

**Presentation ThyssenKrupp
Morgan Stanley Field Trip**

Duisburg
October 5, 2007

Agenda

- **Group Overview and Strategy**

Ulrich Middelmann

Vice Chairman of the Executive Board and CFO of ThyssenKrupp AG

- **ThyssenKrupp Steel**

Karl-Ulrich Köhler

CEO ThyssenKrupp Steel AG and Executive Board Member of ThyssenKrupp AG

- **ThyssenKrupp Stainless**

Jürgen H. Fechter

CEO ThyssenKrupp Stainless AG and Executive Board Member of ThyssenKrupp AG



What the ThyssenKrupp Group is About

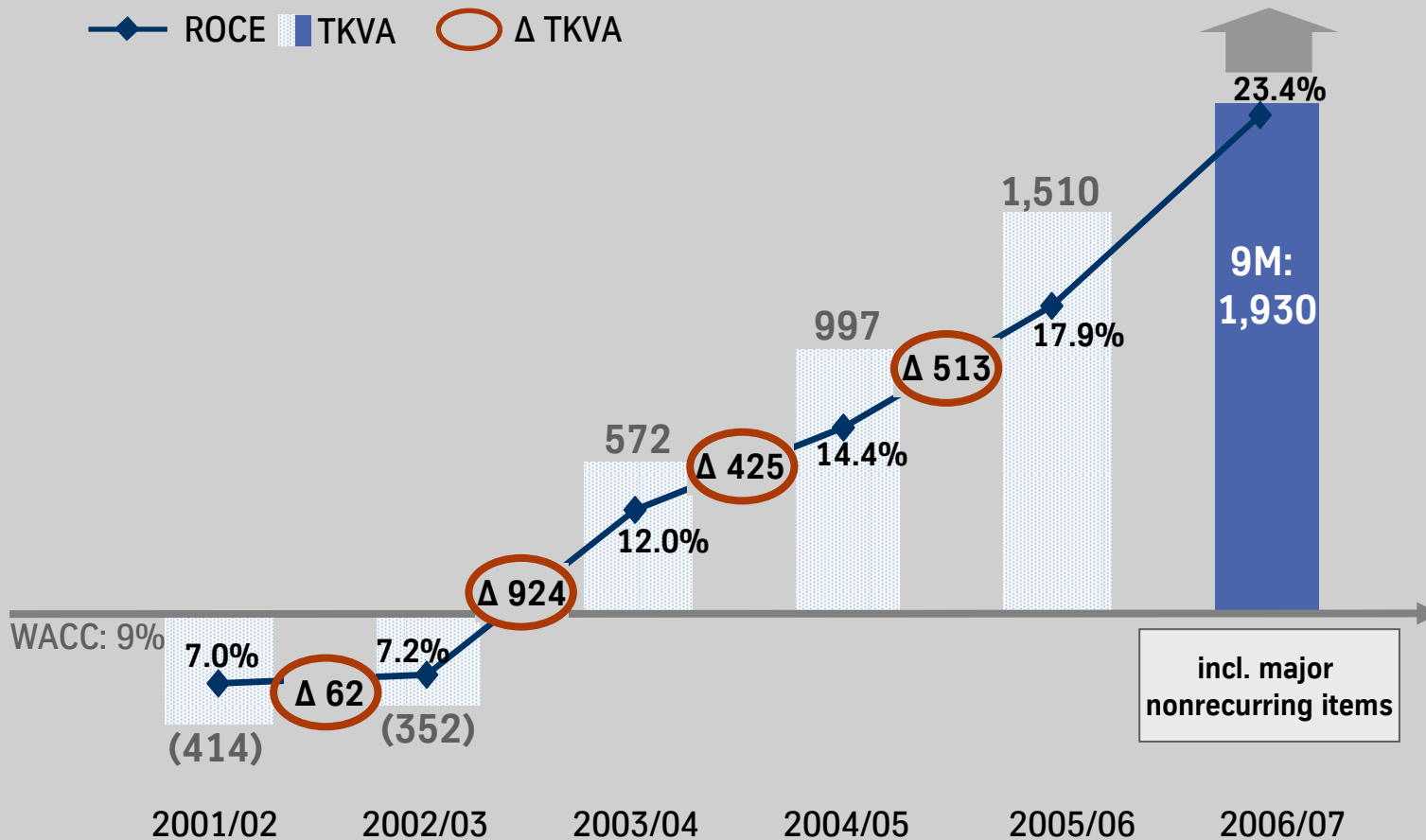
- Strong commitment to sustainable profit and cash generation as well as value enhancement across business cycles
- Value creation for shareholders not only by profitable growth initiatives, but also by stable and sustainable dividend payment
- Continuation of systematic value management by concentrating only on high-performance business areas and active portfolio management
- Further expansion of service orientation as well as fostering technological and innovative capabilities



ThyssenKrupp Continues the Delta EVA® Story

ROCE and TKVA (incl. major nonrecurring items)

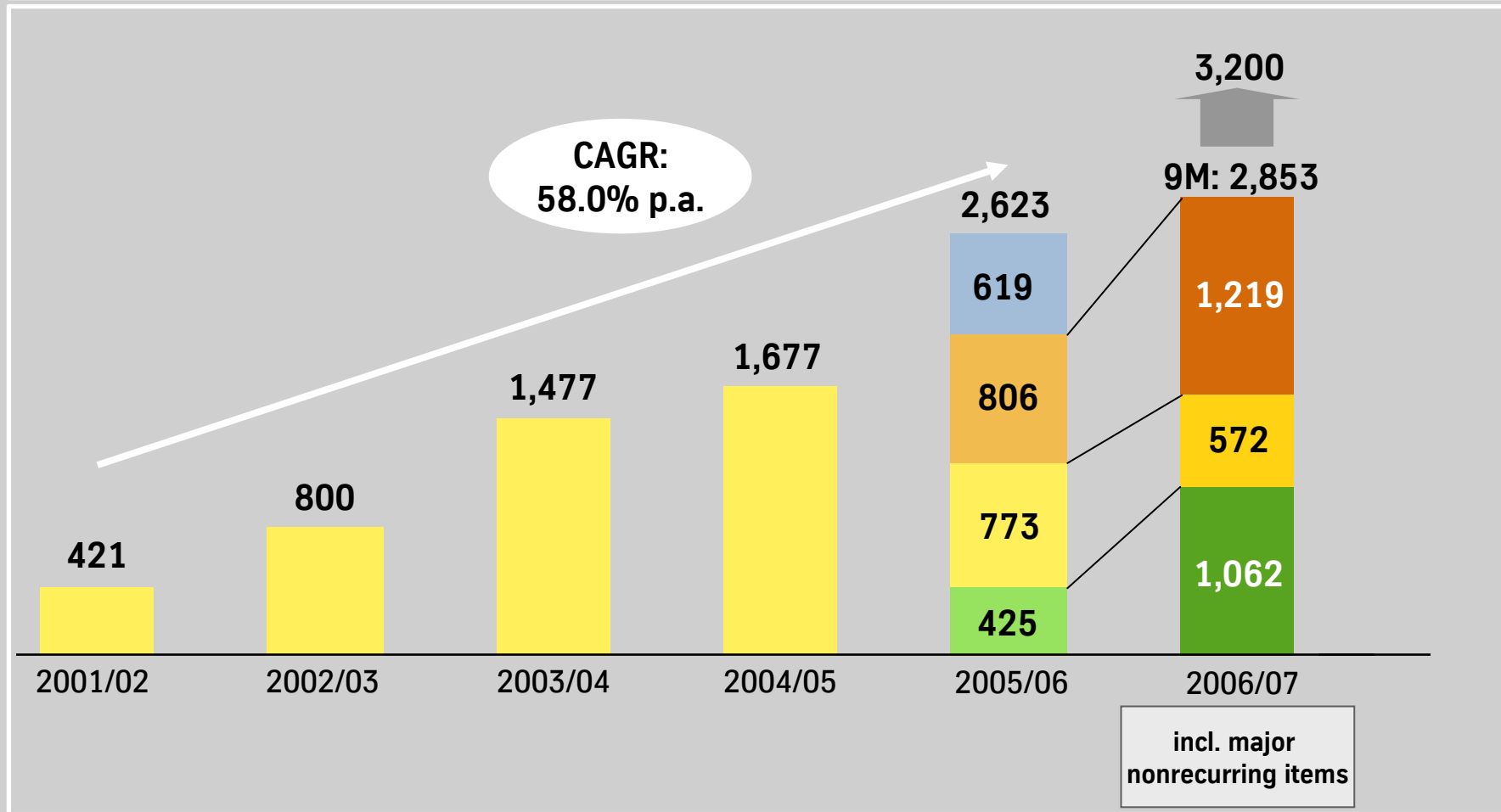
% / million €



EBT Track Record

EBT (as reported)

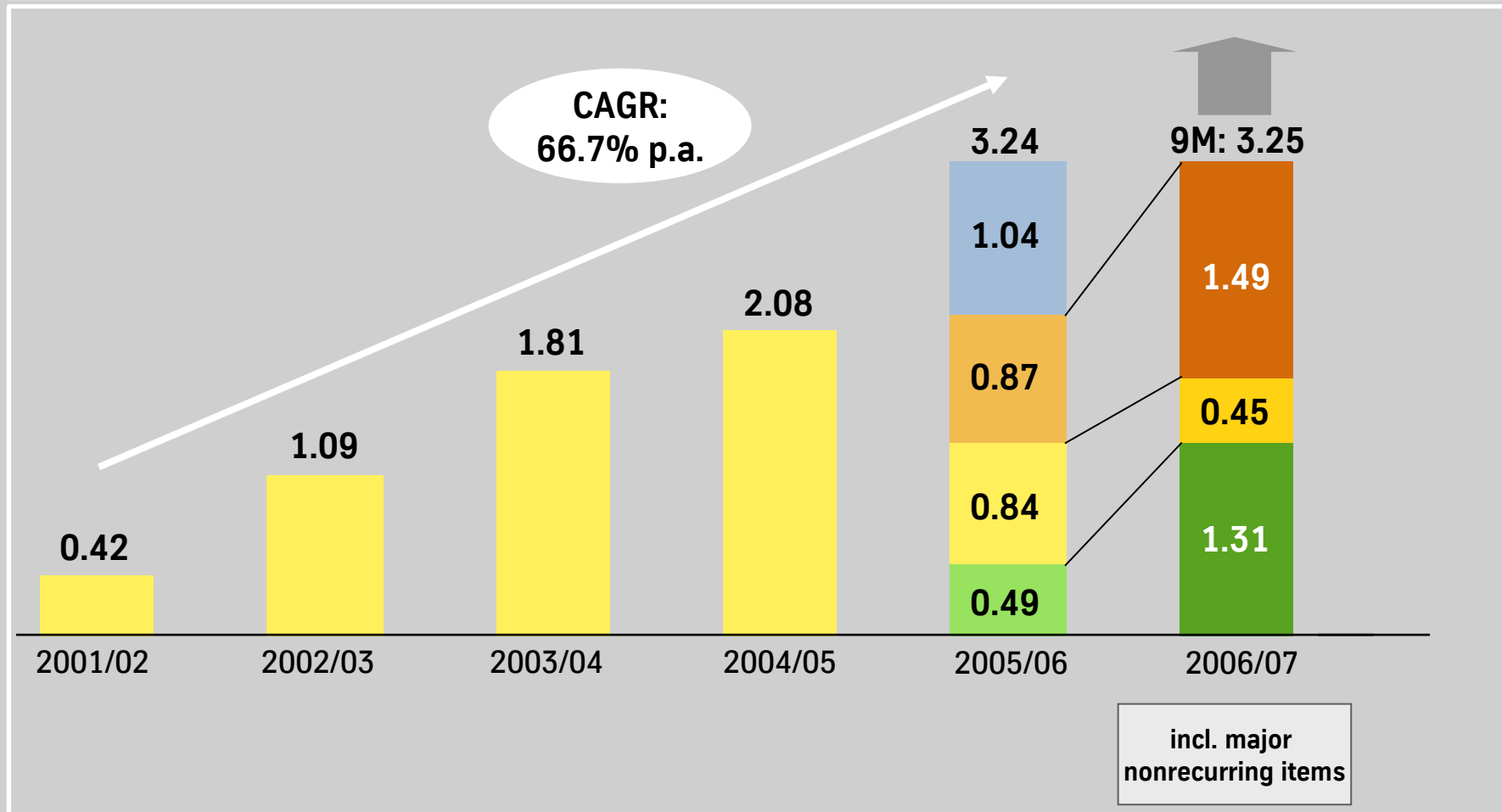
million €



EPS Track Record

Earnings per share (as reported)

€



Track Record of Dividend Payment

Dividend payment and payout ratio

€ / %

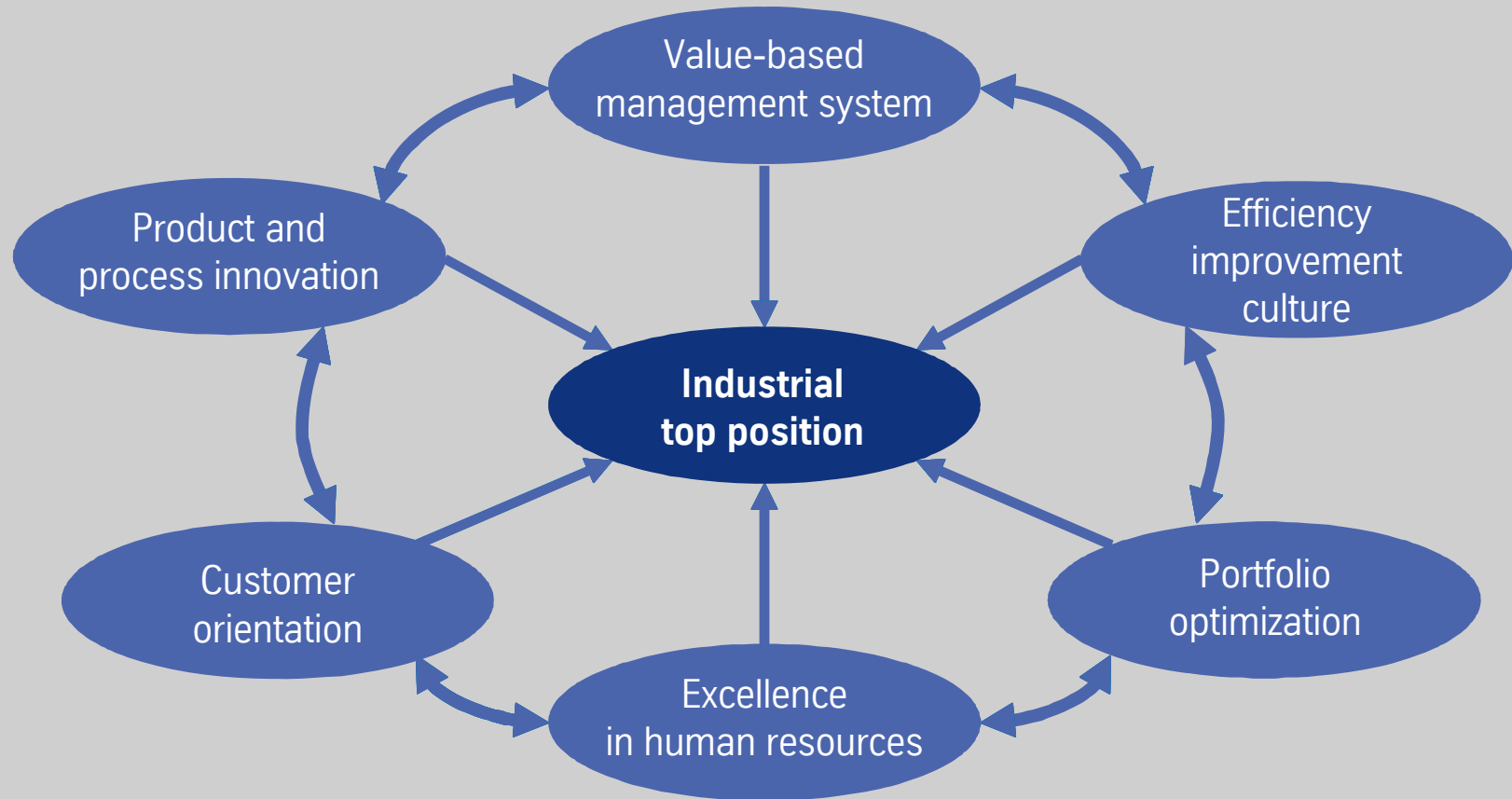


* incl. special dividend of €0.10



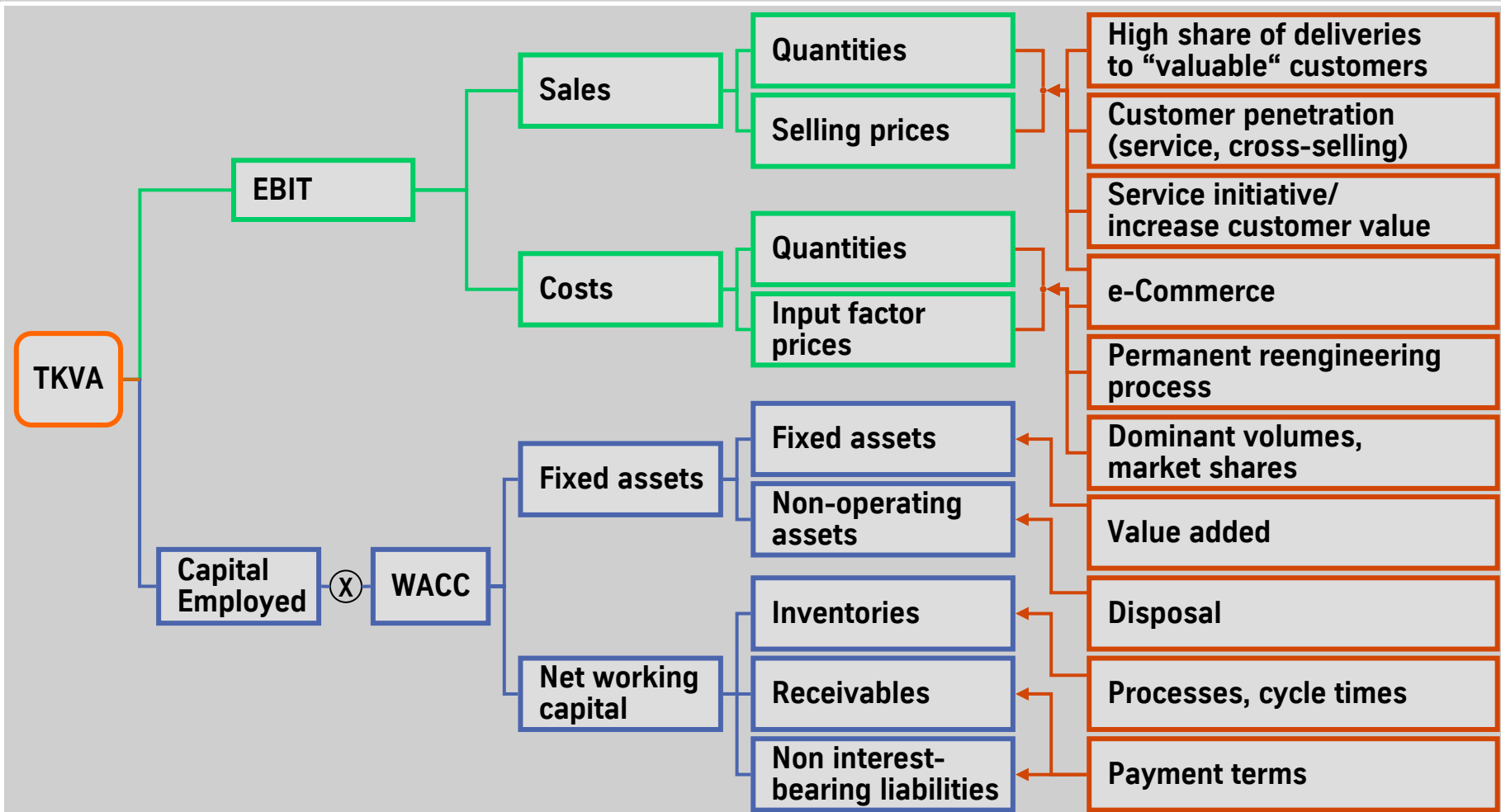
ThyssenKrupp Management Approach

Success Factors for Industrial Top Positions



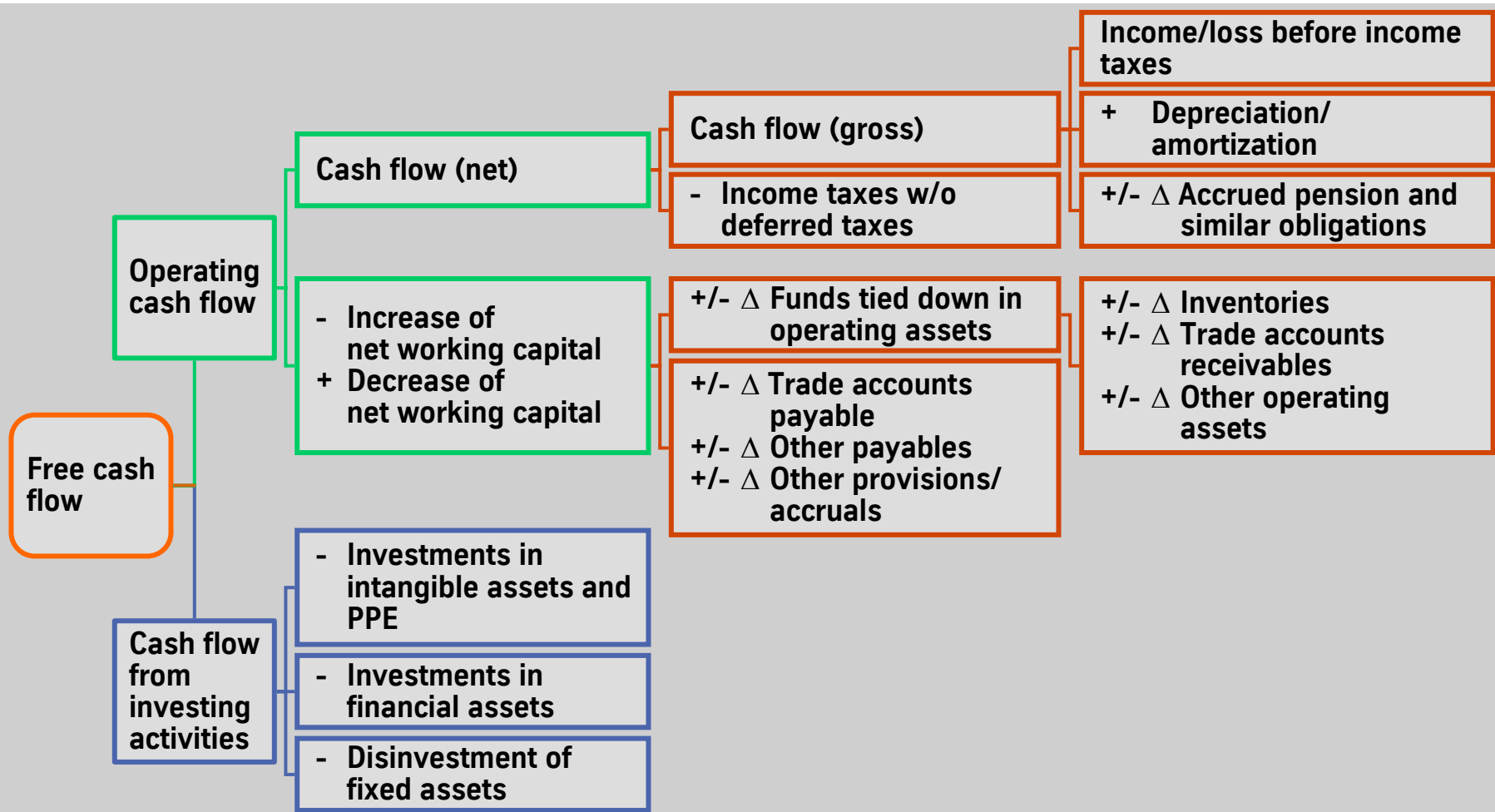
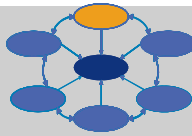
ThyssenKrupp Value-Based Management: Focus on Value

TKVA Value Driver Tree



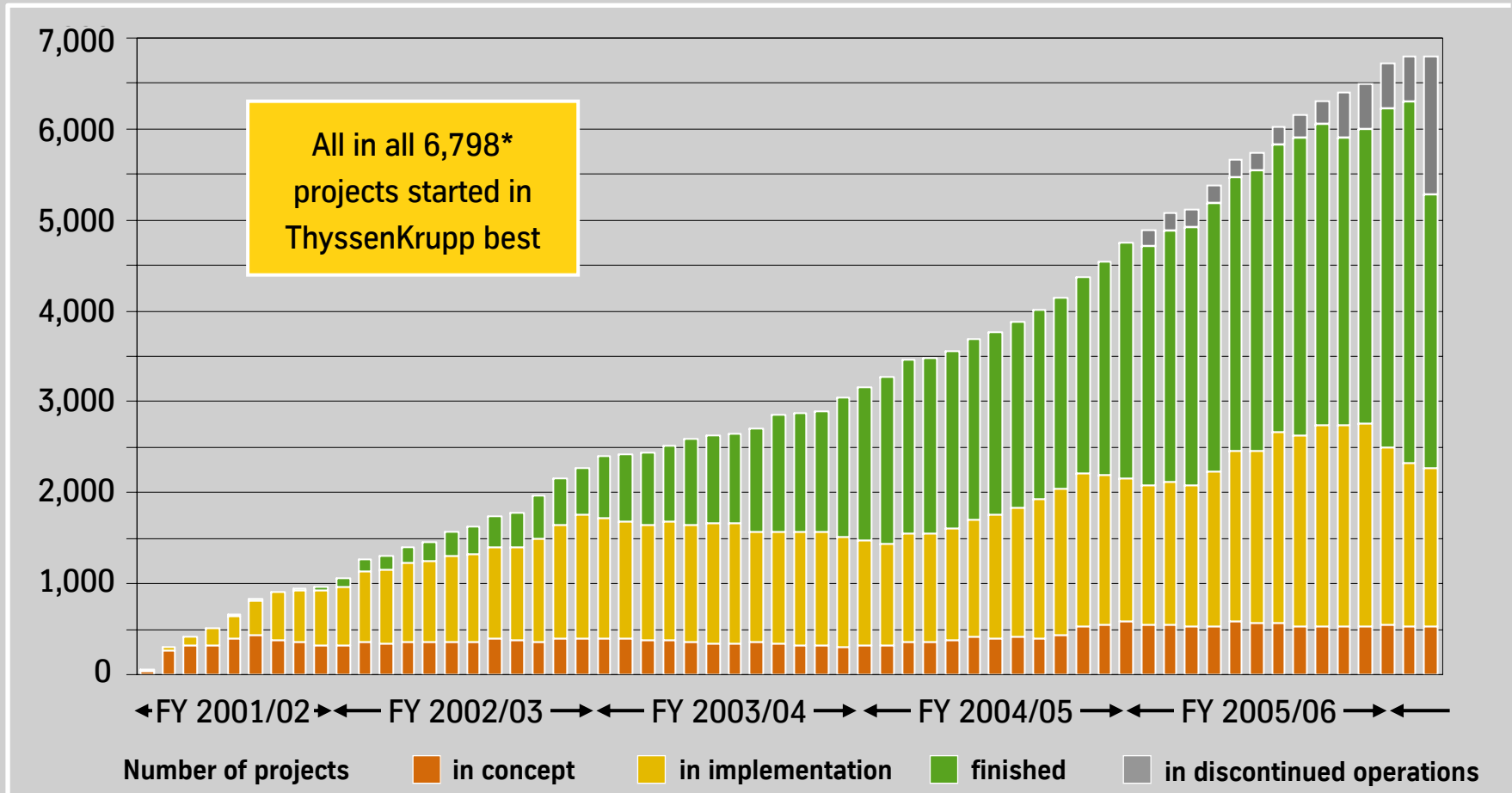
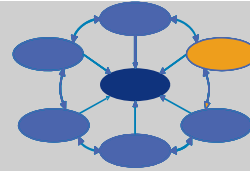
ThyssenKrupp Value-Based Management: Focus on Cash Flow

