

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

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Charts on the 1st Quarter 2004\_2005  
February 14, 2005

ThyssenKrupp



## Q1 2004/05 – Overview

### Off to a good start

- **Order intake** increased to €10.9 billion, up 17% yoy
- **Sales** were €10.1 billion, up 20% from the prior-year period
- **EBT** from continuing operations reached €473 million compared to €168 million in the corresponding prior-year period
- **EPS** amounted to €0.53 from €0.19 a year earlier (from continuing operations)
- **Net financial payables** at €3.6 billion, €740 million more than on Sept 30, 2004 and €980 million less than on Dec 31, 2003



# Highlights

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- **Ongoing strong performance of Steel segment**
    - EBT of €351 million more than tripled
    - Higher volumes, price increases and higher-revenue product mix support sales
    - Ongoing implementation of efficiency enhancement measures in all areas

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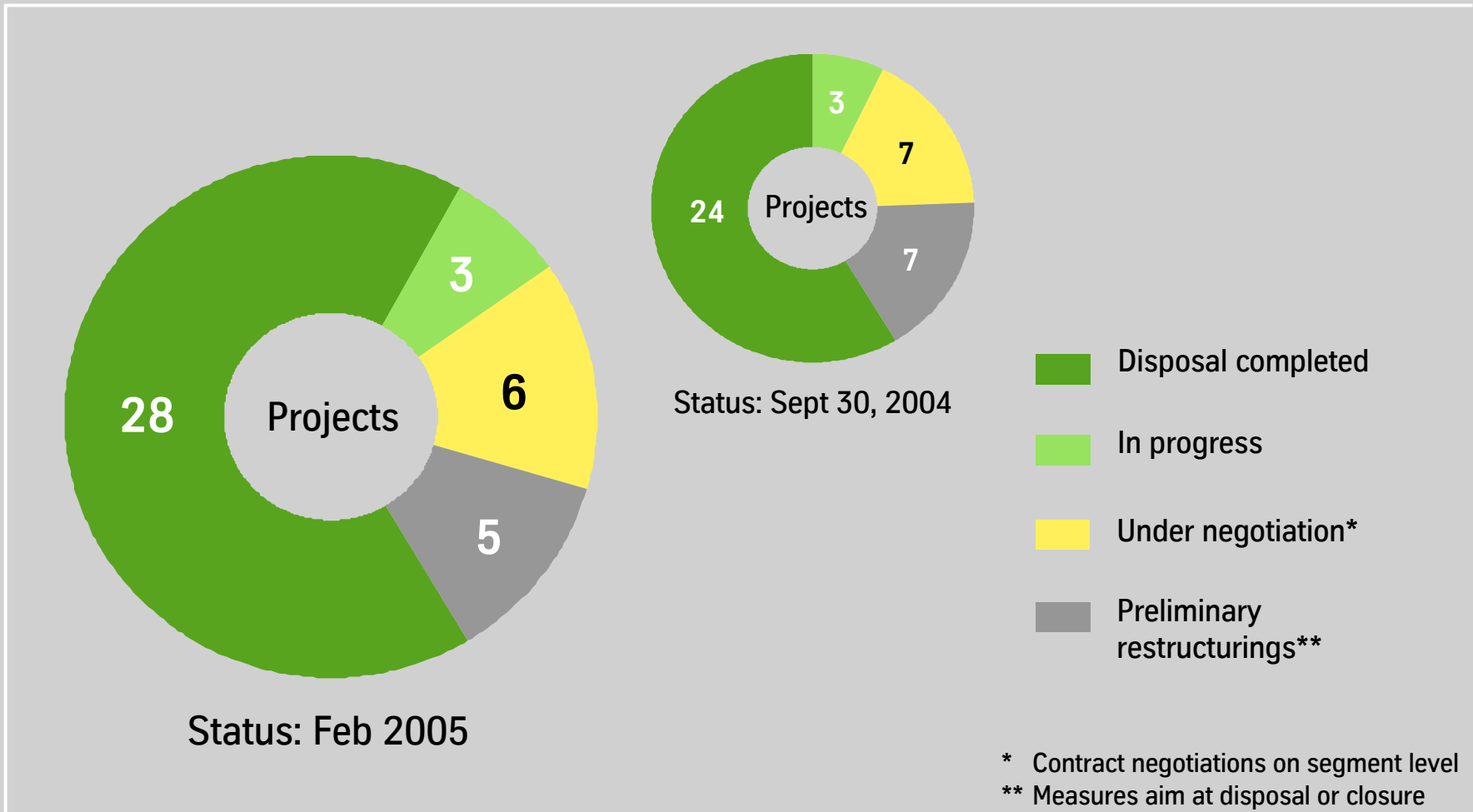
  - **Portfolio optimization program continued**
    - Sale of Residential Real Estate and Aluminum Castings business
    - Both deals signed and closed, deconsolidation as of Q2 2004/05

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  - **Regaining investment grade by S&P and upgrade by Fitch**
    - Significant reduction of net financial payables since the merger (€2.8 bn on Sept 30, 2004 compared to €8.7 bn on March 31, 2001)
    - Balance sheet structure and key ratios strengthened
    - Disposal of Residential Real Estate further improves cash position
- 



