

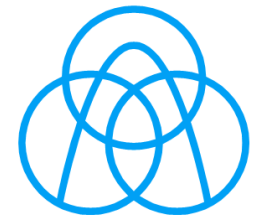
newtk and Q2 2019/20

Facts & Figures

Ticker: TKA (Share) TKAMY (ADR)

June 2020

engineering.tomorrow.together.



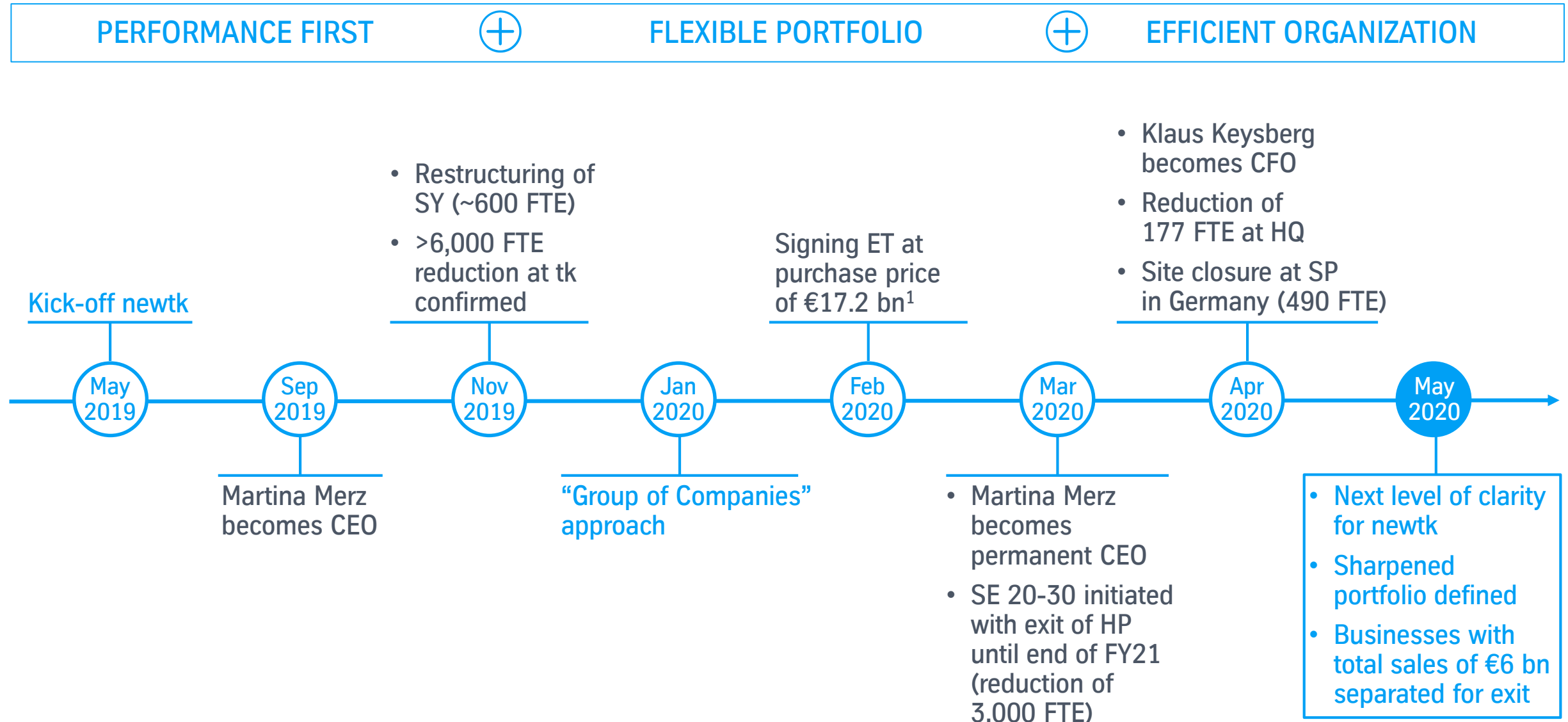
thyssenkrupp

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- newtk update – Definition of Target Portfolio slides 02-06
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newtk with progressing milestones delivery on strategic realignment



1. Assuming closing on 30.06.2020



Becoming a strong “Group of Companies” with clearly structured portfolio

Potential analysis

- Assessment of businesses according to:
 - market attractiveness
 - financial performance
 - value creation potential
- Definition of target portfolio; grouping businesses into 2 main categories:
 - tk sole owner or owner in partnership
 - tk not best owner; Exit (Multi Tracks segment)

Target portfolio

- Stringent Performance Management
 - Financial targets for each individual business
 - Financial targets derived from benchmarking
 - Individual businesses with full responsibility
 - Capital allocation according to expected value generation
- Relief in financial KPIs¹ by Exit from Multi Tracks segment
 - Negative EBIT adj. ~€300 mn
 - Negative BCF ~€400 mn
 - Sales ~€6 bn
- Lean Corporate HQ focusing on
 - Portfolio, capital allocation
 - Further downsizing according to tk’s size and structure

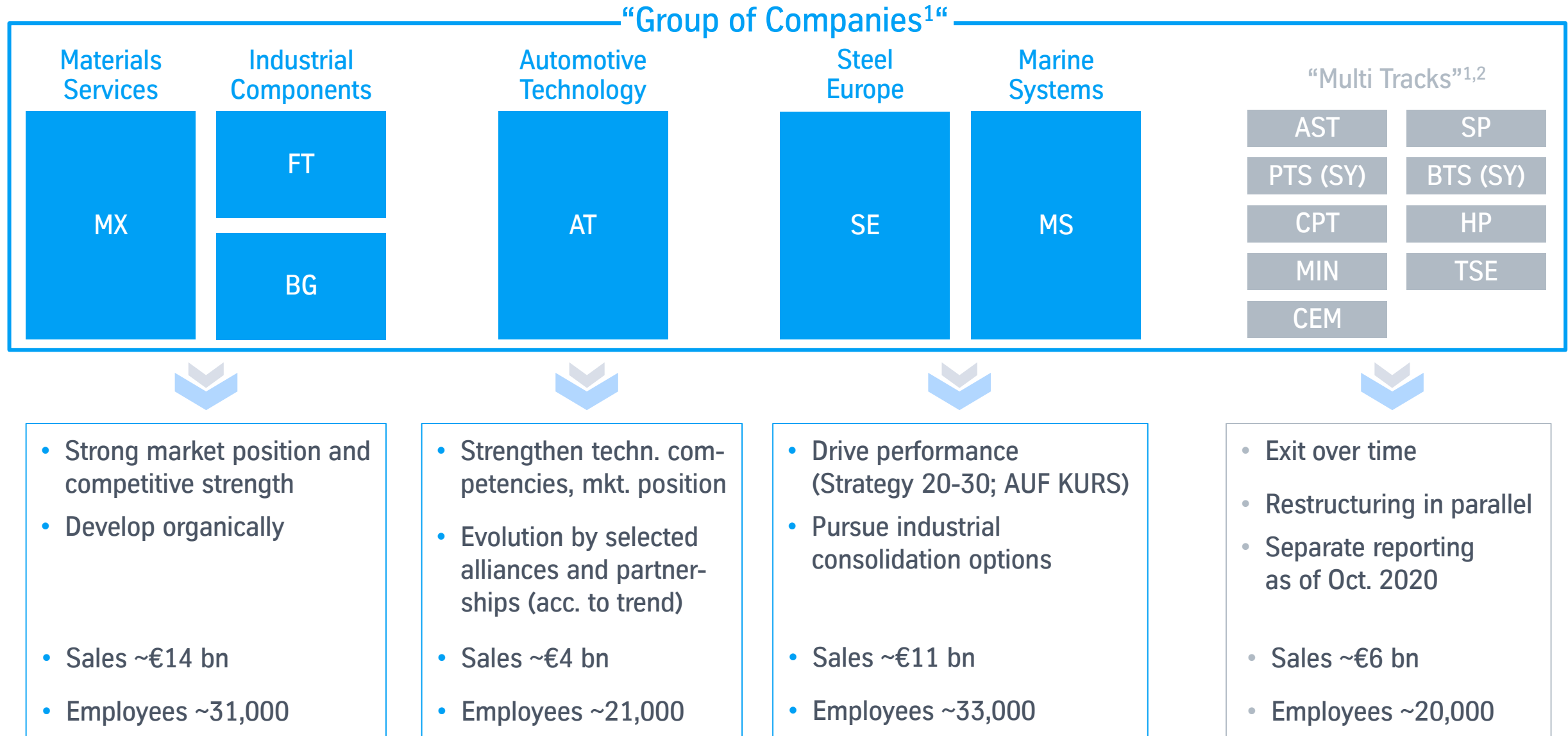
Financial objectives

- Positive FCF
- Value Creation (ROCE \geq WACC)
- Attractive Dividend Payment

1. All figures are pro-forma based on FY 18/19



Target portfolio set to support turnaround and true performance culture



1. All figures are pro-forma based on FY 18/19 | 2. HP: Heavy plate (SE); TSE: Technical Services excl. Mill Services & Systems (MX); SP: Springs & Stabilizers (AT); BTS: OU Battery Solutions (SY); PTS: OU Powertrain Solutions (SY); AST: Acciai Speciali Terni, stainless steel (MX); CPT: Chemical Plants, MIN: Mining, CEM: Cement (PT)



newtk - Portfolio sharpening enhances restructuring of thyssenkrupp

PERFORMANCE FIRST

Update!

Enhance restructuring and performance with full responsibility at each business

- Tackle challenges from pandemic with stringent cost & cash control
 - up to €1 bn in current FY
- Restructure Steel Europe and push fundamental value with Strategy 20-30

FLEXIBLE PORTFOLIO

Update!

Clearly structured portfolio for tk's powerful "Group of Companies" approach defined with focus on

- industrial logic
- competitive profitability, cash flow

Update!

Businesses to be exited with total sales of €6 bn¹ separated in segment „Multi Tracks“

Update!

Portfolio definition with next level of clarity and transparency for newtk, fully supported by all stakeholders

ELEVATOR sale, use of proceeds

- Elevator sale will significantly strengthen balance sheet
 - >€14 bn uplift in Equity
 - Net cash position
- Keep high flexibility for use of proceeds
 - Repay debt along maturity profile
 - Selective investments in businesses where financial objectives can be achieved



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Strategy 20-30 designed to tackle the challenges and capitalize on opportunities in the steel market

Challenges

Market environment – Steel industry at cyclical low-point

- Increased raw material costs
- Price pressure for steel products
- Softer demand (Covid-19 to be considered)
- Oversupply, intensified by imports

SE organization and cost base

- Increased personnel costs
- Organisational inefficiencies, also due to legacy

SE production process

- Downstream footprint with inefficiencies, too fragmented

SE
20-30

Opportunities

Steel Europe with strong USPs

- Premium flat steel producer with (one of) the most efficient integrated production sites in Europe

Market until 2030

- Industry with moderate growth
- Auto with moderate growth; most profitable segment

Auto

- Demand for thinner, wider and lighter flat steel products (hot-forming and multiphase steel products)
- Demand shift from electrolytic to hot-dip galvanized coatings
- Demand for „specialties“ in Europe, e.g. grain-oriented electrical steel for e-engines

Countermeasures at Steel Europe needed right now!



Steel Europe is (one of) the biggest, most efficient, integrated steel assets in Europe

Steel Europe operations in the Center of Europe and close to its main (auto) customers

Premium flat steel producer

Technology leader and full-service provider for high-quality flat carbon steel products

Duisburg as strategic location with favorable logistics (Rhine)

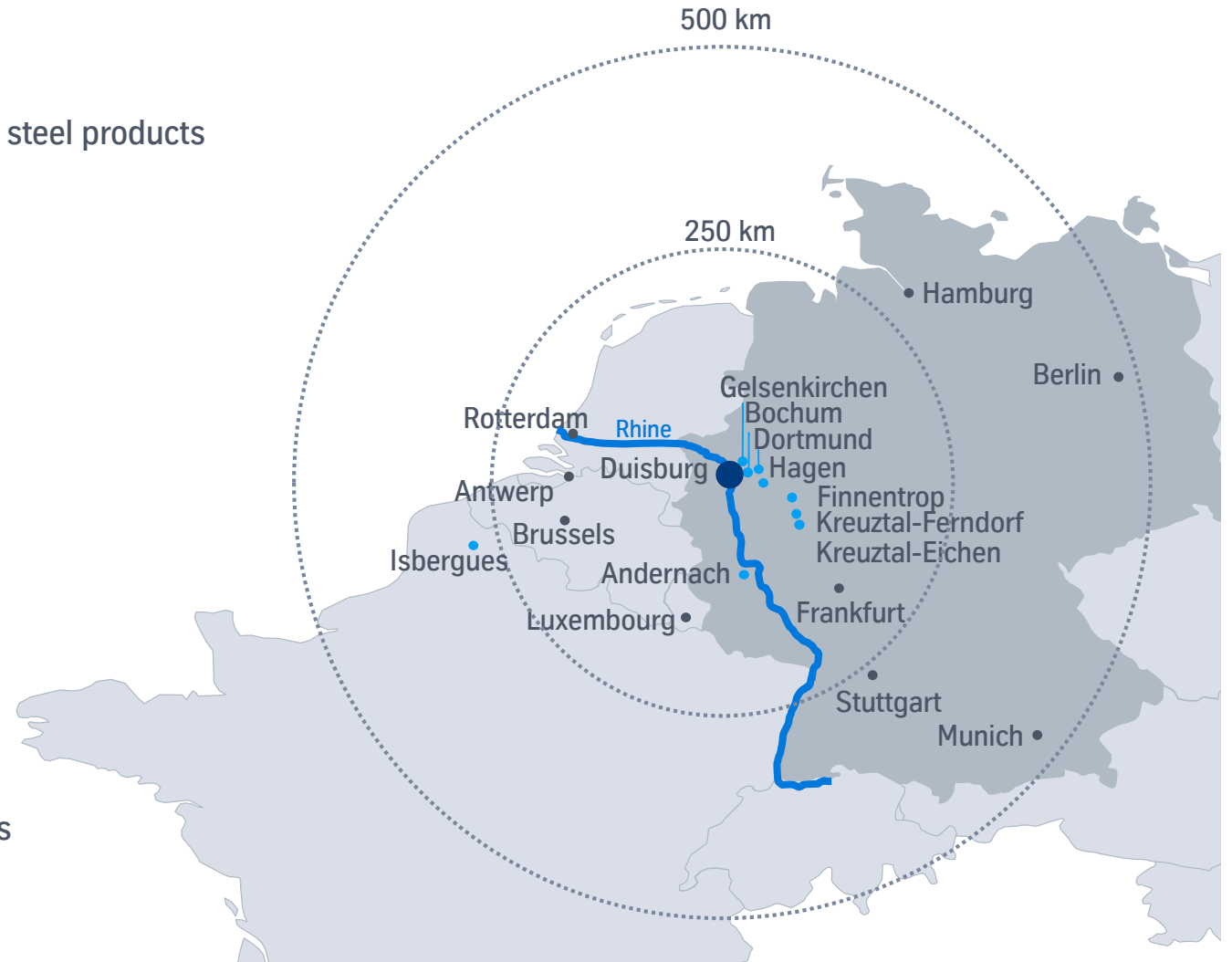
Within a 500 km radius: ~40% of customers and ~60% of shipments

Strong focus on Europe, global network

Attractive steel products and services available worldwide

Reliable earnings and cash flow contributor

Steel Europe with major contribution to tk's performance improvements



● Main production site

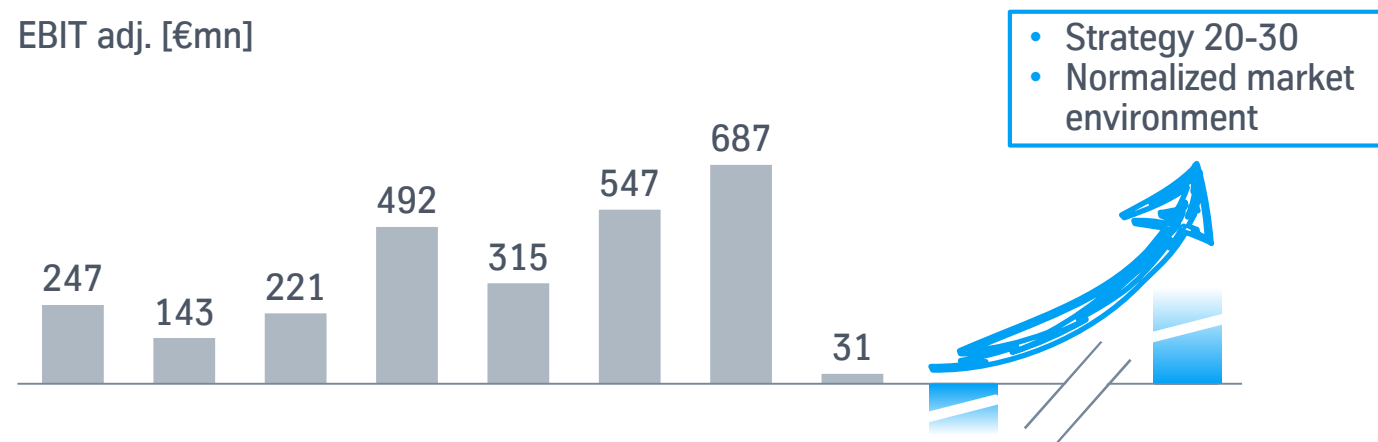
● Further production sites



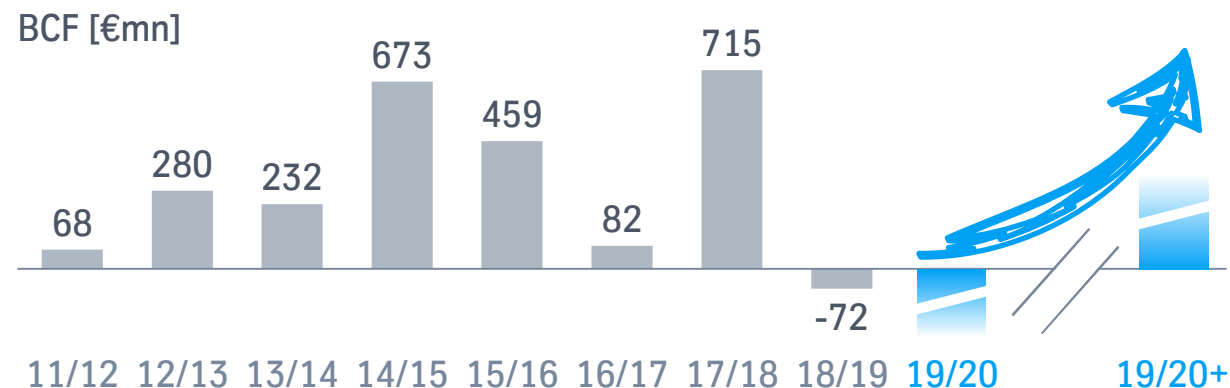
Steel Europe with fundamental value through premium grade flat carbon steel

