

Charts on the 1st Quarter 2003\_2004  
February 13, 2004

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

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ThyssenKrupp



## Q1 2003/2004 – Overview

### Off to a good start

- **Order intake** up 6% at €9.6 billion, at constant €/ \$ rate up 10%
- **Sales** remained steady at €8.7 billion, at constant €/ \$ rate up 4%
- **EBT** increased to €166 million from €141 million, a clear operational improvement
- **Basic and normalized EPS** €0.18, compared to reported €0.10 (number restated due to adoption of SFAS 143) and normalized €0.16 a year earlier
- **Net financial payables** amounted to €4.6 billion, the increase of €0.3 billion against September 30, 2003 is due to seasonal factors



## Outlook

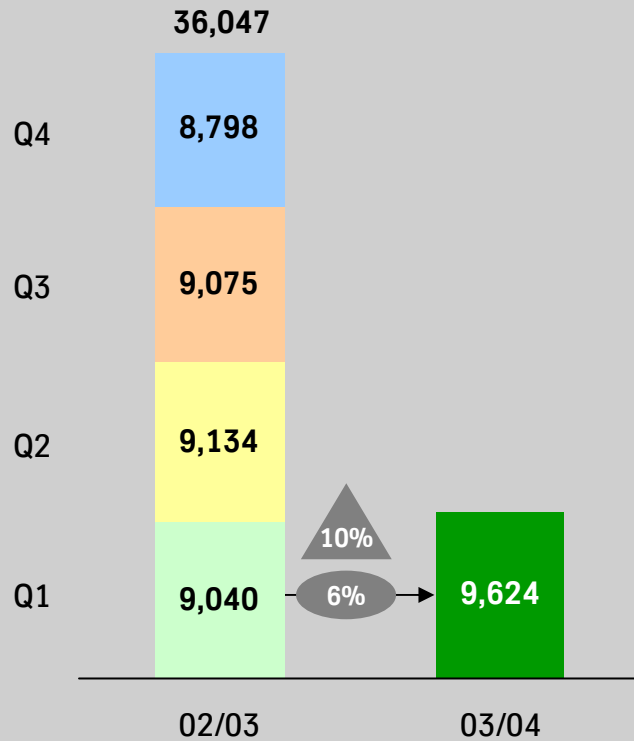
- For 2004 we expect an **improving economic environment**; the predicted economic recovery would have a positive impact on ThyssenKrupp's business performance
- We forecast **sales** in the magnitude of **roughly €38 billion**
- In terms of **normalized earnings before taxes** we aim to get as close as possible to **€1 billion**
- With support from the economy and without major distortions on the currency and raw materials markets, we could pass the **€1 billion** mark this year



