

O N D J F M A M J J A S

02

Merrill Lynch – Sales Force Presentation  
London, May 24, 2005

ThyssenKrupp



## Q2 2004/05 – Overview

### ThyssenKrupp remains on growth course

- **Order intake** 9% higher yoy at €11.1 billion
- **Sales** were €10.5 billion, up 12% from the comparable prior-year period
- **EBT** from continuing operations rose by €95 million to €445 million yoy
- **EPS** from continuing operations reached €0.52, compared with €0.44 a year earlier
- **Net financial payables** at €1.7 billion (March 31, 2005) were €1.1 billion less than at Sept 30, 2004 and €2.6 billion less than at March 31, 2004



# Highlights

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- **Strong earnings contribution from the Steel segment**

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- **Main earnings improvement in the Technologies and Services segments**

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- **Portfolio optimization program successfully continued**
  - With sale of EWK clear focus on flat Carbon and flat Stainless within the steel segment
  - Sale of ThyssenKrupp Stahlbau and ThyssenKrupp Elastomertechnik to further streamline the activities of the Technologies segment

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- **Balance sheet strengthened by proceeds of the Residential Real Estate disposal**
  - Net financial payables €1.7 billion (March 31, 2005)
  - Gearing: 18.5%

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- **Strong commitment to sustainable profitability and value enhancement throughout the cycle**

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## Outlook

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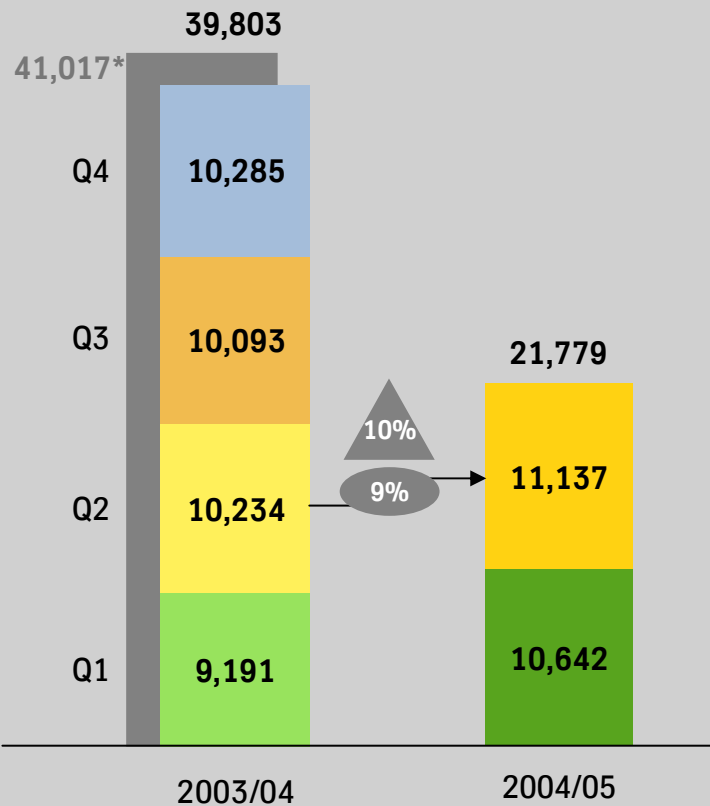
- We expect the encouraging business performance to continue on the whole in the further course of the year. For the full year we plan sales in the magnitude of just over €41 billion (excl. portfolio changes).
  - In terms of earnings before taxes, excluding the effects of major disposals and restructuring measures, we aim to surpass the very good level of 2003/2004 (€1,454 million).
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# Group in Figures (I)

