

**3rd Basic Materials Seminar
Exane BNP Paribas**

London

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2008

Agenda

Peter Urban

Vice Chairman and CFO ThyssenKrupp Steel AG

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- Overview ThyssenKrupp Group
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- Track Record and Strategic Positioning ThyssenKrupp Steel
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- Strategic Guidelines
-
- Forward Strategy for Profitable Growth
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ThyssenKrupp Group FY 2006/07

ThyssenKrupp AG

Sales €51.7 bn • EBT €3,330 m • TKVA €2,108 m • Employees 191,350

Steel	Stainless	Technologies	Elevator	Services
Sales €13.2 bn EBT €1,662 m TKVA €1,138 m Employees 39,559 • Steelmaking • Industry • Auto • Processing	Sales €8.7 bn EBT €777 m TKVA €507 m Employees 12,182 • Nirosta • Acciai Speciali Terni • Mexinox • Shanghai Krupp Stainless • Stainless Int. • VDM	Sales €11.5 bn EBT €544 m TKVA €348 m Employees 54,762 • Plant Technology • Marine Systems • Mechanical Components • Automotive Solutions • Transrapid	Sales €4.7 bn EBT* €(113) m TKVA* €(226) m Employees 39,501 • 4 regional business units • Escalators/ Passenger Boarding Bridges • Accessibility	Sales €16.7 bn EBT €704 m TKVA €487 m Employees 43,012 • Materials Services International • Materials Services North America • Industrial Services • Special Products

Inter-segment sales not consolidated

* incl. EU fine

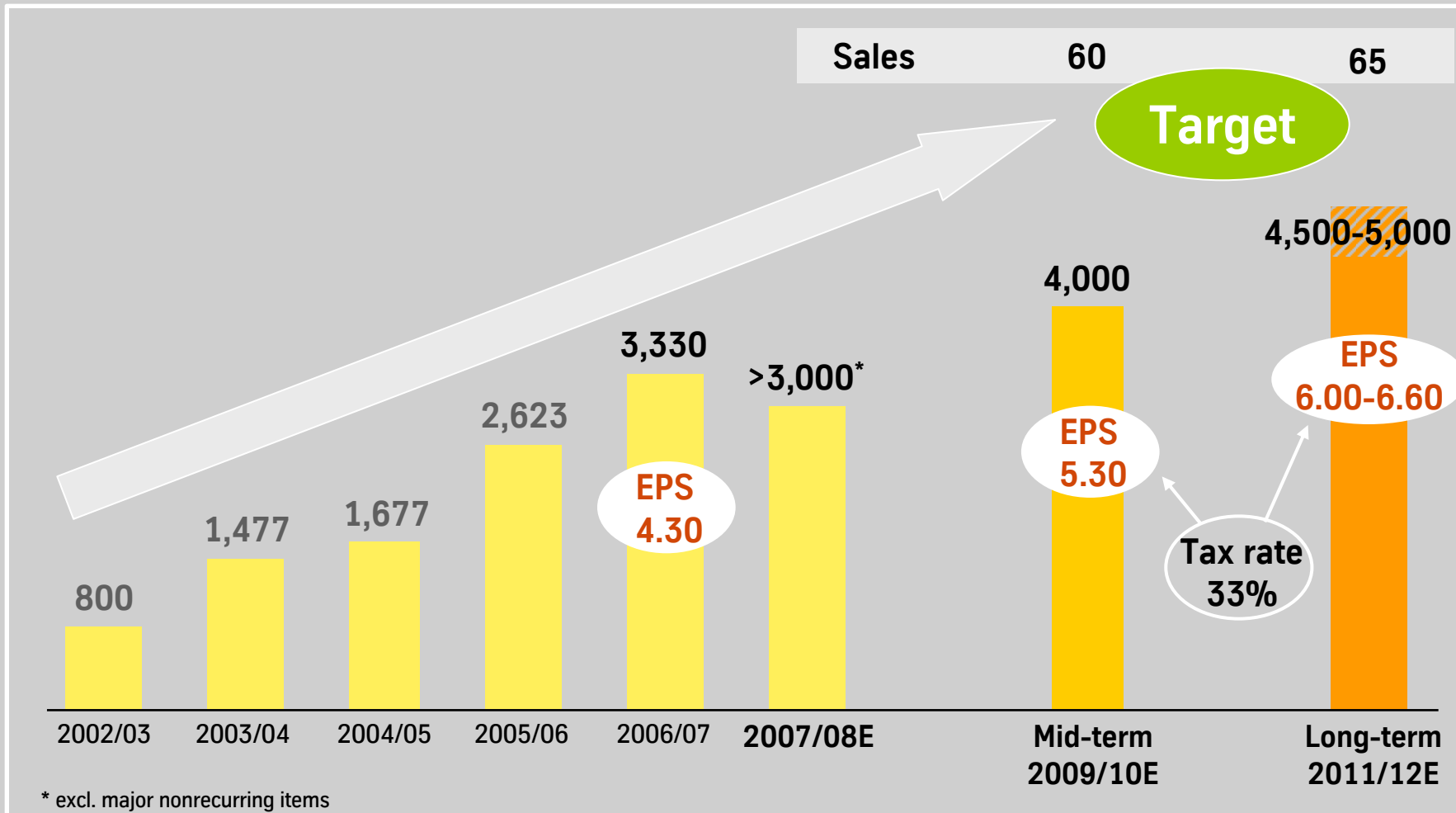
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ThyssenKrupp Group – Targets 2009/10 and 2011/12

Sales, EBT and EPS

billion € / million € / €



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Track Record ThyssenKrupp Steel