# Group (I)

## Order intake

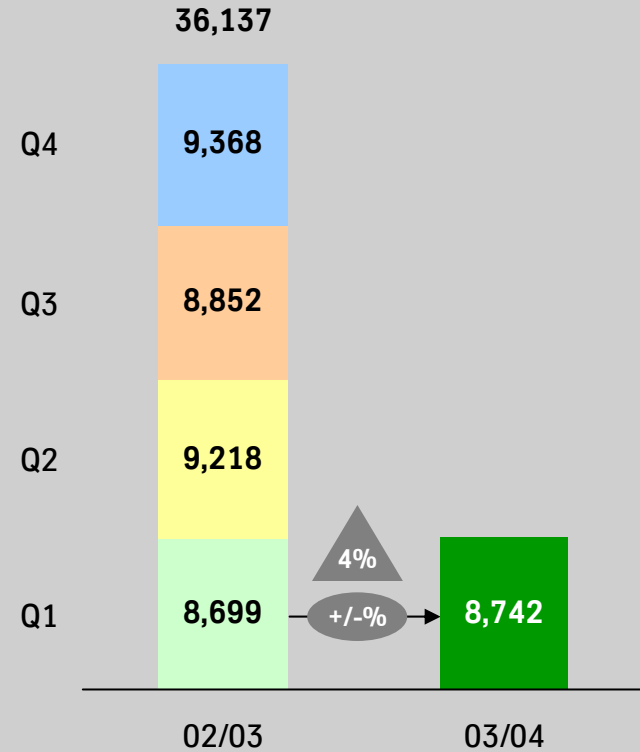
million €



▲ excluding €/\$ exchange rate effects

## Sales

million €



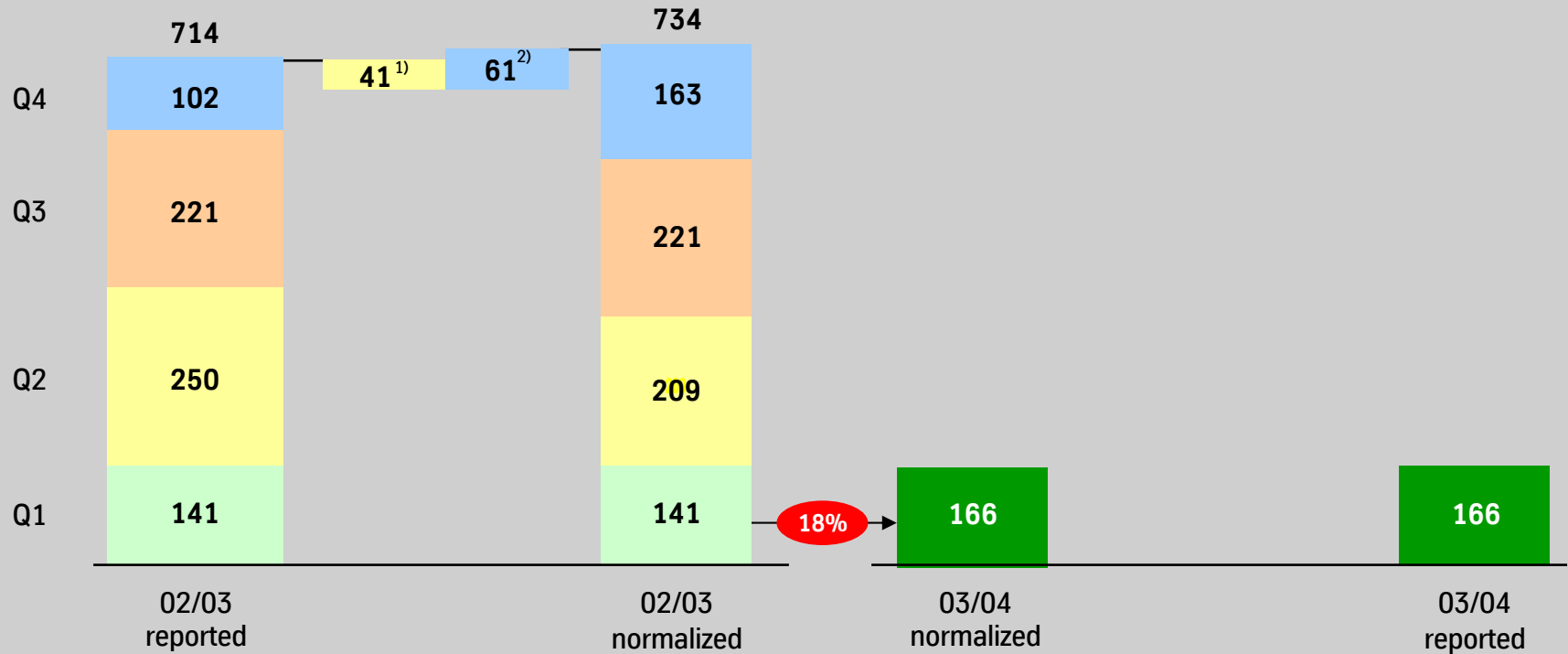
▲ excluding €/\$ exchange rate effects



