

Overview of 2000/2001 (I)

- World economic slowdown increasingly impacted business performance in fiscal year 2000/2001
- Order intake at €37.9 billion already down from previous year (€38.9 billion)
- Sales at €38 billion only slightly higher than prior year
- Decrease in EBT to €876 million (prior year €1.1 billion); eliminating positive and negative non-recurring items EBT is around €500 million
- In view of decline in earnings, an adjusted dividend of €0.60 per share to be paid to increase the Group's financial strength



Overview of 2000/2001 (II)

- More than 50% of earnings achieved in capital goods:

Steel	Automotive	Elevator	Technologies	Materials	Serv	Real Estate	Total
€272 m 35%	€143 m 19%	€226 m 29%	€69 m 9%	€32 m 4%	-€54 m -7%	€86 m 11%	€774 m 100%

Share of EBT (excl. non-recurring items) before Corporate/consolidation

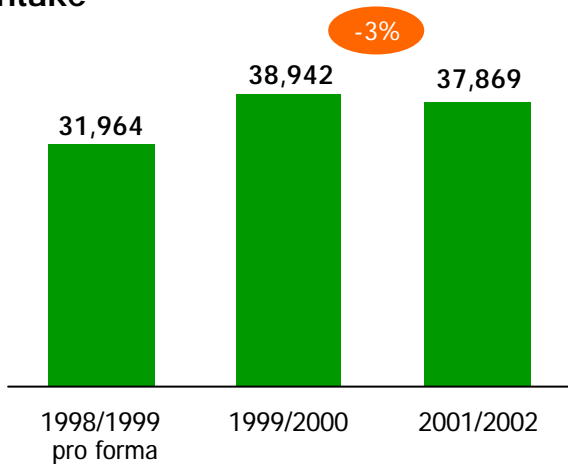
- Almost 7,000 jobs cut due to operating changes; similar number of new jobs created in growth areas
- Progress achieved on portfolio optimization
- Net financial debt reduced €1.3 billion against September 30, 2000 to €6.4 billion (thereof around €1 billion from disposals)