# Portfolio Optimization Program – Status Quo



# Portfolio Optimizations since October 2003

## Steel

|                                      |             |
|--------------------------------------|-------------|
| Cipros [minority interest] (I)       | Acquisition |
| GalvaSud (BR)                        | Disposal    |
| Röhrenwerke Fuchs (D)                | Disposal    |
| SWB Stahlformguss (D)                | Disposal    |
| Berkenhoff (D)                       | Disposal    |
| Krupp Edelstahlprofile (D)           | Disposal    |
| CS Inox [minority interest] (I)      | Acquisition |
| Eurinox [minority interest] (NL/TUR) | Acquisition |
| Dortmunder Eisenbahn (D)             | Disposal*** |

## Automotive

|                              |               |
|------------------------------|---------------|
| MB Lenk Group (D)            | Acquisition   |
| Darcast (UK)                 | Disposal      |
| Bertrandt (D)                | Acquisition*  |
| QDF (GB)                     | Disposal      |
| JV TK Gerlach/Sumitomo (CHN) | Acquisition** |
| Fahrzeugguss (D)             | Disposal      |

## Elevator

|                                      |             |
|--------------------------------------|-------------|
| Dong Yang Elevator (South Korea)     | Acquisition |
| Elevator Service 1 (Singapore)       | Acquisition |
| Bonfedi (I)                          | Acquisition |
| Elevator Technologies (N. Zealand)   | Acquisition |
| Whitaker Company (USA)               | Acquisition |
| Kare Elevators & Engineering (India) | Acquisition |

## Technologies

|  |             |
|--|-------------|
| Novoferm (D)                           | Disposal    |
| Sheffield Automation [Measurem.] (USA) | Disposal    |
| Foundry [Giddings&Lewis] (USA)         | Closure     |
| Inventa-Fischer (CH)                   | Acquisition |
| HDW (D)                                | Acquisition |

## Services

|                             |              |
|-----------------------------|--------------|
| Triaton Group (D)           | Disposal     |
| TRT (D)                     | Winding down |
| Facilities Services (D)     | Disposal     |
| Sievering (D)               | Disposal     |
| TMH/ThyssenKrupp Mannex (D) | Winding down |

## Real Estate

|                       |          |
|-----------------------|----------|
| tk3 (CH)              | Disposal |
| TK Wohnimmobilien (D) | Disposal |

\* 25.2% / \*\* 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 | -                  | -               | -             | -                     | -                    | -             |
| <b>Total</b>        | <b>21</b>          | <b>€2,377 m</b> | <b>€(7) m</b> | <b>€505 m</b>         | <b>€179 m</b>        | <b>12,654</b> |
| Subsequent Events   | 2                  | €535 m          | €123 m        | €173 m <sup>***</sup> | €50 m <sup>***</sup> | 2,140         |

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



# Disposal Residential Real Estate – Key Facts

- Transaction volume : €2.1 bn
- Book value : €1.0 bn
- Buyer : Morgan Stanley Real Estate Fund  
Corpus Immobiliengruppe
- Number of housing units : 48,000 (approx. 3.3 m sqm)  
mainly located in the Rhine-Ruhr area
- Deconsolidation : Q2 2004/05



Sales 2003/04 : €245 m

EBT 2003/04 : €85 m

Employees  
(Sept 30, 2004): 372

## 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.
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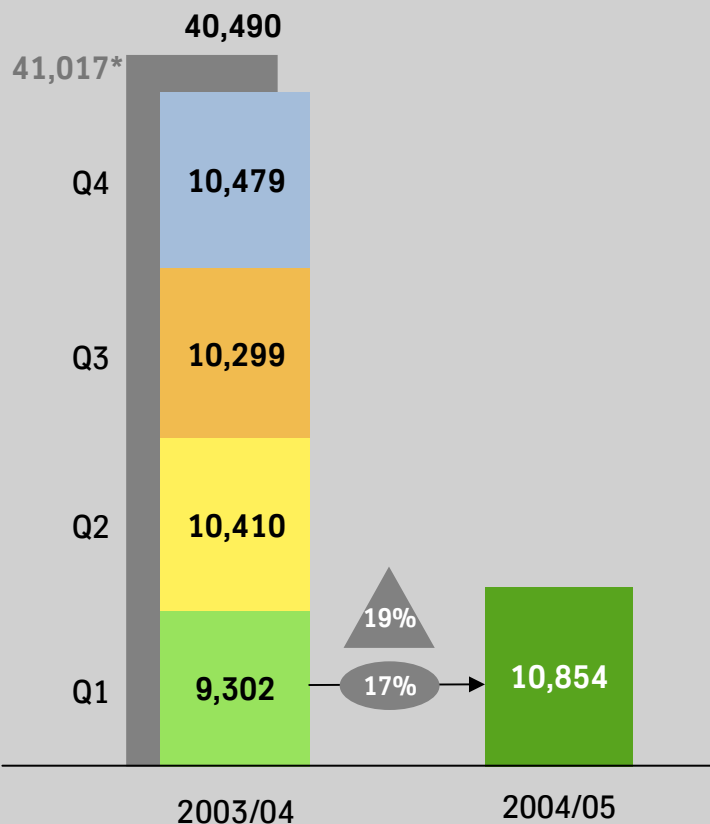




