

Charts on the 3rd Quarter 2003_2004
August 12, 2004

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ThyssenKrupp



Q3 2003/2004 – Overview

Significant earnings jump

- **Order intake** increased to €10.6 billion, up 18% yoy
- **Sales** were €10.7 billion, up 21% from the prior-year period
- **EBT** from continuing operations improved by €270 million to €488 million, corresponding to normalized figures
- **EPS** reached €0.55 compared with €0.42 a year earlier; the normalized prior-year number was €0.23
- **Net financial payables** at €4.3 billion remained almost at September 2003 level



Highlights

- **Steel business** benefits from ongoing strong demand
 - Order intake, sales and EBT rose in all three business units
 - Mainly driven by volume and price increases plus efficiency enhancements
 - Increased raw material costs almost covered by higher steel prices

- **Services and Automotive:** Strong growth both top and bottom line
 - Restructuring efforts and portfolio measures proved effective

- **Portfolio optimization** proceeds
 - Sale of 49% stake in GalvaSud and 50% in Röhrenwerke Fuchs, MBO at Darcast
 - Elevator entered New Zealand service market
 - HDW: Due Diligence completed, contract negotiations proceeding well



Portfolio Optimizations since October 2003

Steel

GalvaSud (BR)	Disposal
Röhrenwerke Fuchs (D)	Disposal

Automotive

MB Lenk Group (D)	Acquisition
Darcast (UK)	Disposal
Bertrandt (D)	Acquisition*

Elevator

Dong Yang Elevator (South Korea)	Acquisition
Elevator Service 1 (Singapore)	Acquisition
Bonfedi (I)	Acquisition
Elevator Technologies (N. Zealand)	Acquisition

Technologies

Novoferm (D)	Disposal
Sheffield Automation (USA)	Disposal
Foundry (USA)	Closure
Inventa-Fischer (CH)	Acquisition

Services

Triaton Group (D)	Disposal
TRT (D)	Unwinding

* 25.2%; closing not yet completed



Portfolio Optimization – Disposals

	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
1st half 2003/04	2	€692 m	€24 m	€32 m	€83 m	4,488
3rd quarter 2003/04	1	€25 m	€0 m	€0 m	€0 m	113
Total	15	€1,636 m	€25 m	€274 m	€102 m	9,130
Subsequent Events	-	-	-	-	-	-

* incl. non-consolidated entities



Outlook

- For the **rest of fiscal 2003/2004** we expect an **unchanged economic environment**. The continuing risks of an economic weakening have not impacted our performance so far.

- For the **full year** we plan sales in the magnitude of **roughly €38 billion**.

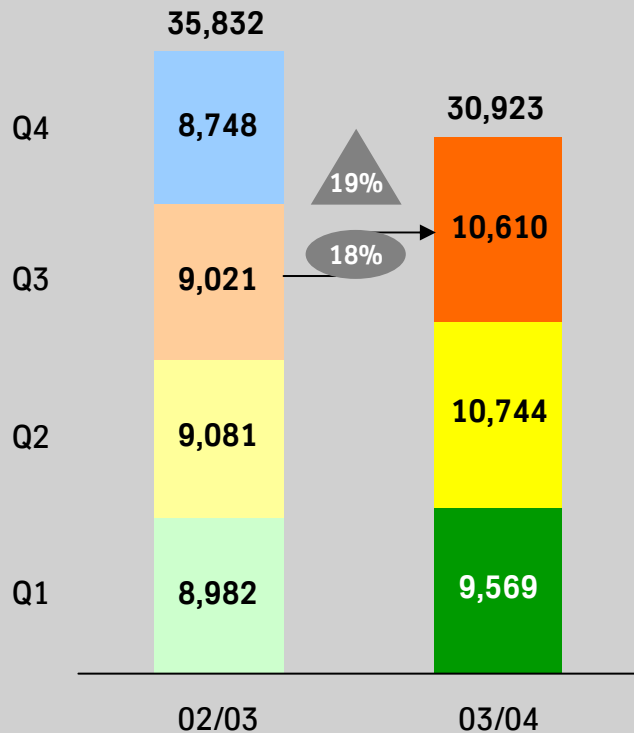
- In terms of **EBT**, excluding the effects of disposals, we previously expected to come close to the **€1 billion** mark. Based on the recent very good performance of Steel and the improvements at Services and Automotive, we now **aim to come as close as possible to our medium-term target of €1.5 billion**.



