



Analysts' and Investors' Briefing

September 4, 2009

2009

ThyssenKrupp

Summary

Update on today's Supervisory Board Meeting on:

- New Organization
- Restructuring Concept
- Capex Plans FY 2008/09 and FY 2009/10
- Steel and Stainless Americas Projects
- CSA / Vale – Transaction

Agenda

- Update on "Efficiency – Projects – Portfolio" Initiatives
- Update on Americas Projects

Focus on Accelerated Realization of Liquidity and Value Potentials

Efficiency ☑

- TK PLuS targets:
  - Short-term cost savings > €1 bn
  - NWC release ~ €2.5 bn
  - Capex < €4.5 bn
- Reorganization
- Restructuring / Impairments

Projects ☑

- Cash and market-oriented optimization
  - CSA
  - Steel USA
  - Stainless USA

Portfolio

- CSA / Vale ☑
- Industrial Services
  - TKIN
  - Safway
  - XERVON

  Final negotiations
- Further disposals as M&A market recovers

Debt Financing ☑

- €3.7 bn in FY 2008/09
- €1.85 bn since April

Liquidity improvement and strengthening of balance sheet

Regeneration of basis for future value enhancement

Reduction of complexity and risk

Equity Financing ☑

- CSA / Vale
  - Increase of total equity

Investment Planning ☑

- Capex FY 2008/09 < €4.5 bn
- Reduction of capex FY 2009/10 to minimum level
  - Maintenance capex
  - Major investment projects

Using the Crisis as an Opportunity

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- Steel
- Stainless
- Technologies
- Elevator
- Services

Reorganization

- Strategically centralized and operationally decentralized
- Sustainable cost savings of ~ €0.5 billion per year
- Greater internal and external transparency

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(effective as of October 1st, 2009)

Materials
- Steel Europe
- Steel Americas
- Stainless Global
- Materials Services

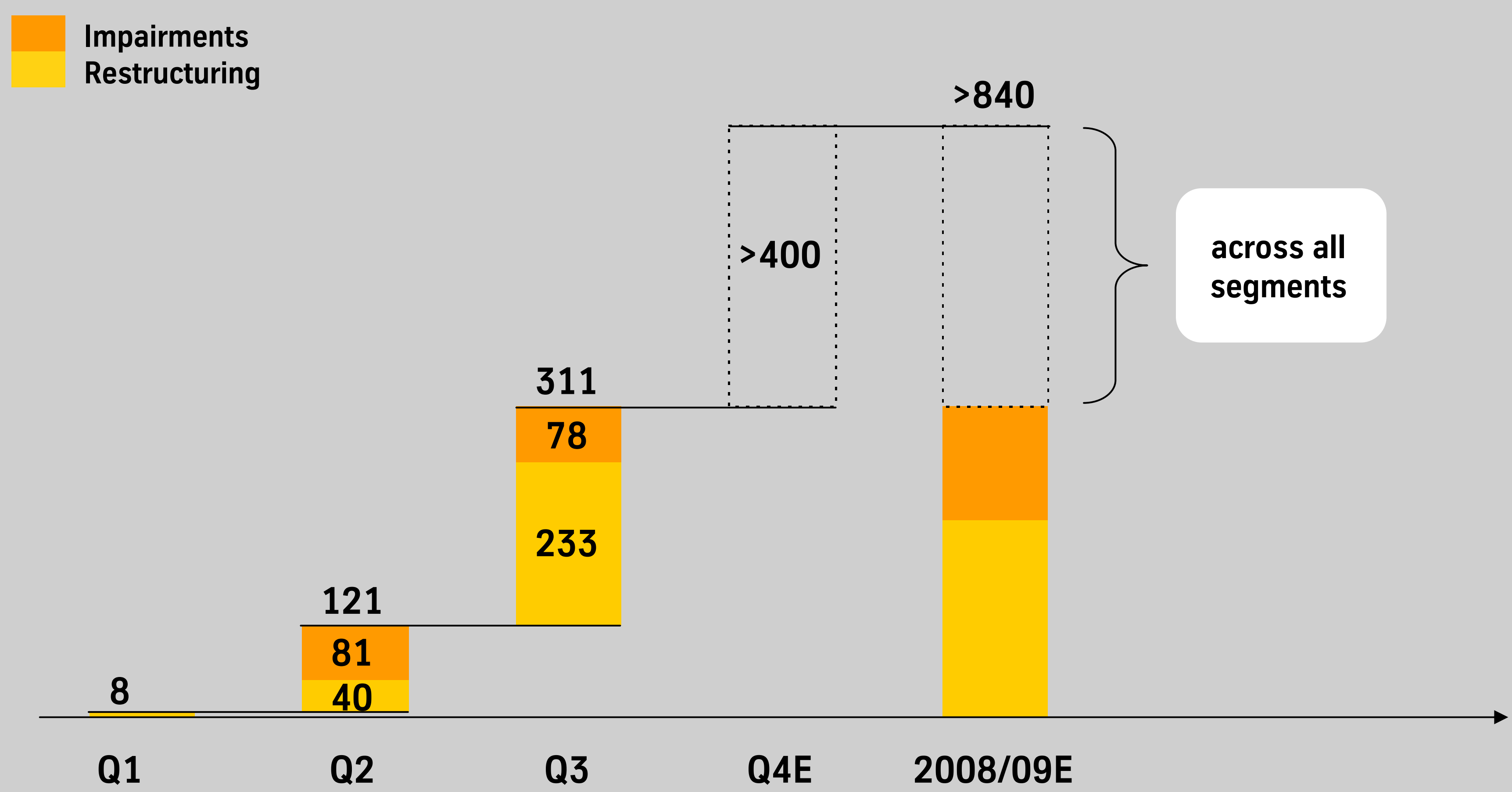
Technologies
- Elevator Technology
- Plant Technology
- Components Technology
- Marine Systems

