

TRATON

3M 2023

Interim Statement
as of March 31, 2023



NAVISTAR



AT A GLANCE

Incoming orders
down by
28%

Unit sales
25%
higher at
84,587 vehicles

Sales revenue rose
by 31% to around
€11.2
billion

Adjusted operating
result €534 million
higher at around
€935
million

Increase in
adjusted
operating return
on sales to
8.4%

	3M 2023	3M 2022	Change
Trucks and buses (units)			
Incoming orders	68,470	95,594	-28%
Unit sales	84,587	67,767	25%
of which trucks	70,208	57,575	22%
of which buses	7,618	5,929	28%
of which MAN TGE vans	6,761	4,263	59%
TRATON GROUP			
Sales revenue (€ million)	11,186	8,525	31%
Operating result (adjusted) (€ million)	935	402	534
Operating return on sales (adjusted) (in %)	8.4	4.7	3.7 pp
Earnings per share (€)	1.11	0.84	0.27
Active employees ¹	100,353	100,356	-3
TRATON Operations			
Sales revenue (€ million)	10,940	8,363	31%
Operating result (adjusted) (€ million)	987	441	546
Operating return on sales (adjusted) (in %)	9.0	5.3	3.8 pp
Primary R&D costs (€ million)	520	421	23%
Capex (€ million)	216	229	-6%
Net cash flow (€ million)	737	139	597
TRATON Financial Services			
Sales revenue (€ million)	352	297	18%
Operating result (adjusted) (€ million)	82	71	11
Operating return on sales (adjusted) (in %)	23.3	24.0	-0.7 pp
Return on equity (in %)	-3.9	9.3	-13.3 pp

¹ As of March 31, 2023, and December 31, 2022

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This Interim Statement was prepared in accordance with section 53 of the Exchange Rules for the Frankfurter Wertpapierbörse (FWB) and does not constitute an interim financial report as defined in International Accounting Standard (IAS) 34 *Interim Financial Reporting*. It does not contain any related party disclosures and hence departs from the guidance for preparing interim management statements in Sweden proposed by Nasdaq Stockholm. This Interim Statement has not been reviewed by an auditor.

This Interim Statement contains certain forward-looking statements for the remaining months of fiscal year 2023. A range of known and unknown risks, uncertainties, and other factors may result in the actual results, financial position, development, or performance of the TRATON GROUP differing materially from the estimates given here. Such factors include those that TRATON has described in published reports. These reports are available on our website at www.traton.com. The Company does not assume any obligation to update such forward-looking statements or to adapt them to future events or developments.

The figures relating to net assets, financial position, and results of operations were prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the European Union. All figures shown are rounded, so minor discrepancies may arise from addition of these amounts. The current definition of the key performance indicators can be found in the annual report published for the previous year. This report can be downloaded from our website at <https://annualreport.traton.com/2022/en/traton-annual-report-2022.pdf>.

The latest financial calendar information and dates are available on TRATON SE's website at www.traton.com/financialcalendar.

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Material Events

The TRATON GROUP generated sales revenue of €11.2 billion (3M 2022: €8.5 billion) in the first quarter of 2023. Operating result (adjusted) was €939 million (3M 2022: €402 million), operating return on sales (adjusted) came in at 8.4% (3M 2022: 4.7%). This development was primarily attributable to a strong improvement in operating result in our Scania Vehicles & Services, MAN Truck & Bus, and Navistar Sales & Services segments, on the back of an increase in the New Vehicles business. This was made possible by a higher production volume that resulted from an improved supply situation. In light of this, the TRATON GROUP's Executive Board decided to increase the forecast range for operating return on sales (adjusted) to between 7.0 and 8.0%.

The planned sale of Scania Finance Russia was completed on January 17, 2023, following receipt of all regulatory approvals. The sale proceeds amounted to €400 million. Scania Finance Russia recorded negative accumulated other comprehensive income of €102 million from currency translation effects, which was reclassified to the income statement upon disposal.

At its meeting on March 20, 2023, the TRATON GROUP's Supervisory Board revised the composition of the Company's Executive Board. The appointment of Christian Levin, Chairman of the Executive Board of TRATON SE and Chief Executive Officer of Scania CV AB, was renewed until January 2029. Furthermore, Executive Board member Antonio Roberto Cortes, who is also Chief Executive Officer of Volkswagen Truck & Bus, will remain on the Executive Board until January 2027. Since April 1, 2023, Dr. Michael Jackstein has been heading the combined Finance and Human Resources division of TRATON SE, which also includes the Business Development division. At the same time, the introduction of the new Global Product Management area of responsibility at the Executive Board level safeguards the heart of the business model — the strategic and operational integration of the commercial and industrial systems of the four brands and coordinated Group functions. Catharina Modahl Nilsson has been responsible for this since April 1, 2023.

