



Press Briefing for H1/2011

MAN SE

Munich, July 28, 2011



Agenda



- 1** Review of Q2/2011
- 2 Volkswagen Cooperation
- 3 Commercial Vehicles
- 4 Power Engineering
- 5 Business Performance
- 6 Outlook

Review

Q2/2011



- **Presence in Munich strengthened:**
Workspace for 780 at the new Parkstadt Schwabing site, a total of over 1,000 new jobs in Munich since January
- **Dr. René Umlauf** appointed new CEO of MAN Diesel & Turbo (starting September 1, 2011)
- Very successful start for the **MAN Lion's City Hybrid**
- Compressors for one of Europe's largest **gas storage facilities**
- MAN TGX named **Green Truck 2011**
- MAN TGX Efficient Line proves **3-liter fuel saving**



Business Situation

H1/2011



	2011	2010	Change
€million	H1	H1	in %
Order intake	8,841	7,268	22
Revenue	7,966	6,734	18
Operating profit	762	404	88

- **Order intake** in the Commercial Vehicles business area up 28% year-on-year; Power Engineering also records increase
- **Revenue** rises by 18%
- **Operating profit** up 88% on H1/2010, in particular due to Commercial Vehicles; stable contribution by Power Engineering

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Cooperation with Volkswagen

Industrial Logic



Challenges to come:

- **Technical requirements** are becoming more complex (emission requirements, safety systems, alternative drives)
- Conditions are changing faster (**shorter development cycles**)
- **Competition** is becoming fiercer (also due to competitors from Asia)



MAN is excellently placed for the future, partnering with strong players will enable its position to be improved even further



Cooperation with Volkswagen

Industrial Logic



New opportunities:

- Bundeling of **purchase volumes** to generate synergies
- Quicker solutions by working together in **research and development**
- **Sharing experience** about successful growth in emerging economies
- Complementing the **product range** of each other



Next steps:

- Antitrust **review**
- Developing and leveraging **synergies**



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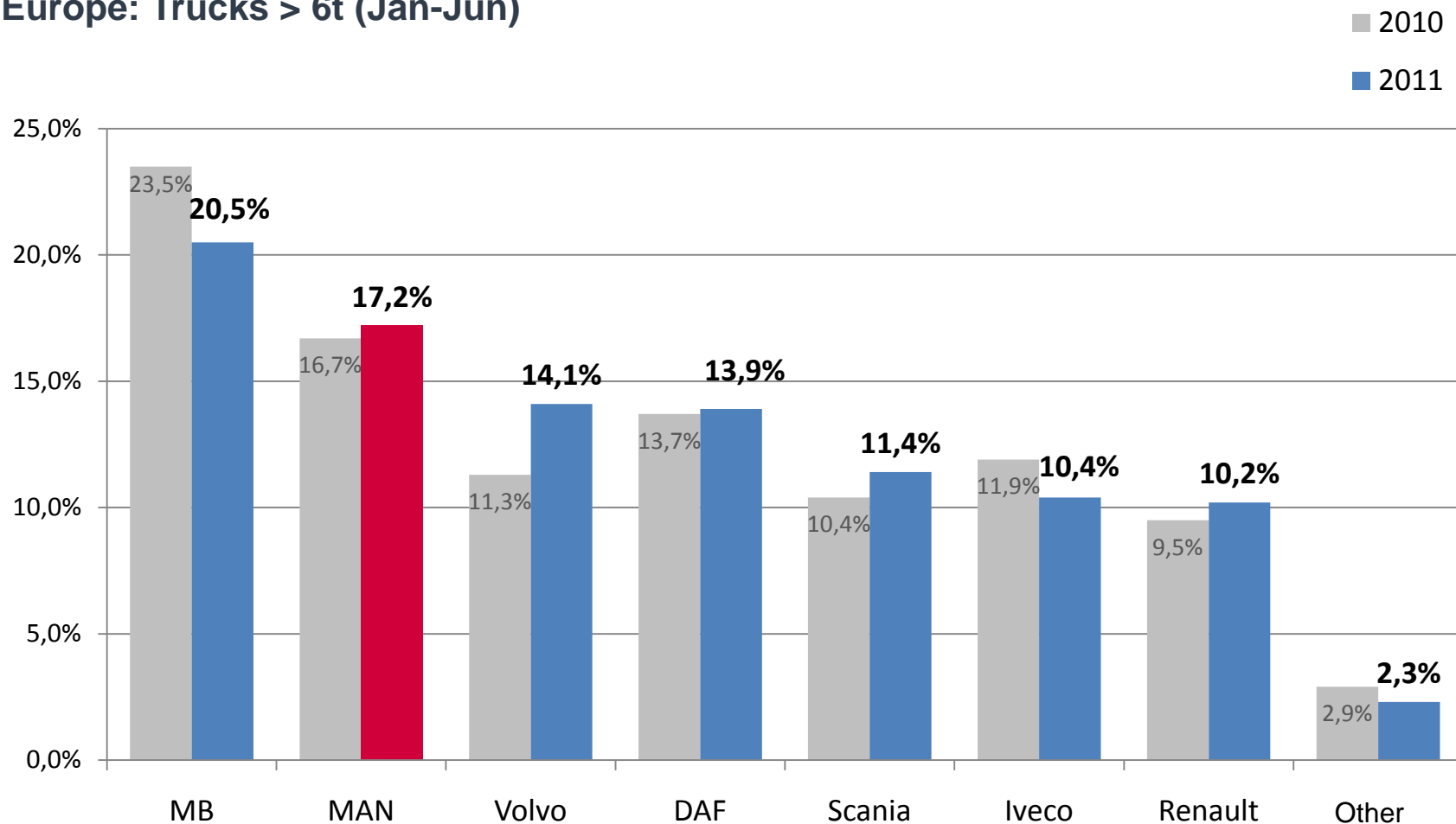
6 Outlook

Commercial Vehicles

MAN Truck & Bus Market Share



Europe: Trucks > 6t (Jan-Jun)



