

German Investment Conference
HVB

Munich
September 27, 2006

ThyssenKrupp



Agenda

Stefan A. Kirsten

CFO & Executive Board Member of ThyssenKrupp AG

-
- Group Overview
-
- Strategy of the Group
-
- Strategic Steps in Steel and Automotive
-
- ThyssenKrupp – A Value driven Company
-
- Appendix
-



ThyssenKrupp – Geared Towards Sustainable Profitable Growth

- Manage value systematically by concentrating on high-performance business areas and active portfolio management
- Expand technological and innovative capabilities
- Make optimal use of potential within the Group
- Strengthen customer and service orientation



ThyssenKrupp Group 2004/2005

ThyssenKrupp AG

Group sales: €42.9 billion • EBT: €1,677 million • Employees: 183,729

Steel

Sales: €9.6 bn
EBT: €1,094 m
Empl.: 31,576

- Steelmaking
- Industry
- Auto
- Processing

Steel

Stainless

Sales: €5.6 bn
EBT: €286 m
Empl.: 12,201

- Nirosta
- Acciai Speciali Terni
- Mexinox
- Shanghai Krupp Stainless
- Stainless Int.
- VDM

Automotive

Sales: €7.9 bn
EBT: €118 m
Empl.: 42,541

- Chassis
- Body
- Powertrain

Capital Goods

Technologies

Sales: €5.8 bn
EBT: €40 m
Empl.: 27,449

- Plant Technology
- Marine Systems
- Mechanical Engineering
- Transrapid

Elevator

Sales: €3.8 bn
EBT: €355 m
Empl.: 34,151

- 4 regional business units
- Accessibility
- Escalators/ Passenger Boarding Bridges

Services

Sales: €12.7 bn
EBT: €261 m
Empl.: 34,835

- Materials Services Europe
- Materials Services North America
- Industrial Services
- Special Products

Services

Continuing operations; inter-segment sales unconsolidated; employees as at Sept 30, 2005



Steel – At a Glance

Steel



- European #2 in flat-rolled carbon steel*, leading position in electrical steel and tailored blanks
- Structure of Duisburg site unique in Europe: capacity of 17.3 million metric tons of crude steel p.a.
- Concentration on flat steel products with high value-added
- Highly innovative in products and processes
- Targeting quality and margin leadership in Europe through efficiency enhancement, sustainable investment policy and portfolio optimization
- Further strengthening of international presence with production sites in global growth markets as well as strategic alliances and cooperative ventures

* production / latest figures available



Stainless Steel – At a Glance

Stainless



- One of the world's biggest producers of flat-rolled stainless steels and leading position in nickel-base alloys
- Global market presence through local production sites, steel service centers and distribution warehouses
- Full range of stainless, acid- and heat-resistant steels (added value for customers)
- Concentration on high-quality stainless steel products
- Systematic focus on customers through strong delivery performance and consideration of individual customer needs
- Development and expansion in high-profit growth markets: Asia, North America and Eastern Europe

Capital Goods – At a Glance (I)

Automotive



- Aiming for position amongst relevant global Top 3 players
- Providing creative solutions based on competitive and innovative component capabilities
- High competence in product and process technologies
- Cross-segment cooperation and joint product development
- Strong focus on Asia, especially China and India, to balance customer structure
- Main task: Streamlining of portfolio and eliminating underperforming businesses, especially in North America

Capital Goods – At a Glance (II)

Technologies



- Focus on 3 highly profitable business units: Plant Technology, Marine Systems, Mechanical Engineering
- Strong regional and global top 3 market positions, based on innovativeness and leading-edge technology:
 - Large-scale plant construction (fertilizer plants, petrochemical plants and cement plants)
 - Surface naval shipbuilding, conventionally powered diesel submarines and mega-yachts
 - Large-diameter bearings (e.g. for wind power plants)
- Rapid expansion of service business
- Focus on activities with clear growth potential (e.g. oil sands, renewable energy)
- Sustainable value creation and generation of cash flow

Capital Goods – At a Glance (III)

Elevator



- Number 3 on world market for elevators and escalators; US number 1 for stair and platform lifts
- About 800,000 service contracts worldwide; services share of segment sales more than 50%
- Besides customer-oriented services, strong focus on modernization business
- Continuing growth through further acquisitions
- Increasing market share globally and locally, especially in Asia and Eastern Europe
- Developing and introducing innovative products (e.g. TWIN and Turbo Track)

Services – At a Glance

Services



- Service provider across the customer's value chain: procurement, logistics and production-related services as well as complete supply chain management
- Excellent market positions both in Materials Services and in Industrial Services
- After portfolio optimization and extensive restructuring back on track with sustainable earnings contribution throughout recent quarters
- Goal to increase share of high-end services – residual business serves as a base and trigger
- Boost internal growth especially in high-margin regions, mainly Eastern Europe and North America

Overview of Segment Strategies

Steel

- Clear strategy to enter NAFTA market with focus on high value-added products
- Secure growth opportunities by utilizing low-cost slabs from Brazil
- Expand strong European market position

Stainless

- Further concentration on high-quality stainless steel products and nickel alloys
- Customer focus through strong delivery performance and distribution network
- Downstream expansion in high-profit growth markets

Technologies

- Strengthen highly profitable business units and expansion of service business
- Sustainable value creation and generation of cash flow
- Integration of the Automotive business and bringing them back on track

Elevator

- Continuing growth through further acquisitions
- Increasing market share globally and locally, especially Asia and Eastern Europe
- Developing and introducing innovative products and focus on modernization business

Services

- Growth through integrated services to further dampen volatility of business
- Expansion through organic growth and acquisitions, especially Eastern Europe and North America



