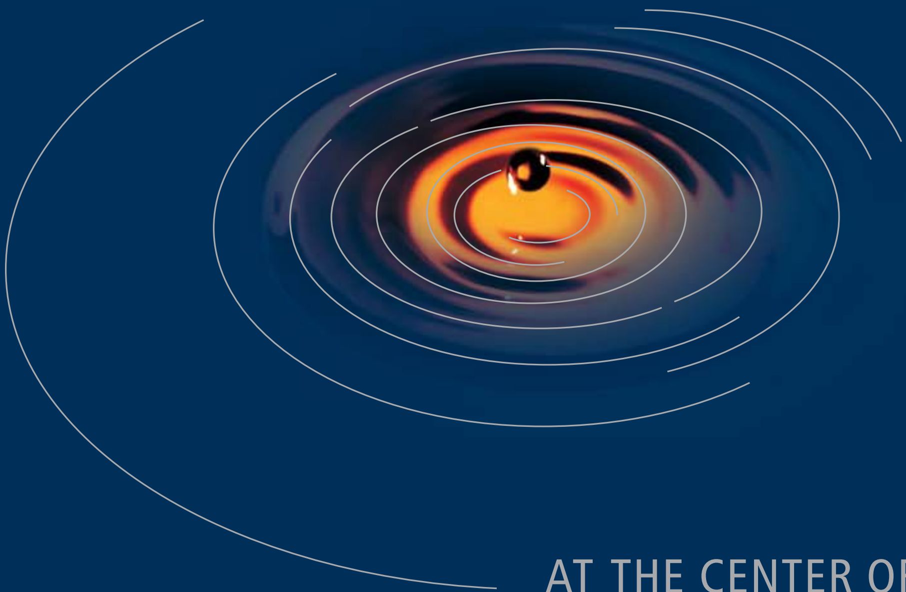
ANNUAL REPORT **2004**



AT THE CENTER OF LIFE

INNOVATIVE SPECIALTIES

FUCHS PETROLUB AG

FUCHS AT A GLANCE

FUCHS PETROLUB Group

[amounts in € million]	2004	2003	Change in %
Sales revenues	1,096.3	1,040.9	5.3
thereof, international	834.1	791.1	5.4
in %	76.1	76.0	
Operating profit (EBITDA)	129.2	121.7	6.2
in % of sales revenues	11.8	11.7	
Earnings before interest and taxes (EBIT)	86.2	75.1	14.8
in % of sales revenues	7.9	7.2	
Net income for the year	40.1	30.9	29.8
in % of sales revenues	3.7	3.0	
Investments in property, plant and equipment and intangible assets (excluding goodwill)	22.1	18.7	18.2
in % of depreciation	90.9	70.4	
Shareholders' equity	159.8	137.7	16
in % of balance sheet total	25.4	21.7	
Balance sheet total	628.6	635.9	–1.1
Number of employees	4,155	4,220	–1.5
Earnings per share [in €] before scheduled goodwill armotization			
– ordinary share	5.97	5.31	12.4
– preference share	6.14	5.5	11.6
Proposed dividend/dividend [in €]			
– per ordinary share	1.66	1.56	6.4
– per preference share	1.83	1.73	5.8

CONTENTS

Overview

The year 2004

Group management report

Financial report

THE COMPANY

FUCHS PETROLUB is a global Group based in Germany which produces and distributes lubricants and related specialties. The company, headquartered in Mannheim, was founded in 1931 and ranks Number One among the world's independent vendors.

The Group currently employs 4,155 people worldwide in almost 70 operating companies.

The most important regions for FUCHS in terms of sales revenues are Western Europe, North America and Asia.

The company's degree of specialization and speed of innovation are far above the average for the sector. Its product range includes several thousand lubricants and related specialties for all applications and industries. We serve customers in the fields of mining, steel production, agriculture, transport, the automobile industry, mechanical engineering, pharmaceuticals and everyday consumers, as well as specialized and non-specialized engine-oil wholesalers and retailers. The ordinary and preference shares are listed for official trading at the stock exchanges in Frankfurt and Stuttgart and at the Swiss stock exchange in Zürich.

THE SPECIALTIES

FUCHS lubricants are omnipresent in everyday life

Our customers appreciate individual solutions. Among the more than 10,000 products we offer worldwide, there are many tailored lubricants meeting the most various demands.

As an independent lubricant specialist, we cover so many different fields of application, that our shareholders and customers can hardly discern the enormous diversity of different products.

With this year's annual report, we would like to unveil this extensive product spectrum and present you with examples of day-to-day FUCHS lubricant applications. Be invited to explore them with us and see how innovative special products will continue to be the basis for our future success!

GROUP STRUCTURE

The Group is headed by the central-management controlling company, FUCHS PETROLUB, which has ownership of all subsidiaries.

On December 31, 2004, the Group comprised 69 operating companies. The consolidated financial statements also include non-operating holding companies, management companies and real-estate companies, thus increasing the number of consolidated companies to 77. Of the 69 operating companies, 8 conducted their business activities in Germany and 61 abroad. The organizational and reporting structure is divided into the following regions:

Europe, North and South America, Asia-Pacific, Africa.

SUBSIDIARIES AND PRODUCTION LOCATIONS

Production locations in Europe

Production locations outside Europe

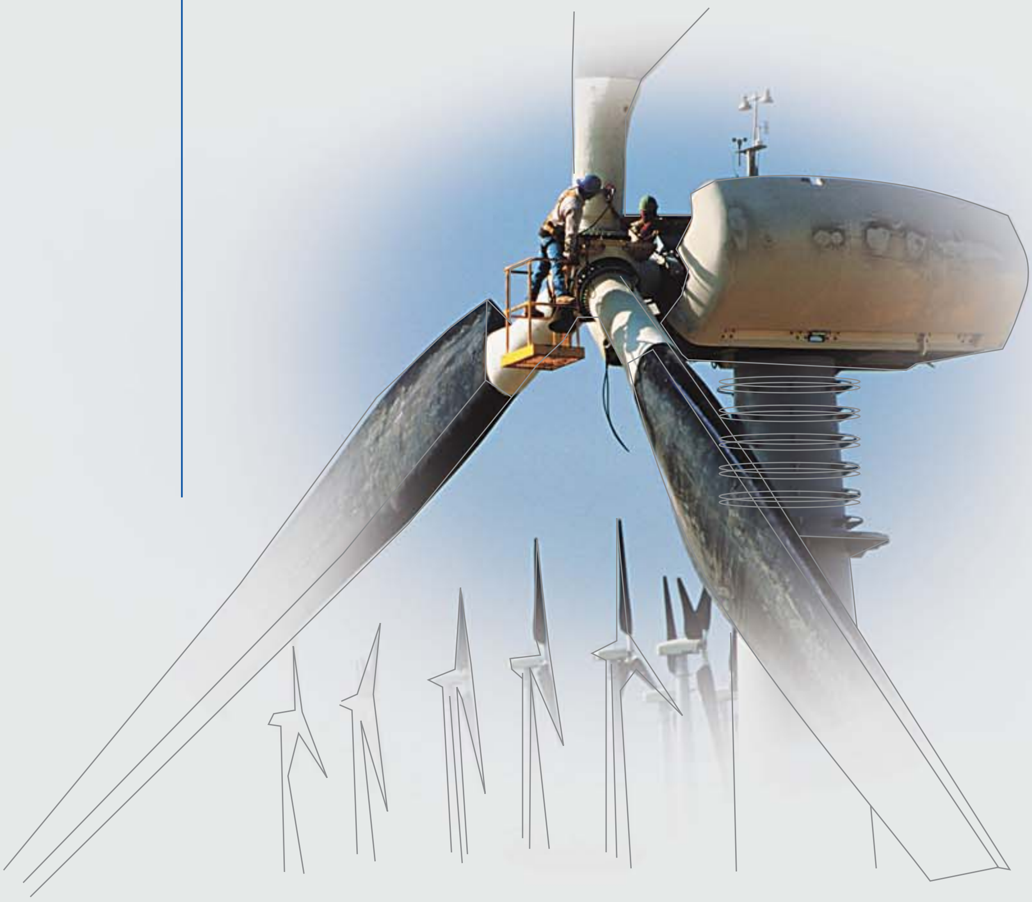
Subsidiaries and production locations

	Subsidiaries[1]	Production locations[2]
Germany	8	7
Other European countries	31	9
North America	4	8
Central and South America	2	2
Africa	1	2
Asia-Pacific	23	12
Total	**69**	**40[3]**

1 Excluding management companies, real-estate companies and dormant companies
2 Lubricant plants without polishing-technology plants
3 Without partner factories in Saudi Arabia, Switzerland and Slovakia

Status: Dec. 31, 2004

SHEER FORCE OF NATURE, CONTROLLED ENERGY, STRONG LUBRICANT.



FUCHS products are omnipresent – lubricants for wind energy plants.

In order to make optimal use of the wind as a natural resource, various special FUCHS lubricants are used in rotor bearings of state-of-the-art wind energy plants as well as gear and hydraulic oils for drives and rotor blade adjustment. Biodegradable lubricants blow a fresh breeze into an industry, that generates power with renewable sources - a power generation concept for the future.

LETTER TO THE SHAREHOLDERS

Dear shareholders,

In the course of the past financial year, we have again achieved record earnings simultaneously strengthening our balance sheet structure in spite of the fact that the economic framework remained challenging. Worldwide demand for lubricants virtually stagnated, raw materials prices escalated, and the average dollar exchange rate was around 10 % lower than 2003.

Focussing on our business model has continued to prove effective. Our business model distinguishes itself through high-quality growth in established markets, timely entry into new markets, targeted acquisitions, as well as disciplined cost management. It is linked to innovation and technology leadership in strategically important product segments. We have expanded our market position in a variety of application areas worldwide and, thanks to rigorous analysis of weak points, worked specifically on improving our structures.

For the third year in succession, FUCHS has achieved the highest earnings in company history. The annual net profit for the 2004 financial year increased by 30 % to €40.1 million, which is fully in line with the strong increase in net profits for the previous years. Once again, FUCHS has proven that the Group is capable of adapting to volatile market conditions in a global environment.

Sales revenues increased by 5.3 % to €1,096 million. The internal growth rate of 6.7 % exceeded our expectations. The external growth rate of 1.0 % includes an acquisition in France, but also disposals of non-core business, thus rounding off and strengthening our portfolio.

We boosted return on capital employed (ROCE) to 19.0 %, thereby creating substantial shareholder value.

As in the previous years, a significant amount of free cash flow was generated. After deducting acquisitions and investments, the total amounted to €56.1 million. Generating long-term positive, free cash flow is an important element in FUCHS' strategic management, one that is imperative particularly in today's volatile market environment.

We utilized this positive, free cash flow to significantly reduce debt. Within the past financial year, net debt was reduced by 20 % while shareholders' equity was simultaneously increased. As a result, the ratio of net financial debt to shareholders' equity at year-end was 1:1 compared to a value of 1.5:1 in 2003 and 2.8:1 in 2002. At the same time, shareholders' equity increased to 25.4 % of total assets.

In spite of business expansion, the balance-sheet total was reduced. This was possible in part thanks to a modest capital expenditure policy, whereby significant investments were made in key locations. Due to a reduction in the number of plants, investments decreased to 2 % of revenues – significantly less than the average in previous years. While more was invested during the course of 2004 than in the previous year, the investments once again remained below depreciation.

The worldwide number of employees was reduced to 4,155. The reductions took place in Europe and Asia.

FUCHS PETROLUB AG reported annual net profits in the amount of €31.5 million for 2004. A dividend increase of €0.10 per share for the past financial year, i. e. €1.66 per ordinary share and €1.83 per preference share is recommended to the annual shareholders' meeting. This is the third consecutive dividend increase.

The current financial year will be marked particularly by a significant increase in the cost of raw materials based on sustained high prices for crude oil as well as an ongoing rise in China's demand for raw materials. This is putting increasing pressure on world markets. FUCHS was able to increase its revenues during the first two months of the current financial year. The takeover of the OVOLINE lubricants business in England took place on January 1, 2005. This acquisition will positively impact earnings in England in 2005.

In spite of difficult market conditions, we are once again striving for an increase in earnings for the year 2005. This should be made possible by the cessation of goodwill amortization as well as decreasing financing costs. Firmly adhering to our business model while continuing strict cost discipline will support us in our endeavours. The planned capital expenditures are above the values reported for 2004.

We continue to work to increase the value of the company. The stock market recognized our positive company development in 2004 with increased share values. Both ordinary and preference shares gained approximately 80 % in value.

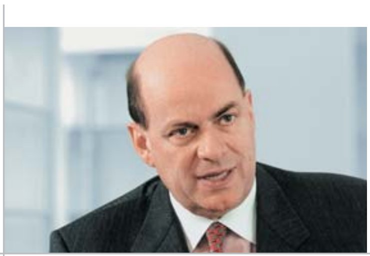
I would like to thank you, the shareholders of FUCHS PETROLUB, for the trust and support you have given me during my first year as Chairman of the Executive Board. I would also like to thank all our employees for their dedication and hard work, which once again has helped us to generate strong earnings.

Mannheim, April 2005

Yours

Stefan R. Fuchs
Chairman of the Executive Board

REPORT OF THE SUPERVISORY BOARD



Dear shareholders,

Once again FUCHS PETROLUB AG recorded record profits in 2004. This reflects its very strong position in the world's markets allowing the company to steer an even course through market challenges. In addition, record profits in 2004 also demonstrate that the change of generation in a variety of board positions completed at the beginning of the year ensured that successes of previous years would not only be safeguarded, but indeed reinforced. We have seen the benefits of a consistent strategy of increasing value by means of specialization and global presence and will continue to do so. This strategy has the full support of the Supervisory Board. It is the vital springboard from which to expand our position as the world's leading independent lubricants company.

Board meetings

In 2004, the Supervisory Board monitored the work of the Executive Board in detail with the aid of written and oral reports, and offered regular advisory support. Five scheduled meetings took place in which the company's strategic development and its business segments were discussed, as well as numerous issues of topical relevance.

In addition to the meetings of the Supervisory Board, there were also numerous working discussions between the Chairman of the Supervisory Board and the Executive Board, in particular with its Chairman, to facilitate effective flow of information and exchange of opinions between the Supervisory Board and the Executive Board.

Important issues

The Supervisory Board was provided with detailed information on business developments, the profitability and the company's strategic positioning. Some of the major reporting areas were the company's acquisition policy, budget monitoring and corporate planning. All significant acquisition, cooperation and divestment projects as well as the development of the Group's risk management were discussed in detail. Other advisory issues included the Group's revenue and profit development, major subsidiaries, the local situation in the different world regions, the financial planning and capital expenditures. The Supervisory Board appreciated ongoing debt reduction while strengthening the balance-sheet structure and increasing market capitalization.

The Supervisory Board also considered the implications of amendments to capital market law which came into force at the end of 2004, in particular the Investor Protection Improvement Act (Anlegerschutzverbesserungsgesetz) and in this respect cooperated closely with the Executive Board in implementing the requirements. We are satisfied that FUCHS PETROLUB AG has taken all necessary measures to meet the new obligations in reporting directors' dealings, maintaining insider registers and complying with ad-hoc publications.

The corporate governance code of FUCHS PETROLUB AG and the declaration of compliance that is included in the 2004 Annual Report were discussed by the Executive Board and the Supervisory Board and subsequently approved by the Supervisory Board. In 2004, the Supervisory Board also reviewed its own operational efficiency.

With the aid of comprehensive written and oral reports, the Supervisory Board was in a position to determine that the Executive Board properly conducted the company's business and took the required measures timely.

Human Resources Committee

The Human Resources Committee of the Supervisory Board considered directors' remuneration and especially the development of management.

Annual and consolidated financial statements

Following the appointment of the auditors, KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, by the Annual Shareholders' Meeting on June 9, 2004, the Supervisory Board commissioned this company to conduct the independent audit. The external auditors submitted a declaration of independence to the Supervisory Board.

The annual financial statements of FUCHS PETROLUB AG, Mannheim, the company management report, the consolidated financial statements and the Group management report were audited by KPMG, as defined and authorized by the Supervisory Board and were certified without qualification. Specific issues defined by the Supervisory Board upon the appointment of the auditors were examined in detail by KPMG. The Supervisory Board conducted its own thorough examination of the annual and consolidated financial statements, the company and the Group management reports and the proposal on appropriation of profits. The external auditors participated in these consultations. The Supervisory Board took note of and approved the auditors' final report and expressed no objections. The Supervisory Board also approved the annual financial statements, which are thus adopted, and consents to the proposal of the Executive Board on the appropriation of profits.

The Executive Board reported on its relationship to associated companies pursuant to Section 312 of the German Stock Corporation Act and submitted this report to the Supervisory Board. The external auditors examined this report and submitted in writing the results of this examination and issued the following audit opinion:

"We have audited in accordance with our professional duties and confirm that

1. the actual statements made in the report are correct and,
2. in connection with the legal transactions listed in the report, the payments or other contributions made by the company were not unreasonably high,
3. the measures detailed in the report provide no grounds for an opinion which deviates materially from that expressed by the Executive Board".

The Supervisory Board took note of and approved the results of the audit performed by the independent auditors. In keeping with its own findings, the Supervisory Board has no objections to the statement made by the Executive Board which appears at the end of the report.

Changes in the Supervisory Board

At the end of 2003 Mr. Hans Georg Pohl retired from the Supervisory Board. The former Chairman of the Board, Dr. Manfred Fuchs, was appointed to the Supervisory Board with effect of January 1, 2004. Dr. Fuchs was duly elected as Deputy Chairman of the Supervisory Board succeeding Mr. Pohl.

The Supervisory Board hereby expresses its thanks and appreciation to the members of the Executive Board, the members of the Labor Council and all of the employees of the FUCHS PETROLUB Group for their success during 2004 in very difficult economic conditions.

Mannheim, April 2005

On behalf of the Supervisory Board

Prof. Dr. Jürgen Strube
Chairman of the Supervisory Board

FRESH FOODS,
PERMANENT COOLING, RELIABLE OIL.

FUCHS products are omnipresent – refrigerator oils for cooling units.

No matter, which “specialties” refrigerators or food counters are filled with, FUCHS refrigerator oil specialties lubricate refrigerant compressors behind the scenes and thus guarantee long unit service lives – an indispensable precondition for optimum cooling and fresh foods.

ORGANIZATION | CORPORATE BOARDS

Supervisory Board

Prof. Dr. Jürgen Strube Mannheim	Chairman Chairman of the Executive Board of BASF Aktiengesellschaft
Dr. Manfred Fuchs Mannheim	Deputy Chairman Former Chairman of the Executive Board of FUCHS PETROLUB AG
Hans-Joachim Fenzke* Mannheim	Industry chemical technician FUCHS EUROPE SCHMIERSTOFFE GMBH
Prof. Dr. Bernd Gottschalk Esslingen	President of the German Association of the Automotive Industry (VDA)
Prof. Dr. Dr. h.c. mult. Otto H. Jacobs Heddesheim	Professor of Business Administration, Fiduciary Management Tax Law at the University of Mannheim
Heinz Thoma* Mannheim	Industrial clerk FUCHS EUROPE SCHMIERSTOFFE GMBH

Executive Board

Stefan R. Fuchs Hirschberg	Chairman
Dr. Alexander Selent Limburgerhof	Deputy Chairman
L. Frank Kleinman Chicago, USA	Member
Dr. Georg Lingg Mannheim	Deputy Board Member

Advisory Board

Dr. Manfred Fuchs Mannheim	Chairman Former Chairman of the Executive Board of FUCHS PETROLUB AG
Siraj Alhamrani Jeddah, Saudi Arabia	Chief Operating Officer, Alhamrani Group
Dr. Karl Braunhofer Vienna, Austria	Member of the Executive Board, Raiffeisen Ware Austria AG (until December 31, 2004)
Jürgen Fitschen Frankfurt	Member of the Group Executive Committee of Deutsche Bank AG
Dr. Josef Krapf Munich	Member of the Executive Board, BayWa AG (since January 1, 2005)
Franz K. von Meyenburg Herrliberg, Switzerland	Partner at the bank, Sarasin & Cie. AG
Dr. Hanns-Helge Stechl Mannheim	Former Deputy Chairman of the Executive Board of BASF AG

* Employee representative

ORGANIZATION | BOARD RESPONSIBILITIES, REGIONS AND DIVISIONS

Stefan R. Fuchs

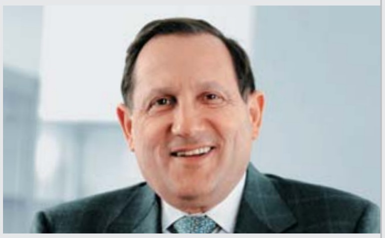
Chairman of the Executive Board

- Corporate Development
- Coordination and Public Relations
- Senior Management
- Marketing Automotive Lubricants

Dr. Alexander Selent

Deputy Chairman of the Executive Board

- Finance, Controlling
- Legal, Human Resources
- IT, Internal Auditing



L. Frank Kleinman

Member of the Executive Board

- Region North and South America
- FUCHS LUBRITECH
- International Mining Division
- LIPPERT-UNIPOL

Dr. Georg Lingg

Deputy Member of the Executive Board

- Technology and Supply Chain Management
- Marketing Industrial Lubricants
- International Product Management for Industrial and Automotive Lubricants

Dr. Lutz Lindemann

Member of the Group's Executive Committee
– Region Germany, Scandinavia, Central and Eastern Europe

Dr. Ralph Rheinboldt

Member of the Group's Executive Committee
– Region Western and Southern Europe

Alf Untersteller

Member of the Group's Executive Committee
– Region Turkey, Middle East, Central Asia, Indian Subcontinent, Africa

Frans J. de Manielle

Member of the Group's Executive Committee
– Region Southeast Asia, Australia and New Zealand

Klaus Hartig

Member of the Group's Executive Committee
– Region East Asia

Reiner Schmidt

Member of the Group's Executive Committee
– Finance and Controlling

CORPORATE GOVERNANCE CODE

The Corporate Governance Principles of FUCHS PETROLUB AG

For FUCHS PETROLUB AG, effective corporate governance is one of the main prerequisites for a responsible, added-value business policy. In order to reinforce the trust of shareholders, customers, employees and other related groups in company management, FUCHS PETROLUB AG drew up corporate governance guidelines in a code and published it on the Internet in 2002.

The Executive Board, Supervisory Board and staff of FUCHS PETROLUB AG and its subsidiaries are committed to the FUCHS Corporate Governance Code.

The corporate-governance principles of FUCHS PETROLUB AG are regularly examined against the background of new statutory requirements and further developments in national and international standards in case any changes or modifications become necessary.

The FUCHS corporate governance principles comply in essence with the German Corporate Governance Code in the version as of May 21, 2003. Any deviations from the German Corporate Governance Code are documented in the mandatory declaration of compliance in accordance with § 161 of the German Stock Corporation Law. This declaration is published both on the Internet and in the financial report.

Declaration of compliance

FUCHS PETROLUB AG complied with the regulations of the "German Government Commission on the Corporate Governance Code" in the version applicable since July 4, 2003 – with the deviations disclosed in the declaration of compliance of December 12, 2003. We will comply with this version of the Code with the following exceptions:

- Section 3.8

No suitable deductible is agreed upon in connection with the D&O (directors' and officers' liability insurance) policy for the Executive Board and the Supervisory Board of FUCHS PETROLUB AG. The Executive Board and the Supervisory Board of FUCHS PETROLUB AG are fully convinced of the motivation and responsibility with which they carry out their duties and do not believe that this needs to be made even clearer by means of a deductible.

- Section 4.2.4

FUCHS PETROLUB AG reports the compensation of the members of the Executive Board in the notes to the consolidated financial statements, subdivided according to fixed and performance-related components. No individualized details of compensation are given, as the Executive Board and the Supervisory Board of FUCHS PETROLUB AG are convinced that the value of such information for the shareholders bears no relation to the infringement of the Executive Board members' personal rights and privacy that would be caused by stating such details.

- Section 5.3.2

The Supervisory Board of FUCHS PETROLUB AG is relatively small; it consists of six members. For this reason, no separate audit committee is necessary. The entire Supervisory Board of FUCHS PETROLUB AG deals intensively with questions of accounting and risk management, the necessary independence of the external auditors, the appointment of external auditors to carry out the statutory audit, the determination of the main areas of the audit and the audit fee. Furthermore, the external auditors also attend the meeting of the Supervisory Board at which the financial statements are dealt with.

