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Speech

by

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Chairman of the Executive Board of ThyssenKrupp AG

at the

15th Annual General Meeting

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ThyssenKrupp shareholders,
Ladies and Gentlemen,

Welcome to the 15th Annual General Meeting of ThyssenKrupp AG at the RuhrCongress Bochum.

I.

[Chart 1 – Strategic Way Forward]

Our company, your company, is in the middle of its biggest restructuring since the merger in 1999. ThyssenKrupp was no longer competitive in many of its businesses and functions. So in May 2011 we launched our Strategic Way Forward and said clearly: These fundamental changes, which affect all parts of the company, will take time. A good two and a half years later we have already achieved a great deal on the path of renewal and can point to measurable successes.

The headlines in the past year often painted a different picture because in most cases they referred to problems from the past, to risks whose causes cannot simply be undone or wished away. You are familiar with the issues concerned: stainless steel, Steel Americas and compliance. We, the Executive Board, have a responsibility to deal with these matters systematically and find sustainable solutions. This can only be done in stages and is having a severe impact on our key financial figures.

These are also the reasons why we ended the past fiscal year with a loss and are unable to pay a dividend to you, our shareholders. That must change, and it will change. That is what the Executive Board is committed to, and that is what we are working to achieve with everyone in the company.

Anyone who looks not just at the net loss for the year but at all our key operating figures will see that we are on the right path and have achieved measurable successes. With the exception of Steel Americas, all our business areas reported an operating profit last year. Our free cash flow was positive again for the first time in six years. We reduced our debt by 800 million euros. These are tangible, measurable successes of the change process.

II.

Where will this path take us? What will ThyssenKrupp look like in the future? And: How far have we come on the path to our goal?

[Chart 2 – ThyssenKrupp – “Diversified Industrial Company”]

To answer the first question: In the future ThyssenKrupp as a diversified industrial group will be much more profitable – with a growing share of capital goods and service businesses linked closely with our technological capabilities. ThyssenKrupp will be a company that stands out from the competition for its engineering expertise and the quality of its products and solutions, capable of growing and operating profitably on the markets of the future.

[Chart 3- Our future view: Leading engineering competence supports “better” for “more”]

This alignment fits in with the trends on the global sales markets. By contrast with the situation in most European countries, the worldwide population is growing. In the coming decades, the number of people living in cities will continue to increase. That will present enormous challenges but also huge opportunities for companies that think about tomorrow today and offer products and services that meet demand for “more” in a “better” way. The more we become aware of the finite nature of many resources, the more important it becomes to utilize the knowledge, abilities, experience and skills of our engineers. They are developing new technologies to create sustainable infrastructures: new processes to make more efficient use of raw materials, or even replace them with renewable energies and sustainable raw materials.

[Chart 4 – Examples of “more” and “better” solutions from ThyssenKrupp]

Let me give you a few examples: In the area of urban mobility we build elevators and escalators that are fast, efficient, and use far less energy than in the past. We develop high-tech steels and composite materials and new camshafts and crankshafts that make cars lighter and more fuel-efficient without sacrificing safety or comfort. We build production lines for lithium-ion batteries with significantly increased storage capacity. We develop/build cement plants with 40 percent lower carbon dioxide emissions.

These are examples of future growth opportunities for ThyssenKrupp. We want to utilize them as a diversified industrial group with the associated services – in the interests of all potential customers and in the interests of our company.

When we talk about diversification, we have four goals:

[Chart 5 – Four goals of diversification at ThyssenKrupp]

Firstly, we have already significantly reduced the share of highly volatile and capital-intensive steel production in our overall sales: At the end of the last fiscal year, steel production accounted for less than 30 percent of our sales. That means that 70 percent is already generated by capital goods and service businesses.

Secondly, we intend to significantly expand our services and engineering and construction businesses: These businesses have the great advantage that their sales and earnings are much more stable. They tie up less capital and deliver high value-added for ThyssenKrupp. This can be clearly seen in last year's results for Elevator Technology and Industrial Solutions.

