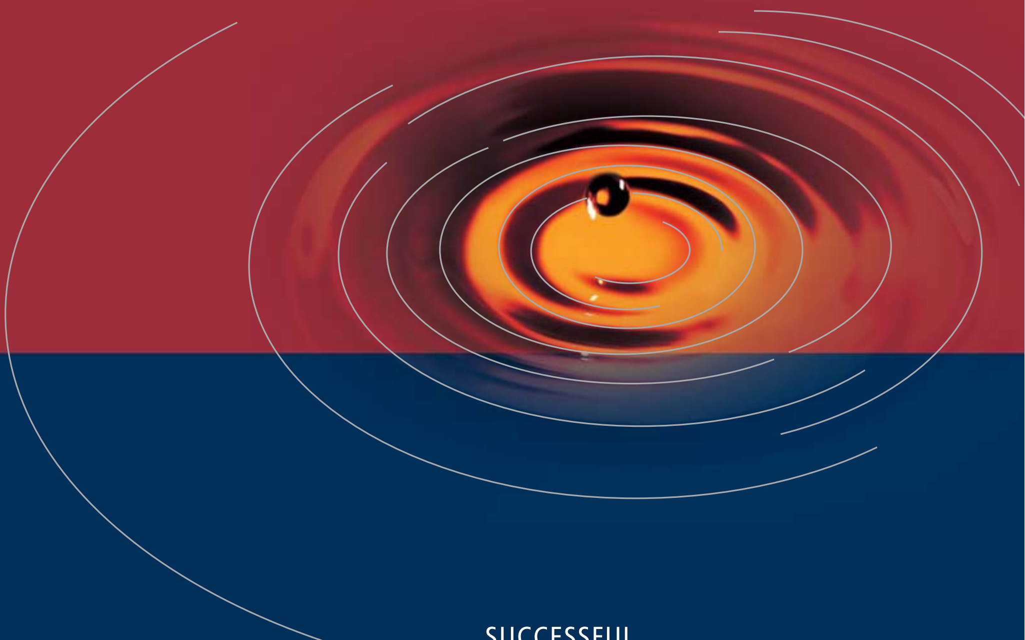
QUARTERLY REPORT

FOR THE FIRST HALF OF 2005



SUCCESSFUL FIRST HALF OF 2005

FUCHS PETROLUB AG

THE FIRST HALF OF 2005 AT A GLANCE

Group

[Values in € million]	1–6/2005	1–6/2004
Sales revenues[1]	**575.7**	**548.9**
Europe	382.6	366.3
North and South America	105.8	98.4
Asia-Pacific, Africa	96.8	96.1
Consolidation	–9.5	–11.9
Earnings before interest and taxes (EBIT)[2]	**57.1**	**46.1**
Net profit for the first half[2]	**31.1**	**23.2**
Gross cash flow	**42.6**	**40.3**
Capital expenditure[3]	**11.8**	**9.3**
Employees (on 30.6.)	**4,154**	**4,240**
Germany	1,093	1,093
International	3,061	3,147

1 By companies' headquarters
2 Before scheduled goodwill amortization
3 In property, plant and equipment and intangible assets

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LETTER TO THE SHAREHOLDERS

Dear shareholders,

In the second quarter of the year, the FUCHS PETROLUB Group continued to build on the success of the previous quarter.

A sales growth of 4.9 % for the first half led to an above average increase in operating profit despite heavy increases in the cost of raw materials. On a comparable basis, net Group income for the first half rose by 34.1 %, thanks not only to the 11.9 % increase in operating profit and lower restructuring costs, but also to an improved financial result and a lower tax rate.

Earnings per ordinary and preference share amount to €1.28 (comparable with 0.95) and €1.31 (comparable with 0.98), thus indicating growth of approximately 34 %.

We expect raw material costs to continue to rise in the third quarter and they may well remain at this high level for the foreseeable future. Based on our focus on lubricants and related specialties, as well as increasing our sales prices, continuing our policy of disciplined cost management and receiving profits from property sales during the third quarter, we anticipate a significant rise in net Group income for the year 2005 on a comparable basis to previous figures, i.e. taking into account the cessation of scheduled goodwill amortization from the previous year.

Yours

Stefan Fuchs
Chairman of the Executive Board

THE ENVIRONMENT

The global demand for lubricants fell in the first half of 2005 as expected. This was mainly due to negative inventory cycles, as well as technological and structural issues. For the entire year, however, we expect a global increase in demand of approximately 0.5 %.

