Interim Report 3rd Quarter 2001/2002

April 01 – June 30, 2002

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

3rd Quarter

ThyssenKrupp

Contents

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 segment figures for the reporting period and prior-year period are presented according to the current segment organization.

The Group in figures

GROUP		3 months ending June 30, 2001	3 months ending June 30, 2002	9 months ending June 30, 2001	9 months ending June 30, 2002
Order intake	million €	9,418	9,430	28,570	27,527
Sales	million €	9,598	9,599	28,362	26,953
EBITDA	million €	980	788	2,616	1,857
Income*	million €	435	316	1,008	440
Net income	million €	331	202	737	286
Basic earnings per share	€	0.64	0.39	1.43	0.56
Normalized earnings per share	€	0.17	0.31	0.74	0.31
Employees (June 30)		191,763	189,929	191,763	189,929

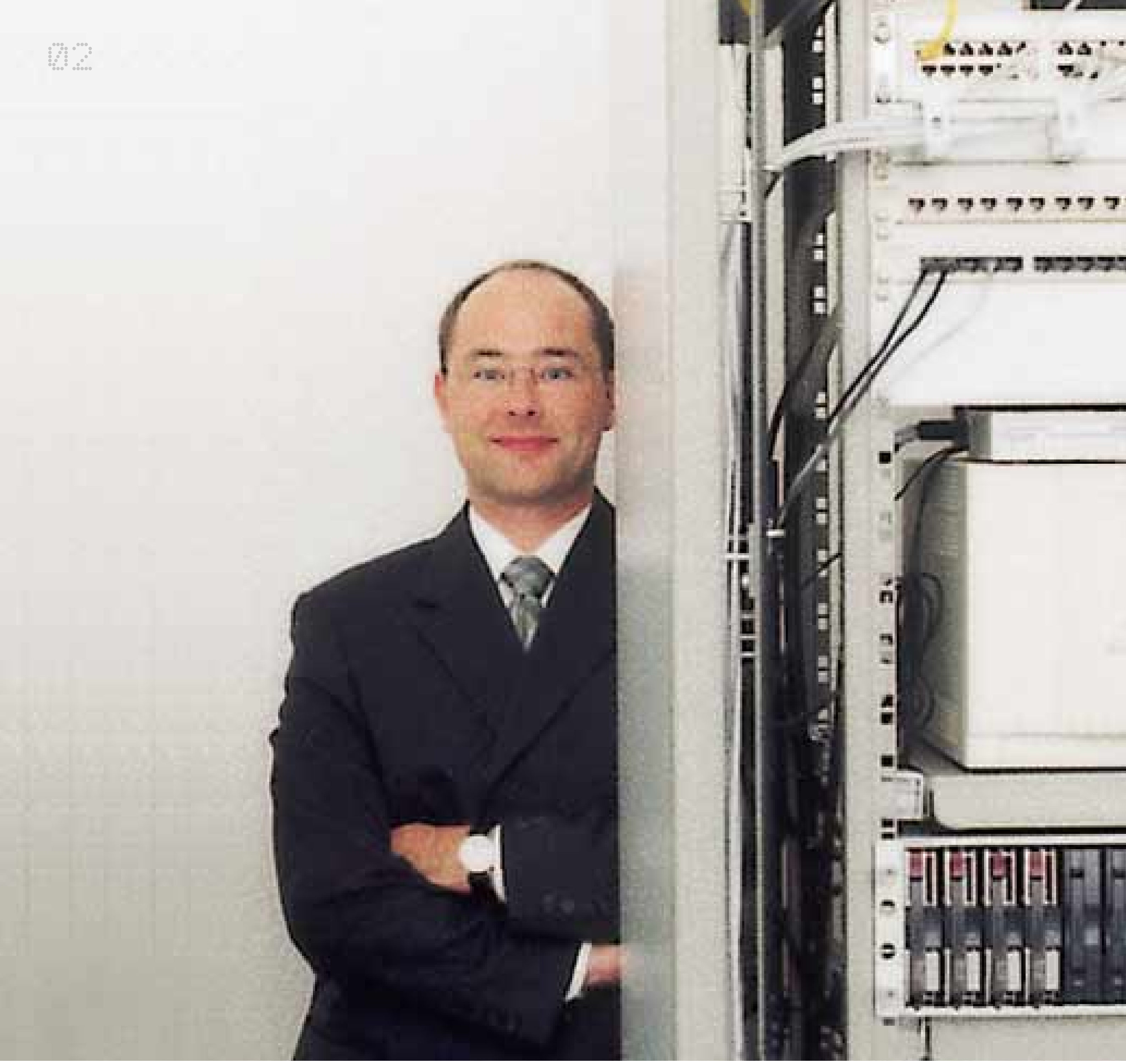
* before income taxes and minority interest

		Sept. 30, 2001	June 30, 2002
Net financial payables	million €	6,407	6,291
Stockholders' equity	million €	8,786	8,523

SEGMENTS
million €

	Order intake 3 months ending June 30, 2001	Order intake 3 months ending June 30, 2002	Sales 3 months ending June 30, 2001	Sales 3 months ending June 30, 2002	Income* 3 months ending June 30, 2001	Income* 3 months ending June 30, 2002	Employees June 30, 2001	Employees Sept. 30, 2001	Employees June 30, 2002
Steel	3,001	3,071	3,113	3,095	346	121	51,939	51,418	50,044
Automotive	1,755	1,821	1,618	1,682	48	77	39,419	39,883	37,984
Elevator	987	881	893	879	78	86	27,476	28,000	28,198
Technologies	1,125	1,372	1,471	1,458	40	78	32,000	32,750	32,827
Materials	2,371	2,178	2,448	2,377	(24)	35	14,163	14,315	13,719
Serv	599	622	633	621	6	6	25,244	25,665	25,747
Real Estate	77	76	77	76	8	17	795	791	743
Corporate	88	8	90	8	(58)	(103)	727	694	667
Consolidation	(585)	(599)	(745)	(597)	(9)	(1)			
Group	**9,418**	**9,430**	**9,598**	**9,599**	**435**	**316**	**191,763**	**193,516**	**189,929**

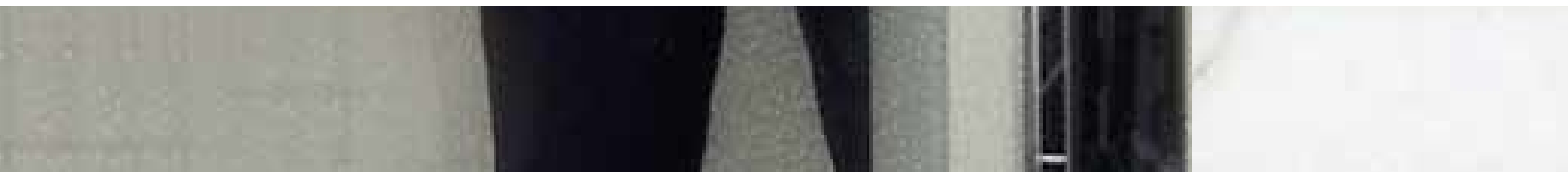
* before income taxes and minority interest