Group (I)

Order intake

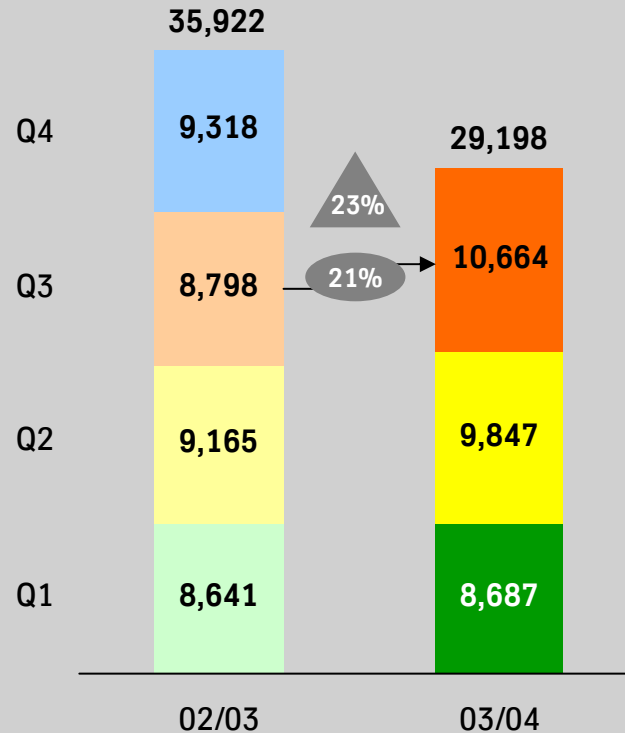
million €



▲ excluding €/\$ exchange rate effects

Sales

million €



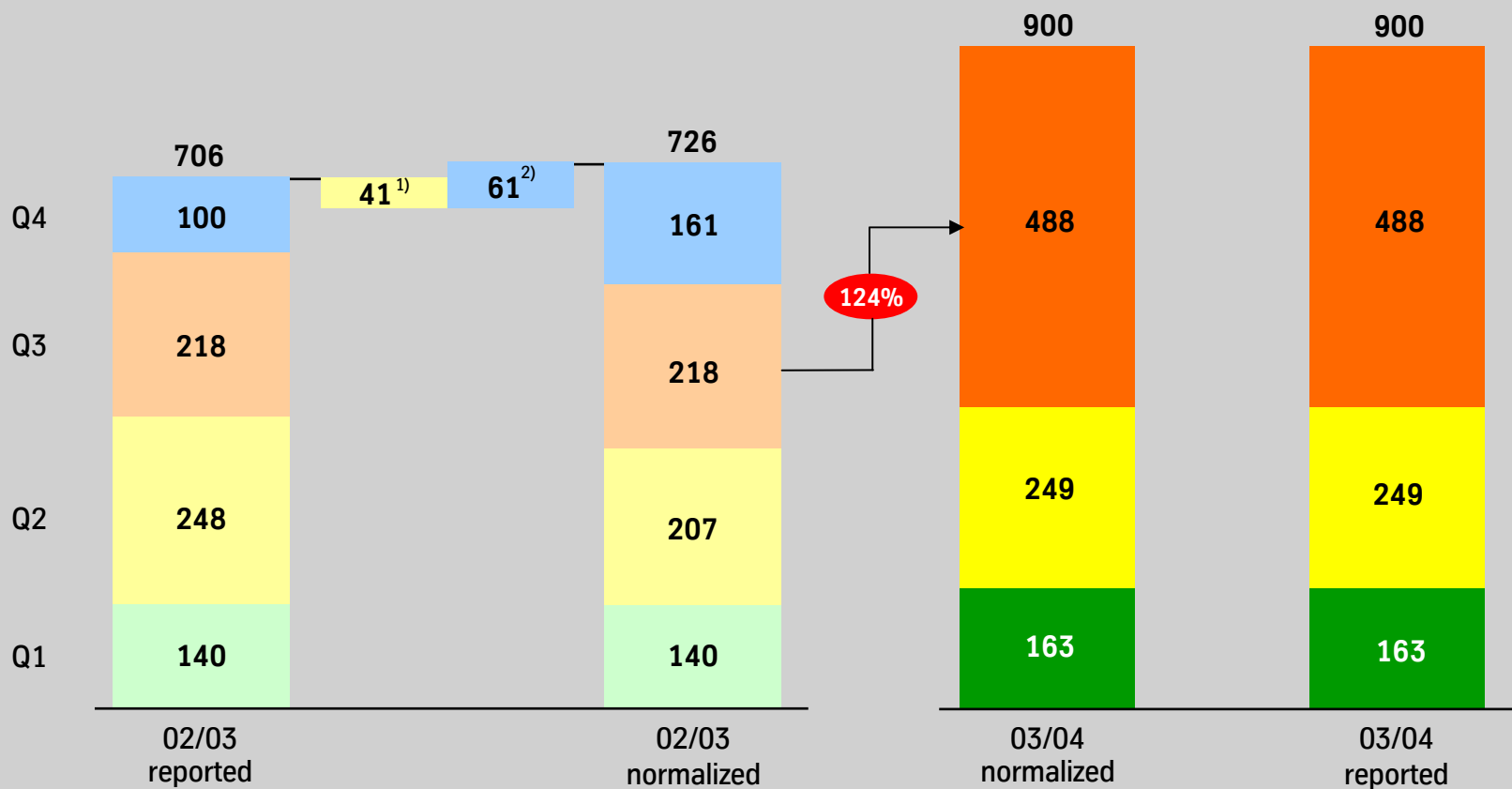
▲ excluding €/\$ exchange rate effects



Group (II)

EBT

million €



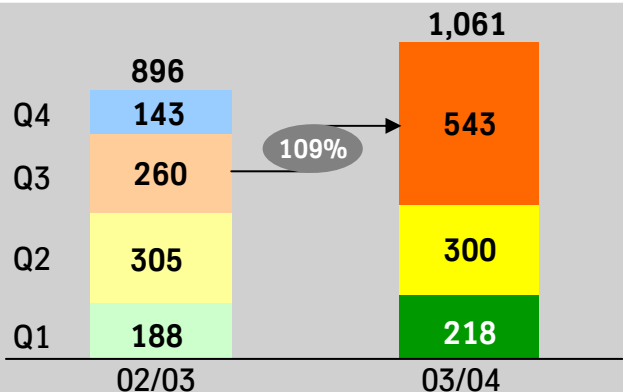
