

BALANCE SHEET OF MAHLE GMBH AS OF DECEMBER 31, 2005

Assets

| in EUR '000 | | Dec. 31, 2005 | Dec. 31, 2004 |
|-----------------------------------------------|---------|------------------|------------------|
| Fixed assets | | | |
| Property, plant and equipment | 68 081 | | 78 210 |
| Financial assets | 787 348 | | 670 967 |
| | | 855 429 | 749 177 |
| Current assets | | | |
| Inventories | 53 758 | | 59 225 |
| Accounts receivable and other assets | | | |
| Trade receivables | 50 927 | | 56 641 |
| Other accounts receivable and other assets | 154 629 | | 195 432 |
| | 205 556 | | 252 073 |
| Cash and cash equivalents | 40 208 | | 698 |
| | | 299 522 | 311 996 |
| Prepaid expenses | | | |
| | | 270 | 694 |
| | | 1 155 221 | 1 061 867 |

Equity and liabilities

| in EUR '000 | | Dec. 31, 2005 | Dec. 31, 2004 |
|-----------------------------------------------|---------|------------------|------------------|
| Equity | | | |
| Subscribed capital | 150 000 | | 150 000 |
| Capital reserves | 166 430 | | 166 430 |
| Revenue reserves | 404 500 | | 312 100 |
| Unappropriated retained earnings | 6 339 | | 4 097 |
| | | 727 269 | 632 627 |
| Accruals | | | |
| Accruals for pensions and similar obligations | 135 783 | | 132 873 |
| Other accruals | 95 467 | | 118 853 |
| | | 231 250 | 251 726 |
| Liabilities | | | |
| Liabilities to banks | 99 208 | | 99 674 |
| Trade payables | 19 315 | | 23 765 |
| Other liabilities | 78 179 | | 54 075 |
| | | 196 702 | 177 514 |
| | | 1 155 221 | 1 061 867 |

INCOME STATEMENT OF MAHLE GMBH
FROM JANUARY 1 TO DECEMBER 31, 2005

| in EUR '000 | 2005 | 2004 |
|-----------------------------------------------------------------|----------------|----------------|
| Sales | 499 353 | 574 480 |
| Increase or decrease in finished goods and own work capitalized | - 3 288 | - 1 692 |
| Total operating performance | 496 065 | 572 788 |
| Other operating income | 60 269 | 73 799 |
| Cost of materials | - 198 192 | - 248 122 |
| Personnel expenses | - 209 734 | - 224 624 |
| Depreciation on fixed assets | - 29 123 | - 22 946 |
| Other operating expenses | - 125 955 | - 175 958 |
| Investment income | 35 365 | 9 575 |
| Income/expense from profit and loss transfers | 106 952 | 60 154 |
| Amortization of financial assets | - 26 675 | - 1 597 |
| Interest | - 5 542 | - 4 453 |
| Income from ordinary business activities | 103 430 | 38 616 |
| Taxes | - 4 788 | - 6 510 |
| Net income for the year | 98 642 | 32 106 |

The auditor of the MAHLE Group, Ernst & Young AG Wirtschaftsprüfungsgesellschaft, Stuttgart, rendered an unqualified audit opinion on the Annual Financial Statements of MAHLE GmbH.

To receive a copy of the complete Annual Financial Statements of MAHLE GmbH, please contact:

MAHLE International GmbH
Corporate Communications/Public Relations
Pragstrasse 26-46
D-70376 Stuttgart



MEMBERS OF THE SUPERVISORY BOARD

Dr. rer. pol. Klaus P. Bleyer

Chairman

Former Chairman of the Management Board of ZF Friedrichshafen AG, Friedrichshafen/Germany

Bruno Nickel

Deputy Chairman

until December 31, 2005

Former Managing Director of Industriegewerkschaft Metall, Local Administrative Office, Stuttgart/Germany

Jörg Hofmann

Deputy Chairman

effective January 1, 2006

District Administrator of Industriegewerkschaft Metall Baden-Württemberg, Stuttgart/Germany

Rolf Allmendinger

Chairman of the Supervisory Board of WMF Aktiengesellschaft, Geislingen/Germany

Herbert Bossert

Executive Secretary of the Central Works Council of MAHLE GmbH

Martin Bücher

Deputy Chairman of the Central Works Council of MAHLE GmbH

Anton Czink

Deputy Chairman of the Central Works Council of MAHLE GmbH

Dr. jur. Wolfgang Fritzemeyer

LL.M., Attorney-at-Law
Baker & McKenzie, Munich/Germany

Dipl.-Kfm. Horst H. Geidel

Chairman of the Supervisory Board of Behr GmbH & Co., Stuttgart/Germany

Dr. rer. pol. Rolf A. Hanssen

Former Chairman of the Management Board of MTU Friedrichshafen GmbH Friedrichshafen/Germany

Bernd Hofmaier-Schäfer

Chairman of the Central Works Council of MAHLE GmbH

Thomas R. Letsch

Vice President Sales and Application Engineering Commercial Vehicles of MAHLE GmbH

Prof. Dr.-Ing. Stefan Pischinger

Director and Professor, Institute of Combustion Engines RWTH Aachen/Germany

Willi Ritter

Chairman of the Works Council of Stuttgart Plant and the European Works Council of MAHLE GmbH

Hansjörg Schmierer

effective January 1, 2006

Managing Director of Industriegewerkschaft Metall, Local Administrative Office, Stuttgart/Germany

Dipl.-Kfm. Dieter Schnabel

Former Chairman of the Management Board of Robert Bosch Ltda., Campinas/Brazil

Dipl.-Ing. Hans-Ulrich Wacker

Former Executive Vice President of MAHLE GmbH

REPORT OF THE SUPERVISORY BOARD



Dr. Klaus P. Bleyer

The Supervisory Board would like to express its gratitude to member and Deputy Chairman of the Supervisory Board, Bruno Nickel, who retired as of December 31, 2005, for his many years of constructive cooperation. Hansjörg Schmierer was appointed member of the Supervisory Board by the Stuttgart district court ("Amtsgericht Stuttgart") for the remaining term of office. Jörg Hofmann was elected Deputy Chairman of the Supervisory Board as of January 1, 2006.

During the year under report, the Supervisory Board was informed regularly through oral and written reports from the Management Board and during meetings on the status and development of business of the Company and the MAHLE Group. The Supervisory Board held three ordinary meetings. A further resolution was adopted by written consent.

Ernst & Young AG Wirtschaftsprüfungsgesellschaft, Stuttgart, audited the Annual Financial Statements and the Status Reports of the MAHLE Group and of MAHLE GmbH for the 2005 business year, rendering an unqualified audit opinion. The Supervisory Board agrees with the results of the audit.

The Supervisory Board approves the Annual Financial Statements and the Status Reports of the MAHLE Group and of MAHLE GmbH, and does not raise any objections to the appropriation of income as proposed by the Management Board.

Georg Weisweiler, who had been a member of the Management Board since 1997 and responsible for Human Resources since 2001, retired on June 30, 2005; the Supervisory Board would like to thank Mr. Weisweiler for his many years of successful work. Michael Glowatzki took over his role as Corporate Executive Vice President Human Resources as of May 16, 2005.

Stuttgart, April 10, 2006

For the Supervisory Board

A handwritten signature in blue ink, appearing to read "K.P. Bleyer". The signature is stylized and written over a faint grid background.

Dr. Klaus P. Bleyer
Chairman