Thirdly, we need to focus more strongly on the growth regions around the world. A look at the development of the global economy shows that for many years growth has mainly been taking place outside Europe. For decades, ThyssenKrupp had a very strong focus on Europe, and its materials businesses in particular depended heavily on the situation on the European markets. A broader and more regionally diversified range of products and services will enable us to profit from the growing economies in Asia, South America and the USA. The record growth achieved by Elevator Technology was generated in exactly these regions.

Finally, we need to move into new customer markets. Traditionally, the steel business depends heavily on a small number of sectors, such as the automotive industry. In some years that can be great, but in others it can lead to serious problems. That is why we are constantly developing new customer sectors.

Examples of this include the major plant construction contracts we have received for the production of fertilizers and our products for the food industry: Here we are developing highly efficient centrifuges for the sugar industry and working on new pasteurization plants that make food keep longer.

These are examples of what we mean by diversification – by business type, volatility, region and sector.

Once the fundamental restructuring of our company is complete, we will have a ThyssenKrupp that continues its great traditions in a whole new way and gives new life to old virtues: top quality products and services. Technology that is not just up to date, but benefits mankind and respects the environment.

This will also allow us to use shareholder capital more effectively than in the past and generate reliable profits. That is in everybody's interests: in the interests of you, our shareholders, in the interests of all our employees, and of course in the interests of our customers, whose trust is key to the success of the company.

I'll say it again: This restructuring, this fundamental renewal, will take time. But you will of course quite rightly want to know how what we have achieved so far is reflected in our figures.

III.

[Chart 6 – Results 2012/13: Order intake and sales slightly lower]

Let me briefly summarize our results in 2012/13:

- After the re-integration of Steel Americas, our continuing operations received 38.6 billion euros of new orders in fiscal year 2012/13 – down twelve percent year-on-year. On a comparable basis, the decrease was eight percent. This was mainly due to low prices in the materials business, where we, too, were impacted by the difficult market environment, particularly in Europe. Key pillars were the high levels of order intake at Elevator Technology and Industrial Solutions.

- Sales from continuing operations decreased by seven percent to 38.6 billion euros. On a comparable basis sales were three percent lower. Here again, the main reason was a decline in sales in the materials businesses. There were solid gains in plant engineering and shipbuilding and in the elevator business. Elevator Technology set new records.

[Chart 7 – Results 2012/13: Targets for adjusted EBIT achieved and net loss reduced]

- Adjusted EBIT in the structure of the prior year was 1.1 billion euros, fully in line with our targets. In the new structure after the re-integration of Steel Americas, adjusted EBIT came to around 600 million euros.

- The bottom line is that we still reported a net loss of 1.5 billion euros for the past fiscal year.

So where are the measurable successes reflected in our operating business? Here are a few comparative figures:

[Chart 8 – Measurable successes of the Strategic Way Forward]

- In fiscal year 2010/11 we were still making adjusted EBIT of 1.1 billion euros in our European steel business. Last year it was just 143 million euros. These two figures make very clear what it would mean for ThyssenKrupp if our balance sheet was still largely dependent on steel production. Today, 70 percent of our sales and 80 percent of our earnings come from our capital goods and service businesses. Without this achievement, your company would be in a significantly worse position today.

- In the past we did not do enough to maintain our competitiveness, we did not pay enough attention to productivity and efficiency, and we made virtually no use of the synergies available in the Group. Instead of combining their strengths, our businesses often operated on their own. To redress this, we launched the Groupwide efficiency program "impact 2015". By fiscal year 2014/15 we will reduce costs by roughly 2.3 billion euros and increase our productivity. In the past fiscal year we already achieved savings of 600 million euros, exceeding our ambitious target of 500 million euros by 20 percent. It was only these cost savings that enabled us to achieve our projected operating earnings despite lower sales.

