

2004 Annual financial statements  
MAN Aktiengesellschaft



ENGINEERING THE FUTURE.

MAN AG Balance sheet  
as of December 31, 2004

<b>ASSETS</b>			
€ million			
	Note	Dec. 31, 2004	Dec. 31, 2003
Intangible assets		0.765	1.362
Tangible assets		16.961	17.809
Financial assets		1,439.089	1,459.280
<b>Fixed assets</b>	(6)	<b>1,456.815</b>	<b>1,478.451</b>
Trade receivables	(7)	4.363	13.124
Other current assets	(8)	148.952	99.221
Cash and cash equivalents	(9)	2,162.353	2,009.970
<b>Current assets</b>		<b>2,315.668</b>	<b>2,122.315</b>
<b>Prepaid expenses and deferred charges</b>		<b>2.080</b>	<b>1.269</b>
		<b>3,774.563</b>	<b>3,602.035</b>

<b>EQUITY AND LIABILITIES</b>			
€ million			
	Note	Dec. 31, 2004	Dec. 31, 2003
Capital stock		376.422	376.422
Additional paid-in capital		794.897	794.897
Reserves retained from earnings		437.424	387.424
Net earnings		154.392	110.280
<b>Stockholders' equity</b>	(10)	<b>1,763.135</b>	<b>1,669.023</b>
<b>Untaxed/special reserves</b>	(11)	<b>0.102</b>	<b>0.102</b>
Pension accruals		87.830	88.387
Tax accruals		—	10.049
Other accruals		151.446	204.030
<b>Accruals</b>	(12)	<b>239.276</b>	<b>302.466</b>
Financial liabilities		1,732.176	1,538.001
Trade payables		18.817	15.664
Sundry liabilities		21.057	76.779
<b>Liabilities</b>	(13)	<b>1,772.050</b>	<b>1,630.444</b>
		<b>3,774.563</b>	<b>3,602.035</b>

## MAN AG Income statement for the fiscal year ended December 31, 2004

€ million			
	Note	2004	2003
Income from investments	(1)	234.442	285.101
Net interest income	(2)	12.195	8.182
Other operating income	(3)	71.549	50.023
General administrative expenses		(41.875)	(39.044)
Other operating expenses	(4)	(58.890)	(157.248)
<b>Profit from ordinary operations (EBT)</b>		<b>217.421</b>	<b>147.014</b>
Income taxes	(5)	(13.029)	33.266
<b>Net income</b>		<b>204.392</b>	<b>180.280</b>
Transfer to reserves retained from earnings		(50.000)	(70.000)
<b>Net earnings</b>		<b>154.392</b>	<b>110.280</b>

## Notes to the financial statements for fiscal 2004

### Bases of annual financial statements

MAN AG prepared its financial statements for the fiscal year ended December 31, 2004, in accordance with the provisions of the German Commercial Code ("HGB") and the German Stock Corporation Act ("AktG").

For enhanced representational faithfulness, certain financial statement lines have been subsumed but are itemized further down in the notes. A listing of MAN AG's shareholdings will be filed with the Commercial Register of the Munich Local Court of Registration.

The cost-of-sales format has been used for income statement presentation.

**Accounting and valuation methods****Intangible assets**

Purchased intangible assets are capitalized at cost and amortized by straight-line charges over their useful lives, mostly 3 to 5 years.

**Tangible assets**

Tangible assets are valued at cost less depreciation and, where required, also write-down. M&R costs and debt interest cost are expensed in the period.

Buildings are depreciated at the maximum rates permitted under the terms of Art. 7 German Income Tax Act ("EStG"). Personalty (movable tangibles) is depreciated by the maximum declining-balance charges permissible under tax legislation over the estimated useful life. Low-value assets (defined as tangibles at net cost of €410 each or less) are fully written off in the period of their addition.

Any additional depreciation or write-down options available under tax regulations are fully utilized. When book values exceed the current fair values, the assets so impaired are written down accordingly.

**Financial assets**

Shares in Group companies and investments are carried at cost or any lower current value. Long-term loans are stated at their principal or, where applicable, discounted as of balance sheet date to their lower present value.

**Current assets**

Receivables and other current assets are shown at principal or par.

**Accruals, liabilities**

Pursuant to Art. 6a EStG, pension accruals provide for pension obligations, are discounted at the statutory 6 percent and shown at their actuarial present value, based on the 1998 Heubeck mortality tables.

The remaining accruals provide for uncertain liabilities and all identifiable risks and are discounted if they include an interest portion.