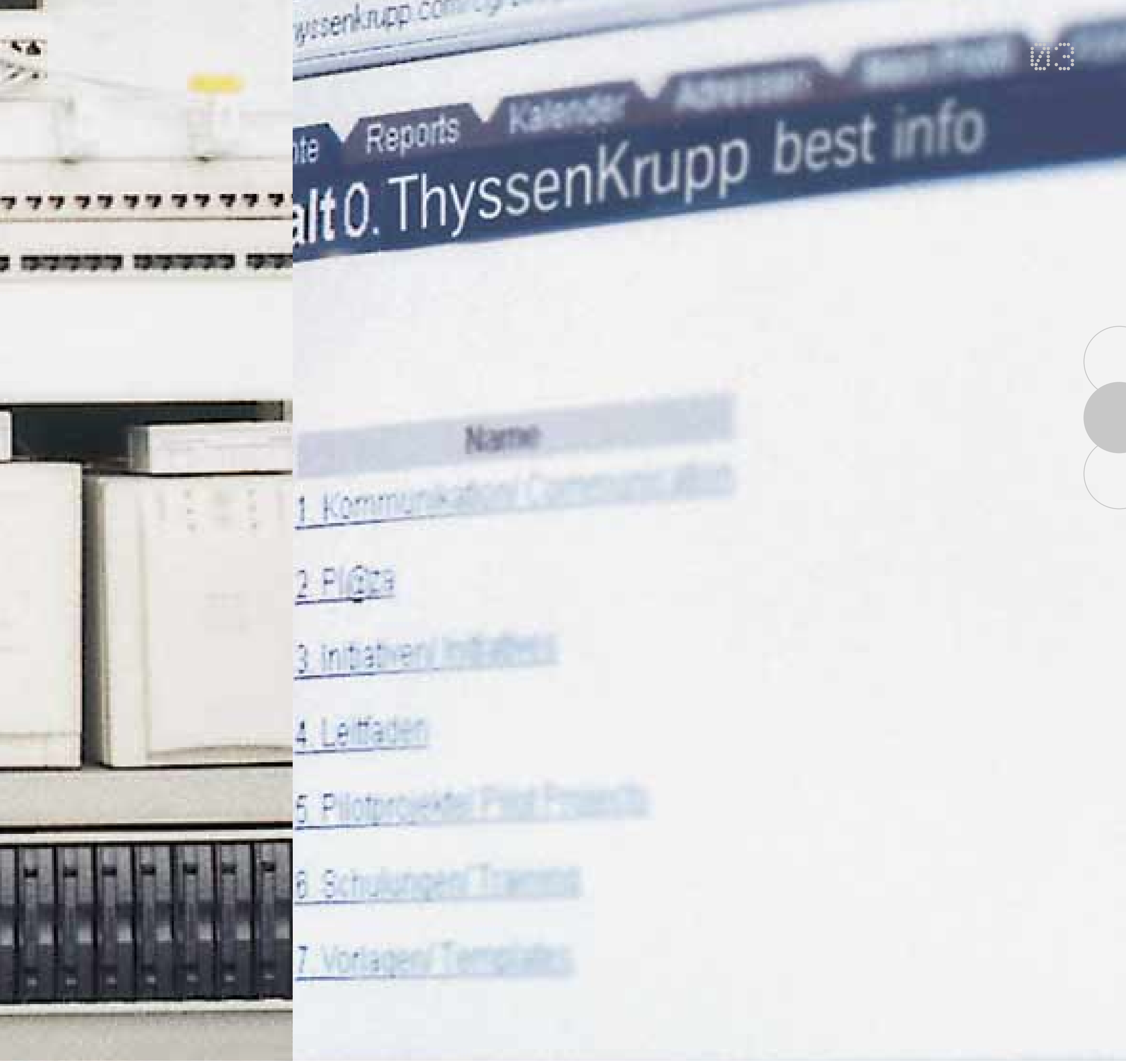


Global view ○ **Performance enhancement**

Program	ThyssenKrupp best
Place	Worldwide
Segments	All
Competency	Growing value-creation potential, Groupwide knowledge transfer

Performance enhancement





ThyssenKrupp best is an international program aimed at harnessing and sustainably growing the value-creation potential within the Group. Its objective is to achieve improvements in all areas, from costs, product and service quality through to speeding up business processes and optimizing their customer focus. At present there are more than 900 individual ThyssenKrupp best projects helping to make the Group more competitive and allowing us to assume long-term leadership positions in our lines of business. Spreading knowledge of methods and best practices quickly and selectively within the Group is one of the keys to the program's success; our answer is best pl@za, a Groupwide integrated management tool which serves as a communication platform and shared database for all project participants. It means that new projects do not have to start from scratch, but can benefit from the valuable experience gathered on comparable projects anywhere in the world.

Dipl.-Ing., Dipl.-Wirt. Ing. Jörn Wefelscheid, pl@za officer, ThyssenKrupp Automotive AG

Business performance

At a glance – ThyssenKrupp in the 3rd quarter

Worst is over

Business at ThyssenKrupp began to pick up again in the 3rd quarter of fiscal year 2001/2002 (April 01 to June 30, 2002). Measured against the weak first half of the fiscal year, the period April to June brought above all a clear improvement in earnings. All segments returned positive income both in the quarter and over the first nine months of the fiscal year. The key figures for the 3rd quarter and for the first nine months of fiscal year 2001/2002 were as follows:

- Order intake in the 3rd quarter was €9.4 billion, just higher than the same quarter a year earlier. However, in the first nine months orders were down 4% from a year earlier at €27.5 billion.
- At €9.6 billion, sales in the 3rd quarter were level with the prior-year quarter. Over nine months, sales were €27.0 billion, 5% down from the prior-year period.
- EBITDA in the reporting quarter was €0.8 billion, down 20% from a year earlier. In the first nine months EBITDA was €1.9 billion, a year-on-year drop of 29%.
- Income before taxes and minority interest in the 3rd quarter was €316 million, €119 million lower than in the comparable prior-year period. The figure for the first nine months was €440 million, €568 million down from a year earlier. After eliminating non-recurring effects, income in the 3rd quarter at €270 million was €168 million higher than in the corresponding prior-year period. In the first nine months earnings of €279 million were generated, compared with €604 million a year earlier.
- Earnings per share in the 3rd quarter of 2001/2002 were €0.39 (previous year €0.64), after eliminating non-recurring effects €0.31 (previous year €0.17).
- The Group's net financial payables amounted to €6.3 billion at June 30, 2002, €0.1 billion less than at September 30, 2001 and €2.0 billion less than at June 30, 2001.

Despite only weak impetus from the general economy, we expect the Group to continue to develop positively. In the 4th quarter 2001/2002 we expect sales to be lower than in the 3rd quarter due to normal seasonal effects. This would give full-year 2001/2002 sales of €36 billion, approx. 5% lower than a year earlier.

With regard to earnings, we expect the positive trend of the 3rd quarter 2001/2002 to continue in general in the 4th quarter. However, quarterly income will be affected by the seasonal effects already mentioned and a non-recurring effect from restructuring expenses in the Automotive segment of over €100 million. Our 2001/2002 target of €0.4 billion adjusted earnings before taxes nevertheless appears achievable.

Furthermore in fiscal year 2001/2002 we expect gains from disposals, which amounted to €161 million in the first nine months. In addition, the disposal gain from the sale of the indirect shareholding in Ruhrgas AG in the amount of €191 million will be recognized in the 4th quarter.

Goodwill amortization has been eliminated, but impairment of goodwill based on the adoption of SFAS 142 will be recognized at the balance sheet date. This transitional impairment will exceed the previous goodwill amortization of more than €200 million.

We expect net financial payables at September 30, 2002 to be below €6 billion. A large part of the decrease will be attributed to the €0.5 billion received in July 2002 for the sale of the Ruhrgas shareholding.

Economic environment

The world economy recovered slightly in the 1st half of 2002. However, the recovery was fragile. In particular, the uncertainties on the financial markets are a source of downside risk.

Asia's emerging economies grew strongly, stimulated by expanding world trade. Set against this was very weak growth in Latin America, sparked by the crisis in Argentina. The countries of Central and Eastern Europe remained for the most part on a moderate growth course.

After surprisingly strong growth in the 1st quarter of 2002, the pace of expansion in the USA slowed again. The recovery was driven by private consumption, while investment had a damping effect. The situation in Japan remained unstable. Following export-induced growth at the beginning of the year, impetus from the domestic market was lacking. The economic climate in the euro zone was very subdued. With investment declining, private consumption and foreign trade delivered little impetus for growth. In Germany in particular there was little sign of an economic upswing.

In the sectors of importance to ThyssenKrupp there were only isolated improvements:

- World crude steel output increased by 4% altogether in the 1st half of calendar 2002, mainly due to higher production in China; in North America and Western Europe output decreased by 3% and 2%, respectively. In Germany, crude steel output was down by 3%. However, demand picked up and orders received by German steel producers for rolled steel exceeded the prior-year level by 9%. The feared flooding of the European steel market following the introduction of the US safeguard tariffs failed to materialize. Thanks to the immediate action taken by the EU Commission, the positive trend in volumes and prices in the EU was not jeopardized.

