

**Invitation to the 5th Annual Stockholders' Meeting  
of ThyssenKrupp AG**

January 23, 2004, RuhrCongress, Bochum, Germany

**ThyssenKrupp**



## Agenda at a glance

1. Presentation of the adopted financial statements of ThyssenKrupp AG and the consolidated financial statements for the period ended September 30, 2003, including the Management Report on ThyssenKrupp AG and the Group for the 2002/2003 fiscal year and the Report by the Supervisory Board
2. Resolution on the disposition of unappropriated profit
3. Resolution on the discharge from responsibility of the members of the Executive Board
4. Resolution on the discharge from responsibility of the members of the Supervisory Board
5. Resolution on the election of the auditors
6. Resolution on an amendment to the Articles of Association regarding the disposition of profit
7. Resolution on authorization to purchase and use treasury stock pursuant to Art. 71 par. 1 no. 8 AktG and on the exclusion of subscription rights
8. Resolution on the authorization of the Executive Board to use the treasury stock purchased under Art. 71 par. 1 no. 1 AktG to the exclusion of subscription rights
9. Resolution on the authorization of the Executive Board to issue convertible bonds and to exclude subscription rights

Dear Stockholders,

We hereby invite you to the 5th Annual Stockholders' Meeting of ThyssenKrupp AG, Duisburg and Essen, on Friday, January 23, 2004, 10.00 a.m., at the RuhrCongress, Stadionring 20, 44791 Bochum, Germany.

The invitation to the Annual Stockholders' Meeting together with the agenda was published in the electronic Federal Gazette of December 10, 2003.

## Agenda

1. Presentation of the adopted financial statements of ThyssenKrupp AG and the consolidated financial statements for the period ended September 30, 2003, including the Management Report on ThyssenKrupp AG and the Group for the 2002/2003 fiscal year and the Report by the Supervisory Board

The aforesaid documents are available for inspection by stockholders at the business premises of ThyssenKrupp AG in

- 40211 Düsseldorf, August-Thyssen-Strasse 1, Germany
- 47166 Duisburg, Kaiser-Wilhelm-Strasse 100, Germany
- 45143 Essen, Altendorfer Strasse 103, Germany

and can also be downloaded from the internet at [www.thyssenkrupp.com](http://www.thyssenkrupp.com). They will also be sent to stockholders on request.

2. Resolution on the disposition of unappropriated profit

From the unappropriated profit of the 2002/2003 fiscal year, a dividend of €0.50 per eligible share is to be distributed. Treasury shares are not eligible for dividend. The number of dividend-bearing shares may change before the Annual Stockholders' Meeting, in which case the proposal on the disposition of unappropriated profit submitted to the Annual Stockholders' Meeting will be amended accordingly.

The Executive Board and Supervisory Board propose to use the unappropriated profit of the 2002/2003 fiscal year in the amount of €257,244,522.00 as follows:

- Distribution of a dividend in the amount of €248,783,900.50, corresponding to €0.50 per dividend-bearing share.
- The remaining amount of €8,460,621.50 to be carried forward.

3. Resolution on the discharge from responsibility of the members of the Executive Board

The Executive Board and Supervisory Board propose that the members of the Executive Board during the 2002/2003 fiscal year be discharged from responsibility for this period.

#### 4. Resolution on the discharge from responsibility of the members of the Supervisory Board

The Executive Board and Supervisory Board propose that the members of the Supervisory Board during the 2002/2003 fiscal year be discharged from responsibility for this period.

#### 5. Resolution on the election of the auditors

The Supervisory Board proposes that KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Berlin and Frankfurt am Main, be elected as auditors for the 2003/2004 fiscal year.

#### 6. Resolution on an amendment to the Articles of Association regarding the disposition of profit

Under Art. 58 par. 5 of the German Stock Corporation Act (AktG), added in accordance with the Transparency and Disclosure Law of July 19, 2002, the Annual Stockholders' Meeting may also approve a distribution in kind if provision is made for this in the Articles of Association.

The Executive Board and Supervisory Board therefore propose that the following resolution be passed:

A new Art. 19 is added to the Articles of Association with the following wording:

**"Art. 19 Disposition of Profit**

The Annual Stockholders' Meeting shall resolve on the disposition of unappropriated profit. Instead of or as well as a cash distribution, it may also resolve a distribution in kind."

