

Overview Fiscal Year 2004_2005,
Perspectives and Strategy

December 01, 2005

ThyssenKrupp



Agenda

- **Overview Fiscal Year 2004/2005, Perspectives and Strategy**
 - **Strong Partnership between Dofasco and ThyssenKrupp**
Friendly Take-over Bid to Dofasco's Shareholders
-



FY 2004/05 – Best Performance Ever

- **Value generation increased over last year**
 - EVA of €1,087 million compared to €572 million in FY 2003/04
- **EBT increased to €1,836 million, 24% higher yoy**
 - Driven by strong performance of Steel, Technologies and Services
- **Net income (incl. discontinued operations) up 13% at €1,019 million**
 - Earnings per share reached €2.05 compared with €1.81
- **Net financial credit for the first time: €9 million**
 - Gearing at -0.1%
- **Proposal to increase dividend by €0.10 to €0.70 per share, in addition special dividend of €0.10 per share**



FY 2004/05 – Highlights

Strong performance as the result of...

- successful execution of our strategy to focus on Steel, Capital Goods and Services
- numerous efficiency enhancement programs, predominantly TK best
- improved market positions

...and despite...

- significant price hikes for raw materials and energy
- suffering OEMs in North America



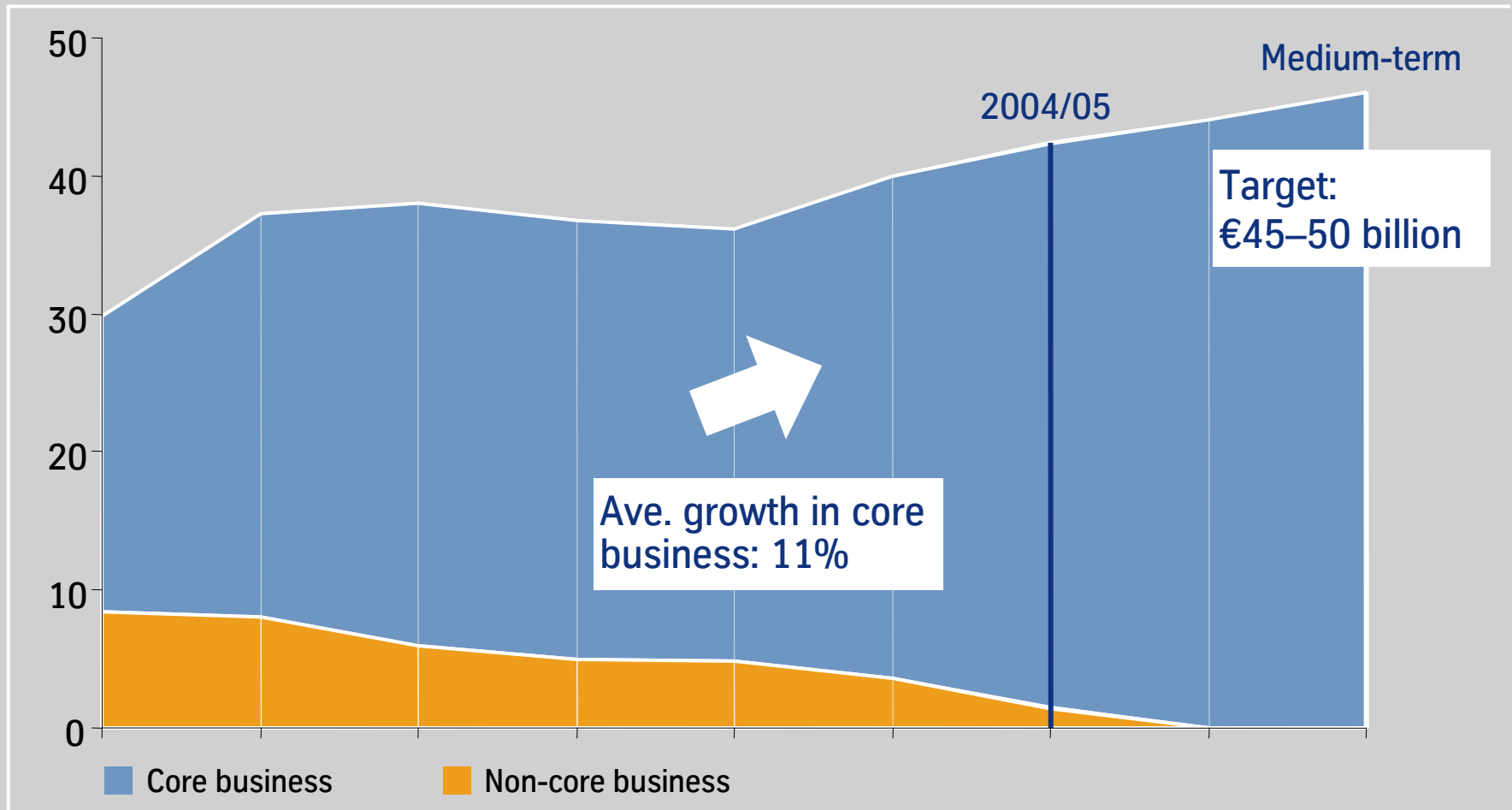
Geared Towards Sustainable Profitable Growth