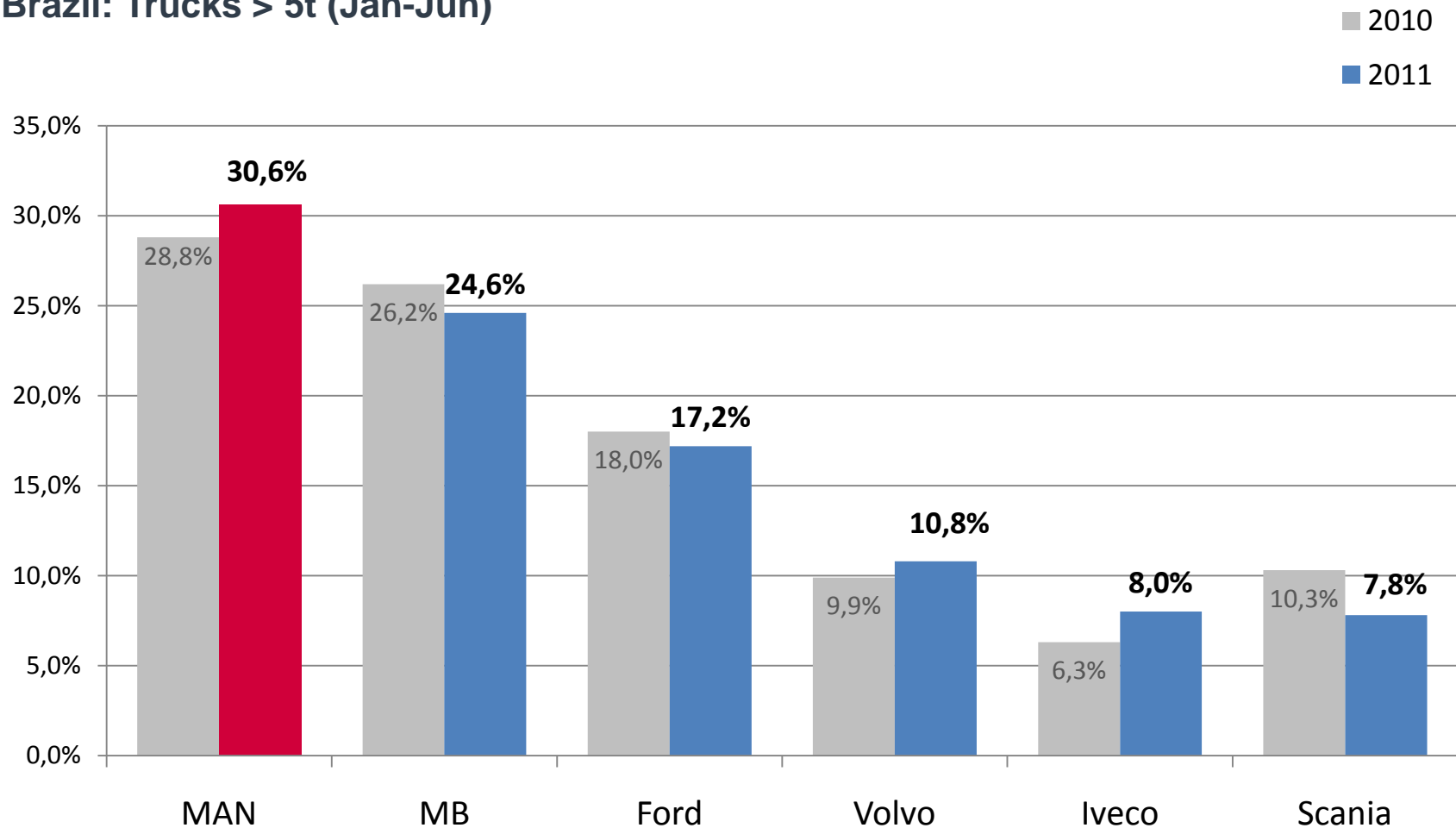
Source: MAN Truck & Bus Registration Report

Commercial Vehicles

MAN Latin America Market Share



Brazil: Trucks > 5t (Jan-Jun)