Group

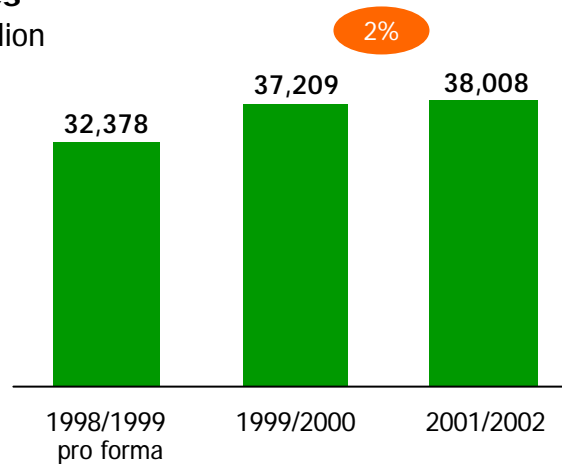
Order intake

€ million



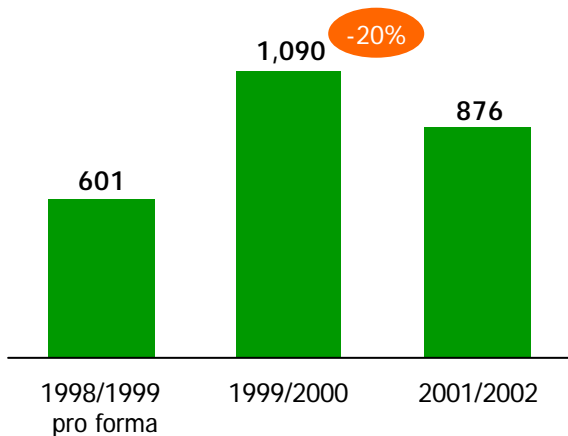
Sales

€ million

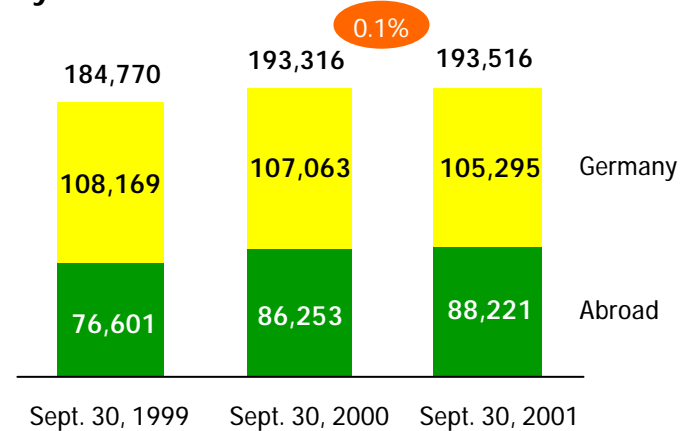


Income before taxes and minority interest

€ million



Employees

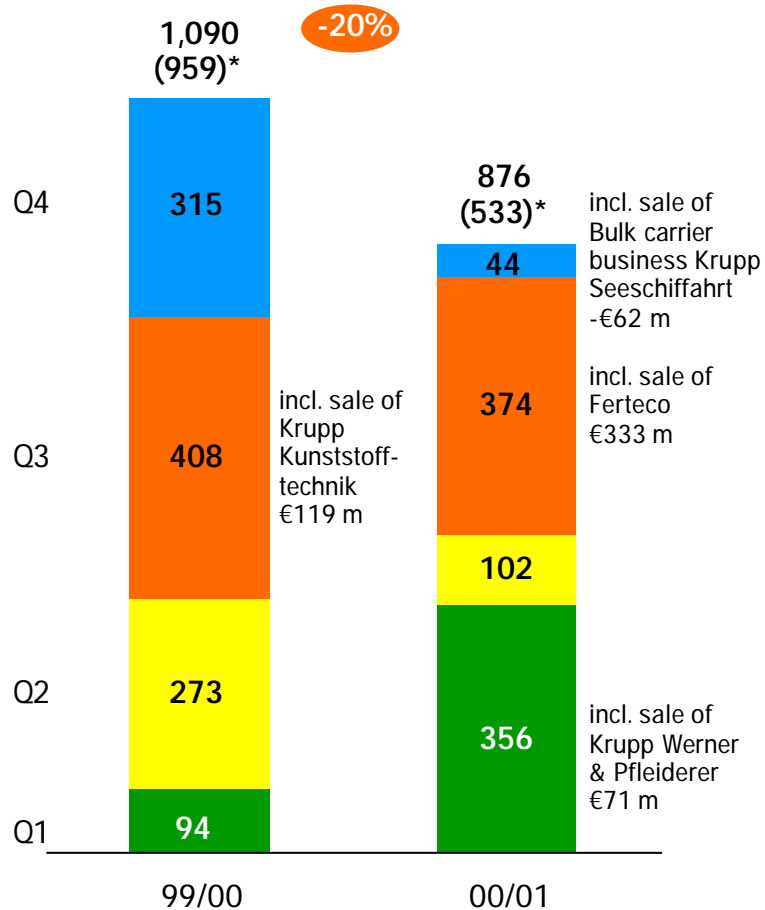


