

**Further milestone reached on Strategic Way Forward:  
thyssenkrupp sells Brazilian steel mill CSA to Ternium**

The industrial and technology group thyssenkrupp has taken another big step on its Strategic Way Forward. The company has reached agreement with Ternium on the sale of the CSA Siderúrgica do Atlântico (CSA) steel plant in Brazil. The purchase price (enterprise value) is €1.5 billion.

With the closing of the transaction thyssenkrupp will receive a clear cash inflow which will significantly reduce the Group's net financial debt. Although a writedown of around €0.9 billion on CSA will be necessary with the signing, the Group's gearing, i.e. the ratio of net financial debt to equity, will improve on completion of the transaction. The sale is subject to the approval of the competition authorities. The two parties aim to close the transaction by September 30, 2017.

The sale of CSA will take economic effect retrospectively at September 30, 2016. Until the closing of the transaction thyssenkrupp's Steel Americas business area will be reported as a discontinued operation.

The sale will have corresponding effects on the Group's net income. Beyond this thyssenkrupp does not expect the transaction to have any impact on the adjusted EBIT and free cash flow before M&A targets of its continuing operations for the current fiscal year 2016/2017.