ThyssenKrupp Technologies
Strategic Focus – Leading-edge Technology – Value Driver

London
May 2008
ThyssenKrupp Technologies

• Overview

• Portfolio

• Potential for ThyssenKrupp Technologies

• Value Driver
### ThyssenKrupp Group FY 2006/07

#### ThyssenKrupp AG

Sales €51.7 bn • EBT €3,330 m • TKVA €2,108 m • Employees 191,350

<table>
<thead>
<tr>
<th>Sector</th>
<th>Sales</th>
<th>EBIT</th>
<th>TKVA</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steel</strong></td>
<td>€13.2 bn</td>
<td>€1,662 m</td>
<td>€1,138 m</td>
<td>39,559</td>
</tr>
<tr>
<td><strong>Stainless</strong></td>
<td>€8.7 bn</td>
<td>€777 m</td>
<td>€507 m</td>
<td>12,182</td>
</tr>
<tr>
<td><strong>Technologies</strong></td>
<td>€11.5 bn</td>
<td>€544 m</td>
<td>€348 m</td>
<td>54,762</td>
</tr>
<tr>
<td><strong>Elevator</strong></td>
<td>€4.7 bn</td>
<td>€(113) m</td>
<td>€(226) m</td>
<td>39,501</td>
</tr>
<tr>
<td><strong>Services</strong></td>
<td>€16.7 bn</td>
<td>€704 m</td>
<td>€487 m</td>
<td>43,012</td>
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- Corporate
- Steelmaking
- Industry
- Auto
- Processing

- Nirosta
- Acciai Speciali Terni
- Mexinox
- Shanghai Krupp Stainless
- Stainless Int.
- VDM

- Plant Technology
- Marine Systems
- Mechanical Components
- Automotive Solutions
- Transrapid

- 4 regional business units
- Escalators/Passenger Boarding Bridges
- Accessibility

- Materials Services International
- Materials Services North America
- Industrial Services
- Special Products

Inter-segment sales not consolidated  * incl. EU fine
ThyssenKrupp Technologies Segment

ThyssenKrupp Technologies
Sales: € 11.5 bn  Employees: 54,762

- **Plant Technology**
  - Sales: €2.6 bn
  - Employees: 8,300

- **Marine Systems**
  - Sales: €2.0 bn
  - Employees: 8,800

- **Mechanical Components**
  - Sales: €3.8 bn
  - Employees: 22,800

- **Automotive Solutions**
  - Sales: €3.2 bn
  - Employees: 14,200

Sales 2006/07; Employees: 30. Sep. 2007; rounded
### Strategic Objectives

- **Sustainable value driver and cash provider**
- **Market leadership with top 1-3 positions**
- **Technology leadership and development of innovative products with high customer value**
- **Expansion of service business and continuous efficiency improvement**
- **International presence in relevant growth markets**
- **Focus on customers through decentralized company management**
- **Highly qualified and committed workforce**

*ThyssenKrupp Technologies*
ThyssenKrupp Technologies: Key Figures 05/06 - 09/10

Order intake (€ bn)
- 05/06: 13
- 06/07: 14
- 09/10: Target 15

Sales (€ bn)
- 05/06: 11
- 06/07: 12
- 09/10: Target 14

TKVA (€ m) / ROCE %
- 05/06: 215
- 06/07: 348
- 09/10: Target 530
- ROCE %: 19

EBT (€ m)
- 05/06: 410
- 06/07: 544
- 09/10: Target 750
2nd Quarter Results ThyssenKrupp Technologies (€ m)

<table>
<thead>
<tr>
<th>Sales</th>
<th>H1 06/07</th>
<th>H1 07/08</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,596</td>
<td>5,851</td>
</tr>
</tbody>
</table>

+ 5 %

<table>
<thead>
<tr>
<th>EBT</th>
<th>Q2 06/07</th>
<th>Q3 06/07</th>
<th>Q4 06/07</th>
<th>Q1 07/08</th>
<th>Q2 07/08</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>108</td>
<td>155</td>
<td>133</td>
<td>179</td>
<td>186</td>
</tr>
</tbody>
</table>

+ 72 %

High Visibility: 87% of this year’s business already in hand

- Sales realized to March 2008
- Sales cover from orders in hand (March 31, 2008)
- Order intake

Sales in € bn
- >12
- >12
- >12
- >12
- >12

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>07/08 Forecast</td>
<td>13%</td>
</tr>
<tr>
<td>08/09 Plan</td>
<td>39%</td>
</tr>
<tr>
<td>09/10 Plan</td>
<td>48%</td>
</tr>
<tr>
<td>10/11 Plan</td>
<td>35%</td>
</tr>
<tr>
<td>11/12 Plan</td>
<td>17%</td>
</tr>
</tbody>
</table>

Sales coverage = 87%
ThyssenKrupp Technologies

- Overview
- Portfolio
- Potential for ThyssenKrupp Technologies
- Value Driver
### Active Portfolio Management to support our Strategy