Disposal program “Divest 33+” virtually completed

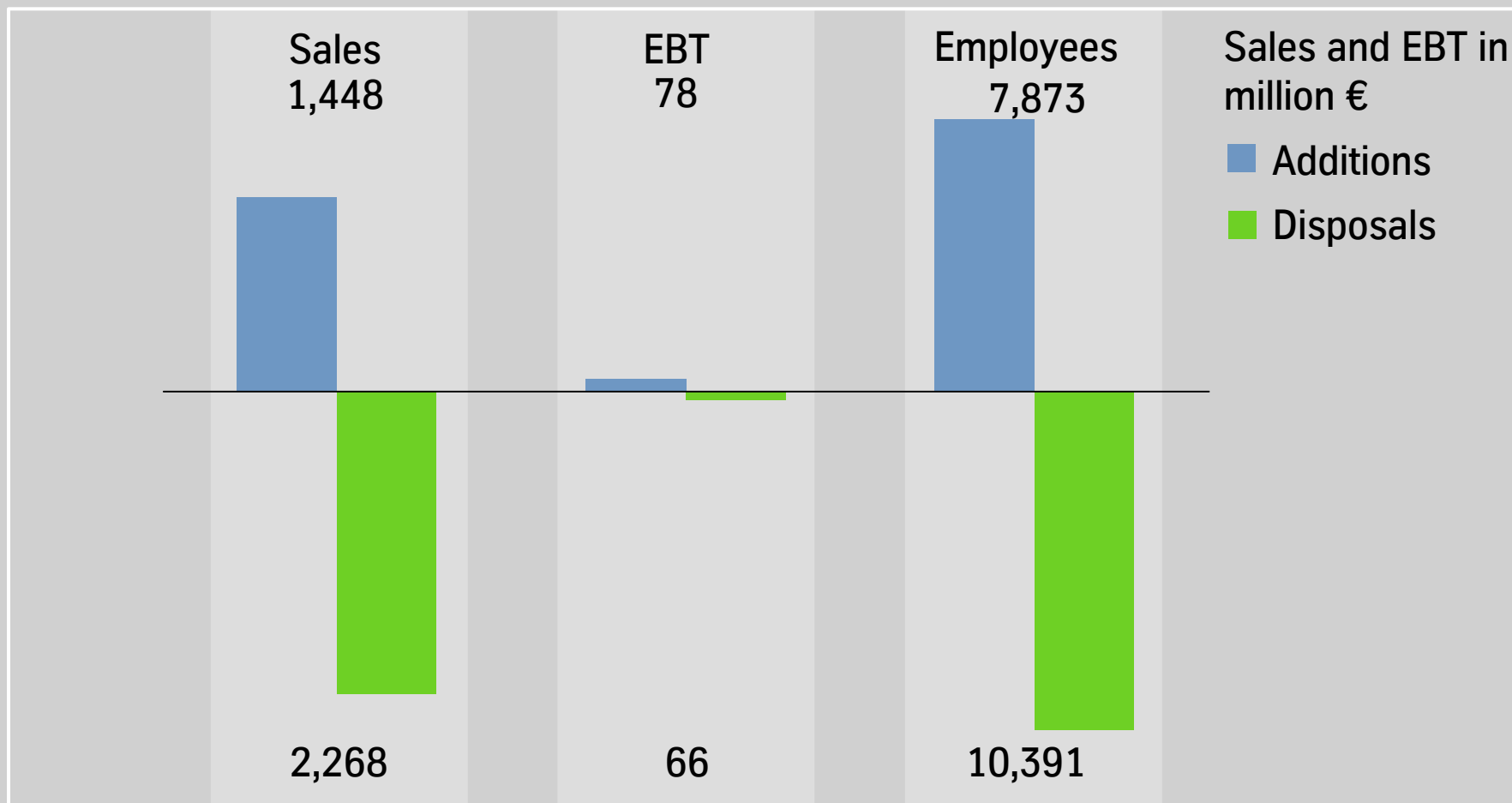
- ⇒ New scope for future strategic acquisitions
 - ⇒ Phase of sustainable profitable growth beginning
 - ⇒ Further increase in earning power and enterprise value
 - ⇒ Medium-term sales target of €45 to €50 billion
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Strategic Goals for the Future