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Incoming Orders and Unit Sales by Country, TRATON Operations

Units	Incoming orders			Unit sales		
	3M 2023	3M 2022	Change	3M 2023	3M 2022	Change
Total	68,470	95,594	-28%	84,587	67,767	25%
BEV unit sales ratio (excluding MAN TGE vans, in %)	-	-	-	0.2	0.3	-0.1 pp
Trucks	53,610	79,529	-33%	70,208	57,575	22%
EU27+3	26,339	32,625	-19%	30,364	21,350	42%
of which in Germany	6,603	7,979	-17%	8,849	5,436	63%
North America	13,024	26,288	-50%	19,842	14,119	41%
of which in the USA/Canada	10,873	22,823	-52%	17,032	11,993	42%
of which in Mexico	2,151	3,465	-38%	2,810	2,126	32%
South America	7,265	14,237	-49%	12,247	15,912	-23%
of which in Brazil	5,571	10,708	-48%	9,804	13,152	-25%
Other regions	6,982	6,379	9%	7,755	6,194	25%
Buses	7,771	8,474	-8%	7,618	5,929	28%
EU27+3	1,306	1,639	-20%	1,120	852	31%
of which in Germany	245	351	-30%	315	206	53%
North America	4,076	4,043	1%	3,733	3,082	21%
of which in the USA/Canada	2,963	3,282	-10%	2,972	2,682	11%
of which in Mexico	1,113	761	46%	761	400	90%
South America	1,878	1,987	-5%	2,197	1,504	46%
of which in Brazil	1,513	1,141	33%	1,950	1,294	51%
Other regions	511	805	-37%	568	491	16%
MAN TGE vans	7,089	7,591	-7%	6,761	4,263	59%
EU27+3	6,964	7,570	-8%	6,670	4,191	59%
of which in Germany	2,673	3,127	-15%	2,513	1,676	50%

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Incoming orders were down strongly year-on-year in the reporting period. This was the result of the brands remaining restrictive in their order acceptance in light of continued very high order backlog and strong market demand in Europe and North America. Incoming orders in South America were lower than in the previous year as a result of a stricter emissions regulation that came into force in Brazil at the beginning of the year.

Unit sales recorded a strong increase due to the continued high order backlog and thanks to a higher production volume as supply chains continued to stabilize. In South America, the introduction of a new emissions regulation in Brazil led to lower customer demand and a corresponding decline in the unit sales of trucks. The book-to-bill ratio in the first quarter was 0.8 (3M 2022: 1.4). This means that unit sales were higher than incoming orders, causing a moderate decrease in order backlog.

Operating Result (Adjusted) of the TRATON GROUP

€ million	TRATON GROUP		TRATON Operations		TRATON Financial Services		Corporate Items	
	3M 2023	3M 2022	3M 2023	3M 2022	3M 2023	3M 2022	3M 2023	3M 2022
Sales revenue	11,186	8,525	10,940	8,363	352	297	-107	-135
Operating result	834	355	987	424	-20	41	-134	-110
Operating return on sales (in %)	7.5	4.2	9.0	5.1	-5.6	13.8	-	-
Operating result (adjusted)	935	402	987	441	82	71	-134	-110
Operating return on sales (adjusted) (in %)	8.4	4.7	9.0	5.3	23.3	24.0	-	-

Operating result:

The TRATON GROUP generated sales revenue of €11.2 billion (3M 2022: €8.5 billion) in the reporting period, up 31% on the previous year's level. This increase is attributable to higher unit sales of new vehicles, a positive market and product mix, better unit price realization, and an increase in the Vehicle Services business. Sales revenue in the Vehicle Services business increased by 10% to €2.2 billion (3M 2022: €2.0 billion) and made a considerable contribution to our business performance, accounting for 20% (3M 2022: 24%) of total sales revenue. Both the genuine parts business and workshop services recorded growth. Currency effects had no material impact overall on sales revenue in the first quarter.

Sales revenue in the TRATON Financial Services segment rose by 18% year-on-year to €352 million. This growth was driven by higher interest income and the expansion of the financing portfolio in the previous year.

The TRATON GROUP's gross profit of €2.3 billion (3M 2022: €1.5 billion) in the first quarter of 2023 was 48% above the level of the prior-year quarter. This increase is primarily attributable to the rise in sales revenue in the TRATON Operations business area.

