

Charts on the 2nd quarter 2003_2004
May 17, 2004

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

02

ThyssenKrupp



Agenda

- Featured Topic:

ThyssenKrupp Automotive – Reliable Partner to the Automotive Industry

Dr. Wolfram Mörsdorf: • Executive Board Member,
 ThyssenKrupp AG

 • Chairman of the Executive Board,
 ThyssenKrupp Automotive AG

Dr. Karsten Kroos: • Executive Board Member,
 ThyssenKrupp Automotive AG

- Financials, 2nd quarter 2003/2004

Dr. A. Stefan Kirsten: • Executive Board Member and CFO,
 ThyssenKrupp AG



Agenda

Dr. Wolfram Mörsdorf

- Overview ThyssenKrupp Automotive
 - Outlook and Strategy
 - From Engineering Loop to One-stop-shopping
 - Long-term Partnerships with OEMs (Dr. Karsten Kroos)
 - Summary
-



ThyssenKrupp Group 2002/2003

ThyssenKrupp AG

Group sales (consolidated): €35.9 billion • EBT (consolidated): €706 million • Employees: 190,102

Steel	Automotive	Elevator	Technologies	Services
Sales: €12.0 bn EBT: €384 m Employees: 49,286 • Carbon Steel • Stainless Steel • Special Materials	Sales: €6.3 bn EBT: €188 m Employees: 41,414 • Chassis • Body • Powertrain	Sales: €3.4 bn EBT: €355 m Employees: 29,689 • 5 regional Business Units • Passenger Boarding Bridges • Accessibility	Sales: €5.4 bn EBT: €42 m Employees: 29,871 • Production Systems • Plant Technology • Marine • Mechanical Engineering	Sales: €10.9 bn EBT: €24 m Employees: 38,487 • MaterialsServices Europe • MaterialsServices North America • Industrial Services • Special Products
Steel	Capital Goods			Services

Inter-segment sales unconsolidated; employees as at Sept 30, 2003

ThyssenKrupp Automotive



ThyssenKrupp Automotive 2002/2003

ThyssenKrupp Automotive

Sales: €6,295 million • EBT: €188 million • Employees: 41,414

Chassis

Sales: €2,764 m
Employees: 15,441*

Components/Modules, e.g.
Axle parts/axle assemblies
Cast parts

Systems, e.g.
Complete axles
Air suspension systems

Body

Sales: €1,685 m
Employees: 11,347*

Components/Modules, e.g.
Roof parts
Side panels
Doors

Systems, e.g.
Body systems
Design and engineering
services

Powertrain

Sales: €1,877 m
Employees: 14,481*

Components/Modules, e.g.
Crankshafts
Camshafts
Steering columns/steering
shafts

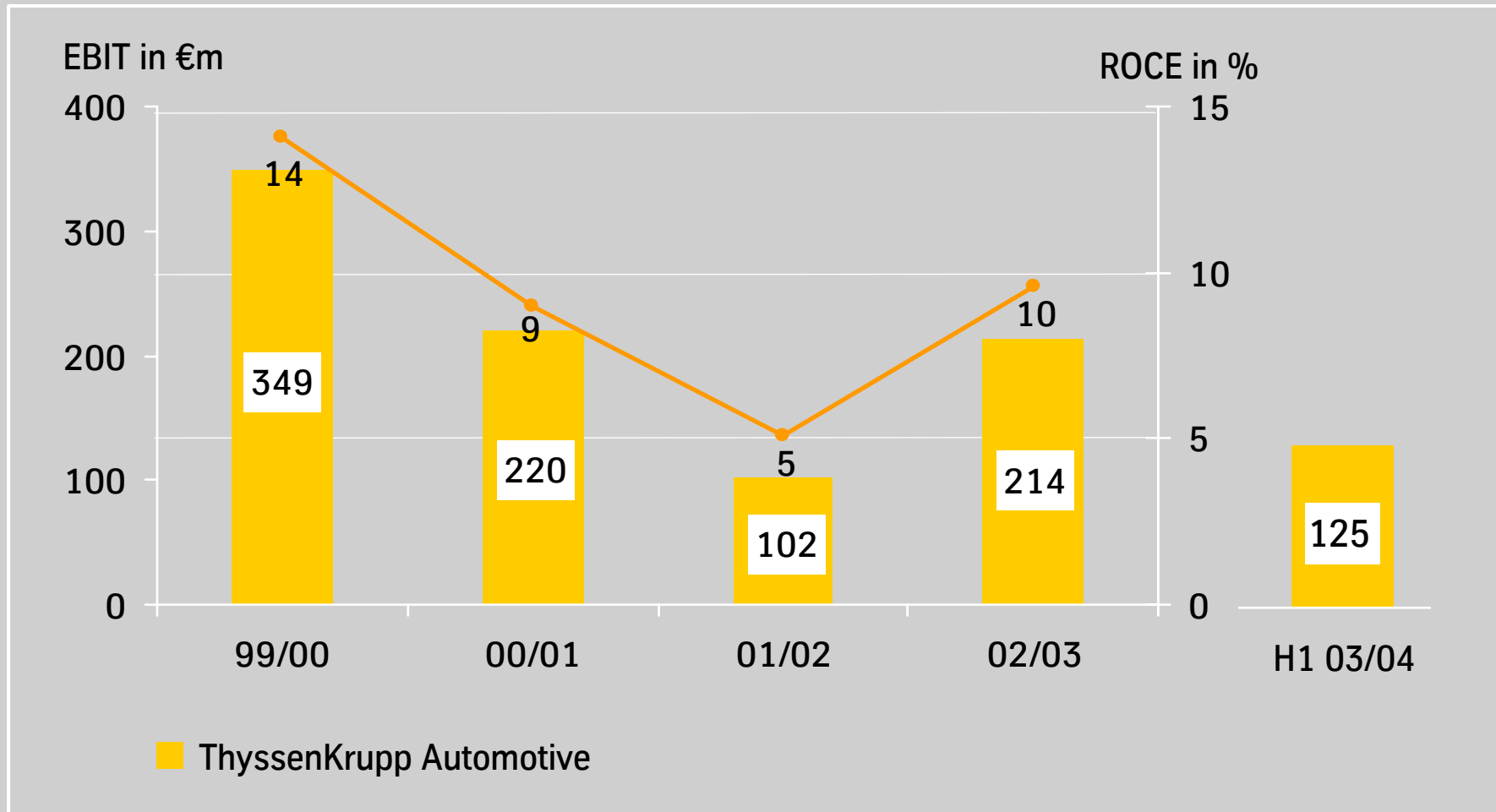
Systems, e.g.
Steering systems
Cylinder head systems

