



ThyssenKrupp Technologies

Strategic Focus – Leading-edge Technology – Value Driver

October 2007

ThyssenKrupp Technologies



ThyssenKrupp Technologies

- Strategic Focus

- Leading-edge Technology

- Value Driver



ThyssenKrupp Group Overview

ThyssenKrupp AG

Sales €47.1 billion • EBT €2,623 million • TKVA €1,510 million • FCF €1,771 million • Employees 187,586

Steel	Stainless	Technologies	Elevator	Services
Sales €12.1 bn EBT €1,406 m TKVA €876 m FCF €1,146 m Employees 38,840 • Steelmaking • Industry • Auto • Processing	Sales €6.4 bn EBT €423 m TKVA €199 m FCF €243 m Employees 12,197 • Nirosta • Acciai Speciali Terni • Mexinox • Shanghai Krupp Stainless • Stainless Int. • VDM	Sales €11.4 bn EBT €410 m TKVA €215 m FCF €425 m Employees 54,757 • Plant Technology • Marine Systems • Mechanical Components • Automotive Solutions • Transrapid	Sales €4.3 bn EBT €391 m TKVA €264 m FCF €87 m Employees 36,247 • 4 regional business units • Escalators/ Passenger Boarding Bridges • Accessibility	Sales €14.2 bn EBT €482 m TKVA €294 m FCF €147 m Employees 40,163 • Materials Services International • Materials Services North America • Industrial Services • Special Products

Inter-segment sales not consolidated; organizational structure as at Oct 1, 2006; figures for FY 2005/06

ThyssenKrupp Technologies



ThyssenKrupp Technologies Business Units

ThyssenKrupp Technologies

Sales: €11.4 bn Employees: 54,800

Plant Technology



Sales: €2.3 bn
Employees: 7,500

Marine Systems



Sales: €2.1 bn
Employees: 8,900

Mechanical Components



Sales: €4.1 bn
Employees: 23,900

Automotive Solutions



Sales: €3.0 bn
Employees: 14,000

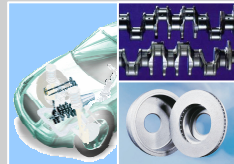
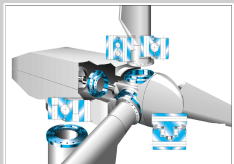
Transrapid

Note: figures for FY 2005/06



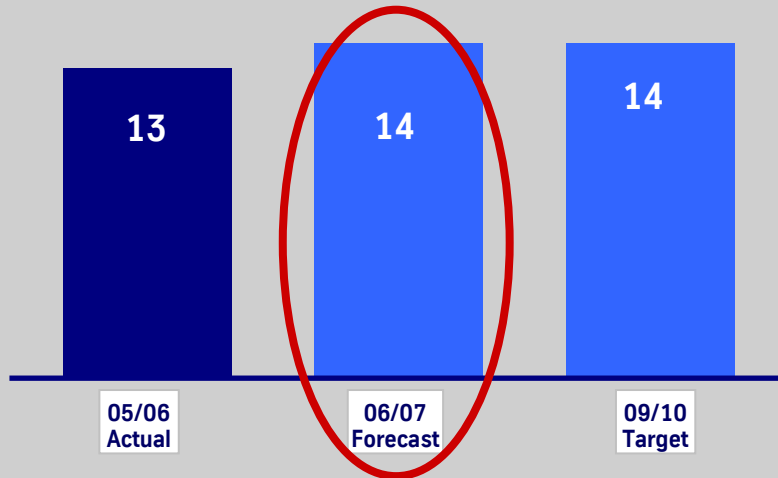
Strategic Objectives

- Sustainable value driver and cash provider
- Market leadership with top 1-3 positions
- Technology leadership and development of innovative products with high customer value
- Expansion of service business and continuous efficiency improvement
- International presence in relevant growth markets
- Focus on customers through decentralized company management
- Highly qualified and committed workforce

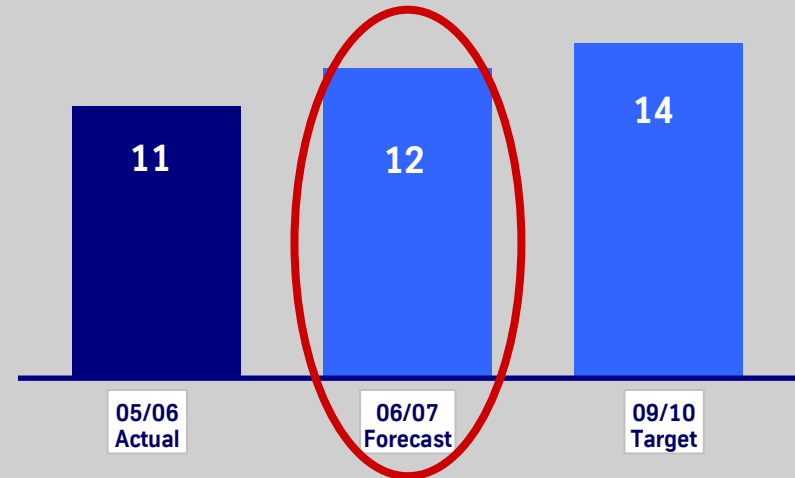


ThyssenKrupp Technologies: Key Figures 05/06 - 09/10

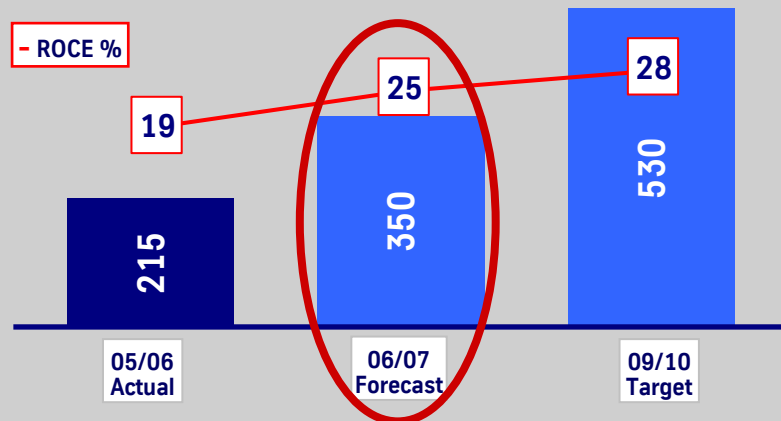
Order intake (€ bn)



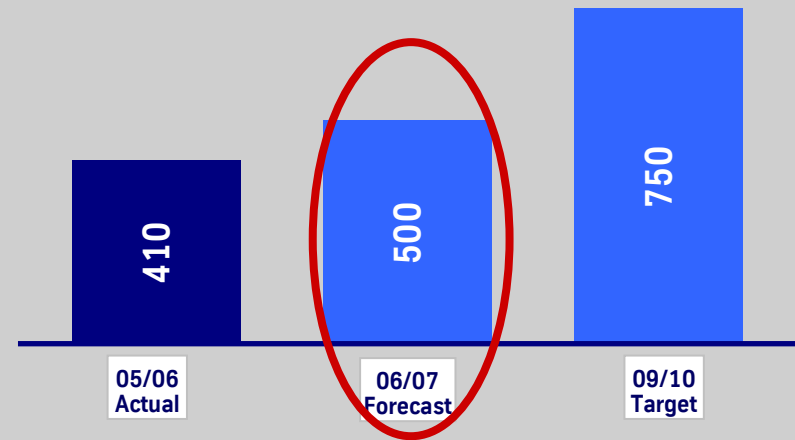
Sales (€ bn)