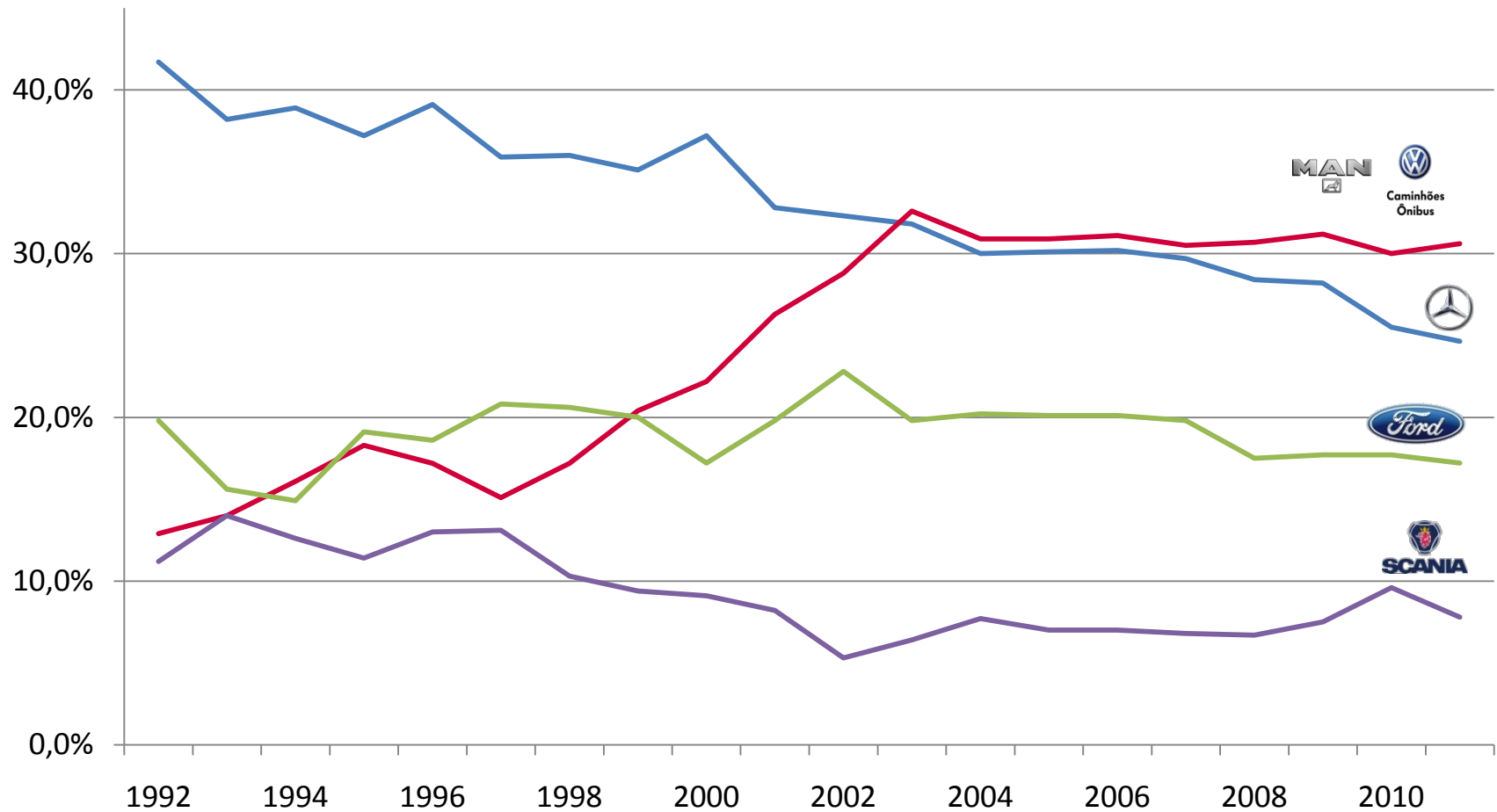


Commercial Vehicles

MAN Latin America Market Share



Brazil: Trucks > 5t

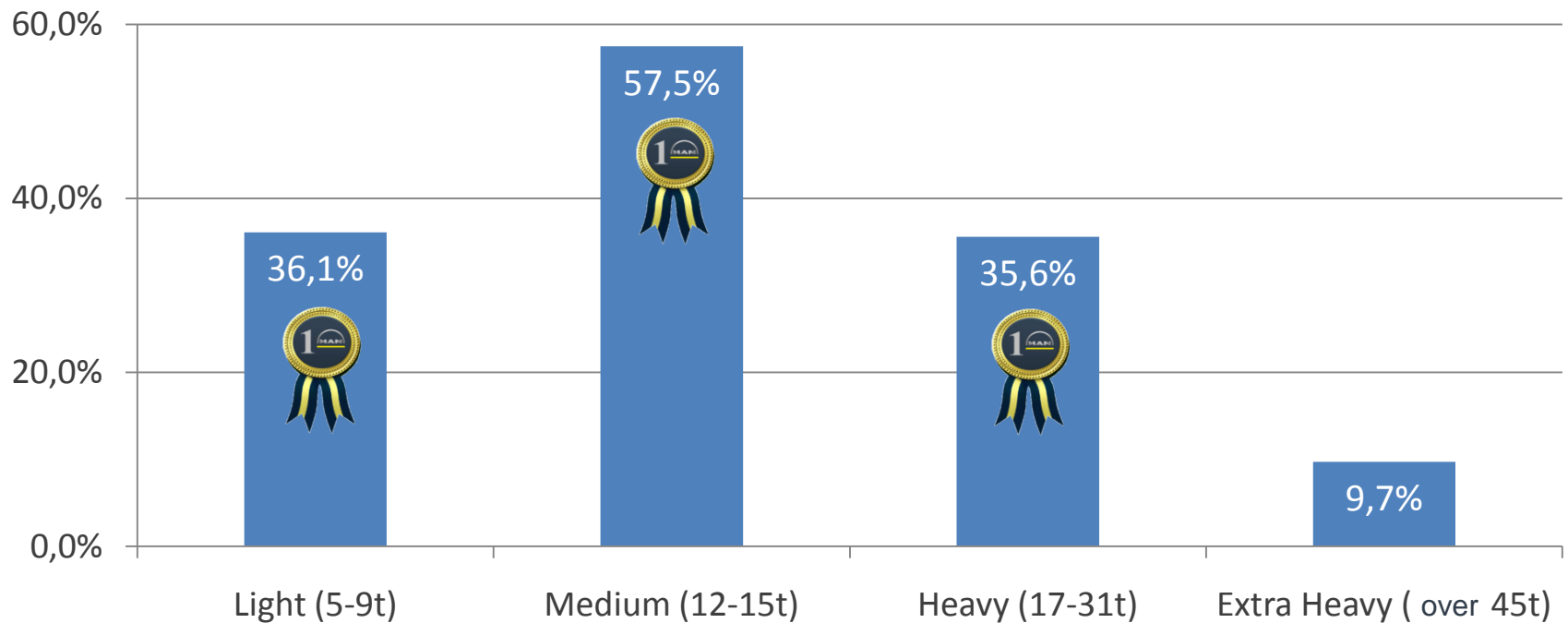


Commercial Vehicles

MAN Latin America – Market Shares by Segment



Brazil: Jan-Jun 2011



Commercial Vehicles

BRIC Strategy



Brazil

- MAN TGS/TGX:
Sales to start Q1/2012
- MAN D08 engine:
Localization (Euro V)



Russia

- New production plant in
St. Petersburg
- CKD assembly in
Uzbekistan



India

- Joint venture with
Force Motors
- Ramp-up of CLA production



China

- Joint family of heavy trucks
under the SITRAK brand
- Implementation of the export
strategy



- MAN very well represented on the largest growth markets worldwide
- European technology the basis for globally adapted product range
- Focus on the local needs of customers

Commercial Vehicles

Multi-Brand Strategy



Premium Segment



Budget Segment



Low-end Segment



Commercial Vehicles

Future Market Trend



Trucks Europe

- Additional market growth in all key markets, especially in Russia
- Heavy series still dominating



Buses Europe

- Moderate growth
- Coach market stronger than the city bus market



Latin America

- Slightly slower pace of growth in Brazil
- Continued stable growth in the medium and long term

Commercial Vehicles

Product Strategy – Focal Points for the Future



Urban transport

- **Hybrid technology**, cutting CO2 by up to 30%
- ➔ Support from policymakers to give issue a push



Long-haul transport

- Potential savings due to improved **aerodynamics** (MAN Concept S: 25% less CO2, 2 m longer)
- ➔ Adjustment of restriction on length



Fuels

- Potential for **gas** and **BTL** (biomass to liquid) fuels
- ➔ Support to give industrial production a push

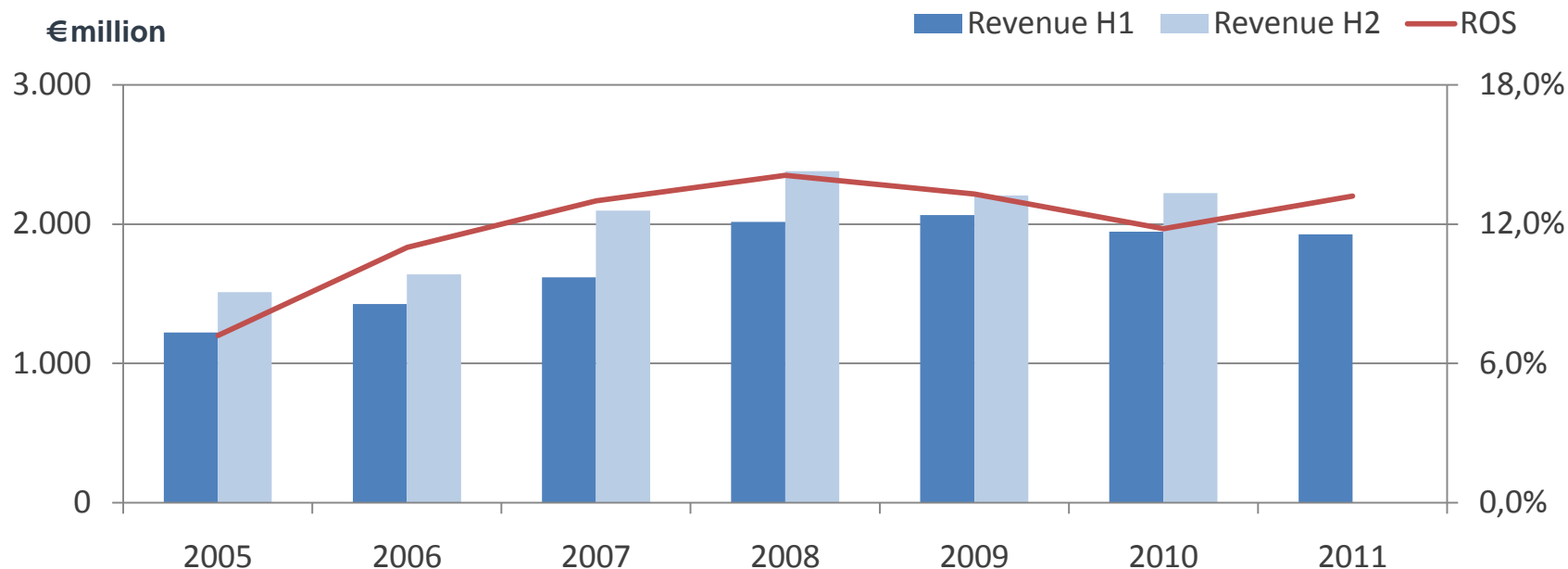
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Power Engineering

