

**2008 Global Steel and Mining Conference**  
**Credit Suisse**

London

September 24, 2008

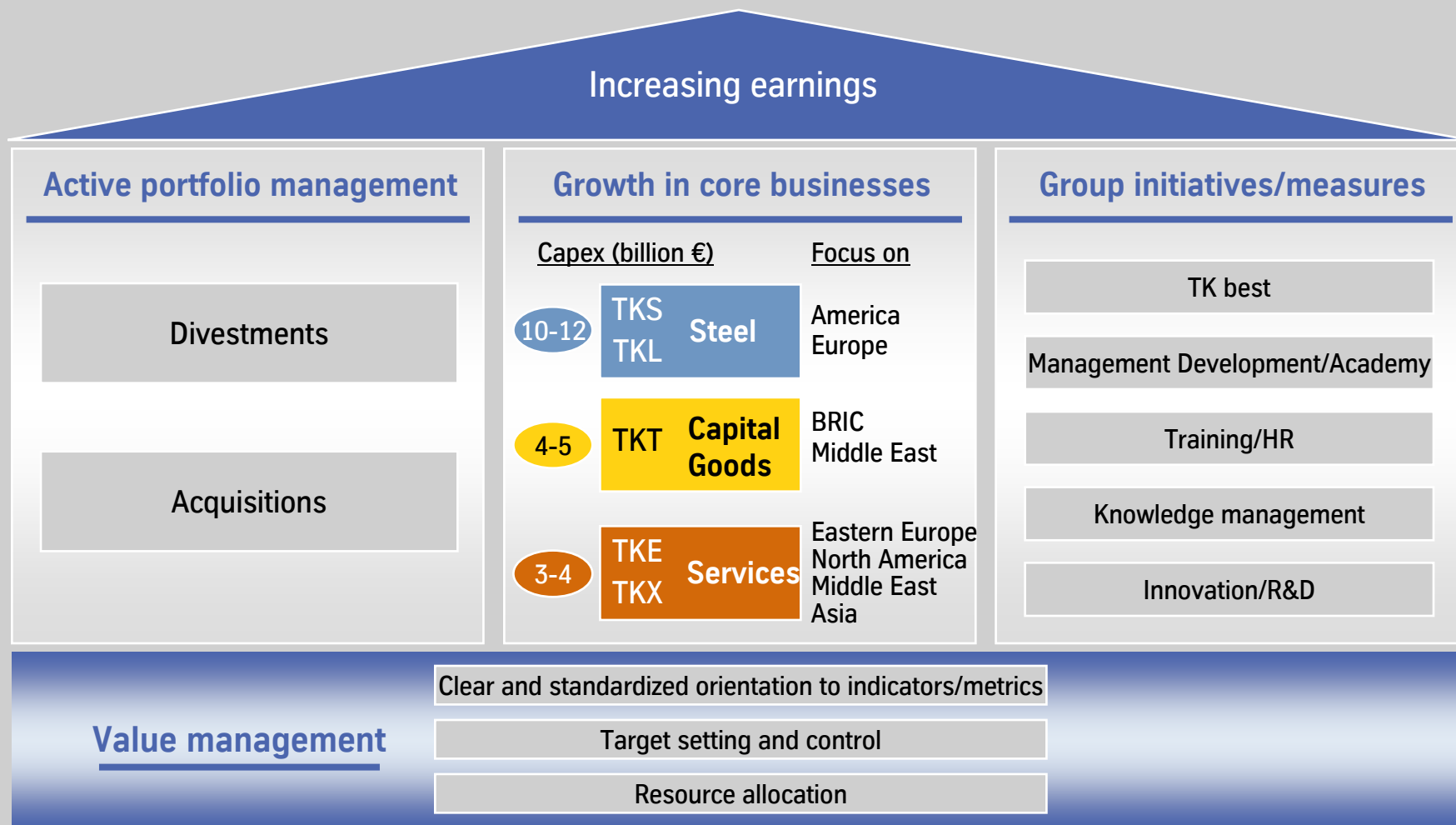
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2008