- In the past few years ThyssenKrupp has consistently spent more money than it earned. We all know that that is not sustainable. The consequence of this was massive net debt of over six billion euros at its peak. In the past fiscal year we achieved positive free cash flow for the first time in six years: 600 million euros. The year before we had negative free cash flow of 1.7 billion euros. So for the first time in many years we are a position to reduce our net financial debt and invest in the future of the company with our own funds. At the balance sheet date at the end of September 2013, our net debt was 800 million euros lower at around five billion euros. This is a step in the right direction. With further operating improvements and the funds from the capital increase in December 2013 and the sale of the steel mill in the USA, we will reduce the Group's debt further.

[Chart 9 – Positive earnings in business areas]

The earnings contributions of our business areas also already show that we are on the right track. Five out of six business areas delivered positive results. Steel Americas halved its losses, with adjusted EBIT of minus 495 million euros. In detail, the situation is like this:

- In the other materials businesses, earnings decreased as a result of lower prices and volumes. But we were able to limit the decline. At Materials Services adjusted EBIT came to 236 million euros, at Steel Europe it was 143 million euros. In an extremely difficult market environment that is a good result, the majority of Europe's steel producers are making losses. With its optimization program, Steel Europe is working on an efficiency increase of at least 500 million euros.

- Components for cars, trucks, construction machinery and wind turbines show a mixed picture. Earnings fell steeply from 453 million euros in the prior year to 244 million euros. This was partly due to disposals and lower demand but above all reflects investment in the future. This includes startup costs for new plants and products, for example the high development costs for the transition to electric assist steering systems which are already being fitted in new car models.

- At Elevator Technology we increased adjusted EBIT to a new record level of 675 million euros. Margin improved year-on-year from 10.3 percent to 11 percent, and was 11.2 percent in the final quarter. A standout major project from this business area is the new rail tunnel under the Bosporus, for which we are delivering 198 elevators and 165 escalators. That makes us one of the key partners in this major infrastructure project.

- Pleasingly, adjusted EBIT at Industrial Solutions at 640 million euros was level with the prior year, which benefited from the reversal of project-specific provisions at Marine Systems. In this business area too we again won major new projects, in this case for fertilizer plants in the USA and cement plants in Thailand and Indonesia.

[Chart 10 – Share performance]

The restructuring of our company into a diversified industrial group, the systematic implementation of our Strategic Way Forward, and the necessary cleanup work are also reflected in the performance of our stock. At the beginning of the fiscal year our stock responded positively to the visible progress of our Strategic Way Forward and performed well for long periods. However, towards the middle of the fiscal year speculation over a capital increase, the protracted and difficult negotiations on the disposal of Steel Americas, and potential risks from the Group's past problems pushed the stock down.

At present the stock price is around 18 euros, which means that we have now made a significant recovery but have not yet caught up with the overall pace of growth of the DAX. This performance over recent months shows us that you, our shareholders, understand and recognize the steps we are taking to restructure the Group. We thank you for showing us this trust.

[Chart 11 – Three main reasons for net loss in 2012/13]

Despite all the progress made, we again reported a net loss for the fiscal year. While the loss decreased year-on-year by 70 percent, from 5 billion euros to 1.5 billion euros, it is nevertheless completely unsatisfactory for all of us. The main reasons for the loss were the expenses from our shareholding in Outokumpu, the operating losses and impairment charges at Steel Americas, and the fine and provisions for compliance violations in the rail cartel case.

IV.

[Chart 12 – Outokumpu: All financial links terminated]

First to stainless and Outokumpu. Since the divestment the European stainless steel market has deteriorated dramatically, particularly on the price side. At Outokumpu this has resulted in significantly higher losses and cash outflows than originally expected. The European authorities made the sale to Outokumpu conditional on selling the AST stainless steel plant in Italy and a number of European service centers and sales subsidiaries. In this adverse climate Outokumpu was unable to do this at an appropriate price within the given timeframe.

