



News service MAN Group

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RENK annual stockholders' meeting: Favorable business figures reported for 2002 / Stock repurchase program continued

At the annual stockholders' meeting on May 14, 2003, the Executive Board of RENK AG, an MAN Group company, reviewed a successful fiscal year 2002 and previewed 2003.

While, at €305 million, order intake did recede by 12 percent in 2002, it again clearly surpassed net sales, which inched up from €252 million to €255 million. The order backlog as of December 31, 2002, climbed to €585 million, a new all-time high. Earnings before taxes (EBT) and net income came to €19 million and €13 million, respectively, slightly below the very high prior-year level. The pretax return on sales (ROS) amounted to 7.5 percent, and the return on capital employed (ROCE) to 19.0 percent.

The stockholders' meeting resolved to distribute an unchanged cash dividend of €1.20 per share for 2002.

While the Executive Board sees the strong euro and the still unsatisfactory economy as presenting a certain risk potential for the current fiscal year, it nonetheless assumes that all market segments of importance to RENK will remain substantially stable.

Whereas sales and earnings in the first four months of 2003 were just slightly below the corresponding year-earlier levels, order intake initially slipped by around a third. This decline is only to a limited extent attributable to the weak economy, the main reason was a hiatus in the inflow of large-scale contracts for vehicle transmissions; such orders are not placed at regular intervals but are expected to be for the coming months.

With the Supervisory Board's approval, RENK AG's Executive Board decided to repurchase treasury stock as from May 19, 2003, in line with the authorization by the stockholders' meeting.

Via the stock exchange and/or by public offering to all stockholders, treasury shares will be reacquired up to a ceiling of 7.5 percent of the current capital stock, hence a total of 525,000 shares; the present treasury stock portfolio of 199,903 shares will be counted toward this volume. If acquired via the stock exchange, the purchase price (excluding incidentals) may not be more than 10 percent above or below the average price paid for RENK stock on the five preceding active trading days on the official market of the Bavarian Bourse. In the event of a public bid, the repurchase price offered or the limits of the bid price spread per share (excluding incidentals) may not be more than 20 percent above or below the average price paid for RENK stock on the ten preceding active trading days on the official market of the Bavarian Bourse.

The results of the repurchase program and its continuation (if any) will be reported at the next stockholders' meeting.