## Order intake

million €

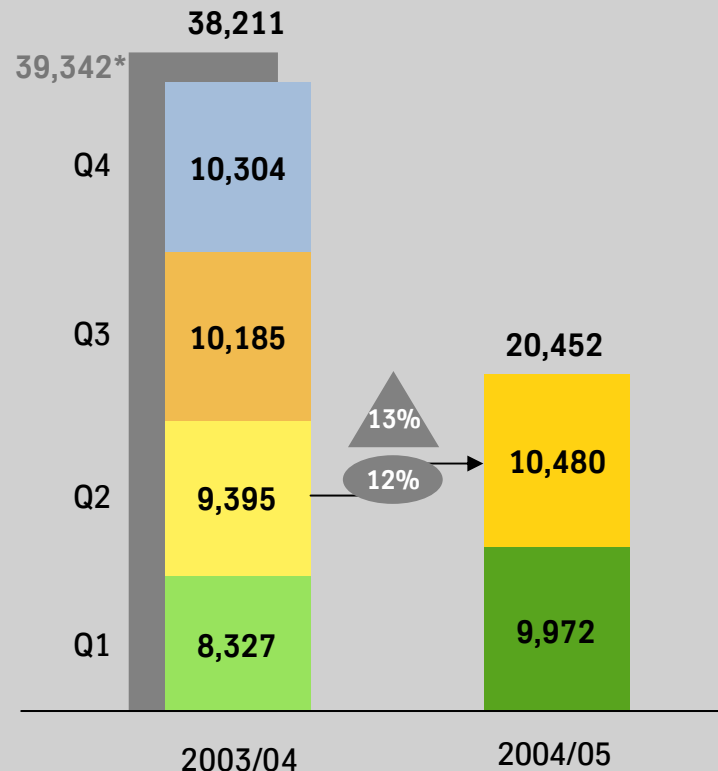


\* as reported on Dec 1, 2004

▲ excluding €/\$ exchange rate effects

## Sales

million €



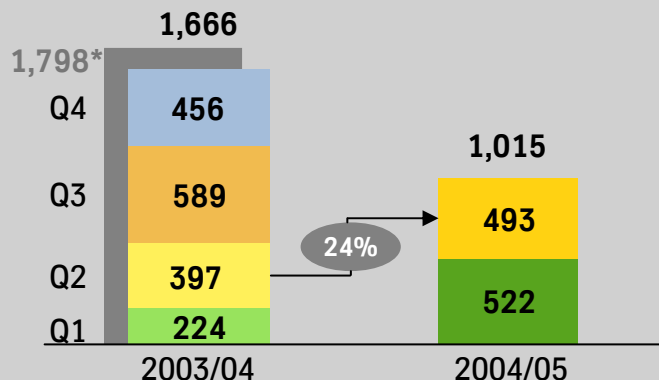
\* as reported on Dec 1, 2004

▲ excluding €/\$ exchange rate effects



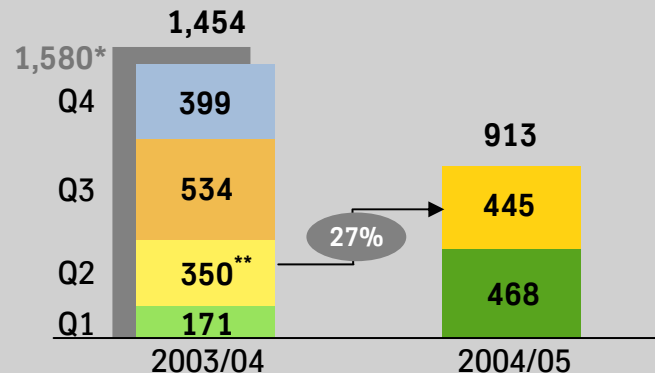
# Group in Figures (II)

