


Q2 MAN Group:
Market environment remains difficult for MAN

€ million	2013 H1	2012 H1	Change in %	2013 Q2	2012 Q2	Change in %
Order intake	7,739	8,328	–7	3,985	3,960	1
Revenue	7,539	7,694	–2	3 987	3,849	4
Operating profit/loss	–10	473	–	72	219	–67

- Still no significant economic recovery in sight in our core markets, resulting in a reluctance to invest
- MAN Group's order intake and revenue down year-on-year in the first six months
- European commercial vehicles market continues to decline; growth in Brazil following a weak prior-year quarter
- MAN Group records small operating loss due to very high project-related provisions in the power plant business and continued weakness in the marine sector
- Free cash flow impacted by weak result and increase in net capital employed
- Outlook for full-year 2013: Revenue on a level with the prior year, very pronounced decline in operating profit

Interim Report as of June 30, 2013 – Q2 2013

MAN SE

Q2 MAN Group

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Letter to our Shareholders

Market environment remains difficult for MAN

Dear Shareholders,

The MAN Group's figures for the first six months of 2013 were down on the prior-year level. This is primarily due to the economic environment, which remains difficult. Unfortunately, we are still not seeing any significant recovery in the global economy. In particular, the euro zone — which is extremely important to our business — is still in recession. As a result, our customers in both the Commercial Vehicles and the Power Engineering business areas are continuing to postpone capital expenditures or are investing much less. As a result, the European commercial vehicles market contracted significantly in the first six months of the current fiscal year, as expected. By contrast, demand for commercial vehicles picked up again in Brazil.

As in the Commercial Vehicles business area, MAN is continuing to see a difficult market environment in Power Engineering. Alongside ongoing economic uncertainties in this business area, too, many customers are still having difficulty securing financing for larger projects. This is leading to delays in awarding contracts. In addition, we were faced with very high project-related provisions in the Power Plants strategic business unit and lower revenue in the license business.

The strained market situation naturally impacted order intake. In the Commercial Vehicles business area, this was down 6% year-on-year in the first half of 2013, at approximately €6.1 billion. However, order intake picked up again in the second quarter, rising by €128 million compared with the first quarter.

While orders received by MAN Truck & Bus declined by 11% in the first half of 2013 to €4.5 billion, MAN Latin America recorded a 11% rise over the same period, to €1.6 billion.

Order intake in the Power Engineering business area decreased by 7% in the first six months to €1.8 billion. MAN Diesel & Turbo's orders declined to €1.6 billion. Renk generated an order intake of €237 million, down 16% on the extremely good prior-year figure. The MAN Group's order intake in the first two quarters of 2013 was therefore €7.7 billion, a decrease of 7%.

By contrast, the MAN Group's revenue only declined slightly. At €7.5 billion, it was down 2% on the first half of the last fiscal year. This is due to a 7% decrease in the Power Engineering business area. The improvement at MAN Latin America led to a slight 1% increase in the Commercial Vehicles business area.

By contrast, the MAN Group recorded a small operating loss of €10 million in the first half of 2013, which corresponds to a return on sales of –0.1%. This is primarily attributable to the decline in the Power Engineering business area, which recorded an operating loss of €193 million. This was largely due to very high provisions for a major project in the Power Plants strategic business unit that has not yet been completed.

We recorded an operating profit of €142 million in the Commercial Vehicles business area in the first six months. Of this figure, €35 million was attributable to MAN Truck & Bus. MAN Latin America generated an operating profit of €107 million during the period.

As expected, the second quarter of 2013 was better than the first. Nevertheless, much will depend on how quickly the global economy recovers from the uncertainties triggered by the euro crisis, for example. For the time being, the environment remains difficult for MAN. However, we have experience with pronounced economic fluctuations in our industry. Overall, global demand for innovative solutions in the transportation and energy sectors will continue to rise. This is and remains the guarantee for long-term profitable growth for your company.

Finally, I am able to inform you that the domination and profit and loss transfer agreement between Truck & Bus GmbH, a wholly owned subsidiary of Volkswagen AG domiciled in Wolfsburg, and MAN SE, Munich, was entered in MAN SE's commercial register on July 16, 2013, and is now effective. This allows us to work together in a much more efficient and unbureaucratic manner within the Volkswagen Group.

Dr.-Ing. Georg Pachta-Reyhofen
Chief Executive Officer of MAN SE

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Introduction

The Group interim financial report of MAN SE meets the requirements for a half-yearly financial report in accordance with the applicable provisions of the *Wertpapierhandelsgesetz* (WpHG — German Securities Trading Act) and, in accordance with section 37w of the WpHG, comprises the condensed interim consolidated financial statements, the interim management report of the Group, and a responsibility statement. 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 for fiscal year 2012 and the additional information on the Company contained in it.

At a Glance

€ million	2013 H1	2012[1)] H1	Change in %	2013 Q2	2012[1)] Q2	Change in %
Order intake	7,739	8,328	–7	3,985	3,960	1
Germany	1,630	1,742	–6	791	905	–13
Other countries	6,109	6,586	–7	3,194	3,055	5
Revenue	7,539	7,694	–2	3,987	3,849	4
Germany	1,491	1,580	–6	777	795	–2
Other countries	6,048	6,114	–1	3,210	3,054	5
Order backlog[2)]	6,184	6,094	1	6,184	6,094	1
Headcount[2) 3)]	53,769	54,283	–1	53,769	54,283	–1
of which: subcontracted employees	1,693	1,802	–6	1,693	1,802	–6
Germany	30,447	30,513	0	30,447	30,513	0
Other countries	23,322	23,770	–2	23,322	23,770	–2
			€ million			€ million
Operating profit/loss	–10	473	–483	72	219	–147
Earnings effects from purchase price allocations	–47	–51	4	–23	–23	0
Gains/losses from nonrecurring items	–	–190	190	–	–190	190
Earnings before tax (EBT)	–130	72	–202	14	–116	130
Net income/loss	–378	42	–420	–41	–88	47
Earnings per share from continuing operations (€)	–2.60	0.25	–2.85	–0.29	–0.62	0.33
Earnings per share from continuing operations excluding effects from purchase price allocations and nonrecurring items (€)	–2.39	1.78	–4.17	–0.19	0.78	–0.97
ROS (%)	–0.1	6.2	–6.3	1.8	5.7	–3.9
ROCE (%)	–0.3	14.2	–14.5	4.1	12.6	–8.5
Capital expenditures	213	489	–276	123	175	–52
Depreciation, amortization, and impairment of noncurrent assets (other than assets leased out)	246	416	–170	123	304	–181
R&D expenditures	397	390	7	204	206	–2
Cash earnings	59	492	–433	121	270	–149
Net cash used in operating activities	–535	–484	–51	–385	–379	–6
Net cash used in investing activities	–203	–811	608	–118	–157	39
of which: from acquisitions and divestments	–	–493	493	–	5	–5
Free cash flow	–738	–1,295	557	–503	–536	33
Cash and cash equivalents[2)]	516	1,366	–850	516	1,366	–850
Net financial debt[2)]	–4,797	–3,928	–869	–4,797	–3,928	–869
Total equity[2)]	4,893	5,632	–739	4,893	5,632	–739

Any differences in this Group interim financial report are due to rounding.
1) Operating profit/loss, earnings before tax, net income/loss, earnings per share from continuing operations, earnings per share from continuing operations excluding effects from purchase price allocations and nonrecurring items, ROCE, and total equity adjusted to reflect the retrospective application of IAS 19 (2011), see also the "Notes to the Condensed Interim Consolidated Financial Statements."
2) As of June 30, 2013, vs. December 31, 2012.
3) Including subcontracted employees.

Interim Management Report as of June 30, 2013

Economic environment

The global economy saw muted growth in the first half of 2013. In its 2013 summer report, the *Institut für Weltwirtschaft* (IfW — Institute for the World Economy) at the University of Kiel lowered its growth forecast for the current fiscal year slightly. Global economic growth is being held back by weak European demand, among other things. While the situation on the financial markets continued to improve, as did business sentiment, sentiment indicators remain at low levels. Underlying momentum remains weak and the economic recovery is still vulnerable to disruptions such as tensions in the financial markets or increases in commodity prices. Future developments will also depend heavily on the course of the sovereign debt crisis in the euro zone.

For the current year, the IfW expects that global GDP growth will remain on a level with the previous year at 3.2%, and that the pace of growth will quicken over the course of the year. At the beginning of the year, the IfW had forecast 3.4%. Despite the improved situation, it is still forecasting only moderate GDP growth for the advanced economies. Growth in the emerging economies slowed in the first few months of 2013, but the IfW is anticipating a gradual upturn, albeit at a reduced rate.

The euro zone is still in recession. The crisis-hit countries do not seem to be showing any signs of an economic recovery, although the downward trend is gradually slowing. GDP is expected to again contract this year in a number of southern European countries. In contrast, the IfW is predicting GDP growth of 0.5% for Germany, after 0.8% in the previous year. The IfW now expects GDP in the euro zone to decline by 0.6%, rather than the 0.2% decrease it forecasted at the beginning of the year.

Economic output is picking up in Brazil, a key market for MAN, but the upturn has been slower than expected. Growth forecasts for the current year were revised downwards from around 3.0% to 2.5%. In India, the IfW is expecting GDP growth in 2013 to be stronger than in the previous year, but is only forecasting 5.5%. The IfW adjusted its forecast for China and Russia in its 2013 summer report. It expects GDP growth to remain below the prior-year level in the current year, at 7.5% (previous year: 7.8%) and 2.5% (previous year: 3.4%), respectively.

Order intake and revenue down

At €7.7 billion, the MAN Group's order intake in the first half of 2013 was down 7% on the prior-year level. Order intake rose by 6% compared with the previous quarter in Q2/2013.

Order intake by business area						
€ million	2013 H1	2012 H1	Change in %	2013 Q2	2012 Q2	Change in %
Commercial Vehicles	6,054	6,465	–6	3,091	3,080	0
Power Engineering	1,838	1,974	–7	995	931	7
Others/Consolidation	–153	–111	–	–101	–51	–
MAN Group	**7,739**	**8,328**	–7	**3,985**	**3,960**	**1**

In the Commercial Vehicles business area, order intake amounted to €6.1 billion in the first six months, down 6% year-on-year (€6.5 billion) but rose by €128 million compared with the previous quarter.

MAN Truck & Bus received orders worth €4.5 billion in H1/2013 — a decrease of 11%. This reflects the sharp decline in the European commercial vehicles market in the first half of the year, which had been expected.

MAN Latin America lifted its order intake from €1.4 billion to €1.6 billion in the first six months, a year-on-year increase of 11%. Order intake rose significantly in Q2/2013 in particular compared with the prior-year quarter, which was dominated by the introduction of the Euro V emission standard.

At €1.8 billion, order intake in the Power Engineering business area in H1/2013 was down €136 million on the prior-year figure (€2.0 billion). Ongoing economic uncertainties and tougher financing conditions are continuing to lead to delays in awarding contracts. MAN Diesel & Turbo's orders declined by €92 million to €1.6 billion. The Power Plants strategic business unit recorded the sharpest decline (€85 million), followed by the Turbomachinery strategic business unit (€46 million). In contrast, the Engines & Marine Systems strategic business unit saw order intake rise by 6% to €745 million. At €237 million, Renk's order intake in the first half of the year fell short of the high prior-year figure (€281 million).

The proportion of international orders in the MAN Group in the first six months remained unchanged as against the previous year at 79%.

The MAN Group's order backlog as of June 30, 2013, was €6.2 billion, up €90 million on the December 31, 2012, level. The Commercial Vehicles business area recorded a 7% increase, while the order backlog in the Power Engineering business area remained almost unchanged.

Revenue by business area						
€ million	**2013 H1**	**2012 H1**	**Change in %**	**2013 Q2**	**2012 Q2**	**Change in %**
Commercial Vehicles	5,828	5,796	1	3,108	2,874	8
Power Engineering	1,844	1,987	–7	976	1,026	–5
Others/Consolidation	–133	–89	–	–97	–51	–
MAN Group	**7,539**	**7,694**	**–2**	**3,987**	**3,849**	**4**

The MAN Group's revenue declined by 2% year-on-year in the first six months to €7.5 billion. This is attributable to a 7% decline in revenue in the Power Engineering business area, while the Commercial Vehicles business area saw a slight improvement in revenue as against the previous year.

MAN Truck & Bus generated revenue of €4.2 billion in the first half of the year, down €119 million on the prior-year figure. This was primarily attributable to the significant decline in the European commercial vehicles market. MAN Latin America lifted its revenue by 11% to €1.6 billion (previous year: €1.4 billion). This rose in the second quarter by 29% compared with the prior-year period, which was dominated by the introduction of the Euro V emission standard.

At €1.8 billion, revenue in the Power Engineering business area in H1/2013 was down 7% on the prior-year figure. MAN Diesel & Turbo recorded revenue of €1.6 billion (previous year: €1.8 billion), mainly due to the continued weakness in the shipping industry. Accordingly, revenue in the Engines & Marine Systems strategic business unit was down 17% on the previous year. The Power Plants strategic business unit also saw an 8% decrease in revenue, while the Turbomachinery strategic business unit remained unchanged. Renk lifted its revenue by 5% to €0.2 billion.

The MAN Group's domestic revenue declined by 6% year-on-year to €1.5 billion. International revenue proved significantly more robust, remaining almost unchanged at €6.0 billion. The fact that 80% of revenue was generated outside of Germany testifies to the international nature of the MAN Group's business.

