

8. Annual General Meeting of ThyssenKrupp AG

Dr. Ing. Ekkehard D. Schulz

January 19, 2007

MAKING A DIFFERENCE
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Annual General Meeting 2007

➔ ThyssenKrupp achieves best-ever results

- ➔ Key figures for fiscal 2005/2006
- ➔ Q1 2006/2007, outlook

➔ ThyssenKrupp on growth track

- ➔ Developments in the segments
- ➔ Changes in the Executive Board, Quarter

➔ Success factors

➔ Securing the growth strategy

➔ Securing the future by supporting young talent



ThyssenKrupp achieves best-ever results

		2004/2005	2005/2006	%
Order intake	bn €	43.5	50.8	+ 16.7
Sales	bn €	42.9	47.1	+ 9.8
EBT	m €	1,677	2,623	+ 56.4
Earnings per share	€	2.08	3.24	+ 55.8
TK Value Added	m €	997	1,510	+ 51.5
ROCE	%	14.4	17.9	
Financial liabilities	m €	177	- 747	

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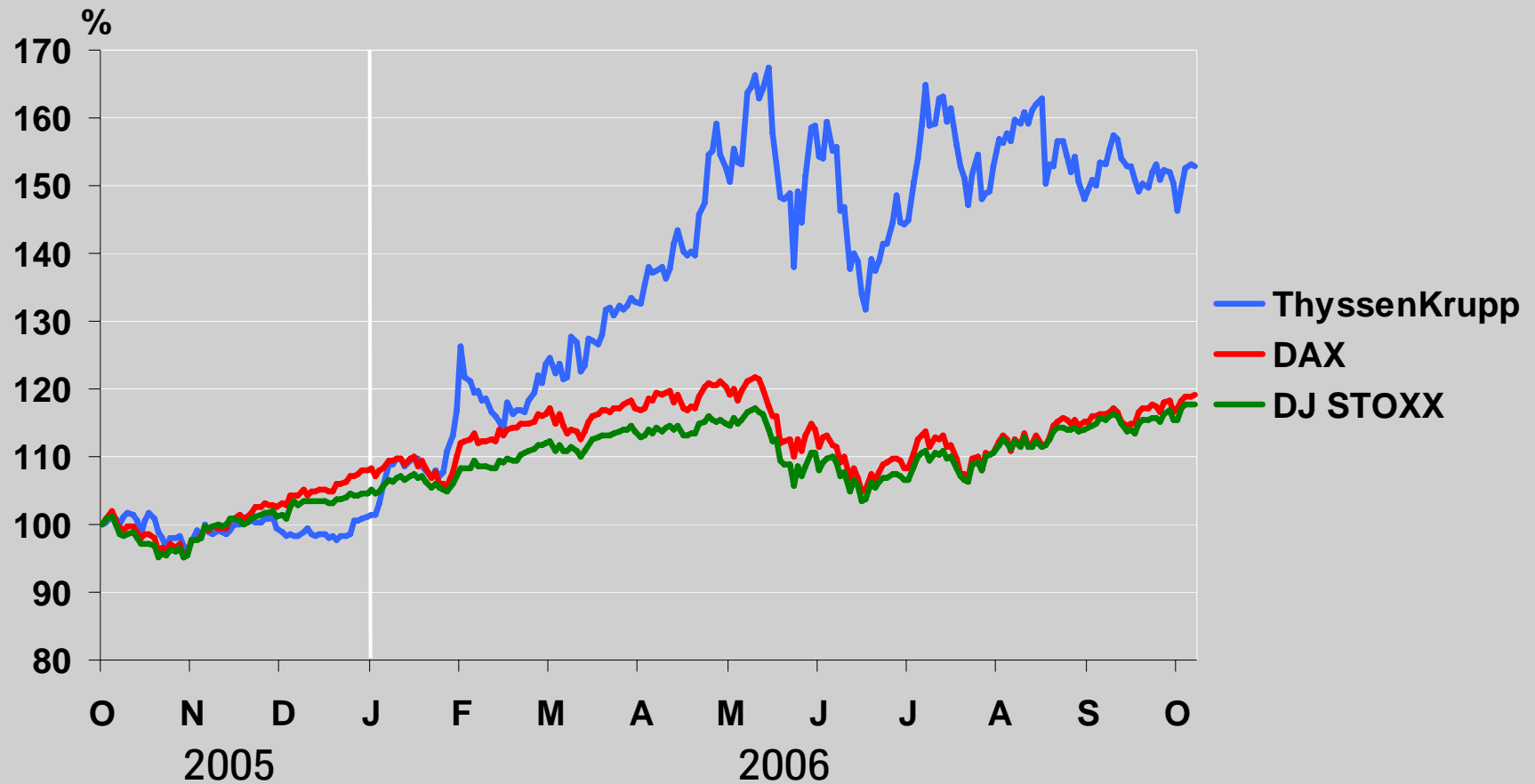
ThyssenKrupp rating

	Long-term rating	Short-term rating	Outlook
Fitch	BBB+	F2	stable
Moody's	Baa2	Prime-2	positive
Standard & Poor's	BBB-	A-3	stable