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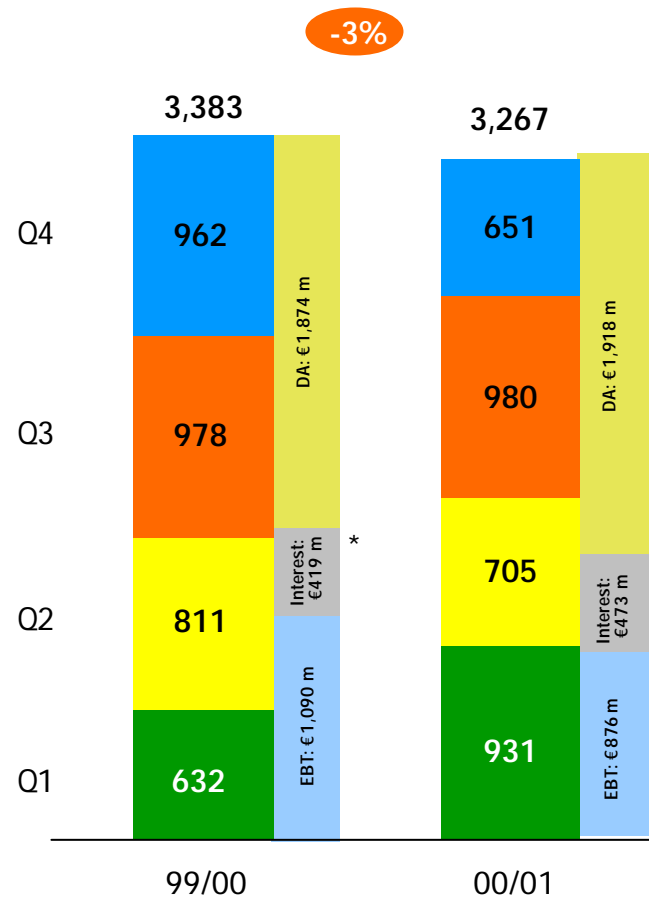
Group

EBT
€ million



* excluding non-recurring items due to portfolio changes

EBITDA*
€ million



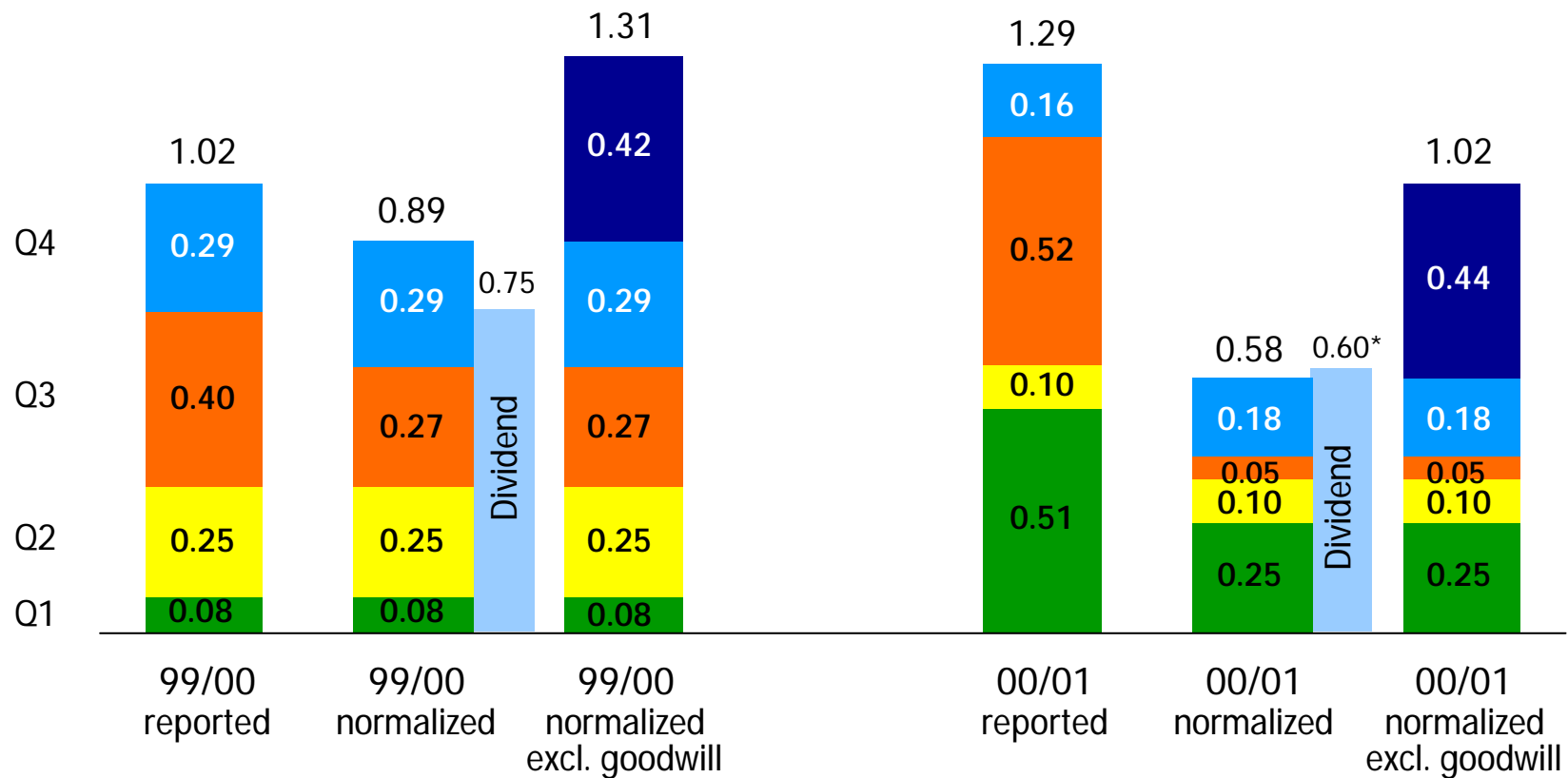
* excluding interest on accrued pension liabilities