Slight operating loss

The MAN Group recorded an operating loss of €10 million in H1/2013, compared with an operating profit of €473 million in the previous year. This is primarily attributable to the Power Engineering business area, which recorded an operating loss of €193 million (previous year: operating profit of €239 million). In the Commercial Vehicles business area, operating profit declined by €71 million to €142 million.

The MAN Group's return on sales after the first two quarters was –0.1%, after 6.2% in the prior-year period. The return on sales for the Power Engineering business area dropped clearly to –10.5%

(previous year: 12.0%), whereas the Commercial Vehicles business area recorded a return on sales of 2.4% (3.7%).

Operating profit/loss by business area

€ million	2013 H1	2012 H1	Change € million	2013 Q2	2012 Q2	Change € million
Commercial Vehicles[1)]	142	213	–71	110	65	45
Power Engineering	–193	239	–432	–87	116	–203
Others/Consolidation	41	21	20	49	38	11
MAN Group[1)]	**–10**	**473**	**–483**	**72**	**219**	**–147**

1) 2012: Adjusted to reflect the retrospective application of IAS 19 (2011), see also the "Notes to the Condensed Interim Consolidated Financial Statements."

MAN Truck & Bus reported an operating profit of €35 million in the first six months (previous year: €83 million), €58 million of which was generated in the second quarter. The decrease compared with the previous year is mainly due to lower revenue, a deterioration in capacity utilization, and tighter margins in the Buses business. MAN Truck & Bus's return on sales declined from 1.9% in the previous year to 0.8%. MAN Latin America generated an operating profit of €107 million in the reporting period (previous year: €130 million). The decline was mainly attributable to stronger competition and ongoing weak demand for Euro V vehicles in the key market of Brazil. It was impossible to pass on the Euro V-related price increases caused by technical factors to the extent necessary. The return on sales was 6.8% as against 9.1% in the prior year.

In the Power Engineering business area, MAN Diesel & Turbo posted a clear operating loss of €221 million in the first half of 2013, after an operating profit of €212 million in the previous year. This was largely due to very high provisions for a major project in the Power Plants strategic business unit that has not yet been completed, as well as lower revenue in the license business. MAN Diesel & Turbo's return on sales amounted to –13.6% (previous year: 12.0%). Renk recorded an operating profit of €28 million in the first half of 2013 (previous year: €27 million), which corresponds to a return on sales of 12.3% (previous year: 12.6%).

All in all, the MAN Group recorded earnings before tax of €–130 million in H1/2013 (previous year: €72 million). The comparative prior-year period includes a nonrecurring earnings effect of €190 million from the impairment loss on the investment in Sinotruk Ltd., Hong Kong/China (Sinotruk). To enhance long-term comparability, effects from nonrecurring items as well as from purchase price allocations are not included in operating profit. Earnings before tax were also affected by an improvement in net interest expense.

The Group recorded a net loss of €378 million in the reporting period, compared with net income of €42 million in the previous year. Valuation allowances were recognized on deferred tax assets in respect of tax loss carryforwards in the first quarter of 2013 as a result of the change in tax status brought about by the domination and profit and loss transfer agreement between Truck & Bus GmbH, Wolfsburg, a wholly owned subsidiary of Volkswagen AG, Wolfsburg, and MAN SE. The total tax expense amounted to €248 million, resulting in a tax rate of –190.4% (previous year: 42.0%). For further information, please refer to the sections entitled “Events after the reporting period” and “Notes to the Condensed Interim Consolidated Financial Statements.”

Earnings per share from continuing operations were €–2.60 as against €0.25 in the prior-year period. Excluding the effects of purchase price allocations, earnings per share amounted to €–2.39 (previous year: €1.78).

Free cash flow impacted by decline in earnings and lower capital expenditure

Free cash flow from the MAN Group’s operating and investing activities amounted to €–738 million in the first half of the year (previous year: €–1,295 million). The comparative prior-year period was impacted by the divestment of Ferrostaal (€345 million) and the acquisition of subsidiaries (€164 million).

Free cash flow by business area

€ million	2013 H1	2012 H1	Change € million	2013 Q2	2012 Q2	Change € million
Commercial Vehicles	–406	–786	380	–295	–452	157
Power Engineering	–239	–47	–192	–144	–61	–83
Others/Consolidation	–93	–462	369	–64	–23	–41
MAN Group	**–738**	**–1,295**	**557**	**–503**	**–536**	**33**

In the first half of 2013, the MAN Group’s cash earnings declined by €433 million year-on-year to €59 million due to earnings-related factors.

Net capital employed rose by €594 million in the first six months, significantly less than in the previous year (€976 million). This was mainly attributable to the €358 million increase in inventories (previous year: €375 million) and the €183 million increase in receivables (previous year: decrease of €217 million) in the reporting period. Trade payables declined by €141 million in the period under review (previous year: €571 million). These effects were partially offset by the €189 million increase in other provisions (previous year: decrease of €60 million) and the €41 million decrease in assets leased out (previous year: increase of €68 million). Cash flow from the MAN Group’s operating activities amounted to €–535 million, compared with €–484 million in the first half of 2012.

At €203 million, net cash used in investing activities improved significantly year-on-year (previous year: €811 million). The prior-year period was, however, impacted by the divestment of Ferrostaal (€345 million) and the acquisition of subsidiaries (€164 million), in particular the acquisition of the remaining shares in the former joint venture MAN FORCE TRUCKS Private Limited, Akurdi/India. In the first half of 2013, the MAN Group invested €212 million in property, plant, and equipment, and intangible assets — significantly less than in the previous year (€317 million). Of this decline, €75 million is attributable to MAN Truck & Bus.

Free cash flow from the Commercial Vehicles business area's operating and investing activities amounted to €–406 million (previous year: €–786 million). This included a positive cash flow of €47 million generated by the Financial Services business. In the Power Engineering business area, free cash flow declined to €–239 million in the first half of 2013 (previous year: €–47 million) due to the deterioration in earnings. Free cash flow from Others/Consolidation amounted to €–93 million (previous year: €–462 million); the prior-year figure included the divestment of Ferrostaal. Overall, free cash flow in the Industrial Business was negative, at €–785 million (previous year: €–1,076 million).

The MAN Group's net financial debt was €4,797 million on June 30, 2013, compared with €3,928 million as of December 31, 2012. Net financial debt in the Financial Services fell to €2,872 million in the first six months (previous year: €2,930 million) and rose to €1,925 million (previous year: €998 million) in the Industrial Business.

In June 2013, Moody's lifted its outlook for MAN's long-term rating (A3) from "stable" to "positive."

Lower headcount in first half of the year

As of June 30, 2013, the MAN Group employed 53,769 people including subcontracted employees. The headcount declined by 514 (including subcontracted employees) or roughly 1% as against December 31, 2012. At the end of the first six months, 30,447 people were employed in Germany and 23,322 abroad. The proportion of employees abroad was therefore 43%.

The MAN Group had 1,693 subcontracted employees as of June 30, 2013, 6% fewer than at December 31, 2012 (1,802). The Group's permanent staff declined by 405 compared with December 31, 2012, to 52,076.

The number of staff (including subcontracted employees) at MAN Truck & Bus fell by 438 as against December 31, 2012, to 34,441. This was due to the decrease of 486 in the number of permanent staff; the number of subcontracted employees rose by 48. At 1,932, the headcount at MAN Latin America remained almost unchanged as against December 31, 2012 (1,937).

As of June 30, 2013, MAN Diesel & Turbo employed 14,804 people including subcontracted employees, 59 fewer than on December 31, 2012. The number of subcontracted staff in particular decreased by 127, while permanent staff rose by 68. The headcount at Renk increased from 2,245 to 2,261.

Outlook for the MAN Group

The MAN Group's management still does not anticipate any significant economic recovery in 2013. There remain significant uncertainties surrounding the economic environment, particularly in light of the sovereign debt crisis in Europe. Assuming that the European sovereign debt crisis does not escalate further and that the current uncertainties in the emerging economies do not materially impact their economic growth, MAN SE’s Executive Board currently expects the following:

MAN is expecting the commercial vehicles business to decline in Europe in 2013. In Brazil, sales are expected to return to growth following the changeover to the Euro V emission standard in 2012. These forecasts assume that investment will continue to be buoyed by government stimulus measures and that the political situation does not significantly impact economic growth. Revenue in the Commercial Vehicles business area is expected to match the prior-year figure. Amidst still strong competition and often stagnating markets, the return on sales is expected to be on a level with the previous year at approximately 4%.

The Power Engineering business area is expecting a decrease in revenue in 2013 following its weak order intake in fiscal 2012. The return on sales will decline significantly as against 2012, negatively impacted by the ongoing decrease in the license business in the marine sector, worse-than-expected growth in the after-sales business, and in particular, very high project-related provisions in the power plants business. The Power Engineering business area is therefore only expected to record a slightly positive return on sales in 2013.

As a result, the MAN Group will see revenue on a level with the previous year and a very pronounced decline in operating profit in 2013. The return on sales will be quite substantially below the 2012 figure.

Risk Report

The risk report should be read in conjunction with our disclosures in the 2012 Annual Report. The MAN Group’s risk position has not changed significantly as against the assessment contained in the report.

With respect to current developments in connection with the economic situation and their effects on MAN’s order situation in particular, as well as on its revenue and earnings, please see the sections entitled “Economic environment” and “Outlook for the MAN Group,” along with the information provided on the individual segments in “The Divisions in Detail.”

Litigation/legal proceedings

For information regarding “Litigation/legal proceedings,” please see the “Notes to the Condensed Interim Consolidated Financial Statements.”

MAN shares

In the first half of 2013, positive momentum came from hopes of a stabilization of the world economy and the central banks' ongoing loose monetary policy. As a result, share prices reached historic highs, particularly in Europe and the U.S.A. In the second quarter of 2013, the U.S. Federal Reserve's announcement that it might end its bond-buying program ahead of schedule and fears of liquidity bottlenecks at Chinese banks triggered what were in part severe market reactions around the world. At the same time, the euro zone continued to be dominated by ongoing debt problems and bleak prospects for recovery.

Nevertheless, the German benchmark index, the Dax, gained more than 4% overall in the period from January to June 2013, closing at 7,959 points on June 30, 2013. The MDax climbed by around 15% to 13,706 points. MAN's common shares advanced almost 4% in the same period, up from a closing price of €80.75 on December 31, 2012. The price of MAN common shares remained more or less unchanged in the second quarter of 2013, closing at €83.90 on June 30, 2013, compared with a closing price of €83.87 on March 31, 2013.

The 133rd Annual General Meeting of MAN SE on June 6, 2013, resolved to distribute a dividend of €1.00 per no-par value share carrying dividend rights (common and preferred shares) for fiscal 2012. The dividend was paid on June 7, 2013. For further information on the domination and profit and loss transfer agreement entered into between Truck & Bus GmbH, Wolfsburg, a wholly owned direct subsidiary of Volkswagen Aktiengesellschaft, and MAN SE, see the “Notes to the Condensed Interim Consolidated Financial Statements” and “Events after the reporting period.”

Key data by division

Order intake by division

€ million	2013 H1	2012 H1	Change in %	2013 Q2	2012 Q2	Change in %
MAN Truck & Bus	4,479	5,041	–11	2,338	2,496	–6
MAN Latin America	1,575	1,424	11	753	584	29
MAN Diesel & Turbo	1,601	1,693	–5	874	784	12
Renk	237	281	–16	121	147	–18
Others/Consolidation	–153	–111	–	–101	–51	–
MAN Group	**7,739**	**8,328**	–7	**3,985**	**3,960**	**1**

Revenue by division

€ million	2013 H1	2012 H1	Change in %	2013 Q2	2012 Q2	Change in %
MAN Truck & Bus	4,253	4,372	–3	2,355	2,290	3
MAN Latin America	1,575	1,424	11	753	584	29
MAN Diesel & Turbo	1,619	1,772	–9	874	916	–5
Renk	225	215	5	102	110	–7
Others/Consolidation	–133	–89	–	–97	–51	–
MAN Group	**7,539**	**7,694**	–2	**3,987**	**3,849**	**4**

Operating profit/loss by division

€ million	2013 H1	2012[1)] H1	Change € million	2013 Q2	2012[1)] Q2	Change € million
MAN Truck & Bus	35	83	–48	58	15	43
MAN Latin America	107	130	–23	52	50	2
MAN Diesel & Turbo	–221	212	–433	–99	103	–202
Renk	28	27	1	12	13	–1
Others/Consolidation	41	21	20	49	38	11
Operating profit/loss	**–10**	**473**	**–483**	**72**	**219**	**–147**
Earnings effects from purchase price allocations	–47	–51	4	–23	–23	–
Gains/losses from nonrecurring items	–	–190	190	–	–190	190
Net interest expense	–73	–160	87	–35	–122	87
Earnings before tax (EBT)	**–130**	**72**	**–202**	**14**	**–116**	**130**
Income taxes	–248	–30	–218	–55	28	–83
Net income/loss	**–378**	**42**	**–420**	**–41**	**–88**	**47**

1) Adjusted to reflect the retrospective application of IAS 19 (2011), see also the “Notes to the Condensed Interim Consolidated Financial Statements.”

In this Group interim financial report, the breakdown of order intake, revenue, and operating profit/loss by division is based on the segment reporting used in the MAN Group.

