

Annual Press Conference of ThyssenKrupp AG

December 4, 2007

Fiscal year

06—07

Annual press conference

- ➔ **Expectations and targets clearly exceeded**
- ➔ Growth course and portfolio optimization
- ➔ ThyssenKrupp stock
- ➔ Cornerstones of Group strategy
- ➔ ThyssenKrupp best
- ➔ Strong innovation skills
- ➔ Segment strategies
- ➔ Opportunities for ThyssenKrupp from megatrends
- ➔ Outlook



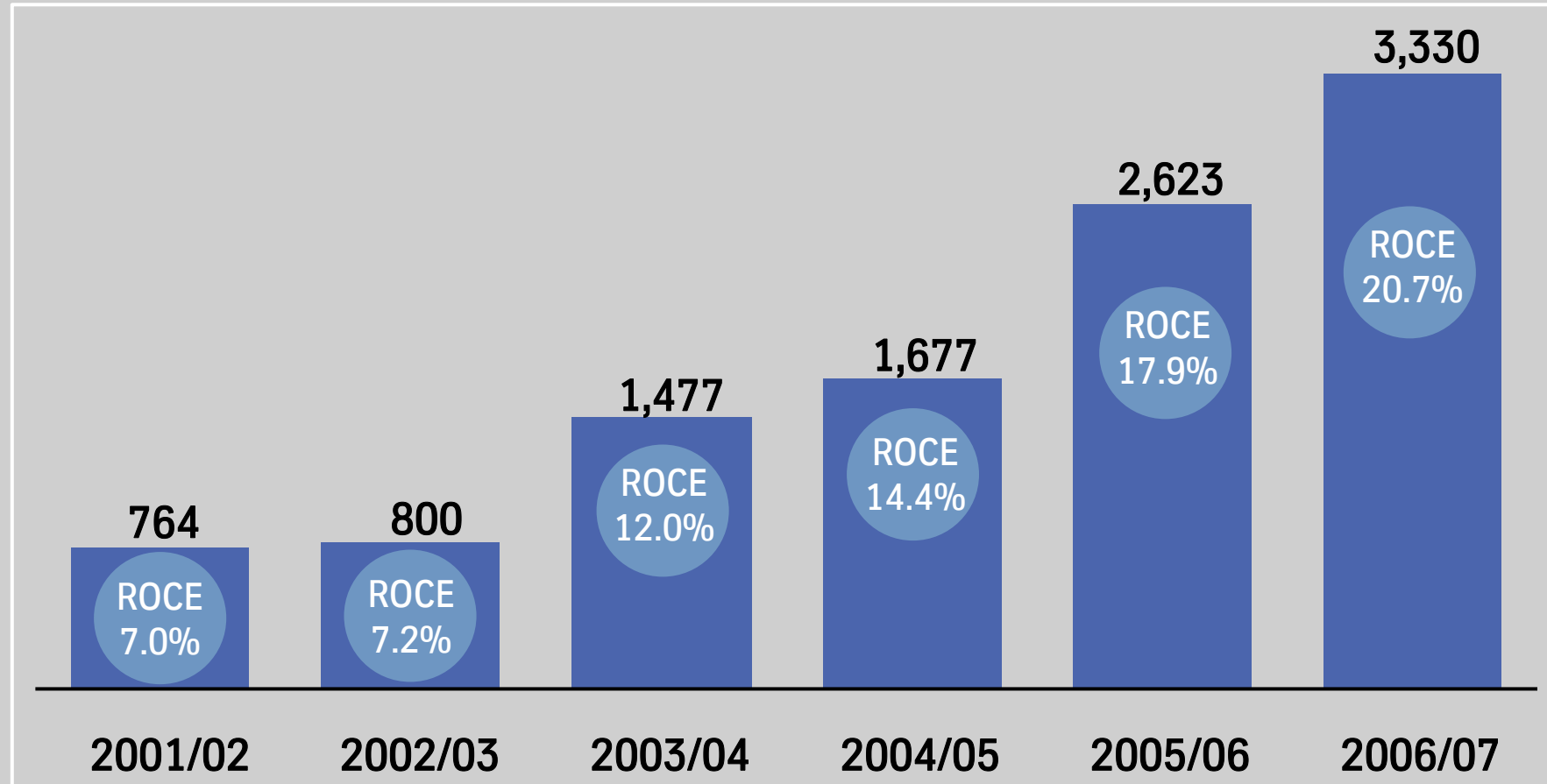
Expectations and targets clearly exceeded

		2005/2006	2006/2007	%
EBT	million €	2,623	3,330	+ 27
Order intake	billion €	50.8	54.6	+ 8
Sales	billion €	47.1	51.7	+ 10
Earnings per share	€	3.24	4.30	+ 33
Dividend	€	1.00	1.30	+ 30
ROCE	%	17.9	20.7	
TKVA	million €	1,510	2,108	+ 40
Net financial receivables	million €	747	223	- 70
Employees		187,586	191,350	+ 2



2006/2007 – fifth year of earnings improvement in succession

EBT in million €



up to and incl. 2003/04 US GAAP

ThyssenKrupp



Earnings of the segments

million €	2005/2006	2006/2007	Change
Steel	1,406	1,662	256
Stainless	423	777	354
Technologies	410	544	134
Elevator	391	-113	-504
Services	482	704	222
Corporate	-446	-205	241
Consolidation	-43	-39	4
Group	2,623	3,330	707
Group (EBT before nonrec. items)	2,623	3,799	1,176



