

# 8th German Corporate Conference

Cheuvreux, Frankfurt/Main

January 20, 2009

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# 2009

## Disclaimer ThyssenKrupp AG

“The information set forth and included in this presentation is not provided in connection with an offer or solicitation for the purchase or sale of a security and is intended for informational purposes only.

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.

Please note that we disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.”



# ThyssenKrupp Group FY 2007/08

## ThyssenKrupp Group

FY 2007/08: Sales €53,426 m • EBT €3,128 m • TKVA €1,916 m • Employees 199,374

| Steel  | Stainless   | Technologies  | Elevator  | Services  |
|--|---|---|---|---|
| <p>Sales €14.4 bn<br/>EBT €1,540 m<br/>TKVA €1,007 m<br/>Employees 41,311</p> <ul style="list-style-type: none"> <li>• Corporate</li> <li>• Steelmaking</li> <li>• Industry</li> <li>• Auto</li> <li>• Processing</li> </ul> | <p>Sales €7.4 bn<br/>EBT €126 m<br/>TKVA €(119) m<br/>Employees 12,212</p> <ul style="list-style-type: none"> <li>• Nirosta</li> <li>• Acciai Speciali Terni</li> <li>• Mexinox</li> <li>• Shanghai Krupp Stainless</li> <li>• Stainless Int.</li> <li>• VDM</li> </ul> | <p>Sales €12.4 bn<br/>EBT €741 m<br/>TKVA €502 m<br/>Employees 54,043</p> <ul style="list-style-type: none"> <li>• Plant Technology</li> <li>• Marine Systems</li> <li>• Mechanical Components</li> <li>• Automotive Solutions</li> <li>• Transrapid</li> </ul> | <p>Sales €4.9 bn<br/>EBT €434 m<br/>TKVA €314 m<br/>Employees 42,992</p> <ul style="list-style-type: none"> <li>• 4 regional business units</li> <li>• Escalators/ Passenger Boarding Bridges</li> <li>• Accessibility</li> </ul> | <p>Sales €17.3 bn<br/>EBT €750 m<br/>TKVA €508 m<br/>Employees 46,486</p> <ul style="list-style-type: none"> <li>• Materials Services International</li> <li>• Materials Services North America</li> <li>• Industrial Services</li> <li>• Special Products</li> </ul> |

Inter-segment sales not consolidated

**ThyssenKrupp**



# Agenda

## Claus Ehrenbeck, Head of Investor Relations

- Financial Performance
- Strategy and Value Driver
- Outlook
- Appendix



## Fiscal Year 2007/08 Results Confirm Earnings Strength

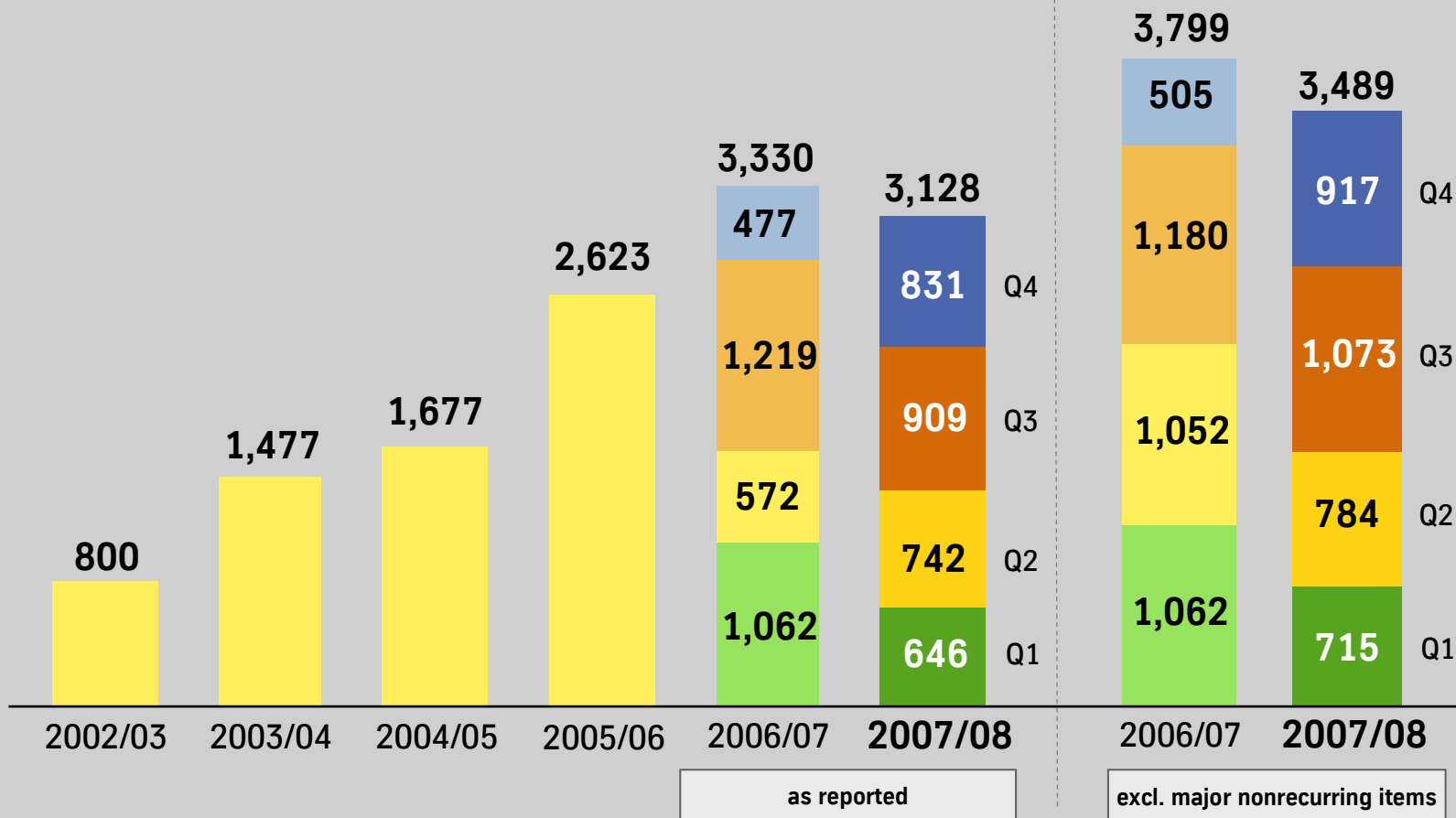
|                                |                         |                         |
|--------------------------------|-------------------------|-------------------------|
| ○ <b>Order intake</b>          | <b>€55,205 m</b>        | <b>+1.1%</b>            |
| ○ <b>Sales</b>                 | <b>€53,426 m</b>        | <b>+3.3%</b>            |
| ○ <b>EBT</b>                   |                         |                         |
| as reported                    | <b>€3,128 m</b>         | <b>-6.1%</b>            |
| excl. major nonrecurring items | <b>€3,489 m</b>         | <b>-8.2%</b>            |
| ○ <b>EPS</b>                   | <b>€4.59</b>            | <b>+6.7%</b>            |
| ○ <b>TKVA / ROCE</b>           | <b>€1,916 m / 18.3%</b> | <b>-9.1% / -2.4%-p.</b> |
| ○ <b>Operating Cash Flow</b>   | <b>€3,679 m</b>         | <b>+65.7%</b>           |
| ○ <b>Net financial debt</b>    | <b>€1,584 m</b>         | <b>+€1,807 m</b>        |



# Group Financials – EBT Track Record

Earnings before taxes

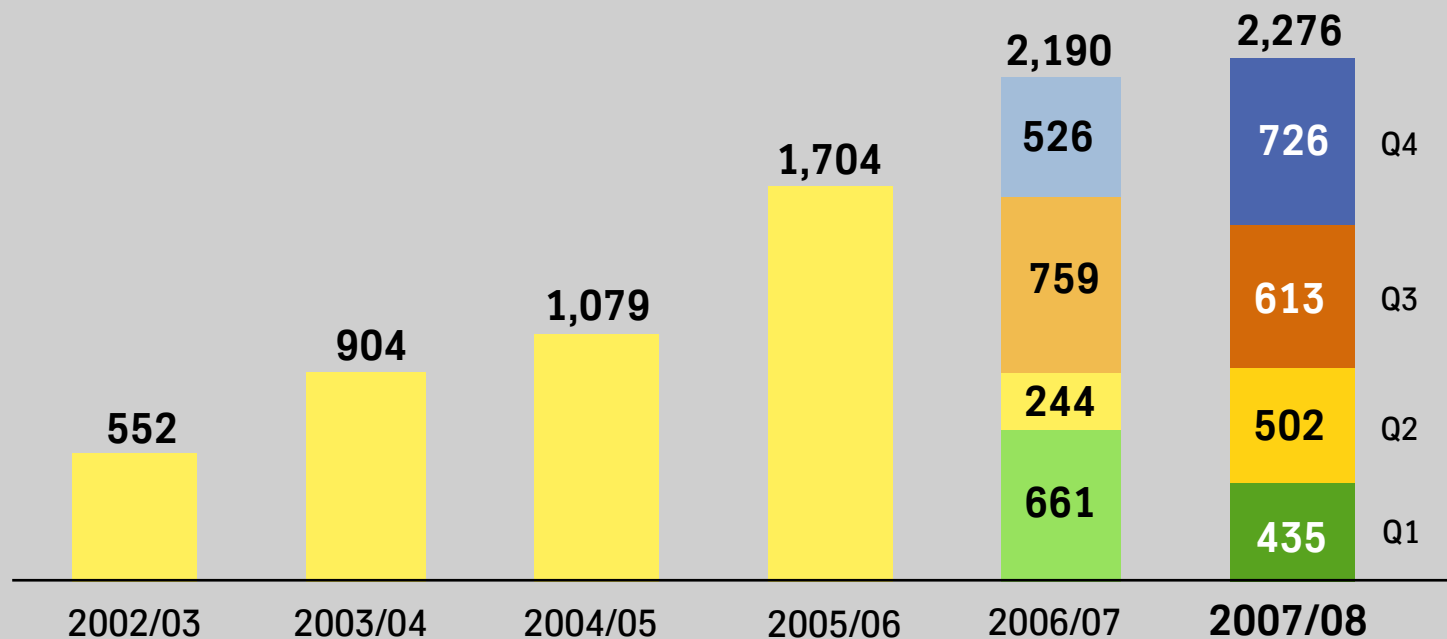
million €



# Group Financials – Net Income Track Record

Net income

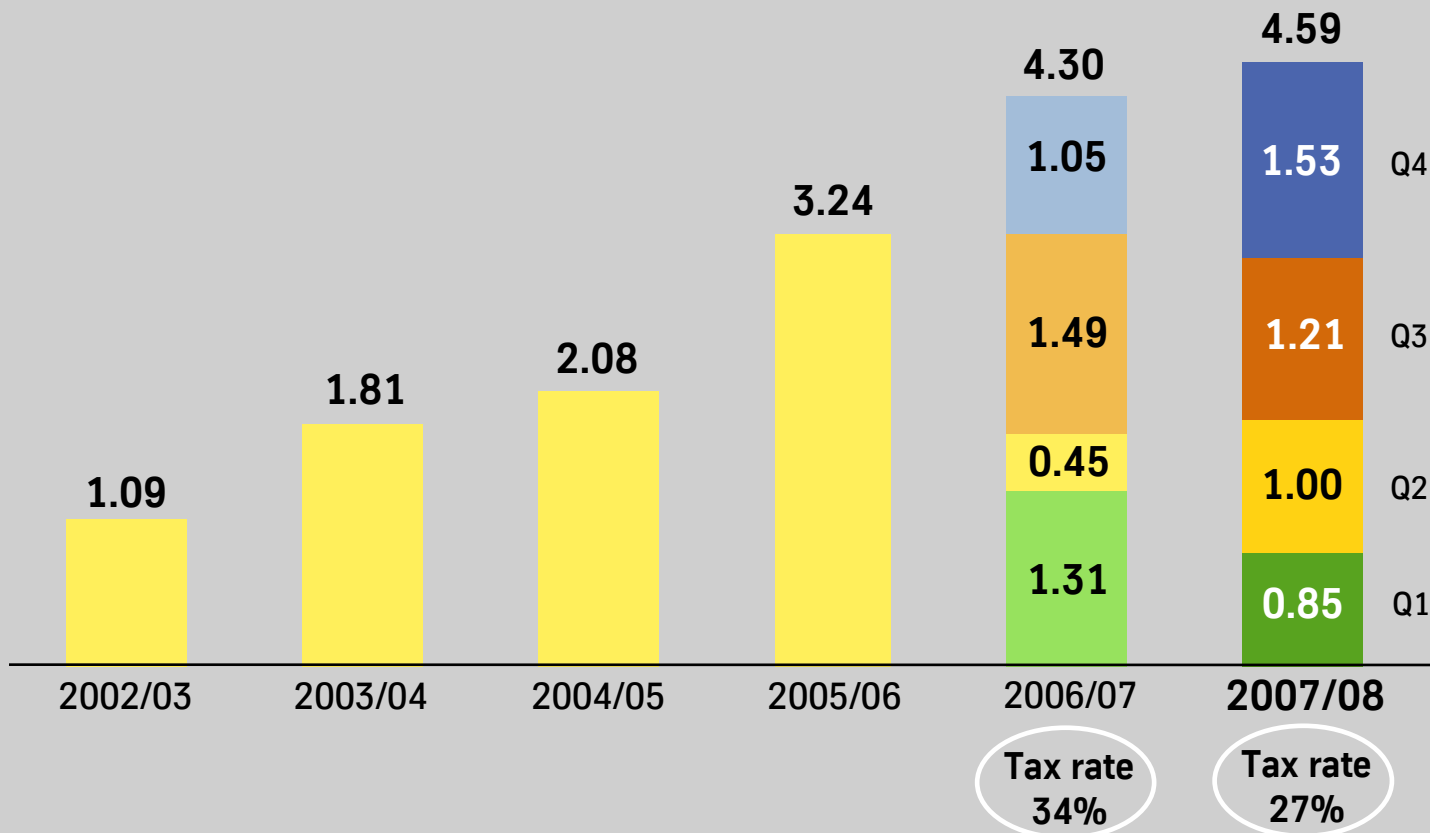
million €



# Group Financials – EPS Track Record

Earnings per share

€





## Share Buybacks in 2008

- February/March 2008: 14.8 m shares / ~3.0% of capital stock
- July/August 2008: 10.5 m shares / ~2.0% of capital stock

|                  |  |
|------------------|--|
| Total shares:    | 514,489,044 shares                         |
| Treasury shares: | 51,015,552 shares (~9.9% of capital stock) |
| Free Float:      | 65%  |

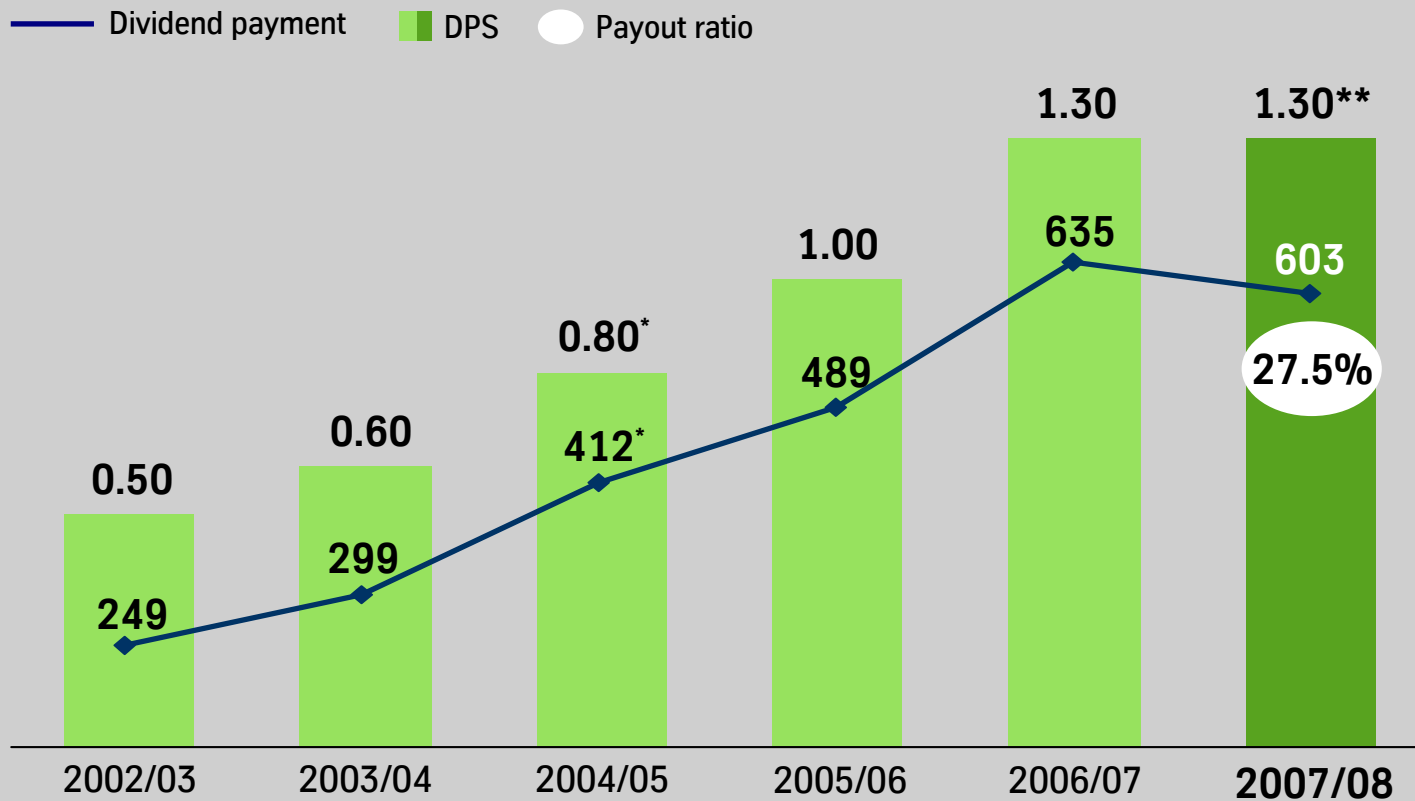
|   |                    |
|---|--------------------|
| Weighted average outstanding shares FY 2007/2008: | 477,750,223 shares |
| Outstanding shares Sep 2008:                      | 463,473,492 shares |



