

Further Information

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group.

Munich, January 27, 2011

MAN SE

The Executive Board

Dr. Georg Pachta-Reyhofen

Chief Executive Officer

Frank H. Lutz

Chief Financial Officer

Jörg Schwitalla

Member of the Executive Board

Klaus Stahlmann

Member of the Executive Board

Further Information

Auditors' Report

We have audited the consolidated financial statements—comprising the income statement, reconciliation of comprehensive income for the period, balance sheet, statement of cash flows, statement of changes in equity, and the notes—and the group management report prepared by MAN SE, Munich, for the fiscal year from January 1 to December 31, 2010. The preparation of the consolidated financial statements and the group management report in accordance with IFRSs, as adopted by the EU, and the supplementary provisions of German commercial law required to be applied under section 315a (1) of the *Handelsgesetzbuch* (HGB—German Commercial Code) is the responsibility of the Company's Executive Board. Our responsibility is to express an opinion on the consolidated financial statements and the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with section 317 of the HGB and German generally accepted standards for the audit of financial statements promulgated by the *Institut der Wirtschaftsprüfer* (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 the applicable financial reporting standards 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 the companies included in the consolidated financial statements, the determination of the companies to be included in the consolidated financial statements, the accounting and consolidation principles used, and significant estimates made by the Executive Board, 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 IFRSs, as adopted by the EU, and the supplementary provisions of German commercial law required to be applied under section 315a (1) of the HGB and give a true and fair view of the net assets, financial position, and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements, as a whole provides a suitable understanding of the Group's position and suitably presents the opportunities and risks of future development.

Munich, January 28, 2011

**PricewaterhouseCoopers
Aktiengesellschaft**

Wirtschaftsprüfungsgesellschaft

Dr. Jan Konerding
Wirtschaftsprüfer

Petra Justenhoven
Wirtschaftsprüferin

Further Information

Unaudited Additional Information: Overview by Quarter

Unaudited additional information: overview by quarter (1/3)

€ million										
	2010					2009				
	Total 2010	Q 4	Q 3	Q 2	Q 1	Total 2009	Q 4	Q 3	Q 2	Q 1
Order intake by division										
MAN Truck & Bus	8,023	2,351	2,018	1,961	1,693	5,224	1,360	1,203	1,296	1,365
MAN Latin America	3,140	768	840	816	716	1,412	571	453	388	–
Commercial Vehicles	11,163	3,119	2,858	2,777	2,409	6,636	1,931	1,656	1,684	1,365
MAN Diesel & Turbo	3,475	911	797	735	1,032	2,936	632	918	523	863
Renk	525	86	87	242	110	294	70	84	72	68
Power Engineering	4,000	997	884	977	1,142	3,230	702	1,002	595	931
Others/Consolidation	–91	–28	–26	–9	–28	–6	2	–1	–1	–6
Order intake	15,072	4,088	3,716	3,745	3,523	9,860	2,635	2,657	2,278	2,290
Commercial Vehicles order intake (units)	133,023	35,611	34,207	33,426	29,779	73,826	22,479	20,468	20,179	10,700
of which: MAN Truck & Bus	67,393	20,445	16,731	16,678	13,539	37,984	9,601	8,443	9,240	10,700
of which: MAN Latin America	65,630	15,166	17,476	16,748	16,240	35,842	12,878	12,025	10,939	–
Revenue by division										
MAN Truck & Bus	7,446	2,255	1,903	1,834	1,454	6,395	1,574	1,565	1,641	1,615
MAN Latin America	3,140	768	840	816	716	1,412	571	453	388	–
Commercial Vehicles	10,586	3,023	2,743	2,650	2,170	7,807	2,145	2,018	2,029	1,615
MAN Diesel & Turbo	3,766	1,073	935	894	864	3,796	989	984	962	861
Renk	403	115	100	78	110	474	126	106	131	111
Power Engineering	4,169	1,188	1,035	972	974	4,270	1,115	1,090	1,093	972
Others/Consolidation	–80	–27	–21	–10	–22	–51	–4	–4	–12	–31
Revenue	14,675	4,184	3,757	3,612	3,122	12,026	3,256	3,104	3,110	2,556
Commercial Vehicles unit sales (units)	126,279	35,124	33,681	31,479	25,995	82,609	24,165	23,159	23,078	12,207
of which: MAN Truck & Bus	60,649	19,958	16,205	14,731	9,755	46,767	11,287	11,134	12,139	12,207
of which: MAN Latin America	65,630	15,166	17,476	16,748	16,240	35,842	12,878	12,025	10,939	–
Order backlog¹	7,025	7,025	7,371	7,706	7,720	7,422	7,422	8,160	8,661	9,662