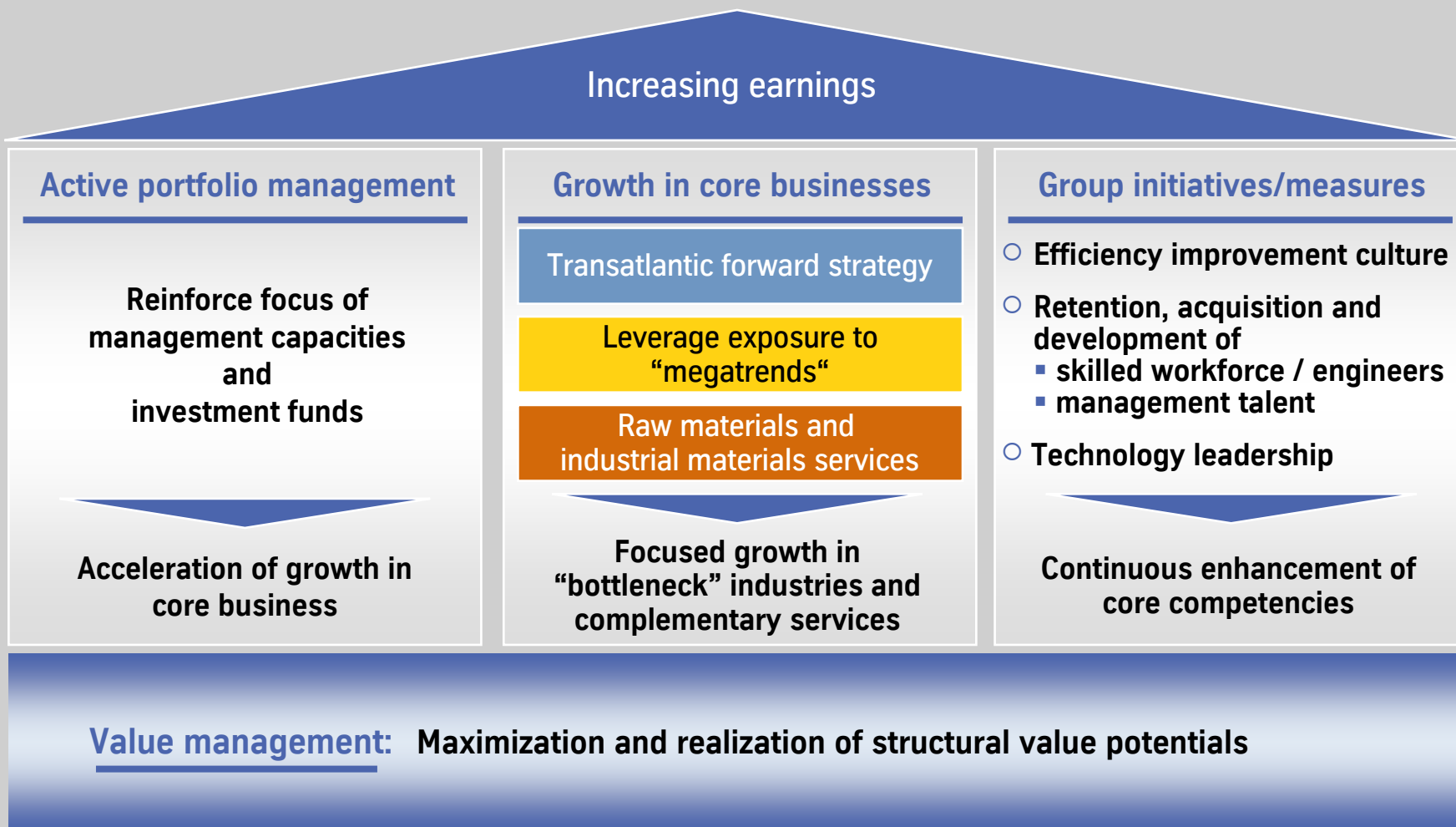
**ThyssenKrupp**



# Cornerstones of the ThyssenKrupp Group's Strategy



# Delivering Growth in a Supply Constrained World

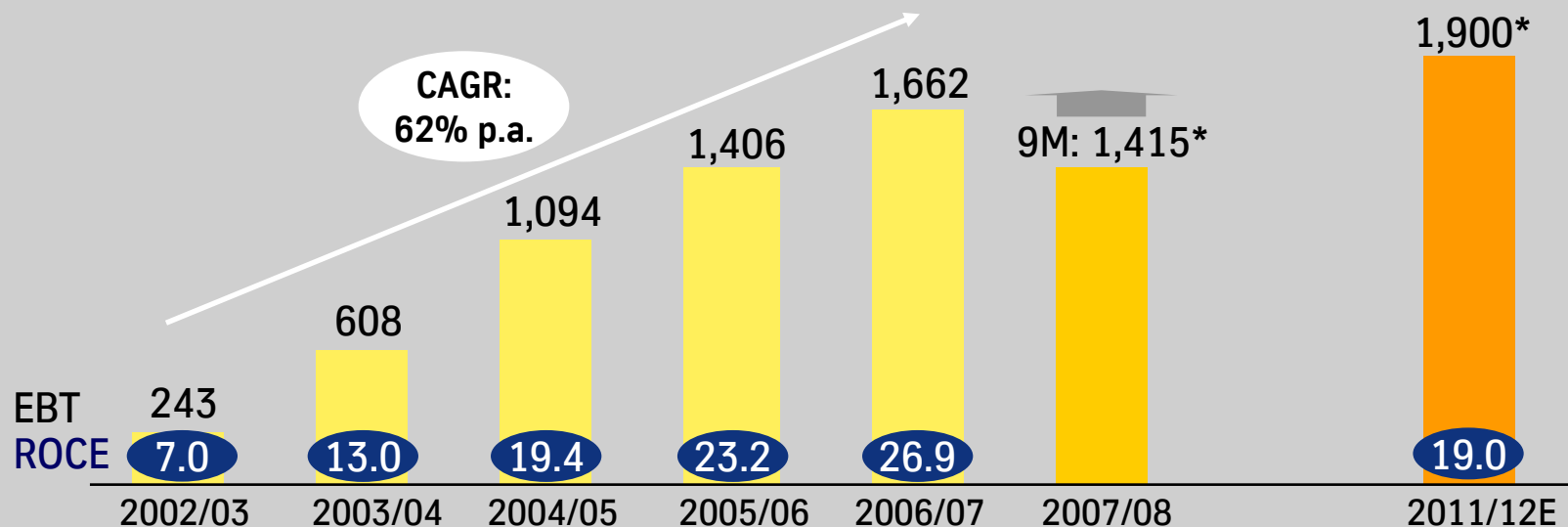




# Steel: Value Drivers

## EBT / ROCE track record

million € / %



- Steel plant in Brazil goes on stream at the end of 2009: 5 m tons of low-cost high-quality slabs for NAFTA and European markets
- Ramping up of processing capacities in Alabama starting in 2010