In Germany and France, falling sales volumes for automotive oils through May of the current year led to market falls of 3.6 % and 4.8 % respectively. In contrast, lubricant volumes in the developing and emerging countries in Asia – particularly China and India – continued to rise in the period under review.

The general economic upturn over the first six months of 2005 has had a beneficial effect on some of the most vital sectors for FUCHS – such as machine and process plant engineering and the automotive industry.

SALES REVENUES

The FUCHS PETROLUB Group achieved significant growth in sales revenues in the first half of 2005, rising 4.9 % to €575.7 million (€548.9). The driving force behind this increase was internal growth at 4.5 %.

Summary of factors affecting revenues:

	€ million	%
Internal growth	+24.8	+4.5
External growth	+6.8	+1.3
Currency translation effects	–4.8	–0.9
Sales development	**+26.8**	**+4.9**

Development of revenues by region

[in € million]	2005	2004	Internal growth	External growth	Currency translation effects	Total change absolute	Total change in %
Europe	382.6	366.3	8.6	6.8	0.9	16.3	4.4
North and South America	105.8	98.4	11.2	–	–3.8	7.4	7.5
Asia-Pacific, Africa	96.8	96.1	2.6	–	–1.9	0.7	0.7
Consolidation	–9.5	–11.9	2.4	–	–	2.4	–
Total	**575.7**	**548.9**	**24.8**	**6.8**	**–4.8**	**26.8**	**4.9**

Internal growth of €24.8 million or 4.5 % was the result of mix improvements and increases in sales prices. The Americas were the most significant contributor at 11.4 %, while growth in Europe and Asia-Pacific, Africa was more moderate at 2.3 % and 2.7 % respectively as the result of the discontinuation of low-margin business.

External growth of €6.8 million was mainly a reflection of the acquisition of the OVOLINE business in England at the start of 2005. Currency translation effects in the first half were negative, as the conversion of foreign currencies into euros reduced Group sales revenues by €4.8 million.

EARNINGS

The FUCHS PETROLUB Group continued its excellent profit development in the first half of 2005, achieving net profits after taxes of €31.1 million. This meant a superb 34.1 % increase in comparison to the comparable previous year's figure of €23.2 million (previous year's value before scheduled goodwill amortization). When compared to the unadjusted total of €18.9 million for the first half of 2004, this demonstrates a rise of 64.4 %.

This success was due mainly to the increase in operating profit, improvement of other operating income and lower financing expenditure.

Not only were the increases in raw material prices offset by more efficient cost structures and an improved product mix, combined with increased sales prices, but the Group was also able to increase its operating profit by €6.1 million or 11.9 % to €57.4 million (€51.3).

Earnings before interest and taxes (EBIT) rose by €11.0 million or 23.9 % to €57.1 million (comparable with €46.1), as restructuring costs proved less of a burden on other operating income than in the previous year.

Reductions in financial liabilities led to reduced financing expenditure and thus contributed to a 33.3 % increase in earnings before taxes, rising to €49.2 million (comparable with €36.9). All in all, earnings after taxes reached a new high of €31.1 million (comparable with €23.2).

All regions contributed to this excellent result, with particularly pleasing development in our Eastern European companies.

All regions were able to increase their sector earnings (EBIT) and EBIT margins or like the Americas maintaining their high level of performance (15.1 %).

Earnings per ordinary and preference share (after the 1:3 share split in June 2005) amounted to €1.28 and €1.31 respectively (comparable with €0.95 and €0.98 in the first half of 2004), thus rising by 34.7 % and 33.7 %.

CAPITAL EXPENDITURE AND ACQUISITIONS

Capital expenditure on property, plant and equipment and intangible assets in the first half of 2005 amounted to €11.8 million (€9.3) or 2.0 % of sales revenues. Around 60 % of these investments were used for projects in Mannheim, Stoke-on-Trent in England and Chicago in the USA.

Depreciation and amortization on property, plant and equipment and intangible assets totaled €10.8 million (€12.9). Changes in international accounting standards (IFRS) meant the cessation of scheduled goodwill amortization in the first half of 2005, which had amounted to €4.3 million in the first half of 2004.

As already stated, the Group acquired a lubricants business trading under the name of OVOLINE in England, with effect from 1 January 2005.

STATEMENT OF CASH FLOWS

Group cash flow, adjusted for consolidation and currency translation effects, indicates a rise in gross cash flow to €42.6 million (€40.3). This was particularly due to the improved first-half profit. Depreciation and amortization of non-current assets no longer include scheduled goodwill amortization, in accordance with IFRS 3. The previous year's value includes scheduled goodwill amortization of €4.3 million.

