

DEKRA AG

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ANNUAL REPORT 2008



SUSTAINABILITY.
Identify. Plan. Act.



DEKRA AG

DEKRA is a leading international provider of expert services and number one in Europe. As a wholly owned subsidiary of DEKRA e.V., Stuttgart-based DEKRA AG is responsible for the Group's strategic direction and overall operations. Around the globe, some 20,000 employees at 166 subsidiaries and associated companies are committed to bringing safety and quality to people's lives in the areas of technology, mobility and the environment. Our automotive, industrial and personnel services are grouped into four business units.

KEY DATA DEKRA AG IN MILLION EUROS	2006	2007	2008
Total sales	1,311.5	1,439.0	1,596.3
Income before taxes	73.1	84.4	94.7
Return on sales in %	5.6	5.9	5.9
Investments in tangible property	23.3	24.7	27.4
EBITDA	108.2	121.8	135.0
Average workforce over year	16,123	17,721	20,008



DEKRA AUTOMOTIVE

The DEKRA brand has stood for expertise in the automotive sector since 1925. Our service portfolio encompasses vehicle testing, expert appraisals and used car management, as well as homologation, type approval and consulting. In Germany, these services are brought together in the DEKRA Automotive business unit. We are the market leader in regular vehicle testing and expertises. We help our customers to boost their safety and commercial efficiency standards on a long-term basis.

	2006	2007	2008
Sales IN MILLION EUROS	711.5	749.9	816.7
Employees	6,243	6,302	6,682



DEKRA AUTOMOTIVE INTERNATIONAL

The automotive sector is one of the world's major industries. DEKRA Automotive International is responsible for handling our automotive services in Europe and beyond. With our own subsidiaries and an integrated franchise network, we are the European leader in the market for vehicle testing and expertises, performing 22 million vehicle tests and over a million appraisals every year. We are also a major claims settlement specialist in Europe and are systematically expanding our presence in international markets.

	2006	2007	2008
Sales IN MILLION EUROS	133.1	145.4	166.2
Employees	1,187	1,358	1,936



DEKRA INDUSTRIAL

Highly specialised expert services for trade and industry represent DEKRA's second core business. The relatively new DEKRA Industrial business unit is rapidly expanding the following service lines: Testing and Inspection, Energy and Chemicals, SHE Services, Real Estate and Construction, Product Testing, and Certification Services. The integrated nature of our service offerings generates synergies that benefit our customers, while also boosting safety for both people and the environment.

	2006	2007	2008
Sales IN MILLION EUROS	269.1	304.6	350.6
Employees	3,523	3,855	4,591



DEKRA PERSONNEL

The complex nature of modern technologies and management processes makes qualified staff essential. The DEKRA Personnel business unit delivers tailored solutions within the Qualification, Temporary Work, and Out- and Newplacement service lines. This combination gives DEKRA a unique profile in Germany and our activities are also becoming increasingly international. A broad spectrum of integrated personnel services rounds off our portfolio for the automotive and industrial segments.

	2006	2007	2008
Sales IN MILLION EUROS	259.8	309.8	331.7
Employees	4,841	5,874	6,469

In 2008, DEKRA enhanced its competitive position internationally. We added to our areas of expertise and developed new markets. Innovative services and the expertise of our highly qualified employees form the basis for expansion and our long-term business success. A clear strategy focusing on growth markets, plus rising worldwide demand for safety and quality services, mean that the Group can face the future with confidence.

• KEY ACHIEVEMENTS IN 2008:

- GROUP SALES INCREASED BY 11% TO 1.6 BILLION EUROS
- DOUBLE-DIGIT GROWTH IN INCOME BEFORE TAXES
- 2,000 NEW EMPLOYEES TAKEN ON
- 15 ACQUISITIONS AROUND THE WORLD
- NEW MARKETS AND BUSINESS SEGMENTS DEVELOPED



DEKRA – SUSTAINABILITY PRINCIPLES.

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● Identify. ————— ● Plan. ————— ● Act.

PROTECTING PEOPLE AND THE ENVIRONMENT.

It takes courage to embrace the challenges that lie ahead of us. The core need is to reconcile ecological, economic and social factors, but efficiency and sustainability are actually two sides of the same coin. Should we trust to hope or take action? For DEKRA, the answer is clear. As a leading international provider of expert services we operate in a host of markets, making a significant contribution to protecting people and the environment and raising public awareness of the need for sustainability.

TAKING THE INITIATIVE AND DRIVING CHANGE.

We offer a huge variety of advanced safety, health and environmental services. We take the initiative by contributing the latest expert insights to customer projects. In addition, we relate our expertise to industry practice and take responsibility for the commercial and social outcome. Our tests, expert appraisals, certificates and advice help people find new and better ways of using technology, materials and resources. Importantly, they also ensure safety.

DEKRA – SUSTAINABILITY PRINCIPLES.

- IDENTIFY AND APPLY ALTERNATIVES.
- EVALUATE AND PROTECT RESOURCES.
- EXPECT AND ACCEPT RESPONSIBILITY.

- ASSESS AND MINIMISE RISKS.
- REVIEW AND OPTIMISE SAFETY.
- RESPECT AND PROTECT PEOPLE.

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700 megawatts from wind power

DEKRA project:
Expert support for E.ON
to select suitable sites for
wind farms in Spain.

» **Power generator E.ON** is developing and installing facilities in both Spain and Portugal with an expected future capacity of 800 megawatts, of which 700 megawatts are destined to come from wind power. DEKRA Ambio has been helping E.ON to install and evaluate 14 ultramodern weather stations, which will play an important role in selecting the right sites for the wind farms in Spain. «

Gerard Mañé _ Project Manager at DEKRA Ambio

IDENTIFY AND
APPLY ALTERNATIVES.

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DEKRA project:
Working with Toyota to enhance the environmental performance of their dealerships in Germany.



600 sustainable Toyota dealerships in Germany

EVALUATE AND
PROTECT RESOURCES.

» Over the next three years, Toyota Germany plans to significantly reduce energy consumption and CO₂ emissions at its around 600 dealerships. The carmaker has chosen DEKRA to provide expert support. Our practice-based, holistic approach can be applied across the country. «

Susanne Hartlieb _ Project Manager at DEKRA Umwelt



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DEKRA project:
Measuring air quality
at the Lafarge Ciments
locations in France.

Lafarge: **20%** less CO₂ per tonne of cement worldwide by 2010 compared to 1990



» **Building materials manufacturer Lafarge Ciments** is the market leader in France. We partner with them to provide support at the company's locations, including meeting new environmental regulations. «
Gilles Puech _ Head of Pollutant Measurement at DEKRA Industrial

EXPECT AND ACCEPT
RESPONSIBILITY.

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One in **4** filling stations in Germany is inspected by DEKRA

DEKRA project:
Conducting
operational and
environmental safety
inspections at TOTAL
filling stations in
Germany.

ASSESS AND
MINIMISE RISKS.

» **TOTAL and other oil companies** benefit from our combination of a centralised national structure and the service provided by our employees at local level. The customer always knows the exact inspection status of each filling station, with minimal administrative effort. «
Andreas Geck _ Regional Manager at DEKRA Testing & Inspection



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» **The REACH chemicals directive** adopted by the European Union poses a major challenge for every industry. We take responsibility on behalf of our customers for all the tasks arising from this directive – in a transparent, independent and reliable fashion. «
Dr. Gesa Köberle _ Head of Sustainability Management at DEKRA Umwelt

REVIEW AND
OPTIMISE SAFETY.

● **DEKRA project:**
Evaluating and registering chemical substances, acting as the sole agent for customers in Tunisia, South Africa, Ghana and California.

Ensuring **100%** access to the market

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RESPECT AND
PROTECT PEOPLE.

» In six diamond mines of the De Beers Group in South Africa, we optimise health and safety measures for some 6,600 workers. To ensure this, DEKRA provides independent third party audits to the mines on an annual basis. In 2008, the operations audited showed a significant improvement in their Lost Time Injury Frequency Rate compared to 2007. «
Ivan Pleaner _ Project Manager at DEKRA Industrial



DEKRA project:
Monitoring health and safety
in the De Beers diamond mines
in South Africa.

Health and safety for 6,600 mine workers



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• DEKRA – sustainability services:

AUTOMOTIVE SERVICES	Safety and emissions testing
	Road safety studies
	Accident prevention
INDUSTRIAL SERVICES	Sustainability management
	Occupational safety inspections
	Environmental measurement
PERSONNEL SERVICES	Seminars on the Chemicals Directive
	Eco-friendly driving training
	Private job placement



- ACHIEVING PROJECT RESULTS THAT BENEFIT PEOPLE AND THE ENVIRONMENT ALIKE.
- FINDING GOOD ANSWERS TO COMPLEX QUESTIONS.
- TURNING IDEAS INTO GENUINE ALTERNATIVES.

CONTENTS

REPORTS AND COMMITTEES

4

Report of the Supervisory Board

6

Report of the Management

12

Committees of DEKRA e.V. and of DEKRA AG

13

DEKRA Service Lines



04 – 13

COMPANY ACTIVITIES

14

DEKRA Business Units

14

DEKRA Automotive

17

DEKRA Automotive International

20


DEKRA Industrial

23

DEKRA Personnel

26

DEKRA Management



14 – 27

FINANCIAL REPORT

28

Group Management Report

29

Business Development and Economic Environment

32

Business Environment

40

Net Assets, Financial Position and Results of Operations

43


Subsequent Events

44

Risk Report

46

Forecast Report



48

Consolidated Financial Statements

48

Consolidated Balance Sheet

49

Consolidated Income Statement

50

Consolidated Cash Flow Statement

52

Consolidated Statement of Changes in Equity

54

Notes to the Consolidated Financial Statements

73

Audit Opinion

74

Report of the Supervisory Board

28 – 74

CONTACT


75

Addresses

76

Overview of countries

Imprint



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75 – 76



PROF. DR.-ING. GERHARD ZEIDLER, BORN 1936, HAS BEEN PRESIDENT OF THE PRESIDENTIAL BOARD OF DEKRA E.V. AND CHAIRMAN OF THE SUPERVISORY BOARD OF DEKRA AG SINCE JANUARY 2006. FROM 1996 TO THE END OF 2003, HE RAN THE GROUP AS CHAIRMAN OF THE MANAGEMENT BOARD OF DEKRA AG AND WAS CHAIRMAN OF THE MANAGEMENT BOARD OF DEKRA E.V. UNTIL THE END OF 2005.

SUSTAINABLE GROWTH BASED ON A SOLID FOUNDATION

The guiding theme for DEKRA as a company in 2008 was clearly defined: identifying needs, planning and acting to shape the future based on unambiguous objectives. We entered new growth markets and business segments and developed new services. Despite the weak global economy, fiscal 2008 was the best in DEKRA's history. A solid foundation of automotive, industrial and personnel services was and remains the key to the company's growth into the future.

Sustainable services involve many factors which are not limited solely to safety and efficiency. In the Automotive Services segment, DEKRA's engineers and experts are playing their role in research and development activities undertaken by the industry in the pursuit of alternative drive technologies. The Industrial Services business unit provides customer support in sustainability management with regard to the environment, quality and work safety, as well as more recently in the field of wind energy. Personnel Services' offerings include training in areas such as energy efficiency and environmental protection. With a broadly based portfolio, DEKRA's integrated personnel services also involve assuming a high level of social responsibility.

DEKRA does not regard safety, economic efficiency, environmental sustainability and corporate social responsibility as mutually exclusive. Our experts identify appropriate strategy options and offer solutions for the approximately 30,000 members of DEKRA e.V. and other customers around the globe. Institutions, other bodies and policy makers highly value the expertise of our employees.

Innovative, customer-focused services have enabled the company to further consolidate its position as the European market leader and the world's number three testing organisation. Organic growth, targeted acquisitions and tapping into new markets outside Germany are key features of our long-term corporate strategy. By pursuing an aggressive, clear-sighted course of action, DEKRA remains dynamic and is thereby securing its future.

Our employees also benefit from this approach. DEKRA provides high-level jobs both in Germany and beyond. Since 2000, the workforce has more than doubled. The growing need for staff stems from ongoing expansion of our service portfolio. The company is investing heavily in new business segments and integrating its activities into existing operations. As a result, DEKRA is increasingly establishing itself as a strong, international one-stop provider of expert services.

DEKRA is set to continue on this successful path. On behalf of the Presidential Board of DEKRA e.V. and the Supervisory Board of DEKRA AG, I would like to thank the Management Board and all employees for their hard work. My thanks also go to our members, customers and partners for your loyal support. Together we can make DEKRA even stronger and continue to deliver long-term success.



DR. H.C. KLAUS SCHMIDT, BORN 1958, BECAME CHAIRMAN OF THE MANAGEMENT BOARD OF DEKRA AG IN DECEMBER 2003. SINCE JANUARY 2006, HE HAS ALSO HELD THE POST OF CHAIRMAN OF THE MANAGEMENT BOARD OF DEKRA E.V. KLAUS SCHMIDT HAS BEEN ON THE BOARD OF THE COMPANY SINCE 1996.

AGGRESSIVE MARKET STRATEGY AND NEW BUSINESS SEGMENTS FORM THE BASIS FOR FURTHER EXPANSION

Ladies and gentlemen, members, customers and friends of the company,

2008 was a highly successful year for DEKRA. Together we have achieved a great deal and taken our company a major step forward. We moved into new business segments and new international markets. DEKRA is thus still actively pursuing expansion. Our aggressive market strategy has further consolidated our leading position in Europe.

Group sales rose by more than 10% to 1.6 billion euros, providing compelling evidence of DEKRA's business success. At 95 million euros we were also able to boost income before taxes by over 12%. Once again we created a large number of new jobs: we have over 2,000 new members of staff, with around 1,000 joining us due to acquisitions. DEKRA currently has more than 20,000 employees in total worldwide. Some 30% of our workforce is based outside Germany, a figure that continues to rise. We have moved closer to achieving our 2 billion euros growth target by 2010. In the past four years alone we have increased sales by over 60%.

Acquisitions and organic growth

This positive development is only possible because we have invested heavily in new business segments. We are systematically expanding our position in the core automotive market, as well as in industrial inspections and personnel services. There are two strands to our growth strategy: organic growth and growth by way of acquisitions.

In 2008, we made 15 acquisitions inside and outside Germany, representing a sales volume of some 100 million euros. One particular highlight was the purchase of Finnish safety service provider Polartest Oy. The company is Finland's number one in the field of material testing and the country's second biggest provider of pressure equipment inspections. Buying Polartest brings us closer to our objective of becoming a European market leader in material testing.

We also successfully completed acquisitions in other areas of business. By acquiring the Bartok Group, which is ranked number two in claims services and appraisals in the Netherlands, we significantly enhanced our market position in this segment. At the beginning of 2008, we reinforced the used car

management segment in Germany by taking over GKK Gutachtenzentrale. Other acquisitions were made in the UK and France. We are also active outside Europe: in Brazil, for example, the Lincas testing organisation was added to our portfolio in January 2009.

Number one in the automotive sector worldwide

We have increased sales in the automotive segment by a total of around 10%. At almost 1 billion euros, DEKRA is the number one by a considerable margin both in Germany and worldwide. We are more than twice the size of our biggest competitor, operating in six areas that we call service lines: Vehicle Testing, Expertises, Used Car Management, Homologation and Type Approvals, Mystery Shopping and Consulting, as well as Claims Services. We are active both in Europe and beyond.

In the domestic market, we were able to consolidate our leadership in the vehicle testing market. In a largely distributed market, we are successfully defending our share of around 35%. Within expertises, we are recording considerable sales increases. Used car management, vehicle valuations and homologations made a particularly significant contribution here.

On an international level, we established more companies in the automotive sector in the UK, Croatia, North and South Africa and Russia, thereby accessing attractive growth markets for expert services. In France, our second core market after Germany, DEKRA reinforced its market position by addressing new business segments such as vehicle type approvals and used car management. It is notable that we now cover virtually the same range of services in France as we do in Germany.

Market- and customer-focused investments

The largest area of investment for the DEKRA Group is industrial testing. Having boosted sales by over 15%, we have made this segment a second strong pillar of the company. We already have more than 4,500 employees in this area in Europe and beyond, generating sales of 351 million euros. Here too, we offer six service lines: Testing and Inspection, Energy and Chemicals, SHE Services, Real Estate and Construction, Product Testing, and Certification Services.

In the first year in which the market for industrial inspections was fully deregulated in Germany, we won numerous major orders. DEKRA was asked to respond to virtually every major tender. In addition, we are already one of the three largest service providers in Germany for non-destructive material testing.

The performance of our international activities was equally dynamic. By tapping into new business segments and markets – such as wind power in Spain and the oil and gas industry in Algeria – we have steadily expanded our service portfolio. Product testing is a further growth market. In Stuttgart, our state-of-the-art product testing laboratory commenced operations mid-way through the year. A joint venture with China's biggest private product testing company, which employs some 1,300 people, has allowed us to gain a foothold in Asia's most important market.

DEKRA's integrated personnel services also had a successful year with the service lines Qualification, Temporary Work, and Out- and Newplacement. Sales rose by 7.1%. DEKRA Akademie enjoyed the best year in its history thanks to innovative learning methods. It is one of Germany's top private training bodies. The DEKRA Arbeit Group once again experienced significant growth. Due to the general economic climate, it is focusing more on higher value services such as engineers and qualified medical staff. DEKRA Arbeit now has a presence in nine European countries and continues to expand internationally.