* excl. administration and sales

ThyssenKrupp Automotive



Performance within the segment



Competitive environment

Sales 2002/2003, in €bn

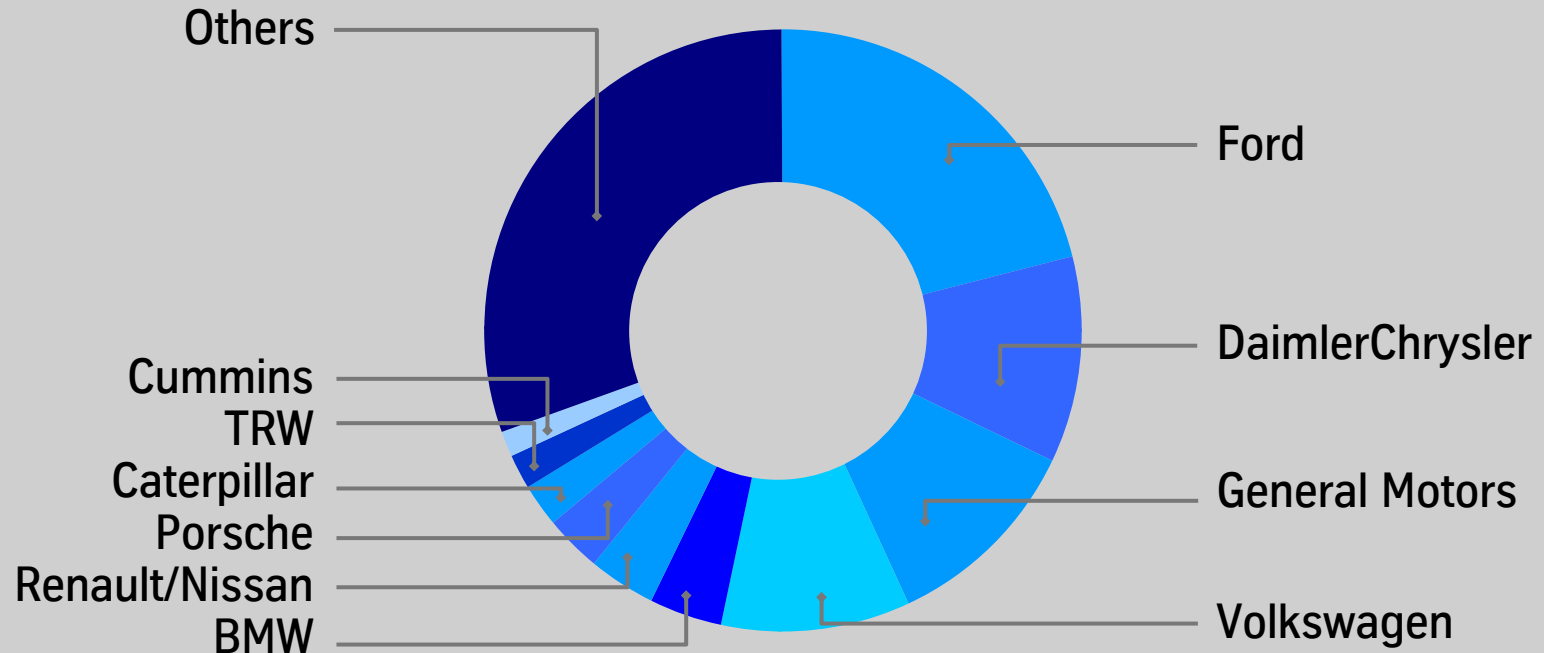
1	Delphi Automotive Systems, USA	26.2
2	Robert Bosch, D	23.3
3	Denso, J	20.2
4	Visteon Automotive Systems, USA	17.6
5	Johnson Controls, USA	14.7
6	Lear, USA	13.7
7	Magna International, CDN	11.9
8	ThyssenKrupp, D	11.3 *
9	Aisin Seiki, J	10.9
10	TRW, USA	10.1
11	Faurecia, F	9.9
12	Valeo, F	9.8
13	Dana, USA	9.1
14	Siemens Automotive/VDO, D	8.5
15	ZF Friedrichshafen, D	8.3

* sales with automotive clients

ThyssenKrupp Automotive



Top 10 customers



ThyssenKrupp Automotive achieves 2/3 of its €6,295 m sales with its 10 biggest customers (2002/2003)

Current industry trends favor automotive suppliers

OEMs reducing in-house manufacture (lowering vertical integration) in addition to producing an increasing variety of models (increasing horizontal diversification)

- ➡ **Increasing supplier value share** (supplier sales up to 68% worldwide until 2015, CAGR: 4.8%)
- ➡ **Increasing globalization** in production, sales and development
- ➡ **Increasing degree of innovation** due to shorter product life cycles



Growth opportunities for ThyssenKrupp Automotive



Objectives and strategic actions

Increase sales to €10 bn by 2007/08 (CAGR: 9.7%), target ROCE: 17%

- Organic and acquisitional growth
-
- Twin Focus Strategy: Parallel expansion of high-margin component and system business in core activities
-
- Increase business with Asian OEMs, expand along with our customers presence in Asia and Eastern Europe
-
- Utilize existing cross segment capabilities within the ThyssenKrupp Group
-
- Enhance technological competence through cross segment cooperation and joint product development



Organic growth: New projects (I)

Chassis



Customer: BMW
Models: Series 3
Product: Assembly front and rear axle
Company: ThyssenKrupp
Automotive Systems, Germany

Chassis



Customer: Ford, EUCD-Program
Models: Ford Mondeo, Galaxy, Freelander;
Volvo V70, S80, S60
Product: Structural parts front and rear axle
Company: ThyssenKrupp Automotive
Tallent Chassis, UK



Organic growth: New projects (II)

Body



Customer: Ford
Models: GT-Program
Product: Body frame
Company: ThyssenKrupp Budd/
Milford Fabricating Company,
USA

Body



Customer: PSA
Model: 207
Product: Body-in-white components
Company: ThyssenKrupp Sofedit, France

Organic growth: New projects (III)

Powertrain



Customer: BMW, PSA
Models: BMW Mini, Peugeot 106
Product: Camshafts, eccentric shafts
Company: ThyssenKrupp Presta,
Principality of Liechtenstein

Powertrain



Customer: DaimlerChrysler
Models: C-, E-, S-Class
Product: Crankshafts
Company: ThyssenKrupp Gerlach, Germany

Acquisitions:

ThyssenKrupp Sofedit and ThyssenKrupp Presta SteerTec (MB Lenk)

ThyssenKrupp Sofedit

Sales: €600 m

Employees: 4,000

Products: Body, chassis: stampings&assemblies

Customers: Renault, PSA

- Leading French supplier of automotive stampings and assemblies for body and chassis area = ThyssenKrupp Automotive core business in USA, UK and Germany
- French car manufacturers could not be served adequately from existing plants

- ➔ Leading position in the French market for ThyssenKrupp Automotive
- ➔ Access to new technology: Hot stamping

ThyssenKrupp Presta SteerTec

Sales: €300 m

Employees: 1,600

Products: Steering gears

Customers: DC, Saab

- Combining the activities of MB Lenk (steering gears) and ThyssenKrupp Presta (steering columns) will create a global supplier of complete steering systems

- ➔ Know-how and technology gains for steering business



Twin Focus Strategy (I)

Modules, components

- Superior products
- Cost leadership through process optimization
- Technology leadership in production processes

➔ Supplying modules and components for a variety of models, e.g.:

- Audi (A3, A8)
- BMW (3 Series, 5 Series, 7 Series, Z4)
- Nissan (Maxima, Micra, Murano, Quest)
- Renault (Scénic, Kangoo, Mégane)

Examples

ThyssenKrupp Waupaca: Brake rotors and drums



Light, medium and heavy vehicles:

~ 36 m parts/year

ThyssenKrupp Automotive Crankshaft group: Crankshafts



Light, medium and heavy vehicles:

~ 11 m parts/year

Twin Focus Strategy (II)

Systems (system integrator, system specialist)

- Engineering capability
- Assembly and logistics capability
- Electronics/mechatronics capability
- Project management capability

➔ Supplying systems for a variety of models, e.g.:

- DaimlerChrysler (E and S Class)
- Jaguar (XJ-Type)
- Porsche (Cayenne, Boxster, Carrera)
- Smart (fortwo, roadster)

Examples

ThyssenKrupp Presta: Steering shafts/columns



~ 19 m parts/year

ThyssenKrupp Presta SteerTec: Steering gears



~ 2 m parts/year



**Competence:
Wheel to wheel**

Globalizing: Further growth in Asia and Eastern Europe

○ Existing joint ventures with

- SAIC (ThyssenKrupp Presta HuiZhong Shanghai Co., Ltd.) China
 - FAW (ThyssenKrupp Presta Fawer Changchun Co., Ltd.) China
 - FAW (Liaoyang K.S. Automotive Spring Company Ltd.) China
 - ZRRZ (ThyssenKrupp Zhong-Ren Chassis Co., Ltd.) China
 - JBM (ThyssenKrupp JBM Pvt. Ltd.) India
 - Compa (ThyssenKrupp Compa Arcuri S.A.) Romania
 - Compa (ThyssenKrupp Bilstein Compa S.A.) Romania
-




















○ New activities planned:

- Follow European and North American OEMs and build up facilities next to their transplants especially in China
- Build up transplant business with Asian OEMs especially in Eastern Europe
- Increase Asian and East European local sourcing content