■ Section 5.4.5

FUCHS PETROLUB AG reports the compensation of the members of the Supervisory Board in the notes to the consolidated financial statements, subdivided according to fixed and performance-related components. No individualized details of compensation are given, as the Executive Board and the Supervisory Board of FUCHS PETROLUB AG are convinced that the value of such information for the shareholders bears no relation to the infringement of the Supervisory Board members' personal rights and privacy that would be caused by stating such details.

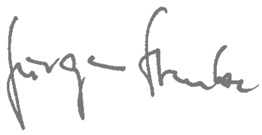
■ Section 7.1.2

FUCHS PETROLUB AG makes its interim reports publicly accessible within 45 days of the end of the reporting period. Compliance with the recommendation of the German Corporate Governance Code that year-end consolidated financial statements should be publicly accessible within 90 days of the balance-sheet date will probably be achieved by FUCHS PETROLUB AG starting with the consolidated financial statements for the year 2005.

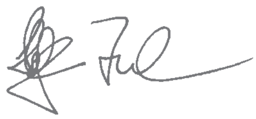
■ Section 7.1.4

FUCHS PETROLUB AG publishes a list of its major subsidiaries. This list shows the names and headquarters of the companies, the amount of each company's equity, our share in its equity and the sales revenues. No details are given of the subsidiaries' earnings for the previous financial year for reasons of competition. However, the companies' annual financial statements are filed with the Company Register and are laid out for inspection at the annual shareholders' meeting. Moreover, on request, details of individual companies' earnings may be stated at the annual shareholders' meeting.

Mannheim, December 13, 2004



Prof. Dr. Jürgen Strube
Chairman of the Supervisory Board
FUCHS PETROLUB AG



Stefan R. Fuchs
Chairman of the Executive Board
FUCHS PETROLUB AG

FUCHS SHARES

Supported by further strong company development, FUCHS shares in 2004 continued the positive development trend started in 2001, despite the relatively weak stock exchange environment. With the closing prices achieved at the end of 2004, FUCHS share prices have more than quadrupled since 2001. Market capitalization and trade volumes have also increased significantly in parallel.

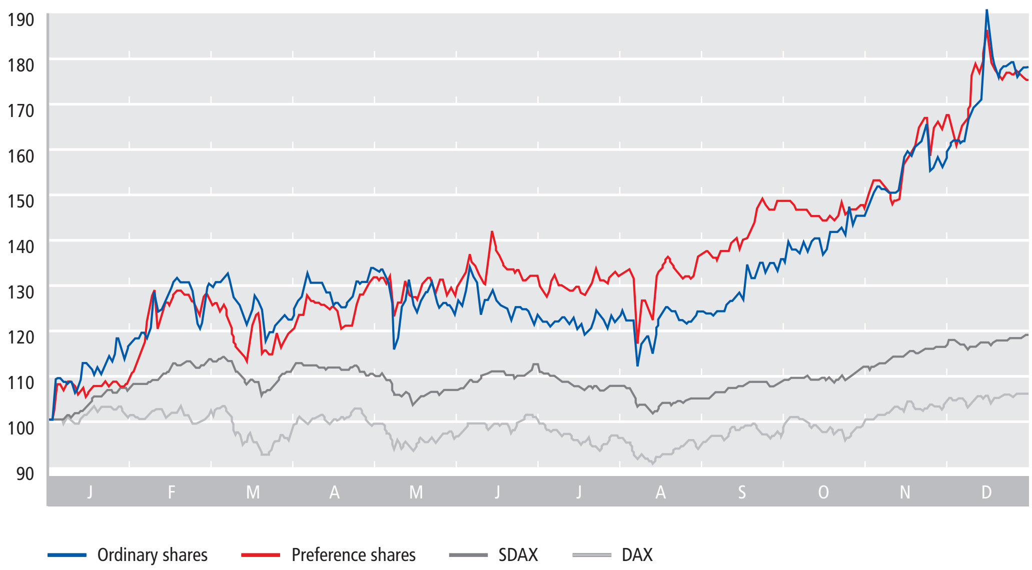
Continued positive share-price development

The Fuchs share price increases, a trend started in 2001, continued in 2004 and resulted in new price records for both share types. This successful performance stood out amidst a stock exchange environment that was characterized in the relevant share-price indices by significantly weaker price developments than in the previous year. Both FUCHS share types thus offer further interesting share-price prospects, supported by a moderate price-to-earnings ratio and solid dividend yield.

Ordinary and preference shares peaked on December 16, 2004, at €90.75 and €83.50 respectively. With a closing price of €85.40, our ordinary shares were 79.5 % higher than a year earlier. Our preferences shares rose by 82.8 % to achieve a closing price of €79.14. In comparison, over the same period, the DAX only rose by 7.3 %, the MDAX by 20.3 % and the SDAX by 21.6 %.

The fact that share prices increased considerably up to the year-end, leading to full year highs for both share types, brought about profit-taking up to the end of February 2005 as expected, especially by institutional investors. This resulted in a lower price of €83.07 (–3.2 %) for ordinary shares and €76.00 (–4.0 %) for preference shares.

Indexed comparative performance of FUCHS PETROLUB shares, Jan. 1 – Dec. 31, 2004 [in %]



Stock exchange and daily trading volumes remain high

Parallel to the share price increases, the volumes of FUCHS shares traded on the stock exchanges remained high, rising from €126.1 million in 2003 to €215.7 million in 2004 – an increase of 71%. Average daily trading volumes of ordinary shares rose from €162 thousand to €210 thousand in 2004, while preference share volumes increased from €336 thousand to €627 thousand. Market capitalization reached €646.6 million on December 31, 2004, of which €311 million was accounted for by preference shares.

Pleasing research for FUCHS as Outperformer 2004

The attractiveness of FUCHS shares was reflected in the further increase in investor interest and the resultant intensification in research activities by analysts. Renowned investment banks have included FUCHS in their research. These include the Baden-Württembergische Bank, Bankhaus Lampe, the Berenberg Bank, Crédit Agricole – Cheuvreux, the DZ Bank, Merck Finck & Co., M.M. Warburg & Co., Sal. Oppenheim and the Westdeutsche Landesbank.

FUCHS preference shares in the SDAX of the Prime Standard category

The FUCHS shares are listed for official trading at the Frankfurt Stock Exchange and the Stuttgart Stock Exchange in Germany, as well as the Swiss Stock Exchange in Zurich. They are also included in the Xetra electronic trading system. At the end of 2004, the following four securities of the FUCHS PETROLUB Group were in circulation:

FUCHS securities

Ordinary shares	Frankfurt/Main, Stuttgart, Zurich
Preference shares	Frankfurt/Main, Stuttgart, Zurich
7.29%-participation-right certificates	Frankfurt/Main
6.375% euro bonds 2000/2005	Frankfurt/Main, Stuttgart

Following the resegmentation of the stock market, our preference shares have been included in the Prime Standard category since January 1, 2003. In this category, we are one of the 50 stocks which make up the SDAX segment. The high free float (100.0%) of the 3,930,000 preference shares issued and relevant for the SDAX ensure we have sufficient liquidity in this respect.

Great interest in employee shares

As in prior years, once again in 2004, the employees and pensioners of the FUCHS companies in Germany were offered the opportunity to purchase employee shares of FUCHS PETROLUB at an advantageous price. The reduced purchase price was €55.60 for a maximum of 10 preference shares per employee. 410 employees took advantage of this offer. The shares were issued in December and already qualify for the 2005 dividend.

Net profit per share

Of the group's net profit for the year of €40.1 million (€30.9 million), €1.1 million (€1.2 million) is accounted for by minority interests. Net profit after minority interests amounts to €39.0 million (€29.7 million). Earnings per ordinary share before goodwill amortization amount to €5.97 (€5.31) and per preference share to €6.14 (€5.50).

Key figures for the FUCHS PETROLUB shares

	2004		2003	
	Ordinary	Preference	Ordinary	Preference
Number of shares of €9 per value	3,930,000	3,930,000	3,930,000	3,930,000
Average number of shares	3,930,000	3,930,000	3,672,658	3,549,590
Dividend [€]	1.66[1]	1.83[1]	1.56	1.73
Dividend yield [%][2]	2.6	3.0	4.4	5.3
Earnings per share [€][3]	5.97	6.14	5.31	5.50
Cash earnings per share [€][4]	10.51	10.51	11.02	11.02
Book value per share [€][5]	19.83	19.83	16.86	16.86
Closing price [€][6]	85.40	79.14	47.80	43.79
Highest price [€][6]	90.75	83.50	53.87	45.44
Lowest price [€][6]	48.18	45.21	23.26	23.72
Average price [€][6]	63.50	60.65	35.43	32.75
Average daily turnover [T€]	210	627	162	336
Market capitalization [€ million][7]	646.6		359.9	
Price-to-earnings ratio[8]	10.6	9.9	6.7	6.0

1 Proposal to the Annual Shareholders' Meeting
2 Dividend for the year related to the average price for the year
3 Net profit after minority interests related to the average number of dividend-entitled shares
4 Related to the average number of shares
5 Shareholders' equity related to the number of shares
6 Frankfurt Stock Exchange
7 Stock-exchange values at end of year
8 Average prices related to earnings per share

Proposal to increase the dividend

A proposal will be made to the Annual Shareholders' Meeting on May 24, 2005 that the dividend be increased, compared with the prior year, to €1.66 (€1.56) per ordinary share and €1.83 (€1.73) per preference share, reflecting the good net profit, which is once again at a record level. The total dividend distribution of €13.7 million represents a distribution ratio of 35.2 % of the Group's net profit after minority interests. Based on the average price for 2004 for ordinary shares of €63.50 and for preference shares of €60.65, this results in a dividend yield of 2.6 % for the ordinary and 3.0 % for the preference shares.

Bonds and participation-right certificates

- The FUCHS PETROLUB participation-right certificates issued at par in 1998 to be redeemed in August 2008 in a nominal amount of €51.1 million closed the year 2004 at a price of 115.25 % (110.00 %). They feature a dividend rate of 7.29 % per annum. The 52-week high was 117.50 %, the low was 110.00 %. The price includes the interest accrued up to August 1 of the following year and reflects the historically low level of interest on the capital markets at the moment.
- The outstanding sum of €57.8 million from the euro fixed-interest bond (6.375 %) issued in May 2000 in a nominal amount of €100.0 million (issue price of 99.63 %) is redeemable in June 2005. On December 31, 2004, it was listed at 101.60 % (104.00 %). The current price reflects the short loan period remaining, being six months only.

Change in ownership of voting rights

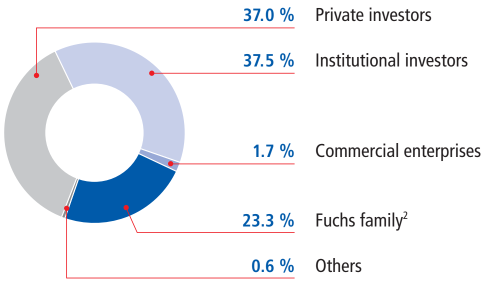
During the period under review, Gothaer Versicherungen VVaG notified us of a correction to their notification of April 5, 2002, to the effect that they hold 8.10 % of the voting rights in FUCHS PETROLUB AG through their subsidiaries Gothaer Finanzholding AG and Gothaer Lebensversicherungs AG.

We received no further notifications of shareholdings subject to disclosure during the reporting period.

Increased share of equity owned by institutional investors

As of January 31, 2004, our ordinary and preference shares were held by 9,230 different shareholders in Germany and abroad. This total comprises 8,841 private investors, 176 institutional investors, 177 commercial enterprises and 36 other shareholders. Since the previous shareholder survey in 2002, there has been a particularly strong increase of 14.4 % in the number of private shareholders -- from 7,726 to 8,841. The proportion of capital stock held by private shareholders decreased from 39.1 % to 37.0 %, while the proportion of stock held by institutional shareholders has risen from 30.2 % in 2002 to 37.5 %.

Shareholder survey 2004 – breakdown of capital stock[1]



1 January 31, 2004: 7,489,408 shares (95 % of total capital stock)

2 Including 46.3 % of the ordinary voting shares

COMMUNICATION AND MARKETING

The excellent share-price performance of FUCHS shares was once again boosted by the increasing interest of institutional and private shareholders in 2004. This caused a renewed increase in research activities in FUCHS, leading to a significant intensification in financial communications at many levels. In terms of brand communication, support of motor racing activities by FUCHS PETROLUB remained in the foreground, as in the preceding year.

Intensive communication with institutional and private shareholders

Increasing interest in FUCHS shares in 2004 led to renewed intensive financial communications. We supported this growing interest in information and investment by holding or participating in 12 financial market conferences, 11 road shows and 113 face-to-face meetings with institutional investors, fund managers and financial analysts at home and abroad. We attracted the interest of ten banks, who drew up extensive studies on our company. Particular highlights in communications with private investors were the Annual General Meeting in Mannheim (with around 850 shareholders), the investor information event in Zürich (with around 100 participants), and the second Mannheim Equity Market Forum (with around 500 shareholders). An abridged report on development in 2003 was sent to over 9,000 shareholders, while the detailed financial report and quarterly report were sent to 4,000 interested parties. Direct requests led to more than 3,000 annual reports being distributed in Europe, alone. The Internet also played a vital role in overall communications, with our website receiving 210,000 visitors in 2004 (2003: 187,000 visitors).

Improvements in regional brand communications

At an international Group level, sponsorship of MotoGP racing continued to play a major role in boosting FUCHS brand support. Support at major international trade fairs also became very important. These Group activities were supported by the involvement of our local affiliates in the individual regions in motor sports events. We also held a number of customer events, together with press activities and specific sales promotion programs. Cultural and social sponsorship in the Rhine and Neckar region continued to play a significant role, underlining the strong connection of the FUCHS PETROLUB Group to its home region.

SPECTACULAR PANORAMIC VIEWS, CRYSTAL CLEAR AIR, AND THE PERFECT OIL.

FUCHS products are omnipresent – special lubricants for ski-lifts.

Even at extreme daytime temperature differences and sustained continuous operation, FUCHS industrial lubricants for ski-lift and cable car drives deliver top performance. They provide optimum lubrication for gearing and roller bearings and thus contribute to safe transportation with the most spectacular views.

ENVIRONMENT

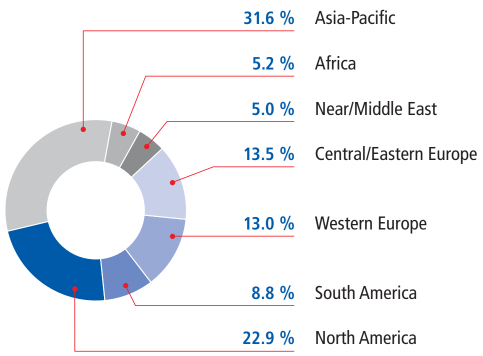
After the 0.8 % decline in the previous year, the development of international lubricant demand in 2004 took a more positive turn as the result of a significant increase in industrial demand and rose by around 0.5 %.

The development of demand varied significantly by region in the year under review. While consumption in the western hemisphere fell by around 1 %, it rose between 1 % and 2 % in the other regions of the world. With a share of almost a third of global lubricant consumption, Asia-Pacific remains the leading lubricant region, followed by Europe and North America.

We increased our sales volumes significantly in 2004, achieving considerable growth in sales revenues, particularly for lubricant specialties, metal-working fluids in North America, as well as being partly due to acquisitions in Western Europe. The continued dynamic economic situation in China and other emerging markets, as well as in the USA, gave the German industry a significant production and export boost in machine and vehicle construction. The export success in these industry sectors was accompanied by increased demand for lubricants, from which the German FUCHS companies were able to profit. The result – the Group was able to further optimize its product portfolio.

Sales volumes fell outside the core lubricants sector.

Regional breakdown of global lubricant demand 2004
[domestic consumption]



PERFORMANCE | SALES REVENUES

The FUCHS PETROLUB Group achieved above-average internal growth in 2004 of 6.7 % or €70 million. Total sales revenues amounted to €1,096.3 million (€1,040.9 million), including external growth of 1.0 % and currency translation effects of – 2.4 %. The total increase in sales revenues was 5.3 %.

Growth factors

	€ million	%
Internal growth	70.0	6.7
External growth	9.9	1.0
Currency-translation effects	–24.5	–2.4
Net effect on sales revenues	**55.4**	**5.3**

Regional development of sales revenues by the location of the various companies of the Group [€ million]

	2004	2003	Internal growth	External growth	Currency effects	Change absolute	Change in %
Europe	727.5	694.4	21.4	9.9	1.8	33.1	4.8
North and South America	200.0	192.7	26.0	–	–18.7	7.3	3.8
Asia-Pacific, Africa	192.3	174.8	25.2	–	–7.7	17.5	10.0
Consolidation	–23.5	–21.0	–2.6	–	0.1	–2.5	
Total	1,096.3	1,040.9	70.0	9.9	–24.5	55.4	5.3

High internal growth

Sales revenues for the Group increased in every region, thanks to high internal growth. The development of revenues in our North and South American affiliates was particularly pleasing, with internal growth reaching 13.5 % or €26.0 million. Double-digit growth was also achieved by our companies in Australia, China and the Middle East. Sales proceeds in the entire Asia-Pacific region rose by €25.2 million or 14.4 %. Considerable internal growth in revenues was also achieved in Europe, particularly in Poland and Germany.

Internal growth in all regions was driven by volume and supported by mix changes and price changes. FUCHS was thus able to build successfully on its position, despite international lubricant market growth of only 0.5 %.

Slight external growth

FUCHS purchased the French industrial lubricants business trading under the brand of WYNN'S with effect as of 1 February 2004. This was offset by the disposal of trading companies in England and Germany in the middle of the previous year and in France at the start of 2004. The Group's external growth of €9.9 million (1.0 %) is thus the balance of the €18.5 million sales revenue from the newly consolidated business, less the €8.6 million from the businesses that were divested.

Limited currency-translation effects

The appreciation in value of the euro against the US dollar and other currencies linked to the US dollar continued in 2004, albeit to a lesser extent than in previous years. Currency-translation effects amounted to €–24.5 million or – 2.4 %. The main sectors affected were company revenues in North and South America (–9.7 %) and in Asia. Despite the appreciation of the South African rand and the Australian dollar, currency-translation effects in the entire Asia-Pacific/Africa region amounted to €–7.7 million or –4.4 %.

Regional development of sales revenues classified by customer's location [€ million]

	2004	2003	Change absolute	Change in %
Europe	668.4	640.2	28.2	4.4
North and South America	204.3	198.4	5.9	3.0
Asian-Pacific, Africa	223.6	202.3	21.3	10.5
Total	**1,096.3**	**1,040.9**	**55.4**	**5.3**

Positive development of sales revenues in Europe

With 61.0 % (61.5 %) or €668.4 million (€640.2 million) of total Group sales revenues, Europe remained FUCHS' most important market. The discontinuation of low-margin business was more than offset by the acquisition of new business of higher quality lubricants.

Exchange-rate development counteracts excellent internal growth in North and Latin America by more than two-thirds

The development of the US dollar had a substantial negative impact on sales revenues in North and South America. As a result, the region's net sales revenues only rose by €5.9 million or 3.0 % to €204.3 million (€198.4 million), representing 18.6 % (19.1 %) of total Group sales revenues.

Asia-Pacific, Africa region continues to grow

The Asia-Pacific, Africa region was able to build further on its position from the previous year as the second-largest sales market for FUCHS products. Despite losses due to currency-translation effects, the region once again achieved a double-digit growth rate of 10.5 %. With sales revenues of €223.6 million (€202.3 million), the region thus accounted for 20.4 % (19.4 %) of total Group sales revenue.

Developments in 2005

The positive development of sales revenues continued in the first two months of 2005. The company achieved internal growth, with external growth boosted at the start of 2005 by the acquisition of the OVOLINE business. Negative currency-translation effects were only minor. We expect the growth rate for the entire year to be below that of the previous year, which might also be influenced by sales price increases due to increased raw material costs and currency-translation effects.

Sales revenues by product segment

[€ million]	2004	Share in %	2003	Share in %	Change absolute	Change in %
Automotive oils*	345.8	31.5	328.6	31.6	17.2	5.2
Industrial oils and specialties*	637.9	58.2	586.2	56.3	51.7	8.8
Other products	112.6	10.3	126.1	12.1	–13.5	–10.7
Total	**1,096.3**	**100**	**1,040.9**	**100**	**55.4**	**5.3**

* and related products

The geographic segments reflecting the Group's organizational structure are the primary reporting format. The secondary reporting format is the representation of the products segments of automotive lubricants, industrial lubricants and specialties, and other products.

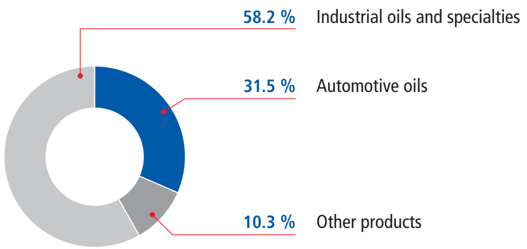
Business with industrial lubricants and specialties accounts for the largest share of total revenues for the FUCHS PETROLUB Group: €637.9 million (€586.2 million) or 58.2 % (56.3 %). The product sector consists mainly of metal-working fluids, corrosion preventives, hydraulic and industrial transmission oils, greases and other specialties. Sales of these products increased by 8.8% from the previous year, increasing the sector's share in total Group sales revenues mainly as the result of acquisitions.

The product sector of automotive lubricants, consisting primarily of engine oils, transmission oils and shock-absorber oils, accounted for 31.5 % (31.6 %) of Group sales revenues, representing a sales volume of €345.8 million (€328.6) or an increase of 5.2 % on the figures from the previous year.

Both areas achieved respectable increases in volume, with figures for industrial oils and specialties supported by positive price and mix effects.

Sales revenues from other products, including polishing technology, toll processing, chemical management, base-oil trading and other activities, fell to €112.6 million (€126.1 million), as trade in base oils and trade products relating to chemical management took a downturn.

Breakdown of Group sales revenues



PERFORMANCE | EARNINGS

Double-digit growth in earnings for third year in a row. Net income for the year rises by 29.8 % to €40.1 million (€30.9 million).

The FUCHS PETROLUB Group once again achieved record earnings in 2004, achieving double-digit growth in net income for the third year in a row. This once again highlights the success of our strategy of selective growth, specialization and cost management.

Excellent organic growth in many markets was more than enough to offset the negative effects from currency translation. An improved product mix and increase in sales prices limited the erosion of our contribution margin caused mainly by high base-oil prices. Fortunately, we were able to maintain our gross margin at the level of the previous year by lowering production costs.

With absolute or relative cost reductions in sales and administration, plus lower interest expenditure, net income for the year thus rose by 29.8 % to reach €40.1 million (€30.9 million).

As in the previous year, the region of Europe generated the highest contribution to earnings in absolute terms, followed by America and Asia-Pacific, Africa.

Cost structure optimized

Gross profit of €407.7 million (€387.2 million) was 5.3 % higher than in the previous year. The rationalization of administration and development activities, together with the optimization of sales, meant these costs rose by only 2.1 %, a much lower rate.

Our operating result this year reached a record level of €107.4 million (€93.2 million), representing growth of 15.2 %. The operating margin reached 9.8 %, after 9.0 % in 2003.

The balance of other operating income and expenses was negative at €1.3 million (+€1.3 million), as the sales profits of the previous year could not be repeated to the same extent and restructuring measures were necessary for the LIPPERT-UNIPOL Group. Investment income was affected by the write-off of receivables in Saudi Arabia.

Taking all these effects into account, earnings before interest, taxes and goodwill amortization (EBITA) reached €104.8 million (€94.4 million).

The goodwill write-down of €18.6 million (€19.3 million) includes net impairments recognized for earning risks of €10.0 million. These mainly applied to shareholdings in Saudi Arabia and Indonesia.

Earnings before interest and taxes (EBIT) amounted to €86.2 million (€75.1 million), an increase of 14.8 % compared with the previous year.

