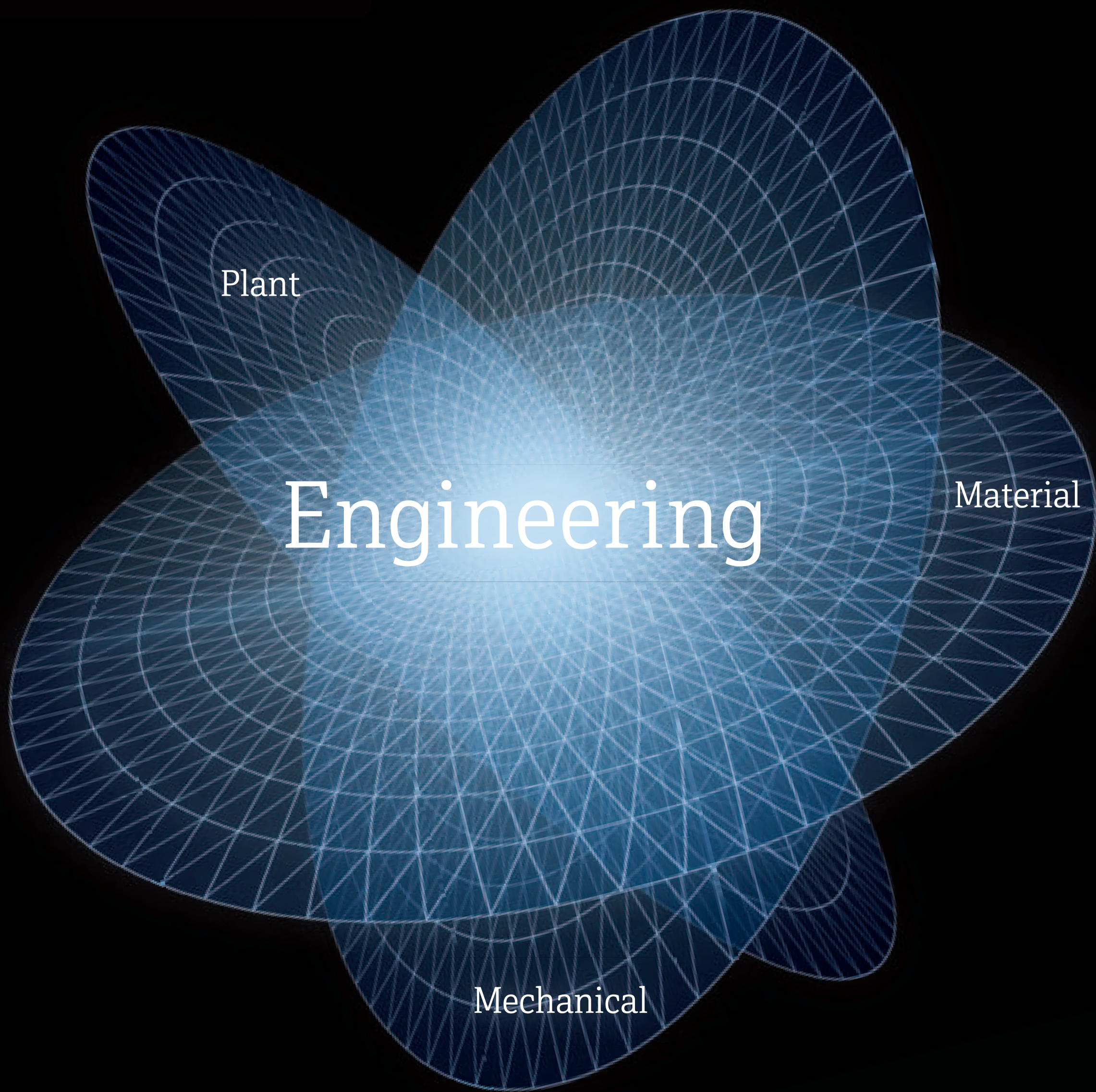
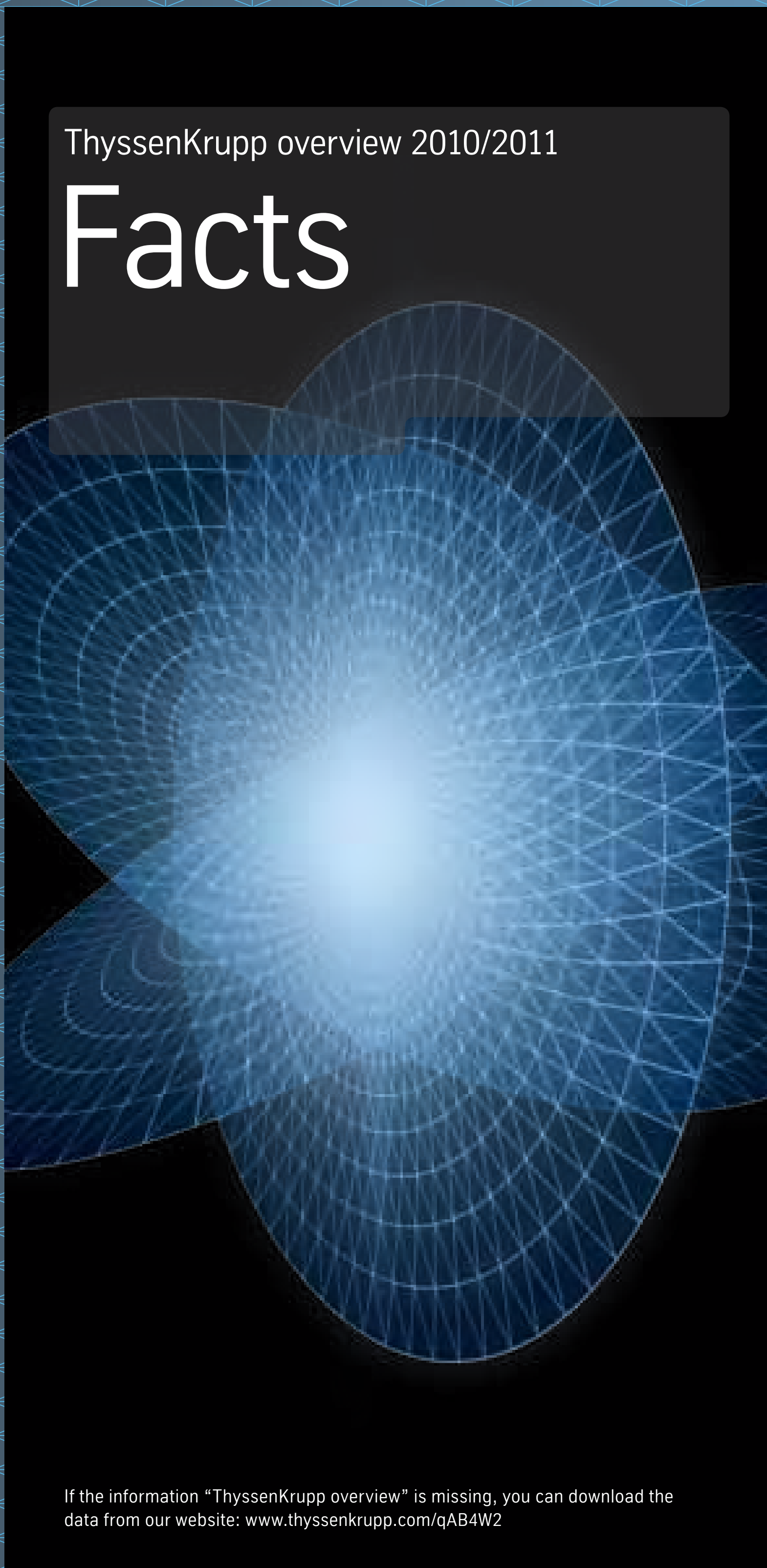
Annual Report 2010/2011

At the center of innovation



Developing the future.

ThyssenKrupp



Facts – ThyssenKrupp overview 2010/2011

Our mission statement

We are ThyssenKrupp – The Technology & Materials Company.
Competence and diversity, global reach, and tradition form the basis of our worldwide market leadership. We create value for customers, employees and shareholders.

We Meet the Challenges of Tomorrow with our Customers.
We are customer-focused. We develop innovative products and services that create sustainable infrastructures and promote efficient use of resources.

We Hold Ourselves to the Highest Standards.
We engage as entrepreneurs, with confidence, a passion to perform, and courage, aiming to be best in class. This is based on the dedication and performance of every team member. Employee development is especially important. Employee health and workplace safety have top priority.

We Share Common Values.
We serve the interests of the Group. Our interactions are based on transparency and mutual respect. Integrity, credibility, reliability and consistency define everything we do.

We

At ThyssenKrupp 180,000 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. In fiscal year 2010/2011 ThyssenKrupp generated sales of €49 billion.

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.

Our capabilities

Material

We combine efficient materials manufacturing and processing with customer-specific solutions right through to distribution, and provide services on the basis of powerful IT and logistics systems.

Our high-tech materials for the machinery, energy and automotive sectors set new standards in resource efficiency and environmental protection. They also display outstanding properties. ThyssenKrupp's quality products give our customers a key market edge in many sectors.

Mechanical

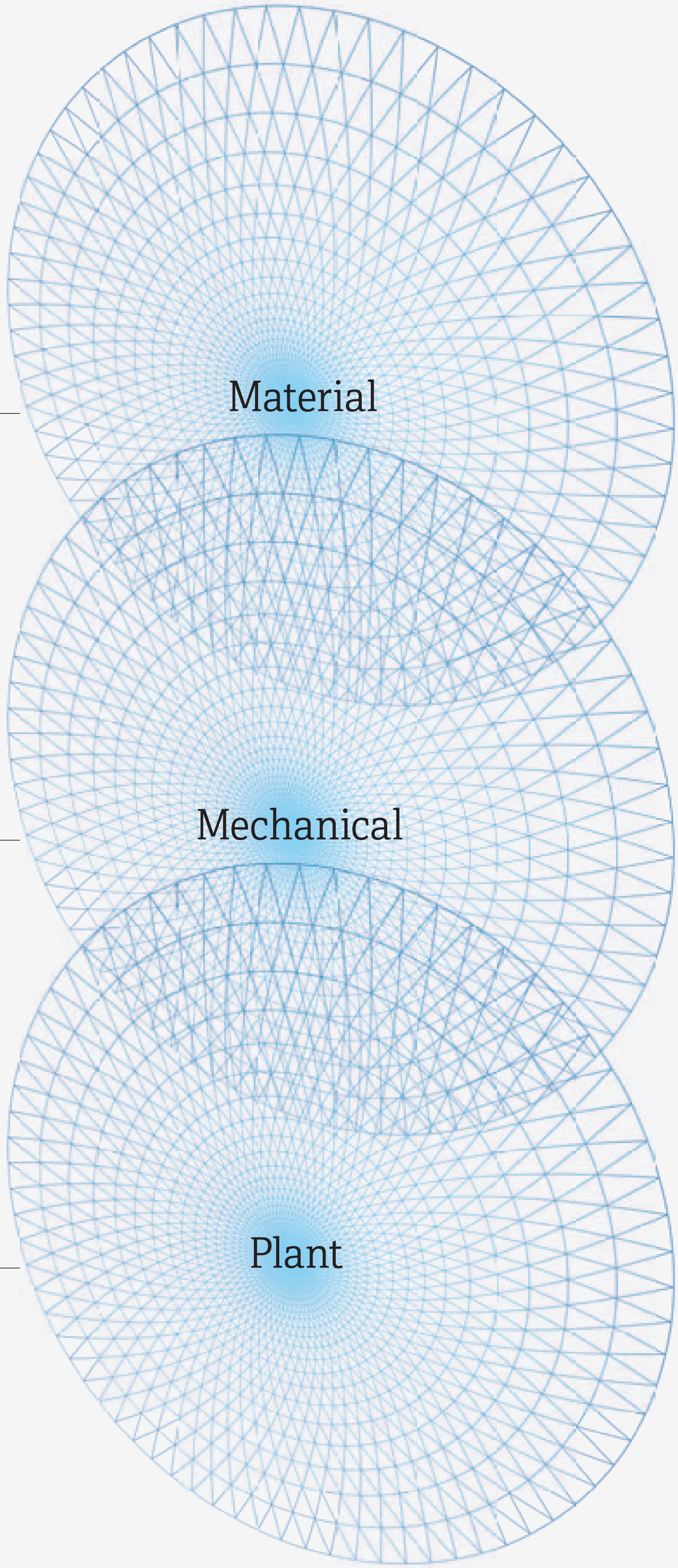
We design and manufacture components for the automotive, machinery, energy and construction sectors, and provide complete end-to-end solutions, including elevators, escalators and moving walks.

Our components ensure maximum efficiency and smooth operation, while reducing environmental impact and resource use. Wherever mechanical components are required, ThyssenKrupp offers top-level solutions.

Plant

With our global engineering and service network we design and build plants for the production of plastics and fertilizers and processing of raw materials.

Our plants save resources, reduce pollution and guarantee operators maximum efficiency. With its advanced technologies ThyssenKrupp makes a key contribution to cost-efficient plant operation in the chemical and raw materials industries.


Material
Mechanical
Plant

Making tomorrow possible

Our engineering expertise allows us to serve the growing global demand for commodities, resources and energy with better and better products. ThyssenKrupp's strengths in the areas of "Material", "Mechanical" and "Plant" are the key to sustainable progress in the field of tension between growth and environmental protection.

This enables ThyssenKrupp's customers to stand out from the global competition and manufacture innovative products efficiently. In a world increasingly sensitive to environmental and climate issues, this represents a significant competitive advantage. Constantly rising raw materials prices are also making efficient resource use more and more essential.

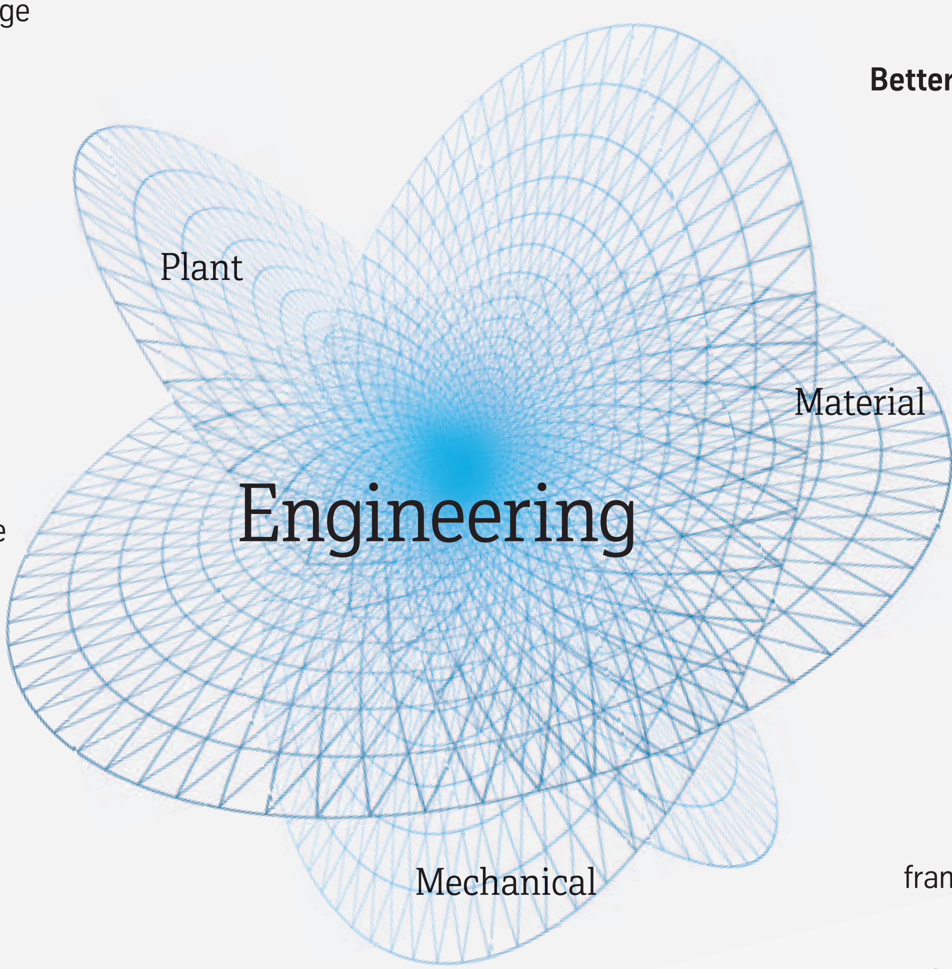
Meeting global demand for **“more”** and **“better”** with engineering.

Demographic change

More consumer and capital goods

Climate change

Better ways of reducing CO_2 emissions



Urbanization

More infrastructure and buildings

Finite resources

Better methods and processes

Globalization

More resource and energy use

Political framework conditions

Better protection for the environment

Letter to shareholders

Dr.-Ing. Heinrich Hiesinger
Chairman of the Executive Board

Dear Shareholders,
Ladies and Gentlemen,

Today I am reporting to you on the past fiscal year of your Company for the first time. As you know, I succeeded Ekkehard Schulz as Chairman of the Executive Board after the Annual General Meeting in January 2011. It did not take long for me to regard ThyssenKrupp as “my” company – just like our 180,000 employees around the world. The Group’s management team and workforce performed well in 2010/2011. You can find out about this in detail in our Annual Report and our new ThyssenKrupp Yearbook.

Business performance: Solid at operating level
Our operating performance in the reporting year was solid. We were able to leverage two key factors: the initially still strong economic situation in our markets, and our internal efficiency and structural enhancement programs. As a result we met our ambitious targets for 2010/2011, despite the increased uncertainty in some customer sectors at the end of the year: Order intake and sales grew at double-digit rates. Order intake was €50 billion, and sales €49 billion. Our operating earnings are also impressive: excluding special items, adjusted EBIT was 42% higher at €1.8 billion, which was – just – within the forecast target corridor.

Strategic development program: Systematically initiated
We have good reason to be confident about the future of the Group. Our strong technological capabilities open up good opportunities for us in the markets of the future. But limited financial resources mean we cannot invest appropriately in all businesses to utilize these opportunities. The Executive Board analyzed the situation in detail, carefully weighed up the options, and together with the management boards of the business areas defined the core elements of our Strategic Way Forward. I am very pleased that these decisions were also made with the agreement of the employee representatives.

- We will focus our portfolio further in the future. Our strengths are in providing intelligent solutions, above all for efficient infrastructure and resource use; in many of these areas we are already best in class or have the potential to become best in class.
- We will divest activities that we cannot develop appropriately in the Group. This will affect total sales of €10 billion and around 35,000 employees. The separation of Stainless Global is a key element of this portfolio optimization. However, we will only sell our businesses to “best owners” who can provide good future prospects.
- Step-by-step reduction of our net financial debt will give us room for future investment – in our core businesses, in new products and processes, in research and development, in our employees. All investments will be based on clear criteria – growth, profitability and capital efficiency.
- While investments in recent years were concentrated mainly in the Materials area with our new steel making and processing plants in Brazil and the USA, in the future we will be investing more strongly in Technologies. We will be targeting emerging markets such as China and India that offer attractive growth opportunities, whereas in the past our activities were mainly focused on Europe and the NAFTA region.
- The corporate program “impact” will support our strategic development and help us reach a higher performance level.

To assist our strategic development, we have drawn up a new Group mission statement with the involvement of many employees around the world. Under the motto “We are ThyssenKrupp”, it sums up our basic philosophy: customer and employee focus, innovativeness and quality, market leadership and internationality, community and diversity. We want to live these values more fully in the future.

Steel Americas and Stainless Global: Book values adjusted

One area of concern in 2010/2011 was the ramp-up of the new steel plants at Steel Americas, particularly in Brazil, which was associated with persistent losses. We also face negative developments which are beyond our control. For example, high raw material costs are negatively impacting our cost position, as are exchange-rate influences, specifically the relative strength of the Brazilian real. The slower recovery and currently renewed weakness of the markets in the USA and Europe are also hampering market entry for products of Steel Americas. As a consequence of this, we recognized impairment charges of €2.1 billion in our 2010/2011 financial statements. Irrespective of this, the successful completion of the ramp-up phase, optimization of production costs and successful entry to the US market represent our biggest opportunity for value growth in the short term. The strategic rationale remains unchanged, and we expect good returns in the medium term. For us as a premium supplier of flat-rolled carbon steel, the Americas are markets with potential, and our plants are an important key and a state-of-the-art base from which to establish ourselves there sustainably and profitably.

Impairment charges totaling €800 million were also necessary at the previous Stainless Global business area – now Inoxum – in 2010/2011. €290 million related to goodwill impairment and €510 million to a fair value adjustment in connection with the carve-out of the entity. The main reasons for the fair value adjustment were the current valuations applied to stainless steel producers, which include high risk premiums and high discounts due to the unsolved structural problems on the stainless steel market.

As a result, the Group’s operating (adjusted) EBIT was offset by total impairments of €2.9 billion. Adding in other net positive special items of €124 million, Group EBIT was negative at €(988) million.

Tasks and outlook for 2011/2012: Challenging

We began implementing the strategic measures immediately after the fundamental decisions were made by the Executive Board and Supervisory Board in May 2011. It remains our aim to complete the announced portfolio measures by the end of 2012. The first steps have now been successfully implemented: We have sold Metal Forming and created the conditions for the carve-out of Stainless Global. Positioning the Group for the future is one of the Executive Board’s permanent tasks. Portfolio optimization is therefore an ongoing process.

Our earnings targets for the new fiscal year are subject to risks; the main reason for this are the growing uncertainties regarding the future of the economy. Just a few months ago there seemed little likelihood that the sovereign debt crisis and the financial market turbulence would spread to the real economy. Now the economic forecasts are being revised downwards more sharply and the risk of a slowdown is increasing. In view of the significant scale of the uncertainties, we cannot at present provide a reliable forecast for the fiscal year just started. We, too, must proceed cautiously and will firm up our estimates quarter by quarter. But we will continue to apply strict discipline in the areas of costs, capital spending and net working capital.

2012 will therefore be a challenging year for the Group. We will continue to pursue our Strategic Way Forward, complete the current changes to our portfolio, establish Inoxum as an independent entity, accomplish the technical ramp-up at Steel Americas, and further improve our financial situation. By doing this we will create the basis for further sustainable growth.

Dividend: Continuity maintained

ThyssenKrupp generated solid operating earnings in 2010/2011 but also had to deal with negatives. Our strategic tasks and the uncertain economic outlook will continue to demand a great deal of us. We have carefully weighed all the circumstances and consider it important and legitimate to maintain our policy of dividend continuity. At the Annual General Meeting in January 2012, the Executive Board and Supervisory Board will therefore propose the payment of a dividend for the past fiscal year in the same amount as the previous year, i.e. €0.45 per share.

I would like to take this opportunity to thank all those who have given our Company their trust and support over the past fiscal year - kindly or critically, as shareholders or analysts, employees or customers, representatives of government, media or the many community organizations with which we are in dialogue. We will continue to work hard to earn your trust every day.

Yours sincerely,

Dr.-Ing. Heinrich Hiesinger
Chairman of the Executive Board

Essen, November 2011

Contents

Our mission statement	C2
Facts – ThyssenKrupp overview 2010/2011	C4
We	01
Our capabilities	02
Making tomorrow possible	04
Letter to shareholders	06

1

To our shareholders

1.1 Executive Board and Supervisory Board 17–21
1.2 Report by the Supervisory Board 22–28
1.3 Corporate governance report 29–40
1.4 ThyssenKrupp stock 41–44

2

Management report on the Group

2.1 Profile and strategy 49–55
2.2 Consolidated results of operations 57–69
2.3 Results of operations of the business areas 71–83
2.4 Financial position 85–91
2.5 Non-financial performance indicators 93–101
2.6 Subsequent events 101
2.7 Expected developments and associated opportunities and risks 102–119
2.8 Legal information 120–124

3

Consolidated financial statements

3.1 Consolidated statement of financial position 129
3.2 Consolidated statement of income 130
3.3 Consolidated statement of comprehensive income 131
3.4 Consolidated statement of changes in equity 132
3.5 Consolidated statement of cash flows 133
3.6 Notes to the consolidated financial statements 134

Auditors' report 223
Responsibility statement 224

4

Additional information

4.1 Multi-year overview 229–230
4.2 Other directorships held by Executive Board members 231
4.3 Other directorships held by Supervisory Board members 232–233
4.4 Glossary 234
4.5 Index 235–236
4.6 List of abbreviations 237
4.7 Index of tables and graphics 238
4.8 Contact and 2012/2013 dates 239

Our fiscal year begins on October 01 and ends on September 30 of the following year.

This annual report was published to coincide with the Company's Press Conference on December 02, 2011.

To our shareholders

Good corporate governance calls for trusting cooperation between the Executive Board and the Supervisory Board – in the interest of the Company and with the aim of sustainably enhancing its value. In the following section we provide information about both bodies, their work, and our share performance in the reporting year.

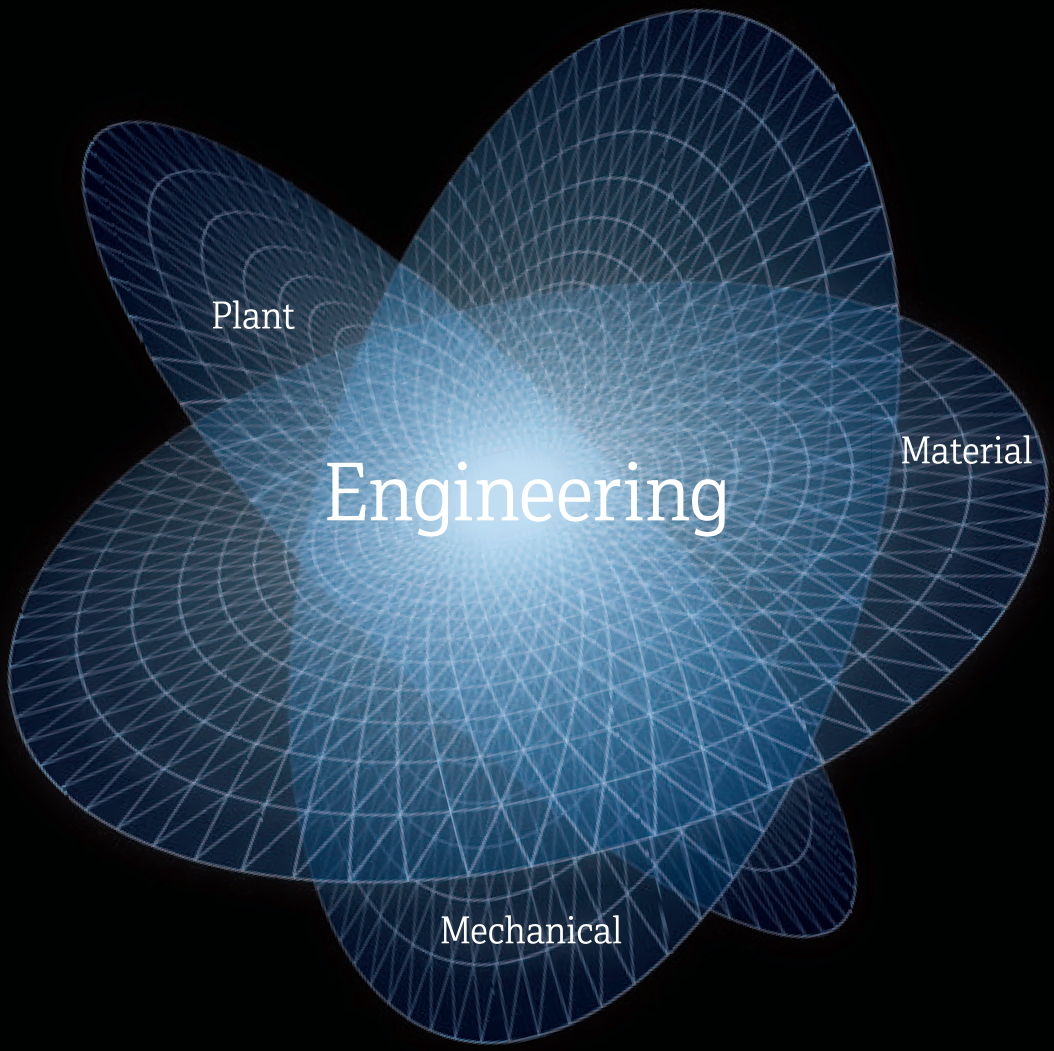
1

To our shareholders

1.1	Executive Board and Supervisory Board	17–21
	— Executive Board	18
	— Supervisory Board	20
	— Supervisory Board Committees	21
1.2	Report by the Supervisory Board	22–28
1.3	Corporate governance report	29–40
	— Corporate governance overview	29
	— Corporate governance declaration	33
	— Compensation report	33
1.4	ThyssenKrupp stock	41–44

One competence, three areas of application

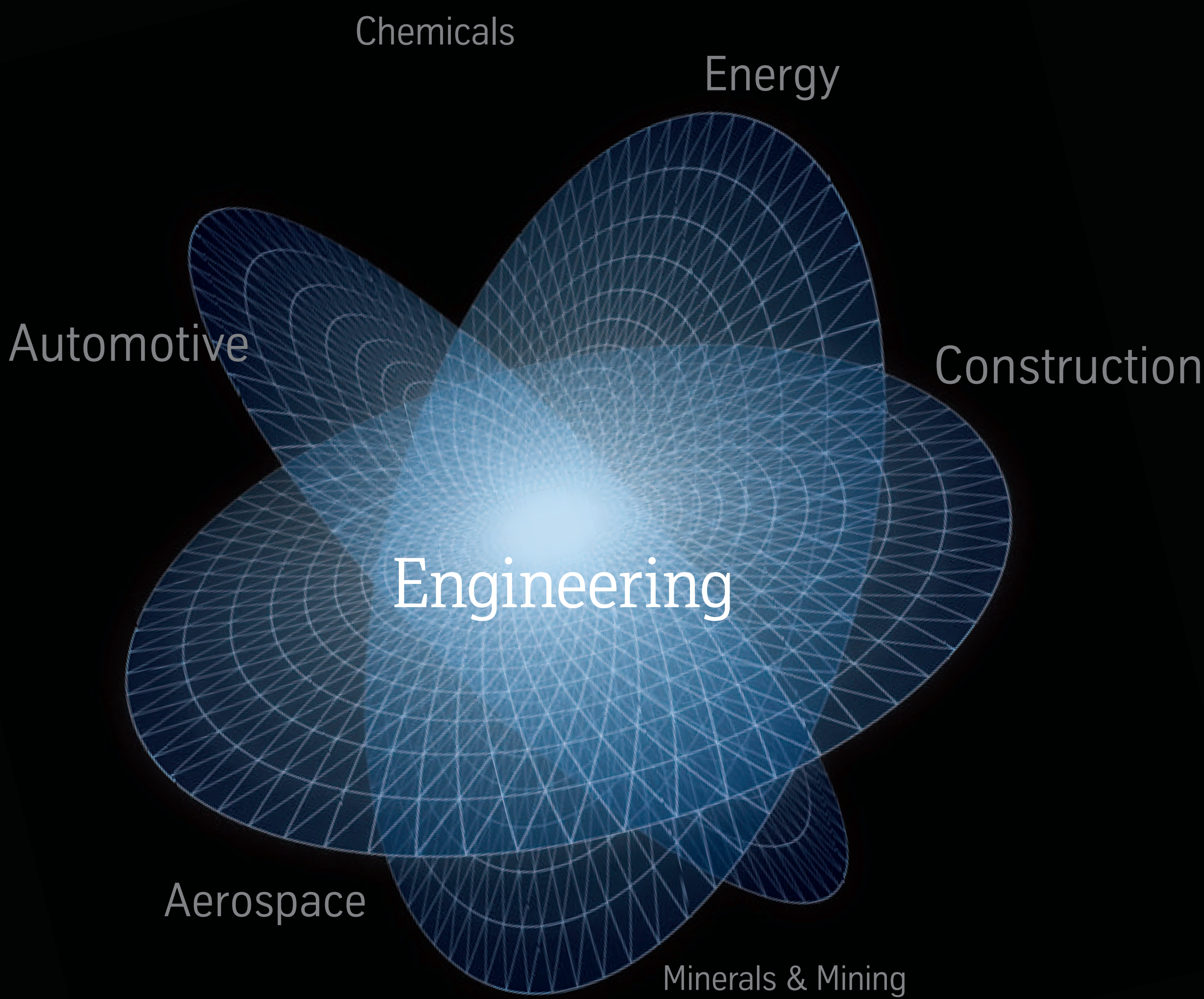
Solutions for
many sectors



Solutions for many sectors

In the field of tension between rising global demand for commodities, energy and raw materials and the need to protect the environment and conserve resources, our engineering expertise facilitates sustainable growth. Needs for “more” and “better” can be satisfied in equal measure. Our competencies are focused in three areas: “Material”, “Mechanical” and “Plant”.

They reflect ThyssenKrupp’s broad capabilities. In each of these complementary areas we offer state-of-the-art, innovative solutions. Our materials, components and plants enable our customers in many sectors to gain an edge in the global market.



We operate in the above sectors, among others. More information on this subject can be found in the ThyssenKrupp Yearbook.

Executive Board and Supervisory Board

Under Germany’s two-tier corporate governance system, stock corporations have two boards with clearly separated functions: The executive board is responsible for managing the company; the supervisory board oversees and advises the executive board. Both work together closely in the interest of the company. On the following pages we present our Executive Board and Supervisory Board.

Executive Board

Dr.-Ing. Heinrich Hiesinger
Chairman, born 1960, member of the Executive Board since October 01, 2010, appointed until September 30, 2015, responsible for the corporate centers Corporate Development, Corporate Technology, Innovation & Quality, Executives Management, Corporate Information Technology, Internal Auditing and for the ThyssenKrupp Academy. Under the corporate program “impact” responsible for the “Innovation & Technology” and “Performance & Portfolio” initiatives.

Dr. Olaf Berlien
also Executive Board Chairman of ThyssenKrupp Elevator AG, born 1962, member of the Executive Board since 2002, appointed until March 31, 2017, responsible for the Technologies division. Responsible for the regions Asia/Pacific and Middle East & North Africa. Under the corporate program “impact” responsible for the “Customers & Markets” initiative.

Dr. Jürgen Claassen
born 1958, member of the Executive Board since January 21, 2011, appointed until January 20, 2016, responsible for the corporate centers Legal & Compliance, Corporate Communications, Corporate Programs, Corporate Sustainability, Environment & Politics, Corporate Affairs and for ThyssenKrupp Management Consulting. Responsible for the regions Western Europe I and Africa. Under the corporate program “impact” responsible for the “People & Development” initiative.

Edwin Eichler
also Executive Board Chairman of ThyssenKrupp Steel Europe AG, born 1958, member of the Executive Board since 2002, appointed until September 30, 2017, responsible for the Materials division. Responsible for the regions North and South America, Russia/Central Asia, and Central and Eastern Europe. Under the corporate program “impact” responsible for the “Customers & Markets” initiative.

Guido Kerkhoff
Born 1967, member of the Executive Board since April 01, 2011, appointed until March 31, 2016, responsible for the corporate centers Controlling & Risk, Accounting & Financial Reporting, Corporate Finance, Taxes & Customs, Investor Relations, Materials Management, Mergers & Acquisitions and for ThyssenKrupp Risk and Insurance Services. Under the corporate program “impact” responsible for the “Performance & Portfolio” initiative.

Ralph Labonte
born 1953, member of the Executive Board since 2003, appointed until December 31, 2012, responsible for the corporate center Human Resources and for ThyssenKrupp Business Services, ThyssenKrupp IT Services, ThyssenKrupp Corporate Services, ThyssenKrupp Real Estate. Responsible for the regions Germany and Western Europe II. Under the corporate program “impact” responsible for the “People & Development” initiative.

Prof. Dr.-Ing. Ekkehard D. Schulz left the Executive Board at the close of the Annual General Meeting on January 21, 2011 and **Dr. Alan Hippe** at the close of March 31, 2011.

Supervisory Board

Prof. Dr. h.c. mult. Berthold Beitz, Essen
Honorary Chairman, Chairman of the Board of Trustees
of the Alfried Krupp von Bohlen und Halbach Foundation

Prof. Dr. Günter Vogelsang, Düsseldorf
Honorary Chairman

Dr. Gerhard Cromme, Essen
Chairman,
former Chairman of the Executive Board of ThyssenKrupp AG

Bertin Eichler, Frankfurt/Main
Vice Chairman,
Member of the Executive Committee of the IG Metall trade union

Markus Grolms, Bochum
Trade union secretary at the Düsseldorf branch
office of IG Metall

Susanne Herberger, Dresden
Engineer (FH) – information technology, Chairwoman
of the General Works Council of ThyssenKrupp Aufzüge GmbH,
Chairwoman of the Works Council Union ThyssenKrupp Elevator
Technology

Bernd Kalwa, Krefeld
Lathe operator, Chairman of the General Works Council
of ThyssenKrupp Nirosta GmbH, Chairman of the Works
Council Union ThyssenKrupp Stainless Global

Prof. Dr. Hans-Peter Keitel, Essen
President of the Federation of German Industries
(Bundesverband der Deutschen Industrie e.V.)

Ernst-August Kiel, Blumenthal
Fitter, Chairman of the Works Council of
Howaldtswerke-Deutsche Werft GmbH,
Chairman of the Works Council Union
ThyssenKrupp Marine Systems

Prof. Dr. Ulrich Lehner, Düsseldorf
Member of the Shareholders' Committee of
Henkel AG & Co. KGaA

Sabine Maaßen, Dinslaken
(since January 22, 2011)
Legal counsel to IG Metall

Prof. Dr. Bernhard Pellens, Bochum
Professor of Business Studies and International Accounting,
Ruhr University Bochum

Peter Remmler, Wolfsburg
Wholesale and export trader, Chairman of the Works Council of
ThyssenKrupp Schulte GmbH (Braunschweig), Chairman of the Works
Council Union ThyssenKrupp Materials Services

Dr. Kersten v. Schenck, Bad Homburg
Attorney and notary public

Peter Scherrer, Brussels
(until January 21, 2011)
General Secretary of the European Metalworkers' Federation

Thomas Schlenz, Duisburg
Shift foreman, Chairman of the Group Works Council
of ThyssenKrupp AG

Dr. Henning Schulte-Noelle, Munich
(until January 21, 2011)
Chairman of the Supervisory Board of Allianz SE

Prof. Dr.-Ing. Ekkehard D. Schulz, Krefeld
(since January 21, 2011)
Former Chairman of the Executive Board of ThyssenKrupp AG

Wilhelm Segerath, Duisburg
Automotive bodymaker, Chairman of the General Works Council of ThyssenKrupp Steel Europe AG, Chairman of the Works Council Union ThyssenKrupp Steel Europe

Peer Steinbrück, Bonn
Member of the German Parliament, Federal Minister (retd.)

Christian Streiff, Paris
Former President of PSA Peugeot Citroën S.A.

Jürgen R. Thumann, Düsseldorf
Chairman of the Advisory Board of the Heitkamp & Thumann Group

Prof. Dr. Beatrice Weder di Mauro, Frankfurt/Main
Professor of Economics, Economic Policy & International Macroeconomics, Johannes Gutenberg University of Mainz, member of the German Council of Economic Experts

Klaus Wiercimok, Düsseldorf
Attorney, Head of the Materials Services department at Corporate Center Legal & Compliance of ThyssenKrupp AG

As at: December 02, 2011

Supervisory Board Committees

Executive Committee
Dr. Gerhard Cromme (Chair)
Bertin Eichler
Thomas Schlenz
Jürgen R. Thumann

Mediation Committee under Art. 27 par. 3 Codetermination Act
Dr. Gerhard Cromme (Chair)
Bertin Eichler
Thomas Schlenz
Jürgen R. Thumann

Personnel Committee
Dr. Gerhard Cromme (Chair)
Bertin Eichler
Thomas Schlenz
Jürgen R. Thumann

Audit Committee
Prof. Dr. Bernhard Pellens (Chair)
Dr. Gerhard Cromme
Bertin Eichler
Prof. Dr. Ulrich Lehner
Thomas Schlenz
Wilhelm Segerath

Strategy, Finance and Investment Committee
Dr. Gerhard Cromme (Chair)
Bertin Eichler
Markus Grolms
Susanne Herberger
Bernd Kalwa
Dr. Kersten v. Schenck
Prof. Dr. Ekkehard D. Schulz
Peer Steinbrück

Nomination Committee
Dr. Gerhard Cromme (Chair)
Prof. Dr. Bernhard Pellens
Jürgen R. Thumann
Prof. Dr. Beatrice Weder di Mauro

Report by the Supervisory Board

In this report the Supervisory Board gives an account of the performance of its functions and the key aspects of its work in fiscal 2010/2011. Its discussions focused on the business and financial situation of the Group, the major investment projects in Brazil and the USA, and the Strategic Way Forward for the Group.

Dr. Gerhard Cromme
Chairman of the Supervisory Board

Monitoring and advising the Executive Board

In the reporting year the Supervisory Board again regularly advised the Executive Board on the management of the Company and continuously supervised its conduct of business. We satisfied ourselves that business complied with all legal and regulatory requirements. The Executive Board fulfilled its duty to inform and furnished us with regular written and verbal reports containing up-to-date and comprehensive information on all incidents and measures of relevance to the Company. In our committees and in full Supervisory Board meetings we always had ample opportunity to critically examine the reports, applications and resolution proposals of the Executive Board and contribute suggestions. In particular, all events of importance to the Company were discussed intensively by the committees and the full Supervisory Board on the basis of written and verbal reports by the Executive Board. Where required by law and the Articles of Association, we took a vote. In justified cases resolutions were passed outside meetings by written procedure.

In the periods between meetings, the Supervisory Board Chairman and the Chairman of the Audit Committee were in regular contact with the Executive Board and were informed about major developments. The shareholder and the employee representatives each held separate meetings before the Supervisory Board meetings to discuss items on the agenda.

Five Supervisory Board meetings were held in the reporting year.

In 2010/2011, four regular and one extraordinary Supervisory Board meetings were held. The average attendance at the meetings was 94%. No Supervisory Board members took part in fewer than half of the meetings. With two exceptions, the committee meetings were fully attended.

Signs of conflicts of interest of Executive Board and Supervisory Board members, which must be disclosed to the Supervisory Board immediately and reported to the Annual General Meeting, did not occur in the past fiscal year.

Effective work in the committees

To perform its functions efficiently, the Supervisory Board has formed six committees. The committees prepare the resolutions of the Supervisory Board as well as the issues to be dealt with at the full meetings. Where legally permissible, in suitable cases decision-making powers of the Supervisory Board were delegated to individual committees. All committees are chaired by the Supervisory Board Chairman, with the exception of the Audit Committee. The content and results of each committee meeting were immediately communicated to the Supervisory Board. The compositions of the individual committees are shown on page 21.

Page 21

Executive Committee

The Executive Committee (Praesidium) met seven times and conducted one conference call in the reporting year. In my capacity as Chairman, I maintained close contact with the individual Executive Committee members between meetings to discuss projects of particular importance. In addition to preparing the full Supervisory Board meetings, our main subjects of deliberation were the earnings performance, financial position and ratings situation of the Group, the Executive Board's strategy for the Group going forward including the carve out of Stainless Global, the major investment projects in Brazil and the USA, the sale of treasury shares in July 2011, and in a meeting at the beginning of December 2011 impairment in the Steel Americas and Stainless Global business areas.

Pages 33–37

Personnel Committee

The Personnel Committee likewise met seven times and held one conference call. It dealt in detail with the structure of the Executive Board compensation system and the compensation for each Executive Board member and submitted corresponding resolution proposals to the full Supervisory Board. Details of the compensation system are presented in the compensation report on pages 33-37. Further key topics discussed were the appointment of Mr. Guido Kerkhoff to the Executive Board of ThyssenKrupp AG as well as amendments to the Executive Board organization chart. The Personnel Committee also gave its approval for the acceptance of external directorships by individual Executive Board members and the retention of the law firm Clifford Chance, for which Supervisory Board member Dr. Kersten v. Schenck works as Of Counsel.

Mediation Committee

Once again in fiscal 2010/2011 it was not necessary to convene the Mediation Committee in accordance with § 27 par. 3 German Codetermination Act (MitbestG).

Audit Committee

The Audit Committee held four meetings in 2010/2011. Alongside the committee members, the financial-statement auditors, the Chairman of the Executive Board, the Chief Financial Officer and the Executive Board member responsible for compliance regularly attended the meetings. For selected agenda items, further Executive Board members and the responsible senior vice presidents also took part. The committee mainly dealt with the parent-company and consolidated financial statements for 2009/2010, the monitoring of the accounting process, and the effectiveness of the internal control system, risk management system and internal auditing system. The 2010/2011 interim reports were discussed at length prior to their publication. The auditors reported in detail on all occurrences of significance to the work of the Supervisory Board identified in the course of the audit of the annual financial statements and the audit review of the interim reports.

The Audit Committee obtained a statement of independence from the auditors KPMG.

Ahead of the Annual General Meeting on January 21, 2011, a proposal was submitted to the full Supervisory Board for the election of the auditors for the 2010/2011 fiscal year. After their election by the Annual General Meeting, the auditors were engaged by the Audit Committee to audit the parent-company and consolidated financial statements and to carry out audit reviews of the interim reports. A fee was agreed with the auditors. The auditors declared to the Audit Committee that no circumstances exist which could lead to the assumption of prejudice on their part, and reported on the non-audit services they had performed. The Audit Committee obtained the required auditors' statement of independence and monitored the qualification of the auditors. A further central issue was the preparation of the bidding process for the audit contract which was initiated in the past fiscal year.

In its meetings in November 2010 and May 2011 the committee was informed in detail about the Group's compliance activities, which were then also addressed in the full Supervisory Board meetings. The regular discussion of the investment projects in Brazil and the USA continued in the reporting year. In addition, the committee studied the audit plan and quality management system of the Group's internal auditing department, the results of audits carried out, and regular reports on legal risks. On this basis it satisfied itself that the management of the Company is in compliance with the law.

On the basis of an updated profitability analysis by Ernst & Young, the Audit Committee met on December 01, 2011 to discuss in detail the subject of impairment losses in the Steel Americas business area and its effects on the consolidated and parent-company financial statements. Impairment in the Stainless Global business area was also discussed in this meeting.

Strategy, Finance and Investment Committee

In two meetings in fiscal 2010/2011, the Strategy, Finance and Investment Committee dealt primarily with the Strategic Way Forward for the Group and the competitive position of the individual business areas. The Group's investment policy was reviewed taking into consideration the current ratings situation. Further key topics were the corporate and investment planning and preparation of corresponding Supervisory Board resolutions, the major investment projects in Brazil and the USA, and the planned divestment projects. In a meeting on December 01, 2011 this Committee also dealt in detail with impairment losses in the Steel Americas and Stainless Global business areas.

Nomination Committee

The Nomination Committee held one meeting in the reporting year and addressed the question of a successor for Dr. Henning Schulte-Noelle, who stood down from the Supervisory Board with effect from the close of the Annual General Meeting on January 21, 2011. The Nomination Committee concurred with the proposal of the Alfried Krupp von Bohlen und Halbach Foundation to propose to the Annual General Meeting that it elect Prof. Dr.-Ing. Ekkehard D. Schulz as successor.

Main content of Supervisory Board meetings and resolutions

The meeting on November 26, 2010 focused on the parent-company and consolidated financial statements for the year ended September 30, 2010, and the Executive Board's proposal for the appropriation of net income. We reported on this in detail in the last Annual Report. On the basis of a detailed report by the Executive Board and the deliberations of the Strategy, Finance and Investment Committee, we also discussed the corporate planning for the 2010/2011 fiscal year with the Executive Board; this included the plausibility of the expectations presented and the earnings opportunities and risks. Further matters discussed were the changeover of the Group's internal performance indicator from EBT to EBIT, the ratings situation, the planned disposals of the Metal Forming group and the Xervon group, as well as the position and opportunities of ThyssenKrupp in the BIC countries. Other key topics were the development of raw material costs and the framing of contracts with raw material suppliers, particularly in the steel sector. The Supervisory Board requested the Executive Board to examine all alternatives to safeguard supply security. We dealt in depth with ThyssenKrupp Forging Group's project to build a crankshaft production plant in China, which we then approved. The Supervisory Board also adopted the agenda for the Company's Annual General Meeting on January 21, 2011 together with the proposals for resolution. We supported the proposal of the Alfried Krupp von Bohlen und Halbach Foundation and the recommendation of the Nomination Committee to propose to the Annual General Meeting to elect Prof. Dr.-Ing. Schulz to the Supervisory Board. In our view, after the election of Prof. Dr.-Ing. Schulz the board continues to have an adequate number of independent members. Prof. Dr. Beatrice Weder di Mauro was elected to the Nomination Committee as an additional member.

The number of members of the Nomination Committee was increased to four.

Further, based on previous preparation by the Executive Committee, the Supervisory Board discussed the results of its efficiency review. In this connection we agreed with the Executive Board that in the future training events on special topics should be organized for the Supervisory Board.

In the Supervisory Board meeting immediately before the Annual General Meeting on January 21, 2011, the Executive Board reported to us on the current state of the Group and the development of the Steel Americas business area. At the recommendation of the Personnel Committee, the Supervisory Board approved in principle the parameters of an updated bonus scheme for the Executive Board. In view of the appointment of Dr. Heinrich Hiesinger as Executive Board Chairman and Dr. Jürgen Claassen as Executive Board member with effect from the close of the Annual General Meeting, we adopted a new organization chart for the Executive Board. In addition, we approved the premature termination of the appointment of Dr. Alan Hippe as Executive Board member effective March 31, 2011.

An extraordinary Supervisory Board meeting was held on March 04, 2011, at which Mr. Kerkhoff was appointed to succeed Dr. Hippe as member of the Executive Board of ThyssenKrupp AG for a period of five years with effect from April 01, 2011. The Executive Board reported on the current state of the Group and the status of various divestment projects.

The Supervisory Board approved the Group's Strategic Way Forward on May 13, 2011.

A further Supervisory Board meeting was held on May 13, 2011. In addition to its regular report on the state of the Group, the Executive Board reported in detail on the development of Steel Americas as well as the financial position and ratings situation of the Group. A central topic was the Strategic Way Forward for the Group. The Executive Board presented in detail the main features of its strategy and the proposed measures. After thorough discussion the Supervisory Board approved the strategic plan in principle. In this meeting we focused our attention in particular on the Executive Board's report on the compliance system. In addition, the Supervisory Board was informed about the proposed bidding process for the financial-statement audit contract, which had previously been discussed in detail in the Audit Committee. We approved the disposal of the Metal Forming group to the Spanish company Gestamp Automoción S.L.; the status of the reorganization of the Marine Systems business area was discussed. In line with the proposal of the Personnel Committee, the Supervisory Board then adopted an updated bonus scheme for the Executive Board for the current fiscal year, the parameters of which had been resolved in the meeting on January 21, 2011. Dr. Olaf Berlien's appointment as member of the Executive Board of ThyssenKrupp AG was renewed for a further five years until March 31, 2017.

After prior discussion in the Executive Committee, in July 2011 the Supervisory Board approved by written procedure the sale of the treasury shares held by ThyssenKrupp AG in the amount of 9.6% of the capital stock. In the Supervisory Board meeting on September 02, 2011 the Executive Board reported in depth on the effects of the sale of this share package on the financial and accounting figures and the ratings situation. A further topic was the progress report on the implementation of the Group's strategy going forward including the accompanying corporate program ThyssenKrupp impact. The Executive Board also informed us about the status of the divestment projects; we discussed in particular the options for separating the activities of the Stainless Global business area. The Executive Board explained the opportunities and risks of the individual alternatives in the international marketplace. The Supervisory Board has every confidence that the Executive Board will successfully implement the strategy and the necessary change processes. We also approved the disposal of the Xervon group and the acquisition of two elevator companies in the USA and Europe. The meeting was followed by a training and discussion event on "M&A transaction models: IPO and spin-off".

Corporate governance and Declaration of Conformity

Pages 29–40

The Supervisory Board monitors on an ongoing basis the implementation of the provisions of the German Corporate Governance Code and the development of corporate governance standards. The Executive Board – also on behalf of the Supervisory Board – reports on corporate governance at ThyssenKrupp in the corporate governance report in accordance with section 3.10 of the German Corporate Governance Code.

The Executive Board and Supervisory Board issued an updated Declaration of Conformity in accordance with § 161 subs. 1 of the German Stock Corporation Act (AktG) on January 21, 2011 and again at October 01, 2011; both are permanently available to shareholders on the Company website. ThyssenKrupp AG complies with all the current recommendations of the Government Commission on the German Corporate Governance Code, and also follows all the Code's suggestions.

Audit of the parent-company and consolidated financial statements

KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, audited the parent-company financial statements for the fiscal year October 01, 2010 to September 30, 2011 prepared by the Executive Board in accordance with HGB (German GAAP) rules, and the management report of ThyssenKrupp AG. The auditors issued an unqualified audit opinion. In accordance with § 315 a HGB, the consolidated financial statements of ThyssenKrupp AG for the fiscal year from October 01, 2010 to September 30, 2011 and the management report on the Group were prepared on the basis of International Financial Reporting Standards (IFRS) as applicable in the European Union. The consolidated financial statements and the management report on the Group were also given an unqualified audit opinion. The auditors also confirmed that the Executive Board has installed an appropriate reporting and monitoring system which is suitable in its design and handling to identify at an early stage developments which could place the continued existence of the Company at risk.

The Audit Committee and the auditors had selected the following focus themes for the reporting year: "Review of the functioning of the internal control systems at ThyssenKrupp CSA in the area of accounting, focusing in particular on the operating accounting and cost accounting processes". The final documents and audit reports were discussed at length in the Audit Committee meeting on December 01, 2011 and the meeting of the Supervisory Board on December 02, 2011. A central reporting item concerned the impairment losses in the Steel Americas and Stainless Global business areas, the causes and effects of which we discussed in detail in the full Supervisory Board meeting. The auditors reported on the main results of their review, addressing in particular the impairment losses in the Steel Americas and Stainless Global business areas. They also outlined their findings on the internal control and risk management systems in relation to the accounting process; they were also available to answer questions and provide supplementary information. The Chairman of the Audit Committee reported in depth at the full Supervisory Board meeting on the Audit Committee's examination of the parent-company and consolidated financial statements. Following our own examination and discussion of the parent-company financial statements, the consolidated financial statements, the management report and the management report on the Group, we accepted the result of the audit and approved the parent-company and consolidated financial statements. The parent-company financial statements are thus adopted. On the basis of our own examination and after weighing all the arguments, we concurred with the Executive Board's proposal for the appropriation of net income aimed at maintaining the dividend continuity practiced in previous years. We regard the proposed dividend as appropriate.

The Supervisory Board examined and approved the 2010/2011 parent-company and consolidated financial statements.

Composition of the Supervisory Board and Executive Board

At the close of the Annual General Meeting on January 21, 2011 Dr. Schulte-Noelle and Mr. Peter Scherrer stood down from the Supervisory Board. The Annual General Meeting elected Prof. Dr.-Ing. Schulz to succeed Dr. Schulte-Noelle. By court decision Ms. Sabine Maaßen was appointed to succeed Mr. Scherrer with effect from January 22, 2011. The Supervisory Board thanked Dr. Schulte-Noelle, the longest-serving member of the board, as well as Mr. Scherrer for their good work.

Pages 18–19

I have already reported on the personnel changes in the Executive Board of ThyssenKrupp AG in the 2010/2011 fiscal year; a summary is presented in the overview of the composition of the Executive Board on pages 18-19. In addition, in its meeting on December 02, 2011 the Supervisory Board extended the appointment of Mr. Edwin Eichler as Executive Board member until September 30, 2017. The Supervisory Board expressed thanks and recognition to the departing Executive Board members, Prof. Dr.-Ing. Schulz, who shaped the ThyssenKrupp Group over many years, and also Dr. Hippe.

On behalf of the entire Supervisory Board I thank the management, employees and employee representatives of all Group companies for their work in the past fiscal year.

The Supervisory Board

Dr. Gerhard Cromme
Chairman

Essen, December 02, 2011

Corporate governance report

Good corporate governance is an issue that applies to all areas of ThyssenKrupp. It promotes trust by investors, financial markets, business partners, employees and the public in the management and oversight of the Company and is a key foundation for sustainable business success.

In this section and in the corporate governance declaration in accordance with § 289a German Commercial Code (HGB) the Executive Board – also on behalf of the Supervisory Board – reports on corporate governance at ThyssenKrupp in accordance with section 3.10 of the German Corporate Governance Code. This section also includes the compensation report.

Corporate governance overview

Implementation of the German Corporate Governance Code

In the reporting year the Executive Board and Supervisory Board of ThyssenKrupp AG again dealt intensively with the requirements of the German Corporate Governance Code as amended on May 26, 2010. Up to the Annual General Meeting on January 21, 2011, ThyssenKrupp AG did not fully comply with the recommendation in section 5.4.5 of the Code that an executive board member should not hold more than three supervisory board seats in external listed companies or in the supervisory bodies of non-listed companies subject to comparable requirements. On Prof. Dr.-Ing. Ekkehard D. Schulz's retirement from the Executive Board of ThyssenKrupp AG at the close of the Annual General Meeting, the Code's recommendations were again complied with in full. After the Annual General Meeting on January 21, 2011 the Supervisory Board and Executive Board therefore issued an updated, unqualified Declaration of Conformity. At October 01, 2011 the Declaration of Conformity was again updated and issued without qualification. All Declarations of Conformity issued to date are permanently available on the ThyssenKrupp website.

ThyssenKrupp complies in full with all recommendations of the German Corporate Governance Code.

The Code is also implemented at our listed subsidiary Eisen- und Hüttenwerke AG, taking into account the particularities of its membership of the Group. Individual deviations are presented and explained in the company's Declaration of Conformity of October 01, 2011.

Compliance as a management duty of the Executive Board

Compliance, in the sense of measures to ensure adherence to statutory requirements and internal company policies and observance of these measures by the Group companies, is a key management duty at ThyssenKrupp. A compliance program focusing on antitrust law and anti-corruption policies was introduced directly after the merger of predecessor companies Thyssen and Krupp in 1999. It has been regularly reviewed and enhanced ever since. In May 2011, in connection with the strategic development of the Group, the Executive Board of ThyssenKrupp AG decided to massively expand the compliance program and increase the number of staff in the compliance unit. The compliance program contains far-reaching measures to ensure adherence to corruption and antitrust regulations and the Group policies based on them.

Zero tolerance of antitrust violations and corruption is the core of our Compliance Commitment.

The Executive Board of ThyssenKrupp AG has unequivocally expressed its rejection of antitrust violations and corruption in the ThyssenKrupp Compliance Commitment. Antitrust violations and corruption are not tolerated in any way and result in sanctions against the employees concerned. All employees are requested to cooperate actively in their areas of responsibility in implementing the compliance program. The Compliance Commitment is supplemented by various Group policy statements and publications. In these, the underlying statutory requirements are explained in more detail. The key messages of our compliance policies and guidance notes are summarized in a Compliance Code of Conduct.

A compliance unit has been set up to develop, manage and implement the program. For example, full-time compliance officers inform employees about the relevant statutory provisions and internal policies in regular training sessions. They are also available to answer individual questions. As an additional compliance element, ThyssenKrupp has introduced a whistleblower hotline. It is run for us by an external law firm. The whistleblower hotline is available to employees of the Group and third parties to report possible infringements of laws or policies at Group companies. Here too the focus is on antitrust and anti-corruption compliance. The hotline can be contacted from anywhere in the world and is toll-free.

Page 117

In May 2011 the Bochum public prosecutor's office and the Federal Cartel Office instigated investigations into antitrust violations in connection with the so-called "rail cartel". The matter involves allegations of anti-competitive agreements in sections of the rail business in Germany. Within the ThyssenKrupp Group, the investigations concern ThyssenKrupp GfT Gleistechnik GmbH and several employees. More information is provided in the risk report in the section "Expected developments and associated opportunities and risks" .

Objectives of the Supervisory Board with regard to the composition of corporate bodies

In appointing Executive Board members and determining the composition of the Supervisory Board, the Executive Committee, Nomination Committee and Supervisory Board of ThyssenKrupp AG aim to maintain a balanced mix of specialist qualifications and also take into account the criterion of diversity. On September 03, 2010 concrete objectives were established for the future composition of the Supervisory Board. These objectives were published in the corporate governance report in the 2009/2010 Annual Report, which is accessible on the internet at www.thyssenkrupp.com/financial-reports/09_10/en/governance.html. These objectives are not limited to the issue of female representation but reflect further criteria to ensure the heterogeneous composition of the Supervisory Board – including an international background, suitable specialist knowledge, technical expertise, knowledge of the Company and not least independence. The Supervisory Board's proposals for the election of Supervisory Board members should continue to be based on the welfare of the Company while giving consideration to these objectives.

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This was also the basis on which the election proposal submitted to the Annual General Meeting on January 21, 2011 was prepared. The Nomination Committee and the full Supervisory Board discussed and subsequently adopted the proposal of the Alfried Krupp von Bohlen und Halbach Foundation to elect Prof. Dr.-Ing. Schulz to the Supervisory Board as a shareholder representative. Both bodies consider the election of Prof. Dr.-Ing. Schulz appropriate in particular in view of his knowledge of the Company and his technical expertise.

Since the appointment of Ms. Maaßen to the Supervisory Board effective January 22, 2011, the Supervisory Board has one female member on the shareholder side and two on the employee side, which means that women now make up 15% of the Supervisory Board. The objective established in the prior year to maintain a female proportion of 10% has therefore been more than fulfilled. In the Supervisory Board meeting on November 26, 2010, Prof. Dr. Weder di Mauro was additionally appointed as a fourth member of the Nomination Committee.

Avoiding conflicts of interest

Again this reporting year, the only case of a consulting or other service agreement between Supervisory Board members and the Company related to Dr. Kersten v. Schenck, who is a member of our Company's Supervisory Board and at the same time an of counsel of the law firm Clifford Chance. To the extent that Clifford Chance provided legal advice to the Company in 2010/2011, the engagement was approved by the Personnel Committee of the Supervisory Board. Conflicts of interest of Executive or Supervisory Board members, which must be disclosed immediately to the Supervisory Board, did not occur.

Pages 231–233
Page 186

Details of the other directorships held by Executive Board and Supervisory Board members on statutory supervisory boards or comparable German and non-German control bodies of business enterprises are provided in the section "Additional information". Details of related party transactions are given in Note 23 to the Consolidated Financial Statements.

Directors' dealings

According to § 15a Securities Trading Act (WpHG) the members of the Executive Board and Supervisory Board and persons close to them are required by law to disclose the purchase and sale of ThyssenKrupp AG shares or related financial instruments whenever the value of the transactions amounts to €5,000 or more within a calendar year. One transaction was reported to ThyssenKrupp AG for the 2010/2011 fiscal year; it is published on our website.

At September 30, 2011 the total volume of ThyssenKrupp AG shares held by all Executive Board and Supervisory Board members amounted to less than 1% of the shares issued by the Company.

Deductible in D&O insurance

In accordance with the statutory requirements, the Company has taken out directors and officers (D&O) liability insurance for the members of the Executive Board with an appropriate deductible pursuant to § 93 subs. 2, sentence 3 Stock Corporation Act (AktG). D&O insurance with an appropriate deductible has also been agreed for the members of the Supervisory Board in accordance with the German Corporate Governance Code.

Shareholders and Annual General Meeting

The shareholders of ThyssenKrupp AG exercise their rights at the Company's Annual General Meeting, which is chaired by the chairman of the Supervisory Board. The Annual General Meeting takes place once a year. Each share confers one vote.

Shareholders can exercise their voting rights at the Annual General Meeting in person or by proxy, for which they can authorize a person of their choice or a Company-nominated proxy acting on their instructions. Proxy voting instructions to Company-nominated proxies can be issued via the internet before and during the Annual General Meeting up to the end of the general debate. Shareholders can also cast their votes in writing by postal vote - without authorizing a proxy. Shareholders unable to attend the Annual General Meeting, as well as interested members of the public, can follow the meeting live and in full on the internet.

The Annual General Meeting is broadcast live on the internet.

All documents and information on the Annual General Meeting are made available to shareholders in good time on our website. In addition, questions can be addressed to members of our investor relations department via an infoline or e-mail.

Appropriate control and risk management system

For us, the continuous and systematic management of business opportunities and risks is fundamental to professional corporate governance. It helps ensure that risks are identified and evaluated early and appropriately managed. The Executive Board reports regularly to the Supervisory Board about the status of material Group risks. The Supervisory Board Audit Committee regularly concerns itself with monitoring of the accounting process, the effectiveness of the internal control, risk management and auditing systems as well as monitoring of the financial statement audit. The individual systems are continuously enhanced and adapted to changing conditions throughout the Group. Key features of our control and risk management systems can be found in the section "Expected developments and associated opportunities and risks".

Pages 108–119

Transparent governance through extensive information

Our dialogue with the capital market is aimed at informing all target groups fully, equally and quickly. Shareholders and potential investors can find out about the latest developments in the Group at any time on our website, where all press releases and stock exchange (ad hoc) announcements of ThyssenKrupp AG are published in German and English. The Company's Articles of Association and the rules of procedure for the Executive Board, Supervisory Board and the Audit Committee can also be viewed on the website, as can the consolidated financial statements, interim reports and information on implementation of the recommendations and suggestions of the German Corporate Governance Code. All interested parties can subscribe to an electronic newsletter on the website which reports news from the Group.

Our investor relations work keeps us in close touch with our shareholders and potential investors. For example we hold regular meetings with analysts and institutional investors. The venues and dates of roadshows and investors' conferences are posted on our website. An intensive dialogue also takes place at analysts' and investors' conferences and in regular and ad hoc conference calls. All presentations for these events are freely accessible on the website, which also offers video or audio recordings of the main events. We provide information on recurring dates, such as the date of the Annual General Meeting or the publication dates of interim reports, in a financial calendar published in the annual report, the interim reports and on the Company's website.

Accounting at ThyssenKrupp is based on the International Financial Reporting Standards (IFRS).

Accounting and financial statement auditing by KPMG

In line with European Union requirements, the consolidated financial statements and interim reports of ThyssenKrupp are prepared in accordance with the International Financial Reporting Standards (IFRS). The statutory parent-company financial statements of ThyssenKrupp AG, on which the dividend payment is based, are drawn up in accordance with German GAAP (HGB). For the reporting period we again agreed with the financial-statement auditors, KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, that the chairman of the Audit Committee would be informed immediately of any possible grounds for exclusion or bias arising during the audit insofar as they are not immediately eliminated, and that the auditors would report immediately on any findings or occurrences during the audit which have a significant bearing on the duties of the Supervisory Board. It was also agreed that the auditors would inform the Supervisory Board or make a note in the audit report of any facts ascertained during their examination that conflict with the Declaration of Conformity issued.

Corporate governance declaration

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The corporate governance declaration in accordance with § 289a German GAAP (HGB) is presented on our website at www.thyssenkrupp.com/en/investor/unternehmensfuehrung.html. It contains a description of how the Executive Board and Supervisory Board operate, the declaration of conformity in accordance with § 161 Stock Corporation Act (AktG), and details of key governance practices.

Compensation report

Page 120

The following compensation report forms part of the management report.

Performance-based compensation for the Executive Board

According to the Act on the Appropriateness of Management Board Remuneration (VorstAG) and a corresponding provision in the rules of procedure for the Supervisory Board, the full Supervisory Board is responsible for determining individual Executive Board compensation following preparation by the Personnel Committee. The compensation system was approved by the Annual General Meeting on January 21, 2011 with a majority of 94.91% of the capital represented.

The compensation for the Executive Board members comprises non-performance-related and performance-related components. The non-performance-related components are the fixed compensation, additional benefits and pension plans, while the performance-related components are the performance bonus and the LTI as a component with a long-term incentive effect. On top of this there is an additional bonus representing a cash flow-based management incentive, on the award of which the Supervisory Board makes a new decision each year.

Criteria for the appropriateness of Executive Board compensation include the duties of the individual Executive Board members, their personal performance, the business situation, the success and prospects of the Company and also the prevailing level of compensation at peer companies and the compensation structure applying in the Company. The performance-related components contain elements that are measured over several years. They therefore set long-term incentives and focus the compensation structure on the sustainable development of the Company.

Executive Board member contracts at ThyssenKrupp do not contain a change-of-control clause.

Executive Board member contracts concluded since the start of fiscal year 2008/2009 provide for a severance payment in the event of early termination without cause. The severance payment is limited to a maximum of two years' compensation including benefits (severance payment cap) and compensates no more than the remaining term of the employment agreement. A promise of payments in the event of early termination due to a change of control does not exist.

Fixed compensation

Since the last review at October 01, 2010, the fixed compensation for an ordinary Executive Board member has been €670,000 per year, paid out as non-performance-related basic compensation in monthly installments as a salary. The Executive Board members also receive benefits, mainly comprising the use of a company car, telephone as well as insurance premiums. Individual Executive Board members have to pay tax on these benefits as compensation components. The benefits apply in principle to all Executive Board members; the amount varies according to personal situation. The fixed compensation is generally reviewed every two years.

The performance bonus for Executive Board members is linked to the performance indicators EBT and ROCE.

Performance bonus

The first element of the performance-related compensation is the performance bonus. In accordance with the performance bonus rules resolved by the Supervisory Board, the amount of the performance bonus is dependent on the Group's EBT (earnings before taxes) and ROCE (return on capital employed), each of which is considered equally as a criterion. The performance bonus is therefore aligned with the performance indicators used in the Group. For example, if EBT is €2 billion and ROCE is 14.5%, the performance bonus is €1 million. A €100 million change in EBT or a change in ROCE by 0.5% points leads to a corresponding €25,000 change in the performance bonus. Individual performance can be recognized up to 20%. Extraordinary events are ignored in determining the performance bonus. The performance bonus is paid out to the individual Executive Board members two weeks after its establishment by the Supervisory Board. With a view to the Act on the Appropriateness of Management Board Compensation (VorstAG) the Supervisory Board determined that from fiscal year 2009/2010 a quarter of the performance bonus must be converted into ThyssenKrupp stock rights to be paid out after a three-year lock-up period. In view of the fact that EBIT is now used as a performance indicator in place of EBT, the Supervisory Board has decided to use EBIT instead of EBT alongside ROCE in an otherwise unchanged performance bonus system from fiscal year 2011/12.

LTI

From fiscal year 2010/2011 a further compensation component is the LTI, a variable compensation component with a long-term incentive effect. In accordance with a resolution by the Supervisory Board, the MTI plan still applying for fiscal year 2009/2010 was modified and is being continued under the name Long Term Incentive plan – LTI. The LTI system is as follows:

For a certain initial value, which for an ordinary Executive Board member amounts to €500,000, notional shares are granted. These so-called stock rights are not stock options. The number of stock rights issued to an Executive Board member is determined by the average stock price in the 1st quarter of the performance period. These stock rights are recognized as part of compensation at their value at grant date, calculated in accordance with international accounting standards. The number of stock rights issued under the LTI plan is then adjusted at the end of the respective three-year performance period. The basis for this is a comparison of average TKVA in the three-year performance period – beginning October 01 of the fiscal year in which the stock rights were granted – with the average TKVA of the previous three fiscal years. This compensation component therefore covers in total a period of six years. An increase in TKVA by €200 million results in a 5% increase in stock rights; if average TKVA decreases by €200 million, the number of stock rights decreases by 10%. More information on TKVA is provided in the section "Value-based management". At the end of the performance period the granted stock rights are paid out on the basis of ThyssenKrupp's average share price in the first three months after the end of the performance period. Payments under the LTI plan are limited to €1.5 million for an ordinary Executive Board member.

Pages 54–55

Additional bonus

This system of performance bonus and LTI is appropriate but requires supplementation under certain constellations. For example, due to the high negative TKVA in fiscal year 2008/2009 and despite substantial increases in the 2009/2010 and 2010/2011 fiscal years there will be no payments under the previous MTI plan for the reporting period – just as there were none for the last two fiscal years – owing to the plan's long-term focus. In difficult economic years, which demand particular efforts of the Executive Board, the work of the Executive Board should not be rewarded only with the fixed compensation, as was the case in 2008/2009. In view of the tasks facing the Executive Board and its particular responsibility this would impair the competitiveness of our executive remuneration. It must also be considered that high financial discipline is essential in critical times. For this reason a performance-based compensation element based on a cash flow-related indicator has been established for a certain period. This indicator is the ratio of funds from operations to total debt (FFO/TD), which makes it possible to balance out fluctuations in EBT, net working capital and capital expenditures. The achievement of set targets by the Executive Board is to be rewarded with an additional bonus. The additional bonus is based 50% on the year-end values and 50% on the annual average values of FFO/TD; with a year-end value of 18.2% and an annual average value of 17.2% the additional bonus amounts to €350,000; it changes by €50,000 for each 1.1% change in the year-end value and 0.8% change in the annual average value. To ensure the sustainability and multi-year assessment basis required by the VorstAG particularly in the ratio between short-term and long-term compensation, 55% of the additional bonus is converted into ThyssenKrupp stock rights and paid out after a three-year lock-up period (as with the performance bonus). Whether this additional bonus is granted again, and if so at what level, will be decided each year.

The bonus component of Executive Board compensation is determined on the basis of a cash flow-related indicator.

Pensions

Pensions are paid to former Executive Board members who have either reached pension age or become permanently incapacitated for work. Under the amended contract provisions now applied, pensions ("transitional allowances") are no longer paid upon premature termination or non-renewal of employment contracts.

The pension of an Executive Board member already in office is a percentage of the final fixed salary they received before their employment contract ended. This percentage increases with the duration of the Executive Board member's appointment. In general it is 30% at the start of the first five-year period of appointment, 50% at the start of the second and 60% at the start of the third. Dr. Heinrich Hiesinger's pension is 50%. Current pensions are adjusted annually in line with the consumer price index. For new Executive Board members to be appointed in the future, this final-salary pension plan has been switched to a defined-contribution pension plan, with the annual pension benefit ("module") amounting to 40% of the annual fixed salary.

Under the surviving dependants' benefits plan, a widow receives 60% of the pension and each dependant child (generally up to the age of 18, maximum age 25 years, in justified exceptional cases up to the age of 27) 20%, up to a maximum of 100% of the pension amount.

Total Executive Board compensation granted in 2010/2011

The following table shows details of compensation and pensions for individual Executive Board members in fiscal year 2010/2011. The prior-year figures are shown in square brackets:

Executive Board compensation 2010/2011 in €'000s

	Annual income				Stock appreciation rights granted in fiscal year from 25% of performance bonus		Stock appreciation rights granted in fiscal year from 55% of additional bonus		LTI rights granted in fiscal year (prior year: MTI)				Pensions		
	Fixed salary	Additional benefits	Performance bonus (75%)	Additional bonus (45%)	Number	Value [3]	Number	Value [3]	Number	Value [3]	Total	Expense/ (income) from share-based compensation in the fiscal year	Annual pension when payable	Service costs recorded in the fiscal year *)	Present value of the obligation
Dr.-Ing. Heinrich Hiesinger[1] Chairman (from Jan. 21, 2011) Vice Chairman (from Oct. 01, 2010 to Jan. 20, 2011)	1,207	26	779	219	10,262	190	10,557	196	31,722	903	3,520	661	670	1,183	1,191
	[—]	[—]	(—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]
Dr.-Ing. Ekkehard D. Schulz[2] Chairman (until Jan. 21, 2011)	342	79	218	61	2,872	53	2,955	55	8,907	254	1,062	152	0	—	11,447
	[966]	[130]	[611]	[532]	[8,964]	[210]	[28,626]	[671]	[10,172]	[229]	[3,349]	[1,019]	[0]	[—]	[13,250]
Dr. Olaf Berlien	670	41	433	121	5,697	106	5,861	109	17,612	502	1,982	347	335	379	4,220
	[585]	[94]	[370]	[322]	[5,433]	[127]	[17,349]	[407]	[6,165]	[139]	[2,044]	[617]	[293]	[245]	[4,683]
Dr. Jürgen Claassen (from Jan. 21, 2011)	465	16	300	84	3,956	73	4,078	76	12,230	348	1,362	323	201	422	1,423
	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]
Edwin Eichler	670	43	433	121	5,697	106	5,861	109	17,612	502	1,984	347	335	509	5,487
	[585]	[79]	[370]	[322]	[5,433]	[127]	[17,349]	[407]	[6,165]	[139]	[2,029]	[617]	[293]	[348]	[5,707]
Dr. Alan Hippe (until Mar. 31, 2011)	335	14	216	61	2,848	53	2,930	54	8,806	251	984	164	—	—	—
	[585]	[99]	[370]	[322]	[5,433]	[127]	[17,349]	[407]	[6,165]	[139]	[2,049]	[617]	[176]	[302]	[681]
Guido Kerkhoff (from Apr. 01, 2011)	335	11	216	61	2,848	53	2,930	54	8,806	251	981	183	201	232	233
	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]	[—]
Ralph Labonte	670	32	433	121	5,697	106	5,861	109	17,612	502	1,973	347	335	424	8,967
	[585]	[92]	[370]	[322]	[5,433]	[127]	[17,349]	[407]	[6,165]	[139]	[2,042]	[617]	[293]	[292]	[8,783]
Total	4,694	262	3,028	849	39,877	740	41,033	762	123,307	3,513	13,848	2,524	2,077	3,149	32,968
	[3,306]	[494]	[2,091]	[1,820]	[30,696]	[718]	[98,022]	[2,299]	[34,832]	[785]	[11,513]	[3,487]	[1,055]	[1,187]	[33,104]

[1] As Vice Chairman of the Executive Board Dr. Hiesinger received a supplement of 35%, as Chairman of the Executive Board 100%.
[2] Supplement 65%
[3] at grant date
[4] Past service cost was not incurred in the 2010/2011 fiscal year

The corresponding prior-year figures (in €'000s) for the Executive Board member Dr. Ulrich Middelmann who stepped down in fiscal 2009/2010 (date of departure: Jan. 21, 2010) are: Fixed salary: 226; additional benefits: 46; performance bonus: 142; additional bonus: 124; stock appreciation rights from performance bonus: 49; stock appreciation rights from additional bonus: 155; MTI rights: 54; total: 796; expense from share-based compensation: 237; service cost in reporting year: 0; present value 13,298.