		2001/02 ¹⁾	2002/03 ¹⁾	2003/04 ¹⁾	2004/05 ²⁾	2005/06 ³⁾	2006/07 ³⁾
Sales	€m	6,861	7,448	8,387	9,568	12,087	13,209
Crude steel prod.	1,000 t	13,145	13,557	13,978	13,826	13,837	14,459
EBT	€m	15	243	608	1,094	1,406	1,662
ROCE	%	2.6	7.0	13.0	19.6	23.2	26.9
TKVA	€m	(417)	(162)	164	600	876	1,138
Ø Capital Employed	€m	5,623	5,430	5,520	5,965	6,380	6,557
Employees (Sept. 30)	#	29,222	29,249	30,618	31,634	38,840	39,559

1) Business Unit Carbon Steel, incl. discontinued operations US GAAP

2) ThyssenKrupp Steel (new) IFRS

3) incl. Metal Forming

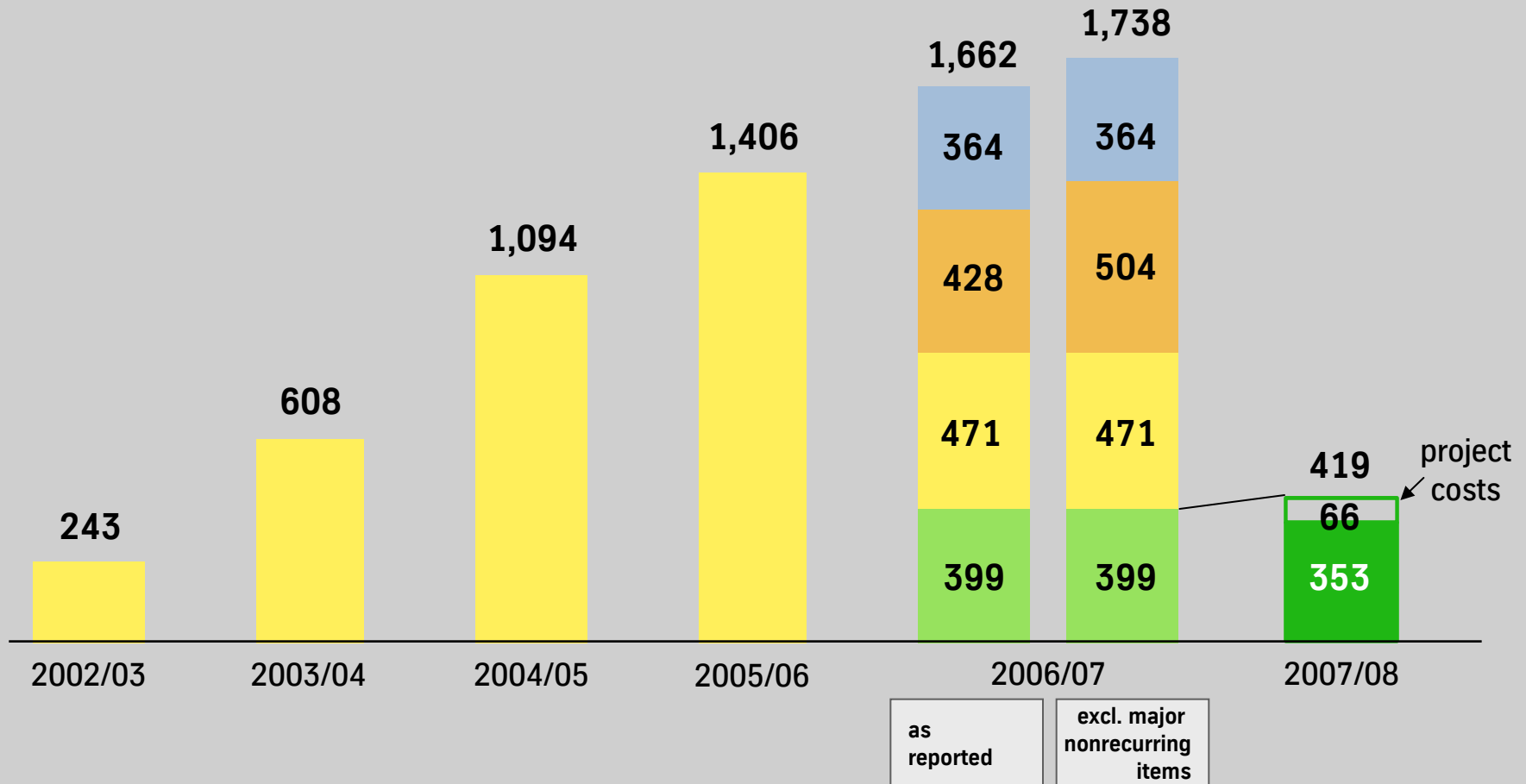
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Successful Start into the New Fiscal Year