As a result of this addition, the numbering of the subsequent articles in the Articles of Association will be amended appropriately.

#### 7. Resolution on authorization to purchase and use treasury stock pursuant to Art. 71 par. 1 no. 8 AktG and on the exclusion of subscription rights

Unless expressly permitted by law, the purchase of treasury stock is subject to separate authorization from the Annual Stockholders' Meeting. Since the authorization issued by the 2003 Stockholders' Meeting expires in August 2004, it is to be proposed to the Annual Stockholders' Meeting that the Company's authorization to purchase treasury stock be renewed.

The Executive Board and Supervisory Board propose that the following resolution be passed:

- a) The authorization granted by the Company's Annual Stockholders' Meeting on February 21, 2003 to repurchase treasury stock will be cancelled when the new authorization becomes effective.

- b) The Company is authorized to repurchase treasury stock up to a total of 10% of the current capital stock. The repurchased shares together with other treasury stock owned by the Company or allocable to it under Arts 71 a ff. AktG may not at any time make up more than 10% of the capital stock. The authorization may not be exploited for the purpose of trading in treasury stock.
- c) The authorization may be exercised in whole or in installments, once or several times, in pursuit of one or several purposes by the Company or by third parties for the account of the Company. The authorization is valid until July 22, 2005.
- d) At the discretion of the Executive Board, the buy-back may be effected on the open market or by means of a fixed-price/Dutch auction tender offer.
  - If the shares are repurchased on the open market, the countervalue per share paid by the Company (excluding incidental costs) may not be more than 10% higher or lower than the price determined on the day of trading by the opening auction in the Xetra trading system (or a comparable successor system).
  - If the shares are repurchased by means of a tender offer, the tender price or the limits of the price range per share (excluding incidental costs) may not be more than 20% higher or lower than the average closing price in the Xetra trading system (or a comparable successor system) for the three trading days before the date of the public announcement of the offer. If, after announcement of a tender offer, the relevant price is subject to significant changes, the tender offer may be amended. In this case the price is based on the average price over the three days of trading before the public announcement of an amendment. The tender offer may specify further conditions. If the offer is over-subscribed or, in the case of a Dutch auction, not all of several equal tenders can be accepted, tenders must be accepted on a quota basis. Priority may be given to small lots of up to 100 shares per stockholder.
- e) The Executive Board is authorized to use shares of the Company acquired on the basis of this authorization for all legally permissible purposes, including in particular the following purposes:
  - aa) The shares may be cancelled without such cancellation or its execution requiring any further resolution of the Stockholders. They may also be cancelled by simplified procedure without capital reduction by adjusting the calculated proportional amount of the remaining shares in the Company's capital stock. The cancellation may be restricted to a portion of the shares purchased. The authorization to cancel shares may be used several times. If the cancellation is effected by simplified procedure, the Executive Board is authorized to adjust the number of no-par-value shares in the Articles of Association.
  - bb) The shares may also be sold by means other than on the open market or by offer to Stockholders if the shares are sold for cash at a price which is not significantly lower than the stock market price of same-category Company shares at the time of the sale.

- cc) The shares may be sold for a contribution in kind, including in particular in connection with company mergers and the acquisition of companies, company units and company investments.
- dd) The shares may also be used to discharge conversion rights in respect of convertible bonds issued by the Company or the Company's subsidiaries.
- f) The authorizations under e), bb) to dd) also include the use of the Company's shares purchased under Art. 71 d sentence 5 AktG.
- g) The authorizations under e) may be used once or several times, in whole or in part, individually or jointly, while the authorizations under e), bb) to dd) may also be used by dependent enterprises or enterprises majority-owned by the Company or by third parties acting for their account or for the account of the Company.
- h) The Stockholders' subscription right in respect of this treasury stock is excluded to the extent that the shares are used in accordance with the above authorization under e), bb) to dd).
- j) The Supervisory Board may determine that measures of the Executive Board under this Stockholders' resolution are subject to its approval.

#### 8. Resolution on the authorization of the Executive Board to use the treasury stock purchased under Art. 71 par. 1 no. 1 AktG to the exclusion of subscription rights

In May 2003, ThyssenKrupp AG purchased altogether 16,921,243 of its own shares at a total price of €406,109,832. The shares are to be used in the best possible way for the Company and its stockholders subject to market conditions. Generally the shares may be sold on the stock market provided the principle of equality is observed. To ensure that the best possible use is made of the shares according to the market situation, the Executive Board is also to be authorized by resolution of the Annual Stockholders' Meeting to put the shares to an alternative use.