2002/03-2004/05 in the Group structure valid at that time

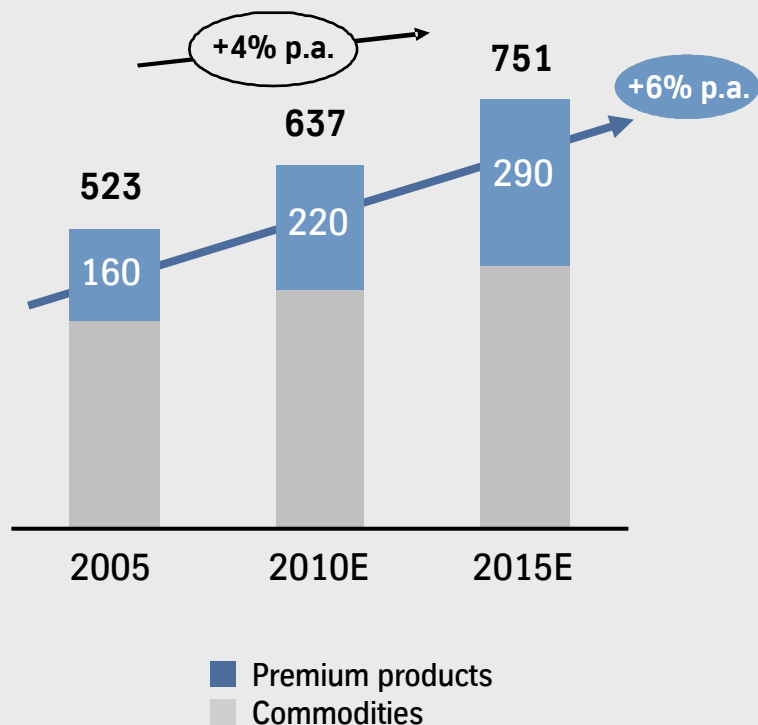
\* excl. major nonrecurring items



# Steel: Market Outlook

## Global demand for flat carbon steel

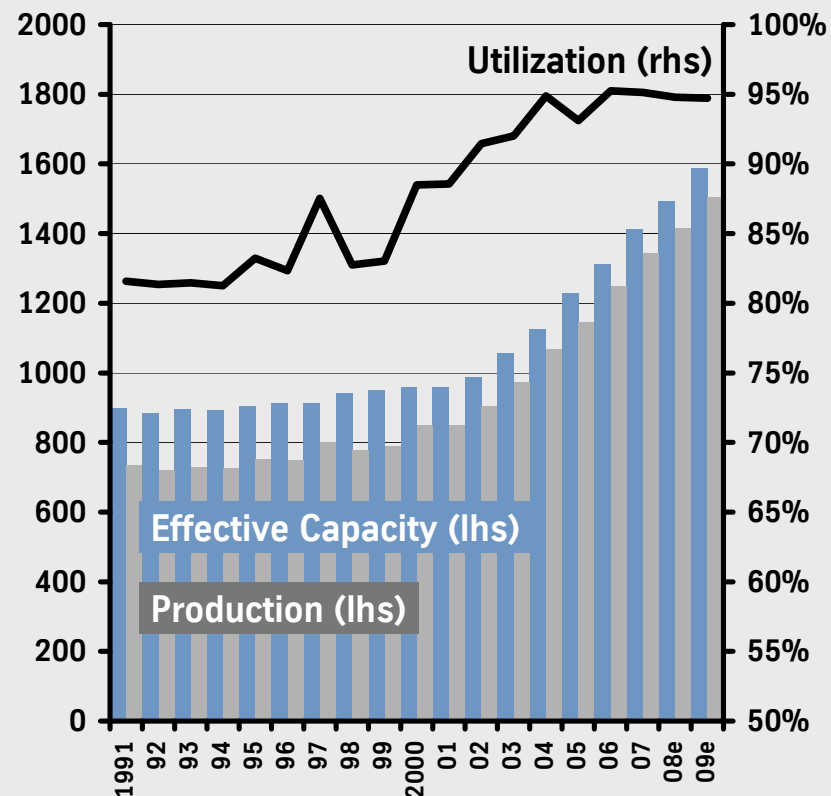
million tons



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

## Global crude steel capacity utilization rates

million tons

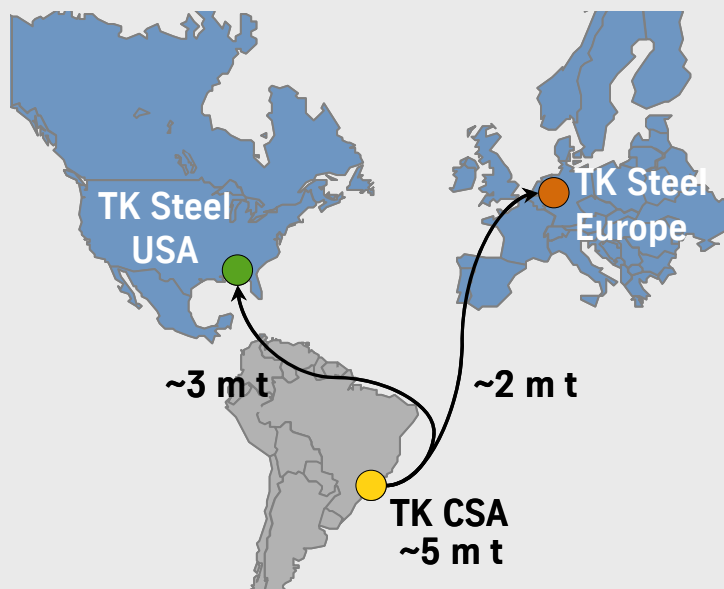


Source(s): German Steel Federation, own estimates



# Steel: Strategic Concept

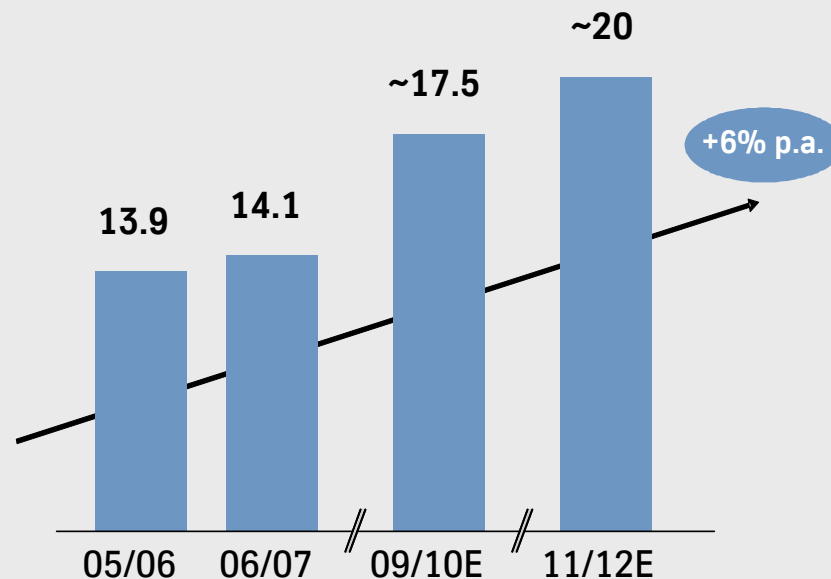
