed separately in the consolidated balance sheet of the reporting period in the line items “assets held for sale” and “liabilities associated with assets held for sale”.

In April 2010 the disposal of parts of the Marine Systems business area has been initiated. The transaction comprises the disposal of Blohm + Voss Shipyards GmbH, operating in shipbuilding in particular of premium-segment yachts and of Blohm + Voss Repair GmbH and Blohm + Voss Industries GmbH, both engaged in ship repairing and the manufacturing of components. Additionally, the construction capacities for civil ship construction of former HDW Gaarden are part of the disposal group. In the year ended September 30, 2011, the civil part of former HDW Gaarden has been disposed of. Due to the termination of the negotiations with the Abu Dhabi MAR Group on the complete takeover of the civil shipbuilding activities and a joint venture in naval surface ship building, as of June 30, 2011, assets held for sale of €133 million and liabilities associated with assets held for sale of €145 million have been reclassified to the corresponding balance sheet positions. As of December 31, 2011 as already as of September 30, 2011, the sale of the civil operations of Blohm + Voss is still part of the disposal group which is the yacht building and repair and components businesses in Hamburg. The valuation at fair value less costs to sell led to an impairment loss of €125 million on goodwill which was recognized in other expenses and impairment losses of €6 million on other intangible assets and of €24 on property, plant and equipment which were recognized in cost of sales.

The assets and liabilities of the disposal group as of December 31, 2011 are presented in the following table:

million €

	Dec. 31, 2011
Other intangible assets	6
Property, plant and equipment	26
Deferred tax assets	3
Inventories	47
Trade accounts receivable	113
Other current financial assets	3
Other current non-financial assets	4
Current income tax assets	2
Cash and cash equivalents	136
Assets held for sale	340
Accrued pension and similar obligations	45
Provisions for other non-current employee benefits	4
Other non-current provisions	2
Deferred tax liabilities	4
Other non-current financial liabilities	3
Other current provisions	17
Current income tax liabilities	6
Current financial debt	10
Trade accounts payable	32
Other current financial liabilities	5
Other current non-financial liabilities	132
Liabilities associated with assets held for sale	260

The transaction has been consummated.

Discontinued operation: Stainless Global business area

As part of its program for the further strategic development with the cornerstones to reduce the Group's debt, enable sustainable growth, create value and increase earning power, in May 2011 the Group decided to focuse the portfolio and to divest businesses for which there are stronger strategic alternatives.

Therefore as one measure, effective September 30, 2011, the corporate, organizational and contractual conditions for creating a separate Stainless Global and consequently the conditions for the first-time presentation as a discontinued operation were established. The intended separation shall be carried out as an IPO, a spin-off or a sale and shall happen within 18 months after the resolution.

In the context with the initiated disposal, as of September 30, 2011 the measurement of discontinued operations at fair value less costs to sell based on internal calculations and market observations resulted in an impairment loss of €510 million. Thereof, €45 million applied to goodwill and the remaining impairment loss was allocated to property, plant and equipment. The expense is recognized in income/(loss) of discontinued operations of the 4th quarter of 2010/2011.

Based on the contract with Outokumpu about the intended sale, as of December 31, 2011 the measurement resulted in an impairment loss of €265 million that was allocated to property, plant and equipment. The expense is recognized in income/(loss) of discontinued operations of the 1st quarter of 2011/2012.

The calculation of the share component of the new company was based on the closing rate of the Outokumpu share of February 02, 2012. Until the final fixing of the value ratios at the closing of the transaction, significant value fluctuations may occur.

The results of the 1st quarter of the Stainless Global business area that classifies as a discontinued operation are as follows:

million €

	1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011
Net sales	1,428	1,307
Other income	10	5
Expenses	(1,429)	(1,378)
Ordinary income/(loss) from discontinued operations (before taxes)	9	(66)
Income tax (expense)/income	2	23
Ordinary income/(loss) from discontinued operations (net of tax)	11	(43)
Gain/(loss) recognized on measurement adjustments of discontinued operations (before taxes)	—	(265)
Income tax (expense)/income	—	—
Gain/(loss) recognized on measurement adjustments of discontinued operations (net of tax)	0	(265)
Discontinued operations (net of tax)	11	(308)
thereof:		
ThyssenKrupp AG's stockholders	10	(307)
Non-controlling interest	1	(1)

On initial classification as a discontinued operation, non-current assets are no longer amortized and depreciated, therefore in the 1st quarter ended December 31, 2011, amortization and depreciation of €46 million were suspended.

