



Q3 2002/2003 – Overview

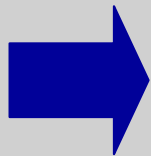
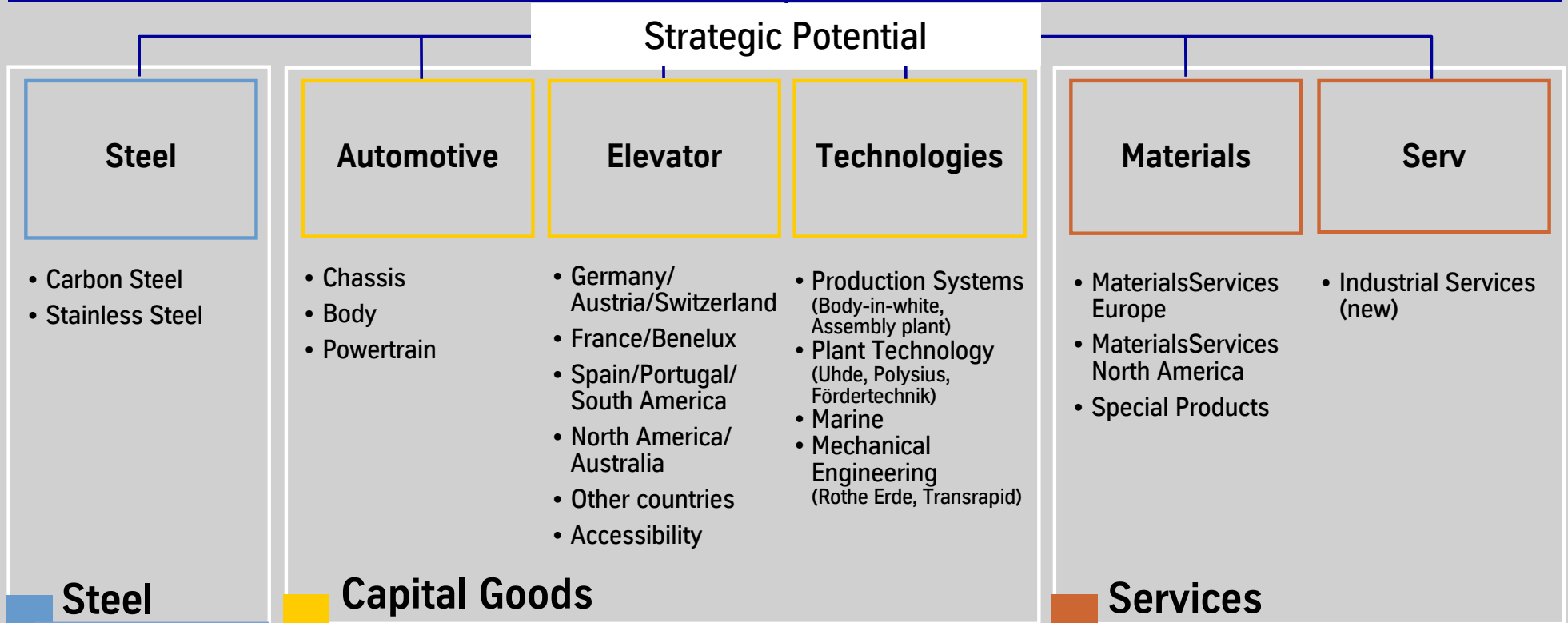
Still holding up well in a tough economic environment