Well equipped for the future

DEKRA will continue to pursue a growth strategy despite the difficult macroeconomic environment. Diversified positioning, innovative services and ongoing investment mean we are well placed to continue actively shaping the international market for testing services. We are also able to count on our customers' trust and the expertise of our employees. I would like to thank all our national and international business partners for their constructive cooperation. My thanks also go to our employees for their impressive commitment to our shared objectives. I am also grateful to the supervisory bodies and our labour representatives for their work. Together we will shape the future. I am confident that DEKRA remains on track for success.

Best regards,



Dr. h. c. Klaus Schmidt, CEO



DIPL.-KFM. ROLAND GERDON,
BORN 1961, JOINED THE COMPANY
IN 1999. HE BECAME A MEMBER
OF THE MANAGEMENT BOARD OF
DEKRA AG IN 2003 AND WAS
APPOINTED PERSONNEL DIRECTOR
OF DEKRA AG IN 2005. IN JANUARY
2006, HE ALSO BECAME A MEMBER
OF THE MANAGEMENT BOARD OF
DEKRA E.V.

PERSONNEL DEVELOPMENT FOR SUSTAINABLE GROWTH IN GLOBAL MARKETS

There was another sharp rise in headcount at DEKRA in 2008. What are the challenges facing the company from a human resources viewpoint?

Our ongoing expansion calls for effective structures and a proactive approach to personnel management and innovation. We are continually developing the services we offer. A key factor for our success is to keep improving our expert knowledge. Some 70% of our employees are engineers, qualified technicians and instructors.

Can the job market provide enough specialists?

No, there is a serious lack of suitable personnel when it comes to test engineers in particular. That is why we place a lot of emphasis on personnel development and training, as well as professional personnel marketing. There are “rough diamonds” out there. It is our job to find them and help them to realise their potential.

Can you give some examples?

In Germany, we have launched a personnel recruitment campaign which is themed around making the world a safer place. In France too, we are raising our profile as an attractive employer by enhancing our communication strategy. We are also deploying new IT tools for applicant relationship management. Internally, systematic potential analysis forms the basis for planning staff development activities and nurturing up-and-coming talent. Advertising vacancies internally, e-learning and continuing professional development opportunities are other instruments. We are systematically extending the IT tools we use in personnel management and knowledge transfer. The aim behind all these strategies is to foster diversity, not sameness. We are looking for the best people for each role. That is also why there are no quotas or procedures set in stone. We always look for individual solutions.

The DEKRA Temporary Work service line has been extremely successful to date. What will happen now that times are getting tougher?

DEKRA Arbeit has been one of the fastest growing temporary work specialists in Germany in recent years. At the same time, it is a simple fact that placement services are the first to be hit by cyclical downturns. In the second half of 2008 we took steps to respond to changes in the economic climate. We streamlined structures and further differentiated our services. The proportion of highly skilled temporary staff is being increased all the time. There continues to be a shortage of personnel in this area. When the economy recovers, temporary work is one of the first industries to benefit from the upturn. Furthermore, our sister company DEKRA Akademie provides an advanced set of tools for job seekers to gain qualifications and become integrated into the job market.

What are the prospects for the DEKRA Group?

We are well positioned in all areas of the business. Safety and expert services are experiencing a growing demand worldwide. Our vehicle testing business is not so strongly affected by economic fluctuations. There is enormous potential for DEKRA to expand in the field of industrial testing. In times such as these, the Qualification and Placement service lines also become increasingly important. Prudent business management is also key. We experienced no significant losses as a result of the crisis in the financial markets. To sum up, DEKRA has a very robust structure. We operate in promising growth markets and are able to weather economic downturns.

COMMITTEES

PRESIDENTIAL BOARD DEKRA e.V.	ADVISORY BOARD DEKRA e.V.	MANAGEMENT BOARD DEKRA e.V.
Prof. Dr.-Ing. Gerhard Zeidler (President), Stuttgart Prof. Dr. rer. pol. Gerhard Fels (Vice-President), Bergisch Gladbach Prof. Joachim Bitterlich, Paris, France Günther Fleig, Stuttgart Ulrich Graf, Pfäffikon, Switzerland Rolf-Peter Hoenen, Coburg Prof. Dr. jur. habil. Franz Kasper, Stuttgart	Matthias Wissmann (Chairman), Ludwigsburg¹⁾ Prof. Dr. rer. pol. Bernd Gottschalk (Chairman), Esslingen²⁾ Staatssekretär a.D. Rudolf Böhmler, Schwäbisch Gmünd Prof. Dr. Michael Hüther, Wiesbaden³⁾ Dipl.-Kfm. Peter M. Jani, Seevetal Pr. Ir. Pierre Klees, Brussels, Belgium Michael Kubenz, Hamburg Prof. Dr.-Ing. Josef Kunz, Bergisch Gladbach³⁾ Helmuth H. Lederer, Wollerau, Switzerland Dipl.-Ing. Martin Marmy, Confignon, Switzerland Dr. techn. Georg Pachta-Reyhofen, Niederpöcking Robert Rademacher, Cologne Dr. Harald Schwager, Speyer Dr. jur. Axel Theis, Baierbrunn Bernd Tönjes, Marl	Dr. h.c. Klaus Schmidt (Chairman), Böblingen Dipl.-Kfm. Roland Gerdon, Stuttgart
<div>¹⁾ since 27 November 2008 ²⁾ until 27 November 2008 ³⁾ until 23 April 2008</div>		

SUPERVISORY BOARD DEKRA AG	MANAGEMENT BOARD DEKRA AG
Prof. Dr.-Ing. Gerhard Zeidler (Chairman), Stuttgart Dipl.-Ing. (FH) Heinrich Breitbach (Deputy Chairman), Offenbach¹⁾ Marcus Borck, Bühl³⁾ Assessor jur. Hermann Burr, Uhingen³⁾ Wolfgang Chur, Stuttgart Rolf-Peter Hoenen, Coburg Dipl.-Wirtsch.-Ing. Arndt Günter Kirchhoff, Attendorn Prof. Dr. Günther Langenbucher, Stuttgart	Wolfgang Loschwitz, Berlin¹⁾ Wilhelm Oberfranz, Munich²⁾ Thomas Pleines, Munich Andreas Schwedler, Dresden¹⁾
<div>¹⁾ employee representatives ²⁾ employee representatives – representing senior managerial staff ³⁾ employee representatives – appointed by the trade unions</div>	

DEKRA SERVICE LINES

AUTOMOTIVE SERVICES



Vehicle Testing



Expertises



Used Car Management



Homologation
and Type Approvals



Mystery Shopping
and Consulting



Claims Services

INDUSTRIAL SERVICES



Testing and Inspection



Energy and Chemicals



SHE Services



Real Estate
and Construction



Product Testing



Certification Services

PERSONNEL SERVICES



Qualification



Temporary Work



Out- and Newplacement



BUSINESS UNIT DEKRA AUTOMOTIVE

Safety, quality, economic efficiency, environmental sustainability and social responsibility – the experts at DEKRA Automotive develop sustainable solutions that promote road safety and mobility. As the European market leader in regular vehicle testing and expert appraisals, we offer our customers independent expertise, innovative solutions and state-of-the-art technology. We thus play a key role in optimising traffic flows and minimising incidents.

DEKRA AUTOMOTIVE SALES (IN MILLION EUROS) AND EMPLOYEES	2006	2007	2008
Total sales	711.5	749.9	816.7
Employees	6,243	6,302	6,682
SERVICE LINES			
Vehicle Testing	473.0	498.4	536.4
Expertises	160.6	169.6	189.2
Used Car Management	31.3	30.9	38.0
Homologation and Type Approvals	6.4	5.9	7.5
Mystery Shopping and Consulting	7.4	9.1	9.9
Other Services	32.8	36.1	35.6

AUTOMOTIVE EXPERTISE FOR SAFETY AND SUSTAINABILITY

Customers demand comprehensive, integrated products and services. DEKRA is successfully structured around service lines that transcend countries and business areas. The DEKRA Automotive business unit was once again able to record gains in the growth areas of vehicle

testing, expertises, used car management, homologation and type approval, as well as consulting. Sales rose by around 9% in 2008, predominantly due to DEKRA Automobil GmbH in Germany. Within vehicle testing, DEKRA retained its leading position with a 34.7% share of the domestic market. Across Germany we have 497 offices, branches and test centres. We also operate some

40,000 inspection centres at car dealerships and workshops. A nationwide presence and close relationships with the automotive sector ensure the DEKRA brand enjoys a high level of recognition, while also supporting our cross-selling activities.

Electronics gaining ground

DEKRA is a pioneer when it comes to testing electronic systems and components. The proportion of vehicle tests involving on-board diagnostics (OBD) rose significantly again in 2008. Issuing smart cards for digital tachographs also performed well. We were able to hone our environmental profile and generate additional sales by issuing the particulate stickers required for the first time in new environmental zones in various parts of Germany. One highlight in the field of driving licences was the introduction of computer-based theory tests in the eastern part of Germany. DEKRA was involved extensively in pilot projects in Brandenburg and Berlin. A project whereby young learner drivers are accompanied by an adult compensated for falling sales in driver testing due to low birth rates. Our driving ability assessment centre (BfF) also expanded by entering federal states in Western Germany for the first time. Sales likewise grew in the field of technical safety.

The Expertises and Used Car Management service lines again recorded increases in sales and market share. DEKRA is the German market leader in these areas, offering a broad range of services and a close-knit network. Performance in the damage report sector was dominated by acts of God, with an unprecedented amount of damage being caused by hail. It nevertheless proved possible to process orders in a timely manner, not least due to our innovative solutions for insurance customers. We are increasingly leveraging automated processes and a modern IT infrastructure, which enables us to meet growing customer expectations.

In conjunction with experts at KTI (Institute of Motor Vehicle Engineering), DEKRA launched a pilot project to detect faulty electronic components in vehicles. Special diagnostics software enables specialist staff to analyse the status of all makes of electronics systems quickly and cost-effectively. This pilot project demonstrates how the experts at DEKRA are responding to the boom in electronics systems. Some 90% of current vehicle innovations involve electronics. This new diagnostics software boosts the accuracy of damage reports and appraisals.

» Including electronics testing in standard vehicle testing allows us to ensure that high environmental and safety standards are maintained throughout the entire life of the vehicle. «

CLEMENS KLINKE, Head of the Business Unit DEKRA Automotive

The leader in used car management

The DEKRA CarOperator and FleetOperator used car management systems allow us to tap into new customer segments. DEKRA has a presence at more than 300 major car dealerships. The takeover of GKK Gutachtenzentrale at the beginning of 2008 also contributed to our dynamic performance. This gave us broader access to fleet and leasing customers. DEKRA is already the market leader in the used car management segment and we will continue to expand the services we offer in this area.

Current projects relating to environment and sustainability:

- Issuing particulate stickers • DEKRA seal for used vehicles
- Training on securing loads and accident prevention
- SafetyCheck: free safety inspection for young car owners

www.dekra.de/automotive



Sales increases were achieved once more in the field of expert analytical appraisals. The DEKRA Technology Centre (DTC) proved highly successful with its locations in Klettwitz, Neumünster and for accident research in Stuttgart. Our test centre in Klettwitz won major new contracts from the automotive industry. An important part of the strategy to raise DEKRA's profile as a partner to the development departments of vehicle manufacturers and suppliers was being awarded the contract to operate the test oval at EuroSpeedway Lausitz, with an associated purchase option. This also reinforces our investment in the field of emissions testing and COP tests (conformity of production). COP tests are also a core aspect of our work at the crash test centre in Neumünster, alongside our development services. The new DEKRA test centre in the south of France provides additional expertise and capacity for stress testing.

Growing demand for consulting services

DEKRA Consulting GmbH also had a successful year. Making the service portfolio more focused and systematically developing it sharpened the company's profile. The DEKRA Performance Management System was launched, which allows optimisation of processes and management in servicing and sales. Big-name new customers were gained in the car segment. In addition, the first mystery shopping exercises on workshop services were performed for major commercial vehicle

manufacturers. A DEKRA Consulting study on the state of car sales in Germany attracted a lot of public interest. The study helped boost recognition of the Consulting service line and to present its areas of expertise more effectively in the relevant customer segment.

Committed to integrated mobility

Numerous political and non-profit initiatives by the DEKRA Automotive business unit underline DEKRA's commitment to social responsibility. Campaigns have included a SafetyCheck for vehicles owned by young people who have recently passed their driving test and Safety Plus, which is designed to improve active and passive safety in commercial vehicles. Other activities, such as tests related to optimising traffic flows and investment to expand the Klettwitz facility in the field of emissions technology, help DEKRA meet its objective of making mobility more eco-friendly and sustainable. We are working closely with experts at the DEKRA Industrial business unit on alternative fuels. The first outcome of this is an internal study on the sustainability of second-generation biofuels. Some results of the study were presented at the Stuttgart World Mobility Forum in early 2009.



BUSINESS UNIT DEKRA AUTOMOTIVE INTERNATIONAL

DEKRA's core automotive business is a networked global operation that is undergoing systematic expansion. As the European number one, we have strengthened our position in the markets for testing and expert services in terms of both quality and quantity and broadened the product range. We are entering new markets on every continent on an ongoing basis.

DEKRA AUTOMOTIVE INTERNATIONAL SALES (IN MILLION EUROS) AND EMPLOYEES	2006	2007	2008
Total sales	133.1	145.4	166.2
Employees	1,187	1,358	1,936
SERVICE LINES			
Vehicle Testing	87.2	87.1	86.6
Expertises	10.5	12.3	17.4
Used Car Management	1.8	5.0	8.1
Homologation and Type Approvals	–	2.2	7.1
Mystery Shopping and Consulting	0.7	1.0	6.7
Claims Services	24.2	27.7	30.8
Other Services	8.7	10.0	9.6

SET FOR INTERNATIONAL EXPANSION
BASED ON ADVANCED SERVICES

DEKRA is the undisputed European market leader for regular vehicle testing and expertises. With its own test centres and partner networks in nine countries in Europe and beyond, DEKRA is one of the most

important safety service providers in these national markets when it comes to vehicle testing. In France, the second core market after Germany, DEKRA Automotive has extended its market position by establishing new business segments in the field of homologation, expert services and used car management. The acquisition of the Netherlands-based



Bartok Group also strengthened our network. New companies in the UK, South Africa, Russia and Croatia allowed us to tap into other attractive growth markets. The DEKRA Automotive International business unit boosted its sales by 14.3% in 2008.

International testing expertise

DEKRA was able to further consolidate its position as Europe's leading provider of vehicle testing. In France, DEKRA Automotive asserted its leadership despite deregulation of the market. New software was successfully rolled out across 1,400 test centres. This enables electronic components to be tested and links all the vehicle test centres.

DEKRA Automotive is driving forward its expansion in Africa. Experience gained in setting up a network of test centres and a partner network is being leveraged to enter additional markets. In order to prepare for the planned introduction of regular vehicle testing for cars in South Africa, DEKRA has formed a joint venture with South African partners. The aim is to build a comprehensive network across the country. Mandatory tests of roadworthiness are already being offered at more than 30 test centres when the ownership of cars changes. DEKRA will continue to play an active role in future in deregulation processes affecting the vehicle testing business in countries within Europe and elsewhere.

The franchise and partner networks in the Czech Republic, Poland and Italy performed reliably. The syndication model in Italy, which was introduced there at the same time as the franchise system, was extended, with new test centres being set up. In the

US states of Georgia and Texas, DEKRA Emission Check stood out in the face of strong competition by providing excellent service and having a strong customer focus.

The network of DEKRA type approval centres in Germany, the Czech Republic, Slovakia and Italy now also extends to China. This enhances the Homologation and Type Approvals service line, as did the acquisition of the CERM type approval centre in France, which specialises in tyre testing. In conjunction with existing sites in Germany, the new DEKRA test centre near Narbonne provides a good foundation for serving global customers.

» DEKRA is systematically expanding into promising automotive growth markets, offering expert services for which there is strong demand. «

STEFAN KÖLBL, Head of the Business Unit DEKRA Automotive International

Enhanced expert services

In Europe, DEKRA built on its leading role within the field of expert services by making further acquisitions and establishing a number of new businesses. Insurers, automotive manufacturers, importers and executive bodies such as courts and public prosecutors all leverage the knowledge of our experts via a range of vehicle appraisals, expert reports and accident analysis services.

Current projects relating to environment and sustainability:

- Safety and emissions testing • Emissions homologation
- Research into alternative drive systems • Type approval tests
- Claims services • Mystery shopping on workshop services

www.dekra.de/international



DEKRA acquired Dutch group Bartok B.V. – the number two in its domestic market in the expert appraisals sector. This allows DEKRA to offer expert appraisals and claims services in the Netherlands from a single source for the first time. In addition, insurance claims covering title, liability and transport damage can now be settled outside Germany.

In France, we successfully added damage reports to the range of services offered by DEKRA Expert S.A.S. In the field of used car management, the company is already the second biggest provider in the country. New companies for appraisals and valuations were established in Croatia and the UK. In Russia, the new company DEKRA RUSS represented an important step towards expanding into this growth market by providing expert services and other DEKRA services.

We also offer expert appraisals, the DEKRA seal and mystery shopping on workshop services to major automotive marques, insurers and service chains outside Europe, as well as consulting services. In addition, certification in accordance with ISO 9000 ff and other standards is offered by DEKRA companies in France, Italy, the Czech Republic, Slovakia and Poland.

Europe-wide claims services

DEKRA Claims Services International N.V. offers claim settlement services across a wide geographic area and is one of the leading organisations of its kind in Europe. The network includes our own companies in 16 countries and networks of partners in 20 countries. During 2008, new companies were established in Morocco and Turkey. The focus with regard to expanding our existing position continues to be Central and Eastern Europe.