ThyssenKrupp Business Services

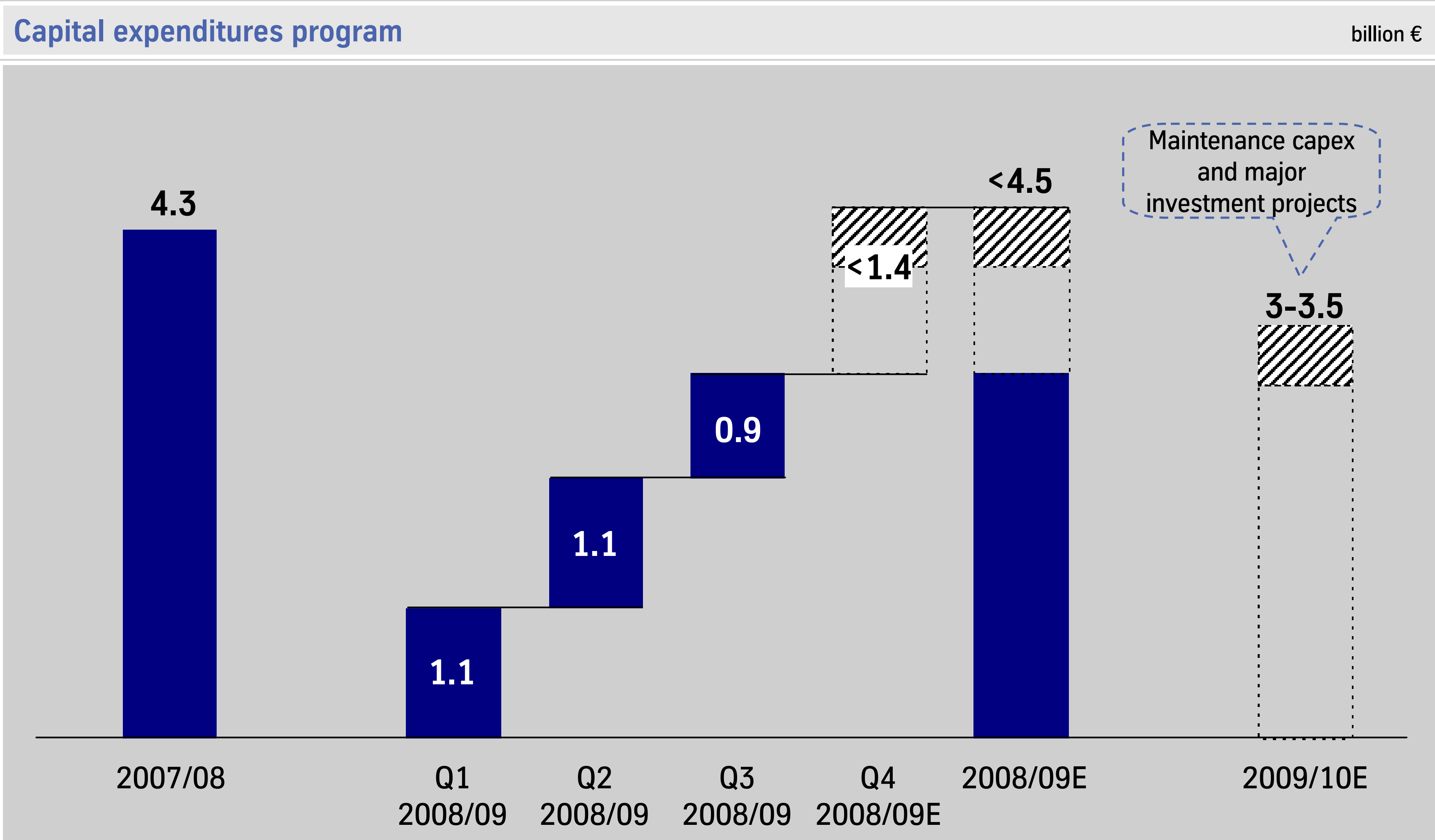
Efficiency Improvement – Restructuring and Impairments

Efforts for future cost savings gaining momentum – restructuring payback period 12 to 24 months

million €



Effective Measures to Reduce Capex Implemented



Group Outlook 2008/09

EBT before major nonrecurring items	High three-digit million € negative including: substantial inventory writedowns and windfall losses
EBT as reported	Impacted by: • Significant restructuring and impairment charges to achieve major cost savings in the future • Project costs for the new steel plants
Restructuring and impairments	> €840 m (> €400 m expected in Q4)
Capex	< €4.5 bn
NWC release	~ €2.5 bn
Net debt	< €3.5 bn

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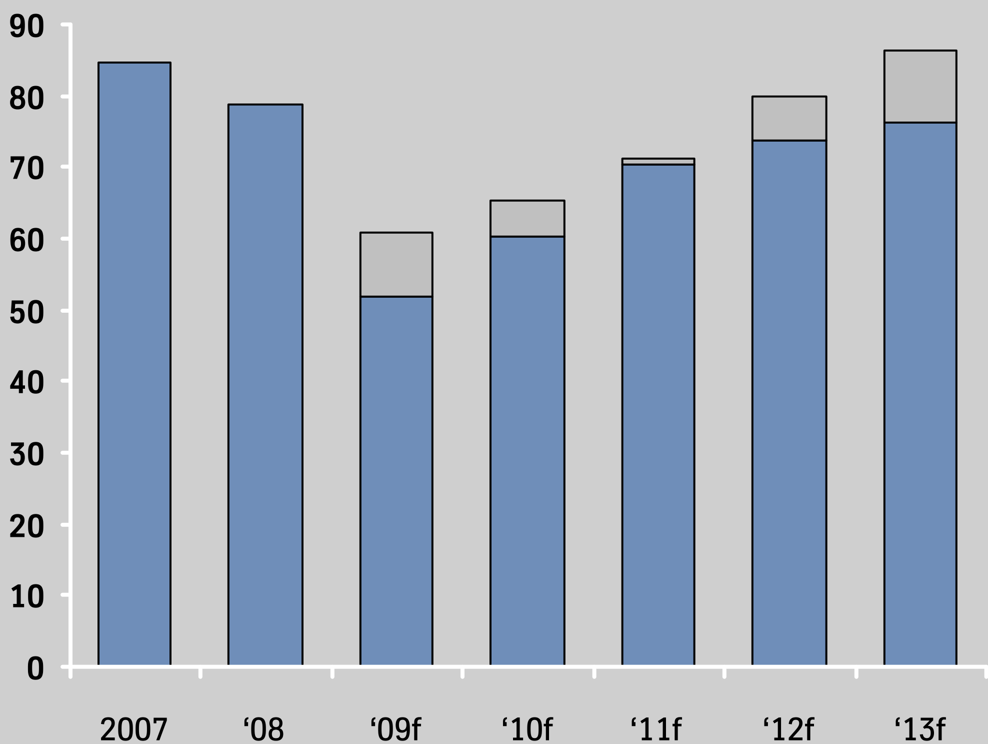
- Update on "Efficiency – Projects – Portfolio" Initiatives
- Update on Americas Projects
  - ThyssenKrupp CSA
  - ThyssenKrupp Steel USA
  - ThyssenKrupp Stainless USA

