

Engineering the Future –  
since 1758.

**MAN SE**



## At a Glance

€ million	2010	2009	Change in %
<b>Order intake</b>	<b>15,072</b>	<b>9,860</b>	<b>53</b>
Germany	3,489	2,388	46
Other countries	11,583	7,472	55
<b>Revenue</b>	<b>14,675</b>	<b>12,026</b>	<b>22</b>
Germany	3,058	2,751	11
Other countries	11,617	9,275	25
<b>Order backlog<sup>1</sup></b>	<b>7,025</b>	<b>7,422</b>	<b>-5</b>
<b>Headcount<sup>1,2</sup></b>	<b>47,669</b>	<b>47,743</b>	<b>0</b>
of which: subcontracted employees	1,976	1,643	20
Germany	27,354	26,768	2
Other countries	20,315	20,975	-3
			<b>Change in € million</b>
Operating profit	1,035	504	531
Earnings effects from purchase price allocations	-109	-62	-47
Gains/losses from nonrecurring items	357	-656	1,013
Earnings before tax (EBT)	1,125	-331	1,456
Net income/loss	722	-258	980
Earnings per share from continuing operations in €	5.30	-2.69	7.99
Earnings per share from continuing operations excluding effects of purchase price allocations and nonrecurring items in €	3.38	1.47	1.91
Dividend per share in € <sup>3</sup>	2.00	0.25	1.75
ROS (%)	7.1	4.2	-
ROCE (%) <sup>4</sup>	17.4	8.8	-
Income/loss from discontinued operations, net of tax	-65	126	-191
Capital expenditures	396	2,303	-1,907
Depreciation, amortization, and impairment of noncurrent assets	467	804	337
Reversals of impairment losses on equity-method investments	357	-	357
R&D expenditures	626	504	122
Cash earnings	815	396	419
Net cash provided by operating activities	1,427	1,462	-35
Net cash used in investing activities	-374	-2,584	2,210
Free cash flow	1,053	-1,122	2,175
of which: from acquisitions and divestments	-7	-2,249	2,242
Cash and cash equivalents <sup>1</sup>	1,057	502	555
Net financial debt <sup>1</sup>	-1,778	-2,634	856
Total equity <sup>1</sup>	5,990	5,129	861

<sup>1</sup> As of December 31, 2010 vs. December 31, 2009

<sup>2</sup> Including subcontracted employees

<sup>3</sup> 2010: proposed dividend

<sup>4</sup> CE definition adjusted in 2010; marketable securities and cash and cash equivalents also deducted (similar adjustment made to previous year)

The order situation, revenue, earnings, and cash flow do not include any Q1/2009 figures for MAN Latin America.

## The MAN Group

The MAN Group is one of Europe's leading industrial players in transport-related engineering, with revenue of approximately €14.7 billion in 2010. As a supplier of trucks, buses, diesel engines, turbomachinery, and special gear units, MAN employs approximately 47,700 people worldwide. Its divisions hold leading positions in their respective markets. MAN SE, Munich, is listed in the Dax equity index, which comprises Germany's thirty leading stock corporations.

	<b>MAN SE</b>			
Business areas	<b>Commercial Vehicles</b>		<b>Power Engineering</b>	
Divisions	<b>MAN Truck &amp; Bus *</b>	<b>MAN Latin America</b>	<b>MAN Diesel &amp; Turbo</b>	<b>Renk (76.0%)</b>
				
Equity-method investments	<b>Sinotruk (25% + 1 share), Scania (17.4%**)</b>			

\* MAN Nutzfahrzeuge until December 28, 2010

\*\* Voting rights

## Commercial Vehicles

### MAN Truck & Bus

is the largest MAN Group company and is a leading supplier of commercial vehicles and transportation solutions.

- Trucks with a total weight of 7.5 to 44 t
- Heavy special-purpose vehicles with a gross combination weight of up to 250 t
- City and intercity buses, coaches, and bus chassis
- Industrial, marine, and on- and off-road engines
- End-to-end vehicle services

€ million	2010	2009
Order intake	8,023	5,224
Revenue	7,446	6,395
Operating profit/loss	158	- 91
Headcount (as of Dec. 31) <sup>1</sup>	31,284	31,519
ROS (%)	2.1	- 1.4

<sup>1</sup> including subcontracted employees

### MAN Latin America

is the largest truck manufacturer in Latin America. It leads the truck market in Brazil and is a leading supplier of commercial vehicles and bus chassis for growth markets, with one of the most advanced production facilities worldwide for trucks and buses.

