

ThyssenKrupp Finance Nederland B.V.

**Financial Statements
for the fiscal year
ending 30 September 2008**

1029651



KPMG Audit
Document to which our report dated

11 NOV 2008

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Management Report 1 October 2007 to 30 September 2008

Profile

ThyssenKrupp Finance Nederland B.V. 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 company issues bonds on the international financial markets and passes on the capital loaned with interest to companies of the Group.

Business performance

Global economic growth slowed in some regions in 2007/2008. The main problems for the global financial markets were the uncertainties triggered by the US subprime crisis. However, because the loans and bonds are based on fixed long-term conditions this did not impact the company's business.

Loans

Loans and conditions showed no change compared with a year earlier. The company's financing was likewise unchanged. It consists mainly of a bond issued for EUR 500 million at 7% interest. The bond matures on 19 March 2009.

At 30 September 2008 loans to companies of the ThyssenKrupp Group were as follows:

Loan facilities to Group companies in million EUR	Interest (fixed) in %	Maturity date
10.0	4.2565	19 March 2009
494.6	7.2646	19 March 2009

In the fiscal year 2007/2008 ended 30 September 2008 earnings before taxes (EBT) of EUR 0.6 million were reported. EBT at the end of fiscal year 2006/2007 was also EUR 0.6 million.

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

Financial situation. The funds reported in the cash flow statement correspond to the balance-sheet item "Cash and cash equivalents". Operating cash flow amounted to around EUR 1.2 million in the reporting period. The balance sheet at the end of fiscal year 2007/2008 is EUR 526 million, prior year balance sheet was also EUR 526 million.



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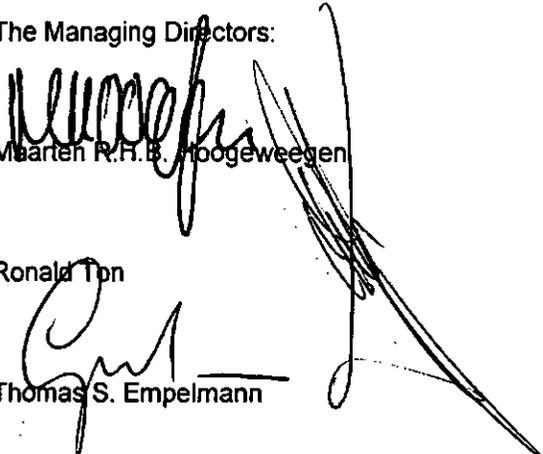
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Risk report. The risk management system minimizes exposure and keeps the risks manageable. In view of the customer structure - exclusively companies of the ThyssenKrupp Group - difficulties with repaying the loans are not expected. The crisis on the international financial markets is carefully monitored and, if at all, only marginal effects are expected for the financing arrangements. There is no threat to the existence of the company currently foreseeable for the management.

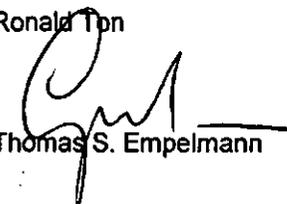
Subsequent events and outlook. There were no significant events requiring disclosure between the balance sheet date (30 September 2008) and the date of authorization for issue (11 November 2008). The global economy and in particular the situation on the international financial markets could cool down further. In view of the company's stable business situation, this is not expected to have any material impact.

Krimpen aan den IJssel, 11 November 2008.

The Managing Directors:


Maarten R.H.B. Hoogeweegen

Ronald Ton


Thomas S. Empelmann



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Financial Statements for the fiscal year ending 30 September 2008

Balance sheet

(before appropriation of profit)

	Notes	30 Sep. 2008	30 Sep. 2007
(in Euro)			
Assets			
Fixed assets			
Loan facilities to group companies	1	–	504,645,000
Deferred discount on Bonds	2	–	702,951
Capitalised issue costs	3	–	419,049
			505,767,000
Current assets			
Loan facilities to group companies	1	504,645,000	–
Deferred discount on Bonds	2	223,665	–
Capitalised issue costs	3	133,335	–
Receivables	4	19,460,425	19,431,166
Cash and cash equivalents	5	1,702,797	513,417
		526,165,222	19,944,583
		526,165,222	525,711,583
Liabilities			
Capital and reserves			
Issued and paid-up capital	6	2,300,000	2,300,000
Retained Earnings		4,228,403	3,725,429
Result for the year		837,824	502,974
		7,366,227	6,528,403
Long-term liabilities			
Long-term loans payable	7	–	500,000,000
Current liabilities			
	8	518,798,995	19,183,180
		526,165,222	525,711,583



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Income Statement for the fiscal year 2007/2008

