

6th German Corporate Conference  
CA Cheuvreux

Frankfurt/Main  
January 16, 2007

# MAKING A DIFFERENCE TOGETHER.

## Fiscal Year 2005/2006 – Best Performance since the Merger

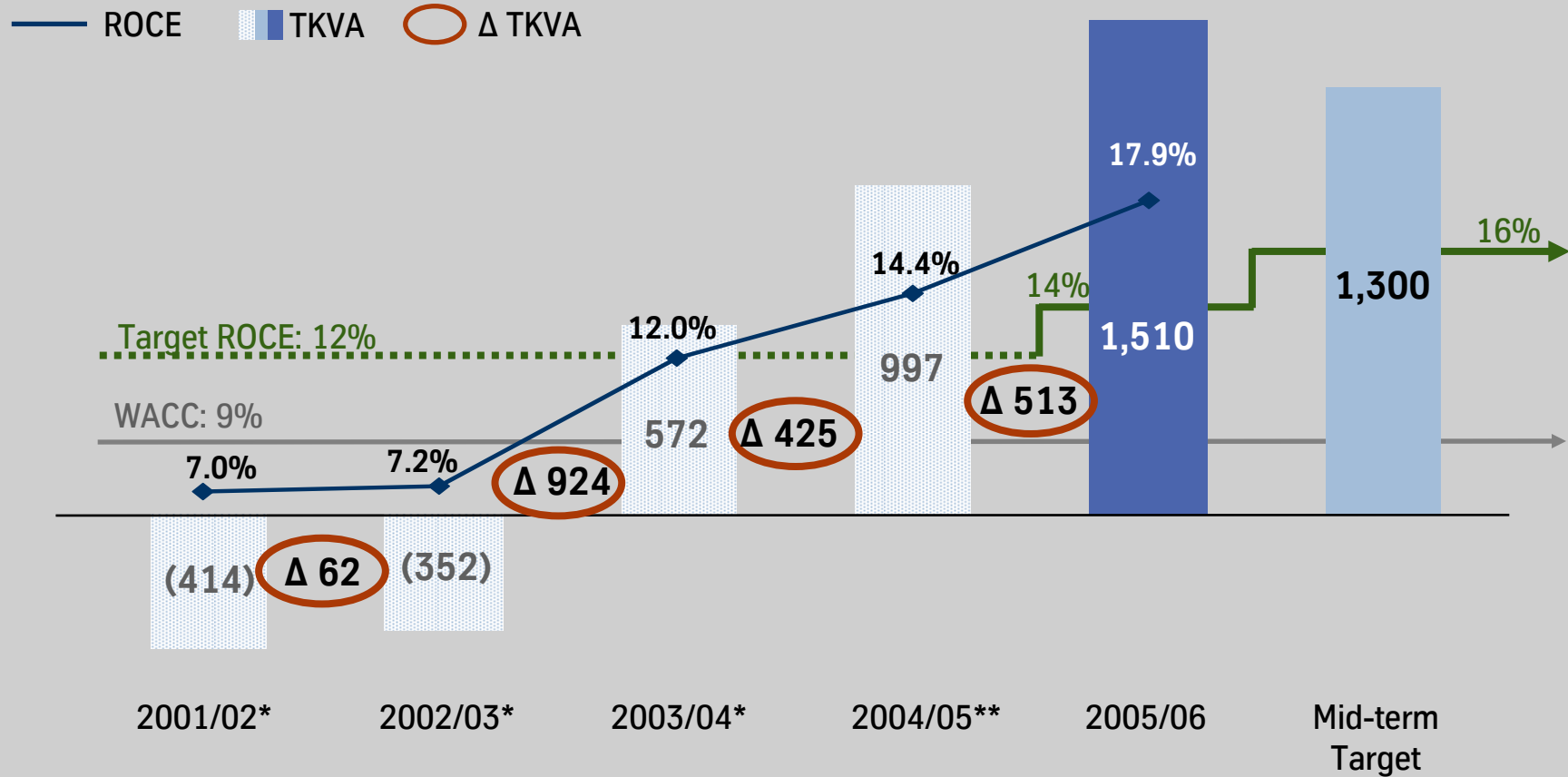
- **EBT increased to €2,623 million, 56% higher yoy**
  - Driven by strong performance of all segments, except Automotive
  - Already ahead of recently announced sustainable EBT target of €2.5 billion
- **Track record of value generation pursued**
  - **TKVA of €1,510 million** compared with €997 million in fiscal 2004/2005
  - **ROCE: 17.9%** compared with mid-term target of 16.0%
- **Order intake of €50.8 billion (+17%)** as solid basis for future performance
- **Income from continuing operations more than tripled at €1,704 million**
  - **Earnings per share reached €3.24** compared with €0.85 in the previous year
- **Dividend: Proposal for increase to €1.00 per share (from €0.70)** to reflect excellent business performance in fiscal 2005/2006



# Group in Figures (I) – ThyssenKrupp is a Delta EVA® Story

ROCE and ThyssenKrupp Value Added (TKVA) (incl. discontinued operations)