At €18.9 million, the cash inflow from operating activities fell significantly in comparison to the previous year (€35.2). Increases in the scope of activity and major price increases in our procurement markets resulted in a high level of funds being tied up. Furthermore, the in-house manufacture of products that were manufactured on a contract basis in the previous year and the acquisition of the OVOLINE business led to an increase in receivables and inventories. There was merely a slight rise in net current assets tied up in relation to sales revenues.

Cash outflow from investing activities was €10.5 million, considerably below that of the previous year (€21.5). Investments in non-current assets totaled €12.1 million (€9.3) as scheduled. A net sum of €1.8 million (€14.5) was spent on acquisitions.

Free cash flow being cash inflow from operating activities after deducting investing activities amounted to €8.4 million (€13.7) for the first half of 2005.

WORKFORCE

As of 30 June 2005, the FUCHS PETROLUB Group employed 4,154 people (4,240). The number of employees thus decreased by 86 (–2.0 %) over the preceding year's equivalent date.

The number of employees in Germany remained constant at 1,093 in comparison to 30 June 2004, while the number of employees abroad fell by 86 (–2.7 %) to 3,061 (3,147).

Employee numbers fell predominantly in Europe outside Germany as the result of restructuring measures in France and within the LIPPERT Group. In comparison to the previous year's figure, the total of 1,493 employees reflected a decrease of 78 people (–5.0 %).

In North and South America, the number of employees rose by 5 (+0.8 %) to reach 618, while the payroll in the Asia-Pacific, Africa region fell slightly by 13 (–1.3 %) to 950 in comparison with 30 June 2004.

RESEARCH AND DEVELOPMENT

Specialties form the focus of development in the laboratories of FUCHS PETROLUB. In the second quarter once again, a wide range of new specialties was developed, tested and rolled out onto the market.

FUCHS is the development partner of a leading international module and component manufacturer of aircraft drives. The first success is the all-area application of a special coolant when processing nickel and titanium materials that are difficult to machine. The product has proven its efficiency under the toughest of working conditions during an extensive performance comparison. Both the surface finish of the components and the endurance of the emulsion were significantly improved, particularly when milling integral compressor rotors at high speed. Even when turning, milling and grinding materials that are difficult to machine, the product passes the test with flying colors.

Gas engines are mainly used in combined heat and power plants, landfill sites and sewage plants in continuous operation close to maximum performance. FUCHS gas engine oils are designed with these operating conditions in mind, guaranteeing a high level of resistance against nitration and oxidation. The zinc-free additivation in these special lubricants also provide effective protection against the formation of sludge and deposits. A special product has been developed for gas engines that run on particularly aggressive biogases (such as digester gas, landfill gas or manure gas), featuring high alkali reserves and highly active corrosion protection to neutralize gas pollutants.

OUTLOOK

FUCHS PETROLUB has developed a reputation as a specialist in the lubricants sector, thanks to its balanced product and client mix and technological leadership in crucial strategic areas of application. The FUCHS PETROLUB Group will continue to focus on qualitative growth.

The current business year will continue to be marked by increasing raw material costs, countered by our strategy of specialization, increase in sales prices and disciplined cost management. Lower restructuring expenses, falling financing costs and the cessation of scheduled goodwill amortization should also have a positive effect. The company is also due to receive profits from property sales amounting to approximately €6 million in the third quarter of the year. All in all, we anticipate on a comparable basis a significant increase in net Group income for the year 2005.

Mannheim, August 11, 2005
FUCHS PETROLUB AG

FUCHS SHARES

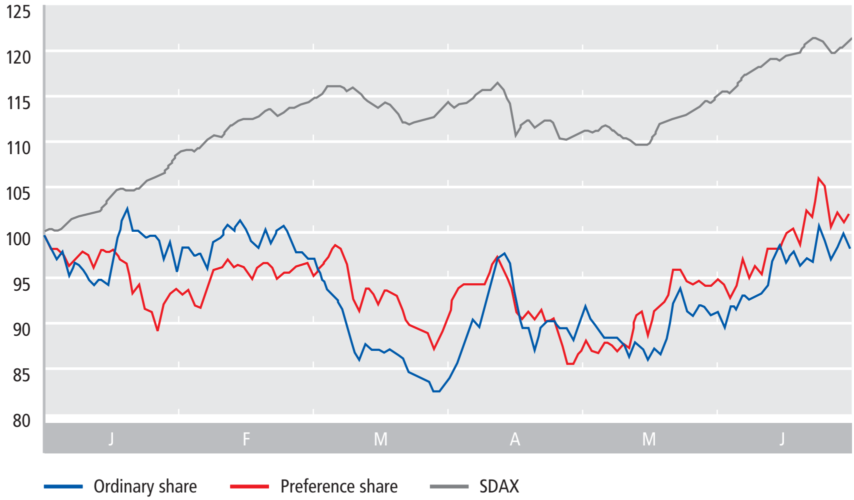
After profit taking in the first quarter of 2005 led to reductions in value for ordinary and preference shares, FUCHS shares in the second quarter of 2005 were consolidated at a higher level. This development was supported by the excellent Group profit for the first quarter and the forecast for the entire year.