Reliable returns by benchmark position in products and processes

EBIT adj. [€mn]



BCF [€mn]



Steel Strategy 20-30

- Performance and cost-reduction with effects in short-term to start NOW
- Immediate preparation of downstream network optimization
- Continue existing path to climate-neutral steel products
- Reliable earnings and Cash Flow
- $ROCE \geq WACC$ over the cycle



Strategy 20-30: strengthen competitiveness and downcycle resilience

Performance

- Better cost base, higher av. revenues/t,
- Add. ~€200 mn p.a. in EBIT and BCF



Portfolio

- Higher share of premium products
- More efficient downstream footprint
- Add. ~€400 mn p.a. in EBIT and BCF

- Headcount (FTE) reduction: 1,000 administration (SG&A); 800 production; 200 logistics and maintenance
- Optimization of processes and product quality in downstream network by additional investments of ~€800 mn over 6 years
 - Build on competitiveness of Duisburg production site
 - Close Bochum production site (Castroper Street); additional reduction of up to 1,000 FTE until 2026
 - Readiness for shipments of up to 11.5 mt/a, shift in product portfolio towards highly profitable focus segments
- Leverage leading product and technology expertise, support customers particularly in mobility: light-weight high safety; superior surface quality; e-mobility
- Heavy Plate: Execution of „Sell“ or „Close“ until end FY 20/21
- Electrical Steel (GO): turnaround concept; focus on high-end silicon grades for Industry customers in Europe

Ramp-up of add. ~€600 mn p.a. in EBIT and BCF; upside from performance in short-term, from portfolio in mid-term



Portfolio: Holistic approach across entire downstream network

Duisburg



Concentration and higher utilization of integrated production:

- Steel mill operations
- Hot rolling operations
- Coating processes for auto sheets

Bochum



Closure of Bochum (Castroper Street) site

- Reduction of 1,000 FTEs until 2026



Enabling of Bochum (Essener Street) site for advanced auto products

- Non-grain-oriented electrical steel for e-engines
- High-end finishing lines for auto sheets

Target

FY
17/18

11.5 mt

11.3 mt

Coated,
superior
surface quality

Hot-forming

Chassis

Multiphase
steels

Non-grain-oriented
electrical steel for
e-mobility

Focus segment products in relation to total shipments



Strategy 20-30: foster fundamental value of Steel Europe

- Build on Steel Europe's strong USPs
 - technology leader in premium flat carbon steel
 - preferred supplier of German auto OEMs
 - highly efficient integrated production site in Duisburg at river Rhine
- Strengthen competitiveness by securing long-term technology leadership and improving cost base
- Initiate immediate restructuring, reduce headcount by 3,000 FTE in total (2,000 in next 3 years; plus 1,000 until 2026)
- Holistic approach for production network optimization; additional investments of €800 mn over 6 year
- Continue existing path for climate-neutral steel products

+~€600 mn EBIT/BCF
short-term ~€200 mn from cost reduction;
mid-term ~€400 mn from production network
optimization



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Order intake below prior year mainly by components and materials businesses

[€ mn]

	2018/19	2019/20		Δ	
	Q2	Q1	Q2	yoy	yoy (ex FX) ¹
Automotive Technology (AT) ^{2,3}	1,306	1,353	1,182	(10%)	(10%)
Industrial Components (IC) ^{2,3}	702	558	589	(16%)	(16%)
Elevator Technology (ET)	1,995	2,232	1,982	(1%)	(1%)
Plant Technology (PT) ^{2,3}	513	568	457	(11%)	(10%)
Marine Systems (MS)	133	103	132	(1%)	(1%)
Materials Services (MX)	3,821	3,078	3,325	(13%)	(13%)
Steel Europe (SE)	2,451	2,115	2,259	(8%)	(8%)
Corporate Headquarters (HQ) ^{2,3}	1	1	(0)	--	--
Reconciliation ^{3,4}	(562)	(348)	(384)	32%	-
Full Group	10,360	9,660	9,542	(8%)	(8%)
Disc. elevator operations ⁵	1,994	2,232	1,983	(1%)	-
Group continuing operations	8,366	7,429	7,559	(10%)	(10%)

AT: Challenging car demand conditions and pandemic-induced demand drops in China and Europe outweighs effects from ramp-up of new plants and projects at Steering and Dampers

IC: Cyclical downturn at Forged Technologies (crankshafts for heavy duty engines, undercarriages) and pandemic-induced decline overcompensate good order situation at bearings (wind energy)

ET: Growth in NI and steady service business both in Europe and US; slower demand in Asia, especially China due to pandemic; order backlog (excl. Service) on new record level

PT: Down yoy due to slower customer activity in our Mining operations; Cement with medium-sized order in Cameroon, good demand at Chemicals

MS: Mid-size orders in marine electronics and services

MX: Sig. lower volumes due to low demand from automotive sector and negative price trend; temp. plant closure at AST

SE: Higher volumes driven by inventory cycle until mid of March offset by continued price pressure

1. Adjusted for FX and portfolio effects | 2. New organizational structure based on "newtk" | 3. FY 2018/19 figures on a pro-forma basis | 4. Service and Special Units previously reported at Corporate are now combined in consolidation line as "Reconciliation" | 5. Incl. Elevator Technology and individual units from Corporate Headquarters



Sales

[€ mn]

	2018/19	2019/20		Δ	
	Q2	Q1	Q2	yoy	yoy (ex FX) ¹
Automotive Technology (AT) ^{2,3}	1,358	1,367	1,267	(7%)	(7%)
Industrial Components (IC) ^{2,3}	650	544	573	(12%)	(12%)
Elevator Technology (ET)	1,869	2,045	1,860	(1%)	(1%)
Plant Technology (PT) ^{2,3}	669	755	737	10%	11%
Marine Systems (MS)	497	381	423	(15%)	(15%)
Materials Services (MX)	3,696	3,046	3,389	(8%)	(9%)
Steel Europe (SE)	2,350	1,851	2,154	(8%)	(8%)
Corporate Headquarters (HQ) ^{2,3}	1	1	1	(27%)	-
Reconciliation ^{3,4}	(452)	(316)	(297)	34%	-
Full Group	10,638	9,674	10,108	(5%)	(5%)
Disc. elevator operations ⁵	1,870	2,044	1,861	(0%)	-
Group continuing operations	8,768	7,629	8,247	(6%)	(6%)

- AT:** Sales mirror order intake; challenging car demand conditions and pandemic-induced demand drops in China and Europe outweighs effects from ramp-up of new plants and projects at Steering and Dampers
- IC:** Ongoing cyclical downturn as well as pandemic-driven decline at heavy duty engine components and undercarriages overcompensate increase at bearings for wind energy
- ET:** Growth across all business lines in US; Europe with slight decrease; Asia and especially China impacted by pandemic
- PT:** Sig. growth driven by execution of projects for chemical plants
- MS:** Slower against strong prior year compare
- MX:** Further negative price trend and lower volumes due to lower demand in Europe and North America; partial omission of direct-to-customer business (transfer to SE)
- SE:** Further negative price trend and unfavorable product mix with sig. lower auto demand

1. Adjusted for FX and portfolio effects | 2. New organizational structure based on "newtk" | 3. FY 2018/19 figures on a pro-forma basis | 4. Service and Special Units previously reported at Corporate are now combined in consolidation line as "Reconciliation" | 5. Incl. Elevator Technology and individual units from Corporate Headquarters



EBIT adj. – Pandemic with first pronounced effects at Automotive Technology and Steel Europe

Materials volume-, price- and cost-induced lower [€ mn]

	2018/19 Q2	2019/20 ¹ Q1	2019/20 ¹ Q2	Δ yoy
Automotive Technology (AT) ^{2,3}	9	21	(49)	--
<i>Springs & Stabilizers</i> ³	(13)	(20)	(29)	--
<i>System Engineering</i> ³	(4)	(3)	(20)	--
Industrial Components (IC) ^{2,3}	57	44	52	(9%)
Elevator Technology (ET)	198	228	174	(12%)
Plant Technology (PT) ^{2,3}	(30)	(18)	(21)	31%
Marine Systems (MS)	(0)	(0)	2	++
Materials Services (MX)	53	11	28	(48%)
Steel Europe (SE)	37	(164)	(208)	--
<i>Heavy Plate</i> ³	(13)	(35)	(25)	(92%)
Corporate Headquarters (HQ) ^{2,3}	(55)	(66)	(63)	(14%)
Reconciliation ^{3,4}	(29)	(6)	4	++
Full Group	240	50	(80)	--
Disc. elevator operations ⁵	198	227	186	(6%)
Group continuing operations	41	(177)	(266)	--

AT: Significantly lower due to overall softer car demand and pandemic-induced demand drop in China and Europe; SP and SY sig. lower

IC: Bearings with increase from volume and mix vs. pandemic-induced and cyclically lower contribution by components for heavy duty engines

ET: Slower earnings mainly by sales development in Asia; especially China impacted by pandemic

PT: Up yoy mainly by continued G&A cost reductions, yet still negative

MS: Above prior year, as measures for performance improvement show results

MX: Margin pressure due to lower shipments and prices in main product groups; temp. plant closure at AST; omission of pos. effects from pr. year (real estate sale and compensation for transfer direct-to-customer business to SE)

SE: Negative price trend and unfavorable product mix; higher costs by underutilization, raw materials (IO)

HQ: Higher costs; mainly project expenses "newtk", provision for LTI, omission of positive one-timer in prior year

1. Figures incl. effects of IFRS 16 | 2. New organizational structure based on "newtk" | 3. FY 2018/19 figures on a pro-forma basis | 4. Service and Special Units previously reported at Corporate are now combined in consolidation line as "Reconciliation" | 5. Incl. Elevator Technology and individual units from Corporate Headquarters



Overview – Business cash flow (BCF) and Free cash flow before M & A

[€ mn]

		2018/19 Q2	2019/20 ¹ Q1	2019/20 ¹ Q2	Δ yoy
BCF	Automotive Technology (AT) ^{2,3}	(134)	(251)	(169)	(26%)
	<i>Springs & Stabilizers</i> ³	(35)	(50)	(35)	1%
	<i>System Engineering</i> ³	(32)	(27)	(81)	--
BCF	Industrial Components (IC) ^{2,3}	26	(50)	11	(59%)
BCF	Elevator Technology (ET)	218	15	173	(21%)
BCF	Plant Technology (PT) ^{2,3}	0	123	(124)	--
BCF	Marine Systems (MS)	(131)	(49)	37	++
BCF	Materials Services (MX)	417	(907)	280	(33%)
BCF	Steel Europe (SE)	(52)	(1,045)	(81)	(56%)
	<i>Heavy Plate</i> ³	(38)	(26)	(27)	29%
BCF	Corporate Headquarters (HQ) ^{2,3}	(99)	(50)	(62)	37%
BCF	Reconciliation ^{3,4}	(72)	(146)	(42)	42%
BCF	Full Group	173	(2,360)	23	(87%)
	Interest payments	(84)	(30)	(134)	(60%)
	Tax payments	(66)	(86)	(98)	(48%)
FCF b. M&A	Full Group	23	(2,476)	(209)	--
FCF b. M&A	Disc. elevator operations ⁵	211	(72)	161	(24%)
FCF b. M&A	Group continuing operations	(188)	(2,404)	(370)	(97%)

- AT:** Lower earnings and higher payments for sales tax and accruals overshadow lower investments
- IC:** Decrease at components for heavy duty engines mainly due to pandemic-related lower earnings as well as higher payments for restructuring
- ET:** Investments (new headquarter US) as well as impacts from corona-pandemic in China
- PT:** Shifts between Q1 and Q2; upfront payment from Egypt delayed into Q3; in H1 break-even
- MS:** Higher as well as earlier payments of customers
- MX:** Lower earnings and NWC-release; omission of cash-in from divestiture (sale of real estate in PY)
- SE:** Lower earnings partly compensated by NWC-release, mainly inventories

1. Figures incl. effects of IFRS 16 | 2. New organizational structure based on "newtk" | 3. FY 2018/19 figures on a pro-forma basis | 4. Service and Special Units previously reported at Corporate are now combined in consolidation line as "Reconciliation" | 5. Incl. Elevator Technology and individual units from Corporate Headquarters



Special Items - continued focus on restructuring and future margin upside

Full group [€ mn]

Full group [€ mn]		2018/19				2019/20		
		Q1	Q2	Q3	Q4	FY	Q1	Q2
AT	Disposal effect							
	Impairment	(1)	(2)	(2)	(85)	(90)	(5)	(81)
	Restructuring				(6)	(6)	(94)	5
	Others	(3)	(7)	8	(6)	(7)		(5)
IC	Disposal effect							
	Impairment			(3)		(2)	(1)	(46)
	Restructuring		(1)	(4)	(9)	(14)	(1)	(1)
	Others	(1)		(10)	(2)	(13)		
ET	Disposal effect	1				1		
	Impairment				(4)	(5)	(4)	
	Restructuring	(3)	(22)	(13)	(19)	(56)	(7)	(6)
	Others	(3)	(7)	(4)	(42)	(54)	(9)	
PT	Disposal effect			2		2		
	Impairment			(1)		(1)		
	Restructuring	(2)	(1)	(2)	(7)	(13)	(1)	(6)
	Others	(5)	5	(8)	(1)	(8)		
MS	Disposal effect							
	Impairment							
	Restructuring			(1)		(1)		(4)
	Others							
MX	Disposal effect				(1)	(1)		
	Impairment			(1)	(4)	(5)		
	Restructuring	(3)	(2)	(5)	(15)	(24)	(2)	(15)
	Others	2		(4)	(9)	(12)	1	1
SE	Disposal effect	(4)	(20)	(3)	(1)	(28)		
	Impairment				(1)	(1)		
	Restructuring	(1)	(1)		(1)	(3)	(1)	(124)
	Others	1	(134)	12		(122)		
Corp. HQ	Disposal effect	(10)	(25)	6	(9)	(39)	(22)	(84)
	Impairment			(3)		(3)	1	
	Restructuring	(1)	(1)	(1)	(11)	(14)	(16)	(12)
	Others	(1)	16	(4)	1	14		
Consolidation/others		(2)	(3)	(4)	(13)	(21)	(4)	(4)
Group		(36)	(204)	(42)	(242)	(524)	(166)	(382)

Comments on Q2

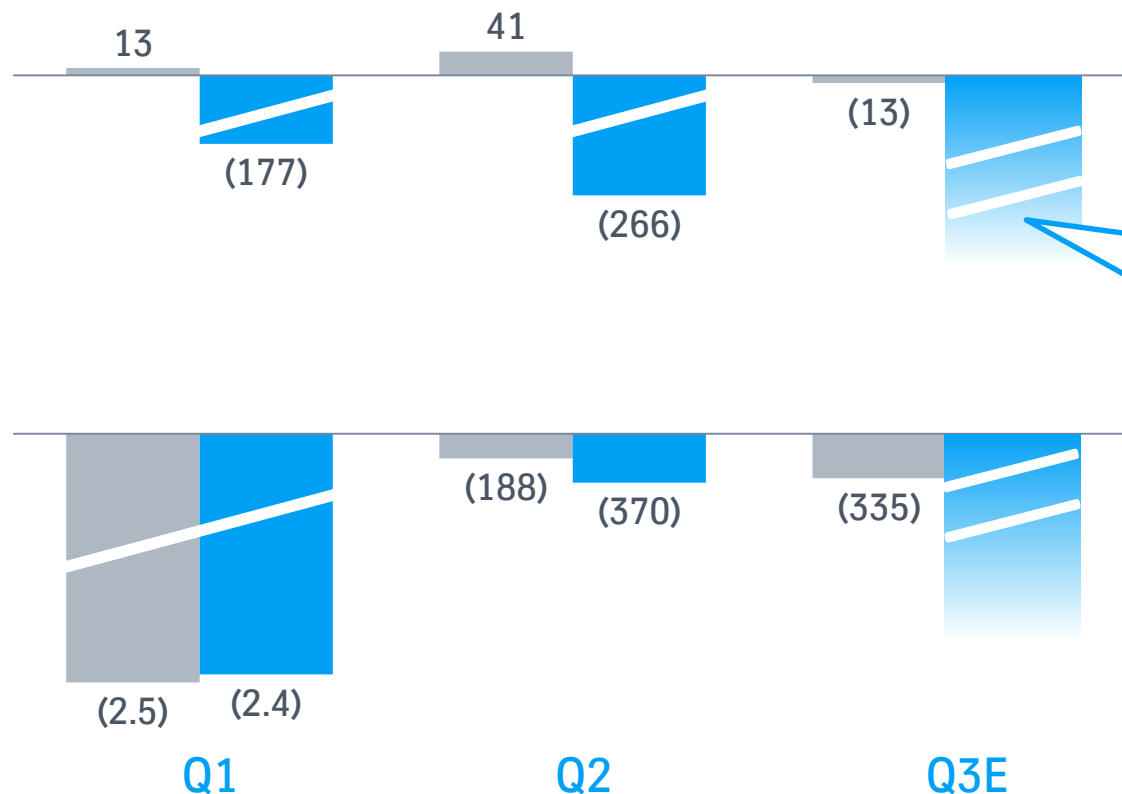
- Impairments at SP and Dampers due to pandemic-related lower earnings expectations
- Impairments at Steering due to order-revaluation in China due to reduced customer demand
- Impairments on technical equipment, buildings and other non-current assets in China in the forgings business triggered by lower sales expectations due to the pandemic and tariff disputes between China and the US
- Mainly costs in connection with restructurings in business units Europe / Africa and Americas
- Restructurings throughout the businesses
- Restructurings throughout the businesses
- Restructurings mainly at Aerospace Germany
- Restructurings for steel strategy 20-30
- Project expenses in connection with the planned Elevator transaction
- Provisions for restructurings at tkAG