ThyssenKrupp Steel Meets the International Challenges



Globalization of Customers



Worldwide Consolidation of the Steel Industry



Raw Material Markets in flux

Value Creation



Efficiency Improvements

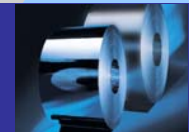


Technology Leadership

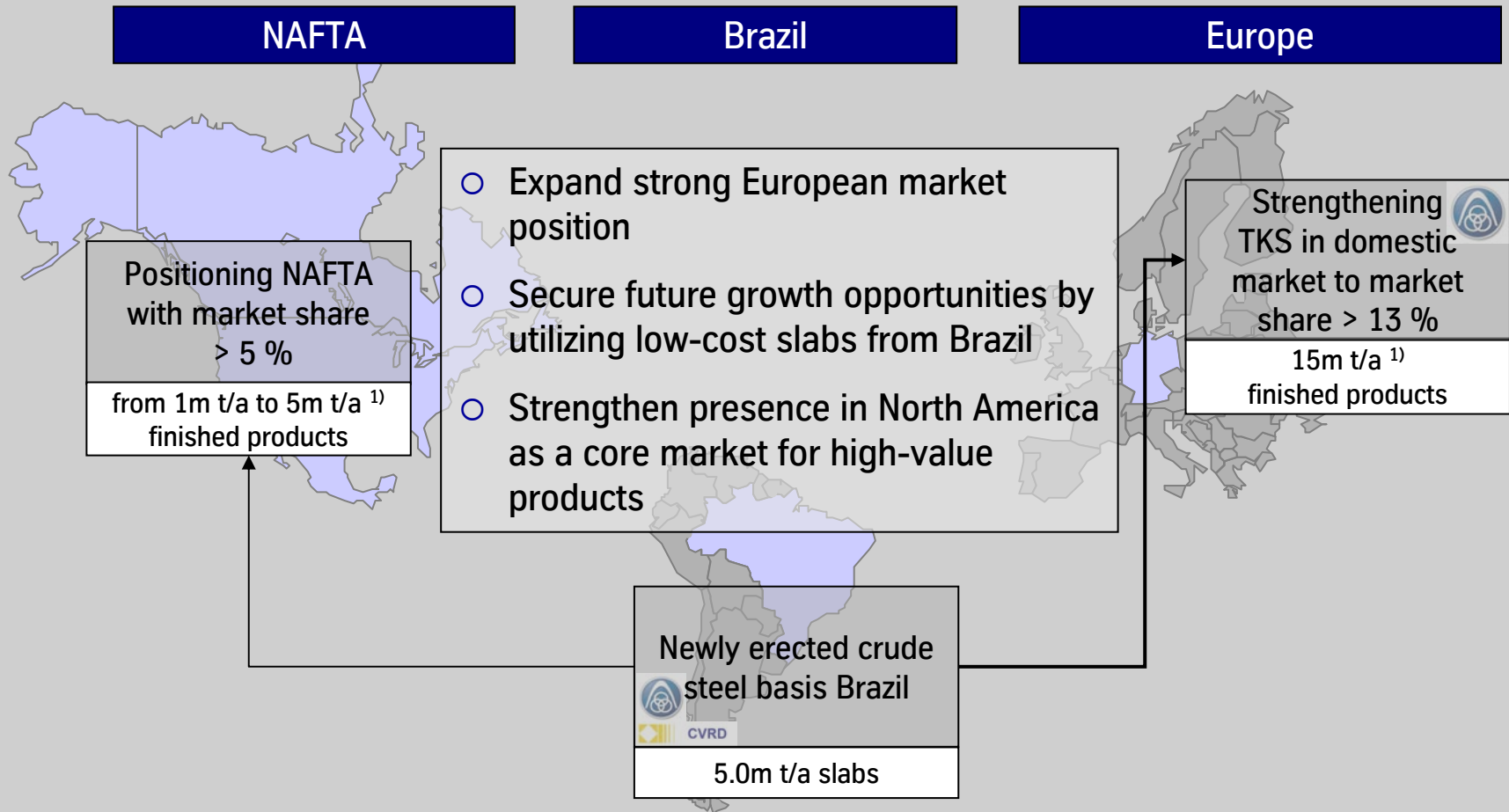


Strong Growth Perspective

Focus on High Value Added Flat Steel Products



ThyssenKrupp Sticking to Global Growth Strategy for Steel



Brazilian slab plant creates a basis for expanding position in Europe and North America

Location

- Sepetiba, Brazil
- Link to ore logistics from Minas Gerais (CVRD South System ore mines)
- Rail connection and own dock

Plant configuration



- Capacity: 5.0 million tpy

Startup

- Production of first slab march 2009

Competitive advantages

- High-quality secure ore supply
- Location advantages
- Modern, efficient technologies and processes
- Optimal logistics connection

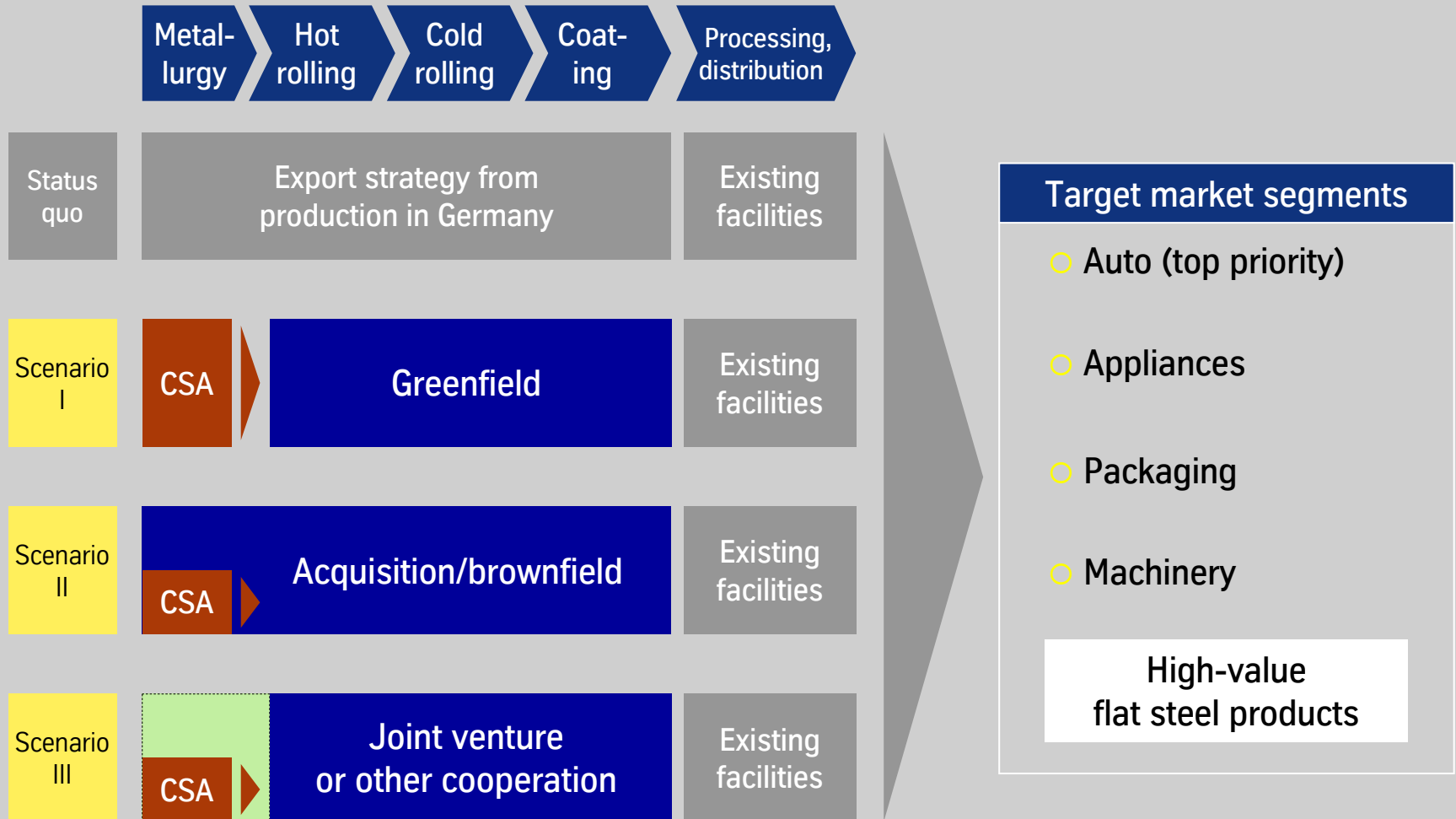
Outstanding cost position

Low-cost slabs as ideal basis for further processing in North America

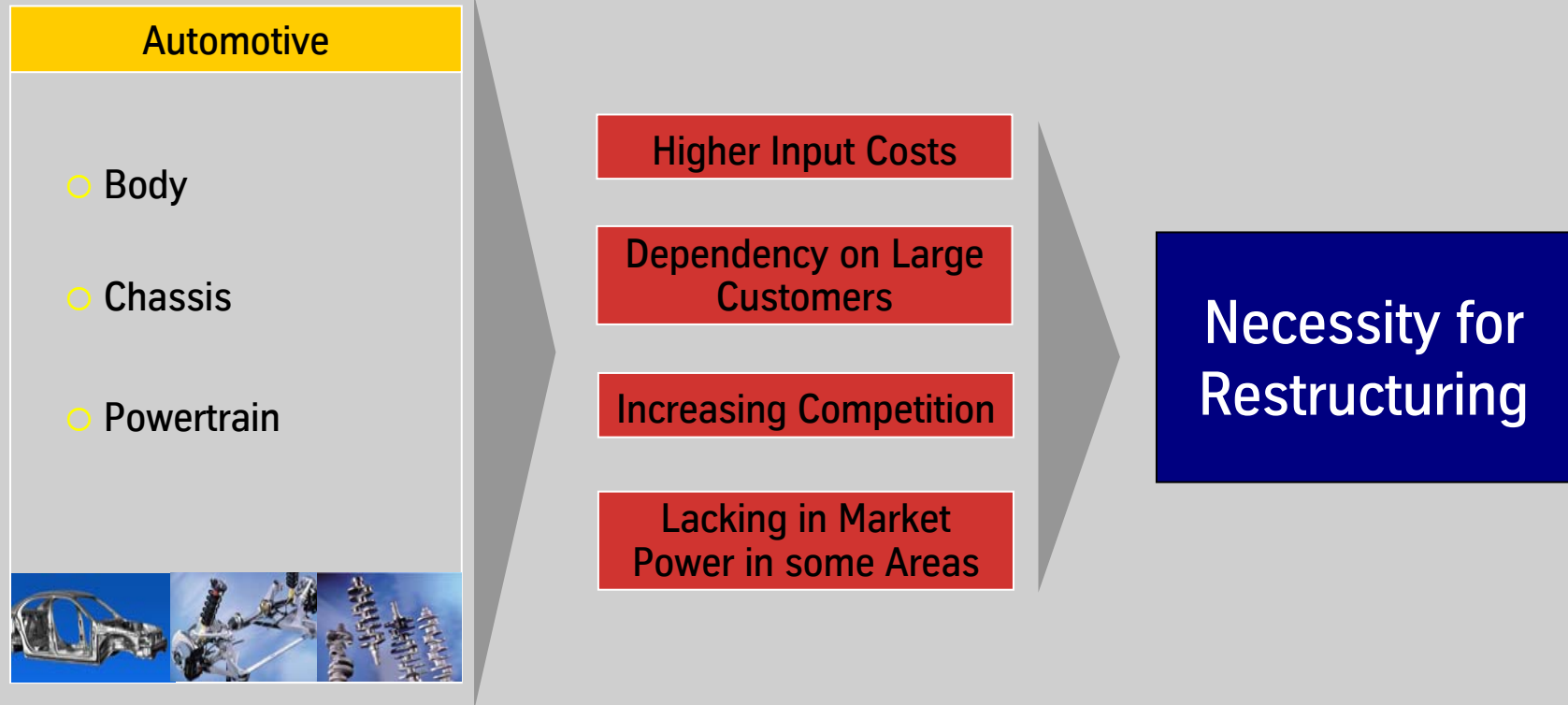
(1) a final decision has not yet been made