1) Sale of stainless quarto plate activities €41 m
 2) Sale of construction services -€61 m



Group (III)

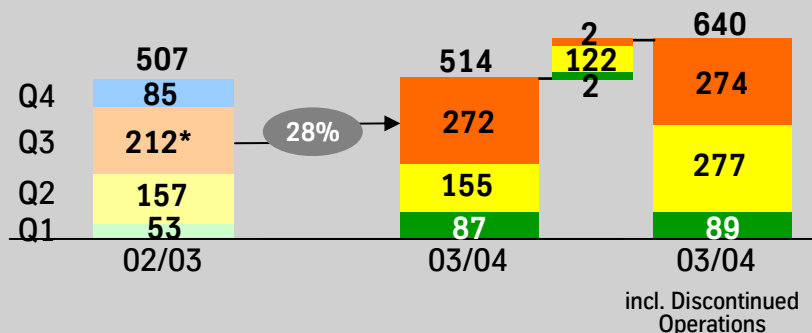
EBIT

million €



Net income

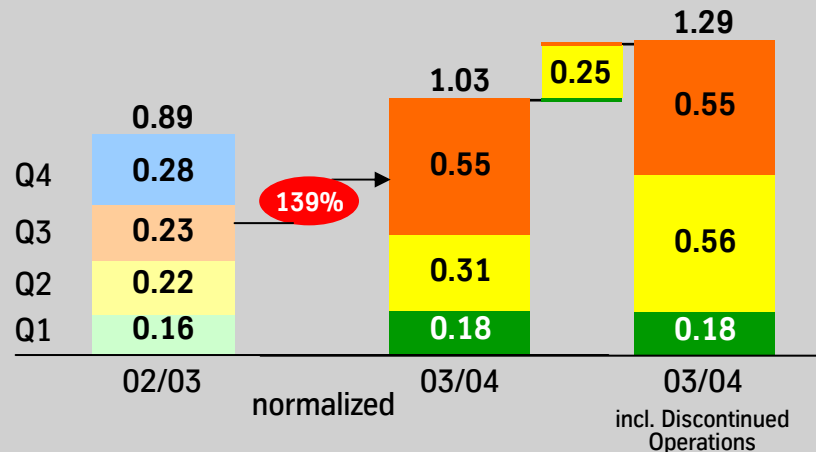
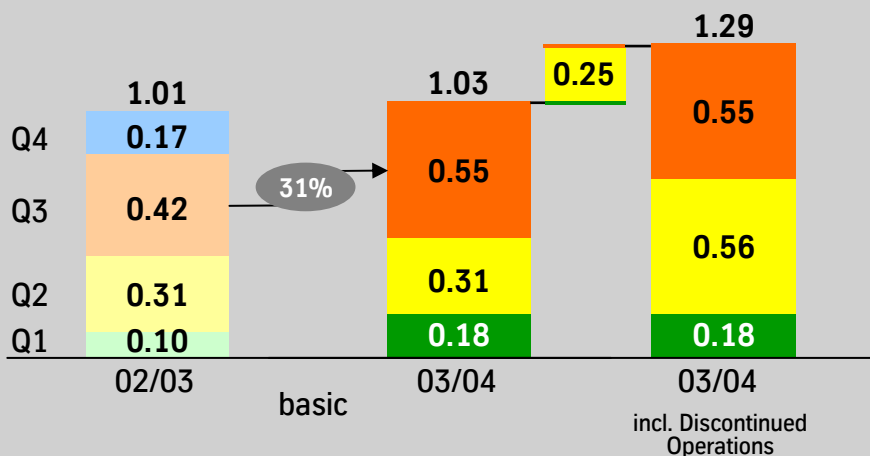
million €