- The international automobile market shows a mixed picture. The situation in North America in the 1st half of 2002 was better than expected. Sales of new vehicles were only slightly (1%) lower than the year before; production increased by 5%. In Brazil, 10% fewer vehicles were produced. In Western Europe, car sales dropped by 5% overall though there were wide regional differences. New registrations in Germany showed a 4% decline. German vehicle production fell by 9% due especially to a sharp drop in exports.

- Worldwide investment remained very depressed in the 1st half of 2002. In the USA, capital spending was 6% lower than a year earlier; demand for machine tools was particularly weak. Germany's mechanical engineering output was down 6% from a year earlier; order intake was down by 4% as a result in particular of weak investment in Western Europe.

- After years of crisis, there are still no signs of a recovery for the German construction sector; construction output in the year to date is almost 5% lower than last year. The construction sector in the USA is also beginning to show the first signs of weakness.

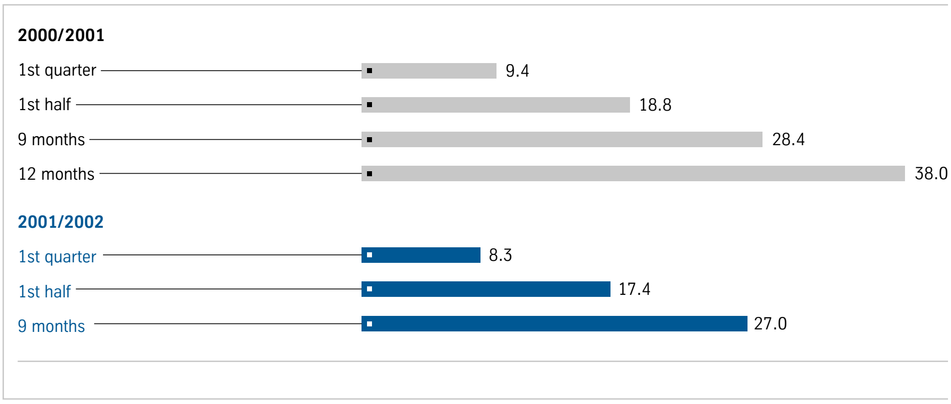
Business situation

Order intake and sales

After the downturn-related weakness of the first two quarters, ThyssenKrupp recovered strongly in the 3rd quarter of 2001/2002.

The Group's order intake in the 3rd quarter of 2001/2002 – as in the previous year – was €9.4 billion. In particular Automotive and Technologies recorded significant growth in the 3rd quarter. In the first nine months of 2001/2002 orders totaled €27.5 billion, 4% lower than the year before.

SALES
billion €

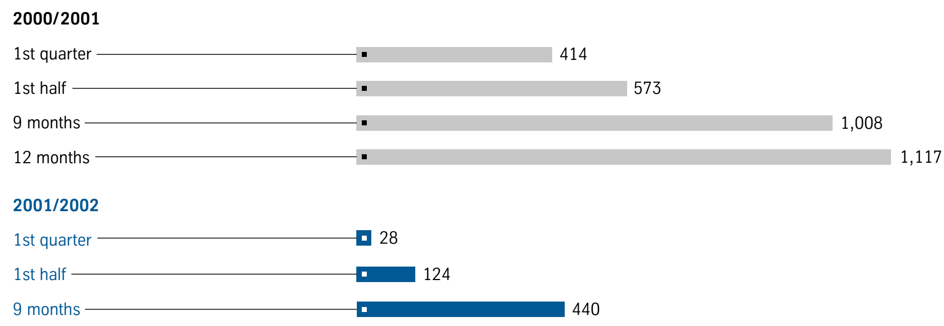


Sales in April to June 2002 at €9.6 billion were 6% higher than the previous quarter; with the exception of Real Estate all segments showed an improvement. Accumulated sales in the first three quarters were €27.0 billion, 5% lower than a year earlier; 3rd-quarter sales were level with the prior-year period.

Earnings

In the 3rd quarter of 2001/2002 all the Group's segments returned profits. Overall ThyssenKrupp posted income before taxes and minority interest of €316 million. Compared with the same prior-year period, earnings were down by €119 million. In line with SFAS 142, goodwill amortization is not included in the figures. Details are provided in the Notes.

INCOME*
million €



* before income taxes and minority interest

The income figure includes disposal gains of €35 million from the sale of Krupp Berco Bautechnik (Technologies) and €11 million from the sale of minor casting activities (Automotive). The prior-year figure includes €333 million from the sale of the Brazilian iron ore mine Ferteco (Steel). Eliminating these disposal gains from the income figures for the two quarters, the profit for the 3rd quarter 2001/2002 is €270 million, €168 million higher than the comparable prior-year figure of €102 million.

The exchange rate changes between the euro and the US dollar had positive income effects in the 3rd quarter of 2001/2002 as a result of the fair value measurement of foreign currency positions and derivatives (SFAS 133). The net effect on income was €42 million; in the prior-year quarter there was no major effect on income.

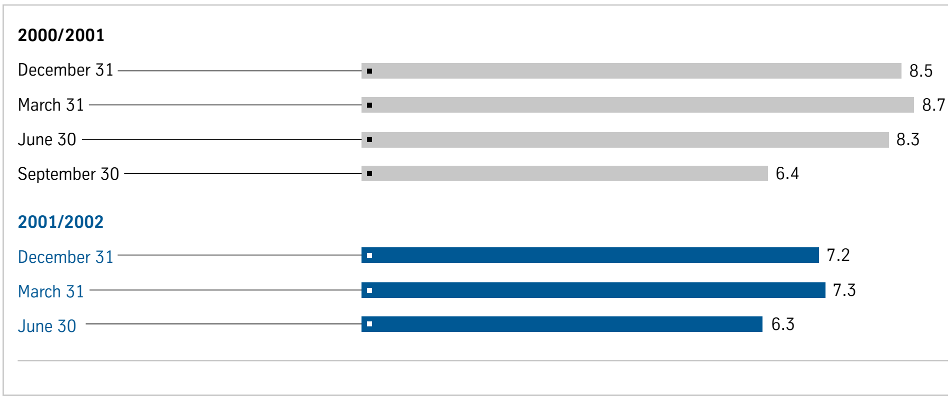
Carbon Steel made the biggest contribution to the improvement in earnings in the 3rd quarter, returning a quarterly profit again for the first time in 2001/2002. Details of business performance are given in the comments on segment earnings. Like the earnings figures for the current fiscal year, the year-earlier figures are shown without goodwill amortization.

After deducting income taxes of €95 million (previous year €102 million) and minority interest of €19 million (previous year €2 million), net income for the 3rd quarter of 2001/2002 is €202 million. This is €129 million lower than the 3rd quarter of the previous year. Related to the number of shares outstanding, earnings per share are €0.39, €0.25 lower than a year earlier. Eliminating non-recurring disposal gains, normalized earnings per share in the 3rd quarter of fiscal 2001/2002 are €0.31, €0.14 higher than a year earlier.

Net financial payables and capital expenditure

Net financial payables were significantly reduced and at June 30, 2002 amounted to €6.3 billion. Compared with the corresponding prior-year periods, net debt therefore decreased. This is the result of measures introduced to reduce net working capital, disposals concluded in the reporting period, advance payments and exchange rate changes.

NET FINANCIAL PAYABLES
billion €



Capital spending in the 3rd quarter of fiscal 2001/2002 was approximately €340 million, 38% less than a year earlier. €315 million was invested in property, plant and equipment and intangible assets, with the remaining €25 million used for the acquisition of businesses, shareholdings and other financial assets. Total capital expenditure for the first nine months of fiscal 2001/2002 was €1.2 billion, down 27% from the prior-year period.

Employees

The number of employees at ThyssenKrupp on June 30, 2002 was 189,929, a fall of 3,587 or 2% lower against September 30, 2001. In Germany, the number of employees decreased by 3% to 102,109; outside Germany by 1% to 87,820.

Under the latest collective agreements, wages and salaries have increased by between 3% and 4%. These settlements will lead to an additional expense of just under €50 million in the current fiscal year alone, in the next fiscal year this figure will rise to well over €100 million. The Group will compensate for these cost increases by raising productivity.

