



ThyssenKrupp Technologies

Strategic Realignment – Leading-edge Technology – Value Driver

Analysts' and Investors' Meeting, London
May 18, 2005

ThyssenKrupp Technologies

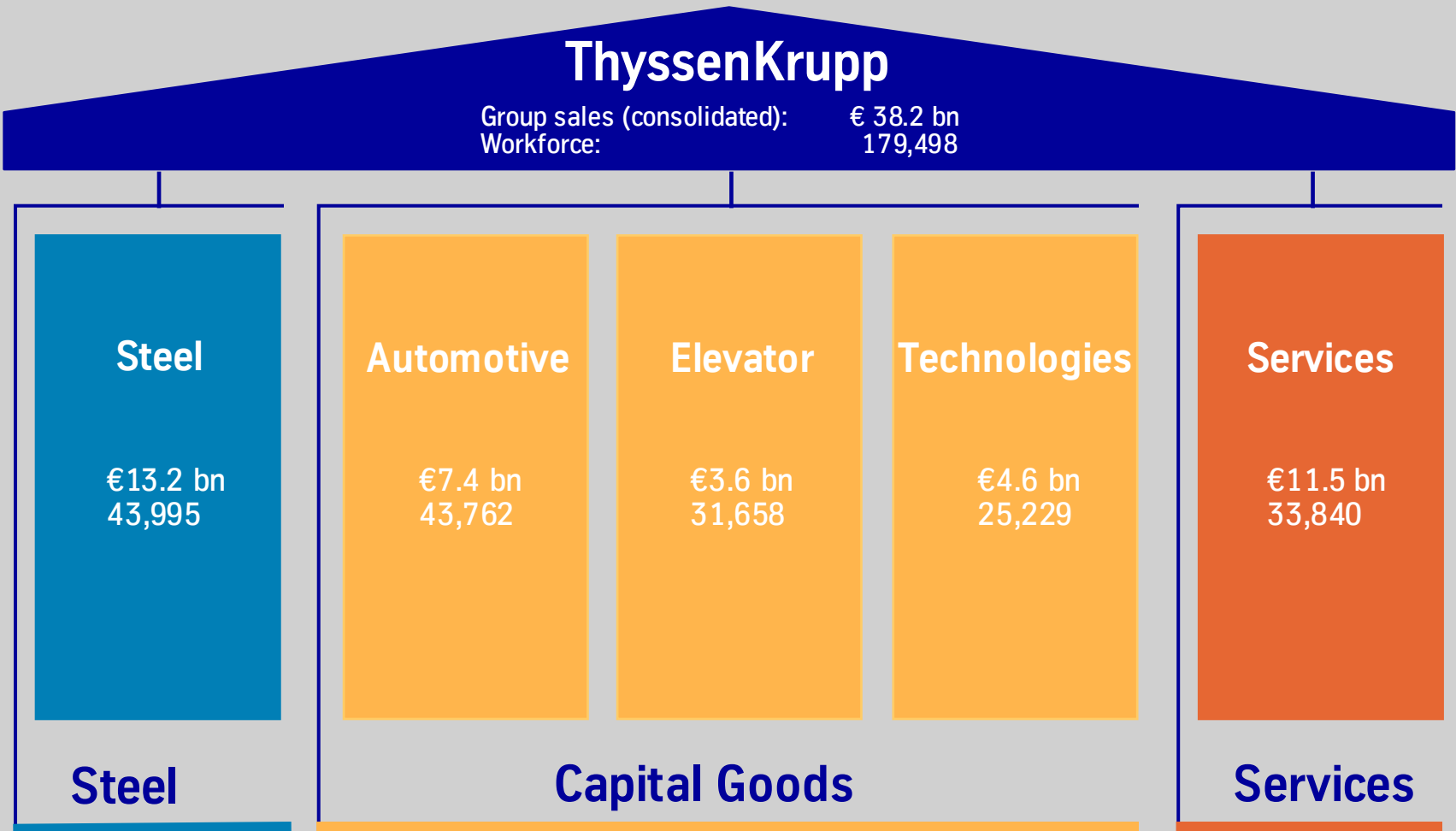


ThyssenKrupp Technologies

- Strategic Realignment
- Leading-edge Technology
- Value Driver



ThyssenKrupp: Focused Industrial Group With Three Pillars

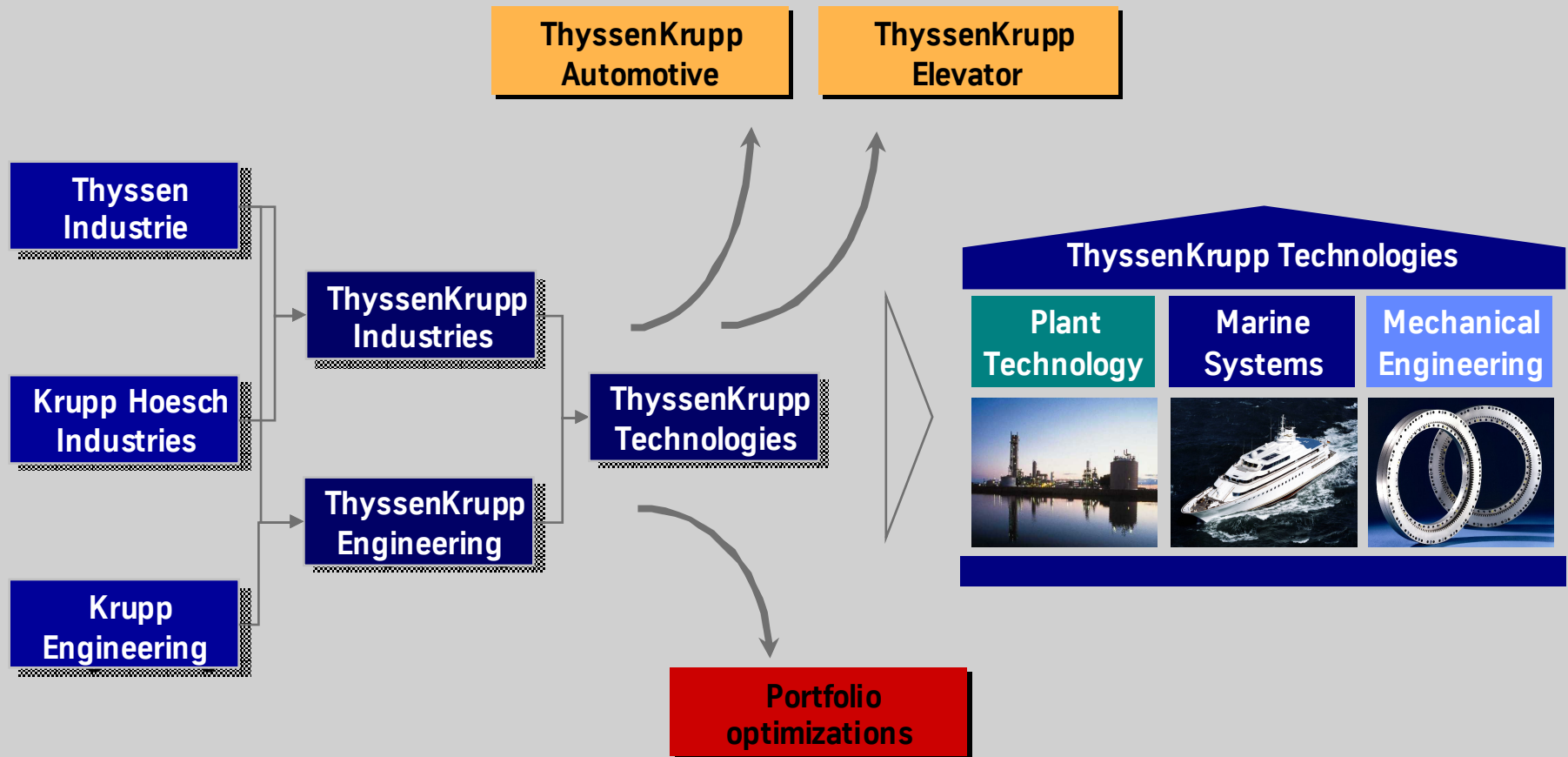


* Employees as on Sept 30, 2004; inter-segment sales unconsolidated

ThyssenKrupp Technologies



Nucleus for Successful Segments and Concentration on Core Business



Portfolio Changes in The Last Months

(-) Novoferm

(-) Polymer

(-) Henschel

**(-) EnCoke
Energietechnik**

(-) Otto India

(-) G+L Foundry

(-) G+L Motion Control

**(-) Sheffield
Measurement**

**(-) Autobody Manufacturing
Systems**

Closing within the last weeks:

(-) Elastomertechnik

(-) Stahlbau

Future Divestments::

(-) Turbinenkomponenten

(-) TK Ingenieria y Sistemas

(-) MetalCutting

(+) Inventa-Fischer

(+) HDW



Strategic Objectives

- Sustainable value creation
- Market leadership with top-3 positions
- Strong international presence
- Focus on customers through decentralized company management
- Technology leadership and development of innovative products with high customer value
- Rapid expansion of service business



World Market Leadership with Top-3 Positions

Plant Technology

- Uhde
- Polysius
- Fördertechnik

TOP 1-3
TOP 1-2
TOP 1



Marine Systems

- Marine Systems

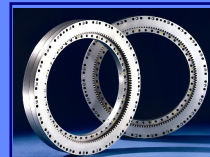
TOP 1



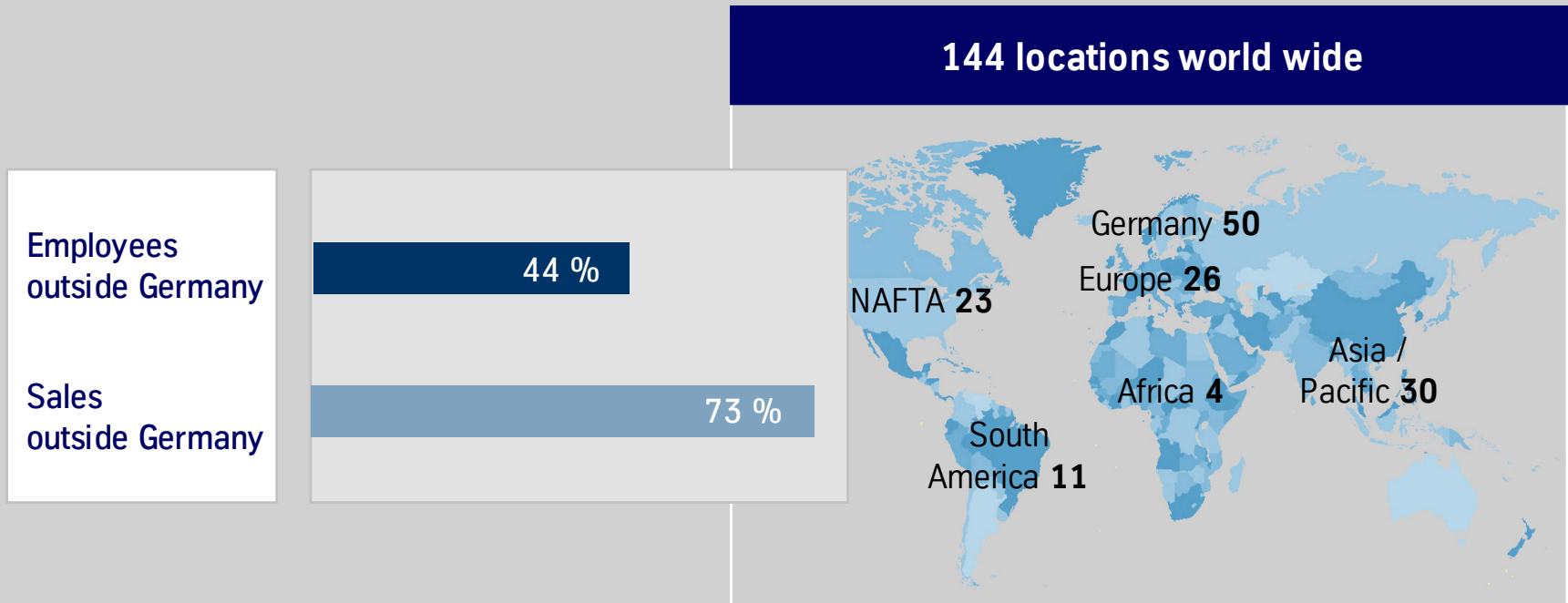
Mechanical Engineering

- Rothe Erde
- Berco
- Assembly Plant
- Industrietechnik

TOP 1
TOP 1
TOP 1
TOP 1-2



Strong International Presence



Note: FY 2003/04; locations as of March 2005, incl. branches and offices



Technology Leadership and Development of Innovative Products

Almost 50% of all engineers at ThyssenKrupp work for Technologies

Total
ThyssenKrupp
segments
excl. TKT

53%

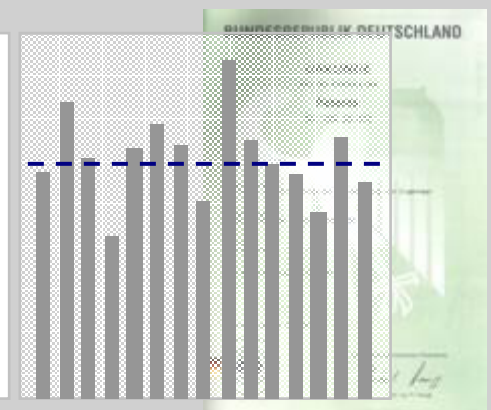
ThyssenKrupp
Technologies

47%



More than 90 patents and utility models registered each year

~ 93 new patents
and
utility models
registered
p.a.



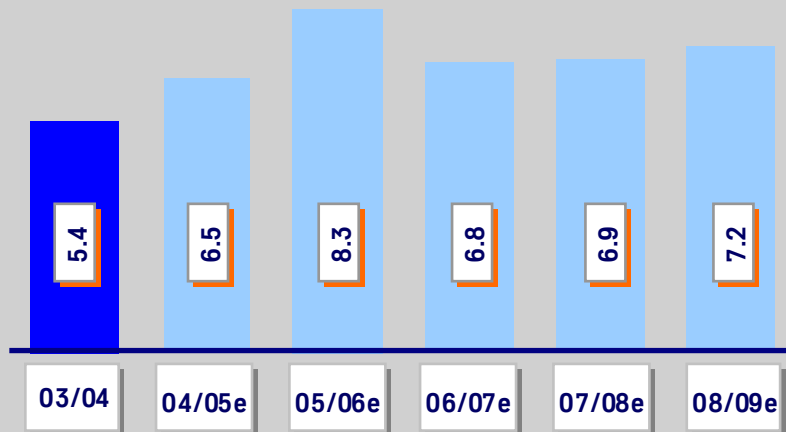
Note: FY 2003/04

ThyssenKrupp Technologies

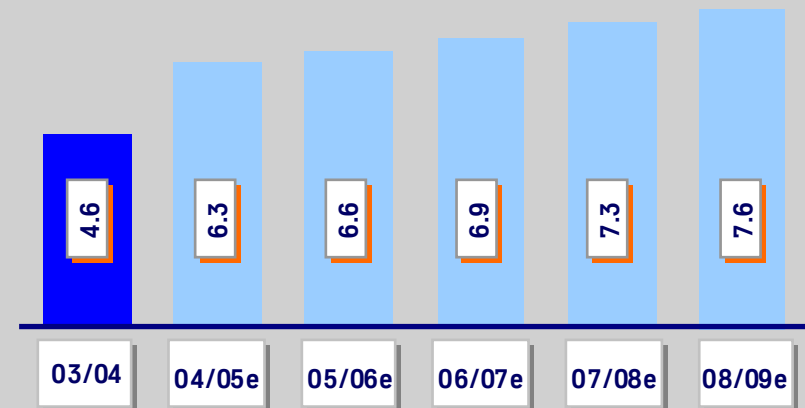


Positive Development of Order Intake and Sales

Order Intake (in € billion)