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Earnings per share € per share



* Proposal to Annual Stockholders' Meeting

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New Rules for Goodwill Amortization Under SFAS 141/42

- Under FASB, goodwill on acquisitions can no longer be amortized. Instead, impairment tests have to be carried out every year to determine the scale of any write-down of goodwill
- Because of its non-calendar fiscal year ThyssenKrupp is obligated to adopt SFAS 142 from fiscal year 2002/2003
- ThyssenKrupp, however, has taken the option of early adoption and will begin using SFAS 142 in fiscal year 2001/2002

Effects

- As from adoption in Q1 2001/2002 there will be no scheduled amortization of goodwill
- In the 2001/2002 financial statements the effects of using the impairment test for the first time will be treated as „changes in accounting principles“ and shown separately in the income statement. They will be eliminated in EPS
- From fiscal year 2002/2003 any impairment will reduce operating earnings



Steel

		1999/2000	2000/2001
Order intake	€ m	13,043	11,890
Sales	€ m	12,676	12,639
EBT	€ m	569	605
Employees	(Sept. 30)	53,856	51,418

- Steel market: Demand drop intensified by inventory cycle
- Income includes Ferteco disposal gain of €333 million
- Carbon Steel: Negative earnings effects from higher raw materials prices and unfavorable euro/US dollar exchange rate
- Production cuts to stabilize market
- Stainless Steel: Stainless deliveries reduced, revenues lower

Automotive

		1999/2000	2000/2001
Order intake	€ m	6,112	6,348
Sales	€ m	6,108	6,212
EBT	€ m	286	143
Employees	(Sept. 30)	39,920	40,655

- Slight rise in sales for exchange rate reasons
- Substantial sales and earnings drops at the North American activities due to falling sales of cars, trucks and SUVs
- Partially offset by stable/improved sales in Western Europe/Brazil
- Twin focus on system and component/module business



Elevator

		1999/2000	2000/2001
Order intake	€ m	3,232	3,702
Sales	€ m	3,098	3,515
EBT	€ m	203	226
Employees	(Sept. 30)	27,102	28,501

- High sales growth in North America, Brazil and Spain/Portugal
- Good earnings performance of recent years continued
- More than 50% of sales now service-based thanks to expansion of stable-income service and modernization businesses
- Passenger Boarding Bridges and Accessibility closed with losses due to restructurings (integration and restructuring measures successfully completed)

Technologies

		1999/2000	2000/2001
Order intake	€ m	6,691	5,533
Sales	€ m	5,934	5,631
EBT	€ m	82	140
Employees	(Sept. 30)	32,193	31,477

- Successful restructuring resulted in turnaround in Europe in metal-cutting machine tools; weaker market in USA diminished the planned improvement there
- First order to build a Transrapid line in Shanghai
- Encouraging earnings situation at Marine with continued high order backlog for naval shipbuilding
- Rising orders and further restructuring at Plant Technology hold out promise of return to positive earnings.