Sales of €45 - €50 billion through disproportionate growth of core business

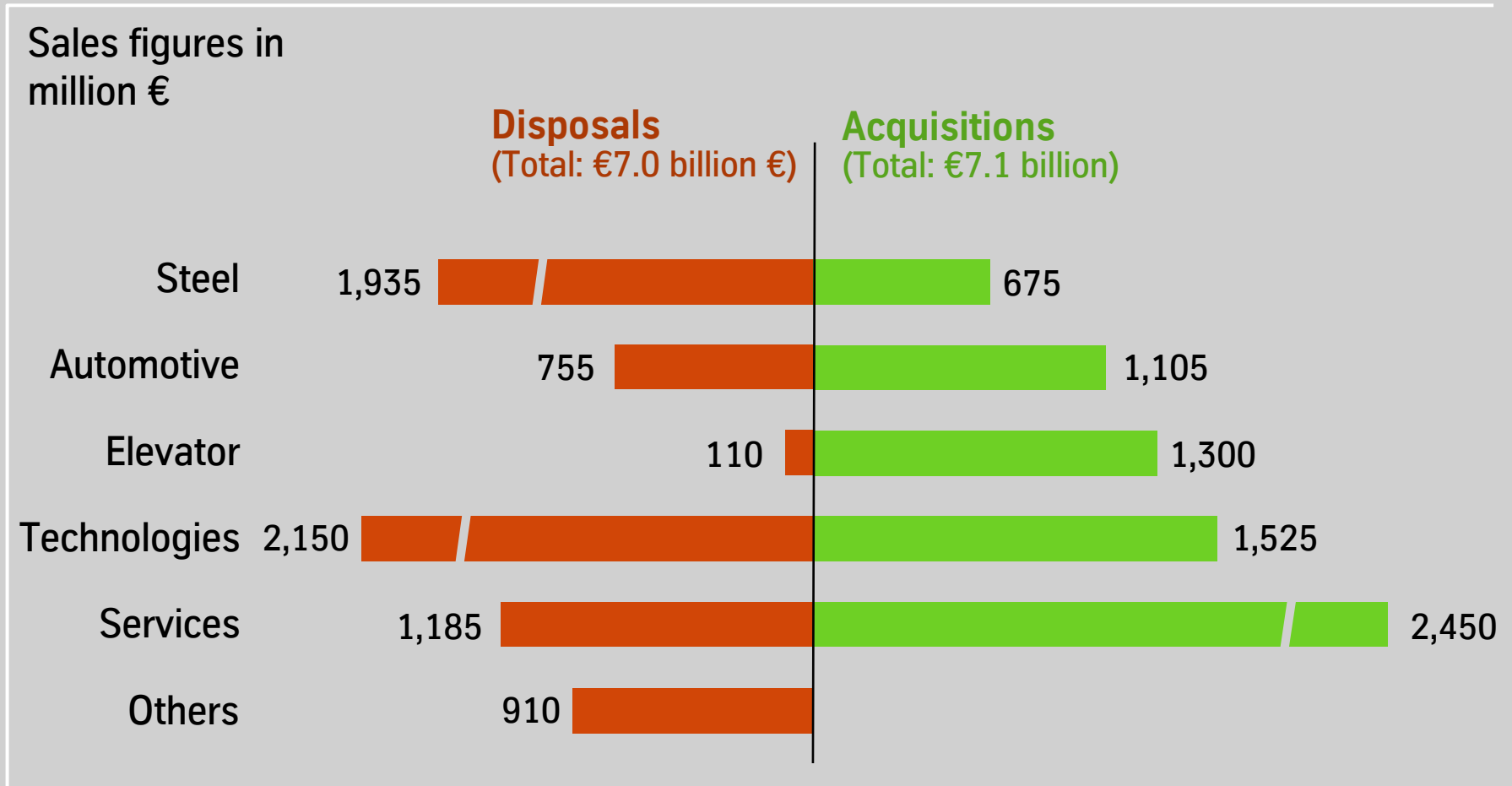


Change in Sales, EBT and Employees through Portfolio Optimizations in 2004/05



Active Portfolio Management at ThyssenKrupp

Significant change in portfolio since the merger (as per October 2005)



Group's Success Depends on Ability to Innovate

- Research and development a top priority
- R&D expenditures to increase annually
- Increase to 2% of sales in medium term
- Efforts to increase public acceptance of technology continue
- New Ideas Park in May 2006 in Hanover



Outlook

- If the economic forecasts prove accurate, we anticipate a positive performance overall in 2005/2006.

- According to current plans, we expect sales in the region of €43 billion in the current fiscal year.

- Our long-term target for pre-tax earnings is around €1.5 billion, and in fiscal 2005/2006 we once again plan to achieve a figure of this magnitude, excluding major nonrecurring effects.

- We will continue to pay a dividend based on our earnings performance.

