

Invitation to the 4th Annual Stockholders' Meeting of ThyssenKrupp AG

February 21, 2003, Grugahalle, Essen, Germany

Invitation and Agenda

ThyssenKrupp



At a glance

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Dear Stockholders,

We hereby invite you to the 4th Annual Stockholders' Meeting of ThyssenKrupp AG, Duisburg and Essen, on Friday, February 21, 2003, 10.00 a.m., in the Grugahalle, Norbertstrasse 2, 45131 Essen, Germany.

The invitation to the Annual Stockholders' Meeting together with the agenda was published in the electronic German Federal Gazette of January 9, 2003.

Agenda

1. Presentation of the adopted financial statements of ThyssenKrupp AG and the consolidated financial statements for the period ended September 30, 2002, including the Management Report on ThyssenKrupp AG and the Group for the 2001/2002 fiscal year and the Report by the Supervisory Board

The aforesaid documents are available for inspection by stockholders at the business premises of ThyssenKrupp AG in

- 40211 Düsseldorf, August-Thyssen-Straße 1, Germany
- 47166 Duisburg, Kaiser-Wilhelm-Straße 100, Germany
- 45143 Essen, Altendorfer Straße 103, Germany

and can also be downloaded from the internet at www.thyssenkrupp.com.

2. Resolution on the disposition of unappropriated profit

The Executive Board and Supervisory Board propose to use the unappropriated profit of the 2001/2002 fiscal year in the amount of €205,795,617,60 to pay a dividend of €0.40 per share of the capital stock of €1,317,091,952.64, divided into 514,489,044 no-par-value shares.

3. Resolution on the discharge from responsibility of the members of the Executive Board

The Executive Board and Supervisory Board propose that the members of the Executive Board during the 2001/2002 fiscal year be discharged from responsibility for this period.

4. Resolution on the discharge from responsibility of the members of the Supervisory Board

The Executive Board and Supervisory Board propose that the members of the Supervisory Board during the 2001/2002 fiscal year be discharged from responsibility for this period.

5. Election of the auditors

The Supervisory Board proposes that KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Berlin and Frankfurt am Main, be elected as auditors for the 2002/2003 fiscal year.

6. Amendments to the Articles of Association relating to the form of Supervisory Board meetings, secrecy obligations for Supervisory Board members and sound and vision transmission of the Annual Stockholders' Meeting

The Transparency and Disclosure Law (TransPuG), enacted at July 25, 2002 in a further reform of stock corporation and accounting law, has created the conditions to allow the Supervisory Board to come together not just in meetings but also in the form of telephone or video conferences. TransPuG precisely specifies the secrecy obligations of the Supervisory Board members and permits complete and public sound and vision transmission of the Annual Stockholders' Meeting.

The Executive Board and Supervisory Board therefore propose that the following resolutions be passed:

- a) In Art. 11 par. (2) of the Articles of Association, Sentence 1 is amended and reworded as follows:

“The chairman shall convene the meetings in writing at four weeks' notice and determine the form of the meetings.”

- b) In Art. 13 par. (1) of the Articles of Association, Sentence 1 is amended and reworded as follows:

“The members of the Supervisory Board shall keep secret any confidential reports and confidential discussions as well as secrets of the Company, especially trade and business secrets, which may have been disclosed to them as members of the Supervisory Board.”

- c) In Art. 18 of the Articles of Association, a new par. (3) will be inserted with the following wording:

“At the instruction of the chairman, video and audio transmissions may be made of part or all of the stockholders' meeting. The transmission may also be made in a form to which the public has unlimited access. The form of transmission shall be announced in the invitation.”

As a result of this insertion, the heading of Art. 18 is reworded as follows:

**“Art. 18
Chair of Stockholders' Meetings, Video and Audio Transmission”**

7. Amendment to the Articles of Association relating to Supervisory Board compensation

Taking into consideration the recommendations and suggestions of the German Corporate Governance Code, the Executive Board and Supervisory Board intend to reword the provisions of the Articles of Association regarding Supervisory Board compensation.

The Executive Board and Supervisory Board therefore propose that the following resolutions be passed:

Art. 14 of the Articles of Association is reworded as follows:

“(1) Apart from having their cash disbursements refunded, the members of the Supervisory Board shall receive

- a) a fixed compensation payable after the fiscal year has elapsed in the amount of €16,000.00;
- b) a bonus of €800 per €0.01 dividend distributed to stockholders in excess of €0.10 per no-par-value share for the last fiscal year;
- c) annual compensation linked to the long-term success of the Company in the amount of €2,000 for every €100,000,000 of income before taxes and minority interest in the Company's consolidated financial statements (“EBT”) in excess of an average of €500,000,000 over the previous three fiscal years. The compensation shall be payable for the first time after the close of the Annual Stockholders' Meeting which decides on the discharge from responsibility of the Supervisory Board for the fiscal year ending September 30, 2005. Supervisory Board members who are appointed or leave up to this date shall receive compensation pro rata temporis.