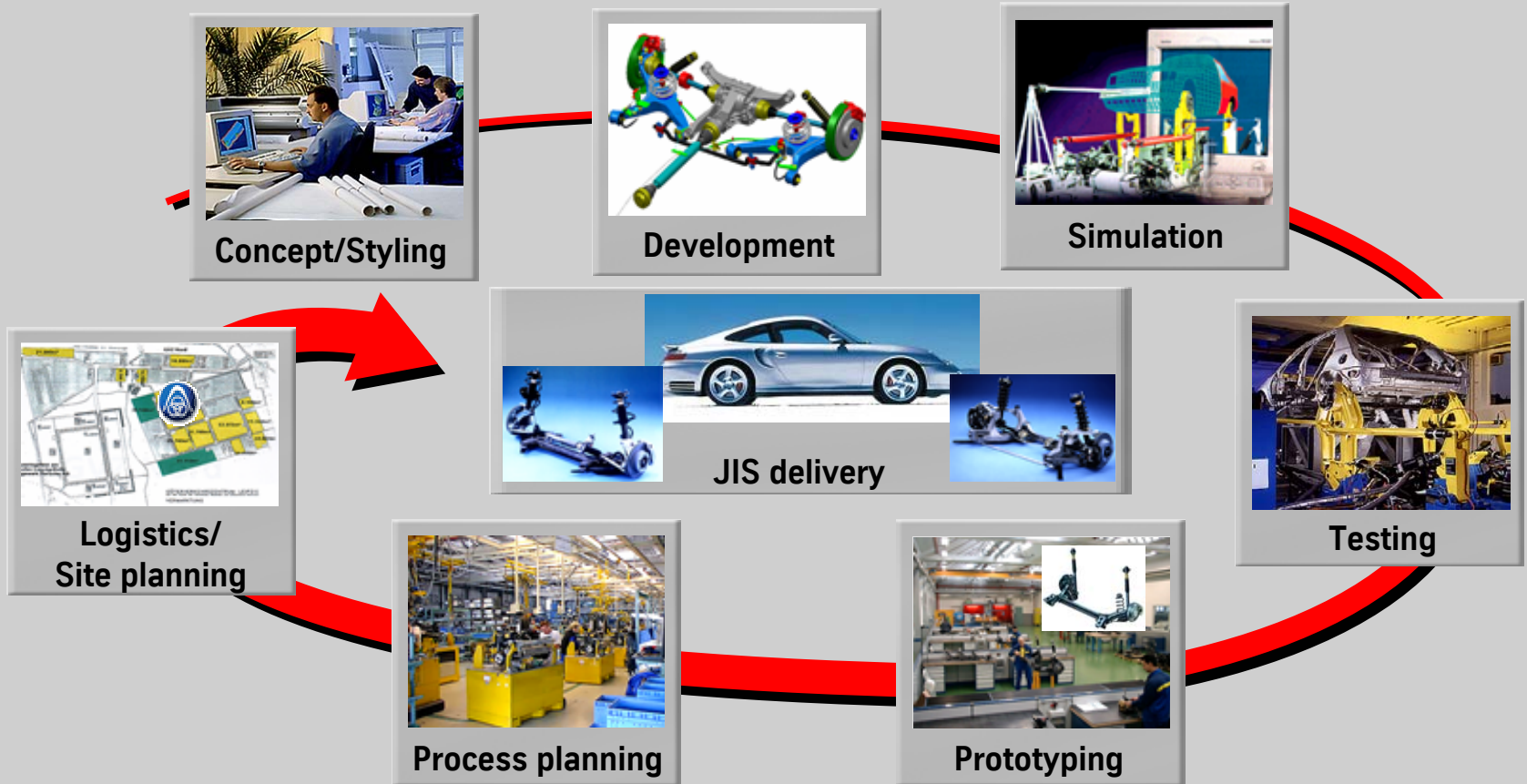


Cross segment capabilities for the automotive industry

Sales with automotive clients: ~€11.3 bn in 2002/03

Steel	Automotive	Technologies	Services	
 Carbon steel	 Body- and Chassis stampings	 Body-in-white (tools and fixtures)	 Material supply	 Facility management
 Stainless steel	 Axles/ Chassis systems	 Assembly lines for engines	 Cutting	 Maintenance
 Coated products	 Body assemblies	 Assembly lines for transmissions	 Operation management	 Plant logistics
 Downstream products (tailored blanks, SSC)	 Engine components			
 Technology partnerships	 Steering systems			

The Engineering Loop



Our unique selling point to OEMs: One-stop-shopping as an integrated approach

**ThyssenKrupp
Automotive**

**ThyssenKrupp
Steel**

**ThyssenKrupp
Technologies**

**ThyssenKrupp
Services**

**Multi Material
Competence**

**Multi Process
Competence**

Engineering Loop



**North American
Automotive Council**

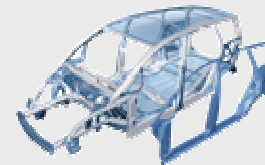
**European
Automotive Council**

Results (Examples)

BMW X5



NSB[®] New Steel Body



ThyssenKrupp Automotive



Innovations driven within the Group

Automotive

Technologies

ORS® Off-road stabilizers for sport utility vehicles



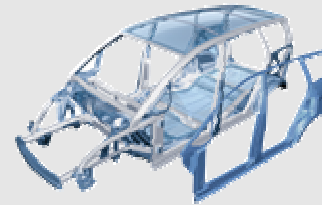
- Stiff suspension
- High damping
- Stabilizers with high torsional rigidity
- Soft suspension
- Low damping
- Stabilizers with very low torsional rigidity

Stabilizer can be switched hydraulically under load

Steel

Automotive

NSB® NewSteelBody



- ThyssenKrupp Stahl designed a complete weight-optimized steel body-in-white
- Open source project to interested auto manufacturers for joint further development
- Reference vehicle is the Opel Zafira
- The body developed under the project is 24% lighter than the reference vehicle

Steel

Automotive

Fuel tank

- Absolutely airtight, hydrocarbons cannot escape, fully recyclable, significantly lighter than plastic fuel tank
- Greater fuel capacity due to reduced wall thicknesses
- Can be packaged in the tight confines of a compact car
- Meets strictest emission standards, e.g. Californian emission guidelines



Steel

Technologies

Modular door



- The new, modular door is 12 kilograms lighter than the benchmarked model and costs significantly less to manufacture and assemble
- The modular approach means that door production and door assembly can be separated

Partnership beats challenges

Increasing complexity:

- Changing market requirements
- Innovative networking

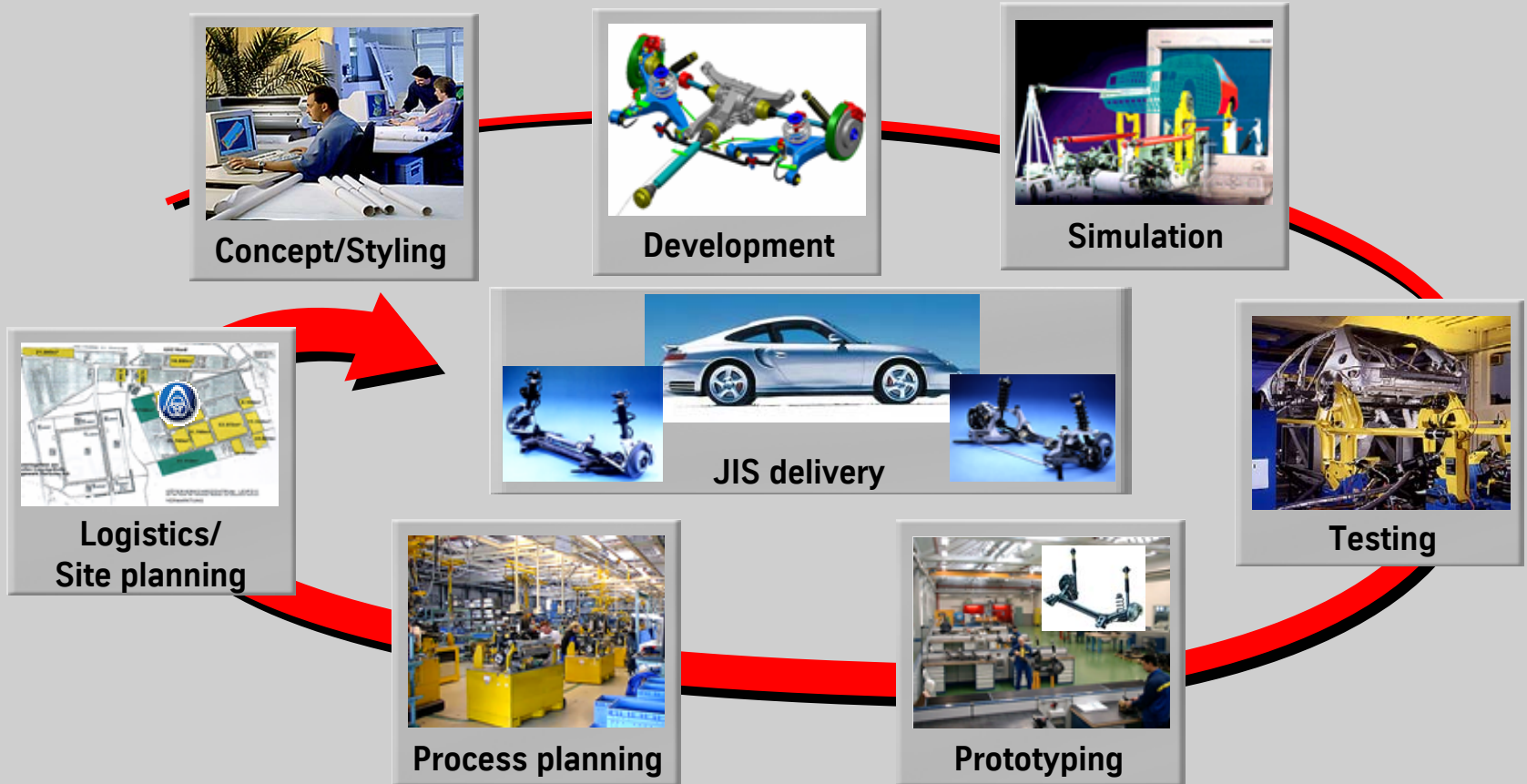
Increasing challenges

ThyssenKrupp:

Competence in products and processes
benefits long term partnerships



The Engineering Loop



Acquisition of Bertrandt interest



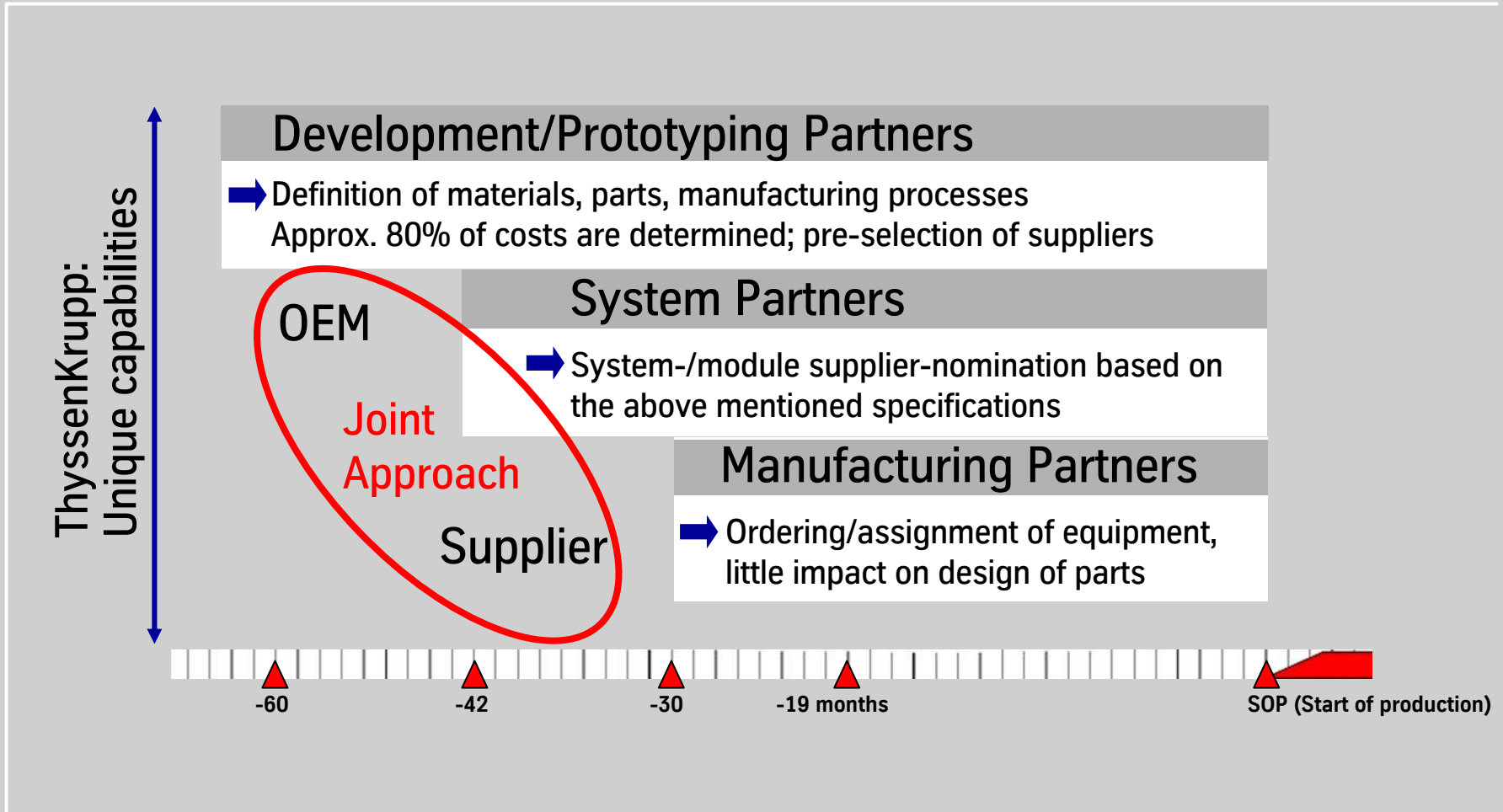
Strategic Fit:

- Innovation contributions from TIER-1 suppliers require engineering resources
- In the course of cooperation with Bertrandt ThyssenKrupp Automotive/ThyssenKrupp Steel
 - close the engineering loop
 - achieve an early integration into the OEM production development process
 - improve closeness to customers through Bertrandt branches
 - set up and ensure continuous project support for the customer

Sales	€219 million (2002/2003)
Net income	€1.3 million (2002/2003)
Workforce	3,100
Customers	Audi, BMW, DaimlerChrysler, Ford, Jaguar, Opel, Porsche, PSA, Renault, Saab, Seat, Volkswagen and major systems suppliers
Products	Development services
Locations	13 in Germany 3 in France 2 in the United Kingdom 2 in Sweden 1 in Spain 1 in the USA
Stake	25.2%



Product development process: Early involvement makes us the masters of our destiny



Competence supports long-term partnership

Competence
beats competition

- Joint engineering
- Joint business planning
- Joint fitness

- Leading technology
- Leading quality
- Leading cost structure
- Leading global presence

ThyssenKrupp Portfolio:
Connecting Competence

Chassis

Systems

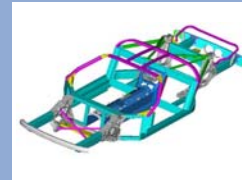


Components



Body

Systems



Components



Powertrain

Systems

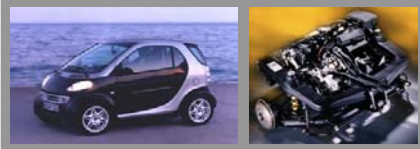


Components



Strategy confirmed (I): Successful growth in modules supports component business

1997



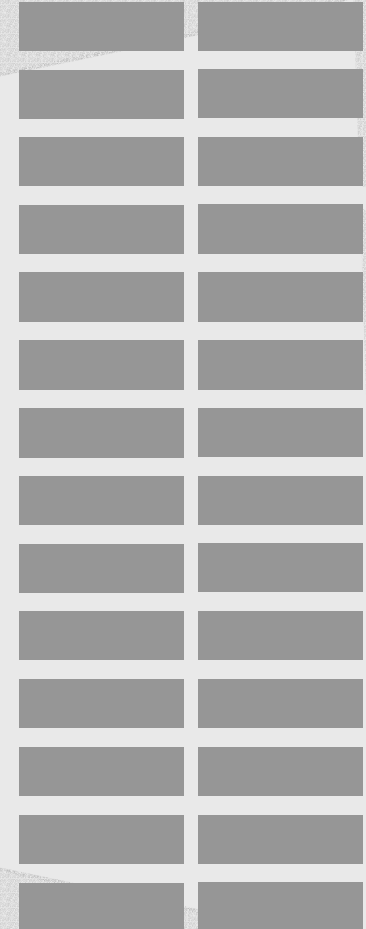
Approx. 200,000 cars/year
Capacity in Germany and France

