

MAHLE

Driven by performance

Press conference on the business development of the MAHLE Group for the business year 2007

April 25, 2008



Agenda

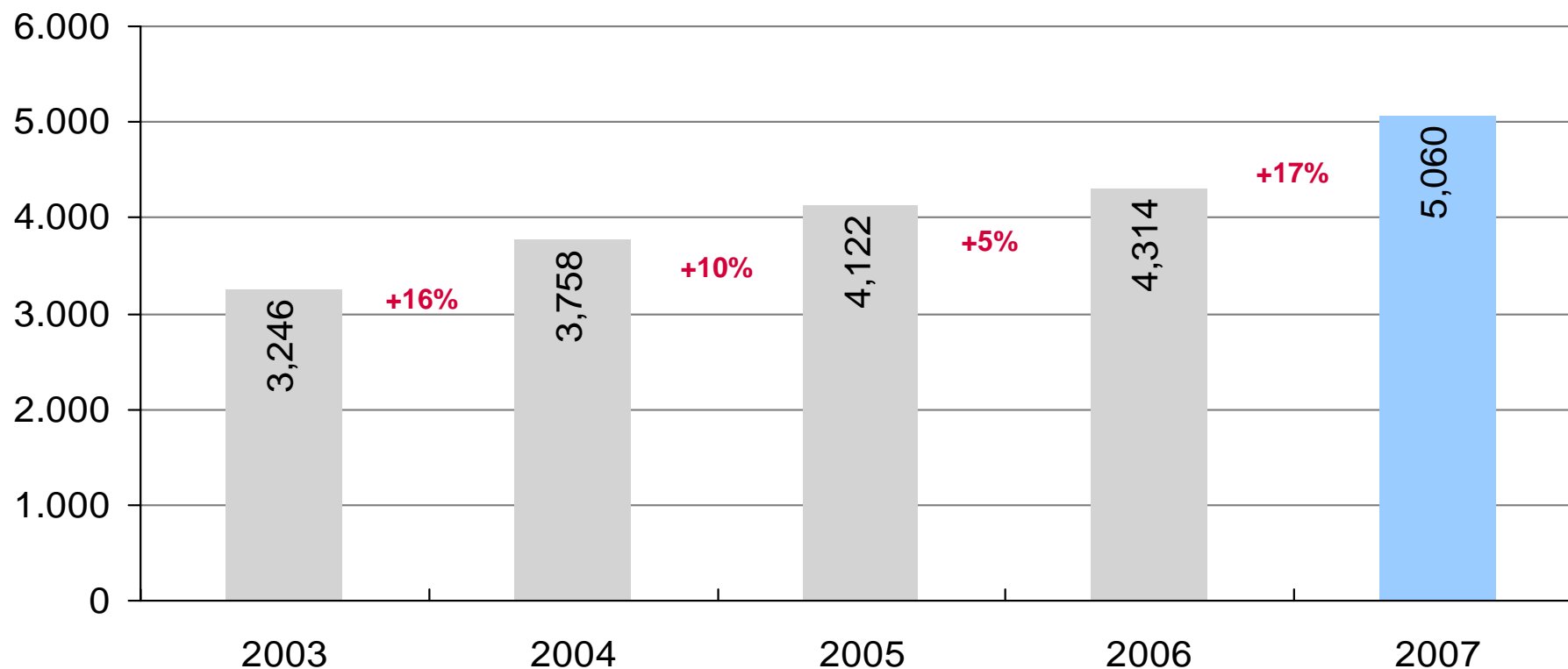
- Business environment/automobile economic situation
- Business development 2007
 - Sales development
 - Income statement
 - Balance sheet
 - Investments
 - Development of headcounts
- Group development
- MAHLE technologies for CO₂ reduction
- Powertrain technology trends of the coming decades
- Global significance of automobile OE's and automobile suppliers
- Outlook to business year 2008

	2006		2007	
	Pass. cars and light coml. vehicles	Coml. vehicles (incl. buses)	Pass. cars and light coml. vehicles	Coml. vehicles (incl. buses)
America	18,313	800	18,577	622
- NAFTA	15,265	642	15,029	430
- South America	3,048	158	3,548	193
Asia/Pacific	25,573	1,322	27,630	1,578
- Japan	11,076	408	11,127	421
- China	6,540	585	7,949	814
Europe	20,735	636	21,882	729
- Germany	5,634	176	5,981	196
Rest of World	1,684	0	1,778	0
Total	66,305	2,758	69,866	2,929