# Group Financials – Dividend Track Record

Dividend payment, dividend per share and payout ratio

million € / € / %



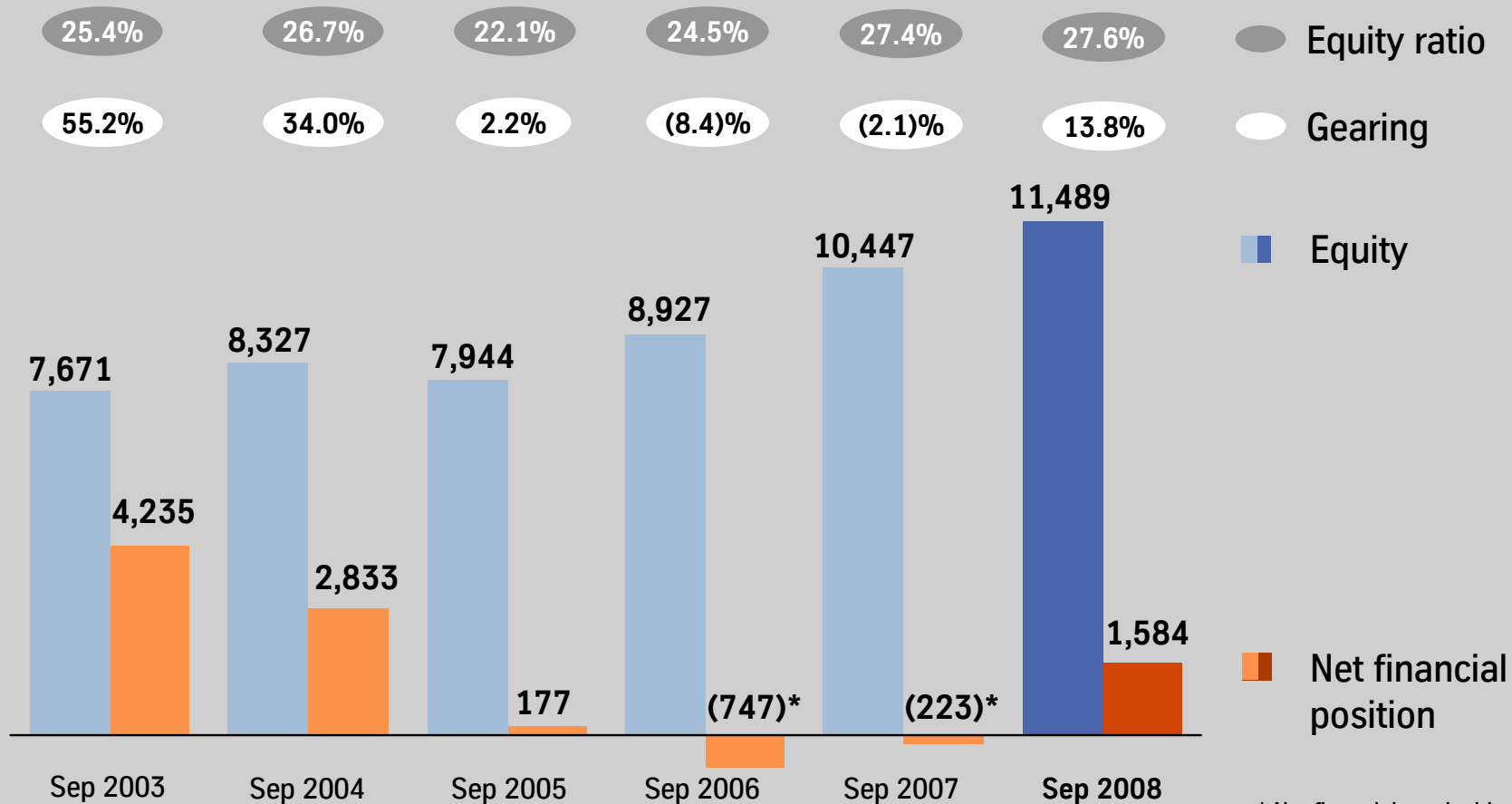
\* incl. special dividend of €0.10    \*\* proposal to AGM



# Balance Sheet Structure

Net financial position, equity and ratios

million €



\* Net financial receivables



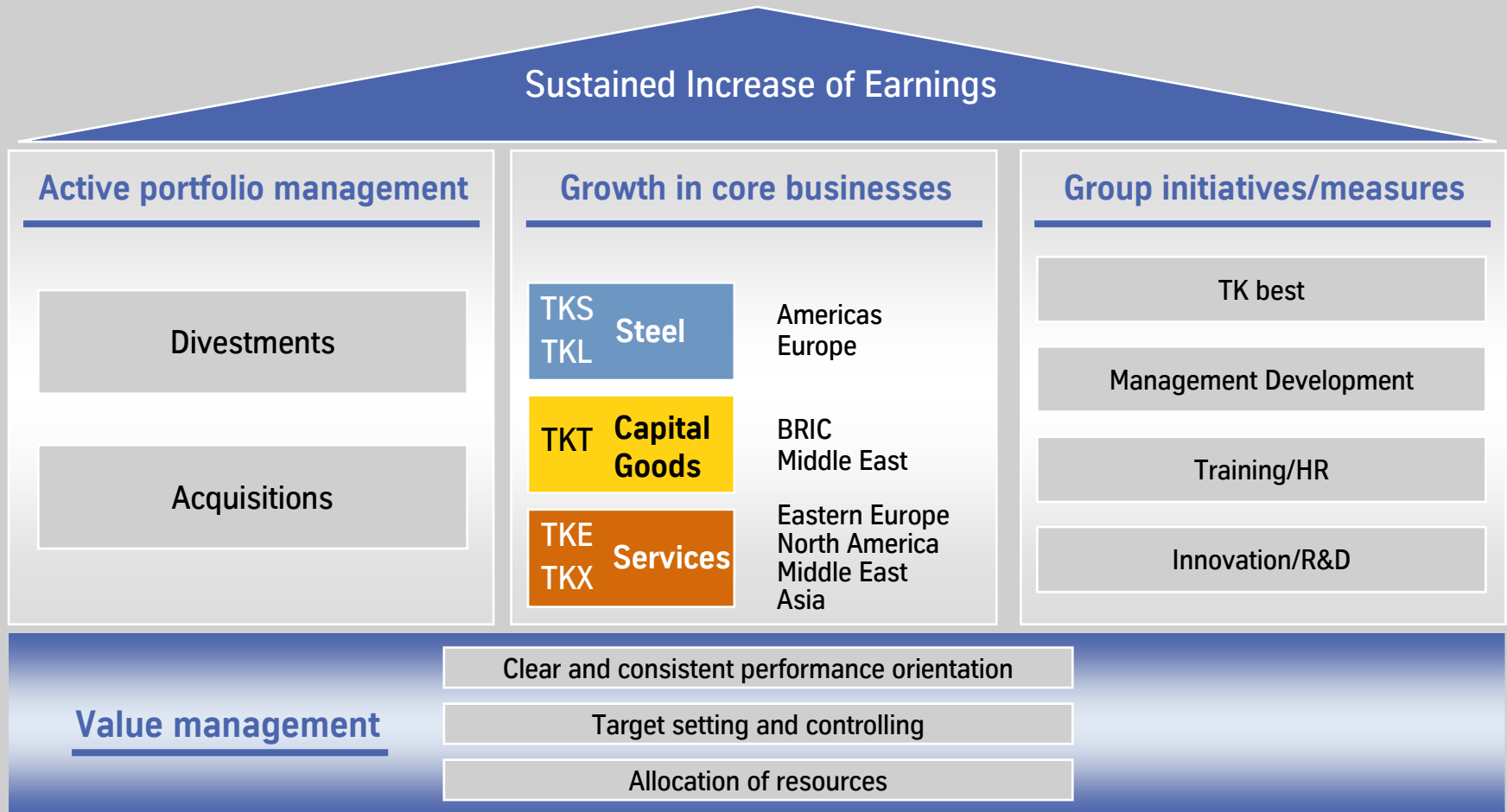
# Agenda

## Claus Ehrenbeck, Head of Investor Relations

- 
- Financial Performance
  - Strategy and Value Driver
  - Outlook
- 
- Appendix
- 

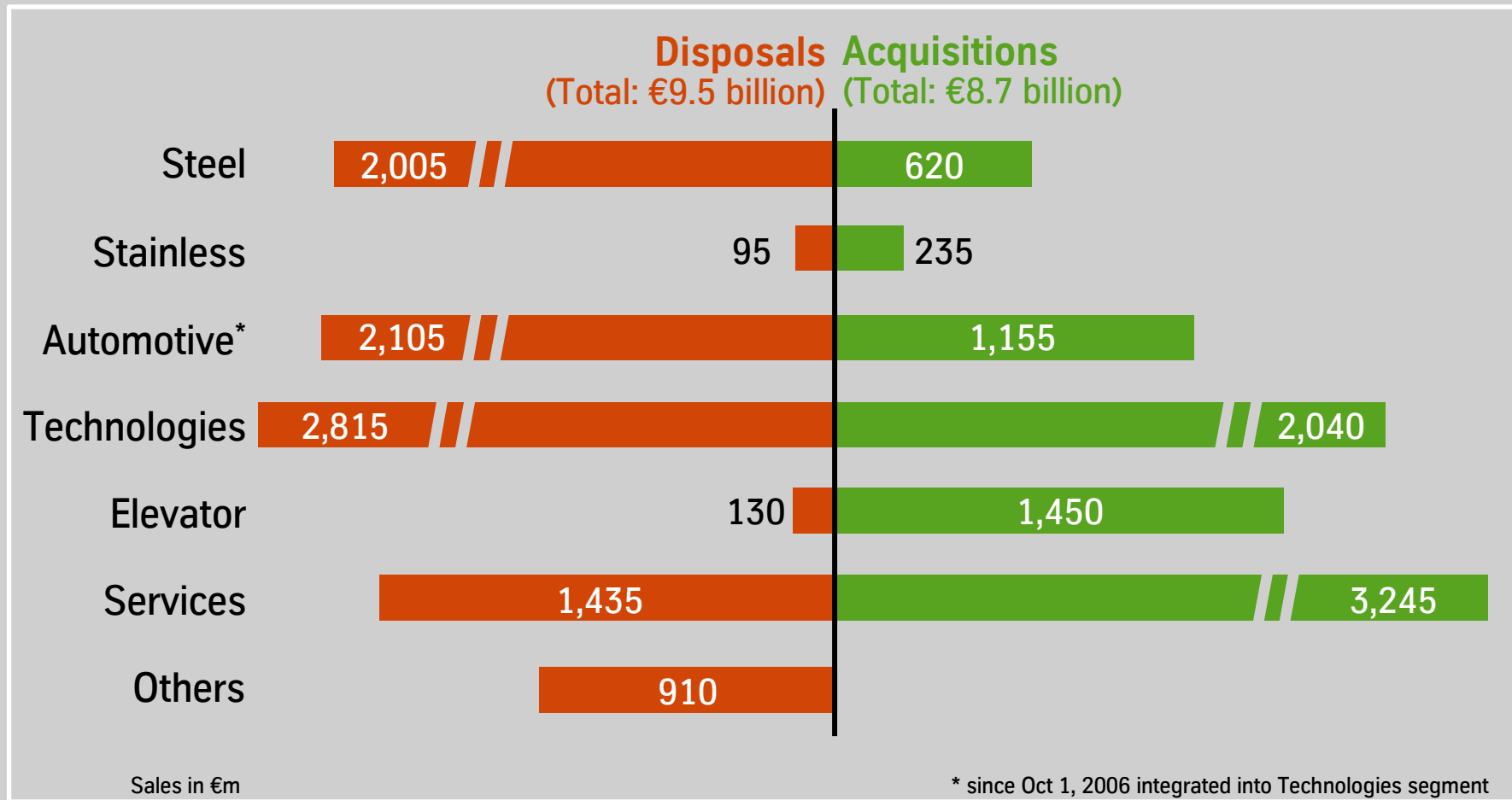


# Cornerstones of the ThyssenKrupp Group's Strategy



# Active Portfolio Management at ThyssenKrupp

Significant change in portfolio since the merger (as at 1 October, 2008)



# ThyssenKrupp Group – Focused Business Company Concept

| Steel   |       | Technologies    |                                     |
|---|-------|-----------------|-------------------------------------|
| Flat Carbon Steel (Europe)                    | 2     | 1-2             | Plant Technology                    |
| Tinplate (Europe)                             | 2     | 1               | Marine Systems                      |
| Electrical Steel (GO)                         | 3     | 1               | Mechanical Components               |
| Coated Products (Europe)                      | 2     | 1-3             | Automotive Solutions                |
| Tailored Blanks                               | 1     | <b>Elevator</b> |                                     |
| Heavy Plate (Europe)<br>(quenched & tempered) | 2     | 3               | Elevator / Escalator                |
| Medium-wide strip                             | 1/USP | 1               | North America                       |
| <b>Stainless</b>                              |       | <b>Services</b> |                                     |
| Stainless cold-rolled flat                    | 1     | 1               | Materials Services Int.<br>(Europe) |
| Nickel Alloys                                 | 2     | 4               | Materials Services NA               |
| Titanium (Europe)                             | 1     | 1-2             | Special Products (Europe)           |
| <b>Top Market Positions</b>                   |       |                 |                                     |