Guido Kerkhoff joined the Executive Board on April 01, 2011. In the reporting year, Mr. Kerkhoff received compensation of just under €1.4 million for the loss of share awards from Deutsche Telekom AG due to his move to ThyssenKrupp AG.

Total compensation paid to active members of the Executive Board for their work in fiscal year 2010/2011 amounted to €13.8 million (prior year: €12.3 million). The performance bonus is based on continuing operations. The impairment losses in the Steel Americas business area were not taken into consideration.

Based on a contractual commitment that no longer applies to subsequently appointed Executive Board members, Prof. Dr.-Ing. Schulz will continue to receive a chauffeur-driven car and specific insurance benefits for a period of five years after entering into retirement on account of his having served on the Executive Board for over ten years; he is also entitled to an office with secretary for five years on account of his efforts for the Company; the present value of this is €935,000. The Company has recognized pension provisions for the future pension entitlements on the basis of IFRS.

No further benefits have been promised to any Executive Board members in the event that they leave their post. In the reporting year, no members of the Executive Board received benefits or corresponding promises from third parties in connection with their Executive Board positions. As in previous years, no loans or advance payments were granted to members of the Executive Board, nor were any guarantees or other commitments entered into in their favor.

The 6th installment of the MTI, which became due in the past fiscal year, resulted in no payment due to the sharp drop in TKVA in 2009/2010. In January 2011 the Executive Board members were granted new stock rights under the 1st installment of the LTI. Under the 7th to 8th installments of the MTI and the 1st installment of the LTI the Executive Board members have a total of 245,331 stock rights which have been awarded but are not yet payable.

Total compensation paid to former members of the Executive Board and their surviving dependants amounted to €14.6 million (prior year: €14.5 million). In accordance with IFRS an amount of €192.7 million (prior year: €190.6 million) was accrued for pension obligations benefiting former Executive Board members and their surviving dependants.

Share-based compensation for further executives

Alongside the Executive Board, further selected executives of the Group receive part of their remuneration in the form of share-based compensation. This relates to the MTI and also to a program for the purchase of ThyssenKrupp shares at a discount.

The Mid-Term Incentive Plan encourages and rewards value-oriented executive behavior.

The aim of the MTI is to encourage and reward value-oriented executive behavior based on the Group's goals, and also to help strengthen ties with the Group. Beginning with the 2nd installment of the MTI, issued in 2004, the group of employees eligible to receive stock rights was expanded on modified terms to include the executive board members of the then segment holding companies and other selected executives. Today the participants in the plan include the members of the business area management boards as well as management board members and selected executives of large Group companies. The MTI for this group of persons resulted in expense of €3.0 million in the reporting year (prior year: expense of €4.0 million).

In addition, the 2009/10 discount share purchase plan for selected executives of the Group in Germany who are not beneficiaries of the MTI ended in the 2nd quarter of the reporting year. On expiration of the performance period, beneficiaries were offered the opportunity to purchase ThyssenKrupp shares up to a fixed euro amount at a discount, which was paid by the employer. The remaining amount was paid by the participants as their contribution. The discount amount depended on the (Group) TKVA over the performance period and came to 76%. The shares purchased under the program have a three-year lock-up period. The program resulted in an expense of €8.6 million (prior year: €0.9 million).

The discount share purchase and MTI programs described will be replaced by the LTI in the future. The LTI employs a system comparable with the MTI. Under the LTI, too, stock rights are issued and their performance measured over a three-year period on the basis of TKVA; on expiration of the plan participants receive a cash payout equivalent to the value of the stock rights. The plan differs from the MTI in that the key data have been changed and the group of participants significantly expanded. In fiscal year 2010/2011 the LTI was awarded to only a few selected executives, the program has not yet been fully implemented. The resultant expenses amounted to €6.0 million.

In addition it was decided to modify the structure of the variable compensation component for further selected executives in such a way that 20% of the bonus awarded for each fiscal year must now be converted into ThyssenKrupp AG stock rights and is only paid out in cash after the expiration of three fiscal years on the basis of the average ThyssenKrupp share price in the 4th quarter of the 3rd fiscal year. This will be implemented for the first time for the 2010/2011 fiscal year.

Supervisory Board compensation is regulated by the Company's Articles of Association.

Appropriate Supervisory Board compensation

The compensation of the Supervisory Board, which is based on the duties and responsibility of the Supervisory Board members and on the business situation and performance of the Group, is regulated in §14 of the Articles of Association of ThyssenKrupp AG.

In addition to reimbursement of their expenses and a meeting attendance fee of €500, Supervisory Board members receive compensation comprising three elements: fixed compensation of €50,000 and two performance-related elements. The first is a performance bonus of €300 for each €0.01 by which the dividend paid out to shareholders for the past fiscal year exceeds €0.10 per share. On top of this there is a component based on the long-term performance of the Company in the form of an annual compensation of €2,000 for each €100 million by which average earnings before taxes (EBT) in the last three fiscal years exceed €1 billion.

The Chairman receives three times the above fixed compensation, performance bonus and long-term performance-based component, and the Vice Chairman double these amounts. In accordance with the German Corporate Governance Code, chairmanship and membership of the Supervisory Board committees are compensated separately. Supervisory Board members who only serve on the Supervisory Board for part of the fiscal year receive a proportionally reduced compensation amount. If a Supervisory Board member does not attend a meeting of the full Supervisory Board or a committee meeting, his/her compensation is reduced proportionally.

On the basis of the proposed dividend, members of the Supervisory Board will receive total compensation, including meeting attendance fees, for the reporting year of €1.8 million (prior year: €1.8 million). The individual members will receive the amounts listed in the following table. As the average EBT of the last three fiscal years is below the threshold of €1 billion – as in the previous year – no payment will be made from the long-term compensation component for fiscal year 2010/2011.

Supervisory Board compensation in €

	2009/2010				2010/2011			
	Fixed compensation	Bonus	Long-term component	Total compensation [2]	Fixed compensation	Bonus	Long-term component	Total compensation [2]
Dr. Gerhard Cromme, Chairman[1]	200,000	42,000	—	251,500	200,000	42,000	—	251,500
Bertin Eichler, Vice Chairman[1]	150,000	31,500	—	190,000	150,000	31,500	—	191,000
Theo Frielinghaus (until March 31, 2010)[1]	28,040	5,888	—	35,928	—	—	—	—
Markus Grolms (since October 14, 2009)[1]	52,909	11,111	—	66,520	62,500	13,125	—	79,125
Susanne Herberger[1]	60,582	12,722	—	76,304	59,167	12,425	—	74,592
Prof. Jürgen Hubbert (until January 21, 2010)	15,479	3,251	—	19,730	—	—	—	—
Bernd Kalwa[1]	62,500	13,125	—	79,125	62,500	13,125	—	79,125
Prof. Dr. Hans-Peter Keitel (since January 21, 2010)	34,658	7,278	—	43,436	46,667	9,800	—	58,467
Ernst-August Kiel (since April 12, 2010)	21,991	4,618	—	27,109	50,000	10,500	—	63,000
Dr. Martin Kohlhaussen (until January 21, 2010)[1]	17,875	3,754	—	23,629	—	—	—	—
Dr. Heinz Kriwet (until January 21, 2010)[1]	16,678	3,502	—	21,680	—	—	—	—
Prof. Dr. Ulrich Lehner[1]	62,500	13,125	—	80,625	62,500	13,125	—	80,125
Sabine Maaßen (since January 22, 2011)	—	—	—	—	34,521	7,249	—	43,270
Prof. Dr. Bernhard Pellens[1]	71,164	14,945	—	91,609	75,000	15,750	—	95,750
Peter Remmler	50,000	10,500	—	63,000	50,000	10,500	—	63,000
Dr. Kersten v. Schenck[1]	57,084	11,987	—	71,571	59,167	12,425	—	74,592
Peter Scherrer (until January 21, 2011)	50,000	10,500	—	63,000	15,479	3,251	—	19,730
Thomas Schlenz[1]	87,500	18,375	—	113,375	87,500	18,375	—	114,375
Dr. Henning Schulte-Noelle[1] (until January 21, 2011)	71,667	15,050	—	92,217	17,876	3,754	—	24.130
Prof. Dr.-Ing. Ekkehard D. Schulz (since January 21, 2011)	—	—	—	—	38,353	8,054	—	47,907
Wilhelm Segerath[1]	62,500	13,125	—	80,625	62,500	13,125	—	80,125
Peer Steinbrück (since January 21, 2010)[1]	38,353	8,054	—	47,907	53,750	11,288	—	67,038
Christian Streiff	50,000	10,500	—	63,000	50,000	10,500	—	63,000
Jürgen R. Thumann[1]	55,331	11,620	—	69,451	71,164	14,945	—	92,109
Prof. Dr. Beatrice Weder di Mauro (since January 21, 2010)	32,347	6,793	—	40,140	50,000	10,500	—	63,000
Klaus Wiercimok	50,000	10,500	—	63,000	50,000	10,500	—	63,000
Total	1,399,158	293,823	—	1,774,481	1,408,644	295,816	—	1,787,960

[1] Dr. Gerhard Cromme as Chairman of the Supervisory Board and of the Executive Committee, the Personnel Committee and the Strategy, Finance and Investment Committee and as member of the Audit Committee, Bertin Eichler as Vice Chairman of the Supervisory Board and member of the Executive Committee, the Personnel Committee, the Audit Committee and the Strategy, Finance and Investment Committee, Prof. Dr. Bernhard Pellens as Chairman of the Audit Committee, Dr. Henning Schulte-Noelle as member of the Executive Committee and the Personnel Committee (pro rata), Jürgen R. Thumann as member of the Executive Committee, the Personnel Committee and the Strategy, Finance and Investment Committee (pro rata), Thomas Schlenz as member of the Executive Committee, the Personnel Committee and the Audit Committee, Prof. Dr. Ulrich Lehner and Wilhelm Segerath as members of the Audit Committee, and Prof. Dr.-Ing. Ekkehard D. Schulz (pro rata) and Markus Grolms, Susanne Herberger, Bernd Kalwa, Dr. Kersten v. Schenck and Peer Steinbrück each as members of the Strategy, Finance and Investment Committee receve higher fixed and variable compensation.

[2] Total compensation also includes the meeting attendance fees paid to the members of the Supervisory Board. The members of the Supervisory Board received an attendance fee for each meeting of the Supervisory Board and its committees they attended in the amount of €500. Dr. Gerhard Cromme receved attendance fees of €9,500 (prior year: €9,500), Bertin Eichler €9,500 (prior year: €8,500), Markus Grolms €3,500 (prior year: €2,500), Susanne Herberger €3,000 (prior year: €3,000), Bernd Kalwa €3,500 (prior year: €3,500), Prof. Dr. Hans-Peter Keitel €2,000 (prior year: €1,500), Ernst-August Kiel €2,500 (prior year: €500), Vorjahr: 1.500 €), Prof. Dr. Ulrich Lehner €4,500 (prior year: €5,000), Sabine Maaßen €1,500 (prior year: €0), Prof. Dr. Bernhard Pellens €5,000 (prior year: €5,500), Peter Remmler €2,500 (prior year: €2,500), Dr. Kersten v. Schenck €3,000 (prior year: €2,500), Peter Scherrer €1,000 (prior year: €2,500), Thomas Schlenz €8,500 (prior year: €7,500), Dr. Henning Schulte-Noelle €2,500 (prior year: €5,500), Prof. Dr.-Ing. Ekkehard D. Schulz €1,500 (prior year: €0), Wilhelm Segerath €4,500 (prior year: €5,000), Peer Steinbrück €2,000 (prior year: €1,500), Christian Streiff €2,500 (prior year: €2,500), Jürgen R. Thumann €6,000 (prior year: €2,500), Prof. Dr. Beatrice Weder di Mauro €2,500 (prior year: €1,000) and Klaus Wiercimok €2,500 (prior year: €2,500). In addition in the prior year Theo Frielinghaus received attendance fees of €2,000, Prof. Jürgen Hubbert €1,000, Dr. Martin Kohlhaussen €2,000 and Dr. Heinz Kriwet €1,500. Total attendance fees were paid in the amount of €83,500 (prior year: €81,500).

The employee representatives who belong to trade unions have stated that they will transfer their compensation to the Hans-Böckler Foundation in accordance with the policies of the German Federation of Trade Unions.

Members of the Supervisory Board of ThyssenKrupp AG will additionally receive compensation of €89,750 (prior year: €79,543) for supervisory board directorships at Group companies in fiscal year 2010/2011. The individual members of the Supervisory Board will receive the amounts shown in the following table:

Compensation from supervisory board directorships within the Group in €

	2009/2010	2010/2011
Theo Frielinghaus (until March 31, 2010)	3,819	—
Susanne Herberger	16,500	16,250
Bernd Kalwa	15,750	16,250
Ernst-August Kiel (since April 12, 2010)	9,382	19,600
Thomas Schlenz	19,732	21,150
Wilhelm Segerath	14,360	16,500
Total	79,543	89,750

No loans or advance payments were granted to members of the Supervisory Board in the reporting year.

As in the previous year Supervisory Board members received no further compensation or benefits for personal services rendered, in particular advisory and mediatory services, with one exception. The law firm Clifford Chance, for which Supervisory Board member Dr. v. Schenck works as an of counsel, received a total of €82,364 (prior year: €70,702) from ThyssenKrupp companies for its consulting services. As in previous years, no loans or advance payments were granted to members of the Supervisory Board, nor were any guarantees or other commitments entered into in their favor.

Related to the reporting year, former Supervisory Board members who left the Supervisory Board before October 01, 2010 will not receive any compensation from the long-term compensation component for the time they served on the Supervisory Board because – as in the prior year – average EBT in the last three fiscal years is below the threshold of €1 billion.

ThyssenKrupp stock

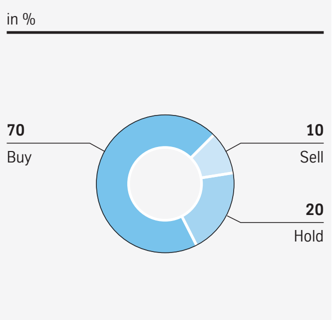
Our stock was impacted by the turbulence on the world's capital markets. After reaching a year high of €35.84 in June 2011, it closed at €18.55 at the end of September. Our investor relations activities in the reporting year focused on the further strategic development of the Group.

Key data of ThyssenKrupp stock

		2006/2007	2007/2008	2008/2009	2009/2010	2010/2011
Capital stock	million €	1,317	1,317	1,317	1,317	1,317
Number of shares (total)	million shares	514.5	514.5	514.5	514.5	514.5
Stock exchange value end September	million €	22,977	10,819	12,106	12,306	9,543
Closing price end September	€	44.66	21.03	23.53	23.92	18.55
High	€	46.14	46.63	25.05	28.07	35.84
Low	€	26.19	20.78	12.11	19.82	18.55
Dividend	€	1.30	1.30	0.30	0.45	0.45 [1]
Dividend total	million €	635	603	139	209	232 [1]
Dividend yield	%	2.9	6.2	1.3	1.9	2.4 [1]
Earnings per share	€	4.30	4.59	(4.01)	1.77	(2.71)
Number of shares (outstanding [2])	million shares	488.8	477.8	463.5	464.0	476.2
Trading volume (daily average)	million shares	3.8	4.3	4.8	3.4	3.2

[1] Proposal to the Annual General Meeting [2] weighted average

Analyst recommendations for ThyssenKrupp stock
at September 30, 2011



Analyst interest at high level

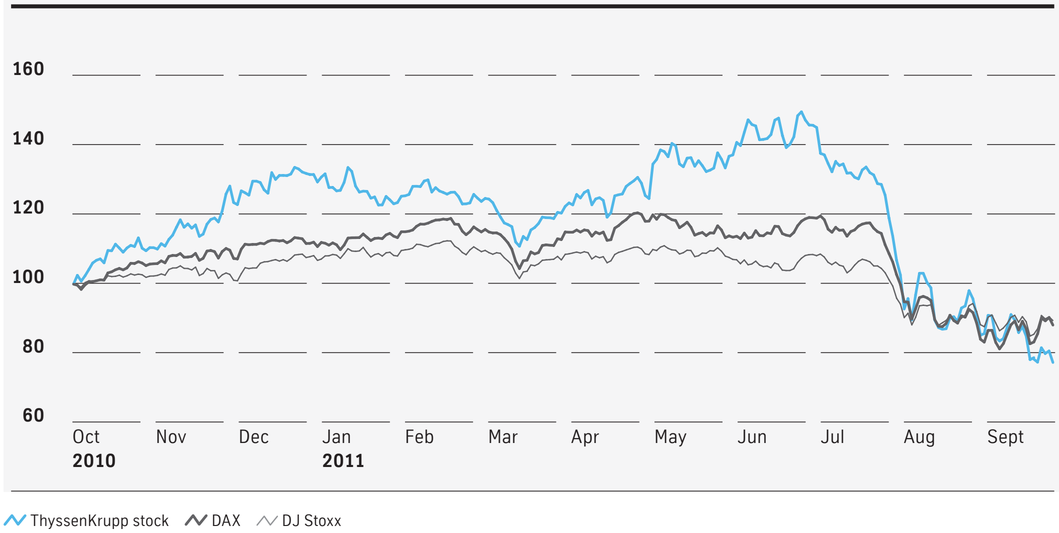
Over 30 analysts publish regular analyses of our company and report on our stock. At the end of the 2010/2011 fiscal year their investment recommendations, which reflect the stock's potential, were overwhelmingly positive.

Stock performance impacted by financial crisis

ThyssenKrupp's stock performed well in the 1st quarter 2010/2011. Key factors in this were the strategic measures we implemented and the general economic situation, which also favored our business. Subsequently, however, the capital markets weakened due to rising raw material prices and the natural disaster in Japan. This trend shaped our share performance in the 2nd quarter.

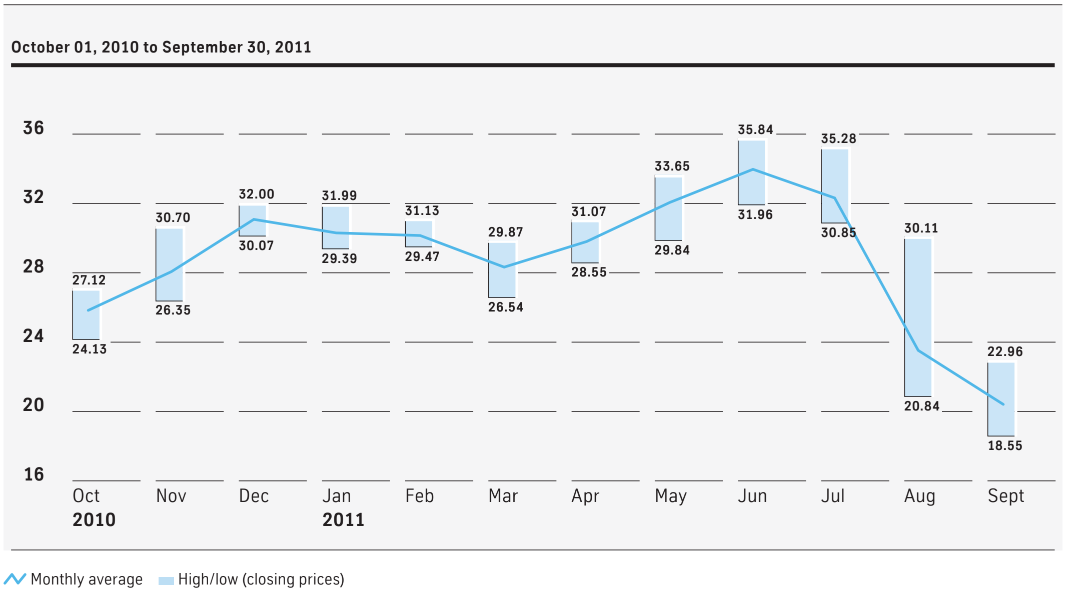
Performance of ThyssenKrupp stock relative to DAX and DJ STOXX, indexed,

September 30, 2010 to September 30, 2011



In the 3rd quarter the stock initially recovered its previous losses. In particular after the announcement of our strategic development plans in early May 2011 it surged to a reporting year high of €35.84 at the end of June. The 4th quarter was then dominated by the turbulence on the international financial markets. ThyssenKrupp's stock lost all its gains and closed the fiscal year at €18.55, a low for the reporting year and down 22.5% from twelve months earlier.

Highs and lows of ThyssenKrupp stock in €



Dividend proposal of €0.45 per share

At the Annual General Meeting on January 20, 2012, the Executive Board and Supervisory Board will propose payment of a dividend of €0.45 per share for the 2010/2011 fiscal year. Based on the share price of €18.55 on September 30, 2011, the dividend yield is 2.4%. The payout ratio is 47.0% of the net income of ThyssenKrupp AG, which forms the legal basis for distribution.

Further internationalization of shareholder structure

ThyssenKrupp analyzes its shareholder structure twice a year, focusing in particular on the regional distribution of institutional investors. Among other things, these data form the basis for the planning of our roadshows and participation in conferences. At the end of September 2011, the number of institutional investors holding ThyssenKrupp shares was up significantly to 470 from 442 at the end of March 2011 and 434 in the prior year. At the same time the shareholder base has become even more international.

The most important region is now North America. Investors based there hold 15.3% of our capital stock. Investors from continental Europe (excluding Germany) hold 12.2% of the capital stock, with France (3.4%) and Norway (3.1%) the most important individual countries. 9.4% of the capital stock is held by investors in the United Kingdom and Ireland, and 9.2% by investors in Germany.

The largest shareholder is the Alfried Krupp von Bohlen und Halbach Foundation, Essen, which holds 25.33% of the Company's capital stock. Private investors around the world own a roughly 10% share of ThyssenKrupp.

Page 52

Following the sale of treasury shares in July 2011 ,ThyssenKrupp AG no longer holds any treasury shares; details are provided in the section "Profile and Strategy". As a result of this transaction, the free float increased to 74.67% of the capital stock.

IR work dominated by Group strategy

Dialogue between our investor relations team and the capital market was dominated by two themes in the reporting year: increased transparency as a consequence of the new organizational structure of the Group with eight business areas, and the plan for the further strategic development of the Group adopted in May 2011.

We mainly made use of traditional instruments such as roadshows and investor conferences to commence or deepen our dialogue with as many institutional investors as possible. These activities were centered on financial centers in Europe and the USA. As our shares are still often seen as a steel stock, in addition to investor conferences focusing on metals and mining we also took part in engineering and capital goods conferences. This helps us position the Group appropriately on the capital market.

Field trips for investors and analysts to various Group locations rounded out our IR activities. These visits gave participants a far deeper insight into our operations and their high quality. A particular focus in the past fiscal year was our new steel processing site in Alabama. The analyst briefing we held in December 2010 as part of the plant opening met with a very positive response. A similar event was staged at our new steel mill in Brazil in October 2011.

In the future, the Group's operating activities will also be brought more to the fore at our Capital Markets Days. The business areas of the Technologies division will present themselves at the first such event in December 2011.

How to contact us, our financial calendar and other information can be found at the end of the Annual Report or online at www.thyssenkrupp.com

We likewise made regular presentations on the Group to private investors at numerous events. They were also a key target group for the investor relations pages on our website. In addition, our telephone hotline was intensively used by private investors.

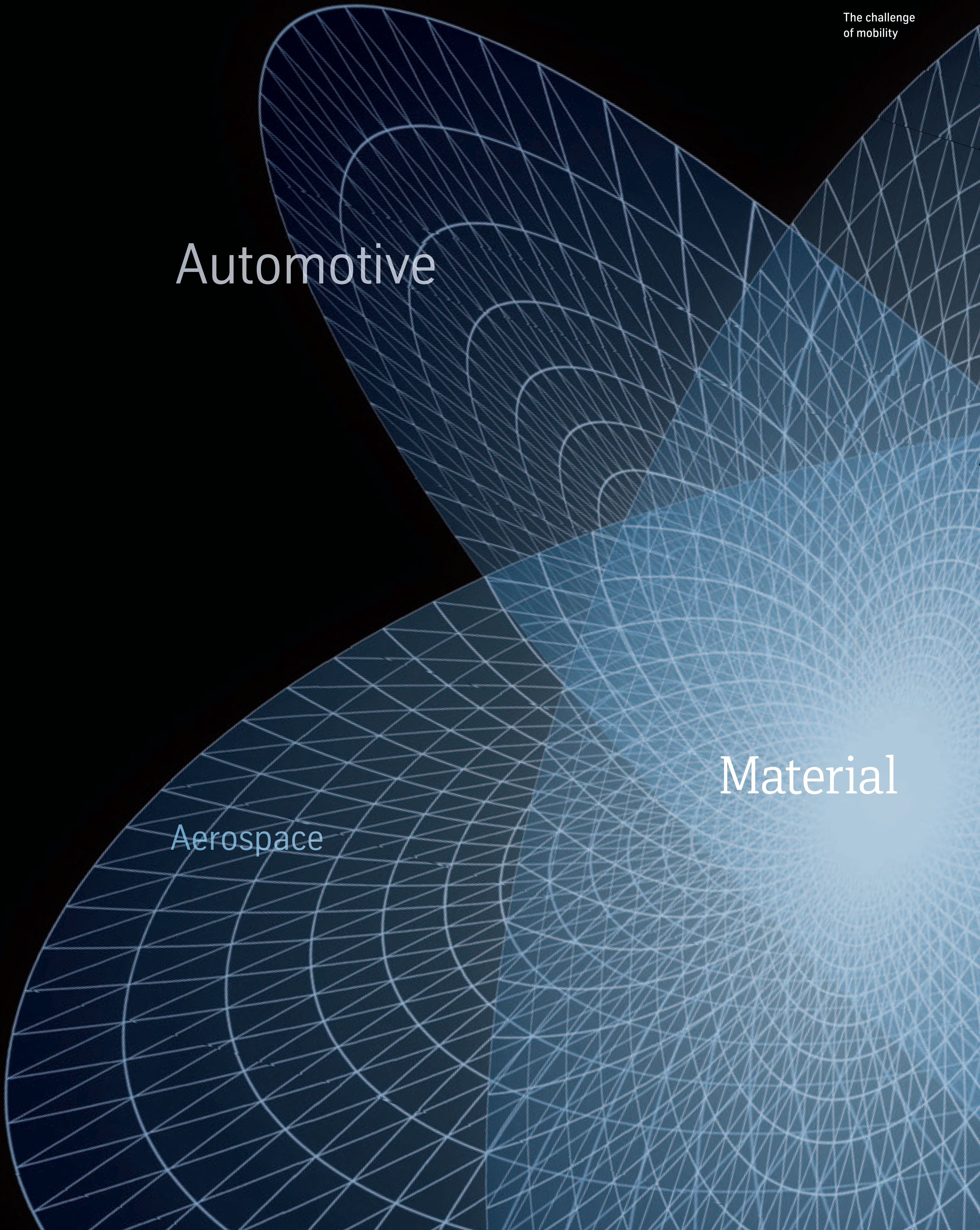
Management report on the Group

The Group's performance in the reporting year, our Strategic Way Forward and the main opportunities and risks we face going forward are the central topics of the management report on the Group. Information on the organizational structure of the Group, the performance of the business areas and the non-financial performance indicators round out the picture of your Company.

2

Management report on the Group

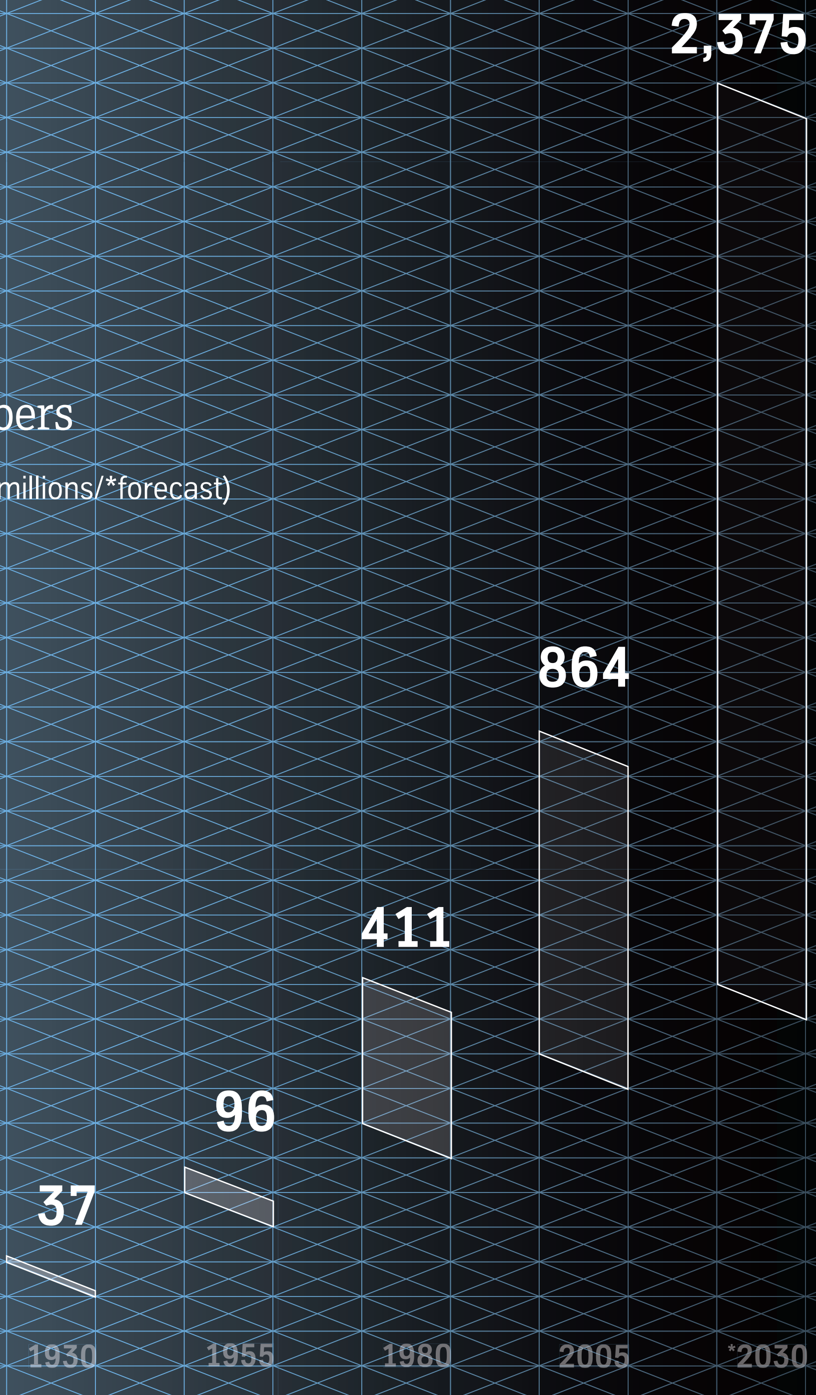
2.1 Profile and strategy 49 – 56
— Capability profile and organizational structure 49
— The Group's Strategic Way Forward 50
— Corporate program impact 53
— Value-based management 54
2.2 Consolidated results of operations 57 – 70
— Summarized assessment by the Executive Board of business performance and target achievement 57
— General economic conditions 57
— Business performance in the Group 60
— Sales markets and marketing 66
— Procurement of raw materials and energy 67
2.3 Results of operations of the business areas 71 – 84
— Steel Europe 71
— Steel Americas 73
— Materials Services 75
— Elevator Technology 76
— Plant Technology 78
— Components Technology 79
— Marine Systems 80
— Stainless Global (discontinued operation) 82
— Corporate at ThyssenKrupp AG 84
2.4 Financial position 85 – 92
— Capital expenditures 85
— Net financial debt 87
— Analysis of the statement of cash flows 88
— Central financing and maintenance of liquidity 89
— Analysis of the statement of financial position 90
— Assets not recognized and off-balance financing instruments 92
2.5 Non-financial performance indicators 93 – 101
— Sustainability 93
— Innovations 94
— Employees 96
— Environment and climate 99
— Corporate citizenship 101
2.6 Subsequent events 101
2.7 Expected developments and associated opportunities and risks 102 – 119
— Economic outlook 102
— Expected results of operations 104
— Expected financial and liquidity situation 106
— Opportunity report 106
— Risk report 108
2.8 Legal information 120 – 124
— Corporate governance declaration 120
— Compensation report 120
— Disclosure of takeover provisions 120

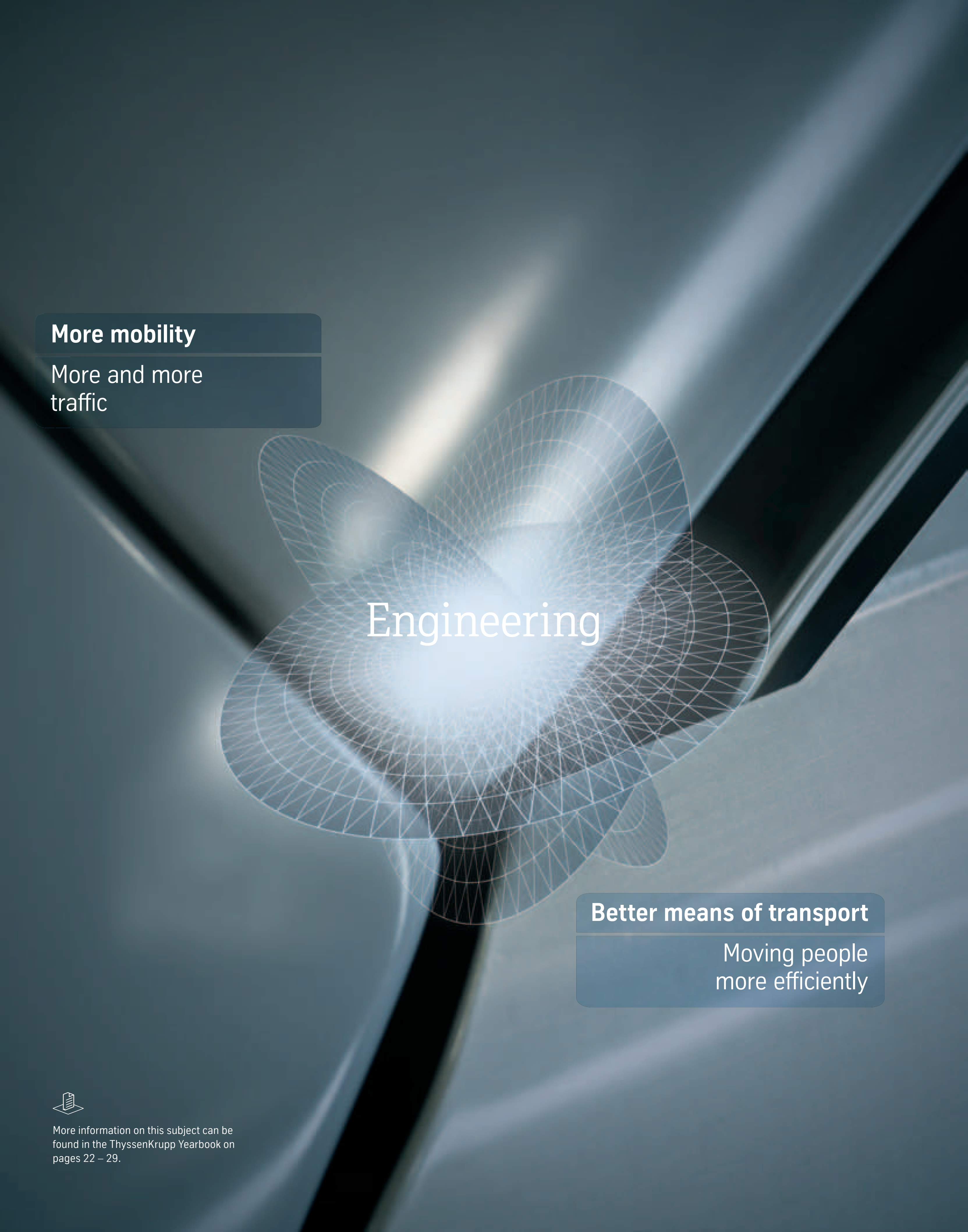

Automotive
Material
Aerospace

Lightening the load

The challenge of mobility: The number of cars around the world is constantly on the rise, so we need to slash the amount of resources needed to make and run them.

Vehicle numbers worldwide (in millions/*forecast)





More mobility

More and more traffic

Engineering

Better means of transport

Moving people more efficiently

More information on this subject can be found in the ThyssenKrupp Yearbook on pages 22 – 29.

Profile and strategy

ThyssenKrupp is responding to the ever-changing global markets with a sharper profile and focused strategy. Our engineering expertise is the key to the Group's future technical and commercial success. Together with our customers we want to develop global growth opportunities in a sustainable way.

Capability profile and organizational structure

Capability profile

ThyssenKrupp is a diversified industrial group. For us, innovations and technical progress are key factors in managing global growth and the use of finite resources in a sustainable way. With our engineering expertise in the areas "Material", "Mechanical" and "Plant" we enable our customers to compete successfully in the global market place. We offer them a broad range of capabilities allowing them to operate innovatively and utilize resources efficiently. Our capabilities extend from high-quality steels to technological goods such as elevators, escalators and complete industrial complexes, to advanced naval technology.

Organizational and management structure

Pages 202–222

The Group's operations are organized in eight business areas each having several operating units – seven operating business areas plus Stainless Global as a discontinued operation. The business areas are bracketed together in two divisions – Materials and Technologies – which describe the Group's strategic focus. The business areas and their Group companies operate independently on the market. Directly or indirectly, ThyssenKrupp has almost 780 companies and equity interests in around 80 countries. Details on our shareholdings are provided in the Notes. The largest of our more than 1,100 sites is Duisburg with 16,700 employees, followed by Rio de Janeiro in Brazil with 5,200 employees.

Organizational structure

ThyssenKrupp Group

Corporate headquarters

ThyssenKrupp AG

Business areas

Materials division			Technologies division				Discontinued operation
Steel Europe	Steel Americas	Materials Services	Elevator Technology	Plant Technology	Components Technology	Marine Systems	Stainless Global*

* discontinued operation as of September 30, 2011

Page 51

As part of the Strategic Way Forward, the Group intends to divest the operations of the Stainless Global business area – more on this in the section below. As of September 30, 2011, Stainless Global is classified as a discontinued operation under IFRS. Therefore, key figures for the reporting year are stated and commented upon for the whole Group and for the continuing operations; where not otherwise stated we report on the Group as a whole. However, forward-looking statements relate exclusively to the continuing operations.

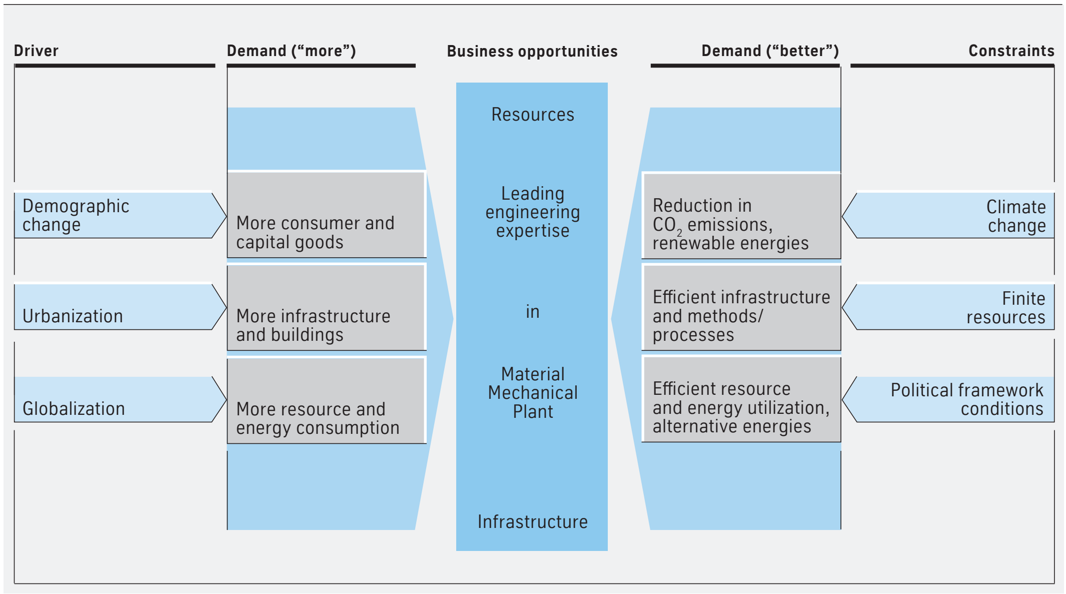
The strategic management of the Group is the responsibility of corporate headquarters at ThyssenKrupp AG. ThyssenKrupp AG was founded in 1999 as a stock corporation under German law and has dual domiciles in Duisburg and Essen. The headquarters are located in Essen in the ThyssenKrupp Quarter. The Executive Board of ThyssenKrupp AG sets the strategy for the Group's development, directs the business areas and is responsible for central corporate functions. In addition to their own directorates, members of the Executive Board are responsible for specific world regions. Their duties also include executive development and talent management.

The Group's Strategic Way Forward

Following the successful turnaround in fiscal year 2009/2010, we defined a new strategy for the Group in the reporting year. Market and customer focus, coupled with innovation and engineering expertise, form the framework for sustainable success.

Global trends are our growth base

Business opportunities for ThyssenKrupp



The economic strength of the emerging countries, above all Brazil, India and China, is growing rapidly. Global trends such as demographic change, increasing urbanization and globalization of trade flows provide major impetus for steadily rising demand. The world needs "more" – whether it's consumer and capital goods, infrastructure, energy or raw materials.

Rising demand is faced with constraints, above all the finite availability of resources and the need to protect our environment. Global climate change is leading to stricter rules for industry, requiring efficient use of resources and raw materials. So the world doesn't just need "more", above all it needs "better" solutions: better use of resources, more efficient infrastructure, greener production processes and more efficient consumer and industrial goods.

This opens up significant opportunities for ThyssenKrupp. With our broad and leading engineering expertise in many areas we can meet demands for both "more" and "better" – in the industrialized countries and also in the emerging markets – and so create clear competitive advantages both for us and for our customers worldwide.

Key points of the Strategic Way Forward

Against this global background, on May 13, 2011 ThyssenKrupp AG decided on an integrated program for the further strategic development of the Group. The main aims of the Strategic Way Forward are to reduce the Group's debt, enable sustainable growth, increase earning power, and create value. It involves focusing our portfolio and divesting businesses for which there are stronger strategic alternatives. It will strengthen our financial base and provide new flexibility to expand strategically promising businesses.

The strategy is driven by a corporate culture based on transparency, responsibility and clear leadership. For us, transparency means measuring our actions against clear indicators. Responsibility means shaping a sustainable future for the Group. By leadership we mean defining clear strategic goals and creating the framework for implementing them successfully. Our aim is to rank among the best in the market in each of our businesses over the long term.

First measures as part of the Strategic Way Forward have now been initiated or already completed:

INOXUM

IPO: Sale of a company to investors on the stock market.

Spin-off: Separation of part of a company and distribution of its shares.

- In a move towards portfolio optimization the Group will divest the operations of the Stainless Global business area. The corporate, organizational and contractual conditions for the carve out of Stainless Global were established effective September 30, 2011: The new entity – called Inoxum – has a holding company structure with a functional board performing strategic tasks and directing the operating units.

  In what form the actual separation is subsequently carried out is being examined with an open mind. The options are an IPO, a spin-off or a sale. As a separate entity Inoxum will be able to develop its competitive position with greater flexibility in the future – also with a view to potential strategic partnerships.

- 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 were ended by mutual consent. The scope of the transaction is now restricted exclusively to the civil part of the former HDW-Gaarden with the transfer of around 180 employees and corresponding assets.

  Talks are currently being conducted on the sale of the civil operations of Blohm + Voss – the yacht building and repair and components businesses in Hamburg; Marine Systems will concentrate on military shipbuilding in the future. The restructuring of the shipyard site in Emden was completed at the beginning of the reporting year with the sale of ThyssenKrupp Fahrzeugtechnik.

- We have found a best owner for the Xervon group in REMONDIS, a service company focused on water and recycling services. Xervon provides technical services for the erection and maintenance of industrial plants around the world and is therefore an excellent fit for the REMONDIS portfolio. The sale and purchase agreement was signed in the final quarter of the reporting year; the closing will follow after approval by the responsible merger authorities. The approval of the EU competition authority has already been received. Altrad S.A. of France purchased Xervon's Spanish subsidiary back in October 2010. This took Materials Services a major step forward in restructuring its industrial services business.

- The sale of the Metal Forming group to the Spanish automotive supplier Gestamp Automoción was completed in July 2011 after the approval of the EU competition authorities. The group, which manufactures high-quality chassis and body parts, was no longer part of the core business of Steel Europe. In addition it is planned to sell ThyssenKrupp Tailored Blanks.

- Under the new strategic framework we will also combine the chassis operations of the Bilstein group and Presta Steering, and divest the spring and stabilizer business and the Brazilian Automotive System operation as part of a best-owner solution. The management structure for the new entity formed from Bilstein and Presta Steering has already been decided. The combination creates one of the world's biggest chassis full-service providers with a global footprint. With its damping and steering expertise it will be better able to meet customer demands for modern chassis systems. We also plan to divest the US foundry group Waupaca.

- In September and October 2011 Elevator Technology acquired all the operations of two US companies: General Elevator Sales and Services, Inc. in Florida, and United Elevator Company, Inc. in Pennsylvania. Both companies specialize in elevator service, maintenance and modernization and have been operating successfully on the American market for decades. This consolidates the already strong position of ThyssenKrupp Elevator in North America and sets us on course for further growth in this region. We strengthened our market position in Europe with further acquisitions in the Benelux countries and in Spain, Italy and France.

The sale of treasury stock in July 2011 resulted in a cash inflow of €1.6 billion.

- In a further step, ThyssenKrupp sold treasury shares equivalent to 9.6% of the capital stock at the beginning of July 2011. We sold 49,484,842 shares at a price of €32.95 per share, resulting in a cash inflow of €1.6 billion. The shares were placed mainly with German and international institutional investors in an accelerated bookbuilding. The transaction strengthened equity and reduced net financial debt. ThyssenKrupp AG now no longer holds any treasury shares.

- The strategy is supported by a new Group mission statement. Over 1,300 employees from all business areas worked on its development – among other things in workshops in the USA, Canada, Brazil, Spain, China, Hong Kong, Dubai, India, South Africa and Germany. As a new "corporate constitution" the mission statement creates a common roof for all the Group's employees. It requires and promotes more transparency, openness and teamwork in our operating culture. Highest standards and common values such as reliability, integrity and responsibility determine our actions. We are a materials and technology company and meet the challenges of the future with our customers.

Corporate program impact

A name as a signal – impact includes the words "act" for action and "pact" in the sense of an alliance of knowledge and skills.

To implement the Strategic Way Forward with the active involvement of our employees, we launched the corporate program impact. impact has the aim of creating sustainable value in the Group. We want to achieve profitable growth in our businesses and markets while securing competitiveness, profitability and capital efficiency. For this, we have defined four initiatives, addressing the following key themes:

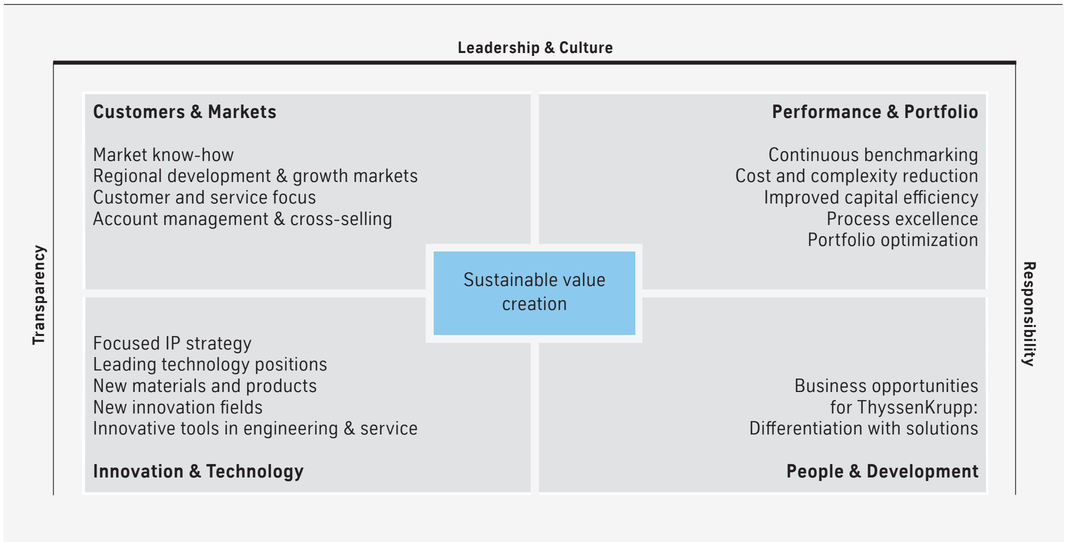
- **Customers & Markets**
  Strengthening customer understanding, implementing market opportunities, developing regional and growth markets

- **People & Development**
  Developing skills and potential, and using them optimally

- **Performance & Portfolio**
  Improving efficiency and quality, optimizing the portfolio, increasing earning power

- **Innovation & Technology**
  Expanding technological expertise, improving innovation management, strengthening competitiveness

Corporate program impact



Three enabling themes support the initiatives and define the framework for our business actions. They are:

- **Transparency**
  The management of the ThyssenKrupp Group should be based on uniform performance indicators, understandable for all. This also applies to the impact program as a whole: It is part of operational budget planning; progress is monitored monthly.

– **Responsibility**
  Every employee is measured against the sustainable success of the company. This includes adherence to compliance rules.

– **Leadership and culture**
  In a modern corporate culture managers see themselves as role models and multipliers. For example, internal communication at ThyssenKrupp today is much more intensive than in the past.

impact replaces the previous corporate program ThyssenKrupp best. It retains proven methods, tools, templates and processes, and builds on successful ThyssenKrupp-best approaches. One example of this is continuous benchmarking. To make the effects of impact transparent the program is integrated into our financial planning and reporting systems.

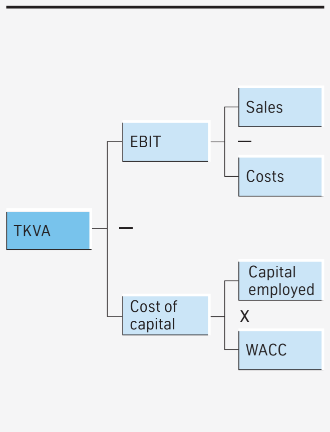
With the introduction of the new corporate program the first-ever impact award was presented. The award is recognition for the three best measures under the corporate program in a fiscal year. First place went to Elevator Technology for the “Supply Management Efficiency Program”. Second prize was won by Steel Europe for the measure “Energy cost reduction and increased energy efficiency”, and third prize went to a Materials Services measure called “Establishing a central warehouse network for engineering steel”.

Value-based management

We aim to systematically and continuously increase the value of the company through profitable growth and a focus on businesses with the best development opportunities. For this we use a value-based management system. Key elements of this management system are integrated controlling, value-based performance indicators, and value-increasing measures.

Integrated controlling secures Groupwide transparency
We use an integrated controlling system to manage the activities of all areas of the Group. It helps us identify and bridge operational and strategic gaps between actual and target performance. Our high-quality reporting and forecasting systems connect strategic and operational elements in real time. The performance indicators are also used to calculate the variable components of management compensation.

Calculation of ThyssenKrupp Value Added (TKVA)



ThyssenKrupp Value Added as a value-based performance indicator
The central performance indicator for our value-based management system is ThyssenKrupp Value Added (TKVA), which measures the value created in a period at all levels of the Group. It is calculated as earnings before interest and taxes (EBIT) minus cost of capital. Cost of capital represents the expected return on equity and debt. The weighted average cost of capital (WACC) is calculated on a pre-tax basis and is made up of the weighted average cost of equity and debt as well as the interest rate for pension provisions. Capital employed is defined as invested assets plus net working capital; it is the amount of capital tied up in operations.

Increasing value through growth, efficiency, capital employed

TKVA can be increased using three levers: profitable growth, higher operating efficiency, and optimized capital employed. A major contribution to profitable growth and thus to the value of the company is made by investment projects that generate returns higher than their cost of capital. Higher operating efficiency and optimum capital employed are also aims of the new impact program. With it we will increase EBIT, reduce net working capital and so sustainably improve TKVA.

The results of the analysis of the performance indicators feed directly into portfolio management. Group management decides which businesses are to be expanded to realize set TKVA targets, and which activities we should withdraw from in a timely way to protect value.

Page 56

Value-added impacted by impairment charges

In calculating TKVA we applied the new definitions of EBIT and capital employed for the first time from 2010/2011 and adjusted the prior-year figures.

In the past fiscal year ThyssenKrupp generated highly negative value-added of €(2,962) million. This was caused by the high impairment charges in the Steel Americas and Stainless Global business areas, which weighed heavily on EBIT of the ThyssenKrupp Group. In addition, average capital employed increased year-on-year by €2,456 million in 2010/2011, mainly due to the major investments in the Steel Americas and Stainless Global business areas. The value-added figures of the other six business areas were strongly positive and in most business areas were considerably up from the prior year, mainly due to higher earnings. Details on the value-added ratios are shown in the table below.

Components of ThyssenKrupp Value Added (TKVA)

	2009/2010				2010/2011				
	EBIT (million €)	Capital employed (million €)	WACC (%)	TKVA (million €)	EBIT (milion €)	Capital employed (million €)	WACC (%)	TKVA (million €)	Change TKVA (million €)
Group	1,346	20,767	8.5	(419)	(988)	23,223	8.5	(2,962)	(2,543)
Thereof:									
Steel Europe	731	5,370	9.0	248	1,133	5,822	9.0	609	361
Steel Americas	(600)	5,678	9.0	(1,111)	(3,145)	7,416	9.0	(3,813)	(2,702)
Materials Services	463	3,179	8.5	193	478	3,430	8.5	186	(7)
Elevator Technology	646	2,307	8.0	461	801	2,243	8.0	621	160
Plant Technology	401	365	9.0	369	506	245	9.0	484	115
Components Technology	252	2,647	9.0	14	543	2,796	9.0	291	277
Marine Systems	145	1,174	9.0	39	213	1,334	9.0	94	55
Stainless Global	(57)	2,948	9.0	(323)	(785)	3,356	9.0	(1,087)	(764)

The TKVA of Stainless Global in 2010/2011 includes an impairment charge of €510 million in accordance with IFRS 5. The TKVA of Materials Services in 2010/2011 includes an impairment charge of €48 million in accordance with IFRS 5.

Further development of value-based management

In fiscal year 2010/2011 ThyssenKrupp switched its operational management from EBT to EBIT. EBIT is a key parameter affecting TKVA, so we now manage the Group based more closely on the performance factors that can be influenced by operational management. In addition, operational management and value management are now optimally interlinked.

Details of the switch are explained on pages 96-97 of the Annual Report 2009/2010.

In connection with the introduction of EBIT-based management we modified the definitions of EBIT and capital employed, altering the classification of financial income/expense into operational and non-operational components. EBIT contains only components of financial income/expense that are operational in nature. Interest income, interest expense and the great majority of other financial income/expense are non-operational in character. These modifications also apply at business area level and take into account the fact that the receipt of advance payments, particularly in the business areas with long-term construction contracts, is an integral part of risk management – to avoid default risks on the customer side – and thus of operating business. To recognize these advance payments, and the interest and financing effects attainable with them, in our value management, the EBIT of the relevant business areas is increased by an imputed earnings contribution.

Consolidated results of operations

ThyssenKrupp continued its upward trend in operating business in 2010/2011. Orders and sales grew at double-digit rates. The market situation and above all our measures to improve our earnings structure had a positive effect – adjusted EBIT increased by €521 million to €1,762 million. However, high impairment charges resulted in negative EBIT.

Summarized assessment by the Executive Board of business performance and target achievement

Good activity levels in sectors and regions important to us together with our internal efficiency and improvement programs were the basis for our continued operating performance in the reporting year. Orders, sales and adjusted EBIT grew at double-digit rates. Net financial debt fell to €3,578 million, compared with €3,780 million at the end of the prior year. At the same time we introduced an ambitious strategic development plan to improve the Group's competitiveness and earning power in the future. Subject to the uncertainties regarding the economic outlook, we will continue to work on this in 2011/2012.

The growth in adjusted EBIT underlines the improved earnings structure and increased earning power of our Group. This was offset by high impairment charges, in particular for the new steel mill in Brazil. The impairment charges totaled €2.9 billion, of which €2.1 billion at Steel Americas and €800 million at Stainless Global. As a result, reported EBIT was negative.

General economic conditions

Economic momentum slowed noticeably over the course of 2011. Global GDP growth of only 3.4% is expected in 2011, compared with 4.6% in 2010. The decline is attributable above all to the slowdown in the industrialized countries, while most emerging countries continue to show relatively solid expansion rates.

Growth noticeably weaker in Europe and the USA

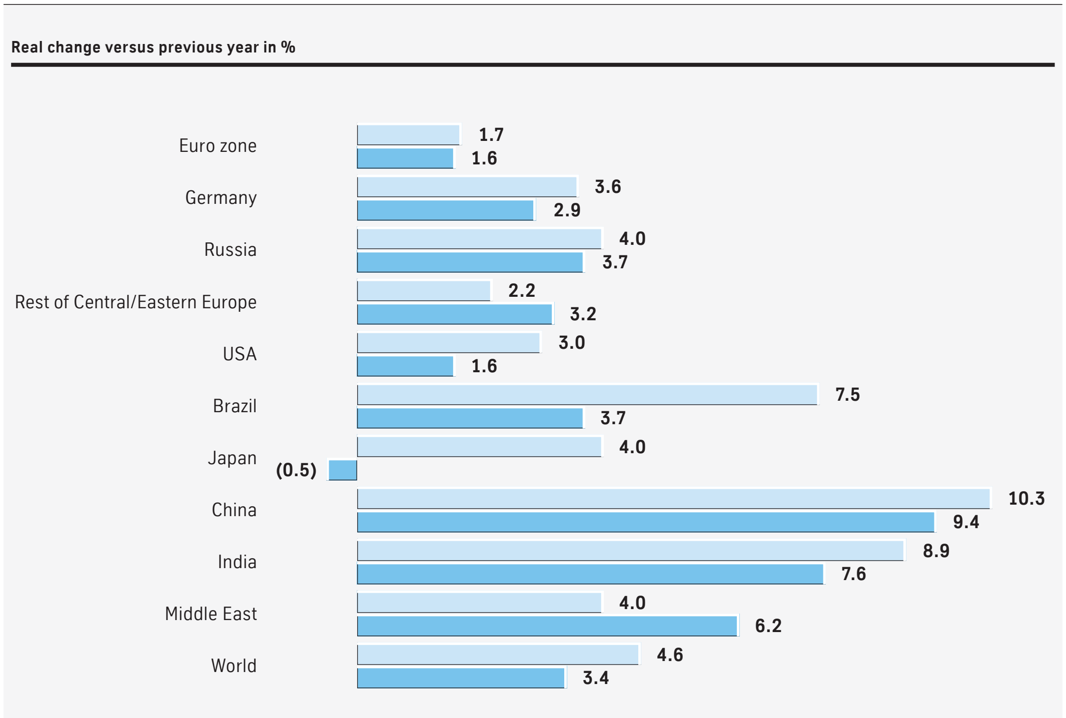
In the euro zone GDP growth is expected to average 1.6% in 2011. While the pace of growth remained high at the beginning of the year as a result of strong business spending, it slowed sharply as the year progressed. The German economy showed appreciably stronger growth of 2.9% in 2011, mainly reflecting the good order situation in the industrial sector. However, consumer and business spending will have been impacted by the uncertainties on the financial markets in the latter part of the year.

In the USA the economy cooled noticeably. The continued difficult situation on the labor market, the still weak real estate sector, and the pressure to consolidate public-sector budgets impacted economic growth, which is expected to reach only 1.6% in 2011. Economic activity in Japan was severely depressed as a result of the natural disaster and its aftermath. Japan's GDP is expected to contract by 0.5% in 2011.

BRIC stands for Brazil, Russia, India and China.

The BRIC countries mostly continued to record high growth in 2011. Although the global economic slowdown weighed on exports, Brazil and Russia are nevertheless expected to grow by 3.7%, India by 7.6% and China by 9.4% .

Gross domestic product 2010, 2011*



2010 2011 * Forecast

Situation in the sectors mainly positive

Flat carbon steel – After an exceptionally strong increase at the beginning of the year, growth in global steel demand slowed markedly. Nevertheless, world crude steel output is forecast to reach 1.5 billion tons for the first time in 2011, 7% more than in 2010. Above all China but also most of the other emerging nations significantly expanded their output and in some cases their exports. Steel production in the industrialized countries was likewise higher, with the main exception of Japan. With production levels high in the first nine months of 2011, the German steel industry expects production to be up year-on-year.

In the first few months of 2011 the European flat carbon steel market was also robust. Demand from important customer groups increased. A strong cost-induced upward trend in prices stimulated demand for inventories. However, the momentum subsequently dropped sharply. The main reasons for this were uncertainty over the market outlook combined with the good supply situation and European steel producers' shorter delivery times. Order influx slowed, due in part to increased third-country imports. As a result, steel prices on the European spot markets slipped after reaching a two-year high in March/April 2011. The situation on the US market for flat carbon steel products was similar.

Flat stainless steel – Global demand for stainless steel flat products rose by an estimated 6% to 17.5 million tons in 2011. The positive trend in orders reported by stainless producers in Europe in 2010 continued in the first months of 2011. However, new orders were subsequently slowed by wide swings in raw material prices and growth in third-country imports. Base prices for stainless steel flat products in Germany, Europe and North America started rising in December 2010. At the same time, alloy surcharges increased as a result of higher nickel prices. From May 2011 highly volatile raw material prices resulted in falling alloy surcharges and eroding base prices. Chinese stainless steel prices also began falling in March, and in the final quarter base prices in North America likewise came under pressure. The markets for nickel alloys and titanium products improved further, with strong impetus from all customer groups and regions.

Situation on important sales markets

	2010	2011*
Demand for finished steel, million tons		
World	1,312	1,398
Germany	36	39
USA	80	89
China	598	643
Demand for stainless steel flat, '000 tons		
World	16,536	17,506
Germany	969	1,066
USA	1,027	1,254
China	6,162	6,438
Vehicle production, million cars and light trucks		
World	71.2	74.1
Western Europe	14.5	15.0
Germany	5.8	6.1
USA	7.6	8.5
Japan	9.2	7.4
China	15.7	16.1
Brazil	3.2	3.5
Machinery production, real, in % versus prior year		
Germany	9.4	15.0
USA	9.5	13.0
Japan	36.0	(2.0)
China	19.0	15.0
Construction output, real, in % versus prior year		
Germany	0.2	3.6
USA	(6.7)	1.6
China	17.4	10.4

* Forecast

74 million vehicles are to be produced worldwide in 2011, up 4% from the year before.

Automotive – Global automotive production is expected to increase by 4% to more than 74 million cars and light trucks in 2011. In the USA, strong catch-up demand caused a sharp 11% rise in production. In China, government curbs restricted growth to just 3%. The other BRIC countries, however, are reporting high growth rates.

According to current estimates Western Europe will produce 15.0 million cars and light trucks in 2011, 3% more than the year before. Most of this growth was attributable to auto manufacturers in Germany, whose production was up year-on-year by over 6% to 6.1 million units. They profited from growth in exports and higher new registrations. The market for heavy trucks in Germany was also positive.

Machinery – In the machinery sector, rising capital spending virtually worldwide led to high growth rates in 2011. Only in Japan is production expected to fall by 2% on account of the natural disaster and its aftermath. Production growth of 15% is forecast in China and 13% in the USA.
The German machinery industry reported high order intake in 2011. Strong growth in domestic and foreign demand at the beginning of the year slowed slightly from the summer months. Overall a 15% rise in production is forecast for 2011. Capacity utilization is now back above the long-term average. The situation for the German plant engineering sector and for elevators and escalators also improved.

Construction – The construction industry continued to show a very mixed regional picture in 2011. Emerging markets such as China, India and Brazil recorded higher growth. In the industrialized countries construction activity remained mainly weak. The situation on the US property market in particular remained difficult.

The German construction industry was robust. Commercial and above all housing construction showed a positive trend; the situation in public-sector construction remained weaker. German construction output is expected to increase by 3.6% overall in 2011.

Business performance in the Group

ThyssenKrupp performed successfully in its operating business in the past fiscal year. Strong demand for our products and services led to an appreciable rise in orders and sales. In addition, our measures to improve our earnings structure took hold. Adjusted earnings before interest and taxes (adjusted EBIT) reached €1.8 billion – an increase of 42%.

ThyssenKrupp in figures

		2009/2010	2010/2011	Change in %
Order intake	million €	41,250	50,247	22
Sales	million €	42,621	49,092	15
EBITDA	million €	2,769	3,385	22
EBIT	million €	1,346	(988)	– –
EBIT margin	%	3.2	(2.0)	—
Adjusted EBIT	million €	1,241	1,762	42
Adjusted EBIT margin	%	2.9	3.6	—
EBT	million €	1,135	(1,578)	– –
Adjusted EBT	million €	1,030	1,172	14
Employees (Sept. 30)		177,346	180,050	2

Pages 49–51

The corporate, organizational and contractual conditions for creating a separate Stainless Global were established effective September 30, 2011; the business area is therefore now shown as a discontinued operation. More details on this can be found in the section headed “Profile and strategy”.

Strong rise in orders and sales

Sales and in particular order intake increased steeply in 2010/2011. The Group’s order intake climbed year-on-year by 22% to €50.2 billion. All business areas contributed to this growth. Demand for carbon and stainless steel, automotive components and in naval shipbuilding was particularly strong. Based on continuing operations, order intake was 22% higher at €45.1 billion.

Order intake by business area in million **€**

	2009/2010	2010/2011	Change in %
Steel Europe	10,986	12,344	12
Steel Americas	69	1,293	++
Materials Services	12,805	14,768	15
Elevator Technology	5,099	5,281	4
Plant Technology	3,859	4,475	16
Components Technology	5,653	6,921	22
Marine Systems	531	2,977	461
Corporate	132	143	8
Order intake of the business areas	39,134	48,202	23
Consolidation	(2,121)	(3,084)	—
Order intake of continuing operations	37,013	45,118	22
Stainless Global	5,121	6,045	18
Consolidation	(884)	(916)	—
Group order intake	41,250	50,247	22

The Group's sales increased by 15% to €49 billion in 2010/2011.

The Group's sales increased by 15% to €49.1 billion. Sales improved in all business areas and in some cases were significantly higher year-on-year. The main growth driver was business with materials and industrial components. Sales from continuing operations were 15% up from the comparable prior-year level at €43.4 billion.

Sales by business area in million €

	2009/2010	2010/2011	Change in %
Steel Europe	10,770	12,814	19
Steel Americas	68	1,139	++
Materials Services	12,763	14,776	16
Elevator Technology	5,188	5,253	1
Plant Technology	3,931	4,004	2
Components Technology	5,724	6,908	21
Marine Systems	1,211	1,493	23
Corporate	131	143	9
Sales of the business areas	39,786	46,530	17
Consolidation	(2,075)	(3,174)	—
Sales of continuing operations	37,711	43,356	15
Stainless Global	5,901	6,739	14
Consolidation	(991)	(1,003)	—
Group sales	42,621	49,092	15

EBIT negative due to high impairment charges

ThyssenKrupp achieved earnings before interest and taxes (EBIT) of €(988) million in 2010/2011, compared with €1,346 million the year before. This decrease was due to the €(1,071) million adjusted EBIT of the new steel plants of Steel Americas in Brazil and the USA, and to necessary impairment charges above all in the Steel Americas and Stainless Global business areas. More information on this is provided in the section "Results of operations of the business areas".

Pages 71–84

With the exception of Steel Americas and Stainless Global all business areas made positive income contributions. However, the EBIT of the other business areas of the Materials division (Steel Europe and Materials Services) could not offset the losses of Steel Americas and Stainless Global, so overall Materials generated negative EBIT of €2,319 million. In the Technologies division (Elevator Technology, Plant Technology, Components Technology, Marine Systems) EBIT came to €2,063 million. This was partly offset by Corporate costs and consolidation effects of €732 million. The Group's EBIT margin fell from 3.2% the year before to (2.0)%.

Based on continuing operations, EBIT deteriorated by €1,586 million to €(188) million, and EBIT margin from 3.7% to (0.4)%.

EBIT by business area in million €

	2009/2010	2010/2011	Change
Steel Europe	731	1,133	55
Steel Americas	(600)	(3,145)	– –
Materials Services	463	478	3
Elevator Technology	646	801	24
Plant Technology	401	506	26
Components Technology	252	543	115
Marine Systems	145	213	47
Corporate	(291)	(377)	(30)
EBIT of the business areas	1,747	152	(91)
Consolidation	(349)	(340)	—
EBIT of continuing operations	1,398	(188)	– –
Stainless Global	(57)	(785)	– –
Consolidation	5	(15)	—
Group EBIT	1,346	(988)	– –

EBIT for the reporting year contains special items of €2,751 million.

Adjusted EBIT up 42% to €1,762 million

EBIT for the reporting year contains special items of €2,751 million. Adjusted EBIT therefore came to €1,762 million compared with €1,241 million in the prior year. Adjusted EBIT from continuing operations was €469 million higher at €1,762 million.

An impairment test at Steel Americas resulted in an impairment charge of €2,075 million, mainly for property, plant and equipment and construction in progress, and to a lesser extent transfer taxes and inventories. Materials Services incurred disposal losses of €55 million from the sale of the Xervon group, while the prior-year earnings contained an €81 million disposal gain from the sale of the Industrial Services companies. Elevator Technology recognized positive special items of €160 million in the reporting year from the partial refund of a fine imposed by the EU Commission in 2007. Components Technology reopened the temporarily idled Etowah plant in Tennessee, USA in response to the good order situation; this resulted in an impairment reversal of €40 million. Corporate recognized a provision for litigation risks of €21 million in connection with arbitration court proceedings concerning a disposal carried out several years earlier. At Stainless Global the annual goodwill impairment test resulted in an impairment loss of €290 million. In connection with the planned carve-out of Stainless Global, a fair value adjustment of €510 million also became necessary.

Adjusted EBIT in million €

	2009/2010	2010/2011	Change
EBIT	1,346	(988)	– –
+/- Disposal losses/gains	(212)	76	—
+ Restructuring expense	46	0	—
+ Impairment	3	2,834	—
+ Other non-operating expense	58	0	—
- Other non-operating income	0	(160)	—
Adjusted EBIT	1,241	1,762	42

Pages 54–56

At the beginning of fiscal year 2010/2011 we switched our performance indicator from EBT to EBIT. More information is provided in the section “Value-based management”.

Components of Group earnings

At €43,356 million, net sales from continuing operations in 2010/2011 were up year-on-year by €5,645 million or 15%. The cost of sales increased at a faster rate by €6,968 million or 22%. The main causes, apart from higher materials expense due to the start of production of the new steel plants, the increase in business and raw material price rises, were the impairment charges on property, plant and equipment recorded at Steel Americas (€1,602 million), and write-downs of transfer taxes and inventories. Gross profit from continuing operations deteriorated as a result by 22% to €4,740 million, combined with a drop in gross margin from 16% to 11%.

The €236 million increase in selling expenses was mainly caused by increased expenses for sales-related freight and insurance charges as well as the impairment charges affecting property, plant and equipment at the steel mill in Brazil. The €27 million rise in general and administrative expenses from continuing operations mainly reflects impairment charges on property, plant and equipment of Steel Americas.

Other operating income from continuing operations increased by €105 million; this included €160 million from the partial refund of a fine imposed by the EU Commission in 2007 for antitrust infringements. The €106 million decrease in other operating expenses from continuing operations was attributable in particular to reduced expenses from provisions.

The €250 million decrease in income from the disposal of consolidated companies attributable to continuing operations was mainly due to the absence of income from the disposal of ThyssenKrupp Industrieservice and ThyssenKrupp Safway contained in the prior year.

The €331 million deterioration in financial income from continuing operations was mainly due to the €282 million reduced capitalization of borrowing costs with the progressive completion of the major projects in Brazil and the USA.

With tax expense from continuing operations of €203 million in fiscal year 2010/2011, the effective tax charge of (27)% was mainly due to valuation allowances for deferred income taxes.

After taking into account income taxes, the loss from continuing operations for the 2010/2011 fiscal year was €954 million, a deterioration of €1,974 million from the prior year.

Including the after-tax loss of €829 million from the discontinued operations of the Stainless Global business area, the net loss for the reporting period was €1,783 million; in the prior year net income of €927 million was achieved.

A net loss of €492 million was attributable to non-controlling interest, compared with a net profit of €103 million in the prior year. The deterioration of €595 million was mainly due to the negative earnings of ThyssenKrupp CSA.

Related to the net income attributable to ThyssenKrupp AG shareholders, earnings per share decreased by €4.48 to €(2.71). Based on income from continuing operations, earnings per share deteriorated to €(0.97), down €2.94 from the year before.

The HGB unappropriated income of ThyssenKrupp AG is the legal basis for the dividend.

Unappropriated net income of ThyssenKrupp AG €517 million

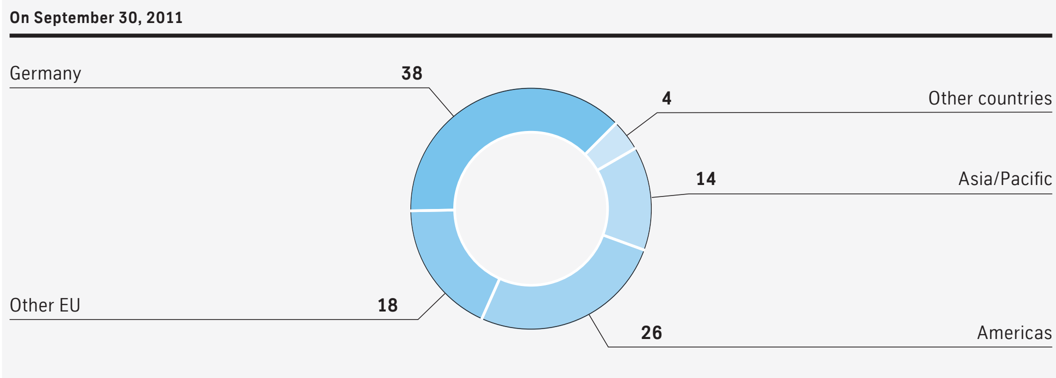
The dividend payment is based on the HGB unappropriated net income of ThyssenKrupp AG of €517 million; in the prior year it was €415 million. It comprises the HGB net income of ThyssenKrupp AG of €494 million (prior year €800 million) plus the income carried forward from the prior year of €23 million (prior year €15 million).