Liabilities are shown at their principal or any higher settlement amount while liabilities for pensions are discounted.

**Currency translation**

Receivables and payables denominated in any non-€ currency and hedged are measured at the hedged rate. All other receivables and payables are translated at the historical or any more unfavorable current closing rate.

**Notes to the income statement****(1) Income from investments**

€ million		
	2004	2003
Income from P&L transfer agreements	290.183	345.562
Income from other investments	53.591	2.791
Expenses from loss absorption	(109.332)	(63.252)
	<b>234.442</b>	<b>285.101</b>

The income and expense lines refer to Group companies.

**(2) Net interest income**

€ million		
	2004	2003
Other interest and similar income	75.547	84.114
Interest and similar expenses	(58.300)	(70.853)
Interest portion of additions to pension accruals	(5.052)	(5.079)
	<b>12.195</b>	<b>8.182</b>

Interest income and expense refer to the liquid assets shown within cash & cash equivalents and financial liabilities, respectively. €68.073 million (down from €82.501 million) of interest income is allocable to Group companies, and so is €28.874 million (up from €26.832 million) of interest expense.

**(3) Other operating income**

This caption also includes gains from fixed-asset disposal, as well as charges allocated to Group companies.

**(4) Other operating expenses**

These include the expenses not allocable to functional categories. No transfer was made to untaxed/special reserves (down from €0.060 million).

**(5) Income taxes**

Income taxes also reflect a €1.712 million credit relating to other periods.

**Notes to the balance sheet**

(6) Fixed-asset schedule

€ million				
	At cost			
	Balance at 1/1/2004	Additions	Disposals	Balance at 12/31/2004
<b>Intangible assets</b>	<b>2.270</b>	<b>0.140</b>	<b>0.032</b>	<b>2.378</b>
<b>Tangible assets</b>				
Land, equivalent titles, and buildings (incl. buildings on leased land)	50.848	0.003	2.125	48.726
Production plant and machinery	5.959	0.000	0.041	5.918
Business and office equipment	15.163	0.547	0.727	14.983
Prepayments made, construction in progress				0.000
	<b>71.970</b>	<b>0.550</b>	<b>2.893</b>	<b>69.627</b>
<b>Financial assets</b>				
Shares in Group companies	1,464.330	0.052	19.963	1,444.419
Other investments	0.007	0.000	0.000	0.007
Sundry long-term loans	0.858	0.000	0.280	0.578
	<b>1,465.195</b>	<b>0.052</b>	<b>20.243</b>	<b>1,445.004</b>
<b>Fixed assets</b>	<b>1,539.435</b>	<b>0.742</b>	<b>23.168</b>	<b>1,517.009</b>

€ million						
	Accum. amortization/depreciation/write-down			Net book values		
	Balance at 1/1/2004	Charged in 2004	Disposals	Balance at 12/31/2004	Balance at 12/31/2004	Balance at 12/31/2003
<b>Intangible assets</b>	<b>0.908</b>	<b>0.736</b>	<b>0.031</b>	<b>1.613</b>	<b>0.765</b>	<b>1.362</b>
<b>Tangible assets</b>						
Land, equivalent titles, and buildings (incl. buildings on leased land)	33.995	0.689	2.008	32.676	16.050	16.853
Production plant and machinery	5.947	0.012	0.041	5.918	0.000	0.012
Business and office equipment	14.219	0.579	0.726	14.072	0.911	0.944
Prepayments made, construction in progress				0.000	0.000	0.000
	<b>54.161</b>	<b>1.280</b>	<b>2.775</b>	<b>52.666</b>	<b>16.961</b>	<b>17.809</b>
<b>Financial assets</b>						
Shares in Group companies	5.915	0.000	0.000	5.915	1,438.504	1,458.415
Other investments	0.000	0.000	0.000	0.000	0.007	0.007
Sundry long-term loans	0.000	0.000	0.000	0.000	0.578	0.858
	<b>5.915</b>	<b>0.000</b>	<b>0.000</b>	<b>5.915</b>	<b>1,439.089</b>	<b>1,459.280</b>
<b>Fixed assets</b>	<b>60.984</b>	<b>2.016</b>	<b>2.806</b>	<b>60.194</b>	<b>1,456.815</b>	<b>1,478.451</b>

- (7) **Trade receivables** Trade receivables, totaling €4.363 million, include €4.362 million due from Group companies (down from €13.124 million).
- (8) **Other current assets** This caption basically reflects tax assets, receivables from nonconsolidated Group companies from intragroup finance transactions, as well as claims against insurers. €26.539 million of the other current assets is due from Group companies (up from €18.779 million). The remaining term of receivables is throughout less than one year.