#### Portfolio changes 2006/07

<table>
<thead>
<tr>
<th>Divestments:</th>
<th>Acquisitions:</th>
</tr>
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<tbody>
<tr>
<td>(-) Budd</td>
<td>(+) Uhde Mexico</td>
</tr>
<tr>
<td>(-) Fundicoes</td>
<td>(+) EADS Naval</td>
</tr>
<tr>
<td>(-) Stahlbau Berlin</td>
<td>(+) A-C Equipment</td>
</tr>
<tr>
<td>(-) Flachbaugruppe Kassel</td>
<td>(+) DRECON</td>
</tr>
<tr>
<td>(-) Germanischer Lloyd</td>
<td>(-) Lasertechnik</td>
</tr>
<tr>
<td>(-) Aventec</td>
<td>(-) Präzisions- schmiede</td>
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#### Portfolio changes since October 2007

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<tr>
<td>(-) Kecskemet (Drauz Nothelfer)</td>
<td>(+) Forteq</td>
</tr>
<tr>
<td>(-) Ravensburg (Drauz Nothelfer)</td>
<td>(+) Shedden Uhde</td>
</tr>
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</table>

**16 Portfolio changes**
- > Sales € 2.5 bn

**7 Portfolio changes**
- > Sales € 0.5 bn

Note: Acquisitions and disinvestments accumulated, sales figures rounded
ThyssenKrupp Technologies

- Overview

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Mega-trend: Raw Materials

About 30% of the world’s raw materials are mined, processed and handled with systems by ThyssenKrupp.

Mining and refining of raw materials

- Oilsand
- Limestone
- IronOre
- BlackCoal
- Diamonds
- Gold
- Bauxite
- Copper
- Phosphate
- Sulfur
- BrownCoal

Chemical intermediates and end products

- Fertilizer
- Electrolysis
- Coking Plant
- Biotechnology
- Gas Technology
- Refinery Technology
- Polymers
- Polyester

Note: Strip mining without shovel-truck
Mega-trend: Raw Materials → Plant Technology and Oil Sand Mining
“Canadian Natural Resources”

- Worldwide reserves of approx. 650 bn barrels, thereof >80% in Canada (Alberta)
- These oil reserves are bigger than those of Saudi Arabia
- With Canada’s deposits, today’s world demand for oil could be met for the next 55 years
- With rising oil prices, mining has now become profitable as breakeven lies around US $ 20/barrel
Mega-trend: Food

Red alert: Food emergency

Growing demand for fertilizers

Growing demand for fertilizer plants

ThyssenKrupp Technologies
Mega-trend: Energy and Environmental Protection

Rising energy requirements

Global energy requirements

Fossil energy resources are not sufficient to meet the energy needs of the growing world population.

Global warming due to CO₂ emissions

Potential for Technologies - Project CO₂-NTRA

- Oil sand / oil shale
- Polyester (lactic acid)
- Refinery technology
- Coal gasification
- CO₂ disposal
- Bioethanol/ biodiesel
- Wind energy
- Hydrogen / fuel cell
- Lightweight components

Fossil fuels

New forms of energy

Renewable energies

Reduced consumption

Global energy requirements

<table>
<thead>
<tr>
<th>Year</th>
<th>1900</th>
<th>1920</th>
<th>1940</th>
<th>1960</th>
<th>1980</th>
<th>2000</th>
<th>2020</th>
<th>2040</th>
<th>2060</th>
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<tr>
<td>TWh</td>
<td>420,000</td>
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<td>257,000</td>
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Fossil fuels

New forms of energy

Renewable energies

Reduced consumption

Rising energy requirements

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Global energy requirements

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Fossil fuels

New forms of energy

Renewable energies

Reduced consumption

Rising energy requirements

Fossil energy resources are not sufficient to meet the energy needs of the growing world population.
# EnviNOx – Reduction of Greenhouse Gas

<table>
<thead>
<tr>
<th>EnviNOx Plant</th>
<th>Environmental Facts</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1" alt="EnviNOx Plant Image" /></td>
<td>- The greenhouse effect of NOx is 300 times worse than CO₂</td>
</tr>
<tr>
<td><img src="image2" alt="EnviNOx Plant Image" /></td>
<td>- More than 5% of the greenhouse effect is a result of nitrous oxide emissions</td>
</tr>
<tr>
<td><img src="image3" alt="EnviNOx Plant Image" /></td>
<td>- 300 plants worldwide emit about 400,000 t</td>
</tr>
</tbody>
</table>

## Environmental Benefits

- EnviNOx eliminates 98% of N₂O emissions
- Saving potential: 120 m t CO₂ per year
  - Pollution of 30 million cars per year
Cement Industry causes 7.5 % of Worldwide CO₂ Emissions

The Solution: The POLYSIUS “Refit Package” significantly reduces emissions

- Performance: 25%
- Heat requirement: -10%
- CO₂: -80%
- NOx: -95%
- SO₂: -20% -10%
Uhde achieved excellent Market Positions with leading Edge Technology