The Divisions in Detail

MAN Truck & Bus

€ million	2013 H1	2012 H1	Change in %	2013 Q2	2012 Q2	Change in %
Order intake	4,479	5,041	–11	2,338	2,496	–6
of which: Trucks	3,729	4,306	–13	1,923	2,151	–11
of which: Buses	675	735	–8	374	345	9
of which: Financial Services[1)]	98	–	–	49	–	–
of which: consolidation	–23	–	–	–8	–	–
Order intake (units)	36,927	46,129	–20	18,838	22,708	–17
of which: Trucks	34,220	43,361	–21	17,351	21,382	–19
of which: Buses	2,707	2,768	–2	1,487	1,326	12
Revenue	4,253	4,372	–3	2,355	2,290	3
of which: Trucks	3,522	3,753	–6	1,941	1,954	–1
of which: Buses	659	619	6	378	336	12
of which: Financial Services[1)]	98	–	–	49	–	–
of which: consolidation	–26	–	–	–13	–	–
Vehicle sales (units)	35,249	39,824	–11	19,536	21,833	–11
of which: Trucks	32,772	37,556	–13	18,081	20,538	–12
of which: Buses	2,477	2,268	9	1,455	1,295	12
Production (units)	35,522	40,955	–13	19,085	20,337	–6
of which: Trucks	32,793	38,566	–15	17,681	19,194	–8
of which: Buses	2,729	2,389	14	1,404	1,143	23
Headcount[2)]	34,441	34,879	–1	34,441	34,879	–1
			€ million			€ million
Operating profit/loss[3) 4)]	35	83	–48	58	15	43
of which: Trucks	69	97	–28	73	26	47
of which: Buses	–36	–16	–20	–16	–12	–4
of which: Financial Services	2	2	0	1	2	–1
ROS (%)[3) 4)]	0.8	1.9	–	2.5	0.6	–

1) Relates to EURO-Leasing GmbH, Sittensen, Germany, which was transferred from the Trucks business to the Financial Services business effective December 31, 2012; no elimination for unit sales.
2) Headcount (including subcontracted employees) as of June 30, 2013, vs. December 31, 2012.
3) Including consolidation effects between Financial Services and Trucks/Buses.
4) 2012: Adjusted to reflect the retrospective application of IAS 19 (2011), see also the “Notes to the Condensed Interim Consolidated Financial Statements.”

As expected, the European commercial vehicles market contracted significantly in the first six months of the current fiscal year. Order intake at MAN Truck & Bus declined by 11% year-on-year to €4,479 million in this ongoing difficult market environment. Measured in terms of units, order intake was down 20% on the previous year, at 36,927 vehicles (previous year: 46,129).

At €3,729 million, order intake in the Trucks business remained below the previous year (€4,306 million). The unit figure fell by 21% compared with the first half of 2012. This development was mainly attributable to lower year-on-year order intake in Germany, the United Kingdom, Russia, and the Middle East, especially in Saudi Arabia.

At €675 million, order intake in the Buses business remained down on the previous year (€735 million). Measured in unit terms, the figure fell slightly by 2% year-on-year. The main factors behind the decline were the drop in order intake for intercity and city buses in Germany and Turkey. The comparatively strong decrease in order intake in Turkey is due to a major order in the previous year. A rise in order intake in the chassis business, in particular in South Africa and in Israel, partially offset the trend in intercity and city buses.

MAN Truck & Bus generated revenue of €4,253 million, a 3% decrease year-on-year (previous year: €4,372 million). This decline was caused by the Trucks business, where revenue decreased by 6% to €3,522 million (previous year: €3,753 million). At 32,772 trucks, unit sales were also down on the prior-year figure of 37,556. This sharp decline was primarily attributable to the decrease in unit sales of the TGX and TGS series. In particular, Germany, France, the United Kingdom, and Russia saw a decline in unit sales compared with the previous year. In the first half of 2013, MAN Truck & Bus had a 16.2% share of the European market for trucks over 6 t (previous year: 17.4%).

The Buses business recorded revenue of €659 million in the first half of 2013, exceeding the prior-year level by €40 million. It sold 2,477 buses (previous year: 2,268), a year-on-year increase of 9%. The main driver for this was the city bus business in Turkey and Sweden. MAN Truck & Bus accounted for 13.8% of the European bus market (previous year: 12.5%).

In the first half of 2013, production volumes in the Trucks business were scaled back by 5,773 units (–15%) as against the previous year due to weaker demand. Production in the Buses business increased by 340 units (14%).

The number of employees (including subcontracted employees) as of June 30, 2013, declined by 438 people (–1%) compared with December 31, 2012, to 34,441. This slight decline is attributable to the measures introduced to combat weakening demand. Permanent staff decreased by 486, while the number of subcontracted employees increased by 48, largely due to seasonal factors in the Buses business. 247 vocational trainees were given permanent positions.

At €35 million, operating profit in the first half of 2013 was significantly lower than the prior-year figure (€83 million). This corresponds to a return on sales of 0.8% (previous year: 1.9%). In the Trucks business, the decline in operating profit is primarily attributable to lower revenue and the deterioration in capacity utilization, as well as to higher research and development expenses. Administrative and selling expenses declined as a result of the measures introduced. Lower margins and bad debt allowances on receivables in the Buses business led to an operating loss of €36 million (previous year: operating loss of €16 million). Operating profit for Financial Services amounted to €2 million after the first six months of fiscal 2013 (previous year: €2 million).

The Management of MAN Truck & Bus expects revenue in 2013 to be on a level with the previous year. If the economic situation does not deteriorate any further, MAN Truck & Bus is expecting the operating profit and thus the return on sales to improve slightly in 2013. MAN Truck & Bus will work systematically to sustainably increase its earnings quality in a difficult market environment characterized by even fiercer competition. Comprehensive measures have already been taken to cut costs, increase efficiency, and introduce more flexibility into production.

MAN Latin America

€ million	2013 H1	2012 H1	Change in %	2013 Q2	2012 Q2	Change in %
Order intake	1,575	1,424	11	753	584	29
Order intake (units)	30,301	28,559	6	15,216	11,548	32
Revenue	1,575	1,424	11	753	584	29
Vehicle sales (units)	30,301	28,559	6	15,216	11,548	32
Production (units)	32,499	21,605	50	16,856	12,099	39
Headcount[1)]	1,932	1,937	0	1,932	1,937	0
			€ million			€ million
Operating profit	107	130	–23	52	50	2
ROS (%)	6.8	9.1	–	6.8	8.6	–

1) Headcount (including subcontracted employees) as of June 30, 2013, vs. December 31, 2012.

In the first half of 2013, MAN Latin America received orders totaling €1.6 billion (previous year: €1.4 billion), an increase of 11% year-on-year. Order intake rose significantly in the second quarter in particular compared with the prior-year quarter, which was dominated by the introduction of the Euro V emission standard in Brazil. A total of 30,301 vehicles were sold in the first six months of the year (previous year: 28,559).

At 72,894, the number of new truck registrations in the over 5 t class in Brazil, Latin America's largest market, was up 6% on the 2012 figure in the reporting period. New registrations increased especially fast in the second quarter — up 22% on the prior-year quarter, which was impacted by the introduction of the Euro V standard. The market recovery was confined to the super-heavy truck market segment. The main drivers were the more favorable financing terms offered by the Brazilian Development Bank and high demand for transportation due to the record grain harvest. MAN Latin America generated a market share of 27.8% (previous year: 32.0%) in what continues to be a highly competitive environment, recording a total of 20,297 (previous year: 21,955) new truck registrations. The decline is attributable to its as yet limited presence in the super-heavy truck segment. Nevertheless, MAN Latin America maintained its more than ten-year leadership of the Brazilian market in the over 5 t class. Unit sales in the Brazilian truck market were 21,166 vehicles, up slightly on the prior-year level (20,906).

New registrations in the Brazilian bus market increased by 5% to 15,531 units. MAN Latin America benefited more than average from this positive trend thanks to a government order for a large number of school buses, increasing new registrations by 23% to 4,640 units. The company increased its market share to 29.9% (25.6%), confirming its number two position in the local market. MAN Latin America sold 5,346 bus chassis (3,088) in Brazil in the first half of the year.

Exports by all of Brazil’s commercial vehicles manufacturers were down slightly on the first six months of the previous year. Outside of Brazil, MAN Latin America sold 2,272 vehicles (previous year: 2,368) in the second quarter after 1,517 vehicles (previous year: 2,197) in the first quarter, remaining one of Brazil’s leading exporters with 21.4% of the country’s truck exports.

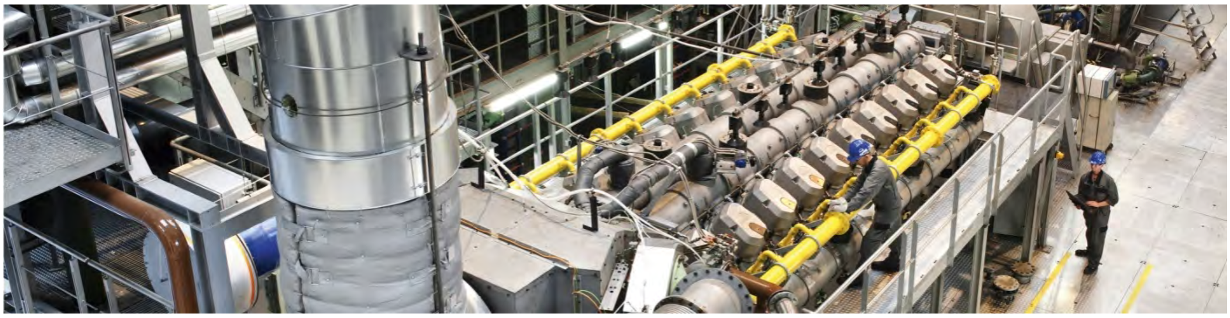
Production volumes increased in the first six months to 25,627 trucks (+47%) and 6,872 bus chassis (+65%).

Operating profit amounted to €107 million in the first half of 2013, compared with €130 million in the previous year. This was mainly attributable to stronger competition and ongoing weak demand for Euro V vehicles in the key market of Brazil. Against this backdrop, it was impossible to pass on the Euro V-related price increases caused by technical factors to the extent necessary. The weaker Brazilian Real was another factor. MAN Latin America’s return on sales in the first six months was 6.8% (previous year: 9.1%).

The introduction of the Euro V emission standard in 2012 was the main reason behind the decline in the Brazilian commercial vehicles market, which is an important one for MAN Latin America. Its recovery from this has been slower than expected. To counter this, the Brazilian government extended its investment subsidy program and its targeted, subsidized financing for trucks and buses until the end of 2013. Additional contracts were also awarded for school buses and trucks, giving MAN Latin America important purchase commitments for the current fiscal year. However, domestic economic growth remains low in Brazil and may negatively impact the second half of the year.

The Management of MAN Latin America is expecting a slight increase in full-year revenue for 2013. The return on sales is expected to be down slightly on 2012 due to continued intense competition and the associated price pressure. These forecasts assume that there will be no significant change in exchange rates and that the political situation will not impact economic growth significantly.

MAN Diesel & Turbo



€ million	2013 H1	2012 H1	Change in %	2013 Q2	2012 Q2	Change in %
Order intake[1)]	1,601	1,693	–5	874	784	12
of which: Engines & Marine Systems	745	705	6	414	328	26
of which: Power Plants	253	338	–25	178	140	28
of which: Turbomachinery	603	650	–7	282	316	–11
Revenue[1)]	1,619	1,772	–9	874	916	–5
of which: Engines & Marine Systems	648	784	–17	333	377	–12
of which: Power Plants	288	314	–8	158	174	–9
of which: Turbomachinery	683	674	1	383	365	5
Headcount[2)]	14,804	14,863	0	14,804	14,863	0
			€ million			€ million
Operating profit/loss	–221	212	–433	–99	103	–202
of which: Engines & Marine Systems	44	167	–123	23	77	–54
of which: Power Plants	–294	0	–294	–153	0	–153
of which: Turbomachinery	29	45	–16	31	26	5
ROS (%)	–13.6	12.0	–	–11.3	11.2	–

1 Including consolidation adjustments between the Engines & Marine Systems, Power Plants, and Turbomachinery strategic business units.
2) Headcount (including subcontracted employees) as of June 30, 2013, vs. December 31, 2012.

High levels of overcapacity in the merchant fleet still dominate the market for merchant shipbuilding. This situation will be further intensified by additional tonnage hitting the market. Nevertheless, slightly more orders for merchant ships were received in the second quarter and demand for special ships remained strong. Demand for energy generation remains high, with a strong trend towards higher flexibility and decentralized availability. However, growth in the markets for power plant applications was more muted than expected in the first half of the year. The turbomachinery market is dominated by sustained high demand for primary materials as well as the encouraging trend in the oil and gas industry. However, economic uncertainties, tougher financing conditions, and fiercer competition are persisting.