Segments

Steel

STEEL SEGMENT IN FIGURES		3 months ending June 30, 2001	3 months ending June 30, **2002**	9 months ending June 30, 2001	9 months ending June 30, **2002**
Order intake	million €	3,001	3,071	9,178	8,801
Sales	million €	3,113	3,095	9,564	8,646
Income*	million €	346	121	640	56
Employees (June 30)		51,939	50,044	51,939	50,044

* before income taxes and minority interest

Compared with previous quarters, business in the Steel segment picked up considerably in the 3rd quarter of the fiscal year. The revival in demand on the international steel market had an increasingly positive effect on the Steel companies. Order intake in the 3rd quarter amounted to €3.1 billion, 2% higher than a year earlier. After the extensive production cutbacks in the first half of the fiscal year, crude steel output in the quarter rose to 4.3 million tons, 8% higher than the year before. Sales in the 3rd quarter of fiscal year 2001/2002 were also around €3.1 billion, 1% lower than in the same prior-year period.

In the Carbon Steel business unit, orders recovered from the low point at the turn of the year 2001/2002 and at €1.8 billion in the 3rd quarter exceeded the low level of the previous year by 12%. Sales reached €1.8 billion, 2% lower than the year before. The improving volume and price situation is having an increasing impact on sales.

In the Stainless Steel business unit, order intake at €1.0 billion fell short of the comparable prior-year figure by 6%. Since demand for stainless steel, too, has been growing since the beginning of the year, price increases were introduced in April and May 2002. At €1.1 billion, sales of Stainless Steel were 4% higher than the year before; supplies of cold-rolled strip, in particular, were expanded. Sales of nickel-base alloys decreased on account of euro coin business returning to normal and the weakening of the US aerospace market.

In the Special Materials unit, sales of €397 million were achieved, 3% lower than a year earlier.

Steel reported a profit of €121 million in the 3rd quarter of 2001/2002. After a total loss of €65 million in the first two quarters, a profit of €56 million is posted for nine months. At €121 million, income in the 3rd quarter of the current fiscal year is €108 million higher than in the prior-year quarter – excluding the gain from the disposal of the Brazilian iron ore mine Ferteco in the previous year in the amount of €333 million. All business units contributed to the increase in earnings both against the prior-year quarter and against the first two quarters of the current fiscal year.

Carbon Steel returned a profit of €63 million, €61 million more than a year earlier. One of the main reasons for the earnings improvements was that shipments returned to normal. The price increases implemented in the 3rd quarter have as yet had only a minor impact on average revenues. In the Stainless Steel business unit, the positive earnings trend continued. In the 3rd quarter a profit of €50 million was achieved. With the exception of Shanghai Krupp Stainless, all activities are profitable. At the new Shanghai plant the start-up losses were significantly reduced. The nickel-base alloys business again made a major contribution to the positive earnings of Stainless Steel. The Special Materials business unit also made a profit, albeit smaller than the year before.

Extensive measures to improve performance were initiated at all companies in the segment. They relate among other things to quality, on-time delivery and product structure. Productivity is being raised continuously in order to absorb higher personnel costs. In parallel, programs to reduce net working capital are being implemented step by step. The success of these internal measures is reflected increasingly in the segment's earnings.

Automotive

AUTOMOTIVE SEGMENT IN FIGURES		3 months ending June 30, 2001	3 months ending June 30, **2002**	9 months ending June 30, 2001	9 months ending June 30, **2002**
Order intake	million €	1,755	1,821	4,746	4,862
Sales	million €	1,618	1,682	4,628	4,760
Income*	million €	48	77	118	144
Employees (June 30)		39,419	37,984	39,419	37,984

* before income taxes and minority interest

The Automotive segment achieved sales of €1.7 billion in the 3rd quarter of 2001/2002, an increase of 4% against the same period a year earlier. In the NAFTA region the sales volumes for cars and light trucks were weaker but still high. The market for heavy trucks is still at a low ebb but showed a rising trend in the 3rd quarter due to pre-buying in anticipation of new emission standards which become effective in the USA from October 2002. The market in South America remains slightly weakened.

The Chassis and Powertrain business units increased their sales in the 3rd quarter of 2001/2002. In the Chassis business unit, higher sales volumes in the light truck and car segments and the ramp-up of a plant in North America resulted in increasing revenues. The Powertrain business unit achieved significantly higher sales of steering columns and camshafts. Slightly lower revenues in the Body business unit are the result of lower sales of sport utility cars in the NAFTA region and postponements of prototype programs by auto manufacturers.

Automotive achieved a profit of €77 million in the 3rd quarter of 2001/2002, up €29 million from the weak prior-year quarter. Of the earnings improvement, €11 million was from the sale of small casting operations not active in the automotive business. The earnings figure does not include the expenses from the planned restructuring program in accordance with US GAAP (EITF 94-3). The Chassis business unit again posted positive earnings in the 3rd quarter and also achieved a profit over the nine months. The Kitchener plant in Canada, a subsidiary of the Budd Co., and ThyssenKrupp Federn again reported losses. Profit at the Body business unit was up from a year earlier, mainly due to the improved market situation in the USA. The Powertrain business unit improved on its prior-year earnings figure.

Elevator

ELEVATOR SEGMENT IN FIGURES		3 months ending June 30, 2001	3 months ending June 30, 2002	9 months ending June 30, 2001	9 months ending June 30, 2002
Order intake	million €	987	881	2,839	2,811
Sales	million €	893	879	2,508	2,593
Income*	million €	78	86	181	224
Employees (June 30)		27,476	28,198	27,476	28,198

* before income taxes and minority interest

At Elevator, order intake in the 3rd quarter 2001/2002 was €0.9 billion, 11% lower than a year earlier. Alongside currency effects, the decline reflects the economic slowdown in the construction sector, particularly in North America. New orders for passenger boarding bridges remained depressed after the events of September 11, 2001. By contrast, our activities in France/Benelux and China made encouraging progress. In the Spain/Portugal/Latin America business unit, orders remained high despite the difficult economic situation in South America.

Elevator achieved sales of just under €0.9 billion in the 3rd quarter of 2001/2002, 2% down from a year earlier. Sales in the business units North America/Australia and Germany/Austria/Switzerland were slightly lower. In North America, sales in the first nine months were level with the previous year thanks to the strong 1st and 2nd quarters. In the business units France/Benelux, Passenger Boarding Bridges and Accessibility, sales matched their year-earlier level. Business continued to increase in Spain/Portugal/Latin America, where sales showed a significant increase due to rapid growth in the Iberian Peninsula. The subsidiaries in the UK and China made encouraging progress.

Elevator made a profit of €86 million in the 3rd quarter of 2001/2002, up €8 million from a year earlier. With the exception of France/Benelux and Passenger Boarding Bridges, all business units improved their earnings. The Accessibility business unit achieved its first quarterly profit. The Chinese activities showed a clear improvement in profits.

Technologies

TECHNOLOGIES SEGMENT IN FIGURES		3 months ending June 30, 2001	3 months ending June 30, 2002	9 months ending June 30, 2001	9 months ending June 30, 2002
Order intake	million €	1,125	1,372	4,078	4,021
Sales	million €	1,471	1,458	4,134	4,110
Income*	million €	40	78	144	67
Employees (June 30)		32,000	32,827	32,000	32,827

* before income taxes and minority interest

In a difficult global environment, Technologies received new orders worth €1.4 billion in the 3rd quarter, up 22% from a year earlier. Orders in the first nine months added up to €4.0 billion, almost level with the prior year. In the Production Systems business, Assembly Plant and, in particular, Autobody Manufacturing Systems reported high growth, whereas orders at Metal Cutting were down due to lower demand. New orders also increased in the Plant Technology business; Uhde booked several larger projects including a fertilizer plant for Turkmenistan. Marine likewise reported higher bookings due to further orders for the German Navy. Order intake at Mechanical Engineering was slightly weaker.