(9) **Cash and cash equivalents**

€ million	Dec. 31, 2004	Dec. 31, 2003
Receivable from Group companies under intragroup financing	1,451.035	1,501.914
Receivable from Group companies under P&L transfer agreements	300.177	330.896
Cash on hand and in bank	411.141	177.160
	<b>2,162.353</b>	<b>2,009.970</b>

The receivables under intragroup financing refer to the MAN Group's central financing scheme (ICA).

(10) **Stockholders' equity**

MAN AG's capital stock amounts to an unchanged €376,422,400 and is divided into 147,040,000 no-par shares, including 140,974,350 common and 6,065,650 nonvoting preferred shares.

Authorized capital has existed by dint of resolutions adopted by the annual stockholders' meeting and the special meeting of preferred stockholders, both of December 15, 2000, and may be used by the Executive Board, after first obtaining the Supervisory Board's approval, to increase the Company's capital stock on or before December 15, 2005, by an aggregate maximum of one-half of the capital stock through one or several issues of bearer shares of common and/or preferred stock against contributions in cash and/or in kind. The Executive Board is authorized, with the Supervisory Board's prior approval, to exclude the stockholders' subscription right with respect to contributions in kind, as well as to contributions in cash for up to an aggregate 10 percent of the capital stock.

At their annual meeting on June 4, 2003, the stockholders further authorized the Executive Board, subject to the Supervisory Board's prior consent, to repurchase on or before December 8, 2005, once or several times MAN AG common and/or nonvoting preferred stock. The authority is capped to an aggregate 10 percent of the current capital stock, i.e., a maximum of 14,704,000 shares. The purchase may also be transacted by other Group companies and/or third parties for the account of MAN AG or other Group companies.

An unchanged stake in excess of 25 percent in MAN AG's voting stock was in 2004 held by Regina-Verwaltungsgesellschaft mbH, Munich (jointly owned at 25 percent each by Allianz AG, Allianz Lebensversicherungs-AG, Commerzbank AG, and Münchener Rückversicherungs-Gesellschaft). In January 2005, Regina Verwaltungsgesellschaft mbH notified us pursuant to Art. 21(1) WpHG that its voting interest in MAN AG is meantime nil. Furthermore, Allianz AG and Commerzbank AG communicated that their directly held or assigned voting stakes decreased to 0.82 and 0.74 percent, respectively.

In August 2004, AXA S.A., Paris, France, notified us according to Arts. 21(1), 22(1) and 24 WpHG that the voting stake allocable to AXA S.A. had come to around 7.6 percent as of May 31, 2004.

The additional paid-in capital solely comprises stock premiums paid in under MAN AG's capital increases and the conversion of preferred into common stock.

€50.000 million was transferred from net income to the reserves retained from earnings.

(11) **Untaxed/special reserves**

These reserves were created under the terms of Art. 6b EStG.

(12) **Accruals**

The pension plan includes mainly direct defined benefit obligations (DBO). As a rule, service periods with the Company and pensionable pay will define the amounts of future pensions. These pension plans are funded by pension accruals.

The remaining accruals provide for taxes, business obligations, commitments to personnel for future payments, as well as for a number of specific risks.

## (13) Liabilities

€ million		
	Dec. 31, 2004	Dec. 31, 2003
Due to banks	64.441	61.879
Financial payables to Group companies	1,593.102	1,407.045
Payable to Group companies under P&L transfer agreements	74.633	69.077
<b>Financial liabilities</b>	<b>1,732.176</b>	<b>1,538.001</b>
<b>Trade payables</b>	<b>18.817</b>	<b>15.664</b>
Liabilities to personnel	7.839	4.746
Liabilities for taxes	—	9.113
All other liabilities	13.218	62.920
<b>Sundry liabilities</b>	<b>21.057</b>	<b>76.779</b>
	<b>1,772.050</b>	<b>1,630.444</b>

€14.441 million of the accounts due to banks has a remaining term of one year or less, another €50.000 million one between 1 and 5 years.

The financial payables to Group companies refer to the MAN Group's central financing scheme.

Trade payables include €14.303 million (up from €10.013 million) due to Group companies. The sundry liabilities refer at €10.754 million (up from €7.195 million) to Group companies. The latter include €6.692 million due within one year, €2.151 million with a residual term of between 1 and 5 years, and €1.911 million maturing after 5 years. The remaining liabilities now fall all due in less than one year.