TKVA (€ m) / ROCE %



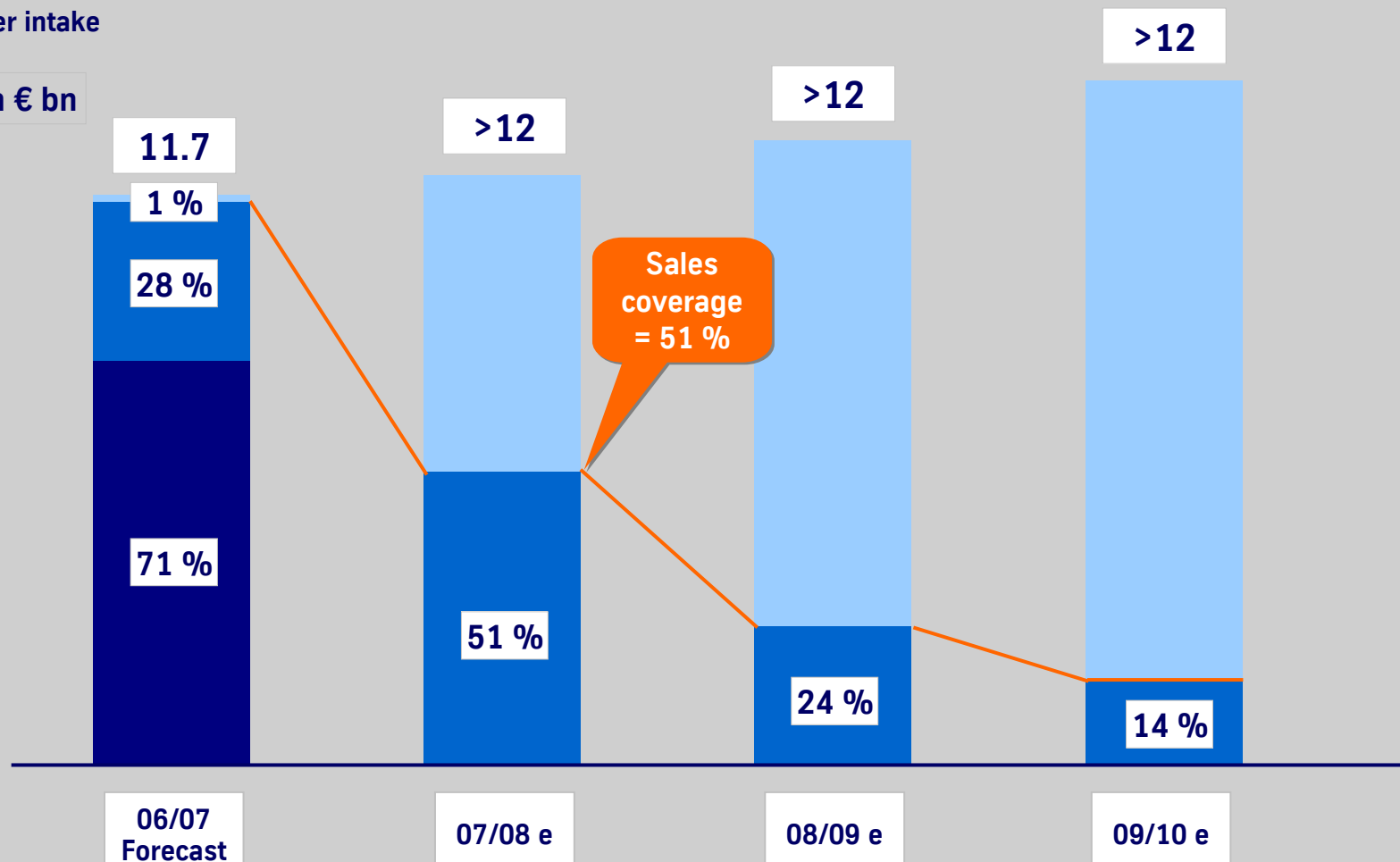
EBT (€ m)



High Visibility: 51% of Next Years business already on hand

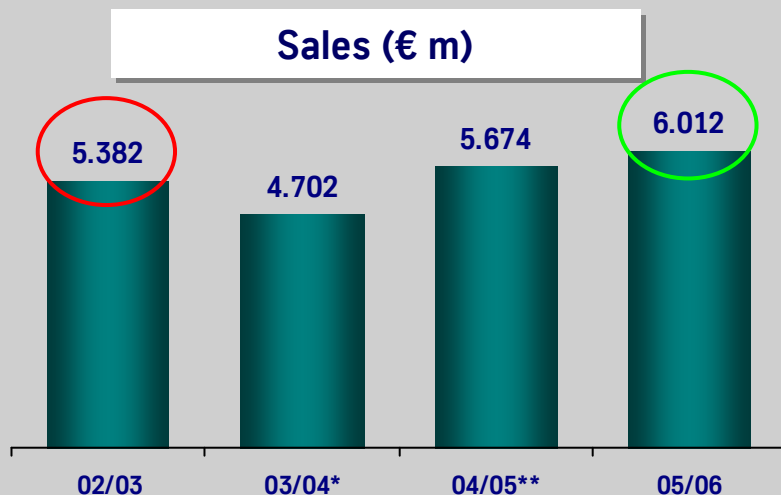
- Sales realized to June 2007
- Sales cover from orders in hand (June 30, 2007)
- Order intake