By 30 June 2005, ordinary shares were able to regain lost ground from the first quarter of 2005, closing at €27.74 (after stock split), which was only 3 % below the closing rate for 2004. At €26.90 (after stock split), preference shares displayed a slight rise of +2.0 % since the start of 2005. Most analysts are still classifying FUCHS shares under 'Buy'.

The share prices as of the end of the first half of 2005 resulted in company market capitalization totaling €644 million (€464), of which €317 million (€233) was from preference shares listed on the SDAX. Sales revenues with ordinary and preference shares for the first half of 2005 reached €203.3 million (€104.4).

Bestinver Gestión, S.G.I.I.C, Madrid/Spain, has informed us according to section 21 subsection 1 WpHG (Securities Trading Act) that they exceeded the 5% threshold of voting rights in FUCHS PETROLUB AG on April 22, 2005. They now hold 5.043 % of the voting rights, assigned to them in accordance with section 22, subsection 1, clause 1, No. 6.

Indexed comparative performance of the FUCHS PETROLUB shares, 1 January to 30 June 2005 in %



ANNUAL GENERAL MEETING 2005

The AGM of FUCHS PETROLUB AG in Mannheim on 24 May 2005 was attended by around 1,000 shareholders, representing a total share capital of almost 46 %.

As emphasized by company management, the Group further built its world market leadership in vital strategic niches still in 2004. The excellent sector and customermix, combined with an international presence, indicates that FUCHS is meeting the challenges of globalization successfully. The Group is represented in all the crucial strategic markets.

Shareholder representatives of the German Association of Private Investors (Deutsche Schutzvereinigung für Wertpapierbesitz) and the Association for the Protection of Capital Investors (Schutzgemeinschaft der Kapitalanleger) used their reports to praise the remarkable development of company earnings and cash flow, share prices and the excellent assessment the company was given by financial analysts.

With the presence of 71.27 % of those shareholders entitled to vote, management proposals were passed unanimously or with overwhelming majorities. These proposals included the payment of dividends increased by €0.10 to €1.66 per ordinary share and €1.83 per preference share, as well as the split of shares in a ratio of 1:3.

Shareholders also agreed to the authorization for the issue of option and convertible bonds, as well as the creation of a conditional capital of 10 % of capital stock and the corresponding alteration of company statutes.

CONSOLIDATED FINANCIAL STATEMENTS |
CONSOLIDATED INCOME STATEMENT 1ST HALF OF 2005

[in € million]	1st half of 2005	1st half of 2004
Sales revenues	**575.7**	**548.9**
Cost of sales	–366.4	–345.3
Gross profit	**209.3**	**203.6**
Selling expenses	–105.3	–105.0
Administration expenses	–35.9	–35.9
Research and development expenses	–10.7	–11.4
Operating profit	**57.4**	**51.3**
Other operating income	8.8	7.2
Other operating expenses	–9.5	–10.8
Investment income	0.4	–1.6
Earnings before interest, taxes and scheduled goodwill amortization	**57.1**	**46.1**
Scheduled goodwill amortization	0.0	–4.3
Earnings before interest and taxes (EBIT)	**57.1**	**41.8**
Financial result	–7.9	–9.2
Earnings before taxes (EBT)	**49.2**	**32.6**
Taxes on income	–18.1	–13.7
Net profit after taxes	**31.1**	**18.9**
Minority interests	0.7	0.5
Net profit after minority interest	**30.4**	**18.4**
Earnings per share in €[1]		
Ordinary share	1.28	0.95
Preference share	1.31	0.98

1 Basic and diluted in both cases before scheduled goodwill amortization. To facilitate comparison, the previous year's figures were converted to the values resulting from the share split in June 2005 (share split 1:3).