Steel Consumption NAFTA: Visibility on Demand Remains Limited

Apparent Consumption NAFTA Flat Carbon Steel*

m t/yr

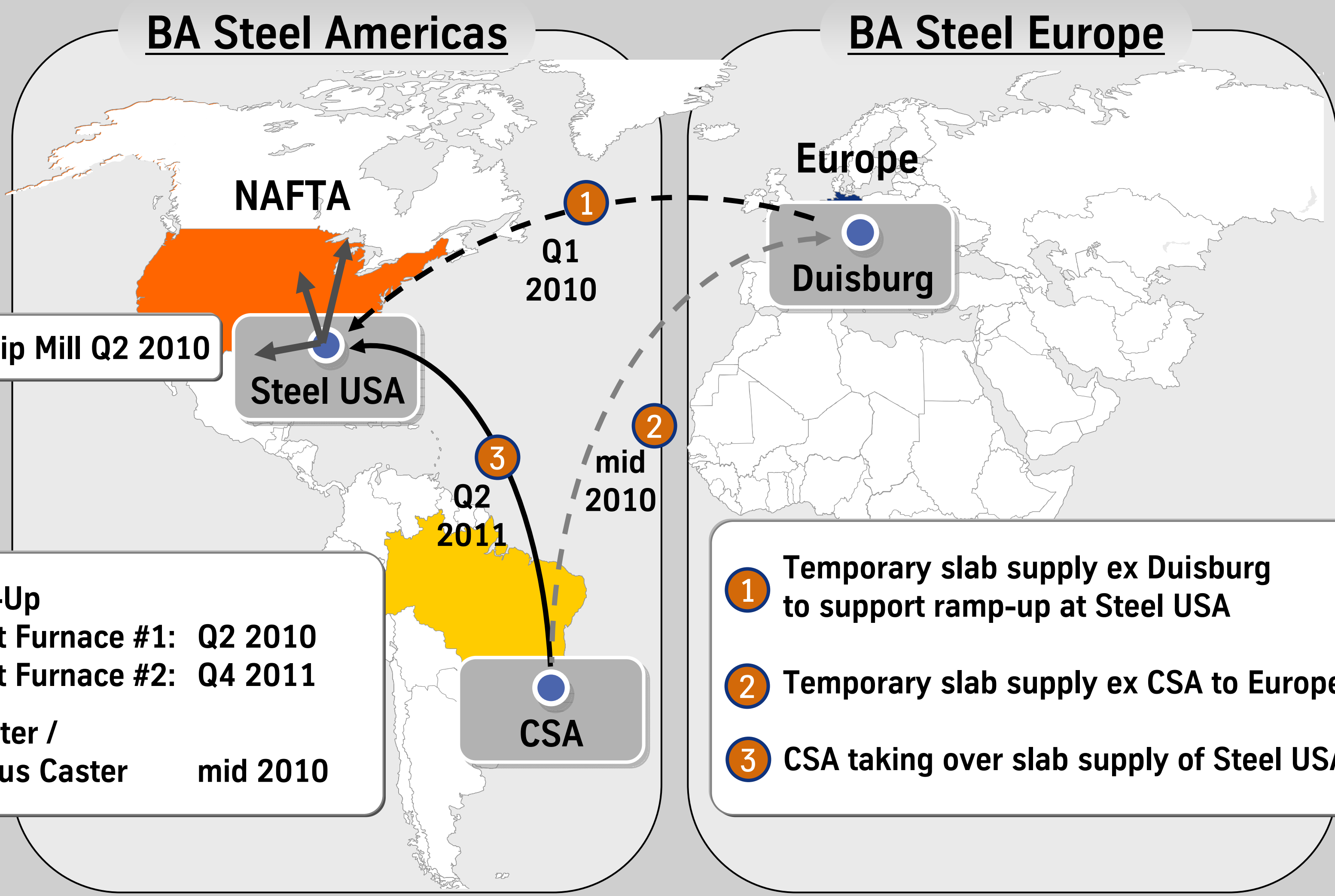


* Flat Products (HRC, PLT, CRC, CTD; excl. TMP)
Sources: CRU Steel Sheet Quarterly (June/July 2009); WSD Global Steel Mill Product Matrix (March 2009); own analysis

- Current downturn in NAFTA exaggerated by extreme de-stocking
- Visibility on speed of real demand recovery remains limited

- Optimization of industrial concept
  - cash-driven
  - market-oriented
  - maximum flexibility
- Adjusted ramp-up of CSA implies Capex of €4.7 bn

Temporary De-Coupling of Ramp-Up of CSA and Steel USA



SoP Hot Strip Mill Q2 2010

Split Ramp-Up
SoP Blast Furnace #1: Q2 2010
SoP Blast Furnace #2: Q4 2011

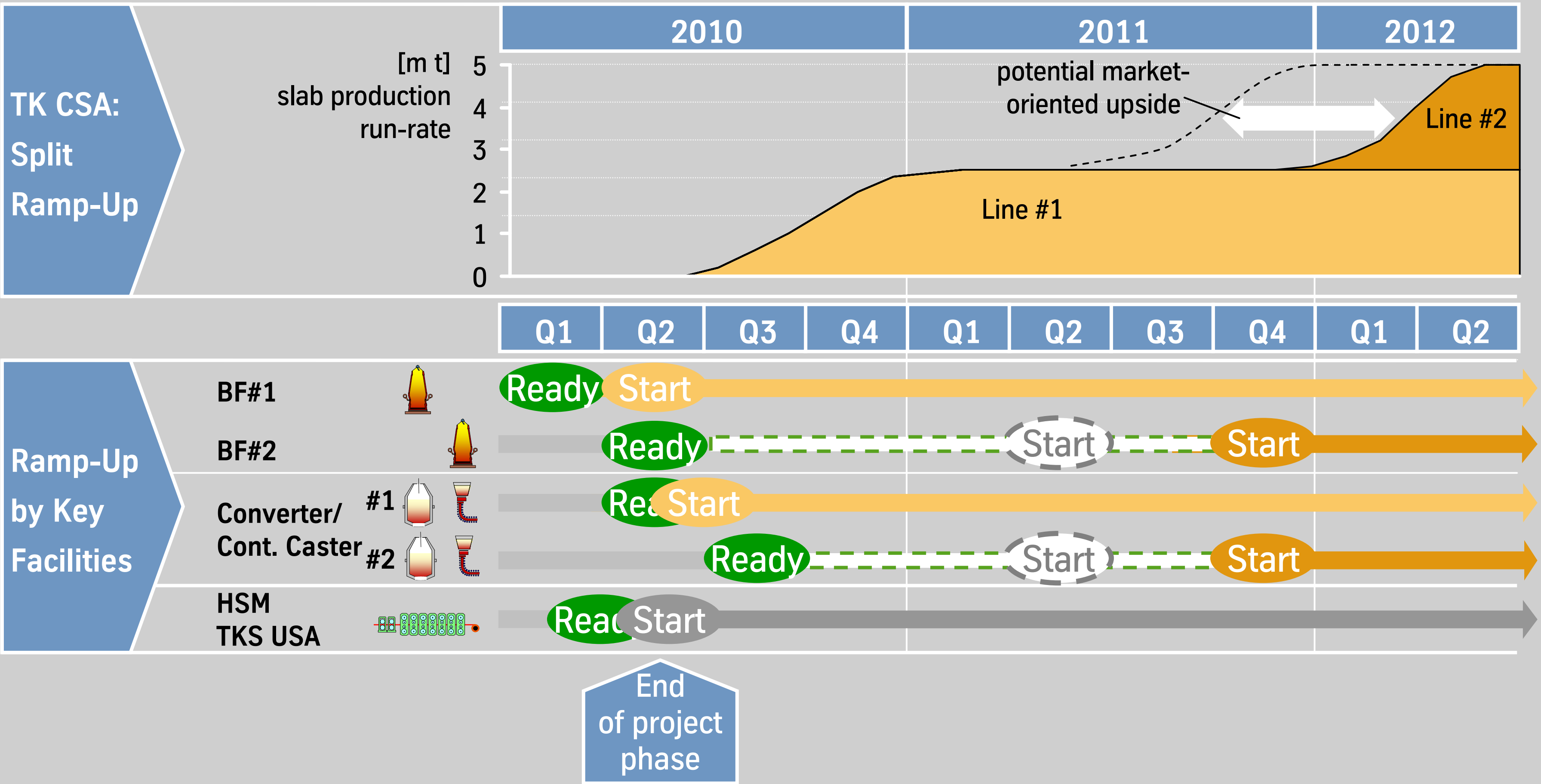
SoP Converter /
Continuous Caster mid 2010

