

UPDATE OF THE DECLARATION OF COMPLIANCE 2007
BY THE SUPERVISORY BOARD AND THE BOARD OF MANAGEMENT
WITH THE GERMAN CORPORATE GOVERNANCE CODE

The Supervisory Board and the Board of Management of AWD Holding AG welcome and comply with the principles of the German Corporate Governance Code resolved by the Government Commission and make the following declaration concerning a one-time deviation from one point:

The recommendation Section 5.3.3 of the German Corporate Governance Code as amended on 14 June 2007, according to which the Supervisory Board is to form a Nomination Committee which is solely composed of members representing the shareholders and which proposes suitable candidates to the Supervisory Board for recommendation to the shareholders' meetings, was not complied with in relation to the election recommendations for the Annual General Meeting to be held on 4 June 2008.

AWD Holding AG

Hanover, 23 April 2008

The Supervisory Board and the Board of Management

This document is a convenience translation of the original German "Entsprechenserklärung". Only the German version is legally binding on AWD Holding AG.