Sales in € bn

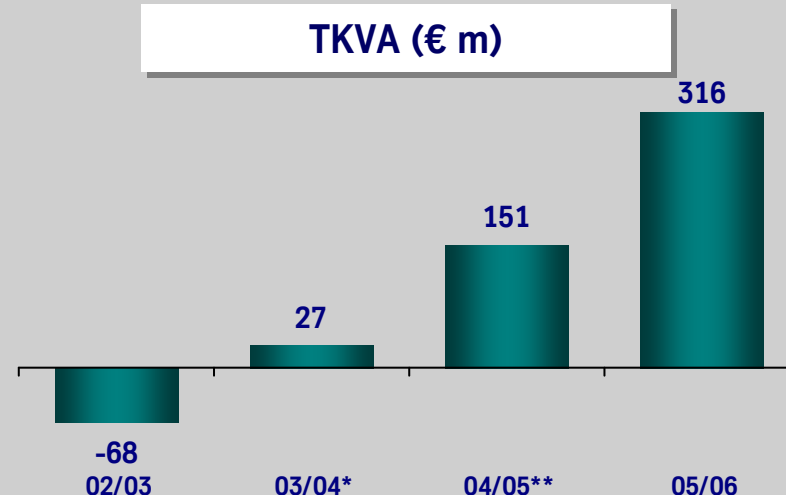


ThyssenKrupp Technologies: Positive Development from 02/03 to 05/06

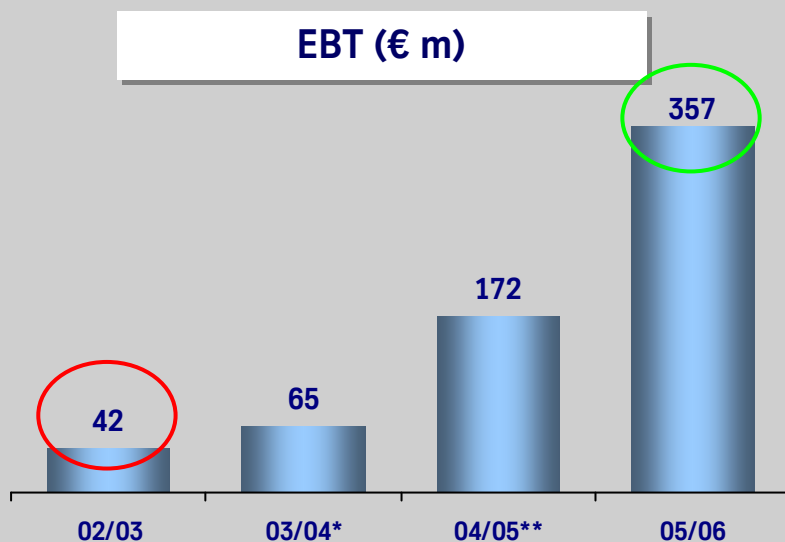
Sales (€ m)



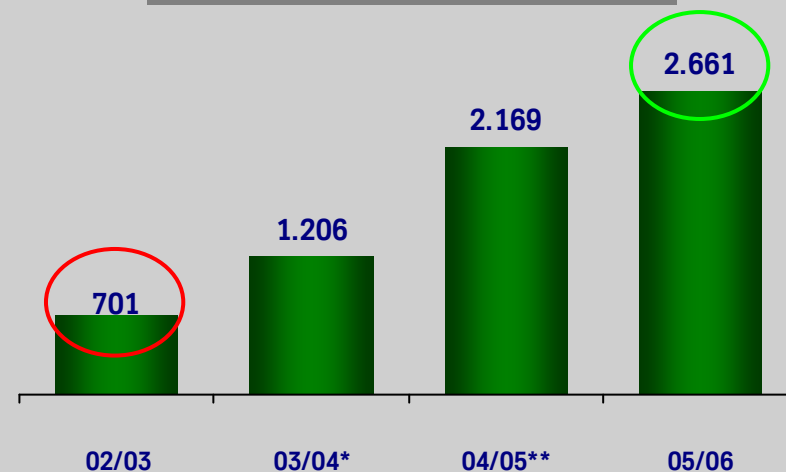
TKVA (€ m)



EBT (€ m)



Net financial funds (€ m)



Anm: Daten bis 04/05 US GAAP ab 05/06 IFRS, *ohne Karosserietechnik, Servicios Tecnicos

**ohne Stahlbau, MetalCutting, Turbinenkomponenten



Active Portfolio Management to Support our Strategy

Portfolio changes 03/04 – 05/06

Automotive

12 Portfolio changes

Technologies

20 Portfolio changes

32 Portfolio changes

Portfolio changes since October 1, 2006

(-) Budd

(-) Intecsa Uhde

(+) Uhde Mexico

(-) Fundicoes

(-) Umformtechnik
(Re-allocation)

(+) EADS Naval

(-) Stahlbau Berlin

(-) Aventec

(+) A-C Equipment

(-) Flachbaugruppe
Kassel

(-) Bilstein
Wagenheber

(+) DRECON

(-) Germanischer
Lloyd

(-) BVI Wehrtechnik

(-) Chemengineering

15 Portfolio changes

Note: Acquisitions and disinvestments accumulated



World Market Leadership with Top 1-3 Positions

Plant Technology

TOP 1-2



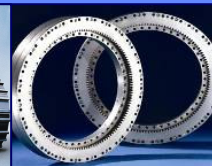
Marine Systems

TOP 1



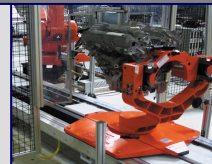
Mechanical Components

TOP 1



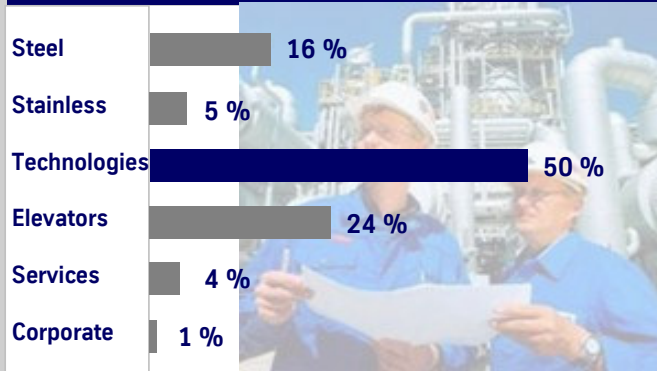
Automotive Solutions

TOP 1-3



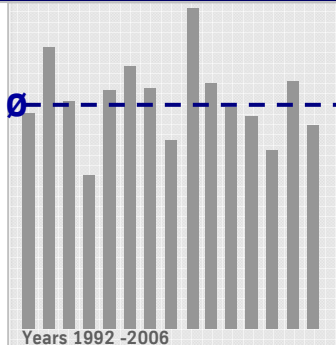
Technology Leadership and Market Oriented Development

Half of all engineers at ThyssenKrupp work for Technologies



More than 200 patents and utility models registered in 06/07

On average, more than 100 patents and utility models are registered each year

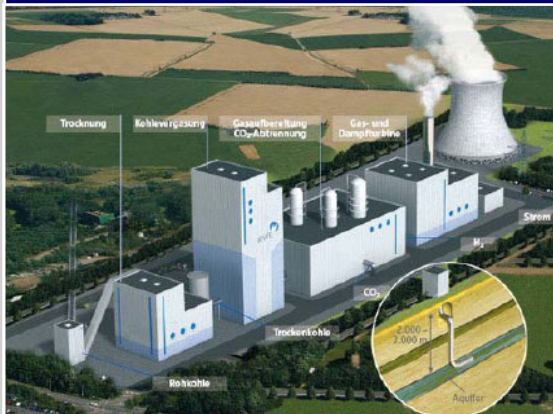


Figures in brackets = no. of employees at Sep. 30, 2006, rounded; Other R&D centers <100 employees



Technologies With a Strategic Focus on Environment Protection

Emission free power plants



Biofuel plants



Greenhouse gas reduction



Innovations for wind energy

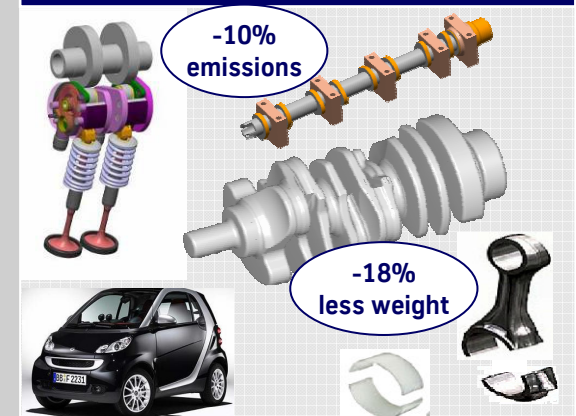


Mobile crushing systems

→ Replaces 5 trucks / saves
>10 million ltr. diesel p.a.



