Q1 MAN Group: Operating profit despite economic downturn

MAN Group € million	2009 Q1	2008 Q1	Change in %
Order intake	2,290	4,892	– 53
Revenue	2,556	3,480	– 27
Operating profit	100	423	– 76

- Order intake at low level, particularly in Commercial Vehicles business area
- Commercial Vehicles records slight operating profit in Q1 despite sharp decline in revenue – early adjustment measures take effect
- Q1 earnings driven primarily by Diesel and Turbo
- New MAN Latin America subgroup takes MAN to a new dimension; now the world's third-largest heavy truck manufacturer
- Forecast remains difficult; Group's financial stability and the order situation at Diesel, Turbo, and Renk provide support.

Interim Report as of March 31, 2009 – Q1 2009

MAN AG

Letter to our Shareholders

Operating profit despite economic downturn

Dear Shareholders,

MAN AG's performance in the first quarter of 2009 was dominated by the exceptional global economic downturn. The commercial vehicles market in particular recorded a massive slump. At the same time, the Diesel Engines, Turbo Machinery, and Renk business areas provided a certain degree of stabilization at MAN.

At €2.3 billion, the overall order intake remained at a low level. The value of total orders fell by 53% compared with the prior-year quarter. However, orders were up 17% on the fourth quarter of 2008, which was impacted by a large number of cancellations. The Commercial Vehicles business area was particularly affected (–61%), and orders were also down at Diesel Engines (–38%) and Turbo Machinery (–18%). The order backlog remains at a high level of €9.7 billion (–7%), even after cancellations.

In the first three months of 2009, revenue fell by 27% year-on-year to €2.6 billion, due mainly to the 37% decline at Commercial Vehicles. However, revenue at Diesel Engines remained virtually constant and even increased by 20% at Turbo Machinery.

Operating profit in the first quarter of 2009 decreased sharply to €100 million compared with the prior-year period. This profit was driven by Diesel Engines and Turbo Machinery as well as Renk, all of whose return on sales again exceeded 10%. The MAN Group's overall return on sales was 3.9% as against 12.1% in Q1/2008. Even in this difficult market situation, Commercial Vehicles also generated an operating profit of €5 million. This reflects the initial effects of our cost-cutting measures. Despite a decline in earnings before tax, we generated positive cash flow from operating activities.

In addition to reacting in good time to the current situation, MAN has been working hard in recent years to prepare for more difficult times. We have focused the Group systematically on transportation and energy and have achieved steady international growth. The acquisition of the trucks division from Volkswagen in Brazil has taken our Company to a new dimension: MAN is now the world's third-largest manufacturer of heavy trucks.

The new MAN Latin America subgroup is the market leader for trucks in Brazil. We will combine this strong market position with our technological expertise and selectively leverage synergies, thus enabling MAN to develop new growth potential in South America. MAN Latin America was initially consolidated as of March 31, 2009.

On March 31, 2009, the MAN Group employed 50,722 people. Despite the initial inclusion of MAN Latin America, the headcount fell by 599 as against December 31, 2008.

It remains difficult to forecast business development in the coming quarters, with the global economic outlook not showing any signs of improvement. The truck market and demand for marine engines in particular are still extremely weak. The order situation at Turbo and Renk is having a stabilizing effect, and we are profiting in particular from Diesel Engines' strong power plant business. Overall, we expect a decline in the order intake and lower revenue and earnings compared with our excellent 2008 figures.

The Group's financial stability and the order situation at Diesel, Turbo, and Renk will support us in 2009. In addition, MAN's equity ratio of 33% means that its finances remain sound. We will not have to renegotiate any significant credit facilities in the next two years.

Although 2009 will be a difficult year, we will continue to work on shaping MAN's strategy, while systematically making the necessary cost adjustments.

Håkan Samuelsson,

CEO of the MAN Group

Contents

Introduction

The Group interim financial report of MAN Aktiengesellschaft meets the requirements for a quarterly financial report in accordance with the applicable provisions of the *Wertpapierhandelsgesetz* (WpHG – German Securities Trading Act) and, in accordance with section 37x(3) of the WpHG, comprises the interim consolidated financial statements and the interim management report of the Group. The interim consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) and the related Interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union (EU). The Group interim financial report should be read in conjunction with the annual report and the additional information on the Company contained in it.

At a Glance

MAN Group **€ million** (unless otherwise stated)	**2009** **Q1**	**2008** **Q1**	**Change** **in %**
Order intake	2,290	4,892	–53
Germany	595	1,091	–46
Other countries	1,695	3,801	–55
Revenue	2,556	3,480	–27
Germany	669	844	–21
Other countries	1,887	2,636	–28
Order backlog [1)]	9,662	10,416	–7
Headcount [1) 2)]	50,722	51,321	–1
of which: subcontracted employees [1)]	1,925	2,197	–12
Germany	27,995	28,753	–3
Other countries	22,727	22,568	1
			€ million
Operating profit	100	423	–323
Losses from nonrecurring factors	–10	–	–10
Earnings before tax (EBT)	80	420	–340
Net income	181	322	–141
Earnings per share from continuing operations in €	0.37	2.00	–1.63
Earnings per share from continuing operations excluding nonrecurring factors in €	0.41	2.00	–1.59
ROS (%)	3.9	12.1	–
Income from discontinued operations, net of tax	125	25	100
Capital expenditures	1,438	259	1,179
Depreciation, amortization, and impairment of noncurrent assets	78	74	4
R&D expenditures	111	109	2
Cash earnings	158	346	–188
Net cash provided by operating activities	141	219	–78
Net cash used in investing activities	–1,774	–146	–1,628
Free cash flow	–1,633	73	–1,706
of which: from acquisitions and divestments	–1,691	–	–1,691
Net financial debt [1)]	–2,831	–1,631	–1,200
Total equity [1)]	5,436	5,396	40

Any differences in this Group interim financial report are due to rounding.
1) As of March 31, 2009 vs. December 31, 2008
2) Including subcontracted employees
MAN sold 70% of the shares of MAN Ferrostaal AG in March 2009. The former Industrial Services business area was reported as a discontinued operation in accordance with IFRS 5 until it was sold; see pages 6 and 26.
In March 2009, MAN completed the acquisition of Volkswagen Caminhões e Ônibus Indústria e Comércio de Veículos Comerciais Ltda., São Paulo/Brazil (VW Truck & Bus); see pages 6 and 25. The assets acquired and liabilities assumed as part of the transaction are included at their carrying amounts in the MAN Group's balance sheet as of March 31, 2009. The order situation, revenue, earnings, and cash flow for the first quarter of 2009 do not include any figures for MAN Latin America.

Interim Management Report of the Group for Q1/2009

Economic environment

The continuing financial crisis has driven many of the world's regions into recession in 2009, with economic output forecast to decline by 2% to 4% in the key economies of Europe and the U.S.A., and by up to 6% in Japan. Governments in the most important economic regions are attempting to mitigate the recession and stabilize the financial sector by implementing economic stimulus programs and support measures. Despite these initiatives, the duration and effects of the crisis are uncertain. The transportation industry, which is important for MAN, remains affected by the drop in industrial output and the decline in global trade. The crisis is also leading to a fall in commodity prices. In the medium to long term, low commodity prices could result in investments being cut in oil-producing countries and emerging economies where Turbo Machinery and Diesel Engines are active. This could impact orders in these business areas.

Order intake remains low, revenue down

Following the decline in incoming orders that began in the second quarter of 2008, the order intake in Q1/2009 increased by 17% on the fourth quarter of 2008 (€2.0 billion) to €2.3 billion. At 53%, however, the reduction as against the prior-year period (€4.9 billion) is considerable.

The order intake in the Commercial Vehicles business area amounted to €1.4 billion in the first quarter, down 61% on the prior-year figure (€3.5 billion) due to the economic slowdown. Incoming orders at Diesel Engines fell by 38% in the first three months to €0.6 billion. Turbo Machinery recorded an 18% reduction in orders to €0.3 billion.

International orders decreased by 55% to €1.7 billion in the first quarter of 2009, with Commercial Vehicles seeing the biggest drop. In addition, the domestic order intake fell by 46% to €0.6 billion (previous year: €1.1 billion), due primarily to lower truck orders. The order backlog amounted to €9.7 billion, a reduction of 28% in the past twelve months (previous year: €13.5 billion), including order cancellations in the business areas.

Revenue was down by 27% in the first three months to €2.6 billion, compared with €3.5 billion in the prior-year period. Commercial Vehicles recorded the sharpest decline of 37% to €1.6 billion (previous year: €2.6 billion). Revenue at Diesel Engines and Renk fell slightly, while Turbo Machinery again improved its revenue by 20% to €0.3 billion. Overall, international revenue decreased to €1.9 billion (–28%), and domestic revenue reached €0.7 billion (–21%).

