

ThyssenKrupp Finance Nederland B.V.

**Financial statements
for the fiscal year ending
30 September 2011**

(Chamber of Commerce Rotterdam file no.: 33206400)

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Management report 1 October 2010 to 30 September 2011

Profile

ThyssenKrupp Finance Nederland B.V. (the "Company") with domicile in Krimpen aan den IJssel operates as a finance company for the ThyssenKrupp Group and is wholly owned by the Group holding company ThyssenKrupp AG. The object of the Company is to issue bonds on the international financial markets and to pass on the borrowed amount with interest to companies of the Group.

Business performance / Loans and bonds

The loans and bonds of the Company are fixed long-term in nature. Thus there is no material impact on the Company's business and profitability on a year to year basis.

The details of the outstanding bonds at 30 September 2011 are:

Bonds in million EUR	Interest (fixed) in %	Maturity Date
1,000	6.75	25 February 2013
1,000	8.5	25 February 2016

The Company agreed to lend the proceeds of the bonds to the ThyssenKrupp Group for the same period.

The details of the loans to companies of the ThyssenKrupp Group outstanding at 30 September 2011 are:

Loan facilities to Group companies in million EUR	Interest (fixed) in %	Maturity Date
1,000	6.813	25 February 2013
1,000	8.563	25 February 2016

In the fiscal year ended 30 September 2011 a profit after taxation of EUR 1.0 million (30 September 2010: EUR 1.1 million) was reported. As the activities of the Company did not change during the fiscal year 2010/11 compared to prior year, there was no significant change in profit after taxation.

Employees.

Apart from the three managing directors, who receive no compensation for their work, there are no employees.

Financial situation.

The Company reported in the cash flow statement cash flow from operating activities of EUR 1.0 million (30 September 2010: EUR 1.0 million).

The balance sheet total amounts to EUR 2,113 million (30 September 2010: EUR 2,120 million).

Risk report.

The risk management system minimizes exposure and keeps the risks manageable. In view of the customer structure - exclusively companies of the ThyssenKrupp Group - difficulties with repaying the loans are not expected. The international financial markets are carefully monitored. There is no threat to the existence of the Company currently foreseeable for the management.

As the loans as well as the bonds have a fixed long term interest rate as well as the same maturity date, the interest rate risk as well as the liquidity risk are considered limited.

Subsequent events and outlook.

Between the balance sheet date (30 September 2011) and the date of issue of this report (25 November 2011) no significant events took place which need to be disclosed.

Meanwhile the Company will be looking for new opportunities in the market.

For the maturity dates of the bonds and the loans we refer to the disclosures under "Business performance / Loans and bonds".

Krimpen aan den IJssel, 25 November 2011.

The Managing Directors:

Maarten R.H.B. Hoogeweegen

Ronald Ton

Thomas S. Empelmann

Financial statements for the fiscal year ending 30 September 2011

Balance sheet

(before appropriation of profit)

	Notes	30 Sep. 2010	30 Sep. 2011
(in Euro)			
Assets			
Fixed assets			
Financial fixed assets			
Loan facilities to Group companies	1	2,000,000,000	2,000,000,000
Deferred premium on loans to Group companies	2	8,496,097	4,960,149
Deferred discount on bonds	3	8,598,688	6,653,867
Capitalised issue costs	4	4,544,696	3,277,539
		<u>2,021,639,481</u>	<u>2,014,891,555</u>
Current assets			
Receivables	5	91,441,766	91,438,256
Cash and cash equivalents	6	6,923,132	6,806,862
		<u>98,364,898</u>	<u>98,245,118</u>
		<u>2,120,004,379</u>	<u>2,113,136,673</u>
Liabilities			
Capital and reserves			
Issued and paid-up capital		2,300,000	2,300,000
Retained earnings		4,228,403	4,228,403
Result for the year		1,101,510	999,064
		<u>7,629,913</u>	<u>7,527,467</u>
Non-current liabilities			
Long-term bonds payable	8	2,000,000,000	2,000,000,000
Deferred premium on long-term bonds payable	9	9,438,362	5,510,258
Deferred discount on loans to Group companies	10	12,201,119	9,381,297
		<u>2,021,639,481</u>	<u>2,014,891,555</u>
Current liabilities	11	90,734,985	90,717,651
		<u>2,120,004,379</u>	<u>2,113,136,673</u>