Today

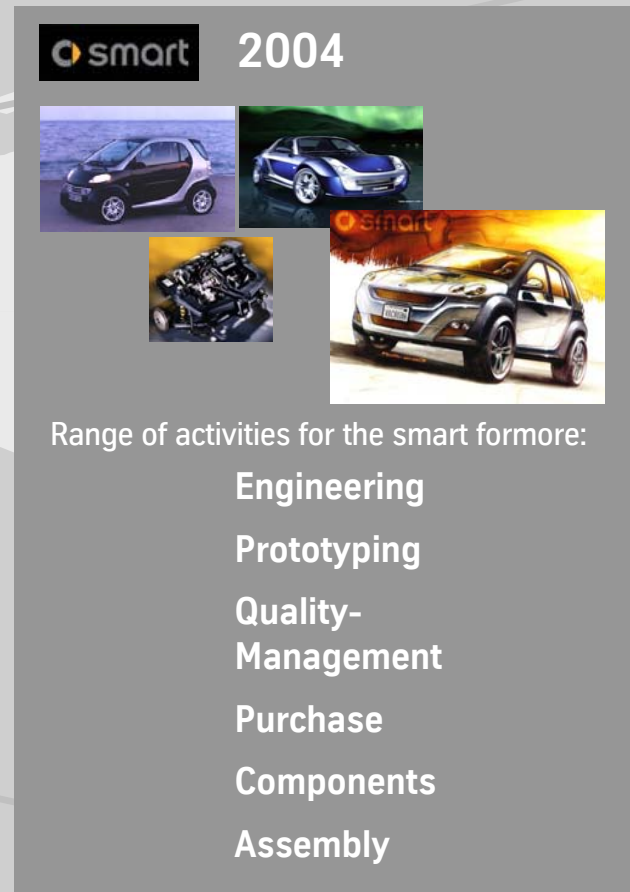
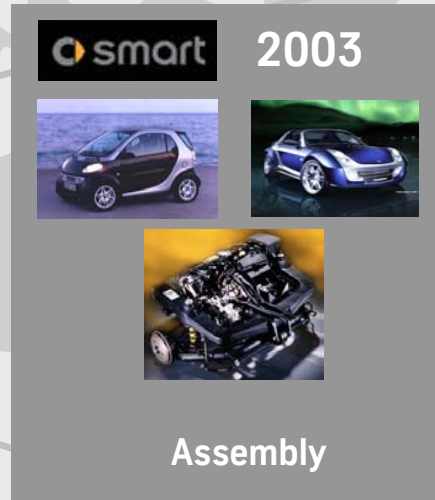
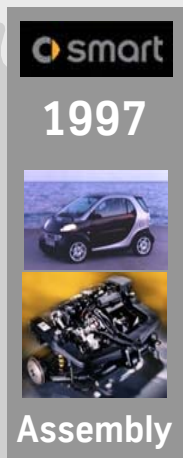


>2.5 m cars/year
Capacity worldwide

Tomorrow



Strategy confirmed (II): From modules to systems



Summary

- ThyssenKrupp Automotive: Technology and cost leadership worldwide
- Above average sales growth targeted
- Expansion of engineering competence and long-term partnerships with OEMs
- Unique approach in the automotive industry: One-stop-shopping within the ThyssenKrupp Group



Agenda

Dr. A. Stefan Kirsten

- Overview and Outlook 2003/2004

- Group Financials

- Segment Financials

- Financial Calendar

Q2 2003/2004 – Overview

Business picking up

- **Order intake** up 18% at €10.7 billion, at constant €/ \$ rate up 22%
- **Sales** up 7% at €9.8 billion, at constant €/ \$ rate up 11%
- **EBT** from continuing operations €249 million, up €42 million against last year's EBT figures before a disposal gain of €41 million
- **Basic EPS** increased from €0.31 to €0.56
- **Net financial payables** at €4.3 billion remained almost on September 2003 level; effects from dividend payment and portfolio optimizations counterbalanced



Highlights

- Business in **Steel** is continuously improving
 - Orders, sales and EBT (adjusted for disposals) picking up
 - Carbon Steel driving profits, Stainless Steel cyclical, Special Materials still difficult
 - Further price increases implemented
 - **Services** and **Automotive** performing increasingly well
 - Restructuring and streamlining of portfolio bearing fruit
 - Groupwide **portfolio optimization** continued
 - Selective white space acquisitions in Elevator – entering important Italian market
 - Triaton Group sold with a significant gain
 - Proven **Capital Market** capability
 - Successful bond placement
-



Portfolio Optimizations since October 2003

Automotive

MB Lenk Group (D)	Acquisition
Darcast (UK)	Disposal
Bertrandt (D)	Acquisition*

Technologies

Novoform (D)	Disposal
Sheffield Automation (USA)	Disposal*
Foundry (USA)	Closure

Elevator

Dong Yang Elevator (South Korea)	Acquisition
Elevator Service 1 (Singapore)	Acquisition
Bonfedi (I)	Acquisition

Services

Triaton Group (D)	Disposal
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* Closing not yet completed



Portfolio Optimization – Disposals

	Number of Entities	Sales (annual)	EBT (annual)	Net Financial Debt	Pension Obligations	Employees
Fiscal Year 2002/03	12*	€919 m	€1 m	€242 m	€19 m	4,529
1st Quarter 2003/04	1	€327 m	€8 m	€1 m	€14 m	2,177
2nd Quarter 2003/04	1	€365 m	€16 m	€31 m	€69 m	2,311
Total	14	€1,611 m	€25 m	€274 m	€102 m	9,017
Subsequent Event	-	-	-	-	-	-

* incl. non-consolidated entities



Disposal Triaton – Key Facts

Sales	€365 million
EBT	€16 million
Employees	2,311
<hr/>	
Transaction Volume	€351 million
Cash-in	€272 million
Selling price	€249 million
Total gain (before taxes)	€191 million*
Disposal gain Q2 (net of tax)	€126 million*

* Due to the continuation of service contracts between ThyssenKrupp and Triaton for a fixed period of seven years, €64 million of disposal gain will be recognized ratably over a period of seven years

- **Service portfolio** – Hosting services, Onsite Services and Applications & Solutions
- More than 400 **clients**, thereof 100 ThyssenKrupp entities – accounting for around 50% of business
- Sold to **Hewlett-Packard** - best owner solution
- Closing and deconsolidation March 31, 2004 (Q2)

! In this presentation all figures related to the income statement refer to continuing operations. The **Information Services business unit** is treated as a **discontinued operation** following the sale of IT service provider Triaton and the termination of the business unit's remaining activities. The **impacts** on a Group and Segment level are shown on the following two slides.



Disposal Triaton Group – Impact on the Group

Group		Q2 02/03 incl. Discontinued Operations	Adjustments	Q2 02/03 excl. Discontinued Operations	Q2 03/04 excl. Discontinued Operations
Order intake	€m	9,134	-53	9,081	10,744
Sales	€m	9,218	-53	9,165	9,847
EBITDA	€m	691	-10	681	656
EBIT	€m	307	-2	305	300
EBT	€m	250	-2	248	249
Net income	€m	158	-1	157	155
EPS	€	0.31	+/-	0.31	0.31
Normalized EPS	€	0.22	+/-	0.22	0.31



Disposal Triaton Group – Impact on the Services Segment

Services		Q2 02/03 incl. Discontinued Operations	Adjustments	Q2 02/03 excl. Discontinued Operations	Q2 03/04 excl. Discontinued Operations
Order intake	€m	2,845	-53	2,792	2,882
Sales	€m	2,772	-53	2,719	2,819
EBITDA	€m	76	-10	66	75
EBIT	€m	31	-2	29	45
EBT	€m	19	-2	17	38



Outlook

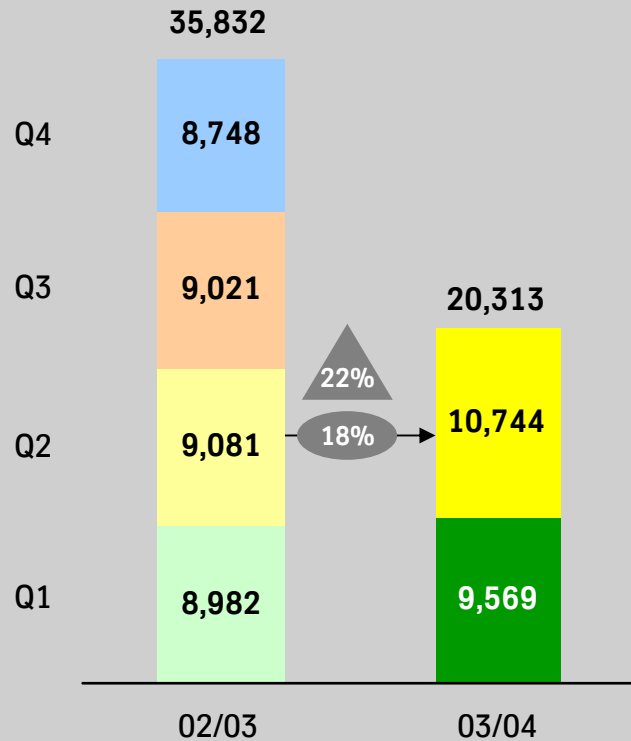
- For the 2nd half of fiscal 2003/2004 we currently expect an unchanged economic environment, even though the risks of an economic weakening have increased.
- For the full year we forecast sales in the magnitude of roughly €38 billion. In terms of earnings before taxes, excluding the effects of disposals, we aim to get as close as possible to €1 billion.
- With support from the economy and without major distortions on the currency and raw material markets, we could pass the €1 billion mark this year.