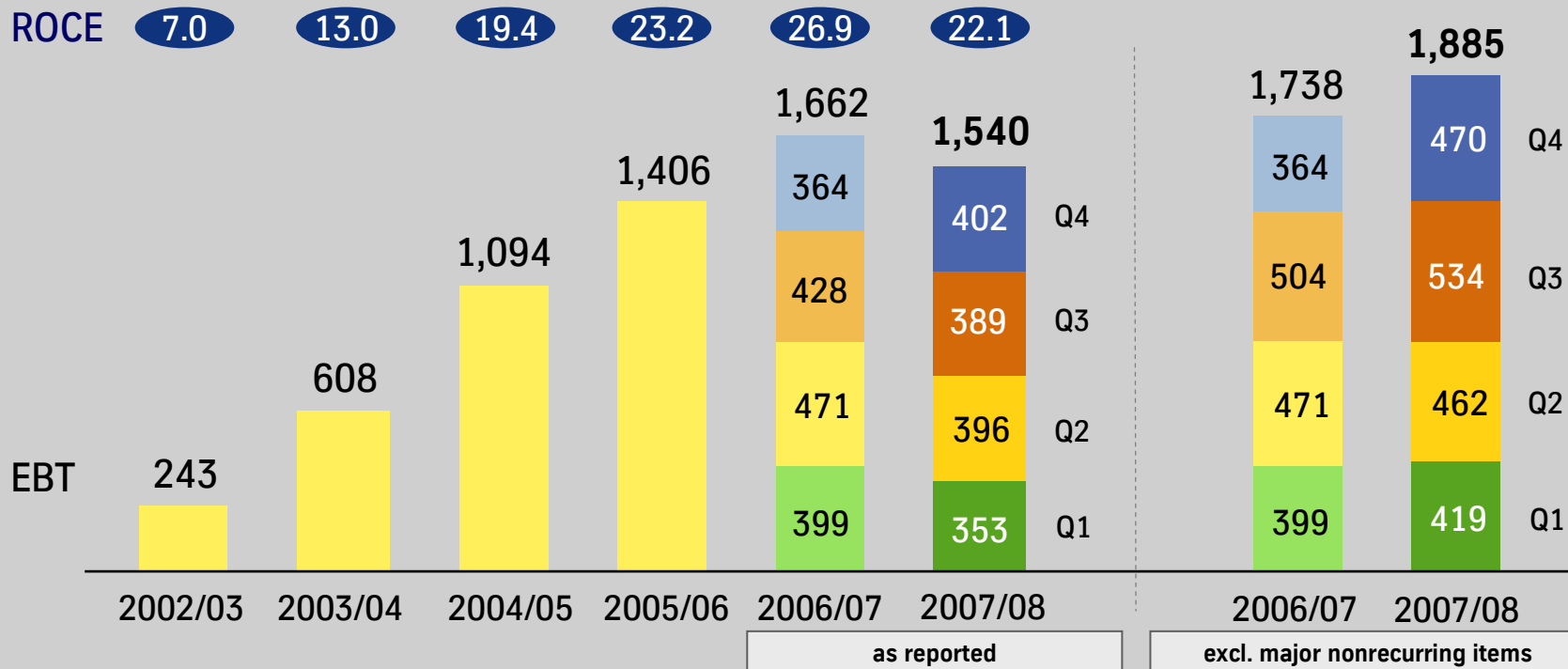
**ThyssenKrupp**



# Steel: Value Drivers

## EBT / ROCE track record

million € / %



2003/04-2004/05 in the Group structure valid at that time

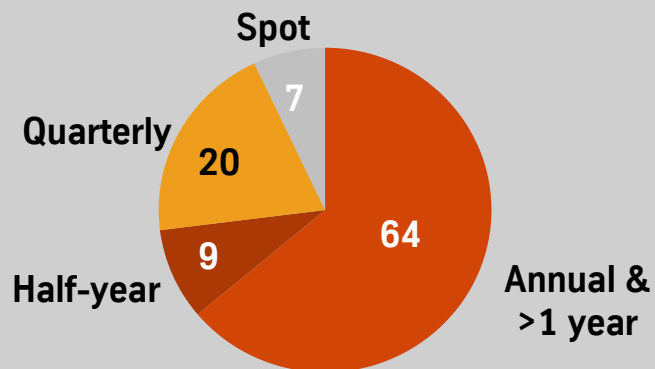




# Steel: Large-Scale, Multiple-Niche Approach Based on Premium Product Portfolio and Long-Term Customer Relations

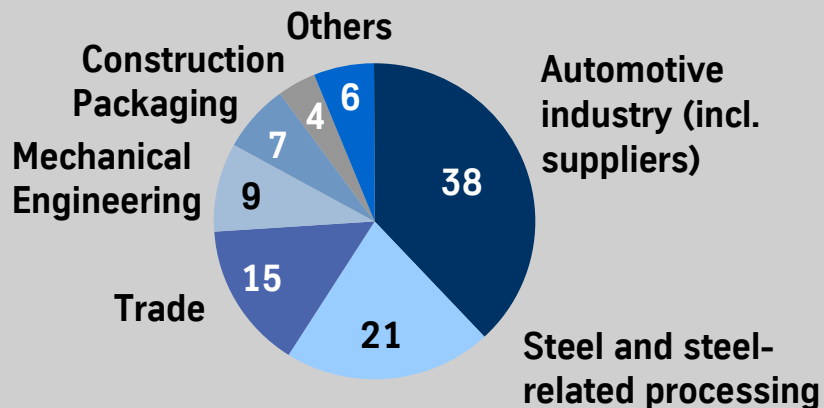
Sales by Maturity FY 2007/08

in %



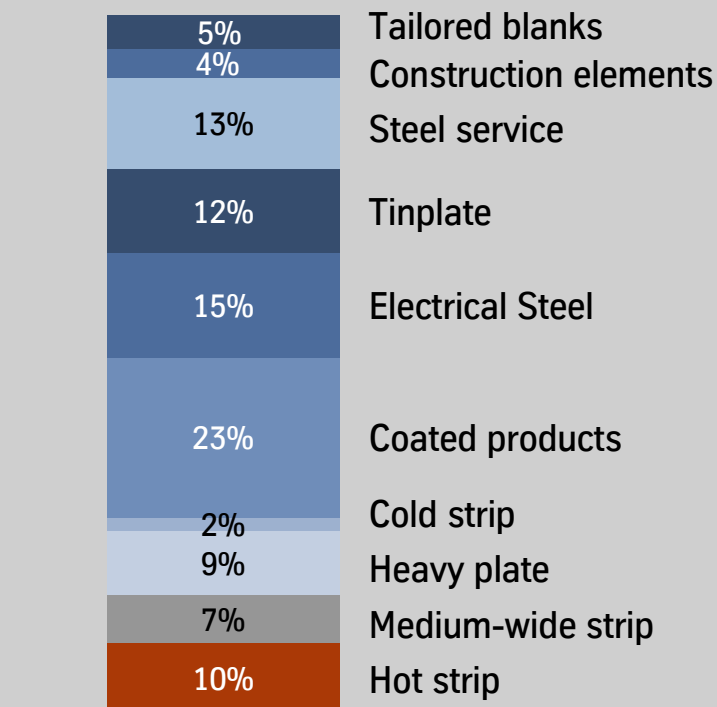
Sales by Industry FY 2007/08

in %



Product Portfolio Steel FY 2007/08\*)

in %

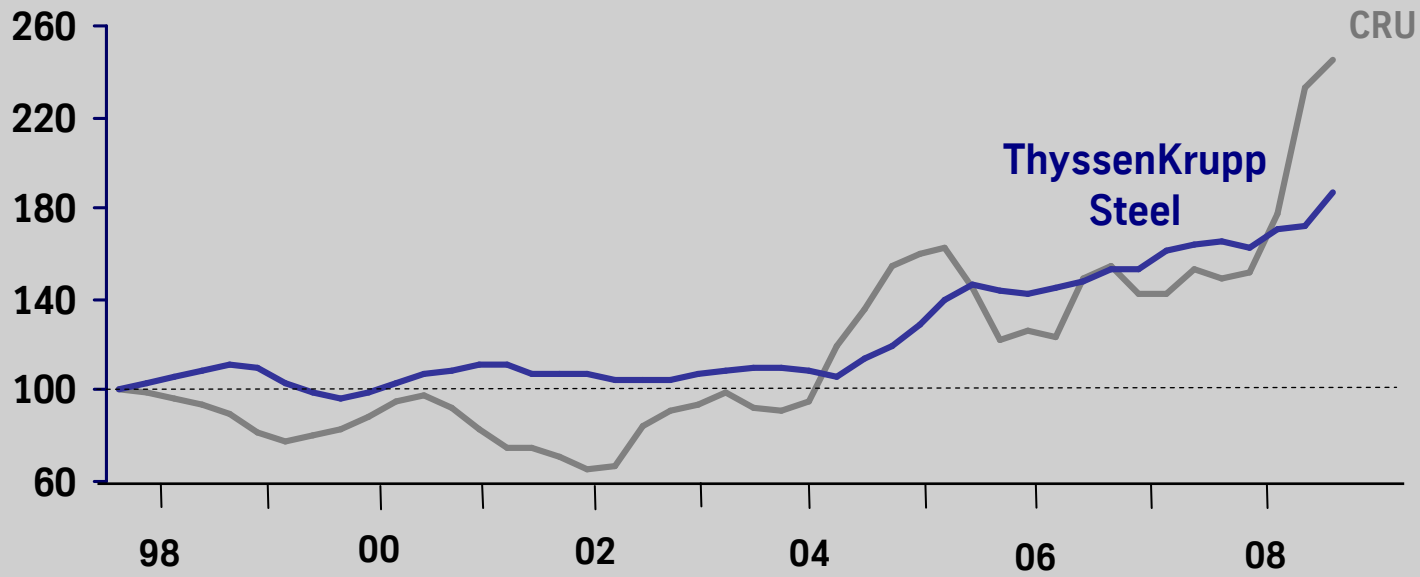


\*) sales of flat products only



# Steel: Long-Term Customer Relations Establish Lower Volatility

Price Index Index (Q3 1997 = 100)

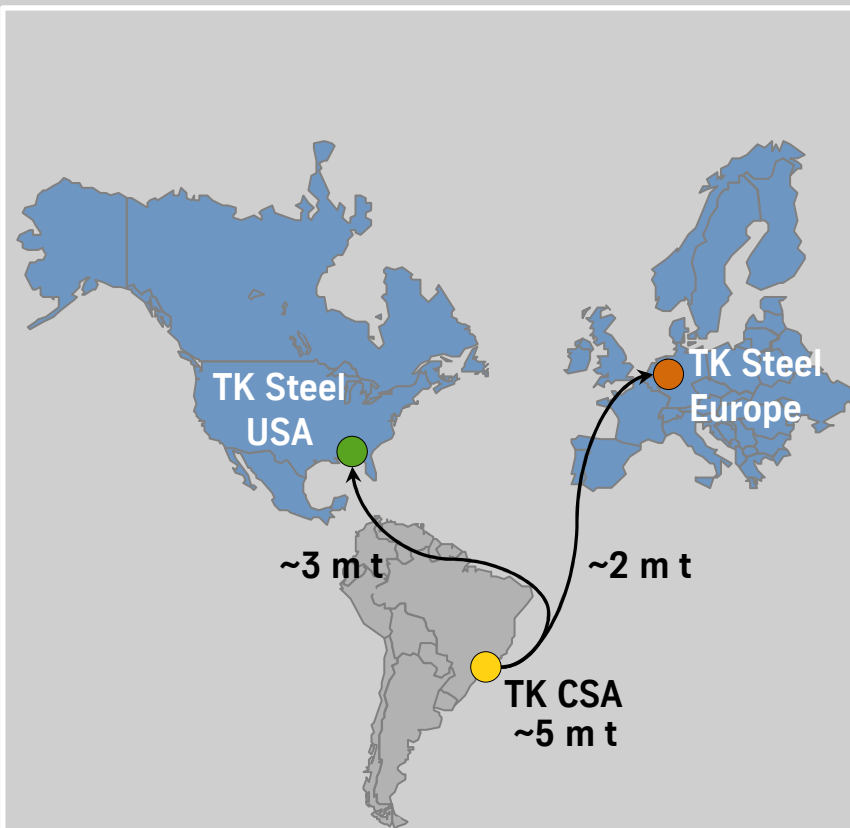


**—** Price index flat carbon steel ThyssenKrupp Steel  
**—** Price index flat carbon steel, global market (CRU)

All data incl. Q3 2008  
 Sources: CRU and own calculations based on CRU, TKS



# Steel: Transatlantic Forward Strategy



- Forward Strategy Brazil: Capex: €4.5 bn  
Significant dilution of cost base

- Power plant
  - Coking plant
  - Port
- } Start of production spring 2009
- Blast furnance
  - BOF
- } Start of production Nov./Dec. 2009

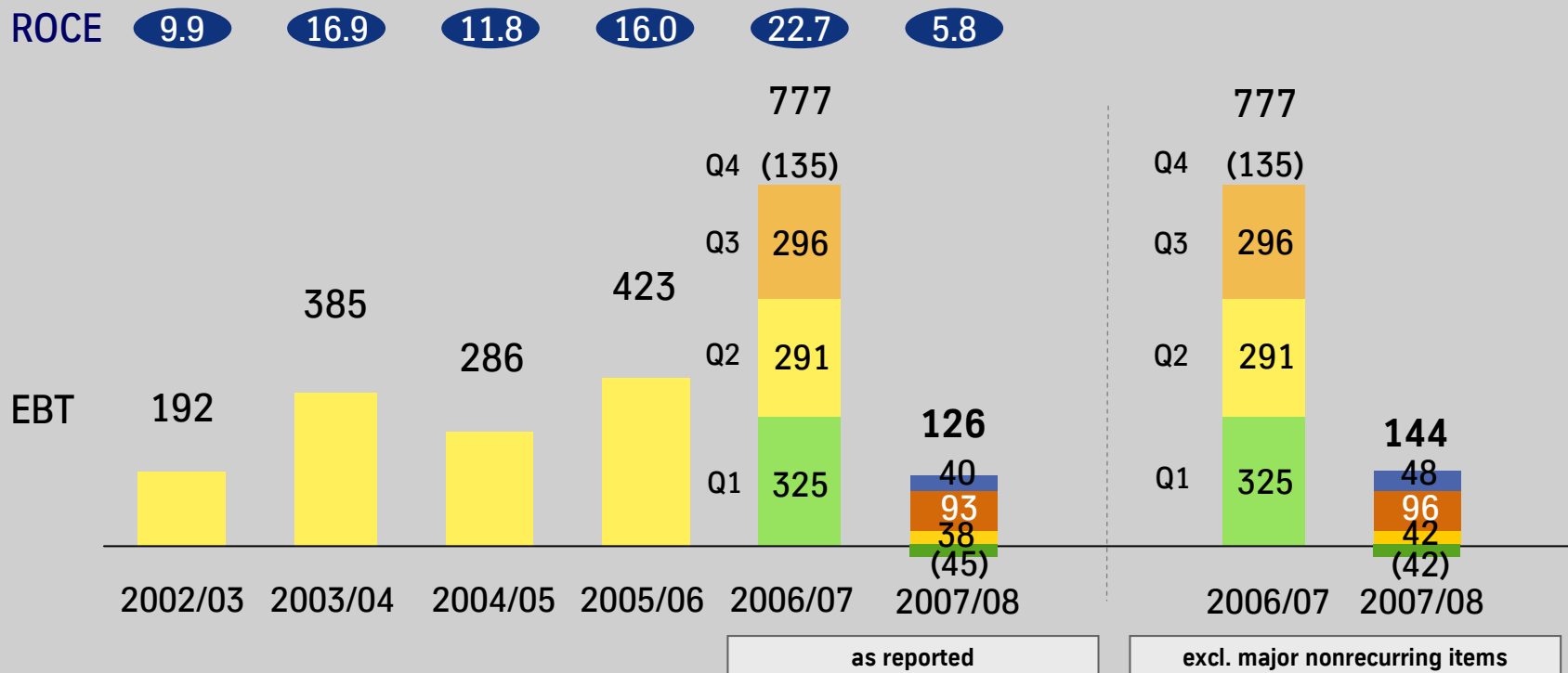
- Forward Strategy Europe: Capex: €0.4 bn  
De-bottlenecking and modernization to process 2 m t of additional slabs from Brazil

- Forward Strategy NAFTA: Capex: \$3.25 bn  
Transfer of proven business model into the modern industrial center of the U.S.;  
Start of production spring 2010

# Stainless: Value Drivers

## EBT / ROCE track record

million € / %



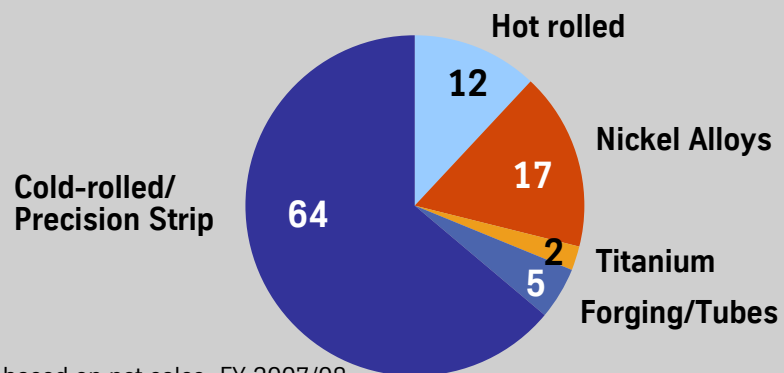
2003/04-2004/05 in the Group structure valid at that time



# Stainless: Increasing Non-Volatile Customer Bases

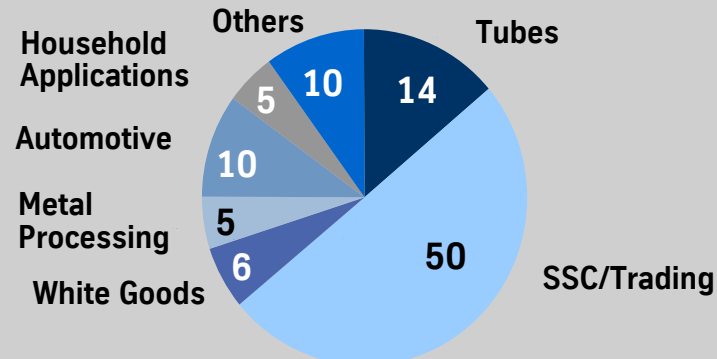
## Sales Structure within ThyssenKrupp Stainless Group