The Executive Board and Supervisory Board therefore propose that the following resolution be passed:

- a) The Executive Board is authorized to use the treasury stock purchased under Art. 71 par. 1 no. 1 AktG also for the following purposes:
  - aa) The shares may be cancelled without such cancellation or its execution requiring any further resolution of the Stockholders. They may also be cancelled by simplified procedure without capital reduction by adjusting the calculated proportional amount of the remaining shares in the Company's capital stock. The cancellation may be restricted to a portion of the shares purchased. The authorization to cancel shares may be used several times. If the cancellation is effected by simplified procedure, the Executive Board is authorized to adjust the number of no-par-value shares in the Articles of Association.

- bb) The shares may also be sold by means other than on the open market or by offer to Stockholders if the shares are sold for cash at a price which is not significantly lower than the stock market price of same-category Company shares at the time of the sale.
  - cc) The shares may be sold for a contribution in kind, including in particular in connection with the acquisition of companies, company units and company investments as well as company mergers.
  - dd) The shares may also be used to discharge conversion rights in respect of convertible bonds issued by the Company or the Company's subsidiaries.
  - ee) The shares may also be offered for sale to persons employed by the Company or one of the Company's subsidiaries.
- b) The aforesaid authorizations may be used once or several times, in whole or in part, individually or jointly, while the authorizations under a), bb) to dd) may also be used by dependent enterprises or enterprises majority-owned by the Company or by third parties acting for their account or for the account of the Company. The authorizations are valid until January 22, 2009.
  - c) The Stockholders' subscription right in respect of the treasury stock purchased in accordance with Art. 71 par. 1 no. 1 AktG is excluded to the extent that the shares are used in accordance with the authorizations under a), bb) to ee).
  - d) The Supervisory Board may determine that measures of the Executive Board under this Stockholders' resolution are subject to its approval.

## 9. Resolution on the authorization of the Executive Board to issue convertible bonds and to exclude subscription rights

The Executive Board and Supervisory Board propose that the following resolution be passed:

- a) The Executive Board is authorized, subject to the approval of the Supervisory Board, to issue bearer bonds in the total par value of up to €500,000,000 and to grant the bond holders the right to convert the bonds into bearer shares of the Company (convertible bonds).  
The authorization also applies in respect of the provision of a guarantee for convertible bonds and the granting of conversion rights in respect of the Company's own no-par-value shares insofar as the convertible bonds are issued by subsidiaries of the Company. The term of the convertible bonds may be up to 20 years. The authorization is valid until January 22, 2009.
- b) The holders of convertible bonds are entitled to convert their bonds into no-par-value shares of the Company subject to the conversion conditions to be specified in more detail by the Executive Board. The proportional amount of capital stock allocable to the shares obtained for each convertible bond may not exceed the par value or the issuing amount of the convertible bond, if the latter is lower than the par value. The conversion ratio is calculated by dividing the par value of the convertible bond or the issue price of the convertible bond, if this is lower, by the fixed conversion price for a no-par-value share of the Company.

The ratio may be rounded up or down. In addition, the indenture may specify that the holders of convertible bonds must pay a cash surcharge and that fractional amounts must be grouped together and/or compensated in cash.

