

2003\_2004 Financial Statements and Management Report

ThyssenKrupp AG

ThyssenKrupp





02-36

## Management Report

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## 1. COURSE OF BUSINESS IN 2003/2004

The economic parameters in fiscal 2003/2004 were predominantly favorable. Supported by dynamic growth in Asia and North America the world economy improved markedly, which impacted positively on ThyssenKrupp's performance. Order intake from continuing operations increased by 17% to €41.0 billion and sales by 11% to €39.3 billion. Without the appreciation of the euro against important currencies these increases would have been even higher.

ThyssenKrupp AG is the parent company of the ThyssenKrupp Group. Responsibility for operating business rests with the Group subsidiaries.

The consolidated financial statements of ThyssenKrupp AG are drawn up in accordance with Generally Accepted Accounting Principles (US GAAP) and are supplemented by a Group Management Report pursuant to Art. 315 of the German Commercial Code (HGB). The consolidated statements are exempting statements pursuant to Art. 292 a HGB. This Management Report contains additional information on the business situation of the ThyssenKrupp Group.

### Dynamic world economy

The global upswing gathered strength in 2004, although raw materials and energy became more expensive. Particularly in the first half of the year world economic growth increased strongly. According to current estimates, world GDP increased by 4.7% and world trade by 9.0% in 2004.

The improvement in the world economy was driven by the dynamic performance of North America and Asia. The high growth in the USA was due mainly to business spending, while private consumption grew at a more moderate rate partly as a result of slightly higher interest rates. The Japanese economy expanded more strongly than expected, profiting above all from high demand from the USA and Asia. The Asian emerging markets continued their expansion in 2004. The Chinese economy continues to grow at a high rate despite a now tighter economic policy.

Latin America overcame several years of stagnation and returned to the growth track in 2004, favored by currency depreciations and high exports. The countries of Central and Eastern Europe also showed above-average increases in economic output in 2004.

The euro zone is lagging behind the rest of the world economy. Although exports increased in the wake of the global economic recovery, there was a lack of impetus from domestic demand. According to initial estimates the economy of the euro zone grew by 2% in 2004. Similar growth is also forecast for Germany, where stagnating private consumption and slow business spending dampened the economy. The only bright point in 2004 were exports, which again rose strongly despite the appreciation of the euro.

### Gross domestic product 2004\* Real change compared to previous year in %

Germany .....	1.7
France .....	2.5
Italy .....	1.2
United Kingdom .....	3.3
Russia .....	7.0
Central/Eastern Europe (excl. Russia) .....	6.2
USA .....	4.4
Brazil .....	4.3
Latin America (excl. Brazil) .....	7.0
Japan .....	4.2
China .....	9.0
Asia (excl. Japan and China) .....	5.5
World .....	4.7

\* Estimate

### Different trends on individual sales markets

In the sectors of importance to ThyssenKrupp – the graphic on the next page shows an analysis of Group sales by major customer groups – the market situation was very mixed.

The international steel market experienced a major boom. According to initial estimates, world crude steel production grew by 8% to pass the billion ton mark for the first time in 2004. China, which increased its share of world steel production to 25%, played a major role in this with production growth of over 21%. Other countries also increased their output by a total of around 4%. China's expanding steel and starting material requirements led to supply bottlenecks worldwide and large price increases for raw materials, freight rates and steel products.

Scarce supplies and high order backlogs also dominated the picture on the Western European steel market. After declining in the previous year, steel consumption increased again in 2004. Crude steel production in the EU (15) rose by 5% to 169 million metric tons despite temporary bottlenecks in raw material supplies; nevertheless the volumes on offer were not enough in all cases to meet customers' rising requirements. The German steel industry, operating at high levels of capacity utilization, increased its output by just under 4% to around 46.5 million tons.

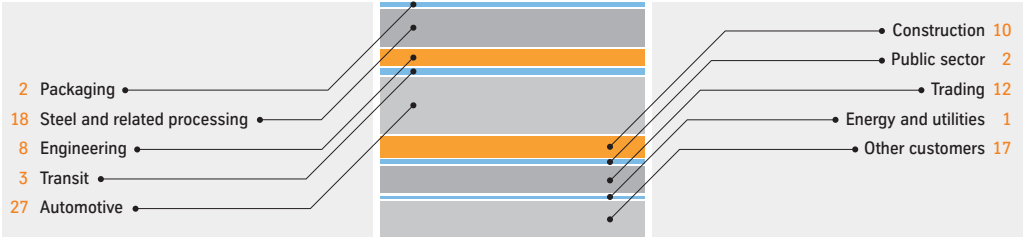
The carbon flat steel market in Western Europe was characterized by demand overhangs, even though shipments by European manufacturers increased significantly. Imports from non-EU countries were down from the previous year owing to higher steel prices and robust demand in other regions – above all in the first half of 2004 – and were therefore unable to close the supply gap. Starting from the fourth quarter 2003 steel prices were raised in stages at the beginning of each quarter. The price hikes were necessary to pass on drastic increases on the cost side, which were partially cushioned by the appreciation of the euro. Nevertheless, price levels in Europe remained much lower than on the North American flat steel market where extremely lively demand met with inadequate supply. In Asia, markets and prices weakened slightly beginning in the spring; this increased the regional price differences and resulted in steel trade flows being diverted first to the USA and, from mid-2004, increasingly also to Western Europe.

The stainless steel market also profited from the recovery of the world economy. According to estimates, production of stainless steel reached a record level of more than 24 million metric tons in 2004. The global market for cold rolled flat products also increased by 6% to a new record level of 13.1 million tons. In Western Europe, demand improved significantly at the beginning of the year, enabling an increase in base prices in the middle of the fiscal year. Starting May 2004, the massive price increases for unalloyed scrap were passed on to customers via a scrap surcharge. Despite weaker orders in the summer months and increasing imports from non-EU countries, the market remained largely robust due to steady demand from major end users. On the North American market, demand for stainless steel increased significantly. This, together with a number of consolidations on the supply side, allowed several base price increases to be made. In Asia and particularly China the market was much more difficult. Although demand grew at an above-average rate, destocking of excess inventories by producers and distributors had a dampening effect from spring 2004. Together with new cold-rolled capacities coming on stream, this resulted in pressure on the already lower prices on the Chinese market. The lack of alloy surcharges as a price component made the situation worse. Traditional stainless imports to China decreased significantly.

The international auto market showed slight growth. According to current estimates, more than 63 million vehicles were produced in 2004, 4% more than in 2003. However, there were considerable regional differences between the traditional and new production centers.

After declining in 2003, auto production in the NAFTA region increased by 1.7% to 16.5 million vehicles in 2004. Lower passenger car volumes were more than offset by increased production of light trucks such as minivans and sport utility vehicles as well as heavy trucks. The auto market in South

Sales by customer group 2003/2004 in %



America also improved. According to estimates, vehicle production in the Mercosur countries increased by 10% to just under 2.2 million units in 2004.

There was also significant growth in Asia and in Central and Eastern Europe. While Japanese production was only slightly higher than a year earlier at 10.5 million vehicles, other Asian manufacturers expanded their output by 14% to 12 million vehicles. China built 5.2 million units in 2004, 14% more than a year earlier. The countries of Central and Eastern Europe including Russia also increased their volumes by over 15% to almost 3.2 million cars and trucks.

In Western Europe, auto production was slightly higher than in 2003 at an estimated 16.8 million vehicles. Manufacturers in Germany increased their output to just under 5.6 million units, but only thanks to higher exports; new registrations on the domestic market declined.

The improvement in the world economy also had a positive impact on the capital goods industry. German machinery manufacturers recorded high orders both from the domestic market and particularly from abroad, leading to a 5% increase in production in 2004. Engineering output also increased in the USA and other major countries. Machine tool production showed particularly high growth rates. Strong domestic demand resulted in a 10% increase in us production in 2004. German machine tool output expanded by 5%.

Construction activity in Germany remained weak. The depressed order situation resulted in another slight fall in construction output in 2004. In the USA, by contrast, construction activity increased despite high vacancy rates. The construction industry in many Central and Eastern European countries as well as in Asia remained favorable.

Strong rise in business for ThyssenKrupp

ThyssenKrupp in figures

		2002/2003	2003/2004
Order intake	million €	35,105	41,017
Sales	million €	35,327	39,342
EBITDA	million €	2,455	3,258
Income*	million €	774	1,580
Employees (Sept. 30)		184,157	184,358

All figures relate to continuing operations. \* before taxes and minority interest

## Sales by segment million €

	2002/2003	2003/2004
Steel	11,664	13,700
Automotive	6,295	7,312
Elevator	3,365	3,568
Technologies	5,382	5,092
Services	10,603	11,887
Real Estate	345	337
Corporate	26	28
<b>Segment sales</b>	<b>37,680</b>	<b>41,924</b>
Inter-segment sales	(2,353)	(2,582)
<b>Sales of continuing operations</b>	<b>35,327</b>	<b>39,342</b>

	2002/2003	2003/2004
Steel	352	426
Services	647	409
<b>Segment sales</b>	<b>999</b>	<b>835</b>
Inter-segment sales	(189)	(121)
<b>Sales of discontinued operations</b>	<b>810</b>	<b>714</b>

ThyssenKrupp performed successfully in fiscal 2003/2004. Key indicators improved significantly as shown by the tables above. Order intake and sales expanded considerably despite continuing negative exchange rate effects.

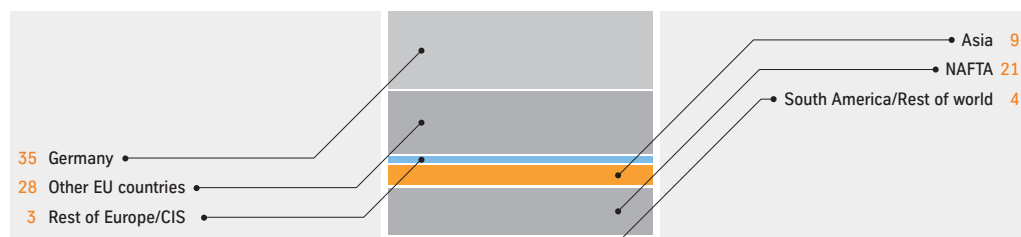
A number of significant operations were divested in fiscal 2003/2004 as part of the ongoing portfolio streamlining program. To allow comparability between the periods, the following statements regarding order intake, sales, earnings and employees apply only to continuing operations unless otherwise stated.

Order intake from continuing operations increased by 17% to €41.0 billion in 2003/2004. The Steel, Automotive and Technologies segments in particular recorded high growth rates. Excluding the effects of the rise in the euro against the US dollar, the Group's order intake would have increased by 20%. New orders at the discontinued operations reached €751 million in the reporting period.

Sales from continuing operations increased by 11% to €39.3 billion. The main growth was in the Steel, Automotive and Services segments. If the euro-us dollar exchange rate had remained unchanged, Group sales would have been 14% higher. The discontinued operations achieved sales of €714 million in 2003/2004.

The main sales regions besides the German market were the rest of the EU and the NAFTA region; the graphic above shows an overview. Sales to customers outside Germany reached €25.8 billion in the reporting year, or 65% of total Group sales. One of the fastest-growing sales regions was China. Sales to customers in China reached over €1.1 billion in 2003/2004.

## Sales by region 2003/2004 in %





## Steel: Very good sales performance

Sales million €

	2002/2003	2003/2004
Carbon Steel	7,161	8,301
Stainless Steel	3,957	4,990
Special Materials	1,150	962
<b>Total</b>	<b>12,268</b>	<b>14,253</b>
Consolidation	(604)	(553)
<b>Steel</b>	<b>11,664</b>	<b>13,700</b>

All figures relate to continuing operations.

The Steel segment profited from extremely high demand growth on the world steel market in 2003/2004. Order intake increased by 24% to €14.3 billion. Sales rose by 17% to €13.7 billion. In both cases this was due to higher volumes and – to a lesser extent – improved revenues. The increased steel prices only showed up in average revenues with a time lag as we have longer-term agreements with most of our important customer groups. The discontinued operations achieved order intake of €509 million and sales of €426 million.

Crude steel production at ThyssenKrupp Steel was 17.2 million metric tons, 3% higher than a year earlier; both Carbon Steel and Stainless Steel increased their output. Although the core facilities were working at their capacity limits, over large periods this was not enough to fill customer requirements. To meet the high demand, we reduced our inventories of work in process and finished goods and purchased slabs from other steel companies.

The Carbon Steel business unit increased its sales by 16% to €8.3 billion. The rise was partly due to the inclusion of the non-grain-oriented electrical steel business and companies from the Services segment. Apart from that, the increase in sales at ThyssenKrupp Stahl was mainly due to higher volumes and also to higher revenues, the latter mainly in the second half of the reporting period. We were able to significantly increase prices in several steps for spot and quarterly deals. Given the high proportion of longer-term agreements, average revenues in the full fiscal year were ultimately around 6% higher than a year earlier. Shipments increased both inside and particularly outside Germany. Sales of our hot-dip coated products were again very positive. Sales of tinplate, medium-wide strip and tailored blanks were also encouraging, as was the performance of our European steel service centers. The only decrease in sales was at ThyssenKrupp Steel North America due to exchange rate factors and a shortage of starting materials.

Stainless Steel increased its sales by 26% to €5.0 billion. Although European production of stainless flat products was seriously disrupted by strikes in the second fiscal quarter, sales volumes were distinctly higher than a year earlier. Revenues were boosted by the huge rises in raw material prices. These caused increased costs, above all for nickel, chromium, molybdenum and scrap, which were passed on to the market with a time lag via the alloy surcharge and, from March in the NAFTA region and from May in Europe, an additional scrap surcharge. In addition, the high demand enabled us to push through base price increases on the European market. The favorable market environment in North America, which also permitted base price rises, mainly benefited our Mexican subsidiary ThyssenKrupp Mexinox. After declining sharply in previous years, demand for nickel-base alloys improved slightly, leading to an increase in sales.



The Special Materials business unit achieved sales of €1.0 billion, 16% down from a year earlier. The decline at the continuing operations was mainly structural: in the reporting year the non-grain-oriented electrical steel business was integrated into the Carbon Steel business unit and the remaining grain-oriented business suffered declining sales for market reasons. Sales of the tool steel specialist Edelstahl Witten-Krefeld increased significantly in a favorable market environment. In addition, foreign distribution companies from the Services segment were allocated to the business unit.

## Automotive: Growth in systems business

Sales million €

	2002/2003	2003/2004
Chassis	2,764	3,049
Body	1,685	1,889
Powertrain	1,877	2,412
<b>Total</b>	<b>6,326</b>	<b>7,350</b>
Consolidation	(31)	(38)
<b>Automotive</b>	<b>6,295</b>	<b>7,312</b>

All figures relate to continuing operations.

The international auto market improved slightly in the reporting period. Automotive increased its sales by 16% to €7.3 billion. This was mainly due to significant growth in the systems business, higher volumes at the North American foundries, the inclusion of new companies and the establishment of two joint ventures in China. The improvement in international demand for truck crankshafts and the growing proportion of diesels in the vehicle market also contributed to the increase in business volume. These positive factors outweighed the negative influences – declining sales volumes at the stamping plants and at Plastics in North America, disposals of operations and negative exchange rate effects. If the euro-us dollar exchange rate had remained unchanged, sales would have increased by 22% against the previous year.

In the Chassis business unit, sales were significantly higher than a year earlier. The main positive factor here was growth in the systems business. A new assembly plant for complete front and rear axles started operation in Leipzig and further new plants began production in Mexico and the USA. In addition, there was both volume and price growth at the North American foundries. Sales also benefited from the start of production of a new van model, components for which are supplied by six Automotive companies. Further contributory factors were higher leaf and coil spring volumes and expanded after-market business at ThyssenKrupp Bilstein. By contrast, the North American stamping plants reported lower sales for exchange-rate reasons.

The Body business unit also recorded a pleasing rise in sales in fiscal 2003/2004, part of which was due to the first full-year contribution of ThyssenKrupp Sofedit. Increased demand from Japanese transplants in the USA also had a positive impact. Sales of the European companies increased mainly due to strong demand in the truck sector and numerous new orders from German and Japanese car manufacturers. The North American stamping plants, on the other hand, reported lower orders in some cases. In addition, the discontinuation of prototype business at Milford, declining tooling sales and reduced demand for plastic products led to lower sales in the USA.

The largest increase in sales in the Automotive segment in fiscal 2003/2004 was reported by the Powertrain business unit, which included ThyssenKrupp Presta SteerTec as from December 01, 2003. The increase was due partly to the trend towards diesel vehicles and partly to business in crankshafts. Alongside continuing high demand for passenger car crankshafts, demand for truck crankshafts improved significantly both in Europe and the NAFTA region. Other positive factors were a strong improvement in Brazilian export products, the start of production of steering systems for a new model platform, increased demand for camshafts, and various new program launches and ramp-ups for example in the transmission and axle components and aluminum castings businesses.

### Elevator: Market position in Asia strengthened

Sales million €

	2002/2003	2003/2004
Germany/Austria/Switzerland	603	613
France/Benelux	394	416
Spain/Portugal/Latin America	529	550
North America/Australia	1,438	1,295
Other Countries	361	641
Passenger Boarding Bridges	77	82
Accessibility	108	119
<b>Total</b>	<b>3,510</b>	<b>3,716</b>
Consolidation	(145)	(148)
<b>Elevator</b>	<b>3,365</b>	<b>3,568</b>

All figures relate to continuing operations.

In the Elevator segment, demand for new installations remained weak and new orders were subject to strong price competition. In the service and modernization businesses, on the other hand, we continued our growth course. Significant factors in this were intensified marketing efforts and acquisitions on the Triad markets. The largest new acquisition was ThyssenKrupp Dongyang Elevator in Korea which significantly strengthens our market position in Asia. Despite substantial negative exchange-rate effects, the segment's order intake and sales were higher than a year earlier. Order intake increased by 12% to €3.8 billion, while sales rose by 6% to €3.6 billion. If the euro had remained unchanged against the US dollar, order intake and sales would have been 16% and 10% higher than a year earlier.

The Germany/Austria/Switzerland business unit achieved growth in both order intake and sales. The Austrian and Swiss companies in particular significantly increased their volume of business. In Germany, we solidified our market position despite stiff price competition.

In the France/Benelux business unit, order intake and sales showed pleasing growth. Although the French service and sales network was impacted by the ongoing restructuring process, business in France was positive, as it was in the Netherlands. In particular exports of new installations were increased.

Orders received by the Spain/Portugal/Latin America business unit were significantly up from the already high prior-year level. The largest increases were achieved in Latin America. Sales also performed positively. Both order intake and sales benefited from the receipt/billing of major orders and infrastructure projects.

Due to the negative exchange-rate trend order intake and sales decreased in the North America/Australia business unit. In the North American market, vacancy rates for office and commercial buildings and residential buildings continued to rise, resulting in considerably weaker new installation business. This was only partially offset by the positive trend in the modernization and service areas.

In the Other Countries business unit, order intake and sales increased despite negative exchange-rate effects. The acquisition of ThyssenKrupp Dongyang enabled Elevator to increase its business in Asia significantly, boosted by the continuingly positive Chinese market. Business in Eastern Europe also progressed well. By contrast, there was a slight fall in sales on the Northern European markets. In the next four years we will supply and install a total of 658 elevators, escalators and moving walks worth us\$100 million for the expansion of Dubai Airport.

Order intake and sales of the Passenger Boarding Bridges business unit improved significantly in the reporting period. This was mainly due to two factors: firstly the part-billing of major orders and secondly the winning of a second major contract for Dubai Airport. We will be supplying a total of 123 passenger boarding bridges for the airport expansion, including 25 capable of servicing the A380 superjumbo.

In the Accessibility business unit, order intake and sales were very encouraging. The growth was made possible by significant efforts to increase market penetration and by the widening of our sales territories.

## Technologies: Strong order situation

### Sales million €

	2002/2003	2003/2004
Production Systems	1,250	1,154
Plant Technology	1,452	1,673
Marine	884	773
Mechanical Engineering	1,711	1,363
Transrapid	65	82
<b>Total</b>	<b>5,362</b>	<b>5,045</b>
Consolidation	20	47
<b>Technologies</b>	<b>5,382</b>	<b>5,092</b>

All figures relate to continuing operations.

The market environment for Technologies in the reporting period was significantly better than a year earlier. Demand for mechanical engineering products, particularly machine tools, improved significantly in 2004 both in the USA and in Western Europe. Construction equipment experienced growth in the USA, Europe and Asia, and the trend in specialized and large-scale plant engineering was also largely encouraging. Against this background, Technologies increased its order intake by 16% to €5.8 billion despite a number of disposals. Sales declined by 5% to €5.1 billion. Excluding the disposals, order intake increased by 29% and sales by 4%.

The order intake of the Production Systems business unit was unchanged from the previous year. MetalCutting recorded a pleasing increase, due not only to improved demand for machine tools but also to the market success of innovative new products. Orders at Autobody Manufacturing Systems, on the other hand, were down from the previous year, while Assembly Plant reported a slight improvement. Overall, sales of Production Systems declined.

Order intake at Plant Technology was significantly up from the already high prior-year level. Chemical and cement plant business played a major role in this. Uhde won a third contract for a fertilizer complex in Egypt, and Polysius landed a major contract for a cement factory in Saudi Arabia. The order backlog of Plant Technology increased by more than €0.8 billion to €2.8 billion. In line with the very good order situation the business unit achieved a large increase in sales.

At Marine several new contracts for container ships resulted in another rise in order intake. At the end of the reporting period the shipyards had an order backlog of €1.7 billion, level with the previous year. In July 2004, work began on production of the first Corvette 130 for the German Navy. At Blohm + Voss, the implementation of the restructuring program proceeded swiftly. Nordseewerke has a good workload. Marine suffered a fall in sales mainly due to project deferrals at Blohm + Voss.

Mechanical Engineering reported a decline in order intake and sales, but only because of the disposals of Novoferm, Polymer and Henschel. Excluding the disposals, the business situation improved significantly in almost all areas.

The Transrapid business unit reported a reduced order intake. Sales were higher than a year earlier due to the billing of the Shanghai contract.