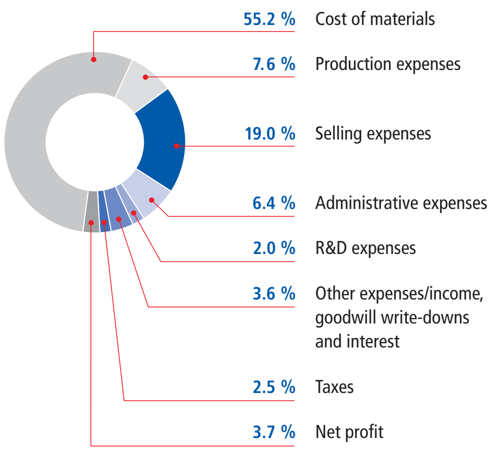
Improvement in financial result

The financial result improved by 18.6 % on the previous year's figure. Interest expenses decreased significantly due to the lower borrowings. As this figure includes write-downs of financial assets to the amount of €0.7 million, the negative financial result – cleared of this sum – was reduced by 21.7 %.

The Group's tax rate remained almost at the level of the previous year at 40.5 % (40.6 %). This meant the Group was able to improve significantly on its record earnings of the previous year once again, despite increasing raw material costs. At €40.1 million (€30.9 million), net income for the year was 29.8 % higher than the previous year.

For the year 2005, we expect the prices of raw materials to remain high and our markets to remain highly competitive. Nevertheless, we intend to continue our policy of specialization, combined with ongoing strict cost discipline.

Structure of income statement



Proposal to increase dividends

Given the excellent profit development in operating results and solid cash flow generation, the Executive and Supervisory Boards propose to the Annual Shareholder's Meeting that dividends for both share types be increased by 10 cents. The payment of €1.83 per preference share and €1.66 per ordinary share represents a distribution ratio of 35.2 %.

Renewed improvement in returns

Our net income to sales reached a peak return of 3.7 % (3.0 %), reflecting the improved economic efficiency and increased profitability of the Group.

Our earnings before interest, taxes and scheduled goodwill amortization (EBITA) related to sales revenues rose to 9.6 % (9.1 %), while the EBIT margin (earnings before interest and taxes related to sales revenues) increased to 7.9 % (7.2 %).

The Group's return on equity (net income related to the average shareholders' equity, based on the quarterly figures) reached 26.7 % (26.7 %) and return on capital employed (earnings before interest, taxes and scheduled goodwill amortization related to the average of the totals of shareholders' equity, participation certificates, interest-bearing liabilities, pension provisions and accumulated goodwill write-downs less cash and cash equivalents) rose to 19.0 % (16.1 %).

The FUCHS VALUE ADDED (FVA) performance measure, introduced for the purposes of value-based management, rose significantly to €37.4 million (€24.1 million) compared with the previous year. FVA is the pre-tax economic profit added by the Group, taking into consideration the weighted average cost of capital. Capital costs were adapted to existing capital market relations and the modified capital structure to 11.5 % before and 7.2 % after taxes (previous year: 13 % before and 7.8 % after taxes).

PERFORMANCE | NET ASSETS AND FINANCIAL POSITION

Increased equity ratio and lower financial liabilities create room for manoeuvre.

The balance-sheet total fell in the year under review, despite increased business volume. At €628.7 million (€635.9 million), the total was 7.3 % down on the previous year. This was due particularly to the continuation of our policy of economical application of capital. The retreat in value of the US dollar was also a contributing factor.

Fixed assets amounted to €242.3 million (€264.8 million), accounting for 38.5 % (41.6 %) of the balance-sheet total. This reduction is due to the fact that capital expenditure on property, plant and equipment was lower than depreciation. Furthermore, goodwill amortization and currency-translation effects also had a diminishing effect.

Current assets increased to €374.7 million (€363.9 million). Inventories rose to €138.8 million (€126.5 million) in line with business, mainly due to significant price increases in our procurement markets. Trade receivables also rose in line with sales, although at €175.1 million (€170.2 million), the average maturity of receivables was reduced to 58 days (60).

Cash and cash equivalents amounted to €27.5 million (€29.4 million), while deferred tax assets totalled €11.7 million (€7.2 million). The latter comprised notional taxes on valuation differences between the IFRS balance sheet and the tax balance sheet, as well as the elimination of inter-company profits in terms of Group accounting.

Significant rise in equity ratio

Thanks to excellent net profit for the year, our equity capital rose to €159.8 million (€137.7 million) and the Group's equity ratio at the end of the year was 25.4 % (21.7 %).

The capital accounted for by participation certificates of €51.1 million has a special status between equity capital and financial liabilities, due to its subordinate ranking in comparison to other liabilities.

Reduction in financial liabilities

The Group significantly reduced its financial liabilities during 2004. Excellent cash-flow development enabled the Group to reduce its level of debt by €45.1 million to €143.1 million (€188.2). In addition to reducing our bank credits, we reacquired tranches of our 2005 Eurobonds and note loans ahead of time.

Provisions for pension obligations were reduced to €55.5 million (€57.0 million) as the result of currency-translation effects. The increases in other provisions to €65.3 million (€54.9 million) and in trade liabilities to €103.5 million (€92.7 million) were to the benefit of internal financing.

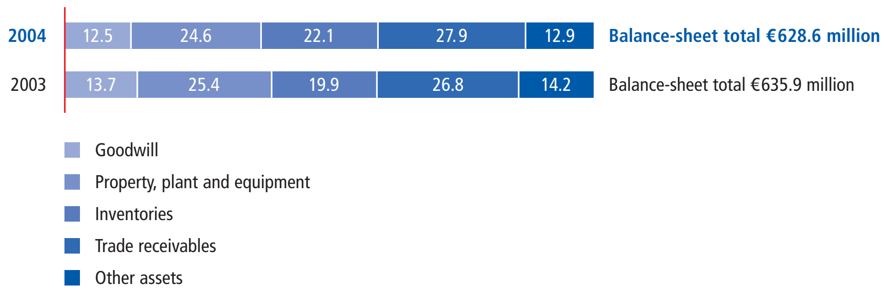
Deferred tax liabilities amounted to €9.8 million (€8.6 million), taking into account future withholding taxes on dividend payments within the Group.

The increase in shareholders' equity and the reduction in financial liabilities has given the Group more room for manoeuvre as it continues to expand. Most obvious is its effect on net gearing (financial liabilities including participation certificates capital, less cash and cash equivalents in relation to equity capital), which has improved once again to a ratio of now 1.0 (1.5).

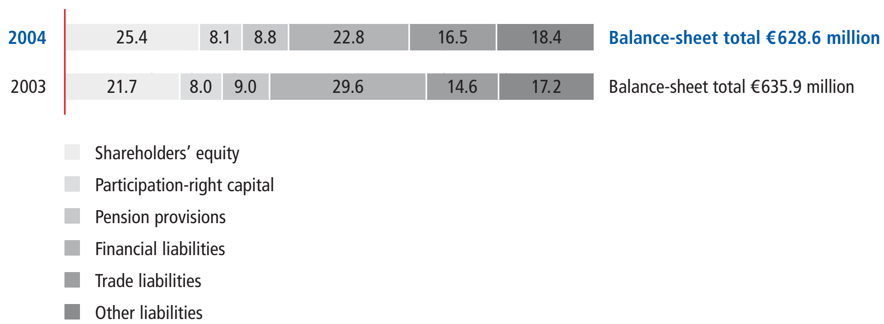
We expect operating cash flow to continue its positive development in 2005, accompanied by continued restrictive employment of capital to further strengthen our balance-sheet structure.

Structure of assets and capital

Assets [in %]



Liabilities [in %]



PERFORMANCE | STATEMENT OF CASH FLOWS

Excellent operating and free cash flow

The statement of cash flows has been adjusted for currency-translation and consolidation effects in conformance with IAS 7.

The gross cash flow rose by 3.8 % to €82.6 million (€79.6 million) during 2004, due to the Group's profitability, which has improved once again. Thus the high level of profitability of the previous year was exceeded once more. The gross cash flow is an indicator of internal financing capability and is available to the company for capital expenditure, financing net current assets, dividend distributions, debt repayments and maintaining an appropriate level of liquidity.

The cash inflow from operating activities was reduced by 4.9 %, from €89.1 million to €84.7 million. Net current assets (inventories plus trade receivables minus trade liabilities) were reduced to 19.2 % (19.6 %) of sales revenues, despite the rise in business volume and significant price increases in our procurement markets. This reduction indicates the continued success of our program for the reduction of net current assets.

Capital expenditure in 2004 was around 11 % higher than in the previous year, at €22.6 million (€20.4 million). Cash outflow resulting from acquisition amounted to €13.1 million (€0.7). This sum is the balance from businesses purchased and business sectors divested during 2004. At €5.0 million, proceeds from the disposal of property, plant and equipment did not quite reach last year’s level (€8.0 million). The cash outflow from investing activities totalled €28.6 million, much higher than the previous year’s level (€11.5 million).

The Group's internal financing power, represented by the ratio between the cash inflow from operating activities and the cash outflow from investing activities, reached a factor of 3.8 in the period under review, clearly demonstrating the high cash flow generated by the Group.

The free cash flow of €56.1 million (€77.6 million) was used almost entirely to finance the dividend distribution and to reduce financial liabilities by €43.6 million. The Group's cash and cash equivalents, at €27.6 million, remained at a similar level to the previous year (€29.4 million).

PERFORMANCE | CAPITAL EXPENDITURE AND INVESTMENTS IN COMPANIES

Investments in property, plant and equipment in 2004 were dominated by projects at our sites in Mannheim and Chicago (USA). Total investments in this sector amounted to €22.2 million (€18.7 million). As the result of merging production sites and taking other measures to improve efficiency, capital expenditure in percent of sales revenues being 2 % was at a considerably lower level compared to the previous year’s average. Goodwill acquired from acquisitions amounted to €8.7 million (€0.8 million).

Capital expenditure

The focus of capital expenditure on property, plant and equipment in 2004 was investments in the European sites, using around 74 % of the entire volume. More than half of this sum was used for German sites. The main investments in Germany were test rigs for the development of new lubricants, the implementation of SAP software in two subsidiaries and the construction of a new plant for the manufacture of shock-absorber oils.

Our location in Great Britain was also a focus for investment, merging production that had previously been divided into two different sites.

Work started on the construction of a new office building at our site in Harvey near Chicago (USA), thus reflecting the strong internal and external growth of our US company.

Thanks to capital investments in Asia, Australia and South Africa over the last few years, our sites there are in a sound technical condition and most have sufficient production capabilities, meaning that no major expansion or renovation projects took place in these areas in 2004.

Expansion investments accounted for two-thirds of total Group investments, while replacement and rationalisation investments accounted for one third.

Planned capital expenditure 2005

Similar to 2004, we are planning on major investments in our German and US locations in 2005. A crucial part of this is the modernization of laboratory buildings and equipment for our specialty-lubricant business and for quality assurance purposes. Investments will also be made in improving fire-protection measures at various European plants. The planned capital expenditure amounts to around €25 million.

Depreciation and amortization

Depreciation and amortization on tangible and intangible assets in 2004 amounted to €24.3 million (€27.3 million). Net goodwill write-downs, including goodwill amortization from associated companies, reached €18.6 million (€19.3 million net).

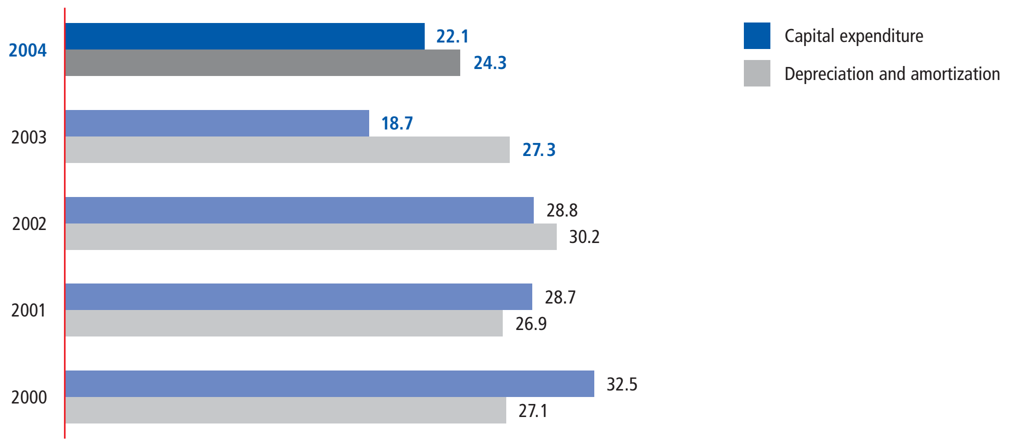
Investments in companies

The most significant acquisition of 2004 was that of the French industrial lubricant business under the brand name of WYNN'S. The company has now been integrated into the French FUCHS organisation, reinforcing our industrial lubricants specialty business in the region with sales revenues of around €20 million and further extending our position as international market leader in the field of metalworking fluids. The Group has thus further built on its position as world market leader in the metalworking fluids.

In China, the purchase of the remaining shares of 34.5 % in FUCHS LUBRICANTS (Hefei) enabled us to integrate all three Chinese sites into one virtual unit – FUCHS CHINA. In Belgium, we purchased the small specialty lubricants business from CONTIVEMA BV.

As part of the completion of our product portfolio, we sold our French company ETABLISSEMENTS PRATE S.A., resulting in a reduction of revenues of around €3 million. In Germany, we sold off our shares in FRAGOL SCHMIERSTOFF GMBH + CO . KG in Mülheim and LUBRICANT CONSULT GMBH in Maintal. Both companies were previously at equity, i.e. entered in the balance sheet at the Group's share of the equity capital of the company.

Capital expenditure and depreciation and amortization – tangible and intangible assets (excluding goodwill)
[€ million]



SEGMENT REPORT BY REGION | EUROPE

The segment report corresponds with the Group's internal organization and structure of reporting by geographical region.

Segment information [in € million][1]	2004	2003
Sales revenues by customer's location	668.4	640.2
Sales revenues by company's location	727.5	694.4
– thereof with other segments	22.9	20.8
Depreciation of plant, property and equipment and intangible assets	20.3	21.2
Income from associated companies	0.0	0.3
Segment earnings (EBIT)	60.3	53.9
Segment assets	405.4	386.1
Segment liabilities	138.5	129.9
Capital expenditure on plant, property and equipment and intangible assets	24.8	13.2
Impairment losses	2.8	4.2
Employees (average numbers)	2,569	2,556
Performance measure [in %]		
Ratio of EBIT to sales revenues	8.3	7.8

1 See page 50

Sales revenues by company's location in Europe rose by 4.8 % in 2004 to reach €727.5 million. Approx. 2/3 of this growth was internal and 1/3 external. Calculated in terms of customer's location, Europe accounted for 61.0 % of Group sales revenues. Regional earnings before interest and taxes (EBIT) in the period under review reached €60.3 million, an increase of 12 %. This means the EBIT rose in absolute and relative terms for the third year in a row. The ratio of EBIT to sales revenues in 2004 was 8.3 % (7.8 %).

The region of Europe comprises Germany (sales revenues share 45 %), Western Europe excluding Germany (sales revenues share 49 %) and Eastern Europe (sales revenues share 6 %).

The companies in Germany succeeded in raising their earnings nominally by 2.2 % to €329 million. The disposal of a company that no longer formed part of the core business in 2003 led to an external drop in sales revenues of 1.1 % in 2004. However, internal growth was 3.4 %, significantly higher than the level of development of the German lubricants market in 2004. The growth in earnings for the German companies was thus well above average.

Western Europe: continued integration

The companies in Western Europe continued to build on their sales revenues internally and focussed particularly on specialisation in the external sector. The acquisition of the industrial lubricants business in France under the brand name WYNN'S on 1 February 2004 was integrated successfully, with synergy potential already tapped in 2004. Furthermore, the portfolio was adjusted by the sale of a small unit in France and a 50 % share in a company in Germany.

The integration of Western European units in terms of production, R&D and EDP continued successfully. In the 4th quarter of 2004, one production site for metalworking products in France was closed, with the production volumes relocated to other sites. A further small French unit was merged and the storage and production sectors were relocated to our main site in Nanterre near Paris. As the result of the closure of the grease production site in Mannheim, the two remaining European grease production sites in Kiel and Brussels increased their degree of specialization. In England, the production units formerly divided into two have been amalgamated. Furthermore, a job production contract in Germany expired at the end of 2004, meaning that further volumes could be transferred to Mannheim. This means Mannheim has now become the largest production site within the FUCHS Group.

These various activities had a positive effect on earnings for the major Western European companies, particularly in Germany, Spain and France.

Eastern Europe: business expands in Russia

Once again, our Polish company was the major player in Eastern Europe, with sales revenues of €20.8 million. As in previous years, it could increase sales revenues and earnings. There were also significant increases in sales revenues and market position for our smaller companies in Hungary, the Czech Republic and Russia. In Russia in particular, we have reorganized the company, creating a sound basis for this crucial market.

FUCHS LUBRITECH: continuation of our successful niche policy

In 2004, the FUCHS LUBRITECH Group, with headquarters in Weilerbach, was converted into a global division under common management. This structure will facilitate the further specialised development of the high-performance lubricants sector. The development of sales revenues and profit for the division has been very positive. There has also been further expansion of the technical foodgrade lubricants and machining lubricants sectors.

LIPPERT-UNIPOL: restructuring program completed

Over the year, four production sites in Western Europe were closed and production was concentrated in 3 key sites. The joint venture in India developed well and a joint venture was also agreed with a partner in China. This is intended to accommodate the fact that customer activities are being transferred increasingly to the Asian countries. We expect positive developments in 2005 as the result of the reorganisation and focus measures.

Development of sales revenues in Europe (by company location)
[€ million]

SEGMENT REPORT BY REGION | NORTH AND SOUTH AMERICA

Segment information [in € million][1]	**2004**	2003
Sales revenues by customer's location	**204.3**	198.4
Sales revenues by company's location	**200.0**	192.7
– thereof with other segments	**0.9**	0.6
Depreciation of plant, property and equipment and intangible assets	**9.3**	10.2
Income from associated companies	**0.0**	0.0
Segment earnings (EBIT)	**25.3**	22.9
Segment assets	**137.7**	147.9
Segment liabilities	**20.3**	20.1
Capital expenditure on plant, property and equipment and intangible assets	**3.8**	3.3
Impairment losses	**0.0**	0.2
Employees (average numbers)	**611**	620
Performance measure [in %]		
Ratio of EBIT to sales revenues	**12.7**	11.9

1 See page 50

With regard to our customers' locations the Americas account for 18.6 % of the Group's sales revenues. The devaluation of the U.S. dollar of more than 30 % and the corresponding relative strength of the euro have diluted our development of sales revenues and profits over the past three years. Despite the slight growth in 2003, our sales in euro terms are still below the values achieved in 2002. On the other hand, our profit performance in euro terms was only marginally below the previous highest level achieved in 2002. Perhaps the best indication of the profitability of the Americas is the reflection of our consistent improvement in EBIT as a percentage of sales from year to year. In 2004 the EBIT margin was 12.7 % (11.9 %).

In 2004 internal growth in sales revenues in that region was especially high reaching 13.5 %. This was impaired by the negative currency-translation effect of 9.7 % so that in euro terms sales revenues rose by only 3.8 % reaching €200.0 million.

Business in South America represents 10 % of sales revenues and profits in the Americas. The development is promising.

North America

Our three operating subsidiaries in North America (Canada, Mexico, and the USA), each produced record sales and profits in local currencies. Both the percentage increase and the absolute increase in sales were at record levels. These sales were achieved by organic growth built on a solid customer and sales foundation.

On the one hand the increase in sales was influenced by higher prices and on the other we were successful in increasing our volumes and market share in our core metalworking specialty products. We were also able to generate significant growth with our LUBRODAL range of forging lubricants and now enjoy a substantial share in this market. Our prominent position in the supply of fire-resistant hydraulic fluids to underground coal mines continues.

In North America sales increased by 12.4 % internally. Mainly due to the weak dollar, growth in euro terms reached only 2.3 %.

In the course of the past two years, we have centralized our credit department. This focus has not only served to reduce overheads but has also resulted in a significant reduction in outstanding receivables, which has positively impacted our net operating working capital.

In the same period, we have also centralized our customer service department. Not only has this streamlined our staffing, but it has also led to far greater efficiencies and improvement in the quality of service to our customers.

The above strong performance and tightly controlled working capital produced record cash flows.

We achieved the above results in spite of enormous raw material cost increases at every level. Base oil cost increases were as much as 45 %, and additive and chemical costs similarly showed substantial increases.

Looking ahead to 2005, the challenge in North America will be to continue to build on our strengths and to effectively compensate for ongoing raw material cost increases.

South America

The operating companies in Brazil and Argentina produced impressive performances. In spite of the pressure on margins as a consequence of the substantial cost increases in raw materials, our South American subsidiaries generated record sales and profits in local currencies.

Considering the negative currency-translation effects of 5.6 %, the high internal growth in sales of 23.7 %, expressed in euros, represents a very good value of 18.1 %.

Our operation in Brazil generated a significant increase in profits while further underpinning its leading position in the specialty cutting and grinding market.

In Argentina, we continue to maintain the solid recovery following the devaluation of the peso. We look forward with confidence to growing our leading market position in metalworking specialties.

Development of sales revenues in North and South America (by company location)
[€ million]

SEGMENT REPORT BY REGION | ASIA-PACIFIC, AFRICA

Segment information [in € million][1]	2004	2003
Sales revenues by customer's location	223.6	202.3
Sales revenues by company's location	192.3	174.8
– thereof with other segments	0.0	0.0
Depreciation of plant, property and equipment and intangible assets	12.8	10.7
Income from associated companies	–1.3	–0.4
Segment earnings (EBIT)	7.1	5.1
Segment assets	92.8	110.3
Segment liabilities	31.4	31.6
Capital expenditure on plant, property and equipment and intangible assets	3.4	4.2
Impairment losses	7.2	6.3
Employees (average numbers)	968	930
Performance measure [in %]		
Ratio of EBIT to sales revenues	5.6	5.6

1 See page 50

Regional share of sales revenues rises to over 20 % of Group sales revenues

Accounting for a good third of global lubricant consumption, Asia-Pacific, Africa is the largest and most rapidly growing lubricants region. The region's share in the total sales revenues of the FUCHS PETROLUB Group 10 years ago was 10 % – now it has risen to over 20 %. The powerful regional growth in sales revenues over the last 10 years has averaged 13.6 %. Today, the region is the second most significant sales market for the Group.

Regional sales revenues in 2004 amount to €223.6 million by customer's location and €192.3 million by company's location. Around 30 % of these revenues were generated in China, 25 % in Australia and 12 % in South Africa. The remainder is divided between our joint ventures in Japan and the United Arab Emirates and regional subsidiaries. There are individual production sites in many countries within the region, which is focussing on the further expansion of its local manufacturing capabilities.

Internal growth for the Asia-Pacific, Africa region in 2004 was 14.4 %, with negative currency-translation effects of –4.4 % due to the strength of the euro. The most significant growth was achieved in China, Australia and South Africa.

Regional earnings before interest and taxes (EBIT) for the period under review amounted to €7.1 million, an increase of 39 %. The EBIT was affected by impairments of €7.2 million, particularly for Indonesia and Saudi-Arabia.

China – the most significant sub-region

With a GDP of 1,400 billion US dollars in 2003, China has developed into the second largest economy in Asia after Japan. The basis for this boom in China is the high level of investments, particularly the lively influx of direct investments from abroad. A wide range of sectors in which FUCHS PETROLUB owns significant market fields have profited from these investments, such as steel, aluminium, cement, automotive construction, the building industry and textiles.

Through the acquisition of the remaining 35.5 % share of FUCHS LUBRICANTS (HEFEI) in 2004, all our Chinese subsidiaries are now 100 % owned by the FUCHS PETROLUB Group. The companies reached sales revenues of €55.5 million, achieving double-digit growth once again. However, given the increases in import prices and the continued rise of base oil prices, we were unable to improve on the excellent earnings of the previous year.

Australia profits from boom in China

The Australian economy profited from the Chinese demand for raw materials. Within this market environment, FUCHS LUBRICANTS (AUSTRALASIA) was able to achieve significant increases in lubricant sales revenues in all business sectors (automotive, industry, mining and agriculture). Company sales revenues reached €51.2 million in 2004, an increase of 18.8 %, with 3.5 % of this growth resulting from positive currency-translation effects, as the Australian dollar rose against the euro.

Profits were above average, with growth supported by the strength of the Australian currency, mix improvements in the portfolio and increases in efficiency.