Income statement for the fiscal year 2010/2011

	Notes	2009/2010	2010/2011
(in Euro)			
Financial income	13		
Interest income		153,925,108	153,911,354
Interest charges		(152,501,791)	(152,501,584)
Amortisation discount on loans		2,819,821	2,819,821
Amortisation premium on long-term bonds		3,928,105	3,928,105
Amortisation premium on loans to Group companies		(3,535,948)	(3,535,948)
Amortisation issue costs and discount on bonds		<u>(3,211,979)</u>	<u>(3,211,979)</u>
		1,423,316	1,409,769
Sundry income	14	6,853	416
Expenses			
General expenses	15	<u>(51,964)</u>	<u>(52,090)</u>
		(51,964)	(52,090)
Profit before taxation		<u>1,378,205</u>	<u>1,358,095</u>
Corporation tax	16	(276,695)	(359,031)
Result for the year		<u>1,101,510</u>	<u>999,064</u>

Cash flow statement for the year ended 30 September 2011

	2009/2010	2010/2011
(in Euro)		
Cash flow from operating activities		
Interest received	153,887,280	153,911,354
Interest paid	(152,501,791)	(152,500,000)
Other income received	6,853	416
Operating expenses paid	(29,712)	(76,940)
Tax expenses paid	(282,533)	(349,590)
Net cash provided by/(used in) operating activities	1,080,097	985,240
Cash flow from financing activities		
Dividends paid	(891,717)	(1,101,510)
Net cash used in financing activities	(891,717)	(1,101,510)
Net increase/(decrease) in cash and cash equivalents	188,380	(116,270)
Cash and cash equivalents at beginning of the year	6,734,752	6,923,132
Cash and cash equivalents at the end of the year	6,923,132	6,806,862

Notes

General

Relationship with parent company and principal activities

The Company, which is a subsidiary of ThyssenKrupp AG, Duisburg and Essen, Germany was incorporated as Thyssen Finance Nederland B.V. on 14 October 1988.

As per 5 March 2001 the Company merged with another Group company, being Fried. Krupp Finance B.V.

The company acts within the ThyssenKrupp Group as a finance company in the Netherlands.

In close cooperation with the parent, the Company allocates the proceeds of the bonds and loans taken to the parent and its subsidiaries/affiliates.

The financial statements are prepared on the basis of the legal requirements as set out in part 9 of Book 2 of the Netherlands Civil Code.

The address and statutory seat of the Company are:

Van Utrechtweg 99, Krimpen aan den IJssel, The Netherlands.

Financial reporting period

These financial statements have been prepared for a reporting period of one year. The bookyear runs from 1 October until 30 September each year.

Going concern

These financial statements have been prepared on the basis of the going concern assumption.

Accounting policies

General

The principles adopted for the valuation of assets and liabilities and determination of the results are based on the historical cost convention.

All assets and liabilities are stated at the nominal value unless indicated otherwise.

An asset is disclosed in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. A liability is recognised in the balance sheet when it is expected to result in an outflow from the entity of resources embodying economic benefits and the amount of the obligation can be measured with sufficient reliability.

Income and expenses are accounted for in the period to which they relate, unless otherwise mentioned.

Income is recognised in the profit and loss account when an increase in future economic potential related to an increase in an asset or a decrease of a liability has arisen, the size of which can be measured reliably. Expenses are recognised when a decrease in the economic potential related to a decrease in an asset or an increase of a liability has arisen, the size of which can be measured with sufficient reliability.

If a transaction results in a transfer of future economic benefits and or when all risks relating to assets or liabilities transfer to a third party, the asset or liability is no longer included in the balance sheet.

The revenue and expenses are allocated to the period to which they relate. Revenues are recognised when the company has transferred the significant risks and rewards of ownership of the goods to the buyer.

The financial statements are presented in euros, the company's functional currency.

ThyssenKrupp Finance Nederland B.V.

Financial instruments

Financial instruments include investments in loan facilities to group companies, cash and cash equivalents and other receivables.

The company does not have any derivative instruments.