Materials

		1999/2000	2000/2001
Order intake	€ m	10,105	10,318
Sales	€ m	10,135	10,124
EBT	€ m	129	32
Employees	(Sept. 30)	13,591	14,315

- Double-digit volume and revenue falls in the USA
- Downturn-induced drop in income, particularly in North America
- Service-intensive business again performed well; in addition, presence in Europe/Eastern Europe was expanded
- Further strengthening of service-oriented range with focus on Europe and North America

Serv

		1999/2000	2000/2001
Order intake	€ m	2,267	2,580
Sales	€ m	2,108	2,589
EBT	€ m	77	(54)
Employees	(Sept. 30)	24,971	23,665

- Sales increase mainly influenced by acquisitions
- Charges from the closure of scaffold and formwork production
- Sales growth at Information Services, but high losses in multi-media activities
- Further targeted growth of the segment in particular in Western Europe and North America



Real Estate/Corporate

- At €86 million, Real Estate improved on its prior-year earnings by €28 million; The main source of income was once again Residential Real Estate
- Corporate

EBT € million	1999/2000	2000/2001
Group administration		
Pensions/pension expenses	(211)	(209)
Interest income	57	(11)
Compens. for expenses		
- Steel	(11)	(18)
- Technologies	(9)	0
- Serv	(16)	0
Foundation initiative	(25)	(27)
Administration costs	(81)	(83)
Intragroup charges received	44	43
	(252)	(305)
Operating companies	54	25
Total	(198)	(280)

- Expenditure for post-retirement obligations relates mainly to obligations from the former Thyssen Stahl, Krupp Stahl and Krupp Hoesch Stahl, which are not assigned to the Steel segment
- The decrease in interest income is mainly due to the capital increases carried out at the segments in the total amount of €2.7 billion.
- The operating companies stated under Corporate include a €62 million loss from the disposal of the bulk carrier business of Krupp Seeschiffahrt



Value Indicators by Segment

	ROCE in %		WACC in %	Target ROCE in %	Capital employed* in € m	EVA in € m	
	1999/2000	2000/2001	1999/2000 and 2000/2001			1999/2000	2000/2001
Steel	9.1	9.1	10.0	12.0	9,261	(83)	(81)
Automotive	14.1	8.5	9.5	17.0	3,242	129	(33)
Elevator	16.0	15.6	9.0	18.0	1,992	125	132
Technologies	7.7	10.7	10.0	15.0	1,716	(48)	12
Materials	9.1	5.3	9.0	12.0	2,835	3	(104)
Serv	11.4	(1.0)	9.0	15.0	1,168	22	(117)
Real Estate	4.5	5.8	7.5	9.5	1,860	(54)	(32)
Group	8.7	7.7	9.0	12.0	22,913	(72)	(298)

* annual average 2000/2001

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Year-on-year Comparison of Key Data by Segment

€ million	1999/2000					2000/2001				
	Order intake	Sales	EBT	EBIT	EBITDA	Order intake	Sales	EBT	EBIT	EBITDA
Steel	13,043	12,676	569	752	1,638	11,890	12,639	605	764	1,642
Automotive	6,112	6,108	286	341	639	6,348	6,212	143	220	537
Elevator	3,232	3,098	203	282	384	3,702	3,515	226	307	417
Technologies	6,691	5,934	82	107	351	5,533	5,631	140	131	355
Materials	10,105	10,135	129	223	316	10,318	10,124	32	133	238
Serv	2,267	2,108	77	96	238	2,580	2,589	(54)	(19)	186
Real Estate	369	369	58	79	127	323	323	86	104	153
Corporate	240	240	(198)	(255)	(190)	353	353	(280)	(269)	(218)
Consolidation	(3,117)	(3,459)	(116)	(116)	(120)	(3,178)	(3,378)	(22)	(22)	(43)
Total	38,942	37,209	1,090	1,509	3,383	37,869	38,008	876	1,349	3,267

