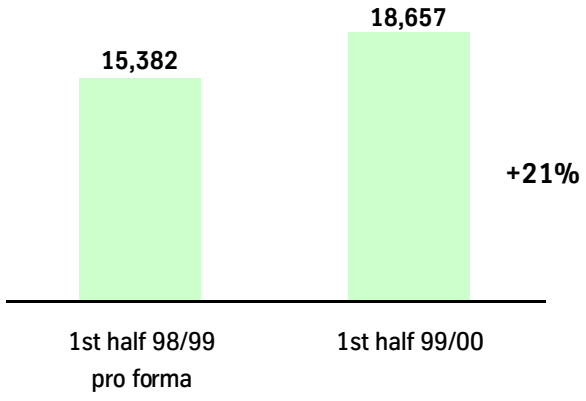
Group

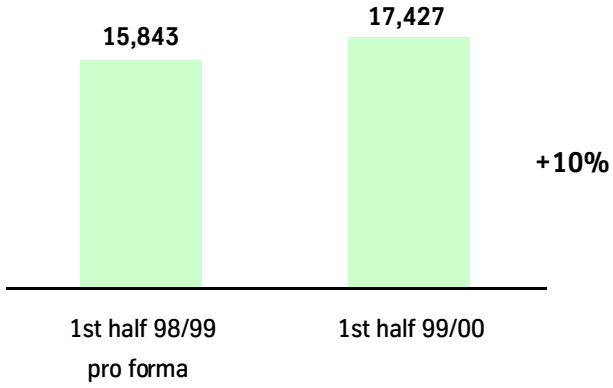
Order intake

€ m



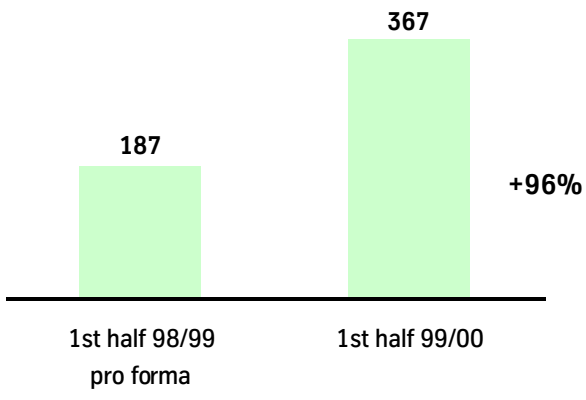
Sales

€ m

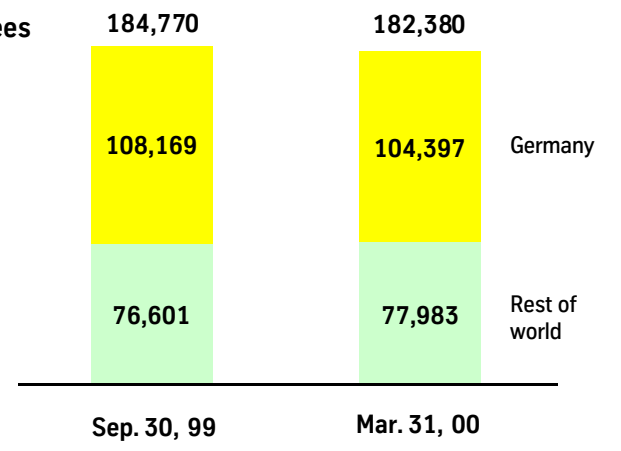


Income before taxes and minority interest

€ m



Employees



Comparison of 1st half key figures for 1999/00 and 1998/99

in €		1st half 1998/99	1st half 1998/99 pro forma	1st half 1999/00	Change absolute	Change in %
Order intake	m	12,799	15,382	18,657	3,275	21.3
Sales	m	13,260	15,843	17,427	1,584	10.0
EBITDA	m	1,001	1,155	1,443	288	24.9
Income before taxes and minority interest	m	195	187	367	180	96.3
Net income	m	54	62	171	109	175.8
Earnings per share	m	0.12	0.12	0.33	0.21	175.0
Cash flow	m	–	–	231	–	–
Capital expenditure	m	–	–	1,207	–	–
Depreciation/amortization	m	–	839	896	57	6.8

Comparison of 1st half key figures at Sep. 30, 1999 and Mar. 31, 2000

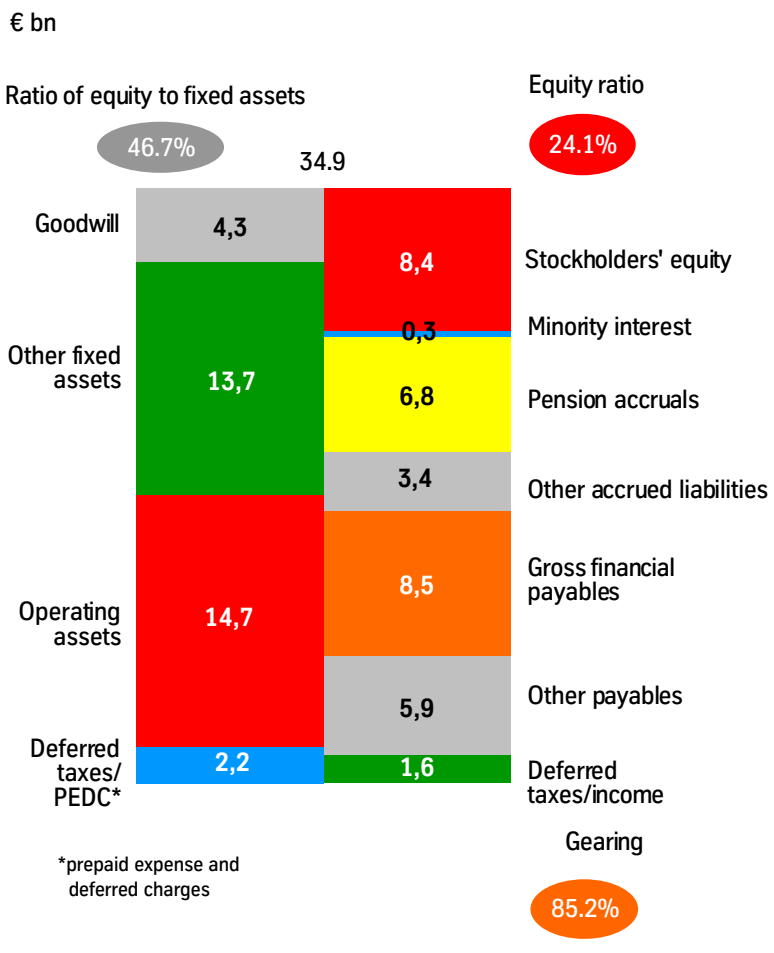
in €		Sep. 30, 1999	Mar. 31, 2000	Change absolute	Change in %
Stockholders' equity	m	8,053	8,360	307	3.8
Net financial payables	m	6,193	7,121	928	15.0
Gearing	%	76.9	85.2	8.3%-p.	–
Employees		184,770	182,380	-2,390	-1.3

Income statement

Cost of sales format

€ m	1st half 1999/00
Net sales	17,427
Cost of sales	-14,310
Gross margin	3,117
Selling expenses	-1,605
General administrative expenses	-1,261
Other operating income	391
Other operating expenses	-115
Income from operations before income taxes	527
Financial income, net	-160
Income before income taxes and minority interest	367
Income taxes	-182
Minority interest	-14
Net income	171

Balance sheet Mar. 31, 2000



Financial payables

€ m	Sep. 30, 1999	Mar. 31, 2000	Change in %
Bonds	535	532	-0.6
Notes payable	194	342	76.3
Payables to financial institutions (without notes)	5,379	6,481	20.5
Capital lease obligations	701	698	-0.4
Other financial payables	190	478	151.6
Gross financial payables	6,999	8,531	21.9
Cash and cash equivalents	806	1,410	74.9
Net financial payables	6,193	7,121	15.0

Balance sheet

€ m	Sep. 30, 1999	Mar. 31, 2000	Change in %
Intangible assets	4,268	4,334	1.5
Property, plant and equipment, net	11,636	12,091	3.9
Financial assets	1,592	1,545	-3.0
Fixed assets	17,496	17,970	2.7
Inventories	6,010	6,195	3.1
Trade accounts receivable	5,206	5,779	11.0
Other receivables and other assets	1,178	1,319	12.0
Securities	38	62	63.2
Cash and cash equivalents	768	1,348	75.5
Operating assets	13,200	14,703	11.4
Deferred taxes/prepaid expenses and deferred charges	1,953	2,179	11.6
Assets	**32,649**	**34,852**	**6.7**

€ m	Sep. 30, 1999	Mar. 31, 2000	Change in %
Stockholders' equity	8,053	8,360	3.8
Minority interest	293	315	7.5
Pensions	6,780	6,770	-0.1
Other accrued liabilities	3,338	3,365	0.8
Accrued liabilities	10,118	10,135	0.2
Financial payables	6,999	8,531	21.9
Trade accounts payable	2,824	3,105	10.0
Other payables	2,900	2,808	-3.2
Payables	12,723	14,444	13.5
Deferred taxes/ deferred income	1,462	1,598	9.3
Stockholders' equity and liabilities	**32,649**	**34,852**	**6.7**

Cash flow statement

€ m	1st half 1999/00
Net income	171
Minority interest	14
Depreciation of fixed assets	896
Other non-cash items	-4
Changes in assets and liabilities	-817
Gain/loss from disposal of assets	-29
Net cash provided by operating activities	231
Purchase of financial assets and businesses	-41
Cash acquired from acquisitions	3
Capital expenditures for property, plant and equipment including intangible assets	-1,166
Proceeds from the sale of financial assets and businesses incl. cash of disposed businesses	92
Proceeds from disposals of property, plant and equipment incl. proceeds from disposals of intangible assets	137
Net cash used in investing activities	-975

€ m	1st half 1999/00
Net cash used in investing activities	-975
Increase of financial payables	1,435
Increase of securities classified as operating assets	-25
Other financing activities	-85
Change in cash and cash equivalents from financing activities	1,325
Exchange rate changes	-1
Increase in cash and cash equivalents	580

Order intake

€ m	1st half 1998/99 pro forma	1st half 1999/00	Change in %
Steel	4,987	6,819	36.7
Automotive	2,481	3,017	21.6
Elevators	1,400	1,695	21.1
Production Systems	618	747	20.9
Components	579	676	16.8
MaterialsServices	3,972	4,842	21.9
FacilitiesServices	632	749	18.5
Real Estate	170	155	-8.8
Engineering	918	594	-35.3
Others	876	889	1.5
Intersegment orders	-1,251	-1,526	-22.0
Total	15,382	18,657	21.3

Sales

€ m	1st half 1998/99 pro forma	1st half 1999/00	Change in %
Steel	5,111	6,082	19.0
Automotive	2,547	2,973	16.7
Elevators	1,240	1,409	13.6
Production Systems	612	616	0.7
Components	581	639	10.0
MaterialsServices	4,254	4,877	14.6
FacilitiesServices	636	752	18.2
Real Estate	170	155	-8.8
Engineering	908	926	2.0
Others	962	664	-31.0
Intersegment sales	-1,178	-1,666	-41.4
Total	15,843	17,427	10.0

EBITDA

Income

€ m	1st half 1998/99 pro forma	1st half 1999/00	Change in %
Steel	543	708	30.4
Automotive	278	326	17.3
Elevators	106	164	54.7
Production Systems	49	9	-81.6
Components	74	89	20.3
MaterialsServices	76	137	80.3
FacilitiesServices	59	73	23.7
Real Estate	59	63	6.8
Engineering	-3	-7	-133.3
Others	-53	-105	-98.1
Consolidation	-33	-14	57.6
Total	1,155	1,443	24.9

Income

before taxes and minority interest

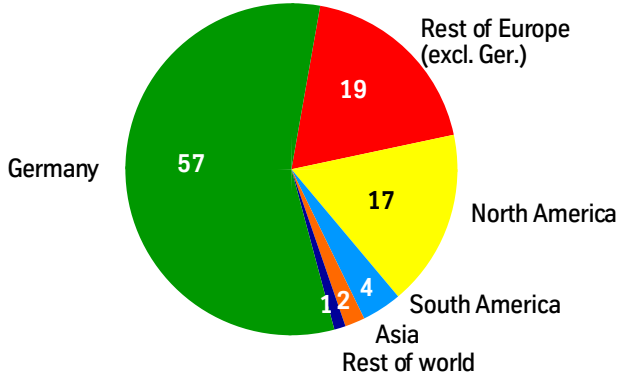
€ m	1st half 1998/99 pro forma	1st half 1999/00	Change in %
Steel	86	183	112.8
Automotive	123	155	26.0
Elevators	34	84	147.1
Production Systems	1	-47	-
Components	32	39	21.9
MaterialsServices	12	60	400.0
FacilitiesServices	10	17	70.0
Real Estate	26	33	26.9
Engineering	-9	-9	-
Others	-95	-134	-41.1
Consolidation	-33	-14	57.6
Total	187	367	96.3

