Press Release
MAN SE

Fiscal 2011: MAN generates record revenue

Munich, February 14, 2012

- **Revenue €16.5 billion (previous year: €14.7 billion)**
- **Order intake €17.1 billion (€15.1 billion)**
- **Operating profit €1.483 billion (€1.035 billion)**
- **Return on sales (ROS) 9.0% (7.1%)**
- **Earnings per share from continuing operations €4.62**
- **Proposed dividend: increase to €2.30 (€2.00) per share**
- **Total of 155,520 vehicles sold (+23%)**
- **MAN Latin America sees its best year yet**
- **Outlook for 2012: slight decline in revenue for Commercial Vehicles, but increase for Power Engineering**

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MAN SE closed fiscal 2011 with excellent business figures. The commercial vehicle and mechanical engineering player said that revenue had increased by 12 percent last year to a new record of €16.5 billion. According to MAN SE Chief Executive Officer Dr. Georg Pachta-Reyhofen: “2011 was a very successful year for the MAN Group. Despite the ongoing uncertainty on the financial markets in particular, we again succeeded in clearly surpassing the good figures of the previous year.”

Operating profit rose 43 percent year-on-year to €1.5 billion while return on sales increased from 7.1 percent to 9 percent. This meant that the MAN Group again recorded profitable growth in 2011.

The Company’s Management is preparing itself for muted economic growth worldwide in 2012. Frank H. Lutz, Chief Financial Officer of MAN SE, said: “We expect the commercial vehicles market in Europe to stabilize around the 2011 level. In contrast, sales in Brazil will decline. Overall, revenue in the Commercial Vehicles business area is set to decrease slightly by up to 5 percent while the Power Engineering business area’s revenue is to grow by 5 percent. Across the MAN Group as a whole, we therefore expect revenue to fall slightly and also lead to a drop in operating profit. Return on

The MAN Group is one of Europe’s leading industrial players in transport-related engineering, with revenue of approximately €16.5 billion in 2011. As a supplier of trucks, buses, diesel engines, turbomachinery, and special gear units, MAN employs approximately 52,500 people worldwide. Its divisions hold leading positions in their respective markets. MAN SE, Munich, is listed in the Dax equity index, which comprises Germany’s thirty leading stock corporations.

sales is likely to remain at the average long-term target of 8.5 percent." Lutz added that this view was assuming governments were able to stabilize the financial markets and prevent the uncertainty from spreading to the real economy. He went on to say that MAN had high growth potential in the medium and long term – particularly in view of the opportunities offered by cooperating with the Volkswagen Group.

Commercial Vehicles

The MAN Group's record revenue was primarily driven by the Commercial Vehicles business area (comprising MAN Truck & Bus and MAN Latin America), which posted a 19 percent increase in revenue to €12.6 billion. MAN sold a total of 155,520 trucks and buses, generating a return on sales of 7.7 percent.

In the year under review, MAN Truck & Bus more than tripled its operating profit to €565 million. The division built on its strong market position for trucks over 6 tons in Europe, ranking second in the segment with a market share of 18 percent. Doing so means that MAN lifted its market share in Europe for the sixth successive year. MAN is the leader in key markets like Austria, Poland, Romania, and Croatia. Germany, Denmark, Czech Republic, Hungary, and Switzerland are just a few of the countries in which MAN is the number two.

MAN Truck & Bus also enjoyed growth in buses over 8 tons. Around 14 percent of all newly registered buses in Europe in 2011 were models of the MAN and NEOPLAN brands. In 2011, MAN Truck & Bus delivered a total of 83,418 trucks and buses to customers – an increase of 38 percent.

MAN Latin America was the market leader again in Brazil for trucks over 5 t and recorded the best year that the company has ever seen. A total of 72,102 vehicles were sold, up 10 percent. Revenue rose by 14 percent to €3.6 billion while operating profit amounted to €400 million. A new production record was also set with over 83,000 units.

The Euro V emission standard enters into force for newly registered commercial vehicles in Brazil this year. MAN Latin America will therefore build the engines of its European sister company MAN Truck & Bus into its vehicles for the first time. The MAN brand will also make its debut on the Brazilian market in 2012. The launch of the MAN TGX series in the segment for trucks with more than 400 horsepower, in which MAN Latin

America has not been represented to date, offers new business opportunities.

Power Engineering

The Power Engineering business area (comprising MAN Diesel & Turbo und Renk) also remained at a very high level. With a decrease of 4 percent, revenue declined slightly to €4.0 billion while order intake crept up from €4.0 to €4.1 billion. At 12.8 percent, return on sales remained clearly in the double digits.

Power Engineering's revenue was fueled by MAN Diesel & Turbo, which contributed €3.6 billion (-4 %). Order intake climbed from €3.5 billion to €3.7 billion and operating profit rose from €439 million to €460 million. Return on sales jumped one percentage point to 12.7 percent.

Demand for the compressors and turbines of MAN Diesel & Turbo was also very strong. In the maritime segment, orders for cargo ships, particularly large container ships, initially remained at a high level. In the second half of the year, the industry concentrated on building special ships such as tankers to transport liquefied natural gas and ships used in offshore exploration. MAN Diesel & Turbo commands very strong market positions in two-stroke engines for large freight ships as well as four-strokers that are used in special ships among other types, for example. This enabled MAN Diesel & Turbo to maintain its market leadership in the ship engine industry despite the ongoing difficult market situation and the increased competition.

The market volume for diesel engines and gas turbine power plants remained stable in 2011. Customer interest here rose not only in developing countries and emerging economies, but also in developed economies – a sign of the change in energy policy. MAN diesel and gas turbine power plants are particularly well suited for combining with wind and solar power plants. Combining these technologies to create a hybrid power plant balances out fluctuations in renewable energy production and ensures a constant supply of low-emission power.

