

Investors' Information

May/June 2006

ThyssenKrupp



Q2 2005/2006 – Overview

Continued profitable growth

- **Order intake** increased to €12.8 billion, up 14% from a year earlier
- **Sales** rose by 11% to €11.8 billion
- **EBT** improved to €773 million from €448 million in the prior-year quarter
- **EPS** reached €0.84, compared with €0.50 in the 2nd quarter of the prior year
- **Net financial payables** at €191 million (Mar 31, 2006) were €1.78 billion less than at Mar 31, 2005 and €14 million higher than at Sep 30, 2005



Highlights

- Best quarter ever –
Q2 2005/2006 EBT €680 million excluding major nonrecurring items:
 - Break fee Dofasco (€+142 million)
 - Asset impairment Automotive, Kitchener plant (€-49 million)

- Steel as main earnings contributor (>50% of Group EBT); Technologies with major improvement in profits; Automotive hit by impairment charge

- Lifting outlook after two very good quarters and already exceeding newly announced mid-term EBT target of €2 billion in the current fiscal year

- Revised value indicator scheme with increased ROCE and TKVA targets for nearly all divisions, corresponding to medium-term EBT figure



21 Portfolio Optimizations in 2005/2006

Steel		Services	
Special Profile operations (DE)*	Disposal	Jupiter Stomana (BG)**	Acquisition
Automotive		Coferal (DE)	Acquisition
Stahl Company (US)	Disposal initiated	RIP (BR)****	Acquisition
Budd Plastics division (US, MX)	Disposal initiated	Krupp Druckereibetriebe (DE)	Disposal
Technologies		Standardkessel (DE)	Acquisition
Atlas Elektronik (DE)***	Acquisition ⁺	Hearn Group (CA)	Acquisition
Maerz Ofenbau (CH)	Acquisition	Metalfast (GB)	Acquisition
BVI Steam Turbine division (DE)	Disposal	VPK Metal (CA)	Acquisition
Elevator		Werkzeugmaschinen (DE)	Disposal ⁺
Sun Rhine Enterprises (TW)	Acquisition		
General Elevator Maintenance (CA)	Acquisition		
Atlantic Elevator (US)	Acquisition		
KR Liften (NL)	Acquisition		
SIAR (IT)	Acquisition		
TEAM (ES)	Acquisition ⁺		

* 75.1% / ** 80% / *** 60% / **** 51%

⁺ closing not yet completed



Outlook

- We expect the generally positive business performance to continue in the further course of the year. For fiscal year 2005/2006 we now plan sales of over €44 billion.
 - Based on the very good 1st-half performance, for the full year we are already aiming to exceed our new medium-term target for earnings before taxes – excluding major nonrecurring effects – of €2 billion.
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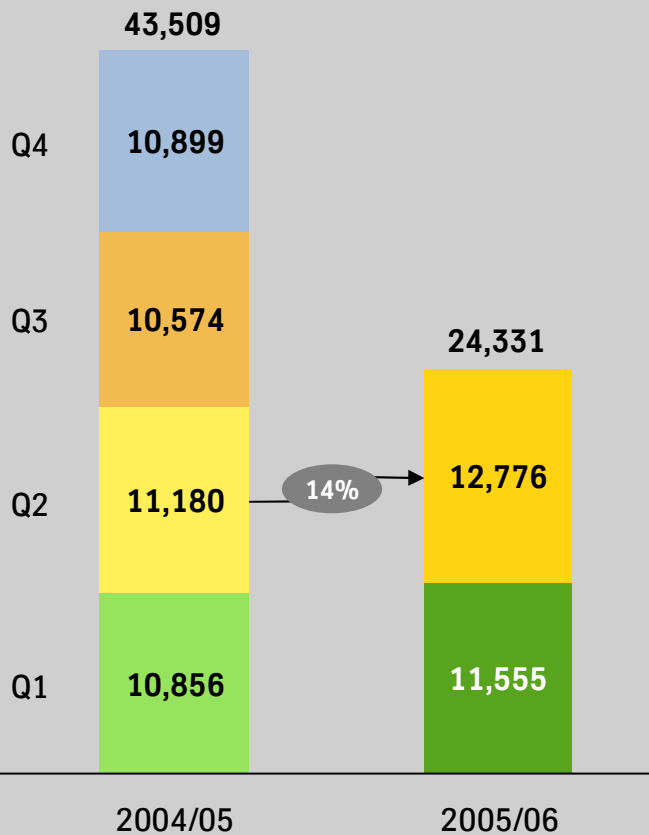
As published in the Interim Report on the 2nd Quarter 2005/2006, May 12, 2006



Group in Figures (I)

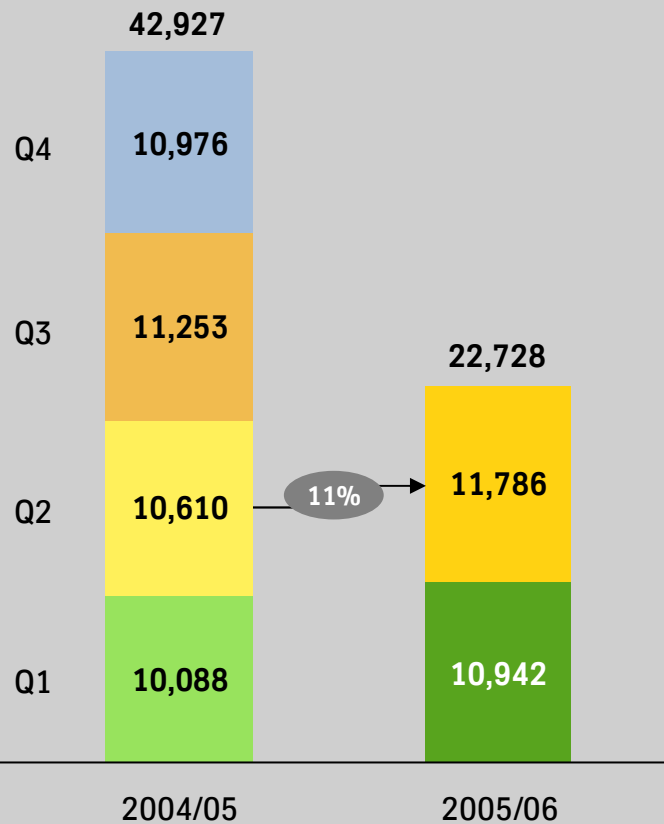
Order intake

million €



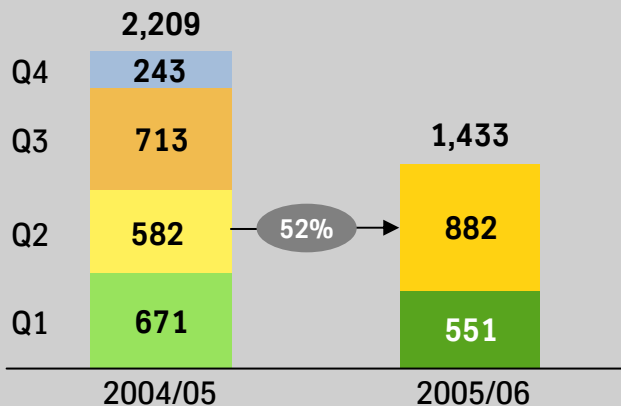
Sales

million €

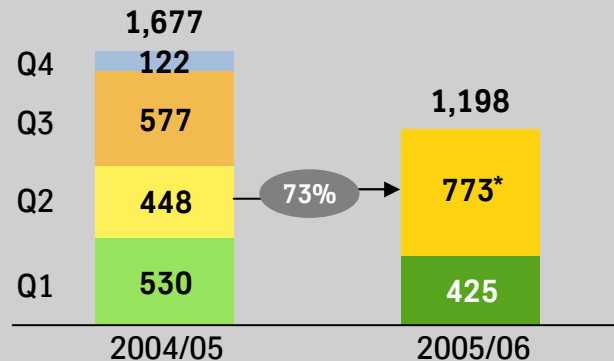


Group in Figures (II)