The company's broad customer portfolio consists of European insurers, brokers and fleet operators. DEKRA Claims Services has been awarded contracts for several projects relating to the right of insurers to offer products across Europe, successfully positioning itself as an outsourcing partner.

Setting a milestone in Brazil

DEKRA's core automotive business is expanding in national and international markets alike. One milestone in our international strategy was the acquisition of Brazilian company Volchi-Holding, including the companies Linces, Checkauto and Identicar, with effect from 1 January 2009. The group works for banks, car dealers, the authorities and private customers. Around 600 employees generated annual sales of some 30 million euros in the field of vehicle valuations, vehicle identification and theft analysis. Since it was established in 1986, Linces has produced 17 million appraisals and has a market share of approximately 60%. Together with DEKRA Expertises Ltda., this makes DEKRA the biggest expert organisation in Brazil.



BUSINESS UNIT DEKRA INDUSTRIAL

In the field of industrial testing, our experts support customers from the planning stage through to long-term monitoring or certification. There is a growing requirement for safety and quality services worldwide. High-value services, independence and expert knowledge are the key to delivering lasting results. By offering modular services and continual innovation, DEKRA Industrial is expanding across different sectors and countries with great success.

DEKRA INDUSTRIAL SALES (IN MILLION EUROS) AND EMPLOYEES	2006	2007	2008
Total sales	269.1	304.6	350.6
Employees	3,523	3,855	4,591
SERVICE LINES			
Testing and Inspection	135.3	151.8	164.0
Energy and Chemicals	1.7	2.0	8.9
SHE Services	42.5	47.2	65.0
Real Estate and Construction	61.7	72.3	79.3
Product Testing	2.6	3.2	3.8
Certification Services	24.2	27.3	28.3
Other Services	1.1	0.8	1.2

EXPERT KNOWLEDGE THAT BENEFITS PEOPLE, TECHNOLOGY AND THE ENVIRONMENT

The DEKRA Industrial business unit has built an excellent reputation for itself across Europe. The increase in sales of over 15% in 2008 stems from strong organic growth, addressing new business segments and carrying

out acquisitions to expand its portfolio. In Germany, we have maximised the opportunities presented by full deregulation relating to machinery subject to mandatory inspection and have firmly established DEKRA as a new market player in just a short time. We are already one of the three largest service providers of non-destructive material testing. In France, the second core market, our market share was retained despite intense competition.

In order to better position DEKRA as a one-stop service provider and to maximise the market’s potential, DEKRA Industrial GmbH was set up in Germany at the beginning of 2008. As a shared service organisation, it handles sales, marketing and human resources activities for the individual companies. In other markets we are likewise systematically focusing on high-value services. The international network is being expanded all the time. DEKRA has responded to rising global demand for independent expert opinions, product testing and certification by establishing the Product Testing service line. Our new test laboratory in Stuttgart and a joint venture with China’s biggest private product testing company, which employs some 1,300 people, highlight DEKRA’s expertise in this area.

Broader portfolio of offerings

Moving into new fields of business has further strengthened the Testing and Inspection and SHE Services service lines. In Germany, the DEKRA Testing & Inspection GmbH (DTI) recorded a sales growth of 33.3%, partly due to the end of the country’s inspections monopoly. Since the inspections monopoly for machinery subject to mandatory inspection ended in January 2008, DTI has been contracted to inspect almost 50,000 lifts. In some specific areas, our market share has increased significantly – one in four filling stations in Germany is now inspected by DEKRA, for example. Major contracts to perform inspection tasks at multiple locations were also gained. For customers, the decisive factors are DEKRA’s nationwide presence and ability to act as a one-stop provider of services ranging from straightforward inspections by technical experts to the sophisticated expert services of an approved inspection agency.

A sustainability management business unit has been created, complementing the existing portfolio of services associated with REACH (Registration, Evaluation and Authorisation of Chemicals) and energy efficiency analysis. New activities include advising on sustainability strategy and performing product life cycle assessments of environmental impact. DEKRA Umwelt GmbH is also extending its product range in the energy sector. The main segments are renewable primary products and secondary fuels.

» DEKRA Industrial will continue to grow in future as a one-stop provider under a single brand. This will benefit our customers in Europe, as well as in Africa and Asia. «

MARK THOMÄ, Head of the Business Unit DEKRA Industrial

The safety and efficiency of electrical equipment forms the focus of new company DEKRA Inspection Services GmbH. By acquiring DLI Dienstleistungen für Industriebetriebe GmbH, which specialises in industrial services, DEKRA is now able to offer a wide range of expert inspections in the field of electrical engineering.

Sights set on key markets

By merging Horcher GmbH and ZWP GmbH – which were acquired in 2007 and 2008 respectively – to form DEKRA Material Testing GmbH, DEKRA is expanding its expertise in non-destructive material testing. In conjunction with DEKRA Industrial in France, an overall strategy was developed to position these services in key international markets. One example is the market for energy and chemicals.

Current projects relating to environment and sustainability:

- Energy performance certificates for buildings
- Monitoring construction work
- Material and product testing
- Eco audits
- Certification of quality, environmental management and risk management systems

www.dekra.de/industrial



In France, existing areas of expertise were also enhanced and new activities developed. DECTA, which was acquired by DEKRA Industrial in March, was successfully integrated. It specialises in consulting, risk analysis and risk prevention for major industrial companies. By acquiring Thermotique, we have been able to tap into new fields of business relating to technical consulting and the assessment of building services with a strong focus on energy efficiency.

Within the Certification service line, DEKRA is attractively positioned with its offerings in the management system, product and personnel certification segments. All certifications represent a way for customers to safeguard their long-term competitiveness and market efficiency. The DEKRA Certification group gained further market share as a one-stop provider. By achieving EN 9100 accreditation, it was able to add aerospace certification to its service portfolio. A new subsidiary was established in the Ukraine.

International presence expanded

DEKRA Industrial remains on course for further international growth. The acquisition of Ambio S.A. in Spain enabled DEKRA to enter the Spanish market and the wind power sector at the same time.

At the end of 2008, DEKRA acquired Finnish company Polartest Oy, thereby gaining a presence in the Scandinavian market. The company has many years of experience in the field of non-destructive material testing. The acquisition of Moroccan company Expertec in December extended DEKRA's activities in North Africa. Expertec is particularly active in the field of quality assurance for major infrastructure projects.

NORISKO to be rebranded DEKRA Industrial

In the middle of fiscal year 2009, the NORISKO brand will be renamed DEKRA. This represents a further step in the integration process, four years after taking over the French group. By switching brands in this way, the DEKRA Group wishes to raise its profile both nationally and internationally, having previously been mainly known in the French market through DEKRA Automotive.



BUSINESS UNIT DEKRA PERSONNEL

Sustainable economic activity benefits society. The DEKRA Personnel business unit provides customer-specific solutions based on a high level of specialist and social expertise – ranging from training workers to meet job market requirements through to placement and integration and individual consulting services. Through specialist publications we offer timely information on optimising efficiency in the transport and logistics sector.

DEKRA PERSONNEL SALES (IN MILLION EUROS) AND EMPLOYEES	2006	2007	2008
Total sales	259.8	309.8	331.7
Employees	4,841	5,874	6,469
SERVICE LINES			
Qualification	119.9	150.2	176.5
Temporary Work	97.4	121.7	128.6
Out- and Newplacement	24.9	21.7	9.2
Other Services	17.6	16.1	17.5

BENEFICIAL SYNERGIES FOR EFFICIENT PERSONNEL MANAGEMENT

The focus of the DEKRA Personnel business unit is on the service lines Qualification, Temporary Work, and Out- and Newplacement. Although the individual companies are active in different markets with their own specific features, we generate synergies by focusing on similar areas. For example, DEKRA Akademie GmbH

trains professional drivers or fleet managers who can then find positions through the DEKRA Arbeit Group. Conversely, temporary workers are able to complete further training during periods when they do not have a placement. This value-added chain enhances our reputation significantly. In Eastern Europe, we entered the market with an integrated overall concept from the start. In Slovakia, for example, temporary work, training and placement services are provided by a single source.



The DEKRA Personnel business unit continued to grow successfully during the reporting year, with sales increasing by 7.1% in 2008. DEKRA Akademie GmbH made a major contribution to this positive performance. Despite a difficult economic environment, the DEKRA Arbeit Group also underwent expansion in both Germany and beyond. We continue to focus on strategically important areas such as engineering and medical services.

Modular training

DEKRA Akademie is one of Germany's biggest independent training bodies and also has a growing presence in other countries. Industrial, technical and business training is complemented by professional integration and placement services. The upward trend of previous years was sustained in 2008 with double-digit growth in sales.

Massive expansion of p.r.o.f.i. self-learning centres boosted efficiency in terms of the seminars on offer and gives DEKRA a major competitive advantage. Participants are able to start their course at any time, taking modules at different training levels and in different subject areas. Developing this into a web-based service will open up further opportunities for us in the publicly funded and private training markets.

New legislation in Germany on professional driver qualifications had a positive impact, coming into effect for passenger transportation in September 2008 and applying to goods vehicles from September 2009. In future, truck and bus drivers must demonstrate specific activity-related skills and knowledge in addition to holding the relevant driving licence. The aims are to optimise road safety, improve driver understanding of economical driving styles and to establish a single training standard across the European Union.

» DEKRA's portfolio of integrated personnel services is unique. Our concept has made us successful both in Germany and abroad. «

JÜRGEN NUSSER, Head of the Business Unit DEKRA Personnel

DEKRA Soziale Dienste gGmbH is a non-profit organisation. It commenced operations in 2008 and is responsible for projects to integrate the unemployed, welfare recipients, young people and older people into the world of work. At DEKRA Akademie Kft. in Hungary, the growth strategy focuses on the topics of work safety and EU professional driver training in particular. In late 2008 the company merged with Albasafe Kft. to become DEKRA Albasafe Akademie Kft. The German Institute of Business Management (Deutsches Institut für Betriebswirtschaft) boosted its market position and was able to significantly improve all key indicators.

Current projects relating to environment and sustainability:

- Training for professional drivers and fleet managers
- Training in eco-friendly driving and transporting hazardous goods
- Helping the long-term unemployed back into work

www.dekra.de/personnel



Temporary workers with better qualifications

There were two quite different aspects to the market for temporary work in 2008. Previously above-average domestic growth at DEKRA Arbeit GmbH was initially slowed by a lack of qualified applicants. As the year progressed, market volume then fell due to the effects of the economic slowdown. International expansion continued. In Croatia, DEKRA Zaposljavanje d.o.o. is the market leader and has eleven offices there. Other companies operate in Macedonia, Hungary, Serbia and Montenegro, as well as Slovakia. New companies in the Czech Republic and Spain commenced operations.

The group focuses on the field of temporary work and personnel placement, taking into account the specific legal situations in individual countries. A diverse range of industries is served. Our traditional service profile is enhanced by services in the field of human relations consulting. In Germany, DEKRA Arbeit had 82 offices at year-end. In future, DEKRA Arbeit will focus even more on attracting highly skilled personnel in the engineering and medical professions.

In order to maintain our profit-oriented growth course into the future, DEKRA Arbeit has invested long-term in a key success factor – its people. Some 300 employees took part in training courses or are studying for management qualifications.

DEKRA Personaldienste GmbH successfully completed a restructuring process in 2008. The company is ready to face the economic downturn with an enhanced services portfolio.

More user value online

Our joint venture EuroTransportMedia Verlags- und Veranstaltungs-GmbH (ETM) felt the effects of the weak market for commercial vehicles in the final quarter of 2008. Sales remained stable, primarily due to successful marketing of the Nürburgring Truck Grand Prix and increasing revenues from TV marketing. The extension of our online offerings enjoyed a good response from the market. After successfully launching the web-based community platform fernfahrer-club.com in 2007, ETM's new transport business platform euro-transportonline.de went live on the Internet in the autumn. The websites of transaktuell.de, lastautoom-nibus.de, firmenauto.de, lastundkraft.de and transporter-magazin.com are all available here via a single portal. The key feature of this special service for the transport and logistics sector is content that offers increased user value.

THE DEKRA MANAGEMENT

From left to right

DR. WALTER PELKA Managing Director DEKRA Testing & Inspection GmbH
DR. BERND STEISSLINGER Managing Director DEKRA Umwelt GmbH
DEKRA Certification GmbH
DEKRA Real Estate Expertise GmbH
XAVIER GAILLARD Managing Director NORISKO S.A.
PIERRE BONTE Managing Director NORISKO S.A.

AXEL NOACK Managing Director DEKRA Automotive S.A.
DR. ROLAND KRAUSE Managing Director DEKRA International GmbH
VINCENT JACOBS Managing Director DEKRA Claims Services International N.V.

From left to right

SUZANA BERNHARD Managing Director DEKRA Arbeit GmbH
JÖRG MANNSPERGER Managing Director DEKRA Akademie GmbH

STEPHAN HEIGL Director Communication & Marketing
REINER LEBER Director IT Division
ULRICH ROTHFUCHS Director General Counsel & Compliance
ERICH MÜLLER Director Financial Reporting & Controlling
KAI VARNAI Director Human Resources



From left to right

DIETER ROTH Managing Director DEKRA Automobil GmbH
DR. GERD NEUMANN Managing Director DEKRA Automobil GmbH
WOLFGANG LINSENMAIER Managing Director DEKRA Automobil GmbH

CLEMENS KLINKE Head of Business Unit DEKRA Automotive
MARK THOMÄ Head of Business Unit DEKRA Industrial
STEFAN KÖLBL Head of Business Unit DEKRA Automotive International
JÜRGEN NUSSER Head of Business Unit DEKRA Personnel

From left to right

ROLAND GERDON Member of the Board DEKRA e.V./DEKRA AG
DR. H.C. KLAUS SCHMIDT Chairman of the Board DEKRA e.V./DEKRA AG

DEKRA AG
FINANCIAL REPORT 2008

Group Management Report		Consolidated Financial Statements	
29	Business Development and Economic Environment	48	Consolidated Balance Sheet
29	Group Structure and Business Activities	49	Consolidated Income Statement
30	Business Environment	50	Consolidated Cash Flow Statement
32	Business Development	52	Consolidated Statement of Changes in Equity
32	Group	54	Notes to the Consolidated Financial Statements
33	Automotive Services Segment		
35	Industrial Services Segment	73	Audit Opinion
36	Personnel Services Segment	74	Report of the Supervisory Board
36	Employees		
38	Research and Development		
39	Quality Management		
40	Net Assets, Financial Position and Results of Operations		
43	Subsequent Events		
44	Risk Report		
46	Forecast Report		

DEKRA AG
GROUP MANAGEMENT REPORT
FOR FISCAL YEAR 2008

BUSINESS DEVELOPMENT AND
ECONOMIC ENVIRONMENT

Group Structure and Business Activities
Global commitment to improved safety,
quality and sustainability

DEKRA is third in the global ranking of expert organisations. With impartiality and expertise, it offers services for improved safety, quality and sustainability in relation to human interaction with technology, the environment and mobility. A total of 166 subsidiaries work under the umbrella of DEKRA AG. All the shares in DEKRA AG are owned by DEKRA e.V., Stuttgart. Its operating business is divided into the four business units, DEKRA Automotive, DEKRA Automotive

International, DEKRA Industrial and DEKRA Personnel. The services portfolio comprises the Automotive, Industrial and Personnel segments.

Automotive Services include Vehicle Testing, Expertise, Used Car Management, Homologation and Type Approvals, Mystery Shopping and Consultancy as well as Claims Services.

Industrial Services comprise: Testing and Inspection, Energy and Chemicals, SHE Services, Real Estate and Construction, Product Testing and Certification. Personnel Services include Qualification, Temporary Work and Out- and Newplacement. Cross-border and cross-disciplinary competence centres ensure an efficient transfer of know-how and innovation between the individual service lines.

SERVICES PORTFOLIO		
AUTOMOTIVE SERVICES	INDUSTRIAL SERVICES	PERSONNEL SERVICES
Vehicle Testing	Testing and Inspection	Qualification
Expertises	Energy and Chemicals	Temporary Work
Used Car Management	SHE Service	Out- and Newplacement
Homologation and Type Approvals	Real Estate and Construction	
Mystery Shopping and Consulting	Product Testing	
Claims Services	Certification Services	

DEKRA is not only the market leader in the European automotive inspection and appraisal business, but is also active in North and South America, Africa and Asia. The industrial inspection business is expanding rapidly. DEKRA is well established in Europe and pushing for the position of market leader. We are present on strategic growth markets abroad and are further developing our position. Integrated personnel services are also becoming internationalised. All business units will continue to expand – under strict cost management. DEKRA's growth is both internally driven and brought about by acquisitions, tapping systematically into new markets and thus playing a decisive role in the consolidation of the industry.

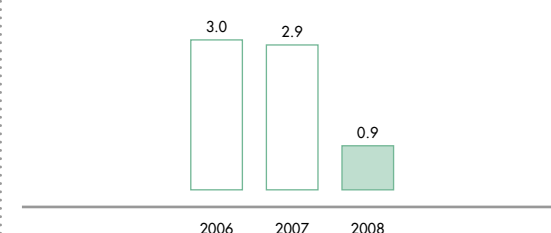
Business Environment

Crisis on the financial market – a brake on the real economy

The global economy cooled considerably in 2008. Increasing energy prices were to blame, alongside default on loans and plummeting share prices on the international financial markets. Several national governments saw themselves compelled to introduce economic stimulus packages in the second half of the year. The International Monetary Fund (IMF) expects the recession in the USA, Europe and parts of Asia to continue in 2009. Global economic growth could fall to just 0.5% compared to 3.4% in 2008 and 5.2% in 2007.