## Transatlantic forward strategy



- Low-cost and high-quality slabs as ideal basis for further processing in Europe and North America
- Production of first slab at the end of 2009

## Steel shipments

million tons

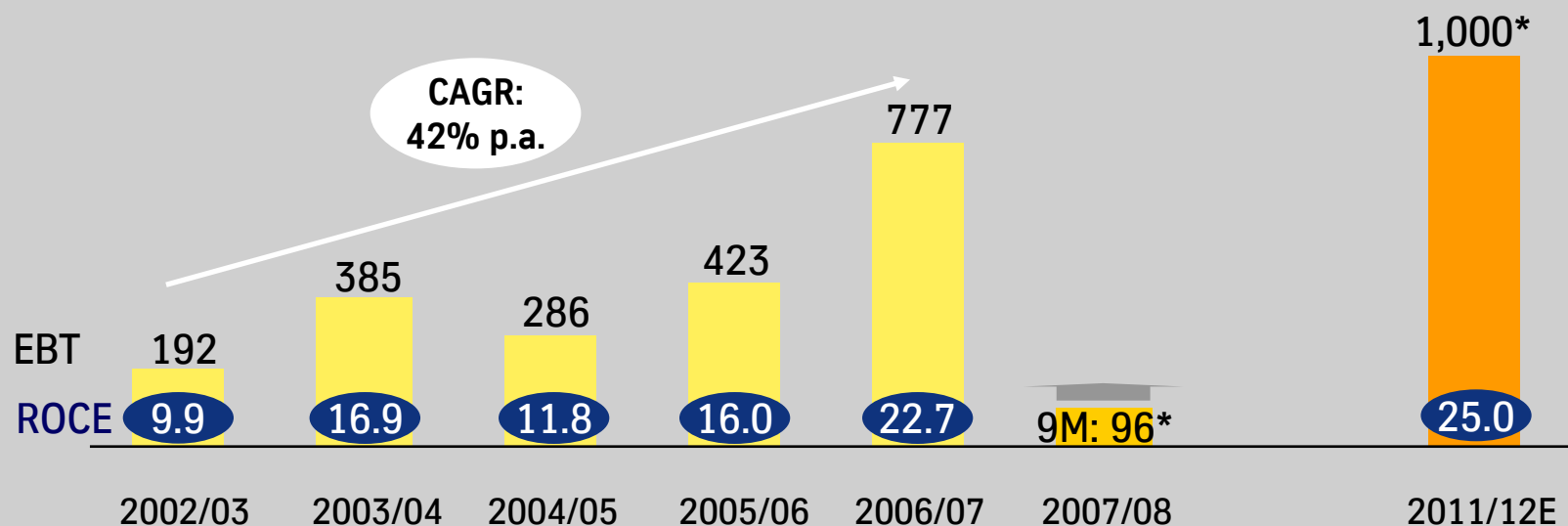


- Strong organic growth based on proven business model
- Shipments to increase by more than 40% by 2011/12
- Excellently positioned to meet increasing demand for premium products

# Stainless: Value Drivers

## EBT / ROCE track record

million € / %



- World Class Terni project strengthens European position
- Stainless Alabama going on stream in 2010  
⇒ Further penetration of NAFTA market