As published in the Annual Report 2004/05, p. 52, December 01, 2005



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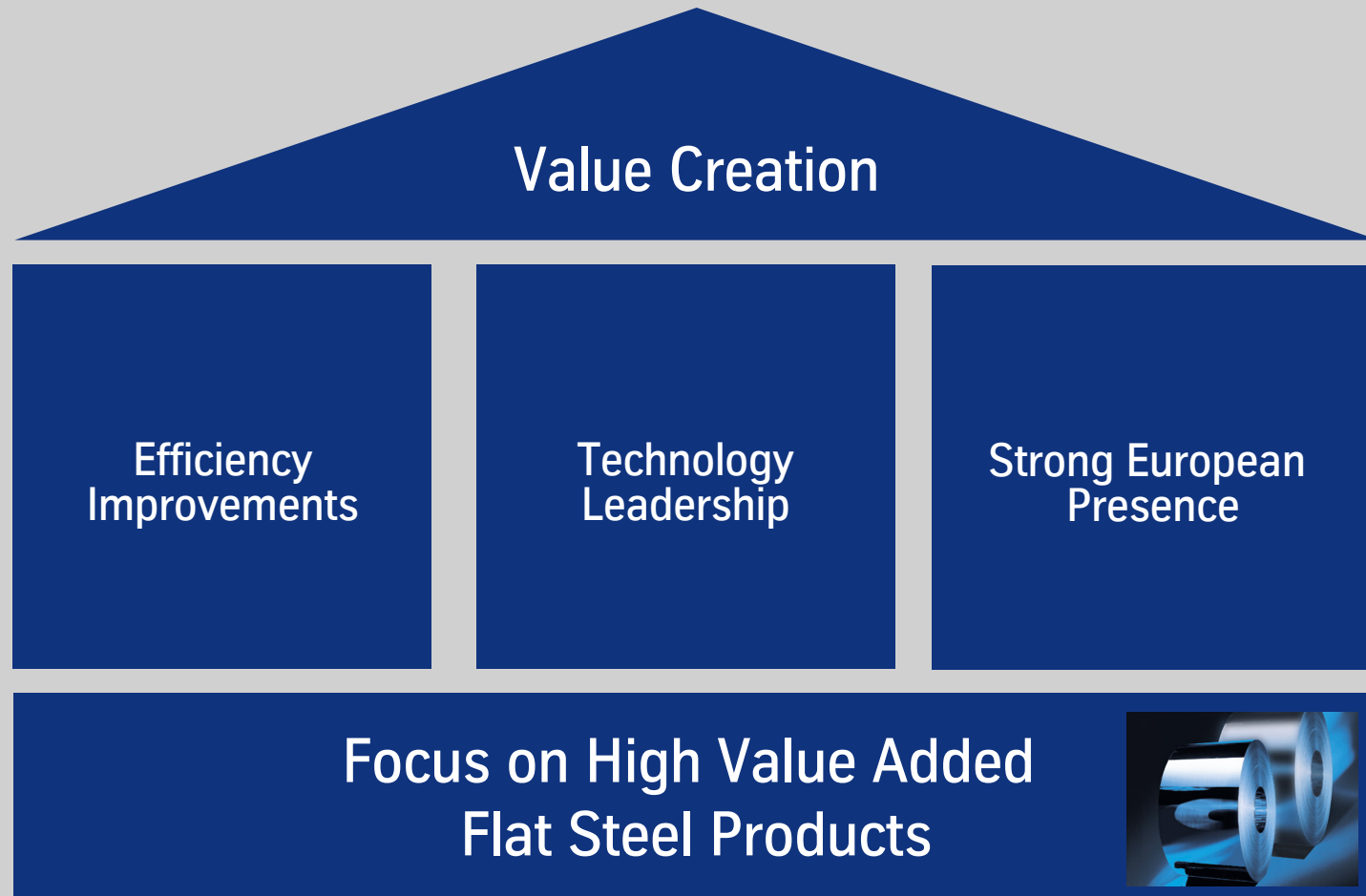
Transaction Highlights

Key Highlights

- Offer price of C\$61.50 per share – total equity value of €3.5 billion
- Dofasco Board unanimously recommends acceptance of offer
- Creation of a global leader in the high quality flat steel market with combined sales of over €12 bn



ThyssenKrupp Steel – Strengths



ThyssenKrupp Steel – Growth Strategy

Strategy to grow in Europe and NAFTA

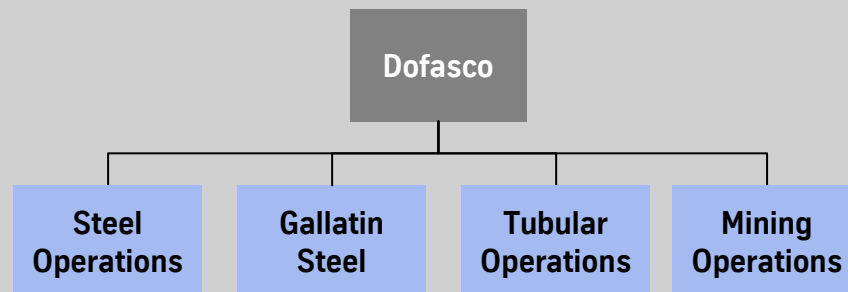
- **Build on strong European presence**
 - **Creation of a new low-cost slab producer to ensure future growth opportunities**
 - **Enter NAFTA market with high demand for high value added products**
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- A world map is displayed in the background, with the continents of Europe and North America highlighted in a light blue color. The rest of the world is shown in a light gray color.

