

# Presentation Facts & Figures

April 2013

Developing the future.



**ThyssenKrupp**

# Agenda

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## ○ Presentation

slides 2-21

- Key Figures, Strategic Way Forward and Group Outlook
  - Group Performance, Financials and Conclusion
- 

## ○ Facts & Figures

slides 24-66

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# Q1 2012/13: Highlights – Continued Operations

## ▶ Group Transformation and Repositioning

- Inoxum sale to Outokumpu closed / Steel Americas exit well on schedule
- BiC reloaded: €500 m performance program as first step at Steel Europe initiated

## ▶ Delivering on profit and cash targets

- EBIT adjusted: €229 m
- FCF before divest.: €(198) m  
incl. €(86) m interest related to disc. ops.
- NFD: €5.2 bn

Q1 targets



~ €200 m

sig. improvement to ~ breakeven

deleveraging

## ▶ Capital Goods strongly support Group performance

- CapGoods order intake up by 14% yoy, record at Elevator and Plant
- CapGoods representing 83%\* of earnings and 230%\* of cash flow

## ▶ FY outlook confirmed

- FY 2012/13E: EBIT adjusted: ~€1 bn  
FCF before divest.: sig. improvement to ~ breakeven

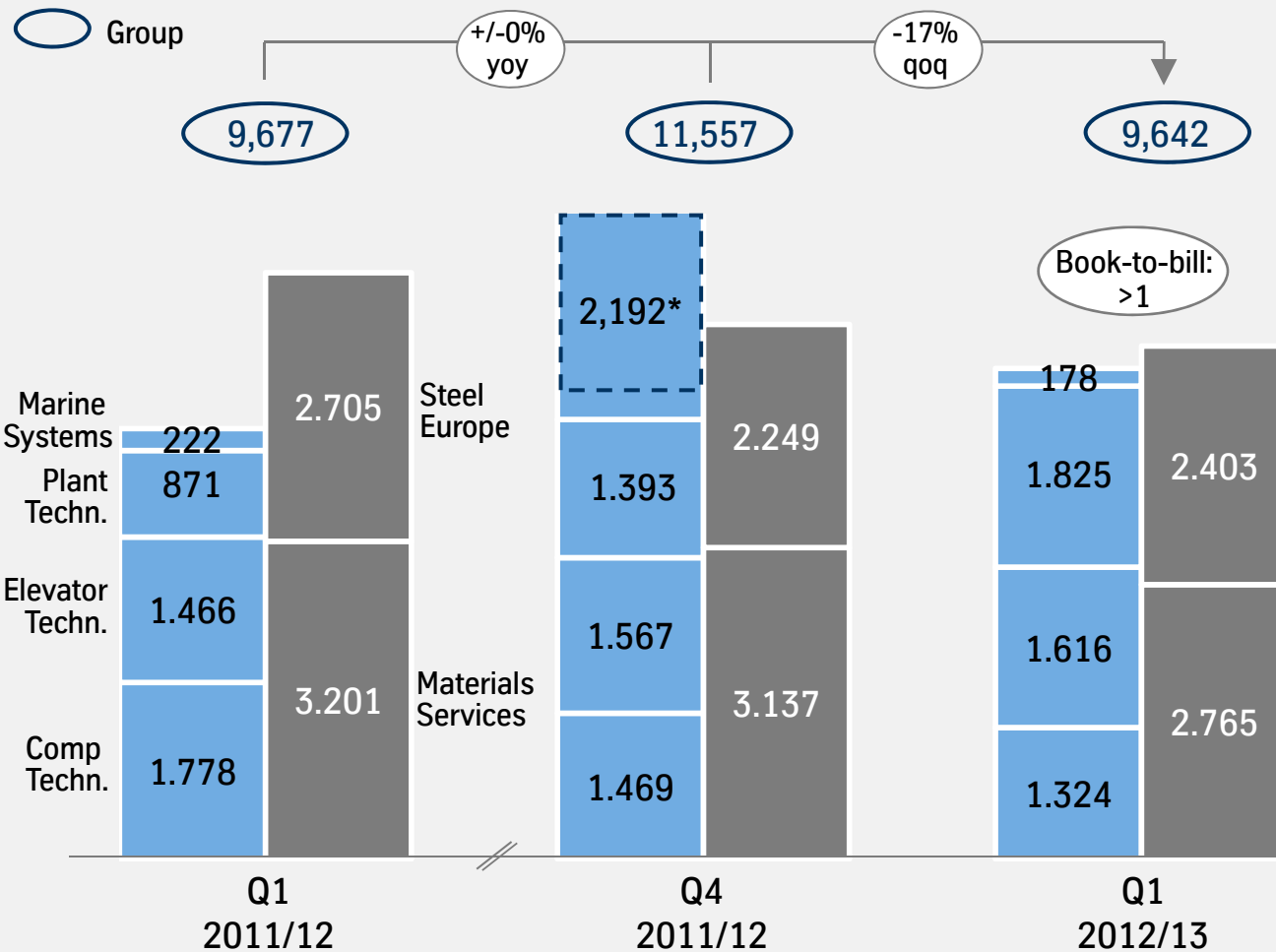
Continued operations now excluding Inoxum and Steel Americas

\* unconsolidated numbers; referring to EBIT adjusted and OCF



# Strong Orders at Capital Goods Despite Challenging Environment

Order intake – continued operations (million €)



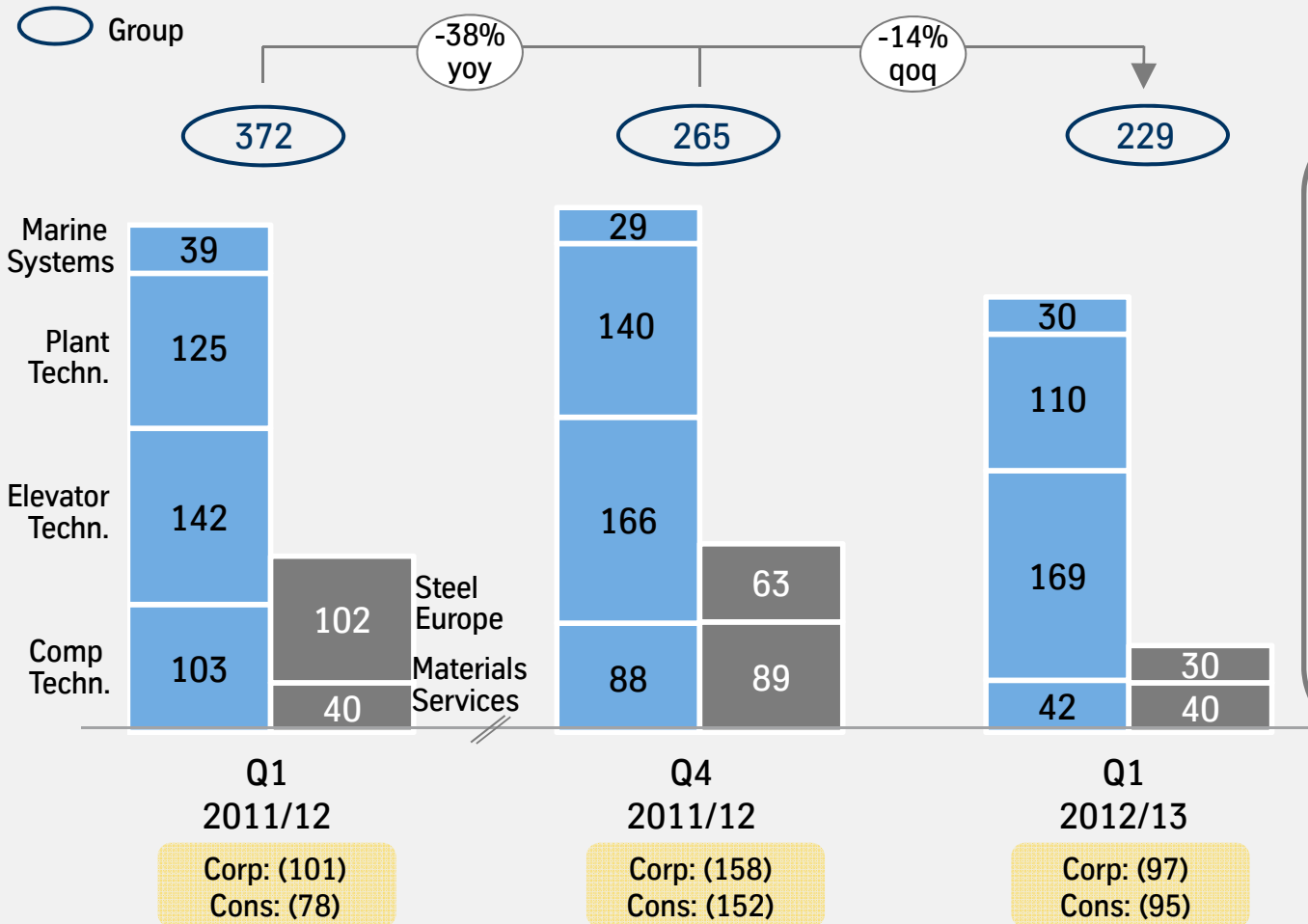
- CT: decrease due to weaker volumes for industrial components and heavy trucks; yoy divestment effect on top
- ET: record order intake
- PT: increased demand for petrochemical plants in the US leading to big ticket order of ~€1 bn
- SE: qoq seasonally improved volumes at lower prices

Continued operations now excluding Inoxum and Steel Americas

\* Big ticket order of ~€2 bn

# Positive EBIT Contribution from all BAs Despite Challenging Environment

EBIT adjusted – continued operations (million €)



- CT: EBIT impacted by lower utilization, ramp-up costs for new plants & products; yoy divestment effect on top
- ET: first results from restructuring efforts visible
- PT: temporary billing-related decline
- SE: qoq mainly lower volumes; yoy mainly lower prices in shipped volumes

Continued operations now excluding Innoxum and Steel Americas

# ThyssenKrupp – Strategic Way Forward

Company  
Positioning

Portfolio  
Optimization



Change  
Management



Performance  
Orientation



Financial  
Stability



Strategic  
Push

## Value Upside

- Cultural change and leadership
- Performance and benchmarking ambition
  - Rational allocation of capital



# Cultural Change and Leadership

More efficient information flow and decision making



New Group Leadership Team  
Hiesinger (CEO) • Kerkhoff (CFO) • Burkhard\* (CHRO)



Reduction of 20 Corporate Functions to 13



Next steps:  
all processes and capacities regarding corporate functions,  
business areas and regions under review

\* as of April 2013

# Compliance at ThyssenKrupp : Zero Tolerance for Violations



“For us cartel agreements and corruption are not a means of winning orders. We would rather forgo a contract than act against the law.“

“We don’t have secrets, we probe and bring infringements out into the open. And we will continue to do so in the future – with all due rigor.“

CEO Dr. Heinrich Hiesinger,  
at the AGM on Jan 18, 2013

Inform & Advise

Identify

Report & Act

Strategic development

○ Executive Board resolution on management responsibility



○ Group-wide policies on antitrust and corruption prevention

○ Group-wide employee training (eLearning and in person)

○ Appointment of compliance officers in high-risk regions (ongoing)



○ Regular structured compliance audits

○ ThyssenKrupp Whistleblower Hotline



○ Regular reporting to the Executive and Supervisory Board

○ Rigorous investigations and consequent sanctions



○ System reviews by external experts

○ Appropriateness and effectiveness according to IDW PS 980



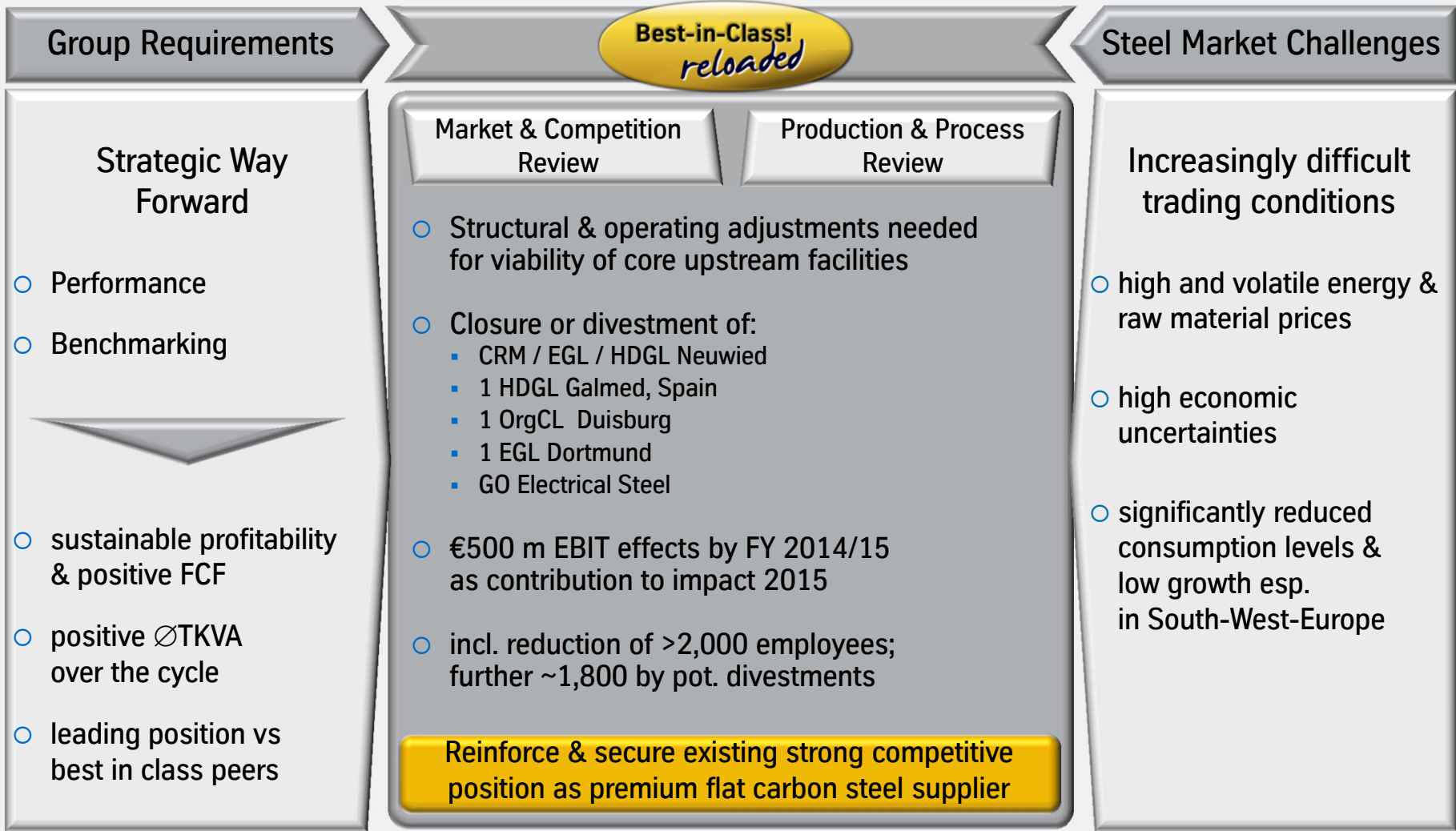
ThyssenKrupp Compliance  
Program

/ SUCCESS WITH RESPONSIBILITY /





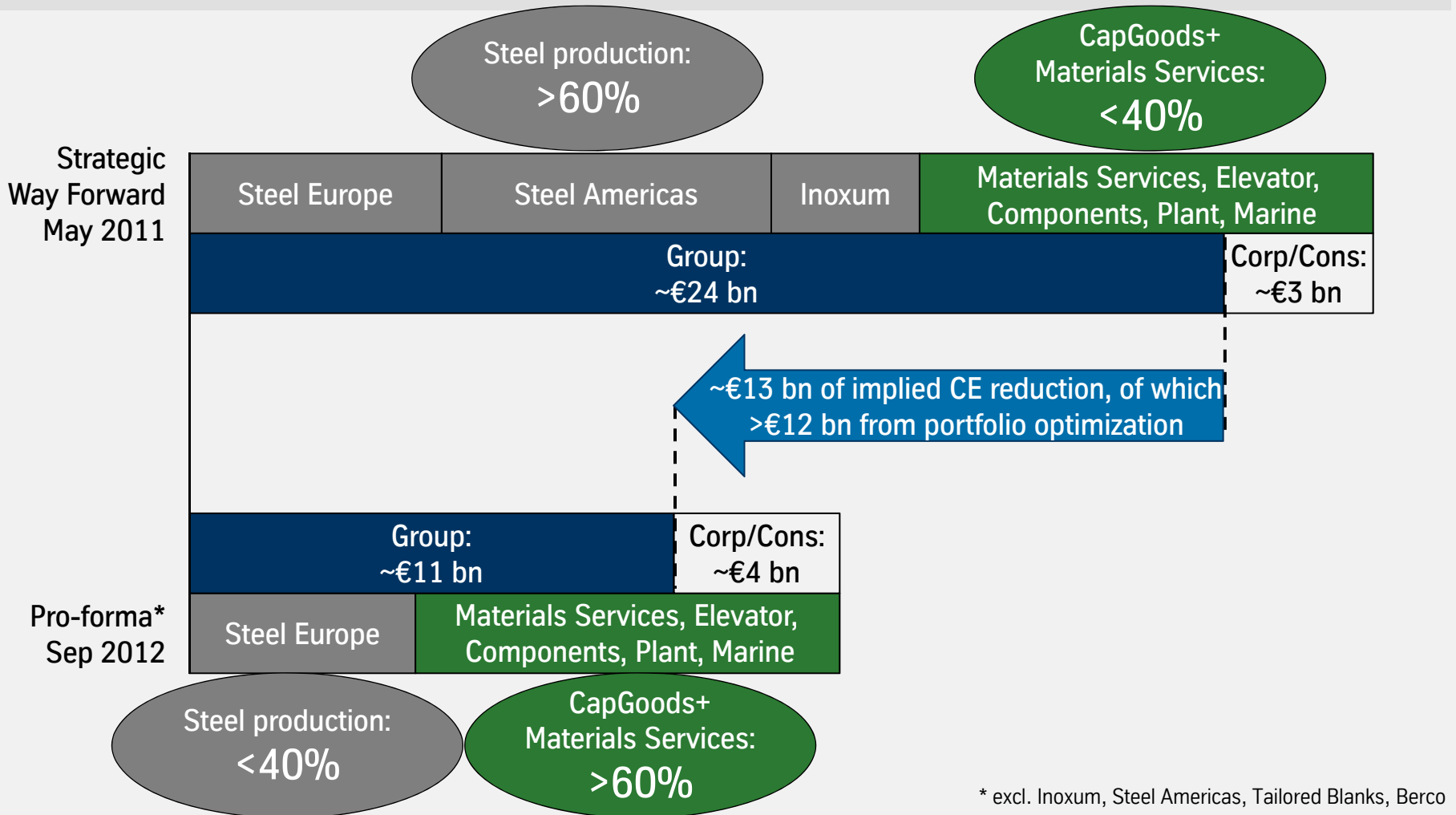
# €500 m Performance Program “BiC – reloaded” at Steel Europe to Meet Group Requirements and Tackle Steel Market Challenges



# Rational Allocation of Capital – Higher Assets Efficiency



Capital Employed as of March 31, 2011 and September 30, 2012 (billion €)

