 Fight against Corona: Measures successful

Highest priority: safety of employees + business

- Extensive hygiene measures
- >30,000 employees in Home Office
- >30,000 employees in short-time work
- ET-Transaction hedged against Corona
What did we achieve in FY 2019/20?

**02/20**
Sale of ET with a record value

**03/20**
Finalization of Steel-Strategy 20-30

**05/20**
Definition of the new portfolio structure

**07/20**
Strengthening of balance sheet & more transparency

Continuous efforts in restructuring & performance improvements
Fiscal Year 2019/20 in numbers

thyssenkrupp Group (vs. FY 2018/19)

ORDER INTAKE

28.2 bn €
(33.8 bn €)

ORDER INTAKE

(33.8 bn €)

-1.63 bn €
(-110 mn €)

ADJUSTED EBIT

-1.63 bn €
(-110 mn €)

NET SALES

28.9 bn €
(34.0 bn €)

NET SALES

(34.0 bn €)

10.2 bn €
(2.2 bn €)

EQUITY

10.2 bn €
(2.2 bn €)

NET INCOME

9.6 bn €
(-260 mn €)

NET INCOME

(-260 mn €)
Cashflow: Waiver of year-end measures as main driver

- Waiver of year-end measures: ca. -3 bn EUR
- Fine (Cartel Heavy Plate): ca. -0.4 bn EUR
- Restructuring (Payments): ca. -0.2 bn EUR

FCF before M&A: -5.5 bn EUR
Financial base of thyssenkrupp at a glance

As of 30.09.2020

5 bn EUR
Net financial assets

13.2 bn EUR
Cash / cash equivalents & undrawn committed credit lines

28%
Equity ratio
Forecast FY 2020/21: Significant improvements expected

Market recovery with conservative revenue planning

Improvement of competitiveness
Expenses in mid 3-digit mn EUR range expected

Earnings (EBIT adj)
Loss in mid 3-digit mn EUR range

FCF (before M&A)
-1.5 bn EUR

Growth at low to mid single-digit percentage range

Further impactful actions required
What is our agenda for FY 2020/21?

Priority

"Stop the bleeding" 
(stop outflow of funds)

Focus topics 2020/21

- Clarity on way forward for steel business (early 2021)
- Key decisions at Multi Tracks
- Performance improvements
  - Restructuring
  - Further cost cutting
Development at Multi Tracks

Current focus

• Divestments
• Business closures (in individual cases)
• Fostering of partnerships & collaborations

Future directions for development

• Participation management
  – Already today: re-investment in Elevator business
• New business, financing and cooperation models (e.g. co-investors)
Steel: All options under consideration

- Corona-Pandemic worsens structural challenges
- Green Transformation requires political framework
- Consolidation of European steel sector reasonable
- Steel-Strategy 20-30 in every scenario the correct basis
- Decision planned for early 2021
Turnaround at thyssenkrupp: Layoffs inevitable

Restructuring

- 3,600
- Additional layoffs
- 7,400
- 5,300
- RoW
- GER

Development personnel figures (without Elevator)

- 109,300
- 103,600
- 5,700
- Fluctuation
- Restructuring

Layoffs until FY 2022/23 (vs. 05/19)

Former plan

- 6,000

New plan

- 11,000
- Realized layoffs
- 2,100
- 1,600
- RoW
- GER

Additional layoffs

- 7,400
- 5,300
- RoW
- GER

1. Rest of the World    2. Germany
Restructuring: Tailor-made solutions required

Potential personnel tools

- Collective restructuring agreements
- Transfers of employees
- Reduction of working time
- Short-time work
- Social plans

Target

- Socially responsible solutions
- Avoidance of compulsory redundancies
  - But: As last resort not to be ruled out
Way forward: Clear plan for the future

0 Fight
Safeguard employees and business (cash, financing) during the Corona crisis

1 Focus
Focus on businesses within the portfolio that can reach a sustainable competitive positioning

2 Improve
Increase in profitability to at least market and/or capital cost level

3 Scale
Growth on new efficiency level in order to achieve/safeguard competitive positioning
Enormous efforts lie ahead of thyssenkrupp

FY2019/20

Significant actions conducted & important milestones achieved

FY2020/21

Further actions required & far-reaching decisions indispensable

Target picture

Establishment of sustainable future for thyssenkrupp
engineering.
tomorrow.
together.

thyssenkrupp