# Group (II)

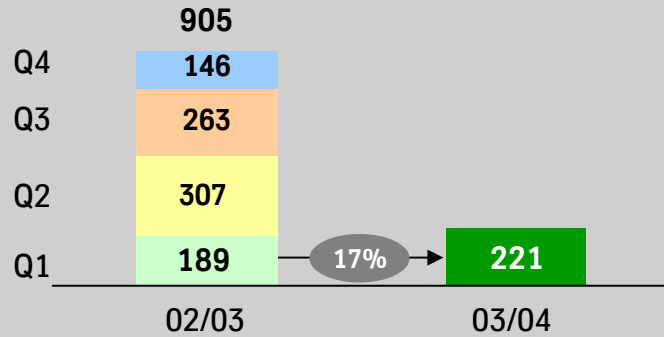
EBT

million €

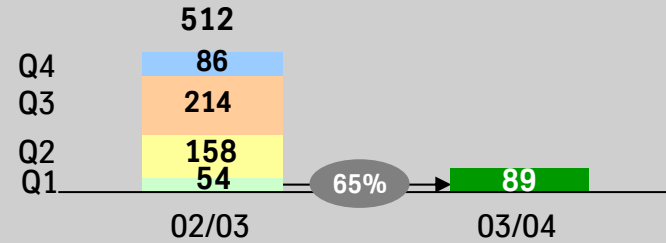


# Group (III)

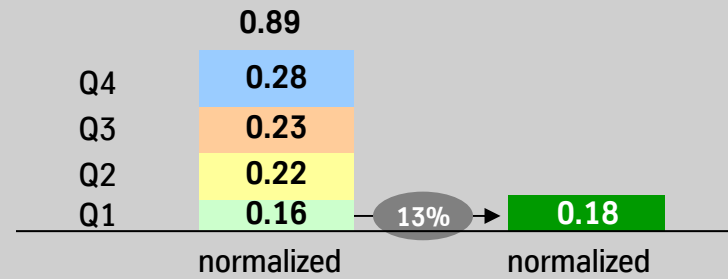
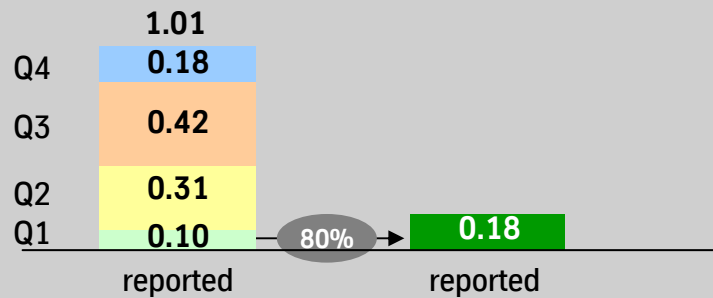
**EBIT** million €