EBIT million €

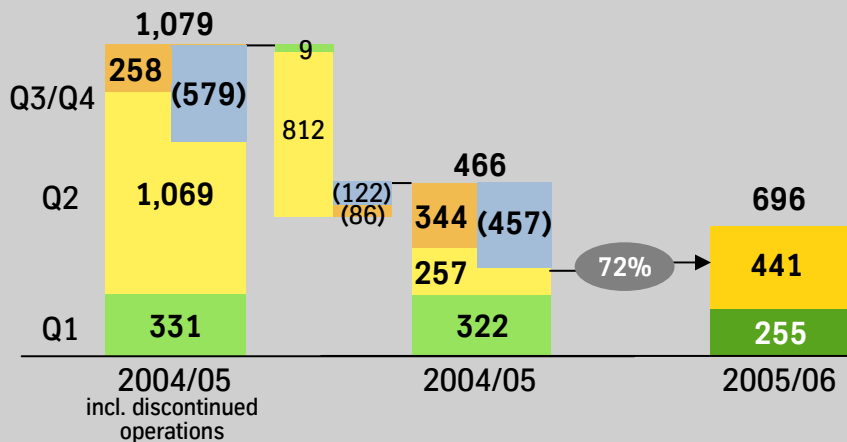


EBT million €

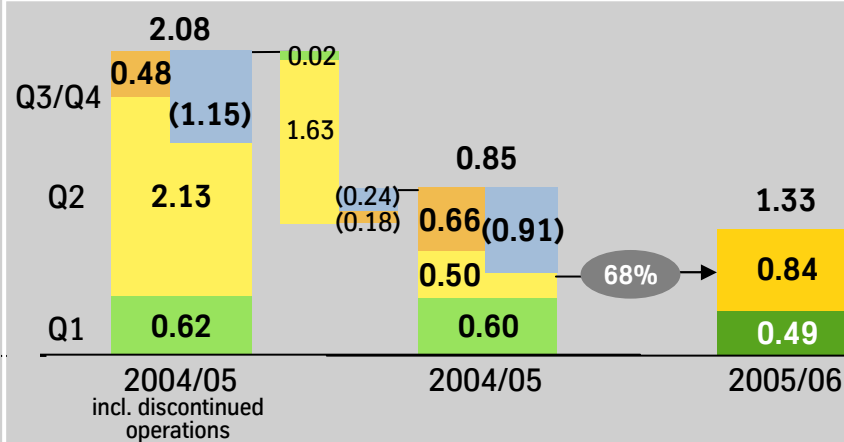


* incl. break fee Dofasco €+142m and asset impairment Kitchener €-49m

Net income million €



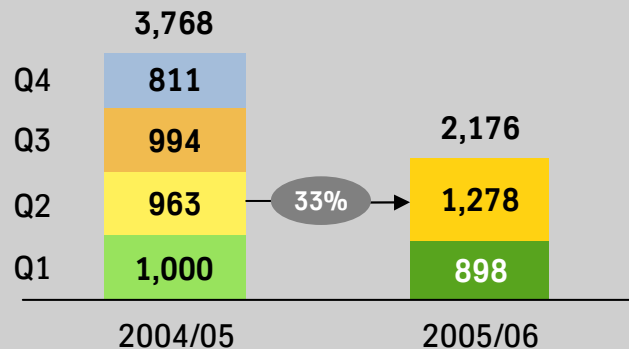
Earnings per share €



Group in Figures (III)

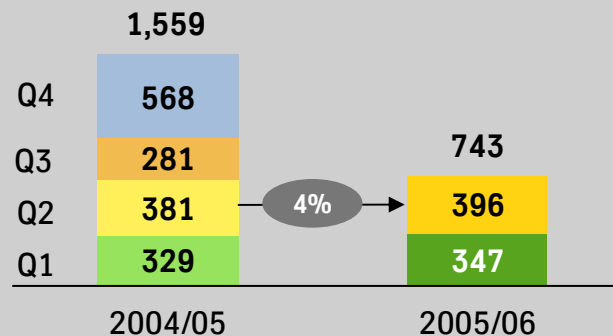
EBITDA

million €



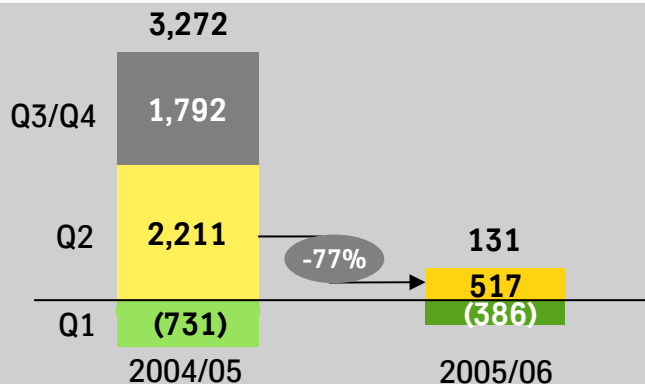
Depreciation and amortization

million €



Free cash flow*

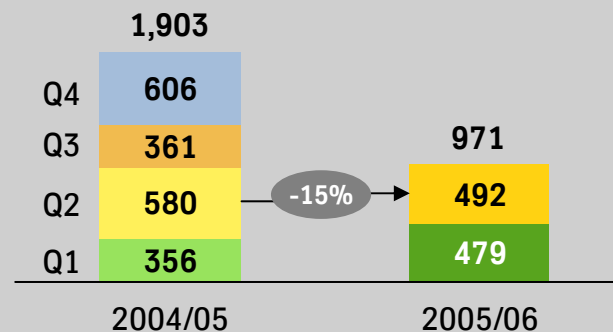
million €



* figures not adjusted for discontinued operations

Capital expenditures*

million €



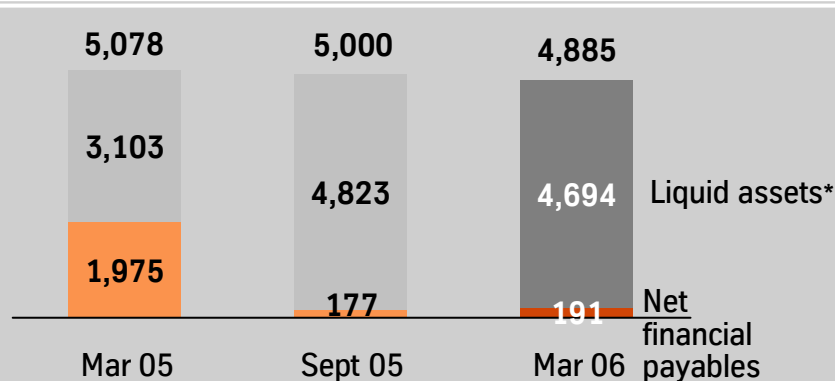
* incl. financial investments; figures not adjusted for discontinued operations