For this reason we signed an agreement on November 29, 2013 to transfer our subordinated financial receivable created as part of the Inoxum transaction to Outokumpu. In exchange, we are taking over the companies VDM and AST, which had to be divested under the condition imposed by the EU.

The swap enables Outokumpu to fulfill the EU Commission's conditions within the required period in a way that preserves asset value, and also to restructure its financing. For ThyssenKrupp we are averting the total write-off of our financial receivable and further cash outflows and loss absorptions at Outokumpu. This is also in the interest of our shareholders, because any destruction of asset value would have been severely damaging. At the same time we are meeting our responsibility towards our former employees who now work for Outokumpu, because with sustainable financing they now have new prospects.

As part of the transaction we are also fully divesting our 29.9 percent shareholding in Outokumpu and terminating all further financial links with Outokumpu. That means that we no longer have to participate in the announced capital increase and avoid absorbing further losses from Outokumpu. The transaction is subject to the approval of the competent regulatory authorities and to the cooperation and approval of shareholders, banks and creditors for the overall plan. We achieved an important step towards this the day before yesterday. Following an intensive examination, the EU Commission accepted ThyssenKrupp as a suitable buyer for the companies affected by the conditions. In the next step, the normal merger control process will now be carried out by the EU Commission and the corresponding authorities in other countries.

We are not yet the owners of VDM and AST. It will take some time before the transaction is closed. Only then can we talk in detail about our plans for these plants.

I have heard and read many times that the swapping of our financial receivable for assets of VDM and AST amounts to a reversal of the stainless steel disposal. That is simply not true. With the exception of AST and VDM, all other stainless plants in Germany, China, Mexico and the USA remain with Outokumpu. Given Outokumpu's current situation, I believe that this agreement was the only sensible solution – for ThyssenKrupp and for Outokumpu. With the swap we are securing ThyssenKrupp's assets and therefore your assets as shareholders.

Our strategic decision to exit the stainless steel business still stands, even if we are now having to take a long way round. Overall the disposal of the stainless steel business has significantly eased the strain on our balance sheet. In December 2012 we received one billion euros in cash. Outokumpu additionally assumed Inoxum's debt and pension obligations totaling almost half a billion euros. In addition, VDM and AST are worth almost one billion euros. Without the disposal of Inoxum and the agreement now reached, we would now have much bigger problems on the financial side in terms of debt and equity.

[Chart 13 – Steel Americas: Sustainable solution for both plants]

I turn now to the situation at Steel Americas. This project has been like a lead weight for the Group. That's why we are pleased that after long negotiations we have now found a sustainable solution. The rolling and coating plant in the USA is being sold to a consortium of ArcelorMittal and Nippon Steel & Sumitomo Metal Corporation for 1.55 billion US dollars. Just as important as the purchase price is the fact that the buyers have committed to purchase two million tons of slabs per year from ThyssenKrupp CSA in Brazil until 2019. This solution is a major step in the decoupling of the two plants. It will also make us less dependent on currency movements and reduce the price risk in connection with market entry into the USA.

The sticking point in the protracted negotiations was not the purchase price. It was the extensive supply and service agreements in Brazil, including the commitment to purchase slabs from ThyssenKrupp CSA and iron ore from Vale. These agreements are valid until the year 2019 and in some cases beyond. For ThyssenKrupp only sales options that took into account these supply and service agreements were acceptable. That means that the disposal of the US plant was only possible on the basis now agreed: with a multi-year slab supply contract covering our commitments in Brazil.

The plant in Brazil has an annual production capacity of five million tons of slabs. The agreement with the consortium will therefore secure at least forty percent capacity utilization. At the same time we are opening up new opportunities for ourselves in North and South America. In the fourth quarter of the past fiscal year CSA already sold twenty percent of its own production to external customers in these countries.

We are now concentrating on the things that we ourselves can do and influence: namely, improving the operating performance of our plant in Brazil. The coke plant, for years a problem child, has been brought up to a good standard by our plant technology experts. We have gradually restarted the blast furnace after the outage in May last year. The environmental measures the authorities expect us to carry out and which we agreed with them have been implemented on schedule and almost in full. That means we can now also apply for a full operating license.