Financial fixed assets

The loans to the companies of the ThyssenKrupp Group are included at nominal value less any provision deemed necessary. The premiums/discounts, if any, are capitalised and amortised to the profit and loss account during the term of the underlying loan.

Receivables

The accounting policies applied for the valuation of trade and other receivables are described under the heading 'accounting policies - general'.

Capital and reserves / Shareholders' equity

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholders' equity as part of the profit distribution.

Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognised in the profit and loss as financial income or expense.

Non-current liabilities

Long-term bonds

The issue costs arising on borrowings and premiums/discounts, if any, are capitalised and amortised to the profit and loss account during the term of the underlying bond.

Current liabilities

The valuation of current liabilities is explained under the heading 'accounting policies - general'.

Revenue recognition

Financial income

Interest revenue is recognized in the profit and loss account as explained under the heading 'accounting policies - general'. Amortizations on premiums, discounts on loans and issue costs are recognized in the profit and loss account on a straight line basis over the term of the loans and bonds.

Corporate income tax

Corporate income tax comprises the current and deferred corporate income tax payable and deductible for the reporting period. Corporate income tax is recognised in the profit and loss account.

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the financial year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to the tax payable in respect of previous years.

Determination of fair value

A number of accounting policies and disclosures in the Group's financial statements require the determination of the fair value for both financial and non-financial assets and liabilities.

For measurement and disclosure purposes, fair value is determined on the basis of the net present value of future repayments and interest payments, discounted at the market interest rate at the reporting date.

Where applicable, detailed information concerning the principles for determining fair value are included in the section that specifically relates to the relevant asset or liability.

Balance sheet

1 Loan facilities to Group companies

(in Euro)	maturity date	30 Sep. 2010	30 Sep. 2011
EUR 1,000,000,000 interest 6.813% (fixed)	25 February 2013	1,000,000,000	1,000,000,000
EUR 1,000,000,000 interest 8.563% (fixed)	25 February 2016	1,000,000,000	1,000,000,000
		<u>2,000,000,000</u>	<u>2,000,000,000</u>

The facilities are granted to ThyssenKrupp AG.

The fair value of the loans can be derived from the fair value of the long term bonds payable.

As it is the intention of the Company to hold the related bonds till maturity, no movements are to be expected during the lifetime of the loans.

2 Deferred premium on loans to Group companies

This item relates to the loans granted to companies of the ThyssenKrupp Group, and is amortised during the term of these loans. From the total amount EUR 3,535,948 will be recognized to the profit and loss account during the fiscal year 2011/2012.

(in Euro)	30 Sep. 2010	30 Sep. 2011
Balance as at 1 October:		
Cost price	13,525,000	13,525,000
Accumulated amortisation	1,492,955	5,028,903
	<u>12,032,045</u>	<u>8,496,097</u>
Changes during the financial year:		
Amortisation	<u>3,535,948</u>	<u>3,535,948</u>
Balance as at 30 September:		
Cost price	13,525,000	13,525,000
Accumulated amortisation	5,028,903	8,564,851
	<u>8,496,097</u>	<u>4,960,149</u>

3 Deferred discount on bonds

This item relates to the outstanding bonds and is amortised during the term of these bonds.

From the total amount EUR 1,944,821 will be recognized to the profit and loss account during the fiscal year 2011/2012.

(in Euro)	30 Sep. 2010	30 Sep. 2011
Balance as at 1 October:		
Cost price	11,705,000	11,705,000
Accumulated amortisation	1,161,491	3,106,312
	<u>10,543,509</u>	<u>8,598,688</u>
Changes during the financial year:		
Amortisation	<u>1,944,821</u>	<u>1,944,821</u>
Balance as at 30 September:		
Cost price	11,705,000	11,705,000
Accumulated amortisation	3,106,312	5,051,133
	<u>8,598,688</u>	<u>6,653,867</u>

4 Capitalised issue costs

This item relates to the outstanding bonds and is amortised during the term of these bonds.

From the total amount EUR 1,267,157 will be recognized to the profit and loss account during the fiscal year 2011/2012.