South Africa achieves record results once again

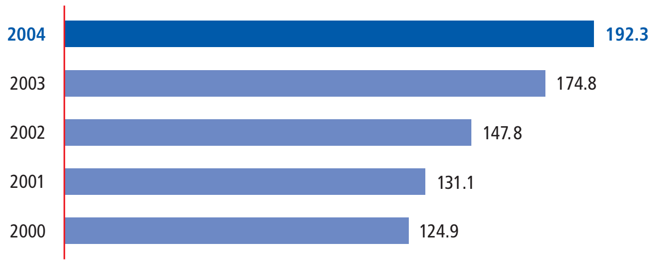
Despite the difficult environment in South Africa, our team succeeded in increasing internal sales revenues by 2.7 %. Thanks to excellent exchange-rate development, total sales revenues rose by 9.3 % to €23.8 million.

The improvement in earnings was above average, with positive cost control and increased added value.

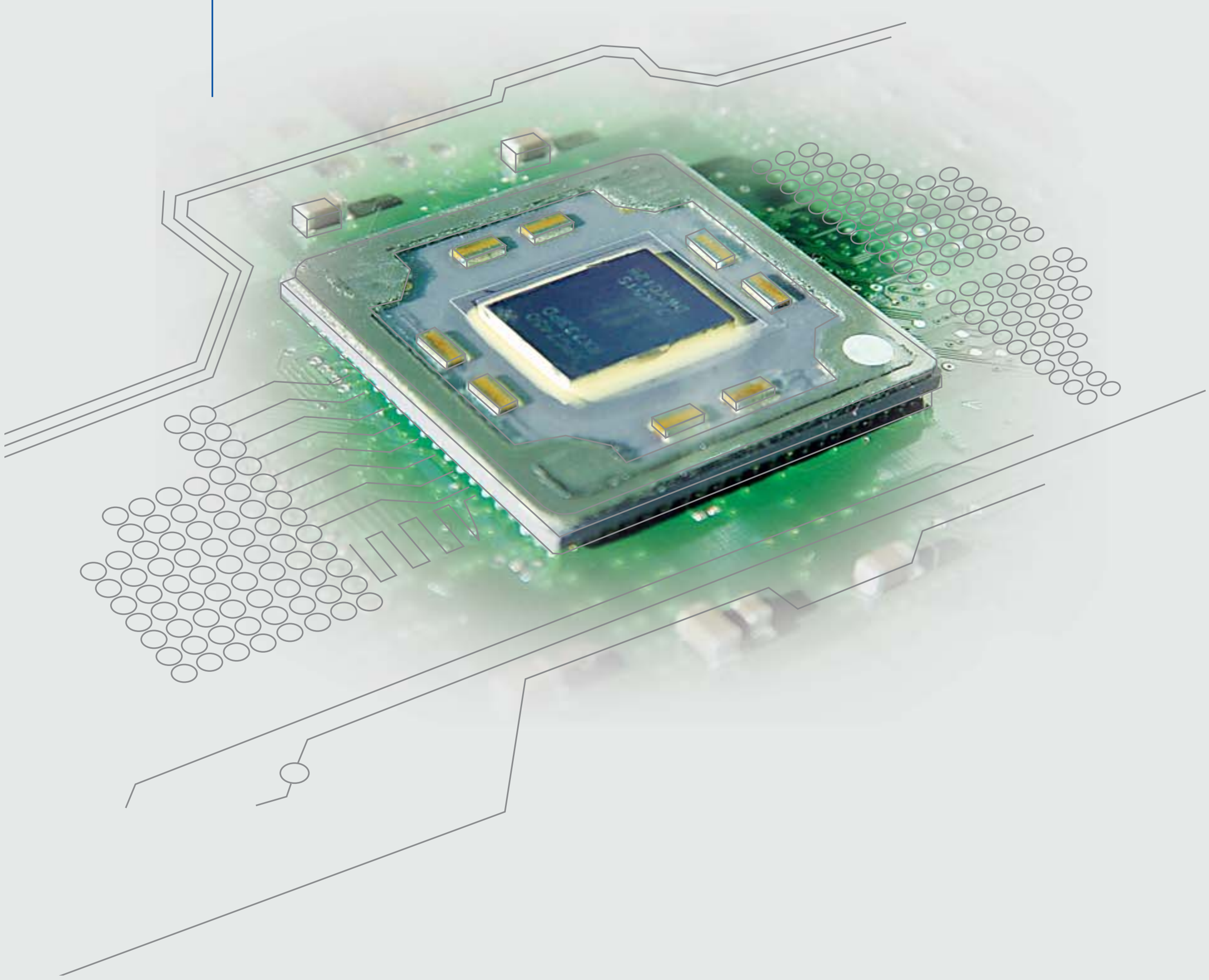
Further regional expansion

Our other subsidiaries and joint ventures in the Middle East, the Indian subcontinent, South East Asia and East Asia all contributed to the growth of the entire region. Our business activities in the Philippines, Thailand, India and Indonesia were reorganized to support and promote our specialisation strategy.

Development of sales revenues in Asia-Pacific, Africa (by company location)
[€ million]



HIGH-PERFORMANCE CHIP, FAST INFORMATION HIGHWAY, SPECIAL HEAT-CONDUCTIVE PASTES.



FUCHS products are omnipresent – heat conductive pastes for computer chips.

In order to ensure a long and trouble-free service life of computer chips, it is essential to dissipate the heat generated by the chips with heat sinks. For that purpose, FUCHS has developed heat-conductive pastes that feature excellent heat-dissipating properties. As thermal transfer media, they enable free data transfer in all types of computers.

RESEARCH AND DEVELOPMENT

In 2004, the Group's research and development departments employed 327 (333) people, including chemists, engineers and technical specialists and assistants. Expenditure on R&D totaled €21.4 million (€22.6 million).

Innovative products are the key to long-term market success. Development of these involves close contact with university institutes for joint research and with specialist colleagues from amongst our customers. In 2004, a wide range of projects were started, continued or launched in the market as a final step.

The new generation of hot melts

The dream of an oil-free press shop for the steel-processing industry is no longer just a dream. After three years of research, we have succeeded in developing a new type of melting lubricant for greasing coils in rolling mills and subsequent forming processes. Anticorit PL 39 SX not only provides superb corrosion protection, but also makes even the most complicated forming process possible without additional oiling.

Hot melts are melting lubricants with touch-dry film based on a special mixture of mineral oil, wax, corrosion preventive and metal forming additives. They are suitable for steel, aluminum and stainless steel forming. After forming, parts coated with hot melt have a smooth, dry film over them, leaving work places and tools free from oil.

Universal engine oil for vehicle fleet

The use of a single engine oil in almost every vehicle in a vehicle fleet makes the fleet more cost-effective, helps reduce incorrect fills and streamlines the number of products used. The new low friction engine oil can be used in almost all vehicles and construction machinery from both American and European producers. Fuel savings and a significant extension of oil change intervals contribute to the remarkable reduction in operating costs.

Greases for modern steering systems

Electrical power steering systems have found their way into modern vehicles, replacing hydraulic power steering systems as they are lighter, use less power and can therefore contribute to fuel savings. Furthermore, the components are set up directly on the steering system and can therefore be easily adapted to the appropriate vehicle type. In cooperation with major manufacturers, FUCHS has set the course for the adaptation of steering system greases. The particular requirements for extreme wear protection, low-temperature properties and the minimization of temperature effects on the smooth running of the steering system have all been translated into new grease formulations.

World market leader underground

Large quantities of fire-resistant hydraulic fluids are used in roof supports in underground mines. They are usually emulsions, used to ensure the safe operation of hydraulic machinery. These fluids protect components from corrosion and sealing wear, are flame-resistant, fulfill strict mining safety requirements and are approved by leading machinery manufacturers. FUCHS is the world leader in this sector and is working intensively on opening up the growth markets in Eastern Europe and Asia.

Low-emission cooling lubricants

When chipping using non-water-miscible cooling lubricants, the emissions created in the form of oil mist and oil vapor may be harmful to health and the environment. Thanks to years of development, FUCHS can offer a full range of cutting oils based on low-evaporation base oils. The most recent generation of low-viscosity products, based on synthetic esters, is capable of reducing oil emissions by over 80 %. This is also beneficial in cost terms because reduced evaporation loss means that consumption is reduced by 20–30 % compared to standard oils. At the same time, using oils based on synthetic esters often makes it possible to adhere to limit values for cooling lubricant vapors without additional investments.

OUR PEOPLE

Our people are crucial for the success of our company

Motivated employees make for satisfied customers

Our aim is to use the right people at the right time in the right place, as motivated and qualified staff are vital contributors to the success of a future-orientated company.

We want to help our people develop their skills and capabilities and thus create human resources that boost the success of the company.

Qualification opportunities

As in previous years, the FUCHS PETROLUB Group offered employees a variety of options for gaining qualifications in 2004. On December 31, 2004, a total of 45 employees at German companies underwent training in seven job descriptions, matching previous high levels. A number of the larger FUCHS companies abroad also made important contributions to the development of young managers with qualified training programs.

Group-wide qualifications program: FUCHS ACADEMY

A high level of qualification amongst our people is a prerequisite for us to reach our goals. Using Group-wide qualification programs, we continue to develop our know-how – involving everyone from trainees to top managers.

The FUCHS ACADEMY organizes regular specialist seminars on tribology and lubrication technology, as well as sales seminars. These seminars take place mainly at Group headquarters in Mannheim, with some held on location – in China and India in 2004, for example. Courses will continue to expand in keeping with requirements.

FUCHS PETROLUB places particular emphasis on systematic and consistent training of potential managers coupled with appropriate human resources development. The aim is to safeguard key management positions – at home and abroad – and boost motivation and employee loyalty.

FUCHS Incentive Program

The 'FUCHS Incentive Program', started in 2003, is a global instrument used to ensure performance-related remuneration for the chairmen and deputy chairmen of FUCHS Group subsidiaries around the world. The program is based on a value-added incentive system, the so-called FVA (FUCHS VALUE ADDED) system, which links operating profit, the capital employed and capital costs.

Code of Conduct

Questions relating to the conditions under which we produce and sell our products require an answer that can be applied across the entire Group. Constant changes, the variety of tasks set and the increasing size of the company make it ever more important for the individual employees to be able to see their own area of activity within an overall context. This makes orientation very important for our company actions and cooperation.

For this reason, we have adopted a Group-wide binding code of conduct that regulates general conduct principles within the following areas:

- Company responsibility
- Occupational health and safety, environmental protection
- Cooperation with business partners
- Internal cooperation

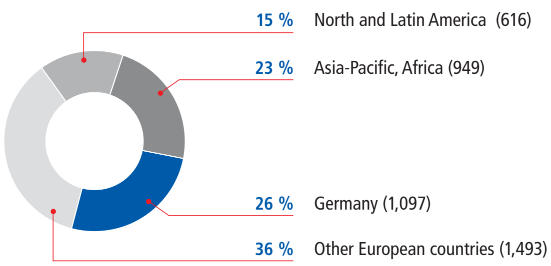
Workforce figures drop by 1.5 %

Worldwide, the FUCHS PETROLUB Group employed 4,155 people (4,220) as of December 31, 2004. Year-on-year, the total workforce has thus fallen by 65, or 1.5 %. This is mainly the result of restructuring measures in Asia and Western Europe.

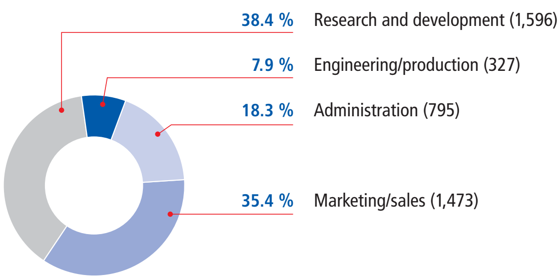
We employed 73.6 %, or 3,058 (3,117), of our people abroad and 1,097 (1,103), or 26.4 %, in Germany.

Worldwide, at the end of 2004, 38.4 % (38.2 %) of the workforce was employed in engineering and production, 35.4 % (35.2 %) in marketing and sales, 18.3 % (17.0 %) in administration and 7.9 % (7.8 %) in research and development.

Geographical workforce structure
[% / number]



Structure of workforce by function
[% / number]



OPPORTUNITY AND RISK MANAGEMENT

Risk management

The goal of the FUCHS PETROLUB Group is to achieve long-term profitable growth. Creating value should be based upon the premise that it is only worth entering into a risk if it cannot be avoided (provided it can be controlled). A risk counts as any event or activity posing a threat to the success of the company, or at worst, its very existence.

To monitor and control risks, the FUCHS PETROLUB Group has its own opportunity and risk management system geared to the international nature of the overall organization. The risk management system is an integral part of the overall planning, steering and reporting process. Key areas are strategic planning, medium-term planning, budgeting, reporting, ongoing financial controlling, risk reporting, organization and processes, and internal auditing.

A fundamental principle of our global risk management is the periodic execution of risk inventories. The process is decentralized and takes place in the departments and headquarters, as they have a detailed understanding of corporate risks and their origins. The main task of the risk inventory is to identify risks in accordance with predefined categories and classify them in terms of their probability of occurrence and the expected extent of damage. The persons in charge of this inventory should also identify possible measures for the management and minimization of risks. Risk identification entails recognizing any factors capable of endangering the success of the company, or at worst its very existence, as well as pinpointing opportunities that can be exploited.

Lastly, the inventory results are compiled in a total risk inventory, which is then used by the Executive Board of FUCHS PETROLUB AG as the basis for decisions on risk management.

The efficiency of our risk management system is evaluated regularly and revised constantly by our internal auditors. Furthermore, within the framework of their annual audit, the external auditors assess how suitable the risk management system is as a surveillance system for the early detection of any developments likely to pose a threat to the Group. The auditors have confirmed that the FUCHS PETROLUB risk management system complies entirely with the law on control and transparency in the corporate sector (KonTraG).

Individual risks

Economic risks

The FUCHS PETROLUB Group is not unaffected by developments in the global economy. However, the FUCHS PETROLUB range covers several thousand lubricants for all industries and areas of life. Therefore, the Group is not heavily dependent on any one industrial sector.

Sector risks

As the world's largest independent vendor of high-quality lubricants and related specialties, the company possesses crucial advantages over its competitors. To reinforce – and effectively expand – its market position, FUCHS PETROLUB constantly researches and develops new products and processes. Also in the future, our innovation and niche strategy, our international presence and our highly specialized nature, backed by stringent cost control and cash-flow management, will continue to provide a competitive edge and ongoing profit growth.

The adjustment of chemical policy within the EU (introduction of REACH, a new chemical control system) brings with it the risk that we and our European customers and suppliers may be put at a considerable disadvantage in comparison with competitors outside Europe. It is difficult at present to assess the possible implications of the introduction of REACH, as definitive legislation has yet to be passed. It is likely that REACH will not be introduced until 2006, but FUCHS PETROLUB is already examining the issue.

Risks arising within different parts of the company

The breadth of our product portfolio and balanced customer structure serve to reduce the Group's overall dependence on revenues from individual companies or customers. Contributions to Group profits are being matched increasingly by other countries in Western and Eastern Europe, as well as the Asian companies. Moreover, thanks to a broad base of more than 114,000 customers in 120 countries, our dependence on individual customers or clusters of customers is minimal.

The availability of raw materials is not without risk for FUCHS PETROLUB. Prices for raw materials such as base oils, additives and packaging materials increased once again in 2004. In particular, the price of base oil hit a ten-year high in 2004. The global reserve capacities of the lubricants refineries have fallen over the past few years, altering conditions for our base oil supply, particularly in Asia-Pacific, and leading to a negative effect on profit development. There is potential for cost reduction by consolidating purchasing activities in individual regions.

We work closely with customers on development programs and joint projects, enabling us to minimize research and development risks. This fosters our ability to innovate and work in highly specialized fields – key success factors in our line of business.

Financing risks

The company does face the possibility of risks in the area of finance. The key risks are interest-rate fluctuation and exchange-rate movements. The latter comes into play with currency-translation effects. This can occur with a weakening of the US dollar and other currencies in which we generate significant earnings or hold substantial assets. This contrasts with transaction effects, which have a particular impact on the Group when we purchase raw materials in foreign currencies. Both translation and transaction risks are netted out to a large extent at Group level.

We reduce financial and currency risks by entering into term- and currency-matched financing and by making use of derivative instruments. We deploy these instruments depending on the nature of the risk, in keeping with corresponding guidelines, and only enter into such transactions for hedging reasons.

Legal risks

There are no pending or threatened court cases likely to have a significant effect on the economic standing of the companies in the FUCHS PETROLUB Group.

There is a latent risk posed by product liability cases, which could lead to claims for damages. FUCHS PETROLUB works to counteract this risk by constantly improving its quality management system. Our product liability insurance provides sufficient cover for all cases of liability.

Legal risks may result from new ordinances and laws, which have greatly increased in volume recently for companies listed on the stock exchanges. In order to avoid any possible risks, our decisions and negotiations are based on comprehensive internal and external legal advice.

Other risks and IT risks

There are currently no discernible risks at FUCHS PETROLUB to IT systems or data records. Despite this, we work constantly on updating the IT infrastructure, the IT safety concept and broader internal networks.

The FUCHS PETROLUB Group's global presence entails certain country-by-country risks and location-related risks. These include natural disasters, particularly earthquakes, which pose a certain element of risk in various locations around the world. Security measures in such locations have been stepped up as far as possible. Property and liability risks, as well as the risk posed by stoppage, are sufficiently covered by insurance policies.

We do not face any particular risks in the area of human resources. Future economic success is largely dependent on the commitment, motivation and ability of our employees and workforce. Our aim is therefore to attract qualified specialists and managers, integrate them successfully and keep them long-term. For this reason, we offer our staff great remuneration packages, geared appropriately to prevailing market conditions, as well as appropriate qualification and development programs.

We have minimized all product and environmental protection risks. Neither the production facilities required to manufacture lubricants nor the process technology applied pose any particular risks to the environment when used correctly. Nevertheless, we continue to introduce targeted measures to improve soil and water protection.

There are no other discernible risks, such as management risks.

Overall risk

In summary, all risks to the FUCHS PETROLUB Group are capable of containment. The continuing existence of the company is currently not under threat. We also do not perceive any immediate possibility of a future risk to the company's continued existence.

Our opportunity and risk management system ensures that key opportunities and risks are identified early and dealt with accordingly. We have made all possible provision for typical business risks capable of having a major influence on company assets, finances and profits.

OUTLOOK

Business developments in the first two months of 2005

In the first two months of 2005 the Group succeeded in increasing sales. Particularly the Americas and Eastern Europe produced encouraging internal growth rates. In Western Europe there was both a slight internal and external growth, whereas in Asia the year began at a more moderate pace. Currency-translation effects had a negative influence on sales in the Americas and Asia once again.

Forecast for full-year 2005

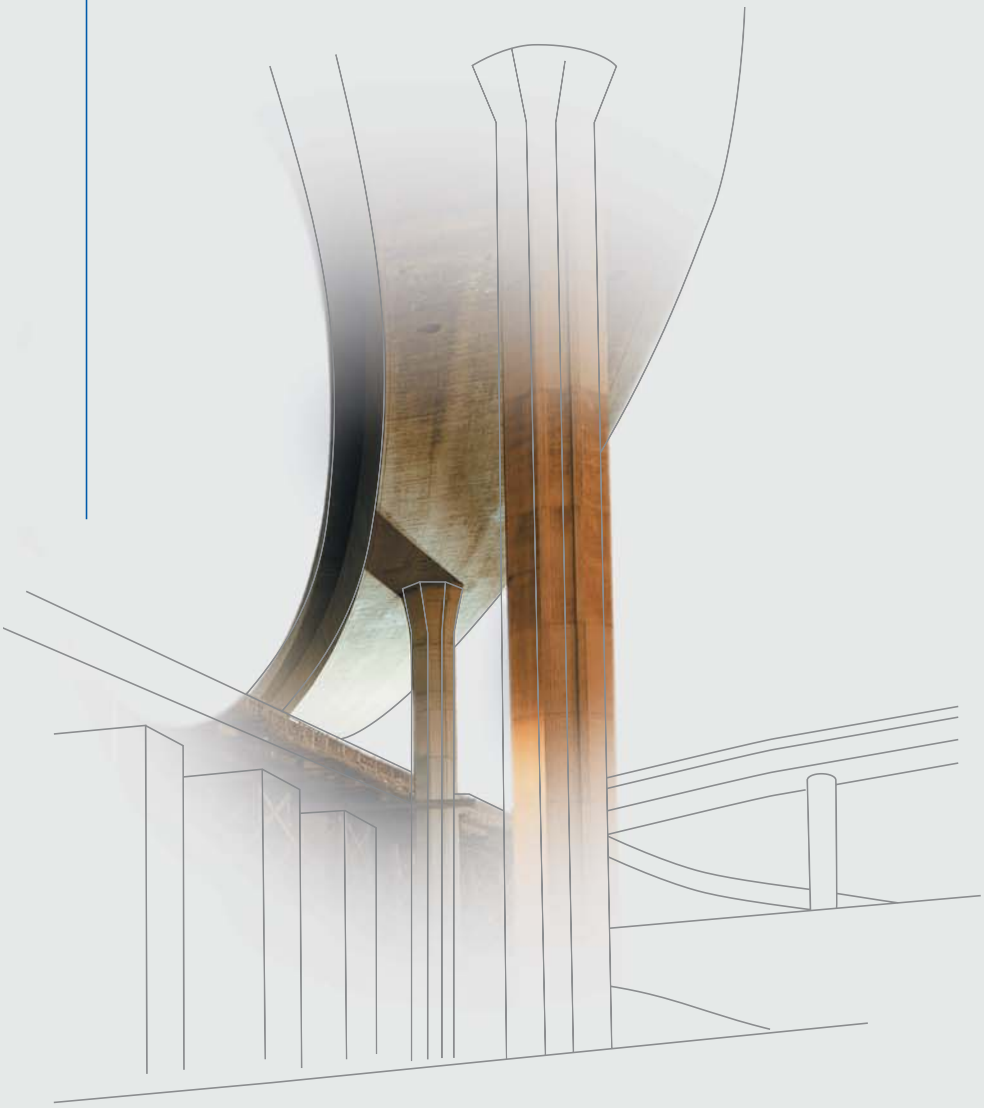
We expect the low level of growth in the world market for lubricants observed in 2004 to continue in 2005.

We are well positioned in the various regional markets and will therefore maintain and build on our share of the markets. The extent of the effect of exchange-rate developments on sales revenues remains to be seen.

It is expected that raw material prices will continue to rise and the market will remain volatile. We will counteract this development by continuing our strategy of specialization and focus, as well as increasing our sales prices and thus endeavouring to stave off the effects of raw material price increases. Further top priorities for 2005 include concentration on specialty lubricants and further optimisation of our cost structure. Moreover regular goodwill amortization ceases and financial costs will continue to decline so that, on the whole, we expect an increase in net Group income also for the year 2005.

In terms of capital expenditure on property, plant and equipment, a 10 % increase on the previous year's figure is planned. A major part of this will be used for the expansion and new construction of our laboratory facilities, ensuring the future stability of the Group.

TOP ARCHITECTURAL DESIGN, SOLID STATICS, EXCELLENT RELEASE AGENT.



FUCHS products are omnipresent – release agents for concrete construction.

Concrete buildings model the face of our modern world. Annually, more than 50 million m^3 concrete are molded to shape in Germany alone. Highly specialized FUCHS release agents provide clean separation between concrete and mold and thus guarantee a flawless and attractive concrete surface finish.