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ThyssenKrupp 2011/12: Sales €65 billion and EBT €4.5-5 billion

in billion €

ThyssenKrupp AG Sales ~ €65 billion - EBT ~ €4.5-5 billion Investment €18 – 20 billion					
Steel		Capital Goods	Services		
Steel	Stainless	Technologies	Elevator	Services	
Target EBT					
1.9		1.0	0.8	0.8	0.8
Delta sales					
+4-6		+3-4	+5-6		
Sales FY 2006/07					
13.2		8.7	11.5	4.7	16.7

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Further earnings leap from >€2.5 - 3 to >€4.5 - 5 billion through growth capex

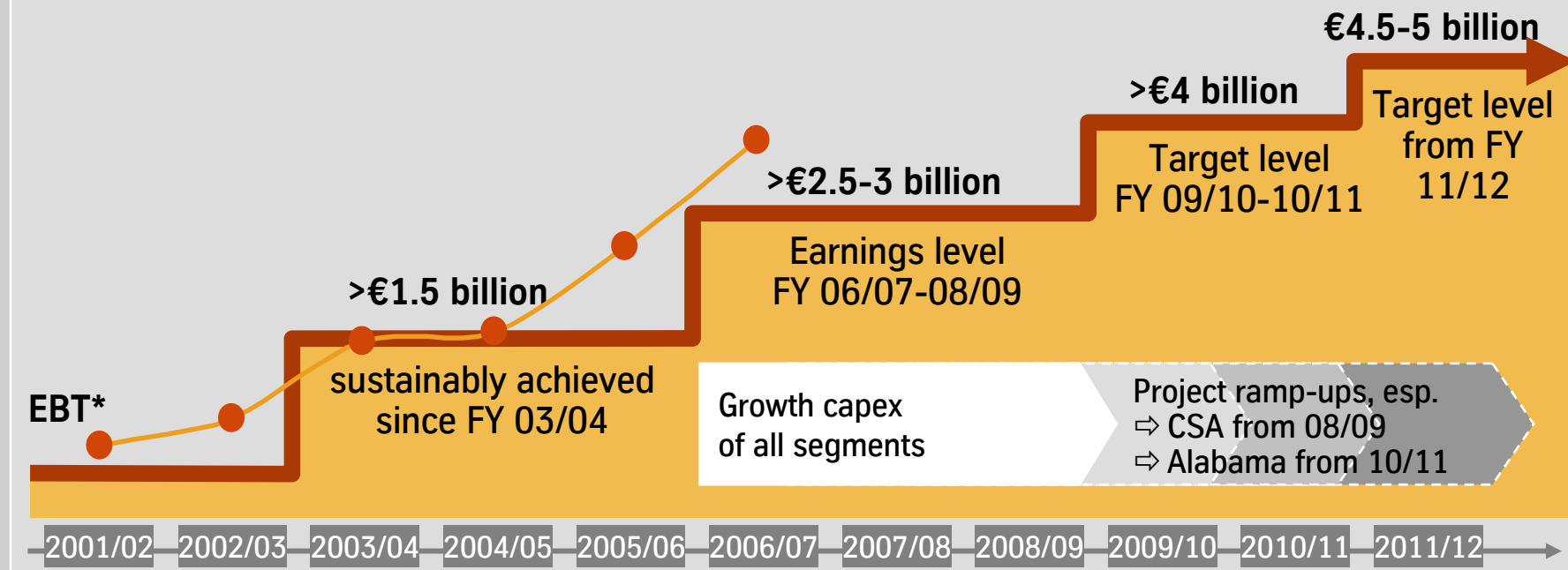
EBT ThyssenKrupp Group

Optimization

- Continuous margin improvement
- Portfolio consolidation and debt reduction

Growth

- Total capex of €18-20 billion
- Focus of capex in core business



* EBT as per annual report; 01/02 and 02/03 normalized EBT before major disposal gains;
06/07 operating before nonrecurring items

