

03

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Q3 2002/2003 – Overview

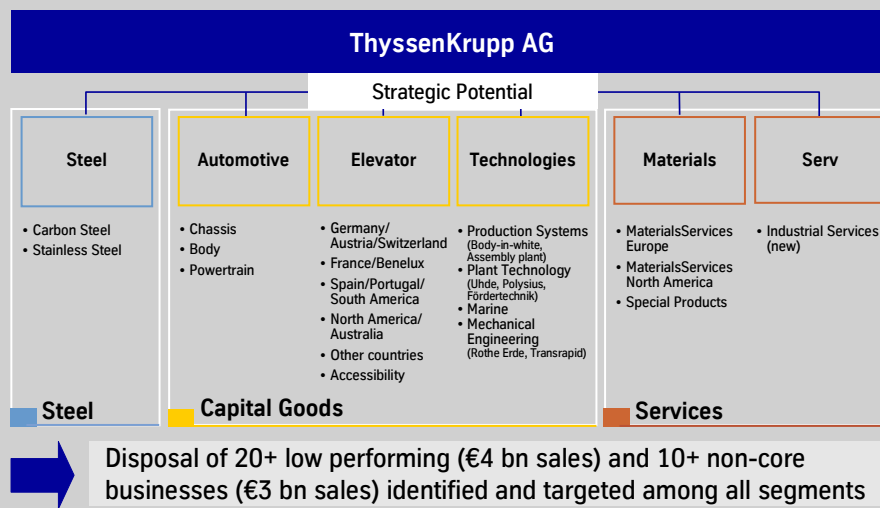
Still holding up well in a tough economic environment

- Sales 8% down at €8.9 billion, orders 4% down from prior year at €9.1 billion
- EBT at €221 million roughly in line with the year before, taking into consideration the profits from the sale of activities at Automotive and Technologies and particularly high income from the fair value measurement of foreign currency positions and derivatives in the prior-year quarter
- EPS slightly higher at €0.42 (previous year €0.39); adjusted for a positive tax effect due to share repurchase normalized EPS are €0.23 (previous year €0.31)
- Against September 30, 2002 net financial payables slightly up to €4.9 billion after dividend payment and share repurchase

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ThyssenKrupp - Strategic Direction

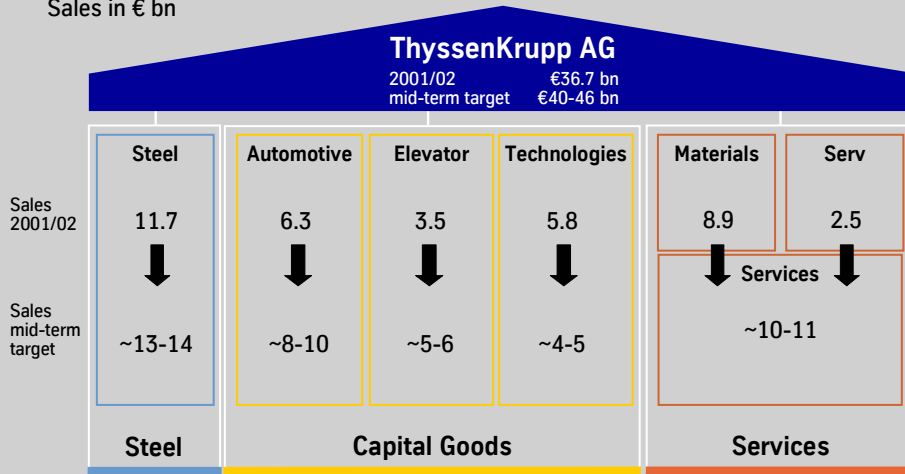


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ThyssenKrupp: Focused industrial group based on 3 pillars

Sales in € bn



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30+ Portfolio Optimizations since Oct. 1, 2002

