



MAN Truck & Bus makes itself fit for the future

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- **Strategic programme to sustainably strengthen competitiveness continued**
- **Realignment of the production network with clear responsibilities and core competencies**
- **Streamlining of administrative areas**
- **No compulsory redundancies**

MAN Truck & Bus is implementing its extensive programme for strengthening the business in the competitive environment. It encompasses all the important areas of the company. One of the main focuses of the programme is realigning the production locations and streamlining administrative areas. By the end of 2017, the strategic programme will have significantly overcompensated for the one-off expenditure necessary in 2015; this will be achieved through cost savings and profit optimizations, ensuring that MAN Truck & Bus can move into the future in a more robust, flexible and efficient manner.

The realignment of the production network of MAN Truck & Bus will reassign key responsibilities coming years to individual truck production sites in Munich, Steyr, Krakow and Salzgitter. This will ensure that, in the future, each location has clear areas of responsibility and core competencies. MAN is thus strengthening the individual production sites in their respective roles and is also avoiding duplication of work. At the same time, MAN is streamlining its indirect areas. This will involve approximately 1400 management positions and 400 in direct production areas. The business rules out any compulsory redundancies as well as any site closures. The streamlining will primarily be carried out through voluntary redundancies, semi-retirement and not re-filling positions should they become vacant. For this purpose, one-time expenses in the lower three-digit million range will be required in 2015.

As Joachim Drees, Chief Executive Officer MAN Truck & Bus, comments: "With the refocusing of MAN Truck & Bus, we will be much better positioned in the competitive environment. We will work more efficiently and make our plants more flexible. Our strategic programme will not only pave

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The MAN Group is one of Europe's leading industrial players in transport-related engineering, with revenue of approximately €15.7 billion in 2013. As a supplier of trucks, buses, diesel engines, turbomachinery, and special gear units, MAN employs approximately 53,500 people worldwide. Its business areas hold leading positions in their respective markets.

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the way for sustainable growth in the medium-term but also secure the jobs of our employees.

Jochen Schumm, Chief Human Resources Officer at MAN Truck & Bus, emphasizes: "As in the past, we will present attractive alternatives to the employees in the areas concerned. There will be no compulsory redundancies." In addition, the affiliation with the Volkswagen Group is a huge benefit.

In detail, the production network realignment programme is as follows:

Heavy series trucks will in future be assembled at the Munich and Krakow sites. Cab shells and painting will gradually be transferred to Munich.

Spare parts/Logistics will be completely transferred from Munich to Salzgitter. Salzgitter will not only be developed into a parts logistics centre but also a component and re-manufacturing plant. Bus/coach chassis manufacture will be relocated to Ankara.

Steyr will remain the production centre for truck assembly in the lightweight and medium weight series, as well as for cab equipment in the corresponding model ranges. In future, cab shells will no longer be manufactured at the site, but rather supplied by Munich. At the same time, Steyr will see the creation of a new plastic painting plant and a truck modification centre.

Management and employee representatives have worked out the structural changes in close consultation. This is an approach that proved successful last year, when MAN Truck & Bus restructured the bus production. Also on this occasion, MAN honoured its social responsibility in offering an alternative position within the Volkswagen Group to every one of the 1200 employees affected.