- 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



ThyssenKrupp - Strategic Direction

ThyssenKrupp AG

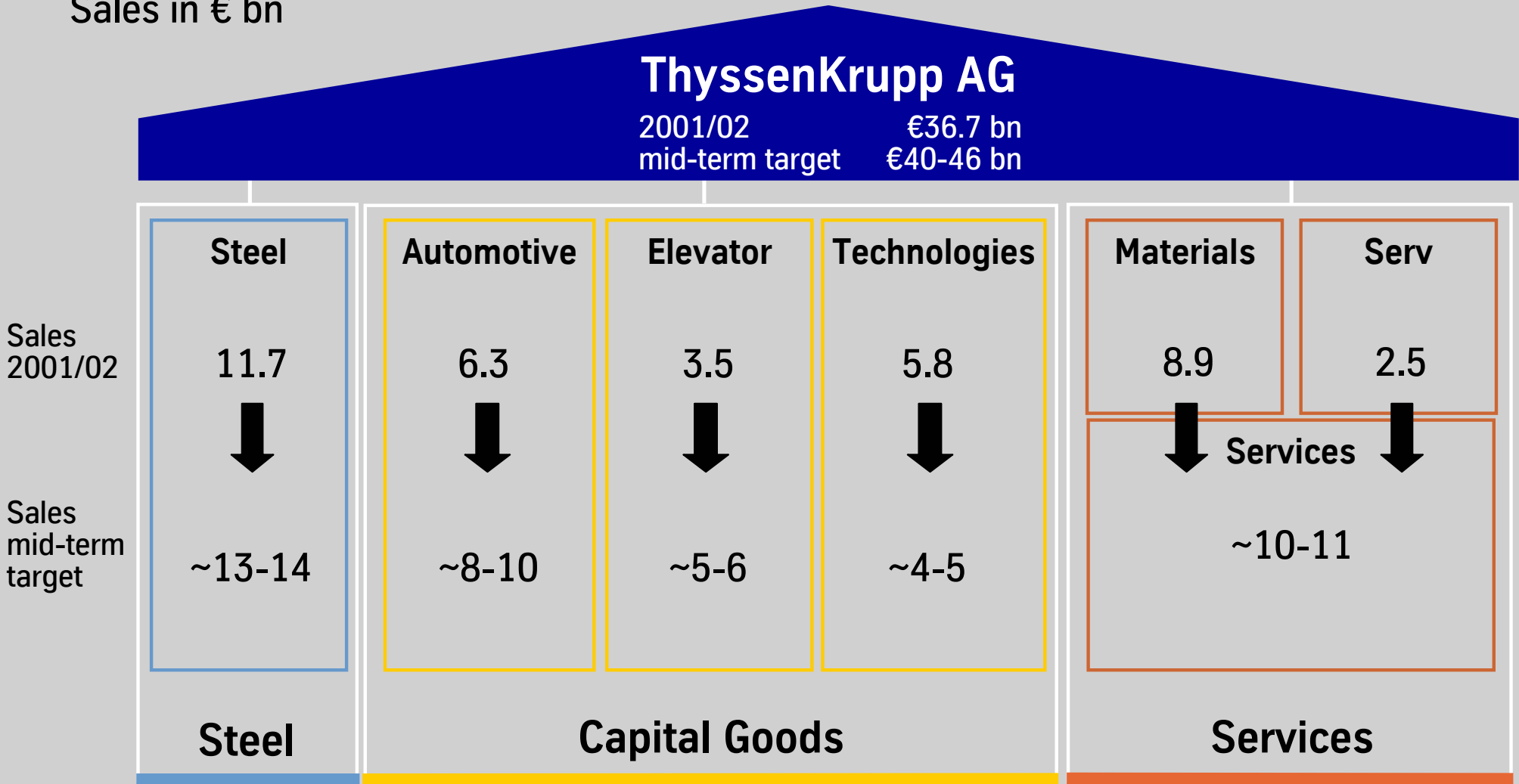


Disposal of 20+ low performing (€4 bn sales) and 10+ non-core businesses (€3 bn sales) identified and targeted among all segments



ThyssenKrupp: Focused industrial group based on 3 pillars

Sales in € bn



30+ Portfolio Optimizations since Oct. 1, 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**

Materials

Ferrosta (CZ) **Acquisition**
 Rodena (DK) **Acquisition**

* signed/closed transactions after June 30, 2003

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***

Technologies

Polymer (D) **Disposal**
 Otto India (India) **Disposal**
 Stahlbau Berlin (D) **Closure**
 Henschel (D) **Disposal**

Serv

Rodisola (E) **Acquisition**
 Umweltservice (D) **Disposal**
 Construction Services (D) **Disposal***
 Media Services (D) **Disposal**



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 |



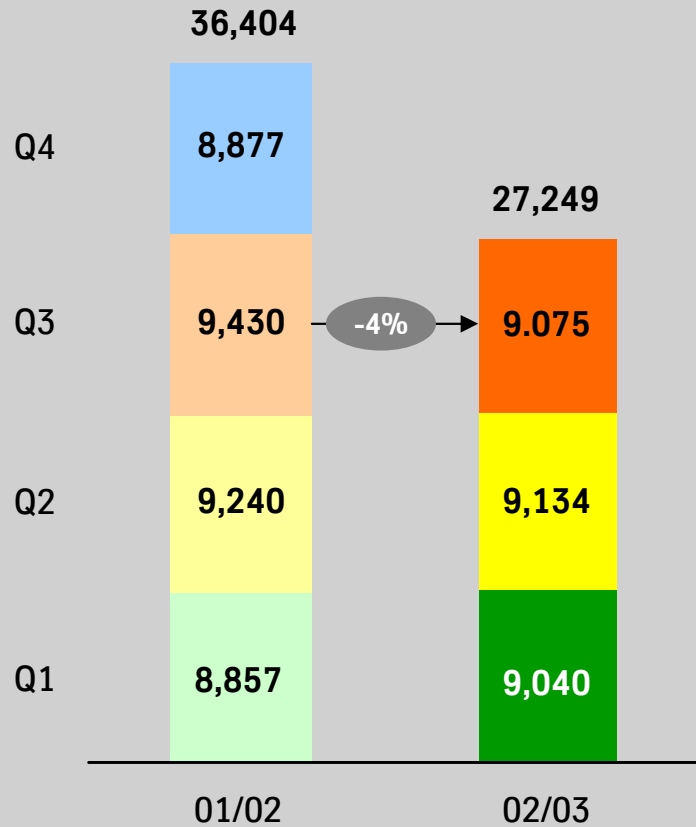
Portfolio Optimization – Acquisitions

| | 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 |

Group (I)

