thyssenkrupp in South America

TP Event

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RHQ-SA/TAX

engineering. tomorrow. together.
We are a global corporation

~ú 41.5 billion sales and 158,736 employees

Present in 79 countries with >2,000 locations

Headquarters located in Germany

Ultimate parent company subject to CbC-Report
thyssenkrupp operates in 12 key industries:

- Automotive
- Construction, Infrastructure & Buildings
- Mining and Metals
- Chemicals
- Power Generation, Transmission & Distribution
- White Goods
- Food & Beverage
- Aerospace
- Mechanical and Plant Engineering
- Oil & Gas
- Shipbuilding
- Special Vehicles
Presence in South America

1.4 billion in sales

~10,000 employees

102 regional offices

12 production sites

4 R&D centers
Automotive • Components for engine, suspension and transmission
• Light & heavy forged machined crankshafts & con rods
• Springs & stabilizers

Mining and Metals • Open-cast mining systems and equipment for various minerals. e.g. coal, lignite, nickel, phosphate, iron-ore, bauxite, limestone, zinc etc.
• Material handling systems from individual machines to complete solutions for mining and metallurgical plants

Systems

CUP Method
Restriction of comparable

C+ Method
Restriction of documentation

Resale Minus Method
High fixed margins
Decision-making: TP aspects to be analyzed while implementing a project

Efforts to implement a TP model

Pecex experience

- December 2012: Steel defined as commodity
- September 2013: Steel excluded from the concept of commodity
- October 2014: Steel re-defined as commodity
- March 2015: Steel defined as commodity as from 2015
Decision-making: TP aspects and impacts on the business

Jurisdictions in SA with a OECD convergent TP model could attract more external investments

Brazilian divergent model could result in a problem for new investments or even to keep current business