Corporate	Elevator
Böhler Thyssen Schweißtechnik (D) Disposal	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*
Steel	Technologies
Galmed (E) Acquisition	Polymer (D) Disposal
Quarto plate activities (D) Disposal	Otto India (India) Disposal
LA.RE. (I) Disposal	Stahlbau Berlin (D) Closure
TAD (I) Acquisition	Henschel (D) Disposal
Fischer (F) Closure	
Bauelemente Dinslaken (D) Closure	
Automotive	Serv
Greening Donald (CAN) Disposal	Rodisola (E) Acquisition
Sofedit (F) Acquisition*	Umweltservice (D) Disposal
Phillips & Temro (USA) Disposal	Construction Services (D) Disposal*
Philadelphia Plant (USA) Closure	Media Services (D) Disposal
Kendalville (USA) Mothballed	
Materials	
Ferrosta (CZ) Acquisition	
Rodena (DK) Acquisition	

* signed/closed transactions after June 30, 2003

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Portfolio Optimization – Disposals FY 2002/03

	Number of Entities	Sales	EBT	Net Financial Debt	Pension Obligations	Employees
1st Half	8	€529 m	-€7 m	€67 m	€1 m	2,663
3rd Quarter	3	€223 m	€4 m	€88 m	€12 m	1,044
Total	11	€752 m	-€3 m	€155 m	€13 m	3,707
Subsequent Event	1	€167 m	€4 m	€87 m	€6 m	822

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Portfolio Optimization – Acquisitions

	Sales	EBT	Transaction Volume	Employees	Status
Galmed, Spain Hot dip galvanizer; access to high-growth Spanish automobile market; further step in internationalization of downstream activities	≈€100 m	+	€51 m	≈60	consolidated
Tepper Aufzüge, Germany Biggest elevator manufacturer in NRW; further strengthening market position in Germany	≈€40 m	+	€42 m	≈300	consolidated
Sofedit, France French supplier, further strengthening position in OEM market	≈€600 m	+	€155 m	≈4,000	closed
DongYang, South Korea Strengthen the segment's market position in Asia, especially in Korea	≈€200 m	+	not disclosed	≈1,000	signed

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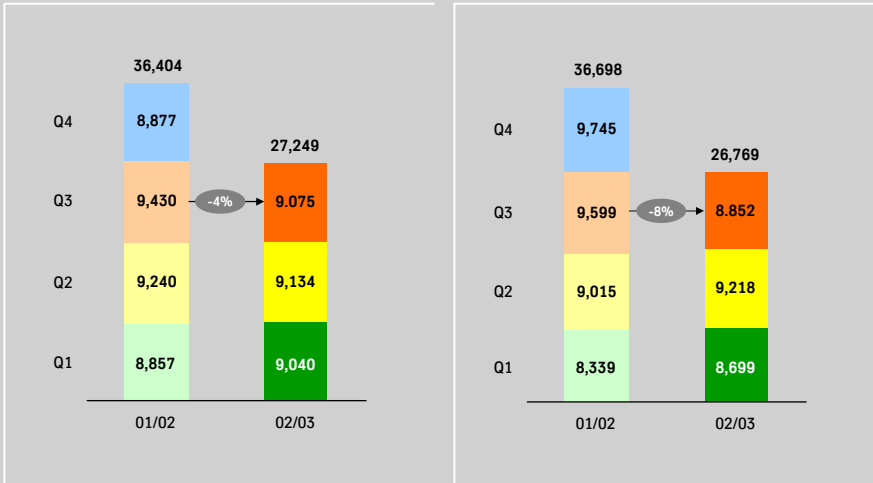
Group (I)