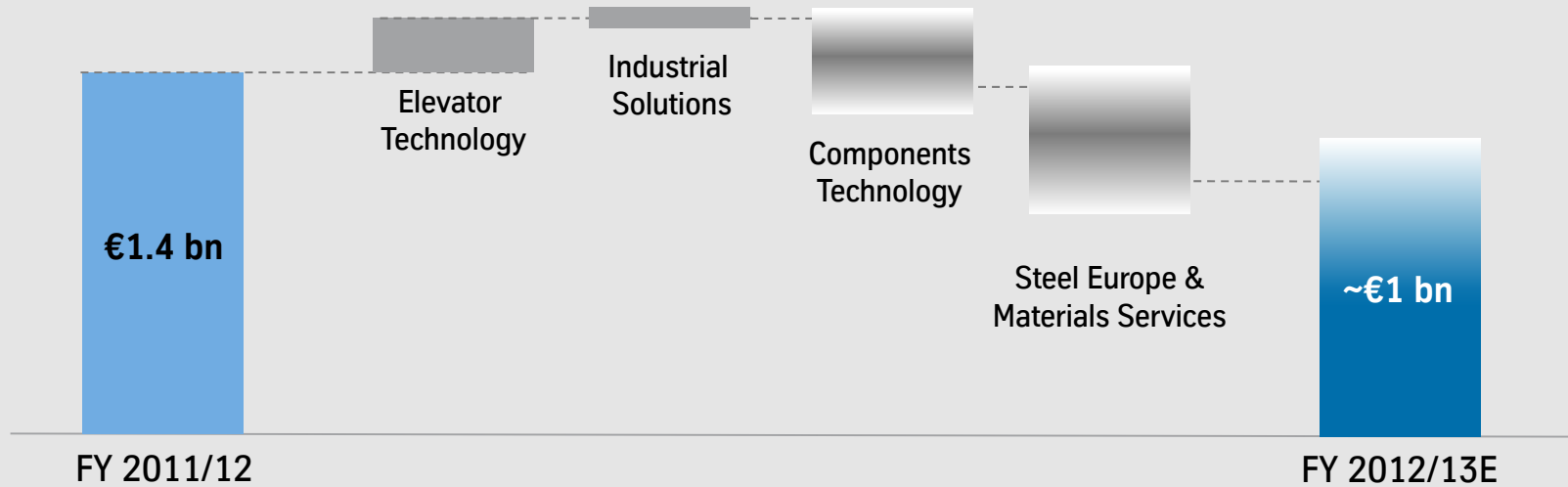


\* excl. Inoxum, Steel Americas, Tailored Blanks, Berco

# Outlook Group FY 2012/13 – Continued Operations

## EBIT adj.

○ Group: ~€1 bn



## Capex

○ max €1.4 bn

## FCF

○ significant improvement to ~ breakeven before divestments

Continued operations now excluding Inoxum and Steel Americas

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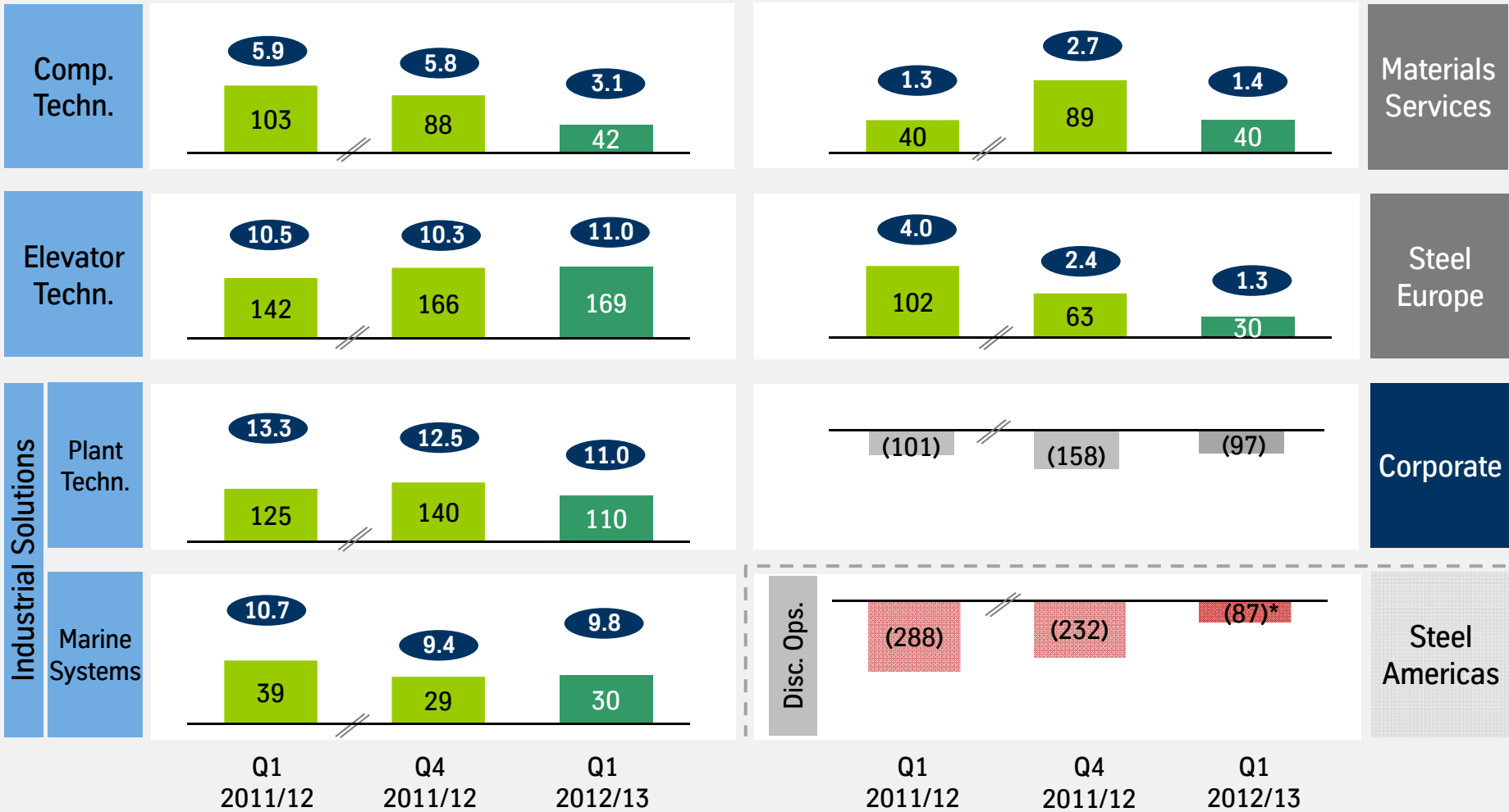
## ○ Facts & Figures

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# Continued Operations with Positive EBIT Performance

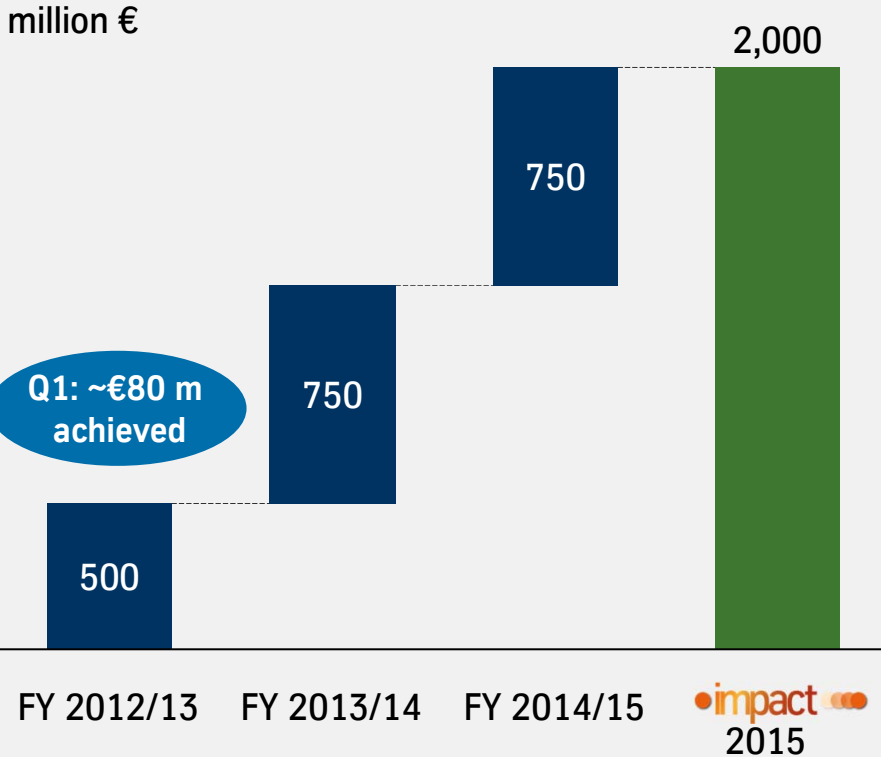
EBIT adjusted (million €); EBIT adjusted margin (%)



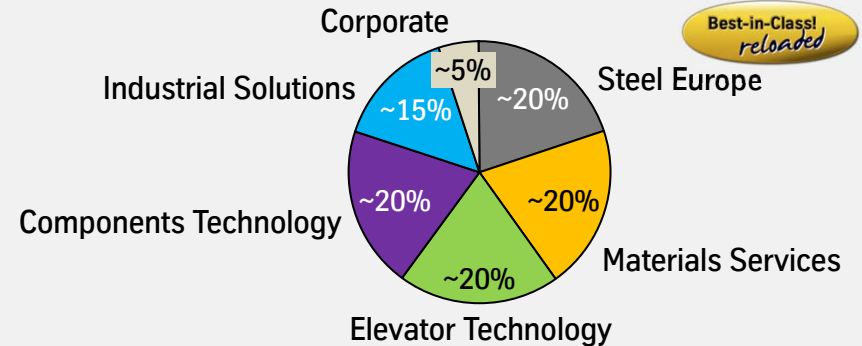
\* Q1 2012/13 EBIT excl. regular depreciation charges of €103 m

# Sustainable Efficiency Gains to Support EBIT target FY 2012/13 and mid-term upside

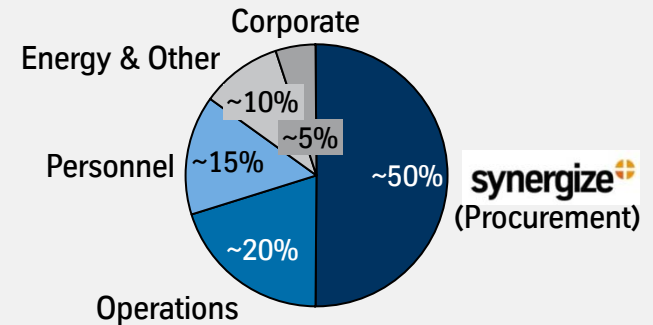
## Ramp-up Efficiency Gains **impact** 2015



## Efficiency Gains **impact** 2015 by Business Area



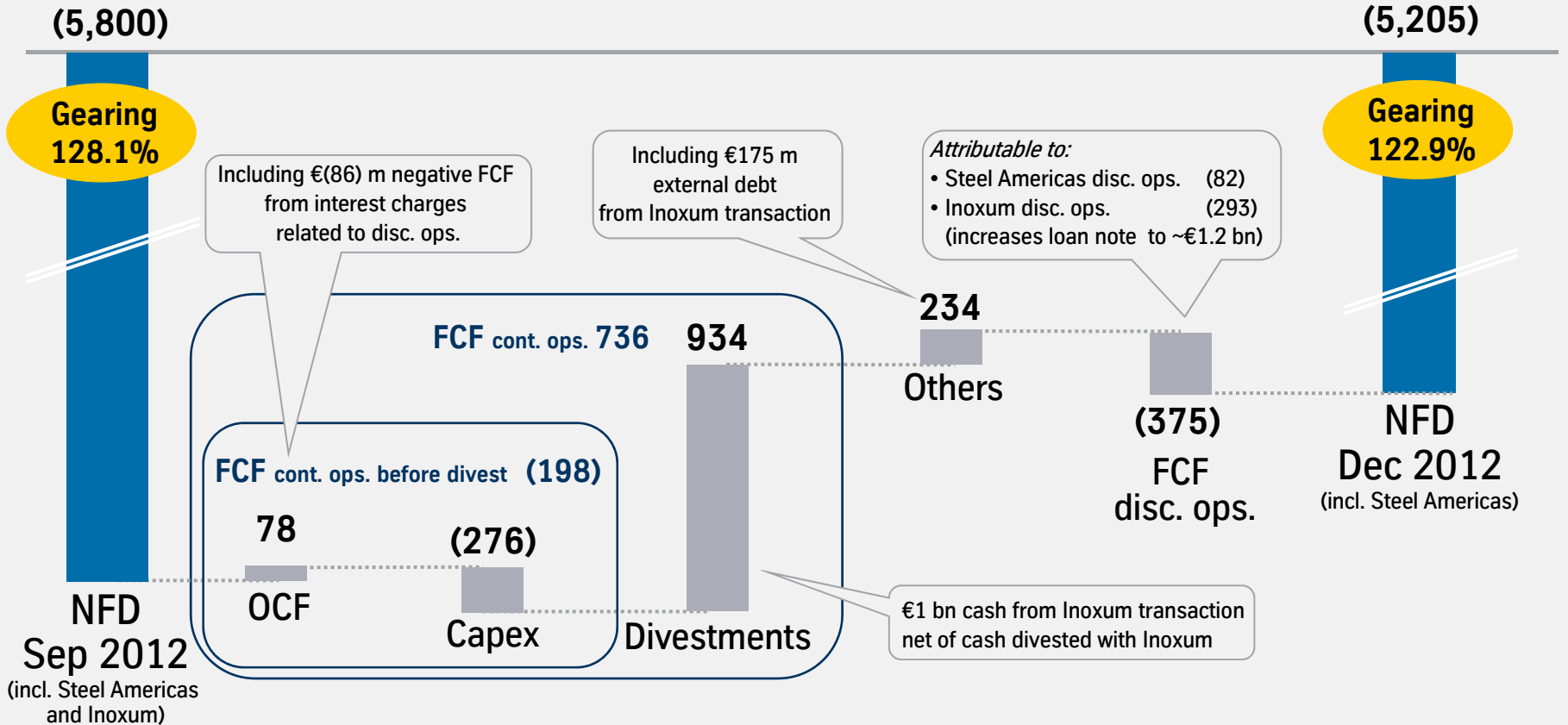
## Efficiency Gains **impact** 2015 by Categories



50% contribution to efficiency target from **synergize** especially by tapping unaddressed bundling potentials and pulling cross-functional levers

# NFD Decrease Due to Closing of Inoxum Transaction

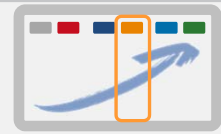
Q1 2012/13 (million €)



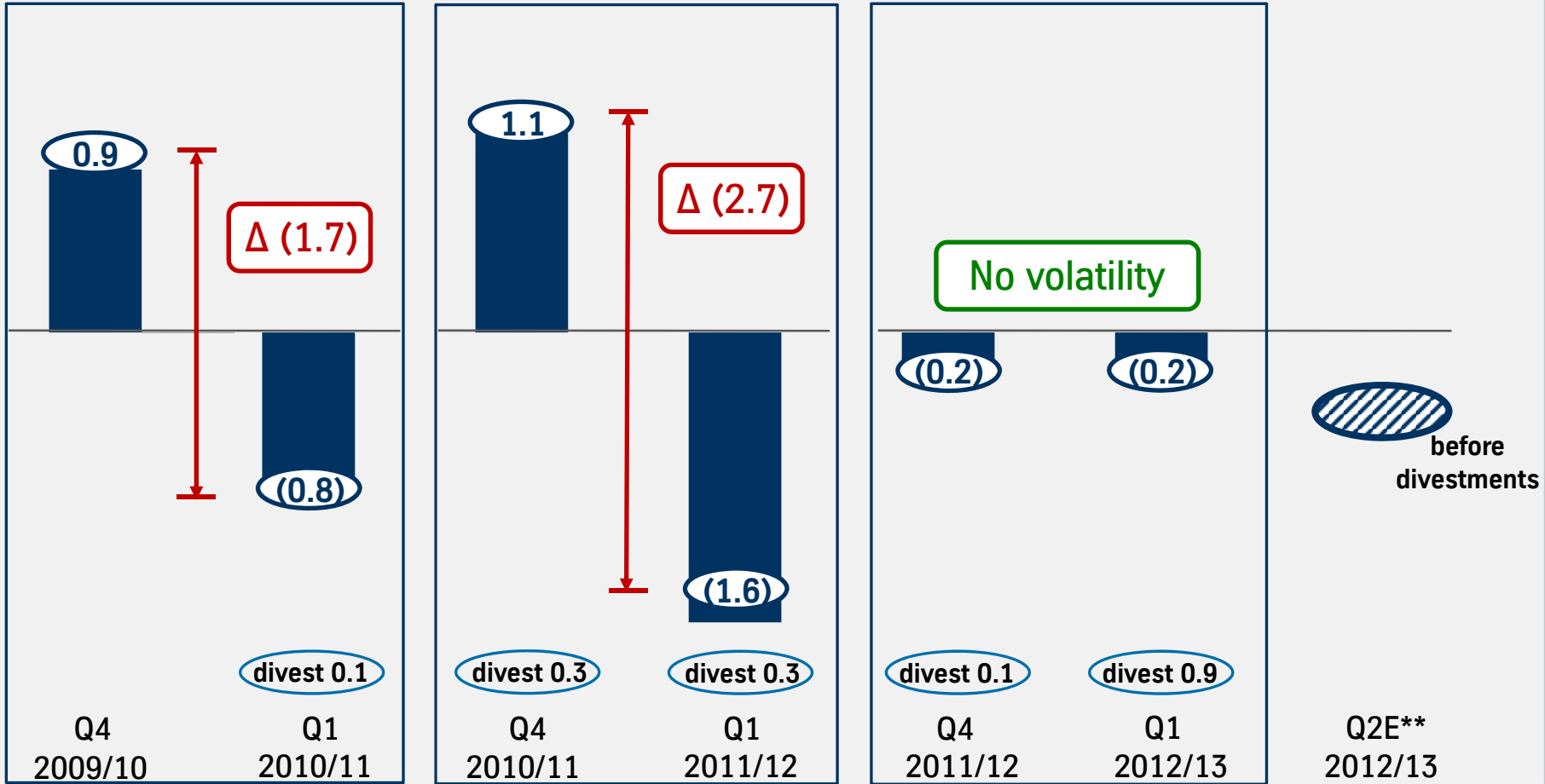
Continued operations now excluding Inoxum and Steel Americas

\* Capex for property, plant & equipment, financial & intangible assets and financial investments

# Effective Cash Control: Improvements & Reduced Q4/Q1 Volatility



FCF Group from continued operations before divestments\* (billion €)



\* FY 2009/10 and FY 2010/11 pro forma

\*\*underlying on same level qoq but seasonally higher interest of ~€250 m have to be considered



# TK Group Moving Away from Disproportionate Y/E Optimization: No Build-up of NWC in Q1, Smooth NWC Development Expected



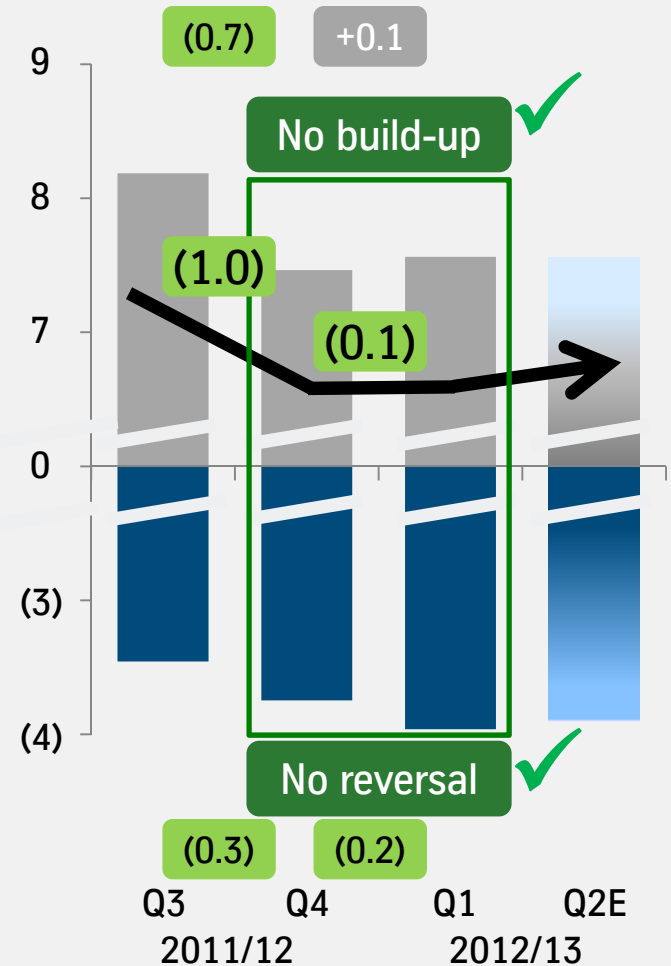
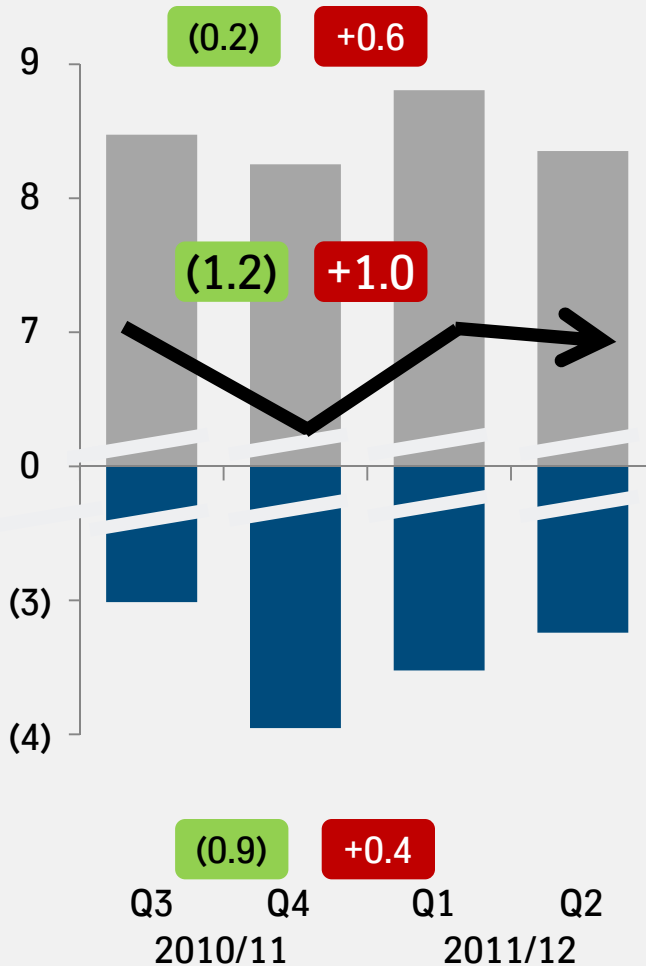
Development Operating NWC TK Group incl. Steel Americas, excl. Inoxum (billion €)