## Services: Successful start

Sales million €

	2002/2003	2003/2004
Materials Services Europe	4,682	5,258
Materials Services North America	1,411	1,499
Industrial Services	1,312	1,280
Special Products	3,149	3,885
Construction Services	131	0
<b>Total</b>	<b>10,685</b>	<b>11,922</b>
Consolidation	(82)	(35)
<b>Services</b>	<b>10,603</b>	<b>11,887</b>

All figures relate to continuing operations.

In the reporting period, the newly formed Services segment achieved sales of €11.9 billion. This 12% improvement resulted mainly from the exceptionally high level of demand on the international raw and processed material markets. Sales of €409 million were generated by discontinued operations.

Sales at the Materials Services Europe business unit increased significantly thanks to higher prices for rolled and stainless steel. Our stockholding companies in Central and Eastern Europe, in particular Poland and Hungary but also the Czech Republic, performed extremely well and recorded substantial growth compared with the prior year. Activities in Poland were augmented by a new central warehouse; we also established a company in Russia. Our service activities in several Western European countries were restructured and refocused with positive results. Our warehousing and service business advanced beyond classic processing to include warehouse, material and supply chain management for customers.

Despite the appreciation of the euro against the us dollar and the transfer of companies to the Steel segment, the Materials Services North America business unit recorded higher sales than a year earlier. The us material market recovered, particularly in the second half of the fiscal year. Demand for non-ferrous metals grew, while the lifting of Section 201 tariffs and the raising of prices to world market level improved import opportunities for carbon steel. Our supply chain management services were further improved and new customers acquired.

Sales at the Industrial Services business unit declined slightly. Compared with the prior year, our international activities returned a satisfactory performance as the economic environment in our global target markets remained stable. Business was particularly positive in the us market. In Germany, demand for the classic industrial services of plant maintenance and cleaning fell as several customers have relocated their production capacities abroad. German customers were slow to award service orders due to the sluggish economy. The picture was more positive for services to the booming steel industry and for new insulation activities. Overall, however, maintenance and modernization spending was restrained.

The Special Products business unit achieved further significant sales growth. The technical units offering system solutions operated at full capacity. The joint venture with Salzgitter in the area of contractors' plant allowed us to make great progress on the foreign markets. Our steel trading activities profited from the strong demand from China. The raw materials units performed very encouragingly thanks to rising prices. Our business with metals, in particular nickel, continued at a very high level.

### Real Estate

Sales at Real Estate were down 2% to €337 million. The Residential Real Estate business unit, which manages some 48,000 housing units belonging to the Group and third parties, recorded a slight drop in sales. Sales of Real Estate Management, which focuses on optimizing the Group's commercial properties, declined; the Development and Consulting activities were discontinued at the end of the reporting year.

### Core business expanded through systematic portfolio management

As in previous years, ThyssenKrupp once again pursued its strategy of active portfolio management in the reporting period with numerous acquisitions and disposals.

- The Steel segment made a number of acquisitions and disposals with a view to focusing more closely on its core business. The Carbon Steel business unit withdrew from the Brazilian joint venture GalvaSud and will now concentrate its downstream activities for the international automotive industry on the growth market China. Stainless Steel acquired the remaining 30% interest in the stainless steel service center C.i.pro.s and is now the sole proprietor of this company. This has significantly strengthened our sales and distribution organization in Italy, Europe's second-largest stainless steel market. Berkenhoff, no longer a core business, was sold at September 30, 2004, and Krupp Edelstahlprofile was divested effective October 01, 2004. Several further marginal activities were also sold.

- In December 2003, the Automotive segment acquired a 60% interest in Mercedes-Benz Lenkungen GmbH. Together with the new company, now trading as ThyssenKrupp Presta SteerTec, ThyssenKrupp Automotive is now in a position to offer complete steering systems for cars and trucks. The acquisition of a stake in Bertrandt AG, one of Europe's leading engineering service providers, will strengthen the international market position of both companies. With the Chinese automotive market growing rapidly, ThyssenKrupp Automotive intensified its cooperation with Asian partners. We established two joint ventures – ThyssenKrupp Presta Fawer (Changchun) to produce steering systems and ThyssenKrupp Zhong-Ren Chassis for body and chassis parts – and expanded our sales offices in Tokyo and Hiroshima. ThyssenKrupp Automotive is thus responding to the wishes of the auto manufacturers for their top suppliers to have a global presence. ThyssenKrupp Automotive disposed of several marginal activities in fiscal 2003/2004.
- Several acquisitions in the Elevator segment allowed us to once again strengthen our position on the international markets. The acquisition of a majority interest in the Dongyang group gave us control of one of the market leaders in Korea, which is Asia's third biggest market for elevators and escalators. Further acquisitions in Southeast Asia, Australia and New Zealand enabled us to also boost our local presence on these important growth markets. Acquisitions in the established markets of Europe and North America were aimed at strengthening our position in particular in the service and stair lift businesses.
- In the Technologies segment, Uhde made targeted strategic acquisitions to expand its technology portfolio in the areas of polyester/polyamide production plant and pharmaceuticals/life sciences. As part of our active portfolio management strategy, we completed the sale of the Novoferm group at the start of the fiscal year and disposed of the Measuring Machines operating group as a further step in the restructuring of our MetalCutting business. The signing of the contracts to form a German shipyards alliance in early October 2004 represented a milestone for the future development of the segment. ThyssenKrupp Werften and Howaldtswerke-Deutsche Werft (HDW) are to be combined in a new group under the management of ThyssenKrupp Marine Systems AG.
- In conjunction with a local partner, Services established a company in Russia which will broaden the base for the segment's materials warehousing and service business in Eastern Europe. The segment also acquired an interest in a Chinese coking plant, an investment which delivers three advantages: a long-term supply source, a substantial fixed annual tonnage of coke, and cost-free export licenses. The sale of the Information Services unit was an important step in streamlining the activities of the newly combined Services segment; the IT service provider Triaton was acquired by Hewlett-Packard. Effective October 01, 2004, ThyssenKrupp HiServ's facility management activities were sold to Wisag and Bilfinger Berger. We also disposed of a number of smaller marginal activities.

In fiscal 2003/2004, ThyssenKrupp acquired activities with total sales of €0.6 billion and disposed of activities with sales of €1.5 billion. Since the merger of Thyssen and Krupp in 1999, companies with sales of €4.8 billion have been sold and businesses with sales of €5.6 billion have been acquired. Under our portfolio optimization strategy, we plan to carry out further disposals of non-strategic investments as well as selective strategic acquisitions.

## Workforce slightly increased

### Employees by segment

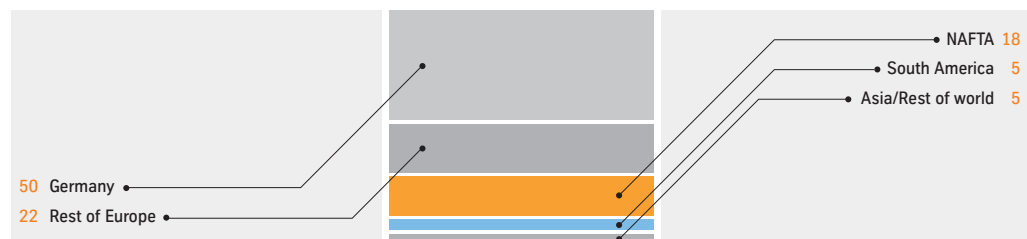
	Sept. 30, 2003	Sept. 30, 2004
Steel	47,199	46,630
Automotive	41,414	43,491
Elevator	29,689	31,658
Technologies	29,871	27,803
Services	34,629	33,469
Real Estate	638	575
Corporate	717	732
<b>Employees of continuing operations</b>	<b>184,157</b>	<b>184,358</b>
	Sept. 30, 2003	Sept. 30, 2004
Steel	2,087	1,359
Services	3,858	1,319
<b>Employees of discontinued operations</b>	<b>5,945</b>	<b>2,678</b>

Our workforce increased slightly in fiscal 2003/2004. On September 30, 2004, ThyssenKrupp had 184,358 employees worldwide, 201 or 0.1% more than a year earlier. There were a further 2,678 working at discontinued operations at the end of the reporting period.

In Germany, the number of employees at continuing operations decreased 2,530 to 91,331. There was a 2,731 increase in employees outside Germany to 93,027. The proportion of employees working at foreign subsidiaries thus rose to just over 50%. Apart from Germany, the largest workforces are in the USA, France, Brazil, Italy, the United Kingdom and Spain.

Personnel expense increased 1% to €9.2 billion in the reporting year.

### ThyssenKrupp employees by region Sept. 30, 2004 in %





### Capital expenditures at €1.7 billion

In the reporting period, ThyssenKrupp made investments totaling €1.7 billion, 8% more than the previous year. €1.4 billion was spent on property, plant and equipment and intangible assets, while the remaining €0.3 billion was used for acquisitions. Capital expenditure was €0.2 billion higher than depreciation (€1.5 billion).

### Investment by segment million €

	2002/2003	2003/2004
Steel	678	729
Automotive	319	439
Elevator	132	214
Technologies	133	159
Services	337	147
Real Estate	45	151
Corporate	29	27
Consolidation	(69)	(132)
<b>Group</b>	<b>1,604</b>	<b>1,734</b>
Intangible assets	96	106
Property, plant and equipment	1,186	1,325
Financial assets	322	303

Capital expenditure in the Steel segment amounted to €729 million in the reporting period, with depreciation at €788 million. A key project at Carbon Steel was the further modernization of the steel production base in Duisburg. The investments in the hot end agreed with the Environment Ministry of North Rhine-Westphalia to reduce dust pollution in the north of Duisburg were virtually completed. In summer 2004 we started production of a new shaft furnace to recycle iron-bearing steel mill wastes. A new walking beam furnace is being installed at the hot strip line in Duisburg-Beeckerwerth to meet the high quality requirements of our automotive customers. Major investments were made in Rasselstein's tinplate production facilities. The construction of a continuous annealing line and further coating equipment in the next few years will make the Andernach plant the world's biggest tinplate production site. In response to the strong demand for tailored blanks, capacity was increased under phase two of the expansion project at the Duisburg-Hüttenheim plant.

Stainless Steel put a new 20-high cold rolling mill into production in Krefeld to match capacity to rising demand. Investments at ThyssenKrupp Acciai Speciali Terni rounded off a technical concept for the thin slab caster and cold strip line. ThyssenKrupp Mexinox invested in improvements to the productivity and quality of its annealing and pickling lines and expanded its finishing capacities. The expansion of Shanghai Krupp Stainless in China is proceeding to plan. A second cold rolling mill was installed in the reporting period and is now in the start-up phase, to be followed by testing of the new annealing and pickling line and the cold strip mill. Cold strip capacity will subsequently be ramped up to 290,000 t/year.

In the Automotive segment, capital expenditure totaled €439 million and depreciation €319 million. Once again, most of the investments and associated capacity increases were order-related. A project center, where all Automotive companies involved in a project can work closely with the respective customer, was established in Bochum to handle numerous new development orders. The Chassis business unit built an assembly plant for subframes and side members in Hermosillo, Mexico. Numerous new orders in North America and Europe necessitated the modernization and expansion of stamping and welding lines. At Mandern in the German state of Rhineland-Palatinate, preparations got underway for the production of a further air suspension system.

Capital spending at the North American and European plants of the Body business unit was concentrated on expanding stamping, welding and assembly lines. ThyssenKrupp Drauz is further strengthening its position as a specialist producer of body assemblies through to complete vehicle bodies. The companies of the Powertrain business unit also invested mainly in the expansion and modernization of their production and processing capacities. Upon completion of a further expansion phase, the Ilsenburg site will be the world's biggest camshaft manufacturer. Capacities for the production of steering systems also had to be extended. ThyssenKrupp Fahrzeugguss installed a counter pressure casting line which will allow it to move into a new market segment. This innovative casting process makes it possible for the first time to use aluminum alloys for safety-relevant components.

The Elevator segment invested €214 million, while depreciation amounted to €51 million. The main focus was on financial investments, the most important being the acquisition of what is now ThyssenKrupp Dongyang Elevator in South Korea. This enabled us to significantly strengthen our position in the promising Asian market. Further investments related to the acquisition of attractive maintenance contracts and equity interests. The objective was to steadily expand our service business and strengthen our market presence.

In the Technologies segment, capital expenditure totaled €159 million and depreciation €125 million. The emphasis was once again on modernizing and rationalizing production operations. Berco, for example, modernized forging presses used to produce track chain links and combined them into an automated line. Investments were also made to expand the product range. To step up its activities on the Chinese market for large-diameter bearings, Rothe Erde expanded the production capacities of its local joint venture. Uhde acquired the Swiss engineering company Inventa-Fischer to expand its technology portfolio. The company builds plants for the production of polymers and synthetic fibers.

Investments in the Services segment amounted to €147 million with depreciation at €144 million. The focus was on property, plant and equipment aimed at maintaining operational readiness and expanding and modernizing the warehousing and service business. There were three main financial investment projects: in Russia we established a materials warehousing joint venture, in China Services acquired a stake in a new coking plant, and in Germany the segment acquired a company specializing in heat, cold, noise and fire insulation.

## 2. INCOME, DIVIDEND

### ThyssenKrupp AG income €301 million

The net income of ThyssenKrupp AG in the reporting period as calculated by HGB (German GAAP) was €301 million, compared with €406 million a year earlier. Income from investments decreased from €1,128 million to €460 million, mainly due to lower profit transfers and higher loss transfers from domestic subsidiaries. Other operating expenses decreased due to lower risk provision. After deducting expenses for Group management activities, pension costs for former employees of ThyssenKrupp AG and its predecessors, and net interest costs of €152 million, income from ordinary activities amounted to €338 million (previous year €582 million).

Income tax expense amounted to €37 million, compared with an income tax benefit of €70 million in the previous year. The income taxes in the reporting year result from the limitation on the use of tax loss carryforwards (minimum tax) and additional taxes for prior years. They also include withholding taxes on dividends from foreign subsidiaries. The tax benefit in the previous year resulted from the reversal of a tax accrual after the successful settlement of a test case before the Tax Court. Of the net income of €301 million, €1 million has been transferred to retained earnings. Subject to approval by the Annual General Meeting, the remaining net income of €300 million plus €9 million carryforward is to be used to pay a dividend of €299 million; the balance of €10 million is to be carried forward.

### €0.60 dividend per share

The legal basis for the dividend payment is the HGB unappropriated net income of ThyssenKrupp AG in the amount of €309 million (previous year €257 million). It comprises the net income of ThyssenKrupp AG under German GAAP in the amount of €301 million (previous year €406 million), less €1 million which has been allocated to retained earnings, plus the €9 million carryforward from the previous year. The Executive Board and Supervisory Board will propose to the Annual General Meeting the payment of a dividend in the amount of €0.60 per share, compared with €0.50 per share in the previous year. Of the unappropriated net income of €309 million, an amount of €299 million is to be used to pay a dividend on the 498,358,299 shares eligible for dividend payment as of September 30, 2004. The balance of €10 million is to be carried forward. Should the number of shares eligible for dividend distribution change before the date of the Annual General Meeting due to a change in the number of shares held as treasury stock, the proposed dividend distribution will be adjusted accordingly.

The financial statements of ThyssenKrupp AG are presented in abbreviated form in the following table.

### Balance sheet of ThyssenKrupp AG (HGB) million €

	Sept. 30, 2003	Sept. 30, 2004
Investments in non-consolidated subsidiaries	7,373	7,892
Other fixed assets	1,800	1,702
<b>Fixed assets</b>	<b>9,173</b>	<b>9,594</b>
Receivables from non-consolidated subsidiaries	9,522	8,017
Other operating assets	205	760
<b>Operating assets</b>	<b>9,727</b>	<b>8,777</b>
<b>Assets</b>	<b>18,900</b>	<b>18,371</b>
<b>Stockholders' equity</b>	<b>4,976</b>	<b>5,028</b>
<b>Special item with reserve elements</b>	<b>81</b>	<b>59</b>
<b>Accrued liabilities</b>	<b>1,091</b>	<b>1,053</b>
Liabilities to non-consolidated subsidiaries	11,127	10,725
Other liabilities	1,625	1,506
<b>Liabilities</b>	<b>12,752</b>	<b>12,231</b>
<b>Stockholders' equity and liabilities</b>	<b>18,900</b>	<b>18,371</b>

### Statements of income of ThyssenKrupp AG (HGB) million €

	2002/2003	2003/2004
Income from investments	1,128	460
Other operating income	328	355
Other expenses and income	(874)	(477)
Income from ordinary activities	582	338
Extraordinary income	(246)	0
Income taxes	70	(37)
<b>Net income</b>	<b>406</b>	<b>301</b>
Allocation to retained earnings	(149)	(1)
Carryforward	0	9
<b>Unappropriated net income</b>	<b>257</b>	<b>309</b>

The business performance of the Group subsidiaries is of key importance to an assessment of the earnings situation of ThyssenKrupp AG. This will be explained using earnings figures derived from the consolidated financial statements of ThyssenKrupp AG for the year ended September 30, 2004. The US GAAP consolidated statements are exempting statements pursuant to Art. 292 a HGB.

In fiscal 2003/2004, ThyssenKrupp generated income from continuing operations before taxes and minority interest of €1,580 million, €806 million more than in the previous year. 2003/2004 was thus the best fiscal year in the history of the Group since the 1999 merger. This performance was driven by the success of measures to improve earnings quality and by high global demand for raw and processed materials, especially steel. In addition, the reporting year was marked by significant advances in the implementation of the portfolio optimization program. Four significant entities were either sold or their sale initiated; they are no longer included in income from continuing operations in the reporting period and the adjusted prior-year figures. The earnings contributions of these entities were €20 million (net of tax) in 2003/2004 and €(10) million (net of tax) in the prior year.

## Income by segment million €

	2002/2003*	2003/2004
Steel	439	911
Automotive	189	288
Elevator	355	370
Technologies	42	67
Services	36	271
Real Estate	60	72
Corporate	(332)	(380)
Consolidation	(15)	(19)
<b>Income from continuing operations**</b>	<b>774</b>	<b>1,580</b>

	2002/2003*	2003/2004
Steel	5	0
Services	(15)	20
<b>Discontinued operations (net of tax)</b>	<b>(10)</b>	<b>20</b>

\* adjusted due to the presentation of discontinued operations and the change of inventory method; see Notes 3 and 4 to the financial statements

\*\* before income taxes and minority interest

## Steel

Steel recognized income from continuing operations in the amount of €911 million after recognizing €439 million in the previous year. Excluding the gain on sale of the quarto plate activities in the Stainless Steel business unit amounting to €41 million, which was included in the previous year earnings, income increased €513 million. In addition to the volume effects from a positive economic environment, the increase was primarily driven by numerous action programs that had a positive impact on income. In fiscal year 2003/2004, the Steel segment began using the average cost method to value inventory which is consistent with its competitors. Prior periods have been appropriately adjusted. Had the segment continued to apply the LIFO method as in previous years, the recognized segment income from continuing operations before income taxes and minority interest would have been €635 million in the current year and €375 million in the previous year; the difference would have been recognized as drop in inventories, which would have had a positive impact on income over time.

Berkenhoff GmbH and Krupp Edelstahlprofile GmbH in the Special Materials business unit have been accounted for as discontinued operations and therefore, in the current and previous fiscal years, results will no longer be included in income from continuing operations. The sale of Berkenhoff GmbH was consummated as of September 30, 2004 and the sale of Krupp Edelstahlprofile GmbH was initiated as of September 30, 2004 and has been finalized subsequent to year end.

Carbon Steel increased income in the fiscal year by €326 million to €588 million. Had the business unit continued to apply the LIFO method as in previous years, the recognized business unit income from continuing operations before income taxes and minority interest would have been €487 million in the current year and €229 million in the previous years; the difference would have been recognized as drop in inventories, which would have had a positive impact on income over time. This increase can be primarily attributed to the success of the previously implemented improvement programs in all areas. The largest rise in profits was at ThyssenKrupp Stahl ag. The main reason for this increase was a significant rise in demand which allowed for higher shipping volumes. In addition, higher prices helped offset substantial cost increases for raw materials such as ore, coal/coke and scrap metal as well as freight and energy rates. The building construction and cold room operations which emerged from the restructuring of the construction elements group significantly improved their performance from the previous year. Whereas the building construction sector, burdened with further adjustment costs, continued to show a loss. The cold room business posted a small profit. Tinmill products again increased profits compared to the previous year and made a substantial contribution to total profits. Also, the medium-wide strip products and the European and American Steel Service Center recorded substantial increases in profits. Tailored Blanks recognized a loss compared to the previous year resulting

from start-up costs associated with two new plants. The non-grain-oriented sector, previously in the Special Materials business unit, improved considerably and recognized a profit after posting a loss in the previous year.

The results of Stainless Steel were €385 million, about €162 million greater than that of the previous year. After deducting, from the previous year results, the gain from the sale of the quarto plate activities in the amount of €41 million, profit increased by €203 million. Had the business unit continued to apply the LIFO method as in previous years, the recognized business unit's income from continuing operations before income taxes and minority interest would have been €210 million in the current year and €192 million in the previous year; the difference would have been recognized as drop in inventories, which would have had a positive impact on income over time. The primary reason for the significant improvement in performance is the successful implementation of performance improvements in all areas. Beginning in the third quarter, after an unsteady first half of the year, the market conditions improved resulting in a significant improvement in earnings. As demand increased, price increases were pushed through in the eu region and shipments increased. The extension of the alloy follower by a scrap metal component at least partially offset the additional charges caused by the drastic increase of scrap metal prices. The demand and price level in the us market increased due to consolidation in the stainless steel industry in North America and particularly benefited the Mexican cold rolling plant which recorded a significant increase in income. The Chinese cold-rolling activities recognized a profit for the first time. The nickel-base alloy business also recognized a profit due to entry into the aviation and space industry and a successful restructuring.

Special Materials reported a loss of €66 million after showing a loss of €38 million in the previous year. As part of a portfolio adjustment, the sale of Berkenhoff GmbH was consummated on September 30, 2004 and the sale of Krupp Edelstahlprofile GmbH was initiated on September 30, 2004 and finalized subsequent to year end. Both companies' current year and previous year results are no longer included in continuing operations. As part of the extensive reorganization of the Electrical Steel sector, the non-grain-oriented sector has been assigned to the Carbon Steel business unit. The grain-oriented sector suffered from a difficult market environment and produced a loss in the amount of €81 million, primarily attributable to the Italian plant Terni. The loss at Terni included operating expenses related to a strike in the amount of €19 million and restructuring costs in the amount of €20 million. The tool-steel-producer Edelstahl Witten-Krefeld recognized income in the amount of €14 million. The earnings improvement of Edelstahl Witten-Krefeld of €28 million is primarily due to the successful implementation of a restructuring program. The higher scrap prices negatively impacted earnings as there is a time delay before these increases can be passed onto customers.