Downstream Strategy for North America Bases on Three Scenarios



Restructuring necessary to Get a Higher Fitness Level in Automotive



Clear Ratio behind the Integration into Technologies

Automotive

- Body
- Chassis
- Powertrain

Technologies

- Mechanical Components
- Automotive Solutions
- Plant Technology
- Marine Systems
- Transrapid



Ratio behind the Integration

- Mainly product driven integration (components)
- Synergies only in the overhead costs
- Remaining businesses in Automotive as a result of consequent focussing on profitable areas would not justify an own segment
- Head of Technologies with a good track record in turning businesses

Right steps as reaction of changes in Automotive's business environment

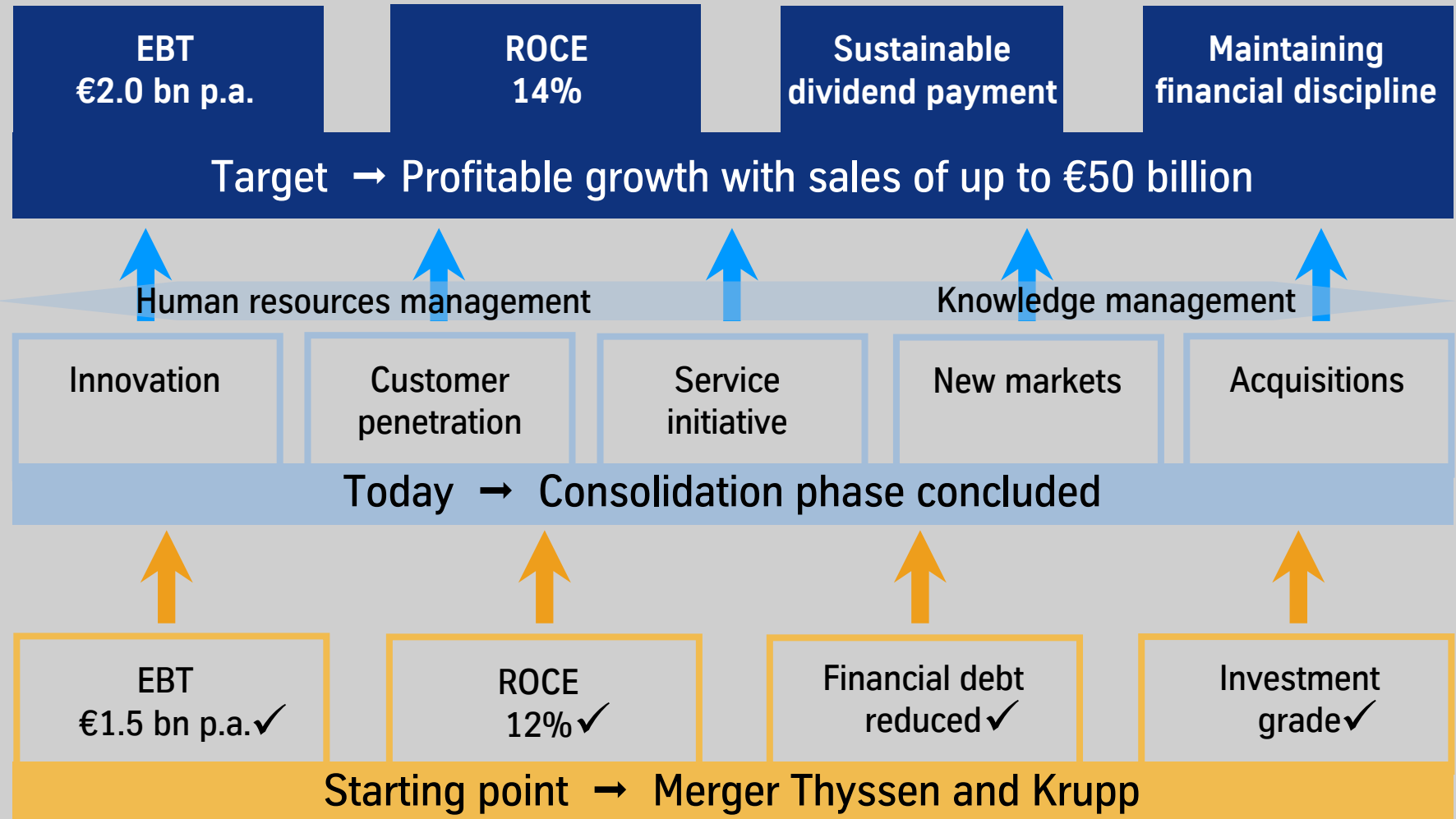
Restructuring Story in Automotive mainly a North American topic

Problems in Automotive clearly addressed		
sales €1.5 bn	Disposal of:	
	- Budd Plastics - Stahl Company	- Minor activities
	sales approx. €1.0	<ul style="list-style-type: none"> • Closure of Detroit plant announced • Shifting of the production to Shelbyville for utilization reasons • Sale or closure of Kitchener plant addressed • Concentrating on the profitable businesses in the NAFTA market

Up to €200 million restructuring charges in FY 2005/06 expected



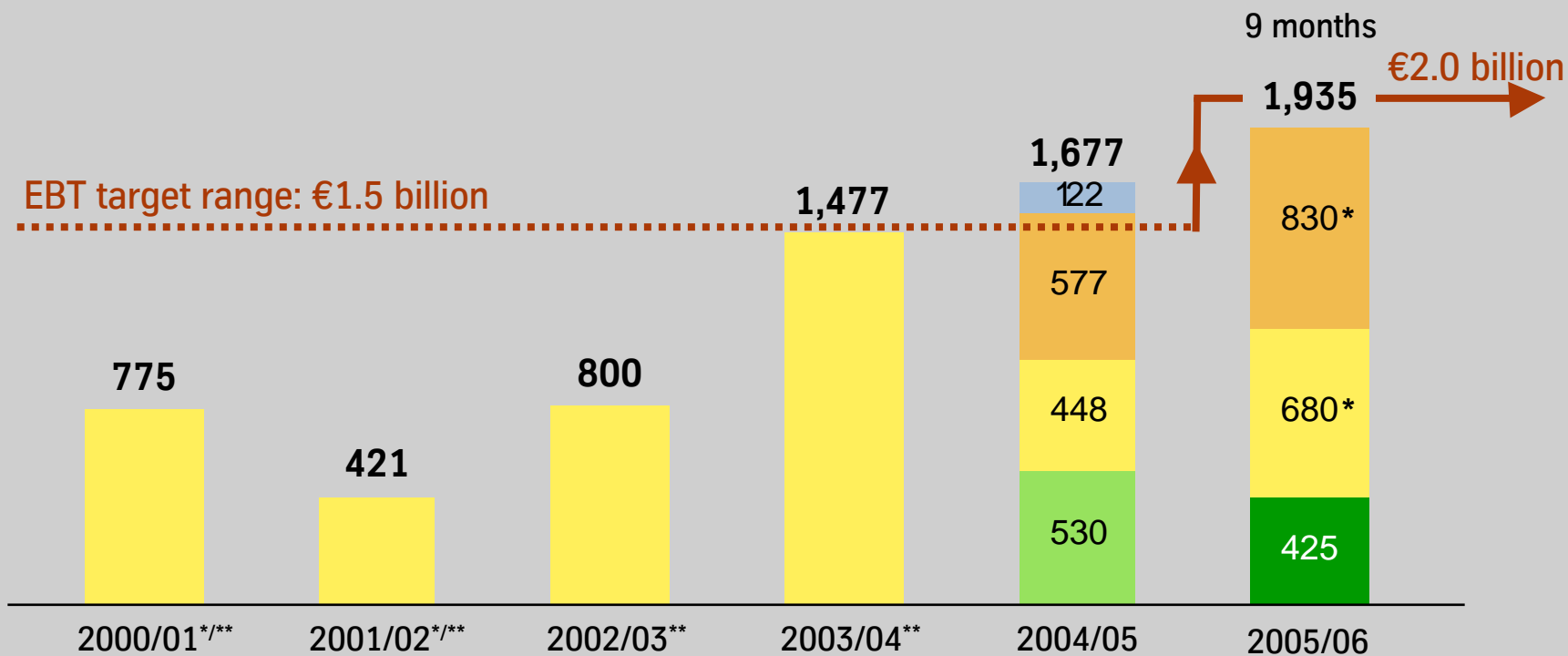
ThyssenKrupp – Growth Strategy and Consolidation as Value Driver



