Q2 MAN Group:

Strong order intake, substantial earnings growth

MAN Group € million	2011 H1	2010 H1	Change in %	2011 Q2	2010 Q2	Change in %
Order intake	8,841	7,268	22	4,411	3,745	18
Revenue	7,966	6,734	18	4,242	3,612	17
Operating profit	762	404	88	437	276	58

– Commercial Vehicles order intake 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

– Outlook for full-year 2011: Revenue growth of 10 to 15%; return on sales will slightly exceed average long-term target of 8.5%

Interim Report as of June 30, 2011 – Q2 2011

MAN SE

Letter to our Shareholders

A strong position to leverage joint opportunities

Dear Shareholders,

On May 9, 2011, Volkswagen AG increased its equity interest in MAN to 30.5% and subsequently published a takeover offer to all other MAN shareholders. By the end of the offer period on June 29, our shareholders had tendered shares to Volkswagen that would raise its share of the voting rights in MAN to 55.9%. Subject to antitrust approval, the decision by these shareholders means that MAN will be part of the VW family in the future.

Our alliance with Volkswagen and Scania will then enter a new, active phase. Our goal in this is clear: We aim to jointly leverage potential with the aim of achieving profitable growth in all markets and continuing to develop MAN in a way that unlocks value.

Closer cooperation will lead to substantial synergies in purchasing, development, and production and will therefore create significant value for all parties. MAN can better leverage the potential offered by globalization and technological change by working with these partners than on its own. MAN, VW, and Scania are convinced of this industrial logic – bundling expertise and resources and therefore being more powerful together – for which we are the right partners, too.

MAN is in a strong position to achieve this. We have leading-edge technologies, healthy market positions, international alliances, and established, high-value brands. This is confirmed by our current performance. The MAN Group's order intake in the first half of 2011 increased by 22% year-on-year to €8.8 billion, and by 18% in Q2. MAN Truck & Bus in particular recorded extremely dynamic growth in the first six months, up 31% to €4.8 billion. MAN Latin America also substantially lifted its order intake by 19% to €1.8 billion. Our second business area, Power Engineering, grew by 8% to €2.3 billion, including an impressive 20% increase in the second quarter.

The MAN Group boosted its revenue by 18% in the first half of the year to €8.0 billion. The European commercial vehicles business grew significantly by 30%. MAN Latin America also sharply increased its revenue in the first six months by 19%, setting a new quarterly record of €958 million in Q2. MAN Diesel & Turbo's revenue remained virtually constant. The Engines & Marine Systems strategic business unit recorded 8% growth to €817 million, while the other strategic business units and Renk saw slight declines.

Once again, the MAN Group's operating profit also grew strongly in the first half of the year, up 88% to €762 million. This increase is due mainly to MAN Truck & Bus, which contributed €274 million. MAN Latin America (€201 million) and MAN Diesel & Turbo (€230 million) were again key earnings drivers. As a result, the MAN Group's return on sales rose from 6.0% in the prior-year period to 9.6% in the first six months of 2011. The European commercial vehicles business in particular improved significantly, enabling the Commercial Vehicles business area to record a 7.8% return on sales. The Power Engineering business area was again highly profitable, with a return on sales of 13.3% compared with 12.6% in H1/2010.

MAN also has a strong technology base. Reconciling economic and ecological issues is top of our agenda here. The commercial vehicle market will be increasingly dominated by strict environmental requirements. MAN possesses the leading expertise to meet these demands, for example, in hybrid technology, fuel-efficient aerodynamic design, or meeting the Euro VI emissions standard from 2013.

The same applies to large-bore diesel engines. Here, too, MAN uses cutting-edge research to meet the stricter requirements for marine transportation. In addition, the Power Engineering business area can combine a variety of key technologies and offer them from a single source, for example, dual fuel engines, engines with exhaust gas and waste heat recovery, as well as highly efficient compressors and wind power gear units.

MAN will also contribute engineering skills and experience in international markets to its future partnership with VW and Scania. This will herald a new chapter in MAN's long history. In the future, we will actively seize the resulting opportunities.

Our positive performance is already evident today. We are able to raise the outlook for fiscal 2011 that we issued in Q1: We are expecting full-year revenue growth of 10 to 15% and a return on sales that slightly exceeds our average long-term target of 8.5%.

Dr.-Ing. Georg Pachta-Reyhofen
CEO of MAN SE

Contents

Introduction

The Group interim financial report of MAN SE meets the requirements for a half-yearly financial report in accordance with the applicable provisions of the *Wertpapierhandelsgesetz* (WpHG — German Securities Trading Act) and, in accordance with section 37w of the WpHG, comprises the condensed interim consolidated financial statements, the interim management report of the Group, and a responsibility statement. The interim consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) and the related Interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union (EU). The Group interim financial report should be read in conjunction with the annual report for fiscal year 2010 and the additional information on the Company contained in it.

At a Glance

€ million (unless otherwise stated)	**2011 H1**	**2010 H1**	**Change in %**	**2011 Q2**	**2010 Q2**	**Change in %**
Order intake	8,841	7,268	22	4,411	3,745	18
Germany	1,871	1,724	9	904	976	–7
Other countries	6,970	5,544	26	3,507	2,769	27
Revenue	7,966	6,734	18	4,242	3,612	17
Germany	1,767	1,487	19	937	819	14
Other countries	6,199	5,247	18	3,305	2,793	18
Order backlog [1]	7,642	7,025	9	7,642	7,025	9
Headcount [1] [2]	52,255	47,669	10	52,255	47,669	10
of which: subcontracted employees	3,166	1,976	60	3,166	1,976	60
Germany	29,495	27,354	8	29,495	27,354	8
Other countries	22,760	20,315	12	22,760	20,315	12
			€ million			**€ million**
Operating profit	762	404	358	437	276	161
Earnings effects from purchase price allocations	–57	–48	–9	–25	–25	0
Gains from nonrecurring items	495	–	495	–	–	–
Earnings before tax (EBT)	1,154	285	869	391	216	175
Net income	854	200	654	289	151	138
Earnings per share from continuing operations (in €)	5.78	1.37	4.41	1.95	1.05	0.90
Earnings per share from continuing operations excluding effects from purchase price allocations and nonrecurring items (in €)	3.02	1.58	1.44	1.89	1.15	0.74
ROS (%)	9.6	6.0	–	10.3	7.7	–
ROCE (%)	24.6	13.7	–	27.7	18.6	–
Capital expenditures	246	138	108	176	87	89
Depreciation, amortization, and impairment of noncurrent assets	225	222	3	116	113	3
R&D expenditures	327	265	62	173	137	36
Cash earnings	741	394	347	469	304	165
Net cash provided by operating activities	144	710	–566	125	211	–86
Net cash used in investing activities	–237	–121	–116	–171	–79	–92
Free cash flow	–93	589	–682	–46	132	–178
Cash and cash equivalents [1]	873	1,057	–184	873	1,057	–184
Net financial debt [1]	–2,164	–1,778	–386	–2,164	–1,778	–386
Total equity [1]	6,341	5,990	351	6,341	5,990	351

Any differences in this Group interim financial report are due to rounding.
[1] As of June 30, 2011 vs. December 31, 2010
[2] Including subcontracted employees

Interim Management Report as of June 30, 2011

Economic environment

The global economic growth seen in the first quarter continued in Q2, albeit at a slower pace than at the beginning of the year. Growth remains driven by the emerging economies, which are still recording strong momentum. This expansion and the resulting higher risk of inflation are prompting governments to consider or initiate more restrictive monetary and fiscal policies. The danger of overheating is particularly high in Asia. Gross domestic product (GDP) in Brazil — a key market for MAN — is expected to increase by 4.5%. Infrastructure investments account for a significant proportion of this. In the advanced economies, natural disasters and the need for budget consolidation led to moderate growth.

The economic situation in the euro zone continued to improve. The Institut für Weltwirtschaft (IfW — Institute for the World Economy) is forecasting GDP growth of 2% for 2011. The expansionary stimuli created by monetary policy will decline in the course of the year due to the trend reversal in interest rates and will lead to a slowdown in economic growth in the euro zone. There is an enormous divergence in growth among the member countries, of which Germany is in the leading group with an expected rise in GDP of 3.6%.

Sharp increase in order intake; quarterly figure remains high

Continuous revenue growth

At €4.4 billion, the MAN Group's order intake in Q2/2011 again matched the high level in the previous quarter. This represents a sharp increase of 22% as against the first half of 2010 that is mainly due to the Commercial Vehicles business area. However, order intake in the Power Engineering business area was also up year-on-year in the reporting period, rising by 8% to €2.3 billion.

Order intake by business area

€ million	2011 H1	2010 H1	Change in %	2011 Q2	2010 Q2	Change in %
Commercial Vehicles	6,616	5,186	28	3,262	2,777	17
Power Engineering	2,283	2,119	8	1,178	977	20
Others/Consolidation	–58	–37	–	–29	–9	–
MAN Group	**8,841**	**7,268**	**22**	**4,411**	**3,745**	**18**

MAN Truck & Bus recorded another strong order intake in Q2, while the total figure for the first half of 2011 was €4.8 billion, up 31% on H1/2010 (€3.7 billion). Heavy truck orders saw the highest growth at 37%. MAN Latin America further increased its order intake in the second quarter compared with Q1, setting a new record. Order intake in the first six months of 2011 was €1.8 billion.

MAN Diesel & Turbo generated an order intake of €2.0 billion in the first half of the year. The Turbomachinery strategic business unit lifted its order intake substantially by 60% year-on-year to

€767 million. At €280 million, the Power Plants strategic business unit in particular recorded a significantly higher order intake in Q2 compared with previous quarters. Renk also profited from the positive economic trend, again increasing its order intake in Q2 as against recent quarters to €137 million. Order intake for the first half of 2011 declined by 26% year-on-year to €262 million. However, the prior-year figure was lifted by a major order from Q2/2010.

The proportion of international orders, which was 79% in the first six months (previous year: 76%), underpins the international nature of the MAN Group's business. International orders increased by 26% year-on-year to €6.9 billion, while orders in Germany were up by 9% to €1.9 billion. Growth in both cases is mainly attributable to the Commercial Vehicles business area.

The MAN Group's order backlog amounted to €7.6 billion as of June 30, 2011, and was therefore on a level with the previous year. In the first half of 2011, it rose by 9% compared with December 31, 2010. The Commercial Vehicles business area was up by 11% and the Power Engineering business area by 8%.

Revenue by business area

€ million	2011 H1	2010 H1	Change in %	2011 Q2	2010 Q2	Change in %
Commercial Vehicles	6,078	4,820	26	3,253	2,650	23
Power Engineering	1,926	1,946	–1	1,012	972	4
Others/Consolidation	–38	–32	–	–23	–10	–
MAN Group	**7,966**	**6,734**	**18**	**4,242**	**3,612**	**17**

In the first six months, the MAN Group's revenue increased by 18% year-on-year to €8.0 billion. Revenue in the second quarter of 2011 also grew compared with Q1 (+14%) to €4.2 billion — the highest quarterly figure of the past two years.

MAN Truck & Bus generated revenue of €2.3 billion in Q2/2011, continuing its positive performance of recent quarters. In the first six months, its revenue amounted to €4.3 billion (previous year: €3.3 billion). MAN Latin America set a new quarterly revenue record of €1.0 billion in Q2, while the figure for the first six months rose by 19% year-on-year to €1.8 billion (previous year: €1.5 billion).

In the first half of 2011, revenue in the Power Engineering business area remained constant compared with the previous year, at €1.9 billion. MAN Diesel & Turbo generated revenue of €1.7 billion in the first six months and Renk €0.2 billion. At €1.8 billion, the MAN Group's domestic revenue was up by 19% on 2010, while international revenue increased by 18% to €6.2 billion.