Control Levers for the Cash Flow



A Corporate Culture for Continuous Performance Enhancement is Established

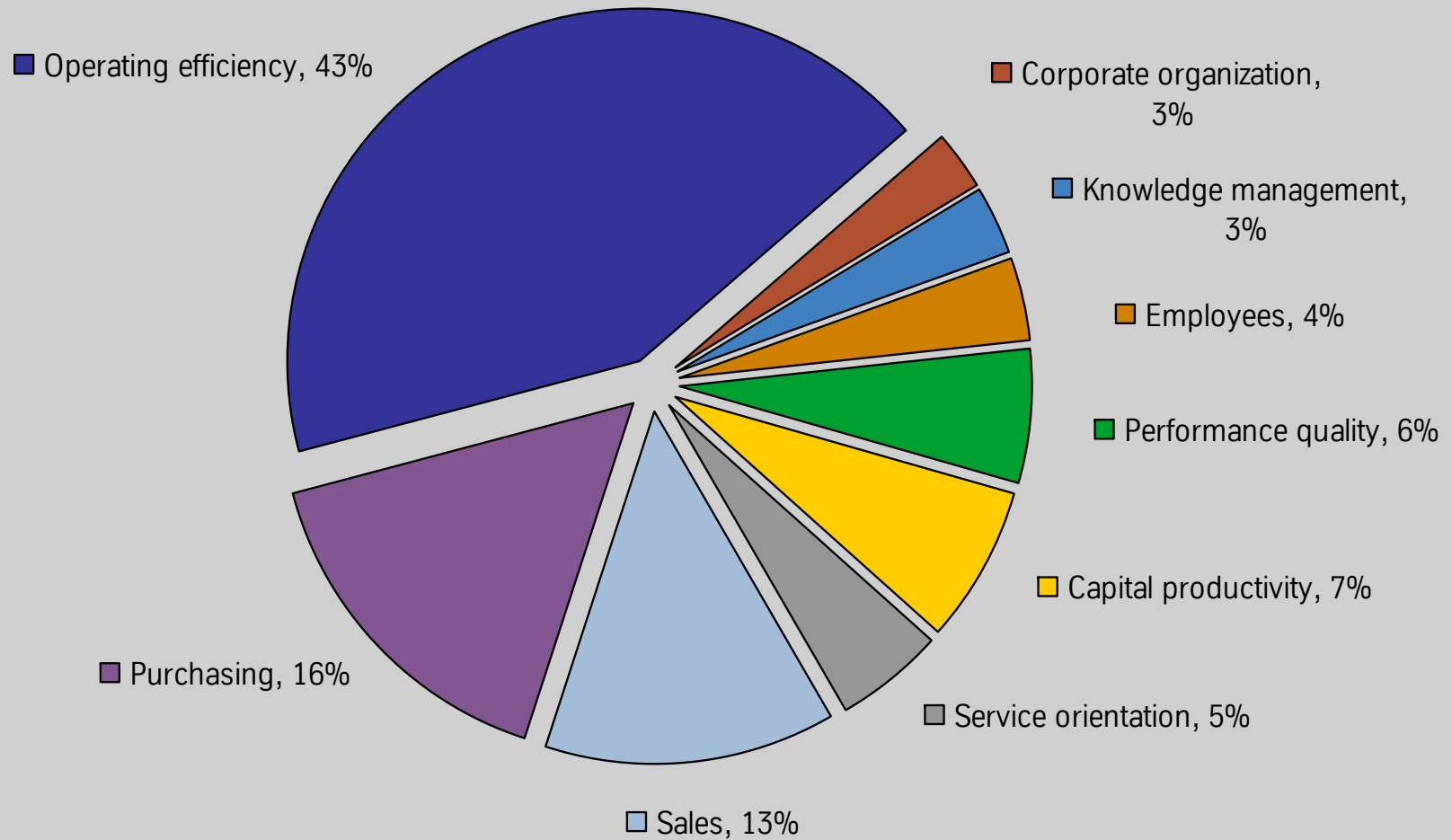
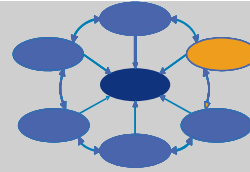
In FY 2005/06 almost 2,000* new projects initiated



Project Landscape in Initiatives

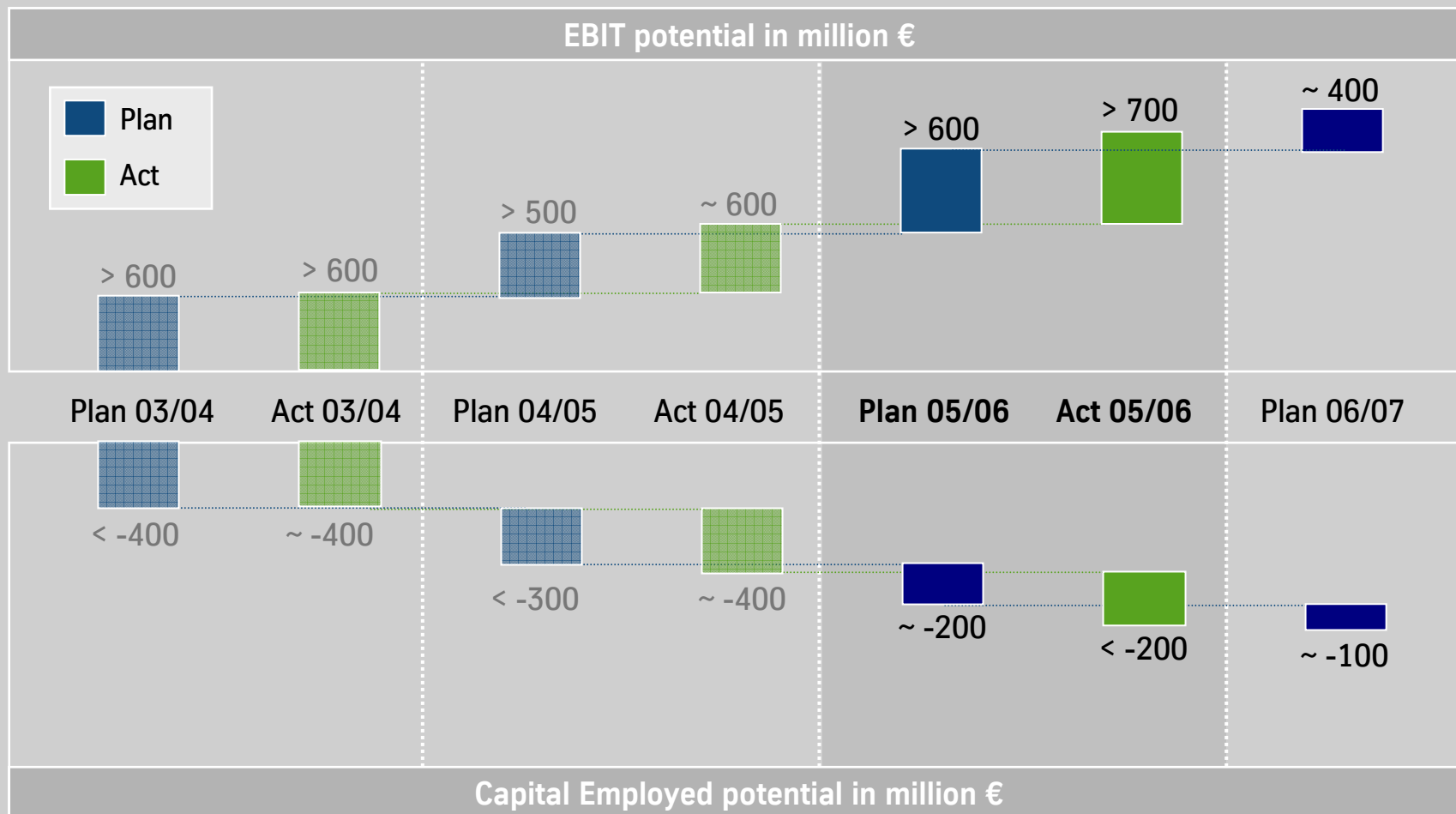
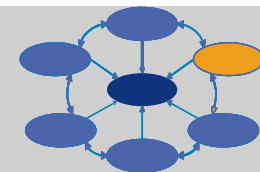
Increase in share of purchasing projects in last fiscal year

ThyssenKrupp



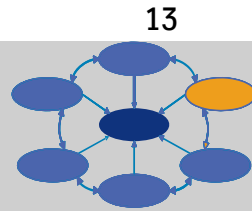
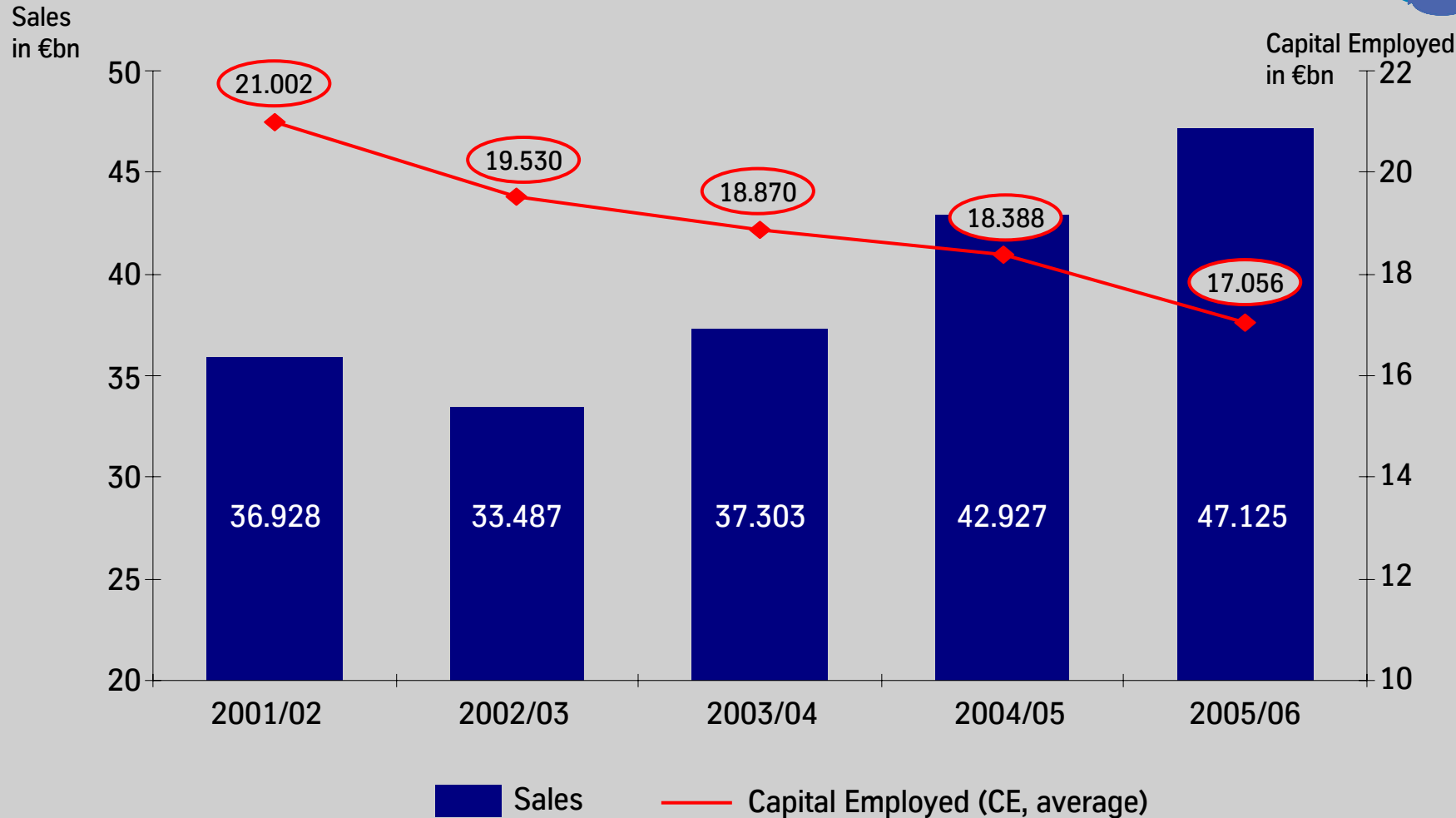
Project Potentials

EBIT and Capital employed plans clearly surpassed

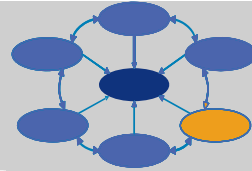


Movements in Sales and Capital Employed

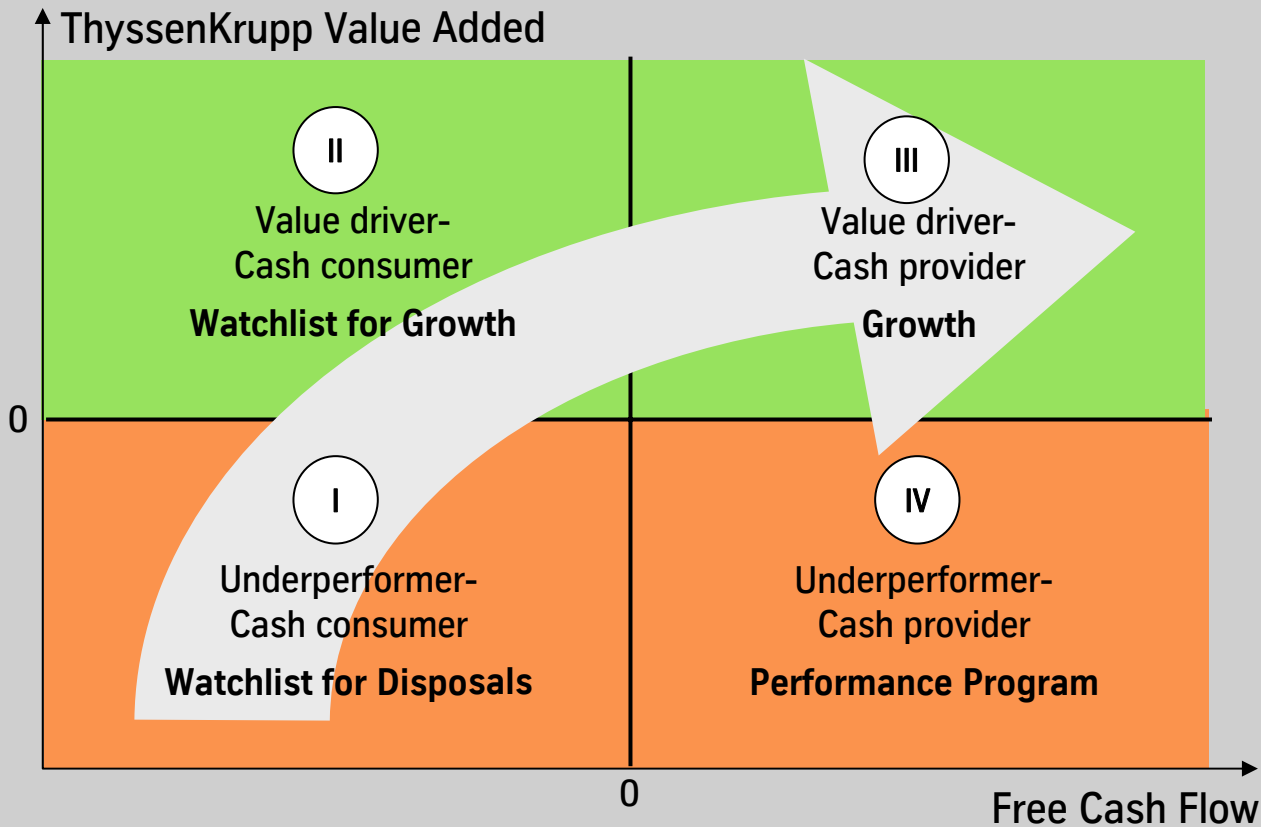
Indicator for Efficiency Improvements



Portfolio Management: Balance of Value and Cash providers

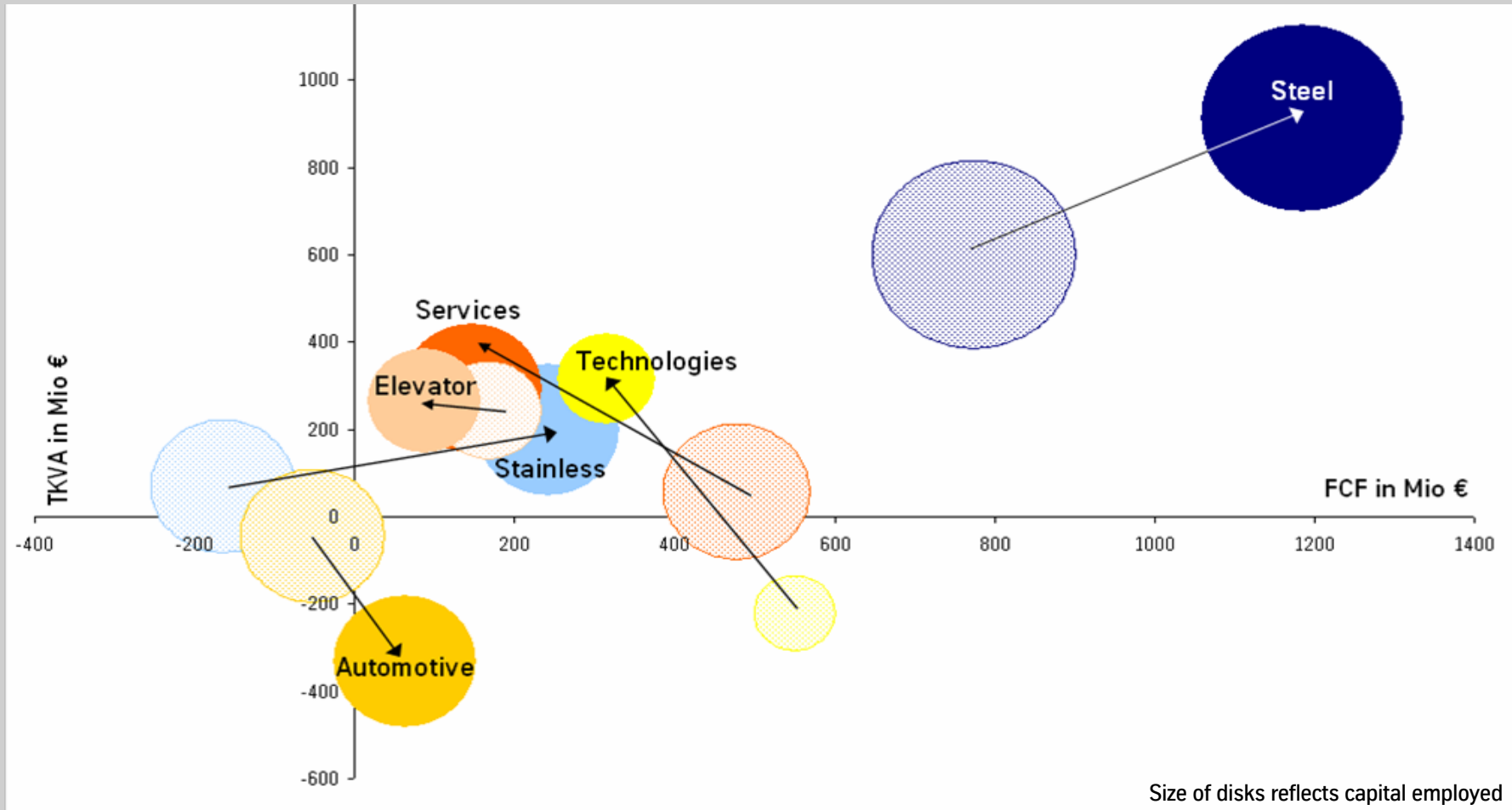
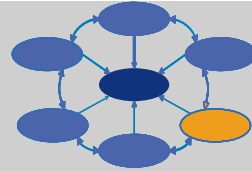


Balanced business portfolio



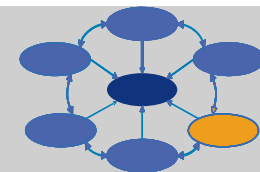
Value Drivers and Cash Providers

Development from FY 2004/05 to FY 2005/06

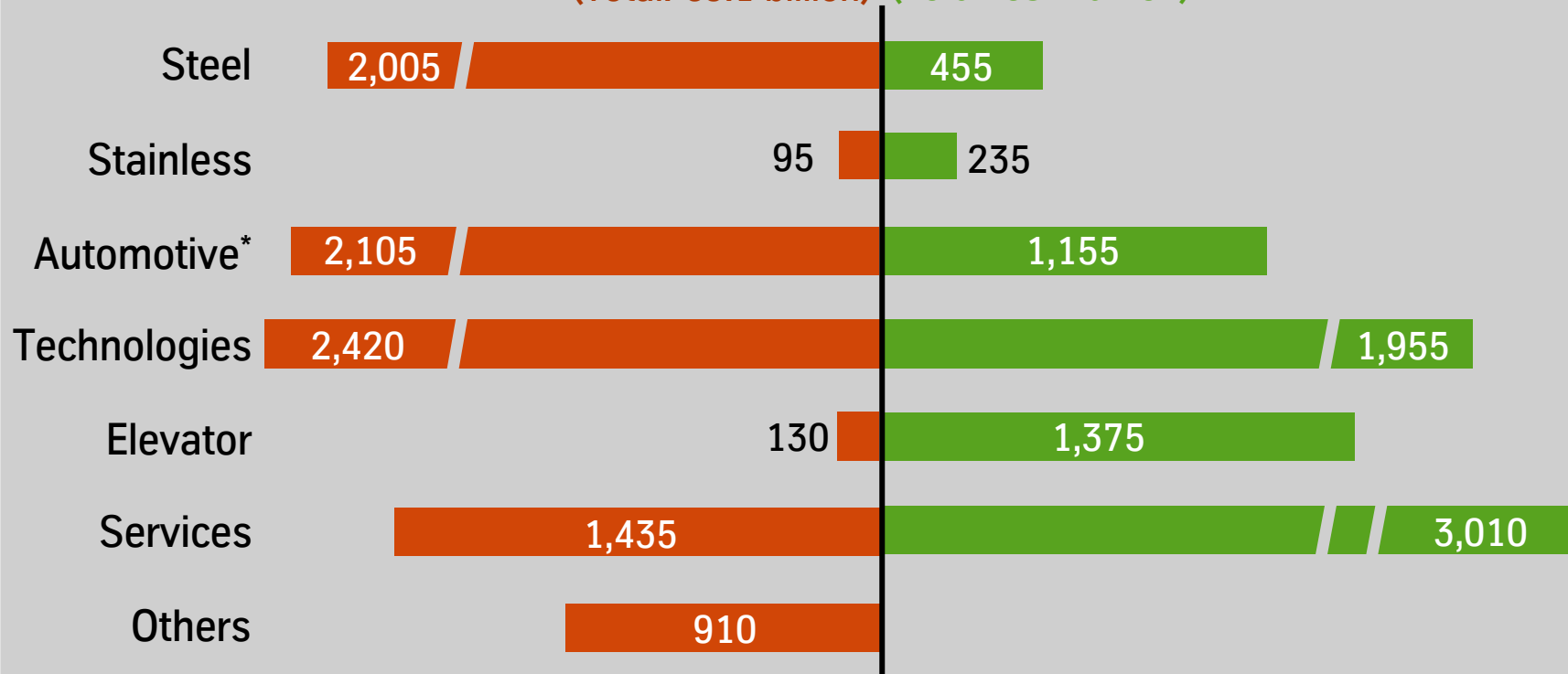


Active Portfolio Management at ThyssenKrupp

Significant change in portfolio since the merger (as at September 2007)



Disposals (Total: €9.1 billion) **Acquisitions** (Total: €8.2 billion)



Sales in €m

* since Oct 1, 2006 integrated into Technologies segment



24 Portfolio Optimizations in 2006/2007



Corporate

Commercial Real Estate Portfolio (DE) **Disposal**

Steel

Auto Chassis do Brasil (BR) **Acquisition**

Stainless

no relevant transactions to date

Technologies

Fundicoes (BR) **Disposal**

BVI Defense Technology (DE) **Disposal**

DRE/CON Slewing Bearings (DE) **Acquisition**

Mechatronics Kassel plant (DE) **Disposal**

Intecsa-Uhde (ES)* **Disposal**

A-C Equipment Services (US) **Acquisition**

ForTeq (IT) **Acquisition**

Rolling Stock Company (GR) **Disposal**⁺

Elevator

Sele & Colla (IT) **Acquisition**

Sabia (IT) **Acquisition**

Elevator Sales & Services (US) **Acquisition**

Končar Dizala i Servis (HR) **Acquisition**

LWDO Lift Service (PL)** **Disposal**

Massidda (IT) **Acquisition**

Vertrans Elevator (US) **Acquisition**

Services

AT.PRO tec (DE)*** **Acquisition**

TK Servicios Técnicos (ES) **Disposal**

Schöbel Technik & Service (DE) **Acquisition**

TK Materials Vietnam [JV] (VN)**** **Acquisition**

SIR Industrieservice (DE) **Disposal**

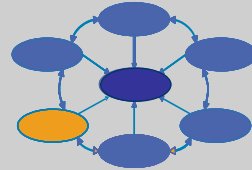
Ferostav (SK)**** **Acquisition**

Stokvis Plastics (NL/BE) **Acquisition**

* 50% / ** 93% / *** 61% / **** 80% / + closing not yet completed



Significant Leading Market Positions (I)



Steel

Flat Carbon Steel
(hot-rolled) Top 2 (Europe)

Tinplate Top 3 (Europe)

Electrical Steel Top 2

Coated Products Top 2 (Europe)

Tailored Blanks Top 1

Stainless

Stainless Flat Top 1

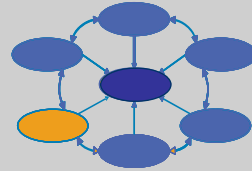
Nickel Alloys Top 2

Titanium Top 1 (Europe)

Stainless Processing
(Forgings, Tubes) Top 1 (Europe)



Significant Leading Market Positions (II)



Technologies

Uhde	Top 1-3
Polysius	Top 1-2
Fördertechnik	Top 1
Marine Systems	Top 1
Rothe Erde	Top 1
Berco	Top 1
Camshafts	Top 1
Crankshafts	Top 1-3
Waupaca	Top 1 (USA)
Steering (steering column)	Top 1
Transrapid	USP

Elevator

Elevator (Elevator/Escalator) **Top 3**

Services

Mat. Services Intern. **Top 1** (Europe)

Mat. Services NA **Top 3**

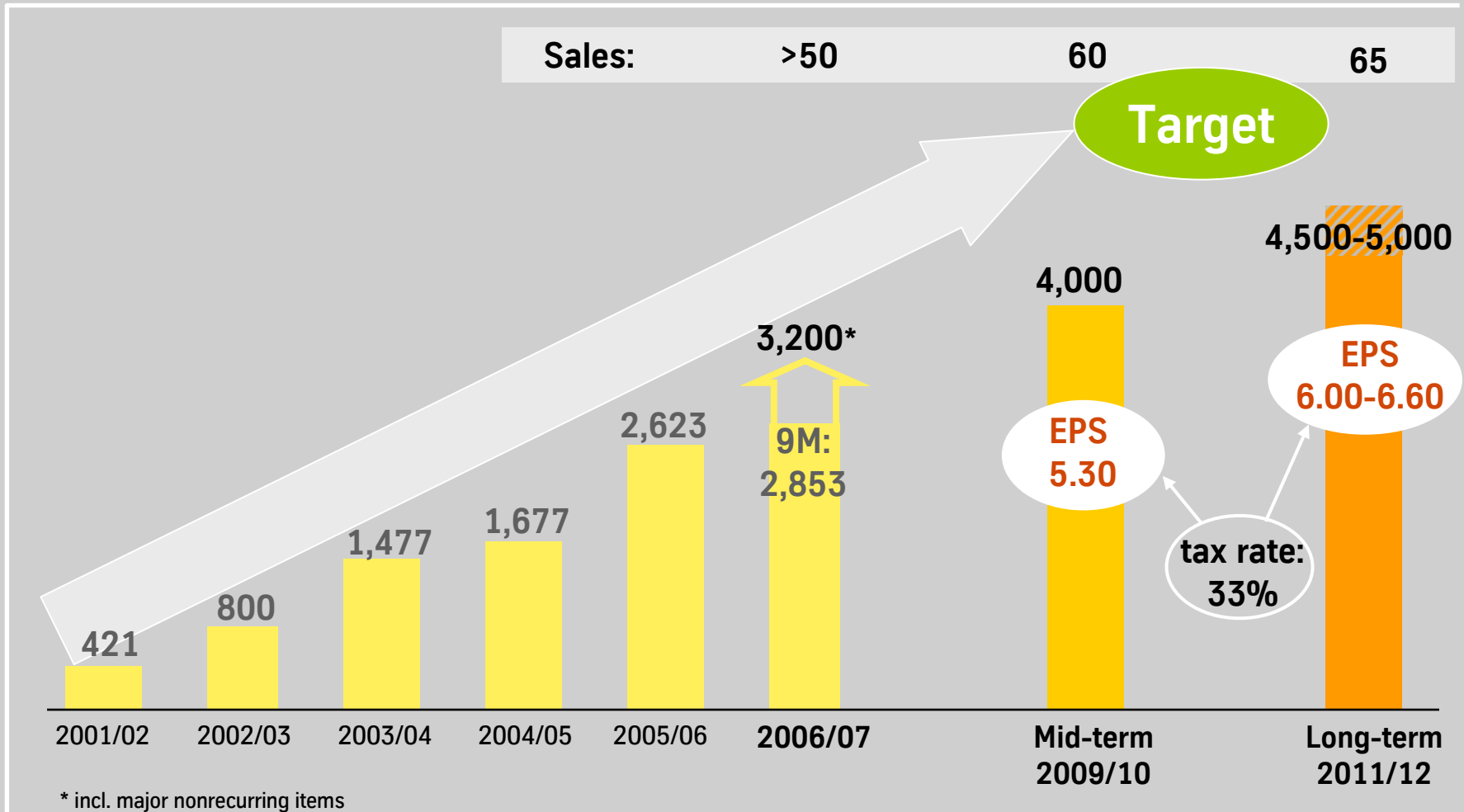
Industrial Services **Top 1-3** (Eur.)