Outlook: Pandemic-induced uncertainties, extent of consequences not reliably assessable yet

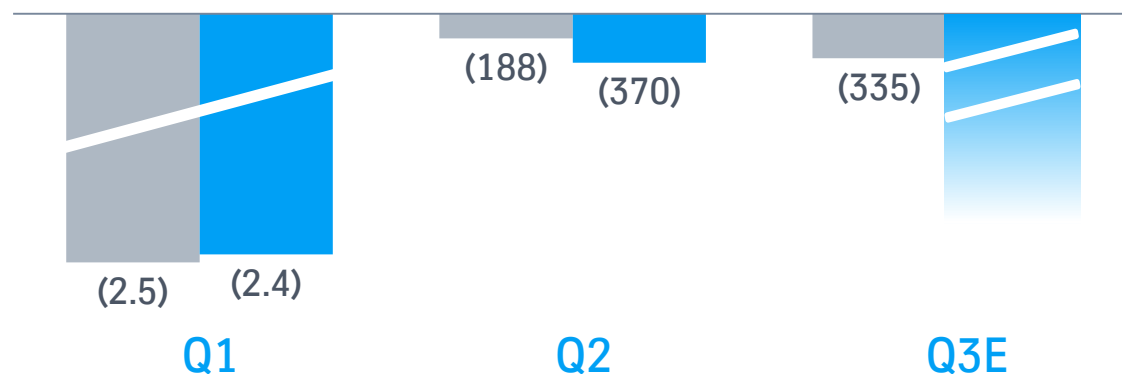
Continuing Operations [€ mn, bn]

FY EBIT adj.
down yoy,
sig –ve
PY: €(0.1) bn



In Q3 – given the currently unforeseeable effects of the pandemic on demand and supply chains and depending on the speed of production resumption by our customers – a loss in the high 3-digit million € range is likely and up to a good €1 bn cannot be ruled out

FY FCF bef. M&A
down yoy
sig –ve
PY: €(1.8) bn



Counter
Measures
(as of Q3)

Stringent cost and cash control with expected savings of up to €1 bn in FY

– Personnel, mainly short-time work at all BAs (~32,000 FTEs); capex; intensified NWC management



Q3 likely the trough quarter in FY 19/20, significantly stressed by pandemic impacts

[Continuing operations, € mn]

	Q2	Impact pandemic	Q3E	Q3 vs Q2
AT	(45)	mid 2-digit	⬇ low-mid 3-digit -ve	Sales decline by up to 50%; whole quarter impacted by underutilization vs. only March in Q2
IC	52	low 1-digit	⬇ 1-digit +ve	Demand decline at Forged business by up to 50% leading to underutilization; support by robust bearings
PT	(21)	-	⬇ low 3-digit -ve	Slower progress in project execution, postponement of orders
MS	2	-	➡ 1-digit +ve	Small impact on Sales due to pandemic restrictions resulting in minor inefficiencies in production
MX	28	-	⬇ low 3-digit -ve	Sig. decline of volumes leads to underutilization and falls sig. below cost structures
SE	(208)	mid 2-digit	⬇ up to mid 3-digit -ve	Unfavorable product mix with sharp decline in shipments by ~1/3 (~50% auto) and inefficient cost base
HQ/ Cons./Others	(63) (16)	n/a	➡ stable qoq	unchanged
EBIT adj.	(80)	~€100 mn	⬇ high 3-digit million € -ve range is likely and a good €1 billion cannot be ruled out	Given the currently unforeseeable effects of the pandemic on demand and supply chains and depending on the speed of production resumption by our customers



Continuing Operations FY 19/20 Outlook – limited visibility at Materials and auto businesses

Cost reduction and earning securing measures at all businesses

	18/19 ¹	19/20E ¹	FY 19/20E
AT	(22)	⬇️	Pandemic-related significant sales decline unable to be offset by further ramp-up of new plants and projects; EBIT adj. clearly negative with continuing strongly negative contributions from SP and SY
IC	230	⬇️	Significant drop in sales with bearings up vs pandemic and cyclically lower sales at heavy duty and construction machinery components; EBIT adj. positive but significantly lower
PT	(145)	⬇️	Pandemic-induced lower sales due to slower project progress and postponements of orders; EBIT adj. down
MS	1	⬆️	Slightly +ve, stable sales ; supported by cost cutting, better project execution and higher contribution by new projects
MX	107	⬇️	Pandemic-related significant sales decline with especially weak demand at our auto customers due to temporary plant closures and production cutbacks; EBIT adj. significantly negative depending on the decline in shipments and further price developments
SE	31	⬇️	Pandemic-related significant sales decline in particular for high-value automotive grades; EBIT adj. significantly negative and additionally impacted by lower capacity utilization, ongoing negative Heavy Plate and structural cost disadvantages addressed by strategy 20-30
HQ/ Cons./Others	(252) (54)	➡️	On prior-year level
EBIT adj.	(110)	⬇️	Strongly negative due to significant sales decline and resulting underutilization
EAT	(1,110)	⬇️	Significantly higher net loss resulting from lower EBIT and restructuring costs
FCF b. M&A	(1,756)	⬇️	Significantly below prior-year ; mainly due to operating performance, depending on inflows from order intake and payment profile of projects at PT and MS, expenses for restructuring and payment cartel fine (€370 mn)

1. FY 2018/19 figures for Automotive Technology (AT), Industrial Components (IC), Plant Technology (PT) and Corporate on pro-forma basis; the administrative units of Corporate and the regions will be presented as Corporate Headquarters as of Oct. 1st, 2019



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thyssenkrupp Group¹

Sales €42.0 bn; EBIT adj. €802 mn

Automotive Technology (AT)

€5.4 bn
€(22) mn

- Chassis/ powertrain components
- Production lines: auto/ aerospace

Industrial Components (IC)

€2.5 bn
€230 mn

- Bearings
- Undercarriages
- Crankshafts

Elevator Technology (ET)

€8.0 bn
€907 mn

- Elevators, escalators, moving walks
- Passenger boarding bridges

Signing of full sale with consortium led by Advent, Cinven and RAG foundation on February 27th, 2020

Plant Technology (PT)

€2.9 bn
€(145) mn

- Chemical plants
- Cement plants; minerals/ mining equipment

Marine Systems (MS)

€1.8 bn
€1 mn

- Submarines²
- Naval surface vessels
- Naval electronic systems

Materials Services (MX)

€13.9 bn
€107 mn

- Industrial materials distribution
- Raw materials trading
- Logistics; SCM
- Stainless steel production (AST)

Steel Europe (SE)

€9.1 bn
€31 mn

- Premium flat carbon steel

1. All figures related to FY 2018/19; AT, IC and PT on pro-forma basis | 2. Non-nuclear



Sales by region FY 2018/19

[Continuing Operations, %]

	Automotive Technology	Industrial Components	Plant Technology	Marine Systems	Materials Services	Steel Europe	thyssenkrupp Group
Worldwide (€mn)	5,407	2,522	2,943	1,800	13,881	9,065	34,036
DACHLI ¹	35.7	20.1	5.7	28.7	34.4	54.5	34.9
Germany	34.3	17.7	5.2	28.7	31.5	52.3	32.8
Central/ Eastern Europe	6.3	1.9	10.7	0.1	12.1	6.7	8.4
Western Europe	13.2	21.6	3.7	5.2	25.3	21.6	19.3
North America	20.4	27.1	12.4	0.6	22.3	8.5	17.3
USA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
South America	2.7	6.7	6.8	0.3	0.3	1.2	2.0
Asia/Pacific	1.2	2.9	20.1	21.6	2.7	0.9	4.6
CIS	0.3	1.0	4.8	0.0	0.4	0.7	0.9
Greater China	18.8	15.9	6.8	0.0	0.5	1.5	5.4
China	18.6	15.9	6.1	0.0	0.4	1.4	5.2
India	0.5	2.2	7.6	2.0	0.2	0.7	1.3
Middle East & Africa	0.9	0.7	21.3	41.4	1.7	3.7	5.9

1. D = Germany, A = Austria, CH = Switzerland, LI = Liechtenstein | 2. Incl. Marine Systems



Sales by customer group FY 2018/19

[Continuing Operations, %]

	Automotive Technology	Industrial Components	Plant Technology	Marine Systems	Materials Services	Steel Europe	thyssenkrupp Group
Worldwide (€mn)	5,407	2,522	2,943	1,800	13,881	9,065	34,036
Automotive	93.3	39.2	0.0	0.0	15.8	29.3	31.4
Steel and related processing	0.1	1.0	1.4	0.0	19.6	23.0	13.1
Trading	4.7	3.8	-0.1	0.9	13.0	21.8	9.7
Construction	0.0	1.2	0.0	0.0	4.9	0.2	2.1
Engineering	0.1	51.9	43.8	1.2	9.5	3.4	12.2
Public sector	0.0	0.2	0.0	95.8	0.5	0.0	5.3
Energy and utilities	0.0	0.6	4.7	0.0	1.4	3.1	1.8
Packaging	0.0	0.0	0.3	0.0	0.7	14.6	4.2
Other customer groups	1.3	2.1	49.8	2.1	34.6	4.7	20.1

1. D = Germany, A = Austria, CH = Switzerland, LI = Liechtenstein | 2. Incl. Marine Systems



At thyssenkrupp we systematically create sustainable value

How we manage sustainability

- 1 **Board-level responsibility**
 - Definition of sustainability strategy & targets
 - Monitoring of sustainability performance
- 2 **Indirect financial targets**
 - Annual progress report and target redefinition
 - Performance factors into board compensation
- 3 **Strategic programs**
 - Science-based targets on CO₂ reduction
 - Group wide Energy Efficiency Program (GEEP)
- 4 **Transparency**
 - Integrated reporting approach (EU CSR directive)
 - Corresponds to TCFD¹ framework

1) Taskforce on Climate-related Financial Disclosures

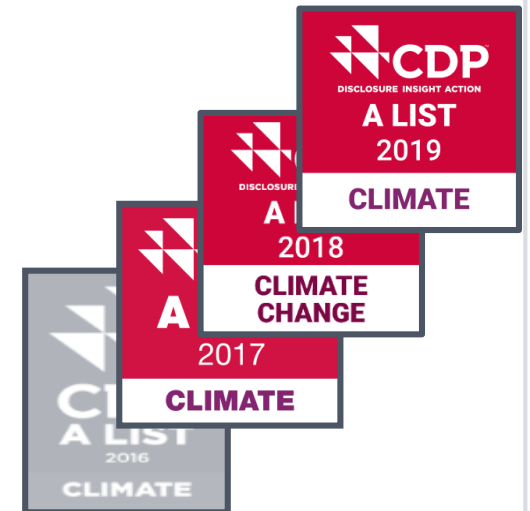


External recognition



Leader
Outperformer
Average Performer
Underperformer
Laggard

ranked
3
out of
44

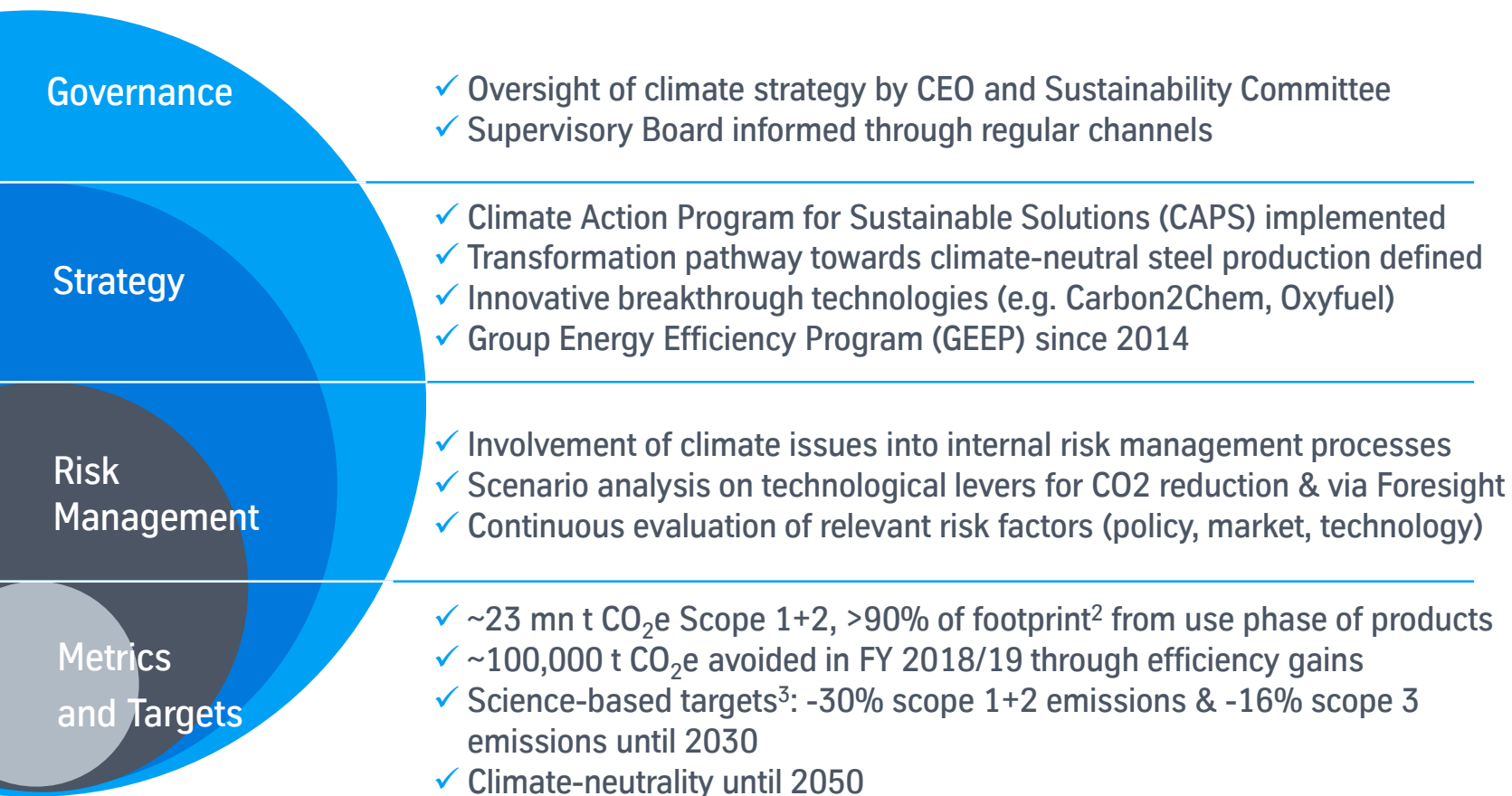


Sustainalytics ESG Report as of 01/19: tk ranked 3 out of 44 companies in industry group
MSCI ESG Ratings assessment as of 01/19: tk ranked A on a scale of AAA-CCC, non-official logo

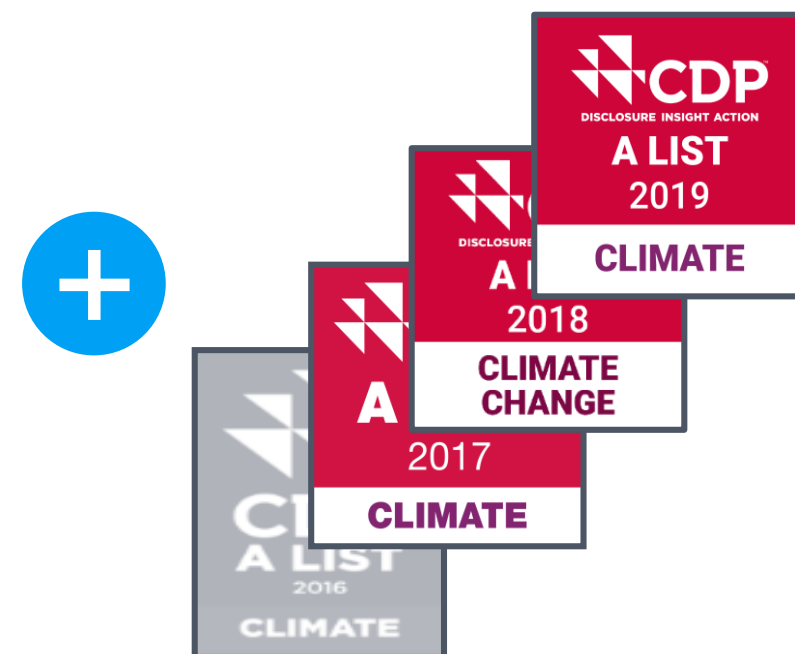


thyssenkrupp with strong commitment and strategy to tackle future climate challenges

tk actions correspond to TCFD¹ framework



tk ranked as a leader in climate protection for 4 years in a row



1. TCFD: Taskforce on Climate-related Financial Disclosures 2. Scope 1+2+3 3. Approved by SBTi (science-based target initiative)