Further significant improvement in operating profit

The MAN Group generated an operating profit of €762 million in the first half of 2011, an improvement of 88% as against the previous year (€404 million). This growth is primarily attributable to the Commercial Vehicles business area, which recorded an operating profit of €475 million (previous year: €180 million). MAN Truck & Bus in particular performed strongly in the second quarter.

The Power Engineering business area also improved further as against Q1, at €133 million (+9%). It generated an operating profit of €255 million in the first six months, slightly exceeding the prior-year figure.

The improvement in "Others/Consolidation" results mainly from the higher earnings contributions from our equity interests in Scania AB and Sinotruk Ltd. The dividend from the equity interest in Scania AB amounting to €59 million was received in the second quarter.

Operating profit/loss by business area

€ million	2011 H1	2010 H1	Change € million	2011 Q2	2010 Q2	Change € million
Commercial Vehicles	475	180	295	279	167	112
Power Engineering	255	245	10	133	127	6
Others/Consolidation	32	–21	53	25	–18	43
MAN Group	**762**	**404**	**358**	**437**	**276**	**161**

The return on sales for the MAN Group after the first six months was 9.6%, compared with 6.0% in the prior-year period. This increase was driven in particular by the Commercial Vehicles business area at 7.8%, after 3.7% in H1/2010. The Power Engineering business area lifted its return on sales to 13.3% in the first half of 2011, as against 12.6% in the previous year.

The European commercial vehicles business generated an operating profit of €274 million in the first six months, due to growth in unit sales and the related improvement in capacity utilization. The second quarter in particular saw strong earnings (€177 million). The financing business broke even in the first half of 2011 and was up €28 million on the prior-year figure. MAN Truck & Bus's return on sales rose sharply from 0.4% in the previous year to 6.4%.

MAN Latin America contributed €201 million to the Commercial Vehicles business area's operating profit in H1, an improvement of 21% as against the prior-year period. Its earnings in the first six months were boosted by the strong Brazilian market and the continuing recovery in certain Latin American countries.

MAN Diesel & Turbo's operating profit amounted to €230 million in the first half of the year, up slightly on the prior-year figure of €220 million. The Power Plants strategic business unit recorded an operating loss of €66 million in the first six months. However, it almost broke even in Q2 with a loss of €3 million.

MAN Diesel & Turbo's return on sales was at a high level of 13.2% after the first six months (previous year: 12.5%).

As in the previous year, Renk generated an operating profit of €25 million in H1 despite a slight decline in revenue. This is mainly attributable to improved capacity utilization at the company's German plants. Its return on sales increased to 14.0% (previous year: 13.3%).

The MAN Group's earnings before tax amounted to €1,154 million in the first six months (previous year: €285 million). This includes the earnings effect from the remeasurement of the Scania investment in the first quarter (€495 million). This investment has no longer been accounted for using the equity method since January 5, 2011, but as a financial investment. Earnings before tax also reflect the earnings effects from the purchase price allocations performed as part of the acquisition of MAN Latin America and the investment in Sinotruk, which amount to €–57 million. To enhance long-term comparability, the earnings effects from the remeasurement of the Scania investment and from the purchase price allocations are not included in operating profit.

Net income in the reporting period amounted to €854 million, compared with €200 million in the previous year. The tax rate amounted to 26.0%. Earnings per share from continuing operations were €5.78 as against €1.37 in the prior-year period.

Positive free cash flow in the Industrial Business

The free cash flow from the MAN Group's operating and investing activities in the first half of the year amounted to €–93 million (previous year: €589 million). Free cash flow in the Industrial Business totaled €110 million in the first six months, €104 million of which is attributable to Q2.

The free cash flow in the Commercial Vehicles business area of €–197 million in the first half of the year (previous year: €282 million) reflects the expansion of the Financial Services business. This continued in Q2 in particular and led to free cash flow in the Financial Services business of €–203 million in the first six months (previous year: €81 million). In the second quarter, the Commercial Vehicles business area's Industrial Business generated positive free cash flow of €21 million. The Power Engineering business area recorded positive free cash flow in both the first and second quarters totaling €139 million (previous year: €345 million).

Free cash flow by business area

€ million	**2011 H1**	**2010 H1**	**Change € million**	**2011 Q2**	**2010 Q2**	**Change € million**
Commercial Vehicles	–197	282	–479	–129	60	–189
Power Engineering	139	345	–206	91	93	–2
Others/Consolidation	–35	–38	3	–8	–21	13
MAN Group	**–93**	**589**	**–682**	**–46**	**132**	**–178**

In the first half of 2011, the MAN Group's cash earnings improved significantly year-on-year to €741 million (previous year: €394 million). The effect of reclassifying the Scania investment, which increased earnings before tax by €495 million, is already eliminated from this figure.

In the first six months, the year-on-year growth in cash earnings contrasted with a rise in net capital employed due to business operations; this rise slowed substantially in Q2 as a result of ongoing working capital management. The positive business development and expansion in production led in particular to an increase in inventories in the Commercial Vehicles business area as against the previous year, albeit less pronounced in the second quarter. The Power Engineering business area saw a minor decline in inventories in Q2 because of slightly higher billings. The MAN Group therefore recorded net cash provided by operating activities of €144 million in the first half of 2011 (previous year: €710 million).

Investing activities in the MAN Group led to a cash outflow of €237 million in the first six months. Payments to acquire property, plant, and equipment, investment property, and intangible assets account for €187 million of this figure. This item also includes the acquisition of the remaining shares of EURO-Leasing GmbH in the second quarter.

Net cash used in financing activities amounted to €84 million in the first six months (previous year: net cash used in financing activities of €295 million). The MAN Group's net financial debt was €–2,164 million on June 30, 2011, compared with €–1,778 million as of December 31, 2010. The Industrial Business accounts for €–106 million of this figure (previous year: €80 million) and the Financial Services business €–2,058 million (previous year: €–1,858 million).

In May 2011, Standard & Poor's lifted the outlook in MAN's long-term rating (BBB+) from "stable" to "positive" in connection with the announcement of the mandatory offer by Volkswagen Aktiengesellschaft. The long-term rating awarded by Moody's is unchanged at A3 with a stable outlook.

Headcount up due to growth

The MAN Group employed 52,255 people on June 30, 2011 (including subcontracted employees). The headcount therefore grew by 4,586 compared with December 31, 2010 (47,669). This corresponds to an increase of 10%. The Group's permanent staff rose by 7% compared with December 31, 2010, to 49,089. The MAN Group had 3,166 subcontracted employees on June 30, 2011. At the end of the second quarter, it employed 29,495 people in Germany and 22,760 abroad; therefore the proportion of employees abroad was 44%.

The number of staff (including subcontracted employees) at MAN Truck & Bus has risen by 3,560 since December 31, 2010, to 34,844. This is mainly attributable to the increase in production and changes in the basis of consolidation. The expansion in the workforce comprised 2,562 permanent employees and 998 subcontracted employees. The headcount at MAN Latin America also rose due to an increase in production from 1,736 to 1,847 staff.

MAN Diesel & Turbo employed a total of 13,288 people as of June 30, 2011 (including subcontracted employees), 833 more than on December 31, 2010. The number of staff at Renk increased from 1,822 to 1,950.

Divestments

On March 25, 2009, MAN transferred 70% of the shares of Ferrostaal AG, (Essen), (Ferrostaal) to International Petroleum Investment Company, Abu Dhabi/U.A.E. (IPIC). The price for 100% of the shares of Ferrostaal is approximately €700 million and is contingent on the option agreed by MAN and IPIC on the purchase and sale of the remaining shares. The contractually agreed put option for the remaining 30% interest in Ferrostaal was exercised by MAN at the beginning of January 2010. The purchaser refused to complete the transaction, referring among other things to the ongoing investigations by the German public prosecution authorities at Ferrostaal. In addition, IPIC notified MAN at the end of September 2010 that it had filed an arbitration action to unwind the Ferrostaal transaction, and additionally for compensation for damages incurred. MAN has analyzed the precise content of the action and is convinced of the strength of its legal position. MAN filed its defense in the arbitration action at the beginning of June 2011. In addition to defending the arbitration action, MAN has filed a counterclaim for acceptance and payment of the remaining 30% interest in Ferrostaal as part of the arbitration action.

In addition, Ferrostaal has restated its annual financial statements for the years 1999/2000 to 2008 and is using this — in conjunction with the profit transfer agreements in force at the time — to assert claims against MAN amounting to approximately €100 million plus interest. MAN believes that the restated annual financial statements are void and filed an action at the end of May 2011 to determine that they are void.

If an amicable agreement is reached with IPIC on the entire range of Ferrostaal-related issues, this would also affect the litigation involving IPIC and Ferrostaal.

See “Litigation/legal proceedings” and the “Notes to the Consolidated Financial Statements” for further information.

Outlook for the MAN Group

The European commercial vehicles market recorded a positive performance in the first six months and is continuing to drive MAN Truck & Bus's growth and earnings. Despite the slightly slower pace of growth in Brazil, MAN Latin America will still make a steady contribution to earnings. In the current year, we expect the Commercial Vehicles business area to increase revenue by 15 to 20% and to generate a return on sales of at least 7.5%.

The relevant markets in the Power Engineering business area are recovering more slowly. We continue to expect revenue over the course of the year to be on a level with 2010; as a result, return on sales should remain firmly in double digits.

Overall, we believe that the MAN Group will continue its positive performance and are therefore raising the outlook we issued in the first quarter: For full-year 2011, we are expecting revenue growth of 10 to 15% and a return on sales that slightly exceeds our average long-term target of 8.5%.

Risk report

The risk report should be read in conjunction with our disclosures in the 2010 Annual Report. The MAN Group's risk position has not changed significantly as against the assessment contained in the report.

The potential consequences of the natural disasters in Japan for the MAN Group's suppliers are being monitored in the course of our ongoing risk management. No risks that could endanger the Group's continued existence are discernible as of the reporting date.

For information on potential risks in connection with the Ferrostaal transaction, please see the sections entitled “Divestments” and the “Notes to the Consolidated Financial Statements.” For information on potential risks in connection with the investigation relating to 4-stroke marine diesel engines at MAN Diesel & Turbo, please see the section entitled “Litigation/legal proceedings.”

With respect to current developments in connection with the economic situation and their effects on MAN's order situation in particular, as well as on its revenue and earnings, please see the sections entitled “Economic environment” and “Outlook for the MAN Group,” and the information provided on the individual segments in “The Divisions in Detail.”

Litigation/legal proceedings

Please see “Divestments” and the “Notes to the Consolidated Financial Statements” for information relating to litigation/legal proceedings.

MAN shares

The German benchmark index, the Dax, continued its upward trend in the second quarter of 2011 despite investors' fears of a slowdown in economic growth and uncertain public finances in southern European countries. In the period from March 31, 2011, to June 30, 2011, the Dax grew by 335 points from 7,041 to 7,376, an increase of 4.8%. Since the beginning of the year, it rose by approximately 6.7% from 6,914 points on December 31, 2010, to 7,376 on June 30, 2011.

In this environment, MAN common shares recorded slight growth in the second quarter of 2011. During the period from March 31 to June 30, 2011, the price of MAN common shares rose by €3.96, from a closing price of €88.00 on March 31, 2011, to €91.96 on June 30, 2011. This corresponds to an increase of 4.5%. In the first half of 2011, the price of MAN common shares was up by €2.97 or 3.3% from a closing price of €88.99 on December 31, 2010.

The 131st Annual General Meeting of the Company on June 27, 2011, resolved to distribute a dividend of €2.00 per no-par value share carrying dividend rights (common and preferred shares) for fiscal 2010. The dividend was paid on June 29, 2011.