1 Temporary slab supply ex Duisburg to support ramp-up at Steel USA

2 Temporary slab supply ex CSA to Europe

3 CSA taking over slab supply of Steel USA

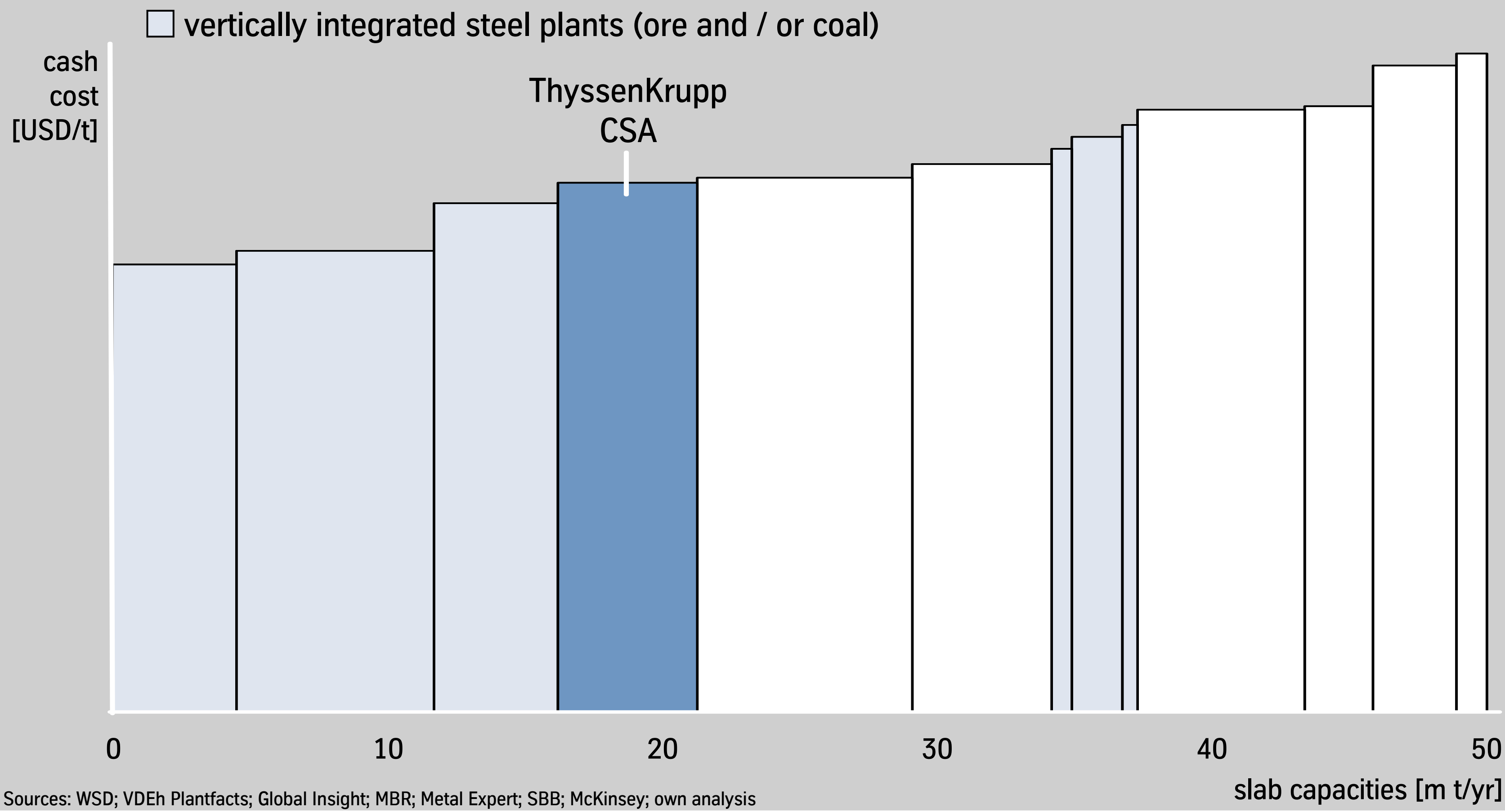
CSA: Split Ramp-Up Maximizes Flexible Response to Market Changes



TK CSA: Low-Cost & High-Quality Slabs as Basis for Further Processing

Industrial Cost Curve 2012
Slab Capacities, Brazil

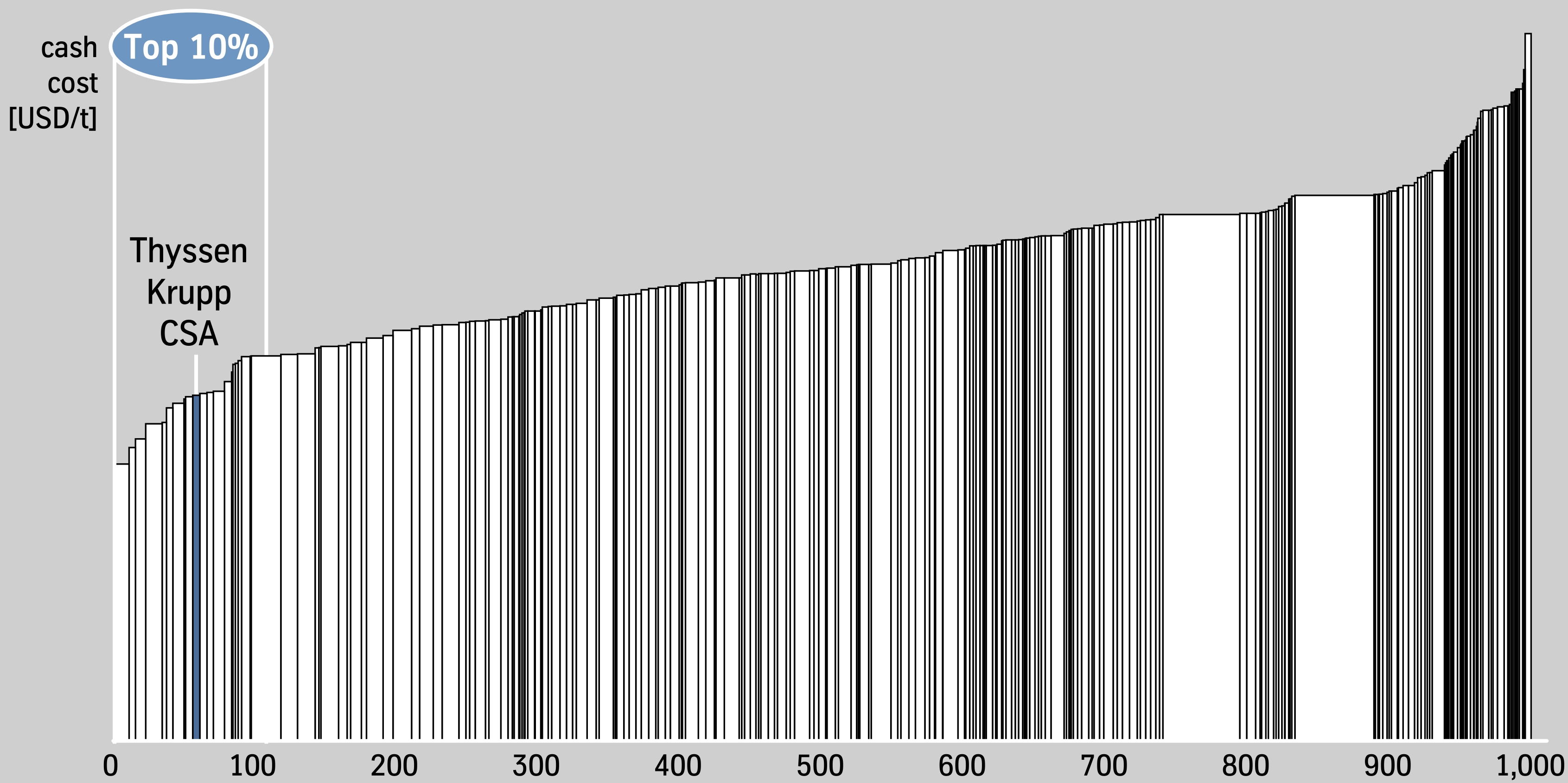
USD/t; m t/yr



Sources: WSD; VDEh Plantfacts; Global Insight; MBR; Metal Expert; SBB; McKinsey; own analysis