% / million €



\* US GAAP

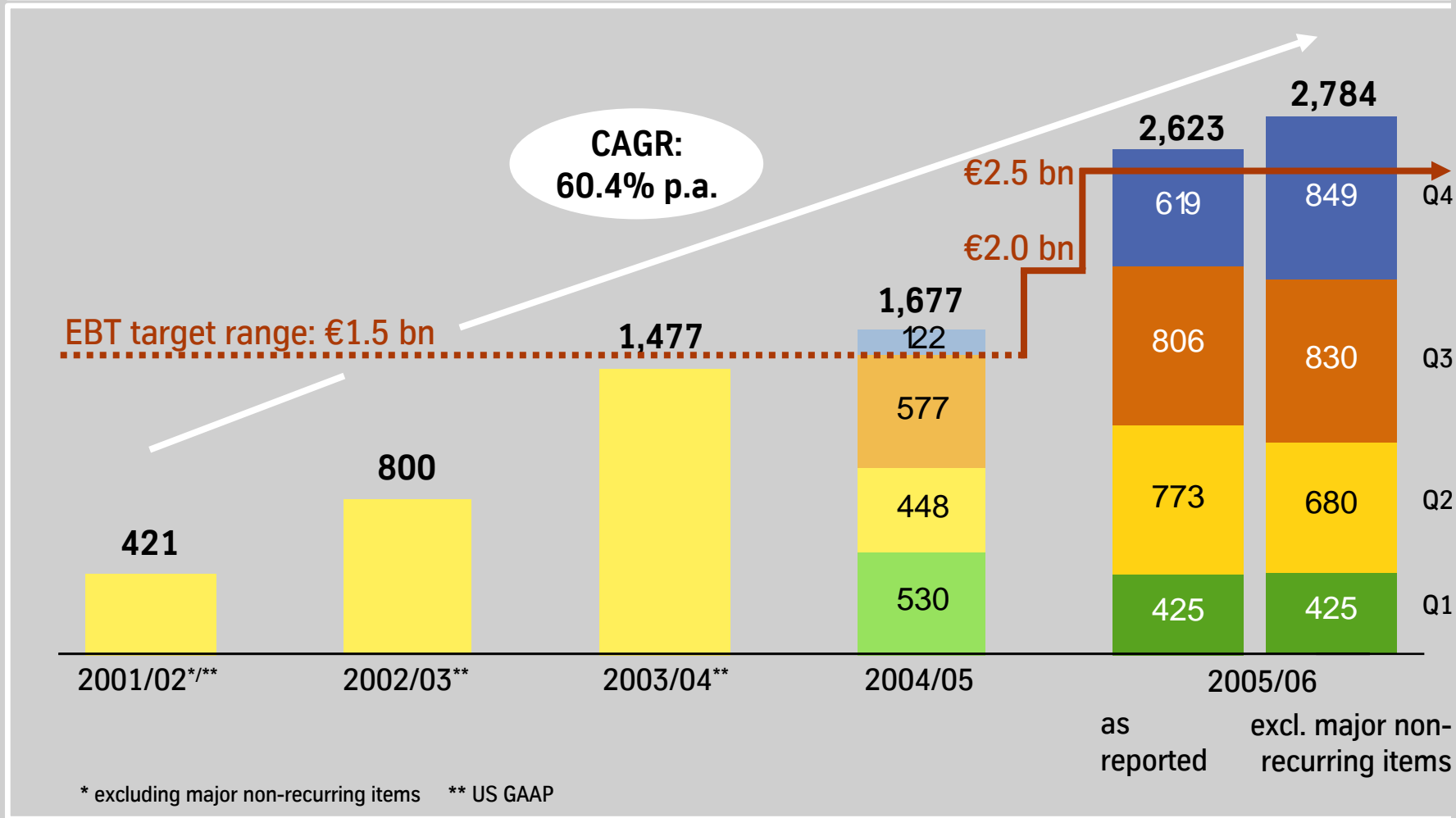
ThyssenKrupp



# Group in Figures (II) – EBT Track Record

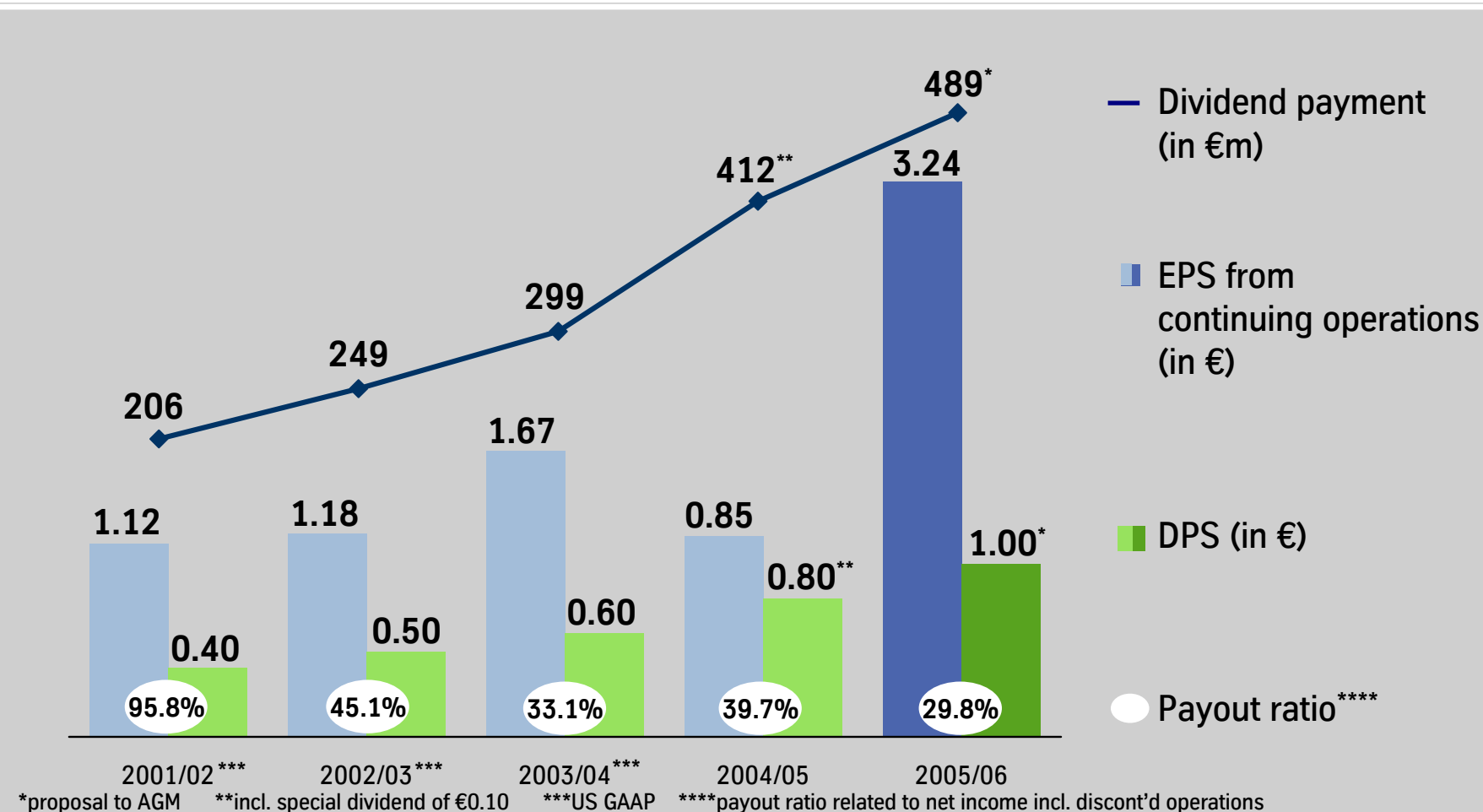
EBT

million €



## Group in Figures (III) – Dividend Payment

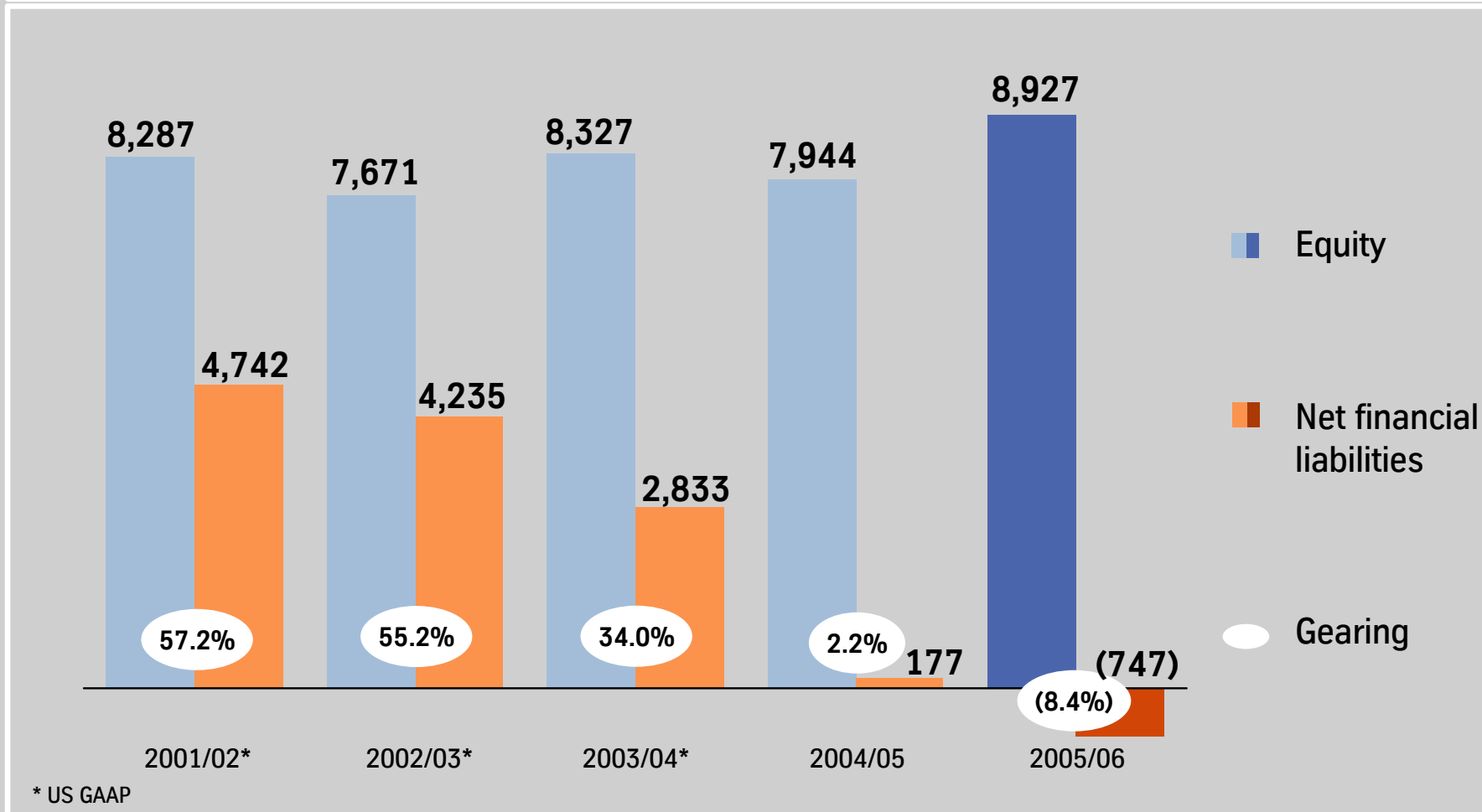
Earnings per share, dividend, payout ratio and dividend payment