Content

- newtk update – Definition of Target Portfolio slides 02-06
- Steel Strategy 20-30 slides 07-13
- Quarterly Update (May 12th, 2020) – Q2 FY 2019/20 slides 14-22
- Group Overview slides 23-28

Facts & Figures

slides 29-64



Share and ADR Data

• Shares outstanding	622,531,741
• Type of share	No-par-value bearer shares
• Voting	One share, one vote

Share Data

• Ticker Symbol	TKA
• German Security Identification Number (WKN)	750 000
• ISIN Number	DE0007500001
• Exchange	Frankfurt, Dusseldorf

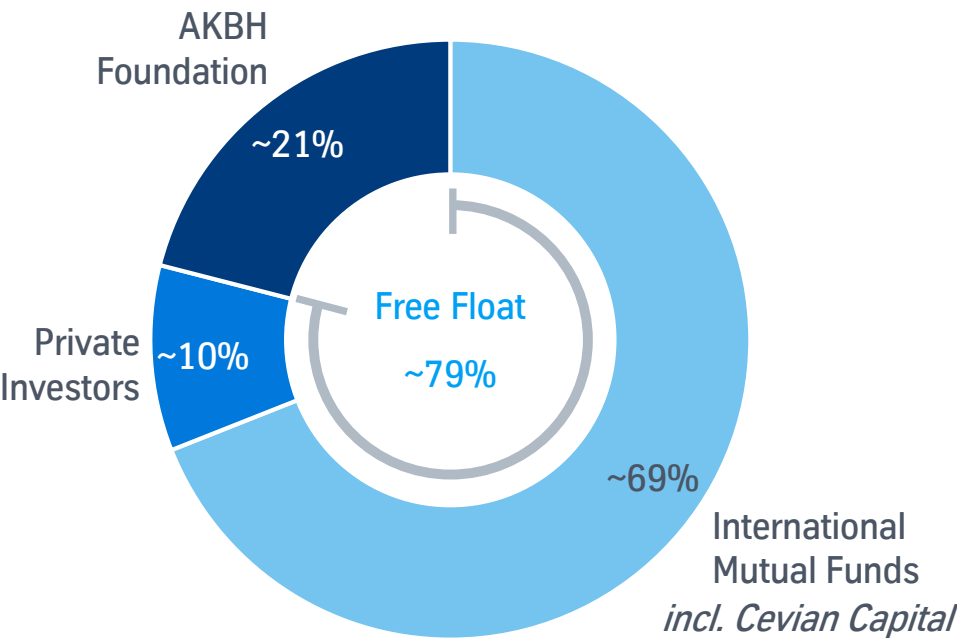
ADR Data

• Ratio (ordinary share:ADR)	1:1
• ADR Structure	Sponsored-Level-I
• Ticker Symbol	TKAMY
• Cusip	88629Q 207
• ISIN Number	US88629Q2075
• Exchange	Over-the-Counter (OTC)
• Depositary bank: Deutsche Bank Trust Company Americas	E-mail: adr@db.com
• Phone: +1 212 250 9100 (New York); +44 207 547 6500 (London)	Website: www.adr.db.com

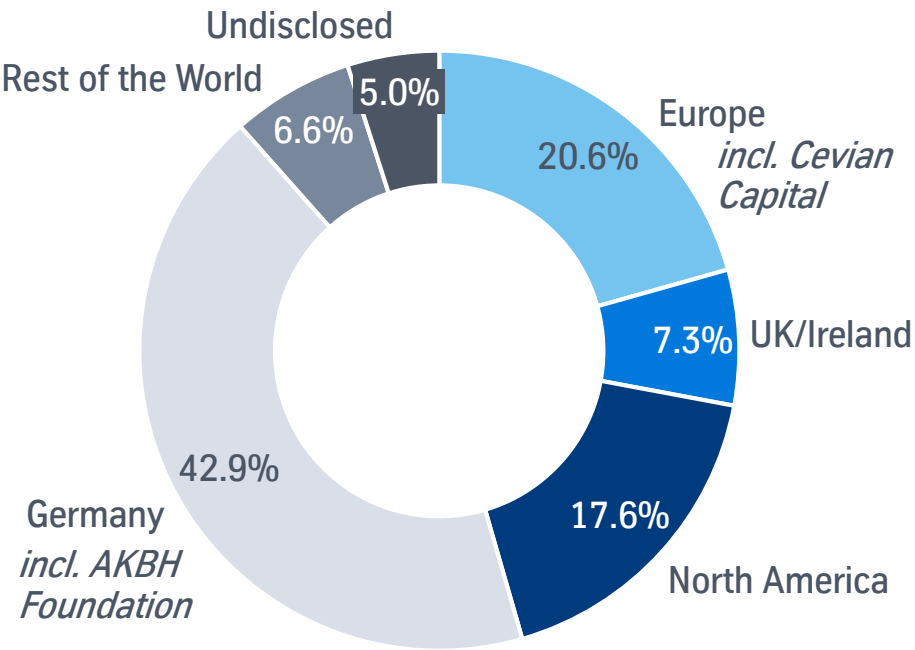


thyssenkrupp shareholder structure

Investors



Regional split



Source: WpHG Announcements; thyssenkrupp Shareholder ID 03/2020



Key financials

[€ mn]

Full Group

	2018/19					2019/20 ¹⁾	
	Q1	Q2	Q3	Q4	FY	Q1	Q2
Order intake	10,111	10,360	10,219	11,303	41,994	9,660	9,542
Sales	9,736	10,638	10,779	10,843	41,996	9,674	10,108
EBITDA	465	321	483	256	1,525	237	(6)
EBITDA adjusted	500	526	519	413	1,958	398	258
EBIT	181	32	183	(124)	272	(115)	(462)
EBIT adjusted	217	240	226	119	802	50	(80)
EBT	99	(55)	80	(207)	(83)	(206)	(537)
Net income/(loss)	68	(161)	(77)	(89)	(260)	(364)	(946)
attrib. to tk AG stockh.	60	(173)	(94)	(97)	(304)	(372)	(948)
Earnings per share ²⁾ (€)	0.10	(0.28)	(0.15)	(0.16)	(0.49)	(0.60)	(1.52)
Operating cash flow	(2,245)	319	218	1,781	72	(2,144)	132
Cash flow from divestm.	25	27	8	49	108	18	11
Cash flow from investm.	(257)	(323)	(375)	(489)	(1,443)	(327)	(359)
Free cash flow	(2,477)	22	(149)	1,341	(1,263)	(2,453)	(215)
FCF before M&A	(2,477)	23	(92)	1,406	(1,140)	(2,476)	(209)
TK Value Added					(1,068)		
Ø Capital Employed	16,058	16,623	16,815	16,749	16,749	17,851	18,220
Cash and cash equivalents (incl. short-term securities)	2,303	2,947	2,845	3,712	3,712	2,087	2,525
Net financial debt	4,684	4,834	5,101	3,703	3,703	7,138	7,549
Equity	3,274	2,882	2,494	2,220	2,220	1,934	1,174
Employees	161,496	161,153	161,740	162,372	162,372	161,538	160,090

NFD includes
€1 bn IFRS 16
effect

1. Figures incl. effects of IFRS 16 | 2. Attributable to tk AG's stockholders



Key financials

[€ mn]

Continuing operations

	Q1	Q2	2018/19 Q3	Q4	FY	2019/20 ¹⁾ Q1	Q2
Order intake	7,968	8,366	8,221	9,270	33,825	7,429	7,559
Sales	7,813	8,768	8,738	8,717	34,036	7,629	8,247
EBITDA	245	129	239	39	652	9	(136)
EBITDA adjusted	296	327	281	141	1,046	129	40
EBIT	(18)	(137)	(39)	(318)	(511)	(302)	(561)
EBIT adjusted	13	41	(13)	(152)	(110)	(177)	(266)
EBT	(96)	(224)	(125)	(410)	(855)	(382)	(630)
Net income/(loss)	(64)	(272)	(213)	(562)	(1,110)	(442)	(688)
attrib. to tk AG stockh.	(72)	(283)	(229)	(569)	(1,153)	(449)	(691)
Earnings per share ²⁾ (€)	(0.11)	(0.46)	(0.37)	(0.91)	(1.85)	(0.72)	(1.11)
Operating cash flow	(2,255)	72	(53)	1,572	(664)	(2,109)	(58)
Cash flow from divestm.	23	26	7	45	101	18	6
Cash flow from investm.	(233)	(286)	(289)	(402)	(1,210)	(295)	(318)
Free cash flow	(2,465)	(188)	(335)	1,215	(1,773)	(2,385)	(371)
FCF before M&A	(2,465)	(188)	(335)	1,233	(1,756)	(2,404)	(370)
Employees	108,211	108,235	108,727	109,288	109,288	108,700	107,523

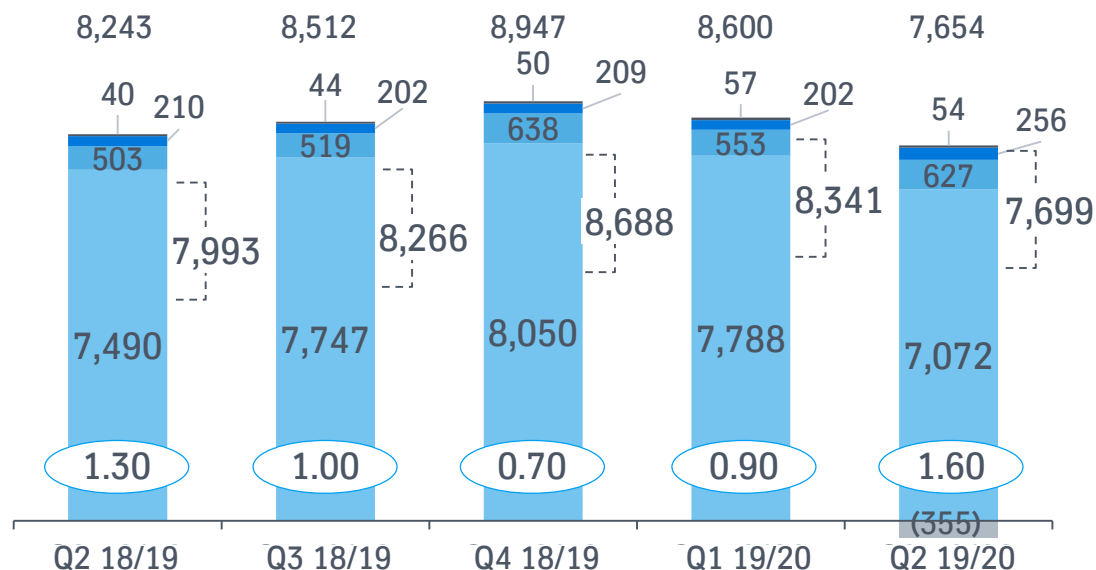
1. Figures incl. effects of IFRS 16 | 2. Attributable to tk AG's stockholders



Pensions: “patient” long-term financial debt with gradual amortization

[Group, € mn]

Accrued pension and similar obligations

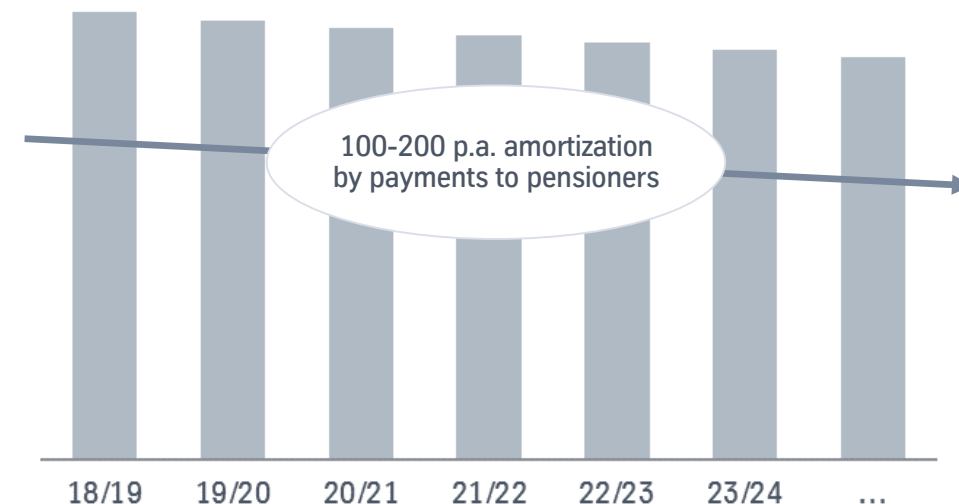


Fluctuations in accrued pensions

- are mainly driven by increases / decreases in discount rates in Germany (>90% of accrued pensions in Germany)
- do not change payouts to pensioners
- do not trigger funding situation in Germany; and not necessarily funding changes outside Germany
- are recognized directly in equity via OCI

■ Accrued pension liability Germany
 ■ Accrued pension liability outside GER
 ■ Accruals related to partial retirement agreements
 ■ Other accrued pension-related obligation
 ○ German discount rate
 ■ Reclassification due to the presentation as liabilities associated with assets held for sale

Development at unchanged discount rate (schematic)



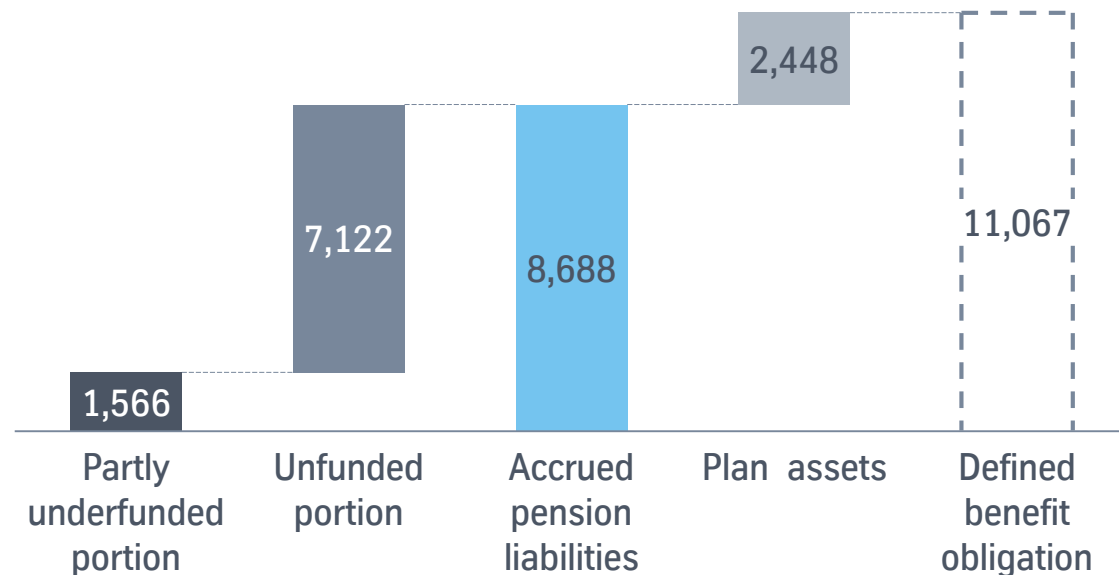
- IFRS requires determination of pension discount rate based on AA-rated corporate bonds
- Pension discount rate significant lower than interest rates of tk corporate bonds
- >90% of accrued pensions in Germany; thereof ~60% owed to exist. pensioners (average age ~77 years)



Germany accounts for majority of pension plans

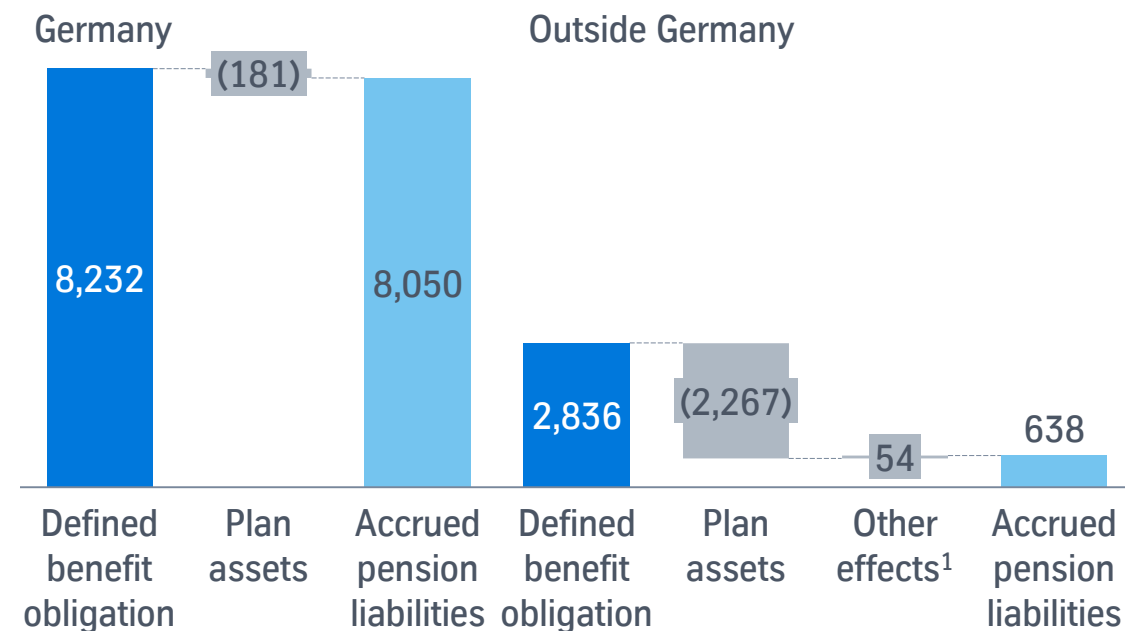
[Group, FY 18/19; € mn]