Auto: less fuel consumption



ThyssenKrupp Technologies

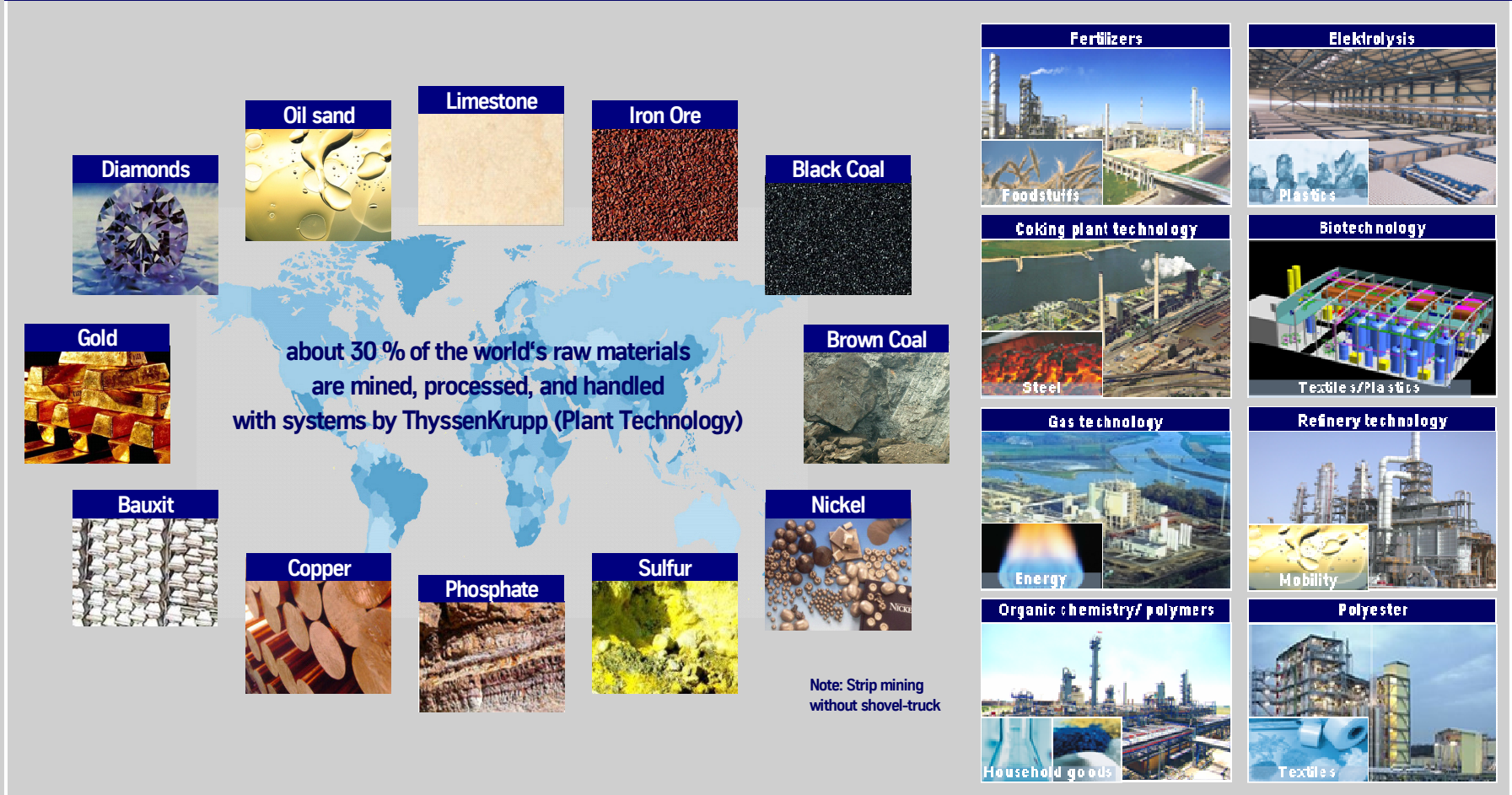
- Strategic Focus
- **Leading-edge Technology**
- Value Driver



Strategic Potential: Raw Materials

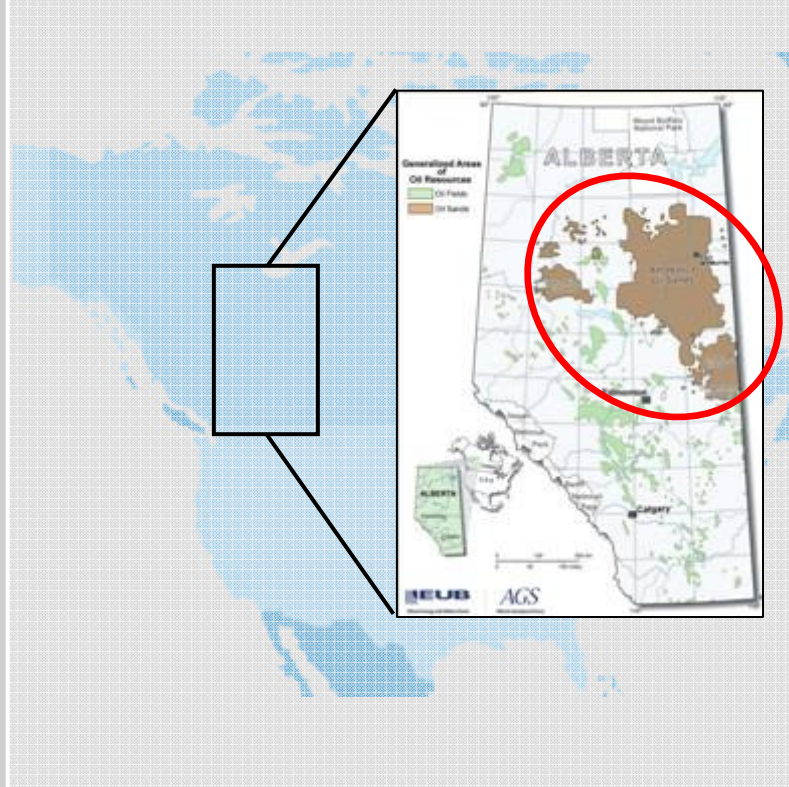
Mining and refining of raw materials

Chemical intermediates and endproducts



Plant Technology: Oil Sand Mining “Canadian Natural Resources” (I)

Oil sand deposits in Canada



- Worldwide reserves of approx. 650 bn barrels, thereof >80% in Canada (Alberta)
- These oil reserves are bigger than those of Saudi Arabia
- With Canada's deposits, today's world demand for oil could be met for the next 55 years
- With rising oil prices, mining has now become profitable as breakeven lies around US \$ 20/barrel



Plant Technology: Oil Sand Mining “Canadian Natural Resources”



Loading capacity: 400 t per truck



Conveyor System

The longest connected conveyor system of the world of 19 km was delivered by TK Fördertechnik!



