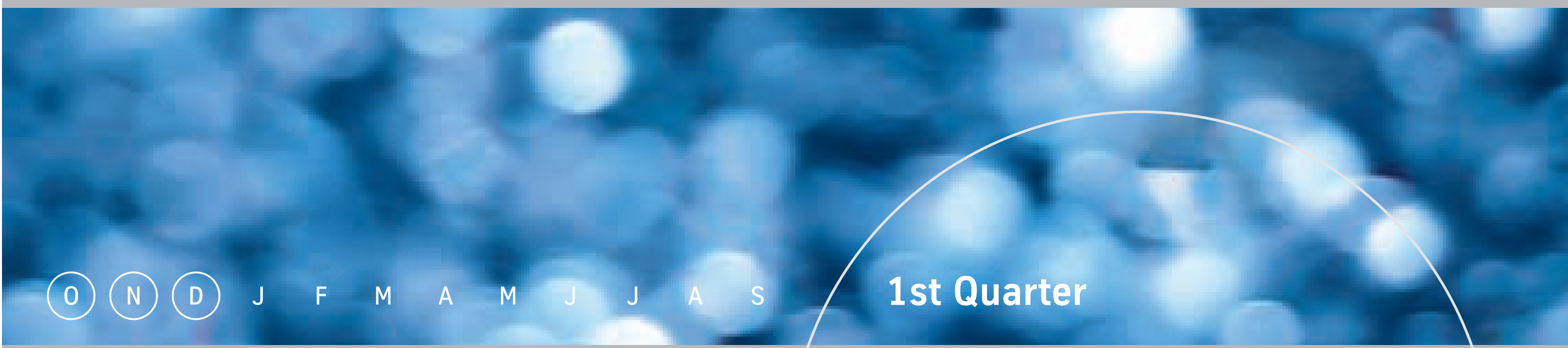
Interim Report 1st Quarter 2001/2002
October 01 – December 31, 2001



ThyssenKrupp

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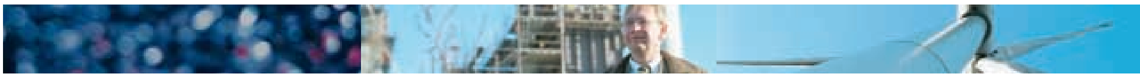


Accounting at ThyssenKrupp AG is in accordance with US GAAP. As SFAS 142 is being applied for the first time in the current fiscal year, for comparative purposes, goodwill amortization has been removed from the prior-year period figures.

The Group in figures

GROUP		1st quarter ending Dec. 31, 2000	1st quarter ending Dec. 31, 2001
Order intake	million €	9,486	8,857
Sales	million €	9,362	8,339
EBITDA	million €	931	502
Income*	million €	414	28
Net income	million €	299	18
Basic earnings per share	€	0.58	0.03
Normalized earnings per share	€	0.36	(0.01)
Employees (Dec. 31)		193,109	191,303

* before income taxes and minority interest

		Sept. 30, 2001	Dec. 31, 2001
Net financial payables	million €	6,407	7,160
Stockholders' equity	million €	8,786	8,939

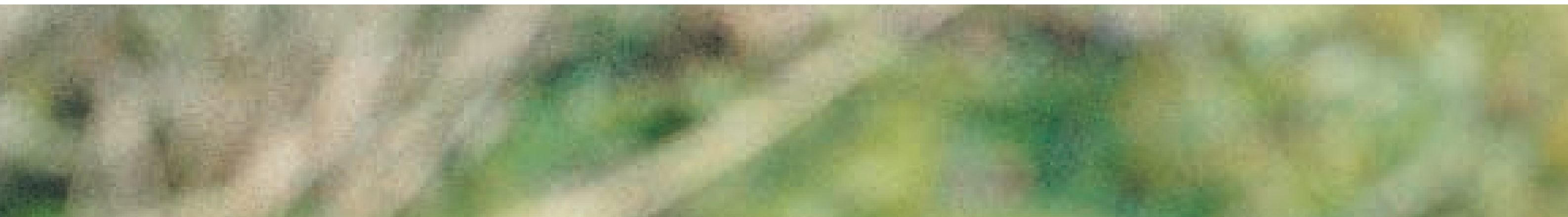
SEGMENTS
million €

	Order intake 1st quarter ending Dec. 31, 2000	Order intake 1st quarter ending Dec. 31, 2001	Sales 1st quarter ending Dec. 31, 2000	Sales 1st quarter ending Dec. 31, 2001	Income* 1st quarter ending Dec. 31, 2000	Income* 1st quarter ending Dec. 31, 2001	Employees Dec. 31, 2000	Employees Sept. 30, 2001	Employees Dec. 31, 2001
Steel	2,912	2,607	3,140	2,632	198	(26)	53,999	51,418	50,962
Automotive	1,526	1,457	1,480	1,445	44	1	39,787	39,883	39,052
Elevator	936	954	821	850	55	72	26,990	28,000	27,915
Technologies	1,559	1,671	1,356	1,278	110	(7)	31,855	32,750	32,592
Materials	2,401	1,945	2,511	2,003	29	(5)	13,607	14,315	14,154
Serv	647	639	602	600	8	17	25,172	25,665	25,166
Real Estate	71	77	71	77	6	28	809	791	778
Corporate	71	16	73	16	(34)	(53)	890	694	684
Consolidation	(637)	(509)	(692)	(562)	(2)	1			
Group	**9,486**	**8,857**	**9,362**	**8,339**	**414**	**28**	**193,109**	**193,516**	**191,303**

* before income taxes and minority interest

Global view ○ **Clean air**
Project Clean air equipment for new coking plant
Place Duisburg, Germany
Segment Steel
Competency Environmental protection, development of low-emission processes

Clean air



"ThyssenKrupp is committed to protecting the environment. All our decisions are assessed in terms of their environmental impact. So for our new coking plant in Duisburg we are using an improved cooling process which is particularly low in pollution. We took an already low-emission coke stabilizing process and made it even cleaner. At the same time we are investing 60 million euros in emission control in Duisburg. As a result of our initiative, air pollution in the city will be halved, improving the quality of life for people there."