### Stainless Product Portfolio



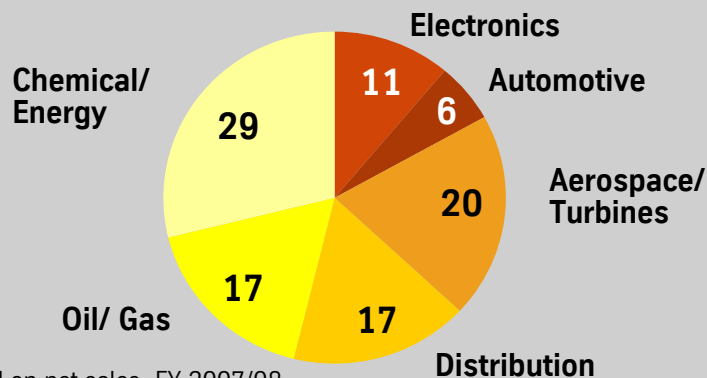
based on net sales, FY 2007/08

### Stainless Steel Sales by Customer Group



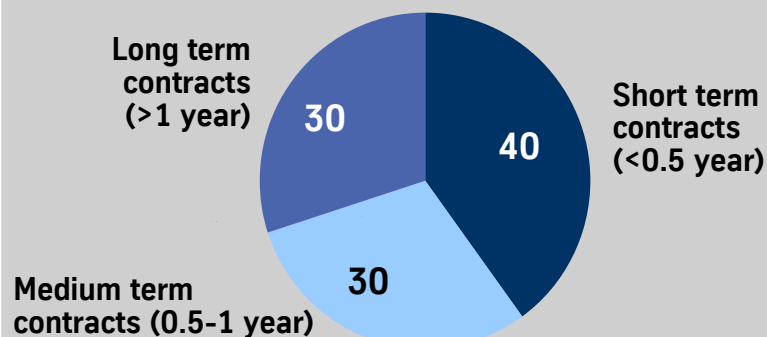
based on net sales, FY 2007/08

### Nickel Alloy Sales by Customer Group



based on net sales, FY 2007/08

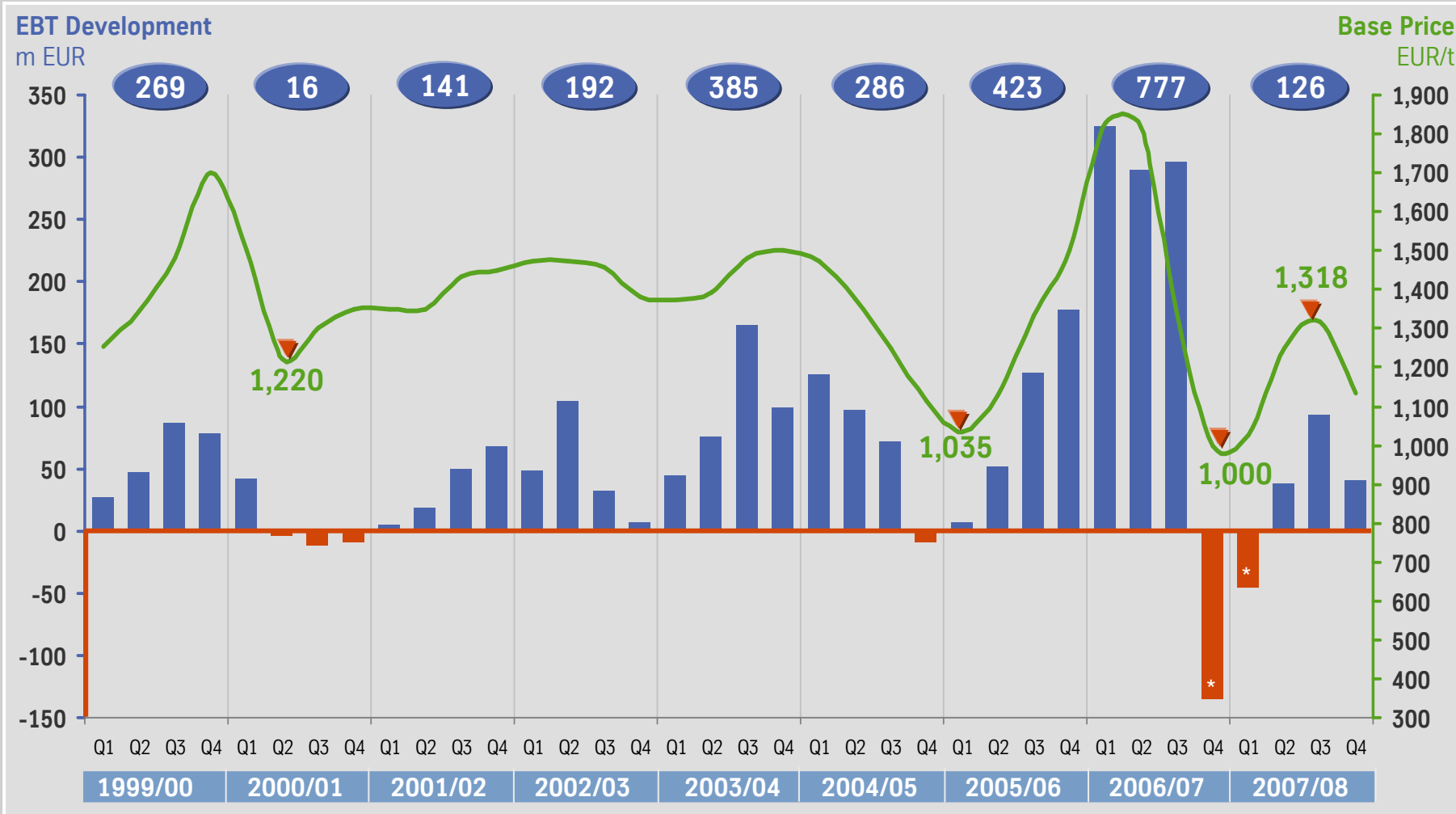
### Stainless Steel Contract Structure



based on ThyssenKrupp Nirosta Shipments 2007/08



# Stainless: EBT Development

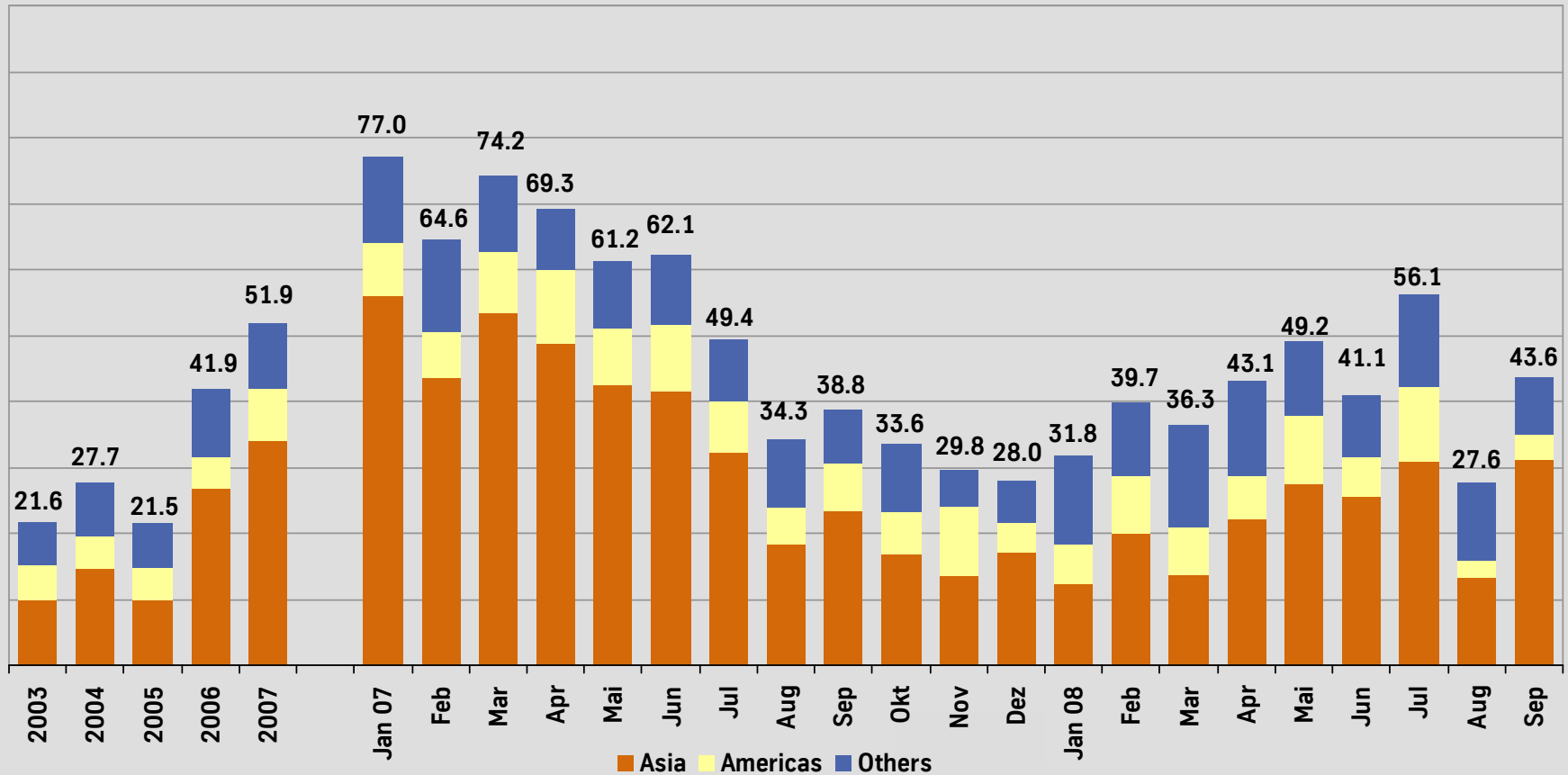


\* devaluation of inventories



# Stainless: Cold-Rolled Imports from Third Countries

[000t/month]



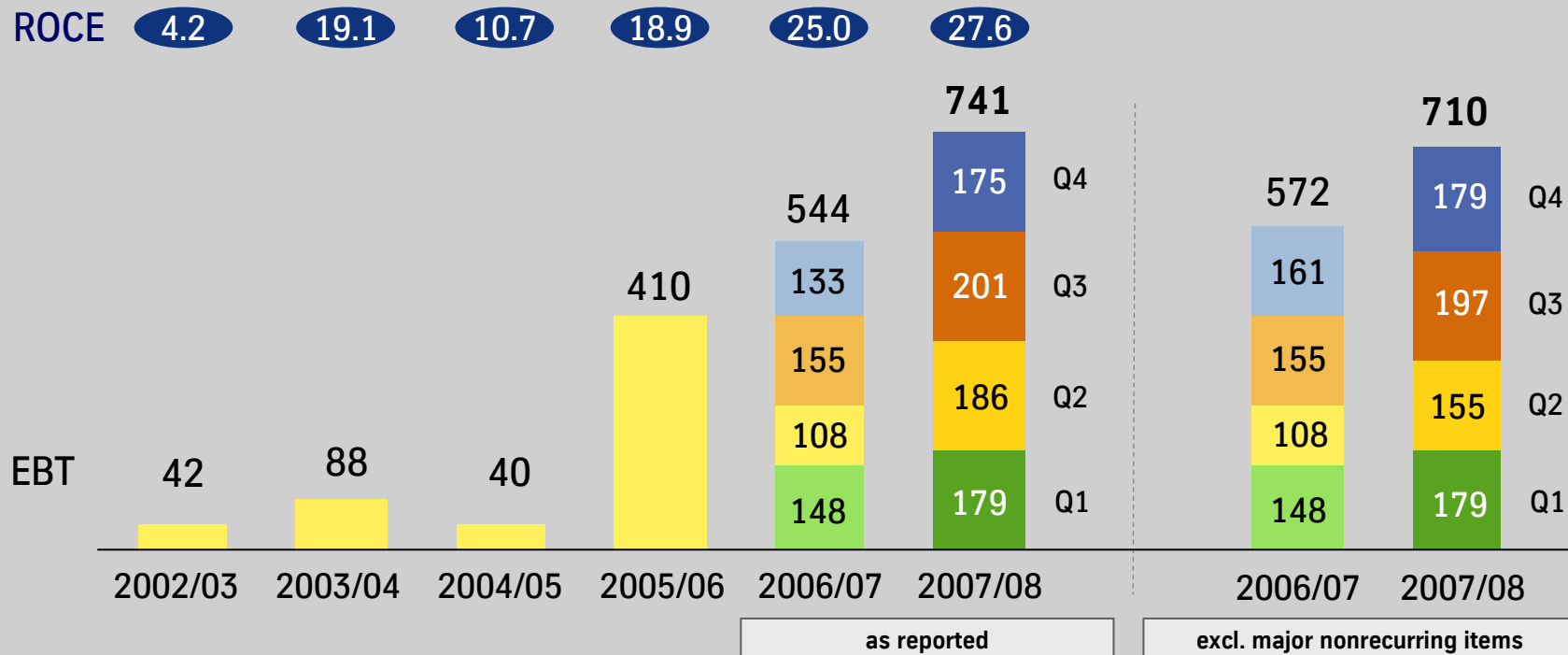
Source: Eurofer November 2008, TKL



# Technologies: Value Drivers

## EBT / ROCE track record

million € / %



2003/04-2004/05 in the Group structure valid at that time





# Technologies: Organizational Overview

## ThyssenKrupp Technologies AG

Sales: €12.4 bn



### Plant Technology

Sales: €3.2 bn

Transrapid



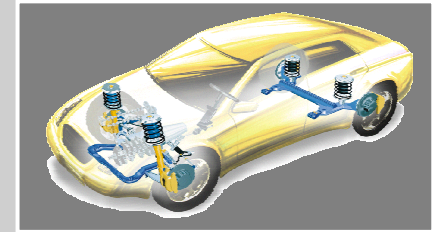
### Marine Systems

Sales: €2.0 bn



### Mechanical Components

Sales: €3.9 bn



### Automotive Solutions

Sales: €3.2 bn

- Uhde
- Polysius
- Fördertechnik

- Naval
- Shipyards & Services

- Rothe Erde
- Berco

- Presta Camshafts
- Forging Group
- Waupaca
- System Engineering
- Presta Steering
- Bilstein Group

Business Unit

• Operating Group

former TK Automotive

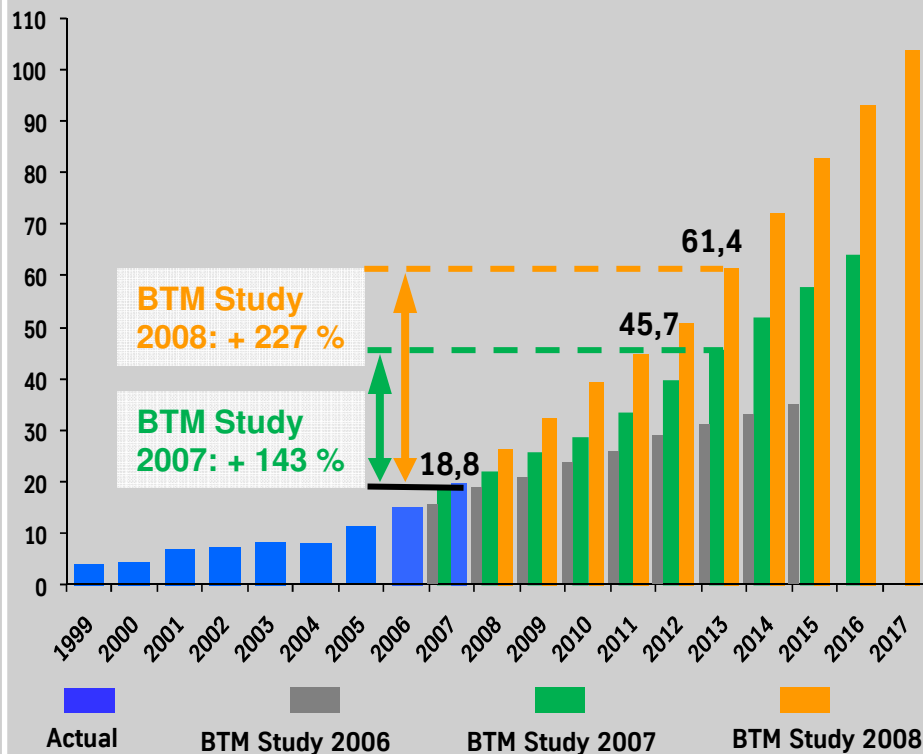
Sales for FY 2007/08, inter-segment sales not consolidated

ThyssenKrupp



# Technologies: Growth of Wind Energy in BRIC Countries

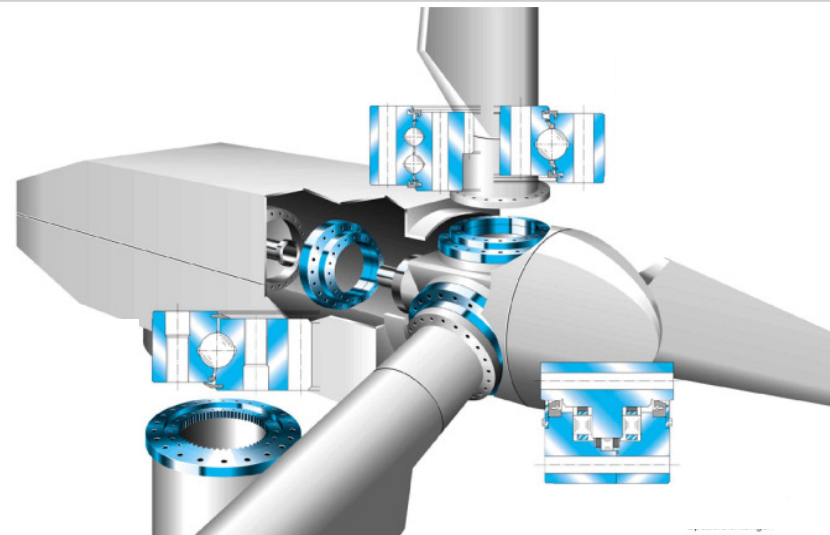
## New installed capacity for wind energy GW/yr



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

BTM = Birger T. Madsen, Consult Danish Energy Agency

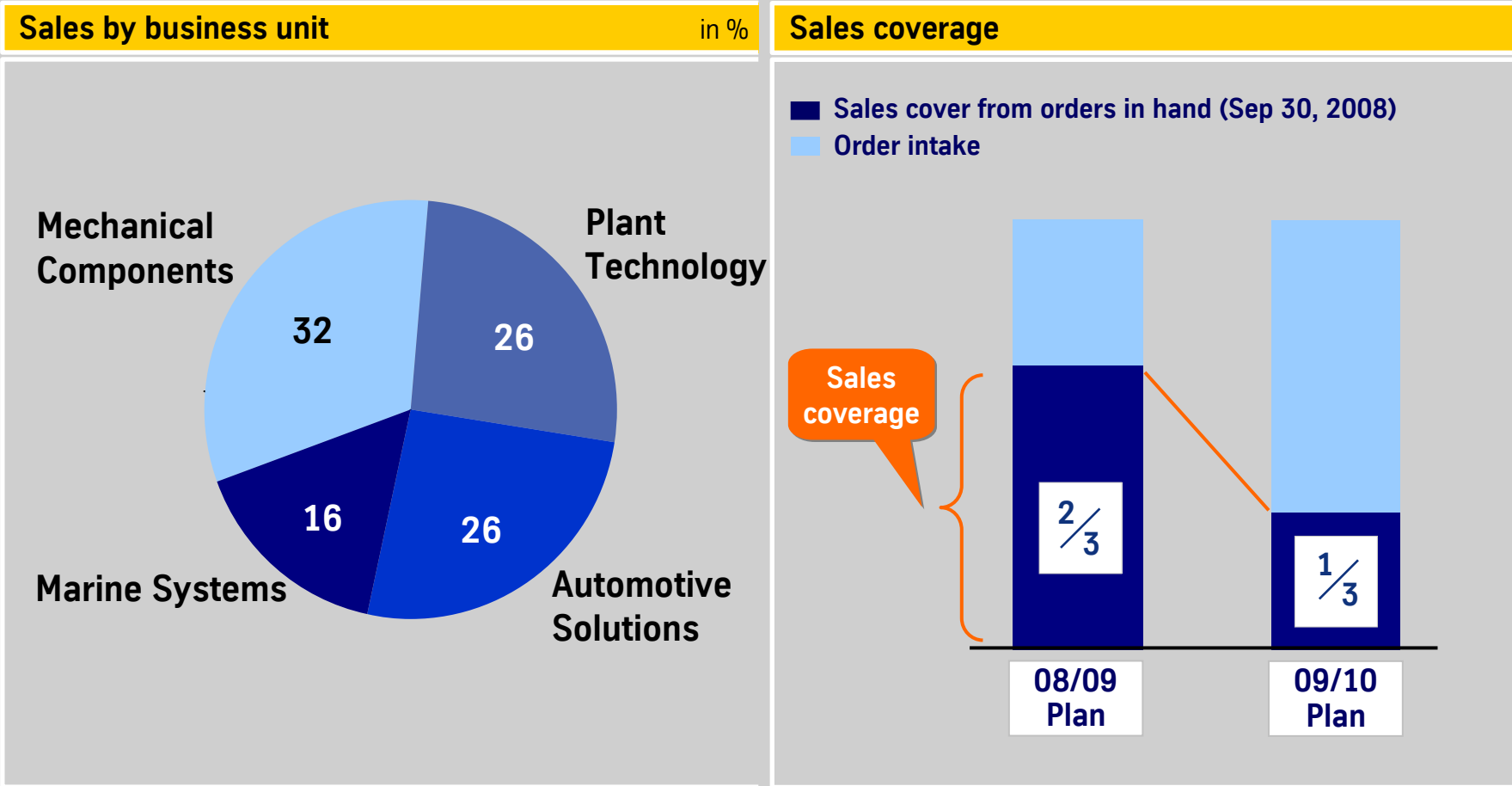
## Bearings in wind energy plants



- **ThyssenKrupp components are essential for wind turbines**
- ⇒ **5 bearings are needed for every wind turbine**