## Automotive

ThyssenKrupp Automotive achieved a profit of €288 million, which is €99 million higher than the prior year. The initiated cost reduction and restructuring measures more than offset the significant increase in personnel expense in the USA and the negative effect of the appreciation of the euro compared to all other major currencies. In addition, the effect of continued pricing pressure from customers as well as higher raw material costs had a negative impact on the year results.

The Chassis business unit again experienced a remarkable improvement on the results of the previous year. There continues to be a positive impact from the restructurings at the Kitchener plant and at ThyssenKrupp Federn. In contrast, restructuring of a British foundry and significant increases in scrap prices at the North American foundries have had a negative impact.

Income in the Body business unit was also significantly higher than in the previous year. The success of the cost reduction measures were partially offset by the increased costs from pension and health-care obligations in the USA. In addition, the first full year consolidation of the French company Sofedit had a clear positive impact on income.

In fiscal 2003/2004, the Powertrain business unit continued to be ThyssenKrupp Automotives primary contributor to income, improving on the previous year yet again. All products contributed to this improvement.

### Elevator

The Elevator segment achieved profits of €370 million in fiscal year 2003/2004, again exceeding the previous year profits of €355 million. All business units recognized a profit and nearly all business units realized an increase in earnings, particularly in the business units Germany/Austria/Switzerland, Spain/Portugal/Latin America and Other Countries. The us activities of the business unit Passenger Boarding Bridges were also able to turn its business around. Despite the continued weak construction activity in primary markets, the unfavorable exchange rate development and the current development of raw material costs, the segment maintained its ground well and continued to develop its market position in important markets. A more intense market development and the continued strengthening and optimization of the service business were the primary factors for the increase in profits.

The Germany/Austria/Switzerland business unit achieved a substantial increase in profits in a difficult business environment. The France/Benelux business unit yet again increased profits compared to the high results of the previous year, realizing the benefits of the reorganization of the Distribution and Services business for the first time. The Spain/Portugal/Latin America business unit significantly increased its profits primarily due to infrastructure projects on the Iberian Peninsula although results continued to be impacted by the difficult business conditions in Latin America. The North America/Australia business unit again did not reach the previous years profits. In addition to the 12% devaluation of the us dollar, there was pricing pressures in the new installation business and higher raw material costs which led to a decrease in profits. These negative impacts could only be partially offset by an increase of the modernization and service business. The Other Countries business unit increased its profit with the activities in Eastern Europe and Asia obtaining significant increases. The businesses in Northern Europe had a decrease in income due to the cyclical nature of the market. The Passenger Boarding Bridges business unit clearly returned to profitability in the current fiscal year mainly due to a positive impact from the increased efforts to improve profitability in the USA. Despite the negative impact from the closure of a manufacturing location in Great Britain, the Accessibility business unit recognized an increase in profits. In addition to an increase in sales activities in both Europe and North America the manufacturing location in the Netherlands realized significant improvements in efficiencies.

### Technologies

The Technologies segment recognized income of €67 million, which is €25 million more than in the previous year.

Production Systems significantly reduced the prior year loss. In the metal-cutting machine tool unit, the improved workload and cost reductions as well as the absence of restructuring costs resulted in a significant reduction in losses. The body-factory-stuff-construction suffered a reduction in profits due to higher project costs. The assembly automation unit was affected by charges from an old contract, restructuring expenses and higher project costs in the USA.

Plant Technology, which consists of activities in special and plant construction, again showed a double digit profit. Profits clearly increased again as a result of positive order and workload development as well as the absence of charges from old contracts.

Marine recognized a slight profit and did not reach previous year's high level. The negative results were impacted by a loss on the financing of two cruise ship sales as well as restructuring costs and the cost of holding capacity in Hamburg.



Mechanical Engineering generated a remarkable increase in profits. Positive performance from the construction equipment components business, cost reductions and the absence of restructuring costs in the turbine components business, compared to the previous year, mainly contributed to this improvement. The large-diameter bearings unit again made the largest contribution to profits.

The loss at Transrapid was significantly reduced from the previous year, which was impacted by higher project costs from the Shanghai contract.

## Services

The new Services segment income from continuing operations excelled to €271 million with an increase of €235 million over the previous year. Income from the sold business unit Information Services and the operating group Facilities Services, which was sold in October 2004, were accounted for as discontinued operations. The income from continuing operations does not include the results of both entities in the current or previous year. Like the entire ThyssenKrupp group the Services segment no longer values inventories according to the LIFO method effective in 2003/2004. The prior year has been adjusted accordingly. Without this switch the recognized income from continuing operations would have amounted to €256 million in the current year and to €35 million in the prior year; the difference would have been recognized as drop in inventories, which would have had a positive impact on income over time.

The largest earnings contribution came from the Material Services Europe business unit which almost quadrupled its income. In addition to the strong economic situation initiated, efficiency and cost reduction programs and new marketing activities had a positive impact on earnings. The Eastern European entities also performed favourable with business growth and increase in profits. Due to improved market conditions and several efficiency programs, the Materials Services North America business unit was able to more than triple its profit, despite the weaker us dollar. On a us dollars basis, profits almost quadrupled. The Industrial Services business unit recorded a profit at the level of the previous year. The weak domestic German economic situation negatively impacted orders for maintenance and modernization services and led to an increase in competitive pressures. In Germany this impact could be more than compensated through new services accompanying production and the expansion of the business into other industrial sectors. Outside of Germany, the weak us dollar as well as significant impairment charges, primarily in England, had a negative impact on earnings. The Special Products business unit once again exceeded its good prior year earnings and made the second highest contribution to the segment profit. The sectors raw materials, engineering and materials contributed equally to this profit.

## Real Estate

Real Estate reported income before taxes in the amount of €72 million compared to €60 million in the previous year. The main contributor to income again was the Residential Real Estate business unit which, compared to the previous year, increased both the income from management as well as proceeds from the disposal of housing units. As in the previous year, the Real Estate Management business unit closed with a small profit, which included a loss on the sale of the Swiss subsidiary tk3 AG, which conducted planning and consulting activities, and the shut-down of the building contracting business.

In addition, the Real Estate Management business unit recognized higher impairments, compared to the prior year, on land that is no longer used in normal operations.

## Corporate

Corporate includes the Group administration functions, inclusive of financing companies and national holding companies. Also within Corporate are the inactive companies, such as Thyssen Stahl GmbH and Krupp Hoesch Stahl GmbH. As operating companies Insurance Services and, in the previous year, equity investments were also included in Corporate. In fiscal 2003/2004, Corporate recorded expendi-

tures of €380 million compared to €332 million in the previous year. This increase resulted primarily due to the elimination of the Ruhrkohle ag investment and those equity-income and from higher Corporate administration costs.

The majority of the expenditure, €193 million, was again attributable to pension costs, which primarily consist of payments to former employees of inactive subsidiaries. Corporate administration costs were €138, which compared to the previous year, increased by €50 million. Contributing to this increase were, besides other expenses, higher consultancy fees and personnel costs especially related to strategy development projects of the Group. The interest expense net, i.e. the balance of interest expense and interest income of the Corporate holding as well as the financing and national holding companies amounted to €(55) million compared to €(23) million in the previous year. This increase was primarily the result of higher costs for the conversion of the financing structure to longer term as well as the consideration of interest rate risks.

### 3. ECONOMIC VALUE ADDED MANAGEMENT

The ThyssenKrupp Group is managed and controlled on the basis of an Economic Value Added (“EVA”) management system. The key goal of this system is to maintain continuous increases in corporate value by focusing on business segments which – with respect to their performance – are among the best worldwide. To achieve this objective, an integrated controlling concept is applied. It allows for goal-driven controlling and coordination of activities of all segments, supports decentralized responsibility and promotes overall transparency.

By taking timely appropriate actions, the integrated controlling concept realizes the increase of corporate value by bridging operating and strategic gaps between the actual and target situation. The prerequisite for this concept is the existence of high-quality operational and strategic reporting systems for the accounting of actual and budgeted results as well as internal and external reporting. The values determined under US GAAP for each and every reporting unit form the basis for our reporting system.

In the ThyssenKrupp controlling concept, strategic and operational elements are linked to timely reporting which is accompanied by regular pro-active communication. The concrete elements of this strategy are: economic value added performance measures and active portfolio management.

The central performance measures are return on capital employed (ROCE) and Economic Value Added (EVA). These two ratios reflect the earning power of capital employed in the form of a relative quantity (ROCE) and an absolute value (EVA).

ROCE is calculated as follows:

$$\text{ROCE} = \frac{\text{income before income taxes, minority interest and interest}}{\text{capital employed}}$$

The numerator is composed of income before income taxes, minority interest, net interest income or expense, and an internally allocated interest expense associated with accrued pension liabilities. Management’s performance as well as the Capital Employed included in the denominator of the profitability ratio include the activities of both continuing and discontinued operations. The capital employed denominator can be computed on the basis of either asset or liability items. For the calculation based on asset items, net fixed assets are added to working capital. Deferred taxes are not included in the computation because the standard figures are determined on a pre-tax basis. Capital employed calculated based on the following liability items including discontinued operations and the breakdown of the disposal group as disclosed in Note 3 of the consolidated financial statements:

## Group in million €

	Oct. 01, 2002*	Sept. 30, 2003*	Oct. 01, 2003	Sept. 30, 2004
Total Stockholders' Equity	8,287	7,671	7,671	8,327
+ Minority interest	298	320	320	410
+ Pension and similar obligations	7,065	7,401	7,401	7,221
+ Financial payables	5,683	4,948	4,948	4,270
./. Marketable securities/cash and cash equivalents	941	713	713	1,437
+ Deferred tax liabilities	551	771	771	984
./. Deferred tax assets	998	1,283	1,283	1,150
Total as of measurement date	19,945	19,115	19,115	18,625
<b>Average</b>	<b>19,530</b>		<b>18,870</b>	

\* adjusted due to the change of inventory method (see Note 4)

The ROCE is compared to the weighted average costs (WACC) of capital employed. The cost of capital is determined on a pre-tax basis, as is the standard result used. On this basis, the weighted interest for the Group from equity (14.0%), financial payables (6.5%) and pension accruals (6.0%) amounts to 9.0%. This weighted cost of capital is maintained at a constant level in the medium term, in order to guarantee a relatively high degree of continuity over the periods. Therefore the interest rate is only adjusted if changes are material. The segments' cost of capital are derived from the Group's cost of capital for equity, financial payables and pension accruals based on the relevant segments' capital structure. In addition segments' specific business risks were taken into account. Therefore, weighted and risk-adjusted segments' cost of capital amount to: Steel 10.0%, Automotive 9.5%, Elevator 9.0%, Technologies 10.0%, Services 9.0% and Real Estate 7.5%.

EVA is computed as the difference between ROCE and the cost of capital, multiplied by the capital employed. Additional value is created only if the ROCE exceeds the weighted cost of capital. Accordingly, cost of capital reflects the minimum acceptable rate of return. In addition, individual target profitability is agreed for individual activities, which are based either on the best competitor or on an inter-industry benchmark. This management and controlling system is linked to the bonus system in such a way that the amount of the performance-related remuneration is determined by the achieved EVA.

The following tables illustrate the development of the performance measures in the previous two fiscal years.

## Year ending Sept. 2003\*\*

	Income before interest *** (million €)	Capital employed (million €)	ROCE (%)	WACC (%)	Spread (%-points)	EVA (million €)
<b>Group</b>	<b>1,407</b>	<b>19,530</b>	<b>7.2</b>	<b>9.0</b>	<b>(1.8)</b>	<b>(352)</b>
thereof:						
Steel	627	8,777	7.1	10.0	(2.9)	(255)
Automotive	282	2,940	9.6	9.5	0.1	3
Elevator	389	1,647	23.6	9.0	14.6	241
Technologies	49	1,166	4.2	10.0	(5.8)	(68)
Services	120	3,191	3.8	9.0	(5.2)	(166)
Real Estate	70	1,782	4.0	7.5	(3.5)	(63)

\* unaudited

\*\* adjusted due to the change of inventory method (see Note 4)

\*\*\* Income including discontinued operations before income taxes, minority interest and interest (net interest income or expense incl. interest expense associated with accrued pension liabilities)

## Year ending Sept. 2004\*

Group	Income before interest ** (million €)	Capital Employed (million €)	ROCE (%)	WACC (%)	Spread (%-points)	EVA (million €)	Change in EVA (million €)
<b>Group</b>	<b>2,271</b>	<b>18,870</b>	<b>12.0</b>	<b>9.0</b>	<b>3.0</b>	<b>572</b>	<b>924</b>
thereof:							
Steel	1,076	8,633	12.5	10.0	2.5	212	467
Automotive	397	3,043	13.1	9.5	3.6	108	105
Elevator	404	1,709	23.7	9.0	14.7	250	9
Technologies	90	687	13.0	10.0	3.0	21	89
Services	369	2,769	13.3	9.0	4.3	120	286
Real Estate	86	1,752	4.9	7.5	(2.6)	(46)	17

\* unaudited

\*\* Income including discontinued operations before income taxes, minority interest and interest (net interest income or expense incl. interest expense associated with accrued pension liabilities)

Income before interest of the ThyssenKrupp Group in 2003/2004 increases by €864 million to €2,271 million. This improvement was slightly increased by the reduction of capital employed within the measurement of return on capital. Capital employed fell by €660 million to €18,870 million. The ROCE in 2003/2004 was 12.0%, compared to 7.2% in the previous year. Hence, the cost of capital relevant to the Group of 9.0% was exceeded, the Economic Value Added increased by €924 million to €572 million.

In the Steel segment, income before interest increased by €449 million to €1,076 million. With a slight decrease in Capital Employed, the 2003/2004 ROCE increased from 7.1% to 12.5% which exceeded the cost of capital of 10.0%. After achieving a negative EVA in the prior year, a positive EVA of €212 million, an improvement of €467 million, was achieved in 2003/2004.

In the Automotive segment, the 2003/2004 income before interest increased to €397 million which is €115 million more than the prior year. With a slight increase in Capital Employed, the ROCE increased from 9.6% to 13.1% which is significantly higher than the cost of capital of 9.5%. After recognizing a very low EVA in the prior year, the EVA increased by €105 million to €108 million in 2003/2004.

In the Elevator segment the ROCE remained at the high prior year level of 23.7%. With a slight increase in Capital Employed, the EVA rose by €9 million to €250 million.

Technologies' income before interest increased by €41 million to €90 million in 2003/2004 as a result of the current favorable order and workload situation as well as the absence of restructuring charges. Capital Employed decreased significantly by €479 million to €687 million due to disposals. As a result of these items, ROCE increased significantly from 4.2% in the prior year to 13.0% in 2003/2004. With a cost of capital of 10.0%, a positive EVA in the amount of €21 million was achieved. This corresponds to an increase of €89 million compared to the previous year.

In the Services segment, income before interest increased by €249 million to €369 million in 2003/2004. This increase was due to the better economic situation in the international materials and raw materials markets, the implementation of efficiency and cost reduction programs and new marketing activities. Due to disposals, Capital Employed decreased by €422 million to €2,769 million. The effect of both items resulted in a significant increase of the ROCE from 3.8% in the prior year to 13.3% in 2003/2004, which exceeded the cost of capital by 4.3%-points. After recognizing a negative EVA in the previous year, a positive EVA of €120 million was computed in 2003/2004. This is an improvement of €286 million.

Within Real Estate, income before interest increased from €70 million to €86 million. With an almost constant Capital Employed, the ROCE increased from 4.0% in the prior year to 4.9% in 2003/2004. The EVA improved by €17 million and was calculated at €(46) million. ThyssenKrupp's active portfolio management directly follows the result of the analysis of the performance measures. It involves structural measures which are principally of a strategic nature, including the selection and expansion of business units with which the targeted increases in EVA or value are to be realized, as well as the timely and profitable withdrawal from activities which do not achieve adequate increases in EVA. These measures further aim at creating new operating activities through a favorable entry in evolving markets. For the Group as a whole these measures are of particular importance when it comes to establishing a balance between value generators and cash providers. This is a basic prerequisite for dividend continuity and sustained growth in core activities.

## 4. CENTRAL FINANCING OF THE THYSSENKRUPP GROUP

The financing of the ThyssenKrupp Group is centrally managed and therefore, the parent company, ThyssenKrupp AG, assumes the obligation to maintain the liquidity of the Group companies. This is achieved via the availability of funds within Group financing, by negotiating and warranting loans or by the granting of financial support in the form of letters of comfort.

In order to cover financial requirements of the Group companies, ThyssenKrupp AG and its financing companies use selectively local credit and capital markets.

Central financing is the basis for implementing cost-effective capital procurement alternatives. This financing method permits a uniform and – with respect to higher volumes – a more significant presence in financial and capital markets. The negotiating position with credit institutions and other market participants is thus strengthened. Moreover, the Group has the alternative to operate in international capital markets with its own foreign financing companies.

The intercompany cash management system is conducive to reducing external financing and optimizing financial and capital investments of the ThyssenKrupp Group, which results in less interest expense. The cash management system, which controls intercompany financial and capital investments, takes advantage of the surplus funds of individual Group companies to cover internal financial requirements of other Group companies. Due to intercompany payments via intercompany financial accounts maintained by ThyssenKrupp AG, volumes on bank accounts are substantially reduced.

### Maintainance of Liquidity

Apart from the financial planning with a planning horizon of several years ThyssenKrupp has implemented a liquidity planning on a rolling monthly basis with a planning period of five months. Both planning systems comprise all consolidated Group companies.

Financial and liquidity planning in connection with available committed credit facilities assure that ThyssenKrupp always has a sufficient liquidity reserve.

In addition to bilateral bank loans and syndicated credit facilities, financing is accomplished through money market and equity market instruments. In order to maintain a presence in international financial and capital markets now and in the future, the Group continues to examine potential financing alternatives and will enter the market when favorable market conditions exist for the ThyssenKrupp Group.

## Rating

	Long-term rating	Short-term rating	Outlook
Standard & Poor's			
until 20.02.2003	BBB	A-2	stable
from 21.02.2003	BB+	B	stable
Moody's			
until 30.07.2003	Baa1	Prime-2	negative
from 31.07.2003	Baa3	Prime-3	stable
Fitch			
from 16.05.2003	BBB-	F3	stable

## Rating

Issuer ratings are necessary in order to utilize larger financing volumes through international capital markets. In 2001, ThyssenKrupp received an issuer rating from two rating agencies, Moody's and Standard & Poor's and in May 2003 from Fitch. In fiscal year 2003/2004, the Group's ratings remained unchanged. The issuer ratings and their development are pictured as follows:

The downgrade of the ThyssenKrupp Investment-Grade rating to a Non-Investment-Grade status by Standard & Poor's in February 2003 was due to a change in methodology with regard to pension obligations. Different from the previous methodology, Standard & Poor's now considers pension obligations as financial payables when calculating the balance sheet ratios. Regarding this methodology, ThyssenKrupp has asked academic experts to provide their opinion.

The rating downgrade had only temporary effects on the capital markets. Measured by risk spread ThyssenKrupp bonds are clearly better evaluated than a year before. ThyssenKrupp is still working on a further reduction of its net financial payables in order to achieve the Investment Grade status from Standard & Poor's again. We are still holding on to our gearing target of 60%.

## Interest rate risk management as a central task

Due to the international focus of the Group's business activities, the procurement of funds of the ThyssenKrupp Group in international financial and capital markets is effected in different currencies – predominantly in Euro and us dollar – and with various maturities. The resulting liabilities are partially exposed to risks from changing interest rates. The goal of the Group's interest rate management is to minimize the risk from changing interest rates resulting from such liabilities. For this purpose, regular interest rate risk analyses are prepared in currencies that are significant to the Group's business activities. These analyses include scenario analyses and crash testing to more clearly identify the risk profile of a credit portfolio exposed to risks from changing interest rates. The regular information on the results of the interest rate risk analyses is a part of the Group's risk management system.

## Foreign currency management of the ThyssenKrupp Group

The international orientation of the Group's business activities entails numerous cash flows in different currencies – in particular in us dollar. Therefore, hedging of exchange rate risks is an essential part of our risk management.

Group-wide regulations form the basis for the centrally organized foreign currency management of the ThyssenKrupp Group. Principally, all companies of the ThyssenKrupp Group are obliged to hedge foreign currency positions at the time of their inception. All euro zone subsidiaries are obliged to submit unhedged foreign currency positions from trade activities to the central clearing office. The positions submitted are summarized first by currency and then according to maturity; the resulting overall position is globally hedged on a daily basis by the execution of opposing positions at banks. Moreover, the central clearing office hedges derivatives of the Group's domestic subsidiaries that meet the requirements for hedge accounting according to SFAS 133 on a micro hedge level.

The hedging of financial transactions and the transactions undertaken by the Group's foreign subsidiaries are performed in close cooperation with central Group management. The general coordination requirement with central Group management, the definition of hedging budgets, the regular review of exchange rate hedging transactions executed by means of Group-wide surveys as well as a regular examination performed by the central internal auditing team ensure that currency risk management is in compliance with the Group's requirements.

## 5. RISK MANAGEMENT

### Risk policy

The ThyssenKrupp Group's risk policy is aimed at systematically and continuously increasing corporate value and achieving our mid-term financial key performance targets within the scope of value-oriented management with active portfolio management. We knowingly accept reasonable and manageable risks, in particular when they are associated with the establishment and utilization of the success potential of our core competencies and the opportunities they present can be expected to provide an appropriate increase in value. If this is not the case, the risks are assessed to see whether they may be transferred to third parties. Apart from this, the Group has a code of conduct which is set out in policies and other directives, compliance with which is supported by training and monitoring measures. Speculative transactions or other measures of speculative character are inadmissible. Our conduct toward suppliers, customers and society is marked by fairness and a sense of responsibility. Overall, our measures are aimed at avoiding damage to the ThyssenKrupp brand.