The assets and liabilities of the discontinued operation as of December 31, 2011 are presented in the following table:

million €

	Dec. 31, 2011
Other intangible assets	26
Property, plant and equipment	1,644
Investment property	12
Investments accounted for using the equity method	16
Other financial assets	2
Other non-financial assets	2
Deferred tax assets	145
Inventories	1,888
Trade accounts receivable	648
Other current financial assets	26
Other current non-financial assets	97
Current income tax assets	16
Cash and cash equivalents	71
Assets held for sale	4,593
Accrued pension and similar obligations	281
Provisions for other non-current employee benefits	22
Other non-current provisions	82
Deferred tax liabilities	117
Non-current financial debt	55
Other non-current non-financial liabilities	1
Provisions for current employee benefits	3
Other current provisions	56
Current income tax liabilities	18
Current financial debt	124
Trade accounts payable	1,342
Other current financial liabilities	102
Other current non-financial liabilities	125
Liabilities associated with assets held for sale	2,328

03 Share-based compensation

Management incentive plans

Due to a downward trend of the ThyssenKrupp EVA, the Group recorded an income of € 9.8 million from the reversal of the obligations of the mid-term and long-term incentive plans MTI and LTI in the 1st quarter ended December 31, 2011 (1st quarter ended December 31, 2010: expense of €3.4 million); thereof income of €0.4 million (1st quarter ended December 31, 2010: expense of €0.2 million)are presented in income/(loss) of discontinued operations.

In September 2010 the structure of the variable compensation for members of the Executive Board of ThyssenKrupp AG was modified. 25% of the performance bonus granted for the respective fiscal year and 55% of the additional bonus granted depending on the economic situation will be obligatorily converted into ThyssenKrupp AG stock rights to be paid out after a three-year lock-up period based on the average ThyssenKrupp share price in the 4th quarter of the 3rd fiscal year. In the 3rd quarter of 2010/2011 the structure of the variable compensation for additional executive employees was modified. 20% of the performance bonus granted for the respective fiscal year will be obligatorily converted into ThyssenKrupp AG stock rights to be paid out after a three-year lock-up period based on the average ThyssenKrupp share price in the 4th quarter of the 3rd fiscal year. This compensation item resulted in expense of €0.1 million in the 1st quarter ended December 31, 2011 (1st quarter ended December 31, 2010: €1.2 million).

04 Accrued pension and similar obligations

Based on updated interest rates and fair value of plan assets, an updated valuation of accrued pension and health care obligations was performed as of December 31, 2011, taking into account these effects while other assumptions remained unchanged.

million €

	Sept. 30, 2011	Dec. 31, 2011
Accrued pension liability	6,007	6,245
Accrued postretirement obligations other than pensions	1,080	1,190
Other accrued pension-related obligations	210	176
Reclassification due to the presentation as liabilities associated with assets held for sale	(357)	(326)
Total	6,940	7,285

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

in %

	Sept. 30, 2011		Dec. 31, 2011	
	Germany	Outside Germany	Germany	Outside Germany
Discount rate for accrued pension liability	5.00	4.41	4.70	4.66
Discount rate for postretirement obligations other than pensions (only USA/Canada)	—	4.75	—	4.00

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

million €

	1st quarter ended Dec. 31, 2010		1st quarter ended Dec. 31, 2011	
	Germany	Outside Germany	Germany	Outside Germany
Service cost	20	9	19	8
Interest cost	62	26	67	23
Expected return on plan assets	(3)	(28)	(3)	(25)
Net periodic pension cost	79	7	83	6

The above presented net periodic pension cost for defined benefit plans in the amount of €83 million (1st quarter ended December 31, 2010: €79 million) in Germany and of €6 million (1st quarter ended December 31, 2010: €7 million) outside Germany include €3 million (1st quarter ended December 31, 2010: €3 million) and €0 million (1st quarter ended December 31, 2010: €0 million), respectively, attributable to discontinued operations. These costs are presented in income/(loss) from discontinued operations in the consolidated statement of income.