The gear unit, transmission, and slide bearings manufacturer Renk recorded a slight decline in revenue of €389 million (€403 million) in the year under review. Overall, the company performed well. At €456 million, order intake significantly surpassed revenue. Its operating profit rose from €52 million to €53 million while its return on sales climbed from 12.9

percent to 13.6 percent. 2011 primarily saw activities in gear units for marine use and for use in wind power plants.

Exceptional factors reduce net income

The MAN Group's net income amounted to €247 million, down €475 million on the prior-year figure. This is primarily due to expenses in connection with the agreement between MAN, IPIC, and MPC regarding the disposal of Ferrostaal (loss of €434 million). Measurement effects for the investment in Scania also led to a negative impact of €182 million.

Strategic focus of the MAN Group

Over the past few years, MAN has strategically expanded its international presence and successfully positioned itself in key growth markets. Its BRIC strategy is not only aimed at leveraging market opportunities. Due to the different economic cycles of the markets, it also minimizes risks. MAN will continue to pursue this strategy in 2012.

Sale of the MAN TGX will start in Brazil in the second quarter of 2012. Starting from the beginning of 2012, MAN Euro V engines will be implemented into vehicles from MAN Latin America.

Russia will see MAN open a new plant in St. Petersburg in the first half of 2012 that is designed to assemble around 6,000 vehicles a year.

In India, MAN Truck & Bus signed an agreement to fully acquire the joint venture with FORCE Motors. The production and sale of the MAN CLA will now be driven solely by MAN.

In China, MAN has a stake of 25 percent plus one share in Chinese commercial vehicle manufacturer Sinotruk with whom it has developed the new, joint SITRAK brand set to go on sale in 2013. In May 2011, MAN Diesel & Turbo put the second section of the extension at the Changzhou site into operation. Turbomachinery, large-bore diesel turbochargers, and Renk gear unit components are produced at the site.

Another strategic growth market is the external engine business. MAN engines are also used in agricultural machinery, track vehicles, and yachts. At €335 million, revenue in 2011 in this business area clearly broke the €300 million mark for the first time.

Research & development is also of great strategic importance to the MAN Group. The Company invests over four percent of its revenue in it. Development activities in both the Commercial Vehicles and Power

Engineering business areas focus on reducing emissions, alternative drive concepts, and alternative fuels. The commercial vehicles business is concentrating on hybrid technology. Production of the Lion’s City Hybrid buses has been running since 2010. The first field tests in cities including Munich, Paris, and Barcelona, show fuel savings of up to 30 percent. In the truck business, the first prototypes of vehicles for use in short-haul transport are being used by customers.

The large-bore diesel engine business will see the drastically tightened emissions regulations of the International Maritime Organization (IMO) applicable from 2016 that require a reduction in nitrogen oxide emissions of 80 percent compared with 2010. These very demanding regulations require major R&D efforts. Yet with its second generation exhaust gas recirculation technology, MAN Diesel & Turbo is the first supplier worldwide in the two-stroke engine market to already meet this emission standard today.

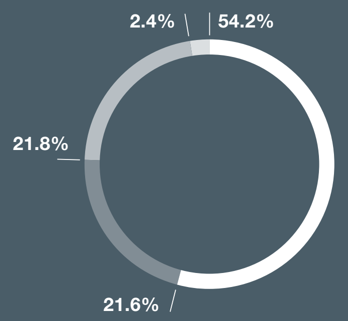
MAN at a Glance

Group key figures (IFRSs)

€ million	2011	2010	Change in %
Order intake	**17,145**	**15,072**	**14**
Germany	3,646	3,489	4
Other countries	13,499	11,583	17
Revenue	**16,472**	**14,675**	**12**
Germany	3,515	3,058	15
Other countries	12,957	11,617	12
Order backlog[1]	**6,640**	**7,025**	**–5**
Headcount[1,2]	**52,542**	**47,669**	**10**
Income statement			**Change in € million**
Operating profit	1,483	1,035	448
Earnings before tax (EBT)	1,122	1,125	–3
Net income	247	722	–475
ROS (%)	9.0	7.1	1.9 pts.
ROCE (%)	24.4	17.4	7.0 pts.
Balance sheet			
Total assets	18,670	17,431	1,239
Total equity[1]	5,590	5,990	–400
Equity ratio (%)	29.9	34.4	–4.5 pts.
Net financial debt[1]	–2,212	–1,778	–434
Cash and cash equivalents[1]	957	1,057	–100
Cash flow			
Net cash provided by operating activities	518	1,427	–909
Net cash used in investing activities	–637	–374	–263
Free cash flow	–119	1,053	–1,172
Shares			**Change in €**
Earnings per share from continuing operations in €	4.62	5.30	–0.68
Dividend per share in €[3]	2.30	2.00	0.30

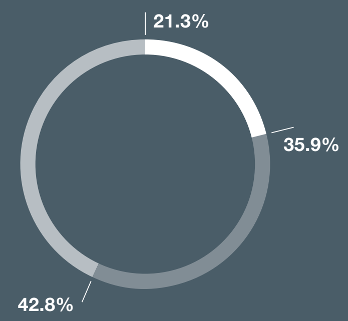
[1] As of December 31, 2011 vs. December 31, 2010.
[2] Including subcontracted employees.
[3] 2011: proposed dividend.

Revenue distribution by segment



- MAN Truck & Bus
- MAN Latin America
- MAN Diesel & Turbo
- Renk

Revenue distribution by region



- Germany
- Rest of Europe
- Rest of World