The liabilities to personnel mirror prorated days of annual leave outstanding, as well as special year-end payments.

**Other financial information**

## Contingent liabilities

€ million	Dec. 31, 2004	Dec. 31, 2003
Counterliability from Eurobond issue	396.750	412.875
Counterliability from syndicated loan	—	300.000
Guaranties and suretyships	447.861	468.936
Warranty/indemnity obligations	14.631	21.832
	<b>859.242</b>	<b>1,203.643</b>

In December 2003, through MAN Financial Services plc, Swindon, UK, MAN AG floated and guaranteed a 7-year €300 million Eurobond issue. The liability includes interest for the full term.

Since December 2004, MAN AG has had a syndicated credit facility of €2,000 million at its disposal whose remaining term will expire in December 2009 and which has been granted by a syndicate of 25 German and foreign banks. The previous €1,500 million credit facility was thus superseded. The consortium lead managers are Bayerische Hypo- und Vereinsbank, Calyon, Citigroup Global Markets, Commerzbank, Dresdner Kleinwort Wasserstein, and HSBC. The facility may be utilized in various currencies and amounts and for different terms on a Euribor/Libor basis plus a margin of 20 basis points or more annually. At December 31, 2004, this facility had not been utilized (down from €300 million).

The contingent liability under guaranties and suretyships exists in connection with the contract and order transaction by Group companies.

**Other financial obligations**

Other financial obligations exist under leases for real and personal property. The future lease payments for the minimum lease terms fall due as follows:

€ million		
	Dec. 31, 2004	Dec. 31, 2003
Due within 1 year	0.259	0.248
Due after 1 but within 5 years	0.415	0.529
	<b>0.674</b>	<b>0.777</b>

**Additional disclosures for the income statement**

The general administrative expenses include the following personnel expenses:

€ million		
	2004	2003
Wages and salaries	23.653	21.452
Social security taxes and pension expense	5.945	5.569
<b>Total personnel expenses</b>	<b>29.598</b>	<b>27.021</b>

Pension expense in 2004 totaled €3.097 million (up from €2.586 million) and excludes the interest portion in the annual provision for pension obligations.

The Company's headcount averaged 207 (up from 203) employees.

**Derivative financial instruments**

MAN Group companies generally hedge their transactions against currency and interest rate risks through MAN AG's Group Treasury, on terms as if at arm's length. MAN AG's risk positions are hedged externally through banks, the derivatives presently in use being currency forwards, currency options, and interest rate swaps.

The market value of currency forwards is determined on the basis of the forward rate as of December 31 for the remaining term of each contract in relation to the contracted forward rate. We determine the market value of forex options by means of generally accepted option pricing techniques, key factors being the residual term, the

reference interest rate and the current exchange rate and its volatility. The fair value of interest rate swaps is obtained by discounting the expected future cash flows over the remaining contract term on the basis of current market rates and the yield curve. Positive and negative market values of hedges contrast with opposing market values of the underlyings of Group companies.

Extent of currency and interest rate hedges as of the balance sheet date:

€ million		
	Dec. 31, 2004	Dec. 31, 2003
<b>Hedges with Group companies</b>		
Notional volume		
Currencies bought	1,557	1,644
Currencies sold	660	633
Currency options	37	157
Interest rate receiver swaps	742	756
Interest rate payer swaps	301	301
Market value		
Currencies bought	(50)	(68)
Currencies sold	16	22
Currency options	0	(5)
Interest rate receiver swaps	3	8
Interest rate payer swaps	(23)	(1)
<b>Hedges with external counterparties</b>		
Notional volume		
Currencies bought	3,012	1,586
Currencies sold	3,777	2,562
Currency options	47	159
Interest rate receiver swaps	300	320
Interest rate payer swaps	1,395	1,199
Market value		
Currencies bought	(105)	(88)
Currencies sold	153	145
Currency options	0	5
Interest rate receiver swaps	14	2
Interest rate payer swaps	(8)	(16)

## MAN SAR plan

Effective July 1, 2000, 2001, 2003 and 2004, the MAN Group implemented SAR plans. Members of the MAN companies' executive and management boards were granted stock appreciation rights (SARs) which, after a 2-year qualifying period within the succeeding five years, are exercisable and convertible into taxable income (phantom stock options), subject to the MAN common stock price trend in absolute and relative terms.