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Gross margin increased by 2.3 percentage points to 20.4% in the TRATON GROUP and by 2.7 percentage points to 19.9% in the TRATON Operations business area. The year-on-year improvement is primarily attributable to higher production capacity utilization, increased vehicle deliveries, and the associated decline in fixed costs in the TRATON Operations business area. We were able to offset the significantly higher prices for energy, raw materials, and other bought-in components by introducing price measures.

The TRATON GROUP's distribution expenses of €869 million (3M 2022: €773 million) were up €96 million on the previous year's level, with the increase attributable primarily to higher costs in connection with increased vehicle deliveries, such as shipping costs, and to cost increases due to inflation. At €408 million (3M 2022: €335 million), administrative expenses were €73 million higher than in the prior-year period, primarily because of inflation-related cost increases. Despite the increase in costs, the ratio of distribution and administrative expenses to sales revenue improved by 1.6 percentage points to 11.4% (3M 2022: 13.0%).

At €-170 million (3M 2022: €-79 million), other operating result was down €91 million year-on-year. The main driver of the decrease was negative accumulated other comprehensive income of €102 million from currency translation effects attributable to Scania Finance Russia, which was reclassified to the income statement upon disposal. The prior-year period had contained expenses attributable directly to the war in Ukraine.

Overall, the TRATON GROUP's operating result rose by €479 million year-on-year. The first quarter of 2023 includes expenses of €102 million in connection with the sale of Scania Finance Russia. In the prior-year period, expenses attributable directly to the war in Ukraine had amounted to €46 million.

The TRATON GROUP increased its operating return on sales by 3.3 percentage points to 7.5%. In the TRATON Operations business area, operating return on sales increased by 4.0 percentage points to 9.0%.

Operating result (adjusted):

The TRATON GROUP's operating result (adjusted) rose by €534 million year-on-year to €935 million. In the current reporting period, the adjustments amounted to €102 million in the TRATON Financial Services segment and included the reclassification to the income statement of negative accumulated other comprehensive income from currency translation effects at Scania Finance Russia. The adjustments of €47 million in the prior-year period had mainly related to impairment losses directly associated with the war in Ukraine. €30 million of the prior-period adjustments had been attributable to the TRATON Financial Services segment and €17 million to the TRATON Operations business area.

The TRATON GROUP increased its operating return on sales (adjusted) by 3.7 percentage points to 8.4%. In the TRATON Financial Services segment, operating return on sales (adjusted) was 23.3% (3M 2022: 24.0%), down 0.7 percentage points year-on-year.

Financial result:

At €-131 million (3M 2022: €215 million), the TRATON GROUP's financial result was down €346 million year-on-year. The reduction is mainly attributable to negative remeasurement effects from financial instruments, following high gains in the comparative period. In addition, the general rise in interest rates led to higher interest expenses.

Taxes:

Income taxes in the first quarter came to €-148 million (3M 2022: €-148 million), corresponding to a tax rate of 21% (3M 2022: 26%). The rate was thus lower than the nominal Group tax rate and the previous year's figure, mainly because of offsetting effects attributable to loss carryforwards from previous years, for which deferred taxes were recognized for the first time.

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	3M 2023	3M 2022	Change
Incoming orders (units)	18,918	20,988	-10%
Sales (units)	22,626	16,645	36%
of which trucks	21,611	15,900	36%
of which buses	1,015	745	36%
Sales revenue (€ million)	4,172	3,180	31%
New Vehicles	2,631	1,794	47%
Vehicle Services business ¹	939	828	13%
Others	602	558	8%
Operating result (€ million)	554	229	325
Operating result (adjusted) (€ million)	554	243	311
Operating return on sales (in %)	13.3	7.2	6.1 pp
Operating return on sales (adjusted) (in %)	13.3	7.6	5.6 pp

¹ Including genuine parts and workshop services

Scania Vehicles & Services was able to increase sales revenue by 31% year-on-year to €4.2 billion (3M 2022: €3.2 billion). This increase is primarily attributable to growth in the New Vehicles and the Vehicle Services business. In addition to the volume-driven increase in sales revenue, operating result was positively affected, especially in the truck business, by a favorable market and product mix and better unit price realization. The Vehicle Services business also made a positive contribution to earnings thanks to improved margins. This was partly offset by increased material and raw material prices, higher non-staff-related expenses, and increased personnel expenses, which were primarily directed toward expanding the Vehicle Services business. Higher development costs due to intensified spending on e-mobility further reduced operating result. Currency effects, especially the performance of the Swedish krona against the euro, had a positive impact.