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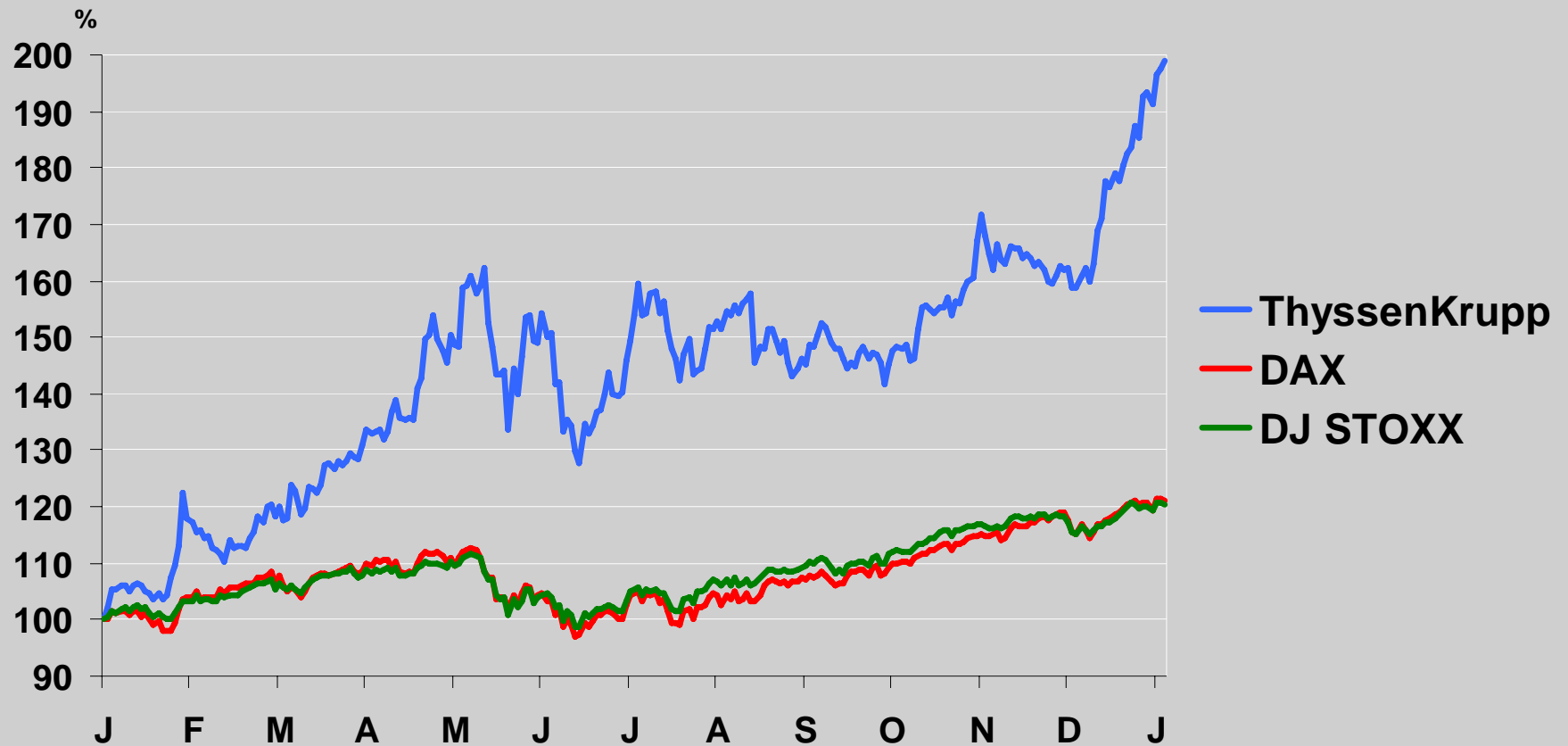
ThyssenKrupp stock performance indexed, Sep. 30, 2005 to Sep. 29, 2006



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ThyssenKrupp stock performance indexed, Jan. 2, 2006 to Dec. 29, 2006



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Higher dividend proposed

The company's success allows a higher dividend payout to stockholders:

- Dividend can be increased to €1.00 per share
- Dividend yield 3.8 percent
- Increase of 43 percent (excluding special dividend in 2006)