Strong through the Crisis



Power Engineering business area

- Stable and strengthened through the crisis
- Anticyclical product portfolio, high After Sales share
- Strong market position due to technology and market leadership (world's market leader for two-stroke marine engines, four-stroke gensets > 0.5 MW, transmissions for tracked vehicles and various compressor types)

Power Engineering

Future Market Trend



Marine

- Good order situation in the 2-stroke business, 4-stroke business dominated by niche markets with strong competition
- After Sales to continue enjoying stable growth



Power Plants

- Market for local power plants to continue growing
- Technology driven by the reduction of gas and emissions



Turbo-machinery

- Good position in a recovering market reflected in above-average H1 and positive outlook for Q3 and Q4



Renk

- Positive market environment for slide bearings, marine and offshore wind power gear units

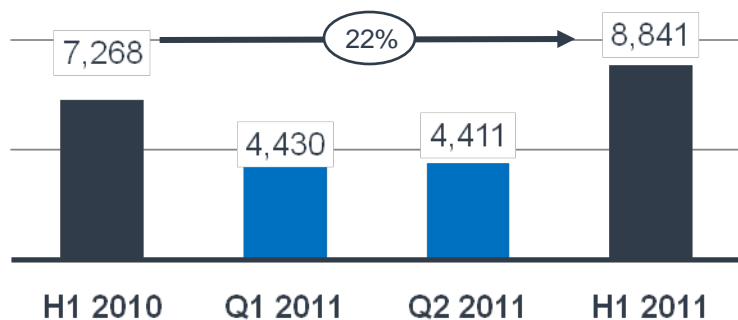
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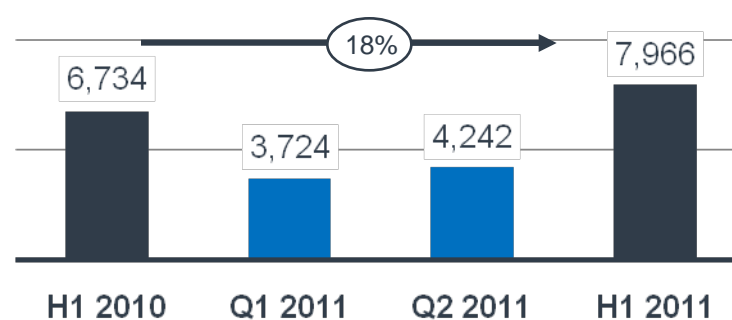
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- Operating profit up 88% on H1/2010, in particular due to Commercial Vehicles

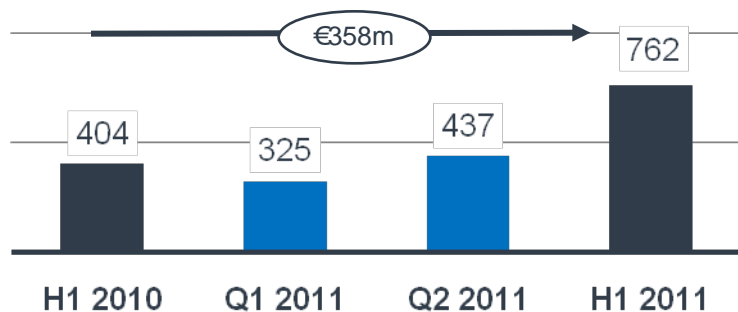
Order intake (€ million)



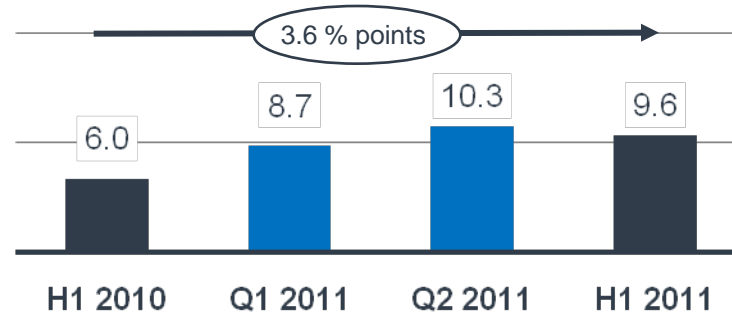
Revenue (€ million)



Operating profit (€ million)

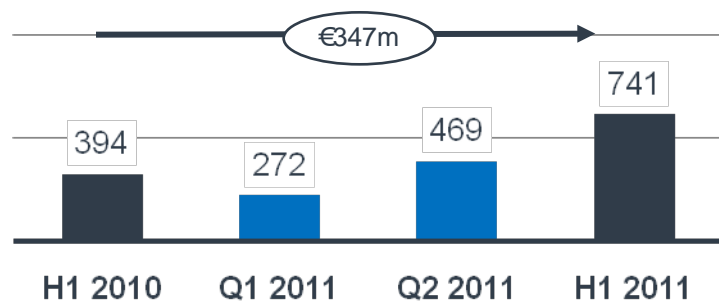


ROS (%)