→ Operating NWC

Inventories

A/R, A/P, advance payments, net

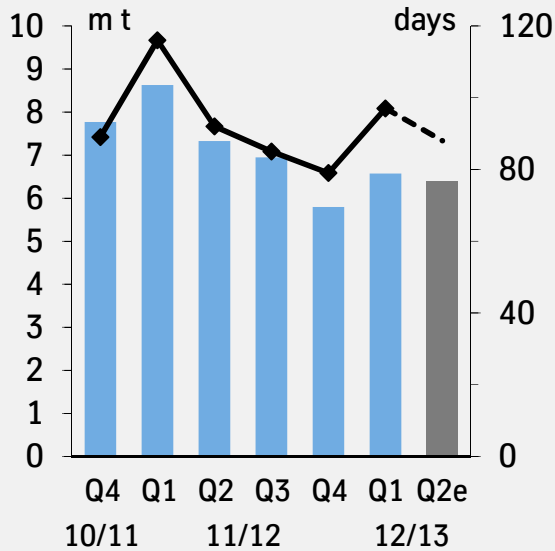
x qoq changes



# Continuing Tight Inventory Management at All Materials BAs

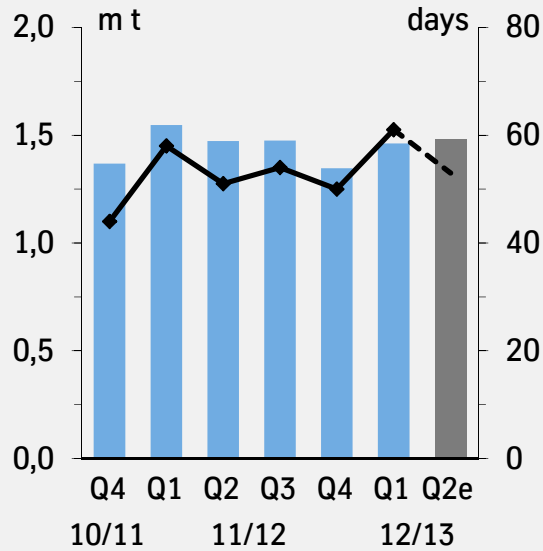


## Steel Europe Inventories



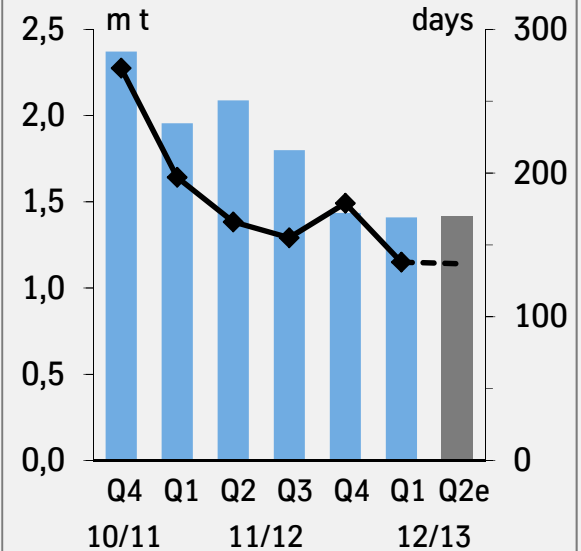
- Inventories yoy down by > 2.0 mt
  - ~1.7 mt ore, coal and coke
  - ~0.3 mt (un)finished products
- Grosso modo maintaining historical low levels of Q4 2011/12
- Increase in DIO due to low sales
- Reduction of DIO in Q2 expected due to seasonally higher sales

## Materials Services Inventories



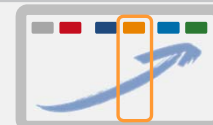
- Qoq slight, mainly volume based increase of inventory at a normalized level
- Q1 yoy down by 5%
- Reduction of DIO in Q2 expected due to seasonally higher sales

## Steel Americas Inventories

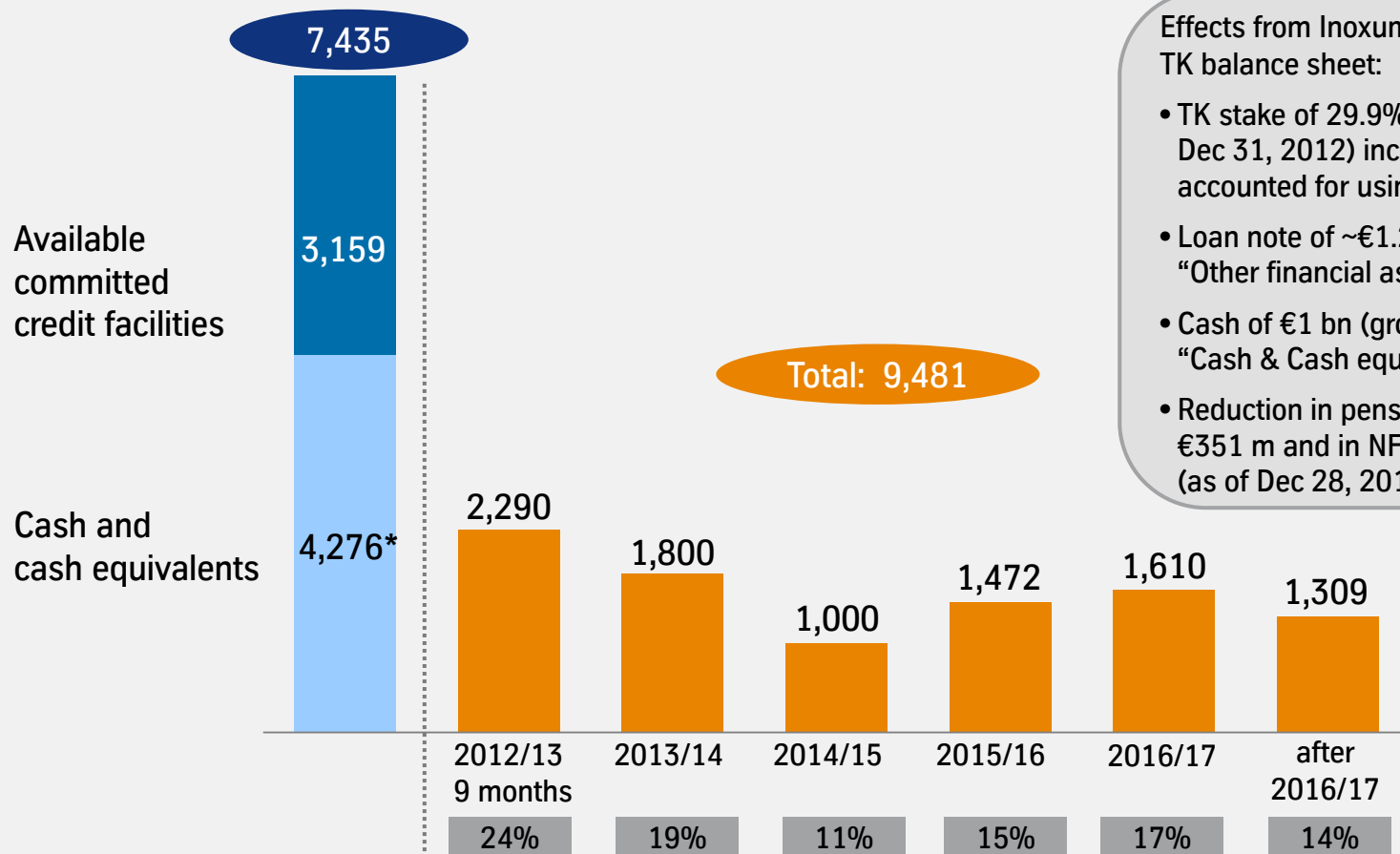


- Inventories yoy down by > 0.5 mt
  - ~0.1 mt mainly coal and coke
  - ~0.4 mt (un)finished products
- Qoq further reduction of slab inventory levels
- Decrease in DIO supported by increase in sales

# Solid Financial Situation



## Liquidity analysis and maturity profile of gross financial debt as of December 31, 2012 (million €)



Effects from Inoxum sale on TK balance sheet:

- TK stake of 29.9% (~€491 m on Dec 31, 2012) included in: “Investments accounted for using the equity method”
- Loan note of ~€1.2 bn\*\* included in: “Other financial assets”
- Cash of €1 bn (gross) increases “Cash & Cash equivalents”
- Reduction in pension liabilities by €351 m and in NFD by €91 m\*\*\* (as of Dec 28, 2012)

\* incl. securities of €5 m

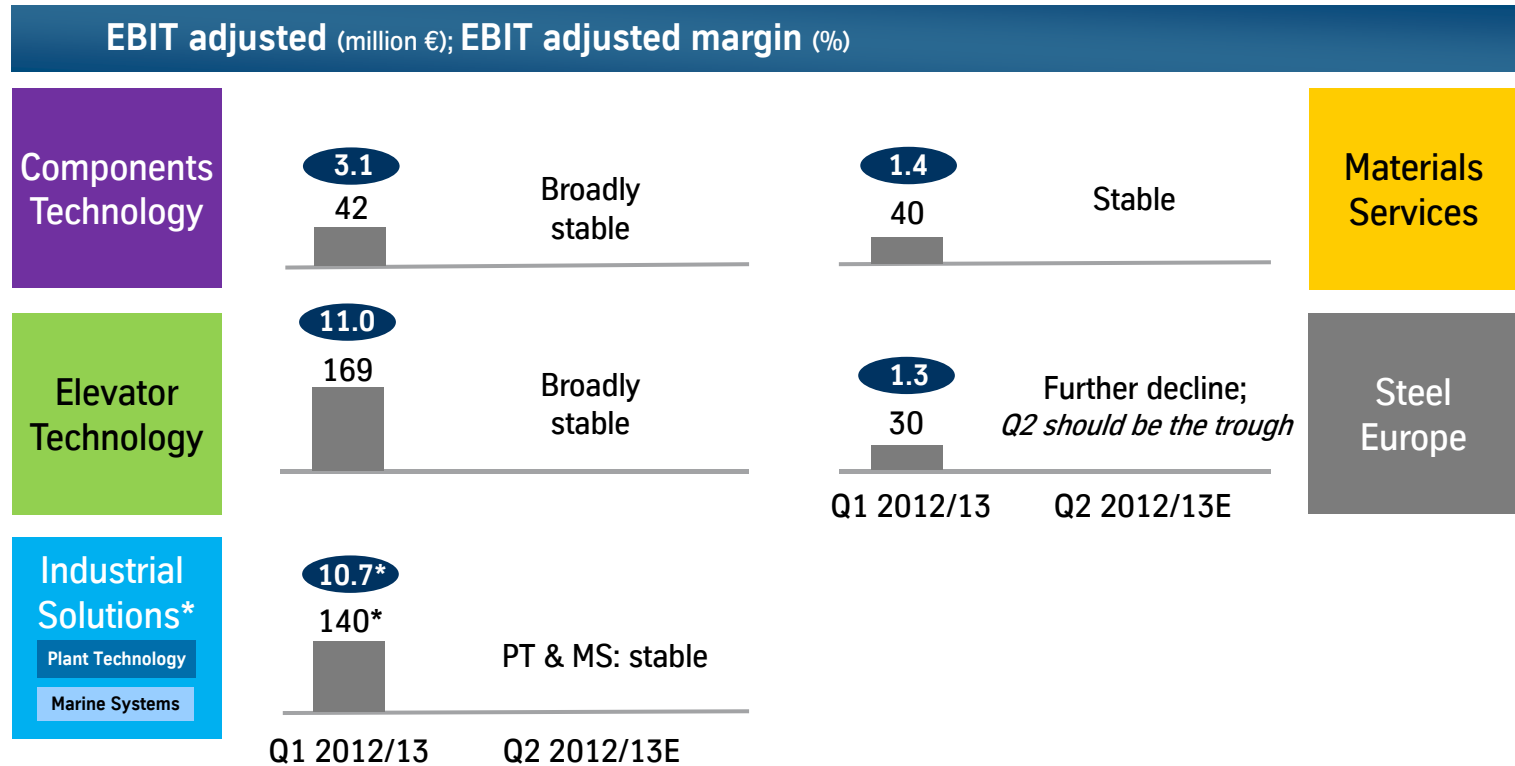
\*\* subject to final adjustment after settlement of remedy divestment

\*\*\* external financial debt of €175 m and cash divested with Inoxum of €84 m

# Perspective Q2 2012/13 – Continued Operations

## Group

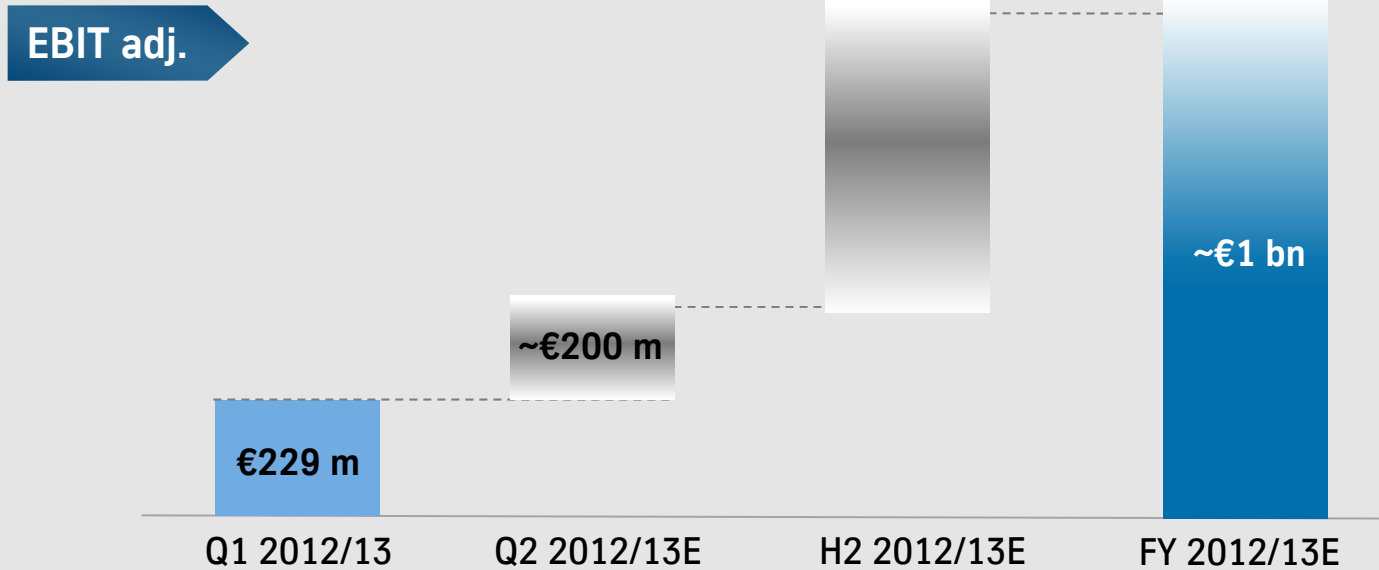
- EBIT adj. ~€0.2 bn (Q1 2012/13: €229 m)
- FCF before divestments: underlying on same level qoq but seasonally higher interest payments of ~€250 m have to be considered



Continued operations now excluding Inoxum and Steel Americas

\* pro forma

# Expectations for H2 2012/13 – Continued Operations



- Elevator, Industrial Solutions: high visibility given record order book
- Components, Materials businesses: limited visibility
- Further ramp-up of **impact** 2015

Continued operations now excluding Inoxum and Steel Americas

# ThyssenKrupp – Strategic Way Forward

Company  
Positioning

Portfolio  
Optimization



Change  
Management



Performance  
Orientation



Financial  
Stability



Strategic  
Push

## Value Upside

- Cultural change and leadership
- Performance and benchmarking ambition
  - Rational allocation of capital



# Financial Calendar – FY 2012/13

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- **April**      **Conferences**  
JP Morgan Cazenove Nordic Steel and Mining Day (12th)
  - **May**      **Conference Call Q2 2012/13 (15th)**
  - **August**    **Conference Call Q3 2012/13 (14th)**
- 



# Contact Details

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E-mail:  
[ir@thyssenkrupp.com](mailto:ir@thyssenkrupp.com)





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slides 24-66



# ThyssenKrupp Group – Continued Operations\*

## ThyssenKrupp

FY 2011/12: Sales €40.1 bn • EBIT adj. €1,382 m • Employees 152,123

### Components Technology

Sales: €7.0 bn  
EBIT adj.: €453 m

- Components for the automotive industry (e.g. crankshafts, axle modules, steering systems)
- Large-diameter bearings & rings (e.g. for wind energy)
- Undercarriages for tracked earthmoving machinery

### Elevator Technology

€5.7 bn  
€587 m

- Elevators
- Escalators & moving walks
- Passenger boarding bridges
- Stair lifts, home elevator
- Maintenance, Repair & Modernization

### Materials Services

€13.2 bn  
€311 m

- Global materials distribution (carbon & stainless steel, pipes & tubes, nonferrous metals, aluminum, plastics)
- Technical and infrastructure services for production & manufacturing sectors

### Steel Europe

€11.0 bn  
€247 m

- Premium flat carbon steels
- Large-scale, multiple niche approach
- Long-term customer relations
- Technology leadership in products and processes

### Industrial Solutions

#### Plant Technology

€4.1 bn  
€520 m

- Petrochemical complexes
- Turn key cement plants
- Systems for open-pit mining & materials handling
- Production systems for auto and aerospace industry
- Services

#### Marine Systems

€1.2 bn  
€169 m

- Engineering & Construction of non-nuclear submarines
- Engineering of Naval Surface Vessels (frigates & corvettes)
- Service & Training

#### Disc. Op. Steel Americas

€2.0 bn  
€(1,010) m

- Premium flat carbon steels
- CSA: slab mill in Brazil, 5 m t capacity, SoP Q3 CY 2010
- Steel USA: processing plant (hot / cold rolling and coating), SoP Jul. 31, 2010

