



**Håkan Samuelsson**  
CEO

Group Overview
Commercial Vehicles
Diesel Engines
Turbo Machinery
Industrial Services

## Transport related Engineering Group

2006 Sales €13.2 bill.; Operating Profit €1,105 mill.; 50,290 Employees



### Commercial Vehicles

Sales: €8.7 bill.  
Op. Profit: €698\* mill.

- Trucks
- Buses
- Engines
- Services

\*incl. Financial Services



### Diesel Engines

Sales: €1.8 bill.  
Op. Profit: €229 mill.

- 2-stroke
- 4-stroke
- Services
- Turbo chargers



### Turbo Machinery

Sales: €0.9 bill.  
Op. Profit: €71 mill.

- Compressors
- Reactors
- Turbines
- Services



### Industrial Services

Sales: €1.4bill.  
Op. Profit: €119 mill.

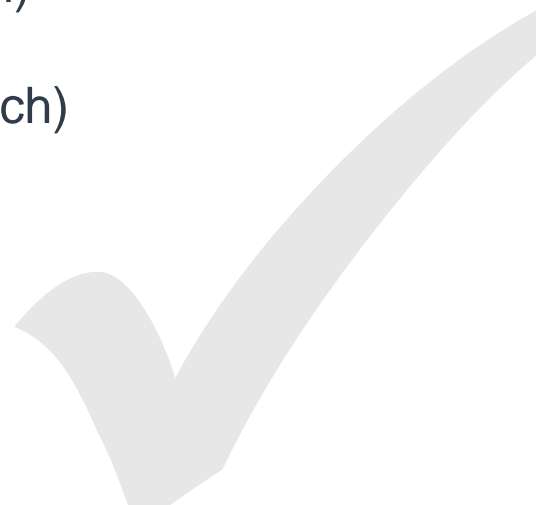
- Projects
- Services
- Service platform

# Good start into 2007



Group Overview
Commercial Vehicles
Diesel Engines
Turbo Machinery
Industrial Services

- **Order intake** 21% increase to €6,355 billion (January – April)
- **Sales** 11% increase to €4,302 billion (January – April)
- **Operating profit** €107 million increase to €318 million (January-March)
- **ROS** + 2.2%-points to 9.6% (January-March)
- **EPS** €0.51 increase to €1.49 (January-March)

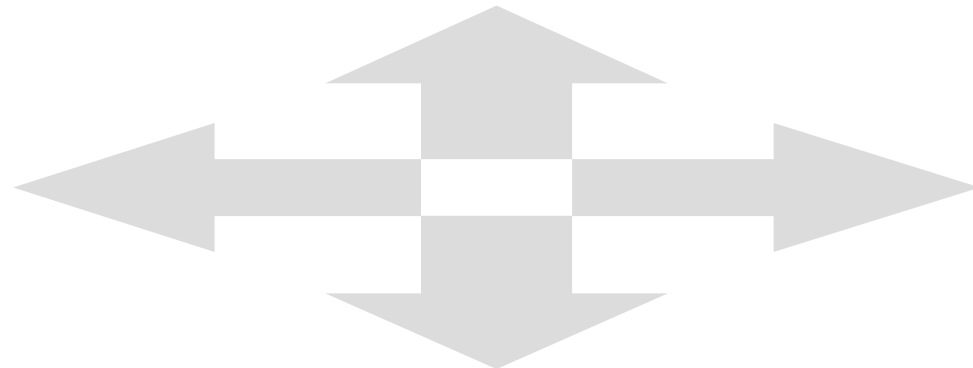


# Group Strategy



Group Overview
Commercial Vehicles
Diesel Engines
Turbo Machinery
Industrial Services

- Operational **excellence**
- Profitable **growth**
- Sustainable **Group structure**
- Effective **Industrial Governance**