CONSOLIDATED INCOME STATEMENT 2ND QUARTER OF 2005

[in € million]	2nd quarter of 2005	2nd quarter of 2004
Sales revenues	**300.7**	**282.0**
Cost of sales	–191.1	–178.1
Gross profit	**109.6**	**103.9**
Selling expenses	–54.3	–53.4
Administration expenses	–18.3	–18.1
Research and development expenses	–5.2	–5.7
Operating profit	**31.8**	**26.7**
Other operating income	5.5	3.8
Other operating expenses	–5.4	–5.2
Investment income	0.4	–1.7
Earnings before interest, taxes and scheduled goodwill amortization	**32.3**	**23.6**
Scheduled goodwill amortization	0.0	–2.1
Earnings before interest and taxes (EBIT)	**32.3**	**21.5**
Financial result	–4.0	–4.5
Earnings before taxes (EBT)	**28.3**	**17.0**
Taxes on income	–10.3	–7.3
Net profit after taxes	**18.0**	**9.7**
Minority interests	0.4	0.2
Net profit after minority interest	**17.6**	**9.5**
Earnings per share in €[1]		
Ordinary share	0.74	0.48
Preference share	0.76	0.50

1 Basic and diluted in both cases before scheduled goodwill amortization.
To facilitate comparison, the previous year's figures were converted to the values resulting from the share split in June 2005 (share split 1:3).

CONSOLIDATED BALANCE SHEET

[in € million]	30.6.2005	31.12.2004
ASSETS		
Intangible assets	88.7	82.2
Property, plant and equipment	161.9	154.9
Investments accounted for using the equity method	2.4	2.4
Other financial assets	2.7	2.8
Deferred taxes	13.7	11.7
Long-term assets	269.4	**254.0**
Inventories	150.4	138.8
Trade receivables	209.3	175.1
Tax receivables	0.9	1.0
Other receivables and other assets	28.2	32.1
Liquid funds	18.4	27.6
Short-term assets	407.2	**374.6**
Total assets	676.6	**628.6**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Subscribed capital	70.7	70.7
Group reserves	83.5	46.2
Group profits	30.4	39.0
FUCHS PETROLUB Group capital	184.6	**155.9**
Minority interest	4.4	3.9
Shareholders' equity	189.0	**159.8**
Pension provisions	55.9	55.5
Other provisions	7.5	7.5
Deferred taxes	10.2	9.8
Financial liabilities	111.1	110.4
Other liabilities	2.1	0.4
Long-term liabilities	186.8	**183.6**
Trade payables	115.6	103.8
Provisions	36.9	42.0
Tax liabilities	33.6	24.8
Financial liabilities	81.5	83.8
Other liabilities	33.2	30.8
Short-term debt liabilities	300.8	**285.2**
Total shareholders' equity and liabilities	676.6	**628.6**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

[in € million]	Subscribed capital AG	Capital reserves AG	Equity capital generated in the Group
Balance at 31.12.2003	70.7	94.9	–26.5
Dividend payments			–12.9
Gains and losses not recognized in the income statement			
Currency effects			
Financial instruments net of deferred taxes			
Other changes			0.4
Gains and losses recognized in the income statement			
Net profit after taxes 1.1.–30.6.2004			18.4
Balance at 30.6.2004	**70.7**	**94.9**	**–20.6**

[in € million]	Subscribed capital AG	Capital reserves AG	Equity capital generated in the Group
Balance at 31.12.2004	70.7	94.9	0.8
Adjustment of currency translation effects from capital repayments of a subsidiary			–2.6
Dividend payments			–13.7
Gains and losses not recognized in the income statement			
Currency effects			
Financial instruments net of deferred taxes			
Other changes			–0.2
Gains and losses recognized in the income statement			
Net profit after taxes 1.1.–30.6.2005			30.4
Balance at 30.6.2005	**70.7**	**94.9**	**14.7**

Effects from currency translation	Market valuation of financial instruments	**Group's capital**	Minority interest	**Shareholders' equity**
–7.1	0.5	**132.5**	5.2	**137.7**
		–12.9	–0.3	**–13.2**
6.9		**6.9**		**6.9**
	–3.8	**–3.8**		**–3.8**
		0.4	–0.4	**0**
		18.4	0.5	**18.9**
–0.2	**–3.3**	**141.5**	**5.0**	**146.5**