Quelle: AutoInsight, März 2008

Sales development
[in million EUR]

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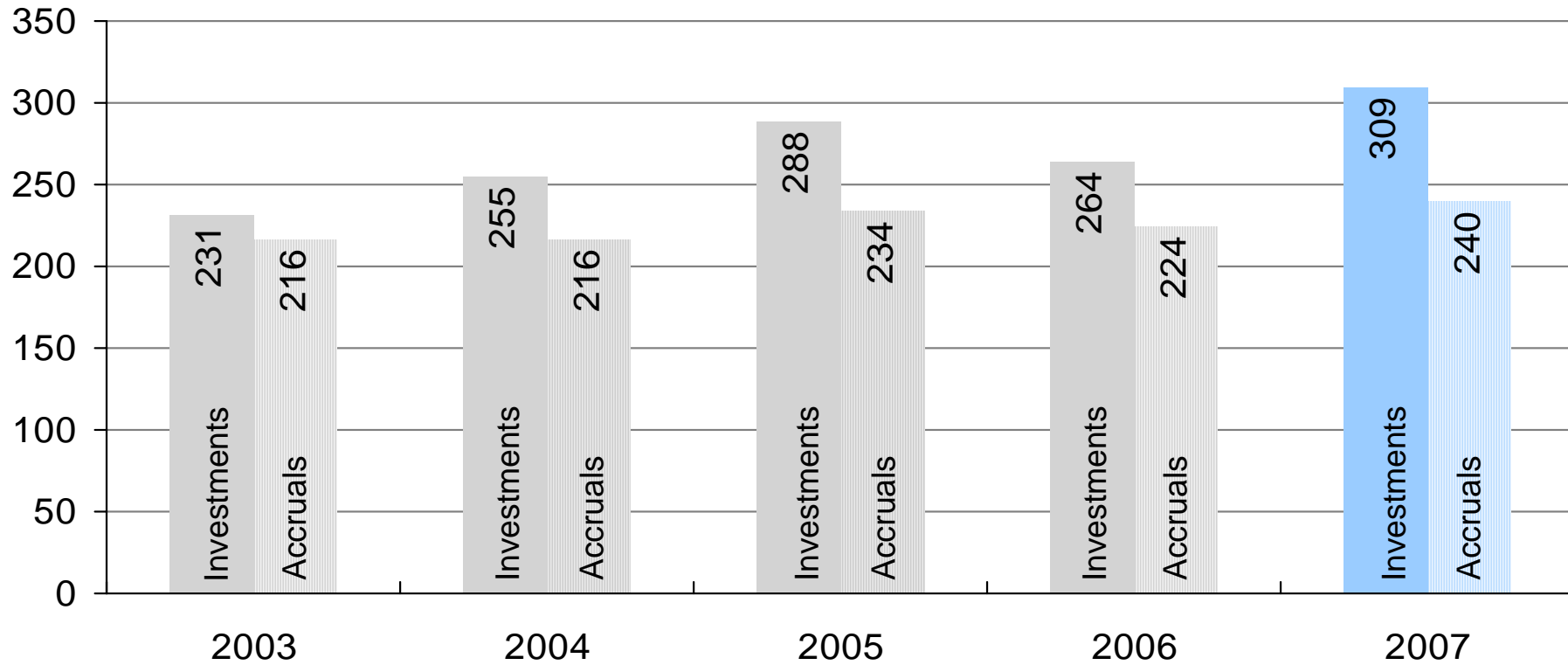
	2006	2007	Difference
	million EUR	million EUR	million EUR
Sales	4,314.0	5,060.4	746.4
Cost of sales	-3,324.8	-3,935.1	-610.3
Gross profit on sales	989.3	1,125.4	136.1
Selling expenses	-221.2	-284.6	-63.4
General administrative expenses	-197.8	-234.0	-36.2
Research and development expenses	-241.6	-277.7	-36.1
Other operating income	141.5	121.5	-20.0
Other operating expenses	-151.1	-101.8	49.3
Financial result	-24.5	-40.7	-16.2
Income from ordinary business activities	294.6	308.1	13.5
Taxes	-102.8	-85.1	17.7
Net income for the year	191.8	223.0	31.2