### Risk management system

The Executive Board of ThyssenKrupp AG bears full responsibility for risk management within the Group and has laid down the framework for systematic and efficient risk management by defining requirements to be met throughout the Group. This risk management system supports the identification and optimization of risks and rewards. Direct responsibility for early identification, control and communication of risks lies with the operating management of the risk holder; responsibility for monitoring lies with the next highest level.

The occurrence, status and significant changes of major risks are communicated bottom up as part of the risk management system and within regular reporting, in line with the multi-layered corporate structure with tiered threshold values. Apart from this, the segments also inform the Executive Board of ThyssenKrupp AG about the current risk situation on a bi-weekly basis.



The Group auditors have declared that the early risk identification system included in the risk management system is capable of identifying at an early stage developments which could jeopardize the continued existence of the Company; it has also been confirmed that the principles are known to the segments and Corporate departments and are implemented as far as possible. Beyond this, the auditors of the individual subsidiaries and Internal Auditing in Germany and abroad have examined subsidiaries' adherence to the risk management system and their risk control measures. The consequent findings are devoted to further improving early risk identification and control.

### Risk transfer

In agreement with the Executive Board of ThyssenKrupp AG, the central service provider ThyssenKrupp Versicherungsdienst GmbH controls the transfer of risks to insurers using inter-company insurance contracts.

Prevention measures have been further intensified in order to maintain affordable insurance coverage of major risks and reduce the costs in cases of loss or damage. Damage analyses are regularly created and evaluated, with the Group thus countering the risk of increased deductibles.

### Financial risks

Central responsibilities of ThyssenKrupp AG include optimizing Group financing and containing financial risks. We also continued to successfully achieve our goal of reducing financial payables in this year.

In order to counteract risks arising from foreign currency transactions, commodity price volatility and interest rate changes, ThyssenKrupp uses derivative financial instruments. Generally, hedging of translation risks arising from currency conversion for subsidiaries with non-euro accounting does not take place.

### Sale of real estate, companies, etc.

The disposal of real estate, companies or other business activities may entail certain processing risks. We have appropriately accounted for such risks that are likely to arise.

### Information security

Assuring the safe processing of business transactions requires continuous evaluation and adjustment of the information technologies in use. The threat potential is also growing, at least in part due to the extensive integration of IT-supported business processes among subsidiaries and with customers, suppliers and business partners. To eliminate or at least minimize the risks related thereto, measures used to improve information security are being developed continuously.

### Pension and health care measures

Our North American subsidiaries in particular have been hit by the weak international stock markets due to the system of fully funded pension plans; this has led to a significant rise in expenses. In addition, expenses for health care measures have increased considerably. With unchanged prevailing conditions, these burdens on income are expected to continue in subsequent years.

### Real estate and environmental protection

ThyssenKrupp counteracts risks arising from the ownership of real estate, particularly risks from contaminated sites and mining subsidence, with appropriate preventive measures and the accrual of liabilities. Rising standards in environmental protection and conservation of resources are also causing increased expense in other areas. On the other hand, the use of modern plant and equipment has reduced rates and energy costs. The growing number of subsidiaries with certified environmental management systems has reduced the likelihood of environmental risks being realized.

### Volatility of steel prices and dependency on the automotive industry

The volatility of steel prices and the dependency on the economic situation in the automotive industry may have a significant influence on the economic development of the Group. However, the widespread business portfolio, both product-wise and geographically, has a stabilizing effect. Therefore, from the Group's point of view, risks arising from individual subsidiaries or segments concentrating on specific industries, customers or countries are limited.

### Personnel risks

The competencies and commitment of the management within the Group represent decisive factors for the development of ThyssenKrupp as well as the recognition and successful management of risks. We shall continue to position ThyssenKrupp as an attractive employer and strive for long-term retention of senior executives in the Group to assure and consolidate these factors. In particular, the creation of perspectives, target group-oriented mentoring, the early identification and promotion of potential executives and an attractive incentive system for senior executives are elements of systematic management development.

### Risks of future developments

For 2005 we expect real global growth of around 4%. The global economy therefore continues to perform robustly, albeit no longer as dynamically as in 2004. The forecast is based principally on the assumption that the oil price will gradually fall again, that there will only be a moderate increase in interest rates and that there will be no distortions on the currency markets.

Should raw material prices, and in particular oil, continue to rise e.g. due to geopolitical developments, this would lead to an appreciable slowdown in the momentum of the world economy. An appreciable rise in procurement costs could be expected, while on the sales side negative effects on demand in the Group's important customer markets cannot be ruled out.

Risks may also arise from currency market developments. A sustained increase in the euro against the US dollar would lead to a reduction in sales opportunities. In addition to the rising trade imbalance and federal deficit, a stronger than expected weakening of the US economy could also be seen as the cause of a strengthening of the euro.

Risks may also arise from developments in China. A sharp additional surge in demand from China may lead to further significant increases in raw material and energy prices. On the other hand, a major slow-down in the momentum of Chinese growth would have adverse effects on world trade.

The strongly export-dependent German economy in particular would be adversely affected by a greater than expected slow-down in the world economy, all the more so as domestic demand in 2005 will only see moderate growth, meaning that there can still be no talk of a self-supporting upward trend. With regard to economic policy, there is a risk that the reform efforts to strengthen Germany's competitiveness will lose momentum.

### Segment risks

The Steel segment counters the risks arising from cyclical trends in the steel business by optimizing costs, adjusting production in a timely manner and concentrating on exacting market segments. To counteract financial risk through increased insurer's premiums, the Steel segment has integrated property insurance-related economic and technical risk monitoring into the risk management process. To further optimize preventive fire safety, common minimum standards have been defined for the entire segment.

Quality and delivery deadline risks are minimized through the optimization of the value chains. The segment counteracts currency risks arising from procurement and sales transactions through hedging.

The main risks for the Carbon Steel business unit include market risks regarding sales and procurement, risks from loss of production and increased expenditure for repairs following equipment breakdowns, as well as currency exchange rate fluctuations.

The business unit reduces the risk of limited core markets through globalization of manufacturing in downstream activities and enhanced internationalization of sales. The business unit counteracts the high competitive intensity in the market for carbon flat steel products through its innovation strategy, allowing competitive advantages to be attained, at least temporarily. The risk of rising raw material prices – caused by the growth in demand on the Chinese market – particularly for coke, ore and scrap, can only be counteracted to a limited extent by alternative procurement sources and/or by passing the prices on. Preventive maintenance, modernization and investments work against the risk of an unplanned production standstill.

The Stainless Steel business unit is confronted with risks arising on the one hand from market developments, particularly in Europe and China, and on the other hand due to expected overcapacity in stainless production, exacerbated by changes in worldwide supply flows through existing or new access barriers to major markets outside Europe. The subsidiaries of this business unit curtail such risks through measures of distribution, capacity and production control. Rising competitive pressure is countered by the development of new applications for stainless steels and nickel-base materials and innovative products from these materials, as well as modern and cost-saving process technologies. Beyond this, all subsidiaries of the business unit are strengthening their customer relationships through customer-centric service offerings, further quality improvements and better delivery performance.

The risks arising from the availability and the price development of raw materials, especially for nickel and alloyed scrap, are minimized by means of adequate contracts and assurance mechanisms.

The Automotive segment is lowering its dependence on regional markets by an increasing global presence, in particular in growth regions such as Asia and Latin America. Regardless of this, due to the current sales structure, further developments in North America are particularly important for the segment.

An ambitious segment-wide cost reduction program has been introduced to compensate for increasing price pressure from automotive manufacturers. The effects of these measures will be strengthened by improvements in earnings from restructuring measures introduced in the previous years.

Sales and earnings in the past fiscal year were affected by the strengthening of the euro against the US dollar and the Brazilian real.

The structural market development was characterized by concentration trends on the part of automobile manufacturers and competitors. ThyssenKrupp Automotive counteracts such trends through dynamic internal and external, quantitative and qualitative growth.

Automotive is countering possible risks arising from the discontinuation of existing manufactured automotive products through research and development, and, if necessary, cooperation with partners or acquisition of participations, as well as the strengthening of its position as a system vendor. Major consideration is given to the increased use of alternative materials and the use of electric/electronic systems to replace mechanical solutions. At the same time, however, the increasing complexity of products as well as underlying production processes in some cases carry the risks of higher start-up costs and a strained income situation.

The international steel market is currently strongly influenced by China's expanding steel and primary material needs. The major price rises for scrap resulting from this have had a significant impact on earnings for the segment's North American foundries as price increases can only be passed on to customers with a time delay. A continuation of the development in steel prices also carries significant risks for earnings at the steel-processing companies.

While the operating performance of the Elevator segment's new installation business is dependent on the situation in the construction sector, this is not the case with the modernization, service and repair business, which therefore has a stabilizing effect on earnings.

In this regard, regional weaknesses in the international construction sector are impacting further segment growth. However, the segment is profiting from the stable growth, particularly in construction activities, which can currently be observed in Asia. The further expansion of Elevator's service business is relatively independent of the regional variations in the development of new installation business as the expansion of the service portfolio is not based only on new installations.

The operating risks are seen as relatively low due to the strongly decentralized organization of the segment with over 800 branches worldwide and the associated high level of diversification.

Although approx. 45% of business volume is realized in USD, the currency risks are limited as sales and costs are largely accounted for in the same currency, due to the highly regional nature of activities. The remaining transaction risks are minimized through consistent hedging.

Part of Elevator's strategy for successful business expansion is to acquire new companies. The risks associated with the integration of new acquisitions are minimized through comprehensive business integration measures and close support of the acquired activities.

The Technologies segment has a differentiated risk structure due to the vast diversity of product ranges. Project controlling as a form of early identification system based on available instruments and systems is further optimized through monthly summary reporting on the status and changes of key major projects.

The risk at the Production Systems business unit of over-dependence on only a few large customers is being counteracted by a broadening of the customer base and a reorganization of sales. Risks from changes during project processing will be countered with greater flexibility and further development of product ranges.

Plant Technology curbs risks arising from the processing of long-term contracts through more efficient contract management and intensive project controlling as well as concentration on mastered technologies.

In the Marine business unit, risks in order processing are limited by greater project management and controlling. Capacity fluctuations in naval shipbuilding are compensated for by merchant shipbuilding, concentrating on small and medium-sized container ships (up to 2,700 TEU (container storage spaces)), fast ships (ferries) and mega-yachts.

At the Mechanical Engineering business unit, leading market positions will be consolidated and expanded through further restructuring and cost reduction measures, range extensions and by developing new sales markets.

Now that the Shanghai route has successfully commenced commercial operations, worldwide market penetration for the Transrapid will be supported by the government-financed development program. At the same time, the development program is improving the chances of realizing the Munich project.

The companies of the Services segment chiefly involved in materials trading are mainly exposed to price and inventory risks and those of uncollectible receivables, none of which, however, jeopardize their existence. Further expansion of the centralized warehousing concept as well as constant advancement of the logistics control systems reduce inventories, thus buffering the effects of short-term price volatility even further.

In order to further lower the dependency on cyclical price developments, the segment has been expanding its service business, which does not depend on the price development of materials. The risks from potentially uncollectible receivables are relatively insignificant. Apart from the use of hedging instruments, a broad customer portfolio and worldwide business activities ensure a wide spread in this area of risk. This also applies to the Industrial Services business unit to a great extent. The in part considerable competition and price pressure has been countered by capacity adjustments at all levels on the one hand and targeted sales initiatives on the other. Business losses have been largely compensated through the acquisition of new customers.

No risks are discernible which could jeopardize the continued existence of the Real Estate segment; this applies in particular for risks which could arise from structural or legal changes or external influences. The risk of vacancy will be limited for residential property in particular through targeted modernization programs and optimized customer service. Improved project management is facilitating risk limitation for industrial property. Beyond this, an integrated sales and maintenance program, together with optimized inventory management, supports the segment's ongoing portfolio optimization.

## Summary

The overall evaluation of the risks shows that the Company is affected principally by market risks; this includes economic price and volume developments in particular, as well as the dependency on the development of major customers and industries. Performance processes are well controlled in general and, therefore, less subject to risks. Overall, it can be noted that the risks in the ThyssenKrupp Group are contained and manageable and do not pose a threat to the existence of the company. Nor are any risks discernible that may jeopardize the existence of the Company in the future.

## 6. SUBSEQUENT EVENTS

On October 07, 2004, ThyssenKrupp and One Equity Partners (OEP), owner of 100% interest in Howaldtswerke-Deutsche Werft (HDW), signed an agreement to form an alliance of shipyards by merging ThyssenKrupp Werften and HDW. The new group will be under the command of ThyssenKrupp Werften GmbH (in the future: ThyssenKrupp Marine Systems AG) and generate annual sales of €2.2 billion. The agreement states that in return for the 100% in HDW, OEP receives a 25% interest in ThyssenKrupp Werften GmbH (in the future: ThyssenKrupp Marine Systems AG) plus a payment of €220 million to be funded from the cash resources of the new shipyard group. The consumation of the transaction as well as the consolidation of the group is expected in the 2nd quarter of 2004/2005.

## 7. START OF THE NEW FISCAL YEAR AND OUTLOOK

The world economic upswing will continue in 2005. However, in view of high energy and raw material prices as well as moderately increasing interest rates, the pace of global growth is expected to slow slightly. In this economic environment we expect ThyssenKrupp to continue its pleasing performance overall.

### Slowdown in global growth

In the course of 2004 there were already signs that economic growth was slowing in some regions of the world. High prices for energy and raw materials as well as tighter monetary policies in key countries will dampen global growth moderately in 2005. Nevertheless, the world economy is expected to achieve real growth in GDP of around 4%. Growth in world trade is expected to slacken slightly. This continuing positive scenario assumes a gradual decrease in oil prices, no distortions on the currency markets and no serious geopolitical uncertainties.

In North America and Asia, the regions of greatest growth in 2004, overall economic growth is expected to slow slightly in 2005. In the USA, we expect a slowdown of the previously strong economic upswing. The foreseeable policy of moderate interest rate increases will result in a cooling of business spending and private consumption. In Asia, much will depend on developments in China. Although the economic policies of the Chinese government will moderate the pace of investment growth in 2005, the Chinese economy is still expected to expand significantly. Japan's economic growth will be hampered above all by a weakening of exports. In Latin America, the economic situation will remain stable with moderate growth. Higher-than-average growth is expected in the Central and Eastern European countries.

### Gross domestic product 2005\* Real change compared to previous year in %

Germany .....	1.4
France .....	2.2
Italy .....	1.8
United Kingdom .....	2.6
Russia .....	5.6
Central/Eastern Europe .....	5.6
USA .....	3.4
Brazil .....	3.8
Latin America (excl. Brazil) .....	3.7
Japan .....	2.1
China .....	8.0
Asia (excl. Japan and China) .....	5.6
World .....	4.1

\* Forecast

The euro zone economy is not expected to grow significantly in 2005 and will continue to lag behind the rest of the world. Whereas export growth will decrease as a result of the slight global slowdown, internal demand is expected to improve marginally, without it being possible to speak of a self-sustaining recovery. This overall trend also applies to Germany, but there are also signs of a slight weakening of overall economic growth in 2005.

As in 2004, the situation on the markets important to ThyssenKrupp will be mixed in 2005. We expect the following developments:

- The boom on the international steel market will continue in 2005. The key factor will remain the high growth in Chinese demand. Even if the upward trend in China is slightly flatter, it is likely that steel, raw materials and logistics capacities will remain in short supply worldwide. Expansion projects will only be able to meet the rising demand to a limited extent. The situation on the raw material markets will therefore remain tight and result in continuing high raw material costs and steel prices. Overall, we anticipate world crude steel production of approximately 1,090 million metric tons in 2005, 5% more than in 2004 (1,040 million tons). In Germany, production is expected to increase to 47 million tons, compared with 46.5 million tons in 2004.
- Future developments on the stainless market will depend to a large extent on capacity expansion, especially in China. However, as growth there is expected to be weaker, stainless steel from Asia will be increasingly sold in the higher-price countries of Western Europe. Production of stainless steel grades is expected to reach a record level of 24.9 million metric tons in 2005. In the nickel-base alloys area, the market recovery discernible since 2004 is expected to continue.



- According to current forecasts, world auto production will rise to almost 67 million vehicles in 2005. The main source of the 4% growth will be China and the other Asian countries. The auto market is also expected to improve in Brazil. In North America, production is expected to rise only slightly, and in Western Europe production volumes will remain virtually unchanged. The German auto industry could expand its production to 5.75 million cars and trucks in 2005.
- The expectations for the German mechanical engineering industry are positive. A 3% production increase appears realistic in 2005. Growth will also continue in the USA, Japan and China, though at a lower slightly lower rate than in 2004 as a result of the economic slowdown. Demand for machine tools is expected to continue to grow strongly.
- The situation for the German construction industry will remain difficult in 2005. A marked weakening is expected in the USA. The prospects for the markets in Central and Eastern Europe and Asia remain more favorable.

### Encouraging performance expected in 2004/2005

If the economic forecasts are accurate, we expect the Group's encouraging performance to continue in 2004/2005. We expect the following developments:

- **Sales:** According to current plans, we expect sales in the region of over €41 billion in the current fiscal year. This does not include portfolio changes.
  - Steel forecasts a further increase in sales of carbon flat steel due to higher prices; volumes should remain at a good level. Sales of stainless flat steel are expected to rise due to higher shipments and the passing-on of alloy costs.
  - Automotive also expects higher sales. The startup of new plants as well as growth in existing operations will contribute to this.
  - Elevator forecasts a further expansion of business. Sales will grow above all in Asia and Latin America – with moderate increases in the other markets.
  - At Technologies, sales are expected to remain level with the prior year despite the disposal of some operations. On a like-for-like basis, sales are forecast to increase, particularly due to the good order situation in plant technology and rising demand for system components.
  - Services forecasts a decrease in sales, mainly due to the reclassification of steel trading companies to the Steel segment. Continued increases are expected in the Eastern European market.

- **Earnings and dividend:** Assuming no distortions on the raw material and currency markets, our aim for 2004/2005, despite the signs of a slowdown of the global economy, is to maintain the very good level of pre-tax earnings achieved in 2003/2004. This does not include the effects of disposals. We will continue to pay a dividend based on our earnings performance.
- **Employees:** The Group's workforce is expected to increase slightly in the current fiscal year. According to current plans we will have 185,000 employees at September 30, 2005. The headcount in Germany is expected to decrease due to portfolio measures, while outside Germany new companies with their workforces will be added. Training young people will remain a high priority: we aim to achieve a high apprentice training rate and provide training beyond our own requirements as in previous years.
- **Capital expenditures and financing:** The volume of investment approved by the Supervisory Board is €3.1 billion, roughly the same as the previous year. In 2004/2005, additions to fixed assets are expected to total €2.0 billion, €0.5 billion above depreciation. We also intend to continue to meet our gearing target of 60%.

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# Balance Sheet

## Assets million €

	Note	Sept. 30, 2003	Sept. 30, 2004
<b>Fixed assets</b>			
Intangible assets	1	9.3	44.3
Property, plant and equipment	1	202.2	168.7
Financial assets	2	8,961.8	9,381.3
		<b>9,173.3</b>	<b>9,594.3</b>
<b>Operative assets</b>			
<b>Receivables and other assets</b>	3		
Receivables from affiliated companies		9,521.6	8,017.0
Other receivables and other assets		82.4	48.6
Securities	4	15.3	0.2
Cash and cash equivalents	5	95.8	697.7
		<b>9,715.1</b>	<b>8,763.5</b>
<b>Prepaid expense and deferred charges</b>	6	12.0	13.5
<b>Total assets</b>		<b>18,900.4</b>	<b>18,371.3</b>

## Stockholder's equity and liabilities million €

	Note	Sept. 30, 2003	Sept. 30, 2004
<b>Stockholder's equity</b>	7		
Capital stock		1,317.1	1,317.1
Additional paid in capital		3,002.3	3,002.3
Reserve for treasury stock		0.2	0.2
Other retained earnings		399.0	400.1
Unappropriated profit		257.2	308.7
		<b>4,975.8</b>	<b>5,028.4</b>
<b>Special items with an equity portion</b>	8	80.7	58.7
<b>Accrued liabilities</b>			
Pensions and similar obligations	9	307.9	308.3
Other accrued liabilities	10	783.4	744.3
<b>Payables</b>	11		
Bonds		0.0	750.0
Payables to financial institutions		1,482.3	565.9
Payables to affiliated companies		11,127.4	10,725.2
Other payables		142.0	189.0
		<b>13,923.7</b>	<b>13,341.4</b>
<b>Deferred income taxes</b>	12	0.9	1.5
<b>Total Stockholder's equity und liabilities</b>		<b>18,900.4</b>	<b>18,371.3</b>

## Net income from investments million €

	Note	Sept. 30, 2003	Sept. 30, 2004
Net income from investments	15	1,128.1	460.4
Other operating income	16	327.5	354.8
Writedowns on financial assets	17	(1.1)	(0.3)
General administrative costs	18	(255.2)	(261.4)
Other operating expense	19	(473.7)	(64.1)
Net interest	20	(143.7)	(151.6)
<b>Income from ordinary activities</b>		<b>581.9</b>	<b>337.8</b>
Extraordinary income	21	(245.9)	0.0
Net income before taxes on income		336.0	337.8
Taxes on income	22	70.1	(36.5)
<b>Net income</b>		<b>406.1</b>	<b>301.3</b>
<b>Profit appropriation</b>			
<b>Net income</b>		406.1	301.3
Transfer from reserve for treasury stock		0.0	0.0
Appropriation to other retained earnings		(148.9)	(1.1)
Profit carried forward		0.0	8.5
<b>Unappropriated profit</b>		<b>257.2</b>	<b>308.7</b>

## General

The financial statements and management report of ThyssenKrupp AG for fiscal year 2003/2004 are published in the Federal Gazette ("Bundesanzeiger") and filed with the Commercial Register of Essen local court under HRB 15364 and Duisburg local court under HRB 9092. They can be ordered from ThyssenKrupp AG, August-Thyssen-Strasse 1, 40211 Düsseldorf.

To improve the clarity of presentation, items are combined in the balance sheet and income statement. They are shown separately in the Notes.