# Group Overview – Gearing

Ratio of net financial liabilities to equity (gearing)

million €



## Value Indicators by Segment – Mid-term Targets

	Capital Employed in million €	WACC in %	ROCE in %		TKVA in million €		EBT in million €	
	ave. 2005/06		2005/06	Target	2005/06	Target	2005/06	Target
Group	17,056	9.0	17.9	16.0	1,510	1,300*	2,623	2,500*
thereof								
Steel	5,937	9.5	24.9	17.5	913	470	1,417	1,000
Stainless	3,048	9.5	16.0	18.5	199	260	423	475
Technologies	1,427	9.5	31.6	24.0	316	470	357	655
Automotive**	2,938	9.5	(14.8)	↳ 15.5	(331)	↳ 170	(174)	↳ 300
Elevator	1,876	8.5	22.6	25.0	264	325	391	450
Services	2,884	9.0	19.2	14.5	294	210	482	440

All figures incl. discontinued operations (except EBT).

\* including risk buffer and Corporate (pensions etc.), excluding Dofasco/greenfield

\*\* Automotive part of Technologies effective Oct 1, '06; Targets as contribution to Technologies;  
transparency provided by continued disclosure of pro-forma numbers for the former Automotive segment



# Medium-Term: Profitable Growth Across all Businesses

## ThyssenKrupp AG Sales: ~€50 billion • EBT: €2.5 billion

<b>Product-oriented businesses</b> Sales: ~€30 billion	<b>Service-oriented businesses</b> Sales: ~€20 billion
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	Steel		Capital Goods		Services	
	Steel	Stainless	Technologies		Elevator	Services
<b>Objective</b>			<b>12-14</b>			
<b>Sales</b>	<b>11-12</b>	<b>6-7</b>	<b>655</b>		<b>~5</b>	<b>13-14</b>
<b>EBT</b>	<b>1,000</b>	<b>475</b>	<b>655</b>		<b>450</b>	<b>440</b>
<b>2005/06</b>			<b>Technologies old</b>			
<b>Sales</b>	<b>10.7</b>	<b>6.4</b>	<b>6.0</b>		<b>4.3</b>	<b>14.2</b>
<b>EBT</b>	<b>1,417</b>	<b>423</b>	<b>357</b>		<b>391</b>	<b>482</b>
			<b>Automotive old</b>			
			<b>8.0</b>			
			<b>(174)</b>			

Sales in €bn; not consolidated; EBT in €m



# Organizational Overview Technologies as of Oct 1, 2006

## ThyssenKrupp Technologies AG

Sales old: €6.0 bn • Sales new: ~€12 bn\*

Olaf Berlien, Chairman

### Plant Technology

Sales: €2.3 bn

### Transrapid

H.-Chr. Atzpodien

- Uhde
- Polysius
- Fördertechnik

### Marine Systems

Sales: €1.9 bn

Klaus Borgschulte

- Surface Vessels
- Submarine
- Marine Services

### Mechanical Components

Sales old: €1.8 bn

Sales new: €4.1 bn\*

Wolfram Mörsdorf  
Vice Chairman

- Rothe Erde
- Berco
- Presta Camshafts
- TKMCL/Gerlach
- Präzisionsschmiede
- Waupaca
- Sales & Technical Center

### Automotive Solutions

Sales old: --

Sales new: €4.4 bn\*

Karsten Kroos

- Assembly Plant (Krause)
- Presta Steering
- Umformtechnik
- Automotive Systems
- Bilstein Federn
- Drauz Nothelfer

Business Unit

• Operating Group

former TK Automotive

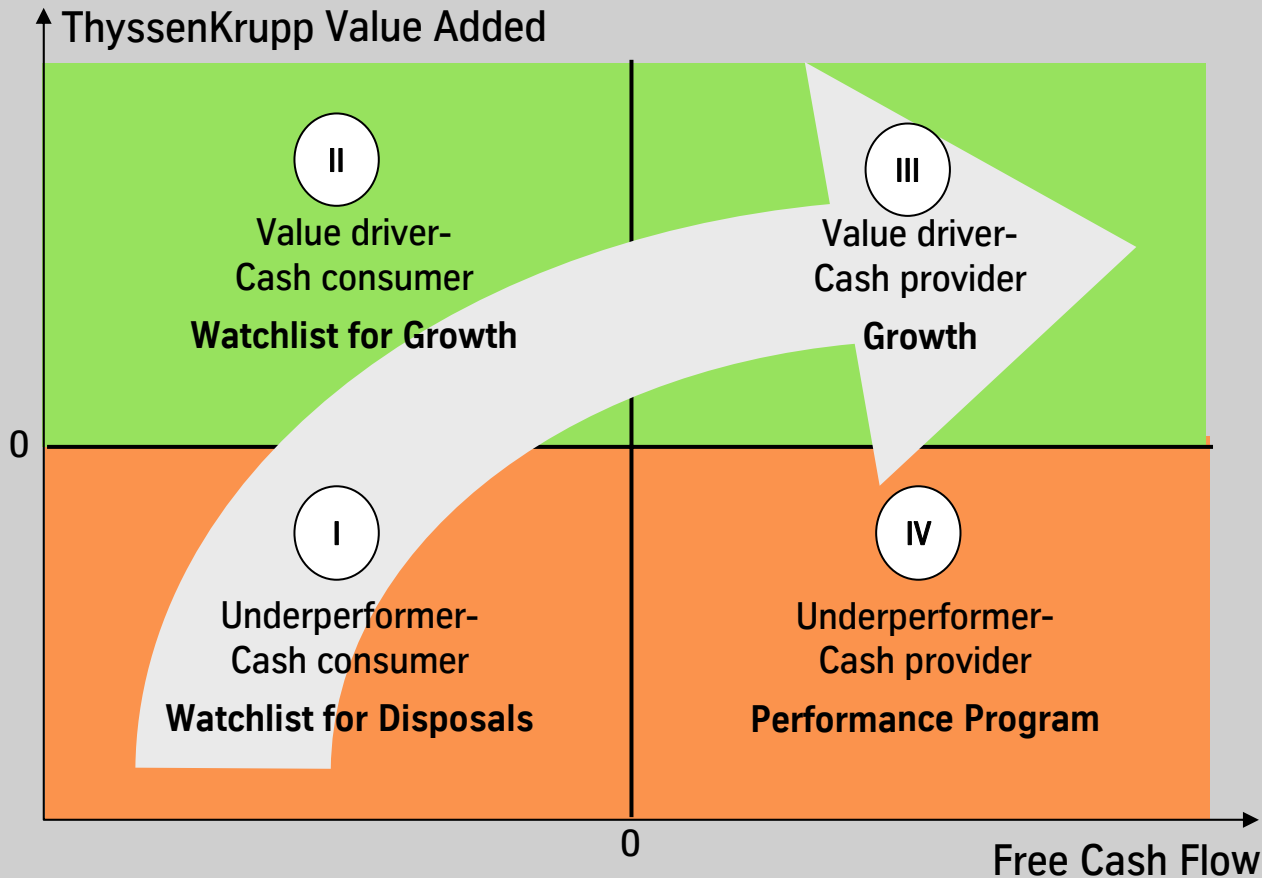
\* pro forma combined figures, not consolidated, unaudited