- Trucks from 5 to 57 t for all uses
- Chassis for city and intercity buses for all uses

€ million	2010	2009
Order intake	3,140	1,412
Revenue	3,140	1,412
Operating profit	370	142
Headcount (as of Dec. 31) <sup>1</sup>	1,736	1,510
ROS (%)	11.8	10.1

<sup>1</sup> including subcontracted employees

## Power Engineering

### MAN Diesel & Turbo

is one of the world's leading providers of large-bore diesel engines for marine and stationary applications and is also one of the three leading suppliers of turbomachinery on the global market.

- Large-bore engines (diesel, diesel/gas, gas) for use in ships and power plants
- On-board gensets, exhaust-gas turbochargers, and propulsion systems
- Turnkey diesel power plants and power plant components
- Comprehensive product range of compressors, turbines, and chemical reactors
- Complete turbomachinery trains for the oil and gas industry, the processing industry, and for power generation
- Testing centers for individual machines and complete machine units weighing up to 1,000 t
- Global end-to-end after-sales services for the company's entire product range under the MAN PrimeServ brand
- Operation and maintenance of diesel power plants under the MAN PowerManagement brand

€ million	2010	2009
Order intake	3,475	2,936
Revenue	3,766	3,796
Operating profit	439	500
Headcount (as of Dec. 31) <sup>1</sup>	12,455	12,511
ROS (%)	11.7	13.2

<sup>1</sup> including subcontracted employees

### Renk

is a globally recognized manufacturer of high-quality special gear units, propulsion components, and testing systems.

- Vehicle transmissions for medium and heavy tracked vehicles
- Special gear units for specialist marine and stationary applications
- Standard gear units, primarily for merchant shipping, industrial applications, and wind power
- Global market leader for electric machine bearings, slide bearings, and industrial couplings
- Turnkey testing systems for the automotive, rail, and aviation industries as well as for wind power plants

€ million	2010	2009
Order intake	525	294
Revenue	403	474
Operating profit	52	66
Headcount (as of Dec. 31) <sup>1</sup>	1,882	1,903
ROS (%)	12.9	13.9

<sup>1</sup> including subcontracted employees

# Introduction <sup>1</sup>

## Stronger after the Crisis

### Performance

Revenue grew 22% to €14.7 billion, operating profit doubled to €1,035 million, and return on sales (ROS) increased to 7.1% on the back of the global economic recovery. Order intake up 53%, demonstrating our excellent performance in all divisions.

### Growth regions

Further international growth focusing on the BRIC countries: record results in Brazil; gradual implementation of our strategic partnership in China.

### Technology leadership

MAN proved it is an inventor company at the key trade fairs in its business areas, the 2010 International Commercial Vehicles Motor Show (IAA) and the SMM shipping trade fair: the Concept S Truck design study attracted international attention; new large-bore diesel engine technology already aims to meet 2016 emission requirements.

### Outlook for 2011

10 to 15% revenue growth in the Commercial Vehicles business area; slight decline in revenue of up to 5% in the Power Engineering business area due to the slower recovery of the markets. Systematic continuation of international growth strategy and further increase in flexibility of cost structures. Growth in the MAN Group's revenue by between 7 and 10% as well as its return on sales by one percentage point.