#### Disc. Op. Stainless Global

€6.3 bn  
€(80) m

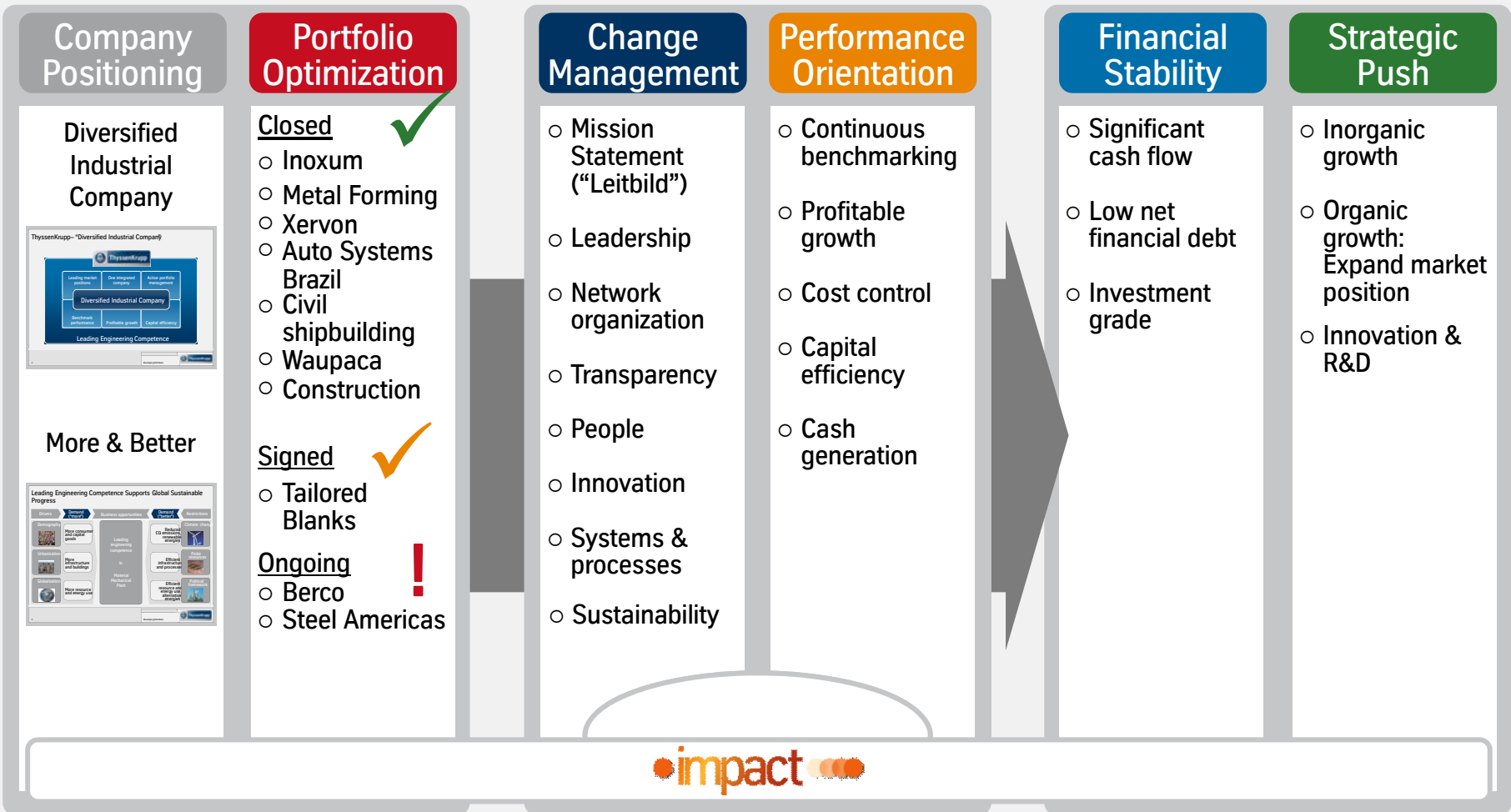
- Stainless steel flat products & high-performance materials
- Operations in Germany, Italy, Mexico and China
- Stainless steel plant project in USA

Closed on Dec 28, 2012

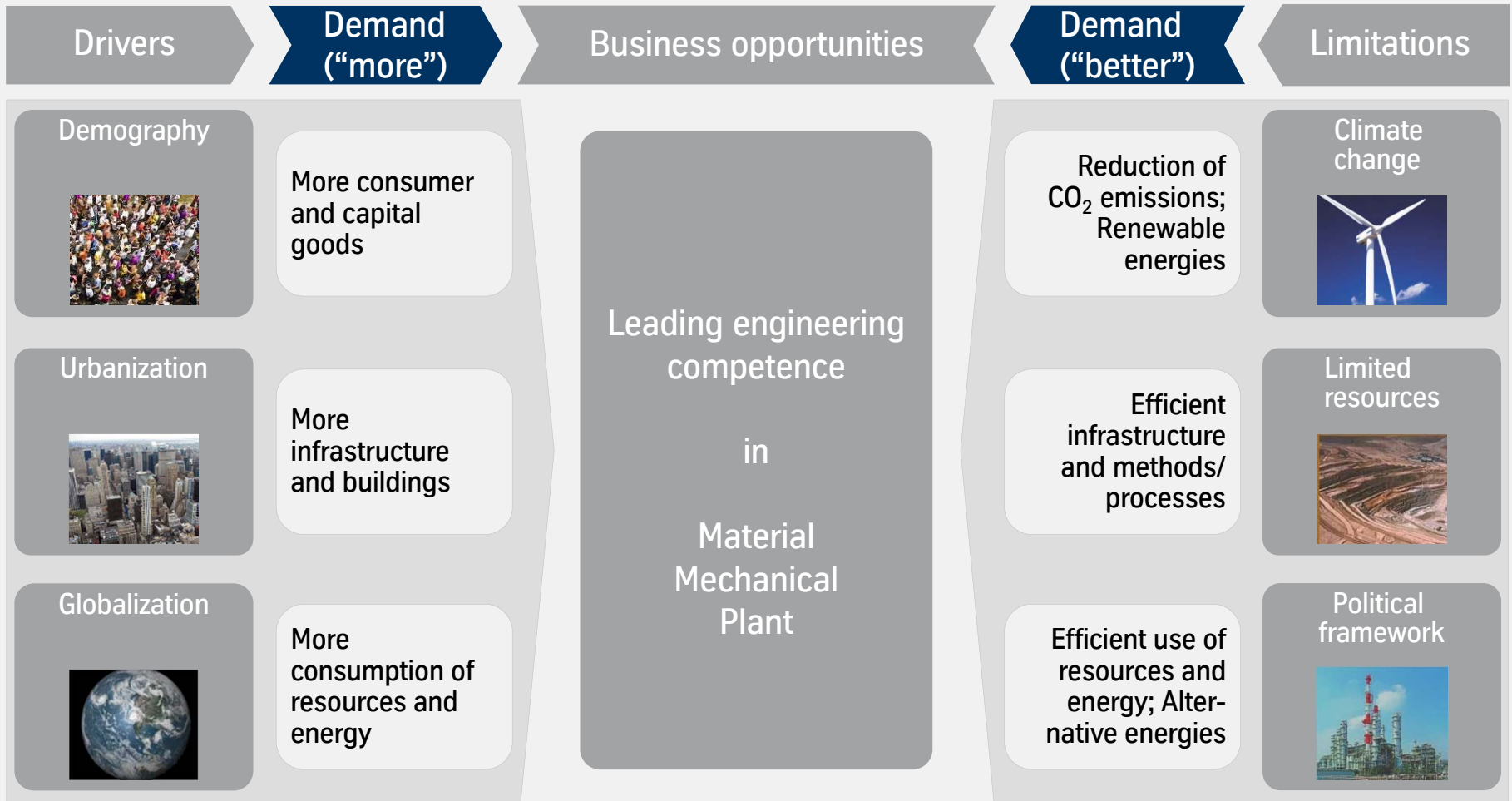
\* Continued operations now excluding Inoxum and Steel Americas



# ThyssenKrupp – Strategic Way Forward

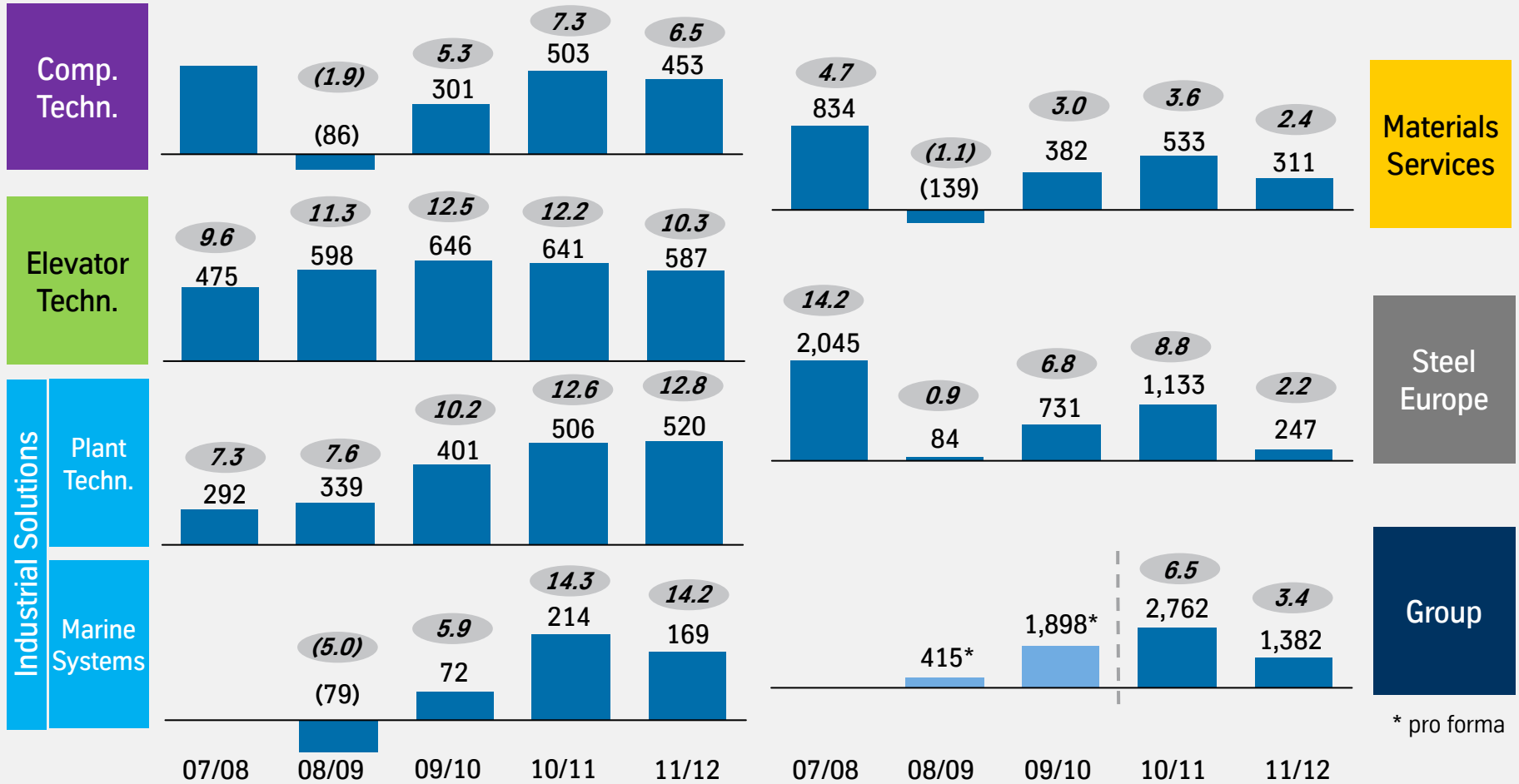


# ThyssenKrupp's Leading Engineering Competence Supports Sustainable Progress Worldwide



# 5 Year Performance Track Record

EBIT adjusted, *EBIT adjusted margin* (million €, %)



EBIT adjusted from continued operations now excluding Inoxum and Steel Americas

\* pro forma

# Systematic Benchmarking Aiming at Best-in-Class Operations

## Selected Peers / Relevant Peer Segments

### Components Technology



- **Automotive components:**  
Continental (GER); NSK (JPN); TRW (USA)
- **Industrial & construction machinery:**  
Kaydon (USA, Friction Control); SKF (SWE, Industrial); Titan Europe (UK, Undercarriage)

### Elevator Technology



- UTC / Otis
- KONE
- Schindler

### Plant Technology



- **Chemicals:**  
Maire Tecnimont / Oil, Gas & Petrochem.
- **Cement & Minerals:** FLSmidth
- **Mining Equipment:**  
Sandvik / Mining & Construction

### Marine Systems



- DCNS (F)
- Navantia (E)
- Damen (NL)

### Materials Services



- ArcelorMittal / Distribution Solutions
- Klöckner
- Reliance

### Steel Europe



- ArcelorMittal / Flat Carbon Europe
- Salzgitter / Steel
- Tata Steel / Europe
- Voestalpine / Steel

### Disc. Op. Steel Americas



- AK Steel
- ArcelorMittal / Flat Carbon Americas
- US Steel / Flat-Rolled
- Nucor

# Compliance at ThyssenKrupp

## Current focus: cultural change

- Reinforcing credibility and change process
- Review of trips of Members of the Executive Board with third parties (incl. journalists and Members of the Supervisory Board)
  - Provisional findings: no law or internal policies were violated
  - Despite the accordance with the law, elements of the trips were not altogether appropriate



- Drawing up clear internal rules on how trips with stakeholders must be organized
- Extending the scope of internal rules beyond public officials, customers and suppliers



# Group Overview (I)

		2011/12					2012/13
		Q1	Q2	Q3	Q4	FY	Q1
Order intake	€m	9,677	11,087	10,005	11,557	<b>42,326</b>	9,642
Sales	€m	9,596	10,196	10,362	9,970	<b>40,124</b>	8,837
EBITDA	€m	676	571	830	351	<b>2,427</b>	458
EBITDA adjusted	€m	637	591	655	504	<b>2,386</b>	469
EBIT	€m	256	305	559	(143)	<b>976</b>	219
EBIT adjusted	€m	372	361	384	265	<b>1,382</b>	229
EBT	€m	102	149	376	(311)	<b>315</b>	66
EBT adjusted	€m	218	205	201	97	<b>721</b>	76
Net income*	€m	41				<b>(194)</b>	29
Net income* Group**	€m	(460)	(587)	109	(3,730)	<b>(4,668)</b>	35
Earnings per share	€	0.08				<b>(0.38)</b>	0.06
Earnings per share Group**	€	(0.89)	(1.14)	0.21	(7.25)	<b>(9.07)</b>	0.07
TK Value Added	€m					<b>(6,197)</b>	
Ø Capital Employed	€m	24,536	23,329	22,701	21,488	<b>21,488</b>	16,928
Goodwill	€m					<b>3,550</b>	

\* attributable to ThyssenKrupp stockholders

\*\* including Inoxum and Steel Americas



# Group Overview (II)

		2011/12				2012/13	
		Q1	Q2	Q3	Q4	FY	Q1
Capital expenditures*	€m	314	246	245	480	<b>1,285</b>	276
Depreciation/amort.	€m	423	269	273	492	<b>1,457</b>	242
Operating cash flow	€m	(1,327)	195	926	274	<b>68</b>	78
Cash flow from divestm.	€m	311	(12)	435	118	<b>852</b>	934
Cash flow from investm.	€m	(314)	(246)	(245)	(480)	<b>(1,285)</b>	(276)
Free cash flow	€m	(1,330)	(63)	1,116	(88)	<b>(365)</b>	736
Cash and cash equivalents** (incl. short-term securities)	€m	1,980	2,531	3,101	2,353	<b>2,353</b>	4,276
Net financial debt**	€m	5,937	6,480	5,800	5,800	<b>5,800</b>	5,205
Employees		155,601	154,751	151,352	152,123	<b>152,123</b>	150,860

\* incl. financial investments

\*\* incl. discontinued operations



# Special Items

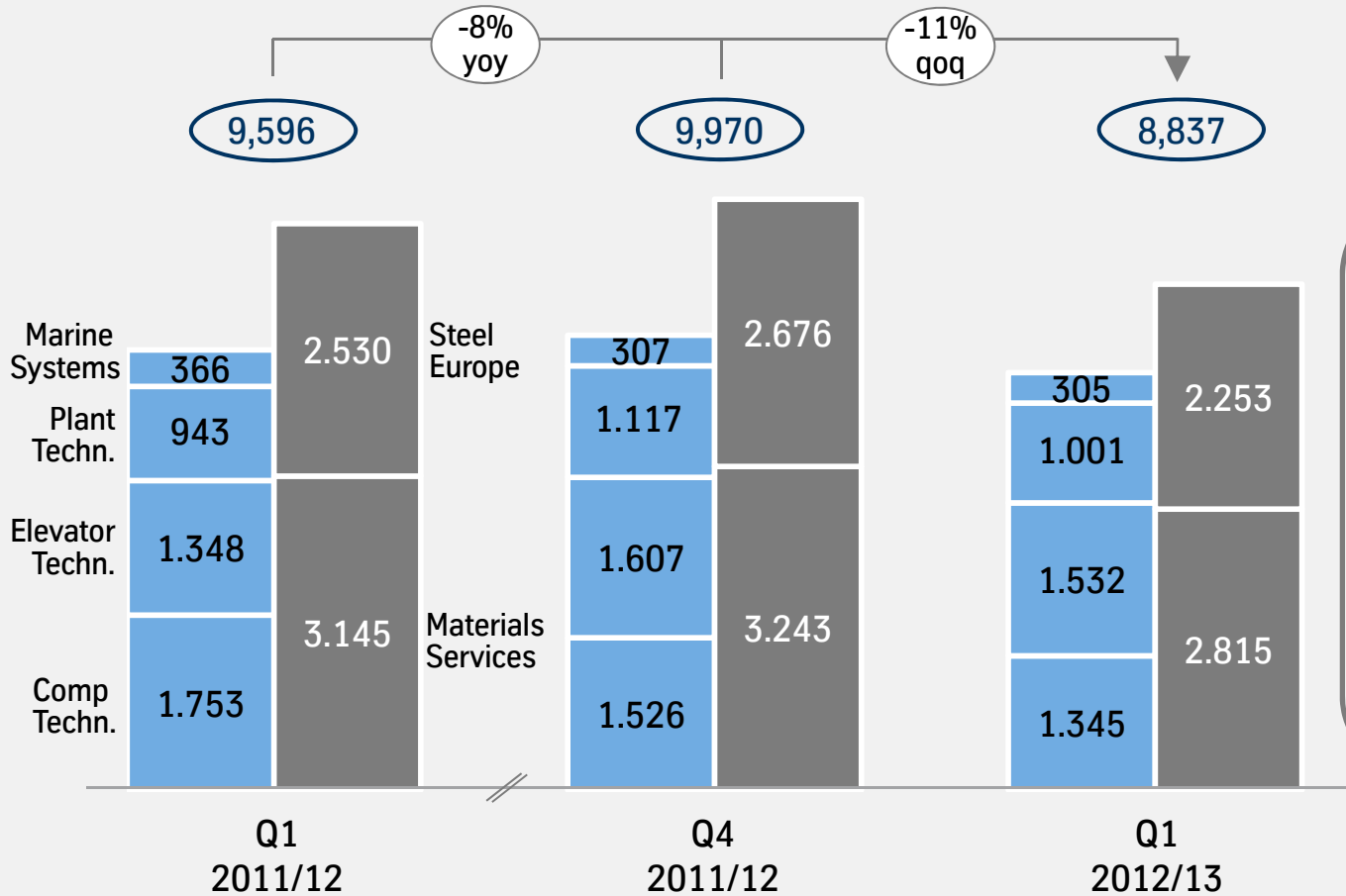
Business Area (million €)	2011/12					2012/13
	Q1	Q2	Q3	Q4	FY	Q1
<b>Components Technology</b>						
Disposal Auto Systems (Brazil) & Healthcare savings Waupaca	66				66	
Impairment			(13)	(137)	(150)	
Disposal effect Waupaca & others			338		338	
Restructuring				(25)	(25)	1
Others				(1)	(1)	
<b>Elevator Technology</b>						
Impairment				(86)	(86)	1
Restructuring	(29)	(14)	(13)	(19)	(75)	
Others				(38)	(38)	1
<b>Plant Technology</b>						
Impairment		(1)			(1)	
Restructuring				1	1	
<b>Marine Systems</b>						
Impairment	(155)	(17)		(11)	(183)	
Restructuring				11	11	1
Others				(11)	(11)	
<b>Materials Services</b>						
Impairment		(16)		(17)	(34)	
Rail cartel case			(133)		(133)	
Restructuring				(13)	(13)	(3)
Others				(4)	(4)	(1)
<b>Steel Europe</b>						
Asset disposals		(9)	(5)	(45)	(59)	(1)
<b>Corporate</b>						
Impairment				(3)	(3)	
Restructuring				(3)	(3)	
Others	2	1	1	(7)	(3)	(15)
<b>Consolidation</b>						
Others						6
<b>Continued operations</b>	<b>(116)</b>	<b>(56)</b>	<b>175</b>	<b>(408)</b>	<b>(435)</b>	<b>(10)</b>
<b>Steel Americas</b>						
Impairment related charges				(3,734)	(3,734)	
Asset disposal		(2)	(1)		(3)	
<b>Stainless Global</b>						
IFRS 5 valuation adjustment/ Deconsolidation effect	(265)	(250)	(59)	174	(400)	146
Impairment		(48)		(4)	(52)	(5)
Restructuring			(63)	(1)	(64)	
Others		(24)	(3)	(3)	(30)	
<b>Group (incl. discontinued operations)</b>	<b>(381)</b>	<b>(380)</b>	<b>50</b>	<b>(3,977)</b>	<b>(4,688)</b>	<b>130</b>