The Executive Board and Supervisory Board propose to the Annual General Meeting the payment of a dividend of €0.45 (prior year €0.45) per share and the carryforward of the balance of €285 million. Therefore, of the €517 million unappropriated net income, a total of €232 million will be distributed to the shareholders. As the Company held no treasury shares at September 30, 2011, 514,489,044 shares are eligible for dividend payments. Should the Company hold treasury shares not eligible for dividend payment at the time of the Annual General Meeting, the proposal for the appropriation of net income will be adjusted accordingly.

Number of employees increased

In the wake of the improved business situation, the number of employees increased further. On September 30, 2011 the Group employed 180,050 people worldwide, 2,704 or 1.5% more than a year earlier. However, the headcount in Germany decreased by 1,950 or 2.7% to 69,122, which represents 38.4% of the total workforce. By contrast, the number of employees outside Germany grew significantly – by 4,654 or 4.4% to 110,928.

Employees by region in %



The number of employees at continuing operations at September 30, 2011 was up by 2,449 or 1.5% to 168,560. A large number of new jobs were created in the new steel making and processing plants in Brazil and the USA. The Materials Services, Elevator Technology and Components Technology business areas also recruited new employees, Steel Europe and Marine Systems reduced their workforces, mainly on account of restructuring measures and disposals.

Sales markets and marketing

In the reporting year the Americas accounted for 21% of sales, and rising.

The EU region remained the main sales market for ThyssenKrupp in 2010/2011 with a share of 62% of sales, of which more than half related to Germany (33 percentage points) and the other EU countries (29 percentage points). Our customers in the Americas accounted for 21% of sales, with the USA our most important sales market there. While the Asia/Pacific region still accounted for a relatively low sales share of 11%, its importance grows from year to year.

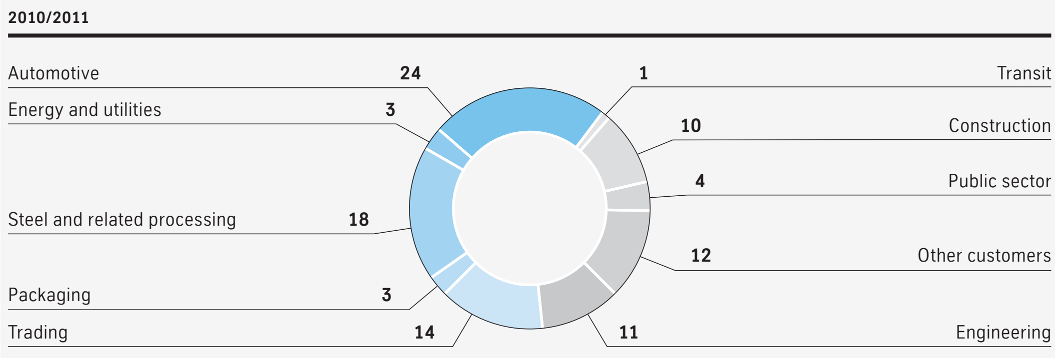
Sales by region in million €

	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	Change in %
Germany	18,545	19,161	13,031	13,933	16,153	16
Other EU	16,198	16,677	12,142	12,485	14,272	14
Americas	10,218	9,706	7,858	8,266	10,476	27
Asia/Pacific	4,146	4,852	4,341	5,013	5,618	12
Other countries	2,616	3,030	3,191	2,924	2,573	(12)
Total	51,723	53,426	40,563	42,621	49,092	15

Marketing for international customers

We sell most of our materials and technology products to industry. This is also reflected in our marketing. To meet the specific requirements of these customers, we provide intensive communications, technical information and individual advice. On our markets we aim to achieve quality leadership, and this involves a strong focus on services. The Group's standard corporate design makes clear that our operating Group companies belong to ThyssenKrupp. However, in terms of marketing they operate independently within the Group strategy so that they can respond quickly to market changes and new customer requirements.

Sales by customer group in %



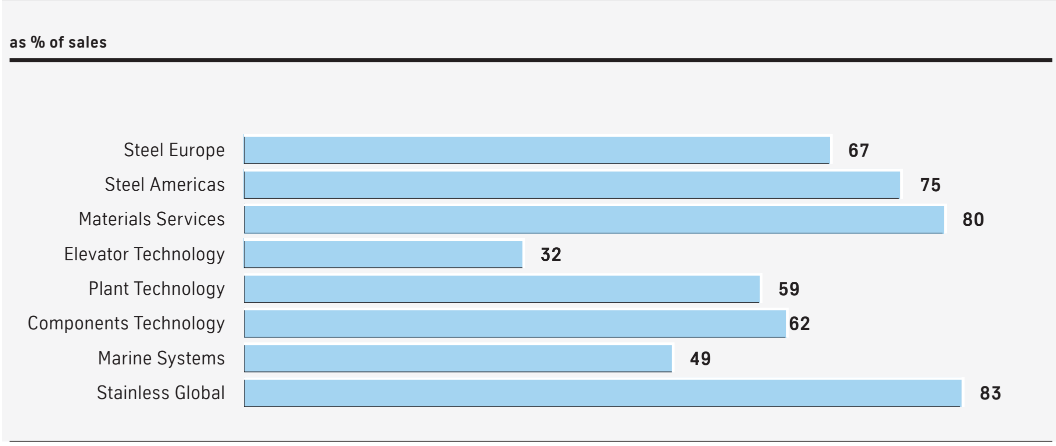
Procurement of raw materials and energy

Materials expense by business area in million €

	2009/2010	2010/2011	Change in %
Steel Europe	6,811	8,532	25
Steel Americas	116	1,009	770
Materials Services	10,101	11,889	18
Elevator Technology	1,687	1,688	0
Plant Technology	2,396	2,344	(2)
Components Technology	3,437	4,264	24
Marine Systems	602	735	22
Corporate	56	57	2
Materials expense of business areas	25,206	30,518	21
Consolidation	(2,987)	(3,150)	—
Materials expense of continuing operations	22,219	27,368	23
Stainless Global	4,894	5,587	14
Consolidation	0	(990)	—
Materials expense of Group	27,113	31,965	18

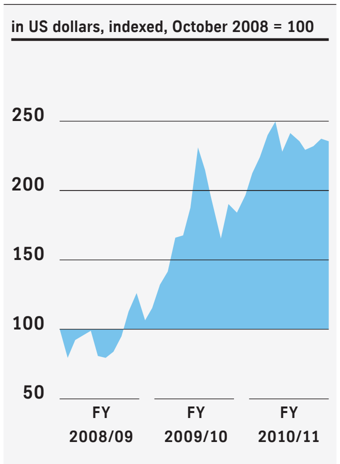
With the increase in sales, materials expense also rose year-on-year by 18% to €32.0 billion. At the same time it increased as a percentage of sales by 1 percentage point to 65%. The chart below shows how this share varies in the individual business areas. In cooperation with the Group companies, our global purchasing again ensured that the supply of materials for our plants was secured without delivery bottlenecks in the reporting year. Despite higher raw material prices we were able to achieve sustainable savings.

Materials expense of business areas



Electronic purchasing systems make our purchasing more efficient. In the reporting year we handled over 10,000 requests for quotes on our e-procurement platform. Our catalogue ordering system is also successful at optimizing process costs: Almost 7,500 users worldwide have access to over 5.45 million articles. With our supplier management system we carried out 1,200 supplier projects worldwide.

Iron ore prices
Spot prices, 62% FE, CFR China



Demand for raw materials at record level

In the reporting year ThyssenKrupp purchased approx. 20 million tons of iron ore. The main supplier country continued to be Brazil, followed by Canada and South Africa. High global demand and delivery delays caused by heavy tropical rainfall led to a steep rise in average spot market prices for ore fines (CFR China) up to spring 2011, which also pushed up quarterly prices. As the fiscal year progressed the situation eased little as ore demand remained high. Year-on-year the average spot market price was 32% higher.

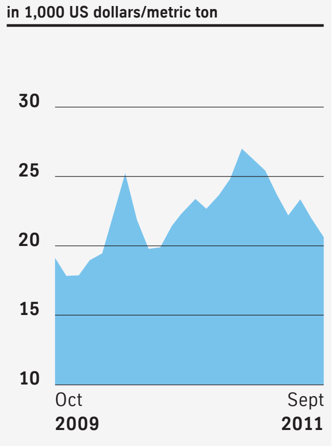
The price of coking coal also increased. High imports into China and supply interruptions after Australian coal mines were hit by floods resulted in significant prices increases on the global market. This also affected our coal purchases. Prices for coke from China were also higher.

The recovery of the steel markets increased international demand for steel scrap, which pushed up prices. At €340 per ton, the average market price of grade 2 scrap was around 33% higher year-on-year.

Reduced price swings for most alloying metals

Intensive global demand caused a further increase in procurement prices for alloying metals in the reporting year. As the economy slowed in the 2nd half of the fiscal year corrections were made in some areas. Prices moved within a narrower range than in previous years.

Nickel prices
London Metal Exchange



For our Stainless Global business area the alloying metals nickel, ferrochromium and ferromolybdenum are of foremost importance – as primary raw materials and as components of stainless steel scrap. The monthly average price of nickel on the London Metal Exchange was between 20,392 and 28,252 US dollars per ton. For ferrochromium from South Africa the quarterly price increased initially to 1.35 US dollars per pound (around 0.45 kg) before slipping to 1.20 US dollars. Quarterly prices for ferromolybdenum fluctuated between 36.57 and 43.45 US dollars per kilogram.

The price of zinc – used to coat carbon steel – fluctuated enormously and averaged around 2,400 US dollars per ton, 7% above the prior-year average.

Prices for manufactured products mirror raw material prices

For manufactured products strongly dependent on raw material prices – e.g. steel components for machinery – the prior-year trend with in some cases steeply climbing prices continued. This effect was particularly drastic for products containing rare earths, for example permanent magnets in drives and electric motors used in the elevator industry.

The materials market moved in short-term cycles. After coming under considerable pressure at the beginning of the fiscal year, prices rose sharply up to the middle of the year and subsequently softened slightly. The main factors behind this trend were raw material costs and the euro/US dollar exchange-rate effect, which at times benefited imports from Asia. In this situation our trading operators made short-term arrangements and consolidated and optimized purchasing volumes in some cases on a cross-country basis.

The plant construction procurement markets stabilized considerably. As many of our suppliers had a full workload, delivery times increased but supplies remained secure. There was only a slight increase in prices for capital goods.

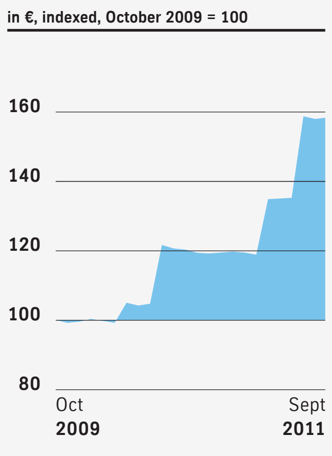
Capesize ships are too large for the Suez and Panama Canals and therefore have to sail round Cape Horn and the Cape of Good Hope.

Rise in freight costs halted

For the maritime transport of bulk goods, increased cargo space became available. This was particularly true of capesize ships, the bulk carriers generally used for the shipment of iron ore and coal. For container shipments, too, more than enough ships were available. This halted the rise in freight rates and in some cases led to reductions. However shipment times increased, with ships often reducing speed to save fuel.

Road haulage freight space in Germany remained tight due to the absence of capacities taken out in the crisis. Freight rates were therefore higher in particular for shipments at short notice. Rail capacities were in similarly short supply.

Natural gas prices ThyssenKrupp in Germany
Bochum off-take point



Natural gas prices in Germany higher

In Germany the price paid by ThyssenKrupp for natural gas increased by 25% year-on-year because under the applicable contracts it is pegged to the price of oil. For the following two fiscal years we have secured prices on attractive terms – in particular in comparison with prices on the futures market.

The situation at our operations abroad is positive, with previously agreed fixed price contracts permitting significant savings against the current market price. In France our companies use liquid trading points in the Netherlands to achieve considerably improved terms and conditions. In Spain a new natural gas contract entered into effect in the 4th quarter 2010/2011 with prices 8% below the already favorable level of the previous contract. In the USA natural gas prices are far lower than in Europe. The development of previously unprofitable gas reserves created a surplus which cannot be sold on the global market for technical reasons. The price of natural gas for our new plant complex in Alabama is therefore well below half that paid by similar plants in Germany.

Energy transition increases electricity costs in Germany

Due to our increased output we had to purchase extra electricity at short notice in 2010/2011. We succeeded in reducing our average price in Germany even though electricity prices increased in the wake of the economic recovery. On the futures market, too, prices have advanced considerably since the nuclear exit began. Electricity prices in Germany are at the top end of the European scale – driven by politically imposed costs such as the levy to subsidize renewable energies, an electricity tax increase, the subsidization of heat-and-power cogeneration, and rising network charges.

The situation in France is different: Here the government-regulated industrial electricity tariff expired at the end of June 2011 and was replaced with a new instrument. By using this we saved over €1 million in the 4th quarter of the reporting year alone. In Italy we were able to keep electricity costs below the local price level by purchasing some volumes at more favorable foreign wholesale terms.

The emission allowances allocated to ThyssenKrupp in calendar year 2010 were enough.

Emissions trading: Hedge for third trading period

In accordance with the legal rules, ThyssenKrupp received emission allowances for 21,263,403 tons of CO_2 in calendar year 2010. As actual emissions were 21,246,047 tons, the allocated emission allowances were enough. We have already purchased EU emission allowances at attractive market prices as a hedge for the third trading period (2013-2020).

Results of operations of the business areas

The Group's operations are organized in eight business areas. As at September 30, 2011 Stainless Global is classified as a discontinued operation. All business areas contributed to the rise in orders and sales in the reporting year, and apart from Steel Americas all continuing operations generated a positive EBIT contribution.

Steel Europe

Steel Europe in figures

		2009/2010	2010/2011	Change in %
Order intake	million €	10,986	12,344	12
Sales	million €	10,770	12,814	19
EBIT	million €	731	1,133	55
EBIT margin	%	6.8	8.8	—
Adjusted EBIT	million €	731	1,133	55
Adjusted EBIT margin	%	6.8	8.8	—
Employees (Sept. 30)		34,711	28,843	(17)

The Steel Europe business area combines the Group's flat carbon steel activities, mainly in the European market. Its high-quality 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.

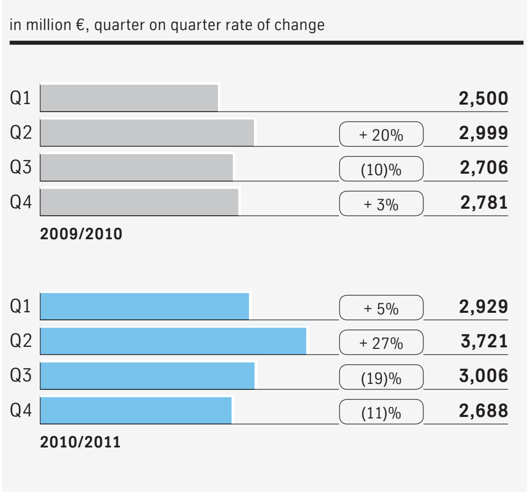
Higher volumes and selling prices

Steel Europe profited from a robust steel market over large parts of 2010/2011. Order volumes at 12.5 million tons were 2% up from the already high prior-year level. However the extremely strong demand in the 1st half of the reporting year weakened from the spring, partly due to the stock cycle. With prices higher due to increased costs, the value of orders received rose by 12% to €12.3 billion.

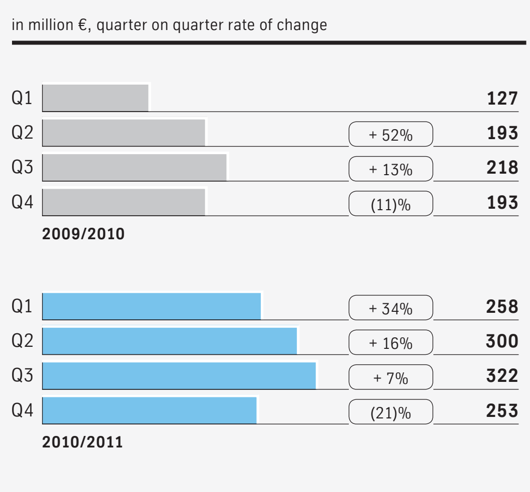
Steel Europe's sales increased by 19% to almost €13 billion in 2010/2011.

Sales of the business area increased by 19% to €12.8 billion. Shipments were 8% higher than the prior year at 13.0 million tons, and selling prices were increased step by step as further rises in raw material costs were passed through to customers with a time lag. Thanks to strong auto sector activity, shipments to automotive customers expanded significantly. Prices under new contracts were adapted in line with raw material costs. The business area likewise achieved higher volumes and prices with a large portion of other industrial customers and steel service centers. Sales of medium-wide strip, heavy plate and tailored blanks also grew strongly. Sales of tinplate also increased. This was due to higher selling prices; shipments have deteriorated recently. Selling prices for oriented electrical steel came under considerable pressure, but business in non-oriented electrical steel was more positive.

Steel Europe order intake



Steel Europe EBIT



First slabs from the Brazilian steel mill supplemented production in Duisburg.

Good capacity utilization

Steel Europe's crude steel production including the share in investee company Hüttenwerke Krupp Mannesmann reached 13.2 million tons, level with the prior year. In addition, the new Brazilian mill of Steel Americas began supplying slabs to Germany from December 2010. Including contract rolling, we increased rolled steel production for customers by 4% to 14.1 million tons.

The capacities of the core units were fully utilized up to mid-year 2011. The market slowdown due mainly to the inventory cycle led to lower operating levels in the steelmaking and hot rolling operations in the final fiscal quarter.

Strong increase in EBIT

The business area again significantly improved its earnings before interest and taxes (EBIT) in 2010/2011. Overall, EBIT rose from €731 million to €1,133 million. EBIT margin reached 8.8% compared with 6.8% in the prior year. Higher raw material costs were offset by positive price and volume effects. The ongoing programs to increase efficiency and reduce costs also contributed to the improved earnings.

Steel Americas

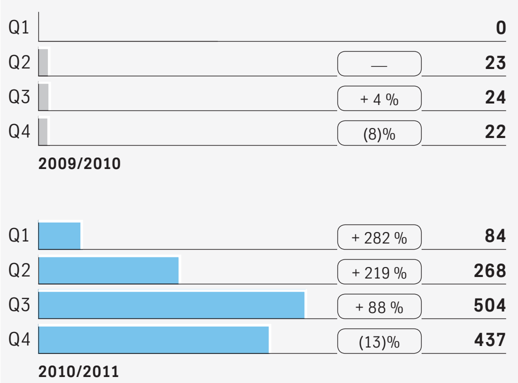
Steel Americas in figures

		2009/2010	2010/2011	Change in %
Order intake	million €	69	1,293	++
Sales	million €	68	1,139	++
EBIT	million €	(600)	(3,145)	– –
EBIT margin	%	—	—	—
Adjusted EBIT	million €	(600)	(1,071)	(79)
Adjusted EBIT margin	%	—	—	—
Employees (Sept. 30)		3,319	4,060	22

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.

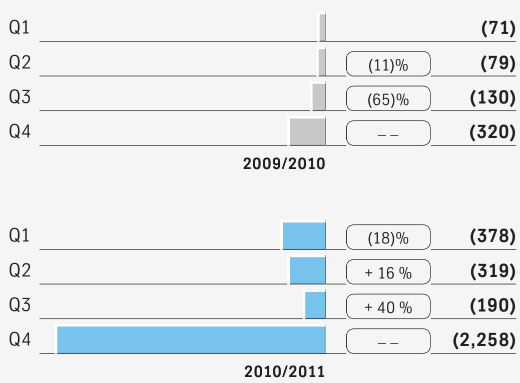
Steel Americas order intake

in million €, quarter on quarter rate of change



Steel Americas EBIT

in million €, quarter on quarter rate of change



Steel Americas has started up almost all its facilities.

Operations begun

The Steel Americas business area ramped up its plants and began operations in the past fiscal year. Almost all of the facilities are in operation. As the ramp-up progressed we continuously expanded and optimized the spectrum of premium flat steel products. The quality of our premium steel grades is meeting with a strong response from our North American customers. The customer base currently mainly comprises steel service centers, the appliance industry and the tube sector.

Due to the ramp-up of production, orders and sales increased strongly in the course of 2010/2011. Order intake reached €1,293 million, sales €1,139 million. In total, 1.2 million tons of flat steel were sold on the North American market and first sales of hot dip galvanized sheet were also made.

Adjusted EBIT negative but lower quarter by quarter

Adjusted EBIT came to €(1,071) million. This was mainly due to startup costs from the completion of the projects, the ramp-up of the facilities and the entry into the NAFTA market. In addition there were higher expenses for dealing with operating disruptions at the Brazilian steel mill, which mainly affected the coke plant. Increased raw material prices likewise impacted earnings.

EBIT impacted by high impairment charges

The persistent, higher-than-expected startup losses gave us cause to test the assets of Steel Americas for impairment. This test showed that impairment charges of €2,075 million had to be recorded. They mainly related to property, plant and equipment and construction in progress, and to a lesser extent to transfer taxes and inventories. The impairment charges amounted to roughly 25% of the relevant carrying amounts. This resulted in an income tax reduction of €233 million.

The main reasons for the impairment charges were cost overruns in the construction of the mill in Brazil, which resulted in higher acquisition costs, and the delayed ramp-up, which led to significant and persistent startup losses. On top of this came the current and expected near-term relative strength of the Brazilian currency, which is weighing on the competitiveness of the Brazilian mill. In addition, the continued weakness of the sales markets in the USA and Europe had an effect, hampering market entry for Steel Americas' products. The increase in the weighted average cost of capital also had an impact.

Steel mill in Brazil

The new integrated iron and steel mill near Rio de Janeiro produced around 2.8 million tons of slabs for the US processing plant and Steel Europe in 2010/2011. The second blast furnace was fired up successfully; however, work on the coke plant is progressing with delays. The final coke oven battery is scheduled to go into operation in spring 2012. Total crude steel capacity is more than 5 million tons a year.

In December 2010 the dumping of hot metal resulted in graphite dust emissions. We took measures to reduce the escape of free graphites into the air and capture them as far as possible. At no time was there any danger to the health of employees or residents. All emissions since the startup of the new steel mill have been well below the limits set by the Brazilian environmental authorities.

During the ramp-up the mill is operating initially under a provisional license. Following the ramp-up we are confident of meeting all statutory requirements and obtaining a permanent operating license.

The processing plant in Alabama will have an annual hot-rolled capacity of over 5 million tons.

Processing plant in the USA

After a three-year construction period the new processing plant of Steel Americas in Calvert, Alabama, was officially opened on December 10, 2010. It will have a total hot-rolled capacity of over 5 million tons per year. Construction work for the hot and cold rolling mills was completed with the startup of the pickling line in November 2010. Three of the four hot dip galvanizing lines were also put into operation in the reporting year; the fourth and final line is expected to follow at the beginning of 2012.

Materials Services

Materials Services in figures

		2009/2010	2010/2011	Change in %
Order intake	million €	12,805	14,768	15
Sales	million €	12,763	14,776	16
EBIT	million €	463	478	3
EBIT margin	%	3.6	3.2	—
Adjusted EBIT	million €	382	533	40
Adjusted EBIT margin	%	3.0	3.6	—
Employees (Sept. 30)		33,856	36,568	8

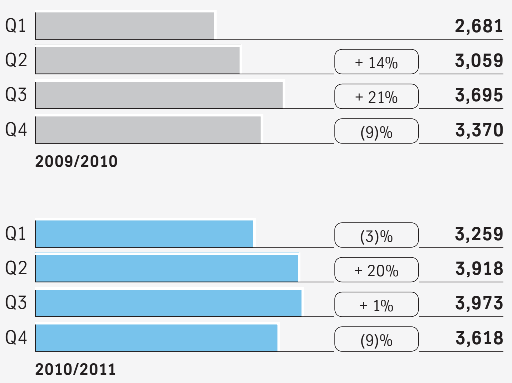
With 500 locations in over 40 countries the Materials Services business area specializes in materials distribution including technical services.

Generally high demand – significant sales growth

Materials Services increased its order intake by 15% to €14.8 billion in 2010/2011. Sales came to €14.8 billion, an increase of €2.0 billion or 16% from the prior year.

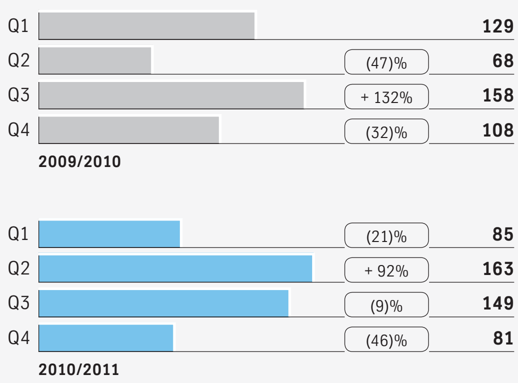
Materials Services order intake

in million €, quarter on quarter rate of change



Materials Services EBIT

in million €, quarter on quarter rate of change



The metals warehousing and service business in particular showed significant growth. Shipments increased year-on-year by 18% to 5.6 million tons, reflecting high demand from the engineering, automotive and other manufacturing sectors. This was true of Germany, Eastern Europe and several Western European countries, whereas demand in the countries of Southern Europe was much more subdued. The construction industry provided hardly any stimulus. In North America the nonferrous metals business in particular profited from the economic recovery. Despite generally good demand, prices and margins came under increasing pressure from the start of the 2nd fiscal half.

Sales to the aerospace industry remained pleasing, but international direct-to-customer and project sales were again characterized by very slow demand, extremely fierce competition and numerous order deferrals.

Raw materials sales of alloys, metals and coke/coal showed a mixed picture. Whereas the alloy business was largely steady, shipments and sales of metals decreased significantly. Demand and prices for coke and minerals were at a very high level over large parts of the fiscal year. Further large orders and new projects had a favorable impact on our steel mill services in Brazil, and capacity utilization in Germany was also significantly better than a year earlier.

Materials Services achieved EBIT of €478 million, an improvement on the good prior-year figure.

Adjusted EBIT improved by 40%

The economic recovery and sustainable cost reductions in almost all areas are reflected in the business area’s earnings. Materials Services achieved EBIT of €478 million in 2010/2011, compared with €463 million in the prior year.

Whereas the prior-year earnings included disposal gains of €81 million from the sale of the Industrial Services companies, the sale of the Xervon group led to disposal losses of €55 million in the reporting year. Adjusted EBIT improved significantly from €382 million by €151 million or 40% to €533 million; the adjusted EBIT margin increased from 3.0% to 3.6%.

Elevator Technology

Elevator Technology in figures

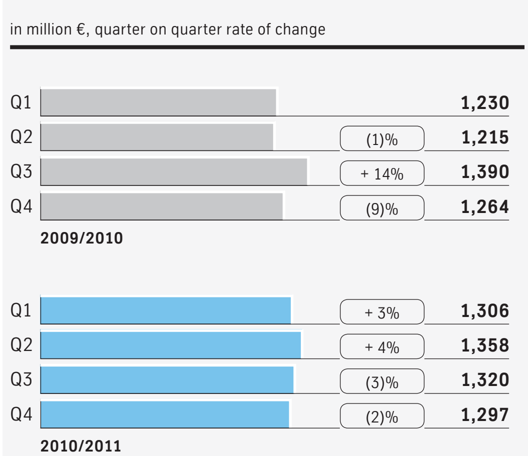
		2009/2010	2010/2011	Change in %
Order intake	million €	5,099	5,281	4
Sales	million €	5,188	5,253	1
EBIT	million €	646	801	24
EBIT margin	%	12.4	15.2	—
Adjusted EBIT	million €	646	641	(1)
Adjusted EBIT margin	%	12.4	12.2	—
Employees (Sept. 30)		44,024	46,243	5

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.

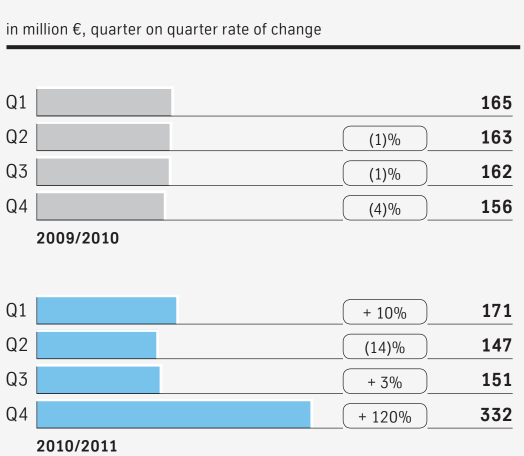
Order intake and sales at high levels

Elevator Technology stood up well in 2010/2011 and continued its positive performance. Compared with the prior year we improved order intake by 4% to €5.3 billion and sales by 1% to likewise €5.3 billion.

Elevator Technology order intake



Elevator Technology EBIT



China's first TWIN elevators will transport hotel guests faster in Dalian.

The upward trend in elevators was felt in both the new installation and service businesses. Pleasing growth was achieved in the Asian region in particular. The main growth driver in China was the new installation business, which profited from numerous new infrastructure projects. The Indian and Brazilian markets also continued to grow at a strong pace, while volumes in North America improved only slightly under the influence of the general economic situation in the USA. The European operations were steady. Demand for new installations in the Iberian peninsula was weaker. Through market-oriented measures we further increased service volumes and the number of maintenance units under contract in all important regions. Order volumes for escalators and passenger boarding bridges were significantly higher; both businesses recorded increasing demand, particularly from Asia, mainly due to dynamic growth in China. Orders for stair lifts and home elevators were unchanged from the prior year.

Slight fall in earnings

The business area generated EBIT of €801 million. The figure includes special items of €160 million because a fine imposed by the EU Commission in 2007 for anticompetitive practices was paid back in part. Excluding this special item, adjusted EBIT came to €641 million, and was therefore steady year-on-year. We achieved improved earnings above all in Brazil and Asia. EBIT margin rose from 12.4% to 15.2%; adjusted for the special item it came to 12.2%, compared with 12.4% in the prior year.

Plant Technology

Plant Technology in figures

		2009/2010	2010/2011	Change in %
Order intake	million €	3,859	4,475	16
Sales	million €	3,931	4,004	2
EBIT	million €	401	506	26
EBIT margin	%	10.2	12.6	—
Adjusted EBIT	million €	401	506	26
Adjusted EBIT margin	%	10.2	12.6	—
Employees (Sept. 30)		12,972	13,478	4

The product portfolio of Plant Technology includes chemical plants and refineries, equipment for the cement and minerals industries, equipment for the mining and extraction of raw materials, and production systems and assembly lines for the auto industry.

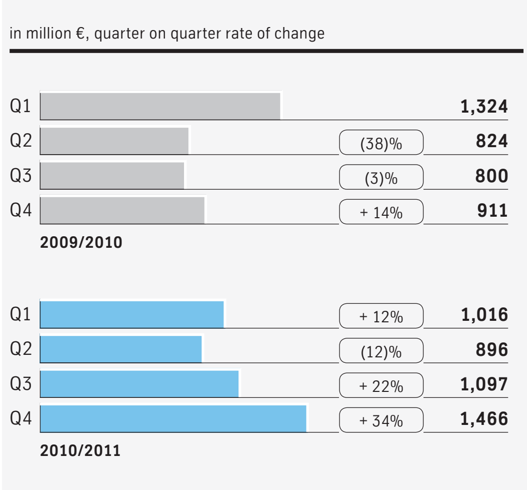
Continuing good order situation

The business area benefited from a favorable investment climate worldwide in the past fiscal year. Order intake increased by 16% to €4.5 billion. A major part in this pleasing performance was played by our plants for the cement, minerals and mining sectors and our production systems and assembly lines for the auto industry, where orders were in some cases more than 20% up from the prior year.

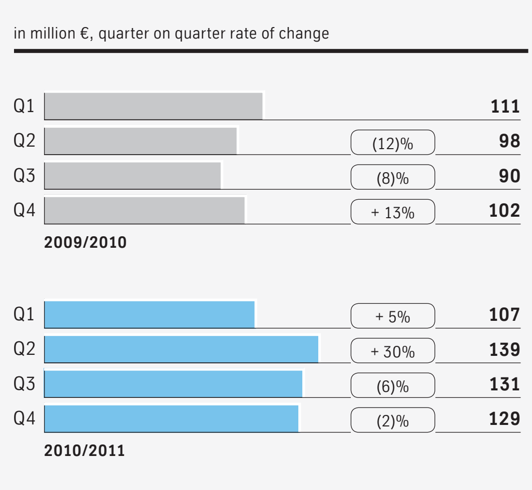
78% of Plant Technology's new orders came from regions outside the EU in 2010/2011.

Plant Technology is active globally. In 2010/2011 the most important regions outside Europe were Asia with 28% of new orders, America with 22% and Africa with 16%. 22% of orders came from the European Union. Newly acquired projects include two coke plant orders for customers in South Korea and Germany. In addition we received orders for two coal handling plants in India and South Africa. Orders from customers in Mexico, China and Indonesia contributed to the pleasing performance in the cement, minerals and mining business. Some projects were delayed due to the political unrest in North Africa and the Middle East

Plant Technology order intake



Plant Technology EBIT



Sales in fiscal year 2010/2011 came to €4.0 billion, up 2% year-on-year. All sections of the business area had good utilization rates, in many cases operating at their capacity limit. Orders in hand of around €6.6 billion at September 30, 2011, mainly for long-term project business, secure both sales and capacity utilization for a period considerably in excess of one year.

Earnings improved

With EBIT of €506 million, Plant Technology exceeded its prior-year earnings by €105 million. This pleasing increase was mainly due to the billing of larger orders. EBIT margin at 12.6% was significantly higher than the prior-year 10.2%.

Components Technology

Components Technology in figures

		2009/2010	2010/2011	Change in %
Order intake	million €	5,653	6,921	22
Sales	million €	5,724	6,908	21
EBIT	million €	252	543	115
EBIT margin	%	4.4	7.9	—
Adjusted EBIT	million €	301	503	67
Adjusted EBIT margin	%	5.3	7.3	—
Employees (Sept. 30)		29,144	31,270	7

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 and the assembly of axle modules.

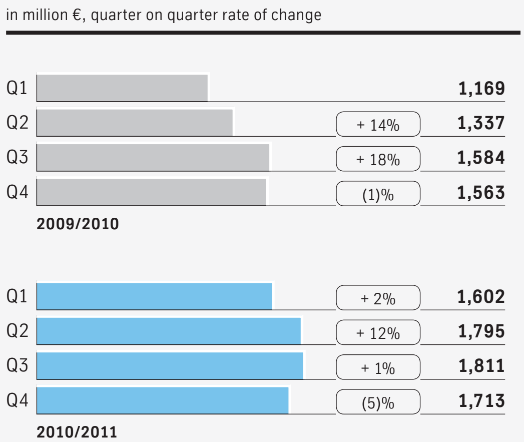
Strong rise in orders and sales

Components Technology continued its good upward trend in 2010/2011. Order intake increased year-on-year by 22% to €6.9 billion. This was due partly to global growth in the auto industry, both for cars and trucks, and partly to a recovery in demand in general engineering and the wind energy sector. In the automotive sector the markets in China and Brazil in particular showed dynamic growth; the trend in the USA was also positive. The list of major orders received includes assembled camshafts and electromechanical steering systems, passive and active suspension systems, machined and forged crankshafts and brake components. All plants supplying the auto industry reported high capacity utilization. The construction equipment industry also continued to recover, with impetus coming mainly from China, India and Russia. Domestic business was likewise pleasing.

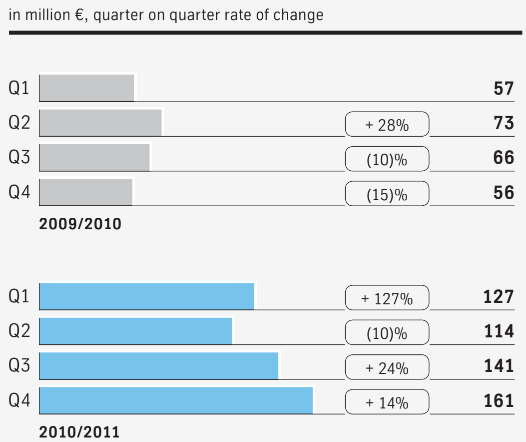
All Components Technology plants supplying the auto industry had a good workload in 2010/2011.

Sales followed the trend in orders and reached €6.9 billion, up 21% from the prior year. We thus achieved our highest-ever order intake and sales in the reporting year.

Components Technology order intake



Components Technology EBIT



Profit doubled

Components Technology further strengthened its earnings in 2010/2011, achieving EBIT of €543 million, more than double the prior-year figure. The earnings include a €40 million impairment reversal at the US foundry group Waupaca. Due to the improved sales situation in the USA and numerous customer orders the Etowah plant in Tennessee, idled during the demand crisis, was reopened. Adjusted EBIT at €503 million also showed a significant increase from the prior year.

Key factors in the substantial improvement in earnings were our good operating performance as well as our restructuring measures. These structural measures sustainably reduced cost levels and improved profitability. Compared with the prior year, EBIT margin increased from 4.4% to 7.9%.

Marine Systems

Marine Systems in figures

		2009/2010	2010/2011	Change in %
Order intake	million €	531	2,977	461
Sales	million €	1,211	1,493	23
EBIT	million €	145	213	47
EBIT margin	%	12.0	14.3	—
Adjusted EBIT	million €	72	213	196
Adjusted EBIT margin	%	5.9	14.3	—
Employees (Sept. 30)		5,488	5,295	(4)

After the restructuring of the shipyards the Marine Systems business area will focus exclusively on naval shipbuilding in the future as part of the Group’s strategic development. In the reporting year we continued the ship repair and component manufacturing operations, which are classified as held for sale, and worked through yacht orders to a limited extent.

Order intake in naval shipbuilding rose to almost €3 billion in the reporting year.

Higher order intake and sales

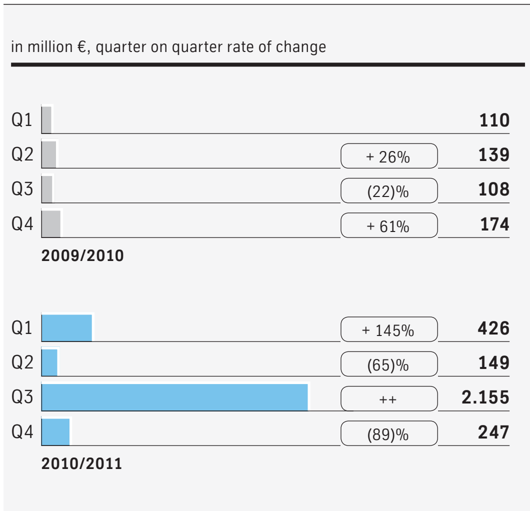
Marine Systems increased its order intake significantly, from €531 million in the prior year to almost €3.0 billion in the reporting year. The biggest single project was the order placed by Turkey for six U 214 submarine material packages worth around €2.2 billion. The order intake also includes €295 million from the contractual agreement with Greece.

Sales increased year-on-year from €1.2 billion to €1.5 billion. At the beginning of the reporting year we handed over the second Class 209-PN submarine to the Portuguese Navy. In July 2011 this was followed by the first of two extensively modernized submarines for the Singapore Navy. The Hamburg shipyard began production of the Class F125 frigates for the German Navy. Technical difficulties with the propulsion systems have delayed the delivery of the Class K130 corvettes for the German Navy, which will now take place in mid-2012. The repair and components business, which is classified as held for sale, performed positively.

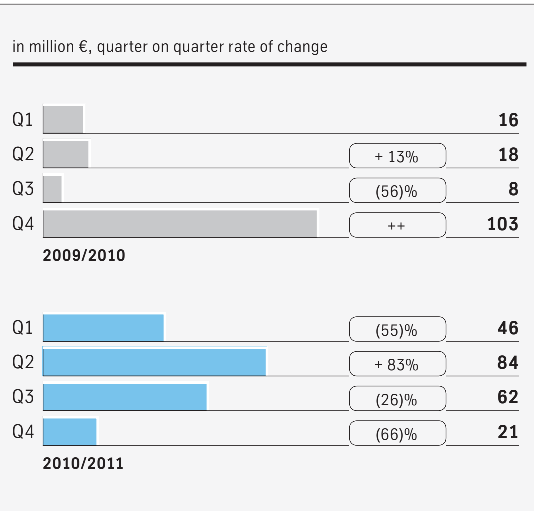
Earnings improved

EBIT improved from €145 million in the prior year to €213 million. The reasons for the pleasing increase were mainly positive one-time effects from the above-mentioned settlement with Greece and agreements with other customers. The lack of work in the civil shipbuilding operations had a negative impact. EBIT margin increased year-on-year from 12.0% to 14.3%. The adjusted EBIT of the prior year included non-operating expense of €58 million as well as the deconsolidation effect of Hellenic Shipyards in Greece.

Marine Systems order intake



Marine Systems EBIT



Stainless Global (discontinued operation)

Stainless Global in figures

		2009/2010	2010/2011	Change in %
Order intake	million €	5,121	6,045	18
Sales	million €	5,901	6,739	14
EBIT	million €	(57)	(785)	– –
EBIT margin	%	(1.0)	(11.6)	—
Adjusted EBIT	million €	(57)	15	126
Adjusted EBIT margin	%	(1.0)	0.2	—
Employees (Sept. 30)		11,235	11,490	2

The Stainless Global business area supplies premium-quality stainless steel flat products and high-performance materials such as nickel alloys and titanium.

Stainless Global achieved two-digit-growth in order intake and sales.

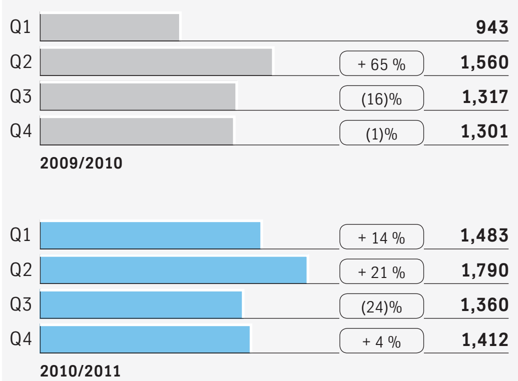
Orders and sales higher

At Stainless Global, business was up from the prior year in the first months of 2010/2011. The value of new orders increased by 18% to €6.0 billion due to alloy prices; order volumes were 3% down from the prior year at 2.0 million tons. Whereas volumes decreased slightly in the stainless flat products business, demand for nickel alloys and titanium increased, which also noticeably increased their selling prices. 2.3 million tons of stainless flat products and 37,500 tons of high-performance materials were produced. It should be noted that the prices of high-performance materials are many times higher than those of stainless products.

Overall shipments were 6% down from the prior year at 2.0 million tons. Market demand was noticeably weaker in the 2nd half of the year. Despite this, sales increased by 14% to around €6.7 billion due to higher alloy surcharges. Base prices were lower than a year earlier.

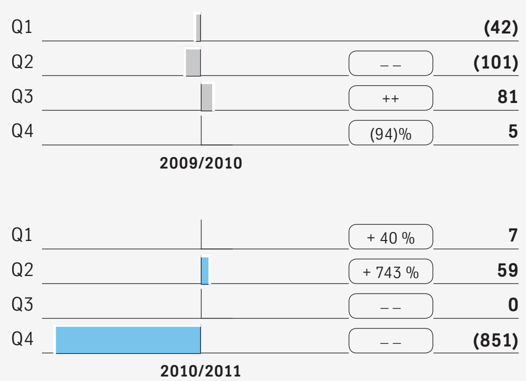
Stainless Global order intake

in million €, quarter on quarter rate of change



Stainless Global EBIT

in million €, quarter on quarter rate of change



Adjusted EBIT positive

Adjusted EBIT improved from €(57) million to €15 million, adjusted EBIT margin from (1.0)% to 0.2%. A favorable market situation at the beginning of the reporting year and the optimization of the product mix led to positive effects, in particular from the nickel alloy business. In addition, we further reduced costs. The EBIT figure includes €98 million in startup costs for the new stainless steel mill in the USA.

Impairment charges weigh on EBIT

After goodwill impairment of €290 million and a further fair value adjustment of €510 million, EBIT of Stainless Global came to €(785) million, compared with €(57) million in the prior year. EBIT margin decreased from (1.0)% to (11.6)%. The write-down to fair value made necessary by the intention to sell takes into account in particular the valuation discounts applied to stainless steel producers due to the structural problems in the market. The discounts also reflect the current sovereign debt crisis and the high risk aversion of investors. In the current environment, the valuations placed on stainless steel companies are comparatively low and vary over a range. We determined the fair value on the basis of internal calculations and estimates of market participants, and our valuation lies in the middle of the range.

The new stainless steel mill in the USA began operations.

Stainless steel mill in the USA

At the US site in Calvert the productivity and product quality of the units in phase 1 of the cold rolling mill commissioned last fiscal year improved further. The newly installed phase 2 units in the hot-rolled annealing and pickling line, the second cold rolling mill and the finishing line are now going into operation. In addition, the third cold rolling mill and the remaining parts of the finishing line are currently being installed. Construction work on the 1 million ton per year capacity melt shop is proceeding on schedule; it 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.

Nirosta forward strategy

To strengthen the competitiveness of the European stainless steel operations, the locations within the Nirosta plant network are being optimized. The relocation of production from Düsseldorf-Benrath to Krefeld is to be completed by the beginning of 2016. The investment volume is €244 million. The implementation of the first phase of the project began at the start of 2011, mainly involving the construction of a new annealing and pickling line and cold rolling mill.

Business with external customers

The order intake and sales of the business area also include business with customers within the ThyssenKrupp Group. The following figures were generated with customers outside the Group; as a result of the separation of the stainless steel operations, the corresponding Group figures are reduced by these amounts:

		2009/2010	2010/2011	Change in %
Order intake	million €	4,609	5,411	17
Sales	million €	5,306	6,016	13

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 €143 million, up from €131 million a year earlier.

Corporate's earnings before interest and taxes came to €(377) million, a deterioration of €86 million from the prior year. The deterioration was mainly the result of higher administrative costs, particularly personnel and IT costs, and the valuation of mining provisions. Adjusted EBIT came to €(356) million; Corporate recognized a €21 million provision for litigation risks in connection with arbitration court proceeedings concerning a disposal carried out several years earlier.

Financial position

We are strengthening the company and its core business with customer-oriented investments, decreasing net debt and secured liquidity. Our statement of cash flows provides transparency about the sources and uses of our funds. The impact of these cash flows on the Group's assets and liabilities is shown in the analysis of the statement of financial position.

Capital expenditures

Pages 50–51

Capital expenditures at €2.8 billion

In fiscal year 2010/2011 ThyssenKrupp invested a total of €2,771 million, 21% less than in the prior year. €2,661 million was spent on property, plant and equipment and intangible assets. €110 million was used for the acquisition of businesses and shareholdings as well as other financial assets; the main acquisitions are detailed in the section "The Group's Strategic Way Forward".

Excluding the major projects in Brazil and the USA, capital expenditures totaled €1,247 million, compared with €1,188 million in the prior year. Capital expenditures were €19 million lower than depreciation of €1,266 million.

Investment by business area in million €

	2009/2010	2010/2011	Change in %
Steel Europe	286	431	51
Steel Americas	2,054	1,369	(33)
Materials Services	188	136	(28)
Elevator Technology	81	135	67
Plant Technology	32	47	47
Components Technology	288	361	25
Marine Systems	8	14	75
Corporate	268	36	(87)
Consolidation	(36)	(24)	—
Investments of continuing operations	3,169	2,505	(21)
Stainless Global	344	266	(23)
ThyssenKrupp Group	3,513	2,771	(21)

Capital expenditures in the business areas

Steel Europe invested €410 million – mostly on maintenance and environmental projects.

Steel Europe – The business area's capital expenditures on property, plant and equipment and intangible assets reached €410 million, with depreciation at €530 million. This was a significant increase from the low level of the prior year, when we invested only €286 million due to the economic crisis. The greater part of our spending was for maintenance and environmental projects to reduce emissions at the Duisburg and Dortmund sites. Other investments related to hot strip mill 2 in Duisburg, where an efficient compact cooling system was installed for the production of high-quality skelp. Work also started in Duisburg on the modernization of hot strip mill 1. A total of roughly €300 million is to be invested in the German hot strip mills by 2014/2015 under an overall program.

Investments at the Gelsenkirchen site focused on promising, high-quality electrical steel grades; the third expansion phase has now begun. With demand for imported coal expected to rise, work commenced on extending the coal terminal at the port of Rotterdam.

Steel Americas – Steel Americas spent €1,369 million with depreciation of €391 million. The main investments in Brazil were for the completion of coke battery B, the start-up of the second blast furnace and the second melt shop line, as well as pollution control measures. Capital expenditures at the US plant related primarily to the construction of a pickling line and four hot-dip galvanizing lines.

Materials Services – Capital expenditures for property, plant and equipment and intangible assets amounted to €95 million at Materials Services, while depreciation came to €134 million. Investments were mainly used to maintain existing operations and expand our steel mill services in America and Europe.

Elevator Technology – The business area spent €93 million on property, plant and equipment and intangible assets; depreciation was €74 million. In addition to replacement capital expenditure, Elevator Technology completed the new elevator plant in Madrid, optimized production in the USA and invested in customer-oriented IT solutions.

Plant Technology – Capital expenditures of €44 million mainly went toward maintaining and expanding production capacities, as well as the use of new technologies. Depreciation came to €36 million. In the area of base chemicals, the business area acquired the high-temperature Winkler coal gasification process, which ideally complements the existing gasification processes. Also in the area of coal gasification, a joint venture was established with South Korea's largest energy utility KEPCO. The joint company KEPCO-Uhde Inc. aims to promote the commercial use of PRENFLO-PSG technology for coal gasification. The investment in a multipurpose biotechnology plant to produce lactic acid marks our entry into the production of bioplastics. In addition, Plant Technology expanded its strategically important locations in China and India.

Components Technology – Components Technology spent €361 million on property, plant and equipment and intangible assets, with depreciation at €285 million. The main investments were made in Europe, China, the USA, Brazil, and India. For example, camshaft production capacities were increased, and the production facilities for advanced electromechanical steering systems expanded. Work started on construction of a new crankshaft plant in the Chinese city of Nanjing: From October 2012 the plant will employ around 650 people and produce more than 360,000 truck crankshafts per year. In Chengdu, China, and in São Paulo, Brazil, we expanded our spring and stabilizer manufacturing operations. With the market for wind turbines also favorable, we continued our investment program for the production of slewing bearings.

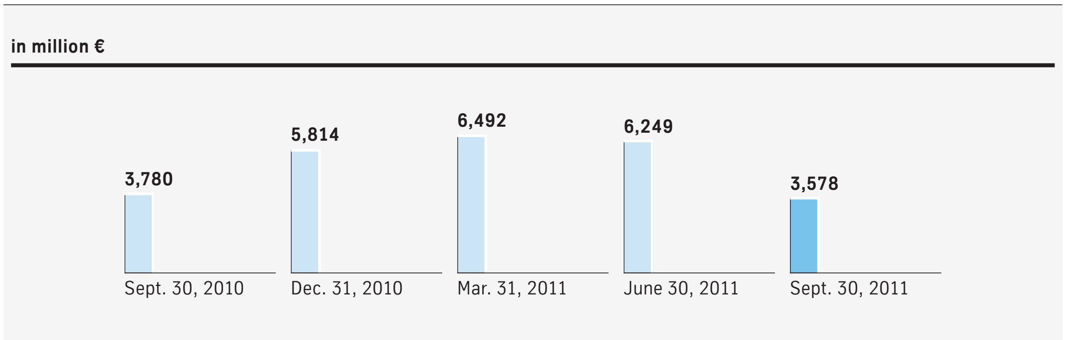
Marine Systems – With depreciation at €19 million, spending amounted to €14 million; this was mainly replacement capital expenditure.

Stainless Global – The discontinued business area Stainless Global invested €266 million in property, plant and equipment and intangible assets in the reporting year; depreciation amounted to €175 million. The new integrated stainless mill at the Calvert site in the USA was officially opened on December 10, 2010. In the Nirosta group, a skin-pass mill was replaced at the Dillenburg cold rolling plant, while VDM expanded bar production capacities at its Reno/USA facility. Stainless Global continued to implement its fire protection programs. Beyond this, most capital expenditures were aimed at maintaining existing operations and upgrading individual equipment items.

Net financial debt

In the reporting year, our net financial debt was once again dominated by our investments in Brazil and the USA. Our net working capital also increased as a result of significantly higher orders and inventories. Net financial debt stood at €3,578 million at the end of the fiscal year, €202 million lower than the figure on September 30, 2010. After reaching a high in the 2nd quarter 2010/2011, net financial debt fell significantly. The situation over the course of the year is shown in the graphic below.

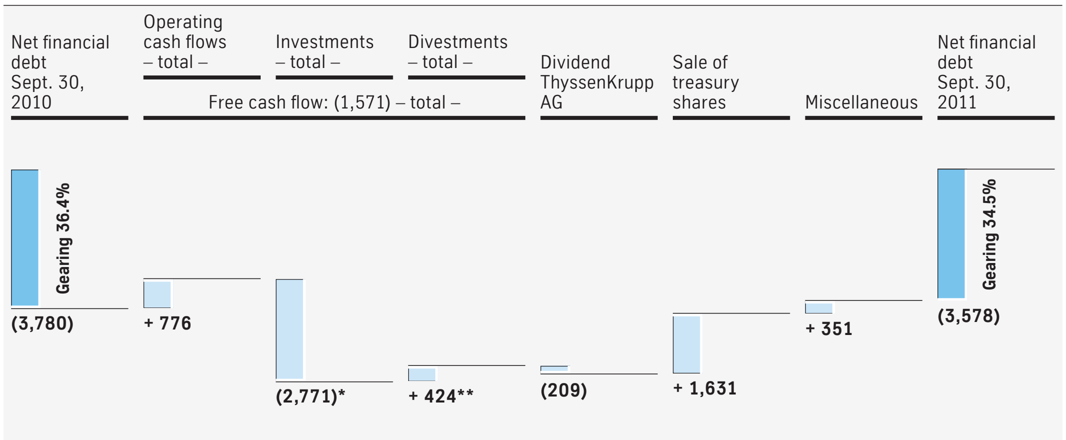
Progression of net financial debt 2010/2011



Page 52

A key factor in the reduction of our net debt was the sale of treasury shares in July 2011, which resulted in a cash inflow of around €1.6 billion. We report on this in more detail in the section "Profile and strategy". There was a further inflow of €776 million from operating cash flow; €424 million came from minor disposals. The impact of individual factors on our net financial debt in 2010/2011 is shown in the following graphic:

Net financial debt in million €



* incl. cash and cash equivalents acquired
** incl. cash and cash equivalents disposed of

For technical reasons in part not to scale

Analysis of the statement of cash flows

The overall 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, taking into account the cash and cash equivalents relating to the disposal groups including the discontinued operations. For the reporting period and the prior year, the discontinued operations comprise the activities of the Stainless Global business area.

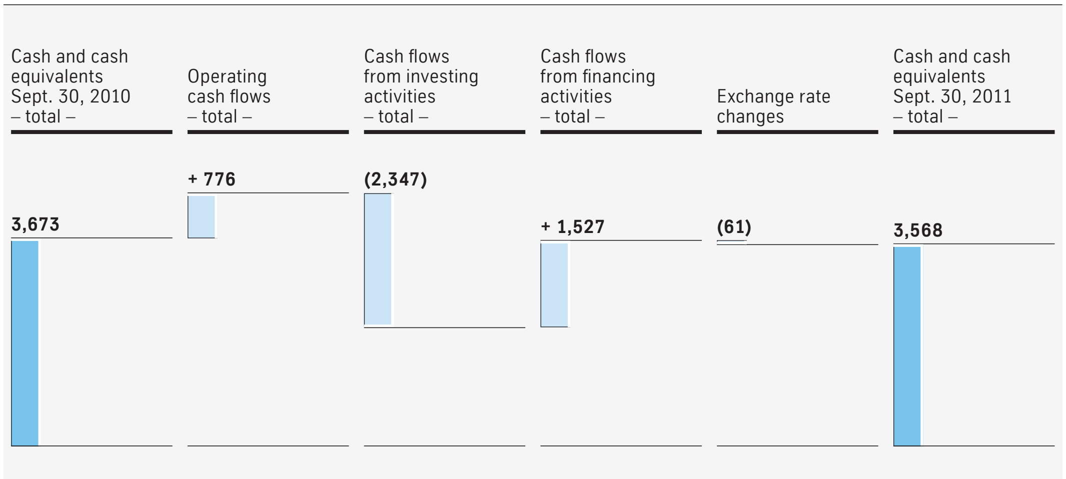
In fiscal year 2010/2011 there was an overall cash inflow from operating activities of €776 million, compared with €868 million in the prior year. The cash inflow of the continuing operations was level with the prior year at €1,012 million. A €413 million improvement in other assets/liabilities not related to investing or financing activities was partly offset by a net €346 million increase in funds tied up in inventories and trade receivables and payables. In the discontinued operations, the overall higher funds tied up in operating assets/liabilities in particular resulted in a €73 million reduction in operating cash flows to €(236) million.

The overall cash outflow from investing activities was €612 million lower than a year earlier at €2,347 million. The €539 million reduction in the continuing operations was the result in particular of two offsetting effects: Capital expenditure for property, plant and equipment and intangible assets decreased by €670 million; this was partly offset by the €205 million reduction in proceeds from the disposal of consolidated companies. The discontinued operations reported a €73 million decrease in cash outflow from investing activities, mainly due to lower investment in property, plant and equipment.

As in the prior year, the free cash flow of the continuing operations, i.e. the sum of operating cash flows and cash flows from investing activities, was negative. Compared with a year earlier, however, the negative free cash flow was €520 million lower at €(1,070) million. The free cash flow attributable to the discontinued operations was unchanged from the prior year. Overall, the negative free cash flow was €520 million lower than a year earlier at €(1,571) million.

The cash inflow from financing activities attributable to the continuing operations improved year-on-year by €1,234 million to €989 million. The increase was mainly due to the sale of treasury shares in July 2011 (€1,624 million) and a reduced cash outflow in connection with the financing of discontinued operations (€514 million). This was partly offset firstly by the €465 million decrease in proceeds to equity from non-controlling interest; in the prior year, proceeds of €500 million were reported in connection with the increase in Vale S.A.’s shareholding in ThyssenKrupp CSA. Secondly there was a €301 million increase in repayments of financial debt; this included the €750 million repayment of a bond in fiscal year 2010/2011. Including the €37 million increase in cash inflow from financing activities to €538 million that was attributable to the discontinued operations and related in particular to the inclusion of the Stainless Global business area in the Group financing system, overall cash inflow from financing activities increased by €1,271 million to €1,527 million.

Change in cash and cash equivalents in million €



For technical reasons in part not to scale

Central financing and maintenance of liquidity

The financing of the Group is managed centrally by ThyssenKrupp AG. It is based on a multi-year financial planning system and a monthly rolling liquidity planning system covering a planning period of up to one year. The cash inflows from our operating activities are our main source of liquidity. Our cash management systems allow Group companies to use surplus funds from other company units to cover their own financial requirements. This reduces the volume of external financing requirements and thus our interest expense. External financing requirements are covered by committed credit facilities in various currencies and with various terms. In addition we use money and equity market instruments as well as selected off-balance financing instruments such as factoring programs and operating leases. Information on the available credit facilities is provided in Note 17.

Pages 171–173

Our centralized financing system enables us to project a uniform image to the capital markets. This strengthens our negotiating position vis-à-vis banks and other market participants and makes it easier for us to procure and invest capital on optimum terms.

At the end of September 2011 ThyssenKrupp had a available liquidity of €8.3 billion.

At September 30, 2011 ThyssenKrupp had €3.6 billion in cash and cash equivalents and €4.7 billion in available credit facilities. Together this provided available liquidity of €8.3 billion. Additional financing of up to €1.5 billion was available under a commercial paper program, which was unused at September 30, 2011. The financing and liquidity of our Group were secured at all times during the reporting year.

Issuer ratings since 2001

We have been rated by Moody's and Standard & Poor's since 2001 and by Fitch since 2003. ThyssenKrupp's credit standing is currently rated by the agencies as follows:

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

Experience shows that ratings upgrades lead to lower refinancing costs, while downgrades generally have a negative effect. Regaining investment grade status with Standard & Poor's therefore remains an important goal.

Analysis of the statement of financial position

Compared with September 30, 2010, total assets decreased slightly by €109 million to €43,603 million.

Compared with September 30, 2010, non-current assets decreased significantly by a total of €3,576 million. There was a €3,673 million reduction in property, plant and equipment. This decrease was mainly due to the reclassification of €2,394 million to assets held for sale/disposal due to the disposal of the Stainless Global business area initiated in fiscal year 2010/2011 (€2,269 million) and the sale of the Xervon group in the Materials Services business area initiated in August 2011 (€125 million); in addition, depreciation in the Steel Americas business area exceeded additions by €1,342 million, particularly as a result of the €1,685 million impairment charges recorded in this area. The €485 million decline in intangible assets was mainly due to goodwill impairment of €338 million as well as a €144 million increased reclassification to assets held for sale/disposal. The €253 million increase in other non-current non-financial assets was mainly due to the recognition of reimbursement rights in connection with non-income-based taxes. This was partly offset by a €350 million increase in deferred tax assets due mainly to losses outside Germany.

Current assets increased in total by €3,467 million.

Inventories stood at €8,105 million on September 30, 2011, down €157 million from the prior year. Increases resulting mainly from the good business situation in the reporting period and the ramp-up of production at the new steel plants in Brazil and the USA were offset in particular by decreases from a €1,890 million higher reclassification to assets held for sale/disposal. In addition, inventories at the Marine Systems business area declined due to the delivery of a submarine to the Greek Navy and there were write-downs of excess inventory held in the Steel Americas business area due to the ramp-up.

At €5,059 million, trade accounts receivable were €823 million lower than on September 30, 2010. The decrease was mainly due to a €834 million higher reclassification to assets held for sale/disposal.

The €107 million reduction in other current financial assets was mainly due to the accounting for derivatives. The €83 million decrease in other current non-financial assets related in particular to reimbursement rights in connection with non-income-based taxes, which were partly offset by higher advance payments in connection with the purchase of inventories.

Current income tax assets were down by €181 million.

Assets held for sale/disposal increased by €4,968 million to €5,762 million. Of this substantial increase, €4,625 million related to the disposal of the Stainless Global business area initiated in fiscal year 2010/2011, and €451 million to the sale of the Xervon group in the Materials Services business area initiated in August 2011.

Total equity stood at €10,382 million on September 30, 2011, almost unchanged from a year earlier. The net loss of €1,783 million in the reporting year as well as dividend payments (€252 million) and net unrealized losses from derivative financial instruments (€83 million after taxes) recognized in other comprehensive income resulted in a sharp decrease in total equity. This was partly offset by a €1,624 million increase in connection with the sale of treasury shares in July 2011. Further increases came from net actuarial gains from pensions and similar obligations (€388 million after taxes) recognized in other comprehensive income and net unrealized gains from foreign currency translation (€50 million). The €518 million decrease in non-controlling interest was mainly due to the negative earnings at ThyssenKrupp CSA.

Non-current liabilities decreased in total by €820 million. This included a €1,146 million reduction in accrued pension and similar obligations, of which €548 million from updated interest rates for the revaluation of pension and healthcare obligations at September 30, 2011, and €245 million from payments to plan assets and plan closures; in addition, an increased reclassification to liabilities associated with assets held for sale/disposal resulted in a decrease of €232 million. Non-current financial debt increased by €337 million.

Taking into account offsetting effects, current liabilities increased overall by €717 million.

The €278 million decline in other current provisions related mainly to provisions for onerous contracts and provisions for restructuring measures. Current financial debt was €1,100 million lower mainly due to the repayment of a €750 million bond and a €399 million higher reclassification to liabilities associated with assets held for sale/disposal. The €604 million decrease in trade accounts payable was mainly due to the €1,392 million higher reclassification to liabilities associated with assets held for sale/disposal; this was partly offset by increases due to the good business situation in the reporting year. The €284 million decline in other current financial liabilities was partly due to a €215 million higher reclassification to liabilities associated with assets held for sale/disposal. Higher customer advance payments in connection with construction orders were the main reason for the €426 million increase in other current non-financial liabilities. The €2,680 million increase in liabilities associated with assets held for sale/disposal included €2,470 million associated with the disposal of the Stainless Global business area initiated in fiscal year 2010/2011 and €396 million associated with the sale of the Xervon group initiated in August 2011. This was partly offset by a €179 million adjustment of the disposal group due to the termination of negotiations to sell parts of the Marine Systems business area in fiscal 2010/2011.

Assets not recognized and off-balance financing instruments

Pages 174–176

In addition to the assets recognized in the balance sheet, the Group also uses non-recognized assets. These are mainly leased or rented assets (operating leases). More details on this can be found under Note 21.

Pages 159–160

The main off-balance financing instruments we use are factoring programs. More details can be found under Note 10.

One important intangible asset is the ThyssenKrupp brand, which strengthens the image of our Group companies on their markets and is therefore under constant further development. Our longstanding and trusting relationships with suppliers and customers are also of great value as they make us independent of sudden market fluctuations. Close cooperation with our business partners frequently enables us to get involved in their development projects at an early stage. Our Group's recognized technological capabilities pay particular dividends in the international plant construction sector. Our managers and employees are another important asset. Their knowledge of technology, markets and partners make a key contribution to our good reputation and the value of the company.

Non-financial performance indicators

Our performance is reflected not only in our financial results, but also in the sustainability of our actions. We develop efficient solutions that conserve resources and protect the climate and the environment. For this we need capable employees – so we place strong emphasis on training and development and health and safety.

Sustainability

Pages 49–56

For ThyssenKrupp, sustainability is a core business responsibility and a key driver of innovation. To ensure the company remains viable in the future, we work hard to constantly improve our economic, ecological and social performance. More information on our sustainability- and value-based strategy can be found in the section “Profile and strategy”. Sustainability and responsibility are firmly entrenched in our corporate culture and have long been part of our day-to-day practice. Sustainability management performs an important cross-cutting function in the Group, enabling us to utilize business opportunities and minimize risks. In the reporting year ThyssenKrupp AG underlined its commitment to sustainable development by joining the United Nations Global Compact (UNGC) initiative. We will work even more systematically to implement the ten principles of the UNGC and report on them transparently.

In the following we report on our main sustainability activities in the areas of innovation, employees, environmental and climate protection, and corporate citizenship:

- Our new corporate headquarters in Essen was awarded German Sustainable Building Council’s gold certificate.

Pages 94–96

- In the reporting year, for example, our company presented innovative solutions for electric vehicles and the iwalk moving walk (more under “Innovations”).

Pages 96–99

- We made further improvements to health and safety: In the last five fiscal years, the number of accidents in the Group fell by more than 17% (more under “Employees”).

Pages 99–100

- With an adjusted figure of around 1.7 tons of CO_2 per ton of crude steel produced, emissions from our steelmaking operations are well below the global average. We are further intensifying our Groupwide environmental and climate management activities – e.g. through the introduction of a new Group policy (more under “Environment and climate”).

Page 101

- ThyssenKrupp once again supported three regional heats of the “Jugend forscht” young scientists competition in 2011 (more under “Corporate citizenship”).

Innovations

Pages 53–54

Innovations and new technologies are a key element of the Group's Strategic Way Forward and therefore also feature strongly in our corporate program 'impact'; a detailed report on this is provided in the section "Profile and strategy". We develop new materials, products and processes, identify and explore promising areas of innovation, and improve our technology position. We are also expanding our innovation management systems.

Our 3,000 research and development employees demonstrate their strengths in the areas "Material", "Mechanical" and "Plant". Their outstanding engineering expertise enables us to develop cost- and resource-efficient solutions in response to global challenges such as rising consumption or sustainable infrastructure. The following examples represent a selection of the wide-ranging innovation activities of our Group companies.

Electromobility: StreetScooter development partnership

ThyssenKrupp is expanding its capabilities in the area of electromobility. In collaboration with research institutes and industrial partners we are jointly developing body and chassis solutions for the electric vehicles of the future. As part of a consortium of industrial partners and institutes of Aachen University of Technology we are working on the development of a low-cost electric city vehicle called the StreetScooter. ThyssenKrupp has developed and prototyped the floor assembly, which will accommodate the batteries for the electric vehicle. For the crash-relevant parts we use both high-strength lightweight steels and other materials combining high strength and high elongation. In the event of a collision, this allows impact energy to be absorbed effectively. A prototype of the StreetScooter was presented at the 2011 Frankfurt Motor Show.

Eco-friendly material for vehicle construction

We have developed a new material with a tensile strength of 1,000 megapascals. It is currently our strongest cold-formable steel and is particularly suitable for thin-walled, low-weight parts. Safety-relevant structural parts for automobile bodies can be made up to 20% thinner using this material. This reduces vehicle weight, saves energy and thus lowers CO_2 emissions.

New coatings for cost-efficient production

LubriTreat® will significantly improve the forming behavior of galvanized steels in the future.

In collaboration with a lubricant manufacturer, our surface specialists have developed LubriTreat®, a new coating process that significantly improves the forming behavior of galvanized steels. Moreover, the new coating is free of heavy metals and allows nickel-free, eco-friendly processing. LubriTreat® reduces friction during the forming process, resulting in lower die wear and reduced scrap rates. Good paint adhesion and optimum finishes are guaranteed. The product has been patented by both companies and is suitable for all hot-dip and electrolytically galvanized steel sheet materials.

iwalk – new moving walk sets standards

Our newly developed iwalk requires much less space than conventional moving walks. With the same outside dimensions, the passenger area is wider and provides greater space and comfort. The significantly lower pit depth also greatly reduces the amount of civil work required. The iwalk can even be installed on an existing floor without the need for any additional construction measures. Thanks to the new modular design, individual segments can be added or removed as required in the shortest possible time, and it is even possible to move the entire installation to a new location. The iwalk is particularly suitable for metro stations, railway stations, airports and exhibition centers – both as new installations and to upgrade existing systems. In addition the iwalk can be equipped with a new energy saving system which optimizes power consumption depending on passenger numbers without reducing operating speed. The new moving walk was awarded first prize in the 2011 ThyssenKrupp Innovation Contest.

The “cylinder head” project won second prize on the 2011 ThyssenKrupp Innovation Contest.

Cylinder head cover with integrated camshafts

Second prize in this year’s Innovation Contest went to the development team behind a new cylinder head module with integrated camshafts. Our engineers and technicians used the proven Presta joining process for assembled camshafts to produce a complete cylinder head cover with integrated camshafts. This allows us to supply customers with a ready-to-install module rather than just individual camshafts. Modular designs with integrated camshafts were previously unavailable on the market. We have already received the first production order. As well as reducing costs for cylinder head machining, our solution is also easier to install. Integrating the individual, finish-machined camshaft parts in the cylinder head cover makes it possible to dispense with bearing caps. This results in improved hydrodynamics, and antifriction bearings can be integrated simply and without deformation.

Bio-based plastics made from succinic acid

In order to make sustainable use of resources we need to explore new ways of utilizing renewable raw materials. Since 2006 we have been developing biotechnology processes to produce plastics from renewable raw materials. One focus of the chemical industry has been the use of succinic acid as a raw material for bio-based plastics. In collaboration with a US company we have now developed a production process for this. Following successful trials on a pilot plant in Mexico, the world’s first industrial-scale biotechnology succinic acid plant is now being built in Louisiana/USA. Start-up is scheduled for late 2012.

Increasingly efficient gearless conveyor systems

With demands on conveyor systems for open pit mines rising all the time, conventional gear units are reaching their limits. Ever greater mining depths and increasing volumes call for longer, steeper and more powerful belt conveyors. For one of our customers we have now developed a gearless drive station for a 6.5 km conveyor system. ThyssenKrupp is the world’s only supplier of conveyors with such high-power direct drives. They offer great dependability, low-cost maintenance and high energy efficiency. In future development projects we will standardize the drive stations, modularize them and further optimize their design.

More than €500 million for research and development

In 2010/2011 we spent €524 million on product, process and service innovations. Of this, research and development costs of €188 million were expensed immediately, €39 million was amortization of development costs capitalized in previous years, and €297 million was for order-related development costs. Expenditure for research and development was thus 19% higher than a year earlier, with particular increases in order-related development in the areas of “Mechanical” and “Plant”.

Reporting in prior years related to the costs of basic research and development comprising non-capitalized research and development costs and capitalized development costs. With immediate effect we will report only on expenditure recognized in the reporting period, i.e. the non-capitalized research and development costs including amortization of capitalized development costs as well as order-related development costs. The prior-year comparatives for order-related development costs have been adjusted. Expenditure for technical quality assurance is no longer included.

Research and development expenditure in million €

	2009/2010	2010/2011	Change in %
Non-capitalized research and development costs	191	188	(2)
Amortization of capitalized development costs	33	39	18
Order-related development costs*	218	297	36
Total	442	524	19

* Part of cost of sales without offsetting grants/subsidies

Employees

We have outstanding employees, and we do a lot to make sure it stays that way: Intensive apprenticeship training, continuing development in all areas of the Group, high standards of health and safety, targeted support for young managers, greater diversity and internationality – including at management level.

The Group's workforce grew outside Germany in 2010/2011 and declined slightly in Germany.

Our workforce grew in the reporting year. On September 30, 2011 ThyssenKrupp employed 180,050 people worldwide, a year-on-year increase of 2,704 or 1.5%. All the growth took place outside Germany, where the headcount rose by 4.4% to 110,928. By contrast, employee numbers in Germany fell by 2.7% to 69,122. The expansion of the new steel making and processing mills in Brazil and the USA in particular created a large number of new jobs.

Employees by business area (Sept. 30)

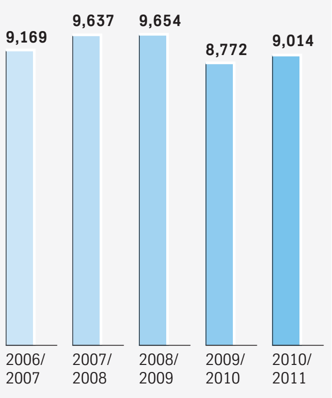
	2007	2008	2009	2010	2011	Change in %
Steel Europe	37,749	38,692	36,416	34,711	28,843	(16.9)
Steel Americas	397	1,158	1,659	3,319	4,060	22.3
Materials Services	44,251	47,703	44,316	33,856	36,568	8.0
Elevator Technology	39,501	42,992	42,698	44,024	46,243	5.0
Plant Technology	13,102	13,433	13,043	12,972	13,478	3.9
Components Technology	32,805	32,312	27,973	29,144	31,270	7.3
Marine Systems	8,778	8,288	7,770	5,488	5,295	(3.5)
Corporate	2,585	2,584	1,865	2,597	2,803	7.9
Employees of continuing operations	179,168	187,162	175,740	166,111	168,560	1.5
Stainless Global	12,182	12,212	11,755	11,235	11,490	2.3
Group employees	191,350	199,374	187,495	177,346	180,050	1.5

Employees by region (Sept. 30)

	2007	2008	2009	2010	2011	Change in %
Germany	84,999	85,097	81,229	71,072	69,122	(2.7)
Other EU	41,522	42,503	38,252	35,491	31,762	(10.5)
Americas	44,228	47,561	42,897	42,417	47,086	11.0
Asia/Pacific	14,890	17,881	18,481	21,544	24,742	14.8
Other countries	5,711	6,332	6,636	6,822	7,338	7.6
World	191,350	199,374	187,495	177,346	180,050	1.5

Personnel expense

in million €



At €9.0 billion, personnel expense in 2010/2011 was 2.8% higher than the year before. The graphic on the left shows our personnel expense over the past five years.

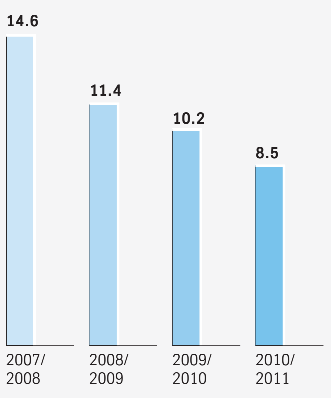
Apprenticeship training

In Germany ThyssenKrupp is training 4,239 apprentices in more than 55 occupations, most of them industrial or technical. 1,312 young people started an apprenticeship with ThyssenKrupp in 2011. 170 full-time trainers and numerous training officers provide high-quality, practical training which resulted in 92% of apprentices passing their final exams in the reporting year.

In addition to traditional apprentice training, integrated degree programs are now well established at ThyssenKrupp. More than 70 such programs are currently available to our apprentices. We have also been running the TOPSIM business management game for 20 years, in which several teams of apprentices take over the management of a virtual company. The game enables them to acquire and strengthen a business mindset and social skills.