EBT – Track Record and Mid-term Target

EBT

million €



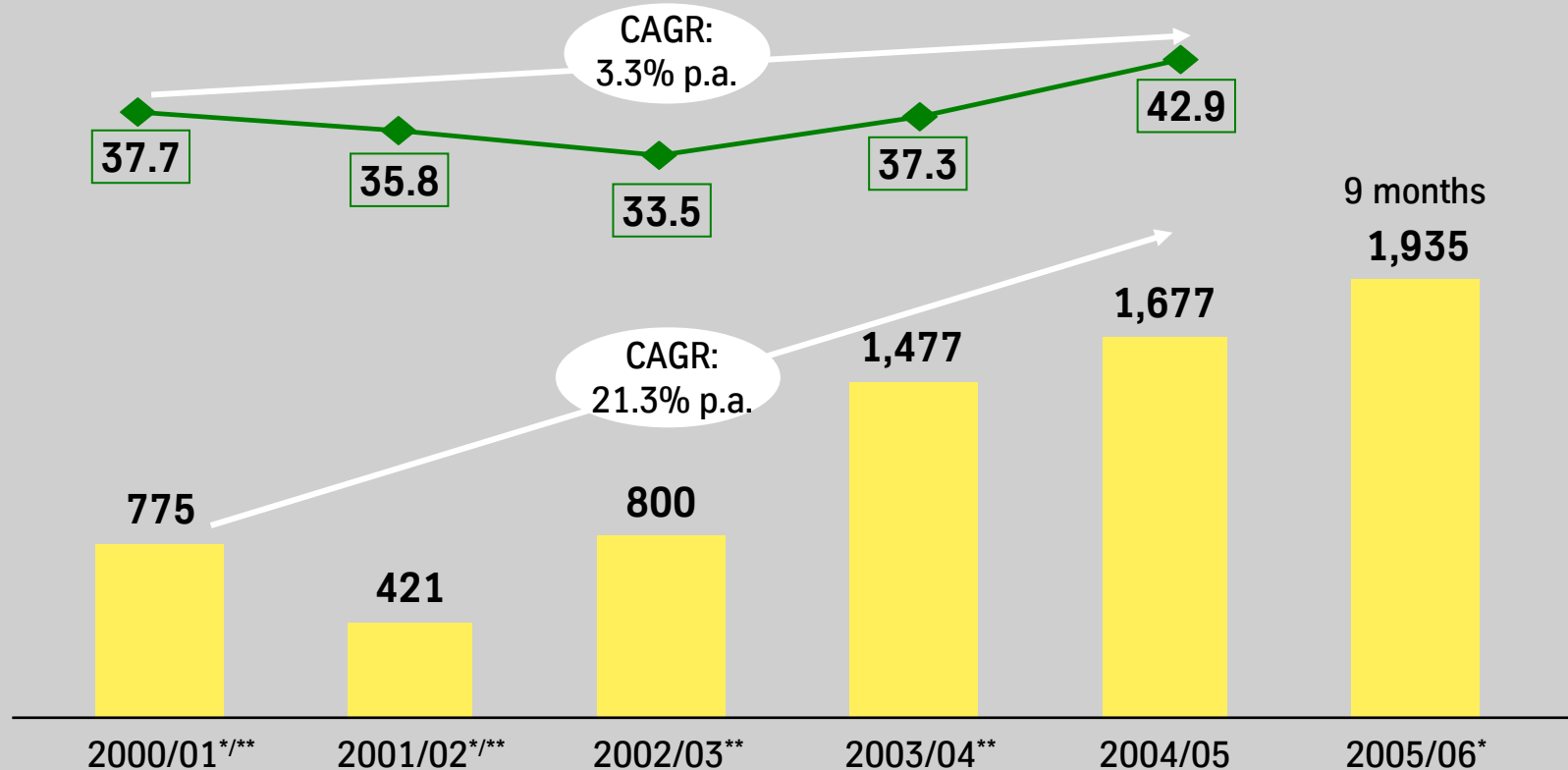
* excluding major nonrecurring items ** US GAAP



Efficiency Enhancement – Track Record

Sales and EBT

billion € / million €



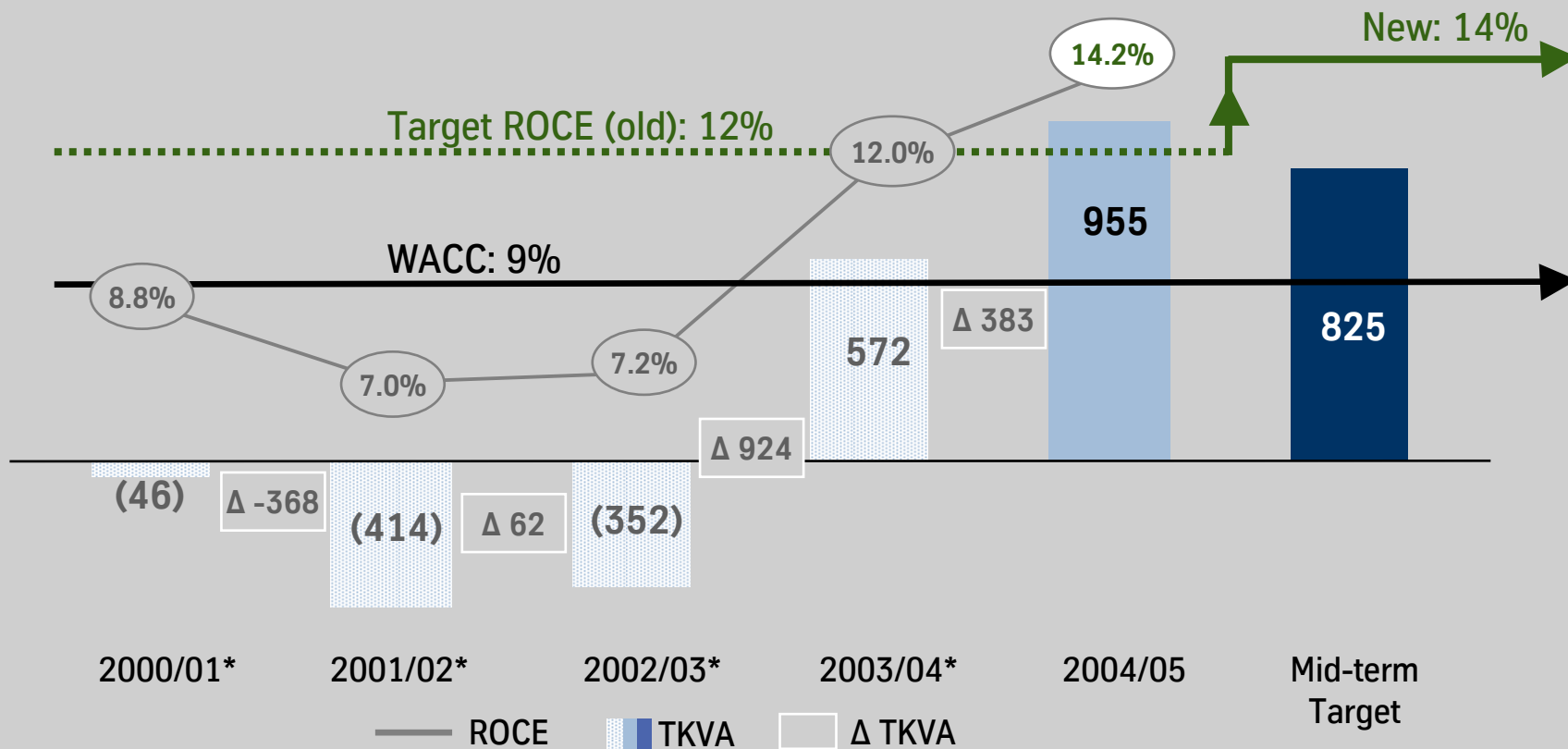
* excluding nonrecurring items ** US GAAP



Value Indicators – Track Record and Mid-term Target

ROCE and ThyssenKrupp Value Added

% / million €



* US GAAP



Value Indicators by Segment – Mid-term Targets

	Capital Employed in million € Ø 2004/05	WACC in %	ROCE in %		TKVA in million €		EBT in million €	
			2004/05	Target	2004/05	Target	2004/05	Target
Group	18,391	9.0	14.2	14.0	955	825	1,677	2,000**
thereof								
Steel	5,965	9.5	19.4	16.5	593	410	1,094	950
Stainless	2,996	9.5	11.8	13.5	68	110	286	320
Automotive	2,982	9.5	7.9	16.5	(47)	200	118	340
Technologies	435	9.5	(15.3)*	30.0	(204)*	270	40	320
Elevator	1,613	8.5	23.3	27.0	238	330	355	450
Services	3,089	9.0	10.6	14.0	50	160	261	375

All figures incl. discontinued operations except EBT.