Earnings down

The difficult market environment due to the economic situation also impacted the Group's operating profit in the first quarter of 2009. MAN generated an operating profit of €100 million, a 76% decline on the prior-year period (€423 million).

The return on sales in Q1 amounted to 3.9% as against 12.1% in the first three months of 2008. This is attributable in particular to the weak commercial vehicles business that, with a slight operating profit of €5 million, was well below the extremely strong first quarter of 2008 (€280 million). As a result, the business area's return on sales fell from 11.0% to 0.3%. Diesel Engines' operating profit declined slightly from €84 million to €83 million in the first three months (–1%); its return on sales therefore amounted to 14.9% (previous year: 14.8%). The Turbo Machinery business area increased its operating profit from €28 million to €34 million, generating a return on sales of 11.0% (previous year: 11.0%).

The MAN Group's earnings before tax fell to €80 million in the first quarter (previous year: €420 million). This reflects nonrecurring factors in the amount of €10 million that result in particular from the high volatility of the Russian ruble. Net income amounted to €181 million, compared with €322 million in the previous year. This includes net income from discontinued operations of €125 million. Earnings per share from continuing operations were €0.37 as against €2.00 in the prior-year period.

Acquisitions and divestments

Two key transactions were completed at the end of the first quarter of 2009.

On March 17, 2009, MAN completed the acquisition of Volkswagen Caminhões e Ônibus Indústria e Comércio de Veículos Comerciais Ltda., São Paulo/Brazil, (VW Truck & Bus), from Volkswagen AG. This move gives MAN a leading position in the Brazilian commercial vehicles market. The company, which was consolidated as of March 31, 2009, will be managed as a new business area, "MAN Latin America." The preliminary acquisition cost (including cash acquired and liabilities assumed) amounts to approximately €1,363 million. As of March 31, 2009, the assets and liabilities of VW Truck & Bus do not include any effects of purchase price allocation. The company will be included in the consolidated income statement from April 1, 2009. The acquisition was initially financed via a syndicated loan by international banks. At the end of March 2009, MAN AG successfully placed a long-term promissory note of €200 million to partially replace the syndicated loan. The Group received the proceeds of the issue on April 8, 2009.

On March 25, 2009, MAN sold 70% of the shares of MAN Ferrostaal AG, Essen, to the International Petroleum Investment Company (IPIC), Abu Dhabi. MAN will initially retain a 30% stake. The price for 100% of the shares of MAN Ferrostaal is approximately €700 million and is contingent on an option agreed by MAN and IPIC on the purchase and sale of the remaining shares. The sale of a majority interest in MAN Ferrostaal to IPIC completes the process of focusing the MAN Group on transport-related engineering. IPIC offers MAN Ferrostaal new growth opportunities and access to markets for

future technologies, while MAN will focus on strong manufacturing business areas with long-term growth prospects.

For further information on acquisitions and divestments, see the "Notes to the Consolidated Financial Statements."

Outlook for the MAN Group

The global economic outlook remains negative. Forecasts by leading research institutes and central banks predict a decline in economic output for Europe, Japan, and the U.S.A., while even the previously more dynamic BRIC countries are feeling the effects of the tough economic situation.
It remains difficult to forecast developments in the coming quarters. We do not believe that the economic situation will improve in the short-term. We expect a decline in the order intake and lower revenue and earnings compared with our excellent 2008 figures. The Group's financial stability and the order situation at Diesel, Turbo, and Renk will support us in 2009. We are convinced of the fundamental long-term growth prospects of our products in the transportation and energy market.

Positive cash flow from operating activities

Cash earnings fell to €158 million due to earnings-related factors. Despite a more than 80% decline in earnings before tax, we generated positive cash flow from operating activities. This is due in particular to increased efforts in receivables management and continued positive prepayments received. On the supplier side, the cutback in production at Commercial Vehicles led to a corresponding reduction in trade payables. The change in inventories affecting cash amounted to €302 million because only orders with secured customer demand and existing financing were delivered. Cash flow from operating activities was €141 million (€78 million below the prior-year figure of €219 million), with the Industrial Business contributing €139 million and Financial Services €2 million.

The acquisition of MAN Latin America and the sale of a majority interest in MAN Ferrostaal dominated cash flow from investing activities in the first quarter of 2009. The acquisition of MAN Latin America impacted investments by €1,357 million, while the sale of a majority stake in MAN Ferrostaal accounted for €–334 million. This amount mainly comprises the proceeds of the sale of a 70% interest and the disposal of cash attributable to MAN Ferrostaal, which primarily related to prepayments. The remaining cash flow from investing activities was €–83 million. The MAN Group's free cash flow therefore amounted to €–1,633 million in the first quarter of 2009. Adjusted for the effects of the portfolio measures, free cash flow totaled €58 million.

The MAN Group's net financial debt was €2,831 million on March 31, 2009, compared with €1,631 million at the end of 2008. The Industrial Business recorded net liquidity of €–743 million (previous year: €468 million). Net financial debt in the Financial Services business fell to €2,088 million in the first quarter (previous year: €2,099 million).

Headcount reduced despite acquisition of MAN Latin America

On March 31, 2009, the MAN Group employed 50,722 people. Despite the initial consolidation of MAN Latin America, the headcount fell by 599 compared with December 31, 2008 (51,321). At the end of the first quarter, 27,995 people were employed in Germany and 22,727 abroad; the proportion of employees abroad therefore amounted to 45%.

The headcount in the Commercial Vehicles business area fell from 36,251 on December 31, 2008 to 33,820, which was primarily due to taking advantage of staff turnover and allowing fixed-term employment contracts to expire. However, the number of employees has increased at Diesel Engines (+49 to 8,035) and Turbo Machinery (+241 to 4,734) since the end of the year. The MAN Group had 1,925 subcontracted employees as of March 31, 2009 (December 31, 2008: 2,197).

Risk report

The risk report should be read in conjunction with our explanations on the 2008 annual financial statements. The MAN Group's risk position has not changed significantly as against the assessment in the annual financial statements.

MAN shares

The first quarter of 2009 was dominated by uncertainty and nervousness on stock markets worldwide. The macroeconomic conditions in the major economies did not show any significant improvement during this period, and the uncertain market environment meant that many companies did not issue full-year 2009 forecasts when presenting their 2008 results. In addition, studies by economic research institutes forecasting a deterioration in the financial and economic crisis impacted Germany's benchmark index, the DAX.

The DAX has lost 15% of its value since the beginning of the year because of the uncertain market environment. MAN's shares were unable to escape this trend. The price of MAN common shares fell by €5.92 or 15% during the period from January 1 to March 31, 2009, from a closing price of €38.72 on December 30, 2008 to €32.80 on March 31, 2009. MAN's shares recorded a more positive performance in the course of April, exceeding the €40 mark at times.

MAN shareholders notified us of the following changes in their shareholdings in the first quarter of 2009[1)]:

– On February 25, 2009, UBS AG, Zurich, notified us that its share of the voting rights exceeded the threshold of 3% of the voting rights on February 20, 2009 attributable to shares, and amounted to 4.67%.

[1)] The wording of these notifications is available at www.man.eu/investors (under "MAN Stock," "Stockholder Structure")

- On March 4, 2009, UBS AG, Zurich, notified us that its share of the voting rights fell below the threshold of 3% of the voting rights on February 26, 2009 attributable to shares, and most recently amounted to 1.00%.

- On March 26, 2009, BlackRock, Inc., New York, U.S.A., notified us that its share of the voting rights exceeded the threshold of 3% of the voting rights on March 20, 2009 attributable to shares, and amounted to 3.02%.

On March 31, 2009, MAN AG's index-related market capitalization amounted to around €3,197 million, based on a 70.1% free float. As a result, MAN moved up one place compared with the previous quarter to 25th in the DAX ranking. In terms of trading volume, MAN was in 21st position in the first quarter of 2009, as against 20th in the previous quarter.

MAN's 129th Annual General Meeting on April 3, 2009 resolved to distribute a dividend of €2.00 per no-par value share carrying dividend rights (common and preferred shares) for fiscal 2008. Dividends were paid on Monday, April 6, 2009.