Employees

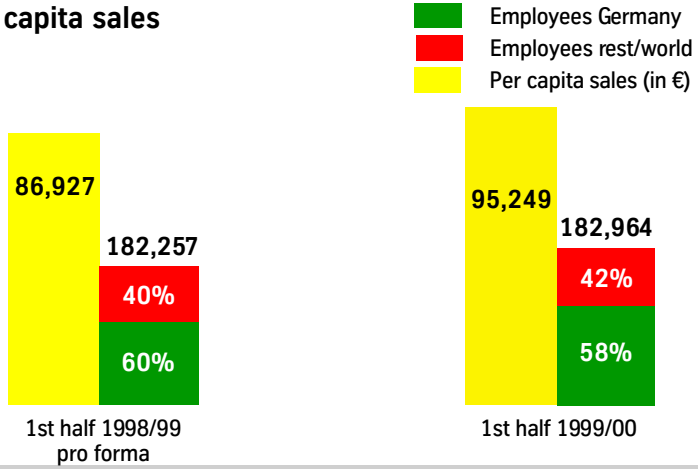
	Sep. 30, 1999	Mar. 31, 2000	Change absolute	Change in %
Steel	54,388	53,414	-974	-1.8
Automotive	37,594	38,619	1,025	2.7
Elevators	26,126	26,180	54	0.2
Production Systems	8,383	8,476	93	1.1
Components	9,191	9,410	219	2.4
MaterialsServices	12,815	12,599	-216	-1.7
FacilitiesServices	15,378	15,230	-148	-1.0
Real Estate	831	835	4	0.5
Engineering	9,594	8,976	-618	-6.4
Others	10,470	8,641	-1,829	-17.5
of which: Thyssen Krupp AG	419	421	2	0.5
Total	184,770	182,380	-2,390	-1.3
of which: Germany	108,169	104,397	-3,772	-3.5
Rest of world	76,601	77,983	1,382	1.8

Employees by region March 31, 2000

in %



Per capita sales



Capital expenditure and depreciation/amortization

Capital expenditure 1st half 1999/00

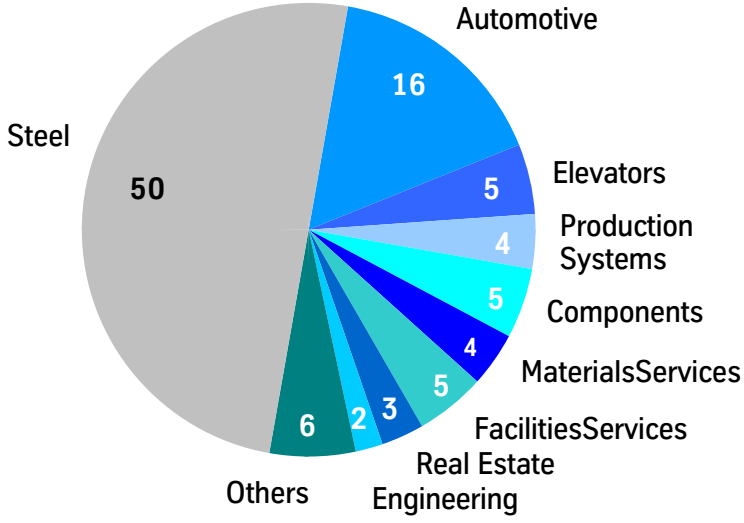
- Total expenditure in the 1st half of 1990/00 was around €1.2 billion
- Expenditure on property, plant and equipment and on intangible assets was €1,166 million
- The remaining €41 million related to the acquisition of companies and equity interests

Depreciation/amortization by segment

€ m	1st half 1998/99 pro forma	1st half 1999/00	Change in %
Steel	396	446	12.6
Automotive	124	145	16.9
Elevators	41	45	9.8
Production Systems	29	33	13.8
Components	35	41	17.1
MaterialsServices	35	38	8.6
FacilitiesServices	47	49	4.3
Real Estate	23	22	-4.3
Engineering	23	20	-13.0
Others	86	57	-33.7
Total	839	896	6.8

Depreciation/amortization by segment 1st half 1999/00

in %



Key figures by segment 1st half 1999/00

	Order intake (€ m)	Sales (€ m)	EBITDA (€ m)	EBIT (€ m)	Income* (€ m)	Employees (on Mar. 31, 00)
Steel	6,819	6,082	708	262	183	53,414
Automotive	3,017	2,973	326	181	155	38,619
Elevators	1,695	1,409	164	119	84	26,180
Production Systems	747	616	9	-24	-47	8,476
Components	676	639	89	48	39	9,410
MaterialsServices	4,842	4,877	137	99	60	12,599
FacilitiesServices	749	752	73	24	17	15,230
Real Estate	155	155	63	41	33	835
Engineering	594	926	-7	-27	-9	8,976
Others	889	664	-105	-162	-134	8,641
Consolidation	-1,526	-1,666	-14	-14	-14	-
Total	18,657	17,427	1,443	547	367	182,380

*before taxes and minority interest

Steel

Order intake Steel

€ m	1st half 1998/99 pro forma	1st half 1999/00	Change in %
Carbon Steel Flat-Rolled	3,066	4,121	34.4
Stainless	1,583	2,271	43.5
Investments	449	517	15.1
Consolidation	-111	-90	18.9
Order intake Steel	4,987	6,819	36.7

Sales Steel

€ m	1st half 1998/99 pro forma	1st half 1999/00	Change in %
Carbon Steel Flat-Rolled	3,201	3,750	17.2
Stainless	1,540	1,981	28.6
Investments	468	473	1.1
Consolidation	-98	-122	-24.5
Sales Steel	5,111	6,082	19.0

Income Steel*

€ m	1st half 1998/99 pro forma	1st half 1999/00	Change in %
Carbon Steel Flat-Rolled	40 [1)]	184 [2)]	360.0
Stainless	31	73	135.4
Investments	-2	-3	-50.0
TK Steel AG/Consolidation	17	-71 [3)]	-517.6
Income Steel	86 [1)]	183	112.8

* before taxes and minority interest

1) includes compensation payment of €57.8 m (consolidation at Group level)

2) includes compensation payment of €43.3 m

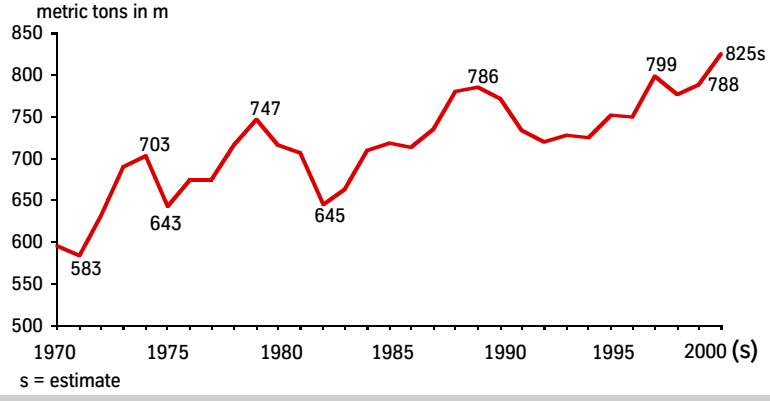
3) consolidation of compensation payment within TK Steel

Note: no further compensation payment as of 2nd half 1999/00

Steel sector activity

World crude steel output

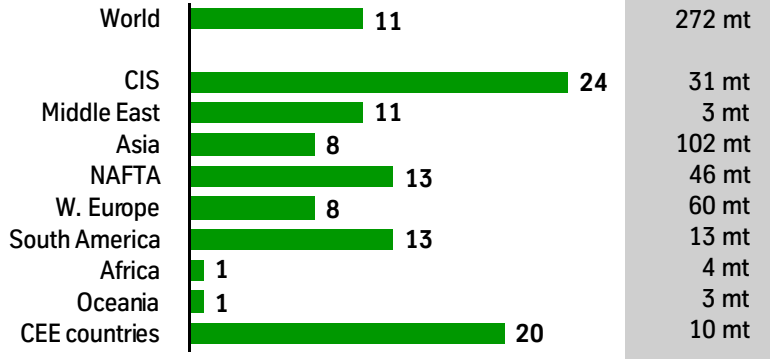
Development since 1970



s = estimate

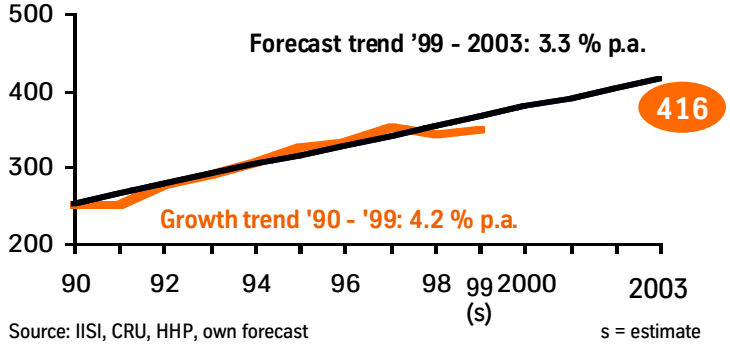
Crude steel output January to April 2000

Change in % against prior year



World carbon steel hot-rolled output (s)
Actual 1990 - 1999 (s) and forecast until 2003

m metric tons/year

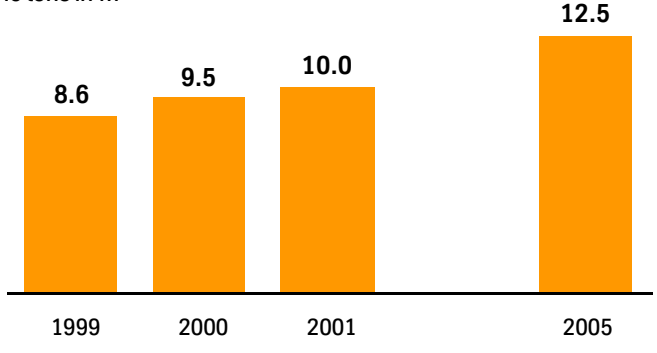


Source: IISI, CRU, HHP, own forecast

s = estimate

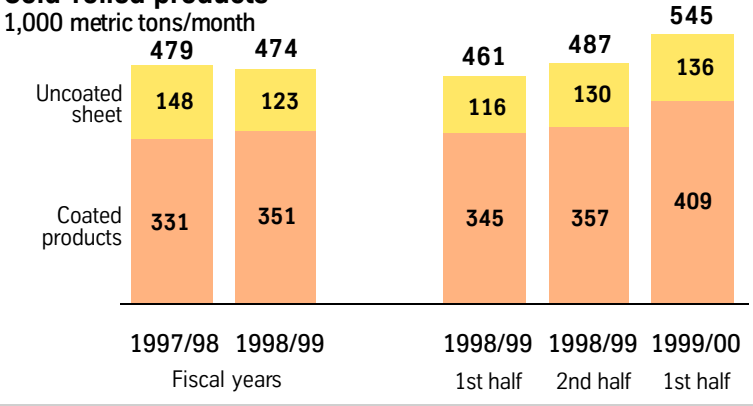
Stainless cold-rolled: World growth trend 1999 to 2005
6.3% p. a.

metric tons in m

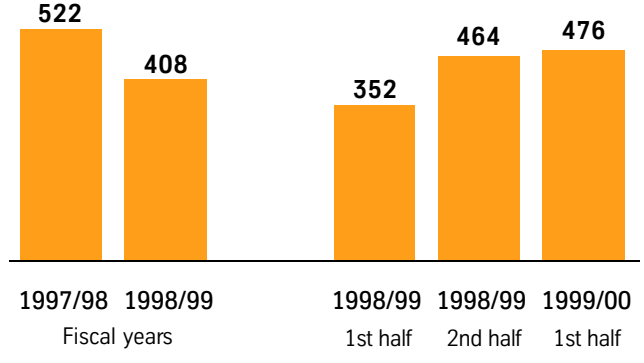


Carbon Steel Flat-Rolled

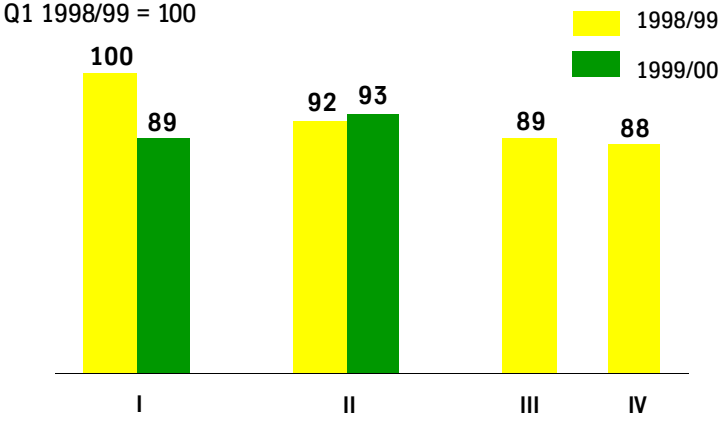
Shipments Thyssen Krupp Stahl AG
Cold-rolled products
1,000 metric tons/month



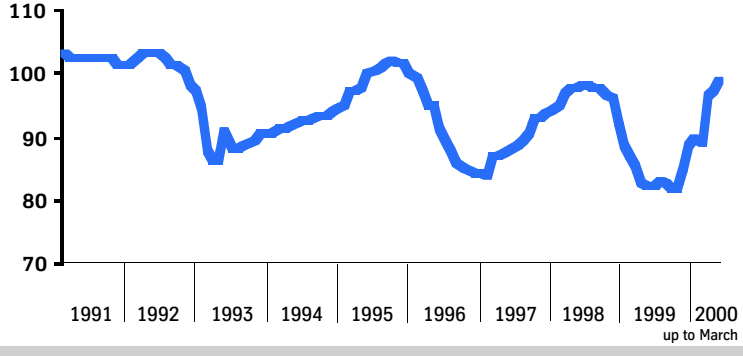
Shipments Thyssen Krupp Stahl AG
Hot-rolled products (excl. quarto plate)
1,000 metric tons/month