* Extraordinary tax effect due to share repurchase €96 m

Earnings per share

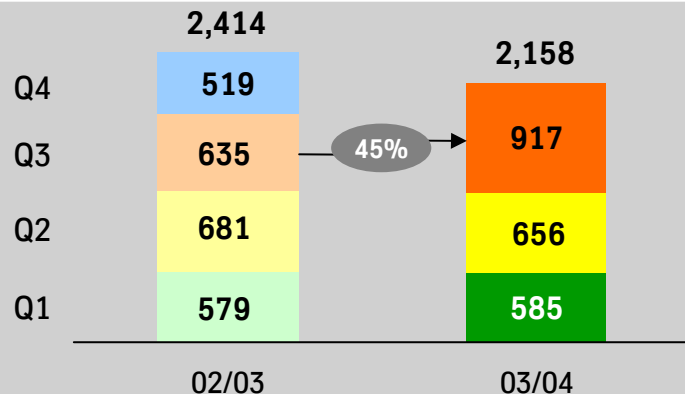
€



Group (IV)

EBITDA*

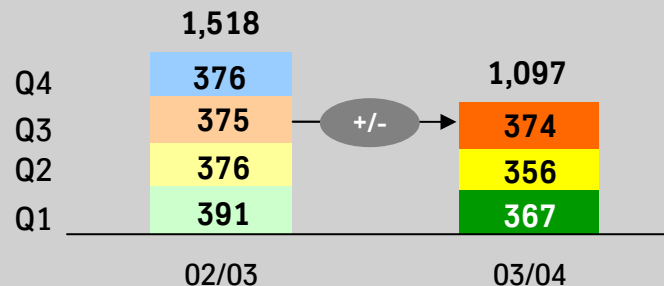
million €



* excl. interest on accrued pension liabilities

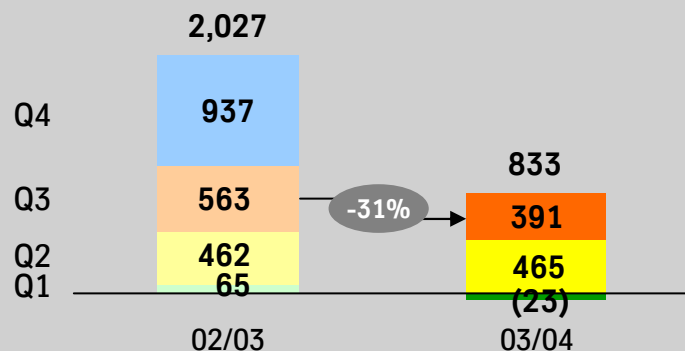
Depreciation and amortization

million €



Net cash provided by operating activities*

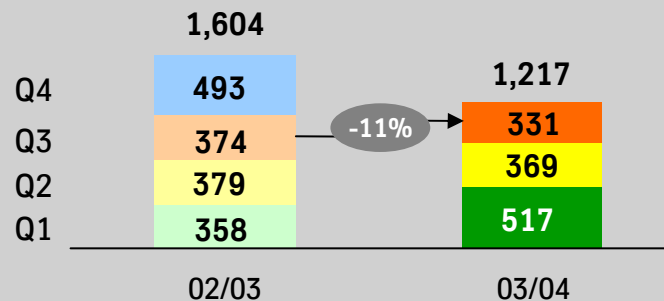
million €



* Figures not adjusted in accordance with SFAS 144