Financial statements
Balance sheet

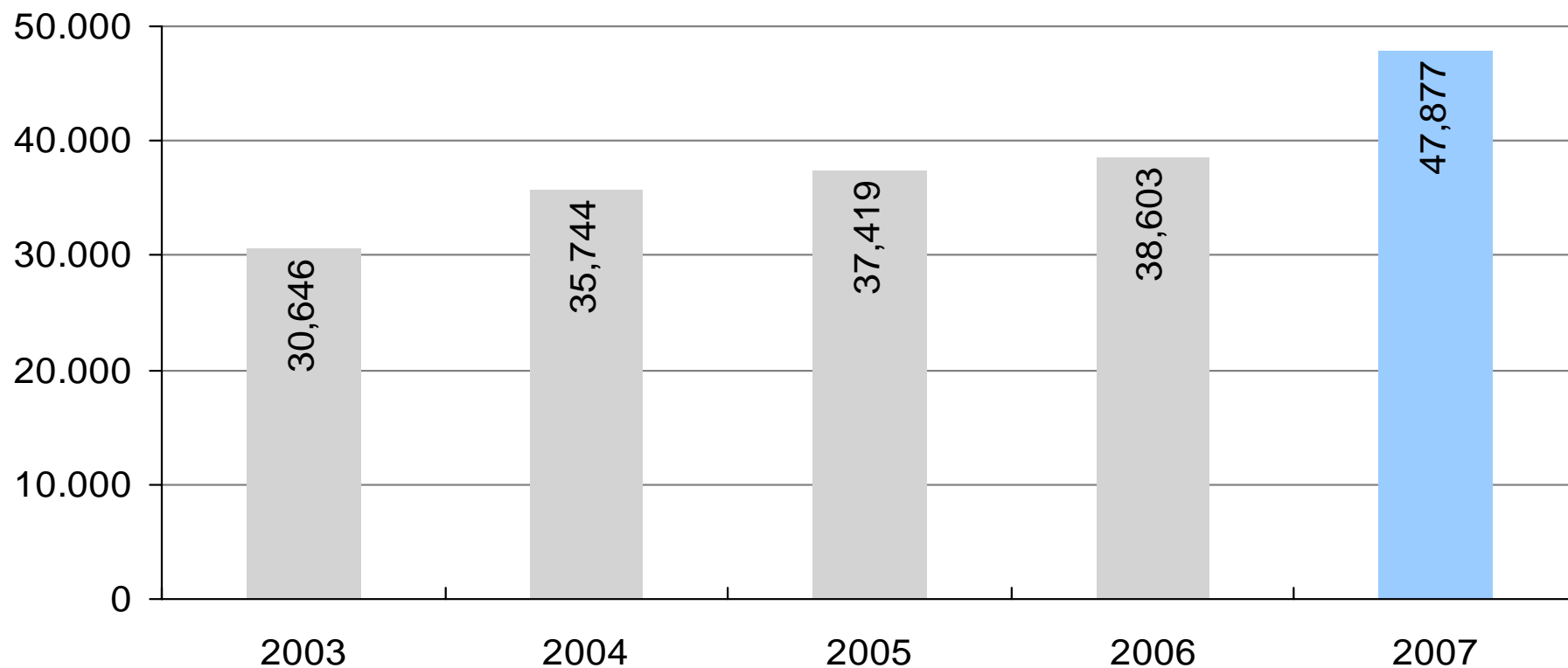
	2006		2007			2006		2007	
	million EUR	%	million EUR	%		million EUR	%	million EUR	%
Assets					Equity and liabilities				
Intangible assets	130.9	4.0	250.4	6.7	Equity	1,363.5	41.6	1,538.3	41.1
Tangible fixed assets	1,235.2	37.7	1,429.8	38.2	Provisions f. pensions	354.5	10.8	372.4	10.0
Financial assets	15.5	0.5	19.9	0.5	Other accruals	528.3	16.1	765.2	20.5
Inventories	489.1	14.9	676.1	18.1	Liabilities to banks	554.4	16.9	441.4	11.8
Receiv./other assets	725.2	22.1	767.3	20.5	Trade payables	378.5	11.6	490.8	13.1
Liquid assets (incl. bonds)	483.4	14.8	279.5	7.5	Other liabilities	97.6	3.0	132.7	3.5
Other assets	197.5	6.0	317.8	8.5					
Balance sheet total	3,276.8	100.0	3,740.8	100.0	Balance sheet total	3,276.8	100.0	3,740.8	100.0

Development of capital expenditure on fixed assets – investments/accruals

[in million EUR]



