



MAN Truck & Bus SRM (Sales Region Middle East & Africa)

Steady progress as growth continues

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In the two years following the global economic crisis of 2008/2009 which saw commercial vehicle markets around the world plummet by as much as 40%, the MAN Group has successfully consolidated its international operations, registering positive growth in all its operational sectors, particularly in its Commercial Vehicles division.

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Despite tough international trading conditions during 2011 borne largely on fears of a double-dip recession, the MAN Group recorded profitable growth in 2011, generating record revenue of €16.5 billion, 12% more than in 2010. Operating profit rose 43% year-on-year to €1.5 billion while return on sales increased from 7.1% to 9%.

Business resilience and commitment to employees

Group-wide, the number of MAN SE employees rose during 2011 by 10% to approximately 52 500. According to Dr. Georg Pachta-Reyhofen, Chief Executive Officer of MAN SE, "This reflects the higher production levels in the Commercial Vehicles business area and additional human resources in research and development. Our investments here are strengthening our core competencies and laying the foundations for outstanding technical solutions."

MAN's world-wide Commercial Vehicle business was its star performer during 2011, growing by 19% with total revenue earnings of €12.6 billion. The MAN Truck & Bus division (which includes the European commercial vehicles business) climbed by 21% to €9 billion during 2011. MAN Latin America continued its growth trajectory with a 14% increase, closing with a 2011 revenue-generation figure of €3.6 billion.

At €4.0 billion, revenue in the Power Engineering business area dropped slightly on the 2010 figure of €4.2 billion. Of this amount, €3.6 billion was attributable to MAN Diesel & Turbo and €0.4 billion to Renk.

Orders generated by the MAN Group in 2011 amounted to €17.1 billion, up 14% with the Commercial Vehicles business area increasing by 17%. Order intake in the Power Engineering business area amounted to €4.1 billion, up slightly on the previous year (€4.0 billion). The Turbo Machinery strategic business unit lifted its order intake by 27% to €1.4 billion.

At the close of its fiscal year on November 9, 2011, MAN SE confirmed Volkswagen AG as its majority shareholder. Volkswagen currently holds 55.90% of MAN SE's voting rights and 53.71% of its share capital.

“MAN will be an additional major pillar contributing to the VW Group's success. At the same time, the cooperation with the VW Group will boost MAN's growth trajectory and further expand our position as one of the world's leading transport-related engineering groups. This will sustainably increase MAN's value, benefiting all shareholders,” adds Pachta-Reyhofen.

Another significant milestone in the group's history was the signing in February 2012 of an International Framework Agreement between the MAN Executive Board and employee representative organisations. The Agreement aims to create a reliable set of minimum standards that all MAN employees worldwide can refer to while also laying the ethical foundation for the actions of MAN SE and its employees.

Solid growth in southern Africa

Apart from its strong investment focus on the BRIC states (Brazil, Russia, India and China), MAN considers South Africa and the sub-Saharan region as a key growth area for new commercial vehicle sales. Notably, 2011 marked MAN Truck & Bus SA's 50th year in South Africa while the 5000th new MAN bus rolled off the bus-body production line at Olifantsfontein.

The inclusion of Volkswagen trucks and buses to its product portfolio has assisted MAN Truck & Bus SA in improving its overall market share in both segments.

MAN's market share in the new truck segment of the southern African Customs Union (SACU) has increased steadily since 2009, registering a

10.6% market share in 2010, rising to 11.1% in 2011. MAN's new truck market share during 2012 is projected to increase to 12.4%.

MAN new bus sales in the region over the last 24 months have consolidated the brand as the regions market leader with a 28.7% market share in 2010, rising to 44.4% in 2011. MAN Truck & Bus SA forecasts a 45.1% share of the SACU bus market by the close of 2012.

MAN's empowerment rating currently stands at Level Three with ongoing initiatives that finance and support black-owned fleets consistently improving its BBBEE status.

Operationally, MAN Truck & Bus SA has entered 2012 with two key new strategic developments to enhance its customer proximity and service delivery.

"The streamlining of our national Centre structure from three business units to two; namely MAN Centre North (headed by Management Board Member, Mike McDonald) and MAN Centre South (headed by new Management Board Member, Brenden Duthie), will enable us to leverage synergies that exist within these broader markets more effectively," says Marcus Geyer, CEO, MAN Truck & Bus SRM.

"Furthermore, MAN Truck & Bus SA has implemented a new Customer Relationship Management program that will monitor customer complaints from a centralised point and ensure swift resolution of issues arising from all areas of our operation.

"These developments, in conjunction with our class-leading products, form a solid platform from which we can continue to offer unprecedented service to our clients, helping promote their business efficiency in an increasingly stringent commercial transport environment," concludes Geyer.

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For further information

www.mantruckandbus.com/press

The Transport Efficiency Program from MAN Truck & Bus

The amount of transport and traffic on South Africa's roads is rising. At the same time, the long-term dwindling of energy resources is making transport increasingly more expensive. As one of the world's leading manufacturers of buses and trucks, MAN Truck & Bus makes an important contribution to the continued improvement of transport efficiency. MAN offers a comprehensive efficiency program to reduce your total costs of ownership. Transport efficiency, consolidated in the fields of technology, service, the driver and future expertise protects the environment and is added value for our customers.

CONSISTENTLY EFFICIENT

MAN Truck & Bus AG, headquartered in Munich, Germany, is the largest company of the MAN Group and a leading international supplier of efficient commercial vehicles and innovative transport solutions. In fiscal 2011 the enterprise, with around 34,000 employees, posted sales of more than 77,600 trucks and over 5,700 buses and bus chassis of the MAN and NEOPLAN brands worth 9 billion euros.