# Broadly Stable Sales at Capital Goods

Sales – continued operations (million €)

○ Group

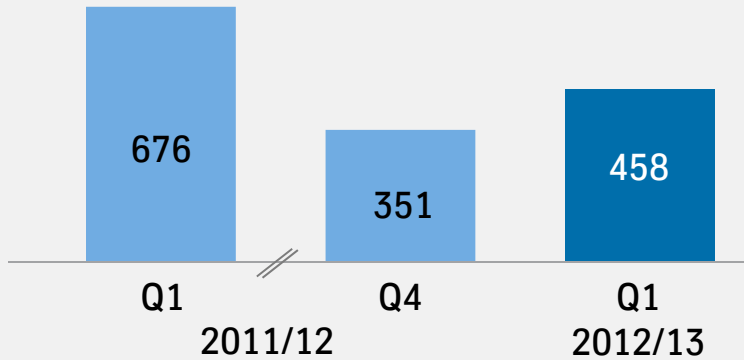


- CT: decrease due to weaker volumes for industrial components and heavy trucks; yoy divestment effect on top
- MX: qoq and yoy lower volumes; yoy divestment effects on top
- SE: qoq mainly lower volumes; yoy mainly lower prices

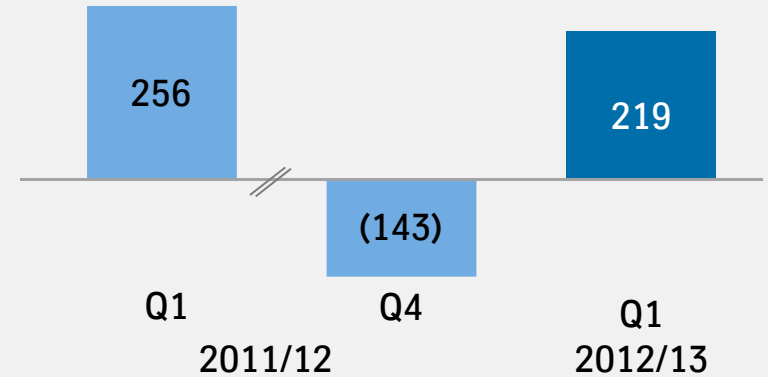
Continued operations now excluding Inoxum and Steel Americas

# Earnings Development – Continued Operations

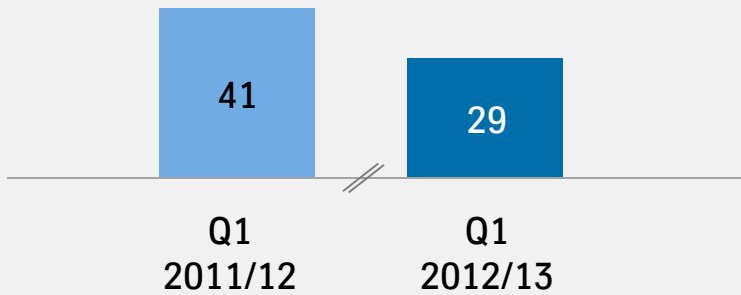
**EBITDA** (million €)



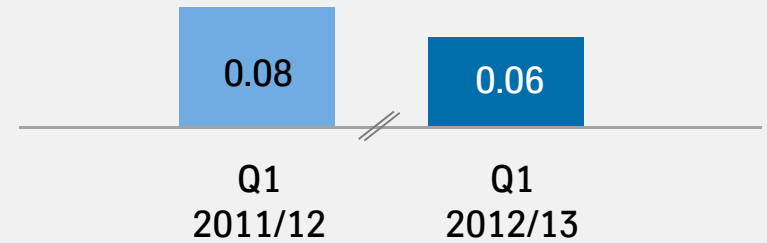
**EBIT** (million €)



**Net income\*** (million €)



**EPS** (€)



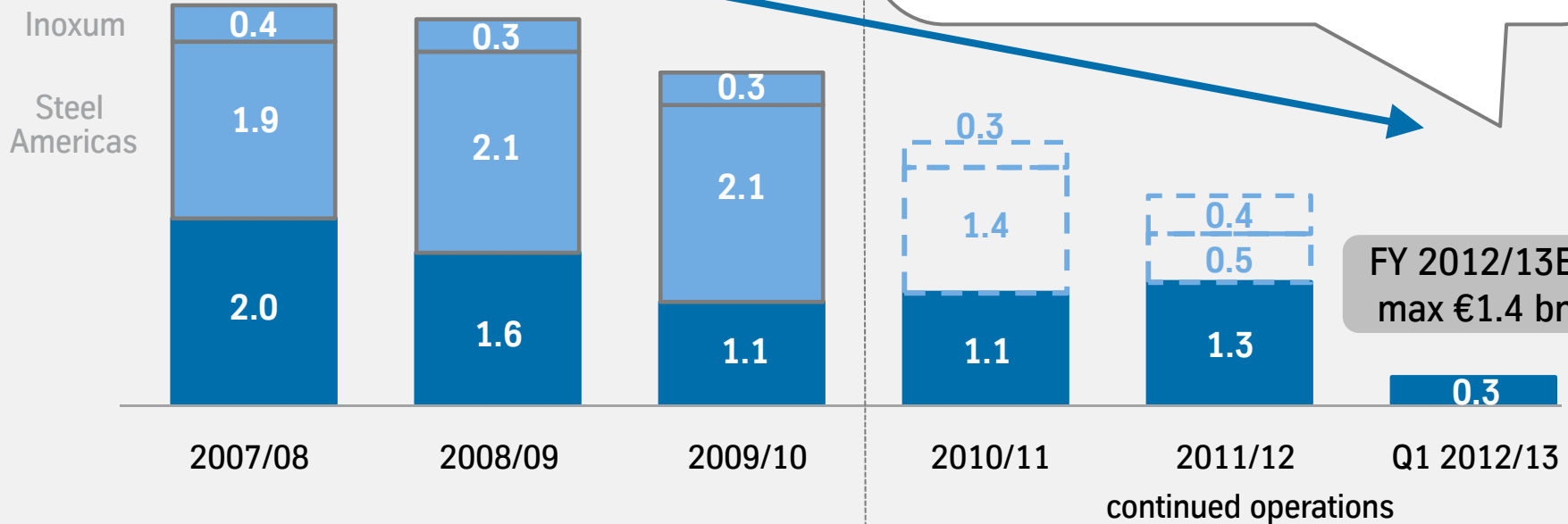
\* Attributable to ThyssenKrupp stockholders

# More Structured Capital Allocation Going Forward

## Cash flows from investing activities (billion €)

Steel Americas and Inoxum (now disc. ops.)

Capex cont. ops\*

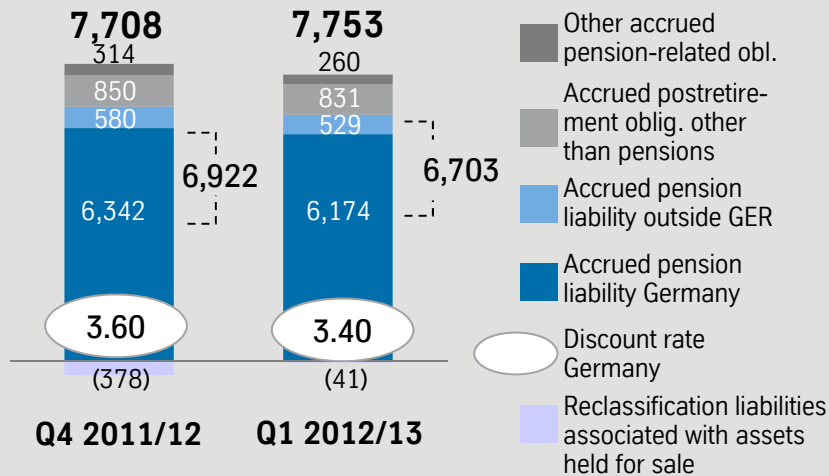


\* before 2010/11 pro forma



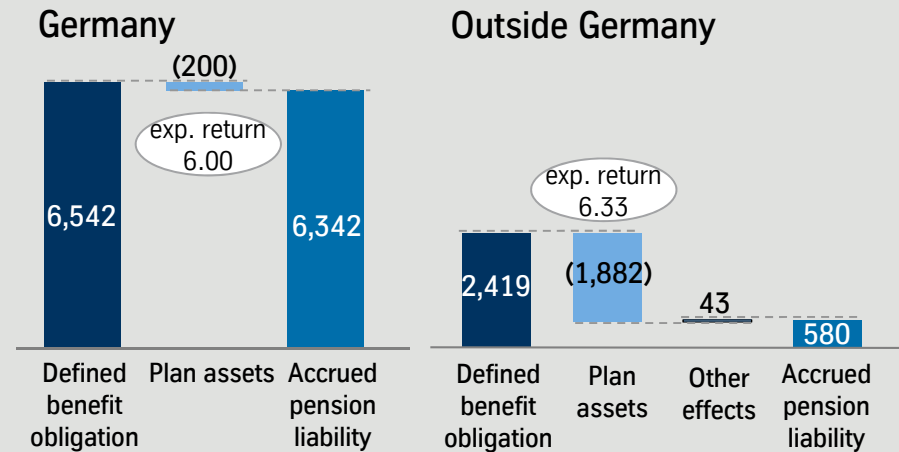
# Pension and Similar Obligations

## Accrued Pension and Similar Obligations (in €m)



- “Patient” long-term debt, no immediate redemption in one go
- Interest cost independent of ratings, covenants etc.
- German discount rate aligned to interest rate for AA-rated corporate bonds and discounts rate of other German companies
- Decrease in German pension liabilities mainly due to absence of Inoxum pension liabilities (more than compensates effect from lower discount rate)

## Development of Accrued Pension Liabilities (FY 2011/12, in €m)

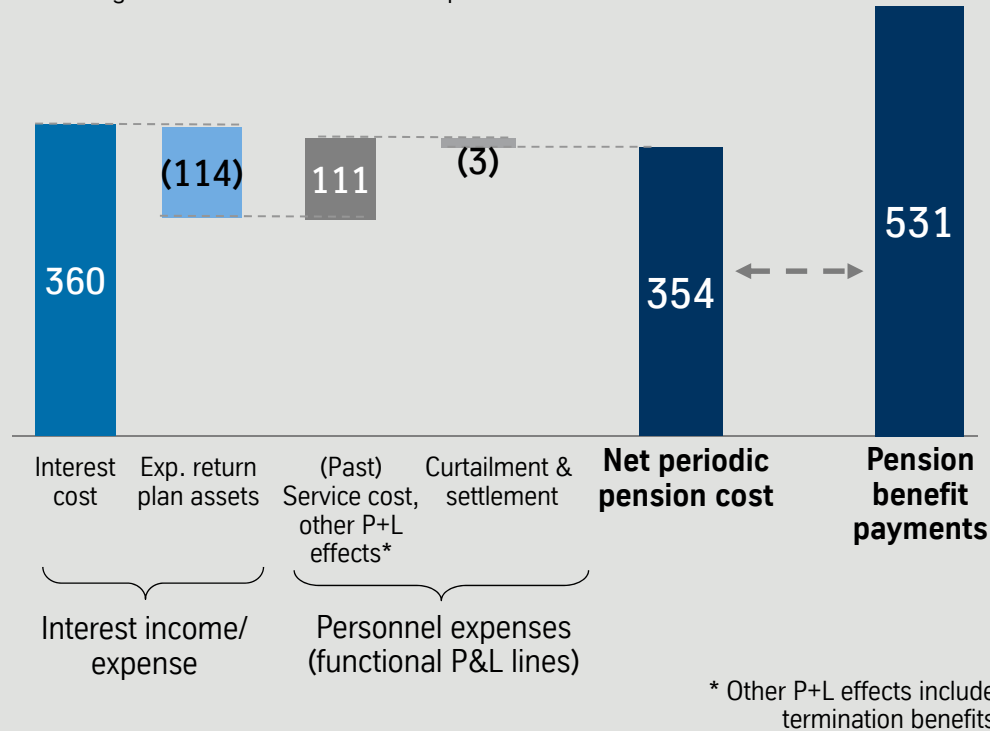


- 92% of pension liabilities in Germany; German pension system requires no mandatory funding of plan assets
- Mainly funded by TK’s operating assets
- Plan assets outside Germany mainly attributable to USA (~40%) and UK (~30%)
- Plan asset classes include national and international stocks, fixed income, government and non-government securities and real estate

# Pension Obligations: ThyssenKrupp with Mature Pension Schemes

## Net Periodic Pension Cost vs. Pension Benefit Payments (Defined Benefit Obligations\*; FY 2011/12; in €m)

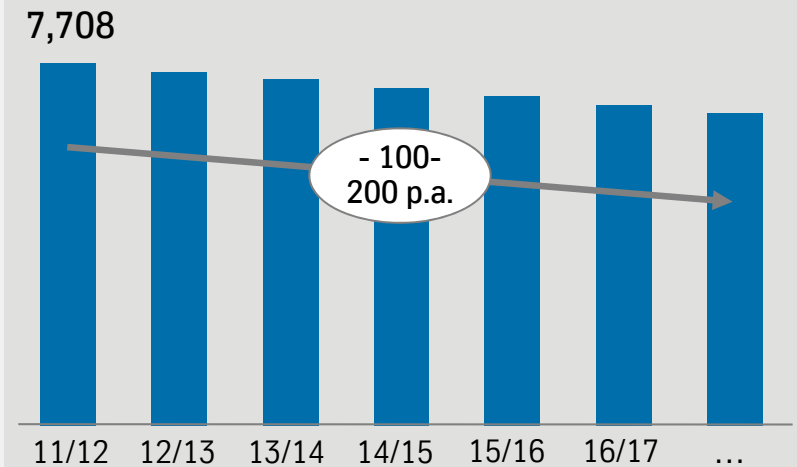
\* including continued and discontinued operations



**Pension payments higher than pension cost:  
Indicator for mature pension schemes**

## Expected Normalized\* Development of Accrued Pension & Similar Obligations (in €m)

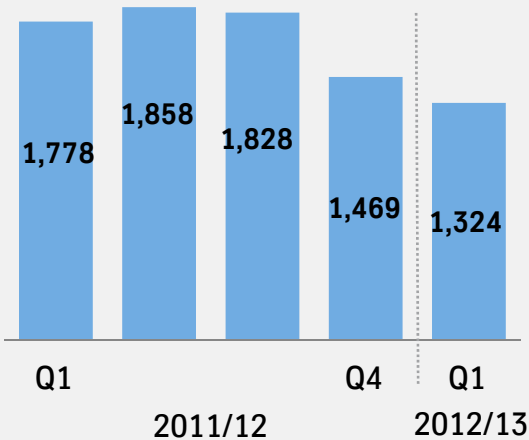
\* Assumption: unchanged discount rate



- Number of plan participants steadily decreasing
- 66% of obligations owed to retired employees, average age ~74 years
- Declining pension obligations over time (short-term variation possible, mainly due to change in discount rate)
- Cash-out from pension benefit payments in medium to long term: exp. 10 year average from 2012/13 onwards: €538 m

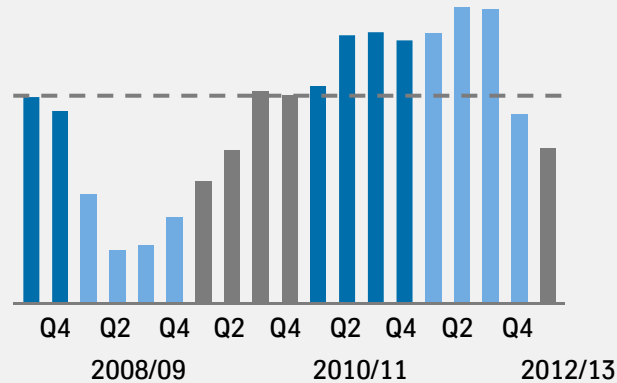
# Components Technology – Q1 2012/13 Highlights

## Order intake in €m

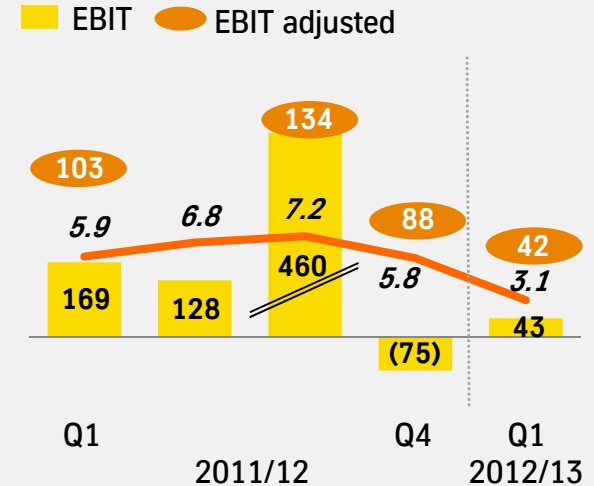


## Quarterly order intake auto components

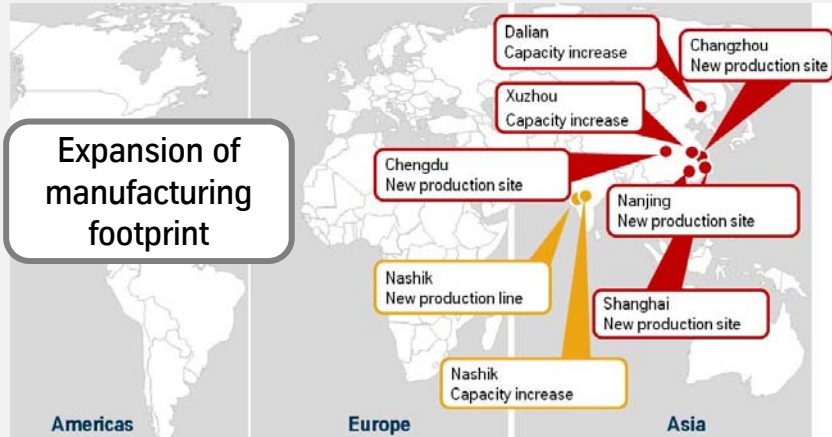
Q1 2012/13: lower order intake mainly driven by weak demand for heavy trucks



## EBIT in €m; EBIT adj. margin in %



## New plants in China and India



## Current trading conditions

- Qoq decrease in order intake and sales due to weaker volumes for industrial components and heavy trucks; light vehicle business in USA, Brazil, China still with good demand
- Qoq decrease of EBIT adj. and EBIT adj. margin in Q1 to 3.1% mainly due to lower utilization because of weaker demand for industrial components and heavy trucks; EBIT includes ramp-up related costs for new plants and products
- Capex of €124 m in Q1 mainly for growth projects in Asia