2002/03-2004/05 in the Group structure valid at that time

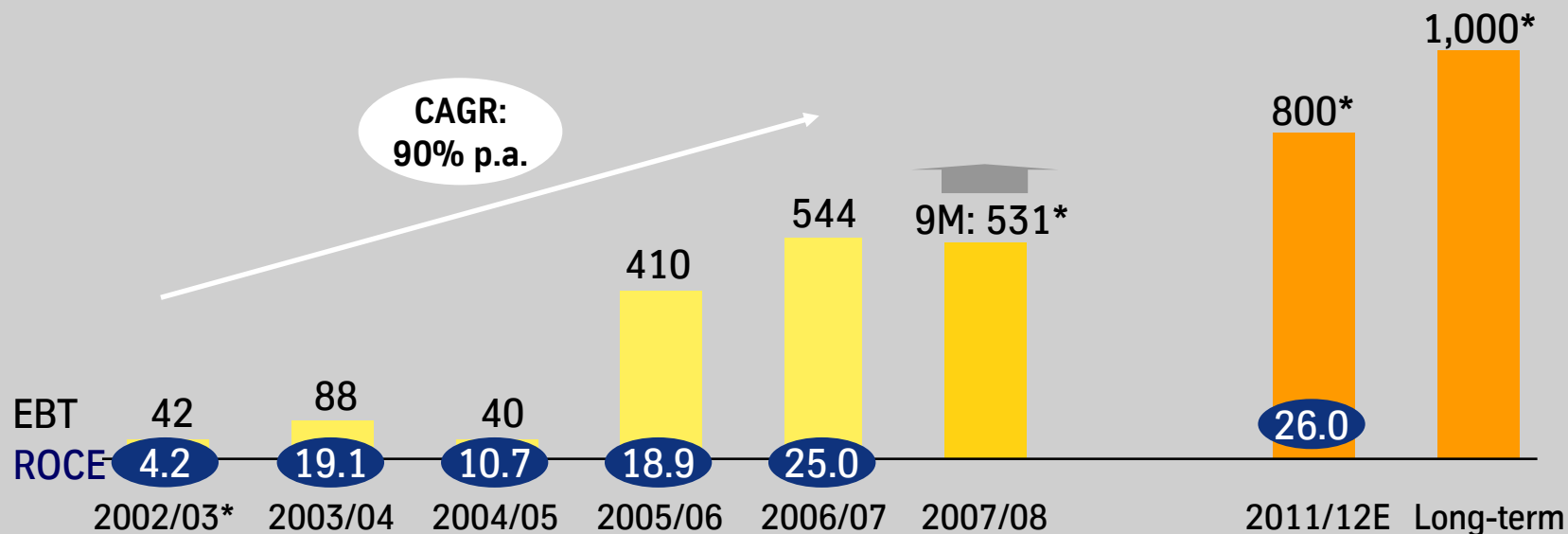
\* excl. major nonrecurring items



# Technologies: Value Drivers

## EBT / ROCE track record

million € / %



\* excl. Automotive  
2002/03-2004/05 in the Group structure valid at that time

- Global secular growth trends will continue to drive profitable business: raw materials (mining and processing), food (fertilizers), energy (renewable and fossil), security (surface vessel and submarine)
- Development of additional business potential, e.g. in Middle East

\* excl. major nonrecurring items



# Technologies: Global Engineering Network Geared to Secular Growth; The Only Limit to Growth: Shortage of Highly Skilled Engineers

## Megatrends

### Raw materials



About 30 % of the world's raw materials are mined, processed and handled with systems by ThyssenKrupp

### Food



Global leader in fertilizer plants

### Energy & Env't



EnviNOx ⇒ Saving potential of 120 m t CO<sub>2</sub>e/yr  
Polysius ⇒ "Refit Package" for cement industry

### R&D

### Basic engineering

### Detail engineering

### Project management



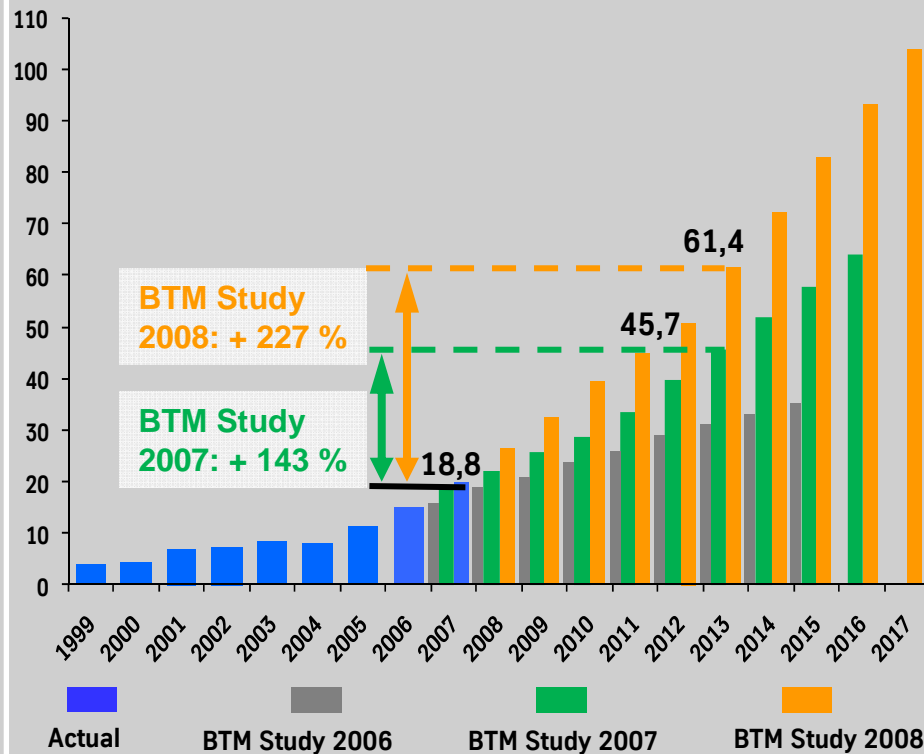
Figures in brackets = no. of employees at Sep. 30, 2008 Forecast, rounded; Other R&D centers <50 employees