**Net income** million €



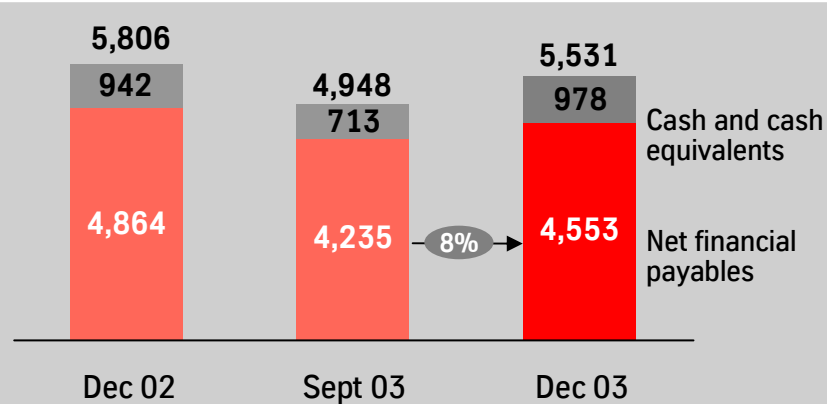
**Earnings per share** €



# Group (IV)

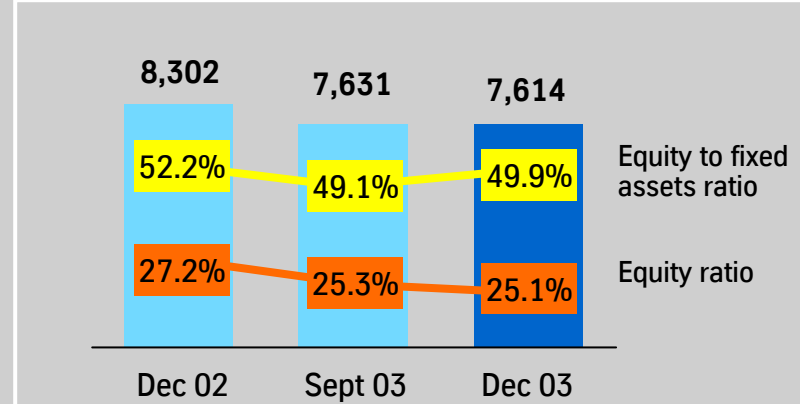
## Financial payables

million €



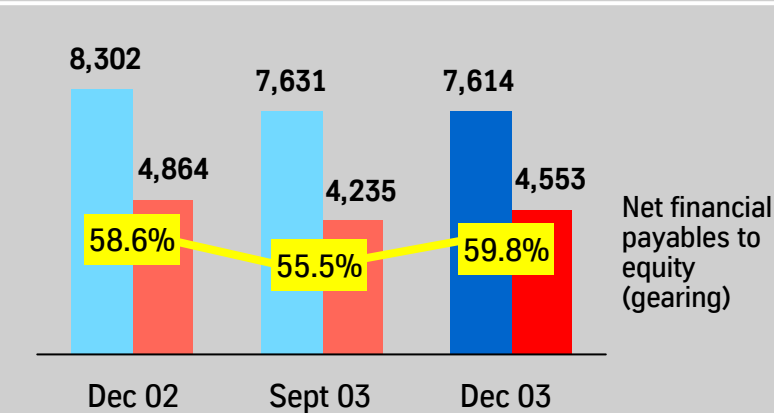
## Stockholders' equity

million €



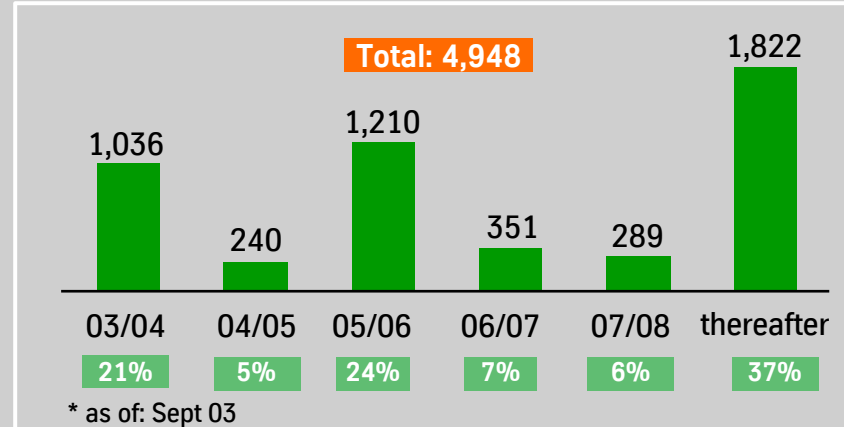
## Gearing

million €



## Maturity profile of gross financial payables\*

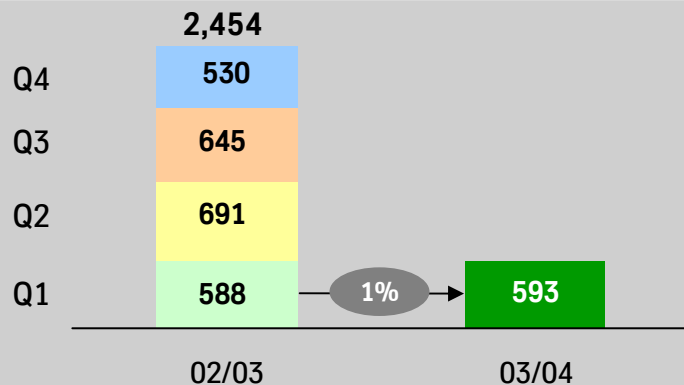
million €



# Group (V)

## EBITDA\*

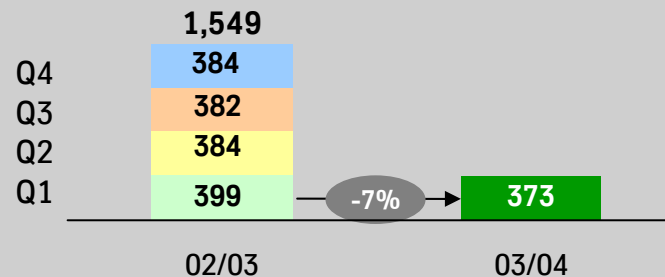
million €



\* excl. interest on accrued pension liabilities

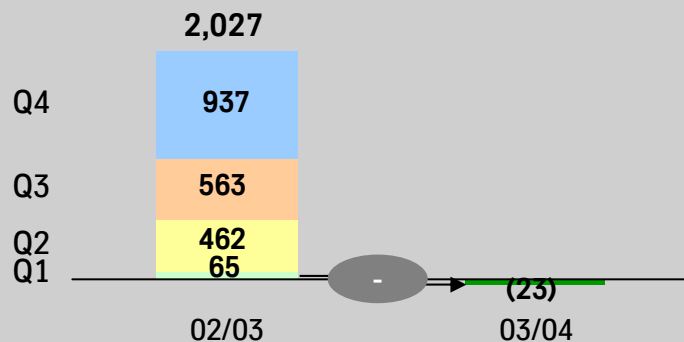
## Depreciation and amortization

million €



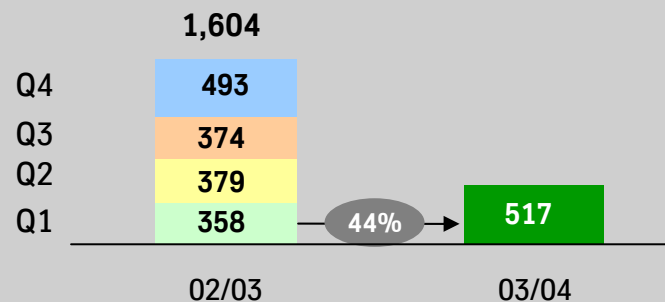
## Net cash provided by operating activities

million €



## Capital expenditures\*

million €



\* incl. financial investments





## Group Overview (I)

		1st quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	9,040	9,624	584	6.5
Sales	€m	8,699	8,742	43	0.5
EBITDA	€m	588	593	5	0.9
EBIT	€m	189	221	32	16.9
EBT	€m	141	166	25	17.7
Net income	€m	54	89	35	64.8
Basic EPS	€	0.10	0.18	0.08	80.0
Normalized EPS	€	0.16	0.18	0.02	12.5



## Group Overview (II)

		1st quarter			
		2002/03	2003/04	Change	Change in %
Capex	€m	358	517	159	44.4
Deprec./amort.	€m	399	373	-26	-6.5
Net cash from operating activities	€m	65	(23)	-88	-
Free cash flow	€m	(236)	(311)	-75	-31.8
<hr/>					
Employees (Dec 31)		188,439	188,800	361	0.2



# Segment Overview – Steel (I)

## Steel

- **International market** in robust shape in the final months of 2003; shipments and orders in Western Europe improved significantly in the 4th calendar quarter 2003
- Due to dynamic steel demand as well as drastic increases in raw material and freight costs steel prices increased again significantly in the 4th quarter 2003
- Rise in **EBT**, reflecting mainly the performance of Carbon Steel
- **Crude steel output** remained high at 4.3 million metric tons