EBT Track Record ThyssenKrupp Steel

million €

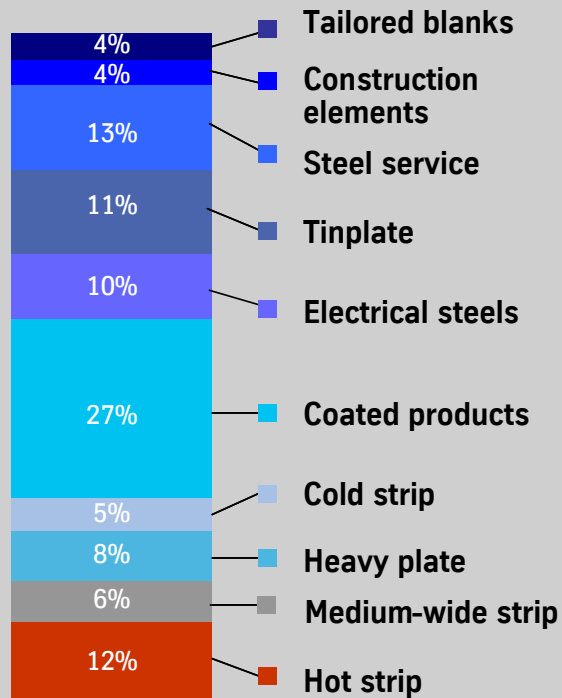


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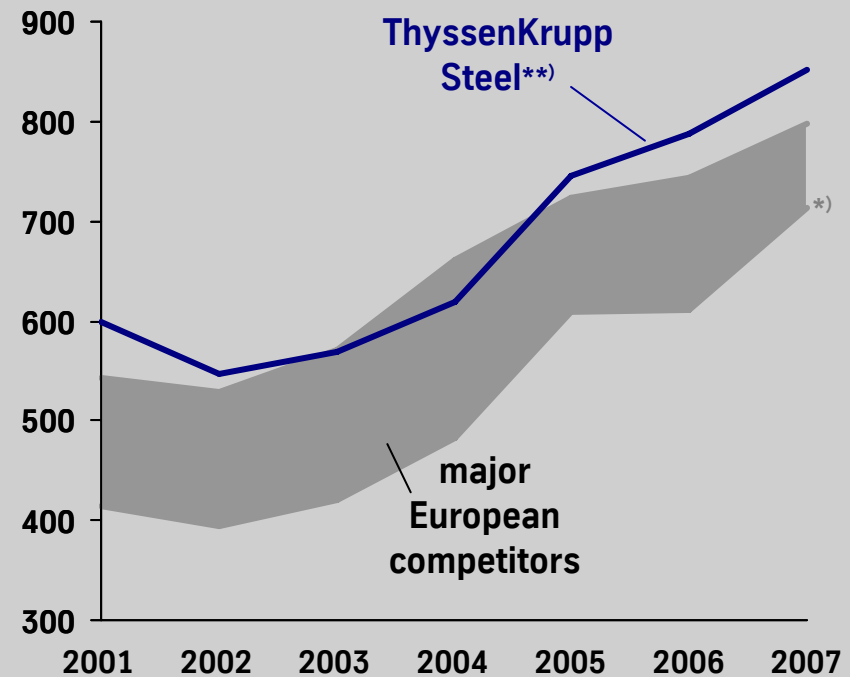
Premium Product Portfolio Generates Above-Average Revenues

Product Portfolio Steel FY 2006/07*) in %



*) sales of flat products only

Revenue per Tonne € / t



*) data in part preliminary **) excl. Metal Forming

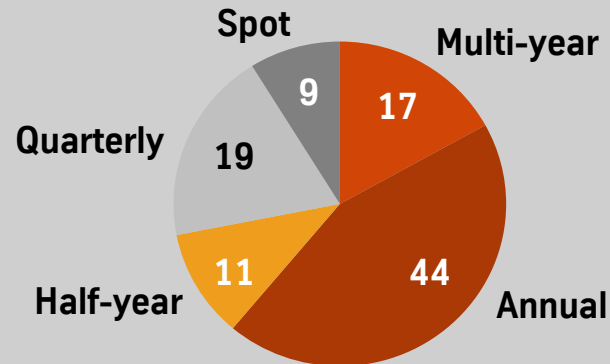
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Long Term Customer Relations Establish Lower Volatility