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Economic Outlook

- Given the fragile state of the world economy due to the events of September 11, 2001 and their consequences, quantitative forecasts are more uncertain than ever
- Global steel demand will continue to fall, at least in the first half of 2002; toward the end of the year we expect a gradual improvement as the world economy recovers (excluding protectionist measures)
- The situation on the automobile market in the NAFTA region is expected to remain difficult; in Europe, too, total production looks set to fall; the German auto industry will be unable to maintain its high production level
- The situation in the German engineering industry is gloomy; machine production in key industrial countries is also likely to fall
- Construction sector activity will remain subdued in many Western European countries



Outlook for ThyssenKrupp

- We expect sales of around €38 billion again for fiscal year 2001/2002; order intake will increase slightly to €39 billion
- However, it will not be possible to repeat the EBT achieved in 2000/2001 of around €500 million (after non-recurring items); Q1 and Q2 will be particularly difficult for our Steel and Automotive activities
- A further reduction of net financial debt is targeted
- A more restrictive investment policy will result in lower capital expenditure in 2002/2003
- For fiscal year 2001/2002 we plan to pay a dividend appropriate to the level of earnings
- Preparation of annual financial statements will be speeded up in future to allow earlier publication



Targets Unchanged

Medium term targets (excluding effects of SFAS 141/42):

EBITDA	>	€4 bn
EBT	>	€1.5 bn
ROCE	>	12%
EVA	>	€0.5 bn
Gearing		approx. 60%
Net financial payables	≈	€5.5 bn



ThyssenKrupp has the potential to achieve these financial targets



Continuation of Strategy

- ThyssenKrupp will continue to focus on three areas:
Steel, Capital Goods and Services
- These three areas will be systematically grown by:
 - active portfolio management;
balance of cash providers and value drivers
 - organic growth