## MAN Group: Six-Year Overview

€ million	2010	2009	2008	2007	2006	2005
<b>Order intake</b>	<b>15,072</b>	<b>9,860</b>	<b>14,033</b>	<b>17,818</b>	<b>16,567</b>	<b>14,338</b>
of which: Germany	3,489	2,388	3,306	4,549	4,151	3,373
of which: Other countries	11,583	7,472	10,727	13,269	12,416	10,965
<b>Order intake by division</b>						
MAN Truck & Bus	8,023	5,224	9,130	12,684	10,103	9,434
MAN Latin America	3,140	1,412	–	–	–	–
MAN Diesel & Turbo	3,475	2,936	4,515	4,825	4,117	3,053
Renk	525	294	443	439	417	314
Others/Consolidation	– 91	– 6	– 55	– 130	1,930	1,537
<b>Revenue</b>	<b>14,675</b>	<b>12,026</b>	<b>14,945</b>	<b>14,063</b>	<b>13,049</b>	<b>11,379</b>
of which: Germany	3,058	2,751	3,704	4,073	3,394	3,103
of which: Other countries	11,617	9,275	11,241	9,990	9,655	8,276
<b>Revenue by division</b>						
MAN Truck & Bus	7,446	6,395	10,610	10,410	8,685	7,377
MAN Latin America	3,140	1,412	–	–	–	–
MAN Diesel & Turbo	3,766	3,796	3,870	3,286	2,709	2,360
Renk	403	474	527	430	356	307
Others/Consolidation	– 80	– 51	– 62	– 63	1,299	1,335
<b>Order backlog<sup>1</sup></b>	<b>7,025</b>	<b>7,422</b>	<b>10,416</b>	<b>12,335</b>	<b>11,298</b>	<b>8,496</b>
of which: Germany	1,264	1,107	1,626	2,331	1,820	1,422
of which: Other countries	5,761	6,315	8,790	10,004	9,478	7,074
<b>Headcount including subcontracted employees<sup>1</sup></b>	<b>47,669</b>	<b>47,743</b>	<b>51,321</b>	<b>50,399</b>	<b>53,715</b>	<b>51,412</b>
of which: Companies within Germany	27,354	26,768	28,753	28,963	31,368	30,275
of which: Companies outside Germany	20,315	20,975	22,568	21,436	22,347	21,137
<b>Subcontracted employees<sup>1</sup></b>	<b>1,976</b>	<b>1,643</b>	<b>2,197</b>	<b>3,519</b>	<b>3,425</b>	<b>2,251</b>
<b>Headcount<sup>1</sup></b>	<b>45,693</b>	<b>46,100</b>	<b>49,124</b>	<b>46,880</b>	<b>50,290</b>	<b>49,161</b>
<b>Annual average headcount</b>	<b>45,885</b>	<b>47,365</b>	<b>48,787</b>	<b>47,128</b>	<b>49,994</b>	<b>49,770</b>
<b>MAN share data</b>						
Common shares (in €) <sup>1</sup>	88.99	54.44	38.72	113.80	68.46	45.08
Common shares, high (in €)	96.44	61.23	110.91	123.73	74.00	45.24
Common shares, low (in €)	47.99	30.31	27.78	68.46	44.36	29.00
Common shares, price/earnings ratio <sup>1,2</sup>	16.8	–	5.0	15.7	13.6	16.4
Preferred shares (in €) <sup>1</sup>	58.21	41.00	43.05	108.65	63.35	41.00
Preferred shares, high (in €)	62.24	49.95	110.00	117.39	69.78	41.00
Preferred shares, low (in €)	38.02	35.45	32.56	62.69	40.35	25.44
Preferred shares, price/earnings ratio <sup>1,2</sup>	11.0	–	5.5	14.9	12.5	14.9
Dividend per share (in €)	2.00	0.25	2.00	3.15	2.00	1.35
Earnings per share (IAS 33) (in €) <sup>2</sup>	5.30	– 2.69	7.76	7.27	5.05	2.75
Cash earnings per share (in €)	5.46	2.52	10.43	10.52	6.40	5.90
Equity per share (in €)	37.60	35.50	35.70	30.30	22.90	19.50

Information on comparability:  
The Others data includes Industrial Services up to 2006.