Sales of Technologies reached €1.5 billion in the 3rd quarter, almost level with a year earlier. At €4.1 billion, nine-month sales also showed little change against the prior year. In the Production Systems business, weak demand in the USA and billing deferrals in the reporting quarter resulted in lower sales at Metal Cutting. The reduction in revenues at Assembly Plant was also primarily the result of lower order starts. The higher sales in the Mechanical Engineering business are mainly due to the Transrapid order in Shanghai. Plant Technology and Marine almost matched their prior-year sales levels.

Technologies achieved earnings of €78 million in the 3rd quarter 2001/2002, up €38 million from a year earlier. Included in this is the €35 million gain on the disposal of Krupp Berco Bautechnik. Without this disposal gain, earnings would have increased by €3 million. The earnings situation at Production Systems is still impacted by losses in the Metal Cutting business due to the continuing market weakness in the USA. By contrast, the activities grouped under Plant Technology made a profit in the 3rd quarter. Marine again achieved high earnings in the reporting period. Mechanical Engineering also reported a profit, which was higher than a year earlier, although income was impacted by closure costs for Stahlbau Berlin GmbH.

Materials

MATERIALS SEGMENT IN FIGURES		3 months ending June 30, 2001	3 months ending June 30, 2002	9 months ending June 30, 2001	9 months ending June 30, 2002
Order intake	million €	2,371	2,178	7,335	6,655
Sales	million €	2,448	2,377	7,366	6,525
Income*	million €	(24)	35	9	40
Employees (June 30)		14,163	13,719	14,163	13,719

* before income taxes and minority interest

The Materials segment achieved sales of €2.4 billion in the 3rd quarter of 2001/2002, down 3% from a year earlier. The strong price pressure and stiff competitive conditions persisted in the reporting period. While sales of the business unit MaterialsServices North America increased slightly compared with a year earlier, the other business units reported lower sales.

Materials reported income of €35 million in the 3rd quarter of 2001/2002, up €59 million from a year earlier. While earnings of the MaterialsServices Europe business unit were lower than a year earlier for sales reasons, MaterialsServices North America increased its earnings significantly. The Special Products business unit also improved its earnings considerably.

Serv

SERV SEGMENT IN FIGURES		3 months ending June 30, 2001	3 months ending June 30, 2002	9 months ending June 30, 2001	9 months ending June 30, 2002
Order intake	million €	599	622	1,812	1,920
Sales	million €	633	621	1,801	1,807
Income*	million €	6	6	(2)	35
Employees (June 30)		25,244	25,747	25,244	25,747

* before income taxes and minority interest

Serv achieved sales of just over €0.6 billion in the 3rd quarter, almost 2% down from a year earlier. In the Industrial Services business unit, a clear expansion in maintenance and production support services meant that sales overall increased against the prior year despite the fact that machine tool service sales more than halved. The Construction Services business unit recorded lower sales. The formwork and scaffold business suffered from the extremely weak level of construction activity in Germany. By contrast, sales of scaffold services for industry continued to increase, above all in North America. They now account for almost 80% of the total sales of the business unit. The decline in sales at the Facilities Services business unit is mainly due to invoice timing factors, but lower orders in Eastern Germany also played a part. At Information Services, sales were slightly lower than a year earlier, mainly due to the discontinuation of low-profit activities outside Germany.

Serv made a profit of €6 million in the 3rd quarter of 2001/2002, level with a year earlier. The main source of income was Construction Services, followed by the Industrial Services business unit. Information Services improved significantly and almost broke even. By contrast, Facilities Services remained in a loss position due to restructuring expenses.

At **Real Estate**, sales in the 3rd quarter reached €76 million (previous year €77 million), almost level with a year earlier. Around 75% of sales came from Residential Real Estate, while the highest sales growth was achieved by the Services and Development business unit. Because of the very good 2nd quarter, sales of Real Estate in the first three quarters were 8% higher than in the corresponding prior-year period.

Real Estate’s profit of €17 million in the reporting quarter was €9 million higher than a year earlier.

Corporate includes the Group’s head office and the companies not assigned to the individual segments. Sales in the 3rd quarter totaled only €8 million (previous year €90 million).

Corporate reported a loss of €103 million in the 3rd quarter of 2001/2002, a deterioration of €45 million compared with the same prior-year quarter. This is due to lower interest income and a reduction in income from investments.

Consolidation mainly includes the results of intercompany profit elimination.

ThyssenKrupp best

The ThyssenKrupp best program continues to gather pace. After the end of the three-month screening phase and the completion of the pilot projects, the roll-out of the first wave of new ThyssenKrupp best projects began in mid-January 2002. Already, in only six months, approximately 900 improvement projects (June 2002) have been defined which will significantly improve performance in the ThyssenKrupp Group.

ThyssenKrupp best has taken hold strongly both in Germany and abroad. Around 200 of the projects are in North, Central and South America. Although Germany has the most projects in Europe, the program is also underway at companies in the UK, France, Italy and Spain. ThyssenKrupp best will mobilize the whole of the Group.

The broad spectrum of subjects covered by the projects confirms the program's holistic approach. As expected, most of the projects are in the areas Operating Efficiency, Customer Value Maximization, Improving Performance Quality, and Capital Productivity, but an important role is also being played by projects for Empowering Staff and Management, Expanding Service Business, and Increasing the Use of E-Technologies. The program is thus developing significantly more value enhancement potential than pure cost reduction programs. It is already clear that ThyssenKrupp best will make a major contribution to the Group achieving its long-term earnings target.

Corporate governance

The German Corporate Governance Code was published by the Government Commission on February 26, 2002. ThyssenKrupp already complies with many of the recommendations and suggestions included in the Code. The Company does not intend to draw up its own corporate governance code.

The Executive Board of ThyssenKrupp AG had unanimously decided in principle to implement the suggestions and recommendations of the Code in their entirety. This includes the publication of individual Executive Board compensation, starting with fiscal year 2001/2002.

At its meeting on July 12, 2002, the Supervisory Board accepted the content of the Code in principle and discussed measures to implement the Code's provisions with the Executive Board. In this context

- the Supervisory Board adopted modified rules of procedure for the Supervisory Board and Executive Board, each amended in line with the German Corporate Governance Code, whereby a large number of the Code's recommendations are already complied with – both documents are published on the ThyssenKrupp website;

- the Supervisory Board resolved to form an Audit Committee and a Strategy, Finance and Investment Committee to replace the previous Accounting and Investment Committee;

- the Supervisory Board approved changes to the Articles of Association to take account of the German Corporate Governance Code; implementation of these changes is subject to approval by the Annual Stockholders' Meeting of the Company, which is next scheduled for February 21, 2003.

Further measures to implement the Code are currently being drawn up. As many of these – with the exception of the transactions requiring the approval of the Annual Stockholders' Meeting – will be realized in the coming weeks, ThyssenKrupp plans to issue and publish its first declaration of conformity in fall 2002. Explanations on the declaration of conformity will be given at the Annual Press Conference on fiscal year 2001/2002.

For more information on corporate governance practices at ThyssenKrupp, go to www.thyssenkrupp.com/eng/investor/corporate-governance.html

Personnel changes

In its meeting on July 12, 2002, the Supervisory Board of ThyssenKrupp AG terminated the appointment of Dr. Hans-Erich Forster (61) at his own request as per September 30, 2002. He will be succeeded by Mr. Edwin Eichler (44), who has been appointed member of the Executive Board of ThyssenKrupp AG for a period of five years effective October 01, 2002. Mr. Eichler will also take over from Dr. Forster as Executive Board Chairman of ThyssenKrupp Materials AG. Edwin Eichler has worked for the Bertelsmann group since 1990. Since 1995 he has been management board chairman of the Mohn Media group. In 1996 he was additionally appointed to the executive board of Bertelsmann Industrie AG, now Bertelsmann Arvato AG.

The appointment of Executive Board member Mr. Dieter Hennig (62) expires for age reasons on December 31, 2002. Mr. Hennig is also Labor Director of ThyssenKrupp Steel AG and ThyssenKrupp Stahl AG. To succeed him as member of the Executive Board and Labor Director of ThyssenKrupp AG, the Supervisory Board has appointed Mr. Ralph Labonte (49), currently member of the Executive Board and Labor Director of ThyssenKrupp Automotive AG, for a period of five years starting January 01, 2003. Ralph Labonte has also been appointed to succeed Dieter Hennig as member of the Executive Board and Labor Director of ThyssenKrupp Steel AG.