FINANCIAL REPORT

Contents

CONSOLIDATED FINANCIAL STATEMENTS |
STATEMENT OF INCOME

[in € million]	Notes		2004		2003
Sales revenues	(1)		1,096.3		1,040.9
Cost of sales	(2)		–688.6		–653.7
Gross profit			**407.7**		**387.2**
Selling and distribution costs	(3)	–208.6		–200.2	
Administration expenses		–70.3		–71.2	
Research and development expenses		–21.4		–22.6	
			–300.3		–294.0
Operating profit			**107.4**		**93.2**
Other operating income and expenses	(4)		–1.3		1.3
Investment income	(5)		–1.3		–0.1
Earnings before interest, taxes and goodwill amortization (EBITA)			**104.8**		**94.4**
Goodwill amortization	(6)		–18.6		–19.3
Earnings before interest and taxes (EBIT)			**86.2**		**75.1**
Financial result	(7)		–18.8		–23.1
Earnings before taxes (EBT)			**67.4**		**52.0**
Taxes on income	(8)		–27.3		–21.1
Net income for the year			**40.1**		**30.9**
Minority interests	(9)		–1.1		–1.2
Net profit after minority interest			**39.0**		29.7
Earnings per share [in €]	(10)				
Ordinary share			**4.87**		**4.03**
Preference share			**5.04**		**4.21**
Earnings per share [in €] before scheduled goodwill amortization					
Ordinary share			**5.97**		**5.31**
Preference share			**6.14**		**5.50**

BALANCE SHEET

[in € million]	Notes		31.12.2004		31.12.2003
Assets					
Goodwill	(14)		78.7		87.3
Other Intangible assets			3.5		3.6
Property, plant and equipment			154.9		161.8
Shares in associated companies	(15)		2.4		8.9
Other financial assets	(15)		2.8		3.2
Non-current assets	(13)		**242.3**		**264.8**
Inventories	(16)		138.8		126.5
Trade receivables	(17)		175.1		170.2
Other receivables and other assets	(18)		33.1		37.8
Securities			0.1		0.0
Cash and cash equivalents	(19)		27.5		29.4
Current assets			**374.6**		**363.9**
Deferred tax assets	**(20)**		**11.7**		**7.2**
			628.6		**635.9**
Equity and liabilities					
Subscribed capital		70.7		70.7	
Group reserves		46.2		32.1	
Group profits		39.0		29.7	
FUCHS PETROLUB Group capital			**155.9**		**132.5**
Minority interest			3.9		5.2
Shareholders' equity	**(21)**		**159.8**		**137.7**
Participation-right certificates	(22)		51.1		51.1
Pension provisions	(23)	55.5		57.0	
Other provisions	(24)	65.3		55.0	
Provisions			**120.8**		**112.0**
Financial liabilities	(26)	143.1		188.2	
Trade liabilities	(27)	103.5		92.7	
Other liabilities	(28)	40.5		45.6	
Liabilities	**(25)**		**287.1**		**326.5**
Deferred tax liabilities	**(29)**		**9.8**		**8.6**
			628.6		**635.9**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

[in € million]	Subscribed capital AG	Capital reserves AG	Equity capital generated in the Group	Effects from currency translation	Market valuation of financial instruments	**Group's capital**	Minority interest	**Share-holders' equity**
Balance at Dec. 31, 2002	62.1	78.4	–45.5	11.4	–1.2	**105.2**	4.9	**110.1**
Dividend payments			–11.0			**–11.0**	–0.8	**–11.8**
Capital increase from companies' funds	2.4	–2.4				**0**		**0**
Capital increase	6.2	18.9				**25.1**		**25.1**
Net gains and losses not recognized in the Income Statement								
Currency effects				–18.5		**–18.5**		**–18.5**
Financial instruments net of deferred tax					1.7	**1.7**		**1.7**
Other changes			0.3			**0.3**	–0.1	**0.2**
Net gains and losses recognized in the Income Statement								
Net income for 2003			29.7			**29.7**	1.2	**30.9**
Balance at Dec. 31, 2003	70.7	94.9	–26.5	–7.1	0.5	**132.5**	5.2	**137.7**
Dividend payments			–12.9			**–12.9**	–0.9	**–13.8**
Net gains and losses not recognized in the Income Statement								
Currency effects				–5.9		**–5.9**		**–5.9**
Financial instruments net of deferred tax				4.0	–2.1	**1.9**		**1.9**
Other changes			1.2	0.1		**1.3**	–1.5	**–0.2**
Net gains and losses recognized in the Income Statement								
Net income for 2004			39.0			**39.0**	1.1	**40.1**
Balance at Dec. 31, 2004	**70.7**	**94.9**	**0.8**	**–8.9**	**–1.6**	**155.9**	**3.9**	**159.8**

STATEMENT OF CASH FLOWS

[in € million]	2004	2003
Net income for the year	**40.1**	**30.9**
Depreciation and amortization of non-current assets	43.6	46.5
Change in long-term provisions	–1.1	2.2
Cash earnings	**82.6**	**79.6**
Change in short-term provisions	4.0	5.1
Change in inventories	–11.7	–0.2
Change in receivables	–1.4	–3.7
Change in other assets	0.8	7.0
Change in liabilities (excluding financial liabilities)	12.8	6.9
Net gain/loss on disposal of non-current assets	–2.4	–5.6
Cash inflow from operating activities	**84.7**	**89.1**
Investments in intangible assets	–0.9	–0.3
Investments in property, plant and equipment	–21.3	–18.4
Investments in financial assets	–0.4	–1.7
Acquisitions of consolidated business units	–13.1	–0.7
Proceeds from the disposal of intangible assets	0.3	0.4
Proceeds from the disposal of property, plant and equipment	5.0	8.0
Proceeds from the disposal of financial assets	1.8	1.2
Cash outflow from investing activities	**–28.6**	**–11.5**
Free cash flow	**56.1**	**77.6**
Dividends paid	–13.8	–11.8
Change in financial liabilities	–43.6	–73.6
Capital increase by Fuchs Petrolub AG	0.0	25.1
Cash outflow from financing activities	**–57.4**	**–60.3**
Cash and cash equivalents as at January 1	**29.4**	**13.5**
Cash inflow from operating activities	84.7	89.1
Cash outflow from investing activities	–28.6	–11.5
Cash outflow from financing activities	–57.4	–60.3
Effect of currency translation	–0.5	–1.4
Cash and cash equivalents as at December 31[1]	**27.6**	**29.4**
Details of the acquisition and disposal of companies and other business units		
Total of all purchase prices	16.7	0.7
Total of acquired cash and cash equivalents	0.0	0.0
Balance of acquired net assets[2]	8.0	0.1
Total of all sale prices	3.6	2.1
Total of sold cash and cash equivalents	0.0	0.0
Total of sold net assets[3]	2.3	1.2

1 Cash and cash equivalents comprise total liquid resources including marketable securities
The taxes on income total €21.0 million (€19.4 million) and €19.1 million (€21.9 million) were paid for interest

2 The acquired net assets were taken over with the acquisition of the industrial lubricant business of WYNN'S in France and the lubricant business of CONTIVEMA BV in Belgium. This also includes the acquired minority shares in FUCHS KEWEI in China, FUCHS OIL HUNGARIA and SIAM FUCHS in Thailand

3 The sold net assets refer to the ETABLISSEMENTS PRATE S.A. in France and LUBRICANT CONSULT GMBH in Maintal and FRAGOL SCHMIERSTOFF GMBH + CO. KG in Mülheim

REGIONAL AND PRODUCT SEGMENTS

[in € million]	Europe 2004	Europe 2003	Europe Change	North and South America 2004	North and South America 2003	North and South America Change
Sales revenues by customer's location	**668.4**	640.2	28.2	**204.3**	198.4	5.9
Sales revenues by company's location	**727.5**	694.4	33.1	**200.0**	192.7	7.3
– thereof with other segments	**22.9**	20.8	2.1	**0.9**	0.6	0.3
Depreciation of property, plant and equipment and intangible assets and financial assets[1]	**20.3**	21.2	–0.9	**9.3**	10.2	–0.9
Income from associated companies	**0.0**	0.3	–0.3	**0.0**	0.0	0.0
Segment earnings (EBIT)	**60.3**	53.9	6.4	**25.3**	22.9	2,4
Financial result						
Taxes on income						
Net income for the year						
Segment assets[2]	**405.4**	386.1	19.3	**137.7**	147.9	–10.2
Segment liabilities[3]	**138.5**	129.9	8.6	**20.3**	20.1	0.2
Financial liabilities						
Cash and cash equivalents						
Participation-right certificates						
Pension provisions						
Group liabilities[4]						
Investments in property, plant and equipment and intangible assets[5]	**24.8**	13.2	11.6	**3.8**	3.3	0.5
Impairment losses[6]	**2.8**	4.2	–1.4	**0.0**	0.2	–0.2
Employees (average numbers)	**2,569**	2,556	13	**611**	620	–9
Performance measure [in %]						
EBIT to sales revenues[7]	**8.3**	7.8		**12.7**	11.9	

1 Including goodwill
2 Including shares in associated companies
3 Segment assets less shareholders' equity, participation-right capital, financial liabilities and pension provisions
4 Liabilities, participation-right capital, provisions and deferred tax liabilities less cash and cash equivalents
5 Including additions due to change in the consolidated Group
6 On property, plant and equipment and goodwill
7 EBIT excluding results and impairment losses of associated companies, as their sales revenues are not included in segment sales revenues sales revenues by company's location

[in € million]	Automotive oils 2004	Automotive oils 2003	Automotive oils Change	Industrial oils and specialties 2004	Industrial oils and specialties 2003	Industrial oils and specialties Change
Sales revenues by product group	**345.8**	328.6	17.2	**637.9**	586.2	51.7
Segment assets[1]	**184.8**	196.1	–11.3	**403.7**	378.4	25.3
Investments in property, plant and equipment and intangible assets[2]	**8.4**	6.6	1.8	**21.9**	10.3	11.6

1 Including shares in associated companies
2 Including goodwill and capital expenditure from additions through changes in the consolidated Group

Asia-Pacific, Africa			Total for operating companies			Holding companies including consolidation			FUCHS PETROLUB Group		
2004	2003	Change	**2004**	2003	Change	**2004**	2003	Change	**2004**	2003	Change
223.6	202.3	21.3	**1,096.3**	1,040.9	55.4	**0.0**	0.0	0.0	**1.096.3**	1.040.9	55.4
192.3	174.8	17.5	**1,119.8**	1,061.9	57.9	**–23.5**	–21.0	–2.5	**1.096.3**	1.040.9	55.4
0.0	0.0	0.0	**23.8**	21.4	2.4	**–23.8**	–21.4	–2.4	**0.0**	0.0	0.0
12.8	10.7	2.1	**42.4**	42.1	0.3	**1.2**	4.5	–3.3	**43.6**	46.6	–3.0
–1.3	–0.4	–0.9	**–1.3**	–0.1	–1.2	**0.0**	0.0	0.0	**–1.3**	–0.1	–1.2
7.1	5.1	2,0	**92.7**	81.9	10.8	**–6.5**	–6.8	0.3	**86.2**	75.1	11.1
									–18.8	–23.1	4.3
									27.3	21.1	6.2
									40.1	30.9	9.2
92.8	110.3	–17.5	**635.9**	644.3	–8.4	**–7.3**	–8.4	1.1	**628.6**	635.9	–7.3
31.4	31.6	–0.2	**190.2**	181.6	8.6	**28.9**	20.3	8.6	**219.1**	201.9	17.2
									143.1	188.2	–45.1
									27.5	29.4	–1.9
									51.1	51.1	0.0
									55.5	57.0	–1.5
									441.3	468.8	–27.5
3.4	4.2	–0.8	**32.0**	20.7	11.3	**0.2**	0.4	–0.2	**32.2**	21.1	11.1
7.2	6.3	0.9	**10.0**	10.7	–0.7	**0.0**	2.1	–2.1	**10.0**	12.8	–2.8
968	930	38	**4,148**	4,106	42	**73**	82	–9	**4,221**	4,188	33
5.6	5,6		**8.6**	8.1					**7.9**	7.2	

Other products			Total for operating companies			Holding companies including consolidation			FUCHS PETROLUB Group		
2004	2003	Change	**2004**	2003	Change	**2004**	2003	Change	**2004**	2003	Change
112.6	126.1	–13.5	**1,096.3**	1,040.9	55.4	**0.0**	0.0	0.0	**1,096.3**	1,040.9	55.4
57.5	73.5	–16.0	**646.0**	648.0	–2.0	**–17.4**	–12.1	5.3	**628.6**	635.9	–7.3
1.7	2.2	–0.5	**32.0**	19.1	12.9	**0.2**	0.4	–0.2	**32.2**	19.5	12.7

STATEMENT OF CHANGES IN NON-CURRENT ASSETS

	Gross amounts Acquisition and manufacturing costs						
[in € million]	31.12.2003	Exchange differences	Changes in cons. Group	Additions	Disposals	Reclassi-fications	31.12.2004
Intangible assets							
Industrial property rights and similar rights and values	27.8	−0.1	1.1	0.7	1.3	0.1	**28.3**
Goodwill	174.7	−3.6	7.2	1.4	0.0	0.0	**179.7**
Advance payments	0.1	0.0	0.0	0.2	0.0	−0.1	**0.2**
	202.6	**−3.7**	**8.3**	**2.3**	**−1.3**	**0.0**	**208.2**
Property, plant and equipment							
Land, land rights and buildings, including buildings on third-party land	138.0	−2.5	0.0	1.3	0.7	1.5	**137.6**
Technical equipment and machinery	166.6	−3.6	0.0	5.2	7.0	4.0	**165.2**
Other equipment, factory and office equipment	89.8	−0.5	0.1	5.9	12.6	−2.0	**80.7**
Advance payments and work in progress	3.1	−0.2	0.0	8.8	0.0	−3.5	**8.2**
Leased objects	0.7	0.0	0.0	0.0	0.0	0.0	**0.7**
	398.2	**−6.8**	**0.1**	**21.2**	**20.3**	**0.0**	**392.4**
Financial assets							
Shares in affiliated companies	0.3	0.0	0.0	0.0	0.0	0.0	**0.3**
Shareholdings in associated companies	17.8	−0.3	−2.1	0.0	1.3	0.0	**14.1**
Other shareholdings	2.6	0.0	0.0	0.0	0.0	0.0	**2.6**
Loans to companies, in which interests are held	0.0	0.0	0.0	0.3	0.0	0.0	**0.3**
Long-term securities	0.6	0.0	0.0	0.0	0.0	0.0	**0.6**
Other loans	0.5	0.0	0.0	0.0	0.0	0.0	**0.5**
	21.8	**−0.3**	**−2.1**	**0.3**	**1.3**	**0.0**	**18.4**
Total non-current assets	**622.6**	**−10.8**	**6.3**	**23.8**	**22.9**	**0.0**	**619.0**

	Depreciation and amortization							Net amounts	
	31.12.2003	Exchange differences	Changes in cons. Group	Deprec. & amortiz.	Disposals	Reclassi-fications	31.12.2004	31.12.2004	31.12.2003
	24.3	−0.1	0.0	1.8	1.0	0.0	25.0	3.3	3.5
	87.4	−1.8	−0.2	15.6	0.0	0.0	101.0	78.7	87.3
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.1
	111.7	**−1.9**	**−0.2**	**17.4**	**1.0**	**0.0**	**126.0**	**82.2**	**90.9**
	50.8	−0.8	0.0	5.7	0.0	0.7	56.4	81.2	87.2
	118.8	−2.6	0.0	8.3	6.3	1.2	119.4	45.8	47.8
	66.8	−0.5	0.0	8.5	11.2	−1.9	61.7	19.0	23.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.2	3.1
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.7
	236.4	**−3.9**	**0.0**	**22.5**	**17.5**	**0.0**	**237.5**	**154.9**	**161.8**
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.3
	8.9	0.0	−0.2	3.0	0.0	0.0	11.7	2.4	8.9
	0.7	0.0	0.0	0.5	0.0	0.0	1.2	1.4	1.9
	0.0	0.0	0.0	0.2	0.0	0.0	0.2	0.1	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6	0.6
	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.4	0.4
	9.7	**0.0**	**−0.2**	**3.7**	**0.0**	**0.0**	**13.2**	**5.2**	**12.1**
	357.8	**−5.8**	**−0.4**	**43.6**	**18.5**	**0.0**	**376.7**	**242.3**	**264.8**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS | BASIS OF PREPARATION

General information

The consolidated financial statements of FUCHS PETROLUB AG, Mannheim, as of December 2004, have been prepared in accordance with the regulations laid down in the guidelines of the International Accounting Standards Board (IASB), London, as applicable on the balance-sheet date. All of the International Financial Reporting Standards (IFRS), formerly International Accounting Standards (IAS), and interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly the Standing Interpretations Committee (SIC), that were binding for the 2004 financial year have been applied.

The consolidated financial statements and the Group management report comply with the European Union directive on preparing consolidated accounts (83/349/EEC). To obtain exemption from the obligation to prepare consolidated financial statements in accordance with German law, the consolidated financial statements have been supplemented with additional explanations pursuant to Section 292a of the German Commercial Code (HGB).

The Group's currency is the euro (€). All amounts are stated in millions of euros (€ million), unless otherwise indicated. For the sake of a clearer and more reader-friendly presentation, some individual items are grouped together in the balance sheet and the statement of income. These items are listed separately and explained in these notes.

Consolidated companies

Fundamentally, all German and international subsidiaries are included in the consolidated financial statements of FUCHS PETROLUB AG. The year-end financial statements of the subsidiaries are prepared with the same balance-sheet date as the consolidated financial statements (December 31). Each set of year-end financial statements has been examined by the auditors and provided with an unqualified auditor's certificate.

In the case of subsidiaries without any significant business operations which are of minor importance for forming a true and fair view of the Group's assets, liabilities, financial position and earnings, even in aggregate, these have not been included in FUCHS PETROLUB's consolidated financial statements.

Companies acquired during the course of a financial year have been included with effect from the date of acquisition. Four affiliated companies which are managed jointly with other companies have been consolidated pro rata. The consolidated Group includes a total of 76 (81) companies.

In 2004 the scope of consolidation changed due to changes in the status of five fully consolidated companies: two companies were merged within the Group, one was disposed of, one company is in liquidation and one is no longer consolidated due to its minor importance.

In the reporting year, no new companies were included in the consolidated financial statements.

The main subsidiaries and associated companies are shown on page 85; a complete list of shareholdings pursuant to the provisions of the German Commercial Code (HGB) has been filed in the Commercial Register of the Mannheim District Court under the number, HRB 3762.

The Company ALHAMRANI-FUCHS PETROLEUM SAUDI ARABIA LTD., Jeddah/Saudi Arabia, has been included at equity. Shares in companies included last year at equity, FRAGOL SCHMIERSTOFF GMBH + CO. KG, Mühlheim an der Ruhr/Germany and LUBRICANT CONSULT GMBH, Maintal/ Germany, were sold during the reporting year.

Three German and eleven international subsidiaries which in aggregate have a negligible impact on the Group's assets, liabilities, financial position and earnings are not included.

Use was made of the exemption from the disclosure requirement for the following subsidiaries included in the consolidated financial statements:
WISURA MINERALÖLWERK GOLDGRABE & SCHEFT GMBH & CO., Bremen,
pursuant to Section 264b of the HGB, and for
BREMER & LEGUIL GMBH, Duisburg,
FUCHS EUROPE SCHMIERSTOFFE GMBH, Mannheim,
FUCHS FINANZSERVICE GMBH, Mannheim,
FUCHS LUBRITECH GMBH, Weilerbach, and
PARAFLUID MINERALOELGESELLSCHAFT MBH, Hamburg,
pursuant to Section 264, Subsection 3 of the HGB.

Changes in the consolidated Group

The changes to the scope of consolidation as described have no significant impact on the comparability of balance sheet and income statement with the previous year. Overall, assets reduced by €1.7 million and liabilities fell by €0.8 million. Sales revenues were €3.6 million lower.

Consolidation principles

Capital consolidation takes place with all companies in accordance with the purchase method of accounting as described in IAS 22/IFRS 3. Capital consolidation is effected by netting off purchasing costs with the Group's share of the consolidated subsidiaries equity capital on the date of acquisition. Any difference between the purchase cost and the Group's share of the equity capital which is based on hidden reserves or liabilities is allocated to the assets and liabilities of the subsidiary concerned. Any remaining difference is capitalized as goodwill and amortized using the straight-line method over a period of 20 years at the most in accordance with the future economic benefits. From the 2005 financial year, in accordance with IFRS 3, 55, there will be no further scheduled goodwill amortization. The recoverale amount of goodwill will then be calculated at least once each year according to the IAS 36 Goodwill Impairment Test. Should the carrying amount exceed the goodwill recoverable amount, goodwill will be amortized in the income statement to the fair value or value in use.

The corresponding consolidation principles apply for the joint ventures consolidated pro rata and the associated companies valued using the equity method.

Intercompany sales, expenses and income as well as receivables and liabilities between consolidated companies are netted off. Profits or losses from intercompany transactions are eliminated on consolidation. This does not apply to profits or losses which in total are of minor importance for forming a true and fair view of the Group's assets, liabilities, financial position and earnings.

Minority interests in the consolidated equity capital and consolidated net profit are shown separately from the parent company's ownership interest.

Foreign currency translation

The translation of financial statements prepared in foreign currencies by consolidated companies takes place in accordance with IAS 21 on the basis of the functional-currency concept. Since the subsidiaries carry out their business activities autonomously in financial, economic and organizational terms, their functional currencies are their respective local currencies. In the consolidated financial statements, the expenses and income of subsidiaries prepared in national currencies are therefore translated at the average exchange rate for the year, shareholders' equity is translated at historical exchange rates, and assets and liabilities are translated at the exchange rates on the balance-sheet date. Any differences arising from currency translation are netted off against shareholders' equity. This is shown in a separate column of the statement of changes in shareholders' equity. At the date of any deconsolidation of subsidiaries, the relevant accumulated currency-translation reserves are released and recognized in the statement of income.

In the company financial statements of FUCHS PETROLUB AG and its subsidiaries, receivables and liabilities in foreign currencies are valued at the exchange rates on the balance-sheet date. Any exchange-rate gains or losses not yet realized on the balance-sheet date are recognized in the statement of income.

The currency differences resulting from the consolidation of intercompany debts are also recognized in the statement of income, and are included under the item of "other operating income and expenses".

Currency translation for the pro rata equity capital of associated companies has been performed at the respective exchange rates on the balance-sheet date. Translation of the annual results concerned was carried out at the exchange rates on the balance-sheet date or at the reference exchange rates specified by the European Central Bank. Dividend payments by associated companies have been translated at the exchange rate on the date of the distribution.

In the schedule of fixed assets, the balance at the beginning and at the end of the financial year has been translated at the exchange rate on the balance-sheet date, and the other items have been translated at average exchange rates. Any differences arising from exchange-rate movements are shown in a separate column as exchange-rate differences with purchasing and manufacturing costs and with accumulated value adjustments.

The exchange rates of the main currencies translated have moved against the euro as follows:

Closing rate [1 €]	**Dec. 31, 2004**	Dec. 31, 2003	Change in %
US dollar	**1.364**	1.256	–7.9
British pound	**0.709**	0.706	–0.4
Chinese renminbi yuan	**11.306**	10.406	–8.0
Australian dollar	**1.750**	1.677	–4.2
South African rand	**7.731**	8.329	+7.7
Polish zloty	**4.091**	4.718	+15.3
Brazilian real	**3.631**	3.645	+0.4
Argentinian peso	4.061	3.692	–9.1

Average annual exchange rate [1 €]	**2004**	2003	Change in %
US dollar	**1.244**	1.132	–9.0
British pound	**0.679**	0.692	+1.2
Chinese renminbi yuan	**10.308**	9.379	–9.0
Australian dollar	**1.689**	1.741	+3.1
South African rand	**8.027**	8.539	+6.4
Polish zloty	**4.535**	4.399	–3.0
Brazilian real	**3.636**	3.521	–3.2
Argentinian peso	**3.678**	3.386	–7.9

ACCOUNTING AND VALUATION PRINCIPLES

In conformity with IAS 27, the financial statements of FUCHS PETROLUB AG and of its subsidiaries in Germany and abroad are prepared in accordance with uniform accounting and valuation principles. Valuations that deviate from the Group's principles in the annual financial statements of associated companies are retained where they are of negligible significance.

Intangible assets

Acquired intangible assets are valued at the cost of acquisition in accordance with IAS 38. They are subjected to scheduled amortization over their useful lifetimes using the straight-line method.

Property, plant and equipment

All items of property, plant and equipment are valued at their cost of acquisition or manufacture, reduced by scheduled depreciation. Straight-line depreciation is applied over the useful life of the property, plant and equipment. Low-value items are written off in the year of acquisition.

Scheduled depreciation is based on the following:

Software and other intangible assets	3 to 5 years
Goodwill	20 years
Buildings	20 to 40 years
Plant and machinery	5 to 10 years
Vehicles	5 years
Factory and office equipment	3 to 10 years

The intrinsic value of the carrying amounts of intangible assets and of property, plant and equipment is regularly tested for impairment in accordance with IAS 36. An impairment loss is recognized if the recoverable value of an asset (defined as the higher of the asset's net selling price and its value in use) is lower than the carrying amount. If the reason for a previously recognized impairment loss no longer exists, the impairment is reversed up to its brought-forward depreciated or amortized cost of purchase or manufacture.