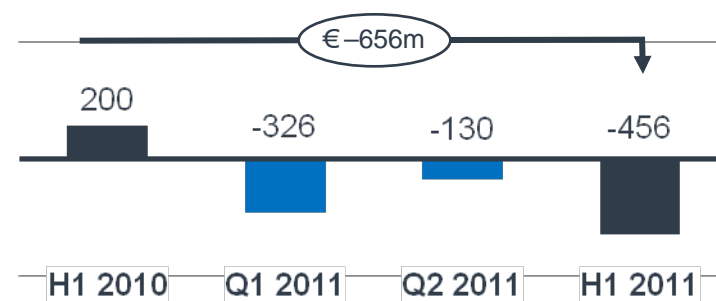


- Earnings per share*** increased by €1.44 year-on-year

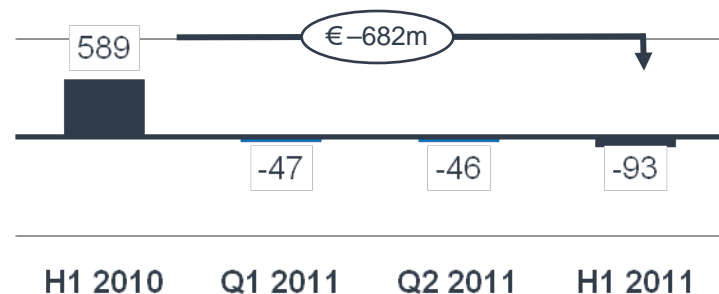
Cash earnings (€ million)



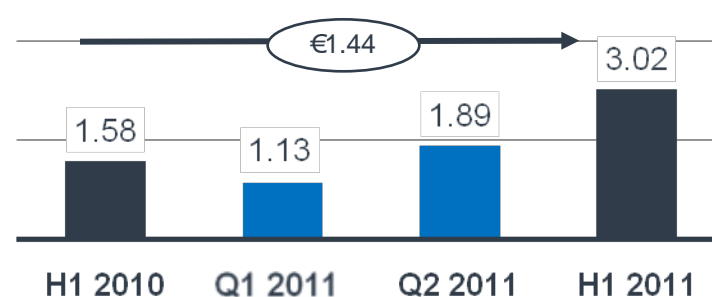
Cash flow from change in working capital* (€ million)



Free cash flow** (€ million)



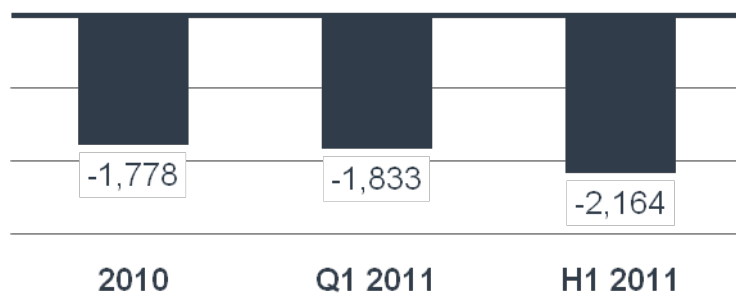
Earnings per share*** (€)



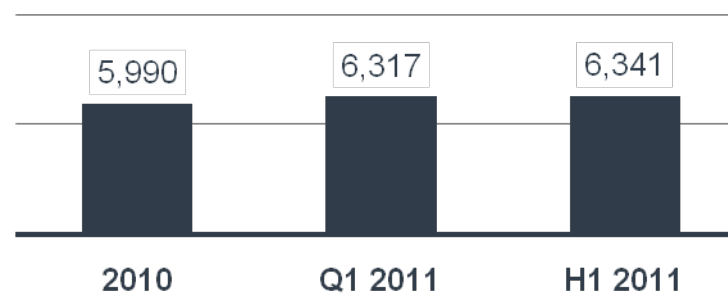
*Derived from the cash flow statement **Including portfolio measures ***From continuing operations excluding effects of purchase price allocations and nonrecurring items

- Net financial debt in Industrial Business slightly negative at €-106 million; net financial debt in Financial Services business increased slightly to €-2,058 million

Net financial debt (€ million)



Equity (€ million)



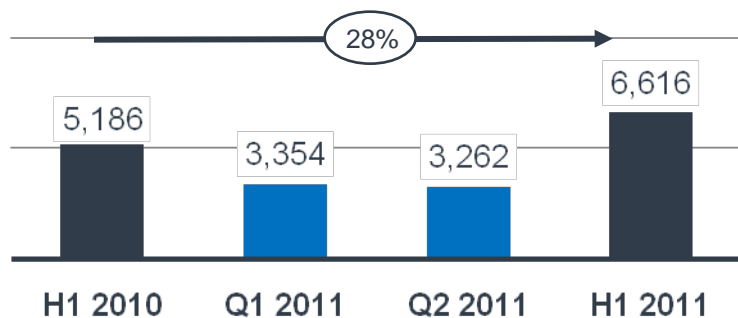
- Equity ratio stable at 34.3%

Commercial Vehicles

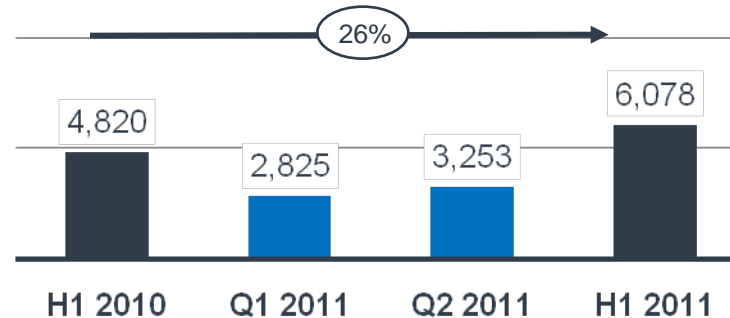


- Sharp increase in order intake

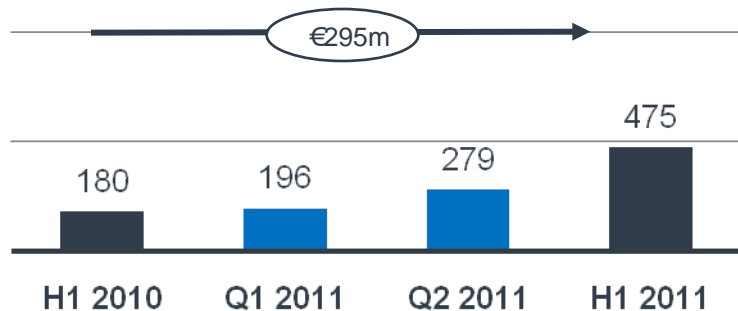
Order intake (€ million)



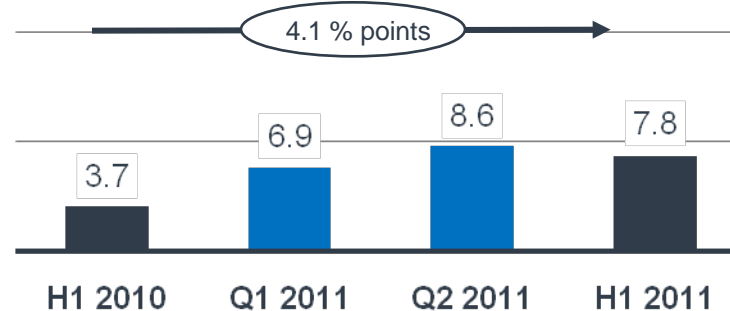
Revenue (€ million)



Operating profit (€ million)