Dr. Gunnar Still, Head of Central Environmental Protection

Business performance

Difficult start to the new fiscal year

The worldwide economic downturn severely impacted the business performance of ThyssenKrupp at the beginning of fiscal year 2001/2002, leading to a reduction in income in the 1st quarter 2001/2002 (October 01 – December 31, 2001). Income before taxes and minority interest, for the first time without goodwill amortization, amounted to €28 million.

The key figures for the first 3 months of fiscal year 2001/2002 were as follows:

- Order intake reached €8.9 billion, 7% less than the year before.
- Sales amounted to €8.3 billion, down 11%.
- EBITDA fell 46% to €0.5 billion.
- Income before taxes and minority interest decreased €386 million to €28 million.
- Earnings per share were €0.03, after eliminating non-recurring effects –€0.01.
- At December 31, 2001, net financial payables increased seasonally and as planned by €0.8 billion to €7.2 billion; at September 30, 2001 the figure was €6.4 billion. Compared with December 31, 2000, net financial payables were down €1.3 billion.

With the economic slowdown likely to continue for the time being, the situation is expected to remain difficult in the subsequent quarters of the fiscal year. We do not anticipate a recovery in world economic growth before the second half of 2002. It is therefore increasingly unlikely that we will match last year's sales performance. From the present perspective it has to be expected that following the elimination of goodwill amortization, earnings before taxes will be approximately €0.5 billion (excluding any non-recurring effects). This does not include goodwill impairment arising due to the adoption of SFAS 142, which may exceed the previous goodwill amortization of over €200 million.

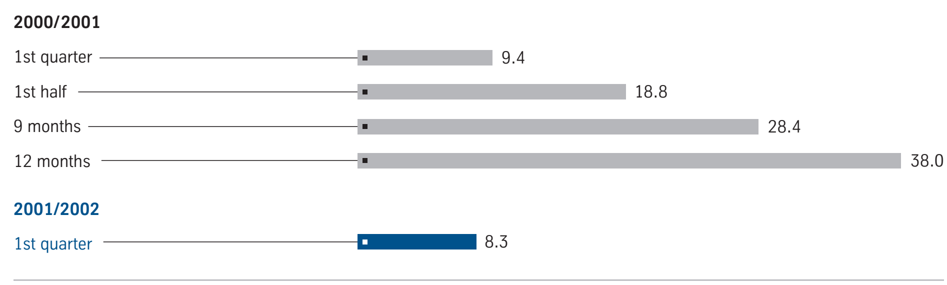
Economic environment

The economic environment has steadily deteriorated worldwide since mid-2001. Growth in world trade has come to a virtual standstill. At present none of the major economies is providing any impetus for growth. For the first time since the 1973 oil crisis, key industrial countries like the USA, Japan and Germany are moving toward a recession at the same time. Most of the EU countries are reporting only slow growth. With the exception of China and Russia, many of the emerging markets have been hit by the global economic weakness.

Business situation

The difficult situation on the international markets seriously impacted the business performance of ThyssenKrupp in the 1st quarter of fiscal 2001/2002. At €8.9 billion, orders received were 7% lower than the prior comparative period. Due to the weakness of the materials markets, the Steel and Materials segments suffered particularly large decreases. By contrast, order intake at Elevator and Technologies increased. The Group's sales fell 11% to €8.3 billion compared to the 1st quarter of fiscal 2000/2001, with Steel and Materials once again showing the largest reductions.

SALES
billion €



In the 1st quarter of 2001/2002 ThyssenKrupp posted a profit before taxes and minority interest of €28 million. Compared with the same prior-year period, earnings are down €386 million. Due to the adoption of SFAS 142 as of October 1, 2001, current period figures no longer contain goodwill amortization (prior comparative period €58 million). Details are provided in the Notes.

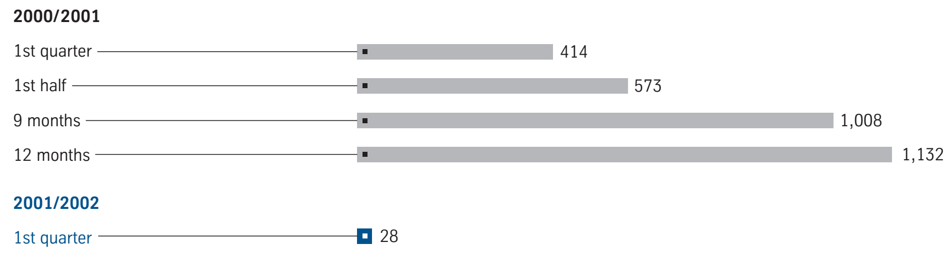
Earnings for the 1st quarter 2001/2002 contain a gain of €23 million from the sale of the Kone shares. In the prior-year period a disposal gain of €65 million was made on the sale of Krupp Werner & Pfleiderer. Excluding these disposal gains, earnings decreased by €344 million to €5 million. The main reason for this decrease is the decline in business at Carbon Steel.

Details of business performance are given in the comments on segment earnings. The segment figures for the reporting and prior-year periods are presented according to the current segment organization. To be consistent with the earnings figures for the current fiscal quarter, the prior comparative period figures are also shown without goodwill amortization.

After deducting income taxes of €10 million and minority interest, the net income for the 1st quarter of 2001/2002 is €18 million. Income is thus €281 million lower than the 1st quarter 2000/2001. Related to the number of shares outstanding, earnings per share are €0.03, €0.55 lower than the prior comparative period figure.

After eliminating the non-recurring effects from the sale of the Kone shares and in 2000/2001 the sale of Krupp Werner & Pfleiderer, the accounting change (SAB No. 101) and the tax reform, normalized earnings per share in 2001/2002 are –€0.01, €0.37 lower than the prior comparative period.

INCOME*
million €



* before income taxes and minority interest

Net financial payables stood at €7.2 billion on December 31, 2001, €1.3 billion lower than on December 31, 2000. In comparison with the figure at September 30, 2001, there has been a seasonal and planned increase of €0.8 billion. This increase results from negative cash flow from operating activities of €0.3 billion which is mainly due to a rise in net working capital. In addition, €0.3 billion was used to finance investing activities. Added to this were non-cash changes in net financial payables in the amount of €0.2 billion mainly due to exchange rate influences.