Capacity crushing system: 6,000 t/h



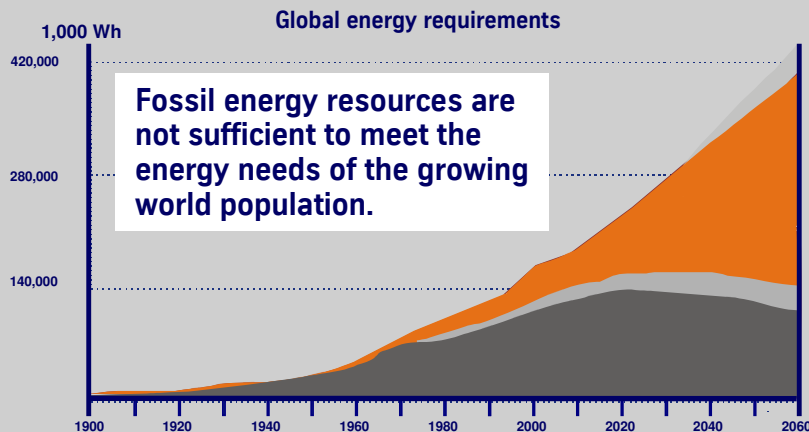
Blending with 90° C hot water



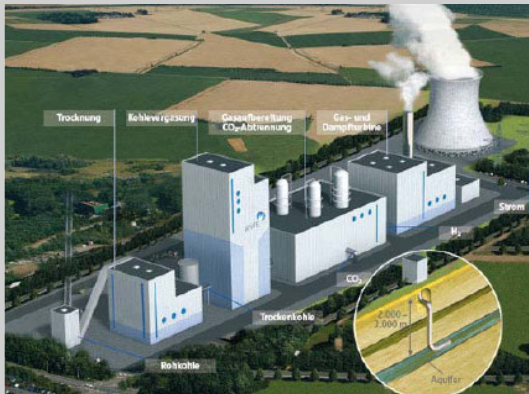
High-tech process technology

Strategic Potential: Energy and Environmental Protection

Rising energy requirements



Global warming due to CO₂ emissions



- Growing need for technologies to reduce emissions
- CO₂-free power station
- New concepts for environmentally compatible disposal of CO₂

Potential for Technologies

Fossil fuels



■ Oil sand

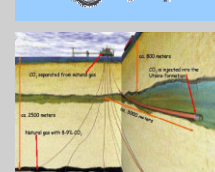


■ Oil shale



■ Refinery technology

Reduced consumption



■ Coal gasification

■ Efficient combustion

■ CO₂ disposal

New forms of energy



■ Bioethanol/
biodiesel



■ Wind energy



■ Hydrogen/
fuel cell

Renewable energies



EnviNOx – Reduction of Green House Gas

EnvinNOx Plant



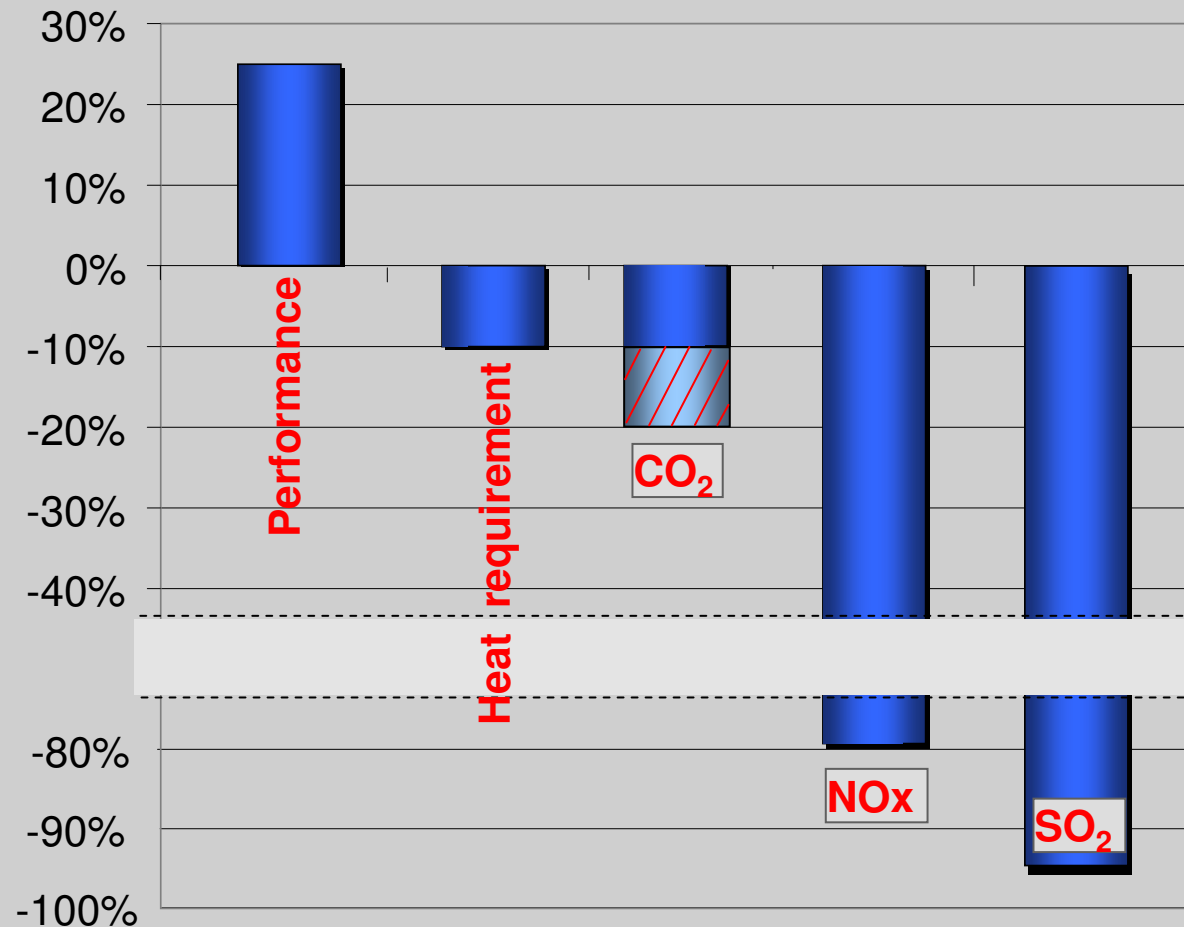
Environmental Benefits

- Nitric acid production is the worlds biggest nitrous oxide polluter
 - 300 plants worldwide emit about 400.000 t
 - Greenhouse effect of nitrous acid is 300 times worse than carbon dioxide
 - More than 5% of the greenhouse effect are a result of nitrous oxides emissions
- EnviNOx eliminates nearly all N_2O emissions
- Already built up plants reduce as much as an equivalent of 5 Mio t of CO_2 emissions
=(3,3 Mio. Diesel-Cars)