Key data by business area

Order intake by business area € million	2009 Q1	2008 Q1	Change in %
Commercial Vehicles	1,365	3,520	–61
Commercial Vehicles Latin America	–	–	–
Diesel Engines	563	904	–38
Turbo Machinery	300	368	–18
Others/consolidation	62	100	–38
MAN Group	**2,290**	**4,892**	**–53**

Revenue by business area € million	2009 Q1	2008 Q1	Change in %
Commercial Vehicles	1,615	2,550	–37
Commercial Vehicles Latin America	–	–	–
Diesel Engines	556	570	–2
Turbo Machinery	305	254	20
Others/consolidation	80	106	–24
MAN Group	**2,556**	**3,480**	**–27**

Operating profit/(loss) by business area € million	2009 Q1	2008 Q1	Change in %
Commercial Vehicles	5	280	–98
Commercial Vehicles Latin America	–	–	–
Diesel Engines	83	84	–1
Turbo Machinery	34	28	21
Others/consolidation	–22	31	–
Operating profit	**100**	**423**	**–76**
Gains/losses from nonrecurring factors	–10	–	–
Net interest expense	–10	–3	–
Earnings before taxes (EBT)	**80**	**420**	**–81**
Income taxes	–24	–123	80
Income from discontinued operations, net of tax	125	25	–
Net income	**181**	**322**	**–44**

In this Group interim financial report, the breakdown of order intake, revenue, and operating profit by business area is based on the segment reporting used in the MAN Group. With the exception of Commercial Vehicles Latin America, the MAN Group's reporting structure is essentially unchanged as against December 31, 2008. The order situation, revenue, earnings/net income, and cash flow figures do not contain any amounts for Commercial Vehicles Latin America in Q1/2009.

The Business Areas in Detail

COMMERCIAL VEHICLES

€ million	2009 Q1	2008 Q1	Change in %
Order intake	1,365	3,520	–61
of which: Trucks	1,101	3,199	–66
of which: Buses	264	321	–18
Order intake (units)	10,700	34,808	–69
of which: Trucks	9,378	33,389	–72
of which: Buses	1,322	1,419	–7
Revenue	1,615	2,550	–37
of which: Trucks	1,341	2,236	–40
of which: Buses	274	314	–13
Vehicle sales (units)	12,207	25,106	–51
of which: Trucks	10,921	23,754	–54
of which: Buses	1,286	1,352	–5
Employees [1]	33,820	36,251	–7
			in € million
Operating profit/(loss) [3]	5	280	–275
of which: Trucks	11	276	–265
of which: Buses	1	2	–1
of which: Financial Services	–6	2	–8
ROS (%)	0.3	11.0	–

[1] Headcount (including subcontracted employees) as of March 31, 2009 vs. December 31, 2008
[3] 2009 including €1 million from consolidation effects s between Financial Services and Trucks

The order intake amounted to €1.4 billion in Q1/2009, down 61% on the prior-year level. This is due to poor macroeconomic conditions and the restricted availability of financing. The Trucks division in particular suffered a severe setback, and its order intake only came to around a third of the figure in the previous year. The Buses division's order intake was approximately 80% of the previous year's level.

Revenue in the Commercial Vehicles business area in Q1/2009 fell by 37% (€–935 million) year-on-year.

Sales of city buses and chassis in the Buses division increased year-on-year, while unit sales of coaches and cross-country buses fell by almost 50%.

Despite the sharp fall in revenue, a positive operating profit was realized in Q1/2009. The Trucks division recorded an operating profit of €11 million, and operating profit at Buses was at a similar level to the previous year. Financial Services recorded an operating loss of €6 million as a result of higher funding costs and risk provisions.

In Q1/2009, we responded to the significant decline in demand by systematically implementing the cost-cutting program initiated in 2008 and through short-time working agreements at the Munich, Nuremberg, Salzgitter, and Steyr facilities.

A 50% contraction of the commercial vehicles market is a possibility given the current global economic developments. If the difficulty of obtaining financing also continues, the slump may be even more pronounced. In this case, negative earnings in the Commercial Vehicles business area cannot be ruled out.

DIESEL ENGINES

€ million	2009 Q1	2008 Q1	Change in %
Order intake	563	904	–38
of which: Two-Stroke	118	316	–63
of which: Four-Stroke	445	588	–24
Revenue	556	570	–2
of which: Two-Stroke	165	181	–9
of which: Four-Stroke	391	390	0
Employees [1]	8,035	7,986	1
			in € million
Operating profit	83	84	–1
of which: Two-Stroke	47	46	1
of which: Four-Stroke	36	38	–2
ROS (%)	14.9	14.8	–

[1] Headcount (including subcontracted employees) as of March 31, 2009 vs. December 31, 2008

The order intake in Q1/2009 amounted to €563 million. The continuing weakness in the marine market meant that the previous year's very high level of €904 million could not be achieved, despite encouraging new orders in the Power Plants division. In the Two-Stroke division, which is driven by the licensing business, orders amounted to €118 million, down 63% on the previous year (€316 million). Order intake in the Four-Stroke division amounted to €445 million (previous year: €588 million), €178 million of which is attributable to major projects in the Power Plants division. Orders in the service business were stable despite economic developments.

Revenue amounted to €556 million as of the end of March 2009, only slightly below the previous year’s figure of €570 million (–2%). The Two-Stroke division (€165 million) was unable to match the previous year's figure of €181 million (–9%). Four-Stroke division revenue (€391 million) was at a similar level to the previous year (€390 million). This still satisfactory revenue situation is a result of the order backlog, although cancellations were also recorded in this business area.

Operating profit remained unchanged year-on-year at €83 million. Two-stroke engines saw a €1 million increase to €47 million (previous year: €46 million), while four-stroke engines fell slightly to €36 million (previous year: €38 million). At 14.9%, the return on sales remains at a very good level (previous year: 14.8%).

For fiscal 2009, we expect the order intake to be noticeably lower than the high figures of previous years. Revenue should reach the previous year's level, with a healthy earnings quality.

TURBO MACHINERY

€ million	2009 Q1	2008 Q1	Change in %
Order intake	300	368	–18
Revenue	305	254	20
Employees [1]	4,734	4,493	5
			in € million
Operating profit	34	28	6
ROS (%)	11.0	11.0	–

[1] Headcount (including subcontracted employees) as of March 31, 2009 vs. December 31, 2008

Demand for turbo machinery and drive turbines, which had already been declining at the end of the previous fiscal year because of the global economic crisis, continued to contract in fiscal 2009. With an order intake of €300 million in the first three months, Turbo Machinery was 18% down on the prior-year quarter (€368 million). While new construction recorded a significant year-on-year decline in orders, demand for services rose further. Intensive market development activities are helping services consistently increase order intakes. This allowed services to again significantly increase the volume of new orders year-on-year in Q1/2009.

The further expansion of capacity enabled yet another significant year-on-year increase in revenue. Growth recorded in new plant business and services increased revenue by 20% as against the previous year (€254 million) to €305 million. This brings Turbo Machinery closer to its goal of lifting revenue to the level of order intake and thus reducing delivery times. Operating profit rose by €6 million compared with the prior-year figure (€28 million) to €34 million on the back of the significant increase in revenue and unchanged strong earnings quality.

In view of the economic environment, we expect a significant reduction in orders overall and thus a decline in order intake year-on-year (€1,426 million) for fiscal 2009. We believe that the decline in demand in individual market segments can be partly offset by growth in markets that are less affected and in services. The planned revenue growth as against the previous year (€1,328 million) has largely been already secured due to the high order backlog. Operating profit will also improve again as against the previous year (€148 million) through the expected increase in revenue. Cost-cutting and cost flexibility programs and targeted technical enhancements are aimed at ensuring that earnings targets are reached.

OTHERS/CONSOLIDATION

€ million	2009 Q1	2008 Q1	Change in %
Order intake	62	100	–38
of which: Renk	68	115	–40
of which: Shared Services/consolidation	–6	–15	–
Revenue	80	106	–24
of which: Renk	111	119	–6
of which: Shared Services/consolidation	–31	–13	–
Headcount [1)]	2,608	2,591	1
of which: Renk	2,064	2,041	1
of which: Shared Services	360	367	–2
of which: MAN AG	184	183	1
			in € million
Operating profit/(loss)	–22	31	–53
of which: Renk	15	19	–4
of which: MAN AG and Shared Services	–21	12	–33
of which: manroland AG (equity-method investment)	–16	4	–20
of which: consolidation	0	–4	4

[1)] Headcount (including subcontracted employees) as of March 31, 2009 vs. December 31, 2008

"Others/Consolidation" comprises the Renk industrial subsidiary, MAN AG and its Shared Services companies, as well as the consolidation adjustments between the MAN Group's business areas. The operating profit/(loss) also contains MAN's share of the net income/(loss) of manroland AG.

Renk's order intake amounted to €68 million in the first quarter, substantially below the previous year's figure of €115 million. Revenue of €111 million (previous year: €119 million) was recognized in the first quarter. Operating profit, at €15 million, was slightly weaker than in the prior-year period (€19 million). Renk's return on sales declined to 13.5% (previous year: 15.9%).

In the first quarter, the operating loss at the Corporate Center and its Shared Services companies amounted to €21 million (previous year: operating profit of €12 million). This deterioration is mainly due to nonrecurring factors in the prior-year period (gains of €14 million realized on exchanging Scania B shares for Scania A shares). The share of manroland AG's net loss amounted to €16 million in the first quarter (previous year: net profit of €4 million).