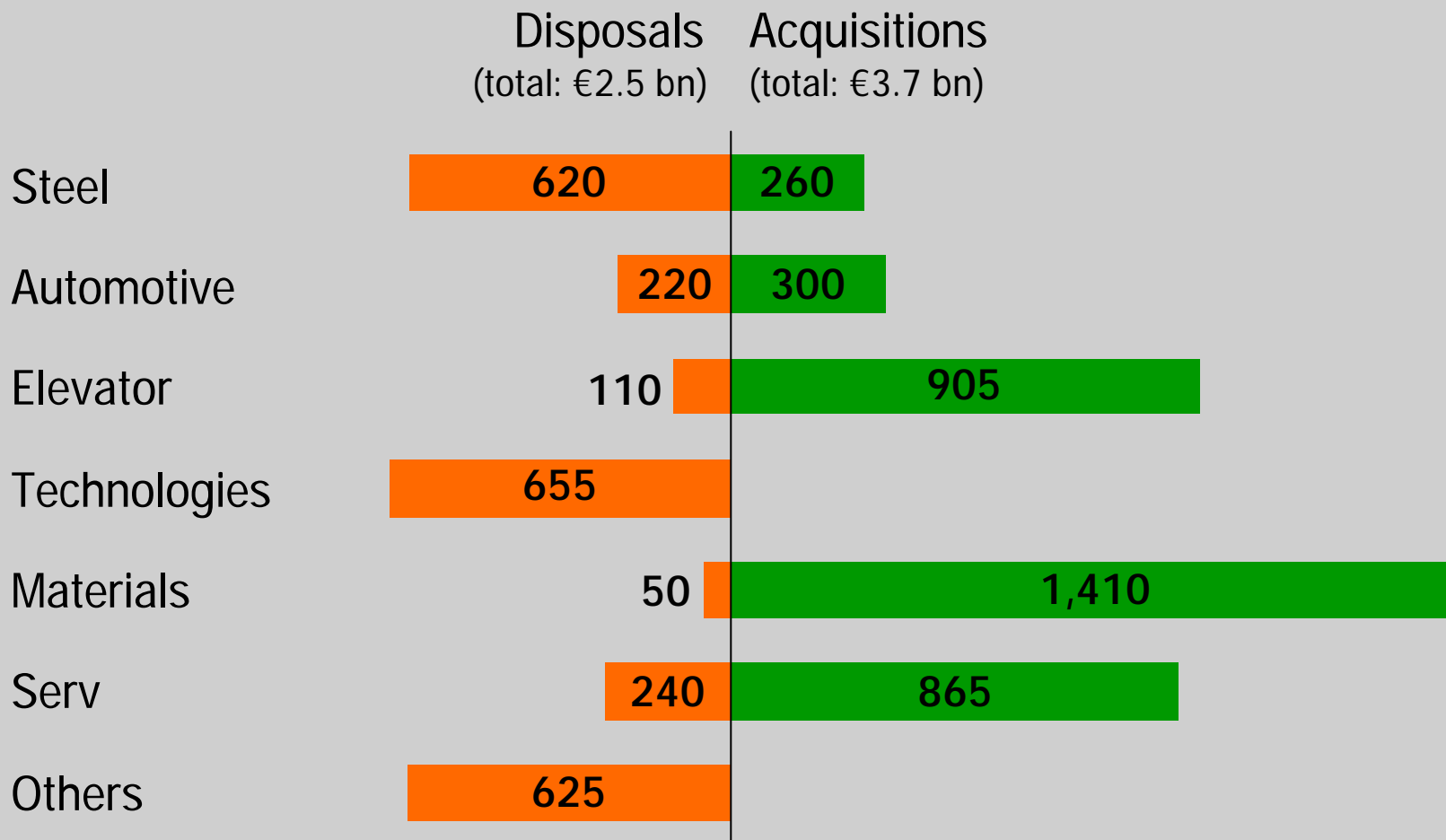


Focused industrial group



Focus on Core Activities

Portfolio changes since the merger (sales in million €)



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Focus on Core Activities

Best practice – examples

- Strategic growth in Elevator segment
Acquisitions: Dover Elevators, Elevadores Sûr, Access Industries etc.
 - ➔ Continuous sales and earnings growth
EBT 1996/97 < €100 m
EBT 2000/01 > €200 m
- Disposal of marginal activities in Steel segment
Sale of Ferteco iron ore mine
 - ➔ Capital employed reduced by €0.7 bn
 - ➔ Disposal gain of €0.3 bn

Successful portfolio management



Elements of Strategy

- Development of technically advanced products
- High technological capabilities and innovative strength
 - ➔ 3,000 engineers in 30 R&D centers
 - ➔ approx. €670 m for R&D projects in the Group
- Optimal utilization of potential in the Group
 - ➔ Harness cross-selling effects
 - ➔ Technological developments across segments
 - ➔ Groupwide access to know-how through knowledge management
- Intensified customer focus
- Stronger Groupwide service focus
 - ➔ Development of new service applications



Levers to Harness Value Adding Potential

- Strengthen leading market positions
- Further increase in productivity
- Implementation of ThyssenKrupp best



Further Increase in Productivity

- Further restructuring of problem areas
- Improvements at underperformers
- Achievement of synergy targets
- Personnel adjustments



Continuous productivity improvements of min. 2% p.a.



Implementing ThyssenKrupp best (business excellence in service and technology)



Targets

Better utilization of ThyssenKrupp's potential leads to:

- Higher margins
- Increasing capital productivity
- Sustainable competitiveness
- Value-adding growth

Timetable

- Phase 1: Basic concept
- Phase 2: Inventorization
- Phase 3: Groupwide implementation
- Rollout