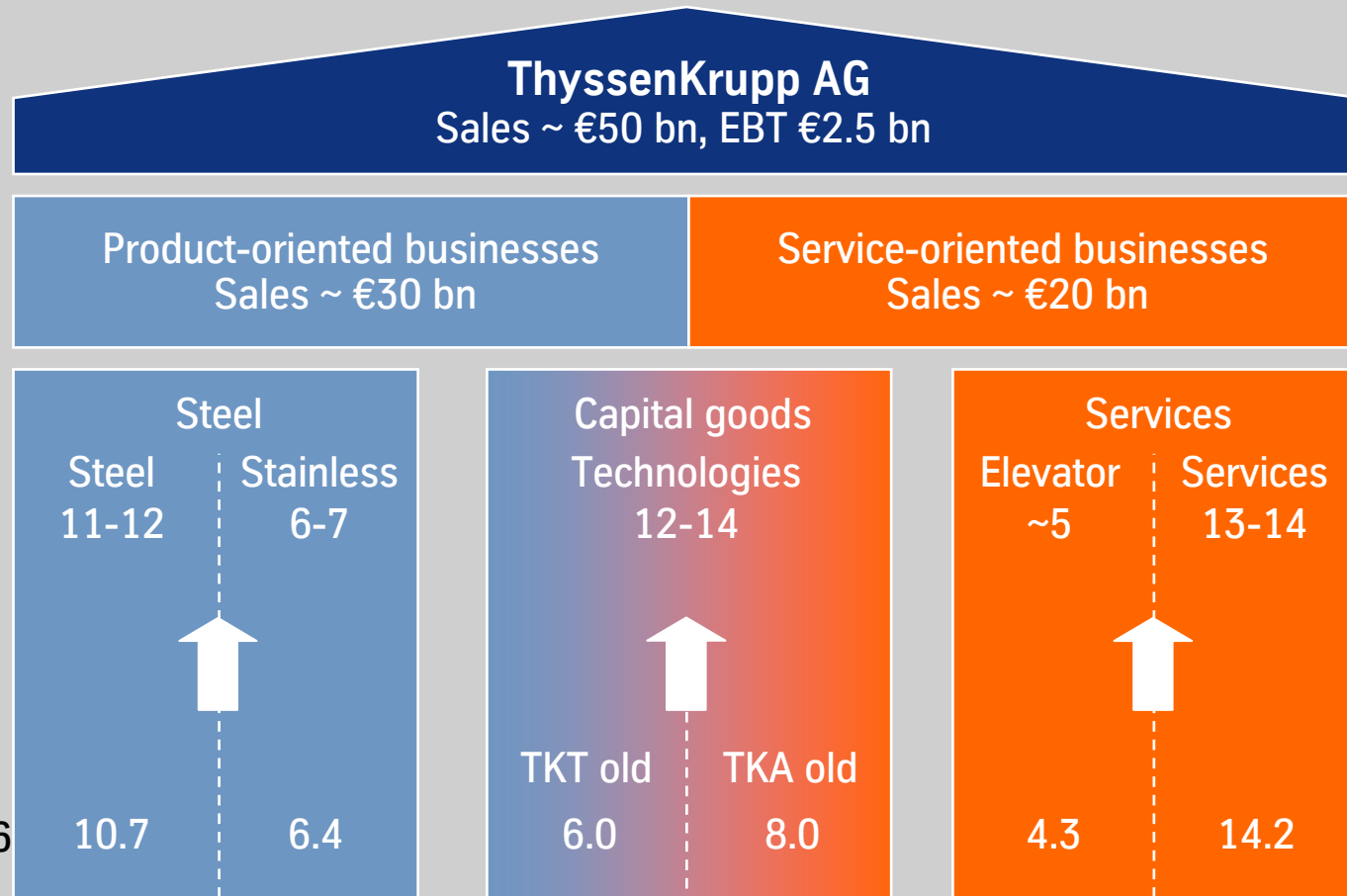


1st quarter 2006/2007 (October – December 2006)

- Positive performance continued in first quarter 2006/2007
- Order intake €13.0 billion (Q1 2005/2006 €11.6 billion)
- Sales €12.2 billion (Q1 2005/2006 €10.9 billion)
- EBT from continuing operations €1 billion
(Q1 2005/2006 €425.1 million; Q4 2005/2006: €618.6 million)
- Publication of quarterly report on February 13, 2007



Forward strategy: 1st step to €50 billion sales



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Forward strategy: 2nd step

- Investment of up to €20 billion in 5 years:
 - ⇒ €6-8 billion in growth through acquisitions
 - ⇒ €7-8 billion in organic growth
 - ⇒ €4 billion in maintaining existing operations