<sup>1</sup> Number at December 31

<sup>2</sup> For continuing operations

€ million	2010	2009	2008	2007	2006	2005
Noncurrent assets <sup>1</sup>	9,911	8,661	6,010	6,891	6,998	5,689
Inventories	2,852	3,037	3,275	3,279	3,032	3,453
Other current assets <sup>1</sup>	3,597	3,561	7,140	4,471	4,054	3,819
Marketable securities and cash and cash equivalents	1,071	636	105	1,520	1,162	1,191
Equity	5,990	5,129	5,396	5,177	3,779	3,025
Pension obligations	226	160	74	132	946	1,499
Noncurrent and current financial liabilities	2,849	3,270	1,736	1,967	2,108	1,018
Prepayments received	762	913	1,099	2,031	1,557	1,740
Other liabilities and provisions	7,604	6,423	8,225	6,854	6,856	6,870
<b>Total assets/total capital</b>	<b>17,431</b>	<b>15,895</b>	<b>16,530</b>	<b>16,161</b>	<b>15,246</b>	<b>14,152</b>
<b>Revenue</b>	<b>14,675</b>	<b>12,026</b>	<b>14,945</b>	<b>14,063</b>	<b>13,049</b>	<b>11,379</b>
Cost of goods sold and services rendered <sup>2</sup>	- 11,400	- 9,455	- 11,243	- 10,722	- 10,161	- 8,943
<b>Gross margin</b>	<b>3,275</b>	<b>2,571</b>	<b>3,702</b>	<b>3,341</b>	<b>2,888</b>	<b>2,436</b>
Other income and expenses <sup>3</sup>	- 2,240	- 2,067	- 1,973	- 1,790	- 1,783	- 1,762
<b>Operating profit<sup>4</sup></b>	<b>1,035</b>	<b>504</b>	<b>1,729</b>	<b>1,551</b>	<b>1,105</b>	<b>674</b>
Earnings effects from purchase price allocations	- 109	- 62	-	-	-	-
Gains/losses from nonrecurring items	357	- 656	- 106	183	-	- 37
Net interest income/expense	- 158	- 117	20	- 55	- 82	- 62
<b>Earnings before tax (EBT)</b>	<b>1,125</b>	<b>- 331</b>	<b>1,643</b>	<b>1,679</b>	<b>1,023</b>	<b>575</b>
Income taxes	- 338	- 53	- 488	- 600	- 273	- 160
Income/loss from discontinued operations, net of tax	- 65	126	92	146	175	57
<b>Net income/loss</b>	<b>722</b>	<b>- 258</b>	<b>1,247</b>	<b>1,225</b>	<b>925</b>	<b>472</b>
Noncontrolling interests	- 9	- 12	- 14	- 9	- 7	- 10
Withdrawals from/transfer to reserves	- 419	307	- 939	- 753	- 624	- 263
<b>Total dividend paid by MAN SE</b>	<b>294</b>	<b>37</b>	<b>294</b>	<b>463</b>	<b>294</b>	<b>199</b>
<b>Earnings before interest, taxes, depreciation, and amortization (EBITDA)</b>	<b>1,393</b>	<b>590</b>	<b>1,947</b>	<b>2,131</b>	<b>1,433</b>	<b>972</b>
Depreciation, amortization, and impairment of noncurrent assets	- 467	- 804	- 324	- 397	- 328	- 335
Reversals of impairment losses on equity-method investments	357	-	-	-	-	-
<b>Earnings before interest and taxes (EBIT)</b>	<b>1,283</b>	<b>- 214</b>	<b>1,623</b>	<b>1,734</b>	<b>1,105</b>	<b>637</b>
<b>Capital expenditures and financing</b>						
Property, plant, and equipment and intangible assets	391	366	603	459	446	376
Investments	5	1,937	270	259	1,214	28
Research and development expenditures	626	504	493	433	396	385
Cash earnings	815	396	1,619	1,661	963	876
Net cash provided by operating activities	1,427	1,462	137	2,109	777	1,267
Net cash used in investing activities	- 374	- 2,584	- 707	- 426	- 1,329	- 378
Free cash flow	1,053	- 1,122	- 570	1,683	- 552	889
<b>Key performance indicators</b>						
ROS (%)	7.1	4.2	11.6	11.0	8.5	5.9
ROCE (%) <sup>5</sup>	17.4	8.8	40.2	31.9	28.0	19.1

Information on comparability:

The data includes Industrial Services up to 2006.

<sup>1</sup> Change in presentation of finance lease receivables from 2009

<sup>2</sup> 2008 figure after reclassification of €-61 million (2007: €-35 million) of cost of goods sold and services rendered to gains/losses from nonrecurring items

<sup>3</sup> Including net interest income of Financial Services

<sup>4</sup> Printing Systems and Steel Trade reported as discontinued operations from 2005 and Industrial Services reported as discontinued operations from 2007

<sup>5</sup> CE definition adjusted in 2010; marketable securities and cash and cash equivalents also deducted (similar adjustment made to previous year)

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