ThyssenKrupp



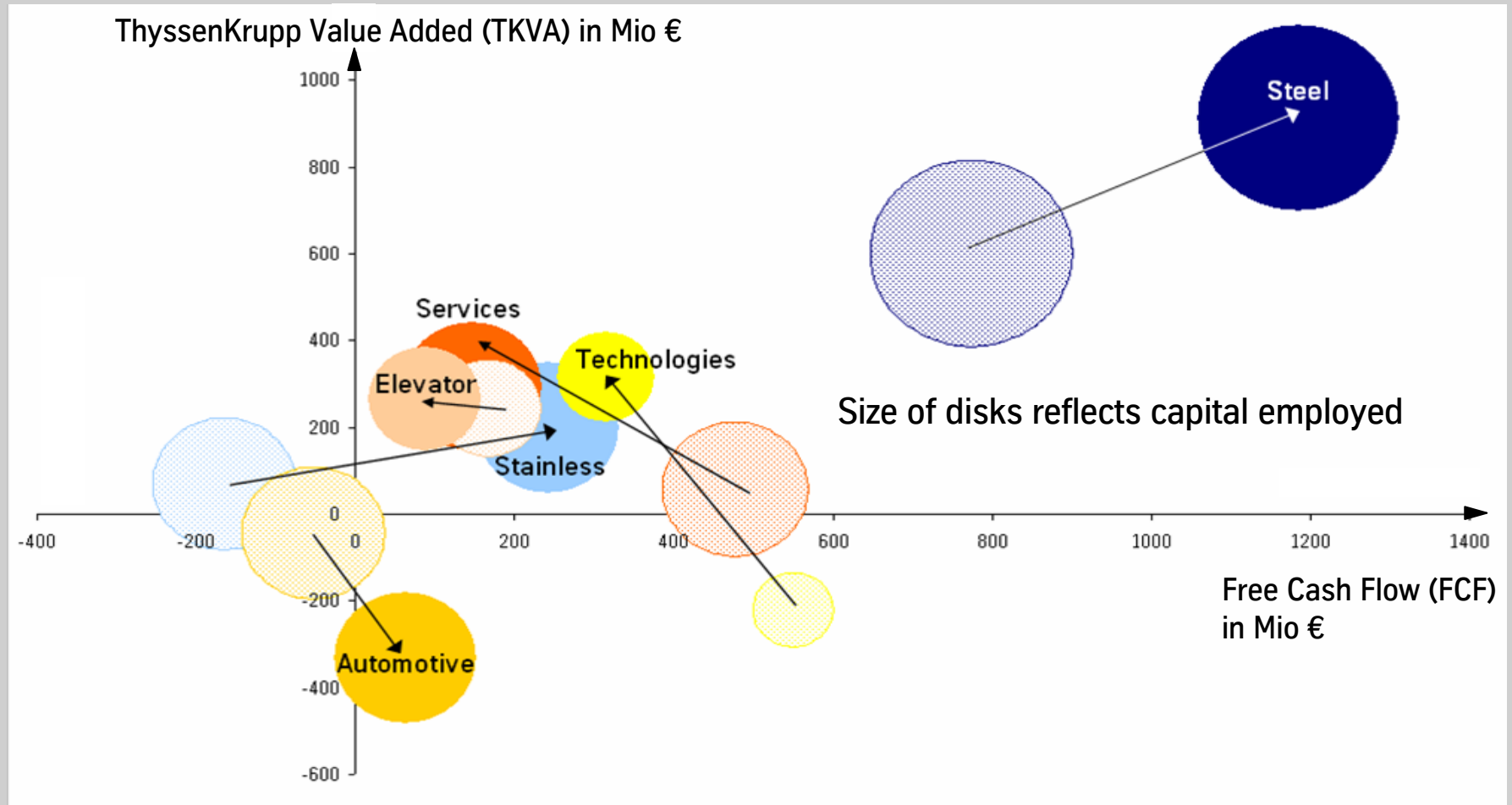
# Free Cash Flow / ThyssenKrupp Value Added Matrix

Balanced business portfolio of value drivers and cash providers



# Group Overview – Value Drivers and Cash Providers

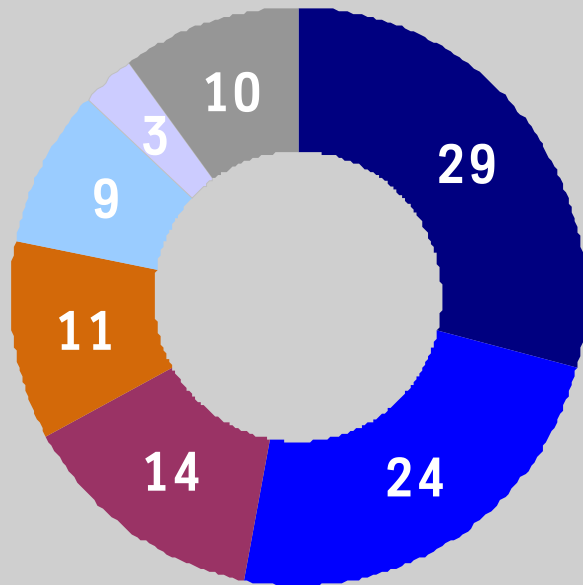
Development from fiscal year 2004/2005 to fiscal year 2005/2006



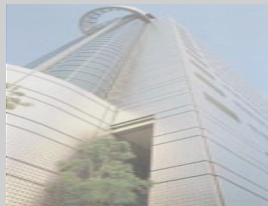
# Customers with High Quality Requirements in Flat Carbon Steel