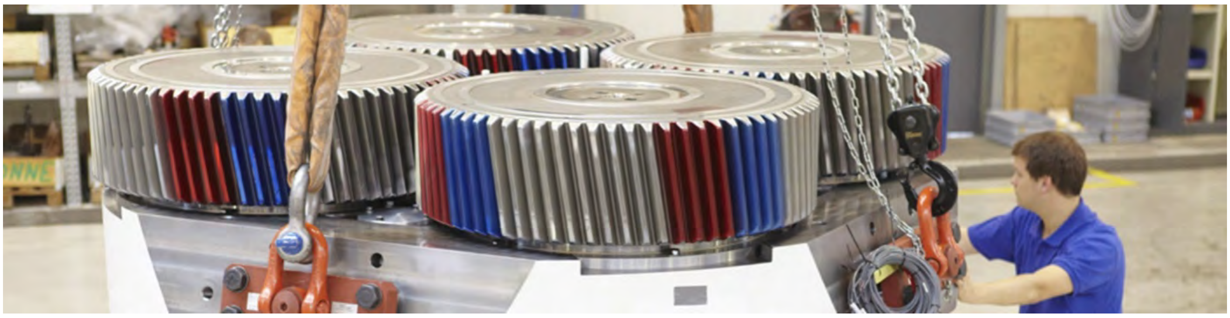
Order intake at MAN Diesel & Turbo amounted to €874 million in Q2/2013, up 12% on the prior-year period. The figure for the first half of 2013 was €1,601 million, 5% lower than in the previous year (€1,693 million). In the Engines & Marine Systems strategic business unit, order intake amounted to €745 million, up 6% on the previous year (€705 million). New construction business in particular recorded an increase due to stronger demand for specialist applications such as LNG tankers, cruise liners, and offshore ships. The continued weakness in the shipping industry has now spread to the after-sales business in addition to the new construction business. For example, maintenance work is being pushed back and ships scrapped earlier, meaning that additional spare parts are hitting the market. As a result, order intake in the license and after-sales businesses remained below the prior-year level. In the Power Plants strategic business unit, order intake was €253 million, significantly short of the prior-year figure of €338 million. This 25% decline was due to delays in awarding contracts in the new construction business. At €603 million, order volumes in the Turbomachinery strategic business unit were down 7% year-on-year (previous year: €650 million).

Revenue amounted to €874 million in Q2/2013, corresponding to a 5% decrease year-on-year (€916 million). In the first half of 2013, revenue amounted to €1,619 million, down 9% on the previous year's figure of €1,772 million. In the Engines & Marine Systems strategic business unit, revenue declined by 17% to €648 million (previous year: €784 million). In particular, the fall impacted new engine construction and the license business. Revenue in the Power Plants strategic business unit declined by 8% to €288 million (previous year: €314 million) due to lower billings of new construction business year-on-year. By contrast, revenue in the Turbomachinery strategic business unit was €683 million, up slightly on the prior-year level (€674 million).

MAN Diesel & Turbo posted an operating loss of €99 million in Q2/2013 and an operating loss of €221 million in the first half of the year. The return on sales amounted to –13.6%. Profit in the Engines & Marine Systems strategic business unit declined year-on-year to €44 million (previous year: €167 million), due to lower volumes and changes to the product mix. The license business saw a particularly pronounced drop. The Power Plants strategic business unit was severely impacted in the first half of the year by the recognition of provisions for a major project that has not yet been completed. After breaking even in the previous year, its operating loss amounted to €294 million. Operating profit at the Turbomachinery strategic business unit in the first half of the year was impacted by the billing of less profitable new construction projects and only moderate growth in the after-sales business. Earnings amounted to €29 million, down on the previous year (€45 million).

The Management of MAN Diesel & Turbo expects an increase in order intake in fiscal 2013. Revenue in 2013 is expected to be below the prior-year level due to the weaker order intake in fiscal 2012. The return on sales will continue to be impacted considerably by the ongoing decrease in the license business in the marine sector, worse-than-expected growth in the after-sales business, persistent high competitive pressure, and the recognition of project-specific provisions. The MAN Diesel & Turbo business area is therefore expected to record a slightly negative return on sales in 2013.

Renk



€ million	2013 H1	2012 H1	Change in %	2013 Q2	2012 Q2	Change in %
Order intake	237	281	–16	121	147	–18
Revenue	225	215	5	102	110	–7
Headcount[1)]	2,261	2,245	1	2,261	2,245	1
			€ million			€ million
Operating profit	28	27	1	12	13	–1
ROS (%)[2)]	12.3	12.6	–	11.0	11.7	–

1) Headcount (including subcontracted employees) as of June 30, 2013, vs. December 31, 2012.
2) 2012: Adjusted to reflect the retrospective application of IAS 19 (2011), see also the “Notes to the Condensed Interim Consolidated Financial Statements.”

Renk’s order intake in the second quarter of 2013 was again below the figure for the comparative period of 2012. The Special Gear Units business recorded slight increases, while the rest of the business areas saw declines. While the decrease at Vehicle Transmissions was due in particular to the high levels of large orders received in the previous year, the subdued market for gear units used for marine applications and couplings impacted the Standard Gear Units business. The decline in demand for smaller bearings was the main factor affecting the Slide Bearings business.

Renk’s revenue in the first half of 2013 exceeded the comparable figure for 2012 due to the large surplus seen in the first quarter. Declines in the Vehicle Transmissions and Slide Bearings businesses were offset by a significant increase in the Standard Gear Units business. The Standard Gear Units business increased deliveries of vessel gear units and couplings in particular, while the Special Gear Units business held revenue steady year-on-year. Due to the short throughput times in the Slide Bearings business, revenue there already reflects the changed demand structure; by contrast, the relative decrease in the Vehicle Transmissions business resulted from the completion of a major delivery order in the previous year.

At €28 million, operating profit in the first half of 2013 was up slightly on the previous year. All businesses generated positive contributions to earnings, resulting in a return on sales of 12.3% in the first half of 2013 (12.6%).

Renk’s headcount rose by 16 in the first six months of 2013 to 2,261, with particular increases being seen at the Augsburg and Hanover sites. In addition, there was a shift from subcontracted employees to permanent positions.

Renk’s performance over the first six months confirms its previous outlook for fiscal 2013. Management continues to expect revenue on a level with the previous year, while anticipating a slight decline in operating profit; the return on sales will remain in double digits.

Others/Consolidation

€ million	2013 H1	2012 H1	Change in %	2013 Q2	2012 Q2	Change in %
Headcount[1]	331	359	–8	331	359	–8
of which: MAN Shared Services	68	85	–20	68	85	–20
of which: MAN SE	263	274	–4	263	274	–4
			€ million			€ million
Operating profit	41	21	20	49	38	11
of which: MAN SE and MAN Shared Services	–20	–39	19	–12	–24	12
of which: investment in Scania AB (dividend)	59	60	–1	59	60	–1
of which: investment in Sinotruk Ltd. (equity method)	–2	0	–2	0	0	0
of which: consolidation	4	0	4	2	2	0

[1] Headcount (including subcontracted employees) as of June 30, 2013, vs. December 31, 2012.

“Others/Consolidation” comprises MAN SE and its Shared Services companies, the investments held directly by MAN SE, and the consolidation adjustments between MAN Group divisions.

Operating profit amounted to €41 million after the first six months (previous year: €21 million). As in the previous year, profit in the second quarter reflects the dividend of €59 million (€60 million) from the investment in Scania AB, Södertälje/Sweden (Scania). The year-on-year improvement in the operating profit was primarily due to the Corporate Center and its Shared Services companies.

Related party disclosures

Please refer to the “Notes to the Condensed Interim Consolidated Financial Statements” for related party disclosures.

Events after the reporting period

The domination and profit and loss transfer agreement between Truck & Bus GmbH, Wolfsburg, and MAN SE was entered in MAN SE’s commercial register on July 16, 2013, and has been effective since that date. Further information can be found in the “Notes to the Condensed Interim Consolidated Financial Statements.”

Condensed Interim Consolidated Financial Statements as of June 30, 2013

MAN consolidated income statement

Reporting period January 1 to June 30

€ million	MAN Group		Industrial Business (supplemental information)		Financial Services (supplemental information)	
	2013	2012[1)]	2013	2012[1)]	2013	2012
Revenue	**7,539**	**7,694**	**7,441**	**7,694**	**98**	**–**
Cost of goods sold and services rendered	–6,236	–6,065	–6,143	–6,065	–93	–
Gross margin	**1,303**	**1,629**	**1,298**	**1,629**	**5**	**–**
Other operating income	220	225	100	117	120	108
Selling expenses	–578	–577	–568	–570	–10	–7
General and administrative expenses	–433	–500	–413	–487	–20	–13
Other operating expenses	–620	–417	–527	–331	–93	–86
Share of net income/loss of equity-method investments	–7	0	–7	0	0	0
Impairment losses on equity-method investments	–	–190	–	–190	–	–
Net income from financial investments	58	62	58	62	–	–
Earnings before interest and taxes (EBIT)	**–57**	**232**	**–59**	**230**	**2**	**2**
Interest income	15	17	14	17	1	–
Interest expense	–88	–177	–87	–177	–1	0
Earnings before tax (EBT)	**–130**	**72**	**–132**	**70**	**2**	**2**
Income taxes	–248	–30	–243	–33	–5	3
Net income/loss	**–378**	**42**	**–375**	**37**	**–3**	**5**
Net income attributable to noncontrolling interests	5	5	5	5	0	–
Net income/loss attributable to shareholders of MAN SE	**–383**	**37**	**–380**	**32**	**–3**	**5**
Earnings per share from continuing operations (fiscal 2012: diluted/basic) in €	**–2.60**	**0.25**				
Earnings per share from continuing and discontinued operations (fiscal 2012: diluted/basic) in €	**–2.60**	**0.25**				

1) Adjusted to reflect the retrospective application of IAS 19 (2011). See also “New and revised accounting pronouncements” on page 34.

MAN consolidated income statement

Reporting period April 1 to June 30

€ million	MAN Group		Industrial Business (supplemental information)		Financial Services (supplemental information)	
	2013	2012[1)]	2013	2012[1)]	2013	2012
Revenue	**3,987**	**3,849**	**3,938**	**3,849**	**49**	**–**
Cost of goods sold and services rendered	–3,332	–3,056	–3,287	–3,056	–45	–
Gross margin	**655**	**793**	**651**	**793**	**4**	**–**
Other operating income	110	101	50	38	60	63
Selling expenses	–298	–290	–293	–287	–5	–3
General and administrative expenses	–213	–261	–203	–254	–10	–7
Other operating expenses	–261	–211	–213	–160	–48	–51
Share of net income/loss of equity-method investments	–4	2	–4	2	0	0
Impairment losses on equity-method investments	–	–190	–	–190	–	–
Net income from financial investments	60	62	60	62	–	–
Earnings before interest and taxes (EBIT)	**49**	**6**	**48**	**4**	**1**	**2**
Interest income	6	7	6	7	0	–
Interest expense	–41	–129	–41	–129	0	0
Earnings before tax (EBT)	**14**	**–116**	**13**	**–118**	**1**	**2**
Income taxes	–55	28	–54	32	–1	–4
Net income/loss	**–41**	**–88**	**–41**	**–86**	**0**	**–2**
Net income attributable to noncontrolling interests	2	3	2	3	0	–
Net income/loss attributable to shareholders of MAN SE	**–43**	**–91**	**–43**	**–89**	**0**	**–2**
Earnings per share from continuing operations (fiscal 2012: diluted/basic) in €	**–0.29**	**–0.62**				
Earnings per share from continuing and discontinued operations (fiscal 2012: diluted/basic) in €	**–0.29**	**–0.62**				

1) Adjusted to reflect the retrospective application of IAS 19 (2011). See also “New and revised accounting pronouncements” on page 34.

MAN consolidated reconciliation of comprehensive income for the period

Reporting period January 1 to June 30

€ million	2013	2012[1)]
Net income/loss	**–378**	**42**
Items that will not be reclassified to profit or loss		
Actuarial gains and losses attributable to pensions and other post-employment benefits	68	–112
Deferred taxes	–17	36
Items that will be reclassified subsequently to profit or loss		
Currency translation differences	–167	–90
Change in fair values of marketable securities and financial investments	–78	246
Change in fair values of derivatives	–19	–1
Other comprehensive income for the period from equity-method investments	2	1
Deferred taxes	0	–3
Other comprehensive income for the period	**–211**	**77**
Total comprehensive income for the period	**–589**	**119**
of which attributable to noncontrolling interests	5	4
of which attributable to shareholders of MAN SE	**–594**	**115**

1) Adjusted to reflect the retrospective application of IAS 19 (2011). See also “New and revised accounting pronouncements” on page 34.

The other comprehensive income amounting to €–211 million consists mainly of €–167 million from the translation of the financial statements of foreign consolidated Group companies and €–78 million attributable to the loss on the fair value measurement of the investment in Scania, which is classified as an available-for-sale financial asset. These items are offset in part by actuarial gains on pensions and other post-employment benefits amounting to €68 million, in particular due to the increase in the discount rate for German pension obligations from 3.2% as of December 31, 2012, to 3.6% as of June 30, 2013.

Reporting period April 1 to June 30

€ million	2013	2012[1)]
Net income/loss	**–41**	**–88**
Items that will not be reclassified to profit or loss		
Actuarial gains and losses attributable to pensions and other post-employment benefits	33	–76
Deferred taxes	–7	28
Items that will be reclassified subsequently to profit or loss		
Currency translation differences	–250	–88
Change in fair values of marketable securities and financial investments	–120	–192
Change in fair values of derivatives	–18	–12
Other comprehensive income for the period from equity-method investments	2	–
Deferred taxes	–1	6
Other comprehensive income for the period	**–361**	**–334**
Total comprehensive income for the period	**–402**	**–422**
of which attributable to noncontrolling interests	2	2
of which attributable to shareholders of MAN SE	**–404**	**–424**

1) Adjusted to reflect the retrospective application of IAS 19 (2011). See also “New and revised accounting pronouncements” on page 34.