Capital spending in the 1st quarter of fiscal 2001/2002 amounted to approximately €0.5 billion, 23% less than the prior comparative period. €0.4 billion was invested in property, plant, equipment and intangible assets, with the remaining €0.1 billion used for business acquisitions.

In the 1st quarter of the reporting year, the Group invited entries to its Innovation Contest, attracting more than 60 projects from all segments. Research and development focused on the development of new, high-strength steels and their applications (mainly in auto construction) and on stainless steel applications such as fuel tank shells for volume production. Further projects addressed spring and shock absorber systems for the automobile industry as well as drive, control and monitoring concepts for elevators, in part via online data transfer. Our shipyards intensified work on developing an innovative test vessel for the German navy which is to be used to investigate the effects of the marine environment on underwater locating and communication equipment. In magnetic train technology, development work focused on detailed solutions for the first Transrapid line in Shanghai, in addition to the lines under discussion between Dortmund and Düsseldorf and in Munich. A newly developed and extremely powerful tunnel smoke extraction system with water spray facility to combat fumes will make tunnel fires easier to control in the future.

The number of employees at ThyssenKrupp on December 31, 2001 was 191,303, 2,213 (1.1%) lower than on September 30, 2001. In Germany the headcount decreased by 1.6% to 103,637, outside Germany by 0.6% to 87,666.

Segments

Steel

STEEL SEGMENT IN FIGURES		1st quarter ending Dec. 31, 2000	1st quarter ending Dec. 31, 2001
Order intake	million €	2,912	2,607
Sales	million €	3,140	2,632
Income*	million €	198	(26)
Employees (Dec. 31)		53,999	50,962

* before income taxes and minority interest

Year on year, 1st quarter sales of the Steel segment decreased 16% to €2.6 billion. Since early 2001 the international steel market has felt the growing effects of weak demand due to the economic slowdown. In Western Europe, inventory reductions by users and distributors – particularly in the 1st quarter of the current fiscal year – limited sales opportunities for steel producers. In this market environment, new orders at Steel were down 10% to €2.6 billion; crude steel production fell 11% to 3.8 million tons compared to the 1st quarter of fiscal 2000/2001.

Sales of the Carbon Steel business unit declined 18% to €1,539 million compared to the 1st quarter of fiscal 2000/2001. The decrease was primarily due to the 13% fall in shipments at ThyssenKrupp Stahl. The reduced order backlog and high levels of in-house inventories at ThyssenKrupp Stahl necessitated production stoppages and short-time working at the turn of the calendar year. In the Stainless Steel business unit, sales were down 11% at €889 million compared to the 1st quarter of fiscal 2000/2001. The main factor was the lower price level for stainless flat-rolled products. Overall, Stainless Steel's 1st quarter shipments were higher than the prior comparative period. Lower deliveries of cold-rolled strip were outweighed by higher shipments of hot-rolled strip. In response to the weak demand, output was scaled back at our German and Italian plants. In the nickel-base alloy business, sales were lower than the prior comparative period. The Other Companies in the Steel segment, for the first time including the Electrical Steel business, achieved total sales of €327 million, 17% down from the prior comparative period.

The Steel segment reported a loss of €26 million for the 1st quarter ending December 31, 2001, following a 1st quarter profit of €198 million for the prior comparative period. The main fall in profits (€139 million) was at the Carbon Steel business unit, which returned a loss of €44 million due to the drastic production and shipment cutbacks in December 2001. Average revenues per ton in the reporting period were only slightly down from the prior comparative period. Profits of the Stainless Steel unit declined sharply by €56 million. Overall, however, including the nickel-base alloy activities, Stainless Steel made a profit of €5 million in the 1st quarter 2001/2002. The earnings situation at the Italian and Mexican operations has stabilized. The plant in Shanghai incurred start-up losses from the cold strip production operations which began in November 2001. This had a negative effect on earnings. Income of the Other Companies was also lower, but overall they returned a profit.

Automotive

AUTOMOTIVE SEGMENT IN FIGURES		1st quarter ending Dec. 31, 2000	Dec. 31, 2001
Order intake	million €	1,526	1,457
Sales	million €	1,480	1,445
Income*	million €	44	1
Employees (Dec. 31)		39,787	39,052

* before income taxes and minority interest

The Automotive segment achieved sales of €1.4 billion. The 2% decrease compared to the same period in the prior year is mainly due to the increase in the value of the euro against the US dollar and the Brazilian real. Lower vehicle output in North and South America impacted our operations in these regions. The large decrease in heavy truck production particularly affected our production activities in the NAFTA region, exports of engine components from Brazil to the USA as well as Chassis and Powertrain products manufactured at locations in the USA and Europe. The continuing boom in diesel vehicles had a positive effect, leading to increased demand for forged crankshafts. New orders starting up in Europe and the NAFTA region also resulted in additional sales, but not enough to offset the negative effects.

Automotive's profit in the 1st quarter ending December 31, 2001 was €43 million lower than the prior comparative period at €1 million. The continuing weakness of the US auto market, as well as new start-ups, caused the Chassis and Body business units to post losses for the reporting period. A further contributory factor were the start-up problems at the Canadian Kitchener plant, which have not yet been fully resolved. By contrast, the Powertrain business unit reported positive, though lower, earnings.

Elevator

ELEVATOR SEGMENT IN FIGURES		1st quarter ending Dec. 31, 2000	Dec. 31, 2001
Order intake	million €	936	954
Sales	million €	821	850
Income*	million €	55	72
Employees (Dec. 31)		26,990	27,915

* before income taxes and minority interest

Despite the difficult economic environment, Elevator increased its sales by 4% to €0.9 billion compared to the same period in the prior year. The US subsidiaries in particular proved resistant to the general downward trend. Sales grew in the rest of Europe outside Germany. Despite the continuing weakness of the German construction sector, domestic business was at more or less the same level as the prior comparative period. Following restructuring in fiscal 2000/2001, the companies of the Passenger Boarding Bridges unit achieved higher sales. Effective November 01, 2001, the former Kone companies newly acquired in South America were fully consolidated. This acquisition substantially strengthened the segment's market presence in Brazil, where ThyssenKrupp Elevator first gained significant market share in 1999 with the purchase of Elevadores Sûr. The positive order situation in the 1st quarter – slightly better than the previous year's already very good figures – will secure a level of high capacity utilization for the rest of fiscal year 2001/2002. The main growth was in European business outside Germany, while there were slight decreases in North America. The increase in new business in Spain was mainly attributable to large orders for the Madrid Barajas airport extension and for the Metro Madrid subway.