Funded status of defined benefit obligation



- >95% of the unfunded portion in Germany; German pension regulations do not require funding of pension obligations with plan assets; therefore funding is mainly done by tk's operating assets

Reconciliation of accrued pension liabilities by region



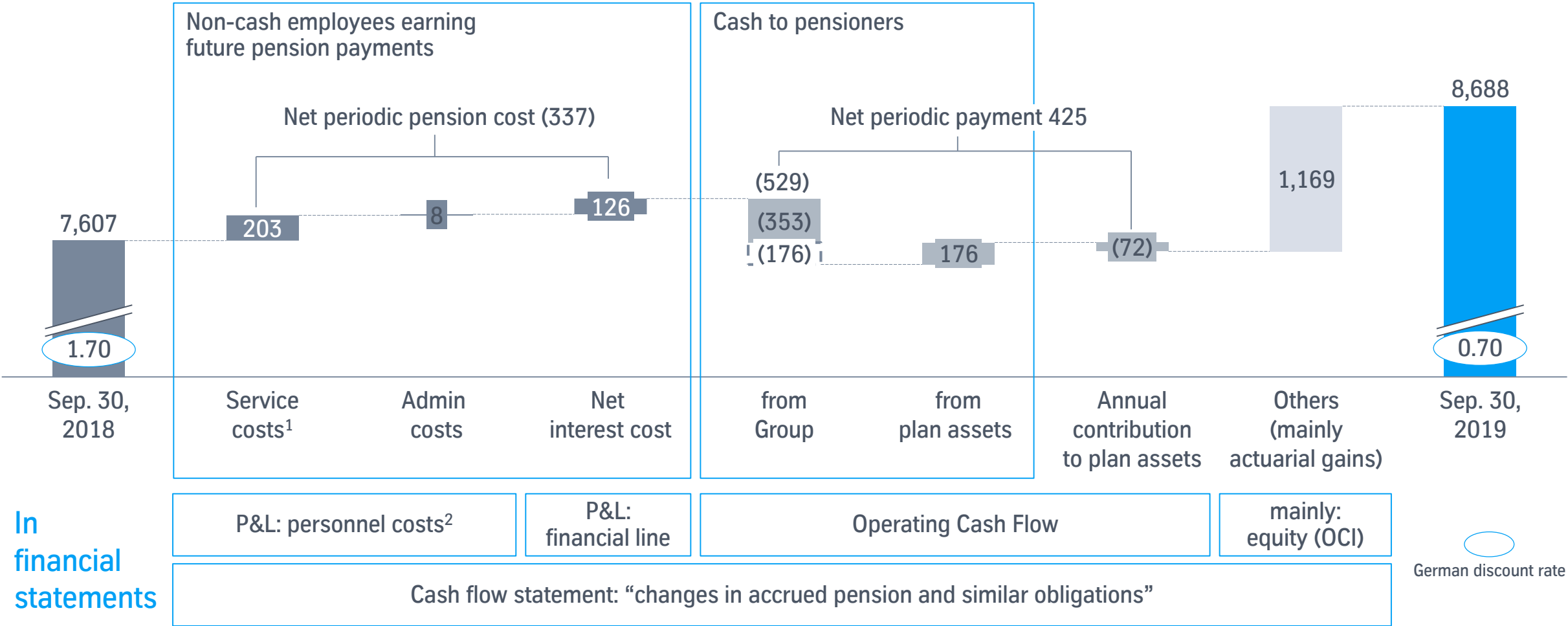
- Plan assets outside Germany mainly attributable to UK (~34%) and USA (~27%)
- Plan asset classes include national and international stocks, fixed income securities of governments and non-governmental organizations, real estate as well as highly diversified funds

1. Other non-financial assets



Net periodic payments exceed Service costs (incl. in EBITDA) by >€200 mn (long-term ~€300 mn) and amortize pension liability by Δ of Net periodic payment vs. Net periodic pension cost

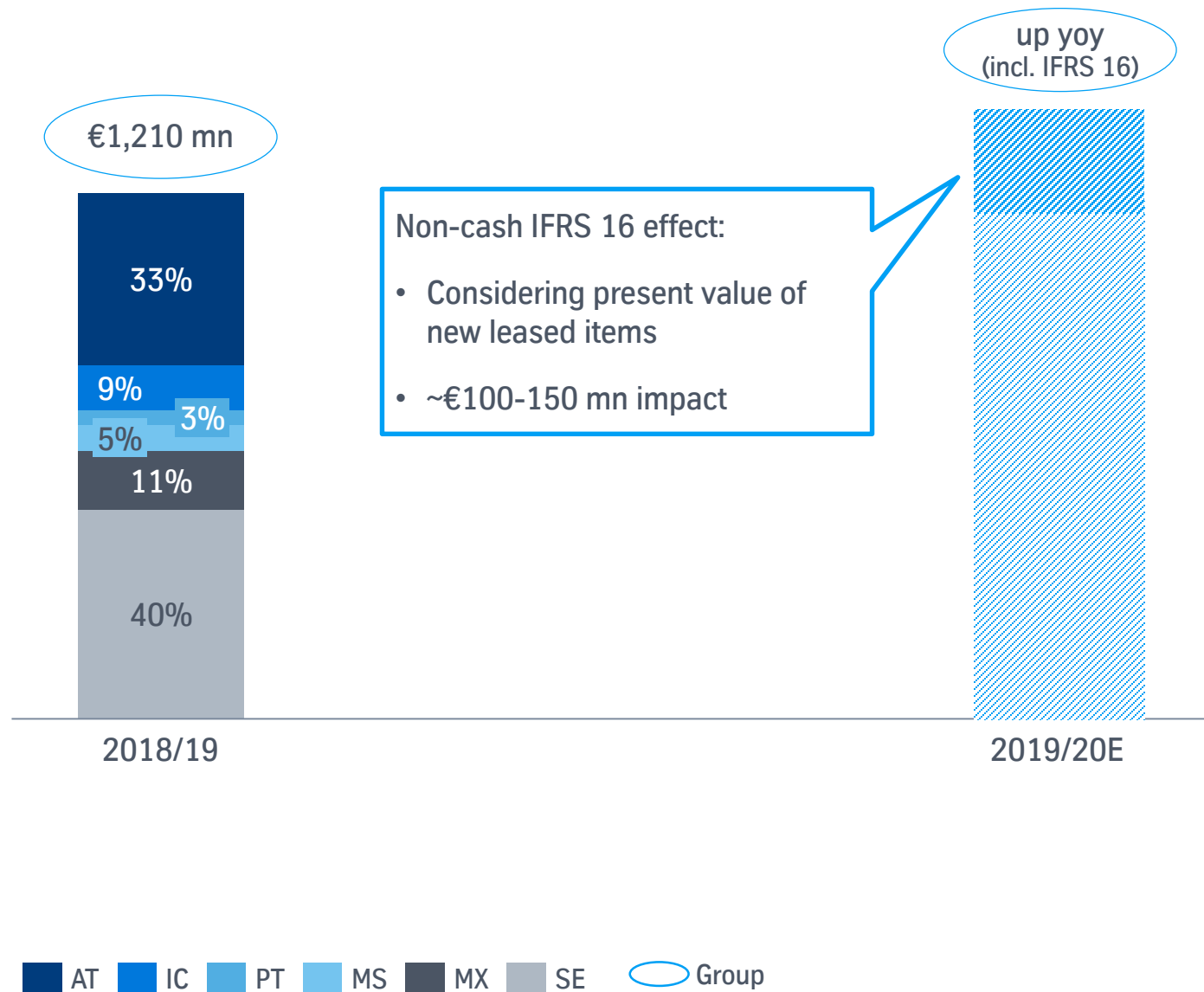
[Group, € mn]



1. Including past service cost and curtailments
2. Additional personnel expenses include €173 mn net periodic pension cost for defined contribution plans

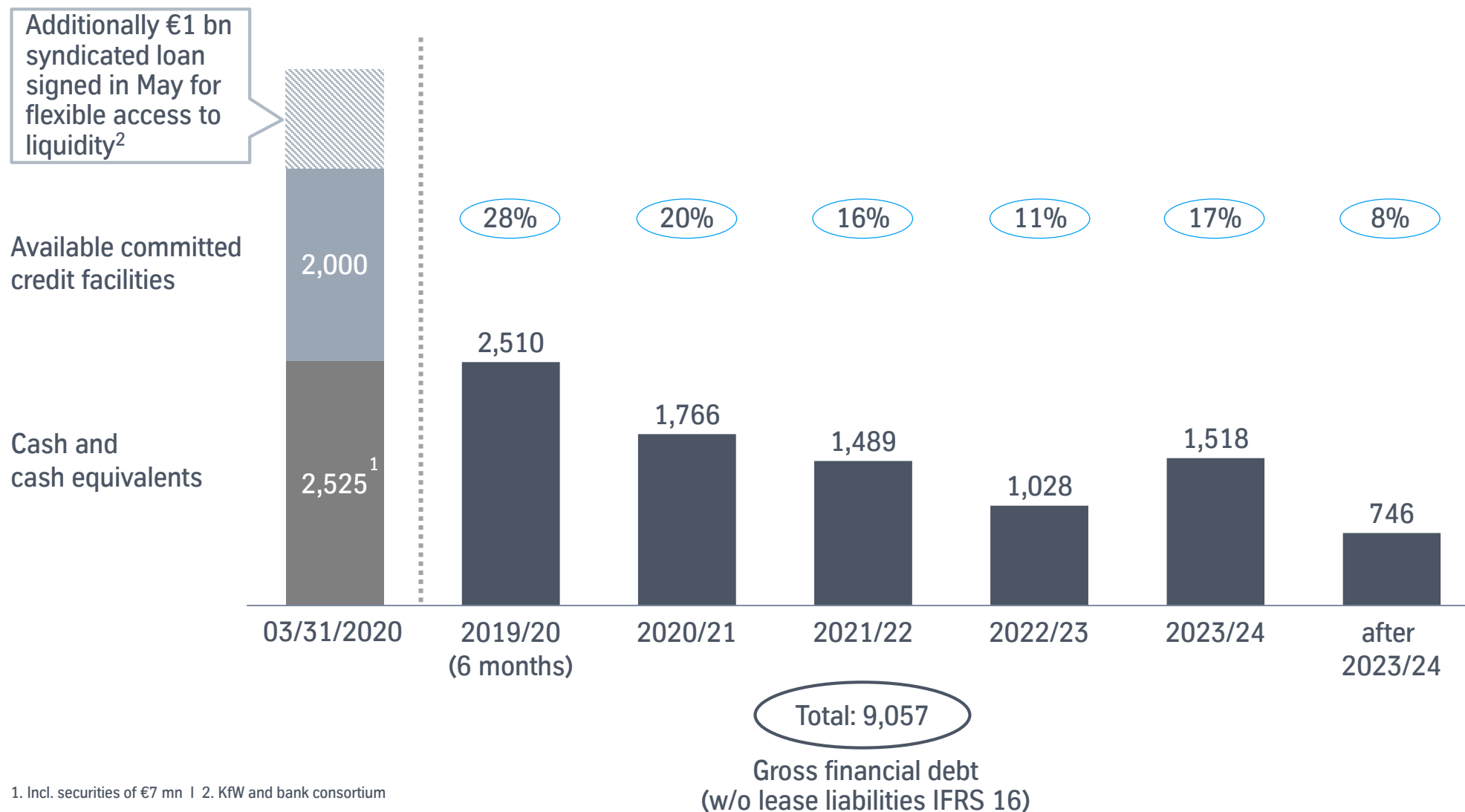
Capex increase due to IFRS 16 adoption amongst others

Continuing Operations



Solid financial situation

Liquidity analysis and maturity profile of gross financial debt (without lease liabilities IFRS 16) as of March 31, 2020
[Group, € mn]



1. Incl. securities of €7 mn | 2. KfW and bank consortium



Systematic benchmarking aiming at best-in-class operations

Selected peers / relevant peer segments

thyssenkrupp group

Automotive Technology

- Steering:
Bosch Automotive Steering, ZF/TRW, Nexteer¹, JTEKT¹, NSK¹, Mando¹
- Damper:
ZF/TRW, Tenneco¹, KYB¹, Hitachi Tokico
- Springs & Stabilizers:
NHK Springs¹, Mubea, Daewon, China Spring, Sogefi¹, Chuo Spring¹
- Automotive Systems:
ZF/TRW, Benteler, Hyundai Mobis¹, Rhenus Logistics
- Camshafts:
SECO, Linamar¹, Hirschvogel Automotive Group, Mahle
- System Engineering:
Grob, Kuka¹, Hirata¹, FFT, Comau

Industrial Components

- Slewing bearings and seamless rings:
IMO, SKF¹, Forgital Group
- Undercarriages and undercarriage components:
Titan International¹
- Crankshafts:
Bharat Forge¹, CIE Galfor¹, Sumitomo¹, Forja de Monterrey, Macimex, Forges de Courcelles, American Axle

Elevator Technology

- Otis Worldwide¹
- KONE¹
- Schindler¹
- Mitsubishi (Electric)¹
- Fujitec¹
- Toshiba¹
- Hitachi¹

Signing of full sale with consortium led by Advent, Cinven and RAG foundation on February 27th, 2020

Plant Technology

- Chemical Plant Engineering:
Snamprogetti/Saipem¹, MaireTecnimont¹, TechnipFMC¹, Fluor¹, Asahi Kasei¹
- Cement & Mining:
Sinoma¹, FLSmidth¹, KHD Humboldt Wedag, Takraf, FAM, Sandvik¹, Metso¹, Loesche, Outotec¹

Marine Systems

- DCNS
- Fincantieri¹
- Damen
- BAE Systems¹
- DSME¹
- Saab Kockums¹

Materials Services

- Materials Distribution:
Klöckner¹, Salzgitter Trading¹, Reliance¹
- Special Services:
Glencore¹, Stemcor, Reliance¹, AM Castle¹, Vink, Sunclear
- Special Materials:
Acerinox¹, Aperam¹, Outokumpu¹

Steel Europe

- ArcelorMittal Europe¹
- Salzgitter Strip Steel¹
- Tata Steel Europe¹
- Voestalpine Steel Division¹



Automotive Technology - Overview¹

Mission critical and high-performance components and systems for leading automotive customers

Snapshot FY 2018/19

€5,407 mn sales
~25,800 employees

International presence
including a global production
network of 63 plants

Well-known brands with
strong reputation and
leading global market
positions

Product offering

Steering



Damper



Automotive Systems



Camshafts



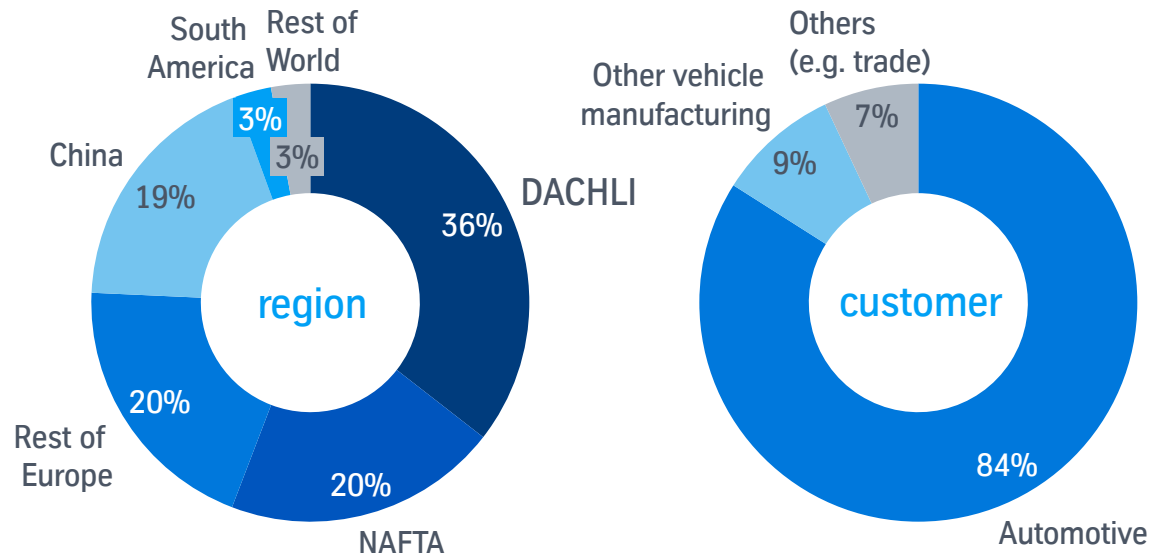
Springs & Stabilizers



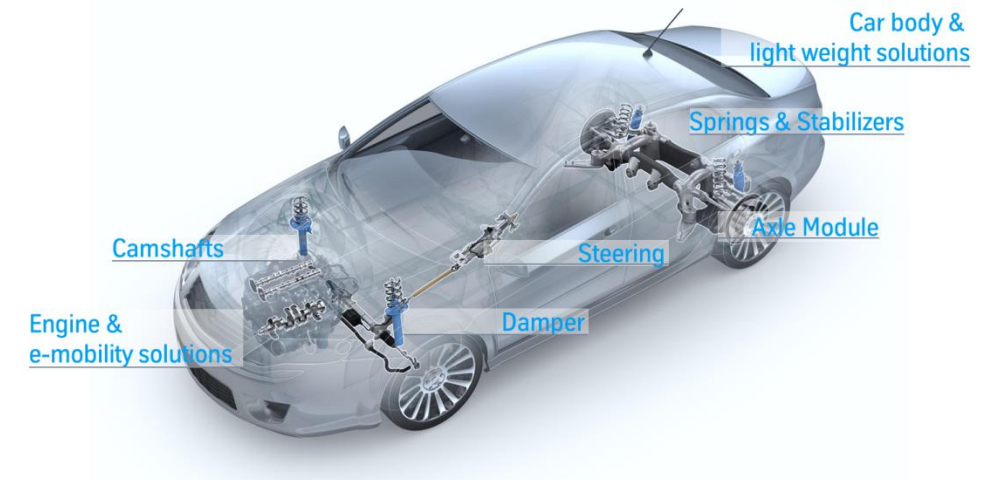
System Engineering
(in AT since FY 19/20)