MAN consolidated balance sheet as of June 30, 2013

Assets

€ million	MAN Group		Industrial Business (supplemental information)		Financial Services (supplemental information)	
	6/30/13	12/31/12[1)]	6/30/13	12/31/12[1)]	6/30/13	12/31/12
Intangible assets	2,036	2,140	2,006	2,115	30	25
Property, plant, and equipment	2,195	2,245	2,182	2,232	13	13
Equity-method investments	511	521	509	519	2	2
Financial investments	1,623	1,702	1,623	1,702	0	0
Assets leased out	2,419	2,501	1,167	1,183	1,252	1,318
Noncurrent financial services receivables	1,063	1,071	–	–	1,063	1,071
Deferred tax assets	1,096	1,329	933	1,162	163	167
Other noncurrent assets	242	237	204	210	38	27
Noncurrent assets	**11,185**	**11,746**	**8,624**	**9,123**	**2,561**	**2,623**
Inventories	3,631	3,373	3,572	3,311	59	62
Trade receivables	2,225	2,141	2,085	2,011	140	130
Current financial services receivables	593	575	–	–	593	575
Current income tax receivables	123	58	123	58	0	0
Other current assets	713	652	671	581	42	71
Marketable securities	1	1	1	1	–	–
Cash and cash equivalents	516	1,366	505	1,330	11	36
Current assets	**7,802**	**8,166**	**6,957**	**7,292**	**845**	**874**
	18,987	**19,912**	**15,581**	**16,415**	**3,406**	**3,497**

1) Adjusted to reflect the retrospective application of IAS 19 (2011). See also “New and revised accounting pronouncements” on page 34.

MAN consolidated balance sheet as of June 30, 2013

Equity and liabilities

€ million	MAN Group		Industrial Business (supplemental information)		Financial Services (supplemental information)	
	6/30/13	12/31/12[1)]	6/30/13	12/31/12[1)]	6/30/13	12/31/12
Subscribed capital	376	376				
Capital reserves	795	795				
Retained earnings	3,746	4,276				
Accumulated other comprehensive income	–95	116				
Equity attributable to shareholders of MAN SE	**4,822**	**5,563**	**4,564**	**5,310**	**258**	**253**
Noncontrolling interests	71	69	71	69	0	0
Total equity	**4,893**	**5,632**	**4,635**	**5,379**	**258**	**253**
Noncurrent financial liabilities	2,692	2,966	2,598	2,834	94	132
Intragroup financing	–	–	–275	–275	275	275
Pensions and other post-employment benefits	503	591	500	588	3	3
Deferred tax liabilities	935	958	840	866	95	92
Other noncurrent provisions	782	795	782	795	0	0
Other noncurrent liabilities	1,040	1,106	1,020	1,072	20	34
Noncurrent liabilities and provisions	**5,952**	**6,416**	**5,465**	**5,880**	**487**	**536**
Current financial liabilities	2,626	2,333	1,575	1,314	1,051	1,019
Intragroup financing	–	–	–1,463	–1,540	1,463	1,540
Trade payables	1,836	2,006	1,741	1,905	95	101
Prepayments received	853	908	851	907	2	1
Current income tax payables	46	17	45	16	1	1
Other current provisions	1,334	1,166	1,330	1,162	4	4
Other current liabilities	1,447	1,434	1,402	1,392	45	42
Current liabilities and provisions	**8,142**	**7,864**	**5,481**	**5,156**	**2,661**	**2,708**
	18,987	**19,912**	**15,581**	**16,415**	**3,406**	**3,497**

1) Adjusted to reflect the retrospective application of IAS 19 (2011). See also “New and revised accounting pronouncements” on page 34.

MAN consolidated statement of cash flows

Reporting period January 1 to June 30

€ million	MAN Group		Industrial Business (supplemental information)		Financial Services (supplemental information)	
	2013	2012	2013	2012	2013	2012
Earnings before tax[1]	–130	72	–132	70	2	2
Current income taxes	–54	2	–52	4	–2	–2
Depreciation, amortization, and impairment of noncurrent assets (other than assets leased out)[2]	246	416	245	415	1	1
Change in pension obligations and other post-employment benefits	–17	–17	–17	–17	0	0
Share of net income/loss of equity-method investments	7	0	7	0	0	0
Dividends received from equity-method investments	3	7	3	7	–	–
Other noncash income and expense[1]	4	12	–19	12	23	–
Cash earnings	**59**	**492**	**35**	**491**	**24**	**1**
Change in inventories	–358	–375	–359	–398	1	23
Change in prepayments received	–45	74	–46	75	1	–1
Change in trade and financial services receivables	–183	217	–112	309	–71	–92
Change in trade payables	–141	–571	–135	–519	–6	–52
Change in assets leased out	41	–68	–25	–13	66	–55
Change in customer payments for assets leased out	12	49	12	49	–	–
Change in tax assets and liabilities	–32	–51	–32	–51	0	0
Change in other provisions	189	–60	189	–61	0	1
Change in other assets	–93	–73	–112	–51	19	–22
Change in other liabilities	21	–47	2	–33	19	–14
Elimination of gains/losses from asset disposals	–1	–4	–1	–4	0	–
Other changes in miscellaneous net current assets	–4	–67	–4	–68	0	1
Net cash provided by/used in operating activities	**–535**	**–484**	**–588**	**–274**	**53**	**–210**
Payments to acquire property, plant, and equipment, investment property, and intangible assets	–212	–317	–206	–308	–6	–9
Payments to acquire investees	–1	–8	–1	–8	–	–
Payments to acquire subsidiaries, net of cash acquired	–	–164	–	–164	–	–
Proceeds from asset disposals	10	23	10	23	0	–
Disposal of discontinued operations	–	–345	–	–345	–	–
Net cash used in investing activities	**–203**	**–811**	**–197**	**–802**	**–6**	**–9**
Free cash flow from operating and investing activities	**–738**	**–1,295**	**–785**	**–1,076**	**47**	**–219**

1) 2012: Adjusted to reflect the retrospective application of IAS 19 (2011). See also “New and revised accounting pronouncements” on page 34.
2) Intangible assets, property, plant, and equipment, investment property, and investments.

MAN consolidated statement of cash flows (cont'd)

Reporting period January 1 to June 30

€ million	MAN Group		Industrial Business (supplemental information)		Financial Services (supplemental information)	
	2013	2012	2013	2012	2013	2012
Free cash flow from operating and investing activities	**–738**	**–1,295**	**–785**	**–1,076**	**47**	**–219**
Change in loans granted	3	–	3	–	–	–
Net cash used in investing activities (including loans)	**–200**	**–811**	**–194**	**–802**	**–6**	**–9**
Dividend payments	–150	–341	–150	–341	–	–
Capital transactions with noncontrolling interests	–	–6	–	–6	–	–
Issuance of bonds and promissory note loans	500	895	500	895	–	–
Repayment of bonds and promissory note loans	–1,004	–53	–1,004	–53	–	–
Proceeds from borrowings and other finance	806	466	421	200	385	266
Repayment of borrowings and other finance	–365	–221	–12	–60	–353	–161
Change in other financial liabilities	110	125	137	129	–27	–4
Change in intragroup financing	–	–	77	–119	–77	119
Net cash provided by/used in financing activities	**–103**	**865**	**–31**	**645**	**–72**	**220**
Net change in cash and cash equivalents	**–838**	**–430**	**–813**	**–431**	**–25**	**1**
Cash and cash equivalents at beginning of period	**1,366**	**957**	**1,330**	**937**	**36**	**20**
Change in cash and cash equivalents due to changes in consolidated Group structure	–	12	–	12	–	–
Effect of exchange rate changes on cash and cash equivalents	–12	–12	–12	–12	0	0
Cash and cash equivalents at June 30, 2013, and June 30, 2012	**516**	**527**	**505**	**506**	**11**	**21**
Composition of net liquidity/net financial debt at June 30, 2013, and December 31, 2012						
Cash and cash equivalents	516	1,366	505	1,330	11	36
Marketable securities	1	1	1	1	–	–
Loans receivables	4	4	4	4	–	–
Intragroup financing	–	–	1,738	1,815	–1,738	–1,815
Financial liabilities	–5,318	–5,299	–4,173	–4,148	–1,145	–1,151
	–4,797	**–3,928**	**–1,925**	**–998**	**–2,872**	**–2,930**

MAN consolidated statement of changes in equity

€ million	Subscribed capital	Capital reserves	Retained earnings	Other comprehensive income	Equity attributable to shareholders of MAN SE	Non-controlling interests	Total
Balance at December 31, 2012	**376**	**795**	**4,263**	**116**	**5,550**	**69**	**5,619**
Change in accounting policy due to IAS 19 (2011)	–	–	13	–	**13**	0	**13**
Adjusted balance at December 31, 2012	**376**	**795**	**4,276**	**116**	**5,563**	**69**	**5,632**
Net income/loss	–	–	–383	–	**–383**	5	**–378**
Other comprehensive income	–	–	–	–211	**–211**	0	**–211**
Total comprehensive income	–	–	–383	–211	**–594**	5	**–589**
Dividend payments	–	–	–147	–	**–147**	–3	**–150**
Balance at June 30, 2013	**376**	**795**	**3,746**	**–95**	**4,822**	**71**	**4,893**
Balance at December 31, 2011	**376**	**795**	**4,428**	**–71**	**5,528**	**62**	**5,590**
Change in accounting policy due to IAS 19 (2011)	–	–	10	–	**10**	0	**10**
Adjusted balance at December 31, 2011	**376**	**795**	**4,438**	**–71**	**5,538**	**62**	**5,600**
Net income/loss[1)]	–	–	37	–	**37**	5	**42**
Other comprehensive income	–	–	–	78	**78**	–1	**77**
Total comprehensive income[1)]	–	–	37	78	**115**	4	**119**
Dividend payments	–	–	–338	–	**–338**	–3	**–341**
Other changes	–	–	–3	0	**–3**	–1	**–4**
Balance at June 30, 2012[1)]	**376**	**795**	**4,134**	**7**	**5,312**	**62**	**5,374**

1) Adjusted to reflect the retrospective application of IAS 19 (2011). See also “New and revised accounting pronouncements” on page 34.

The Annual General Meeting of MAN SE on June 6, 2013, resolved to distribute a dividend to the shareholders totaling €147 million (€1.00 per share). The dividend was paid on June 7, 2013.

See page 26 for information on changes in other comprehensive income for the period.

Notes to the Condensed Interim Consolidated Financial Statements

Basis of presentation

The accompanying condensed interim consolidated financial statements (interim consolidated financial statements) of MAN SE, Munich, for the period ended June 30, 2013, 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 2012. 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, 2012.

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 six months of fiscal 2013 and for the second quarter of the fiscal year 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 amounts relating to the previous fiscal year have been adjusted to conform to the current 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 MAN Truck & Bus and is presented under the "Financial Services" heading. MAN Truck & Bus transferred the shares of EURO-Leasing GmbH, Sittensen, to MAN Finance as of December 31, 2012. 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 June 30, 2013, include 133 companies (December 31, 2012: 136), including 33 (33) in Germany and 100 (103) outside Germany. The effects of the changes in the basis of consolidation on the interim consolidated financial statements are insignificant.

Income taxes

As a general principle, 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.

Valuation allowances were recognized on deferred tax assets in respect of tax loss carryforwards in the first quarter of 2013 because of the change in tax status brought about by the domination and profit and loss transfer agreement between Truck & Bus GmbH, Wolfsburg, a wholly owned subsidiary of Volkswagen AG, Wolfsburg, and MAN SE.

In addition, issues are still being examined in the course of an external tax audit of a former tax group subsidiary that could result in considerable tax risks for the 2004 to 2006 assessment periods.

New and revised accounting pronouncements

MAN has applied all accounting pronouncements adopted by the EU and required to be applied as from January 1, 2013.

In June 2011, the IASB issued amendments to IAS 1 “Presentation of Financial Statements” (IAS 1 (2011)). The amended IAS 1 revises the way that the reconciliation of comprehensive income for the period is presented. It requires items of other comprehensive income to be presented separately by items that will be reclassified to profit or loss if certain conditions are met (recycled) and items that will never be reclassified to profit or loss (not recycled). In addition, the related tax effects must be allocated to these two groups of items. MAN has applied IAS 1 (2011) since January 1, 2013, and has modified the reconciliation of comprehensive income for the period in its interim consolidated financial statements. The other amendments to IAS 1 do not materially affect the presentation of the MAN Group’s net assets, financial position, and results of operations.

In June 2011, the IASB resolved to amend IAS 19 “Employee Benefits” (IAS 19 (2011)). The revised IAS 19 requires actuarial gains and losses in respect of post-employment benefits to be recognized immediately in other comprehensive income when they arise. The previous option to defer these gains or losses using the corridor method, as well as the option to recognize them immediately in profit or loss, are no longer permitted. At MAN, actuarial gains and losses attributable to defined benefit plans are already recognized in other comprehensive income. Other amendments relate to the introduction of the net interest method for determining the net interest expense or income on the net defined benefit liability or asset, the recognition of unvested past service cost in profit or loss, and a change in the definition of termination benefits. Consequently, as a rule the bonus payments under partial retirement programs may no longer be accounted for as termination benefits, but must now be attributed to the periods of service over the relevant accumulation period as other long-term employee benefits. MAN has applied IAS 19 (2011) retrospectively since January 1, 2013.