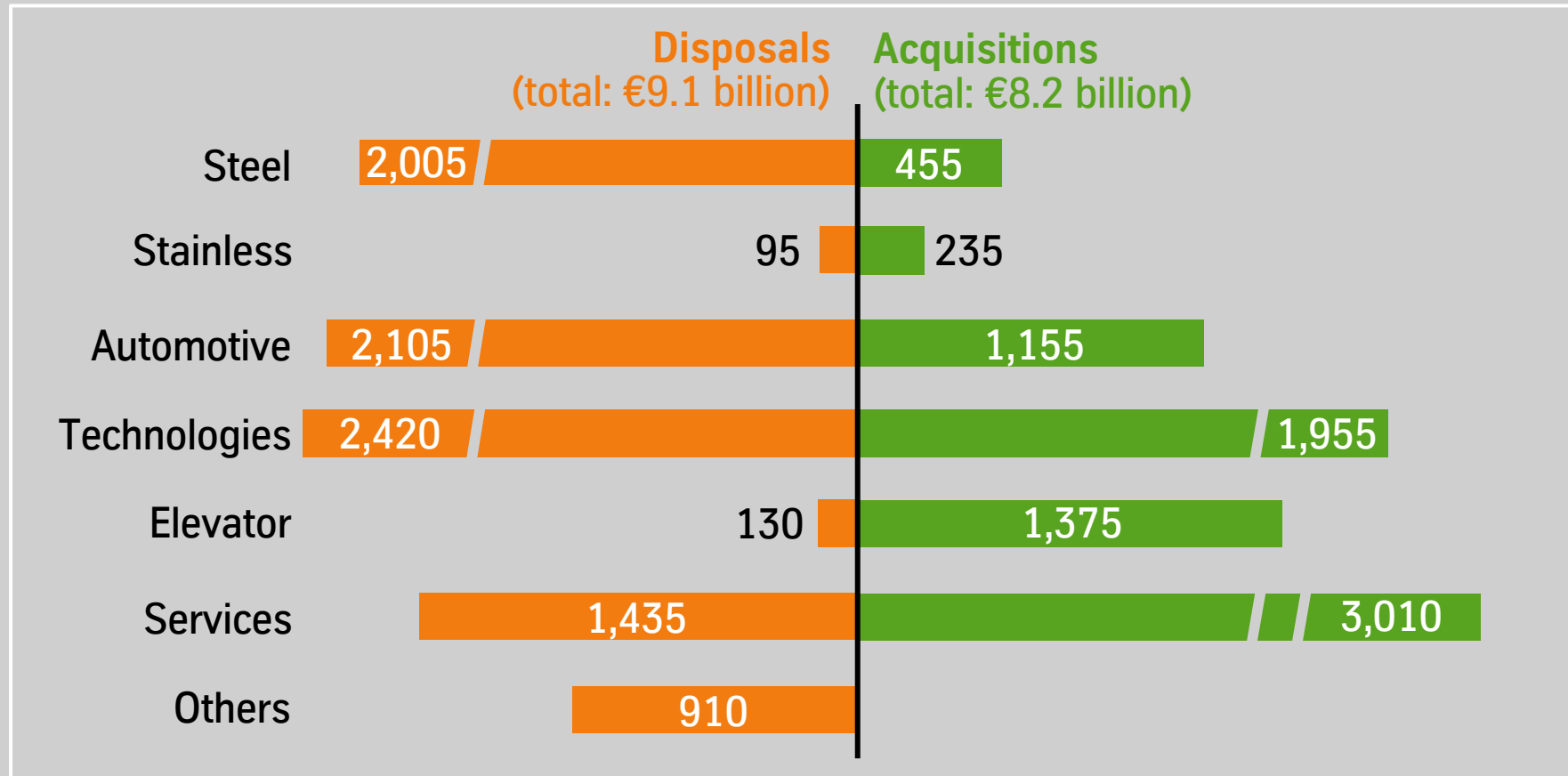
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Active portfolio management

Main portfolio changes since merger (as at September 30, 2007)

Sales in million €



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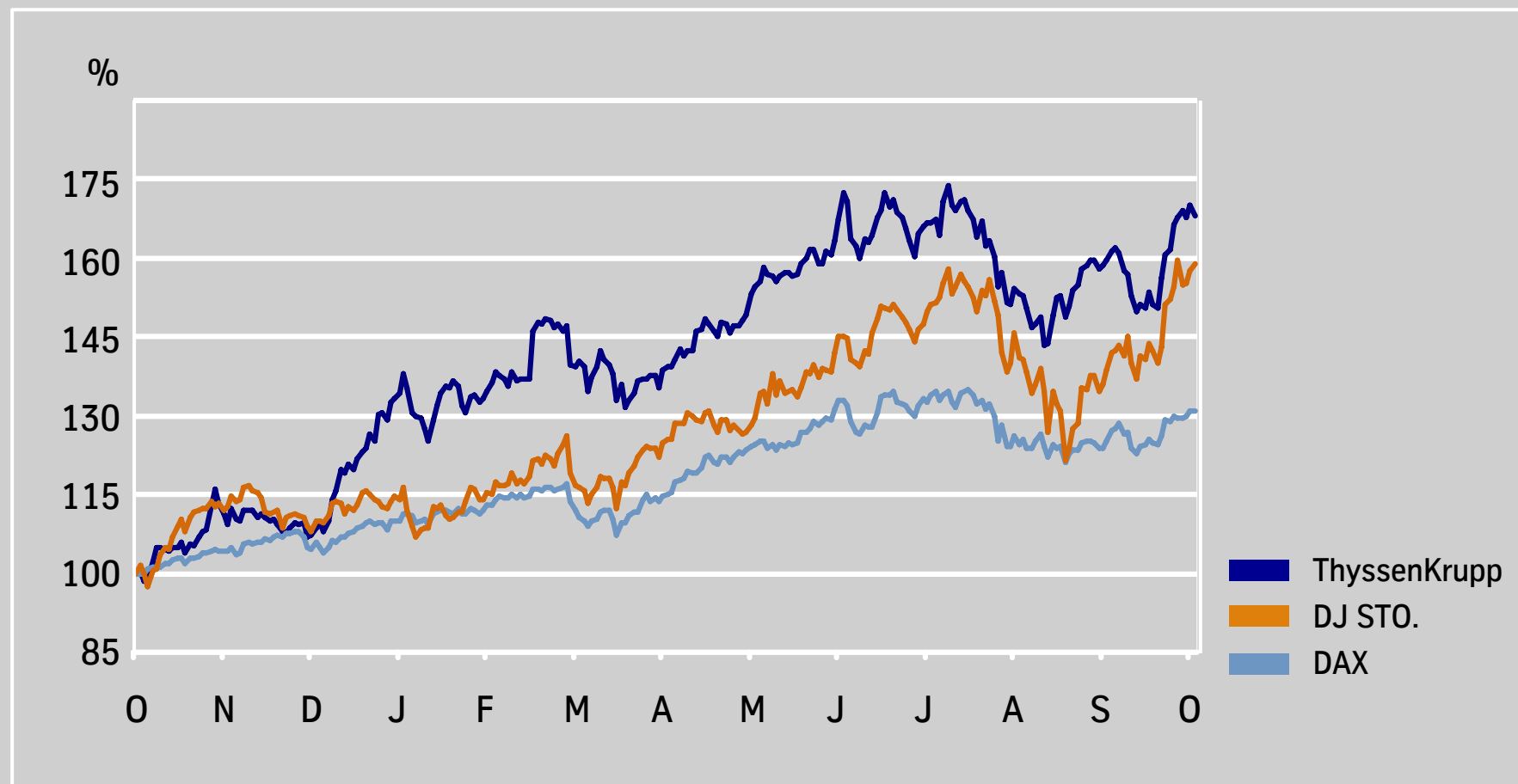
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Stock performance

Comparison with DAX and DJ STO., indexed, Oct. 1, 2006 to Oct. 1, 2007



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Cornerstones of Group strategy

ThyssenKrupp is a value-based conglomerate.