MAN Truck & Bus

	3M 2023	3M 2022	Change
Incoming orders (units)	26,094	31,676	-18%
Sales (units)	27,333	19,325	41%
of which trucks	19,655	14,355	37%
of which buses	917	707	30%
of which MAN TGE vans	6,761	4,263	59%
Sales revenue (€ million)	3,404	2,548	34%
New Vehicles	2,031	1,339	52%
Vehicle Services business ¹	733	638	15%
Others	640	570	12%
Operating result (€ million)	197	55	142
Operating result (adjusted) (€ million)	197	57	140
Operating return on sales (in %)	5.8	2.1	3.6 pp
Operating return on sales (adjusted) (in %)	5.8	2.2	3.6 pp

¹ Including genuine parts and workshop services

MAN Truck & Bus generated sales revenue of €3.4 billion, a year-on-year increase of 34%. This increase is primarily attributable to growth in the New Vehicles and the Vehicle Services business. In addition to the volume-driven increase in sales revenue, operating result was lifted by better unit price realization for new and used vehicles and by improved margins in the Vehicle Services business. Operating result was negatively impacted by higher material and energy prices and rising personnel expenses, including in connection with the collectively agreed one-time payments. In the prior-year period, operating result had been negatively impacted by production shutdowns at some plants.

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	3M 2023	3M 2022	Change
Incoming orders (units)	15,913	29,863	-47%
Sales (units)	22,548	17,070	32%
of which trucks	19,246	14,216	35%
of which buses	3,302	2,854	16%
Sales revenue (€ million)	2,738	2,068	32%
New Vehicles	1,943	1,258	54%
Vehicle Services business ¹	529	550	-4%
Others	266	260	2%
Operating result/operating result (adjusted) (€ million)	172	76	96
Operating return on sales/operating return on sales (adjusted) (in %)	6.3	3.7	2.6 pp

¹ Including genuine parts

Navistar Sales & Services recorded sales revenue of €2.7 billion, which was up 32% on the previous year's level. This increase is primarily attributable to the New Vehicles business, whereas sales revenue in the Vehicle Services business fell slightly year-on-year by 4%. One of the reasons for this decline is that the fleet of vehicles equipped with genuine Navistar engines is getting smaller and thus generating less volume for the Vehicle Services business. Another is the lower sales revenue from service agreements.

Navistar Sales & Services posted an operating result of €172 million and an operating return on sales of 6.3% in the first quarter of 2023. In addition to the volume-driven increase in sales revenue, operating result was positively affected by a favorable product and customer mix and improved unit price realization. Higher distribution and administrative expenses had an offsetting effect on operating result.

Volkswagen Truck & Bus

	3M 2023	3M 2022	Change
Incoming orders (units)	7,694	13,067	-41%
Sales (units)	12,148	14,732	-18%
of which trucks	9,764	13,109	-26%
of which buses	2,384	1,623	47%
Sales revenue (€ million)	709	690	3%
New Vehicles	663	662	0%
Vehicle Services business ¹	37	26	42%
Others	9	3	270%
Operating result/operating result (adjusted) (€ million)	65	65	0
Operating return on sales/operating return on sales (adjusted) (in %)	9.2	9.5	-0.3 pp

¹ Including genuine parts and workshop services

Volkswagen Truck & Bus generated sales revenue of €709 million (3M 2022: €690 million) in the first three months of 2023, a slight year-on-year increase. This increase was achieved in spite of a lower volume of unit sales and resulted primarily from improved product positioning and unit price realization in Brazil. Exchange rate effects from translation into the Group currency (euros) also had a positive impact. Operating result was on a level with the previous year despite higher material costs.

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TRATON Financial Services

	3M 2023	3M 2022	Change
Sales revenue (€ million)	352	297	18%
Operating result (€ million)	-20	41	-61
Operating result (adjusted) (€ million)	82	71	11
Operating return on sales (in %)	-5.6	13.8	-19.4 pp
Operating return on sales (adjusted) (in %)	23.3	24.0	-0.7 pp
Return on equity (in %)	-3.9	9.3	-13.3 pp

The TRATON Financial Services segment recorded sales revenue of €352 million (3M 2022: €297 million), a year-on-year increase of 18%. This growth was driven by higher interest income and the expansion of the financing portfolio in the previous year. Operating result (adjusted) in the TRATON Financial Services segment was €82 million (3M 2022: €71 million).