The following tables present the effects of the revised accounting pronouncements. The effects on the opening balance sheet as of January 1, 2013, and the effects on the comparative period presented are:

€ million		December 31, 2012			January 1, 2012	
	Unadjusted	Adjustment	Adjusted	Unadjusted	Adjustment	Adjusted
Total assets	**19,918**	**–6**	**19,912**	**18,670**	**–4**	**18,666**
of which: deferred tax assets	1,335	–6	1,329	1,078	–4	1,074
Total liabilities and provisions	**14,299**	**–19**	**14,280**	**13,080**	**–14**	**13,066**
of which: other noncurrent provisions	814	–19	795	709	–14	695
Total equity	**5,619**	**13**	**5,632**	**5,590**	**10**	**5,600**
of which: retained earnings	4,263	13	4,276	4,428	10	4,438

€ million		April 1 to June 30, 2012			January 1 to June 30, 2012	
	Unadjusted	Adjustment	Adjusted	Unadjusted	Adjustment	Adjusted
Earnings before tax (EBT)	**–117**	**1**	**–116**	**70**	**2**	**72**
of which: interest expense	–129	0	–129	–177	0	–177
Income taxes	28	0	28	–30	0	–30
Net income/loss	**–89**	**1**	**–88**	**40**	**2**	**42**
Net income/loss attributable to shareholders of MAN SE	**–92**	**1**	**–91**	**35**	**2**	**37**
Earnings per share from continuing operations (diluted/basic) in €	–0.62	0	–0.62	0.24	0.01	0.25
Earnings per share from continuing and discontinued operations (diluted/basic) in €	–0.62	0	–0.62	0.24	0.01	0.25

The IASB issued IFRS 13 “Fair Value Measurement” in May 2011. IFRS 13 sets out general requirements for measuring fair value in a separate standard. MAN applies the requirements of IFRS 13 governing fair value measurement. MAN started applying IFRS 13 in fiscal year 2013. There were no material effects on the presentation of the MAN Group’s net assets, financial position, and results of operations.

The other accounting pronouncements required to be applied in fiscal year 2013 for the first time do not have any material effects on the presentation of the net assets, financial position, and results of operations in MAN’s interim consolidated financial statements. A detailed list of these accounting pronouncements is contained in the notes to the consolidated financial statements in the 2012 Annual Report.

Acquisitions

On March 28, 2012, MAN Truck & Bus acquired all but one of the remaining shares of the former joint venture MAN FORCE TRUCKS Private Limited, Akurdi/India, from its Indian partner FORCE Motors Limited, Akurdi/India. This company, which was consolidated as of March 31, 2012, is being managed solely by MAN Truck & Bus under the name of MAN Trucks India Private Limited, Akurdi/India, (MAN Trucks India). MAN Trucks India produces CLA series trucks for the Indian market as well as for selected markets in Africa and Asia. Purchase price allocation was completed in the first quarter of 2013. Based on the final purchase price allocation, the step acquisition resulted in goodwill of €208 million.

Income Statement Disclosures

Other operating income

€ million Reporting period January 1 to June 30	2013	2012
Income from financial services	106	99
Gains on financial instruments	44	37
Other trade income	14	14
Gains on disposal of property, plant, and equipment, and intangible assets	2	4
Miscellaneous other income	54	71
	220	**225**

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 from 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 June 30	2013	2012
Research and development	270	203
Additions to provisions	88	2
Expenses from financial services	57	63
Bad debt allowances on receivables	54	24
Impairment losses on inventories	45	62
Losses on financial instruments	45	18
Legal, audit, and consulting costs	15	20
Miscellaneous other expenses[1)]	46	25
	620	**417**

[1)] 2012: Adjusted to reflect the retrospective application of IAS 19 (2011). See also "New and revised accounting pronouncements" on page 34.

Other operating expenses comprise those expenses that are not allocated to the function expenses, and in particular to cost of goods sold and services rendered. Research and development (R&D) expenses contain only that portion of R&D expenses that is not allocated to contract-related production costs or capitalized development costs. The amortization attributable to capitalized development costs is also reported in "Other operating expenses."

Additions to provisions in the reporting period mainly contain additional project-related provisions in MAN Diesel & Turbo's Power Plants strategic business unit.

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

Net interest expense

€ million Reporting period January 1 to June 30	2013	2012
Interest and similar income	15	17
Interest and similar expenses	–103	–195
Interest component of additions to pension provisions	–38	–46
Return on CTA plan assets	30	40
less: interest expenses reclassified as other operating expenses	23	24
	–73	**–160**

The net interest expense primarily contains interest expenses for financial liabilities and losses on the sale of securities accounted for at fair value.

Interest and similar expenses in the previous year include tax interest expenses in the amount of €76 million.

The interest expenses of €23 million (€24 million) reclassified as other operating expenses relate to the refinancing of assets leased out by MAN Finance.

Earnings per share

€ million (unless otherwise stated) **Reporting period January 1 to June 30**	**2013**	**2012[1)]**
Net income/loss attributable to shareholders of MAN SE	–383	37
Net income/loss from continuing operations attributable to shareholders of MAN SE	**–383**	**37**
Number of shares outstanding (weighted average, million — basic)	147.0	147.0
Number of shares outstanding (weighted average, million — diluted)	–	147.1
Basic/diluted earnings per share from continuing operations in €	**–2.60**	**0.25**

1) Adjusted to reflect the retrospective application of IAS 19 (2011). See also “New and revised accounting pronouncements” on page 34.

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 2013, as in the previous year.

Please refer to the explanations in MAN SE’s 2012 Annual Report for information on the stock program for managers that was launched in 2010.

There were no outstanding options on shares as of June 30, 2013, and June 30, 2012, that dilute earnings per share. Any exercise of MAN SE’s contingent capital in future periods will be dilutive.

Balance Sheet Disclosures

Intangible assets

€ million	6/30/13	12/31/12
Licenses, software, similar rights, customer relationships, brands, and other assets	492	559
Capitalized development costs	717	700
Goodwill	827	881
	2,036	**2,140**

Property, plant, and equipment

€ million	6/30/13	12/31/12
Land and buildings	983	1,010
Production plant and machinery	780	764
Other plant, operating and office equipment	266	315
Prepayments and construction in progress	166	156
	2,195	**2,245**

Equity-method investments

The most significant equity-method investment as of June 30, 2013, is the Sinotruk associate. The interest in the Rheinmetall MAN Military Vehicles GmbH, Munich, associate is also accounted for using the equity method.

Sinotruk

Summarized financial information for Sinotruk (on a 100% basis and thus not adjusted for the equity interest held by MAN) is presented in the following table:

€ million	2013	2012
Assets[1)]	5,322	5,994
Liabilities[1)]	2,834	3,430
Revenue[2)]	1,587	1,619
Net income/loss[2)]	–3	7

1) Fiscal 2013: Amounts shown relate to the reporting period ended December 31, 2012.
Fiscal 2012: Amounts shown relate to the reporting period ended June 30, 2012.

2) Fiscal 2013: Amounts shown relate to the reporting period from July 1, 2012, to December 31, 2012.
Fiscal 2012: Amounts shown relate to the reporting period from July 1, 2011, to December 31, 2011.

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

€ million	2013	2012
Assets	809	756
Liabilities	657	589
Revenue[1)]	560	355
Net income/loss[1)]	–5	6

1) 6 months.

Financial services receivables

€ million	6/30/13	12/31/12
Noncurrent financial services receivables	1,063	1,071
Current financial services receivables	593	575

Financial services receivables include noncurrent finance lease receivables of €899 million (€897 million) and current finance lease receivables of €442 million (€407 million).

Inventories

€ million	6/30/13	12/31/12
Raw materials, consumables, and supplies	488	445
Work in progress and finished products	2,568	2,294
Merchandise	445	499
Prepayments	130	135
	3,631	**3,373**

Trade receivables

€ million	6/30/13	12/31/12
Customer receivables	1,932	1,886
PoC receivables	236	195
Receivables from investees	57	60
	2,225	**2,141**

Financial liabilities

€ million	6/30/13	12/31/12
Bonds	2,813	3,311
Bank borrowings and other liabilities	1,578	1,085
Structured finance	927	903
	5,318	**5,299**

MAN issued five privately placed notes with a total volume of €500 million and maturities of up to two years in April 2013. A note with a volume of €1 billion was repaid as planned in May 2013.

See the "Related party disclosures" for further information.

Financial liabilities are reported in the following balance sheet items:

€ million	6/30/13	12/31/12
Noncurrent financial liabilities	2,692	2,966
Current financial liabilities	2,626	2,333

Other provisions

€ million	6/30/13	12/31/12
Warranties	825	832
Other business-related obligations	429	373
Outstanding costs	272	209
Obligations to employees[1)]	123	138
Provisions for income taxes[2)]	117	111
Miscellaneous other provisions[2)]	350	298
	2,116	**1,961**

1) 2012: Adjusted to reflect the retrospective application of IAS 19 (2011). See also "New and revised accounting pronouncements" on page 34.
2) The prior-year figures for provisions for income taxes and miscellaneous other provisions have been adjusted to enhance comparability.

The provisions for other business-related obligations relate primarily to very high project-related provisions in MAN Diesel & Turbo's Power Plants strategic business unit and to obligations in the Commercial Vehicles business area.

See the disclosures on "New and revised accounting pronouncements" for further information.

Other provisions are reported in the following balance sheet items:

€ million	6/30/13	12/31/12
Other noncurrent provisions	782	795
Other current provisions	1,334	1,166

Contingent liabilities

The maximum total potential contingent liability for Ferrostaal under MAN's obligations from guarantees is €79 million. MAN's guarantees for Ferrostaal are largely covered by indemnities, depending on the origination date of the guarantee.

Further information about tax risks relating to a former tax group subsidiary can be found in the disclosures on "Income taxes."

Litigation/legal proceedings

MAN SE's Annual Report for fiscal 2012 contains detailed information on litigation and legal proceedings. In connection with the investigations mentioned there in respect of irregularities in the course of the handover of four-stroke marine diesel engines by MAN Diesel & Turbo, the Augsburg Local Court imposed an administrative fine on MAN Diesel & Turbo SE in the single-digit millions. The investigations by the Augsburg Public Prosecution Office into MAN Diesel & Turbo SE were terminated on payment of this amount.

There have been no other significant developments for MAN since the publication of the Annual Report.

Fair value disclosures

The following table shows the carrying amounts, the measurement categories by class, the fair values, and the fair value hierarchy classifications under IFRS 7 as of June 30, 2013.

€ million	Carrying amount	Of which within the scope of IFRS 7	IAS 39 measurement category[1)]	Fair value	Fair value hierarchy classification
Assets					
Financial investments	1,623	1,623	AfS	1,623	n/a
of which quoted in active markets	1,577	1,577	AfS	1,577	Level 1
of which other financial investments	46	46	AfS	46	n/a
Noncurrent and current financial services receivables	1,656	1,656	n/a	1,679	–
Other noncurrent and current assets	955	189		189	–
Other financial assets	189	189		189	–
Available for sale	4	4	AfS	4	n/a
At fair value through profit or loss	21	21	aFV	21	Level 2
Derivatives in hedging relationships	17	17	n/a	17	Level 2
Other assets	147	147	LaR	147	–
Assets not within the scope of IFRS 7	766	–	n/a	–	–
Trade receivables	2,225	2,225	LaR	2,225	–
Marketable securities	1	1	AfS	1	n/a
Cash and cash equivalents	516	516	LaR	516	–
Liabilities					
Noncurrent and current financial liabilities	5,318	5,318	OL	5,202	–
Other noncurrent and current liabilities	2,487	906		890	–
Other financial liabilities	906	906		890	–
At fair value through profit or loss	38	38	aFV	38	Level 2
Derivatives in hedging relationships	37	37	n/a	37	Level 2
Other liabilities	831	831	OL	815	–
Liabilities not within the scope of IFRS 7	1,581	–	n/a	–	–
Trade payables	1,836	1,836	OL	1,836	–

1) AfS: available-for-sale financial assets; LaR: loans and receivables; aFV: at fair value through profit or loss; OL: other financial liabilities measured at amortized cost; n/a: not applicable.

The following table shows the carrying amounts, the measurement categories by class, the fair values, and the fair value hierarchy classifications under IFRS 7 as of December 31, 2012.

€ million	Carrying amount	Of which within the scope of IFRS 7	IAS 39 measurement category[1)]	Fair value	Fair value hierarchy classification
Assets					
Financial investments	1,702	1,702	AfS	1,702	n/a
of which quoted in active markets	1,656	1,656	AfS	1,656	Level 1
of which other financial investments	46	46	AfS	46	n/a
Noncurrent and current financial services receivables	1,646	1,646	n/a	1,655	–
Other noncurrent and current assets	889	206		206	–
Other financial assets	206	206		206	–
Available for sale	7	7	AfS	7	n/a
At fair value through profit or loss	16	16	aFV	16	Level 2
Derivatives in hedging relationships	11	11	n/a	11	Level 2
Other assets	172	172	LaR	172	–
Assets not within the scope of IFRS 7	683	–	n/a	–	–
Trade receivables	2,141	2,141	LaR	2,141	–
Marketable securities	1	1	AfS	1	n/a
Cash and cash equivalents	1,366	1,366	LaR	1,366	–
Liabilities					
Noncurrent and current financial liabilities	5,299	5,299	OL	5,454	–
Other noncurrent and current liabilities	2,540	953		942	–
Other financial liabilities	953	953		942	–
At fair value through profit or loss	51	51	aFV	51	Level 2
Derivatives in hedging relationships	15	15	n/a	15	Level 2
Other liabilities	887	887	OL	876	–
Liabilities not within the scope of IFRS 7	1,587	–	n/a	–	–
Trade payables	2,006	2,006	OL	2,006	–

1) AfS: available-for-sale financial assets; LaR: loans and receivables; aFV: at fair value through profit or loss; OL: other financial liabilities measured at amortized cost; n/a: not applicable.

Available-for-sale (AfS) financial assets include the investment in Scania. The carrying amount of this investment was €1,577 million as of June 30, 2013 (December 31, 2012: €1,656 million). There are also investments and shares that are measured at cost with a carrying amount of €51 million (December 31, 2012: €54 million).

These are investments in and shares of unlisted entities that were not measured using a discounted cash flow method because the related cash flows could not be reliably measured. No quoted market prices are available for the shares of unlisted entities as no active market exists for these shares. The Company currently has no intention to sell these shares.