Leasing

Fixed assets also include leased assets. IAS 17 includes rules for determining, on the basis of the risks and rewards of the parties to a lease, whether the lessor or the lessee is the economic owner of the assets. In the case of finance leases, the assets are attributed to the lessee and in the case of operating leases the assets are attributed to the lessor. In accordance with IAS 17, assets leased under finance leases are measured at inception at their fair value or at the present value of the lease payments, if lower. The assets are depreciated using the straight-line method over their estimated useful lifetimes or over the lease period, if shorter. The payment obligations resulting from the future leasing installments are shown at their present values as other financial liabilities.

If economic ownership remains with the lessor (operating lease), the leasing installments are recognized as expenses in the year concerned.

Financial assets

Shares in non-consolidated subsidiaries and affiliated companies are shown at the lower of cost of acquisition or attributable fair value.

Associated companies are entered in the balance sheet at the Group's share of the equity capital of the company. The Group's share of profits is shown as an addition in the schedule of fixed assets, reduced by dividend payments and goodwill amortization.

Loans are shown at the cost of acquisition or, in the case of non-interest-bearing loans, at their present value. Identifiable risks are taken into account by recognizing impairments.

For securities held as fixed assets, pursuant to IAS 39 a distinction must be made between securities which are held for trading purposes, available-for-sale securities and held-to-maturity securities. The FUCHS PETROLUB Group does not hold any securities for trading purposes. Available-for-sale securities are entered at their fair values if this exists; if not, they are entered at their cost of acquisition. If they are entered at fair value, unrealized profits and losses are recognized in shareholders' equity, net of deferred taxes. Held-to-maturity securities are entered at their cost of acquisition or at their impaired fair value, if lower.

Inventories

Inventories are shown at cost of purchase or manufacture, with due consideration of lower realizable values. Inventory valuation is fundamentally based on the weighted average method. In some cases, the FIFO (first-in first-out) method is used. In accordance with IAS 2, cost of manufacture comprises attributable material and production costs, plus any special itemized production costs. In addition, all overheads attributable to the production process plus taxes on consumption and depreciation of production equipment are also included. General administrative expenses and the expenses of company welfare institutions, voluntary welfare benefits and company pension plans as well as financing costs (IAS 23) are not included in the cost of manufacture.

Write-downs are effected to cover risks arising from slow-moving items or reduced saleability.

Receivables and other current assets

Receivables and other assets are stated at nominal values or at cost. Identifiable risks are taken into account by appropriate allowances. Individual allowances are recognized if receivables cannot be collected or if collection is unlikely. Non-interest-bearing receivables with terms of more than one year are discounted. Receivables in foreign currencies are translated at exchange-rates on the balance-sheet date.

Securities

Marketable securities are entered at their fair values. Unrealized gains and losses resulting from this procedure are recognized in equity capital, net of deferred taxes.

Derivative financial instruments

The group uses derivative financial instruments (derivatives) solely to limit the risks in its operating business and the resultant financial transactions arising from fluctuations in interest rates and exchange rates.

Pursuant to IAS 39, derivative financial instruments, such as the interest-rate and interest rate/currency swaps and forward exchange transactions primarily used by the Group are to be entered in the balance sheet at their fair market values. Market values relate to the expenses or income involved with a (theoretical) winding-up of the derivative agreements on the balance-sheet date. The determination of fair values is based on the details provided by the banks involved.

As derivatives are used solely within the framework of risk limitation or hedging strategies, the regulations for hedge accounting can be applied. In this respect, IAS differentiates in particular between fair value hedges and cash-flow hedges.

A fair value hedge is based on the change in value of an asset or a liability. Since the corresponding change in value of the underlying transaction affects net income, then the (opposing) change in value of the derivative is also recorded in the statement of income.

A cash-flow hedge is when the derivative secures compensation for the risks in the future cash flow of an existing underlying transaction or nearly certain future transaction (e.g. the possible exchange-rate disadvantage of a revenue item in foreign currency). Depending on how precisely a specific underlying transaction is secured with a corresponding derivative, the cash-flow hedge is effective or not. Insofar as unrealized profits or losses arising from the valuation of a derivative correspond with the underlying transaction involved, i.e., they are hedge effective, they are initially recognized in equity capital (group reserves) with no effect on the statement of income. As soon as the underlying transaction affects the statement of income (becomes due), profits or losses arising from the derivative, like those from the underlying transaction, are shown in the statement of income. Conversely, the profit or loss arising from the non-hedge-effective part of a derivative is always shown in the statement of income.

Cash and cash equivalents

The development of liquid funds, which correspond with cash and cash equivalents pursuant to IAS 7, is shown in the consolidated statement of cash flows.

Deferred taxes

In conformity with IAS 12, deferred taxes are formed for all temporary differences between tax valuations and IFRS valuations for the consolidated companies and for consolidation measures with an affect on the statement of income. Deferred tax assets essentially relate to tax deferments on eliminated intercompany profits within the group, particularly in the category of inventories, and on pension provisions. They also include tax-reduction claims provided that they arise from the expected utilization of existing loss carryforwards in subsequent years and whose realization is reasonably likely. Deferred tax liabilities essentially result from depreciation differences in fixed assets by reason of divergences between the Group's uniform depreciation rules and applicable tax law.

Deferred taxes are calculated on the basis of tax rates applicable on the date of realization pursuant to the legislation in the countries involved.

Provisions for pensions and similar obligations

The provisions for pensions are recognized using the projected-unit-credit method in accordance with IAS 19. This method covers not only the pensions and acquired entitlements known on the balance-sheet date, but also future anticipated increases in pensions and salaries, with the relevant input factors being estimated. The calculation is based on actuarial expertise taking into account the relevant biometric factors.

The amounts not yet included in the balance sheet are a result of actuarial gains and losses from changes and deviations between the assumptions made and actual developments. Actuarial gains and losses are only recognized as income or expenses when their net cumulative amount exceeds 10 % of the higher amount of pension obligations or plan assets. In this case, the portion exceeding 10 % is recognized over the average remaining working lives of the employees. The charges from forming the pension provisions in the amount of the current service expense are allocated to personnel expenses in the departments, whereby the interest portion is included in the net financial result.

Other provisions

Other provisions are recognized when an obligation to third parties exists, an outflow of funds is probable (i.e., probability of occurrence greater than 50 %) and a reliable estimate can be made of the amount of the obligation.

The values shown for provisions indicate those amounts which are required for covering future payment obligations, identifiable risks and uncertain liabilities of the group. Longterm provisions with a remaining term of more than one year are discounted at usual market conditions to their present value at the balance-sheet date.

Liabilities

Liabilities are stated in the balance sheet at their nominal values or repayment amounts. The valuation of liabilities in connection with derivatives (hedge accounting) may deviate from this rule. These liabilities are entered at their fair values. Liabilities from finance leases are stated at the present value of the future lease payments and shown under "other financial liabilities".

Sales revenues

Sales revenues include revenues from ordinary business activities after deducting revenue reductions and after eliminating intra-group transactions. The date of realization is determined by the transfer of the risks and rewards of ownership to the customer.

Cost of sales

Cost of sales comprises the manufacturing costs of products sold and the purchase costs of merchandise sold. In accordance with IAS 2, it contains not only directly attributable material and manufacturing costs, but also production-related overheads including depreciation of production buildings and equipment and write-downs on inventories.

Selling and distribution costs

Selling expenses include the costs of the sales departments and the sales operations, but also the costs of advertising, commission paid and logistics.

Administration costs

Administration expenses comprise the personnel and material costs of the management and administration departments, if these have not been charged to other departments as internal services.

Research and development expenses

The development costs are recognized as an expense when incurred, since they do not meet the extensive preconditions of IAS 38 with regard to capitalization.

Financing expenses

Financing expenses are, in accordance with IAS 23, immediately recognized as expenses and shown in the financial result.

Adjustments

Some prior-year data has been adjusted to the form of the current representation.

NOTES TO THE INCOME STATEMENT

(Amounts in € million, unless otherwise stated)

1 | Sales revenues

Sales revenues break down by product as follows:

	2004	2003	Change in %
Automotive lubricants	345.8	328.6	5.2
Industrial lubricants and specialties	637.9	586.2	8.8
Other products	112.6	126.1	–10.7
	1,096.3	**1,040.9**	**5.3**

Other products include polishing technology, toll blending, chemical management, base-oil trading and other miscellaneous activities.

The development of revenues by region can be seen under segment reporting on pages 50 and 51.

2 | Costs of sales

	2004	2003
Cost of purchased raw materials, supplies and goods for resale	601.0	566.3
Cost of purchased services	4.6	3.2
Cost of materials	**605.6**	**569.5**
Personnel and other costs	83.0	84.2
	688.6	**653.7**

3 | Selling and distribution costs

	2004	2003
Freight	46.3	42.0
Commission payments	21.9	22.1
Personnel and other costs	140.4	136.1
	208.6	**200.2**

4 | Other operating income and expenses

This item covers all operating expenses and income which cannot be allocated directly to the functional units.

	2004	2003
Income from the disposal of fixed assets	2.7	5.8
Income from deconsolidation	1.4	0.0
Income from the release of provisions	3.9	5.1
Income from the reversal of write-downs	0.7	0.5
Income from cost allocations, commission payments, licenses and cost charging	1.1	1.6
Income from rents and leases	0.8	0.7
Currency exchange gains	2.7	1.7
Miscellaneous operating income	7.5	6.4
Other operating income	**20.8**	**21.8**
Losses from the disposal of fixed assets	0.5	0.2
Write-downs on receivables	5.2	4.7
Currency exchange losses	2.8	2.9
Expenses of renting fixed assets	0.5	0.3
Restructuring costs and severance payments	7.0	6.5
Miscellaneous operating expenses	6.1	5.9
Other operating expenses	**22.1**	**20.5**
Other operating income and expenses	**–1.3**	**1.3**

Income from the disposal of fixed assets mainly applies to gains realized on the sale of the company aircraft as well as €0.5 million resulting from the LIPPERT Group forming tools which were no longer required after rationalization.

Income from deconsolidation is primarily the disposal of shares in LUBRICANT CONSULT GMBH and the French subsidiary ETS. PRATE S.A.

Income from the retransfer of provisions applies to risks such as in the field of reorganization as well as expected invoices and restructuring whose occurrence in this amount is no longer to be expected. Miscellaneous other operating income includes for example income from the provision of services in Chemical Management, income of €0.8 million from the disposal of the SSX Division of the LIPPERT Group, income resulting from the completion of litigation in France, the sale of empty containers, subsidies and other sales.

Restructuring costs and severance payments are the expected costs of restructuring – primarily in Europe outside Germany. Miscellaneous other operating expenses include the costs of chemical plant management, the costs of other sales and the formation of provisions in the non-operating area.

5 | Investment income

Investment income comprises the equity results from associated companies:

	2004	2003
Income from associated companies	0.0	0.3
Losses from associated companies	–1.3	–0.4
	–1.3	**–0.1**

6 | Goodwill amortization

	2004	2003
Goodwill amortization arising from		
– Company financial statements	3.6	3.6
– Consolidation	12.0	11.1
– Associated companies	3.0	4.6
	18.6	**19.3**

Depreciation includes impairments of goodwill totaling €10.0 million (€10.0 million). Of this goodwill amortization €1.0 million (€0.8 million) relates to goodwill from company financial statements, €6.6 million (€5.2 million) to consolidation goodwill and €2.4 million (€4.0 million) to goodwill from associated companies.

7 | Financial result

	2004	2003
Other interest and similar income		
– subsidiaries	0.0	0.0
– others (mainly banks)	5.2	1.9
Interest and similar expenses		
– subsidiaries	0.0	0.0
– remuneration for participating-right certificates	–3.7	–3.7
– Retransfer of interest rate hedging	–1.4	–3.2
– others (mainly banks)	–13.9	–15.0
Interest attributable to finance leases	–0.5	–0.6
Pension provisions		
– interest expense	–7.1	–6.9
– expected income from plan assets	4.1	3.6
Net interest income	**–17.3**	**–23.9**
Write-downs due to impairment of financial assets	–0.7	0.0
Other financial income	–0.8	0.8
Financial result	**–18.8**	**–23.1**

The interest component of additions to pension provisions of – €3.0 million (– €3.3 million) is comprised of the interest expense of €7.1 million (€6.9 million) for the obligations by the provisions and the pension plan, and the expected income on the plan assets of €4.1 million (€3.6 million).

8 | Taxes on income

Income taxes recognized are taxes on income and earnings paid or owed in the individual countries and tax deferrals. Their calculation is based on the anticipated taxation rates applying in the individual countries concerned on the date of realization; these are always based on the statutory regulations valid or enacted on the balance sheet date.

	2004	2003
Current taxes	29.5	21.7
Deferred taxes	–2.2	–0.6
Total	**27.3**	**21.1**

The tax rate in Germany is based on the corporate income tax rate of 26.4 %, taking into consideration the solidarity surcharge of 5.5 %. Including the trade tax the total tax burden is thus around 39 %.

The profits achieved by our companies outside Germany are taxed at the valid local rates. The tax rates applied in the various countries are between 10 % and 40.5 %.

Changes to taxation rates have increased deferred taxes by €0.1 million. In the reporting year there were no reductions in tax expenses from expected utilization of existing tax-loss carryforwards, as their realization is not guaranteed with a reasonable degree of certainty.

Tax-refund claims and provisions are netted off insofar as they relate to the same tax authority and can be offset against each other.

The difference between the anticipated and the recognized income tax expenses is attributable to the following causes:

	2004	2003
Earnings before taxes	67.4	52.0
Theoretical tax expense (39 %, in the prior year 40 %)	26.3	20.8
Taxation rate differences	–5.7	–3.8
Goodwill amortization and other non-deductible items	8.6	7.3
Impairment of deferred tax assets	1.3	2.9
Tax-free income	–1.5	–0.8
Effect from tax losses for which no deferred tax assets had been formed	–2.6	–6.7
Taxes for prior periods	0.2	0.5
Withholding taxes	0.9	1.1
Others	–0.2	–0.2
Actual tax expense	**27.3**	**21.1**
Effective tax rate [in %]	40.5	40.6

The Group's tax rate without taking goodwill amortization into consideration is 35.9 % (34.4 %).

9 | Minority interests

Of the profits due to third parties amounting to €1.1 million (€1.2 million), €0.2 million are attributable to German minority interests, and €0.9 million to associates in Brazil, Austria, Slovakia and France.

10 | Earnings per share

	2004	2003
Earnings after minority interests	**39.0**	**29.7**
Earnings per ordinary share in euros		
Earnings per share	4.87	4.03
Earnings per share before goodwill amortization	5.97	5.31
Weighted number of ordinary shares	3,930,000	3,672,658
Earnings per preference share in euros		
Earnings per share	5.04	4.21
Earnings per share before goodwill amortization	6.14	5.50
Weighted number of ordinary shares	3,930,000	3,549,590

Pursuant to IAS 33, the additional dividend of €0.17 per share to be distributed to the preference shareholders is allotted in advance, the remaining part of the Group's net profit after minority interests is allotted to both types of share in equal amounts.

For better comparability, prior-year figures have been converted to the number of shares resulting from the share spilt of July 28, 2003.

Diluted earnings per share are the same as undiluted earnings per share.

11 | Other taxes

	2004	2003
	7.3	**6.0**

The figures shown relate to non-income taxes of the Group's companies abroad, which are included in cost of sales, administration expenses, selling expenses and research and development expenses.

12 | Personnel expenses/employees

Personnel expenses	2004	2003
Wages and salaries	147.5	144.5
Social-security costs and expenses for pensions and similar obligations	26.0	27.4
– thereof, for pensions	4.3	5.3
	173.5	**171.9**

The pension expense does not include the interest expenses from pension provisions shown in the net financial result, amounting to €7.1 million (€6.9 million), nor does it include income from plan assets for financing pension obligations.

Employees [annual average]	2004	2003
Salaried staff	2,783	2,768
Wage-earners	1,438	1,420
	4,221	**4,188**

The average number of persons employed by the companies proportionally consolidated has been considered accordingly with 44 employees.

NOTES TO THE BALANCE SHEET

(Amounts in € million, unless otherwise stated)

13 | Non-current assets

The composition of the items of fixed assets grouped together in the balance sheet and their development in 2004 are shown in the schedule of fixed assets on pages 52 and 53.

The figure for fixed assets also includes leased assets (finance lease). This essentially relates to an office building in Mannheim and a production building in Haan with a total book value of €6.9 million. In addition, leased vehicles and IT equipment are also included in technical equipment and machines (€0.1 million) and in other equipment (€1.2 million).

14 | Goodwill

Goodwill from	Company financial statements	Capital consolidation	Total
Historical acquisition cost			
Brought forward on January 1, 2004	49.4	125.3	174.7
Currency translation differences	–3.1	–0.5	–3.6
Additions	8.4	1.3	9.7
Disposals/changes in consolidated Group	–0.9	–0.2	–1.1
Balance on December 31, 2004	**53.8**	**125.9**	**179.7**
Accumulated amortization			
Brought forward on January 1, 2004	–23.9	–63.5	–87.4
Currency translation differences	1.5	0.3	1.8
Additions	–3.6	–12.0	–15.6
Disposals/changes in consolidated Group		0.2	0.2
Balance on December 31, 2004	**–26.0**	**–75.0**	**–101.0**
Net book value at December 31,2004	**27.8**	**50.9**	**78.7**

Acquired goodwill is capitalized in conformity with IAS 22, and subjected to scheduled amortization over 20 years using the straight-line method in accordance with future economic benefits. The value of goodwill is examined as specified by IAS 36. Where necessary, appropriate impairments are recognized.

Of the goodwill shown amounting to €78.7 million (€ 87.3 million), €50.9 million (€ 61.8 million) is from capital consolidation and €27.8 million (€ 25.5 million) from the company financial statements of the subsidiaries. In the 2004 financial year, goodwill impairments for European and Asian companies totaled €7.6 million (€ 6.0 million).

15 | Financial assets

These items essentially comprise shares in associated companies, other participating interests, shares in non-consolidated subsidiaries, and lendings.

For the valuation of equity in the associated companies, the Group's share of the equity capital was determined on the basis of the financial statements prepared in accordance with national law.

Goodwill amortization has been carried out in conformity with IAS 22 on a straight-line basis, over a useful life of 20 years. In 2004, goodwill amortization amounted to €0.6 million; in addition a goodwill impairment of €2.4 million (€4.0 million) was recognized.

All remaining goodwill under financial assets has been stated in full.

16 | Inventories

In the year under review, write-down of €1.4 million (€0.4 million) were carried out affecting the statement of income due to reduced saleability. Inventories comprise the following:

	Dec. 31, 2004	Dec. 31, 2003
Raw materials and supplies	55.8	49.2
Work in progress	7.5	6.6
Finished goods and merchandise	75.5	70.7
	138.8	**126.5**

17 | Trade receivables

	Dec. 31, 2004	Dec. 31, 2003
Receivables due from affiliated companies	0.2	0.3
– thereof with a maturity of over 1 year	0.0	0.0
Receivables due from associated companies	0.2	0.3
– thereof with a maturity of over 1 year	0.0	0.0
Receivables due from other companies	174.7	169.6
– thereof with a maturity of over 1 year	0.1	0.0
	175.1	170.2

In the year under review, write-downs and impairments of receivables were recognized in an amount of €5.2 million (€4.7 million); income from the retransfer of impairments amounts to €0.7 million. Trade receivables include impairments totaling €11.6 million (€10.9 million) reflecting recognizable risks.

18 | Other receivables and other assets

	Dec. 31, 2004	Dec. 31, 2003
Receivables due from affiliated companies	0.0	0.0
– thereof with a maturity of over 1 year	0.0	0.0
Receivables due from associated companies	0.0	0.3
– thereof with a maturity of over 1 year	0.0	0.0
Receivables due from subsidiaries	0.3	0.0
– thereof with a maturity of over 1 year	0.0	0.0
Fair value of derivative financial instruments	6.0	7.8
Tax receivables	1.6	3.7
Miscellaneous assets	25.2	26.0
– thereof with a maturity of over 1 year	0.6	0.3
	33.1	37.8

The Group's other assets include refund claims from value added taxes amounting to €3.3 million, customer loans in connection with long-term delivery agreements in France in the amount of €14.7 million as well as receivables from the sale of the SSX business of the LIPPERT Group amounting to €0.8 million. Moreover, the item contains rental, creditors with debit balances and leasing advance payments and other prepaid expenses.

19 | Cash and cash equivalents

Cash and cash equivalents of €27.5 million (€ 29.4 million) comprise cash in hand and cash at banks with a maturity of less than three months.

20 | Deferred tax assets

The total amount shown for deferred tax assets of €11.7 million principally includes deviations attributable to valuation differences between the IFRS balance sheet and the tax balance sheet in the items relating to inventories (elimination of intercompany profits), pension obligations and other provisions. No tax reduction claims arising from the expected utilization of existing loss carryforwards are shown because the realization of these losses is not reasonably certain. Loss carryforwards for which a deferred tax asset has not been recognized amount to €28.7 million. These apply predominantly to domestic and other European countries.

21 | Shareholders' equity

Subscribed capital

The subscribed capital of FUCHS PETROLUB AG did not change in 2004:

Balance at December 31, 2004	70.7

Consisting of
3,930,000 ordinary shares at €9 = €35,370,000
3,930,000 preference shares at €9 = €35,370,000

Authorized capital was aggregated, restructured and also increased in accordance with the resolution of the Annual Shareholders' Meeting on June 9, 2004. Authorized capital I now stands at €35.4 million.

Authorized capital I has a term until June 8, 2009, the authority was not exercised during the 2004 financial year.

Group reserves

This item comprises the Group's capital reserves and retained earnings. Developments in the business year are shown in the statement of changes in shareholders' equity, where a separate presentation is made between the capital reserves of FUCHS PETROLUB AG and the equity capital earned by the Group. Both items together correspond with the Group's reserves in the consolidated balance sheet.

Group profits

The Group's profits correspond with the Group's net income for the year after minority interests.

Minority interests

This item contains the share of equity capital held by third parties and the earnings of the consolidated subsidiaries. €0.4 million is accounted for by associates in Germany and €3.5 million by associates in Brazil, Austria and Slovakia.

Voting-rights majority

RUDOLF FUCHS GMBH & CO KG notified us of the following in a letter of December 31, 1986: "We hereby announce that as of December 31, 1986, we own the majority of the voting rights in your company."

22 | Participation-right certificates

As a result of a resolution by the Annual General Meeting on July 2, 1998, a nominal total of €51.1 million (equivalent to DM 100 million) bearer participation-right certificates were issued by FUCHS PETROLUB AG in August 1998. The issue price was 100 % and the dividend rate was set at 7.29 % per annum. The term of the participation-right certificates ends on December 31, 2007. Repayment will take place on the first bank working day after the 2008 Annual Shareholders Meeting, however, not before August 1, 2008.

The participation-right certificates with securities identification number 551831 have been admitted for official trading at the stock exchange.

23 | Pension provisions

Pension provisions are recognized for obligations arising from vested rights to future pensions payments and from ongoing benefits paid to former employees of the FUCHS PETROLUB Group and their surviving dependants. In the group, the company pension systems are financed by provisions and pension funds, the pension plans are defined contribution arrangements as well as defined-benefit arrangements. Especially for employees of domestic group companies, the pension system is based on defined benefits. These benefits are regularly determined according to the duration of employment and remuneration, and are financed by provisions. Pension systems of foreign group companies are in some cases based on defined-contribution arrangements, but are predominantly fund-financed with defined-benefit commitments.

The provisions to be formed are determined in conformity with IAS 19, with valuation based on actuarial expertises. The provisions are calculated by using the "projected-unit credit method". Besides the basic biometric data and the current long-term capital-marked interest rate, assumptions on future salary and pension increases are also factored in. For the basic biometric data, the guideline tables prepared by Prof. Dr. Klaus Heubeck in 1998 are used in Germany.

For Germany, the following valuation premises are assumed:

[in %]	2004	2003
Discount rate	5.00	5.50
Salary level trend	3.0	3.0
Pension level trend	1.8	1.8

The obligations of foreign group companies are determined in consideration of the country-specific accounting regulations and parameters involved, using discount factors of 1.5 % to 10,0 % (on average 5.0 %), salary trends of 2.7 % to 8.0 % (on average 3.1 %) and pension trends of 1.8 % to 2.75 %. The anticipated interest rate on plan assets was between 6.8 % and 8.75 %.