Sales (in € billion)

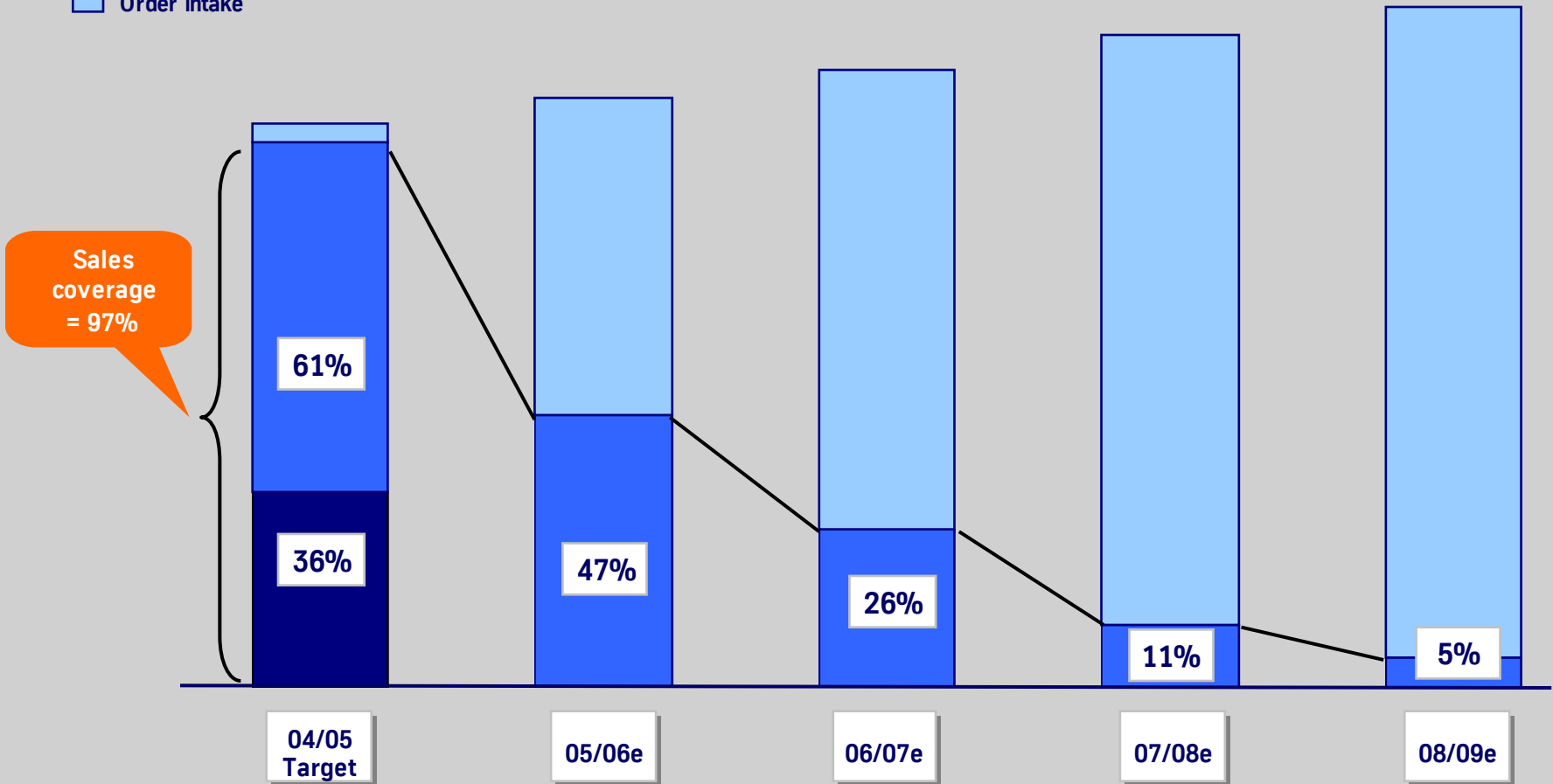


Note: Figures based on structure of the segment in February of FY 2004/05



Sales for 04/05 Secured Since February (After 5 Months) by Orders in Hand

- Sales realized to February
- Sales cover from orders in hand (Feb. 28, 2005)
- Order intake



ThyssenKrupp Technologies

- Strategic Realignment
- **Leading-edge Technology**
- Value Driver



Plant Technology

ThyssenKrupp Technologies

Sales: approx. €6 billion Employees: 26,500

Plant Technology

Sales: €2.3 billion
Employees: 7,000

- Uhde
- Polysius
- Fördertechnik

Marine Systems

Sales: €2.2 billion
Employees: 8,500

- Marine Systems

Mechanical Engineering

Sales: €1.5 billion
Employees: 11,000

- Rothe Erde
- Berco
- Assembly Plant
- B+V Industrie

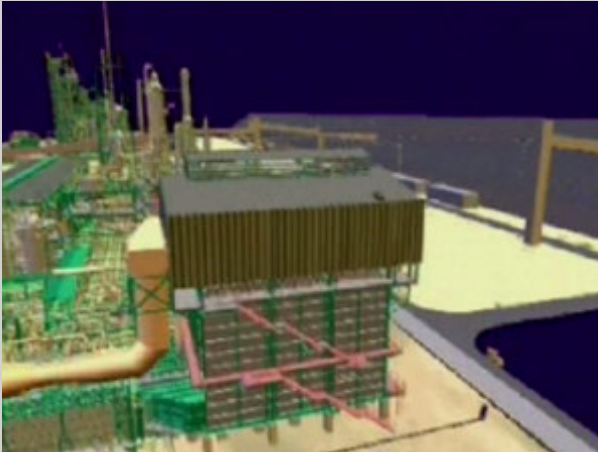
Transrapid

Note: Numbers based on target structure for the fiscal year 2005/06 as planned; rounded up

ThyssenKrupp Technologies



Plant Technology: Engineering Expertise in Large-Scale Plant Construction



Uhde: Builds chemical and industrial plants for fertilizers, electrolysis, gas technology, coking technology, organic intermediates, polymers, refineries, and pharmaceuticals

World market position: TOP 1-3

Polysius: Manufactures equipment and facilities for cement production (complete plants and individual components)



World market position: TOP 1-2



Fördertechnik: Plans and builds plants and systems for mining (open-pit technology/systems), processing, materials handling