The strike price of an SAR plan are the closing stock prices as quoted by the Xetra system for MAN shares, averaged over the ten trading days preceding July 1 (plan issuance date). If and when the MAN stock price rises at least 20 percent above the strike price and, after expiration of the qualifying period, MAN stock has outperformed the Dow Jones EURO STOXX 50 index at least once during five consecutive trading days, plan participants can exercise their SARs.

Under the 2000 and 2001 SAR plans (both granted on a DM basis), participants receive cash of DM 4.00 or €2.045 per SAR for an MAN stock price rise of 20 percent above the strike price. For every further full percentage point above this 20-percent threshold, the cash payable increases by DM 0.15 or €0.0767, up to an aggregate maximum payment per SAR of DM 24.00 or €12.27. Under the 2003 and 2004 SAR plans (€-based), participants will receive cash of €4 per SAR if the market price of an MAN share is 20 percent in the money, and €0.15 for each additional full percentage point of increase, up to an aggregate maximum of €24 per SAR.

The number of SARs issued by MAN AG to its Executive Board members developed in the year as follows:

	SARP 2000	SARP 2001	SARP 2003	SARP 2004
Total SARs at January 1, 2004	293,500	281,000	154,397	—
granted in the period	—	—	—	154,500
exercised in the period	—	(70,000)	—	—
Total SARs at December 31, 2004	293,500	211,000	154,397	154,500

The stock prices relevant to SAR exercise are as follows:

€	SARP 2000	SARP 2001	SARP 2003	SARP 2004
Strike price	33.46	25.60	14.55	29.51
Minimum price for exercise	40.15	30.72	17.46	35.41
Maximum price for exercise	84.77	64.85	36.86	74.76
Stock price at December 31, 2004	28.34	28.34	28.34	28.34

€0.168 million (up from €0) was paid out to MAN AG's Executive Board members in fiscal 2004 as SARs were exercised.

SAR valuation is based on the fair market value, which in addition to the stock price trend up to the balance sheet date, also accounts for the potential future trend of MAN stock on the basis of historical volatility factors, as well as for contractual restrictions on exercise. The accruals for SAR plans total €2.331 million as of December 31, 2004 (up from €1.660 million), the expenses incurred amounting to €0.839 million (down from €1.660 million).

[German Corporate  
Governance Code](#)

In December 2004, MAN AG's Executive and Supervisory Boards issued, and disclosed to the stockholders on the Internet, their annual statement on the recommendations of the German Corporate Governance Code Government Commission. In its declaration of conformity pursuant to Art. 161 AktG, MAN AG states to adopt the recommendations of the Code as amended up to May 21, 2003, with the exception that the remuneration of individual Executive Board members will be disclosed in the notes to the consolidated financial statements only to the extent that the CEO's remuneration and the average salary of all other Executive Board members are indicated.

**Total remuneration of  
Supervisory and Execu-  
tive Board members**

If the cash dividend distribution is resolved by the annual stockholders' meeting as proposed, the members of the Supervisory Board will according to the bylaws receive for fiscal 2004 a total remuneration of €1.278 million (up from €0.899 million), including approx. €58,300 as fixed (down from €58,800), and approx. €1,219,700 as dividend-related (up from €840,200), fee. No compensation was paid to Supervisory Board members for advisory or agency services.

The altogether eight (on annual average; unchanged) members of the Executive Board received a total €7.450 million (up from €5.293 million), breaking down into €3.771 million (up from €3.466 million) of fixed, and €3.511 million (up from €1.827 million) of variable, corporate performance-related, income, plus €0.168 million (up from nil) paid out under the SAR plan—see the note on page 13.

CEO Dr.-Ing. E.h. Rudolf Rupperecht received a total compensation of €1.348 million (up from €0.965 million), breaking down into €0.659 million (up from €0.504 million) of fixed, and €0.689 million (up from €0.461 million) of variable, corporate performance-related, income. Consequently, the annual salary of any of the other seven (unchanged) Executive Board members averaged €0.872 million (up from €0.618 million), including €0.445 million fixed (up from €0.423 million) and €0.403 million variable (up from €0.195 million), plus €0.024 million (up from nil) paid out under the SAR plans. The variable portion hinges on the scaling of the dividend and return on operating assets (ROA).

The compensation of former Executive Board members and their surviving dependants amounted to €4.299 million (up from €3.722 million), while for the accrued pension obligations to such former members and their surviving dependants, altogether €27.921 million (up from €26.753 million) has been provided.

One Supervisory Board member has been granted a housing loan secured by real collateral, carrying interest at the annual rate of 5.5 percent, and maturing after an agreed term of 25 years. At December 31, 2004, the residual loan balance came to €0.031 million (down from €0.033 million).