- c) The fixed conversion price for shares must not be lower than 80% of the average closing price in the Xetra trading system (or a comparable successor system) over the three days of trading before the date of the public announcement of the offer or acceptance of a tender. For trading in subscription rights, the applicable prices are the closing prices on the days of subscription rights trading with the exception of the last two days of trading.
- d) The conditions for conversion may also include an obligation to convert at the end of the term. The Company is entitled to fully or partly offset in cash any difference between the par value of the convertible bond and a stock market price for the shares at the time of the forced conversion, such price being specified in the conversion conditions and not being lower than 80% of the stock market price of the shares at the time of the convertible bond issue multiplied by the conversion ratio.
- e) Notwithstanding Art. 9 par. 1 AktG, under a dilution protection clause to be specified in more detail in the bond indenture, the conversion price is reduced by payment of a corresponding amount in cash when the conversion right is exercised or by reduction of the surcharge if the Company increases its capital stock or issues further convertible bonds or other rights of conversion during the conversion period and grants its stockholders subscription rights without granting holders of conversion rights subscription rights in the amount to which they would be entitled upon exercising their conversion rights. Instead of a cash payment or surcharge reduction – where possible – the conversion ratio may be adjusted by dividing by the reduced conversion price. In addition, in the event of a capital reduction the indenture may specify adjustment of the conversion rights.
- f) Stockholders are entitled to subscription rights in respect of the convertible bonds. These can also be issued in the form of indirect subscription rights to banks subject to the requirement that these are offered to stockholders. With the approval of the Supervisory Board, the Executive Board is authorized to exclude the stockholders' subscription rights to convertible bonds if this is necessary for fractional amounts produced on account of the subscription ratio, provided the issue price for the convertible bonds is not significantly lower than their theoretical fair value calculated according to recognized financial calculation methods. In accordance with Art. 186 par. 3 sentence 4 AktG, the sum of the shares to be converted in respect of convertible bonds issued under this authorization together with other shares issued or sold in accordance with this statutory provision during the term of this authorization may not exceed 10% of the respective capital stock at the time this authorization is exercised. Further, the Executive Board is authorized to exclude the subscription rights in order to grant holders of conversion rights from previous bond issues subscription rights in the amount to which they would be entitled upon exercising their conversion rights.

- g) The Executive Board is authorized, if appropriate by agreement with the boards of the Group subsidiaries issuing the convertible bonds, to specify further conditions for the convertible bonds, in particular the currency, interest rate, issue price, term and denomination of the convertible bonds, the conversion price and period, the conversion ratio and payment of the countervalue in cash instead of conversion into shares.

### Report by the Executive Board pursuant to Art. 71 par. 1 No. 8 AktG in conjunction with Art. 186 par. 3 and 4 AktG regarding agenda item 7

In the Annual Stockholders' Meeting on February 21, 2003, ThyssenKrupp AG passed a resolution to authorize the purchase of treasury stock which expires at August 21, 2004. Since this authorization expires in the current fiscal year, the authorization resolution is to be cancelled at the time the new authorization to be resolved in this Annual Stockholders' Meeting becomes effective. Except for a few minor changes, the new resolution proposal is largely in line with the previous authorization.

In addition to purchasing on the open market, the Company is also to have the option of buying back treasury stock by means of a fixed-price/Dutch auction tender offer. The principle of equality under stock corporation law must be observed. In the event of a tender offer, the recipients of the invitation can decide how many shares and – when a price range is determined – at what price they would like to offer these to the Company. If an offer is over-subscribed or, in the event of a Dutch auction, not all of several equal tenders can be accepted, tenders must be accepted on a quota basis. However, priority may be given to small tenders or small parts of tenders up to a maximum of 100 shares. The purpose of this is to avoid fractional amounts in determining the quotas to be repurchased and small residual amounts and thus to simplify the technical procedure. The offer price or the limits of the price range offered per share (without incidental costs) may not be more than 20% higher or lower than the average closing price in the Xetra trading system (or a comparable successor system) over the three days of trading before the date of the public announcement of the offer. If, after announcement of a tender, the relevant price is subject to significant changes, the average price on the three days of trading before the public announcement of a possible adjustment can be taken as a basis instead. The tender offer may specify further conditions.

The repurchased shares may be used for all legally permissible purposes, including in particular the following:

The proposed resolution contains an authorization to sell the repurchased stock outside the stock exchange for cash excluding subscription rights. This is subject to the condition that the shares are sold at a price not significantly below the stock market price of same-category Company shares at the time of the sale. This authorization makes use of the option to simplify cancellation of subscription rights permitted under Art. 71 par. 1 No. 8 AktG applying Art. 186 par. 3 sentence 4 AktG. To protect Stockholders against share dilution, the shares may only be sold at a price not significantly lower than the prevailing stock market price. The final purchase price for treasury stock will be determined shortly before the sale. The Executive Board will ensure that any markdown on the stock market price according to the market conditions prevailing at the time of placement is as low as possible. The markdown on the stock market price at the time of exercising the authorization will in no case exceed 5% of the current stock market price. The authorization is subject to the condition that the shares sold ex rights in accordance with Art. 186 par. 3 Sentence 4 AktG may not exceed altogether 10% of the capital stock, either at the time the authorization enters into effect or at the time it is exercised. The stockholders are in principle able to maintain their shareholding by purchasing ThyssenKrupp shares

on the stock market. The authorization is in the interests of the Company as it enables greater flexibility. In particular, it allows the Company to issue shares to cooperation partners on a targeted basis.