(2) The chairman and the vice chairman shall each receive three times and twice, respectively, of the aforesaid compensation pursuant to par. (1). Each member of a committee with the exception of the committee pursuant to Art. 27 par. 3 MitbestG shall receive a bonus of 25% of the compensation pursuant to par. (1), the chairman

of the committee a bonus of 50%. Supervisory Board members who have only served on the Supervisory Board for part of the fiscal year shall receive compensation pro rata temporis. The amount of compensation to be paid under this par. (2) for work in committees shall be limited to the basic compensation under par. (1) above.

- (3) If a Supervisory Board member fails to attend a meeting of the Supervisory Board or one of its committees, one third of the overall compensation pursuant to paras. (1) and (2) shall be reduced by a percentage equal to the percentage of meetings the Supervisory Board member has not attended in respect of the total number of meetings held in the fiscal year.
- (4) The value-added tax payable on the compensation pursuant to par. (1) shall be refunded by the Company.
- (5) In addition, the members of the Supervisory Board shall receive an attendance fee of €500.00.”

8. Approval of the conclusion of domination and profit-and-loss transfer agreements

For the establishment of the tax union, ThyssenKrupp AG has concluded domination and profit-and-loss transfer agreements with three subsidiaries (dominated companies). The agreements comply with the usual standard of ThyssenKrupp AG and have for the most part identical contents.

The Executive Board and Supervisory Board therefore propose that the following resolution be passed:

- a) the domination and profit-and-loss transfer agreement of September 23, 2002 between ThyssenKrupp AG and GFH Gesellschaft für Handelswerte mbH, Essen,
- b) the domination and profit-and-loss transfer agreement of September 23, 2002 between ThyssenKrupp AG and ThyssenKrupp Grundbesitz Verwaltungs GmbH, Essen, and
- c) the domination and profit-and-loss transfer agreement of November 8, 2002 between ThyssenKrupp AG and ThyssenKrupp Elevator AG, Essen,

are approved.

The three domination and profit-and-loss transfer agreements ("Agreements") contain the following main provisions:

- In accordance with Art. 308 of the Stock Corporation Act (AktG), the management of the dominated company is placed under the control of ThyssenKrupp AG. ThyssenKrupp AG is therefore entitled to issue directives to the management/executive board of the dominated company concerning the management of the dominated company. The directives may be of a general nature or relate to an individual case; however they may not be directed at amending, maintaining or terminating the Agreements. The dominated company undertakes to comply with the directives of ThyssenKrupp AG. The management/executive board of the dominated company continues to be responsible for managing and representing the dominated company.
- The dominated company undertakes to transfer its entire profit to ThyssenKrupp AG in accordance with Art. 301 AktG. With the approval of ThyssenKrupp AG, the dominated company may appropriate amounts from the net income for the year to other retained earnings to the extent that this is legally permissible and can be justified by reasonable economic assessment. In subsequent years, the dominated company may release these amounts from other retained earnings and transfer them as profit. The transfer of income from retained earnings formed prior to the Agreements and from capital reserves is excluded. In accordance with Art. 302 AktG, ThyssenKrupp AG undertakes to absorb net losses for the year otherwise incurred by the dominated company for the duration of the Agreement. The entitlement to profit transfer or loss absorption is payable at the close of the dominated company's balance-sheet date.
- The Agreements each enter into effect on entry of their existence in the respective Commercial Register at the registered office of the dominated company. They apply – with the exception of the right to issue directives – with effect from October 1, 2001 onwards, the Agreement between ThyssenKrupp AG and ThyssenKrupp Elevator AG with effect from October 1, 2002 onwards. The Agreements each have a minimum term of five time years. They may be terminated for the first time at the close of September 30, 2006, the Agreement between ThyssenKrupp AG and ThyssenKrupp Elevator AG for the first time at the close of September 30, 2007, with six months' notice. Unless the Agreements are terminated, they are extended to the close of the following fiscal year with the same period of notice applying. If the Agreements are not recognized under tax law in any one fiscal year, a new minimum term of 5 years commences with effect from the first day of the fiscal year in which the respective Agreement become tax-effective again. In this case, the provisions regarding the term of notice and extension of the Agreements apply analogously. Each of the parties to the Agreement is entitled to terminate the respective Agreement for cause without

giving notice. In particular, ThyssenKrupp AG is entitled to terminate the Agreement for cause if it and/or affiliated companies of ThyssenKrupp AG in the meaning of Arts 15 ff. AktG no longer have a majority shareholding in the respective dominated company. The same applies in the event of the sale of the majority of the shares. Notice of termination must be given in writing.