# Group (I)

## Order intake

million €

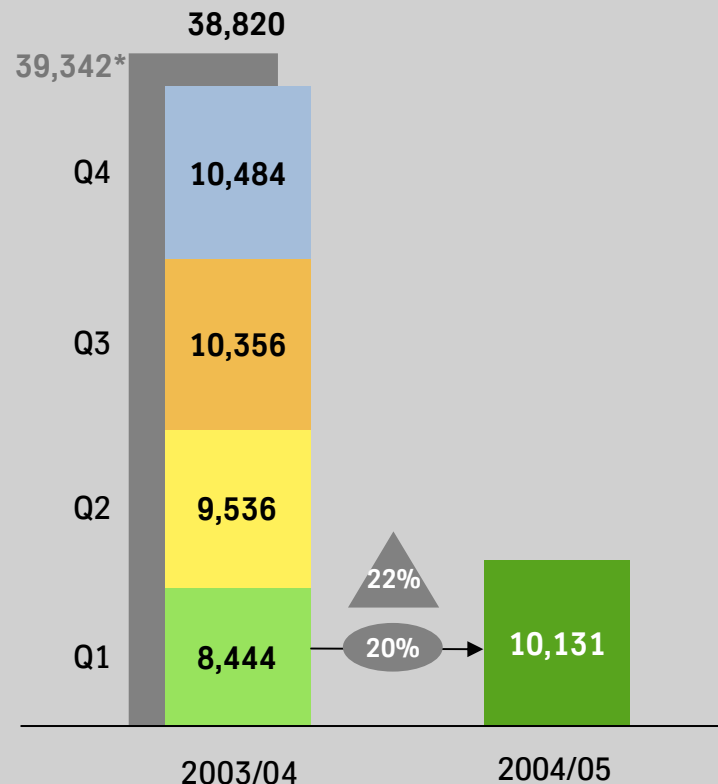


\* as reported on Dec 1, 2004

▲ excluding €/\$ exchange rate effects

## Sales

million €



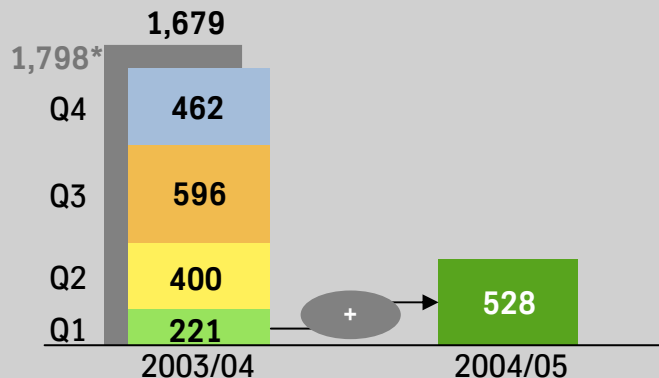
\* as reported on Dec 1, 2004

▲ excluding €/\$ exchange rate effects



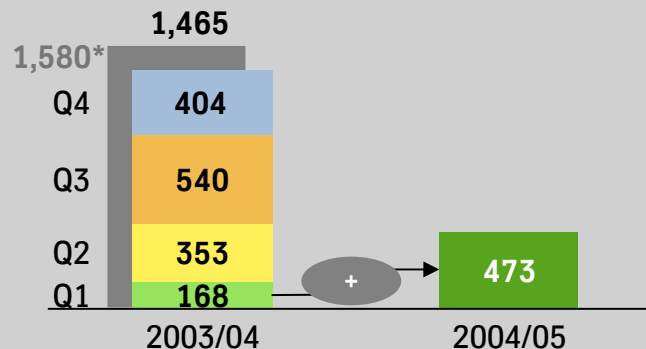
# Group (II)