According to EUROSTAT, the gross domestic product (GDP) increased by just 0.8% in the euro zone in the fiscal year (prior year: +2.6%). The European Union as a whole (EU27) saw growth of 0.9% (prior year: +2.9%). All EU countries were affected by the downturn. DEKRA's core markets, Germany and France, managed to achieve positive GDP growth. Our Group developed very well in both countries.

GDP GROWTH RATES IN EUROPE (EU27)
IN %



According to figures from DESTATIS, Germany's GDP was up 1.3% after adjusting for inflation (prior year: +2.5%). This modest increase is due to the recessionary trend of the last quarter of 2008.

The Federal Employment Agency reported a decrease in unemployment to 7.8% (prior year: 9.0%). As of year-end, the number of jobs available decreased significantly. In addition, the number of companies registering short-time work increased. The number of people in gainful employment came to 40.3 million according to DESTATIS (prior year: 39.7 million). Of this figure, 72.5% (prior year: 72.4%) work in the service sector.

The jobs index (BA-X) of the Federal Employment Agency tracks the seasonal development of demand for workers. At 154 points in December, it was down 21 points on the prior year. The index signalled continued high demand, albeit with a drop in demand in sight. This corresponds to DEKRA's experience in the Temporary Work segment.

Inflation was shaped by energy costs. According to EUROSTAT, prices in the European Union increased by 3.3% (prior year: +2.1%) on average for the year. The German Federal Statistics Office recorded an increase in consumer prices of 2.8% (prior year: +2.3%) for Germany.

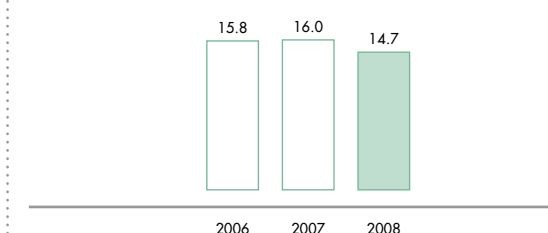
Falling Industrial Production in Europe

As an international service provider, DEKRA operates primarily in the commercial and technical sector, specifically in its Automotive and Industrial fields. These industries also have a significant influence on the development of our Personnel Services.

Industrial production saw a decline in 2008. According to EUROSTAT, the average industrial production index fell 1.7% in the euro zone and 1.6% in the EU27 compared to the prior year. The commodities, consumer and capital goods sectors were hardest hit.

Demand in the automotive sector collapsed. According to estimates, there is overcapacity of around a quarter worldwide for car production. The number of new cars registered in Europe fell to the lowest level for fifteen years according to figures from ACEA, the European automobile manufacturers' association. 13.6 million new cars were registered in Western Europe (EU15 and EFTA), 8.4% fewer than in the prior year.

PASSENGER VEHICLE SALES IN EUROPE
IN MILLION UNITS



Sales figures were down 7.8% to 14.7 million cars sold in Europe as a whole. The strong demand for commercial vehicles seen in the prior years also came to an end. Light commercial vehicles, the largest segment, suffered a Europe-wide decline of 10.4%. According to the German Federal Office for Motor Traffic, a total of 3.65 million (–1.5%) new vehicles were registered in Germany. The number of new cars registered decreased by 1.8% to just under 3.1 million. The truck industry managed an increase of 0.1%, while tractor units saw a loss of 1.9%.

ACEA reports a total of more than 251 million vehicles in the EU for the prior year 2007. Of these, 87% relate to cars. The highest density of figures is to be found in Germany, Italy, France, the UK and Spain. Statistically, one in two inhabitants of Western Europe owns a car. The ratio is much lower in Eastern Europe.

Our Expertise and Claims Services segments are affected by the development of accidents and other insurance claims. According to estimates of the German Federal Highways Research Institute, the number of road accidents recorded by the police fell by almost 3% to some 2.27 million accidents in 2008. According to the German Insurance Association (GDV), the amount paid out in vehicle insurance claims rose some 2% to approximately 19.5 billion euros.

The industrial inspection business is extremely inconsistent. There are no standardised performance indicators. Competition is fierce for new and existing customers on the various markets.

Personnel services are dependent on the economic environment. There are no reliable performance indicators available across Europe for the Qualification and Out- and Newplacement segments. The German market for temporary blue-collar staff grew by 0.6% to 635,000 by the middle of 2008 according to estimates by the BZA, the German Association of Private Employment Agencies.

BUSINESS DEVELOPMENT

Group

A forward-looking strategy on all markets

The DEKRA Group continued along the trajectory of growth in 2008 and built on its market position. The percentage increase in sales was once again in double figures, as was the EBIT. With the addition of around 2,000 employees, the total number worldwide reached the 20,000 threshold. This is a record in the history of the Group.

The results reflect the strategic gearing of the Company towards growth markets. We managed to take advantage of the global rise in demand for safety and quality services. Innovative product offerings, targeted acquisitions and efficient internal processes contributed significantly to our sustained corporate success.

DEKRA invested heavily in new fields of business in its core Automotive Services as well as Industrial Services and Personnel Services. This led to strong internal growth. We also tapped new markets in Europe and other regions. Strategic acquisitions enhanced our range of services and increased our international presence. In the course of the year, we made 15 acquisitions with a total sales volume of some 100 million euros p.a. Our own financial strength was not damaged by the financial crisis and once again proved a competitive advantage.

15 strategic business segments were defined with the aim of focusing growth momentum. Future growth of the business units is to be geared towards these. With our consistent single-brand strategy, we are able to underline our role as single-source provider of expert services.

The automotive business exhibited growth from new services and acquisitions. Highlights included the purchase of the Bartok Group, second for claims services and expertise in the Netherlands as well as the takeover of GKK Gutachtenzentrale GmbH & Co. KG, a provider of expertise and used car management services specialising in leases and vehicle fleets.

The highlight in the industrial inspection business was the acquisition of shares in Polartest Oy as of December 31, 2008. The Finnish provider of safety services is the leader in the field of material testing and the second-largest provider of inspections of pressure equipment in Finland.

DEKRA was also able to profit from the full market liberalisation in Germany, establishing itself as a strong participant on the market. We entered the product certification business for the first time, building on our existing competence and activities in the areas of petrochemicals, renewable energy and non-destructive testing. Sales and earnings were increased and the position of the DEKRA Personnel Services was consolidated as strategic pillar in the Group, thanks to integrated personnel services.

Automotive Services Segment

Core automotive business strengthened

DEKRA is the undisputed leader on the European market for regular vehicle inspections and expert appraisals. DEKRA Automobil GmbH, easily the largest of the subsidiaries, was able to secure its market leadership in the inspections business despite fierce competition. Sales increased considerably in the strategic segments Vehicle Testing and Homologation, Expertise and Used Car Management as well as Consulting. Our takeover of GKK Gutachtenzentrale in the first quarter of 2008 cleared the way for our entry to business with vehicle fleet and lease customers.

The provision of particulate stickers to vehicle owners for the new congestion zones of various large German cities presented a challenge. We increased our share in on-board diagnosis inspections. In terms of testing people, the further penetration of the “accompanied driving at 17” concept was relevant for the positive development. Since 2008, the driving theory test has been computerised in the Federal State of Brandenburg. This is an important step for the further development of this service.

We continue to expand our activities as provider of assessment centres for driver suitability. Sales rose again in the technical safety business. This sector is of increasing importance to our efforts to provide a well-rounded product range. The DEKRA Technology Centre (DTC), located in Klettwitz and Neumünster and with an accident research centre in Stuttgart, was extremely successful.

The appraisal business was characterised by a sharp increase in damages from the elements in 2008. Claims resulting from hailstone in particular were at an unprecedented level. We were pleased that we succeeded in quickly processing the contracts awarded by our customers, despite the scale of the problem. The wide range of services we offer together with our extensive network mean that we are able to provide our customers documented evidence of our solution competence. As in prior years, sales revenue from analytical appraisals increased once again.

The used car management and valuation business saw healthy growth. We gained numerous new customers through DEKRA CarOperator and DEKRA FleetOperator.

Dynamic Expansion Abroad

DEKRA is also on a growth course in its core automotive business internationally. With its own test centres as well as partner systems in France, the Czech Republic, Italy and Slovakia, DEKRA is one of the major organisations on each of these national markets. In France, the second core market after Germany, DEKRA managed to improve its market position by including new business segments, e.g., Homologation, Expertise and Used Car Management.

The range of services offered by DEKRA in France is now almost as extensive as in Germany. DEKRA is now one of the market leaders in used car management in France.

In addition, we have successfully established ourselves in the expertise and homologation segments. DEKRA was also able to build on its market position in type approvals/homologation in Italy.

We are pressing ahead with our expansion in Africa. The experience gained at DEKRA Automotive Maroc S.A. will be put to use for entry to other markets. The Joint Venture DEKRA Automotive Pty. Ltd. set up in South Africa acquired 9 inspection centres in the reporting period, laying the groundwork for a national presence.

Further attractive markets are covered by new companies in Russia, the UK and Croatia. We can expand in the areas of vehicle valuation, vehicle identification and theft prevention in Brazil from the beginning of 2009 thanks to our majority interest in the Volchi Group (Linces Group).

The takeover of the Dutch specialist appraiser Bartok B.V. means that we can offer transport damages services in the maritime sector as well as appraisals in the automotive sector. Bartok also offers claims services in the Netherlands. The international network for claims services is thus being systematically built up.

DEKRA Claims Services International N.V. in Brussels continued on its successful course.

Industrial Services Segment

Huge expansion of segments

DEKRA was once again highly successful in the Industrial Services segment. Growth was above average in Germany, due not least to the liberalisation of the industrial inspections markets for equipment subject to technical inspection requirements. Despite fierce competition in our second core market, France, we managed to retain our market share. The effects of the financial crisis were barely perceptible in the majority of the segments, with the exception of diagnostics services for real estate transactions on the French market, which exhibited a decline of over 20%.

Safety, Health and Environment (SHE) Services strengthened its market position as a result of entering into new areas of activity. A new service, “sustainability management” was added in Germany. A web-based security portal complements the service spectrum in the health and employment segment.

With the takeover of ZWP GmbH & Co. KG and DLI Dienstleistungen für Industriebetriebe GmbH, DEKRA expanded its range of expert inspection services in Germany and was able to expand its position in non-destructive material testing. In close cooperation with NORISKO in France, an overall strategy for launching these services on other key markets internationally is in the first stages of development.

With the takeover of the Finnish company Polartest Oy with effect as of December 31, 2008, DEKRA signalled its entry to the Scandinavian market.

DEKRA also extended the range of services to include aviation certification.

Acquisitions also enhanced the services portfolio in France. DECTA S.A.S., a company specialising in consultancy, risk analysis and risk prevention, was successfully integrated. It strengthens the SHE segment. Thermotique S.A.S. brings new areas of activity to consulting and valuation services relating to technical building equipment.

The takeover of the Spanish company Ambio S.A. enabled entry to the wind power sector. DEKRA Certification GmbH was active in product certification on the Chinese market with a joint venture at the end of 2008. DEKRA’s presence on the North African market was strengthened through the purchase of Expertec S.A.R.L., Morocco.

Personnel Services Segment

Focus on integrated services

Our Personnel Services are centred on Qualification, Temporary Work and Out- and Newplacement. DEKRA once again recorded growth in sales in this segment, partly driven by the shift in focus of the Qualification activities.

With innovative qualification opportunities and teaching methods, 2008 was DEKRA's best year yet. DEKRA managed to increase sales in the Temporary Work segment as well, achieved not least thanks to the focus on strategic fields of business such as engineering and medical services.

Although the various companies operate in different markets, our shared key focus allows us to realise synergies. The p.r.o.f.i. independent learning centres of DEKRA Akademie GmbH allow us to train temporary workers at times when they are unoccupied, for example. In Eastern Europe, we offer an integrated holistic concept. In Slovakia, for instance, temporary work, training and placements are all offered from a single source.

Good progress was made in the internationalisation drive in Hungary through two new acquisitions. Work safety and training for professional drivers are at the heart of these. Furthermore, new companies started operations in the Czech Republic and Spain in 2008.

The strategy of integrated offers in DEKRA's Personnel Services segment proved valuable because this area is highly sensitive to the economic environment. This approach enables us to achieve a balance between the individual business segments.

Employees

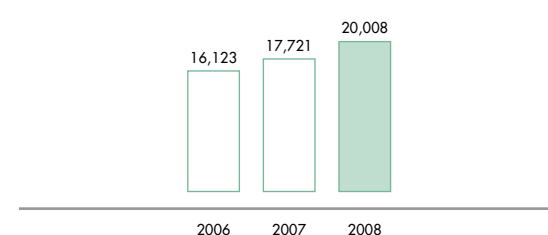
Continued growth

The good development of business went hand in hand with a renewed increase in the number of jobs. The threshold of 20,000 employees was crossed for the first time in DEKRA's history. An average of 20,008 (prior year: 17,721) employees worked for the Group in 2008. This development is attributable to strong internal growth in the business units as well as the extensive acquisition activities.

The proportion of employees abroad continued to increase, up 4% on the prior year at 31%. Not including temporary workers, 41% (prior year: 35%) of the workforce was located outside of Germany. With 4,429 (prior year: 4,051) employees, France remains the backbone of our international presence.

DEKRA Arbeit GmbH was unable to escape the situation in the Temporary Work segment brought about by the downturn of the economy in the second half of the year. Measures to modify the capacity and structure introduced at short notice stabilised and secured the development.

EMPLOYEES ON AVERAGE



Vertical and Horizontal Strength through Qualification

A high degree of specialist competence and absolute customer-centricity is a major success factor in our business models. DEKRA is prepared to meet these criteria through careful selection of personnel and qualification. Internal qualification focuses on training inspection engineers and official experts in the automotive sector. The number of industrial participants is rapidly increasing, with almost 90 engineers training to become official experts for pressure equipment or elevator facilities.

The industrial area in Germany has also built on existing collaborations with universities through its cooperation with Berufsakademie Stuttgart/Horb.

The "DEKRA International Advancement program" was very popular in all business units. This modular course of seminars held in English serves to improve international and intercultural competence. Participants from Germany, Austria, France, Belgium and the Netherlands were brought together in the course of the programme in 2008.

DEKRA operates on an international scale, but also has a strong local focus. That is why we place such great importance on supporting the development of business outside of our key markets using qualified personnel from Germany, France and other countries. German and French experts from DEKRA have been working in China, Russia and South Africa over a prolonged period. When they return, the competence they have gained from their placement abroad is valuable for the development of further international projects.

In order to raise the appeal of the Company still further and communicate this to our core target group in Germany, an image campaign was developed in 2008 which was geared towards the brand profile and launched at the end of the year. A key component includes the modern, user-friendly careers page on the internet which offers applicants and anyone potentially interested an insight into working at DEKRA, with facts and background information as well as a list of job vacancies and application methods. This basic concept can also be applied to other countries.

Research and Development

Customer-centric expert knowledge

Systematic and comprehensive innovation management is a key contributor to DEKRA's corporate success. Therefore, we are dedicated to continually developing new customer-centric solutions. In 2008, we once again invested considerable funds to update and expand our range of services in the areas of automotive, industry, safety and environmental protection as well as personnel. This put us in a position to enter the global market for product certification in the reporting period and enabled us to develop new competence in the areas of non-destructive material testing and renewable energy as well as for the key markets energy, chemical, oil and gas.

Our innovation management is based on concrete specifications and indicators. Forging ahead with the development of our IT infrastructure and computer assisted market offerings are of strategic significance, helping us to gain and retain customers. Solutions of this type can be adapted to suit different regions and offered internationally. Supranational and cross-disciplinary competence centres ensure a continual transfer of innovation. They also serve to integrate the know-how of newly acquired companies into the Group and apply it on a global scale.

In the automotive business, our focus is on vehicle and traffic safety, technological know-how and efficiency for the vehicle, logistics and insurance industries. An example of our innovative competence is the introduction of the computerised theoretical driving test in the states of former East Germany. Tools for the testing of electronically managed vehicle systems relevant to safety are also significant.

The Expertise and Used Car Management segments concentrate on the further development of DEKRA CarOperator and DEKRA FleetOperator.

The DEKRA Technology Centre with its locations in Stuttgart (accident research), Neumünster (crash centre) and Klettwitz (technology) has customer-focused innovation at the forefront of its activities. We invest primarily in the areas of exhaust testing and COP tests for automotive manufacturers. In addition, we are looking to expand our competence relating to alternative fuels and drives.

The new French DEKRA Test Center S.A. near Narbonne strengthens the link to industry. Thanks to the takeover of the company, we can now provide driving tests and consumption testing of vehicles, trucks, motorcycles and vehicle accessories in the south of France.

IT tools for international claims services were developed further to improve processes and benefit the customer.

The expansion of the industrial inspection business was accompanied by intensive efforts to develop new services. Whether product, person or aviation certification, we systematically tap new areas of expertise. Computer-assisted tools are also used in the Personnel Services segment. For instance, DEKRA Akademie offers modular courses at its p.r.o.f.i. independent learning centres.

We promote the exchange of theory and practice throughout all of our business units. DEKRA collaborates with universities and customers. Our experts take part in specialist conventions and symposia. With our liaison offices in Berlin and Brussels, our national and international companies play an active part in innovation in the areas of security, quality and sustainability.

Quality Management

Ongoing improvement to efficiency

The aim of DEKRA's quality management is the dedicated improvement to the efficiency and quality of our processes and services. Quality management systems are used in all units and monitored on an ongoing basis by means of internal audits. These audits are an essential component of the control system to ensure product and process quality.