Munich, March 1, 2005

MAN AG  
The Executive Board

## Executive Board – outside appointments

### **Dipl.-Ing. Håkan Samuelsson**

Munich,  
Chairman (appointed Jan. 1, 2005)

- b) MAN Nutzfahrzeuge AG (Chairman)
- MAN Ferrostaal AG (Chairman)
- MAN Roland Druckmaschinen AG (Chairman)
- MAN B&W Diesel AG (Chairman)
- MAN TURBO AG (Chairman)
- RENK Aktiengesellschaft (Chairman)
- MAN Technologie AG (Chairman)
- NEOMAN Bus GmbH (Chairman)
- c) MAN B&W Diesel A/S, Denmark

### **Dr.-Ing. E. h. Rudolf Rupprecht**

Munich,  
Chairman  
(retired Dec. 31, 2004)

- a) SMS GmbH (Chairman)
- Buderus AG
- Salzgitter AG
- Walter Bau-AG
- b) MAN Nutzfahrzeuge AG (Chairman)
- MAN Ferrostaal AG (Chairman)
- MAN Roland Druckmaschinen AG (Chairman)
- MAN B&W Diesel AG (Chairman)
- RENK Aktiengesellschaft (Chairman)
- MAN Technologie AG (Chairman)
- c) MAN B&W Diesel A/S, Denmark

### **Dr. rer. pol. Ferdinand Graf von Ballestrem**

Munich

- a) Bayerische Versicherungsbank AG
- Hypo Real Estate Holding AG
- SMS Demag AG
- b) Schwäbische Hüttenwerke GmbH (Chairman)
- RENK Aktiengesellschaft (Deputy Chairman)
- MAN Technologie AG (Deputy Chairman)
- MAN Roland Druckmaschinen AG
- MAN Nutzfahrzeuge Vertrieb GmbH
- c) MAN Capital Corporation, USA (Chairman)
- MAN Financial Services plc., United Kingdom (Chairman)

### **Prof. Dipl.-Ing. (FH) Gerd Finkbeiner**

Neusäß

- b) MAN Nutzfahrzeuge AG
- RENK Aktiengesellschaft
- Drei Mohren AG
- c) MAN Roland CEE AG, Austria (Chairman)
- MAN Roland Inc., USA (Chairman)
- MAN Roland (China) Ltd., China (Chairman)
- MAN Roland Western Europe Group B.V., Netherlands (Chairman)
- Votra S.A., Switzerland (Chairman)

### **Karlheinz Hornung**

Munich  
(appointed Oct. 1, 2004)

- b) MAN Nutzfahrzeuge AG
- MAN Ferrostaal AG
- MAN Roland Druckmaschinen AG
- MAN B&W Diesel AG
- c) MAN B&W Diesel A/S, Denmark

**Dr. jur. Matthias Mitscherlich**

Mülheim/Ruhr

- b) MAN TURBO AG (Deputy Chairman)  
MAN Roland Druckmaschinen AG  
DSD Industrieanlagen GmbH

**Dr. jur. Hans-Jürgen Schulte LL.M.**

Augsburg

(retired Jan. 31, 2005)

- b) Drei Mohren AG (Chairman)  
MAN Nutzfahrzeuge AG  
RENK Aktiengesellschaft
- c) S.E.M.T. Pielstick, France (Chairman)  
MAN B&W Diesel Ltd., United Kingdom  
(Chairman)

**Dipl.-Ökonom Anton Weinmann**

Landensberg

(appointed Jan. 1, 2005)

- b) MAN B&W Diesel AG  
RENK Aktiengesellschaft  
MAN Nutzfahrzeuge Vertrieb GmbH  
(Chairman)  
NEOMAN Bus GmbH  
NEOPLAN Bus GmbH
- c) MAN Nutzfahrzeuge Österreich AG  
(Deputy Chairman)  
MAN B&W Diesel A/S, Denmark

**Dr. jur. Philipp J. Zahn**

Munich

(retired Sept. 30, 2004)

- a) SMS Meer GmbH
- b) MAN Ferrostaal AG  
MAN Roland Druckmaschinen AG  
MAN B&W Diesel AG  
NEOMAN Bus GmbH  
NEOPLAN Bus GmbH
- c) MAN B&W Diesel A/S, Denmark

**Dr. rer. nat. Wolfgang Brunn**

Gröbenzell

(Deputy)