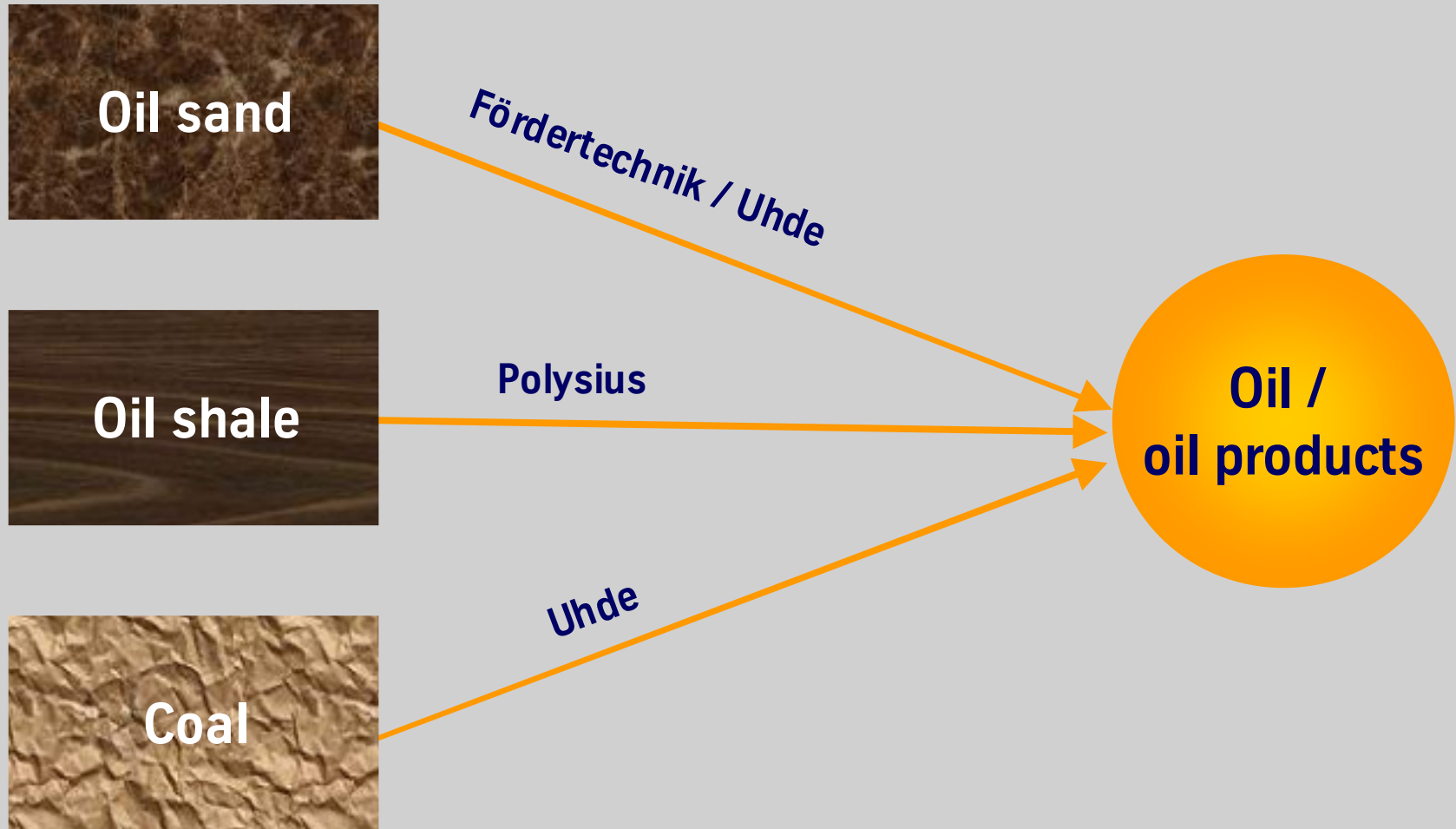
World market position: TOP 1



Plant Technology: Worldwide Network of Engineering and R&D Centers

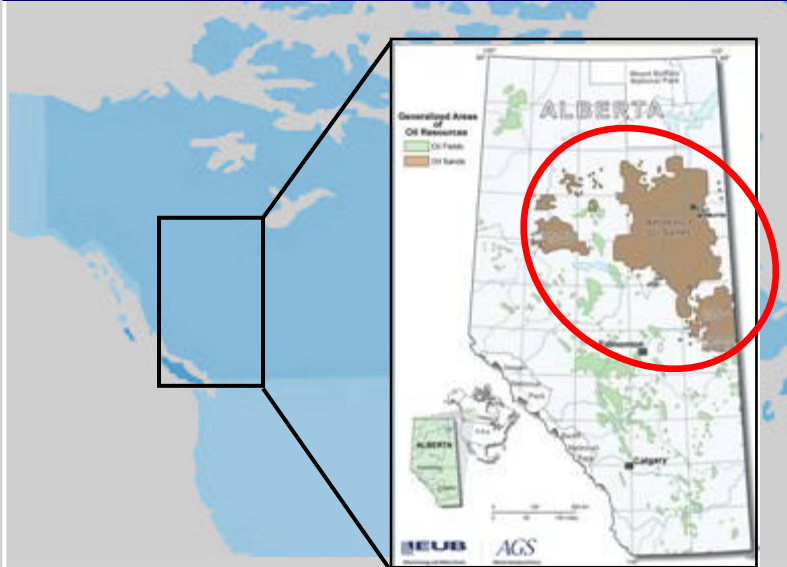


Oil Activities at Plant Technology



Plant Technology: Cooperation in Oil Sand Mining

Oil sand deposits in Canada



Worldwide reserves:

approx. 650 bn barrels, thereof >80% in Canada (Alberta)

Mining costs:

approx. US\$8-10/barrel (1970: approx. US\$20/barrel)

Breakeven lies around US\$19/barrel

Yield:

2 t of oil sand (approx. 1 m³) provide 1 barrel of oil

Mining activity and equipment by Plant Technology



Plant Technology: Multi-Level Risk Management



Marine Systems

ThyssenKrupp Technologies

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- Berco
- Assembly Plant
- B+V Industrie

Transrapid

Note: Numbers based on target structure for the fiscal year 2005/06 as planned; rounded up



Marine Systems: Locations of European Shipyards Alliance



Marine Systems: Export Market Leader for Frigates, Corvettes and Submarines



Frigates, corvettes, submarines
World market position TOP 1 in naval shipbuilding

**Pro-
pulsion**

**Powerful
propulsion**

Gas turbine

- Acceleration to over 30 knots
- “Crash Stop” (3 ship lengths)

MEKO®

**successful
design
concept**



Stealth

**Almost
impossible
to locate**

**For normal maritime traffic,
additional reflectors are needed
to allow other
ships to recognize
the frigates.**



**Fuel
cells**

**Long
submerged
time**

**Air-independent propulsion (fuel
cell, diesel) allows submarines to
remain submerged
for 4 to 5 times
longer**



Marine Systems: Capabilities in Mega-Yacht Building



World's
biggest yacht
"Octopus"
(150 meters)

3D
draft

Sophisticated
design

Conversions
here:
"Pelorus"

Mega-yachts
Yachts over 100 meters



Mechanical Engineering

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Transrapid

Note: Numbers based on target structure for the fiscal year 2005/06 as planned; rounded up

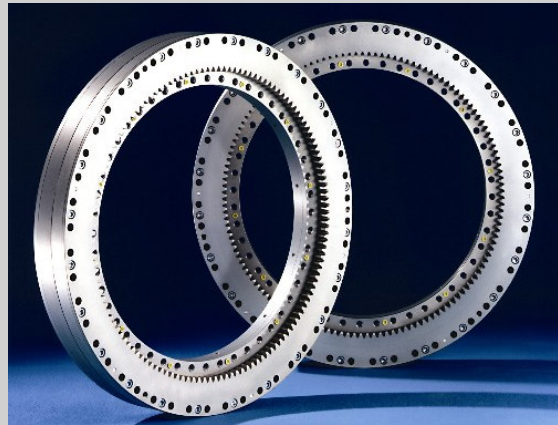


Mechanical Engineering: High-Tech Components (1)

Rothe Erde: Large-diameter bearings and rings, e.g. for

- Cranes/construction machinery
- Medical technology (CT)
- Offshore equipment
- Wind turbines

World market position: TOP 1



Berco: Crawlers for excavators and bulldozers

World market position: TOP 1



Mechanical Engineering: High-Tech Components (2)