* impacted by disposal loss of MetalCutting

** including risk buffer and corporate costs (pensions etc.)



Conclusion

- **ThyssenKrupp:**
Focused industrial group based on 3 pillars,
combining value and growth components

- **Strategic direction:**
From consolidation to controlled profitable growth

- **Strategic drivers:**
Innovation, service initiative, human resources development



Financial Calendar 2006/2007

- October 25, 2006 Quiet Period
to November 30, 2006
 - December 1, 2006 Annual Press Conference
Analysts' and Investors' Meeting (Essen, Germany)
 - January 19, 2007 Annual General Meeting (Bochum, Germany)
 - January 24, 2007 Quiet Period
to February 12, 2007
 - February 13, 2007 Interim Report 1st quarter 2006/2007 (Oct. to Dec.)
Conference call with analysts and investors
-



Financial Calendar 2007

-
- April 24, 2007 to May 10, 2007 Quiet Period

 - May 11, 2007 Interim Report 2nd quarter 2006/2007 (Jan to Mar)

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

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

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



How to Contact ThyssenKrupp Investor Relations

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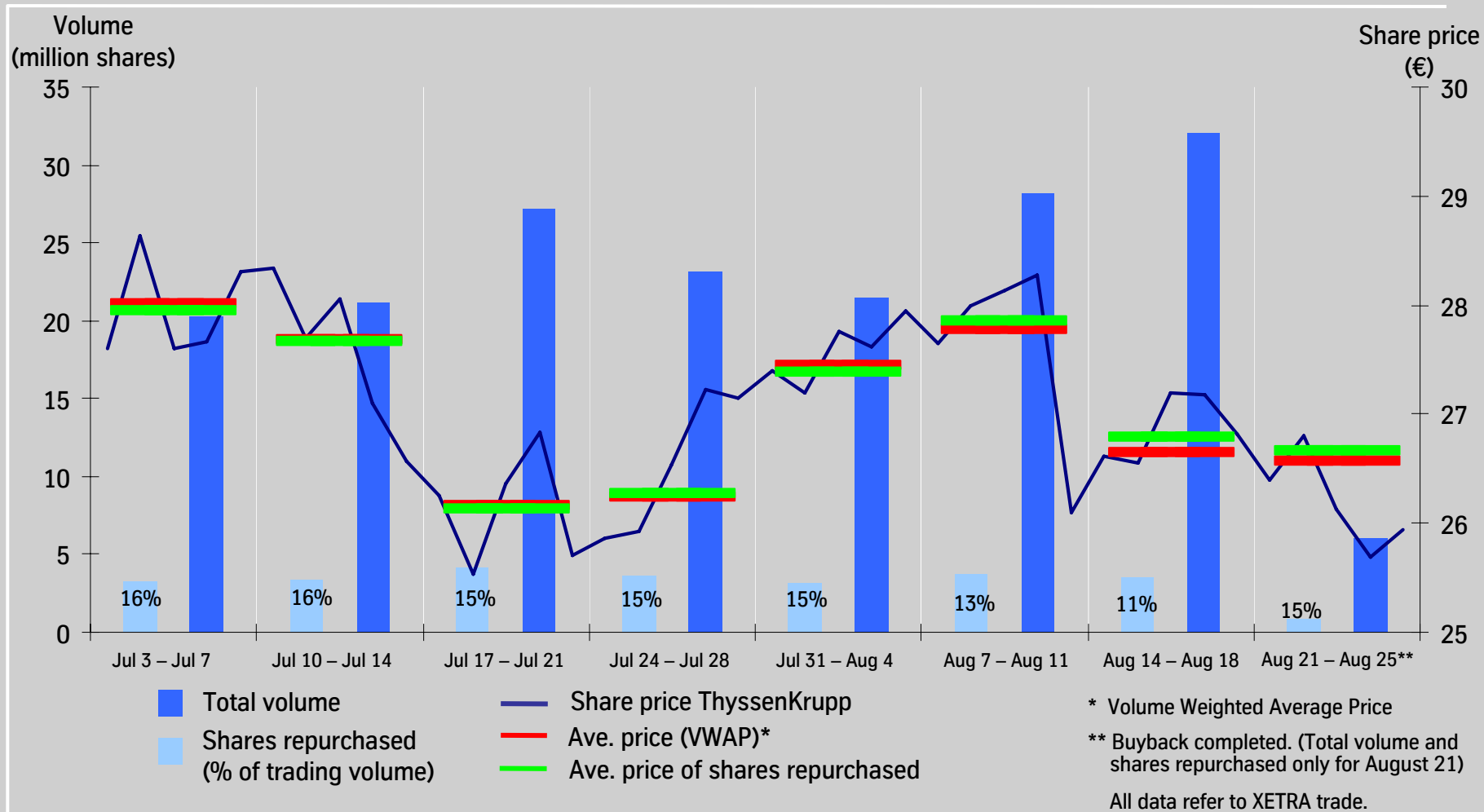


Appendix



ThyssenKrupp Stock and Share Buyback

Trading volume and volume of shares repurchased



23 Portfolio Optimizations in 2005/2006

Steel

Special Profile operations (DE)* **Disposal**

Automotive

TK Stahl Company (US) **Disposal**

Aluminiumfeinguss Soest (DE) **Disposal**

Budd Plastics division (US, MX) **Disposal**

Technologies

Maerz Ofenbau (CH) **Acquisition**

Atlas Elektronik (DE)*** **Acquisition**

BVI Steam Turbine division (DE) **Disposal**

Noske-Kaeser group (DE) **Disposal**

Elevator

Sun Rhine Enterprises (TW) **Acquisition**

General Elevator Maintenance (CA) **Acquisition**

Atlantic Elevator (US) **Acquisition**

KR Liften (NL) **Acquisition**

SIAR (IT) **Acquisition**

TEAM/TRABOSA (ES) **Acquisition**

Services

Jupiter Stomana (BG)** **Acquisition**

Coferal (DE) **Acquisition**

RIP (BR)**** **Acquisition**

Krupp Druckereibetriebe (DE) **Disposal**

Standardkessel (DE) **Acquisition**

Hearn group (CA) **Acquisition**

Metalfast (GB) **Acquisition**

VPK Metal (CA) **Acquisition**

Hommel group (DE) **Disposal**

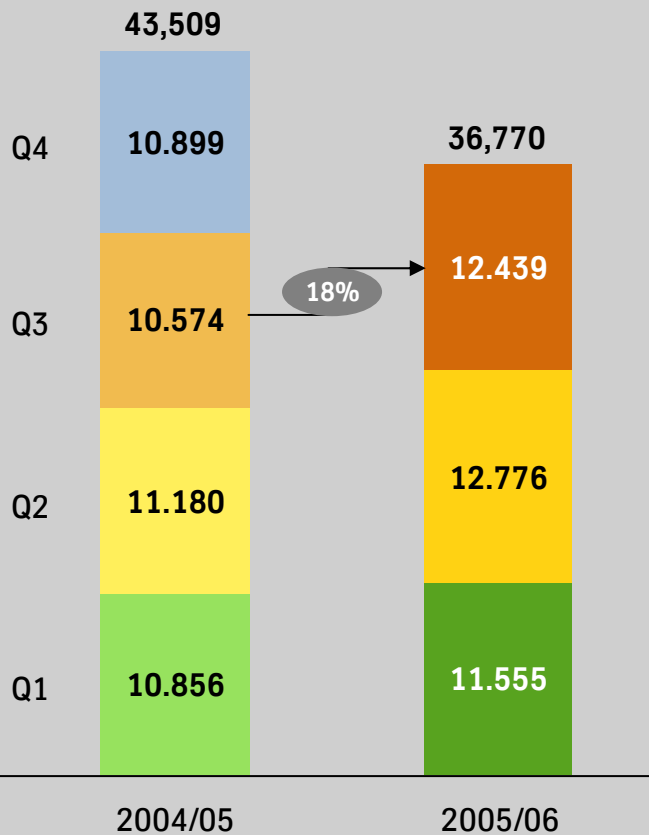
* 75.1% / ** 80% / *** 60% / **** 51%



Group in Figures (I)