	30 Sep. 2010	30 Sep. 2011
(in Euro)		
Balance as at 1 October:		
Cost price	6,500,000	6,500,000
Accumulated amortisation	688,147	1,955,304
	<u>5,811,853</u>	<u>4,544,696</u>
Changes during the financial year:		
Amortisation	<u>1,267,157</u>	<u>1,267,157</u>
Balance as at 30 September:		
Cost price	6,500,000	6,500,000
Accumulated amortisation	1,955,304	3,222,461
	<u>4,544,696</u>	<u>3,277,539</u>

5 Receivables

	30 Sep. 2010	30 Sep. 2011
(in Euro)		
Interest receivables	91,413,479	91,413,479
Prepayments	28,287	24,777
	<u>91,441,766</u>	<u>91,438,256</u>

The interest receivables relate to accrued interest on facility agreements to companies of the ThyssenKrupp Group. None of the receivables has a maturity over 1 year.

6 Cash and cash equivalents

	30 Sep. 2010	30 Sep. 2011
(in Euro)		
Intercompany account with ThyssenKrupp AG	6,915,989	6,803,304
Deutsche Bank AG, Amsterdam branch	7,143	3,558
	<u>6,923,132</u>	<u>6,806,862</u>

For the fiscal year 2009/2010 and 2010/2011 cash and cash equivalents were at free disposal to the company.

7 Capital and reserves

Issued and paid-up capital

The authorised share capital amounts to EUR 2,300,000, divided into 230 shares of EUR 10,000 each. The capital has been fully issued and paid-up. All shares are held by ThyssenKrupp AG.

Movements in shareholders' equity are as follows:

	30 Sep. 2010	Distribution	Result for the year	30 Sep. 2011
(in Euro)				
Issued and paid-up capital	2,300,000	–	–	2,300,000
Retained Earnings	4,228,403	–	–	4,228,403
Result for the year	1,101,510	(1,101,510)	999,064	999,064
	7,629,913	(1,101,510)	999,064	7,527,467
	30 Sep. 2009	Distribution	Result for the year	30 Sep. 2010
(in Euro)				
Issued and paid-up capital	2,300,000	–	–	2,300,000
Retained Earnings	4,228,403	–	–	4,228,403
Result for the year	891,717	(891,717)	1,101,510	1,101,510
	7,420,120	(891,717)	1,101,510	7,629,913

During the fiscal year 2010/2011 a dividend in amount of EUR 1,101,510 has been paid to the parent company.

8 Long-term bonds payable

	30 Sep. 2010	30 Sep. 2011
(in Euro)		
EUR 1,000,000,000 interest rate 6.75% (fixed) due 25 February 2013	1,000,000,000	1,000,000,000
EUR 1,000,000,000 interest rate 8.50% (fixed) due 25 February 2016	1,000,000,000	1,000,000,000
	2,000,000,000	2,000,000,000

Bonds and interest payable thereon are guaranteed by ThyssenKrupp AG, Duisburg and Essen, Germany.

As per 30 September 2011 the fair value of the bond maturing 2013 is EUR 1,048 million and of the bond maturing 2016 EUR 1,110 million.

The fair value of the long-term bonds payable is derived from quotes reported on the Frankfurt Stock Exchange per 30 September 2011.

As it is the intention of the Company to have the bonds outstanding till maturity, no movements are to be expected during the lifetime.

9 Deferred premium on long-term bonds payable

This item relates to the balance of the long-term bond due 25 February 2013, which has been issued on 29 April 2009 above par, and is amortised through the term of the bond. From the total amount EUR 3,928,105 will be recognized to the profit and loss account during the fiscal year 2011/2012.

	30 Sep. 2010	30 Sep. 2011
(in Euro)		
Balance as at 1 October:		
Cost price	15,025,000	15,025,000
Accumulated amortisation	1,658,532	5,586,637
	13,366,468	9,438,363
Changes during the financial year:		
Amortisation	3,928,105	3,928,105
Balance as at 30 September:		
Cost price	15,025,000	15,025,000
Accumulated amortisation	5,586,637	9,514,742
	9,438,363	5,510,258

10 Deferred discount on loans to Group companies

This item relates to the outstanding loans to companies of the ThyssenKrupp Group and is amortised during the term of these loans. From the total amount EUR 2,819,821 will be recognized to the profit and loss account during the fiscal year 2011/2012.