Dofasco Overview

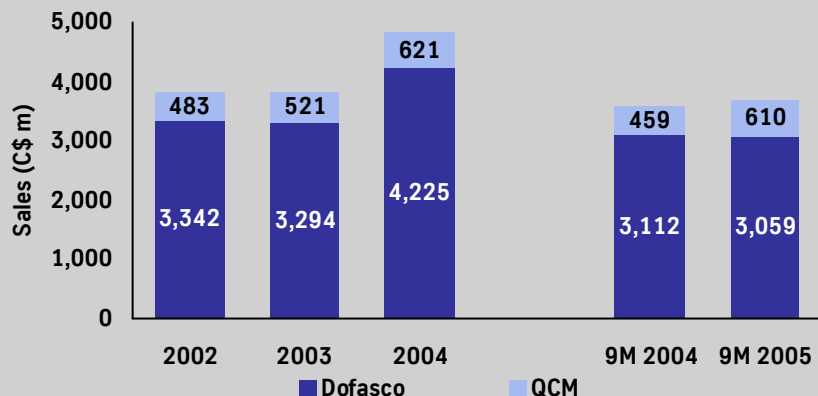
Business Overview

- Leading Canadian steel producer, headquartered in Ontario, with currently approx. 11,000 employees
- Supplier of flat-rolled steel products with facilities in Canada, the US, and Mexico
- Key Products: Galvanized, Cold Rolled, Tinplate and Hot Rolled
- Customers: Automotive, Packaging, Distribution and Construction
- Dofasco also owns 98.7% of QCM, an iron ore company

Dofasco Group Structure



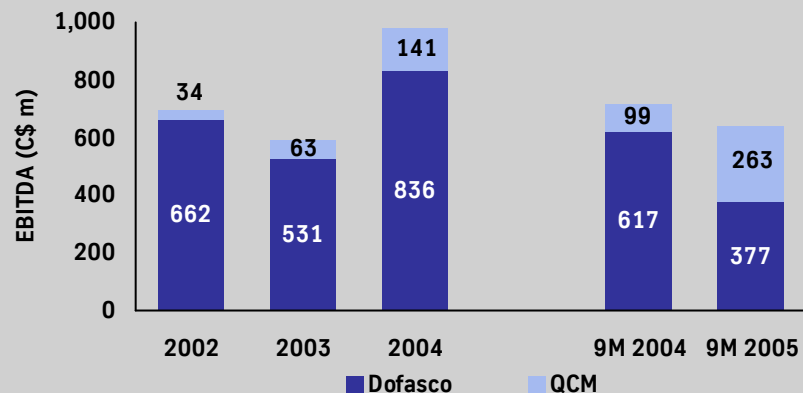
Dofasco and QCM Sales Development



Note: Dofasco reported sales of C\$3,239m for the 9 months to 30 September 2005. Adjusted for the 71 day period from 22 July until 30 September during which QCM contributed C\$179m of sales, sales were C\$3,059m.

Source: Dofasco financial reports (adjusted to remove the QCM sales, not adjusted for intercompany eliminations), QCM prospectus (amended version as of Nov. 16, 2005).

Dofasco and QCM EBITDA Development



Note: Dofasco reported an EBITDA of C\$413m for the 9 months to 30 September 2005. Adjusted for the 71 day period from 22 July until 30 September during which QCM contributed C\$36m of EBITDA, EBITDA was C\$377m.

Source: Dofasco financial reports (adjusted to remove the QCM EBITDA, not adjusted for intercompany eliminations), QCM prospectus (amended version as of Nov. 16, 2005).



Excellent Strategic Fit

Acquisition of Dofasco - Rationale

Focus on High Quality Products and Excellent Customer Portfolio

- Technology leader meets technology leader
- Both companies are focused on high quality flat steel products and differentiation strategy in Automotive / Industry segments

Expansion in NAFTA

- ThyssenKrupp Steel to gain strong footprint in NAFTA with regional customer access
- Dofasco to become ThyssenKrupp Steel's NAFTA platform and HQ

Low Cost Slabs Supply from Brazil

- Slab supply for Dofasco from ThyssenKrupp's Brazilian steel project

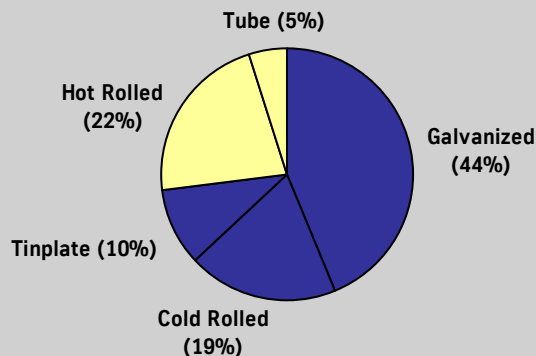
Strengthen Market Position in Global Steel Industry

- ThyssenKrupp Steel to significantly increase share of global steel market, particularly in high value added products