# ThyssenKrupp Components Are Essential for Wind Turbines

## New installed capacity for wind energy

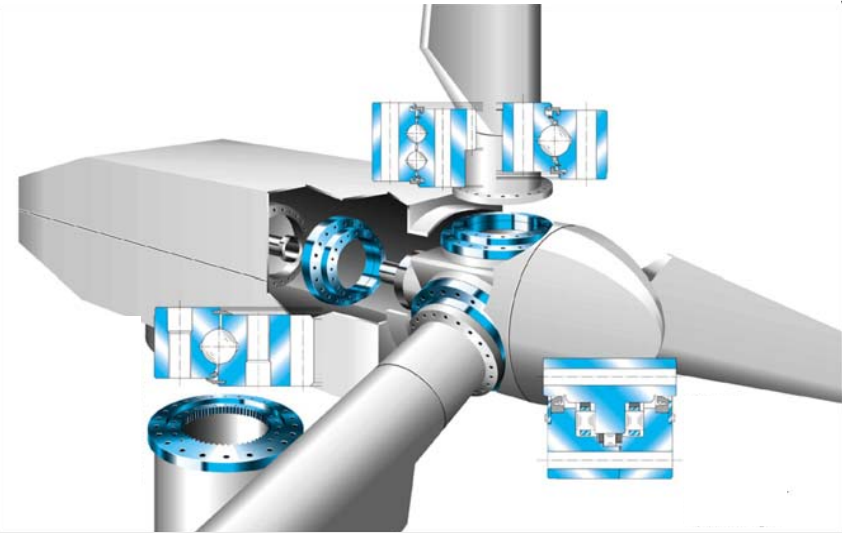
GW/yr



**CAGR (2007-2017)<sub>BTM2008</sub> = ~18%**

BTM = Birger T. Madsen, Consult Danish Energy Agency

## Bearings in wind energy plants



- **ThyssenKrupp – the worldwide leading manufacturer of slewing bearings**
- ⇒ **5 bearings are needed for every wind turbine**

**ThyssenKrupp**



# Technologies: Growth in a Supply Constrained World

## Visibility

- High visibility and planning security
  - order backlog €15.7 bn\*
  - sales coverage 99% FY 2007/08\*
  - almost 50% in FY 2008/09\*
  - \*as of June 30, 2008
  - major order for fertiliser complex in Algeria booked in Q4

## Earnings quality

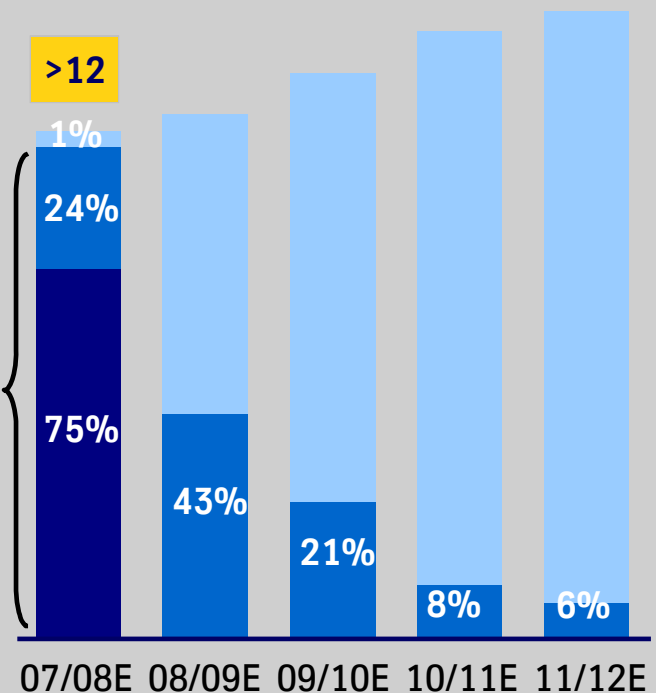
- Continuous improvement of earnings and margin quality
  - selective order intake
  - attractive project pipeline
  - open book principle

## Order intake, sales

billion € / %

- Order intake
- Sales cover from orders in hand (June 30, 2008)
- Sales realized to June 2008

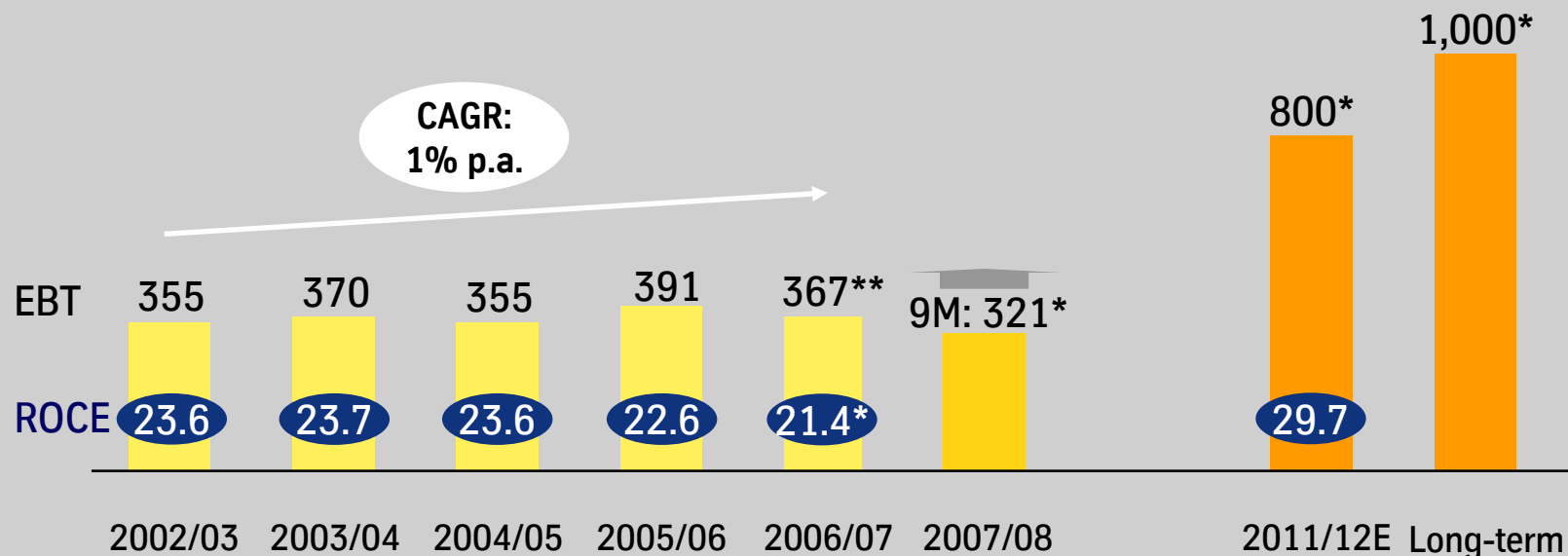
**Sales coverage = 99%**



# Elevator: Value Drivers

## EBT / ROCE track record

million € / %



\*\* excl. EU fine €480 m  
2002/03-2004/05 in the Group structure valid at that time