Thyssen Krupp Stahl AG: average prices per metric ton
Q1 1998/99 = 100



German production price for cold-rolled unalloyed sheet (new orders)/ 1991 - March 2000
Index 1995 = 100

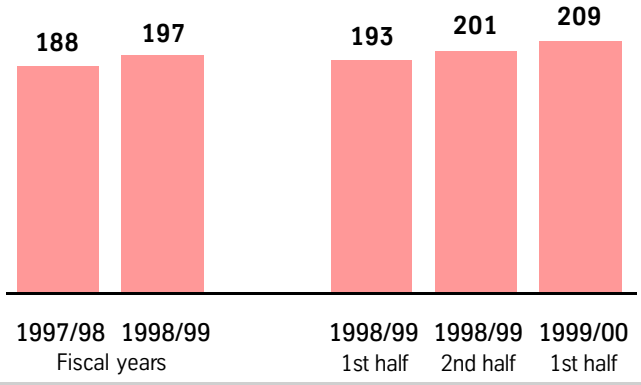


ThyssenKrupp

Stainless

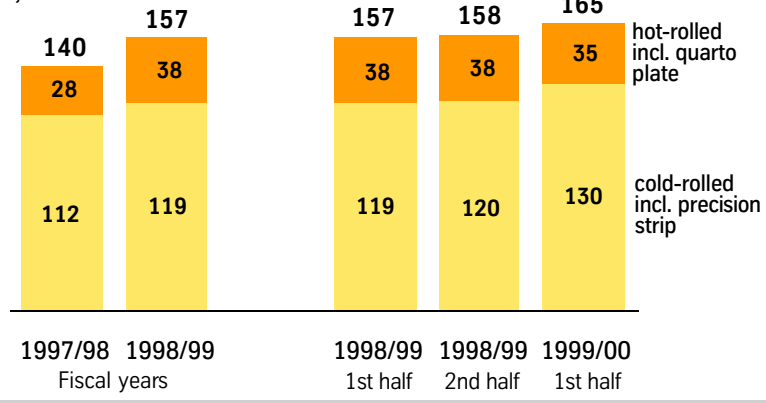
Total shipments Krupp Thyssen Stainless

1,000 metric tons/month



Stainless flat shipments Krupp Thyssen Stainless

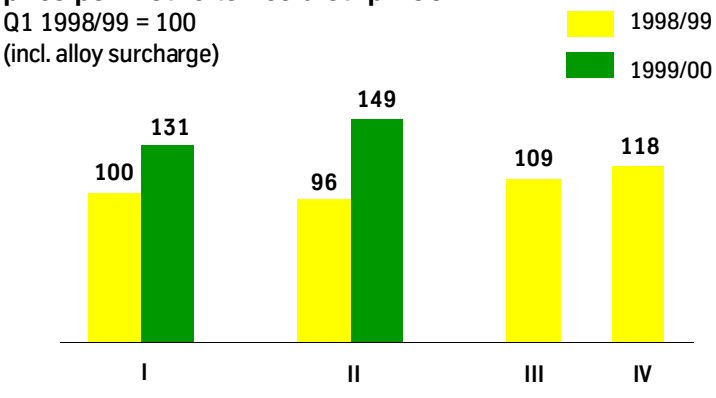
1,000 metric tons/month



Krupp Thyssen Nirosta: price per metric ton cold strip 4301

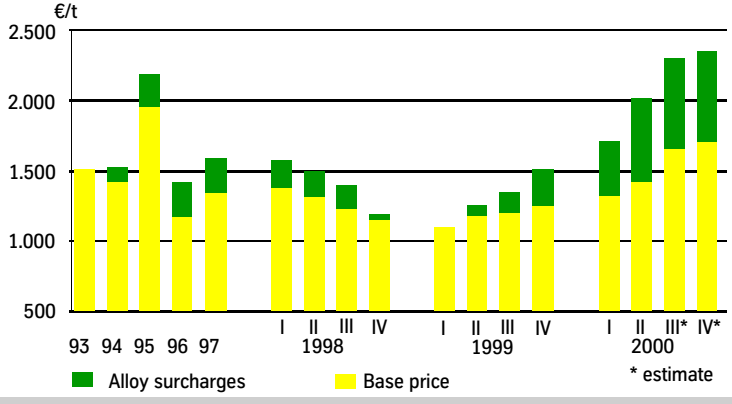
Q1 1998/99 = 100

(incl. alloy surcharge)



Price development stainless cold-rolled 4301, W. Europe

(X5 CrNi 18 - 10, 2 x 1250 x 2000, IIIc, trade)



Outlook

Economic outlook

- Economic upswing will gain impetus
- We expect sustained strong demand for steel
- World automobile production to remain at a high level
- German construction industry still depressed
- We expect a strong recovery in mechanical engineering

Outlook ThyssenKrupp

- The encouraging business performance to date will continue in the 2nd half. For fiscal 1999/00 we are currently planning a sales increase - excluding effects from portfolio changes - of 10%.
- The positive earnings performance will continue for the rest of the fiscal year. Income in 1999/00 will be significantly higher than in the previous year.
- Dividend payment not expected to carry tax credit

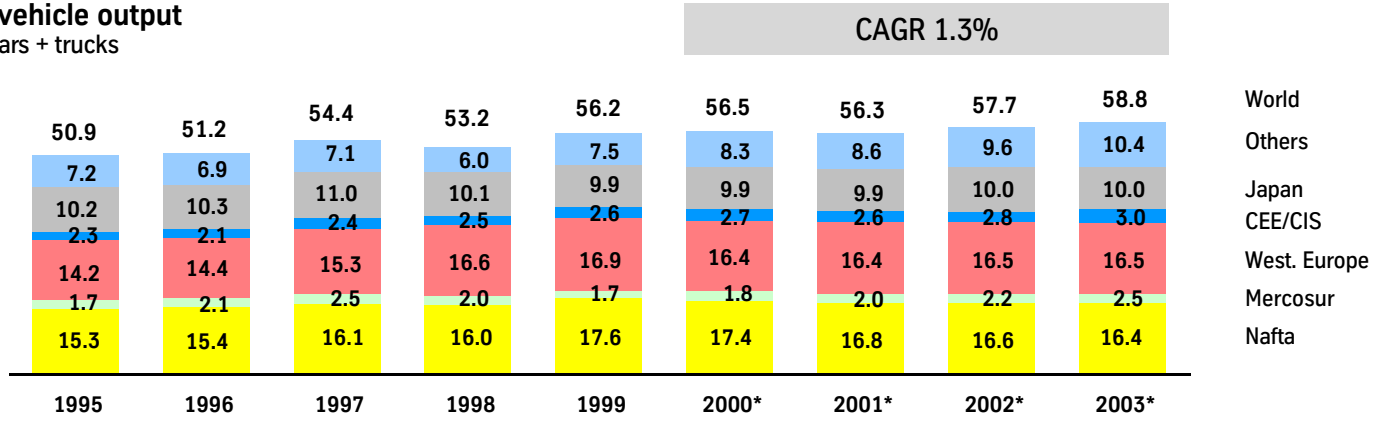
Financial calendar

Dec. 8, 2000	Initial overview of the 1999/00 fiscal year
Jan. 15, 2001	Annual press conference/analysts' meeting
Mar. 2, 2001	Annual Stockholders' Meeting

ThyssenKrupp Automotive

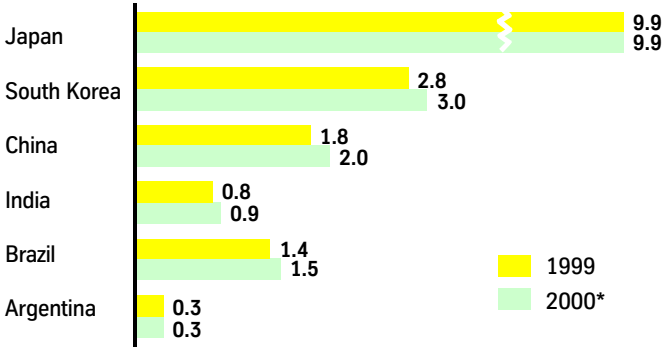
Automobile market

World vehicle output
million cars + trucks



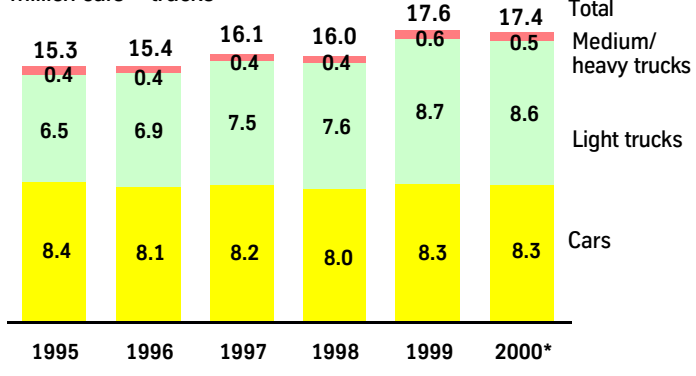
* Estimate

Vehicle output Asia and Latin America
million cars + trucks



* Estimate

Vehicle output Nafta
million cars + trucks

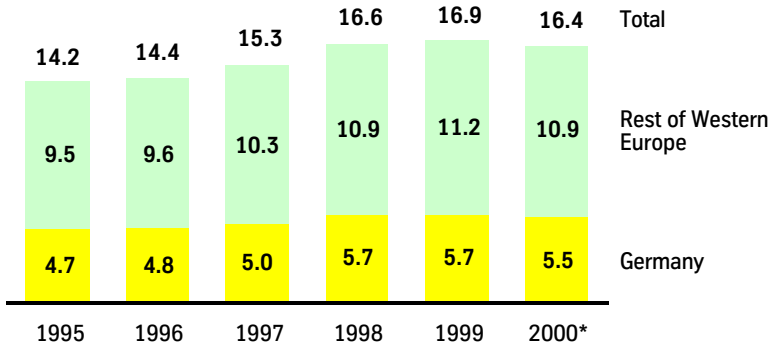


* Estimate

Automobile market

Vehicle output Western Europe

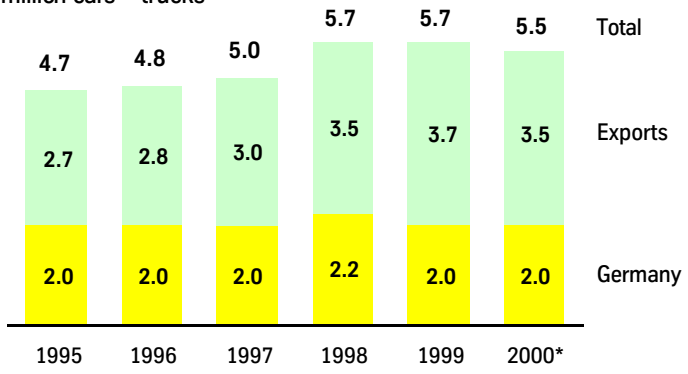
million cars + trucks



* Estimate

Vehicle output Germany

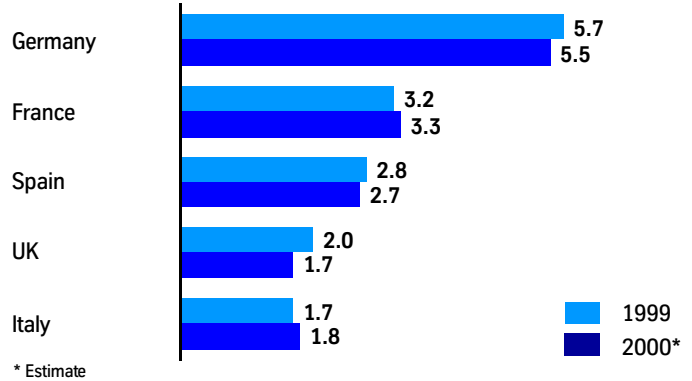
million cars + trucks



* Estimate

Vehicle output Western Europe

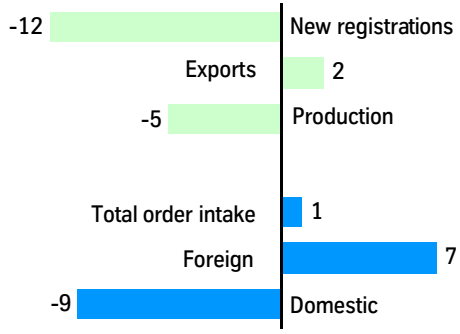
million cars + trucks



* Estimate

German vehicle output (cars) January - April 2000

Change in % against corresponding prior-year period



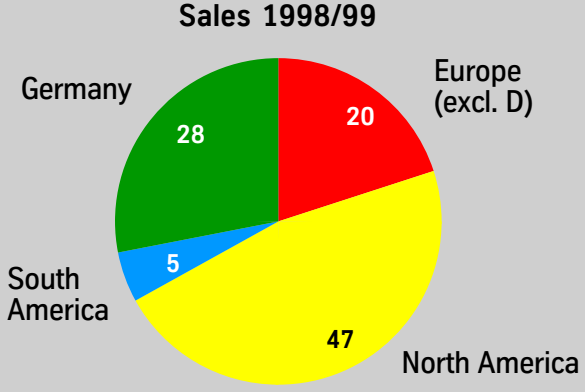
Key figures

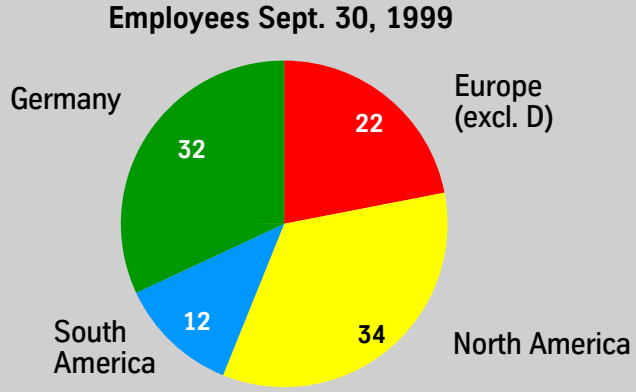
in €		Fiscal 1998/99 pro forma	1st half 1998/99 pro forma	2nd half 1999/00	Change %
Order intake	m	5,115	2,481	3,017	21.6
Sales	m	5,208	2,547	2,973	16.7
EBITDA	m	590	278	326	17.3
Income*	m	291	123	155	26.0
Employees (Sept. 30/March 31)		37,594		38,619	2.7