For the first time, ThyssenKrupp AG has drawn up the income statement in accordance with the cost of sales format under Art. 275 Par. 3 German GAAP (HGB). The prior-year comparative figures have been adjusted accordingly.

## Accounting and valuation principles

Intangible assets are generally stated at purchase cost less scheduled amortization.

Property, plant and equipment are stated at purchase or manufacturing cost. Interest on borrowings is generally not capitalized. Scheduled depreciation is provided on limited-life assets. Exceptional depreciation is charged where necessary.

Scheduled depreciation is based mainly on the following useful lives: Buildings 20-33 years, land improvements 5-20 years, other equipment and factory and office equipment 3-10 years.

Scheduled depreciation is determined by the declining-balance method where permitted under tax law, applying the highest permissible rate – max. 20% for assets added after December 31, 2000. A changeover to the straight-line method is made as soon as this leads to higher depreciation. The simplification method, by which movable assets added in the first half of the fiscal year can be depreciated at the full annual amount, was used for the last time for asset additions up to December 31, 2003. Additions from January 1, 2004 onwards have been depreciated on a pro rata basis in accordance with tax regulations. Items with a purchase or manufacturing cost up to and including €410 are written down to zero in the year of addition.

Investments are generally accounted for at purchase cost. Lower values are stated if impairments exist which are expected to be of lasting duration.

Pension funds are included at purchase cost or, in cases where a long-term decrease in value is likely, at the lower applicable value.

Non-interest-bearing or low-interest-bearing loans are discounted to present value; the other loans are stated at face value.

Identifiable risks on receivables and miscellaneous assets are recognized through appropriate allowances; global allowances are made for general risks of default. Non-interest-bearing or low-interest-bearing receivables are discounted to present value.

Securities classed as operating assets are valued at purchase cost or the lower value applicable on the balance sheet date.

The accrued liabilities take account of all recognizable risks and uncertain obligations. Pensions and similar obligations with the exception of partial retirement obligations are recognized according to actuarial principles in the amount of the incremental value under Art. 6 a German Income Tax Law (EstG) based on the 1998 Heubeck tables. For further risks in the personnel sector, e.g. for long-service payments and vacation entitlements, accruals are recognized in accordance with the principles of commercial law.

Deferred taxes are recognized for temporary differences between taxable income and accounting income. Net deferred tax liabilities are posted under tax accruals. Net deferred tax assets are not recognized.

Payables are stated in the amounts repayable. Annuity obligations are stated at present value.

Contingencies from guarantees and warranty agreements are valued in accordance with the principal amount in each case.

## Currency translation

Foreign currency accounts receivable and payable are translated at the lower of the historical or current exchange rate. Hedged positions are valued at the corresponding hedged rate.

## Notes to the Balance Sheet

### 1 Intangible assets and property, plant and equipment

Movements in intangible assets and property, plant and equipment are presented in the fixed asset schedule below.

The additions to intangible assets relate mainly to licenses acquired by ThyssenKrupp AG.

### 2 Finanzanlagen

Movements in financial assets are presented in the fixed assets schedule below.

The investments are listed in the list of shareholdings of ThyssenKrupp AG, which is filed with the Commercial Register of Essen local court under HRB 15364 and Duisburg local court under HRB 9092.

In the reporting period, additions to shares in affiliated companies in the amount of €918.5 million and disposals in the amount of €409.0 million were posted. This mainly pertains to payments made into additional paid-in capital made by subsidiaries in the amount of €558.0 million and the October 1, 2003 merger of ThyssenKrupp Engineering AG with ThyssenKrupp Technologies AG and the merger of ThyssenKrupp Italia S.p.A. and ThyssenKrupp Steel Italia S.p.A.

Beyond this, additions to pension funds were posted in the amount of €63.0 million to cover the reinsurance, safeguarding and

meeting of pension claims in accordance with the trust agreement between ThyssenKrupp AG and ThyssenKrupp Pension-Trust e.V.

This agreement pursues the objective of reinsuring the following parts of the pension obligations through trust assets, namely the parts

- which exceed the part of the employer-financed pension plan which is, due to statutory regulation, protected against bankruptcy by the Pensions-Sicherungs-Verein AG but which do not go beyond a certain amount,
- that affect benefits from deferred compensation agreements,
- that affect the benefits of the KOMBI-PAKT pension scheme II.

The aim of this is to meet the aforementioned claims of those entitled to pension benefits where they are not guaranteed through statutory bankruptcy protection by the Pensions-Sicherungs-Verein.

Furthermore, a trust agreement safeguarding benefits from partial retirement in the event of insolvency has been concluded between ThyssenKrupp AG (trustor) and ThyssenKrupp Sicherungsverein für Arbeitnehmer-Wertgutachten e.V. (trustee). The subject of this agreement is the safeguarding of benefits in the event of insolvency in the meaning of Art. 8 a Partial Retirement Act (AltersteilzeitG) and in this case, meeting the partial retiree's claims for payment of the due partial retirement benefits vis-à-vis the trustor or one of its subsidiaries in the meaning of Art. 18 Stock Corporation Act (AktG). At September 30, 2004, these benefits in the amount of €1.0 million are stated as an addition to pension funds.

### Fixed assets schedule million €

	Gross values				Depreciation/Amortization/ Impairment		Net values	
	Oct. 1, 2003	Additions	Disposals	Sep. 30, 2004	Additions 2003/2004	accumulated at Sep. 30, 2004	Sep. 30, 2003	Sep. 30, 2004
<b>Intangible assets</b>								
Franchises, trademarks and similar rights and values as well as licences thereto	10.8	43.9	0.5	54.2	9.0	10.7	8.9	43.5
Advance payments received	0.4	0.4	0.0	0.8	0.0	0.0	0.4	0.8
	<b>11.2</b>	<b>44.3</b>	<b>0.5</b>	<b>55.0</b>	<b>9.0</b>	<b>10.7</b>	<b>9.3</b>	<b>44.3</b>
<b>Property, plant and equipment</b>								
Land, leasehold rights and buildings, including buildings on third-party land	317.5	26.3	57.6	286.2	8.4	122.9	196.2	163.3
Other equipment, factory and office equipment	20.9	1.2	1.3	20.8	1.7	17.1	4.5	3.7
Advance payments on property, plant and equipment and assets under construction	1.4	0.3	0.0	1.7	0.0	0.0	1.5	1.7
	<b>339.8</b>	<b>27.8</b>	<b>58.9</b>	<b>308.7</b>	<b>10.1</b>	<b>140.0</b>	<b>202.2</b>	<b>168.7</b>
<b>Financial assets</b>								
Shares in affiliated companies	7,552.2	918.5	409.0	8,061.7	0.0	169.4	7,372.8	7,892.3
Ausleihungen an verbundene Unternehmen	670.4	0.0	165.9	504.5	0.0	0.0	670.1	504.5
Loans to affiliated companies	975.0	2.1	54.6	922.5	0.3	3.7	917.1	918.8
Pensionsfond	0.0	64.0	0.0	64.0	0.0	0.0	0.0	64.0
Other loans	2.3	0.0	0.1	2.2	0.0	0.5	1.8	1.7
	<b>9,199.9</b>	<b>984.6</b>	<b>629.6</b>	<b>9,554.9</b>	<b>0.3</b>	<b>173.6</b>	<b>8,961.8</b>	<b>9,381.3</b>
<b>Total</b>	<b>9,550.9</b>	<b>1,056.7</b>	<b>689.0</b>	<b>9,918.6</b>	<b>19.4</b>	<b>324.3</b>	<b>9,173.3</b>	<b>9,594.3</b>

### 3 Receivables and other assets

million €

	Sept. 30, 2003	with more than 1 year remaining to maturity	Sept 30, 2004	with more than 1 year remaining to maturity
Receivables from affiliated companies	9,521.6	13.8	8,017.0	13.8
Receivables from companies in which investments are held	32.8	0.1	1.3	0.1
Other assets	49.6	0.2	47.3	0.1
Other receivables and other assets	82.4	0.3	48.6	0.2

Receivables from affiliated companies and from companies in which investments are held also include trade accounts receivable.

The fall in Group receivables is mainly attributable to the offsetting of payables (special pension account) of Krupp Hoesch Stahl GmbH (€1.1 billion).

### 4 Securities

million €

	Sept. 30, 2003	Sept 30, 2004
Treasury stock	0.2	0.2
Other securities	15.1	0.0
Securities	15.3	0.2

In the 1998/99 fiscal year, for the purpose of compensating the outside stockholders of Thyssen Industrie AG in connection with the integration of that company, ThyssenKrupp AG purchased 5,477,000 of its own no-par-value shares in accordance with Art. 71 Par. 1 No. 3 Stock Corporation Act (AktG). This corresponded to approx. 1.1% of the capital stock of ThyssenKrupp AG. The purchase price amounted to €92.7 million.

Up to the end of the fiscal year, 446,248 shares in Thyssen Industrie AG with a par value of DM50 each had been exchanged for 5,456,190 no-par-value shares in ThyssenKrupp AG, 810 of which in fiscal 2003/2004. At the end of the fiscal year, ThyssenKrupp AG still holds over 20,000 of its own shares (0.004% of the capital stock).

The change in other securities is based on a short-term decrease in notes.

### 5 Cash and cash equivalents

Cash and cash equivalents include cash on hand, checks, deposits with national banks as well as other bank deposits.

### 6 Prepaid expenses and deferred charges

Prepaid expenses and deferred charges include a discount of €0.5 million (previous year €0.7 million). Also posted here are accessory borrowing charges in the amount of €3.8 million (previous year €5.6 million) relating to multi-facility agreements.

### 7 Stockholders' equity

The capital stock of ThyssenKrupp AG remains unchanged at €1,317,091,952.64. At September 30, 2004 the capital stock of ThyssenKrupp AG is divided into 514,489,044 no-par-value bearer shares with an arithmetical par value of €2.56.

Of the net income for 2003/2004, €1.1 million (previous year €148.9 million) has been appropriated to other retained earnings.

There are no notifications regarding capital shares in accordance with Art. 21 Par. 1 of the Securities Trading Act (WpHG) for the 2003/2004 fiscal year.

### 8 Special items with an equity portion

The special items with an equity portion include tax free reserves pursuant to Art. 6 b Par. 3 Income Tax Law (EstG) and tax value adjustments pursuant to Art. 6 b Par. 1 EstG and Section 35 Income Tax Regulations (EstR).

### 9 Pensions and similar obligations

The changes within pensions and similar obligations in the past fiscal year result from neutral asset transfers in the amount of €1.5 million and changes with income statement effect in the amount of €1.8 million (€3.7 million added in the previous year).

The accrued liability for partial retirement benefits in the amount of €4.6 million is posted under pension obligations as a similar obligation.



## 10 Other accrued liabilities

million €

	Sept 30, 2003	Sept. 30, 2004
Tax accruals	236.3	247.2
Miscellaneous accrued liabilities	547.1	497.1
Other accrued liabilities	783.4	744.3

Tax accruals exist mainly for taxes on income.

The miscellaneous accruals cover all identifiable risks. They mainly relate to commitments from risks from investments, environmental measures and commitments for future expenses in the personnel sector. The main reduction in the miscellaneous accrued liabilities is attributable to a Group-internal transfer of mine property including all related rights and obligations (reserves for mining subsidence).

million €

	Sept. 30, 2003	Maturity			Sept. 30, 2004	Maturity		
		within 1 year	more than 1 up to 5 years	more than 5 years		within 1 year	more than 1 up to 5 years	more than 5 years
Bonds	0.0	0.0	0.0	0.0	750.0	0.0	0.0	750.0
Payables to financial institutions	1,482.3	145.8	512.6	823.9	565.9	17.9	543.9	4.1
Payables to affiliated companies	11,127.4	9,976.7	656.1	494.6	10,725.2	9,073.2	1,652.0	0.0
Third-party advance payments received	3.9	3.9	0.0	0.0	3.8	3.8	0.0	0.0
Trade accounts payable	2.6	2.6	0.0	0.0	11.7	11.7	0.0	0.0
Payables to companies in which investments are held	12.0	8.9	3.1	0.0	5.8	2.7	3.1	0.0
Miscellaneous payables	123.5	123.5	0.0	0.0	167.7	122.7	45.0	0.0
<i>amount thereof for taxes</i>	5.3				27.7			
<i>amount thereof for social security)</i>	0.7				0.1			
Other payables	142.0				189.0			

## 11 Payables

The bond issue of March 29, 2004 in the amount of €750.0 million with a return of 5% and a term to March 29, 2011 led to a reduction in payables to financial institutions. Of the payables to financial institutions, €0.8 million (previous year €4.2 million) are guaranteed through mortgages.

The liabilities to affiliated companies relate mainly to temporary deposits by subsidiaries in the Group's financial clearing scheme.

The reduction in Group payables is attributable to the repayment of Krupp Hoesch Stahl GmbH's special pension account. Increased deposits of funds by the companies ran counter to this.

## 12 Prepaid expenses and deferred charges

Other stockholders' equity and liabilities relate to prepaid expenses and deferred charges for rental income in the next accounting period.

13 Contingencies

million €

	Sept. 30, 2003	Sept. 30, 2004
Issuance and transfer of notes	4,605.1	5,070.6
Guarantees	1,071.2	1,006.1

In addition, ThyssenKrupp AG is jointly and severally liable pursuant to Art. 133 UmwG in relation to the transfer-on of payables of Thyssen Industrie AG, the former Thyssen Handelsunion AG and the former Westdeutsches Assekuranz-Kontor GmbH.

In accordance with the general Group agreement, ThyssenKrupp AG will meet all vested rights of employees in the event of the insolvency of a Group subsidiary insofar as the employee rights are not otherwise secured.

From the transfer of businesses to ThyssenKrupp Präzisions-schmiede GmbH, ThyssenKrupp EnCoke GmbH, Thyssen Umform-technik GmbH, Thyssen Stahl GmbH, ThyssenKrupp Automotive AG, SIG Beverages Germany GmbH, Krupp Industrietechnik GmbH, Atlas Copco Construction Tools GmbH, ThyssenKrupp Dienstleistungen GmbH, ThyssenKrupp Materials & Services GmbH, Krupp Druckerei-betriebe GmbH, Hoesch Hohenlimburg GmbH, Rothe Erde GmbH, ThyssenKrupp Federn GmbH and Dortmunder Eisenhandel Hansa GmbH, ThyssenKrupp AG is liable for pension obligations with a

current value of €1,002.1 million (previous year €1,069.8 million). The companies in question have made sufficient provisions in their balance sheets to meet the pension payments. The increase from the previous year relates to the Group-internal transfer of accrued pension liabilities.

14 Other financial commitments

Obligations from rental and lease agreements are due in the coming fiscal years as follows:

million €

2004/2005	0.5
2005/2006	0.5
2006/2007	0.5

A liability obligation in the amount of €2.8 million (previous year €2.8 million) exists vis-à-vis Technische Gase Hoesch Messer Griesheim GmbH & Co. KG.

## Notes to the income statement

### 15 Net income from investments

million €

	Sept. 30, 003	Sept. 30, 2004
Income from profit-and-loss transfer agreements	1,072.1	505.8
Losses from profit-and-loss transfer agreements	(57.3)	(152.1)
Income from investee companies	113.3	106.7
amount thereof from affiliated companies	110.1	104.8
<b>Total</b>	<b>1,128.1</b>	<b>460.4</b>

The income from profit-and-loss transfer agreements and the expense from loss transfers stem from affiliated companies.

The income from profit-and-loss transfer agreements relates mainly to the transfer of profits from Thyssen Stahl GmbH, ThyssenKrupp Dienstleistungen GmbH, ThyssenKrupp Automotive AG and ThyssenKrupp Immobilien GmbH.

The expense for losses from profit-and-loss transfer agreements relates mainly to ThyssenKrupp Technologies AG and ThyssenKrupp Materials & Services GmbH.

Income from investee companies changed marginally compared with the prior year. The dividend payments of the foreign national holding companies ThyssenKrupp France S.A. and Grupo ThyssenKrupp S.A. contributed to this.

### 16 Other operating income

Other operating income differed compared to the previous year mainly because of the €63.1 million lower income from the disposal of financial assets and property, plant and equipment. Non-period income in the amount of €6.9 million from the release of accrued liabilities, which were €33.6 million lower than in the comparable period, is also included. Running counter to this is higher income from tax levies and payments from the billing of services for Group subsidiaries.

Other operating income of €22.1 million (previous year €5.2 million) results from the release of special items with an equity portion.

### 17 Writedowns on financial assets

The writedowns on financial assets include €0.3 million writedowns on investments.

## 18 General administrative costs

million €

	Sept. 30, 2003	Sept. 30, 2004
Salaries	48.2	59.3
Statutory social contributions	3.8	4.7
Expense for pensions	33.4	21.4
Expense for other benefits	0.9	0.3
Total personnel expense	86.3	85.7
Depreciations/amortization	11.9	19.1
Administrative costs	83.8	35.3
Other administrative costs	73.2	121.3
<b>Total</b>	<b>255.2</b>	<b>261.4</b>

Overall ThyssenKrupp AG personnel expense is recorded under the general administrative costs item in accordance with Art. 275 Par. 3 HGB.

ThyssenKrupp AG employed on average 423 (previous year 392) salary earners in the fiscal year. This increase results in particular from altered organizational assignments within the Group at Corporate Taxes and Customs, Internal Auditing and Materials Management.

### 19 Other operating expense

Other operating expense mainly includes losses from the disposal of fixed asset items and the writing down of receivables. Expense for the accrual of liabilities in the amount of €26.1 million (previous year €428.1 million) is also included. Other operating expense mainly includes losses from the disposal of fixed asset items and the writing down of receivables. Expense for the accrual of liabilities in the amount of €26.1 million (previous year €428.1 million) is also included.

The expenses for other taxes in the amount of €4.0 million (previous year €5.8 million) include payroll tax risks and land tax.

### 20 Net interest

million €

	2002/2003	2003/2004
Income from loans classified as financial assets	23.6	19.4
amount thereof from affiliated companies	23.6	18.9
Other interest and similar income	249.4	280.8
amount thereof from affiliated companies	239.1	277.9
Interest and similar costs	(416.7)	(451.8)
amount thereof from affiliated companies	(354.9)	355.8
<b>Total</b>	<b>(143.7)</b>	<b>(151.6)</b>

Despite falling interest rates, net interest expense rose in the 2003/2004 reporting period. The increase is accounted for in part by the 5% bond in the amount of €750.0 million placed in March with a 7-year term, the revenue from which was used to repay short-term and variable interest loans.

21 Extraordinary income

Extraordinary prior-period income includes €246.1 million for the impact from the acquisition of treasury stock from IFIC Holding AG and transfer of same within the Group.

22 Taxes on income

Taxes on income mainly include own corporation and trade tax for the past 2003/2004 fiscal year arising from the legal restriction of tax loss offsetting (minimum tax), back payments for previous years and withholding taxes on dividends paid out by foreign companies. The taxes on income are charged exclusively to income from ordinary activities.

23 Supervisory Board and Executive Board compensation

Total compensation to the members of the Executive Board for the 2003/2004 fiscal year amounts to €12.3 million (previous year €8.2 million). Compensation to former members of the Executive Board of Thyssen AG and Fried. Krupp AG Hoesch-Krupp and their survivors totaled €11.1 (previous year 10.0) million.

Pension obligations to former members of the Executive Board and their survivors are accrued in the amount of €107.8 million (previous year €105.4).

For the 2003/2004 fiscal year, compensation to the Supervisory Board on the basis of the proposed dividend of €0.60 per share amounts to €1.6 million.

The members of the Supervisory Board and Executive Board are presented on pages 48 to 51.

24 German Corporate Governance Code

On October 1, 2004, the Executive Board and Supervisory Board issued an amended declaration of conformity in accordance with Art. 161 AktG which is permanently accessible to stockholders via the Company's website. ThyssenKrupp AG complies with all the recommendations of the Government Commission on the German Corporate Governance Code as amended on May 21, 2003.

25 Proposed profit appropriation

We propose to the Annual General Meeting to appropriate the net income from fiscal 2003/2004 in the amount of €308.7 million as follows:

- Payment of a dividend in the amount of €299.0 million; this corresponds to €0.60 per eligible share.
- The remaining amount of €9.7 million to be carried forward.

Düsseldorf, November 15, 2004

ThyssenKrupp AG  
The Executive Board

	Schulz		
Berlien	Eichler	Kirsten	
Labonte	Middelmann	Mörsdorf	

We have audited the annual financial statements, together with the bookkeeping system, and the management report of the Company ThyssenKrupp ag, Duisburg and Essen, for the business year from October 1, 2003, to September 30, 2004. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 HGB ["Handelsgesetzbuch": "German Commercial Code"] and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer in Deutschland (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and evaluations of possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting. On the whole the management report provides a suitable understanding of the Company's position and suitably presents the risks of future development.