Development of headcounts



Business development 2007 – MAHLE Group

Development of headcounts by regions

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	2006	2007
Europe	17,727	20,314
<i>Thereof Germany</i>	8,850	9,185
North America	3,650	7,325
South America	9,870	11,649
Asia/Pacific	7,356	8,589
Total	38,603	47,877

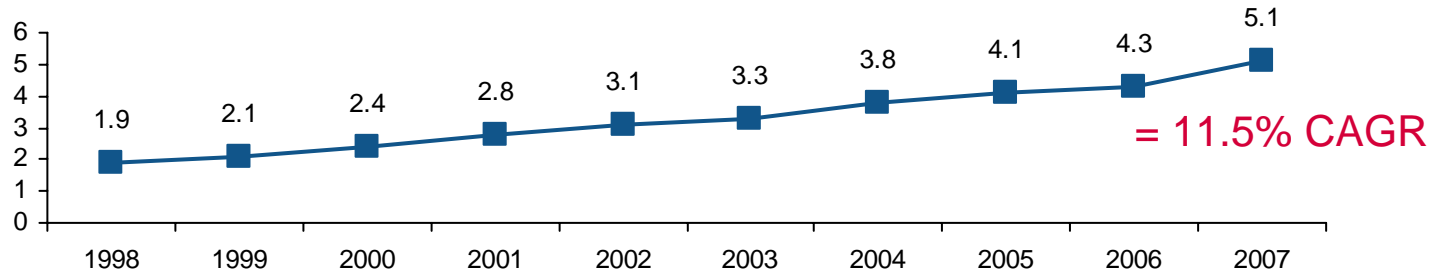
MAHLE Group

Trends at MAHLE

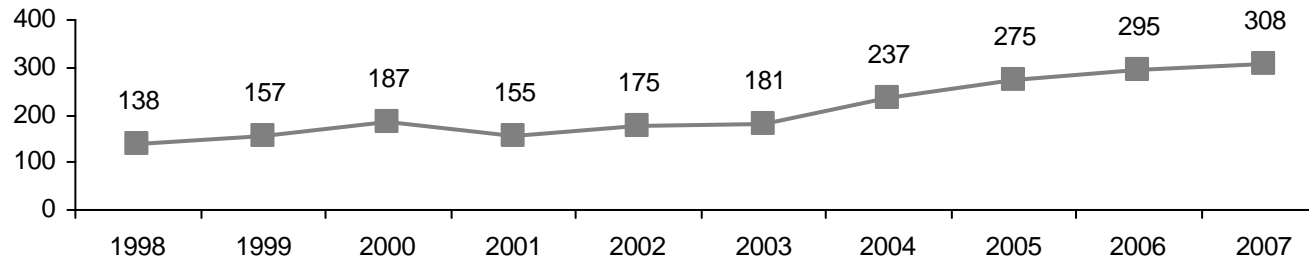


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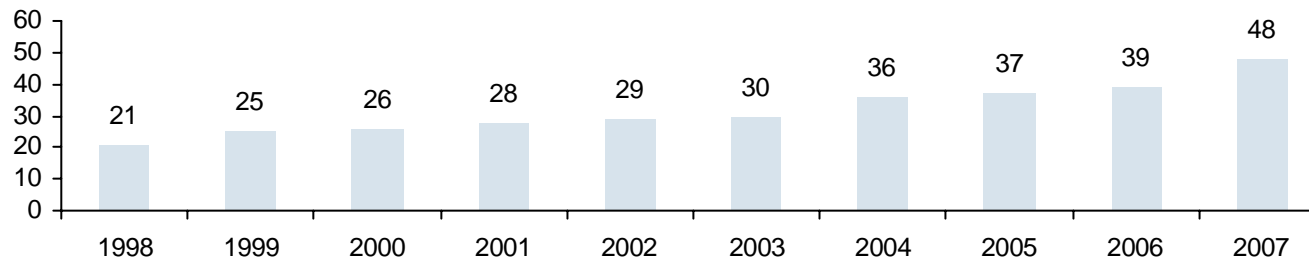
Sales in billion EUR



Income from ordinary business activities in million EUR (profit before taxes)



Employees in thousand



Group development

MAHLE locations 31.12.2006 (80 locations)



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Group development

MAHLE locations 31.03.2008 (110 locations)



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The fifty-fifty joint venture to develop, manufacture and market exhaust gas turbochargers will be established after approval by the antitrust authorities.