* before taxes and minority interest

Sales and employees by region

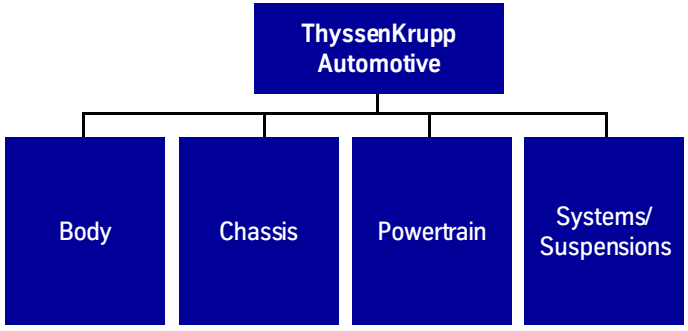
%





Key figures

Organization



Order intake Automotive

€ m	1st half 1998/99 pro forma	1st half 1999/00	Change %
Body	578	694	20.1
Chassis	821	1,112	35.4
Powertrain	619	757	22.3
Systems/Suspensions	416	462	11.1
Consolidation/Others	47	- 8	
Order intake Automotive	2,481	3,017	21.6

Sales Automotive

€ m	1st half 1998/99 pro forma	1st half 1999/00	Change %
Body	597	705	18.1
Chassis	868	1,072	23.5
Powertrain	631	748	18.5
Systems/Suspensions	409	456	11.5
Consolidation/Others	42	- 8	
Sales Automotive	2,547	2,973	16.7

Employees Automotive

€ m	Sept. 30, 99	Mar. 31, 00	Change %
Body	6,730	7,075	5.1
Chassis	12,542	12,482	-0.5
Powertrain	11,010	11,436	3.9
Systems/Suspensions	6,959	7,264	4.4
Services/Sales	353	362	2.5
Employees Automotive	37,594	38,619	2.7

ThyssenKrupp Automotive: The sum of competence

- Leading market positions
- Technology leadership
- Cost leadership
- Materials capability
- Systems capability
- Services
- Close to customers worldwide

Leading market positions

- Body panels (steel, aluminum, plastic)
- Cast brake components
- Forged and cast crankshafts
- Assembled camshafts
- Transmission components
- Steering columns
- Suspension springs and stabilizer bars
- Systems business
  - axles/complete chassis
  - air suspension systems

around 80% of sales
in TOP 1-3 positions

Capability areas

Materials capability

Processing capability for all main auto materials, iron, steel, aluminum, magnesium, plastics:

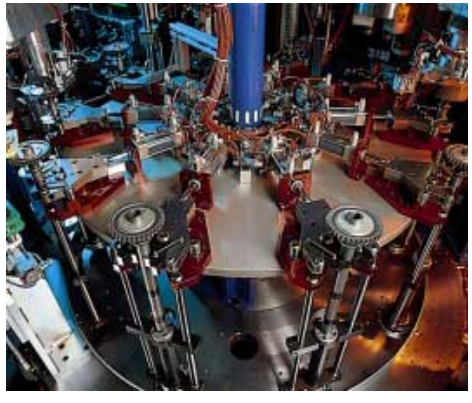
	Iron	Steel	Aluminum	Magnesium	Plastic
Body panels		X	X		X
Chassis components	X	X	X		X
Engine/transmission parts	X	X	X	X	X
Steering components		X	X	X	

Fenders of steel, aluminum and plastic

Cost leadership

- Lean production processes with optimum batch sizes
- International production network
- Highly automated production (e.g. for body assemblies, steering columns)
- Standardized design (e.g. assembled camshaft)
- Reduced number of parts (e.g. hydroforming solutions)

Camshaft production



Capability areas

Technology leadership

Product technologies:

- Safety components
- Axle and frame components
- Crankshafts
- Camshafts
- Steering systems and steering columns

Process technologies:

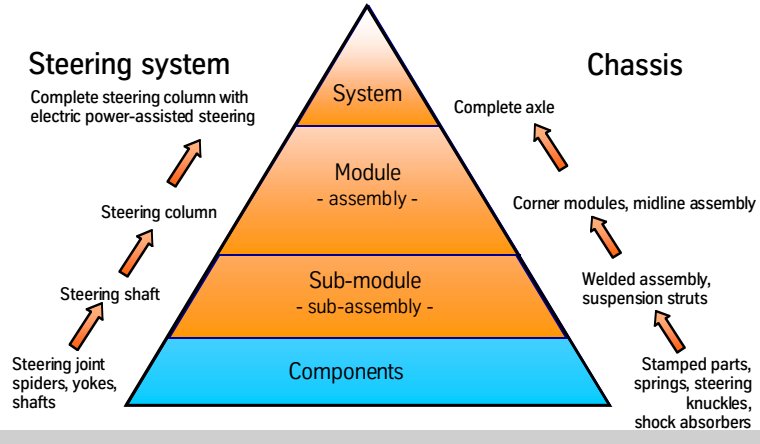
- Hydroforming
- Forming of large panels
- Manufacture and processing of plastic components
- Casting
- Precision forging

Hydroforming

Systems capability

- Linking of components and module business to form systems business (e.g. complete axle systems, air suspension systems)
- Engineering together with OEMs and suppliers
- Taking responsibility for entire systems in production, assembly, logistics (e.g. Porsche axles)

From components to systems



Adding services to the value chain

Engineering

- Project/systems management
- Simultaneous engineering
- Concept / innovation
- Design / calculation
- Simulation / testing
- Integrating electronics
- Start of production

Assembly

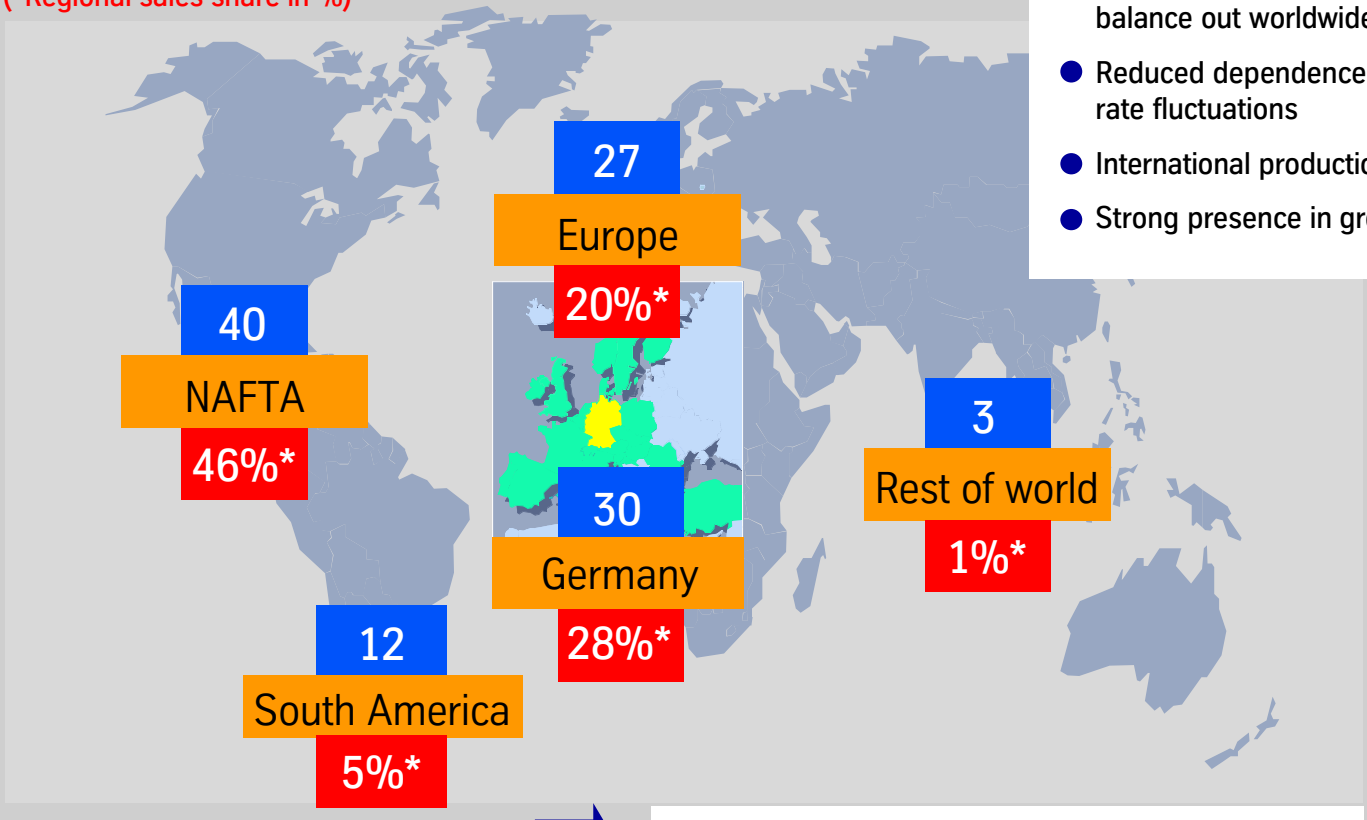
- Plant and process planning
- Investment and site sharing
- Supplier integration
- Quality management

➡ Increased service share in sales

Close to customers worldwide

- 112 production locations worldwide close to customers
- Regional demand differences balance out worldwide
- Reduced dependence on exchange rate fluctuations
- International production network
- Strong presence in growth markets

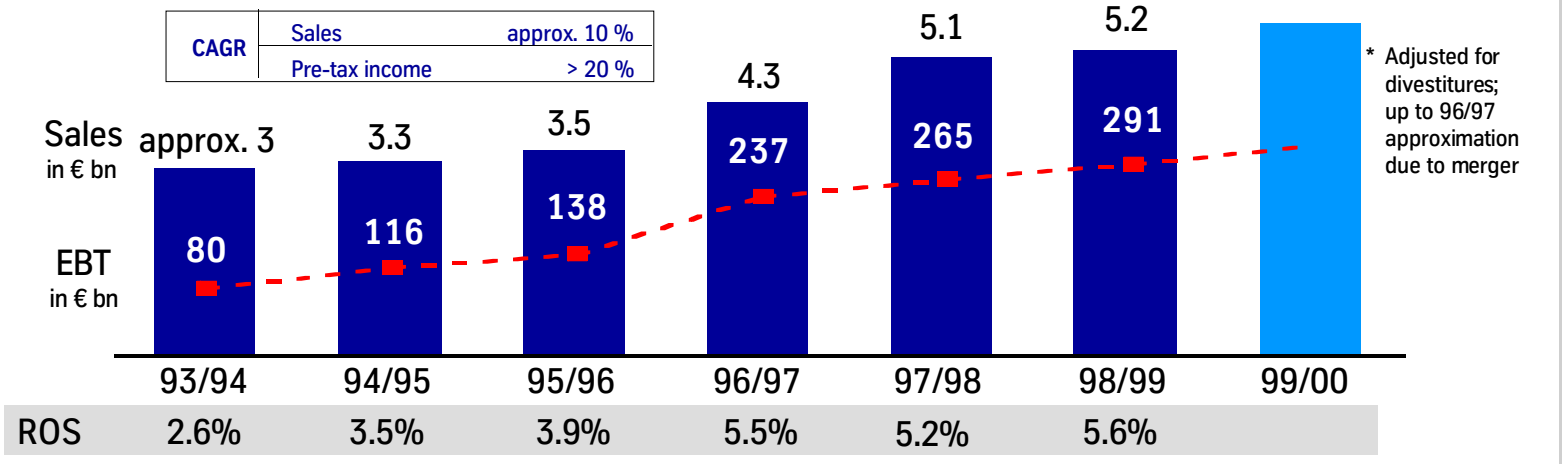
(*Regional sales share in %)