Group in Figures (IV)

Financial liabilities

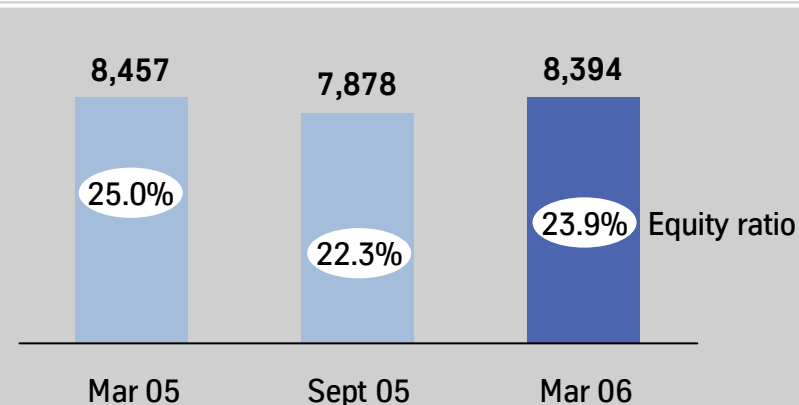
million €



* cash and cash equivalents, marketable securities

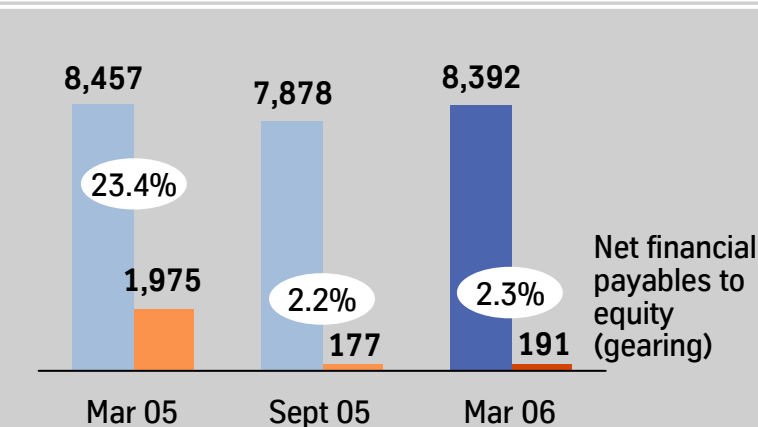
Stockholders' equity

million €



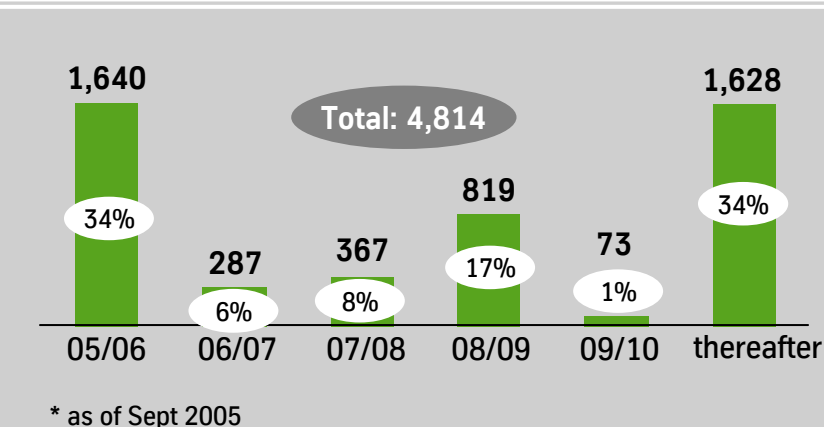
Gearing

million €



Maturity profile of gross financial payables*

million €



* as of Sept 2005



ThyssenKrupp Group 2004/2005

ThyssenKrupp AG

Group sales €42.9 billion • EBT €1,677 million • TKVA* €955 • Employees 185,932

Steel		Stainless		Automotive		Technologies		Elevator		Services	
Sales	€9.6 bn	Sales	€5.6 bn	Sales	€7.9 bn	Sales	€5.8 bn	Sales	€3.8 bn	Sales	€12.7 bn
EBT	€1,094 m	EBT	€286 m	EBT	€118 m	EBT	€40 m	EBT	€355 m	EBT	€261 m
TKVA	€593 m	TKVA	€68 m	TKVA	€-47 m	TKVA	€-204 m**	TKVA	€238 m	TKVA	€50 m
Empl.	31,634	Empl.	12,201	Empl.	43,537	Empl.	28,042	Empl.	34,151	Empl.	35,067
<ul style="list-style-type: none"> • Steelmaking • Industry • Auto • Processing 		<ul style="list-style-type: none"> • Nirosta • Acciai Speciali Terni • Mexinox • Shanghai Krupp Stainless • Stainless Int. • VDM 		<ul style="list-style-type: none"> • Chassis • Body • Powertrain 		<ul style="list-style-type: none"> • Plant Technology • Marine Systems • Mechanical Engineering • Transrapid 		<ul style="list-style-type: none"> • 4 regional business units • Accessibility • Escalators/ Passenger Boarding Bridges 		<ul style="list-style-type: none"> • Materials Services Europe • Materials Services North America • Industrial Services • Special Products 	
Steel				Capital Goods				Services			

Inter-segment sales unconsolidated; employees as at Sept 30, 2005 * ThyssenKrupp Value Added ** impacted by disposal loss of MetalCutting

ThyssenKrupp



Segment Overview – Steel (I)

		2nd quarter			
		2004/2005	2005/2006	Change	Change in %
Order intake	€m	2,372	2,945	573	24.2
Sales	€m	2,359	2,711	352	14.9
EBITDA	€m	416	575	159	38.2
EBIT	€m	275	433	158	57.5
EBT	€m	258	416	158	61.2
Free cash flow	€m	108	321	213	+
Employees	(Mar 31)	31,390	30,294	-1,096	-3.5

- **Orders** and **sales** up by volume and revenues on the back of strong underlying demand and accumulation of low inventory levels; volume of orders booked higher than production capacity
- Major **sales** growth at Auto business unit reflecting price rises of renegotiated long-term contracts; grain-oriented electrical steel business performing exceptionally well with significantly higher shipments and revenues
- Crude steel production down yoy due to fire at HKM in January, but with no negative effect on shipments
- Clear increase in **EBT** benefiting from long-term contract exposure; mainly at Auto and Processing business units (electrical steel with biggest contribution); Industry business unit impacted mainly by higher costs
- Further price increases announced for April (€20-40/t) and July (€30-50/t)



Segment Overview – Steel (II)

Stainless

		2nd quarter			
		2004/2005	2005/2006	Change	Change in %
Order intake	€m	1,388	2,096	708	51.0
Sales	€m	1,385	1,626	241	17.4
EBITDA	€m	149	105	-44	-29.5
EBIT	€m	114	69	-45	-39.5
EBT	€m	97	52	-45	-46.4
Free cash flow	€m	35	181	146	+
Employees	(Mar 31)	12,328	12,143	-185	-1.5

