

TRATON GROUP reports strong growth in the first quarter of 2021

- TRATON brands sell 60,300 vehicles in the first quarter, an increase of 31% compared to the prior-year quarter
- The TRATON GROUP's preliminary sales revenue up 15% on the prior-year period at €6.5 billion
- Preliminary adjusted operating profit triples to around €510 million
- Significant improvement in preliminary net cash flow of the Industrial Business segment to approximately €390 million
- Forecast for full-year 2021 revised upward
- TRATON CEO Matthias Gründler: "The positive business development already recorded in the second half of 2020 gained further momentum in the first quarter of 2021. In light of this, we are now looking ahead to the rest of the fiscal year with a bit more optimism."

Munich, April 19, 2021 – For the TRATON GROUP, the year 2021 began with strong growth in unit sales, sales revenue, and adjusted operating profit. Despite the continuing impact of the COVID-19 pandemic, the three brands Scania, MAN, and Volkswagen Caminhões e Ônibus (VWCO) reported a 31% increase in **unit sales** in the first quarter as against the prior-year period, with 60,300 (3M 2020: 46,000) vehicles sold. Significantly higher sales of trucks (including MAN TGE vans), up 36% at 57,200 (3M 2020: 42,000) vehicles, were offset by a 23% decline in bus sales to 3,100 (3M 2020: 4,000) vehicles.

The TRATON GROUP increased its **preliminary sales revenue** by 15% to around €6.5 billion between January and March, compared to €5.7 billion in the same period last year. **Preliminary adjusted operating profit** tripled to approximately €510 million (3M 2020: €161 million). **Preliminary operating return on sales** rose by 5 percentage points to around 7.9% (3M 2020: 2.8%).

Unadjusted **operating profit** came to around €150 million (3M 2020: €161 million). This figure contains expenses in the amount of €362 million for the realignment of MAN Truck & Bus. It does not contain any expenses in connection with the Steyr plant.

The encouraging business performance in the first quarter resulted in **net cash flow** of around €390 million (3M 2020: €-167 million) in the **Industrial Business** segment. "The positive business development already recorded in the second half of 2020 gained further momentum in the first quarter of 2021. In light of this, we are now looking ahead to the rest of the fiscal year with a bit more optimism," said **TRATON CEO Matthias Gründler**.

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The TRATON GROUP is revising two aspects of its **outlook** for the current fiscal year upward: **operating return on sales** is now expected to range between 5.0 and 7.0% (previously 5.0 to 6.0%). The **cash conversion rate** in the current fiscal year is no longer considered a meaningful indicator due to the planned restructuring of MAN Truck & Bus. We are expecting **net cash flow in the Industrial Business segment** to range between €500 and €700 million for the current year. The forecast does not contain any expenses or payments for the MAN Truck & Bus restructuring program and does not include the impact of the planned Navistar takeover. The ranges reflect the continuing high level of uncertainty regarding the further course of the COVID-19 pandemic and the associated countermeasures taken by the affected countries, as well as their potential impact on production and supply chains.

TRATON will report further details of the overall business performance in the first quarter on May 10, 2021.

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TRATON SE is a wholly owned subsidiary of Volkswagen AG and a leading commercial vehicle manufacturer worldwide with its MAN, Scania, Volkswagen Caminhões e Ônibus, and RIO brands. In 2020, the TRATON GROUP's brands sold around 190,200 vehicles in total. Its range comprises light-duty commercial vehicles, trucks, and buses, at 29 production and assembly sites in 17 countries. The Company had a workforce of around 82,600 worldwide across its commercial vehicle brands as of December 31, 2020. The Group aims to reinvent transportation — with its products, its services, and as a partner to its customers.