The Supervisory Board further resolved to cancel the appointments of Dr. Gerhard Jooss (61) and Dr. Heinz-Gerd Stein (61) by mutual consent effective September 30, 2002.

On August 01, 2002, Dr. A. Stefan Kirsten (41) took up his position on the Executive Board of ThyssenKrupp AG. Dr. Kirsten had been working for Metro AG since 1996, from 2000 as executive board member for finance, accounting, controlling, taxes and insurance. At ThyssenKrupp he will be responsible for Corporate Finance, Investor Relations, Accounting as well as Taxes and Customs.

Outlook

The forecasts for the international economy so far indicate a moderate upswing. However, the uncertainties on the commodity and financial markets have increased again recently.

Demand for steel has recovered. However, in view of still weak steel consumption, part of the increased demand is due to stockbuilding. The European steel producers have announced further price steps. ThyssenKrupp has raised its prices for carbon steel flat products by €30 per ton for deliveries after July 01, 2002. Further increases of €20 per ton from October 01, 2002 and for January 01, 2003 are planned. At Stainless a further increase of €50 per ton is planned from October 01, 2002.

The risk of a global trade conflict as a result of the Section 201 safeguard measures imposed by the USA in March 2002 has decreased. With deliveries of €200 million to the USA or 2% of steel sales, the direct economic impact for ThyssenKrupp would have been limited anyway. Also, the countermeasures introduced by the EU Commission ought to keep steel exports to Europe under control in the coming months. ThyssenKrupp's requests for exemptions from the new tariffs have met with some initial success. ThyssenKrupp has requested exemptions for the entire 360,000 tons affected by the US tariffs.

In the automobile sector, no clear trend is apparent at the moment. There are signs of weakness particularly on the volume markets in North America, Western Europe and Japan, and the situation in South America is also becoming more difficult.

In North America, the decline in sales has been limited so far, but the Big Three are losing market share to foreign marques. Because inventories were reduced sharply last year, lower demand has not impacted fully on production this year, which could even be slightly higher than last year. In Western Europe, however, automobile production will likely decrease significantly. One exception is the UK, where new registrations are also increasing. The German auto industry faces sales decreases both in exports and on the home market. Foreign suppliers, especially French manufacturers, are gaining market share.

The slight recovery of the international economy has so far had no visible effects on the capital goods sector. In North America and Western Europe, investment remains extremely weak. Demand for machinery is correspondingly depressed, and production is expected to be lower in most countries. This applies particularly to the machine tool sector.

The situation in the German construction sector remains difficult, with orders below last year's levels.

Despite only weak impetus from the general economy, we expect the Group to continue to develop positively. In the 4th quarter 2001/2002 we expect sales to be lower than in the 3rd quarter due to normal seasonal effects. This would give full-year 2001/2002 sales of €36 billion, approx. 5% lower than a year earlier.

With regard to earnings, we expect the positive trend of the 3rd quarter 2001/2002 to continue in general in the 4th quarter. However, quarterly income will be affected by the seasonal effects already mentioned and a once-only effect from restructuring expenses in the Automotive segment of over €100 million. Our 2001/2002 target of €0.4 billion adjusted earnings before taxes nevertheless appears achievable.

Furthermore in fiscal year 2001/2002 we expect gains from disposals, which amounted to €161 million in the first nine months. In addition, the disposal gain from the sale of the indirect shareholding in Ruhrgas AG in the amount of €191 million will be recognized in the 4th quarter.

Goodwill amortization has been eliminated, but impairment of goodwill based on the adoption of SFAS 142 will be recognized at the balance sheet date. This transitional impairment will exceed the previous goodwill amortization of more than €200 million.

We expect net financial payables at September 30, 2002 to be below €6 billion. A large part of the decrease will be attributed to the €0.5 billion received in July 2002 for the sale of the Ruhrgas shareholding.

At the beginning of July 2002 the sale of the Group's 13.48% investment in Bergemann GmbH, which is the owner of 34.76% of the shares of Ruhrgas AG, was completed. The transaction is not pending further legal actions. The selling price amounted to €486 million and will result in profit before taxes in the amount of €191 million. At the beginning of July, ThyssenKrupp Technologies and Gildemeister agreed to look into combining their activities in the field of metal-cutting machine tools. An analysis of the activities of the two companies by product, customer and region shows that ThyssenKrupp and Gildemeister's metal cutting businesses are a good fit. Both sides assume that after the transaction ThyssenKrupp would be the biggest individual shareholder of Gildemeister without striving for control. For the shipyards the sails have been set in a new direction now that the originally planned cross-shareholdings with Howaldtswerke-Deutsche Werft AG (HDW) have failed to come about. One Equity Partners GmbH (OEP) – a company of the US Bank One – has now acquired 75% minus 1 share of HDW and aims to take over the rest by the end of November 2002. HDW is to be continued as a universal shipyard. OEP has offered Ferrostaal and ThyssenKrupp Technologies a 15% share each in the new HDW. ThyssenKrupp would like to accept this offer, especially in view of the new cooperation agreements concluded between our shipyards and HDW at the end of March 2002. These will enter into force only after the share acquisition is completed.

Global view ○ **Development potential**

Program	ThyssenKrupp best – best-for-best
Place	Germany
Segments	Materials, Serv
Competency	Recognizing employee potential, identifying high potentials, senior management development

Development potential

Our best-for-best program gives high potentials the opportunity to broaden their experience with a view to assuming greater management responsibility. They are put in charge of their own ThyssenKrupp best project to develop their business skills, at the same time receiving training to provide the specialist knowledge they require. They are also assigned an experienced mentor to help them overcome any major obstacles. All projects are of great relevance to the success of the respective company, and their successful conclusion helps strengthen market positions and develop additional earnings potential. Prospective managers at subsidiaries and branches also benefit by having their talents recognized and systematically nurtured from an early stage. This is an important investment in the future, and ThyssenKrupp will soon be reaping the rewards.

Left: Dr. Frank Maassen, best-for-best mentor, right: Ralph Tyko, best-for-best program participant

Independent Accountants’ Review Report

To the Executive Board ThyssenKrupp AG

We have reviewed the accompanying condensed consolidated balance sheet of ThyssenKrupp AG and subsidiaries (the “Group”) as of June 30, 2002, the related condensed consolidated statements of income for the three month periods ended June 30, 2002 and 2001, and the related condensed consolidated statements of income and cash flows for the nine month periods ended June 30, 2002 and 2001. These financial statements are the responsibility of the Group’s Management.

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, we are not aware of any material modifications that should be made to the accompanying condensed consolidated financial statements as of June 30, 2002, and for the three and nine month periods ended June 30, 2002 and 2001, in order for them to be in conformity with accounting principles generally accepted in the United States.

Düsseldorf, August 14, 2002

KPMG Deutsche Treuhand-Gesellschaft
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Reinke	Nunnenkamp
Independent accountant	Independent accountant

ThyssenKrupp AG Condensed Consolidated Statements of Income

million €, earnings per share in €	Note	3 months ending June 30, 2001	3 months ending June 30, 2002	9 months ending June 30, 2001	9 months ending June 30, 2002
Net sales	8	9,598	9,599	28,362	26,953
Cost of sales		(7,908)	(7,791)	(23,217)	(22,223)
Gross margin		**1,690**	**1,808**	**5,145**	**4,730**
Selling expenses		(816)	(756)	(2,273)	(2,218)
General and administrative expenses		(683)	(654)	(1,933)	(1,933)
Other operating income		205	64	514	435
Other operating expenses		(251)	(114)	(703)	(520)
Gain on the disposal of subsidaries, net		337	51	404	56
Income from operations		**482**	**399**	**1,154**	**550**
Financial expense, net		(108)	(83)	(322)	(110)
Income before income taxes, minority interest and cumulative effects of changes in accounting principles	4 8	**374**	**316**	**832**	**440**
Provisions for income taxes		(102)	(95)	(242)	(131)
Minority interest		(2)	(19)	(7)	(23)
Income from operations before cumulative effects of changes in accounting principles		**270**	**202**	**583**	**286**
Cumulative effects of changes in accounting principles (net of tax)		0	0	(22)	0
Net income		**270**	**202**	**561**	**286**
Basic earnings per share	9	**0.52**	**0.39**	**1.09**	**0.56**
Adjusted basic earnings per share (before goodwill amortization)	4	**0.64**	**0.39**	**1.43**	**0.56**