**EBIT** million €



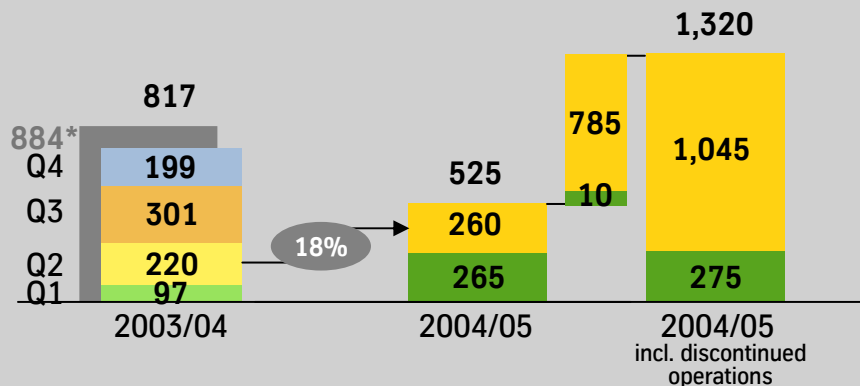
\* as reported on Dec 1, 2004

**EBT** million €



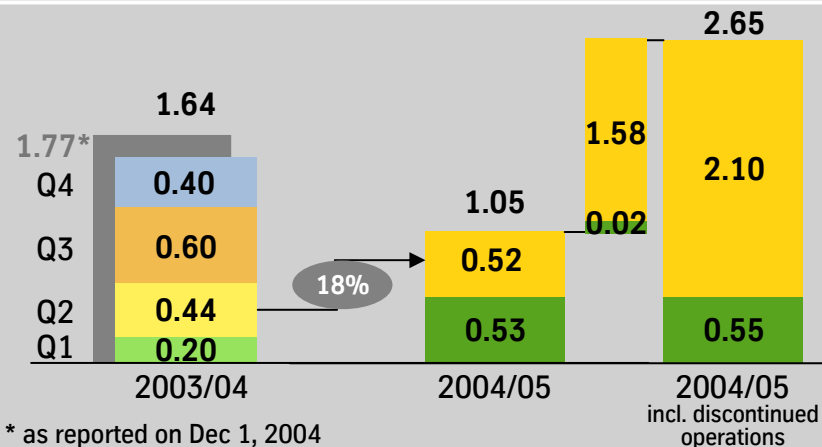
\* as reported on Dec 1, 2004 \*\* effect of restatement LiFo: €116 m