- The invalidity or unfeasibility of one or several provisions of the respective Agreement does not affect the validity of the other provisions.

At the time the Agreements were concluded and at the present time, ThyssenKrupp AG was and is sole stockholder of the three dominated companies. Therefore ThyssenKrupp AG is not required to make compensation or settlement payments to outside stockholders.

Detailed legal and economic information on and reasons behind the aforesaid three Agreements are provided in the respective Joint Reports to be presented by the executive boards and management boards of the contracting companies in accordance with Art. 293 a AktG. An audit of the Agreements under Art. 293 b AktG was not necessary because all shares of the dominated companies are held by ThyssenKrupp AG.

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and can also be downloaded from the internet at www.thyssenkrupp.com:

- the respective domination and profit-and-loss transfer agreement;
- the annual financial statements and management reports of ThyssenKrupp AG and ThyssenKrupp Elevator AG (formerly Eggers-Kehrhahn GmbH) as well as the annual financial statements of GFH Gesellschaft für Handelswerte mbH and ThyssenKrupp Grundbesitz Verwaltungs GmbH (formerly Thyssen Liegenschaften Verwaltungs GmbH & Co. KG TAG-Grundbesitz) for the past three fiscal years;
- the respective Joint Report by the Executive Board of ThyssenKrupp AG and the management/executive board of the dominated company.

9. Authorization to buy back treasury stock pursuant to Art. 71 par. 1 No. 8 Stock Corporation Act (AktG)

The Executive Board and Supervisory Board intend to make use of the legal option to obtain authorization from the Annual Stockholders' Meeting to buy back treasury stock in a volume of up to 10% of the capital stock. The proposed resolution covers the Company's options both in respect of the modalities of the repurchase of treasury stock and in respect of its subsequent use.

The Executive Board and Supervisory Board propose that the following resolution be passed:

- a) The Company is authorized to repurchase treasury stock up to a total of 10% of the current capital stock. The repurchased shares together with other treasury stock also owned by the Company or allocable to it under Arts 71 a ff. AktG may not at any time make up more than 10% of the capital stock. The authorization may not be exploited for the purpose of trading in treasury stock.
- b) The authorization may be exercised in whole or in installments, once or several times, in pursuit of one or several purposes by the Company or by third parties on behalf of the Company. The authorization is valid until August 21, 2004.
- c) At the discretion of the Executive Board, the buy-back may be effected on the stock market or by means of a public offer to purchase the shares or a public invitation to tender.
 - If the shares are purchased on the stock market, the countervalue per share paid by the Company (excluding incidental costs) may not be more than 10% higher or lower than the price calculated by the opening auction in the Xetra trading system (or a comparable successor system) on the Frankfurt Securities Exchange on the day of trading.
 - If the shares are purchased by means of a public offer to purchase or public invitation to tender, the purchase price offered or threshold values of the purchase price band per share (excluding incidental costs) may not be more than 20% higher or lower than the closing price in the Xetra trading system (or a comparable successor system) on the Frankfurt Securities Exchange on the third day of trading before the day of the public announcement of the offer or the public invitation to tender. If, after publication of a public offer to purchase or public invitation to

tender, the prevailing price is subject to significant variances, the offer or invitation to tender can be adjusted. In this case the price is based on the price on the third day of trading before the public announcement of a possible adjustment. The purchase offer or invitation to tender may specify further conditions. Insofar as the purchase offer is over-subscribed or in the case of an invitation to tender not all tenders of several equal tenders are accepted, shares must be purchased on a quota basis. Provision can be made for priority to be given to small holdings of up to 100 shares per stockholder.

- d) The Executive Board is authorized to use shares of the Company acquired on the basis of this authorization for all legally permissible purposes, including in particular the following purposes:
 - aa) The shares may be called in without such calling-in or its execution requiring any further resolution of the Stockholders. The calling-in may be restricted to a portion of the shares purchased. The authorization to call in shares may be used several times.
 - bb) The shares may also be sold off the stock market or by means of an offer to Stockholders if the shares are sold for cash at a price which is not significantly lower than the stock market price of the Company's shares of equal face value at the time of the sale.
 - cc) The shares may be sold for a contribution in kind, including in particular in connection with company mergers and the acquisition of companies, company units and company investments.
- e) The authorizations under d), bb) and cc) also include the use of the Company's shares purchased under Art. 71 d sentence 5 AktG.
- f) The authorizations under d) can be used once or several times, in whole or in part, individually or jointly, the authorizations under d), bb) and cc) can also be used by dependent enterprises or enterprises majority-owned by the Company or by third parties acting on their behalf or on behalf of the Company.
- g) The Stockholders' pre-emption right in respect of this treasury stock is excluded to the extent that the shares are used in accordance with the above authorization under d), bb) and cc).
- h) The Supervisory Board may determine that measures of the Executive Board under this Stockholders' resolution are subject to its approval.