- Rise in **order intake** (volume-wise +62%) and shipments due to significant increase in demand and lively restocking; orders in hand cover four months at European plants
- Restrained **sales** growth mainly due to lower base prices yoy; VDM (nickel-base alloys) again with high growth rates on sustained demand
- Decrease in **EBT** reflecting lower average base prices yoy and higher costs for energy and transportation; VDM again as main earnings contributor
- Following an all-time low in the calendar 4th calendar quarter 2005, base price increases were implemented in the main markets



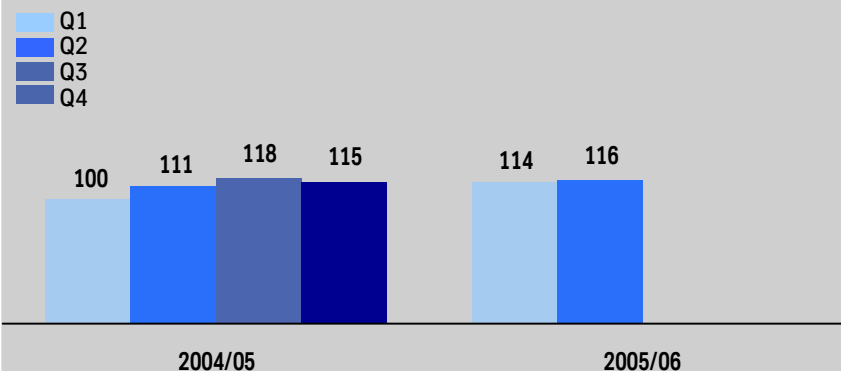
Segment Overview Steel: Output, Shipments and Revenues per Ton

Crude steel output and shipments

in 1,000 tons	2nd quarter		Change	Change in %
	2004/2005	2005/2006		
Crude steel output*	4,225	4,011	-214	-5.1
• Steel	3,551	3,338	-213	-6.0
• Stainless	674	673	-1	-0.1
Shipments				
• Steel total	3,136	3,633	497	15.8
• Steel CR	2,180	2,567	387	17.8
• Steel HR	956	1,066	110	11.5
• Stainless total	542	698	156	28.8
• Stainless CR	380	484	104	27.4
• Stainless HR	104	133	29	27.9

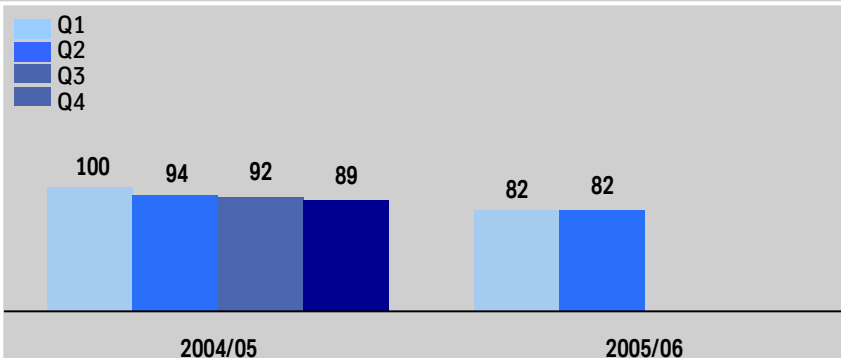
Steel: Average revenues per ton

Q1 2004/2005 = 100



Stainless: Average revenues per ton*

Q1 2004/2005 = 100



* CR 304, Germany, incl. alloy surcharge



Segment Overview – Capital Goods (I)

Automotive

		2nd quarter			
		2004/2005	2005/2006	Change	Change in %
Order intake	€m	1,927	2,064	137	7.1
Sales	€m	1,964	2,165	201	10.2
EBITDA	€m	168	153	-15	-8.9
EBIT	€m	94	20	-74	-78.7
EBT	€m	67	(10)	-77	--
Free cash flow	€m	(31)	(22)	9	--
Employees	(Mar 31)	44,221	42,610	-1,611	-3.6

- Higher **order intake** and **sales** despite continuing difficult market environment and disposals; increase in sales mainly at Chassis business unit (system business: ramp up of new plant in Leipzig; suspension unit: launch of new models in Europe and the US)
- **EBT** negatively impacted by impairment loss of €49 m for Kitchener plant; all business units with double-digit profit at operating level; prior-year figure includes profits and disposal gain of sold Alu Castings (€41 m)
- Restructuring of North American activities continued: asset impairment for Kitchener plant (BU Chassis), closure of Detroit plant (BU Body) before end of calendar year and shift of production to Shelbyville plant; sale of Stahl Company (aluminum castings) and Budd Plastics division initiated



Segment Overview – Capital Goods (II)

Technologies

		2nd quarter			
		2004/2005	2005/2006	Change	Change in %
Order intake	€m	1,732	1,503	-229	-13.2
Sales	€m	1,466	1,456	-10	-0.7
EBITDA	€m	52	106	54	+
EBIT	€m	11	71	60	+
EBT	€m	15	85	70	+
Free cash flow	€m	525	87	-438	-83.4
Employees	(Mar 31)	29,015	27,469	-1,546	-5.3

- **Order intake** impacted by slipping of major projects (Marine Systems) and disposals (Mechanical Engineering); higher orders at Plant Technology due to raw material exploration and processing projects (e.g. oil sands, coal gasification); order backlog again at €9 bn, covering more than one year's sales
- Significant improvement in **EBT** due to elimination of loss-making activities and strong business environment; all business units with double-digit profit; Mechanical Engineering again as main earnings contributor
- **Free cash flow** of prior-year quarter positively impacted by acquisition of HDW (net cash taken over)
- Further optimization of business portfolio by acquisition of Maerz Ofenbau (Plant Technology) and disposal of BVI Steam Turbine division (Mechanical Engineering)



Segment Overview – Capital Goods (III)

Elevator

		2nd quarter			
		2004/2005	2005/2006	Change	Change in %
Order intake	€m	1,071	1,203	132	12.3
Sales	€m	863	1,054	191	22.1
EBITDA	€m	89	114	25	28.1
EBIT	€m	76	101	25	32.9
EBT	€m	71	94	23	32.4
Free cash flow	€m	96	81	-15	-15.6
Employees	(Mar 31)	32,943	35,109	2,166	6.6

- **Order intake** and **sales** driven by increased demand for new installations (esp. in the Americas, China) and growth in service business (expansion of maintenance portfolio); Accessibility with major increase in orders and sales due to expansion of market presence; Escalators/Passenger Boarding Bridges gaining new mid-size airport and subway projects
- Rising price and cost pressure compensated by increased business volume and efficiency improvements, resulting in higher **EBT**; Americas business unit and Accessibility almost doubled profits
- With acquisition of KR Liften in the Netherlands (distribution and services), SIAR in Italy (services and modernization) and TEAM in Spain (passenger boarding bridges) continuation of “small step” growth approach



