



Today's meeting of the thyssenkrupp Steel Europe AG Supervisory Board concerning the current market situation

Duisburg, 18 October 2023. The Supervisory Board of thyssenkrupp Steel Europe AG was today given an update on the new developments in the steel market by the Executive Board of the Steel division. Above all the unexpectedly strong economic downturn in Germany and other sales markets, increased raw material costs, as well as the ongoing extremely high energy costs and the strong competition on the European steel market from Chinese steel producers have significantly clouded the previously optimistic earnings expectations. "The steel industry is familiar with much of this from the traditional ups and downs of the steel economy and the resulting strong fluctuations in steel prices. However, what is now taking on existence-threatening proportions is the de facto unrestrained influx of steel products from non-European countries, especially from Asia, which today neither have to shoulder the costs of CO₂ emissions nor are they exposed to the same conditions on the raw material markets as the German and European steel industry," said Sigmar Gabriel, Chairman of the Supervisory Board of thyssenkrupp Steel Europe AG. In particular the purchase of key raw materials, such as coal, from Russia at prices lower than those on the global market is making for a marked imbalance in competition. Gabriel: "The European Union must ensure fair competition by means of appropriate measures at the EU borders, otherwise there will not only be no green steel production in Europe, but indeed none at all."

At the same time, thyssenkrupp Steel naturally also wishes to mobilize its own economic and technological reserves in order to achieve the goals the company has set itself. Gabriel: "Steel's Executive Board has today convincingly tabled initial proposals for improving earnings under the changed macroeconomic circumstances, and will concretize these further before the next meeting of the Supervisory Board. We are confident that, by joint effort, we will master this challenge too."

Gabriel believes that this development has no consequences whatsoever for the ongoing talks with Czech investor Kretinsky, who is interested in taking a stake in thyssenkrupp Steel Europe AG. "I assume that thyssenkrupp AG, which is conducting these negotiations, will make for absolute transparency towards the interested party in this regard," Gabriel said. Short-term disruptions of this nature repeatedly occur in the steel industry, against which background Steel also needs an ownership structure that could weather such severe declines in earnings as experienced by thyssenkrupp AG in the past. Gabriel: "I'm sure Mr. Kretinsky knows that".

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