Group Targets 2009/10 and 2011/12

Sales, EBT and EPS (as reported)

billion € / million € / €



ThyssenKrupp



Key Drivers for Investment Strategy

International expansion of our focused business company concept

Steel

Transfer of the successful European premium strategy to the Americas growth market

Stainless

Build on and expand global leading market position by performance improvement in European core markets and expansion in NAFTA

Technologies

Strengthen cash generating activities driven by secular trends of increasing demand for infrastructure, raw materials, renewable energy, nutrition and safety

Elevator

Performance program and continuous acquisitions to bridge margin gap and optimize portfolio of maintenance contracts

Services

Capture growth opportunities in Materials Distribution and Industrial Services



ThyssenKrupp Accelerates Growth by Investment Program

	Investments 2005/06-2009/10	Comments
Steel	€8.9 bn	Greenfield NAFTA, Greenfield Brazil, capacity increase Duisburg, substance-preserving and value-based investments, acquisitions
Stainless	€2.0 bn	Greenfield NAFTA, substance-preserving and value-based investments
Technologies	€4.1 bn	Project-related investments, substance-preserving and value-based investments, acquisitions
Elevator	€1.2 bn	Projects for efficiency improvement in new installations and services as well as growth by acquisitions
Services	€1.7 bn	New service centers globally and in Eastern Europe, growth in raw materials, other investments and growth by acquisitions
Other	up to €2.1 bn	Other investments and growth by acquisitions
Total	€18- 20 bn	€14-16 bn, i.e. >75% growth capex, entirely based on value-driven criteria, €4 bn substance-preserving investments*

* 45% of the average depreciation / amortization in the segments



Investment Grade Rating with Every Rating Agency is Key

The underlying principle for all our growth initiatives

High degree of flexibility due to

- Cash (€2.7 bn as of Jun 30, 2007)
- Available credit lines (€4.3 bn as of Sep 30, 2006)
- Treasury stock (25.7 m shares at market value* of €1,017 m)
- Authorized capital (€500 m)
- Estimated OCF (approx. €18 bn from 2005/06 - 2009/10)

and

- Continuous revision of current business portfolio remains top priority for management

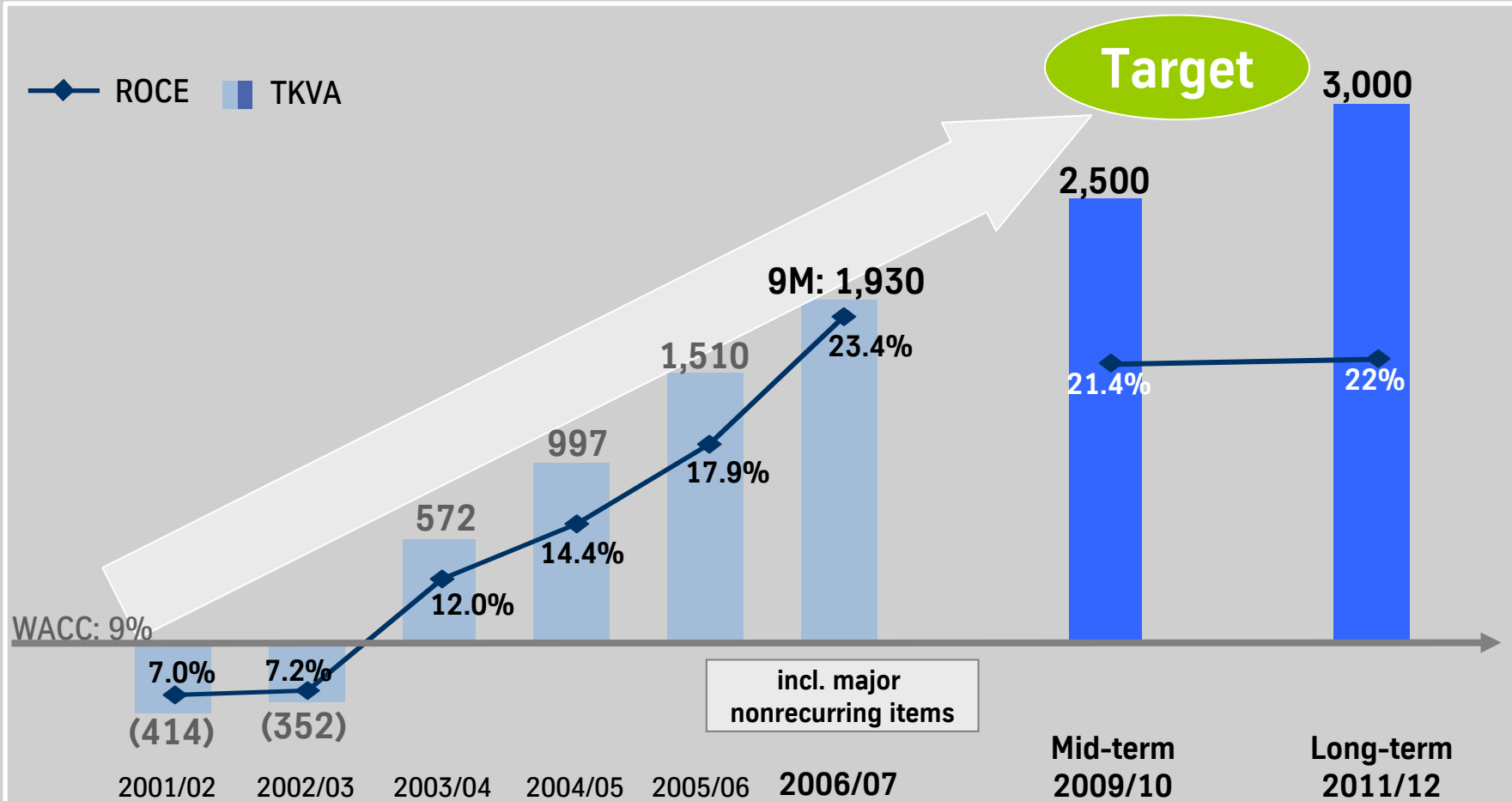
* as at August 8, 2007



Wrap-Up: ThyssenKrupp Continues the Delta EVA® Story

ROCE and TKVA (incl. major nonrecurring items)

% / million €



ThyssenKrupp



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CEO ThyssenKrupp Steel AG and Executive Board Member of ThyssenKrupp AG

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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⁾ 9M
Sales	€m	6,861	7,448	8,387	9,568	12,087	9,920
Crude steel prod.	1,000 t	13,145	13,557	13,978	13,826	13,837	10,795
EBT	€m	15	243	608	1,094	1,406	1,298
ROCE	%	2.6	7.0	13.0	19.6	23.2	27.9
TKVA	€m	(417)	(162)	164	600	876	907
Ø Capital Employed	€m	5,623	5,430	5,520	5,965	6,380	4,919
Employees (Sept. 30)	#	29,222	29,249	30,618	31,634	38,840	38,950

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

2) ThyssenKrupp Steel (new) IFRS

3) incl. Metal Forming

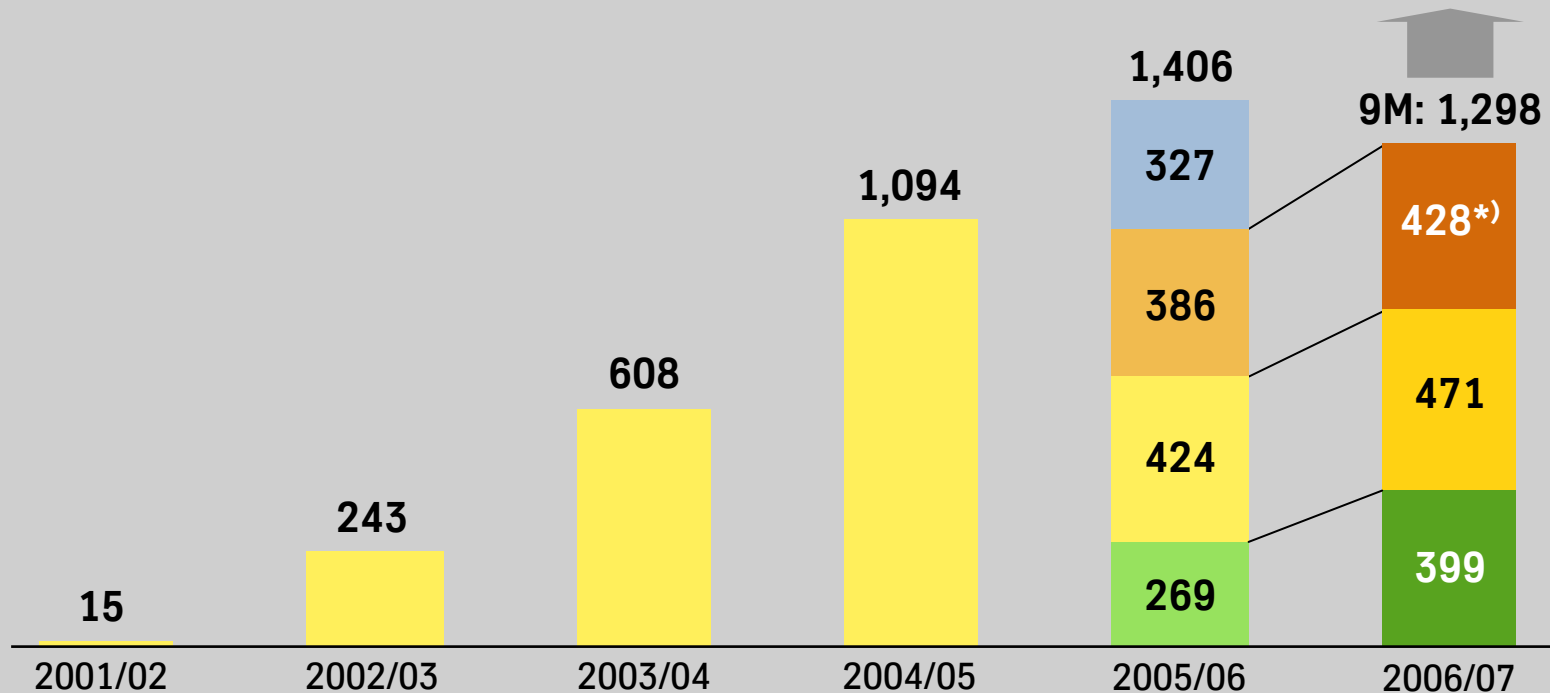
ThyssenKrupp



EBT Track Record ThyssenKrupp Steel

EBT (as reported)

million €



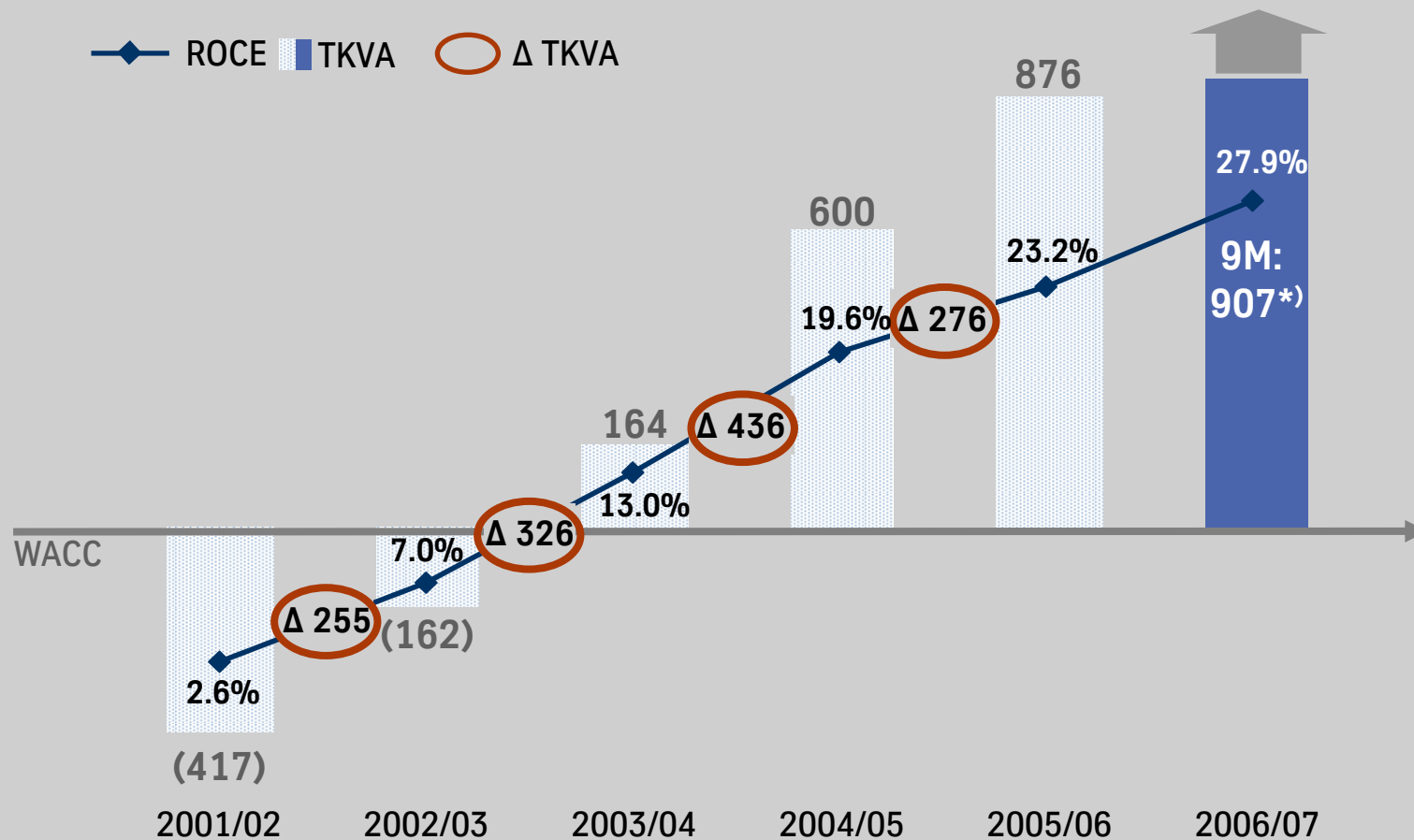
*) incl. €76 m impairment charges at Metal Forming



Delta EVA® Track Record ThyssenKrupp Steel

ROCE and TKVA (incl. major nonrecurring items)

% / million €



*) incl. €76 m impairment charges at Metal Forming



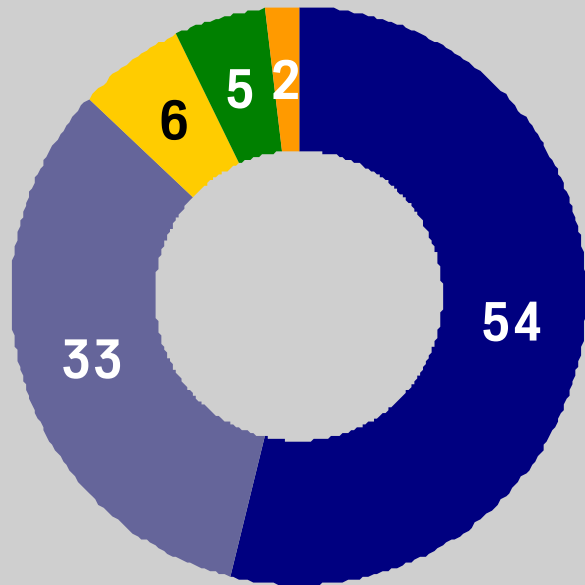
Our Current Focus of Business is Europe ...



... with Almost 90% of Sales Generated in Our European Market

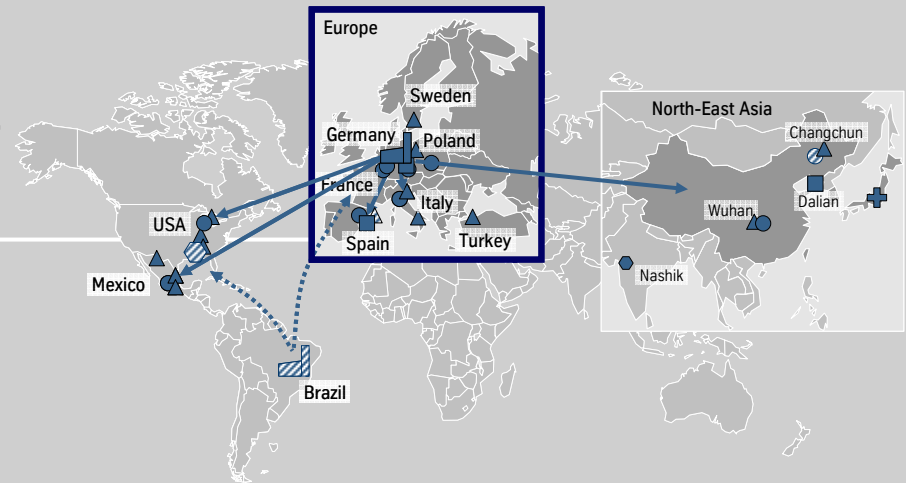
Sales by Region FY 2005/06 *)

in %



- Germany
- Other Europe w/o Germany
- NAFTA
- Asia
- Other

87%
of Sales

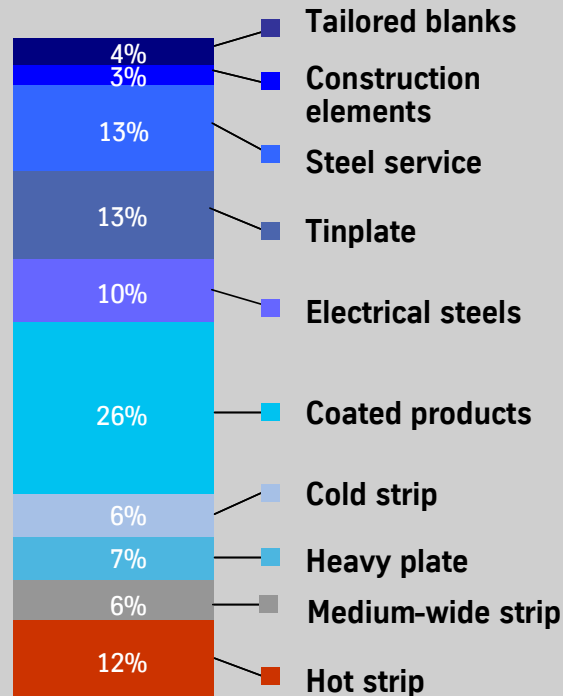


*) excl. Metal Forming



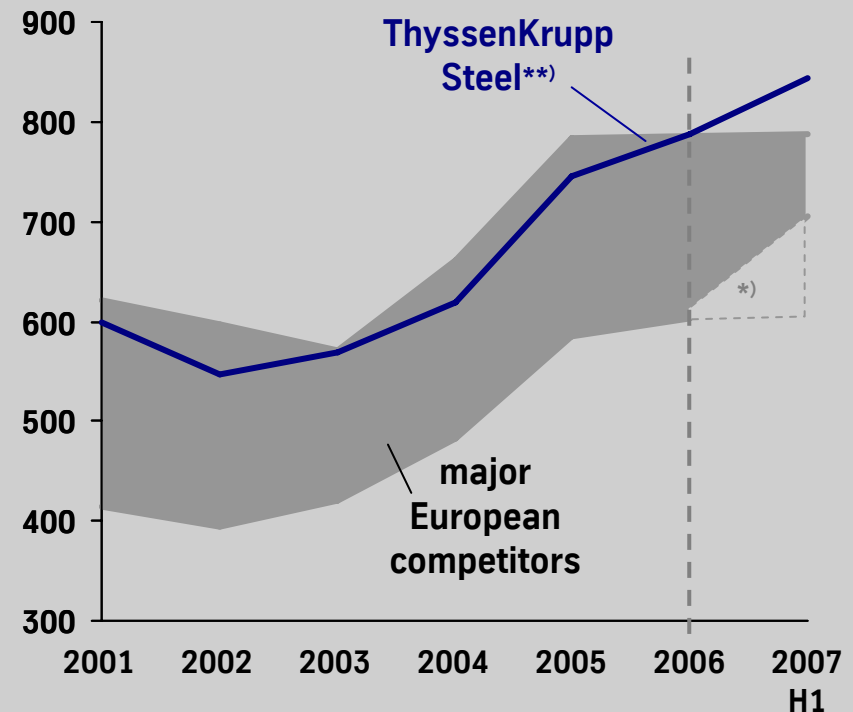
Premium Product Portfolio Generates Above-Average Revenues

Product Portfolio Steel FY 2005/06*) in %



*) sales of flat products only

Revenue per Tonne €/t



*) data not yet available

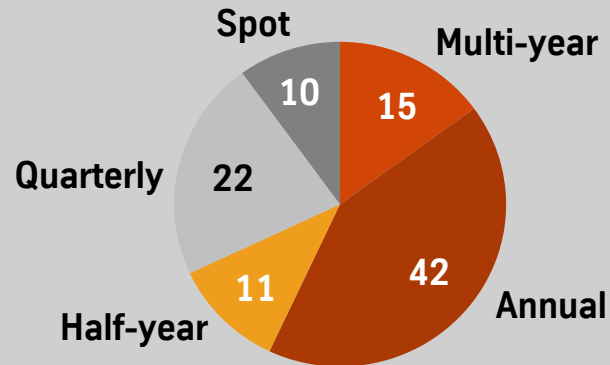
**) excl. Metal Forming



Long Term Customer Relations Establish Lower Volatility

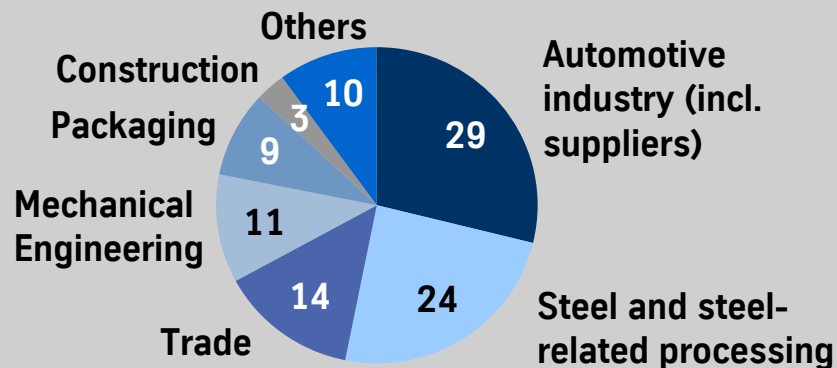
Sales by Maturity FY 2005/06

in %



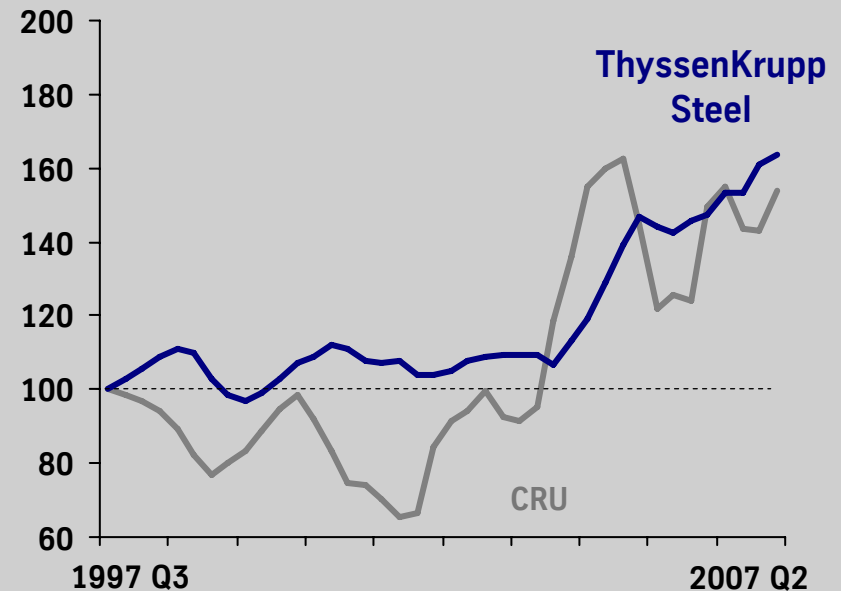
Sales by Industry FY 2005/06

in %



Price Index Flat Steel

Index (Q3 1997 = 100)



— Price index flat carbon steel ThyssenKrupp Steel

— Price index flat steel, world (CRU)

All data incl. Q2 2007

Sources: CRU and own calculations based on CRU, TKS



Strong Market Positions and Leading Profitability

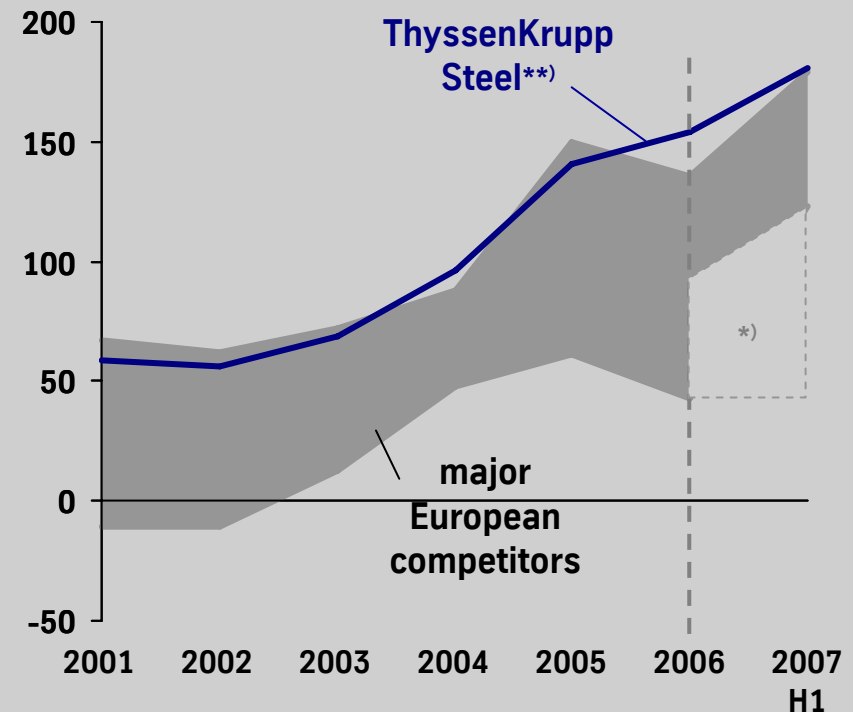
Market Positions

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 not yet available

**) excl. Metal Forming

ThyssenKrupp



Strategic Guidelines ThyssenKrupp Steel

Sustainable value growth



**Efficiency
improvement**

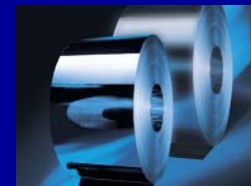


**Technology
leadership**



**Profitable
growth**

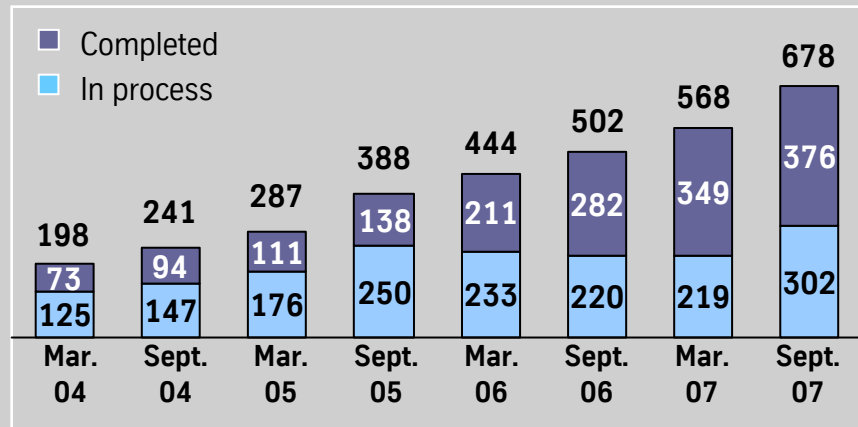
**Focus on attractive markets
for premium flat steel products**



Further Significant Earnings Improvements Expected from Well Established Efficiency Enhancement Program “TK best”

Project landscape over time

number of projects

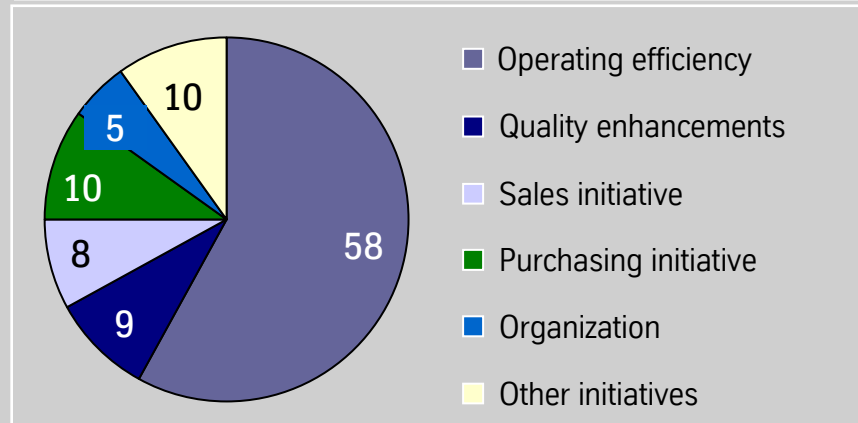


Highlights

- Since start of ThyssenKrupp best in fall 2001 678 projects have been launched in the Steel segment
- Continuous efficiency enhancement programs under ThyssenKrupp best are continued with great intensity across all Business Units

Project landscape by initiatives (Top 5)

%



Source(s): best plaza; excl. Metal Forming

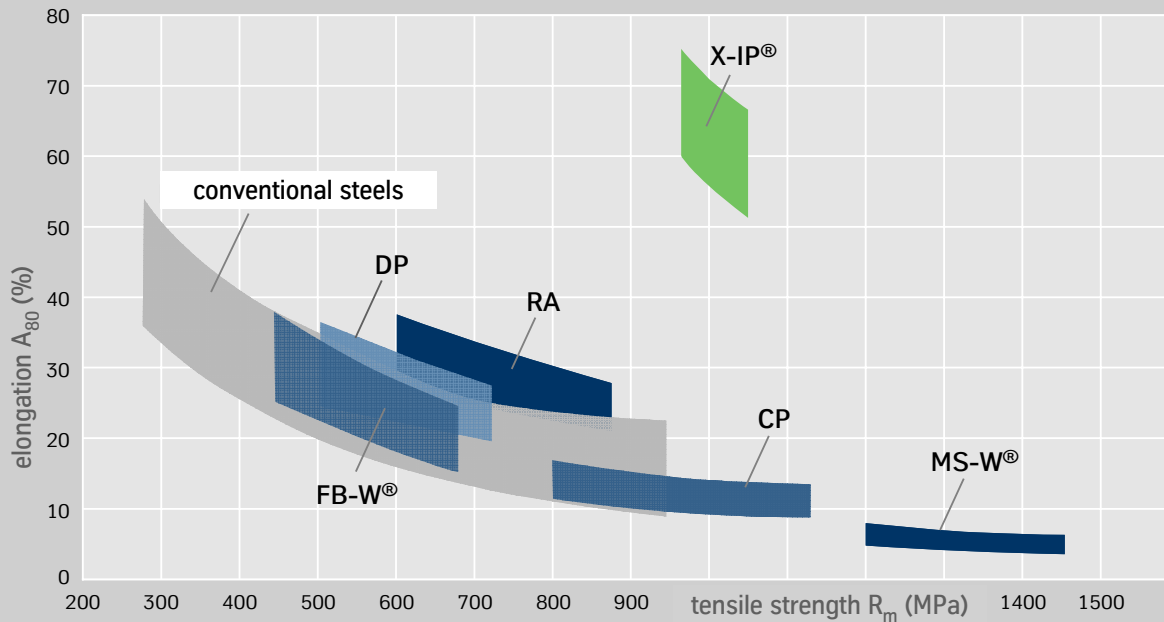
⇒ **Additional earnings improvements of +Δ €135 million per year!**



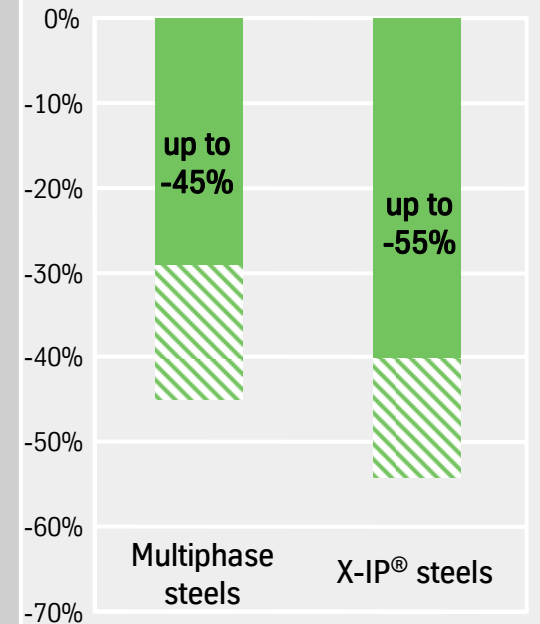
Innovative High-End-Steel X-IP®

Leadership in technology through competence in materials, once again from TKS

- The new dimension in developing materials
 - Highest strength and energy absorption
 - Better elongation compared to mild steels
 - New possibilities for the designing of assembly parts

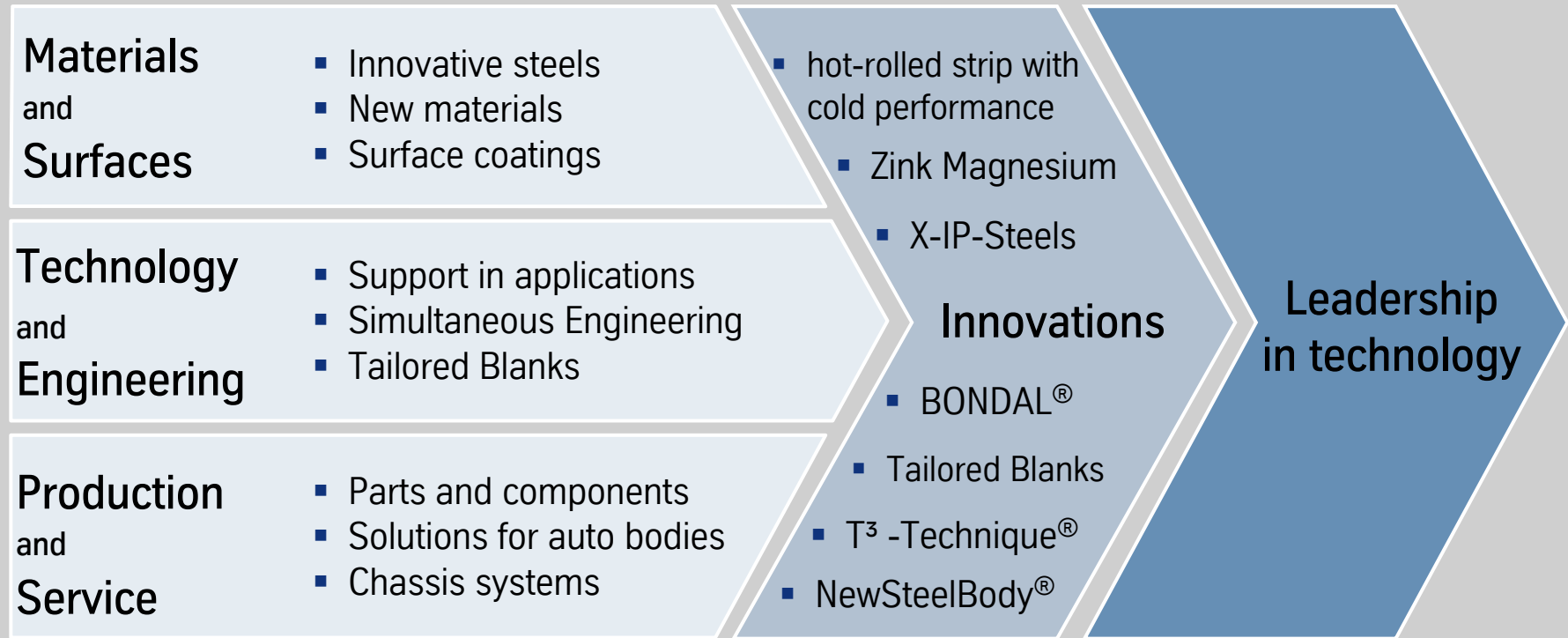


Possible reduction of steel thickness for the optimization of weight compared to Multiphase steels



Leadership in technology as a factor of success

Continuous Know-how from the basic material to the serial part



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

Hot stamping as an integrated process chain...