Segment Overview – Services

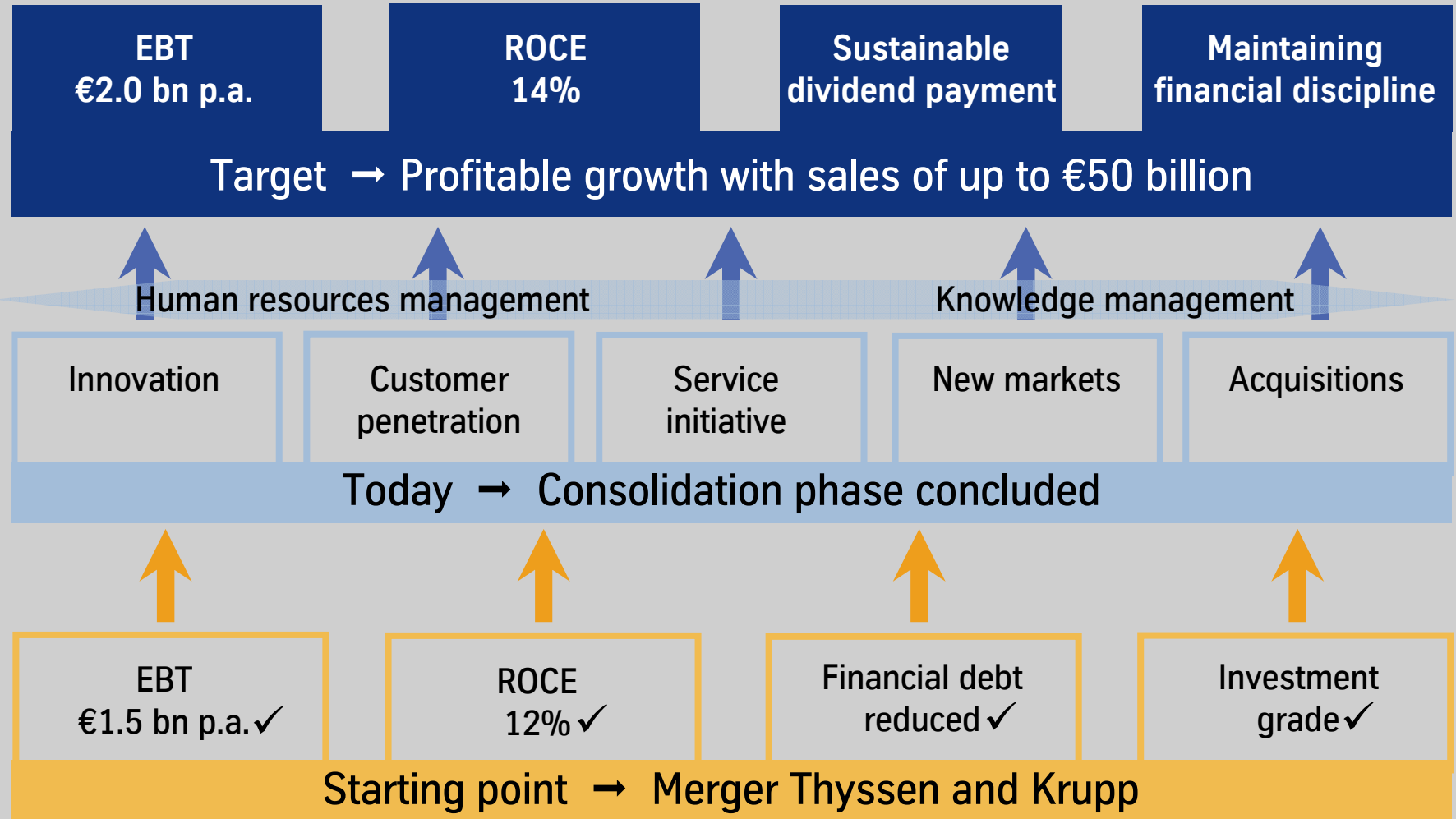
Services

		2nd quarter			
		2004/2005	2005/2006	Change	Change in %
Order intake	€m	3,136	3,752	616	19.6
Sales	€m	3,077	3,383	306	9.9
EBITDA	€m	123	138	15	12.2
EBIT	€m	95	108	13	13.7
EBT	€m	78	91	13	16.7
Free cash flow	€m	(153)	(31)	122	--
Employees	(Mar 31)	33,234	39,016	5,782	17.4

- Rise in **orders** and **sales** especially at Materials Services North America and Industrial Services due to strong market environment in the US - improving demand and rising prices especially for nonferrous metals (copper, titanium, aluminum) as well as expansion of services for various industries (e.g. energy, petrochemicals, construction)
- **EBT** increased on the back of demand and price recovery, moreover enforced by efficiency enhancement programs and sales initiatives; Industrial Services with doubled profit; Materials Services Europe as main earnings contributor
- Acquisition of complementary activities to strengthen materials and industrial services business especially in North and South America (Hearn Group, VPK Metals, RIP) as well as Asia (China, Thailand, South Korea)