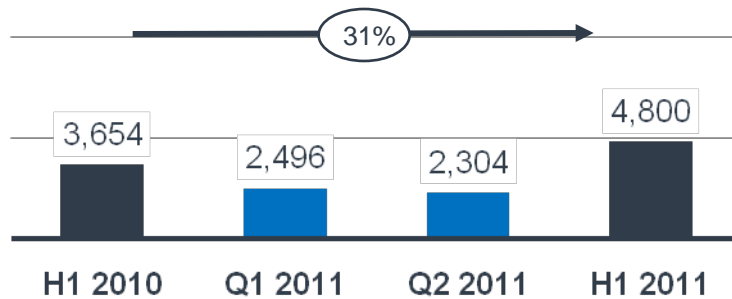


ROS (%)

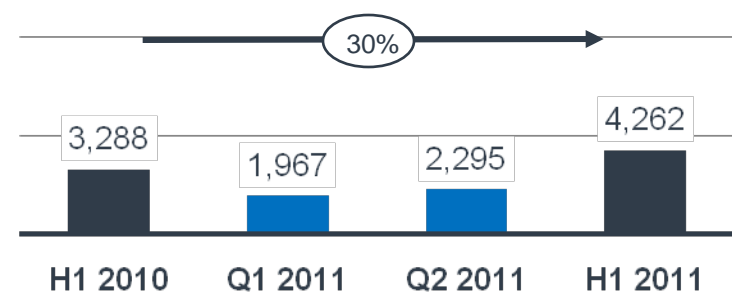


- Order intake in H1/2011 was up 31% on the prior-year level

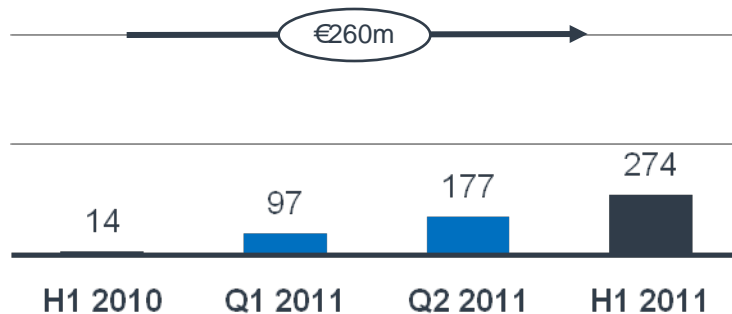
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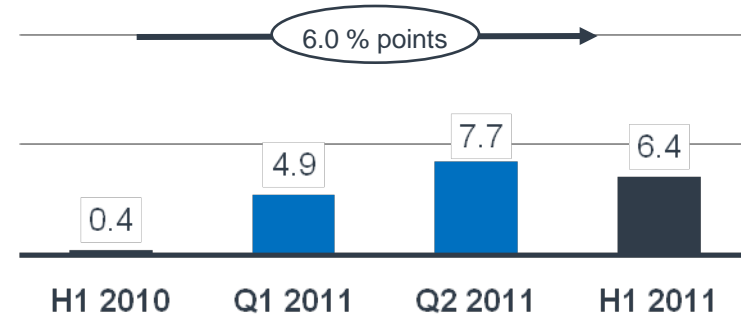
Revenue (€ million)



Operating profit (€ million)

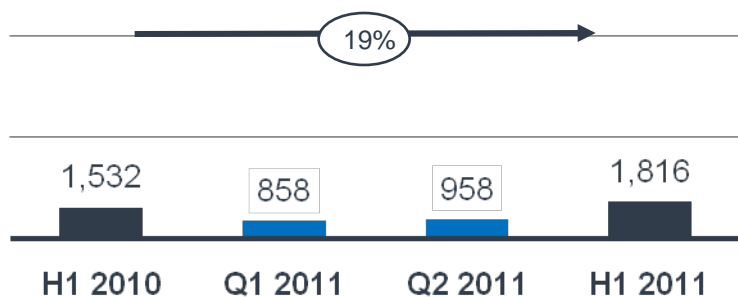


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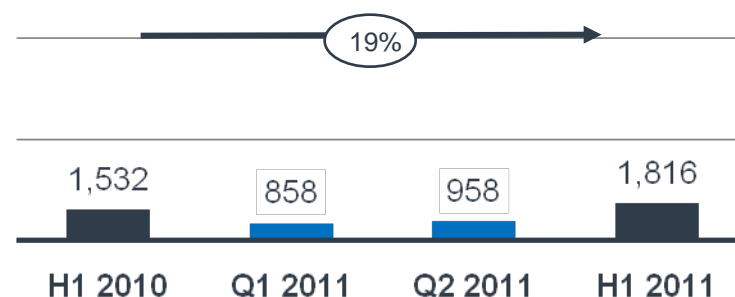


- Revenue increased to €958 million in Q2/2011 – the best-ever quarterly result in the company’s history

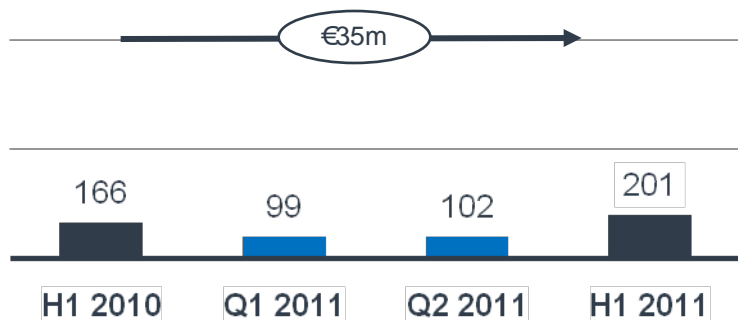
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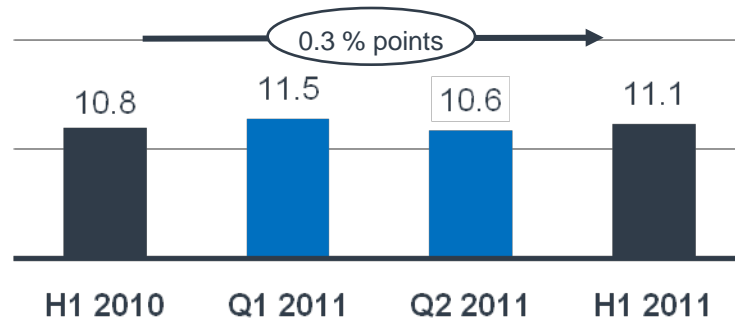
Revenue (€ million)



Operating profit (€ million)