Through leadership in technology being ahead in the market

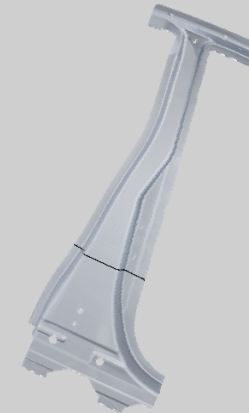
- **Competence in production**
 - Being ahead with innovative coatings (x-tec®)
 - Being ahead with Tailored Blanks
- **Competence in processing**
 - Evaluation of optimum process parameters
 - Re-creation of the customers' production process
- **Competence in manufacturing**
 - Leading in the production of hot stamped parts: Sofedit, a company of ThyssenKrupp Steel

■ Hot stamped parts in
VW Passat



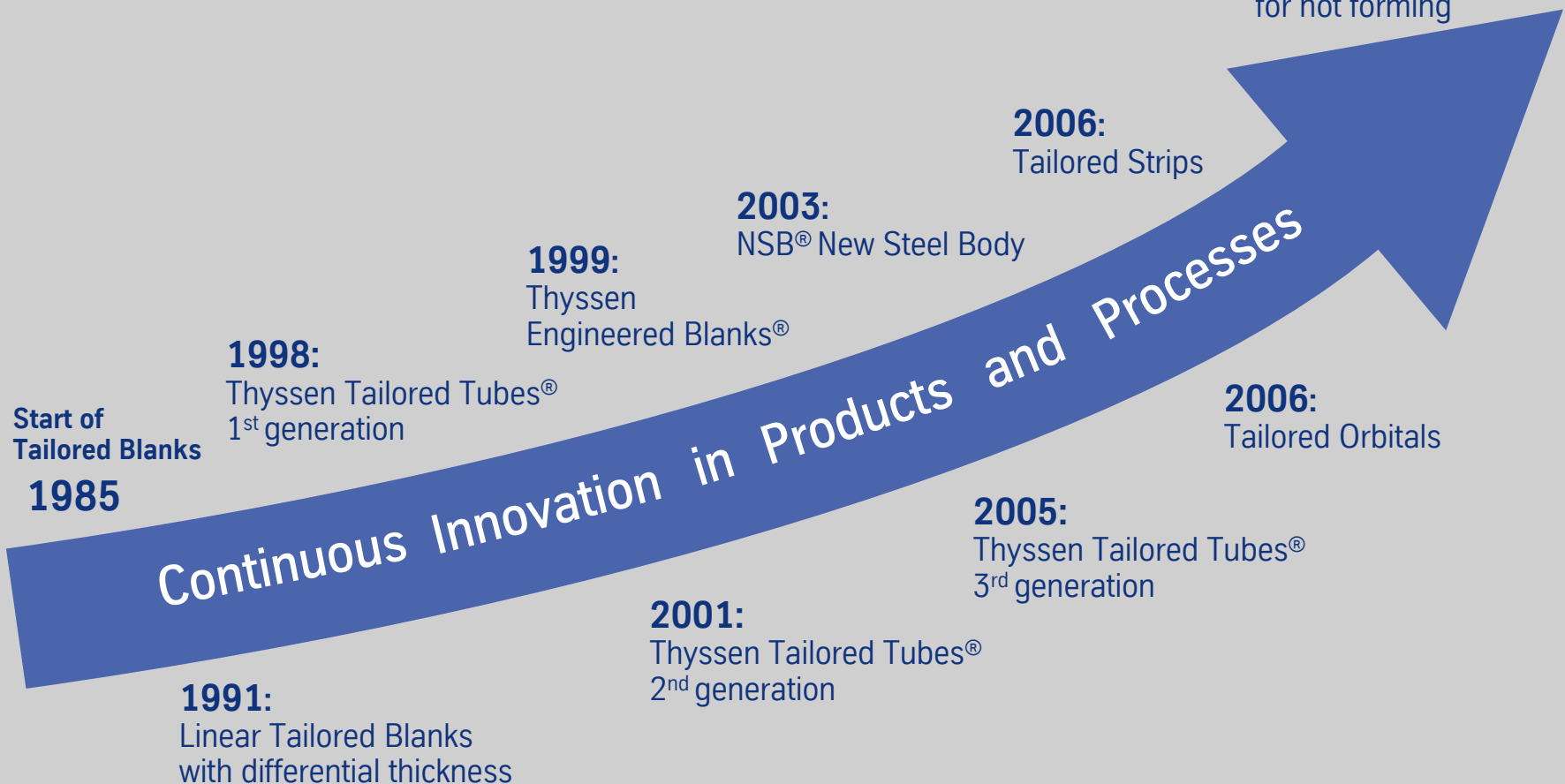
▶ First global successful commercialisation of hot stamped parts with MBW+x-tec® for VW Passat

▶ First global hot stamped Tailored Blank for Audi A5



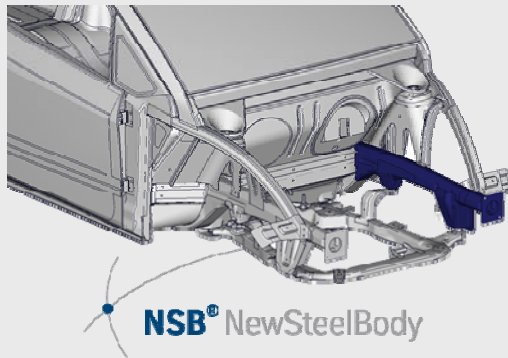
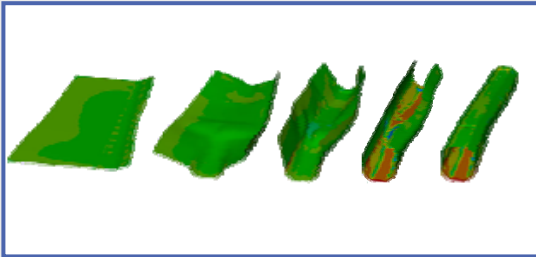
Pioneer and Innovation Leader in Tailored Products

Strategic Milestones and Product Examples

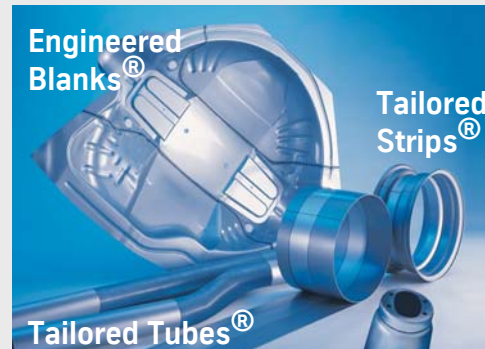
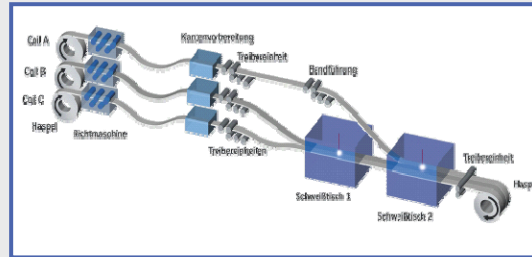


World Premiere IAA 2007: Tailored Blanks for Hot Forming

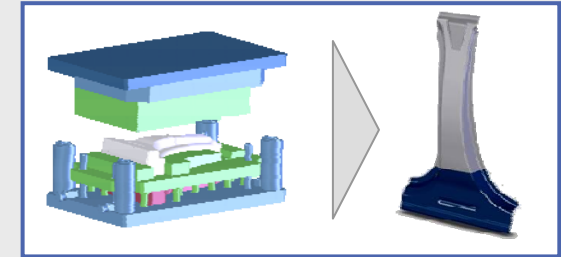
Tailored Tubes® - T³



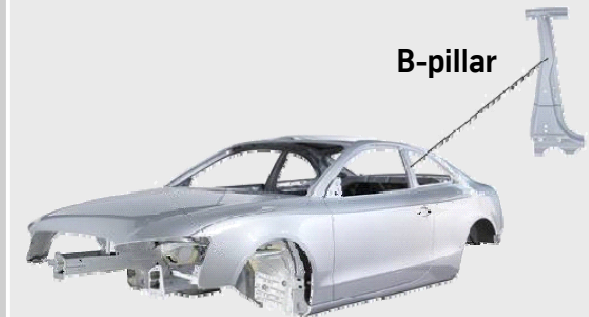
Tailored Strips®



Tailored Blanks for Hot Forming



- Deformable base – Ultra-High-Strength head – Only one piece



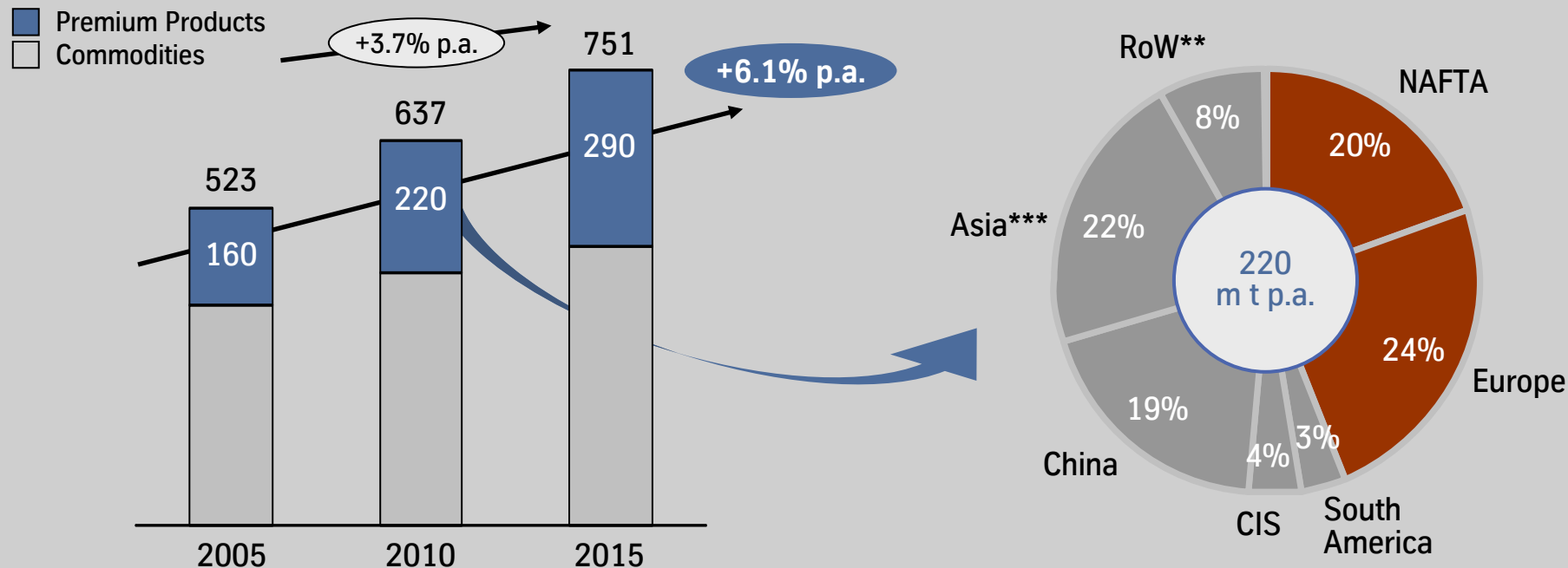
- Tailored products technique: milestones of section-intensive construction

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.

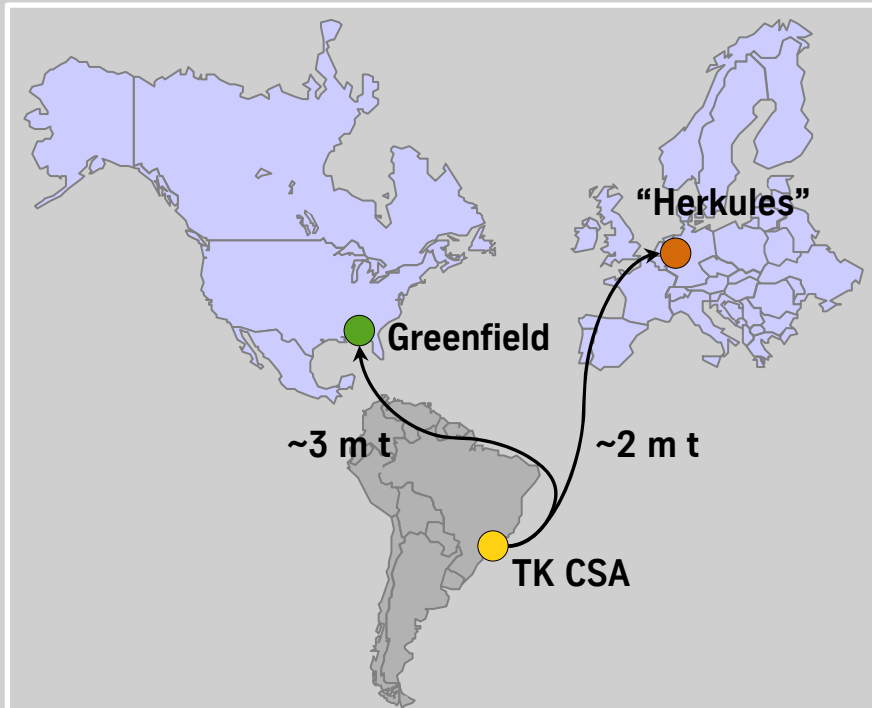


Europe and NAFTA with almost 45% Share in Global Demand for Premium Products

* 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

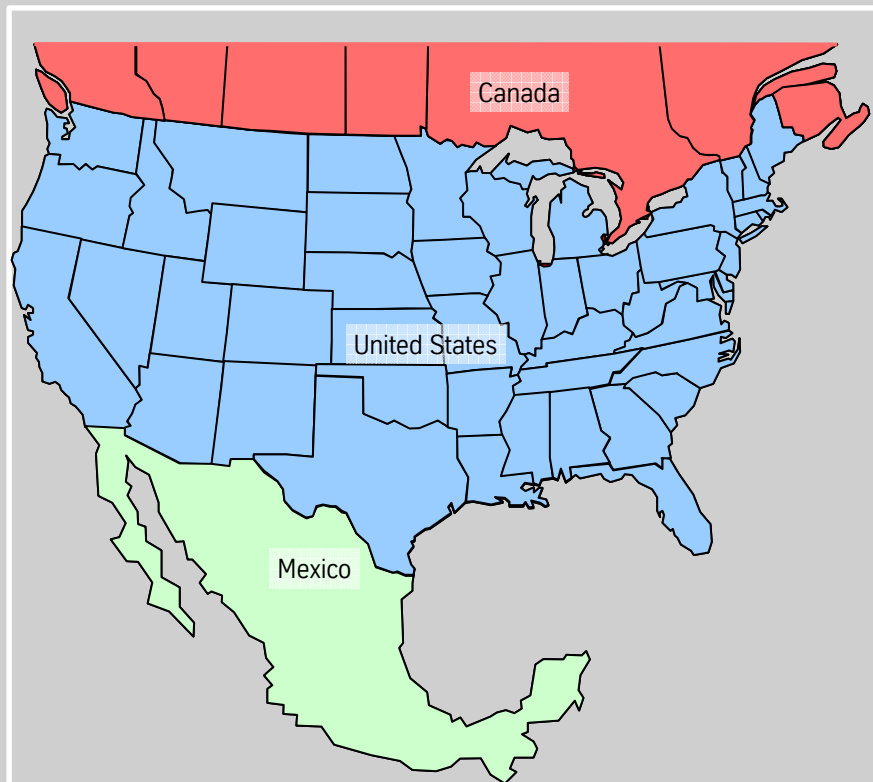
* incl. 0.9 million t for Stainless ** slabs incl. share in HKM; hot-rolled incl. heavy plate and medium-wide strip; coated incl. EG, HDG and tinplate

- 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.

Significant Net Imports Reflect Structural Supply Shortage in NAFTA

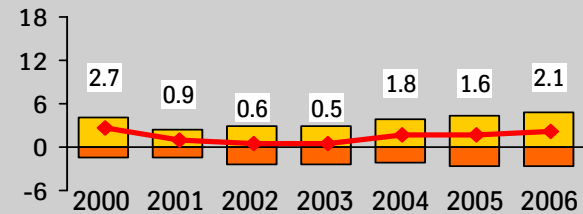
Flat carbon steel imports, exports and trade balance Canada, U.S., Mexico



Source(s):
 WV Stahl. All data in mn t
 Flat carbon steel (welded tubes excluded)
 ■ Imports ■ Exports — Trade Balance (net imports counted positive)

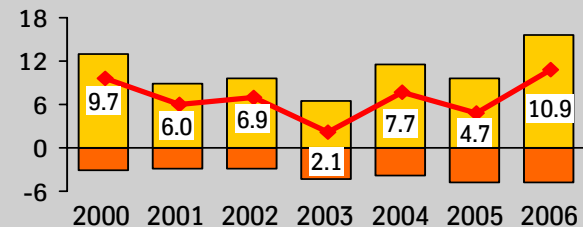
Canada

million t p.a.



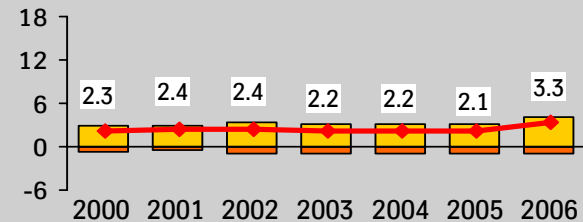
United States

million t p.a.



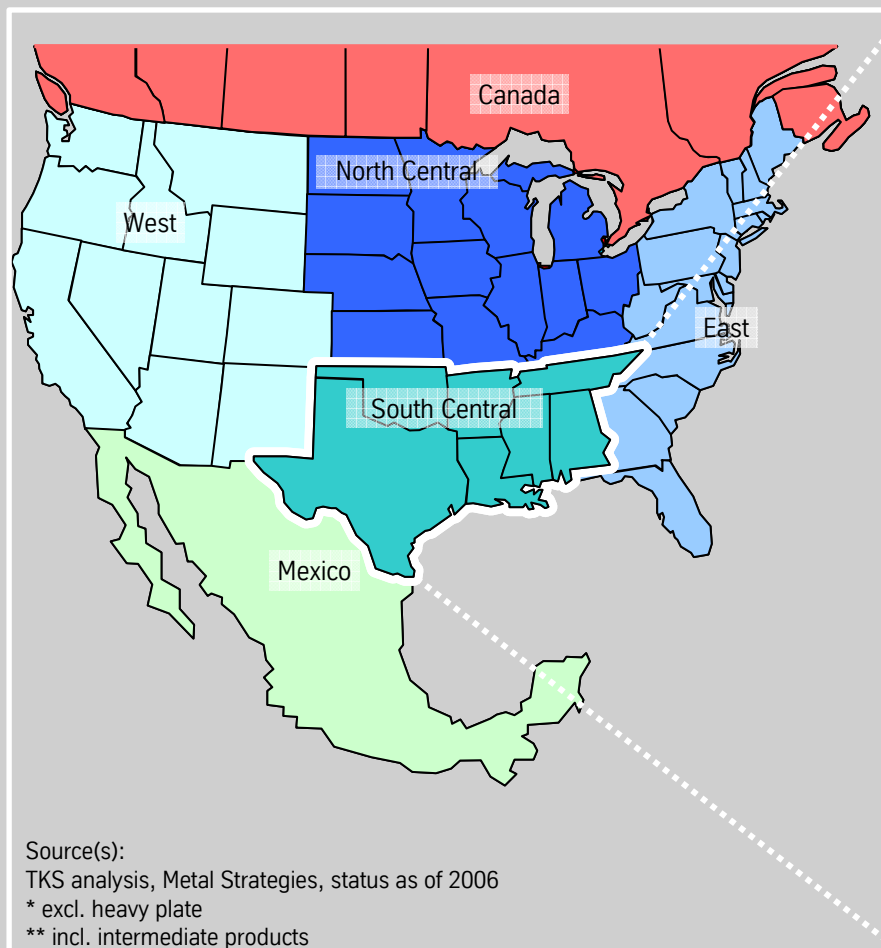
Mexico

million t p.a.



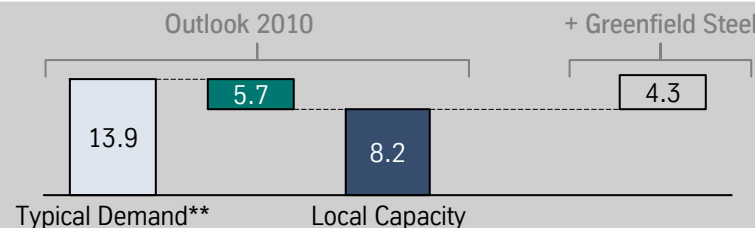
Southern U.S. Exhibits Growing Demand and Local Supply Shortage

Typical demand flat carbon steel vs. local capacity south central U.S. in m t p.a.



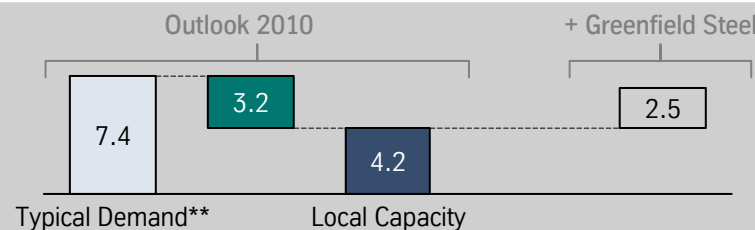
Hot-rolled*

million t p.a.



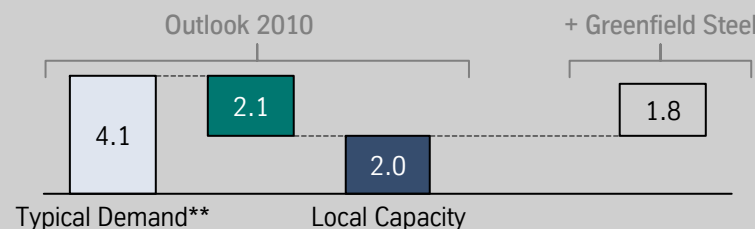
Cold-rolled

million t p.a.



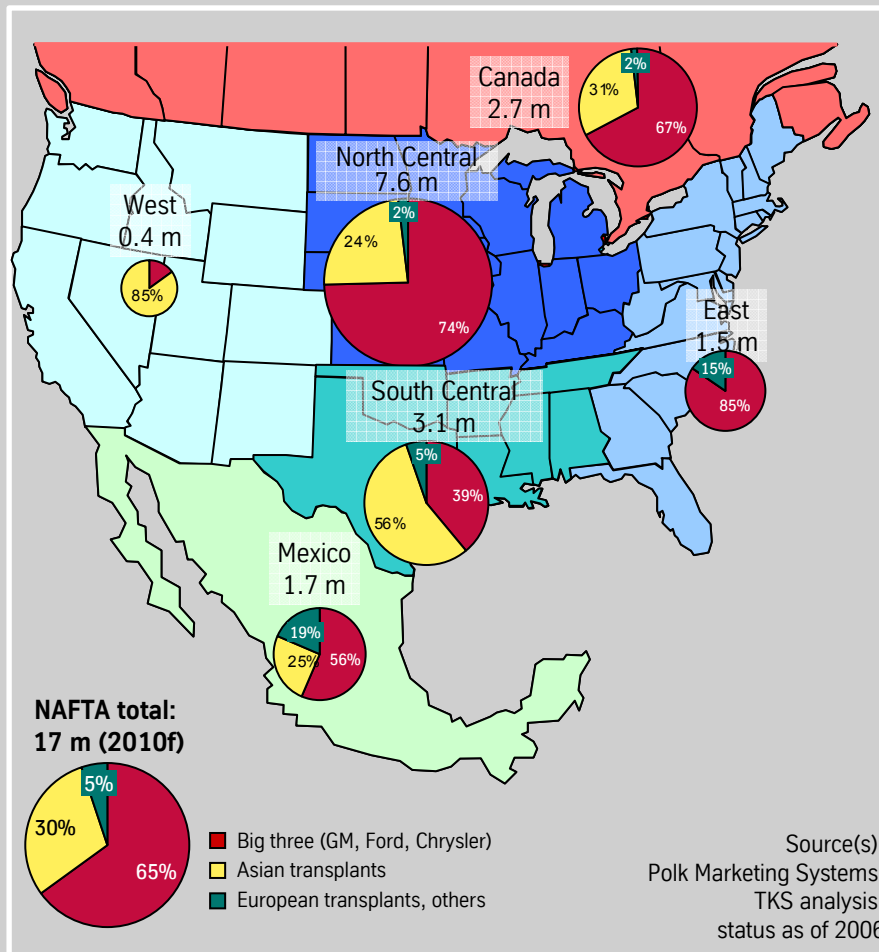
Coated products

million t p.a.