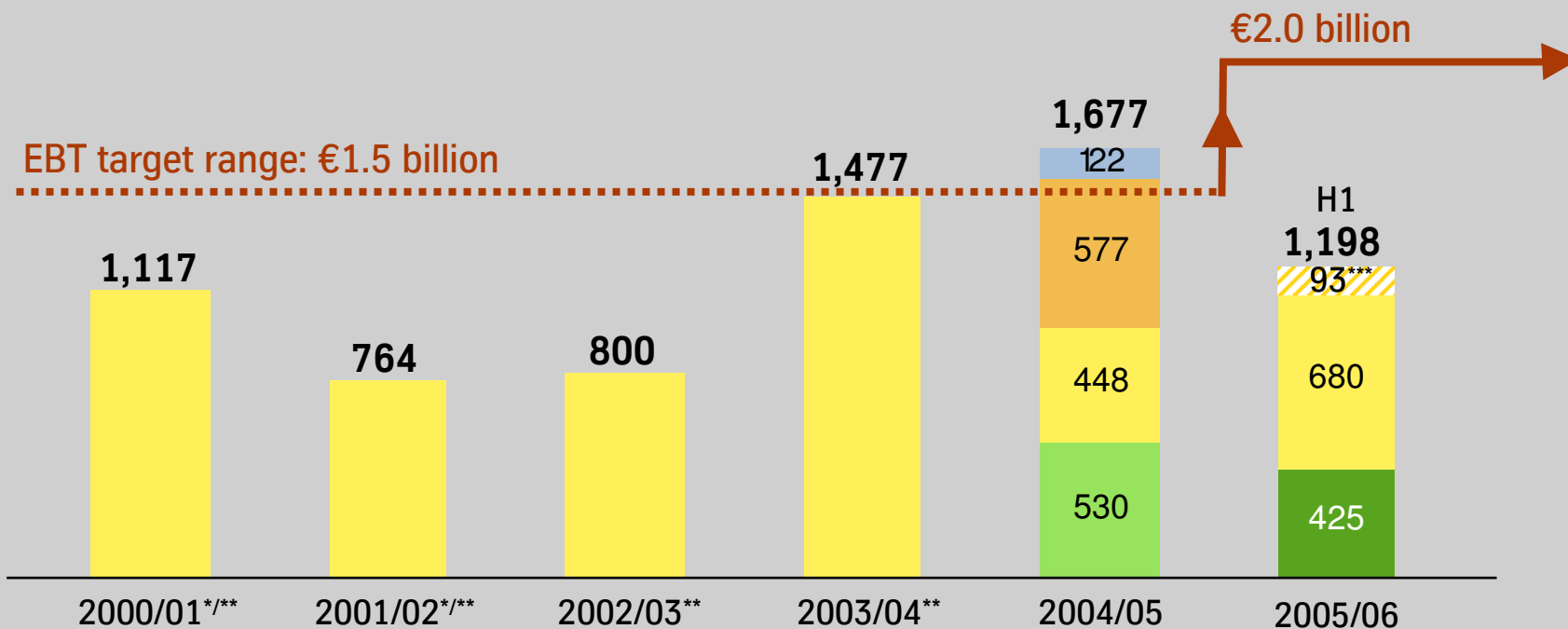
ThyssenKrupp – Growth Strategy



EBT – Track Record and Mid-term Target

EBT

million €



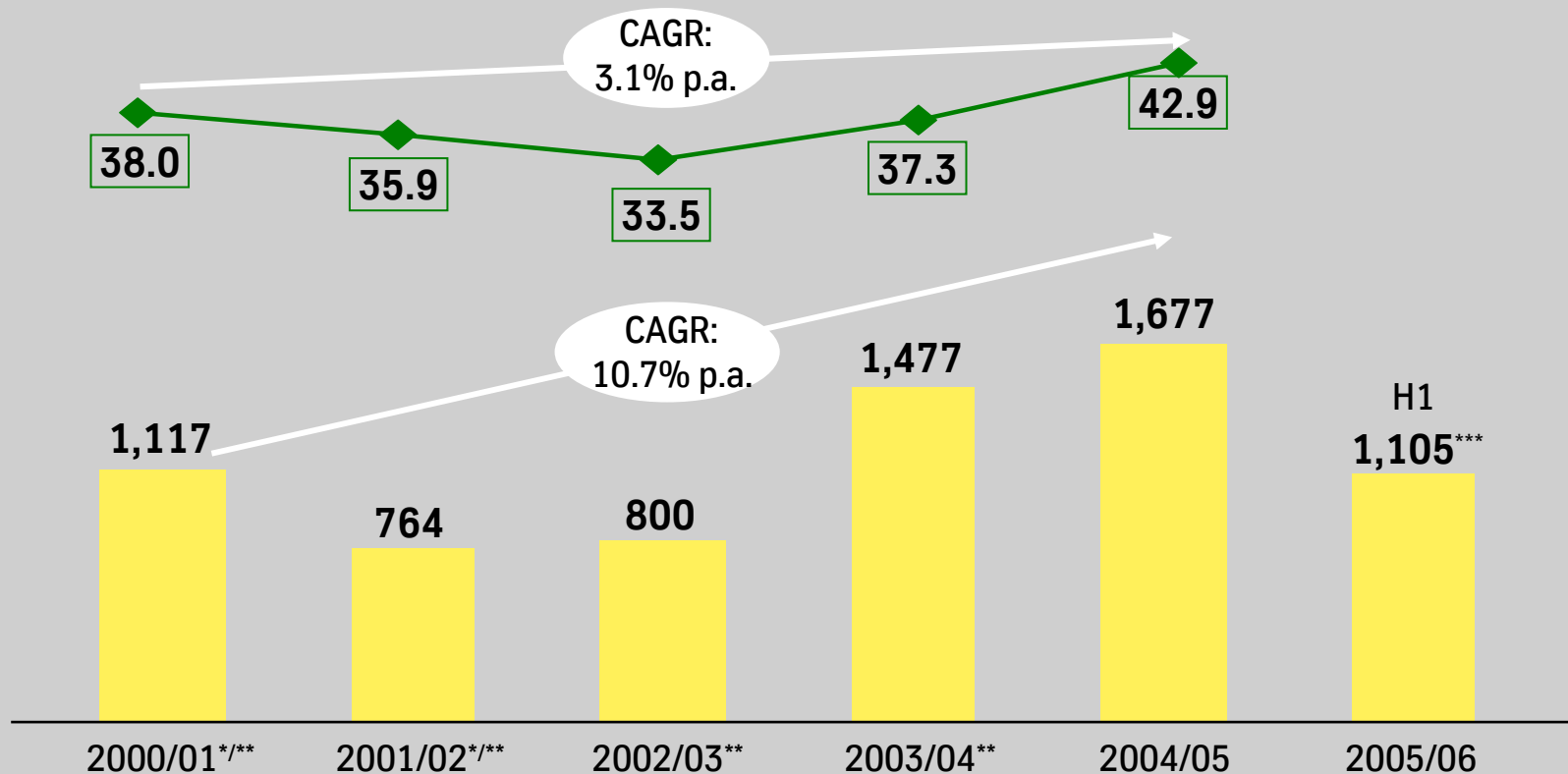
* not adjusted for discontinued operations ** US GAAP *** break fee Dofasco €+142m and asset impairment Kitchener €-49m



Efficiency Enhancement – Track Record

Sales and EBT

billion € / million €



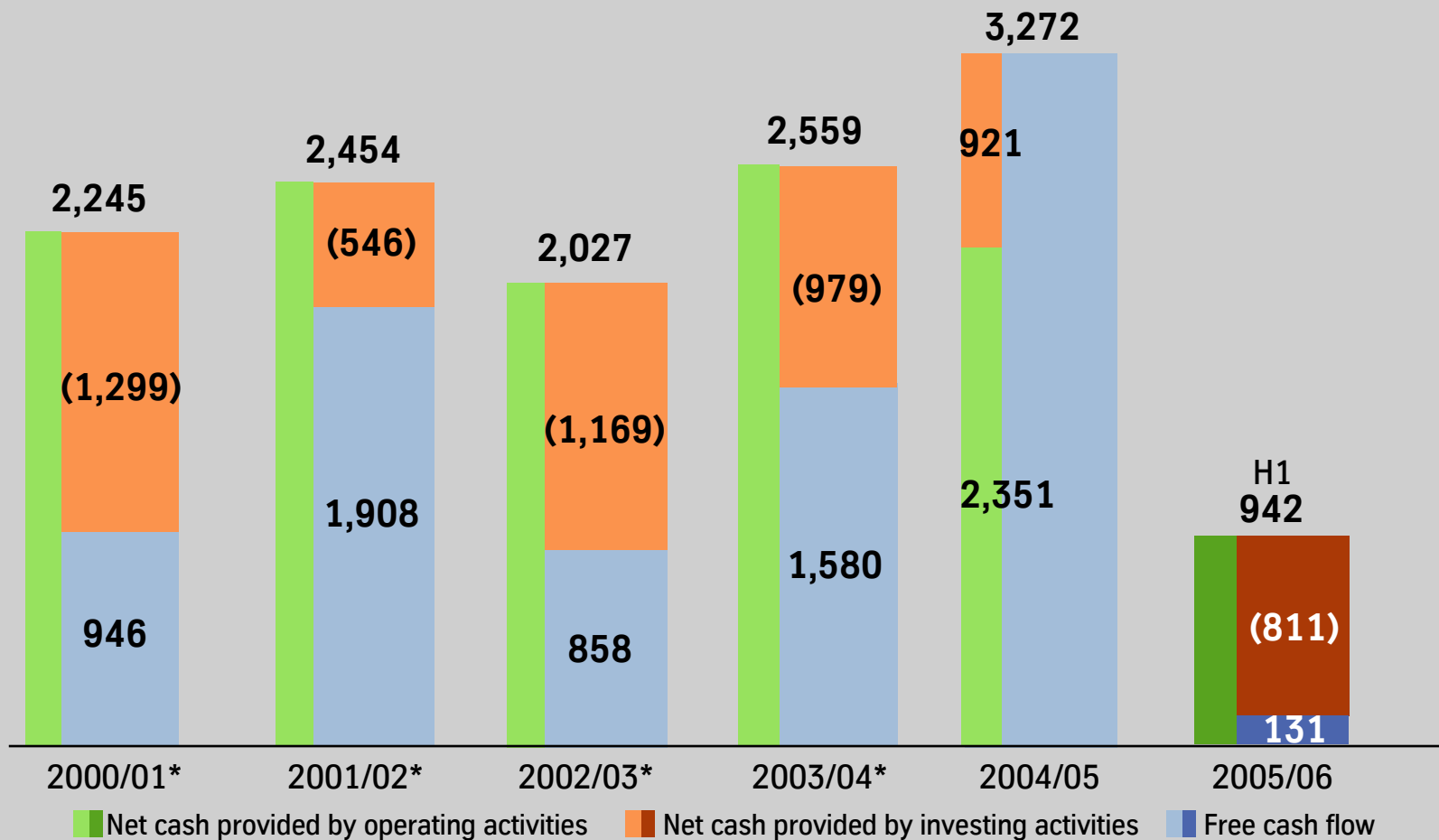
* not adjusted for discontinued operations ** US GAAP *** before nonrecurring items