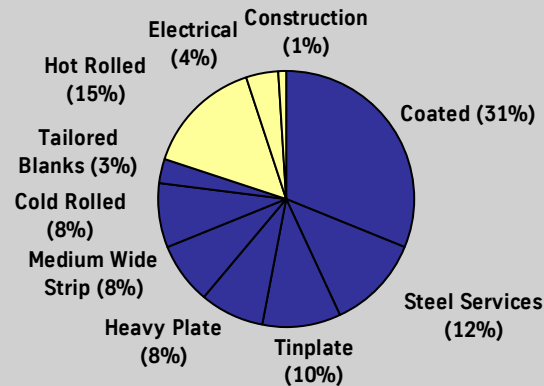


Both Companies with Strategic Focus on High Value Added Market Segments

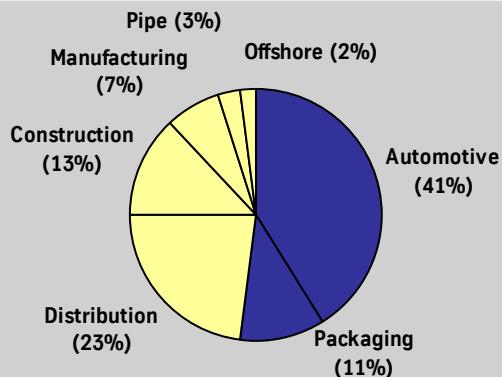
Dofasco - Products by Shipments



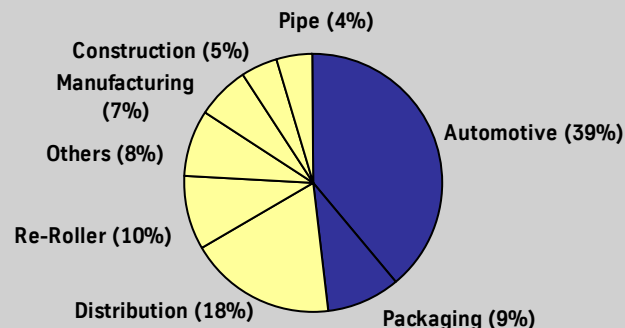
ThyssenKrupp Steel – Products by Shipments



Dofasco - Customers by Shipments



ThyssenKrupp Steel – Customers by Shipments

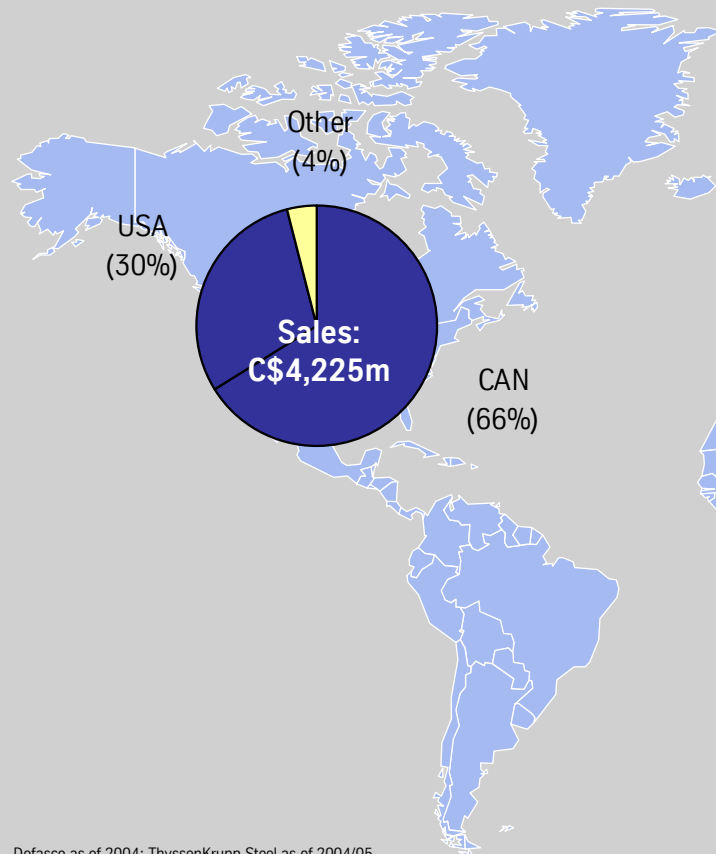


Note: Dofasco as of 2004; ThyssenKrupp Steel as of 2004/05.