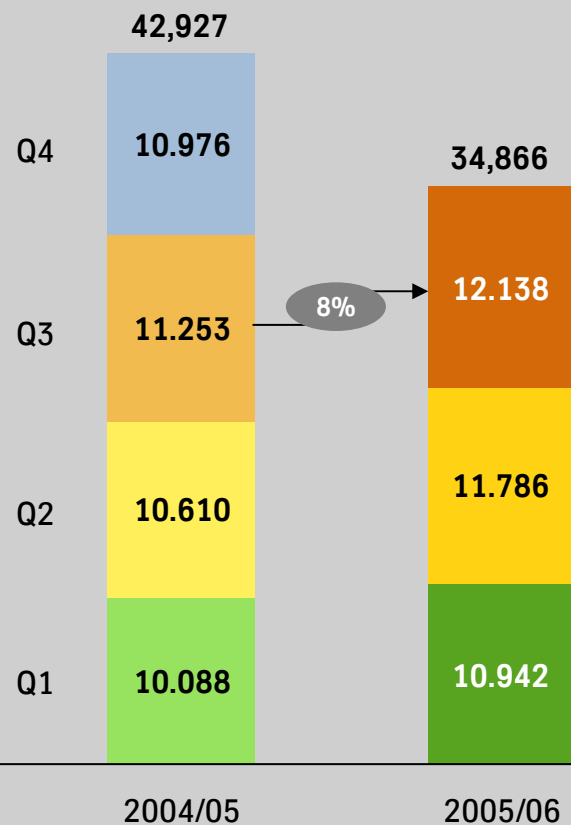
Order intake

million €



Sales

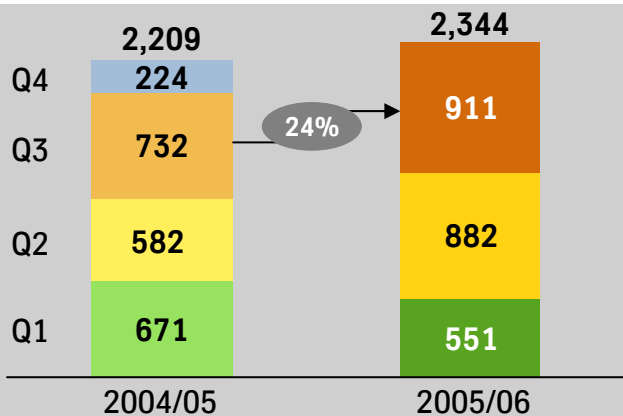
million €



Group in Figures (II)

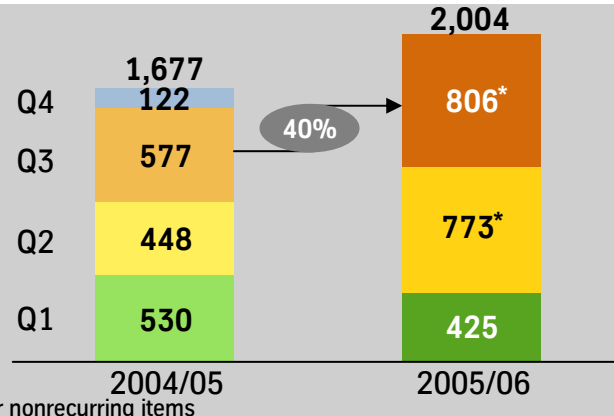
EBIT

million €



EBT

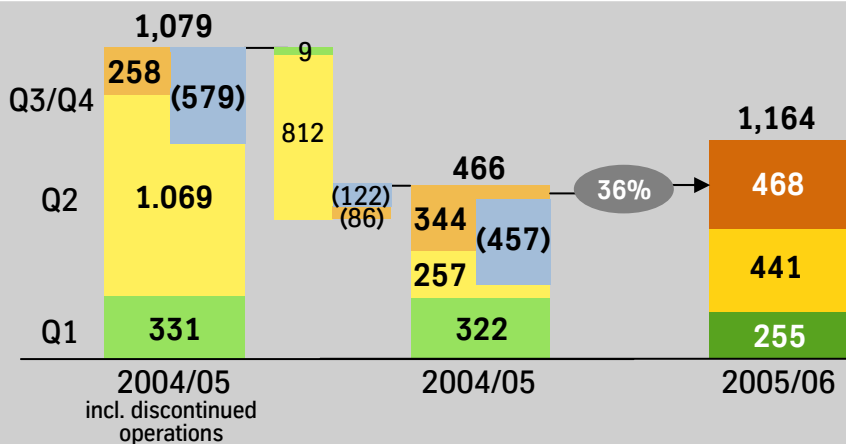
million €



* incl. major nonrecurring items

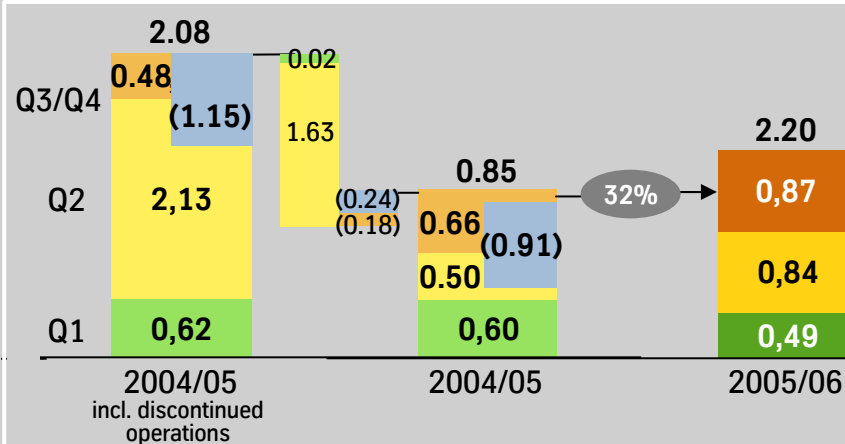
Net income

million €



Earnings per share

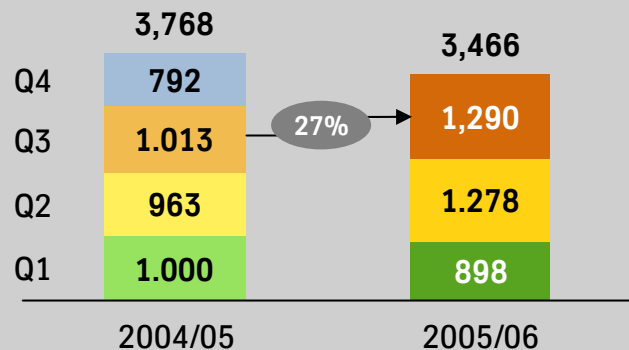
€



Group in Figures (III)