Report by the Executive Board pursuant to Art. 71 par. 1 No. 8 AktG in conjunction with Art. 186 par. 3 and 4 AktG regarding agenda item 9

Art. 71 par. 1 No. 8 AktG offers stock corporations the option to buy back treasury stock up to a total of 10% of their capital stock subject to the authorization of their annual stockholders' meeting. Agenda item 9 contains the proposal that a corresponding authorization, limited to a period of 18 months, be granted. This will allow the Company to repurchase treasury stock on the stock exchange up to an amount of 10% of the Company's current capital stock.

Under Art. 71 par. 1 No. 8 AktG it is permissible to effect forms of sale and purchase other than the typical case of sale and purchase on the stock market. This option is to be used.

In addition to purchasing on the stock market, the Company is also to have the option of buying back treasury stock by means of a public offer to purchase addressed to the Stockholders of the Company or a public invitation to tender. The principle of equality under stock corporation law must be observed. In the event of a public invitation to tender, the recipients of the invitation can decide how many shares and – when a price band is determined – at what price they would like to offer these to the Company. Insofar as a public purchase offer is oversubscribed or, in the event of an invitation to tender not all tenders of several equal tenders are accepted, shares must be purchased on a quota basis. However, provision is to be made to give priority to small holdings or small parts of holdings offered up to a maximum of 100 shares. The purpose of this is to avoid fractional amounts in determining the quotas to be repurchased and small residual amounts and thus to simplify the technical procedure. The purchase price offered or the threshold values of the purchase price band offered per share (without incidental costs) may not be more than 20% higher or lower than the closing price in the Xetra trading system (or a comparable successor system) on the Frankfurt Securities Exchange on the third day of trading before the day of the public announcement of the offer or the public invitation to tender. If, after publication of a public offer to purchase or public invitation to tender, the prevailing price is subject to significant variances, the price on the third day of trading before the public announcement of a possible adjustment can be taken as a basis instead. The purchase offer or invitation to tender may specify further conditions.

The repurchased shares may be used for all legally permissible purposes, including in particular the following:

The proposed resolution contains an authorization to sell the repurchased stock outside the stock exchange for cash excluding pre-emption rights. This is subject to the condition that the shares are sold at a price not significantly below the stock market price of the Company's shares of equal face value at the time of the sale. This authorization makes use of the option to simplify cancellation of pre-emption rights permitted under Art. 71 par. 1 No. 8 AktG applying Art. 186 par. 3 sentence 4 AktG. To protect Stockholders against share dilution, the shares may only be sold at a price not significantly lower than the prevailing stock market price. The final purchase price for treasury stock will be determined shortly before the sale. The Executive Board will ensure that any markdown on the stock market price according to the market conditions prevailing at the time of placement is as low as possible. The markdown on the

stock market price at the time of exercising the authorization will in no case exceed 5% of the current stock market price. The authorization is subject to the condition that the shares sold to the exclusion of pre-emption rights in accordance with Art. 186 par. 3 Sentence 4 AktG may not exceed altogether 10% of the capital stock, either at the time the authorization enters into effect or at the time it is exercised. The stockholders are in principle able to maintain their shareholding by purchasing ThyssenKrupp shares on the stock market. The authorization is in the interests of the Company as it enables it greater flexibility. In particular, it allows the Company to issue shares to cooperation partners on a targeted basis.

The buyback of treasury stock may also be made in return for contributions in kind to the exclusion of the Stockholders' pre-emption rights. This allows the Company to offer treasury stock as compensation in the framework of company mergers or in connection with the acquisition of companies, company units or investments in companies. In transactions of this kind, compensation in the form of shares is often preferred. The authorization proposed here provides the Company with the requisite freedom to make use of opportunities which arise to acquire companies, company units or investments in companies quickly and flexibly on both national and international markets. The proposed exclusion of pre-emption rights takes account of this. In determining the valuation ratios, the Executive Board will ensure that the interests of Stockholders are appropriately safeguarded. In assessing the value of the shares granted as countervalue, the Executive Board will be guided by the stock market price of ThyssenKrupp shares. It is not planned to establish a schematic link with one particular stock market price, in particular in order to ensure that negotiating results already achieved cannot be jeopardized by fluctuations in the stock market price.