The sale of treasury stock may also be made in return for contributions in kind to the exclusion of the Stockholders' subscription rights. This allows the Company to offer treasury stock directly or indirectly as compensation in the framework of company mergers or in connection with the acquisition of companies, company units or investments in companies. In the international competition and global economy, compensation in the form of shares is often preferred in transactions of this kind. The authorization proposed here provides the Company with the requisite freedom to make use of opportunities which arise to acquire companies, company units or investments in companies quickly and flexibly on both national and international markets. The proposed exclusion of subscription rights takes account of this. In determining the valuation ratios, the Executive Board will ensure that the interests of Stockholders are appropriately safeguarded. In assessing the value of the shares granted as countervalue, the Executive Board will be guided by the stock market price of ThyssenKrupp shares. It is not planned to establish a schematic link with one particular stock market price, in particular in order to ensure that negotiating results already achieved cannot be jeopardized by fluctuations in the stock market price.

Under the authorization, the treasury stock may also be used to discharge conversion rights of holders of convertible bonds issued by the Company or its subsidiaries to the exclusion of stockholders' subscription rights. Instead of new shares from a capital increase, it may be expedient to use treasury stock to discharge conversion rights in whole or in part.

The aforesaid options are not restricted to shares purchased under this authorization resolution. Rather, this authorization also includes shares purchased under Art. 71 d sentence 5 AktG. It is advantageous and creates further flexibility if these shares can be used in the same way as the shares purchased under this authorization resolution.

The treasury stock repurchased under this authorization resolution may be cancelled by the Company without any further resolution of the Annual Stockholders' Meeting. Under Art. 237 par. 3 no. 3 AktG, introduced on the basis of the law on Transparency and Disclosure of July 19, 2002, the Company's Annual Stockholders' Meeting may resolve to cancel its fully paid-up no-par-value shares without having to reduce the Company's capital stock. This alternative is expressly included in the proposed authorization alongside the cancellation in conjunction with capital reduction. When shares are cancelled without capital reduction, the calculated share of the remaining no-par-value shares in the Company's capital stock is automatically increased. The Executive board is therefore also to be authorized to make the then necessary amendment to the Articles of Association with regard to the changed number of no-par-value shares following the cancellation.

According to its best judgment, the Supervisory Board may determine that measures of the Executive Board under the Stockholders' authorization in accordance with Art. 71 par. 1 No. 8 AktG are subject to its approval.

The Executive Board will inform the next Annual Stockholders' Meeting about the exercise of the authorization.

## Report of the Executive Board in accordance with Art. 71 par. 3 sentence 1 AktG and Art. 186 par. 3 and 4 AktG re agenda item 8

In May 2003 ThyssenKrupp AG repurchased shares from IFIC Holding AG in accordance with Art. 71 par. 1 no. 1 AktG. The Executive Board reported in detail on the reasons for and purpose of repurchasing around 16.9 million shares, corresponding to around 3.29% of the Company's capital stock, the purchase price paid and the other circumstances in the Company's financial statements presented to this Annual Stockholders' Meeting under agenda item 1 and the consolidated financial statements for the year ended September 30, 2003. To prevent unnecessary repetition, reference is made to the details in the Notes to the Company's financial statements and the Notes to the consolidated financial statements. These documents are available for inspection at the Company's premises and on the internet.

It is in the interest of the Company and therefore also that of the stockholders to make the best possible use of the shares repurchased. This may involve the sale of the shares on the stock market. In addition, the Executive Board is to be authorized to sell the shares outside the stock market for cash, as a contribution in kind for acquisitions or to discharge conversion rights in respect of convertible bonds issued by the Company, to cancel them without further resolution of the Annual Stockholders' Meeting or to issue them as employee shares to the Company's employees. With the exception of the authorization to use the shares as employee shares, these authorizations are identical to the authorizations proposed under agenda item 7, sections e), aa) to dd) to use shares purchased under the authorization in accordance with Art. 71 par. 1 no. 8 AktG. The explanatory information contained in the report on this applies here, too.

The – partial – use of the already existing shares for the issue of employee shares may be expedient; it saves the Company from purchasing further treasury stock, which would be permissible under Art. 71 par. 1 no. 2 AktG.