There have been isolated claims that the sale was made at the wrong time or at a give-away price. This is the impression created if the high investment costs are taken as the basis for the purchase price. Or if it is assumed that all the losses came from Brazil and the US plant was operating at a profit. Neither of these things is true. The value of an enterprise is based on expected future earnings, not past expenditure. And in the last fiscal year the losses broke down roughly equally between Brazil and the USA. As part of our duty of care as an Executive Board we also always compare sale conditions with the option of continuing the business. That's why we decided to sell the plant in Alabama but not Brazil.

Of course we would have wished to resolve the stainless steel and Steel Americas issues fully in a single step. But for the Executive Board the important thing is to find sustainable solutions for all our problem areas. We want to preserve value, not destroy it.

[Chart 14 – Compliance: Progress]

Compliance was the third major issue we had to address intensively in the fiscal year. A year ago I had to report to you on the rail cartel. At the end of 2012 Deutsche Bahn filed an action against ThyssenKrupp and other companies. After long discussions, in mid-November 2013 we reached a fundamental settlement on compensation with Deutsche Bahn within the scope of the existing provisions. This settlement is subject to approval by the responsible bodies and funding providers. It could therefore take several weeks before the agreement enters into force.

The internal amnesty program, which is now complete, produced no leads concerning the ongoing investigations of the German Cartel Office into alleged price fixing in the supply of certain steel products to the German auto industry and its suppliers. The official proceedings and also the internal investigation launched in this connection are still ongoing. Based on the facts currently known, significant adverse effects on the Group's financial position cannot be ruled out.

To rid ourselves of such risks as far as possible in the future, we continuously improved our program to combat corruption and antitrust violations and comply with all regulations in the past fiscal year.

The report on the voluntary special audit validated our approach to this. The external auditors find the compliance system at ThyssenKrupp to be professionally organized and appropriately staffed. They made a few proposals for further improvement which we have either already incorporated or will do so as soon as possible. We published the full report on our website together with the invitation to this Annual General Meeting so that anyone who is interested can form their own opinion. The report is also available for inspection here in the foyer.

Ladies and Gentlemen, this morning the Supervisory Board appointed Dr. Donatus Kaufmann as Executive Board member responsible for legal affairs and compliance. I would like to take this opportunity to welcome you, Mr. Kaufmann, to ThyssenKrupp. I am looking forward to working with you and to having your support in this highly important area for us.

V.

Unfortunately the costs of the major cleanup work I have been talking about are currently still higher than our operating income. The Executive Board and Supervisory Board therefore have to propose that no dividend be paid again this year. I know that you are not happy with this. We're not happy either. But you also know that, aside from the formal ability to pay a dividend, a dividend can only be paid when it is economically justifiable for the Group. Despite significant and measurable operating improvements in the past fiscal year, this condition cannot be met.

I assure you that the Executive Board together with all employees are working as hard as possible to ensure the Group operates successfully again in all business areas. We are doing this in the interests of shareholders and employees alike. We want everyone to benefit from our growing success. That means we also want to increase earnings so that ThyssenKrupp can once again pay a reliable and attractive dividend.

[Chart 15 – Capital increase: Gearing improved]

With the solution for Steel Americas and our continued work on the compliance issues we created essential conditions for the necessary capital increase in December, which brought us around 880 million euros. The order book was more than full after a short time, and in the end the offer was more than three times oversubscribed. This shows that the investors on the capital market have confidence in our transformation process. In excluding shareholder subscription rights we made use of the possibility you gave us at the Annual General Meeting on January 20, 2012. This enabled us to implement the capital increase quickly and remove further stock price uncertainties from the market.

In total we strengthened the Group's capital base without any major dilution for shareholders. After the capital increase our equity ratio at the end of the fiscal year was 9.4 percent, previously it was 7.1 percent. The ratio of net financial debt to equity, our gearing, improved from around 200 percent to 123 percent.