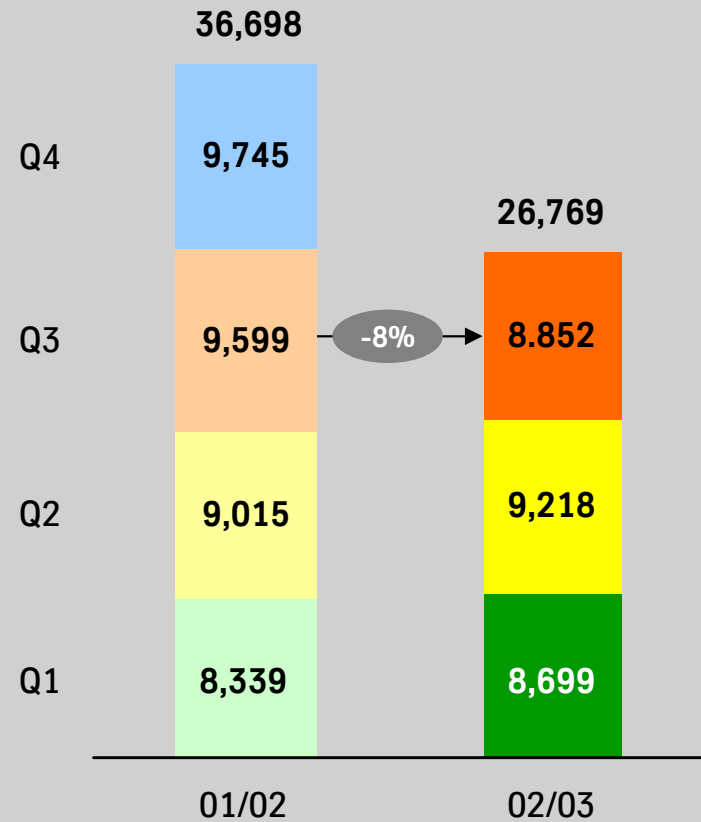
Order intake

million €



Sales

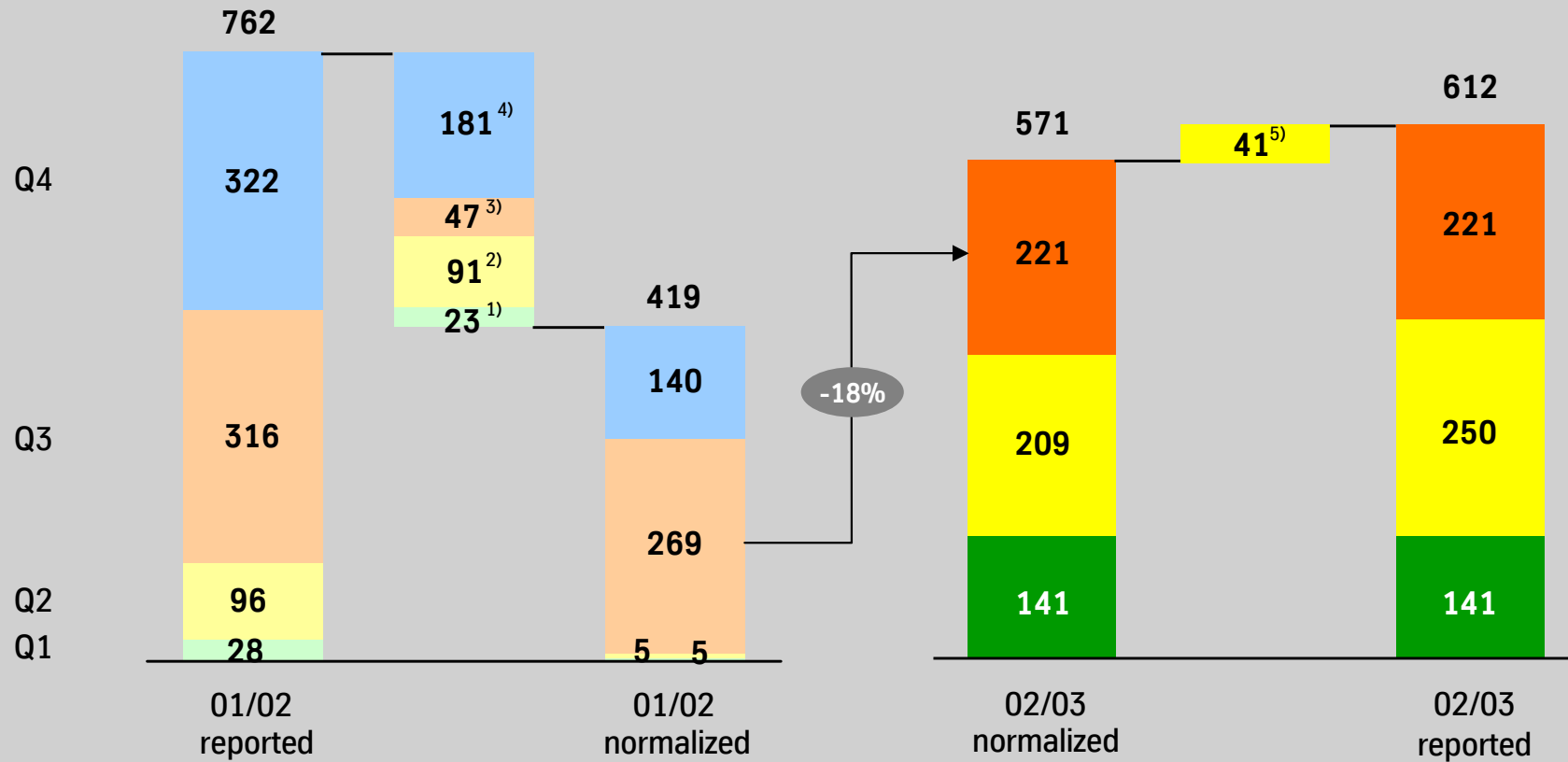
million €



Group (II)

EBT

million €



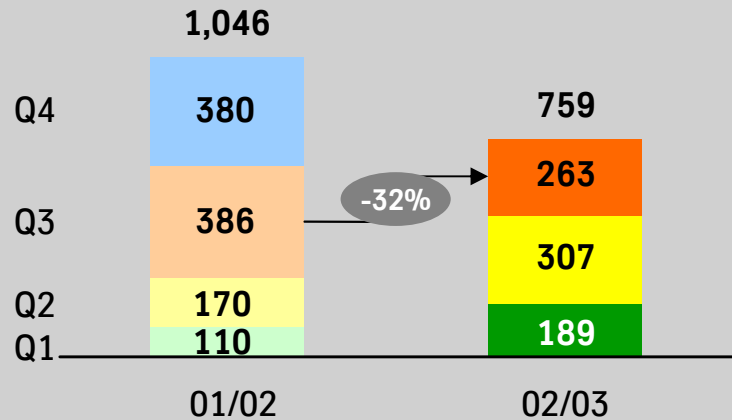
1) Sale of Kone shares €23 m
 2) Sale of Kone shares €51 m / Eurawasser €19 m / Sinterstahl €21 m
 3) Sale of Berco Bautechnik €36 m / Casting activities €11 m
 4) Sale of Ruhrgas shareholding €191 m / Car carrier activities -€10 m