TK CSA: One of the Most Cost-Efficient Slab Plants in the World

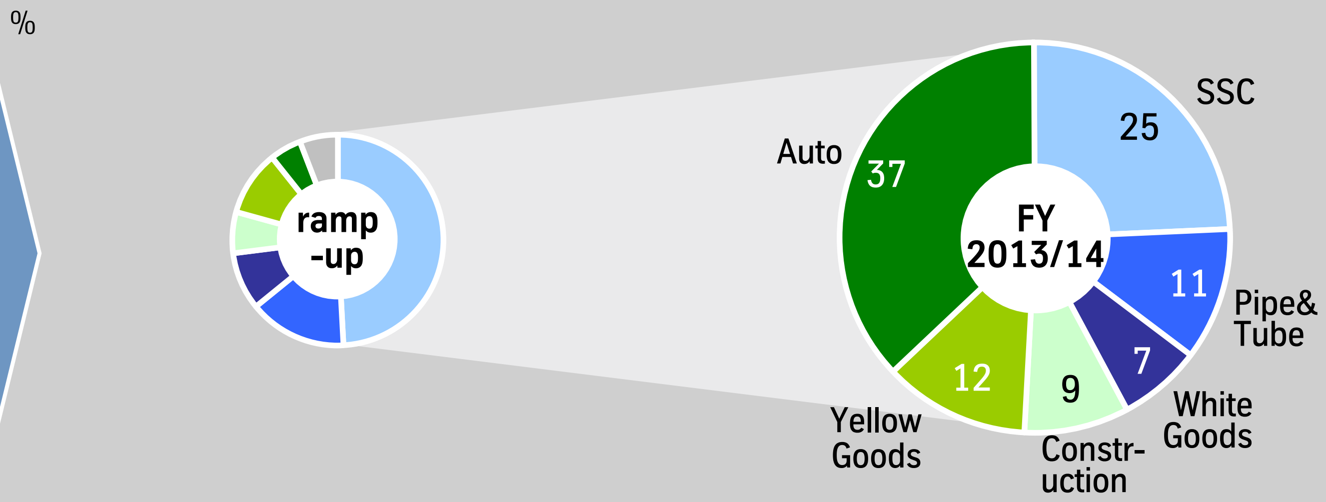
Industrial Cost Curve 2012
Global Slab Capacities
USD/t; m t/yr



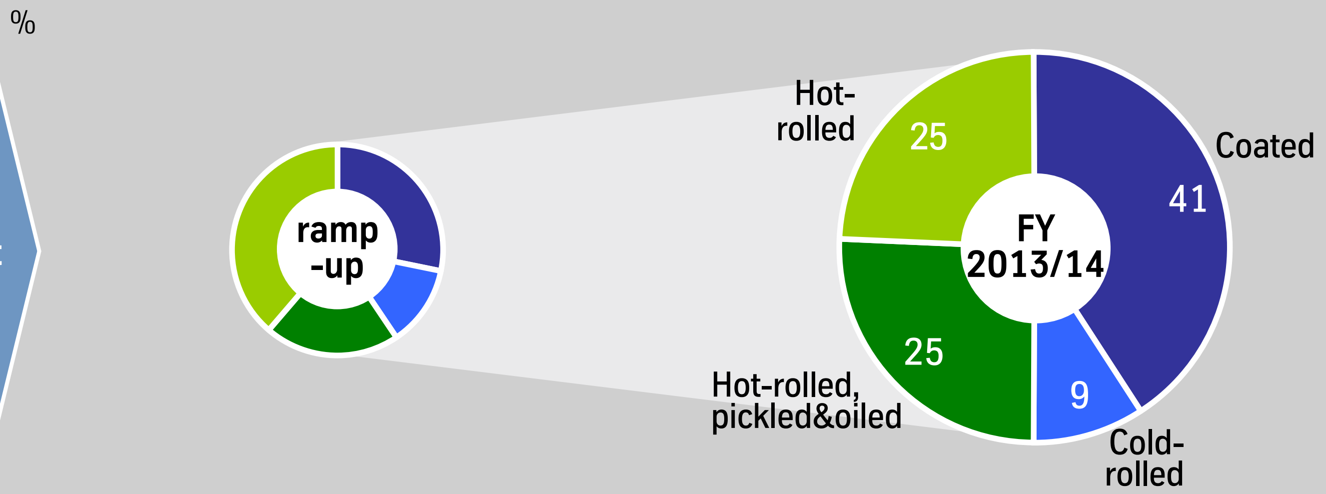
Sources: WSD; VDEh Plantfacts; Global Insight; MBR; Metal Expert; SBB; McKinsey; own analysis

