

München, 7. November 2007

Reconciliation and Definitions for Non-GAAP Measures

Earnings before interest, taxes, depreciation and amortization (EBITDA) (adjusted) is EBIT before Depreciation and Amortization, defined as amortization and impairments of intangible assets depreciation and impairments of property, plant and equipment.

Our capital structure target is based on an **Adjusted industrial net debt** divided by EBITDA (adjusted). For the calculation of Adjusted industrial net debt, we subtract from Net debt (defined as Long-term debt plus Short-term debt and current maturities of long-term debt less Cash and cash equivalents less Available-for-sale financial assets) (1) SFS debt excluding SFS internally purchased receivables and (2) 50% of the nominal amount of our hybrid bond; and add/subtract (3) Funded status of Pension benefits, (4) Funded status of Other post-employment benefits; and add (5) Credit guarantees. The components of Net debt are available on our Consolidated Balance Sheets, SFS debt less internally purchased receivables is available in our Management Discussion & Analysis under Capital Resources and Requirements. The Funded status of our principle pension plans and Other post-employment benefits, the amount of credit guarantees and the nominal amount of our Hybrid bond is available in the Notes to our Consolidated Financial Statements.