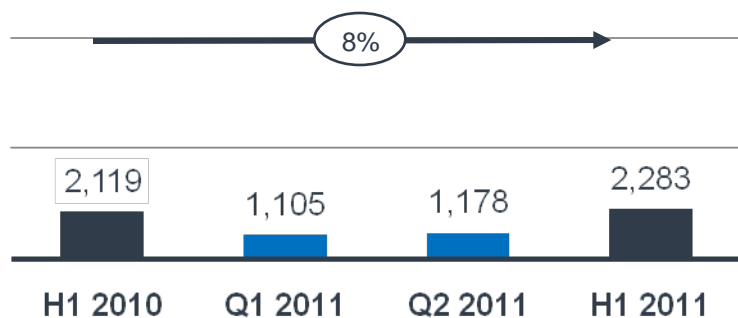


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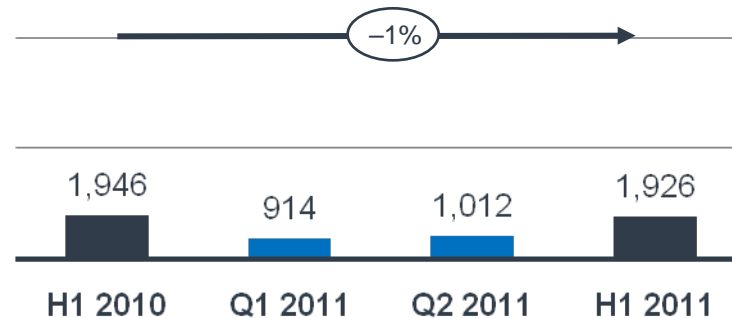


- Operating profit improved further against Q1/2011

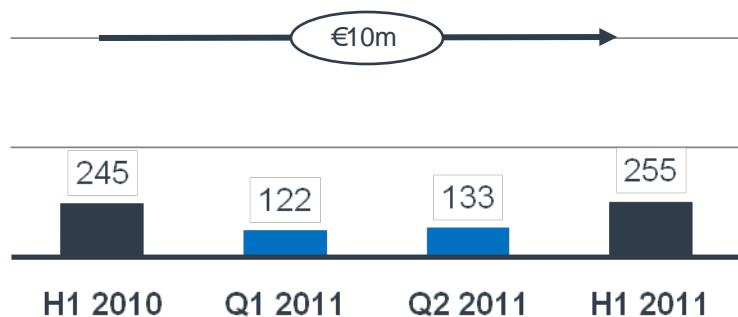
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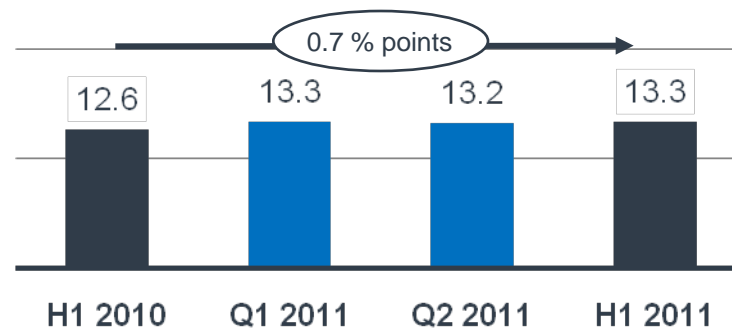
Revenue (€ million)



Operating profit (€ million)

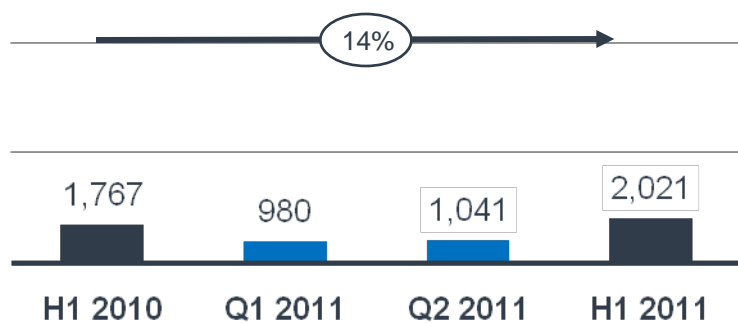


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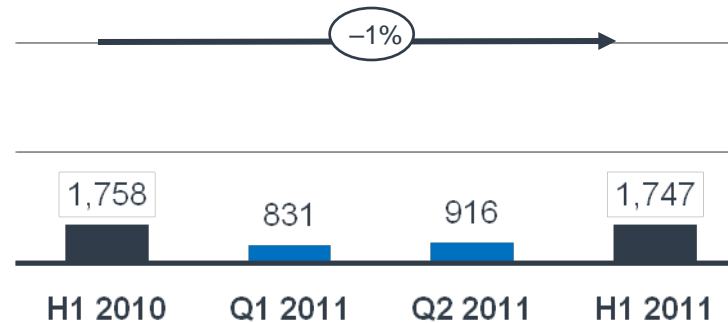


- Order intake rose by 14% compared with H1/2010

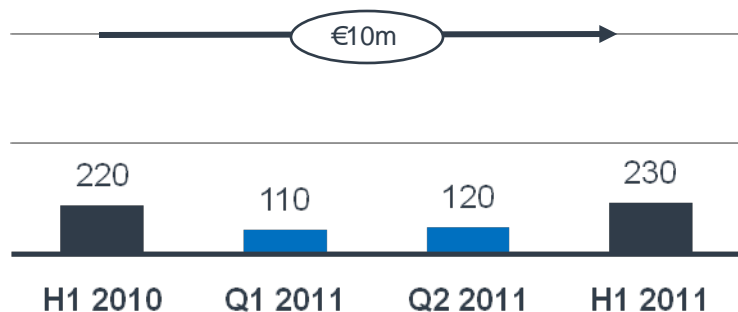
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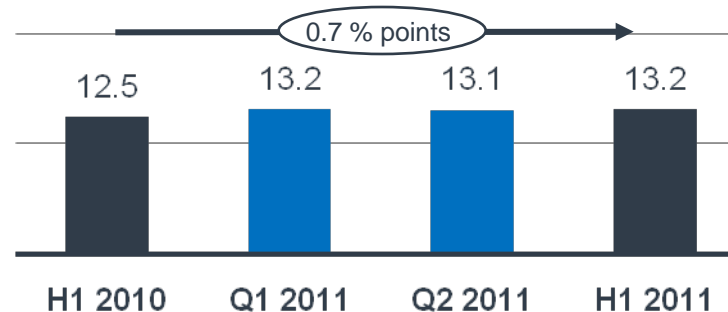
Revenue (€ million)



Operating profit (€ million)