Order intake

million €

Sales

million €



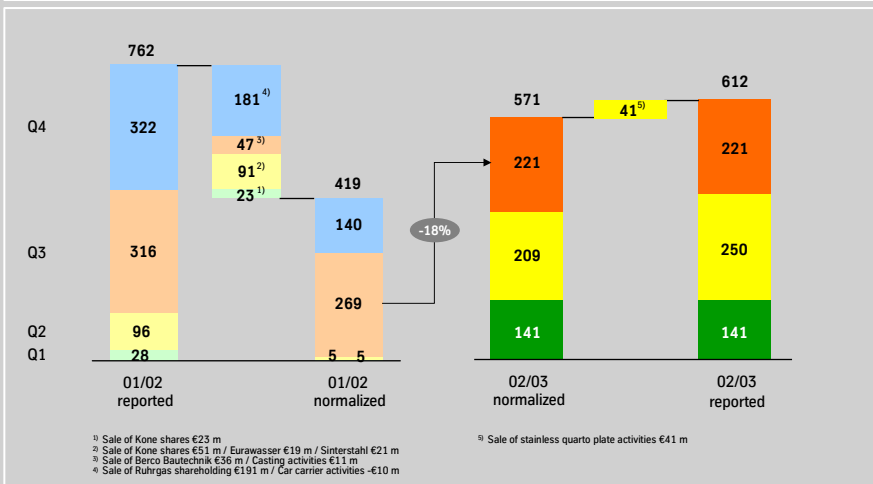
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Group (II)

EBT

million €



¹⁾ Sale of Kone shares €23 m
²⁾ Sale of Kone shares €51 m / Eurawasser €19 m / Sinterstahl €21 m
³⁾ Sale of Berco Bautechnik €36 m / Casting activities €11 m
⁴⁾ Sale of Ruhrgas shareholding €191 m / Car carrier activities -€10 m

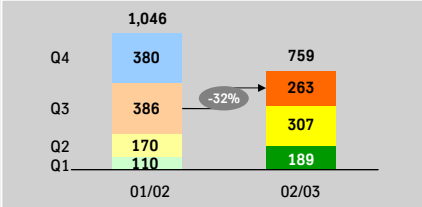
⁵⁾ Sale of stainless quarto plate activities €41 m

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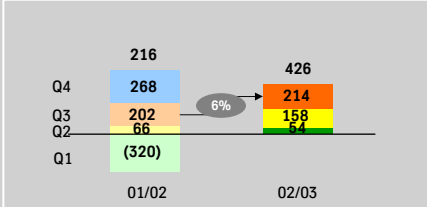


Group (III)

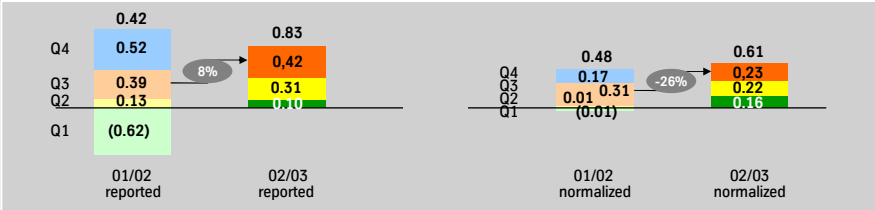
EBIT million €



Net income million €



Earnings per share €



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Group (IV) – Earnings per share

€	Q 1	Q 2	Q 3	9 months
Reported EPS	0.10	0.31	0.42	0.83
Adoption of SFAS 143	0.06	(0.05)		0.01
Disposal of quarto plate activities		(0.04)		(0.04)
Tax effect due to share repurchase			(0.19)	(0.19)
Normalized EPS	0.16	0.22	0.23	0.61
Number of shares in million	514.5	514.5	504.1*	511.0*

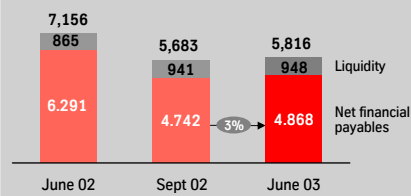
* difference in number of shares due to share repurchase in 3rd quarter

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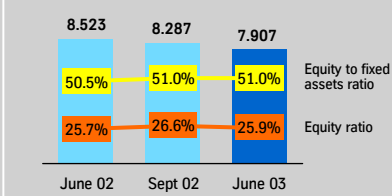


Group (V)