Assembly Plant: Assembly systems for engines and transmissions

World market position: TOP 1



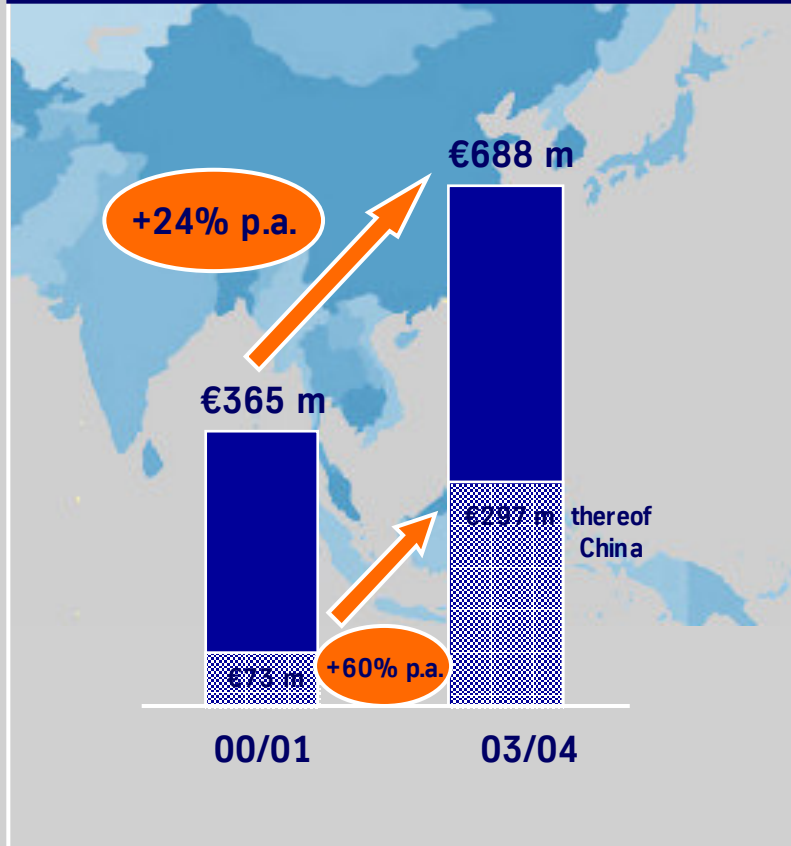
B+V Industrie:
Components for
shipbuilding

World market position:
TOP 1-2



Growth in Asia Pacific in Connection with Mechanical Engineering

Sales in Asia Pacific



Note: Sales with customers in the region; sales growth p.a. = CAGR

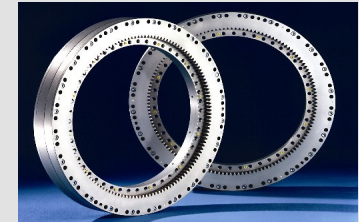
Involvement in Asia Pacific (example: Rothe Erde)

Rothe Erde, Japan

(Nippon, Roballo Co., Ltd.)

since 1968

~ 100 employees



Rothe Erde, China:

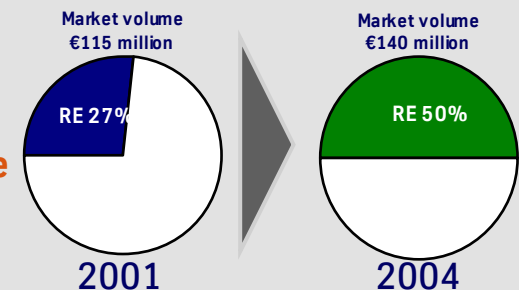
(JV: Xuzhou Rothe Erde Slewing Bearing Co., Ltd.)

since 2002

~ 900 employees



Rothe Erde's market share in Asia



ThyssenKrupp Technologies

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Target Structure: Concentration on High-Profit Business Units

ThyssenKrupp Technologies

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Plant Technology

Sales: €2.3 billion
Employees: 7,000



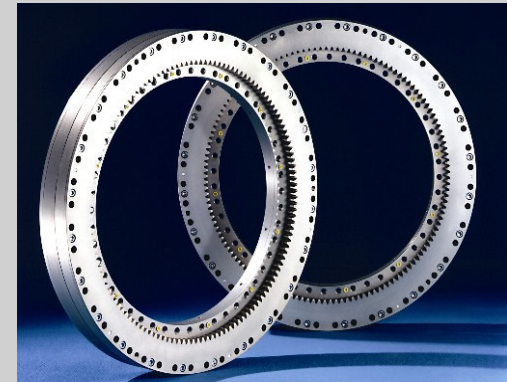
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Employees: 11,000

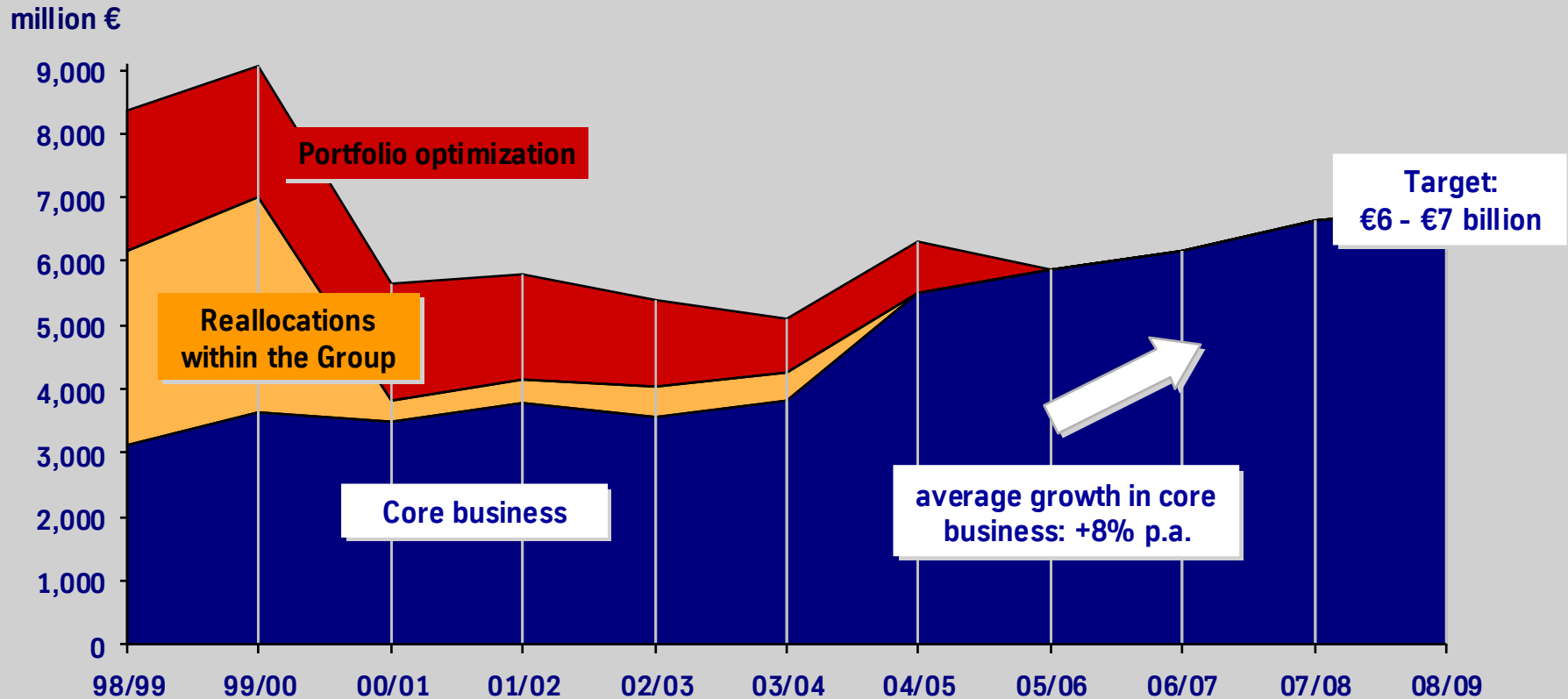


Transrapid




Note: Numbers based on target structure for the fiscal year 2005/06 as planned; rounded up



Growth in Core Business



Sustainable Value Enhancement as Value Driver

<u>TKT financial goals</u>	<u>Achievement in 2003/04</u>	<u>Target 2004/05</u>	Sum over five years
1. Create positive EVA	A significant €89 million improvement resulted in positive EVA (€21 million). 	EVA ~€100 m (Δ EVA ~€80 m)	EVA € 1,200 m
2. Generate a high free cash flow to finance the Group and fund pensions and dividends	At €316 million TKT generated the second-highest free cash flow in the Group. 	FCF ~€400 m	FCF 1,700 m
3. Significant increase in prepayments to reduce the net financial debt of the ThyssenKrupp Group	With a net financial credit of €1.1 billion (at Sep. 30, 2004), TKT contributed to reducing the Group's debt. 	NFC ~€2.0 bn	NFC €2.5 bn*

Note 1: 2003/04 figures as reported on Dec 1, 2004

Note 2: Total = Sum of the fiscal years 2004/05 to 2008/09 planned; rounded up

* planned as of September 30, 2009



Conclusion

- **Value Driver for the Group**

ThyssenKrupp Technologies adds sustainable value to the ThyssenKrupp Group in terms of EVA, in terms of Free Cash Flow, and in terms of Net Financial Funds.