- b) MAN TURBO AG

At March 1, 2005 or the date of retirement

- a) Supervisory board appointments in German companies
- b) Group mandates
- c) Appointments to comparable boards outside Germany (Group mandates)

## Supervisory Board—outside appointments

### **Dr. Eng. h. c. Volker Jung**

Munich,  
former member of the Executive Board  
of Siemens AG,  
Chairman

- a) Direktanlagebank AG  
Messe München GmbH  
Vattenfall Europe AG
- c) INTRACOM S.A., Greece

### **Dr. rer. pol. Gerlinde Strauss-Wieczorek\***

Rüsselsheim,  
Secretary of the German Metalworkers  
Union, Deputy Chairwoman

- a) Grammer AG

### **Dr. oec. Paul Achleitner**

Munich,  
Member of the Executive Board of  
Allianz AG, Deputy Chairman

- a) Bayer AG  
RWE AG
- b) Allianz Immobilien GmbH (Chairman)  
Allianz Dresdner Asset Management  
GmbH (ADAM)

### **Jürgen Bänsch\***

Augsburg,  
Chairman of the Works Council at  
MAN Roland Druckmaschinen AG,  
Augsburg Plant

### **Michael Behrendt**

Hamburg,  
Chairman of the Executive Board  
of Hapag-Lloyd AG

- a) Barmenia Allgemeine Versicherungs-AG  
Barmenia Krankenversicherung a.G.  
Barmenia Lebensversicherung a.G.  
Esso Deutschland GmbH  
ExxonMobil Central Europe  
Holding GmbH  
Hamburgische Staatsoper GmbH  
Pracht Spedition + Logistik GmbH
- b) Hapag-Lloyd Container Linie GmbH  
(Chairman)  
VTG Aktiengesellschaft (Chairman)

### **Detlef Dirks\***

Augsburg,  
Chairman of the Works Council at  
MAN B&W Diesel AG,  
Augsburg Plant

### **Jürgen Dorn\***

Munich,  
Chairman of the Central Works Council  
at MAN Nutzfahrzeuge AG

- a) MAN Nutzfahrzeuge AG

### **Dr. rer. nat. Hubertus von Grünberg**

Hanover,  
Chairman of the Supervisory Board  
of Continental AG

- a) Continental AG (Chairman)  
Allianz Versicherungs-AG  
Deutsche Telekom AG
- c) Schindler Holding AG

**Jürgen Hahn\***

Essen,  
commercial employee  
at MAN Ferrostaal AG

- a) MAN Ferrostaal AG

**Dr. jur. Heiner Hasford**

Munich,  
Member of the Executive Board of  
Münchener Rückversicherungs-  
Gesellschaft

- a) Europäische Reiseversicherung AG  
(Chairman)  
Commerzbank AG  
D.A.S. Deutscher Automobil Schutz –  
Allgemeine Rechtsschutz-  
Versicherungs-AG  
ERGO Versicherungsgruppe AG  
Nürnberger Beteiligungs-AG  
Victoria Lebensversicherung AG  
Victoria Versicherung AG  
WMF Württembergische Metallwaren-  
fabrik AG  
d) American Re Corporation

**Dr. phil. Klaus Heimann\***

Frankfurt/Main,  
Secretary of the German Metalworkers  
Union

- a) Krones AG

**Prof. Dr. rer. pol. Renate Köcher**

Constance,  
Managing Director of the Allensbach  
Institute for Public Opinion Research

- a) Allianz AG  
BASF AG  
Infineon AG

**Nicola Lopopolo\***

Hanover,  
Chairman of the Works Council  
at RENK AG,  
Hanover Plant

**Andreas de Maizière**

Bad Homburg,  
Member of the Executive Board  
of Commerzbank AG

- a) Rheinische Bodenverwaltung AG  
(Chairman)  
ABB AG  
Borgers AG  
RWE Power AG  
ThyssenKrupp Stahl AG  
b) Hypothekbank in Essen AG (Chairman)  
c) Arenberg-Schleiden GmbH (Chairman)  
BVV Versicherungsverein des Bank-  
gewerbes a. G.  
d) Commerzbank (Eurasija) SAO (Chairman)

**Prof. Dr.-Ing. Dr. h. c. mult. Joachim Milberg**

Baldham,  
former Chairman of the Executive Board  
of BMW AG

- a) BMW AG (Chairman)  
Allianz Versicherungs-AG  
FESTO AG  
Leipziger Messe GmbH  
TÜV Süddeutschland Holding AG  
c) John Deere & Company

**Thomas Otto\***

Ottweiler,  
Secretary of the German Metalworkers  
Union (appointed Dec. 1, 2004)