Group (I)

Order intake

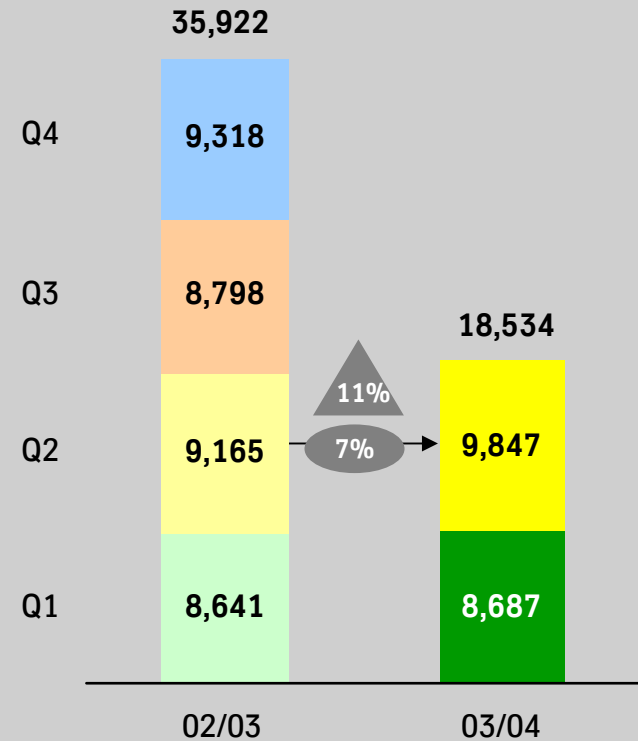
million €



▲ excluding €/\$ exchange rate effects

Sales

million €



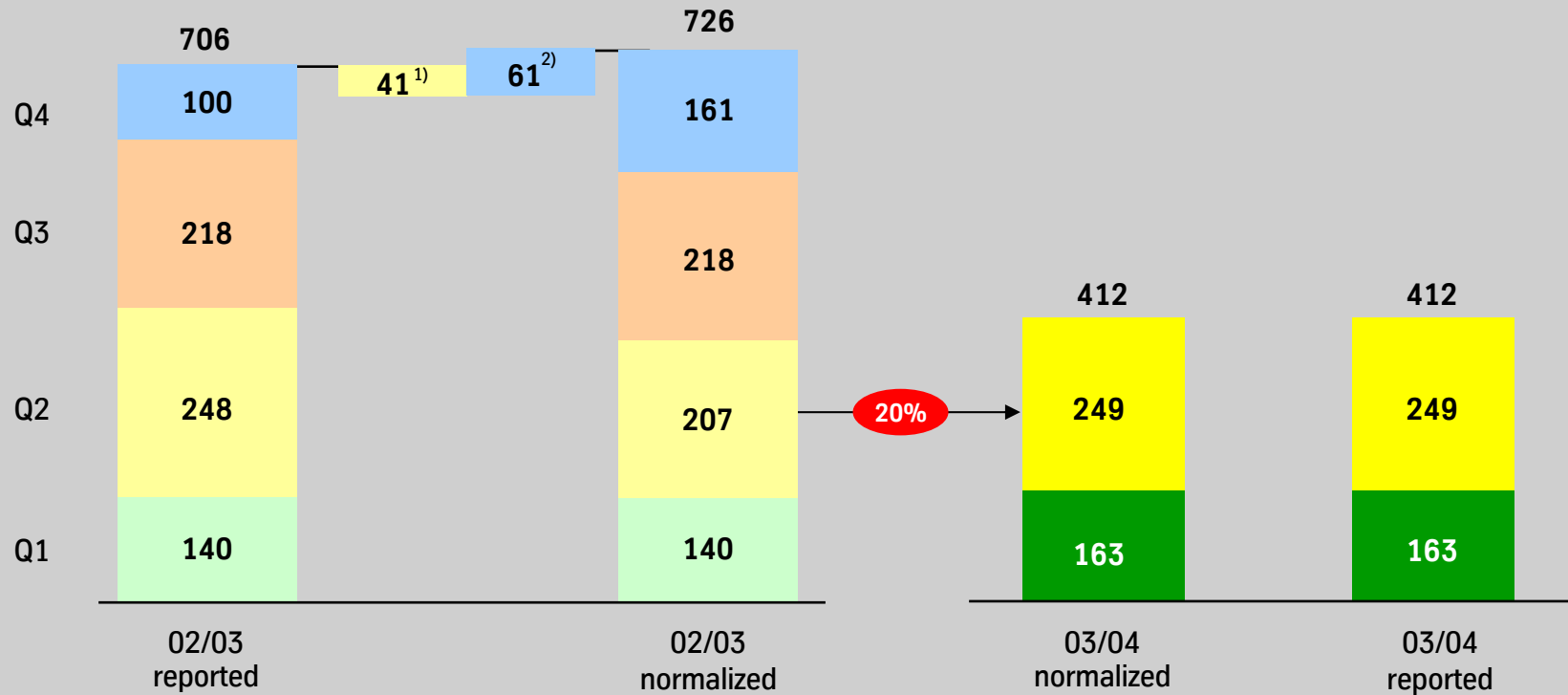
▲ excluding €/\$ exchange rate effects



Group (II)

EBT

million €



¹⁾ Sale of stainless quarto plate activities €41 m

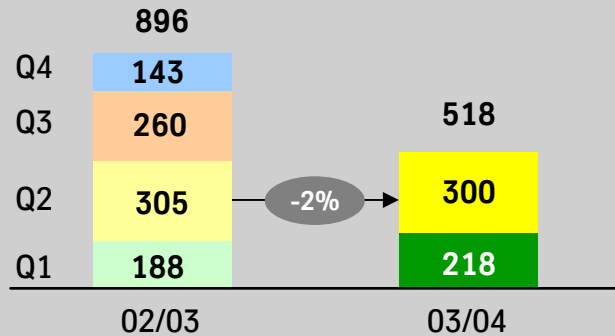
²⁾ Sale of construction services -€61 m



Group (III)