Key data by division

Order intake by division						
€ million	**2011 H1**	**2010 H1**	**Change in %**	**2011 Q2**	**2010 Q2**	**Change in %**
MAN Truck & Bus	4,800	3,654	31	2,304	1,961	17
MAN Latin America	1,816	1,532	19	958	816	17
MAN Diesel & Turbo	2,021	1,767	14	1,041	735	41
Renk	262	352	–26	137	242	–43
Others/Consolidation	–58	–37	–	–29	–9	–
MAN Group	**8,841**	**7,268**	**22**	**4,411**	**3,745**	**18**

Revenue by division						
€ million	**2011 H1**	**2010 H1**	**Change in %**	**2011 Q2**	**2010 Q2**	**Change in %**
MAN Truck & Bus	4,262	3,288	30	2,295	1,834	25
MAN Latin America	1,816	1,532	19	958	816	17
MAN Diesel & Turbo	1,747	1,758	–1	916	894	2
Renk	179	188	–5	96	78	23
Others/Consolidation	–38	–32	–	–23	–10	–
MAN Group	**7,966**	**6,734**	**18**	**4,242**	**3,612**	**17**

Operating profit/loss by division						
€ million	**2011 H1**	**2010 H1**	**Change € million**	**2011 Q2**	**2010 Q2**	**Change € million**
MAN Truck & Bus	274	14	260	177	71	106
MAN Latin America	201	166	35	102	96	6
MAN Diesel & Turbo	230	220	10	120	118	2
Renk	25	25	0	13	9	4
Others/Consolidation	32	–21	53	25	–18	43
Operating profit	**762**	**404**	**358**	**437**	**276**	**161**
Earnings effects from purchase price allocations	–57	–48	–9	–25	–25	0
Gains from nonrecurring items	495	–	495	–	–	–
Net interest expense	–46	–71	25	–21	–35	14
Earnings before tax (EBT)	**1,154**	**285**	**869**	**391**	**216**	**175**
Income taxes	–300	–85	–215	–102	–65	–37
Net income	**854**	**200**	**654**	**289**	**151**	**138**

In this Group interim financial report, the breakdown of order intake, revenue, and operating profit by division is based on the segment reporting used in the MAN Group.

The divisions in detail

MAN Truck & Bus

€ million	2011 H1	2010 H1	Change in %	2011 Q2	2010 Q2	Change in %
Order intake	4,800	3,654	31	2,304	1,961	17
of which: Trucks	4,140	3,062	35	1,976	1,656	19
of which: Buses	660	592	11	328	305	8
Order intake (units)	43,546	30,217	44	20,753	16,678	24
of which: Trucks	40,505	27,428	48	19,261	15,185	27
of which: Buses	3,041	2,789	9	1,492	1,493	0
Revenue	4,262	3,288	30	2,295	1,834	25
of which: Trucks	3,690	2,756	34	1,951	1,516	29
of which: Buses	572	532	8	344	318	8
Vehicle sales (units)	39,203	24,486	60	21,327	14,731	45
of which: Trucks	36,605	22,047	66	19,782	13,257	49
of which: Buses	2,598	2,439	7	1,545	1,474	5
Employees [1]	34,844	31,284	11	34,844	31,284	11
			€ million			€ million
Operating profit [2]	274	14	260	177	71	106
of which: Trucks	263	41	222	154	79	75
of which: Buses	11	1	10	23	12	11
of which: Financial Services	0	–28	28	0	–20	20
ROS (%) [2]	6.4	0.4	–	7.7	3.9	–

[1] Headcount (including subcontracted employees) as of June 30, 2011, vs. December 31, 2010
[2] Including consolidation effects between Financial Services and Trucks/Buses

The European commercial vehicles market continued its positive trend in H1/2011, with vehicle registrations recording significant growth rates in comparison with 2010. On the back of this growth, MAN Truck & Bus lifted order intake and unit sales substantially year-on-year in the first six months of fiscal 2011.

At €4.8 billion, order intake in H1/2011 was up 31% on the prior-year level. Measured in terms of units, it rose by as much as 44%. The Trucks business generated significant increases (48%) in Europe and the CIS member states in particular. The Buses business grew by 9% in terms of units, mainly as a result of the improved order intake for coaches.

Revenue for MAN Truck & Bus rose by 30% (€974 million) year-on-year to €4.3 billion; within this figure the Trucks business saw an increase of 34% and the Buses business 8%. Unit sales in the Trucks business rose by 66%, with heavy trucks rising by 73%, while unit sales in the Buses business saw a year-on-year rise of 7%. Coaches and intercity buses were up 29%, in contrast to the slight declines reported for city buses and chassis.

Taken on a standalone basis, Q2/2011 also saw a marked increase in order intake, revenue, and unit sales year-on-year.

Operating profit for MAN Truck & Bus in the first six months of fiscal 2011 rose by €260 million compared with the prior-year figure (€14 million), to total €274 million. This significant rise is attributable in particular to growth in unit sales and a resulting improvement in capacity utilization at the truck production facilities. Financial Services broke even, closing €28 million up on the prior-year period.

For the second half of the year, MAN Truck & Bus expects order intake to be on a level with the first half and revenue to increase further, resulting in a positive trend in operating profit as well. The return on sales for full-year 2011 will be clearly in excess of 6%.

MAN Truck & Bus reached a further milestone in its BRIC strategy in the form of the memorandum of understanding with the city of St. Petersburg that was signed on April 14, 2011. The plan is to invest approximately €25 million in a local truck production facility with an annual capacity of roughly 6,000 vehicles and hence to have local manufacturing capacity available as well as to allow us to participate in the strong growth of the sector.

The plan for the joint venture with Rheinmetall AG, Düsseldorf, is now to integrate the two companies' production capacity at an organizational level before the end of 2011 at the jointly owned Rheinmetall MAN Military Vehicles GmbH, Munich.

MAN Latin America

€ million	2011 H1	2010 H1	Change in %	2011 Q2	2010 Q2	Change in %
Order intake	1,816	1,532	19	958	816	17
Order intake (units)	36,473	32,988	11	19,078	16,748	14
Revenue	1,816	1,532	19	958	816	17
Vehicle sales (units)	36,473	32,988	11	19,078	16,748	14
Employees [1]	1,847	1,736	6	1,847	1,736	6
			€ million			€ million
Operating profit	201	166	35	102	96	6
ROS (%)	11.1	10.8	–	10.6	11.8	–

[1] Headcount (including subcontracted employees) as of June 30, 2011, vs. December 31, 2010

Thanks to the ongoing strong performance by the market in Brazil and the continuing recovery in a number of Latin American markets, MAN Latin America's order intake in the first half of 2011 amounted to €1.8 billion, up 19% on the prior year. 19,078 vehicles were sold in Q2/2011 (up 14% year-on-year) and revenue for the quarter totaled €958 million (+17%) – the best-ever quarterly and hence half-yearly results in the company's history. The Resende production facility turned out a record 7,234 vehicles in June.

Operating profit for the first six months amounted to €201 million (€166 million); the figure of €102 million for the second quarter was on a level with the prior period. The return on sales in the second quarter amounted to 10.6%, reflecting the increasing competition in the Brazilian commercial vehicles market.

New registrations of trucks in the over 5 t class in Brazil, Latin America's largest market, rose by 18% year-on-year in the first six months, while bus chassis registrations rose by 23%. MAN Latin America sold 30,468 truck units up to the end of June 2011, confirming its Brazilian market lead in the over 5 t segment, at 30.6%. In addition, 6,005 bus chassis were sold in the first six months. This gave MAN Latin America a market share of 33.3%, maintaining its number two position in the bus market.

Fueled by rising demand in some Latin American markets, and particularly in Argentina, vehicle exports reached 2,477 units in the second quarter and 4,643 units in the first half of the year. This represents a 22% increase year-on-year. MAN Latin America confirmed its position as a leading exporter in Q2, with 28.9% of truck exports.

The Brazilian government incentives that run until the end of the year and the expected pull-forward effects surrounding the introduction of the Euro V standard as from 2012 will shore up demand for commercial vehicles in the country. At the same time, competition is expected to get fiercer. Overall, the outlook for full-year 2011 remains positive. MAN Latin America's management expects revenue to grow by approximately 10%, while the return on sales will remain in double digits. These forecasts assume no significant change in exchange rates.

MAN Diesel & Turbo

€ million	2011 H1	2010 H1	Change in %	2011 Q2	2010 Q2	Change in %
Order intake [1]	2,021	1,767	14	1,041	735	41
of which: Engines & Marine Systems	842	795	6	374	349	7
of which: Power Plants	412	493	–17	280	127	120
of which: Turbomachinery	767	479	60	387	259	50
Revenue [1]	1,747	1,758	–1	916	894	2
of which: Engines & Marine Systems	817	759	8	415	375	11
of which: Power Plants	305	310	–2	206	180	15
of which: Turbomachinery	625	689	–9	295	339	–13
Employees [2]	13,288	12,455	7	13,288	12,455	7
			€ million			€ million
Operating profit	230	220	10	120	118	2
of which: Engines & Marine Systems	223	199	24	97	126	–29
of which: Power Plants	–66	–96	30	–3	–85	82
of which: Turbomachinery	73	117	–44	26	77	–51
ROS (%)	13.2	12.5	–	13.1	13.3	–

[1] Including consolidation adjustments between the Engines & Marine Systems, Power Plants, and Turbomachinery strategic business units
[2] Headcount (including subcontracted employees) as of June 30, 2011, vs. December 31, 2010

Order intake at MAN Diesel & Turbo amounted to €1,041 million in Q2/2011, up 41% on the prior year (€735 million). As a result, order intake in the first half of the year amounted to €2,021 million, an increase of 14% compared with the previous year's figure of €1,767 million. At €842 million, the Engines & Marine Systems strategic business unit increased 6% as against the previous year (€795 million), with significant growth being recorded in the after-sales business in particular. Order volumes in the Power Plants strategic business unit declined from €493 million in 2010 to €412 million (–17%). The prior-year figure contains a major order from Brazil worth €294 million. Order intake in Q2 was significantly higher than in previous quarters, at €280 million. Increased orders for both the new construction and the after-sales businesses led to a sharp rise (+60%) in the Turbomachinery strategic business unit to €767 million (prior year: €479 million).

Revenue amounted to €916 million in the second quarter of 2011, up 2% on the prior-year figure of €894 million. At €1,747 million, revenue in the first six months was on a level with the prior year (€1,758 million). The Engines & Marine Systems strategic business unit lifted revenue by 8% compared with the previous year's figure of €759 million to €817 million, largely as a result of increases in after-sales and license revenue. Revenue in the Power Plants strategic business unit (€305 million) was more or less flat compared with the prior-year figure (€310 million). In the Turbomachinery strategic business unit, it declined by a total of 9% for billing reasons to €625 million (€689 million); both the new construction and the after-sales businesses were affected.

At €230 million, operating profit rose by 5% compared with the previous year (€220 million). The earnings generated by the Engines & Marine Systems strategic business unit improved year-on-year to €223 million (€199 million) due to higher volumes. The Power Plants strategic business unit recorded a €66 million loss due in particular to project-specific provisions recognized in Q1/2011 (€–96 million). However, the unit almost broke even in the second quarter, recording a loss of only €3 million. Profit in the Turbomachinery strategic business unit declined from €117 million in 2010 to €73 million, mainly as a result of lower revenue. MAN Diesel & Turbo's return on sales remained extremely sound at 13.2%.

For the current fiscal 2011, MAN Diesel & Turbo expects revenue to be on a level with the previous year owing to the slower recovery of the relevant markets. Return on sales will remain clearly in double digits.

Renk

€ million	2011 H1	2010 H1	Change in %	2011 Q2	2010 Q2	Change in %
Order intake	262	352	–26	137	242	–43
Revenue	179	188	–5	96	78	23
Employees [1]	1,950	1,882	4	1,950	1,882	4
			€ million			€ million
Operating profit	25	25	0	13	9	4
ROS (%)	14.0	13.3	–	13.7	11.5	–

[1] Headcount (including subcontracted employees) as of June 30, 2011, vs. December 31, 2010

Renk's Slide Bearings, Special Gear Units, and Standard Gear Units businesses benefited from the strong economic trend, recording increased order intakes in Q2/2011. The Vehicle Transmission business saw a clear decline year-on-year due to the major order for the PUMA infantry fighting vehicle in Q2/2010.