	Notes	2007/2008	2006/2007
(in Euro)			
Financial income	9		
Interest income		36,418,562	43,134,768
Interest charges		<u>-35,000,000</u>	<u>-41,669,218</u>
		1,418,562	1,465,550
Sundry income	10	14,327	-
Expenses			
Amortisation issue costs loans and discount on bonds		765,000	765,000
General expenses	11	<u>76,800</u>	<u>59,299</u>
		841,800	824,299
Profit before taxation		<u>591,089</u>	<u>641,251</u>
Corporation tax	12	-253,455	137,474
Capital duty		6,720	803
Result for the year		<u>837,824</u>	<u>502,974</u>



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Cash Flow Statement for the fiscal year 2007/2008

Movement in Cash

(in Euro)	Cash at 30 Sep. 2007	Increase/ decrease	Cash at 30 Sep. 2008
Deutsche Bank AG, Amsterdam	7,283	-4,990	2,293
Current Account with ThyssenKrupp AG	506,134	1,194,370	1,700,504
	513,417	1,189,380	1,702,797

Cashflow from Operating activities

Interest received	36,418,562
Sundry income	14,327
Loans granted	-
Redemption on loans granted	-
Loans taken	-
Redemption on loans taken	-
Corporation tax / Capital duty	-167,659
Expenses paid	-75,849
Interest paid	-35,000,000
Increase/decrease	1,189,381

Cash Flow Statement for the fiscal year 2006/2007

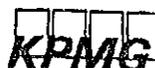
Movement in Cash

(in Euro)	Cash at 30 Sep. 2006	Increase/ decrease	Cash at 30 Sep. 2007
Deutsche Bank AG, Amsterdam	15,091	-7,808	7,283
Current Account with ThyssenKrupp AG	-1,413,847	1,919,981	506,134
	-1,398,756	1,912,173	513,417

Cashflow from Operating activities

Interest received	43,022,571
Loans granted	-2,575,000,000
Redemption on loans granted	2,575,000,000
Loans taken	2,609,200,000
Redemption on loans taken	-2,609,200,000
Corporation tax / Capital duty	649,761
Expenses paid	-66,695
Interest paid	-41,693,464
Increase/decrease	1,912,173

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Notes

General

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 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.

Accounting principles

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.

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 loan/bond.

Assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange prevailing at balance sheet date.

Transactions denominated in foreign currencies are recorded at the rates prevailing at the dates of the transactions. Resulting translation differences are taken to the profit and loss account.

Balance sheet

1 Loan facilities to group companies

(in Euro)	maturity date	30 Sep. 2008	30 Sep. 2007
EUR 10,000,000 interest 4.2565% (fixed)	19 March 2009	10,000,000	10,000,000
EUR 494,645,000 interest 7.2646% (fixed)	19 March 2009	494,645,000	494,645,000
		504,645,000	504,645,000

The facilities are granted to ThyssenKrupp AG, Duisburg and Essen, Germany and subsidiaries/affiliates of ThyssenKrupp AG.

2 Deferred discount on Bonds

This item relates to the Bond issue repayable on 19 March 2009 and is amortised during the term of this Bond. The total amount, being EUR 223,665 will be booked to the Profit and Loss account, during the fiscal year 2008/2009.

3 Capitalised issue costs

These costs relate to the Bond issue repayable on 19 March 2009 and are amortised during the term of this Bond. The total amount, being EUR 133,335 will be booked to the Profit and Loss account, during the fiscal year 2008/2009.

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4 Receivables

	30 Sep. 2008	30 Sep. 2007
(in Euro)		
Interest receivables	19,425,008	19,425,008
Prepaid Taxes	29,259	-
Other receivables	6,158	6,158
	<u>19,460,425</u>	<u>19,431,166</u>

Prepayment and accrued income

The prepayment and accrued income relates to accrued interest on facility agreements to the parent company and subsidiaries and affiliates of that company.

5 Cash and cash equivalents

	30 Sep. 2008	30 Sep. 2007
(in Euro)		
Intercompany account with parent company	1,700,504	506,134
Deutsche Bank AG, Amsterdam branch	2,293	7,283
	<u>1,702,797</u>	<u>513,417</u>

For the fiscal year 2006/2007 and 2007/2008 cash and cash equivalents were at free disposal to the company.

6 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.

Movements in shareholders' equity are as follows:

	30 Sep. 2007	movements	Result for the year	30 Sep. 2008
(in Euro)				
Issued and paid-up capital	2,300,000	-	-	2,300,000
Retained Earnings	3,725,429	502,974	-	4,228,403
Result for the year	502,974	-502,974	837,824	837,824
	<u>6,528,403</u>	<u>-</u>	<u>837,824</u>	<u>7,366,227</u>

7 Long-term loans payable

	30 Sep. 2008	30 Sep. 2007
(in Euro)		
EUR 500,000,000 interest rate 7% repayable on 19 March 2009	-	500,000,000



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Loan and interest payable thereon is guaranteed by ThyssenKrupp AG, Duisburg and Essen, Germany.

