

## **DECLARATION OF COMPLIANCE 2004**

### **SUPERVISORY BOARD AND BOARD OF MANAGEMENT OF AWD HOLDING AG**

**The Supervisory Board and the Board of Management of AWD Holding AG welcome and comply in general with the principles of the German Corporate Governance Code resolved by the Government Commission, and hereby issue the following declaration:**

**Declaration by the Supervisory Board and the Board of Management of Compliance with the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Law**

Pursuant to Section 161 of the German Stock Corporation Law, the Supervisory Board and the Board of Management of AWD Holding AG declare, after separate resolutions by each board, that they have complied with and continue to comply with the recommendations and suggestions of the German Corporate Governance Code resolved by the Government Commission in the applicable version of 21 May 2003. Except for one recommendation, all of the Code's recommendations are followed. All of the suggestions are also followed. In line with the comply-or-explain principle, the Supervisory Board and the Board of Management justify the deviation from one of the Code's recommendations as follows:

**Recommendation of the German Corporate Governance Code by the Government Commission in the version of 21 May 2003**

**Declaration of the Supervisory Board and the Board of Management of AWD Holding AG**

7.1.2, Sentence 2

"The consolidated financial statements shall be publicly accessible within 90 days of the end of the financial year; interim reports shall be publicly accessible within 45 days of the end of the reporting period."

As a rule, AWD Holding AG publishes its annual and interim financial statements within the periods stipulated by the Code. However, due to the changeover to international accounting standards, in 2005 and for the financial reporting for the 2005 financial year it will be necessary for the last time to exceed three of the publication deadlines by between four and a maximum of seven days, in order to enhance further transparency and quality of the preparation and presentation of reports. AWD therefore intends to make publicly accessible its annual consolidated financial statements at the latest seven days after the "90 days after the end of the year" as recommended by the Code, its Three-Month Report 2005 at the latest four days after the end of the "45 days after the end of the reporting period" as recommended by the Code, and its Half-Year Report 2005 at the latest four days after the end of the "45 days after the end of the reporting period" as recommended by the Code. The Financial Calendar 2005 can be seen at [www.AWD-Group.com/ir](http://www.AWD-Group.com/ir).

Since the last declaration of compliance of 4 December 2003, which is based on the German Corporate Governance Code in the version of 21 May 2003, AWD Holding AG has complied with the recommendations of the German Corporate Governance Code with exceptions in sections 3.8, Paragraph 2; 4.2.4, Sentence 2; 5.4.5, Paragraph 3, Sentence 1; 7.1.1, Sentence 3 and 7.1.2, Sentence 2 (see Declaration of Compliance 2003 at [www.AWD-Group.com/ir](http://www.AWD-Group.com/ir)).

AWD Holding AG

Hanover, 10 September 2004

The Supervisory Board and the Board of Management