Düsseldorf, November 15, 2004

KPMG Deutsche Treuhand-Gesellschaft  
Aktiengesellschaft  
Wirtschaftsprüfungsgesellschaft



Reinke  
German public auditor



Nunnenkamp  
German public auditor

# Executive Board

## Prof. Dr.-Ing. Dr. h.c. Ekkehard D. Schulz Chairman

- AXA Konzern AG\*
- Commerzbank AG\*
- Deutsche Bahn AG
- MAN AG\*
- RAG AG (Vice Chair)
- TUI AG\*

### Within the Group:

- ThyssenKrupp Automotive AG (Chair)
- ThyssenKrupp Services AG (Chair)
- ThyssenKrupp Steel AG (Chair)
- ThyssenKrupp Budd Company (USA)

## Dr. Olaf Berlien

- Transrapid International Verwaltungsgesellschaft mbH

### Within the Group:

- ThyssenKrupp Services AG
- Berco S.p.A. (Italy, President)
- Giddings & Lewis LLC (USA)
- ThyssenKrupp Budd Company (USA)
- ThyssenKrupp Immobilien GmbH (Chair)
- ThyssenKrupp Werften GmbH (Chair)

## Edwin Eichler

### Within the Group:

- ThyssenKrupp Elevator AG (Chair)
- ThyssenKrupp Immobilien GmbH

## Prof. h.c. (cHN) Dr. Ulrich Middelmann Vice Chairman

- RAG AG
  - Hoberg & Driesch GmbH (Chair)
- ### Within the Group:
- Edelstahl Witten-Krefeld GmbH (Chair)
  - Eisen- und Hüttenwerke AG (Chair)
  - ThyssenKrupp Automotive AG
  - ThyssenKrupp Elevator AG
  - ThyssenKrupp Stahl AG (Chair)
  - ThyssenKrupp Technologies AG (Chair)
  - Grupo ThyssenKrupp S.A. (Spain)
  - ThyssenKrupp Acciai Speciali Terni S.p.A. (Italy)
  - ThyssenKrupp Budd Company (USA)
  - ThyssenKrupp Stainless GmbH (Chair)

## Dr. A. Stefan Kirsten

### Within the Group:

- Eisen- und Hüttenwerke AG
- ThyssenKrupp Automotive AG
- ThyssenKrupp Steel AG
- ThyssenKrupp Versicherungsdienst GmbH  
Industrieversicherungsvermittlung (Chair)

## Ralph Labonte

- Zoo Duisburg AG
- PEAG Personalentwicklungs- und Arbeitsmarktagentur GmbH (Chair)

### Within the Group:

- Rasselstein GmbH
- ThyssenKrupp Automotive AG
- ThyssenKrupp Electrical Steel GmbH
- ThyssenKrupp Immobilien GmbH

## Dr.-Ing. Wolfram Mörsdorf

(since April 15, 2004)

- INPRO Innovationsgesellschaft für fortgeschrittene Produktionssysteme in der Fahrzeugindustrie mbH

### Within the Group:

- ThyssenKrupp Bilstein GmbH
- ThyssenKrupp Drauz GmbH
- ThyssenKrupp Federn GmbH
- ThyssenKrupp Gerlach GmbH
- ThyssenKrupp Services AG
- ThyssenKrupp Umformtechnik GmbH (Chair)
- ThyssenKrupp Budd Canada Inc. (Canada)
- ThyssenKrupp Budd Company (USA, Chairman)
- ThyssenKrupp Fabco Corp. (Canada, Chairman)
- ThyssenKrupp Presta AG (Liechtenstein)
- ThyssenKrupp Sofedit S.A.S. (France, Chair)
- ThyssenKrupp Waupaca, Inc. (USA)

◦ Membership of statutory Supervisory Boards within the meaning of Art. 125 of the German Stock Corporation Act (AktG) (As of September 30, 2004)

\* Exchange-listed company

◦ Membership of comparable German and non-German control bodies of business enterprises within the meaning of Art. 125 of the German Stock Corporation Act (AktG) (As of September 30, 2004)

**Dr.-Ing. Jürgen Harnisch** resigned from the Executive Board and retired at the close of April 14, 2004. On that date he held the following directorships:

- Gildemeister AG\*
- Hülsbeck & Fürst GmbH & Co. KG (Chair)
- INPRO Innovationsgesellschaft für fortgeschrittene Produktionssysteme in der Fahrzeugindustrie mbH
- KMC Klausmeier Marketing Consultants GmbH

Within the Group:

- ThyssenKrupp Bilstein GmbH
- ThyssenKrupp Drauz GmbH (Chair)
- ThyssenKrupp Federn GmbH
- ThyssenKrupp Gerlach GmbH (Chair)
- ThyssenKrupp Technologies AG
- ThyssenKrupp Umformtechnik GmbH (Chair)
- ThyssenKrupp Automotive Sales & Technical Center, Inc. (USA, Chair)
- ThyssenKrupp Budd Company (USA)
- ThyssenKrupp Presta AG (Liechtenstein)
- ThyssenKrupp Sofedit S.A.S. (France)

**Prof. Dr.-Ing. Eckhard Rohkamm** resigned from the Executive Board and retired at the close of February 21, 2004. On that date he held the following directorships:

- HDI Haftpflichtverband der Deutschen Industrie VVaG (Vice Chair)
- Transrapid International Verwaltungsgesellschaft mbH (Vice Chair)

Within the Group:

- ThyssenKrupp Elevator AG (Chair)
- ThyssenKrupp Engineering AG (Chair)
- Berco S.p.A. (Italy, President)
- Giddings & Lewis, LLC (USA)
- Grupo ThyssenKrupp S.A. (Spain)
- ThyssenKrupp Budd Company (USA)
- ThyssenKrupp Elevator Holding Corp. (USA)
- ThyssenKrupp Werften GmbH (Chair)

# Supervisory Board

## Prof. Dr. h.c. mult. Berthold Beitz, Essen

Honorary Chairman

Chairman of the Board of Trustees of the  
Alfried Krupp von Bohlen und Halbach  
Foundation

## Prof. Dr. Günter Vogelsang, Düsseldorf

Honorary Chairman

## Dr. Gerhard Cromme, Essen

Chairman

Former Chairman of the Executive Board of  
ThyssenKrupp AG

- Allianz AG
- Axel Springer AG
- Deutsche Lufthansa AG
- E.ON AG
- E.ON Ruhrgas AG
- Hochtief AG
- Siemens AG
- Volkswagen AG
- BNP Paribas S.A. (France)
- Suez S.A. (France)

## Bertin Eichler, Frankfurt/Main

Vice Chairman

(since January 23, 2004)

Member of the Executive Committee of the  
German Metal Workers Union (IG Metall)

- BauBeCon Holding AG (Vice Chair)
- BGAG Beteiligungsgesellschaft der  
Gewerkschaften AG (Chair)
- BHW Holding AG
- BMW AG
- ING-DiBa Allgemeine Deutsche Direktbank AG

## Dr. Karl-Hermann Baumann, Munich

Chairman of the Supervisory Board of  
Siemens AG

- Deutsche Bank AG
- E.ON AG
- Linde AG
- Schering AG
- Siemens AG (Chair)

## Carl-L. von Boehm-Bezing, Bad Soden

Former member of the Executive Board of  
Deutsche Bank AG

- Rütgers AG
- RWE AG

## Heinrich Hentschel, Emden

(since January 23, 2004)

Technical clerk/hydrostatics

Member of the Works Council of  
Nordseewerke GmbH

## Wolfgang Boczek, Bochum

Materials tester

Chairman of the Works Council Union of  
ThyssenKrupp Automotive

Within the Group:

- ThyssenKrupp Automotive AG

## Klaus Ix, Siek

Fitter

Chairman of the Works Council of  
ThyssenKrupp Fahrtreppen GmbH and  
Vice Chairman of the Works Council Union  
of ThyssenKrupp Elevator

Within the Group:

- ThyssenKrupp Elevator AG
- ThyssenKrupp Fahrtreppen GmbH

## Hüseyin Kavvesoglu, Maxdorf

(since January 23, 2004)

Foreman

Chairman of the Works Council Union of  
ThyssenKrupp Services

Within the Group:

- ThyssenKrupp Industrieservice GmbH
- ThyssenKrupp Services AG



#### Dr. Martin Kohlhaussen, Bad Homburg

Chairman of the Supervisory Board of  
Commerzbank AG

- Bayer AG
- Commerzbank AG (Chair)
- Heraeus Holding GmbH
- Hochtief AG (Chair)
- Infineon Technologies AG (Vice Chair)
- Schering AG
- Intermediate Capital Group PLC  
(United Kingdom)
- National Pensions Reserve Fund (Ireland)
- Verlagsgroupe Georg von Holtzbrinck GmbH

#### Dr. Heinz Kriwet, Düsseldorf

Former Chairman of the Executive Board  
of Thyssen AG

- Dresdner Bank AG

#### Reinhard Kuhlmann, Frankfurt/Main

Secretary General of the European  
Metalworkers' Trade Union Federation

- Adam Opel AG

#### Dr. Klaus T. Müller, Dortmund

(since January 23, 2004)  
Head of the crude steel department  
ThyssenKrupp Stahl AG

#### Dr. Mohamad-Mehdi Navab-Motlagh, Tehran

Vice Minister for Economics and International  
Affairs in the Industrial and Mining Ministry of  
the Islamic Republic of Iran

- Europäisch-Iranische Handelsbank AG

#### Dr. Friedel Neuber, Duisburg

(died October 23, 2004)  
Former Chairman of the Executive Board of  
Westdeutsche Landesbank Girozentrale

- Deutsche Bahn AG
- Hapag-Lloyd AG
- RAG AG
- RWE AG (Chair)
- TUI AG (Chair)

#### Dr. Kersten von Schenck, Bad Homburg

(since April 1, 2004)  
Attorney and notary public

#### Peter Scherrer, Düsseldorf

Trade union secretary at the  
Düsseldorf branch office of IG Metall

- ThyssenKrupp Automotive AG

#### Thomas Schlenz, Duisburg

Shift foreman  
Chairman of the Group Works Council of  
ThyssenKrupp AG

- PEAG Personalentwicklungs- und  
Arbeitsmarktagentur GmbH
- Within the Group:
- ThyssenKrupp Services AG

#### Dr. Henning Schulte-Noelle, Munich

Chairman of the Supervisory Board of  
Allianz AG

- Allianz AG (Chair)
- E.ON AG
- Siemens AG

#### Wilhelm Segerath, Duisburg

Automotive bodymaker  
Chairman of the General Works Council of  
ThyssenKrupp Stahl AG and Chairman of the  
Works Council Union of ThyssenKrupp Steel  
Within the Group:

- ThyssenKrupp Steel AG

#### Bernhard Walter, Bad Homburg

Former Speaker of the Executive Board of  
Dresdner Bank AG

- Bilfinger Berger AG
- DaimlerChrysler AG
- Deutsche Telekom AG
- Henkel KGaA
- mg technologies ag
- Staatliche Porzellan-Manufaktur  
Meissen GmbH
- Wintershall AG (Vice Chair)
- KG Allgemeine Leasing GmbH & Co.  
(Chairman of the Executive Committee)

At the close of the Annual General Meeting  
of ThyssenKrupp AG on January 23, 2004,  
Dieter Schulte, Udo Externbrink, Herbert Funk  
and Ernst-Otto Tetau left the Supervisory  
Board. Dr. Klaus Götte resigned from his seat  
at the close of March 31, 2004. Insofar as  
these gentlemen held other directorships at the  
time of their departure from the Supervisory  
Board, these are listed below:

#### Dieter Schulte

- Bayer AG

#### Ernst-Otto Tetau

Within the Group:

- Blohm + Voss GmbH
- ThyssenKrupp Technologies AG
- ThyssenKrupp Werften GmbH

# List of equity interests

## Companies (As of September 30, 2004)

	Equity in million € or local currency	Result in million € or local currency	Shareholding in %
<b>STEEL</b>			
ThyssenKrupp Steel AG, Duisburg	3,381.8	1	100.00
Acciai Speciali Terni (UK) Ltd., Birmingham, United Kingdom	0.3	(0.2)	100.00
Acciai Speciali Terni Deutschland GmbH, Krefeld	1.3	0.2	100.00
Acciai Speciali Terni España D.V.P. S.A., Barcelona, Spain	6.4	2.5	100.00
AGOZAL Oberflächenveredelung GmbH, Neuwied	(6.7)	1	100.00
AST France S.A., Paris, France	6.2	0.7	100.00
Becker & Co. GmbH, Neuwied	2.0	1	100.00
C.S. Inox - Centro Servizi per l'Inossidabile S.p.A., Terni, Italy	8.5	(0.2)	70.00
Deutsche Titan GmbH, Essen	4.0	0.1	100.00
DOC Dortmunder Oberflächencentrum GmbH, Dortmund	21.0	0.1	75.10
EBOR Edelstahl GmbH, Sachsenheim	0.8	1	100.00
Edelstahl Witten-Krefeld GmbH, Witten	92.6	1	99.66
Eisen- und Hüttenwerke AG, Andernach	109.4	11.9	87.98
Eisenbahn und Häfen GmbH, Duisburg	2.0	1	90.00
ems Isoliersysteme GmbH, Pansdorf	4.4	1	90.00
Ertsoverslagbedrijf Europoort C.V., Rotterdam, Netherlands	7.5	2.9	75.00
German-Steels Co., Ltd., Hongkong, PR China	12.51	0.71	80.00
Herzog Coilex GmbH, Stuttgart	6.9	1	74.90
Hoesch Bausysteme Gesellschaft m.b.H., Vienna, Austria	9.1	1.3	100.00
Hoesch Contecna Systembau GmbH, Oberhausen	4.3	1	100.00
Hoesch Hohenlimburg GmbH, Hagen	48.1	1	99.50
Isocab France S.A., Dunkerque, France	9.6	1.9	90.00
Isocab N.V., Harelbeke-Bavikhove, Belgium	10.7	1.2	90.00
Isocab-Mondor N.V., Harelbeke-Bavikhove, Belgium	4.8	0.3	100.00
KBS Kokereibetriebgesellschaft Schwelgern GmbH, Duisburg	0.0	1	100.00
Krupp Edelstahlprofile GmbH, Siegen	30.7	1	100.00
LAGERMEX S.A. de C.V., Puebla, Mexico	20.6	2.9	100.00
Mexinox Trading S.A. de C.V., Mexico D.F., Mexico	9.5	2.9	100.00
Mexinox USA Inc., Brownsville/Texas, USA	38.1	12.9	100.00
Precision Rolled Products Inc., Reno/Nevada, USA	14.7	1.8	100.00
Rasselstein GmbH, Andernach	159.8	1	99.50
Rasselstein Verwaltungs GmbH, Neuwied	130.7	1	100.00
Shanghai Krupp Stainless Co., Ltd., Pudong New Area/Shanghai, PR China	2,378.0	41.3	60.00
Silco Inox Szervizkozpont Kft, Batonyterenye, Hungary	1,876.2	271.2	100.00
smbChromstahl GmbH, Hanover-Langenhagen	0.3	1	100.00
Società delle Fucine S.r.l., Terni, Italy	8.0	(1.6)	100.00
Terni Steel B.V., Rotterdam, Netherlands	32.8	2.0	100.00
Terninox S.p.A., Terni, Italy	19.8	(0.7)	100.00
Thyssen Aceros y Servicios S.A., Santiago, Chile	3,069.7	589.0	100.00
ThyssenKrupp Electrical Steel India Private Ltd., Mumbai/Nashik, India	2,463.9	286.2	100.00
ThyssenKrupp Acciai Speciali Terni S.p.A., Terni, Italy	303.3	12.0	100.00
ThyssenKrupp Aços Especiais S.A., Rio de Janeiro, Brazil	14.9	2.7	100.00
ThyssenKrupp AST USA, Inc., New York, USA	9.2	3.5	100.00
ThyssenKrupp DAVEX GmbH, Duisburg	0.0	1	100.00
ThyssenKrupp Electrical Steel GmbH, Gelsenkirchen	24.0	1	99.54
ThyssenKrupp Electrical Steel Italia S.r.l., Milan, Italy	4.0	1.2	100.00
ThyssenKrupp Electrical Steel UGO S.A., Isbergues, France	11.6	(4.4)	100.00
ThyssenKrupp Electrical Steel Verwaltungsgesellschaft mbH, Gelsenkirchen	55.0	1	100.00

The list of equity interests held by ThyssenKrupp AG corresponds to Art. 285 No. 11 in conjunction with Art. 286 Par. 3 No. 1 German Commercial Code (HGB). The shareholding relates to the share held by ThyssenKrupp AG or one or more companies under its control. Where profit-and-loss transfer agreements exist, income is stated after transfer. The companies are economically assigned to the segments.

## Companies (As of September 30, 2004)

	Equity in million € or local currency	Result in million € or local currency	Shareholding in %
ThyssenKrupp Galmed, S.A., Sagunto, Spain	50.3	1.9	100.00
ThyssenKrupp Hoesch Bausysteme GmbH, Oberhausen	13.0	<sup>1</sup>	100.00
ThyssenKrupp Mexinox S.A. de C.V., San Luis Potosi, Mexico	94.3	35.1	95.50
ThyssenKrupp Nirosta GmbH, Krefeld	693.1	<sup>1</sup>	100.00
ThyssenKrupp Nirosta North America, Inc., Bannockburn/Delaware, USA	5.4	1.6	100.00
ThyssenKrupp Nirosta Präzisionsband GmbH, Krefeld	6.2	<sup>1</sup>	100.00
ThyssenKrupp Service Acier S.A.S., Fosses, France	14.8	(7.6)	100.00
ThyssenKrupp Service Centre UK Ltd., Newport, United Kingdom	5.9	0.8	100.00
ThyssenKrupp Special Steels (UK) Ltd., Staveley, United Kingdom	1.8	0.4	100.00
ThyssenKrupp Specialty Steels, Inc., Carol Stream/Illinois, USA	14.4	0.3	100.00
ThyssenKrupp Stahl AG, Duisburg	1,173.7	<sup>1</sup>	99.53
ThyssenKrupp Stahl-Service-Center GmbH, Leverkusen	37.2	<sup>1</sup>	99.55
ThyssenKrupp Stainless GmbH, Duisburg	743.1	<sup>1</sup>	99.61
ThyssenKrupp Stainless International GmbH, Krefeld	0.0	<sup>1</sup>	100.00
ThyssenKrupp Steel Belgium N.V., Harelbeke-Bavikrove, Belgium	3.7	(3.0)	100.00
ThyssenKrupp Steel North America, Inc., Dover/Delaware, USA	44.1	12.6	100.00
ThyssenKrupp Steel USA Inc., Wilmington/Delaware, USA	35.6	0.6	100.00
ThyssenKrupp Tailored Blanks GmbH, Dortmund	26.9	<sup>1</sup>	100.00
ThyssenKrupp Tailored Blanks Nord GmbH, Duisburg	8.7	<sup>1</sup>	100.00
ThyssenKrupp Tailored Blanks S.A. de C.V., Puebla, Mexico	8.5	0.9	100.00
ThyssenKrupp Tailored Blanks S.r.l., Turin, Italy	4.3	0.8	100.00
ThyssenKrupp VDM GmbH, Werdohl	66.5	<sup>1</sup>	98.04
ThyssenKrupp VDM USA Inc., Parsippany/New Jersey, USA	2.9	1.2	100.00
ThyssenKrupp Veerhaven B.V., Rotterdam, Netherlands	15.7	4.2	100.00
ThyssenKrupp Verkehr GmbH, Duisburg	0.4	<sup>1</sup>	100.00
ThyssenKrupp Zhong-Ren Tailored Blanks Ltd., Wuhan, PR China	34.5	(13.0)	51.00
Titania S.p.A., Terni, Italy	16.4	0.4	100.00
TI-TECH S.r.l., Terni, Italy	3.5	0.3	82.00
Tubificio di Terni S.r.l., Terni, Italy	17.5	6.5	97.00
Acciai di Qualità, Centro Lavorazione Lamiere S.p.A., Genova, Italy	4.0	0.1	24.90
Acciai Vender S.p.A., Parma, Italy	24.7 <sup>2</sup>	0.0 <sup>2</sup>	50.00
ANSC-TKS Galvanizing Co., Ltd., Dalian, Liaoning Province, PR China	496.6	0.0	50.00
Aspasiel S.r.l., Rom, Italy	2.4 <sup>2</sup>	1.5 <sup>2</sup>	50.00
Centro Sviluppo Materiali S.p.A., Rom, Italy	14.3 <sup>2</sup>	0.0 <sup>2</sup>	15.00
Decapanel S.A.S., Perpignan, France	2.5	1.0	24.70
Dortmunder Eisenbahn GmbH, Dortmund	7.0 <sup>2</sup>	0.2 <sup>2</sup>	50.00
Electroterni S.p.A., Terni, Italy	3.4	(0.2)	24.00
Euroacciai S.r.l., Sarezzo (BS), Italy	9.5 <sup>2</sup>	0.0 <sup>2</sup>	30.23
Evidal Schmöle Verwaltungsgesellschaft mbH, Menden	0.0	(3.3)	50.00
Fischer Mexicana S.A. de C.V., Puebla, Mexico	173.5 <sup>2</sup>	22.3 <sup>2</sup>	50.00
Hüttenwerke Krupp Mannesmann GmbH, Duisburg	122.7 <sup>2</sup>	0.0 <sup>2</sup>	50.00
Ilserv S.r.l., Terni, Italy	8.6 <sup>2</sup>	0.1 <sup>2</sup>	35.00
Inox PA S.p.A., Sarezzo (BS), Italy	13.8 <sup>2</sup>	0.0 <sup>2</sup>	27.00
Nederlandsche Rijnvaartvereniging B.V., Rotterdam, Netherlands	11.2 <sup>2</sup>	7.0 <sup>2</sup>	27.00
Readymix Hüttenzement GmbH, Dortmund	11.1 <sup>2</sup>	(4.3) <sup>2</sup>	25.01
Risse + Wilke Kaltband GmbH & Co.KG, Iserlohn-Letmathe	6.2 <sup>2</sup>	(2.1) <sup>2</sup>	48.00
Röhrenwerk Gebr. Fuchs GmbH, Siegen	7.8 <sup>2</sup>	2.5 <sup>2</sup>	50.00
Steel 24-7 N.V., Brussels, Belgium	0.9 <sup>2</sup>	(13.0) <sup>2</sup>	50.00

<sup>1</sup> Equity and income figures relate to preconsolidated sub-group<sup>2</sup> Equity and income figures relate to the fiscal year ended Sep. 30, 2003<sup>3</sup> Equity and income figures relate to the fiscal year ended May 31, 2004<sup>4</sup> Data relate to short fiscal year Dec. 01, 2003 - Sep. 30, 2004<sup>5</sup> Data relate to short fiscal year July 01, - Sep. 30, 2004<sup>1</sup> A profit-and-loss-transfer agreement generally exists with this company.