➔ Sales of €55 – 60 billion



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Steel: Significant growth

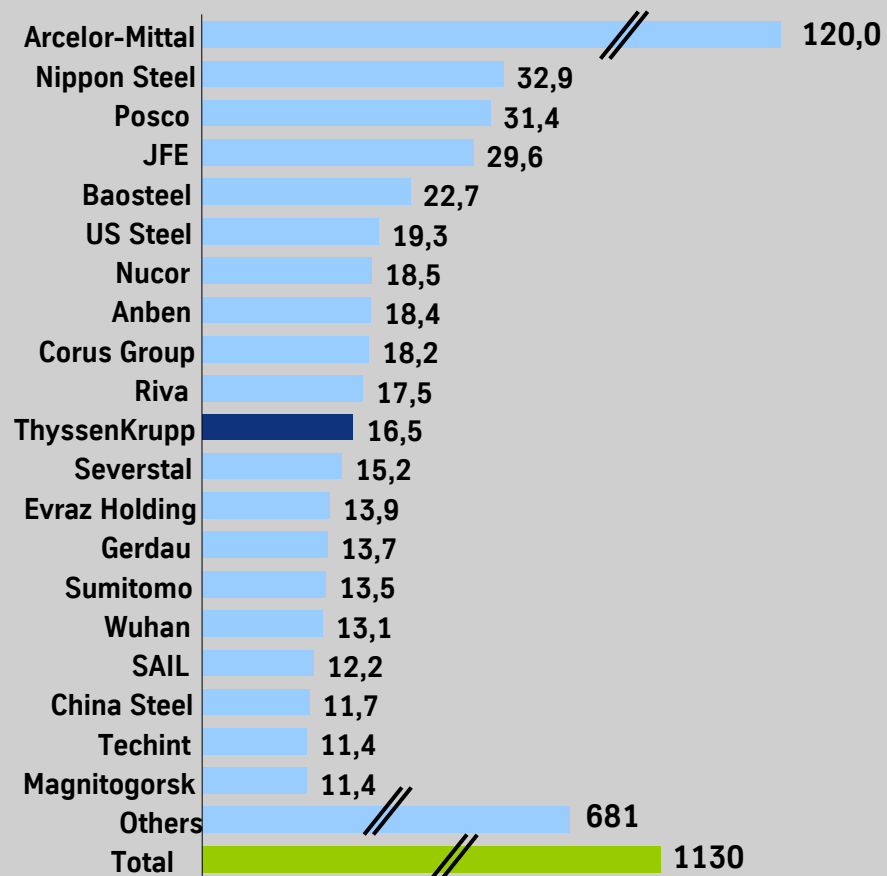


- Extremely positive market environment: increased order volumes and higher prices lead to 21 percent increase in order intake
- Sales up 12 percent to €10.7 billion
- EBT up €323 million to €1.4 billion



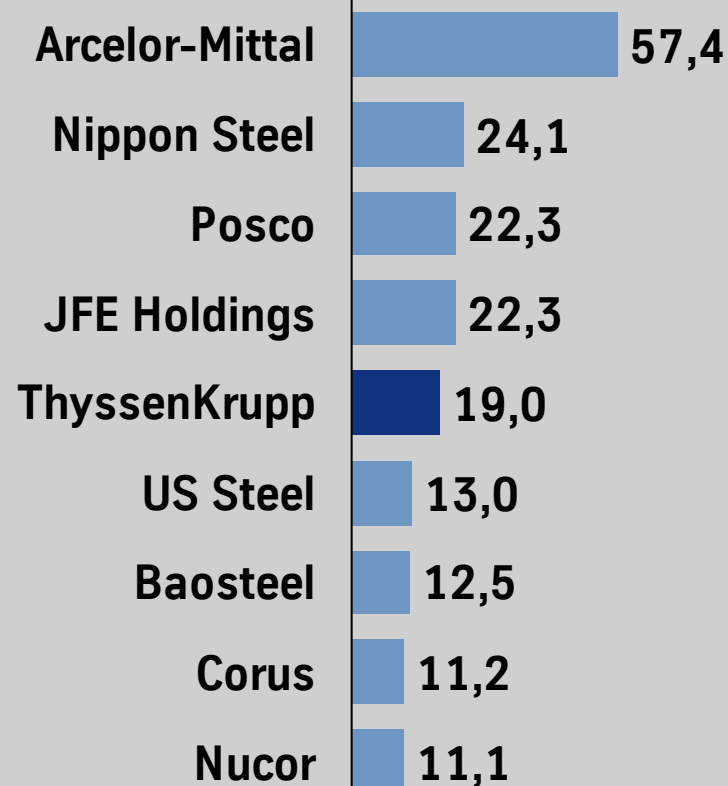
World ranking of steel companies by production and sales volumes