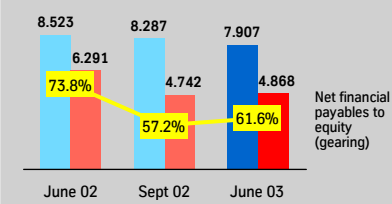
Financial payables million €



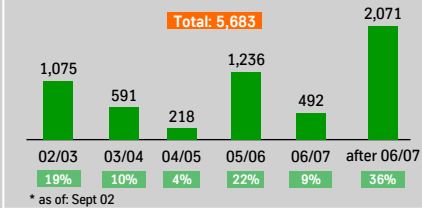
Stockholders' equity million €



Gearing million €



Maturity profile of gross financial payables* million €

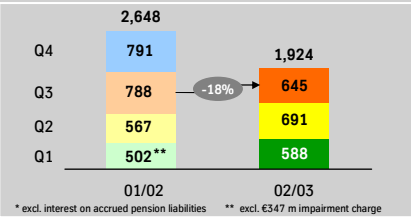


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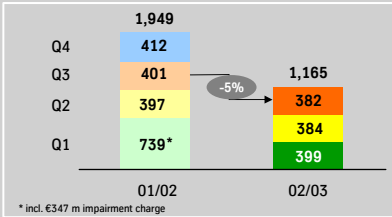


Group (VI)

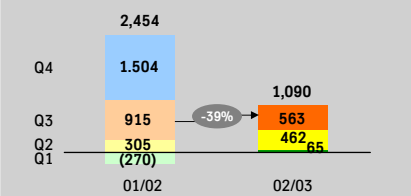
EBITDA* million €



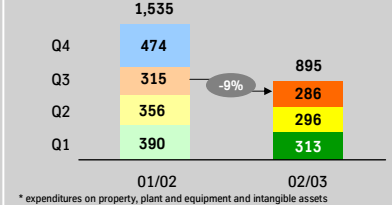
Depreciation and amortization million €



Net cash provided by operating activities million €



Capital expenditures* million €



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Outlook

- There was still no brightening of the economic picture in the 3rd quarter of fiscal 2002/2003. Due to declining orders in key sectors, a rapid improvement in the situation is not expected. Assuming no further deterioration in the world economic parameters at least in the short term, we aim to achieve normalized earnings before taxes of €700 million in the 2002/2003 fiscal year.
- Should the weakening trends continue in the coming months, especially in the key auto, construction and mechanical engineering industries, we will review our plan of achieving €1.5 billion EBT in fiscal 2003/2004. Since the plan was presented at the 2002 Annual Stockholders' Meeting, the economic parameters have continuously deteriorated.

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Appendix

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Value Indicators by Segment

	ROCE in %		WACC in % 2000/2001 and 2001/2002	Target ROCE in %	Capital Employed* in million €	EVA in million €	
	2000/01**	2001/2002				2000/01**	2001/2002
Steel	9.8	4.0	10.0	12.0	8,976	(16)	(538)
Automotive	9.0	5.1	9.5	17.0	3,122	(16)	(137)
Elevator	18.4	20.4	9.0	18.0	1,826	186	208
Technologies	14.2	11.7	10.0	15.0	1,297	73	22
Materials	5.8	5.5	9.0	12.0	2,468	(88)	(87)
Serv	0.5	7.7	9.0	15.0	1,071	(98)	(14)
Real Estate	5.5	5.4	7.5	9.5	1,842	(37)	(39)
Group	8.8	7.0	9.0	12.0	21,001	(46)	(413)

* average 2001/2002

** Note: 2000/2001 figures adapted (increase in goodwill amortization)

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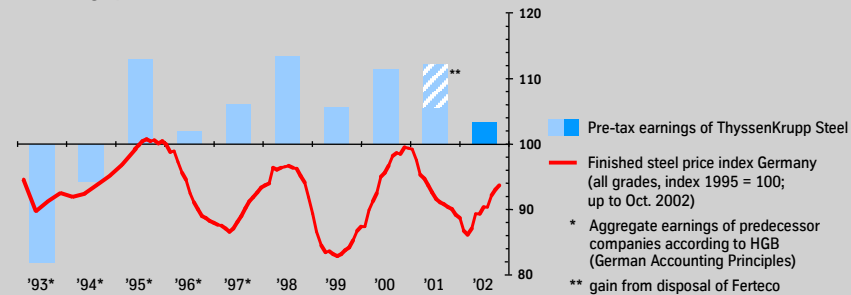