Sales breakdown FY 2018/19



1. D = Germany, A = Austria, CH = Switzerland, LI = Liechtenstein; figures on a pro-forma basis

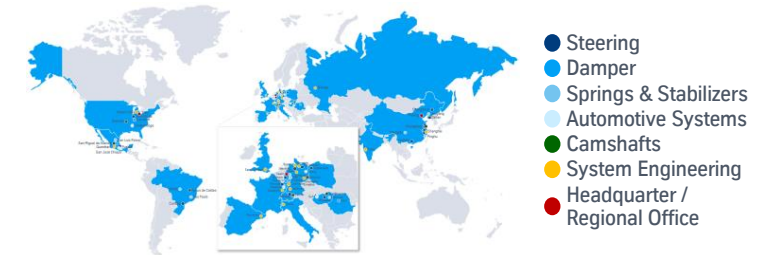


Automotive Technology – Business Modell

Well positioned for automotive megatrends

Proximity to customers

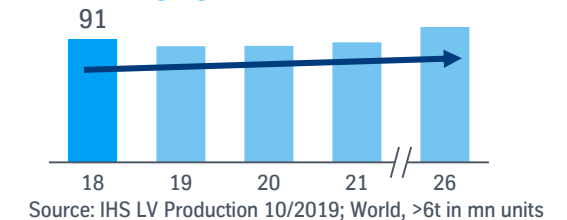
- Global production footprint
- “Glocalisation” in growth markets to strengthen competitiveness
- New plant ramp-ups fostering growth and operational excellence



Market attractiveness

- Growth in all segments based on new products and customers – supported by technological trends (e.g. autonomous driving) leading to Automotive Technology growing above market

Light vehicle production – challenging market environment



Strong technological expertise

- Strong expertise and engineering culture leading to a large IP portfolio and high R&D competence
- Prepare e-mobility shift: Independence of propulsion technology through e.g. autonomous driving technologies in product portfolio
- High quality products ranging from forging of components to digital expertise (e.g. active dampers, steer-by-wire)



Focus on performance and growth

- Improving cost position and cash contribution in all businesses
- Striving for competitive SG&A cost structures, e.g. through smaller headquarters
- Securing profitable growth with new products

Automotive Technology¹

[€ mn]

	Q1	Q2	2018/19 ²⁾ Q3	Q4	FY	2019/20 ³⁾ Q1	Q2
Order intake	1,283	1,306	1,308	1,354	5,251	1,353	1,182
Sales	1,231	1,358	1,365	1,453	5,407	1,367	1,267
EBITDA	67	61	65	16	210	(2)	17
EBITDA adjusted	70	68	57	29	224	94	27
EBIT	9	0	2	(136)	(126)	(78)	(130)
EBIT adjusted	13	9	(5)	(39)	(22)	21	(49)
EBIT adj. margin (%)	1.0	0.7	(0.3)	(2.7)	(0.4)	1.6	(3.9)
tk Value Added					(381)		
Ø Capital Employed	2,784	2,909	2,988	3,006	3,006	3,081	3,132
BCF	(313)	(134)	(75)	126	(396)	(251)	(169)
CF from divestm.	1	0	1	0	2	0	1
CF for investm.	(100)	(98)	(93)	(105)	(396)	(100)	(75)
Employees	24,712	24,984	25,513	25,834	25,834	25,891	25,572

Current trading conditions

- Order intake in Q2 at €1,182 mn (-10% yoy, ex F/X -10%); sales in Q2 at €1,267 mn (-7% yoy, ex F/X -7%)
 - Ramp-up of new plants and projects at Steering and Damper overshadowed by pandemic-induced demand drop in China and Europe as OEM customers temporarily shut down production in February and March
 - Overall difficult environment in auto plant engineering affects System Engineering
- EBIT adj. in Q2 at €(49) mn significantly below prior year;
 - Pandemic-induced demand drop in China and Europe
 - Springs & Stabilizers and System Engineering sig. lower and negative; dampening positive effects from ongoing elimination of BA layer resulting in leaner AT office structure

1. New organizational structure based on "newtk": Former Components Technology renamed Automotive Technology, now incl. System Engineering (previously part of former Industrial Solutions) | 2. Figures on a pro-forma basis | 3. Figures incl. effects of IFRS 16



Industrial Components - Overview¹

Mission critical components for the wind energy, truck and construction machinery industry

Snapshot FY 2018/19

€2,522 mn sales
~14,000 employees

33 factories in 14 countries

Market leader
for large slewing bearings
up to 8 meters

Biggest steel forging group
worldwide
with focus on heavy
vehicles and industry

Product offering

rothe erde®
slewing bearings



rothe erde® rings

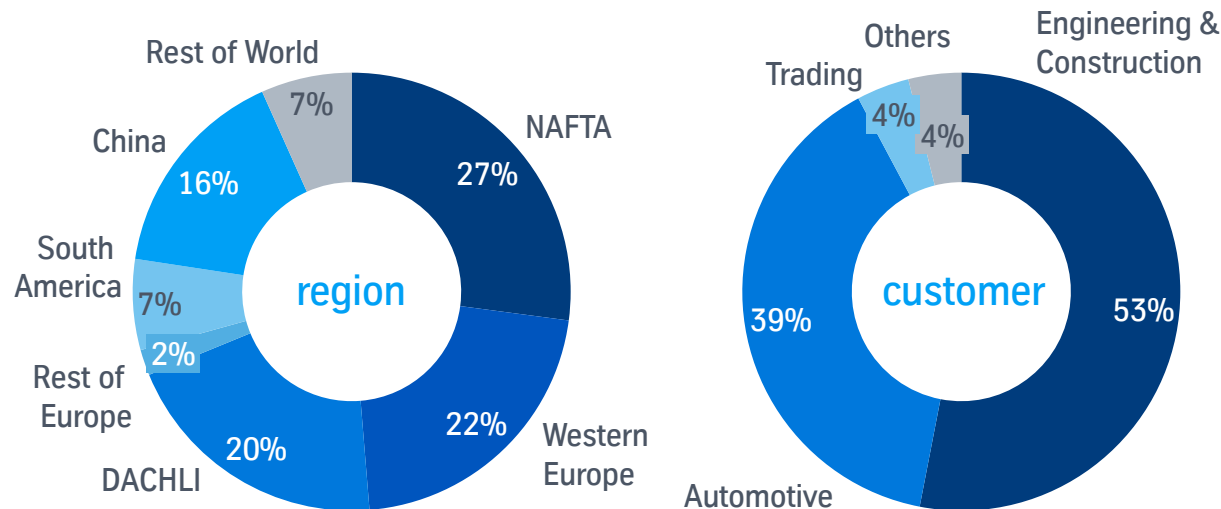


psl® rolling bearings



Selected series from
140 mm up to 2.5 m

Sales breakdown FY 2018/19



Engine components



Crankshafts rough
forged & machined



Conrods rough
forged & machined

Berco undercarriages



Undercarriage systems
assembled



Undercarriage components
rough forged & machined

Front axles



Truck front
axles forged

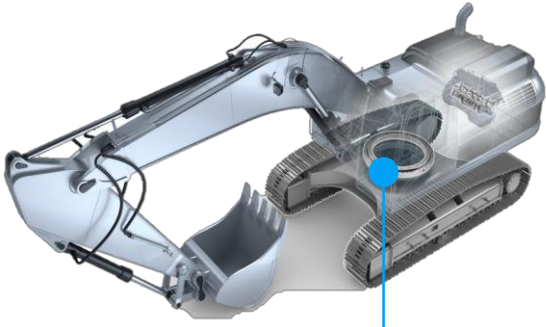
1. D = Germany, A = Austria, CH = Switzerland, LI = Liechtenstein; Figures on a pro-forma basis



Industrial Components – Business Modell

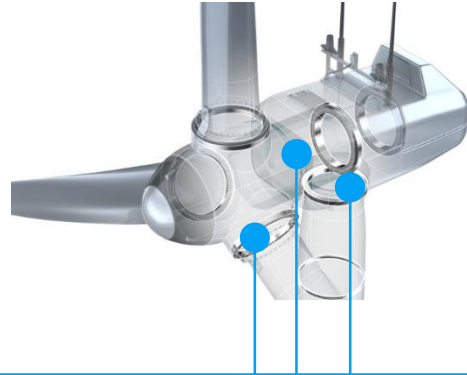
Maximum quality and functionality products tailored specifically to the needs of our customers

Bearings



Slewing bearing:

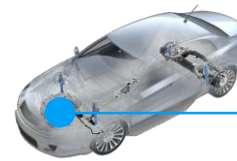
- Ready to mount connection between the superstructure and the undercarriage
- Customized design to optimal transmit forces in axial and horizontal direction



Pitch / main / yaw bearings:

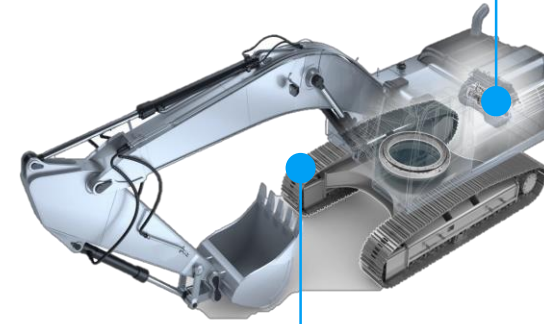
- Diameters up to 8 meters
- Excellent power-to-weight ratio
- Designed to customer requirements

Forged Technologies



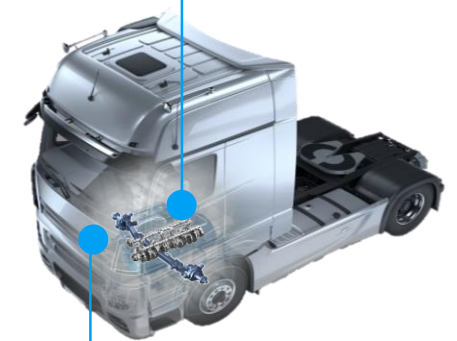
Engine components:

- Crankshafts and conrods
- For both diesel and gasoline engines
- Translate engine speed into driving speed



Undercarriages:

- Complete range of undercarriage systems and components including track chains, rollers, idlers, sprockets



Front axles:

- Forged truck front axles

Focus on local production plants:

- Quicker reaction to local market requirements and customer (R&D) needs
- Higher delivery speed and lower transportation costs
- Transfer volume series production to best and lower cost countries
- Production of technically sophisticated products in Europe

Global partner to global costumers:

- Global footprint to offer local content to all major customers
- Industry-leading product quality and delivery performance
- Partner of choice for industry-leading OEMs trusting the reliability, durability & quality of our products



Industrial Components¹

[€ mn]

	2018/19 ²⁾					2019/20 ³⁾	
	Q1	Q2	Q3	Q4	FY	Q1	Q2
Order intake	643	702	661	631	2,636	558	589
Order backlog	938	1,014	1,010	1,005	1,005	1,013	1,011
Sales	573	650	660	639	2,522	544	573
EBITDA	72	86	84	83	325	72	81
EBITDA adjusted	73	87	99	94	353	73	82
EBIT	42	56	52	51	201	43	5
EBIT adjusted	43	57	69	61	230	44	52
EBIT adj. margin (%)	7.5	8.7	10.5	9.6	9.1	8.1	9.0
tk Value Added					82		
Ø Capital Employed	1,364	1,380	1,393	1,391	1,391	1,502	1,516
BCF	46	26	46	113	232	(50)	11
CF from divestm.	5	1	1	5	12	0	0
CF for investm.	(12)	(18)	(26)	(46)	(103)	(28)	(25)
Employees	14,493	14,350	14,120	13,773	13,773	13,528	13,318

Current trading conditions

- Order intake in Q2 at €589 mn (-16% yoy, ex F/X -16%); sales in Q2 at €573 mn (-12% yoy, ex F/X -12%)
 - Bearings: still good development overall especially wind energy China, slight decrease in components for construction equipment and other business
 - Forged Technologies: sig. down yoy due to pandemic-driven demand decline as well as ongoing cyclical downturn; cars/trucks with sig. decline in cyclical Class 8 truck market (esp. USA); undercarriages with continued cyclical demand decline, partially compensated by broader product portfolio and exploitation of new markets and business segments
- EBIT adj. in Q2 at €52 mn below prior year; margin however slightly up yoy
 - Bearings: volume- and structural-driven higher yoy
 - Forged Technologies: sales- and pandemic-related significantly below prior year, tariff disputes between USA and China negatively impacting demand

1. New organizational structure based on “newtk”: Incl. Bearings and Forged Technologies (previously part of former Components Technology) | 2. Figures on a pro-forma basis | 3. Figures incl. effects of IFRS 16



Plant Technology – Overview

FY 2018/19

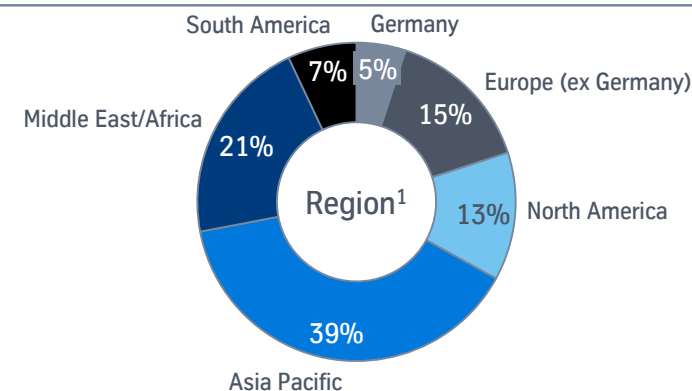
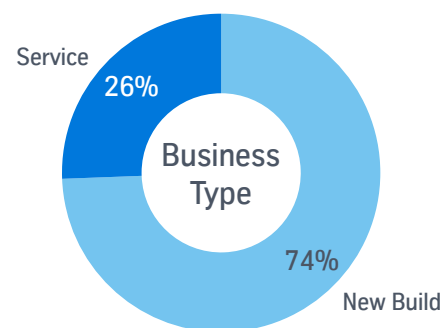
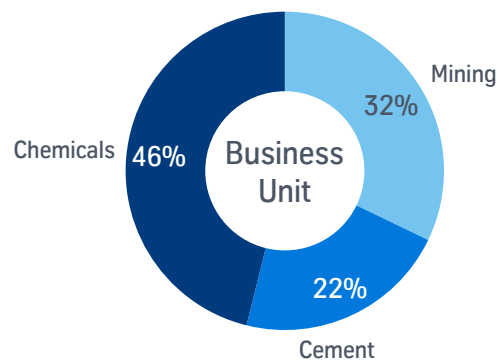
Global plant builder and technology leader

> 30 countries (own presence)	€ 2.8 bn order intake	First positive EBIT contribution of performance measures
> 90 branches	€ 2.9 bn sales	
12,000 employees	€ -148 mn EBITDA	
> 2,500 chemical plants	€ -145 mn EBIT adjusted	
> 15,000 mining machines	€ -253 mn business CF	
> 900 cement lines	€ 35 mn Total Investments	

What makes tk Plant Technology unique

- ✓ Strong global footprint
- ✓ Reputation as reliable partner
- ✓ Long-lasting customer relationships
- ✓ Proven technologies and large installed base
- ✓ Digital and sustainable product innovations
- ✓ Capital-light business

Sales breakdown FY 2018/19



Technology leadership in various markets with strong growth potential in service business

1. based on country of site



Plant Technology – Business Modell

Supporting our customers along the complete plant lifecycle

Engineering (E)



Procurement (P)



Construction¹ (C)



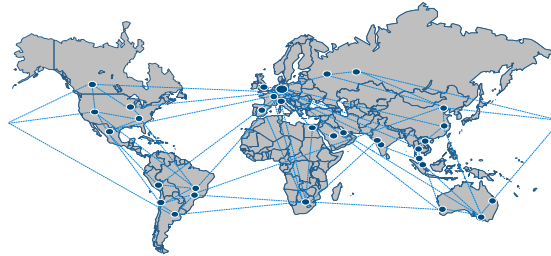
Services (S)



~70% engineers and technicians



~30% andere



Leading technologies and engineering excellence

Global network and efficiency



Local presence and know-how



Reliability and customer proximity

1. blue-collar activities mainly executed by subcontractors



Plant Technology¹

[€ mn]