Crude steel production 2005 in mt



Source: Metal Bulletin, own estimate

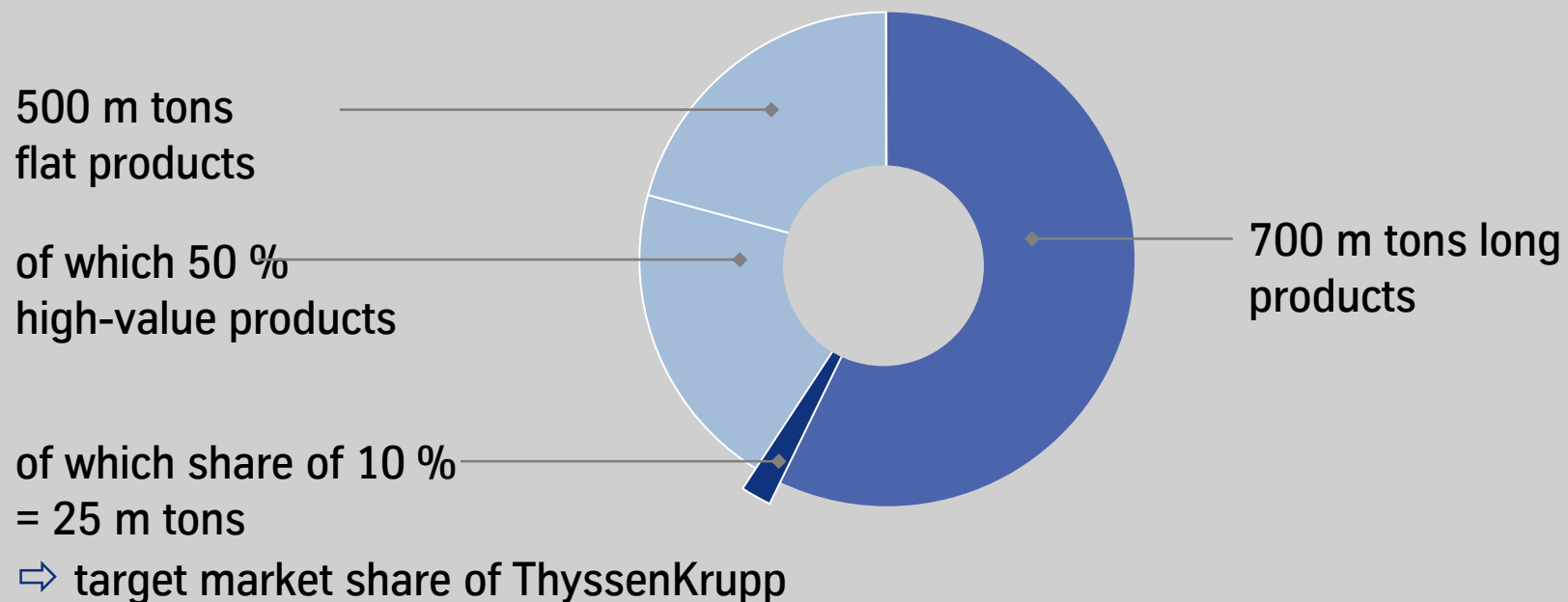
Estimated pro-forma steel sales in billion US\$ 2005



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World steel production 1.2 billion tons



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Concentration on North America and Europe

- Target of at least 5 percent market share for high-value-added steel flat products in the NAFTA region.
- ThyssenKrupp therefore exhausts all possibilities to bring about the sale of Dofasco as agreed with Mittal.
- In parallel with Dofasco, pressing ahead with the planning of a plant complex in the USA, which could be built by Steel and Stainless.
- In Europe, outstanding market positions to be strengthened by further investment of €700 million.

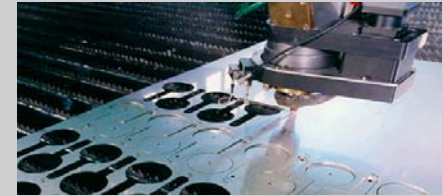


Steel: New steel mill in Brazil

- Around 5 million tons of slabs per year from 2009
- Volume of investment €3 billion
- Foundation stone laid on 29. September 2006
- 3,000 employees, 10,000 further jobs
- ➔ Securing the market positions for Europe and the NAFTA region through optimized costs and logistics and highest quality



Stainless: Expansion of international position



- Significant expansion of business thanks to increased demand from end consumers and build-up of stocks: Order intake up 31 percent to €7.3 billion
- Sales up 16 percent to €6.4 billion
- EBT up €137 million to €423 million
- Involvement in plant complex in USA: Jointly used hot strip mill
- Investment in plants and service center organization: Increase in vertical integration

Automotive: Refocusing



- Sale of North American body and chassis business
- Market for automotive industry in phase of global upheaval: Pressure on vehicle prices and vehicle component suppliers
- Sales at €8.0 billion slightly higher than prior year
- €339 million restructuring and impairment charges
- Loss of €174 million compared with €118 million profit the year before

Technologies: Combination of engineering capabilities of Automotive and Technologies



- Order intake 41 percent higher at €8.0 billion
- Sales up 4 percent at €6.0 billion
- EBT up €317 million at €357 million
- Market and technology leadership of European shipyard network strengthened through acquisition of Atlas Elektronik
- Expansion of market leadership through investment and acquisitions in India, Japan and China

Elevator: Expansion of market position



- Order intake 13 percent higher at €4.7 billion
- Sales up 14 percent to €4.3 billion
- EBT up €36 million to €391 million
- Expansion of existing businesses and strategic acquisitions
- Position strengthened in emerging markets, e.g. India
- Global service strategy