5) Sale of stainless quarto plate activities €41 m

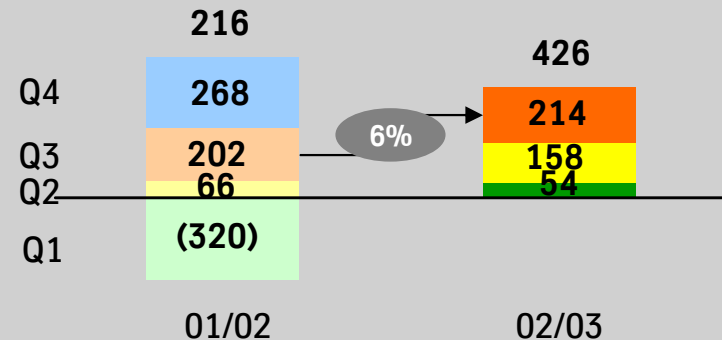


Group (III)

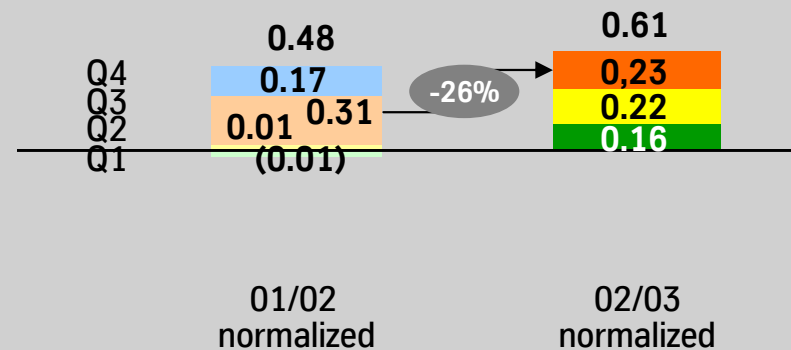
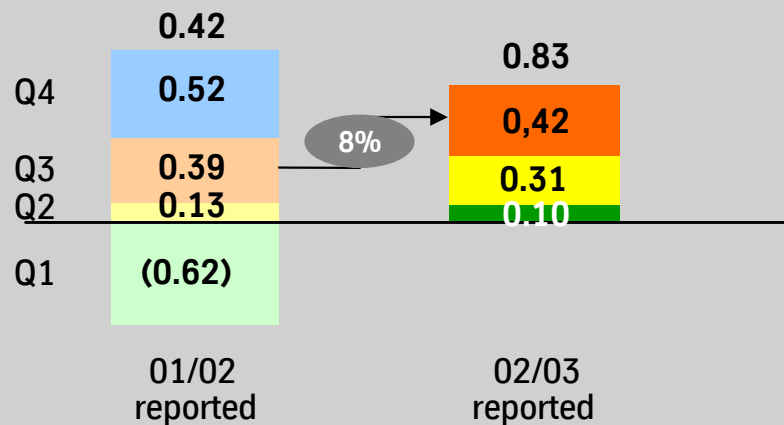
EBIT million €



Net income million €



Earnings per share €



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* |

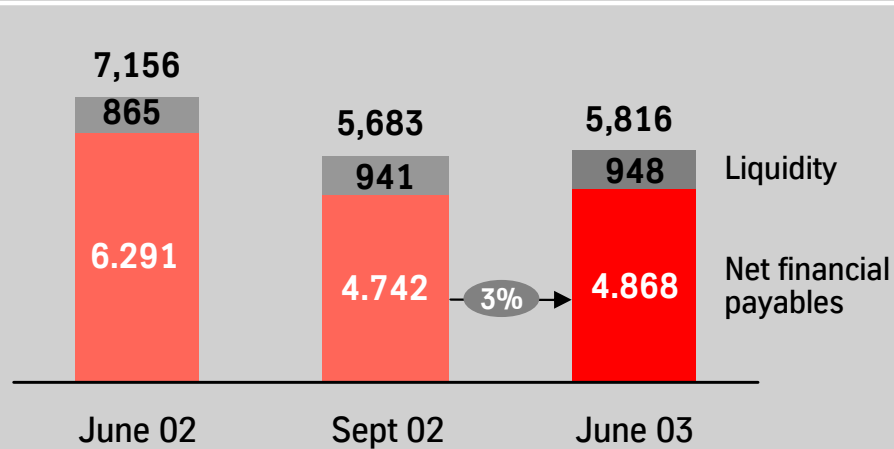
* difference in number of shares due to share repurchase in 3rd quarter



Group (V)