### Carbon Steel

- **Order intake** rose, with demand picking up, triggered by higher export orders and probably by price increases announced for January 1, 2004; we meanwhile announced a further price increase effective April 1, 2004
- Improvement in **sales** reflects an increase in volumes and revenues; strong rise at tailored blanks and a positive trend in tin mill products

million €	1st quarter			
	2002/03	2003/04	Change	Change in %
<b>Order intake</b>	<b>2,937</b>	<b>3,367</b>	<b>430</b>	<b>14.6</b>
• Carbon Steel	1,775	2,026	251	14.1
• Stainless Steel	922	1,140	218	23.6
<b>Sales</b>	<b>2,792</b>	<b>2,989</b>	<b>197</b>	<b>7.1</b>
• Carbon Steel	1,660	1,729	69	4.2
• Stainless Steel	916	1,040	124	13.5
<b>EBITDA</b>	<b>290</b>	<b>308</b>	<b>18</b>	<b>6.2</b>
• Carbon Steel	180	255	75	41.7
• Stainless Steel	102	51	-51	-50.0
<b>EBIT</b>	<b>97</b>	<b>112</b>	<b>15</b>	<b>15.5</b>
• Carbon Steel	46	113	67	145.7
• Stainless Steel	61	13	-48	-78.7
<b>EBT</b>	<b>72</b>	<b>91</b>	<b>19</b>	<b>26.4</b>
• Carbon Steel	27	99	72	266.7
• Stainless Steel	49	3	-46	-93.9



# Segment Overview – Steel (II)

## Steel

### Carbon Steel

- EBT more than tripled due to higher shipments especially in December, which is usually weak for seasonal reasons, and increased average revenues; efficiency-enhancement programs led to notable earnings improvements; weakness of the dollar mitigated the significant rise in raw material prices

### Stainless Steel

- Sizable increase in **order intake** as a result of quickening demand
- Sales up**; shipments increased by 8%; strong growth of cold-rolled strip, drop in nickel-base alloy business
- Decrease in **EBT** due to sharp rise in prices for nickel and other input materials; also unfavorable currency parities caused a reduction in net revenues for exports and increased import pressure; restructuring expenses added to the loss at nickel-base alloys

### Special Materials

- Order intake** and **sales** declined slightly
- Increase in **loss** from €9 million to €13 million

	1st quarter			
	2002/03	2003/04	Change	Change in %
<b>Crude steel output (million tons)</b>	4.3	4.3	+/-	+/-
• <i>Carbon Steel</i>	3.4	3.4	+/-	+/-
• <i>Stainless Steel</i>	0.7	0.7	+/-	+/-
<b>Shipments (1,000 tpm)</b>				
• TKS cold-rolled	516	520	4	0.8
• TKS hot-rolled	383	371	-12	-3.1
• <b>Stainless total</b>	183	197	14	7.7
• <b>Stainless cold-rolled</b>	130	137	7	5.4
<b>Employees (Dec 31)</b>	49,935	48,934	-1,001	-2.0
• <i>Carbon Steel</i>	29,716	28,914	-802	-2.7
• <i>Stainless Steel</i>	12,029	11,896	-133	-1.1



## Segment Overview – Capital Goods (I)

### Automotive

		1st quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	1,511	1,689	178	11.8
Sales	€m	1,492	1,661	169	11.3
EBITDA	€m	122	126	4	3.3
EBIT	€m	28	46	18	64.3
EBT	€m	20	37	17	85.0
Employees (Dec 31)		37,733	43,045	5,312	14.1

- Improvement in **order intake** results mainly from consolidation of acquisitions in Powertrain and Body - 18% improvement at constant €/ \$ rate
- **Sales** improvement in all three business units, in Powertrain in particular by takeover of MB Lenk and at Body by the consolidation of Sofedit - at constant €/ \$ rate the improvement was 17%
- **EBT** nearly doubled with cost-reduction and restructuring programs as key success factors; Chassis reported the highest growth; Body lowered prior-year loss; Powertrain achieved a further rise in earnings



