

## thyssenkrupp sells Mining business to FLSmidth and presses on with transformation of the group

- Important milestone reached in focusing the portfolio and realigning the group
- Mining business will profit from tie-up with FLSmidth and gain attractive development prospects
- Closing expected within next 12 months, enterprise value is EUR 325 million
- Martina Merz: “The successful sale of the Mining business shows again that we are pressing on at full speed with the transformation of thyssenkrupp and achieving important results step by step. Improving performance remains our top priority.”

thyssenkrupp today announced the sale of its Mining Technologies business unit to the Danish company FLSmidth, thus reaching a further important milestone in the initiated realignment of the group. The enterprise value is EUR 325 million. The transaction is subject to competition authority approval. The closing of the transaction is expected within the next 12 months.

The Mining business was allocated to the Multi Tracks segment in October 2020 in order to find a new owner. With the sale, thyssenkrupp is successfully divesting the first major portfolio company in this segment. The business unit currently employs some 3,400 people and generated sales of around EUR 0.8 bn. in fiscal year 2019/2020. The sale is an important step in the initiated transformation of the group and the associated focusing of the portfolio. The aim is to transform thyssenkrupp into a high-performing “group of companies” with independent businesses, a lean holding company and a focus on systematic performance improvement across all businesses.

“The successful sale of the Mining business shows that we are pressing ahead at full speed with the transformation of thyssenkrupp and achieving important results step by step. But we have not yet reached our goal. The principle ‘Performance first’ continues to apply. We need to return to positive cash flow as quickly as possible. The sale of Mining Technologies makes an important contribution to this,” said Martina Merz, CEO of thyssenkrupp AG. “At the same time I am pleased that we have found a very good new owner in FLSmidth. FLSmidth presented

a convincing business strategy and a clear vision for the Mining business. It will give our employees attractive prospects. That was extremely important to us when negotiating the sale,” said Merz.

### **Mining business will profit from new ownership structure and attractive development prospects**

The tie-up with FLSmidth, a listed company from Denmark and one of the world’s leading suppliers of technologies for the mining and cement industries, will create a strong player with a global presence and leading solutions along the entire mining business value chain. A particular focus is on green technologies that can significantly reduce resource consumption and emissions in the mining industry. FLSmidth also has great expertise in taking over companies and has proven highly successful in integrating these companies.

“Thomas Schulz, CEO of FLSmidth, said: “thyssenkrupp’s Mining business is an ideal addition for FLSmidth. We are particularly impressed by the capabilities, expertise and reputation of the thyssenkrupp employees, especially in projects and products. The large global installed base offers great potential for the service and aftermarket business. We have similar business models, share a strong focus on sustainability and digitalization and our corporate cultures are a good match. As a result, I am very much looking forward to combining our strengths; I am convinced that together we will play a leading role in shaping a zero emission future for the mining industry and in creating sustainable growth for our customers, employees and shareholders.”

### **Progress in transformation to a high-performing “group of companies”**

Progress is also being made with other portfolio companies in the Multi Tracks segment: thyssenkrupp is in discussions with several potential buyers for the stainless steel plant in Terni/Italy (AST) including the associated distribution organization. In the case of Infrastructure, the sales process is at an advanced stage.

A sale of companies or operations has not been possible in all cases: Multi Tracks has therefore decided to wind down the Heavy Plate and Carbon Components units.

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