- Planned start of the JV: April 2008 → postponed to June 2008 (delay in the approval process)
- Base of headquarters: Stuttgart, Pragsattel
- Employees: Approx. 100 persons, made up of employees from both parent companies, in approximately equal numbers

- Start of production: 2010/2011
- Production locations: MAHLE – St. Michael (Austria)
Bosch – Immenstadt (Germany)
- Employees: Approx. 400 employees from start of production

Group development

Bosch Mahle Turbo Systems
Logo

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Bosch Mahle
TurboSystems

Group development

Bosch Mahle Turbo Systems

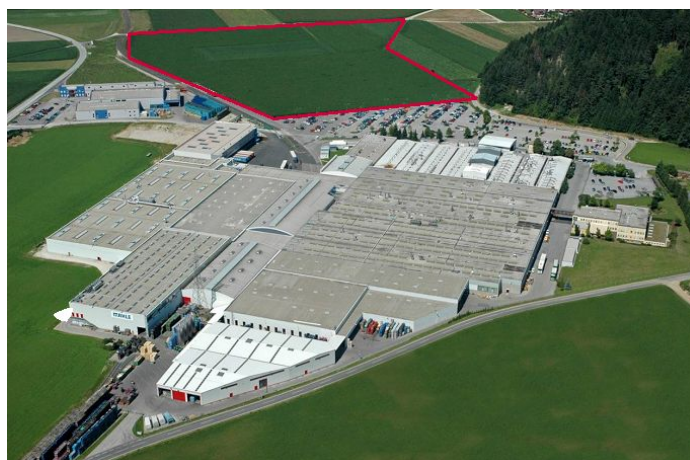
Locations

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Stuttgart, Pragsattel



St. Michael/Austria

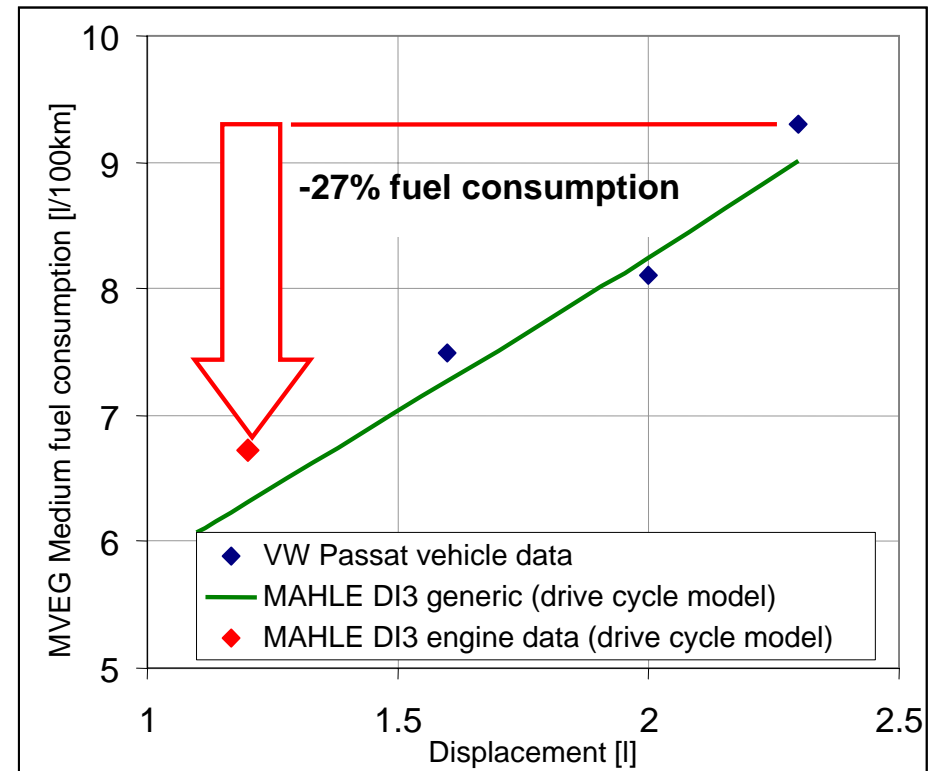


Immenstadt/Germany

- Development of a technology demonstrator
 - Core technologies: Turbo charging in connection with gasoline direct injection and variable valve timing
 - Reduction of friction
- Integration of MAHLE systems and components as well as innovations in corresponding technologies
 - Power Cell Unit (piston, piston rings, piston pins, cylinder)
 - Cylinder head and valve train
 - Air and liquid filtration and management
 - Fast switching EGR valves
 - Exhaust gas turbocharger (Bosch Mahle Turbo Systems)
 - Lightweight design: COSCAST® process for cylinder block, head and other components
- High specific performance (120 kW/liter) at excellent fuel consumption rates with innovative systems and components; suitable for series production
- Objective: 30% lower fuel consumption in a middle class vehicle (1,600 kg)