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

million €

	1st quarter ended Dec. 31, 2010 USA/Canada	1st quarter ended Dec. 31, 2011 USA
Service cost	2	1
Interest cost	14	11
Expected return on reimbursement rights	(1)	(1)
Past service cost	(2)	(30)
Net periodic postretirement benefit cost/(income)	13	(19)

05 Contingencies including pending lawsuits and claims for damages

Guarantees

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

million €

	Maximum potential amount of future payments as of Dec. 31, 2011	Provision as of Dec. 31, 2011
Advance payment bonds	365	1
Performance bonds	187	1
Third party credit guarantee	50	0
Residual value guarantees	60	2
Other guarantees	41	0
Total	703	4

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

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

Commitments and other contingencies

Due to the high volatility of iron ore prices, in the Steel Europe and Steel Americas business areas the existing long-term iron ore and iron ore pellets supply contracts are measured for the entire contract period at the iron ore prices applying as of the respective balance sheet date. Compared to September 30, 2011, the purchasing commitments were reduced by €3.3 billion to €25.1 billion due to the lower ore prices on a US dollar basis despite of the opposite effect of the weaker Euro.

Pending lawsuits and claims for damages

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

There have been no significant changes since September 30, 2011 to other contingencies, including pending litigations.

06 Derivative financial instruments

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

million €

	Notional amount Sept. 30, 2011	Fair value Sept. 30, 2011	Notional amount Dec. 31, 2011	Fair value Dec. 31, 2011
Derivative financial instruments				
Assets				
Foreign currency derivatives including embedded derivatives	4,429	136	4,662	165
Interest rate derivatives*	299	5	310	5
Commodity derivatives	511	78	326	43
Total	5,239	219	5,298	213
Liabilities				
Foreign currency derivatives including embedded derivatives	5,489	275	3,638	210
Interest rate derivatives*	750	35	1,122	72
Commodity derivatives	384	68	422	70
Total	6,623	378	5,182	352

* inclusive of cross currency swaps

07 Related parties transactions

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 1st quarter ended December 31, 2011, the ThyssenKrupp Group recorded sales of €5.0 million (1st quarter ended December 31, 2010: €5.1 million) with the Heitkamp & Thumann Group from the sale of steel and stainless material as well as from industrial servicing and sales of €0.1 million (1st quarter ended December 31, 2010: €0.1 million) with the Heitkamp Baugruppe from the sale of goods. In the same period ThyssenKrupp purchased goods with a value of €82 thousand (1st quarter ended December 31, 2010: €4 thousand) from the Heitkamp Baugruppe. The transactions were carried out at market conditions. As of December 31, 2011, the transactions with the Heitkamp & Thumann Group resulted in trade accounts receivable of €2.1 million (1st quarter ended December 31, 2010: €1.1 million) and the transactions with the Heitkamp Baugruppe resulted in trade accounts payable of €0.1 million (1st quarter ended December 31, 2010: €0.1 million).

08 Segment reporting

Segment information for the 1st quarter ended December 31, 2010 and December 31, 2011 is as follows:

million €

	Steel Europe	Steel Americas	Materials Services	Elevator Technology	Plant Technology	Components Technology	Marine Systems	Corporate	Stainless Global*	Consoli-dation	Group
1st quarter ended Dec. 31, 2010											
External sales	2,444	74	3,129	1,298	881	1,595	504	17	1,428	0	11,370
Internal sales within the Group	514	12	182	1	16	4	0	14	177	(920)	0
Total sales	2,958	86	3,311	1,299	897	1,599	504	31	1,605	(920)	11,370
EBIT	258	(378)	85	171	107	127	46	(88)	7	(62)	273
1st quarter ended Dec. 31, 2011											
External sales	2,079	327	3,008	1,351	940	1,754	366	6	1,307	0	11,138
Internal sales within the Group	451	171	137	(3)	3	(1)	0	29	131	(918)	0
Total sales	2,530	498	3,145	1,348	943	1,753	366	35	1,438	(918)	11,138
EBIT	102	(288)	40	113	125	169	(116)	(99)	(321)	(82)	(357)

* Discontinued operation

Net sales and operating EBIT reconcile to EBT from continuing operations as presented in the consolidated statement of income as following:

million €

	1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011
Sales as presented in segment reporting	11,370	11,138
- Sales of Stainless Global	(1,605)	(1,438)
+ Sales of Stainless Global to Group companies	177	131
+ Sales of Group companies to Stainless Global	78	65
Sales as presented in the statement of income	10,020	9,896

million €

	1st quarter ended Dec. 31, 2010	1st quarter ended Dec. 31, 2011
EBIT as presented in segment reporting	273	(357)
- Depreciation of capitalized borrowing costs eliminated in EBIT	(9)	(11)
+ Finance income	227	314
- Finance expense	(352)	(459)
- Items of finance income assigned to EBIT based on economic classification	(3)	(1)
- Items of finance expense assigned to EBIT based on economic classification	9	0
EBT - Group	145	(514)
- EBT of Stainless Global	(9)	331
EBT from continuing operations as presented in the statement of income	136	(183)

09 Cost of sales

Cost of sales for the 1st quarter ended December 31, 2011, includes write-downs of inventories of €19 million which mainly relate to the Steel Europe and Steel Americas business areas. As of September 30, 2011, write-downs amounted to €232 million. In addition, income/(loss) from discontinued operations includes write-downs of inventories of €42 million.