**Net income** million €



\* as reported on Dec 1, 2004

**Earnings per share** €



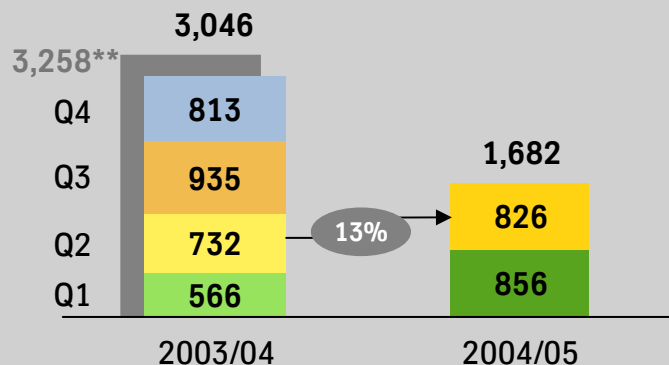
\* as reported on Dec 1, 2004



# Group in Figures (III)

## EBITDA\*

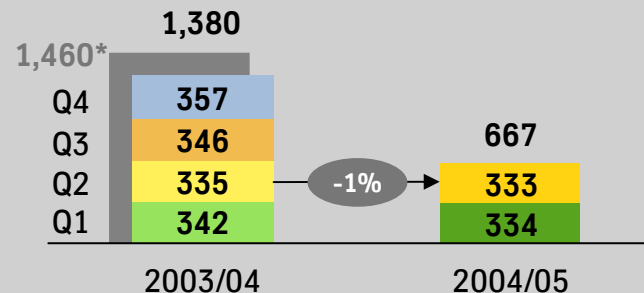
million €



\* excl. interest on accrued pension liabilities \*\* as reported on Dec 1, 2004

## Depreciation and amortization

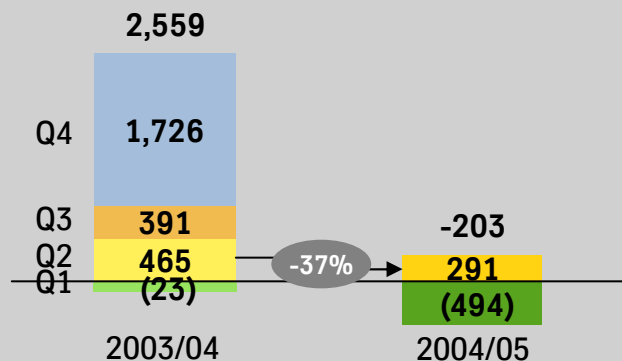
million €



\* as reported on Dec 1, 2004

## Net cash used in operating activities\*

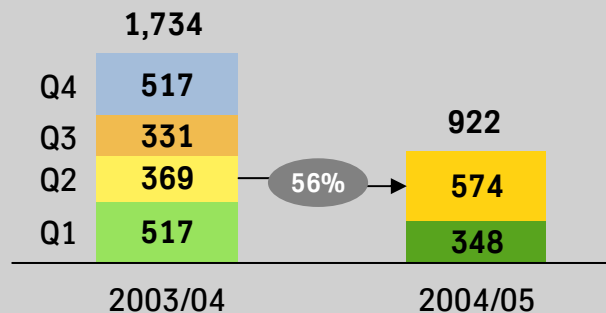
million €



\* figures not adjusted in accordance with SFAS 144

## Capital expenditures\*

million €



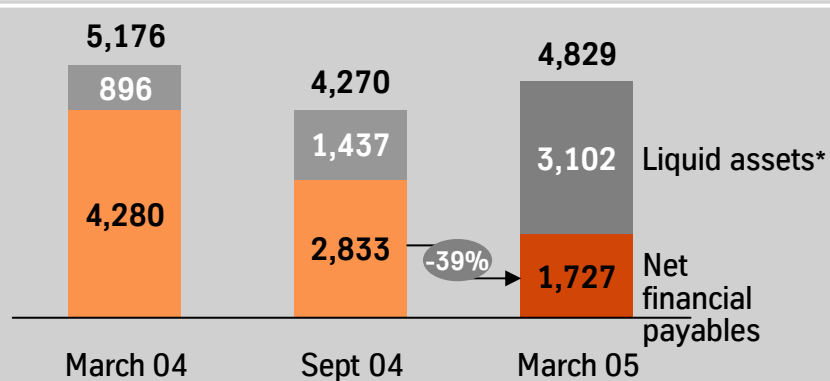
\* incl. financial investments; figures not adjusted in accordance with SFAS 144