	30 Sep. 2010	30 Sep. 2011
(in Euro)		
Balance as at 1 October:		
Cost price	16,705,000	16,705,000
Accumulated amortisation	1,684,061	4,503,882
	15,020,939	12,201,118
Changes during the financial year:		
Amortisation	2,819,821	2,819,821
Balance as at 30 September:		
Cost price	16,705,000	16,705,000
Accumulated amortisation	4,503,882	7,323,703
	12,201,118	9,381,297

11 Current liabilities

This represents:	30 Sep. 2010	30 Sep. 2011
(in Euro)		
Interest payable	90,664,383	90,664,383
Taxes payable	42,892	44,248
Other	27,710	9,020
	90,734,985	90,717,651

Interest payable is guaranteed by ThyssenKrupp AG, Duisburg and Essen, Germany.

12 Off-balance sheet items

The company does not have any off-balance sheet items.

Income statement

13 Financial income

Interest income mainly results from the loans granted by the Company to Group companies.
Interest expenses mainly result from the bonds issued.

14 Sundry income

During the year the Company received a refund from BAFIN in amount of EUR 416.

15 General expenses

This comprises:

	2009/2010	2010/2011
(in Euro)		
Management and administration fees	24,633	24,633
Advisory fees	3,931	11,545
Audit fee	11,305	7,735
Rent office space	5,000	5,000
Chamber of Commerce	165	166
Other	6,930	3,011
	<u>51,964</u>	<u>52,090</u>

16 Corporation tax

The tax expense is calculated in accordance with existing tax legislation and is based on a ruling (APA).
The APA is based on a transfer pricing study and therefore the agreed remuneration is in accordance with the "at arm's length principle".
The average effective tax rate amounts to 24.0%. The statutory rate is 25% for the year 2011 (25.5% for 2010).

17 Related parties

The shareholder of the company, ThyssenKrupp AG, qualifies as a related party. All transactions with ThyssenKrupp AG or its affiliates have been disclosed in the notes to the financial statements.
All transactions are at arm's length basis.

18 Number of employees

The company has no employees apart from the managing directors.

19 Remuneration of the managing directors

All managing directors do not receive a remuneration for their duties.

Krimpen aan den IJssel, 25 November 2011.

The Managing Directors:

Maarten R.H.B. Hoogeweegen

Ronald Ton

Thomas S. Empelmann

Other information

Provisions in the Articles of Association regarding profit appropriation

The appropriation of profit is governed by article 18 of the Articles of Association. The profit is at free disposal of the general meeting. The general meeting may decide to pay one or more interim dividends if profit so permits. The general meeting can at all times decide to distribute to shareholders to the debit of the reserves.

Profit appropriation

The Board of Managing Directors proposes to distribute the profit in amount of EUR 999,064 (2009/2010 EUR 1,101,510) to the shareholder.

Responsibility statement

"To the best of our knowledge, and in accordance with the applicable reporting principles for the financial reporting, the financial statements for the fiscal year ending 30 September 2011 give a true and fair view of the assets, liabilities, financial position and profit and loss of the company; the management report specifies the most important events of the reporting period and their effects on the financial statements; necessary estimates have been made with due care."

Krimpen aan den IJssel, 25 November 2011.

The Managing Directors:

Maarten R.H.B. Hoogeweegen

Ronald Ton

Thomas S. Empelmann

Independent auditor's report

To: the management of ThyssenKrupp Finance Nederland B.V.

Report on the financial statements

We have audited the accompanying financial statements for the year ended 30 September 2011 of ThyssenKrupp Finance Nederland B.V., Krimpen aan den IJssel, which comprise the balance sheet as at 30 September 2011, the profit and loss account for the year then ended, the cash flow statement and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of the financial statements and for the preparation of the management report, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of ThyssenKrupp Finance Nederland B.V. as at 30 September 2011 and of its result and cash flows for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirements under Section 2:393 sub 5 at e and f of the Netherlands Civil Code, we have no deficiencies to report as a result of our examination whether the management report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and if the information as required under Section 2:392 sub 1 at b - h has been annexed. Further, we report that the management report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Netherlands Civil Code.

Utrecht, 25 November 2011

KPMG ACCOUNTANTS N.V.

A.K.G. de Koning RA