Closer look at the Segments (I)

Steel

Steel

- Positive earnings momentum at Carbon Steel
- "Price before volume" policy successfully implemented and bearing fruits
- High proportion of contract business and cost reduction measures secure profitability
- Earnings potential about €800 million

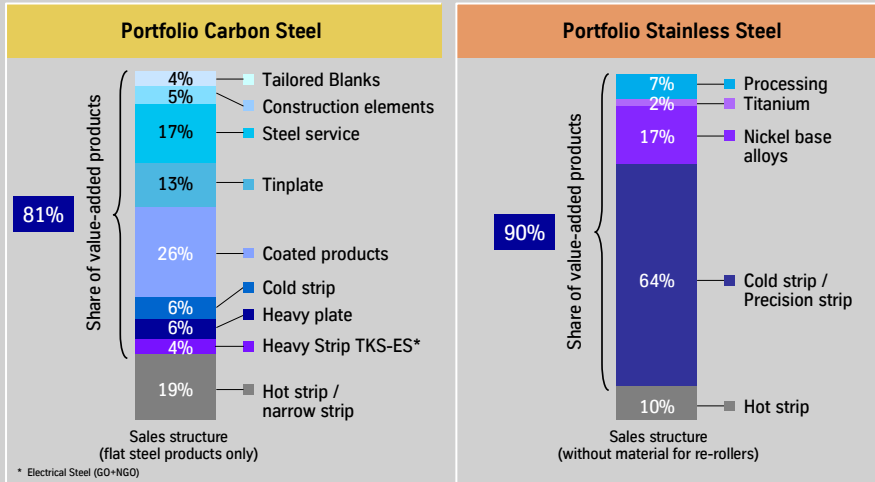


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Focusing on High Value-Added and Innovative Flat Products

Sales Structures BU Carbon Steel and BU Stainless Steel

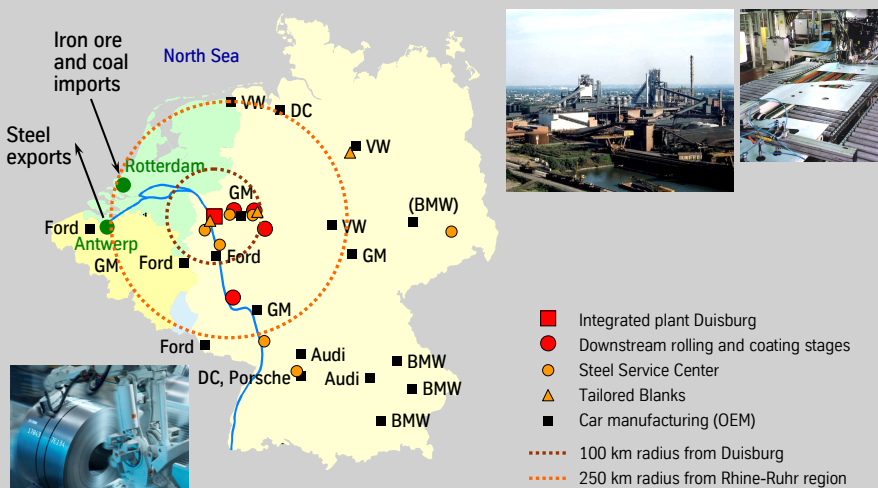


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Logistics Chain of Carbon Steel Achieves an Over-all Optimum