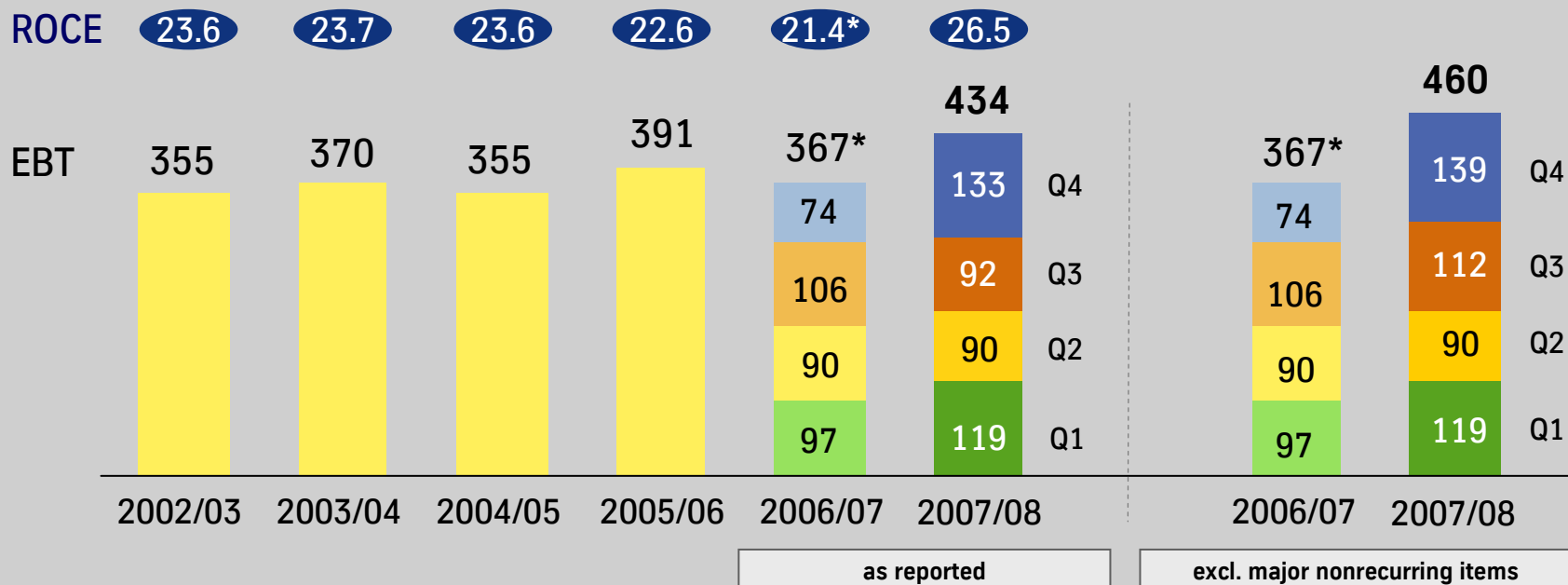
# Technologies: High Sales Coverage by Orders in Hand



# Elevator: Value Drivers

## EBT / ROCE track record

million € / %



2003/04-2004/05 in the Group structure valid at that time

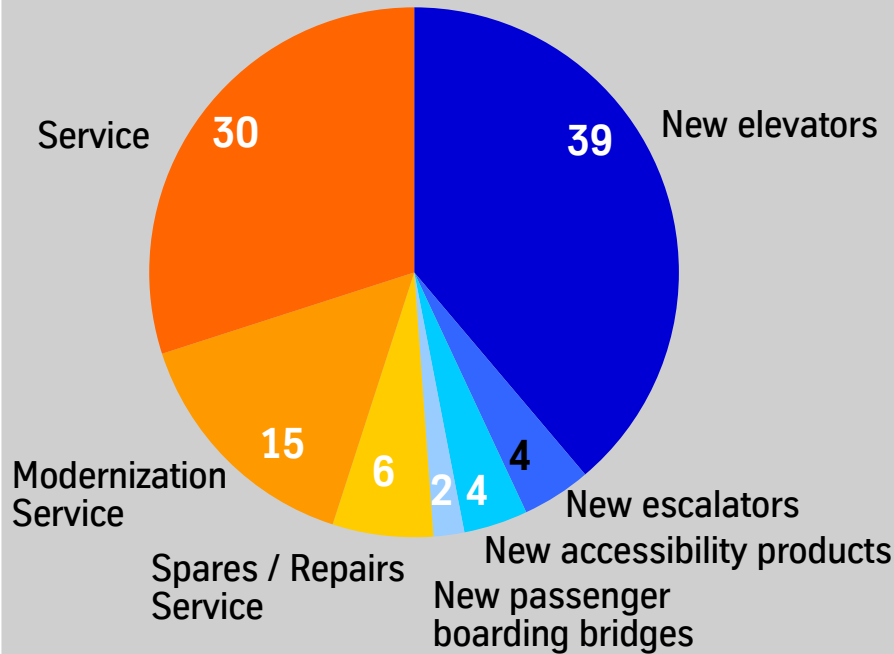
\* excl. EU fine €480 m



# Elevator: Sales by Business Activities and Value Enhancement Concept

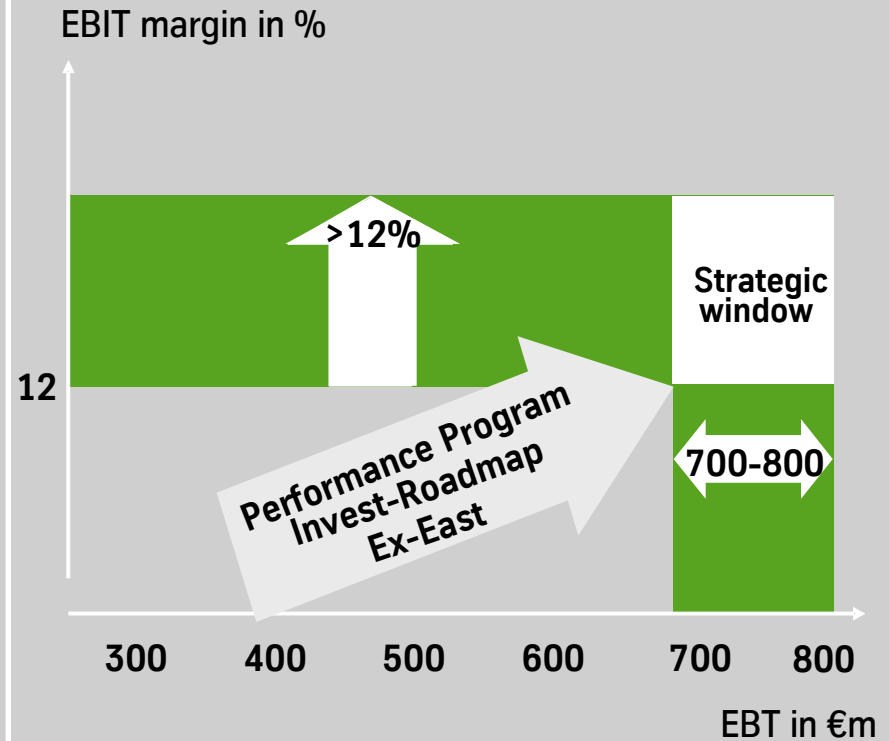
## Sales by business activities

in %



Sales for FY 2007/08

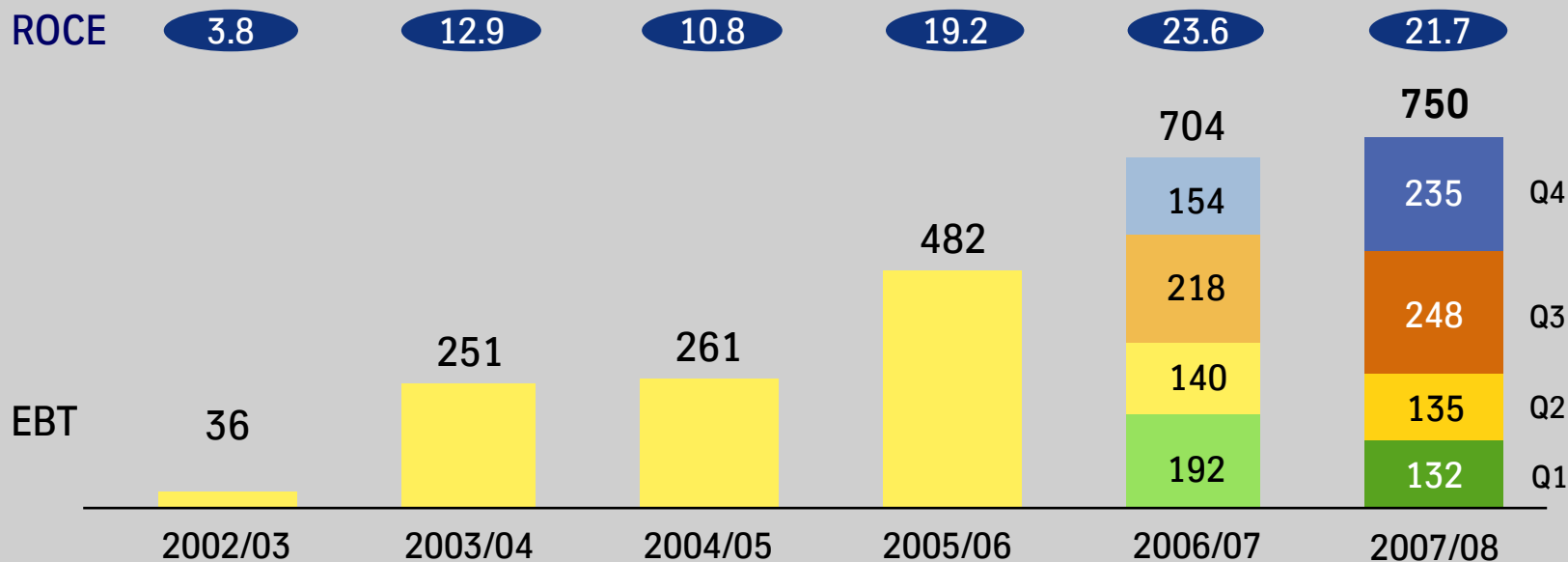
## Value enhancement concept



# Services: Value Drivers

## EBT / ROCE track record

million € / %



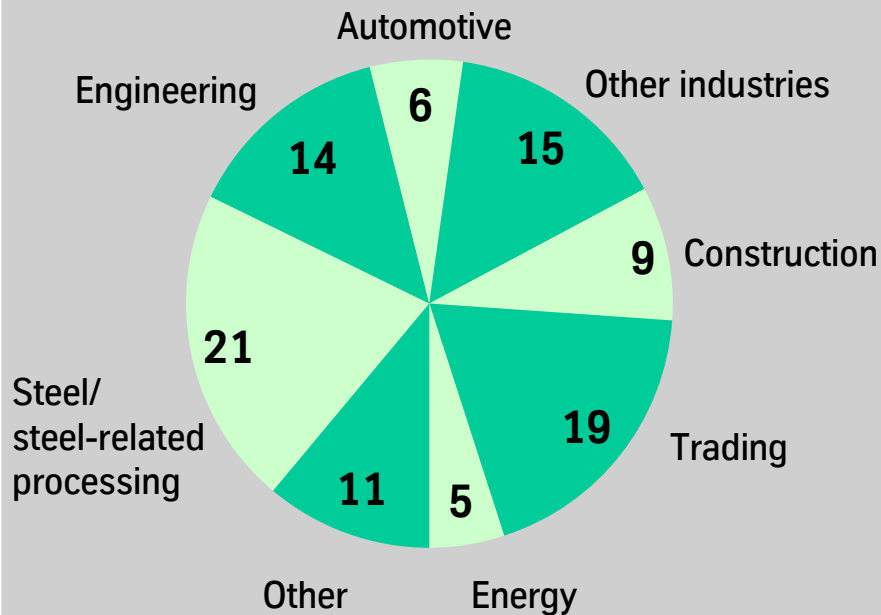
2003/04-2004/05 in the Group structure valid at that time



# Services: Sales by Customer Groups and Products/Services

Sales by customer groups

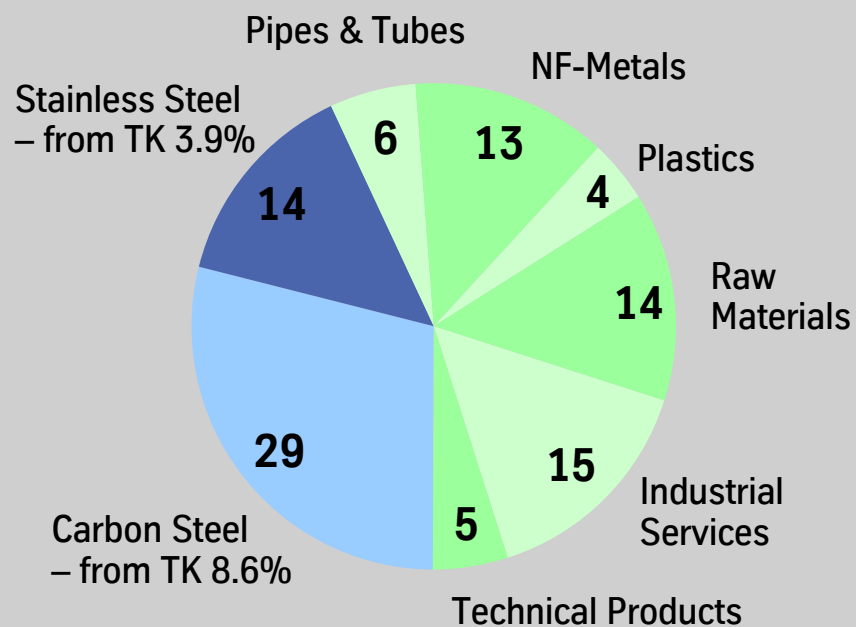
in %



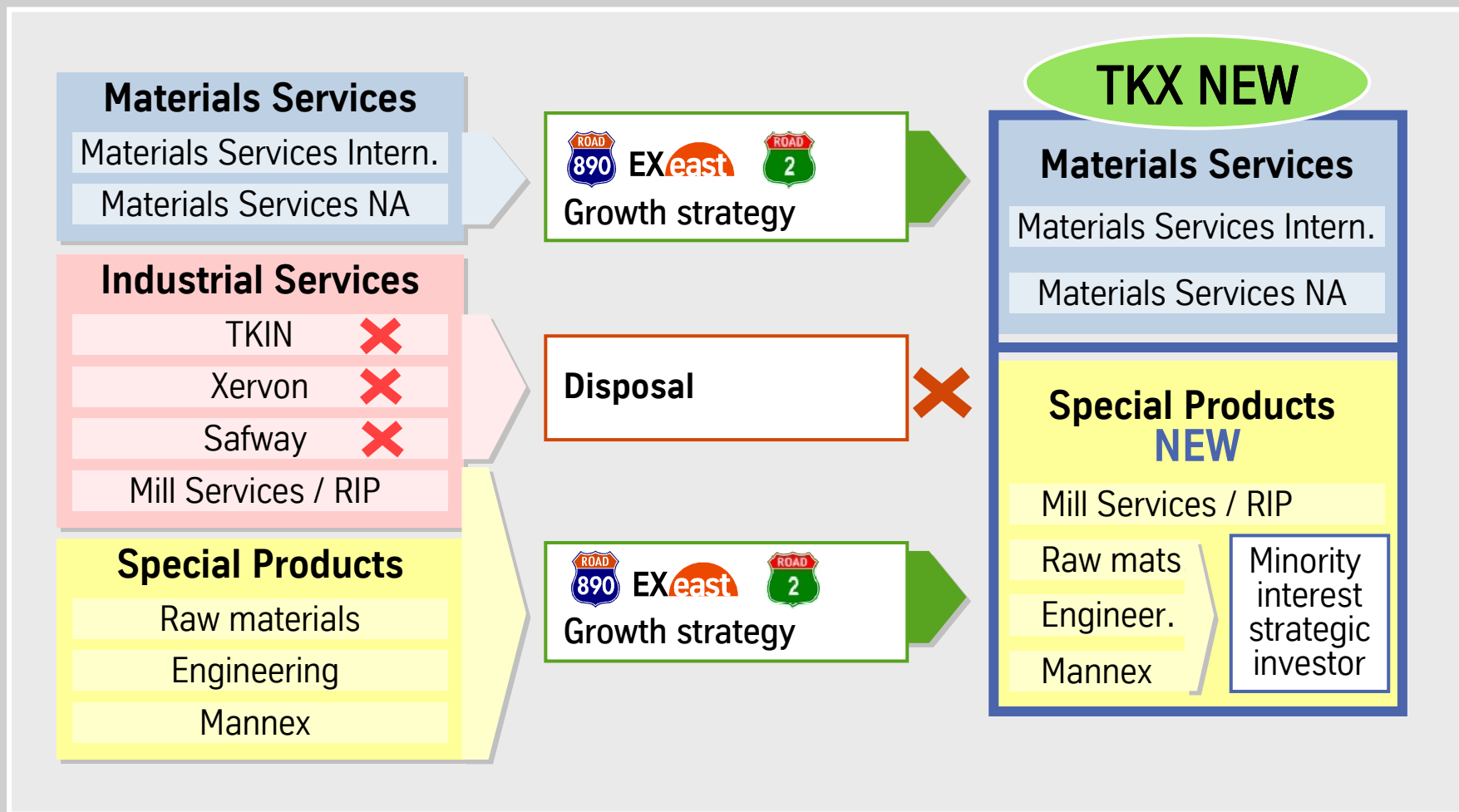
Sales for FY 2007/08

Sales by products/services

in %



# Services: Focus on Materials Services and Special Products





# Agenda

## Claus Ehrenbeck, Head of Investor Relations

- 
- Financial Performance
- 
- Strategy and Value Driver
- Outlook
- Appendix
- 



# Group Outlook 2008/09

## Outlook 2008/09

- **Global GDP growth < 3 % expected**
- **FY 2008/09: Sales: significant decline**
- Tax rate: ~30%**