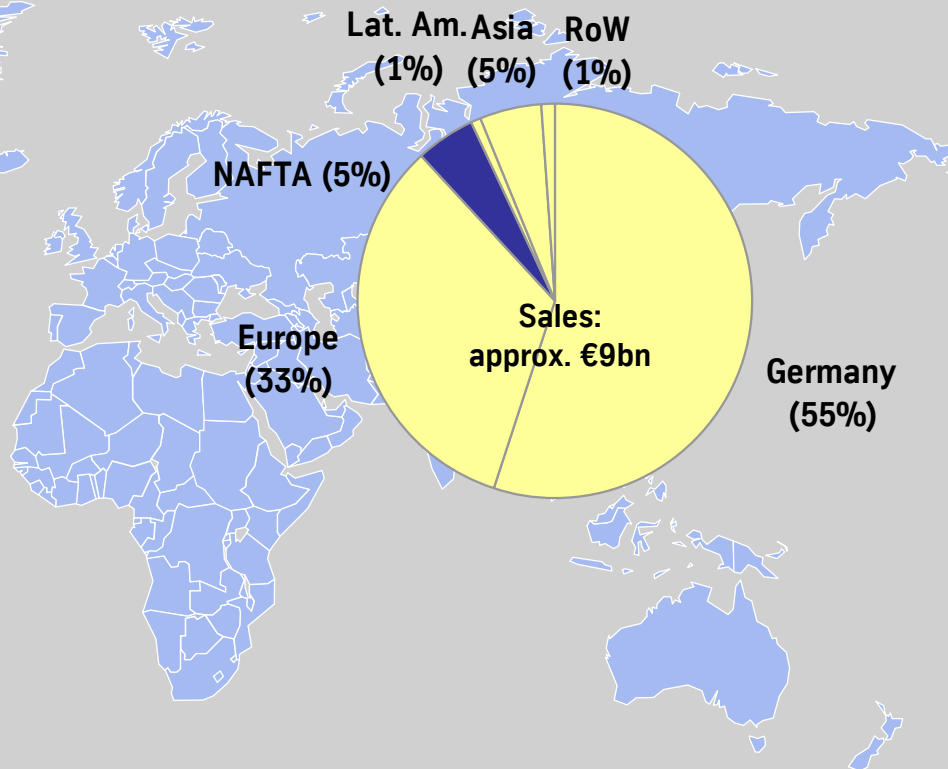


Dofasco's Strong NAFTA Presence Highly Complementary to ThyssenKrupp Steel's Footprint

Dofasco - Breakdown by Sales



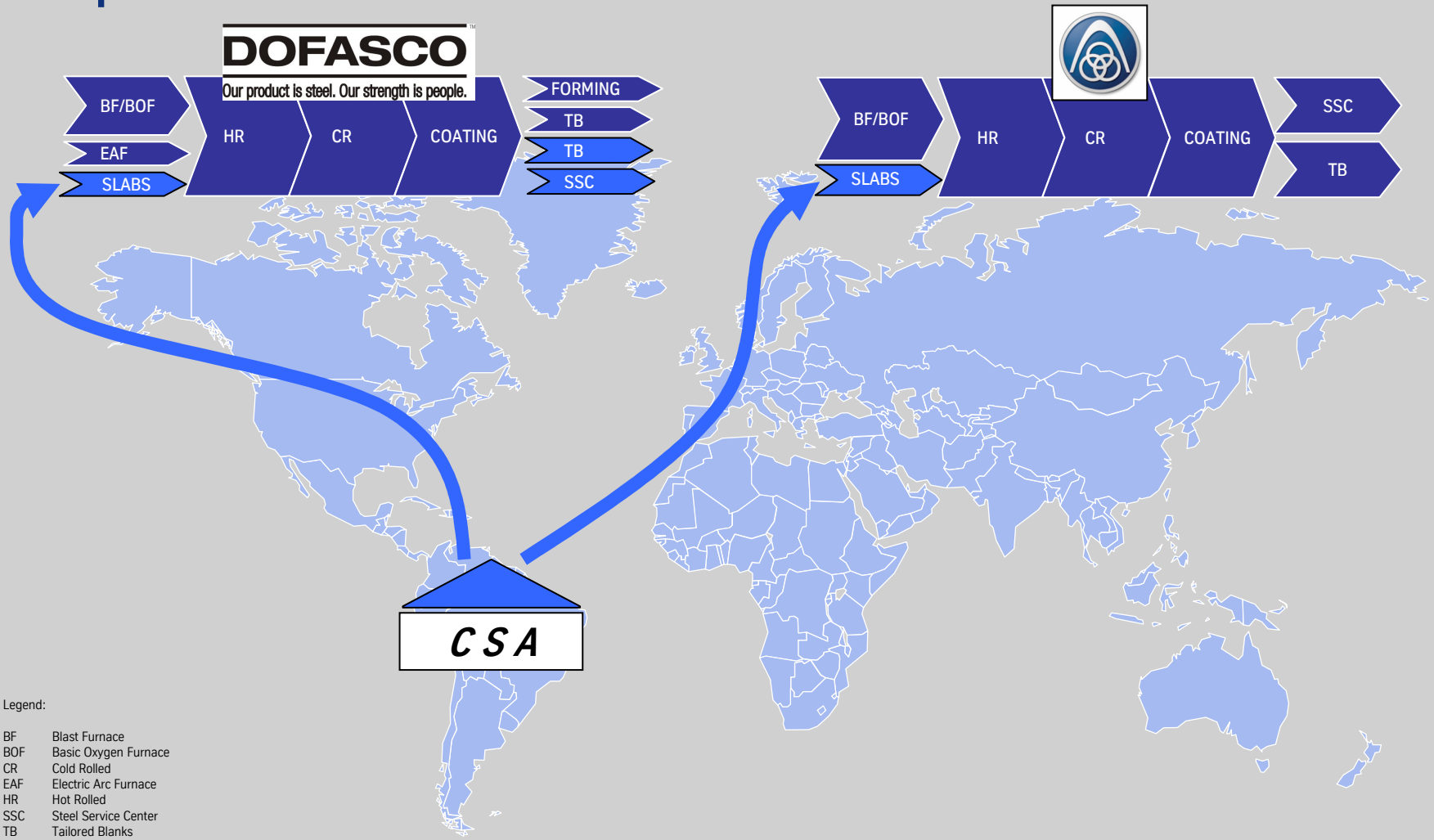
ThyssenKrupp Steel – Breakdown by Sales



Note: Dofasco as of 2004; ThyssenKrupp Steel as of 2004/05.