Considering this calculation basis, we obtain the following funding status for the pension obligations:

funding status	Dec. 31, 2004	Dec. 31, 2003
Present value of pension benefits covered by provisions	54.1	51.9
Present value of funded pension benefits	83.8	81.3
Fair value of plan assets	64.5	59.7
Net obligation	73.4	73.5
Actuarial gains (+) and losses (–) not yet recognized	–18.2	–17.3
Similar obligations	0.3	0.8
Balance-sheet value at December 31	**55.5**	**57.0**
Amount not recognized as an asset because of the limit in IAS 19.58	0.0	0.0

Plan assets consist solely of financial assets. The actual return on fund assets amounted to 7.9 %.

Actuarial gains and losses are only recognized as income or expenses as long as their net cumulative amount exceeds 10 % of the obligations. In this case, the portion exceeding 10 % of the obligations is recognized over the average remaining working lives of the relevant employees.

In the FUCHS PETROLUB Group, the pension provision system entailed pension expenses amounting to €6.9 million (8.5), comprising the following components:

	2004	2003
Current service cost	2.6	2.8
Interest expense	7.1	6.9
Expected return on plan assets (–)	–4.1	–3.6
Actuarial gains and losses	0.8	1.7
Past service costs	0.1	0.2
Effects of plan settlements	–0.1	0.0
Expenses for defined-benefit pension plans	6.4	**8.0**
Expenses for defined-contribution pension plans	0.5	0.5
Total pension expenses	6.9	**8.5**

The pension expenses are distributed among the following items of the income statement:

Pension expenses	2004	2003
Cost of sales	0.7	0.9
Research and development expenses	0.2	0.4
Selling and distribution costs	1.1	1.3
Administration costs	1.9	2.6
Other operating income	0.0	0.0
Other operating expenses	0.0	0.0
Financial result	3.0	3.3
	6.9	**8.5**

The balance sheet development of the net obligation is shown below:

Net obligation	2004	2003
Balance-sheet amount at January 1	57.0	56.1
Addition due to change in the consolidated group	0.0	0.1
Pension expenses	6.9	8.5
Pension payments made and transfers to external funds	–8.4	–7.7
Balance-sheet amount at December 31	55.5	**57.0**

24 | Other provisions

The other provisions mainly comprise:

	Dec. 31, 2004	Dec. 31, 2003
Taxes	15.8	8.6
Obligations for personnel and social expenses	26.5	25.5
Obligations for on-going operational expenses	3.6	5.9
Other obligations	19.4	15.0
	65.3	**55.0**

The obligations arising from personnel and social expenses relate to provisions for bonuses and profit-sharing schemes, and also to part-time working arrangements for older employees in the amount of €7.5 million. The obligations arising from on-going operating expenses include provisions for credit notes, bonuses, discounts, warranties, and costs for the annual financial statements and consultancy services. The other obligations include provisions for restructuring and reorganization (€10.2 million). Furthermore, the figure includes provisions for impending losses from open contracts, contract risks, contribution obligations and obligations for returning containers subject to deposit.

The previous year's provision of €7.0 million for outstanding supplier invoices under other obligations is stated under trade liabilities in the 2004 format.

The provisions changed during the year as follows:

	Dec. 31, 2003	Currency exchange differences	Changes in the consolidated group	Additions	Utilizations	Retransfers	**Dec. 31, 2004**
Taxes	8.6	–0.2	0.0	15.8	8.4	0.0	**15.8**
Obligations for personnel and social expenses	25.5	–0.4	0.0	24.8	22.6	0.7	**26.6**
Obligations for on-going operating expenses	5.9	0.0	0.0	3.7	4.9	1.1	**3.6**
Other obligations	15.0	–0.2	–0.1	16.2	9.5	2.1	**19.3**
	55.0	**–0.8**	**–0.1**	**60.5**	**45.4**	**3.9**	**65.3**

	Dec. 31, 2002	Currency exchange differences	Changes in the consolidated group	Additions	Utilizations	Retransfers	Dec. 31, 2003
Taxes	6.8	–0.2	0.0	12.9	6.4	4.5	**8.6**
Obligations for personnel and social expenses	24.6	–0.5	0.1	19.8	19.5	0.8	**25.5**
Obligations for on-going operating expenses	12.7	–0.4	0.0	7.1	12.2	1.3	**5.9**
Other obligations	12.5	–0.6	0.1	14.7	8.7	3.0	**15.0**
	58.4	**–1.7**	**0.2**	**61.5**	**46.8**	**9.6**	**55.0**

25 | Liabilities

The maturities of the Group's liabilities break down as follows:

Dec. 31, 2004	**Maturity up to one year**	**1–5 years**	**More than 5 years**	**Total**
Financial liabilities	**83.8**	**54.9**	**4.4**	**143.1**
Trade liabilities	**103.5**	**0.0**	**0.0**	**103.5**
Other liabilities	**40.2**	**0.3**	**0.0**	**40.5**
	227.5	**55.2**	**4.4**	**287.1**

Dec. 31, 2003	Maturity up to one year	1–5 years	More than 5 years	Total
Financial liabilities	33.4	150.1	4.7	188.2
Trade liabilities	92.7	0.0	0.0	92.7
Other liabilities	45.5	0.1	0.0	45.6
	171.6	**150.2**	**4.7**	**326.5**

The individual liabilities categories are explained as follows.

26 | Financial liabilities

All interest bearing obligations of the FUCHS PETROLUB Group are shown under financial liabilities. They comprise:

Dec. 31, 2004	Maturity up to one year	1–5 years	More than 5 years	Total
Bonds	58.5	0.0	0.0	58.5
Liabilities to banks	24.7	52.9	0.0	77.6
Other financial liabilities	0.6	2.0	4.4	7.0
	83.8	54.9	4.4	143.1

Dec. 31, 2003	Maturity up to one year	1–5 years	More than 5 years	Total
Bonds	0.0	68.0	0.0	68.0
Liabilities to banks	32.0	79.9	0.0	111.9
Other financial liabilities	1.4	2.2	4.7	8.3
	33.4	**150.1**	**4.7**	**188.2**

The bonds are fixed-interest bonds issued by FUCHS PETROLUB FINANCE B.V., Amsterdam, the Netherlands on May 24, 2000 (6.375 %). The bonds were issued in a volume of €100.0 million and at an issue price of 99.63 %. Due to the Group's good liquidity, the issuer reacquired €34.0 million in 2003 and in 2004 another €8.0 million. The bonds are to be redeemed on June 14, 2005 and are guaranteed by FUCHS PETROLUB AG, Mannheim. The bond liability shown is based on a nominal volume of €57.8 million (€66.0 million), which is partially valued at the price on the balance-sheet date within the context of hedge accounting (fair value hedge).

Liabilities to banks of €0.4 million (€1.4 million) are secured by liens and mortgages.

Other financial liabilities also include the obligations carried as liabilities from finance leases in an amount of €7.0 million (€8.3 million) and comprise two finance-lease agreements for buildings. This is the present value of payment obligations resulting from future leasing installments. For discounting the minimum lease payments, interest rates of between 3.5 % and 12.4 % (on average 5.6 %) were used.

The maturities of financial liabilities break down as follows:

2005	83.8
2006	53.8
2007	0.3
2008	0.4
2009	0.4
after 2009	4.4
	143.1

27 | Trade payables

Trade payables are generally shown at their nominal value; long-term liabilities are discounted to their present values. Liabilities in foreign currencies are translated at the exchange rate on the balance-sheet date.

Dec. 31, 2004	Maturity up to one year	1–5 years	More than 5 years	Total
Trade liabilities	95.1	0.0	0.0	95.1
Bills payable	7.9	0.0	0.0	7.9
Liabilities to companies in which shares are held	0.0	0.0	0.0	0.0
Liabilities to subsidiaries and associated companies	0.5	0.0	0.0	0.5
	103.5	0.0	0.0	103.5

Dec. 31, 2003	Maturity up to one year	1–5 years	More than 5 years	Total
Trade liabilities	85.2	0.0	0.0	85.2
Bills payable	6.2	0.0	0.0	6.2
Liabilities to companies in which shares are held	0.0	0.0	0.0	0.0
Liabilities to subsidiaries and associated companies	1.3	0.0	0.0	1.3
	92.7	**0.0**	**0.0**	**92.7**

To conform to this year's balance sheet format, trade liabilities have been increased by the amount of the provision for outstanding supplier invoices. The figure therefore increases by €7.0 million to €85.2 million.

28 | Other liabilities

The following is a breakdown of other liabilities:

Dec. 31, 2004	Maturity up to one year	1–5 years	More than 5 years	Total
Taxes payable	9.0	0.0	0.0	9.0
Fair value of derivative financial instruments	3.3	0.0	0.0	3.3
Social security	4.4	0.0	0.0	4.4
Employees	6.0	0.1	0.0	6.1
Miscellaneous other liabilities	17.5	0.2	0.0	17.7
	40.2	0.3	0.0	40.5

Dec. 31, 2003	Maturity up to one year	1–5 years	More than 5 years	Total
Taxes payable	5.9	0.0	0.0	5.9
Fair value of derivative financial instruments	4.8	0.0	0.0	4.8
Social security	5.0	0.0	0.0	5.0
Employees	2.3	0.0	0.0	2.3
Miscellaneous other liabilities	27.5	0.1	0.0	27.6
	45.5	**0.1**	**0.0**	**45.6**

Miscellaneous other liabilities include financing liabilities of €5.7 million connected with long-term delivery agreements in France shown under other assets. In addition, the participation-rights remuneration of €3.7 million falling due on August 1, 2005 and liabilities from the interest accrual of the euro bonds of €2.0 million, as well as commission obligations, customers' accounts in credit and prepaid income and accrued expenses are shown here.

29 | Deferred tax liabilities

Deferred-tax liabilities arise primarily due to temporary valuation differences between IFRS accounting and tax accounting in the field of fixed assets. It also includes deferred-tax liabilities from anticipated withholding tax on dividends and license payments in foreign countries.

30 | Joint ventures

Joint ventures consolidated pro rata are included in the consolidated financial statements with the following values:

	2004	2003
Non-current assets	2.9	2.7
Inventories and receivables	5.2	5.7
Other current assets	1.9	1.8
Assets	**10.0**	**10.2**
Shareholders' equity	4.8	4.2
Provisions	0.9	1.0
Financial liabilities	1.7	2.2
Other borrowings	2.6	2.8
Capital	**10.0**	**10.2**
Income	27.6	19.3
Expenses	26.5	19.1

31 | Contingent liabilities and other financial obligations

On the balance-sheet date, contingent liabilities and other financial obligations were as follows:

Contingencies	Dec. 31, 2004	Dec. 31, 2003
Bills of exchange	0.1	0.1
Guarantees	0.0	1.9
– thereof in favor of subsidiaries	0.0	0.0
– thereof in favor of joint ventures or companies in which shares are held	0.0	1.9
Securing third-party liabilities	12.9	13.8

Leasing agreements

The group has primarily entered into leasing agreements for rental or operating leases of a high-bay warehouse, a production plant, motor vehicles, fork-lift trucks, IT hardware and software.

The following overview shows the nominal value of future minimum leasing payments as of December 31, 2004 for operating leases, broken down by their maturities:

	Dec. 31, 2004 Operating leases	Dec. 31, 2003 Operating leases
Up to 1 year	9.8	7.9
1 to 5 years	12.8	14.2
More than 5 years	12.6	14.7
Total of minimum leasing payments	35.2	36.8

For the period under review, rental and leasing payments amounted to €11.3 million (10.0).

In addition to the operating-lease obligations, there were other financial obligations (IT-maintenance etc.) in an amount of €0.6 million (€ 0.5 million).

32 | Financial instruments

In the FUCHS PETROLUB Group, the application of and competencies for applying derivative financial instruments are laid down in a binding form in internal guidelines and limited to the Group Treasury of FUCHS PETROLUB AG. The two-person principle guarantees adequate functional separation between trading and processing. All derivative transactions are concluded with banks of extremely high financial standing. The risk of default by the contracting parties (credit risk) is thus minimized.

On the balance-sheet date, there were the following derivative financial items, broken down by residual term:

	Dec. 31, 2004				Dec. 31, 2003			
	Up to 1 year	1–5 years	More than 5 years	Total	Up to 1 year	1–5 years	More than 5 years	Total
Interest-rate swaps	40.6	46.7	–	87.3	1.9	112.7	–	114.6
Interest-rate and currency swaps	20.7	–	–	20.7	1.6	26.9	–	28.5
Forward currency transactions	28.9	–	–	28.9	39.5	–	–	39.50
Nominal volume of derivatives	**90.2**	**46.7**	–	**136.9**	**43.0**	**139.6**	–	**182.6**

The nominal volume is the total of all buying and selling amounts of the interest-rate and currency derivatives. The nominal amounts generally correspond with the volumes of the underlying hedged transactions.

The existing interest-rate swaps serve to secure our financing and interest-rate strategy. In consequence, there are both swap agreements from variable to fixed interest rates as well as the reverse – from fixed to variable interest rates. During 2004, in response to the reduced borrowing requirement, the interest-rate structure was also adjusted, usually by rescinding existing derivative agreements.

Derivatives employed by the FUCHS PETROLUB Group are predominantly fair value hedge contracts and approximately 25 per cent cash flow hedge products. Changes in the market value of our cash-flow hedges are reflected in shareholders' equity, as the congruence of the underlying transactions and the hedging transactions is high (the derivatives are effective).

Unlike the previous year, on the reporting date there were no forward exchange transactions to secure future (anticipated) transactions.

Insofar as fair-value hedges are used, i.e., pure hedging of a value change in an asset or liability, the change in the derivative's market value is included in the statement of income; the asset or liability is also assessed at market values.

The market values of the derivative financial instruments were as follows:

Market value as of Dec. 31, 2004 **Instruments**	**Nominal amount**	**Market value (net)**	**Factored into the income statement**	**Factored into equity capital**
Interest-rate swaps	87.3	–2.6	0.0	–2.6
Interest-rate and currency swaps	20.7	+3.3	+3.3	0.0
Forward currency transactions	28.9	+0.6	+0.6	0.0
Total derivatives	136.9	+1.3	+3.9	–2.6

Market value as of Dec. 31, 2003 **Instruments**	Nominal amount	Market value (net)	Factored into the income statement	Factored into equity capital
Interest-rate swaps	114.6	−2.2	+2.5	−4.7
Interest-rate and currency swaps	28.5	+3.9	–	+3.9
Forward currency transactions	39.5	+1.3	+0.2	+1.1
Total derivatives	**182.6**	**+3.0**	**+2.7**	**+0.3**

Changes in the market value of derivative financial instruments increased earnings by €3.9 million. Correspondingly, expenses are recorded from changes in the market value of the original financial instruments (underlying transactions), so that on balance and in line with our hedging strategy, there were only negligible effects on the statement of income.

In the 2004 financial year, cash flow hedge transactions (formerly stated under shareholders' equity) with a nominal volume of €24.7 million (€62.0 million) were terminated prior to maturity. The 2004 statement of income therefore includes a charge of €1.4 million (€3.2 million).

The Group's interest-bearing liabilities, consisting of financial liabilities and participation right certificates (see notes 26 and 22), are secured against the risk of interest-rate movements. The resulting interest-rate hedging structure is as follows:

Interest-rate hedging periods	**2004 € million**	**2004 %**	2003 € million	2003 %
Up to 1 year	91,8	47,2	103,0	43,0
1 to 5 years	98,0	50,5	131,3	54,9
Over 5 years	4,4	2,3	5,0	2,1
	194,2	100,0	**239,3**	**100,0**

Considering the effects of the derivatives with a foreign-currency component, 63 % of financial liabilities are in euros, about 13 % are in US dollars and about 16 % in British pounds. Financial liabilities in other currencies make up around 8 % of the total volume.

33 | Notes on the statement of cash flows

The statement of cash flows shows how the cash and cash equivalents of the FUCHS PETROLUB Group have changed in the course of the year as a result of cash inflows and outflows. In accordance with IAS 7 (Cash Flow Statements), cash flows are classified into cash flows from, or into, operating, investing and financing activities.

Cash and cash equivalents as shown in the statement of cash flows comprise cash in hand, cash at banks, checks and marketable securities.

The gross cash flow and the cash flow from operating activities are indirectly calculated from the statement of incomes. With this method, the underlying changes in balance-sheet items are adjusted for currency-translation effects and for changes in the consolidated group. The changes in the relevant balance-sheet items therefore do not agree with the amounts shown in the corresponding balance-sheet items. The cash flows from/into investing and financing activities are determined on the basis of actual payments.

Of the cash and cash equivalents at the end of the period, €1.6 million (€1.7 million) is from pro-rata consolidated companies.

34 | Notes on the segment reporting

Segment reporting is according to the geographical regions reflecting the FUCHS PETROLUB Group's internal organization and internal reporting structure. In accordance with the provisions of IAS 14 (Segment Reporting), this structure is oriented towards internal management and reporting and takes into consideration the various risk and earnings structures of the business divisions. In line with internal management, the regions are defined as Europe, North and South America, and Asia-Pacific and Africa. The individual businesses are allocated to the segments according to the regions in which they belong.

The segment assets of the Asia-Pacific, Africa segments include associated companies with book values of €2.4 million.

The secondary reporting format reflects the Group's product segments, i.e. automotive lubricants, industrial lubricants and specialties, and other products. The product segment of automotive lubricants consists mainly of engine oil, gear oil and shock-absorber fluid. Industrial lubricants and specialties comprise metal-working fluids, corrosion protection, hydraulic and industrial gear oils, greases and other specialties. Other products include polishing technology, job production, chemical management, base-oil trading and other activities.

The segment information is fundamentally based on the same accounting and valuation methods as the consolidated financial statements. Receivables and liabilities, income and expenses and profits between the segments are eliminated in the reconciliation. The reconciliation of segment data to the total amounts for the group is given in the column, "Holding companies including consolidation". This includes not only the depreciation, earnings, assets and liabilities of the companies of the group, but also the inter-segment eliminations with regard to sales revenues. Intra-group revenues and transfers take place at arm's length prices.

Segment assets and segment earnings include all directly allocable items as well as indirect items to varying degrees. Whereas allocation of amounts is necessary to a small extent only in the regional segments, due to the common use of production facilities and other items, the assets of the product segments are solely determined via indirect allocation.

The segment assets and segment liabilities include assets and liabilities which have contributed towards achieving the segment earnings before interest and taxes (EBIT).

The segments' overall performance is presented in the financial report on page 50 and 51.

Relationships with related parties

The related parties of the FUCHS PETROLUB Group within the meaning of IAS 24 are basically the Executive Board and the Supervisory Board, plus RUDOLF FUCHS GMBH & CO., the asset-management company through which most of the Fuchs family's ordinary stock is held, and its full partner, FUCHS INTEROIL GMBH.

Goods and services provided to related parties were invoiced on the same conditions as independent third parties (arm's length principle).

A dependent-company report has been prepared on relationships with related parties pursuant to Section 312 of the German Stock Corporation Law (AktG) with the concluding declaration: "With the legal transactions listed in the dependent-companies report, in accordance with the circumstances known to us on the date that the respective transactions were performed, our company received a reasonable consideration in each transaction. No actions subject to disclosure occurred on the instructions or in the interest of the controlling company." The independent auditors of FUCHS PETROLUB AG, KPMG Deutsche Treuhand-Gesellschaft Wirtschaftsprüfungsgesellschaft, have examined this dependent-company report and provided it with an unqualified audit certificate.

Details of the corporate boards

Supervisory board

Prof. Dr. Jürgen Strube Mannheim	Chairman Chairman of the Executive Board of BASF Aktiengesellschaft Other directorships*: Allianz Lebensversicherungs-AG BASF Aktiengesellschaft (1) Bayerische Motoren Werke Aktiengesellschaft Bertelsmann AG (2) Commerzbank AG Hapag Lloyd AG Linde AG
Dr. Manfred Fuchs Mannheim	Deputy Chairman Former Chairman of the Executive Board of FUCHS PETROLUB AG Other directorships*: – MVV Energie AG – Stiftung der Orthopädischen Universitätsklinik Heidelberg – Universitätsrat Mannheim Comparable German and international supervisory functions: – Hilger u. Kern GmbH (1)
Hans-Joachim Fenzke (3) Mannheim	Industry chemical technician FUCHS EUROPE SCHMIERSTOFFE GMBH
Prof. Dr. Bernd Gottschalk Esslingen	President of the German Association of the Automotive Industry (VDA) Other directorships*: – BASF Coatings AG – Dresdner Bank Lateinamerika AG (until March 31, 2004) – F. Hoffmann-La Roche AG, Grenzach – VOITH AG – Thyssen Krupp Automotive AG Comparable German and international supervisory functions: – Delphi Corporation
Prof. Dr. Dr. h. c. mult. Otto H. Jacobs Heddesheim	Professor of Business Administration, Fiduciary Management , Tax Law at the University of Mannheim Other directorships*: – Ernst & Young, Deutsche Allgemeine Treuhand AG, Wirtschaftsprüfungsgesellschaft (1) Comparable German and international supervisory functions: – Pepperl + Fuchs GmbH (2) (until June 30, 2004) – Dr. Haas GmbH (2) (until June 30, 2004) – ZEW Zentrum für Europäische Wirtschaftsforschung GmbH
Heinz Thoma (3) Mannheim	Industrial clerk FUCHS EUROPE SCHMIERSTOFFE GMBH

Executive board

Stefan R. Fuchs Hirschberg	Chairman Comparable German and international supervisory functions: – Baden-Württembergische Bank AG Group directorships: – FRAGOL SCHMIERSTOFF GMBH + CO. KG (until September 30, 2004) – FUCHS (UK) PLC. (1) – FUCHS LUBRICANTS (UK) PLC (1) – FUCHS LUBRICANTS CO. – FUCHS CORPORATION – FUCHS LUBRIFIANTS FRANCE S.A. (1) – FUCHS LUBRIFICANTI S.P.A. – FUCHS LUBRICANTES, S.A. (1) – MOTOREX AG – ALHAMRANI-FUCHS PETROLEUM SAUDI ARABIA LTD. – FUCHS OIL MIDDLE EAST LTD.
Dr. Alexander Selent Limburgerhof	Deputy Chairman Comparable German and international supervisory functions: – Landesbank Baden-Württemberg AG Group directorships: – FUCHS DO BRASIL S.A. (1) – FUCHS LUBRIFIANTS FRANCE S.A. – FUCHS LUBRICANTS (SHANGHAI) LTD. – FUCHS LUBRICANTS (YINGKOU) LTD – FUCHS LUBRICANTS (HEFEI) LTD. – LUBRICANTES FUCHS DE MEXICO, S.A. – FUCHS CORPORATION
L. Frank Kleinman Chicago, USA	Member Group directorships: – FUCHS CORPORATION (1) – FUCHS LUBRICANTS CO. (1) – FUCHS LUBRICANTS CANADA LTD. – FUCHS LUBRICANTS (S.A.) (PTY.) LTD.
Dr. Georg Lingg Mannheim	Deputy Board Member

(1) Chairman
(2) Deputy Chairman
(3) Employee representative
* Supervisory Board memberships pursuant to Section 100, Subsection 2 of the German Stock Corporation Law

Compensation of the Executive Board and the Supervisory Board [€ thousand]	2004	2003
Compensation of the Executive Board	2,408	2,411
– thereof fixed compensation	921	1,079
– thereof variable compensation	1,487	1,332
Compensation of the Supervisory Board	164	162
– thereof fixed compensation	77	82
– thereof variable compensation	87	80
Total compensation of former board members	319	89
Pension provisions for former members of the Executive Board	4,351	1,210
Pension provisions for active members of the Executive Board	909	3,687
Compensation of the Advisory Board	52	52

The variable compensation of the Executive Board is based on profit and project incentives. The profit incentives are based on the Group's total return on capital, whereas the project incentives are oriented towards individual agreed targets and their extent of attainment.

For better comparability, prior-year figures have been converted to the new format according to IAS 24/IAS 19.

Shares held by the Executive Board and the Supervisory Board

At December 31, 2004, the members of the Executive Board together held 24,652 ordinary shares and 71 preference shares.

Dr. Manfred Fuchs held, directly and indirectly, 999,673 ordinary shares. The other members of the Supervisory Board together held 560 ordinary and 1,662 preference shares.

Share options do not exist.