Group companies in Germany with certified or accredited quality management systems in place prepare annual evaluations with the results of their internal audits and examine the state of the quality management system and processes. These findings are collated centrally.

The internal audit system was developed in 2008 to include a review of compliance with group guidelines. Data protection audits were conducted in selected companies of the business units for the purpose of examining the status quo and to review the observation of data protection requirements. A further important component for the identification and monitoring of the appropriateness of core internal processes is the development of a self-assessment control procedure.

The existing accreditations and official permits, of which we have listed over 140 in the core markets Germany and France alone, are continually refined and extended. We develop further competencies to enable us to expand our range of offerings. We entered the market for the certification of consumer goods for the first time, for example. DEKRA Certification GmbH was granted official approval and accredited for this with its new laboratory in Stuttgart. This laboratory is the main site for our international inspection and certification services. By integrating further companies, DEKRA widened its own range of competencies in material testing as well as in the petrochemicals or wind power industries, among others.

NET ASSETS, FINANCIAL POSITION
AND RESULTS OF OPERATIONS

Record highs once again in sales and earnings

Once again, DEKRA achieved record sales and earnings in the year under review. Once again, considerable investments were made in new markets and fields of business.

Development of Sales

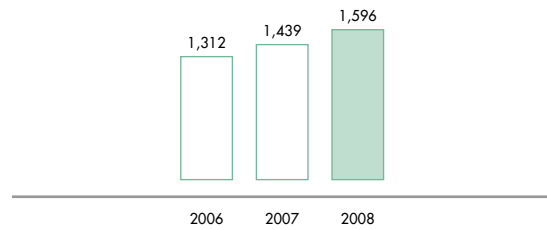
DEKRA once again succeeded in increasing Group sales, which was up 10.9% in the fiscal year.

In the past fiscal year, the Group recorded sales of 1,596.3 million euros. In comparison to the prior year, consolidated sales increased by 157.3 million euros to 1,439.0 million euros. All business units contributed to this increase.

Business in the Automotive Services segment exhibited strong growth. New services and strategic acquisitions led to a 10.8% increase in sales, bringing the total to 948.0 million euros (prior year: 855.5 million euros). This increase is attributable to both internal growth and acquisitions.

The inspection business saw respectable growth in sales despite fierce competition. This is due to the excellent market penetration in all automotive services in the core markets Germany and France.

GROUP SALES
IN MILLION EUROS



The issue of particulate stickers in Germany also contributed to this increase. Sales were up considerably in the appraisals business. Percentage organic growth in this segment was almost in double figures, mainly thanks to winning new customers in the used car management segment through the use of modern software solutions as well as claims for damages caused by the elements in 2008. In addition, sales increased on account of the acquisitions of GKK Gutachtenzentrale GmbH & Co. KG and the Bartok Group. The Claims Services segment also saw growth thanks to the increasing number of claims processes.

The Industrial Services expanded rapidly, as is evident in the sales growth of 16.4% to 340.7 million euros (prior year: 292.7 million euros).

The sales growth in the Industrial Services segment was driven SHE Services. The percentage growth in Germany was in double figures and is due not least to the penetration of the liberalised inspection market for equipment subject to technical inspection requirements. The acquisition of the ZWP Werkstoffprüfung Peter GmbH & Co KG, the French company DECTA S.A.S. and Ambio S.A. with registered offices in Spain complemented the services portfolio of the business unit and were strong drivers of sales. The Real Estate and Construction and Certification segments exhibited good sales growth.

DEKRA's Personnel Services segment recorded a significant increase in sales despite the fact that the business was heavily influenced by the economic environment. Sales were up 6.1% to 304.4 million euros overall (prior year: 286.9 million euros).

The restructuring in the Qualification segment led to a considerable increase in sales in this business unit. Innovative qualification opportunities and the p.r.o.f.i. independent learning centres contributed to this growth. There was a slight increase in sales in the Temporary Work segment. Last but not least, the focus on strategic fields of business such as engineering and medical services contributed to this increase. The Out- und Newplacement segment was severely affected by the economic environment, recording a considerable decline in sales. The proven strategy of integrated offerings within the Personnel Services business unit led to a good increase in sales overall, however.

Results of Operations

The DEKRA Group increased the result from ordinary activities by 12.2% in the past fiscal year.

Sales in the fiscal year amounted to 94.7 million euros in comparison to 84.4 million euros in the prior year, an increase of 10.3 million euros. Growth of earnings was therefore higher than the growth of sales.

Business developed well in the automotive areas in Germany, with qualification services the driving force behind the corresponding excellent increase in earnings. The preparatory measures taken in prior years in readiness for the liberalisation of the German market in the industrial sector in 2008 already had a positive effect on earnings in the reporting year. Pressure on profit margins in industrial business on an international scale led to a slight downturn, however. The declining business in the Temporary Work and Out- und Newplacement segments also impacted negatively on the increase in earnings.

In the year under review, the cost of materials and purchased services increased by 12.7% to 173.5 million euros (prior year: 153.9 million euros). The ratio of cost of materials to sales thus increased slightly from 10.7% in the prior year to 10.9%. This rise is mainly attributable to an increase in the employment of contract workers.

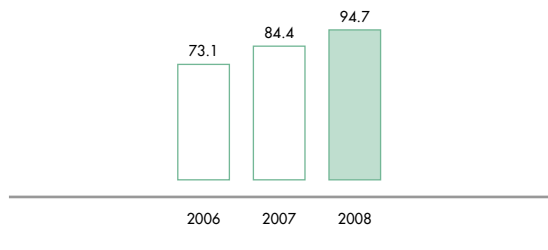
In the current fiscal year, personnel expenses increased by 8.6% to 988.4 million euros (prior year: 910.5 million euros). The rate of this increase is below the increase in sales and the ratio of personnel expenses to sales fell to 61.9% compared to 63.3% in the prior year. This development resulted despite high expenses arising from the old-age pension scheme in Germany.

Other operating expenses increased 10.0% to 328.3 million euros (prior year: 298.4 million euros), developing slightly below the rate of sales growth. They are characterised by higher expenses for the vehicle fleet as well as for buildings and premises.

Write-downs of financial assets of 2.3 million euros (prior year: 1.9 million euros) relate to write-downs of securities classified as current assets. Write-downs were mainly recorded for money market funds.

The tax rate remained more or less stable, falling to 28.1% compared to 28.4% in the prior year. The slight decrease arose despite the mainly tax-free gains on the disposal of an equity investment recorded in the prior year. The change in tax law in Germany leading to an income tax rate of around 30% compared to 40% in the prior year was mainly responsible for this effect in the reporting year.

RESULT OF ORDINARY ACTIVITIES
IN MILLION EUROS



Net Assets and Financial Position

In the past fiscal year, total assets rose by 13.5%, or 97.1 million euros, from 717.6 million euros to 814.7 million euros.

Fixed assets increased by 89.8 million euros overall. Of these additions, intangible assets were up 66.7 million euros to 159.9 million euros (prior year: 93.2 million euros). This increase is largely attributable to the goodwill arising from acquisitions in the year 2008. The increase of 20.6 million euros in property, plant and equipment brought the total to 117.5 million euros (prior year: 96.9 million euros) and comprises fixed assets of the newly acquired companies as well as the current investment volume. In addition to the acquisition of several plots of land and buildings, this volume mainly comprises capital expenditure on technical and data processing equipment at the DEKRA locations.

In the fiscal year, trade receivables increased at a rate slightly below that of sales, with a rise of 39.5 million euros to 238.7 million euros (prior year: 199.2 million euros).

Equity increased 55.7 million euros or 33.6% to 221.4 million euros (prior year: 165.7 million euros). The contribution of the shareholder to the capital reserves coupled with the increase in the net retained earnings for the group meant that the equity quota increased to 27.2% compared to 23.1% in the prior year.

Accruals increased by 32.1 million euros overall to 356.9 million euros (prior year: 324.8 million euros). The increase is mainly due to accruals for pensions and similar obligations as well as personnel-related other accruals.

Cash and cash equivalents including securities classified as current assets fell 18.3 million euros and came to 121.3 million euros as of the balance sheet date (prior year: 139.6 million euros). Acquisitions in the fiscal year led to this decrease. The cash flow from operating activities came to 100.7 million euros as of the balance sheet date. DEKRA therefore has sufficient funds available to finance continued growth and any investments necessary in the future.

SUBSEQUENT EVENTS

DEKRA strengthens presence in Brazil

With effect as of January 1, 2009, DEKRA AG acquired shares in the holding company Volchi Participações Ltda. with registered offices in Sao Paolo via its subsidiary DEKRA do Brasil Participações Ltda. The subsidiaries, Lincos Vistorias, Comércio e Serviços Ltda., Checkauto Serviços Automotivos Ltda. and Identicar Sistema de Identificação de Veículo S/C Ltda. are specialised in preparing reports on the condition of vehicles for insurance and financing companies, vehicle paperwork management and identification, theft and fraud prevention services.

In the course of 2009, DEKRA’s market presence was further harmonised. In France, the NORISKO Group was renamed DEKRA Industrial Group four years after its takeover, an important milestone in the integration process.

RISK REPORT

Sustainability – also part of risk management

Quality, safety, reliability and sustainability – DEKRA lives by these values in its internal processes too. The integrated risk management and compliance system in place within the Group addresses current economic, legal and business requirements and is systematically extended. Standardised processes ensure that significant risks that could influence the net assets, financial position and results of operations are detected at an early stage. Current risk assessments are communicated within the Group on an ongoing basis. This enables management and supervisory bodies to initiate appropriate countermeasures immediately.

Planning and controlling mechanisms are refined on an ongoing basis and adapted to reflect current developments. Appropriate performance indicators enable us to ensure that our performance is constantly monitored. The individual risks of each business unit in its respective industry are recorded systematically and included in our action plans.

General Risks

General risks across the Group are inherent in macro-economic changes. Our customers have not been spared the effects of the global economic downturn brought about by the financial crisis. The DEKRA Arbeit Group has already been directly affected. Furthermore, the potential insolvency of major manufacturers and strategic suppliers of the automotive industry in Germany and the USA could affect our business indirectly. In some areas there is dependency on key accounts. DEKRA expects delayed payments and defaults on receivables in the Automotive Services and Industrial Services.

There is also increasing pressure on prices. Close attention to contract management and careful customer credit ratings are important countermeasures. Therefore, the sales team is increasing coordination via the business units, stepping up the targeted address of customers through key accounts and managing master agreements to ensure sustainability.

EU legislation can affect the inspection and appraisal business in Europe. DEKRA carefully observes all relevant legal developments on all markets, is actively represented by liaison offices and promotes objective discussion through its own contributions or through its work in industry.

We consider the economic risks arising from exchange rate fluctuations to be very low. We generate most of our sales and income in the euro zone. We counter financial risks resulting from interest rate changes through careful planning and hedging. Interest rate derivatives were concluded to hedge against risks relating to bank loans. There is a limited risk of needing to recognise losses on financial assets.

DEKRA is pressing ahead unabated with its growth strategy, including global acquisitions. Growth raises the importance of integration. The Group meets this requirement by intensifying its integration and project management, ensuring cultural sensitivity and exploiting potential for improvement.

We are committed to developing the integrated risk and compliance management and sustainable quality management systems. DEKRA continually improves its approach to liability risks. In newly tapped markets such as South Africa or Algeria, we achieve this mainly by taking out optimised insurance cover.

On a group scale, the development of innovative products and the expansion of business activities demand a high level of investment. The recoverability of such investments depends on whether the ambitious targets are achieved. Other general risks pertain to the amortisation of investments in the IT infrastructure and the dependence of our business processes on complex data processing applications.

Risks in the Business Units

The appraisal and inspection business in the Automotive Services segment is not directly affected by fluctuations in the economic environment. We also rely on product innovation in the appraisals business, e.g., in the area of on-board diagnostics.

The industrial inspection business is extremely dependent on the economic environment. The considerable decline in the order situation in the manufacturing industry, above all in Germany and France, could lead to a drop in sales. The construction segment in France is especially affected by this.

Competition is intense in the Out- and New-placement, Temporary Work and Qualification business segments. The Temporary Work service line is directly affected by the collapse in demand on the employment market. We have introduced capacity and structure-oriented measures to counter this development. The Qualification service line helps to balance things out. Government economic stimulus packages promote publicly funded training measures. DEKRA Personaldienste GmbH has noted growing competition in the business with transfer companies as well as low demand for retransfers.

Personnel Risks

The sustained success in the inspection and appraisal business is dependent on highly qualified employees. Further growth of the business units and international expansion can only be achieved if suitable personnel are identified and recruited. The number of graduates is in decline, the demographic development dictates that there will be a lack of qualified workers and competitors will attempt to attract employees, sometimes by offering franchise opportunities. We counter these risks through qualification options and career opportunities that are constantly refined, ongoing development of our already excellent corporate culture and a proactive recruitment strategy.

Risks Regarding Our Ability to Continue as a Going Concern

All in all, we do not perceive any risks for the foreseeable future jeopardising the continuing existence of the DEKRA Group as a going concern. We are able to react in good time to general economic and industry risks at all times. This also applies to any circumstances relating to the Group's net assets, financial position and results of its operations.

Opportunities

In addition to the risks described above, we also believe that there are numerous opportunities. DEKRA aims to take advantage of the global rise in demand for safety and quality services to expand further in growing markets. We expect compulsory vehicle inspection on emerging markets in South America, Africa and Asia, as was the case in Morocco in the prior year. REACH, the new EU regulation on chemicals and their safe use, also presents the opportunity of gaining new customers, i.e., international companies that wish to export their products to EU countries. The growing trend of sustainability management presents DEKRA with further opportunities to establish itself and strengthen its position on the market as a provider of services.

FORECAST REPORT

Recessionary trends slowing down global economy

Prospects for the global economy looked gloomy at the start of the fiscal year 2009. Economic research institutes, international institutions and governments adjusted their economic forecasts downwards. The international crisis is likely to impact on the USA and Europe most, though Asia will also be affected, with recessionary trends and rising unemployment. Even those countries such as China and India which had been in the middle of an economic boom will be affected, with growth rates liable to plummet.

Drops in sales are expected on the core markets of the automotive industry in particular. This has repercussions for all companies along the value added chain and beyond. The German government anticipates a significant decline in the GDP for Germany, together with a considerable increase in short-time work and unemployment. Inflation is expected to develop modestly. The economic output is set to fall in the euro zone as well.

DEKRA to Push Ahead with Expansion

DEKRA remains actively committed to building up new competencies and tapping new markets. With our broad range of offerings, we are well equipped to undergo sustained growth and achieve good results in the next two years, despite the difficult general economic conditions. Demand for quality expert services will keep rising in the future. The process of internationalisation will continue. Nevertheless, we will carefully analyse the developments and adjust our corporate policy as necessary.

As regards the difficult situation in the areas of vehicles, transportation and logistics, we expect the automotive business to see intensified competition on a national and international scale. We are therefore working hard on penetrating the market through innovative products and single-source comprehensive solutions. Targeted acquisitions will strengthen our position in Germany and abroad.

We are confident that we can successfully continue along the course of growth seen in the industrial inspection business. We consider the areas of energy efficiency and non-destructive testing to be particularly rich in opportunities for the long-term positive development of business. Our SHE Services and Real Estate and Construction segments will feel the effects of the economic developments, though we have introduced increased marketing activities and new offerings to combat these.

Another future-oriented area includes integrated personnel services. The reduction in temporary workers in Germany contrasts to the increased requirement for qualified staff.

DEKRA is fit for the future thanks to the streamlined structures, optimised processes and improved earnings power achieved over recent years. These stand us in good stead for the current situation. We are therefore confident that we can continue our successful development in the future.