Accidents at work
according to international definition

per 1 million hours worked



Health and safety a priority

Our Groupwide "zero accidents" initiative is aimed at making working in our production operations and offices even safer – and it is paying dividends. The accident rate in the reporting year fell by 17% compared with the prior year to 8.5 accidents per 1 million hours worked. Accidents have decreased by 42% over the past four years.

We provided management training for the first time in China in 2010/2011; a similar program is now being prepared for Brazil. A new health and safety management manual provides valuable information on how Group companies can provide even better protection from accidents for their employees and systematically develop their health and safety programs.

In the future we intend to integrate our global health and safety activities more closely. To this end, standard international healthcare structures and processes are being developed at several centers of competence under the coordination of corporate headquarters. One example is the bowel cancer screening campaign, which took place simultaneously at all German locations for the first time in 2011. Around 14,000 employees took part.

We have maintained and expanded our partnerships with selected universities for many years.

Successful graduate recruitment

More and more, it is important to have a presence at universities so as to attract talented graduates. We present ourselves as an attractive employer and establish contacts with students at an early stage. We have maintained close relationships for many years with seven German universities in Aachen, Berlin, Bochum, Dortmund, Dresden, Freiberg and Hamburg-Harburg, and also with universities in China and Russia. In addition we have activities at other institutes and higher education establishments such as the Karlsruhe Institute of Technology, and Südwestfalen and Dortmund technical universities, for example through support groups and business management games.

Our entry programs are tailored to the specific needs of the different target groups. The best of our interns are included in our “Next Generation” intern retention program. They attend selected events to acquaint themselves better with ThyssenKrupp and are then supported systematically when starting their career in the Group. For graduates with an interest in research, the doctoral student program “Your Innovation” provides an opportunity to be involved in work on the latest technologies in the Group. In addition to our engineering graduate programs, a program for business graduate trainees called “Create (y)our future” was also launched in the reporting year.

Nowadays, the internet is the most important medium for gathering information and submitting job applications, so our careers portal is a very important way of addressing interested candidates and good applicants. The Swedish consultancy Potentialpark ranked ThyssenKrupp’s careers website the best in Germany in 2011. Our portal provides up-to-date information in an attractive design with numerous multimedia elements; navigation has been optimized to make it easier for young people to gain an overview of our Group. One important success factor is the systematic link to the application process.

Management development

ThyssenKrupp PerspActive

We regard developing our employees and executives as a key management task. We have already reported many times on the PerspActive process, in which we systematically assess our managers and conduct targeted development interviews. This process is now firmly established and is paying dividends: Last year we were able to fill more than 90% of vacancies at the level below business area management boards with internal candidates.

In the reporting year we also started to introduce Groupwide programs for managers with potential for positions in the three highest levels below the business area management boards. The aim of these modular development programs is to increase transparency into management talent in the Group and develop it more effectively. It also enables managers to network across business areas, regions and functional areas.

The Talent Brokerage system launched just over a year ago has proven successful. It is directed at executives throughout the Group at the third management level below the business area management boards as well as those with the potential to fill such positions. Standard Groupwide development centers also help identify high potentials in Germany and abroad.

Higher participation in Academy programs

Founded in 2006, the ThyssenKrupp Academy is now an established place of teaching, learning and internal networking for the Group's top managers. More than 100 programs were available in 2010/2011, and the number of participants doubled from the prior year. Both the reach and penetration of our programs among the 2,000 top executives have increased significantly. Alongside the development of management competencies, this year saw a focus on strategic change and business transformation. The new programs to prepare our managers for a move up the career ladder were also well attended.

Diversity as a goal of personnel policy

The project 'diversity@thyssenkrupp' was launched in fall 2011 to promote diversity in all areas of the Group, focusing on gender, internationality, capabilities and experience. The aim of the project is to gradually and sustainably increase diversity within the workforce as a whole and especially at higher management levels throughout the Group. The new program integrates existing initiatives and HR tools and promotes a common understanding of diversity. The aim is to increase the proportion of women in our non-pay-scale managerial staff in Germany from the present level of 7.6% to 15% by the end of 2020. This target is based on the percentage of women in our overall workforce.

STEM subjects are Science, Technology, Engineering and Mathematics.

As a technology company, ThyssenKrupp is very interested in recruiting female engineers to specialist and management positions. We are particularly looking to attract students of the so-called STEM subjects. For this reason we support the Femtec university career center for women in Berlin and give female engineering students the opportunity to contact us directly and find out more about our technology company.

In order to help balance family and work commitments we are currently building a child daycare center on our campus in Essen. From August 2012 we will offer full-day places to over 100 children aged from four months to six years to support parents working at ThyssenKrupp. Our daycare center "Miniapolis" will nurture children's natural curiosity and joy of discovery, in particular in the areas of science and technology.

Environment and climate

The Executive Board has identified responsible environmental and climate protection as an important corporate objective. To implement this goal we have further expanded our Groupwide environmental and climate management system. In addition our international environmental and climate protection activities will be coordinated by corporate headquarters in the future.

Our environmental and climate management system defines uniform requirements to be met by our Group companies around the world, improves internal reporting, and promotes Groupwide knowledge sharing. The Group's environmental and climate protection experts meet up regularly. In addition current developments, best practices, and environmental and climate legislation are discussed at regional meetings.

The Group companies have environmental management systems tailored to their specific requirements. Those companies whose production has a major environmental and climate impact generally already have environmental management systems certified to the international ISO 14001 or a comparable standard. Continuous improvements are made in the areas of waste and recycling, air, noise, energy and climate, soil, water and nature to ensure responsible environmental protection at our locations. In the reporting year priority was given to measures to increase resource and energy efficiency.

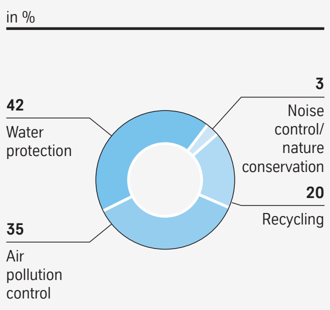
Environmental and climate protection expenditures higher

We spent €352 million on new environmental protection facilities in the reporting year, while operating costs totaled €539 million. In the prior year these figures were €238 million and €532 million respectively. The start-up of Steel Americas' new plants in Brazil and the USA was one of the main reasons for the increase in spending. We employ state-of-the-art technology at these plants to meet our high environmental standards.

Ongoing expenditure on environmental protection in million €

	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	Change in %
Air pollution control	183	182	162	191	188	(2)
Water protection	204	201	195	226	224	(1)
Noise control/nature conservation	24	16	13	19	18	(5)
Recycling	109	112	84	96	109	14
Total	520	511	454	532	539	1

Ongoing expenditure on environmental protection
2010/2011



High energy efficiency

Climate protection and energy efficiency are established components of our Group strategy. Our engineering capabilities enable our customers to use innovative products to save energy and conserve resources.

Our steelmaking operations utilize the most advanced technologies available and have lowered CO_2 emissions significantly. The sophisticated energy management systems in place at our steel mills in Duisburg create an energy network that substantially cuts emissions, for example by utilizing byproduct gases from steel production, as well as waste heat and steam. The use of reducing agents in our blast furnaces in Duisburg is already close to the chemical-technical optimum. With an adjusted figure of around 1.7 tons of CO_2 per ton of crude steel, ThyssenKrupp is well below the international steel industry average. In addition, the energy saving program introduced at our German steel sites in 2009 has identified further savings potential of almost 350,000 tons of CO_2 and around €59 million per year which is gradually being exploited. We are working to create a similar energy network in Brazil.

Corporate citizenship

ThyssenKrupp supports the people in the communities in which we operate. We help create a positive environment and promote education and enthusiasm for technology especially among the younger generation – all this is a matter of course for us and creates value for both company and society. In line with our long-standing traditions, we regard ourselves as an active corporate citizen and support initiatives around the world through donations, sponsorships and other means.

Long-term and trusting partnerships are central to our successful cooperation with various groups in society. This includes numerous longstanding major projects such as the “Discovering Future Technology” initiative, cooperation with the “Jugend forscht” young scientists’ competition and membership of the “Initiativkreis Ruhr”. In 2010/2011 we once again staged regional heats of “Jugend forscht” in Dortmund and Duisburg and acted as a partner to the regional heat in the Saarland area. We also organize donation appeals in response to major natural disasters or other emergency situations – this reporting year in East Africa, for example – to allow our employees and companies to provide united support.

Subsequent events

There were no reportable events.

Expected developments and associated opportunities and risks

ThyssenKrupp enters the new fiscal year with confidence. Although the economic environment is growing increasingly difficult and is marked by great uncertainties, we aim to maintain sales from continuing operations at the prior-year level in 2011/2012. We will continue to drive forward the Group's strategic development.

Economic outlook

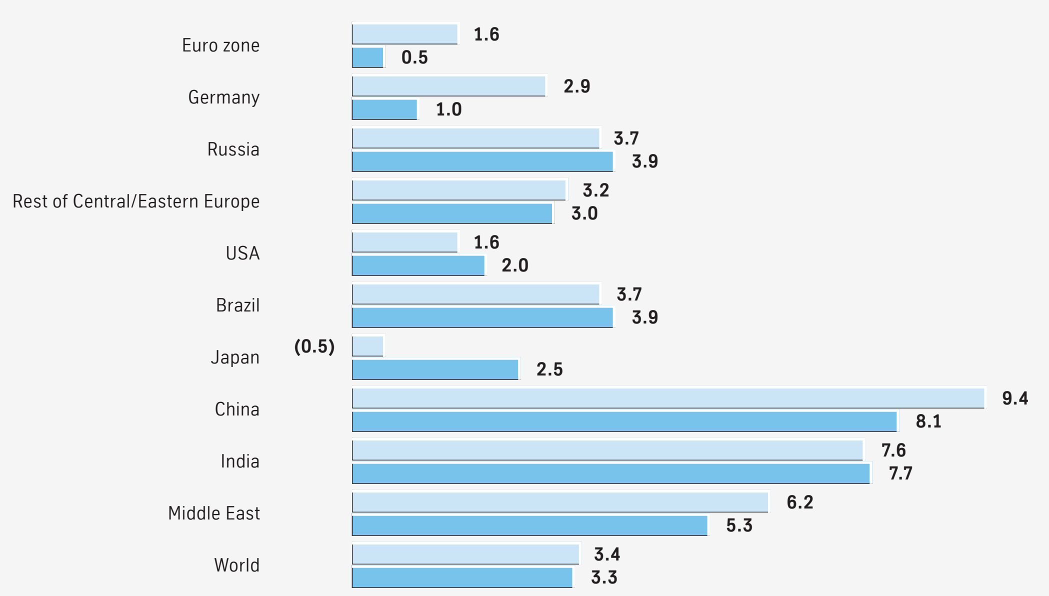
Turbulence on the financial markets will again impact the real economy in 2012.

Economic forecasts subject to great 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 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 weakening most emerging countries are still showing relatively solid growth, which limits the risk of a global recession.

Gross domestic product 2011*, 2012*

Real change compared to previous year in %



2011 2012 * Forecast

For 2012 we expect global economic growth to remain at roughly the same level as the previous year. The emerging countries should expand by just under 6% altogether, the industrialized countries by only around 1.5%. For 2013 we anticipate a similar pattern.

In the euro zone GDP is expected to grow by only 0.5% in 2012, hampered by the pressure to consolidate public budgets and cautious capital investment. For Germany we expect an increase of 1.0% - driven mainly by consumer and business spending.

In the USA economic growth could pick up slightly to 2.0% in 2012. It is not yet possible to assess what effects any further government stimulus programs may have. In Japan the catch-up process after the natural disaster will lead to an expansion of 2.5%.

The emerging markets will remain the growth driver of the global economy in 2012. GDP growth of 8.1% is forecast for China. The other BRIC countries, too, are expected to show solid growth rates.

Industrial sectors mainly with growth

Flat carbon steel – The global steel market will remain on an upward trend in 2012. However, 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 Asia, Latin America and the Middle East. In particular in China there are no signs that the demand growth will slow to any notable extent. 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 for input materials in steel production will therefore remain generally high. Global finished steel demand will rise by 5% in 2012; this corresponds to crude steel production of around 1.6 billion metric tons. Steel demand in Germany will at most be only slightly higher year-on-year at 40 million metric tons.

The global automotive market will continue to show moderate growth in 2012.

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. In the USA and Japan catch-up demand will trigger above-average expansion rates of 6% and 19%, respectively. In China government curbs will restrict growth to just below 6%. Very subdued growth of only 2% is forecast for the Western European auto industry. Production in Germany will probably stagnate at the level of 2011.

Machinery – The machinery sector will not maintain its very high rate of expansion in 2012, with capital spending in several countries subdued. Growth could slow to 6% in the USA, and is also expected to soften slightly in China to 13%. By contrast, production in Japan is expected to be 8% higher after the decline in the prior year. In Germany, a moderate increase of 3% on the back of still high order backlogs is forecast, which means German production will remain high. The German plant engineering sector also has a good workload for 2012.

Important sales markets

	2011*	2012*
Demand for finished steel, million t		
World	1,398	1,474
Germany	39	40
USA	89	94
China	643	682
Vehicle production, million cars and light trucks		
World	74.1	77.4
Western Europe	15.0	15.3
Germany	6.1	6.1
USA	8.5	9.0
Japan	7.4	8.8
China	16.1	17.0
Brazil	3.5	3.8
Machinery production, real, in % versus prior year		
Germany	15.0	3.0
USA	13.0	6.0
Japan	(2.0)	8.0
China	15.0	13.0
Construction output, real, in % versus prior year		
Germany	3.6	1.7
USA	1.6	3.1
China	10.4	9.9

* Forecast

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 remain brighter. After the deep slump of previous years, the US construction sector could make a slight recovery with growth of around 3%. Construction activity in India and China will remain strong, with growth rates of 8% and 10%, respectively.

Expected results of operations

As already reported, effective September 30, 2011 the legal, organizational and contractual conditions were created for the separation of the Stainless Global business area; it is thus now classified as a discontinued operation. The following forecast therefore relates exclusively to the Group's continuing operations, which no longer include Stainless Global.

Implementing the Strategic Way Forward and improving our financial situation are our main goals for 2011/2012.

Sales and earnings – In fiscal 2011/2012 priority will continue to be given to the implementation of the Group's Strategic Way Forward. This integrated strategy encompassing portfolio optimization, change management and a strong focus on performance is aimed at improving the Group's financial situation and increasing our strategic latitude. The corporate program impact is the central platform for this.

Our business performance in 2011/2012 will be characterized to a very large extent by the possible impact of the financial crisis on our core markets in Europe and the NAFTA region, the scope of which cannot be reliably assessed at this time. The Group takes these uncertain parameters into account in its outlook.

Our expectations for sales and earnings from continuing operations (adjusted EBIT) compared with the prior year are currently as follows:

In the event of stagnation in our core markets we expect the Group's sales to remain at the prior-year level provided there are no major dislocations on the raw materials markets.

Earnings from the Materials business units should improve as a result of the ramp-up at Steel Americas; this will be partly offset by the absence of prior-year earnings effects from raw material-driven price increases at Steel Europe and Materials Services. At our less cyclical Technologies businesses Elevator Technology, Plant Technology and Marine Systems, earnings should be stable; however at Marine Systems the positive nonrecurring effects of the prior year will not be repeated. At Components Technology there could be a slight decline in capacity utilization.

In the event of a slight downturn in our core markets we expect sales and earnings to slip, but after-tax income from continuing operations should remain positive.

Our goal in the 2011/2012 fiscal year continues to be to reduce complexity in the Group, cut costs, and improve cash generation on a sustainable basis. In addition we will strive to lower our net financial debt.

In the 2012/2013 fiscal year we will work on the structural improvement of the Group and rigorously implement our integrated strategic development plan. This may include among other things 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 strive to reduce our net financial debt.

Dividend – We will maintain our policy of dividend continuity and continue to pay an appropriate dividend.

Employees – Based on our current plans, we will maintain our workforce level and also recruit additional employees in individual regions and business areas. This does not include future portfolio measures. To meet our long-term requirements for skilled employees, we will further expand our personnel programs. In particular our training offering for young people will remain at its usual high level.

Research and development – Innovations and new technologies are a key element of the corporate program impact. We therefore aim to increase research and development efforts in all areas of the Group.

Alongside numerous customer-related development projects, the focus will increasingly be on basic research and development work.

Procurement – Materials expense is expected to amount to around 60% of sales. We expect to continue to avoid delivery bottlenecks in the future by strengthening our long-standing supplier relationships and further optimizing our international purchasing operations.

Energy – Energy supplies to our worldwide plants are secured. In Germany we have already agreed prices and volumes to secure a high portion of our electricity and natural gas requirements; compared with the past fiscal year we will significantly improve our cost position.

Environmental protection – In the new fiscal year we expect the amounts we spend on ongoing environmental protection to be comparable with 2010/2011. The greater part of this will again relate to air pollution control and water protection measures. Capital expenditure is expected to decrease slightly because in 2010/2011 some of the expenditure resulted from the completion of the facilities in Brazil and the USA.

Expected financial and liquidity situation

The Group's financing and liquidity will remain on a solid basis in 2011/2012.

Despite the problems on the European financial markets and the associated difficult conditions, our financing and liquidity will remain on a solid basis in fiscal 2011/2012. Net financial debt is likely to vary significantly in the course of the year. With our major projects – the new steel mill in Brazil and the new production and sales location in the USA – and the capacity optimization program at the Duisburg location all in the ramp-up phase, capital spending is back below the level of the prior years and is expected to remain at this level in 2012/2013.

Opportunity report

Identifying opportunities in market and technology trends and incorporating them into the Group's strategy going forward is a key element of our Groupwide strategic dialogue. The business areas carry out SWOT analyses to identify the relevant strengths, weaknesses, opportunities and threats for their operating units. An opportunity reporting system is being developed that will feed into the business areas' standard monthly reports. The management of our opportunities is a task shared by all the Group's decision makers – from the Executive Board of ThyssenKrupp AG to the business area management boards and managements of the Group companies through to the project leaders with responsibility for markets.

Strategic opportunities for the Group

The global growth areas of demographic change, urbanization and globalization offer wide-ranging opportunities for ThyssenKrupp. With our high-quality products, sophisticated innovations and efficient production sites we see good opportunities for growth particularly in the international markets, in which we position ourselves as a premium supplier.

Pages 108–119

In pursuing our Strategic Way Forward, we will use our leading engineering expertise in the application areas “Materials”, “Mechanical” and “Plant” and expand our business in the growth markets of the world, for example Asia. However if the global economy were to weaken, it would take us longer to utilize these opportunities. The associated risks are addressed in the risk report.

Pages 50–54

In parallel with our strategic growth we will evolve our organizational structure and further improve our internal structures and processes. The corporate program impact will increase the Group’s efficiency and reduce costs. Together with business area-specific programs this will contribute to the sustainable success of the Group. Detailed information on our corporate strategy including impact is provided in the section “Strategic Way Forward”.

Operating opportunities of the continuing business areas

Steel Europe – The increasing urbanization and mobility of societies and the modernization of the energy infrastructure offer a wide range of opportunities for the use of high-quality steel products. Steel Europe’s portfolio of products and services is already geared to this. In addition, the business area is further optimizing its cooperation with Steel Americas. With the extensive program of measures “Steel in Transition – Managing the Triangle” the implementation of the transatlantic steel strategy is being driven forward in close cooperation with Steel Europe. Key points of contact here are in knowledge transfer and joint raw materials purchasing. The main aim of the program is to transfer Steel Europe’s successful premium business model to the North American Market and to build a global supply chain network for slabs in the Brazil-USA-Europe triangle.

Steel Americas – Improving production and logistics processes, in particular through the “Steel in Transition” program, and enhancing market penetration are the approaches identified for Steel Americas. Continuous market monitoring, global key account management and intensive technical customer support should help us utilize new market and sales opportunities. Our attractive product mix and service portfolio can open up promising prospects for accessing the North American market. As major US steel users increasingly set up new plants in the south of the USA, this could expand our customer base.

Materials Services – As producers and fabricators continue to concentrate increasingly on their core activities, services from Materials Services will gain further in importance. Our advantages lie in our strong customer focus, specific knowledge of markets and sectors, global connections and wide-ranging project management expertise.

Elevator Technology – The Elevator Technology business area has been a leading player on the world market for elevators, escalators, moving walks, passenger boarding bridges and stair and platform lifts for many years. This market will continue to offer potential for growth and profit in the future. To tap into this we are further expanding our range of products – for standard installations, customized solutions as well as service and modernization packages. Key to this is our tight-knit sales and service network with more than 900 locations around the globe.

Plant Technology – We see good opportunities for growth in Plant Technology thanks to our mastery of complete process chains and our long experience in dealing with process-related tasks. In addition, constant innovations are strengthening our technology portfolio. One example is heat recovery and waste recycling in cement production, which allows major reductions in costs and emissions. There are good opportunities for cost-efficient and environmentally friendly plants especially in the emerging countries.

Components Technology – The auto components business of our Components Technology business area can profit from drivers' growing environmental awareness: Our components for low-emission engines and weight-optimized parts reduce vehicle CO_2 emissions.

Marine Systems – We see opportunities for moderate growth in our target markets for conventional submarines and surface naval vessels. Further focusing on our core products will help the business area profitably expand its remaining operations.

Performance-related opportunities in costs and quality

In addition to the increasing use of electronic purchasing systems, new production processes offer major performance-related opportunities, above all for gaining cost and quality advantages. In the steel area a new coating technique improves the forming behavior of galvanized sheet. Our production process for succinic acid as a feedstock for biobased plastics opens up new ways of utilizing renewable resources. In the area of marketing we are optimizing relationships with our customers and maintaining our worldwide network of branches.

Risk report

We continue to consider the risks to the Group contained and manageable.

In the past fiscal year the Group's standardized risk management system again played a major role in increasing the transparency of the risk situation at ThyssenKrupp and enhancing our ability to identify, evaluate and control risks. From the present perspective all risks are contained and manageable. The future existence of the Company is secured.

Risk policy embedded in corporate strategy

Binding throughout the Group, the risk principles at ThyssenKrupp are based on our corporate strategy. Our risk management system is targeted at safeguarding existing assets and sustainably increasing the value of the Company; it therefore fulfills a core business function. To achieve an appropriate increase in value, we make optimum use of opportunities while consciously and responsibly taking business risks in our core processes and managing these actively. As part of our efficient risk management, other risks are transferred, reduced or completely prevented. Overall the Group can extensively cover all risks taken.

The Group Policy Statement on Risk Management documents the framework conditions and responsibilities for orderly and forward-looking risk management and is binding for all employees. Groupwide codes of conduct such as the Group's compliance standards and the prohibition of speculative transactions also form part of the risk principles. Regular control measures and numerous training programs help communicate the importance of the requirements to all employees.

Risk management system established throughout the Group

Alongside the risk principles, the Group Policy Statement on Risk Management includes other binding standards for the risk management process. In various reporting elements we communicate information on operating and strategic risks in a standardized process which permits the identification, assessment, control and monitoring of risks. Because it is integrated in the Group's corporate controlling department, risk management is also closely interlinked with planning and other reporting processes. Risk maps for all Group entities are prepared with the help of a web-based reporting tool in which Group companies report on the status of their risk situation using tiered threshold values, identify risk management measures and update the early warning indicators for assessing risks.

Risk management

ThyssenKrupp Group

Group management	Compliance/ risk coordination	Processes	Operations management
Executive Board • Establishment of risk principles and policies • Focus on material risks	Risk Committee • Risk monitoring • Risk management	Corporate Center Controlling & Risk • Definition of Group standards • Risk reporting • Integrated with controlling/ risk management in business areas	Business Areas • Identification, reporting and forecasting of opportunities and risks, in particular changes in material risks

Each business area updates its assessment of the opportunities and risks in the current fiscal year on a monthly basis and provides information on any changes to material risks in the risk map. The material risks – clearly defined at Group level on the basis of probability of occurrence and loss amounts - are discussed in the Risk Committee and then communicated in a systematic and transparent report to the Executive Board and the Supervisory Board Audit Committee.

This standardized and transparent risk management system was introduced by the Executive Board of ThyssenKrupp AG for the entire Group and has proven itself to be efficient. In addition, ad hoc risks and losses incurred are communicated directly to the risk management officers outside the normal reporting channels.

To ensure the efficient monitoring of the risk management system, Corporate Center Internal Auditing carries out regular audits worldwide. Their findings help us further improve the way risks are managed throughout the Group. In addition we continuously optimize the tools and methods for registering and managing risks so as to enhance the quality of the information generated and further strengthen the interlinking of internal processes.

Key features of the internal control and risk management system with regard to the Group accounting process

Reporting is based on § 315 subs. 2 no. 5 German GAAP (HGB).

Our internal control system, defined as the entire body of coordinated principles, processes and measures applied in the Company to ensure business and control objectives are achieved, is continuously optimized to guarantee the security and efficiency of business management, the reliability of financial reporting, and compliance with laws and policies.

For the accounting process at ThyssenKrupp this means that implemented controls adequately ensure that despite any risks the consolidated financial statements comply with the requirements. Various integrated and independent supervision measures are in place to help achieve this aim.

Our consolidated financial statements are prepared on the basis of a standard accounting policy which is regularly updated and made available to all relevant employees via an internal internet platform. A specially developed consolidation tool based on standard software is used, which ensures a uniform procedure and minimizes the risk of false statements in the Group's financial accounting and external reporting.

Financial reporting is organized in clearly defined sub-processes. Clear-cut responsibilities in line with the principle of segregating functions and the dual-control principle reduce the risk of fraudulent conduct.

As the department responsible for the preparation of the consolidated financial statements, Corporate Center Accounting and Financial Reporting issues the decentralized units with binding standards for content and scheduling so as to safeguard the consistency of accounting practices in the Group and minimize scope for discretion in connection with the recognition, measurement and statement of assets and liabilities.

In some cases individual decentralized units use the Group's shared service centers to prepare their local financial statements. Service center employees and all other employees involved in the accounting process undergo regular training and receive support.

We control and monitor the relevant IT systems used in the consolidation process on a centralized basis and perform regular system backups to reduce the risk of data loss and system failure. Automatic controls and manual checks by experienced employees as well as custom authorizations and access controls are part of a security system designed to protect finance systems against misuse.

Corporate Center Internal Auditing is also involved in the overall process in that it regularly checks the efficiency of the internal control and risk management system in the accounting processes.

The overall package of processes, systems and controls provides sufficient guarantee that the Group accounting process is carried out reliably and in compliance with IFRS, German GAAP (HGB) and other standards and laws of relevance to accounting.

Utilizing opportunities and simultaneously managing risks

When we see and wish to utilize appropriate opportunities in connection with our strategic decisions, we take risks responsibly in compliance with the requirements of the risk principles and make the necessary provision to cover risks. Details of how we systematically identify, evaluate, manage and control opportunities are presented in our opportunity report.

Pages 106–108

Risk transfer by central service provider

As central service provider, ThyssenKrupp Risk and Insurance Services again handled the Groupwide transfer of risks to insurers in 2010/2011. The scope and structure of insurance cover is determined on the basis of risk assessments in which insurable risks at the Group companies are identified, evaluated and reduced or removed through asset-specific protection plans. Depending on the Group’s risk-bearing ability, we agree appropriate deductibles for individual classes of insurance.

To keep risk prevention at a sustainable and appropriately high level, binding standards are in place for all Group companies. These standards were developed by experts from all areas of the Group under the leadership of ThyssenKrupp Risk and Insurance Services and are updated on an ongoing basis. Internal and external auditors regularly check compliance with these standards.

To limit the risk of insurer insolvency, we spread the risk over numerous insurers taking into account the ratings given to these insurers by recognized agencies.

Financial risks

Central responsibilities of ThyssenKrupp AG as parent company include the coordination and management of financial requirements within the Group and securing the financial independence of the Company as a whole. To this end we optimize Group financing and limit the financial risks. Risks in the individual financial risk areas are minimized through an ongoing process of monitoring and intensive controls.

Credit risk (default risk): We enter into financial instrument transactions in the financing area only with counterparties who have a very high credit standing and/or are covered by a deposit guarantee fund. Transactions are concluded only within specified counterparty risk limits. Outstanding receivables and default risks in connection with supplies and services are constantly monitored by the Group companies; in some cases they are additionally insured under commercial credit policies. The credit standing of key account customers is monitored particularly closely.

Liquidity risk: To secure the solvency and financial flexibility of the Group at all times, we maintain long-term credit facilities and cash funds on the basis of a multi-year financial planning system and a liquidity planning system on a rolling monthly basis. The cash pooling system and external financings are concentrated mainly on ThyssenKrupp AG and specific financing companies. We use the cash pooling system to allocate resources to Group companies internally according to requirements.

Market risk: Various measures are used to mitigate or eliminate the risk of fluctuations in the fair values or future cash flows from non-derivative or derivative financial instruments due to market changes. These mainly include off-exchange-traded foreign currency forward contracts, interest-rate swaps, interest-rate/foreign currency derivatives and commodity forward contracts with banks and commercial partners. To hedge against commodity price risks we also use exchange-traded futures. The use of derivative financial instruments is extensively monitored, with checks being carried out on the basis of policies in the framework of regular reporting.

We hedge all foreign currency positions at the time of their inception.

Currency risk: To contain the risks of our numerous payment flows in different currencies – in particular in US dollars – we have developed Groupwide policies for foreign currency management. All companies of the Group are required to hedge foreign currency positions at the time of their inception; companies based in the euro zone hedge via our central clearing office. Translation risks arising from the conversion of foreign currency positions are generally not hedged.

Interest rate risk: To cover our capital requirements, we procured funds on the international money and capital markets in different currencies and with various maturities. The resulting financial liabilities and our financial investments are partially exposed to risks from changing interest rates. To manage these risks, regular interest rate risk analyses are prepared, the results of which feed into our risk management system.

Order risks

Cost overruns and/or schedule delays can occur in the handling of major orders. We counter these risks by deploying experienced project managers and continuously improving our management instruments. We select our customers carefully and minimize the risk of default by collecting progress payments.

Sales risks

As a global industrial group, ThyssenKrupp is dependent on the international economic situation. Especially in the currently weakening global economy, we closely monitor economic trends in our sales regions in order to minimize the market risks. If necessary we have a package of measures at our disposal, for example an immediate adjustment of our capacities.

Pages 116–119

Our international presence in different sectors and our widely differentiated product and customer structure make us largely independent of regional crises on our sales markets. Our effective receivables management system counters the risk of bad debt and continuously monitors the credit rating of our customers. More details on sales risks are provided in the section headed “Specific risks for our operations”.

Risks associated with business relationships with customers in countries with trade restrictions

Due to our global organization, ThyssenKrupp has business relationships in countries subject to trade restrictions. In 2010 the Federal Republic of Germany, the EU and the USA, acting on the basis of UN Resolution 1929, expanded existing trade restrictions on the Islamic Republic of Iran to include the petroleum sector, and added further individuals and a number of banks to the sanctions lists to prohibit business with them. Violations of the tightened trade restrictions are subject to severe penalties and could damage ThyssenKrupp’s reputation. We have always complied scrupulously with export control regulations and in particular trade restrictions. In addition, the Executive Board of ThyssenKrupp AG ordered a review of the business activities with Iranian customers in existence before the tighter trade restrictions came into effect to establish whether they comply with the new laws. In September 2010 it was decided that ThyssenKrupp will not enter into any new transactions with Iranian customers. This measure significantly reduces the risk of a potential violation of trade restrictions. In addition, an Elevator investment in Iran has been sold.

Procurement risks
Depending on the market situation, prices for raw materials and energy can fluctuate significantly. We safeguard our competitiveness by adjusting purchasing prices and securing alternative procurement sources. The geographical distribution of orders makes us less vulnerable to regional supply bottlenecks. To hedge against raw material price swings, in particular for nickel and copper, we also use derivative financial instruments – mainly commodity forward transactions. The use of these instruments is subject to strict rules. Details of these risk areas are provided in the Notes.

Pages 177–185

The energy transition in Germany will permanently increase the price of electricity with the rise in the share of renewable energies and the associated need to expand the electricity grids. On top of this there are cost-intensive regulatory requirements for the electricity and gas networks of our major production locations. To counter the risk of rising energy prices we pursue a structured energy procurement policy. Furthermore all business areas are further increasing their efforts to save energy and recycle waste so as to prevent greenhouse emissions and conserve natural resources.

Risks associated with acquisitions, disposals and restructurings
Active portfolio management is a key element of our corporate development. We constantly monitor and if necessary make provision in the balance sheet for risks associated with the disposal or acquisition of companies, business activities and real estate and with restructurings.

Legal risks associated with third-party claims
Claims can result in legal risks. In the associated legal proceedings ThyssenKrupp is represented by its own experienced corporate counsel, if necessary with the additional support of external attorneys. We minimize claims for damages under product liability law through the high quality of our products.

When contractual partners assert claims against ThyssenKrupp under plant construction, supply and service contracts, we examine the individual claims carefully and make provision where payment obligations are considered likely.

Our strict compliance program reduces the risk of antitrust violations and corruption at all levels of the Group. In the Compliance Commitment the Executive Board of ThyssenKrupp AG states that antitrust violations and corruption are not tolerated in the Group. We monitor and regularly update our supplementary policies and publications as well as our internal compliance organization.

We have separated the legal counsel service from compliance in terms of organization and staff. Within compliance the advisory function was also segregated from general principles and compliance investigations. In May 2011 we resolved further measures which will be implemented in the framework of a multi-year program. These measures include an increase in the number of employees in the compliance organization, namely by appointing regional compliance officers in selected regions.

The effectiveness of our compliance program was audited by KPMG in 2011; more information on compliance and KPMG's report can be found on the internet at www.thyssenkrupp.com/en/konzern/ compliance.html

We appointed KPMG AG to audit our compliance program to auditing standard 980 of the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer e.V.) for the period April to September 2011. The audit covered the structure, implementation and in particular the effectiveness of our compliance program, and was therefore the most extensive audit possible under IDW PS 980. Due to the special rules applying in the USA, the subsidiaries in this country were not part of the audit. KPMG confirmed that the compliance management system at ThyssenKrupp AG is appropriately implemented and was effective in the period reviewed. Insofar as recommendations for compliance work were made on the basis of the audit findings, their implementation is being examined.

In extensive training programs and an interactive compliance e-learning program, we inform our employees about compliance requirements, infringement risks and potential sanctions. In 2010/2011 more than 3,500 employees worldwide took part in classroom training sessions. To supplement the compliance training program, we have introduced a Groupwide interactive e-learning program comprising modules on competition law and combating corruption, which is available in eleven languages. The second cycle of the e-learning program which started in August 2008 is aimed at refreshing the knowledge of employees who have taken part previously and for the first time training employees outside Europe. Since the launch of the second cycle, 25,600 employees worldwide have completed online training courses on competition law and anti-corruption policies.

Pages 174–176

A report on pending litigation and claims for damages can be found in the Notes.

Regulatory risks

Our business operations are in some cases closely dependent on the legal framework at national or European level. Developments such as changes to competition rules in individual sections of the markets can involve risks for us and lead to higher costs or other disadvantages. To contain these risks we maintain close working contact with the relevant institutions to prevent distortion of competition.

Based on model calculations, we will face substantial costs for emission allowances in the third trading period of the EU Emissions Trading Scheme from 2013 to 2020. As an energy-intensive industrial and services group we face earnings risks if we are unable in the competitive international market to pass on to our customers all or any of the additional costs. ThyssenKrupp participates both directly and via industry associations in the discussion process on politically desired energy price surcharges.

Environmental risks

Pages 99–100

Due to the production processes in our industrial plants, we are exposed to process-related risks that can lead to air and water pollution. ThyssenKrupp continuously invests in sustainable environmental protection in our production operations so as to conserve resources and minimize environmental impact over the long term. Many Group companies have established certified environmental management systems which reduce the risk of environmental damage.

Some of our real estate no longer used for operations is subject to risks from past pollution and mining subsidence which we contain with preventive measures and scheduled remediation work. Our real estate area recognizes adequate provisions for this every fiscal year.

Risks associated with information security

We continually review our information technologies to ensure the secure handling of IT-based business processes and reduce risks. If necessary, the systems are updated and protected even more effectively. Further, measures are in place to maximize information security awareness and provide the necessary technical support for all employees. The IT-based integration of business processes is subject to the condition that the risks involved for our Group companies and business partners are minimized. In the reporting year we therefore again carried out extensive measures to further improve our security standards and our information security management system.

Various business processes and data centers attained security certification which documents the standard achieved for our customers. In the new ThyssenKrupp Quarter in Essen we raised the standard of security significantly: By incorporating state-of-the-art technologies from the planning stage we were able to achieve an appropriate level of protection. Regular tests are carried out – in some cases with external support – to check whether our IT infrastructure is vulnerable to hacking. If necessary increased protection is introduced immediately. In addition we have established a Groupwide program to guarantee segregation of duties in ERP (Enterprise Resource Planning) systems in accordance with the principle of dual control. This minimizes risks for numerous business processes at authorization level.

Together with the Group's data protection officer, our experts ensure that personal data are processed only in accordance with the rules of the German Data Protection Act. All these measures allow us to continue to protect the Group's business data as well as the privacy of our business associates and employees through preventive action and to respond appropriately to potential new risks.

Risks associated with pensions and healthcare obligations

The fund assets used to finance pension liabilities are exposed to capital market risks. To minimize these risks, the individual investment forms are selected and weighted on the basis of studies by independent experts. The aim is to adjust the investments to ensure that the associated pension liabilities are permanently fulfilled in respect of the current and future income from the investments. Pension obligations are subject to risks from increased life expectancies of beneficiaries and from obligations to adjust pension amounts on a regular basis. In addition, the cost of healthcare obligations in the USA may increase. Furthermore, in some countries there is a risk of significantly higher payments having to be made to finance pension plans in the future due to stricter statutory requirements. In individual cases, the premature cancellation of a pension plan may necessitate an additional allocation.

Personnel risks

Pages 96–99

Our staff and managers with their commitment to ThyssenKrupp are of central importance to our success. To find key personnel to fill vacancies and avoid losing competent employees, we position ourselves as an attractive employer and promote the long-term retention of employees in the Group. We offer executives an ongoing management development program, career prospects and attractive incentives, while our staff receive targeted mentoring. We inform interested young people about career opportunities at ThyssenKrupp from an early stage and support apprentices as they start work. Our cooperation with key universities and early contacts with talented students also help us secure the young people we need for our workforces.

General economic risks

Pages 102–104

We expect further growth of the global economy in 2012. However, our forecasts are subject to great uncertainties. For the industrialized countries there is a risk of a further slowdown in the economy, in particular on account of the debt crisis in some countries and the associated turbulence on the financial markets. If growth in the emerging countries fails to match expectations, the risk of a global economic downturn will increase. This would impact demand on the markets important to us.

Specific risks for our operations

Steel Europe – Risks going forward for the business area include in particular risks on the sales and procurement markets as well as risks from exchange-rate fluctuations and emissions trading. If the economic situation deteriorates, the risk of customer insolvencies increases. High capacity utilization increases the risk of production losses.

To contain the risk of cyclical demand fluctuations, the business area optimizes its costs in all areas, adjusts production promptly, and concentrates on high-end market segments subject to lower cyclicality. To mitigate the risk of customer insolvencies, Steel Europe monitors the situation intensively and uses all the options available to safeguard deliveries, for example through commercial credit insurance facilities or adjusted payment conditions. Quality and supply risks are minimized through the ongoing optimization of our value chains.

A business and technical risk controlling system for property insurance is an integral component of the risk management process. Additional investment and maintenance budgets are available to further optimize fire prevention. The risks of other business interruptions are reduced by ongoing preventive maintenance, modernization and investment. In the event of business interruptions, business continuity plans are in place which specify measures for remedying damages.

Steel Americas – Alongside risks on the sales and procurement markets and risks from exchange rate fluctuations, the risks in this business area include risks in connection with the ramp-up and operation of facilities and production operations.

At the two major Steel Americas plants in Brazil and the USA, delays or quality problems could still occur in the further course of the ramp-up. However, thanks to intensive controls and tight risk management as well as regular risk meetings and reports, all material risks are immediately identified and suitable countermeasures initiated.

Our efficient claims management system ensures that all claims of our contractual partners are properly handled and managed. ThyssenKrupp is involved in legal, arbitrational and out-of-court disputes in connection with the construction of the melt shop and coke plant in Brazil which could lead to compensation payments.

Operating risks which may occur in connection with the ongoing ramp-up are minimized by tailored and coordinated ramp-up periods, the careful selection and training of new employees, and the use of know-how from the Steel Europe business area.

The “Steel in Transition” program helps Steel Americas contain risks.

In close cooperation with the Steel Europe business area – in the joint “Steel in Transition” program – Steel Americas is working to contain the price and volume risks in the procurement of raw materials and the implementation of the premium strategy. This involves for example the transfer of best practice knowledge and the use of synergy effects. Both these measures also reduce cost risks from consumption variances as well as risks in the winning of target customers and the corresponding certification processes. At the same time price and sales risks are reduced by expanding the customer base and accessing premium market segments. In addition we are adapting the startup of the final units and the slab and coil production operations in line with the economic situation.

To counter the risks of currency effects such as an increase in the value of the Brazilian Real, which would negatively impact the competitiveness of our plant near Rio de Janeiro, we have introduced a wide range of measures to both expand sales in Brazilian currency and reduce the share of costs incurred in Brazilian currency.

Materials Services – The business area counters the risks associated with providing materials services for customers throughout the world with a wide range of measures. Inventories are optimized by systematic improvements to net working capital management. Cost-reduction measures help increase efficiency and cost-effectiveness. These measures are supported by continuously improved logistics and efficient management tools.

Cyclical risks are countered by our worldwide presence, broad customer base and high degree of diversification. The resultant wide spread of risks also applies to bad debt risks, which are additionally limited by the use of hedging instruments.

Together with other companies in the sector, the Materials Services company ThyssenKrupp GfT Gleistechnik GmbH is involved in investigations by the Federal Cartel Office into anticompetitive agreements in sections of the rail business. The responsible public prosecutor's office is carrying out investigations into several former employees. The official and internal investigations continue. Risks exist with regard to a possible fine and potential claims for damages from customers. With the support of external lawyers, we are working intensively on further clarifying the matter and are cooperating with the authorities. The necessary personnel actions have been taken. We wrote to our main customers and informed them that antitrust infringements had occurred. Extensive further measures have been and will be taken to contain the risks in connection with the incident.

Elevator Technology – The risk situation of Elevator Technology is mainly determined by two factors: the different areas of business and the international reach of the business activities.

By improving customer retention, Elevator Technology lessens the risk of losing maintenance units.

In the service and modernization business we have implemented customer retention strategies to lessen the risk of losing maintenance units. Continuous efficiency-enhancement programs help offset rising personnel and procurement costs where these cannot be passed on in full to customers.

The new installations business is exposed to cyclical risks due to its close links with the construction sector. However, longer project lead times in this business mean that downturns can be identified in good time to take countermeasures, e.g. capacity cutbacks. In addition, targeted project management measures help contain risks in the processing of major projects.

Thanks to the regional distribution of our business activities, many of the risks are balanced because the markets in which Elevator Technology operates are in different growth phases. Exchange-rate risks are hedged as far as possible with corresponding financial instruments and are additionally mitigated by settling sales and costs congruently.

In the event of an economic slowdown, the risk potential on all markets can be expected to increase. On the one hand there are risks of bad debt and project deferrals if customers find access to financial resources restricted. On the other hand competition is likely to grow more intense, leading to further price pressure. Elevator Technology manages these risks with professional project management and extensive customer credit screening. Customer retention management, high service quality and efficiency programs additionally help contain the risk of increasing price pressure.

Plant Technology – Political developments in key sales regions such as North Africa and the Middle East as well as fluctuating raw materials prices can influence the project situation. In addition, financing problems for customers continue to exist which could lead to project deferrals or cancellations. We counter specific risks from large long-term contracts and technically complex orders – above all through results-oriented project and claims management, intensive project controls and intensified project management.

Owing to continued investment restraint in some markets and the emergence of above all Asian competitors, prices and conditions are subject to fiercer competition on the global markets. This could impact margins on future projects.

Components Technology – To lessen the risk of dependency on individual markets, the business area is expanding its customer base and strengthening its international presence, especially in Asia. In the wind energy sector there are risks of order deferrals or cancellations as a result of lending restraint. At the same time prices are coming under increasing pressure as a result of the fierce competition. This price pressure is also evident in the automotive components business. To counter the associated risks Components Technology has initiated extensive cost-reduction and productivity-enhancement programs.

These risks on the sales markets are accompanied by a significant risk on the procurement markets if steeply rising material prices cannot be passed on fully or without delay to customers. We are countering this risk by framing customer contracts accordingly.

Further general risks in the business area relate to the impact of changes in exchange rates. In addition, technological innovations and improvements can weigh on earnings. On top of this there are potential risks from unexpected yield and quality problems and the associated warranty obligations. The business area uses production and quality assurance systems to avoid or limit such risks as far as possible.

The restructuring of Marine Systems helped reduce risks in the business area.

Marine Systems – The measures carried out in the prior year to restructure the business area were driven further forward in the reporting year, leading to a further reduction in the associated risks. With the delivery of the megayacht “Eclipse”, the risks from the yacht-building business are essentially limited to the handling of warranty claims and any remaining points. Current risk scenarios encompass among other things the political developments in key customer countries in the Middle East and North Africa. In addition, there remains a capacity utilization risk at the Hamburg and Kiel locations should the planned disposal of our civil shipbuilding operations fail.

Stainless Global – In addition to the usual cyclical risks and fluctuating raw material prices, the stainless operations mainly face risks associated with the existing overcapacities in Europe as well as import and price pressure from Asia. Stainless has numerous measures in place to counter these market risks. For example it is further strengthening the value chain towards the higher-margin end-customer business, intensifying customer relationships, expanding custom services and improving its quality and delivery performance. These measures are supported by newly developed applications for stainless steels and nickel alloys, innovative products made from these materials, and modern, cost-saving process technologies. Significant production cutbacks, administrative cost savings and further cost-reduction and efficiency-enhancement measures will additionally strengthen the business area's position.

The construction of the stainless steel plant in Calvert/USA is proceeding in line with the revised schedule. Intensive project controls and regular reporting ensure detailed risk assessments; all risks are identified and communicated.

In a difficult financial environment there is a risk that the carve-out of the stainless operations, as intended under the strategic development plan, will result in lower disposal gains than originally planned. To minimize this risk we are continuously monitoring the market environment and pursuing several options, including an IPO, a spin-off, and a sale. In particular in view of the current volatility of the capital markets, it cannot be ruled out that further fair value adjustments may be necessary in connection with the carve out of the business area.

No threat to existence of Group

The overall risk situation at ThyssenKrupp continues to be manageable. Our continuous risk management activities with tailored risk control in all business operations play a key role in this. The existence of the Group is secured.

Legal information

The following section mainly contains information and explanations in accordance with Art. 315 par. 4 of the German Commercial Code (HGB). This information relates to company law structures and other legal relationships; it is intended to provide a better overview of the Company and any barriers to takeover.

Corporate governance declaration

www.thyssenkrupp.com

The corporate governance statement issued in accordance with Art. 289a HGB is published on our website at http://www.thyssenkrupp.com/en/investor/unternehmensfuehrung.html. It contains a description of how the Executive Board and Supervisory Board operate, the declaration of conformity in accordance with Art. 161 Stock Corporation Act (AktG) and information on key corporate governance practices.

Compensation report

Pages 33–40

The compensation report is included in the corporate governance report and forms part of the management report on the Group.

Disclosure of takeover provisions

The following information, valid September 30, 2011, is presented in accordance with Art. 315 par. 4 of the German Commercial Code (HGB).

Composition of capital stock

The capital stock of ThyssenKrupp AG remains unchanged at €1,317,091,952.64 and consists of 514,489,044 no-par value bearer shares. Each share carries the same rights and grants one vote at the Annual General Meeting.

Shareholdings exceeding 10% of the voting rights

There is one direct shareholding in the Company which exceeds 10% of the voting rights: The Alfried Krupp von Bohlen und Halbach Foundation, Essen has informed us that effective September 30, 2011 it holds around 25.33% of the voting rights of ThyssenKrupp AG.

Appointment and dismissal of Executive Board members, amendments to the Articles of Association

The appointment and dismissal of members of the Executive Board of ThyssenKrupp AG is subject to Arts 84, 85 German Stock Corporation Act (AktG) and Art. 31 Codetermination Act (MitbestG) in conjunction with Art. 6 of the Articles of Association. Amendments to the Articles of Association are subject to the approval of the Annual General Meeting with a majority of at least three quarters of the capital stock represented; Arts 179 ff. AktG apply. Under Art. 11 par. 9 of the Articles of Association, the Supervisory Board is authorized to resolve amendments to the Articles of Association which relate only to their wording. The Supervisory Board is also authorized to amend Art. 5 of the Articles of Association (Capital Stock and Shares) depending on the use of authorized capital. If the authorized capital has not been used or has been only partly used by January 18, 2012, the Supervisory Board may also amend the wording of Art. 5.

Authorization of the Executive Board to issue shares

Under Art. 5 par. 5 of the Articles of Association, the Executive Board is authorized, with the approval of the Supervisory Board, to increase the Company's capital stock on one or more occasions on or before January 18, 2012 by up to €500 million by issuing up to 195,312,500 new no-par value bearer shares in exchange for cash and/or contributions in kind (authorized capital).

It may exclude shareholders' subscription rights with the approval of the Supervisory Board in the following cases:

- for fractional amounts occurring as a result of the subscription ratio;

- to grant subscription rights for new shares to the holders of conversion and/or option rights or conversion obligations outstanding at the time the authorized capital is utilized in respect of convertible bonds and/or options already issued or to be issued in the future by the Company or its subsidiaries to the extent to which they would be eligible as shareholders after exercising the conversion and/or option rights or after fulfillment of the conversion obligations;

- if the issue price of the new shares is not significantly lower than the stock market price of shares already quoted on the stock market at the time the final issue price is determined and the shares issued do not exceed altogether 10% of the capital stock either at the time this authorization becomes effective or at the time it is exercised;

- in the event of capital increases in exchange for contributions in kind.

The sale of treasury shares shall be counted against the 10% capital limit insofar as it takes place during the term of this authorization to the exclusion of subscription rights pursuant to Art. 186 par. 3 sentence 4 AktG. Shares issued to service bonds with conversion and/or option rights and conversion obligations shall likewise be counted against the 10% capital limit insofar as the bonds are issued during the term of this authorization to the exclusion of subscription rights analogously applying Art. 186 par. 3 sentence 4 AktG. The Executive Board is authorized, with the approval of the Supervisory Board, to determine the further content and the terms and conditions of the share issue.

ThyssenKrupp AG is authorized until January 2015 to repurchase treasury shares up to 10% of the capital stock.

Authorization of the Executive Board to repurchase stock

By resolution of the Annual General Meeting of January 21, 2010 the Company was authorized until January 20, 2015 to repurchase treasury shares up to a total of 10% of the capital stock at the time of the resolution of €1,317,091,952.64. The authorization may be exercised in whole or in installments, once or several times, in pursuit of one or several purposes by the Company or by third parties for the account of the Company. At the discretion of the Executive Board, the buy-back may be effected on the open market or by means of a public offer or a public invitation to tender or by means of equity derivatives (put or call options or a combination of both). The countervalue per share paid by the Company (excluding incidental costs) may not be more than 5% higher or lower than the price determined on the day of trading by the opening auction in the XETRA trading system (or a comparable successor system).

If the shares are repurchased by means of a public offer or invitation to tender, the purchase price or the limits of the price range per share (excluding incidental costs) may not be more than 10% higher or lower than the average closing price in the XETRA trading system (or a comparable successor system) on the three trading days before the date of the public announcement of the offer or invitation to tender.

If, after announcement of a public offer or invitation to tender, the relevant price is subject to significant changes, the offer or invitation may be amended. In this case the price is based on the average price over the three days of trading before the public announcement of an amendment. The public offer or invitation to tender may specify further conditions. If the offer is over-subscribed or, in the case of an invitation to tender, not all of several equal offers can be accepted, they must be accepted on a quota basis. Priority may be given to small lots of up to 100 shares per shareholder.

If the shares are repurchased by means of equity derivatives, the options may only be honored with shares purchased under observance of the principle of equal treatment. The term of the options must end on January 20, 2015 at the latest. Each purchase of treasury shares by means of equity derivatives is limited to a maximum of 5% of the capital stock of the Company at the time of the resolution by the Annual General Meeting. Any right of shareholders to conclude such option transactions with the Company shall be excluded, applying Art. 186 par. 3 sentence 4 AktG.

The repurchased treasury shares can be used for all legally permissible purposes.

The Executive Board is authorized to use the repurchased shares for all legally permissible purposes. In particular it may cancel the shares, sell them by means other than on the open market or by offer to shareholders or sell them in exchange for a contribution in kind, use them to discharge conversion rights in respect of convertible bonds issued by the Company or the Company's subsidiaries, and issue them to employees of the Company and affiliated companies as well as members of the management boards of affiliated companies to satisfy rights or obligations to acquire Company shares granted to the aforementioned group of people. The Supervisory Board is authorized to use the repurchased stock to satisfy rights or obligations to acquire Company shares granted to members of the Executive Board of the Company. In the latter five cases, the shareholders' subscription rights are excluded. The Supervisory Board may determine that measures of the Executive Board regarding the purchase and use of treasury shares under this authorization are subject to its approval.

By resolution of the Annual General Meeting of January 23, 2009, the Executive Board was authorized up to January 22, 2014 to carry out the following measures with the approval of the Supervisory Board:

- to issue bearer bonds in the total par value of up to €2 billion and to grant the bond holders the right to convert the bonds into a total of up to 50 million no-par-value bearer shares of ThyssenKrupp AG with an arithmetical share in the Company’s capital stock of up to €128 million (convertible bonds);

- to exclude the shareholders’ subscription rights to convertible bonds if this is necessary (1) for fractional amounts occurring as a result of the subscription ratio, (2) insofar as the convertible bonds are issued against cash payment and the issue price for the convertible bonds is not significantly lower than the theoretical fair value calculated according to recognized financial calculation methods, or (3) to grant holders of conversion rights from previous bond issues subscription rights in the amount to which they would be entitled upon exercising their conversion rights. The conversion price for treasury shares must not be lower than 80% of the average closing price in the XETRA trading system over the three days of trading before the date of the public announcement of the offer or acceptance of a tender. The Executive Board determines the conditions for conversion bonds.

Key agreements subject to conditions

ThyssenKrupp AG is party to the following agreements that contain certain conditions in the event of a change of control as a result of a takeover bid:

- The Company has concluded an agreement with a banking consortium on a committed credit facility in the amount of €2.5 billion. This agreement can be terminated with immediate effect and outstanding loans declared due if the Company becomes a subsidiary of another legal entity or natural person and this is requested by a group of banks representing more than 50% of the credit facility. Outstanding loans would then have to be repaid immediately; the credit facility would no longer be available for new loans.

- The Company has concluded an agreement with the European Investment Bank, Luxembourg, for a promotional loan in the amount of €210 million. This agreement can be terminated with immediate effect if one or several entities (excluding the Alfried Krupp von Bohlen und Halbach Foundation) acting in concert gain indirect or direct control of the Company (change of control). Control is understood to mean the right to direct the management and policies of the Company through ownership of voting capital, by contract or otherwise. In the event of termination due to change of control, the loan must be repaid at a date set by the European Investment Bank, but no earlier than 30 days after termination.

- In fiscal year 2008/2009 the Company issued a bond in the amount of €1 billion. It is also guarantor of further bonds issued in 2008/2009 by its subsidiary ThyssenKrupp Finance Nederland B.V. in the total amount of €2 billion. A change of control, i.e. the acquisition by a third party of more than 50% of the capital stock or more than 50% of the voting shares of ThyssenKrupp AG, may under certain conditions lead to early redemption of the bonds including interest.

The Company is party to a shareholders' agreement in respect of Atlas Elektronik GmbH (joint venture) under which the co-shareholder EADS Deutschland GmbH has a call option on specific assets and liabilities of the joint venture at fair value in the event that a competitor of the joint venture or of the co-shareholder directly or indirectly acquires a controlling interest in the Company. If the call option is exercised, ThyssenKrupp Technologies AG (today operating under the name ThyssenKrupp Technologies Beteiligungen GmbH) is entitled to purchase all the co-shareholder's shares in the joint venture at fair value plus 5% premium. If the call option is not exercised, the co-shareholder has a put option in respect of the shares in the joint venture at the specified purchase price conditions.

Consolidated financial statements

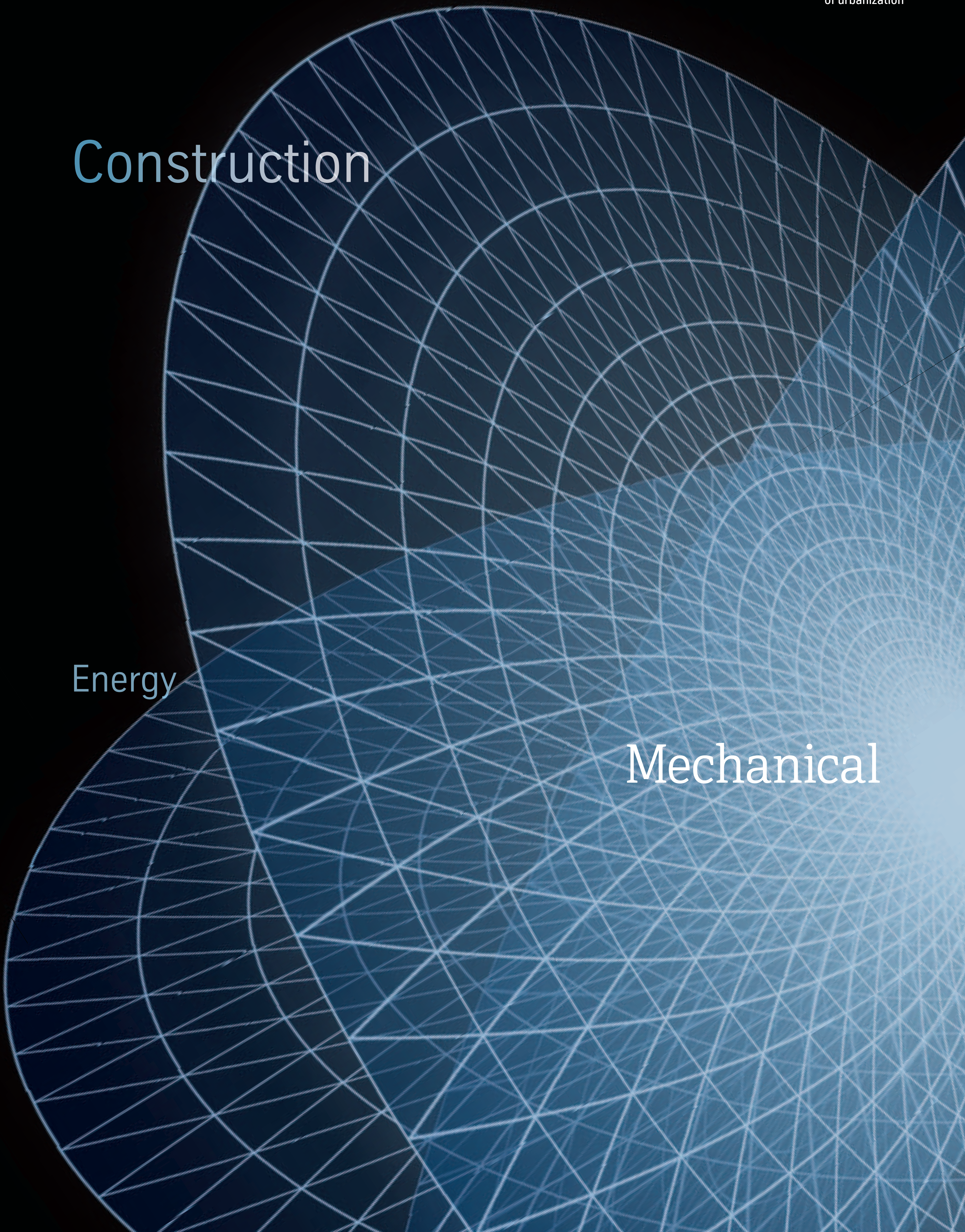
The 2010/2011 consolidated financial statements provide a comprehensive overview of the Group's financial position and results of operations. In them you will find a host of details about our performance in the reporting year.

3

Consolidated financial statements

3.1 Consolidated statement of financial position 129
3.2 Consolidated statement of income 130
3.3 Consolidated statement of comprehensive income 131
3.4 Consolidated statement of changes in equity 132
3.5 Consolidated statement of cash flows 133
3.6 Notes to the consolidated financial statements 134
01 Summary of significant accounting policies 134
02 Acquisitions and disposals 147
03 Disposal groups and single assets held for sale 149
Notes to the consolidated statement of financial position
04 Intangible assets 153
05 Property, plant and equipment 156
06 Investment property 158
07 Investments accounted for using the equity method 158
08 Operating lease as lessor 159
09 Inventories 159
10 Trade accounts receivable 159
11 Other financial assets 160
12 Other non-financial assets 161
13 Total Equity 161
14 Share-based compensation 163
15 Accrued pension and similar obligations 165
16 Other provisions 170
17 Financial debt 171
18 Trade accounts payable 173
19 Other financial liabilities 173
20 Other non-financial liabilities 174
21 Contingencies and commitments 174
22 Financial instruments 177
23 Related parties 186
24 Segment reporting 187
25 Accounting estimates and judgements 192
Notes to the consolidated statement of income
26 Net sales 194
27 Other operating income 194
28 Other operating expenses 194
29 Government grants 194
30 Financial income/(expense), net 194
31 Income taxes 195
32 Earnings per share 197
33 Additional disclosures on the consolidated statement of income 199
Notes to the consolidated statement of cash flows
34 Additional information on the consolidated statement of cash flows 199
Subsequent events
35 Subsequent events 199
Other information
36 Declarations of conformity with the German Corporate Governance Code in accordance with Art. 161 of the German Stock Corporation Act (AktG) 199
37 Application of exemption clauses 200
38 List of the Group's subsidiaries and equity interests 202

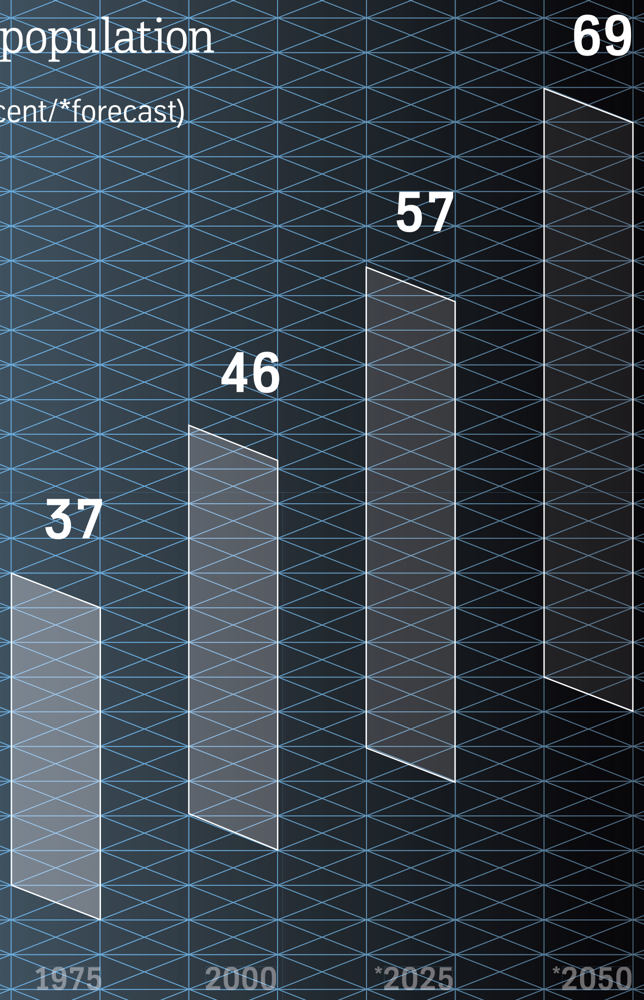
Auditors' report 223
Responsibility statement 224


Construction
Energy
Mechanical

Using space better

The challenge of urbanization: Multi-million population cities place huge demands on their infrastructure, which can only be improved further using new technical solutions.

Share of the population in cities (in percent/*forecast)



Better infrastructure

Using space better

Engineering

More urbanization

Cities are becoming denser

More information on this subject can be found in the ThyssenKrupp Yearbook on pages 40 – 47.

ThyssenKrupp AG
Consolidated statement of financial position

Assets million €

	Note	Sept. 30, 2010	Sept. 30, 2011
Intangible assets	04	4,651	4,166
Property, plant and equipment	05, 29	16,322	12,649
Investment property	06	337	301
Investments accounted for using the equity method	07	522	593
Other financial assets	11	127	71
Other non-financial assets	12	200	453
Deferred tax assets	31	590	940
Total non-current assets		22,749	19,173
Inventories	09	8,262	8,105
Trade accounts receivable	10	5,882	5,059
Other financial assets	11	685	578
Other non-financial assets	12	1,646	1,563
Current income tax assets		315	134
Cash and cash equivalents		3,380	3,230
Assets held for sale	03	793	5,761
Total current assets		20,963	24,430
Total assets		43,712	43,603

Equity and liabilities million €

	Note	Sept. 30, 2010	Sept. 30, 2011
Capital stock		1,317	1,317
Additional paid in capital		4,684	4,684
Retained earnings		3,703	2,833
Cumulative other comprehensive income		192	178
thereof relating to disposal groups/discontinued operations (Sept. 30, 2010: 0; Sept. 30, 2011: (19))			
Treasury stock		(1,396)	0
Equity attributable to ThyssenKrupp AG's stockholders		8,500	9,012
Non-controlling interest		1,888	1,370
Total equity	13	10,388	10,382
Accrued pension and similar obligations	15	8,086	6,940
Other provisions	16	829	648
Deferred tax liabilities	31	139	324
Financial debt	17	6,157	6,494
Other financial liabilities	19	0	1
Other non-financial liabilities	20	23	7
Total non-current liabilities		15,234	14,414
Other provisions	16	1,778	1,500
Current income tax liabilities		532	409
Financial debt	17	1,278	178
Trade accounts payable	18	5,411	4,807
Other financial liabilities	19	1,641	1,357
Other non-financial liabilities	20	6,906	7,332
Liabilities associated with assets held for sale	03	544	3,224
Total current liabilities		18,090	18,807
Total liabilities		33,324	33,221
Total equity and liabilities		43,712	43,603

See accompanying notes to the consolidated financial statements.

ThyssenKrupp AG
Consolidated statement of income

million €, earnings per share in €

	Note	Year ended Sept. 30, 2010*	Year ended Sept. 30, 2011
Net sales	24, 26	37,711	43,356
Cost of sales	04, 05	(31,648)	(38,616)
Gross margin		6,063	4,740
Selling expenses		(2,529)	(2,765)
General and administrative expenses		(2,131)	(2,158)
Other operating income	27	401	506
Other operating expenses	04, 28	(686)	(580)
Gain/(loss) on the disposal of subsidiaries, net		223	(27)
Income/(loss) from operations		1,341	(284)
Income from companies accounted for using the equity method		56	71
Interest income		347	306
Interest expense		(643)	(880)
Other financial income/(expense), net		104	36
Financial income/(expense), net	30	(136)	(467)
Income/(loss) from continuing operations before income taxes		1,205	(751)
Income tax (expense)/income	31	(185)	(203)
Income/(loss) from continuing operations (net of tax)		1,020	(954)
Discontinued operations (net of tax)	03	(93)	(829)
Net income/(loss)		927	(1,783)
Thereof:			
ThyssenKrupp AG's stockholders		824	(1,291)
Non-controlling interest		103	(492)
Net income/(loss)		927	(1,783)
Basic and diluted earnings per share based on	32		
Income/(loss) from continuing operations (attributable to ThyssenKrupp AG's stockholders)		1.97	(0.97)
Net income/(loss) (attributable to ThyssenKrupp AG's stockholders)		1.77	(2.71)

* Prior year figures have been adjusted (see Note 3).
See accompanying notes to the consolidated financial statements.

ThyssenKrupp AG Consolidated statement of comprehensive income

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Net income/(loss)	927	(1,783)
Foreign currency translation adjustment		
Change in unrealized gains/(losses), net	469	67
Net realized (gains)/losses	14	(17)
Net unrealized gains/(losses)	483	50
Unrealized gains/(losses) from available-for-sale financial assets		
Change in unrealized gains/(losses), net	0	(4)
Net realized (gains)/losses	0	0
Tax effect	1	0
Net unrealized gains/(losses)	1	(4)
Actuarial gains/(losses) from pensions and similar obligations		
Change in actuarial gains/(losses), net	(866)	538
Tax effect	219	(150)
Net actuarial gains/(losses) from pensions and similar obligations	(647)	388
Gains/(losses) resulting from asset ceiling		
Change in gains/(losses), net	(60)	24
Tax effect	15	(7)
Net gains/(losses) resulting from asset ceiling	(45)	17
Unrealized (losses)/gains on derivative financial instruments		
Change in unrealized gains/(losses), net	100	(12)
Net realized (gains)/losses	(35)	(91)
Tax effect	(20)	20
Net unrealized gains/(losses)	45	(83)
Share of unrealized gains/(losses) of investments accounted for using the equity-method	6	7
Other comprehensive income	(157)	375
Total comprehensive income	770	(1,408)
Attributable to:		
ThyssenKrupp AG's stockholders	615	(913)
Non-controlling interest	155	(495)
Cumulative actuarial gains/(losses) from pensions and similar obligations as of year-end	(1,501)	(846)

See accompanying notes to the consolidated financial statements.

ThyssenKrupp AG
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, 2009	463,473,492	1,317	4,684	3,643	(329)	5	33	(5)	(1,421)	7,927	1,769	9,696
Net income				824						824	103	927
Other comprehensive income				(697)	456	0	17	15		(209)	52	(157)
Total comprehensive income				127	456	0	17	15		615	155	770
Profit attributable to non-controlling interest										0	(44)	(44)
Dividend payment				(139)						(139)	0	(139)
Treasury stock sold	920,845			(7)					28	21	0	21
Tax effects on income and expense directly recognized in equity				3					(3)	0	0	0
Share-based compensation				(7)						(7)	0	(7)
Other changes				83						83	8	91
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 loss				(1,291)						(1,291)	(492)	(1,783)
Other comprehensive income				392	43	(3)	(72)	18		378	(3)	375
Total comprehensive income				(899)	43	(3)	(72)	18		(913)	(495)	(1,408)
Profit attributable to non-controlling interest										0	(43)	(43)
Dividend payment				(209)						(209)	0	(209)
Treasury stock sold	50,094,707			93					1,549	1,642	0	1,642
Tax effects on income and expense directly recognized in equity				153					(153)	0	0	0
Share-based compensation				0						0	0	0
Other changes				(8)						(8)	20	12
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

See accompanying notes to the consolidated financial statements.

ThyssenKrupp AG
Consolidated statement of cash flows

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Net income/(loss)	927	(1,783)
Adjustments to reconcile net income/(loss) to operating cash flows:		
Discontinued operations (net of tax)	93	829
Deferred income taxes, net	139	(304)
Depreciation, amortization and impairment of non-current assets	1,286	3,501
Reversals of impairment losses of non-current assets	(9)	(60)
(Income)/loss from companies accounted for using the equity method, net of dividends received	(52)	(63)
(Gain)/loss on disposal of non-current assets	(223)	7
Changes in assets and liabilities, net of effects of acquisitions and divestitures:		
- inventories	(1,028)	(1,668)
- trade accounts receivable	(651)	(127)
- accrued pension and similar obligations	(290)	(350)
- other provisions	(238)	(230)
- trade accounts payable	991	761
- other assets/liabilities not related to investing or financing activities	86	499
Operating cash flows - continuing operations	1,031	1,012
Operating cash flows - discontinued operations	(163)	(236)
Operating cash flows - total	868	776
Purchase of investments accounted for using the equity method and non-current financial assets	(52)	(27)
Expenditures for acquisitions of consolidated companies net of cash acquired	(51)	(83)
Capital expenditures for property, plant and equipment (inclusive of advance payments) and investment property	(2,960)	(2,319)
Capital expenditures for intangible assets (inclusive of advance payments)	(105)	(76)
Proceeds from disposals of investments accounted for using the equity method and non-current financial assets	3	15
Proceeds from disposals of previously consolidated companies net of cash disposed	472	267
Proceeds from disposals of property, plant and equipment and investment property	69	133
Proceeds from disposals of intangible assets	3	8
Cash flows from investing activities - continuing operations	(2,621)	(2,082)
Cash flows from investing activities - discontinued operations	(338)	(265)
Cash flows from investing activities - total	(2,959)	(2,347)
Repayment of bonds	0	(750)
Proceeds from liabilities to financial institutions	649	1,881
Repayments of liabilities to financial institutions	(790)	(1,569)
Proceeds from notes payable and other loans	13	200
Decrease in bills of exchange	(3)	(6)
Decrease in current securities	190	2
Proceeds from non-controlling interest to equity	500	35
Proceeds from treasury shares sold	8	1,631
Payment of ThyssenKrupp AG dividend	(139)	(209)
Profit attributable to non-controlling interest	(44)	(43)
Expenditures for acquisitions of shares of already consolidated companies	(12)	(8)
Financing of discontinued operations	(1,068)	(554)
Other financing activities	451	379
Cash flows from financing activities - continuing operations	(245)	989
Cash flows from financing activities - discontinued operations	501	538
Cash flows from financing activities - total	256	1,527
Net decrease in cash and cash equivalents - total	(1,835)	(44)
Effect of exchange rate changes on cash and cash equivalents	133	(61)
Cash and cash equivalents at beginning of year	5,375	3,673
Cash and cash equivalents at end of year - total	3,673	3,568
[thereof cash and cash equivalents within the disposal groups]	[293]	[273]
[thereof cash and cash equivalents within the discontinued operations]	[28]	[65]
Additional information regarding cash flows from interest, dividends and income taxes which are included in operating cash flows of continuing operations:		
Interest received	225	180
Interest paid	(523)	(554)
Dividends received	14	23
Income taxes paid	(289)	(429)

See Note 34 to the consolidated financial statements.

ThyssenKrupp AG
Notes to the consolidated financial statements

Corporate Information

ThyssenKrupp Aktiengesellschaft (“ThyssenKrupp AG” or “Company”) is a publicly traded corporation domiciled in Duisburg and Essen in Germany. The consolidated financial statements of ThyssenKrupp AG and its subsidiaries, collectively the “Group”, for the year ended September 30, 2011, were authorized for issuance in accordance with a resolution of the Executive Board on November 29, 2011.

Statement of compliance

Applying Art. 315a of the German Commercial Code (HGB), the Group’s consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations of the International Accounting Standards Board (IASB) effective within the EU in accordance with the Regulation No. 1606/2002 of the European Parliament and the Council concerning the use of International Accounting Standards.

01 Summary of significant accounting policies

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that are stated at fair value. The consolidated financial statements are presented in Euros since this is the currency in which the majority of the Group’s transactions are denominated, with all amounts rounded to the nearest million except when otherwise indicated; this may result in differences compared to the unrounded figures.

Consolidation

The Group’s consolidated financial statements include the accounts of ThyssenKrupp AG and all significant entities which are directly or indirectly controlled by ThyssenKrupp AG. Control is achieved where ThyssenKrupp AG possesses more than half of the voting rights of a company or has in another way the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. On acquisition, the identifiable assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. The interest of minority shareholders is stated at the minority’s proportion of the fair values of the identifiable assets, liabilities and contingent liabilities recognized.

All significant intercompany transactions and balances between Group entities are eliminated on consolidation.

Included in the Group consolidated financial statements are 181 (2009/2010: 201) domestic and 485 (2009/2010: 513) foreign-controlled entities that are consolidated. During the fiscal year 2010/2011, 16 entities were consolidated for the first time. During the same period, the scope of consolidation was reduced by 64 entities of which 42 resulted from the internal merging of Group entities.

21 (2009/2010: 25) controlled subsidiaries are not consolidated because their combined influence on the Group’s net assets, financial position and results of operations is not material. Their net sales amount to 0.02%, their income/(loss) before tax amounts to 0.06% and their total equity amounts to 0.03% of the Group’s respective balances inclusive of discontinued operations. These non-consolidated subsidiaries are measured at fair value or at cost when the fair value of unlisted equity instruments cannot be reliably measured; they are presented under the “Other financial assets, non-current” line item.