Services: Focus on expansion

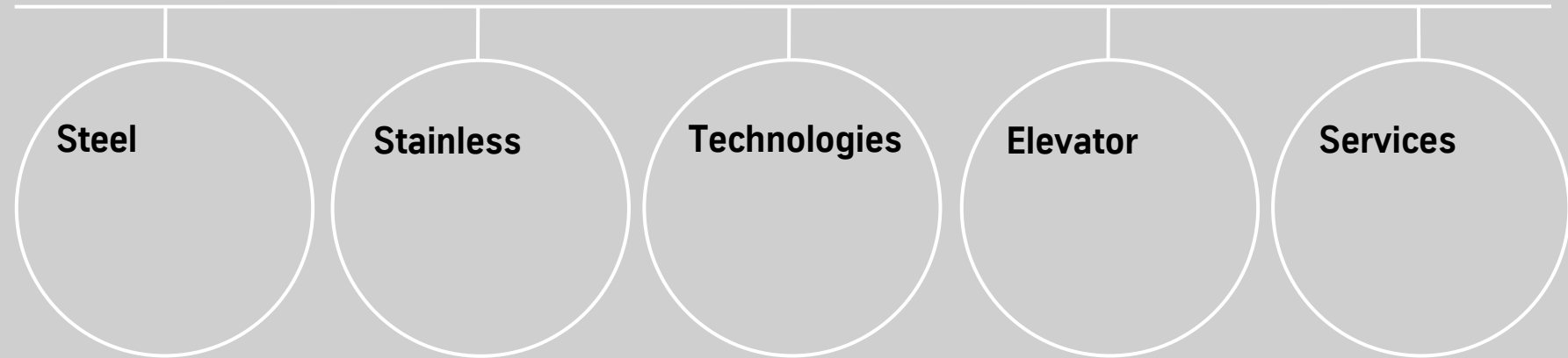


- Order intake 15 percent higher at €14.6 billion
- Sales up 12 percent to €14.2 billion
- Significant €221 million improvement in EBT to €482 million
- Acquisitions focused on further expansion of US and Eastern European business
- Growth in material and industrial services
- Majority shareholding in Brazilian industrial service provider RIP



Organizational realignment

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➔ Five segments

➔ Executive Board reduced to eight members

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New ThyssenKrupp Quarter in Essen



- Optimization of decision-making lines and administrative costs
- Concentration of headquarters on Duisburg and Essen
- Duisburg: Steel and Stainless
- Essen: Group holding company, Technologies, Elevator and Services
- First phase to be completed by end of 2008

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The keys to our success

1. Positive market environment

- Above all in Steel and Stainless
- High price level and continued high demand

2. Portfolio optimization

- Improvement in earnings quality

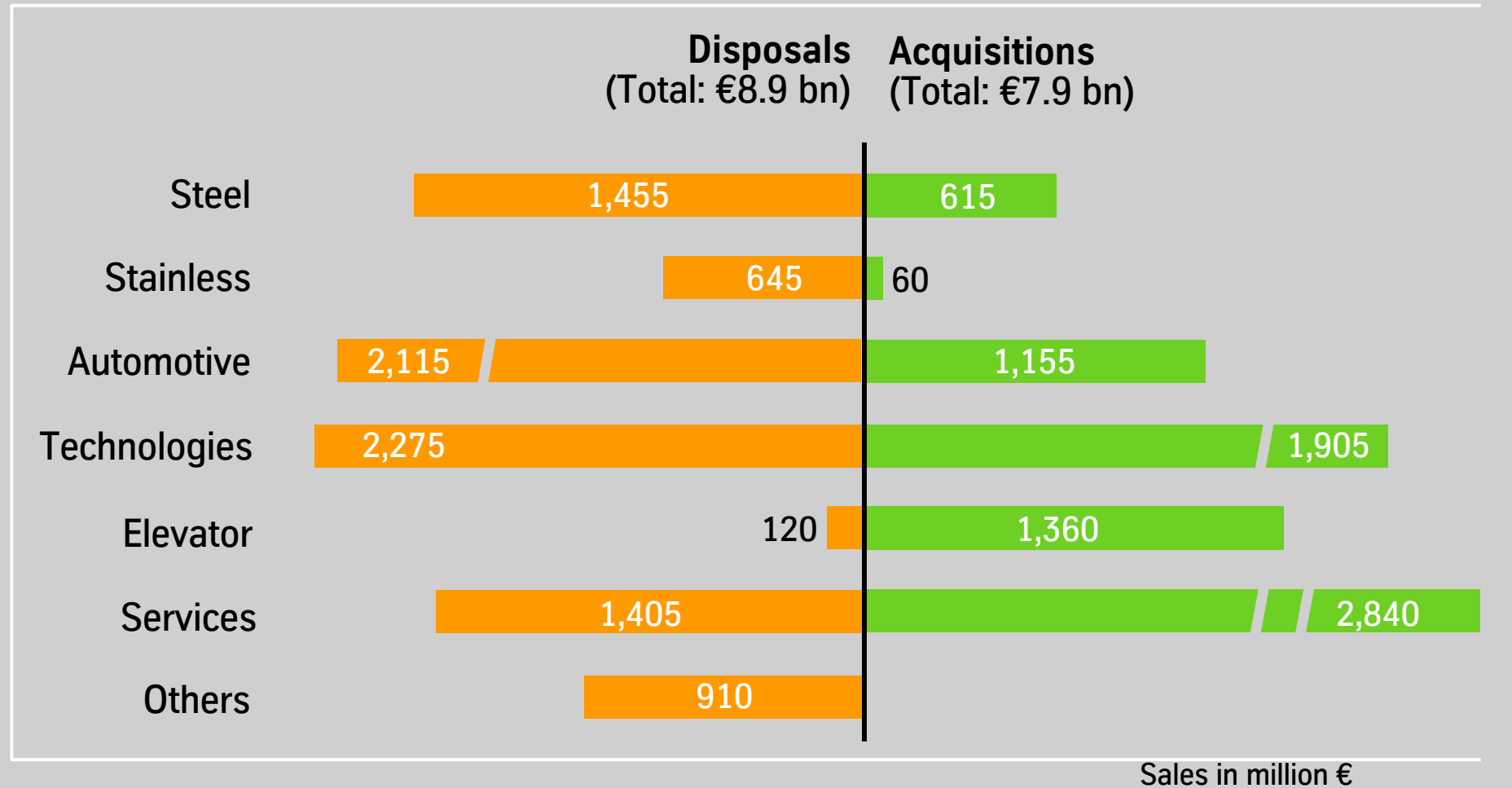
3. Productivity increase and operating improvement