- Investment roadmap with focus on service business
- EX East project to develop additional business potential in Asia
- Performance Program 300

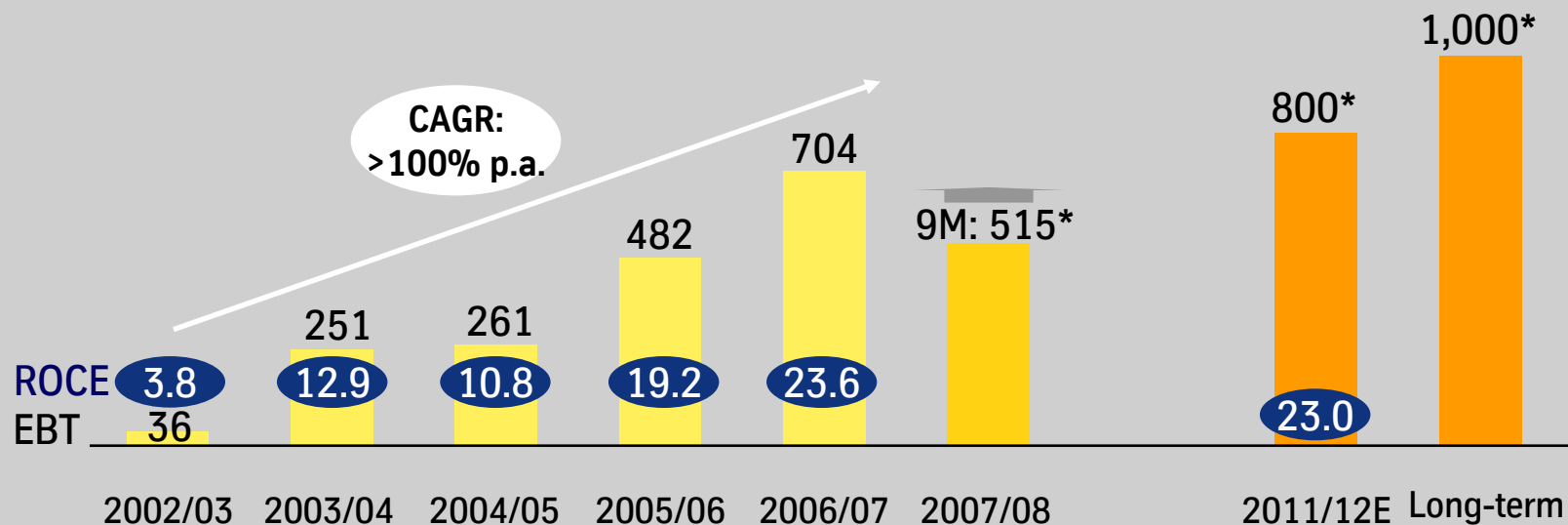
\* excl. major nonrecurring items



# Services: Value Drivers

## EBT / ROCE track record

million € / %



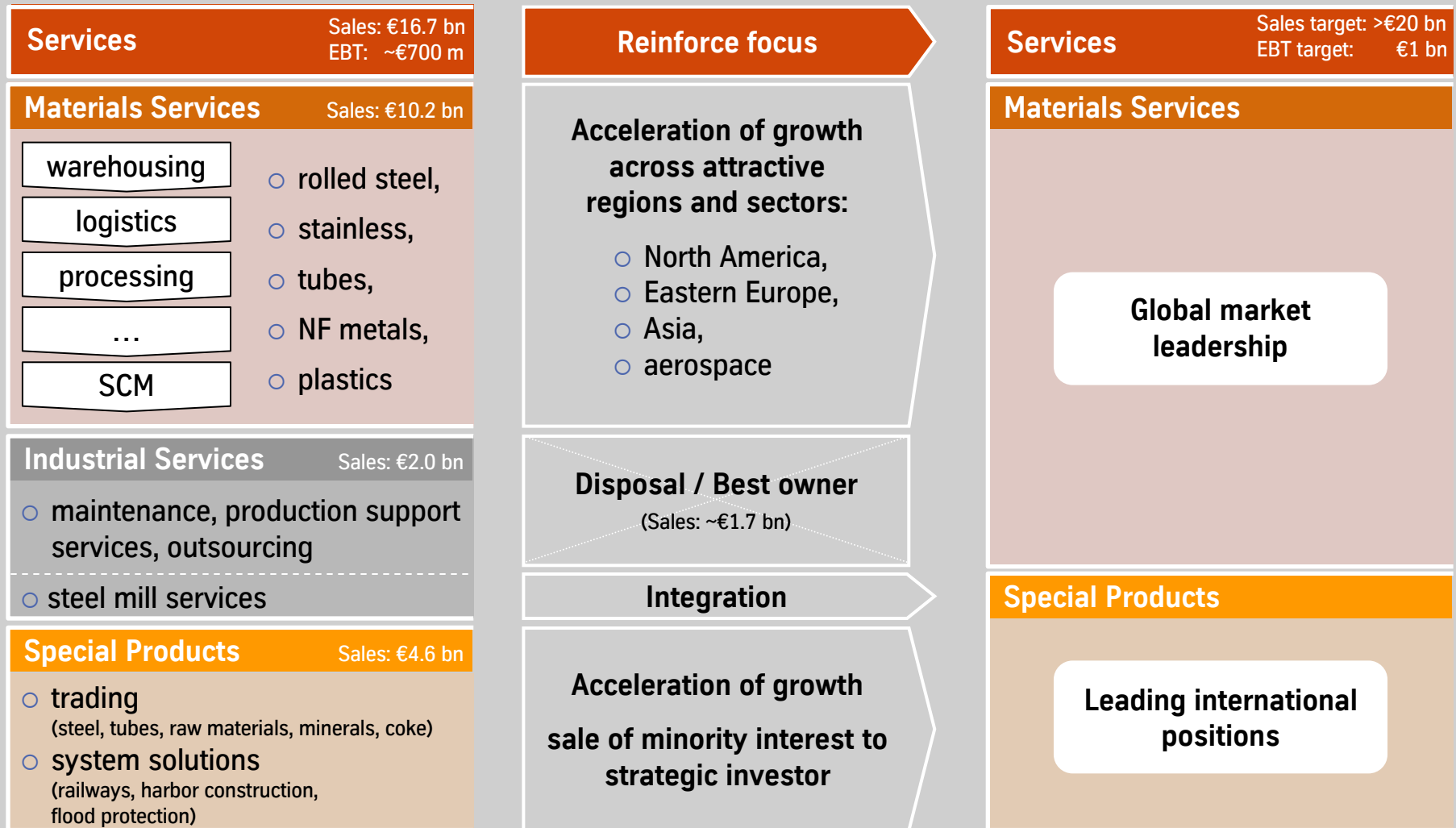
- Focused expansion strategy
  - ⇒ Accelerated growth of raw and industrial material business across attractive regions (e.g. Asia, Eastern Europe) and sectors (e.g. aerospace industry)
  - ⇒ Planned disposal of Industrial Services