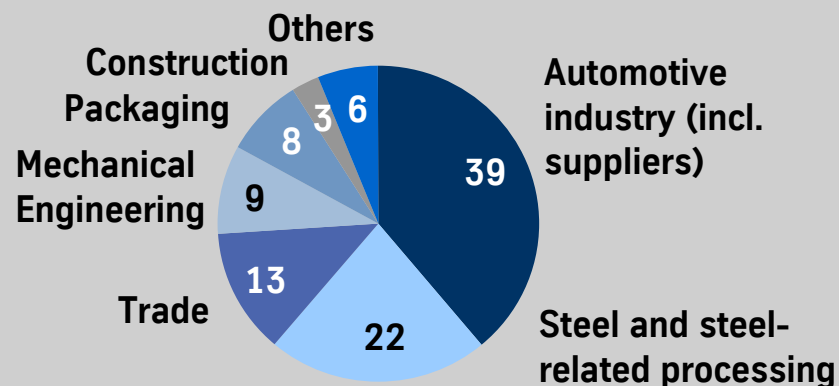
Sales by Maturity FY 2006/07

in %



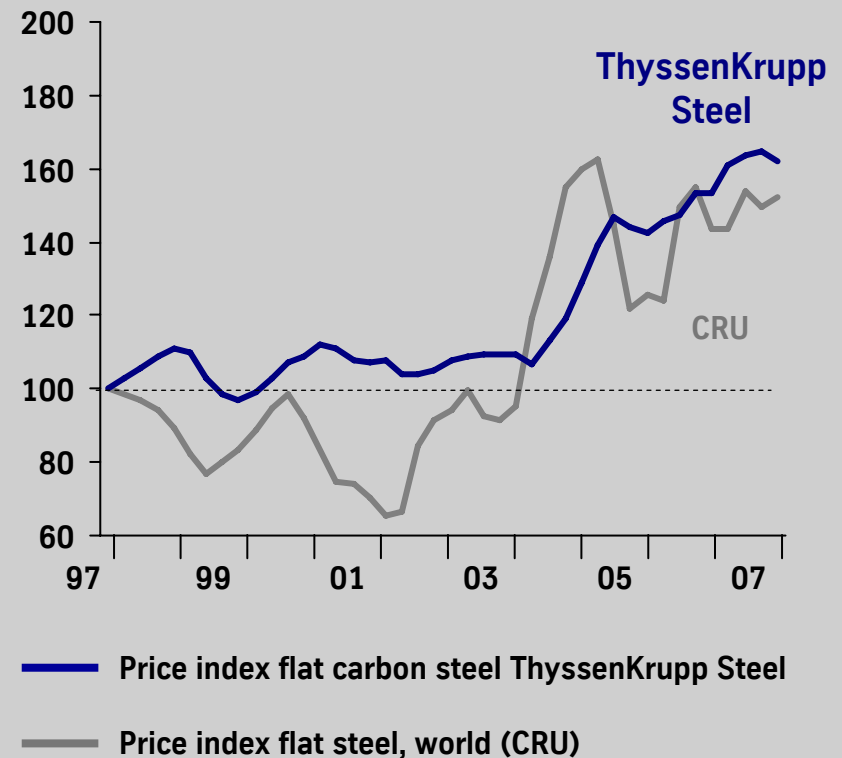
Sales by Industry FY 2006/07

in %



Price Index Flat Steel

Index (Q3 1997 = 100)



All data incl. Q4 2007

Sources: CRU and own calculations based on CRU, TKS

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Strong Market Positions and Profitability

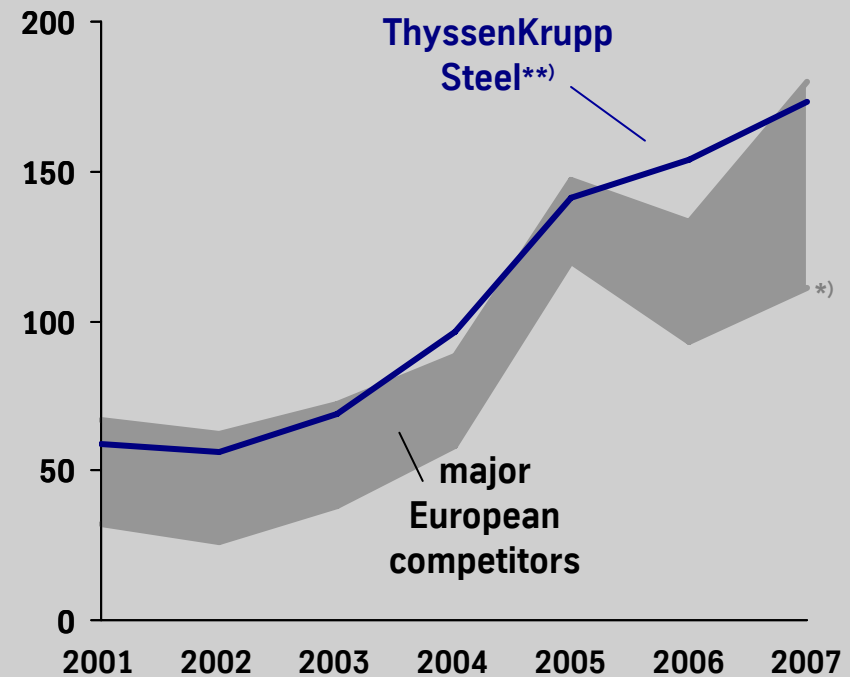
Market Positions

by production 2005

- Total Flat Carbon Steel # 2 Europe
- Tailored Blanks # 1 World
- Tinplate # 3 Europe
- Electrical Steel # 2 World / # 1 Europe
- Coated Products # 2 Europe
- Heavy Plate, quenched & tempered # 2 Europe
- Medium-wide Strip # 1 / USP

EBITDA per Tonne

€/t



*) data in part preliminary **) excl. Metal Forming

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Strategic Guidelines ThyssenKrupp Steel