Capital expenditures*

million €



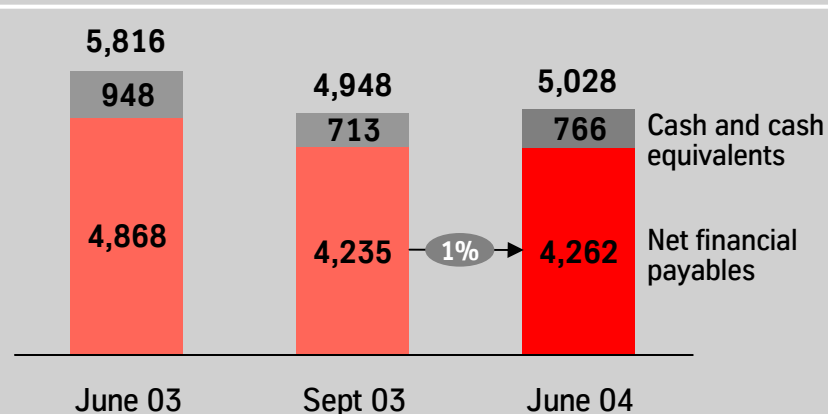
* incl. financial investments; figures not adjusted in accordance with SFAS 144



Group (V)

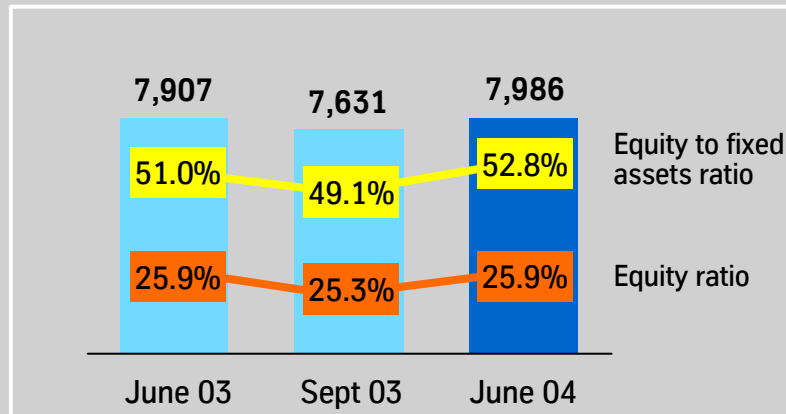
Financial payables

million €



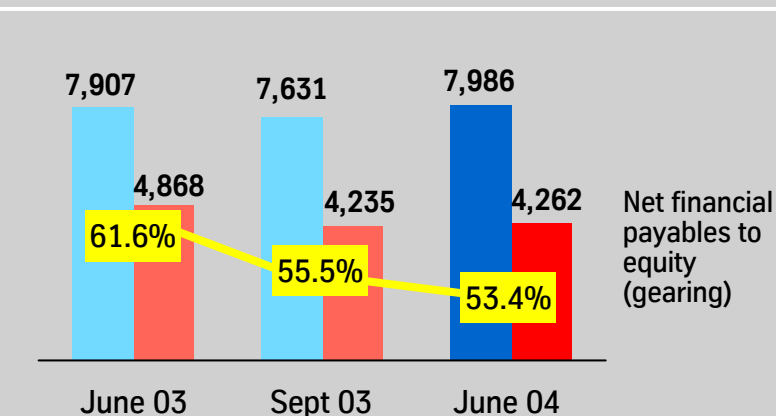
Stockholders' equity

million €



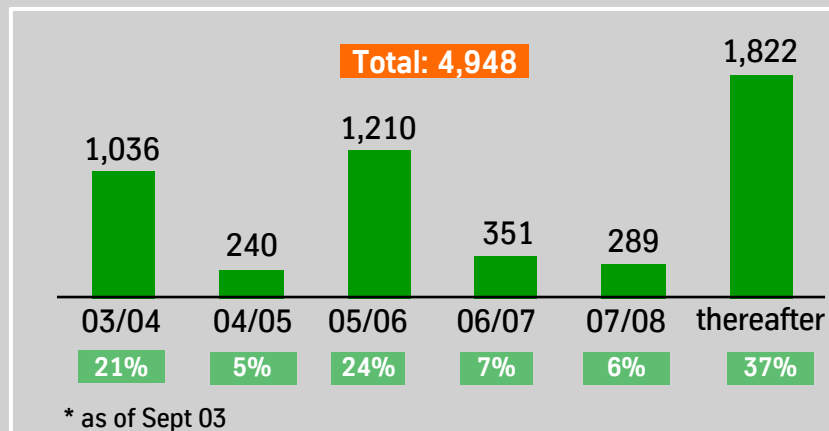
Gearing

million €



Maturity profile of gross financial payables*

million €



Group Overview by Quarter (I)