Interim Consolidated Financial Statements as of March 31, 2009

MAN Consolidated Income Statement

reporting period January 1 to March 31

€ million	MAN Group		Industrial Business		Financial Services	
	2009	2008	2009	2008	2009	2008
Revenue	**2,556**	**3,480**	**2,556**	**3,480**	**–**	–
Cost of goods sold and services rendered	–1,914	–2,602	–1,914	–2,602	–	–
Gross margin	**642**	**878**	**642**	**878**	**–**	–
Other operating income	98	92	45	46	53	46
Selling expenses	–175	–194	–172	–192	–3	–2
General and administrative expenses	–155	–163	–149	–157	–6	–6
Other operating expenses	–302	–208	–253	–172	–49	–36
Share of net income (loss) of equity-method investments	–14	4	–13	4	–1	0
Income/(loss) from financial investments	–4	14	–4	14	–	–
Earnings before interest and taxes (EBIT)	**90**	**423**	**96**	**421**	**–6**	**2**
Interest income	2	6	2	6	–	–
Interest expense	–12	–9	–11	–9	–1	0
Earnings before tax (EBT)	**80**	**420**	**87**	**418**	**–7**	**2**
Income taxes	–24	–123	–23	–122	–1	–1
Income from discontinued operations, net of tax	125	25	125	25	–	–
Net income/(loss)	**181**	**322**	**189**	**321**	**–8**	**1**
Net income attributable to noncontrolling interests	2	3	2	3	0	–
Net income/(loss) attributable to shareholders of MAN Aktiengesellschaft	**179**	**319**	**187**	**318**	**–8**	**1**
Basic earnings per share from continuing operations in €	**0.37**	**2.00**	**0.43**	**1.99**	**–0.06**	**0.01**
Basic earnings per share from continuing and discontinued operations in €	**1.22**	**2.17**	**1.28**	**2.16**	**–0.06**	**0.01**

Reconciliation to Total Comprehensive Income for the Period

reporting period January 1 to March 31

€ million	2009	2008
Net income	**181**	**322**
Currency translation differences	–41	–40
Change in fair values of marketable securities and financial investments	–	–370
Change in fair values of derivatives	–19	28
Actuarial gains/losses attributable to pensions	–92	23
Deferred taxes	22	–13
Other comprehensive income for the period	**–130**	**–372**
Total comprehensive income	**51**	**–50**
of which attributable to noncontrolling interests	2	3
of which attributable to shareholders of MAN Aktiengesellschaft	**49**	**–53**

The other comprehensive income amounting to €–130 million primarily includes actuarial losses from pensions, in particular as a result of the decrease in the discount rate applied to German pension obligations from 6% as of December 31, 2008 to 5.6% as of March 31, 2009. It also includes changes in the fair value of derivatives amounting to €–19 million and currency translation differences of €–41 million from the translation of the financial statements of foreign consolidated Group companies.

MAN Consolidated Balance Sheet as of March 31, 2009

Assets

€ million	MAN Group		Industrial Business		Financial Services	
	3/31/09	12/31/08	3/31/09	12/31/08	3/31/09	12/31/08
Intangible assets	1,394	351	1,390	347	4	4
Property, plant, and equipment	1,994	1,914	1,992	1,912	2	2
Equity-method investments	1,654	1,563	1,620	1,528	34	35
Financial investments	57	70	57	70	–	–
Assets leased out	1,550	1,563	974	1,025	576	538
Deferred tax assets	577	471	560	456	17	15
Other noncurrent assets	116	78	107	66	9	12
Noncurrent assets	**7,342**	**6,010**	**6,700**	**5,404**	**642**	**606**
Inventories	3,674	3,275	3,609	3,189	65	86
Trade receivables	3,992	4,255	2,377	2,585	1,615	1,670
Current income tax receivables	84	65	83	65	1	0
Assets held for sale	–	1,812	–	1,812	–	–
Other current assets	986	1,008	930	931	56	77
Marketable securities	380	–	380	–	–	–
Cash and cash equivalents	193	105	176	78	17	27
Current assets	**9,309**	**10,520**	**7,555**	**8,660**	**1,754**	**1,860**
	16,651	**16,530**	**14,255**	**14,064**	**2,396**	**2,466**

MAN Consolidated Balance Sheet as of March 31, 2009

Equity and Liabilities

€ million	MAN Group		Industrial Business		Financial Services	
	3/31/09	12/31/08	3/31/09	12/31/08	3/31/09	12/31/08
Subscribed capital	376	376				
Capital reserves	795	795				
Retained earnings	4,564	4,447				
Accumulated other comprehensive income	–344	–263				
Equity attributable to shareholders of MAN Aktiengesellschaft	**5,391**	**5,355**	**5,280**	**5,228**	**111**	**127**
Noncontrolling interests	45	41	45	41	0	–
Total equity	**5,436**	**5,396**	**5,325**	**5,269**	**111**	**127**
Noncurrent financial liabilities	2,354	684	1,790	181	564	503
Pension obligations	146	74	144	72	2	2
Deferred tax liabilities	470	513	451	496	19	17
Other noncurrent provisions	528	510	528	510	0	0
Other noncurrent liabilities	952	1,064	952	1,064	0	0
Noncurrent liabilities and provisions	**4,450**	**2,845**	**3,865**	**2,323**	**585**	**522**
Current financial liabilities	1,050	1,052	520	509	530	543
Intragroup financing	–	–	–1,011	–1,080	1,011	1,080
Trade payables	1,428	1,548	1,345	1,420	83	128
Prepayments received	1,171	1,099	1,167	1,093	4	6
Current income tax payables	402	404	402	403	0	1
Liabilities directly associated with assets held for sale	–	1,820	–	1,820	–	–
Other current provisions	1,114	898	1,109	894	5	4
Other current liabilities	1,600	1,468	1,533	1,413	67	55
Current liabilities and provisions	**6,765**	**8,289**	**5,065**	**6,472**	**1,700**	**1,817**
	16,651	**16,530**	**14,255**	**14,064**	**2,396**	**2,466**

MAN Consolidated Statement of Cash Flows

reporting period January 1 to March 31

€ million	MAN Group		Industrial Business		Financial Services	
	2009	2008	2009	2008	2009	2008
Earnings before tax	80	420	87	418	–7	2
Current income taxes	–32	–150	–32	–149	0	–1
Cash earnings of discontinued operations	11	7	11	7	–	–
Depreciation, amortization, and impairment of noncurrent assets (other than assets leased out)[1]	78	74	78	74	0	0
Change in pension obligations	7	–1	7	–1	0	0
Undistributed income (loss) of equity-method investments	14	–4	13	–4	1	0
Cash earnings	**158**	**346**	**164**	**345**	**–6**	**1**
Change in inventories	–302	–385	–323	–359	21	–26
Change in prepayments received	52	126	53	124	–1	2
Change in trade receivables	436	92	388	116	48	–24
Change in trade payables	–247	–107	–202	14	–45	–121
Change in assets leased out	5	112	43	34	–38	78
Change in customer payments for assets leased out	–71	18	–71	18	–	–
Change in tax assets and liabilities	–12	55	–9	53	–3	2
Change in other provisions	–36	27	–37	27	1	0
Change in other assets	11	–55	–13	–42	24	–13
Change in other liabilities	53	–41	52	–28	1	–13
Change in discontinued operations	102	26	102	26	–	–
Elimination of gains/losses from asset disposals	4	–16	4	–16	–	0
Other changes in working capital	–12	21	–12	23	0	–2
Net cash provided by/(used in) operating activities	**141**	**219**	**139**	**335**	**2**	**–116**
Payments to acquire property, plant, and equipment, investment property, and intangible assets	–74	–98	–74	–98	0	0
Payments to acquire investments	–7	–161	–7	–131	–	–30
Payments to acquire subsidiaries, net of cash acquired	–1,357	–	–1,357	–	–	–
Proceeds from asset disposals	7	103	7	103	–	0
Net cash flows from investing activities of discontinued operations	–9	10	–9	10	–	–
Proceeds from disposal of discontinued operations, net of cash disposed	–334		–334		–	–
Net cash used in investing activities	**–1,774**	**–146**	**–1,774**	**–116**	**0**	**–30**
Free cash flow from operating and investing activities	**–1,633**	**73**	**–1,635**	**219**	**2**	**–146**