Ongoing strong demand from major international customers in the Slide Bearings business led to a further increase in order intake in the second quarter of 2011; the relevant figure rose by almost 50%. Standard Gear Units recorded the largest rise in order intake, with order volumes trebling. This is due primarily to drawdowns by AREVA under the master agreement for the delivery of 5 MW offshore gear units. Additionally, a large order from South Korea for LNG tanker gear units led to a positive performance by gear units for merchant shipping. Special gear units, which are manufactured in Augsburg, also reported an improved order situation. The growth drivers in this area were orders from the U.S. and South Korean navies. As a result, order intake rose from €522 million as of December 31, 2010, to €600 million as of June 30, 2011.

Q2/2011 revenue increased as against the first quarter of the year. However, the aggregate figure for the first six months, at €179 million, is down slightly on the previous year (€188 million). The Vehicle Transmissions, Slide Bearings, and Special Gear Units businesses reported higher revenues for the quarter, while the figure for Standard Gear Units was on a level with the previous year. Overall, the high order intake levels recorded in 2010 and 2011 have only a minor effect on revenue for the current fiscal year, since the delivery dates for the orders concerned are mostly in 2012 and subsequent years.

Operating profit for the first half of the year was on a level with the previous year, at €25 million, despite the slight decrease in revenue. This was mainly due to the tangible improvement in manufacturing capacity utilization at the three German production facilities. The high return on sales of 14.0% (13.3%) reflects Renk's positive business situation.

Renk is confirming its previous guidance for full-year 2011. Revenue and operating profit are set to fall slightly year-on-year, although the return on sales should remain in double digits.

Others/Consolidation

€ million	2011 H1	2010 H1	Change in %	2011 Q2	2010 Q2	Change in %
Employees [1]	326	312	4	326	312	4
of which: MAN Shared Services	87	93	–6	87	93	–6
of which: MAN SE	239	219	9	239	219	9
			€ million			€ million
Operating profit/loss	32	–21	53	25	–18	43
of which: MAN SE and MAN Shared Services	–46	–30	–16	–36	–20	–16
of which: investment in Scania AB (dividend)	59	–	59	59	–	59
of which: investment in Scania AB (equity method) [2]	–	30	–30	–	19	–19
of which: investment in Sinotruk Ltd. (equity method)	18	6	12	–	–	–
of which: investment in manroland AG (equity method)	–	–13	13	–	–4	4
of which: consolidation	1	–14	15	2	–13	15

1) Headcount (including subcontracted employees) as of June 30, 2011, vs. December 31, 2010
2) Since January 5, 2011, the Scania investment is no longer accounted for using the equity method, but as a financial investment; see “Notes to the Consolidated Financial Statements”

“Others/Consolidation” comprises MAN SE and its Shared Services companies, as well as the consolidation adjustments between the MAN Group’s business areas. The operating profit/loss item contains the dividend of €59 million from the investment in Scania AB, which was received in Q2/2011. In addition, this item contains MAN’s share of the net income/loss of Sinotruk Ltd. and manroland AG. All in all, operating profit amounted to €32 million after the first six months (operating loss of €21 million).

In the first half of the year, the operating loss at the Corporate Center and its Shared Services companies amounted to €46 million (operating loss of €30 million). The change was mainly due to increased marketing, project, and legal advisory costs as well as to variable remuneration payable in relation to the strong business performance.

Since Q3/2010, MAN’s share of the operating profit/loss of manroland is no longer included in MAN SE’s quarterly results, as the value of the carrying amount of the equity investment following the equity adjustment is zero. The year-on-year improvement in the operating profit/loss from consolidation is largely due to a decrease in the elimination of intercompany profits.

Related party disclosures

Please refer to the “Notes to the Consolidated Financial Statements” for related party disclosures.

Events after the end of the reporting period

Please refer to the “Notes to the Consolidated Financial Statements” for events after the end of the reporting period.

Condensed Interim Consolidated Financial Statements as of June 30, 2011

MAN consolidated income statement

reporting period January 1 to June 30

€ million	MAN Group		Industrial Business (supplemental information)		Financial Services (supplemental information)	
	2011	2010	2011	2010	2011	2010
Revenue	**7,966**	**6,734**	**7,966**	**6,734**	**–**	–
Cost of goods sold and services rendered	–6,149	–5,181	–6,149	–5,181	–	–
Gross margin	**1,817**	**1,553**	**1,817**	**1,553**	**–**	**–**
Other operating income	234	219	148	133	86	86
Selling expenses	–549	–532	–544	–528	–5	–4
General and administrative expenses	–405	–347	–393	–335	–12	–12
Other operating expenses	–466	–541	–398	–444	–68	–97
Share of net income/loss of equity-method investments	13	4	14	5	–1	–1
Net income from reclassification as financial investments	495	–	495	–	–	–
Net income from financial investments	61	0	61	0	–	–
Earnings before interest and taxes (EBIT)	**1,200**	**356**	**1,200**	**384**	**0**	**–28**
Interest income	38	25	38	25	–	0
Interest expense	–84	–96	–84	–95	0	–1
Earnings before tax (EBT)	**1,154**	**285**	**1,154**	**314**	**0**	**–29**
Income taxes	–300	–85	–297	–85	–3	0
Net income/loss	**854**	**200**	**857**	**229**	**–3**	**–29**
Net income/loss attributable to noncontrolling interests	4	–1	4	–1	–	–
Net income/loss attributable to shareholders of MAN SE	**850**	**201**	**853**	**230**	**–3**	**–29**
Diluted/basic earnings per share from continuing operations in €	**5.78**	**1.37**				
Diluted/basic earnings per share from continuing and discontinued operations in €	**5.78**	**1.37**				

MAN consolidated income statement

reporting period April 1 to June 30

€ million	MAN Group		Industrial Business (supplemental information)		Financial Services (supplemental information)	
	2011	2010	2011	2010	2011	2010
Revenue	**4,242**	**3,612**	**4,242**	**3,612**	**–**	**–**
Cost of goods sold and services rendered	–3,290	–2,726	–3,290	–2,726	–	–
Gross margin	**952**	**886**	**952**	**886**	**–**	**–**
Other operating income	105	79	63	37	42	42
Selling expenses	–276	–280	–273	–278	–3	–2
General and administrative expenses	–211	–158	–205	–152	–6	–6
Other operating expenses	–221	–275	–189	–222	–32	–53
Share of net income/loss of equity-method investments	2	–1	3	0	–1	–1
Net income from financial investments	61	0	61	0	–	–
Earnings before interest and taxes (EBIT)	**412**	**251**	**412**	**271**	**0**	**–20**
Interest income	22	12	22	12	–	0
Interest expense	–43	–47	–43	–46	0	–1
Earnings before tax (EBT)	**391**	**216**	**391**	**237**	**0**	**–21**
Income taxes	–102	–65	–101	–66	–1	1
Net income/loss	**289**	**151**	**290**	**171**	–1	**–20**
Net income/loss attributable to noncontrolling interests	2	–2	2	–2	–	–
Net income/loss attributable to shareholders of MAN SE	**287**	**153**	**288**	**173**	**–1**	**–20**
Diluted/basic earnings per share from continuing operations in €	**1.95**	**1.05**				
Diluted/basic earnings per share from continuing and discontinued operations in €	**1.95**	**1.05**				

MAN consolidated reconciliation of comprehensive income for the period

reporting period January 1 to June 30

€ million	2011	2010
Net income	**854**	**200**
Currency translation differences	–40	278
Change in fair values of marketable securities and financial investments	–188	–
Change in fair values of derivatives	6	–41
Actuarial gains/losses attributable to pensions	47	–94
Other comprehensive income for the period from equity-method investments	–17	13
Deferred taxes	–14	44
Other comprehensive income for the period	**–206**	**200**
Total comprehensive income for the period	**648**	**400**
of which attributable to noncontrolling interests	5	–1
of which attributable to shareholders of MAN SE	**643**	**401**

The other comprehensive income amounting to €–206 million contains €–188 million attributable to the expense from the fair value measurement of the investment in Scania, which is classified as an available-for-sale financial asset. In addition, it contains actuarial gains on pensions, in particular due to the increase in the discount rate for German pension obligations from 5.00% as of December 31, 2010, to 5.25% as of June 30, 2011. It also includes offsetting currency translation differences from the translation of the financial statements of foreign consolidated Group companies, in particular due to the change in the exchange rate of the Brazilian real to the euro. Other comprehensive income for the period from equity-method investments relates primarily to the investments in Scania and Sinotruk.

reporting period April 1 to June 30

€ million	2011	2010
Net income	**289**	**151**
Currency translation differences	49	188
Change in fair values of marketable securities and financial investments	–52	–
Change in fair values of derivatives	5	–19
Actuarial gains/losses attributable to pensions	45	–37
Other comprehensive income for the period from equity-method investments	–	–3
Deferred taxes	–15	29
Other comprehensive income for the period	**32**	**158**
Total comprehensive income for the period	**321**	**309**
of which attributable to noncontrolling interests	3	–2
of which attributable to shareholders of MAN SE	**318**	**311**

MAN consolidated balance sheet as of June 30, 2011

Assets

€ million	MAN Group		Industrial Business (supplemental information)		Financial Services (supplemental information)	
	6/30/11	12/31/10	6/30/11	12/31/10	6/30/11	12/31/10
Intangible assets	1,883	1,914	1,879	1,912	4	2
Property, plant, and equipment	2,044	2,064	2,042	2,062	2	2
Equity-method investments	658	2,085	655	2,080	3	5
Financial investments	1,731	51	1,731	51	–	–
Assets leased out	2,036	1,755	1,258	1,111	778	644
Noncurrent finance lease receivables	711	703	–	–	711	703
Deferred tax assets	1,146	1,159	1,123	1,132	23	27
Other noncurrent assets	226	180	221	174	5	6
Noncurrent assets	**10,435**	**9,911**	**8,909**	**8,522**	**1,526**	**1,389**
Inventories	3,366	2,852	3,317	2,785	49	67
Trade receivables	2,397	2,265	2,010	1,936	387	329
Current finance lease receivables	350	347	–	–	350	347
Current income tax receivables	131	133	130	132	1	1
Assets held for sale	139	139	139	139	–	–
Other current assets	760	713	724	685	36	28
Marketable securities	12	14	12	14	–	–
Cash and cash equivalents	873	1,057	822	1,017	51	40
Current assets	**8,028**	**7,520**	**7,154**	**6,708**	**874**	**812**
	18,463	**17,431**	**16,063**	**15,230**	**2,400**	**2,201**

MAN consolidated balance sheet as of June 30, 2011

Equity and liabilities

€ million	MAN Group		Industrial Business (supplemental information)		Financial Services (supplemental information)	
	6/30/11	12/31/10	6/30/11	12/31/10	6/30/11	12/31/10
Subscribed capital	376	376				
Capital reserves	795	795				
Retained earnings	5,039	4,483				
Accumulated other comprehensive income	73	280				
Equity attributable to shareholders of MAN SE	**6,283**	**5,934**	**6,157**	**5,808**	**126**	**126**
Noncontrolling interests	58	56	58	56	0	0
Total equity	**6,341**	**5,990**	**6,215**	**5,864**	**126**	**126**
Noncurrent financial liabilities	2,005	1,983	1,832	1,838	173	145
Pension obligations	160	226	159	225	1	1
Deferred tax liabilities	1,026	849	991	817	35	32
Other noncurrent provisions	668	675	668	675	0	0
Other noncurrent liabilities	839	722	839	722	0	0
Noncurrent liabilities and provisions	**4,698**	**4,455**	**4,489**	**4,277**	**209**	**178**
Current financial liabilities	1,044	866	198	155	846	711
Intragroup financing	–	–	–1,090	–1,042	1,090	1,042
Trade payables	2,110	1,981	2,019	1,882	91	99
Prepayments received	834	762	831	759	3	3
Current income tax payables	501	534	500	534	1	0
Other current provisions	1,508	1,443	1,504	1,439	4	4
Other current liabilities	1,427	1,400	1,397	1,362	30	38
Current liabilities and provisions	**7,424**	**6,986**	**5,359**	**5,089**	**2,065**	**1,897**
	18,463	**17,431**	**16,063**	**15,230**	**2,400**	**2,201**