## Major nonrecurring items FY 2008/09

- Project costs
  - TK CSA, Brazil
  - Steel/Stainless Alabama
- Results from divestitures

## Segment outlook

### Steel

- Price and volume risks partly cushioned by long-term contract structures and multiple premium qualities

### Stainless

- Lower volume demand

### Technologies

- Relatively high visibility regarding revenues and earnings from project business due to high order backlog

### Elevator

- High service share and high order backlog drive revenues and earnings

### Services

- Price and volume risk despite broad product portfolio and high service share



# Group Initiatives 2008/09

## Measures to stabilize earnings and cash flow

### Group initiatives

#### Net working capital

- Systematic net working capital initiative will lead to significant decrease of working capital

#### Flexibility of investments

- Screening of capex program, prioritization and postponing investments in years after FY 2008/09

#### Performance improvement

- Detailed project organization to create significant performance improvement, e.g. reduction of SG&A

#### Portfolio optimization

- Planned divestments
  - Industrial Services
  - Special Products (minority stake)

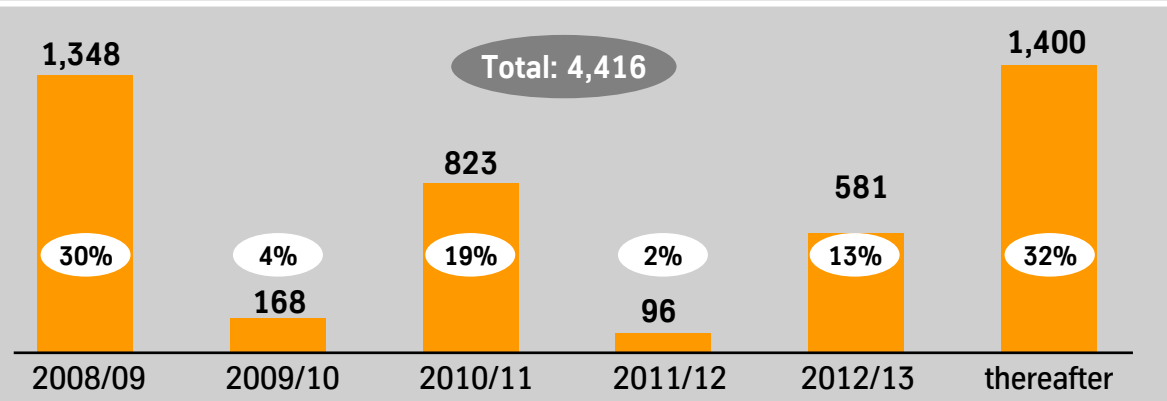
Significant cash and cost savings

Maintain financial flexibility

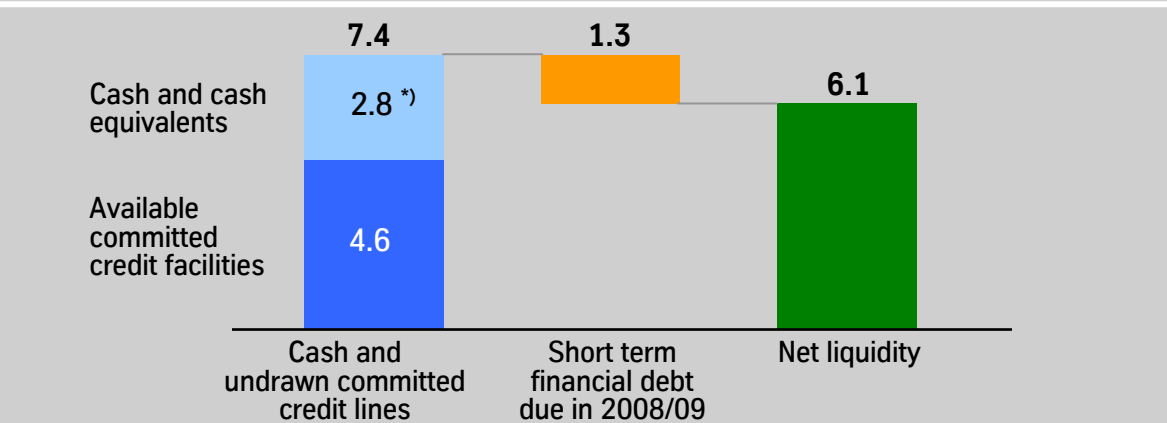


# Solid Financial Situation

Maturity profile of gross financial debt as of Sep 30, 2008 million €



Liquidity analysis as of Sep 30, 2008 billion €



\*) incl. securities of €0.1 bn

- In addition to cash and cash equivalents available committed credit facilities
  - syndicated loan maturing 2014 €2.5 bn
  - bilateral credit lines €2.1 bn
  - €4.6 bn**
- No Commercial Paper outstanding
- No short term refinancing needs

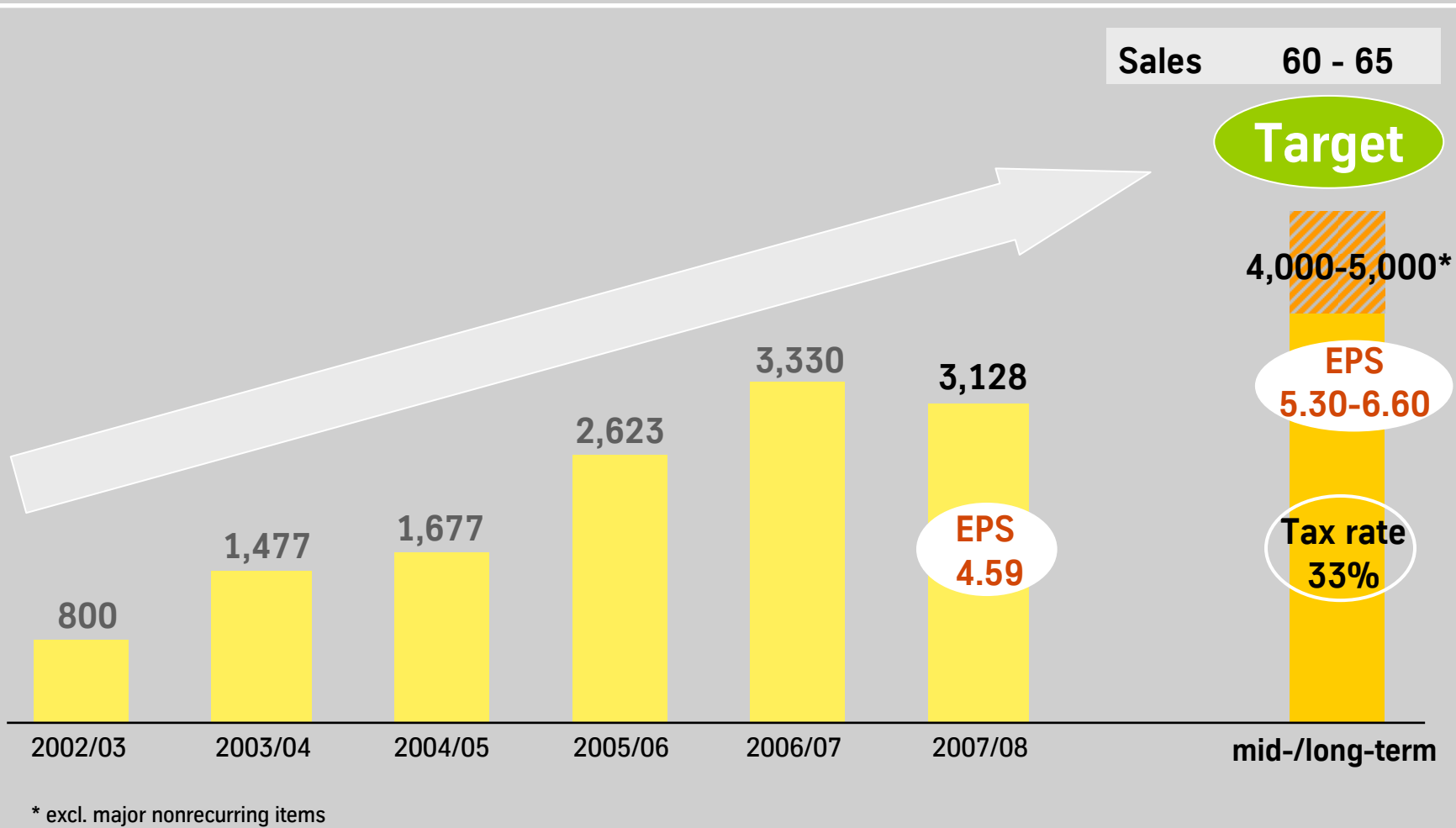
**Solid financial situation:**  
**Net liquidity €6.1 bn**



# Group Targets

## Sales, EBT and EPS

billion € / million € / €



# ThyssenKrupp AG Directors' Dealings Confirm Management Confidence

⇒ Accumulated volume of around €4.7 m

## ThyssenKrupp AG Directors' Dealings in fiscal year 2006/07 – 2008/09

| Notifying Party            | Function                 | Number of certificates | Volume of Transaction |
|----------------------------|--------------------------|------------------------|-----------------------|
| Dr.-Ing. Ekkehard Schulz   | Executive Board member   | 63,484                 | € 1,894,650.02        |
| Dr. Ulrich Middelmann      | Executive Board member   | 39,400                 | € 851,733.13          |
| Dr. Olaf Berlien           | Executive Board member   | 14,550                 | € 303,866.99          |
| Edwin Eichler              | Executive Board member   | 17,950                 | € 701,486.00          |
| Jürgen H. Fechter          | Executive Board member   | 30,000                 | € 439,372.50          |
| Dr. Karl-Ulrich Köhler     | Executive Board member   | 7,800                  | € 146,689.14          |
| Ralph Labonte              | Executive Board member   | 12,925                 | € 346,860.03          |
| Dr.-Ing. Klaus T. Müller   | Supervisory Board Member | 1,700                  | € 27,343.73           |
| Prof. Dr. Bernhard Pellens | Supervisory Board member | 800                    | € 30,400.00           |

Note: For prompt information on ThyssenKrupp AG Directors' Dealings please refer to the ThyssenKrupp website.



## Financial Calendar – 2009

- |  |  |
|--|--|
| ○ January 23, 2009                         | Annual General Meeting, Bochum/Germany   |
| ○ January 26, 2009<br>to February 12, 2009 | Quiet Period   |
| ○ February 13, 2009                        | Interim Report 1st quarter 2008/09 (Oct to Dec)<br>Conference call with analysts and investors |
| ○ April 26, 2009<br>to May 12, 2009        | Quiet Period   |
| ○ May 13, 2009                             | Interim Report 1st half 2008/09 (Oct to Mar)   |
| ○ July 26, 2009<br>to August 13, 2009      | Quiet Period   |
| ○ August 14, 2009                          | Interim Report 9 months 2008/09 (Oct to Jun)<br>Conference call with analysts and investors    |
| ○ October 22, 2009<br>to November 26, 2009 | Quiet Period   |
| ○ November 27, 2009                        | Analysts' and Investors' Conference, Essen/Germany<br>Annual Press Conference, Essen/Germany   |



## Appendix: How to Contact ThyssenKrupp AG Investor Relations

### Institutional Investors and Analysts:

- Phone: +49 211 824-36464
- Fax: +49 211 824-36467
- E-mail: [ir@thyssenkrupp.com](mailto:ir@thyssenkrupp.com)
- Internet: [www.thyssenkrupp.com](http://www.thyssenkrupp.com)

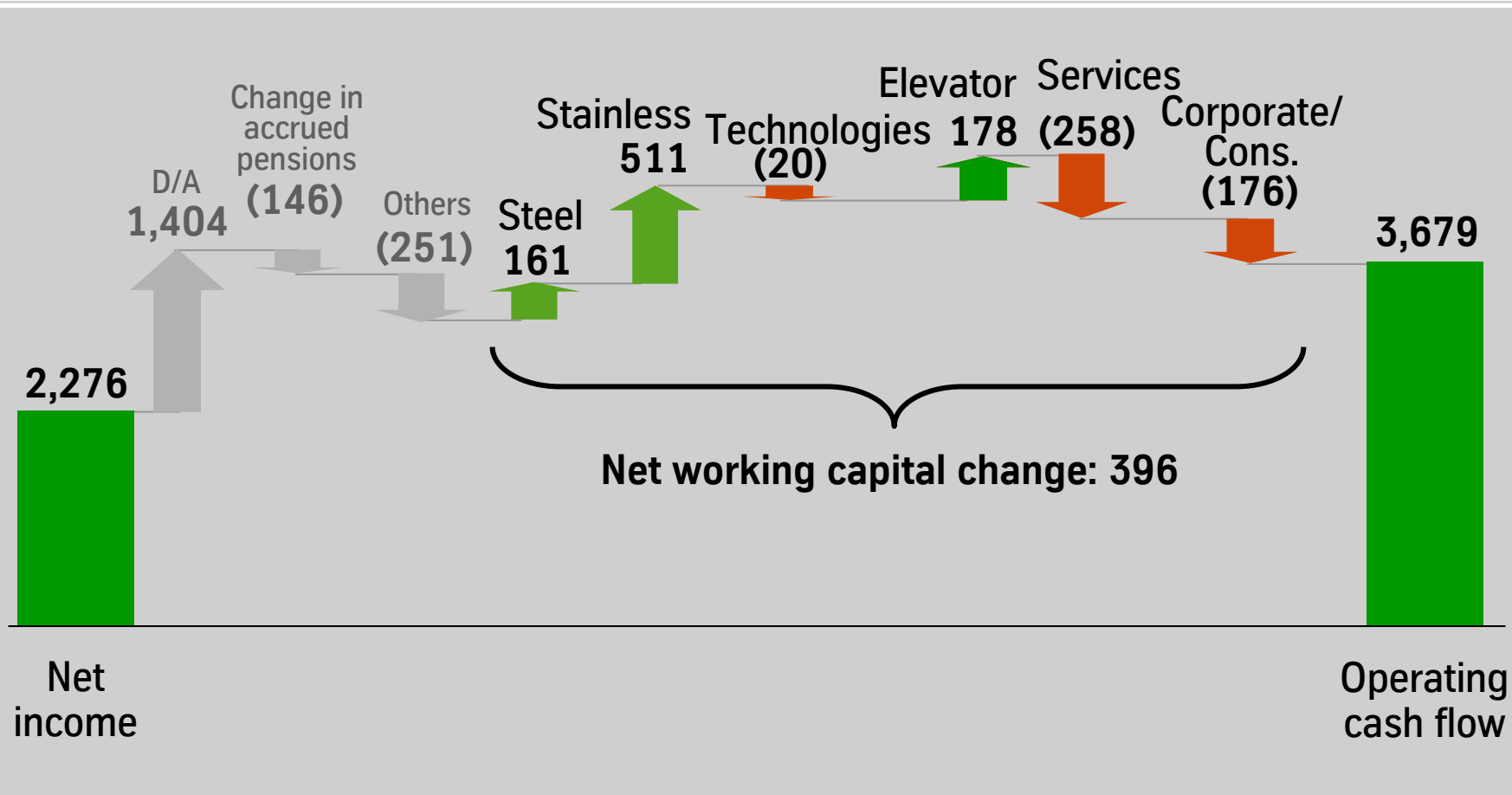
To be added to the IR mailing list, send us a brief e-mail with your details!