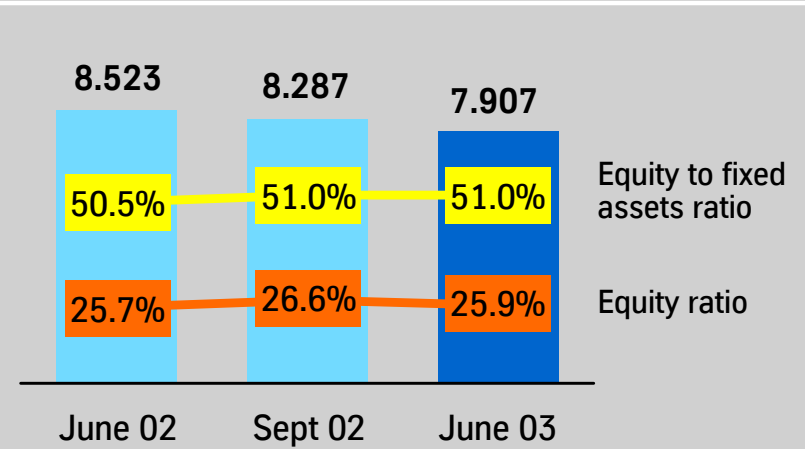
Financial payables

million €



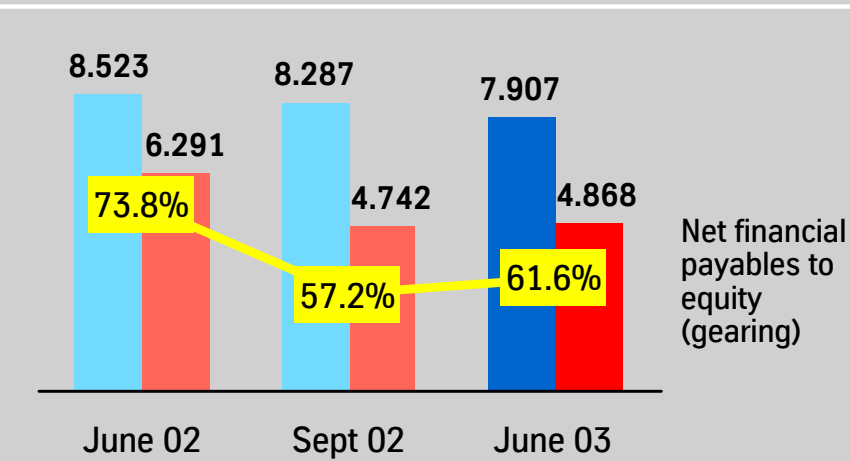
Stockholders' equity

million €



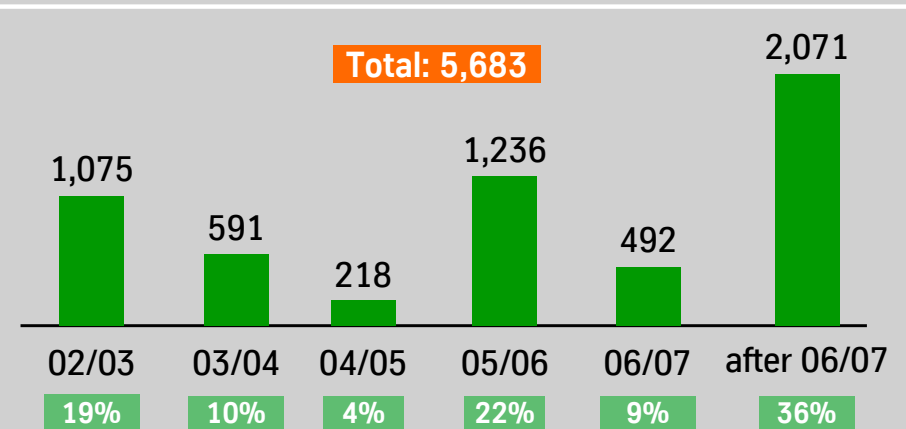
Gearing

million €



Maturity profile of gross financial payables*

million €



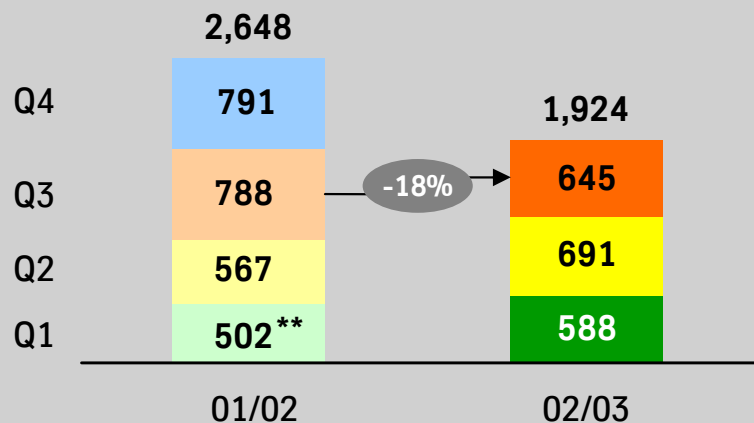
* as of: Sept 02



Group (VI)

EBITDA*

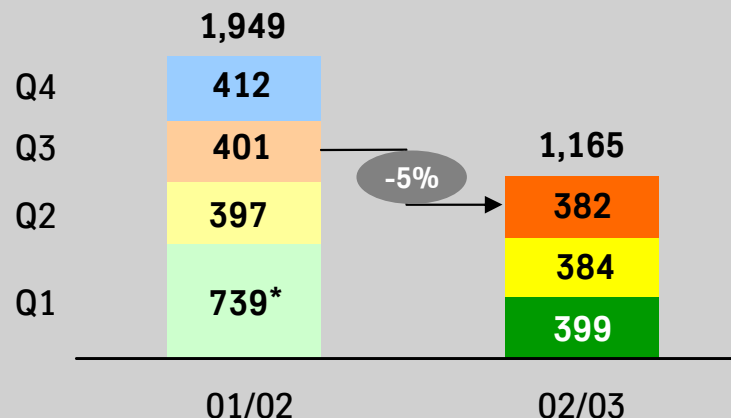
million €



* excl. interest on accrued pension liabilities ** excl. €347 m impairment charge