Scania Finance Russia recorded negative accumulated other comprehensive income of €102 million from currency translation effects, which was reclassified to the income statement upon disposal and recognized in operating result.

The return on equity in the TRATON Financial Services segment was -3.9% in the first quarter of 2023, primarily due to the sale of Scania Finance Russia, which had a negative effect on earnings. Return on equity was calculated on the basis of equity after offsetting the disposed assets and liabilities of Scania Finance Russia.

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Net Cash Flow

CONDENSED STATEMENT OF CASH FLOWS OF THE TRATON GROUP

€ million	TRATON GROUP		TRATON Operations		TRATON Financial Services		Corporate Items	
	3M 2023	3M 2022	3M 2023	3M 2022	3M 2023	3M 2022	3M 2023	3M 2022
Gross cash flow	1,250	860	1,300	1,067	150	152	-200	-359
Change in working capital	-1,049	-1,007	-589	-502	-541	-574	81	70
Net cash provided by/used in operating activities	201	-147	711	565	-391	-423	-120	-289
Net cash provided by/used in investing activities attributable to operating activities	-280	-426	25	-426	-305	0	-1	0
Net cash flow	-80	-573	737	139	-695	-423	-121	-289

The TRATON GROUP's net cash provided by/used in operating activities rose by €347 million year-on-year to €201 million. This is primarily attributable to the €390 million increase in gross cash flow, which above all reflects the €479 million increase in operating result.

Cash tied up in working capital rose by a total of €1.0 billion in the reporting period. This was mainly attributable to the €759 million increase in inventories due, among other things, to the higher production volume and to logistics shortages, as well as the €300 million increase in receivables resulting from higher unit sales.

Net cash provided by/used in investing activities attributable to operating activities was impacted by the sale of Scania Finance Russia in the amount of €96 million. This effect is the result of the purchase price payment of €400 million in the TRATON Operations business area, less the disposal of the cash and cash equivalents of Scania Finance Russia amounting to €304 million, which impacted the TRATON Financial Services business area.

Net cash flow in the TRATON Financial Services segment was additionally impacted by the €391 million increase in financial services receivables in connection with the higher business volume.

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Net Liquidity/Net Financial Debt

NET LIQUIDITY/NET FINANCIAL DEBT OF THE TRATON GROUP

€ million	TRATON GROUP		TRATON Operations		TRATON Financial Services		Corporate Items	
	03/31/2023	12/31/2022	03/31/2023	12/31/2022	03/31/2023	12/31/2022	03/31/2023	12/31/2022
Cash and cash equivalents ¹	1,493	1,743	3,314	3,155	158	455	-1,979	-1,867
Marketable securities, investment deposits, and loans to affiliated companies	111	208	893	518	28	50	-811	-361
Gross liquidity	1,603	1,951	4,207	3,673	186	506	-2,790	-2,228
Third-party borrowings	-20,966	-21,131	-6,843	-7,236	-12,355	-11,952	-1,769	-1,944
Net liquidity/net financial debt	-19,363	-19,180	-2,635	-3,563	-12,169	-11,446	-4,559	-4,172

¹ €- (December 31, 2022: €304 million) of the reported cash and cash equivalents was contained in "Assets held for sale" as of March 31, 2023. The entire amount is attributable to the TRATON Financial Services segment.

Net financial debt rose by €183 million to €19.4 billion in the first quarter of 2023, driven mainly by net cash flow development. Net financial debt in the TRATON Operations business area reflects the positive net cash flow in the first quarter of 2023, which contains the purchase price payment from the sale of the Scania Financial Services companies in Russia amounting to €400 million. This was offset by net financial debt in the TRATON Financial Services segment, which changed due to the negative net cash flow in the first quarter of 2023, primarily due to the €304 million disposal of the cash and cash equivalents of Scania Finance Russia.

The loan from Volkswagen International Luxemburg S.A., Strassen, in the amount of €500 million was repaid in the first quarter of 2023. This was partly offset by additional external loans and loans raised from Volkswagen AG amounting to €280 million. The TRATON and Scania European Medium Term Notes programs issued bonds totaling €433 million and made repayments of €641 million.

The net financial debt/EBITDA (adjusted) ratio for the TRATON Operations business area including Corporate Items was -1.8 as of March 31, 2023, and hence a slight improvement on the prior-year comparative figure of -2.1 as of December 31, 2022. It is calculated by dividing the net financial debt of €7.2 billion (December 31, 2022: €7.7 billion) as of the reporting date by the EBITDA (adjusted) for the past twelve months in the TRATON Operations business area including Corporate Items of €4.0 billion (December 31, 2022: €3.7 billion).

