

**Capital Goods Conference**  
**Dresdner Kleinwort Wasserstein, London**

**March 18, 2004**

**ThyssenKrupp**



# ThyssenKrupp Group 2002/2003

## ThyssenKrupp AG

Order intake (consolidated): €36.0 billion  
EBT (consolidated): €714 million

Group sales (consolidated): €36.1 billion  
Employees: 190,102

Steel	Automotive	Elevator	Technologies	Services
<p>Sales: €12.0 bn Employees: 49,286</p> <ul style="list-style-type: none"> <li>• Carbon Steel</li> <li>• Stainless Steel</li> <li>• Special Materials</li> </ul>	<p>Sales: €6.3 bn Employees: 41,414</p> <ul style="list-style-type: none"> <li>• Chassis</li> <li>• Body</li> <li>• Powertrain</li> </ul>	<p>Sales: €3.4 bn Employees: 29,689</p> <ul style="list-style-type: none"> <li>• 5 regional Business Units</li> <li>• Passenger Boarding Bridges</li> <li>• Accessibility</li> </ul>	<p>Sales: €5.4 bn Employees: 29,871</p> <ul style="list-style-type: none"> <li>• Production Systems</li> <li>• Plant Technology</li> <li>• Marine</li> <li>• Mechanical Engineering</li> </ul>	<p>Sales: €11.3 bn Employees: 38,487</p> <ul style="list-style-type: none"> <li>• MaterialsServices Europe</li> <li>• MaterialsServices North America</li> <li>• Industrial Services</li> <li>• Special Products</li> </ul>
<b>Steel</b>	<b>Capital Goods</b>			<b>Services</b>

Inter-segment sales unconsolidated; employees on Sept 30, 2003



## Segment Overview – Steel

Steel									
Fiscal Year		2001/02	2002/03	Change in %	1st quarter		2002/03	2003/04	Change in %
Order intake	€m	11,732	<b>11,888</b>	1.3	Order intake	€m	2,937	<b>3,367</b>	14.6
Sales	€m	11,686	<b>12,016</b>	2.8	Sales	€m	2,792	<b>2,989</b>	7.1
EBT	€m	167	<b>384</b>	129.9	EBT	€m	72	<b>91</b>	26.4
Employees (Sept 30)		50,184	<b>49,286</b>	-1.8	Employees (Dec 31)		49,935	<b>48,934</b>	-2.0

- Carbon steel flat products: European No. 2, world No. 6  
Stainless steel flat products: World market leader
- Site configuration unique in Europe: 17.3 mt/yr crude steel capacity in Duisburg
- Focus on innovative flat products with high value added



## Segment Overview – Capital Goods (I)

### Automotive

Fiscal Year		2001/02	2002/03	Change in %	1st quarter		2002/03	2003/04	Change in %
Order intake	€m	6,410	<b>6,271</b>	-2.2	Order intake	€m	1,511	<b>1,689</b>	11.8
Sales	€m	6,337	<b>6,295</b>	-0.7	Sales	€m	1,492	<b>1,661</b>	11.3
EBT	€m	64	<b>188</b>	193.8	EBT	€m	20	<b>37</b>	85.0
Employees (Sept 30)		38,425	<b>41,414</b>	7.8	Employees (Dec 31)		37,733	<b>43,045</b>	14.1

- 80% of sales from TOP 3 positions
- Technology leadership in combination with competence in materials processing
- Parallel expansion of component and system business capabilities



## Segment Overview – Capital Goods (II)

### Elevator

Fiscal Year		2001/02	2002/03	Change in %	1st quarter		2002/03	2003/04	Change in %
Order intake	€m	3,615	<b>3,367</b>	-6.9	Order intake	€m	954	<b>939</b>	-1.6
Sales	€m	3,500	<b>3,365</b>	-3.9	Sales	€m	820	<b>875</b>	6.7
EBT	€m	317	<b>355</b>	12.0	EBT	€m	81	<b>87</b>	7.4
Employees (Sept 30)		28,768	<b>29,689</b>	3.2	Employees (Dec 31)		28,771	<b>30,858</b>	7.3

- No. 3 on world market, approx. 700,000 service contracts worldwide
- Full range of products and services from a single source
- Growth to continue through further acquisitions and even stronger focus on services



## Segment Overview – Capital Goods (III)

### Technologies

Fiscal Year		2001/02	2002/03	Change in %	1st quarter		2002/03	2003/04	Change in %
Order intake	€m	5,304	<b>4,984</b>	-6.0	Order intake	€m	1,338	<b>1,541</b>	15.2
Sales	€m	5,806	<b>5,382</b>	-7.3	Sales	€m	1,363	<b>1,102</b>	-19.1
EBT	€m	112	<b>42</b>	-62.5	EBT	€m	(4)	<b>3</b>	+
Employees (Sept 30)		32,781	<b>29,871</b>	-8.9	Employees (Dec 31)		32,003	<b>27,463</b>	-14.2