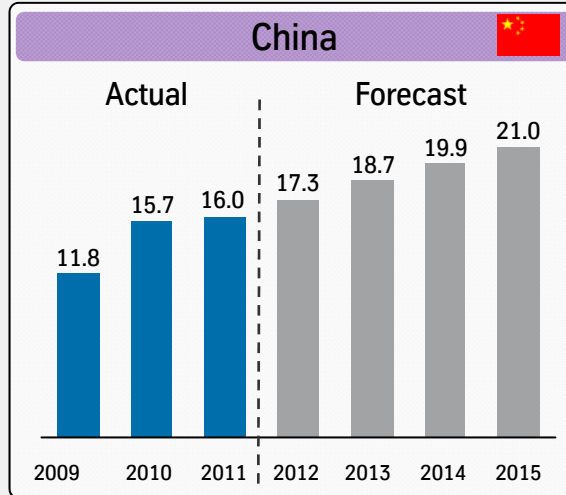
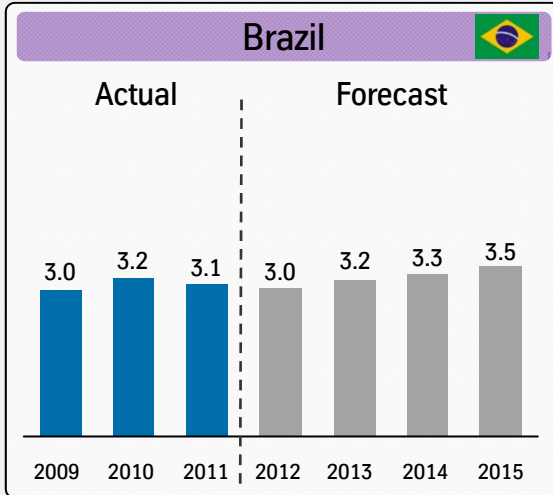
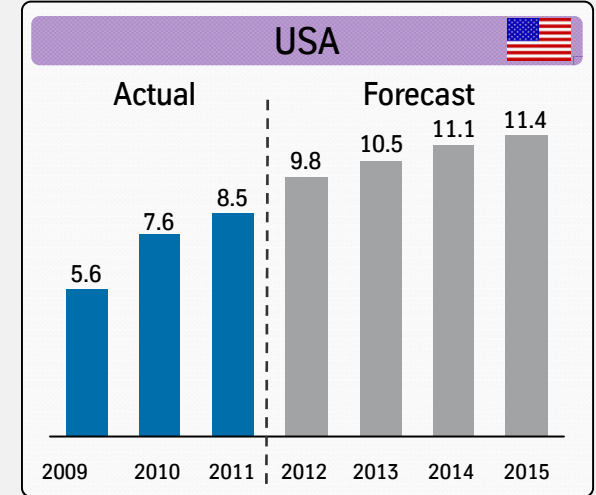
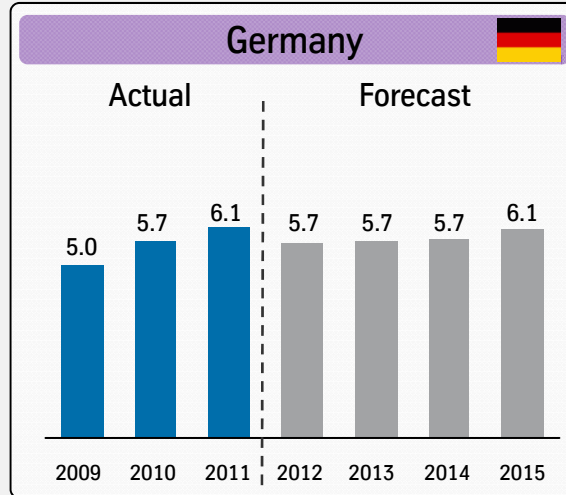
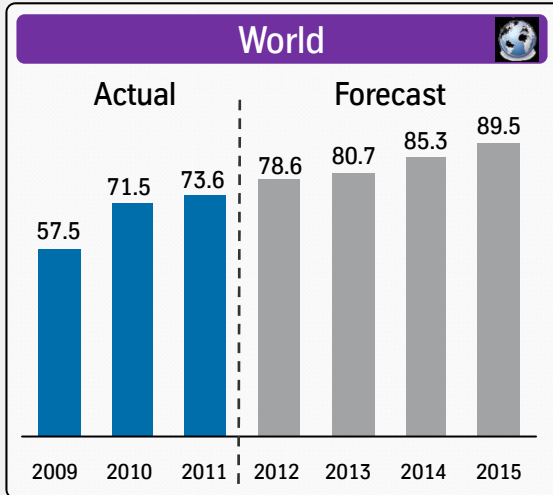
# Components Technology

## Key figures

		2011/12				FY	2012/13
		Q1	Q2	Q3	Q4		Q1
Order intake	€m	1,778	1,858	1,828	1,469	<b>6,933</b>	1,324
Sales	€m	1,753	1,880	1,852	1,526	<b>7,011</b>	1,345
EBITDA	€m	243	203	548	135	<b>1,129</b>	108
EBITDA adjusted	€m	178	203	209	160	<b>750</b>	107
EBIT	€m	169	128	460	(75)	<b>681</b>	43
EBIT adjusted	€m	103	128	134	88	<b>453</b>	42
TK Value Added	€m					<b>401</b>	
Ø Capital Employed	€m	3,075	3,142	3,140	3,112	<b>3,112</b>	2,897
OCF	€m	(121)	64	143	183	<b>269</b>	(47)
CF from divestm.	€m	77	2	432	4	<b>515</b>	2
CF for investm.	€m	(95)	(83)	(109)	(133)	<b>(420)</b>	(124)
FCF	€m	(139)	(17)	466	54	<b>364</b>	(169)
Employees		30,936	31,304	27,775	28,011	<b>28,011</b>	27,789



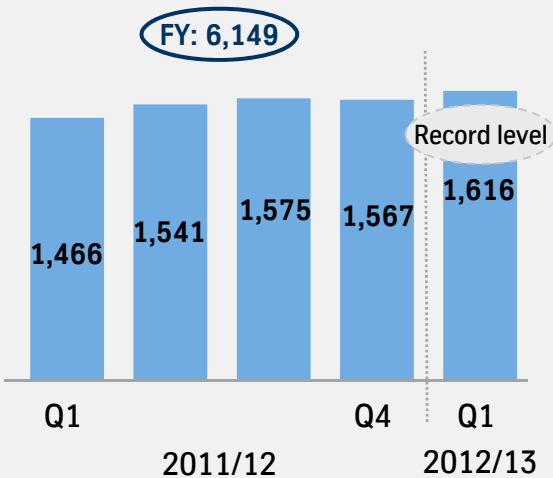
# Components Technology: Annual Production of Light Vehicles (in million) Passenger Cars and Light Commercial Vehicles



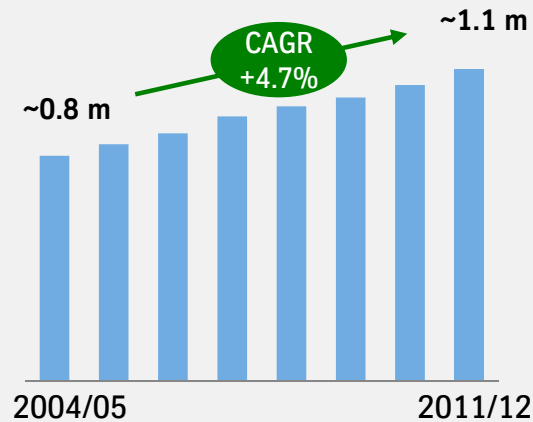
Source: Polk ProCar World, October 2012

# Elevator Technology – Q1 2012/13 Highlights

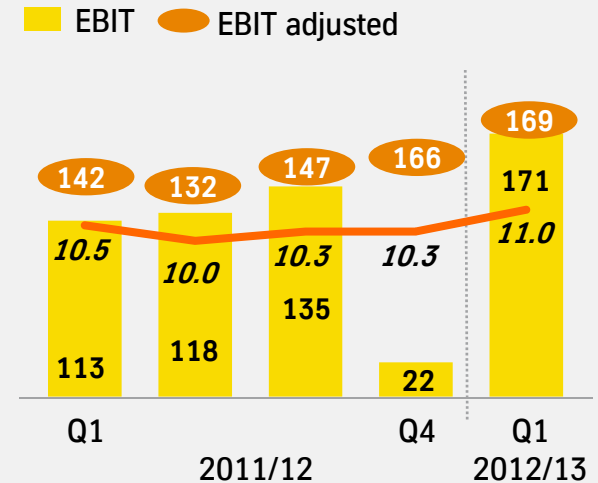
Order intake in €m



Units under Maintenance



EBIT in €m; EBIT adj. margin in %



Major order in China

- Supply of equipment for the West Kowloon Terminus project in Hong Kong (China)
- World's largest underground rail terminus
- 73 escalators, 8 moving walks
- Eco-friendly energy saving system; energy savings of up to 60% depending on passenger volumes

Current trading conditions

- Order intake again at record level with €1.6 bn (+10% yoy)
- New installation: good demand in Asia and in Americas
- Modernization: good demand across all regions
- Maintenance: portfolio growing constantly
- Restructuring in Europe progressing well
- Step by step margin improvement becoming visible already in FY 2012/13

# Elevator Technology

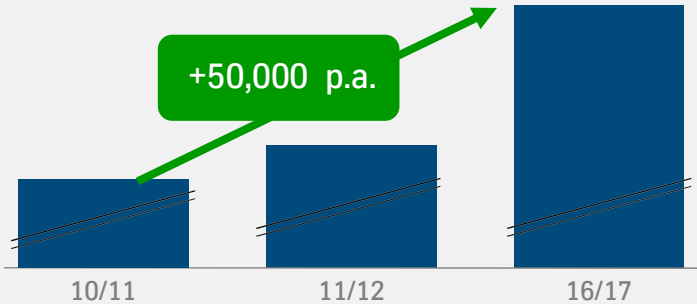
## Key figures

		2011/12				FY	2012/13
		Q1	Q2	Q3	Q4		Q1
Order intake	€m	1,466	1,541	1,575	1,567	<b>6,149</b>	1,616
Sales	€m	1,348	1,321	1,429	1,607	<b>5,705</b>	1,532
EBITDA	€m	132	139	156	118	<b>545</b>	190
EBITDA adjusted	€m	161	149	168	175	<b>651</b>	188
EBIT	€m	113	118	135	22	<b>387</b>	171
EBIT adjusted	€m	142	132	147	166	<b>587</b>	169
TK Value Added	€m					<b>193</b>	
Ø Capital Employed	€m	2,322	2,393	2,425	2,427	<b>2,427</b>	2,359
OCF	€m	(49)	169	89	127	<b>336</b>	123
CF from divestm.	€m	2	0	0	4	<b>6</b>	3
CF for investm.	€m	(77)	(26)	(17)	(58)	<b>(178)</b>	(23)
FCF	€m	(124)	143	72	73	<b>164</b>	103
Employees		46,581	46,605	46,656	47,561	<b>47,561</b>	47,897






# Elevator Technology: Contributions to EBIT Margin Growth

**Service:** > 1 Mio UuM – and Rising

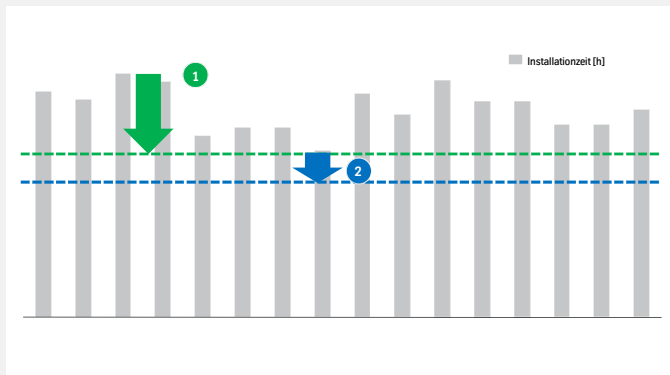


**Standardization:** State-of-the-art Production Sites

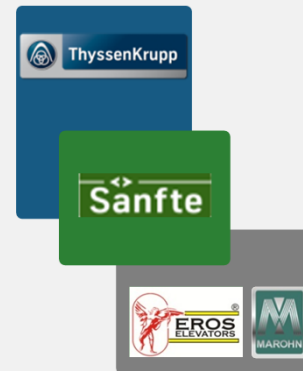
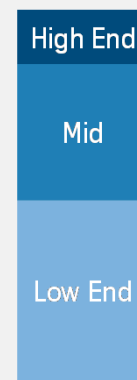


-  Technology Park €81 m
-  2 Factories + Test Tower
-  Multi-Purpose Facility

**Installation Times:** Reduction in 2 Steps



**Multi-Brand:** Strategy in China and India



1<sup>st</sup> Brand = Latest Technology

2<sup>nd</sup> Brand = Proven Technology

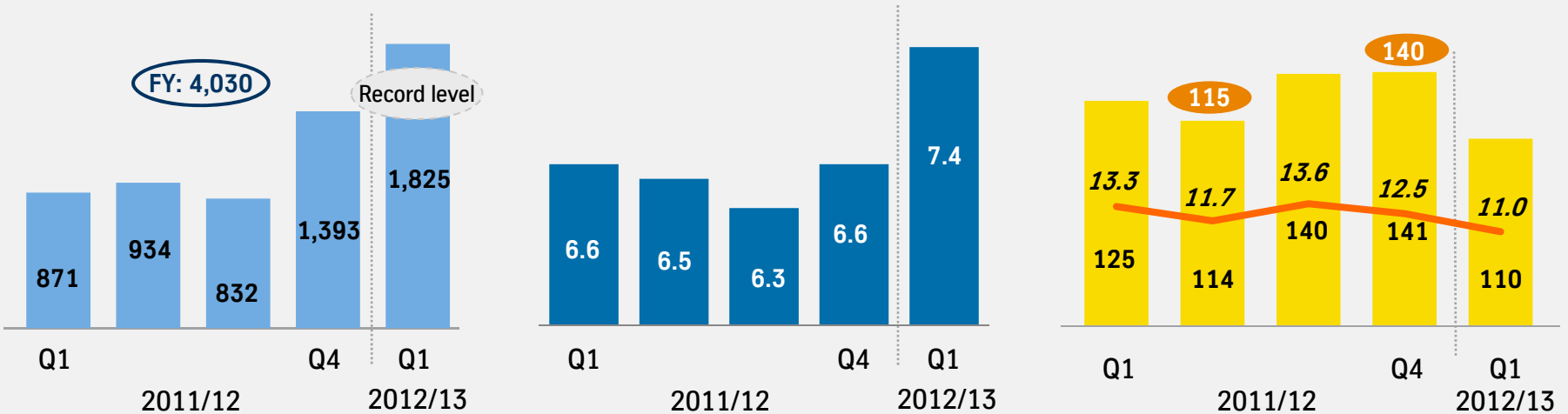
3<sup>rd</sup> Brand = Independent Product

# Plant Technology – Q1 2012/13 Highlights

Order intake in €m

Order backlog in €bn

EBIT in €m; EBIT adj. margin in %



## Major order intake Q1 2012/13

## Current trading conditions

### Fertilizer complexes for CF Industries Holding, USA:



- Largest order within the last years
- Iowa: ammonia, urea and urea granulation plant
- Louisiana: ammonia, urea and urea granulation plant as well as nitric acid and an urea ammonium nitrate plant
- Order value: > €1 bn

- Record order intake driven by high demand for petrochemical plants in the US due to the shale gas boom and ongoing high order activity from the auto industry
- Stable demand for replacement equipment & NI for non-ferrous metals like copper or gold compensate the slight decrease in coal and iron ore growth project activity by the major miners
- Outlook for the cement market stable despite continued challenging project financing environment
- Temporary billing-related decrease in EBIT, margin on normalized level

# Plant Technology

## Key figures

		2011/12				FY	2012/13
		Q1	Q2	Q3	Q4		Q1
Order intake	€m	871	934	832	1,393	<b>4,030</b>	1,825
Sales	€m	943	982	1,028	1,117	<b>4,070</b>	1,001
EBITDA	€m	134	125	149	151	<b>560</b>	118
EBITDA adjusted	€m	134	125	149	150	<b>558</b>	118
EBIT	€m	125	114	140	141	<b>520</b>	110
EBIT adjusted	€m	125	115	140	140	<b>520</b>	110
TK Value Added	€m					<b>490</b>	
Ø Capital Employed	€m	300	326	331	335	<b>335</b>	296
OCF	€m	(116)	51	(76)	250	<b>109</b>	112
CF from divestm.	€m	1	1	1	8	<b>11</b>	1
CF for investm.	€m	(15)	(6)	(14)	(24)	<b>(59)</b>	(8)
FCF	€m	(130)	46	(89)	234	<b>61</b>	105
Employees		13,786	13,956	14,105	14,339	<b>14,339</b>	14,359

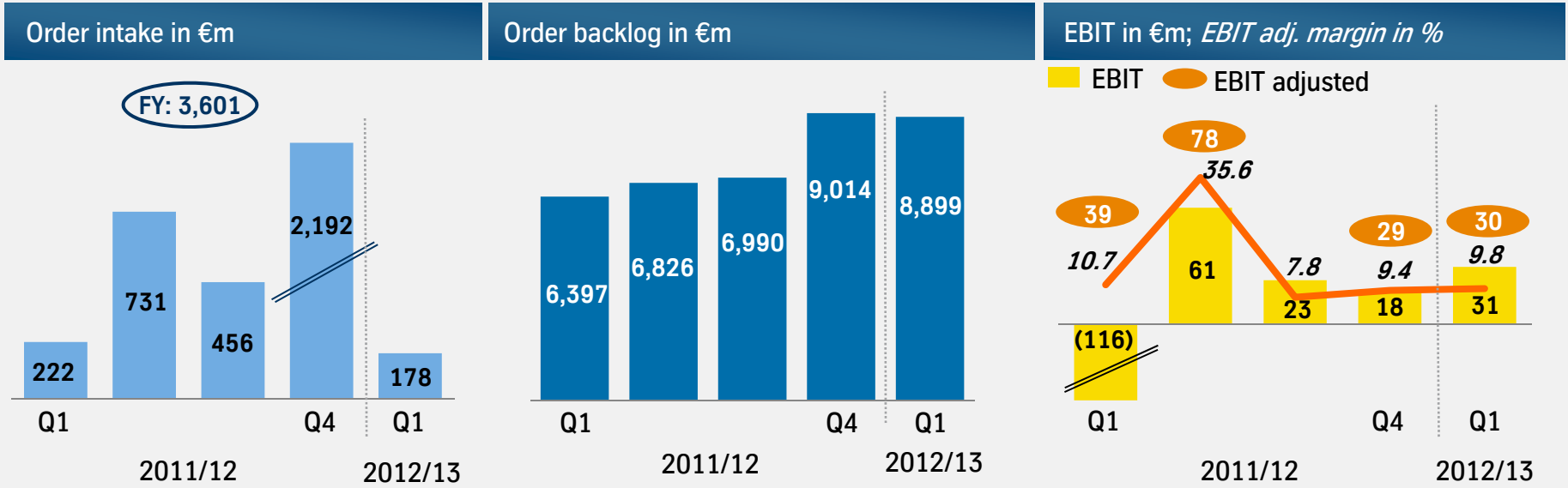


# Plant Technology: Technology Portfolio Offering Growth Potential

Markets	Technologies		Market Positions	
Chemicals	<p><b>Conversion Technologies</b></p> <ul style="list-style-type: none"> <li>• Gas Reforming</li> <li>• Oil Refining</li> <li>• Biotechnology</li> <li>• Gasification</li> <li>• Coke Plant Technologies</li> <li>• Electrolysis</li> </ul>	<p><b>Customer Products</b></p> <ul style="list-style-type: none"> <li>• Fertilizers</li> <li>• Organic Chemicals &amp; Polymers</li> <li>• Biopolymers</li> <li>• Electric Power; Fuel</li> <li>• Steel</li> <li>• Inorganic &amp; Organic Chemicals</li> </ul>		<p>Fertilizers: <b>No.1</b>            Polymers: <b>No.2</b>            Electrolysis: <b>No.1</b>            Coke Plant Tech.: <b>No.1</b></p>
Cement				<p>Cement plants: <b>No.3</b></p>
Mining				<p>Mining and Materials Handling Equipment: <b>No.1</b></p>



# Marine Systems – Q1 2012/13 Highlights



## Major order intake Q1 2012/13

### Modernization of submarines:



(Picture shows comparable project)

- Modernization of two submarines class U206A for the Columbian Navy
- Order intake: ~€60 m
- Delivery: 2015

## Current trading conditions

- Stable market environment for submarines and naval surface vessels and a solid project perspective continues in Q1
- Order backlog of ~€9 bn ensures good workload; some orders reaching until 2022
- EBIT adj. and margins on stable and normalized levels

# Marine Systems

## Key figures

		2011/12				FY	2012/13
		Q1	Q2	Q3	Q4		Q1
Order intake	€m	222	731	456	2,192	<b>3,601</b>	178
Sales	€m	366	219	294	307	<b>1,187</b>	305
EBITDA	€m	45	65	28	32	<b>170</b>	35
EBITDA adjusted	€m	45	69	28	31	<b>173</b>	35
EBIT	€m	(116)	61	23	18	<b>(14)</b>	31
EBIT adjusted	€m	39	78	23	29	<b>169</b>	30
TK Value Added	€m					<b>(116)</b>	
Ø Capital Employed	€m	1,241	1,184	1,144	1,134	<b>1,134</b>	1,191
OCF	€m	(94)	92	444	(378)	<b>64</b>	125
CF from divestm.	€m	0	(30)	1	1	<b>(28)</b>	0
CF for investm.	€m	(2)	(3)	(5)	(18)	<b>(28)</b>	0
FCF	€m	(96)	59	440	(395)	<b>8</b>	125
Employees		5,301	3,731	3,781	3,772	<b>3,772</b>	3,817