Cash Flow – Track Record

Net cash provided by operating and investing activities, free cash flow

million €



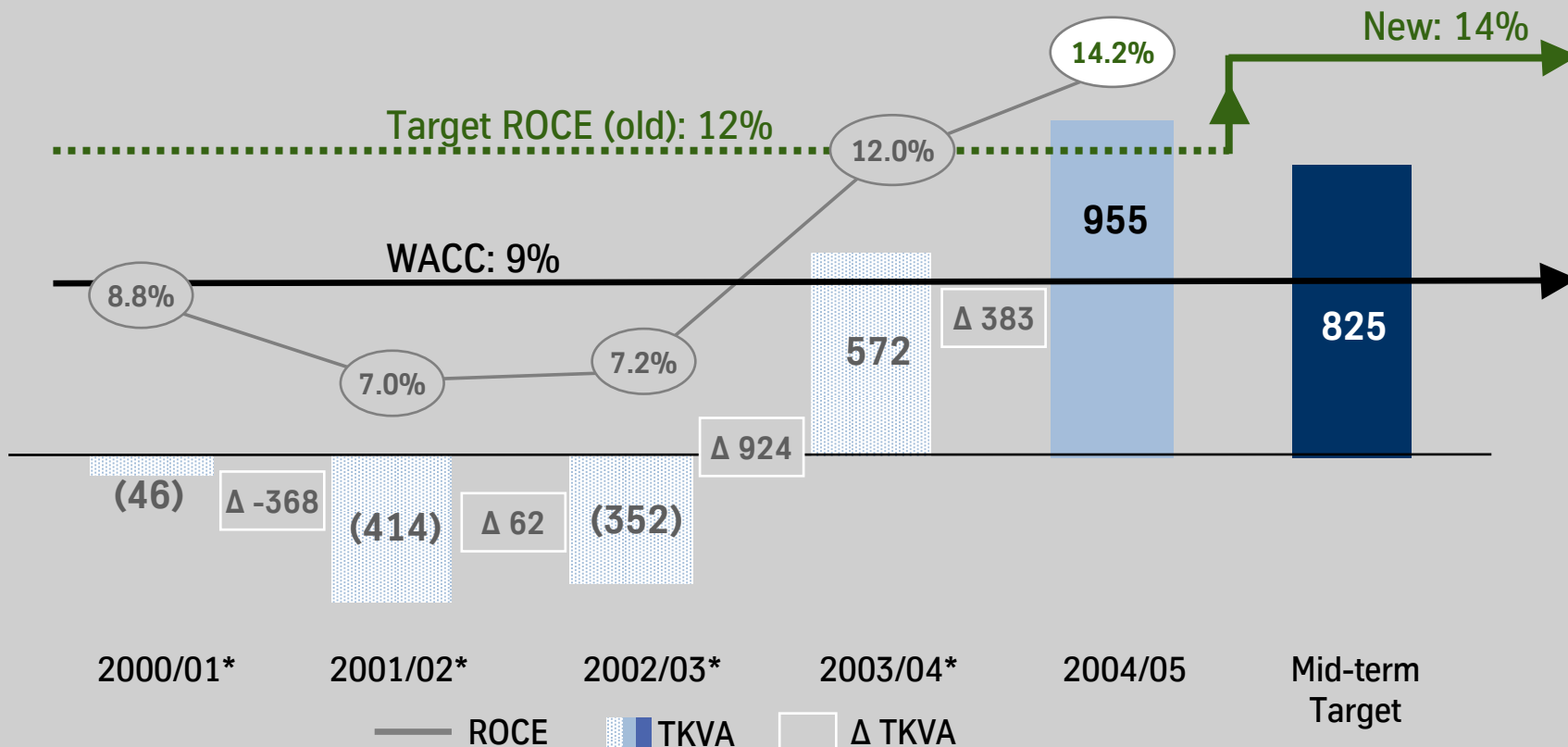
* US GAAP



Value Indicators – Track Record and Mid-term Target

ROCE and ThyssenKrupp Value Added

% / million €



* US GAAP



Value Indicators by Segment – Mid-term Targets

	Capital Employed in million € Ø 2004/05	WACC in %	ROCE in %		TKVA in million €		EBT in million €	
			2004/05	Target	2004/05	Target	2004/05	Target
Group	18,391	9.0	14.2	14.0	955	825	1,677	2,000
thereof								
Steel	5,965	9.5	19.4	16.5	593	410	1,094	950
Stainless	2,996	9.5	11.8	13.5	68	110	286	320
Automotive	2,982	9.5	7.9	16.5	-47	200	118	340
Technologies	435	9.5	-15.3*	30.0	-204*	270	40	320
Elevator	1,613	8.5	23.3	27.0	238	330	355	450
Services	3,089	9.0	10.6	14.0	50	160	261	375

All figures incl. discontinued operations except EBT.

