



News service MAN Group

Press release of
January 21, 2003

MAN Group: Business volume reaches upper expectation range in 2002

During the economically difficult year of 2002, the MAN Group reached the upper end of its target ranges set at the beginning of the financial year, exceeding the figures stated in the last quarterly report. Based on provisional figures, new orders of 15.7bn euros were marginally higher than the previous year. Sales declined as expected to 16.0bn euros, after reaching 16.3bn euros in 2001. Orders on hand amounted to 9.6bn euros at the end of 2002, compared with 10.3bn euros at 31.12.2001. The number of employees in the MAN Group fell from 77,606 to 75,079 based on an end-of-year comparison, and by 3,009 based on a comparable scope of consolidation. Earnings are also expected to be in line with forecasts, which envisaged pre-tax earnings in the order of the 2001 figure of 213m euros.

In 2002, the business environment was marked by a sustained weak level of global economic growth; the upswing, which in the early months was still expected for the second half of the year, failed to materialise.

Against this background, the MAN Group did very well to obtain **new orders** of 15.7bn euros. Performance in the various MAN Group divisions did however vary.

Commercial Vehicles recorded new orders of 6.5bn euros (+4%). In the truck sector, incoming orders of 5.3bn euros were on a par with the previous year, while buses showed an increase of 19% to 1.2bn euros due to changes in the companies consolidated (Neoplan only being included for six months in 2001), and a drop of 7% on a comparable basis. In the Industrial Services Division, new orders rose by 16% to 3.2bn euros, reflecting a renewed increase in major orders. New orders of 1.5bn euros (-23%) registered by the Printing Machines Division were however considerably lower than the previous year, due to the continuing difficult market conditions in the graphics industry. Orders of 1.4bn euros (-9%) in the Diesel Engines Division were below the 2001 figure as a result of declining activity in the two-stroke-engine sector. The Industrial Equipment and Facilities Division likewise reported a decrease to 3.3bn euros (-4%) due to a lower volume of major orders. Incoming orders of 0.6bn euros registered by the Financial Services Division were 4% below 2001.

After peaking in 2001, MAN Group **sales** declined by 2% to 16.0bn euros. Industrial Services (+1%) and Diesel Engines (0%) were able to equal the sales volumes of the previous year, whereas sales were somewhat lower in the Commercial Vehicles (-3%) and Industrial Equipment and Facilities Divisions (-2%). Sales in the Printing Machines Division fell considerably (-13%) in the wake of market developments, especially in the sector of sheetfed systems.

As in previous years, contrary **domestic and foreign business** trends were recorded by the MAN Group. Whereas new orders of 3.8bn euros represented a drop of 6% in Germany, foreign orders increased by 2% to 11.9bn euros. Foreign sales of 11.8bn euros reached the same level as 2001, while a decline of 7% to 4.2bn euros was recorded on the domestic market. As a result, the share of MAN Group business generated abroad continued to rise, reaching 76% (74%) in terms of new orders and 74% (73%) in terms of sales.



News service MAN Group

The number of employees in the MAN Group decreased by 2,527 from 77,606 at 31.12.2001 to 75,079 at the end of 2002. On a comparable basis, this represented a reduction of 3,009 employees or 3.9%, of which 2,011 or 4.0% were attributable to companies in Germany and 998 or 3.7% to foreign operations. As of 31 December 2002, 48,866 persons were employed in Germany and 26,213 at locations outside the country.

Preparation of the annual accounts is still underway. Based on a current assessment of the provisional results, we are still adhering to the earnings forecast for 2002 published in the last quarterly report, which envisaged pre-tax earnings in the order of the 2001 figure of 213m euros.

Performance 2002 Financial Year

MAN Group	2002*)	2001	Change
	€m	€m	in %
New orders			
Germany	3,795	4,026	- 6
Foreign	11,917	11,652	2
Total	15,712	15,678	0
Sales			
Germany	4,155	4,457	- 7
Foreign	11,800	11,843	0
Total	15,955	16,300	- 2
Orders on hand **)	9,606	10,313	- 7
Employees number **)			
Germany	48,866	51,240	- 4.6
Foreign	26,213	26,366	- 0.6
Total	75,079	77,606	- 3.3

*) Provisional figures

**) Figure on closing date of 31 December 2002 compared with 31 December 2001

New orders by Division	2002*)	2001	Change
	€m	€m	in %
Commercial Vehicles	6,516	6,272	4
Industrial Services	3,173	2,737	16
Printing Machines	1,533	1,993	- 23
Diesel Engines	1,361	1,489	- 9
Industrial Equipment and Facilities	3,307	3,436	- 4
Financial Services	612	635	- 4
Other	47	104	- 55
Interdivisional	(837)	(988)	-
New orders MAN Group	15,712	15,678	0

*) Provisional figures



News service MAN Group

Sales by Division	2002*) €m	2001 €m	Change in %
Commercial Vehicles	6,554	6,741	- 3
Industrial Services	2,880	2,855	1
Printing Machines	1,807	2,081	- 13
Diesel Engines	1,408	1,415	0
Industrial Equipment and Facilities	3,507	3,572	- 2
Financial Services	606	513	18
Other	46	108	- 57
Interdivisional	(853)	(985)	-
Sales MAN Group	15,955	16,300	- 2

*) Provisional figures

Note on the MAN Financial Calendar

To comply with the Corporate Governance Code, the MAN AG Executive Board has brought forward the date of the annual press conference and the analysts' conference from 10 April to **25 March 2003**.

All other dates in the Financial Calendar remain unchanged.

MAN Aktiengesellschaft
The Executive Board