MAN Consolidated Statement of Cash Flows (cont'd)

reporting period January 1 to March 31

€ million	MAN Group		Industrial Business		Financial Services	
	2009	2008	2009	2008	2009	2008
Free cash flow from operating and investing activities	**–1,633**	**73**	**–1,635**	**219**	**2**	**–146**
Change in noncurrent financial liabilities	1,499	83	1,505	–20	–6	103
Change in current financial liabilities	2	–199	–61	–330	63	131
Change in intragroup financing	–	–	69	92	–69	–92
Net cash flows from financing activities of discontinued operations	–5	1	–5	1	–	–
Net cash provided by/(used in) financing activities	**1,496**	**–115**	**1,508**	**–257**	**–12**	**142**
Net change in cash and cash equivalents	**–137**	**–42**	**–127**	**–38**	**–10**	**–4**
Cash and cash equivalents at beginning of period	**105**	**1,266**	**78**	**1,240**	**27**	**26**
Change in cash and cash equivalents of discontinued operations	222	–	222	–	–	–
Change in cash and cash equivalents due to changes in consolidated Group structure	1	–3	1	–4	–	1
Effect of exchange rate changes on cash and cash equivalents	2	–5	2	–4	0	–1
Cash and cash equivalents at March 31, 2009 and March 31, 2008	**193**	**1,216**	**176**	**1,194**	**17**	**22**
Composition of net financial debt/net liquidity at March 31, 2009 and December 31, 2008						
Cash and cash equivalents	193	105	176	78	17	27
Marketable securities	380	–	380	–	–	–
Intragroup financing	–	–	1,011	1,080	–1,011	–1,080
Financial liabilities	–3,404	–1,736	–2,310	–690	–1,094	–1,046
	–2,831	**–1,631**	**–743**	**468**	**–2,088**	**–2,099**

[1)] Intangible assets, property, plant, and equipment, and investments

MAN Group Statement of Changes in Equity

€ million	Subscribed capital	Capital reserves	Retained earnings	Accumulated other comprehensive income	Equity attributable to shareholders of MAN AG	Non-controlling interests	Total
Balance at December 31, 2008	**376**	**795**	**4,447**	**–263**	**5,355**	**41**	**5,396**
Net income	–	–	179	–	**179**	2	**181**
Currency translation differences	–	–	–	–41	**–41**	–	**–41**
Change in accumulated other comprehensive income (excluding currency translation differences)	–	–	–	–89	**–89**	**0**	**–89**
Other changes	–	–	–62	49	**–13**	2	**–11**
Balance at March 31, 2009	**376**	**795**	**4,564**	**–344**	**5,391**	**45**	**5,436**
Balance at December 31, 2007	**376**	**795**	**3,643**	**334**	**5,148**	**29**	**5,177**
Net income	–	–	319	–	**319**	3	**322**
Currency translation differences	–	–	–	–40	**–40**	–	**–40**
Change in accumulated other comprehensive income (excluding currency translation differences)	–	–	–	–332	**–332**	–	**–332**
Balance at March 31, 2008	**376**	**795**	**3,962**	**–38**	**5,095**	**32**	**5,127**

The Annual General Meeting of MAN Aktiengesellschaft on April 3, 2009 resolved to distribute a regular dividend to shareholders for fiscal 2008 totaling €294 million (€2.00 per share). The dividend was paid on April 6, 2009.

See page 18 for information on changes in other comprehensive income for the period.

Notes to the Interim Consolidated Financial Statements

Basis of presentation

The accompanying interim consolidated financial statements of MAN Aktiengesellschaft, Munich, for the period ended March 31, 2009 were prepared in accordance with the International Financial Reporting Standards (IFRSs) and the related Interpretations issued by the International Accounting Standards Board (IASB) applicable to interim financial reporting, as adopted by the European Union. Consequently, these interim consolidated financial statements do not contain all the information and disclosures required by IFRSs for full-year consolidated financial statements, and should be read in conjunction with the Company's published IFRS consolidated financial statements for fiscal 2008. Unless expressly indicated otherwise, the accounting policies applied to interim financial reporting in these interim consolidated financial statements are identical to those adopted for the most recent full-year consolidated financial statements; a detailed description of these accounting policies is given in the notes to the consolidated financial statements for the year ended December 31, 2008.

From the Executive Board's perspective, the accompanying unaudited interim financial report reflects all standard intraperiod adjustments required for the presentation of a true and fair view of the Group's net assets, financial position, and results of operations. The results presented for the first quarter of fiscal 2009 are not necessarily indicative of future results.

Preparation of the interim consolidated financial statements requires the Executive Board to make certain assumptions and estimates affecting the measurement and presentation of assets and liabilities, and income and expenses, for the period. Actual amounts may differ from these estimates. In addition to the amounts contained in the financial statements, the interim financial report contains explanatory notes on selected financial statement line items. To enhance comparability, certain prior-year figures have been reclassified to conform to the current-year presentation.

To enable a better insight into the MAN Group's net assets, financial position, and results of operations, the interim consolidated financial statements have been supplemented by a breakdown of figures into the Industrial Business and Financial Services. The Industrial Business comprises all parts of the MAN Group with the exception of MAN Finance. In the MAN Group, MAN Finance primarily operates the sales financing business for the Group's commercial vehicles and is presented under the "Financial Services" heading. To simplify presentation, the elimination of intragroup transactions between the Industrial Business and Financial Services is presented within the Industrial Business.

Basis of consolidation

The interim financial statements as of March 31, 2009 include 104 companies (December 31, 2008: 167), including 32 (60) in Germany and 72 (107) outside Germany. The reduction in the number of companies included is primarily attributable to the deconsolidation of the MAN Ferrostaal subgroup.

Income taxes

The current income tax expense presented in the interim financial statements has been determined on the basis of the expected full-year income tax rate.

New and revised accounting pronouncements

In November 2006, the IASB issued IFRS 8, *Operating Segments*, which supersedes the previous IAS 14, *Segment Reporting*. MAN has applied IFRS 8 effective from the first quarter of 2009. IFRS 8 requires entities to report financial and descriptive information about their reportable segments. In general, financial information must be reported on the basis of the entity's internal processes that its management uses to assess the performance of the operating segments and to decide how to allocate resources to those operating segments. See note "Segment reporting" for further segment-related information.

The IASB issued a revision of IAS 1, *Presentation of Financial Statements*, in September 2007. This revised version of IAS 1 supersedes IAS 1, *Presentation of Financial Statements* (revised in 2003), as amended in 2005. IAS 1 governs the principles for the presentation and structure of financial statements, as well as setting out minimum requirements for their content. Application of the revised standard effective January 1, 2009 does not have any material effect on the MAN Group's consolidated financial statements.

Acquisitions and divestments

Acquisitions

On March 17, 2009, MAN completed the acquisition of VW Truck & Bus from Volkswagen AG. This acquisition gives MAN a leading position in the Brazilian commercial vehicles market. The company, which was consolidated as of March 31, 2009, is managed as a new business area, "MAN Latin America." The preliminary cost of the acquisition (including cash acquired and liabilities assumed) amounts to approximately €1,363 million. The carrying amounts of the assets and liabilities of VW Truck & Bus as of March 31, 2009 do not contain any effects of purchase price allocation. The company will be included in the consolidated income statement from April 1, 2009. The entire excess of the cost of the company acquired over the carrying amount of its equity was preliminarily recognized as goodwill as of March 31, 2009.

Divestments and discontinued operations

On March 25, 2009, MAN sold a 70% interest in MAN Ferrostaal AG, Essen, to the International Petroleum Investment Company (IPIC), Abu Dhabi. MAN is initially retaining a 30% interest. The price for 100% of the shares of MAN Ferrostaal amounts to approximately €700 million and is contingent on an option agreed by MAN and IPIC on the purchase and sale of the remaining shares. The remaining 30% interest in MAN Ferrostaal is accounted for using the equity method.

The transaction resulted in a preliminary gain – net of transaction costs – of €115 million, which is reported in "Income from discontinued operations, net of tax." MAN Ferrostaal's profit and loss is presented in the consolidated income statement as "Income from discontinued operations, net of tax" retrospectively for all reporting periods.
Income from MAN Ferrostaal reported in MAN's consolidated income statement is composed of the following items:

reporting period January 1 to March 31

€ million	2009	2008
Revenue	435	353
Costs, expenses, and income	–412	–320
Income taxes	–13	–8
Net income of discontinued operations	10	25
Disposal gain/loss	115	–
Income from discontinued operations, net of tax	**125**	**25**

The cash flows of discontinued operations are broken down as follows:

reporting period January 1 to March 31

€ million	2009	2008
Cash earnings	11	7
Change in discontinued operations	102	26
Net cash flows from operating activities	113	33
Net cash flows from investing activities	–9	10
Proceeds from disposal of discontinued operations, net of cash and cash equivalents disposed	–334	–
Net cash flows from financing activities	–5	1

Adjustments to 2008 income statement

reporting period January 1 to March 31

€ million	2008 reported	IFRS 5 adjustments	2008 comparative
Revenue	**3,834**	**–354**	**3,480**
Cost of goods sold and services rendered	–2,898	296	–2,602
Gross margin	**936**	**–58**	**878**
Selling expenses	–224	30	–194
General and administrative expenses	–183	20	–163
Other income and expenses	–74	–24	–98
Earnings before interest and taxes (EBIT)	**455**	**–32**	**423**
Interest income	10	–4	6
Interest expense	–12	3	–9
Earnings before tax (EBT)	**453**	**–33**	**420**
Income taxes	–131	8	–123
Income from discontinued operations, net of tax	–	25	25
Net income	**322**	**–**	**322**
Net income attributable to noncontrolling interests	3	–	3
Net income attributable to shareholders of MAN Aktiengesellschaft	**319**	**–**	**319**
Basic earnings per share from continuing operations in €	**2.17**	**–0.17**	**2.00**

Income Statement Disclosures

Other operating income

€ million reporting period January 1 to March 31	2009	2008
Income from financial services	46	37
Gains on financial instruments	19	26
Income from reversal of provisions	6	4
Other trade income	5	7
Gains on disposal of property, plant, and equipment, and intangible assets	0	2
Miscellaneous other income	22	16
	98	**92**

Income from financial services represents the income generated by MAN Finance's business.