# Group in Figures (IV)

## Financial payables

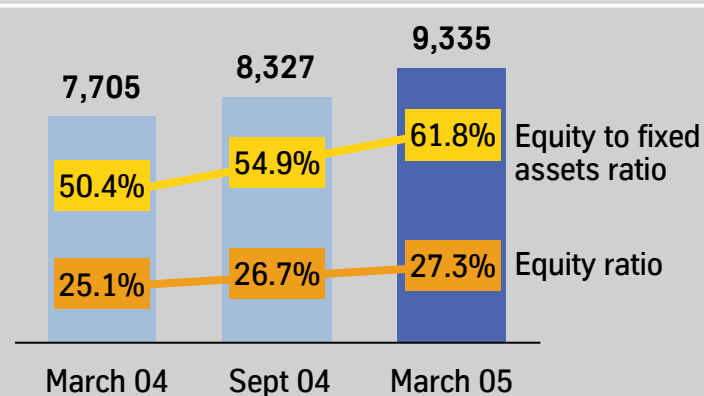
million €



\* cash and cash equivalents, marketable securities

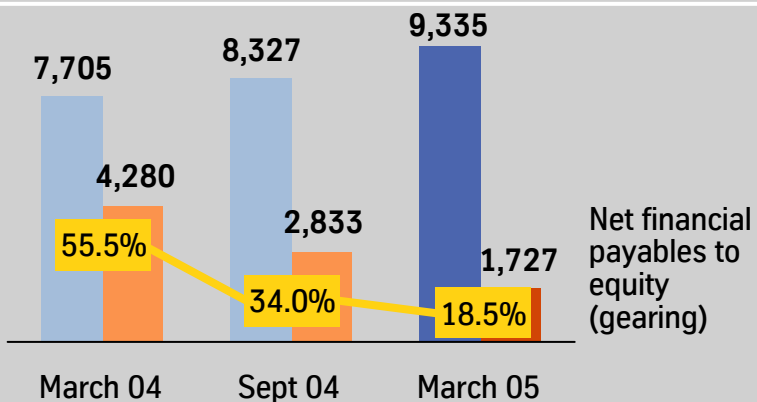
## Stockholders' equity

million €



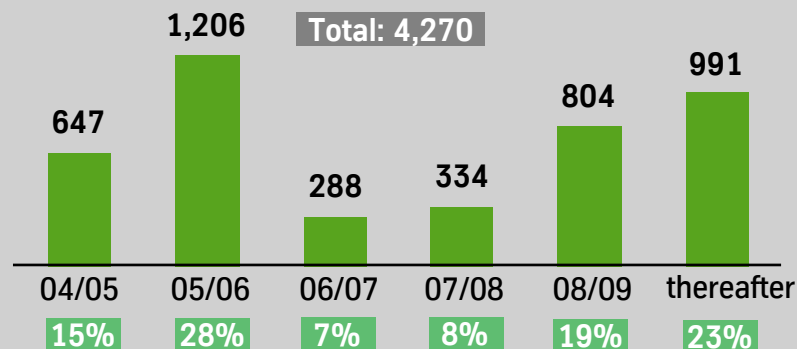
## Gearing

million €



## Maturity profile of gross financial payables\*

million €



\* as of Sept 2004



# 17 Portfolio Optimizations in 2004/05 (1<sup>st</sup> half)

## Steel

CS Inox [minority interest] (I)	Acquisition
Eurinox [minority interest] (NL/TUR)	Acquisition
Dortmunder Eisenbahn (D)	Disposal**
MRT (I)	Acquisition
EWK (D)	Disposal

## Technologies

HDW (D)	Acquisition
Elastomertechnik (D)	Disposal
Stahlbau Hanover (D)	Disposal
G&L Motion Control (USA)	Disposal

## Automotive

QDF (GB)	Disposal
JV TK Gerlach/Sumitomo (CHN)	Acquisition*
Fahrzeugguss (D)	Disposal

## Services

TMH/ThyssenKrupp Mannex (D)	Winding down
MUT (CZ)	Acquisition
Automata (BR)	Acquisition**

## Elevator

Kare Elevators & Engineering (India)	Acquisition
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## Real Estate

TK Wohnimmobilien (D)	Disposal
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\* 34%/\*\* closing not yet completed



## Portfolio Optimization – Disposals since October 2002

	Number of Entities	Sales (annual)	EBT (annual)	Net Financial Debt*	Pension Obligations	Employees
Fiscal year 2002/03	12**	€919 m	€1 m	€242 m	€19 m	4,529
Fiscal year 2003/04	9	€1,458 m	€(8) m	€263 m	€160 m	8,125
1st quarter 2004/05	-	-	-	-	-	-
2nd quarter 2004/05	2	€535 m	€123 m	€173 m***	€50 m***	2,140
<b>Total</b>	<b>23</b>	<b>€2,912 m</b>	<b>€116 m</b>	<b>€678 m</b>	<b>€229 m</b>	<b>14,794</b>
Subsequent Events	3	€855 m	€17 m	€57 m***	€87 m***	3,797

\* when company was disposed of \*\* incl. non-consolidated entities \*\*\* as on last reporting date when deal was announced