Sustainable value growth



**Efficiency
improvement**

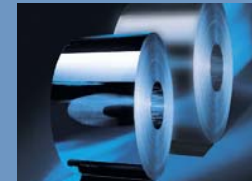


**Technology
leadership**



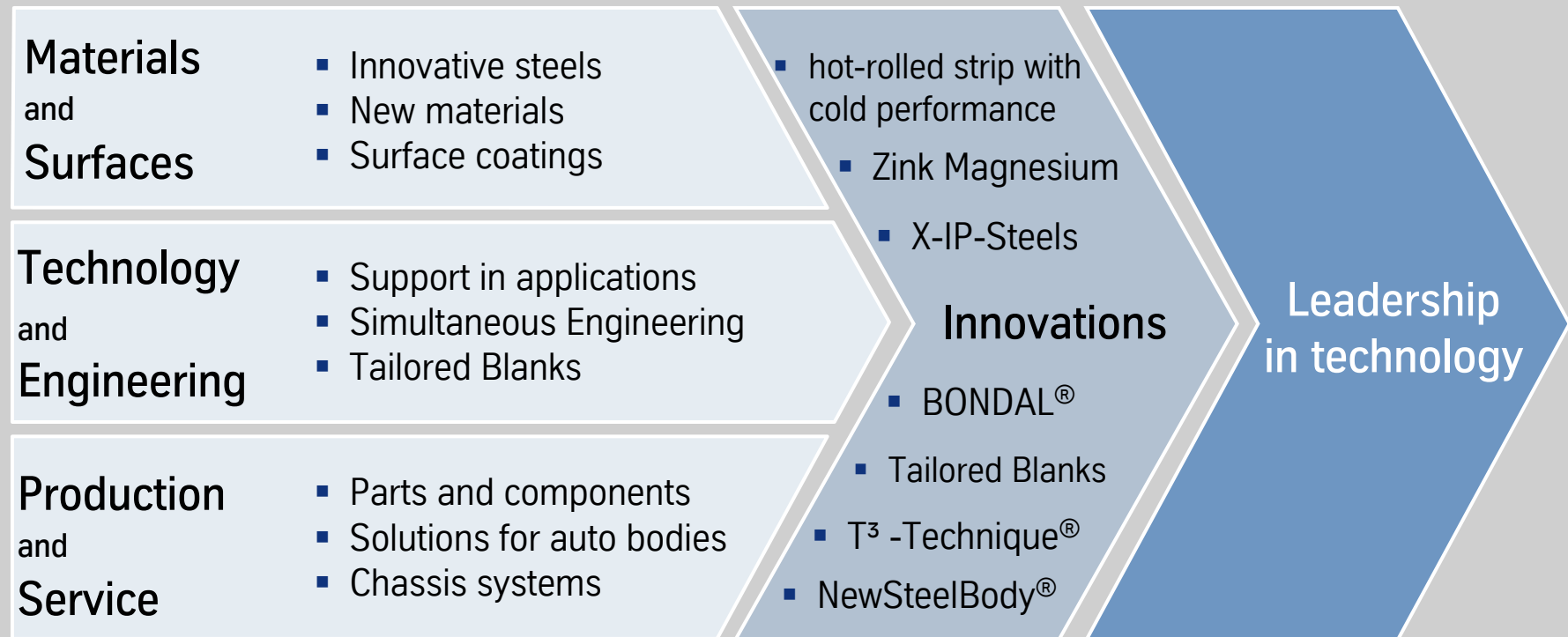
**Profitable
growth**

**Focus on attractive markets
for premium flat steel products**



Leadership in Technology

Example: Strong Partner to the Automotive Industry

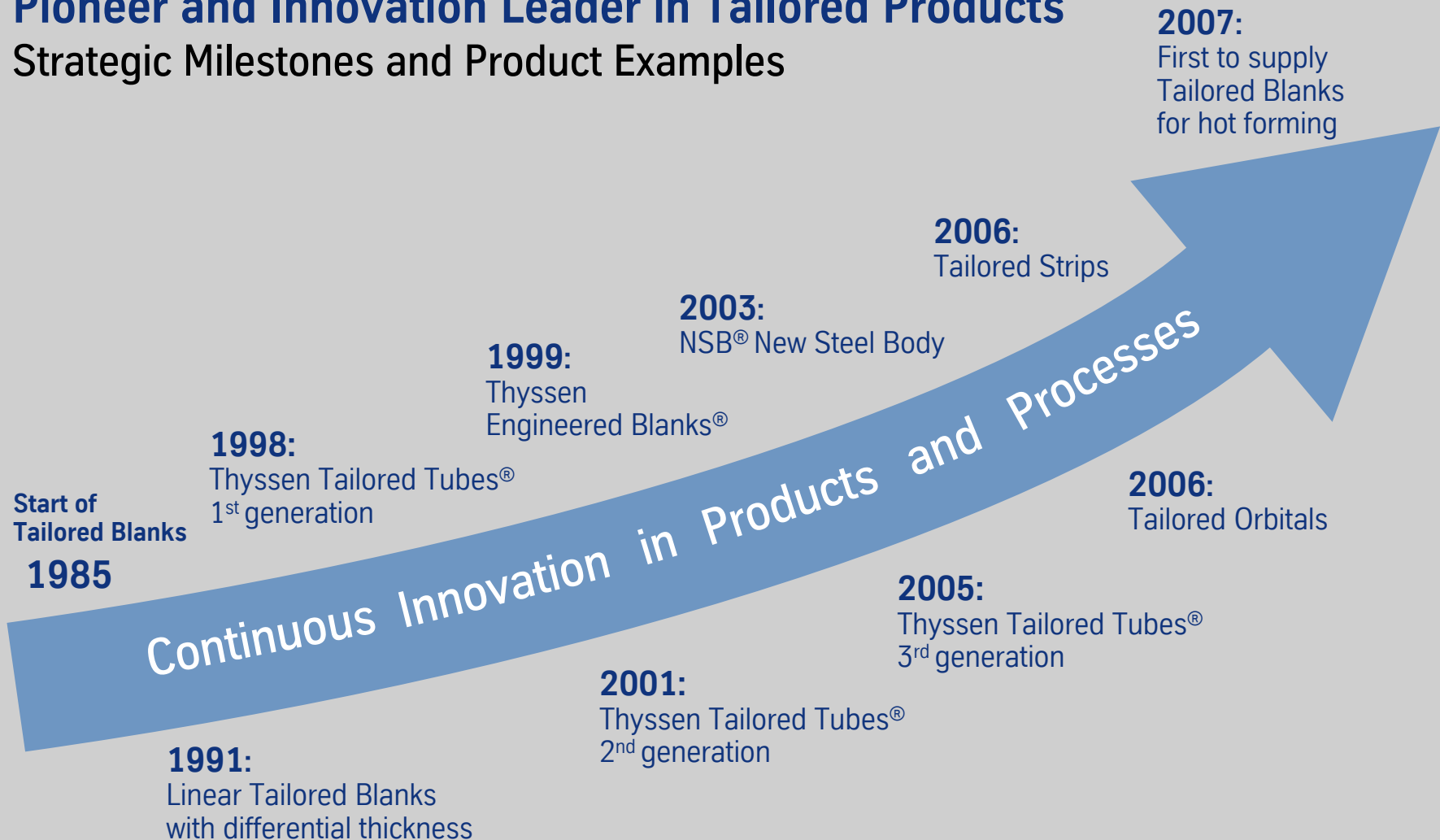


► Overall competence in automobile market as a basis for leadership in technology