- **Dominant Market Positions through Leading-edge Technology**

Through innovative and patented technologies the segment has achieved competitive advantages, which have created dominant market positions worldwide.

- **Clearly Focused Segment**

Through strong portfolio optimizations within the last months ThyssenKrupp Technologies now is a clearly focused segment.



ThyssenKrupp Technologies

Leading-edge Technology



Appendix



Mission Statement

ThyssenKrupp Technologies is a manufacturer of high-tech plant and machinery.

On the basis of world-leading market positions and innovative system and engineering capabilities, the segment supplies systems, facilities, specialized machinery and components together with associated services.



Executive Board of ThyssenKrupp Technologies



ThyssenKrupp Technologies AG

Dr. Berlien
Chairman

Dr. Atzpodien

Dr. Borgschulte

Prof. Igelbüscher

Dr. Sadtler

Breker

Business units

MetalCutting

**Mechanical
Engineering**

**Marine
Systems**

**Plant
Technology**

Transrapid

Corporate depts.

Public Relations

Legal/Patents

Corp. Dev.

IT

Personnel
Service
Executive
Development

Controlling

Accounting

Purchasing

Inv./ TK best

ThyssenKrupp Technologies



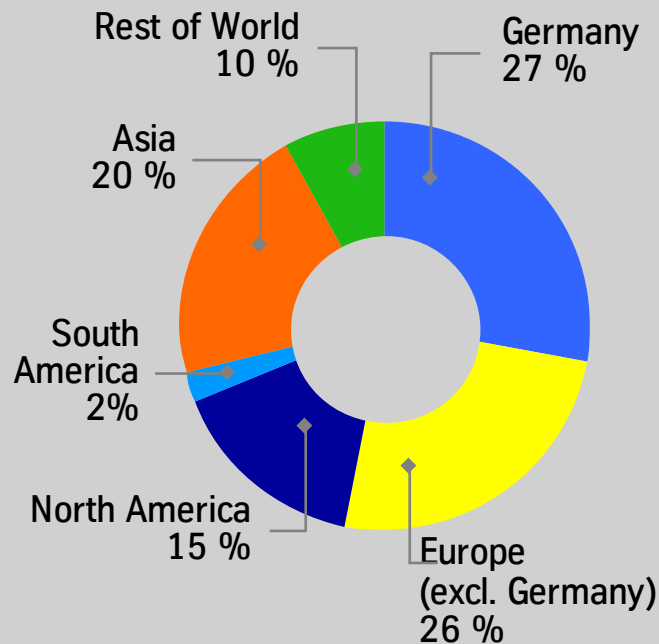
Key Figures

		2000/01*	2001/02*	2002/03*	2003/04	Q1 2004/05	Q2 2004/05
Order intake	€m	5,705	5,304	4,984	5,418	1,662	1,898
Sales	€m	5,733	5,806	5,382	4,636	1,264	1,528
EBITDA	€m	371	267	159	152	61	53
EBIT	€m	195	97	(5)	37	32	15
EBT	€m	203	112	42	67	45	27
ROCE	%	14.2	11.7	4.2	13.0**	–	–
Free cash flow	€m	332	75	531	316**	–	–
Employees (Sept 30/Dec 31/Mar 31)		32,249	32,781	29,871	25,229	25,360	31,632
* not adjusted for discontinued operations							
** as reported on Dec 1, 2004							