## Value Indicators by Segment

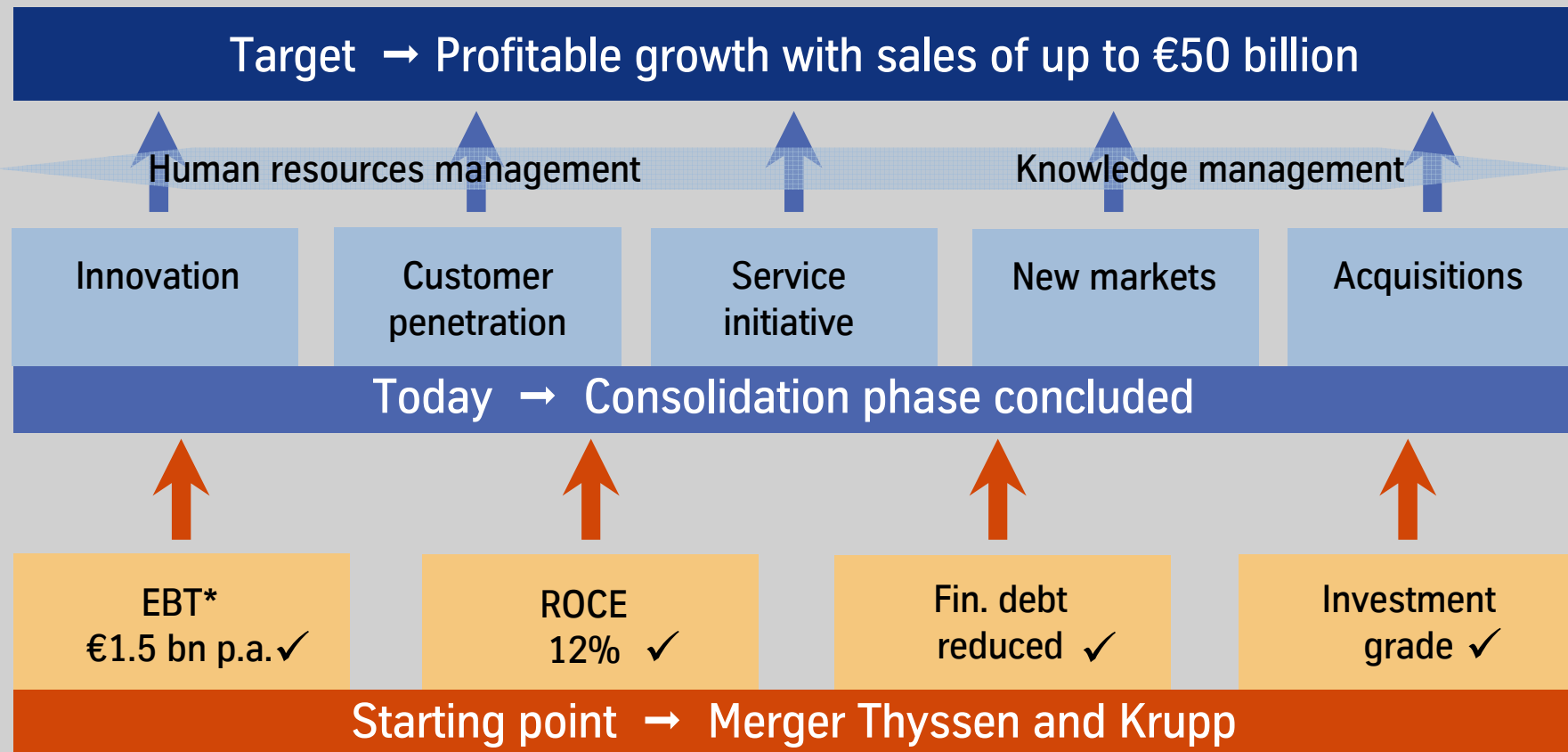
	Capital Employed*/** in million €	WACC in % 2002/03 and 2003/04	Target ROCE in %	ROCE** in %		EVA** in million €		Change
				2002/03	2003/04	2002/03	2003/04	
Group	18,870	9.0	12.0	7.2	12.0 ✓	(352)	572 ✓	924
thereof								
Steel	8,633	10.0	12.0	7.1	12.5	(255)	212	467
Automotive	3,043	9.5	17.0	9.6	13.1	3	108	105
Elevator	1,709	9.0	18.0	23.6	23.7	241	250	9
Technologies	687	10.0	15.0	4.2	13.0	(68)	21	89
Services	2,769	9.0	14.0	3.8	13.3	(166)	120	286