TRATON SE (German GAAP)

TRATON SE is the parent and holding company of the TRATON GROUP. There have been no material changes in the net assets, financial position, and results of operations compared with December 31, 2022. Operating result was impacted by a €16 million increase in personnel expenses. This was mainly due to the change in the Executive Board composition, as well as to higher Executive Board remuneration and increased post-employment benefit costs. It was partly offset by higher costs recharged to MAN Truck & Bus.

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Report on Expected Developments

In light of the results for the first quarter of 2023, which exceeded the original expectations of the TRATON GROUP's Executive Board, we are raising the forecast for operating return on sales (adjusted) published in the 2022 Annual Report.

In the commercial vehicle markets relevant to the TRATON GROUP, the Executive Board is anticipating overall market growth based on continued high demand for replacement investments that could not be fully serviced in recent years due to supply bottlenecks. However, uncertainties continue to result from the war in Ukraine and the associated consequences for the macroeconomic situation, the further development of our supply chains, ongoing logistics shortages, and energy and raw material price trends.

For new registrations of medium- and heavy-duty trucks (> 6t or Class 6 through 8 in North America), we are expecting the following developments for our core geographic regions: we are now expecting a significant rise in the market for the EU27+3 region. We continue to assume a noticeable increase in demand in North America. In Brazil, we expect a noticeably contracting market following the introduction of a new emissions standard. In Türkiye, demand is expected to cool substantially following a strong 2022. We anticipate slight market growth in South Africa. We are reiterating our existing forecast for the bus markets relevant for the TRATON GROUP (EU27+3 region, Brazil, and school buses in North America).

Unit sales 2023

Based on the current high order backlog, we continue to expect unit sales of all vehicles (including MAN TGE vans) worldwide to record growth of 5 to 15% overall in fiscal year 2023.

Sales revenue and profitability 2023

We are still projecting an increase of between 5 and 15% in sales revenue in the TRATON Operations business area in fiscal year 2023. In the TRATON Financial Services segment, we are also still projecting sales revenue growth of 10 to 20%. Overall, we are reiterating an increase of 5 to 15% in the TRATON GROUP's sales revenue.

In our published 2022 Annual Report, we forecast an operating return on sales (adjusted) of between 6.0 and 7.0% for the TRATON GROUP for fiscal year 2023. In light of the operating return on sales (adjusted) we recorded in the first quarter, which came in at 8.4%, we are raising the forecast range to between 7.0 and 8.0%.

For the TRATON Operations business area, we are now anticipating an operating return on sales (adjusted) of between 7.5 and 8.5%.

We are reiterating our forecast of operating return on sales (adjusted) in the range of 10.0 to 15.0% for the TRATON Financial Services business area.

The TRATON GROUP's Executive Board is forecasting an updated range of between €1.8 billion and €2.3 billion for net cash flow in the TRATON Operations business area. This adjustment reflects a positive effect of approximately €500 million from the intragroup sale of the Scania Financial Services business to TRATON Financial Services. This transaction has no impact on net cash flow in the TRATON GROUP.

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	Actual 2022	Forecast 2023 2022 Annual Report	Forecast 2023 3M 2023 Interim Statement
TRATON GROUP			
Sales (units)	305,485	+5-15%	+5-15%
Sales revenue (€ million)	40,335	+5-15%	+5-15%
Operating return on sales (adjusted) (in %)	5.1	6.0-7.0	7.0-8.0
TRATON Operations			
Sales revenue (€ million)	39,554	+5-15%	+5-15%
Operating return on sales (adjusted) (in %)	5.7	6.5-7.5	7.5-8.5
Return on investment (ROI) (in %)	6.7	8.0-12.0	8.0-12.0
Net cash flow (€ million) ¹	-625	1,300-1,800	1,800-2,300
Capex (€ million)	1,298	very sharp increase	very sharp increase
Primary R&D costs (€ million)	1,892	significant increase	significant increase
TRATON Financial Services¹			
Sales revenue (€ million)	1,294	+10-20%	+10-20%
Operating return on sales (adjusted) (in %)	23.5	10.0-15.0	10.0-15.0

¹ Including Scania Financial Services and Navistar Financial Services

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Income Statement of the TRATON GROUP for the period January 1 to March 31