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8 Current liabilities

This represents:

	30 Sep. 2008	30 Sep. 2007
(in Euro)		
EUR 500,000,000 interest rate 7% repayable on 19 March 2009	500,000,000	-
Intercompany account with parent company	-	-
Interest payable	18,794,520	18,794,520
Taxes payable	-	385,135
Other	4,475	3,525
	518,798,995	19,183,180

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

Income Statement

9 Financial income

Interest income mainly results from the loans granted by the company to group companies.

10 Sundry income

During the year the company received a refund from BAFIN in amount of EUR 14,327.

11 General expenses

This comprises:

	2007/2008	2006/2007
(in Euro)		
Management and administration fees	24,633	24,633
Advisory fees	12,612	9,978
Audit fee	23,740	16,640
Rent Office space	5,000	5,000
Chamber of Commerce	165	140
Other	10,650	2,908
	76,800	59,299



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12 Corporation tax

The tax expense is calculated in accordance with existing tax legislation and ruling (APA).

The APA is based on a transfer pricing study, the agreed remuneration is thus in accordance with the "at arm's length principle".

13 Number of employees

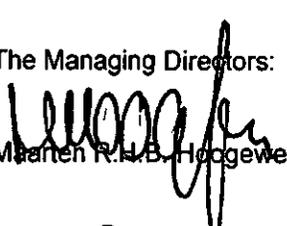
The company has no employees apart from the managing directors.

14 Remuneration of the managing directors

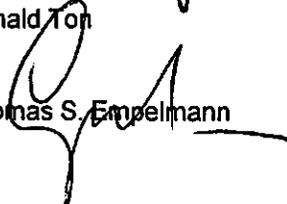
All managing directors do not receive a remuneration for their duties.

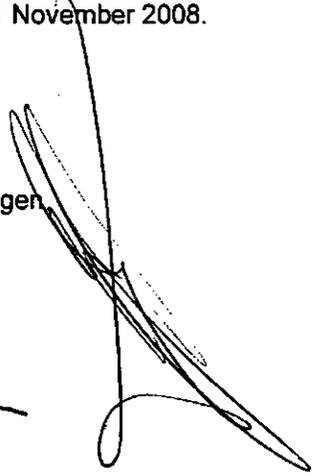
Krimpen aan den IJssel, 11 November 2008.

The Managing Directors:


Maarten R.H.B. Hoogeweegen

Ronald Ton


Thomas S. Engelmann





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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 837,824 (2006/2007 EUR 502,974) to the shareholders.



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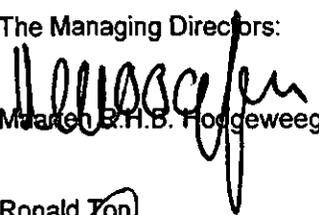
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Responsibility Statement

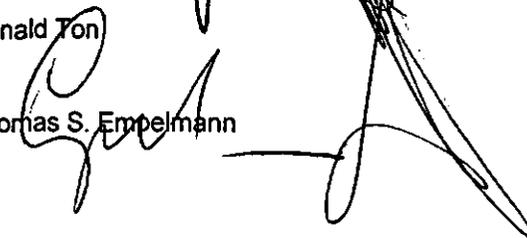
"To the best of our knowledge, and in accordance with the applicable reporting principles for the financial reporting, the financial statements for the fiscal year ending 30 September 2008 give a true and fair view of the assets, liabilities, financial position and profit and loss of the company; the 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, 11 November 2008

The Managing Directors:


Marleen R.H.B. Hoogeweegen

Ronald Ton


Thomas S. Empelmann



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To: General meeting of shareholders of ThyssenKrupp Finance Nederland B.V.

Auditor's report

Report on the financial statements

We have audited the accompanying financial statements for the fiscal year ended 30 September 2008 of ThyssenKrupp Finance Nederland B.V., Krimpen aan de IJssel, which comprise the balance sheet as at 30 September 2008, the profit and loss account for the period then ended and the notes.

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. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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

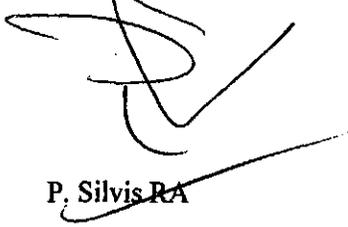
In our opinion, the financial statements give a true and fair view of the financial position of ThyssenKrupp Finance Nederland B.V. as at 30 September 2008 and of its result for the year then ended in accordance with Part 9, Book 2, of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part e of the Netherlands Civil Code, we report, to the extent of our competence, that the management report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Eindhoven, 11 November 2008

KPMG ACCOUNTANTS N.V.



P. Silvis RA