\* average 2003/04  
 \*\* incl. discontinued operations

■ above target ROCE   
 ■ above WACC, below target ROCE   
 ■ below WACC



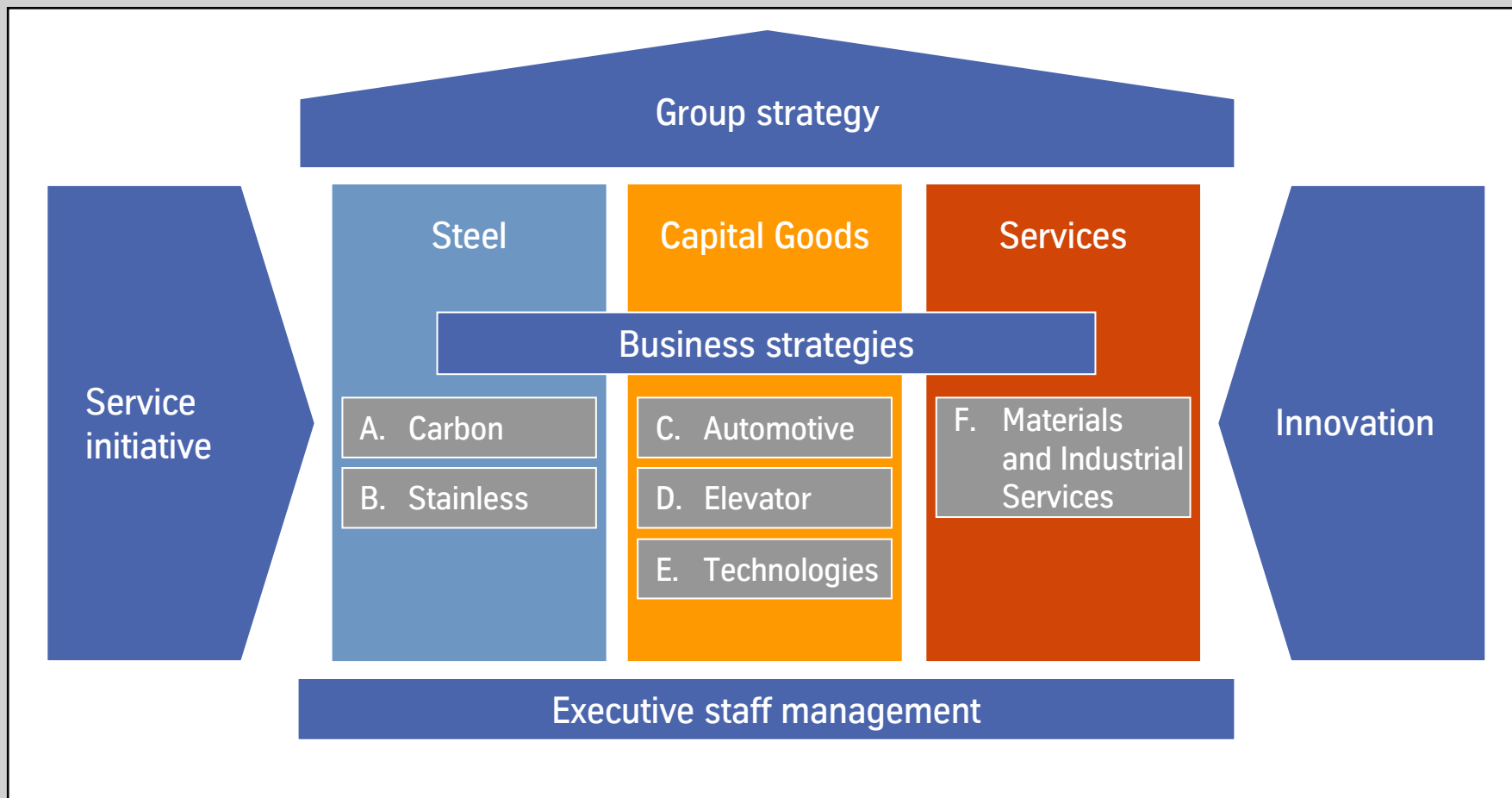
# ThyssenKrupp – From Consolidation to Profitable Growth