Raw materials supplies, production locations and customers



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ThyssenKrupp Steel Strategy

- Profit leader in Europe through
 - portfolio optimization
 - investment policy
 - performance enhancement
- Innovation leader in products and processes
- Organic growth in core business
(e.g. tinplate, Shanghai Krupp Stainless, Tailored Blanks, coating)
- Systematic development of global strategic alliances
 - JFE (Carbon)
 - Baosteel (Stainless/China) and Angang (Coated/China)
 - Nippon (Electrical Steel)
- Active participation in the European and international restructuring of the steel industry

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Closer look at the Segments (II)

Capital Goods

Automotive

- Sofedit acquisition to complement strong market position in Europe
- Lifetime contracts will result in a sales volume of €7.5 billion in 2003/2004
- Further cost reduction measures in response to continuing price pressure

Elevator

- Stable earnings and cash flow contributions due to high proportion of service-based sales (> 50%)
- Well balanced expansion program along organic growth and acquisitions in place
- Acquisition of DongYang to strengthen market position in Asia

Technologies

- Major portfolio optimization on its way
- Successful divestiture of Thyssen Polymer and Henschel
- Strong order book in Plant Technology

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Closer look at the Segments (III)

Services

Materials + Serv

- Merging prior service oriented segments to larger entity "Services"
- Clear focus on customer-centric processes
- Scaling back of low-margin, high-risk activities
- Disposal of scaffolding business at a substantial loss

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Steel (I)

- Demand weakened; some production facilities no longer run at full capacity
- Orders down 7%, sales slightly down 2%
- EBT in total on prior year level; mixed picture in Carbon Steel and Stainless Steel
- Crude steel output remained at 4.3 million tons

million €	3rd quarter			
	2001/02	2002/03	Change	Change in %
Order intake	3,071	2,853	-218	-7.1
• Carbon Steel	1,847	1,734	-113	-6.1
• Stainless Steel	1,027	898	-129	-12.6
Sales	3,095	3,035	-60	-1.9
• Carbon Steel	1,779	1,832	53	3.0
• Stainless Steel	1,078	977	-101	-9.4
EBITDA	332	348	16	4.8
• Carbon Steel	218	252	34	15.6
• Stainless Steel	99	86	-13	-13.1
EBIT	146	151	5	3.4
• Carbon Steel	88	113	25	28.4
• Stainless Steel	58	43	-15	-25.9
EBT	121	124	3	2.5
• Carbon Steel	63	96	33	52.4
• Stainless Steel	50	32	-18	-36.0

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Steel (II)

Carbon Steel

- Decline in orders especially towards the end of the quarter had little impact on sales; despite slightly lower shipments, sales were slightly up due to revenue improvements
- Higher-than-average increases in sales for tinplate, medium-wide strip and tailored blanks
- Earnings improvement resulted from shifts in product portfolio, increase in average revenues and improved operating performance
- Raw materials price increases were outweighed by a weakening dollar

Stainless Steel

- Orders down 13%, sales down 9%
- Lower shipments also in cold-rolled strip products
- With revenue levels unchanged, earnings drop mainly due to lower shipments of stainless cold-rolled flat products
- High European price level and weakness of the USD increased pressure from imports - European sites cut back production toward the end of the quarter

	3rd quarter			
	2001/02	2002/03	Change	Change in %
Crude steel output (million tons)	4.3	4.3	+/-	+/-
• Carbon Steel	3.4	3.4	+/-	+/-
• Stainless Steel	0.7	0.7	+/-	+/-
Shipments (1,000 tpm)				
• TKS cold-rolled	510	510	+/-	+/-
• TKS hot-rolled	424	398	-26	-6.1
• Stainless total	217	198	-19	-8.8
• Stainless cold-rolled	132	121	-11	-8.3
Employees (June 30)	50,044	48,793	-1,251	-2.5
• Carbon Steel	29,870	28,872	-998	-3.3
• Stainless Steel	12,030	11,916	-114	-1.0