Effects from currency translation	Market valuation of financial instruments	**Group's capital**	Minority interest	**Shareholders' equity**
–8.9	–1.6	**155.9**	3.9	**159.8**
2.6		**0**		**0**
		–13.7	–0.4	**–14.1**
12.3		**12.3**	0.2	**12.5**
	–0.1	**–0.1**		**–0.1**
		–0.2		**–0.2**
		30.4	0.7	**31.1**
6.0	**–1.7**	**184.6**	**4.4**	**189.0**

STATEMENT OF CASH FLOWS

[in € million]	30.6.2005	30.6.2004
Net profit after taxes	**31.1**	**18.9**
Depreciation and amortization of non-current assets	11.3	19.9
Change in long-term provisions	0.2	1.5
Gross cash flow	**42.6**	**40.3**
Change in short-term provisions	0.5	5.4
Change in inventories	–5.0	–1.0
Change in receivables	–26.5	–20.8
Change in other assets	2.6	–2.7
Change in liabilities (excluding financial liabilities)	6.2	15.3
Gain/loss on disposal of non-current assets	–1.5	–1.3
Cash inflow from operating activities	**18.9**	**35.2**
Investments in non-current assets	–12.1	–9.3
Acquisitions of consolidated business units	–1.8	–14.5
Proceeds from the disposal of non-current assets	3.4	2.3
Cash outflow from investing activities	**–10.5**	**–21.5**
Free cash flow	**8.4**	**13.7**
Dividend distribution for the preceding year	–14.1	–13.2
Change in financial liabilities	–4.6	0.7
Change in cash due to changes in the consolidated Group	0.0	0.0
Cash outflow from financing activities	**–18.7**	**–12.5**
Liquid funds at the end of the preceding year	**27.6**	**29.4**
Cash inflow from operating activities	18.9	35.2
Cash outflow from investing activities	–10.5	–21.5
Cash outflow from financing activities	–18.7	–12.5
Effect of currency translation	1.1	0.3
Liquid funds at the end of the first six months	**18.4**	**30.9**
Details of the acquisition and disposal of companies and other business units [in € million]		
Total amount of all purchase prices	2.1	14.5
Total liquid funds purchased	0.0	0.0
Balance of acquired net assets	0.0	6.9
Total proceeds	0.3	0.0
Total liquid funds sold	0.0	0.0
Net assets sold	0.1	0.0

REGIONAL SEGMENTS

[in € million]	Europe	North and South America	Asia-Pacific, Africa	Total for operating com-panies	Holding com-panies incl. consoli-dation	FUCHS PETROLUB Group
2005						
Sales by company location	**382.6**	**105.8**	**96.8**	**585.2**	**–9.5**	**575.7**
Segment earnings (EBIT)	**34.9**	**16.0**	**7.4**	**58.3**	**–1.2**	**57.1**
EBIT to sales in %[2]	**9.1**	**15.1**	**7.6**	**10.0**		**9.9**
2004						
Sales by company location	366.3	98.4	96.1	560.8	–11.9	548.9
Segment earnings (EBIT)[1]	30.6	15.6	3.2	49.3	–3.2	46.1
EBIT to sales in %[2]	8.4	15.8	6.6	9.4		8.4

1 Values before scheduled goodwill amortization
2 Excluding EBIT of associated companies, as their sales figures are also not included

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of FUCHS PETROLUB AG, Mannheim, have been prepared in accordance with the principles of the International Financial Reporting Standards (IFRS), taking into account the regulations laid down in the guidelines of the International Accounting Standards Board (IASB) valid on the date of the report. The accounting and valuation principles, together with the calculation methods, remained unchanged from the consolidated financial statements for 2004; we therefore refer to the notes to the consolidated financial statements there.

The balance sheet format has been altered in accordance with the term requirements of IAS 1, with the data from the previous year being adapted to the current format. Participation right certificates are included under long-term financial liabilities.

FINANCIAL CALENDAR

Events	
2005	
September 20 – 21, 2005	Financial Markets Conference, Mannheim
October 5, 2005	Third Mannheim Capital Market Forum, Mannheim
2006	
April 3, 2006	Balance sheet press conference, Mannheim DVFA Analysts Conference, Frankfurt
May 11, 2006	Annual General Meeting, Mannheim
May 12, 2006	Information event for Swiss shareholders, Zurich
August 9, 2006	First-half press conference, Mannheim

Next quarterly report	
November 15, 2005	Report for the first nine months January – September 2005

FUTURE-ORIENTATED STATEMENTS AND PREDICTIONS

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

This quarterly report is also available in German. Both language versions are accessible via the Internet.

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