€ million	3M 2023	3M 2022
Sales revenue	11,186	8,525
Cost of sales	-8,906	-6,984
Gross profit	2,280	1,541
Distribution expenses	-869	-773
Administrative expenses	-408	-335
Net impairment losses on financial assets	-18	-43
Other operating income	354	325
Other operating expenses	-506	-360
Operating result	834	355
Share of earnings of equity-method investments	35	34
Interest income	68	45
Interest expense	-181	-86
Other financial result	-53	223
Financial result	-131	215
Earnings before tax	703	570
Income taxes	-148	-148
current	-222	-130
deferred	74	-18
Earnings after tax	555	422
of which attributable to shareholders of TRATON SE	555	422
of which attributable to noncontrolling interests	0	0
Earnings per share in € (diluted/basic)	1.11	0.84

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Condensed Statement of Comprehensive Income
of the TRATON GROUP for the period January 1 to March 31

€ million	3M 2023	3M 2022
Earnings after tax	555	422
Pension plan remeasurements recognized in other comprehensive income	-34	211
Fair value measurement of other equity investments	6	-285
Share of other comprehensive income of equity-method investments that will not be reclassified subsequently to profit or loss	3	0
Items that will not be reclassified subsequently to profit or loss	-25	-73
Currency translation differences	-41	307
Cash flow hedges	-2	16
Cost of hedging	1	0
Share of other comprehensive income of equity-method investments that will be reclassified subsequently to profit or loss	-1	2
Items that will be reclassified subsequently to profit or loss	-42	324
Other comprehensive income, net of tax	-68	251
Total comprehensive income	488	673
of which attributable to shareholders of TRATON SE	488	673
of which attributable to noncontrolling interests	0	0

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Balance Sheet

Assets of the TRATON GROUP as of March 31, 2023, and December 31, 2022

€ million	03/31/2023	12/31/2022
Noncurrent assets		
Goodwill	6,091	6,184
Intangible assets	7,111	7,195
Property, plant, and equipment	8,291	8,354
Assets leased out	6,007	6,162
Equity-method investments	1,369	1,328
Other equity investments	214	204
Noncurrent income tax receivables	80	71
Deferred tax assets	2,284	2,274
Noncurrent financial services receivables	6,792	6,560
Other noncurrent financial assets	456	414
Other noncurrent receivables	385	404
	39,080	39,150
Current assets		
Inventories	7,283	6,574
Trade receivables	3,597	3,348
Current income tax receivables	155	153
Current financial services receivables	5,219	5,061
Other current financial assets	604	695
Other current receivables	1,350	1,340
Marketable securities and investment deposits	71	73
Cash and cash equivalents	1,493	1,439
Assets held for sale	-	421
	19,772	19,106
Total assets	58,853	58,256

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Balance Sheet

Equity and liabilities of the TRATON GROUP as of March 31, 2023, and December 31, 2022

€ million	03/31/2023	12/31/2022
Equity		
Subscribed capital	500	500
Capital reserves	13,695	13,695
Retained earnings	3,519	2,964
Accumulated other comprehensive income	-2,859	-2,791
Equity attributable to shareholders of TRATON SE	14,855	14,368
Noncontrolling interests	6	6
	14,861	14,374
Noncurrent liabilities		
Noncurrent financial liabilities	11,355	12,485
Provisions for pensions and other post-employment benefits	1,793	1,786
Deferred tax liabilities	611	690
Noncurrent income tax provisions	235	205
Other noncurrent provisions	1,455	1,462
Other noncurrent financial liabilities	2,507	2,652
Other noncurrent liabilities	2,002	1,971
	19,959	21,250
Current liabilities		
Current financial liabilities	9,611	8,646
Trade payables	5,855	5,518
Current income tax payables	199	236
Current income tax provisions	9	14
Other current provisions	1,940	1,831
Other current financial liabilities	2,222	2,113
Other current liabilities	4,196	4,253
Liabilities directly associated with assets held for sale	-	21
	24,032	22,632
Total equity and liabilities	58,853	58,256

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Statement of Cash Flows
of the TRATON GROUP for the period January 1 to March 31