Investments in associates are accounted for using the equity method of accounting. An associate is an entity over which the Group is in a position to exercise significant influence, but not control, through participation in the financial and operating policies. Significant influence is presumed when the Group holds 20% or more of the voting rights (“Associated Companies”). Where a Group entity transacts with an associate of the Group, unrealized profits and losses are eliminated to the extent of the Group’s interest in the relevant associate.

The Group reports its interests in jointly-controlled entities (Joint Ventures) using the equity method of accounting. Where the Group transacts with its jointly-controlled entities, unrealized profits and losses are eliminated to the extent of the Group’s interest in the joint venture.

The Group has 12 (2009/2010: 12) Associated Companies and 21 (2009/2010: 19) Joint Ventures that are accounted for using the equity method of accounting. Another 21 (2009/2010: 22) Associated Companies are measured at fair value or at cost when the fair value of unlisted equity instruments cannot be reliably measured because their combined influence on the Group’s net assets, financial position and results of operations is not material.; they are presented under the “Other financial assets, non-current” line item. The income before tax of the immaterial Associated Companies amounts to 0.45% and theirtotal equity to 0.11% of the Group’s respective balances inclusive of discontinued operations.

A complete listing of the Group's subsidiaries and equity interests is presented in Note 38.

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, associate or jointly-controlled entity at the date of acquisition. Goodwill is recognized as an asset and is tested for impairment annually, or on such other occasions that events or changes in circumstances indicate that it might be impaired.

Goodwill arising on the acquisition of an associate or a jointly-controlled entity is included within the carrying amount of the associate or the jointly-controlled entity, respectively. Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet.

On disposal of a subsidiary, associate or jointly-controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Foreign currency translation

The functional and reporting currency of ThyssenKrupp AG and its relevant European subsidiaries is the Euro (€). Transactions denominated in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in such currencies are retranslated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are included in the net profit or loss for the period.

Financial statements of the foreign subsidiaries included in the Group consolidated financial statements where the functional currency is other than the Euro are translated using their functional currency which is generally the respective local currency. The translation is performed using the current rate method, in which balance sheet amounts are translated to the reporting currency using the rates of exchange prevailing on the balance sheet date, while income statement amounts are translated using the period's average exchange rates. Net exchange gains or losses resulting from the translation of foreign financial statements are accumulated and included in equity. Such translation differences are recognized as income or as expenses in the period in which the operation is disposed of.

Companies that manage their sales, purchases, and financing substantially not in their local currency use the currency of their primary economic environment as their functional currency. Using the functional currency in these cases involves translating non-monetary items such as non-current assets, including scheduled depreciation, and equity to the functional currency using the average exchange rates of the respective year of addition. All other balance sheet line items are translated using the exchange rate as of the balance sheet date and all other income statement line items are translated using the period's average exchange rates. The resulting translation differences are included in the consolidated statement of income as "Other operating income or expenses". Thereafter, the functional currency financial statements are translated into the reporting currency using the current rate method.

The exchange rates of those currencies significant to the Group have developed as follows:

Currencies

	Exchange rate as of (Basis €1)		Annual average exchange rate for the year ended	
	Sept. 30, 2010	Sept. 30, 2011	Sept. 30, 2010	Sept. 30, 2011
US Dollar	1.37	1.35	1.36	1.40
Brazilian Real	2.32	2.51	2.40	2.30
Chinese Renminbi Yuan	9.13	8.61	9.25	9.12

Intangible assets

Intangible assets with finite useful lives are capitalized at cost and amortized on a straight-line basis generally over a period of 3 to 15 years, depending on their estimated useful lives. Technology resulting from the acquisition of Howaldtswerke-Deutsche Werft (HDW) is amortized over a period of 40 years. Useful lives are examined on an annual basis and adjusted when applicable on a prospective basis. The amortization expense of intangible assets is primarily included in the "cost of sales" line item in the consolidated statement of income.

Goodwill is stated at cost and tested for impairment annually or on such other occasions that events or changes in circumstances indicate that it might be impaired. Goodwill impairment losses are included in other operating expenses.

Property, plant and equipment

Fixtures and equipment are stated at cost less accumulated depreciation. Capitalized production costs for self constructed assets include costs of material, direct labour, and allocable material and manufacturing overhead. Borrowing costs directly attributable to the production of assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Administrative costs are capitalized only if such costs are directly related to production. Maintenance and repair costs (day-to-day servicing) are expensed as incurred. The Group recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing parts and major inspection of such an item if it is probable that the future economic benefits embodied within the item will flow to the Group and the cost of the item can be measured reliably. Where fixtures and equipment comprise of significant parts having different useful lives those parts are accounted for as separate units and depreciated accordingly.

Fixtures and equipment are depreciated using the straight-line method. Upon sale or retirement, the acquisition or production cost and related accumulated depreciation are removed from the balance sheet and any gain or loss is included in the consolidated statement of income.

The following useful lives are used as a basis for calculating depreciation:

Useful lives of property, plant and equipment

Buildings (incl. investment property)	10 to 50 years
Building and land improvements	15 to 25 years
Technical machinery and equipment	8 to 25 years
Factory and office equipment	3 to 10 years

Investment property

Investment property consists of investments in land and buildings that are held to earn rental income or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business. Investment property is stated at cost less accumulated depreciation. The fair value of the Group's investment property is stated in Note 06.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its intangible assets, property, plant and equipment and investment property to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is the greater of the fair value less cost to sell and the value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market conditions. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the Cash Generating Unit to which the asset belongs.

Goodwill arising on acquisition is allocated to the Cash Generating Units that are expected to benefit from the synergies of the acquisition. Those groups of Cash Generating Units represent the lowest level within the Group at which goodwill is monitored for internal management purposes. The recoverable amount of the Cash Generating Unit that carries a goodwill is tested for impairment annually as of September 30, or on such other occasions that events or changes in circumstances indicate that it might be impaired. For more details refer to Note 04.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

In case of impairment losses related to Cash Generating Units that carry a goodwill the carrying amount of any goodwill allocated to the Cash Generating Unit is reduced first. If the amount of impairment losses exceeds the carrying amount of goodwill, the difference is generally allocated proportionally to the remaining non-current assets of the Cash Generating Unit to reduce their carrying amounts accordingly.

Where an impairment loss subsequently reverses, the carrying amount of the asset (Cash Generating Unit) is increased to the revised estimate of its recoverable amount. The revised amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (Cash Generating Unit) in prior years. A reversal of an impairment loss is recognized as income immediately. However, impairment losses of goodwill may not be reversed.

Leases

Leases are classified as either finance or operating. Lease transactions whereby the Group is the lessee and bears substantially all the risks and rewards incidental to ownership of an asset are accounted for as a finance lease. Accordingly, the Group capitalizes the leased asset at the lower of the fair value or the present value of the minimum lease payments and subsequently depreciates the leased asset over the shorter of the lease term and its useful life. In addition, the Group records a corresponding lease obligation on the balance sheet which is subsequently settled and carried forward using the effective interest method. All other lease agreements entered into by the Group, as a lessee, are accounted for as operating leases whereby the lease payments are expensed on a straight-line basis.

Lease transactions whereby the Group is the lessor and transfers substantially all of the benefits and risks incident to the ownership of property, are accounted for as a sale and financing of the leased asset. The Group recognizes a receivable at an amount equal to the net investment in the lease and includes interest income in the consolidated income statement. All other lease agreements entered into by the Group, as a lessor, are accounted for as operating leases whereby the leased asset remains on the Group’s balance sheet and is depreciated. Scheduled lease payments are recognized in income on a straight-line basis over the lease term.

Inventories

Inventories are stated at the lower of acquisition/manufacturing cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and selling costs. In general, inventories are valued using the average cost method. Manufacturing cost includes direct material, labor and allocable material and manufacturing overhead based on normal operating capacity.

Financial instruments

A financial instrument is any contract that at the same time gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized as soon as ThyssenKrupp becomes a contracting party to the financial instrument. In cases where trade date and settlement date do not coincide, the settlement date is used for initial recognition or derecognition. Financial instruments stated as financial assets or financial liabilities are generally not offset; they are only offset when a legal right to set-off exists at that time and settlement on a net basis is intended.

Determining fair value

The fair value of financial instruments is generally equal to the amount the Group would receive or pay if it exchanged or settled the financial instruments on the balance sheet date. If available, quoted market prices are used for financial instruments, especially for those categorized as available-for-sale financial assets. Otherwise, fair values are calculated based on the market conditions prevailing on the balance sheet date – interest rates, exchange rates, commodity prices – using middle rates or prices. In doing so, fair values are calculated using common methods, such as the option pricing models for currency and interest rate options or the discounted cash flow method for interest rate swaps. The fair values of some derivatives are based on external valuations by our financial partners.

Financial assets

In particular, financial assets include trade accounts receivable, cash and cash equivalents, derivative financial assets, as well as equity instruments and bonds held. Financial assets are initially recognized at fair value. This includes any transaction costs directly attributable to the acquisition of financial assets, which are not carried at fair value through profit or loss in future periods. The fair values recognized on the balance sheet usually reflect the market prices of the financial assets.

Trade accounts receivable and other current receivables

Receivables are accounted for at amortized cost less valuation allowances.

Impairments in the form of individual allowances for doubtful accounts adequately consider default risk. When there is objective evidence of default, the receivable concerned is derecognized. Receivables that are immaterial, and receivables of similar default risk, are grouped together and tested collectively for impairment based on past experience. Partially, impairments are accounted for using separate allowance accounts. Whether default risk is recognized by means of an allowance account or a direct derecognition of the receivable depends on the probability of default and the reliability of its estimation.

Receivables that do not bear interest or bear below market interest rates and have an expected term of more than one year are discounted with the discount subsequently amortized to interest income over the term of the receivable.

The Group sells undivided interests in certain trade accounts and notes receivable both on an ongoing and one-time basis to special purpose entities, which are not required to be consolidated, or to other lending institutions. Financial assets sold under these arrangements are excluded from accounts receivable in the Group's balance sheet at the time of sale if it is assured that the cash flows related to those receivables will be passed through to the acquirer and substantially all risks and rewards have been transferred. If substantially all risks and rewards have neither been transferred nor retained, financial assets are excluded from the books at the time of the sale if it is assured that the cash flows of the receivables will be passed through to the acquirer and the acquirer has gained control over the receivables. If substantially all risks and rewards have been retained financial assets remain in the Group's balance sheet as collateral for borrowings.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits as well as financial assets that are readily convertible to cash and which are only subject to an insignificant risk of change in value, they are measured at amortized cost.

Financial assets held for trading

Derivatives that are not part of an effective hedge accounting in accordance with IAS 39 must be assigned to this category when the fair value is positive as of measurement date. Gains or losses resulting from changes in fair value are recognized in profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are those non-derivative financial assets not assigned to any of the above categories (trade accounts receivable and other current receivables, cash and cash equivalents, and financial assets held for trading). This category includes primarily equity and debt instruments which are in general measured at fair value. Gains or losses resulting from the measurement of available-for-sale financial assets are recognized directly in equity, with the exception of impairment losses and foreign currency conversion effects. On disposal of these financial assets, a cumulative gain or loss recognized directly in equity until then is recognized in profit or loss of the respective period. When the fair value of unlisted equity instruments cannot be reliably measured, they are measured at cost.

Financial assets measured at fair value through profit or loss

The Group does not use the option to categorize financial assets at fair value through profit or loss when initially recognized.

Impairment of financial assets

At each balance sheet date, an assessment is made of whether there is any objective evidence that the carrying amounts of financial assets not carried at fair value through profit or loss are impaired. Objective evidence includes, for example, considerable financial difficulty of the debtor obligor, disappearance of an active market, and significant changes in the technological, market, economic or legal environment. A significant or prolonged decline in the fair value of an equity instrument is an objective evidence of impairment.

The impairment loss on a financial asset carried at amortized cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. An impairment loss is recognized in profit or loss.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss.

If the decrease in fair value of an available-for-sale financial asset was previously recognized directly in equity, such loss is transferred from equity to profit or loss as soon as an objective evidence of an impairment loss exists. The amount of the impairment represents the difference between historical cost (less any redemption and amortization) and the current fair value less any impairment loss on that financial asset previously recognized in profit or loss. Impairment losses on equity instruments classified as available-for-sale and recognized in the income statement are not reversed through profit or loss, but rather through equity. The amount of any reversal of any write-down of debt instruments, which objectively occurred after the impairment was recognized, is recognized in profit or loss.

Financial liabilities

Financial liabilities are liabilities that must be settled in cash or other financial assets. These especially include trade accounts payable, derivative financial liabilities and components of financial debt, mainly bonds and other securitized liabilities, liabilities to financial institutions and finance lease liabilities. Financial liabilities are initially carried at fair value. This includes any transaction costs directly attributable to the acquisition of financial liabilities, which are not carried at fair value through profit or loss in future periods.

Trade accounts payable and other non-derivative financial liabilities

Trade accounts payable and other non-derivative financial liabilities are in general measured at amortized cost using the effective interest method. Finance charges, including premiums payable on redemption or settlement, are periodically accrued and increase the liabilities' carrying amounts unless they have already been settled in the period in which they were incurred.

Financial liabilities carried at fair value through profit or loss

The Group does not use the option to categorize financial liabilities at fair value through profit or loss when initially recognized.

Financial liabilities held for trading

Derivatives that are not part of an effective hedge accounting in accordance with IAS 39 must be classified as "held for trading" and thus carried at fair value through profit or loss. In the event of negative fair values, such derivatives are recognized as "financial liabilities held for trading".

Derivative financial instruments

The Group generally uses derivative financial instruments to hedge its exposure to foreign currency exchange rate, interest rate and commodity price risks arising from operational, financing and investment activities. Derivatives are used generally to hedge existing or anticipated underlying transactions. Such derivatives and so-called "embedded derivatives", which are an integral part of a non-derivative host contract and must be accounted for separately, are measured initially and subsequently at fair value through profit or loss. Gains or losses due to fluctuations in fair value are recognized immediately in profit or loss.

If derivatives are used to hedge the exposure to variability in cash flows and to hedge balance sheet items, the hedging relationship qualifies for hedge accounting under IAS 39 if certain conditions are met. This can reduce volatility in the income statement. There are three types of hedging relationships: fair value hedge, cash flow hedge and hedge of a net investment in a foreign operation.

In a fair value hedge, which is a hedge of the exposure to changes in fair value of a recognized asset or liability or an unrecognized firm commitment, the hedging instrument is stated at fair value and any changes in fair value are immediately recognized in profit or loss. Changes in fair value of a hedged asset, liability or firm commitment, which are attributable to a particular hedged risk, are also recognized in profit or loss. Given a perfect hedge, changes in fair value of the underlying and hedging transactions are almost entirely offset. If the asset or liability is measured at amortized cost according to general accounting guidelines, its carrying amount must be adjusted for the cumulative changes in fair value resulting from the hedged risk. However, if the hedged item (e.g. available-for-sale security) is recognized at fair value without influencing the income statement in accordance with the general accounting guidelines, changes in fair value resulting from the hedged risk are recognized in profit or loss, contrary to the general guidelines.

A cash flow hedge is a hedge of the exposure to variability in cash flows associated with a recognized asset or liability, a highly probable forecast transaction, or foreign currency risk of a firm commitment. The effective portion of the fluctuations in fair value is immediately recognized in equity. The effective portion is reclassified from equity to profit or loss in the same period during which the hedged underlying transaction affects profit or loss. If a hedge subsequently results in the recognition of a non-financial asset (e.g. property, plant and equipment or inventories), then the fluctuations in fair value that were recognized in equity affect the value of the non-financial asset. When measuring the effectiveness between the underlying hedged transaction and the hedging instrument the remaining ineffective portion of the hedge and adjustments due to interest rate changes are immediately recognized in the consolidated statement of income. In the case of currency risks, the effectiveness of the hedging relationship is established by including changes in value due to spot rate changes as a hedged risk and excluding the interest component.

When the hedging instrument expires or is sold, terminated or exercised, or the hedging relationship is discontinued, but the forecast underlying transaction is still expected to occur, the cumulative gain or loss on the hedging instrument that has been recognized in equity remains separately in equity until the forecast transaction occurs. It is recognized in profit or loss as detailed above when the transaction affects the income statement. If the hedged forecast transaction is no longer expected to occur, any related cumulative unrealized gain or loss recognized in equity is recognized immediately in the consolidated statement of income.

The Group mainly uses cash flow hedges to hedge its exposure to changes in foreign currency rates, interest rates and commodity prices. In addition, the Group carries out hedging in accordance with the basic principles of risk management under which existing risks are hedged economically, but the hedges do not comply with the strict hedge accounting requirements under IAS 39. The Group does not use hedge accounting for foreign currency derivatives that have been concluded to hedge foreign currency risks arising from monetary balance sheet items. Thus, the effects from the foreign currency conversion of balance sheet items recognized in profit or loss are offset against the fluctuations in fair value of derivatives, which are also recognized in profit or loss.

Currently, the Group does not apply hedging of a net investment in a foreign operation.

More information about financial instruments is provided in Note 22.

Deferred income taxes

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.

Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled. Deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also recognized directly in equity.

Cumulative other comprehensive income

The equity line item “Cumulative other comprehensive income” includes changes in the equity of the Group that were not recognized in the consolidated statement of income of the period, except those resulting from investments by owners and distributions to owners. Cumulative other comprehensive income includes foreign currency translation adjustments, unrealized holding gains and losses on available-for-sale financial assets and on derivative financial instruments as well as the share of the other comprehensive income of associates and joint ventures accounted for using the equity method. Actuarial gains and losses are reported in retained earnings in the period that they are recognized as other comprehensive income.

Accrued pension and similar obligations

The Group’s net obligation for defined benefit and other postretirement benefit plans have been calculated for each plan using the projected unit credit method as of the balance sheet date. A quarterly valuation of pensions and health care obligations is performed on the basis of updated interest rates and fair values of plan assets.

All actuarial gains and losses as of October 01, 2004, the date of transition to IFRS, were recognized in equity. Actuarial gains and losses that arise subsequent to October 01, 2004, as well as gains and losses resulting from asset ceiling are recognized directly in equity and presented in the statement of comprehensive income.

As far as the fair value of plan assets related to pensions or similar obligations exceeds the corresponding obligation, the recognition of an asset in respect to such surplus is limited. As far as in connection with plan assets minimum funding requirements related to past service exist, an additional liability may need to be recognized in case the economic benefit of a surplus – already taking into account the contributions to be made in respect of the minimum funding requirements – is limited. The limit is determined by unrecognized past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan (asset ceiling).

Service cost for pensions and other postretirement obligations are recognized as an expense in income from operations, while interest cost and the expected return on plan assets recognized as components of net periodic pension cost are included in net financial income/(expense) in the Group’s consolidated statement of income. When benefits of a plan are improved, the portion of the increased benefit relating to past service is recognized as an expense in income from operations on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately.

The Group’s obligations for contributions to defined contribution plans are recognized as expense in income from operations as incurred.

The Group also maintains multi-employer plans. In principle, these multi-employer plans contain defined benefit plans as well as defined contribution plans. With respect to defined benefit multi-employer plans these are accounted for in the same way as any other defined benefit plan in case the required information is available. Otherwise these plans are accounted for as defined contribution plans.

Provisions

Provisions are recognized when the Group has a present obligation as a result of a past event which will result in a probable outflow of economic benefits that can be reasonably estimated. The amount recognized represents best estimate of the settlement amount of the present obligation as of the balance sheet date. Expected reimbursements of third parties are not offset but recorded as a separate asset if it is virtually certain that the reimbursements will be received. Where the effect of the time value of money is material, provisions are discounted using a market rate.

A provision for warranties is recognized when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

Provisions for restructuring costs are recognized when the Group has a detailed formal plan for the restructuring and has notified the affected parties.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

Share-based compensation

The Group has management incentive plans which grant stock rights to executive and senior employees. The fair value of these rights is calculated on the date of grant and recognized as an expense on a straight-line basis over the vesting period with a corresponding increase in provisions. Furthermore a portion of the variable compensation is granted as share appreciation rights to the Executive Board members of ThyssenKrupp AG and additional selected executive employees. For both types of compensation, the provision is remeasured at each balance sheet date and at settlement date. Any changes in the fair value of the provision are recognized as part of income from operations.

The Group set up an Employee Share Purchase Program for selected executive employees that grants purchase of shares at a discount. Services received are recognized on a straight-line basis based on the estimated discount with regard to the shares during the period from the offer of the Employee Share Purchase Program until the grant date which is the date when the employees accept the offer.

See also information provided in Note 14.

Revenue recognition

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer and the amount of revenue can be measured reliably. Revenue from services is recognized when services are rendered. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue is recognized net of applicable provisions for discounts and allowances.

Construction contract revenue and expense are accounted for using the percentage-of-completion method, which recognizes revenue as performance of the contract progresses. The contract progress is determined based on the percentage of costs incurred to date to total estimated cost for each contract after giving effect to the most recent estimates of total cost. If the construction takes a substantial period of time, contract costs also include borrowing costs that are directly attributable.

Contracts where the Group provides engineering services are also accounted for like construction contracts. Construction contracts under the percentage-of-completion method are measured at construction cost plus profits earned based on the percentage of the contract completed. Revenues net of advance payments received are recognized as trade accounts receivable in the balance sheet. Variations in contract work, claims and incentive payments are included to the extent that it is probable that they will result in revenue which can be measured reliably.

Where the income of a construction contract cannot be estimated reliably, contract revenue that is probable to be recovered is recognized to the extent of contract costs incurred. Contract costs are recognized as expenses in the period in which they are incurred.

Where it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Revenues from contracts with multiple element arrangements, such as those including both goods and services, are recognized as each element is earned based on objective evidence of the relative fair value of each element.

Interest income is accrued on a time basis by reference to the principal outstanding and at the interest rate applicable. Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

Government grants

Government grants are recognized only if there is reasonable assurance that the associated conditions will be met and the grants will be received. Grants related to assets are reported as a reduction of cost of the assets concerned with a corresponding reduction of depreciation and amortization in subsequent periods. Grants related to income are stated as other operating income in the periods in which the expenses intended to be compensated by the grant are recognized.

Research and development costs

Research costs are expensed as incurred.

Development costs, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, are capitalized if the product or process is technically and commercially feasible, there is a market for the output of the intangible asset, the attributable expenditure can be measured reliably, and the Group has sufficient resources to complete development. Other development costs are expensed as incurred. Capitalized development costs of completed projects are stated at cost less accumulated amortization. Costs include direct costs of material, direct labour, and allocable material and manufacturing overhead. Borrowing costs directly attributable to a production of assets that necessarily takes a substantial period of time to get the assets ready for their intended use, are included in the cost of those assets until the assets are ready for their intended use. Administrative costs are capitalized only if such costs are directly related to production. Capitalized development costs of projects not yet completed are reviewed for impairment annually or more frequently when an indicator of impairment arises during the reporting year.

Earnings per share

Basic earnings per share amounts are calculated by dividing net income/(loss) attributable to ThyssenKrupp AG's shareholders by the weighted average number of shares outstanding. Shares sold during the period and shares reacquired during the period are weighted for the portion of the period that they were outstanding. There were no dilutive securities in the periods presented.

Segment reporting

In accordance with the so-called management approach, segment reporting of the ThyssenKrupp Group is based on the internal organizational and reporting structure. The data used to determine the internal key figures are derived from the IFRS consolidated financial statements.

Single assets held for sale, disposal groups and discontinued operations

A single non-current asset is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The Group reports assets and liabilities as a disposal group, that will be disposed of by sale or otherwise in a single transaction, which collectively meet the held for sale criteria as specified in IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". The Group reports the assets and liabilities of a disposal group separately in the balance sheet line item "assets held for sale/disposal" and "liabilities associated with assets held for sale/disposal", respectively. Unless a disposal group qualifies for discontinued operations reporting, the revenues and expenses of the disposal group remain within continuing operations until the date of disposal. The Group reports the results of a disposal group that also qualifies as a component of the Group as discontinued operations if it represents a separate major line of business or geographical area of operations. The Group reports the results of discontinued operations in the period in which they occur separately within the consolidated statement of income as "discontinued operations (net of tax)". All prior period consolidated statements of income are adjusted to report the results of the component within discontinued operations. In the consolidated statement of cash flows the cash flows resulting from discontinued operations are presented separately from cash flows resulting from continuing operations; prior year presentation has been adjusted accordingly. In order to present the proportion of income/loss attributable to discontinued operations, net sales and expenses arising from intercompany transactions are eliminated provided that these transactions will not continue after the disposal of the discontinued operations.

On initial classification as held for sale, non-current assets are recognized at the lower of the carrying amount and fair value less costs to sell and depreciation and amortization ceases. A disposal group is initially measured in line with the respective IFRS standards to determine the carrying amount of the disposal group which is then compared to the fair value less costs to sell of the group in order to recognize the group at the lower of both amounts. Impairment losses on initial classification as held for sale are included in profit or loss, as are gains and losses on subsequent remeasurement, but not in excess of the cumulative impairment loss.

Financial statement classification

Certain line items in the consolidated statement of income and on the consolidated balance sheet have been combined. These items are disclosed separately in the Notes to the consolidated financial statements. Certain reclassifications have been made to the prior year presentation to conform to that of the current year.

In general the Group classifies assets and liabilities as current when they are expected to be realized or settled within twelve months after the balance sheet date. Group companies that have operating cycles longer than twelve months classify assets and liabilities as current if they are expected to be realized within the company's normal operating cycle.

Use of estimates

The preparation of the Group consolidated financial statements 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 estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting estimates and judgements made by Management in the application of IFRS that have a significant effect on the consolidated financial statements are presented in Note 25.

Recently adopted accounting standards

In fiscal year 2010/2011, ThyssenKrupp adopted the following standards, interpretations and amendments to already existing standards:

In October 2009 the IASB issued an amendment to IAS 32 "Financial Instruments: Presentation". The amendment addresses the accounting for rights, options and warrants issues that are denominated in a currency other than the functional currency of the issuer. The amendment is compulsory for fiscal years beginning on or after February 01, 2010. The adoption of the amended standard did not have a material impact on the Group's consolidated financial statements.

In June 2009 the IASB issued an amendment to IFRS 2 "Share-based Payment – Group Cash-settled Share-based Payment Transactions" that clarify the accounting for Group cash-settled share-based payment transactions in the individual financial statements of the subsidiary. Furthermore the amendment to IFRS 2 incorporates guidance previously included in IFRIC 8 "Scope of IFRS 2" and IFRIC 11 "IFRS 2 – Group and Treasury Share Transactions". The application of the amended standard is compulsory for fiscal years beginning on or after January 01, 2010. The adoption of the amended standard did not have a material impact on the Group's consolidated financial statements.

In November 2008 the IFRIC issued IFRIC 17 "Distributions of Non-cash Assets to Owners". The interpretation addresses the accounting of distributions of assets other than cash to its owners. IFRIC 17 is compulsory for fiscal years beginning after October 31, 2009. The adoption of the interpretation did not have a material impact on the Group's consolidated financial statements.

In January 2009 the IFRIC issued IFRIC 18 "Transfers of Assets from Customers". IFRIC 18 clarifies the requirements of IFRSs for agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then either use to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services. The interpretation is compulsory for fiscal years beginning after October 31, 2009. The adoption of the interpretation did not have a material impact on the Group's consolidated financial statements.

In November 2009 the IFRIC issued IFRIC 19 “Extinguishing Financial Liabilities with Equity Instruments”. The interpretation clarifies the requirements of IFRS when an entity renegotiates the terms of a financial liability with its creditor and the creditor agrees to accept the entity’s shares or other equity instruments to settle the financial liability fully or partially. The application of the interpretation is compulsory for fiscal years beginning on or after July 01, 2010. The adoption of the interpretation did not have a material impact on the Group’s consolidated financial statements.

In April 2009 the IASB issued the second omnibus standard “Improvements to IFRSs” as part of its annual improvement process project. This standard slightly adjusts ten existing standards and two interpretations by fifteen amendments. Unless otherwise specified, the amendments are effective for fiscal years beginning on or after January 01, 2010. The adoption of the amended standards and interpretations did not have a material impact on the Group’s consolidated financial statements.

Recently issued accounting standards

In fiscal year 2010/2011, the following standards, interpretations and amendments have been issued which still must be endorsed by the EU before they can be adopted:

In December 2010 the IASB issued an amendment to IAS 12 “Income Taxes”. Under IAS 12, the measurement of deferred taxes depends on whether the carrying amount of an asset is recovered through use or sale. Such assessment is often difficult, in particular when the asset is measured using the fair value model in IAS 40 for investment property. The amendment introduces a presumption that in general an investment property is recovered through sale. The application of the amended standard is compulsory for fiscal years beginning on or after January 01, 2012, while earlier application is permitted. Currently, Management does not expect the adoption of the amended standards – if endorsed by the EU in the current version – to have an impact on the Group’s consolidated financial statements because currently investment property is accounted for at cost less accumulated depreciation.

In May 2011 the IASB issued three new standards dealing with various aspects of interests in entities: IFRS 10 “Consolidated Financial Statements”, IFRS 11 “Joint Arrangements” and IFRS 12 “Disclosure of Interests in Other Entities”. At the same time it issued amended versions of IAS 27 “Separate Financial Statements” (2011) and IAS 28 “Investments in Associates and Joint Ventures” (2011).

IFRS 10 introduces a single definition for the concept of control for all entities, thus creating a standard basis for determining whether a parent-subsidiary relationship exists and should be included in the scope of consolidation. The standard contains comprehensive guidance for determining whether control exists. It completely replaces SIC-12 “Consolidation – Special Purpose Entities” and partly replaces IAS 27 “Consolidated and Separate Financial Statements”.

IFRS 11 prescribes the accounting for circumstances in which an entity exercises joint control of a joint venture or joint operation. The new standard replaces IAS 31 “Interests in Joint Ventures” and SIC-13 “Jointly Controlled Entities – Non-Monetary Contributions by Venturers”.

IFRS 12 combines in one standard all disclosure requirements for interests in other entities, including interests in subsidiaries, associates, joint arrangements and structured entities. The new standard replaces the previous disclosure requirements in IAS 27 “Consolidated and Separate Financial Statements”, IAS 28 “Investments in Associates”, IAS 31 “Interests in Joint Ventures” and SIC-12 “Consolidation – Special Purpose Entities”.

The amended IAS 27 now focuses solely on accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when separate financial statements according to IFRS are presented.

The amended IAS 28 prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

The new and amended standards are applicable for fiscal years beginning on or after January 01, 2013. Earlier application is permitted, but as well as disclosing the fact it has adopted early, an entity must early-adopt each of IFRS 10, IFRS 11, IFRS 12, IAS 27 (2011) and IAS 28 (2011) at the same time. An exception to this requirement exists for IFRS 12; its disclosure requirements may be early-adopted either in full or in part. Currently, Management is not able to finally assess the impacts of the adoption of IFRS 10, 11 and 12 – if endorsed by the EU in the current version.

In May 2011 the IASB issued the new standard IFRS 13 “Fair Value Measurement”. IFRS 13 contains a definition of fair value and rules on how to determine it if other IFRS standards require fair value measurement; the standard itself does not prescribe in which cases fair value is to be used. With the exception of the standards explicitly excluded in IFRS 13, IFRS 13 defines standard disclosure requirements for all assets and liabilities that are measured at fair value and for all assets and liabilities for which disclosure of fair value in the notes to the consolidated financial statements is required; in particular it widens the disclosure requirements for non-financial assets. The new standard is compulsory for fiscal years beginning on or after January 01, 2013 and shall be applied prospectively; earlier application is permitted. In the first year of application comparative information is not required. Currently, Management expects that the adoption of the new standard – if endorsed by the EU in the current version – will result in additional disclosures.

In June 2011 the IASB issued amendments to IAS 1 “Presentation of Financial Statements” under the title “Presentation of Items of Other Comprehensive Income”. The amendments require a classification of items presented in other comprehensive income into items that might subsequently be reclassified to the income statement and items that will not. The amendments to IAS 1 are compulsory for fiscal years beginning on or after July 01, 2012; earlier application is permitted. Currently, Management does not expect the adoption of the amendments – if endorsed by the EU in the current version – to have a material impact on the Group’s consolidated financial statements.

In June 2011 the IASB issued amendments to IAS 19 “Employee Benefits”. The amendments mainly concern the elimination of deferred recognition of actuarial gains and losses (corridor method) in favour of immediate recognition in other comprehensive income in equity, the presentation of changes to net liabilities/assets under defined benefit pension plans, and the recognition of a net interest expense or income resulting from net liabilities or assets of a pension plan. Furthermore additional disclosure regarding the characteristics of pension plans and the associated risks for the entity is required. The amendments to IAS 19 are compulsory for fiscal years beginning on or after January 01, 2013; earlier application is permitted. Currently, Management is not able to finally assess the impacts of the adoption of the amendments to IAS 19 – if endorsed by the EU in the current version. The adoption of the amended standard will result in additional disclosures.

In October 2011 the IASB issued the IFRIC interpretion 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.

02 Acquisitions and disposals

Year ended September 30, 2011

In the year ended September 30, 2011 the Group acquired companies that are, on an individual basis, immaterial. Based on the values as of the acquisition date, these acquisitions affected in total the Group's consolidated financial statements as presented below:

million €

	Year ended Sept. 30, 2011
Goodwill	32
Other intangible assets	25
Property, plant and equipment	1
Trade accounts receivable	2
Other current non-financial assets	1
Total assets acquired	61
Deferred tax liabilities	1
Other current provisions	1
Trade accounts payable	1
Other current non-financial liabilities	1
Total liabilities assumed	4
Net assets acquired	57
Non-controlling interest	0
Purchase prices	57
thereof: paid in cash and cash equivalents	47

In addition, in the year ended September 30, 2011 the Group sold the Spanish ThyssenKrupp Xervon S.A. in the Materials Services business area and the Iranian company ThyssenKrupp Assanbar PJSC in the Elevator Technology business area as part of the portfolio optimization. Both companies were classified as disposal groups as of September 30, 2010 because the disposals had been initiated; consummation took place in October 2010 and in September 2011, respectively. These two disposals, the disposal of the Metal Forming Group without the Chinese activities as well as the disposals of companies that were, on an individual basis, immaterial, affected in total the Group's consolidated financial statements as presented below based on the values as of the disposal date:

million €

	Year ended Sept. 30, 2011
Goodwill	2
Other intangible assets	3
Property, plant and equipment	244
Other non-current non-financial assets	2
Deferred tax assets	9
Inventories	141
Trade accounts receivable	204
Other current financial assets	9
Other current non-financial assets	48
Cash and cash equivalents	45
Total assets disposed of	707
Accrued pension and similar obligations	57
Other non-current provisions	6
Deferred tax liabilities	11
Other current provisions	31
Current income tax liablilities	2
Current financial debt	160
Trade accounts payable	156
Other current financial liabilities	17
Other current non-financial liabilities	102
Total liabilities disposed of	542
Net assets disposed of	165
Cumulative other comprehensive income	20
Non-controlling interest	0
Gain/(loss) resulting from the disposals	(8)
Selling prices	177
thereof: received in cash and cash equivalents	156

Year ended September 30, 2010

In the year ended September 30, 2010 the Group acquired companies that are, on an individual basis, immaterial. Based on the values as of the acquisition date, these acquisitions affected in total the Group's consolidated financial statements as presented below:

million €

	Year ended Sept. 30, 2010
Goodwill	10
Other intangible assets	5
Property, plant and equipment	16
Deferred tax assets	1
Inventories	6
Trade accounts receivable	10
Cash and cash equivalents	3
Total assets acquired	51
Deferred tax liabilities	1
Other current provisions	1
Current financial debt	19
Trade accounts payable	6
Other current non-financial liabilities	3
Total liabilities assumed	30
Net assets acquired	21
Non-controlling interest	1
Purchase prices	20
thereof: paid in cash and cash equivalents	13
thereof: paid in equity instruments	7

In addition, in the year ended September 30, 2010 the Group sold ThyssenKrupp Industrieservice and ThyssenKrupp Safway of the Materials Services business area as part of the portfolio optimization. Both businesses were classified as disposal groups as of September 30, 2009 because the disposals had been initiated; consummation took place end of November 2009 and mid of December 2009, respectively. These two disposals, the disposal of HSY as well as the disposals of companies that were, on an individual basis, immaterial, affected in total the Group's consolidated financial statements as presented below based on the values as of the disposal date:

million €

	Year ended Sept. 30, 2010
Goodwill	97
Other intangible assets	5
Property, plant and equipment	173
Investments accounted for using the equity method	1
Other non-current financial assets	3
Deferred tax assets	2
Inventories	32
Trade accounts receivable	179
Other current financial assets	10
Other current non-financial assets	20
Current income tax assets	6
Cash and cash equivalents	6
Total assets disposed of	534
Accrued pension and similar obligations	54
Other non-current provisions	23
Deferred tax liabilities	27
Non-current financial debt	2
Other current provisions	45
Current income tax liablilities	15
Current financial debt	45
Trade accounts payable	35
Other current financial liabilities	142
Other current non-financial liabilities	71
Total liabilities disposed of	459
Net assets disposed of	75
Cumulative other comprehensive income	13
Non-controlling interest	1
Gain/(loss) resulting from the disposals	223
Selling prices	310
thereof: received in cash and cash equivalents	310

03 Discontinued operations, disposal groups and single assets held for sale

As part of the portfolio optimization program and of the decision about the concept for the further strategic development in May 2011, in fiscal year 2010/2011 as well as in fiscal year 2009/2010 the Group has initiated the sale and the disposal of several businesses. With one exception these transactions have not met 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. Only the initiated disposal of the entire Stainless Global business area met the criteria for a presentation as a discontinued operation as of September 30, 2011. Therefore, all revenues and expenses of this business area 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 September 30 of the respective fiscal year, the assets and liabilities of the disposal group and of the discontinued operation have been disclosed separately in the consolidated balance sheet as of September 30 of this fiscal year as “assets held for sale/disposal” and “liabilities associated with assets held for sale/disposal”.

Year ended September 30, 2011

In April 2010 the disposal of parts of the Marine Systems business area has been initiated as part of the portfolio optimization program. 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 September 30, 2011, the sale of the civil operations of Blohm + Voss is still part of the disposal group - this is the yacht building and repair and components businesses in Hamburg. The assets and liabilities of the disposal group as of September 30, 2011 are presented in the following table:

million €

	Sept. 30, 2011
Goodwill	180
Other intangible assets	11
Property, plant and equipment	54
Deferred tax assets	3
Inventories	45
Trade accounts receivable	102
Other current financial assets	3
Other current non-financial assets	3
Cash and cash equivalents	219
Assets held for sale	620
Accrued pension and similar obligations	45
Other non-current provisions	6
Other non-current financial liabilities	3
Other current provisions	14
Current income tax liabilities	5
Current financial debt	80
Trade accounts payable	30
Other current financial liabilities	3
Other current non-financial liabilities	139
Liabilities associated with assets held for sale	325

End of April 2011 the Group initiated the disposal of the Metal Forming Group in the Steel Europe business area. The group produces high-quality chassis and body components in Germany, France, the UK, Spain, Poland, Turkey and China. After the approval by the European cartel authorities the sale to the Spanish Gestamp Automoción S.L. has been consummated in July 2011 with the exemption of the Chinese activities. In the context with the outstanding sale of the Chinese activities an impairment loss of €13 million on property, plant and equipment resulting from the write-down of the assets to fair value less costs to sell were recorded in cost of sales. The assets and liabilities of the Chinese activities which are still part of the disposal group as of September 30, 2011 are presented in the following table:

million €

	Sept. 30, 2011
Property, plant and equipment	11
Other non-financial assets	2
Deferred tax assets	1
Inventories	9
Trade accounts receivable	23
Other current non-financial assets	4
Cash and cash equivalents	15
Assets held for sale	65
Current financial debt	15
Trade accounts payable	6
Other current non-financial liabilities	10
Liabilities associated with assets held for sale	31

In August 2011, the Group initiated the disposal of the Xervon Group in the Materials Services business area. Xervon is one of the world's leading providers of technical services for industrial plant construction and maintenance. In the context of the initiated disposal an impairment loss of €48 million on goodwill was recognized in other operating expenses resulting from the write-down of the assets to fair value less costs to sell. The assets and liabilities of the disposal as of September 30, 2011 are presented in the following table:

million €

	Sept. 30, 2011
Goodwill	16
Other intangible assets	3
Property, plant and equipment	125
Deferred tax assets	2
Inventories	94
Trade accounts receivable	153
Other current financial assets	2
Other current non-financial assets	17
Cash and cash equivalents	39
Assets held for sale	451
Accrued pension and similar obligations	41
Other non-current provisions	4
Deferred tax liabilities	7
Non-current financial debt	1
Other current provisions	34
Current income tax liabilities	4
Current financial debt	167
Trade accounts payable	60
Other current financial liabilities	3
Other current non-financial liabilities	76
Liabilities associated with assets held for sale	397

Discontinued operations: 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 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.

As of September 30, 2011, the results of the Stainless Global business area that classifies as a discontinued operation are as follows:

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Net sales	5,306	6,016
Other income	15	16
Expenses	(5,391)	(6,349)
Ordinary income/(loss) from discontinued operations (before taxes)	(70)	(317)
Income tax (expense)/income	(23)	(2)
Ordinary income/(loss) from discontinued operations (net of tax)	(93)	(319)
Gain/(loss) recognized on measurement adjustments of discontinued operations (before taxes)	—	(510)
Income tax (expense)/income	—	—
Gain/(loss) recognized on measurement adjustments of discontinued operations (net of tax)	0	(510)
Discontinued operations (net of tax)	(93)	(829)
thereof:		
ThyssenKrupp AG's stockholders	(92)	(829)
Non-controlling interest	(1)	0

The measurement of discontinued operations at fair value less cost to sell based on internal calculations and market observations resulted in an impairment loss of €510 million. Thereof, €45 million applied to goodwill. The remaining impairment loss was allocated to property, plant and equipment.

The assets and liabilities of the discontinued operations as of September 30, 2011 are presented in the following table:

million €

	Sept. 30, 2011
Other intangible assets	20
Property, plant and equipment	1,805
Investment property	12
Investments accounted for using the equity method	15
Other financial assets	2
Other non-financial assets	3
Deferred tax assets	110
Inventories	1,801
Trade accounts receivable	631
Other current financial assets	59
Other current non-financial assets	87
Current income tax assets	15
Cash and cash equivalents	65
Assets held for disposal	4,625
Accrued pension and similar obligations	271
Other non-current provisions	104
Deferred tax liabilities	118
Non-current financial debt	61
Other non-current non-financial liabilities	1
Other current provisions	48
Current income tax liabilities	9
Current financial debt	156
Trade accounts payable	1,356
Other current financial liabilities	212
Other current non-financial liabilities	135
Liabilities associated with assets held for disposal	2,471

Year ended September 30, 2010

In April 2010 the disposal of parts of the Marine Systems business area has been initiated as part of the portfolio optimization program. The transaction comprises on the one hand of the disposals of the Blohm + Voss Naval GmbH in the context of the formation of a 50:50 joint venture for the design and program management of naval vessels and on the other hand of the 100% disposal of Blohm + Voss Shipyards GmbH, operating in shipbuilding in particular of premium-segment yachts, and of an 80% stake in each 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 will be disposed of. In the context of the initiated disposal an impairment loss of €6 million on property, plant and equipment resulting from the write-down of the assets to fair value less costs to sell were recorded in cost of sales. With regard to the amounts that will be finally deconsolidated after the consummation of the transaction, the amounts presented in the following table as of September 30, 2010, are only preliminary:

million €

	Sept. 30, 2010
Goodwill	120
Other intangible assets	11
Property, plant and equipment	51
Other non-current financial assets	7
Deferred tax assets	10
Inventories	48
Trade accounts receivable	58
Other current financial assets	24
Other current non-financial assets	69
Cash and cash equivalents	288
Assets held for sale	686
Accrued pension and similar obligations	125
Other non-current provisions	7
Deferred tax liabilities	29
Other non-current financial liabilities	4
Other current provisions	51
Current income tax liabilities	4
Current financial debt	12
Trade accounts payable	55
Other current financial liabilities	2
Other current non-financial liabilities	216
Liabilities associated with assets held for sale	505

End of September 2010, the Group initiated in Spain the disposal of the ThyssenKrupp Xervon S. A in the Materials Services business area. The company provides industrial services with insulation and scaffolding. In the context of the initiated disposal an impairment loss of €2 million on goodwill was recognized in other operating expenses and an impairment loss of €1 million on property, plant and equipment was recognized in cost of sales, both resulting from the write-down of the assets to fair value less costs to sell. The assets and liabilities of the disposal as of September 30, 2010 are presented in the following table:

million €

	Sept. 30, 2010
Property, plant and equipment	1
Deferred tax assets	1
Trade accounts receivable	8
Cash and cash equivalents	1
Assets held for sale	11
Deferred tax liabilities	1
Other current provisions	1
Current financial debt	6
Trade accounts payable	1
Other current non-financial liabilities	1
Liabilities associated with assets held for sale	10

The transaction has been consummated.

End of September 2010, the Group initiated the disposal of the Iranian company ThyssenKrupp Assanbar PJSC in the Elevator Technology business area. The company produces elevators as well as installs and maintains elevators and escalators. In the context of the initiated disposal an impairment loss of €3 million on goodwill was recognized in other operating expenses and impairment losses of €1 million on other intangible asses and of €1 million on property, plant and equipment were recognized in cost of sales, each resulting from the write-down of the assets to fair value less costs to sell. The assets and liabilities of the disposal as of September 30, 2010 are presented in the following table:

million €

	Sept. 30, 2010
Deferred tax assets	1
Inventories	11
Trade accounts receivable	9
Other current non-financial assets	4
Cash and cash equivalents	4
Assets held for sale	29
Non-current financial debt	7
Other current provisions.	1
Current income tax liabilities	1
Current financial debt	1
Trade accounts payable	4
Other current non-financial liabilities	15
Liabilities associated with assets held for sale	29

The transaction has been consummated.

In addition to the assets attributable to the disposal group the line item “assets held for sale“ includes property, plant and equipment of €67 million held for sale in the Steel Americas business area.

Notes to the consolidated statement of financial position

04 Intangible assets

Changes in the Group's intangible assets were as follows:

million €

	Franchises, trademarks and similar rights and values as well as licenses thereto	Development costs, internally developed software and website	Goodwill	Total	Additional information: Presentation of disposal groups, discontinued operations
Gross amounts					
Balance as of Sept. 30, 2009	1,349	488	4,593	6,430	145
Currency differences	34	30	162	226	8
Acquisitions/divestitures of businesses	(5)	(6)	49	38	(154)
Additions	32	60	3	95	1
Transfers	25	6	0	31	0
Disposals	(24)	(15)	0	(39)	0
Reclassification due to the presentation as assets held for sale	(30)	(1)	(125)	(156)	156
Balance as of Sept. 30, 2010	1,381	562	4,682	6,625	156
Currency differences	3	23	0	26	0
Acquisitions/divestitures of businesses	9	(9)	(37)	(37)	(5)
Additions	47	19	9	75	0
Transfers	20	4	0	24	0
Disposals	(22)	(11)	0	(33)	0
Reclassification due to the presentation as assets held for sale/disposal	(115)	(31)	(698)	(844)	844
Balance as of Sept. 30, 2011	1,323	557	3,956	5,836	995
Accumulated amortization and impairment losses					
Balance as of Sept. 30, 2009	743	254	791	1,788	42
Currency differences	19	10	28	57	2
Acquisitions/divestitures of businesses	(9)	(6)	55	40	(44)
Amortization expense	97	37	0	134	0
Impairment losses	3	5	5	13	0
Reversals of impairment losses	0	0	-	0	0
Transfers	0	0	0	0	0
Disposals	(22)	(11)	0	(33)	0
Reclassification due to the presentation as assets held for sale	(19)	(1)	(5)	(25)	25
Balance as of Sept. 30, 2010	812	288	874	1,974	25
Currency differences	0	10	6	16	0
Acquisitions/divestitures of businesses	(5)	(7)	(63)	(75)	(5)
Amortization expense	96	42	0	138	0
Impairment losses	3	3	290	296	0
Reversals of impairment losses	0	(1)	-	(1)	0
Transfers	1	0	0	1	0
Disposals	(20)	(7)	0	(27)	0
Reclassification due to the presentation as assets held for sale/disposal	(100)	(23)	(529)	(652)	652
Balance as of Sept. 30, 2011	787	305	578	1,670	672
Net amounts					
as of Sept. 30, 2009	606	234	3,802	4,642	103
as of Sept. 30, 2010	569	274	3,808	4,651	131
as of Sept. 30, 2011	536	252	3,378	4,166	323

Impairment of goodwill

Goodwill impairment losses are included in other operating expenses.

Based on business expectations in 2009/2010 the annual impairment test did not indicate that goodwill might be impaired because the recoverable amounts of all cash generating units (CGUs) exceeded the respective carrying amounts.

In the annual impairment test in 2010/2011, a more negative assessment of the economic situation and the connected surrounding conditions indicated that goodwill of the CGUs of the Stainless Global business area has to be impaired in the amount of €290 million because the recoverable amounts of the respective CGU were less than the respective carrying amounts. In the ThyssenKrupp Nirosta CGU which is a producer of stainless flat products, the impairment loss amounted to €166 million. The determination of the recoverable amount was derived from the value in use based on a discount rate of 8.1%. Moreover, in the ThyssenKrupp Mexinox CGU which is bundling the Mexico business of stainless flat products, an impairment loss of €72 million had to be recognized. The determination of the recoverable amount was derived from the value in use based on a discount rate of 9.3%. In the ThyssenKrupp Acciai Speciali Terni CGU which is also a producer of stainless flat products, the impairment loss amounted to €39 million. The determination of the recoverable amount was derived from the value in use based on a discount rate of 9.9%. The remaining impairment loss almost solely applies to the ThyssenKrupp Stainless International CGU. Additional adjustments are disclosed in Note 03.

Impairment of other intangible assets

Impairment losses of intangible assets other than goodwill are included in cost of sales.

In 2009/2010 the Components Technology business area impaired in the Presta Steering and Camshafts operating units capitalized development costs of €5 million because the recognition criteria of IAS 38 were no longer met.

Goodwill

Goodwill (excluding goodwill of equity method investments) has been allocated to cash generating units within all business areas. The recoverable amount of each cash generating unit is determined based on a value in use calculation using after-tax cash flow projections based on bottom-up prepared financial budgets approved by ThyssenKrupp AG's management covering a four-year period. The budgeted last year is generally used to determine the cash flows beyond the budgeted period. No growth rate is taken into account to extrapolate the budgeted last year. The weighted average cost of capital discount rate is based on a risk-free interest rate of 3.25% and a market risk premium of 5%. Moreover for each CGU an individual beta derived from the relevant peer group, a debt capital spread and an individual capital structure is used. In addition CGU specific tax rates are used. The following after-tax discount rate ranges have been applied to the cash flow projections by business area:

%

	After tax discount rate ranges	
	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Steel Europe	9.4	8.1
Materials Services	8.1 – 9.2	7.0 – 9.0
Elevator Technolgy	8.7	7.8
Plant Technology	8.8 – 10.6	7.7 – 9.0
Components Technology	6.6 – 8.7	7.7 – 8.0
Marine Systems	7.1	6.3
Stainless Global	8.6 – 10.0	7.7 – 9.9
Corporate	7.5	6.6

The values in use for the CGUs are determined based on both historical data and expected forecast market performance. The values assigned to the key assumptions are generally consistent with external information sources.

31 CGUs were identified in the ThyssenKrupp Group, of which 25 report goodwill. Total goodwill, e.g. including goodwill of disposal groups and discontinued operations, amounts to €3,378 million as of September 30, 2011. 72% of this goodwill relates to the CGUs Steel Europe, Americas, Uhde and Marine Systems, as shown in the following table:

Significant goodwill

CGU (Business Area)	Carrying amount of goodwill allocated to CGU (million €)	Proportion of total goodwill (in %)	Description of key assumptions of budgeting	Procedure used to determine key assumptions
Steel Europe (Steel Europe)	314	9%	- Selling prices - Procurement prices - Business cycles	Internal estimates of sales and purchasing departments concerned and consideration of economic assumptions set by ThyssenKrupp AG and external market studies
Americas (Elevator Technology)	832	25%	- Procurement prices - Exchange rates and interest rates	Consideration of economic assumptions set by ThyssenKrupp AG and external market studies
Uhde (Plant Technology)	236	7%	- Market growth rates - Business cycles	Consideration of economic assumptions set by ThyssenKrupp AG and external market studies as well as deduction of future demand and propensity to invest from the current development of end-product prices
Marine Systems (Marine Systems)	1,040	31%	- Market growth rates	Naval shipbuilding: Consideration of long-term budget plans of potential customers and if appropriate concrete negotiations with customers, tightened competitive situation and at the same time decreased budgets of the customer countries

The annual impairment test resulted in an impairment in the CGUs of the Stainless Global business area because the recoverable amount was less than the respective carrying amount of the CGU.

The change in the carrying amount of goodwill (excluding goodwill of investments accounted for using the equity method) is as follows:

million €

	Steel Europe	Steel Americas	Materials Services	Elevator Technology	Plant Technology	Components Technology	Marine Systems	Stainless Global	Corporate	Total*
Balance as of Sept. 30, 2009	313	0	383	1,196	297	224	1,043	331	15	3,802
Currency differences	1	0	21	82	8	14	1	6	0	133
Acquisitions/(divestitures)	0	0	(15)	5	5	0	0	0	0	(5)
Additions	0	0	0	1	2	0	0	0	0	3
Reclassification due to the presentation as assets held for sale	0	0	0	0	0	0	(120)	0	0	(120)
Impairment	0	0	(2)	(3)	0	0	0	0	0	(5)
Balance as of Sept. 30, 2010	314	0	387	1,281	312	238	924	337	15	3,808
Currency differences	(1)	0	(4)	0	(2)	4	(1)	(2)	0	(6)
Acquisitions/(divestitures)	0	0	5	22	0	0	(1)	0	0	26
Additions	0	0	0	9	0	0	0	0	0	9
Reclassification due to the presentation as assets held for sale/ disposal	0	0	(64)	0	0	0	(60)	(45)	0	(169)
Impairment	0	0	0	0	0	0	0	(290)	0	(290)
Balance as of Sept. 30, 2011	313	0	324	1,312	310	242	862	0	15	3,378

* excluding goodwill of investments accounted for using the equity method

05 Property, plant and equipment

Changes in the Group's property, plant and equipment were as follows:

million €

	Land, leasehold rights and buildings including buildings on third-party land	Technical machinery and equipment	Other equipment, factory and office equipment	Assets under finance lease	Assets under operating lease	Construction in progress	Total	Additional information: Presentation of disposal groups, discontinued operations
Gross amounts								
Balance as of Sept. 30, 2009	5,451	16,366	2,259	227	13	6,057	30,373	324
Currency differences	78	227	55	3	0	114	477	22
Acquisitions/divestitures of businesses	(211)	(57)	(34)	0	0	(6)	(308)	(348)
Additions	483	1,290	190	12	0	1,424	3,399	5
Transfers	363	3,804	9	4	0	(3,901)	279	0
Disposals	(94)	(354)	(174)	(11)	0	(9)	(642)	(3)
Reclassification due to the presentation as assets held for sale	(133)	(202)	(42)	0	0	(73)	(450)	377
Balance as of Sept. 30, 2010	5,937	21,074	2,263	235	13	3,606	33,128	377
Currency differences	45	189	0	0	0	(21)	213	0
Acquisitions/divestitures of businesses	(105)	(581)	(36)	(30)	0	(6)	(758)	(14)
Additions	115	490	226	24	0	1,044	1,899	4
Transfers	906	2,344	51	0	0	(3,162)	139	0
Disposals	(58)	(215)	(104)	(27)	(3)	3	(404)	(4)
Reclassification due to the presentation as assets held for sale/disposal	(743)	(2,736)	(446)	(42)	0	(508)	(4,475)	4,475
Balance as of Sept. 30, 2011	6,097	20,565	1,954	160	10	956	29,742	4,838
Accumulated depreciation and impairment losses								
Balance as of Sept. 30, 2009	2,908	11,893	1,634	136	2	7	16,580	151
Currency differences	24	147	30	1	0	0	202	9
Acquisitions/divestitures of businesses	(221)	(65)	(25)	0	0	(5)	(316)	(158)
Depreciation expense	141	871	194	19	1	0	1,226	0
Impairment losses	8	34	4	0	0	6	52	0
Reversals of impairment losses	(6)	0	0	(3)	0	0	(9)	0
Transfers	(9)	17	(23)	1	0	0	(14)	0
Disposals	(73)	(343)	(158)	(10)	0	0	(584)	(2)
Reclassification due to the presentation as assets held for sale	(108)	(182)	(35)	0	0	(6)	(331)	325
Balance as of Sept. 30, 2010	2,664	12,372	1,621	144	3	2	16,806	325
Currency differences	15	74	0	0	0	3	92	0
Acquisitions/divestitures of businesses	(43)	(422)	(62)	(26)	0	0	(553)	(13)
Depreciation expense	187	1,132	199	17	0	0	1,535	1
Impairment losses	251	1,334	21	0	0	100	1,706	0
Reversals of impairment losses	(2)	(57)	0	0	0	0	(59)	0
Transfers	(7)	6	(3)	0	0	0	(4)	0
Disposals	(45)	(202)	(92)	(19)	(2)	0	(360)	(4)
Reclassification due to the presentation as assets held for sale/disposal	(251)	(1,525)	(272)	(22)	0	0	(2,070)	2,070
Balance as of Sept. 30, 2011	2,769	12,712	1,412	94	1	105	17,093	2,379
Net amounts								
as of Sept. 30, 2009	2,543	4,473	625	91	11	6,050	13,793	173
as of Sept. 30, 2010	3,273	8,702	642	91	10	3,604	16,322	52
as of Sept. 30, 2011	3,328	7,853	542	66	9	851	12,649	2,459

Impairment losses of property, plant and equipment are for the most part included in cost of sales and to a minor extent in selling and administrative expenses.

In 2009/2010 given the demand situation in the Components Technology business area, in the Forging group and Bilstein group operating units impairment losses of €32 million were recorded. €2 million of the total impairment relates to land and buildings, €29 million to technical machinery and equipment and €1 million to other equipment. The recoverable amounts used to calculate the impairment losses correspond in each case to the values in use. A discount rate of 11.6% and 13.1%, respectively was used to calculate the values in use.

In 2010/2011 impairment losses of €1,685 million were recorded in the Steel Americas business area. €237 million of the total impairment relates to buildings, €1,321 million to technical machinery and equipment and €100 million to construction in progress. Reasons for the impairment losses are increased acquisition costs caused by cost overruns on the construction of the Brazilian plant, significant prolonged losses due to the delayed ramp-up, the strength of the Brazilian real affecting the competitive position of the Brazilian plant both now and in the near future as well as the slower recovery and renewed weakness of markets in the USA and Europe; also the increase of the weighted average cost of capital was a strain. The recoverable amounts used to calculate the impairment losses correspond in each case to the values in use. A discount rate of 10.5% was used to calculate the values in use.

In the Steel Americas business area the carrying amounts of property, plant and equipment in the amount of €6,259 million are also in the following fiscal year exposed to valuation risks; these are in particular the parameters of the capital markets as well as the expectation of the long-term development of the exchange rate and the assessment of the ability to achieve the operational aims in terms of cost efficiency and market entrance.

Property, plant and equipment include leased buildings, technical machinery and equipment and other equipment that have been capitalized, where the terms of the lease require the Group, as lessee, to assume substantially all of the benefits and risks of use of the leased asset (finance lease).

million €

	Gross amounts		Accumulated depreciation and impairment losses		Net amounts	
	Sept. 30, 2010	Sept. 30, 2011	Sept. 30, 2010	Sept. 30, 2011	Sept. 30, 2010	Sept. 30, 2011
Land, leasehold rights and buildings including buildings on third-party land	99	73	46	34	53	39
Technical machinery and equipment	89	52	66	37	23	15
Other equipment, factory and office equipment	47	35	32	23	15	12
Assets under finance lease	235	160	144	94	91	66

Property, plant and equipment have been pledged as security for financial payables of €5 million (2010: €100 million).

06 Investment property

Changes in the Group's investment property were as follows:

million €

	2010	2011
Gross amounts		
Balance as of Sept. 30, 2009 and Sept. 30, 2010, respectively	493	511
Currency differences	0	0
Acquisitions/divestitures of businesses	0	3
Additions	1	0
Transfers	28	9
Disposals	(11)	(44)
Reclassification due to the presentation as assets held for sale/disposal	0	(22)
Balance as of Sept. 30, 2010 and 2011, respectively	511	457
Accumulated depreciation and impairment losses		
Balance as of Sept. 30, 2009 and Sept. 30, 2010, respectively	152	174
Currency differences	0	0
Acquisitions/divestitures of businesses	0	2
Depreciation expense	1	2
Impairment losses	10	8
Reversals of impairment losses	0	0
Transfers	14	2
Disposals	(3)	(22)
Reclassification due to the presentation as assets held for sale/disposal	0	(10)
Balance as of Sept. 30, 2010 and 2011, respectively	174	156
Net amounts		
as of Sept. 30, 2009	341	
Balance as of Sep. 30, 2010 and 2011, respectively	337	301

The fair value of the Group's investment property is determined using various internationally accepted valuation methods such as the gross rental method, discounted cash flow method, asset value method and comparison to current market prices of similar real estate. Investment property located in Germany is primarily determined based on internally prepared valuations using the gross rental method which is regulated in Germany by the "Verordnung über Grundsätze für die Ermittlung der Verkehrswerte von Grundstücken – WertV". Investment property located outside Germany is generally determined by external appraisers.

As of September 30, 2011, the total fair value of the Group's investment property is €380 million (2010: €423 million) of which €14 million (2010: €25 million) are based on valuations of external appraisers.

Additions which are disclosed in the gross amounts include subsequent expenditure of €0.2 million (2010: €0.1 million).

The lease of investment property resulted in rental income of €17 million (2009/2010: €18 million) and direct operating expense of €9 million (2009/2010: €9 million). Direct operating expense of €8 million (2009/2010: €14 million) resulted from investment property that does not generate rental income.

07 Investments accounted for using the equity method

Investments in associates

As of September 30, 2011, the carrying amount of investments in associates accounted for using the equity method is €71 million (2010: €58 million). The income of investments in associates accounted for using the equity method is €(5) million (2009/2010: €(4) million).

Summarized financial information of associates accounted for using the equity method is presented in the table below. The information given represents 100% and not the Group's interest in the associates:

million €

	Sept. 30, 2010	Sept. 30, 2011
Total assets	759	908
Total liabilities	572	696

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Net sales	578	759
Net loss	(12)	(13)

In 2010/2011, there was no unrecognized share of losses of an associate accounted for using the equity method (2009/2010: €222 thousand). There were also no cumulative unrecognized losses (2009/2010: €224 thousand).

Joint ventures

The following table shows the summarized financial information of the Group's joint ventures. The information given represents the Group's interest in the joint ventures:

million €

	Sept. 30, 2010	Sept. 30, 2011
Current assets	698	844
Non-current assets	430	397
Current liabilities	399	481
Non-current liabilities	339	304

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Net sales	1,431	2,022
Net income	40	67

The associates and joint ventures are included in the list of the Group's subsidiaries and equity interests investments which is presented in Note 38.

08 Operating lease as lessor

The Group is the lessor of various commercial real estates under operating lease agreements.

As of September 30, the future minimum lease payments to be received on non-cancellable operating leases are as follows:

million €

	Sept. 30, 2010	Sept. 30, 2011
Not later than one year	24	20
Between one and five years	31	34
Later than five years	24	20
Total	79	74

The amounts reflected as future minimum lease payments do not contain any contingent rentals. No contingent rentals have been recognized in the consolidated statements of income in 2010/2011 and in 2009/2010, respectively.

09 Inventories

million €

	Sept. 30, 2010	Sept. 30, 2011
Raw materials	2,057	2,266
Supplies	500	616
Work in process	2,349	1,623
Finished products, merchandise	3,356	3,600
Total	8,262	8,105

Inventories of €17 million (2010: €14 million) have a remaining term of more than 1 year. Inventories of €38,616 million (2010: €36,259 million) are recognized as an expense during the period. Included in cost of sales are write-downs of inventories of €232 million (2010: €109 million). Thereof €173 million relates to the write-down of excess inventory caused by the ramp-up in the Steel Americas business area.

10 Trade accounts receivable

million €

	Sept. 30, 2010	Sept. 30, 2011
Receivables from sales of goods and services	5,267	4,263
Amounts due from customers for construction work	615	796
Total	5,882	5,059

Receivables from the sales of goods and services in the amount of €722 million (2010: €732 million) have a remaining term of more than 1 year. As of September 30, 2011 cumulative impairment losses of €280 million (2010: €491 million) are recognized for doubtful accounts.

As of the reporting date trade accounts receivable were as follows:

million €

	Carrying amount	thereof:	thereof: not impaired but past due as of balance sheet date						thereof:
	Trade accounts receivable	neither impaired nor past due as of balance sheet date	past due up to 30 days	past due 31 to 60 days	past due 61 to 90 days	past due 91 to 180 days	past due 181 to 360 days	past due more than 360 days	impaired as of balance sheet date
Sept. 30, 2010	5,882	4,975	364	110	65	105	55	47	161
Sept. 30, 2011	5,059	4,238	324	96	63	98	56	48	136

Amounts due from customers for construction work are calculated as follows:

million €

	Sept. 30, 2010	Sept. 30, 2011
Contract costs incurred and recognized contract profits (less recognized losses)	2,374	3,252
Less advance payments received	(1,759)	(2,456)
Total	615	796

Advanced payments received are collateralized by assets of €395 million (2010: €177 million). Sales from construction contracts of €6,682 million were recognized in the period (2009/2010: €6,101 million).

The Group primarily sells credit insured trade accounts receivable under existing programs on a revolving basis as well as under one-time transactions.

The amount of receivables sold and derecognized from the balance sheet as of September 30, 2011, was €89 million (2010: €341 million), resulting in net proceeds in the amount of €88 million (2009/2010: €339 million). In some cases, when the Group sells receivables it retains rights and immaterial obligations; these retained interests mainly consist of servicing as well as providing limited cash reserve accounts. The recognized assets and provided guarantees which serve as a cash reserve account amounted to €3 million (2010: €16 million) as of September 30, 2011.

11 Other financial assets

million €

	Sept. 30, 2010		Sept. 30, 2011	
	current	non-current	current	non-current
Loans and receivables	350	56	353	17
Available-for-sale financial assets	9	71	6	54
Derivatives that do not qualify for hedge accounting (Financial assets held for trading)	172	—	137	—
Derivatives that qualify for hedge accounting	154	—	82	—
Total	685	127	578	71

Other financial assets in the amount of €107 million (2010: €157 million) have a remaining term of more than 1 year. As of September 30, 2011 cumulative impairments amount to €18 million (2010: €41 million) regarding current other financial assets and €50 million (2010: €44 million) regarding non-current other financial assets.

As of the reporting date other financial assets were as follows:

million €

	Carrying amount	thereof:	thereof: not impaired but past due as of balance sheet date						thereof:
	Other financial assets	neither impaired nor past due as of balance sheet date	past due up to 30 days	past due 31 to 60 days	past due 61 to 90 days	past due 91 to 180 days	past due 181 to 360 days	past due more than 360 days	impaired as of balance sheet date
Sept. 30, 2010	812	757	5	2	0	1	1	2	44
Sept. 30, 2011	649	600	3	1	1	1	1	7	35

12 Other non-financial assets

million €

	Sept. 30, 2010		Sept. 30, 2011	
	current	non-current	current	non-current
Advance payments on intangible assets	—	20	—	29
Advance payments on property, plant and equipment	—	180	—	178
Advance payments to suppliers of inventories	556	—	797	—
Other advance payments and prepayments	204	—	192	—
Reimbursement rights	94	—	88	—
Others	792	—	486	246
Total	1,646	200	1,563	453

Other non-financial assets in the amount of €556 million (2010: €235 million) have a remaining term of more than 1 year. As of September 30, 2011 cumulative impairments amount to €29 million (2010: €23 million) regarding current other non-financial assets and €224 million (2010: €3 million) regarding non-current other non-financial assets. Impairments regarding non-current other non-financial assets mainly relate to the Steel Americas business area.

13 Total Equity

€2 million, €7 million and €10 million of the balance of cumulative other comprehensive income result from associates as of Sept. 30, 2009, Sept. 30, 2010 and Sept. 30, 2011, respectively. €3 million (2009/2010: €5 million) of the changes of cumulative other comprehensive income result from associates.

The following table shows the changes of the foreign currency translation adjustment which is part of cumulative other comprehensive income:

million €

	Foreign currency translation adjustment
Balance as of Sept. 30, 2009	(333)
Change in unrealized gains/(losses), net	457
Net realized (gains)/losses	14
Balance as of Sept. 30, 2010	138
Change in unrealized gains/(losses), net	70
Net realized (gains)/losses	(17)
Balance as of Sept. 30, 2011	191

Capital stock

The capital stock of ThyssenKrupp AG consists of 514,489,044 no-par bearer shares of stock, all of which have been issued and are fully paid, with 514,489,044 outstanding as of September 30, 2011 and 464,394,337 outstanding as of September 30, 2010, respectively. Each share of common stock has a stated value of €2.56.

All shares grant the same rights. The stockholders are entitled to receive dividends as declared and are entitled to one vote per share at the stockholders' meetings.

Additional paid in capital

Additional paid in capital include the effects of the business combination of Thyssen and Krupp as well as premiums resulting from capital increases at subsidiaries with non-controlling interest.

Retained earnings

Retained earnings include prior years' undistributed consolidated income. In addition, actuarial gains and losses are included in this balance sheet item.

Treasury stock

On the basis of the authorization granted by the Annual General Meeting on January 18, 2008, the Executive Board of ThyssenKrupp AG resolved on January 31, 2008, to acquire up to approximately 3% of the current capital stock issued. In the period from February 01, 2008 to March 07, 2008, ThyssenKrupp AG purchased a total of 14,791,100 treasury shares, representing approximately 2.9% of the capital stock, at an average price of €35.34. This represents a total amount of €523 million. In addition, based on the authorization of the Annual General Meeting, the Executive Board resolved on July 14, 2008, to acquire up to approximately 2.0% of the capital stock issued. In the period from July 15, 2008 to August 13, 2008, ThyssenKrupp AG purchased a total of 10,500,000 treasury shares, representing approximately 2.0% of the capital stock, at an average price of €33.98. This represents a total amount of €357 million.

In the context of the settlement of the Group's Share Purchase Program of fiscal year 2007/2008, as of December 02, 2009, 350,924 treasury shares were sold to the beneficiaries of the first tranche and as of March 04, 2010, 40,793 treasury shares were sold to the beneficiaries of the second tranche at a price of €24.62 per share. Another 529,128 treasury shares were sold at a price of €22.09 per share in the context of the German employee share purchase program. In addition in the context of the settlement of the Group's Share Purchase Program of fiscal year 2009/2010, as of February 02, 2011, 209,770 treasury shares were sold to the beneficiaries using a price of €29.59 per share.

Another 400,095 treasury shares were sold at a price of €29.46 per share in the context of the German employee share purchase program as of May 06, 2011. All prices stated before represent the basis for the discounted selling price.

To reduce net financial debt as part of the Group's strategic development, on July 06, 2011 the Executive Board of ThyssenKrupp AG resolved to sell the 49,484,842 treasury shares; this corresponds to 9.6% of the capital stock. The shares were sold in an accelerated bookbuilding process at a price of €32.95 per share to mainly German and international institutional investors on July 07, 2011, leading to a cash inflow of approximately €1.6 million; the related transaction costs of €7 million are accounted for as a deduction from equity.

The presented sales of the treasury sales are based on the authorizations of the Annual General Meeting of January 23, 2009 and January 21, 2010, respectively, resulting in the fact that ThyssenKrupp AG does not any longer hold treasury shares as of September 30, 2011.

Management of capital

As of September 30, 2011, the equity ratio reached 23.8% (2010: 23.8%). Among the ThyssenKrupp Group's most important financial goals are a sustainable appreciation of entity value and ensuring solvency at all times. Creating sufficient liquidity reserves is therefore of great importance. These objectives are achieved by implementing various capital cost reduction and capital structure optimization measures as well as effective risk management.

The ThyssenKrupp Group's financial risks are assessed on the basis of ratings by rating agencies:

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

At Moody's and Fitch ThyssenKrupp's rating has investment grade status. After ThyssenKrupp had been lowered to BB+ by the rating agency Standard & Poor's, to regain the investment grade status is a major target of ThyssenKrupp. For the financing of the ThyssenKrupp Group, an investment grade rating in the "BBB" range leads to an optimum of capital costs. Moreover, it basically ensures access to a broad base of investors. Capital management at ThyssenKrupp is based on debt ratios published by rating agencies, which calculate cash-flow-to-debt ratios periodically. ThyssenKrupp is not subject to statutory capital requirements.

Authorizations

According to Art. 5 Para. 5 of the Articles of Association of ThyssenKrupp AG, the Executive Board is authorized, with the approval of the Supervisory Board, to increase the capital stock on one or more occasions on or before January 18, 2012, by up to €500 million by issuing up to 195,312,500 new no-par shares in exchange for cash and/or contributions in kind (Authorized Capital).

By resolution of the Annual General Meeting on January 23, 2009, the Executive Board is authorized, subject to the approval of the Supervisory Board, to issue bearer bonds with a total par value up to €2 billion and to grant the bond holders the right to convert the bonds into a total of up to €50 million bearer shares of ThyssenKrupp with an arithmetical share in the Company's capital stock of up to €128 million (convertible bonds). The authorization is valid until January 22, 2014.

In addition, by resolution of the Annual General Meeting on January 21, 2010, ThyssenKrupp is authorized through January 20, 2015, to purchase treasury stock for certain defined purposes up to a total of 10% of the capital stock at the time of the resolution. Treasury stock can also be purchased by using equity derivatives (put or call options or a combination of both).

Dividend proposal

The Executive Board and Supervisory Board have agreed to propose to the Annual General Meeting a dividend in the amount of €0.45 per share entitled to dividend to be distributed from unappropriated net income of the stand-alone entity ThyssenKrupp AG for fiscal year 2010/2011 as determined in conformity with the principles of the German Commercial Code (HGB). This would result in a dividend payout of €232 million in total. For fiscal year 2009/2010 a dividend of €0,45 (2008/2009: €0.30) had been paid.

14 Share-based compensation

Management incentive plans

In 2003, ThyssenKrupp implemented a performance based mid-term incentive plan (MTI) which issues stock rights to eligible participants. All Executive Board members of ThyssenKrupp AG are eligible to participate. Starting with the second installment which was issued in 2004, the group of beneficiaries was expanded to include the former segment lead companies as well as several other selected executive employees. As of fiscal year 2010/2011 the previous MTI continues with modified parameters as long-term incentive plan LTI. Besides the Executive Board members of ThyssenKrupp AG and of the business areas, management board members and additional selected executives are plan participants. As of September 30, 2011, 501,607 stock rights were issued in the 7th installment and 355,937 stock rights in the 8th installment of the MTI and 718,710 stock rights in the 1st installment of the LTI.

The number of stock rights issued will be adjusted at the end of each performance period based on the average economic value added (EVA) over the three-year performance period, beginning October 01 of the year the stock rights were granted, compared to the average EVA over the previous three fiscal year period. At the end of the performance period the stock rights will be settled in cash based on the average price of ThyssenKrupp stock during the three month period immediately following the performance period.