Demanding Customers Drive Demand in Premium Products

Example: Light-vehicle production/assemblies 2010 forecast NAFTA in m units



- Demanding customers from the
 - automotive
 - construction
 - engineering
 - pipe and tube
 - appliance industry
 drive demand in premium products
- South Central U.S. and Mexico exhibit strong position of growing Asian and European transplants

U.S. Greenfield Ideally Positioned to Leverage Favorable Market Trends and Competitive Advantages

Market Trends

- NAFTA characterized by high demand for premium flat carbon steels and significant net imports needs
- Increasing environmental awareness and gas prices drive demand of automotive industry for innovative lightweight steel solutions
- Migration from North to South: South Central as the modern industrial center of the U.S. exhibiting growing demand and local supply shortage

Cost Advantages

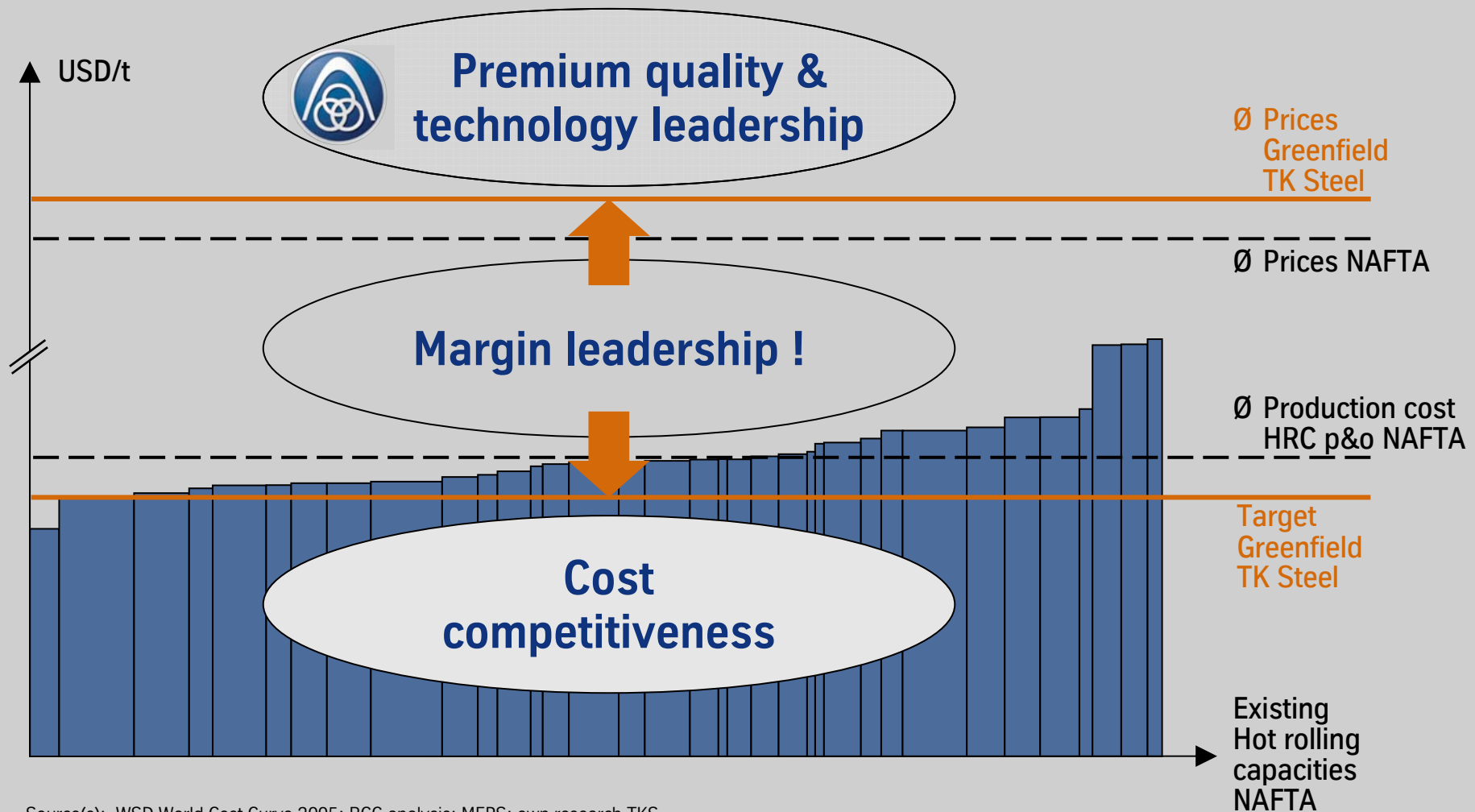
- Low-cost slabs ex Brazil
- State-of-the-art production facilities with low operating costs (energy, personnel, ...)
- Optimum logistics
- No legacy costs

Market Expertise

- Well-known target customers with demanding applications
- Technological expertise ThyssenKrupp Steel
- Reputation and brand ThyssenKrupp
- High-quality slabs from own production in Brazil

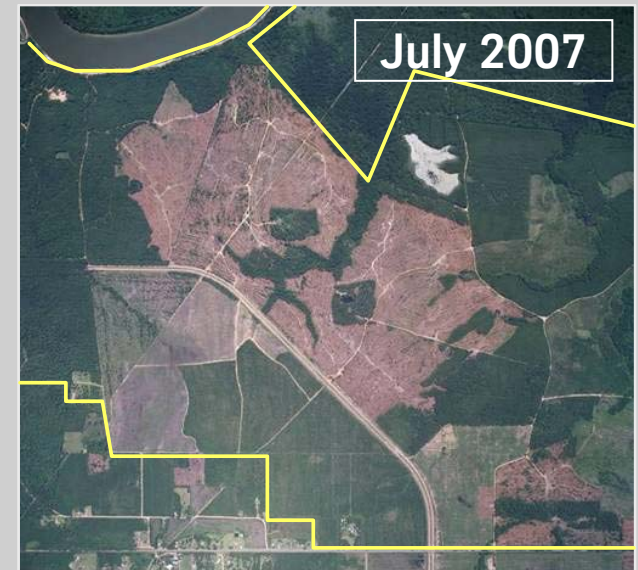
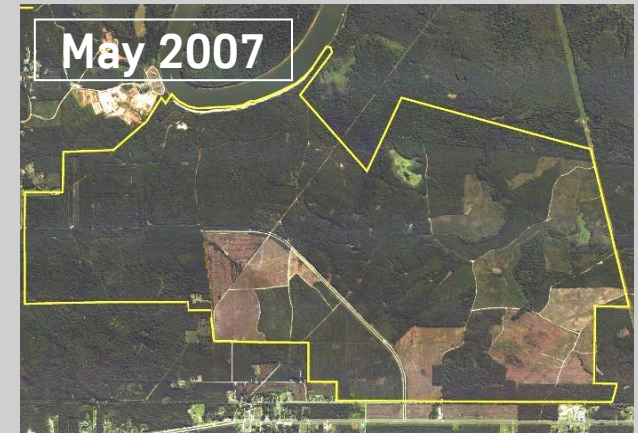


Transatlantic Strategy Leads to Premium Prices and Lowest Costs



Source(s): WSD World Cost Curve 2005; BCG analysis; MEPS; own research TKS

U.S. Greenfield Proceeding to Schedule and Budget



Project "Herkules" Proceeding to Schedule and Budget



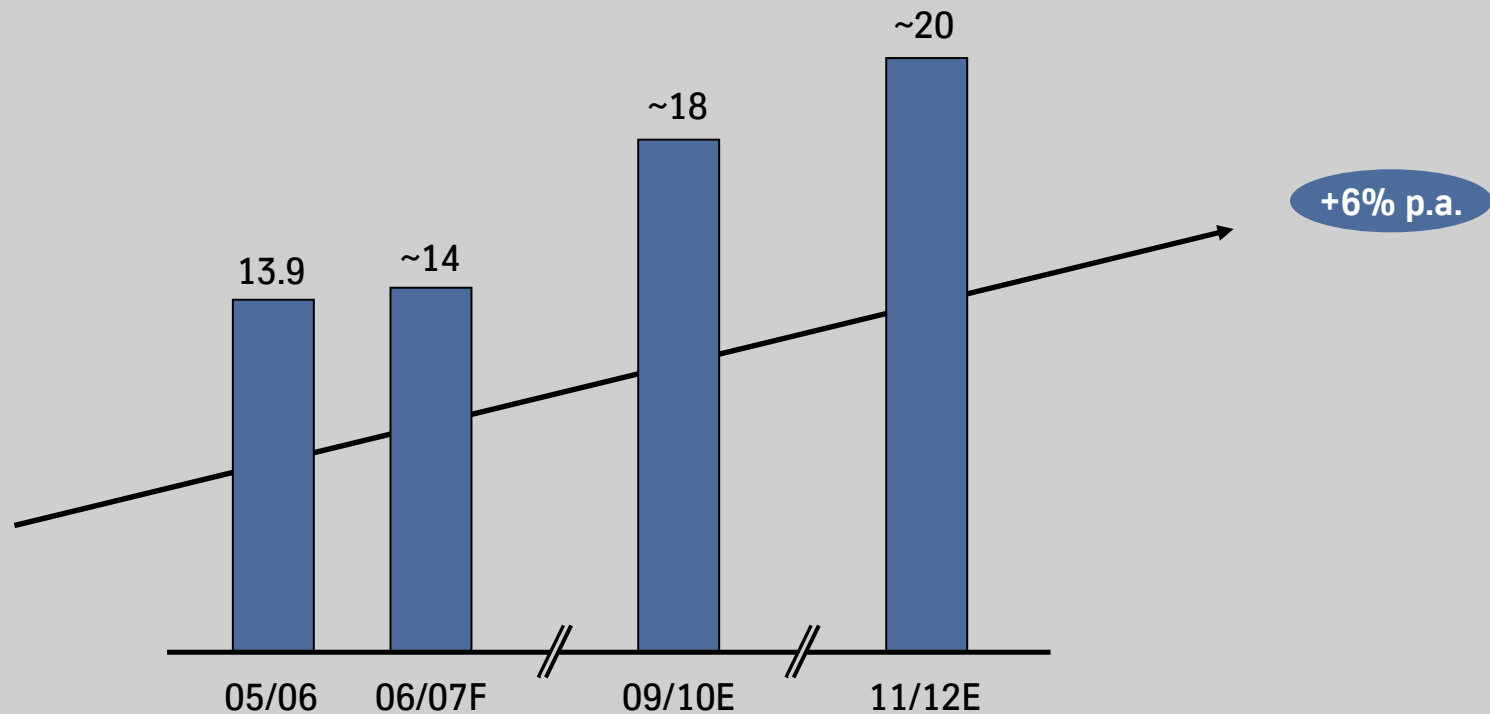
ThyssenKrupp CSA Proceeding to Schedule and Budget



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

Steel Shipments ThyssenKrupp Steel

million tons p.a.

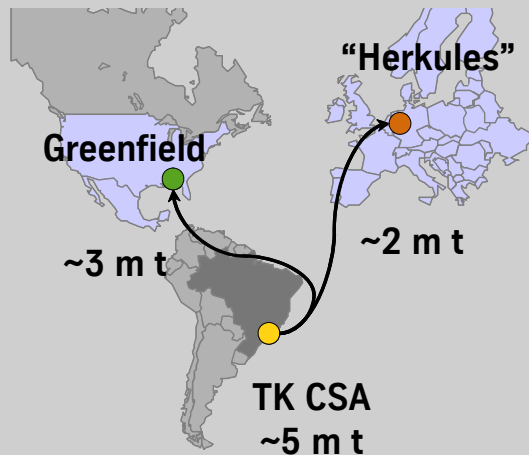


Shipments to Increase by more than 40% by 2011/12

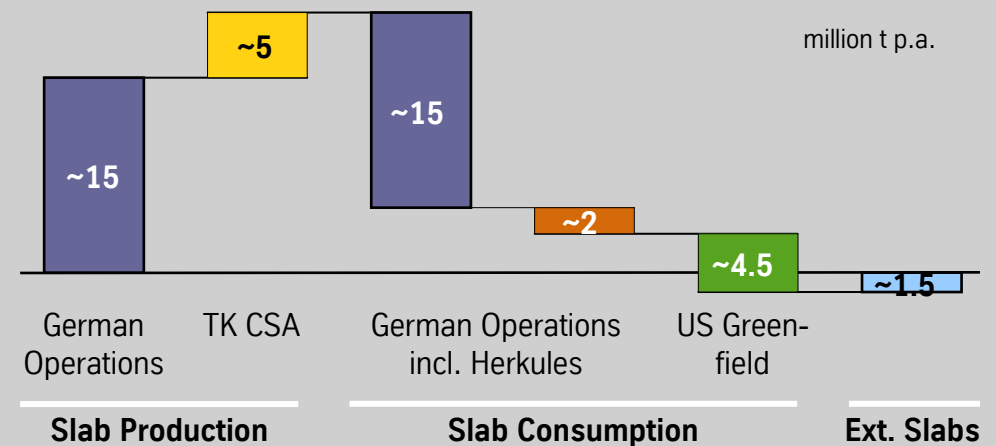


Growth Complemented by Significant Cost Dilution and Flexibility

Transatlantic Forward Strategy



Target Structure 2012: Slab Production and Consumption



Significant cost dilution

⇒ based on 5 m t of high-quality and low-cost slabs from TK CSA

Optimized sourcing of external slabs

⇒ based on logistics cost and availability (adjust slab supply ex CSA to Europe and U.S.)

Maximum cost degression through mini cycles

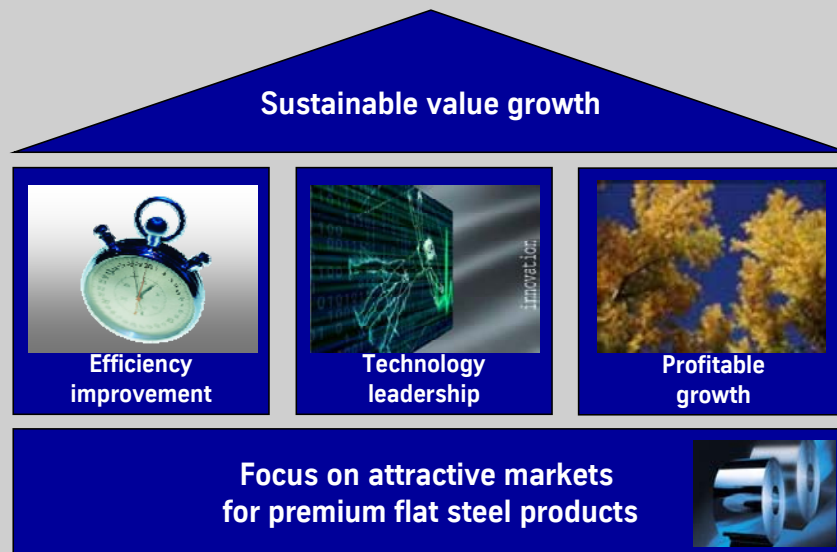
⇒ based on adjustment of external slab purchases (at maximum utilization of own upstream facilities)

Further growth opportunities

⇒ based on expansion options to further increase slab capacity at TK CSA (+Δ 2.5 m t / +Δ 5 m t)

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} $\geq 15\%$

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

The best is yet to come !

Agenda

- **Group Overview and Strategy**

Ulrich Middelmann

Vice Chairman of the Executive Board and CFO of ThyssenKrupp AG

- **ThyssenKrupp Steel**

Karl-Ulrich Köhler

CEO ThyssenKrupp Steel AG and Executive Board Member of ThyssenKrupp AG

- **ThyssenKrupp Stainless**

Jürgen H. Fechter

CEO ThyssenKrupp Stainless AG and Executive Board Member of ThyssenKrupp AG

ThyssenKrupp Stainless

Business Fields of ThyssenKrupp Stainless Group

ThyssenKrupp Stainless
Sales € 6.4 billion • EBT € 423 million • Free cash flow € 243 million • Employees 12,197

Business Field	Stainless Steel	Stainless Steel Titanium Processing	Stainless Steel	Stainless Steel	Stainless Steel	Stainless Steel	Nickel Alloys
Company	ThyssenKrupp Nirosta (Germany)	ThyssenKrupp Acciai Speciali Terni (Italy)	ThyssenKrupp Stainless USA (USA)	ThyssenKrupp Mexinox (Mexico)	Shanghai Krupp Stainless (VR China)	ThyssenKrupp Stainless International (Germany)	ThyssenKrupp VDM (Germany) Precision Rolled Products (USA)
Sales not consolidated	€ 2,682 m	€ 2,505 m	project phase	€ 559 m	€ 364 m	€ 1,186 m	€ 998 m
Employees	4,647	3,447	-	1,321	570	409	1,746

* FY 2005/06



ThyssenKrupp Stainless

Top Positions in all Fields of Activities

ThyssenKrupp Stainless

Stainless Steel

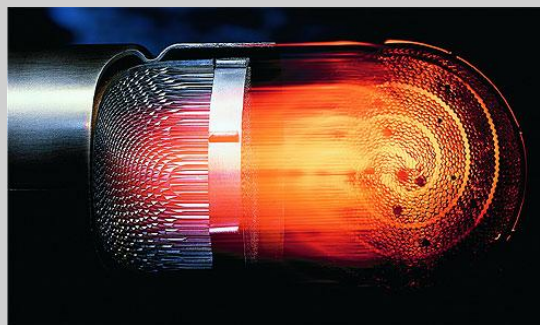


Sales: €4.6 bn
Employees: 9,716

ThyssenKrupp Nirosta
ThyssenKrupp Acciai Speciali Terni
ThyssenKrupp Mexinox
Shanghai Krupp Stainless

No. 1

High Performance Alloys



Sales: €1.1 bn
Employees: 1,987

ThyssenKrupp VDM

No. 2

ThyssenKrupp Titanium

No. 6

Processing



Sales: €0,7 bn
Employees: 364

Società delle Fucine Europe
(>100 t Unit Weight)

No. 1

Tubificio di Terni Europe

No. 1

Figures based on fiscal year 2005/06

ThyssenKrupp Stainless

Sustainable Results in spite of Market Fluctuations

							Q1 - Q3
							(Oct – Jun)
		2001/2002 ^{*)}	2002/2003 ^{*)}	2003/2004 ^{*)}	2004/2005	2005/2006	2006/2007
Sales	€m	4,020	3,957	4,990	5,572	6,437	6,986
Total Shipments	1,000 t	2,482	2,365	2,519	2,237	2,468	1,748
thereof Stainless CR	1,000 t	1,543	1,577	1,742	1,578	1,764	1,359
EBT	€m	141	192	385	286	423	912
ROCE	%	7,9	9,9	16,9	11,8	16,0	34,2
TKVA	€m	- 54	- 4	182	68	199	703
Employees	#	12,074	12,116	11,811	12,201	12,197	12,187

^{*)} US-GAAP

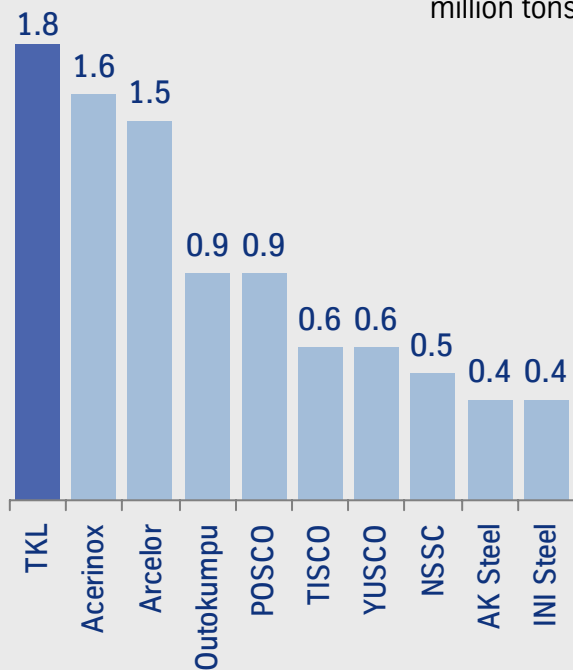
ThyssenKrupp Stainless

Leading Positions in Stainless Steel Cold-Rolled Flat Products and Nickel Alloys

Stainless Steel

Deliveries in 2006

million tons



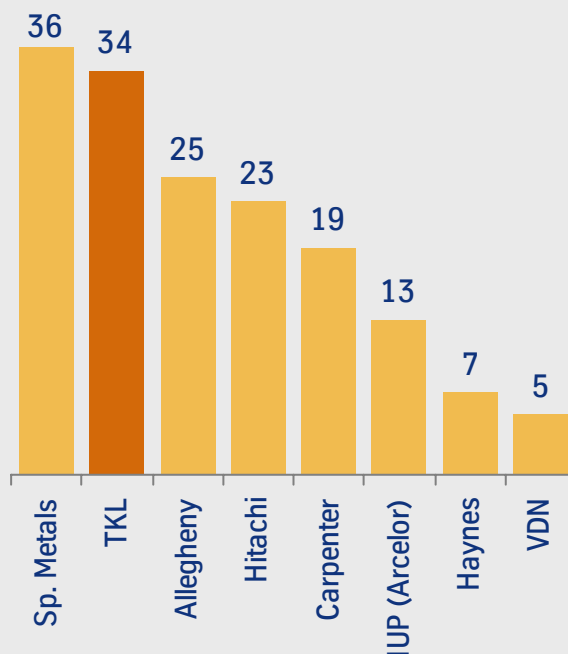
The 10 largest producers Stand for 65% of all worldwide shipments

Source: ThyssenKrupp Stainless

Nickel Alloys

Deliveries in 2006

1,000 tons



The 6 largest producers stand for 67% of all worldwide shipments

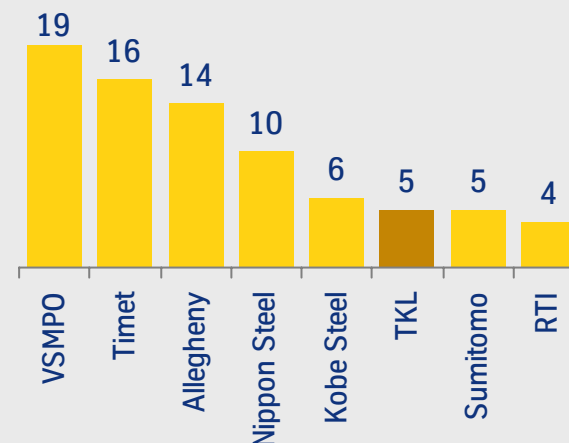
Source: ThyssenKrupp VDM

Titanium

Deliveries in 2006

1,000 tons

TKL is the only Titanium Producer in Western Europe



The 5 largest producers stand for 67% of all worldwide shipments

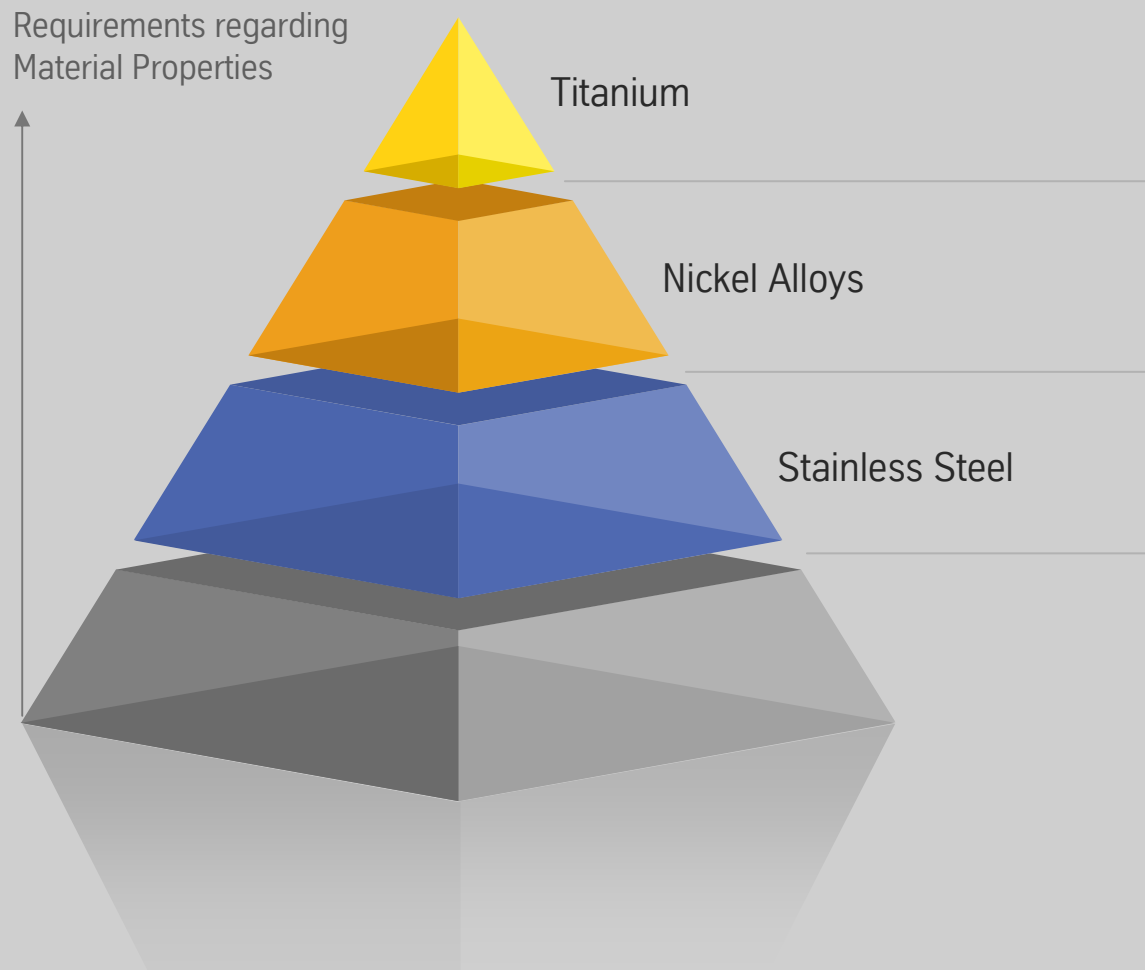
Source: ThyssenKrupp Titanium



ThyssenKrupp Stainless

ThyssenKrupp Stainless covers the Top of the High-Demanding Material Pyramid

Requirements regarding
Material Properties



Titanium

Nickel Alloys

Stainless Steel

Demand

1,000 t

Deliveries

1,000 t

**Market
Share**

**Market
Price**

EURO / ton

80

5

6%

~50,000

226

34

15%

~30,000

15,197

1,786

12%

~4,000

Figures based on year 2006

ThyssenKrupp Stainless

Differentiation in Regards to the Competition

Unique Selling Propositions

- Stainless steel patent holder since 1922, almost **90 years of experience**
- **Strong Brand** “ThyssenKrupp” and in addition globally established product brands (Nirosta, AST, Mexinox, SKS and VDM)
- Powerful worldwide **Service Center Network**
- Benchmark for **Product Quality**
- Highly **innovative Products and Services**
- Covering the top of the **high-performance Material Pyramid**
- **Wide Product Portfolio** in Cold-Rolled Flat Products
- Significant **End Customer Portfolio**

Stainless Steel and High Performance Alloys

Typical Stainless Steel and High-Performance Alloy Applications



Architecture



Sinks



Cooking Equipment



CERAN Hot Plate



Aviation



Astronautics



Plant Construction



Automotive



Freshwater Extraction



Medicine



Cutlery



Offshore



Kitchen Furniture



White Goods



Transportation



Wall Cladding



Wires



Engines

Stainless Steel

General Product Properties







Stainless Steel

- Corrosion Resistance
- Heat Resistance
- Aesthetic Surface
- Easy-Care Properties
- Good Deformation Properties
- Good Strength to Weight Ratio
- High Weldability
- Long Service Life
- 100% Recyclability



Stainless Steel

General Comparison of Major Stainless Material Groups (2006)

Austenitics		Ferritics		Martensitics		Duplex	
<ul style="list-style-type: none">▪ non-magnetic▪ nickel content	Production World 77%* TKL 66%	<ul style="list-style-type: none">▪ magnetic▪ no nickel	Production World 20% TKL 32%	<ul style="list-style-type: none">▪ magnetic▪ no nickel	Production World 2% TKL 1%	<ul style="list-style-type: none">▪ magnetic▪ lower nickel	Production World 1% TKL 1%
Corrosion Resistance	<div><div></div><div></div><div></div><div></div><div></div></div>	Corrosion Resistance	<div><div></div><div></div><div></div><div></div><div></div></div>	Corrosion Resistance	<div><div></div><div></div><div></div><div></div><div></div></div>	Corrosion Resistance	<div><div></div><div></div><div></div><div></div><div></div></div>
Strength / Hardness	<div><div></div><div></div><div></div><div></div><div></div></div>	Strength / Hardness	<div><div></div><div></div><div></div><div></div><div></div></div>	Strength / Hardness	<div><div></div><div></div><div></div><div></div><div></div></div>	Strength / Hardness	<div><div></div><div></div><div></div><div></div><div></div></div>
Deformability	<div><div></div><div></div><div></div><div></div><div></div></div>	Deformability	<div><div></div><div></div><div></div><div></div><div></div></div>	Deformability	<div><div></div><div></div><div></div><div></div><div></div></div>	Deformability	<div><div></div><div></div><div></div><div></div><div></div></div>
Abrasion	<div><div></div><div></div><div></div><div></div><div></div></div>	Abrasion	<div><div></div><div></div><div></div><div></div><div></div></div>	Abrasion	<div><div></div><div></div><div></div><div></div><div></div></div>	Abrasion	<div><div></div><div></div><div></div><div></div><div></div></div>
Surface Aesthetics	<div><div></div><div></div><div></div><div></div><div></div></div>	Surface Aesthetics	<div><div></div><div></div><div></div><div></div><div></div></div>	Surface Aesthetics	<div><div></div><div></div><div></div><div></div><div></div></div>	Surface Aesthetics	<div><div></div><div></div><div></div><div></div><div></div></div>
Cost Attractiveness	<div><div></div><div></div><div></div><div></div><div></div></div>	Cost Attractiveness	<div><div></div><div></div><div></div><div></div><div></div></div>	Cost Attractiveness	<div><div></div><div></div><div></div><div></div><div></div></div>	Cost Attractiveness	<div><div></div><div></div><div></div><div></div><div></div></div>
<p>Applications which require a high <u>hygienic cleanability</u> and <u>wet corrosion resistance</u></p> <ul style="list-style-type: none">▪ food processing / kitchen▪ tanks / pressure vessels▪ architecture		<p>Applications which have <u>lower requirements</u> reg. corrosion resistance and deformability → <u>cost advantage</u></p> <ul style="list-style-type: none">▪ dish washers / dryers▪ automotive exhausts▪ interior design		<p>Applications which require high <u>strength</u> and <u>hardness</u></p> <ul style="list-style-type: none">▪ knives and cutlery▪ surgical instruments▪ fasteners and nozzles▪ shafts, impellers, etc.		<p>Applications which require a <u>high resistance to stress corrosion cracking, tensile strength and heat resistance</u></p> <ul style="list-style-type: none">▪ heat exchangers▪ sea water cooling	
							

*incl. 9% of 200 Series

High Performance Alloys

General Product Properties of Nickel Alloys and Titanium



Nickel Alloys

- High wet-corrosion resistance
- High temperature strength
- Good oxidation resistance
- Low degree of material extension