- Portfolio with strong regional and global market positions
- High technological competencies throughout product portfolio
- Strategic emphasis on business focusing and further disposals



## Segment Overview – Services

### Services

Fiscal Year		2001/02	2002/03	Change in %	1st quarter		2002/03	2003/04	Change in %
Order intake	€m	11,426	<b>11,520</b>	0.8	Order intake	€m	2,791	<b>2,776</b>	-0.5
Sales	€m	11,424	<b>11,276</b>	-1.3	Sales	€m	2,735	<b>2,695</b>	-1.5
EBT	€m	124	<b>32</b>	-74.2	EBT	€m	23	<b>26</b>	13.0
Employees (Sept 30)		39,675	<b>38,487</b>	-3.0	Employees (Dec 31)		38,575	<b>37,139</b>	-3.7

- Leading materials service provider in Germany and Europe for industrial clients
- Number one worldwide in scaffolding services
- Strategic actions: Efficiency enhancement, restructuring and reducing capital employed



# Overview and Outlook

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## Fiscal year 2002/2003

- Despite an adverse environment ThyssenKrupp held up well and achieved significant performance improvement
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## 1st quarter 2003/2004

- Off to a good start: Order intake and EBT up, sales steady, net financial payables down
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## Outlook 2004

- Continuous improvement of economic environment expected; sales ~ €38 billion, normalized EBT to pass €1 billion mark
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## Strategic Areas of Emphasis

Spread to WACC	negative	n/a	positive
	Capital employed ▼	ROCE ▲	Capital employed ▲
Steel			
Automotive			
Elevator			
Technologies			
Services			
Strategic actions	<ul style="list-style-type: none"> <li>○ Focusing</li> <li>○ Disposals</li> </ul>	<ul style="list-style-type: none"> <li>○ Efficiency enhancement</li> <li>○ Restructuring</li> </ul>	<ul style="list-style-type: none"> <li>○ Organic growth</li> <li>○ Acquisitions</li> </ul>



# 30+ Portfolio Optimizations since October 2002

## Corporate

Böhler Thyssen Schweißtechnik (D) **Disposal**

## Steel

Galmed (E) **Acquisition**  
 Quarto plate activities (D) **Disposal**  
 LA.RE. (I) **Disposal**  
 TAD (I) **Acquisition**  
 Fischer (F) **Closure**  
 Bauelemente Dinslaken (D) **Closure**

## Automotive

Greening Donald (CAN) **Disposal**  
 Sofedit (F) **Acquisition**  
 Phillips & Temro (USA) **Disposal**  
 Philadelphia Plant (USA) **Closure**  
 Kendalville (USA) **Mothballed**  
 MB Lenk (D) **Acquisition**

## Technologies

Polymer (D) **Disposal**  
 Otto India (India) **Disposal**  
 Stahlbau Berlin (D) **Closure**  
 Henschel (D) **Disposal**  
 Novoferm (D) **Disposal**  
 Sheffield Automation (USA) **Disposal**

## Elevator

Lift Service Lublin (PL) **Acquisition**  
 ECE Elevator (India) **Acquisition**  
 Mahkota (Malaysia) **Acquisition**  
 Ascensores Causi (E) **Acquisition**  
 Bongear/Hang Pak (Hong Kong) **Acquisition**  
 Britannic Lift Co. (GB) **Acquisition**  
 Tepper Aufzüge (D) **Acquisition**  
 HABAG (D) **Acquisition**  
 Mylau Plant (D) **Closure**  
 TK Herouth Ltd. Partnership (ISR) **Acquisition**  
 DongYang Elevator (South Korea) **Acquisition**

## Services

Ferrosta (CZ) **Acquisition**  
 Rodena (DK) **Acquisition**  
 Werkzeugstahl (D) **Disposal**  
 Verder Kunststoffen (NL) **Acquisition**  
 Metal Center Rochester (USA) **Acquisition**  
 TW Metals (USA) **Acquisition**  
 Rodisola (E) **Acquisition**  
 Umweltservice (D) **Disposal**  
 Construction Services (D) **Disposal**  
 Media Services (D) **Disposal**  
 Triaton Group (D) **Disposal**



## 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
<b>Total</b>	<b>13</b>	<b>€1,246 m</b>	<b>€9 m</b>	<b>€243 m</b>	<b>€33 m</b>	<b>6,706</b>
Subsequent Event	-	-	-	-	-	-