* impacted by disposal loss of MetalCutting

Overview of Segment Strategies

Steel

- Clear strategy to enter NAFTA market with focus on high value-added products
- Secure growth opportunities by utilizing low-cost slabs from Brazil
- Expand strong European market position

Stainless

- Further concentration on high-quality stainless steel products and nickel-base alloys
- Customer focus through strong delivery performance and distribution network
- Downstream expansion in high-profit growth markets

Automotive

- Focus more on consolidation, especially restructuring of North American activities
- Strengthen global market position for competitive products
- Screening future growth opportunities: business in Asia/with Asian OEMs

Technologies

- Strengthen 3 highly profitable business units and expansion of service business
- Focus on activities with clear growth potential
- Sustainable value creation and generation of cash flow

Elevator

- Continuing growth through further acquisitions
- Increasing market share globally and locally, especially Asia and Eastern Europe
- Developing and introducing innovative products and focus on modernization business

Services

- Growth through integrated services to further dampen volatility of business
- Expansion through organic growth and acquisitions, especially Eastern Europe and North America



Planned Slab Plant in Brazil Creates Competitive Advantages

Location

- Sepetiba, Brazil
- Link to iron ore logistics from Minas Gerais (CVRD South System ore mines)
- Rail connection and own dock

Plant configuration



- Capacity: 5.0 million t/a

Startup

- Production of first slab beginning of 2009

Low-cost slab sourcing as ideal basis for further processing in North America

Competitive advantages

- Secured high-quality iron ore supply
- Location advantages
- Modern and efficient technology and processes
- Optimal logistic setting

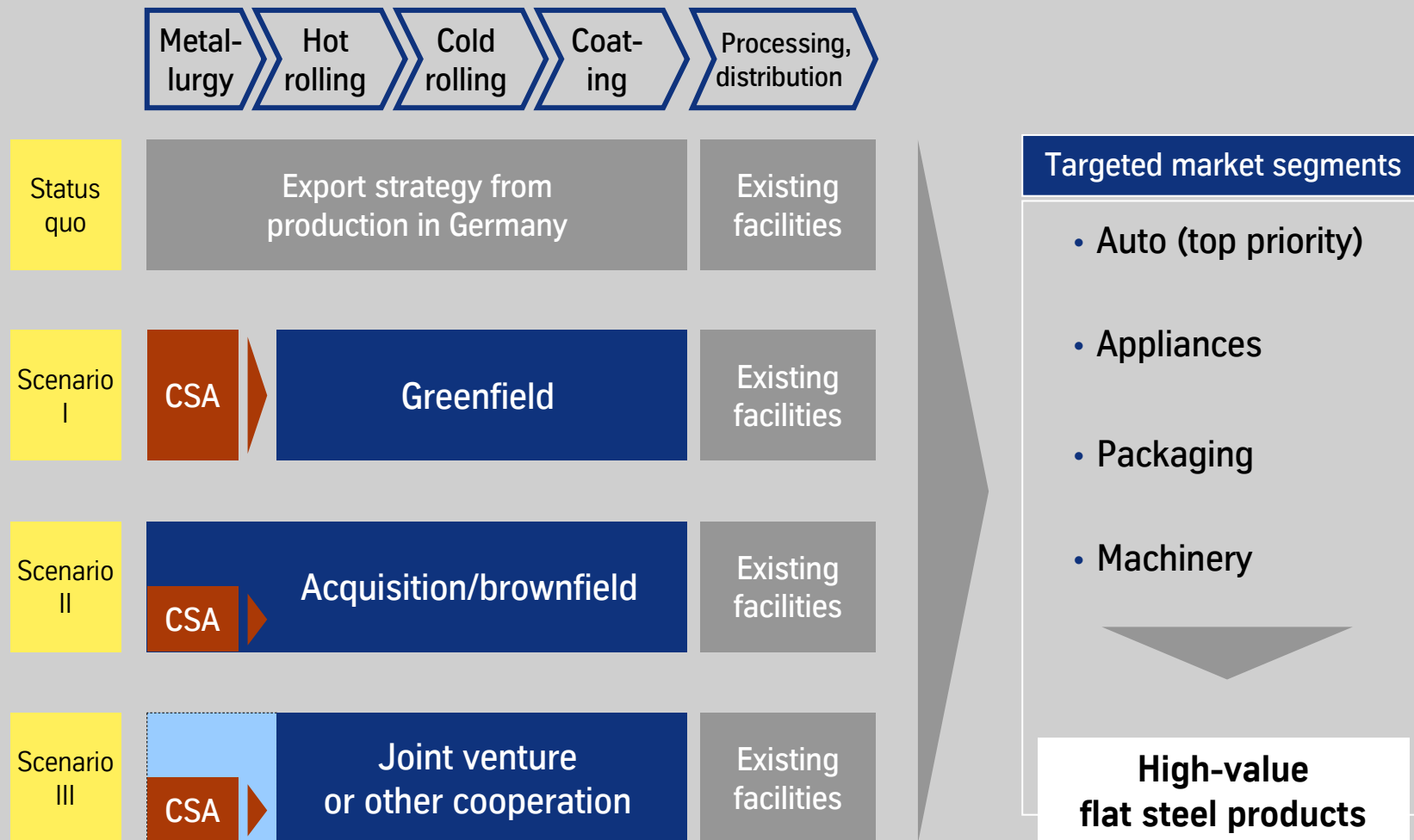


Outstanding cost position

* investment by partner



Downstream Strategy for North America Based on Three Scenarios



Objective: Profitable Growth Across all Businesses

ThyssenKrupp AG
Sales: up to €50 billion EBT: €2 billion

Product-oriented businesses
Sales: ~ €30 billion

Service-oriented businesses
Sales: ~ €20 billion

Steel	
Steel Stainless	
Sales	EBT
Objective* 16 – 17	1,270
↑	↑
2004/05* 15.1	1,380

Capital Goods	
Automotive Technologies Elevator	
Sales	EBT
Objective* 19 – 21	1,110
↑	↑
17.4	513

Services	
Materials and Industrial Services	
Sales	EBT
Objective* 12 – 13	375
↑	↑
12.7	261

* sales in €bn, EBT in €m



Investment Conclusion

- Strong commitment to sustainable profit generation and value enhancement throughout 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



Financial Calendar 2006/2007

- July 25, 2006 to August 10, 2006 Quiet Period
 - August 11, 2006 Interim Report 3rd quarter 2005/2006 (Apr to Jun)
Conference call with analysts and investors
 - October 25, 2006 to November 30, 2006 Quiet Period
 - December 1, 2006 Annual Press Conference
Analysts' and Investors' Meeting (Essen, Germany)
 - January 19, 2007 Annual General Meeting (Bochum, Germany)
 - February 13, 2007 Interim Report 1st quarter 2006/2007 (Oct to Dec)
Conference call with analysts and investors
 - May 11, 2007 Interim Report 2nd quarter 2006/2007 (Jan to Mar)
-



How to Contact ThyssenKrupp Investor Relations

Institutional Investors and Analysts:

- Phone: +49 211 824-36464
- Fax: +49 211 824-36467
- E-mail: ir@thyssenkrupp.com
- Internet: www.thyssenkrupp.com

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Disclaimer

In this presentation all figures are prepared in accordance with IFRS. Moreover the figures in the income statement refer to continuing operations unless otherwise stated.

Due to the conversion process figures included here should be seen as provisional as the IASB may still enact provisions that could be applied retroactively. The audit of the restated figures will be in conjunction with the audit of the full financial statements under IFRS for the fiscal year ending September 30, 2006.

This presentation contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking statements and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond ThyssenKrupp's ability to control or estimate precisely, such as future market and economic conditions, the behavior of other market participants, the ability to successfully integrate acquired businesses and achieve anticipated synergies and the actions of government regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this presentation. ThyssenKrupp does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials.