10 Earnings per share

Basic earnings per share is calculated as follows:

	1st quarter ended Dec. 31, 2010		1st quarter ended Dec. 31, 2011	
	Total amount in million €	Earnings per share in €	Total amount in million €	Earnings per share in €
Income/(loss) from continuing operations (net of tax) (attributable to ThyssenKrupp AG's stockholders)	132	0.29	(153)	(0.30)
Income/(loss) from discontinued operations (net of tax) (attributable to ThyssenKrupp AG's stockholders)	10	0.02	(307)	(0.59)
Net income/(loss) (attributable to ThyssenKrupp AG's stockholders)	142	0.31	(460)	(0.89)
Weighted average shares	464,394,337		514,489,044	

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

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

In fiscal year 2010/2011 the weighted average number of outstanding shares was increased by the sale of treasury shares in February 2011 in the context of the Group's share purchase program, by the sale of treasury shares in May 2011 in the context of the employee share purchase and by the sale of treasury shares in the accelerated bookbuilding process to mainly institutional investors in July 2011.

There were no dilutive securities in the periods presented.

11 Additional information to the consolidated statement of cash flows

The liquid funds considered in the consolidated statement of cash flows correspond to the „Cash and cash equivalents" line item in the consolidated statement of financial position taking into account the cash and cash equivalents attributable to the disposal groups inclusive of discontinued operations.

Non-cash investing activities

In the 1st quarter ended December 31, 2011, the acquisition and first-time consolidation of companies created an increase in non-current assets of €62 million (1st quarter ended December 31, 2010: €0 million).

The non-cash addition of assets under finance leases in the 1st quarter ended December 31, 2011 amounted to €1 million (1st quarter ended December 31, 2010: €13 million).

Non-cash financing activities

In the 1st quarter ended December 31, 2011, the acquisition and first-time consolidation of companies resulted in an increase in gross financial debt of €2 million (1st quarter ended December 31, 2010: €0 million).

12 Subsequent events

On January 31, 2012, the Supervisory Board of ThyssenKrupp AG approved the combination of the Group's stainless steel operations with the Finnish stainless steel producer Outokumpu Oyj. The Board of Directors of Outokumpu has also given its approval. ThyssenKrupp will hold a 29.9% minority interest in the new company. The business combination is subject to customary closing conditions, including approval by the relevant regulatory authorities. The transaction is to be completed by the end of 2012.

Essen, February 13, 2012

ThyssenKrupp AG

The Executive Board

Hiesinger

Berlien Claassen Eichler Kerkhoff Labonte

Review report

To ThyssenKrupp AG, Duisburg and Essen

We have reviewed the condensed interim consolidated financial statements comprising the statement of financial position, the statement of income, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and selected notes – and the interim group management report of ThyssenKrupp AG, Duisburg and Essen, for the period from October 1, 2011 to December 31, 2011 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, February 13, 2012

KPMG AG
Wirtschaftsprüfungsgesellschaft

Klaus Becker	Michael Gewehr
(German Public Auditor)	(German Public Auditor)

Report by the Supervisory Board Audit Committee

The interim report for the 1st quarter of fiscal year 2011/2012 (October to December 2011) 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 February 13, 2012 and explained by the Executive Board and the auditors. The Audit Committee approved the interim report.

Essen, February 13, 2012

Chairman of the Audit Committee
Prof. Dr. Bernhard Pellens

Contact and 2012/2013 dates

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2012/2013 dates

May 15, 2012
Interim report
1st half 2011/2012 (October to March)
Conference call with analysts and investors

August 10, 2012
Interim report
9 months 2011/2012 (October to June)
Conference call with analysts and investors

November 22, 2012
Annual Press Conference
Conference call with analysts and investors

January 18, 2013
Annual General Meeting

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.

Rounding differences and rates of change

Percentages and figures in this report may include rounding differences. The signs used to indicate rates of change are based on economic aspects: Improvements are indicated by a plus (+) sign, deteriorations are shown in brackets ( ). Very high positive and negative rates of change (≥1,000% or ≤(100)%) are indicated by ++ and −− respectively.

Variances for technical reasons

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

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

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

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