Innovations for Significant Reduction of Emissions in the Cement Industry



Reduction of emissions with Polysius technology

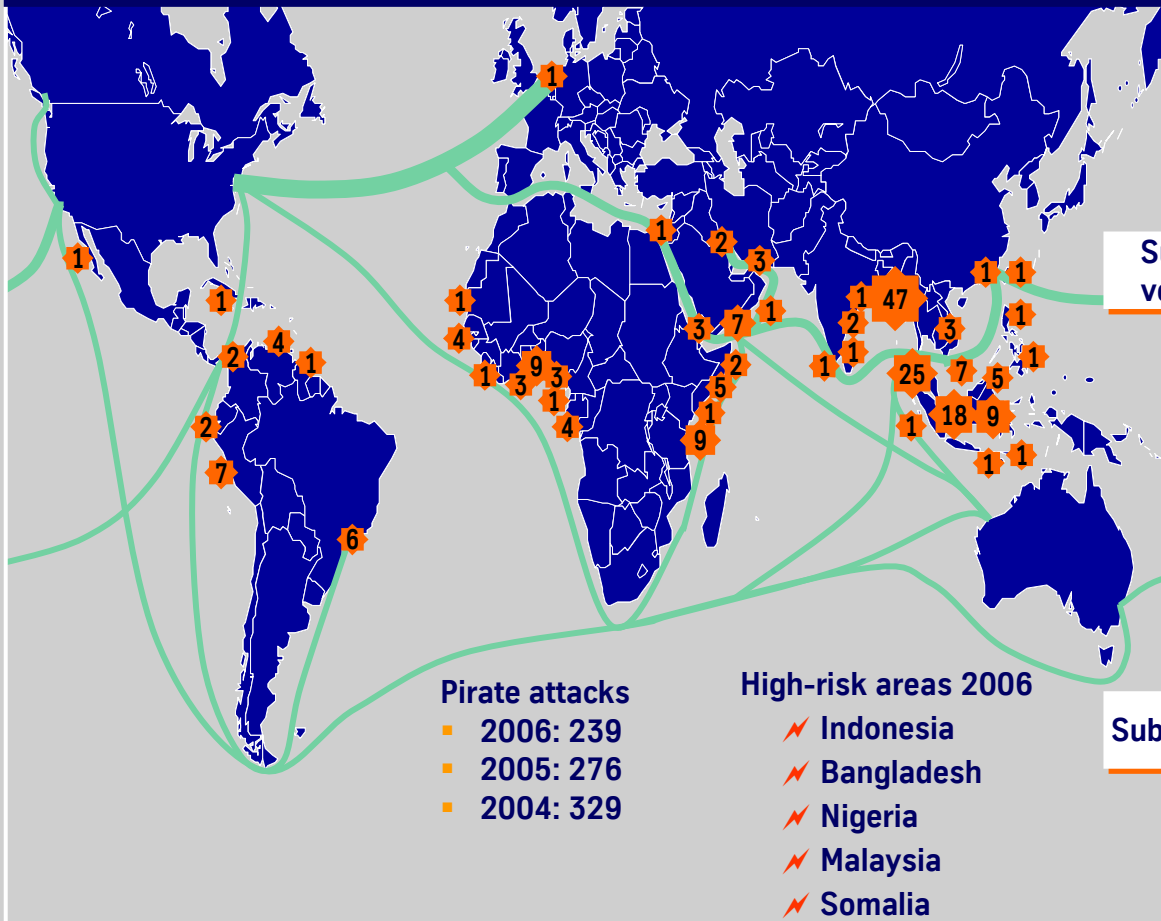


Example: White cement, Spain



Strategic Potential: Security

Piracy and armed attacks in 2006



Surface vessel



- Frigates
- Corvettes
- OPVs

Submarine



- Conventional submarines



Marine Systems: European Maritime Systems House



- First and only European group of shipyards and electronics industry
- 100% privately owned marine group
- Leading world market positions in:
 - Conventional submarines, frigates, corvettes, and mega-yachts
 - Command, control and sonar systems
- Leadership in technology and systems integration, including:
 - Integrated electronics systems
 - Stealth technology
 - Fuel cells for submarines



Submarines



Frigates, Corvettes



Mega-yachts



Refits



Container ships

Marine Systems: Export Market Leader for Frigates, Corvettes and Submarines



Frigates, corvettes, and submarines
World market position TOP 1 in naval shipbuilding

**Pro-
pulsion**

**Powerful
propulsion**

Gas turbine

- Acceleration to over 30 knots
- “Crash Stop” (3 ship lengths)

MEKO®

**successful
design
concept**



Stealth

**Almost
impossible
to locate**

**For normal maritime traffic,
additional reflectors are needed
to allow other
ships to recognize
the frigates**



**Fuel
cells**

**Long
submerged
time**

**Air-independent propulsion (fuel
cell, diesel) allows submarines to
remain submerged
for 4 to 5 times
longer**



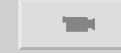
Marine Systems: Capabilities in Mega-Yachts and After Sales Service



Capability in Mega-yacht Building
World's Biggest Yachts (over 100 meters)