Depreciation and amortization

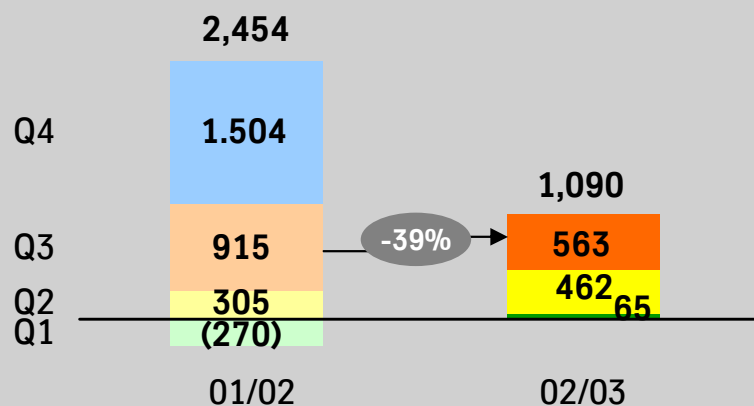
million €



* incl. €347 m impairment charge

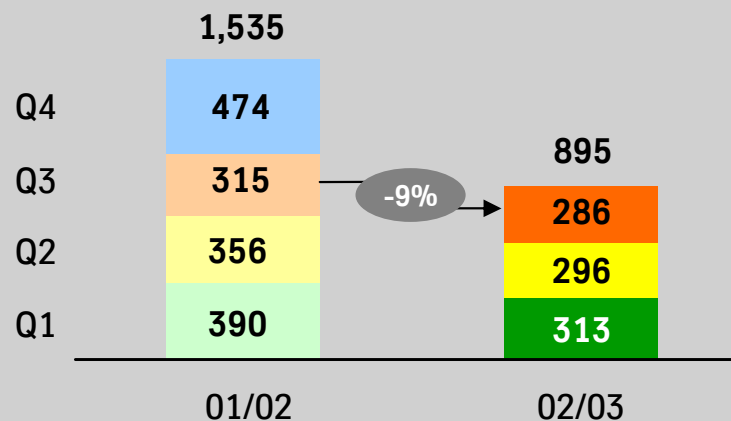
Net cash provided by operating activities

million €



Capital expenditures*

million €



* expenditures on property, plant and equipment and intangible assets



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.
-



Appendix



Value Indicators by Segment

| | ROCE in % | | WACC in % | Target ROCE in % | Capital Employed* in million € | EVA in million € | |
|--------------|--------------|-----------|-------------------------------|------------------------|--------------------------------------|---------------------|-----------|
| | 2000/01** | 2001/2002 | 2000/2001 and 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)

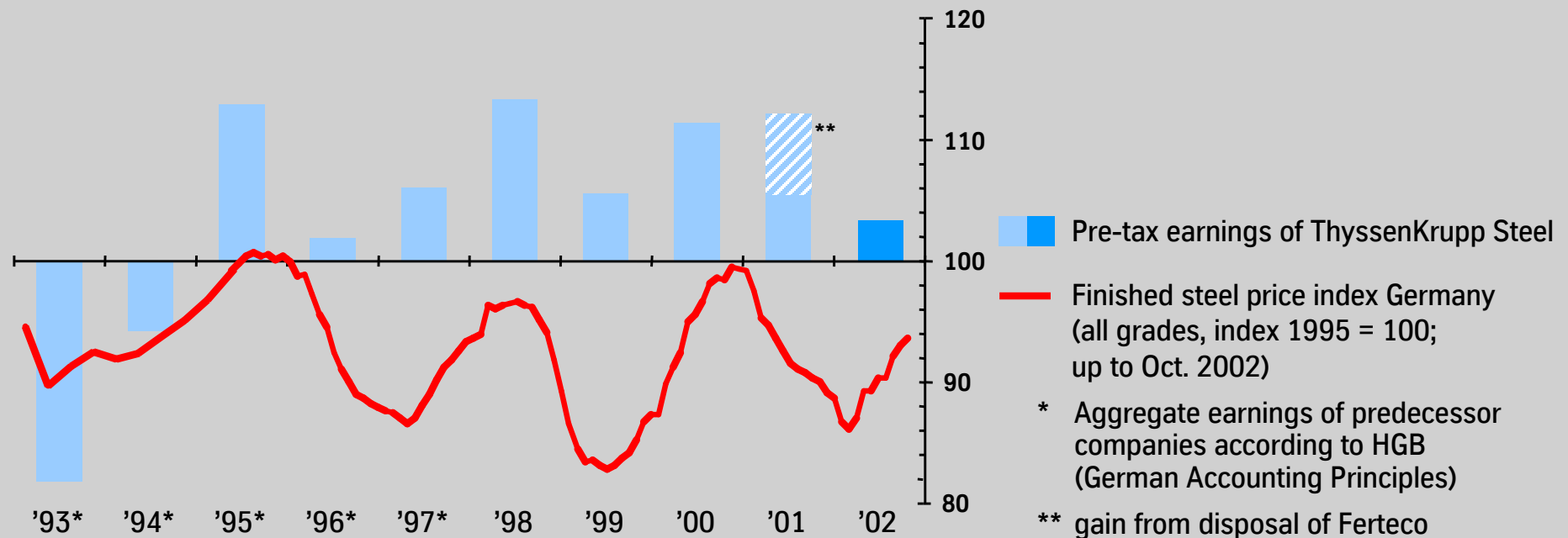


Closer look at the Segments (I)