Under item 8 of today's agenda we propose a renewal of the corresponding authorization. Mr. Kerkhoff will explain this later.

[Chart 16 – Strategic Way Forward: Securing the future of the company]

The capital increase strengthened us financially. That is the one side. At the same time we worked in other areas in the past fiscal year to secure the future of the company. For example we gave ourselves a new competitive structure. It supports the necessary change in our corporate culture and the stronger emphasis on performance. We redefined tasks, processes and reporting lines worldwide, looking at how we can operate more effectively, where we can avoid duplication, where structures and processes do not fit the tasks, and where we can utilize the strengths of the Group more effectively.

1,700 of our managers took part in intensive workshops and committed to a common understanding of cooperation characterized by openness, honesty and respect. The focus was also on mutual exchange and a changed understanding of leadership. We streamlined the duties and structure of the Executive Board. We almost halved the number of business area board members from 32 to 18 and reduced the number of corporate departments from 26 to 17. Almost 70 percent of the management positions on the first level below the Executive Board have been newly staffed.

Around the world we will cut around 3,000 jobs in administrative functions. We have made a start at the Group headquarters in Essen, reducing the number of jobs by around 20 percent in agreement with the codetermination bodies. As a result of this the average age of our managers has decreased significantly and we have a much larger proportion of female managers. The Group headquarters and the managements of the business areas are already operating in the new structure. The entire organization will follow step by step. The combination of our engineering and construction activities this week is a concrete example of this. The new structure is not only having a positive effect on our culture, on our interactions in the company, it is also reducing our costs and making us more competitive.

The transformation of the ThyssenKrupp Group is demanding a lot of our employees in terms of extra work and painful cuts. I want to thank all employees for their whole-hearted commitment to the company, to its and their future. My thanks also go to the works councils representing the interests of the workforce. We may not always share the same opinion but we work together dependably and with respect for each other's responsibilities.

VI.

[Chart 17 – Strategic Way Forward: Investment in research & development]

Just as important for the future of your company is investment, especially in research and development. The basis for this is our outstanding engineering expertise. This is what binds our businesses together. We want to offer our customers new and better solutions matching their specific needs. Our Group lives off technology and technical innovations. Our engineers have faith that for every technical problem there is a solution. Curiosity and the passion to find new solutions will never end. This is a renewable energy source, a raw material that will never run out. Innovation and cutting-edge technologies are therefore key elements in our Strategic Way Forward. We worked systematically on this in the past fiscal year, and with success:

- We invested 1.4 billion euros in existing and new plants.

- All business areas spent more money on research and development; total expenditure on research and development were at 647 million euros. Spending on research and development increased significantly for the second year in a row, by ten percent.

- The number of employees in our research facilities worldwide increased by five percent. Around 3,000 people now work in research for ThyssenKrupp.

We will continue down this path.

In the past, cooperation and exchange between the business areas was the exception rather than the rule. Now we want to make the exception the rule.

In some areas we are already doing this very well. Let me give you a few examples to illustrate what I mean:

[Chart 18 – Examples of current research projects: InCarplus]

- In the InCarplus project, currently our largest research and development project, engineers from Steel Europe are working with developers from Components Technology and Industrial Solutions. We are pooling our knowledge, experience and skills in areas such as lightweight design, energy efficiency, electromobility and environmental protection. In making further improvements to the internal combustion engine the project is focusing on new fuel-saving solutions for valve and crank trains. We are also developing new applications related to electric cars. Another sub-project is focused on the use of new steel grades. Our aim is to be a material supplier as well as a technology and development partner for the automobile industry. We expect this project to deliver at least 40 new product solutions.