**EBIT** million €



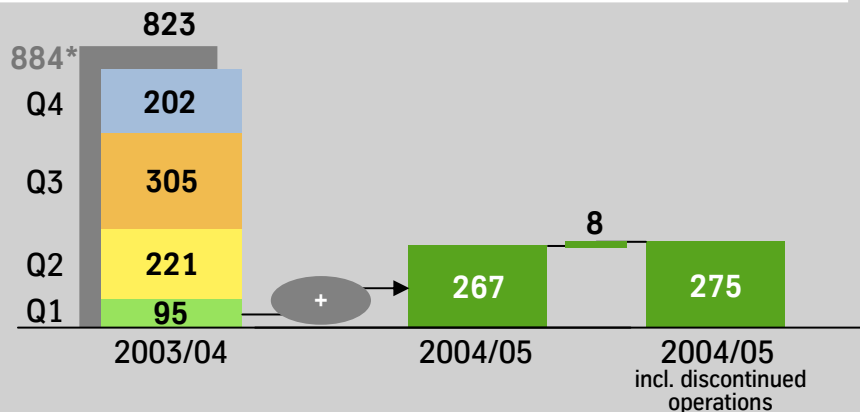
\* as reported on Dec 1, 2004

**EBT** million €



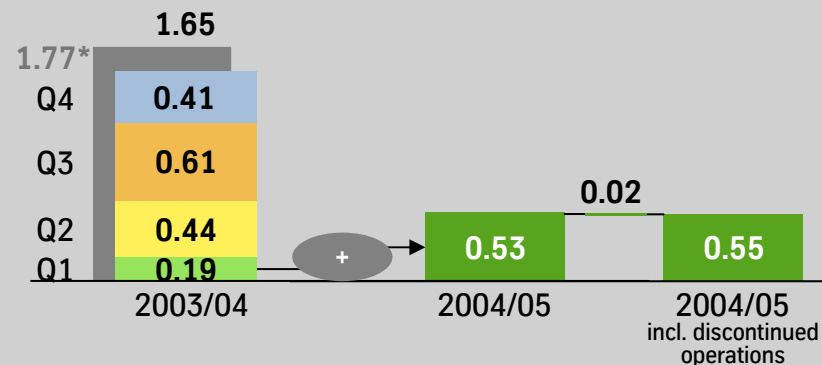
\* as reported on Dec 1, 2004

**Net income** million €



\* as reported on Dec 1, 2004

**Earnings per share** €



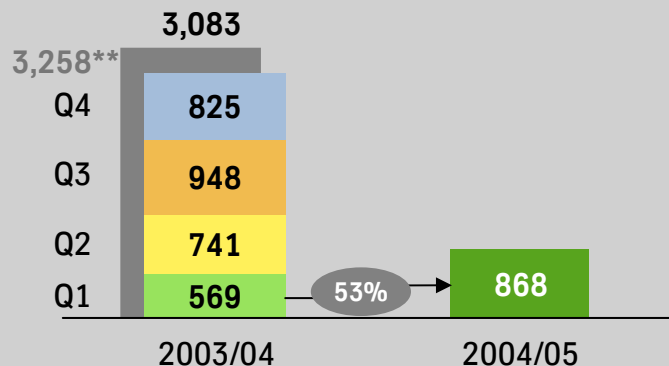
\* as reported on Dec 1, 2004



# Group (III)

## EBITDA\*

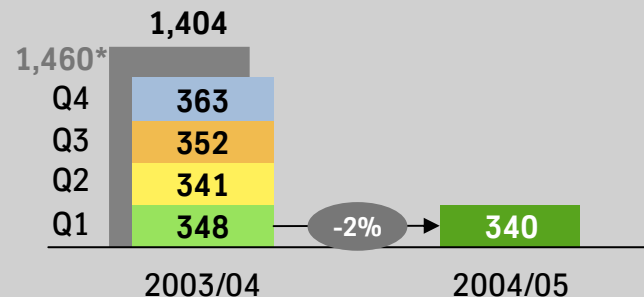
million €



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

## Depreciation and amortization

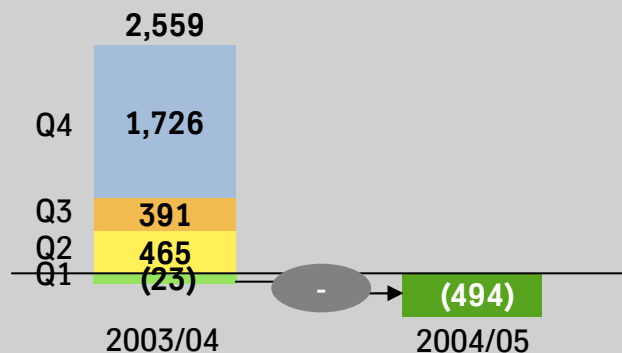
million €



\* as reported on Dec 1, 2004

## Net cash provided by operating activities\*

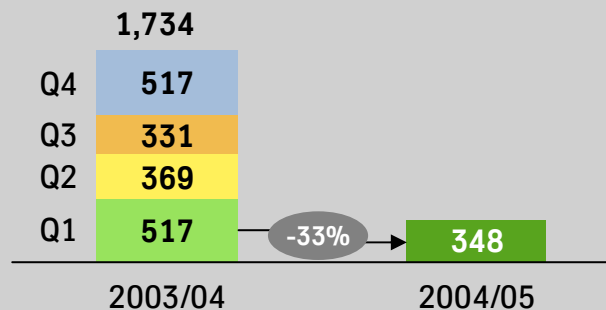
million €



\* figures not adjusted in accordance with SFAS 144

## Capital expenditures\*

million €



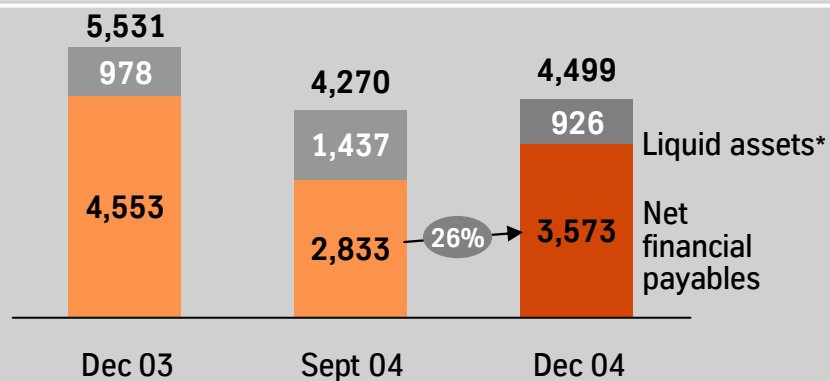
\* incl. financial investments; figures not adjusted in accordance with SFAS 144