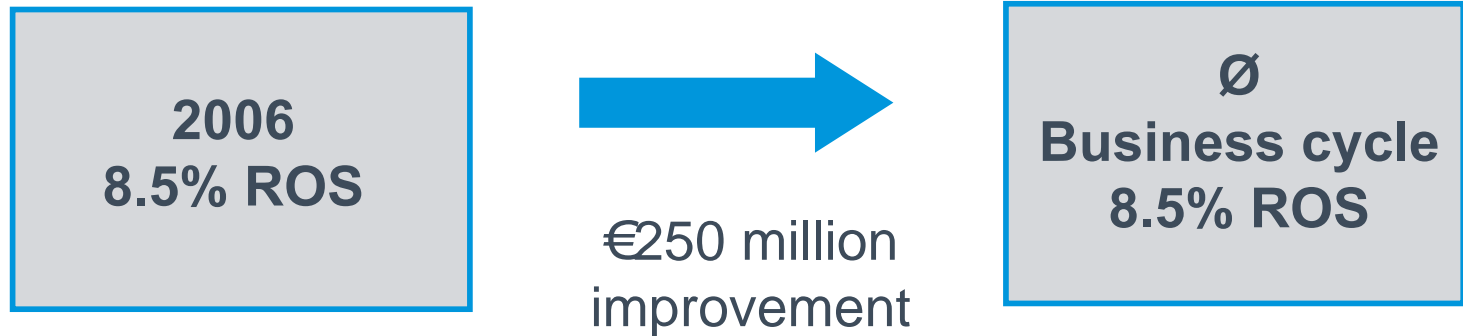


# Operational excellence – New targets 2010



Group Overview
Commercial Vehicles
Diesel Engines
Turbo Machinery
Industrial Services

- **Return on capital employed (ROCE) : >22%**
- **Return on sales (ROS) :**



# New targets 2010 – Business Areas



Group Overview				
Commercial Vehicles		Ø ROS	+/- Δ	Focus areas
Diesel Engines	<b>Commercial Vehicles</b>	8.5%	2.0	<ul style="list-style-type: none"> <li>▪ Buses</li> <li>▪ L/M truck range</li> <li>▪ After sales</li> </ul>
Turbo Machinery	<b>Diesel Engines</b>	8.5%	4.0	<ul style="list-style-type: none"> <li>▪ Production network</li> <li>▪ After sales</li> <li>▪ Key components</li> </ul>
Industrial Services	<b>Turbo Machinery</b>	8.5%	2.0	<ul style="list-style-type: none"> <li>▪ After sales</li> <li>▪ Cost reduction</li> <li>▪ In-house-processes</li> </ul>
	<b>Industrial Services</b>	8.5%	1.0	<ul style="list-style-type: none"> <li>▪ Structure</li> <li>▪ Underperforming segments</li> </ul>

# Focus on Profitable Growth



Group Overview			
Commercial Vehicles		<b>2005</b>	<b>Target 2010</b>
Diesel Engines	<b>Commercial Vehicles</b>		
Turbo Machinery	Delivered units	74,218	<b>110,000</b>
Industrial Services	<b>Diesel Engines</b>		
	Delivered units	344	<b>500</b>
	<b>Turbo Machinery</b>		
	Sales (in € million)	694	<b>1,500</b>
	<b>Industrial Services</b>		
	Sales (in € million)	1,414	<b>2,000</b>

**➔ 10% annual sales growth until 2010**

# Focus on Transport-Related Engineering



Group Overview			
Commercial Vehicles	■ MAN Roland	✓	concluded in July 2006
Diesel Engines	■ MAN TAKRAF	✓	concluded in September 2006
Turbo Machinery	■ Steel trade business	✓	to be concluded in Q3 2007
Industrial Services			