- completed
- by early 2002
- continuous
- January 15, 2002



Groupwide rollout from January 2002



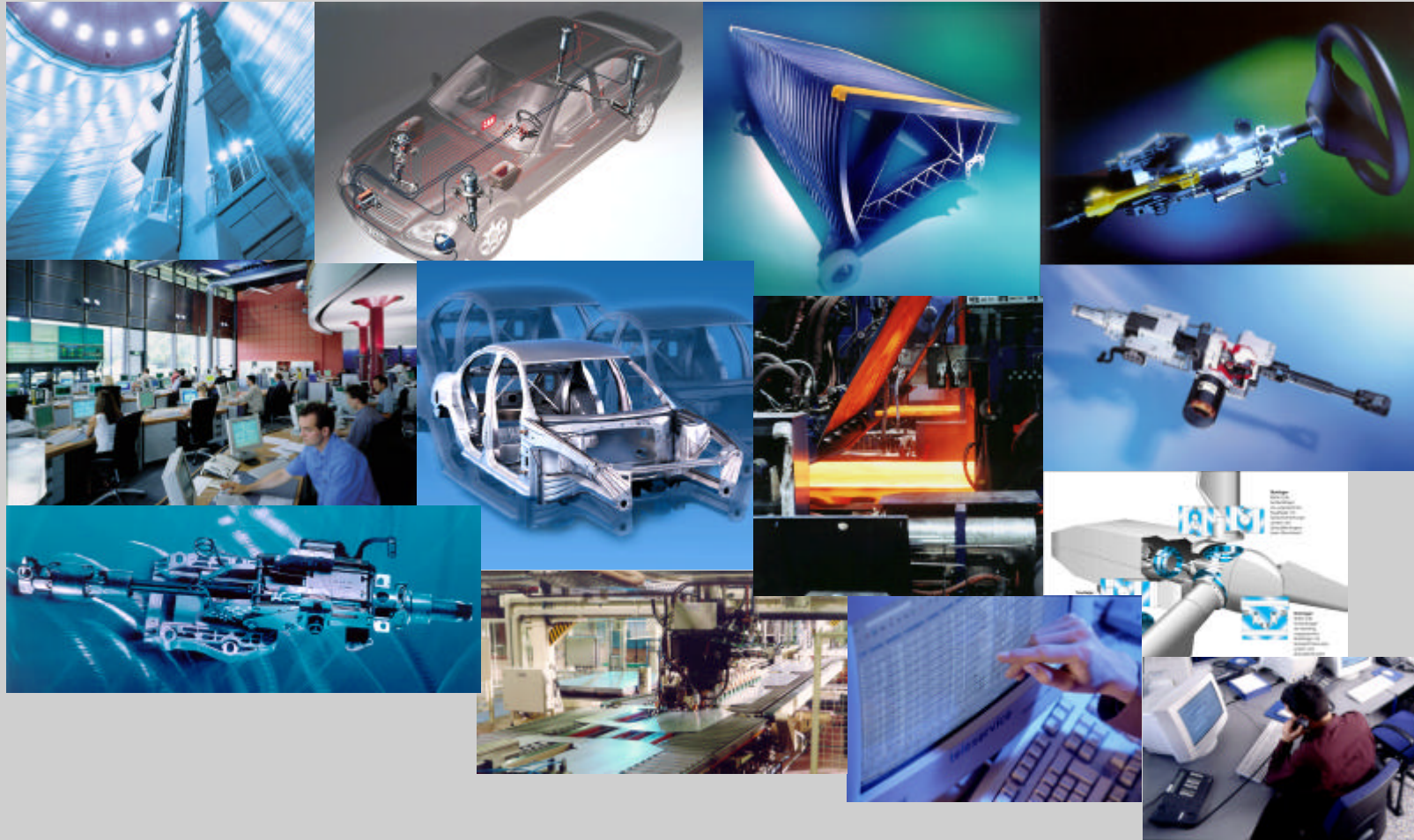
ThyssenKrupp – Clear Strategy Geared to the Future

- ThyssenKrupp pursues a value-based strategy
- There is significant potential within the Group
- ThyssenKrupp has clearly defined financial targets
- Concrete actions to raise productivity
- ThyssenKrupp best enables better utilization of potential

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ThyssenKrupp – Developing the future



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