Stuttgart, March 26, 2009
The Management Board



Dr. h.c. Klaus Schmidt
CEO



Dipl.-Kfm. Roland Gerdon

DEKRA AG

CONSOLIDATED BALANCE SHEET

AS OF DECEMBER 31, 2008

ASSETS IN KEUR	2008	2007
A. Unpaid contributions	89	0
B. Fixed assets		
I. Intangible assets	159,870	93,221
II. Property, plant and equipment	117,462	96,885
III. Financial assets	120,062	117,515
	397,394	307,621
C. Current assets		
I. Inventories	9,143	7,379
II. Receivables and other assets	273,627	250,484
III. Other securities	44,272	42,311
IV. Cash and cash equivalents	77,019	97,322
	404,061	397,496
D. Prepaid expenses	5,232	4,971
E. Deferred taxes	7,972	7,494
Total assets	814,748	717,582

EQUITY AND LIABILITIES IN KEUR	2008	2007
A. Equity		
I. Subscribed capital	25,565	25,565
II. Capital reserves	130,529	90,529
III. Other revenue reserves	5,484	4,657
IV. Difference from capital consolidation	368	368
V. Retained earnings for the group	55,037	42,641
VI. Minority interests	4,375	1,966
	221,358	165,726
B. Accruals	356,892	324,827
C. Liabilities	236,282	226,671
D. Deferred income	216	358
Total equity and liabilities	814,748	717,582

DEKRA AG

CONSOLIDATED INCOME STATEMENT

FOR FISCAL YEAR 2008

IN KEUR	2008	2007
1. Sales	1,596,287	1,439,033
2. Increase/decrease in work in process	-412	221
3. Other operating income	24,517	40,809
4. Cost of materials	-173,523	-153,915
5. Personnel expenses	-988,428	-910,487
6. Amortisation, depreciation and write-downs	-39,023	-35,678
7. Other operating expenses	-328,332	-298,407
8. Income from equity investments	1,370	826
9. Income from other securities and long-term loans	3,045	2,967
10. Write-downs on financial assets and securities classified as current assets	-2,272	-1,911
11. Income from associated companies	482	769
12. Interest result	1,029	123
13. Result from ordinary activities	94,740	84,350
14. Income taxes	-26,659	-23,976
15. Other taxes	-5,565	-5,029
16. Profit transferred on the basis of a profit transfer agreement	-51,039	-47,954
17. Net income for the year	11,477	7,391
18. Income attributable to minority interests	918	-708
19. Profit carryforward	42,642	35,958
20. Retained earnings for the group	55,037	42,641

DEKRA AG

CONSOLIDATED CASH FLOW STATEMENT

FOR FISCAL YEAR 2008

1. OPERATING ACTIVITIES IN KEUR	2008	2007
Net income (including minority interests and before profit and loss transfer agreements)	62,516	55,345
+/- Write-downs/write-ups on fixed assets	39,714	38,499
+/- Increase/decrease in accruals	24,800	17,280
+/- Other non-cash income and expenses	-1,607	2,236
+/- Income from associated companies	-482	-769
-/+ Gain/loss from the disposal of fixed assets	270	-22,503
-/+ Increase/decrease in inventories, trade receivables and other assets	-12,507	-11,051
+/- Increase/decrease in trade payables and other liabilities	-12,000	22,865
= Cash flow from operating activities	100,704	101,902

2. INVESTING ACTIVITIES IN KEUR	2008	2007
Cash received from disposals of property, plant and equipment	612	3,000
- Cash paid for investments in property, plant and equipment	-27,615	-25,576
+ Cash received from disposals of intangible assets	124	85
- Cash paid for investments in intangible assets	-6,146	-11,384
+ Cash received from disposals of financial assets	11,449	29,889
- Cash paid for investments in financial assets	-18,992	-52,461
+ Cash received from the sale of consolidated companies and other business entities	0	29,590
- Cash paid for the purchase of consolidated companies and other business entities	-81,452	-4,140
= Cash flow from investing activities	-122,020	-30,997

3. FINANCING ACTIVITIES IN KEUR	2008	2007
Cash received from equity contributions	40,000	40,000
- Cash paid to shareholders and minority interests	-48,013	-38,130
- Cash paid out for loans granted to owners	0	-3,070
+ Cash received from loans granted to owners	18,601	0
+ Cash received from the issue of bonds and loans	1,727	1
- Cash repayments of bonds and loans	-10,592	-18,355
= Cash flow from financing activities	1,723	-19,554

4. CASH AND CASH EQUIVALENTS IN KEUR	2008	2007
Net increase/decrease in cash and cash equivalents	-19,593	51,351
+ Changes in cash and cash equivalents due to exchange rate changes, changes in the consolidated group and changes due to valuation	1,251	-49
+ Cash and cash equivalents at the beginning of the period	139,633	88,331
= Cash and cash equivalents at the end of the fiscal year	121,291	139,633

5. COMPOSITION OF CASH AND CASH EQUIVALENTS IN KEUR	2008	2007
Checks, cash on hand and bank balances	77,019	97,322
+ Securities	44,272	42,311
= Cash and cash equivalents at the end of the fiscal year	121,291	139,633

DEKRA AG

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS OF DECEMBER 31, 2008

IN KEUR	PARENT COMPANY					MINORITY SHAREHOLDERS		
	Subscribed capital	Capital reserve	Other revenue reserve*	Group retained earnings	Difference resulting from capital consolidation	Equity	Minority interests	Group equity
As of December 31, 2006	25,565	50,529	4,125	35,958	851	117,028	3,235	120,263
Dividends paid	0	0	0	0	0	0	-1,717	-1,717
Capital increase	0	40,000	0	0	0	40,000	0	40,000
Exchange rate differences	0	0	532	0	0	532	0	532
Other changes	0	0	0	0	-483	-483	-931	-1,414
Changes in the consolidated group	0	0	0	0	0	0	671	671
Net income of the group for the year	0	0	0	6,683	0	6,683	708	7,391
As of December 31, 2007	25,565	90,529	4,657	42,641	368	163,760	1,966	165,726
Dividends paid	0	0	0	0	0	0	-59	-59
Capital increase	0	40,000	0	0	0	40,000	0	40,000
Exchange rate differences	0	0	-391	0	0	-391	0	-391
Other changes	0	0	0	0	0	0	404	404
Changes in the consolidated group	0	0	1,218	0	0	1,218	2,982	4,200
Net income of the group for the year	0	0	0	12,396	0	12,396	-918	11,478
As of December 31, 2008	25,565	130,529	5,484	55,037	368	216,983	4,375	221,358

* also contains translation reserve

DEKRA AG

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR FISCAL YEAR 2008

1. General Information

The consolidated financial statements of DEKRA AG for the fiscal year 2008 were prepared in accordance with the provisions of HGB (“Handelsgesetzbuch”: German Commercial Code) and AktG (“Aktiengesetz”: German Stock Corporation Act”).

To improve the clarity of the presentation, various items in the balance sheet and income statement have been summarised in the financial statements. Each of these items is disclosed separately below.

The notes to the consolidated financial statements are largely presented in thousands of euros (KEUR).

2. Consolidated Group

In accordance with Sec. 294 (1) HGB, the consolidated financial statements include both DEKRA AG as the parent company and all major subsidiaries in which DEKRA AG holds the majority of voting rights, either directly or indirectly, according to the principle of full consolidation. This concerns twenty-one companies in Germany and sixty-two abroad.

In accordance with the provisions on associated companies, one German and two foreign companies are included in the consolidated financial statements using the equity method (Sec. 311 HGB).

Sixteen German subsidiaries and forty-eight foreign subsidiaries were not included in the consolidated financial statements on grounds of immateriality for the net assets, financial position and results of operations of the Group. Three German subsidiaries and nine foreign associated companies were not recognised in the consolidated financial statements using the equity method on grounds of immateriality for the net assets, financial position and results of operations of the Group.

The consolidated group changed during the fiscal year.

DEKRA Industrial GmbH, Stuttgart, was included in the consolidated financial statements of DEKRA AG for the first time according to the principle of full consolidation. The date of first-time consolidation was January 1, 2008.

DEKRA Material Testing GmbH, Duisburg, was included in the consolidated financial statements of DEKRA AG for the first time according to the principle of full consolidation. The date of first-time consolidation was January 1, 2008. The review for hidden reserves carried out as part of the first-time consolidation of DEKRA Material Testing GmbH revealed there are hidden reserves of KEUR 317. The debit difference of KEUR 7,623 remaining after disclosure of the hidden reserves will be amortised over a period of 15 years using the straight-line method.

GKK Gutachtenzentrale GmbH, Düsseldorf, was also included in the consolidated financial statements of DEKRA AG for the first time in fiscal year 2008 according to the principle of full consolidation. The date of first-time consolidation was April 1, 2008. Hidden reserves of KEUR 831 were disclosed in the course of purchase price allocation. The debit difference of KEUR 8,374 remaining after disclosure of the hidden reserves will be amortised over a period of 15 years using the straight-line method.

Claims Adjusters (International & European) Ltd., London, UK, was also included in the consolidated financial statements of DEKRA AG for the first time in fiscal year 2008 according to the principle of full consolidation. The date of first-time consolidation was January 1, 2008. This resulted in a credit difference of KEUR 317, which was recognised in revenue reserves in fiscal year 2008.

DEKRA Nederland B.V., Uden, Netherlands, was also included in the consolidated financial statements of DEKRA AG for the first time in the fiscal year according to the principle of full consolidation. The date of first-time consolidation was January 1, 2008. A credit difference of KEUR 899 resulting from the first-time consolidation was reclassified as revenue reserves.

DEKRA Bartok B.V., Heerhugowaard, Netherlands, was also included along with its subsidiaries in the consolidated financial statements of DEKRA AG as a subgroup in the fiscal year. The date of first-time consolidation was October 1, 2008. This resulted in a debit difference of KEUR 12,510, which will be amortised over a period of 15 years using the straight-line method.

DEKRA Finland Oy, Vantaa, Finland, and its subsidiary, Polartest Oy, Vantaa, Finland, were also included in the consolidated financial statements of DEKRA AG for the first time in the fiscal year according to the principle of full consolidation. The date of first-time consolidation was December 31, 2008 for both companies. A credit difference of KEUR 3 resulting from the first-time consolidation of DEKRA Finland Oy was offset in revenue reserves. A debit difference of KEUR 27,397 resulted at Polartest Oy after disclosure of the hidden reserves and will be amortised over a period of 15 years using the straight-line method.

There was a changeover from the equity method pursuant to Sec. 311 HGB to full consolidation pursuant to Sec. 301 HGB, effective July 1, 2008, when SLOVDEKRA s.r.o., Bratislava, Slovakia, was included in the consolidated financial statements of DEKRA AG for the first time. The resulting credit difference of KEUR 274 was recognised in profit and loss.

In addition, DEKRA Test Center S.A., Narbonne, France, was included in the consolidated financial statements of DEKRA AG for the first time in fiscal year 2008, based on the principle of full consolidation. The date of first-time consolidation was January 1, 2008. This resulted in a debit difference of KEUR 1,320, which will be amortised over a period of 15 years using the straight-line method.

AITEC E.U.R.L., Trappes, France, was also included in the consolidated financial statements of DEKRA AG for the first time, based on the principle of full consolidation. The date of first-time consolidation was January 1, 2008. The first-

time consolidation resulted in a debit difference of KEUR 539, which will be amortised over a period of 15 years. This company was merged into DEKRA Automotive S.A., Trappes, France.

In addition, DEKRA NORISKO Industrial Algérie S.A.R.L., Algiers, Algeria, was included in the consolidated financial statements of DEKRA AG for the first time as of January 1, 2008, based on the principle of full consolidation.

DECTA S.A.S., Pierrelatte, France, was also included in the consolidated financial statements of DEKRA AG for the first time as of January 1, 2008, based on the principle of full consolidation. This resulted in a debit difference of KEUR 4,532, which will be amortised over a period of 15 years.

AMBIO S.A., Barcelona, Spain, was also included in the consolidated financial statements of DEKRA AG for the first time in the fiscal year, based on the principle of full consolidation. The first-time consolidation as of April 1, 2008 resulted in a debit difference of KEUR 7,421, which will be amortised over a period of 15 years.

Thermotique S.A.S., Versailles, France, was also included in the consolidated financial statements of DEKRA AG for the first time, based on the principle of full consolidation. The date of first-time consolidation was July 1, 2008. This resulted in a debit difference of KEUR 2,977, which will be amortised over a period of 4 years.

In addition, DEKRA Expertise S.A.S., Mondeville, France, was included in the consolidated financial statements of DEKRA AG for the first time as of August 1, 2008, based on the principle of full consolidation.

Furthermore, JUAN A. CALZADO Comisariado de Averías S.A., Lisbon, Portugal, was included in the consolidated financial statements of DEKRA AG for the first time using the equity method pursuant to Sec. 311 HGB. The date of first-time consolidation was June 1, 2008.

3. Consolidation Principles

The financial statements of the individual subsidiaries are included in the consolidated financial statements in accordance with German legal provisions and the standard accounting and valuation methods specified by DEKRA AG.

Capital consolidation of the fully consolidated companies, the proportionately consolidated companies and the associated companies has been performed using the purchase method by offsetting the acquisition cost of the equity investments against the pro rata equity of the subsidiaries as of the date of first-time consolidation.

Capital consolidation of NORISKO S.A., Limoges, France, and DEKRA Bartok B.V., Heerhugowaard, Netherlands, as well as their equity investments was performed using the revaluation method, where the equity of the subsidiary is stated at the amount that corresponds to the fair value of the assets, liabilities, prepaid expenses and deferred income included in the consolidated financial statements. The revaluation method is also used at GKK Gutachtenzentrale GmbH, Düsseldorf, DEKRA Material Testing GmbH, Duisburg, and Polartest Oy, Vantaa, Finland.

Goodwill arising from capital consolidation is amortised over its anticipated useful life of 4 to 15 years.

Loans and other receivables as well as accruals and liabilities pertaining to consolidated companies were offset against each other.

Intercompany profits were not eliminated on grounds of immateriality for the net assets, financial position and results of operations of the Group.

In the consolidated income statement, the internal sales revenue and other intercompany income was offset against the corresponding expenses.

The comparability of current and prior-year figures pertaining to the net assets, financial position and earnings of the Group is not affected by the first-time consolidation carried out in fiscal year 2008, which was not performed until the final quarter in some cases.

Minority shares in equity and in the net income of subsidiaries were reported under minority interests.

4. Accounting and Valuation Methods

All companies included in the consolidated financial statements of DEKRA AG under the principle of full consolidation or using the equity method pursuant to Sec. 311 HGB had December 31, 2008 as their balance sheet date.

The accounting and valuation principles used to prepare the financial statements of DEKRA AG apply to the disclosure and valuation of the assets and liabilities in the consolidated financial statements. The financial statements of associated companies of DEKRA AG are also prepared using uniform group accounting and valuation principles.

4.1 Fixed Assets

Intangible assets purchased from third parties are capitalised at acquisition cost and are subject to scheduled amortisation over their useful life.

Unless write-downs are necessary, goodwill is subject to scheduled amortisation over the estimated useful life of between 2 and 15 years. Write-downs are recognised if the fair value of the goodwill falls short of the amortised cost as of the balance sheet date. The fair value is determined using the discounted earnings method based on current three-year planning.

Property, plant and equipment are recognised at acquisition or production cost and are depreciated if they have a limited life. Property, plant and equipment are depreciated in accordance with their estimated useful lives on the basis of the maximum allowable tax depreciation rates. Where permissible under tax law, the declining-balance method of depreciation is used for movable assets. The transition to straight-line depreciation takes place in the year in which the straight-line method leads to higher depreciation for the first time. All other assets are depreciated using the straight-line method.

Low-value assets with an individual net value not exceeding EUR 150 (until December 31, 2007: EUR 410) are fully expensed in the year of acquisition with their immediate disposal being assumed. For convenience, the collective item recognised annually under tax law for assets acquired after December 31, 2007 with an individual net value of more than EUR 150 but no greater than EUR 1,000 was also recognised in the statutory balance sheet. The total amount of the annual collective items is immaterial and subject to depreciation or amortisation of 20% p.a. for each item it was set up for over a period of five years pursuant to tax accruals.

Investment subsidies are offset against the corresponding additions.

Shares in affiliated companies and shares in associated companies valued at cost on grounds of immateriality are stated at the lower of cost or market as of the balance sheet date. The market value is reviewed based on the calculation of the individual subsidiaries' earnings value using current three-year planning.

Long-term investments are stated at cost and, in the case of an anticipated permanent impairment, written down to net realisable value as of the balance sheet date.

Employer's pension liability insurance claims on pension commitments are valued at the amount equivalent to the policy reserve of the reinsurer.

4.2 Current Assets

Raw materials, consumables and supplies as well as merchandise are carried at the lower of acquisition cost or market.

Work in process is stated at production cost, taking the lower of cost or market principle into account. Production cost includes directly allocable costs, appropriate portions of necessary overheads as well as depreciation. Interest on debt capital is not included.

Adequate provision is made for all recognisable risks associated with the receivables and other assets. Moreover, a general valuation allowance was established in recognition of the general credit risk inherent in receivables.

Securities classified as current assets are valued at the lower of acquisition cost or market.

4.3 Deferred Taxes

Deferred taxes are created for temporary differences between the individual results in the tax and commercial balance sheets for the separate financial statements of those companies for which the corresponding tax burden and tax relief for subsequent fiscal years can be foreseen and that are included in the consolidated financial statements. Deferred taxes are calculated on the basis of the tax rates that will apply in the respective countries at the time of realisation. The 2008 German corporate tax reform resulted in an adjustment of the tax rate used as a basis for the calculation of deferred taxes for companies in Germany.

Deferred taxes are also recognised for

- tax loss carryforwards if the tax benefit from the loss carryforward can be realised with reasonable assurance;
- hidden reserves and burdens disclosed in the course of capital consolidation;
- if temporary differences result from the consolidation of intercompany balances or other consolidation entries with an effect on income.

4.4 Accruals

Direct and indirect pension obligations were essentially determined on the basis of actuarial principles in accordance with Sec. 6a EStG (“Einkommenssteuergesetz”: German Income Tax Law) using an interest rate for tax purposes of 6% and the 2005 G mortality tables of Prof. Dr. Klaus Heubeck.

Other accruals are created on the basis of prudent commercial judgment to cover all potential risks and contingent liabilities as of the balance sheet date.

4.5 Liabilities

Liabilities are recorded at the amount repayable.

4.6 Currency Translation

To the extent that the financial statements of the fully consolidated subsidiaries contain items based on amounts denominated in foreign currency, the translation to euro is performed at the historical rate or the higher (receivables) or lower (liabilities) closing rates prevailing at the balance sheet date.

The translation of the balance sheets of the subsidiaries prepared in foreign currency is performed at the mean of bid and offer rate at the balance sheet date, with the exception of equity. Equity items are valued at the historical rates on the date of first-time consolidation. Any differences compared to the rates of the prior year are offset against other revenue reserves.

In the fiscal year 2008, a difference from currency translation of KEUR 391 (prior year: KEUR 532) was offset against other revenue reserves and recognised directly in equity.

Income and expenses of the foreign subsidiaries are translated at the average exchange rate for the year, while the net results for the period are calculated at the mean of bid and offer rate prevailing at the balance sheet date. Any resulting differences are disclosed as a component of equity. When foreign subsidiaries are sold, the accumulated amount disclosed in equity for each respective foreign subsidiary is released with effect on income.