Fair value hierarchy:
Measurement and presentation of the fair values of financial instruments are based on a fair value hierarchy that reflects the significance of the inputs used for measurement and is classified as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Financial instruments allocated to Level 2 include currency forwards and options, commodity futures, interest rate swaps, and cross-currency swaps. The fair value of these financial instruments is determined on the basis of the conditions prevailing at the end of the reporting period, such as interest rates or exchange rates, and using recognized models such as discounted cash flow or option pricing models.

In the first six months of fiscal 2013 and the second quarter of fiscal 2013, there were no reclassifications between Level 1 and Level 2 in fair value measurement, and there were no reclassifications into or out of Level 3 in relation to fair value measurement.

The fair value of financial instruments measured at amortized cost, such as receivables and liabilities, is calculated by discounting using a market rate of interest for a similar risk and matching maturity. For reasons of materiality, the fair value of current balance sheet items is deemed to be the same as their carrying amount.

Related party disclosures

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, 2012.

The following table shows the volume of relationships with related parties.

€ million Reporting period January 1 to June 30	Sales and services to		Purchases from and services rendered by	
	2013	2012	2013	2012
Truck & Bus GmbH, Volkswagen AG, and Porsche Stuttgart[1)]	2	1	6	41
Other subsidiaries and equity investments of Volkswagen AG that are not part of the MAN Group	57	33	11	8
MAN Group joint ventures and associates	127	129	119	221

1) Porsche Automobil Holding SE, Stuttgart including its affiliated companies and related parties.

Receivables from related parties amounted to €83 million as of June 30, 2013 (December 31, 2012: €100 million). Liabilities to related parties increased in the same period from €128 million to €510 million. These include a loan of €400 million that MAN SE received from Volkswagen AG to refinance a maturing note.

Investment by Truck & Bus GmbH in MAN SE

Truck & Bus GmbH, Wolfsburg, a wholly owned direct subsidiary of Volkswagen Aktiengesellschaft, notified MAN SE on April 18, 2013, in accordance with section 21(1) of the *Wertpapierhandelsgesetz* (WpHG — German Securities Trading Act) that its share of the voting rights in MAN SE on April 16, 2013, had exceeded the limits of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50%, and 75% and subsequently amounted to 75.03% (corresponding to 105,769,788 voting rights).

The Annual General Meeting of MAN SE on June 6, 2013, approved the domination and profit and loss transfer agreement entered into by Truck & Bus GmbH, Wolfsburg, and MAN SE on April 26, 2013. For further information, see “Events after the reporting period.”

On June 6, 2013, Truck & Bus GmbH held 75.03% of MAN SE’s voting rights and 73.72% of its share capital.

Segment reporting

The activities of the MAN Group are classified into the following reportable segments:
MAN Truck & Bus, MAN Latin America, MAN Diesel & Turbo, and the Renk industrial subsidiary. In order to make decisions about the allocation of resources and the assessment of performance, the results of these segments are regularly reviewed by MAN SE's Executive Board in its role as chief operating decision-maker. "Others/Consolidation and Reconciliation" mainly comprises MAN's Corporate Center. Companies with no operating activities and the Scania, Sinotruk, and Roland investments are allocated to the Corporate Center.

Description of the reportable segments:
MAN Truck & Bus is a leading supplier of commercial vehicles and transportation solutions and is expanding from its core Western European market into the growth markets of Eastern Europe and Asia.
MAN Latin America is the largest truck manufacturer in Latin America. It leads the truck market in Brazil and is a leading supplier of commercial vehicles and bus chassis for growth markets, with one of the most advanced production facilities worldwide for trucks and buses.
MAN Diesel & Turbo is a global leader in large marine diesel engines and stationary engines and is also one of the leading suppliers of turbomachinery on the global market.
Renk is a globally recognized manufacturer of high-quality special gear units, propulsion components, and testing systems.

MAN's business activities focus on two business areas: **Commercial Vehicles**, comprising MAN Truck & Bus and MAN Latin America, and **Power Engineering**, featuring MAN Diesel & Turbo and Renk. MAN is a leading provider in the international commercial vehicles industry and offers customer-focused products and services worldwide. Power Engineering is MAN's second strategic business area and provides a suitable counterbalance to Commercial Vehicles.

The earnings measure used to assess the performance of a segment is operating profit. As a rule, operating profit corresponds to earnings before interest and taxes (EBIT). To enhance the long-term assessment of operating activities, effects relating to tangible and intangible assets resulting from business combinations and acquisitions of equity-method investments are eliminated from operating profit. In individual cases, an adjustment is also made for nonrecurring items, 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, short-term loans to unconsolidated investees, and marketable securities, less financial liabilities.

Segment financial information is presented in accordance with the disclosure and measurement policies applied to preparation of the consolidated financial statements. Revenues between the segments are transacted on an arm’s length basis. Depreciation, amortization, and impairment losses relate to the intangible assets, property, plant, and equipment, and investees (excluding assets leased out) allocated to the individual divisions.

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

Segment information (1/3)

Reporting period January 1 to June 30 and as of June 30

	Commercial Vehicles					
	MAN Truck & Bus incl. MAN Finance		MAN Latin America		Commercial Vehicles[1]	
€ million	2013	2012[2]	2013	2012	2013	2012[2]
Segment order intake	**4,479**	**5,041**	**1,575**	**1,424**	**6,054**	**6,465**
of which: Germany	1,359	1,529	–	–	1,359	1,529
of which: other countries	3,120	3,512	1,575	1,424	4,695	4,936
Intersegment order intake	–135	–90	–6	–8	–141	–98
Group order intake	4,344	4,951	1,569	1,416	5,913	6,367
Segment revenue	**4,253**	**4,372**	**1,575**	**1,424**	**5,828**	**5,796**
of which: Germany	1,292	1,337	–	–	1,292	1,337
of which: other countries	2,961	3,035	1,575	1,424	4,536	4,459
Intersegment revenue	–115	–68	–6	–8	–121	–76
Group revenue	4,138	4,304	1,569	1,416	5,707	5,720
Order backlog at June 30, 2013, and December 31, 2012	**2,275**	**2,122**	**–**	**–**	**2,275**	**2,122**
Total assets at June 30, 2013, and December 31, 2012	**10,930**	**11,193**	**2,925**	**3,046**	**13,855**	**14,239**
of which: inventories	1,672	1,558	614	551	2,286	2,109
of which: trade and financial services receivables	2,802	2,730	315	226	3,117	2,956
of which: cash and cash equivalents, marketable securities	575	817	129	348	704	1,165
Segment liabilities at June 30, 2013, and December 31, 2012	**8,330**	**8,593**	**1,527**	**1,567**	**9,857**	**10,160**
of which: trade payables	817	977	431	418	1,248	1,395
Operating profit/loss	**35**	**83**	**107**	**130**	**142**	**213**
Earnings effects from purchase price allocations	–4	–	–43	–48	–47	–48
Gains/losses from nonrecurring items	–	–	–	–	–	–
Earnings before interest and taxes (EBIT)	**31**	**83**	**64**	**82**	**95**	**165**
Net interest income/expense	–8	–15	–22	–28	–30	–43
Earnings before tax (EBT) of continuing operations	**23**	**68**	**42**	**54**	**65**	**122**
Earnings before interest, taxes, depreciation, and amortization (EBITDA) of continuing operations	**156**	**191**	**136**	**152**	**292**	**343**
of which: depreciation and amortization	–123	–102	–72	–70	–195	–172
of which: impairment losses	–2	–6	–	–	–2	–6
Net liquidity/net financial debt	**–3,073**	**–3,150**	**–145**	**–54**	**–3,218**	**–3,204**
Reconciliation to free cash flow	–2,828	–2,419	16	1	–2,812	–2,418
Free cash flow	**–245**	**–731**	**–161**	**–55**	**–406**	**–786**
of which: net cash provided by/used in operating activities	–133	–390	–129	–15	–262	–405
of which: net cash provided by/used in investing activities	–112	–341	–32	–40	–144	–381
Capital expenditures	**113**	**347**	**38**	**52**	**151**	**399**
Additional information by segment:						
Headcount including subcontracted employees at June 30, 2013, and December 31, 2012 (no.)	**34,441**	**34,879**	**1,932**	**1,937**	**36,373**	**36,816**
of which: Germany	20,386	20,474	–	–	20,386	20,474
of which: other countries	14,055	14,405	1,932	1,937	15,987	16,342
Headcount at June 30, 2013, and December 31, 2012 (no.)	**33,808**	**34,294**	**1,932**	**1,937**	**35,740**	**36,231**
ROS (%)	**0.8**	**1.9**	**6.8**	**9.1**	**2.4**	**3.7**

1) Gross presentation excluding consolidation effects.
2) Total assets, segment liabilities, operating profit/loss, EBIT, EBT, EBITDA, and ROS adjusted to reflect the retrospective application of IAS 19 (2011), see also “New and revised accounting pronouncements” on page 34.

Segment information (2/3)

Reporting period January 1 to June 30 and as of June 30

	Power Engineering					
	MAN Diesel & Turbo		Renk		Power Engineering[1]	
€ million	2013	2012[2]	2013	2012[2]	2013	2012[2]
Segment order intake	**1,601**	**1,693**	**237**	**281**	**1,838**	**1,974**
of which: Germany	200	147	79	74	279	221
of which: other countries	1,401	1,546	158	207	1,559	1,753
Intersegment order intake	–1	–2	–12	–12	–13	–14
Group order intake	1,600	1,691	225	269	1,825	1,960
Segment revenue	**1,619**	**1,772**	**225**	**215**	**1,844**	**1,987**
of which: Germany	136	181	71	71	207	252
of which: other countries	1,483	1,591	154	144	1,637	1,735
Intersegment revenue	–2	–3	–11	–11	–13	–14
Group revenue	1,617	1,769	214	204	1,831	1,973
Order backlog at June 30, 2013, and December 31, 2012	**3,314**	**3,367**	**644**	**634**	**3,958**	**4,001**
Total assets at June 30, 2013, and December 31, 2012	**3,587**	**3,833**	**569**	**554**	**4,156**	**4,387**
of which: inventories	1,182	1,110	172	164	1,354	1,274
of which: trade and financial services receivables	810	826	75	85	885	911
of which: cash and cash equivalents, marketable securities	717	1,046	145	125	862	1,171
Segment liabilities at June 30, 2013, and December 31, 2012	**2,557**	**2,545**	**296**	**288**	**2,853**	**2,833**
of which: trade payables	657	631	36	40	693	671
Operating profit/loss	**–221**	**212**	**28**	**27**	**–193**	**239**
Earnings effects from purchase price allocations	–	–	–	–	–	–
Gains/losses from nonrecurring items	–	–	–	–	–	–
Earnings before interest and taxes (EBIT)	**–221**	**212**	**28**	**27**	**–193**	**239**
Net interest income/expense	–3	0	0	0	–3	0
Earnings before tax (EBT) of continuing operations	**–224**	**212**	**28**	**27**	**–196**	**239**
Earnings before interest, taxes, depreciation, and amortization (EBITDA) of continuing operations	**–181**	**252**	**36**	**34**	**–145**	**286**
of which: depreciation and amortization	–40	–40	–8	–7	–48	–47
of which: impairment losses	–	0	–	–	–	0
Net liquidity/net financial debt	**484**	**784**	**145**	**88**	**629**	**872**
Reconciliation to free cash flow	758	830	110	89	868	919
Free cash flow	**–274**	**–46**	**35**	**–1**	**–239**	**–47**
of which: net cash provided by/used in operating activities	–218	27	43	10	–175	37
of which: net cash provided by/used in investing activities	–56	–73	–8	–11	–64	–84
Capital expenditures	**57**	**77**	**8**	**11**	**65**	**88**
Additional information by segment:						
Headcount including subcontracted employees at June 30, 2013, and December 31, 2012 (no.)	**14,804**	**14,863**	**2,261**	**2,245**	**17,065**	**17,108**
of which: Germany	7,646	7,614	2,087	2,069	9,733	9,683
of which: other countries	7,158	7,249	174	176	7,332	7,425
Headcount at June 30, 2013, and December 31, 2012 (no.)	**13,796**	**13,728**	**2,210**	**2,167**	**16,006**	**15,895**
ROS (%)	**–13.6**	**12.0**	**12.3**	**12.6**	**–10.5**	**12.0**

1) Gross presentation excluding consolidation effects.
2) Total assets, segment liabilities, operating profit/loss, EBIT, EBT, EBITDA, and ROS adjusted to reflect the retrospective application of IAS 19 (2011), see also “New and revised accounting pronouncements” on page 34.