2002/03-2004/05 in the Group structure valid at that time

\* excl. major nonrecurring items



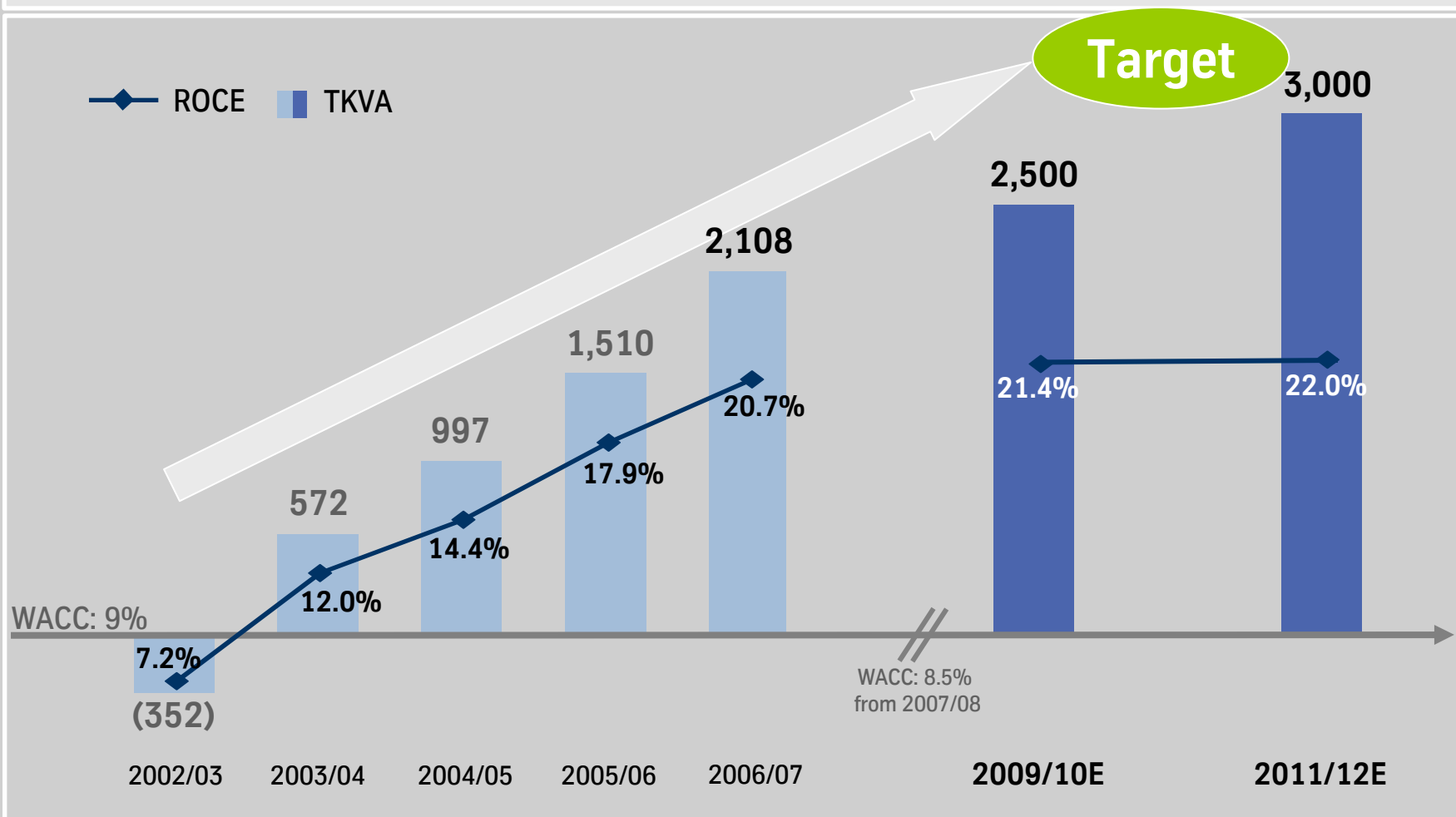
# Services: Focus on Industrial Materials and Raw Materials



# ThyssenKrupp is a Long-term Delta EVA Story

## ROCE and TKVA

%/ million €

**ThyssenKrupp**

## Disclaimer

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- (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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