## Companies (As of September 30, 2004)

	Equity in million € or local currency	Result in million € or local currency	Shareholding in %
Thyssen Ros Casares S.A., Valencia, Spain	19.6	10.0	50.00
Transport- en Handelmaatschappij 'Steenkolen Utrecht' B.V., Rotterdam, Netherlands	20.9 <sup>2</sup>	3.2 <sup>2</sup>	50.00
TWB Company, LLC, Detroit, USA	39.7 <sup>3</sup>	13.6 <sup>3</sup>	50.00
VBW Bauen und Wohnen GmbH, Bochum	45.1 <sup>2</sup>	1.8 <sup>2</sup>	13.07
Walzen-Service-Center GmbH, Oberhausen	3.3	0.8	50.00
Wickeder Westfalenstahl GmbH, Wickede/Ruhr	33.7 <sup>2</sup>	0.5 <sup>2</sup>	25.14
<b>AUTOMOTIVE</b>			
ThyssenKrupp Automotive AG, Bochum	269.2	<sup>1</sup>	100.00
ThyssenKrupp Budd Company, Troy/Michigan, USA	95.5	(3.2)	100.00
Brüninghaus Schmiede GmbH, Werdohl	5.6	(0.1)	100.00
Budcan Holdings Inc., Kitchener/Ontario, Canada	68.3	0.7	100.00
Grundstücksverwaltungsgesellschaft Presta SteerTec GmbH & Co.oHG, Düsseldorf	12.5	0.2	100.00
Krupp Automotive Investments of America Inc., Troy/Michigan, USA	8.3	(0.1)	100.00
Krupp Camford Pressings Ltd., Llanelli, United Kingdom	10.1	(1.3)	100.00
Krupp Módulos Automotivos do Brasil Ltda., Sao Jose dos Pinhais Parana, Brazil	20.1	0.2	51.00
Milford Fabricating Company, Detroit/Michigan, USA	28.0	(2.3)	100.00
QDF Components Ltd., Derby, United Kingdom	(1.5)	(17.4)	100.00
Tallent Engineering Holding Corp., Dover/Delaware, USA	(3.6)	(0.4)	100.00
Thyssen Budd Automotive Juiz de Fora Ltda., Juiz de Fora, Brazil	9.4	1.7	100.00
ThyssenKrupp Aluminium Technik s.r.o., Hradek nad Nisou, Tschechische Republik	350.8	85.8	100.00
ThyssenKrupp Atlas, Inc., Fostoria/Ohio, USA	16.2	5.5	100.00
ThyssenKrupp Automotive (UK) Ltd., Newton Aycliffe, United Kingdom	157.7	1.4	100.00
ThyssenKrupp Automotive Chassis Products UK PLC, Durham, United Kingdom	72.8	8.2	100.00
ThyssenKrupp Automotive Mechatronics GmbH, Munich	(0.2)	<sup>1</sup>	100.00
ThyssenKrupp Automotive Sales & Technical Center, Inc., Troy/Michigan, USA	43.8	2.1	100.00
ThyssenKrupp Automotive Systems do Brasil Ltda., São Bernardo do Campo, Brazil	41.2	13.2	100.00
ThyssenKrupp Automotive Systems GmbH, Bochum	15.3	<sup>1</sup>	100.00
ThyssenKrupp Automotive Systems Leipzig GmbH, Leipzig	0.4	<sup>1</sup>	100.00
ThyssenKrupp Automotive Systems Mexico S.A. de C.V., Puebla, Mexico	1.5	0.0	100.00
ThyssenKrupp Automotive Systems U.K. Ltd., Coventry, United Kingdom	1.1	0.7	100.00
ThyssenKrupp Automotive Tallent Chassis Ltd., County Durham, United Kingdom	25.1	8.3	100.00
ThyssenKrupp Bilstein GmbH, Ennepetal	12.1	<sup>1</sup>	99.50
ThyssenKrupp Bilstein of America Inc., San Diego/California, USA	2.1	6.1	100.00
ThyssenKrupp Bilstein Suspension GmbH, Ennepetal	3.2	<sup>1</sup>	100.00
ThyssenKrupp Birmid Ltd., New Aycliffe, United Kingdom	7.5	(4.5)	100.00
ThyssenKrupp Body Stampings Group Ltd., Cannock, United Kingdom	14.5	0.0	100.00
ThyssenKrupp Body Stampings Ltd., Cannock, United Kingdom	10.6	3.0	100.00
ThyssenKrupp Budd Canada Inc., Kitchener/Ontario, Canada	(162.5)	(9.2)	77.25
ThyssenKrupp Budd Systems, LLC, Troy/Michigan, USA	11.7	5.6	100.00
ThyssenKrupp Camford Engineering PLC, Newton Aycliffe, United Kingdom	8.5	0.0	100.00
ThyssenKrupp Drauz GmbH, Heilbronn	1.3	<sup>1</sup>	100.00
ThyssenKrupp Fabco Corp., Halifax/Nova Scotia, Canada	102.7	13.8	100.00
ThyssenKrupp Fahrzeugguss GmbH, Hildesheim	47.4	<sup>1</sup>	100.00
ThyssenKrupp Federn GmbH, Hagen	57.1	<sup>1</sup>	100.00
ThyssenKrupp Fundicoes Ltda., Barra do Pirai, Brazil	83.5	14.4	100.00
ThyssenKrupp Gerlach Company, Danville/Illinois, USA	40.4	12.7	100.00
ThyssenKrupp Gerlach GmbH, Homburg/Saar	53.9	<sup>1</sup>	100.00

**Companies** (As of September 30, 2004)

	Equity in million € or local currency	Result in million € or local currency	Shareholding in %
ThyssenKrupp Guss S.A., Mieres/Oviedo, Spain	6.0	(0.7)	65.22
ThyssenKrupp Hopkinsville, LLC, Hopkinsville/Kentucky, USA	USD 31.7	4.9	100.00
ThyssenKrupp Impormol-Indústria Portuguesa de Molas S.A., Quinta da Courela do Rei, Portugal	11.2	1.1	100.00
ThyssenKrupp Indusa Mure S.L., Alonsotegui, Spain	24.1	(0.1)	100.00
ThyssenKrupp JBM Private Ltd., Chennai, India	INR 404.4	118.4	73.89
ThyssenKrupp Mavilor S.A., L'Horme, France	5.4	1.0	99.99
ThyssenKrupp Metalúrgica Campo Limpo Ltda., Campo Limpo Paulista, Brazil	BRL 487.9	187.0	59.75
ThyssenKrupp Metalúrgica de México S.A. de C.V., Puebla, Mexico	USD 21.6	3.5	100.00
ThyssenKrupp Metalúrgica Santa Luzia S.A., Santa Luzia, Brazil	BRL 76.9	18.4	100.00
ThyssenKrupp Molas Ltda., São Paulo, Brazil	BRL 13.5	5.7	100.00
ThyssenKrupp Präzisionsschmiede GmbH, Munich	22.8	<sup>1</sup>	100.00
ThyssenKrupp Precision Forge Inc., Selma/North Carolina, USA	USD (7.1)	(6.6)	100.00
ThyssenKrupp Presta AG, Eschen, Liechtenstein	CHF 386.4	37.4	100.00
ThyssenKrupp Presta de México S.A. de C.V., Puebla, Mexico	CHF 33.7	13.9	100.00
ThyssenKrupp Presta do Brasil Ltda., Curitiba, Brazil	BRL 32.5	5.2	100.00
ThyssenKrupp Presta Fawer (Changchun) Co. Ltd., Changun, PR China	CNY 31.5	7.4	60.00
ThyssenKrupp Presta France S.A.S., Florange, France	28.5	4.5	100.00
ThyssenKrupp Presta HuiZhong Shanghai Co., Ltd., Shanghai, PR China	CNY 105.9	30.2	60.00
ThyssenKrupp Presta Ilsenburg GmbH, Ilsenburg	12.9	<sup>1</sup>	100.00
ThyssenKrupp Presta SteerTec GmbH, Düsseldorf	26.1 <sup>4</sup>	0.4 <sup>4</sup>	60.00
ThyssenKrupp Presta SteerTec Schönebeck GmbH, Schönebeck	3.0 <sup>4</sup>	0.8 <sup>4</sup>	100.00
ThyssenKrupp Presta SteerTec USA LLC, Detroit/Michigan, USA	USD (7.0) <sup>4</sup>	(3.8) <sup>4</sup>	100.00
ThyssenKrupp Prisma S.A.S., Messempré, France	5.0	1.3	100.00
ThyssenKrupp Rautenbach Castings GmbH, Wernigerode	21.9	10.9	74.90
ThyssenKrupp Sasa S.A. de C.V., San Luis Potosi, Mexico	USD (8.0)	(4.1)	100.00
ThyssenKrupp Sofedit España, S.A., Valladolid, Spain	8.9	2.1	100.00
ThyssenKrupp Sofedit S.A.S., Versailles, France	9.0	5.7	100.00
ThyssenKrupp Stahl Company, Kingsville/Missouri, USA	USD (24.5)	(1.3)	100.00
ThyssenKrupp Waupaca, Inc., Waupaca/Wisconsin, USA	USD 330.8	38.5	100.00
ThyssenKrupp Woodhead Ltd., Leeds, United Kingdom	GBP 15.4	1.4	100.00
Aventec S.A. de C.V., Silao/Guanajuato, Mexico	USD 55.4 <sup>2</sup>	11.8 <sup>2</sup>	33.33
Bertrandt AG, Ehningen	50.4 <sup>2</sup>	1.5 <sup>2</sup>	25.19
BMB Steering Innovation GmbH, Schönebeck	10.2	3.4	50.00
KS Automotive Suspensions Asia Pte. Ltd., Singapore, Singapore	SGD 15.0 <sup>2</sup>	4.6 <sup>2</sup>	50.00
VALMET Automotive Inc., Turku, Finland	13.6 <sup>2</sup>	(7.4) <sup>2</sup>	10.00
<b>ELEVATOR</b>			
ThyssenKrupp Elevator AG, Düsseldorf	378.6	<sup>1</sup>	100.00
Ascenseurs Drieux-Combaluzier S.A.S., Les Lilas, France	8.4	4.5	100.00
Ascensores Cenia S.A., Andoain, Spain	21.0	7.0	100.00
ELEG Europäische Lift + Escalator GmbH, Neuhausen a.d.F.	4.0	<sup>1</sup>	100.00
Elevator Components Inc., Mississauga/Ontario, Canada	CAD 4.9	0.1	84.00
HK Services A/S, Bergen, Norway	NOK 23.9	3.9	100.00
Mainco Elevator & Electrical Corp., New York, USA	USD 8.9	(0.6)	100.00
New York Elevator & Electrical Corporation, New York, USA	USD 22.5	(0.2)	100.00
Tepper Aufzüge GmbH, Münster	1.6	<sup>1</sup>	100.00
Thyssen Elevator A/S, Copenhagen, Denmark	DKK 30.0	(5.8)	100.00
Thyssen Elevator Capital Corp., Whittier/California, USA	USD 421.4	42.6	100.00

<sup>1</sup> Equity and income figures relate to preconsolidated sub-group<sup>2</sup> Equity and income figures relate to the fiscal year ended Sep. 30, 2003<sup>3</sup> Equity and income figures relate to the fiscal year ended May 31, 2004<sup>4</sup> Data relate to short fiscal year Dec. 01, 2003 - Sep. 30, 2004<sup>5</sup> Data relate to short fiscal year July 01, - Sep. 30, 2004<sup>1</sup> A profit-and-loss-transfer agreement generally exists with this company.

## Companies (As of September 30, 2004)

		Equity in million € or local currency	Result in million € or local currency	Shareholding in %
Thyssen Elevators Co., Ltd., Zhongshan, PR China	CNY	216.3	65.8	100.00
Thyssen Lifts Pacific Pty. Ltd., Surry Hills, Australia	AUD	11.7	0.0	100.00
ThyssenKrupp Access Corp., Kansas City/Missouri, USA	USD	8.9	3.2	100.00
ThyssenKrupp Accessibility B.V., Krimpen aan den IJssel, Netherlands		12.6	6.1	100.00
ThyssenKrupp Accessibility Ltd., Leicester, United Kingdom	GBP	(5.1)	(2.1)	100.00
ThyssenKrupp Airport Systems Inc., Fort Worth/Texas, USA	USD	(24.0)	1.4	100.00
ThyssenKrupp Airport Systems, S.A., Mieres/Oviedo, Spain		11.6	5.4	55.17
ThyssenKrupp Ascenseurs Holding S.A.S., Puteaux, France		110.9	23.4	100.00
ThyssenKrupp Ascenseurs S.A.S., Angers, France		84.5	32.9	100.00
ThyssenKrupp Aufzüge AG, Rümlang, Switzerland	CHF	9.6	(1.5)	100.00
ThyssenKrupp Aufzüge Gesellschaft m.b.H., Vienna, Austria		36.3	10.6	100.00
ThyssenKrupp Aufzüge GmbH, Neuhausen a.d.F.		100.9	1	100.00
ThyssenKrupp Aufzüge Ltd., Nottingham, United Kingdom	GBP	22.1	4.8	100.00
ThyssenKrupp Aufzüge Nordost GmbH, Berlin		2.7	1	100.00
ThyssenKrupp Aufzüge Norge A/S, Oslo, Norway	NOK	31.1	5.1	100.00
ThyssenKrupp Aufzüge Süd GmbH, Neuhausen a.d.F.		1.5	1	100.00
ThyssenKrupp Aufzüge West GmbH, Frankfurt a.M.		0.8	1	100.00
ThyssenKrupp Aufzugswerke GmbH, Neuhausen a.d.F.		14.0	1	99.50
ThyssenKrupp Dongyang Elevator Co., Ltd., Seoul, Südkorea	KRW	93,063.7	13,306.0	75.00
ThyssenKrupp Eletec Internacional S.A., Madrid, Spain		29.9	(25.0)	100.00
ThyssenKrupp Elevadores, S.A. de C.V., Mexico City, Mexico	MXN	40.0	(4.4)	100.00
ThyssenKrupp Elevadores, S.A., Lissabon, Portugal		14.5	3.1	100.00
ThyssenKrupp Elevadores, S.A., Madrid, Spain		66.2	35.1	99.92
ThyssenKrupp Elevadores, S.A., São Paulo, Brazil	BRL	199.8	(27.5)	99.81
ThyssenKrupp Elevator & Escalator (Shanghai) Co.Ltd., Shanghai, PR China	CNY	(34.3)	(14.3)	100.00
ThyssenKrupp Elevator (Shanghai) Co., Ltd., Shanghai, PR China	CNY	121.6	47.6	100.00
ThyssenKrupp Elevator Australia Pty. Ltd., Sydney, Australia	AUD	6.2	4.3	100.00
ThyssenKrupp Elevator B.V., Krimpen aan den IJssel, Netherlands		34.3	11.1	100.00
ThyssenKrupp Elevator Canada Ltd., Toronto, Canada	CAD	102.7	3.0	100.00
ThyssenKrupp Elevator Corp., Horn Lake/Mississippi, USA	USD	205.6	55.8	100.00
ThyssenKrupp Elevator Holding Corp., Whittier/California, USA	USD	309.9	43.5	100.00
ThyssenKrupp Elevator Inc., San Juan, Puerto Rico	USD	3.4	0.1	100.00
ThyssenKrupp Elevator Manufacturing France S.A.S., Angers, France		(0.1)	0.8	100.00
ThyssenKrupp Elevator Manufacturing Inc., Collierville/Tennessee, USA	USD	137.5	13.9	100.00
ThyssenKrupp Elevator Sverige AB, Stockholm, Sweden	SEK	30.6	1.9	100.00
ThyssenKrupp Elevator UK Ltd., Nottingham, United Kingdom	GBP	21.6	4.9	100.00
ThyssenKrupp Fahrtreppen GmbH, Hamburg		1.3	1	100.00
ThyssenKrupp Herouth Elevator LP, Rishon Le'zion, Israel	ILS	30.4	(0.2)	50.10
ThyssenKrupp Jolift MSG Co. W.L.L., Amman, Jordanien	JOD	2.3	0.6	51.00
ThyssenKrupp Liften Ascenseurs S.A./N.V., Brussels, Belgium		16.0	3.9	100.00
ThyssenKrupp Liften B.V., Krimpen aan den IJssel, Netherlands		5.4	3.3	100.00
ThyssenKrupp Norte S.A., Mieres/Oviedo, Spain		18.0	3.3	100.00
ThyssenKrupp Northern Elevator Ltd., Scarborough/Ontario, Canada	CAD	166.2	1.4	100.00
ThyssenKrupp Rulletrapper A/S, Oslo, Norway	NOK	22.3	9.5	100.00
Won Co. Ltd., Chonan, Südkorea	KRW	(33,596.0)	4,009.3	100.00
ThyssenKrupp ECE Elevator Pvt. Ltd., Neu Dehli, India	INR	201.2	(45.2)	99.90

**Companies** (As of September 30, 2004)

		Equity in million € or local currency	Result in million € or local currency	Shareholding in %
<b>TECHNOLOGIES</b>				
ThyssenKrupp Technologies AG, Essen		1,024.5	↓	100.00
Advanced Turbine Components, Inc. (ATC), Winston-Salem/North Carolina, USA	USD	7.8	0.9	80.00
B+V Industrietechnik GmbH, Hamburg		25.7	9.7	100.00
BERCO Deutschland GmbH, Ennepetal		2.4	2.2 <sup>1</sup>	100.00
Berco of America Inc., Waukesha/Wisconsin, USA	USD	7.1	1.8	100.00
Berco S.p.A., Copparo, Italy		78.2	8.7	100.00
BercoSul Ltda., Diadema-Sao Paulo, Brazil	BRL	9.3	2.5	100.00
Blohm + Voss GmbH, Hamburg		33.2	↓	99.50
Blohm + Voss Repair GmbH, Hamburg		7.7	3.0 <sup>1</sup>	99.50
Buckau-Walther GmbH, Essen		22.7	0.6	100.00
Carbotecnica S.r.l., Genua, Italy		1.8	0.0	100.00
Cross Hueller, LLC, Sterling Heights/Michigan, USA	USD	25.8	(1.0)	100.00
Cross Hüller GmbH, Ludwigsburg		24.6	↓	100.00
Cross Hüller Ltd., Merseyside, United Kingdom	GBP	3.4	(1.5)	100.00
Cryotrans Schifffahrts GmbH, Emden		5.3	↓	100.00
European Naval Systems Beteiligungen GmbH, Essen		200.0	↓	100.00
Fadal Machining Center, LLC, Chatsworth/California, USA	USD	135.8	(4.1)	100.00
G & L USA LLC, Fond du Lac/Wisconsin, USA	USD	298.6	(4.7)	100.00
G&L Motion Control, LLC, Fond du Lac/Wisconsin, USA	USD	12.4	(1.2)	100.00
Giddings & Lewis GmbH, Essen		19.2	0.7	100.00
Giddings & Lewis Machine Tools LLC, Fond du Lac/Wisconsin, USA	USD	23.2	7.3	100.00
Giddings & Lewis, LLC, Fond du Lac/Wisconsin, USA	USD	(18.9)	(12.6)	100.00
Gilman Engineering & Manufacturing Co. LLC, Janesville/Wisconsin, USA	USD	65.3	(11.8)	100.00
Hessapp GmbH, Essen		1.0	↓	100.00
Hüller Hille GmbH, Essen		4.0	↓	100.00
Industrie Automation S.A.S., Ensisheim, France		5.5	1.4	100.00
Inventa Anlagenbau (Holding) GmbH, Berlin <sup>5</sup>		11.0 <sup>5</sup>	2.0 <sup>5</sup>	100.00
Johann A. Krause Inc., Auburn Hills/Michigan, USA	USD	22.5	0.9	100.00
Johann A. Krause Maschinenfabrik GmbH, Bremen		8.9	↓	100.00
Johann A. Krause U.K. Ltd., Redhill/Surrey, United Kingdom	GBP	4.3	0.2	100.00
Krupp Canada Inc., Calgary/Alberta, Canada	CAD	21.7	1.6	100.00
Krupp Hoesch Tecna GmbH, Dortmund		4.2	↓	100.00
Krupp Stahlbau Berlin GmbH, Berlin		3.1	↓	100.00
Nippon Roballo Company Ltd., Minato-ku/Tokio, Japan	JPY	1,437.4	301.8	100.00
Nordseewerke GmbH, Emden		12.8	↓	99.50
Noske-Kaeser GmbH, Hamburg		5.6	↓	100.00
Nothelfer GmbH, Ravensburg		10.6	↓	99.50
Polysius AG, Münster		13.9	↓	100.00
Polysius Corp., Atlanta/Georgia, USA	USD	9.0	(2.7)	100.00
Polysius de Mexico S.A. de C.V., Mexico-City, Mexico	MXN	46.4	(47.0)	100.00
Polysius Ltd., Ascot/Berkshire, United Kingdom	GBP	2.0	0.1	100.00
Polysius S.A.S., Aix en Provence, France		30.5	6.2	100.00
PSL a.s., Povazská Bystrica, Slovakia	SKK	1,006.8	139.9	100.00
Roballo Engineering Company Ltd., Peterlee, United Kingdom	GBP	6.6	0.5	100.00
Robrasa Rolamentos Especiais Rothe Erde Ltda., Diadema, Brazil	BRL	9.6	2.6	100.00
Rotek Incorporated, Aurora/Ohio, USA	USD	27.3	4.1	100.00
Rothe Erde - Metallurgica Rossi S.p.A., Visano, Italy		9.7	1.9	100.00

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## Companies (As of September 30, 2004)