# Group Financials – Net Income ⇒ Operating Cash Flow

Development of operating cash flow in FY 2007/08

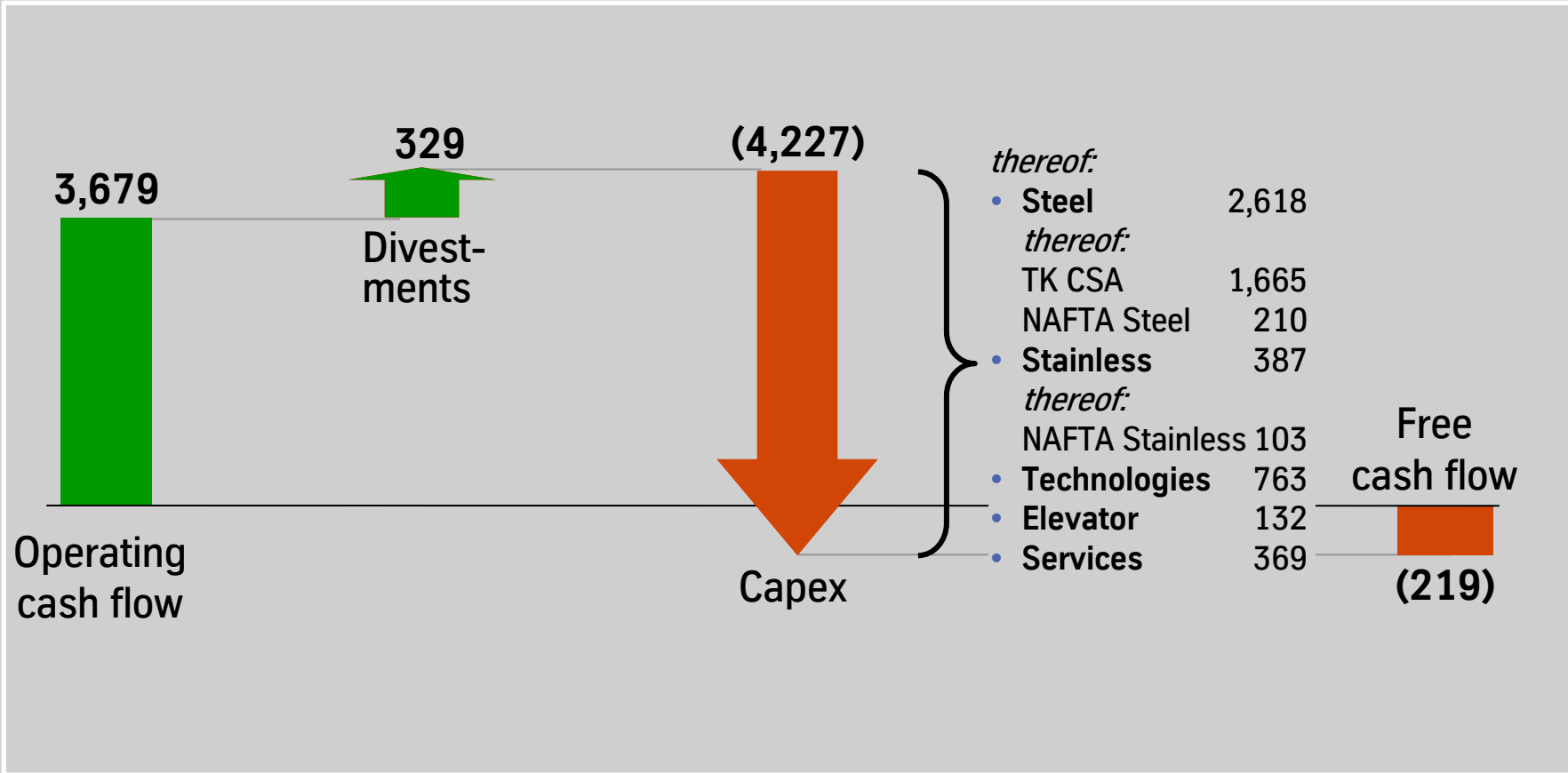
million €



# Group Financials – Operating Cash Flow ⇒ Free Cash Flow

Development of free cash flow in FY 2007/08

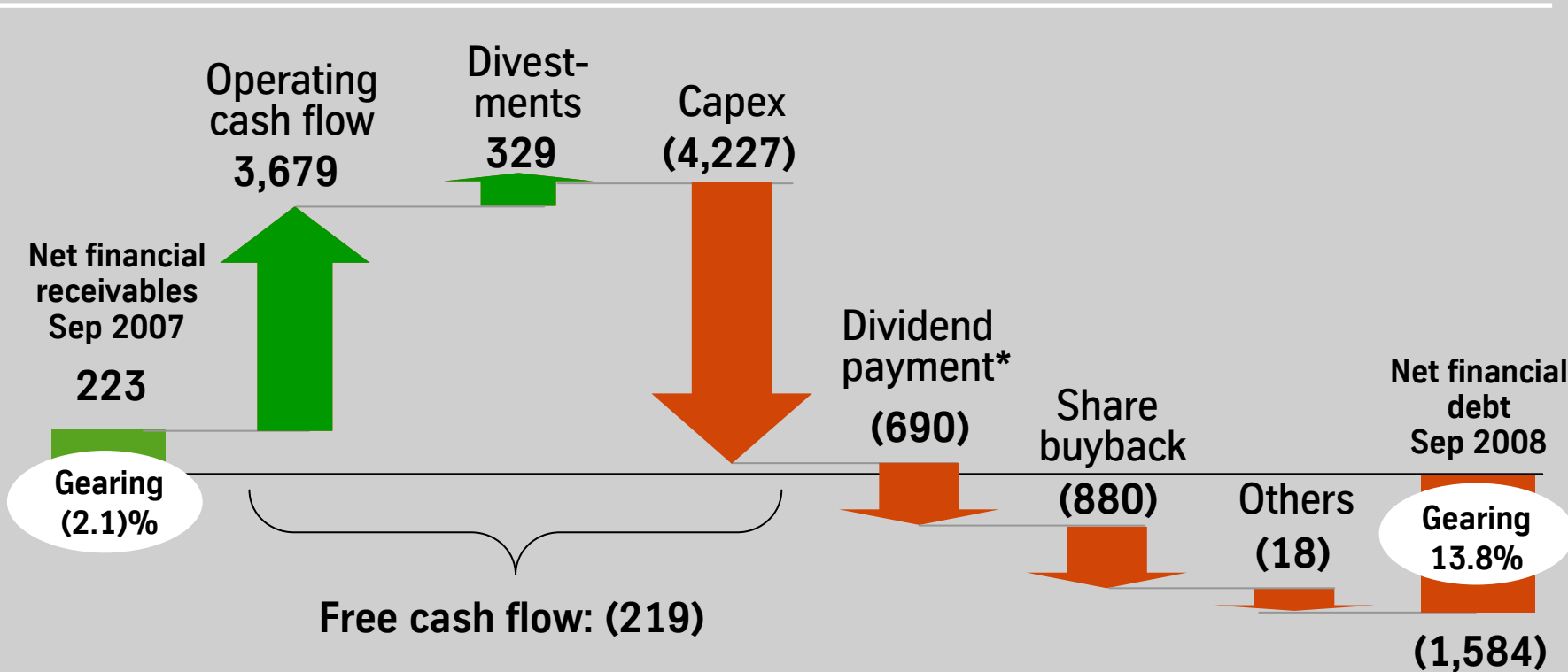
million €



# Group Financials – Net Financial Position

Development of net financial position in FY 2007/08

million €



\* incl. minorities



## Group Overview (I)

|                    |    | 2006/2007 |        |        |        | FY            | 2007/2008 |        |        |        | FY            |
|--------------------|----|-----------|--------|--------|--------|---------------|-----------|--------|--------|--------|---------------|
|                    |    | Q1        | Q2     | Q3     | Q4     |               | Q1        | Q2     | Q3     | Q4     |               |
| Order intake       | €m | 13,301    | 13,962 | 15,552 | 11,790 | <b>54,605</b> | 13,270    | 14,084 | 14,181 | 13,670 | <b>55,205</b> |
| Sales              | €m | 12,332    | 13,114 | 13,444 | 12,833 | <b>51,723</b> | 12,270    | 13,199 | 14,181 | 13,776 | <b>53,426</b> |
| EBITDA             | €m | 1,507     | 1,031  | 1,728  | 988    | <b>5,254</b>  | 1,083     | 1,197  | 1,366  | 1,330  | <b>4,976</b>  |
| EBIT               | €m | 1,161     | 677    | 1,298  | 592    | <b>3,728</b>  | 748       | 849    | 1,019  | 956    | <b>3,572</b>  |
| EBT                | €m | 1,062     | 572    | 1,219  | 477    | <b>3,330</b>  | 646       | 742    | 909    | 831    | <b>3,128</b>  |
| Net income         | €m | 661       | 244    | 759    | 526    | <b>2,190</b>  | 435       | 502    | 613    | 726    | <b>2,276</b>  |
| Earnings per share | €  | 1.31      | 0.45   | 1.49   | 1.05   | <b>4.30</b>   | 0.85      | 1.00   | 1.21   | 1.53   | <b>4.59</b>   |
| TK Value Added     | €m | 773       | 273    | 884    | 178    | <b>2,108</b>  | 353       | 438    | 600    | 525    | <b>1,916</b>  |
| ROCE               | %  | 26.9      | 20.9   | 23.4   | 20.7   | <b>20.7</b>   | 16.1      | 16.9   | 18.2   | 18.3   | <b>18.3</b>   |

ROCE: based on 3, 6, 9 and 12 months respectively



## Group Overview (II)

|                              |    | 2006/2007 |         |         |         | FY             | 2007/2008 |         |         |         | FY             |
|------------------------------|----|-----------|---------|---------|---------|----------------|-----------|---------|---------|---------|----------------|
|                              |    | Q1        | Q2      | Q3      | Q4      |                | Q1        | Q2      | Q3      | Q4      |                |
| Capital expenditures*        | €m | 832       | 549     | 717     | 899     | <b>2,997</b>   | 889       | 1,014   | 975     | 1,349   | <b>4,227</b>   |
| Depreciation/amort.          | €m | 346       | 354     | 431     | 396     | <b>1,527</b>   | 335       | 349     | 346     | 374     | <b>1,404</b>   |
| Operating cash flow          | €m | (569)     | 501     | 550     | 1,738   | <b>2,220</b>   | (170)     | 1,003   | 676     | 2,170   | <b>3,679</b>   |
| + Cash flow from divestments | €m | 254       | 58      | 264     | 97      | <b>673</b>     | 40        | 80      | 107     | 102     | <b>329</b>     |
| - Cash flow from investments | €m | 832       | 549     | 717     | 899     | <b>2,997</b>   | 889       | 1,014   | 975     | 1,349   | <b>4,227</b>   |
| Free cash flow               | €m | (1,146)   | 9       | 97      | 936     | <b>(104)</b>   | (1,018)   | 68      | (192)   | 923     | <b>(219)</b>   |
| Net financial debt           | €m | 391       | 897     | 806     | (223)   | <b>(223)</b>   | 859       | 1,988   | 2,127   | 1,584   | <b>1,584</b>   |
| Employees                    |    | 184,240   | 187,919 | 189,260 | 191,350 | <b>191,350</b> | 193,137   | 195,828 | 198,033 | 199,374 | <b>199,374</b> |

\* incl. financial investments



# Steel: Segment Overview

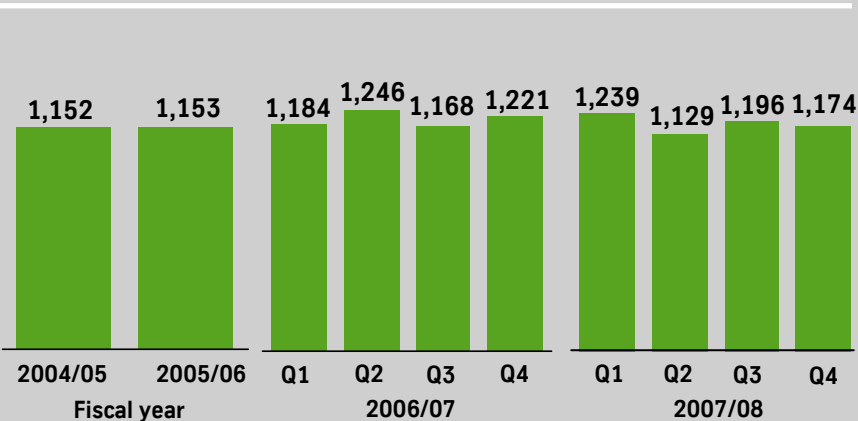
| Steel              |    |           |        |        |        |               |           |        |        |        |                |
|--------------------|----|-----------|--------|--------|--------|---------------|-----------|--------|--------|--------|----------------|
|                    |    | 2006/2007 |        |        |        |               | 2007/2008 |        |        |        |                |
|                    |    | Q1        | Q2     | Q3     | Q4     | FY            | Q1        | Q2     | Q3     | Q4     | FY             |
| Order intake       | €m | 3,123     | 3,510  | 3,262  | 2,823  | <b>12,718</b> | 3,188     | 3,986  | 3,765  | 3,260  | <b>14,199</b>  |
| Sales              | €m | 3,118     | 3,389  | 3,413  | 3,289  | <b>13,209</b> | 3,214     | 3,639  | 3,902  | 3,603  | <b>14,358</b>  |
| EBITDA             | €m | 589       | 680    | 670    | 531    | <b>2,470</b>  | 561       | 599    | 587    | 599    | <b>2,346</b>   |
| EBIT               | €m | 426       | 508    | 440    | 387    | <b>1,761</b>  | 392       | 434    | 426    | 448    | <b>1,700</b>   |
| EBT                | €m | 399       | 471    | 428    | 364    | <b>1,662</b>  | 353       | 396    | 389    | 402    | <b>1,540</b>   |
| TK Value Added     | €m | 276       | 350    | 281    | 231    | <b>1,138</b>  | 236       | 263    | 246    | 262    | <b>1,007</b>   |
| ROCE               | %  | 27.0      | 28.8   | 27.9   | 26.9   | <b>26.9</b>   | 22.6      | 22.8   | 22.2   | 22.1   | <b>22.1</b>    |
| OCF                | €m | 39        | 309    | 585    | 965    | <b>1,898</b>  | (330)     | 352    | 555    | 908    | <b>1,485</b>   |
| + CF from divestm. | €m | 9         | 25     | (2)    | 11     | <b>43</b>     | (3)       | 25     | (31)   | 89     | <b>80</b>      |
| - CF for investm.  | €m | 498       | 288    | 310    | 563    | <b>1,659</b>  | 632       | 577    | 533    | 878    | <b>2,620</b>   |
| FCF                | €m | (450)     | 46     | 273    | 413    | <b>282</b>    | (965)     | (200)  | (9)    | 119    | <b>(1,055)</b> |
| Employees          |    | 38,837    | 39,005 | 38,950 | 39,559 | <b>39,559</b> | 39,922    | 40,636 | 40,733 | 41,311 | <b>41,311</b>  |

ROCE: based on 3, 6, 9 and 12 months respectively

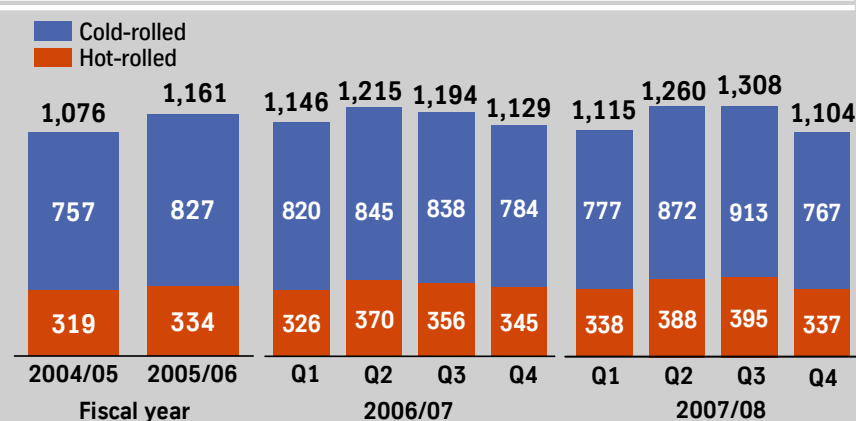


# Steel: Output, Shipments and Revenues per Metric Ton

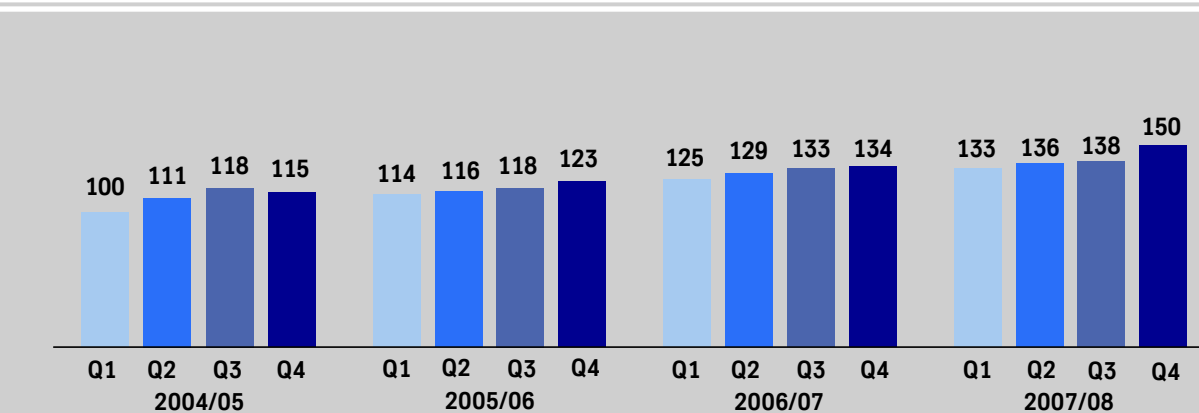
Crude steel output (TKS incl. share in HKM) 1,000 t/month