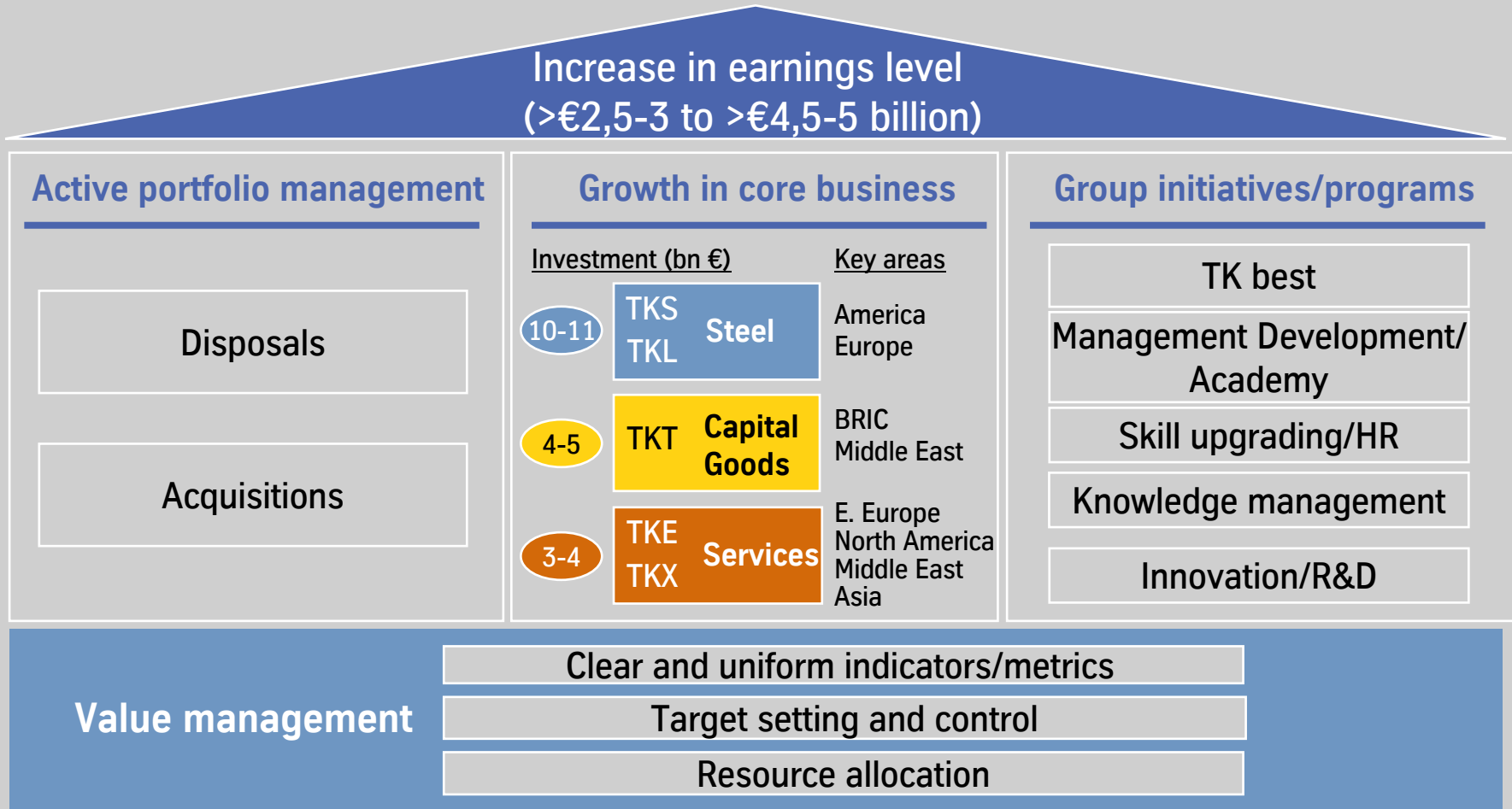
Advantages through:

- Balancing of market risks
- Consolidation of advantages

➔ **Balance makes us stable and strong**



Cornerstones of Group strategy

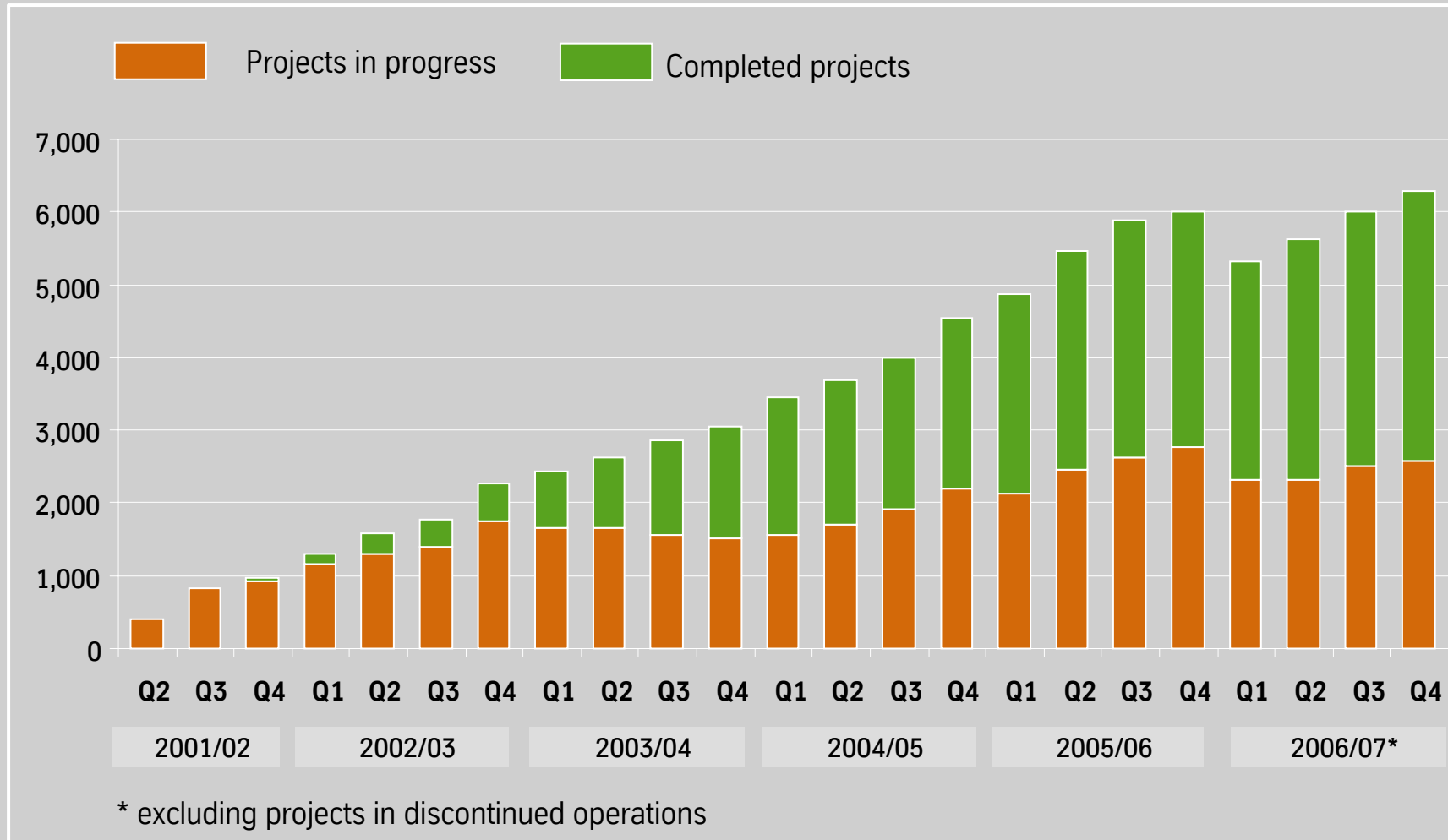


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ThyssenKrupp best projects worldwide



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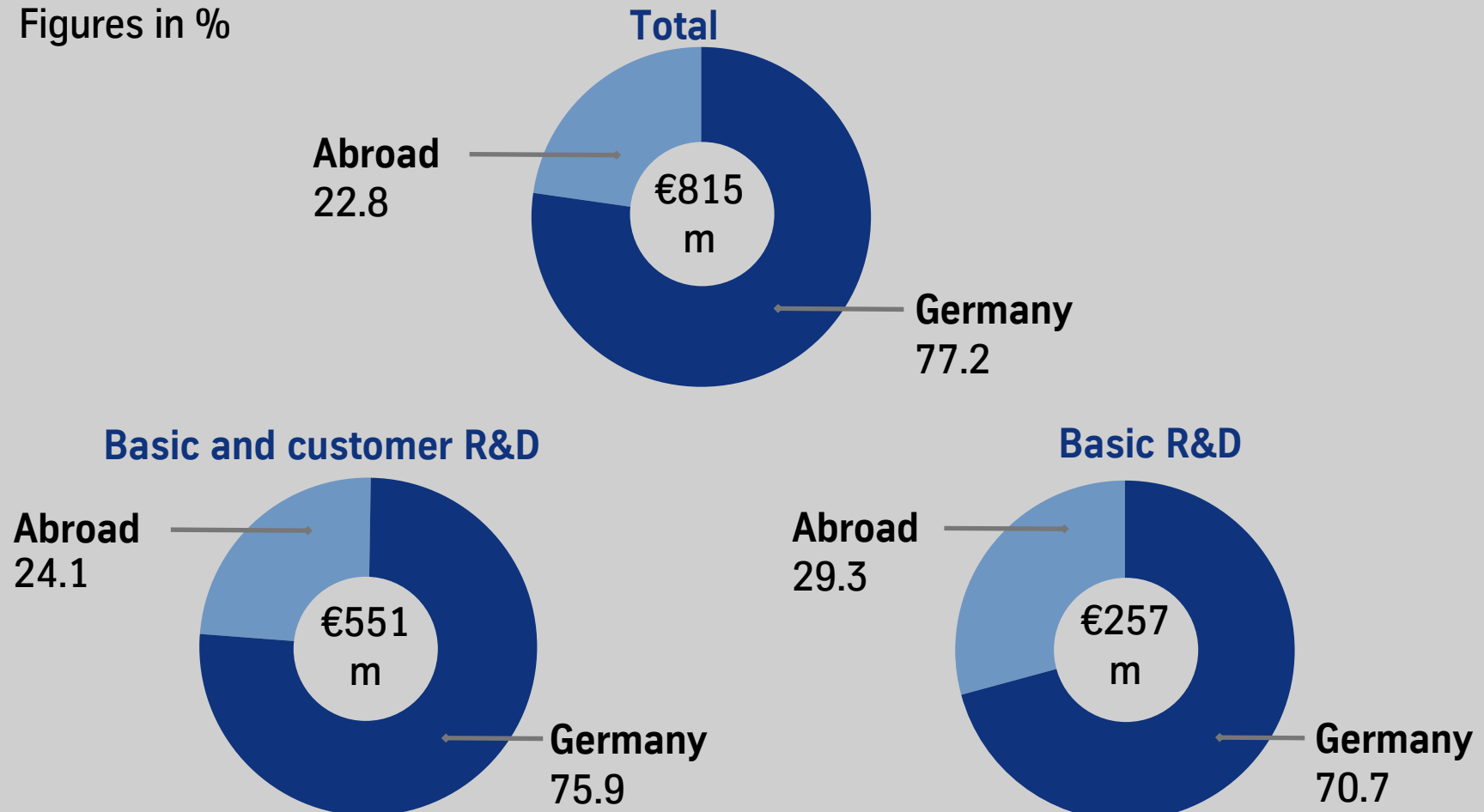
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Customer-related R&D is focus for ThyssenKrupp