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

ThyssenKrupp AG Condensed Consolidated Balance Sheets

ASSETS million €	Note	Sept. 30, 2001	June 30, 2002
Intangible assets, net		4,169	3,971
Property, plant and equipment, net		12,167	11,620
Financial assets, net		1,482	1,292
Fixed assets		**17,818**	**16,883**
Inventories		6,525	6,547
Trade accounts receivable, net		5,721	5,471
Other receivables and other assets, net		1,637	1,772
Marketable securities		24	22
Cash and cash equivalents		1,234	843
Operating assets		**15,141**	**14,655**
Deferred income taxes		**1,445**	**1,390**
Prepaid expenses and deferred charges		**245**	**242**
Total assets		**34,649**	**33,170**

STOCKHOLDERS' EQUITY AND LIABILITIES million €	Note	Sept. 30, 2001	June 30, 2002
Capital stock		1,317	1,317
Additional paid in capital		4,684	4,684
Retained earnings		2,577	2,554
Accumulated other comprehensive income		208	(32)
Total Stockholders' Equity	5	**8,786**	**8,523**
Minority interest		**363**	**325**
Accrued pension and similar obligations		6,908	6,791
Other accrued liabilities		3,136	2,977
Accrued liabilities		**10,044**	**9,768**
Financial payables		7,665	7,156
Trade accounts payable		3,248	2,872
Other payables		3,324	3,425
Payables		**14,237**	**13,453**
Deferred income taxes		**1,161**	**1,030**
Deferred income		**58**	**71**
Total Stockholders' Equity and Liabilities		**34,649**	**33,170**

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

ThyssenKrupp AG Condensed Consolidated Statements of Cash Flows

million €	9 months ending June 30, 2001	9 months ending June 30, 2002
Operating:		
Net income	561	286
Adjustments to reconcile net income to net cash provided by operating activities:		
Minority interest	7	23
Depreciation and amortization of fixed assets	1,415	1,190
Earnings from companies valued at equity, net of dividends received	(43)	5
Gain from disposal of assets	(423)	(186)
Changes in assets and liabilities, net of effects of acquisitions and dispositions:		
– inventories	(573)	(25)
– trade accounts receivable	(120)	251
– other assets not related to investing or financing activities	(130)	(248)
– accrued pension and similar obligations	(40)	(63)
– other accrued liabilities	(156)	(73)
– trade accounts payable	(81)	(379)
– other liabilities not related to investing or financing activities	68	169
Net cash provided by operating activities	**485**	**950**
Investing:		
Purchase of financial assets and businesses	(112)	(167)
Cash acquired from acquisitions	9	8
Capital expenditures for property, plant and equipment	(1,487)	(1,013)
Capital expenditures for intangible assets	(75)	(48)
Proceeds from the sale of financial assets and businesses	847	341
Cash of disposed businesses	(26)	0
Proceeds from disposals of property, plant and equipment	157	182
Proceeds from disposals of intangible assets	2	4
Net cash used in investing activities	**(685)**	**(693)**
Financing:		
Proceeds from issuance of bonds	493	494
Increase/(decrease) of payables to financial institutions	70	(860)
Proceeds from notes payable and other loans	260	151
Decrease in bills of exchange	(42)	(7)
Decrease in securities classified as operating assets	24	3
Payment of ThyssenKrupp AG dividend from the preceding year	(386)	(309)
Other financing activities	(116)	(88)
Net cash provided by/(used in) financing activities	**303**	**(616)**
Effect of exchange rate changes on cash and cash equivalents	4	(32)
Net increase/(decrease) in cash and cash equivalents	**107**	**(391)**
Cash and cash equivalents at beginning of reporting period	963	1,234
Cash and cash equivalents at end of reporting period	**1,070**	**843**

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

Notes to the interim condensed 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. Accordingly, these financial statements do not include all of the information and footnotes required by US GAAP for complete financial statements for year end reporting purposes.

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 nine months ending June 30, 2002, are not necessarily indicative of future results.

The accounting principles and practices as applied correspond in general to those pertaining to the most recent 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 Statements of Financial Accounting Standard (SFAS) 141 "Business Combinations" and 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 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 Group 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".

In connection with SFAS 142's transitional impairment testing, the Statement requires the Group to perform an assessment of whether there is an indication that goodwill is impaired as of the date of adoption. To accomplish this, the Group has identified its reporting units and determined the carrying value of each reporting unit by assigning the assets and liabilities, including the existing goodwill and intangible assets, to those reporting units as of the date of adoption (October 01, 2001). The Group has determined the fair value of each reporting unit and compared it to the carrying amount of the reporting unit. To the extent the carrying amount of the reporting unit exceeds the fair value of the reporting unit, an indication exists that the reporting unit goodwill may be impaired and the Group must perform the second step of the transitional impairment test. In the second step, the Group must compare the implied fair value of the reporting unit goodwill with the carrying amount of the reporting unit goodwill, both of which are measured as of the date of adoption. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit in a manner similar to a purchase price allocation, in accordance with SFAS 141. The residual fair value after this allocation is the implied fair value of the reporting unit goodwill. The second step will be completed by the end of the current fiscal year. Any transitional impairment loss will be recognized as the cumulative effect of a change in accounting principle in the Group's statement of income.

Upon completion of the first step of the impairment test, an indication of impairment exists in the following reporting units:

- Technologies segment: Metal Cutting and Berco business units
- Materials segment: Materials Trading business unit and
- Serv segment: Construction Services business unit

Aggregate carrying amounts of goodwill within the identified reporting units are €0.5 billion although currently we assume that the final calculations will result in impairments which are less than the total carrying value.

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 adoption encouraged.

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

In June 2002, the FASB issued SFAS 146, “Accounting for Costs Associated with Exit or Disposal Activities”. SFAS 146 replaces previous accounting guidance provided by EITF Issue No. 94-3, “Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring)”, and requires entities to recognize costs associated with exit or disposal activities only when liabilities for these costs are incurred (subsequent to a commitment to a plan) rather than at the date of a commitment to an exit or disposal plan. Examples of costs covered by the Standard include lease termination costs and certain employee severance costs that are associated with a restructuring, discontinued operations, plant closings, or other exit or disposal activities. The provisions of SFAS 146 are to be applied prospectively to exit or disposal activities initiated after December 31, 2002. Although management believes the adoption of SFAS 146 will not have a material impact on the Group’s financial statements, adoption of the Standard will result in timing differences in the recognition and measurement of expenses relating to exit and disposal activities.

For the nine months ending June 30, 2001, the cumulative effects of changes in accounting principles relates mainly to the Group’s adoption of SAB No. 101 “Revenue Recognition in Financial Statements”.

2 Acquisitions and divestitures

During the three months ending June 30, 2002, the Group spent in total €23 million on acquisitions and received in total €88 million on divestitures, primarily on the following:

- Acquisition of Xuzhou Rothe Erde Slewing Bearing Co. Ltd. in China in the Technologies segment which was consolidated as of May 01, 2002. The preliminary purchase price allocation resulted in goodwill of €1 million. Due to immateriality pro forma sales and results were not included.

- Acquisition of the DG Immobilien Facility Management GmbH in the Serv segment at a purchase price of €11 million. Consolidation will be as of July 01, 2002.

- Sale and deconsolidation of Krupp Berco Bautechnik GmbH in the Technologies segment as of May 31, 2002. The preliminary selling price amounted to €54 million, resulting in profit before taxes in the amount of €35 million.

- Sale of various casting activities which do not belong to the automotive business in the Automotive segment during the third quarter, resulting in profit before taxes in the amount of €11 million.

3 Compensation expense for the long-term management incentive plan

As of June 30, 2002 the performance hurdles for the second, the third and the fourth installment of the Group's long-term management incentive plan were met. As a result, the Group recorded compensation expense in the amount of €1 million in the third quarter of 2001/2002.