Titanium

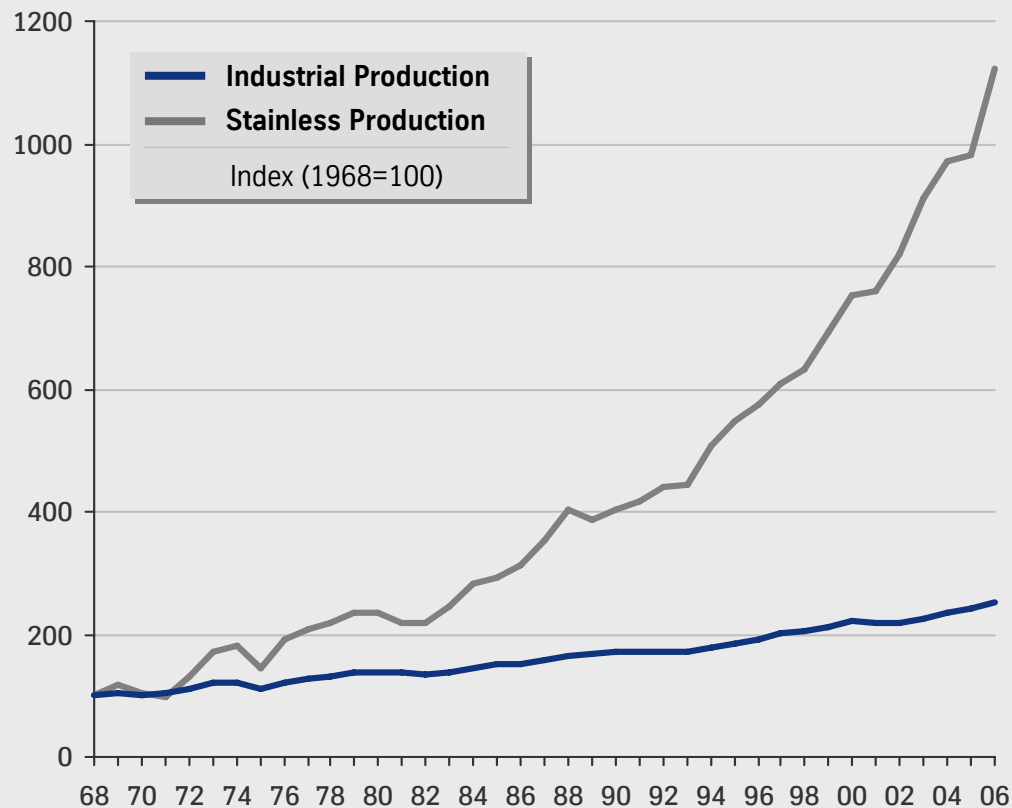
- High corrosion resistance
- Low specific weight
- Highest strength to weight ratio
- High biological compatibility



General Industry and Market Development

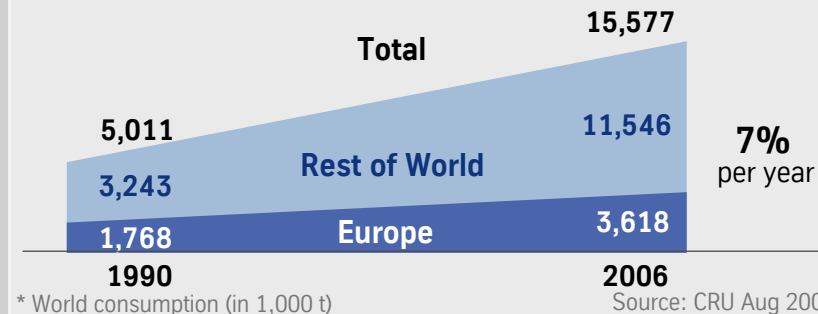
Stainless Steel Growth Rates much higher than Industrial Production

Stainless Steel Cold-Rolled

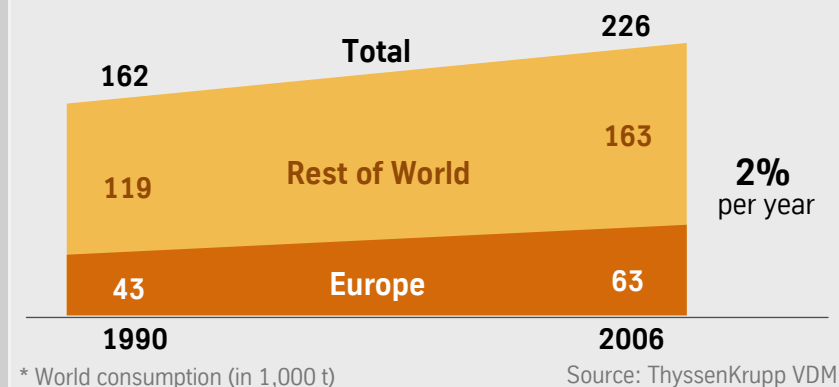


Source: OECD/Global Insight/CRU Nov 2006

Stainless Steel Cold-Rolled

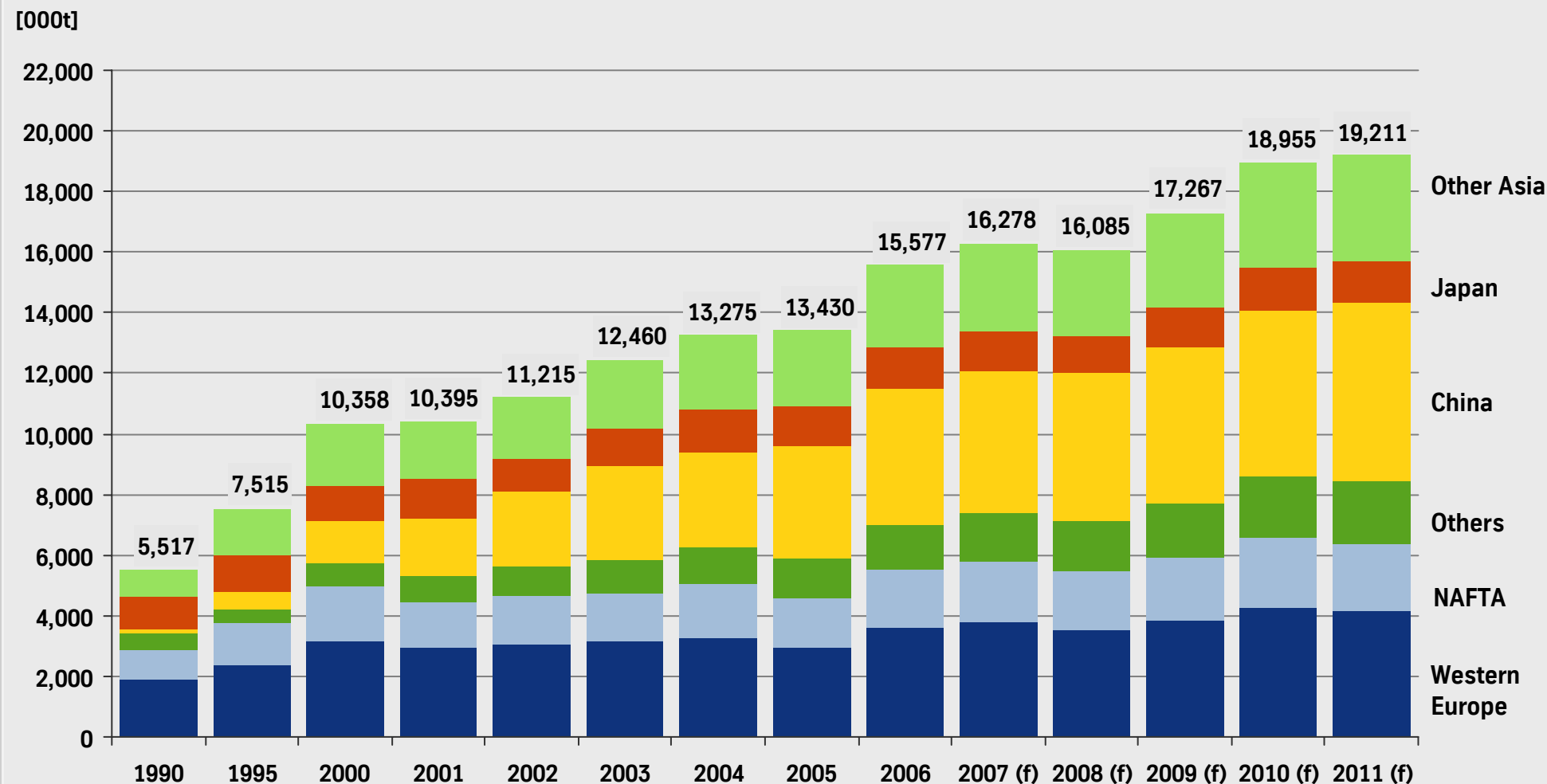


Nickel Alloys



Market Environment

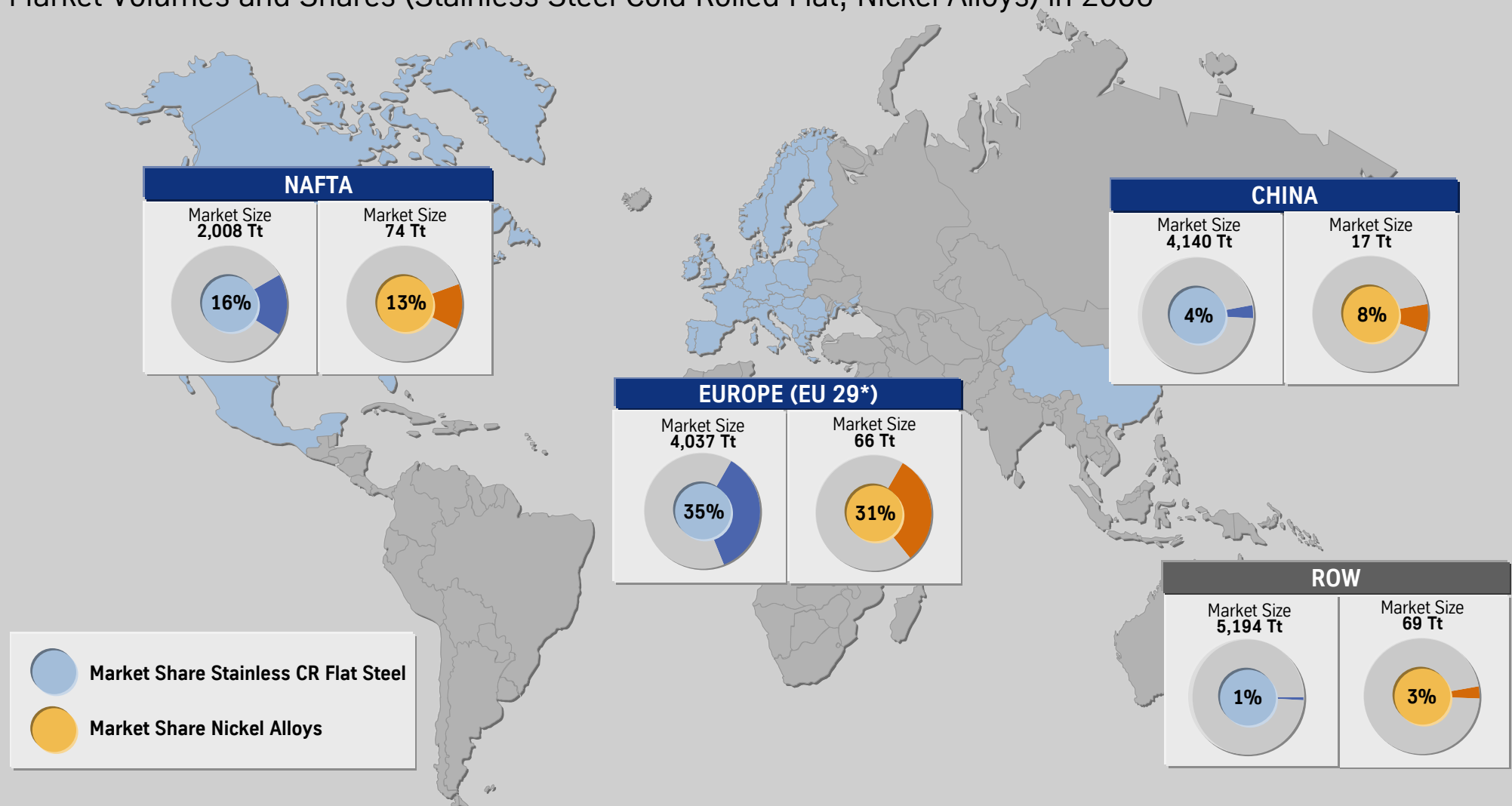
Development of Stainless Steel Cold-Rolled Flat Apparent Consumption



Source: CRU Aug 2007

Global Market Presence

Market Volumes and Shares (Stainless Steel Cold Rolled Flat, Nickel Alloys) in 2006

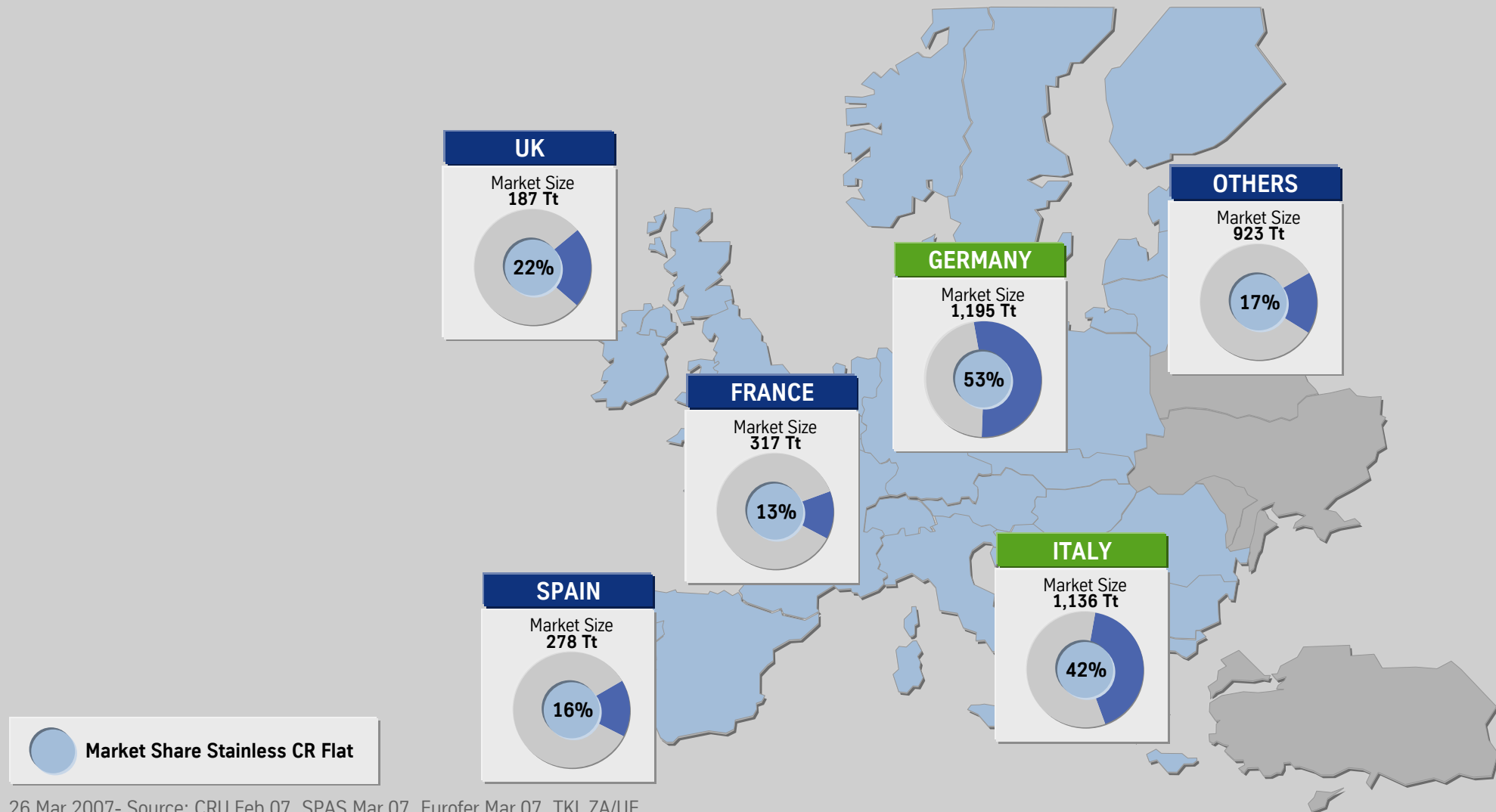


26 Mar 2007 - Source: CRU Feb 07, SPAS Mar 07, Eurofer Mar 07, TKL ZA/UE, *including Norway, Switzerland

* number for Nickel Alloys are preliminary

Market Presence in Europe

Market Volumes and Shares (Stainless Steel Cold Rolled Flat, Nickel Alloys) in 2006

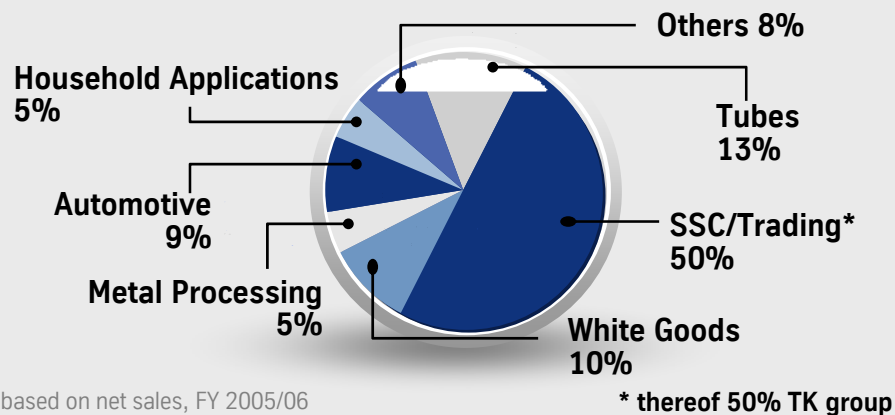


26 Mar 2007 - Source: CRU Feb 07, SPAS Mar 07, Eurofer Mar 07, TKL ZA/UE

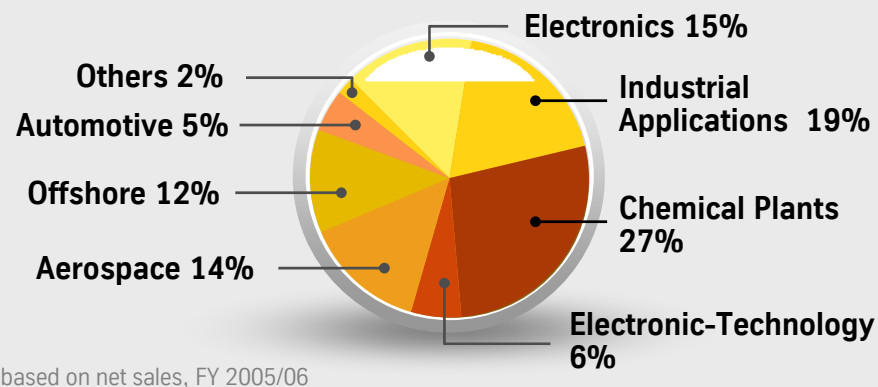
Increasing non-volatile Customer Bases

Sales Structure within ThyssenKrupp Stainless Group

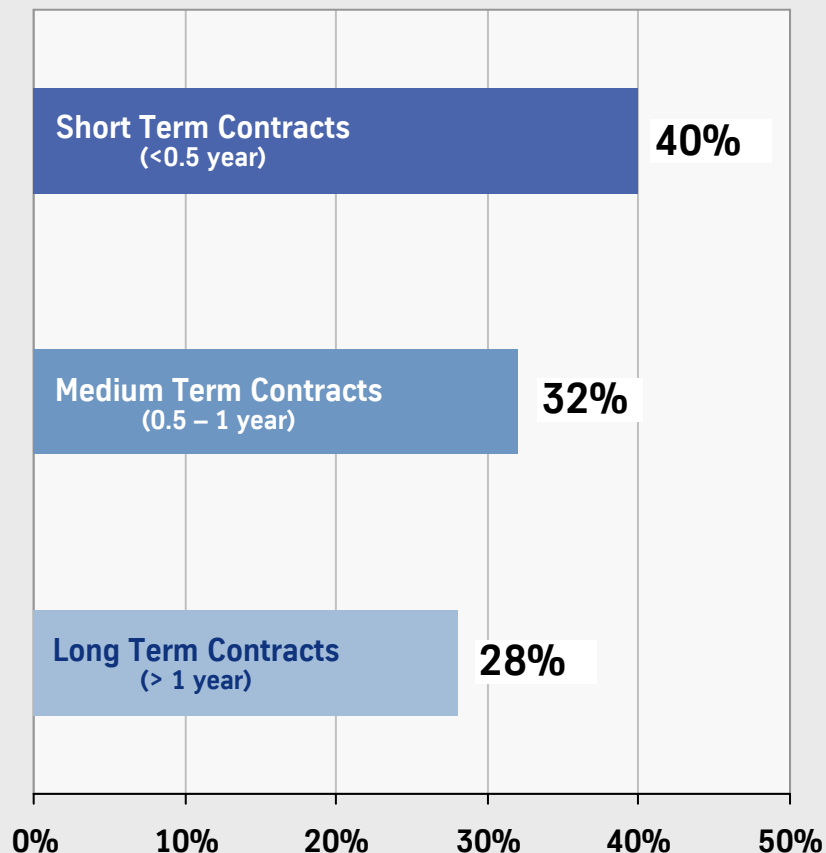
Stainless Steel Sales by Customer Group



Nickel Alloy Sales by Customer Group



Stainless Steel Contract Structure

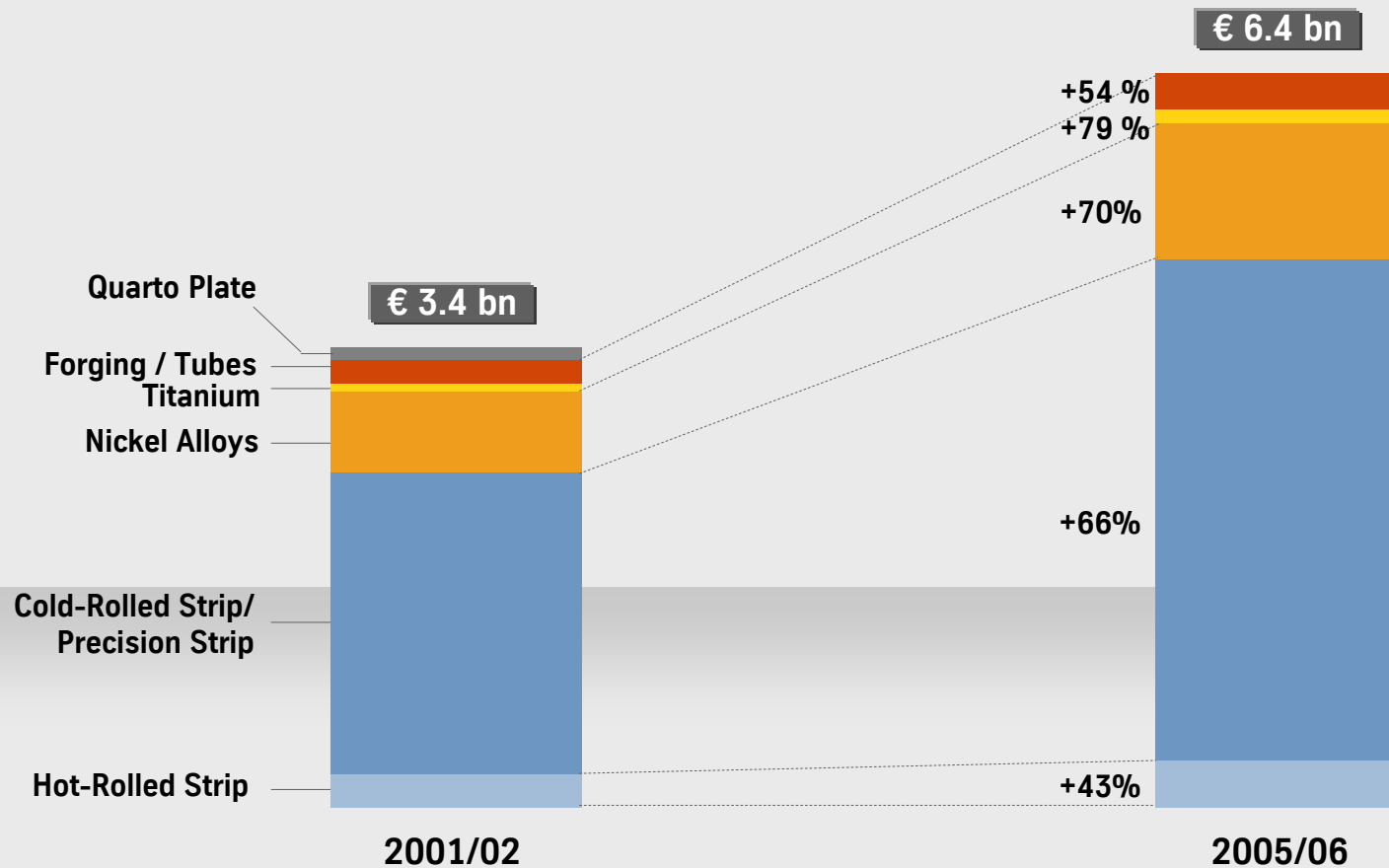


based on ThyssenKrupp Nirosta Shipments 2005/06

Continuous Focus on Increase of Processing Depth

Strongest Growth in High-Value Products

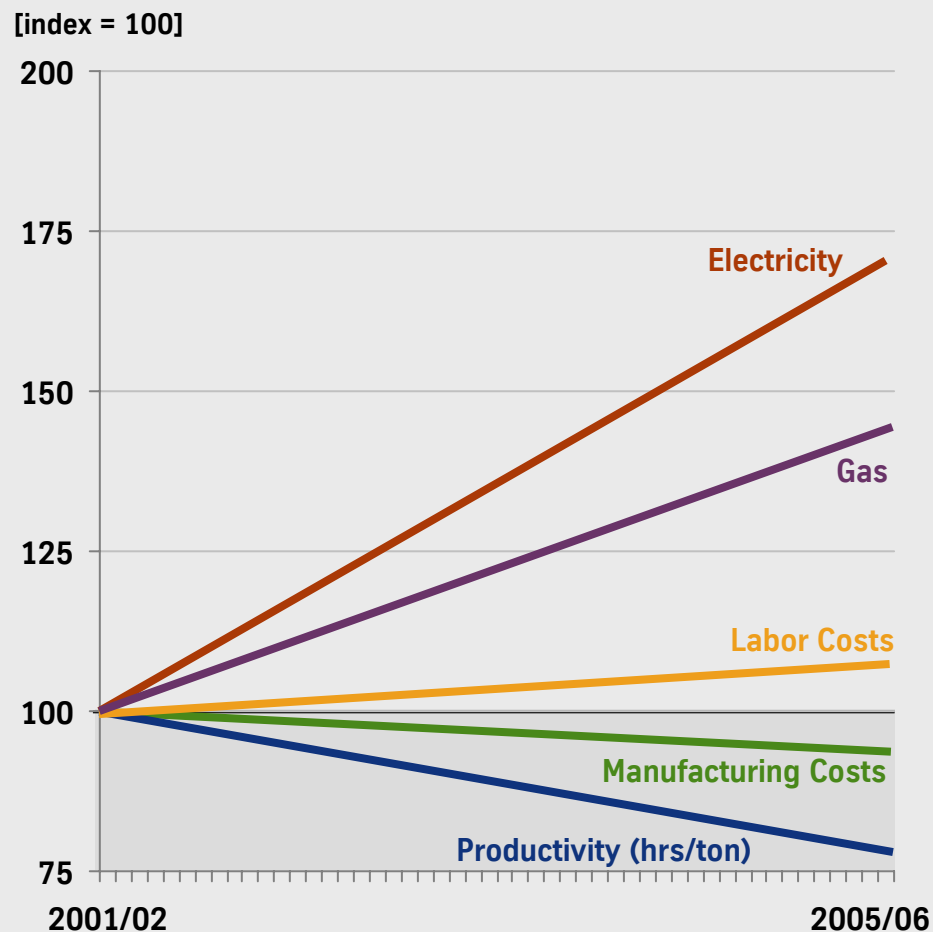
Sales Structure by Products



Performance Improvement Programs over-compensate rising Costs

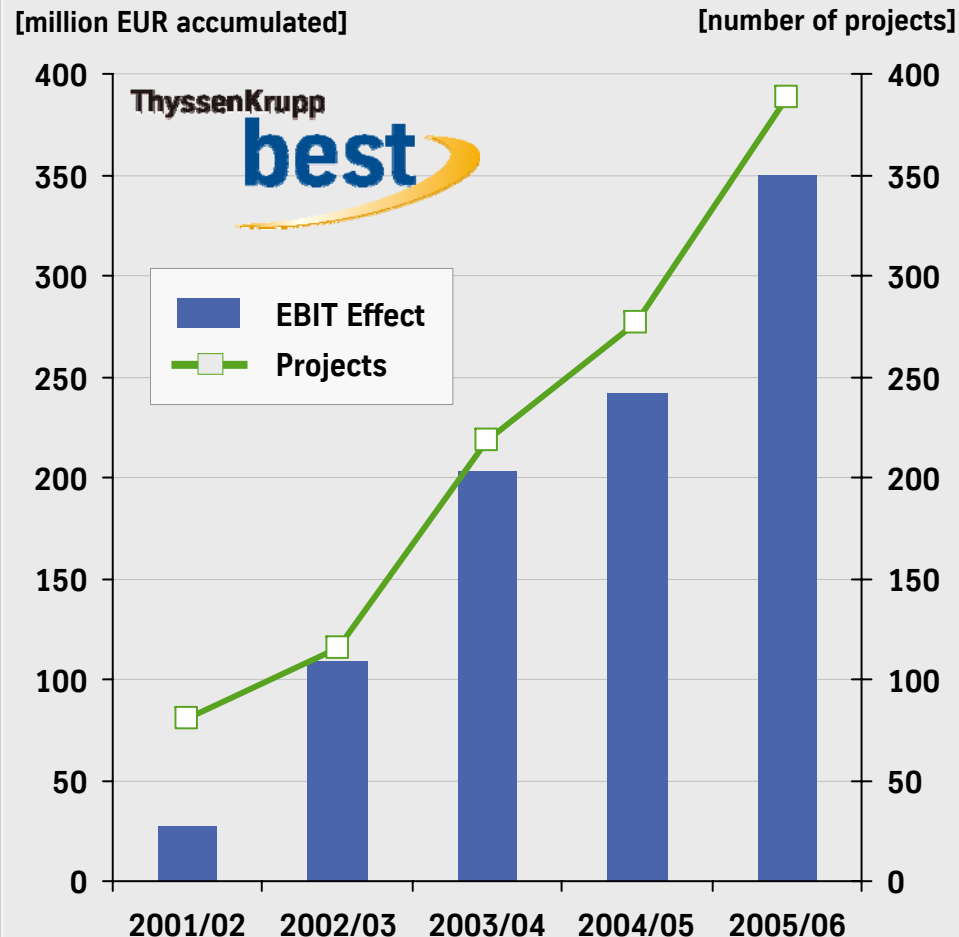
Performance improvements over-compensate rising costs and generate additional EBIT