NOTES TO THE BALANCE SHEET

5. Unpaid Contributions

Unpaid contributions relate to contributions to subscribed capital due from minority interests of a consolidated subsidiary.

6. Fixed Assets

The development of fixed assets in the fiscal year is shown below.

In the fiscal year, amortisation and depreciation of KEUR 2,233 (prior year: KEUR 1,454) was charged in accordance with Sec. 253 (2) Sentence 3 HGB.

Write-downs of KEUR 1,933 were recognised on financial assets in fiscal year 2008 (prior year: KEUR 1,426). These write-downs are shown in the consolidated income statement under amortisation of financial assets.

In the fiscal year 2008, the equity investment of a foreign subsidiary was not written up (prior year: write-up of KEUR 511) at the level of the sole shareholder included in the consolidated financial statements. In the prior year, this amount was treated within the Group as subsequent acquisition costs and offset against a credit difference from first-time consolidations of KEUR 483.

The financial instruments recorded under financial assets are, in part, valued at fair market value. The book values and fair market values of the financial instruments concerned were as follows as of the balance sheet date:

IN KEUR	Book value	Fair market value
Special fund	40,163	37,652
German phased retirement fund	6,537	5,712
Other securities	20,994	17,797

It was not considered necessary to recognise any write-downs because it is assumed that the fair market values calculated as of the balance sheet date take into account short-term market fluctuations. The intention is to hold the respective financial instruments permanently or until maturity and it is expected that the market values will be equal to at least the book values by this date; therefore, any impairment is not expected to be permanent.

Goodwill of KEUR 35,308 (prior year: KEUR 13,258) transferred from the separate financial statements mainly relates to thirteen French subsidiaries and from the purchase of engineering offices by DEKRA Automobil GmbH, Stuttgart.

Capital consolidation of companies consolidated at equity did not result in any goodwill (prior year: KEUR 153).

7. Inventories

IN KEUR	31.12.08	31.12.07
Raw materials, consumables and supplies	677	341
Work in process	7,262	5,895
Merchandise	1,204	1,143
	9,143	7,379

8. Receivables and Other Assets

IN KEUR	31.12.08	31.12.07
Trade receivables	238,656	199,226
thereof due in more than one year	(714)	(3)
Receivables due from affiliated companies	8,480	26,729
thereof due in more than one year	(1,148)	(0)
Receivables from companies in which equity investments are held	180	210
thereof due in more than one year	(103)	(0)
Other assets	26,311	24,319
thereof due in more than one year	(2,999)	(1,291)
	273,627	250,484

9. Deferred Taxes

This item breaks down as follows:

IN KEUR	31.12.08	31.12.07
Deferred tax assets	7,972	7,494
thereof deferred taxes from temporary differences	(7,972)	(7,109)
thereof deferred taxes from loss carryforwards	(0)	(385)
	7,972	7,494

DEKRA AG

STATEMENT OF CHANGES IN FIXED ASSETS

FOR FISCAL YEAR 2008

IN KEUR	ACQUISITION AND PRODUCTION COST						
	As of	Additions	Additions	Disposals	Disposals	Reclassification	As of
	01.01.2008	Changes consolidated group	2008	Changes consolidated group	2008	2008	31.12.2008
I. Intangible assets							
1. Franchises, and similar rights and assets as well as licences in such rights and assets	69,616	2,225	2,053	0	1,506	254	72,642
2. Goodwill	125,814	5,570	76,055	0	2,773	1,113	205,779
3. Payments on account	1,206	0	1,381	0	0	-1,562	1,025
Total intangible assets	196,636	7,795	79,489	0	4,279	-195	279,446
II. Property, plant and equipment							
1. Land, land rights and buildings including buildings on third-party land	80,094	9,418	5,461	0	558	140	94,555
2. Technical equipment and machines	70,797	5,246	5,772	0	1,904	508	80,419
3. Other equipment, furniture and fixtures	134,549	7,271	15,609	0	12,006	229	145,652
4. Payments on account and assets under construction	771	37	580	0	0	-682	706
Total property, plant and equipment	286,211	21,972	27,422	0	14,468	195	321,332
III. Financial assets							
1. Shares in affiliated companies	10,486	381	4,151	4,223	353	0	10,442
2. Loans to affiliated companies	0	25	0	0	0	0	25
3. Equity investments	5,862	2	868	25	0	0	6,707
4. Equity investments in associated companies	7,833	0	507	4,300	595	0	3,445
5. Long-term investments	83,779	33	9,858*	0	7,226	0	86,444
6. Other loans	11,397	7	1,452	0	3,081	0	9,775
7. Payments on account for financial assets	649	0	0	649	0	0	0
8. Employer's pension liability insurance	4,091	5,573	306	50	57	0	9,863
Total financial assets	124,097	6,021	17,142	9,247	11,312	0	126,701
Total	606,944	35,788	124,053	9,247	30,059	0	727,479

* thereof KEUR 1,621 of acquisition and production cost and KEUR 465 of accumulated amortisation, depreciation and write-downs are from the reclassification of securities classified as current assets

AMORTISATION, DEPRECIATION AND WRITE-DOWNS							NET BOOK VALUES	
As of	Additions	Depreciation	Disposals	Disposals	Reclassification	As of	As of	
01.01.2008	Changes consolidated group	and write-downs	Changes consolidated group	2008	2008	31.12.2008	31.12.2008	31.12.2007
48,467	521	6,896	0	1,494	0	54,390	18,252	21,149
54,948	594	11,005	0	1,361	0	65,186	140,593	70,866
0	0	0	0	0	0	0	1,025	1,206
103,415	1,115	17,901	0	2,855	0	119,576	159,870	93,221
27,029	2,369	3,855	0	332	-194	32,727	61,828	53,065
52,383	1,392	4,882	0	1,754	3	56,906	23,513	18,414
109,914	4,921	10,679	0	11,501	191	114,204	31,448	24,635
0	33	0	0	0	0	33	673	771
189,326	8,715	19,416	0	13,587	0	203,870	117,462	96,885
842	0	0	300	203	0	339	10,103	9,644
0	0	0	0	0	0	0	25	0
590	0	184	0	186	0	588	6,119	5,272
4,108	0	25	1,477	0	0	2,656	789	3,725
903	0	2,214*	0	200	0	2,917	83,527	82,876
139	0	0	0	0	0	139	9,636	11,258
0	0	0	0	0	0	0	0	649
0	0	0	0	0	0	0	9,863	4,091
6,582	0	2,423	1,777	589	0	6,639	120,062	117,515
299,323	9,830	39,740	1,777	17,031	0	330,085	397,394	307,621

10. Equity

As in the prior year, subscribed capital amounts to KEUR 25,565. It is divided into 10,000,000 bearer shares.

Other revenue reserves contain credit differences of KEUR 1,218 arising from the first-time consolidation of subsidiaries, which are based on retained earnings recorded while the companies belonged to the Group but before the first-time preparation of consolidated financial statements or before inclusion in the consolidated financial statements for the first time. Accumulated differences from the translation of financial statements of subsidiaries in foreign currency are also shown here. Furthermore, a credit difference from a first-time consolidation is also included in equity.

Retained earnings of the Group as of December 31, 2008 came to KEUR 55,037 (prior year: KEUR 42,641).

In fiscal year 2008, KEUR 40,000 was transferred to the capital reserve (prior year: KEUR 40,000).

The individual components of equity and the development in the year 2008 can be seen in the statement of changes in shareholders' equity.

11. Accruals

IN KEUR	31.12.08	31.12.07
Accruals for pensions and similar obligations	173,863	158,043
Tax accruals	2,164	4,247
Accruals for deferred tax	3,738	3,109
Other accruals	177,127	159,428
	356,892	324,827

Pension accruals relate to direct pension obligations to current and former employees. Other accruals mainly contain obligations from the personnel and welfare area.

The tax accruals relate primarily to trade tax, corporate income tax and the equivalent foreign taxes on income. Accruals for deferred taxes were also recorded.

12. Liabilities

IN KEUR	Balance sheet 31.12.08	Balance sheet 31.12.07	Due in less than 1 year 31.12.08	Due in less than 1 year 31.12.07
1. Liabilities to banks	49,802	52,655	36,381	24,286
2. Payments received on account	22,002	20,729	22,002	20,729
3. Trade payables	37,916	31,942	37,916	31,942
4. Liabilities to affiliated companies	17,261	12,611	17,261	12,611
5. Liabilities to companies in which equity investments are held	1,193	1,184	1,193	1,184
6. Other liabilities	108,108	107,550	104,282	106,378
<i>thereof taxes KEUR 32,939 (prior year: KEUR 26,161)</i>				
<i>thereof relating to social security KEUR 17,776 (prior year: KEUR 15,164)</i>				
	236,282	226,671	219,035	197,130

Of the liabilities to banks, an amount of KEUR 10,450 is due in more than one and less than five years (prior year: KEUR 28,004). An amount of KEUR 2,971 (prior year: KEUR 365) is due in more than five years. Furthermore, an amount of KEUR 1,956 (prior year: KEUR 1,172) of other liabilities is due in more than five years.

The parent company has made profit participation capital, disclosed under other liabilities, of up to KEUR 10,737 (4.2 million profit participation rights of EUR 2.55645 each) available to its executives and employees for subscription. Of these, 3,686,111 profit participation rights were subscribed (prior year: 3,749,727). The subscribed profit participation capital grants a participation in the adjusted group profit of DEKRA AG. Owing to the introduction of a maximum interest rate on fully subscribed profit participation capital, an interest portion of 30% will be distributed from the adjusted group income before taxes of DEKRA AG for the fiscal year 2008. The profit participation rights have a yield of at least 4% p.a.

NOTES TO THE INCOME STATEMENT

13. Sales

IN KEUR	2008	2007
Sales by business segment		
Vehicle Testing	650,932	610,545
Expertise	245,954	207,127
Testing and Inspection	338,368	289,276
Personnel Services	304,354	286,877
Claims Services	22,336	18,918
Other	34,343	26,290
	1,596,287	1,439,033
Sales by geographical market		
Germany	1,206,051	1,104,882
Other	390,236	334,151
	1,596,287	1,439,033

14. Other Operating Income

Other operating income contains income resulting from the disposal of fixed assets of KEUR 160 (prior year: KEUR 22,986) and income relating to other periods of KEUR 14,494 (prior year: KEUR 8,862) mainly from reversal of accruals of KEUR 10,181 (prior year: 4,746) and income from the reversal of bad debt allowances of KEUR 2,681 (prior year: KEUR 2,620). It also contains wage subsidies of KEUR 3,954 (prior year: KEUR 4,152) from public bodies as well as integration subsidies of KEUR 1,478 (prior year: KEUR 1,314).

15. Cost of Materials

IN KEUR	2008	2007
Cost of purchased merchandise	18,441	17,286
Cost of purchased services	155,082	136,629
	173,523	153,915

16. Personnel Expenses

IN KEUR	2008	2007
Wages and salaries	792,712	720,288
Social security, pension and other benefit costs	195,716	190,199
<i>thereof for old-age pensions</i>	(32,602)	(43,195)
	988,428	910,487

On average the Group had 20,008 employees (prior year: 17,721) in the fiscal year 2008.

17. Amortisation, Depreciation and Write-downs

Amortisation and depreciation in the consolidated income statement contains KEUR 1,707 (prior year: KEUR 230) for write-downs of current assets in excess of what is customary. The item also includes amortisation of intangible assets and depreciation of property, plant, and equipment.

18. Other Operating Expenses

As in the prior year, other operating expenses primarily contain rent and rent incidentals, travel expenses, general and administrative expenses as well as advertising expenses.

19. Income from Equity Investments

Income from equity investments contains an amount of KEUR 358 (prior year: KEUR 48) from affiliated companies.

20. Income from Associated Companies

This item breaks down as follows:

IN KEUR	2008	2007
Pro rata result of associated companies	507	820
Amortisation of goodwill	-25	-51
	482	769

21. Interest Result

IN KEUR	2008	2007
Other interest and similar income	9,119	7,752
<i>thereof from affiliated companies</i>	(2,224)	(2,314)
Interest and similar expenses	8,090	7,629
<i>thereof to affiliated companies</i>	(1,101)	(753)
	1,029	123

Interest and similar expenses contain interest on the subscribed profit participation capital of KEUR 2,900 (prior year: KEUR 3,010).

22. Income Taxes

This item breaks down as follows:

IN KEUR	2008	2007
Current taxes	26,731	21,187
Deferred taxes	-72	2,789
	26,659	23,976

Income taxes include the income taxes paid or owed in the individual countries and deferred taxes.

Income taxes comprise trade tax, corporate income tax, solidarity surcharge and the equivalent foreign income taxes.

23. Profits Transferred on Account of a Profit and Loss Transfer Agreement

Pursuant to a profit and loss transfer agreement in place between DEKRA e.V., Stuttgart, and the parent company, DEKRA AG, Stuttgart, the entire net income for the year 2008 of KEUR 51,039 was transferred (prior year: KEUR 47,954).

OTHER NOTES

24. Contingent Liabilities

As of December 31, 2008, DEKRA AG, Stuttgart, has joint and several liability for the loan liabilities of DEKRA e.V., Stuttgart, due to DEKRA Unterstützungskasse e.V., Stuttgart, of KEUR 18,785 (prior year: KEUR 9,340).

As of December 31, 2008, there were further contingent liabilities from guarantees of KEUR 6,355 (prior year: KEUR 6,315), thereof KEUR 486 for affiliated companies (prior year: KEUR 5,169).

25. Other Financial Obligations

IN KEUR	Due in 2009	Due in 2010–2013	Due later than 2014	Total 31.12.08
1. From rent agreements	41,753	100,651	62,017	204,421
<i>thereof to affiliated companies</i>	(29,333)	(73,688)	(39,787)	(142,808)
2. From leases	36,525	33,124	0	69,649
<i>thereof to affiliated companies</i>	(251)	(0)	(0)	(0)
3. Purchase obligations	2,767	0	0	2,767
<i>thereof to affiliated companies</i>	(2)	(0)	(0)	(2)
4. Other obligations	2,273	1,026	2,192	5,491
<i>thereof to affiliated companies</i>	(1,717)	(0)	(0)	(1,717)
	83,318	134,801	64,209	282,328

Based on the 2005 G mortality tables of Prof. Dr. Heubeck, obligations from indirect pension obligations that have not been reinsured amount to 12.1 million euros (prior year: 15.4 million euros).

With effect from December 1, 2002, DEKRA Unterstützungskasse e.V., Stuttgart, and Allianz Lebensversicherungs-AG, Stuttgart, concluded a group agreement to provide insurance coverage for the pension obligations of the association.

This initially insures all employees born between January 1, 1943 and June 30, 1950 of the member employers DEKRA AG, Stuttgart, DEKRA Automobil GmbH, Stuttgart, and DEKRA Akademie GmbH, Stuttgart, included in the consolidated financial statements. As part of an amendment to the company agreement dated November 30, 2002 that was signed on December 1, 2003, employees born between July 1, 1950 and December 31, 1951 were also included in this group agreement.

After offsetting the divisible surplus, the total amount of this insurance cover allocable to the aforementioned member employers at Allianz Lebensversicherungs-AG, Stuttgart, amounted to 5.2 million euros (prior year: 6.6 million euros) for fiscal 2008. Gradually decreasing contributions are to be expected over subsequent years.

With effect from December 1, 2005, DEKRA Unterstützungskasse e.V., Stuttgart, and HUK-COBURG Lebensversicherung AG, Coburg, concluded a collective framework agreement to provide further insurance cover for the pension obligations of the association. This initially provides cover for all employees born between January 1, 1952 and December 31, 1953 of the member employers DEKRA AG, Stuttgart, DEKRA Automobil GmbH, Stuttgart, and DEKRA Akademie GmbH, Stuttgart, included in the consolidated financial statements. As part of an amendment signed on December 22, 2006 and effective as of December 1, 2006, employees born between January 1, 1954 and December 31, 1956 were also included in this group agreement.

After offsetting the divisible surplus, the total amount of this reinsurance allocable to the aforementioned member employers at HUK-COBURG Lebensversicherung AG, Coburg, was 5.3 million euros (prior year: 5.4 million euros) for the year 2008. Slightly decreasing contributions are to be expected over subsequent years.

With effect as of December 1, 2007, DEKRA Unterstützungskasse e.V., Stuttgart, and Allianz Lebensversicherungs-AG, Stuttgart, HUK-COBURG Lebensversicherung AG, Coburg, and Generali Lebensversicherung AG, Frankfurt a.M. branch, concluded a syndicated group agreement to continue providing insurance cover for the pension obligations of the association. This insures all entitled employees of the member employers DEKRA AG, Stuttgart, DEKRA Automobil GmbH, Stuttgart, and DEKRA Akademie GmbH, Stuttgart.

As part of an amendment signed on December 27, 2007 and effective as of December 1, 2007, employees born between January 1, 1957 and August 5, 1960 were included in this group agreement.

As part of an amendment to the company agreement signed on December 8, 2008 and effective as of December 1, 2008, employees born between August 6, 1960 and May 31, 1964 were also included in this group agreement.

The total amount of this insurance cover allocable to the aforementioned members of the syndicate came to 4.9 million euros (prior year: 2.6 million euros) for fiscal 2008. In 2009 and 2010, contributions are expected to be on a comparable scale.

All entitlements resulting from the three agreements go exclusively to DEKRA Unterstützungskasse e.V., Stuttgart. All contributions must be paid by DEKRA Unterstützungskasse e.V., Stuttgart, using its own funds.

The premiums due for employer's pension liability insurance in the coming years will match the pension claims of employees who retire upon reaching the statutory retirement age. Premature payments are thus only reinsured proportionately in accordance with the volume of the funds accumulated until then. It is planned to extend the employer's liability insurance to cover other years.