# Group (IV)

## Financial payables

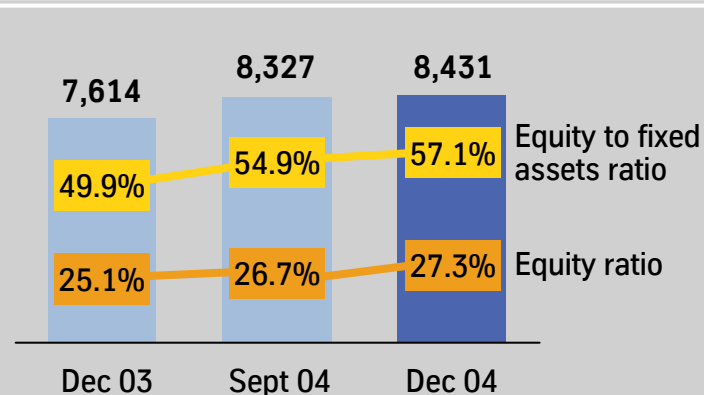
million €



\* cash and cash equivalents, marketable securities

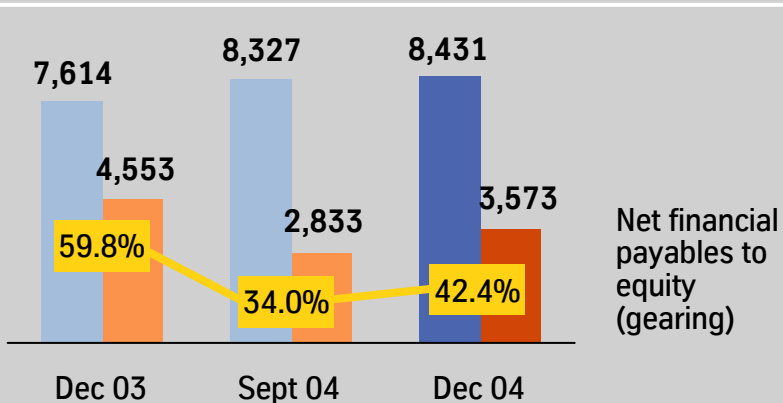
## Stockholders' equity

million €



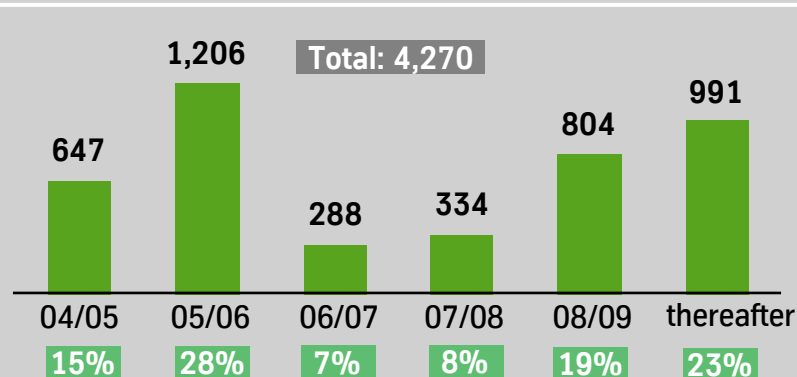
## Gearing

million €



## Maturity profile of gross financial payables\*

million €



\* as of Sept 2004



## Group Overview by Quarter (I)

|   |    | 1st quarter |         | Change | Change<br>in % |
|---|----|-------------|---------|--------|----------------|
|   |    | 2003/04     | 2004/05 |        |                |
| Order intake                                | €m | 9,302       | 10,854  | 1,552  | 16.7           |
| Sales                                       | €m | 8,444       | 10,131  | 1,687  | 20.0           |
| EBITDA                                      | €m | 569         | 868     | 299    | 52.5           |
| EBIT  | €m | 221         | 528     | 307    | +              |
| EBT   | €m | 168         | 473     | 305    | +              |
| Net income                                  | €  | 95          | 267     | 172    | +              |
| EPS   | €  | 0.19        | 0.53    | 0.34   | +              |
| Net income<br>incl. discontinued operations | €m | 100         | 275     | 175    | +              |
| EPS<br>incl. discontinued operations        | €  | 0.20        | 0.55    | 0.35   | +              |