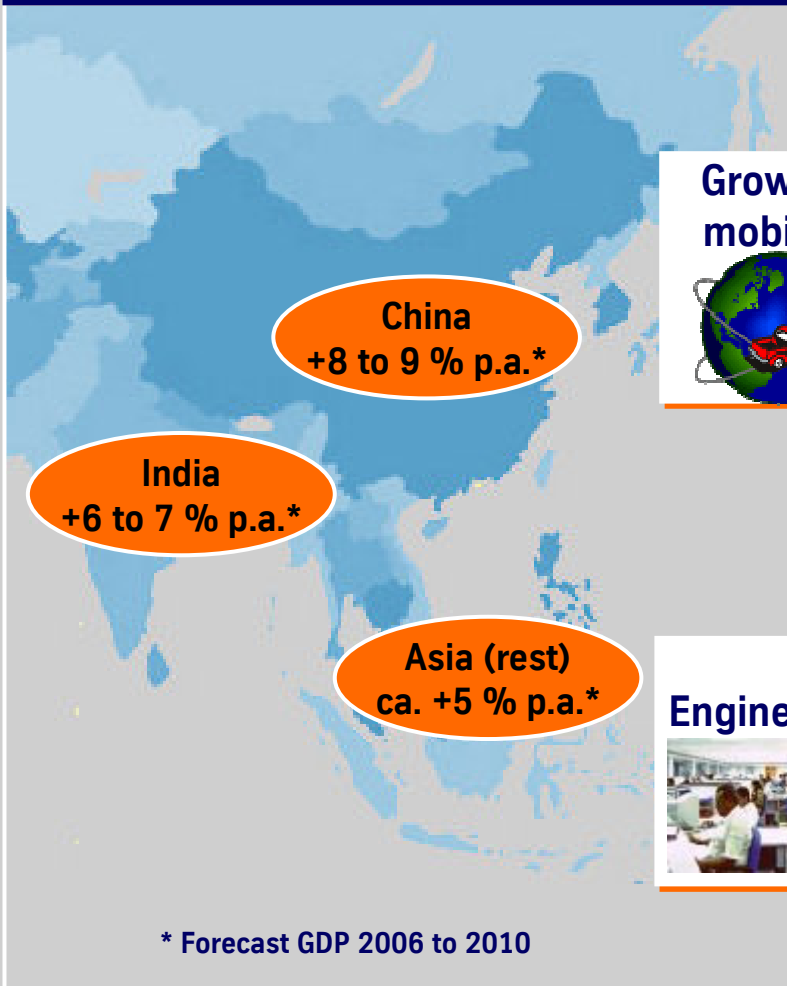


Capability in Time-challenging Refits
World's Biggest Cruise Liner "Queen Mary 2"



Strategic Potential: BRIC and Asia/Pacific

Emerging markets Asia



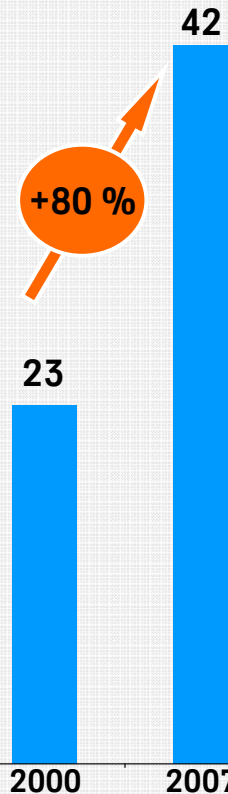
Growing mobility



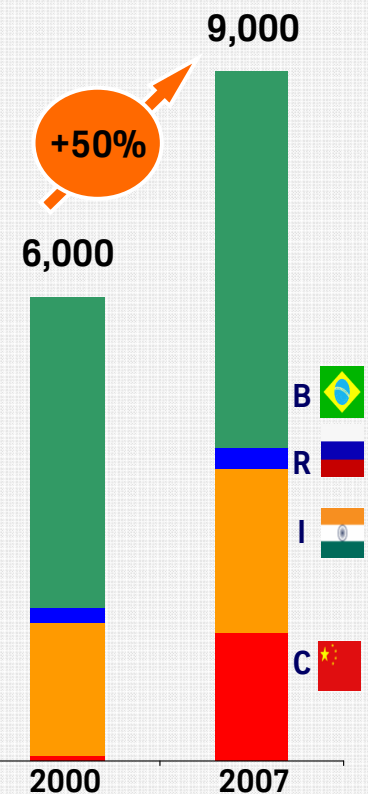
Engineering



Active units (plants)



Employees



Mechanical Components: High-Tech Components in Motion



**Assembled
camshafts and
eccentric shafts**



**Brake disks and
cast components**



**Forged
crankshafts and
engine
components**



**Large antifriction
bearings and
rings
e.g. for wind
turbines**



**Differential bevel
gears and speed
gears**

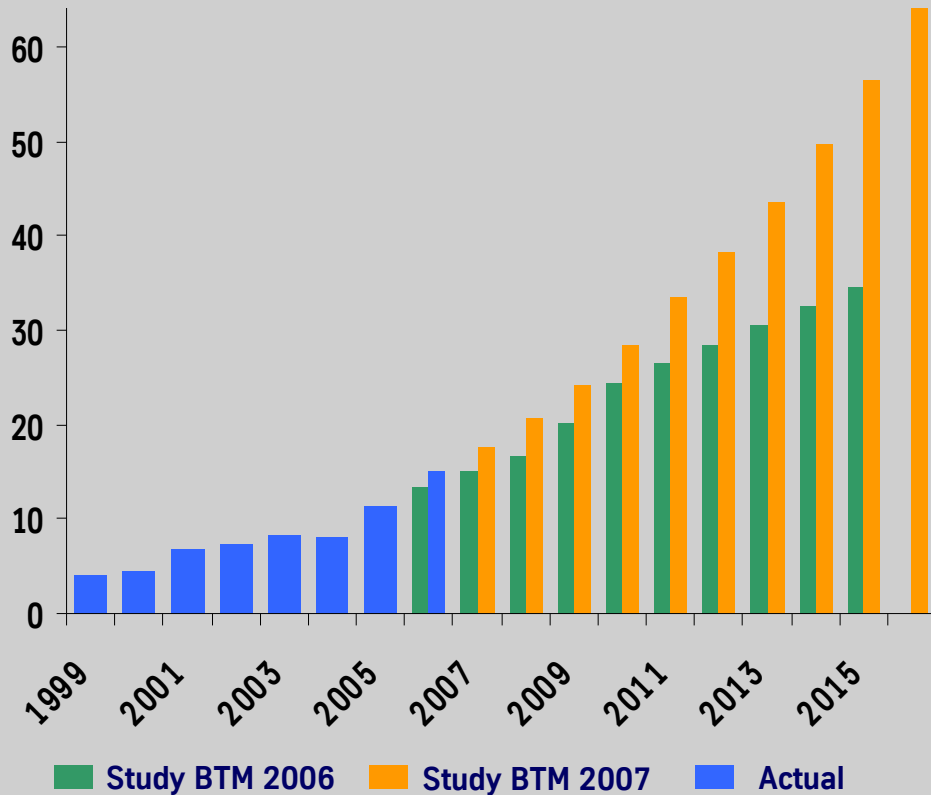


**Chains and
crawlers
e.g. for
excavators
and bulldozers**



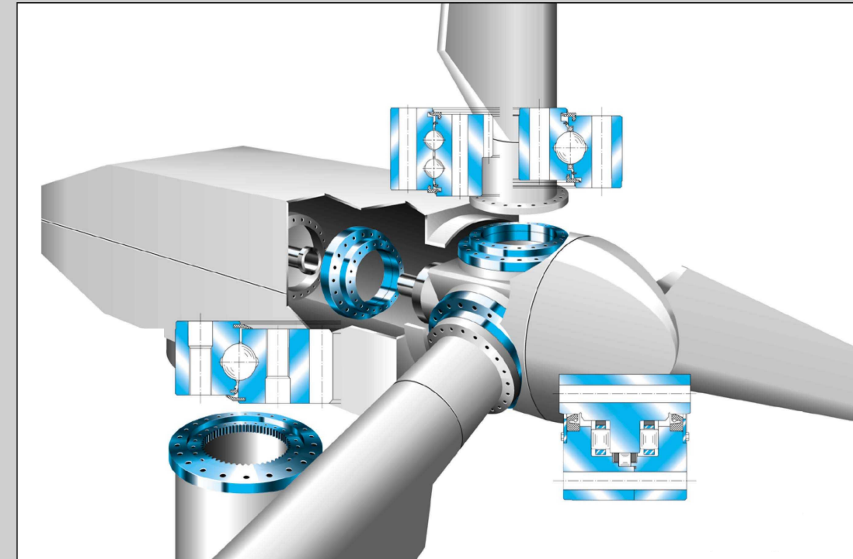
Mechanical Components: Worldwide Growth of Wind Energy