- Motivated employees



Active portfolio management

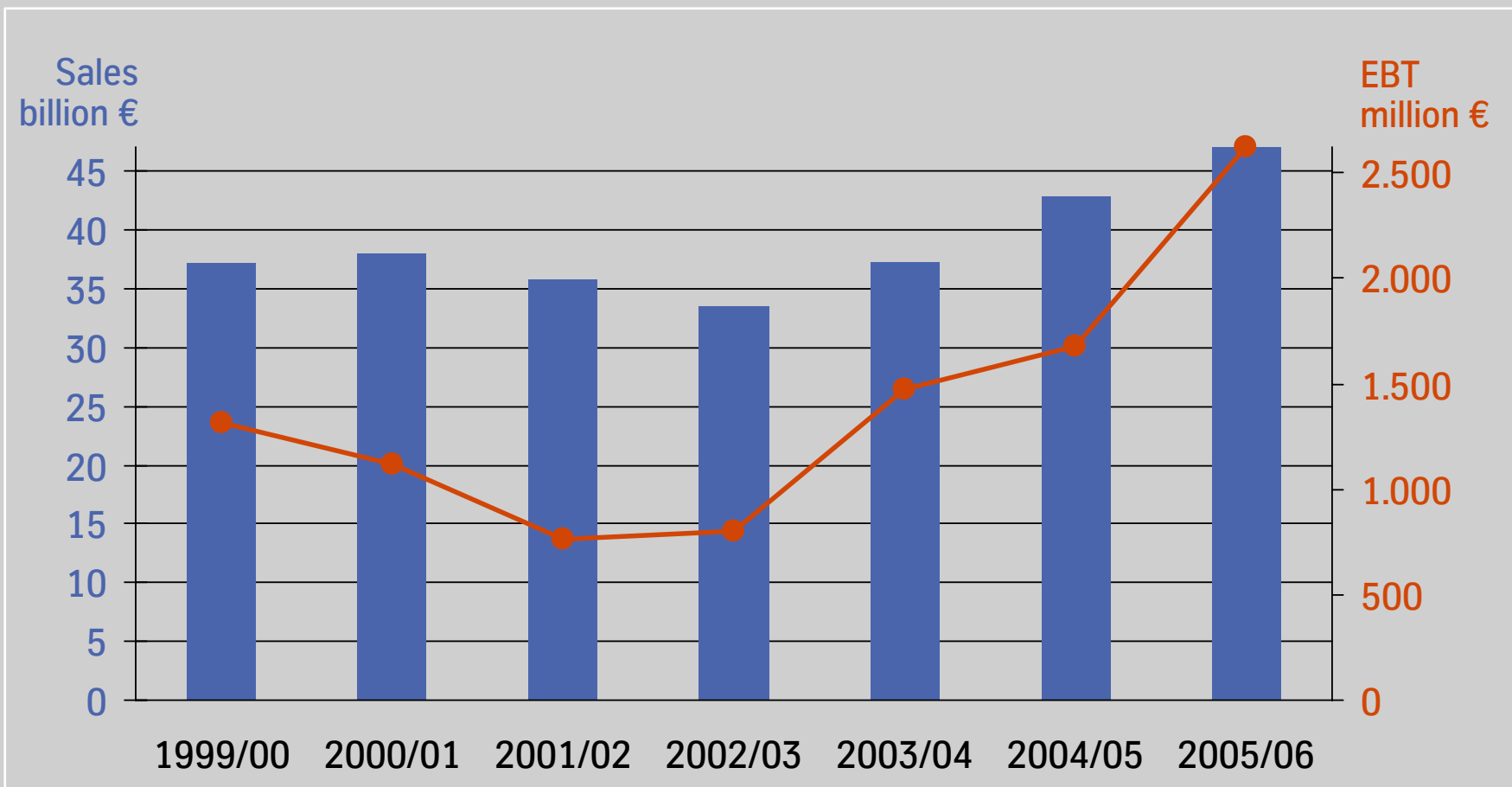
Main portfolio changes since merger (as at Nov. 22, 2006)



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EBT has grown faster than sales since merger