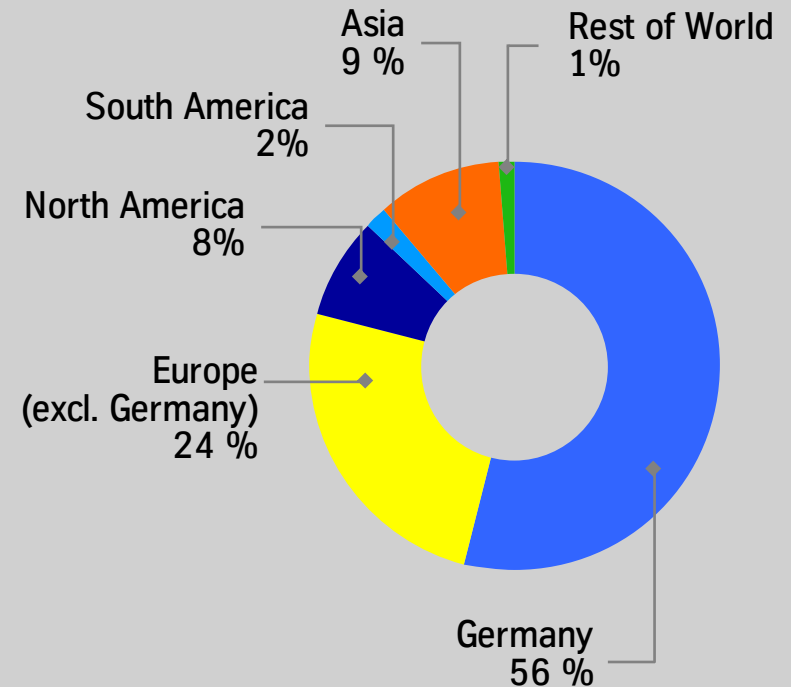


Sales and Employees by Region

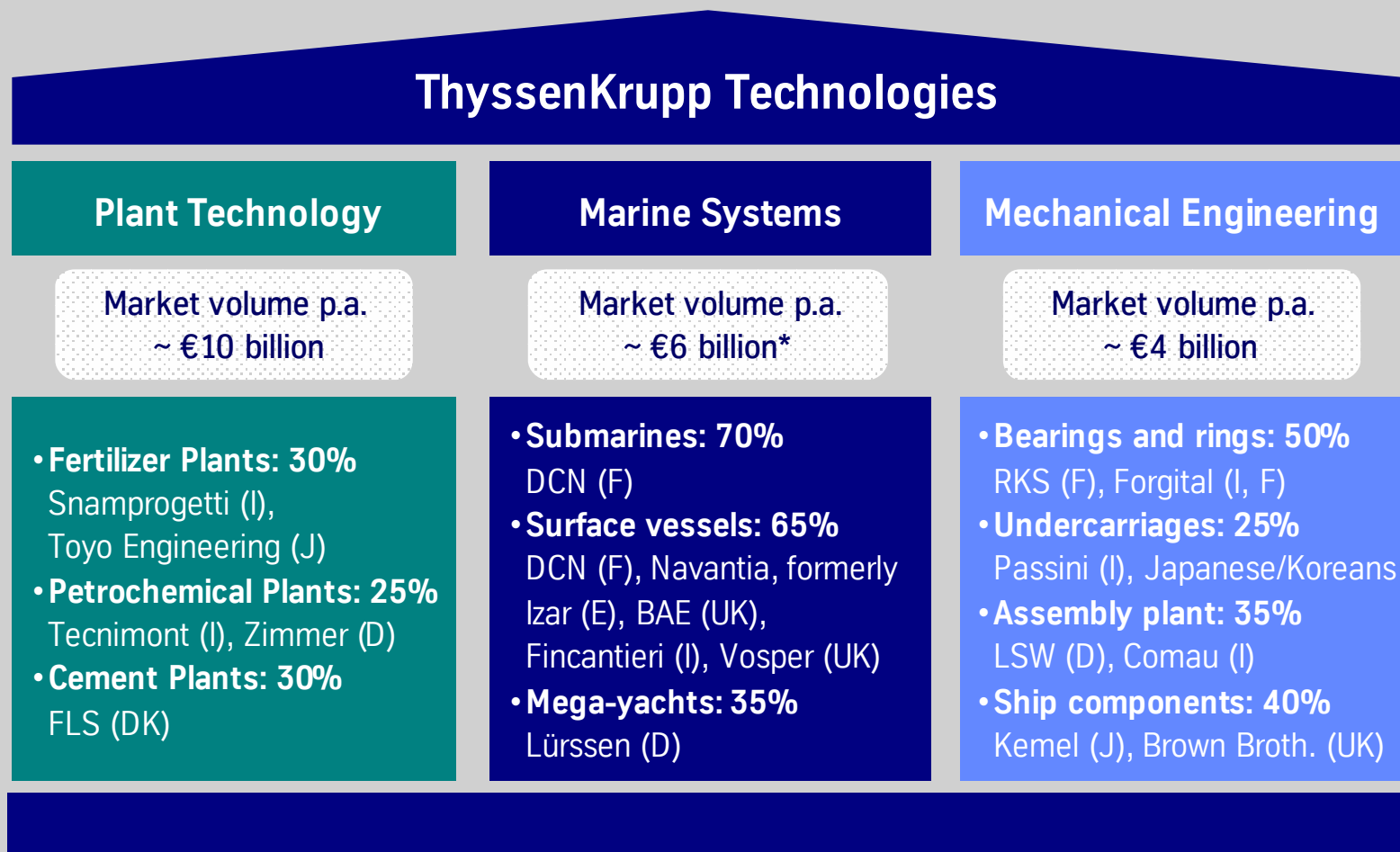
Sales 2003/04 by region



Employees (Sep. 30, 2004) by region



Market Volumes, Market Shares and Main Peers



Note: main products; percentage figure = market share of ThyssenKrupp Technologies; regular text = main competitors

* only accessible market: "Marine"; to be added: mega-yachts and repair business



Plant Technology: Product Portfolio and Application Areas

Fertilizers



Electrolysis



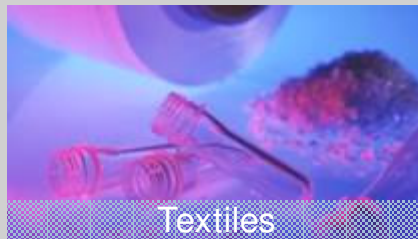
Gas technology



Organic chemistry/ polymers



Polyester



Refinery technology



Pharmaceuticals



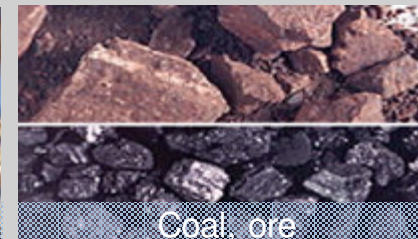
Cement



Minerals



Mining and handling



Coking plant technology



Marine Systems: Product Portfolio

Frigates/corvettes



Submarines



Mega-yachts



Corvettes (steel & carbon fiber-reinforced plastics)



Naval support ships



Container ships



Patrol boats (OPVs)



Special ships



Repairs



Mechanical Engineering: Product Portfolio and End-products (Examples)

Large-diameter
antifriction bearings
and rings



Track chains, idlers,
sprockets, sprocket rims,
rollers, undercarriage
systems



Assembly systems for
engines, transmissions and
axles/steerings as well as
test systems



Stern tube seals, stabilizers,
stern tube bushes, steering
gear, bearings, separators



Development of Innovative Products

ThyssenKrupp Technologies

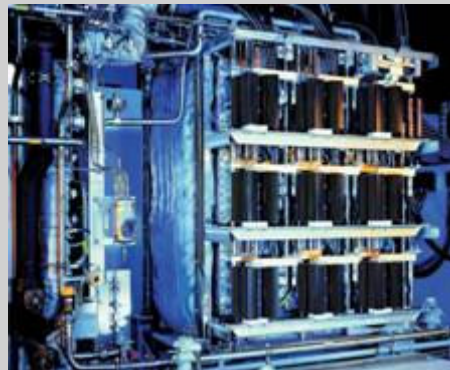
Plant Technology



ENVINOX®:

Reduction in greenhouse gases through almost complete elimination of harmful nitrogen oxides + laughing gas

Marine Systems



Air-independent propulsion systems:

- Fuel cells
- Closed cycle diesel system

Mechanical Engineering



Turbulo Mechanical Phase Breaker (TMPB):

Environmentally friendly, residue-free separator



Innovations (1): EnviNOx® Process



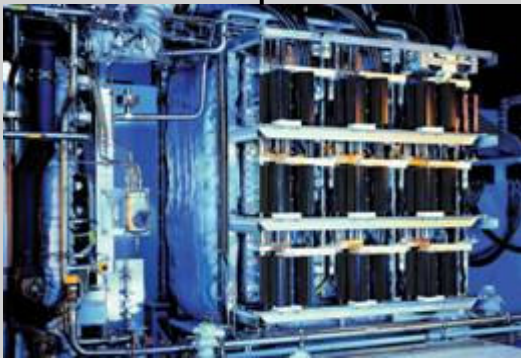
- **Reduction in greenhouse gases** through almost complete elimination of harmful nitrogen oxides (NOx) and laughing gas (N₂O)
 - > 90% reduction in NOx (since Nov. 04 >98%)
 - > 98% reduction in N₂O
 - Reduction in N₂O in the first year of operation: approx. 2400 t N₂O = 750,000 t CO₂
- **Protected by patents and trademarks**
- **First large-scale implementation completed** in Linz, Austria (2003)
 - > 90% reduction in NOx (since Nov. 04 >98%)
 - > 98% reduction in N₂O
 - Reduction in N₂O in the first year of operation: approx. 2400 t N₂O = 750,000 t CO₂
- The operator won the Austrian “save the climate” **award** for the largest action by an individual company in Austria.
- Inclusion in the BAT (**Best Available Technique**) reference document of the EU Commission for integrated environmental protection.



Innovations (2): Air-independent Propulsion Systems



Air-independent propulsion systems for non-nuclear submarines



Fuel cells



Closed-cycle diesel system
(on-land test facility)

- **Increase in time submerged by a factor of 4 to 5,**
i.e. from a few days to several weeks
- **Differentiation from competitors**
- **Significant market potential** through focus on re-fitting of existing submarine fleets around the world

Innovations (3): New De-oiler



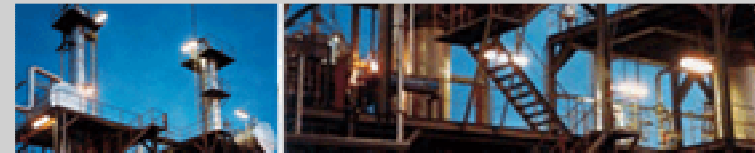
- **New International Maritime Organization (IMO) regulation for new ships from January 01, 2005**
Bilge water de-oilers < 15 ppm residual oil content
- **B+V Industrietechnik solution: Turbulo Mechanical Phase Breaker (TMPB)**
Bilge water de-oiler < 1 ppm residual oil content
- Significant contribution to **environmental protection in shipping**
- **High demand** exceeding all expectations
- Often also **re-fitting of existing container ships** by shipping companies