To determine the fair value of the stock rights used to calculate the pro-rata liability as of the balance sheet date forward prices of the ThyssenKrupp stock are calculated taking into account partial caps starting in the 3rd installment. The forward calculation is carried out for predefined periods (averaging periods) taking into account the ThyssenKrupp stock price and the Euro interest rate curve as of the balance sheet date and the dividends assumed to be paid until the maturity of the stock rights. The following assumptions were used for the determination of the fair values as of September 30, 2010 and as of September 30, 2011, respectively:

Year ended Sept. 30, 2010

	6th installment MTI	7th installment MTI	8th installment MTI
Maturity	Dec. 31, 2010	Dec. 31, 2011	Dec. 31, 2012
Averaging period	Oct. 01 to Dec. 31, 2010	Oct. 01 to Dec. 31, 2011	Oct. 01 to Dec. 31, 2012
ThyssenKrupp stock price as of balance sheet date	€23.92	€23.92	€23.92
Assumed dividend payment(s) per stock until maturity	—	€0.45 on Jan. 24, 2011	€0.45 on Jan. 24, 2011 €0.50 on Jan. 23, 2012
Average dividend yield	—	1.71%	1.91%
Average interest rate (averaging period)	0.76%	1.32%	1.52%
Fair value as of Sept. 30, 2010			
- without caps	€23.89	€23.42	€22.92
- with caps	€23.89	€23.42	€22.92

Year ended Sept. 30, 2011

	7th installment MTI	8th installment MTI	1st installment LTI
Maturity	Dec. 31, 2011	Dec. 31, 2012	Dec. 31, 2013
Averaging period	Oct. 01 to Dec. 31, 2011	Oct. 01 to Dec. 31, 2012	Oct. 01 to Dec. 31, 2013
ThyssenKrupp stock price as of balance sheet date	€18.55	€18.55	€18.55
Assumed dividend payment(s) per stock until maturity	—	€0.45 on Jan. 23, 2012	€0.45 on Jan. 23, 2012 €0.45 on Jan. 21, 2013
Average dividend yield	—	2.21%	2.34%
Average interest rate (averaging period)	1.26%	1.57%	1.52%
Fair value as of Sept. 30, 2011			
- without caps	€18.50	€18.07	€17.62
- with caps	€18.50	€18.07	€17.62

In the 2nd quarter of 2010/2011, the 6th installment of the MTI expired without any payment due to the decline of the average ThyssenKrupp EVA over the three-year performance period compared to the average ThyssenKrupp EVA over the previous three fiscal year period. In the 2nd quarter of 2009/2010, also the 5th installment of the mid-term incentive plan expired without any payment due to a downtrend of ThyssenKrupp EVA. In total, the Group recorded an expense of €10.5 million from the incentive plans in 2010/2011 (2009/2010: €4.4 million); thereof €0.4 million (2009/2010: €0.2 million) are presented in income/(loss) of discontinued operations. The liability arising from the MTI and LTI amounts to €14.9 million as of September 30, 2011 (2010: €4.4 million).

In February 2006, the Group implemented a Share Purchase Program for selected executive employees who are not beneficiaries of the mid-term incentive plan. Under the Program the beneficiaries are entitled to purchase up to a fixed amount ThyssenKrupp shares at a discount. In March 2008 it was decided to renew the Program for fiscal year 2007/2008. Under the Program, again selected executive employees are entitled to purchase up to a fixed amount ThyssenKrupp shares at a discount. The realization of the new Program was postponed until the fiscal year 2009/2010. After the first tranche of the Group’s Share Purchase Program of fiscal year 2007/2008 had been settled in December 2009, the second tranche of the Group’s Share Purchase Program was settled in March 2010. The Group recorded compensation expense from the Program of €0.9 million in 2009/2010 of which € 0.1 million are presented in income/(loss) of discontinued operations. In September 2010 the renewal of the Program for fiscal year 2009/2010 was decided and in February 2011 it was settled. It resulted in compensation expense of €8.6 million of which 0.4 million are presented in income/(loss) of discontinued operations. As of September 30, 2011 and 2010, respectively, no obligation exists from the Program.

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 each fiscal year will now be converted into ThyssenKrupp AG stock rights to be paid out after a three-year lock-up period. The number of stock rights is calculated by dividing 25% of the performance bonus by the average ThyssenKrupp share price in the 4th quarter of the fiscal year for which the performance bonus is granted. After expiration of three fiscal years, the payout amount is calculated by multiplying the number of stock rights by the average ThyssenKrupp share price in the 4th quarter of the 3rd fiscal year. In addition, for each stock right the dividend amount which would have been paid for these three fiscal years is also paid out. Insofar as the Executive Board members of ThyssenKrupp AG are granted an additional bonus alongside the performance bonus, as in 2009/2010 and 2010/2011, respectively, 55% of this additional bonus will also be converted into stock rights and treated in accordance with the performance bonus model. In the 3rd quarter ended June 30, 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 the expiration of three fiscal years based on the average ThyssenKrupp share price in the 4th quarter of the 3rd fiscal year. The Group recorded expenses of €3 million (2009/2010: €3 million) associated with this compensation component; the resultant obligation as of September 30, 2011 amounts to €6 million (2010: 3).

Employee share purchase program

In the 3rd quarter of 2010/2011, the Group primarily offered eligible members of its domestic workforce the right to purchase up to €270 in ThyssenKrupp shares at a 50% discount as part of an employee share purchase program. The program resulted in the Group recording compensation expense of €6.1 million (2009/2010: €6.1 million); thereof €0.5 million (2009/2010: €0.5 million are presented in income/(loss) of discontinued operations.

15 Accrued pension and similar obligations

million €

	Sept. 30, 2010	Sept. 30, 2011
Accrued pension liability	6,669	6,007
Accrued postretirement obligations other than pensions	1,257	1,080
Other accrued pension-related obligations	285	210
Reclassification due to the presentation as liabilities associated with assets held for sale/disposal	(125)	(357)
Total	8,086	6,940

Accrued pension and similar obligations in the amount of €6,455 million (2010: €7,455 million) have a remaining term of more than 1 year.

Accrued pension liability

The Group maintains defined benefit pension plans and defined contribution plans that cover the majority of the employees in Germany, the USA and Great Britain. In some other countries, eligible employees receive benefits in accordance with the respective local requirements. The obligations resulting from defined benefit pensions plans in Canada as of September 30, 2010 were transferred to insurance companies in 2010/2011.

In Germany, benefits generally take the form of pension payments that are indexed to inflation. Benefits for some senior staff are based on years of service and salary during a reference period, which is generally three years prior to retirement. Other employees receive benefits based on years of service. In addition, ThyssenKrupp offers certain German employees the opportunity to participate in a defined benefit program which allows for the deferral of compensation which earns interest at a rate of 6.00% per year.

In the USA, hourly paid employees receive benefits based on years of service. Salaried employee benefits are typically based on years of service and salary history. In Great Britain, employee benefits are based on years of service and an employee’s final salary before retirement.

Changes in defined benefit obligations and plan assets

The reconciliation of the changes in the defined benefit obligations and the fair value of plan assets are as follows:

million €

	Sept. 30, 2010		Sept. 30, 2011	
	Germany	Outside Germany	Germany	Outside Germany
Change in defined benefit obligations (DBO):				
DBO at beginning of fiscal year	5,712	2,042	6,308	2,356
Service cost	69	31	90	35
Interest cost	287	111	249	102
Participant contributions	0	9	0	10
Past service cost	2	13	0	1
Actuarial (gains)/losses	672	164	(539)	(15)
Acquisitions/(divestitures)	(16)	(34)	(40)	(4)
Curtailments and settlements	0	(1)	0	(273)
Currency differences	0	158	0	40
Benefit payments	(418)	(151)	(415)	(151)
Others	0	14	0	0
DBO at end of fiscal year	6,308	2,356	5,653	2,101
Change in plan assets:				
Fair value of plan assets at beginning of fiscal year	179	1,513	213	1,840
Expected return on plan assets	13	106	13	111
Actuarial gains/(losses)	(6)	66	(18)	(71)
Acquisitions/(divestitures)	(4)	0	(4)	(3)
Employer contributions	31	140	0	130
Participant contributions	0	9	0	10
Settlements	0	0	0	(318)
Currency differences	0	123	0	33
Benefit payments	0	(130)	(12)	(138)
Others	0	13	0	0
Fair value of plan assets at end of fiscal year	213	1,840	192	1,594

As of the balance sheet date, defined benefit obligations related to plans that are wholly unfunded amount to €5,351 million (2010: €6,023 million) and defined benefit obligations that relate to plans that are wholly or partly funded amount to €2,403 million (2010: €2,641 million).

Actual return which amounts to €35 million (2010: €179 million) is calculated as the total of expected return on plan assets and actuarial gains and losses, respectively.

Funded status and net amount recognized

The following represents the funded status of these plans resulting from the difference of defined benefit obligations and fair value of plan assets including a reconciliation to the net amount recognized:

million €

	Sept. 30, 2010		Sept. 30, 2011	
	Germany	Outside Germany	Germany	Outside Germany
Funded status at end of fiscal year	(6,095)	(516)	(5,461)	(507)
Unrecognized past service cost	0	5	0	4
Not recognized as an asset due to asset ceiling	0	(62)	0	(37)
Net amount recognized	(6,095)	(573)	(5,461)	(540)
Amounts recognized in the consolidated balance sheets consist of:				
Other non-financial assets	0	1	0	6
Accrued pension liability	(6,095)	(574)	(5,461)	(546)
Net amount recognized	(6,095)	(573)	(5,461)	(540)

Net periodic pension cost

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

million €

	Year ended Sept. 30, 2010		Year ended Sept. 30, 2011	
	Germany	Outside Germany	Germany	Outside Germany
Service cost	69	31	90	35
Interest cost	287	111	249	102
Expected return on plan assets	(13)	(106)	(13)	(111)
Past service cost	2	7	0	1
Settlement and curtailment loss/(gain)	0	(1)	0	45
Net periodic pension cost	345	42	326	72

The above presented net periodic pension cost for defined benefit plans in the amount of €326 million (2009/2010: €345 million) in Germany and of €72 million (2009/2010: €42 million) outside Germany include €17 million (2009/2010: €17 million) and €1 million (2009/2010: €2 million), respectively, attributable to discontinued operations. These costs are presented in income/(loss) from discontinued operations in the consolidated statement of income.

Assumptions

The assumptions for discount rates and the rates of compensation increase on which the calculation of the obligations are based were derived in accordance with standard principles and established for each country as a function of their respective economic conditions. Discount rates are generally determined based on market yields of high quality corporate bonds in the respective countries with terms corresponding to the estimated terms of the post-employment benefit obligations. The expected return on plan assets is determined based on detailed studies conducted by the plans' third party investment and actuarial advisors. The studies take into consideration the long-term historical returns and the future estimates of long-term investment returns based on the target asset allocation.

The Group applied the following weighted average assumptions to determine benefit obligations:

%

	Sept. 30, 2010		Sept. 30, 2011	
	Germany	Outside Germany	Germany	Outside Germany
Weighted-average assumptions:				
Discount rate	4.10	4.47	5.00	4.41
Expected return on plan assets	6.00	6.73	6.00	6.07
Rate of compensation increase	2.50	1.86	2.50	2.16

Plan assets

In the Group, the majority of reported plan assets associated with the funded pension plans are located in the USA, Great Britain and to a lesser extent in Germany and some other European countries. The Group invests in diversified portfolios consisting of an array of asset classes that attempt to maximize returns while minimizing volatility. The asset classes include national and international stocks, fixed income government and non-government securities and real estate. Plan assets do not include any direct investments in ThyssenKrupp debt securities, equity securities or real estate.

The Group uses professional investment managers to invest plan assets based on specific investment guidelines developed by the plans' Investment Committees. The Investment Committees consist of senior financial management especially from treasury and other appropriate executives. The Investment Committees meet regularly to approve the target asset allocations, and review the risks and performance of the major pension funds and approve the selection and retention of external managers.

The Group's target portfolio structure has been developed based on asset-liability studies that were performed for the major pension funds within the Group.

The pension plan asset allocation and target allocation are as follows:

	Plan assets as of		Target allocation
	Sept. 30, 2010	Sept. 30, 2011	Sept. 30, 2012
Equity securities	35%	36%	30-45%
Debt securities	56%	55%	45-60%
Real estate/other	9%	9%	0-10%
Total	100%	100%	

In general, the Group's funding policy is to contribute amounts to the plans sufficient to meet the minimum statutory funding requirements relevant in the country in which the plan is located. In the USA, certain plans require minimum funding based on collective bargaining agreements. The Group may from time to time make additional contributions at its own discretion. ThyssenKrupp's expected contribution in fiscal year 2011/2012 is €101 million related to its funded plans, all of which is expected to be as cash contributions.

Pension benefit payments

In fiscal year 2010/2011, pension benefit payments to the Group's German and Non-German plans were €415 million (2009/2010: €418 million) and €151 million (2009/2010: €151 million) respectively. The estimated future pension benefits to be paid by the Group's defined benefit pension plans are as follows:

million €

	Germany	Outside Germany
(for fiscal year)		
2011/2012	443	116
2012/2013	427	116
2013/2014	423	117
2014/2015	421	120
2015/2016	420	124
2016/2017-2020/2021	1,993	628
Total	4,127	1,221

Multi-year overview

Amounts recognized for the current and the previous periods for defined benefit pension plans are as follows:

million €

	Sept. 30, 2007	Sept. 30, 2008	Sept. 30, 2009	Sept. 30, 2010	Sept. 30, 2011
Present value of defined benefit obligation	7,931	6,938	7,754	8,664	7,754
Fair value of plan assets	2,077	1,724	1,692	2,053	1,786
Surplus/(deficit) in the plans	(5,854)	(5,214)	(6,062)	(6,611)	(5,968)
Experience adjustments on plan liabilities	(89)	(47)	25	65	(1)
Experience adjustments on plan assets	44	(345)	(23)	60	(89)

Defined Contribution Plans

The Group also maintains domestic and foreign defined contribution plans. Amounts contributed by the Group under such plans are based upon percentage of the employees' salary or the amount of contributions made by the employees. The total cost of pension plans accounted for as defined contribution plans in the current fiscal year was €111 million (2009/2010: €119 million). Thereof, €73 million (2009/2010: €78 million) were related to multi-employer plans. In addition, contributions paid to public/state pension insurance institutions amounted to €666 million (2009/2010: €603 million).

Accrued postretirement obligations other than pensions

The Group provides certain postretirement health care and life insurance benefits to retired employees in the USA who meet certain minimum requirements regarding age and length of service. The plans primarily relate to the retained assets and liabilities of ThyssenKrupp Budd. The plans existing in Canada were settled in cash in fiscal year 2010/2011.

In December 2003, the US government signed into law the Medicare Prescription Drug, Improvement and Modernization Act. This law provides for a federal subsidy to sponsors of retiree health care benefit plans that provide benefit that is at least actuarially equivalent to the benefit established by the law. The Group accounts for these federal subsidies as reimbursement rights in accordance with IAS 19.

Changes in accumulated postretirement benefit obligations and reimbursement rights

The changes in accumulated postretirement benefit obligations and reimbursement rights are as follows:

million €

	Sept. 30, 2010 USA/Canada	Sept. 30, 2011 USA/Canada
Change in accumulated postretirement benefit obligation:		
Accumulated postretirement benefit obligation at beginning of fiscal year	1,040	1,188
Service cost	6	7
Interest cost	58	54
Past service cost	(52)	0
Actuarial (gains)/losses	102	(83)
Curtailments and settlements	0	(115)
Currency differences	81	12
Benefit payments	(47)	(46)
Accumulated postretirement benefit obligation at end of fiscal year	1,188	1,017
Change in reimbursement rights relating to postretirement benefits:		
Fair value of reimbursement rights at beginning of fiscal year	76	94
Expected return on reimbursement rights	5	4
Actuarial gains/(losses)	12	(9)
Currency differences	6	1
Benefit payments	(5)	(2)
Fair value of reimbursement rights at end of fiscal year	94	88

Funded status and net amount recognized

The following represents the funded status of these plans including the reconciliation to the net amount recognized:

million €

	Sept. 30, 2010 USA/Canada	Sept. 30, 2011 USA/Canada
Funded status at end of fiscal year	(1,188)	(1,017)
Unrecognized past service cost	(69)	(63)
Net amount recognized for postretirement obligations other than pensions	(1,257)	(1,080)

Net periodic postretirement benefit cost

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

million €

	Year ended Sept. 30, 2010 USA/Canada	Year ended Sept. 30, 2011 USA/Canada
Service cost	6	7
Interest cost	58	54
Expected return on reimbursement rights	(5)	(4)
Past service cost	(21)	(6)
Settlement and curtailment loss/(gain)	0	(90)
Net periodic postretirement benefit cost	38	(39)

Assumptions

The determination of the accumulated postretirement benefit obligations is based on the following weighted average assumptions:

%

	Sept. 30, 2010 USA/Canada	Sept. 30, 2011 USA/Canada
Weighted-average assumptions:		
Discount rate	4.77	4.75
Health care cost trend rate for the following year	9.78	9.62
Ultimate health care cost trend rate (expected in 2032)	5.00	5.00

The effects of a one-percentage-point increase or decrease in the assumed health care cost trend rates are as follows:

million €

	one-percentage-point	
	Increase	Decrease
Effect on service and interest cost components	8	(6)
Effect on postretirement benefit obligation	139	(114)

Multi-year overview

Amounts recognized for the current and the previous period for postretirement obligations other than pensions are as follows:

million €

	Sept. 30, 2007	Sept. 30, 2008	Sept. 30, 2009	Sept. 30, 2010	Sept. 30, 2011
Present value of defined benefit obligation	893	1,013	1,040	1,188	1,017
Fair value of reimbursement rights	67	83	76	94	88
Surplus/(deficit)	(893)	(1,013)	(1,040)	(1,188)	(1,017)
Experience adjustments on plan liabilities	13	(41)	(1)	11	9
Experience adjustments on reimbursement rights	0	0	1	1	(2)

Other accrued pension related obligations

In particular German companies have obligations resulting from partial retirement agreements. Under these agreements, employees work additional time prior to retirement, which is subsequently paid for in installments after retirement. For these obligations, accruals in the amount of €150 million (2010: €209 million) were recognized in accordance with IAS 19 “Employee Benefits”.

16 Other provisions

million €

	Product warranties and product defects	Other contractual costs	Employee compensation and benefit costs	Restruc-turings	Decom-missioning obligations	Environ-mental obligations	Litigation risks	Other obligations	Total	Additional information: Presentation of disposal groups, discontinued operations
Balance as of Sept. 30, 2010	452	268	557	425	212	32	169	492	2,607	60
Currency differences	0	(1)	(3)	0	0	0	(4)	1	(7)	0
Acquisitions/ (divestitures)	21	(84)	1	(24)	1	0	5	4	(76)	(7)
Additions	144	96	283	16	16	4	46	378	983	3
Accretion	1	6	6	4	21	1	1	3	43	0
Amounts utilized	(62)	(85)	(263)	(134)	(8)	(8)	(31)	(139)	(730)	(1)
Reversals	(72)	(70)	(37)	(86)	(36)	(3)	(66)	(147)	(517)	0
Reclassification due to the presentation as liabilities associated with assets held for sale/disposal	(9)	(20)	(46)	(45)	(14)	(4)	24	(41)	(155)	155
Balance as of Sept. 30, 2011	475	110	498	156	192	22	144	551	2,148	210

As of September 30, 2011, €1,500 million (2010: €1,778 million) of the total of other provisions are current, while €648 million (2010: €829 million) are non-current. Provisions of €625 million (2010: €613 million) have a remaining term of more than 1 year.

Product warranties and product defects represent the Group's responsibility for the proper functioning of the goods sold (product warranty) as well as the obligation that arise from the use of the products sold (product defect).

Provisions for other contractual costs represent pending losses from uncompleted contracts.

Provisions for employee compensation and benefit costs primarily represent employment anniversary bonuses and obligations for the management incentive plans, while social plan and related costs pertaining to personnel related structural measures are reflected in the provision for restructuring activities. Pension related obligations for partial retirement agreements and early retirement programs, partly resulting from restructurings, are part of the provision for pensions and similar obligations.

The provision for restructurings consists of provisions for employee termination benefits and exit costs which have been established by operating divisions for costs incurred in connection with activities which do not generate any future economic benefits for the Group. With the exception of Steel Americas restructurings are being carried out in all business areas. The reversals of restructuring provisions in the fiscal year in the amount of €86 million result from adjustments to the planned restructuring measures due to the finalization of details of the measures during their implementation and to alternative courses of action arising in the fiscal year.

The provision for decommissioning obligations mainly consists of obligations associated with mining activities and recultivating landfills. Obligations associated with mining activities and recultivating landfills are generally handled over long periods of time, in some cases more than 30 years. The technical parameters are very complex. As a result, uncertainty exists with regard to the timing and concrete amount of the expenses.

Provisions for environmental obligations refer primarily to rehabilitating contaminated sites, redevelopment and water protection measures.

17 Financial debt

Carrying amounts in million €

	Sept. 30, 2010	Sept. 30, 2011
Bonds	3,736	3,738
Notes payable	479	779
Liabilities to financial institutions	1,846	1,891
Finance lease liabilities	64	50
Other loans	32	36
Non-current financial debt	6,157	6,494
Bonds	749	0
Liabilities to financial institutions	376	135
Acceptance payables	18	13
Finance lease liabilities	23	18
Other loans	112	12
Current financial debt	1,278	178
Financial debt	7,435	6,672

Current financial debt includes financial debt with a remaining term up to one year, while the non-current financial debt has a remaining term of more than one year.

Financial debt in the amount of €5 million (2010: €100 million) is collateralized by real estate.

As of September 30, 2011, the financial debt reflects a total discount in the amount of €18 million (2010: €24 million), which is offset by a total premium in the amount of €5 million (2010: €8 million). Amortization of discounts and premiums of financial debt is included in "financial income/(expense), net".

In the context of the presentation of disposal groups and discontinued operations financial debt of €480 million (2010: €26 million) were reclassified to the balance sheet line item "liabilities associated with assets held for sale/disposal".

Bonds, Notes payable

	Carrying amount in million € Sept. 30, 2010	Carrying amount in million € Sept. 30, 2011	Notional amount in million € Sept. 30, 2011	Interest rate in %	Fair value in million € Sept. 30, 2011	Maturity Date
ThyssenKrupp Finance Nederland B.V. bond (€1,000 million) 2009/2013	1,006	1,004	1,000	6.750	1,048	02/25/2013
ThyssenKrupp Finance Nederland B.V. bond (€1,000 million) 2009/2016	990	992	1,000	8.500	1,110	02/25/2016
ThyssenKrupp AG bond (€750 million) 2004/2011	749	—	—	5.000	—	03/29/2011
ThyssenKrupp AG bond (€1,000 million) 2009/2014	991	993	1,000	8.000	1,073	06/18/2014
ThyssenKrupp AG bond (€750 million) 2005/2015	749	749	750	4.375	760	03/18/2015
ThyssenKrupp AG note loan (€100 million) 2008/2013	100	100	100	5.150	105	04/15/2013
ThyssenKrupp AG note loan (€150 million) 2008/2013	149	150	150	5.300	158	04/25/2013
ThyssenKrupp AG note loan (€150 million) 2008/2014	150	150	150	5.375	159	05/21/2014
ThyssenKrupp AG note loan (€80 million) 2008/2016	80	80	80	5.710	84	09/15/2016
ThyssenKrupp AG note loan (€50 million) 2011/2016	—	50	50	4.750	52	03/11/2016
ThyssenKrupp AG note loan (€150 million) 2011/2016	—	150	150	4.900	157	03/11/2016
ThyssenKrupp AG note loan (€50 million) 2011/2016	—	50	50	4.750	52	03/29/2016
ThyssenKrupp AG note loan (€50 million) 2011/2016	—	49	50	4.750	48	04/12/2016
Total	4,964	4,517	4,530		4,806	

ThyssenKrupp AG has assumed the unconditional and irrevocable guarantee for the payments pursuant to the terms and conditions of the bond of ThyssenKrupp Finance Nederland B.V.

As of September 30, 2011, the financing structure of liabilities to financial institutions and other loans comprise the following:

Liabilities to financial institutions, Other loans

	Carrying amount in million € Sept. 30, 2010	Carrying amount in million € Sept. 30, 2011	Amount thereof in Euro	Weighted average interest rate % Sept. 30, 2011	Amount thereof in USD	Weighted average interest rate % Sept. 30, 2011	Amount thereof in other currencies	Fair value in million € Sept. 30, 2011
Bilateral credits (at variable interest rates)	—	—	—	—	—	—	—	—
Other credits at variable interest rates	1,236	973	25	2.06	279	1.50	669	973
Credits at fixed interest rates	1,130	1,101	775	5.71	18	2.20	308	1,137
Total	2,366	2,074	800	5.60	297	1.54	977	2,110

As of September 30, 2011, ThyssenKrupp has available a €2.5 billion syndicated joint credit multi-currency-facility agreement. The agreement was fixed in July 2005 and has a term until July 01, 2014. The facility agreement was not utilized as of the balance sheet date.

Another component of financial debt are revolving credit agreements with banking institutions whereby ThyssenKrupp AG, ThyssenKrupp Finance USA, Inc. or ThyssenKrupp Finance Nederland B.V. can borrow in Euros, U.S. dollars or in British pounds Sterling up to €2.2 billion. Of these facilities, 61% have a remaining term of more than 5 years and 39% a remaining term of up to 5 years. As of September 30, 2011, no cash loans were outstanding.

In total the Group has available unused, committed credit lines amounting to €4.7 billion. The ten biggest banks together hold a share of 52%.

The Group's Commercial Paper Program also provides up to €1.5 billion in additional financing. As of September 30, 2011, the program was also not used.

As of the balance sheet date the future minimum lease payments reconcile to their present value (= finance lease liability) as follows:

million €

	Sept. 30, 2010			Sept. 30, 2011		
	Future minimum lease payments	Interest	Present value (finance lease liabilities)	Future minimum lease payments	Interest	Present value (finance lease liabilities)
Not later than one year	29	6	23	23	5	18
Between one and five years	58	13	45	41	12	29
Later than five years	24	5	19	28	7	21
Total	111	24	87	92	24	68

Maturity of financial debt is as follows:

million €

	Total financial debt	thereof: Liabilities to financial institutions
(for fiscal year)		
2011/2012	178	135
2012/2013	1,933	649
2013/2014	1,708	545
2014/2015	955	196
2015/2016	1,468	93
thereafter	430	408
Total	6,672	2,026

18 Trade accounts payable

Trade accounts payable in the amount of €18 million (2010: €45 million) have a remaining term of more than 1 year.

19 Other financial liabilities

million €

	Sept. 30, 2010		Sept. 30, 2011	
	current	non-current	current	non-current
Financial liabilities measured at amortized cost	1,437	0	979	1
Derivatives that do not qualify for hedge accounting	137	—	282	—
Derivatives that qualify for hedge accounting	67	—	96	—
Total	1,641	0	1,357	1

Other financial liabilities amounting to €1 million (2010: €2 million) have a remaining term of more than 1 year.

20 Other non-financial liabilities

million €

	Sept. 30, 2010		Sept. 30, 2011	
	current	non-current	current	non-current
Amounts due to customers for construction work	3,112	—	3,795	—
Advance payments	1,049	—	1,159	—
Selling and buying market related liabilities	798	—	815	—
Liabilities due to put options	13	—	19	—
Liabilities to the employees	793	—	778	—
Liabilities for social security	93	—	100	—
Deferred income	49	—	26	—
Tax liabilities (without income taxes)	329	—	293	—
Other	670	23	347	7
Total	6,906	23	7,332	7

Other non-financial liabilities amounting to €440 million (2010: €347 million) have a remaining term of more than 1 year.

Amounts due to customers for construction work are calculated as follows:

million €

	Sept. 30, 2010	Sept. 30, 2011
Contract costs incurred and recognized contract profits (less recognized losses)	7,086	7,307
Less advance payments received	(10,198)	(11,102)
Total	(3,112)	(3,795)

21 Contingencies and commitments

Contingencies

ThyssenKrupp AG as well as, in individual cases, its subsidiaries have issued or have had guarantees issued in favour of customers 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		Provision as of	
	Sept. 30, 2010	Sept. 30, 2011	Sept. 30, 2010	Sept. 30, 2011
Advance payment bonds	201	320	1	1
Performance bonds	82	106	1	1
Third party credit guarantee	40	45	0	0
Residual value guarantees	45	60	1	2
Other guarantees	45	31	0	0
Total	413	562	3	4

Guarantees include contingent liabilities of associates of €6 million (2010: €0 million) and contingent liabilities of joint ventures of €355 million (2010: €235 million) of.

The terms of these 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, 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. Is such a principal debtor is a company owned fully or partially by a foreign third party, such third party is generally requested to provide additional collateral in a corresponding amount.

ThyssenKrupp bears joint and several liability as a member of certain civil law partnerships, ordinary partnerships and consortiums.

Former stockholders of Thyssen and of Krupp have petitioned per Art. 305 UmwG (Reorganization Act) for a judicial review of the share exchange ratios used in the merger of Thyssen AG and Fried. Krupp AG Hoesch-Krupp to form ThyssenKrupp AG. The proceedings are pending with the Düsseldorf Regional Court. Should a ruling be made in favour of the petitioners, the Court would require settlement to be made via an additional cash payment plus interest. The additional payment also would be required to be made to all affected stockholders, even if they were not petitioners in the judicial proceedings. However, the Group expects no such payments to become due as the exchange ratios were duly determined, negotiated between unrelated parties and audited and confirmed by the auditor that has been appointed by court, and differ only insignificantly from the value ratio determined by the expert appointed by the Düsseldorf Regional Court.

As a result of the integration of Thyssen Industrie AG into Thyssen AG, the Group is defendant to court proceedings from minority stockholders of Thyssen Industrie AG to examine the appropriateness of the merger consideration received. The expert appointed by Dortmund district court determined a slightly different exchange ratio. The Company continues to assume that there will be no subsequent payment to former stockholders of Thyssen Industrie AG. However, if the court rules that the consideration offered was inappropriate, the increased consideration will be granted to all outside stockholders by an additional cash payment.

In 2007 the EU Commission imposed a fine totaling €480 million on ThyssenKrupp AG, ThyssenKrupp Elevator AG and ThyssenKrupp's elevator companies. The companies were accused of involvement in anti-competitive agreements relating to elevators and escalators at national level in the Benelux countries and Germany. ThyssenKrupp appealed against the EU Commission's decision. In its judgment of July 13, 2011 the European Court of First Instance reduced the fine by around €160 million to €320 million. In the Court's opinion, the Commission had incorrectly regarded the established anti-trust violations as repeat offenses. This had caused the Commission to increase the fine by 50%.

In connection with these anti-trust violations, claims for damages have been filed against companies of the Elevator Technology business area. The validity of these claims is being examined.

From May 2011, the offices of Group company ThyssenKrupp GfT Gleistechnik GmbH and other companies in the rail industry were searched by the German Federal Cartel Office and the Bochum public prosecution office. The searches were in connection with the allegation that several employees of ThyssenKrupp GfT Gleistechnik GmbH were involved in anti-competitive agreements in relation to deliveries to Deutsche Bahn AG and other customers in the so-called "private market". During the internal investigations into the matter begun directly with the searches, several employees admitted their involvement in such agreements. ThyssenKrupp GfT Gleistechnik GmbH is cooperating fully with the Federal Cartel Office and the public prosecution office. ThyssenKrupp does not tolerate anti-trust violations. It is not yet possible at the reporting date to estimate the amount of any fine. As well as a fine by the Federal Cartel Office, it must be expected that customers may file claims for damages. Concrete claims for damages have not yet been filed.

In addition ThyssenKrupp is involved in pending and threatened litigation in connection with the purchase and sale of certain companies, which may lead to partial repayment of 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. However, at present ThyssenKrupp does not expect pending lawsuits not explained separately in this section to have a major negative impact on the financial position.

Commitments and other contingencies

The Group is the lessee to property, plant and equipment classified as operating leases. Rental expense amounting to €329 million (2009/2010: €312 million) resulting from rental contracts, long-term leases and leasing contracts classified as operating leases was incurred in fiscal 2010/2011. It comprises as follows:

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Minimum rental payments	310	329
Contingent rental payments	2	0
less income from sublease agreements	0	0
Total	312	329

The future minimum rental payments, excluding accrued interest from such non-cancellable contracts that have an initial or remaining term of more than one year as of the balance sheet date are (at face amounts):

million €

	Sept. 30, 2010	Sept. 30, 2011
Not later than one year	228	226
Between one and five years	523	526
Later than five years	315	234
Total	1,066	986

The future minimum rental income from non-cancelable sublease contracts amounting to €2 million (2009/2010: €2 million) is not included in the total of future minimum rental payments.

The commitment to enter into investment projects amounts to €922 million (2010: €1,276 million) as of September 30, 2011 and relates mainly to property, plant and equipment of the Steel Europe, Steel Americas, Stainless Global and Components Technology business areas.

Payment commitments and obligations to make further contributions to corporations and cooperative associations exist in the total amount of €3 million (2010: €3 million). In addition, other financial commitments exist in the amount of €5,033 million (2010: €3,931 million), primarily from the commitments to purchase coking coal, coal and lime under long term supply contracts and obligations under ship-charter contracts in the Steel Europe and Steel Americas business areas as well as purchasing commitments resulting from the Group's electricity and gas supply contracts. In addition, in the Steel Europe and Steel Americas business areas long term iron ore and iron ore pellets supply contracts exist which will result in purchasing commitments over a period of up to 13 years. Due to the high volatility of iron ore prices, the measurement of the complete purchasing commitments is based on the iron ore price as of the current balance sheet date resulting in purchasing commitments of €28,425 million in total.

Based on the risk bearing ability of the Group or the Group companies, there exist adequate deductibles in the various classes of insurance. One or more damages at these units could noticeably impact the Group's net assets, financial position and results of operations.

22 Financial instruments

The following table shows financial assets and liabilities by measurement categories and classes. Finance lease receivables and liabilities, and derivatives that qualify for hedge accounting are also included although they are not part of any IAS 39 measurement category.

million €

	Carrying amount on balance sheet Sept. 30, 2010	Measurement in accordance with IAS 39			Measurement in accordance with IAS 17	Fair value Sept. 30, 2010
		(Amortized) cost	Fair value recognized in profit or loss	Fair value recognized in equity	Amortized cost	
Trade accounts receivable, net (excluding finance lease)	5,877	5,877				5,877
Loans and receivables		5,877				5,877
Finance lease receivables	5				5	5
Other financial assets	812	467	176	169		812
Loans and receivables		406				406
Available-for-sale financial assets		61		19		80
Derivatives that do not qualify for hedge accounting (Financial assets held for trading)			172			172
Derivatives that qualify for hedge accounting			4	150		154
Cash and cash equivalents	3,380	3,380				3,380
Loans and receivables		3,380				3,380
Total of financial assets	10,074					
thereof by measurement categories of IAS 39:						
Loans and receivables	9,663	9,663				9,663
Available-for-sale financial assets	80	61		19		80
Derivatives that do not qualify for hedge accounting (Financial assets held for trading)	172		172			172
Financial debt (excluding finance lease)	7,348	7,348				7,862
Financial liabilities measured at amortized cost		7,348				7,862
Finance lease liabilities	87				87	87
Trade accounts payable	5,411	5,411				5,411
Financial liabilities measured at amortized cost		5,411				5,411
Other financial liabilities	1,641	1,437	138	66		1,641
Financial liabilities measured at amortized cost		1,437				1,437
Derivatives that do not qualify for hedge accounting (Financial liabilities held for trading)			137			137
Derivatives that qualify for hedge accounting			1	66		67
Total of financial liabilities	14,487					
thereof by measurement categories of IAS 39:						
Financial liabilities measured at amortized cost	14,196	14,196				14,710
Derivatives that do not qualify for hedge accounting (Financial liabilities held for trading)	137		137			137

million €

	Carrying amount on balance sheet Sept. 30, 2011	Measurement in accordance with IAS 39 (Amortized) cost	Fair value recognized in profit or loss	Fair value recognized in equity	Measurement in accordance with IAS 17 Amortized cost	Fair value Sept. 30, 2011
Trade accounts receivable, net (excluding finance lease)	5,055	5,055				5,055
Loans and receivables		5,055				5,055
Finance lease receivables	4				4	4
Other financial assets	649	417	137	95		649
Loans and receivables		370				370
Available-for-sale financial assets		47		13		60
Derivatives that do not qualify for hedge accounting (Financial assets held for trading)			137			137
Derivatives that qualify for hedge accounting			0	82		82
Cash and cash equivalents	3,230	3,230				3,230
Loans and receivables		3,230				3,230
Total of financial assets	8,938					
thereof by measurement categories of IAS 39:						
Loans and receivables	8,655	8,655				8,655
Available-for-sale financial assets	60	47		13		60
Derivatives that do not qualify for hedge accounting (Financial assets held for trading)	137		137			137
Financial debt (excluding finance lease)	6,604	6,604				6,929
Financial liabilities measured at amortized cost		6,604				6,929
Finance lease liabilities	68				68	68
Trade accounts payable	4,807	4,807				4,807
Financial liabilities measured at amortized cost		4,807				4,807
Other financial liabilities	1,358	980	282	96		1,358
Financial liabilities measured at amortized cost		980				980
Derivatives that do not qualify for hedge accounting (Financial liabilities held for trading)			282			282
Derivatives that qualify for hedge accounting			0	96		96
Total of financial liabilities	12,837					
thereof by measurement categories of IAS 39:						
Financial liabilities measured at amortized cost	12,391	12,391				12,716
Derivatives that do not qualify for hedge accounting (Financial liabilities held for trading)	282		282			282

The carrying amounts of trade accounts receivable, other current receivables as well as cash and cash equivalents equal their fair values. The fair value of fixed rate loans equals the present value of expected cash flows which are discounted on the basis of interest rates prevailing on the balance sheet date.

Available-for-sale financial assets primarily include equity and debt instruments. They are in general measured at fair value, which is based to the extent available on market prices as of the balance sheet date. When no quoted market prices in an active market are available and the fair value cannot be reliably measured, available-for-sale financial assets are measured at cost.

The fair value of foreign currency forward transactions is determined on the basis of the middle spot exchange rate applicable as of the balance sheet date, and taking account of forward premiums or discounts arising for the respective remaining contract term compared to the contracted forward exchange rate. Common methods for calculating option prices are used for foreign currency options. The fair value of an option is influenced not only by the remaining term of an option, but also by other factors, such as current amount and volatility of the underlying exchange or base rate.

Interest rate swaps and cross currency swaps are measured at fair value by discounting expected cash flows on the basis of market interest rates applicable for the remaining contract term. In the case of cross currency swaps, the exchange rates for each foreign currency, in which cash flows occur, are also included.

The fair value of commodity futures is based on published price quotations. It is measured as of the balance sheet date, both internally and by external financial partners.

The carrying amounts of trade accounts receivable and other current liabilities equal their fair values. The fair value of fixed rate liabilities equals the present value of expected cash flows. Discounting is based on interest rates applicable as of the balance sheet date. The carrying amounts of floating rate liabilities equal their fair values.

Financial assets and liabilities measured at fair value could be categorized in the following three level fair value hierarchy:

million €

	Balance as of Sept. 30, 2010	Level 1	Level 2	Level 3
Financial assets at fair value				
Fair value recognized in profit or loss				
Derivatives that do not qualify for hedge accounting (Financial assets held for trading)	172	0	172	0
Derivatives that qualify for hedge accounting	4	0	4	0
Fair value recognized in equity				
Available-for-sale financial assets	19	16	3	0
Derivatives that qualify for hedge accounting	150	0	150	0
Total	345	16	329	0
Financial liabilities at fair value				
Fair value recognized in profit or loss				
Derivatives that do not qualify for hedge accounting (Financial assets held for trading)	137	0	137	0
Derivatives that qualify for hedge accounting	1	0	1	0
Fair value recognized in equity				
Derivatives that qualify for hedge accounting	66	0	66	0
Total	204	0	204	0

million €

	Balance as of Sept. 30, 2011	Level 1	Level 2	Level 3
Financial assets at fair value				
Fair value recognized in profit or loss				
Derivatives that do not qualify for hedge accounting (Financial assets held for trading)	137	0	137	0
Derivatives that qualify for hedge accounting	0	0	0	0
Fair value recognized in equity				
Available-for-sale financial assets	13	11	2	0
Derivatives that qualify for hedge accounting	82	0	82	0
Total	232	11	221	0
Financial liabilities at fair value				
Fair value recognized in profit or loss				
Derivatives that do not qualify for hedge accounting (Financial assets held for trading)	282	0	282	0
Derivatives that qualify for hedge accounting	0	0	0	0
Fair value recognized in equity				
Derivatives that qualify for hedge accounting	96	0	96	0
Total	378	0	378	0

The fair value hierarchy reflects the significance of the inputs used to determine fair values. Financial instruments with fair value measurement based on quoted prices in active markets are disclosed in Level 1. In Level 2 determination of fair values is based on observable inputs, e.g. foreign exchange rates. Level 3 comprises financial instruments for which the fair value measurement is based on unobservable inputs.

The following table shows net gains and losses from financial instruments by measurement categories. Gains or losses arising from finance lease and from derivatives that qualify for hedge accounting are not included, as they are not part of any IAS 39 measurement category.

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Loans and receivables	576	409
Available-for-sale financial assets	98	38
Derivatives that do not qualify for hedge accounting (Financial assets/liabilities held for trading)	(19)	44
Financial liabilities measured at amortized cost	(514)	(633)

Net gains under “loans and receivables” mainly comprises interest on financial receivables and gains and losses on foreign currency receivables.

The category “available-for-sale financial assets” mainly includes current earnings from equity and debt instruments, gains or losses on their disposal as well as impairments.

Gains and losses arising from changes in fair value of foreign currency, interest rate and commodity derivatives that do not comply with the hedge accounting requirements under IAS 39 are included in the “derivatives that do not qualify for hedge accounting” category.

The category “financial liabilities measured at amortized cost” mainly comprises of interest expenses on financial liabilities, gains and losses on foreign currency liabilities as well as income resulting from capitalized borrowing cost.

Included in net gains and loses are exchange differences of €130 million (2009/2010: €158 million).

Derivative financial instruments

The Group uses various derivative financial instruments, including foreign currency forward contracts, foreign currency options, interest rate swaps, cross currency swaps and commodity forward contracts. Derivative financial instruments are generally used to hedge existing or anticipated underlying transactions so as to reduce foreign currency, interest rate and commodity price risks.

The following table shows the notional amounts and fair values of derivatives used within the Group:

million €

	Notional amount Sept. 30, 2010	Carrying amount Sept. 30, 2010	Notional amount Sept. 30, 2011	Carrying amount Sept. 30, 2011
Assets				
Foreign currency derivatives that do not qualify for hedge accounting	3,240	115	2,275	68
Foreign currency derivatives qualifying as cash flow hedges	1,286	93	2,026	63
Embedded derivatives	128	6	128	5
Interest rate derivatives that do not qualify for hedge accounting*	20	1	0	0
Interest rate derivatives qualifying as cash flow hedges*	0	0	299	5
Interest rate derivatives qualifying as fair value hedges	987	3	0	0
Commodity derivatives that do not qualify for hedge accounting	393	50	400	64
Commodity derivatives qualifying as cash flow hedges	123	57	111	14
Commodity derivatives qualifying as fair value hedges	20	1	0	0
Total	6,197	326	5,239	219
Liabilities				
Foreign currency derivatives that do not qualify for hedge accounting	1,890	73	5,062	235
Foreign currency derivatives qualifying as cash flow hedges	1,038	30	357	38
Embedded derivatives	94	5	70	2
Interest rate derivatives that do not qualify for hedge accounting*	0	0	0	0
Interest rate derivatives qualifying as cash flow hedges*	752	34	750	35
Interest rate derivatives qualifying as fair value hedges	0	0	0	0
Commodity derivatives that do not qualify for hedge accounting	408	59	287	45
Commodity derivatives qualifying as cash flow hedges	10	2	97	23
Commodity derivatives qualifying as fair value hedges	20	1	0	0
Total	4,212	204	6,623	378

* inclusive of cross currency swaps

Derivatives that qualify for hedge accounting

Hedge accounting in accordance with IAS 39 is used to hedge foreign currency risks of firm commitments, future receivables and liabilities denominated in foreign currency, commodity price risks arising from sales and purchase transactions, and interest rate risks from non-current financings.

Cash flow hedges

Cash flow hedges are mainly used to hedge future cash flows against foreign currency and commodity price risks arising from future sales and purchase transactions as well as interest rate risks from non-current liabilities. These derivatives are measured at fair value, divided into an effective and ineffective portion. Until realization of the hedged underlying transaction, the effective portion of fluctuations in fair value of these derivatives is recognized directly in equity in the cumulative other comprehensive income position, while the ineffective portion is recognized in profit or loss. The cumulative gain or loss recognized in equity is reclassified to profit or loss in the same period during which the future underlying transactions (hedged items) affect profit or loss. As of 30 September 2011, hedging instruments with positive fair value totaled €82 million (2010: €150 million) and those with negative fair value totaled €96 million (2010: €66 million). For the 2010/2011 fiscal year, €1 million (2009/2010: €97 million) (before tax) in unrealized gains or losses have been recognized directly in equity in the cumulative other comprehensive income position. Cash flows from future transactions are currently hedged for a maximum of 60 months.

During the current fiscal year, €(2) million (2010: €(6) million) of cumulative other comprehensive income were reclassified to sales in profit or loss as a result of the underlying transactions being realized during the year. €(0.4) million (2010: 0) thereof are included in discontinued operations. In addition, €74 million (2010: €102 million), thereof €4 million (2010: €2 million) in discontinued operations, of cumulative other comprehensive income were reclassified to decrease cost of inventories, as the hedged commodities were recognized, although the underlying transaction had not yet been taken to profit or loss. This resulted in decreased expenses of €93 million, thereof €5 million in discontinued operations, in 2010/2011 an expense of €19 million, thereof €1 million in discontinued operations, of that reclassified amount is expected to impact earnings in the subsequent fiscal year. Furthermore, €5 million (2010: €121 million) of cumulative other comprehensive income were reclassified and decreased (2010: increased) cost of property, plant and equipment. Thereof expenses of €0.2 million impacted earnings in 2010/2011. In addition, €0.2 million of that reclassified amount is expected to impact earnings in 2011/2012, €4.4 million in subsequent fiscal years.

As of September 30, 2011, net income from the ineffective portions of derivatives classified as cash flow hedges totaled €(23) million (2009/2010: €11 million).

The cancellation of cash flow hedges during the current fiscal year resulted in earnings of 0 (2009/2010: €(4) million) due to reclassification from cumulative other comprehensive income. These fluctuations in fair value of derivatives originally recognized in equity were reclassified to profit or loss when the hedged underlying transaction was no longer probable to occur.

In the subsequent fiscal year fluctuations in fair value of derivatives included in cumulative other comprehensive income as of the reporting date is expected to impact earnings by income of €72 million. During the 2012/2013 fiscal year, earnings are expected to be impacted by income of €2 million, during the 2013/2014 fiscal year by expenses of €8 million and during the following fiscal years by expenses of €50 million.

Fair value hedges

Fair value hedges are mainly used to hedge the exposure to changes in fair value of a firm commitment and exposure to inventory price risks as well as to hedge interest rate risks. These commodity and interest rate derivatives are measured at fair value. The carrying amounts of the corresponding underlying transactions are adjusted for the change of the fair values of the hedged risks. As of September 30, 2011, hedging instruments with positive fair value totalled 0 (2010: €4 million) and those with negative fair value totalled 0 (2010: €1 million). Fluctuations in fair value are recognized immediately in profit or loss under sales, cost of sales or financial income/(expense), net, depending on the type of underlying transaction. During the fiscal year, income/(expense), net from the measurement of fair value hedging instruments totalled €1 million (2009/2010: 0), while income/(expense), net from the corresponding underlying transactions during the same period amounted to €(1) million (2009/2010: 0).

Derivates that do not qualify for hedge accounting

If a hedging relationship does not meet the requirements for hedge accounting in accordance with the conditions under IAS 39, the derivative financial instrument is recognized as a derivative that does not qualify for hedge accounting. The resulting impact on profit or loss is shown in the table on net gains and losses from financial instruments by measurement categories. This item also includes embedded derivatives. They exist in the ThyssenKrupp Group in the way that regular supply and service transactions with suppliers and customers abroad are not concluded in the functional currency (local currency) of either contracting parties.

Financial risks

The management of ThyssenKrupp AG has implemented a risk management system that is monitored by the Supervisory Board. The general conditions for compliance with the requirements for proper and future-oriented risk management within the ThyssenKrupp Group are set out in the risk management principles. These principles aim at encouraging all Group members of staff to responsibly deal with risks as well as supporting a sustained process to improve risk awareness. The Group guideline on risk management and other Group guidelines specify risk management processes, compulsory limitations, and the application of financial instruments. The risk management system aims at identifying, analyzing, managing, controlling and communicating risks promptly throughout the Group. ThyssenKrupp Group's risk environment is updated at least twice a year by carrying out a risk inventory in all Group companies. The results of the risk inventory process are communicated to both ThyssenKrupp AG's Executive Board and the Supervisory Board's audit committee. Risk management reporting is a continuous process and part of regular Group reporting. Group guidelines and information systems are checked regularly and adapted to current developments. In addition, the internal auditing department regularly checks whether Group companies comply with risk management system requirements.

Being a global Group, ThyssenKrupp is exposed to credit, liquidity and market risks (foreign currency, interest rate and commodity price risks) during the course of ordinary activities. The aim of risk management is to limit the risks arising from operating activities and associated financing requirements by applying selected derivate and non-derivative hedging instruments.

Credit risk (counterparty default risk)

To the Group, financial instruments bear default risk resulting from one party's possible failure to meet its payment obligations, with the maximum default risk being equal to the positive fair value of the respective financial instrument. During crises, default risks take on greater significance; we are managing them very carefully by our business policy. In order to minimize default risk, the ThyssenKrupp Group only enters into financial instruments for financing purposes with contracting parties that have a very good credit standing or are members of a deposit protection fund. For further risk minimizing transactions are concluded in compliance with specified risk limits. In the operative area, receivables and default risks are monitored by Group companies on an ongoing basis and partially covered by merchandise credit insurance. Risks arising from the delivery of goods to major customers are subject to a special credit watch. In addition, letters of credit and indemnity bonds are used to hedge receivables from major customers. However, receivables from these contracting parties do not reach levels that would result in extraordinary risk concentrations. Default risk is taken into account by valuation allowances.

Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its existing or future obligations due to insufficient availability of cash or cash equivalents. Managing liquidity risk, and therefore allocating resources and hedging the Group's financial independence, are some of the central tasks of ThyssenKrupp AG. In order to be able to ensure the Group's solvency and financial flexibility at all times, long-term credit limits and cash and cash equivalents are reserved on the basis of perennial financial planning and monthly rolling liquidity planning. Cash pooling and external financing focus primarily on ThyssenKrupp AG and specific financing companies. Despite the partially still difficult market environment as a consequence of the financial crisis and the current debt crisis of some countries, our financing is also secured for the next fiscal year.

Cash pooling and external financing focus primarily on ThyssenKrupp AG and specific financing companies. Funds are provided internally to Group companies according to need.

The following table shows future undiscounted cash outflows from financial liabilities based on contractual agreements:

million €

	Carrying amount Sept. 30, 2010	Cash flows in 2010/2011	Cash flows in 2011/2012	Cash flows between 2012/2013 and 2014/2015	Cash flows after 2014/2015
Bonds	4,485	1,053	265	3,331	1085
Liabilities to financial institutions	2,222	436	321	1,336	357
Finance lease liabilities	87	30	24	33	24
Other financial debt	641	166	29	461	95
Trade accounts payable	5,411	5,366	33	8	4
Derivative financial liabilities that do not qualify for hedge accounting	137	123	6	8	0
Derivative financial liabilities that qualify for hedge accounting	67	42	9	12	0
Other financial liabiltities	1,437	1,389	2	0	0

million €

	Carrying amount Sept. 30, 2011	Cash flows in 2011/2012	Cash flows in 2012/2013	Cash flows between 2013/2014 and 2015/2016	Cash flows after 2015/2016
Bonds	3,738	265	1,269	3,135	0
Liabilities to financial institutions	2,026	262	779	1,040	553
Finance lease liabilities	68	23	13	28	28
Other financial debt	840	68	296	606	16
Trade accounts payable	4,807	4,789	4	11	3
Derivative financial liabilities that do not qualify for hedge accounting	282	238	35	9	0
Derivative financial liabilities that qualify for hedge accounting	96	62	9	21	0
Other financial liabiltities	980	978	2	0	0

Cash flows from derivatives are offset by cash flows from hedged underlying transactions, which have not been considered in the analysis of maturities. If cash flows from the hedged underlying transactions were also considered, the cash flows shown in the table would be accordingly lower.

Market risks

Market risk is the risk that fair values or future cash flows of non-derivative or derivative financial instruments will fluctuate due to changes in risk factors. Among market risks relevant to ThyssenKrupp are foreign currency, interest rate, commodity price, and especially raw material price risks. Associated with these risks are fluctuations in income, equity and cash flow. The objective of risk management is to eliminate or limit emerging risks by taking appropriate precautions, especially by applying derivatives. The application of derivatives is subject to strict controls set up on the basis of guidelines as part of regular reporting. The Group primarily concludes over-the-counter (OTC) forward foreign currency transactions, interest rate swaps, cross currency derivatives and commodity forward contracts with banks and trading partners. In addition, exchange-traded futures are used to hedge commodity prices.

The following analysis and amounts determined by means of sensitivity analyses represent hypothetical, future-oriented data that can differ from actual outcomes because of unforeseeable developments in financial markets. Moreover, non-financial or non-quantifiable risks, such as business risks, are not considered here.

Foreign currency risk exposures

The international nature of our business activities generates numerous cash flows in different currencies – especially in US dollars. Hedging the resulting currency risk exposures is an essential part of our risk management.

Group-wide regulations form the basis for ThyssenKrupp Group's currency management. Principally, all group companies are obliged to hedge foreign currency positions at the time of inception. Affiliated companies based in the Euro zone are obliged to submit all unhedged positions from trade activities in major transaction currencies to a central clearing office. Depending on the derivatives' hedging purpose and resulting accounting treatment, the offered positions are either hedged under a portfolio hedge approach or directly hedged with banks on a back-to-back basis taking into account the respective maturity. Financial transactions and the transactions undertaken by our subsidiaries outside the Euro zone are hedged in close cooperation with central Group management. Compliance with the Group's requirements is regularly ascertained by our Corporate Center Internal Auditing.

Foreign currency hedging is used to fix prices on the basis of hedging rates as protection against any unfavorable exchange rate fluctuations in the future. When hedging anticipated production-related ore, coal and coke purchases, favorable developments in the Euro/US dollar exchange rate are also systematically exploited.

Hedging periods are generally based on the maturities of underlying transactions. Foreign currency derivative contracts usually have maturities of twelve months or less, but can also be significantly longer in exceptional cases. The hedging periods for forecasted ore, coal and coke purchases have been established on the basis of a theoretical fair exchange rate (based on purchasing power parity) and the margin of fluctuation between the US dollar and the Euro based on historical data. In accordance with a set pattern, purchases forecasted for a specific period are hedged whenever defined hedging rates are reached.

The US dollar is the only relevant risk variable for sensitivity analyses under IFRS 7, as the vast majority of foreign currency cash flows occurs in US dollars. As hedging transactions are generally used to hedge underlying transactions, opposite effects in underlying and hedging transactions are almost entirely offset over the total period. Thus, the currency risk exposure described here results from hedging relationships with off-balance sheet underlying transactions, i.e. hedges of firm commitments and forecasted sales. Based on our analysis, the US dollar exposure as of September 30, 2011 was as follows:

If the Euro had been 10% stronger against the US dollar as of September 30, 2011, the hedge reserve in equity and fair value of hedging transactions would have been €170 million (2010: €118 million) lower and earnings resulting from the measurement as of the balance sheet date €88 million (2009/2010: €125 million) higher. If the Euro had been 10% weaker against the US dollar as of September 30, 2011, the hedge reserve in equity and fair value of hedging transactions would have been €206 million (2010: €145 million) higher and earnings resulting from the measurement as of the balance sheet date €106 million (2009/2010: €151 million) lower.

Interest rate risk

Due to the international focus of ThyssenKrupp's business activities, the Group procures liquidity to cover its financial needs in international money and capital markets in different currencies and with various maturities. Some of the resulting financial debt and financial investments are exposed to interest rate risk. The Group's central interest rate management manages and optimizes interest rate risk. This includes regular interest analyses. In some cases, the Group uses derivatives to hedge interest rate risk. These instruments are contracted with the objective of minimizing interest rate volatilities and finance costs for underlying transactions.

The major part of the interest derivatives is immediately and directly allocated to particular financings as cash flow or fair value hedges. These are derivatives that qualify for hedge accounting. A small part of the interest derivatives is not specifically allocated to an individual financing but hedges a portfolio of individual loans using a macro hedge approach.

Cross currency swaps have been contracted primarily in connection with the US dollar financing activities.

Interest rate instruments can result in cash flow risks, opportunity effects, as well as interest rate risks affecting the balance sheet and earnings. Refinancing and variable-rate financial instruments are subject to cash flow risk which expresses the uncertainty of future interest payments. Cash flow risk is measured by means of cash flow sensitivity. Opportunity effects arise from non-derivatives, as these are measured at amortized cost rather than fair value, in contrast to interest derivatives. This difference, the so-called opportunity effect, affects neither the balance sheet nor the statement of income. On-balance sheet interest rate risks affecting equity result from the measurement of interest derivatives qualifying as cash flow hedges. Interest rate risks affecting earnings arise from the remaining interest rate derivatives not qualifying for hedge accounting. Opportunity effects and interest rate risks affecting the balance sheet and earnings are determined by calculating fair value sensitivity analyses and changes.

As of September 30, 2011, a +100/(20) basis point parallel shift in yield curves is assumed for all currencies in interest analyses. In fiscal year 2008/2009 the parallel downward shift was reduced to (20) basis points to consider the reduced interest level as a result of the financial crisis and to avoid negative interest rates. Due to the still relatively low interest level this approach is also maintained for the current analysis. The analysis results in the opportunities (positive values) and risks (negative values) shown in the following table:

million €

	Changes in all yield curves as of Sept. 30, 2011 by	
	+ 100 basis points	(20) basis points
Cash flow risk	26	(5)
Opportunity effects	164	(34)
Interest rate risks resulting from interest rate derivatives affecting balance sheet	(1)	0
Interest rate risks resulting from interest rate derivatives affecting earnings	0	0

In the previous year the analysis resulted in the opportunities (positive values) and risks (negative values) shown in the following table:

million €

	Changes in all yield curves as of Sept. 30, 2010 by	
	+ 100 basis points	(20) basis points
Cash flow risk	27	(5)
Opportunity effects	203	(42)
Interest rate risks resulting from interest rate derivatives affecting balance sheet	2	0
Interest rate risks resulting from interest rate derivatives affecting earnings	0	0

If, as of September 30, 2011, all yield curves combined had been 100 basis points higher, the hedge reserve in equity and fair value of the relevant interest derivatives would have been €1 million lower (2010: €2 million higher) and earnings resulting from the measurement as of the balance sheet date €26 million (2009/2010: €27 million) higher. If, as of September 30, 2011, all yield curves combined had been 20 basis points lower, the hedge reserve in equity and fair value of the relevant interest derivatives would have been unchanged as in the previous year and earnings resulting from the measurement as of the balance sheet date €5 million (2009/2010: €5 million) lower.

Commodity price risks

The Group uses various nonferrous metals, especially nickel, as well as commodities such as ore, coal, coke and energy, for different production processes. Purchase prices for commodities and energy can vary significantly depending on market conditions. This causes commodity price risks which can affect income, equity and cash flow. We react with adjusted selling prices and alternative purchasing resources to ensure our competitiveness. To minimize risks arising from commodity price volatilities, the Group also uses derivatives, especially for nickel and copper. The contracting of such financial derivatives is subject to strict guidelines which are checked for compliance by internal auditing. The nonferrous metals are generally hedged by a central system. Only marketable instruments are used, as there are mainly commodity forward contracts. Commodity forward contracts are measured at fair value. Fluctuations in fair value are recognized predominately in profit or loss under sales revenue or cost of sales. Sometimes cash flow hedge accounting is used when commodity derivatives are immediately and directly allocated to a particular firm commitment. In some cases, fair value hedges are used to hedge the exposure to changes in fair value of a firm commitment and exposure to inventory price risks.

Risks resulting from rising energy prices are limited by structuring procurement on the electricity market and concluding or extending long-term natural gas contracts. These contracts are subject to the so-called “own use exemption” and therefore not carried as derivatives.

Only hypothetical changes in market prices for derivatives are included in scenario analysis, required for financial instruments under IFRS 7. Offsetting effects from underlying transactions are not taken into account and would reduce their effect significantly.

As of September 30, 2011 a +20/(20)% shift in market prices for commodities is assumed. The prior year assumptions of market prices at production cost level of important manufacturers respectively historical peak market prices have been replaced by this shift in market prices which seems to be more probable. If an increase of 20% (2009/2010: 142%) in market prices for said commodities is assumed, the estimated hypothetical impact on profit or loss resulting from the measurement as of the balance sheet date is 0 (2009/2010: €(200) million), and on equity €(9) million (2010: €113 million). If a decrease of 20% (2009/2010: 78%) in market prices for said commodities is assumed, the estimated hypothetical impact on profit or loss resulting from the measurement as of the balance sheet date is €65 million (2009/2010: €142 million), and on equity €(46) million (2010: €(50) million).

23 Related parties

Based on the notification received in accordance with German Securities Trade Act (WpHG) Art. 21 as of December 21, 2006, the Alfried Krupp von Bohlen und Halbach Foundation holds an interest of 25.10% in ThyssenKrupp AG; based on a voluntary notification of the Foundation as of October 05, 2011, the interest in ThyssenKrupp AG amounts to 25.33% as of September 30, 2011. Outside the services and considerations provided for in the by-laws (Article 21 of the Articles of Association of ThyssenKrupp AG), there are no other significant delivery and service relations except for the following transactions. In 2006/2007, a Group subsidiary received a €2 million elevator modernization contract from an entity belonging to the Alfried Krupp von Bohlen und Halbach Foundation. Based on this contract, a Group subsidiary realized sales of €0.1 million in 2009/2010.

In 2009/2010 and 2010/2011, the Group has business relations with non-consolidated subsidiaries, associates and joint ventures. Transactions with these related parties result from the delivery and service relations in the ordinary course of business; the extent of the business relations is presented in the following table:

million €

	Sales		Supplies and services		Receivables		Payables	
	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011	Sept. 30, 2010	Sept. 30, 2011	Sept. 30, 2010	Sept. 30, 2011
Non-consolidated subsidiaries	1	1	0	1	2	1	1	2
Associates	54	56	1	36	43	29	31	27
Joint ventures	241	296	1,300	2,222	62	71	178	248

ESG Legierungen GmbH is classified as a related party due to the fact that a close member of the family of a former Executive Board member and current Supervisory Board member of ThyssenKrupp AG is a managing director. In 2010/2011 the Group realized sales of €0.5 million (2009/2010: €0.7 million) with ESG Legierungen GmbH from the sale of zinc. In the same period the Group did not purchase any goods from ESG (2009/2010: Purchase of zinc alloy with a value of €0.1 million). The transactions were carried out at market conditions and resulted in trade accounts receivable of €45 thousand (2010: trade accounts payable of €90 thousand) as of September 30, 2011.

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 2010/2011 the ThyssenKrupp Group realized sales of €23.2 million (2009/2010: €18.6 million) with the Heitkamp & Thumann Group from the sale of steel and stainless material as well as from industrial servicing and with the Heitkamp Baugruppe sales of €0.3 million (2009/2010: €0.3 million). In the same period ThyssenKrupp did not purchase anything (2009/2010: goods with a value of €7 thousand) from the Heitkamp & Thumann Group and goods with a value of €1.9 million (2009/2010: €0.2 million) from the Heitkamp Baugruppe. The transactions were carried out at market conditions. As of September 30, 2011, the transactions with the Heitkamp & Thumann Group resulted in trade accounts receivable of €1.7 million (2010: €1.7 million) and trade accounts payable of €15 thousand (2010: €22 thousand), the transactions with the Heitkamp Baugruppe resulted in trade accounts receivable of €5 thousand (2010: €7 thousand) and trade accounts payable of €0.3 million (2010: €7 thousand).

Compensation of current Executive and Supervisory Board members

The Group's key management personnel compensation which has to be disclosed in accordance with IAS 24 comprises of the compensation of the current Executive and Supervisory Board members.

Compensation of the current Executive Board members is as follows:

Thousand €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Short-term benefits (without share-based compensation)	8,249	8,833
Post-employment benefits	2,726	3,149
Share-based compensation	4,060	5,015

Service cost and past service cost resulting from the pension obligations of the current members of the Executive Board are disclosed as post-employment benefits. The disclosure of share-based compensation refers to the fair value at grant date.

In addition, in fiscal year 2010/2011, the Executive Board members did not receive any payments from share-based compensation (2009/2010: 0).

As of September 30, 2010 and 2011, respectively, no loans or advance payments were granted to members of the Executive Board; also as in the previous year no contingencies were assumed for the benefit of Executive Board members.

Compensation of the current Supervisory Board members is as follows:

Thousand €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Short-term benefits	1,774	1,788
Long-term benefits	0	0

In addition, members of the Supervisory Board of ThyssenKrupp AG received compensation of €90 thousand in fiscal 2010/2011 (2009/2010: €80 thousand) for supervisory board mandates at Group subsidiaries.

As of September 30, 2010 and 2011, respectively, no loans or advance payments were granted to members of the Supervisory Board; also as in the previous year no contingencies were assumed for the benefit of Supervisory Board members.

For individualized presentation and further details of Executive and Supervisory Board compensation refer to the presentation of the audited compensation report which is part of the "Corporate Governance" chapter of the annual report.

Compensation of former Executive and Supervisory Board members

Total compensation paid to former members of the Executive Board and their surviving dependants amounted to €14.6 million (2009/2010: €14.5 million). Under IFRS an amount of €192.7 million (2010: €190.6 million) is accrued for pension obligations benefiting former Executive Board members and their surviving dependants.

Former Supervisory Board members who left the Supervisory Board prior to October 01, 2010 did not receive any proportional payment from the long-term compensation component in 2010/2011 (2009/2010: 0).

24 Segment reporting

Since the implementation of the new organizational structure as of October 01, 2009, the Group is organized in the following eight business areas that represent the Group's activities within materials and technologies. The business areas are in line with the internal organizational and reporting structure and represent the segments in accordance with IFRS 8. Prior year figures have been adjusted accordingly.

Steel Europe

This business area brings together the premium flat carbon steel activities, from intelligent material solutions to finished parts.

Steel Americas

This business area includes the production, processing and marketing of high-quality steel products in North and South America. It contains mainly the steelmaking and processing plants in Brazil and USA.

Materials Services

The business area activities comprise materials distribution, logistics and services, and the provision of technical services. In addition to rolled steel, stainless steel, tubes and pipes, nonferrous metals and plastics, Materials Services also offers services from processing and logistics to warehouse and inventory management through to supply chain management. The business area offers technical and infrastructure services in the areas of railway and construction equipment, industrial plants and steel mills.

Elevator Technology

This business area is active in the construction, modernization and servicing of elevators, escalators, moving walks, stair and platform lifts as well as passenger boarding bridges. Alongside a full range of installations for the volume market, the business area also delivers customized solutions.

Plant Technology

This business area is a supplier of chemical plants, refineries, cement plants, innovative solutions for the mining and handling of raw materials and minerals, production systems and assembly lines for the automotive industry.

Components Technology

This business area offers efficient and innovative components for the automotive, construction and engineering sectors as well as for wind turbines.

Marine Systems

This business area is a supplier for naval surface vessels, submarines and premium-segment yachts. After the restructuring and the consummation of the disposals the business area will focus its activities on the construction of naval vessels.

Stainless Global

This business area is a supplier of flat stainless steel products and high performance materials such as nickel alloys and titanium. The business area also includes the new stainless steel mill in the USA. This segment is classified as a discontinued operation.

Corporate

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. In addition, part of Corporate is real estate not used in operating that is managed and utilized centrally as well as inactive companies that could not be assigned to an individual business area.

Corporate EBIT consists of:

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Corporate administration	(223)	(302)
Pension expenses	(25)	19
R&D promotion	(17)	(7)
Risk and insurance services	11	9
Special items	(3)	(28)
Other Corporate companies	(11)	(8)
EBIT Corporate Headquarters	(268)	(317)
EBIT Business Services	(6)	(12)
EBIT IT-Services	(2)	(17)
EBIT Real Estate	(15)	(31)
EBIT Corporate	(291)	(377)

Consolidation

Consolidation essentially contains the elimination of intercompany profits in inventories and the reversal of intercompany interest income.

The accounting principles for the segments are the same as those described for the Group in the summary of significant accounting principles. In accordance with the management approach which is applicable to segment reporting all figures presented are inclusive of disposal groups and discontinued operations.

As of October 01, 2010 ThyssenKrupp switched its key earnings performance indicator from EBT to EBIT. Contrary to the previous EBT the new indicator EBIT can not be taken directly from the consolidated statement of income prepared in accordance with the IFRS rules. Factors that can only be optimized and assessed at Group level – in particular non-operating financial income/expense and income taxes – are disregarded in assessing operating units. Details on the definition of the new earnings indicator are presented in the "Value based management" chapter of the management report to the Group. Prior year figures have been adjusted accordingly; this refers in particular to the changed presentation of capitalized borrowing costs which were recognized in the statement of income within other financial income/expense and are included now in interest expense.

Inter-segment pricing is determined on an arm's length basis.

million €

	Steel Europe	Steel Americas	Materials Services	Elevator Technology	Plant Technology	Components Technology	Marine Systems	Stainless Global*	Corporate	Consoli-dation	Group
For the fiscal year ended Sept. 30, 2010											
External sales	9,032	68	12,142	5,178	3,889	5,710	1,208	5,306	88	0	42,621
Internal sales within the Group	1,738	0	621	10	42	14	3	595	43	(3,066)	0
Total sales	10,770	68	12,763	5,188	3,931	5,724	1,211	5,901	131	(3,066)	42,621
Income from companies accounted for using the equity method	30	0	3	1	2	0	20	0	0	0	56
Aggregate investment in investees accounted for using the equity method	267	0	68	1	5	13	146	15	8	(1)	522
Interest income	39	86	57	53	91	54	34	14	590	(671)	347
Interest expense	(109)	58	(107)	(29)	(33)	(85)	(49)	(59)	(903)	671	(645)
EBIT	731	(600)	463	646	401	252	145	(57)	(291)	(344)	1,346
Segment assets	9,433	9,020	7,660	5,435	5,372	5,596	4,132	5,393	16,852	(25,181)	43,712
Depreciation and amortization expense	579	37	142	72	35	277	24	160	35	0	1,361
Impairment losses of intangible assets, property, plant and equipment and investment property	4	6	3	6	2	37	7	0	10	0	75
Impairment losses of investments accounted for using the equity method and of financial assets	0	0	2	0	0	0	5	0	0	0	7
Reversals of impairment losses of intangible assets, property, plant and equipment and investment property	5	0	0	0	0	1	3	0	0	0	9
Segment liabilities	5,761	7,124	5,113	3,268	4,306	3,398	3,308	3,759	23,054	(25,767)	33,324
Significant non-cash items	(65)	(1)	(15)	(93)	(106)	(179)	(24)	(39)	(26)	(20)	(568)
Capital expenditures (intangible assets, property, plant, equipment and investment property)	286	2,054	125	70	32	272	8	344	206	11	3,408

*Discontinued operation

million €

For the fiscal year ended Sept. 30, 2011	Steel Europe	Steel Americas	Materials Services	Elevator Technology	Plant Technology	Components Technology	Marine Systems	Stainless Global*	Corporate	Consoli-dation	Group
External sales	10,663	734	14,005	5,249	3,968	6,895	1,491	6,016	71	0	49,092
Internal sales within the Group	2,151	405	771	4	36	13	2	723	72	(4,177)	0
Total sales	12,814	1,139	14,776	5,253	4,004	6,908	1,493	6,739	143	(4,177)	49,092
Income from companies accounted for using the equity method	42	0	4	1	2	0	22	3	0	0	74
Aggregate investment in investees accounted for using the equity method	332	0	66	1	9	14	162	15	9	0	608
Interest income	30	29	122	64	99	80	39	27	415	(599)	306
Interest expense	(92)	(106)	(128)	(25)	(32)	(77)	(19)	(59)	(947)	599	(886)
EBIT	1,133	(3,145)	478	801	506	543	213	(785)	(377)	(355)	(988)
Segment assets	9,564	8,455	9,616	5,981	5,889	6,113	4,205	6,722	17,092	(30,034)	43,603
Depreciation and amortization expense	530	391	134	74	36	285	19	175	41	(10)	1,675
Impairment losses of intangible assets, property, plant and equipment and investment property	14	1,685	48	0	0	10	0	800	11	0	2,568
Impairment losses of investments accounted for using the equity method and of financial assets	0	0	3	0	8	0	4	0	0	0	15
Reversals of impairment losses of intangible assets, property, plant and equipment and investment property	0	0	2	0	0	58	0	0	0	0	60
Segment liabilities	5,635	4,993	5,610	3,373	4,708	3,736	3,117	6,133	25,389	(29,473)	33,221
Significant non-cash items	(150)	(6)	(6)	(87)	(66)	(84)	(47)	(11)	(46)	(10)	(513)
Capital expenditures (intangible assets, property, plant, equipment and investment property)	410	1,368	95	93	44	361	14	266	34	(24)	2,661

*Discontinued operation

The reconciliations of sales, income from companies accounted for using the equity method, interest expense and of EBIT to EBT according to the statement of income are presented below:

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Sales as presented in segment reporting	42,621	49,092
- Sales of Stainless Global	(5,901)	(6,739)
+ Sales of Stainless Global to Group companies	595	723
+ Sales of Group companies to Stainless Global	396	280
Sales as presented in the statement of income	37,711	43,356

Sales in the amount of €280 million (2009/2010: €396 million) result from sales of Group companies to Stainless Global. These business relationships shall also be continued after the disposal. They mainly relate to services provided by the Steel Europe business area to Stainless Global.

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Income from companies accounted for using the equity method as presented in segment reporting	56	74
- Income form companies accounted for using the equity method of Stainless Global	0	(3)
Income from companies accounted for using the equity method as presented in the statement of income	56	71

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Interest expense as presented in segment reporting	645	886
- Interest expense of Stainless Global	(2)	(6)
Interest expense as presented in the statement of income	643	880

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
EBIT as presented in segment reporting	1,346	(988)
- Depreciation of capitalized borrowing costs eliminated in EBIT	(15)	(42)
+ Interest income	347	306
- Interest expense	(645)	(886)
+ Other financial income/(expense), net	82	10
- Items of other financial income/(expense), net assigned to EBIT based on economic classification	20	22
EBT - Group	1,135	(1,578)
- EBT Stainless Global	70	827
EBT as presented in the statement of income	1,205	(751)

The aggregate investment in investees accounted for using the equity method reconciles to the aggregate amount according to the statement of financial postion as presented below:

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Aggregate investment in investees accounted for using the equity method as presented in segment reporting	522	608
- aggregate investment in investees accounted for using the equity method that are held for sale	0	(15)
Aggregate investment in investees accounted for using the equity method as presented in the statement of financial position	522	593

In presenting information for geographical areas, allocation of sales is based on the location of the customer. Allocation of segment assets and capital expenditures is based on the location of the assets. Capital expenditures are presented in line with the definition of the cash flow statement.

The geographical segment “Other EU” comprises of all member states of the European Union (besides Germany) as of the current reporting date. European countries which are currently not member of the European Union are part of the “Other countries” segment. The “Americas” segment includes the countries of the Nafta and of South America. The “Asia/Pacific” segment consists of Asia and Australia.

Due to the high volume of customers and the variety of business activities, there are no individual customers that generate sales values that are material to the Group’s consolidated net sales.

million €

	Germany	Other EU	Americas	Asia / Pacific	Other countries	Group
External sales (location of the customer)						
Year ended Sept. 30, 2010	13,933	12,485	8,266	5,013	2,924	42,621
Year ended Sept. 30, 2011	16,153	14,272	10,476	5,618	2,573	49,092
Non-current assets (intangible assets, property, plant and equipment, investment property and other non-financial assets) (location of the assets)						
Sept. 30, 2010	7,658	2,279	10,381	923	452	21,693
Sept. 30, 2011	6,621	2,070	9,658	1,012	450	19,811

25 Accounting estimates and judgements

The preparation of the Group's consolidated financial statements requires management estimates and assumptions that affect reported amounts and related disclosures. All estimates and assumptions are made to the best of management's knowledge and belief in order to fairly present the Groups financial position and results of operations. The following accounting policies are significantly impacted by management's estimates and judgements.