€ million	3M 2023	3M 2022
Cash and cash equivalents as of 01/01 (reported in the balance sheet)	1,439	2,002
Cash and cash equivalents reported separately at the beginning of the year (assets held for sale)	304	–
Cash and cash equivalents as of 01/01	1,743	2,002
Earnings before tax	703	570
Income taxes paid	-249	-135
Depreciation and amortization of, and impairment losses on, intangible assets, property, plant, and equipment, and investment property ¹	333	320
Amortization of, and impairment losses on, capitalized development costs ¹	95	84
Depreciation of products leased out ¹	269	300
Change in pension obligations	-24	-26
Earnings on disposal of noncurrent assets and equity investments	103	-5
Share of earnings of equity-method investments	-35	-33
Other noncash income/expense	54	-216
Change in inventories	-759	-317
Change in receivables (excluding financial services)	-300	-214
Change in liabilities (excluding financial liabilities)	416	-135
Change in provisions	125	-103
Change in products leased out	-141	-102
Change in financial services receivables	-391	-135
Net cash provided by/used in operating activities	201	-147
Investments in intangible assets (excluding capitalized development costs) and in property, plant, and equipment ²	-217	-230
Additions to capitalized development costs	-168	-131
Investments to acquire subsidiaries	–	-52
Investments to acquire other investees	-19	-24
Proceeds from the disposal of subsidiaries	96	0
Proceeds from the disposal of intangible assets, property, plant, and equipment, and investment property	27	11
Change in marketable securities and investment deposits	0	200
Change in loans	56	2
Net cash used in investing activities	-224	-224

1 Net of impairment reversals

2 Of which in the TRATON Operations business area: €-216 million (3M 2022: €-229 million)



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€ million	3M 2023	3M 2022
Proceeds from the issuance of bonds	433	875
Repayment of bonds	-653	-652
Proceeds from loans extended by Volkswagen AG and Volkswagen International Luxemburg S.A.	280	280
Loan repayments to Volkswagen AG and Volkswagen International Luxemburg S.A.	-500	-1,049
Change in miscellaneous financial liabilities	299	776
Repayment of lease liabilities	-74	-61
Net cash provided by/used in financing activities	-215	169
Effect of exchange rate changes on cash and cash equivalents	-13	80
Change in cash and cash equivalents	-250	-122
Cash and cash equivalents as of 03/31	1,493	1,880

Contingent Liabilities and Commitments

of the TRATON GROUP as of March 31, 2023, and December 31, 2022

€ million	03/31/2023	12/31/2022
Liabilities under buyback guarantees	2,639	2,555
Contingent liabilities under guarantees	861	904
Other contingent liabilities	1,068	1,033
	4,568	4,492

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Segment Reporting

of the TRATON GROUP for the period January 1 to March 31

2023 REPORTING SEGMENTS

€ million	Scania Vehicles & Services	MAN Truck & Bus	Navistar Sales & Services	Volkswagen Truck & Bus	TRATON Financial Services	Total segments	Reconciliation	TRATON GROUP	of which TRATON Operations
Total sales revenue	4,172	3,404	2,738	709	352	11,375	-189	11,186	10,940
Intragroup sales revenue	-94	-71	6	0	-29	-189	189	-	-77
External sales revenue	4,078	3,333	2,744	709	323	11,186	0	11,186	10,863
Operating result	554	197	172	65	-20	968	-134	834	987
Operating result (adjusted)	554	197	172	65	82	1,070	-134	935	987

Segment Reporting

of the TRATON GROUP for the period January 1 to March 31

2022 REPORTING SEGMENTS

€ million	Scania Vehicles & Services	MAN Truck & Bus	Navistar Sales & Services	Volkswagen Truck & Bus	TRATON Financial Services	Total segments	Reconciliation	TRATON GROUP	of which TRATON Operations
Total sales revenue	3,180	2,548	2,068	690	297	8,784	-259	8,525	8,363
Intragroup sales revenue	-113	-47	-73	0	-16	-249	249	-	-110
External sales revenue	3,067	2,500	1,995	690	282	8,535	-10	8,525	8,253
Operating result	229	55	76	65	41	465	-110	355	424
Operating result (adjusted)	243	57	76	65	71	512	-110	402	441

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RECONCILIATION TO THE TRATON GROUP'S EARNINGS BEFORE TAX

€ million	3M 2023	3M 2022
Operating result (adjusted), total segments	1,070	512
Adjustments related to the sale of Russian entities and to impairments due to the war in Ukraine	-102	-46
Adjustments related to restructuring measures	-	-1
Operating result, TRATON Holding	-49	-29
Earnings effects from purchase price allocation not allocated to the segments	-74	-75
Consolidation	-11	-7
Operating result (TRATON GROUP)	834	355
Financial result	-131	215
Earnings before tax (TRATON GROUP)	703	570

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June 1, 2023

Annual General Meeting

July 26, 2023

2023 Half-Year Financial Report

October 25, 2023

9M 2023 Interim Statement

The latest information and dates are available on TRATON SE's website at
www.traton.com/financialcalendar.

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TRATON SE

The Executive Board

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