<table>
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<th>Market position Uhde</th>
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<tr>
<td><strong>Fertilizer</strong></td>
</tr>
<tr>
<td>(Ammonia &amp; Urea)</td>
</tr>
<tr>
<td>No. 1 World</td>
</tr>
<tr>
<td>(30 % Market share)</td>
</tr>
<tr>
<td><strong>Electrolysis</strong></td>
</tr>
<tr>
<td>(Chlorine + Sodium hydroxide )</td>
</tr>
<tr>
<td>No. 1 World</td>
</tr>
<tr>
<td>(45 % Market share)</td>
</tr>
<tr>
<td><strong>Polymers</strong></td>
</tr>
<tr>
<td>(PVC, HDPE*, PET)</td>
</tr>
<tr>
<td>No. 2 World</td>
</tr>
<tr>
<td>(20 % Market share)</td>
</tr>
<tr>
<td><strong>Coke plant technologies</strong></td>
</tr>
<tr>
<td>(coke oven batteries)</td>
</tr>
<tr>
<td>No. 1 World</td>
</tr>
<tr>
<td>(40 % Market share)</td>
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* BASELL-process

ThyssenKrupp Technologies
Worldwide Engineering Network enables technological Leadership
The only limit to growth: Shortage of highly skilled engineers

More than half of all engineers at ThyssenKrupp work for Technologies

<table>
<thead>
<tr>
<th>R&amp;D</th>
<th>Basic Engineering</th>
<th>Detail Engineering</th>
<th>Project Mgmt.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>More than 200 patents and utility models registered in 06/07</th>
</tr>
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</table>

On average, more than 100 patents and utility models are registered each year

Figures in brackets = no. of employees at Sep. 30, 2007, rounded; Other R&D centers <100 employees
Mega-trend: BRIC and Asia/Pacific

Emerging markets Asia

Russia
+5 to 6% p.a.*

China
+8 to 9% p.a.*

India
+6 to 7% p.a.*

Asia (rest)
ca. +5% p.a.*

Growing mobility

Engineering

Active units (plants)

Employees

* Forecast GDP 2006 to 2010
Growth of Wind Energy in BRIC Countries

Installed Capacity for Wind Energy

Bearings in Wind Energy Plants

- ThyssenKrupp components are essential for wind turbines

→ 5 bearings for every wind turbine


Figures in Giga Watt per year → new study

ThyssenKrupp Technologies
Mega-trend: Middle East
The Arabic World is Moving towards Urban Cities

→ Dubai to become the No.1 logistic hub
→ Top 3 Financial centre after London & NY
→ Total = $ 955 bn CAPEX 2006
  (under construction/planned)
→ Currently over $500 bn planned construction projects in MENA as “key driver” of demand growth for cement
Currently over $500 bn Planned Construction Projects in MENA

Key driver of demand growth for cement

= Investment volume in bn $
ThyssenKrupp Technologies

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## ThyssenKrupp Technologies: “Value Driver and Cash Provider”

<table>
<thead>
<tr>
<th>TK Technologies’ Goals</th>
<th>Key figures 06/07</th>
<th>Goals 09/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Securing high returns</td>
<td>ROCE 25%</td>
<td>ROCE 28%</td>
</tr>
<tr>
<td>2. Generating profits</td>
<td>EBT € 544 m</td>
<td>EBT € 750 m</td>
</tr>
<tr>
<td>3. Creating value</td>
<td>TKVA € 348 m</td>
<td>TKVA € 530 m</td>
</tr>
<tr>
<td>4. Providing sufficient funds</td>
<td>Net financial funds &gt; € 2 bn</td>
<td>Net financial funds &gt; € 2 bn</td>
</tr>
<tr>
<td>5. Providing cash</td>
<td>OCF € 627 m</td>
<td>OCF close to € 1 bn</td>
</tr>
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</table>
ThyssenKrupp Technologies: Strategic Potential - Outlook
EBT development in million Euros

Roadmap ThyssenKrupp Technologies

Potential

New Level

Today

05/06

06/07

09/10 Target

Long-term Strategy

€ 1 bn

340

410

456

544

750

ThyssenKrupp Technologies
ThyssenKrupp Technologies: Strategic Position

- **Four strategic business units**
  - Ongoing optimization of portfolio
  - Concentration on powerful business units
  - World market leadership with TOP 1-3 positions

- **Strategic focus**
  - Mega-trend: Raw materials (mining and processing)
  - Mega-trend: Food (fertilizer plants)
  - Mega-trend: Energy/Environment (renewable and fossil)
  - Mega-trend: Security (surface vessel and submarine)
  - Mega-trend: Asia / Pacific (engineering and components)
  - Mega-trend: Middle East (infrastructure and industry)

- **Growth and profitability: “Value Driver - Cash Provider”**
  - EBT-goal € 750 m
  - TKVA-goal € 530 m
  - ROCE 28%

- **ThyssenKrupp: Leading-edge Technology**
  - Innovations and technological competence
  - Technology leadership
  - Sophisticated high-tech products

Goals 2009/10

ThyssenKrupp Technologies
Leading-edge Technology

ThyssenKrupp Technologies