- Fuel consumption measurement
 - Partial load consumption map completely measured with small and medium exhaust gas turbochargers; current status:
 - 2,000 rpm, 2 bar = 400 g/kW h
 - 2,000 rpm, 4 bar = 310 g/kW h
 - Further optimization potential for compressor ratio and combustion chamber geometry; realization in the coming project phases
 - Further significant reduction of fuel consumption calculated



Powertrain technology trends of the coming decades

Engine types by region in 2020



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North America

- Gasoline 65 %
- Diesel 25 %
- Hybrid/electric* 10 %

South America

- Gasoline 93 %
- Diesel <5 %
- Hybrid/electric* <2 %

Europe

- Gasoline 45 %
- Diesel 45 %
- Hybrid/electric* 10 %

Japan

- Gasoline 80 %
- Diesel 8 %
- Hybrid/elektrisch* 12 %

Asia without Japan

- Gasoline 90 %
- Diesel 8 %
- Hybrid/electric* <2 %

*Micro-Hybrid (start-stop systems) are considered in equal parts for gasoline and diesel engines.

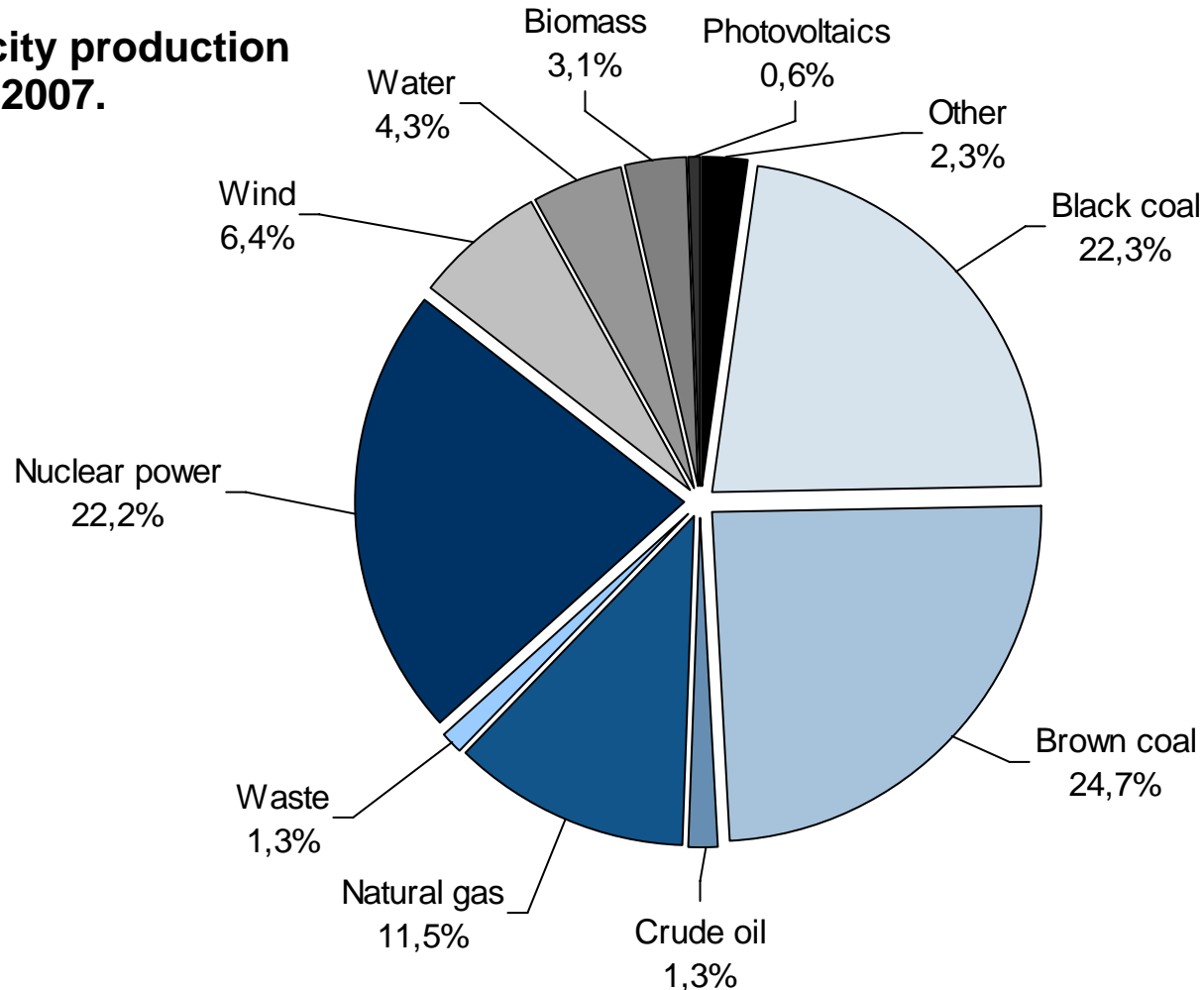
Electricity production in Germany

Electricity production and CO₂-relevance in Germany in 2007 (total 632 TWh)



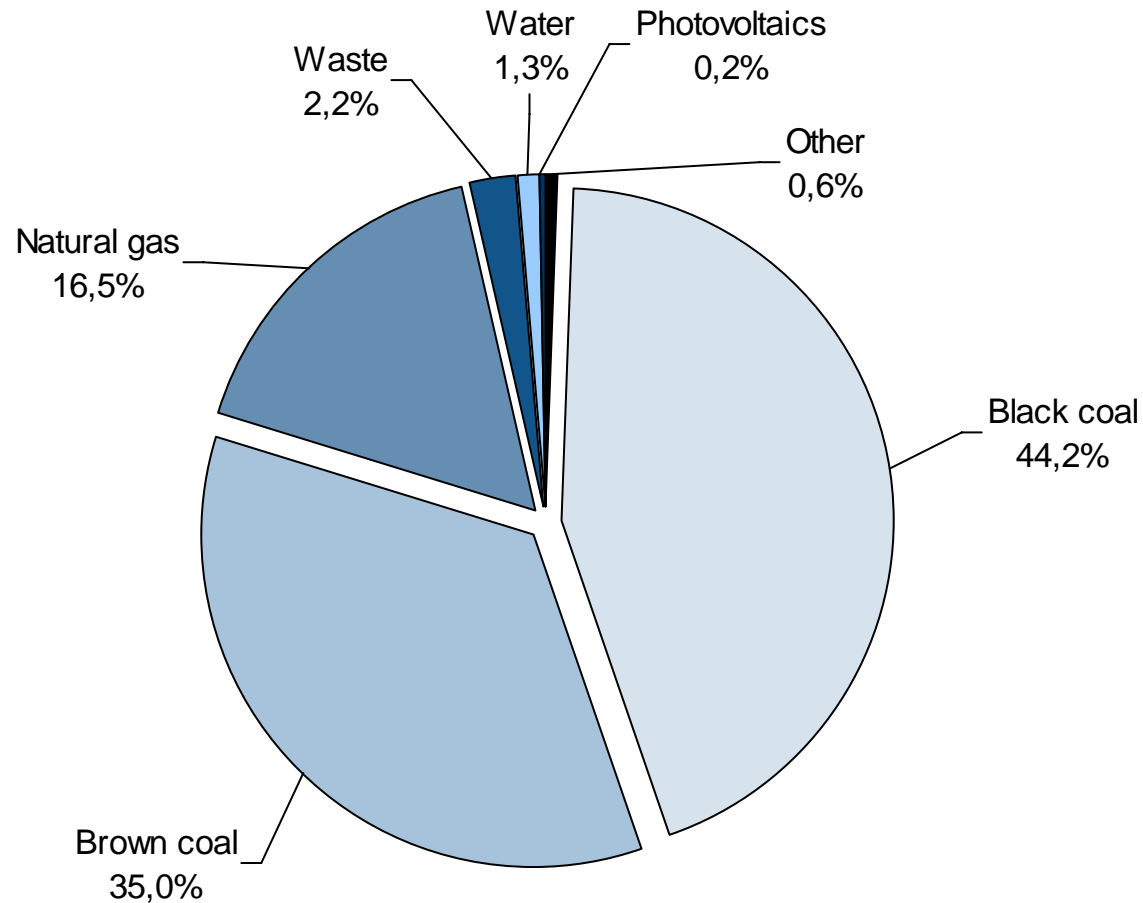
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36.6% of electricity production was CO₂-free in 2007.



Source: BDEW

1,5% of planned and construction started electricity production 2008–2012 is CO₂-free.