## Group Overview by Quarter (II)

|                                       |          | 1st quarter |         | Change | Change<br>in % |
|---------------------------------------|----------|-------------|---------|--------|----------------|
|                                       |          | 2003/04     | 2004/05 |        |                |
| Capex                                 | €m       | 517         | 348     | -169   | -32.7          |
| Deprec./amort.                        | €m       | 348         | 340     | -8     | -2.3           |
| Net cash from<br>operating activities | €m       | (23)        | (494)   | -471   | -              |
| Free cash flow                        | €m       | (311)       | (768)   | -457   | -              |
| Employees                             | (Dec 31) | 180,887     | 181,649 | 762    | 0.4            |



# Segment Overview – Steel (I)

## Steel

International steel market remained in good shape with raw material markets staying tight

### Steel

- Strong business performance continued: Order intake, sales and EBT above previous year's figures
- Ongoing implementation of efficiency enhancement programs as main driver for earnings improvement

### Carbon Steel

- At level **order intake** clear increase in **sales**; business expansion due to higher average revenues reflecting implemented price increases and a higher-revenue product mix
- Strong improvement in **EBT** mainly as a result of business expansion; main contribution from steel service centers and non-grain-oriented electrical steel activities

| million €         | 1st quarter |         | Change | Change in % |
|-------------------|-------------|---------|--------|-------------|
|                   | 2003/04     | 2004/05 |        |             |
| Order intake      | 3,320       | 3,615   | 295    | 8.9         |
| • Carbon Steel    | 2,075       | 2,119   | 44     | 2.1         |
| • Stainless Steel | 1,140       | 1,325   | 185    | 16.2        |
| Sales             | 2,919       | 3,622   | 703    | 24.1        |
| • Carbon Steel    | 1,742       | 2,224   | 482    | 27.7        |
| • Stainless Steel | 1,040       | 1,294   | 254    | 24.4        |
| EBITDA            | 326         | 553     | 227    | 69.6        |
| • Carbon Steel    | 235         | 380     | 145    | 61.7        |
| • Stainless Steel | 93          | 163     | 70     | 75.3        |
| EBIT              | 134         | 367     | 233    | +           |
| • Carbon Steel    | 92          | 239     | 147    | +           |
| • Stainless Steel | 55          | 127     | 72     | +           |
| EBT               | 114         | 351     | 237    | +           |
| • Carbon Steel    | 79          | 227     | 148    | +           |
| • Stainless Steel | 44          | 116     | 72     | +           |

# Segment Overview – Steel (II)

## Steel

### Stainless Steel

- Significant growth in **order intake** and **sales** for nickel base alloys
- Overall **sales** increase due to high demand, higher base prices and further rise of alloy surcharges
- Growth in **EBT** mainly driven by German and Mexican business, activities in China with substantial earnings improvement

### Special Materials

- **Sales** slightly down as a result of re-organization of electrical steel business; strong sales growth at EWK
- Positive **EBT** with clear contribution from EWK, mainly as a result of successful restructuring programs; losses at Italian grain-oriented electrical steel product group

|                                      | 1st quarter |         | Change | Change in % |
|--------------------------------------|-------------|---------|--------|-------------|
|                                      | 2003/04     | 2004/05 |        |             |
| Crude steel output<br>(million tons) | 4.2         | 4.3     | 0.1    | 2.4         |
| • Carbon Steel                       | 3.4         | 3.5     | 0.1    | 2.9         |
| • Stainless Steel                    | 0.7         | 0.7     | -      | -           |
| .....                                |             |         |        |             |
| Shipments<br>(1,000 tpm)             |             |         |        |             |
| • TKS cold-rolled*                   | 559.7       | 619.6   | 59.9   | 10.7        |
| • TKS hot-rolled**                   | 331.0       | 349.3   | 18.3   | 5.5         |
| • Stainless total                    | 196.0       | 184.0   | -12.0  | -6.1        |
| • Stainless cold-rolled              | 144.0       | 141.0   | -3.0   | -2.1        |
| .....                                |             |         |        |             |
| Employees (Dec 31)                   | 46,947      | 46,640  | -307   | -0.7        |
| • Carbon Steel                       | 29,003      | 30,483  | 1,480  | 5.1         |
| • Stainless Steel                    | 11,896      | 12,366  | 470    | 4.0         |

\* incl. NGO-Electrical Steel/\*\* excl. hot-strip for NGO-Electrical Steel





## Segment Overview – Capital Goods (I)

### Automotive

|              |          | 1st quarter |         |        |             |
|--------------|----------|-------------|---------|--------|-------------|
|              |          | 2003/04     | 2004/05 | Change | Change in % |
| Order intake | €m       | 1,669       | 1,850   | 181    | 10.8        |
| Sales        | €m       | 1,667       | 1,798   | 131    | 7.9         |
| EBITDA       | €m       | 116         | 92      | -24    | -20.7       |
| EBIT         | €m       | 37          | 13      | -24    | -64.9       |
| EBT          | €m       | 28          | 4       | -24    | -85.7       |
| Employees    | (Dec 31) | 43,400      | 43,326  | -74    | -0.2        |