MAN consolidated statement of cash flows

reporting period January 1 to June 30

€ million	MAN Group		Industrial Business (supplemental information)		Financial Services (supplemental information)	
	2011	2010	2011	2010	2011	2010
Earnings before tax	1,154	285	1,154	314	0	–29
Current income taxes	–127	–108	–126	–110	–1	2
Depreciation, amortization, and impairment of noncurrent assets (other than assets leased out) [1)]	225	222	224	221	1	1
Change in pension obligations	–20	–11	–20	–11	0	0
Share of net income/loss of equity-method investments	–13	–4	–14	–5	1	1
Dividends received from equity-method investments	11	15	11	15	–	–
Net income from reclassification as financial investments	–495	–	–495	–	–	–
Other noncash income and expense	6	–5	6	–5	–	–
Cash earnings	**741**	**394**	**740**	**419**	**1**	**–25**
Change in inventories	–486	–67	–505	–74	19	7
Change in prepayments received	73	0	73	–1	0	1
Change in trade and finance lease receivables	–158	23	–50	–28	–108	51
Change in trade payables	115	244	123	219	–8	25
Change in assets leased out	–92	39	15	55	–107	–16
Change in customer payments for assets leased out	–13	–39	–13	–39	–	–
Change in tax assets and liabilities	–31	11	–31	13	0	–2
Change in other provisions	78	122	78	122	0	0
Change in other assets	–142	–42	–138	–53	–4	11
Change in other liabilities	48	52	42	36	6	16
Elimination of gains/losses from asset disposals	–3	–3	–3	–3	–	–
Other changes in working capital	14	–24	14	–23	0	–1
Net cash provided by/used in operating activities	**144**	**710**	**345**	**643**	**–201**	**67**
Payments to acquire property, plant, and equipment, investment property, and intangible assets	–187	–135	–185	–134	–2	–1
Payments to acquire investees	–7	–3	–7	–3	–	–
Payments to acquire subsidiaries, net of cash acquired	–52	–	–52	–	–	–
Proceeds from asset disposals	9	17	9	2	–	15
Net cash provided by/used in investing activities	**–237**	**–121**	**–235**	**–135**	**–2**	**14**
Free cash flow from operating and investing activities	**–93**	**589**	**110**	**508**	**–203**	**81**

[1)] Intangible assets, property, plant, and equipment, and investments

MAN consolidated statement of cash flows (cont'd)

reporting period January 1 to June 30

€ million	MAN Group		Industrial Business (supplemental information)		Financial Services (supplemental information)	
	2011	2010	2011	2010	2011	2010
Free cash flow from operating and investing activities	**–93**	**589**	**110**	**508**	**–203**	**81**
Dividend payments	–297	–40	–297	–40	–	–
Change in marketable securities	1	–6	1	–6	–	–
Change in other financial liabilities	212	–249	45	–204	167	–45
Change in intragroup financing	–	–	–47	38	47	–38
Net cash provided by/used in financing activities	**–84**	**–295**	**–298**	**–212**	**214**	**–83**
Net change in cash and cash equivalents	**–177**	**294**	**–188**	**296**	**11**	**–2**
Cash and cash equivalents at beginning of period	**1,057**	**502**	**1,017**	**455**	**40**	**47**
Change in cash and cash equivalents due to changes in consolidated Group structure	1	11	1	11	–	–
Effect of exchange rate changes on cash and cash equivalents	–8	54	–8	50	0	4
Cash and cash equivalents at June 30, 2011, and June 30, 2010	**873**	**861**	**822**	**812**	**51**	**49**
Composition of net liquidity/net financial debt at June 30, 2011, and December 31, 2010						
Cash and cash equivalents	873	1,057	822	1,017	51	40
Marketable securities	12	14	12	14	–	–
Intragroup financing	–	–	1,090	1,042	–1,090	–1,042
Financial liabilities	–3,049	–2,849	–2,030	–1,993	–1,019	–856
	–2,164	**–1,778**	**–106**	**80**	**–2,058**	**–1,858**

MAN consolidated statement of changes in equity

€ million	Sub-scribed capital	Capital reserves	Retained earnings	Accumulated other com-prehensive income	Equity attribut-able to share-holders of MAN SE	Non-controlling interests	Total
Balance at December 31, 2010	**376**	**795**	**4,483**	**280**	**5,934**	**56**	**5,990**
Net income	–	–	850	–	**850**	4	**854**
Other comprehensive income	–	–	–	–207	**–207**	1	**–206**
Total comprehensive income	–	–	850	–207	**643**	5	**648**
Dividend payments	–	–	–294	–	**–294**	–3	**–297**
Other changes	–	–	0	0	**0**	0	**0**
Balance at June 30, 2011	**376**	**795**	**5,039**	**73**	**6,283**	**58**	**6,341**
Balance at December 31, 2009	**376**	**795**	**3,816**	**92**	**5,079**	**50**	**5,129**
Net income	–	–	201	–	**201**	–1	**200**
Other comprehensive income	–	–	–	200	**200**	0	**200**
Total comprehensive income	–	–	201	200	**401**	–1	**400**
Dividend payments	–	–	–37	–	**–37**	–3	**–40**
Other changes	–	–	0	–	**0**	24	**24**
Balance at June 30, 2010	**376**	**795**	**3,980**	**292**	**5,443**	**70**	**5,513**

The Annual General Meeting of MAN SE on June 27, 2011, resolved to distribute a regular dividend to shareholders for fiscal 2010 totaling €294 million (€2.00 per share). The dividend was paid on June 29, 2011.

The other changes in noncontrolling interests as of June 30, 2010, relate to the initial consolidation of EURO-Leasing GmbH, Sittensen (EURO-Leasing) as of January 1, 2010.

See page 25 for information on changes in other comprehensive income for the period.

Notes to the Condensed Interim Consolidated Financial Statements

Basis of presentation

The accompanying condensed interim consolidated financial statements (interim consolidated financial statements) of MAN SE, Munich, for the period ended June 30, 2011, were prepared in accordance with the International Financial Reporting Standards (IFRSs) and the related Interpretations issued by the International Accounting Standards Board (IASB) applicable to interim financial reporting, as adopted by the European Union. Consequently, these interim consolidated financial statements do not contain all the information and disclosures required by IFRSs for full-year consolidated financial statements, and should be read in conjunction with the Company's published IFRS consolidated financial statements for fiscal 2010. Unless expressly indicated otherwise, the accounting policies applied to interim financial reporting in these interim consolidated financial statements are identical to those adopted for the most recent full-year consolidated financial statements; a detailed description of these accounting policies is given in the notes to the consolidated financial statements for the year ended December 31, 2010.

From the Executive Board's perspective, the accompanying unaudited interim financial report reflects all standard intraperiod adjustments required for the presentation of a true and fair view of the Group's net assets, financial position, and results of operations. The results presented for the first six months of fiscal 2011 and/or for the second quarter of the fiscal year are not necessarily indicative of future results.

Preparation of the interim consolidated financial statements requires the Executive Board to make certain assumptions and estimates affecting the measurement and presentation of assets and liabilities, and income and expenses, for the period. Actual amounts may differ from these estimates. In addition to the amounts contained in the financial statements, the interim financial report contains explanatory notes on selected financial statement line items. To enhance comparability, certain amounts relating to the previous fiscal year have been adjusted to conform to the current presentation.

To enable a better insight into the MAN Group's net assets, financial position, and results of operations, the interim consolidated financial statements have been supplemented by a breakdown of figures into the Industrial Business and Financial Services. The Industrial Business comprises all parts of the MAN Group with the exception of MAN Finance. In the MAN Group, MAN Finance primarily operates the sales financing business for MAN Truck & Bus and is presented under the "Financial Services" heading. To simplify presentation, the elimination of intragroup transactions between the Industrial Business and Financial Services is presented within the Industrial Business.

Basis of consolidation

The interim financial statements as of June 30, 2011, include 126 companies (December 31, 2010: 120), including 34 (31) in Germany and 92 (89) outside Germany. The effects of the changes in the basis of consolidation on the interim consolidated financial statements are insignificant.

Income taxes

The current income tax expense presented in the interim financial statements has been determined on the basis of the expected full-year income tax rate.

New and revised accounting pronouncements

In November 2009, the IASB adopted amendments to IAS 24, Related Party Disclosures. First, the revised Standard exempts government-related entities from the requirement to disclose transactions with other government-related entities as related party transactions, subject to certain conditions. Second, it revises the definition of a related party, thereby clarifying the intended meaning and removing existing inconsistencies in the previous version of IAS 24. For the MAN Group, the revised definition results in an increase in the number of related parties. In addition to Volkswagen Aktiengesellschaft (Volkswagen), which exercises significant influence over MAN SE by virtue of its equity interest, entities controlled and jointly controlled by Volkswagen are also related parties from MAN's perspective under the amended Standard. MAN has applied the amendments since January 1, 2011.

Divestments and discontinued operations

On March 25, 2009, MAN transferred 70% of the shares of Ferrostaal AG, (Essen), (Ferrostaal) to International Petroleum Investment Company, Abu Dhabi/U.A.E. (IPIC). The price for 100% of the shares of Ferrostaal is approximately €700 million and is contingent on the option agreed by MAN and IPIC on the purchase and sale of the remaining shares. The contractually agreed put option for the remaining 30% interest in Ferrostaal was exercised by MAN at the beginning of January 2010. The purchaser refused to complete the transaction, referring among other things to the ongoing investigations by the German public prosecution authorities at Ferrostaal. In addition, IPIC notified MAN at the end of September 2010 that it had filed an arbitration action to unwind the Ferrostaal transaction, and additionally for compensation for damages incurred. MAN has analyzed the precise content of the action and is convinced of the strength of its legal position. MAN filed its defense in the arbitration action at the beginning of June 2011. In addition to defending the arbitration action, MAN has filed a counterclaim for acceptance and payment of the remaining 30% interest in Ferrostaal as part of the arbitration action.

In addition, Ferrostaal has restated its annual financial statements for the years 1999/2000 to 2008 and is using this — in conjunction with the profit transfer agreements in force at the time — to assert claims against MAN amounting to approximately €100 million plus interest. MAN believes that the restated annual financial statements are void and filed an action at the end of May 2011 to determine that they are void.

If an amicable agreement is reached with IPIC on the entire range of Ferrostaal-related issues, this would also affect the litigation involving IPIC and Ferrostaal.

See the section entitled “Litigation/legal proceedings” for further information.

The interest in Ferrostaal is reported as “held for sale” until the transaction is completed. The consolidated income statement for the period January 1, 2011, to June 30, 2011, does not contain any results for Ferrostaal.

Income Statement Disclosures

Other operating income

€ million reporting period January 1 to June 30	2011	2010
Income from financial services	77	77
Gains on financial instruments	55	39
Other trade income	19	22
Gains on disposal of property, plant, and equipment, and intangible assets	3	6
Miscellaneous other income	80	75
	234	**219**

Income from financial services represents the income generated by MAN Finance's business.

Gains on financial instruments result primarily from the remeasurement of foreign exchange positions and currency and interest rate hedges. To enable a better insight into the results of operations, gains and losses from currency translation are presented as net amounts.