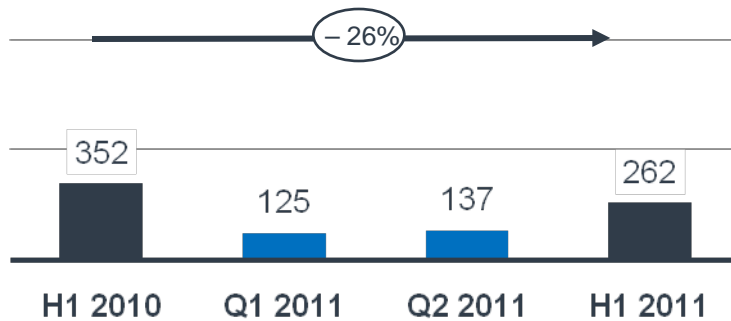


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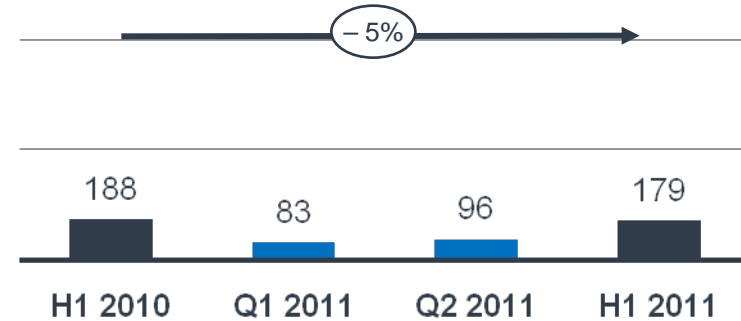


- Q2/2011 order intake increased as against the first quarter of 2011

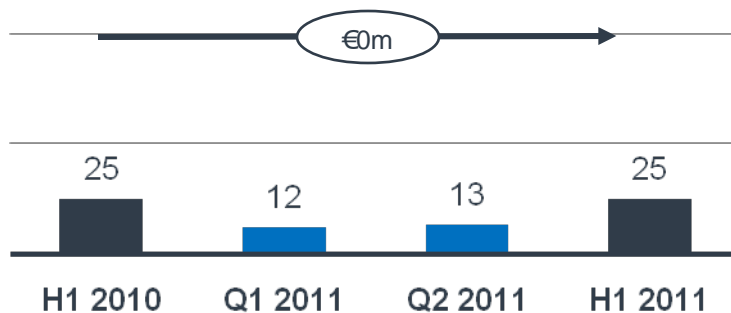
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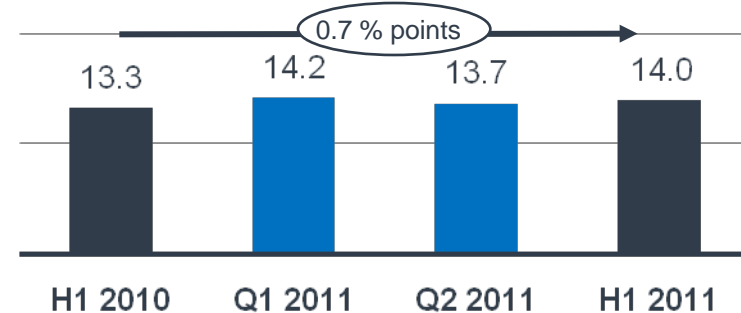
Revenue (€ million)



Operating profit (€ million)



ROS (%)



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Outlook for 2011



Commercial Vehicles:

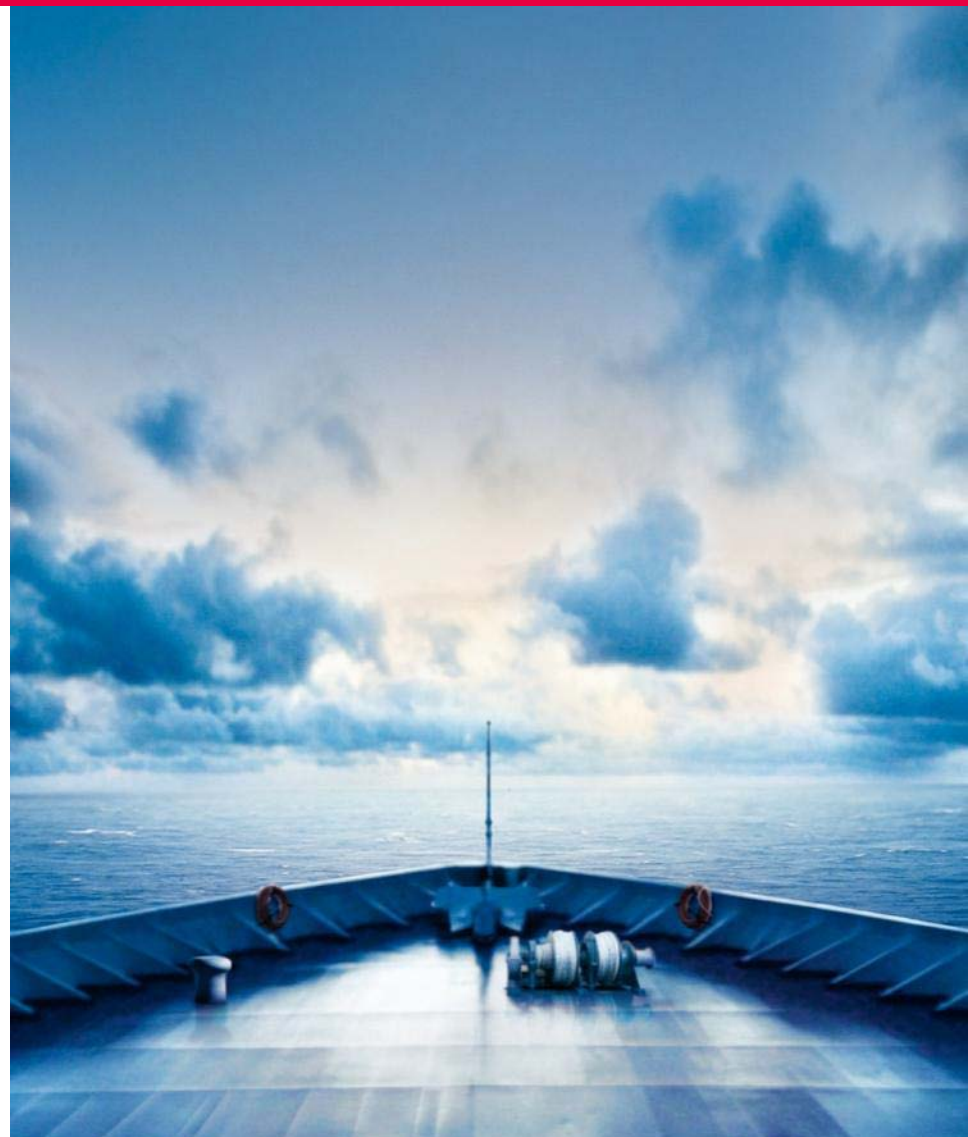
- Revenue growth of between 15% and 20%
- Return on sales of at least 7.5%

Power Engineering:

- Revenue on par with 2010
- Return on sales in the solid double-digit range

The MAN Group:

- Revenue growth of between 10% and 15%
- Return on sales that slightly exceeds our average long-term target of 8.5%





Engineering the Future – since 1758.