¹ As of the reporting date

This information is reported on a voluntary basis and does not form part of the audited consolidated financial statements.

Unaudited additional information: overview by quarter (2/3)

€ million										
	2010					2009				
	Total 2010	Q 4	Q 3	Q 2	Q 1	Total 2009	Q 4	Q 3	Q 2	Q 1
Operating profit/loss by division										
MAN Truck & Bus	158	85	59	71	-57	-91	-32	-42	-22	5
MAN Latin America	370	112	92	96	70	142	65	42	35	-
Commercial Vehicles	528	197	151	167	13	51	33	0	13	5
MAN Diesel & Turbo	439	107	112	118	102	500	126	129	128	117
Renk	52	10	17	9	16	66	19	14	18	15
Power Engineering	491	117	129	127	118	566	145	143	146	132
Others/Consolidation	16	-7	44	-18	-3	-113	-52	-9	-15	-37
Operating profit	1,035	307	324	276	128	504	126	134	144	100
Earnings effects from purchase price allocations	-109	-26	-35	-25	-23	-62	-22	-40	-	-
Losses from nonrecurring items	357	357	-	-	-	-656	-563	-22	-61	-10
Earnings before interest and taxes (EBIT)	1,283	638	289	251	105	-214	-459	72	83	90
Depreciation, amortization, and impairment losses of noncurrent assets	467	135	110	113	109	804	509	129	88	78
Reversals of impairment losses on equity-method investments	-357	-357	-	-	-	-	-	-	-	-
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	1,393	416	399	364	214	590	50	201	171	168
Earnings before tax (EBT)	1,125	584	256	216	69	-331	-486	37	38	80
Income taxes	-338	-177	-76	-65	-20	-53	13	-31	-11	-24
Income from discontinued operations, net of tax	-65	-65	-	-	-	126	1	-	-	125
Net income/loss	722	342	180	151	49	-258	-472	6	27	181
ROS (%)	7.1	7.3	8.6	7.7	4.1	4.2	3.9	4.3	4.6	3.9
MAN Truck & Bus	2.1	3.8	3.1	3.9	-3.9	-1.4	-2.0	-2.7	-1.3	0.3
MAN Latin America	11.8	14.6	11.0	11.8	9.7	10.1	11.5	9.1	9.1	-
Commercial Vehicles	5.0	6.5	5.5	6.3	0.6	0.7	1.6	-0.1	0.7	0.3
MAN Diesel & Turbo	11.7	10.0	11.9	13.3	11.8	13.2	12.8	13.1	13.4	13.5
Renk	12.9	8.7	16.9	11.5	14.5	13.9	15.2	13.1	13.8	13.5
Power Engineering	11.8	9.9	12.4	13.1	12.1	13.3	13.1	13.1	13.5	13.5
Cash earnings	815	182	239	304	90	396	-28	91	175	158
Net cash provided by operating activities	1,427	475	242	211	499	1,462	504	559	258	141
Net cash used in investing activities	-374	-176	-77	-79	-42	-2,584	-709	-25	-76	-1,774
Free cash flow	1,053	299	165	132	457	-1,122	-205	534	182	-1,633
Net financial debt¹	-1,778	-1,778	-2,083	-2,252	-2,345	-2,634	-2,634	-2,385	-2,955	-2,831

¹ As of the reporting date

This information is reported on a voluntary basis and does not form part of the audited consolidated financial statements.