		3rd quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	9,021	10,610	1,589	17.6
Sales	€m	8,798	10,664	1,866	21.2
EBITDA	€m	635	917	282	44.4
EBIT	€m	260	543	283	108.8
EBT	€m	218	488	270	123.9
Net income	€m	212	272	60	28.3
EPS	€	0.42	0.55	0.13	31.0
Normalized EPS	€	0.23	0.55	0.32	139.1
Net income incl. Discontinued Operations	€m	214	274	60	28.0
Basic EPS incl. Discontinued Operations	€	0.42	0.55	0.13	31.0
Normalized EPS incl. Discontinued Operations	€	0.23	0.55	0.22	95.7



Group Overview by Quarter (II)

		3rd quarter			
		2002/03	2003/04	Change	Change in %
Capex	€m	374	331	-43	-11.5
Deprec./amort.	€m	375	374	-1	-0.3
Net cash from operating activities	€m	563	391	-172	-30.6
Free cash flow	€m	350	62	-288	-82.3
Employees	(June 30)	185,381	185,891	510	0.3



Segment Overview – Steel (I)

Steel

International market characterized by expanding demand for steel and starting materials, resulting in higher prices

Steel

- **Orders, sales and EBT** above previous year figures; higher price levels implemented and showing effects
- **Crude steel output** increased to 4.5 million metric tons at full utilization of production facilities

Carbon Steel

- **Order intake and sales** up due to higher shipment volumes and average revenues
- Increase in **EBT** primarily volume driven; price increases only had minor impact so far on high proportion of long-term contracts; overall contribution by efficiency enhancement
- 49% stake in **GalvaSud** was sold to CSN and resulted in a gain of €9 m

million €	3rd quarter			
	2002/03	2003/04	Change	Change in %
Order intake	2,853	3,710	857	30.0
• Carbon Steel	1,734	2,206	472	27.2
• Stainless Steel	898	1,237	339	37.8
Sales	3,035	3,790	755	24.9
• Carbon Steel	1,832	2,285	453	24.7
• Stainless Steel	977	1,322	345	35.3
EBITDA	348	484	136	39.1
• Carbon Steel	252	292	40	15.9
• Stainless Steel	86	184	98	114.0
EBIT	151	303	152	100.7
• Carbon Steel	113	160	47	41.6
• Stainless Steel	43	147	104	+
EBT	124	280	156	125.8
• Carbon Steel	96	145	49	51.0
• Stainless Steel	32	134	102	+



Segment Overview – Steel (II)

Steel

Stainless Steel

- Continuing rise in **order intake** reflecting higher demand, especially for cold-rolled strip
- **Sales up** due to base price increases, higher alloy surcharges and additional scrap surcharge; nickel-base alloys business favorable
- Leap in **EBT** due to higher shipments, improved base price level and positive impact from higher surcharges; performance improvement programs contributed to gains

Special Materials

- **Order intake** and **sales** increased with strong market-driven expansion in specialty steel long products
- On **EBT** level the business unit came out almost break-even; positive contribution by specialty steel long products after restructurings last year

	3rd quarter			
	2002/03	2003/04	Change	Change in %
Crude steel output (million tons)	4.3	4.5	0.2	4.7
• Carbon Steel	3.4	3.6	0.2	5.9
• Stainless Steel	0.7	0.7	+/-	+/-
Shipments (1,000 tpm)				
• TKS cold-rolled	510	609	99	19.4
• TKS hot-rolled	398	430	32	8.0
• Stainless total	198	219	21	10.6
• Stainless cold-rolled	121	146	25	20.7
Employees (June 30)	48,793	48,548	-245	-0.5
• Carbon Steel	28,872	30,457	1,585	5.5
• Stainless Steel	11,916	11,739	-177	-1.5



Segment Overview – Capital Goods (I)

Automotive

		3rd quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	1,502	1,960	458	30.5
Sales	€m	1,534	1,937	403	26.3
EBITDA	€m	136	176	40	29.4
EBIT	€m	63	96	33	52.4
EBT	€m	58	89	31	53.4
Employees	(June 30)	37,010	43,167	6,157	16.6

- All business units contributed to higher **order intake** and **sales**; top line growth driven by successful integration of Sofédit (Body) and Presta SteerTec (Powertrain)
- Excluding **€/€ exchange rate** effects order intake and sales would have come out 34% and 30% higher respectively
- Rise in **earnings** with Powertrain again as main earnings driver; overall improvement from restructurings