The authorization proposed under a), cc) to sell the shares in return for a contribution in kind also supplements the existing authorization to purchase shares under Art. 71 par. 1 no. 8 AktG and enables the Company to use the existing treasury stock in combination with shares it repurchases in the framework of the authorization under Art. 71 par. 1 no. 8 AktG as acquisition currency. This gives the Company greater scope to respond to opportunities arising for mergers or acquisitions of companies, company units or company investments. At present there are no concrete projects for which the treasury stock could be considered as compensation. The Executive Board will carefully examine whether the acquisition is in the properly understood interests of the Company.

Insofar as stockholders have subscription rights to the shares, this would conflict with the authorizations under a), bb) to ee). Here, too, reference can be made to the comments in the report of the Executive Board on agenda item 7. It should also be taken into consideration that the exclusion of subscription rights relates to a share of only 3.29% of the capital stock. Regardless of whether the corresponding authorizations in this agenda with the option of excluding subscription rights are used individually or cumulatively, the overall threshold of 10% of the capital stock for an exclusion of subscription rights in accordance with the provisions of Art. 186 par. 3 sentence 4 AktG will not be exceeded.

In deciding on the use of the shares, the Executive Board will be guided solely by the interests of the stockholders and the Company. According to its best judgment, the Supervisory Board may determine that measures of the Executive Board under this Stockholder authorization are subject to its approval.

The aforesaid authorizations are valid until January 22, 2009. This allows the Company sufficient time to make the best use of the treasury stock.

The Executive Board will inform the next Annual Stockholders' Meeting about the exercise of the authorization.

### Report of the Executive Board in accordance with Art. 221 par. 4 sentence 2 AktG in conjunction with Art. 186 par. 3 and 4 AktG re agenda item 9

Depending on the market situation, the issuing of convertible bonds allows the Company to use attractive financing opportunities to obtain capital at low interest rates and thus secure appropriate capital resources. Under the proposed authorization of the Executive Board, bonds can be issued up to a maximum value of €500,000,000 with rights or obligations to exchange these for shares of the Company. It is not planned to issue new shares. The details of the conversion conditions are to be determined by the Executive Board.

The proposed authorization also gives the Company the requisite flexibility to issue convertible bonds itself or via subsidiaries. It also allows the option of providing a guarantee for convertible bonds issued by subsidiaries and of using treasury stock to serve conversion rights.

The convertible bonds can be issued on the market either in the form of a public offer to subscribe or a public invitation to tender. The proportional amount of capital stock allocable to the shares obtained for each convertible bond may not exceed the par value or the amount of issue of the convertible bond, if the latter is lower than the par value.

The conversion price or exchange ratio to be fixed in each case for shares must not be lower than 80% of the average closing price in the Xetra trading system (or a comparable successor system) on the three days of trading before the day of the public announcement. The option of establishing a conversion obligation expands the scope of this financing instrument. Any disadvantages from a conversion obligation can be compensated in whole or in part by cash payments.

Stockholders are generally entitled to subscription rights in respect of the convertible bonds. The exclusion of subscription rights allows fractional amounts to be rounded up or down into full amounts and facilitates the handling of stockholders' subscription rights. It is also expedient and common practice to grant previous bond holders subscription rights in the event that the authorization to issue the bond is used in part. This means that the conversion price of bonds already issued does not have to be reduced according to the existing indenture. Bonds can therefore be issued in several installments and thus in a more attractive way. This case of excluding subscription rights is therefore likewise in the interest of the Company and the stockholders.

To issue a convertible bond quickly and flexibly at attractive conditions on the market, it may be expedient to exclude the subscription rights of stockholders. The Executive Board is therefore authorized to exclude stockholders' subscription rights, subject to the approval of the Supervisory Board, in the cases of Art. 186 par. 3 sentence 4 AktG. In view of the frequently observed volatility of the stock markets, it is necessary to ensure that the Company is not tied to an excessively long offer period in order to achieve the highest possible proceeds on the issue. Otherwise a significant security discount would be necessary to safeguard the attractiveness of the conditions and the success of the convertible bond issue. However, when convertible bonds are issued with subscription rights for stockholders, until the subscription term expires it is uncertain how far subscription rights will be exercised and to what extent an issue can be directed at investors. This can hinder the success of a bond issue.