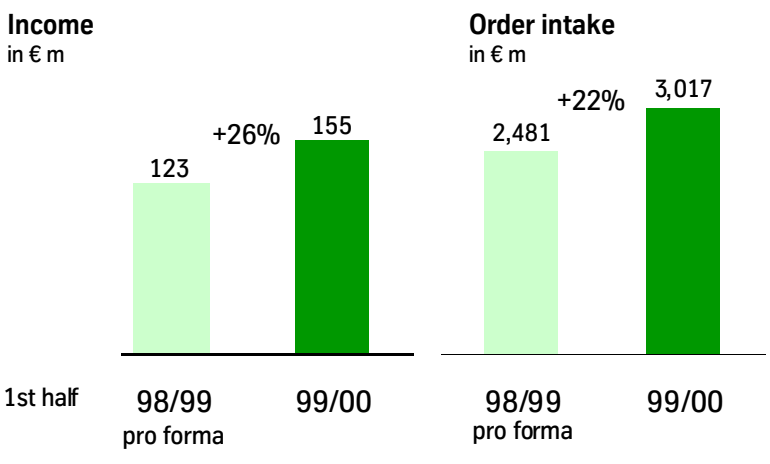


High degree of internationalization

(as per April 2000)

ThyssenKrupp Automotive: The value of competence





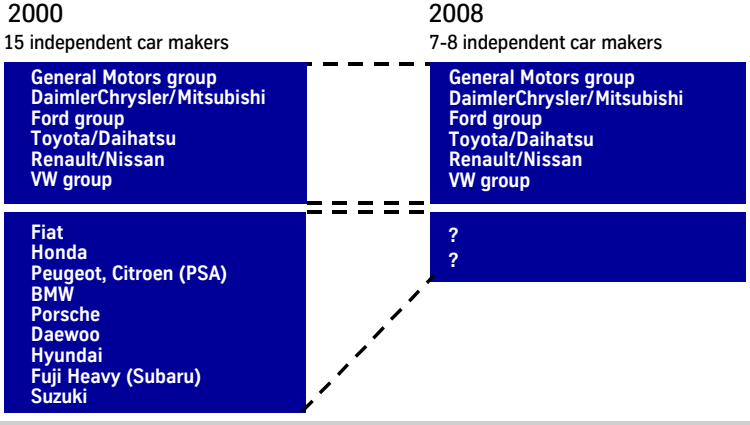
- Faster-than-market sales growth
- ThyssenKrupp Automotive countered price pressure from automobile industry with rationalization advances (e.g. new technologies)
- Continuous value enhancement process

OEM environment

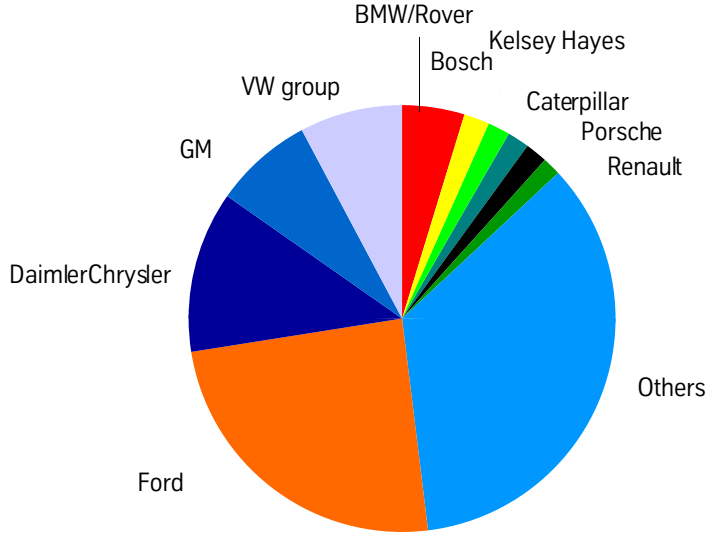
Aims of global OEM mergers

- Economies of scale and synergy effects in R&D, purchasing, production and sales
- Complete product ranges and brand portfolios to cover all market segments and market niches
- Platform and component sharing strategies
- Global presence to develop new sales regions and regional growth markets

Concentration process of car manufacturers



Major customers of ThyssenKrupp Automotive

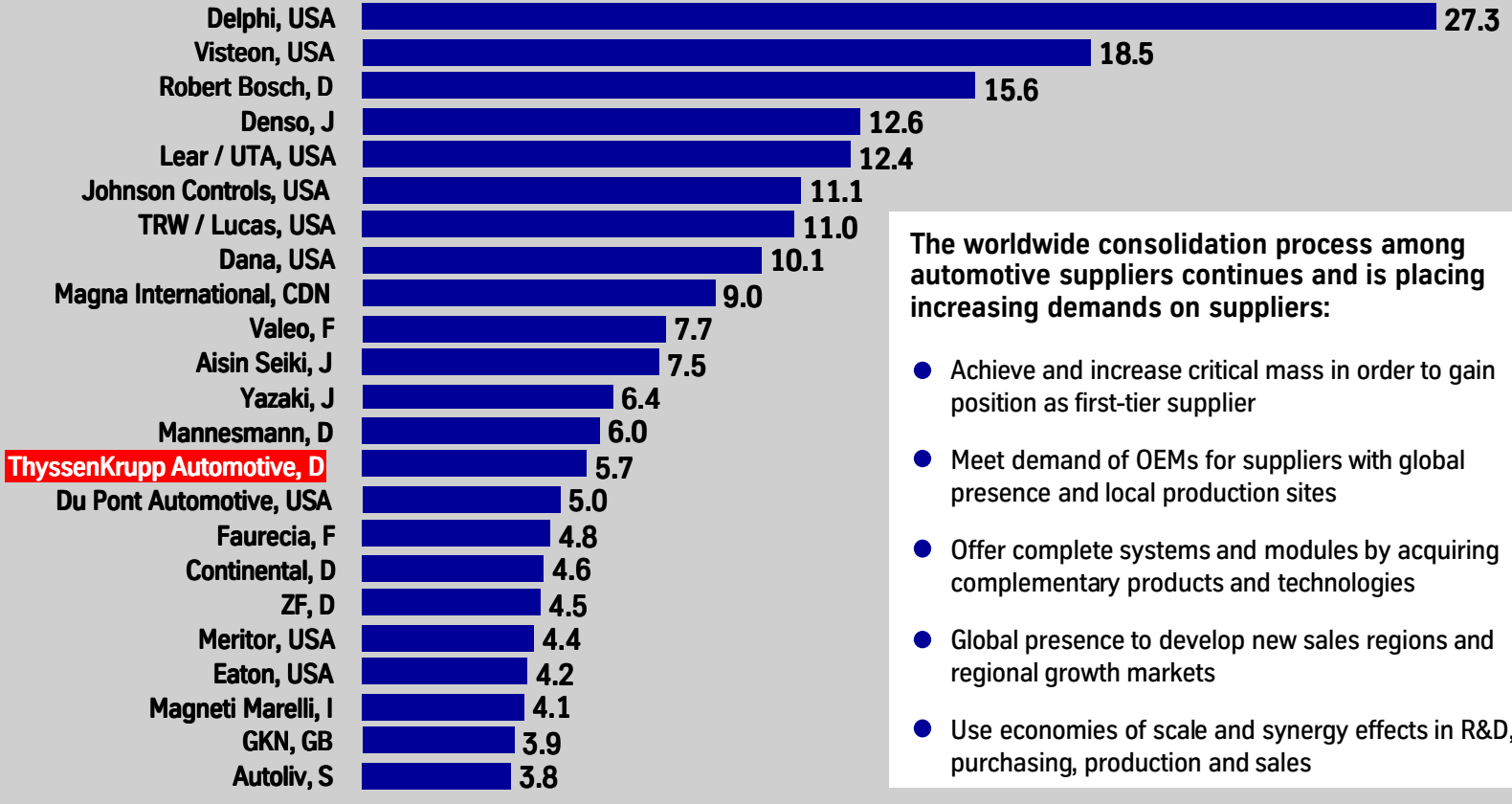


ThyssenKrupp Automotive realizes 2/3 of its sales with its 10 biggest customers (1998/99)

Supplier environment

Competition among automotive suppliers*

USD in billions 1998/99



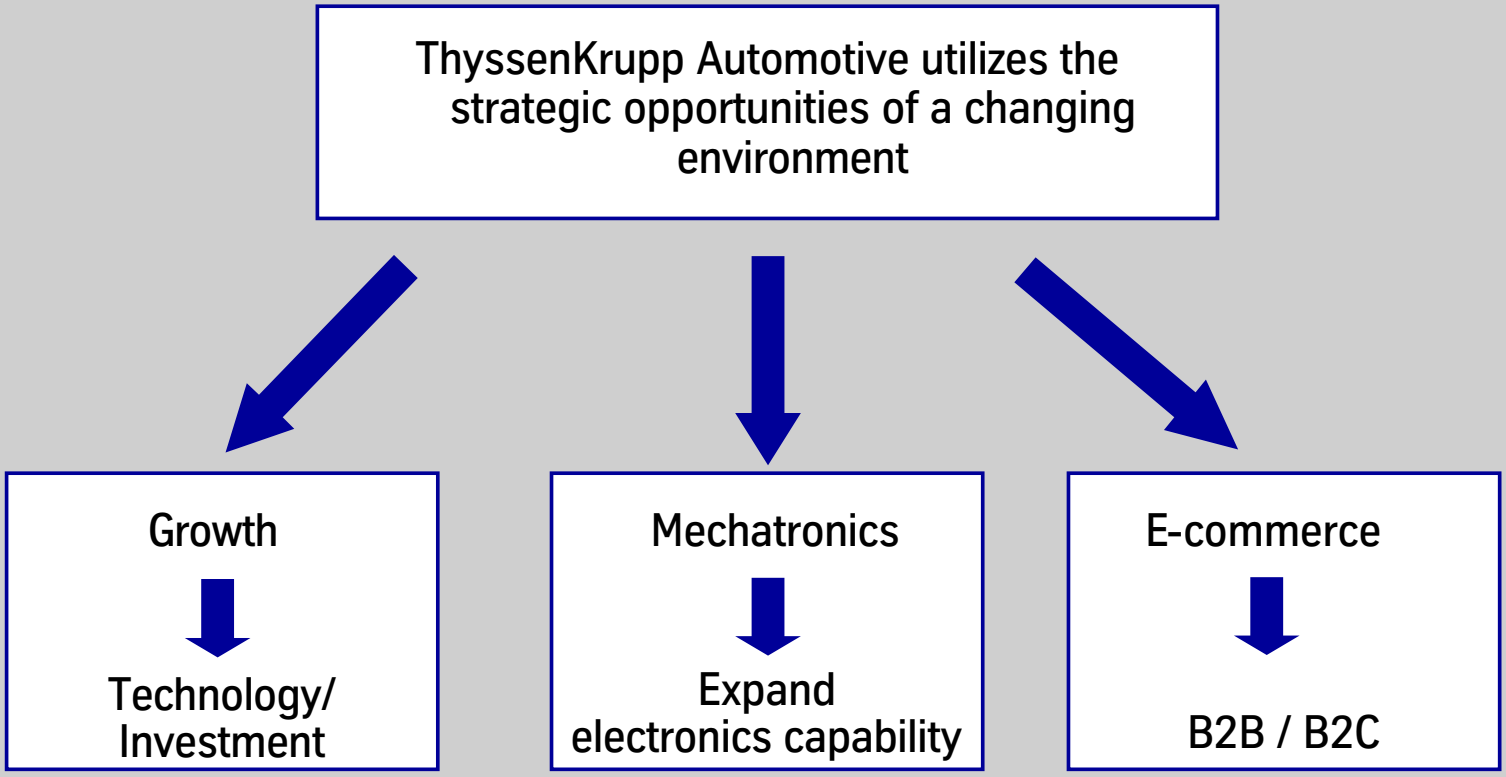
The worldwide consolidation process among automotive suppliers continues and is placing increasing demands on suppliers:

- Achieve and increase critical mass in order to gain position as first-tier supplier
- Meet demand of OEMs for suppliers with global presence and local production sites
- Offer complete systems and modules by acquiring complementary products and technologies
- Global presence to develop new sales regions and regional growth markets
- Use economies of scale and synergy effects in R&D, purchasing, production and sales

Source: Automotive News, March 27, 2000

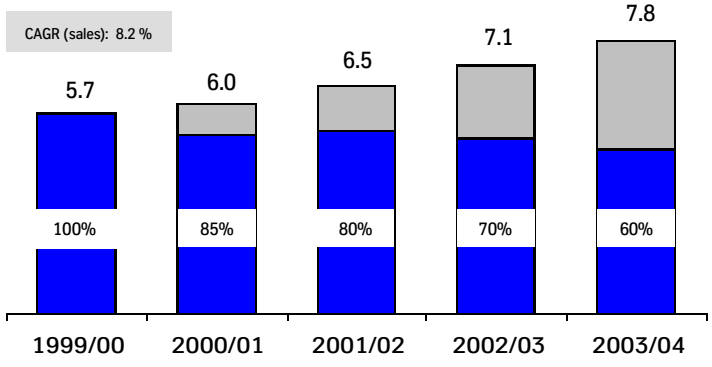
*excl. tire manufacturers / excl. tire share of sales

