



Good start to new fiscal year / Best Q1 earnings since start of transformation / Adj. EBIT up 40 percent / Full-year forecast confirmed

Good start to the new fiscal year for the industrial and technology Group thyssenkrupp: Order intake, sales and earnings in the 1st quarter of the 2016/2017 fiscal year were higher year-on-year. “We achieved the best 1st quarter adjusted earnings since the start of our Strategic Way Forward,” says thyssenkrupp CEO Dr. Heinrich Hiesinger.

The Group’s **adjusted EBIT** increased by 40 percent to €329 million (prior year €234 million). Once again there were reliable improvements at Elevator Technology (up 6 percent to €215 million) and Components Technology (up 6 percent to €75 million). “That shows our strategy is right. We’re increasing our share of capital goods and services businesses. That will enable us to generate more stable earnings and achieve profitable growth in the future,” says Hiesinger. In addition, there were first positive earnings effects from the recovery on the materials markets at Materials Services (up €48 million to €51 million) and Steel Americas (up €111 million to €37 million).

In the 1st quarter 2016/2017 the Group’s **order intake** and **sales** were higher year-on-year (up 1 percent/6 percent). In the **capital goods businesses** sales at Elevator Technology profited from new installations business in the USA and service business growth. Components Technology reported a positive trend among other things for car components and heavy truck components in Western Europe and China. While business at Industrial Solutions declined because of a record cement plant order in the prior-year period, the trend is nevertheless in the right direction: Thanks to a full project pipeline, the business grew again strongly versus the three previous quarters.

The **materials businesses** profited from the recovery on the materials markets. However due to the sharp rise in raw material costs combined with a high share of longer-term contract business, this positive trend will not impact earnings at Steel Europe until later in the year.

Overall the thyssenkrupp Group made a **net profit** of €15 million in the 1st quarter (prior year €54 million net loss). After deduction of non-controlling interest, net income was €8 million (prior year €23 million loss); earnings per share came to

€0.01 (prior year €(0.04)). The Group's pre-tax income of €124 million was impacted by disproportionately high tax expense in the reporting period.

Free cash flow before M&A was as expected temporarily clearly negative at €(1.7) billion (prior year €(0.8) billion). This was due to a temporary increase in net working capital as a result mainly of increasing volumes and a sharp rise in material prices.

Accordingly the Group's **net financial debt** increased against September 30, 2016 to €5.4 billion at December 31, 2016. Taking into account the Group's available liquidity of €6.3 billion and balanced maturity structure, thyssenkrupp remains solidly financed.

Equity increased to €3.3 billion from €2.6 billion at September 30, 2016. The main reason for this was the higher interest rate which led to a decrease in pension obligations with a corresponding positive effect on equity.

For the **current fiscal year 2016/2017** thyssenkrupp **confirms its forecast**. Adjusted EBIT is expected to increase to around €1.7 billion. The company predicts a clear year-on-year improvement in net income. Slightly positive free cash flow before M&A is expected.

Contact Investor Relations:

Dr. Claus Ehrenbeck

Investor Relations

Phone +49 (201) 844-536464

Fax +49 (201) 844-536467

E-mail: claus.ehrenbeck@thyssenkrupp.com

www.thyssenkrupp.com/en

Twitter: @thyssenkrupp_en

Company blog: <https://engineered.thyssenkrupp.com>

thyssenkrupp in figures – overview of key performance indicators

		1st quarter ended Dec. 31, 2015	1st quarter ended Dec. 31, 2016	Change	in %
Order intake	million €	9,810	9,954	145	1
Net sales	million €	9,548	10,087	538	6
EBIT ¹⁾	million €	193	240	48	25
EBIT margin	%	2.0	2.4	0.4	—
Adjusted EBIT ¹⁾	million €	234	329	95	40
Adjusted EBIT margin	%	2.5	3.3	0.8	—
EBT	million €	34	124	90	269
Net income/(loss) / Income/(loss) (net of tax)	million €	(54)	15	69	++
attributable to thyssenkrupp AG's shareholders	million €	(23)	8	31	++
Earnings per share (EPS)	€	(0.04)	0.01	0.06	++
Operating cash flows	million €	(598)	(1,450)	(851)	--
Cash flow for investments	million €	(254)	(362)	(108)	(43)
Cash flow from divestments	million €	5	20	16	328
Free cash flow ²⁾	million €	(847)	(1,791)	(944)	--
Free cash flow before M&A ²⁾	million €	(847)	(1,736)	(889)	--
Net financial debt (Dec. 31)	million €	4,384	5,433	1,049	24
Total equity (Dec. 31)	million €	3,355	3,275	(80)	(2)
Gearing (Dec. 31)	%	130.7	165.9	35.2	—
Employees (Dec. 31)		155,387	157,400	2,013	1

¹⁾ See reconciliation in segment reporting (Note 07).

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

	Order intake million €		Net sales million €		EBIT ¹⁾ million €		Adjusted EBIT ¹⁾ million €		Employees	
	1st quarter ended Dec. 31, 2015	1st quarter ended Dec. 31, 2016	1st quarter ended Dec. 31, 2015	1st quarter ended Dec. 31, 2016	1st quarter ended Dec. 31, 2015	1st quarter ended Dec. 31, 2016	1st quarter ended Dec. 31, 2015	1st quarter ended Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2016
Components										
Technology	1,649	1,759	1,650	1,743	71	58	71	75	29,772	31,100
Elevator Technology	1,992	1,903	1,869	1,882	193	184	203	215	51,644	51,931
Industrial Solutions	1,530	1,159	1,506	1,479	90	13	90	42	19,518	19,553
Materials Services	2,846	3,131	2,821	3,032	(1)	38	3	51	20,009	19,708
Steel Europe	1,846	2,078	1,723	1,908	50	25	51	28	27,493	27,437
Steel Americas	371	432	350	447	(84)	52	(74)	37	3,783	4,082
Corporate	57	37	60	58	(132)	(126)	(117)	(115)	3,168	3,589
Consolidation	(482)	(546)	(432)	(462)	7	(3)	7	(3)		
Group	9,810	9,954	9,548	10,087	193	240	234	329	155,387	157,400

¹⁾ See reconciliation in segment reporting (Note 07).