Innovation spending in FY 2006/2007

Figures in %

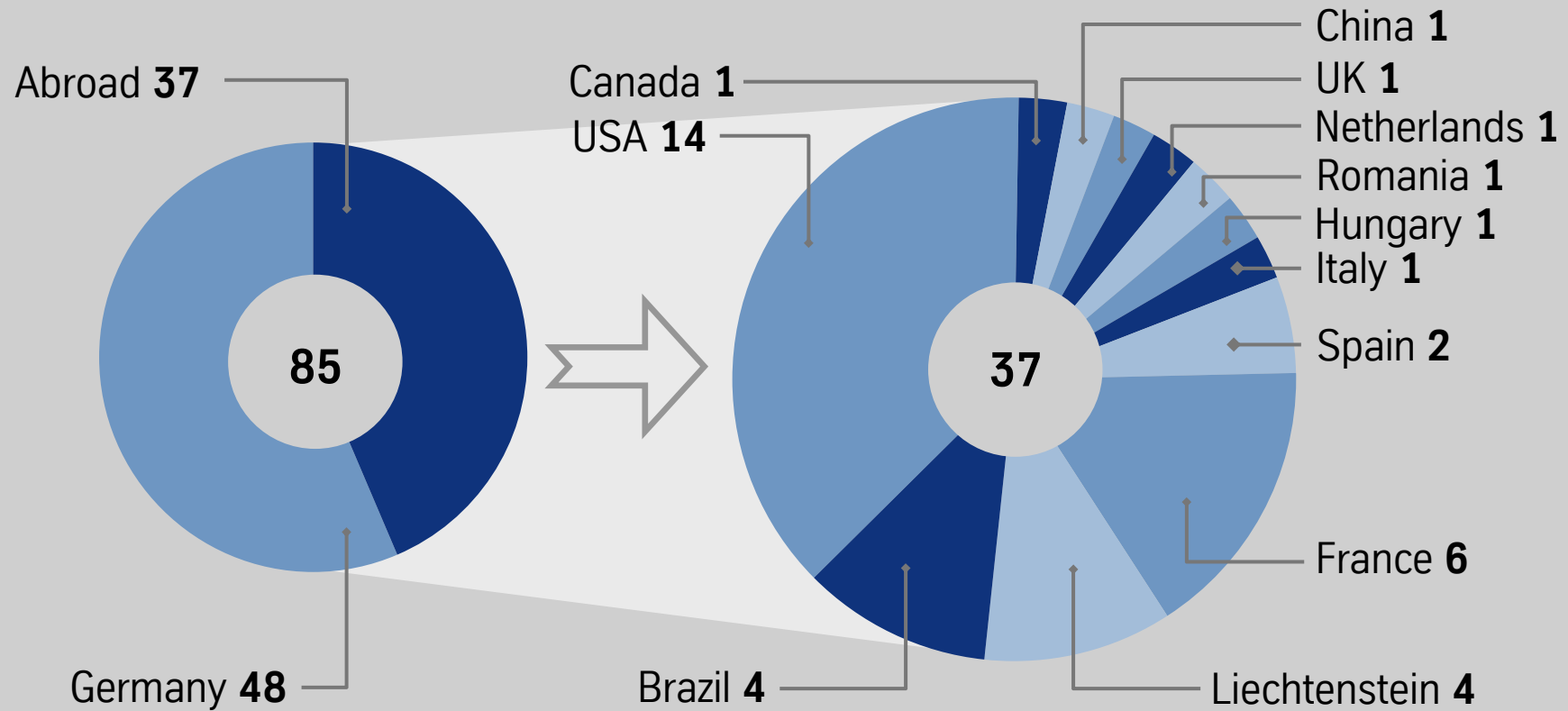


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R&D centers around the world

Analysis of ThyssenKrupp R&D centers by country



ThyssenKrupp



Leading market positions in all segments

Steel		
Carbon flat (hot-rolled)	(Europe)	2
Tinplate	(Europe)	3
Electrical steel		2
Coated products	(Europe)	2
Tailored blanks		1