Gains on financial instruments result primarily from the remeasurement of foreign exchange positions and currency and interest rate hedges. To enable a better insight into the results of operations, gains and losses from currency translation are presented as net amounts.

Other operating expenses

€ million reporting period January 1 to March 31	2009	2008
Research and development	88	78
Additions to provisions	42	43
Losses on financial instruments	33	4
Bad debt allowances on receivables	28	0
Expenses from financial services	28	27
Losses from nonrecurring items	10	–
Miscellaneous other expenses	73	56
	302	**208**

Other operating expenses comprise those expenses that cannot be allocated to the functional expenses, and in particular to cost of sales. Research and development expenses contain only that portion of R&D expenses that cannot be allocated to contract-related production costs or capitalized development costs.

Expenses from financial services and losses on financial instruments correspond to the related items in "Other operating income."

Losses from nonrecurring items in fiscal 2009 relate to exceptional fluctuations in the Russian ruble at Commercial Vehicles.

Net interest income (expense)

€ million **reporting period January 1 to March 31**	**2009**	**2008**
Interest and similar income	2	6
Interest and similar expenses	–21	–16
Interest component of additions to pension provisions	–20	–16
Return on CTA plan assets	16	14
less: interest expenses reclassified as other operating expenses	13	9
	–10	**–3**

Earnings per share

€ million (unless otherwise stated) **reporting period January 1 to March 31**	**2009**	**2008**
Net income attributable to shareholders of MAN Aktiengesellschaft	179	319
of which: income from discontinued operations, net of tax	125	25
Net income from continuing operations attributable to shareholders of MAN Aktiengesellschaft	**54**	**294**
Number of shares outstanding (weighted average, million)	147.0	147.0
Earnings per share from continuing operations in €	**0.37**	**2.00**

Earnings per share are calculated by dividing consolidated net income from continuing operations by the average number of shares outstanding in the year. The number of shares outstanding includes both common and preferred shares because both share classes carry the same dividend rights in 2009, as in the previous year.

There were no outstanding options as of March 31, 2009 or March 31, 2008 that dilute earnings per share. Any exercise of MAN AG's contingent capital in future periods will be dilutive.

Balance Sheet Disclosures

Intangible assets

€ million	3/31/09	12/31/08
Licenses, software, similar rights, customer relationships, brands, and other assets	80	82
Capitalized development costs	274	197
Goodwill	1,040	72
	1,394	**351**

The increase in goodwill as of March 31, 2009 is attributable to the purchase of VW Truck & Bus; see note "Acquisitions."

Property, plant, and equipment

€ million	3/31/09	12/31/08
Land and buildings	863	838
Production plant and machinery	636	644
Other plant, operating and office equipment	290	245
Prepayments and construction in progress	205	187
	1,994	**1,914**

Equity-method investments

Equity-method investments amounting to €1,654 million (€1,563 million) are composed of investments in associates amounting to €1,561 million (€1,469 million) and interests in joint ventures amounting to €93 million (€94 million).

Scania

€ million	2009	2008
Assets [1)]	10,059	10,269
Liabilities [1)]	8,054	8,028
Revenue [2)]	1,338	6,795
Net income [2)]	58	755

1) Fiscal 2009: Amounts shown relate to the reporting period ended December 31, 2008.
Fiscal 2008: Amounts shown relate to the reporting period ended September 30, 2008.
2) Fiscal 2009: Amounts shown relate to the period from October 1, 2008 to December 31, 2008.
Fiscal 2008: Amounts shown relate to the period from January 1, 2008 to September 30, 2008.

The following table contains summarized financial information on the other associates; the disclosures relate to the full amounts of the associates, and not just to the Group's share:

€ million	2009	2008
Assets	4,245	2,566
Liabilities	3,873	2,141
Revenue [1) 2)]	535	2,869
Net income (loss) [1) 2)]	–42	42

1) Fiscal 2009: Three-month reporting period
Fiscal 2008: Twelve-month reporting period
2) Excluding MAN Ferrostaal

Inventories

€ million	3/31/09	12/31/08
Raw materials, consumables, and supplies	554	500
Work in progress and finished products	2,637	2,348
Merchandise	288	265
Prepayments	195	162
	3,674	**3,275**

Trade receivables

€ million	3/31/09	12/31/08
Customer receivables	2,375	2,663
Finance lease receivables	1,232	1,240
Receivables from investments	227	188
PoC receivables	158	164
	3,992	**4,255**

Other provisions

€ million	3/31/09	12/31/08
Warranties	618	569
Other business-related obligations	228	178
Outstanding costs	180	218
Obligations to employees	216	213
Miscellaneous other provisions	400	230
	1,642	**1,408**

Other provisions are reported in the following balance sheet items:

€ million	3/31/09	12/31/08
Other noncurrent provisions	528	510
Other current provisions	1,114	898

Financial liabilities

€ million	3/31/09	12/31/08
Bank borrowings	2,145	546
Structured finance	609	543
Syndicated loan for Scania share purchase	400	400
Bonds	250	247
	3,404	**1,736**

MAN established a credit facility totaling €2 billion in the first quarter of 2009 that was made available by an international banking syndicate. An amount of €1.5 billion was drawn down in March 2009 to finance the acquisition of VW Truck & Bus (see note "Acquisitions and divestments"). The interest rate is variable. One tranche of €750 million has a maximum term until March 2011, while the second tranche of €750 million has a maximum term until March 2012. The facility also contains a revolving credit line with a volume of €500 million. These funds, which have not yet been drawn down, are available to finance general business activities and have a maximum term of two years.

Financial liabilities are reported in the following balance sheet items:

€ million	3/31/09	12/31/08
Noncurrent financial liabilities	2,354	684
Current financial liabilities	1,050	1,052

Contingent liabilities

The total potential contingent liability of the MAN Group relating to the sale of the 70% interest in MAN Ferrostaal AG (see also note "Divestments and discontinued operations") amounts to a maximum of €607 million. These guarantees are largely covered by indemnities issued by IPIC, depending on the origination date of the guarantee.

Related party disclosures

Apart from the sale of the majority interest in MAN Ferrostaal AG (see note "Divestments and discontinued operations"), there have been no material changes in relationships with related parties compared with the disclosures in the consolidated financial statements for the period ended December 31, 2008.

Segment reporting

The adoption of IFRS 8 has no impact on the structure of segment reporting in the MAN Group. VW Truck & Bus, which was consolidated as of March 31, 2009, is managed as a new business area and represents a separate operating segment (for more detailed information, see note "Acquisitions and divestments"). Effective from the first quarter of 2009, the activities of the MAN Group are therefore classified into the Commercial Vehicles, Commercial Vehicles Latin America, Diesel Engines, and Turbo Machinery segments. These segments are identical to the MAN Nutzfahrzeuge, MAN Latin America, MAN Diesel, and MAN Turbo business areas. Management of each of these segments reports directly to MAN Aktiengesellschaft's Executive Board in the latter's role as chief operating decision-maker. The Renk industrial subsidiary and MAN's Corporate Center are allocated to "Others/Consolidation and Reconciliation." Companies with no operating activities and the equity-method investments manroland AG, Scania, and Ferrostaal are allocated to the Corporate Center.

The segment information represents continuing operations. The segment disclosures for the current and the previous period therefore do not include the corresponding information for discontinued operations, although it is contained in the consolidated financial statements. For further information on discontinued operations, see note "Divestments and discontinued operations."

The key measure for assessing and managing the performance of a segment is operating profit. As a rule, operating profit corresponds to earnings before interest and taxes (EBIT). In individual cases, an adjustment is made for nonrecurring factors, which represent income and expenses that are significant in terms of their origin and amount and that do not relate to operating business. Segment assets and liabilities correspond to the total assets and liabilities of the individual business areas. "Net liquidity/net financial debt" is a financial control measure and is calculated as cash and cash equivalents and marketable securities, less financial liabilities.