Segment Overview – Capital Goods (II)

Elevator

		3rd quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	830	1,003	173	20.8
Sales	€m	816	887	71	8.7
EBITDA	€m	98	112	14	14.3
EBIT	€m	84	100	16	19.0
EBT	€m	81	93	12	14.8
Employees	(June 30)	29,701	31,068	1,367	4.6

- Construction **market** remained weak while service and modernization activities showed encouraging performance
- Currency conditions influenced **order intake** and **sales** negatively, at constant €/ \$ rate the increase would have been 23% and 10% respectively; top line improvement supported by acquisitions (mainly Dongyang Elevator)
- Improvement on **EBT** level with major contribution from France/Benelux where restructurings showed positive impact; intensive marketing efforts and expansion in service business continued



Segment Overview – Capital Goods (III)

Technologies

		3rd quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	1,453	1,159	-294	-20.2
Sales	€m	1,183	1,260	77	6.5
EBITDA	€m	30	35	5	16.7
EBIT	€m	(9)	3	12	+
EBT	€m	1	12	11	+
Employees	(June 30)	29,980	27,355	-2,625	-8.8

- **Order intake** and **sales** impacted by disposals in the previous year; main contribution to growth in orders by Mechanical Engineering and Marine; significantly higher sales at Mechanical Engineering and Plant Technology
- Mixed picture at **EBT** level: At Production Systems restructuring measures showed positive effects, Mechanical Engineering with a large profit increase, Marine stable, Plant Technology weaker
- **HDW**: Due Diligence is completed, contract negotiations are proceeding well



Segment Overview - Services

Services

		3rd quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	2,814	3,311	497	17.7
Sales	€m	2,741	3,392	651	23.8
EBITDA	€m	71	134	63	88.7
EBIT	€m	33	104	71	+
EBT	€m	22	92	70	+
Employees	(June 30)	38,451	34,425	-4,026	-10.5

- **Order intake** and **sales** driven by lively demand for materials and higher price levels especially at Materials Services Europe and Special Products; sales growth in Eastern Europe accelerated significantly
- Increase in **EBT** due to continuing positive situation on international material and commodity markets; internal efficiency programs showed effect
- Positives also from **restructuring** efforts; loss making Construction Services no longer impacted negatively; loss generating business in unwinding process



Segment Overview by Quarter (I)

million €	3rd quarter 2002/03			3rd quarter 2003/04		
	Order intake in €m	Sales in €m	Employees (June 03)	Order intake in €m	Sales in €m	Employees (June 04)
Steel	2,853	3,035	48,793	3,710	3,790	48,548
Automotive	1,502	1,534	37,010	1,960	1,937	43,167
Elevator	830	816	29,701	1,003	887	31,068
Technologies	1,453	1,183	29,980	1,159	1,260	27,355
Services	2,814	2,741	38,451	3,311	3,392	34,425
Real Estate	77	77	740	90	90	610
Corporate	4	4	706	4	4	718
Consolidation	(512)	(592)	–	(627)	(696)	–
Group	9,021	8,798	185,381	10,610	10,664	185,891



Segment Overview by Quarter (II)

million €	3rd quarter 2002/03			3rd quarter 2003/04		
	EBITDA	EBIT	EBT	EBITDA	EBIT	EBT
Steel	348	151	124	484	303	280
Automotive	136	63	58	176	96	89
Elevator	98	84	81	112	100	93
Technologies	30	(9)	1	35	3	12
Services	71	33	22	134	104	92
Real Estate	27	14	12	44	15	14
Corporate	(69)	(71)	(74)	(64)	(75)	(89)
Consolidation	(6)	(5)	(6)	(4)	(3)	(3)
Group	635	260	218	917	543	488

Segment Overview – Order Intake

million €	3rd quarter				
	02/03	03/04	Change	Change in %	Change in % excluding €/\$ exchange rate effects
Steel	2,853	3,710	857	30.0	30.6
Automotive	1,502	1,960	458	30.5	33.9
Elevator	830	1,003	173	20.8	22.7
Technologies	1,453	1,159	-294	-20.2	-19.7
Services	2,814	3,311	497	17.7	18.9
Real Estate	77	90	13	16.9	
Corporate	4	4	+/-	+/-	
Consolidation	(512)	(627)	-115	-22.5	
Group	9,021	10,610	1,589	17.6	19.0