[Chart 19 – Examples of current research projects: Multi-purpose fermentation plant in Leuna]

- Last summer we opened Europe's first ever multipurpose fermentation plant for the production of bio-based chemicals in Leuna. Bio-plastics are ideal for the production of packaging materials, films and textiles. Biotechnology is one of the key technologies of the 21st century and can, if handled correctly, make a major contribution to replacing non-renewable resources. ThyssenKrupp has extensive knowledge in this area, from basic research to the operation of industrial pilot plants. The facility in Leuna enables us to transition processes developed by us or others from laboratory to industrial scale.

[Chart 20 – Examples of current research projects: Conversion of process gases]

- Together with partners from industry and research we have launched a research project extending well into the future. We want to find ways to convert process gases from steel production into valuable base chemicals, using renewable energies. The aim also is to convert almost all the carbon dioxide contained in the process off-gases. If we succeed, carbon dioxide will become a raw material and its impact on the climate will be significantly reduced. Our business areas Steel Europe and Industrial Solutions have carried out preliminary work for this project together with the Max Planck Institute for Chemical Energy Conversion in nearby Mülheim. Alongside the Max Planck and Fraunhofer societies, the partners include companies such as BASF, Bayer, RWE and Siemens. ThyssenKrupp's broad technology base is ideal for setting a cross-sector project like this in motion.

These are three examples, to which I could add many more. They provide great conditions for the success of the Group in creating new and better solutions, through its engineering expertise and innovations, for a world with increasingly scarce resources and a growing population.

VII.

[Chart 21 – Outlook for Fiscal Year 2013/14]

We are investing in the future and this year once again we will achieve clearly measurable progress and success.

However the success of our work is often not only dependent on our own efforts. We need a dependable political framework. For an energy- and electricity-intensive company like ThyssenKrupp this includes energy prices in particular. Both in the redrafting of the Renewable Energies Act (EEG) and in the subsidy investigations initiated against Germany by the EU Commission, the principle must be: Electricity-intensive industries engaged in worldwide competition must continue to be treated in such a way that the costs of electricity do not jeopardize their competitiveness and the associated supply chains and jobs.

This is not about envy. Electricity is too expensive for private households <u>and</u> businesses. The cost must be limited quickly to a tolerable level for all. The renewable energies surcharge has resulted in costs for energy-intensive companies that other companies outside Germany do not have to pay. This disadvantage must continue to be offset by compensatory arrangements.

My impression is that there is a broad consensus on this in government, industry and the rest of society. This consensus must be reflected in the new EEG and also in the results of the negotiations between the Federal Government and the EU Commission.

Let me now turn to the outlook. For the current fiscal year in a cautious economic environment we expect:

- Group sales to grow by a mid-single digit percentage rate,
- adjusted EBIT to increase significantly, including Steel Americas, from around 600 million euros to around a billion euros,
- positive results in five of the six business areas and a further reduction in losses at Steel Americas,
- a reduction of costs by around 850 million euros under our efficiency program “impact 2015”,
- a significant improvement in annual earnings towards break-even, and
- a further reduction in net financial debt as a result of the expected cash inflows from the sale of the plant in the USA, further portfolio measures, operating activities and the capital increase carried out in December 2013.

[Chart 22 – Strategic Way Forward]

Ladies and Gentlemen, my Executive Board colleagues and I will continue to call things as they are in the future. This is not always popular, but it is necessary and right. We will continue to do everything to make sure that ThyssenKrupp becomes successful again under new conditions and can exploit its great opportunities. When we see risks, whether from the past or from our operating activities, we will continue to address them openly, not prettify or dramatize them.

We will continue to take the time needed to deal with problems properly. We will always choose the solution which taking all things into account we feel is the best for the company, its owners and its employees.

And we also have the courage to take necessary detours. The decisions we make are based on long-term considerations, not short-term deadlines. You can rely on us to continue the course we embarked on in 2011 – the path towards a modern, diversified industrial group.

We must and we will make ThyssenKrupp into a successful company again, generating regular profits that will improve our stock price and enable us to pay you, our shareholders, an attractive dividend again as soon as possible.

My colleagues and I ask you to measure us by this goal.
Thank you for your attention.