Other operating expenses

€ million reporting period January 1 to June 30	2011	2010
Research and development	193	175
Impairment losses on inventories	94	18
Expenses from financial services	45	51
Losses on financial instruments	28	37
Legal, audit, and consulting costs	27	21
Bad debt allowances on receivables	19	41
Miscellaneous other expenses	60	198
	466	**541**

Other operating expenses comprise those expenses that cannot be allocated to the functional expenses, and in particular to cost of goods sold and services rendered. Research and development expenses contain only that portion of R&D expenses that cannot be allocated to contract-related production costs or capitalized development costs. The amortization attributable to capitalized development costs is also reported in "Other operating expenses."

Losses on financial instruments and expenses from financial services correspond to the related items in "Other operating income."

Net interest expense

€ million **reporting period January 1 to June 30**	**2011**	**2010**
Interest and similar income	38	25
Interest and similar expenses	–104	–113
Interest component of additions to pension provisions	–46	–41
Return on CTA plan assets	41	33
less: interest expenses reclassified as other operating expenses	25	25
	–46	**–71**

The improvement in net interest expense is due primarily to the lower interest expense attributable to the reduction in financial liabilities in the previous year.

The interest expenses of €25 million (previous year: €25 million) reclassified as other operating expenses relate to the refinancing of assets leased out by MAN Finance.

Earnings per share

€ million (unless otherwise stated) **reporting period January 1 to June 30**	**2011**	**2010**
Net income attributable to shareholders of MAN SE	850	201
Net income from continuing operations attributable to shareholders of MAN SE	**850**	**201**
Number of shares outstanding (weighted average, million)	147.0	147.0
Diluted/basic earnings per share from continuing operations in €	**5.78**	**1.37**

Earnings per share are calculated by dividing consolidated net income from continuing operations by the average number of shares outstanding in the year. The number of shares outstanding includes both common and preferred shares because both share classes carry the same dividend rights in 2011, as in the previous year.

72,472 MAN SE shares were contingently granted in April 2010 under the stock program for managers, which was launched in 2010. There is a four-year lock-up period. After taking the potential dilutive effect relating to the grant of these shares into consideration, diluted earnings per share correspond to basic earnings per share in the first half of 2011 and in the second quarter of 2011.

There were no outstanding options on shares as of June 30, 2011, and June 30, 2010, that dilute earnings per share. Any exercise of MAN SE’s contingent capital in future periods will be dilutive.

Balance Sheet Disclosures

Intangible assets

€ million	6/30/2011	12/31/2010
Licenses, software, similar rights, customer relationships, brands, and other assets	723	786
Capitalized development costs	398	355
Goodwill	762	773
	1,883	**1,914**

Property, plant, and equipment

€ million	6/30/2011	12/31/2010
Land and buildings	944	946
Production plant and machinery	719	766
Other plant, operating and office equipment	256	262
Prepayments and construction in progress	125	90
	2,044	**2,064**

Financial investments

On January 5, 2011, MAN exercised its right to cash settlement in connection with the call option on 1.5% of the equity and 2.8% of the outstanding voting rights of Scania. The transaction led to a cash settlement of €29 million, which MAN received on January 7, 2011. At the same time, MAN lost access to more than 20% of the voting rights of Scania, with the result that, after January 5, 2011, the investment in Scania is no longer accounted for using the equity method in accordance with IAS 28, but as an available-for-sale financial asset in accordance with IAS 39.

The “Net income from reclassification as financial investments” line item in the consolidated income statement includes €495 million relating to the effect of the initial recognition of this investment at fair value.

“Net income from financial investments” contains dividend income from the investment in Scania amounting to €59 million.

Equity-method investments

The most significant equity-method investment as of June 30, 2011, is the Sinotruk associate. The shares in the Roland Holding GmbH, Munich, (Roland) associate and in the MAN FORCE TRUCKS Private Ltd., Akurdi/India, joint venture are also accounted for using the equity method. We have accounted for our investment in Scania as a financial investment since January 5, 2011.

Sinotruk

Summarized financial information for Sinotruk (on a 100% basis and thus not adjusted for the equity interest held by MAN) is presented in the following table:

€ million	2011	2010
Assets [1]	6,111	5,732
Liabilities [1]	3,871	3,453
Revenue [2]	1,941	1,372
Net income [2]	77	62

[1] Fiscal 2011: Amounts shown relate to the reporting period ended December 31, 2010.
Fiscal 2010: Amounts shown relate to the reporting period ended June 30, 2010.

[2] Fiscal 2011: Amounts shown relate to the period from July 1, 2010, to December 31, 2010.
Fiscal 2010: Amounts shown relate to the period from July 1, 2009, to December 31, 2009.

Roland

The proportionate unrecognized losses attributable to Roland amount to €14 million for the first half of 2011 and cumulatively €49 million.

The following table contains summarized financial information on the other associates; the disclosures relate to the full amounts of the investees, and not just to the Group's share:

€ million	2011	2010
Assets	1,267	1,930
Liabilities	1,131	1,664
Revenue [1]	962	939
Net income [1]	–24	–49

[1] 6 months

Inventories

€ million	6/30/2011	12/31/2010
Raw materials, consumables, and supplies	504	470
Work in progress and finished products	2,268	1,823
Merchandise	453	419
Prepayments	141	140
	3,366	**2,852**

Trade receivables

€ million	6/30/2011	12/31/2010
Customer receivables	2,133	1,941
PoC receivables	151	138
Receivables from investees	113	186
	2,397	**2,265**

Financial liabilities

€ million	6/30/2011	12/31/2010
Bonds	1,494	1,494
Bank borrowings and other liabilities	840	721
Structured finance	715	634
	3,049	**2,849**

In May 2011, Standard & Poor's lifted the outlook in MAN's long-term rating (BBB+) from "stable" to "positive" in connection with the announcement of the mandatory offer by Volkswagen Aktiengesellschaft. The long-term rating awarded by Moody's is unchanged at A3 with a stable outlook.

Financial liabilities are reported in the following balance sheet items:

€ million	6/30/2011	12/31/2010
Noncurrent financial liabilities	2,005	1,983
Current financial liabilities	1,044	866

Other provisions

€ million	6/30/2011	12/31/2010
Warranties	789	751
Other business-related obligations	640	625
Obligations to employees	201	231
Outstanding costs	190	196
Miscellaneous other provisions	356	315
	2,176	**2,118**

The increase in provisions for other business-related obligations is primarily a result of project-related provisions in MAN Diesel & Turbo's Power Plants strategic business unit and obligations due to the growing business volume in the Commercial Vehicles business area.

Other provisions are reported in the following balance sheet items:

€ million	6/30/2011	12/31/2010
Other noncurrent provisions	668	675
Other current provisions	1,508	1,443

Contingent liabilities

The maximum total potential contingent liability for Ferrostaal under MAN's obligations from guarantees is €129 million. These guarantees are largely covered by indemnities issued by IPIC, depending on the origination date of the guarantee.

Litigation/legal proceedings

More detailed information on litigation/legal proceedings is contained in MAN SE's Annual Report for fiscal 2010 (Annual Report). There have been no significant developments for MAN since the publication of the Annual Report. For information relating to Ferrostaal, please also refer to the section entitled "Divestments and discontinued operations."

Other proceedings

Based on indications of irregularities in the course of the handover of 4-stroke marine diesel engines by MAN Diesel & Turbo SE, MAN SE's Executive Board launched an investigation by MAN SE's Compliance department and external advisers. This investigation is ongoing. Preliminary findings suggest that it was possible to externally manipulate the technically calculated fuel consumption figures of 4-stroke marine diesel engines on test beds operated by MAN Diesel & Turbo SE (formerly: MAN Diesel SE) such that the figures displayed differed from the actual test results. The extent to which the figures were actually manipulated when diesel engines were handed over to customers, as well as the potential financial consequences for the MAN Group, are still being assessed. MAN SE will continue to clarify this issue together with the Executive Board of MAN Diesel & Turbo SE and will contact those customers affected by it. MAN SE initiated without delay all measures necessary to comprehensively clarify this issue. MAN has informed the Munich Public Prosecution Office (I) about the ongoing investigation and will work together closely with the public prosecution authorities to clarify this issue.

From January 18 to 20, 2011, the European Commission conducted a search at MAN Truck & Bus due to a suspected possible antitrust violation in the commercial vehicles business. On April 14, 2011, the South Korean antitrust authorities conducted a search at MAN Truck & Bus (Korea) Limited, Seoul/South Korea. In addition, the European Commission conducted a search at MAN Truck & Bus and at MAN Diesel & Turbo between May 25 and 27, 2011, due to a suspected possible antitrust violation in the engines business. MAN has assured the competition authorities of its comprehensive cooperation in order to thoroughly clarify the allegations. MAN does not tolerate compliance violations. Neither corruption nor breaches of competition law are tolerated, encouraged, or accepted by MAN.

Related party disclosures

Other than the increase in the number of related parties due to the revised definition in IAS 24, Related Party Disclosures, there have been no material changes in relationships with related parties compared with the disclosures in the consolidated financial statements for the period ended December 31, 2010. See also the section entitled “New and revised accounting pronouncements” for further information.

The following table shows the volume of such relationships with Volkswagen Group companies.

€ million	6/30/2011	12/31/2010
Revenue[1)]	48	71
Purchased services[1)]	8	33
Receivables	5	2
Liabilities	21	7

[1)] Fiscal 2011: Amounts shown relate to the period from January 1, 2011, to June 30, 2011.
Fiscal 2010: Amounts shown relate to the period from January 1, 2010, to December 31, 2010.

Please see “Events after the end of the reporting period” for information on the mandatory offer by Volkswagen Aktiengesellschaft.

Segment reporting

The activities of the MAN Group are classified into the following reportable segments: MAN Truck & Bus, MAN Latin America, MAN Diesel & Turbo, and the Renk industrial subsidiary. In order to make decisions about the allocation of resources and the assessment of performance, the results of these segments are regularly reviewed by MAN SE’s Executive Board in its role as chief operating decision-maker. “Others/Consolidation and Reconciliation” mainly comprises MAN’s Corporate Center. Companies with no operating activities and the Scania, Sinotruk, and Roland investments are allocated to the Corporate Center.

Description of the reportable segments:
MAN Truck & Bus is expanding from its core Western European market into the growth markets of Eastern Europe and Asia.
As the market leader in Brazil, **MAN Latin America** has an extensive sales and service network in the emerging Latin American markets.
MAN Diesel & Turbo is a global leader in large-bore marine diesel engines and stationary engines, as well as having a substantial product range for turbomachinery.
Renk is a globally recognized manufacturer of high-quality special gear units, propulsion components, and testing systems.

MAN’s business activities focus on two business areas: **Commercial Vehicles**, comprising MAN Truck & Bus and MAN Latin America, and **Power Engineering**, featuring MAN Diesel & Turbo and Renk. MAN is a leading provider in the international commercial vehicles industry and offers customer-focused products and services worldwide. Power Engineering is MAN’s second strategic business area and provides a suitable counterbalance to Commercial Vehicles.

The segment information represents continuing operations. The segment disclosures for the current and the previous period therefore do not include the corresponding information for discontinued operations, although it is contained in the consolidated financial statements. For further information on discontinued operations, see the section entitled “Divestments and discontinued operations.”

The earnings measure used to assess the performance of a segment is operating profit. As a rule, operating profit corresponds to earnings before interest and taxes (EBIT). To enhance the long-term assessment of operating activities, effects relating to tangible and intangible assets resulting from business combinations and acquisitions of equity-method investments are eliminated from operating profit. In individual cases an adjustment is made for nonrecurring items, which represent income and expenses that are significant in terms of their origin and amount and that do not relate to operating business.

Segment assets and liabilities correspond to the total assets and liabilities of the individual business areas. “Net liquidity/net financial debt” is a financial control measure and is calculated as cash and cash equivalents and marketable securities, less financial liabilities.