\* incl. non-consolidated entities



# ThyssenKrupp Innovations

## Steel

### Steel design wheels with Nirosta® cover

- High-quality appearance
- Integrated design flexibility
- Lighter/lower in cost than aluminum

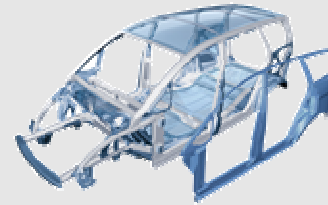


## Steel

## Automotive

### NSB® NewSteelBody

- Open source project to auto manufacturers
- Reference vehicle: Opel Zafira
- Body developed is 24% lighter than reference vehicle



## Automotive

### ORS® Off-road stabilizers for sport utility vehicles



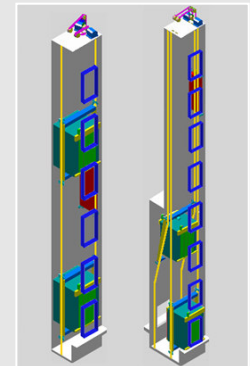
- |                           |                          |
|---------------------------|--------------------------|
| ○ Stiff suspension        | ○ Soft suspension        |
| ○ High damping            | ○ Low damping            |
| ○ High torsional rigidity | ○ Low torsional rigidity |

Hydraulically switching under load

## Elevator

### TWIN® elevator

- Two independent cabins in one shaft
- Higher transportation performance
- Various reference projects



## Conclusion

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- ThyssenKrupp: Focused industrial group based on 3 pillars, combining value and growth components
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- Clear strategic direction: Portfolio optimization will be stepped up
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- Cross-segment development: Driver for technological innovations
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# How to contact ThyssenKrupp Investor Relations

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To be added to the IR mailing list, send us a brief e-mail with your details!



## Appendix – Group Overview (I)

		Fiscal Year			1st quarter		
		2001/02	2002/03	Change in %	2002/03	2003/04	Change in %
Order intake	€m	36,404	<b>36,047</b>	-1.0	9,040	<b>9,624</b>	6.4
Sales	€m	36,698	<b>36,137</b>	-1.5	8,699	<b>8,742</b>	0.5
EBITDA	€m	2,648	<b>2,454</b>	-7.3	588	<b>593</b>	0.9
EBIT	€m	1,046	<b>905</b>	-13.5	189	<b>221</b>	16.9
EBT	€m	762	<b>714</b>	-6.3	141	<b>166</b>	17.7
Net income	€m	216	<b>512</b>	137.0	54	<b>89</b>	64.8
Basic EPS	€	0.42	<b>1.01</b>	140.5	0.10	<b>0.18</b>	80.0
Normalized EPS	€	0.48	<b>0.89</b>	85.4	0.16	<b>0.18</b>	12.5



## Appendix – Group Overview (II)

		Fiscal Year			1st quarter		
		2001/02	2002/03	Change in %	2002/03	2003/04	Change in %
Capex	€m	1,777	<b>1,604</b>	-9.7	358	<b>517</b>	44.4
Deprec./amort.	€m	1,949	<b>1,549</b>	-20.5	399	<b>373</b>	-6.5
Net cash from operating activities	€m	2,454	<b>2,027</b>	-17.4	65	<b>(23)</b>	-
Free cash flow	€m	1,908	<b>858</b>	-55.0	(236)	<b>(311)</b>	-31.8
Employees*		191,254	<b>190,102</b>	-0.6	188,439	<b>188,800</b>	0.2

\* Sept 30 resp. Dec 31





## Appendix – Value Indicators by Segment

	ROCE in %		WACC in %	Target ROCE in %	Capital Employed* in million €	EVA in million €		Change
	2001/02	2002/03	2001/02 and 2002/03			2001/02	2002/03	
<b>Group</b>	<b>7.0</b>	<b>6.9</b>	<b>9.0</b>	<b>12.0</b>	<b>19,496</b>	<b>(413)</b>	<b>(413)</b>	<b>0</b>
thereof								
Steel	4.0	6.5	10.0	12.0	8,743	(538)	(311)	227
Automotive	5.1	9.6	9.5	17.0	2,941	(137)	2	139
Elevator	20.4	23.6	9.0	18.0	1,647	208	241	33
Technologies	11.7	4.2	10.0	15.0	1,165	22	(68)	-90
Services	6.2	3.7	9.0	14.0	3,190	(101)	(168)	-67
Real Estate	5.4	4.0	7.5	9.5	1,782	(39)	(63)	-24

\* average 2002/03