Unaudited additional information: overview by quarter (3/3)

€ million										
	2010					2009				
	Total 2010	Q 4	Q 3	Q 2	Q 1	Total 2009	Q 4	Q 3	Q 2	Q 1
ROCE (%)²	17.4	20.7	21.6	18.6	8.7	8.8	8.5	8.8	9.3	8.7
ROE (%)³	19.4	36.1	18.6	16.1	5.3	-3.6	-36.4	2.8	2.8	16.2
Headcount^{1/4}	47,669	47,669	47,787	47,559	47,750	47,743	47,743	48,621	49,472	50,722
of which: subcontracted employees	1,976	1,976	2,225	2,099	1,864	1,643	1,643	1,734	1,738	1,925
Capital markets information										
Earnings/loss per share from continuing operations (in €)	5.30	2.72	1.21	1.05	0.32	-2.69	-3.23	0.02	0.15	0.37
Earnings per share from continuing operations excl. effects from purchase price allocations and nonrecurring items (in €)	3.38	0.40	1.40	1.15	0.43	1.47	0.30	0.32	0.44	0.41
MAN share price⁵										
High	96.44	96.44	81.10	72.81	63.45	61.23	60.96	61.23	50.29	41.78
Low	47.99	77.21	65.39	62.35	47.99	30.31	52.10	40.47	35.10	30.31
Quarter-end	88.99	88.99	79.96	67.95	61.98	54.44	54.44	56.40	43.70	32.80
MAN share performance (%)										
Performance of MAN shares ⁶	63.5	63.5	46.9	24.8	13.9	40.6	40.6	45.7	12.9	-15.3
DAX [®] performance ⁶	16.1	16.1	4.6	0.1	3.3	23.9	23.9	18.0	0.0	-15.1

¹ As of the reporting date

² CE definition adjusted in 2010; marketable securities and cash and cash equivalents also deducted (similar adjustment made to previous year)

³ ROE including earnings effects of discontinued operations

⁴ Including subcontracted employees

⁵ Xetra closing prices, Frankfurt

⁶ Cumulative compared with prior-year closing price

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Further Information

Glossary

Capital employed (CE)

The MAN Group's CE is derived from the capital side. It comprises the Group's total equity, pension provisions, and financial liabilities, less marketable securities, cash and cash equivalents, and the financing business (leasing) not covered by the equity of MAN Finance. The earnings measure also includes the operating profit or loss of discontinued operations up to the date of disposal because these activities are also funded using Group capital. The divisions' CE is derived from the asset side. For the Industrial Business it comprises total assets excluding certain liquid assets and tax assets, less all provisions and liabilities with the exception of financial liabilities, pension provisions, and income taxes. Effects from acquisitions relating to finite-lived tangible and intangible assets are also eliminated when calculating CE. Prepayments received are only deducted if they have already been used in order processing.

Cash earnings

Cash earnings reflect the net cash provided by or used in operating activities. They are the net amount of operating profit, interest, taxes (excl. deferred taxes), depreciation, amortization, impairment losses and reversals of impairment losses, and other noncash income and expense.

Contractual trust arrangement (CTA)

Trust arrangement for funding pension provisions under which a company assigns assets to an autonomous and legally independent trustee as security that it will meet its pension funding obligations.

COSO

Framework for Enterprise Risk Management and Internal Control (Committee of Sponsoring Organizations of the Treadway Commission)

Derivatives / derivative financial instruments

Financial instruments whose value is derived primarily from the price and price volatility/expectations of an underlying (e.g., stocks, foreign currency, interest-bearing securities).

Equity method

Method of including investments that are not consolidated in the investor's consolidated financial statements in cases where the investor has significant influence over the investment's financial and operating policy decisions. The carrying amount of the investment is adjusted for any changes in the investor's share of the investment's equity. These changes are usually reported in the owner's income statement.