Segment financial information is presented in accordance with the disclosure and measurement policies applied to preparation of the consolidated financial statements. Revenues between the segments are transacted on an arm’s length basis. Depreciation, amortization, and impairment losses relate to the intangible assets, property, plant, and equipment, and investments (excluding assets leased out) allocated to the individual divisions.

The following table contains segment-related information and a reconciliation from operating profit to earnings before tax, and from net liquidity/net financial debt to free cash flow.

Segment information (1/3)

reporting period January 1 to June 30 and as of June 30

	Commercial Vehicles					
€ million	**MAN Truck & Bus incl. MAN Finance**		**MAN Latin America**		**Commercial Vehicles [1)]**	
	2011	**2010**	**2011**	**2010**	**2011**	**2010**
Segment order intake	**4,800**	**3,654**	**1,816**	**1,532**	**6,616**	**5,186**
of which: Germany	1,605	1,381	–	–	1,605	1,381
of which: other countries	3,195	2,273	1,816	1,532	5,011	3,805
Intersegment order intake	–42	–24	–5	–	–47	–24
Group order intake	4,758	3,630	1,811	1,532	6,569	5,162
Segment revenue	**4,262**	**3,288**	**1,816**	**1,532**	**6,078**	**4,820**
of which: Germany	1,519	1,252	–	–	1,519	1,252
of which: other countries	2,743	2,036	1,816	1,532	4,559	3,568
Intersegment revenue	–27	–22	–5	–	–32	–22
Group revenue	4,235	3,266	1,811	1,532	6,046	4,798
Order backlog at June 30, 2011, and December 31, 2010	**3,046**	**2,742**	**–**	**–**	**3,046**	**2,742**
Total assets at June 30, 2011, and December 31, 2010	**9,048**	**8,188**	**3,426**	**3,201**	**12,474**	**11,389**
of which: inventories	1,765	1,395	424	316	2,189	1,711
of which: trade and finance lease receivables	2,460	2,371	287	238	2,747	2,609
of which: cash and cash equivalents, marketable securities	100	89	615	492	715	581
Segment liabilities at June 30, 2011, and December 31, 2010	**6,353**	**5,706**	**1,762**	**1,456**	**8,115**	**7,162**
of which: trade payables	988	964	466	393	1,454	1,357
Operating profit	**274**	**14**	**201**	**166**	**475**	**180**
Earnings effects from purchase price allocations	–	–	–50	–48	–50	–48
Gains from nonrecurring items	–	–	–	–	–	–
Earnings before interest and taxes (EBIT)	**274**	**14**	**151**	**118**	**425**	**132**
Net interest expense	–9	–19	1	–6	–8	–25
Earnings before tax (EBT) of continuing operations	**265**	**–5**	**152**	**112**	**417**	**107**
Earnings before interest, taxes, depreciation, and amortization (EBITDA) of continuing operations	**386**	**121**	**214**	**183**	**600**	**304**
of which: depreciation and amortization	–108	–107	–63	–65	–171	–172
of which: impairment losses	–4	–	–	–	–4	–
Net liquidity/net financial debt	**–2,001**	**–2,055**	**287**	**344**	**–1,714**	**–1,711**
Reconciliation to free cash flow	–1,611	–2,209	94	216	–1,517	–1,993
Free cash flow	**–390**	**154**	**193**	**128**	**–197**	**282**
of which: net cash flows from operating activities	–222	214	217	150	–5	364
of which: net cash flows from investing activities	–168	–60	–24	–22	–192	–82
Capital expenditures	**170**	**64**	**28**	**23**	**198**	**87**
Additional information by segment:						
Headcount including subcontracted employees at June 30, 2011, and December 31, 2010 (no.)	**34,844**	**31,284**	**1,847**	**1,736**	**36,691**	**33,020**
of which: Germany	20,290	18,616	**–**	–	20,290	18,616
of which: other countries	14,554	12,668	**1,847**	1,736	16,401	14,404
Headcount at June 30, 2011, and December 31, 2010 (no.)	**33,022**	**30,460**	**1,847**	**1,736**	**34,869**	**32,196**
ROS (%)	**6.4**	**0.4**	**11.1**	**10.8**	**7.8**	**3.7**

1) Gross presentation excluding consolidation effects.

Segment information (2/3)

reporting period January 1 to June 30 and as of June 30

€ million	Power Engineering					
	MAN Diesel & Turbo		Renk		Power Engineering [1]	
	2011	2010	2011	2010	2011	2010
Segment order intake	**2,021**	**1,767**	**262**	**352**	**2,283**	**2,119**
of which: Germany	176	170	96	201	272	371
of which: other countries	1,845	1,597	166	151	2,011	1,748
Intersegment order intake	–2	–6	–12	–10	–14	–16
Group order intake	2,019	1,761	250	342	2,269	2,103
Segment revenue	**1,747**	**1,758**	**179**	**188**	**1,926**	**1,946**
of which: Germany	193	203	60	54	253	257
of which: other countries	1,554	1,555	119	134	1,673	1,689
Intersegment revenue	–1	–6	–8	–7	–9	–13
Group revenue	1,746	1,752	171	181	1,917	1,933
Order backlog at June 30, 2011, and December 31, 2010	**4,047**	**3,793**	**600**	**522**	**4,647**	**4,315**
Total assets at June 30, 2011, and December 31, 2010	**3,574**	**3,428**	**449**	**419**	**4,023**	**3,847**
of which: inventories	1,057	1,038	128	110	1,185	1,148
of which: trade and finance lease receivables	687	678	70	73	757	751
of which: cash and cash equivalents, marketable securities	982	867	98	100	1,080	967
Segment liabilities at June 30, 2011, and December 31, 2010	**2,193**	**2,241**	**223**	**202**	**2,416**	**2,443**
of which: trade payables	650	611	36	35	686	646
Operating profit	**230**	**220**	**25**	**25**	**255**	**245**
Earnings effects from purchase price allocations	–	–	–	–	–	–
Gains from nonrecurring items	–	–	–	–	–	–
Earnings before interest and taxes (EBIT)	**230**	**220**	**25**	**25**	**255**	**245**
Net interest income/expense	**3**	–1	0	0	3	–1
Earnings before tax (EBT) of continuing operations	**233**	**219**	**25**	**25**	**258**	**244**
Earnings before interest, taxes, depreciation, and amortization (EBITDA) of continuing operations	**269**	**257**	**31**	**31**	**300**	**288**
of which: depreciation and amortization	–39	–37	–6	–6	–45	–43
of which: impairment losses	–	–	–	–	–	–
Net liquidity/net financial debt	**953**	**643**	**112**	**81**	**1,065**	**724**
Reconciliation to free cash flow	839	338	87	41	926	379
Free cash flow	**114**	**305**	**25**	**40**	**139**	**345**
of which: net cash flows from operating activities	150	339	31	49	181	388
of which: net cash flows from investing activities	–36	–34	–6	–9	–42	–43
Capital expenditures	**36**	**40**	**6**	**9**	**42**	**49**
Additional information by segment:						
Headcount including subcontracted employees at June 30, 2011, and December 31, 2010 (no.)	**13,288**	**12,455**	**1,950**	**1,882**	**15,238**	**14,337**
of which: Germany	7,096	6,709	1,786	1,720	8,882	8,429
of which: other countries	6,192	5,746	164	162	6,356	5,908
Headcount at June 30, 2011, and December 31, 2010 (no.)	**12,021**	**11,373**	**1,875**	**1,814**	**13,896**	**13,187**
ROS (%)	**13.2**	**12.5**	**14.0**	**13.3**	**13.3**	**12.6**

[1] Gross presentation excluding consolidation effects.

Segment information (3/3)

reporting period January 1 to June 30 and as of June 30

€ million	Others/Consolidation and Reconciliation: Corporate Center [2]		Cons./Reconcil.		Total		Group	
	2011	2010	2011	2010	2011	2010	2011	2010
Segment order intake	**9**	**24**	**–67**	**–61**	**–58**	**–37**	**8,841**	**7,268**
of which: Germany	9	24	–15	–52	–6	–28	1,871	1,724
of which: other countries	–	–	–52	–9	–52	–9	6,970	5,544
Intersegment order intake	–6	–21	67	61	61	40	–	–
Group order intake	3	3	–	–	3	3	8,841	7,268
Segment revenue	**9**	**24**	**–47**	**–56**	**–38**	**–32**	**7,966**	**6,734**
of which: Germany	9	24	–14	–46	–5	–22	1,767	1,487
of which: other countries	–	–	–33	–10	–33	–10	6,199	5,247
Intersegment revenue	–6	–21	47	56	41	35	–	–
Group revenue	3	3	–	–	3	3	7,966	6,734
Order backlog at June 30, 2011, and December 31, 2010	**–**	**–**	**–51**	**–32**	**–51**	**–32**	**7,642**	**7,025**
Total assets at June 30, 2011, and December 31, 2010	**5,254**	**5,225**	**–3,288**	**–3,030**	**1,966**	**2,195**	**18,463**	**17,431**
of which: inventories	–	–	–8	–7	–8	–7	3,366	2,852
of which: trade and finance lease receivables	5	4	–51	–49	–46	–45	3,458	3,315
of which: cash and cash equivalents, marketable securities	2,101	2,293	–3,011	–2,770	–910	–477	885	1,071
Segment liabilities at June 30, 2011, and December 31, 2010	**4,857**	**4,806**	**–3,266**	**–2,970**	**1,591**	**1,836**	**12,122**	**11,441**
of which: trade payables	15	19	–45	–41	–30	–22	2,110	1,981
Operating profit/loss	**31**	**–7**	**1**	**–14**	**32**	**–21**	**762**	**404**
Earnings effects from purchase price allocations	–7	–	–	–	–7	–	–57	–48
Gains from nonrecurring items	660	–	–165	–	495	–	495	–
Earnings before interest and taxes (EBIT)	**684**	**–7**	**–164**	**–14**	**520**	**–21**	**1,200**	**356**
Net interest expense	–41	–45	–	–	–41	–45	–46	–71
Earnings before tax (EBT) of continuing operations	**643**	**–52**	**–164**	**–14**	**479**	**–66**	**1,154**	**285**
Earnings before interest, taxes, depreciation, and amortization (EBITDA) of continuing operations	**689**	**0**	**–164**	**–14**	**525**	**–14**	**1,425**	**578**
of which: depreciation and amortization	–5	–7	–	–	–5	–7	–221	–222
of which: impairment losses	–	0	–	–	–	0	–4	0
Net liquidity/net financial debt	**–1,515**	**–1,265**	**0**	**0**	**–1,515**	**–1,265**	**–2,164**	**–2,252**
Reconciliation to free cash flow	–1,642	–1,238	162	11	–1,480	–1,227	–2,071	–2,841
Free cash flow	**127**	**–27**	**–162**	**–11**	**–35**	**–38**	**–93**	**589**
of which: net cash flows from operating activities	132	–31	–164	–11	–32	–42	144	710
of which: net cash flows from investing activities	–5	4	2	–	–3	4	–237	–121
Capital expenditures	**8**	**2**	**–2**	**–**	**6**	**2**	**246**	**138**
Additional information by segment:								
Headcount including subcontracted employees at June 30, 2011, and December 31, 2010 (no.)	**326**	**312**	**–**	**–**	**326**	**312**	**52,255**	**47,669**
of which: Germany	323	309	–	–	323	309	29,495	27,354
of which: other countries	3	3	–	–	3	3	22,760	20,315
Headcount at June 30, 2011, and December 31, 2010 (no.)	**324**	**310**	**–**	**–**	**324**	**310**	**49,089**	**45,693**
ROS (%)	**–**	**–**	**–**	**–**	**–**	**–**	**9.6**	**6.0**

[2] Corporate Center: MAN SE, Shared Services, and holding companies

Review by the Group auditors

The interim financial statements as of June 30, 2011 and 2010, respectively, were not reviewed by auditors.