Steel

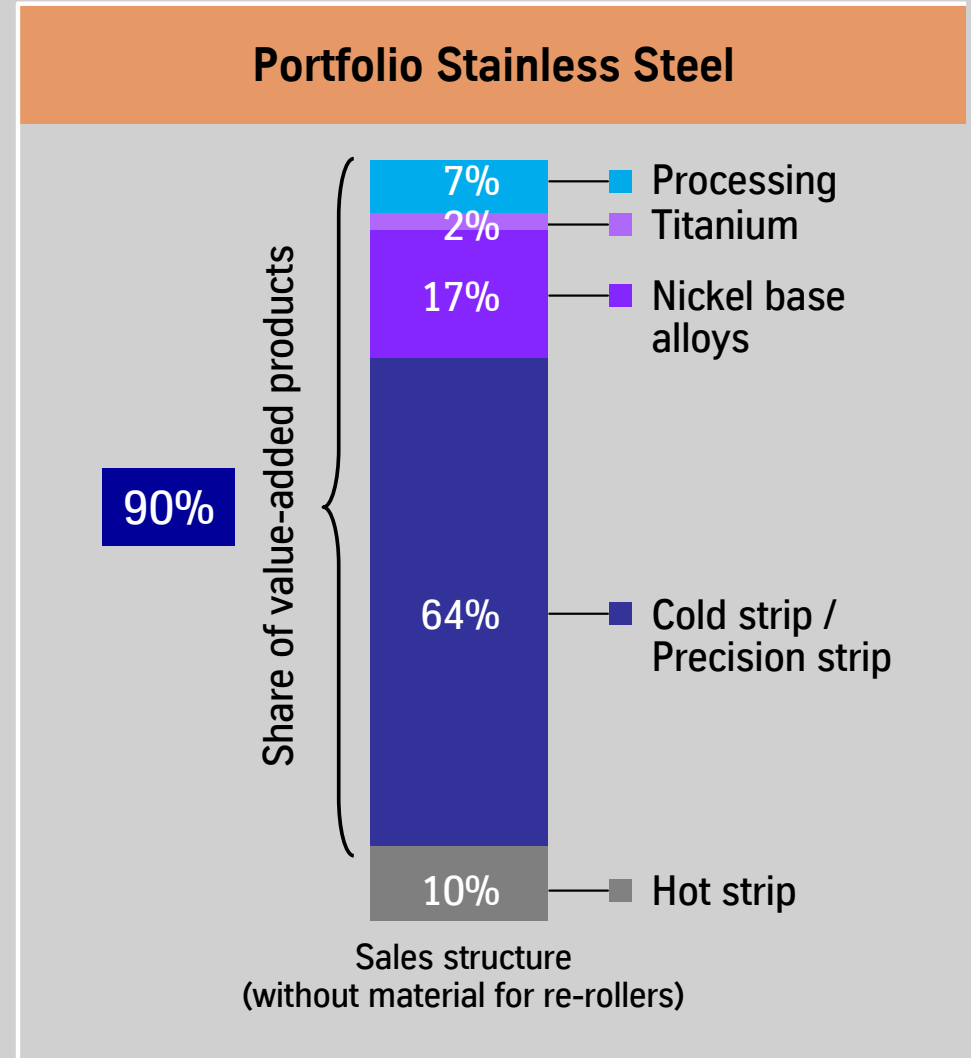
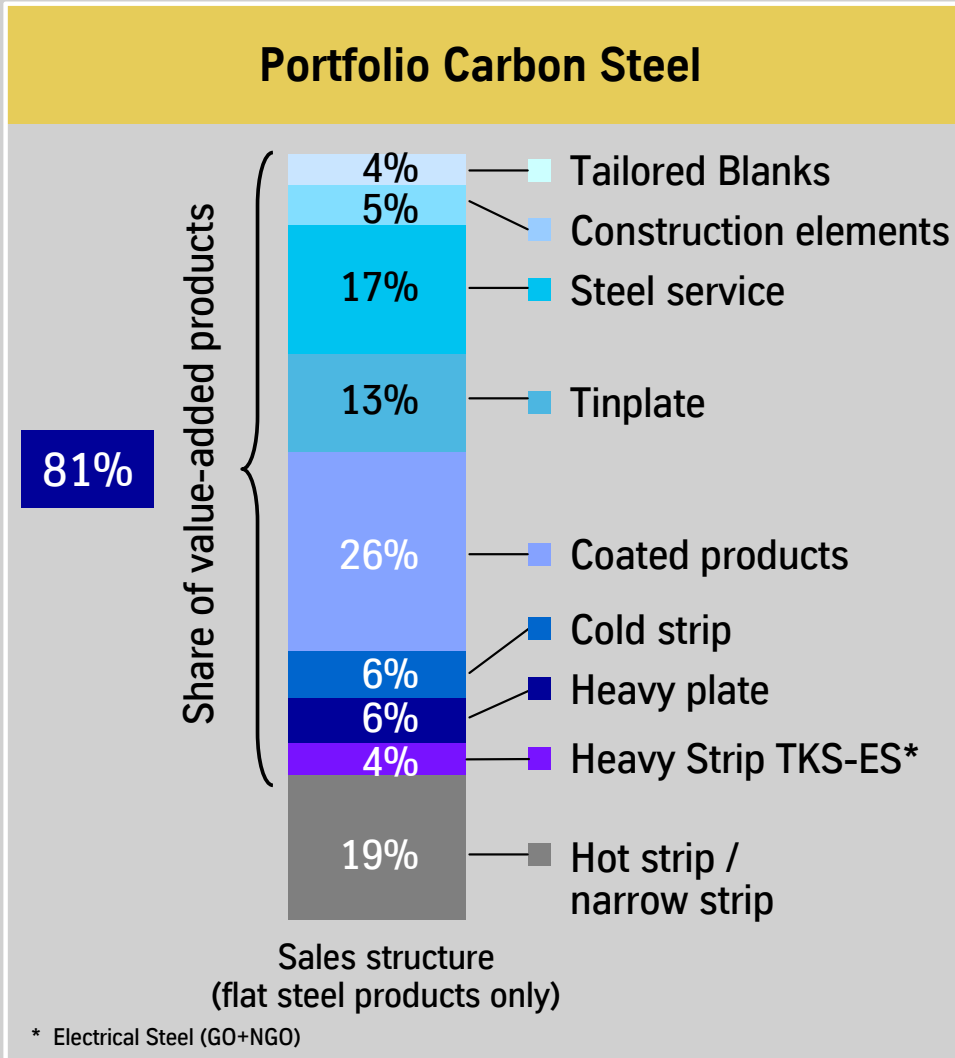
Steel

