

PFLEIDERER AG ANNUAL FINANCIAL STATEMENTS (CONDENSED)

A summary of Pfeleiderer AG's single-entity financial statements prepared and audited in accordance with the provisions of the Handelsgesetzbuch (HGB – German Commercial Code) is presented below. This does not represent publication in the legal form prescribed by section 328(2) of the HGB. A copy of the complete financial statements can be obtained from Pfeleiderer AG, Investor Relations, Ingolstädter Strasse 51, 92318 Neumarkt, Germany.

Balance Sheet (HGB) as of December 31, 2007

ASSETS

'000 EUROS	Dec. 31, 2007	Dec. 31, 2006
Fixed assets		
Intangible fixed assets	56	1
Tangible fixed assets	87	99
Long-term financial assets	212,835	212,782
	212,978	212,882
Current assets		
Receivables and other assets	446,083	365,314
Securities	34,012	1,222
Cash-in-hand, bank balances	30,811	31,680
	510,906	398,216
Prepaid expenses	2,553	2,511
Total assets	726,437	613,609

EQUITY AND LIABILITIES

'000 EUROS	Dec. 31, 2007	Dec. 31, 2006
Equity		
Subscribed capital	136,515	136,515
Capital reserves	189,158	189,158
Revenue reserves	34,012	13,711
Net retained profits	27,101	15,012
	386,786	354,396
Provisions		
Provisions for pensions and similar obligations	7,602	6,668
Provisions for taxes	2,487	4,379
Other provisions	14,924	25,162
	25,013	36,209
Liabilities		
Liabilities to banks	93,196	21,805
Trade payables	911	1,005
Liabilities to affiliated companies	219,540	199,033
Other liabilities	991	1,161
of which taxes	(949)	(591)
of which relating to social security and similar obligations	(9)	(40)
	314,638	223,004
Total equity and liabilities	726,437	613,609

Income Statement (HGB) for Fiscal Year 2007

'000 EUROS	2007	2006
Income from investments	74,791	111,889
Write-downs of long-term financial assets	- 1,488	- 38,302
	73,303	73,587
Income from long-term loans	2	2
Other interest and similar income	18,845	20,665
Interest and similar expenses	- 16,572	- 23,222
	2,275	- 2,555
Income generated by holding company activities	75,578	71,032
Other operating income	61,760	36,897
Wages and salaries	- 8,349	- 7,841
Social security, post-employment and other employee benefit costs	- 1,704	- 709
Amortization and write-downs of intangible fixed assets, depreciation and write-downs of tangible fixed assets	- 47	- 44
Other operating expenses	- 63,851	- 79,447
Write-downs of securities classified as current assets	- 10,916	-
Result from ordinary activities	52,471	19,888
Taxes on income	- 6,730	- 4,820
Other taxes	- 135	- 75
Net income for the fiscal year	45,606	14,993
Retained profits brought forward	1,796	19
Appropriations to revenue reserves	- 20,301	-
Net retained profits	27,101	15,012

Statement of Changes in Fixed Assets of Pfeleiderer Aktiengesellschaft, Neumarkt, January 1 to December 31, 2007

'000 EUROS	COST				Dec. 31, 2007
	Jan. 1, 2007	Additions	Disposals	Reclassifi- cation	
I. Intangible fixed assets					
Concessions, industrial and similar rights and assets, and licenses in such rights and assets	3	51	-	-	54
	-	7	-	-	7
	3	58	-	-	61
II. Tangible fixed assets					
Other equipment, operating and office equipment	202	36	17	-	221
	202	36	17	-	221
III. Financial assets					
1. Shares in affiliated companies	326,303	1,546	-	-	327,849
2. Other investments	-	-	-	-	-
3. Other loans	4,244	-	5	-	4,239
	330,547	1,546	5	-	332,088
	330,752	1,640	22	-	332,370

CUMULATIVE DEPRECIATION, AMORTIZATION, AND WRITE-DOWNS					CARRYING AMOUNT	
Jan. 1, 2007	Additions	Disposals	Reclassifi- cation	Dec. 31, 2007	Dec. 31, 2007	Dec. 31, 2006
2	3	-	-	5	49	1
-	-	-	-	-	7	-
2	3	-	-	5	56	1
103	44	13	-	134	87	99
103	44	13	-	134	87	99
113,565	1,488	-	-	115,053	212,796	212,738
-	-	-	-	-	-	-
4,200	-	-	-	4,200	39	44
117,765	1,488	-	-	119,253	212,835	212,782
117,870	1,535	13	-	119,392	212,978	212,882