Steel: Sales by Industry FY 2005/06

in %



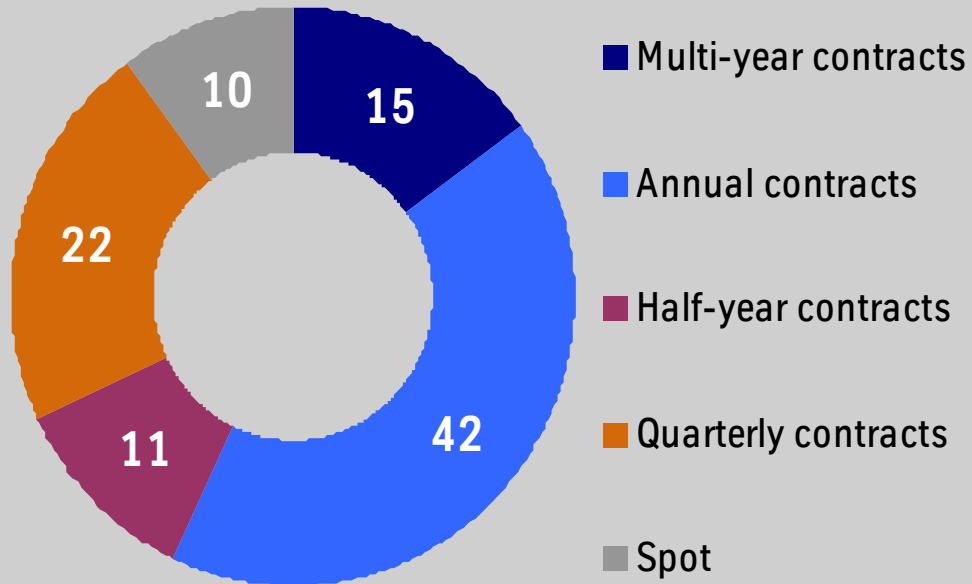
- Automotive industry (incl. suppliers)
- Steel and steel-related-processing
- Trade
- Mechanical Engineering
- Packaging
- Construction
- Other



# Long-term Relationships Foster Sustainable Value Performance ...

## Steel: Sales by maturity (FY 2005/06)

in %



- Customer relationship in focus
- 57% long-term contract exposure as an indicator of reliability and trustworthiness
- Short-term business not an opportunity business

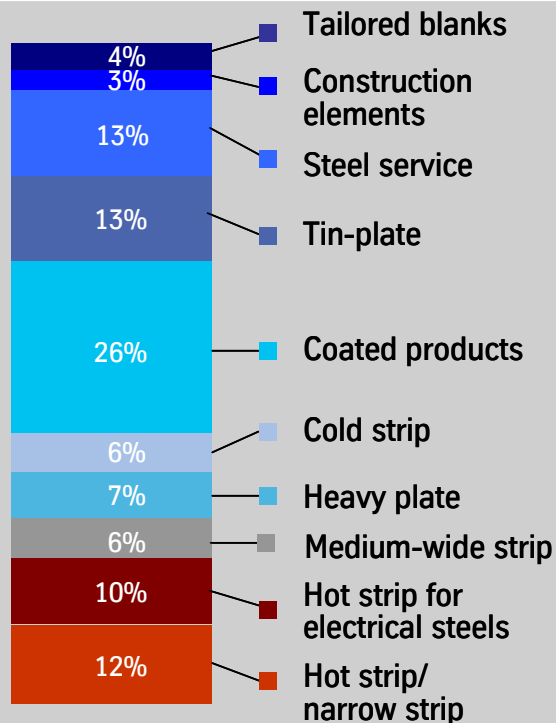
Price premium over the cycle



# High Value Added Products Strengthen Market Position ...

## Product Portfolio Steel (FY 2005/06)\*

in %



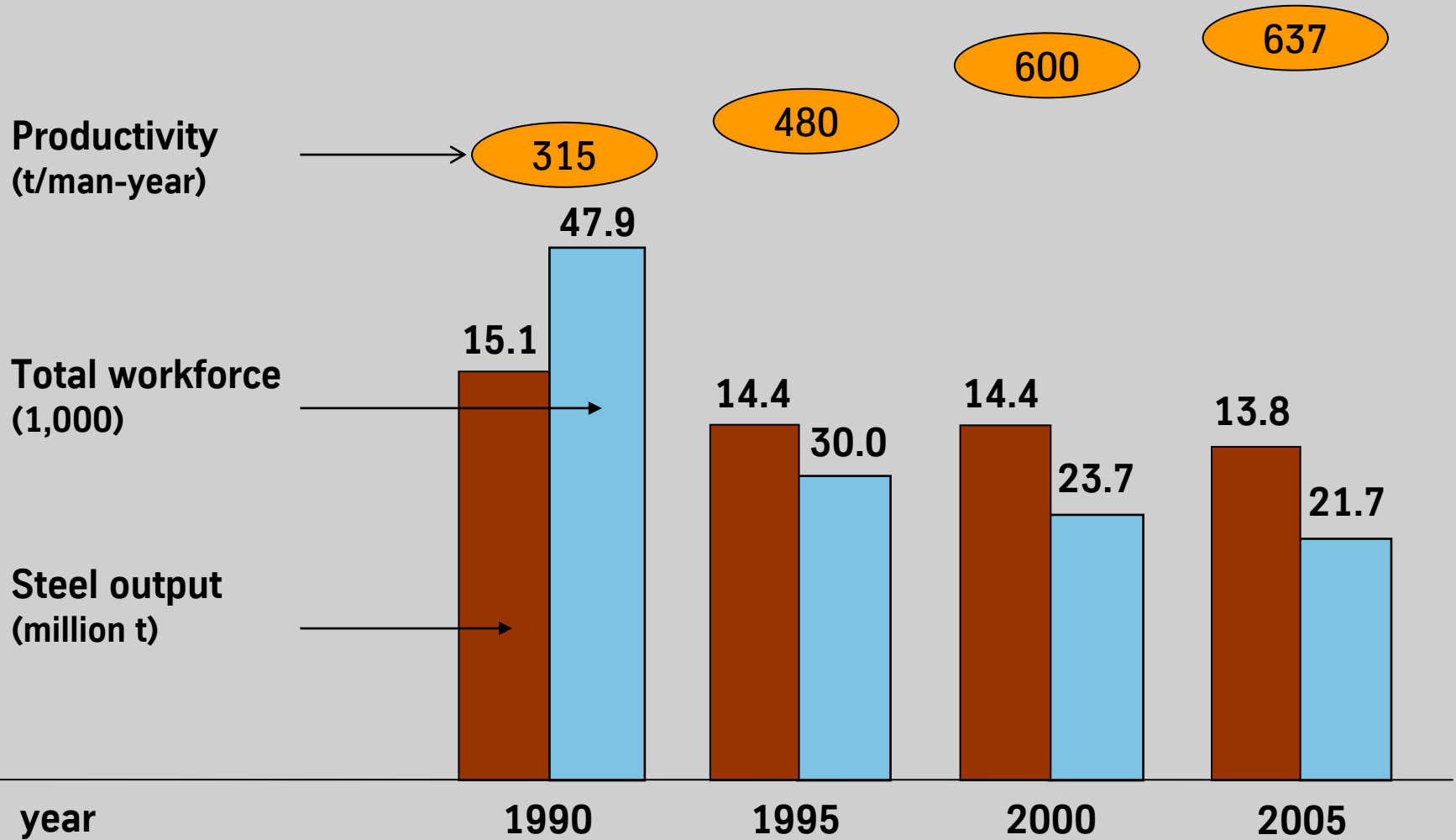
\* sales of flat products only

- Full product range in flat carbon steels
- Permanent development of new grades and products
- Joint R&D with major customers