Shipments: Hot-rolled and cold-rolled products 1,000t/month



Average revenues per ton, indexed Q1 2004/2005 = 100



# Stainless: Segment Overview

| Stainless          |    |           |        |        |        |               |           |        |        |        |               |
|--------------------|----|-----------|--------|--------|--------|---------------|-----------|--------|--------|--------|---------------|
|                    |    | 2006/2007 |        |        |        | FY            | 2007/2008 |        |        |        | FY            |
|                    |    | Q1        | Q2     | Q3     | Q4     |               | Q1        | Q2     | Q3     | Q4     |               |
| Order intake       | €m | 1,913     | 2,185  | 1,943  | 1,643  | <b>7,684</b>  | 2,150     | 2,001  | 1,732  | 1,577  | <b>7,460</b>  |
| Sales              | €m | 1,971     | 2,407  | 2,608  | 1,762  | <b>8,748</b>  | 1,838     | 1,955  | 1,933  | 1,694  | <b>7,420</b>  |
| EBITDA             | €m | 380       | 351    | 369    | (66)   | <b>1,034</b>  | 8         | 98     | 154    | 103    | <b>363</b>    |
| EBIT               | €m | 343       | 313    | 318    | (103)  | <b>871</b>    | (23)      | 60     | 115    | 62     | <b>214</b>    |
| EBT                | €m | 325       | 291    | 296    | (135)  | <b>777</b>    | (45)      | 38     | 93     | 40     | <b>126</b>    |
| TK Value Added     | €m | 263       | 220    | 220    | (196)  | <b>507</b>    | (107)     | (23)   | 31     | (20)   | <b>(119)</b>  |
| ROCE               | %  | 40.5      | 36.0   | 34.2   | 22.7   | <b>22.7</b>   | (2.4)     | 2.0    | 5.4    | 5.8    | <b>5.8</b>    |
| OCF                | €m | (392)     | (107)  | 264    | 463    | <b>228</b>    | (169)     | 243    | 119    | 365    | <b>558</b>    |
| + CF from divestm. | €m | 6         | 2      | 4      | 4      | <b>16</b>     | 3         | 2      | 0      | 20     | <b>25</b>     |
| - CF for investm.  | €m | 55        | 71     | 103    | 99     | <b>328</b>    | 47        | 168    | 60     | 113    | <b>388</b>    |
| FCF                | €m | (441)     | (176)  | 165    | 368    | <b>(84)</b>   | (213)     | 77     | 59     | 272    | <b>195</b>    |
| Employees          |    | 12,221    | 12,218 | 12,187 | 12,182 | <b>12,182</b> | 12,075    | 12,042 | 12,037 | 12,212 | <b>12,212</b> |

ROCE: based on 3, 6, 9 and 12 months respectively



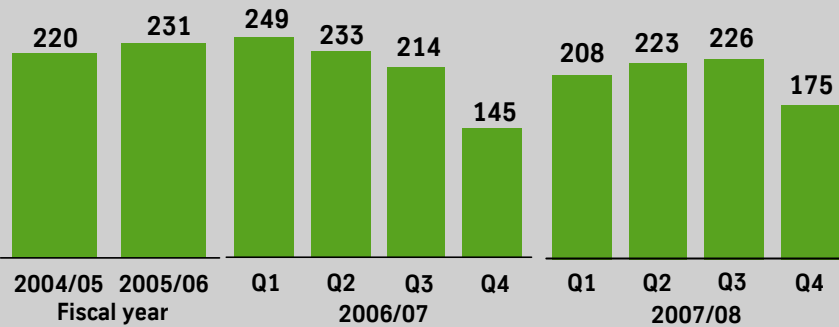


# Stainless: Output, Shipments and Revenues per Metric Ton

Crude steel output\*

1,000 t/month

\* including carbon, forging, Ni-Alloys

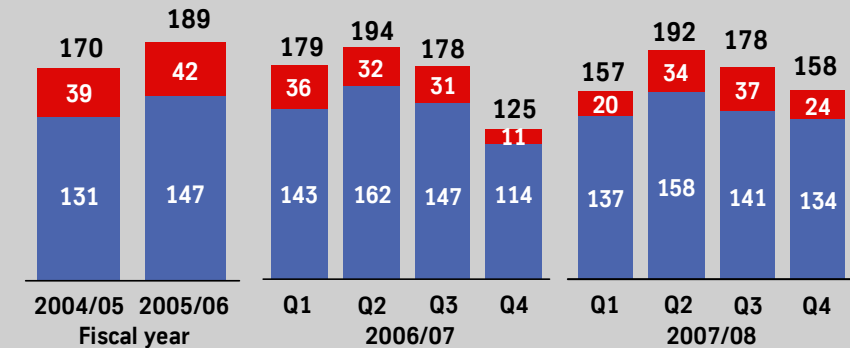


Shipments\*: Hot-rolled and cold-rolled products

1,000t/month

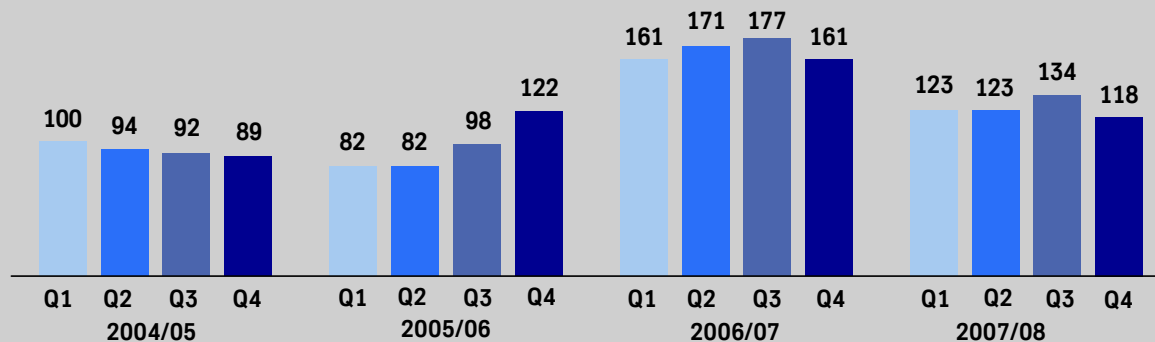
Hot-rolled, including slabs  
Cold-rolled, including precision strip

\* not consolidated

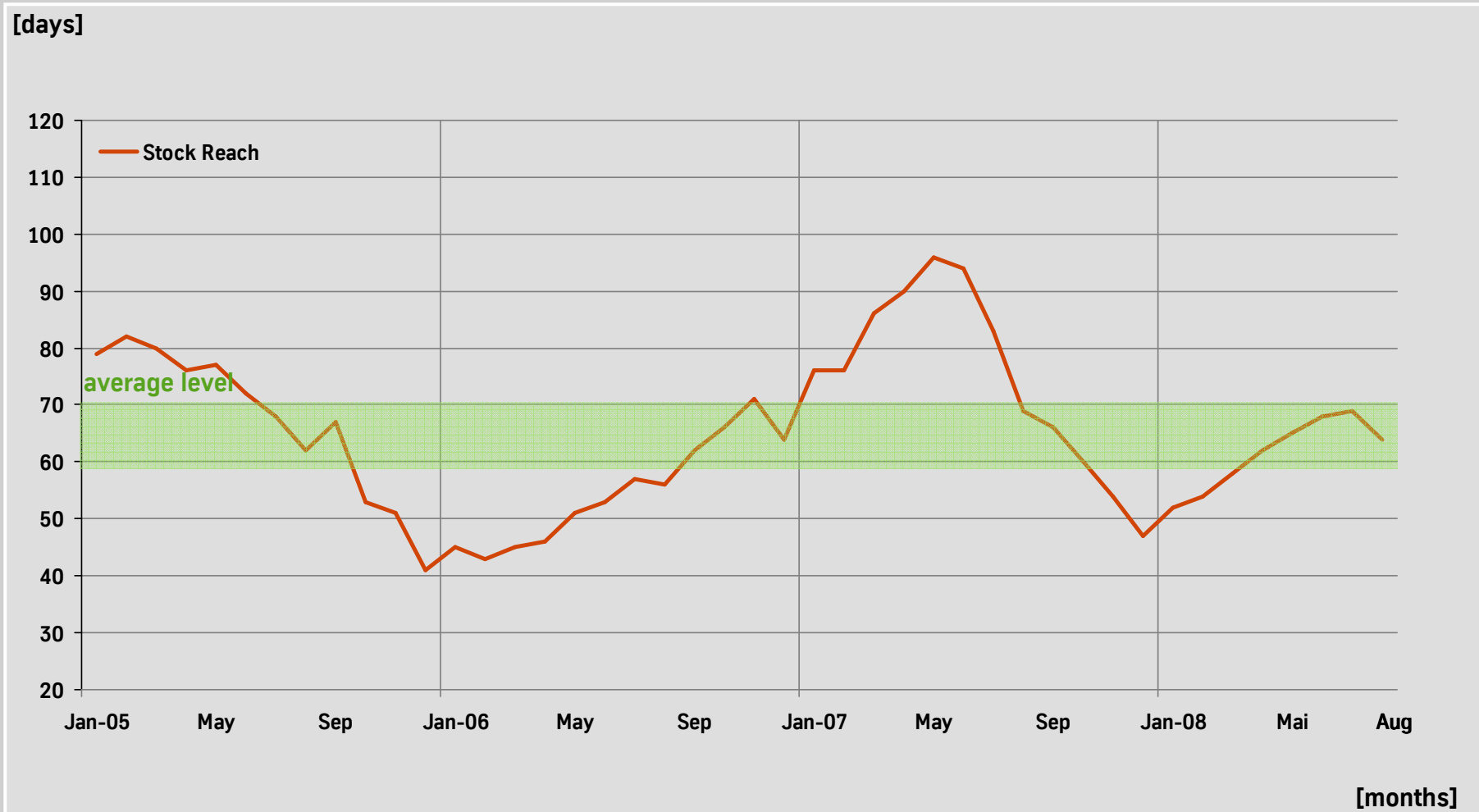


Average revenues per ton, indexed

Q1 2004/2005 = 100



# Stainless: Cold-Rolled Stock Reach



Source: Edelstahlhandels-Vereinigung (EHV) Oct 2008



## Technologies: Segment Overview

### Technologies

|                    |    | 2006/2007 |        |        |        | FY            | 2007/2008 |        |        |        | FY            |
|--------------------|----|-----------|--------|--------|--------|---------------|-----------|--------|--------|--------|---------------|
|                    |    | Q1        | Q2     | Q3     | Q4     |               | Q1        | Q2     | Q3     | Q4     |               |
| Order intake       | €m | 3,428     | 3,083  | 5,700  | 2,633  | <b>14,844</b> | 3,212     | 3,108  | 3,397  | 3,773  | <b>13,490</b> |
| Sales              | €m | 2,792     | 2,804  | 2,815  | 3,112  | <b>11,523</b> | 2,822     | 3,029  | 3,357  | 3,204  | <b>12,412</b> |
| EBITDA             | €m | 229       | 199    | 230    | 230    | <b>888</b>    | 256       | 261    | 272    | 257    | <b>1,046</b>  |
| EBIT               | €m | 144       | 104    | 147    | 123    | <b>518</b>    | 170       | 178    | 188    | 142    | <b>678</b>    |
| EBT                | €m | 148       | 108    | 155    | 133    | <b>544</b>    | 179       | 186    | 201    | 175    | <b>741</b>    |
| TK Value Added     | €m | 102       | 61     | 105    | 80     | <b>348</b>    | 127       | 135    | 145    | 95     | <b>502</b>    |
| ROCE               | %  | 28.2      | 24.6   | 25.9   | 25.0   | <b>25.0</b>   | 28.9      | 29.4   | 29.8   | 27.6   | <b>27.6</b>   |
| OCF                | €m | (40)      | 295    | 117    | 255    | <b>627</b>    | 22        | 326    | 117    | 201    | <b>666</b>    |
| + CF from divestm. | €m | 58        | 74     | 34     | 13     | <b>179</b>    | 46        | 118    | 36     | 51     | <b>251</b>    |
| - CF for investm.  | €m | 126       | 153    | 138    | 164    | <b>581</b>    | 160       | 171    | 153    | 278    | <b>762</b>    |
| FCF                | €m | (108)     | 216    | 13     | 104    | <b>225</b>    | (91)      | 272    | 0      | (26)   | <b>155</b>    |
| Employees          |    | 52,954    | 53,274 | 54,128 | 54,762 | <b>54,762</b> | 55,567    | 53,637 | 54,334 | 54,043 | <b>54,043</b> |

ROCE: based on 3, 6, 9 and 12 months respectively



# Elevator: Segment Overview

| Elevator           |    |           |         |        |        |               |           |        |        |        |               |
|--------------------|----|-----------|---------|--------|--------|---------------|-----------|--------|--------|--------|---------------|
|                    |    | 2006/2007 |         |        |        | FY            | 2007/2008 |        |        |        | FY            |
|                    |    | Q1        | Q2      | Q3     | Q4     |               | Q1        | Q2     | Q3     | Q4     |               |
| Order intake       | €m | 1,299     | 1,311   | 1,309  | 1,362  | <b>5,281</b>  | 1,466     | 1,464  | 1,324  | 1,281  | <b>5,535</b>  |
| Sales              | €m | 1,083     | 1,088   | 1,179  | 1,362  | <b>4,712</b>  | 1,184     | 1,164  | 1,211  | 1,371  | <b>4,930</b>  |
| EBITDA             | €m | 118       | (367)*  | 131    | 130    | <b>12</b>     | 134       | 112    | 113    | 150    | <b>509</b>    |
| EBIT               | €m | 104       | (382)*  | 114    | 89     | <b>(75)</b>   | 126       | 94     | 98     | 132    | <b>450</b>    |
| EBT                | €m | 97        | (390)*  | 106    | 74     | <b>(113)</b>  | 119       | 90     | 92     | 133    | <b>434</b>    |
| TK Value Added     | €m | 64        | (419)*  | 81     | 48     | <b>(226)</b>  | 89        | 60     | 66     | 99     | <b>314</b>    |
| ROCE               | %  | 21.7      | (31.1)* | (12.6) | (4.2)  | <b>(4.2)</b>  | 27.6      | 24.7   | 24.7   | 26.5   | <b>26.5</b>   |
| OCF                | €m | (27)      | 172     | (448)* | 70     | <b>(233)</b>  | 49        | 196    | 131    | 149    | <b>525</b>    |
| + CF from divestm. | €m | 17        | 14      | 7      | 63     | <b>101</b>    | 2         | (1)    | 1      | 6      | <b>8</b>      |
| - CF for investm.  | €m | 27        | 18      | 34     | 43     | <b>122</b>    | 17        | 35     | 49     | 31     | <b>132</b>    |
| FCF                | €m | (37)      | 168     | (475)  | 90     | <b>(254)</b>  | 34        | 160    | 83     | 125    | <b>402</b>    |
| Employees          |    | 37,279    | 37,758  | 38,556 | 39,501 | <b>39,501</b> | 40,191    | 40,873 | 42,108 | 42,992 | <b>42,992</b> |

\* incl. EU fine €480 m

ROCE: based on 3, 6, 9 and 12 months respectively



## Services: Segment Overview

### Services

|                    |    | 2006/2007 |        |        |        | FY            | 2007/2008 |        |        |        | FY            |
|--------------------|----|-----------|--------|--------|--------|---------------|-----------|--------|--------|--------|---------------|
|                    |    | Q1        | Q2     | Q3     | Q4     |               | Q1        | Q2     | Q3     | Q4     |               |
| Order intake       | €m | 4,207     | 4,592  | 4,122  | 3,902  | <b>16,823</b> | 3,951     | 4,322  | 4,677  | 4,503  | <b>17,453</b> |
| Sales              | €m | 3,972     | 4,334  | 4,308  | 4,097  | <b>16,711</b> | 3,867     | 4,232  | 4,603  | 4,634  | <b>17,336</b> |
| EBITDA             | €m | 245       | 197    | 271    | 234    | <b>947</b>    | 190       | 195    | 306    | 297    | <b>988</b>    |
| EBIT               | €m | 212       | 160    | 237    | 178    | <b>787</b>    | 153       | 156    | 268    | 257    | <b>834</b>    |
| EBT                | €m | 192       | 140    | 218    | 154    | <b>704</b>    | 132       | 135    | 248    | 235    | <b>750</b>    |
| TK Value Added     | €m | 142       | 84     | 159    | 102    | <b>487</b>    | 79        | 75     | 183    | 171    | <b>508</b>    |
| ROCE               | %  | 27.2      | 23.0   | 24.5   | 23.6   | <b>23.6</b>   | 17.5      | 16.9   | 20.4   | 21.7   | <b>21.7</b>   |
| OCF                | €m | (327)     | 77     | 83     | 498    | <b>331</b>    | (421)     | 115    | (80)   | 579    | <b>193</b>    |
| + CF from divestm. | €m | 21        | 18     | 9      | 40     | <b>88</b>     | 12        | 10     | 29     | 20     | <b>71</b>     |
| - CF for investm.  | €m | 80        | 65     | 61     | 73     | <b>279</b>    | 70        | 169    | 55     | 75     | <b>369</b>    |
| FCF                | €m | (386)     | 30     | 31     | 465    | <b>140</b>    | (479)     | (44)   | (106)  | 524    | <b>(105)</b>  |
| Employees          |    | 40,690    | 43,411 | 43,098 | 43,012 | <b>43,012</b> | 43,054    | 46,318 | 46,506 | 46,486 | <b>46,486</b> |

ROCE: based on 3, 6, 9 and 12 months respectively



## Top Management Compensation

Strongly Linked to Value Creation and Stock Price Performance\*

Mid Term Incentive Plan (MTI)  
payments\*\*

33%

dependent upon

- TKVA
- stock price

Bonus

49%

dependent upon\*\*\*

- EBT
- ROCE

Base

18%

adjusted every  
third year

Fringe benefits: company pension, company car plus driver, insurances

\* average of payments in fiscal years 2004/05, 2005/06, 2006/07, 2007/08

\*\* payments in 2004/05, 2005/06, 2006/07, 2007/08 (MTI 1st, 2nd and 3rd installment, LTMI 4th and 5th installment)

\*\*\* since fiscal year 06/07: part of the bonus paid to the chairmen of the segment holding company executive boards depends on their segment's key indicators (EBT, ROCE)