Stainless		
Stainless flat products		1
Nickel alloys		2
Titanium	(Europe)	1
Stainless processing (forging, tubes)	(Europe)	1

Technologies	
Plant Technology	1-2
Marine Systems	1
Mechanical Components	1
Automotive Solutions	1-3

Elevator		
Elevator (elevators/escalators)		3

Services		
Mat. Services Intern.	(Europe)	1
Mat. Services NA		3
Industrial Services	(Europe)	1-3

1, 2, 3 Market position



Strong innovation skills

Steel and Technologies

- Research and development initiative “InCar”
- Innovative solution for automobile cockpit

Stainless

- Raw material-saving stainless flat products

Technologies

- Plant technology as engine for innovations
- Innovative naval shipbuilding

Elevator

- TurboTrack as ground-breaking innovation

Services

- New processes and systems for environmental area



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Segment strategies

Steel and Stainless

- Organic growth
- Capex of €10-11 billion
- Slab facility in Brazil
- Joint Steel-Stainless steel plant in Alabama



CSA – major challenges, well on track



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CSA – major challenges, well on track

- All main works on schedule
- Since October over 9,000 people at work each day on the construction sites
- Move of all employees to plant site carried out on schedule
- Training programs in Germany and Brazil on schedule
- Continuation of recruitment plans with over 100 new employees per month
- Further intensification of work to improve health and safety on the site



Compass making continuing good progress

Significant progress in site preparation / first contracts placed

- Priority 1 site preparation measures completed.
Priority 2 and 3 in progress
- Continuation of engineering, especially infrastructure engineering
- Air permit issued August 17, 2007 and Section 10/404 approval October 12, 2007
- Hot-rolled and cold-rolled line contracts awarded
- Customer contacts systematically intensified by visits.
“How to compete” concept (market launch) in progress
- Management team completed
- Recruitment intensified; training concepts
in development
- IT systems being implemented
- Foundation stone laying on November 2, 2007



Segment strategies

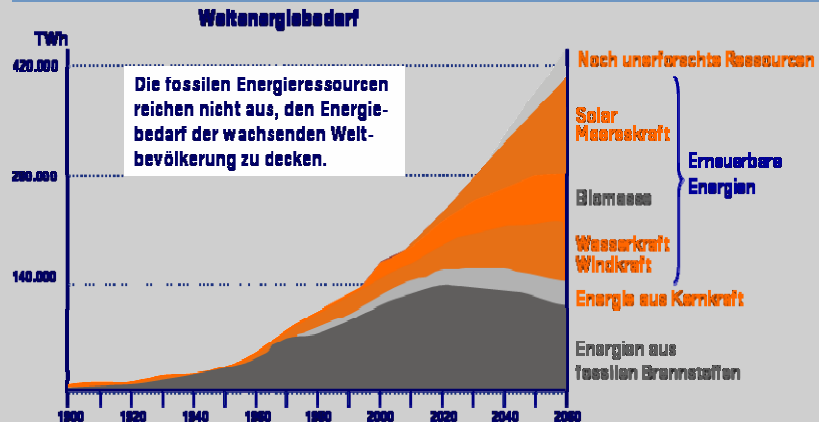
Technologies, Elevator and Services

- Combination of organic growth and acquisitions
- Growth at Technologies through the megatrends climate, environment, infrastructure and mobility
- Global service strategy at Elevator
- Materials services business at Services

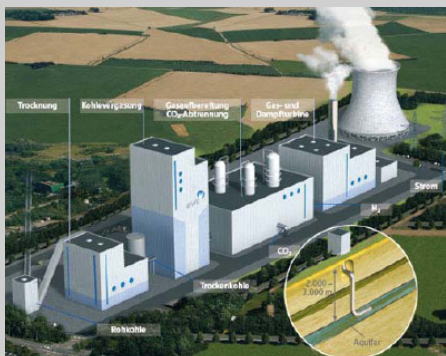


TKT opportunities: Resource efficiency – increasing need for alternative energy supply offers potential for ThyssenKrupp

Increasing energy demand



Global warming through CO₂ emissions



- Increasing need for technologies to reduce emissions
- CO₂-free power plant
- New concepts for the eco-compatible storage of CO₂

Fossil fuels

Reduced consumption

New energy sources

Renewable energies

Opportunities for ThyssenKrupp



- Oil sands/oil slate
- Polyester from lactic acid
- Coal gasification
- Efficient combustion
- CO₂ scrubbing
- Bioethanol / biodiesel
- Wind power
- Hydrogen / fuel cell
- Emission-reducing auto components