- a) MAN Nutzfahrzeuge AG  
MAN Nutzfahrzeuge Vertrieb GmbH  
SMS GmbH  
TA Triumph Adler AG

**Lothar Pohlmann\***

Oberhausen,  
Chairman of the Works Council  
at MAN TURBO AG,  
Sterkrade Plant

**Karl-Heinz Schneider\***

Augsburg,  
First Delegate of the German  
Metalworkers Union  
(retired Sept. 30, 2004)

- a) MAN Roland Druckmaschinen AG  
Eurocopter Deutschland GmbH  
Augsburger Flughafen GmbH  
Stadtwerke Augsburg Verkehrsbetriebe  
GmbH  
Stadtwerke Augsburg Holding GmbH

**Prof. Dr.-Ing. Ekkehard D. Schulz**

Düsseldorf,  
Chairman of the Executive Board  
of ThyssenKrupp AG

- a) RAG AG (additional Deputy Chairman)  
Axa Konzern AG  
Commerzbank AG  
Deutsche Bahn AG  
TUI AG
- b) ThyssenKrupp Automotive AG  
(Chairman)  
ThyssenKrupp Services AG (Chairman)  
ThyssenKrupp Steel AG (Chairman)
- d) ThyssenKrupp Budd Company

**Ralf Simon\***

Munich,  
Director at MAN Nutzfahrzeuge AG

- a) Gesellschaft zur Altlastensanierung  
in Bayern mbH

**Dr. rer. nat. Hanns-Helge Stechl**

Mannheim,  
former Deputy Chairman of the  
Executive Board of BASF AG

\* Elected by Group employees

At March 1, 2005 or the date of retirement

- a) Supervisory board appointments in German  
companies
- b) Group mandates
- c) Appointments to comparable boards inside  
and outside Germany
- d) Appointments to comparable boards outside  
Germany (Group mandates)

## Supervisory Board Committees

### **Standing Committee**

Dr. Eng. h. c. Volker Jung (Chairman)  
Dr. oec. Paul Achleitner  
Dr. jur. Heiner Hasford  
Lothar Pohlmann  
Dr. rer. pol. Gerlinde Strauss-Wieczorek

### **Executive Personnel Committee**

Dr. Eng. h. c. Volker Jung (Chairman)  
Dr. oec. Paul Achleitner  
Dr. rer. pol. Gerlinde Strauss-Wieczorek

### **Audit Committee**

Dr. oec. Paul Achleitner (Chairman)  
Dr. jur. Heiner Hasford  
Dr. Eng. h. c. Volker Jung  
Lothar Pohlmann  
Dr. rer. pol. Gerlinde Strauss-Wieczorek

## Auditor's opinion

We have audited the annual financial statements (including the accounting) and the management report as prepared by MAN AG for the fiscal year ended December 31, 2004. The accounting and preparation of the annual financial statements and the management report in accordance with German Commercial Code regulations and the supplementary provisions of the Company's bylaws are the responsibility and assertions of the Company's Executive Board. Our responsibility is, based on our audit, to express an opinion on the annual financial statements (including the accounting) and the management report.

We have conducted our annual audit in accordance with Art. 317 HGB and with due regard to generally accepted standards on the audit of financial statements as established by IDW, the Institute of Sworn Public Accountants & Auditors in Germany. Those standards require that we plan and perform the audit to obtain reasonable assurance that any misstatement or fraud which has a material impact on the view of the net assets, financial position and results of operations as presented by the annual financial statements in accordance with accounting principles generally accepted in Germany and by the management report is identified. When planning the audit procedures, knowledge and understanding of the Company's business, its economic and legal environment as well as sources of potential errors are given due consideration. An audit includes examining, largely on a test basis, the accounting-related internal control system's effectiveness and the evidence supporting the amounts and disclosures in the accounting, the annual financial statements, and the management report. An audit also includes assessing the accounting principles used, and significant estimates made, by the Company's legal representatives, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not resulted in any objections or exceptions.

It is our opinion that the annual financial statements, with due regard to accounting principles generally accepted in Germany, present a true and fair view of the Company's net assets, financial position and results of operations. The management report presents fairly, in all material respects, both the Company's overall position and the risks inherent in its future development.

Munich, March 9, 2005

BDO Deutsche Warentreuhand  
Aktiengesellschaft  
Wirtschaftsprüfungsgesellschaft

Harnacke                      pp. Stähler  
Wirtschaftsprüfer          Wirtschaftsprüfer