# Materials Services – Q1 2012/13 Highlights

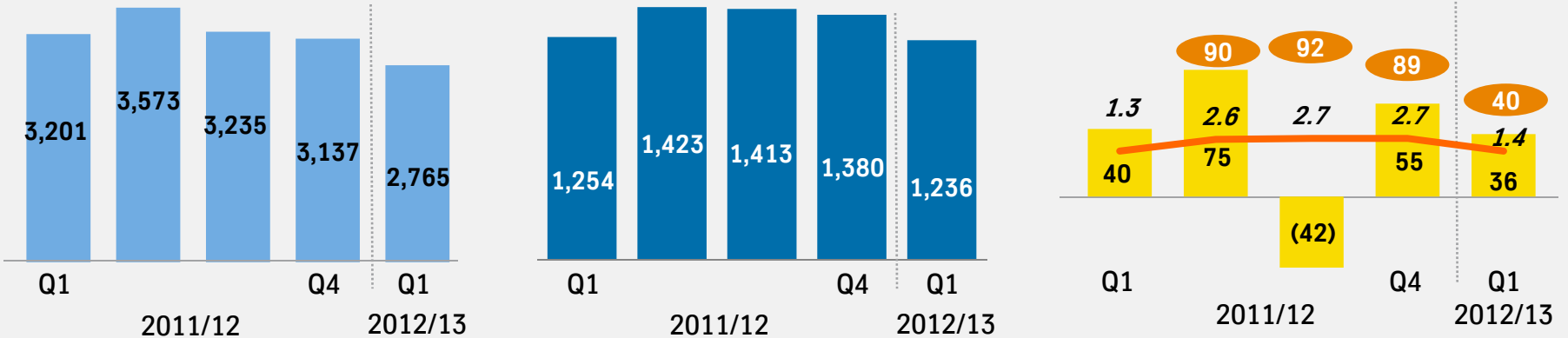
Order intake\* in €m

Materials warehousing shipments in 1,000 t

EBIT in €m; *EBIT adj. margin in %*

\*thereof materials warehousing business ~ 60%

■ EBIT ● EBIT adjusted



## Business model with high degree of independence

### Independence from single products

- Broad range of ferrous and non-ferrous materials complemented by related processing and logistics



### Independence from single industries

- Broad range of industries served

- Limited risks due to degree of independence
- Service orientation (processing, logistics) paying off

## Current trading conditions

- In difficult market environment sustainable, positive earnings supported by strict cost management and advantageous business model
- Q1 typically the trough quarter in terms of demand
- Prices without a clear trend
- Inventories at seasonally normal levels
- Ongoing competitive environment

# Materials Services

## Key figures

		2011/12				FY	2012/13
		Q1	Q2	Q3	Q4		Q1
Order intake	€m	3,201	3,573	3,235	3,137	<b>13,146</b>	2,765
Sales	€m	3,145	3,408	3,369	3,243	<b>13,165</b>	2,815
EBITDA	€m	65	98	(20)	96	<b>240</b>	59
EBITDA adjusted	€m	65	98	130	113	<b>406</b>	63
EBIT	€m	40	75	(42)	55	<b>127</b>	36
EBIT adjusted	€m	40	90	92	89	<b>311</b>	40
TK Value Added	€m					<b>(123)</b>	
Ø Capital Employed	€m	2,861	2,966	2,971	2,945	<b>2,945</b>	2,913
OCF	€m	(441)	23	11	232	<b>(175)</b>	(206)
CF from divestm.	€m	197	42	2	1	<b>242</b>	2
CF for investm.	€m	(17)	(18)	(16)	(40)	<b>(91)</b>	(19)
FCF	€m	(261)	47	(3)	193	<b>(24)</b>	(223)
Employees		27,910	28,123	27,945	27,595	<b>27,595</b>	26,280



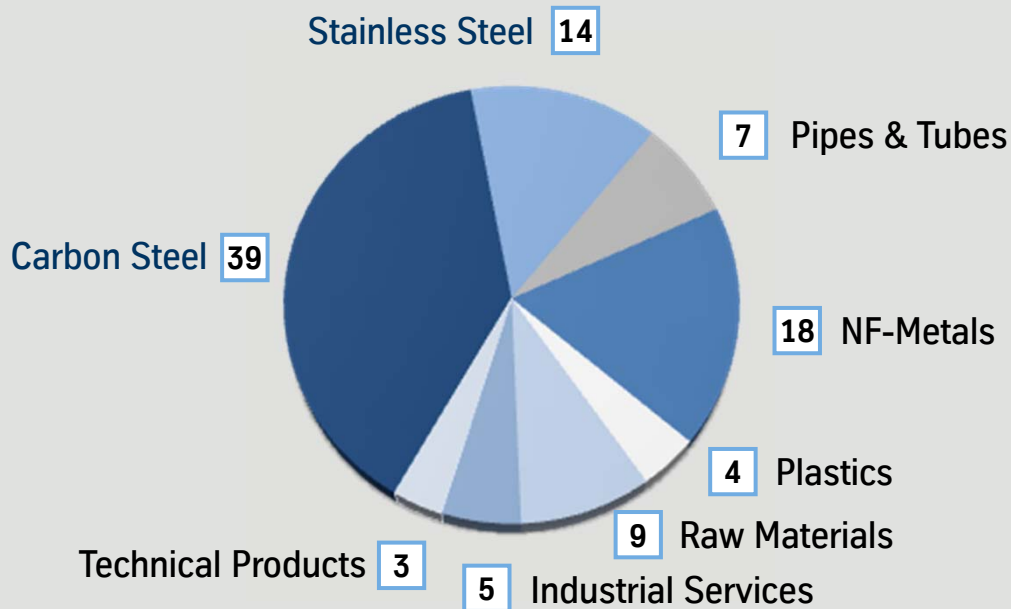
# Unique Portfolio in Products and Services

## Sales by products/services (%), FY 2011/12

Materials



Services



- trading
- warehousing
- processing
- logistics
- materials & inventory management
- supply chain management
- project management
- mill services
- operating and maintenance services

More than **150,000 product items**

About **250,000 customers** worldwide

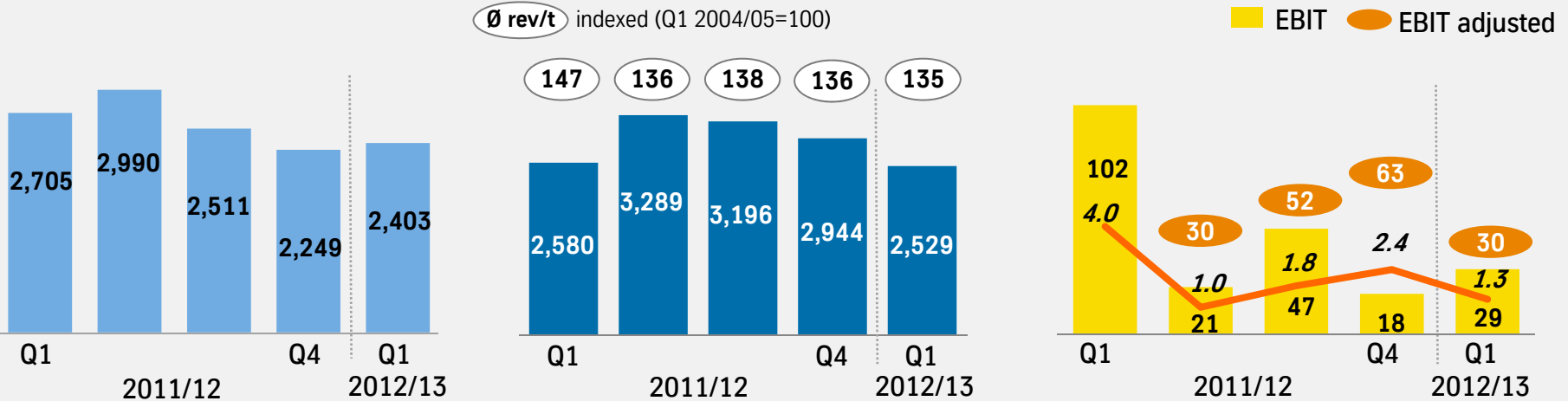


# Steel Europe – Q1 2012/13 Highlights

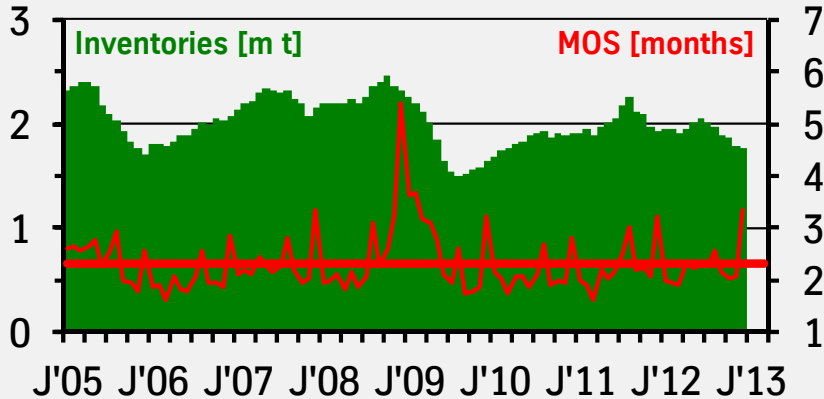
Order intake in €m

Shipments in 1,000 t

EBIT in €m; EBIT adj. margin in %



Inventories and Months of Supply - Europe



Current trading conditions

- Currently seasonally and cyclically improving volumes and increasing raw materials / steel spot prices
- Qoq EBIT adj. down in fiscal Q1 as lower Ø revenues/t and esp. lower volumes (lower fixed cost dilution) were not compensated by temporary lower raw material costs
- Expectation fiscal Q2: qoq higher volumes against higher raw material costs and esp. lower Ø revenues/t (new half-year and quarterly contracts)
- Divestments: Closing Tailored Blanks expected in H1 CY 2013

# Steel Europe

## Key figures

		2011/12				FY	2012/13
		Q1	Q2	Q3	Q4		Q1
Order intake	€m	2,705	2,990	2,511	2,249	<b>10,455</b>	2,403
Sales	€m	2,530	2,885	2,900	2,676	<b>10,992</b>	2,253
EBITDA	€m	225	142	163	129	<b>659</b>	142
EBITDA adjusted	€m	225	150	168	174	<b>717</b>	142
EBIT	€m	102	21	47	18	<b>188</b>	29
EBIT adjusted	€m	102	30	52	63	<b>247</b>	30
TK Value Added	€m					<b>(332)</b>	
Ø Capital Employed	€m	5,874	5,936	5,865	5,773	<b>5,773</b>	5,387
OCF	€m	(632)	301	401	239	<b>309</b>	29
CF from divestm.	€m	25	(5)	(4)	76	<b>92</b>	2
CF for investm.	€m	(101)	(106)	(90)	(208)	<b>(505)</b>	(94)
FCF	€m	(708)	190	307	107	<b>(104)</b>	(63)
Employees		28,273	28,137	28,104	27,761	<b>27,761</b>	27,629

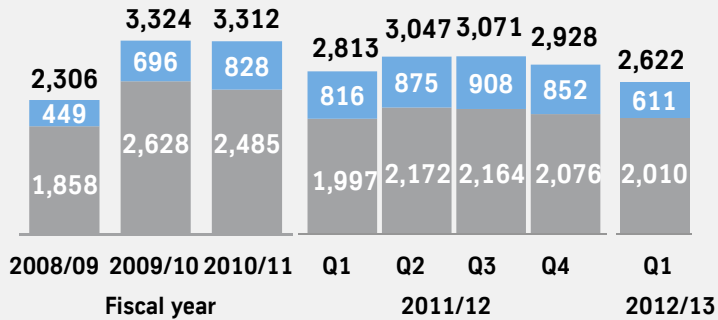


# Steel Europe: Output, Shipments and Revenues per Metric Ton

## Crude steel output (incl. share in HKM)

1,000 t/quarter

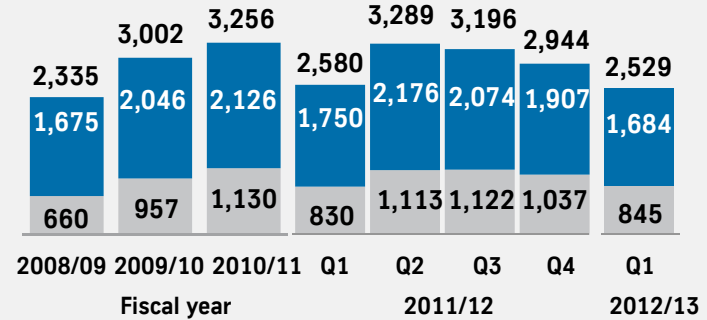
HKM share



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

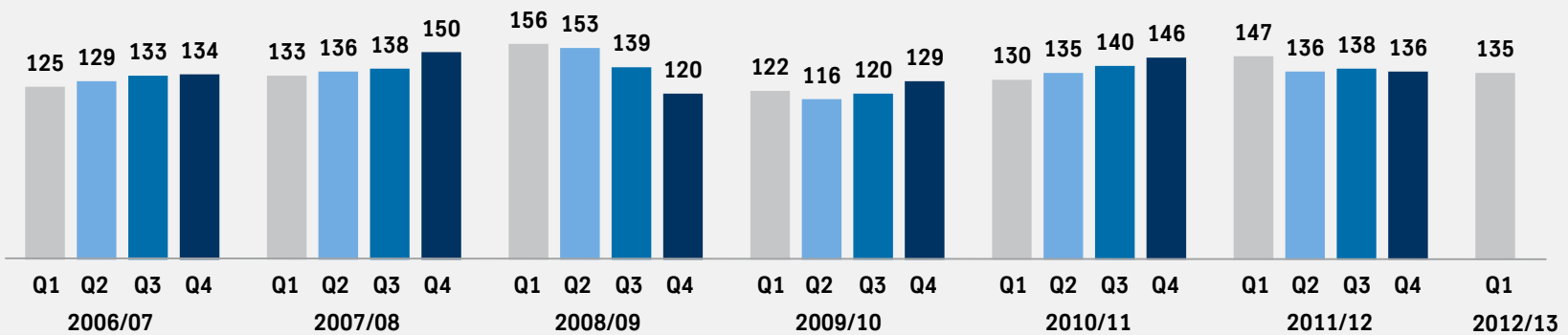
1,000 t/quarter

Cold-rolled  
Hot-rolled; incl. slabs



## Average revenues per ton\*, indexed

Q1 2004/2005 = 100

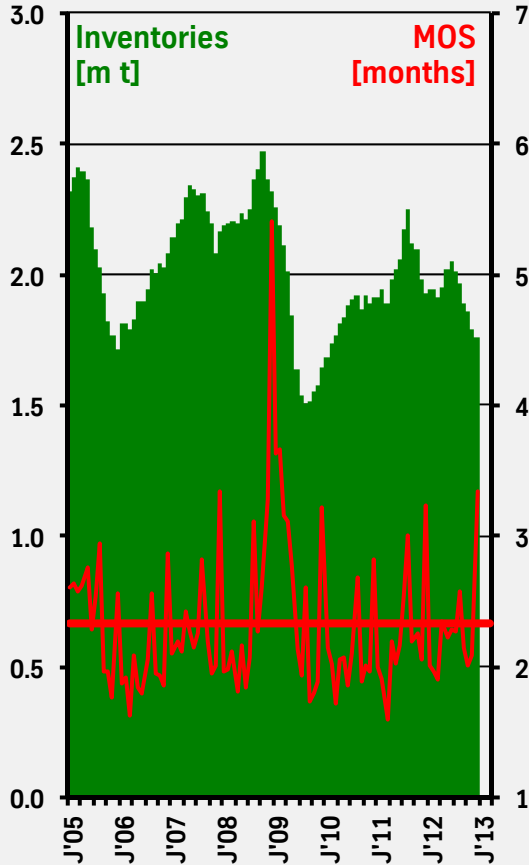


\* shipments and average revenues per ton until FY 2007/08 relate to former Steel segment



# Steel: Inventories and Months of Supply

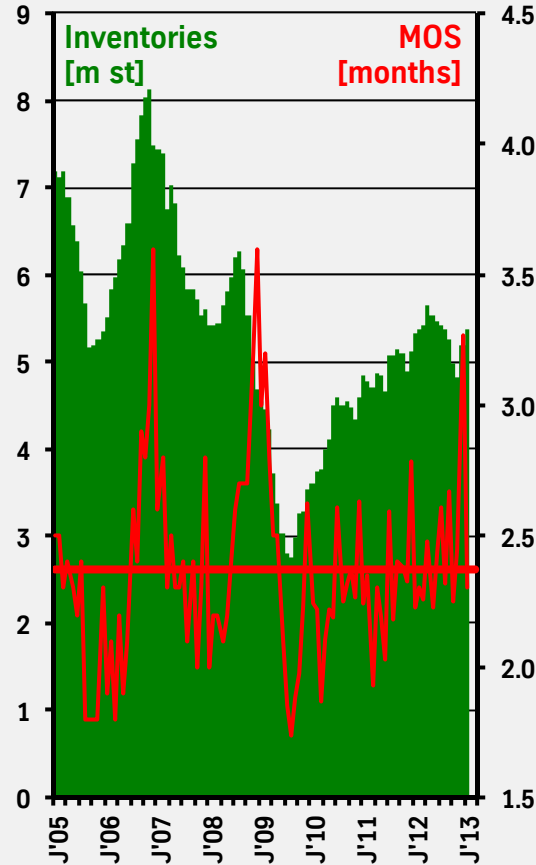
## Inventories and Months of Supply - Europe



Europe: European SSC: December inventories at month end / flat carbon steel w/o quarto

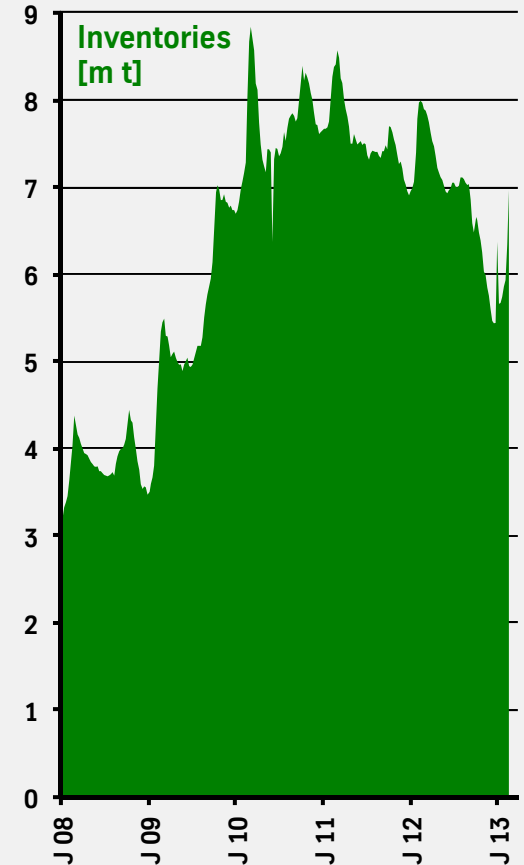
Source(s): EASSC, MSCI, UBS, MySteel

## Inventories and Months of Supply - USA



USA: January MSCI inventories, carbon flat-rolled

## Inventories China



China: flat steel inventory in 23 major cities (HR, CR and Plate)



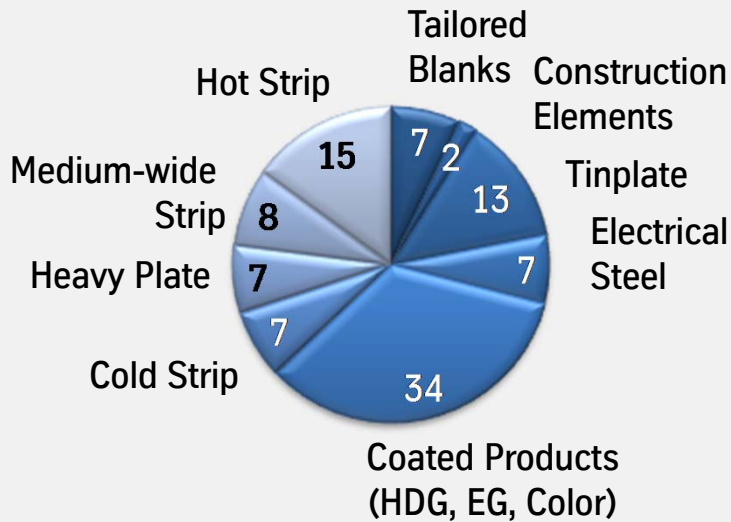
# Premium Product Mix and Attractive Customer Portfolio