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Automotive

- Sales down 9% due to continued weak demand on key automobile markets and unfavorable exchange rate conditions; eliminating exchange rate effects, sales would have been 2% higher
- Prior-year EBT included non recurring effects from disposal of non-automotive casting activities (€11 million), eliminating this effect operating income slightly decreased by €8 million; as a result of less favorable exchange rates, lower EBT at Powertrain; significantly lower earnings at Body due to a noticeable rise in pension and health care expenditure; earnings on prior-year level at Chassis
- Acquisition of French supplier Sofedit in July 2003; further strengthening position in French market for body and chassis stampings and assemblies

million €	3rd quarter			
	2001/02	2002/03	Change	Change in %
Order intake	1,821	1,502	-319	-17.5
Sales	1,682	1,534	-148	-8.8
EBITDA	167	136	-31	-18.6
EBIT	86	63	-23	-26.7
EBT	77	58	-19	-24.7
Employees (June 30)	37,984	37,010	-974	-2.6

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Elevator

- Continuing weakness of construction sector impacted new installations business; service and modernization activities continued to perform encouragingly
- Reductions in order intake and sales due to negative exchange rate effects; without these exchange rate influences, sales would have increased by 2%
- Despite a drop in income from the North American activities caused by the exchange rate earnings were virtually level with previous year
- In July 2003 an agreement to purchase a majority interest in the Korean DongYang Group was signed; strengthening market position in Asia

million €	3rd quarter			
	2001/02	2002/03	Change	Change in %
Order intake	881	830	-51	-5.8
Sales	879	816	-63	-7.2
EBITDA	112	98	-14	-12.5
EBIT	98	84	-14	-14.3
EBT	86	81	-5	-5.8
Employees (June 30)	28,198	29,701	1,503	5.3

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Technologies

- Orders up 6% primarily attributable to Plant Technology
- Decline in sales throughout all business units in particular at Production Systems
- Significant decline in EBT due to continued losses at Production Systems (Metal Cutting) and increased project costs for the Transrapid Shanghai at Mechanical Engineering, prior-year figures, however, affected by a positive extraordinary effect (€36 million from disposal of Berco Bautechnik at Mechanical Engineering)
- Plant Technologies returned a two-figure EBT; earnings down at Marine

million €	3rd quarter			
	2001/02	2002/03	Change	Change in %
Order intake	1,372	1,453	81	5.9
Sales	1,458	1,183	-275	-18.9
EBITDA	116	30	-86	-74.1
EBIT	72	(9)	-81	-
EBT	78	1	-77	-98.7
Employees (June 30)	32,827	29,980	-2,847	-8.7

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Materials

- Orders up 3%, sales down 5% due to continued price and competitive pressure
- MaterialsServices Europe achieved sales growth; sales down at MaterialsServices North America for exchange rate reasons
- Despite weak market environment, necessary restructuring expense and value adjustments, earnings at the MaterialsServices Europe and MaterialsServices North America business units remained positive, but fell short of the prior-year quarter; significant earnings improvement in Special Products

million €	3rd quarter			
	2001/02	2002/03	Change	Change in %
Order intake	2,178	2,241	63	2.9
Sales	2,377	2,262	-115	-4.8
EBITDA	65	55	-10	-15.4
EBIT	47	35	-12	-25.5
EBT	35	27	-8	-22.9
Employees (June 30)	13,719	13,610	-109	-0.8

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Serv

- Orders up 7%, sales down 7% primarily due to weak economic situation
- Sales down at Industrial Services and Construction Services, Information Services held up well, sales increase in Facilities Services
- Lower earnings at Industrial Services; last year's restructurings led to an earnings improvement in the Construction Services and Facilities Services business units, but both still returned losses; earnings improvement at Information Systems
- In July 2003 the partial sale of the Construction Services was announced which could lead to a significant future book loss

million €	3rd quarter			
	2001/02	2002/03	Change	Change in %
Order intake	622	668	46	7.4
Sales	621	575	-46	-7.4
EBITDA	41	26	-15	-36.6
EBIT	11	0	-11	-
EBT	6	(2)	-8	-
Employees (June 30)	25,747	24,841	-906	-3.5

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