Elevator posted a €17 million higher profit than the prior comparative period at €72 million. All business units contributed to this profit increase. Significant improvements in operating earnings were achieved in North America, France and the Benelux countries.

Technologies

TECHNOLOGIES SEGMENT IN FIGURES		1st quarter ending Dec. 31, 2000	Dec. 31, 2001
Order intake	million €	1,559	1,671
Sales	million €	1,356	1,278
Income*	million €	110	(7)
Employees (Dec. 31)		31,855	32,592

* before income taxes and minority interest

Order intake of the Technologies segment rose 7% to €1.7 billion compared to the same period in the prior year. This growth is mainly due to a corvette order from the German navy. Plant Technology also achieved higher orders, but the economic situation resulted in lower orders in the other units. 1st quarter sales of Technologies fell 6% to €1.3 billion compared to the same period in the prior year. Weak demand from the auto industry resulted in weaker activity at Production Systems. Sales deferrals reduced the volume of business at Plant Technology, although this should be recovered over the remainder of the fiscal year. By contrast, Marine reported significantly higher sales. Despite the disposal of Krupp Werner & Pfleiderer, sales of Mechanical Engineering were roughly level with the prior-year period. Hoesch Rothe Erde achieved higher sales of large-diameter bearings for wind turbines. For the first time, the construction of the Transrapid line in Shanghai made a significant contribution to sales. In Germany, the findings of the feasibility study into a Metrorapid line between Dortmund and Düsseldorf as well as the link between Munich's airport and central station were positive.

Earnings before taxes at Technologies decreased by €117 million in the 1st quarter of fiscal 2001/2002 to a loss of €7 million compared with the same period in the prior year. A major reason for this decline is the inclusion in the prior comparative period figure of the €65 million gain on the disposal of Krupp Werner & Pfleiderer. Production Systems once again posted a loss, primarily attributable to the continuing weakness of the US machine tool market. In addition to the Metal Cutting unit, for the first time this also impacted the Assembly Plant business. The drop in 1st quarter income at Plant Technology compared with the prior comparative period was mainly due to the different percentages of completion of major plant orders. Marine posted higher 1st quarter earnings compared to the prior-year period. Mechanical Engineering more or less matched its prior comparative period profit.

Materials

MATERIALS SEGMENT IN FIGURES		1st quarter ending Dec. 31, 2000	1st quarter ending **Dec. 31, 2001**
Order intake	million €	2,401	1,945
Sales	million €	2,511	2,003
Income*	million €	29	(5)
Employees (Dec. 31)		13,607	14,154

*before income taxes and minority interest

In the Materials segment, sales reached €2.0 billion in the 1st quarter of fiscal 2001/2002. The 20% decrease, compared to the same period in the prior year, reflects the weak state of the international material markets. Volumes and prices in the 1st quarter 2001/2002 were significantly below the comparable prior-year levels. Business in international trading, in North America and in the steel-related area of special materials was particularly affected by this.

Materials reported a decrease in income by €34 million to a loss of €5 million in the 1st quarter 2001/2002. Despite numerous cost-reduction measures, the economic situation led to losses in the service activities in Europe and America. The Materials Trading and Special Materials business units achieved profits, but they were down from the prior-year quarter.

Serv

SERV SEGMENT IN FIGURES		1st quarter ending Dec. 31, 2000	Dec. 31, 2001
Order intake	million €	647	639
Sales	million €	602	600
Income*	million €	8	17
Employees (Dec. 31)		25,172	25,166

* before income taxes and minority interest

The Serv segment achieved sales of €0.6 billion in the 1st quarter 2001/2002, roughly level with the same period a year earlier. Despite the weak economic situation the Industrial Services and Information Services business units further increased their sales. The same is true of the scaffold services business in the USA. However, this increase was outweighed by a decrease in German business, so sales of the Construction Services business unit were slightly lower than the prior comparative period. Sales of Facilities Services were down.

Serv's earnings in the 1st quarter 2001/2002 were €9 million higher at €17 million compared with the same period in the prior year. All the business units contributed to this. Scaffold services in the Construction Services business unit were particularly successful. Information Services achieved a turnaround, reporting a profit in the 1st quarter of fiscal 2001/2002 compared to a loss reported in the 1st quarter of fiscal 2000/2001.

Real Estate achieved sales of €77 million in the 1st quarter of fiscal 2001/2002, up 8% from the prior comparative period. The biggest contributor with a share of 78% was the Residential Real Estate business unit. Real Estate's profits improved by €22 million to €28 million in the current quarter; they were mainly achieved in the Residential Real Estate business unit through the sale of around 1,400 residential properties.

Corporate includes the Group's head office and the companies not assigned to the individual segments. Sales totaled only €16 million in the 1st quarter of fiscal 2001/2002, after €73 million in the prior comparative period. The decrease is due to the sale of the bulk carrier business of Krupp Seeschiffahrt in fiscal 2000/2001. Corporate reported a loss of €53 million in the 1st quarter of fiscal 2001/2002, which includes a gain of €23 million on the disposal of the Kone shares. This represents a deterioration against the prior comparative period of €19 million, which is due to allowances for doubtful accounts. Consolidation mainly includes the results of intercompany profit elimination.

ThyssenKrupp best

The start of the new fiscal year saw the launch of the Groupwide program ThyssenKrupp best. "best" stands for "**b**usiness **e**xcellence in **s**ervice and **t**echnology". The program is aimed at achieving value-creating growth through higher profit margins, increasing capital productivity and strengthening the Group's competitiveness on a sustained basis.

In the meantime, several hundred new projects have been implemented, while more than 800 existing improvement projects have been integrated in ThyssenKrupp best as the basis for Groupwide knowledge transfer. New projects are being added continuously. These include projects aimed at improving operating efficiency, increasing capital productivity, optimizing performance quality and strengthening the involvement of employees and management. Pilot projects covering the central themes of ThyssenKrupp best have already been completed with a very high degree of success.