Equity ratio

Indicates the ratio of total equity to total capital.

Equity-to-assets ratio

Indicates the extent to which noncurrent assets (intangible assets, property, plant and equipment, and investments) are covered by equity.

Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Free cash flow

Cash flow from operating activities plus cash flow from investing activities. Free cash flow reflects the funds generated by a company during the fiscal year.

Functional expenses

Functional expenses comprise the cost of goods sold and services rendered, selling expenses, and general and administrative expenses.

International Financial Reporting Standards (IFRSs)

Internationally applicable accounting standards that are designed to ensure comparability of financial accounting and reporting. They are issued by the International Accounting Standards Board (IASB), an international private body. IFRSs also comprise those International Accounting Standards (IASs) that are still effective.

Net liquidity/net financial debt

Net liquidity/net financial debt is a financial control measure comprising cash and cash equivalents and marketable securities, less financial liabilities.

Other comprehensive income (OCI)

OCI is a separate category within total equity. It comprises gains and losses that are recognized in the balance sheet but not in the income statement, in particular from the fair value measurement of marketable securities and hedges (marking to market) and changes in actuarial gains and losses on pensions, after adjustment for deferred taxes.

Operating profit

Earnings measure for calculating ROS and thus for assessing and measuring the performance of MAN Group divisions. As a rule, it corresponds to earnings before interest and taxes (EBIT). An adjustment is made for earnings effects from purchase price allocation and, in individual cases, for nonrecurring items. These items represent income and expenses that are significant in terms of their origin and amount and that do not relate to operating business. *Operating profit = EBIT ± Nonrecurring items + Earnings effects of purchase price allocation*

Option

Agreement under which the purchaser is entitled, but not obligated, to acquire (call option) or sell (put option) the underlying asset at a future date for a predefined price. By contrast, the seller of the option is obligated to sell or purchase the asset and usually receives a premium for granting the option rights.

Percentage of completion (PoC) method

Revenue and profit recognition method that is based on the stage of completion in accordance with IAS 11. This method is applicable to dedicated construction contracts for which the total revenue, total costs, and stage of completion can be reliably determined. Earnings contributions are recognized in accordance with the stage of completion even if the contract has not yet been completed in full and invoiced to the customer.

Projected unit credit method

Method used to measure pension obligations in accordance with IAS 19 that reflects expected future pay and pension increases in addition to the vested pension rights and entitlements existing at the end of the reporting period.

Rating

Assessment of a company's creditworthiness issued by independent rating agencies on the basis of a thorough analysis. Ratings are expressed by means of rating classes, which are defined differently by individual rating agencies.

ROCE

Return on capital employed. Ratio of operating profit to annual average capital employed.

$$ROCE = \frac{\text{Operating profit}}{CE}$$

ROE

Return on equity. Ratio of earnings before tax to annual average equity.

$$ROE = \frac{\text{Earnings before tax}}{\text{Annual average MAN Group equity}}$$

ROS

Return on sales. Ratio of operating profit to revenue.

$$ROS = \frac{\text{Operating profit}}{\text{Revenue}}$$

Swap

Agreement between two counterparties to swap cash payments over a certain period. Prime examples are currency swaps, under which principal amounts denominated in various currencies are exchanged, and interest rate swaps, which usually entail the exchange of fixed and variable interest payments in the same currency.

Syndicated credit line

Committed credit line granted by a banking syndicate.

WACC

Weighted average cost of capital. For management purposes, the MAN Group's WACC is fixed for the long term at 10% before tax.

Further Information

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Financial Diary

Financial diary (expected dates*)

Annual General Meeting for fiscal 2010	June 27, 2011
Report on Q1/2011	May 3, 2011
Half-yearly report	July 28, 2011
Report on Q3/2011	November 2, 2011
Report on Q1/2012	May 3, 2012
Half-yearly report	July 31, 2012

* The latest information can be found on MAN's website at www.man.eu/MAN/en/Investor_Relations/

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