26. Disclosures Pursuant to Sec. 314 (1) No. 10 HGB for Derivative Financial Instruments

Derivative financial instruments such as interest swaps, caps and forward rate agreements were used in the fiscal year to hedge interest and currency risks of existing and forecast transactions.

Derivative Financial Instruments

IN KEUR	Nominal volume 31.12.08	Nominal volume 31.12.07	Market value (fair value) 31.12.08	Market value (fair value) 31.12.07
1. Interest rate swaps	6,000	10,000	–2	120
2. Caps	18,262	23,598	12	238
3. Forward rate agreements	14,020	0	73	0
	38,282	33,598	83	358

The fair value (market value) is calculated on the basis of the mark-to-market value calculated using the Black-Scholes model, as is customary on the market.

27. Notes on the Cash Flow Statement

Cash and cash equivalents comprise checks, cash in hand and bank balances of KEUR 77,019 (prior year: KEUR 97,322). Securities classified as current assets of KEUR 44,272 (prior year: KEUR 42,311) are also included in this item.

28. Complete Exemption from the Duty to Prepare Consolidated Financial Statements

DEKRA AG prepares exempting consolidated financial statements for the subsidiaries listed below in accordance with Sec. 291 HGB. DEKRA International GmbH, Stuttgart, DEKRA Personal GmbH, Stuttgart, DEKRA Akademie GmbH, Stuttgart, DEKRA Certification GmbH, Stuttgart, as well as DEKRA Claims Services International N.V., Zaventem, Belgium, are exempt from preparing their own consolidated (subgroup) financial statements.

29. Consolidated Group

IN %	Share in capital
Fully consolidated companies in Germany:	
DEKRA Automobil GmbH, Stuttgart	100.00
DEKRA Claims Services GmbH, Stuttgart	100.00
DEKRA Akademie GmbH, Stuttgart	100.00
DEKRA Arbeit GmbH, Stuttgart	100.00
DEKRA Real Estate Expertise GmbH, Saarbrücken	100.00
DEKRA Certification GmbH, Stuttgart	100.00
DEKRA International GmbH, Stuttgart	100.00
Internationales Schadensregulierungsbüro Dr. Karl Jacobs – I.S.B.-B.I.R.S. – GmbH, Aachen	100.00
DEKRA Consulting GmbH, Stuttgart	100.00
DEKRA Personal GmbH, Stuttgart	100.00
DEKRA Umwelt GmbH – Umweltgutachterorganisation –, Stuttgart	100.00
DEKRA Commercial Services & Engineering GmbH, Stuttgart	100.00
DEKRA Testing & Inspection GmbH, Stuttgart	100.00
DEKRA Personaldienste GmbH, Eschborn	62.70
DEKRA Beteiligungs- und Finanzierungs GmbH, Stuttgart	100.00
DEKRA Qualification GmbH, Stuttgart	100.00
DEKRA Event & Logistic Services GmbH, Stuttgart	100.00
DEKRA EXAM GmbH, Bochum	100.00
DEKRA Industrial GmbH, Stuttgart	100.00
DEKRA Material Testing GmbH, Duisburg	100.00
GKK Gutachtenzentrale GmbH, Düsseldorf	100.00
Fully consolidated companies abroad:	
DEKRA France S.A.S., Trappes, France	100.00
DEKRA Services S.A.R.L., Trappes, France	100.00
DEKRA Automotive S.A., Trappes, France	100.00
DEKRA Foncier S.N.C., Trappes, France	100.00
Auto Bilan France S.N.C., Trappes, France	100.00
Auto Controle Technique s.a.r.l., Allonnes, France	51.00
C.T.A. S.A.R.L., Trappes, France	90.00
DEKRA Expert S.A.S.U., Trappes, France	100.00
DEKRA Automotive Maroc S.A., Casablanca, Morocco	80.00
DEKRA Test Center S.A., Narbonne, France	100.00
DEKRA Expertise S.A.S., Mondville, France	51.00

IN %	Share in capital
Fully consolidated companies abroad:	
NORISKO S.A., Limoges, France	95.99
AKSSION S.A.S., Bagneux, France	100.00
ALESIA S.C.I., Limoges, France	100.00
NORISKO IMMOBILIER S.A.S., Bagneux, France	100.00
NORISKO ENVIRONNEMENT S.A.S., Bagneux, France	100.00
GAM2I S.A., Limoges, France	100.00
GAMTECH S.A.R.L., Bagneux, France	100.00
MERMOZ BASTIE S.C.I., Limoges, France	100.00
NORISKO CONSTRUCTION S.A.S., Bagneux, France	100.00
NORISKO COORDINATION S.N.C., Bagneux, France	100.00
NORISKO EQUIPEMENTS S.A.S., Limoges, France	100.00
DEKRA NORISKO Industrial Polska Sp. z o.o., Warsaw, Poland	100.00
DEKRA NORISKO Endüstriyel Inceleme ve Danismanlik Sirketi, Kavacik Beykoz (Istanbul), Turkey	85.99
DEKRA NORISKO Holdings South Africa Ltd., Centurion, South Africa	52.70
DEKRA NORISKO Industrial South Africa Ltd., Centurion, South Africa	72.40
DECTA S.A.S., Pierrelatte, France	100.00
AMBIO S.A., Barcelona, Spain	100.00
Thermotique S.A.S., Versailles, France	100.00
DEKRA NORISKO Industrial Algérie S.A.R.L., Algiers, Algeria	99.50
DEKRA Automobil a.s. (formerly: USMD a.s.), Prague, Czech Republic	100.00
STK Slavkov s.r.o., Slavkov u. Brna, Czech Republic	100.00
STK DEKRA Rychnov s.r.o., Rychnov nad Kneznou, Czech Republic	100.00
SLOVDEKRA s.r.o., Bratislava, Slovakia	56.02
Claims Adjusters (International & European) Ltd., London, UK	100.00
DEKRA Claims Services International N.V., Zaventem, Belgium	99.00
Bureau International de Règlement de Sinistres S.A., Brussels, Belgium	100.00
B.V. Internationaal Schaderegelingsbureau I.S.B., Vught, Netherlands	100.00
DEKRA POLSKA Sp. z o.o., Warsaw, Poland	100.00
DEKRA Emission Check, Inc., Wilmington, USA	100.00
DEKRA Nederland B.V., Uden, Netherlands	100.00
DEKRA America, Inc., Wilmington, USA	100.00
DEKRA Certification Sp. z o.o., Wroclaw, Poland	100.00

IN %	Share in capital
Fully consolidated companies abroad:	
Bureau International de Règlement de Sinistres Suisse S.A., Geneva, Switzerland	100.00
DEKRA Revisioni Italia S.R.L., Arese (Milan), Italy	60.00
DEKRA Italia Holding S.r.l., Arese (Milan), Italy	100.00
DEKRA Automotive Services S.r.l., Arese (Milan), Italy	100.00
DEKRA zaposljavanje, zaposljavanje i zastupanje d.o.o., Zagreb, Croatia	100.00
DEKRA za privremeno zaposljavanje d.o.o., Zagreb, Croatia	100.00
DEKRA Finland Oy, Vantaa, Finland	100.00
Polartest Oy, Vantaa, Finland	95.66
DEKRA Bartok B.V., Heerhugowaard, Netherlands	100.00
Toplis Hettema B.V., Heerhugowaard, Netherlands	100.00
Extenso Schademangement & Taxatie B.V., Heerhugowaard, Netherlands	100.00
Hettema en Disselkoen International B.V., Heerhugowaard, Netherlands	100.00
Mclarens Toplis (Nederland) B.V., Capelle aan den IJssel, Netherlands	100.00
Buningh & Van de Weetering Beheer B.V., Heerhugowaard, Netherlands	100.00
Bureau H.A. van Ameyde, Arnheim, Netherlands	100.00
Hedex B.V., Heerhugowaard, Netherlands	100.00
Rispect B.V., Heerhugowaard, Netherlands	100.00
Traxo B.V., Heerhugowaard, Netherlands	100.00
Corex B.V., Heerhugowaard, Netherlands	100.00
Associated companies included in Germany:	
Euro Transport Media Verlags- und Veranstaltungsgesellschaft mbH, Stuttgart	40.00
Associated companies included abroad:	
JUAN A. CALZADO Comisariado de Averías S.A., Barcelona, Spain	50.00
JUAN A. CALZADO Comisariado de Averías S.A., Lisbon, Portugal	50.00

In accordance with Sec. 313 (4) HGB, a complete list of shareholdings of the Group is presented separately.

30. Notes on the Management Board and Supervisory Board

IN THE FISCAL YEAR 2008, THE MEMBERS OF THE MANAGEMENT BOARD OF THE PARENT COMPANY WERE:

Dr. h.c. Klaus Schmidt
CHAIRMAN

Dipl.-Kfm. Roland Gerdon

In 2008, remuneration of the management board totalled KEUR 1,236 (prior year: KEUR 1,187). In 2008, the remuneration of former management board members totalled KEUR 219 (prior year: KEUR 219).

DURING THE FISCAL YEAR 2008, THE MEMBERS OF THE SUPERVISORY BOARD WERE:

Prof. Dr.-Ing. Gerhard Zeidler
CHAIRMAN
President of the Presidential Council of DEKRA e.V., Stuttgart

Dipl.-Ing. (FH) Heinrich Breitbach^{*)}
DEPUTY CHAIRMAN
Chairman of the Group workers' council of DEKRA AG
Engineer at the Frankfurt branch of DEKRA Automobil GmbH, Frankfurt

Marcus Borck^{*)}
ver.di trade union secretary, Baden-Baden
Assessor jur. Hermann Burr^{*)}
Trade union secretary, ver.di Baden-Württemberg, Stuttgart
Wolfgang Chur
Shareholder and trustee of the Robert Bosch Foundation, Stuttgart
Rolf-Peter Hoenen
Spokesman of the boards of the HUK-Coburg Versicherungsgruppe, Coburg
Dipl.-Wirtsch.-Ing. Arndt Günter Kirchhoff
Chairman of the management board of KIRCHHOFF Automotive GmbH & Co. KG, Attendorn
Prof. Dr. Günther Langenbucher
Wirtschaftsprüfer (German Public Auditor)
Wolfgang Loschwitz^{*)}
Chairman of the central workers' council
DEKRA Akademie GmbH, Stuttgart
Wilhelm Oberfranz^{*)}
Manager of the Munich branch of
DEKRA Automobil GmbH, Stuttgart
Thomas Pleines
Chairman of the Management Board of Allianz Versicherungs AG, Unterföhring
Dipl.-Ing. Andreas Schwedler^{*)}
Member of the joint workers' council of
DEKRA Automobil GmbH,
Engineer at the DEKRA Technology Centre, Klettwitz

^{*)} employee representatives

In 2008 remuneration of the supervisory board totalled KEUR 162 (prior year: KEUR 162).

Stuttgart, March 26, 2009
The Management Board



Dr. h. c. Klaus Schmidt
Chairman



Dipl.-Kfm. Roland Gerdon

DEKRA AG AUDIT OPINION

We have issued the following opinion on the consolidated financial statements and the group management report: "We have audited the consolidated financial statements prepared by DEKRA AG, Stuttgart, comprising the balance sheet, the income statement, the cash flow statement, the statement of changes in equity and the notes to the consolidated financial statements together with the group management report for the fiscal year from January 1 to December 31, 2008. The preparation of the consolidated financial statements and the group management report in accordance with German commercial law is the responsibility of the Company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with Sec. 317 HGB ("Handelsgesetzbuch": German Commercial Code) and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with (German) principles of proper accounting and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with (German) principles of proper accounting. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks relating to future development."

Stuttgart, March 26, 2009
Ernst & Young AG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft



Hochrein
Wirtschaftsprüferin
(German Public Auditor)



Blesch
Wirtschaftsprüfer
(German Public Auditor)

REPORT OF THE SUPERVISORY BOARD

In the reporting year, the supervisory board examined on an ongoing basis all major business events within the DEKRA AG Group. These were discussed in detail at two meetings with the management board of DEKRA AG. Furthermore the supervisory board monitored the management board continually and obtained oral or written reports on significant events from the management board on a regular basis. Topics included the economic situation of the Company, acquisitions and the assessment of business risks.

The supervisory board has found that DEKRA AG was successful in the fiscal year. Total revenue and EBIT were raised substantially compared to the prior year. The DEKRA Automotive, DEKRA Automotive International, DEKRA Industrial and DEKRA Personnel business units all contributed equally to growth. The Company created some 2,000 new jobs across the Group.

The separate financial statements and management report of DEKRA AG and the consolidated financial statements and group management report of DEKRA AG for the fiscal year 2008, together with the bookkeeping system, were audited by the independent public auditor Ernst & Young AG Wirtschaftsprüfungsgesellschaft, Steuerberatungsgesellschaft, Stuttgart, who issued an unqualified audit opinion thereon.

The supervisory board has acknowledged and approved the result of the audit by Ernst & Young AG Wirtschaftsprüfungsgesellschaft, Steuerberatungsgesellschaft, Stuttgart, and has not raised any objections pursuant to its own reviews of the separate financial statements, management report, consolidated financial statements and the group management report of DEKRA AG.

The supervisory board hereby approves the financial statements prepared by the management board. These are thus ratified. The supervisory board also approves the consolidated financial statements prepared by the management board.

The supervisory board would like to thank the management board and the employees for all their hard work in 2008.

Stuttgart, May 2009
The Supervisory Board



Prof. Dr.-Ing. Gerhard Zeidler
Chairman

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OVERVIEW OF COUNTRIES

EUROPE

- 1

GERMANY

>> DEKRA e.V.
>> DEKRA AG
>> DEKRA Automobil
>> DEKRA Consulting
>> DEKRA Industrial
>> DEKRA Certification
>> DEKRA Akademie
>> DEKRA Arbeit
>> DEKRA Personaldienste
>> DEKRA International
>> DEKRA Claims Services
>> EuroTransportMedia
- 2

FRANCE

>> DEKRA France S.A.S.
>> DEKRA Automotive
>> DEKRA Claims Services
>> DEKRA Certification
>> DEKRA Industrial
- 3

TURKEY

>> DEKRA Certification
>> DEKRA Industrial
>> DEKRA Claims Services
- 4

RUSSIA

>> DEKRA RUSS
>> TRANSDEKRA
- 5

UNITED KINGDOM

>> DEKRA Expert
>> DEKRA Claims Services
- 6

ITALY

>> DEKRA Revisioni Italia
>> Consorzio DEKRA Revisioni
>> DEKRA Automotive Services
>> DEKRA Claims Services
>> DEKRA Certification
- 7

SPAIN

>> DEKRA Calzado Expert
>> DEKRA Claims Services
>> DEKRA Certification
>> DEKRA Industrial
>> DEKRA Arbeit

- 8

POLAND

>> DEKRA Polska
>> DEKRA Industrial
>> DEKRA Certification
- 9

ROMANIA

>> DEKRA Certification
- 10

NETHERLANDS

>> DEKRA Automotive Services
>> DEKRA Bartok
>> DEKRA Keuringen
>> DEKRA Nederland
>> DEKRA Claims Services
- 11

GREECE

>> DEKRA Hellas
- 12

SERBIA

>> DEKRA Arbeit
- 13

PORTUGAL

>> DEKRA Portugal Expertises
>> DEKRA Claims Services
>> DEKRA Certification
- 14

BELGIUM

>> Orbex-Muys
>> DEKRA Claims Services
>> DEKRA Certification
- 15

CZECH REPUBLIC

>> DEKRA Automobil
>> DEKRA Certification
>> DEKRA Claims Services
>> DEKRA Arbeit
- 16

HUNGARY

>> DEKRA Expert
>> DEKRA Claims Services
>> DEKRA Certification
>> DEKRA Arbeit
>> DEKRA Akademie
>> DEKRA Automotive

- 17

SWEDEN

>> DEKRA Automotive
>> DEKRA Claims Services
- 18

AUSTRIA

>> DEKRA Austria Automotive
>> DEKRA Claims Services
>> DEKRA Certification
>> DEKRA Industrial
- 19

BULGARIA

>> DEKRA Automotive
- 20

SWITZERLAND

>> DEKRA Claims Services
>> DEKRA Certification
- 21

SLOVAKIA

>> SLOVDEKRA
>> DEKRA Arbeit
>> DEKRA Certification
- 22

FINLAND

>> DEKRA Industrial
- 23

BOSNIA-HERZEGOVINA

>> DEKRA Arbeit
>> DEKRA Ekspert
- 24

CROATIA

>> DEKRA Arbeit
- 25

MACEDONIA

>> DEKRA Arbeit
- 26

LUXEMBOURG

>> DEKRA Claims Services
- 27

UKRAINE

>> DEKRA Expert
>> DEKRA Certification
- 28

SLOVENIA

>> DEKRA Ekspert
- 29

LIECHTENSTEIN

>> DEKRA Claims Services

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OVERSEAS

30 USA

- » DEKRA America
- » DEKRA Emission Check

31 MOROCCO

- » DEKRA Automotive
- » DEKRA Industrial

32 ALGERIA

- » DEKRA Industrial

33 SOUTH AFRICA

- » DEKRA Industrial
- » DEKRA Certification
- » DEKRA Automotive

34 BRAZIL

- » DEKRA Brasil Automotivo
- » DEKRA Expertises
- » Lincas Vistorias, Comércio e Serviços
- » Identificar Sistema de Identificação de Veículos S/C
- » Checkauto Serviços Automotivos

35 CHINA

- » DEKRA Industrial
- » DEKRA China