Strategic approach



Growth offensive

Share of sales already secured by supply agreements - in € bn -



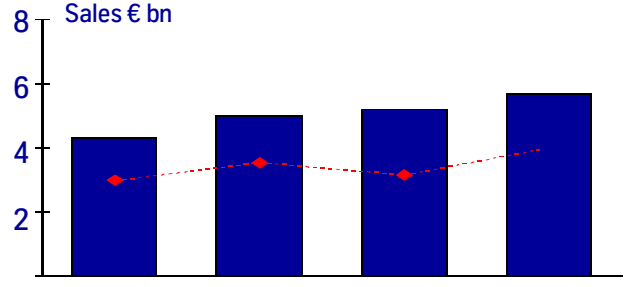
Internal and external growth

- Planned sales increase to €8 bn by 2003/04 by organic growth (CAGR of 8%)
- Internal growth backed by order-related investment (80%)
- Further external growth to €10 bn

Growth areas

- Further expansion of core businesses to strengthen TOP positions
- Expansion of systems business/systems engineering
- Further expansion of presence in Asia and South America

Investment



Inv. as % of sales	1996/97	1997/98	1998/99	1999/00
	9.8%	9.4%	8.4%	> 10%

Average investment = 10% of sales

Growth drivers

Growth with product innovations/technologies

Air suspension system	improved ride comfort and weight advantage	DC S and E Class
Steering systems, in future with electric power-assisted steering	fuel saving	VW/AUDI/ Renault
Hydroformed frame	improved ride comfort	GM SUV
Aluminum body panels	weight reduction	DaimlerChrysler, BMW, Ford
Side impact beams	high-strength steel	BMW 3 + 5 series
Control blade	ultralight welded structure	Ford Focus
SMC pick-up box cover	folding plastic cover	Ford Sport Track
Low-density SMC	as light as aluminum	Chevrolet Corvette
Truck cab suspension	improved design with cost advantages	VOLVO/Iveco
Camshafts, in future with variable valve timing	improved exhaust emission values	Ford/VW

Growth with new vehicle models

- By 2002 more than 250 new vehicle models will be introduced on the market
- ThyssenKrupp Automotive already has supply agreements for various products for one in two models

Growth through outsourcing by OEMs

- Crankshaft machining (e.g. Cummins)
- Complete front and rear axles for all Porsche models
- Corner modules (e.g. for Rover Freelander)
- Rear axle drive module for MCC smart
- Body panels for BMW
- SMC pick-up box for Ford

Growth drivers

Investment in new production facilities

	Company	Products	Location
● 2000	Krupp Drauz	Door pillars	Meerane (D)
	Krupp Fabco	Body stampings	Springfield (USA)
	BV Chassis Systems (JV)	Complete axle modules	Troy (USA)
	Stahl Specialty	Aluminum castings	Missouri (USA)
	Waupaca, plant 6	Castings	Tennessee (USA)
	Krupp Presta	Camshaft extension	Ilsenburg (D)
	Krupp Presta	Steering columns	Shanghai (China)
	Krupp Presta	Complete cylinder heads	USA
	p.a.d.	Engineering office	Neckarsulm (D)
● 1999	Waupaca, plant 5	Castings	Tell City (USA)
	TKA Atlas	Crankshafts/camshafts	Fostoria (USA)
	Krupp Presta	Camshafts	Danville (USA)
	Krupp Presta	Steering columns	Danville (USA)
	Krupp JBM (JV)	Subframes	Madras (IND)
	Krupp Automotive Systems	Cab suspensions	Werdohl (D)
	Budd Tallent	Chassis components	Hopkinsville (USA)
	Aventec (JV)	Outer panels	Silao (MEX)
	Krupp Modulos Automotivos do Brasil (JV)	Axle modules	Curitiba (BR)
	Krupp Presta do Brasil	Steering columns	Curitiba (BR)
	Krupp Presta do Brasil	Steering systems	Ibirité (BR)
	TBA Juiz de Fora	Chassis components	Juiz de Fora (BR)

Growth drivers

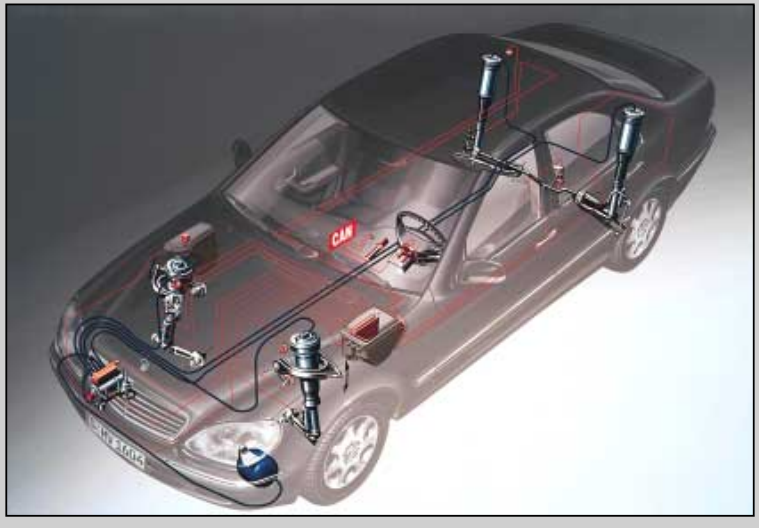
Technological trends	Position TKA
Weight reduction	
Material substitution - Steel - Aluminum - Magnesium - Plastics	• TKA supplier with full range of materials • Increasing use of aluminum and plastics in Body and Chassis
Hydroforming	• TKA leading position
Electronically controlled suspensions based on air spring systems and adjustable shocks; electronically controlled stabilizers	• TKA market leader with Krupp Automotive Systems and Krupp Bilstein
Expansion of systems and modules into new applications, e.g. complete cylinder head modules for engines, complete doors	• TKA leading position with Krupp Automotive Systems and TKA Budd Systems

Technological trends	TKA position
Powertrain / Steering	
Engine	
- Improvements to IC engines with direct injection for gasoline and diesel engines, new cat technology	• High added demand for TKA products
- Reduced costs and emissions through lower consumption	• TKA world market leader in forged crankshafts for high-compression engines
- Variable valve timing	• TKA offers latest patented technology
Steering	
- Introduction of electric/electronic power assist systems	• TKA developing new advanced systems

Mechatronics

- Expansion of tier one position with systems leadership requires full range of systems engineering, mechanical and electronic components
- ThyssenKrupp Automotive has strong mechanical and engineering capabilities in components/modules and systems as well as interface expertise for electronics

ThyssenKrupp Automotive will strengthen and expand its system leader capabilities by adding electronics capabilities



Example: Air suspension for the DaimlerChrysler S-Class

e-commerce at ThyssenKrupp Automotive

General goals of e-commerce

- Create new information channels
- Speed up business
- Improved communication between business partners
- Innovative and effective buying and selling processes
- Cost reductions
- Increase up-to-dateness and transparency

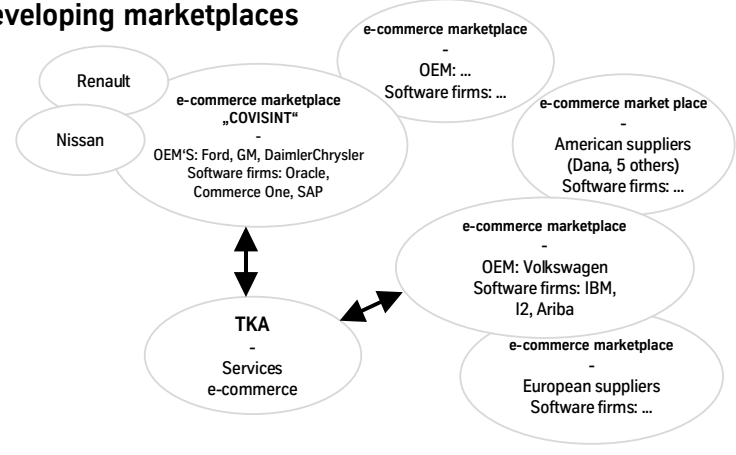
Auto industry expectations of e-commerce

Revolutionize core processes:

- Minimize transaction costs
- Reduce coordination costs
- Improved complexity management
- Increased process speed

➡ Improvements in quality, delivery and cost

Developing marketplaces



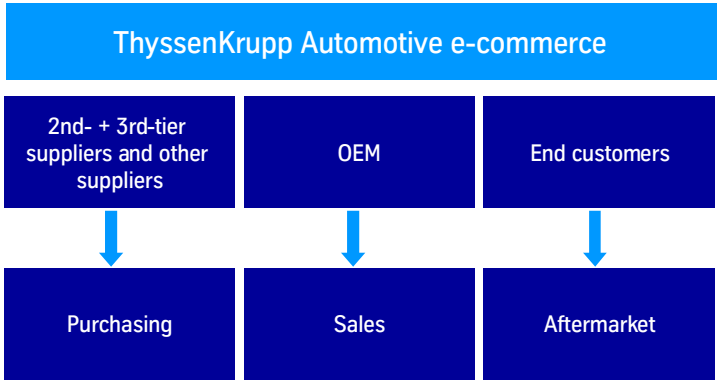
Consequences for ThyssenKrupp Automotive

- Considerable process simplifications above all through standardized marketplaces
- Technical conditions for data exchange can be created
- Online auctions not suitable for systems and high-tech products

➡ Opportunities outweigh any risks

e-commerce at ThyssenKrupp Automotive

ThyssenKrupp Automotive action areas



Best Practice: Purchasing

Example: The Budd Company

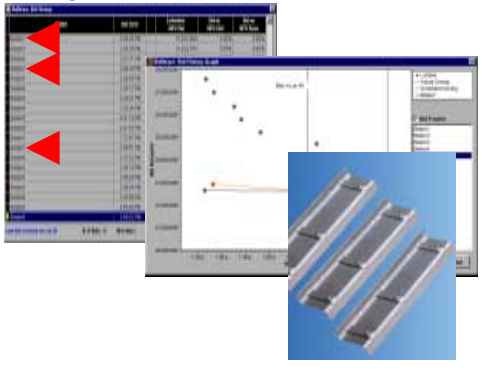
Purchasing of standard materials via online agency "Free-Markets" to achieve simplifications and cost savings:

- Reduced real costs (purchasing prices)
- Reduced transaction costs
- Increased process efficiency (order changes, faster delivery, etc.)

Best Practice: Selling (OEM)

Example: Electronic Sourcing - at FABCO

- FABCO in small group of GM suppliers
- FABCO selected due to good ratings for quality and delivery
- FABCO offers GM simple stampings



Best Practice: Direct selling to aftermarket

Example: Krupp Bilstein

Goals:
- Increase sales
- Workshops order direct via internet
- Retain customers through full service
- Flexibility and speed in distribution

Service Packages:
- Price and delivery information
- Order management (integration in Bilstein's goods management system)
- Hotline and advice
- "Track and trace" parcel monitoring
- Claim management
- Training

Strategic outlook

- Double sales to €10 bn by 2003/04 through organic growth and acquisitions
- Expand core businesses to achieve/strengthen number 1 positions worldwide
- Develop/expand electronics and engineering capabilities
- Boost services share of sales
- Drive use of e-commerce

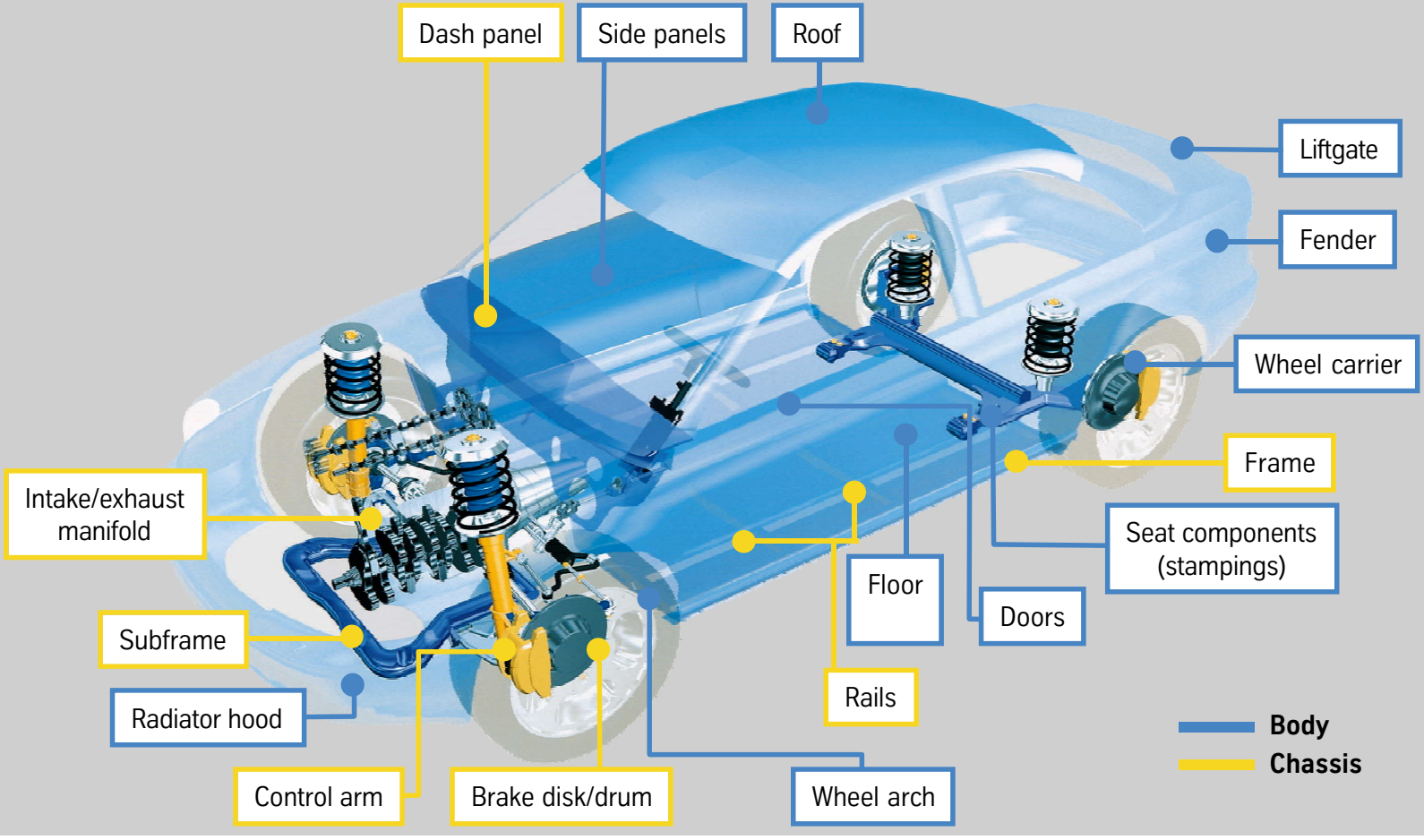
ThyssenKrupp Automotive on a growth track with:

– high growth
– high earning power
– innovative products
– strong international presence

ThyssenKrupp Automotive
Organization of companies/plants

Body	Chassis	Powertrain	Systems/ Suspensions
• Budd Stampings (USA) • Budd Plastics (USA) • Milford (USA) • Ludwigsfelde (D) • TKA Body Stampings (UK) • Brackwede (D)	• Waupaca (USA) • Budd Stampings & Frame (USA) • Phillips & Temro (USA) • Budd Tallent (USA) • Greening (USA) • TKA Fabco (CAN) • TKA Chassis Products (UK) • QDF (UK) • Brackwede (D) • Maschinenbau & Energietechnik (D) • Kloth-Senking (D) • DGT (die casting)/ Völkel, Bendorf (D)	• Krupp Gerlach (D) • Krupp Metalúrgica Campo Limpo (BR) • Krupp Presta (FL) • Krupp Hoesch Automotive of America (USA) • Defontaine (F) • BLW (D) • Precision Forge (USA) • Remscheid Automotive (D) • Remscheid Turbinenkomponenten (D) • Wanheim (D) • Darcast (UK) • Fundiçoes (BR)	• Krupp Hoesch Federn (D) • Krupp Bilstein (D) • Krupp Drauz (D) • Krupp Automotive Systems (D)

Capabilities in Automotive
Components, modules, systems



Business Unit Body

Main products

Doors
Closures (hoods, liftgates)
Side panels
Roof panels
Body assemblies
Prototypes
Tooling

Processes

Forming
- Stamping
- Hydroforming
- Calibrating

Joining
- Adhesive bonding
- Clinching
- Welding

Painting

Machining

Materials

Steel
- coated
- high-strength
- stainless
- sandwich
- tailored blanks

Aluminum
- sheet

Plastics
- SMC
- Thermosetts
- Thermoplastics

Body

Market leadership through top positions

	North America		
Body	Market position	Market share	**Main competitors ***
- Outer panels - steel	1	>40 %	Magna, Ogihara
- Outer panels - plastic	1	>40 %	Cambridge, Venture-Bailey
- Outer panels - aluminum	1	<90 %	OEM's

Major customers (examples):
Ford, DaimlerChrysler, BMW, GM, Honda, VW, Toyota, Johnson Controls, Autoliv, Webasto

* excl. in-house and captives

Strategy Body

1. Systematically extend market leadership in outer body panels in North America and establish a global presence
2. Further expand materials capabilities:
   - Aluminum and magnesium for weight reduction reasons
   - New product development based on know-how combination in high-strength steel with Thyssen Krupp Stahl
   - Low-density SMC solutions for plastic composite products through in-house materials base
3. Technological leader in design and production of hybrid outer panels (steel, aluminum, magnesium, plastic)

New products - Body

- TKA worlwide know-how leader in outer panels and body assemblies with all relevant materials
- Steel:
  - Outer panels and assemblies using advanced steels and composite technologies
  - Safety-related products e.g. side impact beams made of high-strength steel
- Aluminum:
  - Strong growth in aluminum outer panels for weight reduction reasons: both in high-volume (Ford Explorer) and low-volume cars (BMW Z8)
- Plastics (SMC):
  - TKA leading position in outer skin stampings and assemblies using advanced composite technologies, new materials for further weight reduction (low-density SMC) with strong growth potential for weight reasons
- Development of “Modular Door” with material combinations (steel, aluminum, magnesium, SMC)

Body

TUG Brackwede - (D)

- Vehicle:
  - BMW series
- Products:
  - side impact beam of high-strength steel (1200 N/mm^2)
- Weight reduction: 20%
- Cost reduction 15%

Budd Plastics Division - (USA)

- Compared with steel only one molding
- Weight reduction 30%

SMC* Pickup Box for Ford Sport Trac

*Sheet-Molded Composites

Milford Fabricating, Detroit MI, USA

Collaboration with Ford on prototype for the P2000 aluminum program

Business Unit Chassis

Main products

Complete frames
Cross members
Front and rear subframes
Axle assemblies
Iron, steel, magnesium and aluminum castings
Truck side rails
Prototypes
Tooling

Processes

Forming
- Stamping
- Hydroforming
- Calibrating
- Forging
- Casting
- Sintering

Joining
- Adhesive bonding
- Clinching
- Welding

Painting

Machining

Materials

Steel
- coated
- high-strength
- stainless
- sandwich
- tailored blanks

Aluminum
- sheet
- die cast

Magnesium

Ductile iron

Grey iron

Chassis

Market leadership through top positions

	World		North America		Main competitors *
	Market position	Market share	Market position	Market share	
Chassis					
- Complete frames	3/4	>10%			Tower, Dana, Magna
- Cast brake parts			1	>40 %	Teksid, Intermet
- Prototype development			1	>10 %	Troy Design, Modern Prototyping
- Cold weather starting aids			1	<40 %	Beru, Philipps Industries

Major customers (examples):
GM, DaimlerChrysler, Ford, BMW, Kelsay Hayes, Nissan, Hydraulics, Dayton Walther, Webb Wheel

* excl. in-house and captives

New products - Chassis

- In the Chassis business TKA has engineering and process capabilities in full-size frames, subframes, control arms and cross members. Development results are confirmed by simulation programs and verified in in-house test centers, giving the capability for customerspecific new developments.
- Using new welded designs TKA has substituted various individual parts made of different materials and by different processes, e.g. control blades.

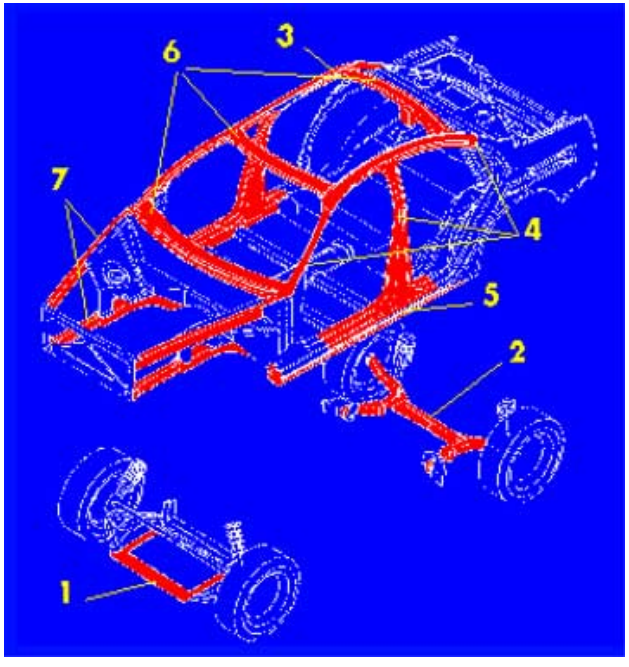
Strategy Chassis

1. Systematically expand worldwide component and module business
2. Develop technological/process innovations and new materials
   - customer-specific new developments in in-house test centers (example: hydroformed subframes)
   - substitutability of various materials and processes (example: control blade)
3. Exploit further growth opportunities by increasing presence in growth markets

BMW 5 series side sill

Hydroforming

Examples of hydroformed parts



1 Subframe
2 Rear axle beam
3 Roof cross beam
4 Pillars
5 Sill
6 Roof side beam
7 Front side beam

Chassis

TUG Chassis - Tallent/Camford (UK)

- Vehicles:
  - Opel Vectra
  - Ford Mondeo
- Product:
  - Hydroformed subframe

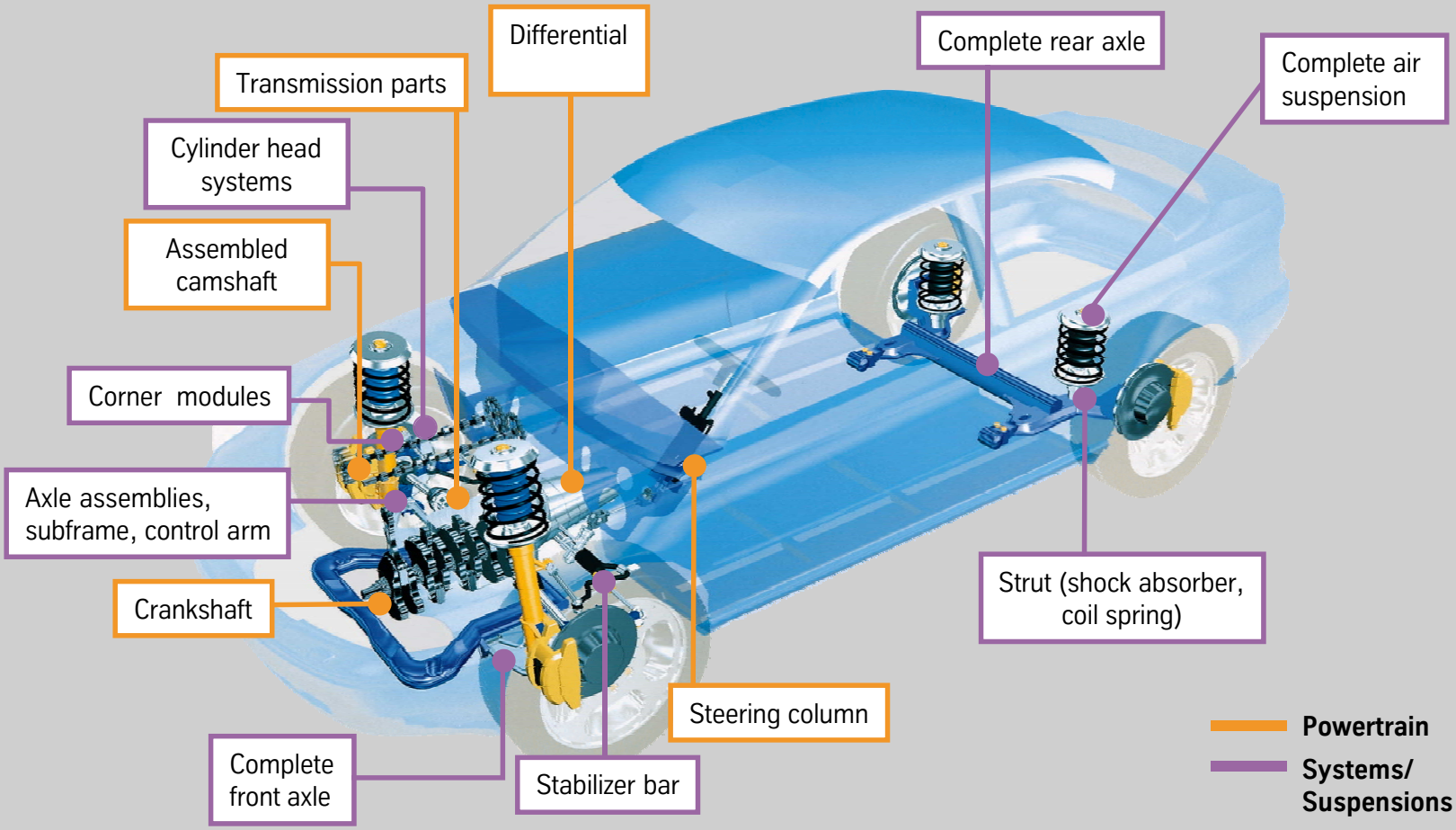
Chassis
Thyssen Umformtechnik + Guss, Brackwede

Mercedes A-Class
A-subframe

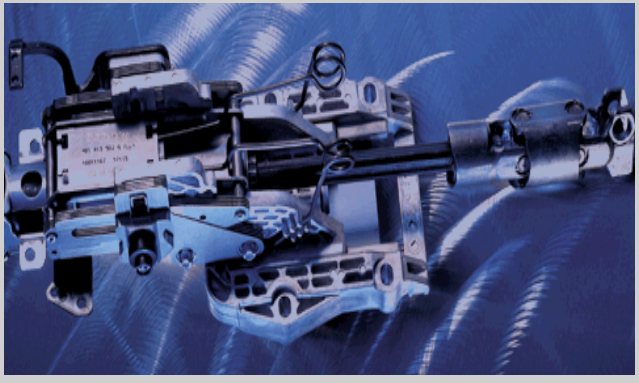
Renault Twingo
Rear axle

Ford Focus
Control blade

Capabilities in Automotive
Components, modules, systems



Business Unit Powertrain



Main products

Crankshafts (forged and cast)
Camshafts
Steering columns, steering shafts, complete steering systems
Bevel gears, speed gears, synchronizers for differentials, manual and automatic gearboxes
Cold forged powertrain and steering components
Powder metal parts
and starter components