Pioneer and Innovation Leader in Tailored Products

Strategic Milestones and Product Examples

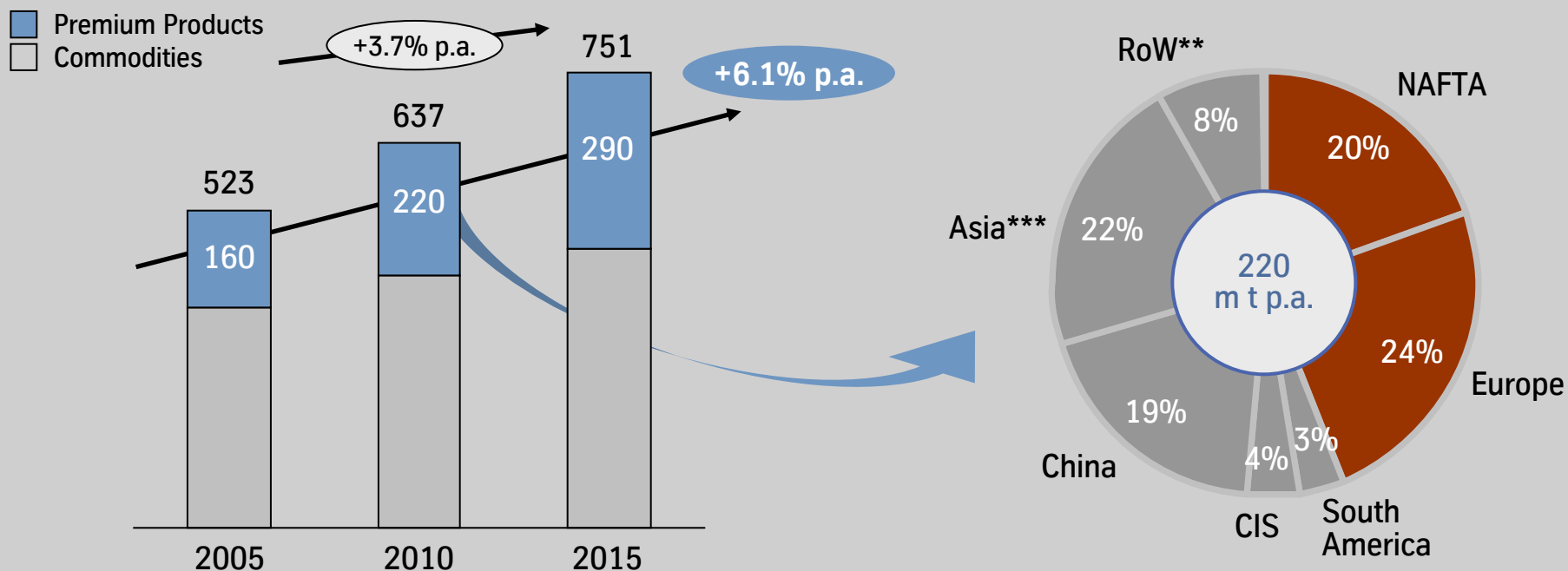


Premium Flat Carbon Steel Market with Above-Average Growth

Global Market Development: Market Forecasts up to 2015

Global Demand for Premium Products*

million tons p.a.



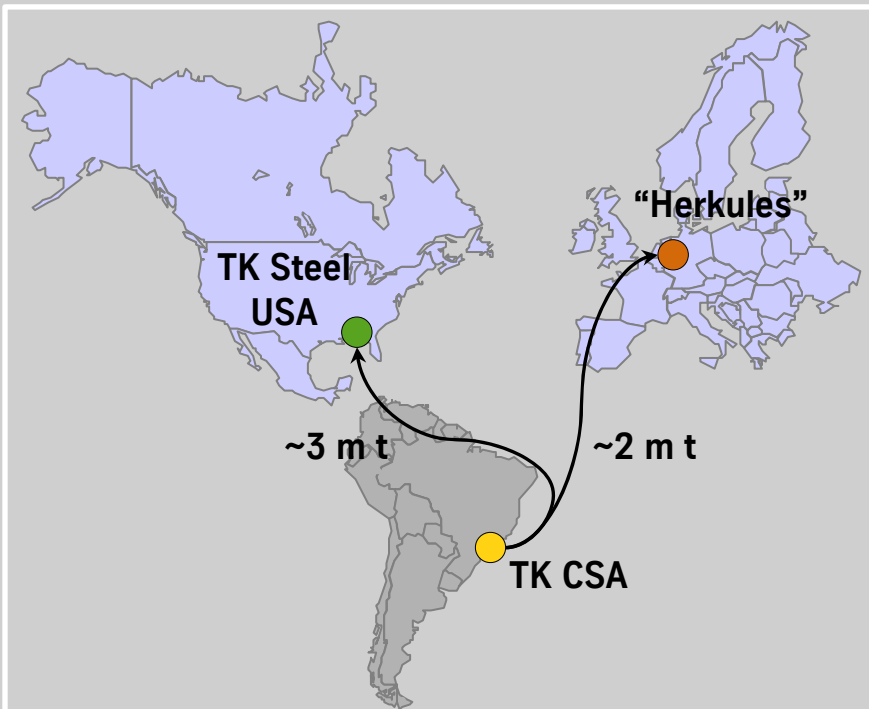
Europe and NAFTA with almost 45% Share in Global Demand for Premium Products

* Flat steel products with above-average quality requirements and technological properties ** esp. India *** esp. Japan and South Korea

Source(s): CRU MerchantSlabMarket 2006-Q4 – absolute numbers, WSD Global Steel Product Matrix



Investment Strategy Steel: The Transatlantic Concept



Targeted major transatlantic production capacities

Capacity in m metric tons p.a.	Brazil	NAFTA	Europe **
Slabs	5	-	15
Hot-rolled	-	5.2*	17.5
Cold-rolled	-	2.5	10
Coated	-	1.8	8

* incl. 0.9 million t for Stainless ** slabs incl. share in HKM; hot-rolled incl. heavy plate and medium-wide strip; coated incl. EG, HDG and tinplate

- Utilizing low-cost slabs from Brazil
- Build on and expand strong European market position
- Clear strategy to enter NAFTA market with focus on high value-added products

- ⇒ Significant dilution of cost base by highly competitive steel mill in Brazil
- ⇒ De-bottlenecking and modernization to process 2 m t of additional slabs from Brazil ("Herkules")
- ⇒ Transfer of proven business model into the modern industrial center of the U.S.