\* core business



# Strategic Development of the Group



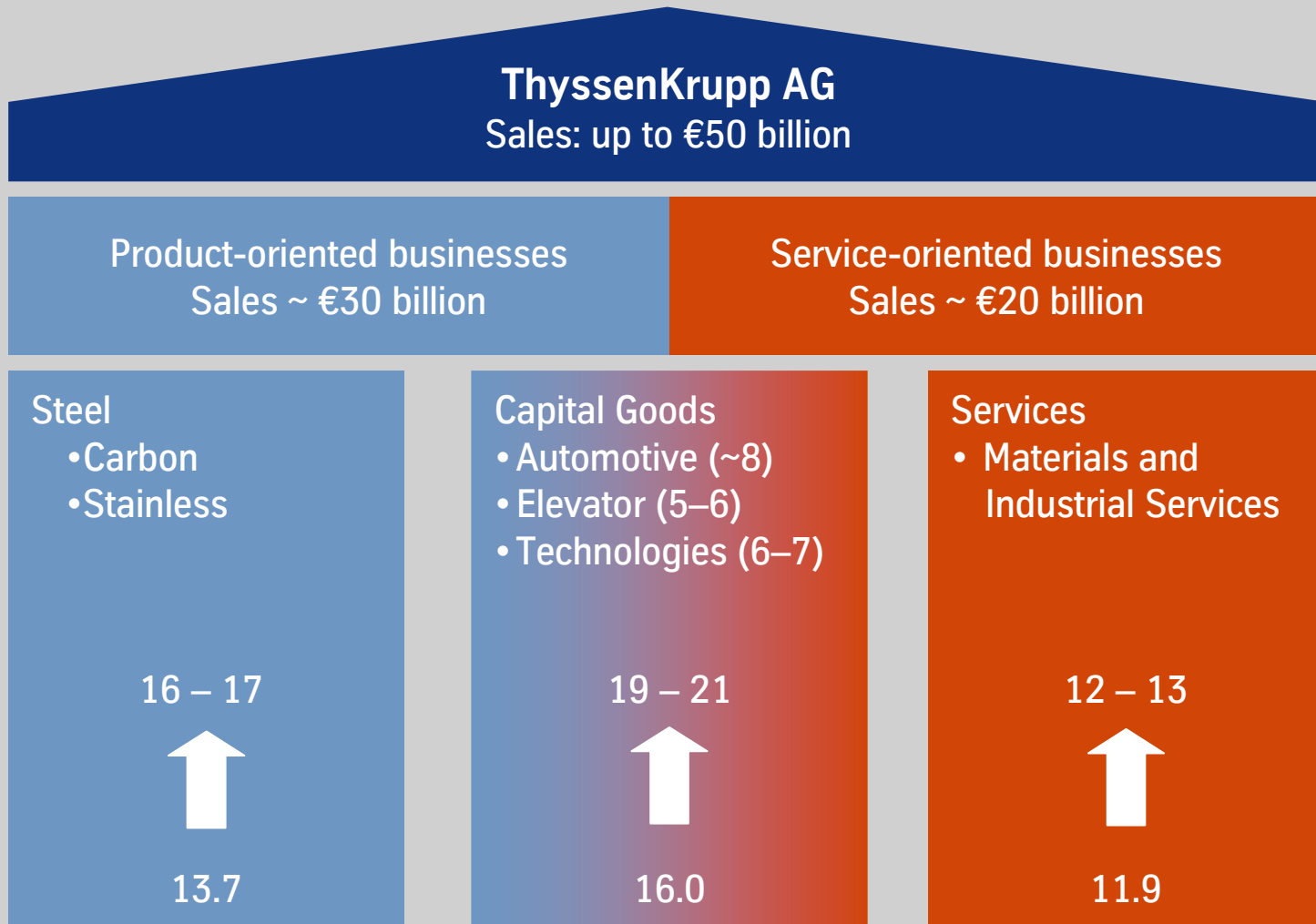
# Overview of Segment Business Strategies

<b>Carbon</b>	<ul style="list-style-type: none"><li>• Secure and strengthen market position in Europe</li><li>• Slab production site in Brazil</li><li>• Expand in China, address US market</li></ul>
<b>Stainless</b>	<ul style="list-style-type: none"><li>• Growth through downstream strategy</li><li>• Secure world market leadership</li></ul>
<b>Automotive</b>	<ul style="list-style-type: none"><li>• Focus on innovative components and systems/solutions based on them</li><li>• Growth in Asia, in particular China</li></ul>
<b>Elevator</b>	<ul style="list-style-type: none"><li>• Organic growth and operational acquisitions</li><li>• Strive to achieve no. 2 ranking on world market</li></ul>
<b>Technologies</b>	<ul style="list-style-type: none"><li>• Focus on three high-performance BUs Plant Technology, Marine Systems and Mechanical Engineering</li></ul>
<b>Services</b>	<ul style="list-style-type: none"><li>• Growth through integrated services (material and industrial services) across customer value chains</li><li>• Regional growth focused on Eastern Europe and North America</li></ul>



# Objective: Group With Sales up to €50 Billion

in €bn



Sales  
2003/2004



## Disclaimer

In this presentation all figures related to the income statement refer to continuing operations unless otherwise stated. Moreover these figures are adjusted due to the change in the method of valuing similar inventories from Last-in, First-out method (LiFo) to average cost method.

This presentation contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking statements and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond ThyssenKrupp's ability to control or estimate precisely, such as future market and economic conditions, the behavior of other market participants, the ability to successfully integrate acquired businesses and achieve anticipated synergies and the actions of government regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this presentation. ThyssenKrupp does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials.