Acquisition of Inventa Fischer in 2004

Overview

Sales	€130 m
Workforce	160
Locations	<ul style="list-style-type: none"> • Domat/Ems, Switzerland • Berlin, Germany • Shanghai, P.R. China
Main fields of operation	<ul style="list-style-type: none"> • Polyester (PET, PBT, PEN, PTT) for textile, bottle and film grades • Polyamide (PA) for textile applications and engineering plastics
Plants built	over 400 plants worldwide
Market position	market leader for <ul style="list-style-type: none"> • PET polycondensation plants • PA polymerization plants

Strategic Fit



- Expanding the range of processes in the fields of polymers
 - Polyester
 - Polyamide
- International experienced plant contractor
- Strong innovation potential through own research and development facilities and 25% of employees in R&D



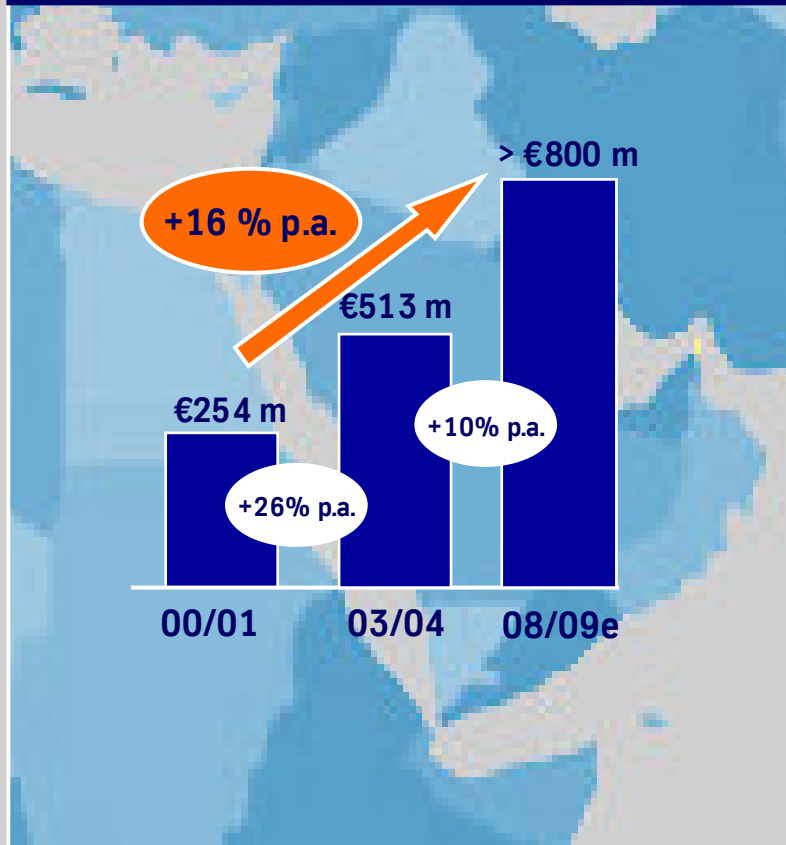
Acquisition of Howaldtswerke-Deutsche Werft (HDW) in 2005

Overview	
Sales	€1.4 billion
Workforce	6,600
Companies/ locations	<ul style="list-style-type: none"> • HDW, GmbH (Kiel, Germany) • Kockums AB, (Malmö and Karlskrona, Sweden) • Hellenic Shipyards Co. (Skaramanga, Greece) • HDW-Nobiskrug GmbH (Rendsburg, Germany) • HDW Fuel Cell Systems (Kiel, Germany)
Main fields of operation	<ul style="list-style-type: none"> • Naval ships • Yacht building • Merchant ships • Repair

Strategic Fit	
<ul style="list-style-type: none"> ■ Securing the long-lasting cooperation between the shipyards (B+V, Nordseewerke and HDW) within a legal entity instead of by a consortium ■ Strengthening the financial position through high potential of synergies and cash pooling ■ Creating a strong German marine shipyard as a starting position for an expected process of European consolidation 	   

Strong Position in The Middle East

Sales in the Middle East and Egypt



Note: sales to customers in the region; sales growth p.a. = CAGR

Plant
Technology
orders

Large-scale plants (examples)

already completed orders



PVC plant,
Qatar



Cement plant,
Egypt

orders currently under construction

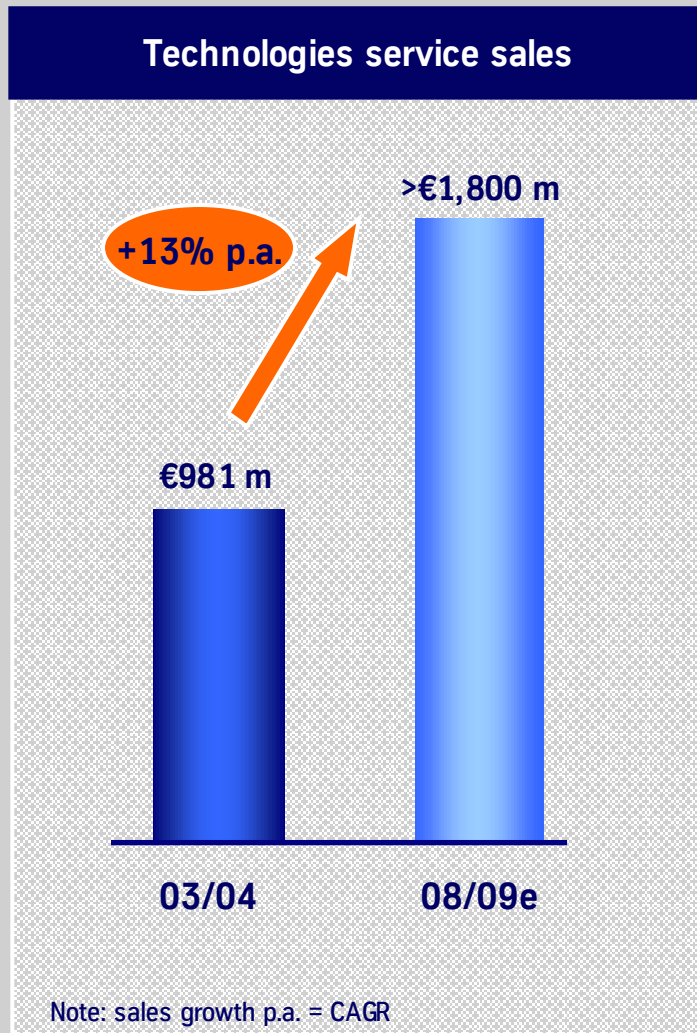


Cement plant,
Saudi Arabia

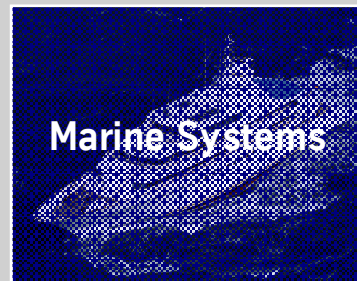


Fertilizer plant,
Saudi Arabia

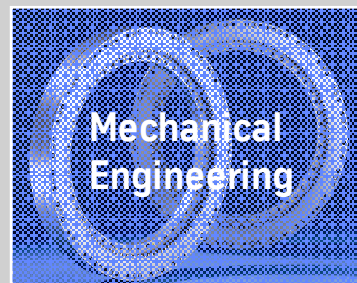
Increase in Service Sales (in € million)



- Establish and expand contracting by operations center
- Expand revamping/plant optimization activities
- Establish and expand spare parts maintenance and training center business
- Comprehensive lifecycle support (longer-term maintenance and service agreements)



- After-sales service (maintenance and repairs)
- Material packages for foreign customers



- Increase after-market:
 - Spare parts
 - Conversion, repair
- Intensify consulting and training

Disclaimer

In this presentation all figures related to the income statement refer to continuing operations unless otherwise stated.

This presentation contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking statements and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond ThyssenKrupp's ability to control or estimate precisely, such as future market and economic conditions, the behavior of other market participants, the ability to successfully integrate acquired businesses and achieve anticipated synergies and the actions of government regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this presentation. ThyssenKrupp does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials.