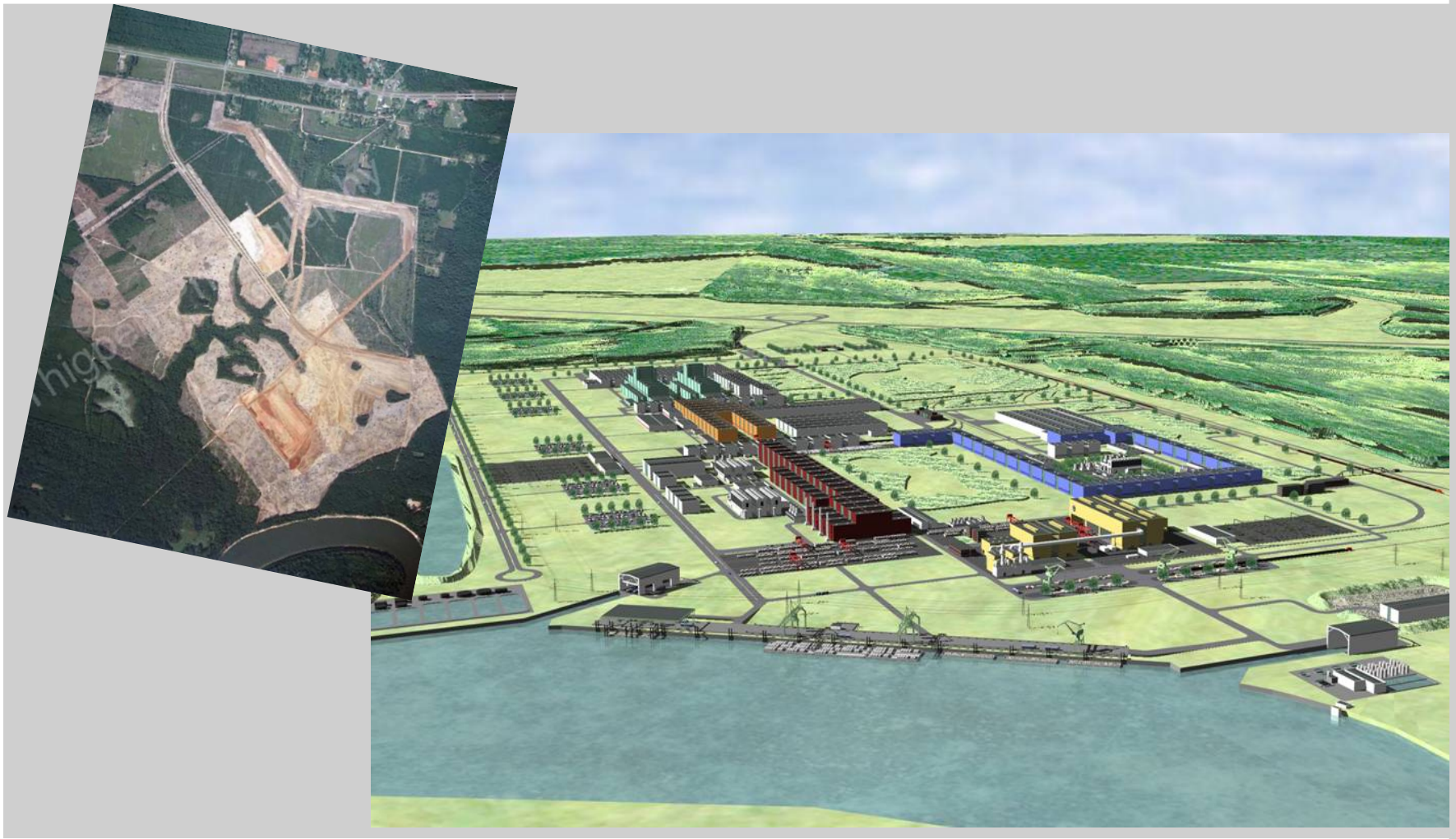
Slab Facility in Brazil Will Create Competitive Advantages

Start of Production in March 2009



Low-cost and high-quality slabs as ideal basis for further processing in Europe and North America