ThyssenKrupp best is a long-term, self-supporting program. It will set in motion a permanent improvement process in which the Group and its subsidiaries will constantly review and improve their performance to meet the rising demands of our customers, business associates, employees and stockholders.

Personnel changes

At September 30 / October 01, 2001 the following personnel changes on the Supervisory Board and Executive Board of ThyssenKrupp AG came into effect:

- Dr. Heinz Kriwet resigned as Supervisory Board Chairman effective September 30, 2001 but remains a member of the Supervisory Board. Dr. Kersten von Schenck left the Supervisory Board effective September 30, 2001.
- Dr. Gerhard Cromme left the Executive Board effective September 30, 2001 and took over from Dr. Kriwet as Supervisory Board Chairman effective October 01, 2001.
- Prof. Dr. Ekkehard D. Schulz became sole Executive Board Chairman on October 01, 2001; at this time he gave up his post as Executive Board Chairman of ThyssenKrupp Steel AG.
- Dr. Ulrich Middelmann was appointed Executive Board Vice Chairman effective October 01, 2001 and at the same time took over as Executive Board Chairman of ThyssenKrupp Steel AG.
- Dr. Jürgen Harnisch was appointed as a member of the Executive Board effective October 01, 2001 and at the same time as Chairman of the Executive Board of ThyssenKrupp Automotive AG.

Effective December 31, 2001 Jürgen Rossberg left the Executive Board and retired.

Outlook

The economic outlook for the coming months remains depressed. At present, none of the major economies is providing any great impetus for an upswing. A leading role could fall to the USA. Some early indicators suggest that the US downswing has bottomed out. For Europe, an economic recovery is expected at the earliest in the second half of 2002.

ThyssenKrupp, like the other steel producers, has cut back its production. The market conditions now allow a price improvement for carbon steel. In the case of stainless steel, slow world economic growth has depressed demand; a recovery is expected in the coming months. Effective April 01, 2002, ThyssenKrupp Stahl will raise its prices for carbon steel flat products by €30 to 40 per ton depending on product form. ThyssenKrupp Nirosta, too, will increase the base prices for stainless flat products by €50 per ton plus alloy surcharge for all new orders for delivery from April 01, 2002. One risk factor is the Section 201 procedure in the USA concerning government restrictions on steel imports into the USA.

The international auto market will weaken in 2002. In North America, sales figures will decline, with knock-on effects for production. Sales prospects are hampered by the fact that many buyers brought forward their purchases in response to major incentives introduced by US manufacturers in fall 2001. Production numbers in the euro zone also will likely decrease. In Germany, the auto industry anticipates a weakening of domestic demand. As it is very unlikely that the export achievements of 2001 will be repeated, German auto production in 2002 is expected to be lower.

Last year, investment was a weak point of the international economy. In view of the uncertainty over how things will develop, this is unlikely to change significantly in the short term. The outlook for the main capital goods sector – mechanical engineering – is correspondingly depressed. In the USA there are fears that production will continue to decrease. The German mechanical engineering association forecasts a 2% drop in output this year; order intake will decrease far more sharply.

The German construction industry faces continued stagnation at a low level this year; the outlook is brighter in other European countries.

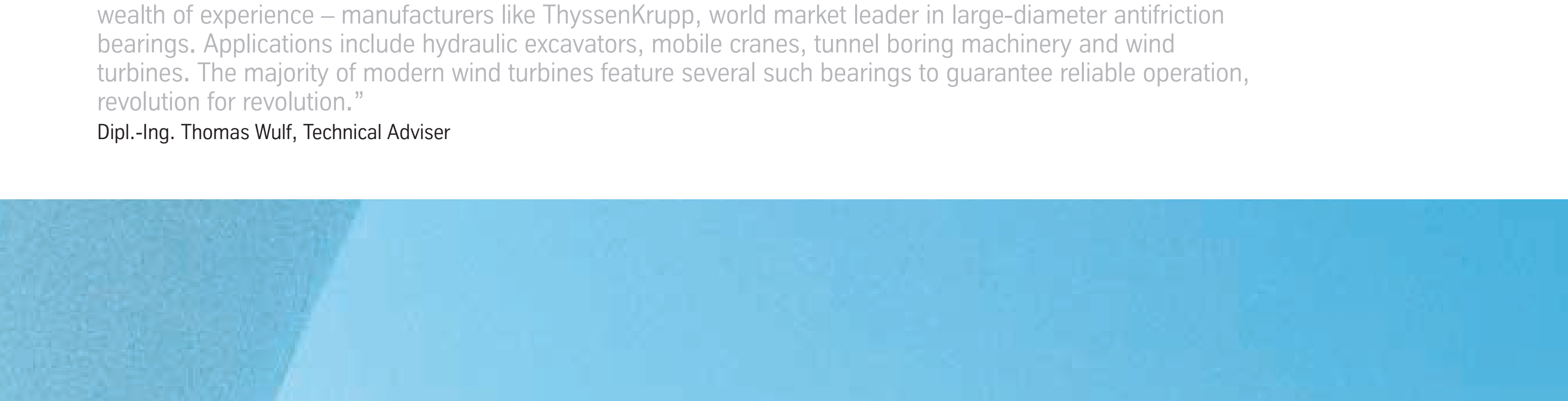
In view of these economic prospects, the business situation of ThyssenKrupp is unlikely to improve significantly in the 2nd quarter 2001/2002. As no impetus from the economy is expected before mid-2002, it is becoming increasingly unlikely that the sales levels of the previous year can be achieved in the current fiscal year. From the current perspective, we expect that following the elimination of goodwill amortization, earnings before taxes will be around €0.5 billion (excluding any non-recurring items). This does not include goodwill impairment based on the adoption of SFAS 142, which may exceed the previous goodwill amortization of over €200 million.

At its meeting on January 09, 2002, the Supervisory Board approved capital expenditure of €1.2 billion; the total volume of approved investment thus amounts to €3.4 billion. This cautious investment policy compared with previous years is in response to the weak business situation.