Secures dealing in a premium market



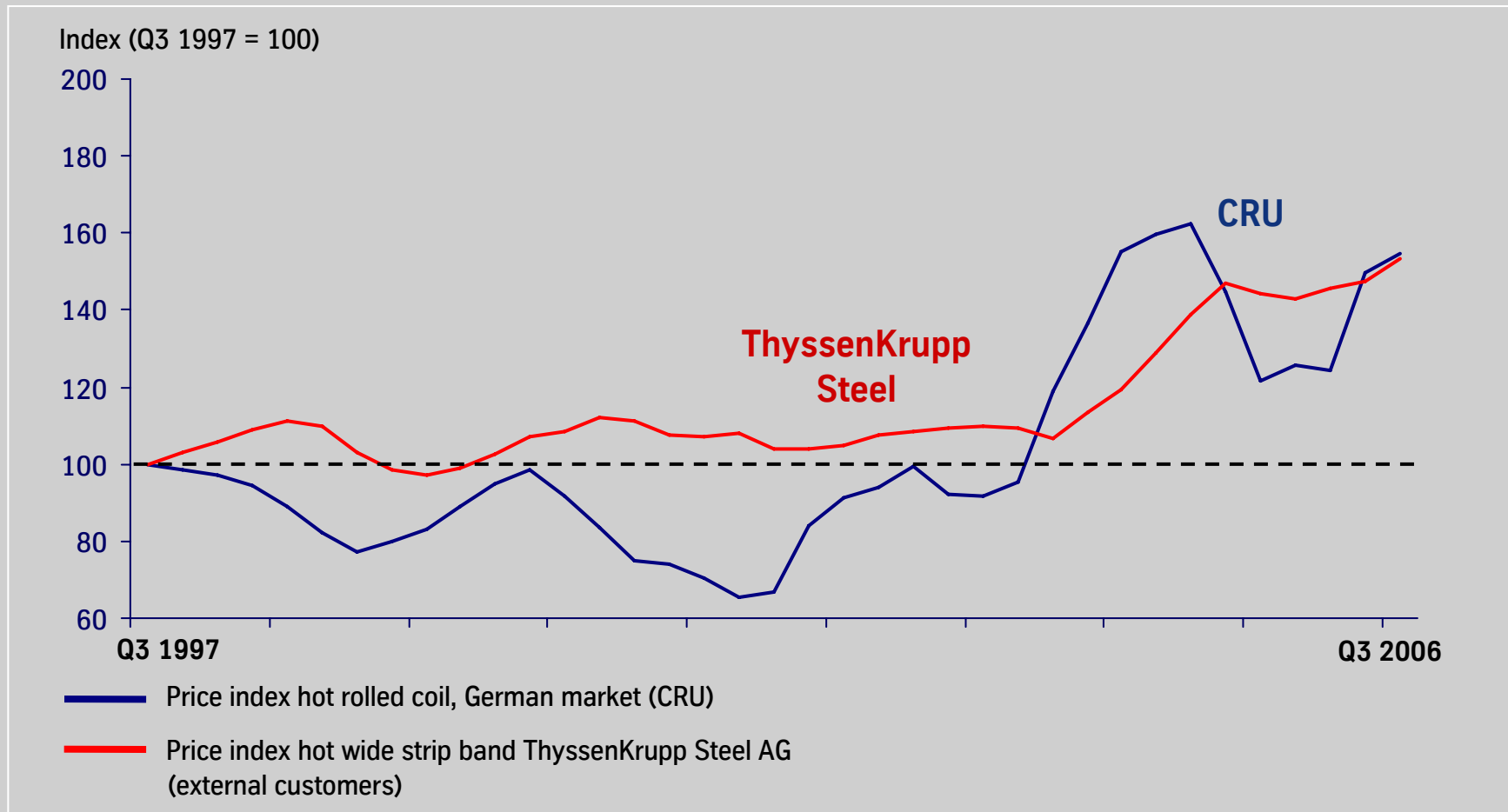
# Productivity Proceedings Reduce the Cost Base ...



\* calendar year basis



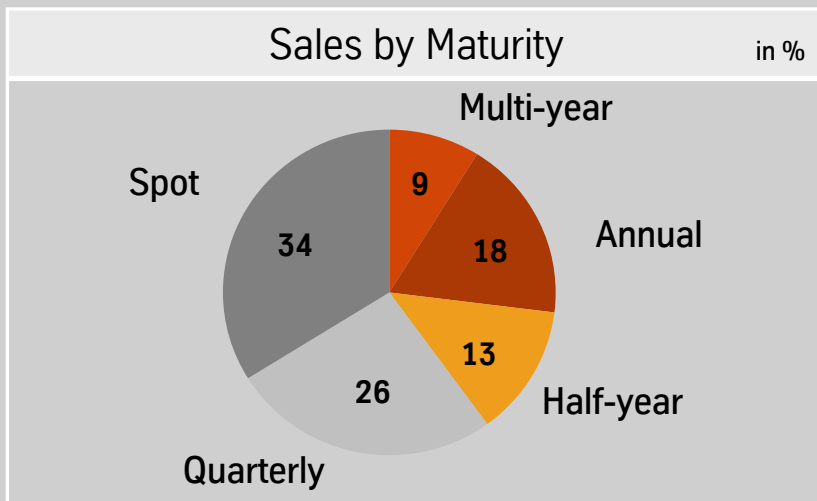
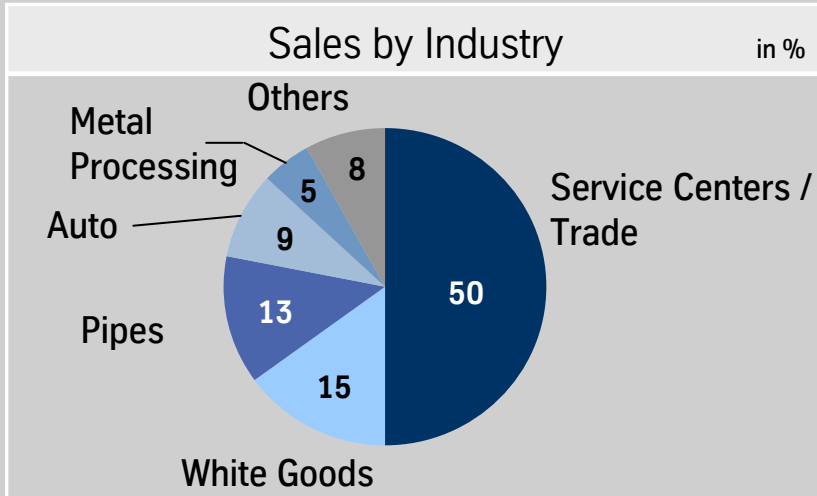
## ... Lead to Lower Earnings Volatility at ThyssenKrupp Steel