The aforesaid options are not restricted to shares purchased under this authorization resolution. Rather, this authorization also includes shares purchased under Art. 71 d sentence 5 AktG. It is advantageous and creates further flexibility if these shares can be used in the same way as those shares purchased under this authorization resolution.

The treasury stock repurchased under this authorization resolution may be called in by the Company without any further resolution of the Annual Stockholders' Meeting.

According to its best judgment, the Supervisory Board may decide that measures of the Executive Board under the Stockholders' authorization in accordance with Art. 71 par. 1 No. 8 AktG are subject to its approval.

The Executive Board will inform the next Annual Stockholders' Meeting about the exercise of the authorization.

Participation in the Annual Stockholders' Meeting

Under Article 17 of the Articles of Association of our Company, to be entitled to attend the Annual Stockholders' Meeting and exercise their voting rights, stockholders must deposit their shares by no later than Friday, February 14, 2003 with the Company's cashier's office, a German notary public, a security deposit bank authorized to accept the shares, or one of the banks in **Germany** listed below, and leave them there until the end of the Stockholders' Meeting:

- Commerzbank AG
- DZ BANK AG Deutsche Zentral-Genossenschaftsbank
- Dresdner Bank AG
- WestLB AG
- Deutsche Bank AG

In the **United Kingdom** the shares may be deposited with UBS Warburg, and in **Switzerland** with Credit Suisse First Boston and UBS AG.

Shares will also be deemed to have been properly deposited if, with the approval of the depository, the shares are held for it in escrow at another bank until the end of the Stockholders' Meeting. If the shares are deposited with a German notary public or a security deposit bank, the certificate of deposit to be issued by the notary public or depository must be submitted to the Company by no later than February 17, 2003.

Voting by proxy

Stockholders who do not wish to attend the Annual Stockholders' Meeting in person may have their voting rights exercised by proxy, e.g. by a bank or stockholders' association. For the first time at this Annual Stockholders' Meeting, as a special service we are offering our Stockholders the opportunity to appoint Company-nominated proxies bound by instructions before the Annual Stockholders' Meeting. To authorize Company-nominated proxies, Stockholders will require an admission ticket to the Annual Stockholders' Meeting. To ensure you receive an admission ticket in good time, you should place your order with the depository bank as early as possible.

Proxies must be authorized in writing. If proxies nominated by the Company are authorized, they must be given instructions on exercising voting rights. Without these instructions, the authorization is invalid. Proxies are obligated to vote as instructed.

Our stockholders also have the option of authorizing and instructing proxies nominated by the Company using the electronic process specified by the Company via the internet instead of in writing. Proxies may be authorized and instructed on the internet during the Annual Stockholders' Meeting until the voting commences.

Live transmission of the Annual Stockholders' Meeting on the internet

Stockholders of ThyssenKrupp AG can follow the entire Annual Stockholders' Meeting from 10.00 a.m. on February 21, 2003 live on the internet. Stockholders can access the proceedings online by entering their admission ticket number and a personal access code which they will receive the first time they log on to the internet authorization and instruction system. The opening of the Annual Stockholders' Meeting by the chairman of the meeting together with the speech by the Executive Board Chairman can be viewed live on the internet by anyone interested and will also be available as a recording after the Annual Stockholders' Meeting. No recording will be made of the entire live transmission.

Information

Details of the live transmission of the Annual Stockholders' Meeting and advice on authorizing and instructing proxies nominated by the Company – in particular on the internet – will be sent to Stockholders together with the admission ticket. This information is also available on the internet at www.thyssenkrupp.com.

Stockholder inquiries and motions

A copy of the documents specified under agenda items 1 and 8 will be sent to stockholders on request. The documents will be available for inspection at the Annual Stockholders' Meeting.

Counter motions against a proposal of the Executive Board and Supervisory Board on a specific agenda item in accordance with Art. 126 par. 1 AktG should be sent exclusively to:

ThyssenKrupp AG
Corporate Investor Relations
August-Thyssen-Strasse 1
40211 Düsseldorf, Germany

Fax +49 211 - 824 38512
E-mail ir@tk.thyssenkrupp.com

Counter motions received in good time at this address will be made available immediately to other Stockholders on the internet at www.thyssenkrupp.com. Counter motions addressed elsewhere will not be considered.

Duisburg and Essen, January 2003

ThyssenKrupp AG
The Executive Board