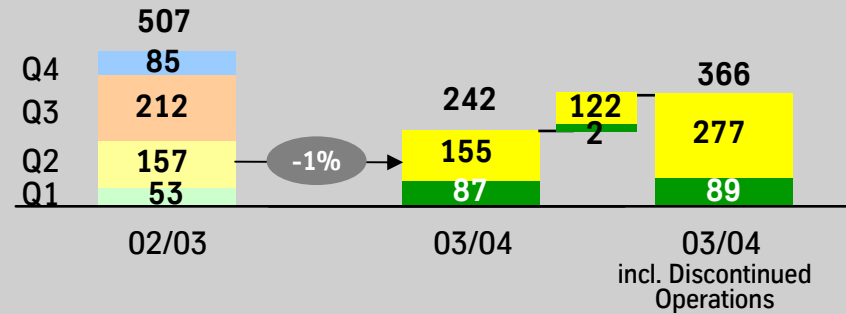
EBIT

million €



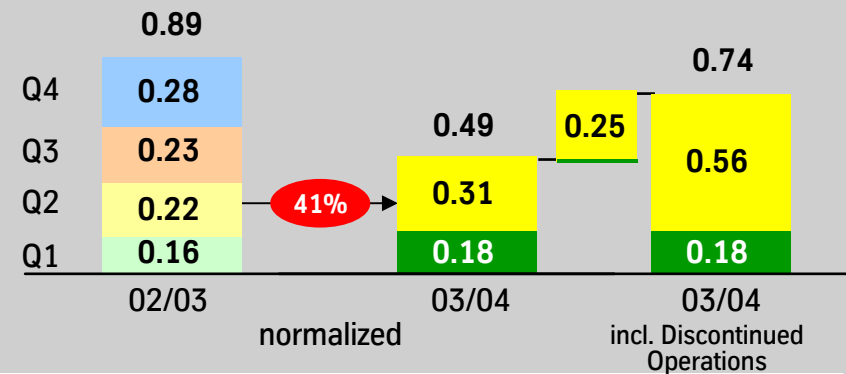
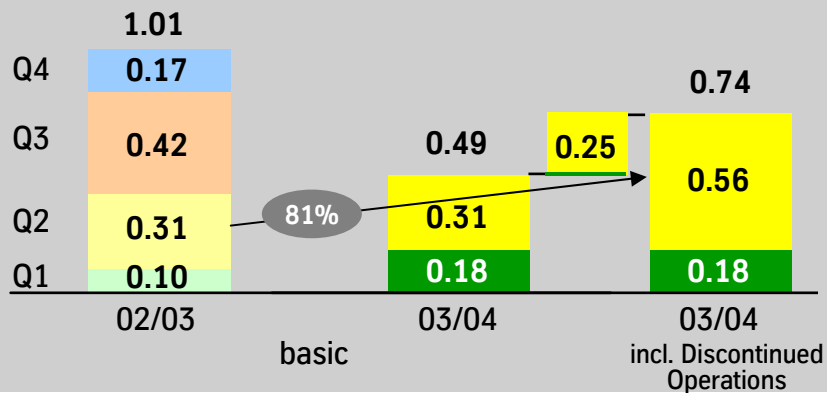
Net income

million €



Earnings per share

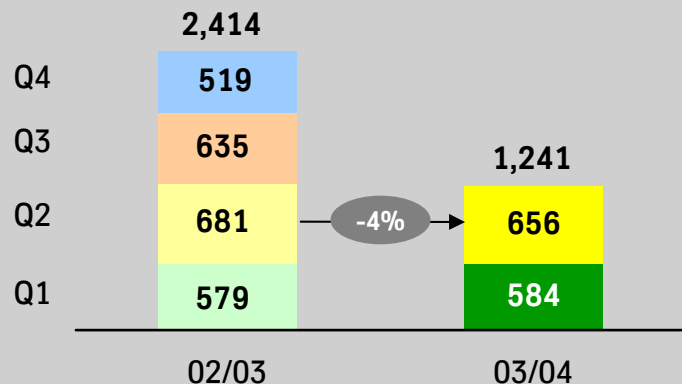
€



Group (IV)

EBITDA*

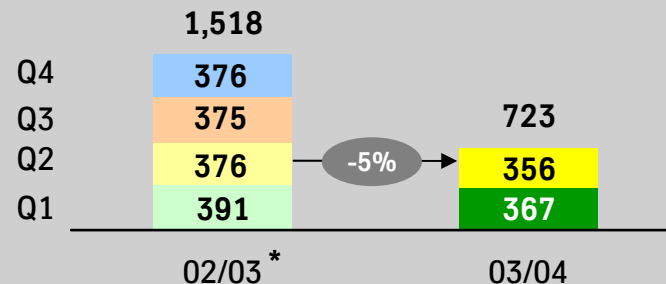
million €



* excl. interest on accrued pension liabilities

Depreciation and amortization

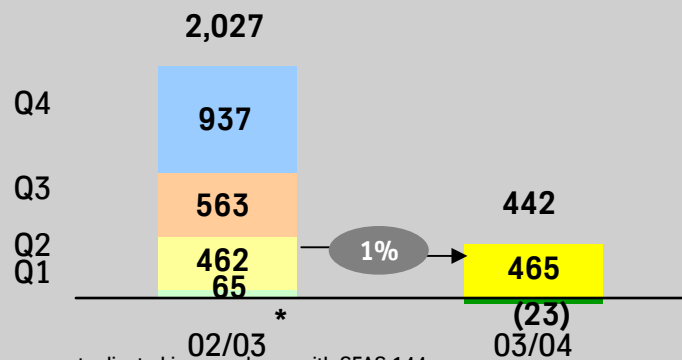
million €



* figures not adjusted in accordance with SFAS 144

Net cash provided by operating activities

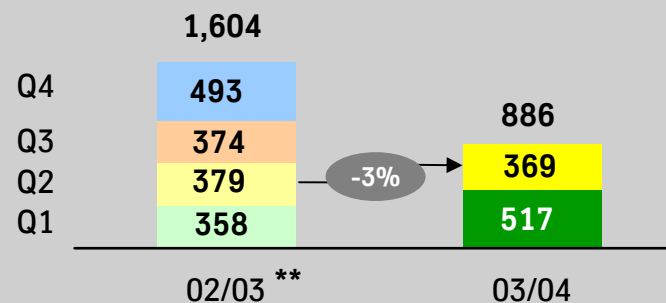
million €



* figures not adjusted in accordance with SFAS 144

Capital expenditures*

million €



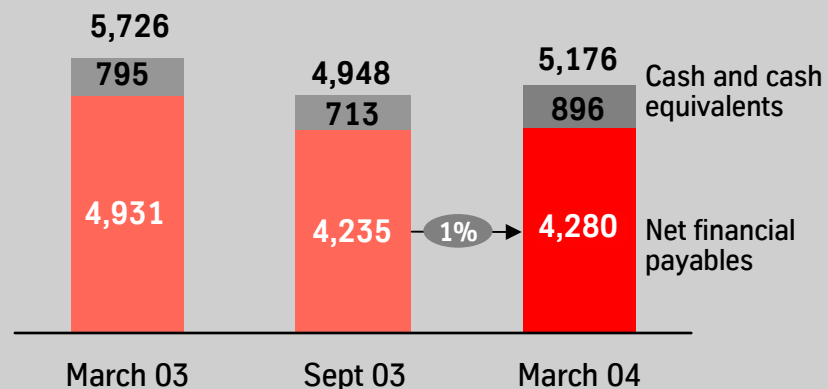
* incl. financial investments ** figures not adjusted in accordance with SFAS 144



Group (V)

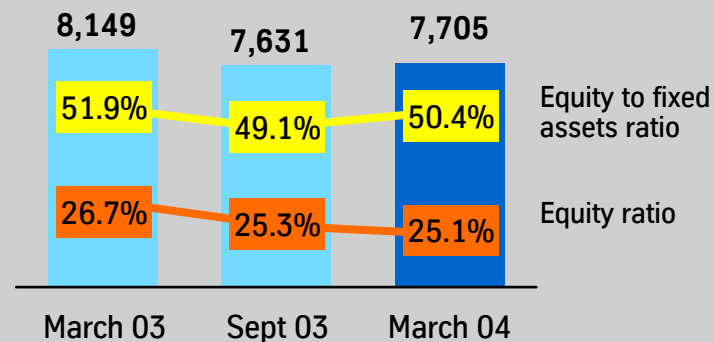
Financial payables

million €



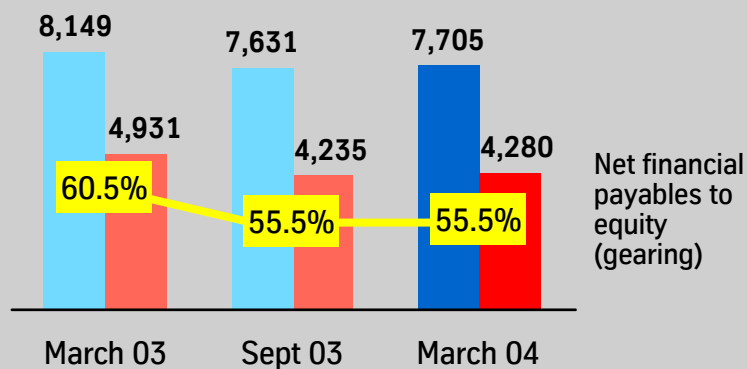
Stockholders' equity

million €



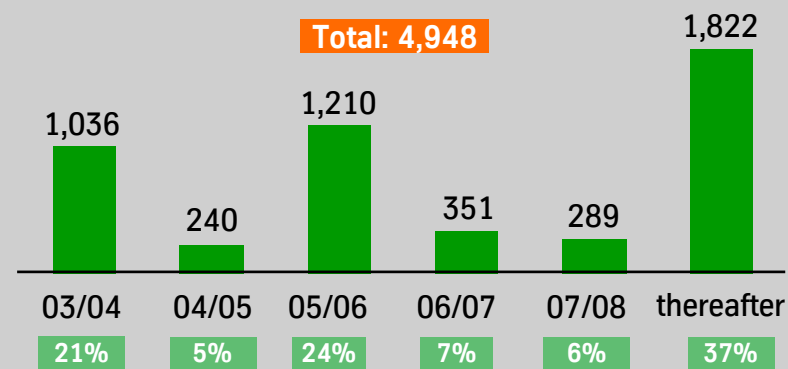
Gearing

million €



Maturity profile of gross financial payables*

million €



* as of Sept 03



Segment Overview – Steel (I)