- Higher **orders** and **sales** at all business units, especially for systems business (Body&Chassis EU/AP/LA) and Powertrain activities; at constant €/ \$ exchange rate order intake and sales would have been 15% and 12% higher respectively
- Decrease in **EBT** due to lower productivity (Body&Chassis NA) and non-recurring expenses (Body&Chassis EU/AP/LA); earnings effects of passing on higher steel prices not yet fully realized; clear profit at Powertrain
- New **business unit structure** as of Oct 1, 2004 based on regional organizational principles (prior-year figures adjusted)



## Segment Overview – Capital Goods (II)

### Elevator

|              |          | 1st quarter |         | Change | Change in % |
|--------------|----------|-------------|---------|--------|-------------|
|              |          | 2003/04     | 2004/05 |        |             |
| Order intake | €m       | 939         | 1,002   | 63     | 6.7         |
| Sales        | €m       | 875         | 876     | 1      | 0.1         |
| EBITDA       | €m       | 107         | 114     | 7      | 6.5         |
| EBIT         | €m       | 94          | 101     | 7      | 7.4         |
| EBT          | €m       | 87          | 97      | 10     | 11.5        |
| Employees    | (Dec 31) | 30,858      | 32,444  | 1,586  | 5.1         |

- Stabilization of construction market in continental Europe and the USA; service business with continuously good performance
- Slight increase in order intake while sales remained steady; orders mainly driven by Americas business unit, strong business especially Germany, France and Spain
- Improvement on EBT level at nearly all business units despite difficult market environment in some countries and price increases for starting materials
- Excluding currency effects order intake, sales and EBT would have been 10%, 3% and 14% higher respectively



## Segment Overview – Capital Goods (III)

### Technologies

|              |          | 1st quarter |         |        |             |
|--------------|----------|-------------|---------|--------|-------------|
|              |          | 2003/04     | 2004/05 | Change | Change in % |
| Order intake | €m       | 1,480       | 1,687   | 207    | 14.0        |
| Sales        | €m       | 1,015       | 1,272   | 257    | 25.3        |
| EBITDA       | €m       | 26          | 58      | 32     | +           |
| EBIT         | €m       | (3)         | 29      | 32     | +           |
| EBT          | €m       | 6           | 42      | 36     | +           |
| Employees    | (Dec 31) | 25,015      | 25,539  | 524    | 2.1         |

- **Order intake** up – higher order volumes at Plant Technology (especially for cement plants and handling equipment) and Mechanical Engineering, new orders for Marine (2 mega-yachts and 2 container ships); clear **sales** increase in all business units
- Significant improvement in **EBT**, mainly reflecting the reduction of losses at MetalCutting and increased profits at Mechanical Engineering
- Start of **ThyssenKrupp Marine Systems**: €2.2 bn sales, 9,300 employees, focusing on submarines, naval vessels, merchant vessels and repairs (consolidation as of Q2 2004/05)



## Segment Overview - Services

### Services

|              |          | 1st quarter |         | Change | Change in % |
|--------------|----------|-------------|---------|--------|-------------|
|              |          | 2003/04     | 2004/05 |        |             |
| Order intake | €m       | 2,430       | 3,221   | 791    | 32.6        |
| Sales        | €m       | 2,420       | 3,195   | 775    | 32.0        |
| EBITDA       | €m       | 70          | 132     | 62     | 88.6        |
| EBIT         | €m       | 39          | 106     | 67     | +           |
| EBT          | €m       | 29          | 100     | 71     | +           |
| Employees    | (Dec 31) | 33,595      | 32,771  | -824   | -2.5        |

- Favourable **market** conditions for material handling business and trading activities continue
- Rise in **order intake** and **sales** due to strong demand and continuing high price levels, especially at Materials Services Europe and Special Products; high sales growth at Materials Services North America supported by sales initiative
- Strong **EBT** backed by all business units as a result of higher sales and successful performance-enhancement initiatives; largest contribution from Materials Services Europe, biggest increase at Materials Services North America

## Segment Overview by Quarter (I)

|               | 1st quarter 2003/04 |              |                    | 1st quarter 2004/05 |               |                    |
|---------------|---------------------|--------------|--------------------|---------------------|---------------|--------------------|
|               | Order intake in €m  | Sales in €m  | Employees (Dec 31) | Order intake in €m  | Sales in €m   | Employees (Dec 31) |
| Steel         | 3,320               | 2,919        | 46,947             | 3,615               | 3,622         | 46,640             |
| Automotive    | 1,669               | 1,667        | 43,400             | 1,850               | 1,798         | 43,326             |
| Elevator      | 939                 | 875          | 30,858             | 1,002               | 876           | 32,444             |
| Technologies  | 1,480               | 1,015        | 25,015             | 1,687               | 1,272         | 25,539             |
| Services      | 2,430               | 2,420        | 33,595             | 3,221               | 3,195         | 32,771             |
| Corporate     | 32                  | 32           | 1,072              | 29                  | 29            | 929                |
| Consolidation | (568)               | (484)        | –                  | (550)               | (661)         | –                  |
| <b>Group</b>  | <b>9,302</b>        | <b>8,444</b> | <b>180,887</b>     | <b>10,854</b>       | <b>10,131</b> | <b>181,649</b>     |