## Business Model ThyssenKrupp Steel Europe



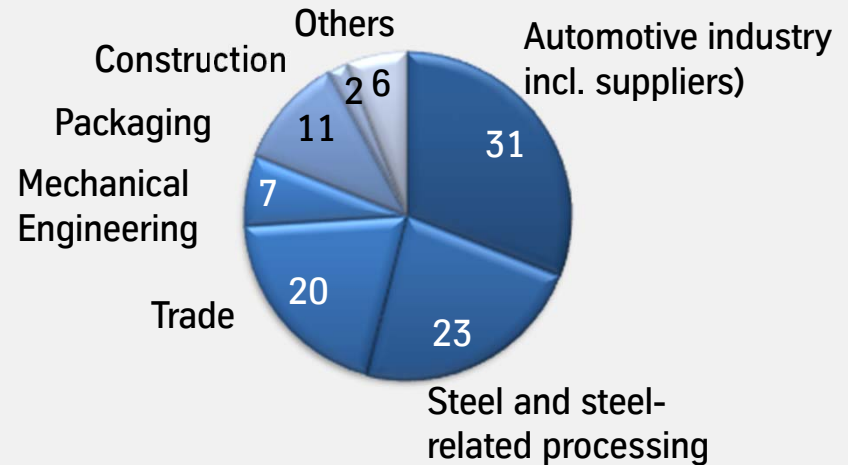
Premium Product Mix Steel Europe FY 2011/12

in % of sales



Sales by Industry Steel Europe FY 2011/12

in % of sales



# Corporate: Overview

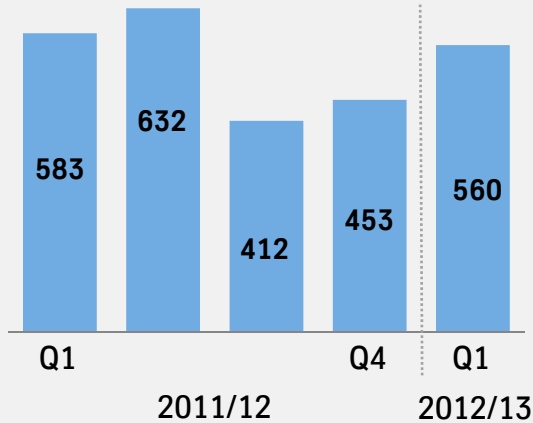
## Corporate

		2011/12				FY	2012/13
		Q1	Q2	Q3	Q4		Q1
Order intake	€m	33	39	34	52	<b>158</b>	55
Sales	€m	35	37	34	52	<b>158</b>	55
EBITDA	€m	(88)	(108)	(96)	(159)	<b>(452)</b>	(102)
EBITDA adjusted	€m	(90)	(109)	(97)	(149)	<b>(446)</b>	(88)
EBIT	€m	(99)	(119)	(106)	(171)	<b>(495)</b>	(112)
EBIT adjusted	€m	(101)	(120)	(108)	(158)	<b>(487)</b>	(97)
Employees		2,814	2,895	2,986	3,084	<b>3,084</b>	3,089

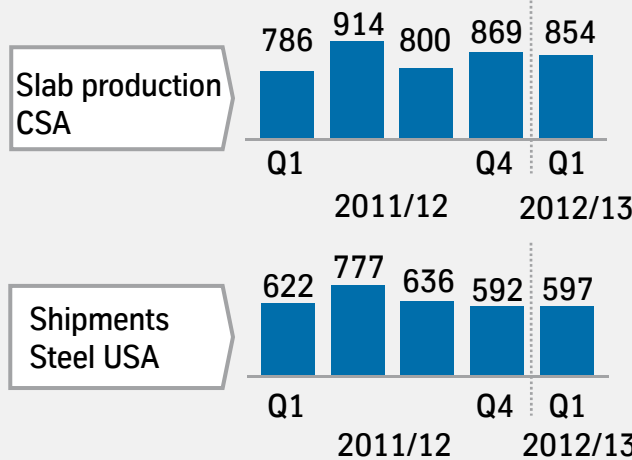


# BA Steel Americas – Q1 2012/13 Highlights (disc. ops.)

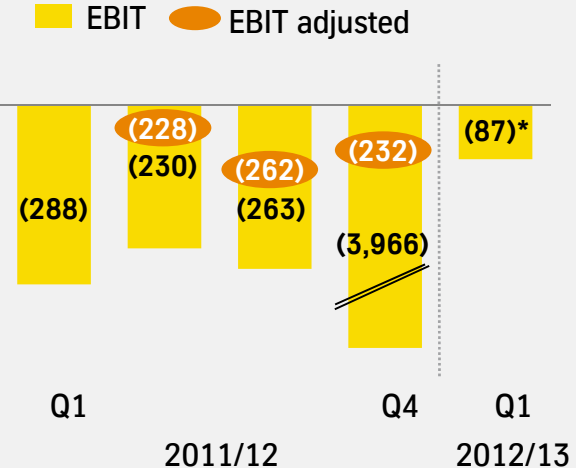
## Order intake in €m



## Production & shipments in 1,000 t

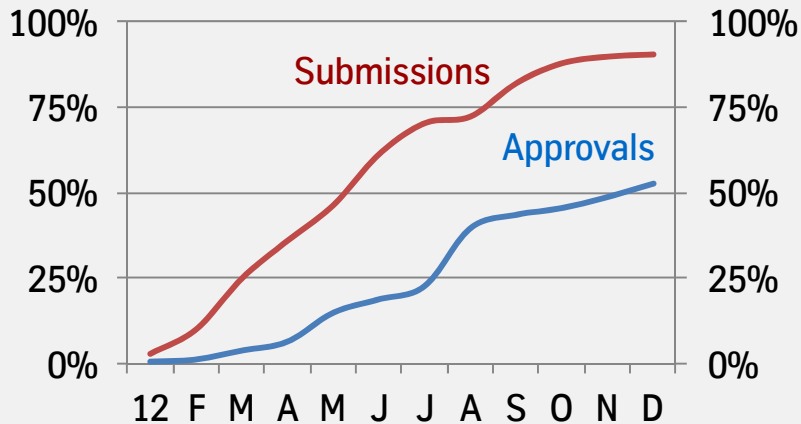


## EBIT in €m



\* Q1 2012/13 EBIT excl. regular depreciation charges of €103 m

## Automotive customer qualification on track



## Current trading conditions

- Qoq lower adjusted losses in fiscal Q1 explained by improvement of fuel rate, temporary lower raw material costs and – with classification as a discont'd operation – absence of regular depreciation charges
- Cont'd challenging business env't with unsatisfactory price level above all in SSC business and insufficient utilization
- Certification processes with good progress: >50% of auto approvals (incl. first exposed approval) already received; pipe & tube certification virtually completed

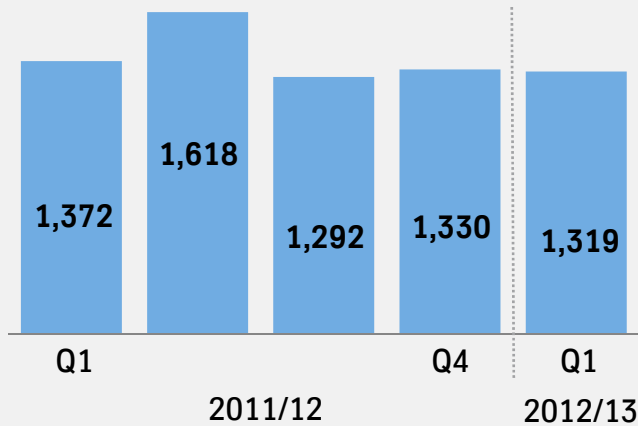
# BA Steel Americas (disc. ops.)

## Key figures

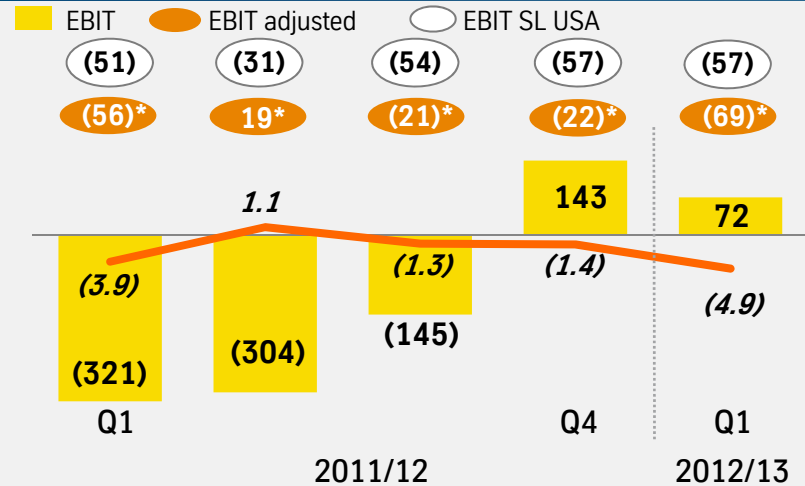
		2011/12					2012/13
		Q1	Q2	Q3	Q4	FY	Q1
Order intake	€m	583	632	412	453	<b>2,081</b>	560
Sales	€m	498	546	543	427	<b>2,014</b>	488
EBITDA	€m	(205)	(140)	(170)	(214)	<b>(729)</b>	(87)
EBITDA adjusted	€m	(205)	(138)	(170)	(125)	<b>(637)</b>	(87)
EBIT	€m	(288)	(230)	(263)	(3,966)	<b>(4,747)</b>	(87)
EBIT adjusted	€m	(288)	(228)	(262)	(232)	<b>(1,010)</b>	(87)
TK Value Added	€m					<b>(5,359)</b>	
Ø Capital Employed	€m	6,624	6,726	6,778	6,802	<b>6,802</b>	3,069
OCF	€m	(364)	(189)	(99)	(132)	<b>(784)</b>	(146)
CF from divestm.	€m	0	0	1	(1)	<b>0</b>	0
CF for investm.	€m	(152)	(160)	(80)	(123)	<b>(515)</b>	(52)
FCF	€m	(516)	(349)	(178)	(256)	<b>(1,299)</b>	(198)
Employees		4,081	4,258	4,236	3,992	<b>3,992</b>	3,990

# BA Stainless Global – Q1 2012/13 Highlights (disc. ops.)

## Order intake in €m

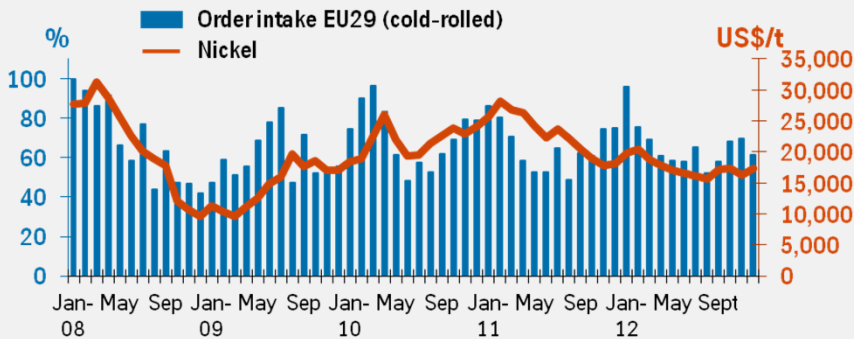


## EBIT in €m; EBIT adj. margin in %



\* FY 2011/12 EBIT excl. regular depreciation charges of €192 m; Q1 2012/13: €52 m

## Nickel price development & monthly order intake (EU 29) (Jan 08=100%)



Source: Eurofer; CRU December 2012, Metalprices (NICKEL) December 2012

## Current trading conditions

- Transaction closed on December 28, 2012
- Order intake impacted by continuing weak market conditions in Europe and seasonally lower business activity
- Further decreasing average transaction prices qoq, lower alloy surcharges due to weak raw materials prices, mainly nickel price
- Special items of €141 m, thereof positive deconsolidation effect of €146 m and €(5) m restructuring and impairments

# BA Stainless Global (disc. ops.)

## Key figures

		2011/12				FY	2012/13
		Q1	Q2	Q3	Q4		Q1
Order intake	€m	1,372	1,618	1,292	1,330	<b>5,611</b>	1,319
Sales	€m	1,438	1,768	1,607	1,534	<b>6,346</b>	1,402
EBITDA	€m	(57)	(7)	(86)	(28)	<b>(177)</b>	74
EBITDA adjusted	€m	(55)	18	(22)	(23)	<b>(82)</b>	(70)
EBIT	€m	(321)	(304)	(145)	143	<b>(626)</b>	72
EBIT adjusted	€m	(56)	19	(21)	(22)	<b>(79)</b>	(69)
TK Value Added	€m					<b>(853)</b>	
Ø Capital Employed	€m	2,871	2,700	2,614	2,523	<b>2,523</b>	2,627
OCF	€m	(215)	(64)	(54)	174	<b>(159)</b>	(201)
CF from divestm.	€m	1	(32)	4	(1)	<b>(28)</b>	0
CF for investm.	€m	(85)	(98)	(94)	(133)	<b>(410)</b>	(99)
Employees		11,630	11,771	11,806	11,846	<b>11,846</b>	0



# ThyssenKrupp-specific Key Figures: Reconciliation of EBIT Q1 2012/13

## P&L Structure

<b>Net sales</b>	<b>8,837</b>
- Cost of sales <sup>1)</sup>	(7,451)
- SG&A <sup>1)</sup> , R&D	(1,184)
+/- Other income/expense	18
+/- Other gains/losses	1
<b>= Income from operations</b>	<b>221</b>

+/- Income from companies using equity method 11

+/- Finance income/expense  
incl. capitalized interest exp. of €6 m (166)

**= EBT 66**

## EBIT definition

<b>Net sales</b>	<b>8,837</b>
- Cost of sales <sup>1)</sup>	(7,451)
- SG&A <sup>1)</sup> , R&D	(1,184)
+/- Other income/expense	18
+/- Other gains/losses	1

+/- Income from companies using equity method 11

+ Adjustm. for depreciation on cap. interest 3

+/- Adjustm. for oper. items in fin. income/expense (16)

**= EBIT 219**

+/- Finance income/expense  
incl. capitalized interest exp. of €6 m (166)

- Depreciation on capitalized interest (3)

+/- Operating items in fin. income/expense 16

**= EBT 66**

1) incl. depreciation on capitalized interest expenses of €(3) m



# ThyssenKrupp Rating

	Long term- rating	Short term- rating	Outlook
Standard & Poor's	BB	B	negative
Moody's	Ba1	Not Prime	negative
Fitch	BBB-	F3	negative



# Compensation for the Executive Board at ThyssenKrupp

## Variable

### Performance bonus

- Linked to Group EBT and ROCE in equal parts
- A quarter is paid out as phantom stock with a holding requirement of 3 years

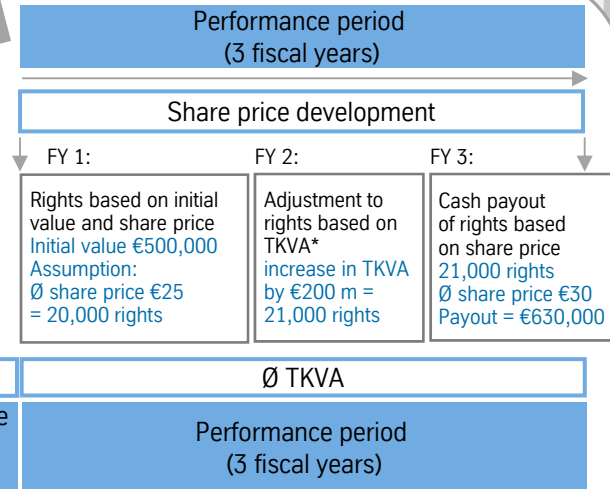
### Long Term Incentive plan

- Linked to TKVA and share price
- Payout is limited to €1.5 m for an ordinary Executive Board member

### Additional bonus

- Linked to defined Group cash-flow-related targets
- Target definition and approval each year anew
- 55% paid out as phantom stock with a holding requirement of 3 years

Example (schematic)



\* increase in Ø TKVA by €200 m = increase in number of rights by 5%  
reduction in Ø TKVA by €200 m = reduction in number of rights by 10%

## Fixed

### Fixed compensation

- €670,000 annually for each ordinary Executive Board member

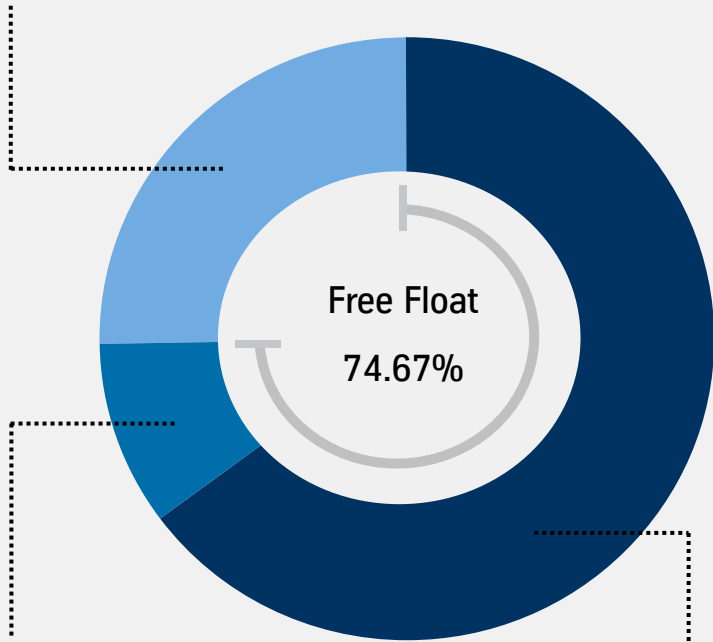
### Additional benefits & Pension plans

- E.g. insurance premiums or private use of a company car (taxable)
- Pensions for existing board members are based on a percentage of final fixed salary (“defined benefit”); system for new board members (“defined contribution”) in transition

⇒ [Ceiling total compensation (excl. pensions)] = [fixed compensation] x 6

# Shareholder Structure

AKBH Foundation 25.33%



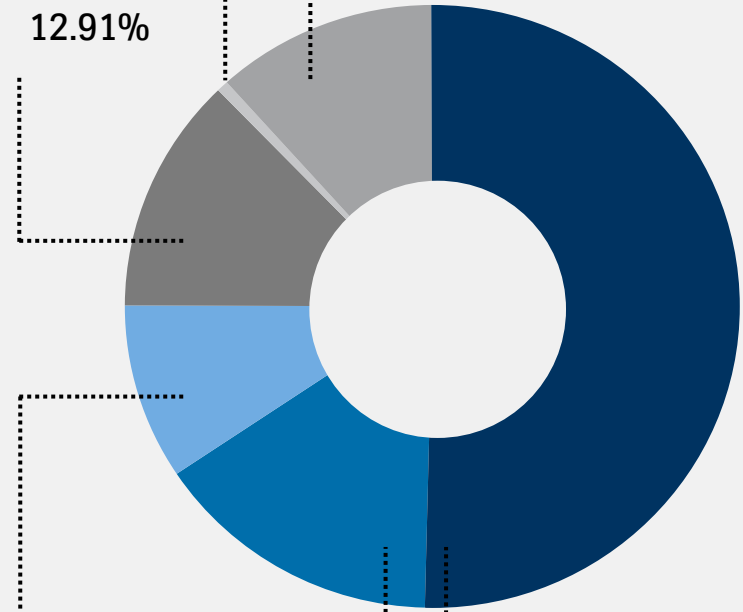
Private Investors 10.00%

International Mutual Funds 64.67%

Undisclosed 11.57%

Rest of World 0.62%

Europe 12.91%



UK/Ireland 9.25%

North America 15.41%

Germany (incl. AKBH-Foundation) 50.24%

Source: ThyssenKrupp Shareholder ID 03/2012, ThyssenKrupp AGM registrations

# 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.

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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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