	2018/19 ²⁾					2019/20 ³⁾	
	Q1	Q2	Q3	Q4	FY	Q1	Q2
Order intake	668	513	1,048	614	2,844	568	457
Order backlog	5,021	4,881	5,189	4,847	4,847	4,615	4,252
Sales	615	669	725	935	2,943	755	737
EBITDA	(29)	(17)	(50)	(31)	(127)	(8)	(16)
EBITDA adjusted	(22)	(21)	(43)	(23)	(109)	(7)	(10)
EBIT	(37)	(26)	(63)	(38)	(164)	(19)	(27)
EBIT adjusted	(30)	(30)	(55)	(30)	(145)	(18)	(21)
EBIT adj. margin (%)	(4.9)	(4.4)	(7.5)	(3.3)	(4.9)	(2.3)	(2.8)
tk Value Added					(152)		
Ø Capital Employed	(64)	(86)	(139)	(152)	(152)	(191)	(201)
BCF	(31)	0	(111)	(111)	(253)	123	(124)
CF from divestm.	1	0	5	21	28	14	1
CF for investm.	(8)	(9)	(9)	(9)	(35)	(8)	(9)
Employees	11,113	11,107	11,423	11,419	11,419	11,300	11,218

Current trading conditions

Q2 order intake at Plant Technology is down yoy due to slower customer activity in our Mining operations

- Chemical plants: good demand supported numerous small and mid-sized orders e.g. a PET production plant in Turkey
- Mining: lower yoy due to slower customer activity
- Cement: significant up yoy, on the back of a medium-size order from Cameroon; overall positive development

Q2 EBIT adj. negative but up yoy, mainly due to G&A cost reductions

Q2 BCF negative and down yoy, due to shifts between Q1 and Q2; in H1 break-even

1. New organizational structure based on “newtk”: Former Industrial Solutions renamed Plant Technology (now excl. System Engineering, now part of Automotive Technology) | 2. Figures on a pro-forma basis | 3. Figures incl. effects of IFRS 16



Marine Systems – Overview

Leading supplier of non-nuclear submarines and high-end naval vessels

Business unit overview

€1.8 bn sales

€6.3 bn order backlog

>6.000 employees

More than 160 submarines and
160 naval surface vessels
contracted since 1960
with 27 navies worldwide

Product offering



Submarines¹



Surface vessels

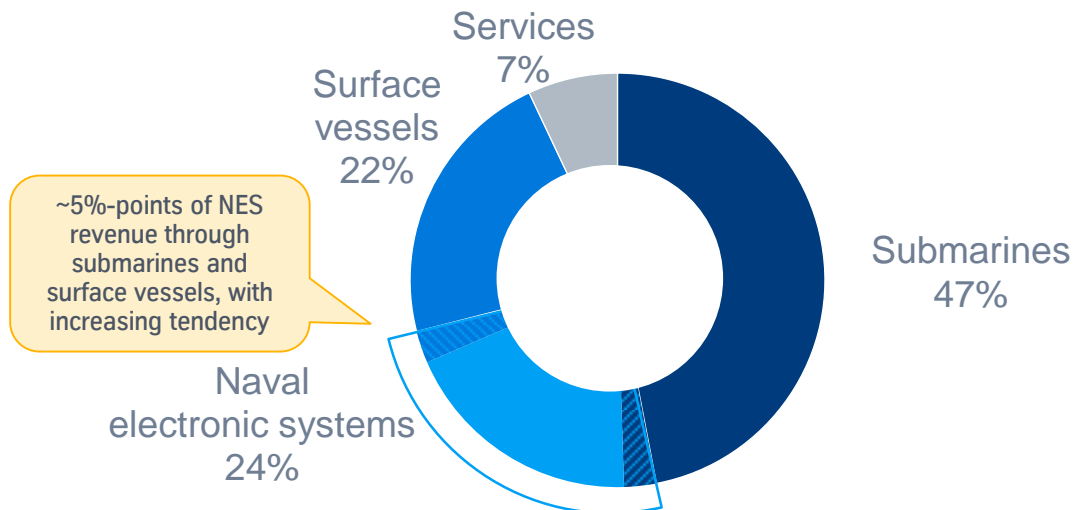


Naval electronic systems



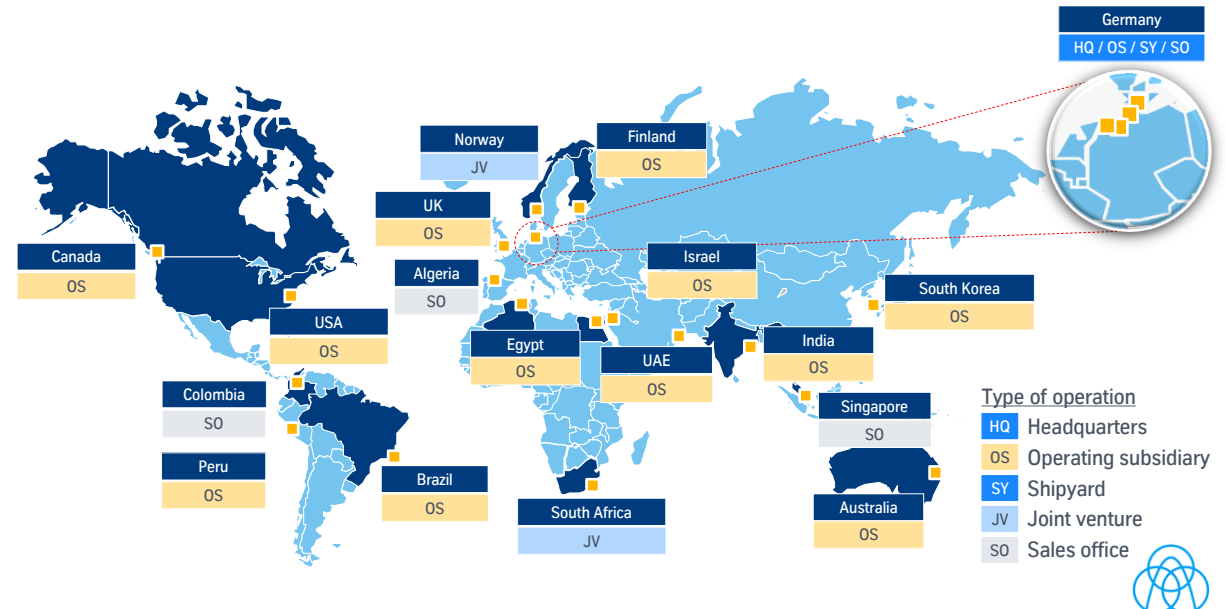
Services

Sales by product FY 2018/19



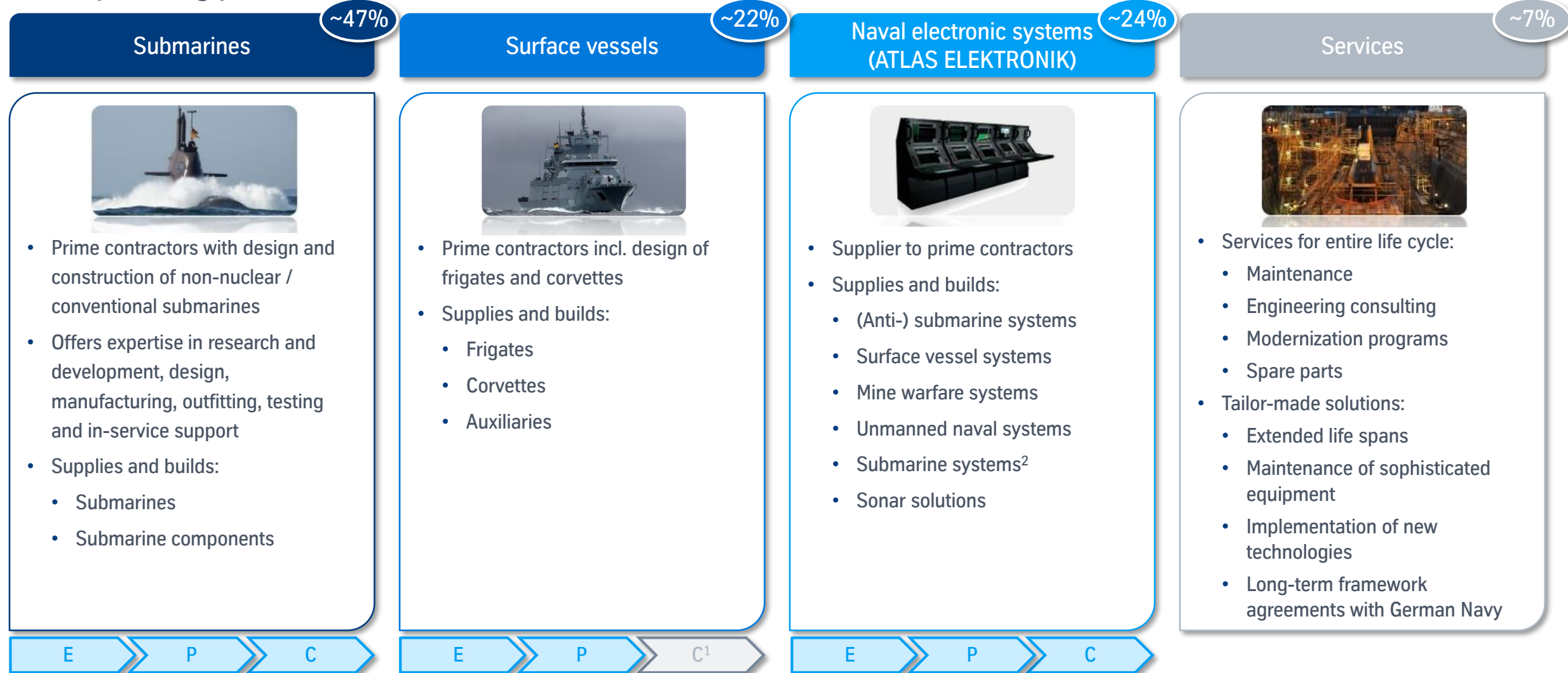
1. Non-nuclear submarines
Sources: Company information

Global footprint



Marine Systems – Business Modell

Industry leading portfolio of submarines and surface vessels



Note: E = engineering, P = procurement, C = construction | 1. tkMS still serves as prime contractor | 2. Capabilities through Kongsberg JV
Sources: Company information

 % of revenue (2018/19)



Marine Systems

[€ mn]

	2018/19					2019/20 ¹⁾	
	Q1	Q2	Q3	Q4	FY	Q1	Q2
Order intake	107	133	145	1,807	2,192	103	132
Order backlog	5,300	4,944	4,571	5,887	5,887	5,610	5,313
Sales	298	497	510	496	1,800	381	423
EBITDA	12	12	12	16	52	13	13
EBITDA adjusted	12	12	13	16	53	13	16
EBIT	0	(0)	(1)	1	0	(0)	(2)
EBIT adjusted	0	(0)	(0)	1	1	(0)	2
EBIT adj. margin (%)	0.0	(0.0)	(0.0)	0.0	0.0	0.0	0.5
tk Value Added					(74)		
Ø Capital Employed	710	799	883	927	927	1,196	1,206
BCF	(148)	(131)	76	(129)	(333)	(49)	37
CF from divestm.	1	0	(0)	0	1	0	0
CF for investm.	(8)	(9)	(13)	(28)	(59)	(13)	(19)
Employees	5,868	5,859	5,870	6,013	6,013	6,104	6,133

Current trading conditions

Q2 Order intake on prior-year level; Mid-size orders in marine electronics and services

Q2 EBIT adj. Above prior year, as measures for performance improvement show first results

Q2 BCF up yoy due to higher as well as earlier payments of customers

1. Figures incl. effects of IFRS 16

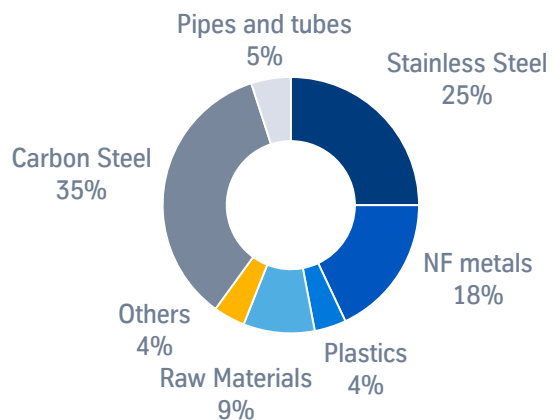


Materials Services – Overview

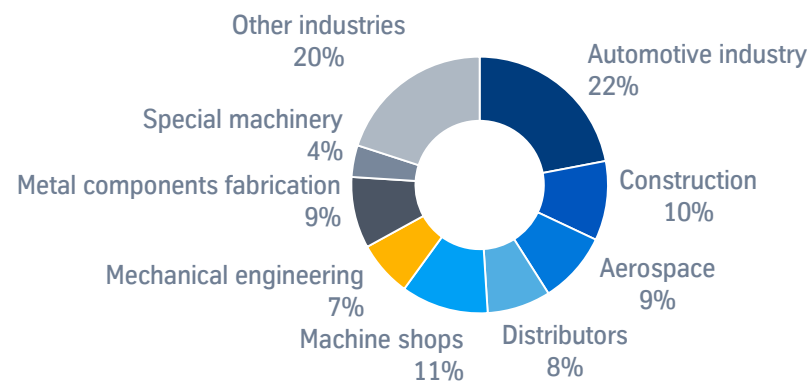
Leading market and customer positions plus unrivalled materials and services portfolio

#1 Germany #2 Europe #4 North America	40 countries 480 branches	~250,000 customers 150,000 multi-material products	Digitalization Leadership
◆----- 3-year average ¹ -----◆			
Ø 10.6 mt Shipments	Ø €14.1 bn Sales	Ø €245 mn EBIT adj.	Ø €217 mn BCF

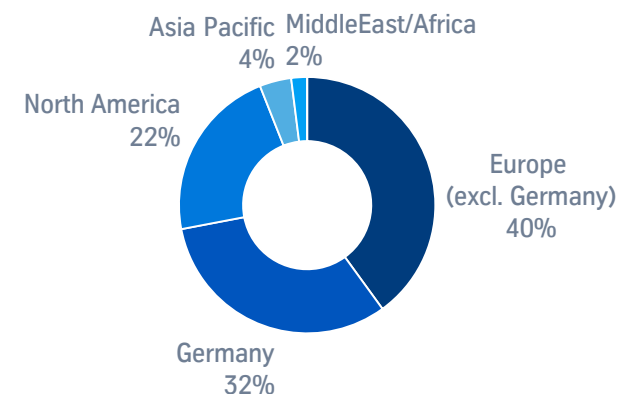
Flexible multi-material portfolio²...



serving diversified end-markets^{2,3}...



...with global outreach²



1. Three year average: FY 2016/2017 - 2018/2019 | 2. Based on FY 18/19 | 3. Figures excl. Materials Production, Materials Trading, Technical Services



Materials Services – Business Model

Covering the entire materials value chain and gaining unique market insight

Increasing customer integration and value-added services

Raw Materials & Trading



Production



Distribution



Supply Chain Services



Products & Services

- Global trading business for metal goods and raw materials
- Logistics & supplier management
- Financing & hedging

- Production and distribution of stainless steel
- Technical sales consulting
- Processing
- Close proximity to key demand centers

- Materials Distribution incl. warehousing, logistics and value-added services
- Dense logistics network and access to broad customer base
- Broad product and industry portfolio

- Provision of supply chain services (e.g., JIS delivery, forecasting & planning)
- Higher value-add processing
- Increased integration with customers

Sales FY 18/19¹

~16%

~12%

~43%

~29%

Ø-ROCE²

37.3%

8.1%

5.5%

8.6%

1. w/o consolidation | 2. . Three year average FY 2016/2017 - 2018/2019; ROCE per segment w/o allocation of corporate cost



Materials Services

[€ mn]

	Q1	Q2	2018/19 Q3	Q4	FY	2019/20 ¹⁾ Q1	Q2
Order intake	3,370	3,821	3,336	3,340	13,868	3,078	3,325
thereof Materials Production	401	489	401	431	1,721	427	545
Sales	3,388	3,696	3,505	3,291	13,881	3,046	3,389
thereof Materials Production	390	463	453	430	1,736	389	461
EBITDA	49	79	63	(11)	180	54	58
EBITDA adjusted	50	81	72	17	220	55	72
thereof Materials Production	16	6	12	8	42	7	5
EBIT	22	51	34	(41)	66	11	14
EBIT adjusted	22	53	43	(12)	107	11	28
thereof Materials Production	7	(4)	3	(2)	4	(3)	(5)
EBIT adj. margin (%)	0.7	1.4	1.2	(0.4)	0.8	0.4	0.8
thereof Materials Production	1.8	(0.8)	0.6	(0.4)	0.2	(0.8)	(1.2)
tk Value Added					(244)		
Ø Capital Employed	3,782	3,898	3,914	3,866	3,866	4,035	4,179
BCF	(879)	417	(186)	689	41	(907)	280
thereof Materials Production	(134)	18	(22)	144	6	(224)	(22)
CF from divestm.	1	17	1	13	33	5	4
CF for investm.	(18)	(36)	(30)	(51)	(135)	(23)	(34)
Employees	20,378	20,302	20,242	20,340	20,340	20,238	20,023

Current trading conditions

Sales in Q2 below prior year: lower volumes in warehousing and distribution and auto-related service centers mainly due to weak demand in Europe and North America; further decline in prices in virtually all product segments; partial omission of sales due to part transfer of the direct-to-customer business to Steel Europe

EBIT adj. in Q2 significantly down yoy: margin pressure from declining prices in all business units and omission of positive effects from prior year (sale of real estate and compensation from Steel Europe for part transfer of direct-to-customer business), partly offset by productivity gains from performance programs and positive effects from derivatives; AST with negative earnings contribution due to temporarily plant closure in March, unfavourable price situation for stainless steel, continuing import pressure and weak market environment

1. Figures incl. effects of IFRS 16



Steel Europe – Overview

Leading premium flat steel producer with a strong focus on Europe

#1 Germany

#2 Europe

15 countries

19 production sites

~ 1,400 customers

~ 2,000 products

Climate strategy &
digitalization

3-year average¹

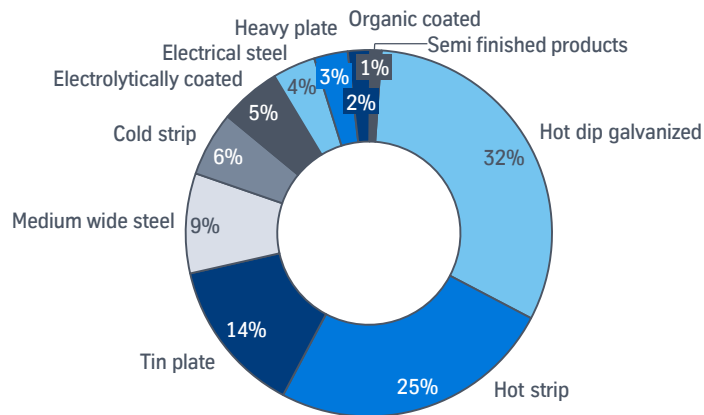
Ø 11.1 mt Shipments

Ø €9.1 bn Sales

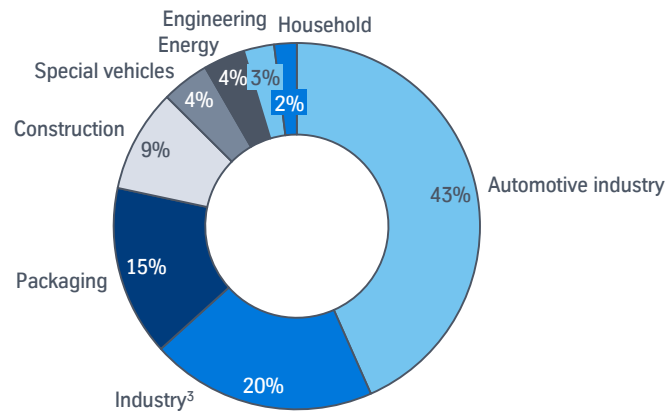
Ø €422 mn EBIT adj.