4 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	3 months ending June 30, 2001	**3 months ending June 30, 2002**	9 months ending June 30, 2001	**9 months ending June 30, 2002**
Total amount in million €:					
Reported income before income taxes and minority interest		374	316	832	440
Add back: Goodwill amortization*		61	0	176	0
Adjusted income before income taxes and minority interest	8	**435**	**316**	**1,008**	**440**
Total amount in million €:					
Reported net income		270	202	561	286
Add back: Goodwill amortization*		61	0	176	0
Adjusted net income		**331**	**202**	**737**	**286**
Earnings per share in €:					
Reported net income		0.52	0.39	1.09	0.56
Goodwill amortization*		0.12	0.00	0.34	0.00
Adjusted net income		**0.64**	**0.39**	**1.43**	**0.56**

* including goodwill of equity method investments

5 Stockholders' Equity

The development of Stockholders' Equity in the nine month period ending June 30, 2002 was as follows:

million €	Capital stock	Additional paid in capital	Retained earnings	Accumulated other comprehensive income: 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			286					286
Other comprehensive income				(220)	(30)	1	9	(240)
Total comprehensive income								**46**
Dividend payment			(309)					(309)
Balance as of June 30, 2002	**1,317**	**4,684**	**2,554**	**35**	**1**	**(47)**	**(21)**	**8,523**

From total comprehensive income in the current reporting period, a loss of €184 million was generated within the third quarter of 2001/2002. Total comprehensive income for the previous year nine month period ending June 30, 2001 was €557 million, €311 million thereof being allocable to the third quarter of 2000/2001.

Total comprehensive income for the nine month period ending June 30, 2001 includes goodwill amortization of €176 million, €61 million thereof being allocable to the third quarter of 2000/2001.

6 Contingencies including pending lawsuits and claims for damages

In comparison to the description in the notes to the most recent year-end consolidated financial statements, the €246 million commitment to fund the first stage of expanding capacities at the Shanghai Stainless Steel Cold Rolling Mill has been reduced to €20 million as of June 30, 2002 as a result of the fulfillment of the obligation. The contingencies of notes, suretyships and guarantees for third party debts as well as other obligations as of September 30, 2001 were reduced by €305 million to €412 million in the normal course of business.

The Group is involved in pending and threatened litigation in connection with the sale of certain companies, which may lead to partial repayment of purchase price or to the award of damages. In addition, damage claims may be payable to customers and subcontractors under performance contracts. Certain of these claims have proven unfounded or have expired under the statute of limitations. The Group believes, based upon consultation with relevant legal counsel, that the ultimate outcome of these pending and threatened lawsuits will not result in a material impact on the Group's financial condition or results of operations.

Regarding the remaining contingencies, including pending litigations, there have been no significant changes.

7 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 June 30, 2002**	**Fair value June 30, 2002**
Assets				
Foreign currency derivatives incl. embedded derivatives	87	87	175	175
Interest rate derivatives	0	0	0	0
Commodity derivatives	0	0	7	7
Liabilities				
Foreign currency derivatives incl. embedded derivatives	84	84	114	114
Interest rate derivatives	61	61	48	48
Commodity derivatives	6	6	3	3
Total	**238**	**238**	**347**	**347**

8 Segment reporting

Effective October 01, 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 months ending June 30, 2001 and June 30, 2002 as well as for the nine months ending June 30, 2001 and June 30, 2002 is presented on pages 32 and 33.

Segment information

million €	Steel	Automotive	Elevator
3 months ending June 30, 2001			
External sales	2,681	1,607	882
Internal sales within the Group	432	11	11
Total sales	3,113	1,618	893
Income/(loss) before goodwill amortization, income taxes and minority interest	346	48	78
Goodwill amortization	13	6	13
Income/(loss) before income taxes and minority interest	333	42	65
3 months ending June 30, 2002			
External sales	2,686	1,678	877
Internal sales within the Group	409	4	2
Total sales	3,095	1,682	879
Income/(loss) before income taxes and minority interest	121	77	86
9 months ending June 30, 2001			
External sales	8,300	4,615	2,493
Internal sales within the Group	1,264	13	15
Total sales	9,564	4,628	2,508
Income/(loss) before goodwill amortization, income taxes and minority interest	640	118	181
Goodwill amortization	42	18	38
Income/(loss) before income taxes and minority interest	598	100	143
9 months ending June 30, 2002			
External sales	7,440	4,734	2,589
Internal sales within the Group	1,206	26	4
Total sales	8,646	4,760	2,593
Income/(loss) before income taxes and minority interest	56	144	224

Technologies	Materials	Serv	Real Estate	Corporate	Consolidation	Group
1,449	2,275	555	68	81	0	**9,598**
22	173	78	9	9	(745)	**0**
1,471	2,448	633	77	90	(745)	**9,598**
40	(24)	6	8	(58)	(9)	**435**
13	4	5	0	7	0	**61**
27	(28)	1	8	(65)	(9)	**374**
1,451	2,289	539	71	8	0	**9,599**
7	88	82	5	0	(597)	**0**
1,458	2,377	621	76	8	(597)	**9,599**
78	35	6	17	(103)	(1)	**316**
4,103	6,831	1,563	204	253	0	**28,362**
31	535	238	22	26	(2,144)	**0**
4,134	7,366	1,801	226	279	(2,144)	**28,362**
144	9	(2)	42	(120)	(4)	**1,008**
38	12	14	0	14	0	**176**
106	(3)	(16)	42	(134)	(4)	**832**
4,083	6,270	1,570	229	38	0	**26,953**
27	255	237	14	1	(1,770)	**0**
4,110	6,525	1,807	243	39	(1,770)	**26,953**
67	40	35	64	(193)	3	**440**

9 Earnings per share

Basic earnings per share is computed as follows:

	3 months ending June 30, 2001		**3 months ending June 30, 2002**	
	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)	270	0.52	202	0.39
Cumulative effect of changes in accounting principles (net of tax)	0	0.00	0	0.00
Net income	270	**0.52**	202	**0.39**
Denominator:				
Weighted average shares	514,489,044		514,489,044	

	9 months ending June 30, 2001		**9 months ending June 30, 2002**	
	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)	583	1.13	286	0.56
Cumulative effect of changes in accounting principles (net of tax)	(22)	(0.04)	0	0.00
Net income	561	**1.09**	286	**0.56**
Denominator:				
Weighted average shares	514,489,044		514,489,044	

The calculation of the weighted average shares includes 22,560 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.

10 Subsequent events

At the beginning of July 2002 the sale of the Group's 13.48% investment in Bergemann GmbH, which is the owner of 34.76% of the shares of Ruhrgas AG, was completed. The transaction is not pending further legal actions. The selling price amounted to €486 million and will result in profit before taxes in the amount of €191 million.

In July 2002 the Automotive segment approved the extensive restructuring program for the American activities and the Springs product division. Expenses resulting thereof will decrease income by more than €100 million.

In July 2002 ThyssenKrupp AG established a €3 billion Debt Issuance Program. At the same time the existing DEM 1 billion Commercial Paper Program has been replaced by a €1.5 billion Euro Commercial Paper Program. Issuers under both programs will be ThyssenKrupp AG and ThyssenKrupp Finance Nederland B.V. under the guarantee of ThyssenKrupp AG. Both programs bear the respective ratings of ThyssenKrupp AG (Baa1 neg. Outlook; P-2 / BBB stable Outlook; A-2). Future issuances under these programs will facilitate the entities' ongoing and flexible funding requirements in the debt capital markets.

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This report is available in German and English; both versions can also be downloaded from the internet at http://www.thyssenkrupp.com. On request, we would be pleased to send you further copies of this report and additional information on the ThyssenKrupp Group free of charge.
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Dates in 2002/2003

December 05, 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 14, 2003	Interim report 1st quarter 2002/2003 (October to December)
February 21, 2003	Annual Stockholders' Meeting
February 24, 2003	Payment of dividend for the 2001/2002 fiscal year
May 15, 2003	Interim report 2nd quarter 2002/2003 (January to March)
May 16, 2003	Analysts' meeting
August 14, 2003	Interim report 3rd quarter 2002/2003 (April to June)

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