

Declarations of Compliance by the Supervisory Board and the Board of Management 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 Management Board of AWD Holding AG declare, after separate resolutions by each board, that they have complied and continue to comply with the recommendations and suggestions of the German Corporate Governance Code resolved by the Government Commission on 21 May 2003. If in exceptional cases any individual recommendations of the Code are not complied with, this is justified by the Supervisory Board and the Board of Management in the declarations:

Recommendations of the German Governance Code resolved by the Government Commission on 21 May 2003

Declarations by the Supervisory Board and the Board of Management AWD Holding AG

3.8 Paragraph 2

»If the company takes out a D&O (directors' and officers' liability insurance) policy for the Management Board and the Supervisory Board, a suitable deductible shall be agreed.«

At present there are very different views on the agreement of a deductible for the Supervisory Board and the Board of Management and on the question of the »appropriateness« of the deductible. Furthermore, the implementation of the regulation is difficult and is objected to by the insurance companies. AWD will therefore not arrange for any deductible for the Supervisory Board and the Management Board at present.

4.2.4 Sentence 2

»The figures (for the compensation of the members of the Board of Management) shall be individualised.«

The Board of Management of AWD Holding AG discloses its total remuneration in the Notes to the Consolidated Financial Statements. The remuneration of the Board of Management comprises a fixed component, as well as a variable, performance-related and long-term component.

5.4.5 Paragraph 3, Sentence 1

»The compensation of the members of the Supervisory Board shall be reported in the Notes of the Consolidated Financial Statements, subdivided according to components.«

The Supervisory Board of AWD Holding AG discloses its total remuneration in the Notes to the Consolidated Financial Statements. The remuneration of the Supervisory Board comprises a fixed component, as well as a variable, performance-related component.

7.1.1 Sentence 3

»The Consolidated Financial Statements and interim reports shall be prepared under observance of internationally recognised accounting principles.«

The present position is that the disclosure and audit of consolidated financial statements according to internationally recognised standards (IAS) is planned for the company accounts and Group accounts for the year 2005 and thereafter.

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 will publish the annual and interim financial statements in the periods stipulated by the Code. However, in the case of one financial reporting date for the year 2004, for organisational reasons a longer period will be necessary. AWD therefore intends to make its interim report on the first half of 2004 publicly accessible at the latest 5 days after the »45 days after the end of the reporting period« as recommended by the Code. The financial calendar can be seen at [www.AWD.de/ investor_relations](http://www.AWD.de/investor_relations) (click to

Since the last Declaration of Compliance as of 9 September 2002, which referred to the German Corporate Governance Code resolved by the Government Commission on 26 February 2002, AWD Holding AG has complied with the recommendations of the German Corporate Governance Code with exceptions in sections 3.8 paragraph 2, 6.6 paragraph 2, 7.1.1 sentence 3 und 7.1.2 sentence 2

AWD Holding AG

Hanover, 4 December 2003

Supervisory Board and Board of Management