## Segment Overview – Capital Goods (II)

### Elevator

		1st quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	954	939	-15	-1.6
Sales	€m	820	875	55	6.7
EBITDA	€m	104	107	3	2.9
EBIT	€m	93	94	1	1.1
EBT	€m	81	87	6	7.4
Employees (Dec 31)		28,771	30,858	2,087	7.3

- Service and modernization business was stable; new installation business still weak due to weak construction sector
- Slight decrease in **order intake**, but up 5% at constant €/ \$ rate; France/Benelux and Other Countries, especially due to the Dong Yang acquisition, reported higher figures
- **Sales** up in all business units except North America/Australia, where effects of the downturn in elevator business were still being felt - at constant €/ \$ rate the improvement was 14%
- **EBT** up in all business units apart from North America/Australia



## Segment Overview – Capital Goods (III)

### Technologies

		1st quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	1,338	1,541	203	15.2
Sales	€m	1,363	1,102	-261	-19.1
EBITDA	€m	30	26	-4	-13.3
EBIT	€m	(14)	(5)	9	64.3
EBT	€m	(4)	3	7	+
Employees (Dec 31)		32,003	27,463	-4,540	-14.2

- **Order intake** up, attributable to Plant Technology and Marine; down at Production Systems and Mechanical Engineering, due to the disposals of Polymer, Novoferm and Henschel
- **Sales** decreased, mainly as a result of lower billings at Marine and a decline in machine tool business at Production Systems; sales down at Mechanical Engineering, again mainly due to disposals; Plant Technology reported an increase in sales
- **EBT** returned to black; Production Systems significantly reduced its loss; Plant Technology posted double-digit earnings; Marine was unable to repeat the high profit level



## Segment Overview - Services

### Services

		1st quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	2,791	2,776	-15	-0.5
Sales	€m	2,735	2,695	-40	-1.5
EBITDA	€m	88	73	-15	-17.0
EBIT	€m	41	35	-6	-14.6
EBT	€m	23	26	3	13.0
Employees (Dec 31)		38,575	37,139	-1,436	-3.7

- **Order intake** and **sales** slightly down; prior year included the business activities of Construction Services business unit since sold
- **EBT** slightly up; strong improvement at MaterialsServices Europe; lower earnings at MaterialsServices North America due to weak market conditions; Special Products almost doubled earnings; Information Services increased its profit, the business is already up for sale





## Segment Overview (I)

	1st quarter 2002/03			1st quarter 2003/04		
	Order intake in €m	Sales in €m	Employees (Dec 02)	Order intake in €m	Sales in €m	Employees (Dec 03)
Steel	2,937	2,792	49,935	3,367	2,989	48,934
Automotive	1,511	1,492	37,733	1,689	1,661	43,045
Elevator	954	820	28,771	939	875	30,858
Technologies	1,338	1,363	32,003	1,541	1,102	27,463
Services	2,791	2,735	38,575	2,776	2,695	37,139
Real Estate	78	78	746	63	63	635
Corporate	9	9	676	12	12	726
Consolidation	(578)	(590)	–	(763)	(655)	–
<b>Group</b>	<b>9,040</b>	<b>8,699</b>	<b>188,439</b>	<b>9,624</b>	<b>8,742</b>	<b>188,800</b>



## Segment Overview (II)

million €	1st quarter 2002/03			1st quarter 2003/04		
	EBITDA	EBIT	EBT	EBITDA	EBIT	EBT
Steel	290	97	72	308	112	91
Automotive	122	28	20	126	46	37
Elevator	104	93	81	107	94	87
Technologies	30	(14)	(4)	26	(5)	3
Services	88	41	23	73	35	26
Real Estate	34	23	20	28	16	13
Corporate	(77)	(76)	(68)	(70)	(71)	(85)
Consolidation	(3)	(3)	(3)	(5)	(6)	(6)
<b>Group</b>	<b>588</b>	<b>189</b>	<b>141</b>	<b>593</b>	<b>221</b>	<b>166</b>