Sources: CRU, own calculations based on CRU  
TKS

all data incl. Q3 2006

# Stainless: Demanding but Longer-term Customers

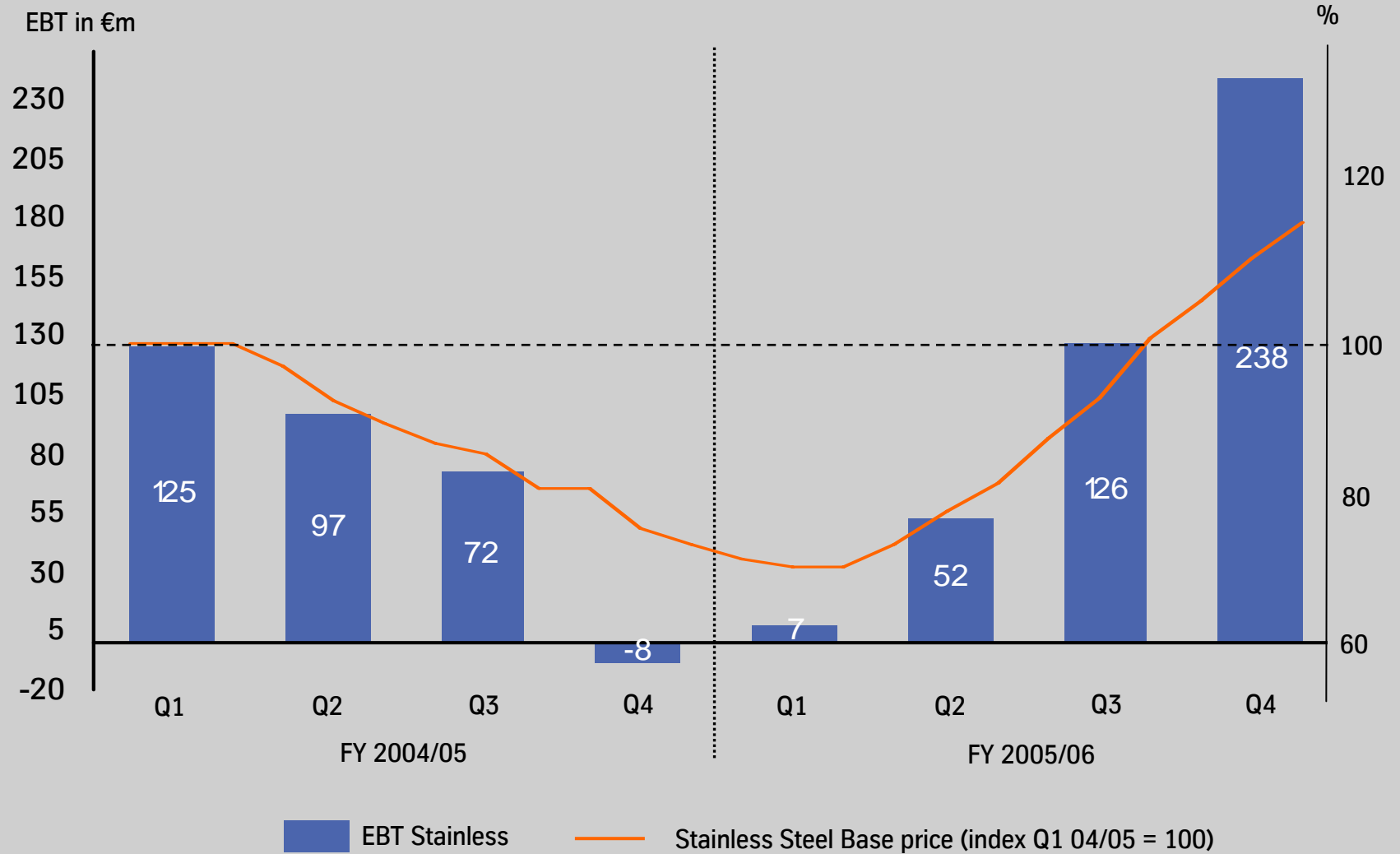


## Key Drivers of ThyssenKrupp Stainless

- Lively demand from almost all customer sectors
- Higher predictability of business through a comparatively higher exposure to longer-term contracts
- Keen price increase in raw materials in particular nickel
- Strong focus on ferritic grades (35% of ThyssenKrupp's Stainless product portfolio)
- Reduction in stainless steel capacities (Outokumpu's Sheffield plant, fire in Krefeld,...)
- No disruptions from the inventory side (customers' inventories at normal level)