Supervisory Board

In accordance with Article 7 (2) sentence 2 of the Articles of Association of MAN SE, the term of office of all members of the first Supervisory Board of MAN SE after the Company's change of legal form to an SE expired at the end of the second Annual General Meeting of the Company after the registration of MAN SE in the relevant commercial register at the Munich Local Court, i.e., at the end of the Annual General Meeting on June 27, 2011.

In accordance with Article 7 (3) sentence 1 of the Articles of Association of MAN SE, the eight shareholder representatives on the Supervisory Board of MAN SE are elected by the General Meeting. Article 7 (3) sentence 2 of the Articles of Association of MAN SE stipulates that the eight employee representatives on the Supervisory Board are appointed to the Supervisory Board in accordance with the provisions of the Agreement on the Involvement of Employees in the SE dated February 18, 2009, which was entered into in accordance with the *SE-Beteiligungsgesetz* (German SE Employee Involvement Act).

MAN SE's Annual General Meeting on June 27, 2011, elected the shareholder representatives to MAN SE's Supervisory Board for a five-year term of office. The eight shareholder representatives on MAN SE's Supervisory Board are: Michael Behrendt, Ulf Berkenhagen, Dr. Matthias Bruse, Dr. Thomas Kremer, Hon.-Prof. Dr. techn. h.c. Dipl.-Ing. ETH Ferdinand K. Piëch, Angelika Pohlenz, Prof. Dr.-Ing. Dr.-Ing. E.h. Dr. h.c. Ekkehard D. Schulz, and Rupert Stadler. The employee representatives on MAN SE's Supervisory Board are: Marek Berdychowski, Detlef Dirks, Jürgen Dorn, Jürgen Kerner, Gerhard Kreutzer, Wilfrid Loos, Thomas Otto, and Erich Schwarz.

The Supervisory Board again elected Prof. Dr. Ferdinand K. Piëch as its Chairman. Prof. Dr.-Ing. Ekkehard D. Schulz (shareholder representative) and Thomas Otto (employee representatives) were confirmed as Deputy Chairmen.

Executive Board

Klaus Stahlmann resigned his positions as CEO of MAN Diesel & Turbo SE and as a member of the Executive Board of MAN SE on February 21, 2011, and thus left the Executive Board of MAN SE effective as of that date.

Events after the end of the reporting period

Volkswagen Aktiengesellschaft published a mandatory offer to the shareholders of MAN SE on May 31, 2011, to acquire their holdings of ordinary and preferred shares for a cash consideration of €95.00 per MAN ordinary share and €59.90 per MAN preferred share. The period for acceptance of the mandatory offer expired at 24:00 on June 29, 2011 (“notification date”).
On July 4, 2011, Volkswagen announced that the mandatory offer had been accepted for 35,857,607 MAN ordinary shares and 164,613 MAN preferred shares by the notification date. This corresponds to 25.44% of MAN’s voting rights and 24.50% of its share capital.
The total number of MAN shares held by Volkswagen on the notification date, plus the MAN shares for which the mandatory offer had been accepted by the notification date, amounted to 78,805,649 MAN ordinary shares and 164,613 MAN preferred shares. This corresponds to 55.90% of the MAN ordinary shares and voting rights in MAN and 2.71% of the MAN preferred shares, as well as 53.71% of MAN’s share capital. The mandatory offer is subject to a number of completion conditions set out in the mandatory offer, including merger control approval in a number of jurisdictions. This means that the mandatory offer will only be completed if the completion conditions are met by the dates given, the latest of which is February 29, 2012.

Please refer to MAN SE’s Annual Report for fiscal 2010 for information on material agreements that are subject to a change of control following a takeover bid.

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the interim management report of the Group 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 for the remaining months of the fiscal year.

Munich, July 27, 2011

MAN SE
The Executive Board

Overview by Quarter (1/2)

€ million	2011						2010
	H1	Q2	Q1	Total 2010	Q4	Q3	Q2	Q1
Order intake by division								
MAN Truck & Bus	4,800	2,304	2,496	8,023	2,351	2,018	1,961	1,693
MAN Latin America	1,816	958	858	3,140	768	840	816	716
Commercial Vehicles	*6,616*	*3,262*	*3,354*	*11,163*	*3,119*	*2,858*	*2,777*	*2,409*
MAN Diesel & Turbo	2,021	1,041	980	3,475	911	797	735	1,032
Renk	262	137	125	525	86	87	242	110
Power Engineering	*2,283*	*1,178*	*1,105*	*4,000*	*997*	*884*	*977*	*1,142*
Others/Consolidation	–58	–29	–29	–91	–28	–26	–9	–28
Order intake	**8,841**	**4,411**	**4,430**	**15,072**	**4,088**	**3,716**	**3,745**	**3,523**
Commercial Vehicles order intake (units)	**80,019**	**39,831**	**40,188**	**133,023**	**35,611**	**34,207**	**33,426**	**29,779**
of which: MAN Truck & Bus	43,546	20,753	22,793	67,393	20,445	16,731	16,678	13,539
of which: MAN Latin America	36,473	19,078	17,395	65,630	15,166	17,476	16,748	16,240
Revenue by division								
MAN Truck & Bus	4,262	2,295	1,967	7,446	2,255	1,903	1,834	1,454
MAN Latin America	1,816	958	858	3,140	768	840	816	716
Commercial Vehicles	*6,078*	*3,253*	*2,825*	*10,586*	*3,023*	*2,743*	*2,650*	*2,170*
MAN Diesel & Turbo	1,747	916	831	3,766	1,073	935	894	864
Renk	179	96	83	403	115	100	78	110
Power Engineering	*1,926*	*1,012*	*914*	*4,169*	*1,188*	*1,035*	*972*	*974*
Others/Consolidation	–38	–23	–15	–80	–27	–21	–10	–22
Revenue	**7,966**	**4,242**	**3,724**	**14,675**	**4,184**	**3,757**	**3,612**	**3,122**
Commercial Vehicles unit sales (units)	**75,676**	**40,405**	**35,271**	**126,279**	**35,124**	**33,681**	**31,479**	**25,995**
of which: MAN Truck & Bus	39,203	21,327	17,876	60,649	19,958	16,205	14,731	9,755
of which: MAN Latin America	36,473	19,078	17,395	65,630	15,166	17,476	16,748	16,240
Order backlog [1)]	**7,642**	**7,642**	**7,551**	**7,025**	**7,025**	**7,371**	**7,706**	**7,720**
Operating profit/loss by division								
MAN Truck & Bus	274	177	97	158	85	59	71	–57
MAN Latin America	201	102	99	370	112	92	96	70
Commercial Vehicles	*475*	*279*	*196*	*528*	*197*	*151*	*167*	*13*
MAN Diesel & Turbo	230	120	110	439	107	112	118	102
Renk	25	13	12	52	10	17	9	16
Power Engineering	*255*	*133*	*122*	*491*	*117*	*129*	*127*	*118*
Others/Consolidation	32	25	7	*16*	–7	44	–18	–3
Operating profit	**762**	**437**	**325**	**1,035**	**307**	**324**	**276**	**128**

[1)] As of the reporting date
This information is reported on a voluntary basis.

Overview by Quarter (2/2)

€ million	2011							2010
	H1	Q2	Q1	Total 2010	Q4	Q3	Q2	Q1
Operating profit	**762**	**437**	**325**	**1,035**	**307**	**324**	**276**	**128**
Earnings effects from purchase price allocations	–57	–25	–32	–109	–26	–35	–25	–23
Gains from nonrecurring items	495	–	495	357	357	–	–	–
Earnings before interest and taxes (EBIT)	**1,200**	**412**	**788**	**1,283**	**638**	**289**	**251**	**105**
Depreciation, amortization, and impairment losses	225	116	109	467	135	110	113	109
Reversals of impairment losses on equity-method investments	–	–	–	–357	–357	–	–	–
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	**1,425**	**528**	**897**	**1,393**	**416**	**399**	**364**	**214**
Earnings before tax (EBT)	**1,154**	**391**	**763**	**1,125**	**584**	**256**	**216**	**69**
Income taxes	–300	–102	–198	–338	–177	–76	–65	–20
Loss from discontinued operations, net of tax	–	–	–	–65	–65	–	–	–
Net income	**854**	**289**	**565**	**722**	**342**	**180**	**151**	**49**
ROS (%)	**9.6**	**10.3**	**8.7**	**7.1**	**7.3**	**8.6**	**7.7**	**4.1**
MAN Truck & Bus	6.4	7.7	4.9	2.1	3.8	3.1	3.9	–3.9
MAN Latin America	11.1	10.6	11.5	11.8	14.6	11.0	11.8	9.7
Commercial Vehicles	*7.8*	*8.6*	*6.9*	*5.0*	*6.5*	*5.5*	*6.3*	*0.6*
MAN Diesel & Turbo	13.2	13.1	13.2	11.7	10.0	11.9	13.3	11.8
Renk	14.0	13.7	14.2	12.9	8.7	16.9	11.5	14.5
Power Engineering	*13.3*	*13.2*	*13.3*	*11.8*	*9.9*	*12.4*	*13.1*	*12.1*
Cash earnings	741	469	272	815	182	239	304	90
Net cash provided by operating activities	144	125	19	1,427	475	242	211	499
Net cash used in investing activities	–237	–171	–66	–374	–176	–77	–79	–42
Free cash flow	**–93**	**–46**	**–47**	**1,053**	**299**	**165**	**132**	**457**
Net financial debt [1]	**–2,164**	**–2,164**	**–1,833**	**–1,778**	**–1,778**	**–2,083**	**–2,252**	**–2,345**
ROCE (%)	**24.6**	**27.7**	**21.4**	**17.4**	**20.7**	**21.6**	**18.6**	**8.7**
ROE (%) [2]	**37.0**	**24.7**	**49.6**	**19.4**	**36.1**	**18.6**	**16.1**	**5.3**
Headcount [1] [3]	**52,255**	**52,255**	**50,215**	**47,669**	**47,669**	**47,787**	**47,559**	**47,750**
of which: subcontracted employees	3,166	3,166	3,021	1,976	1,976	2,225	2,099	1,864
Capital markets information								
Earnings per share from continuing operations in €	**5.78**	**1.95**	**3.83**	**5.30**	**2.72**	**1.21**	**1.05**	**0.32**
Earnings per share from continuing operations excl. effects from purchase price allocations and nonrecurring items (€)	**3.02**	**1.89**	**1.13**	**3.38**	**0.40**	**1.40**	**1.15**	**0.43**
MAN share price [4]								
High	98.72	98.72	93.07	96.44	96.44	81.10	72.81	63.45
Low	78.68	87.60	78.68	47.99	77.21	65.39	62.35	47.99
Quarter-end	91.96	91.96	88.00	88.99	88.99	79.96	67.95	61.98
MAN share performance (%)								
Performance of MAN shares [5]	3.3	3.3	–1.1	63.5	63.5	46.9	24.8	13.9
Dax performance [5]	6.7	6.7	1.8	16.1	16.1	4.6	0.1	3.3

[1] As of the reporting date
[2] ROE including earnings effects of discontinued operations
[3] Including subcontracted employees
This information is reported on a voluntary basis.

[4] Xetra closing prices, Frankfurt
[5] Cumulative compared with prior-year closing price

MAN SE Financial Diary

Report on Q3/2011	November 2, 2011
Annual press conference	March 22, 2012
Internet publication of annual report	March 22, 2012
Report on Q1/2012	May 3, 2012
Annual General Meeting for fiscal 2011	June 28, 2012
Half-yearly report 2012	July 31, 2012

MAN SE
Ungererstr. 69
80805 Munich, Germany
www.man.eu

This is a translation of the German original. In the event of discrepancies between the German language version and any translation thereof, the German language version will prevail.

MAN SE
Ungererstr. 69
80805 Munich, Germany
Phone: +49. 89. 36098-0
Fax: +49. 89. 36098-250
www.man.eu