Business combinations

As a result of acquisitions the Group recognized goodwill in its balance sheet. In a business combination, all identifiable assets, liabilities and contingent liabilities acquired are recorded at the date of acquisition at their respective fair value. One of the most significant estimates relates to the determination of the fair value of these asset and liabilities. Land, buildings and equipment are usually independently appraised while marketable securities are valued at market price. If any intangible assets are identified, depending on the type of intangible asset and the complexity of determining its fair value, the Group either consults with an independent external valuation expert or develops the fair value internally, using an appropriate valuation technique which is generally based on a forecast of the total expected future net cash flows. These evaluations are linked closely to the assumptions made by management regarding the future performance of the assets concerned and any changes in the discount rate applied.

Goodwill

As stated in the accounting policy in Note 01, the Group tests annually and in addition if any indicators exist, whether goodwill has suffered an impairment. If there is an indication, the recoverable amount of the cash-generating unit has to be estimated which is the greater of the fair value less costs to sell and the value in use. The determination of the value in use involves making adjustments and estimates related to the projection and discounting of future cash flows (see Note 04). Although management believes the assumptions used to calculate recoverable amounts are appropriate, any unforeseen changes in these assumptions could result in impairment charges to goodwill which could adversely affect the future financial position and operating results.

Recoverability of assets

At each balance sheet date, the Group assesses whether there is any indication that the carrying amounts of its property, plant and equipment, investment property or intangible assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated. The recoverable amount is the greater of the fair value less costs to sell and the value in use. In assessing the value in use, discounted future cash flows from the related assets have to be determined. Estimating the discounted future cash flows involves significant assumptions, including particularly those regarding future sale prices and sale volumes, costs and discount rates. Although management believes that its estimates of the relevant expected useful lives, its assumptions concerning the economic environment and developments in the industries in which the Group operates and its estimations of the discounted future cash flows are appropriate, changes in the assumptions or circumstances could require changes in the analysis. This could lead to additional impairment charges in the future or to reversal of impairments if the trends identified by management reverse or the assumptions or estimates prove incorrect.

Revenue recognition on construction contracts

Certain Group entities, particularly in the Elevator Technology, Plant Technology and Marine Systems business areas, conduct a portion of their business under construction contracts which are accounted for using the percentage-of-completion method, recognizing revenue as performance on the contract progresses. This method requires accurate estimates of the extent of progress towards completion. Depending on the methodology to determine contract progress, the significant estimates include total contract costs, remaining costs to completion, total contract revenues, contract risks and other judgements. The managements of the operating companies continually review all estimates involved in such construction contracts and adjust them as necessary.

Income taxes

The Group operates and earns income in numerous countries and is subject to changing tax laws in multiple jurisdictions within the countries. Significant judgements are necessary in determining the worldwide income tax liabilities. Although management believes they have made reasonable estimates about the ultimate resolution of tax uncertainties, no assurance can be given that the final tax outcome of these matters will be consistent with what is reflected in the historical income tax provisions. Such differences could have an effect on the income tax liabilities and deferred tax liabilities in the period in which such determinations are made.

At each balance sheet date, the Group assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the exercise of judgement on the part of management with respect to, among other things, benefits that could be realized from available tax strategies and future taxable income, as well as other positive and negative factors. The recorded amount of total deferred tax assets could be reduced if estimates of projected future taxable income and benefits from available tax strategies are lowered, or if changes in current tax regulations are enacted that impose restrictions on the timing or extent of the Group's ability to utilize future tax benefits. See Note 31 for further information on potential tax benefits for which no deferred tax asset is recognized.

Employee benefits

The Group accounts for pension and other postretirement benefits in accordance with actuarial valuations. These valuations rely on statistical and other factors in order to anticipate future events. These factors include key actuarial assumptions including the discount rate, expected return on plan assets, expected salary increases, mortality rates and health care cost trend rates. These actuarial assumptions may differ materially from actual developments due to changing market and economic conditions and therefore result in a significant change in postretirement employee benefit obligations and the related future expense. (See Note 15 for further information regarding employee benefits).

Legal contingencies

ThyssenKrupp companies are parties to litigations related to a number of matters as described in Note 21. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses including the estimate of legal expense to resolve the matters. For the assessments internal and external lawyers are used. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against ThyssenKrupp companies or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

Notes to the consolidated statement of income

26 Net sales

Net sales include revenues resulting from the rendering of services of €9,308 million (2009/2010: €9,127 million) as well as sales from construction contracts of €6,682 million (2009/2010: €6,101 million).

27 Other operating income

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Gains on the disposal of intangible assets, property, plant and equipment and investment property	19	43
Currency exchange differences	122	74
Insurance compensation	21	11
Miscellaneous	239	378
Total	401	506

In fiscal year 2010/2011 miscellaneous other operating income includes €160 million resulting from a partial payback of a fine imposed by the EU Commission in 2007 for anticompetitive practices. Furthermore miscellaneous other operating income includes a multitude of minor single items resulting from the 621 (2008/2009: 671) consolidated entities.

28 Other operating expenses

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Losses on the disposal of intangible assets, property, plant and equipment and investment property	19	26
Currency exchange differences	84	0
Additions to /reversals of provisions	40	(45)
Goodwill impairment	0	48
Expenses in connection with non-customer related research and development activities	178	175
Other taxes	38	57
Miscellaneous	327	319
Total	686	580

In fiscal year 2009/2010 miscellaneous other operating expenses contain expenses of €185 million that could not be capitalized and resulted from technical facilities not yet put into operation in the context with the major projects in Brazil and in the USA. In addition miscellaneous other operating expenses include a multitude of minor single items resulting from the 621 (2008/2009: 671) consolidated entities.

29 Government grants

In the preceding fiscal year, government grants to compensate expenses of the Group were recognized in the amount of €16 million (2009/2010: €15 million); thereof €1 million (2009/2010: €2 million) apply to discontinued operations.

Payment of the above-mentioned government grants is subject to certain conditions which are currently assumed to be met.

30 Financial income/(expense), net

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Income from companies accounted for using the equity method	56	71
Interest income from financial receivables	225	182
Expected return on accrued pension and similar obligations	122	124
Interest income	347	306
Interest expense from financial debt	(186)	(480)
Interest cost of accretion of pensions and similar obligations	(457)	(400)
Interest expense	(643)	(880)
Income from investments	7	13
Write-down of financial assets	(7)	(15)
Gain/(loss) from disposals of financial assets	(12)	(23)
Accretion of other provisions	(19)	(36)
Miscellaneous, net	135	97
Other financial income/(expense), net	104	36
Financial income/(expense), net	(136)	(467)

The line item "miscellaneous, net" as part of other financial income/(expense), net, includes interest income from financial assets that are not measured at fair value through profit or loss of €40 million (2009/2010: €27 million) and interest expense from financial liabilities that are not measured at fair value through profit or loss of €13 million (2009/2010: €23 million).

Borrowing costs in the amount of €56 million (2009/2010: €339 million) were capitalized during the period which reduced interest expense from financial debt. If financing is directly allocable to a certain investment, the actual borrowing costs are capitalized. If no direct allocation is possible, the Group's average borrowing interest rate of the current period is taken into account to calculate the borrowing costs; it amounts to 6.1% for fiscal year 2010/2011 (2009/2010: 6.6%).

31 Income taxes

Income tax expense/(benefit) for the year ended September 30, 2011 and the previous year consists of the following:

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Current income tax expense for the reporting period	200	505
Deferred income tax expense/(benefit) for the reporting period	96	(268)
Current income tax expense/(benefit) for prior periods	(156)	2
Deferred income tax expense/(benefit) for prior periods	45	(36)
Total	185	203
This total breaks down to:		
Current income tax expense/(benefit) Germany	(41)	96
Current income tax expense foreign	86	411
Deferred income tax expense/(benefit) Germany	(16)	140
Deferred income tax expense/(benefit) foreign	156	(444)

The German corporate income tax law applicable for 2010/2011 sets a statutory income tax rate of 15% (2009/2010: 15%) plus a solidarity surcharge of 5.5%. On average, the Group's German companies are subject to a trade tax rate of 15.5% (2009/2010: 15.3%). Therefore, at year-end September 30, 2011, deferred taxes of German companies are calculated with a combined income tax rate (including solidarity surcharge) of 31.3% (2009/2010: 31.1%). The applicable tax rates for companies outside Germany range from 5.7% to 40.4% (2009/2010: 5.7% to 40.4%). In fiscal year 2010/2011, changes in the domestic trade tax rate resulted in deferred tax expense in the amount of €4 million (2009/2010: €1 million) and changes in foreign tax rates resulted in deferred tax benefit in the amount of €11 million (2009/2010: €7 million deferred tax expense).

The components of income taxes recognized in total equity are as follows:

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Income tax expense as presented on the statement of income	185	203
Income tax expense on discontinued operations	23	2
Income non-effective tax effect on other comprehensive income		
Continuing operations	(204)	135
Discontinued operations	(11)	2
Other income non-effective changes	(93)	10
Total	(100)	352

As of September 30, 2011, domestic corporate tax loss carryforwards amount to €387 million (2010: €794 million), domestic trade tax loss carryforwards amount to €46 million (2010: €237 million), and interest carryforwards amount to €257 million (2010: €151 million). In addition, foreign tax loss carryforwards amount to €2,922 million (2010: €1,704 million), in particular €994 million (2010: €192 million) in the USA, €876 million (2010: €164 million) in Brazil, and €452 million (2010: €385 million) in Canada, and foreign tax credits amount to €44 million (2010: €28 million). In fiscal year 2009/2010, foreign interest carryforwards amounted to €13 million. In fiscal year 2010/2011, deferred tax benefit in the amount of €243 million (2009/2010: €88 million) is attributable to tax loss carryforwards, interest carryforwards and foreign tax credits.

Deferred tax assets are recognized only to the extent that the realization of such tax benefits is probable. In determining the related valuation allowance, all positive and negative factors, including prospective results, are taken into consideration in estimating whether sufficient taxable income will be generated to realize deferred tax assets. These estimates can change depending on the future course of events. As of September 30, 2011, tax loss carryforwards for which no deferred tax asset is recognized amount to €1,334 million (2010: €984 million). According to tax legislation as of September 30, 2011, an amount of €1,134 million (2010: €306 million) of these tax losses may be carried forward indefinitely and in unlimited amounts whereas an amount of €200 million (2010: €678 million) of these tax loss carryforwards will expire over the next 20 years if not utilized. Unrecognized deferred tax assets relating to tax loss carryforwards amount to €398 million as of September 30, 2011 (2010: €251 million). In addition, as of September 30, 2011, no deferred tax asset is recognized for deductible temporary differences in the amount of €1,660 million (2010: €419 million). As of September 30, 2011, deferred tax assets for tax loss carryforwards and deductible temporary differences at ThyssenKrupp Companhia Siderúrgica do Atlântico are not recognized anymore as the realization of such tax benefits is no longer deemed sufficiently probable. In fiscal year 2010/2011, the benefit arising from previously unrecognized tax losses, foreign tax credits and temporary differences that are used to reduce the Group's tax expense amounts to €13 million (2009/2010: €12 million).

Significant components of the deferred tax assets and liabilities are as follows:

million €

	Deferred tax assets		Deferred tax liabilities	
	Sept. 30, 2010	Sept. 30, 2011	Sept. 30, 2010	Sept. 30, 2011
Intangible assets	421	360	384	397
Property, plant and equipment	83	265	1,085	739
Financial assets	124	131	12	7
Inventories	1,958	2,376	268	295
Other assets	309	315	255	496
Accrued pension and similar obligations	1,052	805	85	3
Other provisions	273	307	56	66
Other liabilities	271	432	2,214	2,489
Tax loss carryforwards	611	955	—	—
Interest carryforwards	45	70	—	—
Foreign tax credits	28	44	—	—
Gross value	5,175	6,060	4,359	4,492
Valuation allowance	(365)	(952)	—	—
Offset	(4,220)	(4,168)	(4,220)	(4,168)
Balance sheet amount	590	940	139	324

Deferred tax assets and liabilities are offset if they pertain to future tax effects for the same taxable entity towards the same taxation authority. Deferred tax assets of €45 million relate to consolidation items as of September 30, 2011 (2010: €68 million).

For fiscal year 2010/2011, the income tax expense of €203 million presented in the financial statements is €438 million higher than the expected income tax benefit of €(235) million which would result if the German combined income tax rate of 31.3% were applied to the Group’s income before income taxes. For fiscal year 2009/2010, the reported income tax expense of €185 million was €190 million lower than the expected income tax expense of €375 million with a German combined income tax rate of 31.1%. The following table reconciles the expected income tax expense/(benefit) to the income tax expense presented in the statement of income.

million €

	Year ended Sept. 30, 2010	in %	Year ended Sept. 30, 2011	in %
Expected income tax expense/(benefit)	375	31.1	(235)	31.3
Tax rate differentials to the German combined income tax rate	(6)	(0.5)	(124)	16.5
Changes in tax rates or laws	8	0.7	(7)	0.9
Tax consequences of disposal of businesses	(7)	(0.6)	34	(4.5)
Permanent items	61	5.1	16	(2.1)
Change in valuation allowance	(31)	(2.6)	628	(83.6)
Tax benefit not related to the reporting period	(111)	(9.2)	(34)	4.5
Income/(loss) from companies accounted for under the equity method	(14)	(1.2)	(23)	3.1
Tax losses received from Business Area Stainless Global	(48)	(4.0)	0	0.0
Other, net	(42)	(3.5)	(52)	6.9
Income tax expense as presented on the statement of income	185	15.3	203	(27.0)

32 Earnings per share

Basic earnings per share is calculated as follows:

	Year ended Sept. 30, 2010		Year ended Sept. 30, 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)	916	1.97	(462)	(0.97)
Income/(loss) from discontinued operations (net of tax) (attributable to ThyssenKrupp AG's stockholders)	(92)	(0.20)	(829)	(1.74)
Net income/(loss) (attributable to ThyssenKrupp AG's stockholders)	824	1.77	(1,291)	(2.71)
Weighted average shares	463,983,893		476,241,215	

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 2009/2010 the weighted average number outstanding shares was increased by the sale of treasury shares in December 2009 and March 2010 in the context of the Group's Share Purchase Program as well as by the sale of treasury shares in May 2010 in the context of the employee share purchase program. 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.

33 Additional disclosures on the consolidated statement of income

Personnel expenses included in the consolidated statement of income are comprised of:

million €

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Wages and salaries	6,812	7,045
Social security taxes	1,308	1,352
Net periodic pension costs - defined benefit*	108	171
Net periodic pension costs - defined contribution	119	111
Net periodic postretirement benefit cost other than pensions*	(20)	(93)
Other expenses for pensions and retirements	38	(19)
Related fringe benefits	407	447
Total	8,772	9,014

* Excluding expected return on plan assets and interest cost which are recognzied as part of interest income/expense

The annual average number of employees is as follows:

	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011
Steel Europe	34,923	32,635
Steel Americas	2,434	3,787
Materials Services	34,370	35,059
Elevator Technology	43,062	45,180
Plant Technology	12,975	13,135
Components Technology	28,368	30,380
Marine Systems	6,910	5,387
Stainless Global	11,341	11,306
Corporate	2,455	2,665
Total	176,838	179,534
This total breaks down to:		
Wage earners	101,357	103,850
Salaried employees	70,954	71,167
Trainees	4,527	4,517

Auditors' fees and services

For the services performed by the Group auditors KPMG AG Wirtschaftsprüfungsgesellschaft and the companies of the worldwide KPMG association in fiscal years 2009/2010 and 2010/2011 the following fees (including expenses) were recognized as expenses:

million €

	Year ended Sept. 30, 2010		Year ended Sept. 30, 2011	
	Total	thereof Germany	Total	thereof Germany
Audit fees	15	8	14	7
Audit-related fees	3	1	4	2
Tax fees	1	0	3	1
Fees for other services	0	0	1	1
Total	19	9	22	11

For the services performed by PricewaterhouseCoopers Wirtschaftsprüfungsgesellschaft and the companies of the worldwide PricewaterhouseCoopers association in fiscal years 2009/2010 and 2010/2011 the following fees (including expenses) were recognized as expenses:

million €

	Year ended Sept. 30, 2010		Year ended Sept. 30, 2011	
	Total	thereof Germany	Total	thereof Germany
Audit fees	8	3	8	3
Audit-related fees	3	1	3	2
Tax fees	2	0	1	0
Fees for other services	1	0	1	0
Total	14	4	13	5

The audit fees include mainly fees for the year-end audit of the consolidated financial statements, and the statutory auditing of ThyssenKrupp AG and the subsidiaries included in the consolidated financial statements. The audit-related fees essentially comprise the auditors' review of the interim consolidated financial statements and the fees for due diligence services in connection with acquisitions and disposals. The tax fees include in particular fees for tax consulting services for current and planned transactions, for the preparation of tax returns, for tax due diligence services, for tax advice in connection with projects and Group-internal reorganizations as well as tax advice for employees sent to work abroad. The fees for other services are mainly fees for project-related consulting services.

Notes to the consolidated statement of cash flows

34 Additional information on 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 fiscal 2010/2011, the acquisition and first-time consolidation of companies created an increase in non-current assets of €38 million (2009/2010: €27 million).

The non-cash addition of assets under capital leases in fiscal 2010/2011 amounted to €24 million (2009/2010: €13 million).

Non-cash financing activities

In fiscal 2010/2011, the acquisition and first-time consolidation of companies did not result in any increase in gross financial debt (2009/2010: €19 million).

Subsequent events

35 Subsequent events

No reportable events occured.

Other information

36 Declarations of conformity with the German Corporate Governance Code in accordance with Art. 161 of the German Stock Corporation Act (AktG)

On October 01, 2011, the Executive Board and the Supervisory Board of ThyssenKrupp AG issued the declaration of conformity in accordance with Art. 161 of the Stock Corporation Act (AktG) and is now publicly available to the shareholders on the company’s website. ThyssenKrupp AG complies with all recommendations of the German Corporate Governance Code as amended on May 26, 2010 and complied with all recommendations of the Code in the period from the date of issue of the last Declaration of Conformity on January 21, 2011.

The declaration of conformity of our exchange-listed subsidiary Eisen- und Hüttenwerke AG was issued on October 01, 2011 and is now publicly available to the shareholders on the company’s website.

37 Application of Art. 264 Par. 3 and Art. 264b of German Commercial Code (HGB)

The following domestic subsidiaries in the legal form of a capital corporation or a commercial partnership as defined in Art. 264a partly made use of the exemption clause included in Art. 264 Par. 3 and Art. 264b of German Commercial Code.

A	
AGOZAL Oberflächenveredelung GmbH	Neuwied
Aloverzee Handelsgesellschaft mbH	Düsseldorf
AWG Industrieanlagen und Wassertechnik GmbH Berlin	Berlin
B	
Becker & Co. GmbH	Neuwied
BERCO Deutschland GmbH	Ennepetal
BIS Blohm + Voss Inspection Service GmbH	Hamburg
Blohm + Voss Naval GmbH	Hamburg
Blohm + Voss Repair GmbH	Hamburg
Blohm + Voss Shipyards & Services GmbH	Hamburg
Blohm + Voss Shipyards GmbH	Hamburg
C	
Christian Hein GmbH	Langenhagen
D	
Dr. Mertens Edelstahlhandel GmbH	Offenbach
DWR - Deutsche Gesellschaft für Weißblechrecycling mbH	Andernach
E	
EH Güterverkehr GmbH	Duisburg
Eisenmetall Handelsgesellschaft mbH	Gelsenkirchen
ELEG Europäische Lift + Escalator GmbH	Düsseldorf
Emder Werft und Dockbetriebe GmbH	Emden
Erich Weit GmbH	Munich
F	
Freiburger Stahlhandel GmbH	Freiburg i.Br.
G	
GMT Aufzug-Service GmbH	Forst
GWH Aufzüge GmbH	Himmelstadt
H	
Haisch Aufzüge GmbH	Gingen/Fils
Hanseatische Aufzugsbau GmbH	Rostock
Health Care Solutions GmbH	Düsseldorf
Herzog Coilex GmbH	Stuttgart
Hoesch Hohenlimburg GmbH	Hagen
Hövelmann & Co. Eisengroßhandlung GmbH	Gelsenkirchen
Howaldtswerke-Deutsche Werft GmbH	Kiel
I	
IKL Ingenieurkontor Lübeck GmbH	Kiel
Innovative Meerestechnik GmbH	Emden
J	
Jacob Bek GmbH	Ulm
K	
KBS Kokereibetriebsgesellschaft Schwelgern GmbH	Duisburg
Kraemer & Freund Handel GmbH	Hagen
L	
LiftEquip GmbH Elevator Components	Neuhausen a.d.F.
Liftservice und Montage GmbH	Saarbrücken
M	
Max Cochius GmbH	Berlin
MgF Magnesium Flachprodukte GmbH	Freiberg
MONTAN GmbH Assekuranz-Makler	Düsseldorf
O	
Otto Wolff Handelsgesellschaft mbH	Essen
Otto Wolff U.S. Sales GmbH	Andernach
R	
Rasselstein GmbH	Andernach
Rasselstein Verwaltungs GmbH	Neuwied
Reisebüro Dr. Tigges GmbH	Essen
Rothe Erde GmbH	Dortmund
S	
Stahlhauser Liegenschaften Verwaltungsgesellschaft mbH	Essen
SVG Steinwerder Verwaltungsgesellschaft mbH	Hamburg
T	
Tepper Aufzüge GmbH	Münster
Thyssen Liegenschaften Verwaltungs- und Verwertungs GmbH & Co. KG Industrie	Essen
Thyssen Liegenschaften Verwaltungs- und Verwertungs GmbH & Co. KG Stahl	Essen
Thyssen Rheinstahl Technik GmbH	Düsseldorf
Thyssen Stahl GmbH	Düsseldorf
ThyssenKrupp Academy GmbH	Düsseldorf
ThyssenKrupp Access Holding GmbH	Essen
ThyssenKrupp AdMin GmbH	Düsseldorf
ThyssenKrupp Aerospace Germany GmbH	Rodgau
ThyssenKrupp Aufzüge GmbH	Stuttgart
ThyssenKrupp Aufzugswerke GmbH	Neuhausen a.d.F.
ThyssenKrupp Automotive Systems GmbH	Essen
ThyssenKrupp Bauservice GmbH	Hückelhoven
ThyssenKrupp Bausysteme GmbH	Kreuztal
ThyssenKrupp Bilstein Suspension GmbH	Ennepetal
ThyssenKrupp Bilstein Tuning GmbH	Ennepetal
ThyssenKrupp Business Services GmbH	Essen
ThyssenKrupp DeliCate GmbH	Düsseldorf
ThyssenKrupp Dienstleistungen GmbH	Düsseldorf
ThyssenKrupp Electrical Steel GmbH	Gelsenkirchen

ThyssenKrupp Electrical Steel Verwaltungsgesellschaft mbH	Gelsenkirchen
ThyssenKrupp Elevator (CENE) GmbH	Essen
ThyssenKrupp Elevator (CENE) Infrastruktur GmbH	Essen
ThyssenKrupp Elevator (EBC) GmbH	Berlin
ThyssenKrupp Elevator (ES/PBB) GmbH	Essen
ThyssenKrupp Elevator AG	Düsseldorf
ThyssenKrupp Elevator Research GmbH	Düsseldorf
ThyssenKrupp Encasa GmbH	Neuss
ThyssenKrupp Energievertriebs GmbH	Essen
ThyssenKrupp Erste Beteiligungsgesellschaft mbH	Düsseldorf
ThyssenKrupp Fahrtreppen GmbH	Hamburg
ThyssenKrupp Federn GmbH	Hagen
ThyssenKrupp Fördertechnik GmbH	Essen
ThyssenKrupp Gerlach GmbH	Homburg/Saar
ThyssenKrupp GfT Bautechnik GmbH	Essen
ThyssenKrupp GfT Tiefbautechnik GmbH	Essen
ThyssenKrupp Grundbesitz Verwaltungs GmbH	Essen
ThyssenKrupp Grundbesitz-Vermietungs GmbH & Co. KG	Essen
ThyssenKrupp Immobilien Verwaltungs GmbH & Co. KG Krupp Hoesch Stahl	Essen
ThyssenKrupp Immobilien Verwaltungs GmbH & Co. KG Stahl	Essen
ThyssenKrupp Immobilienentwicklungs Concordiahütte GmbH	Oberhausen
ThyssenKrupp Immobilienentwicklungs Krefeld GmbH	Oberhausen
ThyssenKrupp Industrial Services Holding GmbH	Düsseldorf
ThyssenKrupp Information Services GmbH	Düsseldorf
ThyssenKrupp IT Services GmbH	Essen
ThyssenKrupp Lasertechnik GmbH	Ravensburg
ThyssenKrupp Management Consulting GmbH	Düsseldorf
ThyssenKrupp Mannex GmbH	Essen
ThyssenKrupp Marine Systems AG	Hamburg
ThyssenKrupp Materials International GmbH	Essen
ThyssenKrupp Metallurgical Products GmbH	Essen
ThyssenKrupp MetalServ GmbH	Essen
ThyssenKrupp Plastics GmbH	Essen
ThyssenKrupp Plastics International GmbH	Essen
ThyssenKrupp Polysius Aktiengesellschaft	Beckum
ThyssenKrupp Presta Chemnitz GmbH	Chemnitz
ThyssenKrupp Presta Esslingen GmbH	Esslingen
ThyssenKrupp Presta Ilsenburg GmbH	Ilsenburg
ThyssenKrupp Presta SteerTec GmbH	Düsseldorf
ThyssenKrupp Presta SteerTec Mülheim GmbH	Mülheim
ThyssenKrupp Presta SteerTec Schönebeck GmbH	Schönebeck
ThyssenKrupp Printmedia GmbH	Duisburg
ThyssenKrupp Real Estate GmbH	Essen
ThyssenKrupp Risk and Insurance Services GmbH	Essen
ThyssenKrupp Sägenstahlcenter GmbH	Duisburg
ThyssenKrupp Schulte GmbH	Essen
ThyssenKrupp Stahl Immobilien GmbH	Duisburg
ThyssenKrupp Stahlkontor GmbH	Düsseldorf
ThyssenKrupp Stahl-Service-Center GmbH	Krefeld
ThyssenKrupp Steel Europe AG	Duisburg
ThyssenKrupp Steel Zweite Beteiligungsgesellschaft mbH	Duisburg
ThyssenKrupp System EngineeringGmbH	Essen
ThyssenKrupp Systems & Services GmbH	Düsseldorf
ThyssenKrupp Tailored Blanks GmbH	Duisburg
ThyssenKrupp Technologies Beteiligungen GmbH	Essen
ThyssenKrupp Transrapid GmbH	Kassel
ThyssenKrupp Uhde GmbH	Dortmund

U

Uhde High Pressure Technologies GmbH	Hagen
Uhde Inventa-Fischer GmbH	Berlin
Uhde Services and Consulting GmbH	Dortmund
Uhde Services GmbH	Haltern am See

The following Dutch subsidiaries made use of the exemption clause included in Art. 2:403 of the Civil Code of the Netherlands.

T

ThyssenKrupp Nederland B.V.	Roermond
ThyssenKrupp Nederland Holding B.V.	Roermond
ThyssenKrupp Nederland Intermediate B.V.	Roermond
ThyssenKrupp Slab International B.V.	Brielle
ThyssenKrupp Veerhaven B.V.	Rotterdam

U

Uhde Fertilizer Technology B.V.	Amsterdam

38 List of the Groups' subsidiaries and equity interests

Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
	Steel Europe					
	ThyssenKrupp Steel Europe					
1	ThyssenKrupp Steel Europe AG, Duisburg		438,771	99.53	607	
2	DE-VerwaltungsGmbH, Duisburg		25	100.00	1	
3	KBS Kokereibetriebsgesellschaft Schwelgern GmbH, Duisburg		25	100.00	1	
4	Pruna Betreiber GmbH, Grünwald		150	0.00[2]	1	
5	ThyssenKrupp Galmed, S.A., Sagunto, Spain		48,150	100.00	622	75.00%
					1	25.00%
6	ThyssenKrupp Steel North America, Inc., Dover/Delaware, USA	USD	10	100.00	648	
	Processing					
7	DWR - Deutsche Gesellschaft für Weißblechrecycling mbH, Andernach		25	100.00	10	
8	Hoesch Hohenlimburg GmbH, Hagen		15,340	99.50	1	
9	Otto Wolff U.S. Sales GmbH, Andernach		26	100.00	10	
10	Rasselstein GmbH, Andernach		40,960	99.50	11	
11	Rasselstein Verwaltungs GmbH, Neuwied		93,500	100.00	1	59.23%
					49	40.77%
12	ThyssenKrupp Bausysteme GmbH, Kreuztal		7,670	100.00	1	
13	ThyssenKrupp Electrical Steel GmbH, Gelsenkirchen		15,163	99.58	14	87.62%
					1	7.67%
					607	4.29%
14	ThyssenKrupp Electrical Steel Verwaltungsgesellschaft mbH, Gelsenkirchen		30,000	100.00	1	62.46%
					49	37.54%
15	ThyssenKrupp Sägenstahlcenter GmbH, Duisburg		1,023	100.00	1	
16	ThyssenKrupp Tailored Blanks GmbH, Duisburg		4,116	100.00	1	
17	EURISOL S.A., Steenvoorde, France		151	74.94	20	74.91%
					12	0.03%
18	Hoesch Bausysteme Gesellschaft m.b.H., Vienna, Austria		1,454	100.00	626	
19	Isocab France S.A.S., Dunkerque, France		610	100.00	640	
20	Isocab N.V., Harelbeke-Bavikhove, Belgium		10,750	100.00	59	99.98%
					1	0.02%
21	Isocab Vietnam JV Company, Ho Chi Minh , Vietnam	USD	2,280	53.68	20	
22	ThyssenKrupp Aceros y Servicios S.A., Santiago, Chile	CLP	4,988,440[1]	100.00	1	
23	ThyssenKrupp Bouwsystemen B. V., Veenendaal, Netherlands		20	100.00	59	
24	ThyssenKrupp Building Systems Ltd., Birmingham, Great Britain	GBP	5	100.00	647	
25	ThyssenKrupp Byggesystem A/S, Støvring, Denmark	DKK	500	100.00	12	
26	ThyssenKrupp Comercial Colombia S.A., Bogota, Columbia	COP	272,610[1]	100.00	22	
27	ThyssenKrupp Electrical Steel India Private Ltd., Mumbai/Nashik, India	INR	3,149,349	100.00	13	100.00%[3]
					14	0.00%[3]
28	ThyssenKrupp Electrical Steel Italia S.r.l., Milan, Italy		2,000	100.00	642	
29	ThyssenKrupp Electrical Steel UGO S.A.S, Isbergues, France		5,235	100.00	13	
30	ThyssenKrupp Építöelemek Kft, Budapest, Hungary	HUF	2,520,000	100.00	18	
31	ThyssenKrupp gradjevinski elementi d.o.o., Lepoglava, Croatia	HRK	20	100.00	18	
32	ThyssenKrupp Metal Forming (Wuhan) Ltd., Wuhan, PR China		20,000[1]	100.00	636	
33	ThyssenKrupp Sisteme pentru Constructii S.R.L., Bucharest, Romania	RON	55	100.00	18	
34	ThyssenKrupp stavební systémy s.r.o., Nymburk, Czech Republic	CZK	1,000[1]	100.00	18	98.00%
					12	2.00%
35	ThyssenKrupp Systembau Austria Gesellschaft m.b.H., Vienna, Austria		51	100.00	626	
36	ThyssenKrupp Tailored Blanks Celik Sanayi VE Ticaret Ltd., Nilüfer/ Bursa, Turkey	TRY	2,803	100.00	16	96.47%
					38	3.53%
37	ThyssenKrupp Tailored Blanks S.A. de C.V., Puebla, Mexico	MXN	50[1]	100.00	42	100.00%[3]
					43	0.00%[3]
38	ThyssenKrupp Tailored Blanks S.r.l., Turin, Italy		3,810	52.50	16	

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Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
39	ThyssenKrupp Tailored Blanks Sverige AB, Olofström, Sweden		1,940	100.00	16	
40	ThyssenKrupp Tailored Blanks (Wuhan) Ltd., Wuhan, PR China	USD	21,000[1]	100.00	636	68.43%
					16	31.57%
41	TKAS (Changchun) Tailored Blanks Ltd., Changchun, PR China	USD	10,000	55.00	636	
42	TWB Company, LLC, Monroe, USA	USD	1,500	55.00	6	
43	TWB de Mexico, S.A. de C.V., Saltillo, Coahuila, Mexico	MXN	50[1]	100.00	42	99.00%
					45	1.00%
44	TWB Industries, S.A. de C.V., Saltillo, Coahuila, Mexico	MXN	50[1]	100.00	42	99.00%
					45	1.00%
45	TWB of Ohio, Inc., Columbus/Ohio, USA	USD	0	100.00	42	
	Other Companies Steel Europe					
46	AGOZAL Oberflächenveredelung GmbH, Neuwied		1,540	100.00	1	
47	Becker & Co. GmbH, Neuwied		768	100.00	11	
48	EH Güterverkehr GmbH, Duisburg		1,534	100.00	1	
49	Eisen- und Hüttenwerke AG, Andernach		45,056	87.98	1	
50	MgF Magnesium Flachprodukte GmbH, Freiberg		500	100.00	1	
51	ThyssenKrupp Lasertechnik GmbH, Ravensburg		25	100.00	1	
52	ThyssenKrupp Printmedia GmbH, Duisburg		26	100.00	1	
53	ThyssenKrupp Steel Zweite Beteiligungsgesellschaft mbH, Duisburg		25	100.00	1	
54	B.V. Stuwadoors-Maatschappij Kruwal, Rotterdam, Netherlands		45	75.00	59	50.00%
					1	25.00%
55	Ertsoverslagbedrijf Europoort C.V., Rotterdam, Netherlands		4,538	75.00	59	50.00%
					1	25.00%
56	ThyssenKrupp Stål Danmark A/S, Copenhagen, Denmark	DKK	800	100.00	59	
57	ThyssenKrupp Steel & Technologies Japan Co., Ltd., Tokyo, Japan	JPY	10,000	100.00	59	
58	ThyssenKrupp Steel (Asia Pacific) Pte Ltd, Singapore, Singapore	SGD	500	100.00	59	
59	ThyssenKrupp Veerhaven B.V., Rotterdam, Netherlands		5,000	100.00	645	
	Steel Americas					
	CSA					
60	AirSteel Comercial Gases Industriais Ltda., Rio de Janeiro, Brazil	BRL	100	0.00[2]	1	
61	ThyssenKrupp Companhia Siderúrgica do Atlântico, Rio de Janeiro, Brazil	BRL	14,382,258	73.13	65	
62	White Martins Steel Gases Industriais Ltda., Rio de Janeiro, Brazil	BRL	100	0.00[2]	1	
	ThyssenKrupp Steel USA					
63	ThyssenKrupp Steel and Stainless USA, LLC, Wilmington/Delaware, USA	USD	1,000	100.00	66	
64	ThyssenKrupp Steel USA, LLC, Wilmington/Delaware, USA	USD	1,000	100.00	63	
	Other Companies Steel Americas					
65	ThyssenKrupp Slab International B.V., Brielle, Netherlands		80	73.13	59	
66	ThyssenKrupp Steel Americas, LLC, Wilmington/Delaware, USA	USD	1	100.00	648	
	Stainless Global					
	ThyssenKrupp Stainless Sonstige Beteiligungen					
67	ThyssenKrupp Nirosta GmbH, Krefeld		110,000	100.00	593	
68	ThyssenKrupp Stainless Erste Beteiligungsgesellschaft mbH, Essen		25	100.00	593	
69	ThyssenKrupp Stainless Zweite Beteiligungen AG, Essen		100	100.00	593	
70	ThyssenKrupp Italia S.p.A., Terni, Italy		200,000	100.00	68	
71	ThyssenKrupp Nederland B.V., Roermond, Netherlands		13,613	100.00	68	
72	ThyssenKrupp Stainless Holding USA, Inc., Wilmington/Delaware, USA	USD	1[1]	100.00	68	
	ThyssenKrupp Nirosta					
73	ThyssenKrupp Nirosta Präzisionsband GmbH, Krefeld		1,000	100.00	67	
	ThyssenKrupp Acciai Speciali Terni (I)					
74	Aspasiel S.r.l., Rome, Italy		260	100.00	77	
75	Società delle Fucine S.r.l., Terni, Italy		7,988	100.00	77	
76	Terninox S.p.A., Terni, Italy		20,800	100.00	77	
77	ThyssenKrupp Acciai Speciali Terni S.p.A., Terni, Italy		159,682	100.00	70	

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Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
78	Tubificio di Terni S.p.A., Terni, Italy		5,944	97.00	77	
	ThyssenKrupp Mexinox (MX)					
79	Mexinox Trading S.A. de C.V., Mexico D.F., Mexico	MXN	100,600[1]	100.00	82	100.00%[3]
					80	0.00%[3]
80	Mexinox USA Inc., Brownsville/Texas, USA	USD	2,000	100.00	82	
81	ThyssenKrupp Mexinox CreateIT, S.A. de C.V., San Luis Potosi, Mexico	MXN	50[1]	100.00	82	99.98%
					79	0.02%
82	ThyssenKrupp Mexinox Participations, S.A. de C.V., San Luis Potosi, Mexico	MXN	542,830[1]	100.00	71	100.00%[3]
					85	0.00%[3]
83	ThyssenKrupp Mexinox S.A. de C.V., San Luis Potosi, Mexico	MXN	377,170[1]	100.00	71	100.00%[3]
					85	0.00%[3]
	Shanghai Krupp Stainless (CHN)					
84	Shanghai Krupp Stainless Co., Ltd., Pudong New Area / Shanghai, PR China	CNY	2,618,815[1]	60.00	67	
	ThyssenKrupp Stainless USA					
85	ThyssenKrupp Stainless USA, LLC, Wilmington/Delaware, USA	USD	1,000	100.00	72	
	ThyssenKrupp VDM					
86	ThyssenKrupp VDM GmbH, Werdohl		32,000	100.00	67	
87	ThyssenKrupp VDM Australia Pty. Ltd., Mulgrave/Victoria, Australia	AUD	2,000	100.00	86	
88	ThyssenKrupp VDM Austria Gesellschaft m.b.H., Vienna, Austria		50	100.00	71	
89	ThyssenKrupp VDM Benelux B.V., Dordrecht, Netherlands		51	100.00	71	
90	ThyssenKrupp VDM Canada Ltd., Markham/Ontario, Canada	CAD	300	100.00	86	
91	ThyssenKrupp VDM de Mexico S.A. de C.V., Naucalpan de Juarez, Mexico	MXN	550[1]	100.00	86	
92	ThyssenKrupp VDM (GZ) Trading Co., Ltd., Guangzhou, PR China		470	100.00	636	
93	ThyssenKrupp VDM Hongkong Ltd., Hongkong, PR China	HKD	10[1]	99.98	86	
94	ThyssenKrupp VDM Italia S.r.l., Sesto San Giovanni, Italy		10	100.00	70	
95	ThyssenKrupp VDM Japan K.K., Tokyo, Japan	JPY	30,000	100.00	86	
96	ThyssenKrupp VDM Korea Co. Ltd., Bundang-gu, Sungnam-Si, Kyunggi-Do, South Korea	KRW	100,000	100.00	86	
97	ThyssenKrupp VDM S.A.S., Rueil-Malmaison, France		120	100.00	105	
98	ThyssenKrupp VDM (Schweiz) AG, Basel, Switzerland	CHF	100	100.00	86	
99	ThyssenKrupp VDM UK Ltd., Claygate-Esher, Great Britain	GBP	60	100.00	86	
100	ThyssenKrupp VDM USA, Inc., Reno/Nevada, USA	USD	600	100.00	85	
	ThyssenKrupp Stainless International					
101	ThyssenKrupp Stainless International GmbH, Krefeld		26	100.00	67	
102	ThyssenKrupp SILCO-INOX Szervizközpont Kft, Batonyterenye, Hungary	HUF	765,980	100.00	103	
103	ThyssenKrupp Stainless Benelux B.V., Rotterdam, Netherlands		18,151	100.00	71	
104	ThyssenKrupp Stainless DVP, S.A., Barcelona, Spain		5,344	100.00	71	
105	ThyssenKrupp Stainless France S.A., Paris, France		14,555	100.00	71	
106	ThyssenKrupp Stainless (GZ) Trading Company Ltd., Guangzhou, PR China	USD	75	100.00	103	
107	ThyssenKrupp Stainless International (Guangzhou) Ltd., Guangzhou, PR China	USD	9,500	100.00	636	
108	ThyssenKrupp Stainless International (HK) Ltd., Hongkong, PR China	HKD	8,315[1]	100.00	101	
109	ThyssenKrupp Stainless Istanbul Çelik Servis Merkezi A.S., Istanbul, Turkey		1,049	100.00	103	
110	ThyssenKrupp Stainless Polska Sp.z o o., Dabrowa Gornicza, Poland	PLN	34,312	100.00	101	
111	ThyssenKrupp Stainless UK Ltd., Birmingham, Great Britain	GBP	100	100.00	71	
	Materials Services					
	MetalsServices					
112	ThyssenKrupp Materials International GmbH, Essen		283,383	99.84	593	
113	Aloverzee Handelsgesellschaft mbH, Düsseldorf		26	100.00	112	
114	Dr. Mertens Edelstahlhandel GmbH, Offenbach		1,023	100.00	112	
115	Eisenmetall Handelsgesellschaft mbH, Gelsenkirchen		26	100.00	112	
116	Erich Weit GmbH, Munich		356	100.00	123	
117	Freiburger Stahlhandel GmbH, Freiburg i.Br.		2,200	51.00	112	
118	Health Care Solutions GmbH, Düsseldorf		4,173	100.00	112	
119	Herzog Coilex GmbH, Stuttgart		4,100	74.90	132	
120	Hövelmann & Co. Eisengroßhandlung GmbH, Gelsenkirchen		256	100.00	112	

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Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
121	Jacob Bek GmbH, Ulm		2,807	79.96	112	
122	Max Cochius GmbH, Berlin		920	75.00	112	
123	Otto Wolff Handelsgesellschaft mbH, Essen		15,400	99.50	112	
124	Peiniger International GmbH, Grünwald		1,023	100.00	133	
125	Thyssen Rheinstahl Technik GmbH, Düsseldorf		8,948	100.00	112	
126	ThyssenKrupp Information Services GmbH, Düsseldorf		41,600	100.00	607	
127	ThyssenKrupp Mannex GmbH, Essen		10,100	100.00	112	
128	ThyssenKrupp MetalServ GmbH, Essen		1,534	100.00	112	94.00%
					593	6.00%
129	ThyssenKrupp Schulte GmbH, Essen		26	100.00	112	
130	ThyssenKrupp Services Immobilien GmbH, Düsseldorf		50	100.00	112	
131	ThyssenKrupp Stahlkontor GmbH, Düsseldorf		1,486	99.98	112	77.70%
					195	19.91%
					607	2.38%
132	ThyssenKrupp Stahl-Service-Center GmbH, Krefeld		9,287	99.55	112	94.89%
					593	4.66%
133	ThyssenKrupp Systems & Services GmbH, Düsseldorf		59,310	100.00	112	94.90%
					593	5.10%
134	Vermögensverwaltungsgesellschaft TAUS mbH, Grünwald		6,741	100.00	611	
135	Vermögensverwaltungsgesellschaft Xtend mbH, Grünwald		10,516	100.00	112	
136	Xtend new media Holding GmbH, Grünwald		100	100.00	126	
137	B.V.`Nedeximpo` Nederlandse Export- en Importmaatschappij, Amsterdam, Netherlands		1,362	100.00	171	
138	Carolina Building Materials, Inc., Carolina, Puerto Rico	USD	450	100.00	123	
139	Cimex-Nor S.A., San Sebastian, Spain		618	74.00	112	
140	LAGERMEX S.A. de C.V., Puebla, Mexico	MXN	120,545 [1]	100.00	112	71.95%
					1	28.05%
141	LAMINCER S.A., Munguia, Spain		180 [1]	100.00	112	60.00%
					139	40.00%
142	OOO ThyssenKrupp Materials, Moscow, Russia	RUB	928,369	96.03	112	
143	PALMETAL Controlo e Armazenagem S.A., Palmela, Portugal		1,000	90.00	139	
144	Sidcomex S.A. de C.V., Puebla, Mexico	MXN	50 [1]	100.00	140	99.99%
					112	0.01%
145	Thyssen Financial Services B.V., 's-Gravendeel, Netherlands		3,857	100.00	195	
146	Thyssen Sudamerica N.V., Willemstad, Netherland Antilles	USD	5,463	100.00	171	
147	Thyssen Trading S.A., São Paulo, Brazil	BRL	19,738 [1]	100.00	112	
148	ThyssenKrupp Christon N.V., Lokeren, Belgium		7,033	100.00	645	53.50%
					112	46.50%
149	ThyssenKrupp Energostal S.A., Torun, Poland	PLN	15,000	84.00	112	
150	ThyssenKrupp Ferostav, spol. s r.o., Nové Zámky, Slovakia		1,492	80.00	112	
151	ThyssenKrupp Ferroglobus Kereskedelmi ZRt, Budapest, Hungary	HUF	3,244,000	100.00	112	
152	ThyssenKrupp Ferrosta spol. s.r.o., Prague, Czech Republic	CZK	200	100.00	112	
153	ThyssenKrupp Fortinox S.A., Buenos Aires, Argentina	USD	2,100	80.00	112	
154	ThyssenKrupp Industrial Services Canada, Inc., Windsor/Ontario, Canada	CAD	0	100.00	635	
155	ThyssenKrupp Industrial Services NA, Inc., Southfield/Michigan, USA	USD	25	100.00	170	
156	ThyssenKrupp ISIS Holding, Inc., Wilmington/Delaware, USA	USD	1	100.00	170	
157	ThyssenKrupp Logistics, Inc., Wilmington/Delaware, USA	USD	1	100.00	170	
158	ThyssenKrupp Mannex Asia Pte. Ltd., Singapore, Singapore	USD	154	100.00	127	
159	ThyssenKrupp Mannex Pty. Ltd., Sydney/New South Wales, Australia	AUD	213	100.00	112	
160	ThyssenKrupp Mannex Sverige AB, Göteborg, Sweden	SEK	2,000	100.00	127	
161	ThyssenKrupp Mannex UK Ltd., Woking, Great Britain	GBP	2,175	100.00	647	
162	ThyssenKrupp Materials Austria GmbH, Vienna, Austria		2,455	100.00	626	
163	ThyssenKrupp Materials Belgium N.V./S.A., Lokeren, Belgium		1,200	100.00	645	85.87%
					112	14.13%
164	ThyssenKrupp Materials CA Ltd., Concord/Ontario, Canada	CAD	14,778	100.00	170	
165	ThyssenKrupp Materials d.o.o., Indjija, Serbia		9,990	100.00	112	
166	ThyssenKrupp Materials France S.A.S., Maurepas, France		25,958	100.00	640	

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Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
167	ThyssenKrupp Materials Holding (Thailand) Ltd., Samut Prakarn Province, Thailand	THB	46,900	100.00	176	51.00%
					112	49.00%
168	ThyssenKrupp Materials Ibérica S.A., Martorelles, Spain		7,681	100.00	622	
169	ThyssenKrupp Materials Korea Company Ltd., Seoul, South Korea	KRW	7,000,000	60.00	112	
170	ThyssenKrupp Materials NA, Inc., Southfield/Michigan, USA	USD	2	100.00	648	
171	ThyssenKrupp Materials Nederland B.V., Amsterdam, Netherlands		9,076	100.00	645	
172	ThyssenKrupp Materials Romania S.R.L., Bucharest, Romania	RON	21,552[1]	100.00	112	
173	ThyssenKrupp Materials Switzerland AG, Bronschhofen, Switzerland	CHF	4,600	100.00	112	
174	ThyssenKrupp Materials (Shanghai) Co., Ltd., Shanghai, PR China	CNY	23,000[1]	70.00	112	
175	ThyssenKrupp Materials Sverige AB, Göteborg, Sweden	SEK	23,090	100.00	112	
176	ThyssenKrupp Materials (Thailand) Co., Ltd., Bangkok, Thailand	THB	200,000	83.50	112	49.00%
					167	34.50%
177	ThyssenKrupp Materials (UK) Ltd., Smethwick, Great Britain	GBP	12,032	100.00	647	
178	ThyssenKrupp Materials Vietnam LLC, Hanoi, Vietnam	VND	121,000,000	97.36	112	
179	ThyssenKrupp OnlineMetals, LLC, Southfield/Michigan, USA	USD	1,600	100.00	170	
180	ThyssenKrupp Portugal - Aços e Serviços, Lda., Carregado, Portugal		1,150	100.00	112	
181	ThyssenKrupp Securitization Corp., Southfield/Michigan, USA	USD	0	100.00	648	
182	ThyssenKrupp Service Acier S.A.S., Fosses, France		14,000	100.00	640	
183	ThyssenKrupp Stahlunion Polska Sp. z o.o., Katowitz, Poland	PLN	100	100.00	123	
184	ThyssenKrupp Stal Serwis Polska Sp. z o.o., Dabrowa Górnicza, Poland	PLN	28,000	100.00	132	
185	ThyssenKrupp Steel Distribution, LLC , Wilmington/Delaware, USA	USD	1	100.00	170	
186	ThyssenKrupp-Jupiter Stomana OOD, Sofia, Bulgaria	BGN	500	80.00	112	
	SpecialServices					
187	DSU Beteiligungs-Gesellschaft für Dienstleistungen und Umwelttechnik mbH, Oberhausen		30	100.00	197	
188	ThyssenKrupp Aerospace Germany GmbH, Rodgau, Nieder-Roden	DEM	1,000	100.00	112	
189	ThyssenKrupp AT.PRO tec GmbH, Essen		42	61.19	196	
190	ThyssenKrupp Bauservice GmbH, Hückelhoven		2,557	100.00	112	94.90%
					593	5.10%
191	ThyssenKrupp Energievertriebs GmbH, Essen		5,113	100.00	112	
192	ThyssenKrupp GfT Bautechnik GmbH, Essen		500	70.00	112	
193	ThyssenKrupp GfT Gleistechnik GmbH, Essen		1,000	100.00	112	
194	ThyssenKrupp GfT Tiefbautechnik GmbH, Essen		26	100.00	192	
195	ThyssenKrupp Industrial Services Holding GmbH, Düsseldorf		50,000	100.00	112	94.90%
					607	5.10%
196	ThyssenKrupp Metallurgical Products GmbH, Essen		8,000	100.00	112	82.53%
					195	17.47%
197	ThyssenKrupp MillServices & Systems GmbH, Duisburg		1,875	68.00	195	
198	ThyssenKrupp Plastics GmbH, Essen		10,000	100.00	199	
199	ThyssenKrupp Plastics International GmbH, Essen		5,113	100.00	112	
200	Vermögensverwaltungsgesellschaft TKAS mbH, Grünwald		4,536	100.00	112	94.71%
					607	5.29%
201	Alfaplast AG, Steinhausen, Switzerland	CHF	250	100.00	234	
202	DSU - Romania S.r.l., Bucharest, Romania	RON	6,968	100.00	187	
203	Indu-Light AG, Beromünster/Luzern, Switzerland	CHF	150	53.33	204	
204	Neomat AG, Beromünster/Luzern, Switzerland	CHF	200	100.00	234	
205	Notz Plastics AG, Biel/Bienne, Switzerland	CHF	1,000	100.00	234	
206	OOO ThyssenKrupp Bautechnik technischer Service, St. Petersburg, Russia	RUB	360[1]	100.00	192	
207	RIAS A/S, Roskilde, Denmark	DKK	23,063	54.15	199	
208	RIP Comércio Ltda., São Paulo, Brazil	BRL	619	100.00	209	
209	RIP Serviços Industriais Ltda., São Paulo, Brazil	BRL	180,562	100.00	112	
210	RIP Serviços Siderúrgicos Ltda., Rio de Janeiro, Brazil	BRL	1,000	100.00	209	100.00%[3]
					208	0.00%[3]
211	Röhm Italia S.r.l., Garbagnate Milanese, Italy		100	100.00	642	
212	Steba AG, Pfäffikon, Switzerland	CHF	500	100.00	204	

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Fully consolidated group companies (as of September 30, 2011)

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213	STEBA Direktverkauf Kunststoffe + Plexiglas GmbH, Hunzenschwil, Switzerland	CHF	20	100.00	212	
214	ThyssenKrupp Aerospace Australia Pty. Ltd., Wetherill Park/New South Wales, Australia	AUD	2,549	100.00	217	
215	ThyssenKrupp Aerospace Finland Oy, Mänttä, Finland		59	100.00	217	
216	ThyssenKrupp Aerospace India Private Ltd., Bangalore, India	INR	100	100.00	217	99.99%
					220	0.01%
217	ThyssenKrupp Aerospace International Holdings Ltd., Birmingham, Great Britain	GBP	650	100.00	220	
218	ThyssenKrupp Aerospace Nederland B.V., Venlo, Netherlands		18	100.00	645	
219	ThyssenKrupp Aerospace (Shanghai) Co. Ltd., Shanghai, PR China	USD	2,000	100.00	220	
220	ThyssenKrupp Aerospace UK Ltd., Birmingham, Great Britain	GBP	3,295	100.00	647	
221	ThyssenKrupp Aerospace (Xi'an) Co., Ltd., Xi'an, PR China	USD	175	100.00	636	
222	ThyssenKrupp Autômata Industria de Peças Ltda., São Paulo , Brazil	BRL	335	80.00	209	
223	ThyssenKrupp Cadillac Plastic S.A.S., Mitry-Mory, France		1,053	100.00	640	
224	ThyssenKrupp Comércio de Combustíveis e Gases Ltda., Rio de Janeiro, Brazil	BRL	100,230	100.00	196	95.00%
					61	5.00%
225	ThyssenKrupp GfT Polska Sp. z o.o., Krakow, Poland	PLN	15,750	100.00	193	
226	ThyssenKrupp InPlant Services LLC, Dover/Delaware, USA	USD	2,900	51.00	170	
227	ThyssenKrupp Máquinas e Equipamentos Ltda., Rio de Janeiro, Brazil	BRL	10	100.00	209	95.00%
					61	5.00%
228	ThyssenKrupp Materials, LLC, Southfield/Michigan, USA	USD	1	100.00	170	
229	ThyssenKrupp MinEnergy (Tianjin) Co., Ltd., Tianjin, PR China	USD	200 [1]	100.00	196	
230	ThyssenKrupp Otto Wolff N.V./S.A, Mechelen, Belgium		711	100.00	199	
231	ThyssenKrupp Plastic Ibérica SL, Massalfassar (Valencia), Spain		3,000	100.00	622	
232	ThyssenKrupp Plastics Austria GmbH, Hörsching, Austria		182	100.00	626	
233	ThyssenKrupp Steelcom Pty. Ltd., North Sydney/New South Wales, Australia	AUD	0	100.00	192	
234	ThyssenKrupp Stokvis Plastics B.V., Roosendaal, Netherlands		4,500	100.00	645	
235	ThyssenKrupp-Dopravné Stavby Slovensko s.r.o., Bratislava, Slovakia	SKK	1,000 [1]	51.00	193	
236	TOO ThyssenKrupp-CL COO, Aktau, Kazakhstan	KZT	32,000 [1]	51.00	192	
237	UAB ThyssenKrupp Baltija, Klaipeda, Lithuania	LTL	10 [1]	51.00	192	
	IndustrialServices					
238	Siegfried Schlüssler Feuerungsbau GmbH, Bispingen		135 [1]	100.00	239	
239	ThyssenKrupp Xervon Energy GmbH, Duisburg		1,300 [1]	100.00	240	
240	ThyssenKrupp Xervon GmbH, Düsseldorf		12,000 [1]	100.00	133	
241	ThyssenKrupp Xervon Utilities GmbH, Düsseldorf		25 [1]	100.00	240	
242	Rosendaal Services N.V., Kapellen, Belgium		125	100.00	240	98.40%
					241	1.60%
243	Sumatec/Astel-Peiniger (M) Joint Venture, Selangor Darul Ehsan, Malaysia	MYR		56.00	254	
244	ThyssenKrupp Palmers Ltd., West Midlands, Great Britain	GBP	320	100.00	240	
245	ThyssenKrupp Services Ltd., Coventry, Great Britain	GBP	125	100.00	246	
246	ThyssenKrupp Services (UK) Ltd., Business Park Coventry West Midlands, Great Britain	GBP	656	100.00	647	
247	ThyssenKrupp Xervon Algerie S.A.R.L., Algier, Algeria	DZD	300,000	100.00	240	95.00%
					252	5.00%
248	ThyssenKrupp Xervon Austria GmbH, Maria Lanzendorf, Austria		1,453	100.00	240	
249	ThyssenKrupp Xervon Co. Ltd., Shanghai, PR China	CNY	5,805 [1]	100.00	240	
250	ThyssenKrupp Xervon Corp - Mindus Joint Venture, Kuala Lumpur, Malaysia	MYR	0	80.00	251	
251	ThyssenKrupp Xervon Corp. Sdn. Bhd., Kuala Lumpur, Malaysia	MYR	6,800	49.00	254	
252	ThyssenKrupp Xervon Egypt SAE, Cairo, Egypt	EGP	14,000	100.00	253	98.96%
					240	1.04%
253	ThyssenKrupp Xervon Gulf LLC, Sharjah, United Arab Emirates	AED	500	100.00	240	
254	ThyssenKrupp Xervon Malaysia Sdn. Bhd., Kuala Lumpur, Malaysia	MYR	2,650 [1]	100.00	240	
255	ThyssenKrupp Xervon Norway AS, Oslo, Norway	NOK	20,000	100.00	240	
256	ThyssenKrupp Xervon Polska Sp. z o.o., Warsaw, Poland	PLN	7,150	100.00	240	
257	ThyssenKrupp Xervon Saudi Arabia L.L.C., Al-Khubar, Saudi Arabia	SAR	1,000	100.00	253	
258	ThyssenKrupp Xervon Sweden AB, Stockholm, Sweden	SEK	1,200	100.00	240	
259	ThyssenKrupp Xervon U.A.E. - L.L.C. For Industrial Services, Abu Dhabi, United Arab Emirates	AED	2,000	100.00	253	

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Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
	Elevator Technology					
	Corporate Elevator					
260	ThyssenKrupp Elevator AG, Düsseldorf		100,000	100.00	593	
261	ELEG Europäische Lift + Escalator GmbH, Düsseldorf		51	100.00	260	
262	Rheinstahl Union Gesellschaft mit beschränkter Haftung, Düsseldorf		26	100.00	260	
263	ThyssenKrupp Elevator Research GmbH, Düsseldorf		25	100.00	261	
	Central/Eastern/Northern Europe (CENE)					
264	Christian Hein GmbH, Langenhagen		522	100.00	274	
265	GMT Aufzug-Service GmbH, Forst		26	100.00	274	
266	GWH Aufzüge GmbH, Himmelstadt		26	100.00	274	
267	Haisch Aufzüge GmbH, Gingen/Fils		50	100.00	274	
268	Hanseatische Aufzugsbau GmbH, Rostock		33	100.00	274	
269	LiftEquip GmbH Elevator Components, Neuhausen a.d.F.		25	100.00	274	
270	Liftservice und Montage GmbH, Saarbrücken		51	100.00	274	
271	Tepper Aufzüge GmbH, Münster		1,641	100.00	274	
272	ThyssenKrupp Aufzüge GmbH, Stuttgart		2,700	100.00	275	
273	ThyssenKrupp Aufzugswerke GmbH, Neuhausen a.d.F.		10,226	99.50	274	
274	ThyssenKrupp Elevator (CENE) GmbH, Essen		7,100	100.00	260	
275	ThyssenKrupp Elevator (CENE) Infrastruktur GmbH, Essen		2,700	100.00	274	
276	Ascenseurs Drieux-Combaluzier S.A.S., Les Lilas, France		977	100.00	287	
277	Bardeck Lift Engineers Ltd., London, Great Britain	GBP	11	100.00	647	
278	Compagnie des Ascenseurs et Elevateurs S.A.M. 'CASEL SAM', Monaco, Monaco		153	99.60	287	
279	Hammond & Champness Ltd., Nottingham, Great Britain	GBP	500	100.00	290	
280	HK Services A/S, Bergen, Norway	NOK	351	100.00	291	
281	MGTI SNEV S.A.S., Saint Jeannet, France		526	100.00	287	
282	Mulder Liftservice B.V., Nuth, Netherlands		18	100.00	296	
283	OOO ThyssenKrupp Elevator, Moscow, Russia	RUB	14,344	100.00	274	
284	Proxi-Line E.U.R.L., Angers, France		77	100.00	297	
285	The Britannic Lift Company Ltd., West Yorkshire, Great Britain	GBP	35	100.00	290	
286	ThyssenKrupp Ascenseurs Luxembourg S.a.r.l., Luxembourg, Luxembourg		34	100.00	274	
287	ThyssenKrupp Ascenseurs S.A.S., Angers, France		8,117	100.00	297	
288	ThyssenKrupp Aufzüge AG, Rümlang, Switzerland	CHF	1,165	100.00	274	85.84%
					287	14.16%
289	ThyssenKrupp Aufzüge Gesellschaft m.b.H., Vienna, Austria		370	100.00	626	
290	ThyssenKrupp Aufzüge Ltd., Nottingham, Great Britain	GBP	20,990	100.00	647	
291	ThyssenKrupp Aufzüge Norge A/S, Oslo, Norway	NOK	5,200	100.00	274	
292	ThyssenKrupp Aufzugswerke Konstruktions GmbH, Gratkorn, Austria		35	100.00	626	60.00%
					273	40.00%
293	ThyssenKrupp DVG dvigala d.o.o., Trzin, Slowenia		805	100.00	626	
294	ThyssenKrupp Elevator A/S, Oslo, Norway	NOK	100	100.00	291	
295	ThyssenKrupp Elevator A/S, Glostrup, Denmark	DKK	550	100.00	274	
296	ThyssenKrupp Elevator B.V., Krimpen aan den IJssel, Netherlands		4,977	100.00	645	
297	ThyssenKrupp Elevator Holding France S.A.S., Puteaux Cedex, France		34,433	100.00	640	
298	ThyssenKrupp Elevator Ireland, Ltd., Dublin, Ireland		63	100.00	290	
299	ThyssenKrupp Elevator Lithuania UAB, Vilnius, Lithuania	LTL	0 [1]	100.00	626	
300	ThyssenKrupp Elevator Manufacturing France S.A.S., Angers, France		4,602	100.00	287	
301	ThyssenKrupp Elevator Sp. z o.o., Warsaw, Poland	PLN	15,300	100.00	274	
302	ThyssenKrupp Elevator Sverige AB, Stockholm, Sweden	SEK	8,542	100.00	291	
303	ThyssenKrupp Elevator UK Ltd., Nottingham, Great Britain	GBP	2,300	100.00	290	
304	ThyssenKrupp Elevatori d.o.o., Belgrad, Serbia		750 [1]	100.00	289	
305	ThyssenKrupp Hissit Oy, Helsinki, Finland		42	100.00	274	
306	ThyssenKrupp Kazlift LLP, Almaty, Kazakhstan	KZT	234,876	100.00	329	
307	ThyssenKrupp Koncar dizala d.o.o., Zagreb, Croatia	HRK	17,204	100.00	274	
308	ThyssenKrupp Lift Kft, Budapest, Hungary	HUF	101,480	100.00	289	99.90%
					261	0.10%

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Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %		Held by No.
309	ThyssenKrupp Liften Ascenseurs S.A., Brussels, Belgium		2,480	100.00	274	100.00% [3]
					260	0.00% [3]
310	ThyssenKrupp Liften B.V., Krimpen aan den IJssel, Netherlands		1,875	100.00	296	
311	ThyssenKrupp Rulletrapper A/S, Oslo, Norway	NOK	100	100.00	291	
312	ThyssenKrupp Vytahy s.r.o., Bratislava, Slovakia		266	100.00	289	
313	ThyssenKrupp Vytahy s.r.o., Prague, Czech Republic	CZK	78,313	100.00	274	
314	TOB ThyssenKrupp Elevator Ukraine, Kiev, Ukraine	UAH	45,754 [1]	100.00	274	99.90%
					261	0.10%
315	Trapo Küng AG, Basel, Switzerland	CHF	500	100.00	288	
	Southern Europe/Africa/Middle East (SEAME)					
316	ASEL Ascensores S.L., Madrid, Spain		606	100.00	329	
317	Nuova TKEI S.P.A., Milano, Italy		1,500	100.00	642	
318	ThyssenKrupp Asansör Sanayi ve Tic. A.S., Istanbul, Turkey	TRY	28,164	100.00	274	67.55%
					260	32.45%
319	ThyssenKrupp Elevadores, S.A., Lissabon, Portugal		3,586	100.00	329	
320	ThyssenKrupp Elevadores, S.L., Madrid, Spain		4,696	100.00	329	
321	ThyssenKrupp Elevator Almoayyed W.L.L., Manama, Bahrain	BHD	20	70.00	260	
322	ThyssenKrupp Elevator Egypt Ltd., Cairo, Egypt	EGP	2,400	100.00	260	75.00%
					329	25.00%
323	ThyssenKrupp Elevator Israel LP, Rishon Le'zion, Israel	ILS	40,000	100.00	261	49.90%
					329	49.90%
					674	0.20%
324	ThyssenKrupp Elevator Italia S.p.A., Milan, Italy		490	100.00	317	
325	ThyssenKrupp Elevator Manufacturing Spain S.L., Andoain, Spain		281	100.00	320	
326	ThyssenKrupp Elevator Maroc S.A.R.L., Casablanca. Marruecos, Marocco	MAD	2,085	100.00	329	95.00%
					320	5.00%
327	ThyssenKrupp Elevator Saudi Co. Ltd., Riyadh, Saudi Arabia	SAR	2,000	100.00	274	90.00%
					262	10.00%
328	ThyssenKrupp Elevator (South Africa) (Pty.) Ltd., Johannesburg, South Africa	ZAR	111	100.00	260	
329	ThyssenKrupp Elevator Southern Europe, Africa & Middle East, S.L.U., Madrid, Spain		306,109	100.00	622	
330	ThyssenKrupp Elevator SRL, Bucharest, Romania	RON	1,545 [1]	100.00	329	100.00% [3]
					320	0.00% [3]
331	ThyssenKrupp Elevator UAE (L L C), Dubai, United Arab Emirates	AED	80,300	100.00	260	
332	ThyssenKrupp Elevator/Jordan Ltd. Co., Amman, Jordan	JOD	1,569	100.00	260	
333	ThyssenKrupp Elevators Bulgaria EAD, Sofia, Bulgaria	BGN	1,000	100.00	329	
334	ThyssenKrupp Elevators Hellas S.A., Athen, Greece		4,840	100.00	260	51.00%
					329	49.00%
335	ThyssenKrupp Industries and Services Qatar LLC, Doha, Qatar	QAR	2,000	100.00	260	
	Americas (AMS)					
336	Computerized Elevator Control Corp., New York, USA	USD	8	100.00	349	
337	Elevator Service Holding Company Inc., Orlando/Florida, USA	USD	0	100.00	349	
338	General Elevator Sales & Service Inc., Orlando/Florida, USA	USD	18,505	100.00	337	
339	ThyssenKrupp Elevadores, S.A., São Paulo , Brazil	BRL	259,607	99.81	320	
340	ThyssenKrupp Elevadores, S.A., Guatemala, Guatemala	GTQ	10,178 [1]	100.00	320	90.00%
					342	10.00%
341	ThyssenKrupp Elevadores S.A., Panama, Panama	USD	867 [1]	100.00	320	
342	ThyssenKrupp Elevadores S.A., Buenos Aires, Argentina	ARS	18,728 [1]	100.00	320	94.98%
					344	5.02%
343	ThyssenKrupp Elevadores S.A., Bogota, Columbia	COP	5,657,905 [1]	100.00	320	94.00%
					340	1.50%
					342	1.50%
					344	1.50%
					346	1.50%
344	ThyssenKrupp Elevadores S.A., Santiago de Chile-Nunoa, Chile	CLP	2,289,533	100.00	320	98.84%
					342	1.16%

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Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
345	ThyssenKrupp Elevadores, S.A. de C.V., Mexico City, Mexico	MXN	75,036[1]	100.00	320	99.93%
					342	0.07%
346	ThyssenKrupp Elevadores S.A.C., Lima, Peru	PEN	12,556[1]	100.00	320	99.81%
					342	0.19%
347	ThyssenKrupp Elevadores, S.R.L., Montevideo, Uruguay	UYU	6,303	100.00	320	95.00%
					342	5.00%
348	ThyssenKrupp Elevadores, S.R.L., Asunción, Paraguay	PYG	1,330,000[1]	100.00	320	100.00%[3]
					342	0.00%[3]
349	ThyssenKrupp Elevator Americas Corp., Wilmington/Delaware, USA	USD	0	100.00	648	
350	ThyssenKrupp Elevator Canada Ltd., Toronto/Ontario, Canada	CAD	178,141	100.00	355	
351	ThyssenKrupp Elevator Capital Corp., Wilmington/Delaware, USA	USD	302,250	100.00	352	
352	ThyssenKrupp Elevator Corp., Wilmimgton/Delaware, USA	USD	26,261	100.00	349	
353	ThyssenKrupp Elevator Inc., San Juan, Puerto Rico	USD	1	100.00	352	
354	ThyssenKrupp Elevator Manufacturing Inc., Collierville/Tennessee, USA	USD	1	100.00	352	
355	ThyssenKrupp Northern Elevator Corp., Scarborough/Ontario, Canada	CAD	174,100	100.00	635	
	Asia/Pacific (AP)					
356	PT. ThyssenKrupp Elevator Indonesia, Jakarta, Indonesia	IDR	12,760,653	94.68	260	
357	Sun Rhine Enterprises Ltd., Taipei, Taiwan	TWD	138,075	100.00	260	
358	Sun Rich Enterprises Ltd., Taipei, Taiwan	TWD	6,000	100.00	260	
359	Thyssen Elevators Co., Ltd., Zhongshan, PR China	USD	31,680[1]	100.00	260	
360	ThyssenKrupp Elevator & Escalator (Shanghai) Co.Ltd., Shanghai, PR China	USD	5,250[1]	100.00	636	
361	ThyssenKrupp Elevator Asia Pacific Ltd., Hongkong, PR China	HKD	58,000	100.00	260	
362	ThyssenKrupp Elevator Australia Pty. Ltd., Sydney/New South Wales, Australia	AUD	4,300	100.00	375	
363	ThyssenKrupp Elevator (BD) Pvt. Ltd., Dhaka, Bangladesh	BDT	3,395	100.00	365	
364	ThyssenKrupp Elevator (HK) Ltd., Hongkong, PR China	HKD	129,970	100.00	260	
365	ThyssenKrupp Elevator (India) Private Limited, New Delhi, India	INR	881,620	100.00	260	100.00%[3]
					261	0.00%[3]
366	ThyssenKrupp Elevator Installation and Maintenance (China) Co. Ltd., Guangzhou, PR China	USD	6,500[1]	100.00	636	
367	ThyssenKrupp Elevator (Korea) Ltd., Seoul, South Korea	KRW	1,273,220	100.00	260	
368	ThyssenKrupp Elevator Malaysia Sdn. Bhd., Selangor, Malaysia	MYR	500	100.00	260	
369	ThyssenKrupp Elevator New Zealand Ltd., Auckland, New Zealand	NZD	1	100.00	362	
370	ThyssenKrupp Elevator Queensland Pty. Ltd., Melbourne/Victoria, Australia	AUD	0	100.00	375	
371	ThyssenKrupp Elevator (Singapore) Pte.Ltd., Singapore, Singapore	SGD	4,800	100.00	260	
372	ThyssenKrupp Elevator (Thailand) Co., Ltd., Bangkok, Thailand	THB	155,776	100.00	260	
373	ThyssenKrupp Elevator Vietnam Co., Ltd., Hanoi, Vietnam	USD	200	100.00	260	
374	ThyssenKrupp Elevators (Shanghai) Co., Ltd., Shanghai, PR China	USD	13,940[1]	100.00	636	
375	ThyssenKrupp Lifts Pacific Pty. Ltd., Alexandria/New South Wales, Australia	AUD	5,151	100.00	260	
376	TK Lif & Eskalator Sdn. Bhd., Shah Alam, Malaysia	MYR	100	100.00	361	70.00%
					368	30.00%
	Escalators/Passenger Boarding Bridges(ES/PBB)					
377	ThyssenKrupp Elevator (EBC) GmbH, Berlin		25	100.00	260	
378	ThyssenKrupp Elevator (ES/PBB) GmbH, Essen		25	100.00	260	
379	ThyssenKrupp Fahrtreppen GmbH, Hamburg		1,311	100.00	274	
380	AVIOTEAM Servizio e Manutenzioni S.r.l., Rome, Italy		52[1]	65.00	381	
381	ThyssenKrupp Airport Services S.L., Mieres / Asturias, Spain		150[1]	100.00	384	
382	ThyssenKrupp Airport Systems Co. (Zhongshan) Ltd., Zhongshan/Guangdong, PR China	USD	2,550	100.00	636	
383	ThyssenKrupp Airport Systems Inc., Fort Worth/Texas, USA	USD	3,510	100.00	648	
384	ThyssenKrupp Airport Systems, S.A., Mieres/Oviedo, Spain		1,743	100.00	320	100.00%
					388	0.00%
385	ThyssenKrupp Elevator (ES/PBB) Ltd., Newton Aycliffe, Great Britain	GBP	4,135	100.00	647	
386	ThyssenKrupp Elevator Innovation Center, S.A., Mieres/Oviedo, Spain		902	100.00	388	
387	ThyssenKrupp Escalator Co. (China) Ltd., Zhongshan/Guangdong, PR China	USD	14,800[1]	100.00	636	
388	ThyssenKrupp Norte S.A., Mieres/Oviedo, Spain		4,147	100.00	622	66.30%
					320	33.70%

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Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
	Access (ACC)					
389	ThyssenKrupp Access Holding GmbH, Essen		25	100.00	260	
390	ThyssenKrupp Encasa GmbH, Neuss		32	100.00	260	
391	Lift Able Ltd., Cleveland, Great Britain	GBP	7	100.00	395	
392	ThyssenKrupp Access China Ltd., Shanghai, PR China	USD	1,970	100.00	636	
393	ThyssenKrupp Access Corp., Kansas City/Missouri, USA	USD	0	100.00	648	
394	ThyssenKrupp Access Japan Co., Ltd., Tokyo, Japan	JPY	47,000	100.00	260	
395	ThyssenKrupp Access Ltd., Stockton-on-Tees, Great Britain	GBP	100	100.00	647	
396	ThyssenKrupp Access Manufacturing, LLC, Delaware, USA	USD	2,500	100.00	393	
397	ThyssenKrupp Accessibility B.V., Krimpen aan den Ijssel, Netherlands		1,270	100.00	296	
398	ThyssenKrupp Encasa AS, Oslo, Norway	NOK	110	100.00	291	
399	ThyssenKrupp Encasa B.V., Krimpen aan den Ijssel, Netherlands		97	100.00	296	
400	ThyssenKrupp Encasa, SA, Sintra, Portugal		50	100.00	260	
401	ThyssenKrupp Encasa S.L., Madrid, Spain		3	100.00	622	
402	ThyssenKrupp Encasa S.r.l., Pisa, Italy		500	100.00	324	
403	ThyssenKrupp Monolift AB, Stockholm, Sweden	SEK	100	100.00	296	
404	ThyssenKrupp Monolift N.V., Gent, Belgium		450	100.00	296	99.93%
					389	0.07%
405	ThyssenKrupp Monolift S.A.S., Gennevilliers, France		128	100.00	297	
	Plant Technology					
	Uhde					
406	AWG Industrieanlagen und Wassertechnik GmbH Berlin, Berlin	DEM	50	100.00	408	
407	GKI-OFU Industrieofenbau GmbH, Dortmund		26	100.00	408	
408	ThyssenKrupp Uhde GmbH, Dortmund		49,650	100.00	616	94.90%
					593	5.10%
409	Uhde High Pressure Technologies GmbH, Hagen		1,023	100.00	408	
410	Uhde Inventa-Fischer GmbH, Berlin		3,210	100.00	408	
411	Uhde Services GmbH, Haltern am See		588	100.00	408	
412	OOO Uhde, Dzerzhinsk, Russia	RUB	5,000[1]	100.00	408	
413	OSC Process Engineering Ltd., Stockport, Great Britain	GBP	350	90.00	647	
414	ThyssenKrupp PDNA Engineering (Proprietary) Ltd., Sunninghill, South Africa	ZAR	1,000	74.90	460	
415	Uhde Arabia Ltd., Al-Khobar, Saudi Arabia	SAR	2,000	60.00	408	
416	Uhde Asia Pacific Pty. Ltd., West Melbourne/Victoria, Australia	AUD	857	100.00	408	
417	Uhde Corporation of America, Bridgeville/Pennsylvania, USA	USD	0	100.00	648	
418	Uhde Edeleanu S.E. Asia Pte. Ltd., Singapore, Singapore	SGD	1,000	100.00	408	
419	Uhde Engineering Consulting (Shanghai) Co., Ltd., Shanghai, PR China		364[1]	100.00	427	
420	Uhde Engineering de México, S.A. de C.V., Mexico D.F., Mexico	MXN	8,919[1]	100.00	425	99.99%
					408	0.01%
421	Uhde Engineering Egypt Company (S.A.E.), Cairo, Egypt	EGP	250	100.00	408	
422	Uhde Fertilizer Technology B.V., Amsterdam, Netherlands		18	100.00	645	
423	Uhde India Private Ltd., Mumbai, India	INR	29,440	80.43	408	
424	Uhde Inventa-Fischer AG, Domat / Ems, Switzerland	CHF	100	100.00	408	
425	Uhde Mexico S.A. de C.V., Mexico City, Mexico	MXN	45,219[1]	100.00	408	98.06%
					622	1.22%
					429	0.72%
426	Uhde Services Slovakia s.r.o., Lazaretská, Slovakia	SKK	200	100.00	411	85.00%
					408	15.00%
427	Uhde Shedden (Australia) Pty. Ltd., South Melbourne/Victoria, Australia	AUD	5,757	100.00	416	
428	Uhde (Thailand) Ltd., Bangkok, Thailand	THB	31,000	48.38	416	
	Polysius					
429	ThyssenKrupp Polysius AG, Beckum		10,737	100.00	616	94.90%
					593	5.10%
430	A-C Equipment Services Corp., Milwaukee/Wisconsin, USA	USD	4,500	100.00	436	
431	ELEX CemCat AG, Schwerzenbach, Switzerland	CHF	100	60.00	429	