Segment information (3/3)

Reporting period January 1 to June 30 and as of June 30

	Others/Consolidation and Reconciliation						Group	
	Corporate Center[3]		Cons./Reconcil.		Total			
€ million	**2013**	**2012[2]**	**2013**	**2012[2]**	**2013**	**2012[2]**	**2013**	**2012[2]**
Segment order intake	**8**	**9**	**–161**	**–120**	**–153**	**–111**	**7,739**	**8,328**
of which: Germany	8	9	–16	–17	–8	–8	1,630	1,742
of which: other countries	–	–	–145	–103	–145	–103	6,109	6,586
Intersegment order intake	–7	–8	161	120	154	112	–	–
Group order intake	1	1	–	–	1	1	7,739	8,328
Segment revenue	**8**	**9**	**–141**	**–98**	**–133**	**–89**	**7,539**	**7,694**
of which: Germany	8	9	–16	–18	–8	–9	1,491	1,580
of which: other countries	–	–	–125	–80	–125	–80	6,048	6,114
Intersegment revenue	–7	–8	141	98	134	90	–	–
Group revenue	1	1	–	–	1	1	7,539	7,694
Order backlog at June 30, 2013, and December 31, 2012	**–**	**–**	**–49**	**–29**	**–49**	**–29**	**6,184**	**6,094**
Total assets at June 30, 2013, and December 31, 2012	**4,768**	**5,602**	**–3,792**	**–4,316**	**976**	**1,286**	**18,987**	**19,912**
of which: inventories	–	–	–9	–10	–9	–10	3,631	3,373
of which: trade and financial services receivables	1	2	–122	–82	–121	–80	3,881	3,787
of which: cash and cash equivalents, marketable securities	2,204	2,828	–3,253	–3,797	–1,049	–969	517	1,367
Segment liabilities at June 30, 2013, and December 31, 2012	**5,281**	**5,699**	**–3,897**	**–4,412**	**1,384**	**1,287**	**14,094**	**14,280**
of which: trade payables	10	14	–115	–74	–105	–60	1,836	2,006
Operating profit/loss	**37**	**21**	**4**	**0**	**41**	**21**	**–10**	**473**
Earnings effects from purchase price allocations	–	–3	–	–	–	–3	–47	–51
Gains/losses from nonrecurring items	–	–190	–	–	–	–190	–	–190
Earnings before interest and taxes (EBIT)	**37**	**–172**	**4**	**0**	**41**	**–172**	**–57**	**232**
Net interest income/expense	–44	–117	4	–	–40	–117	–73	–160
Earnings before tax (EBT) of continuing operations	**–7**	**–289**	**8**	**0**	**1**	**–289**	**–130**	**72**
Earnings before interest, taxes, depreciation, and amortization (EBITDA) of continuing operations	**41**	**23**	**1**	**–4**	**42**	**19**	**189**	**648**
of which: depreciation and amortization	–4	–5	3	4	–1	–1	–244	–220
of which: impairment losses	0	–190	–	–	0	–190	–2	–196
Net liquidity/net financial debt	**–2,292**	**–1,521**	**84**	**0**	**–2,208**	**–1,521**	**–4,797**	**–3,853**
Reconciliation to free cash flow	–2,216	–1,108	101	49	–2,115	–1,059	–4,059	–2,558
Free cash flow	**–76**	**–413**	**–17**	**–49**	**–93**	**–462**	**–738**	**–1,295**
of which: net cash provided by/used in operating activities	–72	–67	–26	–49	–98	–116	–535	–484
of which: net cash provided by/used in investing activities	–4	–346	9	0	5	–346	–203	–811
Capital expenditures	**5**	**2**	**–8**	**0**	**–3**	**2**	**213**	**489**
Additional information by segment:								
Headcount including subcontracted employees at June 30, 2013, and December 31, 2012 (no.)	**331**	**359**	**–**	**–**	**331**	**359**	**53,769**	**54,283**
of which: Germany	328	356	–	–	328	356	30,447	30,513
of which: other countries	3	3	–	–	3	3	23,322	23,770
Headcount at June 30, 2013, and December 31, 2012 (no.)	**330**	**355**	**–**	**–**	**330**	**355**	**52,076**	**52,481**
ROS (%)	**–**	**–**	**–**	**–**	**–**	**–**	**–0.1**	**6.2**

2) Total assets, segment liabilities, operating profit/loss, EBIT, EBT, EBITDA, and ROS adjusted to reflect the retrospective application of IAS 19 (2011), see also “New and revised accounting pronouncements” on page 34.
3) Corporate Center: MAN SE, Shared Services, and holding companies.

Review by the Group auditors

The interim financial statements as of June 30, 2013 and 2012, respectively, were not reviewed by auditors.

Supervisory Board

Wilfrid Loos left the Supervisory Board with effect from the end of March 31, 2013. His successor with effect from April 1, 2013, is Mr. Nicola Lopopolo.

Executive Board

Frank H. Lutz, the former Chief Financial Officer of MAN SE, left the Executive Board of MAN SE with effect from the end of February 18, 2013. His responsibilities were assumed by Dr. Georg Pachta-Reyhofen, Chief Executive Officer of MAN SE.

Events after the reporting period

The domination and profit and loss transfer agreement between Truck & Bus GmbH, Wolfsburg, and MAN SE was entered in MAN SE’s commercial register on July 16, 2013, and has been effective since that date. For further information, see “Investment by Truck & Bus GmbH in MAN SE.”

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year.

Munich, July 25, 2013

MAN SE
The Executive Board

Overview by Quarter (1/3)

	2013			2012				
€ million	**H1**	**Q2**	**Q1**	**Total 2012**	**Q4**	**Q3**	**Q2**	**Q1**
Order intake by division								
MAN Truck & Bus	4,479	2,338	2,141	9,150	2,274	1,835	2,496	2,545
MAN Latin America	1,575	753	822	2,870	765	681	584	840
Commercial Vehicles	6,054	3,091	2,963	12,020	3,039	2,516	3,080	3,385
MAN Diesel & Turbo	1,601	874	727	3,510	906	911	784	909
Renk	237	121	116	525	121	123	147	134
Power Engineering	1,838	995	843	4,035	1,027	1,034	931	1,043
Others/Consolidation	–153	–101	–52	–166	–29	–26	–51	–60
Order intake	**7,739**	**3,985**	**3,754**	**15,889**	**4,037**	**3,524**	**3,960**	**4,368**
Commercial Vehicles order intake (units)	**67,228**	**34,054**	**33,174**	**136,339**	**34,689**	**26,962**	**34,256**	**40,432**
MAN Truck & Bus	36,927	18,838	18,089	80,034	19,812	14,093	22,708	23,421
MAN Latin America	30,301	15,216	15,085	56,305	14,877	12,869	11,548	17,011
Intersegment order intake[2]	–1,012	–467	–545	–1,839				
Group order intake	66,216	33,587	32,629	134,500				
Revenue by division								
MAN Truck & Bus	4,253	2,355	1,898	8,822	2,263	2,187	2,290	2,082
MAN Latin America	1,575	753	822	2,870	765	681	584	840
Commercial Vehicles	5,828	3,108	2,720	11,692	3,028	2,868	2,874	2,922
MAN Diesel & Turbo	1,619	874	745	3,780	1,059	949	916	856
Renk	225	102	123	476	135	126	110	105
Power Engineering	1,844	976	868	4,256	1,194	1,075	1,026	961
Others/Consolidation	–133	–97	–36	–176	–32	–55	–51	–38
Revenue	**7,539**	**3,987**	**3,552**	**15,772**	**4,190**	**3,888**	**3,849**	**3,845**
Commercial Vehicles unit sales (units)	**65,550**	**34,752**	**30,798**	**136,271**	**34,984**	**32,904**	**33,381**	**35,002**
MAN Truck & Bus	35,249	19,536	15,713	79,966	20,107	20,035	21,833	17,991
MAN Latin America	30,301	15,216	15,085	56,305	14,877	12,869	11,548	17,011
Intersegment sales[2]	–697	–371	–326	–2,026				
Group sales	64,853	34,381	30,472	134,245				
Order backlog[1]	**6,184**	**6,184**	**6,169**	**6,094**	**6,094**	**6,489**	**7,101**	**7,105**
Commercial Vehicles production (units)	**68,021**	**35,941**	**32,080**	**125,977**	**30,499**	**32,918**	**32,436**	**30,124**
MAN Truck & Bus	35,522	19,085	16,437	78,133	17,874	19,304	20,337	20,618
MAN Latin America	32,499	16,856	15,643	47,844	12,625	13,614	12,099	9,506
Intersegment production[2]	–605	–307	–298	–1,673				
Group production	67,416	35,634	31,782	124,304				

[1] As of the reporting date.
[2] Disclosed starting in fiscal 2012; consolidation effects in previous periods were immaterial.
This information is reported on a voluntary basis.

Overview by Quarter (2/3)

	2013				2012[1)]			
€ million	**H1**	**Q2**	**Q1**	**Total 2012**	**Q4**	**Q3**	**Q2**	**Q1**
Operating profit/loss by division								
MAN Truck & Bus	35	58	–23	229	94	52	15	68
MAN Latin America	107	52	55	229	54	45	50	80
Commercial Vehicles	142	110	32	458	148	97	65	148
MAN Diesel & Turbo	–221	–99	–122	437	144	81	103	109
Renk	28	12	16	66	16	23	13	14
Power Engineering	–193	–87	–106	503	160	104	116	123
Others/Consolidation	41	49	–8	8	1	–14	38	–17
Operating profit/loss	**–10**	**72**	**–82**	**969**	**309**	**187**	**219**	**254**
Earnings effects from purchase price allocations	–47	–23	–24	–110	–33	–26	–23	–28
Gains/losses from nonrecurring items	–	–	–	–231	–41	–	–190	–
Earnings before interest and taxes (EBIT)	**–57**	**49**	**–106**	**628**	**235**	**161**	**6**	**226**
Depreciation, amortization, and impairment of noncurrent assets (other than assets leased out)	246	123	123	706	172	118	304	112
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	**189**	**172**	**17**	**1,334**	**407**	**279**	**310**	**338**
Earnings before tax (EBT)	**–130**	**14**	**–144**	**316**	**128**	**116**	**–116**	**188**
Income taxes	–248	–55	–193	–124	–40	–54	28	–58
Net income/loss	**–378**	**–41**	**–337**	**192**	**88**	**62**	**–88**	**130**
ROS (%)	**–0.1**	**1.8**	**–2.3**	**6.1**	**7.4**	**4.8**	**5.7**	**6.6**
MAN Truck & Bus	0.8	2.5	–1.2	2.6	4.2	2.4	0.6	3.3
MAN Latin America	6.8	6.8	6.8	8.0	7.1	6.6	8.6	9.5
Commercial Vehicles	2.4	3.5	1.2	3.9	4.9	3.3	2.2	5.1
MAN Diesel & Turbo	–13.6	–11.3	–16.4	11.6	13.6	8.6	11.2	12.8
Renk	12.3	11.0	13.3	13.9	11.7	18.4	11.7	13.6
Power Engineering	–10.5	–9.0	–12.2	11.8	13.4	9.7	11.2	12.9

[1)] Operating profit/loss, EBIT, EBITDA, EBT, income taxes, and net income/loss adjusted to reflect the retrospective application of IAS 19 (2011), see also “New and revised accounting pronouncements” on page 34.

This information is reported on a voluntary basis.

Overview by Quarter (3/3)

	2013				2012[1]			
€ million	H1	Q2	Q1	Total 2012	Q4	Q3	Q2	Q1
Cash earnings	59	121	–62	980	328	160	270	222
Net cash provided by/used in operating activities	–535	–385	–150	–84	662	–262	–379	–105
Net cash used in investing activities	–203	–118	–85	–1,233	–258	–164	–157	–654
Free cash flow	**–738**	**–503**	**–235**	**–1,317**	**404**	**–426**	**–536**	**–759**
Net financial debt[2)]	**–4,797**	**–4,797**	**–4,152**	**–3,928**	**–3,928**	**–4,309**	**–3,853**	**–3,016**
ROCE (%)	**–0.3**	**4.1**	**–4.7**	**13.9**	**17.1**	**10.3**	**12.6**	**16.1**
ROE (%)[2)]	**–4.9**	**1.1**	**–10.4**	**5.6**	**9.2**	**8.6**	**–8.1**	**12.8**
Headcount[2) 4)]	**53,769**	**53,769**	**54,168**	**54,283**	**54,283**	**54,970**	**55,235**	**54,802**
of which: subcontracted employees	1,693	1,693	1,865	1,802	1,802	2,038	2,402	2,388
Capital markets information								
Earnings per share from continuing operations (€)	**–2.60**	**–0.29**	**–2.31**	**1.23**	**0.58**	**0.40**	**–0.62**	**0.87**
Earnings per share from continuing operations excluding effects from purchase price allocations and nonrecurring items (€)	**–2.39**	**–0.19**	**–2.20**	**3.34**	**1.04**	**0.52**	**0.78**	**1.00**
MAN share price[5)]								
High	89.74	86.51	89.74	102.45	82.53	83.77	102.45	99.83
Low	82.35	83.76	82.35	70.76	72.22	70.76	76.98	72.42
Quarter-end	83.90	83.90	83.87	80.75	80.75	71.25	80.54	99.83
MAN share performance (%)								
Performance of MAN shares	3.9	0.0	3.9	17.5	13.3	–11.5	–19.3	45.3
Dax performance	4.6	2.1	2.4	29.1	5.5	12.5	–7.6	17.8
MDax performance	15.0	2.9	11.8	33.9	8.5	6.1	–3.4	20.3

1) ROCE, ROE, earnings per share from continuing operations, and earnings per share from continuing operations excluding effects from purchase price allocations and nonrecurring items adjusted to reflect the retrospective application of IAS 19 (2011), see also “New and revised accounting pronouncements” on page 34.
2) As of the reporting date.
3) ROE including earnings effects of discontinued operations.
4) Including subcontracted employees.
5) Xetra closing prices, Frankfurt.

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MAN SE Financial Diary*

Report on Q3/2013	October 29, 2013
Annual press conference	March 12, 2014
Internet publication of annual report	March 12, 2014
Report on Q1/2014	May 5, 2014
Annual General Meeting for fiscal 2013	May 23, 2014
Half-yearly report 2014	July 30, 2014

* Updated information on the MAN website at
→www.man.eu/ir.

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This is a translation of the German original. In the event of discrepancies between the German language version and any translation thereof, the German language version will prevail.

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