Quelle: BDEW

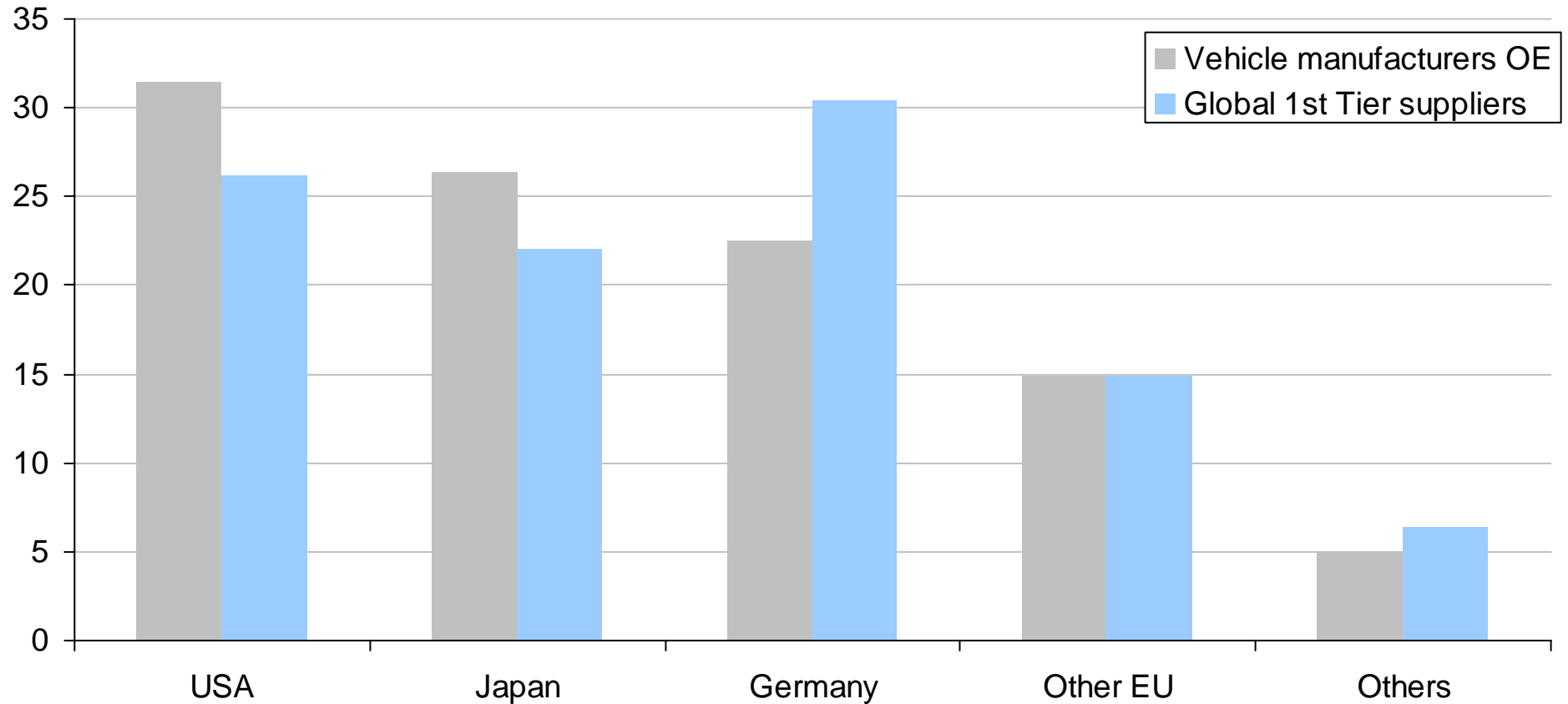
Global significance of automobile OEs and automobile suppliers

Sales 2006

[in %, exchange rate 1.4.2008]



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	2007		2008	
	Pass. cars and light coml. vehicles	Coml. vehicles (incl. buses)	Pass cars and light coml. vehicles	Coml. vehicles (incl. buses)
America	18,577	622	18,391	652
- NAFTA	15,029	430	14,303	456
- South America	3,548	193	4,088	196
Asia/Pacific	27,630	1,578	29,991	1,628
- Japan	11,127	421	11,200	405
- China	7,949	814	9,145	874
Europe	21,882	729	22,403	739
- Germany	5,981	196	5,927	191
Rest of World	1,778	0	1,760	0

Quelle: AutoInsight, März 2008

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Thank you for your attention.