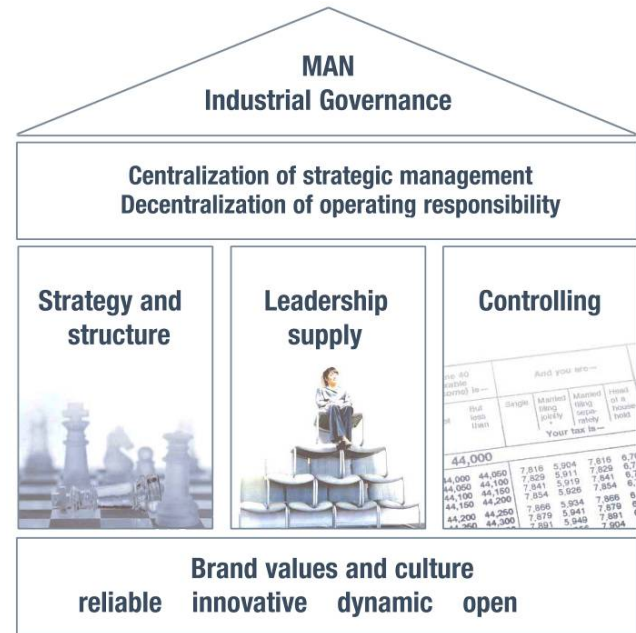
 **Strong platform for profitable growth**

# Industrial Governance



Group Overview
Commercial Vehicles
Diesel Engines
Turbo Machinery
Industrial Services

- Development opportunities within the Group
- Benchmarks with best-in-class competitors
- No cross-subsidizing
- No tolerance for loss makers



# Commercial Vehicles



- Group Overview
- Commercial Vehicles
- Diesel Engines
- Turbo Machinery
- Industrial Services



Key figures	Q1 2007	2006
Order intake € mill.	3,510	10,103
Sales € mill.	2,239	8,685
Operating Profit € mill.*	201	698
RoS %*	9.0	8.0
RoCE %	29.7	26.8

\* incl. Financial Services

## Strategy

- Strengthening profitability
- International expansion
- Premium products
- Cooperations / Scale

# New Heavy Truck Range



*TGX*

*TGS*



- Successor of the TGA heavy truck range:
  - **TGX**: long distance application
  - **TGS**: short haul / distribution / construction applications
- World premiere at the Amsterdam commercial vehicles fair (RAI) in October 2007

# Diesel Engines



- Group Overview
- Commercial Vehicles
- Diesel Engines
- Turbo Machinery
- Industrial Services



Key figures	Q1 2007	2006
Order intake € mill.	629	2,619
Sales € mill.	457	1,802
Operating Profit € mill.	57	229
RoS %	12.5	12.7
RoCE %	48.7	46.6

## Strategy

- Turnkey Diesel Power Plants
- Optimization of production network
- Strengthening of service business

# Turbo Machinery



- Group Overview
- Commercial Vehicles
- Diesel Engines
- Turbo Machinery**
- Industrial Services



Key figures	Q1 2007	2006
Order intake € mill.	354	1,498
Sales € mill.	218	908
Operating Profit € mill.	18	71
RoS %	8.2	7.8
RoCE %	33.8	30.5

## Strategy

- Growth in delivered units
- Expansion of service business
- Strengthening profitability

- Group Overview
- Commercial Vehicles
- Diesel Engines
- Turbo Machinery
- Industrial Services



Key figures	Q1 2007	2006
Order intake € mill.	238	1,982
Sales € mill.	304	1,379
Operating Profit € mill.	32	119
RoS %	10.5	8.6
RoCE %	31.8	31.8

## Strategy

### ■ Projects

- Turnkey industrial plants
- Focus: Power and Fuel

### ■ Services

- MAN Sales and Service Platform
- Automotive Services

# Outlook FY 2007



Group Overview
Commercial Vehicles
Diesel Engines
Turbo Machinery
Industrial Services

- **Order intake** at same high level as previous year
- **Sales** increase of approx. 10%
- **Operating profit** considerably outperforming sales
- **ROS** at 1st quarter level





Håkan Samuelsson  
CEO

[investor.relations@man.eu](mailto:investor.relations@man.eu)