Representative Cost Development

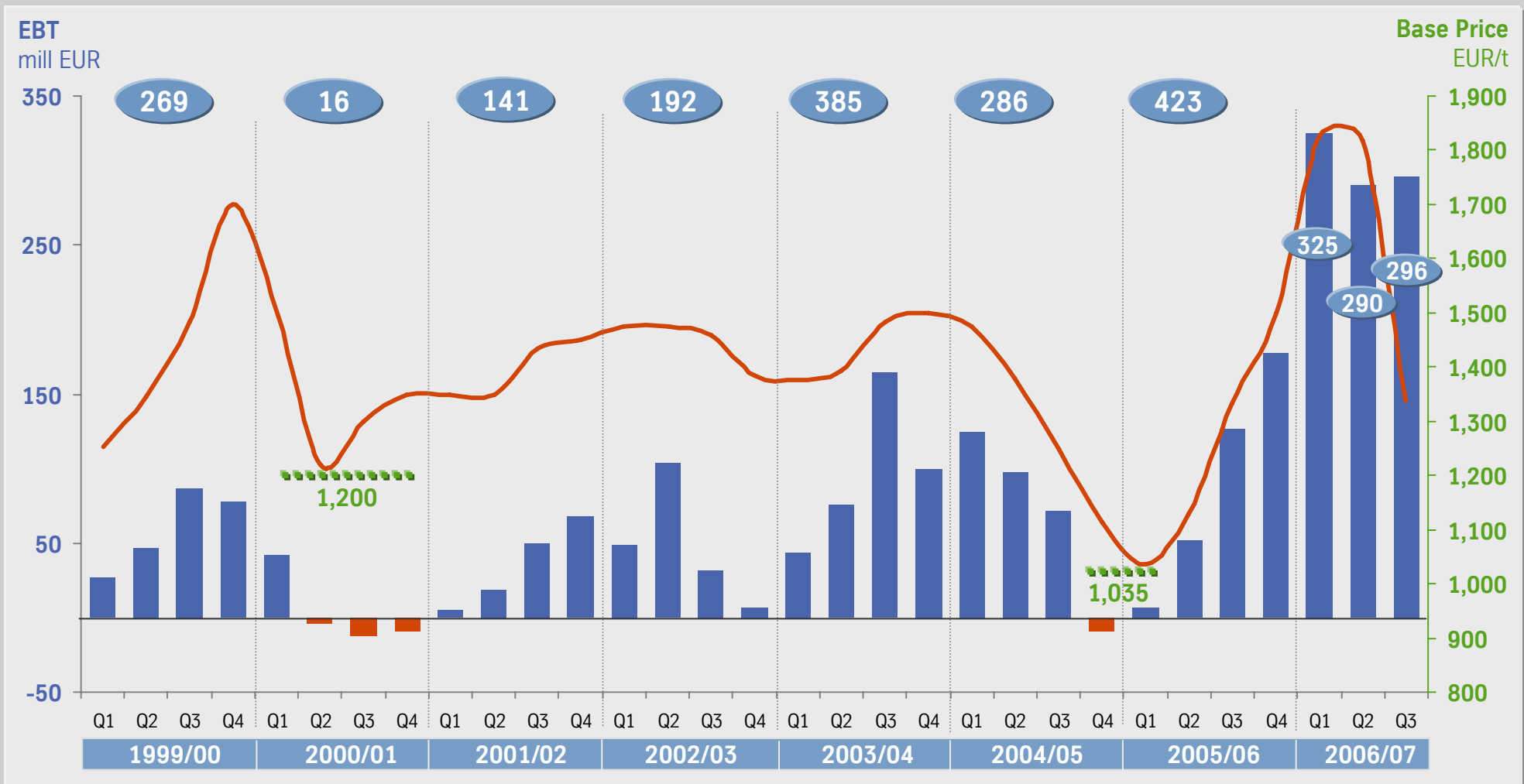


Manufacturing costs incl. energy, personnel

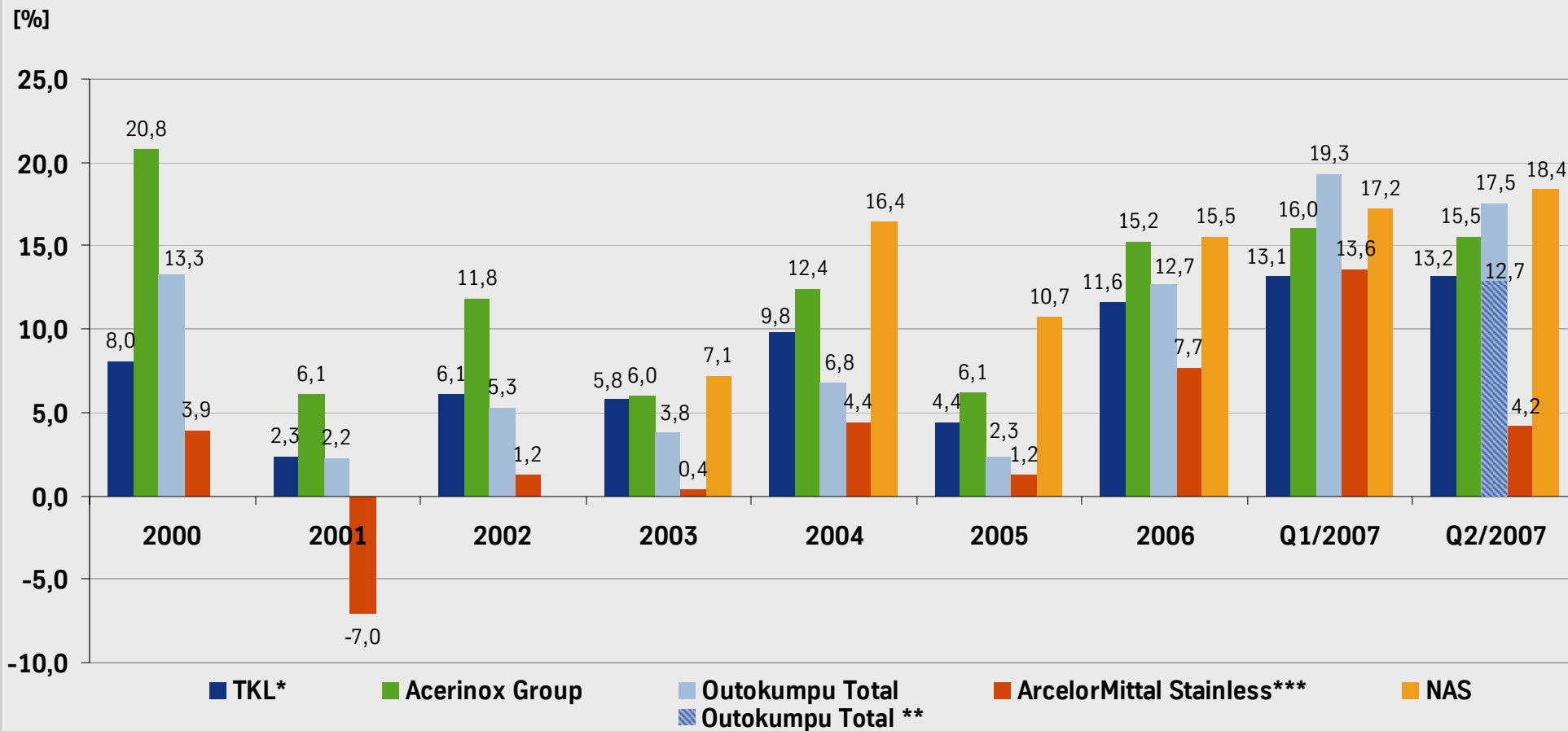
Annual EBIT-Effect of 70 million EUR during last 5 years



EBT Development



Comparison of leading Stainless Producers' EBIT-Margins



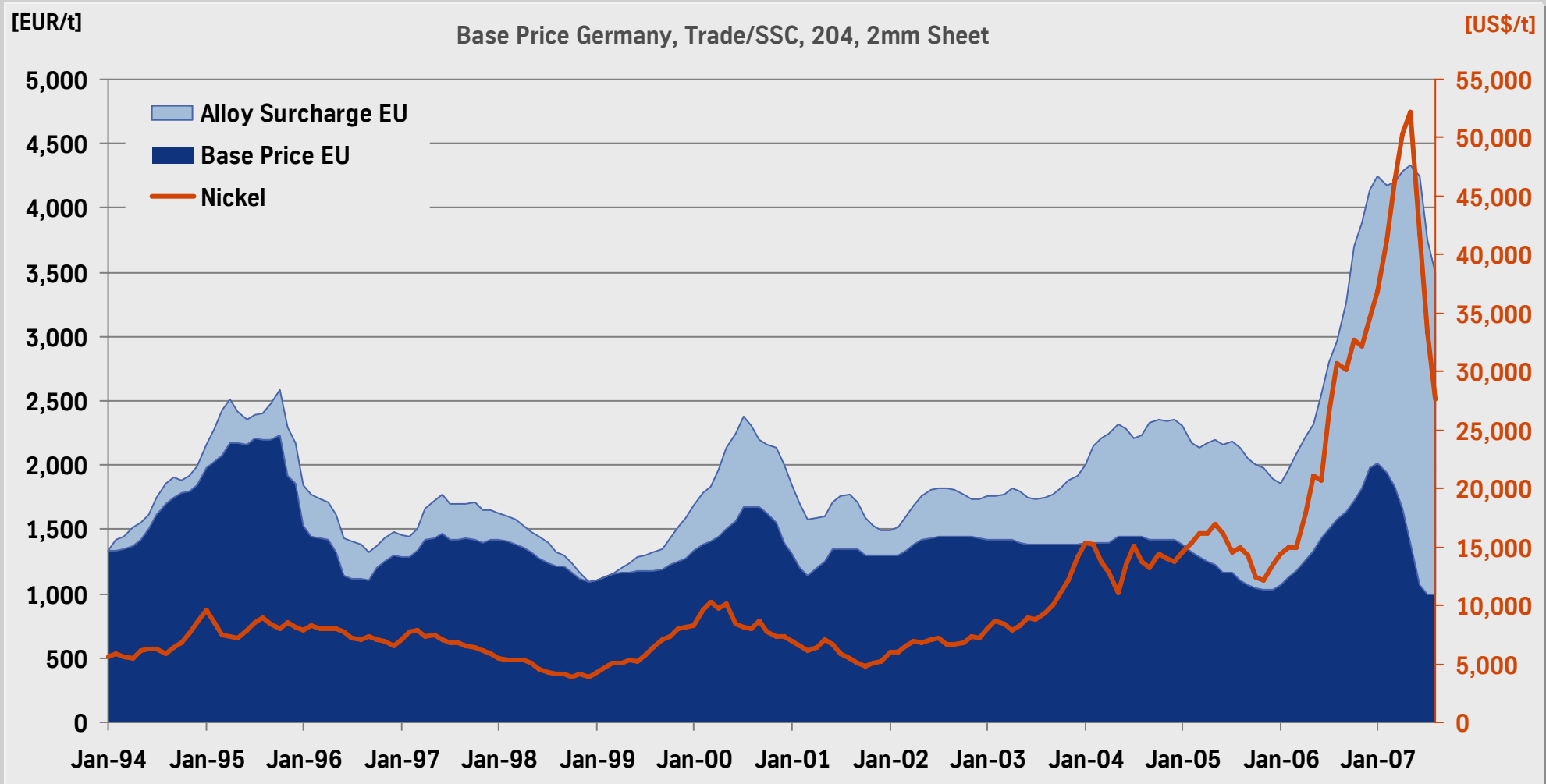
* TKL in Q2/2007: elimination one-time effects

** Outokumpu Q2/07 EBIT margin without nickel related inventory gains of 100 m€

*** ArcelorMittal without ArcelorMittal Timóteo (former Acesita)

Challenge: High Raw Material Costs

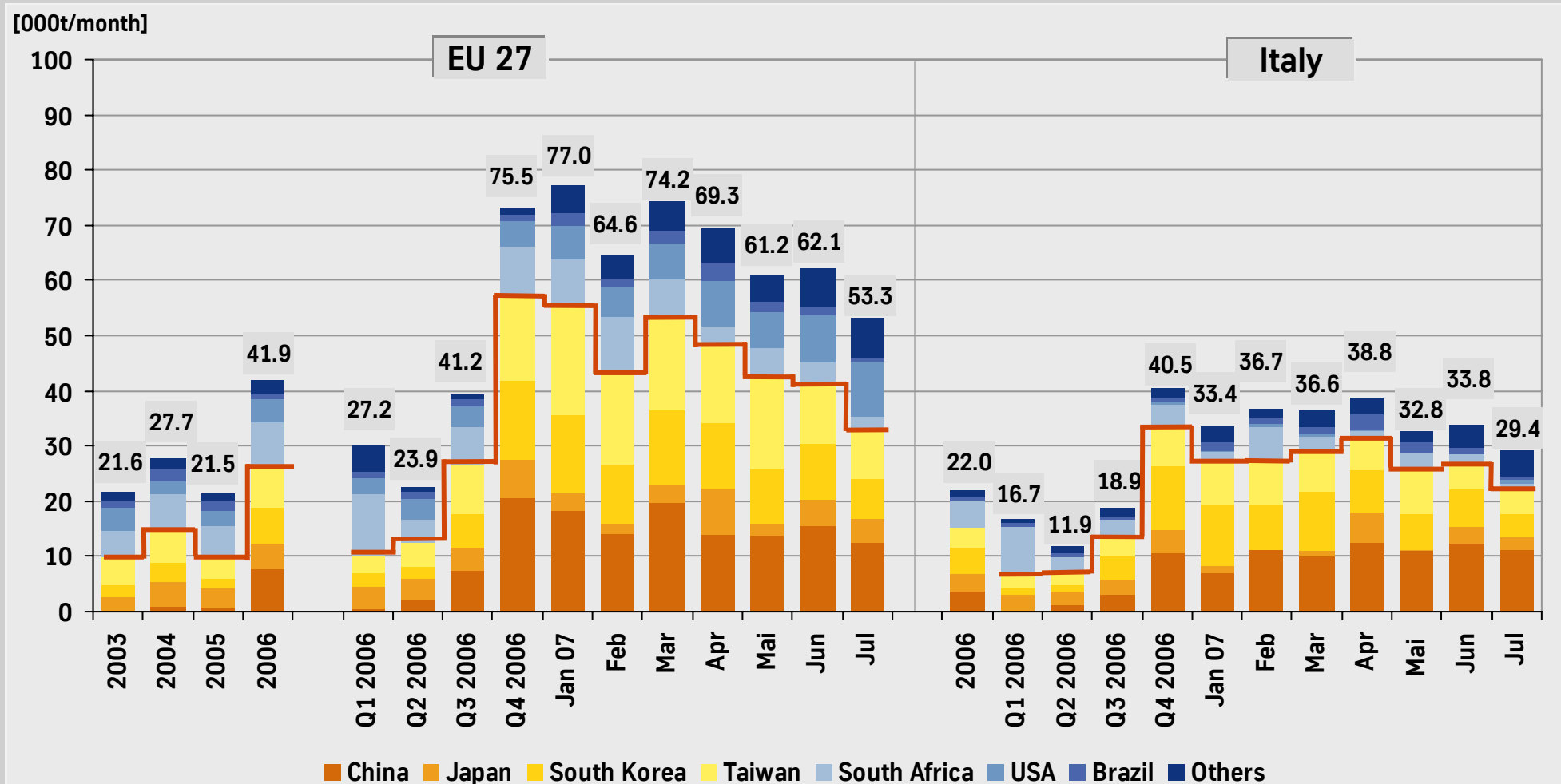
→ Fluctuations of nickel price have strong influences on stainless steel industry



04 Sep 2007 - Source: CRU Aug 2007, Metalprices (NICKEL) 04 Sep 2007

Stainless Steel Cold Rolled Flat Imports into Europe

European Union (EU25)



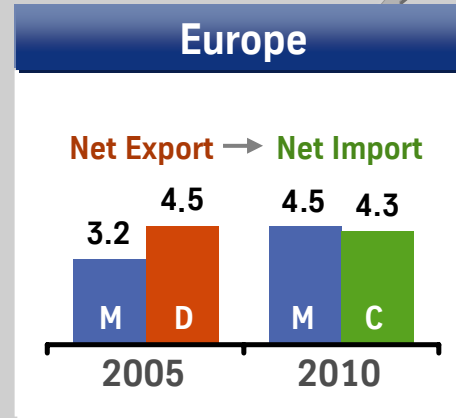
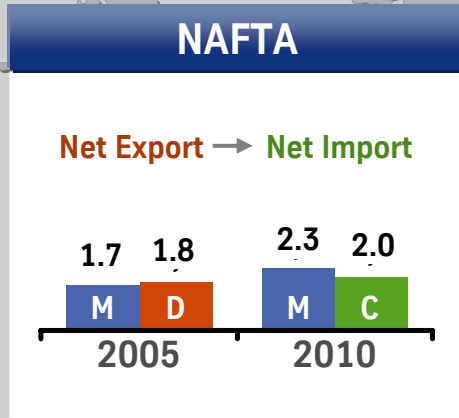
29 Aug 2007 - Source: Eurofer Aug 2007, TKL ZA-UE

Imports excl. SKS Deliveries



Challenge: Change of the global Trade Flows

Million tons / year



Significant Capacity Deficits will emerge in Europe and NAFTA
China will increasingly be self sufficient respectively will develop into a Net Exporter



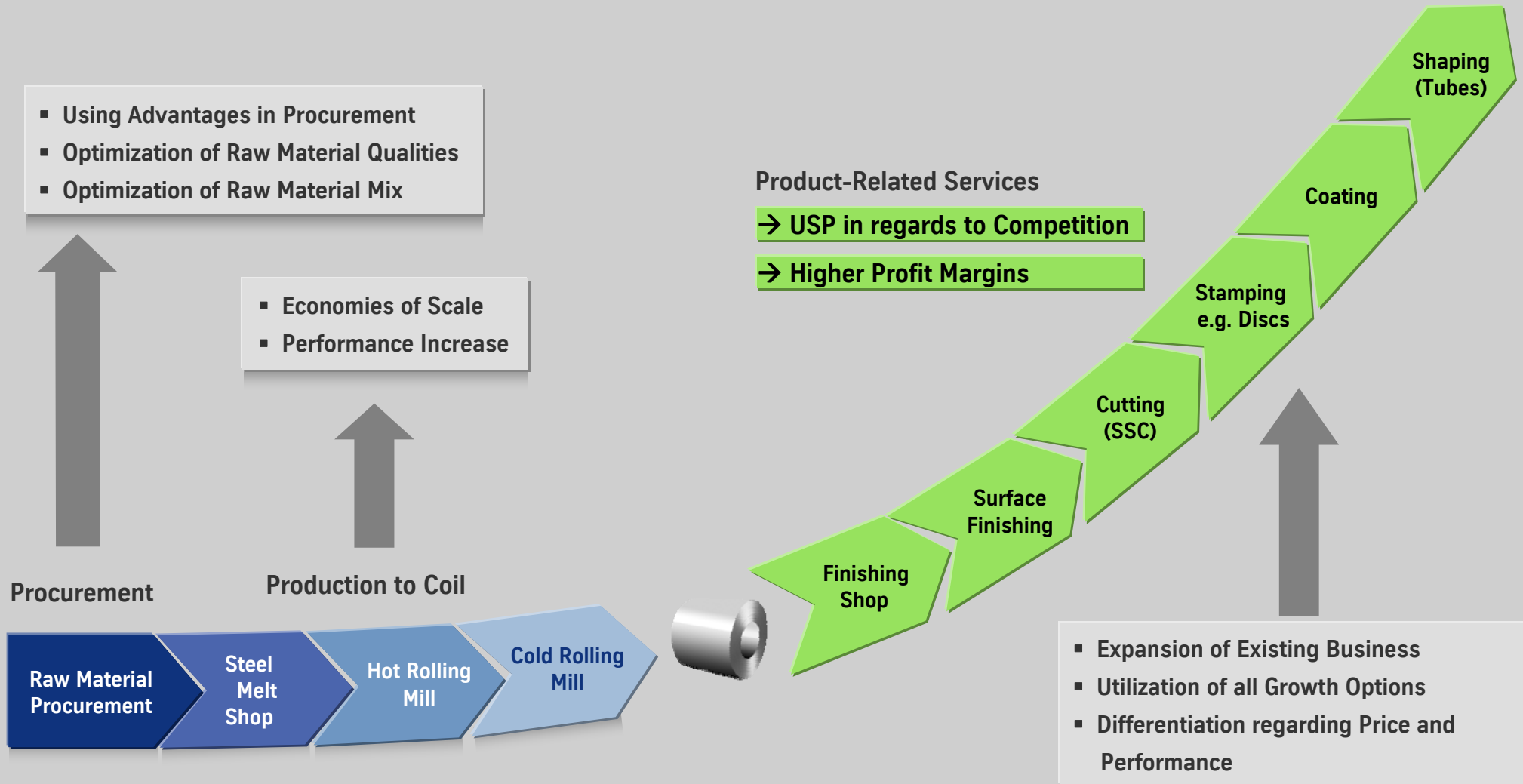
Market volume

Deliveries

Capacities estimated (realistic)

Concentration on the high-value Segment instead of Commodities

→ Systematic Focus on Value Added Services within the Production Chain

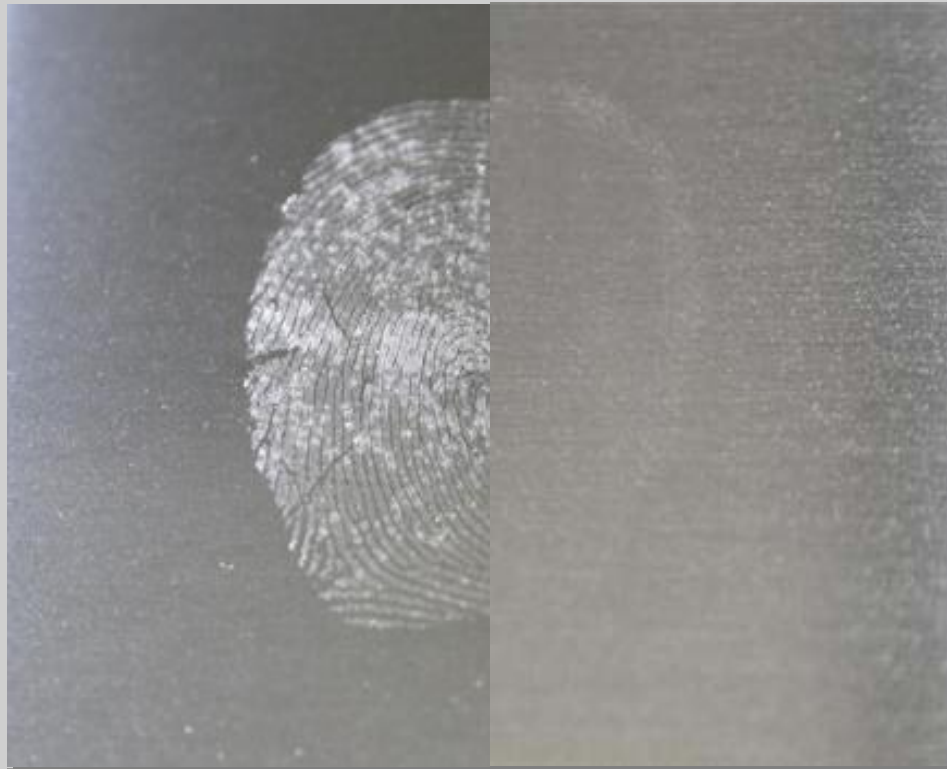


Innovations at ThyssenKrupp Stainless

Silver Ice® UV – Superior Anti-Fingerprint Properties

Fingerprints on stainless steel

(Documentation at angle of maximum visual perception)



without Silver Ice® UV

with Silver Ice® UV

Customer benefit

Aesthetics / market chances: Silver Ice® UV improves the visual appearance during every day use due to its fingerprint / stain resistance and superior cleaning properties. Due to its extraordinary high scratch resistance the surface aesthetics are not impaired.

Customer loyalty

Sustained customer loyalty due to the improvement of end product properties.

Cost savings

Improvement of market chances. Higher operating margins than standard business operations by coil coating.

Market potential

Long-term market sustainability, increase of market share, new application fields.

Challenge: Rising Raw Material Costs

Development of proprietary Substitutes / new Stainless Grades

Substitution / New Stainless Grades

- ThyssenKrupp Stainless is already very strong in producing **ferritic grades** (no nickel content)
- The establishment of new VOD converter allows development of “**super ferritics**”, i.e. ELC Ferrites (Extra Low Carbon)
- Development of **new stainless steel grades** as substitution of common grades, such as austenitic grades 304 and 316



Major Investments at ThyssenKrupp Stainless (I)

Overview of current Investment Projects

Stainless Steel

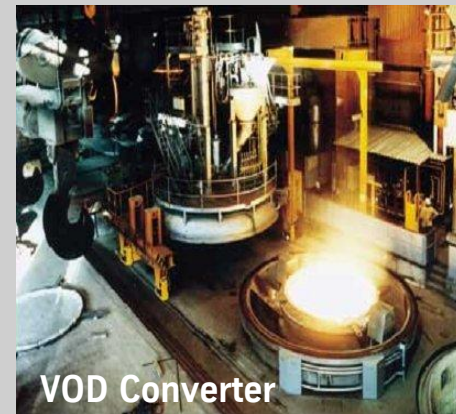
ThyssenKrupp Acciai Speciali Terni (AST) – World-Class Terni project

- Restructuring: Closure of Plant Torino and moving to Terni
- Strengthening of operations: volume, quality and finishing/processing capabilities
- Installation of VOD converter to produce new ferritic stainless steel grades (Q1 2008)

ThyssenKrupp Mexinox

- Installation of bright annealing capacity completed in 2006
- Increase of finishing capacities by installation of completed in 2007

ThyssenKrupp Stainless USA – Alabama Greenfield Project



Major Investments at ThyssenKrupp Stainless (II)

Overview of current Investment Projects



High Performance Alloys

Societa delle Fucine

- Expansion of forging business by installing new manipulator and furnace

ThyssenKrupp VDM

- Expansion of in-house manufacturing capabilities by installation of a forging plant until 2008
- Increase of re-melting capacity
- Relocation of wire production / closure of one plant

ThyssenKrupp Titanium

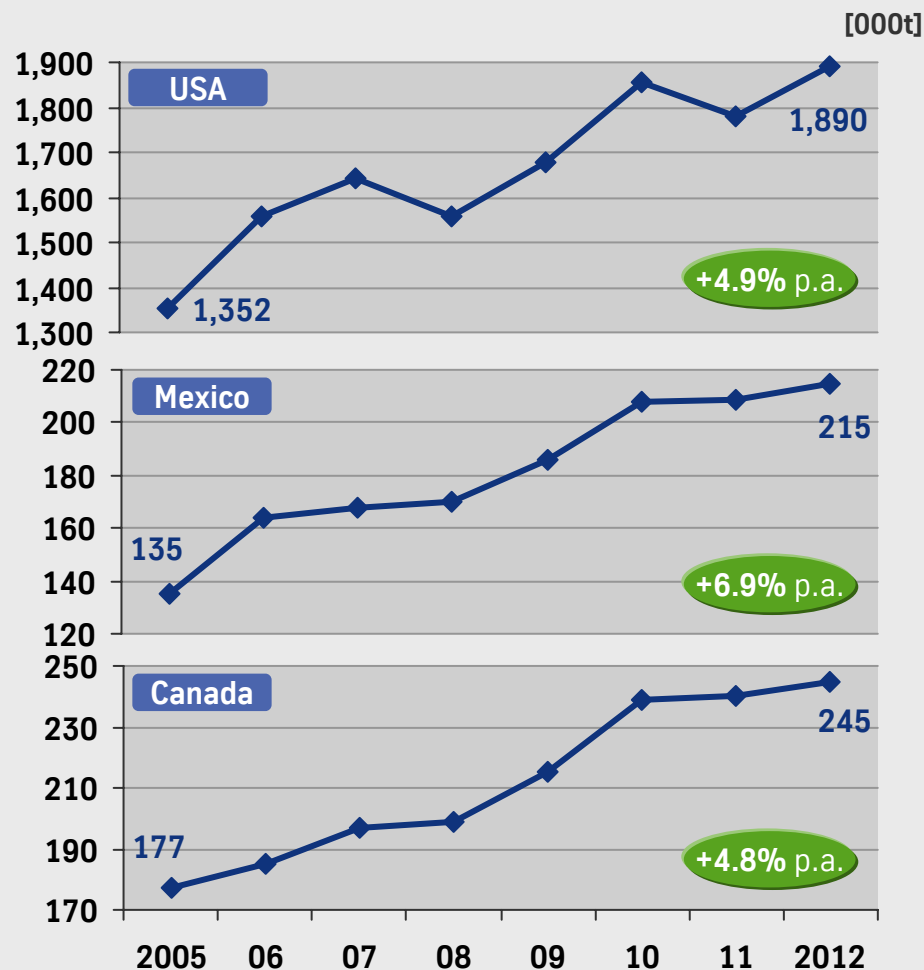
- Expansion of ingot production capacity from 5,000 t to 10,000 Tt per year by installation of a VAR (2007) and an EB furnace (2008)