Segment Overview – Sales

million €	3rd quarter				
	02/03	03/04	Change	Change in %	Change in % excluding €/\$ exchange rate effects
Steel	3,035	3,790	755	24.9	25.4
Automotive	1,534	1,937	403	26.3	29.6
Elevator	816	887	71	8.7	10.4
Technologies	1,183	1,260	77	6.5	7.2
Services	2,741	3,392	651	23.8	25.2
Real Estate	77	90	13	16.9	
Corporate	4	4	+/-	+/-	
Consolidation	(592)	(696)	-104	-17.6	
Group	8,798	10,664	1,866	21.2	22.7



Segment Overview – EBT

million €	3rd quarter				
	02/03	03/04	Change	Change in %	Change in % excluding €/\$ exchange rate effects
Steel	124	280	156	125.8	126.5
Automotive	58	89	31	53.4	57.4
Elevator	81	93	12	14.8	16.7
Technologies	1	12	11	+	+
Services	22	92	70	+	+
Real Estate	12	14	2	16.7	
Corporate	(74)	(89)	-15	-20.3	
Consolidation	(6)	(3)	3	50.0	
Group	218	488	270	123.9	126.5

Segment Overview – 9 Months Accumulated (I)

million €	9 months 2002/03		9 months 2003/04	
	Order intake	Sales	Order intake	Sales
Steel	9,089	9,049	11,338	10,396
Automotive	4,609	4,627	5,536	5,486
Elevator	2,620	2,448	2,860	2,595
Technologies	3,859	3,882	4,136	3,577
Services	8,305	8,103	8,879	8,816
Real Estate	239	239	253	253
Corporate	21	21	24	24
Consolidation	(1,658)	(1,765)	(2,103)	(1,949)
Group	27,084	26,604	30,923	29,198



Segment Overview – 9 Months Accumulated (II)

million €	9 months 2002/03			9 months 2003/04		
	EBITDA	EBIT	EBT	EBITDA	EBIT	EBT
Steel	1,006	426	353	1,141	576	509
Automotive	381	144	125	461	222	195
Elevator	301	265	245	318	281	261
Technologies	101	(20)	12	86	(7)	17
Services	216	102	61	273	181	153
Real Estate	95	59	53	106	50	44
Corporate	(195)	(213)	(233)	(217)	(233)	(270)
Consolidation	(10)	(10)	(10)	(10)	(9)	(9)
Group	1,895	753	606	2,158	1,061	900

Disposal Triaton Group – Impact on the Group

Group		Q3 02/03 incl. Discontinued Operations	Adjustments	Q3 02/03 excl. Discontinued Operations	Q3 03/04 excl. Discontinued Operations
Order intake	€m	9,075	-54	9,021	10,610
Sales	€m	8,852	-54	8,798	10,664
EBITDA	€m	645	-10	635	917
EBIT	€m	263	-3	260	543
EBT	€m	221	-3	218	488
Net income	€m	214	-2	212	272
EPS	€	0.42	+/-	0.42	0.55
Normalized EPS	€	0.23	+/-	0.23	0.55

Disposal Triaton Group – Impact on the Services Segment

Services		Q3 02/03 incl. Discontinued Operations	Adjustments	Q3 02/03 excl. Discontinued Operations	Q3 03/04 excl. Discontinued Operations
Order intake	€m	2,868	-54	2,814	3,311
Sales	€m	2,795	-54	2,741	3,392
EBITDA	€m	81	-10	71	134
EBIT	€m	36	-3	33	104
EBT	€m	25	-3	22	92



Financial Calendar 2004/2005

- October 25, 2004 to November 30, 2004 Quiet Period
- December 1, 2004 Annual Press Conference
Analysts' and Investors' Meeting (Essen, Germany)
- January 21, 2005 Annual General Meeting
- January 24, 2005 Payment of dividend for fiscal year 2003/04
- January 25, 2005 to February 11, 2005 Quiet Period
- February 14, 2005 Interim Report 1st quarter 2004/05 (October to December)
Conference Call with Analysts and Investors



Financial Calendar 2005

-
- April 25, 2005 to May 12, 2005 Quiet Period
-
- May 13, 2005 Interim Report 2nd quarter 2004/05 (January to March)
-
- May 18, 2005 Analysts' and Investors' Meeting (London, UK)
-
- July 25, 2005 to August 11, 2005 Quiet Period
-
- August 12, 2005 Interim Report 3rd quarter 2004/05 (April to June)
Conference Call with Analysts and Investors
-



Disclaimer

In this presentation all figures related to the income statement refer to continuing operations if not otherwise stated.

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