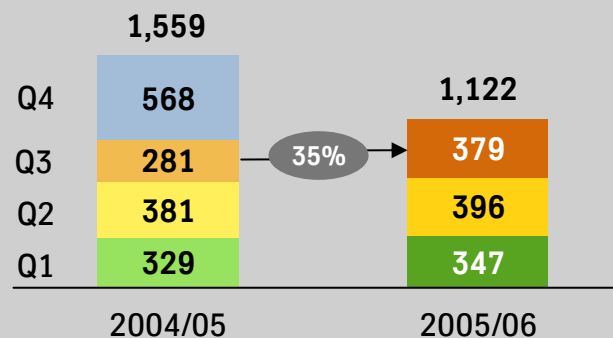
EBITDA

million €



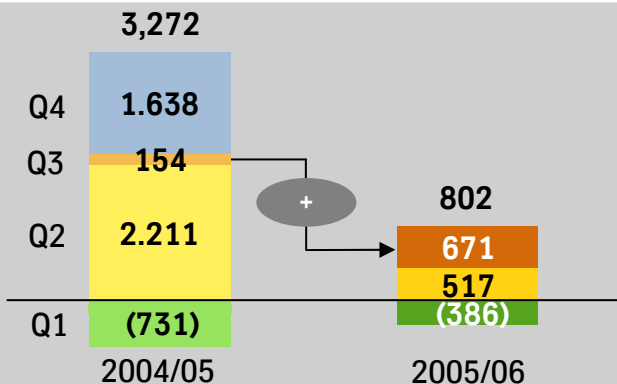
Depreciation and amortization

million €



Free cash flow*

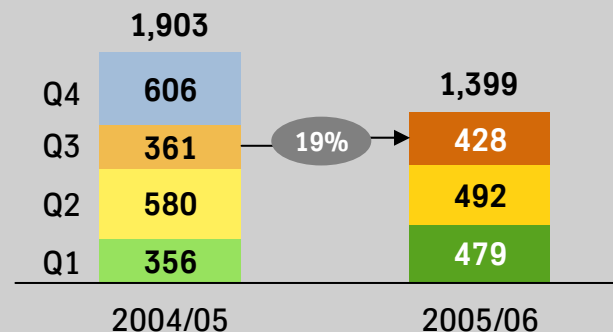
million €



* figures not adjusted for discontinued operations

Capital expenditures*

million €



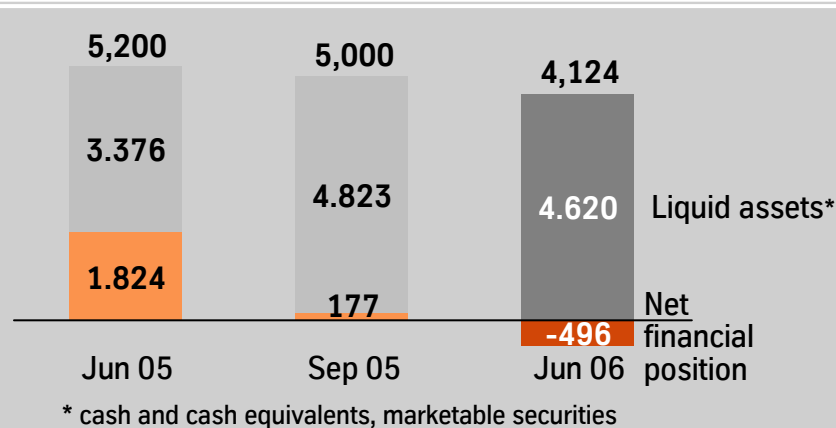
* incl. financial investments; figures not adjusted for discontinued operations



Group in Figures (IV)

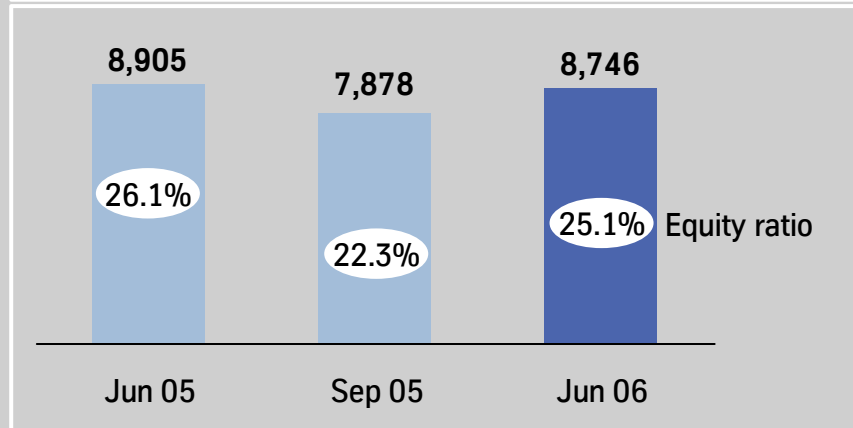
Financial liabilities

million €



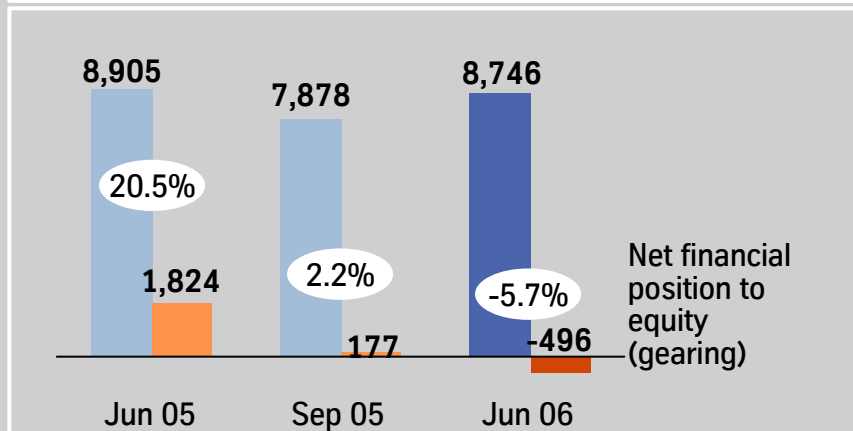
Stockholders' equity

million €



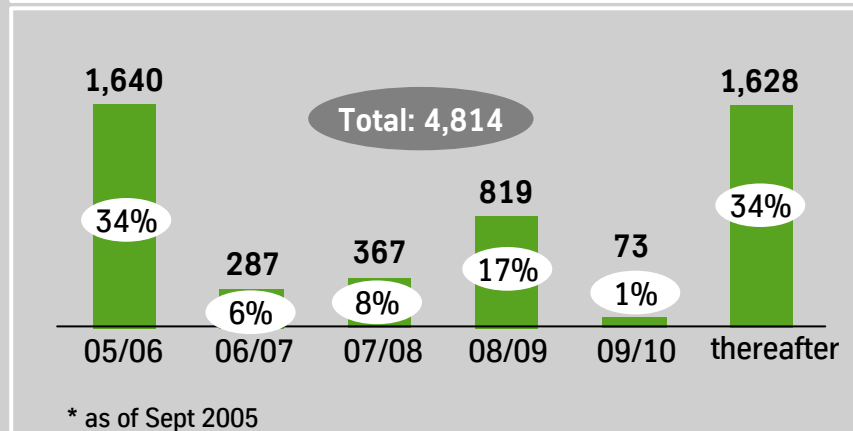
Gearing

million €



Maturity profile of gross financial payables*

million €



Group Overview (I)

		3rd quarter 2004/2005	3rd quarter 2005/2006	Change	Change in %
Order intake	€m	10,574	12,439	1,865	17.6
Sales	€m	11,253	12,138	885	7.9
EBITDA	€m	1,013	1,290	277	27.3
EBIT	€m	732	911	179	24.5
EBT	€m	577	806	229	39.7
Income from continuing operations	€m	344	468	124	36.0
EPS from continuing operations	€	0.66	0.87	0.21	31.8
Net income	€m	258	468	210	81.4
EPS	€	0.48	0.87	0.39	81.3



Group Overview (II)

		3rd quarter 2004/2005	3rd quarter 2005/2006	Change	Change in %
Capital expenditures*	€m	361	428	67	18.6
Depreciation/amort.	€m	281	379	98	34.9
Operating cash flow	€m	334	1,004	670	+
Free cash flow	€m	154	671	517	+
Employees	(Jun 30)	183,085	186,695	3,610	2.0



Segment Overview – Steel (I)

		3rd quarter			
		2004/2005	2005/2006	Change	Change in %
Order intake	€m	2,262	2,806	544	24.0
Sales	€m	2,508	2,813	305	12.2
EBITDA	€m	514	540	26	5.1
EBIT	€m	388	395	7	1.8
EBT	€m	367	382	15	4.1
Free cash flow	€m	189	420	231	+
Employees	(Jun 30)	31,262	30,228	-1,034	-3.3

- Robust business environment despite higher import licenses
- Stronger shipments coupled with continuously high average revenues per ton caused higher **order intake** and **sales** respectively
- Price increases effective from July fully passed on to customers
- Net revenues plus higher shipments more than compensated for raw material price increases such as zinc, in particular at Processing business unit
- Disruptions at Hüttenwerke Krupp Mannesmann (HKM) were not completely offset by own production, having a negative effect, especially on the medium-wide strip operations on both sales and EBT



Segment Overview – Steel (II)

Stainless

		3rd quarter			
		2004/2005	2005/2006	Change	Change in %
Order intake	€m	1,497	1,921	424	28.3
Sales	€m	1,566	1,650	84	5.4
EBITDA	€m	124	215	91	73.4
EBIT	€m	89	143	54	60.7
EBT	€m	72	126	54	75.0
Free cash flow	€m	(68)	139	207	--
Employees	(Jun 30)	12,236	12,138	-98	-0.8

- Considerably improved business situation at Stainless with strong demand (both end consumers and service centres) along with significantly higher base prices; strongest recovery in Europe (Nirosta and AST) with cold-rolled shipments up 15%; good visibility for calendar H2 2006 with first **orders** booked already for Q2 2006/07
- **Earnings** up at all business units on the back of significantly improved base price levels but with extreme raw material cost increases running counter (especially for nickel); nickel alloys with sustainable strong contribution to segment earnings
- Only minor production shortfalls despite fire damage in Krefeld due to systematic redistribution of volumes within the ThyssenKrupp Stainless group