## Segment Overview by Quarter (II)

| million €     | 1st quarter 2003/04 |            |            | 1st quarter 2004/05 |            |            |
|---------------|---------------------|------------|------------|---------------------|------------|------------|
|               | EBITDA              | EBIT       | EBT        | EBITDA              | EBIT       | EBT        |
| Steel         | 326                 | 134        | 114        | 553                 | 367        | 351        |
| Automotive    | 116                 | 37         | 28         | 92                  | 13         | 4          |
| Elevator      | 107                 | 94         | 87         | 114                 | 101        | 97         |
| Technologies  | 26                  | (3)        | 6          | 58                  | 29         | 42         |
| Services      | 70                  | 39         | 29         | 132                 | 106        | 100        |
| Corporate     | (70)                | (75)       | (91)       | (73)                | (80)       | (112)      |
| Consolidation | (6)                 | (5)        | (5)        | (8)                 | (8)        | (9)        |
| <b>Group</b>  | <b>569</b>          | <b>221</b> | <b>168</b> | <b>868</b>          | <b>528</b> | <b>473</b> |

## Segment Overview – Order Intake

| million €     | 1st quarter  |               | Change       | Change in % | Change in % excluding €/\$ exchange rate effects |
|---------------|--------------|---------------|--------------|-------------|--|
|               | 2003/04      | 2004/05       |              |             |  |
| Steel         | 3,320        | 3,615         | 295          | 8.9         | 9.7  |
| Automotive    | 1,669        | 1,850         | 181          | 10.8        | 15.0   |
| Elevator      | 939          | 1,002         | 63           | 6.7         | 9.9  |
| Technologies  | 1,480        | 1,687         | 207          | 14.0        | 14.9   |
| Services      | 2,430        | 3,221         | 791          | 32.6        | 34.6   |
| Corporate     | 32           | 29            | -3           | -9.4        |  |
| Consolidation | (568)        | (550)         | 18           | 3.2         |  |
| <b>Group</b>  | <b>9,302</b> | <b>10,854</b> | <b>1,552</b> | <b>16.7</b> | <b>18.7</b>                                      |

## Segment Overview – Sales

| million €     | 1st quarter  |               | Change       | Change in % | Change in % excluding €/\$ exchange rate effects |
|---------------|--------------|---------------|--------------|-------------|--|
|               | 2003/04      | 2004/05       |              |             |  |
| Steel         | 2,919        | 3,622         | 703          | 24.1        | 24.9   |
| Automotive    | 1,667        | 1,798         | 131          | 7.9         | 12.0   |
| Elevator      | 875          | 876           | 1            | 0.1         | 2.9  |
| Technologies  | 1,015        | 1,272         | 257          | 25.3        | 26.6   |
| Services      | 2,420        | 3,195         | 775          | 32.0        | 34.1   |
| Corporate     | 32           | 29            | -3           | -9.4        |  |
| Consolidation | (484)        | (661)         | -177         | -36.6       |  |
| <b>Group</b>  | <b>8,444</b> | <b>10,131</b> | <b>1,687</b> | <b>20.0</b> | <b>22.1</b>                                      |





## Segment Overview – EBT

| million €     | 1st quarter |            | Change     | Change in % | Change in % excluding €/\$ exchange rate effects |
|---------------|-------------|------------|------------|-------------|--|
|               | 2003/04     | 2004/05    |            |             |  |
| Steel         | 114         | 351        | 237        | +           | +  |
| Automotive    | 28          | 4          | -24        | -85.7       | -89.3  |
| Elevator      | 87          | 97         | 10         | 11.5        | 13.8   |
| Technologies  | 6           | 42         | 36         | +           | +  |
| Services      | 29          | 100        | 71         | +           | +  |
| Corporate     | (91)        | (112)      | -21        | -23.1       |  |
| Consolidation | (5)         | (9)        | -4         | -80.0       |  |
| <b>Group</b>  | <b>168</b>  | <b>473</b> | <b>305</b> | <b>+</b>    | <b>+</b>   |

## Financial Calendar 2004/05 (I)

- March 15, 2005 and March 16, 2005 Auto Field Day (Versailles, France)
- 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



## Financial Calendar 2004/05 (II)

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- October 26, 2005 to November 30, 2005 Quiet Period

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  - December 1, 2005 Annual Press Conference  
Analysts' and Investors' Meeting (Essen, Germany)

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  - January 27, 2006 Annual General Meeting

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  - January 30, 2006 Payment of dividend for fiscal year 2004/05

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  - February 13, 2006 Interim Report 1st quarter 2005/06 (October to December)  
Conference Call with Analysts and Investors
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# How to Contact ThyssenKrupp Investor Relations

## Institutional Investors and Analysts:

- Phone: +49 211 824-36464
- Fax: +49 211 824-36467
- E-mail: [ir@thyssenkrupp.com](mailto:ir@thyssenkrupp.com)
- Internet: [www.thyssenkrupp.com](http://www.thyssenkrupp.com)

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

## Disclaimer

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