The following table contains segment-related information and a reconciliation from operating profit to net income, and from net liquidity/net financial debt to free cash flow.

Segment information (1/3)

€ million	Commercial Vehicles worldwide							
	Commercial Vehicles		Commercial Vehicles MAN Finance		Consolidation		Commercial Vehicles incl. MAN Finance	
	2009	2008	2009	2008	2009	2008	2009	2008
Segment order intake	**1,365**	**3,520**	–	–	–	–	**1,365**	**3,520**
of which: Germany	514	968	–	–	–	–	514	968
of which: other countries	851	2,552	–	–	–	–	851	2,552
Intersegment order intake	–3	–10	–	–	–	–	–3	–10
Group order intake	1,362	3,510	–	–	–	–	1,362	3,510
Segment revenue	**1,615**	**2,550**	–	–	–	–	**1,615**	**2,550**
of which: Germany	540	713	–	–	–	–	540	713
of which: other countries	1,075	1,837	–	–	–	–	1,075	1,837
Intersegment revenue	–3	–4	–	–	–	–	–3	–4
Group revenue	1,612	2,546	–	–	–	–	1,612	2,546
Order backlog at March 31, 2009 and December 31, 2008	**3,470**	**4,007**	–	–	–	–	**3,470**	**4,007**
Total assets at March 31, 2009 and December 31, 2008	**7,476**	**8,220**	**2,396**	**2,466**	**–609**	**–619**	**9,263**	**10,067**
of which: inventories	2,030	1,901	65	86	–	–	2,095	1,987
of which: trade receivables	1,319	1,782	1,615	1,670	–77	–121	2,857	3,331
of which: cash and cash equivalents, marketable securities	21	383	17	27	–	–1	38	409
Segment liabilities at March 31, 2009 and December 31, 2008	**5,545**	**6,236**	**2,285**	**2,339**	**–609**	**–619**	**7,221**	**7,956**
of which: trade payables	652	883	83	128	–77	–121	658	890
Operating profit/(loss)	**12**	**278**	**–6**	**2**	**–1**	**0**	**5**	**280**
Losses from nonrecurring factors	–10	–	–	–	–	–	–10	–
Earnings before interest and taxes (EBIT)	**2**	**278**	**–6**	**2**	**–1**	**0**	**–5**	**280**
Net interest income/(expense)	–12	–14	–1	0	**0**	**0**	–13	–14
Earnings before tax (EBT) of continuing operations	**–10**	**264**	**–7**	**2**	**–1**	**0**	**–18**	**266**
Earnings before interest, taxes, depreciation, and amortization (EBITDA) of continuing operations	**56**	**330**	**–6**	**2**	**–1**	**0**	**49**	**332**
of which: depreciation and amortization	–54	–52	0	0	–	–	–54	–52
of which: impairment losses	–	–	–	–	–	–	–	–
Net liquidity/net financial debt	**–1,123**	**–577**	**–2,088**	**–1,715**	**–**	**–**	**–3,211**	**–2,292**
Reconciliation to free cash flow [2)]	–1,066	–641	–2,090	–1,569	16	–	–3,140	–2,210
Free cash flow	**–57**	**64**	**2**	**–146**	**–16**	**–**	**–71**	**–82**
of which: net cash flows from operating activities	–24	134	2	–116	–16	–	–38	18
of which: net cash flows from investing activities	–33	–70	0	–30	–	–	–33	–100
Capital expenditures	**34**	**70**	**0**	**30**	**–**	**–**	**34**	**100**
Additional information by segment:								
Headcount including subcontracted employees at March 31, 2009 and December 31, 2008 (no.)	**33,582**	**36,010**	**238**	**241**	**–**	**–**	**33,820**	**36,251**
of which: Germany	18,863	19,751	107	111	–	–	18,970	19,862
of which: other countries	14,719	16,259	131	130	–	–	14,850	16,389
Headcount at March 31, 2009 and December 31, 2008 (no.)	**32,867**	**34,934**	**237**	**235**	–	–	**33,104**	**35,169**
Key performance indicators								
ROS (%)	0.3	11.0	–	–	–	–	0.3	11.0
MVA	–72	209	–12	–2	–	–	–84	207

Segment information (2/3)

	Commercial Vehicles worldwide		Energy					
€ million	Commercial Vehicles Latin America		Diesel Engines		Turbo Machinery		Other/Cons. and Reconciliation Renk	
	2009	2008	2009	2008	2009	2008	2009	2008
Segment order intake	–	–	**563**	**904**	**300**	**368**	**68**	**115**
of which: Germany	–	–	33	47	31	51	20	30
of which: other countries	–	–	530	857	269	317	48	85
Intersegment order intake	–	–	–1	–1	–1	–2	–2	–5
Group order intake	–	–	562	903	299	366	66	110
Segment revenue	–	–	**556**	**570**	**305**	**254**	**111**	**119**
of which: Germany	–	–	54	54	54	46	44	38
of which: other countries	–	–	502	516	251	208	67	81
Intersegment revenue	–	–	–2	–1	–16	–1	–9	–8
Group revenue	–	–	554	569	289	253	102	111
Order backlog at March 31, 2009 and December 31, 2008	**–**	**–**	**3,882**	**4,102**	**1,801**	**1,822**	**553**	**612**
Total assets at March 31, 2009 and December 31, 2008	**1,988**	**–**	**2,096**	**1,935**	**1,167**	**1,143**	**403**	**399**
of which: inventories	111	–	969	864	338	297	166	154
of which: trade receivables	170	–	554	514	308	316	110	111
of which: cash and cash equivalents, marketable securities	385	–	185	178	239	233	14	23
Segment liabilities at March 31, 2009 and December 31, 2008	**698**	–	**1,412**	**1,308**	**881**	**872**	**236**	**240**
of which: trade payables	131	–	368	361	213	240	46	51
Operating profit	–	–	**83**	**84**	**34**	**28**	**15**	**19**
Losses from nonrecurring factors	–	–	–	–	–	–	–	–
Earnings before interest and taxes (EBIT)	–	–	**83**	**84**	**34**	**28**	**15**	**19**
Net interest income/(expense)	–	–	0	3	0	2	0	0
Earnings before tax (EBT) of continuing operations	**–**	**–**	**83**	**87**	**34**	**30**	**15**	**19**
Earnings before interest, taxes, depreciation, and amortization (EBITDA) of continuing operations	**–**	**–**	**92**	**92**	**39**	**33**	**18**	**21**
of which: depreciation and amortization	–	–	–9	–8	–5	–5	–3	–2
of which: impairment losses	–	–	–	–	0	0	–	0
Net liquidity/net financial debt	**206**	–	**184**	**340**	**226**	**257**	**14**	**5**
Reconciliation to free cash flow [2)]	206	–	176	219	224	204	23	–4
Free cash flow	**–**	**–**	**8**	**121**	**2**	**53**	**–9**	**9**
of which: net cash flows from operating activities	–	–	35	134	7	60	–4	14
of which: net cash flows from investing activities	–	–	–27	–13	–5	–7	–5	–5
Capital expenditures	**–**	**–**	**27**	**13**	**5**	**7**	**5**	**5**
Additional information by segment:								
Headcount including subcontracted employees at March 31, 2009 and December 31, 2008 (no.)	**1,525**	**–**	**8,035**	**7,986**	**4,734**	**4,493**	**2,064**	**2,041**
of which: Germany	–	–	3,533	3,505	3,047	2,964	1,904	1,876
of which: other countries	1,525	–	4,502	4,481	1,687	1,529	160	165
Headcount at March 31, 2009 and December 31, 2008 (no.)	**1,525**	**–**	**7,480**	**7,387**	**4,225**	**4,118**	**1,925**	**1,906**
Key performance indicators								
ROS (%)	–	–	14.9	14.8	11.0	11.0	13.5	15.9
MVA	–	–	64	72	26	22	10	15

Segment information (3/3)