Greenfield Project USA

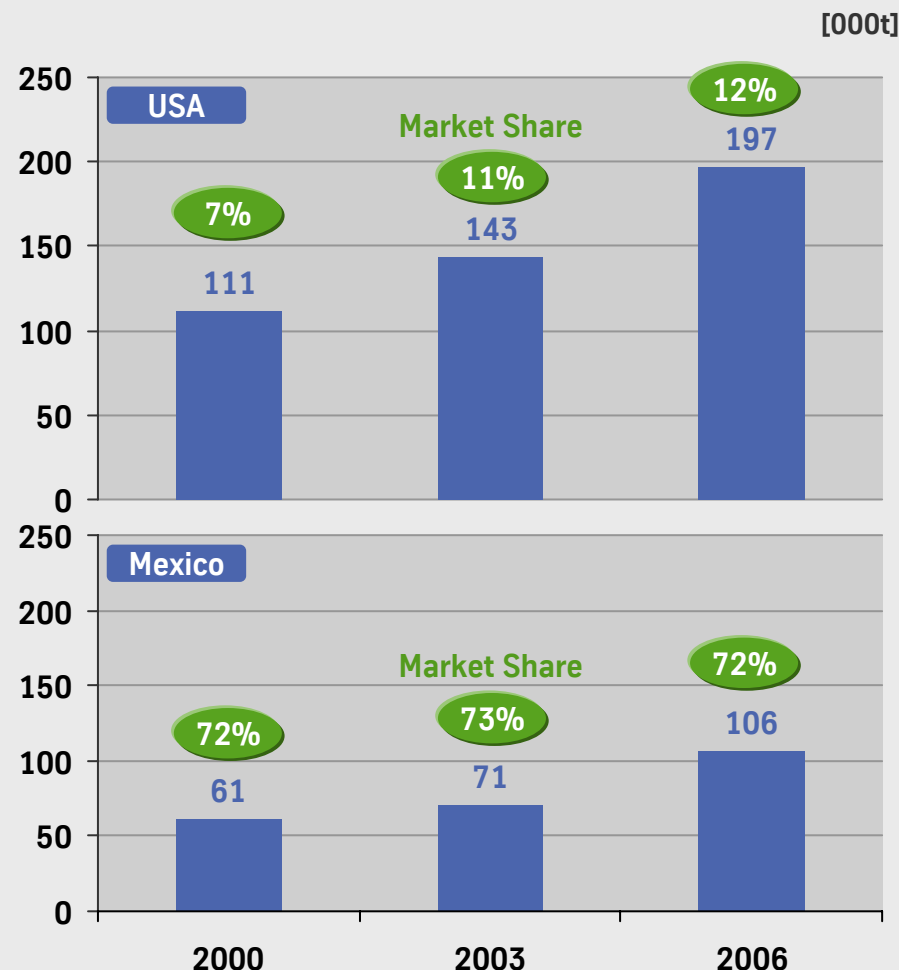
Remarkable market growth in the NAFTA region / ThyssenKrupp Stainless activities already very successful

Expected Market Growth



13 Sep 2007 - Source: CRU Aug 2007, TKL/UE

Current ThyssenKrupp Stainless Deliveries



13 Sep 2007 - Source: TKL, McKinsey 2006

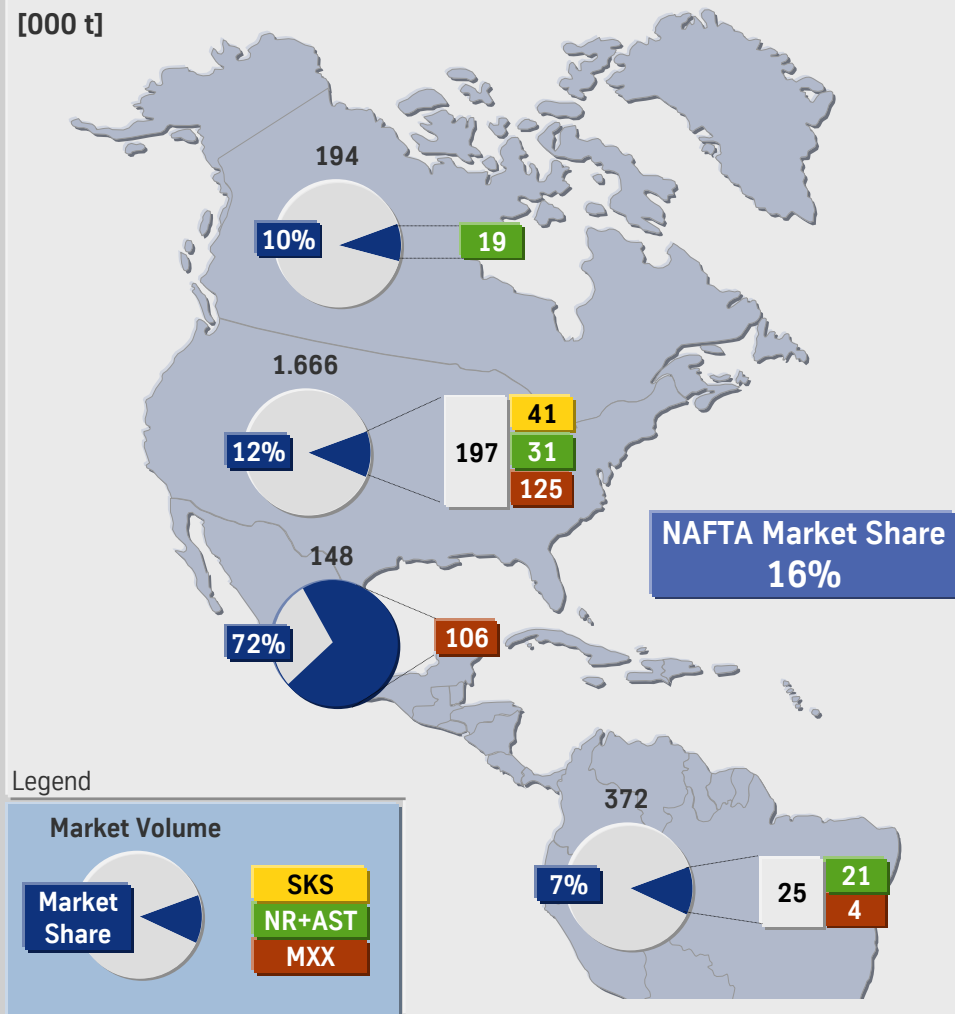


ThyssenKrupp Stainless Deliveries

NAFTA and Latin America

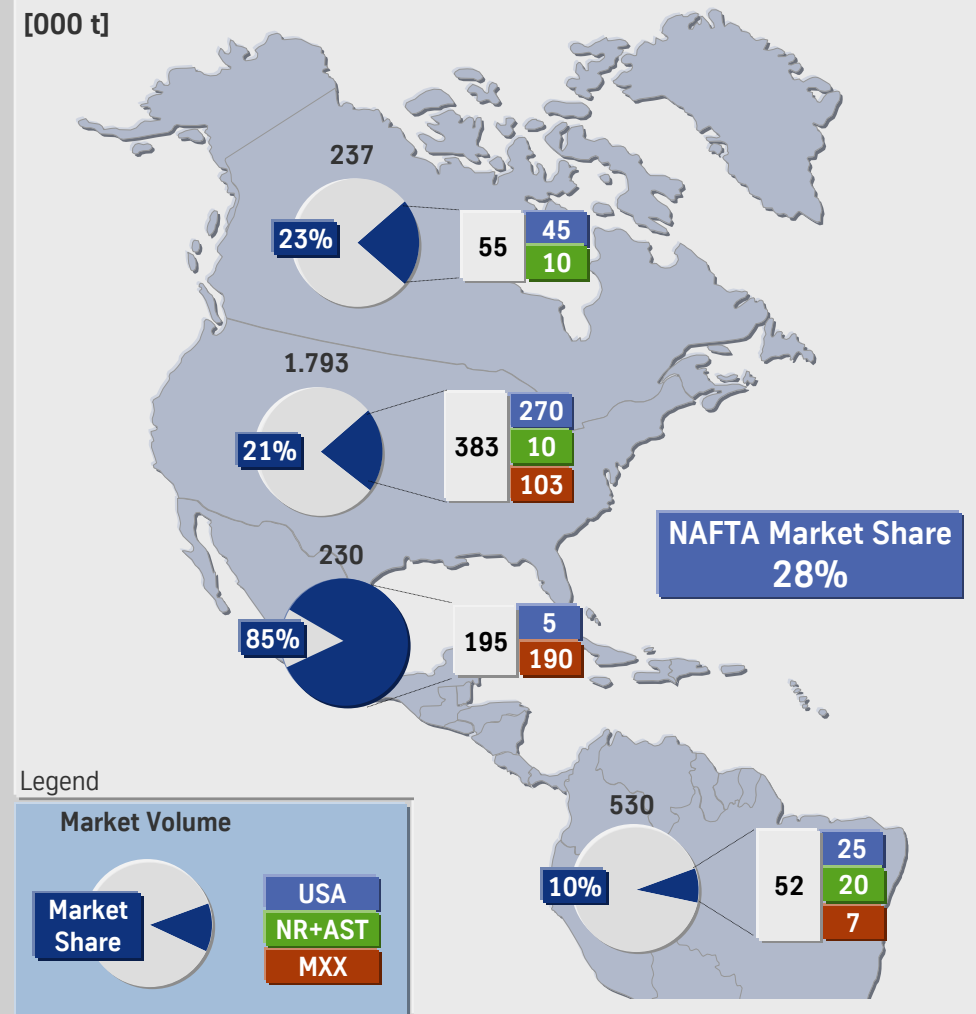
2006

[000 t]

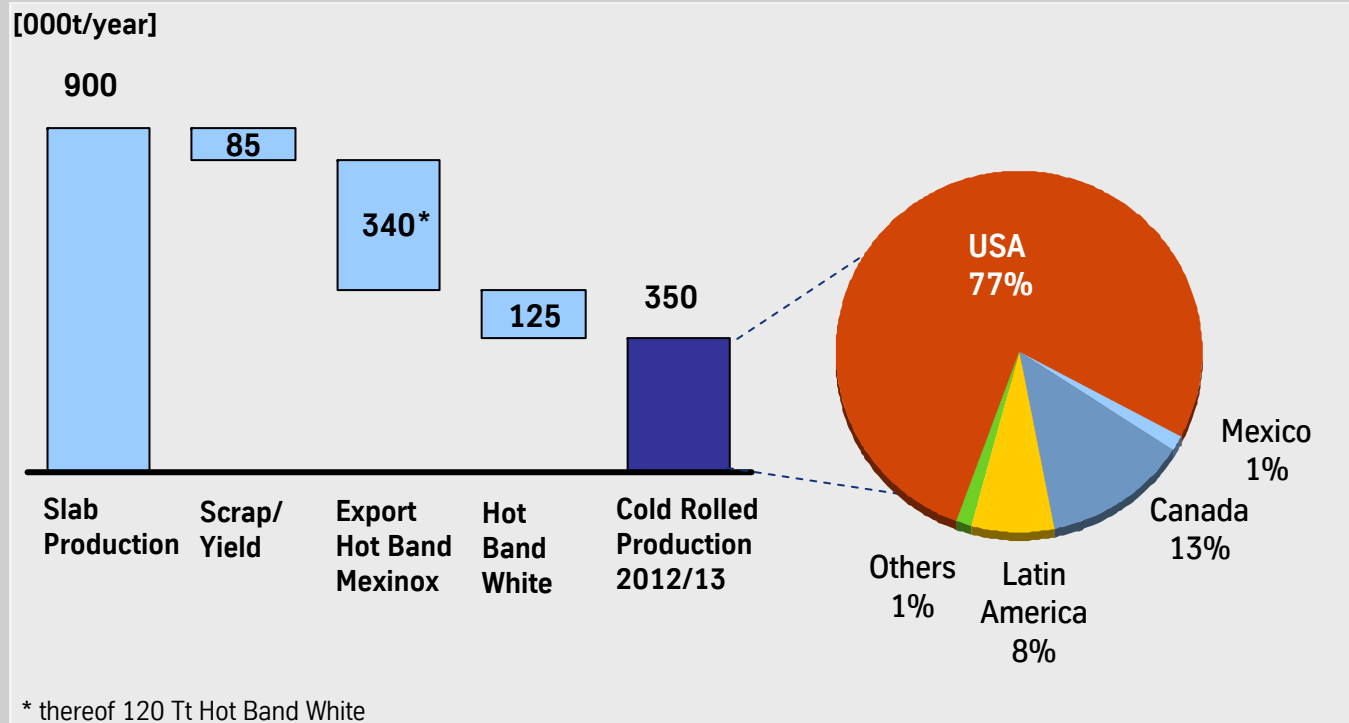


2013

[000 t]



NAFTA Market Strategy: Participation in Market Growth, stronger Market penetration of Canada and Suppression of Imports/Local Competitors



1 Wide Product Portfolio incl. 72" width

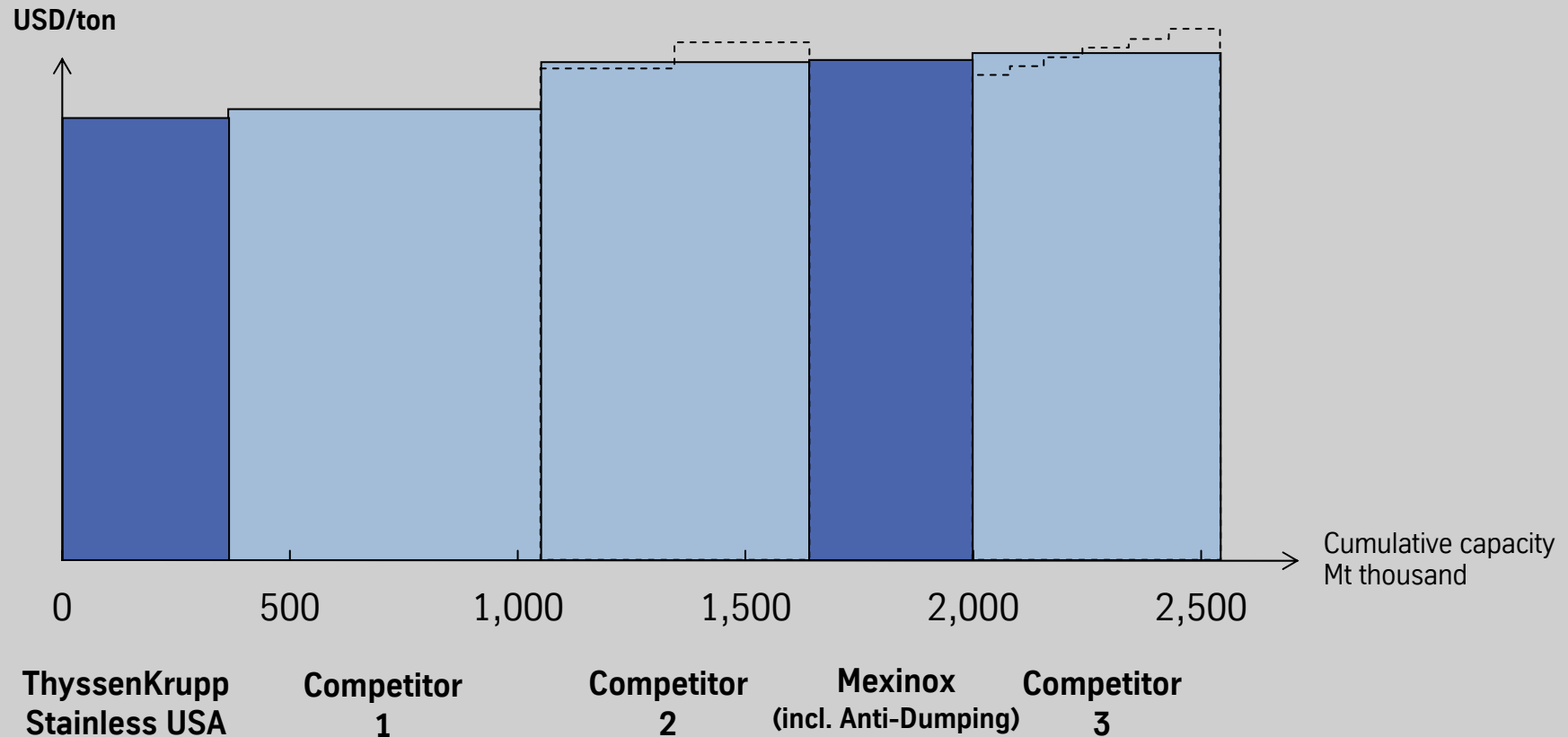
2 Positioning as alternative Supplier in the Volume Segment next to NAS

3 Securing and Extension of Position in 430 grades

4 Processing and Extension of Position in the Quality Segment

ThyssenKrupp Stainless USA Greenfield Plant with attractive Cost Position

Production costs for Cold Rolled AISI 304 2B (w/o Capital Cost)



Source: McKinsey cost model

ThyssenKrupp Stainless USA Greenfield Project

Progress

Current Status / Next Steps

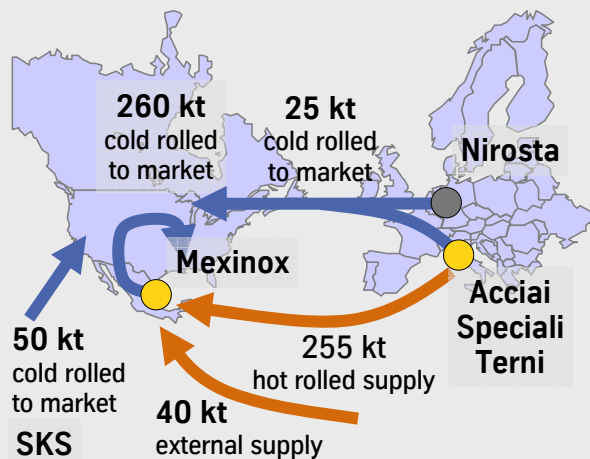


- **Permitting Process almost completed !**
- **Site Preparation currently ongoing**
- **Tendering Process for Plants and Equipment started**
- **Intensive Preparation of Market Entry**
- **Laying of Foundation Stone on**

02 NOV, 2007

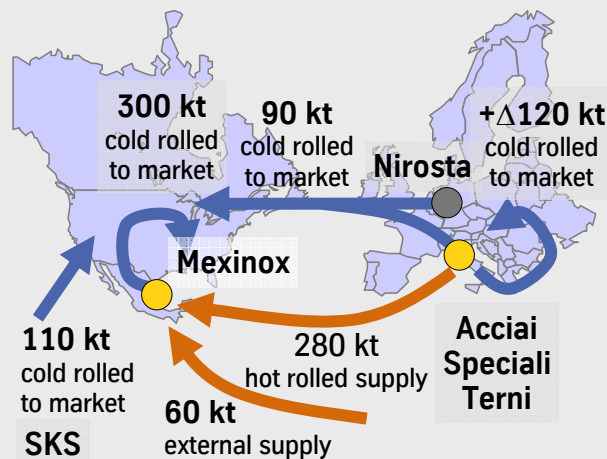
ThyssenKrupp Stainless Global Investment Strategy

Current



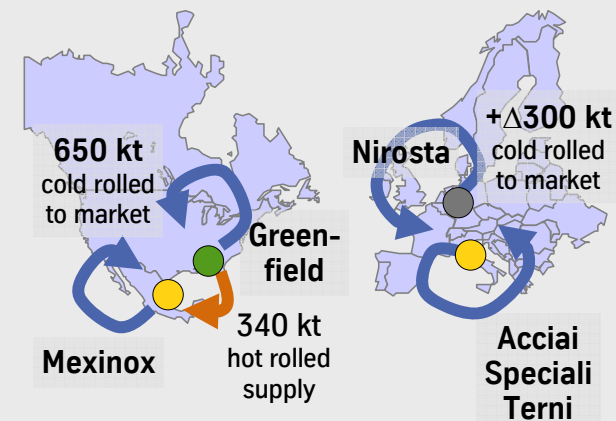
- **NAFTA activities very successful to date**
 - > 72% market share in Mexico
 - > 12% market share in the US
- **Re-Roller Mexinox supplied by**
 - > AST (~85%) and
 - > third parties (~15%)

Target 2009



- **World Class Terni Project**
 - > strengthens European position
 - > production relocation from Turin to Terni
 - > market-oriented growth and portfolio optimization (semi cold-rolled, super ferrites)
 - > backs Mexinox capacity optimization and
 - > market penetration in NAFTA

Target 2012/13

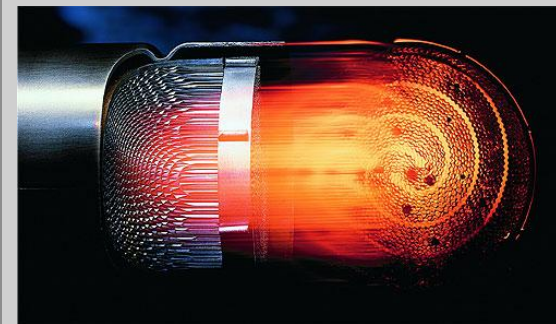


- **Further penetration of NAFTA market based on integrated, 72" state-of-the-art Greenfield plant**
- **Leverage of synergies with Mexinox**
 - > hot rolled supply ex Greenfield
 - > Mexinox to focus on ferrites
- **AST and NR to capture additional growth in Europe**

Forward Strategy generates Potential for significant Value Growth

ThyssenKrupp Stainless stands for ...

- **Commitment to increasingly**
 - Reliable and significant profit contribution
 - Drive value for the Group
- **Global Market Leadership** #1
- **Attractive Growth Markets** ≥ 3% p.a.
- **Capex**
 - **Forward Strategy Europe**
 - > Comprehensive optimization of European stainless operations
 - > Value added products
 - > Increase processing capabilities
 - > Restructuring of AST forging plant
 - > Strengthening High Performance Alloys
 - **Forward Strategy NAFTA**
 - > Greenfield USA
 - > Optimization of Mexinox} € 1.5 bn
- **Return Hurdle for Growth Investments** ≥ 15% p.a.



Appendix



ThyssenKrupp Group Overview

Key figures 9 months ended June 30, 2007

ThyssenKrupp AG

Sales €38.9 bn • EBITDA €4,266 m • EBT €2,853 m • TKVA €1,930 m • Employees 189,260

Steel	Stainless	Technologies	Elevator	Services
Sales €9.9 bn EBITDA €1,939 m EBT €1,298 m TKVA €907m Employees 38,950 • Steelmaking • Industry • Auto • Processing	Sales €7.0 bn EBITDA €1100 m EBT €912 m TKVA €703 m Employees 12,187 • Nirosta • Acciai Speciali Terni • Mexinox • Shanghai Krupp Stainless • Stainless Int. • VDM	Sales €8.4 bn EBITDA €658 m EBT €411 m TKVA €268 m Employees 54,128 • Plant Technology • Marine Systems • Mechanical Components • Automotive Solutions • Transrapid	Sales €3.4 bn EBITDA €(118) m EBT €(187) m TKVA €(274) m Employees 38,556 • 4 regional business units • Escalators/ Passenger Boarding Bridges • Accessibility	Sales €12.6 bn EBITDA €713 m EBT €550 m TKVA €385 m Employees 43,098 • Materials Services International • Materials Services North America • Industrial Services • Special Products

Inter-segment sales not consolidated

ThyssenKrupp



Steel: Segment Overview

Steel

		3rd quarter			
		2005/06	2006/07	Change	Change %
Order intake	€m	3,144	3,262	118	3.8
Sales	€m	3,151	3,413	262	8.3
EBITDA	€m	563	670	107	19.0
EBIT	€m	403	440	37	9.2
EBT	€m	386	428	42	10.9
TK Value Added*	€m	679	907	228	33.6
ROCE*	%	23.5	27.9	4.4%-p.	18.7
OCF	€m	551	585	34	6.2
CF from divestm.	€m	(122)	(2)	--	--
CF for investm.	€m		(310)	--	--
FCF	€m	429	273	-156	-36.4
Employees (Jun 30)		38,384	38,950	566	1.5

* accumulated

- Positive economic environment further benefiting global steel markets; above-trend production growth at European steel users continued
- Crude steel output and shipments stable yoy; hot-rolled capacities: maximum utilization ensured by external slab sourcing
- Higher average revenues per ton feeding through top and bottom line
- Further preparation of European activities with regard to announced forward strategy ("Herkules" project)
- Site preparation has kicked off for Alabama steel plant; construction of Brazilian slab plant proceeding to schedule and budget



Stainless: Segment Overview

Stainless

		3rd quarter			
		2005/06	2006/07	Change	Change %
Order intake	€m	1,921	1,943	22	1.1
Sales	€m	1,650	2,608	958	58.1
EBITDA	€m	215	369	154	71.6
EBIT	€m	143	318	175	+
EBT	€m	126	296	170	+
TK Value Added*	€m	17	703	686	+
ROCE*	%	10.2	34.2	24.0%-p.	+
OCF	€m	173	264	91	52.6
CF from divestm.	€m	1	4	3	+
CF for investm.	€m	(35)	(103)	-68	--
FCF	€m	139	165	26	18.7
Employees (Jun 30)		12,138	12,187	49	0.4

* accumulated

- Underlying end consumer demand strong
- Continuing high imports as well as still high distributor inventories and nickel-triggered slump in demand especially from service centers resulting in lower order volumes and declining base prices
- Value of orders and sales further impacted by high alloy surcharge (esp. nickel)
- Crude steel output lower yoy (-12%) and qoq (-8%); declining shipments mainly for hot-rolled strip
- Competitive position further strengthened by more ferritics and new finishing operations/ higher value-added products in Terni



Technologies: Segment Overview

Technologies

		3rd quarter			
		2005/06	2006/07	Change	Change %
Order intake	€m	2,688	5,700	3,012	+
Sales	€m	2,835	2,815	-20	-0.7
EBITDA	€m	228	230	2	0.9
EBIT	€m	151	147	-4	-2.6
EBT	€m	151	155	4	2.6
TK Value Added*	€m	267	268	1	0.4
ROCE*	%	25.2	25.9	0.7%-p.	2.8
OCF	€m	148	117	-31	-20.9
CF from divestm.	€m	(56)	34	--	--
CF for investm.	€m		(137)	--	--
FCF	€m	92	14	-78	-84.8
Employees (Jun 30)		55,201	54,128	-1,073	-1.9

* accumulated

- Global economic growth positively impacting demand for infrastructure, energy and raw materials
- Order intake doubled with strongest contribution by Plant Technology (e.g. major order for fertilizer plant in Egypt) and Marine Systems (F125 frigate program)
- Excellent visibility: Order book: €16 bn at the end of June; 50% of next year's sales already booked
- Complementary acquisitions to expand service activities for the cement industry (kiln service/repair company) and strengthen position of Berco (construction equipment components) in Italy



Elevator: Segment Overview

Elevator

		3rd quarter		Change	Change %
		2005/06	2006/07		
Order intake	€m	1,173	1,309	136	11.6
Sales	€m	1,070	1,179	109	10.2
EBITDA	€m	119	131	12	10.1
EBIT	€m	105	114	9	8.6
EBT	€m	98	106	8	8.2
TK Value Added*	€m	182	(274)	-456	--
ROCE*	%	21.4	(12.6)	-34.0%-p.	--
OCF	€m	12	(448)	-460	--
CF from divestm.	€m	22	7	-15	-68.2
CF for investm.	€m	(40)	(34)	6	-15.0
FCF	€m	(6)	(475)	-469	--
Employees (Jun 30)		35,579	38,556	2,977	8.4

* accumulated, incl. Elevator fine

- Growth in global construction industry continuously driven by Asia and CEE; German construction sector clearly recovering, mainly for commercial projects
- Higher order intake and sales driven by new installations, especially in North America (non-residential construction) and China, as well as expansion of service activities in all regions
- By region, strong demand even in Spain (new installations, service) and France (modernization) as well as for passenger boarding bridges (growth in air traffic)
- Acquisition of Croatian elevator company to expand market position in Eastern Europe



Services: Segment Overview

Services

		3rd quarter			
		2005/06	2006/07	Change	Change %
Order intake	€m	3,841	4,122	281	7.3
Sales	€m	3,821	4,308	487	12.7
EBITDA	€m	218	271	53	24.3
EBIT	€m	185	237	52	28.1
EBT	€m	168	218	50	29.8
TK Value Added	€m	201	385	184	91.5
ROCE	%	18.3	24.5	6.2%-p.	33.9
OCF	€m	254	83	-171	-67.3
CF from divestm.	€m	12	9	-3	-25.0
CF for investm.	€m	(67)	(61)	6	+
FCF	€m	199	31	-168	-84.4
Employees (Jun 30)		38,830	43,098	4,268	11.0

- Favorable situation on raw and industrial materials markets reflected top and bottom line; moreover, expansion of distribution activities as well as acquired/established businesses contributing
- Business with nonferrous metals remains at high level in the US
- Industrial Services with further growth in almost all sectors and regions
- “Invest-Roadmap 890+” further pursued: Acquisition of one of Slovakia’s biggest steel distributors as part of the Eastern Europe growth strategy



Financial Calendar 2007 and 2008

-
- October 24, 2007 to December 3, 2007 Quiet Period
 - December 4, 2007 Annual Press Conference, Essen/Germany
Analysts' and Investors' Conference, Essen/Germany
 - January 18, 2008 Annual General Meeting, Bochum/Germany
 - January 24, 2008 to February 12, 2008 Quiet Period
 - February 13, 2008 Interim Report 1st quarter 2007/08 (Oct to Dec)
Conference call with analysts and investors
-



Financial Calendar 2008

-
- | | |
|---------------------------------------|---|
| ○ April 23, 2008
to May 13, 2008 | Quiet Period |
| ○ May 14, 2008
May 16, 2008 | Interim Report 2nd quarter 2007/08 (Jan to Mar)
Analysts' and Investors' Conference, London/UK |
| ○ July 24, 2008
to August 13, 2008 | Quiet Period |
| ○ August 14, 2008 | Interim Report 3rd quarter 2007/08 (Apr to Jun)
Conference call with analysts and investors |
-



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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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