Corporate Governance Code

FUCHS PETROLUB AG has issued the declaration of compliance pursuant to Section 161 of the German Stock Corporation Law and has rendered it permanently accessible to the shareholders at (http://www.fuchs-oil.de/cg-reports.html).

Events after the balance sheet date

In January 2005 the Group announced via its British subsidiary the takeover of Brett Oils Ltd's Ovoline brand lubricants business. Brett Oils' lubricants business has a workforce of 53 and generates annual sales revenues of €13 million. Apart from the customer base, know-how, trademark rights and net current assets were also acquired. The business will be consolidated from January 2005.

Mannheim, March 31, 2005
FUCHS PETROLUB AG

The Executive Board

Fuchs Dr. Selent Kleinman Dr. Lingg

AUDITORS' CERTIFICATE

We have audited the consolidated financial statements prepared by FUCHS PETROLUB AKTIEN-GEELLSCHAFT, Mannheim, comprising the statement of income, balance sheet, statement of changes in shareholders' equity, statement of cash flows and the notes to the FUCHS PETROLUB consolidated financial statements from January 1 to December 31, 2004. The preparation and content of the consolidated financial statements in conformity with International Financial Reporting Standards (IFRS) are the responsibility of the company's Executive Board. Our task is to give an assessment of the consolidated financial statements on the basis of the audit conducted.

We have conducted our audit of the consolidated financial statements in accordance with the German audit regulations and in compliance with the German principles for the proper auditing of financial statements promulgated by the German Institute for Auditing (IDW), and in additional compliance with the International Standards on Auditing (ISA). These standards require that the audit be planned and performed in such a way that it can be assessed with sufficient certainty whether the consolidated financial statements are free from significant inaccuracies. Knowledge of the business activities and the economic and legal environment of the group and expectations of possible errors are taken into account in the determination of audit procedures. The evidence supporting the valuations and the particulars given in the consolidated financial statements are assessed on a random-sampling basis within the framework of the audit. The audit includes assessing the accounting principles used, and significant estimates made by legal representatives, as well as evaluating the overall presentation of the consolidated financial statements. We are of the opinion that our audit constitutes a sufficiently solid foundation for our assessment.

In our opinion, the consolidated financial statements provide a true and accurate picture of the Group's net worth, financial position and results, and of the payment flows in the business year under review, in conformity with the International Financial Reporting Standards.

Our audit, which also covered the group management report prepared by the Executive Board for the business year from January 1 to December 31, 2004, has not led to any reservations. In our opinion, the group management report gives overall a true and fair view of the Group's situation, and accurately depicts the risks involved in future developments. We also confirm that the consolidated financial statements and the group management report for the business year from January 1 to December 31, 2004, meet the preconditions for the company's exemption from preparing consolidated financial statements and a group management report in accordance with German law.

Mannheim, April 5, 2005

KPMG Deutsche Treuhand-Gesellschaft
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

von Hohnhorst	Heublein
Auditor	Auditor

ANNUAL FINANCIAL STATEMENTS OF FUCHS PETROLUB AG |
STATEMENT OF INCOME

[in € million]		2004		2003
Investment income		70.9		84.4
Administration costs		–20.3		–20.7
Other operating income	18.0		17.8	
Other operating expenses	–1.7		–3.8	
		16.3		14.0
Earnings before interest and taxes (EBIT)		**66.9**		**77.7**
Financial result		–23.5		–44.5
Earnings from ordinary business activities		**43.4**		**33.2**
Taxes on income		–8.2		–1.0
Remuneration for participation-right certificates		–3.7		–3.7
Net income for the year		**31.5**		**28.5**
Retained earnings brought forward		16.0		14.6
Transfer to other retained earnings		–15.1		–14.2
Unappropriated profit		**32.4**		**28.9**

BALANCE SHEET

[in € million]		31.12.2004		31.12.2003
Assets				
Intangible assets		0.1		0.3
Property, plant and equipment		0.6		0.8
Financial assets		330.7		348.3
Non-current assets		**331.4**		**349.4**
Receivables due from affiliated companies	50.9		42.1	
Other receivables and other assets	0.8		1.3	
Receivables and other assets		51.7		43.4
Cash and cash equivalents		0.2		0.0
Current assets		**51.9**		**43.4**
Prepaid expenses		**0.1**		**0.3**
		383.4		**393.1**
Equity and liabilities				
Subscribed capital	70.7		70.7	
Capital reserves	96.0		96.0	
Retained earnings	42.0		26.9	
Participation-right certificates	51.1		51.1	
Unappropriated profit	32.4		28.9	
Shareholders' equity		**292.2**		**273.6**
Provisions for pensions and similar obligations	7.1		6.8	
Other provisions	13.4		7.2	
Provisions		**20.5**		**14.0**
Other liabilities	70.7		105.5	
Liabilities		**70.7**		**105.5**
		383.4		**393.1**

PROPOSAL ON THE APPROPRIATION OF PROFITS

The Executive Board will recommend to the Supervisory Board that it proposes the following appropriation of profits to the 2005 Annual Shareholders' Meeting (in €):

Distribution of a dividend of €1.66 per ordinary share of the entitled ordinary-share capital of 35,370,000 €	6,523,800.00
Distribution of a dividend of €1.83 per preference share of the entitled preference-share capital of 35,370,000 €	7,191,900.00
Balance carried forward	18,679,450.16
Unappropriated profit (HGB) of FUCHS PETROLUB AG	**32,395,150.16**

Equity capital and sales revenues are each shown at 100 % 1
Related to the controlling parent company 2
The company owns 9.92 % of its own shares 3
Formerly FUCHS-KEWEI SPECIALTIES LUBRICANTS (HEFEI) LTD 4
Thereof, 5.59 % is held by FUCHS FINANZSERVICE GMBH, Mannheim, Germany 5

MAJOR SUBSIDIARIES
BALANCE AS AT DEC. 31, 2004

Germany	Equity capital[1] [€000s]	Share of equity capital[2] [%]	**Sales in 2004[1] [€000s]**
Lubricants and related specialty products			
BREMER & LEGUIL GMBH, Duisburg	240	100	**17,835**
FUCHS EUROPE SCHMIERSTOFFE GMBH, Mannheim	10,000	100	**260,741**
FUCHS LUBRITECH GMBH, Weilerbach	2,583	100	**51,011**
PARAFLUID MINERALOELGESELLSCHAFT MBH, Hamburg	307	100	**6,759**
WISURA MINERALÖLWERK GOLDGRABE & SCHEFT GMBH & CO., Bremen	1,023	85	**10,018**
Polishing technology			
LIPPERT-UNIPOL GMBH, Epfenbach	5,721	100	**15,416**

International	Equity capital[1] [€000s]	Share of equity capital[2] [%]	**Sales in 2004[1] [€000s]**
Lubricants and related specialty products			
ALHAMRANI-FUCHS PETROLEUM SAUDI ARABIA LTD., Jeddah, Saudi Arabia	5,827	32	**94,348**
FUCHS ARGENTINA S.A., El Talar de Pacheco, Argentina	153	100	**5,596**
FUCHS AUSTRIA SCHMIERMITTEL GMBH, Bergheim, Austria	1,236	70	**10,230**
FUCHS BELGIUM N.V., Huizingen, Belgium	4,700	100	**21,922**
FUCHS CORPORATION, Dover, Delaware, USA (sub-group)	1	100	**178,299**
– FUCHS LUBRICANTS CANADA LTD., Cambridge, Ontario, Canada	2,405	100	**16,144**
– FUCHS LUBRICANTS CO., Harvey, Illinois, USA	1	100	**160,320**
FUCHS DO BRASIL S.A., Sao Paulo, Brazil	1,329	61	**15,501**
FUCHS LUBRIFIANTS FRANCE S.A., Nanterre, France (sub-group)	7,028	89.80[3]	**97,037**
– FUCHS LABO AUTO S.A., Rueil-Malmaison, France	1,746	100	**48,532**
– FUCHS W. INDUSTRIE S.A.S.U., Rueil-Malmaison, France	37	100	**13,851**
FUCHS LUBRICANTES S.A., Castellbisbal, Spain	3,967	100	**49,198**
FUCHS LUBRICANTS (AUSTRALASIA) PTY. LTD., Sunshine-Melbourne, Australia	2,857	100	**48,171**
FUCHS LUBRICANTS (HEFEI) LTD., Hefei, China[4]	911	100	**10,687**
FUCHS LUBRICANTS (INDIA) PRIVATE LTD., Mumbai, India	3,742	100	**6,174**
FUCHS LUBRICANTS (KOREA) LTD., Seoul, South Korea	3,009	100	**8,822**
FUCHS LUBRICANTS (SHANGHAI) LTD., Nanxiang, Shanghai, China	3,754	100	**25,490**
FUCHS LUBRICANTS (SOUTH AFRICA) (PTY.) LTD., Johannesburg, South Africa	14	100	**23,805**
FUCHS LUBRICANTS (YINGKOU) LTD., Yingkou-City, China	2,212	100	**27,600**
FUCHS LUBRICANTS PTE. LTD., Singapore	3,469	100	**5,490**
FUCHS LUBRIFICANTES UNIPESSOAL LDA., Maia, Portugal	2,370	100	**6,466**
FUCHS LUBRIFICANTI S.P.A., Buttigliera d'Asti, Italy	4,160	100	**43,508**
FUCHS LUBRITECH (UK) LTD., London, UK	318	100	**7,555**
FUCHS MAZIVA D.O.O., Samobor, Croatia	714	100	**5,589**
FUCHS OIL CORPORATION (CZ) SPOL. S R.O., Prague, Czech Republic	49	100	**6,279**
FUCHS OIL CORPORATION (PL) SP. Z O.O., Gliwice, Poland	1,045	100[5]	**23,475**
FUCHS OIL MIDDLE EAST LTD., British Virgin Islands	3,665	50	**27,748**
FUCHS (UK) PLC., Stoke-on-Trent, Staffordshire, UK (sub-group)	2,823	100	**115,218**
– FUCHS LUBRICANTS (UK) PLC., Stoke-on-Trent, Staffordshire, UK	58	100	**114,854**
MAKOTO-FUCHS K.K., Nara-ken, Japan	2,524	50	**16,705**
MOTOREX AG, Langenthal, Switzerland	162	50	**10,332**
PT FUCHS INDONESIA, Jakarta, Indonesia	1,969	100	**7,499**
Polishing technology			
LIPPERT-UNIPOL (F) S.A.S., Val de Reuil, France	850	100	**6,239**

GLOSSARY

Associated companies

Companies that are neither subsidiaries nor a share in a joint venture, upon which a significant influence is exercised and in which no less than 20 % of the shares are held.

Bonds

Fixed-interest securities with fixed redemption dates in the form of bearer bonds/debentures.

Capital Employed

Capital employed consists of equity capital, participation-right capital, interest-bearing liabilities, pension provisions and accumulated goodwill write-offs at the end of the year, after the deduction of cash, cash equivalents and marketable securities.

Cashflow

The difference between income and expenditure in a reporting period. The gross cash flow presented by the FUCHS PETROLUB Group in the Annual Report is a result of net profit plus depreciation and amortization of fixed assets and changes in long-term provisions. The gross cash flow is an indication of a company's internal financial resources available for investment, financing net current assets, debt repayment, dividend distributions and maintaining liquidity.

Corporate Governance

The term used internationally for responsible management and supervision with a view to long-term value creation. Corporate governance comprises the entire system of managing and supervising a company and includes the organization of the company, its business-policy principles and guidelines, and all internal and external controlling and monitoring mechanisms.

Declaration of compliance

Declaration by the Supervisory Board and Executive Board pursuant to Section 161 of the German Stock Corporation Law concerning the implementation of the recommendations of the German Corporate Governance Code.

Deferred taxes

Deferred taxes serve to show tax expenses in the consolidated financial statements on an accrual basis.

Derivative financial instruments

Financial products whose own value is primarily derived from the price, price fluctuation and price expectations of an underlying transaction, without this underlying transaction having to be actually performed. Derivatives are used by the FUCHS PETROLUB Group solely to limit exchange-rate and interest-rate risks from the operating business.

EBIT

Abbreviation for earnings before interest and taxes. Also excluding minority interests.

EBITA

Abbreviation for earnings before interest, taxes and goodwill amortization. Also excluding minority interests.

EBITDA

Abbreviation for earnings before interest, taxes, depreciation and goodwill amortization.
Also excluding minority interests.

EBIT margin

EBIT in relation to revenues.

EBT

Abbreviation for earnings before taxes. Also excluding minority interests.

Effective tax rate

Corporate income-tax expense in relation to earnings before taxes.

Equity method

Method of consolidation for including associated companies in the consolidated financial statements. The Group's ownership interest is entered as its share of these companies' equity capital. Changes in such companies' equity capital have an effect on the valuation of the Group's ownership interest, their net profit is included at-equity in the Group's net profit.

Equity ratio

Proportion of capital resources (= subscribed capital, reserves and accumulated other capital) to the balance-sheet total.

IAS

Abbreviation for International Accounting Standards. Accounting principles intended to guarantee international harmonization and the comparability of financial statements and disclosure. They are prepared by an international committee, the International Accounting Standards Boards (IASB). FUCHS PETROLUB have compiled their consolidated financial statements on this basis since 2002.

IFRS

Abbreviation for International Financial Reporting Standards. Formerly International Accounting Standards (IAS).

Investment income

The Group's share in the profits distributed by affiliated companies and its share in the profits earned by associated companies.

Participation-right capital

Financial resources available to the issuer on a long-term basis. FUCHS PETROLUB has issued fixed-interest participation-right certificates with a term ending on December 31, 2007.

Proportionate consolidation

Companies managed together and with equal shares with other partners and associates (joint ventures) are included in the consolidated financial statements proportionately (pro rata), i.e., joint ventures are entered in the balance sheet and income statement only in the amount of the proportion belonging to the FUCHS PETROLUB Group.

Return on equity

Net profit in relation to shareholders' equity.

Return on sales

Net profit in relation to sales revenues.

ROCE

Abbreviation for return on capital employed (earnings before interest, taxes, goodwill amortization and minority interests in relation to capital employed).

SDAX

Share index of German companies with a low market capitalization. The SDAX is thus the third value segment after the DAX (30 companies with a high market capitalization) and the MDAX (50 companies with a medium market capitalization). The FUCHS PETROLUB preference shares have been approved for the Prime Standard section of the German Stock Exchange since January 1, 2003, and are included in the SDAX segment, which comprises 50 companies in total.

Volatility

Intensity of fluctuations in share prices, exchange rates and interest rates.

TEN-YEAR OVERVIEW

FUCHS PETROLUB Group

[amounts in € million]	2004 IFRS	2003 IFRS	2002 IFRS	2001 IFRS	2000 HGB	1999 HGB	1998 HGB	1997 HGB	1996 HGB	1995 HGB
Earnings										
Sales revenues	**1,096.3**	1,040.9	1,064.7	940.0	902.0	834.0	789.3	787.4	692.1	669.1
– Germany	**262.2**	249.8	264.9	183.8	170.1	201.3	218.8	225.0	212.5	214.0
– International	**834.1**	791.1	799.8	756.2	731.9	632.7	570.5	562.4	479.6	455.1
Cost of material	**605.6**	569.5	579.6	521.2	494.0	449.0	421.2	423.8	373.5	365.4
Gross profit	**407.7**	387.2	399.7	339.2	329.1	311.6	298.2	296.9	257.9	245.0
– in % of sales revenues	**37.2**	37.2	37.5	36.1	36.5	37.4	37.8	37.7	37.3	36.6
Earnings before interest and taxes (EBIT)	**86.2**	75.1	70.0	50.5	56.9	55.1	41.1	48.5	43.0	44.4
– in % of sales revenues	**7.9**	7.2	6.6	5.4	6.3	6.6	5.2	6.2	6.2	6.6
Financial result	**–18.8**	–23.1	–26.0	–25.6	–16.5	–16.2	–16.3	–13.1	–13.3	–12.2
Net income	**40.1**	30.9	24.1	8.8	18.5	17.1	6.2	18.2	14.5	14.3
– in % of sales revenues	**3.7**	3.0	2.3	0.9	2.1	2.1	0.8	2.3	2.1	2.1
Earnings per share [in €][1] ordinary	**5.97**	5.31	4.63	2.44	2.27	2.13	0.58	2.25	1.38	1.35
Earnings per share [in €][1] preference	**6.14**	5.50	4.80	2.61	2.44	2.30	0.75	2.42	1.55	1.52
Assets/Equity and liabilities										
Non-current assets	**242.3**	264.8	312.5	349.4	315.5	310.5	325.8	347.5	267.6	246.3
Current assets	**374.6**	363.9	361.6	364.7	365.7	336.7	284.1	288.9	253.0	250.3
Total assets	**628.6**	635.9	678.4	719.6	681.2	647.2	609.9	636.4	520.6	496.6
Shareholders' equity	**159.8**	137.7	110.1	120.6	165.8	163.9	196.5	166.2	143.6	129.2
– in % of total assets	**25.4**	21.7	16.2	16.8	24.3	25.3	32.2	26.1	27.6	26.0
Provisions	**120.8**	112.0	107.4	77.8	75.3	85.4	76.9	86.0	74.9	71.0
Financial liabilities	**143.1**	188.2	267.3	324.5	313.0	273.4	246.1	304.4	227.6	222.3
– in % of total assets	**22.8**	29.6	39.4	45.1	45.9	42.2	40.4	47.8	43.7	44.8
– Gearing (net financial liabilities to shareholders' equity)[2]	**1.04**	1.52	2.77	2.89	1.78	1.57	1.15	1.71	1.47	1.53
Other liabilities	**40.5**	45.6	46.7	42.2	127.1	124.5	90.4	79.8	74.5	74.1
Return on equity [in %]	**25.1**	22.4	21.9	7.3	13.4	12.7	3.9	11.0	10.1	11.1
Financing										
Cash earnings	**82.6**	79.6	76.2	50.3	49.3	48.7	37.5	44.1	36.5	35.0
Cash inflow from operating activities	**84.7**	89.1	78.5	60.1	11.5	49.0	35.8	27.4	31.3	21.4
Cash outflow from investing activities	**–28.6**	–11.5	–30.5	–39.4	–35.5	–40.1	–24.0	–50.7	–55.2	–16.2
Cash flow from financing activities	**–57.4**	–60.3	–60.0	–11.9	25.5	–9.7	–18.4	27.2	13.3	–5.8
Free cash flow	**56.1**	77.6	48.0	20.7	–24.0	8.9	11.8	–28.3	–23.9	5.3
Investments in property, plant and equipment	**21.2**	18.4	27.0	26.4	30.5	28.2	30.1	35.9	25.1	33.8
– Germany	**9.1**	7.3	12.1	8.4	9.0	7.9	5.8	7.8	8.8	6.7
– International	**12.1**	11.1	14.9	18.0	21.5	20.3	24.3	28.1	16.3	27.1
Depreciation of property, plant and equipment	**22.5**	25.5	28.3	25.1	24.4	24.3	25.7	20.8	18.2	16.8
– in % of investments in P, P&E	**106.1**	138.6	104.8	95.1	80.0	86.2	85.4	57.9	72.5	49.7

FUCHS PETROLUB Group

[amounts in € million]	2004 IFRS	2003 IFRS	2002 IFRS	2001 IFRS	2000 HGB	1999 HGB	1998 HGB	1997 HGB	1996 HGB	1995 HGB
Employees										
Number of employees	4,155	4,220	4,081	3,871	3,952	3,889	3,843	3,828	3,794	3,661
– Germany	1,097	1,103	1,156	931	952	945	951	1,088	1,144	1,164
– International	3,058	3,117	2,925	2,940	3,000	2,944	2,892	2,740	2,650	2,497
Personnel expenses	173.5	171.9	179.8	161.4	160.5	148.4	144.8	142.5	128.0	122.0
– in % of sales revenues	15.8	16.5	16.9	17.2	17.8	17.8	18.3	18.1	18.5	18.2
– Sales revenues per employee [in € thousand]	263.9	246.7	260.9	242.8	231.5	213.4	199.7	201.8	181.3	180.4
Research and development										
Research and development expenses	21.4	22.6	23.6	18.7	18.8	17.4	16.1	15.9	13.9	11.8
– in % of sales revenues	2.0	2.2	2.2	2.0	2.1	2.1	2.0	2.0	2.0	1.8

FUCHS PETROLUB AG shares

[amounts in €]	2004 IFRS	2003 IFRS	2002 IFRS	2001 IFRS	2000 HGB	1999 HGB	1998 HGB	1997 HGB	1996 HGB	1995 HGB
Dividend distribution [in € million][3]	13.7	12.9	11.0	9.8	9.8	9.1	9.1	8.9	5.4	5.1
Dividend per ordinary share[3,4]	1.66	1.56	1.46	1.29	1.29	1.19	1.19	1.19	1.02	1.02
Tax credit	0.00	0.00	0.00	0.00	0.00	0.03	0.00	0.19	0.28	0.25
Dividend per ordinary share including tax credit	1.66	1.56	1.46	1.29	1.29	1.22	1.19	1.38	1.30	1.27
Dividend per preference share[3,4]	1.83	1.73	1.63	1.46	1.46	1.36	1.36	1.36	1.19	1.19
Tax credit	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.21	0.33	0.29
Dividend per preference share including tax credit	1.83	1.73	1.63	1.46	1.46	1.4	1.36	1.57	1.52	1.48
Stock-exchange prices on December 31										
– Ordinary share	85.4	47.8	70.2	65.5	59.1	61.5	90.5	107.6	94.6	86.9
– Preference share	79.1	43.8	70.5	62.9	57.3	57.5	74.1	108.9	74.9	74.6
– Eurobonds 2000–2005 [in %]	101.6	104.0	103.5	98.8	101.3	–	–	–	–	–
– Participation-right certificates 1998–2008 [in %]	115.3	110.0	105.9	104.3	100.5	99.7	100.7	–	–	–

1 Before scheduled goodwill amortization
2 With the change to IFRS the participation-right certficates were shifted from shareholders’ equity to net financial liabilities
3 Dividend proposal for 2004
4 For better comparability, the prior year’s figures have been converted to reflect the 3:1 share split of July 2003

IMPRINT AND CONTACT ADDRESS

Published by	FUCHS PETROLUB AG Mannheim Public Relations
Concept/design/ typesetting	Hübner & Sturk Werbeagentur GmbH Bensheim
Lithography/Print	ColorDruck Leimen GmbH Leimen

For further information please contact
FUCHS PETROLUB AG
Investor Relations
Friesenheimer Strasse 17
68169 Mannheim

Telephone +49 (0) 621 38 02-1 05
Fax +49 (0) 621 38 02-2 74

FUCHS on the Internet
www.fuchs-oil.com
E-Mail: contact-de.fpoc@fuchs-oil.de

Disclaimer

This annual report contains statements about future developments that are based on assumptions and estimates by the management of FUCHS PETROLUB AG. Even if the management is of the opinion that these assumptions and estimates are accurate, future actual developments and future actual results may differ significantly from these assumptions and estimates due to a variety of factors. These factors can include changes to the overall economic climate, changes to exchange rates and interest rates and changes in the lubricants industry. FUCHS PETROLUB AG provides no guarantee that future developments and the results actually achieved in the future will agree with the assumptions and estimates set out in this annual report and assumes no liability for such.

FINANCIAL CALENDAR

Events	
April 6, 2005	Balance Sheet Press Conference, Mannheim
April 7, 2005	DVFA Analysts' Conference, Frankfurt/Main
May 24, 2005	Annual Shareholders' Meeting, Mannheim
May 25, 2005	Information Event for Swiss Shareholders, Zurich
August 11, 2005	First-Half Press Conference, Mannheim
September 20–21, 2005	Financial Markets Conference, Mannheim
October 5, 2005	Third Mannheim Capital Market Forum

Quarterly reports	
May 13, 2005	Interim Report January – March 2005
August 11, 2005	Interim Report January – June 2005
November 15, 2005	Interim Report January – September 2005

Annual Shareholders' Meeting 2005

The Annual Shareholders' Meeting will take place on Tuesday, May 24, 2005 at 10:00 a.m. in the Mozart Room at the Rosengarten Congress Center, Rosengartenplatz 2, 68161 Mannheim. Shareholders will also receive the report on the 2004 financial year via their depositary banks, together with an invitation and the agenda. Shareholders can authorize voting proxies and issue voting instructions conveniently and quickly via the Internet. The payment of dividends approved by the Annual Shareholders' Meeting will be made from May 25, 2005 onwards.

FUCHS PETROLUB AG