Perpetual motion

"The efficiency and above all the durability of a wind turbine depends to a large extent on its bearings. They have to absorb all the mechanical forces acting on the moving parts, which at wind speeds of 100 km/hour and more make enormous demands on the material. That's why it's better to rely on manufacturers with a wealth of experience – manufacturers like ThyssenKrupp, world market leader in large-diameter antifriction bearings. Applications include hydraulic excavators, mobile cranes, tunnel boring machinery and wind turbines. The majority of modern wind turbines feature several such bearings to guarantee reliable operation, revolution for revolution."

Dipl.-Ing. Thomas Wulf, Technical Adviser



Global view	○ **Perpetual motion**
Project	Large-diameter bearings
Place	Dortmund/Lippstadt, Germany
Segment	Technologies
Competency	Manufacture of large-diameter bearings, development of high-quality components, high-tech engineering

Interim financial statements

Independent Accountants' Review Report

To the Executive Board of ThyssenKrupp AG

We have reviewed the accompanying condensed consolidated balance sheet of ThyssenKrupp AG as of December 31, 2001 and the related condensed consolidated statement of income and cash flows for the three month period then ending. These financial statements are the responsibility of the Group's Management.

We were furnished with the report of other accountants on their review of the consolidated interim financial statements of ThyssenKrupp USA Inc., a wholly owned subsidary of ThyssenKrupp AG, whose total assets as of December 31, 2001 and whose revenues for the three month period then ending constituted 20.8% and 21.3%, respectively, of the related consolidated totals.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review and the review report of the other accountants, we are not aware of any material modifications that should be made to the accompanying condensed consolidated financial statements as of and for the three month period ending December 31, 2001, in order for them to be in conformity with accounting principles generally accepted in the United States.

For comparative purposes, the Group has included financial information as of and for the three month period ending December 31, 2000. We have not audited or reviewed the financial information as of and for the three month period ending December 31, 2000 and, accordingly, do not express an opinion or any other form of assurance on such financial information.

Düsseldorf, February 20, 2002

KPMG Deutsche Treuhand-Gesellschaft
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Reinke	Nunnenkamp
Independent accountant	Independent accountant

ThyssenKrupp AG Consolidated Statements of Income

million €, earnings per share in €	Note	1st quarter ending Dec. 31, 2000	1st quarter ending Dec. 31, 2001
Net sales	9	9,362	8,339
Cost of sales		(7,540)	(6,951)
Gross margin		**1,822**	**1,388**
Selling expenses		(722)	(714)
General and administrative expenses		(623)	(628)
Other operating income		151	148
Other operating expenses		(236)	(125)
Gain on the disposal of subsidaries, net		66	2
Income from operations		**458**	**71**
Financial expense, net	4	(102)	(43)
Income before income taxes, minority interest and cumulative effects of changes in accounting principles	5 9	**356**	**28**
Provisions for income taxes		(88)	(10)
Minority interest		(5)	0
Income from operations before cumulative effects of changes in accounting principles		**263**	**18**
Cumulative effects of changes in accounting principles (net of tax)		(22)	0
Net income		**241**	**18**
Basic earnings per share	10	**0.47**	**0.03**
Adjusted basic earnings per share (before goodwill amortization)	5	**0.58**	**0.03**

See accompanying notes to the unaudited condensed consolidated financial statements and accountants' review report.

ThyssenKrupp AG Consolidated Balance Sheets

ASSETS million €	Note	Sept. 30, 2001	Dec. 31, 2001
Intangible assets, net		4,169	4,275
Property, plant and equipment, net		12,167	12,257
Financial assets, net		1,482	1,447
Fixed assets		**17,818**	**17,979**
Inventories		6,525	6,753
Trade accounts receivable, net		5,721	5,423
Other receivables and other assets, net		1,637	1,838
Securities		24	30
Cash and cash equivalents		1,234	1,053
Operating assets		**15,141**	**15,097**
Deferred income taxes		**1,445**	**1,462**
Prepaid expenses and deferred charges		**245**	**266**
Total assets		**34,649**	**34,804**

STOCKHOLDERS' EQUITY AND LIABILITIES million €	Note	Sept. 30, 2001	Dec. 31, 2001
Capital stock		1,317	1,317
Additional paid in capital		4,684	4,684
Retained earnings		2,577	2,595
Accumulated other comprehensive income		208	343
Total Stockholders' Equity	6	**8,786**	**8,939**
Minority interest		**363**	**331**
Accrued pension and similar obligations		6,908	6,910
Other accrued liabilities		3,136	3,002
Accrued liabilities		**10,044**	**9,912**
Financial payables		7,665	8,243
Trade accounts payable		3,248	2,783
Other payables		3,324	3,407
Payables		**14,237**	**14,433**
Deferred income taxes		**1,161**	**1,119**
Deferred income		**58**	**70**
Total Stockholders' Equity and Liabilities		**34,649**	**34,804**

See accompanying notes to the unaudited condensed consolidated financial statements and accountants' review report.

ThyssenKrupp AG Consolidated Statements of Cash Flows

million €	1st quarter ending Dec. 31, 2000	**1st quarter ending Dec. 31, 2001**
Operating:		
Net income	241	18
Adjustments to reconcile net income to net cash provided by operating activities:		
Minority interest	5	0
Depreciation and amortization of fixed assets	452	392
Earnings from companies valued at equity, net of dividends received	(14)	(11)
Gain from disposal of assets	(61)	(36)
Changes in assets and liabilities, net of effects of acquisitions and dispositions:		
– inventories	(320)	(223)
– trade accounts receivable	470	301
– other assets not related to investing or financing activities	(401)	(178)
– accrued pension and similar obligations	(27)	(14)
– other accrued liabilities	(220)	(169)
– trade accounts payable	(298)	(465)
– other liabilities not related to investing or financing activities	(294)	115
Net cash used in operating activities	**(467)**	**(270)**
Investing:		
Purchase of financial assets and businesses	(40)	(98)
Cash acquired from acquisitions	0	3
Capital expenditures for property, plant and equipment	(548)	(378)
Capital expenditures for intangible assets	(43)	(12)
Proceeds from the sale of financial assets and businesses	175	75
Cash of disposed businesses	(18)	0
Proceeds from disposals of property, plant and equipment	91	94
Proceeds from disposals of intangible assets	1	1
Net cash used in investing activities	**(382)**	**(315)**
Financing:		
Decrease of bonds	(109)	(1)
Increase of payables to financial institutions	784	375
Proceeds from notes payable and other loans	143	50
Decrease in bills of exchange	(36)	0
Decrease/(increase) in securities classified as operating assets	19	(5)
Other financing activities	(124)	(36)
Net cash provided by financing activities	**677**	**383**
Effect of exchange rate changes on cash and cash equivalents	(22)	21
Net decrease in cash and cash equivalents	**(194)**	**(181)**
Cash and cash equivalents at beginning of reporting period	963	1,234
Cash and cash equivalents at end of reporting period	**769**	**1,053**

See accompanying notes to the unaudited condensed consolidated financial statements and accountants' review report.

