



2015 Annual General Meeting: MAN expects European commercial vehicles market to recover

Hanover, May 6, 2015

Cash compensation payment amounts to €3.07 per share

Dr. Georg Pachta-Reyhofen, Chief Executive Officer of MAN SE, expects the European commercial vehicles market to recover. In his speech at the Company's Annual General Meeting in Hanover he told the shareholders gathered: "The European commercial vehicles business is slowly coming back on track; it is up significantly on the prior-year level." He also reported on the difficult situation in Brazil – one of MAN's most important markets. The economic environment continued to deteriorate. "The situation there remained strained in the first quarter of 2015," he said. All in all, however, Mr. Pachta-Reyhofen maintained the outlook for fiscal 2015: "At the moment and despite some uncertainties, it looks as if the global economy will see stronger growth again in 2015 as was the case in 2014. If no unforeseen events occur, we expect the MAN Group's sales revenue to be on a level with the previous year and that operating profit will remain stable. The operating return on sales will remain at roughly the 2014 figure."

The first quarter of 2015 painted a very mixed picture. While MAN Latin America recorded an order intake well below the prior-year figure, MAN Truck & Bus's order intake increased by 12% as against the previous year. The Power Engineering business area recorded a positive order intake, too. The MAN Group posted sales revenue of €3.1 billion, roughly on a level with the previous year, the operating profit was down €34 million as a result of the situation in Brazil.

The conflict in Ukraine, too, had an impact on the business activities of the commercial vehicles and machines manufacturer. As a result, demand for western trucks declined by roughly 30% in Russia. In this case, however, the trade sanctions only had minor effects on MAN's business. "It is rather the entire Russian economy that is currently feeling the effects of the low oil price and unfavorable exchange rate. Furthermore, a lot of companies are weighed down by financing issues and insecurity due to the crisis in Ukraine," Mr. Pachta-Reyhofen stated. In this context he appealed to political leaders to soon find a diplomatic solution to the conflict: "We must not

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forget: Europe's prosperity is based on peace, common values, and reliability."

Since fiscal 2014, MAN SE no longer distributes dividends. Instead, Truck & Bus GmbH, Wolfsburg, agrees to make annual cash compensation payments of €3.07 per common or preferred share for the full fiscal year to free float shareholders in accordance with the domination and profit and loss transfer agreement. On March 31, 2015, Truck & Bus GmbH, a wholly owned direct subsidiary of Volkswagen Aktiengesellschaft, held 75.28% of MAN SE's voting rights and 74.04% of its share capital. The free float was just under 25%.

For the future viability of MAN it is of great importance to the Company to maintain its lead in technology, Mr. Pachta-Reyhofen emphasized. In his speech he particularly pointed to the trend of digitalization. Both in the Power Engineering business area and with Commercial Vehicles it has long been part of the customers' daily lives. Its significance would continue to increase, he added. With MAN TeleMatics, for example, and numerous assistance systems, MAN had a large variety of innovative products on the market.

In addition, MAN was conducting research on autonomously driving trucks. This goal should be achieved in several steps, he said. Mr. Pachta-Reyhofen emphasized, however, that we must not forget that the vast majority of today's professional drivers had many years of practice and expertise. This allowed them to identify and evaluate special traffic conditions early on, he stated. "Trucks and buses that autonomously drive from Munich to Hamburg are something we will be waiting for some years to come. Let alone distribution transport in cities. Even legal issues so far remain completely unsolved. Until then, our task will be to relieve professional drivers behind the wheel with assistant systems, to increase safety for them and other road users, and to keep improving economic aspects," the Chief Executive Officer of MAN SE said in Hanover. He considers truck driving to be "one of the most underestimated and unfortunately often undervalued jobs in Germany."