Segment Overview Steel: Output, Shipments and Revenues per Ton

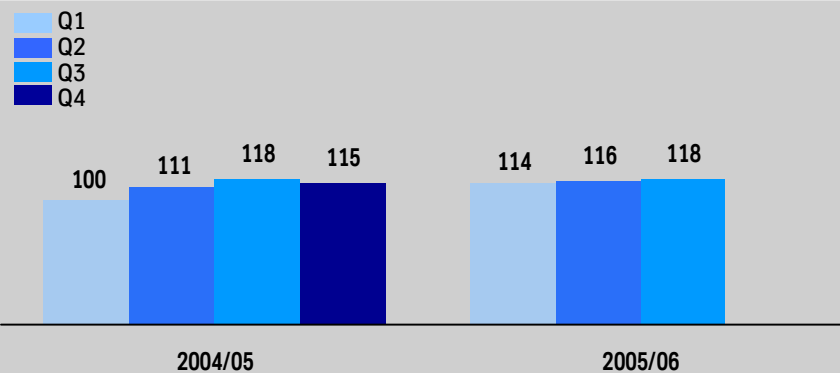
Crude steel output and shipments

in 1,000 tons	3rd quarter		Change	Change in %
	2004/2005	2005/2006		
Crude steel output	4,216	4,222	6	0.1
• Steel	3,499	3,502	3	0.1
• Stainless*	717	720	3	0.4
Shipments				
• Steel total	3,242	3,625	383	11.8
• Steel CR	2,291	2,601	310	13.5
• Steel HR	951	1,024	73	7.7
• Stainless total**	644	666	22	3.4
• Stainless CR	411	472	61	14.8
• Stainless HR***	166	142	-24	-14.5

* incl. carbon, forging, Ni-base ** consolidated *** HR white, HR black, slabs

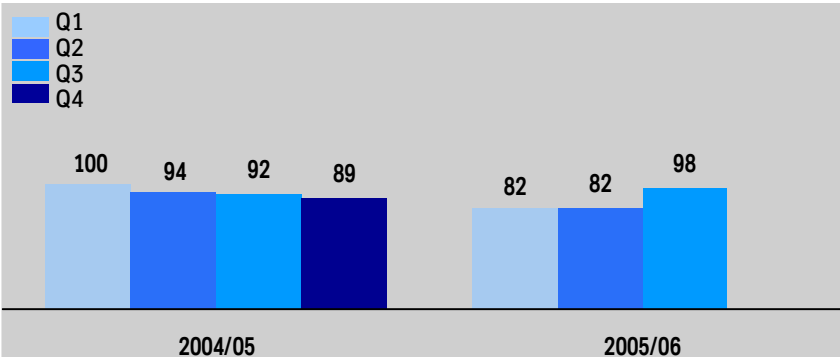
Steel: Average revenues per ton

Q1 2004/2005 = 100



Stainless: Average revenues per ton*

Q1 2004/2005 = 100



* CR 304, Germany, incl. alloy surcharge



Segment Overview – Capital Goods (I)

Automotive

		3rd quarter			
		2004/2005	2005/2006	Change	Change in %
Order intake	€m	2,106	2,084	-22	-1.0
Sales	€m	2,057	2,087	30	1.5
EBITDA	€m	155	140	-15	-9.7
EBIT	€m	77	67	-10	-13.0
EBT	€m	43	33	-10	-23.3
Free cash flow	€m	15	120	105	+
Employees	(Jun 30)	43,302	41,120	-2,182	-5.0

- Increase in **sales** at Chassis and Powertrain business units due to growth in systems business (e.g. axle assembly) and higher volumes for camshafts; Body business unit still impacted by lower volumes at stamping plants
- Restructuring charge of €24 million related to closure of Detroit plant and with negative impact on **EBT**; excluding nonrecurring items in the comparable quarters improvement on operational level
- Status quo of restructuring process in North America: 1. asset impairments for Detroit plant (€28 m, Q3 04/05) and Kitchener plant (€49 m, Q2 05/06); 2. closure of Detroit plant agreed and initiated, shift of production to Shelbyville plant; 3. minor disposals proceeded: TK Stahl Company (alu castings), TK Budd Plastics division

Segment Overview – Capital Goods (II)

Technologies

		3rd quarter			
		2004/2005	2005/2006	Change	Change in %
Order intake	€m	1,045	1,323	278	26.6
Sales	€m	1,542	1,458	-84	-5.4
EBITDA	€m	82	120	38	46.3
EBIT	€m	41	88	47	+
EBT	€m	33	90	57	+
Free cash flow	€m	(115)	(25)	90	--
Employees	(Jun 30)	28,056	27,440	-616	-2.2

- Clear rise in **order intake** mainly attributable to Marine Systems; continued favourable market environment for large and special plant construction; **sales** lower due to disposals and strong prior-year level, but higher on a 9 months basis
- **EBT** almost tripled with major profit increase at Plant Technology and Mechanical Engineering contributing more than 50% of segment EBT
- Further step towards optimizing the portfolio with sale of Noske-Kaeser group (air-conditioning and ventilation equipment); acquisition of Atlas Elektronik closed



Segment Overview – Capital Goods (III)

Elevator

		3rd quarter			
		2004/2005	2005/2006	Change	Change in %
Order intake	€m	1,031	1,173	142	13.8
Sales	€m	942	1,070	128	13.6
EBITDA	€m	98	124	26	26.5
EBIT	€m	86	109	23	26.7
EBT	€m	79	98	19	24.1
Free cash flow	€m	19	(6)	-25	--
Employees	(Jun 30)	33,699	35,579	1,880	5.6

- Encouraging **order intake** and **sales** growth especially on the back of strong new installation business in the US; Escalators/Passenger Boarding Bridges with clear improvement profiting moreover from significant growth in air traffic
- **Profit** wise strongest quarter in this fiscal year; overall productivity enhancement measures and expansion of service activities counterbalancing price competition; Americas business unit with major earnings improvement as well as contribution to segment EBT
- Difficult situation on South Korean market especially for new installations impacted sales and earnings likewise; refit measures for South Korean activities have been implemented



Segment Overview – Services

Services

		3rd quarter			
		2004/2005	2005/2006	Change	Change in %
Order intake	€m	3,154	3,841	687	21.8
Sales	€m	3,327	3,821	494	14.8
EBITDA	€m	152	221	69	45.4
EBIT	€m	122	188	66	54.1
EBT	€m	102	168	66	64.7
Free cash flow	€m	174	199	25	14.4
Employees	(Jun 30)	33,275	38,830	5,555	16.7

- Strong rise in **orders** at all business units displaying continuing strong market environment, especially in the US; highest-ever quarterly **sales** driven by external factors (strong demand, higher prices in particular for rolled and specialty steel, nonferrous metals and industrial services) as well as internal programs and initiatives
- Clear rise in **profit** reflecting positive business development; main earnings contribution by Materials Services Europe but Materials Services North America catching up by quadrupling its income
- Global business expansion led to apparent increase in workforce; all companies acquired and activities established performing well



Innovations Pave the Way to Success

Technologies

*ThyssenKrupp
Innovation Award
2006 (1st)*

Air-independent propulsion system for submarines



- Air-independent propulsion through specific adaptation of the fuel cell technology
- Greater underwater endurance and range with no impact on signature
- A total of 20 fuel cell-powered submarines have been sold on the world market to date

Stainless

*ThyssenKrupp
Innovation Award
2006 (2nd)*

Silver Ice® UV – the anti-fingerprint formula

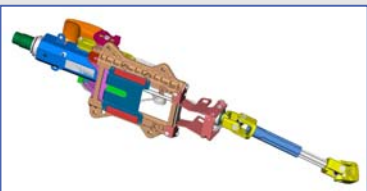


- Newly designed UV-cured coating for stainless steel surfaces providing protection from fingerprints
- High resistance to scratches and chemicals, good formability and easy to clean
- Applications: e.g. high-quality kitchen appliances, building and elevator paneling

Automotive

*ThyssenKrupp
Innovation Award
2006 (2nd)*

Adaptive linear crash systems



- Steering column crash system with energy-absorbing element based on electronically controlled intelligent materials
- Maximum safety for the person behind the wheel regardless of weight, seat position, etc.
- Currently still in the development phase with great potential (market trend “occupant protection”)

Steel

*ThyssenKrupp
Innovation Award
2006 (3rd)*

TriBond®



- Functional steel composite material with tailored properties (3-layer hot strip)
- Combination of properties such as wear resistance and ductility
- Application-specific layer materials and order simplify customer processing and realize improved end product properties



Disclaimer

In this presentation all figures are prepared in accordance with IFRS. Moreover the figures in the income statement refer to continuing operations unless otherwise stated.

Due to the conversion process figures included here should be seen as provisional as the IASB may still enact provisions that could be applied retroactively. The audit of the restated figures will be in conjunction with the audit of the full financial statements under IFRS for the fiscal year ending September 30, 2006.

This presentation contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking statements and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond ThyssenKrupp's ability to control or estimate precisely, such as future market and economic conditions, the behavior of other market participants, the ability to successfully integrate acquired businesses and achieve anticipated synergies and the actions of government regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this presentation. ThyssenKrupp does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials.