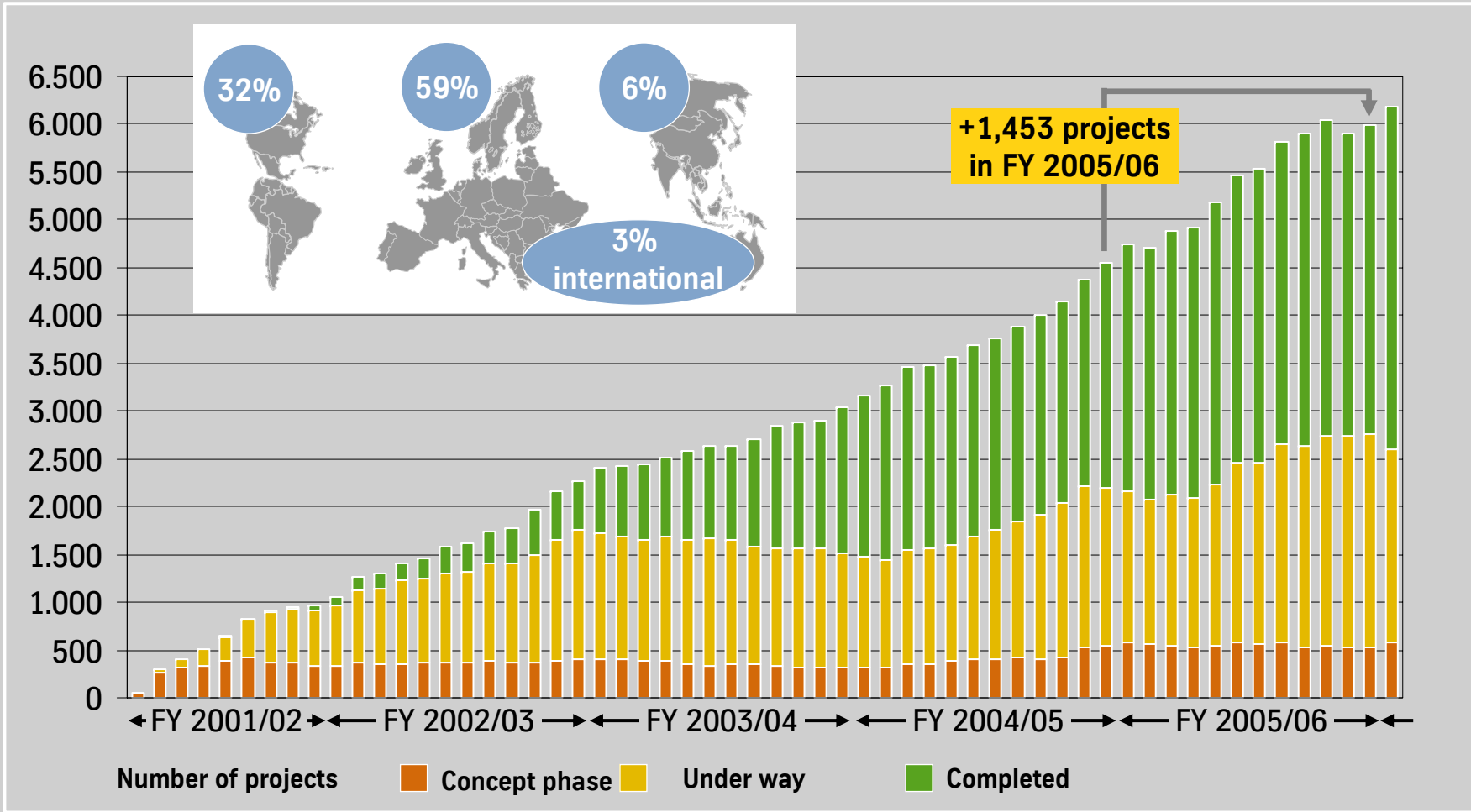
* 1999/00 – 2001/02 as is; 2002/03 – 2003/04 US GAAP, 2004/05 – 2005/06 IFRS

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5,995 ThyssenKrupp best projects

1,453 new projects launched in FY 2005/06



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Securing the growth strategy

1. Share buyback

- ⇒ Around 5 percent of capital stock = 25,724,452 shares = €697 million
- ⇒ Average price of €27.09
- ⇒ Renewal of authorization

2. Authorized capital

- ⇒ €500 million to support possible strategic measures

3. Delegation right for AKBH Foundation

- ⇒ Appropriate representation on Supervisory Board with 3 members



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Activities to increase enthusiasm for technology

- Annual deficit of 15,000 engineers
- Supporting young talent as elementary building block for the future
- “Opportunity” program with Duisburg labor agency for young people



Ideas Park: Concept



- 2004 launch of the „Discover Future Technology“ initiative
- Sociopolitical and educational focus
- Initiative aims to attract people to careers in technology and engineering
- Key element is the Ideas Park, which was held for the first time in 2004 in Gelsenkirchen

Ideas Park: Facts



- May 20 to 28, 2006 in Hanover, EXPO site, 206,000 visitors
- 150 exhibits on themes of Mobility, Life/Environment, Creativity
- 70 partners (industry associations, initiatives, universities, companies, media)
- To be continued in May 2008 in Stuttgart

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