Market- and Customer-Oriented Ramp-up at ThyssenKrupp Steel USA

Shipments by Customer Industries



Shipments by Product Mix



NAFTA Sales and Marketing Approach Well Advanced

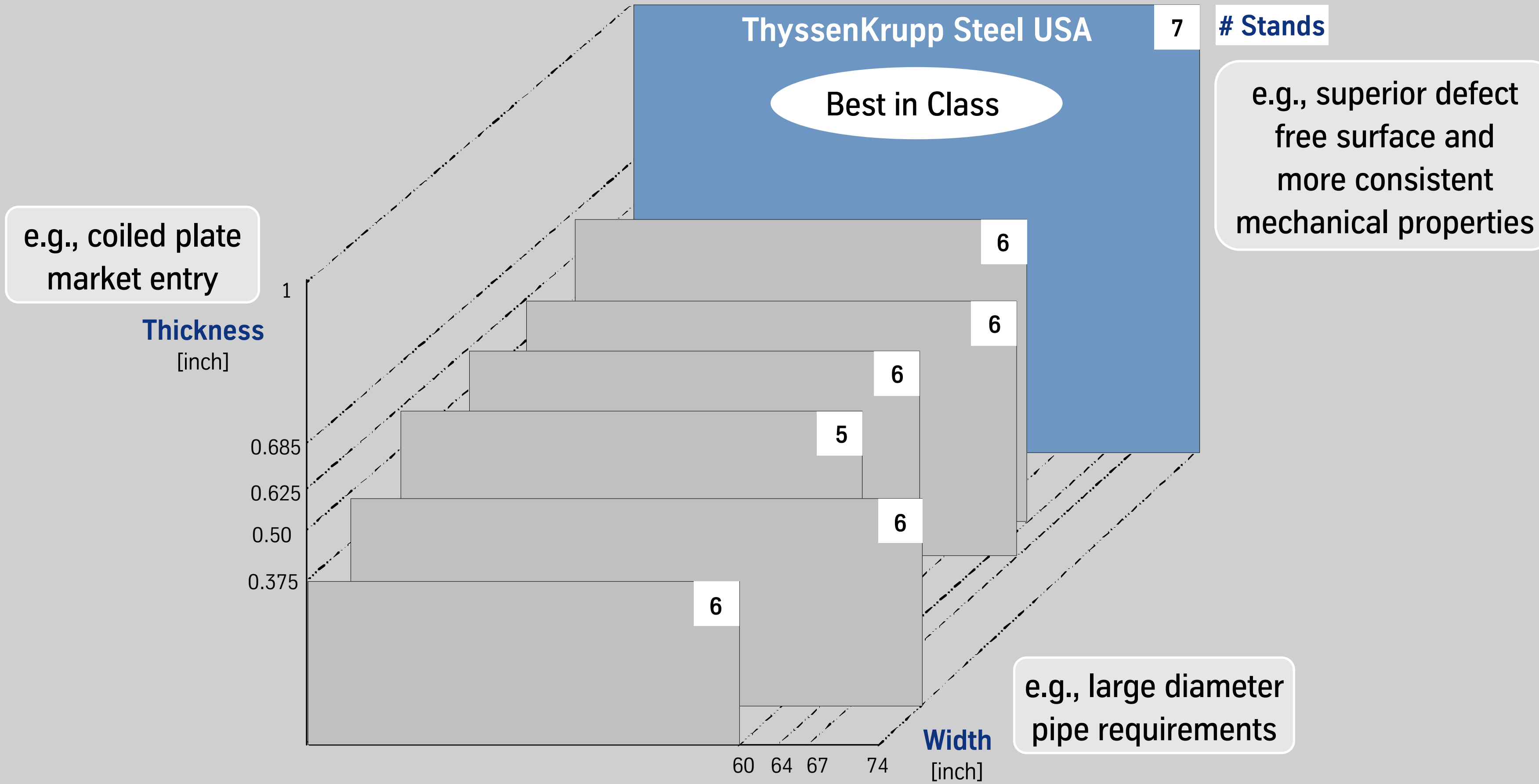
- Sales organization established
- Potential customers for ramp-up phase and steady state approached
  - Sales plan by customer, customer location, products and volumes developed
  - Continuous ramp-up and smooth market penetration expected
- High demand for ThyssenKrupp quality
  - Local Tech Center with US and German engineers established
  - Development of future material concepts for specific target customers started

Leveraging unique product mix and service portfolio:

- Product mix
  - dimensions (width / thickness)
  - tolerances and gauge control
  - surface quality
  - advanced steel grades
- Service portfolio:
  - innovative technical support from Customer Technical Service
  - logistic advantages and customer proximity

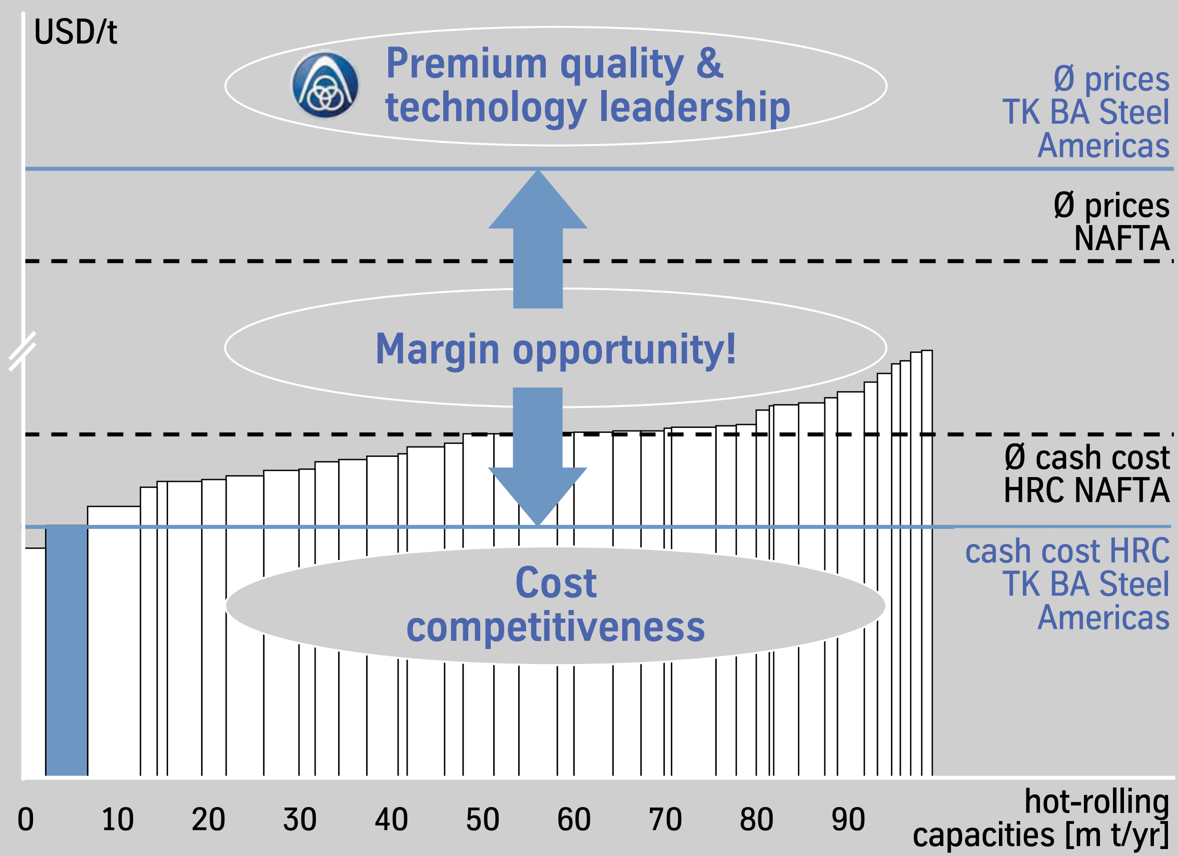
Competitive Advantage – Example: Technology of Hot Strip Mill

Head-to-Head Comparison of US Hot Strip Mills



Transatlantic Strategy Based on Optimum Cost-Quality Position

Industrial Cost Curve 2012
Hot-Rolling Capacities, NAFTA
USD/t; m t/yr



- ThyssenKrupp Business Area Steel Americas with
  - strong cost and
  - quality position
- Even based on conservative assumptions:
  - slow market recovery and ramp-up
  - current raw material and steel prices
- Significant margin and value opportunity for the Group