Growth strategy Asia

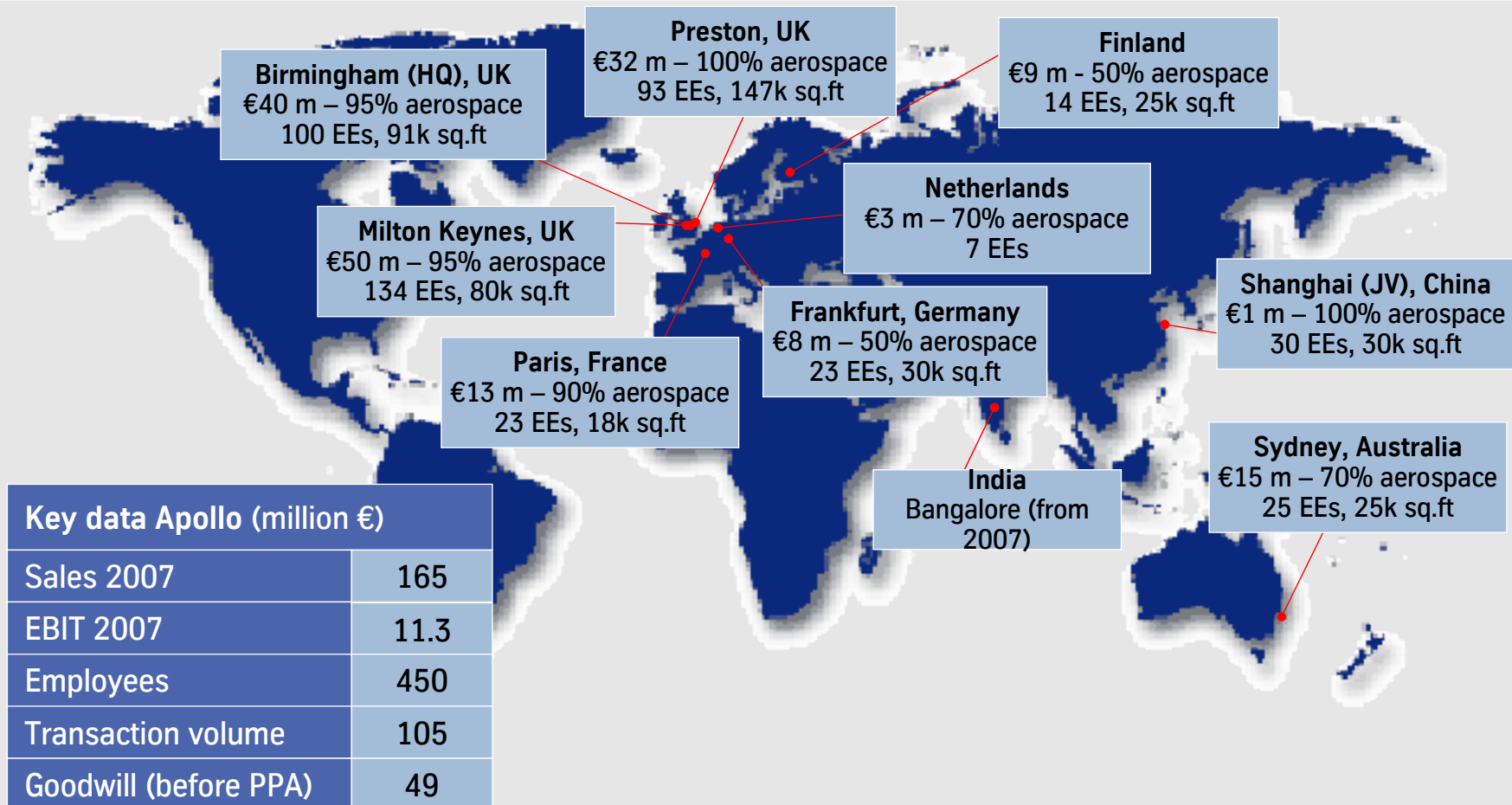
- Doubling of new installations business
- Increased marketing major projects
- Denser branch network focused on “Inside China”
- Training offensive staff / managers



➔ **Conclusion: Above-average growth!**



The Apollo Aerospace group has 10 sites in 8 countries



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ThyssenKrupp: Leading with new, innovative technologies



Opportunities

Responsibility

Innovative products (examples)

- Equipment for mining and transporting raw materials
- Technologies for processing raw materials
- Recyclable high-performance materials for innovative applications
- Auto lightweighting

Resource-conserving processes (examples)

- Major reduction of CO₂ emissions in steel production
- Energy-efficient production processes
- Waste gas-reduced chemical processes, e.g. EnviNOx[®]

Initiatives (examples)

- Interdisciplinary Centre for Advanced Materials Simulation (ICAMS)
- Dortmunder OberflächenCentrum (DOC)
- Ideas Park



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Outlook

- ThyssenKrupp expects generally positive performance
- Sales expectation €53 billion
- Earnings expectation* over €3 billion

* before taxes and major nonrecurring items



Appendix



ThyssenKrupp Steel

		2005/2006	2006/2007
Order intake	million €	➔ 12,343	➔ 12,718
Sales	million €	➔ 12,087	➔ 13,209
Earnings before taxes (EBT)	million €	➔ 1,406	➔ 1,662
Employees at Sept. 30		➔ 38,840	➔ 39,559



ThyssenKrupp Stainless

		2005/2006	2006/2007
Order intake	million €	➔ 7,292	➔ 7,684
Sales	million €	➔ 6,437	➔ 8,748
Earnings before taxes (EBT)	million €	➔ 423	➔ 777
Employees at Sept. 30		➔ 12,197	➔ 12,182



ThyssenKrupp Technologies

		2005/2006	2006/2007
Order intake	million €	➔ 13,160	➔ 14,844
Sales	million €	➔ 11,366	➔ 11,523
Earnings before taxes (EBT)	million €	➔ 410	➔ 544
Employees at Sept. 30		➔ 54,757	➔ 54,762



ThyssenKrupp Elevator

		2005/2006	2006/2007
Order intake	million €	➔ 4,690	➔ 5,281
Sales	million €	➔ 4,298	➔ 4,712
Earnings before taxes (EBT)	million €	➔ 391	➔ -113
Employees at Sept. 30		➔ 36,247	➔ 39,501



ThyssenKrupp Services

		2005/2006	2006/2007
Order intake	million €	➔ 14,602	➔ 16,823
Sales	million €	➔ 14,204	➔ 16,711
Earnings before taxes (EBT)	million €	➔ 482	➔ 704
Employees at Sept. 30		➔ 40,163	➔ 43,012