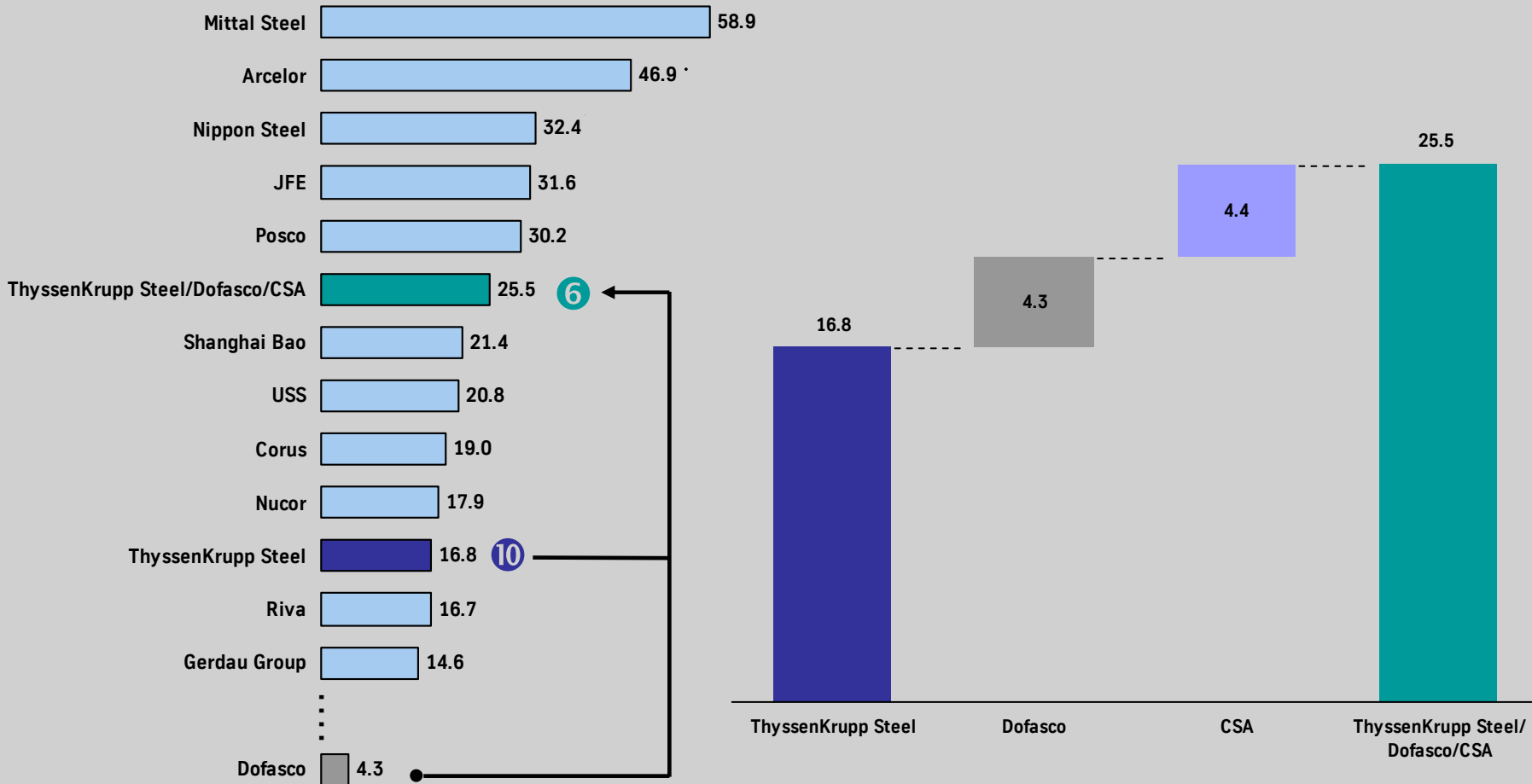


Brazilian Steel Plant (CSA) to Supply Low Cost Slabs to NAFTA and Europe



Significant Increase in Global Market Presence

Ranking by crude steel 2004 (m t/yr)



Source: IISI, MB, own research



Business Concept and Value Creation

Highlights

Principles

- Dofasco to lead the combined North American business
- Current activity of ThyssenKrupp Steel in North America to be integrated into Dofasco
- Clear focus on value management

Short-term Measures

- Management teams have been in detailed discussions on potential areas of co-operation for various months
- Selected opportunities: Advanced tinplate products, energy optimization strategies and combination of skill sets in tailored products
- Cost synergies driven by purchasing, best practice exchange and R&D

Medium-term Measures

- Slab supply from ThyssenKrupp's Brazilian steel project to Dofasco
- Multiple growth opportunities already identified by management teams



Offer Considerations

Key Facts

Key Offer Terms

- Recommended cash offer for all Dofasco shares at C\$61.50 per share
- Offer values Dofasco's equity at €3.5bn
- Offer subject to 2/3 minimum acceptance and regulatory approvals

Timetable

- Filing of take-over circular in due course
- Closing expected in Q1 / 2006

Financial Impact

- Transaction will be funded through existing liquidity
- Transaction immediately earnings enhancing for ThyssenKrupp



Why We Are Confident a Combination Will Be a Long-term Success Story

- Cultural proximity and mutual respect
- Long-standing good relations
- Fruitful discussions on operating and management level



The world needs solutions



Developing the future. ThyssenKrupp

Disclaimer

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