- 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



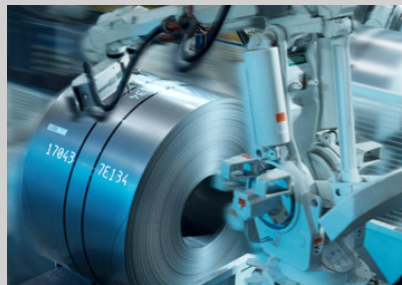
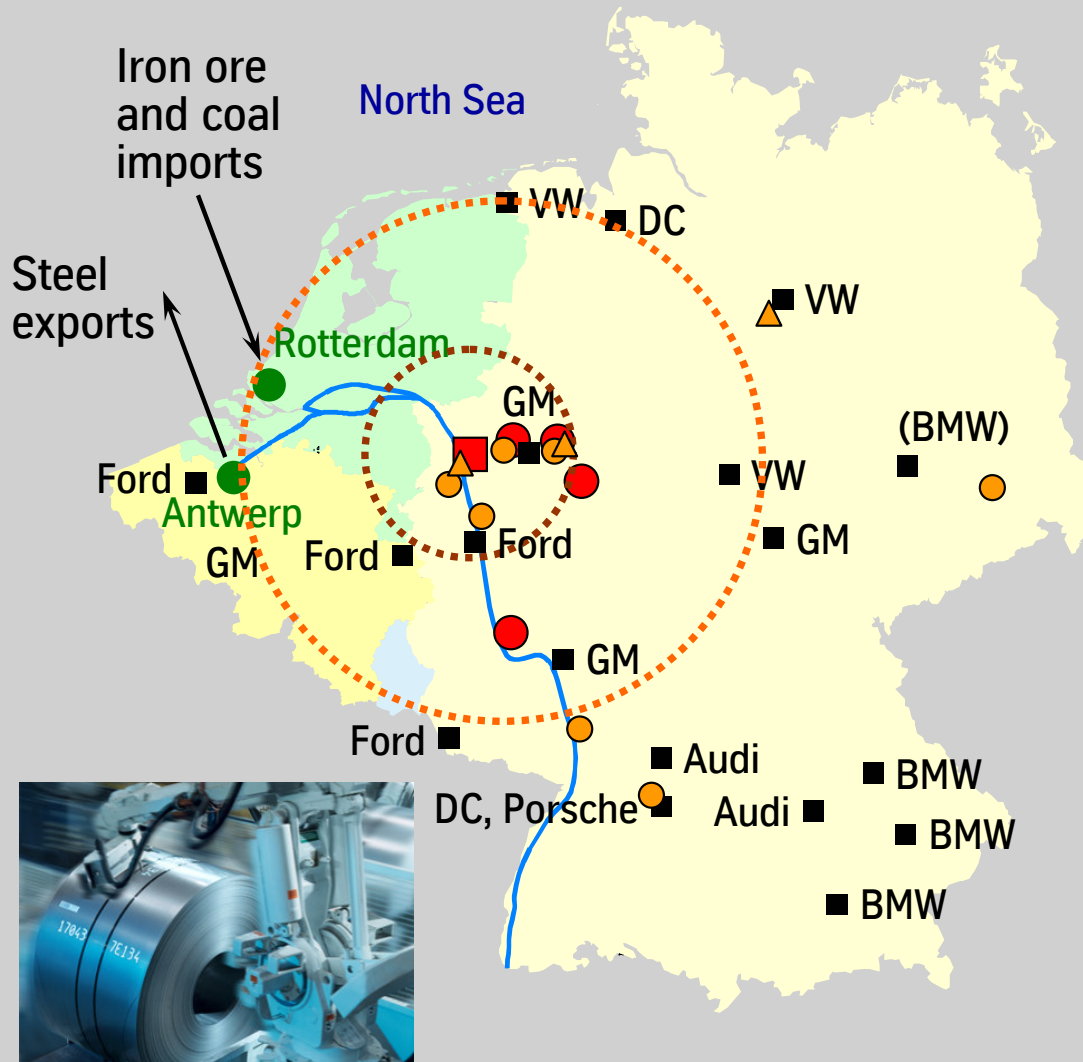
Focusing on High Value-Added and Innovative Flat Products

Sales Structures BU Carbon Steel and BU Stainless Steel



Logistics Chain of Carbon Steel Achieves an Over-all Optimum

Raw materials supplies, production locations and customers



- Integrated plant Duisburg
- Downstream rolling and coating stages
- Steel Service Center
- ▲ Tailored Blanks
- Car manufacturing (OEM)
- - - - - 100 km radius from Duisburg
- - - - - 250 km radius from Rhine-Ruhr region



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. tinsplate, 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



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



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



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 |

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 tinsplate, 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 |



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 |



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 |



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 |



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 |



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 |



How to Contact ThyssenKrupp Investor Relations

Institutional investors and analysts:

- Telephone: +49 211 824-36464
- Fax: +49 211 824-36467
- E-mail: ir@tk.thyssenkrupp.com
- Internet: www.thyssenkrupp.com

If you would like to be added to our IR mailing list, please send us a brief e-mail with your details