Ø €242 mn BCF

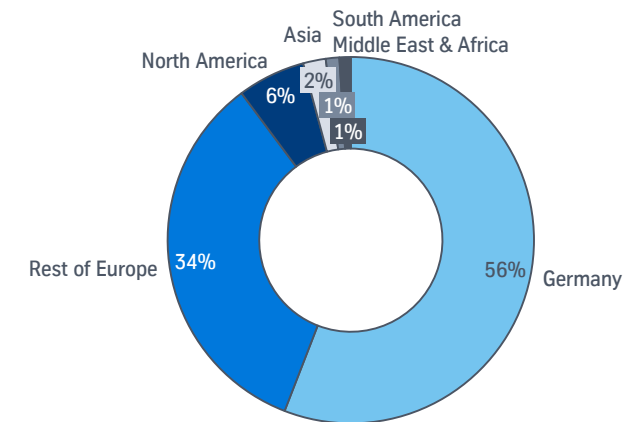
Flexible multi portfolio [mn t]²...



serving diversified end-markets [mn t]²...



...with global outreach [mn t]²

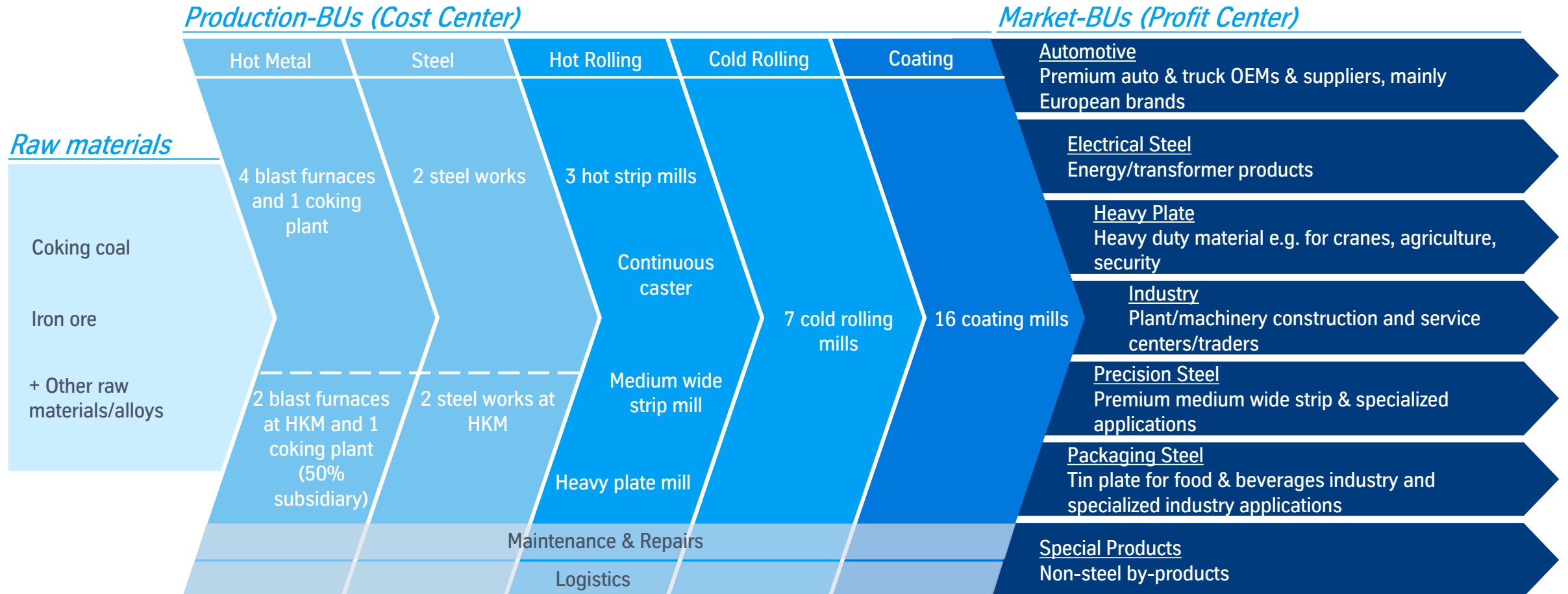


1. FY 16/17-FY 18/19 | 2. Based on shipments FY 2018/19 | 3. Supplies mainly for further processing to direct customer industries such as trade/steel service centres and cold rolling industry (without knowledge of end markets)



Steel Europe – Business Model

Steel Europe operates an integrated value chain



Steel Europe

[€ mn]

	2018/19					2019/20 ¹⁾	
	Q1	Q2	Q3	Q4	FY	Q1	Q2
Order intake	2,341	2,451	2,177	1,814	8,784	2,115	2,259
Sales	2,131	2,350	2,347	2,237	9,065	1,851	2,154
EBITDA	147	(6)	121	58	321	(48)	(218)
EBITDA adjusted	152	149	113	61	475	(46)	(94)
EBIT	34	(118)	9	(48)	(123)	(166)	(332)
EBIT adjusted	38	37	1	(45)	31	(164)	(208)
EBIT adj. margin (%)	1.8	1.6	0.0	(2.0)	0.3	(8.9)	(9.6)
tk Value Added					(586)		
Ø Capital Employed	5,307	5,498	5,532	5,447	5,447	5,396	5,546
BCF	(832)	(52)	124	687	(72)	(1,045)	(81)
CF from divestm.	11	0	(0)	1	12	(2)	(1)
CF for investm.	(94)	(117)	(110)	(161)	(482)	(121)	(141)
Employees	27,613	27,882	27,934	28,278	28,278	28,093	27,869

Current trading conditions

- EU carbon flat steel market with further economic slowdown, mainly driven by:
 - increasing geopolitical and foreign trade tensions and uncertainties
 - market environment remains extremely challenging: corona pandemic, continuing structural overcapacities, risks from trade imbalances, increased iron ore prices with falling revenues
 - still noticeably high imports (in particular Turkey, South Korea) and safeguard measures so far had not a major limiting effect
- Shipments increased in Q2 yoy (2.8 mt vs. prior year 2.7 mt) with an unfavorable product mix, driven by general decline in auto demand and strengthened by pandemic
- Sales in Q2 down yoy, caused by further negative price trend and unfavorable product mix
- EBIT adj. in Q2 sig. down and negative driven by negative price trend, unfavorable product mix, in particular lower auto demand and temporary higher structural costs

1. Figures incl. effects of IFRS 16



Volume KPI's of Materials Businesses

			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19				2019/20	
			FY	FY	FY	FY	FY	FY	FY	Q1	Q2	Q3	Q4	FY	Q1 Q2
MX	Total shipments	kt	10,868	10,669	13,615	13,421	12,605	10,966	11,096	2,376	2,672	2,388	2,413	9,849	2,254 2,410
	Warehousing shipments ¹	kt	5,470	5,300	5,592	5,532	5,518	5,686	5,944	1,338	1,568	1,442	1,436	5,784	1,263 1,519
	Shipments AST ²	kt	-	-	537	747	848	853	888	192	229	222	202	844	180 230
SE	Crude Steel	kt	11,860	11,646	12,249	12,392	12,021	12,060	11,839	2,821	2,902	2,750	2,813	11,286	2,840 2,752
	Steel Europe AG	kt	8,408	8,487	8,936	9,276	9,336	9,440	9,171	2,170	2,246	2,110	2,149	8,675	2,167 2,037
	HKM	kt	3,452	3,160	3,313	3,116	2,686	2,620	2,668	651	655	640	665	2,611	674 716
	Shipments	kt	12,009	11,519	11,393	11,725	11,174	11,433	11,302	2,397	2,699	2,720	2,636	10,452	2,242 2,791
	Cold-rolled	kt	7,906	7,437	7,137	7,182	7,048	7,169	6,995	1,543	1,718	1,664	1,648	6,572	1,479 1,766
	Hot-rolled	kt	4,103	4,082	4,256	4,543	4,126	4,265	4,307	854	981	1,057	989	3,880	759 1,016
	Average Steel revenues per ton ³		139	127	119	114	107	122	132	139	137	134	132	135	131 123
	USD/EUR	Aver.	1.30	1.31	1.36	1.15	1.11	1.10	1.19	1.14	1.14	1.12	1.11	1.13	1.11 1.10
	USD/EUR	Clos.	1.29	1.35	1.26	1.12	1.12	1.18	1.16	1.15	1.12	1.14	1.09	1.09	1.12 1.10

1. Excl. AST/VDM shipments | 2. Included at MX since March '14 | 3. Indexed: Q1 2004/05 = 100



Corporate Headquarters¹⁾

[€ mn]

	2018/19 ²⁾					2019/20 ³⁾	
	Q1	Q2	Q3	Q4	FY	Q1	Q2
EBITDA	(69)	(60)	(52)	(90)	(271)	(99)	(154)
EBITDA adjusted	(57)	(51)	(53)	(71)	(232)	(61)	(58)
EBIT	(74)	(64)	(59)	(95)	(293)	(103)	(159)
EBIT adjusted	(63)	(55)	(57)	(76)	(252)	(66)	(63)
BCF	(73)	(99)	(67)	(113)	(352)	(50)	(62)
Employees	1,187	1,119	1,092	1,057	1,057	1,041	969

As of FY 2019/20 the administrative units of Corporate and the regions are shown as Corporate Headquarters. The Service Units and Special Units will be shown in Reconciliation line.



Elevator Technology

[€ mn]

	Q1	Q2	2018/19 Q3	Q4	FY	2019/20 ¹⁾ Q1	Q2
Order intake	2,143	1,995	1,999	2,035	8,171	2,232	1,982
Order backlog	5,325	5,555	5,461	5,590	5,590	5,745	5,800
Sales	1,923	1,869	2,042	2,125	7,960	2,045	1,860
EBITDA	220	192	245	224	880	249	217
EBITDA adjusted	225	220	262	288	995	269	223
EBIT	199	169	222	202	791	207	168
EBIT adjusted	204	198	239	266	907	228	174
EBIT adj. margin (%)	10.6	10.6	11.7	12.5	11.4	11.1	9.4
tk Value Added					694		
Ø Capital Employed	1,231	1,266	1,275	1,292	1,292	1,764	1,807
BCF	45	218	249	269	781	15	173
CF from divestm.	2	0	1	4	6	1	4
CF for investm.	(23)	(33)	(85)	(80)	(221)	(32)	(40)
Employees	53,285	52,918	53,013	53,084	53,084	52,838	52,567

Current trading conditions

Order backlog (excl. Service) at €5.8 bn on new record level

Order intake in Q2 -1% yoy (ex FX -1%); Growth in NI and steady service business both in Europe and US; slower demand in Asia and especially China due to pandemic

Sales in Q2 -1% yoy (ex FX -1%); Growth across all business lines in US; Europe with slight decline; Asia and especially China impacted by pandemic

Q2 EBIT adj.: Slower earnings driven mainly by sales development in Asia and especially China impacted by pandemic

Stable New installation market in all major regions; China market in ramp-up after corona-pandemic

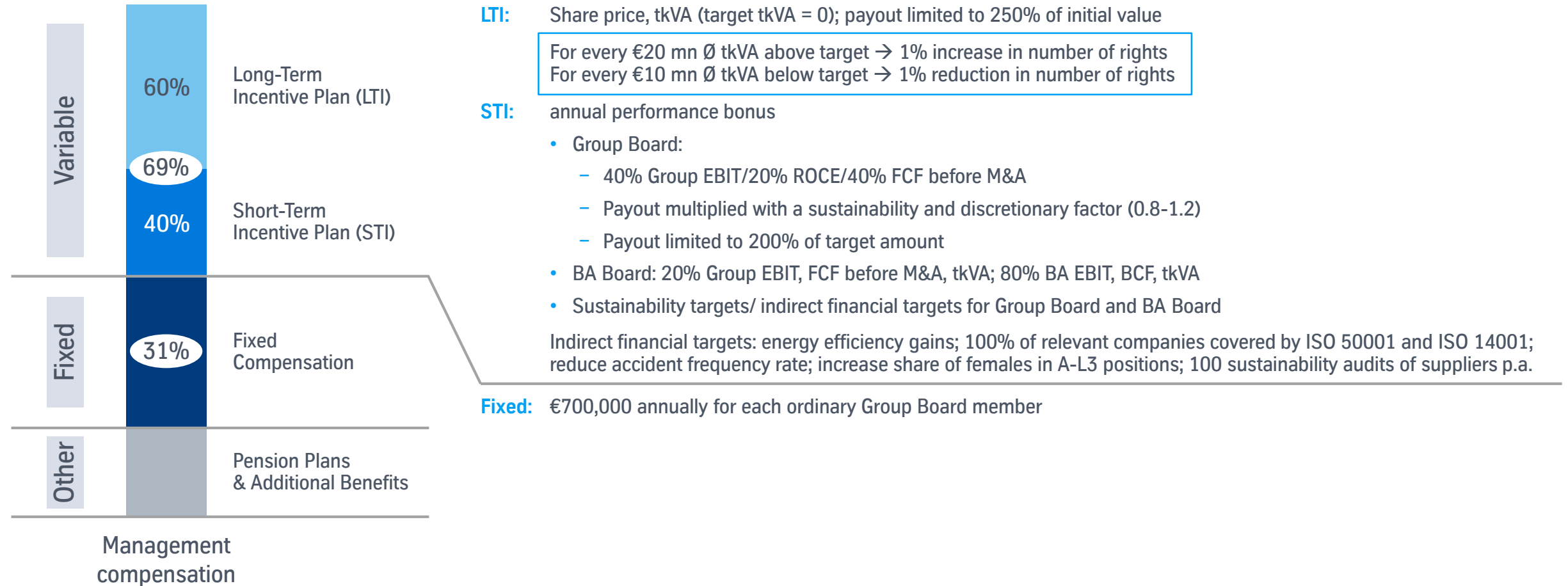
Modernization: positive market development in US; China ramping-up after corona-pandemic

Maintenance: stable development across regions; only minor impacts from corona-pandemic

Discontinued Operation
Signing of full sale with consortium led by Advent, Cinven and RAG foundation on February 27th, 2020



Stringent alignment of management compensation with financial performance targets



thyssenkrupp rating

	Long-term rating	Short-term rating	Outlook
Standard & Poor's	BB-	B	positive
Moody's	B1	not Prime	developing
Fitch	BB-	B	stable



Re-conciliation of EBIT Q2 2019/20 from Group P&L

[Continuing Operations, € mn]

P&L structure

Net sales	8,247
Cost of sales	(7,615)
SG&A, R&D	(1,187)
Other income/expense	4
Other gains/losses	(9)
= Income from operations	(561)

Income from companies using equity method 2

Finance income/expense (71)

= EBT (630)

EBIT definition

Net sales	8,247
Cost of sales	(7,615)
SG&A, R&D	(1,187)
Other income/expense	4
Other gains/losses	(9)
Income from companies using equity method	2
Adjustm. for oper. items in fin. income/expense	(2)

= EBIT (561)

Finance income/expense (71)

Operating items in fin. income/expense 2

= EBT (630)



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