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Fully consolidated group companies (as of September 30, 2011)

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432	Maerz Ofenbau AG, Zürich, Switzerland	CHF	1,000	100.00	429	
433	OOO Polysius, Moscow, Russia	RUB	17,000	100.00	429	
434	Polysius Asia Pacific Pte. Ltd., Singapore, Singapore	SGD	100	100.00	429	
435	Polysius Australia Pty. Ltd., Perth/Western Australia, Australia	AUD	50	100.00	429	
436	Polysius Corp., Atlanta/Georgia, USA	USD	0	100.00	648	
437	Polysius de Argentina S.A., Buenos Aires, Argentina	ARS	120	100.00	429	
438	Polysius de Mexico S.A. de C.V., Mexico-City, Mexico	MXN	12,000[1]	100.00	429	
439	Polysius del Peru S.A., Arequipa, Peru	PEN	28,678	100.00	429	99.01%
					438	0.99%
440	Polysius do Brasil Ltda., São Paulo, Brazil	BRL	62,179	100.00	429	
441	Polysius Engineering Sdn. Bhd., Kuala Lumpur, Malaysia	MYR	500	100.00	429	
442	Polysius Ingenieria y Servicios del Peru S.A., Arequipa, Peru	PEN	410	100.00	429	99.00%
					437	1.00%
443	Polysius Ltd., Ascot/Berkshire, Great Britain	GBP	300	100.00	647	
444	Polysius Polska Sp. z o.o., Warsaw, Poland	PLN	50	100.00	429	
445	Polysius S.A., Madrid, Spain		601	100.00	622	
446	Polysius S.A.S., Aix en Provence, France		2,400	100.00	640	
447	Polysius (Shanghai) Co., Ltd., Shanghai, PR China		12,082	100.00	636	
448	Polysius Vietnam Ltd., Hanoi, Vietnam	VND	2,416,700	100.00	429	
449	PT. ThyssenKrupp Polysius Indonesia, Jakarta, Indonesia	USD	250	67.00	429	
450	ThyssenKrupp Engineering (Proprietary) Ltd., Gabarone, Botsuana	BWP	3	100.00	460	99.97%
					429	0.03%
451	ThyssenKrupp Servicios S.A. de C.V., Mexico D.F., Mexico	MXN	50[1]	100.00	438	98.00%
					429	2.00%
452	TOV Polysius Ukraine, Kiev, Ukraine		300	100.00	429	
453	Umatac Industrial Processes Inc., Calgary/ Alberta, Canada	CAD	5,636	70.00	429	
	Fördertechnik					
454	ThyssenKrupp Fördertechnik GmbH, Essen		22,344	100.00	616	94.90%
					593	5.10%
455	Krupp Canada Inc., Calgary/Alberta, Canada	CAD	5,000	100.00	454	
456	Mining Plants & Systems Bulgaria EOOD, Sofia, Bulgaria	BGN	5[1]	100.00	454	
457	PWH Materials Handling Systems Inc., Calgary/Alberta, Canada	CAD	20	100.00	454	
458	ThyssenKrupp BulkTec (China) Ltd., Beijing, PR China		5,000[1]	100.00	636	
459	ThyssenKrupp Engineering (Australia) Pty. Ltd., Stirling/Western Australia, Australia	AUD	170	100.00	454	
460	ThyssenKrupp Engineering (Proprietary) Ltd., Sunninghill, South Africa	ZAR	101	100.00	408	60.00%
					454	30.00%
					429	10.00%
461	ThyssenKrupp Industries India Pvt. Ltd., Pimpri, India	INR	97,865	54.73	596	
462	ThyssenKrupp Ingenieria Chile Ltda., Santiago de Chile, Chile	USD	15	100.00	465	
463	ThyssenKrupp KH Mineral S.A.S., Sarreguemines, France		1,000	100.00	640	
464	ThyssenKrupp Materials Handling Pty. Ltd., Stirling/Western Australia, Australia	AUD	25	100.00	454	
465	ThyssenKrupp Robins Inc., Denver/Colorado, USA	USD	0	100.00	648	
	System Engineering					
466	ThyssenKrupp System Engineering GmbH, Essen		50	100.00	616	
467	OOO ThyssenKrupp System Engineering, Kaluga, Russia	RUB	4,500	100.00	466	
468	ThyssenKrupp Krause Ltd., Redhill/Surrey, Great Britain	GBP	0	100.00	647	
469	ThyssenKrupp System Engineering, Inc., Auburn Hills/Michigan, USA	USD	150	100.00	648	
470	ThyssenKrupp System Engineering India Private Limited, Pune, India	INR	12,000	100.00	466	99.90%
					616	0.10%
471	ThyssenKrupp System Engineering Ltd., Coventry, Great Britain	GBP	130	100.00	647	
472	ThyssenKrupp System Engineering Ltda., Diadema-São Paulo, Brazil	BRL	110,959	100.00	616	99.75%
					556	0.25%
473	ThyssenKrupp System Engineering S.A., Barcelona, Spain		60	100.00	622	
474	ThyssenKrupp System Engineering, S.A. de C.V., Santiago de Querétaro, Mexico	MXN	4,929[1]	100.00	466	

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Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %		Held by No.
475	ThyssenKrupp System Engineering S.A.S., Ensisheim, France		458	100.00	640	
476	ThyssenKrupp System Engineering (Shanghai) Co., Ltd., Shanghai, PR China		1,000 [1]	100.00	636	
477	ThyssenKrupp System Engineering Sp. z o.o., Gdansk, Poland	PLN	23,646	100.00	466	
	Transrapid					
478	ThyssenKrupp Transrapid GmbH, Kassel	DEM	1,500	100.00	616	
	Sonstige Beteiligungen Plant Technology					
479	Uhde Services and Consulting GmbH, Dortmund		26	100.00	616	
	Components Technology					
	Presta Camshafts					
480	ThyssenKrupp Presta Chemnitz GmbH, Chemnitz		25	100.00	616	
481	ThyssenKrupp Presta Ilsenburg GmbH, Ilsenburg		307	100.00	616	94.98%
					593	5.02%
482	ThyssenKrupp Presta Dalian Co. Ltd., Dalian, PR China		18,500	100.00	636	
483	ThyssenKrupp Presta Danville, LLC, Danville/Illinois, USA	USD	0	100.00	648	
484	ThyssenKrupp Presta TecCenter AG, Eschen, Liechtenstein	CHF	10,000	100.00	481	
	Forging-Group					
485	ThyssenKrupp Gerlach GmbH, Homburg/Saar		34,257	100.00	616	
486	ThyssenKrupp Birmid, Newton Aycliffe, Great Britain	GBP	0	100.00	629	
487	ThyssenKrupp Crankshaft Co. LLC, Danville/Illinois, USA	USD	1	100.00	648	
488	ThyssenKrupp Engine Components (China) Co., Ltd., Nanjing, PR China	USD	76,000	100.00	636	
489	ThyssenKrupp Engine Components (India) Private Ltd., Nashik, India	INR	300,000 [1]	100.00	485	99.90%
					616	0.10%
490	ThyssenKrupp Mavilor S.A., L'Horme, France		89,965	100.00	640	
491	ThyssenKrupp Metalúrgica Campo Limpo Ltda., Campo Limpo Paulista, Brazil	BRL	85,000	59.77	646	
492	ThyssenKrupp Metalúrgica de México S.A. de C.V., Puebla, Mexico	MXN	141,800 [1]	100.00	491	
493	ThyssenKrupp Metalúrgica Santa Luzia Ltda., Santa Luzia, Brazil	BRL	58,198	100.00	491	
494	ThyssenKrupp Metalúrgica Servicios S.A. de C.V., Puebla, Mexico	MXN	131 [1]	100.00	492	100.00% [3]
					493	0.00% [3]
	Waupaca					
495	ThyssenKrupp Waupaca de Mexico, S. de R.L. de C.V., Mexico, Mexico	USD	3 [1]	100.00	496	95.00%
					632	5.00%
496	ThyssenKrupp Waupaca, Inc., Waupaca/Wisconsin, USA	USD	0	100.00	632	
	Rothe Erde					
497	PSL Wälzlager GmbH, Dietzenbach		26	100.00	506	
498	Rothe Erde GmbH, Dortmund		12,790	100.00	616	80.00%
					607	20.00%
499	Defontaine Ibérica S.A., Viana, Spain		721	100.00	502	
500	Defontaine Italia S.r.l., Sesto San Giovanni, Italy		99	100.00	502	
501	Defontaine (Qingdao) Machinery Co., Ltd., Jiaonan City, Shandong Province, PR China		33,500	100.00	636	
502	Defontaine S.A., Saint Herblain, France		4,603	100.00	640	99.99%
					498	0.01%
503	Defontaine Tunisie S.A., Ben Arous, Tunesia	TND	1,500	50.97	502	
504	Nippon Roballo Company Ltd., Minato-ku/Tokyo, Japan	JPY	740,000	100.00	498	
505	OOO PSL, Moscow, Russia	RUB	100 [1]	100.00	506	99.00%
					497	1.00%
506	PSL a.s., Povazská Bystrica, Slovakia		7,769	100.00	498	
507	PSL of America Inc., Twinsburg/Ohio, USA	USD	1	100.00	506	
508	REX (Xuzhou) Slewing Bearing Co., Ltd., Xuzhou, PR China	USD	39,500 [1]	60.00	636	
509	Roballo Engineering Company Ltd., Peterlee, Great Britain	GBP	1,000	100.00	647	
510	Robrasa Rolamentos Especiais Rothe Erde Ltda., Diadema, Brazil	BRL	10,119	100.00	616	
511	Rotek Incorporated, Aurora/Ohio, USA	USD	100	100.00	648	
512	Rothe Erde - Metallurgica Rossi S.p.A., Visano, Italy		1,612	100.00	642	
513	Rothe Erde Ibérica S.A., Zaragoza, Spain		1,369	100.00	622	

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Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
514	Rothe Erde India Private Ltd., Maharashtra, India	INR	1,190,570	100.00	498	100.00% [3]
					512	0.00% [3]
515	Xuzhou Rothe Erde Ring Mill Co., Ltd., Xuzhou, PR China	USD	27,749 [1]	100.00	636	
516	Xuzhou Rothe Erde Slewing Bearing Co., Ltd., Xuzhou, PR China	USD	27,300 [1]	60.00	636	
	Berco					
517	BERCO Deutschland GmbH, Ennepetal		2,387	100.00	616	
518	Berco Bulgaria EOOD, Apriltsi, Bulgaria	BGN	780	100.00	522	
519	Berco of America Inc., Waukesha/Wisconsin, USA	USD	50	100.00	648	
520	Berco (Shanghai) Undercarriage Technology Co., Ltd., Shanghai, PR China		4,000	100.00	636	
521	Berco (Shanghai) Undercarriage Trading Co.,Ltd., Shanghai, PR China		2,000	100.00	636	
522	Berco S.p.A., Copparo, Italy		38,700	100.00	642	99.95%
					593	0.05%
523	Berco (UK) Ltd., Birmingham, Great Britain	GBP	120	100.00	647	
524	Berco Undercarriages (India) Private Ltd., Andrah Pradesh, India	INR	450,000	100.00	522	99.00%
					517	1.00%
525	BercoSul Ltda., Diadema-São Paulo, Brazil	BRL	14,062	100.00	522	
	Presta Steering					
526	BMB Steering Innovation GmbH, Schönebeck		512	100.00	528	
527	ThyssenKrupp Presta Esslingen GmbH, Esslingen		50	100.00	547	
528	ThyssenKrupp Presta SteerTec GmbH, Düsseldorf		5,114	100.00	616	94.99%
					593	5.01%
529	ThyssenKrupp Presta SteerTec Mülheim GmbH, Mülheim		26	100.00	528	
530	ThyssenKrupp Presta SteerTec Schönebeck GmbH, Schönebeck		26	100.00	528	
531	ThyssenKrupp Automotive Sales & Technical Center, Inc., Troy/Michigan, USA	USD	3	100.00	648	
532	ThyssenKrupp Presta Aktiengesellschaft, Eschen, Liechtenstein	CHF	15,000	100.00	616	
533	ThyssenKrupp Presta Cold Forging LLC, Wilmington/Delaware, USA	USD	5,000	100.00	531	
534	ThyssenKrupp Presta de México S.A. de C.V., Puebla, Mexico	MXN	17,316 [1]	100.00	537	33.33%
					547	33.33%
					560	33.33%
535	ThyssenKrupp Presta do Brasil Ltda., Curitiba, Brazil	BRL	36,944	100.00	537	89.81%
					547	10.19%
536	ThyssenKrupp Presta Fawer (Changchun) Co. Ltd., Changchun, PR China	CNY	52,834 [1]	60.00	537	
537	ThyssenKrupp Presta France S.A.S., Florange, France		23,660	100.00	640	
538	ThyssenKrupp Presta HuiZhong Shanghai Co., Ltd., Shanghai, PR China	CNY	100,562 [1]	60.00	537	
539	ThyssenKrupp Presta Hungary Kft., Budapest, Hungary	HUF	632,770	100.00	527	
540	ThyssenKrupp Presta Japan Co., Ltd., Tokyo, Japan	JPY	10,000	100.00	616	
541	ThyssenKrupp Presta Servicios de México S.A. de C.V., Puebla, Mexico	MXN	50 [1]	100.00	547	33.33%
					537	33.33%
					560	33.33%
542	ThyssenKrupp Presta Shanghai Co. Ltd., Shanghai, PR China		11,000 [1]	100.00	636	
543	ThyssenKrupp Presta SteerTec Poland Sp.z o.o., Meseritz, Poland	PLN	3,664	100.00	528	
544	ThyssenKrupp Presta Terre Haute, LLC, Terre Haute/Indiana, USA	USD	4,000	100.00	531	
	Bilstein-Gruppe					
545	HF Vermögensverwaltungsgesellschaft im Ruhrtal GmbH, Hagen		2,098	99.95	550	
546	Kraemer & Freund Handel GmbH, Hagen		100	100.00	550	
547	ThyssenKrupp Automotive Systems GmbH, Essen		2,557	100.00	616	
548	ThyssenKrupp Bilstein Suspension GmbH, Ennepetal		5,982	99.50	616	94.49%
					593	5.01%
549	ThyssenKrupp Bilstein Tuning GmbH, Ennepetal		100	100.00	548	
550	ThyssenKrupp Federn GmbH, Hagen		15,595	100.00	548	94.99%
					593	5.01%
551	ThyssenKrupp Federn und Stabilisatoren GmbH, Hagen		25	100.00	616	
552	ThyssenKrupp Automotive Systèmes France S.A.R.L., Hambach, France		152	100.00	640	

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Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %		Held by No.
553	ThyssenKrupp Automotive Systems de México S.A. de C.V., Puebla, Mexico	MXN	50[1]	100.00	547	100.00%[3]
					534	0.00%[3]
554	ThyssenKrupp Automotive Systems Industrial do Brasil Ltda., Paraná, Brazil	BRL	170,659	100.00	547	93.74%
					491	6.26%
					556	0.00%[3]
555	ThyssenKrupp Automotive Systems of America. LLC, Wilmington/Delaware, USA	USD	1	100.00	648	
556	ThyssenKrupp Bilstein Brasil Molas e Componentes de Suspensão Ltda., São Paulo, Brazil	BRL	76,090	100.00	550	100.00%[3]
					595	0.00%[3]
557	ThyssenKrupp Bilstein Compa S.A., Sibiu, Romania	LEU	3,029	73.09	548	72.82%
					550	0.18%
					466	0.09%
558	ThyssenKrupp Bilstein Ibérica, S.L.U., Alonsotegui, Spain		8,297	100.00	622	
559	ThyssenKrupp Bilstein of America Inc., San Diego/California, USA	USD	945	100.00	648	
560	ThyssenKrupp Bilstein Sasa S.A. de C.V., San Luis Potosi, Mexico	MXN	457,561[1]	100.00	550	
561	ThyssenKrupp Bilstein Woodhead Ltd., Leeds, Great Britain	GBP	7,610	100.00	629	
562	ThyssenKrupp Fawer Liaoyang Spring Co., Ltd., Liaoyang/Liaoning, PR China	USD	21,278[1]	60.00	636	
563	ThyssenKrupp Sasa Servicios, S.A.de C.V., San Luis Potosi, Mexico	MXN	50[1]	100.00	560	
	Sonstige Beteiligungen Components Technology					
564	ThyssenKrupp Technologies Japan Co., Ltd., Tokyo, Japan	JPY	10,000	100.00	616	
	Marine Systems					
	Naval					
565	Blohm + Voss Marine Systems GmbH, Hamburg		25	100.00	592	
566	Blohm + Voss Naval GmbH, Hamburg		50	100.00	592	
567	Emder Werft und Dockbetriebe GmbH, Emden		3,800	100.00	592	
568	HDW/MFI Business Partnership, Kiel		0	95.00	570	
569	Hörn-Beteiligungs-GmbH, Kiel		26	100.00	570	
570	Howaldtswerke-Deutsche Werft GmbH, Kiel		30,000	100.00	592	
571	IKL Ingenieurkontor Lübeck GmbH, Kiel		26	100.00	570	
572	Innovative Meerestechnik GmbH, Emden		1,023	100.00	567	
573	Schiffahrtskontor "MARITIM" GmbH, Kiel		26	100.00	570	
574	SDC Sheltered Docking Center GmbH, Kiel		25	100.00	570	
575	Blohm+Voss El Djazair S.a.r.l., Algier, Algeria	DZD	10,000	100.00	580	
576	Greek Naval Shipyards Holding S.A., Skaramanga, Greece		66,265	100.00	569	
577	Kockums AB, Malmö, Sweden	SEK	50,000	100.00	570	
578	ThyssenKrupp Marin Sistem Gemi Sanayi ve Ticaret A.S., Istanbul, Turkey	TRY	200[1]	60.00	592	
579	ThyssenKrupp Marine Systems Canada Inc., Ottawa/Ontario , Canada	CAD	100	100.00	592	
580	ThyssenKrupp Marine Systems International Pte. Ltd., Singapore, Singapore	SGD	36,536	100.00	592	
	Shipyards and Services					
581	BIS Blohm + Voss Inspection Service GmbH, Hamburg		26	100.00	584	
582	Blohm + Voss Industries GmbH, Hamburg		10,226	100.00	616	
583	Blohm + Voss Repair GmbH, Hamburg		2,560	100.00	592	
584	Blohm + Voss Shipyards GmbH, Hamburg		8,950	100.00	592	
585	SVG Steinwerder Verwaltungsgesellschaft mbH, Hamburg		30	100.00	592	
586	Blohm & Voss Industries (China) Ltd., Hongkong, PR China	HKD	300	100.00	582	
587	Blohm + Voss Industries (Shanghai) Ltd., Shanghai, PR China	USD	140	100.00	586	
588	Blohm + Voss Industries (Singapore) Pte. Ltd., Singapore, Singapore	SGD	250[1]	100.00	582	
589	Blohm + Voss (Korea) Ltd., Pusan, South Korea	KRW	75,000	75.00	582	
590	Blohm+Voss Oil Tools, LLC, Wilmington/Delaware, USA	USD	5,000	100.00	648	
	Sonstige Beteiligungen Marine Systems					
591	Blohm + Voss Shipyards & Services GmbH, Hamburg		25	100.00	592	
592	ThyssenKrupp Marine Systems AG, Hamburg		34,087	100.00	616	

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Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
	Corporate					
	Corporate Headquarters					
593	ThyssenKrupp AG, Duisburg und Essen		1,317,092	[4]		
594	Banter See Vermögensverwaltung GmbH, Düsseldorf		486	100.00	611	
595	Brüninghaus Schmiede GmbH, Grünwald		511	100.00	616	
596	Buckau-Walther GmbH, Grünwald		9,216	100.00	616	
597	Bucketwheel Engineering GmbH, Essen		26	100.00	596	
598	CCI Crane Cooperation International Handelsgesellschaft mbH, Essen		1,534	100.00	593	
599	GLH GmbH, Essen	DEM	30,000	100.00	621	
600	Hoesch AG, Düsseldorf		50	100.00	593	
601	Konsortium für Kurssicherung GbR, Düsseldorf		39,113	97.76	1	43.80%
					67	18.99%
					593	17.07%
					616	11.67%
					112	5.57%
					260	0.65%
602	Krupp Entwicklungszentrum GmbH, Essen		1,534	100.00	652	
603	Krupp Industrietechnik GmbH, Grünwald		51,129	100.00	607	94.90%
					593	5.10%
604	Krupp Informatik Gesellschaft mit beschränkter Haftung, Düsseldorf		51	100.00	596	
605	MONTAN GmbH Assekuranz-Makler, Düsseldorf		184	53.81	615	
606	Reisebüro Dr. Tigges GmbH, Essen		300	76.00	112	
607	Thyssen Stahl GmbH, Düsseldorf		935,147	100.00	593	82.64%
					652	17.36%
608	ThyssenKrupp Academy GmbH, Düsseldorf		25	100.00	593	
609	ThyssenKrupp AdMin GmbH, Düsseldorf		25	100.00	611	
610	ThyssenKrupp DeliCate GmbH, Düsseldorf		26	100.00	611	
611	ThyssenKrupp Dienstleistungen GmbH, Düsseldorf		15,500	100.00	593	
612	ThyssenKrupp Erste Beteiligungsgesellschaft mbH, Düsseldorf		25	100.00	607	
613	ThyssenKrupp Management Consulting GmbH, Düsseldorf		25	100.00	611	
614	ThyssenKrupp Reinsurance AG, Essen		3,000	100.00	615	
615	ThyssenKrupp Risk and Insurance Services GmbH, Essen		3,000	100.00	593	
616	ThyssenKrupp Technologies Beteiligungen GmbH, Essen		130,000	100.00	593	
617	Vermögensverwaltungsgesellschaft EZM mbH, Grünwald		4,142	100.00	607	
618	Vermögensverwaltungsgesellschaft KSH mbH, Grünwald		5,113	100.00	593	
619	Vermögensverwaltungsgesellschaft TKW mbH, Grünwald		512	100.00	611	
620	Budcan Holdings Inc., Kitchener/Ontario, Canada	CAD	0	100.00	635	
621	GLH, LLC, Fond du Lac/Wisconsin, USA	USD	108,993	100.00	648	
622	Grupo ThyssenKrupp S.L., Madrid, Spain		16,156	100.00	593	
623	Kitchener Frame Limited, Toronto/Ontario, Canada	CAD	0	100.00	350	
624	Krupp Camford Pressings Ltd., Llanelli, Great Britain	GBP	24,594	100.00	629	
625	QDF Components Ltd., County Durham, Great Britain	GBP	19,680	100.00	629	
626	ThyssenKrupp Austria Beteiligungs GmbH, Vienna, Austria		35	100.00	628	
627	ThyssenKrupp Austria GmbH, Vienna, Austria		35	100.00	593	
628	ThyssenKrupp Austria GmbH & Co. KG, Vienna, Austria		35	100.00	593	
629	ThyssenKrupp Automotive (UK) Ltd., Newton Aycliffe, Great Britain	GBP	13,519	100.00	647	
630	ThyssenKrupp Body Stampings Ltd., Cannock, Great Britain	GBP	132	100.00	629	
631	ThyssenKrupp Budd Canada Inc., Kitchener/Ontario, Canada	CAD	0	100.00	350	
632	ThyssenKrupp Budd Company, Troy/Michigan, USA	USD	1	100.00	648	
633	ThyssenKrupp Camford Engineering PLC, County Durham, Great Britain	GBP	5,207	100.00	629	
634	ThyssenKrupp Camford Ltd., Newton Aycliff, Great Britain	GBP	25	100.00	629	
635	ThyssenKrupp Canada, Inc., Calgary/Alberta, Canada	CAD	1,000	100.00	593	
636	ThyssenKrupp (China) Ltd., Beijing, PR China	USD	200,000	100.00	593	

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Fully consolidated group companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
637	ThyssenKrupp Finance Canada, Inc., Calgary/Alberta, Canada	CAD	1	100.00	593	
638	ThyssenKrupp Finance Nederland B.V., Krimpen aan den Ijssel, Netherlands		2,300	100.00	593	
639	ThyssenKrupp Finance USA, Inc., Wilmington/Delaware, USA	USD	1	100.00	648	
640	ThyssenKrupp France S.A.S., Rueil-Malmaison, France		116,149	100.00	593	
641	ThyssenKrupp Intermediate U.K. Ltd., County Durham, Great Britain	GBP	28,145	100.00	647	
642	ThyssenKrupp Italia Holding S.r.l., Terni, Italy		10	100.00	593	
643	ThyssenKrupp Knowsley Ltd., Dundee, Great Britain	GBP	25,610	100.00	616	
644	ThyssenKrupp Nederland Holding B.V., Roermond, Netherlands		10,100	100.00	593	
645	ThyssenKrupp Nederland Intermediate B.V., Roermond, Netherlands		10,000	100.00	644	
646	ThyssenKrupp Participations B.V., Veghel, Netherlands		100	100.00	593	
647	ThyssenKrupp UK Plc., County Durham, Great Britain	GBP	76,145	100.00	593	100.00%[3]
					607	0.00%[3]
648	ThyssenKrupp USA, Inc., Troy/Michigan, USA	USD	247,989	100.00	593	
	Business Services					
649	ThyssenKrupp Business Services GmbH, Essen		25	100.00	593	
	IT Services					
650	ThyssenKrupp IT Services GmbH, Essen		25	100.00	616	
	Real Estate					
651	Hellweg Liegenschaften GmbH, Bochum		50	94.00	652	
652	Krupp Hoesch Stahl GmbH, Dortmund		181,510	100.00	644	94.90%
					593	5.10%
653	Stahlhauser Liegenschaften Verwaltungsgesellschaft mbH, Essen		25	94.00	663	88.00%
					593	6.00%
654	Thyssen Liegenschaften Verwaltungs- und Verwertungs GmbH & Co. KG Industrie, Essen		692	100.00	616	94.90%
					663	5.10%
655	Thyssen Liegenschaften Verwaltungs- und Verwertungs GmbH & Co. KG Stahl, Essen		511	100.00	607	94.90%
					663	5.10%
656	ThyssenKrupp Grundbesitz Verwaltungs GmbH, Essen		25	100.00	593	
657	ThyssenKrupp Grundbesitz-Vermietungs GmbH & Co. KG, Essen		1,000	100.00	593	
658	ThyssenKrupp Immobilien Verwaltungs GmbH & Co. KG Krupp Hoesch Stahl, Essen		1,000	100.00	652	
659	ThyssenKrupp Immobilien Verwaltungs GmbH & Co. KG Stahl, Essen		1,000	100.00	655	
660	ThyssenKrupp Immobilienentwicklungs Concordiahütte GmbH, Oberhausen		25	100.00	616	94.80%
					593	5.20%
661	ThyssenKrupp Immobilienentwicklungs Krefeld GmbH, Oberhausen		25	100.00	607	
662	ThyssenKrupp Liegenschaften Umformtechnik Verwaltungs GmbH, Essen		25	100.00	616	94.80%
					593	5.20%
663	ThyssenKrupp Real Estate GmbH, Essen		15,441	100.00	593	
664	ThyssenKrupp Stahl Immobilien GmbH, Duisburg		50	100.00	663	94.90%
					593	5.10%
665	Rhenus Immobilien Gesellschaft m.b.H., Vienna, Austria		70	100.00	626	
666	ThyssenKrupp Real Estate France S.A.S., Rueil-Malmaison, France		8,537	100.00	640	

[1] fiscal year not 09/30 [2] in accordance with IFRS regulations [3] splinter investment as of fourth digits behind decimal point [4] parent company

Non consolidated companies (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
	Steel Americas					
	CSA					
667	CTA Termoelétrica do Atlântico Ltda., Rio de Janeiro, Brazil	BRL	10	99.00	61	
	Stainless Global					
	ThyssenKrupp VDM					
668	VDM-Unterstützungskasse GmbH, Werdohl		26	100.00	86	
669	ThyssenKrupp VDM High Performance Metals Trading Co., Ltd., Shanghai, PR China	USD	300	100.00	636	
	Materials Services					
	MetalsServices					
670	OST-PLUS s.r.o., Teplice, Czech Republic	CZK	1,000 [1]	90.00	116	
671	ThyssenKrupp HiServ s.r.o., Kosice, Slovakia		7 [1]	100.00	112	
	SpecialServices					
672	DvB Aufbereitungs-GmbH zur Behandlung von Metallprodukten, Duisburg		102 [1]	100.00	197	
	IndustrialServices					
673	ThyssenKrupp Xervon Dubai (L.L.C.), Dubai, United Arab Emirates	AED	300	100.00	253	
	Elevator Technology					
	Southern Europe/Africa/Middle East (SEAME)					
674	ThyssenKrupp Elevator (Management) Ltd., Rishon Le'zion, Israel	ILS	0	100.00	261	50.00%
					329	50.00%
	Plant Technology					
	Uhde					
675	Edeleanu SDN. BHD., Kuala Lumpur, Malaysia	MYR	1,000	100.00	408	
676	Uhde do Brasil Ltda., São Paulo, Brazil	BRL	798	100.00	408	
677	Uhde Edeleanu s.r.o., Brno, Czech Republic	CZK	1,000 [1]	100.00	408	
678	Uhde Inventa-Fischer Chemical Fiber Equipment (Shanghai) Ltd., Shanghai, PR China	USD	200 [1]	100.00	636	
	Polysius					
679	Polysius-Hilfe GmbH, Münster	DEM	50	100.00	429	
680	Maerz Ofenbau SRL, Timisoara, Romania	RON	204 [1]	100.00	432	
	System Engineering					
681	ThyssenKrupp System Engineering S.r.l., Turin, Italy		120	100.00	642	98.00%
					466	2.00%
	Components Technology					
	Rothe Erde					
682	Roballo France S.A.R.L., Rueil-Malmaison, France		180	100.00	640	
	Sonstige Beteiligungen Components Technology					
683	ThyssenKrupp Automotive Italia S.r.l., Turin, Italy		99	100.00	616	99.00%
					532	1.00%
	Marine Systems					
	Naval					
684	Maritime Services Consultant Enterprise Sdn.Bhd., Petaling Jaya, Malaysia	MYR	300	100.00	584	
685	ThyssenKrupp Marine Systems Australia Pty Ltd, Canberra/Australian Capital Territory, Australia	AUD	2,851	100.00	566	
686	United Stirling, Malmö, Sweden	SEK	100	100.00	577	
	Sonstige Beteiligungen Marine Systems					
687	ThyssenKrupp Technologies HELLAS Marketing Services S.A., Athen, Greece		60	100.00	616	99.98%

[1] fiscal year not 09/30 [2] in accordance with IFRS regulations [3] splinter investment as of fourth digits behind decimal point [4] parent company

Equity-stated companies (*=Joint Venture / as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.
	Steel Europe				
	ThyssenKrupp Steel Europe				
688	Hüttenwerke Krupp Mannesmann GmbH, Duisburg*		103,000 1)	50.00	1
689	ANSC-TKS Galvanizing Co., Ltd., Dalian, Liaoning Province, PR China*	CNY	1,065,806 1)	50.00	1
	Processing				
690	Kreislaufsystem Blechverpackungen Stahl GmbH (KBS), Düsseldorf		385 1)	40.00	10
691	SUNSCAPE ISOCAB NEW BUILDING MATERIALS LIMITED, Rizhao City, PR China	USD	11,960 1)	27.50	20
692	TKAS (Changchun) Steel Service Center Ltd., Changchun, PR China*	USD	12,000 1)	50.00	636
	Other Companies Steel Europe				
693	Walzen-Service-Center GmbH, Oberhausen*		1,023	50.00	1
694	Acciai di Qualità, Centro Lavorazione Lamiere S.p.A., Geonova, Italy		1,731 1)	24.90	642
695	RKE N.V., Antwerpen, Belgium		645 1)	38.54	1
696	Transport- en Handelmaatschappij `Steenkolen Utrecht` B.V., Rotterdam, Netherlands*		8,204 1)	50.00	59
	Stainless Global				
	ThyssenKrupp Acciai Speciali Terni (I)				
697	Euroacciai S.r.l., Sarezzo (BS), Italy		1,500 1)	30.23	77
698	Ilserv S.r.l., Terni, Italy		1,924 1)	35.00	77
699	Terni Frantumati S.p.A., Terni, Italy		930 1)	21.00	77
	ThyssenKrupp Mexinox (MX)				
700	Fischer Mexicana S.A. de C.V., San Luis Potosi, Mexico*	MXN	108,544 1)	50.00	82
	Materials Services				
	MetalsServices				
701	Aceros de America Inc., San Juan, Puerto Rico*	USD	1,000	50.00	123
702	Ferona Thyssen Plastics, s.r.o., Velká Bystrîce, Olomouc, Czech Republic*	CZK	16,000 1)	50.00	112
703	Leong Jin Corporation Pte. Ltd., Singapore, Singapore	SGD	20,000 1)	30.00	112
704	Polarputki Oy, Helsinki, Finland*		1,009 1)	50.00	112
705	Thyssen Ros Casares S.A., Valencia, Spain*		5,000	50.00	132
	SpecialServices				
706	Brouwer Shipping & Chartering GmbH, Hamburg		100 1)	30.00	196
707	TGHM GmbH & Co. KG, Dortmund*		511 1)	50.00	593
708	BCCW (Tangshan) Jiahua Coking & Chemical Co., Ltd., Tangshan, PR China	CNY	1,130,000 1)	25.00	196
709	MRT Track & Services Co., Inc., Bloomfield/New Jersey, USA*	USD	100	50.00	193
	Elevator Technology				
	Americas (AMS)				
710	Braun ThyssenKrupp Elevator LLC, Madison/Wisconsin, USA*	USD	1,000 1)	50.00	352
	Asia/Pacific (AP)				
711	Suzhou Marohn Elevator Co., Ltd., Changshu City, Jiangsu Province, PR China*	CNY	100,000 1)	25.00	636
	Plant Technology				
	Uhde				
712	KEPCO-Uhde Inc., Seoul, South Korea*	KRW	17,205,000	34.00	408
713	Uhdenora S.p.A., Milan, Italy*		3,600	50.00	408
	Polysius				
714	Vecoplan FuelTrack GmbH, Bad Marienberg*		50	51.00	429
	System Engineering				
715	HFS Hotforming Solutions GmbH, Schwalbach*		200	50.00	466

1) fiscal year not 09/30 2) in accordance with IFRS regulations 3) splinter investment as of fourth digits behind decimal point 4) parent company

Equity-stated companies (*=Joint Venture / as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.
	Components Technology				
	Forging-Group				
716	Huizhou Sumikin Forging Company Ltd., Huizhou, PR China	USD	29,680[1]	34.00	636
	Marine Systems				
	Naval				
717	Atlas Elektronik GmbH, Bremen*		31,240[1]	51.00	616
718	MARLOG Marine Logistik GmbH & Co. KG, Kiel*		1,500[1]	50.00	570
719	MarineForce International LLP, London, Great Britain*	GBP	693[1]	50.00	570
	Corporate				
	Real Estate				
720	COMUNITHY Immobilien GmbH, Düsseldorf		100[1]	49.00	663

[1] fiscal year not 09/30 [2] in accordance with IFRS regulations [3] splinter investment as of fourth digits behind decimal point [4] parent company

Other associated affiliates (*=Joint Venture / as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
	Steel Europe					
	ThyssenKrupp Steel Europe					
721	JEVISE Corporation, Tokyo, Japan*	JPY	10,000[1]	50.00	1	
	Stainless Global					
	ThyssenKrupp VDM					
722	MOL Katalysatortechnik GmbH, Merseburg		77[1]	20.46	86	
	Materials Services					
	MetalsServices					
723	Indo German International Private Ltd., New Delhi, India	INR	38,975[1]	50.00	127	
724	Sidecontrol S.L., Gandia, Spain		36[1]	50.00	139	
	SpecialServices					
725	SIB Schell Industrieanlagen-Bau GmbH, Duisburg		102	50.00	197	
726	Solid Slab Track GmbH, Görschen		100	49.00	193	
727	TGHM Verwaltungsgesellschaft mbH, Dortmund	DEM	50[1]	50.00	593	
	Plant Technology					
	Uhde					
728	Shedden (Malaysia) Sdn. Bhd., Petaling Jaya, Malaysia	MYR	2,285[1]	40.00	427	
	Transrapid					
729	Transrapid International Verwaltungsgesellschaft mbH, i. L., Berlin		80	50.00	478	
	Components Technology					
	Bilstein-Gruppe					
730	ABC Sistemas e Módulos Ltda., São Paulo, Brazil	BRL	600	33.33	554	
	Marine Systems					
	Naval					
731	Marlog Verwaltungsgesellschaft mbH, Kiel		25[1]	50.00	570	
732	MS "MARITIM FRANKFURT" Schiffahrtskontor "MARITIM" GmbH & Co. KG, Kiel		1,218[1]	42.09	570	
733	MS "MARITIM KIEL" Schiffahrtskontor "MARITIM" GmbH & Co. KG, Kiel		1,335[1]	33.33	570	
734	MTG Marinetechnik GmbH, Hamburg		3,068[1]	48.98	566	19.98
					570	19.00%
					717	10.00%
	Shipyards and Services					
735	Bollfilter Japan Ltd., Kobe, Japan	JPY	10,000	25.00	582	
736	Simplex Turbulo Company Ltd., Wherwell, Great Britain	GBP	6	25.10	582	
	Sonstige Beteiligungen Marine Systems					
737	LISNAVE-ESTALEIROS NAVAIS S.A., Lissabon, Portugal		5,000[1]	20.00	592	
	Corporate					
	Corporate Headquarters					
738	Grundstücksgesellschaft Schlossplatz 1 mbH & Co.KG, Berlin		21,250[1]	20.00	593	
	Real Estate					
739	Gewerkschaft Hermann V GmbH, Essen		26	33.33	652	
740	NORA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Gelsenkirchen KG, Düsseldorf		10[1]	94.76	654	

[1] fiscal year not 09/30 [2] in accordance with IFRS regulations [3] splinter investment as of fourth digits behind decimal point [4] parent company

Other shareholdings (as of September 30, 2011)

No.	Name and domicile of company	Foreign currency	Capital stock in €1,000 or domestic currency	Share holdings %	Held by No.	
	Corporate					
	Real Estate					
741	VBW Bauen und Wohnen GmbH, Bochum		12,858	13.06	652	
	Equity		74,789			
	Result		6,255			

[1] fiscal year not 09/30 [2] in accordance with IFRS regulations [3] splinter investment as of fourth digits behind decimal point [4] parent company

Auditors' Report

We have audited the consolidated financial statements prepared by the ThyssenKrupp AG, Duisburg and Essen, comprising the consolidated statement of financial position, the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and the notes to the consolidated financial statements, together with the group management report for the business year from October 1, 2010 to September 30, 2011. The preparation of the consolidated financial statements and the group management report in accordance with IFRSs, as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB (Handelsgesetzbuch "German Commercial Code") are the responsibility of the parent company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer - IDW) and in accordance with International Standards on Auditing (ISA). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs, as adopted by the EU, the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Düsseldorf, November 29, 2011

KPMG AG
Wirtschaftsprüfungsgesellschaft

Klaus Becker Wirtschaftsprüfer (German public auditor)	Michael Gewehr Wirtschaftsprüfer (German public auditor)

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Essen, November 29, 2011

ThyssenKrupp AG

The Executive Board

Hiesinger

Berlien Claassen Eichler Kerkhoff Labonte

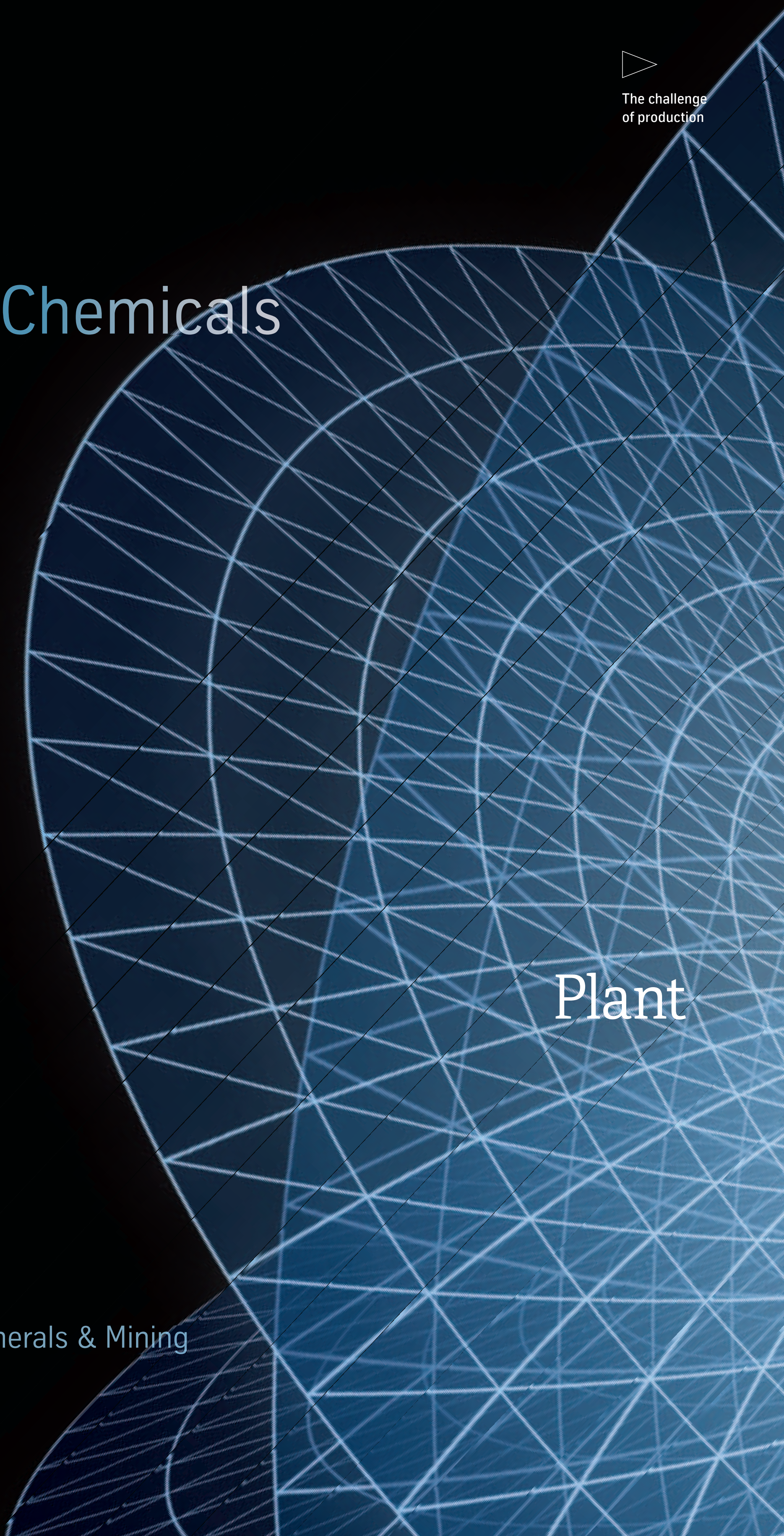
Additional information

How have ThyssenKrupp's key figures developed over the past few years, when are the next important financial dates, what other directorships are held by members of the Executive Board and Supervisory Board? All this information is provided on the following pages. There are also aids to help you find your way around this report.

4

Additional information

4.1	Multi-year overview	229 – 230
4.2	Other directorships held by Executive Board members	231
4.3	Other directorships held by Supervisory Board members	232 – 233
4.4	Glossary	234
4.5	Index	235 – 236
4.6	List of abbreviations	237
4.7	Index of tables and graphics	238
4.8	Contact and 2012/2013 dates	239



The challenge
of production

Chemicals

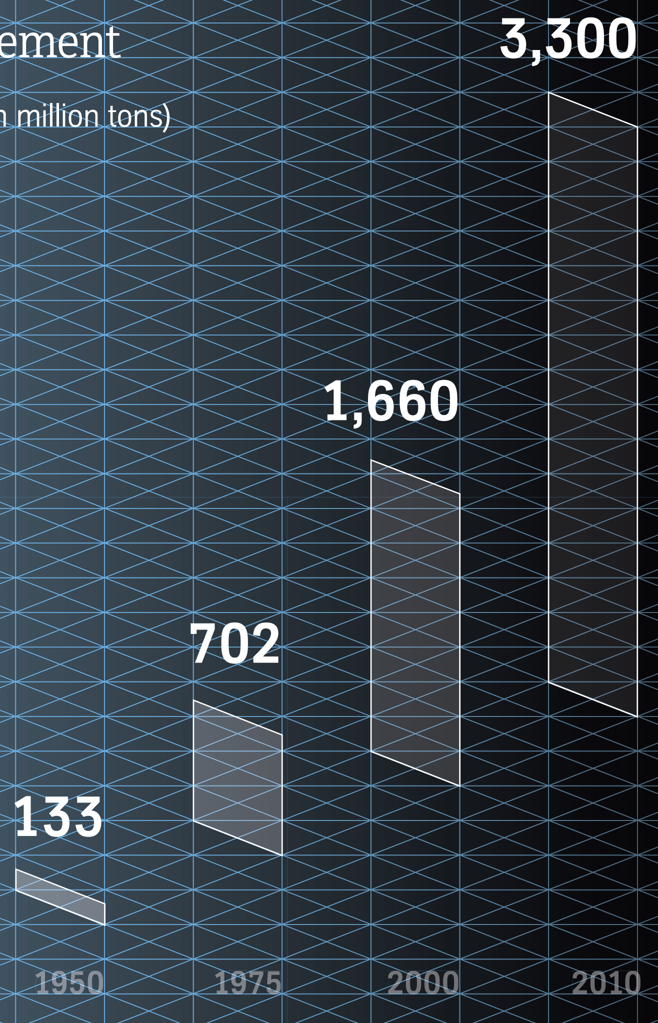
Plant

Minerals & Mining

Making things more efficiently

The challenge of production: With resources limited, rising demand for consumer and capital goods can only be met with innovative production processes.

Worldwide cement production (in million tons)



Better production

Saving energy and resources

Engineering

More consumption

More products for more people

More information on this subject can be found in the ThyssenKrupp Yearbook on pages 58 – 73.

ThyssenKrupp Group

		Group Total							Continuing Operations			
							Year ended Sept. 30, 2011 vs. Year ended Sept. 30, 2010				Year ended Sept. 30, 2011 vs. Year ended Sept. 30, 2010	
		Year ended Sept. 30, 2007	Year ended Sept. 30, 2008	Year ended Sept. 30, 2009	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011	Change	Change in %	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011	Change	Change in %
Results of operations												
Net sales	million €	51,723	53,426	40,563	42,621	49,092	6,471	15	37,711	43,356	5,645	15
Gross profit	million €	9,432	9,156	3,658	6,362	5,109	(1,253)	(20)				
EBITDA [1]	million €	5,254	4,976	192	2,769	3,385	616	22	2,660	3,210	550	21
EBIT [1]	million €	3,728	3,572	(1,663)	1,346	(988)	(2,334)	– –	1,398	(188)	(1,586)	– –
EBT	million €	3,330	3,128	(2,364)	1,135	(1,578)	(2,713)	– –	1,206	(751)	(1,957)	– –
Net income/(loss)	million €	2,190	2,276	(1,873)	927	(1,783)	(2,710)	– –				
Earnings per share (EPS)	€	4.30	4.59	(4.01)	1.77	(2.71)	(4.48)	– –	0.0	0.00	0.00	0
Gross margin	%	18.2	17.1	9.0	14.9	10.4	(4.5)	—				
EBITDA margin	%	10.2	9.3	0.5	6.5	6.9	0.4	—	7.1	7.4	0.3	—
EBIT margin	%	7.2	6.7	(4.1)	3.2	(2.0)	(5.2)	—	3.7	(0.4)	(4.1)	—
EBT margin	%	6.4	5.9	(5.8)	2.7	(3.2)	(5.9)	—	3.2	(1.7)	(4.9)	—
Return on equity (before taxes)	%	31.9	27.2	(24.4)	10.9	(15.2)	(26.1)	—				
Personnel expense per employee	€	48,988	49,212	50,120	49,605	53,582	3,977	8				
Sales per employee	€	275,146	272,824	210,587	241,017	291,818	50,801	21				
Assets/liabilities situation												
Non-current assets	million €	15,385	18,308	20,725	22,953	21,548	(1,405)	(6)				
Current assets	million €	22,689	23,334	20,642	20,759	22,055	1,296	6				
Total assets	million €	38,074	41,642	41,367	43,712	43,603	(109)	0				
Total equity	million €	10,447	11,489	9,696	10,388	10,382	(6)	0				
Liabilities	million €	27,627	30,153	31,671	33,324	33,221	(103)	—				
Accrued pension and similar obligations	million €	7,139	6,550	7,537	8,211	7,297	(914)	(11)				
Financial debt non-current	million €	2,813	3,068	7,160	6,163	6,555	392	6				
Financial debt current	million €	825	1,348	444	1,298	596	(702)	(54)				
Financial debt non-current/current	million €	3,638	4,416	7,604	7,461	7,151	(310)	(4)				
Trade accounts payable	million €	4,960	5,731	4,185	5,471	6,259	788	14				
Equity ratio	%	27.4	27.6	23.4	23.8	23.8	—	—				
Gearing	%	(2.1)	13.8	21.2	36.4	34.5	(1.9)	—				
Inventory turnover	days	61.7	64.0	60.0	70.3	73.7	3.4	5				
Average collection period	days	52.7	53.1	46.8	49.7	43.8	(5.9)	(12)				

[1] Prior-year figures have been adjusted.
[2] Cash flows for investments before cash and cash equivalents acquired from acquisitions of consolidated companies
[3] Proposal to the Annual General Meeting

ThyssenKrupp Group

		Group Total							Continuing Operations			
							Year ended Sept. 30, 2011 vs. Year ended Sept. 30, 2010				Year ended Sept. 30, 2011 vs. Year ended Sept. 30, 2010	
		Year ended Sept. 30, 2007	Year ended Sept. 30, 2008	Year ended Sept. 30, 2009	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011	Change	Change in %	Year ended Sept. 30, 2010	Year ended Sept. 30, 2011	Change	Change in %
Value management												
Capital employed (average)	million €	18,000	19,478	20,662	20,767	23,223	2,456	12				
ROCE	%	20.7	18.3	(8.1)	6.5	(4.3)	(10.8)	—				
Weighted average cost of capital (WACC)	%	9.0	8.5	8.5	8.5	8.5	—	—				
Cash flows/investments												
Operating cash flows	million €	2,220	3,679	3,699	868	776	(92)	(11)	1,031	1,012	(19)	(2)
Cash flows from disposals	million €	673	329	199	553	424	(129)	(23)	547	423	(124)	(23)
Cash flows for investments [1]	million €	(2,997)	(4,227)	(4,077)	(3,512)	(2,771)	741	21	(3,168)	(2,505)	663	21
Free cash flow [1]	million €	(104)	(219)	(179)	(2,091)	(1,571)	520	25	(1,590)	(1,070)	520	33
Cash flows from financing activities [1]	million €	(670)	(705)	2,824	256	1,527	1,271	496	(245)	989	1,234	504
Investments [1] [2]	million €	3,001	4,282	4,079	3,515	2,771	(744)	(21)	3,168	2,505	(663)	(21)
Cash and cash equivalents	million €	3,861	2,832	5,545	3,681	3,568	(113)	(3)				
Net financial debt/(assets)	million €	(223)	1,584	2,059	3,780	3,578	(202)	(5)				
Internal financing capability		1.0	0.9	1.0	0.3	0.3	—	—				
Debt to cash flow ratio		—	0.4	0.6	4.4	4.6	0.2	5				
ThyssenKrupp AG												
Net income/(loss)	million €	309	1,175	(882)	800	494	(306)	(38)				
Dividend payout	million €	635	603	139	209	232 [3]	23	11				
Dividend per share	€	1.30	1.30	0.30	0.45	0.45 [3]	—	—				

[1] Prior-year figures have been adjusted.
[2] Cash flows for investments before cash and cash equivalents acquired from acquisitions of consolidated companies.
[3] Proposal to the Annual General Meeting

Other directorships held by Executive Board members

Dr.-Ing. Heinrich Hiesinger
Chairman
Within the Group:
• ThyssenKrupp Elevator AG (Chair)
• ThyssenKrupp Steel Europe AG (Chair)

Dr. Olaf Berlien
Within the Group:
• ThyssenKrupp Marine Systems AG (Chair)
- ThyssenKrupp (China) Ltd./PR China (Chairman)
- ThyssenKrupp Elevator Americas Corp. (Chairman)

Dr. Jürgen Claassen
Within the Group:
• ThyssenKrupp Gerlach GmbH
• ThyssenKrupp Materials International GmbH
• ThyssenKrupp Nirosta GmbH
• ThyssenKrupp Steel Europe AG
- ThyssenKrupp (China) Ltd./PR China

Edwin Eichler
• Heidelberger Druckmaschinen AG *
• Hüttenwerke Krupp Mannesmann GmbH (Vice Chair)
• SGL Carbon SE *
- ANSC-TKS Galvanizing Co., Ltd./ PR China (Chairman)
Within the Group:
• ThyssenKrupp Materials International GmbH (Chair)
• ThyssenKrupp Nirosta GmbH (Chair)
- ThyssenKrupp Steel Americas, LLC/USA (Chairman)

Guido Kerkhoff
Within the Group:
• ThyssenKrupp Elevator AG
• ThyssenKrupp Nirosta GmbH
• ThyssenKrupp Reinsurance AG (Chair)

Ralph Labonte
- PEAG Holding GmbH (Chair)
Within the Group:
• Rothe Erde GmbH
• ThyssenKrupp Bilstein Suspension GmbH
• ThyssenKrupp Elevator AG
• ThyssenKrupp Marine Systems AG
• ThyssenKrupp Materials International GmbH
• ThyssenKrupp Polysius AG (Vice Chair)
• ThyssenKrupp Steel Europe AG
• ThyssenKrupp Uhde GmbH (Vice Chair)
- ThyssenKrupp System Engineering GmbH

At the close of the Annual General Meeting on January 21, 2011, **Prof. Dr.-Ing. Ekkehard D. Schulz** resigned from the Executive Board and joined the Supervisory Board. He held the following directorships at the time of departure:
• AXA Konzern AG
• Bayer AG *
• MAN SE (Vice Chair) *
• RWE AG *
Within the Group:
• ThyssenKrupp Elevator AG (Chair)
• ThyssenKrupp Steel Europe AG (Chair)

At the close of March 31, 2011 **Dr. Alan Hippe** resigned from the Executive Board. He held the following directorships at the time of departure:
• ERGO Versicherungsgruppe AG
• Voith AG
Within the Group:
• ThyssenKrupp Elevator AG
• ThyssenKrupp Nirosta GmbH
• ThyssenKrupp Reinsurance AG (Chair)

• Membership of supervisory boards within the meaning of Art. 125 of the German Stock Corporation Act (AktG) (as of September 30, 2011)
* Exchange-listed or comparable company
- Membership of comparable German and non-German control bodies of business enterprises within the meaning of Art. 125 of the German Stock Corporation Act (AktG) (as of September 30, 2011)

Other directorships held by Supervisory Board members

Prof. Dr. h.c. mult. Berthold Beitz, Essen
Honorary Chairman,
Chairman of the Board of Trustees of the Alfried Krupp von Bohlen und Halbach Foundation

—

Prof. Dr. Günter Vogelsang, Düsseldorf
Honorary Chairman

—

Dr. Gerhard Cromme, Essen
Chairman,
Former Chairman of the Executive Board of ThyssenKrupp AG
• Allianz SE
• Axel Springer AG
• Siemens AG (Chair)
- Compagnie de Saint-Gobain/France

Bertin Eichler, Frankfurt/Main
Vice Chairman,
Member of the Executive Committee of the German Metalworkers' Union (IG Metall)
• BGAG Beteiligungsgesellschaft der Gewerkschaften GmbH (Chair)
• BMW AG

Markus Grolms, Bochum
Trade union secretary at the Düsseldorf branch office of IG Metall

—

Susanne Herberger, Dresden
Engineer (FH) – information technology,
Chairwoman of the General Works Council of ThyssenKrupp Aufzüge GmbH,
Chairwoman of the Works Council Union ThyssenKrupp Elevator Technology
Within the Group:
• ThyssenKrupp Elevator AG

Bernd Kalwa, Krefeld
Lathe operator,
Chairman of the General Works Council of ThyssenKrupp Nirosta GmbH,
Chairman of the Works Council Union ThyssenKrupp Stainless Global
Within the Group:
• ThyssenKrupp Nirosta GmbH

Prof. Dr. Hans-Peter Keitel, Essen
President of the Federation of German Industries (Bundesverband der Deutschen Industrie e.V.)
• Commerzbank AG
• National-Bank AG
- RAG Foundation (Member of the Board of Trustees)

Ernst-August Kiel, Blumenthal
Fitter,
Chairman of the Works Council of Howaldtswerke-Deutsche Werft GmbH,
Chairman of the Works Council Union ThyssenKrupp Marine Systems
Within the Group:
• Howaldtswerke-Deutsche Werft GmbH
• ThyssenKrupp Marine Systems AG

Prof. Dr. Ulrich Lehner, Düsseldorf
Member of the Shareholders' Committee of Henkel AG & Co. KGaA
• Deutsche Telekom AG (Chair)
• E.ON AG
• Henkel Management AG
• Porsche Automobil Holding SE
- Dr. August Oetker KG (Member of the Advisory Board)
- Henkel AG & Co. KGaA (Member of the Shareholders' Committee)
- Novartis AG/Switzerland (Member of the Board of Directors)

Sabine Maaßen, Dinslaken
(since January 22, 2011)
Legal counsel to IG Metall
• Adam Opel AG
• GM Powertrain GmbH

• Membership of supervisory boards within the meaning of Art. 125 of the German Stock Corporation Act (AktG) (as of September 30, 2011)
- Membership of comparable German and non-German control bodies of business enterprises within the meaning of Art. 125 of the German Stock Corporation Act (AktG) (as of September 30, 2011)

Prof. Dr. Bernhard Pellens, Bochum
Professor of Business Studies and International Accounting, Ruhr University Bochum
- • Rölfs WP Partner AG Wirtschaftsprüfungsgesellschaft
- - AKAFÖ – Akademisches Förderungswerk Bochum (Member of the Advisory Board)

Peter Remmler, Wolfsburg
Wholesale and export trader,
Chairman of the Works Council of ThyssenKrupp Schulte GmbH (Braunschweig),
Chairman of the Works Council Union ThyssenKrupp Materials Services

---

Dr. Kersten v. Schenck, Bad Homburg
Attorney and notary public
- • Praktiker AG (Chair)
- • Praktiker Deutschland GmbH (Chair)

Thomas Schlenz, Duisburg
Shift foreman,
Chairman of the Group Works Council of ThyssenKrupp AG
- - PEAG Personalentwicklungs- und Arbeitsmarktagentur GmbH
- - WISAG Produktionsservice GmbH

Within the Group:
- • ThyssenKrupp Materials International GmbH
- • ThyssenKrupp MillServices & Systems GmbH

Prof. Dr.-Ing. Ekkehard D. Schulz, Krefeld
(since January 21, 2011)
Former Chairman of the Executive Board of ThyssenKrupp AG
- • AXA Konzern AG
- • Bayer AG
- • MAN SE (Vice Chair)
- • RWE AG

Wilhelm Segerath, Duisburg
Automotive body maker,
Chairman of the General Works Council of ThyssenKrupp Steel Europe AG,
Chairman of the Works Council Union ThyssenKrupp Steel Europe
Within the Group:
- • ThyssenKrupp Steel Europe AG

Peer Steinbrück, Bonn
Member of the German Parliament, Federal Minister (retd.)
- - Borussia Dortmund KGaA (Member of the Supervisory Board)

Christian Streiff, Paris
Former President of PSA Peugeot Citroën S.A.
- - Crédit Agricole S.A./France
- - Finmeccanica S.p.A./Italy
- - TI Automotive Ltd./United Kingdom

Jürgen R. Thumann, Düsseldorf
Chairman of the Advisory Board of Heitkamp & Thumann Group
- • Deutsche Messe AG
- • HanseMerkur Holding AG
- • HanseMerkur Krankenversicherung auf Gegenseitigkeit
- • Heitkamp BauHolding GmbH (Chair)
- - Heitkamp & Thumann Group (Chairman of the Advisory Board)

Prof. Dr. Beatrice Weder di Mauro, Frankfurt/Main
Professor of Economics, Economic Policy & International Macroeconomics, Johannes Gutenberg University of Mainz
Member of the German Council of Economic Experts
- - DEG - Deutsche Investitions- und Entwicklungsgesellschaft mbH (Member of the Supervisory Board)
- - Roche AG/Switzerland (Member of the Board of Directors)

Klaus Wiercimok, Düsseldorf
Attorney
Head of the Materials Services department at Corporate Center Legal & Compliance of ThyssenKrupp AG
Within the Group:
- • ThyssenKrupp Xervon GmbH

At the close of the Annual General Meeting on January 21, 2011 **Dr. Henning Schulte-Noelle** and **Peter Scherrer** resigned from the Supervisory Board. Insofar as they held other directorships at the time of their departure, these are listed below:

Dr. Henning Schulte-Noelle, Munich
Chairman of the Supervisory Board of Allianz SE
- • Allianz SE (Chair)
- • E.ON AG

Peter Scherrer, Brussels
General Secretary of the European Metalworkers' Federation
- • Vodafone Holding GmbH

• Membership of supervisory boards within the meaning of Art. 125 of the German Stock Corporation Act (AktG) (as of September 30, 2011)
- Membership of comparable German and non-German control bodies of business enterprises within the meaning of Art. 125 of the German Stock Corporation Act (AktG) (as of September 30, 2011)

Glossary

A

Average collection period
Trade accounts receivable divided by sales, multiplied by 360 (the lower the ratio, the faster customers pay)

B

Business continuity plan
Plans to maintain operations under difficult external conditions

C

Capital employed
Interest-bearing invested capital

Coating
Corrosion protection for carbon steel by the application of a metallic or organic coating

Compliance
Adherence to laws and company policies

Corporate governance declaration
Statement by a stock corporation under Art. 289a German GAAP (HGB) containing a description of how the executive board and supervisory board operate, the declaration of conformity and information about governance practices

Cost of capital
Minimum return required by capital providers

D

DAX
Deutscher Aktienindex (German stock index), compiled by Deutsche Börse. The index reflects the performance of the 30 largest and strongest selling German stocks, including ThyssenKrupp stock.

Declaration of conformity
Declaration by executive board and supervisory board in accordance with Art. 161 Stock Corporation Act (AktG) on the implementation of the recommendations of the Government Commission on the German Corporate Governance Code

DJ STOXX
Dow Jones STOXX 600, compiled by index provider Stoxx Ltd. It lists the performance of 600 companies from 18 European countries.

E

EBIT
Earnings Before Interest and Taxes

EBITDA
Earnings Before Interest, Taxes, Depreciation and Amortization

EBT
Earnings Before Taxes

Emerging markets
Up and coming markets of Asia, Latin America and Eastern Europe

E-procurement
Purchasing materials using modern electronic media, particularly the internet

Equity ratio
Ratio of total equity to balance sheet total (the higher the ratio, the lower the indebtedness)

F

Free cash flow (before dividend)
Operating cash flows less cash flows from investing activities

Free float
Shareholding generally taken into account in the weighting of ThyssenKrupp's stock in stock indices such as the DAX or DJ STOXX

G

Gearing
Ratio of financial liabilities to total equity (the lower the ratio, the higher the share of total equity in the interest-bearing capital employed)

Gross profit
Net sales less cost of sales

I

impact
Corporate program to enhance performance and implement the company strategy

Internal financing strength
Ratio of operating cash flows to cash flows from investing activities

International Financial Reporting Standards (IFRS)
Standard international accounting rules intended to make company data more comparable. Under an EU regulation, listed companies must report in accordance with these rules.

Inventory turnover
Inventories divided by sales, multiplied by 360 (the lower the ratio, the faster the inventory turnover)

IP strategy
Strategy for a company's intellectual property, e.g. patents and other property rights

L

Long Term Incentive plan (LTI)
Long-term variable compensation for Executive Board members and other selected executives through stock rights

M

Mid Term Incentive plan (MTI)
Mid-term variable compensation for Executive Board members and other selected executives through stock rights

O

Operating cash flow
Inflow/outflow of cash and cash equivalents other than from investing, disposal or financing activities

R

Rating
Ratings are used to assess the future ability of a company to meet its payment obligations on time and in full. They are based on an analysis of quantitative and qualitative factors.

ROCE
Return On Capital Employed

S

Slab
Compact block of crude steel as starting product for sheet or strip

Supply chain management
Integrated planning, control and monitoring of all logistics activities in a supply chain

SWOT analysis
Instrument for analyzing situations and identifying strategies. SWOT stands for Strengths, Weaknesses, Opportunities and Threats.

T

Tailored blank
Metal blank comprising individual steel sheets of different grade, gauge and finish which are welded together and are suitable for deep drawing

ThyssenKrupp Value Added (TKVA)
Central indicator for value-based management, comparing earnings before interest and taxes with cost of capital

Tinplate
Thin steel sheet for the packaging industry electrolytically coated with tin or chromium

Index

A

Abbreviations	237
Additional bonus	35
Adjusted EBIT	63
Analyst recommendations	41
Annual General Meeting	65
Audit opinion	223

B

Business areas	49, 71, 107, 115, 187
Business management	54

C

Capabilities	49
Capital expenditure	85
Capital stock	161
Cash flow	88, 133
Climate protection	99
Compensation report	33
Compliance	29, 113
Components Technology	79, 86, 108, 118, 188
Consolidated financial statements	125
Consolidated statement of cash flows	88, 133
Consolidated statement of changes in equity	132
Consolidated statement of comprehensive income	131
Consolidation	134
Contact	239
Corporate at ThyssenKrupp AG	84, 188
Corporate governance	27, 29, 253
Corporate governance declaration	33, 120
Course of business	60
Currency translation	135
Customer groups	67

D

Dates	239
Declaration of conformity	27
Definition of EBIT (new)	56
Directors' dealings	31
Disclosure of takeover provisions	120
Discontinued operation	49, 51, 82
Disposals	51
Diversity	30, 99
Dividend	43, 65, 105
Divisions	49

E

Earnings	62, 104
Earnings per share	65, 197
EBIT	62
Economic conditions	57, 102, 115
Elevator Technology	76, 86, 107, 117, 187
Emissions trading	70
Employees	65, 96
Energy	67, 106
Environmental protection	99, 106
Executive Board	18
Executive Board compensation	33, 186

F

Female representation	30, 99
Financial calendar	239
Financial debt	87
Financial instruments	111, 177
Financial position	85
Financial risks	111, 182
Financial-statement audit	27, 198, 223
Financing	85, 89, 106
Fixed compensation	34
Forecast	102
Free float	43

G

Glossary	234
Gross domestic product	58, 102

H

Health and safety	97

I

IFRS	134
impact	53
Impairment	62, 74, 83
Income statement	130
Index of tables and graphics	238
Innovations	94, 106
Inoxum	51
Intangible assets	153
Internal control and risk management system with regard to the accounting process	109
Inventories	159
Investor relations	32, 44

L

Legal risks	113, 174
Letter to shareholders	06
Liquidity planning	89, 106
Long Term Incentive plan	34

M

Management development	98
Management report on the Group	45
Marine Systems	80, 87, 108, 118, 188
Marketing	66
Materials expense	67
Materials Services	75, 86, 107, 116
Mission statement	U2, 52
Multi-year overview	229

N

Net financial debt	87
Net income of ThyssenKrupp AG	65
Notes	134

O

Opportunities management	106
Opportunities report	106
Order intake	61
Organizational structure	49
Other directorships held by Executive Board members	231
Other directorships held by Supervisory Board members	232
Outlook	102

P

Pensions	35, 115, 165
Performance bonus	34
Personnel expense	97, 197
Plant Technology	78, 86, 107, 117, 187
Procurement	67, 106
Property, plant and equipment	156

R

Rating	90
Report by the Supervisory Board	22
Research and development	94, 106
Responsibility statement	224
Risk management	108
Risk report	108

S

Sales	61, 66
Sales markets	59, 66, 104
Sector activity	58, 103
Share-based compensation	37, 163
Share ownership	202
Share price performance	42
Shareholder structure	43
Social commitment	101
Stainless Global	49, 51, 82, 87, 118, 156, 188
Statement of financial position	90, 129
Steel Americas	73, 86, 107, 116, 187
Steel Europe	71, 86, 107, 115, 187
Steel in Transition	116
Stock	41
Stock exchange value/Market capitalization	41
Stock key data	41
Strategic development	50
Subsequent events	101
Subsidiaries	202
Summarized assessment	57
Supervisory Board	20
Supervisory Board committees	21, 23
Supervisory Board compensation	38, 186
Sustainability	93

T

ThyssenKrupp Academy	99
ThyssenKrupp PerspActive	98
ThyssenKrupp Value Added (TKVA)	54
Total equity	161
Training	97, 105
Treasury shares	52, 162

U

University partnerships	98

V

Value-based management	54

List of abbreviations

A

AktG
German Stock Corporation Act

B

BIC
Brazil, India, China

BRIC
Brazil, Russia, India and China

C

CESR
Committee of European Securities Regulators

CGU
Cash Generating Unit

CO_2
Carbon dioxide

D

DAX
German stock index

DEHSt
German emissions trading office

DJ STOXX
Dow Jones STOXX

DRS
German Accounting Standard

DSR
German Accounting Standards Board

E

EPS
Earnings per share

F

FFO/TD
Funds From Operations/Total Debt

H

HGB
German Commercial Code

I

IAS
International Accounting Standards

IASB
International Accounting Standards Board

IFRIC
International Financial Interpretations Committee and interpretation of IFRIC

IFRS
International Financial Reporting Standards

IP
Intellectual property

IT
Information technology

L

LTI
Long Term Incentive plan

M

MitbestG
German Codetermination Law

MTI
Mid Term Incentive plan

R

ROCE
Return on Capital Employed

S

SPE
Special Purpose Entity

T

TKVA
ThyssenKrupp Value Added

V

VorstAG
Act on the Appropriateness of Management Board Compensation

W

WACC
Weighted Average Cost of Capital

WpHG
German Securities Trading Act

Index of tables and graphics

Facts ThyssenKrupp overview 2010/2011

Figures	2/3
Innovations worldwide	5
Sales	5
Employees	7
Challenges/capabilities	12
Our capabilities	13
Stock	13
Shareholder structure by investor group	15
Shareholder structure by region	2/3
Financial dates	5

1 To our shareholders

1.3 Corporate governance report	
Executive Board compensation	36
Supervisory Board compensation	39
Compensation from Supervisory Board directorships within the Group	40
1.4 ThyssenKrupp stock	
Key data of ThyssenKrupp stock	41
Analyst recommendations for ThyssenKrupp stock	41
Performance of ThyssenKrupp stock	42
Highs and lows of ThyssenKrupp stock	43

2 Management report on the Group

2.1 Profile and strategy	
Organizational structure	49
Business opportunities for ThyssenKrupp	50
Corporate program impact	53
Calculation of ThyssenKrupp Value Added (TKVA)	54
Components of ThyssenKrupp Value Added (TKVA)	55
2.2 Consolidated results of operations	
Targets and target achievement 2010/2011	57
Gross domestic product 2010, 2011	58
Situation on important sales markets	59
ThyssenKrupp in figures	60
Order intake by business area	60
Sales by business area	61
EBIT by business area	62
Adjusted EBIT	64
Employees by region	64
Sales by region	65
Sales by customer group	65
Materials expense by business area	66
Materials expense of business areas as % of sales	66
Iron ore prices	67
Nickel prices	68
Natural gas prices ThyssenKrupp in Germany	57
2.3 Results of operations of the business areas	
Steel Europe in figures	69
Steel Europe order intake/EBIT	70
Steel Americas in figures	71
Steel Americas order intake/EBIT	71
Materials Services in figures	73
Materials Services order intake/EBIT	73
Elevator Technology in figures	74
Elevator Technology order intake/EBIT	75
Plant Technology in figures	76
Plant Technology order intake/EBIT	76
Components Technology in figures	77
Components Technology order intake/EBIT	78
Marine Systems in figures	78
Marine Systems order intake/EBIT	79
Stainless Global in figures	80
Stainless Global order intake/EBIT	80
Stainless Global business with external customers	81
2.4. Financial position	
Investment by business area	83
Progression of net financial debt 2010/2011	85
Net financial debt	86
Change in cash and cash equivalents	87
Ratings	88
2.5 Non-financial performance indicators	
Research and development expenditure	94
Employees by business area	94
Employees by region	95
Personnel expense	95
Accidents at work	95
Expenditure on environmental protection 2006/2007 to 2010/2011	98
Expenditure on environmental protection 2010/2011 in %	98
2.7 Expected developments and associated opportunities and risks	
Gross domestic product 2011, 2012	100
Forecasts for important sales markets	102
Risk management ThyssenKrupp Group	106

Contact and 2012/2013 dates

For more information please contact:

Corporate Communications
Telephone +49 201 844-536043
Fax +49 201 844-536041
E-mail press@thyssenkrupp.com

Investor Relations
E-mail ir@thyssenkrupp.com

Institutional investors and analysts
Telephone +49 201 844-536464
Fax +49 201 8456-531000

Private investors
Infoline +49 201 844-538382
Fax +49 201 8456-531000

Address
ThyssenKrupp AG
ThyssenKrupp Allee 1, 45143 Essen, Germany
Postfach, 45063 Essen, Germany
Telephone +49 201 844-0
Fax +49 201 844-536000
E-mail info@thyssenkrupp.com
www.thyssenkrupp.com

2012/2013 dates

January 20, 2012
Annual General Meeting

January 23, 2012
Payment of dividend for the 2010/2011 fiscal year

February 14, 2012
Interim report
1st Quarter 2011/2012 (October to December)
Conference call with analysts and investors

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
Analysts' and investors' conference

January 18, 2013
Annual General Meeting

Forward-looking statements
This document 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 + 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
For technical reasons (e.g. conversion of electronic formats) there may be variances between the accounting documents contained in this annual report and those submitted to the electronic Federal Gazette (Bundesanzeiger). In this case, the version submitted to the electronic Federal Gazette shall be binding.

This English version of the annual 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 annual report can be downloaded from the internet at **www.thyssenkrupp.com**. An interactive online version of the annual report is also available on our website.

On request we would be pleased to send you further copies free of charge:
Telephone +49 201 844-536367 and +49 201 844-538382
Fax +49 201 8456-531000
E-mail ir@thyssenkrupp.com

TK 685 e 1.7,5.12.11 DP

ThyssenKrupp AG
ThyssenKrupp Allee 1
45143 Essen, Germany
www.thyssenkrupp.com