Notes to the interim consolidated financial statements

1 Basis of presentation

The accompanying unaudited condensed consolidated financial statements present the operations of ThyssenKrupp AG and its subsidiaries (the "Group"). The condensed consolidated financial statements have been prepared in accordance with United States Generally Accepted Accounting Principles ("US GAAP") for interim financial information.

The accompanying interim financial statements are unaudited. In the opinion of Management, these unaudited condensed consolidated financial statments include all adjustments of a normal and recurring nature and necessary for a fair presentation of results for interim periods. Results of the three months ending December 31, 2001 are not necessarily indicative of future results.

The accounting principles and practices as applied correspond in general to those pertaining to the last annual consolidated financial statements. A detailed description of these principles is published in the financial report of our annual report 2000/2001. The only changes result from the adoption of SFAS 141 "Business Combinations" and SFAS 142 "Goodwill and Other Intangible Assets".

Certain reclassifications have been made to the prior period presentation to conform to that of the current period.

In July 2001, the Financial Accounting Standards Board (FASB) issued and the Group adopted Statement of Financial Accounting Standard (SFAS) 141, "Business Combinations". Accordingly, the purchase method of accounting is used for all business combinations. Intangible assets acquired in a business combination are recognized and reported separately from goodwill, pursuant to the criteria specified by SFAS 141.

The Group adopted SFAS 142, "Goodwill and Other Intangible Assets", effective October 01, 2001. Upon adoption of SFAS 142, the Group reassessed the useful lives and residual values of all intangible assets acquired, and made no significant adjustments. The Company did not identify any intangible assets with indefinite useful lives. Intangible assets with definite useful lives are amortized over their respective estimated useful lives to their residual values, and reviewed for impairment in accordance with SFAS 121 "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of".

Upon adoption of SFAS 142, the Group had identified its reporting units in accordance with SFAS 142 and assigned the assets and liabilities of the Group to each reporting unit to the extent they were directly related to the respective reporting unit. All reported goodwill within the Group has been allocated to the identified reporting units. By March 31, 2002, the Group will complete the first phase of its transitional goodwill impairment testing to determine whether there is an indication that goodwill was impaired as of October 01, 2001. Within certain reporting units indications of impairments exist. Goodwill in the amount of €1.0 billion is recorded within these units. Where an indication of impairment exists, the Group will complete the second phase of impairment testing by the end of the current fiscal year to determine which amount of goodwill impairment, if any, is required. As of December 31, 2001, the Group has not yet determined what effect these tests will have on its earnings and financial position.

In August 2001, the FASB issued SFAS 143, “Accounting for Asset Retirement Obligations”. This Statement addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. SFAS 143 requires an enterprise to record the fair value of an asset retirement obligation as a liability in the period in which it incurs a legal obligation associated with the retirement of a tangible long-lived asset. The Statement also requires the enterprise to increase the carrying amount of the related long-lived asset (i.e., the associated asset retirement cost) and to depreciate that cost over the remaining useful life of the asset. The liability is adjusted at the end of each period to reflect the passage of time (i.e., accretion expense) and changes in the estimated future cash flows underlying the initial fair value measurement. SFAS 143 is to be adopted for fiscal years beginning after June 15, 2002, with early adoption encouraged.

In October 2001, the FASB issued SFAS 144, “Accounting for the Impairment or Disposal of Long-Lived Assets”, which addresses financial accounting and reporting for the impairment or disposal of long-lived assets. Statement 144 supersedes both SFAS 121, “Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of”, and APB Opinion No. 30, “ Reporting the Results of Operations – Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions”. However, SFAS 144 retains many of the fundamental provisions of SFAS 121 and retains the requirement in Opinion 30 to report separately discontinued operations and extends that reporting to a “component of an entity” that either has been disposed of (by sale, abandonment, or in a distribution to owners) or is classified as held for sale. SFAS 144 is effective for fiscal years beginning after December 15, 2001, with early application encouraged.

ThyssenKrupp has not yet determined what effect the adoption of these statements will have on its consolidated financial statements.

2 Acquisitions

During the three months ending December 31, 2001, the Group spent in total €97 million on acquisitions, primarily on the following:

- In the Automotive segment ThyssenKrupp acquired 10% of Valmet Automotive Inc. in October 2001. As a part of this acquisition, ThyssenKrupp received an option to purchase the remaining 90% interest during the next two years. If the option expires unexercised, ThyssenKrupp is obliged to resell its 10% interest to the original owner.

- In the Steel segment ThyssenKrupp acquired the remaining 10% minority share of the Italian stainless steel producer Acciai Speciali Terni S.p.A. (AST) in December 2001.

- Within the Elevator segment ThyssenKrupp acquired the South American activities of Kone Oy which have been consolidated as of November 01, 2001. The preliminary purchase price allocation resulted in goodwill of €21 million. Due to immateriality pro forma sales and results were not included.

3 Compensation expense for the long-term management incentive plan

As of December 31, 2001 the performance hurdles for the second and the third installment of the long-term management incentive plan were fulfilled. As a result compensation expense in the amount of €3 million has been recorded in the first quarter of 2001/2002.

4 Financial expense, net

The net financial expense of the first quarter of 2001/2002 includes a €23 million gain on the sale of Kone shares.

5 Goodwill adoption of SFAS 142

The following information reconciles reported income before income taxes and minority interest to adjusted income before income taxes and minority interest and net income to adjusted net income, which is exclusive of amortization expense, related to goodwill.