ThyssenKrupp Steel USA: Proposed Facility Layout



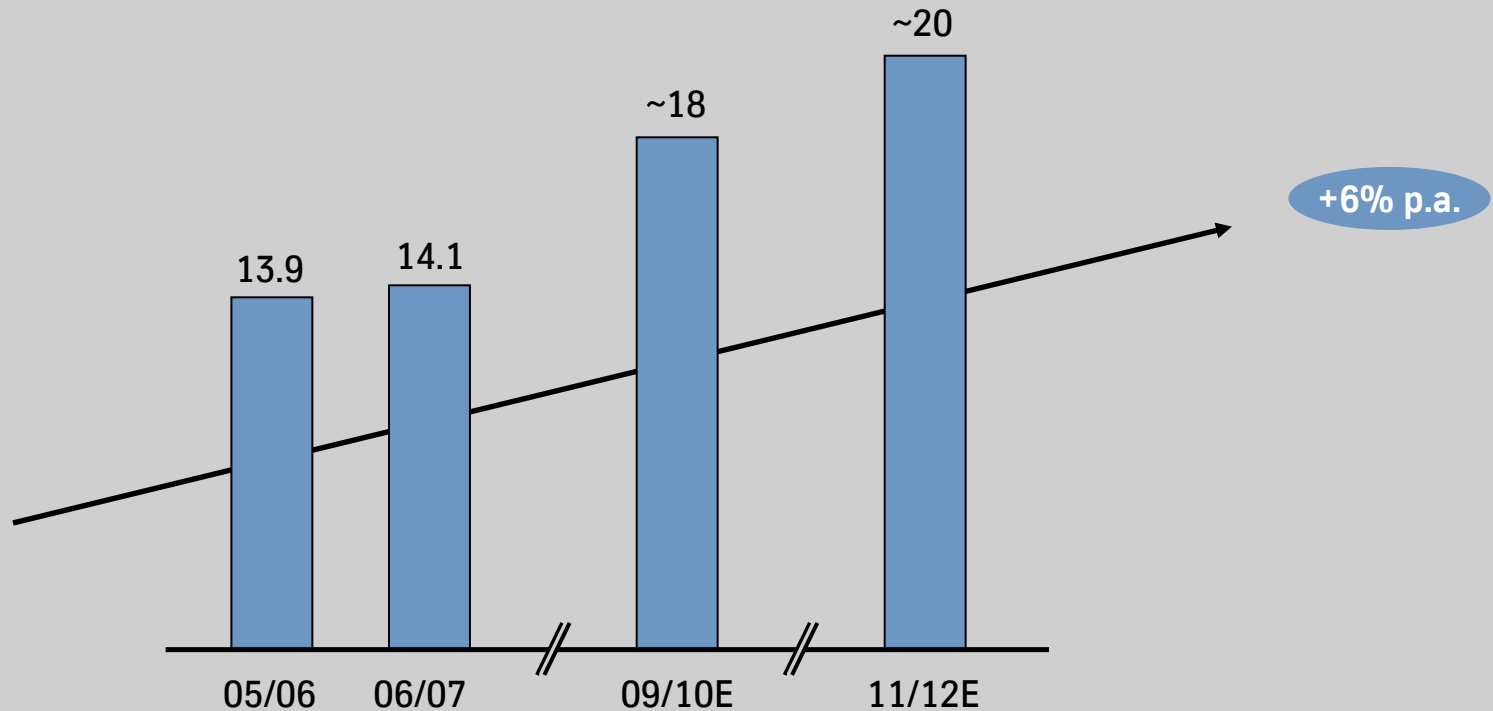
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Excellent Positioned and on Track to Meet Increasing Demand for Premium Products

Steel Shipments ThyssenKrupp Steel

million tons p.a.



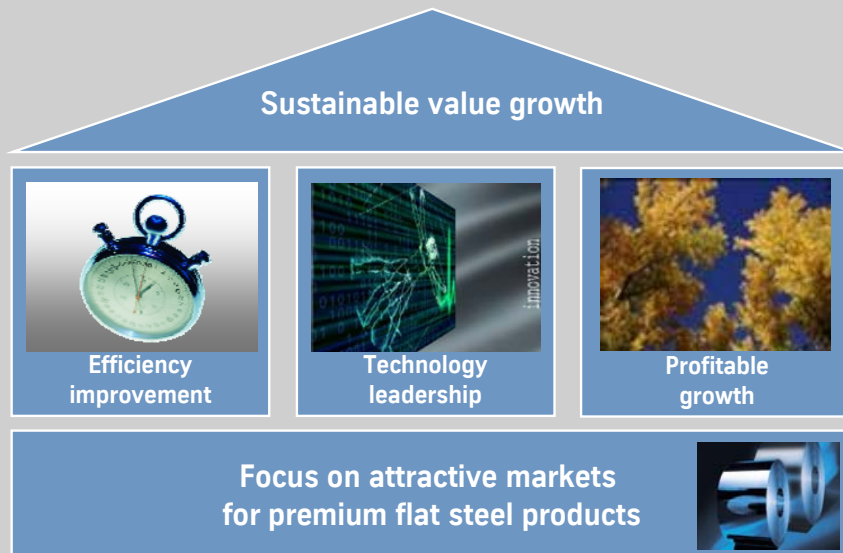
Shipments to increase by more than 40% by 2011/12

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Forward Strategy Creates Potential For Significant Value Growth

Strong Organic Growth Based on Proven Business Model



- Capex
 - Forward Strategy Europe
 - Forward Strategy NAFTA
 - Forward Strategy Brazil

€5.7bn
- Return hurdle for growth investments

≥ 15 %
- Committed to
 - Reliable and significant profit contribution
 - Drive value for the Group !

Proceeding to Schedule and Budget !

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This presentation contains forward-looking statements that are subject to risks and uncertainties. Statements contained herein that are not statements of historical fact may be deemed to be forward-looking information. When we use words such as “plan,” “believe,” “expect,” “anticipate,” “intend,” “estimate,” “may” or similar expressions, we are making forward-looking statements. You should not rely on forward-looking statements because they are subject to a number of assumptions concerning future events, and are subject to a number of uncertainties and other factors, many of which are outside of our control, that could cause actual results to differ materially from those indicated. These factors include, but are not limited to, the following:

- (i) market risks: principally economic price and volume developments,
- (ii) dependence on performance of major customers and industries,
- (iii) our level of debt, management of interest rate risk and hedging against commodity price risks;
- (iv) costs associated with, and regulation relating to, our pension liabilities and healthcare measures,
- (v) environmental protection and remediation of real estate and associated with rising standards for real estate environmental protection,
- (vi) volatility of steel prices and dependence on the automotive industry,
- (vii) availability of raw materials;
- (viii) inflation, interest rate levels and fluctuations in exchange rates;
- (ix) general economic, political and business conditions and existing and future governmental regulation; and
- (x) the effects of competition.

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