To safeguard the interests of the stockholders in this case, the convertible bonds are issued at a price not significantly lower than the fair value. The theoretical fair value is calculated on the basis of recognized financial calculation methods. In fixing the price, the Executive Board will keep the discount as low as possible, taking into consideration the situation on the capital market. Further, consideration must be given to the fact that the exercise of the subscription right exclusion overall will not exceed the capital threshold of 10% of Art. 186 par. 3 sentence 4 AktG. The calculated fair value of subscription rights will therefore fall to almost zero so that the stockholders cannot incur any significant economic disadvantage as a result of the exclusion of subscription rights. They also have the option of maintaining their share in the capital stock after conversion rights have been exercised by purchasing shares of the Company on the stock market on virtually identical conditions.

## Participation in the Annual Stockholders' Meeting

Under Article 17 of the Articles of Association of our Company, to be entitled to attend the Annual Stockholders' Meeting and exercise their voting rights, stockholders must deposit their shares by no later than Friday, January 16, 2004 with the Company's cashier's office, a German notary public, a security deposit bank authorized to accept the shares, or one of the banks listed below, and leave them there until the end of the Stockholders' Meeting:

Official depository in Germany:  WestLB AG  
Official depository in the United Kingdom:  UBS Investment Bank

Shares will also be deemed to have been properly deposited if, with the approval of the depository, the shares are held for it in escrow at another bank until the end of the Stockholders' Meeting. If the shares are deposited with a German notary public or a security deposit bank, the certificate of deposit to be issued by the notary public or depository must be submitted to the Company by no later than January 19, 2004.

## Voting by proxy

Stockholders who do not wish to attend the Annual Stockholders' Meeting in person may have their voting rights exercised by proxy, e.g. by a bank or stockholders' association.

Once again this year we are offering our stockholders the opportunity to appoint Company-nominated proxies bound by instructions before the Annual Stockholders' Meeting. To authorize Company-nominated proxies, stockholders will require an admission ticket to the Annual Stockholders' Meeting. To ensure you receive an admission ticket in good time, you should place your order with the depository bank as early as possible.

Proxies must be authorized in writing. If proxies nominated by the Company are authorized, they must be given instructions on exercising voting rights. Without these instructions, the authorization is invalid. Proxies are obligated to vote as instructed.

Our stockholders also have the option of authorizing and instructing proxies nominated by the Company using the electronic process specified by the Company via the internet instead of in writing. Proxies may be authorized and instructed on the internet during the Annual Stockholders' Meeting until the voting commences.

A leaflet containing detailed information on authorizing and instructing proxies nominated by the Company is sent to stockholders together with their admission ticket. This information can also be viewed on the internet at [www.thyssenkrupp.com](http://www.thyssenkrupp.com).

## Transmission of the Annual Stockholders' Meeting on the internet

At the instruction of the chairman of the Meeting, all stockholders and anyone else interested can follow the entire Annual Stockholders' Meeting live on the internet on January 23, 2004, starting at 10.00 a.m. ([www.thyssenkrupp.com](http://www.thyssenkrupp.com)). The link "Annual Stockholders' Meeting of ThyssenKrupp AG on January 23, 2004" provides unrestricted access to the live transmission. The opening of the Annual Stockholders' Meeting by the chairman of the meeting together with the speech by the Executive Board Chairman will also be available as a recording after the Annual Stockholders' Meeting.

## Stockholder motions

Motions opposing a proposal of the Executive Board and Supervisory Board regarding a specific agenda item in the meaning of Art. 126 par. 1 AktG should be sent with reasons and proof of stockholder status exclusively to:

ThyssenKrupp AG  
Corporate Investor Relations  
August-Thyssen-Strasse 1  
40211 Düsseldorf, Germany

Fax: +49 211 824-38512  
E-mail: [ir@tk.thyssenkrupp.com](mailto:ir@tk.thyssenkrupp.com)

Counter motions received by no later than the close of January 8, 2004 at this address will be made available immediately to other stockholders on the internet at [www.thyssenkrupp.com](http://www.thyssenkrupp.com). Counter motions addressed elsewhere will not be considered. Any comments from head office will likewise be published after January 8, 2004 at the same internet address.

Duisburg and Essen, December 2003

ThyssenKrupp AG  
The Executive Board



**ThyssenKrupp AG**  
August-Thyssen-Strasse 1  
40211 Düsseldorf, Germany  
[www.thyssenkrupp.com](http://www.thyssenkrupp.com)