	Note	1st quarter ending Dec. 31, 2000	**1st quarter ending Dec. 31, 2001**
Total in million €:			
Reported income before income taxes and minority interest		356	28
Add back: Goodwill amortization		58	0
Adjusted income before income taxes and minority interest	9	**414**	**28**
Total in million €:			
Reported net income		241	18
Add back: Goodwill amortization		58	0
Adjusted net income		**299**	**18**
Earnings per share in €:			
Reported net income		0.47	0.03
Goodwill amortization		0.11	0.00
Adjusted net income		**0.58**	**0.03**

6 Stockholders' Equity

The development of Stockholders' Equity in the three month period ending December 31, 2001 was as follows:

million €				Accumulated other comprehensive income				
	Capital stock	Additional paid in capital	Retained earnings	Cumulative translation adjustment	Available-for-sale securities	Minimum pension liability	Derivative financial instruments	Total
Balance as of Sept. 30, 2001	**1,317**	**4,684**	**2,577**	**255**	**31**	**(48)**	**(30)**	**8,786**
Net income			18					18
Other comprehensive income				130	(9)	0	14	135
Total comprehensive income								**153**
Balance as of Dec. 31, 2001	**1,317**	**4,684**	**2,595**	**385**	**22**	**(48)**	**(16)**	**8,939**

Total comprehensive income for the three-month period ending December 31, 2000 was €68 million, including €58 million of goodwill amortization.

7 Contingencies including pending lawsuits and claims for damages

There have been no significant developments regarding the contingencies and commitments including pending litigation, described in the notes to the consolidated financial statements of the Group as of and for the year ending September 30, 2001 except as follows: The €246 million commitment to fund the first stage of expanding capacities at the Shanghai Stainless Steel Cold Rolling Mill has been reduced to €32 million as of December 31, 2001 as a result of the fulfillment of the obligation.

8 Derivative financial instruments

The carrying values and fair market values of the Group's derivative financial instruments were as follows:

million €	Carrying value Sept. 30, 2001	Fair value Sept. 30, 2001	**Carrying value Dec. 31, 2001**	**Fair value Dec. 31, 2001**
Assets				
Foreign currency derivatives incl. embedded derivatives	87	87	55	55
Interest rate derivatives	0	0	0	0
Commodity derivatives	0	0	5	5
Liabilities				
Foreign currency derivatives incl. embedded derivatives	84	84	83	83
Interest rate derivatives	61	61	43	43
Commodity derivatives	6	6	0	0
Total	**238**	**238**	**186**	**186**

9 Segment reporting

During the three months ending December 31, 2001, the Group reorganized the segment allocation of certain Group companies. Amounts reported for the previous period were adjusted accordingly.

Segment information for the three month period ending December 31, 2000 and December 31, 2001 respectively:

million €	Steel	Automotive	Elevator
1st quarter ending Dec. 31, 2000			
External sales	2,763	1,480	820
Internal sales within the Group	377	0	1
Total sales	3,140	1,480	821
Income/(loss) before goodwill amortization, income taxes and minority interest	198	44	55
Goodwill amortization	14	6	13
Income/(loss) before income taxes and minority interest	184	38	42
1st quarter ending Dec. 31, 2001			
External sales	2,258	1,435	850
Internal sales within the Group	374	10	0
Total sales	2,632	1,445	850
Income/(loss) before income taxes and minority interest	(26)	1	72

Basic earnings per share is computed as follows:

10 Earnings per share

	1st quarter ending Dec. 31, 2000		**1st quarter ending Dec. 31, 2001**	
	Total amount in million €	Earnings per share in €	**Total amount in million €**	**Earnings per share in €**
Numerator:				
Income from operations before changes in accounting principles (net of tax)	263	0.51	18	0.03
Cumulative effect of changes in accounting principles (net of tax)	(22)	(0.04)	0	0.00
Net income	241	**0.47**	18	**0.03**
Denominator:				
Weighted average shares	514,489,044		514,489,044	

The calculation of the weighted average shares includes 24,780 shares held in treasury for settlement with outside shareholders of the former Thyssen Industrie AG who have not yet converted their shares but continue to be entitled to dividends. The impact of these treasury shares does not have a material effect on earnings per share.

There were no dilutive securities in the periods presented.

Technologies	Materials	Serv	Real Estate	Corporate	Consolidation	**Group**
1,350	2,286	527	64	72	0	**9,362**
6	225	75	7	1	(692)	**0**
1,356	2,511	602	71	73	(692)	**9,362**
110	29	8	6	(34)	(2)	**414**
13	4	4	0	4	0	**58**
97	25	4	6	(38)	(2)	**356**
1,269	1,917	524	71	15	0	**8,339**
9	86	76	6	1	(562)	**0**
1,278	2,003	600	77	16	(562)	**8,339**
(7)	(5)	17	28	(53)	1	**28**

11 Subsequent events

In January 2002, the 50% equity method investment in the Eurawasser Group (Serv segment) was sold to Ondeo Services, Paris, a company of the Suez Group.

Also in January 2002, an agreement to sell Krupp Berco Bautechnik (Technologies segment) was signed. The agreement is subject to the approval of the regulatory authorities.

In January 2002, ThyssenKrupp acquired 75% of the Industrial Plant Services Group (Serv segment) from Ferrostaal AG.

In January 2002, ThyssenKrupp exercised the put option to sell the 50% equity method investment in Sinterstahl (Automotive segment).

In February 2002, the remaining Kone shares were sold.

ThyssenKrupp plans to issue a rated Euro-bond. Details of the transaction, such as volume and term, will be determined subject to market conditions at launch date.

Dates in 2002/2003

March 01, 2002	**Annual Stockholders' Meeting**
March 04, 2002	**Payment of dividend for the 2000/2001 fiscal year**
May 23, 2002	**Interim report 1st half 2001/2002 (October to March)**
May 24, 2002	**Analysts' meeting**
August 22, 2002	**Interim report 9 months 2001/2002 (October to June)**
Mid-November 2002	**First overview of the 2001/2002 fiscal year**
December 20, 2002	**Annual press conference/Conference call with analysts**
January 08, 2003	**Analysts' meeting**
February 18, 2003	**Interim report 1st quarter 2002/2003 (October to December)**
February 21, 2003	**Annual Stockholders' Meeting**

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TK 130 e 1.3.02.02 DP

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