Processes

Forming
- Die casting
- Permanent mold casting
- Sand casting
- Roll forming
- Shell casting

Forging
- Drop forging
- Precision forging
- Cold forging

Sintering

Machining
- Welding
- Friction welding

Assembly

Materials

Steel
- high-strength forging steel

Gray iron

Ductile iron

Aluminum

Magnesium

Powder metal

Powertrain

Market leadership through top positions

	World Market position	World Market share	Main competitors *
Powertrain			
- Crankshafts	1	<30%	Sumitomo, Louisville Forge
- Assembled camshafts	1	>80%	Nippon Piston Ring, Süco
- Steering columns	1/2	≈20%	ZF, Nastec/Torrington
- Precision forgings	1	>10%	Gevelot, Masco

Major customers (examples):
Ford, VW, DaimlerChrysler, Cummins, Caterpillar, DDC, BMW, Renault, GM, Dana

* excl. in-house and captives

Strategy Powertrain

- Develop business with ready-to-install engine components - machined and preassembled
- Expand business through new technologies such as variable valve timing and alternative joining processes
- In steering, further expand technological leadership

New products - Powertrain

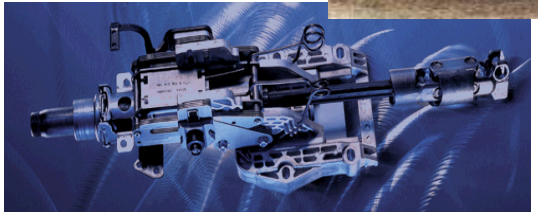
- TKA is pioneering the trend toward lightweight steering columns through to electrically adjustable steering columns. Development capabilities for complete steering columns in crashsafe design. Latest TKA product is an electric power-assisted steering column (EPAS) which allows fuel savings of approx. 9% versus previous power-assisted steering systems.
- TKA's patented assembled camshafts are used in an Increasing number of engines.
- Engines can be further optimized by variable valve timing. TKA is developing a patented adjustable camshaft which allows variable valve timing.
- TKA already supplies ready-to-install precision-forged bevel gears, to be followed in the near future by complete differentials.
- TKA produces load-optimized forged crankshafts to satisfy the trend toward high-compression gasoline and diesel engines with higher performance and lower consumption.

Powertrain

Krupp Presta

Steering column Audi A4 and A6

New crash-optimized design, crash sled made of magnesium



Krupp Presta

- Vehicles:
  - Development project
- Product:
  - EPAS (Electric Power Assisted Steering)

Krupp Presta

Newly developed camshaft adjuster

Krupp Gerlach / KMCL / Thyssen Umformtechnik + Guss

DaimlerChrysler C-class

Ready-to-install machined crankshafts

Business Unit Systems/Suspensions

Main products

Chassis, steering and engine systems
- complete axles
- air suspension systems
- truck systems
- cylinder head systems

Shock absorbers
Springs and stabilizer bars
Welding and assembly lines
Prototypes
Tools, jigs and fixtures

Processes

Forming
Stamping
Hydroforming
Calibrating

Joining
Bonding
Clinching
Welding

Painting

Hot and cold coiling

Bending

Machining and assembly

Materials

Steel
high-strength
tool steel
spring steel
tailored blanks

Aluminum

Magnesium

Systems/Suspensions

Market leadership through top positions

Systems/Suspensions	World Market position	World Market share	Main Competitors *
- Axles/complete chassis	2	20%	Benteler, Tower, Dana
- Springs (car/truck)	1	20%	NHK, Rejna
- Air suspension (cars)	1	>70%	Contitech
- Truck cab suspension	1	>30%	still with OEMs

Major customers (examples):
DaimlerChrysler, VW, GM, Porsche, Ford, BMW, Volvo, Fiat/Iveco, MAN/Steyr, Renault

* excl. in-house and captives

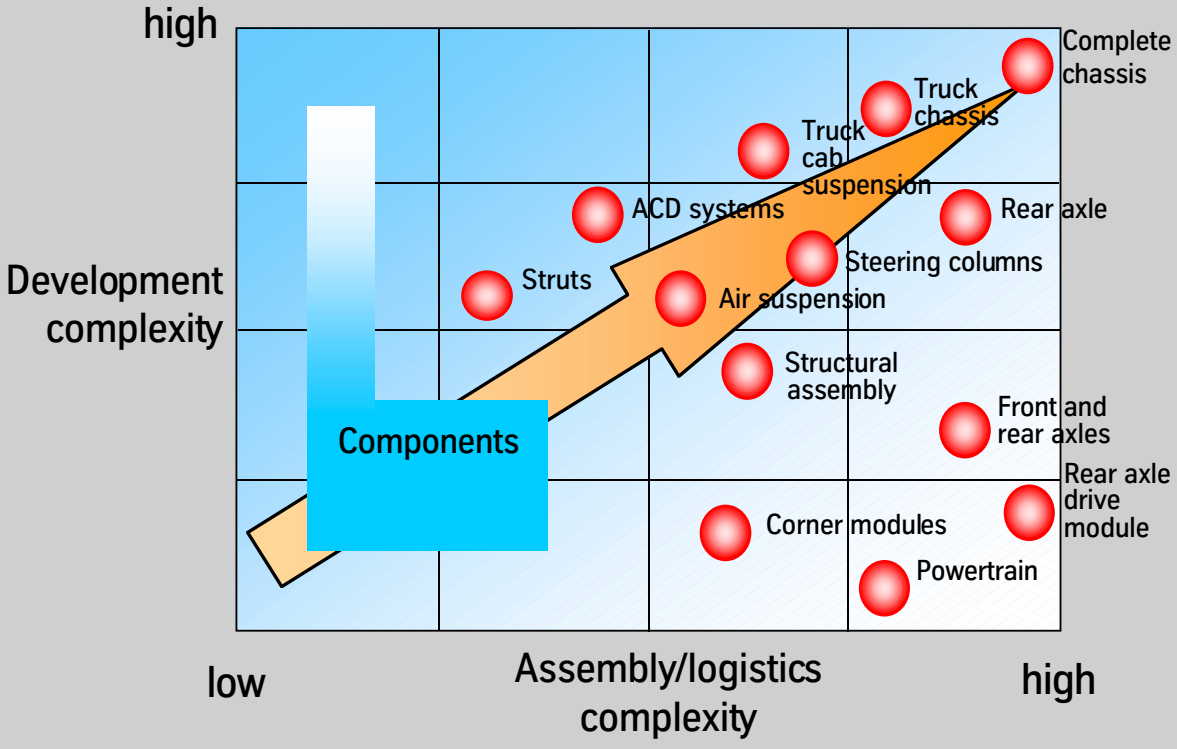
Strategy Systems/Suspensions

- Establish business with complete cylinder heads
- Expand electronics capabilities for chassis, air suspension and steering systems
- Develop spring/shock absorber systems further and expand position as market and technology leader
- Increase aftermarket business for shock absorbers through use of e-commerce
- Expand market position for springs in NAFTA and Asia

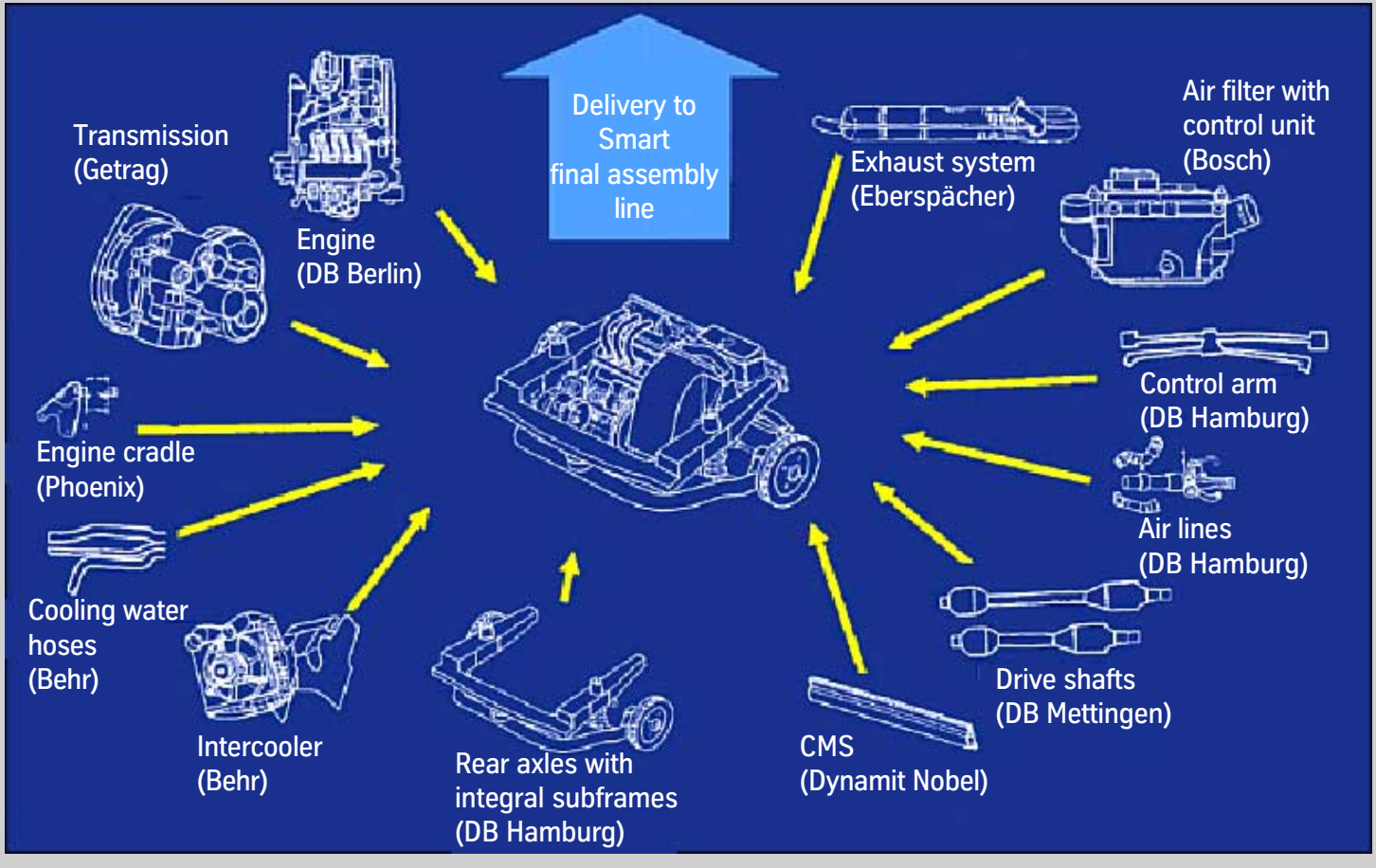
New products - Systems/Suspensions

- TKA is a volume supplier of air suspension systems for the DaimlerChrysler S-class and has been awarded orders for other air spring systems. As systems leader, TKA assumes overall system project responsibility; manufacturers of electronic equipment and rubber bellows are partners under TKA's lead.
- TKA is currently developing an active stabilizer bar for an auto manufacturer in southern Germany.
- TKA has developed a new truck cab suspension system for which initial orders have been received. The system utilizes TKA's patented magnet arc welding technology.
- TKA has evolved into a leading service provider for axle systems, offering not just assembly but also logistics, scheduling, purchasing etc. TKA is currently developing several axle systems in collaboration with various auto manufacturers.

Components, modules and systems



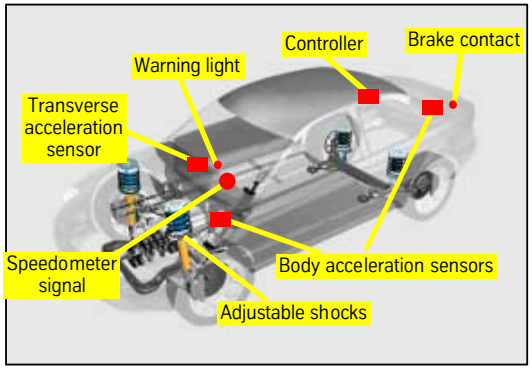
Rear axle drive module MCC smart



Systems/Suspensions

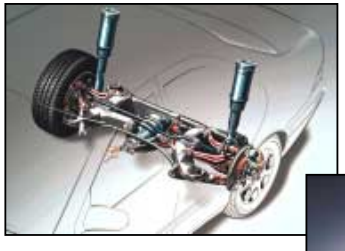
Krupp Bilstein, Ennepetal

Active **C**ontrolled **D**amping



ACD system
for Jaguar

Krupp Automotive Systems, Krupp Bilstein



Air suspension system
DaimlerChrysler
S-class

Krupp Hoesch Federn

- Vehicles:
  - BMW 7 series
- Products:
  - active stabilizer bar

Systems/Suspensions

Krupp Módulos Automotivos do Brasil, Curitiba

Axles for
VW PQ 34

Krupp Automotive Systems

Cab suspension

Krupp Drauz, Heilbronn

Body-in-white "floor"
line for the Audi A2