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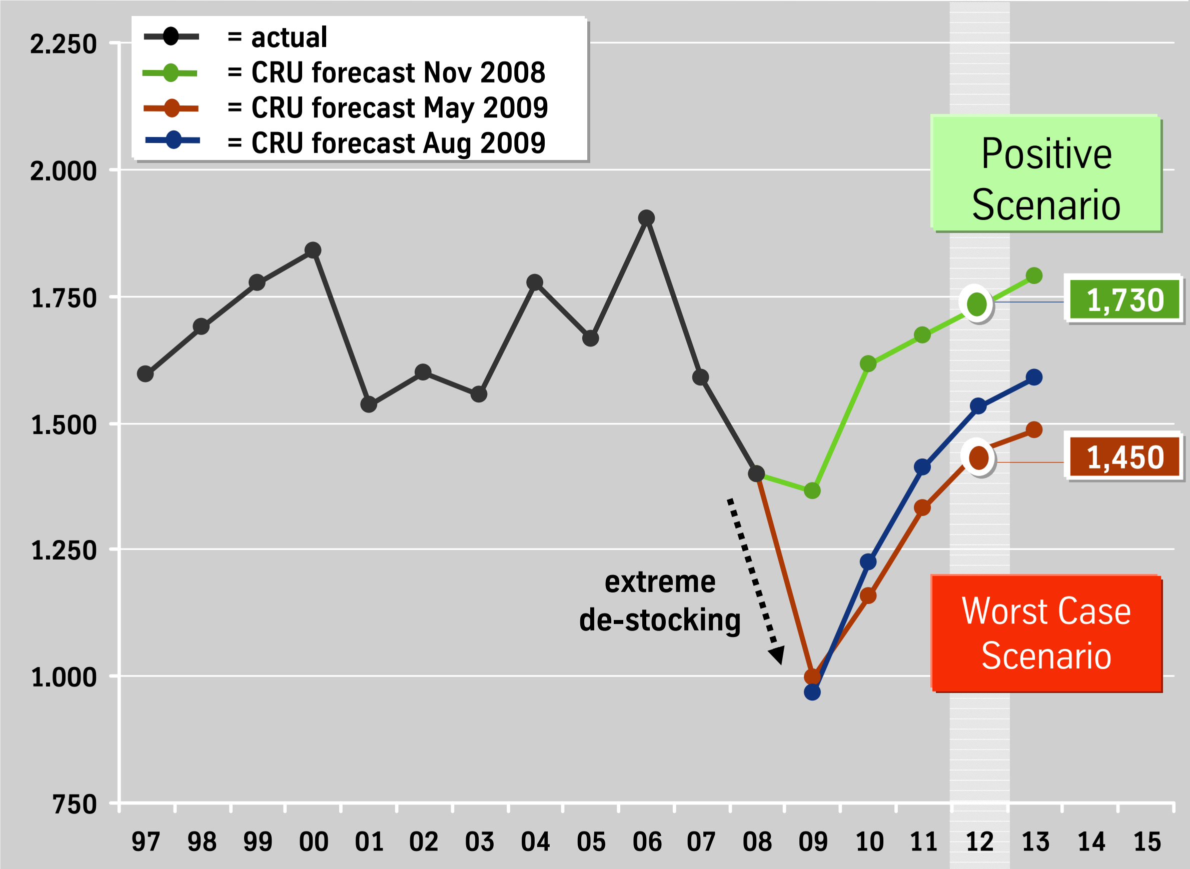
  - ThyssenKrupp Stainless USA

Stainless Consumption NAFTA: Visibility on Demand Remains Limited

Apparent Consumption NAFTA
Stainless Cold-Rolled Flat

1,000 t/yr



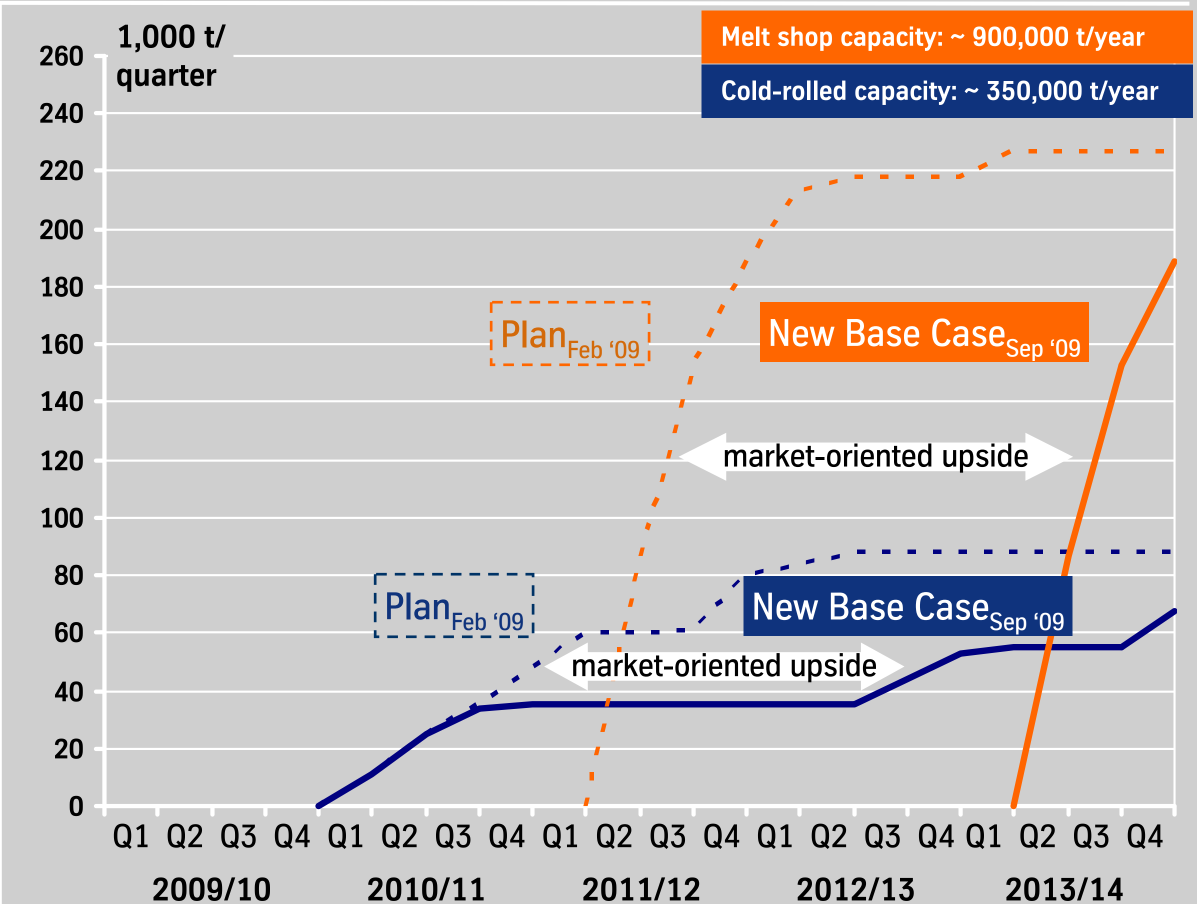
Source: CRU, TKL

- Current downturn in NAFTA exaggerated by extreme de-stocking
- Visibility on speed of real demand recovery remains limited
- Optimization of industrial concept
  - cash-driven
  - market-oriented
  - maximum flexibility

Cash- and Market-Oriented Adjustments with Maximum Flexibility!