€ million	Others/Consolidation and Reconciliation						Group	
	Corporate Center[1]		Cons./Reconcil.		Total			
	2009	2008	2009	2008	2009	2008	2009	2008
Segment order intake	**44**	**58**	**–50**	**–73**	**62**	**100**	**2,290**	**4,892**
of which: Germany	44	58	–47	–63	17	25	595	1,091
of which: other countries	0	0	–3	–10	45	75	1,695	3,801
Intersegment order intake	–42	–55	49	73	5	13	0	0
Group order intake	2	3	–1	0	67	113	2,290	4,892
Segment revenue	**43**	**40**	**–74**	**–53**	**80**	**106**	**2,556**	**3,480**
of which: Germany	43	40	–66	–47	21	31	669	844
of which: other countries	0	0	–8	–6	59	75	1,887	2,636
Intersegment revenue	–41	–38	71	52	21	6	0	0
Group revenue	2	2	–3	–1	101	112	2,556	3,480
Order backlog at March 31, 2009 and December 31, 2008	**0**	**305**	**–44**	**–432**	**509**	**485**	**9,662**	**10,416**
Total assets at March 31, 2009 and December 31, 2008	**5,046**	**5,691**	**–3,312**	**–2,705**	**2,137**	**3,385**	**16,651**	**16,530**
of which: inventories	1	2	–6	–29	161	127	3,674	3,275
of which: trade receivables	4	10	–11	–27	103	94	3,992	4,255
of which: cash and cash equivalents, marketable securities	2,578	3,088	–2,866	–3,826	–274	–715	573	105
Segment liabilities at March 31, 2009 and December 31, 2008	**3,988**	**3,879**	**–3,221**	**–3,121**	**1,003**	**998**	**11,215**	**11,134**
of which: trade payables	25	34	–13	–28	58	57	1,428	1,548
Operating profit/(loss)	**–28**	**16**	**–9**	**–4**	**–22**	**31**	**100**	**423**
Losses from nonrecurring factors	–	–	–	–	–	–	–10	–
Earnings before interest and taxes (EBIT)	**–28**	**16**	**–9**	**–4**	**–22**	**31**	**90**	**423**
Net interest income/(expense)	3	6	–	–	3	6	–10	–3
Earnings before tax (EBT) of continuing operations	**–25**	**22**	**–9**	**–4**	**–19**	**37**	**80**	**420**
Earnings before interest, taxes, depreciation, and amortization (EBITDA) of continuing operations	**–21**	**23**	**–9**	**–4**	**–12**	**40**	**168**	**497**
of which: depreciation and amortization	–7	–7	–	0	–10	–9	–78	–74
of which: impairment losses	0	0	–	–	0	0	0	0
Net liquidity/net financial debt	**–250**	**674**	**–**	**455**	**–236**	**1,134**	**–2,831**	**–561**
Reconciliation to free cash flow [2]	1,266	764	47	393	1,336	1,153	–1,198	–634
Free cash flow	**–1,516**	**–90**	**–47**	**62**	**–1,572**	**–19**	**–1,633**	**73**
of which: net cash flows from operating activities	35	–58	106	51	137	7	141	219
of which: net cash flows from investing activities	–1,551	–32	–153	11	–1,709	–26	–1,774	–146
Capital expenditures	**1,372**	**134**	**–5**	**0**	**1,372**	**139**	**1,438**	**259**
Additional information by segment:								
Headcount including subcontracted employees at March 31, 2009 and December 31, 2008 (no.)	**544**	**550**	**–**	**–**	**2,608**	**2,591**	**50,722**	**51,321**
of which: Germany	541	546	–	–	2,445	2,422	27,995	28,753
of which: other countries	3	4	–	–	163	169	22,727	22,568
Headcount at March 31, 2009 and December 31, 2008 (no.)	**538**	**544**	**–**	**–**	**2,463**	**2,450**	**48,797**	**49,124**
Key performance indicators								
ROS (%)	–	–	–	–	–	–	3.9	12.1
MVA	–	–	–	–	–	–	–40	311

[1] Corporate Center: MAN AG, Shared Services, and holding companies
[2] Cash flow from net liquidity/net financial debt financing activities and other changes in net liquidity/net financial debt (continuing and discontinued operations)

Review by the Group auditors

The interim financial statements as of March 31, 2009 and 2008 were not reviewed by auditors.

Change in the Executive Board

Dr. jur. Matthias Mitscherlich, Chairman of the Executive Board of MAN Ferrostaal AG, left the Executive Board of MAN Aktiengesellschaft effective March 25, 2009.

Munich, April 30, 2009

MAN Aktiengesellschaft
The Executive Board

Overview by Quarter

€ million	2009		2008			
	Q1	Total 2008	Q4	Q3	Q2	Q1
Key data						
Order intake by business area						
Commercial Vehicles	1,365	9,130	930	1,914	2,766	3,520
Commercial Vehicles Latin America	–	–	–	–	–	–
Diesel Engines	563	3,089	660	626	899	904
Turbo Machinery	300	1,426	271	418	369	368
Others/Consolidation	62	388	94	117	77	100
Order intake	**2,290**	**14,033**	**1,955**	**3,076**	**4,111**	**4,892**
Commercial Vehicles worldwide						
Order intake (units)	**10,700**	**75,497**	**1,810**	**15,962**	**22,917**	**34,808**
of which: Commercial Vehicles	10,700	75,497	1,810	15,962	22,917	34,808
of which: Commercial Vehicles Latin America	–	–	–	–	–	–
Revenue by business area						
Commercial Vehicles	1,615	10,610	2,695	2,535	2,830	2,550
Commercial Vehicles Latin America	–	–	–	–	–	–
Diesel Engines	556	2,542	709	634	629	570
Turbo Machinery	305	1,328	429	328	317	254
Others/Consolidation	80	465	128	115	116	106
Revenue	**2,556**	**14,945**	**3,961**	**3,612**	**3,892**	**3,480**
Commercial Vehicles worldwide						
Unit sales (units)	**12,207**	**103,705**	**24,786**	**25,612**	**28,201**	**25,106**
of which: Commercial Vehicles	12,207	103,705	24,786	25,612	28,201	25,106
of which: Commercial Vehicles Latin America	–	–	–	–	–	–
Order backlog	**9,662**	**10,416**	**10,416**	**12,924**	**13,554**	**13,513**

Overview by Quarter (cont'd)

€ million	2009		2008			
	Q1	Total 2008	Q4	Q3	Q2	Q1
Operating profit/(loss) by business area						
Commercial Vehicles	5	1,062	191	268	323	280
Commercial Vehicles Latin America	–	–	–	–	–	–
Diesel Engines	83	390	117	94	95	84
Turbo Machinery	34	148	49	36	35	28
Others/Consolidation	–22	129	1	24	73	31
Operating profit	**100**	**1,729**	**358**	**422**	**526**	**423**
Gains/losses from nonrecurring factors	–10	–106	–171	–	65	–
Earnings before interest and taxes (EBIT)	**90**	**1,623**	**187**	**422**	**591**	**423**
Depreciation, amortization, and impairment losses	78	324	85	83	82	74
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	**168**	**1,947**	**272**	**505**	**673**	**497**
Earnings before tax (EBT)	**80**	**1,643**	**206**	**426**	**591**	**420**
Income taxes	–24	–488	–73	–129	–163	–123
Income from discontinued operations, net of tax	125	92	44	5	18	25
Net income	**181**	**1,247**	**177**	**302**	**446**	**322**
ROS (%)	**3.9**	**11.6**	**9.0**	**11.7**	**13.5**	**12.1**
Commercial Vehicles	0.3	10.0	7.1	10.6	11.4	11.0
Commercial Vehicles Latin America	–	–	–	–	–	–
Diesel Engines	14.9	15.4	16.5	14.8	15.0	14.8
Turbo Machinery	11.0	11.1	11.3	11.0	11.0	11.0
Cash earnings	158	1,619	361	379	533	346
Net cash provided by/(used in) operating activities	141	137	–366	–10	294	219
Net cash used in investing activities	–1,774	–707	–327	–96	–138	–146
Free cash flow	**–1,633**	**–570**	**–693**	**–106**	**156**	73
Net financial debt	**–2,831**	**–1,631**	**–1,631**	**–973**	**–672**	**–366**
Headcount (no.)	**50,722**	**51,321**	**51,321**	**52,660**	**52,397**	**51,470**
of which: subcontracted employees	1,925	2,197	2,197	3,389	3,484	3,521
Capital markets information						
Earnings per share from continuing operations (€)	**0.37**	**7.76**	**0.88**	**1.99**	**2.89**	**2.00**
Earnings per share from continuing operations excl. nonrecurring factors (€)	**0.41**	**8.12**	**1.68**	**1.99**	**2.46**	**2.00**
MAN share price [1]						
High	41.78	110.91	45.72	71.48	104.48	110.91
Low	30.31	27.78	27.78	46.22	70.51	77.22
Quarter-end	32.80	38.72	38.72	47.30	70.51	84.14
MAN share performance (percentage points)						
Performance of MAN shares [2]	–15.3	–66.0	–66.0	–58.4	–38.0	–26.1
Compared with the DAX® [2]	–15.1	–40.4	–40.4	–27.7	–20.4	–19.0

[1] XETRA closing prices, Frankfurt

[2] Cumulative compared with prior-year closing price

Financial Diary of MAN AG

Report on Q2/2009	July 30, 2009
Report on Q3/2009	October 29, 2009
Annual press conference	February 18, 2010
Internet publication of annual report	February 18, 2010
Annual General Meeting for fiscal 2009	April 1, 2010
Report on Q1/2010	April 29, 2010
Report on Q2/2010	July 29, 2010

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