## Segment Overview – Order Intake

million €	1st quarter				
	02/03	03/04	Change	Change in %	Change in % excluding US \$ exchange rate effects
Steel	2,937	3,367	430	14.6	15.9
Automotive	1,511	1,689	178	11.8	17.8
Elevator	954	939	-15	-1.6	4.6
Technologies	1,338	1,541	203	15.2	17.8
Services	2,791	2,776	-15	-0.5	2.0
Real Estate	78	63	-15	-19.2	
Corporate	9	12	3	33.3	
Consolidation	(578)	(763)	-185	-32.0	
<b>Group</b>	<b>9,040</b>	<b>9,624</b>	<b>584</b>	<b>6.5</b>	<b>9.7</b>



## Segment Overview – Sales

million €	1st quarter				
	02/03	03/04	Change	Change in %	Change in % excluding US \$ exchange rate effects
Steel	2,792	2,989	197	7.1	8.3
Automotive	1,492	1,661	169	11.3	17.5
Elevator	820	875	55	6.7	13.6
Technologies	1,363	1,102	-261	-19.1	-17.4
Services	2,735	2,695	-40	-1.5	1.2
Real Estate	78	63	-15	-19.2	
Corporate	9	12	3	33.3	
Consolidation	(590)	(655)	-65	-11.0	
<b>Group</b>	<b>8,699</b>	<b>8,742</b>	<b>43</b>	<b>0.5</b>	<b>3.7</b>



## Segment Overview – EBT

million €	1st quarter				
	02/03	03/04	Change	Change in %	Change in % excluding US \$ exchange rate effects
Steel	72	91	19	26.4	27.5
Automotive	20	37	17	85.0	83.5
Elevator	81	87	6	7.4	13.5
Technologies	(4)	3	7	+	+
Services	23	26	3	13.0	18.1
Real Estate	20	13	-7	-35.0	
Corporate	(68)	(85)	-17	-25.0	
Consolidation	(3)	(6)	-3	-100.0	
<b>Group</b>	<b>141</b>	<b>166</b>	<b>25</b>	<b>17.7</b>	<b>20.6</b>



## Portfolio Optimization – Disposals since October 2002

	Number of Entities	Sales	EBT	Net Financial Debt	Pension Obligations	Employees
Fiscal Year 2002/03	12*	€919 m	€1 m	€242 m	€19 m	4,529
1st Quarter 2003/04	1	€327 m	€8 m	€1 m	€14 m	2,177
Total	13	€1,246 m	€9 m	€243 m	€33 m	6,706
Subsequent Event	-	-	-	-	-	-

\* incl. non-consolidated entities



## Portfolio Optimization – Major Acquisitions since October 2003

	Sales	EBT	Purchase Price	Employees	Status
<b>DongYang, South Korea</b> Elevator Strengthen the segment's market position in Asia, especially in Korea	≈€200 m	+	€128 m	≈1,000	consolidated Oct 03
<b>MB Lenk, Germany</b> Automotive Competence in steering gears; further step to becoming major global player in steering systems	≈€300 m	+	€43 m	≈1,600	consolidated Dec 03

## Financial Calendar 2004

- April 27 to May 13, 2004 Quiet Period
- May 14, 2004 Interim report 2nd quarter 2003/04 (January to March)
- May 17, 2004 Analysts' meeting
- July 23 to August 11, 2004 Quiet Period
- August 12, 2004 Interim report 3rd quarter 2003/04 (April to June)  
Conference Call
- October 25 to November 30, 2004 Quiet Period
- December 1, 2004 Annual press conference  
Analysts' meeting





## Financial Calendar 2005

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- January 21, 2005      Annual General Meeting

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- January 24, 2005      Payment of dividend for the 2003/04 fiscal year

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- January 25, 2005      Quiet Period  
to February 11, 2005

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- February 14, 2005      Interim report 1st quarter of 2004/05 (October to December)  
Conference Call

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## Disclaimer

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