Ramp-Up Curve of Cold-Rolled Shipments and Melt Shop

1,000 t/quarter



- Cash- and market-oriented Ramp-up of Stainless USA
- SoP 1st CRM in calendar Q4 2010
  - installation of equipment well advanced
  - >50% of shipments via TK internal SSC
  - tapping into the 60"+ segment
- SoP Meltshop calendar Q1 2014
  - further postponement by 2 yrs
- Maximum built-in flexibility
  - continuous monitoring of market recovery
  - flexible acceleration of ramp-up possible at any time

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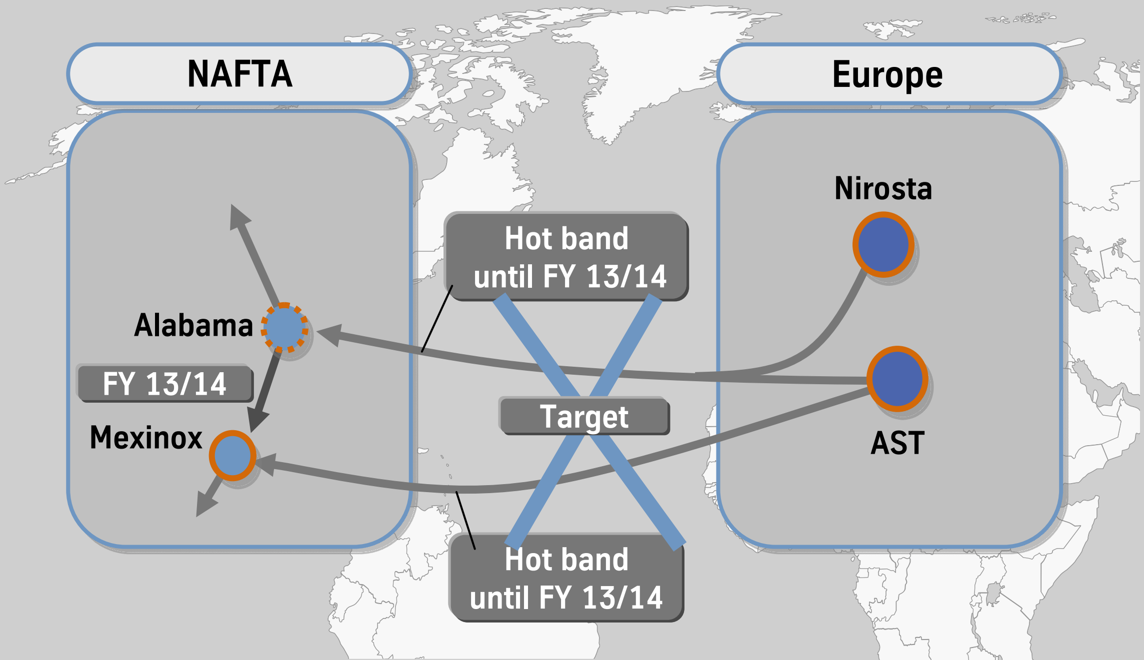
Leveraging Global Production Network During Cash- and Market-Adjusted Ramp-Up of ThyssenKrupp Stainless USA



ThyssenKrupp Stainless USA

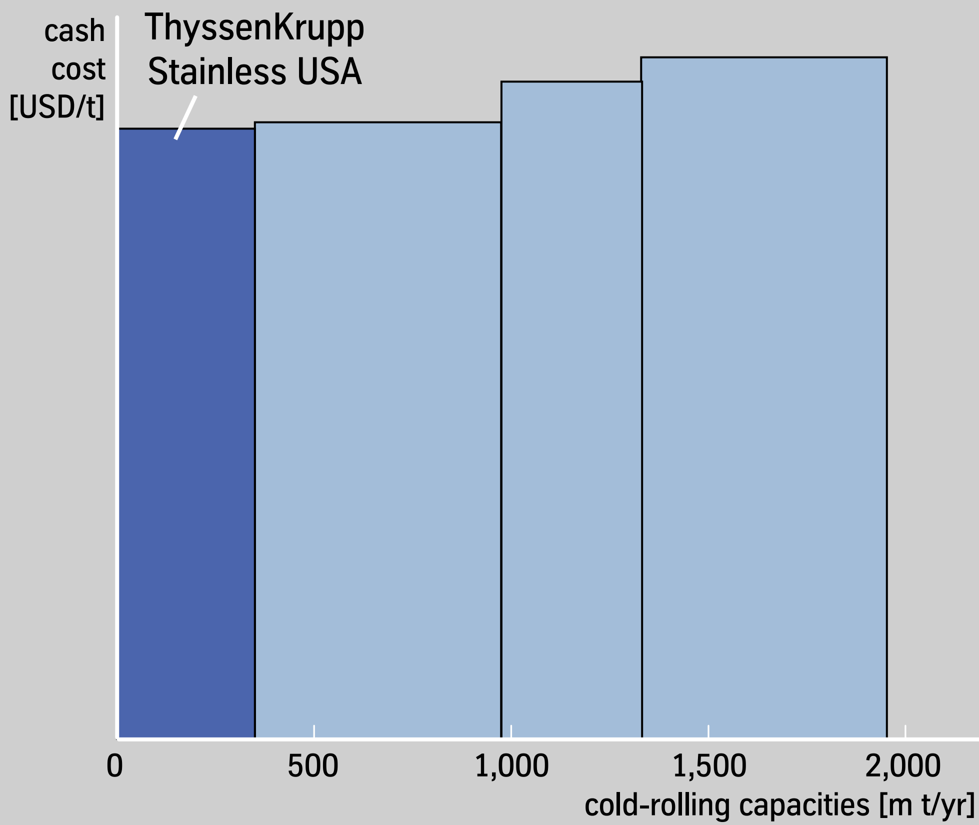
SoP 1st Cold-rolling mill: Q4 2010
SoP Meltshop: Q1 2014

- Temporary supply of hot band ex Europe to Stainless USA and Mexinox until ramp-up of new meltshop
- Long-term industrial rationale and target unchanged
- Expansion of existing strong NAFTA presence based on integrated, purely $-based production network

ThyssenKrupp Stainless USA Plant with Attractive Cost Position

Industrial Cost Curve USA Stainless Cold Rolled

USD/t; 1,000 t/yr



Source: McKinsey; JFK; Metal Bulletin

- Industrial rationale unchanged
  - ThyssenKrupp Stainless USA with strong cost and quality position
  - integrated, single-site and purely $-based production
  - synergies with ThyssenKrupp Steel USA and existing SSC network
  - progressive penetration of NAFTA market based on established strong market position
- Even based on conservative assumptions and cautious ramp-up
- Significant margin and value opportunity for the Group

Summary: Major Transformation Based on Cost Optimization and Growth

Efficiency | **Projects** | **Portfolio**

- Progress reflected in specified guidance for:
  - net debt: < €3.5 bn at end of FY 2008/09
  - restructuring and impairments: > €840 m in FY 2008/09
  - net working capital release: ~ €2.5 bn
- New reporting structure will provide greater external transparency as of Nov. 27, 2009
- Group fixed cost base will be reduced by > €1 bn sustainable savings within next 15 months
- Americas projects provide:
  - additional improvement of cost position
  - additional flexible leverage to market developments
- Further progress in portfolio optimization upcoming early next fiscal year

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(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,
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