		Equity in million € or local currency	Result in million € or local currency	Shareholding in %
Rothe Erde Beteiligungs GmbH, Essen		132.6	1	100.00
Rothe Erde GmbH, Dortmund		25.6	1	99.50
Rothe Erde Ibérica S.A., Zaragoza, Spain		2.9	0.6	100.00
SVG Steinwerder Verwaltungsgesellschaft mbH, Hamburg		0.1	1	100.00
ThyssenKrupp Defontaine S.A., Saint Herblain, France		25.9	3.2	99.99
ThyssenKrupp Elastomertechnik GmbH, Hamburg		5.1	1	100.00
ThyssenKrupp EnCoke GmbH, Dortmund		34.0	1	99.23
ThyssenKrupp Engineering (Australia) Pty. Ltd., Perth, Australia	AUD	9.1	1.8	100.00
ThyssenKrupp Engineering (Proprietary) Ltd., Sunninghill, South Africa	ZAR	20.8	0.9	100.00
ThyssenKrupp Fördertechnik GmbH, Essen		61.3	1	100.00
ThyssenKrupp Industries India Pvt. Ltd., Pimpri, India	INR	1,434.7	103.6	53.93
ThyssenKrupp Ingeniería y Sistemas S.A., San Sebastián de los Reyes/Madrid, Spain		(5.8)	(1.0)	100.00
ThyssenKrupp Metal Cutting do Brasil Ltda., Diadema-Sao Paulo, Brazil	BRL	12.4	(2.6)	100.00
ThyssenKrupp MetalCutting GmbH, Ludwigsburg		62.0	1	100.00
ThyssenKrupp Nothelfer Kft., Kecskemét, Hungary		4.2	0.1	100.00
ThyssenKrupp Production Systems Ltda., Diadema-Sao Paulo, Brazil	BRL	14.8	(5.3)	100.00
ThyssenKrupp Robins Inc., Denver/Colorado, USA	USD	4.6	0.5	100.00
ThyssenKrupp Servicios Técnicos S.A., Madrid, Spain		(2.5)	(4.8)	100.00
ThyssenKrupp Stahlbau GmbH, Hanover		0.5	1	100.00
ThyssenKrupp Transrapid GmbH, Kassel		2.8	1	100.00
ThyssenKrupp Turbinenkomponenten GmbH, Remscheid		5.1	1	100.00
ThyssenKrupp Werften GmbH, Hamburg		56.0	1	100.00
Uhde Edeleanu S.E. Asia Pte. Ltd., Singapore, Singapore	SGD	(6.2)	0.6	100.00
Uhde GmbH, Dortmund		90.1	1	100.00
Uhde High Pressure Technologies GmbH, Hagen		6.1	1	100.00
Uhde India Ltd., Mumbai, India	INR	475.4	83.0	80.43
Uhde Inventa-Fischer AG, Männedorf, Switzerland	CHF	(5.4)	(2.1)	100.00
Uhde Inventa-Fischer GmbH & Co. KG, Berlin		5.8	(1.5)	100.00
Witzig & Frank GmbH, Offenburg		9.5	1	100.00
Xuzhou Rothe Erde Slewing Bearing Co., Ltd., Xuzhou, PR China	CNY	158.6	53.5	60.00
Krupp Uhde Venezuela, C.A., Caracas, Venezuela	VEB	(17,206.3)	(3,507.7)	100.00
Polysius-Hilfe GmbH, Münster		3.9	(0.4)	100.00
Uhde do Brasil Ltda., São Paulo, Brazil	BRL	(20.5)	0.3	100.00
Cryotrans Schiffahrts GmbH & Co. KG MS "Gaschen Moon", Emden		(11.5)	0.5	1.23
Cryotrans Schiffahrts GmbH & Co. KG MS "Gaschen Star", Emden		(11.0)	0.7	8.32
Intecsa-Uhde Industrial S.A., Madrid, Spain		8.8 <sup>2</sup>	3.0 <sup>2</sup>	50.00
MARTIME - Gesellschaft für maritime Dienstleistungen mbH, Elsfleth/Unterweser		8.2 <sup>2</sup>	6.5 <sup>2</sup>	35.00
MTG Marinetechnik GmbH, Hamburg		3.1	0.7	20.00
Transrapid International GmbH & Co. KG, Berlin		(0.8)	(1.7)	50.00
UhdeNora S.p.A., Milano, Italy		6.5 <sup>2</sup>	2.3 <sup>2</sup>	50.00
<b>SERVICES</b>				
ThyssenKrupp Services AG, Düsseldorf		676.1	1	99.83
B.V. 'Nedeximpo' Nederlandse Export- en Importmaatschappij, Amsterdam, Netherlands		9.1	0.7	100.00
Cadillac Plastic GmbH, Viernheim		6.2	1	100.00
Christon N.V., Lokeren, Belgium		3.1	0.3	100.00
Dortmunder Eisenhandel Hansa GmbH, Dortmund		14.6	1	100.00
Dr. Mertens Edelstahlhandel GmbH, Offenbach		2.5	1	100.00



## Companies (As of September 30, 2004)

		Equity in million € or local currency	Result in million € or local currency	Shareholding in %
DSU Gesellschaft für Dienstleistungen und Umwelttechnik mbH & Co. KG, Duisburg		16.5	6.5	50.00
Eckhardt Marine GmbH, Hamburg	USD	3.0	<sup>1</sup>	100.00
Eisen und Metall GmbH, Stuttgart		3.7	<sup>1</sup>	51.00
Eisenmetall Handelsgesellschaft mbH, Gelsenkirchen		0.0	<sup>1</sup>	100.00
Emunds & Staudinger GmbH, Hückelhoven		4.8	<sup>1</sup>	100.00
Fortinox S.A., Buenos Aires, Argentina	USD	9.2	6.1	80.00
Freiburger Stahlhandel GmbH & Co. KG, Freiburg i.Br.		3.2	1.3	51.00
Health Care Solutions GmbH, Bielefeld		4.2	<sup>1</sup>	100.00
Hommel GmbH, Cologne		3.8	<sup>1</sup>	100.00
Hommel Präzision GmbH, Cologne		0.7	<sup>1</sup>	100.00
Hövelmann & Co. Eisengroßhandlung GmbH, Gelsenkirchen		0.3	<sup>1</sup>	100.00
Jacob Bek GmbH, Ulm		7.8	3.4	80.00
Krupp Druckereibetriebe GmbH, Essen		2.6	<sup>1</sup>	100.00
LIBERGS Byggnadsställningar AB, Stockholm, Sweden	SEK	39.4	0.0	100.00
Locatelli Aciers S.A.S., Oyonnax, France		3.3	0.3	100.00
Metall Service Partner GmbH, Haan/Rhld.		5.6	<sup>1</sup>	100.00
N.V. Thyssen Belge S.A., Grâce-Hollogne, Belgium		4.7	(0.2)	100.00
Neomat AG, Beromünster/Luzern, Switzerland	CHF	32.8 <sup>1</sup>	3.7 <sup>1</sup>	100.00
Notz Plastics AG, Brugg, Switzerland	CHF	5.0	0.7	100.00
OOO ThyssenKrupp Materials, Moscow, Russia	RUB	116.2	(4.1)	80.00
Otto Wolff Handelsgesellschaft mbH, Düsseldorf		19.3	<sup>1</sup>	99.50
Otto Wolff Kunststoffvertrieb GmbH, Düsseldorf		7.1	<sup>1</sup>	100.00
Palmer Ltd., Hampshire, United Kingdom	GBP	3.4	(12.2)	100.00
Peiniger International GmbH, Gelsenkirchen		0.8	2.8	100.00
PeinigerRöRo GmbH, Gelsenkirchen		40.1	(2.1)	100.00
PLEXI S.L., Massalfassar (Valencia), Spain		15.2	2.4	100.00
RIAS A/S, Roskilde, Denmark	DKK	106.9	5.9	54.15
Rodisola S.A., Taragona, Spain		3.0	(0.2)	100.00
Röhm Austria G.m.b.H., Vienna, Austria		2.8	0.3	100.00
Röhm Benelux B.V., Nijkerk, Netherlands		27.4	0.2	100.00
Röhm Italia S.r.l., Garbagnate Milanese, Italy		3.0	0.6	100.00
Safway Services Inc., Wilmington/Delaware, USA	USD	93.3	9.2	100.00
Schmutz GmbH, Weil am Rhein		5.1	(0.4)	100.00
Stahlkontor Hahn GmbH, Düsseldorf		2.9	<sup>1</sup>	100.00
Thyssen Altwert Umweltservice GmbH, Bottrop		0.5	<sup>1</sup>	100.00
Thyssen Financial Services B.V., 's-Gravendeel, Netherlands		4.0	(0.1)	100.00
Thyssen Informatik Services GmbH, Krefeld		5.8	<sup>1</sup>	100.00
Thyssen Mannesmann Handel (SEA) Pte. Ltd., Singapore, Singapore	SGD	14.4	4.8	100.00
Thyssen Mannesmann Handel GmbH, Düsseldorf		76.2	<sup>1</sup>	100.00
Thyssen Mannesmann Trading Pty. Ltd., Sydney, Australia	AUD	18.3	6.5	100.00
Thyssen Mannesmann UK Ltd., Woking, United Kingdom	GBP	3.2	0.7	100.00
Thyssen Rheinstahl Technik GmbH, Düsseldorf		27.8	<sup>1</sup>	100.00
Thyssen Rheinstahl Technik Projektgesellschaft mbH, Düsseldorf		19.0	0.1	100.00
Thyssen Röhm Kunststoffe GmbH, Düsseldorf		60.2	<sup>1</sup>	65.45
Thyssen Schulte Werkstoffhandel GmbH, Düsseldorf		10.7	<sup>1</sup>	99.50
Thyssen Sonnenberg GmbH, Düsseldorf		15.5	<sup>1</sup>	100.00
Thyssen Sudamerica N.V., Willemstad, Dutch Antilles	USD	2.5	5.4	100.00
Thyssen Trading S.A., Sao Paulo, Brazil	BRL	16.1	1.2	100.00

<sup>1</sup> Equity and income figures relate to preconsolidated sub-group<sup>2</sup> Equity and income figures relate to the fiscal year ended Sep. 30, 2003<sup>3</sup> Equity and income figures relate to the fiscal year ended May 31, 2004<sup>4</sup> Data relate to short fiscal year Dec. 01, 2003 - Sep. 30, 2004<sup>5</sup> Data relate to short fiscal year July 01, - Sep. 30, 2004<sup>1</sup> A profit-and-loss-transfer agreement generally exists with this company.

## Companies (As of September 30, 2004)

		Equity in million € or local currency	Result in million € or local currency	Shareholding in %
ThyssenKrupp Anlagenservice GmbH, Oberhausen		13.6	(0.3)	100.00
ThyssenKrupp Energostal S.A., Torun, Poland	PLN	134.1	73.9	80.00
ThyssenKrupp Facilities Services GmbH, Düsseldorf		6.7	<sup>1</sup>	100.00
ThyssenKrupp Ferroglobus Kereskedelmi Rt., Budapest, Hungary	HUF	10,880.7	2,429.3	89.98
ThyssenKrupp GfT Bautechnik GmbH, Essen		0.5	<sup>1</sup>	70.00
ThyssenKrupp GfT Gleistechnik GmbH, Essen		74.8	<sup>1</sup>	100.00
ThyssenKrupp GfT Polska Sp. z o.o., Krakau, Poland	PLN	12.4	1.0	100.00
ThyssenKrupp HiServ GmbH, Düsseldorf		25.3	<sup>1</sup>	100.00
ThyssenKrupp Industrieservice GmbH, Cologne		8.3	<sup>1</sup>	100.00
ThyssenKrupp Industrieservice Holding GmbH, Düsseldorf		95.0	<sup>1</sup>	100.00
ThyssenKrupp Information Services GmbH, Düsseldorf		281.7	<sup>1</sup>	100.00
ThyssenKrupp Logistics, Inc., Wilmington/Delaware, USA	USD	3.8	1.5	100.00
ThyssenKrupp Materials Belgium N.V./S.A., Lokeren, Belgium		0.8	(0.5)	100.00
ThyssenKrupp Materials CA Ltd., Rexdale/Ontario, Canada	CAD	11.6	0.6	100.00
ThyssenKrupp Materials Danmark A/S, Copenhagen, Denmark	DKK	19.2	3.4	100.00
ThyssenKrupp Materials France S.A.S., Maurepas, France		37.5	3.2	100.00
ThyssenKrupp Materials Ibérica S.A., Martorelles, Spain		15.3	4.0	100.00
ThyssenKrupp Materials Inc., Eastpointe/Michigan, USA	USD	86.2	17.5	100.00
ThyssenKrupp Materials (UK) Ltd. Smethwick, United Kingdom	GBP	13.5 <sup>1</sup>	0.1 <sup>1</sup>	100.00
ThyssenKrupp Materials NA, Inc., Dover/Delaware, USA	USD	197.5	9.6	100.00
ThyssenKrupp Materials Nederland B.V., Veghel, Netherlands		13.0	4.2	100.00
ThyssenKrupp Materials Schweiz AG, Bronschhofen, Switzerland	CHF	23.8	2.0	100.00
ThyssenKrupp Materials Sverige AB, Göteborg, Sweden	SEK	19.8	(3.9)	100.00
ThyssenKrupp Metallcenter GmbH, Karlsruhe		1.3	<sup>1</sup>	100.00
ThyssenKrupp Metallurgie GmbH, Essen		16.5	<sup>1</sup>	100.00
ThyssenKrupp Metals Company Ltd., Seoul, South Korea	KRW	8,535.7	2,400.9	60.00
ThyssenKrupp MinEnergy GmbH, Essen		20.9	<sup>1</sup>	100.00
ThyssenKrupp Nutzeisen GmbH, Düsseldorf		0.6	<sup>1</sup>	100.00
ThyssenKrupp Plant Services GmbH, Bottrop		3.8	<sup>1</sup>	100.00
ThyssenKrupp Portugal - Aços e Serviços, Lda., Carregado, Portugal		10.8	1.3	100.00
ThyssenKrupp Receivables Corp., Dover/Delaware, USA	USD	18.1	0.0	100.00
ThyssenKrupp RST Rohstoffe und Technik GmbH, Essen		10.9	<sup>1</sup>	100.00
ThyssenKrupp Schulte GmbH, Düsseldorf		0.0	<sup>1</sup>	100.00
ThyssenKrupp Serv (UK) Ltd., Birmingham, United Kingdom	GBP	3.0	1.0	100.00
ThyssenKrupp Serv Austria Gesellschaft m.b.H., Vienna, Austria		15.0	1.6	100.00
ThyssenKrupp Stahlkontor GmbH, Düsseldorf		4.2	<sup>1</sup>	99.96
ThyssenKrupp Stahlunion Austria GmbH, Vienna, Austria		3.5	0.7	100.00
ThyssenKrupp Stahlunion GmbH, Düsseldorf		44.8	<sup>1</sup>	100.00
ThyssenKrupp Systems & Services GmbH, Ratingen		63.3	<sup>1</sup>	100.00
ThyssenKrupp Wiscore GmbH, Bochum		3.0	<sup>1</sup>	100.00
Trattendorfer Projektverwaltungsgesellschaft mbH, Spremberg		3.0	<sup>1</sup>	100.00
Vetchberry Ltd., Birmingham, United Kingdom	GBP	8.3	0.8	100.00
Willy Schiffer Eisen- und Bautenschutz GmbH, Düren		2.8	0.3	100.00
Xtend Holding GmbH, Düsseldorf		(29.6)	<sup>1</sup>	100.00
Aceros de America Inc., San Juan, Puerto Rico	USD	6.3	1.2	50.00
Dufer S.A., Sao Paulo, Brazil	BRL	33.4 <sup>2</sup>	11.1 <sup>2</sup>	49.00
Finox S.p.A., Milan, Italy		26.0 <sup>2</sup>	(0.3) <sup>2</sup>	40.00
JV WICOOM GbR, Spargau		2.4 <sup>2</sup>	3.6 <sup>2</sup>	33.33

## Companies (As of September 30, 2004)

	Equity in million € or local currency	Result in million € or local currency	Shareholding in %
LAMINCER S.A., Munguia, Spain	6.6 <sup>2</sup>	2.2 <sup>2</sup>	38.00
Leong Jin Corporation Pte. Ltd., Singapore, Singapore	SGD 27.3 <sup>2</sup>	2.0 <sup>2</sup>	50.00
Polarputki Oy, Helsinki, Finland	7.0 <sup>2</sup>	0.9 <sup>2</sup>	50.00
Resopal S.A., Madrid, Spain	5.4 <sup>2</sup>	1.3 <sup>2</sup>	20.00
TGHH GmbH & Co. KG, Dortmund	3.8 <sup>2</sup>	3.3 <sup>2</sup>	50.00
TVF Thyssen-VEAG Flächenrecycling GmbH, Lübbenau	3.3	0.6	50.00
<b>REAL ESTATE</b>			
ThyssenKrupp Immobilien GmbH, Essen	34.4	↓	100.00
Immoever Gesellschaft für Grundstücksverwaltung mbH, Essen	5.2	↓	100.00
Krupp Hoesch Immobilien GmbH, Essen	91.1	↓	100.00
Krupp Stahl AG & Co Liegenschaftsverwaltung OHG, Bochum	2.5	(20.1)	100.00
Krupp Stahl Wohnungsbau GmbH, Essen	25.7	↓	99.50
Suter + Suter GmbH, Düsseldorf	5.8	(1.4)	100.00
Thyssen Draht GmbH, Hamm	118.0	↓	100.00
Thyssen Henschel GmbH, Essen	5.1	↓	99.50
Thyssen Liegenschaften Verwaltungs- und Verwertungs GmbH & Co.KG Stahl, Oberhausen	3.5	3.0	100.00
Thyssen Wohnbau GmbH, Essen	16.7	↓	99.50
Thyssen Wohnungsgesellschaft Dümpten mbH, Essen	12.8	↓	100.00
Thyssen Wohnungsgesellschaft Remscheid mbH, Essen	18.1	1.9	100.00
ThyssenKrupp Bausysteme GmbH, Duisburg	10.0	↓	100.00
ThyssenKrupp Grundbesitz Verwaltungs GmbH, Essen	10.0	↓	100.00
ThyssenKrupp Immobilien Management GmbH, Essen	0.3	↓	100.00
ThyssenKrupp Immobilienentwicklungs Krefeld GmbH, Oberhausen	10.6	↓	100.00
ThyssenKrupp Liegenschaften Umformtechnik Verwaltungs GmbH, Oberhausen	5.7	↓	100.00
ThyssenKrupp Wohnimmobilien GmbH, Essen	296.6	↓	99.69
COMUNITHY Immobilien AG, Düsseldorf	(6.3) <sup>2</sup>	(14.2) <sup>2</sup>	49.00
<b>CORPORATE</b>			
Thyssen Stahl GmbH, Düsseldorf	2,018.0	↓	100.00
Blohm + Voss Holding GmbH, Hamburg	48.6	11.3	100.00
CCI Crane Cooperation International Handelsgesellschaft mbH, Düsseldorf	2.8	0.0	100.00
Grupo ThyssenKrupp S.A., Madrid, Spain	213.7	11.6	100.00
Hünnebeck Nederland B.V., Klundert, Netherlands	39.2	0.7	100.00
Konsortium für Kurssicherung GbR, Düsseldorf	0.0	6.3	98.40
Krupp Entwicklungszentrum GmbH, Essen	(7.6)	↓	100.00
Krupp Hoesch Handel GmbH, Düsseldorf	146.6	0.3	100.00
Krupp Hoesch Stahl GmbH, Dortmund	596.9	↓	100.00
Krupp Industrietechnik GmbH, Essen	36.8	(0.1)	100.00
Krupp Stahl Handel GmbH, Essen	11.7	0.3	100.00
MONTAN GmbH Assekuranz-Makler, Düsseldorf	0.2	↓	53.11
Thyssen Acquisition Corp., Dover/Delaware, USA	USD (26.4)	(50.3)	100.00
ThyssenKrupp Dienstleistungen GmbH, Düsseldorf	21.0	↓	100.00
ThyssenKrupp Finance Nederland B.V., Amsterdam, Netherlands	3.6	1.3	100.00
ThyssenKrupp France S.A., Rueil-Malmaison, France	355.2	47.0	100.00
ThyssenKrupp Intermediate U.K. Ltd., Cambridge, United Kingdom	GBP (32.3)	3.4	100.00
ThyssenKrupp Italia S.p.A., Terni, Italy	463.0	(31.9)	100.00
ThyssenKrupp Materials & Services GmbH, Düsseldorf	417.2	↓	100.00

<sup>1</sup> Equity and income figures relate to preconsolidated sub-group

<sup>2</sup> Equity and income figures relate to the fiscal year ended Sep. 30, 2003

<sup>3</sup> Equity and income figures relate to the fiscal year ended May 31, 2004

<sup>4</sup> Data relate to short fiscal year Dec. 01, 2003 - Sep. 30, 2004

<sup>5</sup> Data relate to short fiscal year July 01, - Sep. 30, 2004

<sup>1</sup> A profit-and-loss-transfer agreement generally exists with this company.

## Companies (As of September 30, 2004)

	Equity in million € or local currency	Result in million € or local currency	Shareholding in %
ThyssenKrupp Nederland B.V., Roermond, Netherlands	131.0	7.4	100.00
ThyssenKrupp Participaciones, S.L., Andoain, Spain	13.8	(0.6)	100.00
ThyssenKrupp UK Plc., County Durham, United Kingdom	143.5	(13.2)	100.00
ThyssenKrupp USA, Inc., Troy/Michigan, USA	1,082.8	(302.2)	100.00
ThyssenKrupp Versicherungsdienst GmbH Industrieversicherungsvermittlung, Düsseldorf	0.6	<sup>1</sup>	100.00
Grundstücksgesellschaft Schlossplatz 1 mbH & Co.KG, Berlin	9.6 <sup>2</sup>	(0.4) <sup>2</sup>	22.22
MHT MAN Hoesch Teleservice GmbH & Co. KG, Essen	6.3 <sup>2</sup>	0.0 <sup>2</sup>	50.00
RAG Aktiengesellschaft, Essen	486.9 <sup>2</sup>	0.0 <sup>2</sup>	20.56
Wuppermann Bildungswerk Leverkusen GmbH, Leverkusen	3.5 <sup>2</sup>	0.0 <sup>2</sup>	45.45

<sup>1</sup> Equity and income figures relate to preconsolidated sub-group

<sup>2</sup> Equity and income figures relate to the fiscal year ended Sep. 30, 2003

<sup>3</sup> Equity and income figures relate to the fiscal year ended May 31, 2004

<sup>4</sup> Data relate to short fiscal year Dec. 01, 2003 - Sep. 30, 2004

<sup>5</sup> Data relate to short fiscal year July 01, - Sep. 30, 2004

<sup>1</sup> A profit-and-loss-transfer agreement generally exists with this company.



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E-mail [info@tk.thyssenkrupp.com](mailto:info@tk.thyssenkrupp.com)**2005\_2006 dates****January 21, 2005**

Annual General Meeting

**January 24, 2005**

Payment of dividend for the 2003/2004 fiscal year

**February 14, 2005**

Interim report

1st quarter 2004/2005 (October to December)

Conference call with analysts and investors

**May 13, 2005**

Interim report

2nd quarter 2004/2005 (January to March)

**May 18, 2005**

Analysts' and investors' meeting

**August 12, 2005**

Interim report

3rd quarter 2004/2005 (April to June)

Conference call with analysts and investors

**December 01, 2005**

Annual press conference

Analysts' and investors' meeting

**January 27, 2006**

Annual General Meeting

This report is available in German and English; both versions can be downloaded from the internet at **[www.thyssenkrupp.com](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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