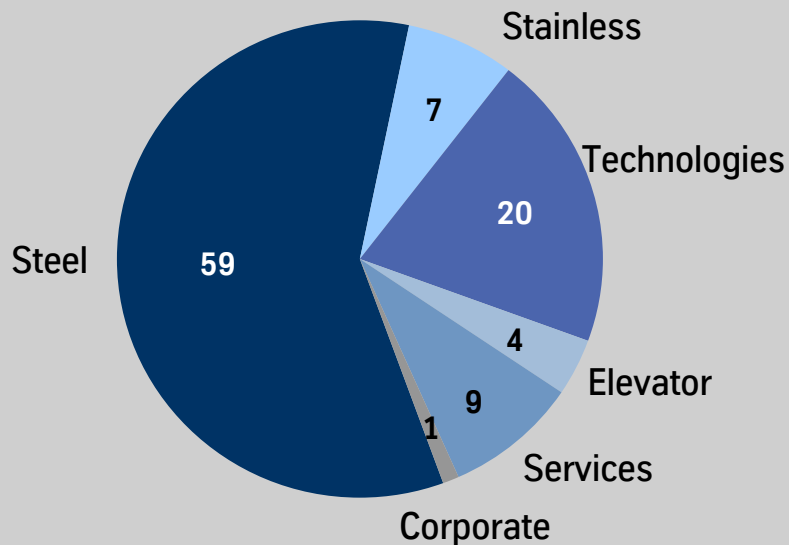


# Stainless: Tight Market Conditions Boosting Base Prices and EBT

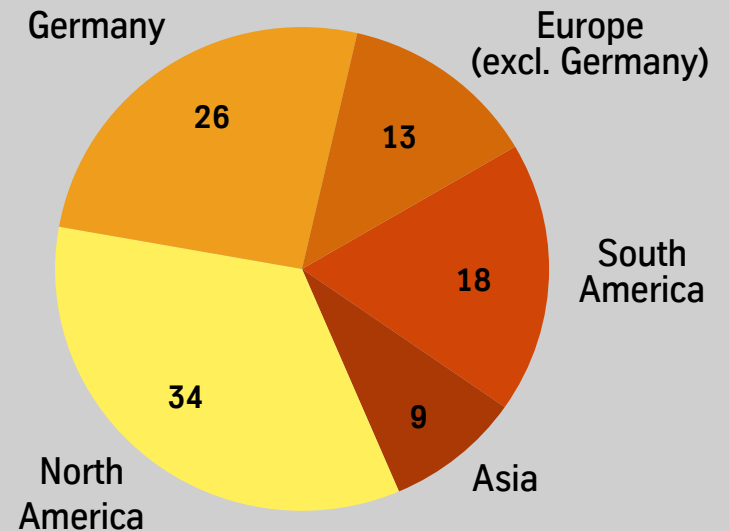


# Group Growth Strategy – €17-20 bn of Capex within 5 Years

**Capex per segment (in %)**

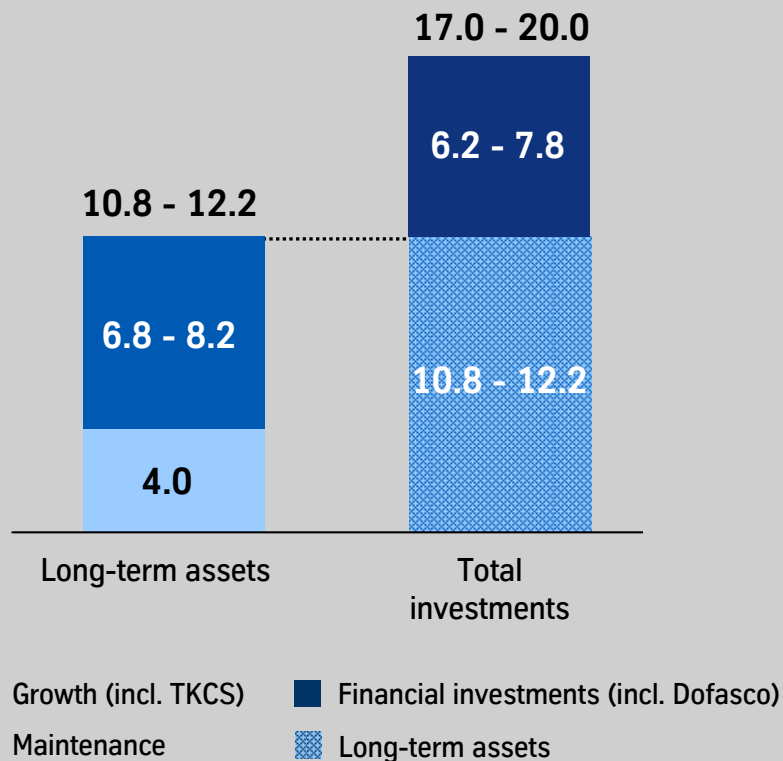


**Capex per region (in %)**



# Group Growth Strategy – Investment Overview

## Investment Plan (2005/06 - 2009/10)



## Breakdown of Investments (2005/06 - 2009/10)

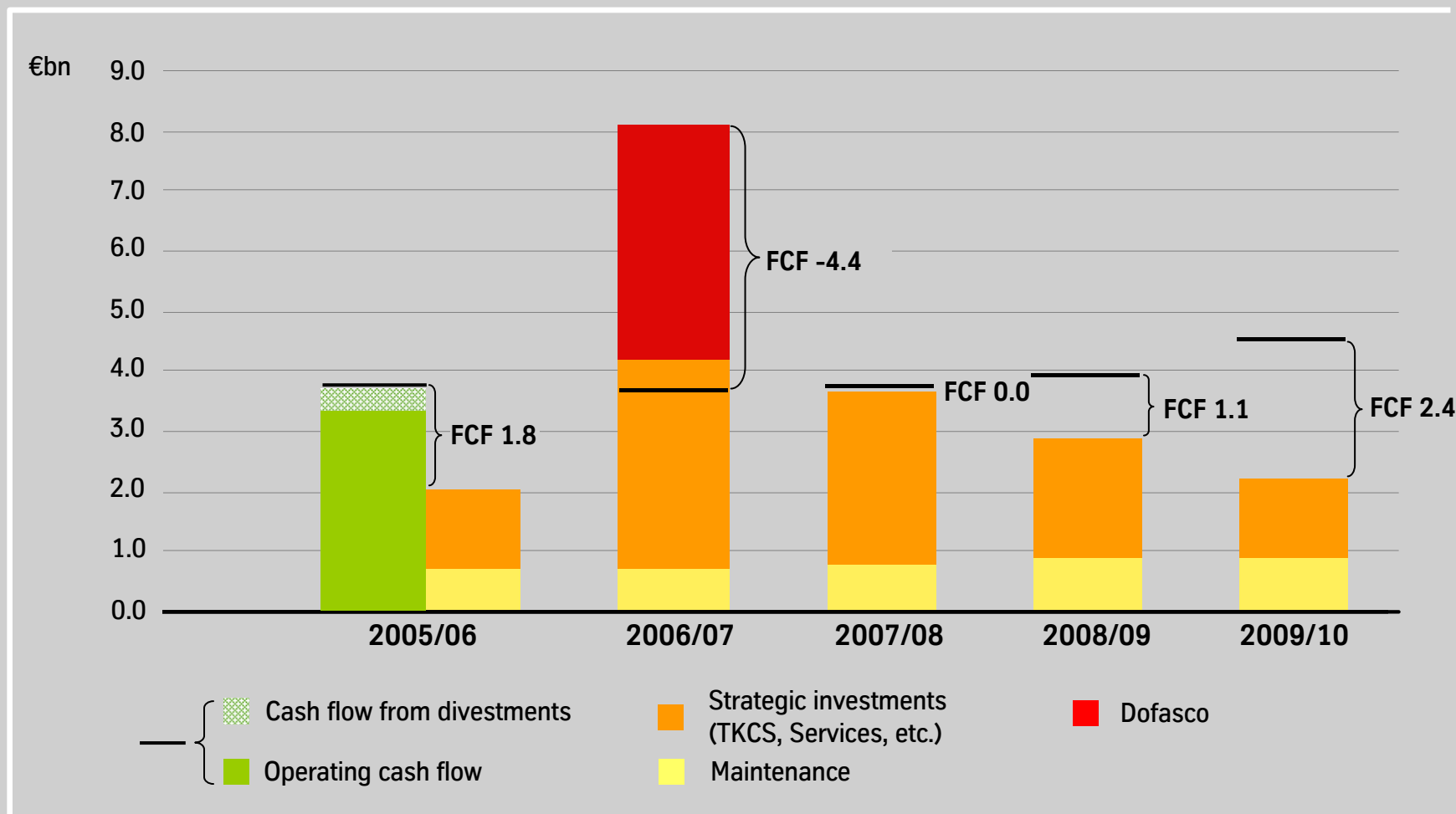
Long-term assets	in € billion
<b>Growth</b>	
• TKCS (Brazil)	3.0
• Capacity increase Duisburg	0.4
• TK Services	0.4
• Expansion/Modernization	3.0 - 4.4
<b>Subtotal</b>	<b>6.8 - 8.2</b>
<b>Maintenance (esp. Steel)</b>	<b>4.0</b>
<b>Total</b>	<b>10.8 - 12.2</b>
<b>Financial investments</b>	
• Dofasco*	3.9
• TK Technologies	>0.5
• TK Elevator	>0.4
• TK Services	0.5
• Other	0.9 - 2.5
<b>Total</b>	<b>6.2 - 7.8</b>
<b>Total investments</b>	<b>17.0 - 20.0</b>

⇒ Well-balanced mix between organic growth and acquisitions

\* price of equity



# Group Growth Strategy – Development of Group Cash Flows



## Investment Grade Rating with Every Rating Agency is Key

The underlying principle for all our growth initiatives

### High degree of flexibility due to

- Cash (€4.4 billion as of Sept 30, 2006)
- Available credit lines (€4.3 billion as of Sept 30, 2006)
- Treasury stock (25.7 million shares at cost of €697 million)
- Proposed authorized capital (€500 million)
- Estimated OCF (approx. €19 billion from 2005/06 - 2009/10)
- Continuous revision of current business portfolio

⇒ **Solid basis for our growth initiatives built on a stable investment grade rating!**



## Investment Conclusion

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- Strong commitment to sustainable profit and cash generation as well as value enhancement across business cycles

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- Value creation for shareholders not only by profitable growth initiatives, but also by stable and sustainable dividend payment

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- Continuation of systematic value management by concentrating only on high-performance business areas and active portfolio management

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- Further expansion of service orientation as well as fostering technological and innovative capabilities

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## Financial Calendar 2007

- January 19, 2007 Annual General Meeting (Bochum, Germany)
- January 24, 2007 to February 12, 2007 Quiet Period
- February 13, 2007 Interim Report 1st quarter 2006/2007 (Oct to Dec)  
Conference call with analysts and investors
- March 20/21, 2007 ThyssenKrupp Field Day: Services  
(Krakow/Katowice, Poland)
- April 24, 2007 to May 10, 2007 Quiet Period
- May 11, 2007 Interim Report 2nd quarter 2006/2007 (Jan to Mar)



## Financial Calendar 2007/2008

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- May 15, 2007                      Analysts' and Investors' Meeting (London, UK)

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- July 24, 2007                      Quiet Period  
to August 9, 2007

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- August 10, 2007                      Interim Report 3rd quarter 2006/2007 (Apr to Jun)  
Conference call with analysts and investors

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- October 25, 2007                      Quiet Period  
to December 3, 2007

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- December 4, 2007                      Annual Press Conference  
Analysts' and Investors' Meeting

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- January 18, 2008                      Annual General Meeting

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# How to Contact ThyssenKrupp Investor Relations

## Institutional Investors and Analysts:

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To be added to the IR mailing list, send us a brief e-mail with your contact details!

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