Steel

- International market characterized by high demand and significantly increased raw material costs at the beginning of the year => jump in freight rates and costs of ore, coal, coke and scrap

Steel

- Significant expansion of business volumes; **orders, sales and EBT** (excl. sale of quarto plate activities of €41 million) above previous years figures
- Crude steel output** remained high at 4.4 million metric tons; no major production cuts due to raw material shortage

Carbon Steel

- Order intake and sales** up due to higher revenues and volumes
- Leap in **EBT** in all operating groups, primarily volume driven; price increases only had minor impact on account of shipment structure and high proportion of longer term contracts; higher raw material and freight rate costs cut into earnings; efficiency-enhancement and €/ \$ rate helped

million €	2nd quarter			
	2002/03	2003/04	Change	Change in %
Order intake	3,299	4,261	962	29.2
• Carbon Steel	1,887	2,433	546	28.9
• Stainless Steel	1,128	1,445	317	28.1
Sales	3,222	3,617	395	12.3
• Carbon Steel	1,863	2,061	198	10.6
• Stainless Steel	1,096	1,259	163	14.9
EBITDA	368 *	349	-19	-5.2
• Carbon Steel	211	294	83	39.3
• Stainless Steel	154 *	64	-90	-58.4
EBIT	178 *	161	-17	-9.6
• Carbon Steel	75	160	85	113.3
• Stainless Steel	112 *	26	-86	-76.8
EBT	157 *	138	-19	-12.1
• Carbon Steel	60	146	86	143.3
• Stainless Steel	104 *	14	-90	-86.5

* incl. sale of stainless quarto plate activities €41 m



Segment Overview – Steel (II)

Steel

Stainless Steel

- Rise in **order intake** reflecting higher demand
- Total **shipments** 9% lower, mainly as a result of a strike at the Terni plant
- **Sales** up at cold-rolled strip due to higher alloy surcharges while base price remained stable; nickel-base alloys business again unsatisfactory
- Excl. sale of quarto plate activities **EBT** down by €49 million due to lower base prices and noticeable input cost increases for nickel, chromium and scrap; additionally an unfavorable €/ \$ rate led to higher import pressure; nickel-base alloys posted a loss again due to the weak aerospace, electronics and plant engineering sector

Special Materials

- **Order intake** and **sales** increased, primarily stemming from specialty steel long products
- Electrical steel activities are being reorganized
- **EBT** includes a loss at Electrical Steel of €19 million from the strike at the Terni plant; rationalization program at specialty steel long products produces significant improvements

	2nd quarter			
	2002/03	2003/04	Change	Change in %
Crude steel output (million tons)	4.4	4.4	+/-	+/-
• Carbon Steel	3.5	3.5	+/-	+/-
• Stainless Steel	0.7	0.7	+/-	+/-
Shipments (1,000 tpm)				
• TKS cold-rolled	546	587	41	7.5
• TKS hot-rolled	393	475	82	20.9
• Stainless total	219	217	-2	-0.9
• Stainless cold-rolled	144	149	5	3.5
Employees (March 31)	49,128	48,836	-292	-0.6
• Carbon Steel	29,097	28,913	-184	-0.6
• Stainless Steel	11,891	11,744	-147	-1.2



Segment Overview – Capital Goods (I)

Automotive

		2nd quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	1,596	1,887	291	18.2
Sales	€m	1,601	1,888	287	17.9
EBITDA	€m	123	159	36	29.3
EBIT	€m	53	80	27	50.9
EBT	€m	47	69	22	46.8
Employees	(March 31)	37,736	43,158	5,422	14.4

- **Order intake** and **sales** increased in all business units - mainly at Body and Powertrain due to the successful integration of Sofedit and DaimlerChrysler steering system business
- At constant **€/ \$ rate** the increase in order intake would have been 26%, in sales also 26%
- **EBT** at all business units improved, the highest growth was reported at Body, the highest contribution again came from Powertrain



Segment Overview – Capital Goods (II)

Elevator

		2nd quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	836	918	82	9.8
Sales	€m	812	833	21	2.6
EBITDA	€m	99	99	+/-	+/-
EBIT	€m	88	87	-1	-1.1
EBT	€m	83	81	-2	-2.4
Employees	(March 31)	29,054	30,817	1,763	6.1

- **New installation business** still weak, **service and modernization business** performed well despite strong competition
- **Order intake** and **sales** increased attributable to acquisitions (mainly DongYang) and improved marketing efforts; at constant €/ \$ rate the improvement in order intake was 16%, in sales 8%
- **EBT** maintained at prior-year level even in an environment characterized by intensive price competition and declining demand for new installations; mixed picture on business unit level



Segment Overview – Capital Goods (III)

Technologies

		2nd quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	1,068	1,436	368	34.5
Sales	€m	1,336	1,215	-121	-9.1
EBITDA	€m	41	25	-16	-39.0
EBIT	€m	3	(5)	- 8	-
EBT	€m	15	2	-13	-86.7
Employees	(March 31)	31,500	27,346	-4,154	-13.2

- Despite disposals of several companies (at Mechanical Engineering) **order intake** up; particularly at Plant Technology and Marine
- **Sales** down mainly due to disposals, excl. structural changes sales were slightly higher; improvements at Plant Technology
- In April 04, the customer of **Transrapid** in Shanghai signed the overall acceptance
- **EBT** mainly impacted by a loss of €27 million realized on the sales financing of cruise ships at Marine; restructuring measures at MetalCutting showed positive impacts; Plant Technology and Mechanical Engineering increased their earnings



Segment Overview - Services

Services

		2nd quarter			
		2002/03	2003/04	Change	Change in %
Order intake	€m	2,792	2,882	90	3.2
Sales	€m	2,719	2,819	100	3.7
EBITDA	€m	66	75	9	13.6
EBIT	€m	29	45	16	55.2
EBT	€m	17	38	21	123.5
Employees	(March 31)	38,892	34,692	-4,200	-10.8

- Further step in the **portfolio optimization**: disposal of Triaton Group; Information Services business unit discontinued
- **Order intake** and **sales** up despite the disposal of Construction Services in the previous year; improvements at Materials Services Europe and Special Products; Industrial Services still effected by weak economy; Materials Services North America still hit by €/ \$ rate impact
- **EBT** more than doubled – performance enhancements and restructurings bearing fruit, losses from Construction Services disappeared; Materials Services Europe and North America showed higher earnings; Industrial Services reported a loss – primarily due to further restructuring measures; Special Products again at a high level



Financial Calendar 2004

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- July 23 to August 11, 2004 Quiet Period
 - August 12, 2004 Interim Report 3rd quarter 2003/04 (April to June)
Conference Call with Analysts and Investors
 - October 25 to November 30, 2004 Quiet Period
 - December 1, 2004 Annual Press Conference
Analysts' and Investors' Meeting
-



Financial Calendar 2005

-
- January 21, 2005 Annual General Meeting
-
- January 24, 2005 Payment of dividend for the 2003/04 fiscal year
-
- January 25, 2005 Quiet Period
to February 11, 2005
-
- February 14, 2005 Interim Report 1st quarter 2004/05 (October to December)
Conference Call with Analysts and Investors
-
- May 13, 2005 Interim Report 2nd quarter 2004/05 (January to March)



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