Installed Capacity for Wind Energy



Figures in Giga Watt per year → new study

Bearings in Wind Energy Plants

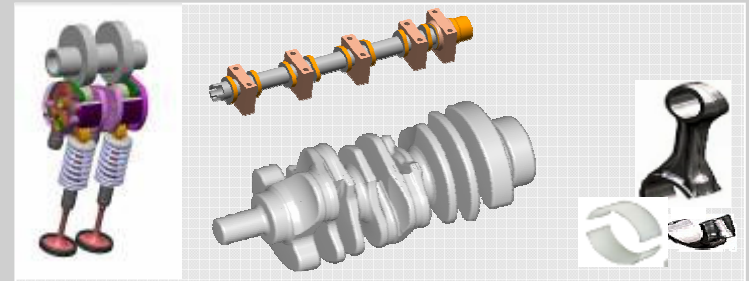
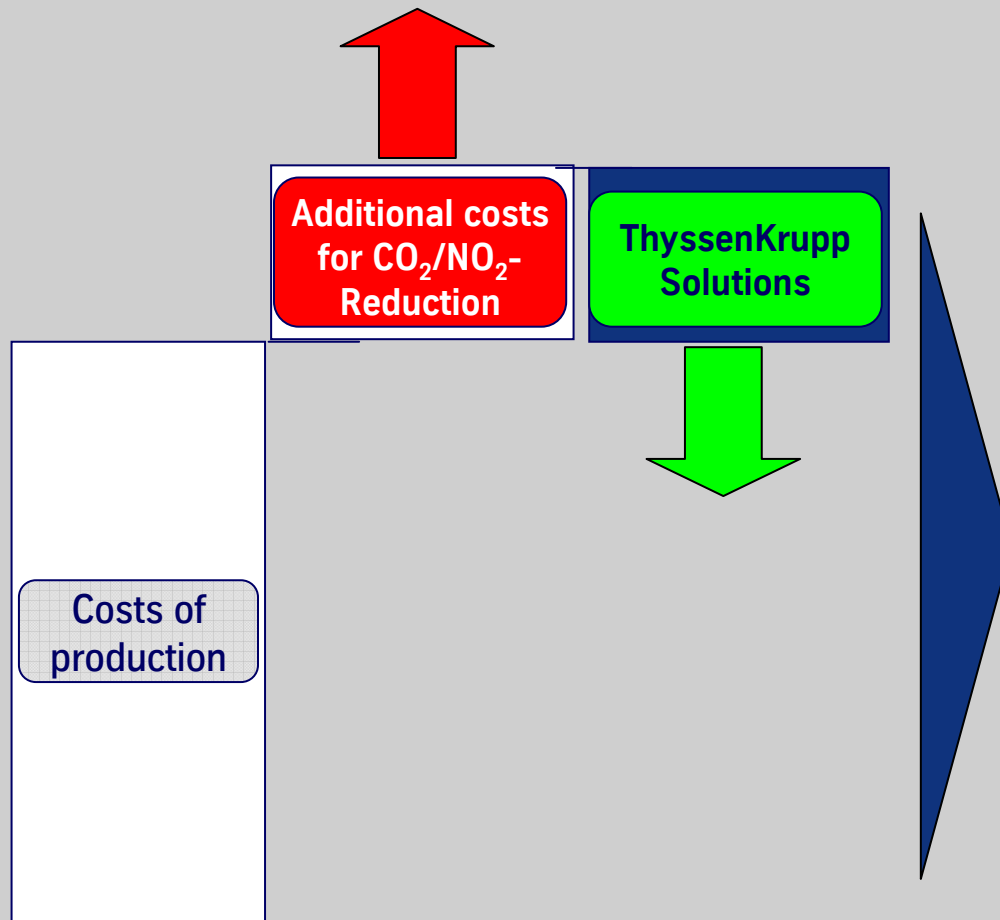


- ThyssenKrupp components are essential for wind turbines

→ 5 bearings for every wind turbine

Automobile Components

Innovative Solutions to Reduce Emissions



- Innovative materials for lightweight solutions
- Components and Solutions with advanced performance
- Intelligent systems to reduce emissions and fuel consumption

ThyssenKrupp Technologies

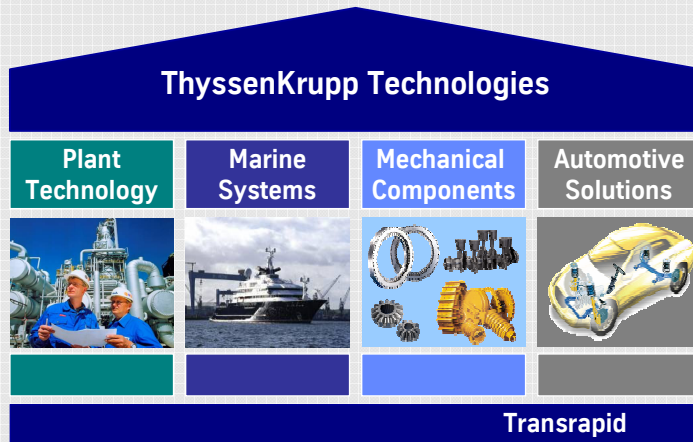
- Strategic Focus
- Leading-edge Technology
- Value Driver



ThyssenKrupp Technologies: „Value Driver und Cash Provider“

<u>TK Technologies Goals</u>		<u>Key figures 05/06</u>		<u>Goals 09/10</u>
1. Securing high returns	→	ROCE 19%	✓	ROCE 28%
2. Generating profits	→	EBT € 410 m	✓	EBT € 750 m
3. Creating value	→	TKVA € 215 m	✓	TKVA € 530 m
4. Providing sufficient funds	→	Net financial funds > € 1.5 bn	✓	Net financial funds > € 2 bn
5. Providing cash	→	OCF > € 800 m	✓	OCF close to € 1 bn

ThyssenKrupp Technologies: Strategic Position



Plant Technology

TOP 1-2

Marine Systems

TOP 1

Mechanical Components

TOP 1

Automotive Solutions

TOP 1-3

Four strategic pillars

- Ongoing optimization of portfolio
- Concentration on powerful business units
- World market leadership with TOP 1-3 positions

Strategic focus

- **Raw materials** (mining and processing)
- **Energy** (renewable and fossil)
- **Nutrition** (fertilizer plants)
- **Security** (Surface Vessel and Submarine)
- **Middle East** (Infrastructure and Industry)
- **Asia / Pacific** (Engineering and Components)

Growth and profitability: „Value Driver - Cash Provider“

- EBT-goal € 750 m
- TKVA-goal € 530 m
- ROCE 28 %

Targets 2009/10

ThyssenKrupp: Leading edge Technology

- Innovations and technological competence
- Technology leadership
- Sophisticated high-tech products





Leading Edge Technology

