


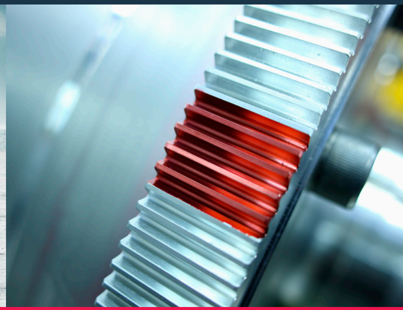

Q2

MAN Group:
MAN gets in shape for the future

Interim report as of June 30, 2015 – Q2 / 2015

million	2015 Q1-Q2	2014 Q1-Q2	Change in %	2015 Q2	2014 Q2	Change in %
Order intake	7,469	7,674	-3	3,708	3,976	-7
Sales revenue	6,719	6,699	0	3,631	3,561	2
Operating profit/loss	15	222	-93	-19	154	–

- Slight decline in order intake; sales revenue level year-on-year
- Commercial Vehicles business area: European market up significantly year-on-year, considerable deterioration in the market environment in Brazil
- Restructuring expenses for the program to safeguard future growth at MAN Truck & Bus weigh heavily on operating profit; operating loss in Brazil due to volume-related factors
- Positive net cash flow
- Adjusted outlook for full-year 2015: sales revenue down slightly year-on-year, operating profit significantly impacted primarily by restructuring expenses, operating return on sales more than halved

MAN SE

Q2 MAN Group

MAN gets in shape for the future

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Letter to our Shareholders

MAN gets in shape for the future

Dear Shareholders,

The robust growth in the global economy lost momentum in the first half of 2015. While economic growth picked up in many industrialized nations, the situation in some emerging economies remained tense. This was particularly true in Brazil and Russia — key markets for MAN. We must address our current cost structures and significantly enhance our efficiency so that we can better respond to such market fluctuations in the future and ensure that we maintain our high competitive level. That is why we have launched a Group-wide efficiency program, which includes reorganizing truck production and streamlining administrative functions at MAN Truck & Bus. These measures will initially entail financial expenses, the largest part of which were recorded as provisions in the past quarter. We will reap the rewards in the coming years. The tense situation in Brazil continued to have a significant negative impact on our figures, while the European commercial vehicles market is now growing again.

These offsetting developments meant that order intake in the Commercial Vehicles business area only recorded a moderate decline, decreasing by 3% year-on-year to €5.6 billion. Whereas MAN Latin America saw its order intake reduce by 50% year-on-year to €593 million, MAN Truck & Bus recorded a 9% rise in order intake to €5.1 billion. This is a very positive sign. Order intake in the Power Engineering business area amounted to €1.9 billion, corresponding to a year-on-year decline of approximately 3% as well. MAN Diesel & Turbo received €1.6 billion in new orders, while Renk's order intake was €293 million in the first six months of the year.

At €6.7 billion, the MAN Group's sales revenue remained level year-on-year in the first half of 2015.

MAN Truck & Bus generated sales revenue of €4.4 billion. At MAN Latin America, sales revenue declined to €593 million. Sales revenue at MAN Diesel & Turbo was up 11% to €1.6 billion. Renk posted €240 million.

At €15 million, the MAN Group again recorded an operating profit in the first half of 2015 despite the significant impact of the weak economic situation in Brazil and restructuring expenses of €170 million at MAN Truck & Bus. The Commercial Vehicles business area generated an operating loss of €74 million in the first half of 2015, compared with a €150 million operating profit in the prior-year period. MAN Truck & Bus recorded an operating loss of €49 million. Excluding expenses incurred for the future growth program, operating profit would have increased 53% year-on-year to €121 million. MAN Latin America's operating loss widened to €21 million due to the significantly lower unit sales volumes.

By contrast, operating profit in the Power Engineering business area rose to €135 million. MAN Diesel & Turbo contributed €93 million and Renk €43 million.

We expect global economic growth to remain on a level with the previous year in 2015. The risk factors include geopolitical conflicts. The volatility of currencies of significance to MAN is also a source of uncertainty. In the Commercial Vehicles business area, we expect unit sales for 2015 to be significantly below the previous year due to the market situation in Brazil, with sales revenue falling slightly short of the prior-year figure. An operating loss is expected here, primarily as a result of expenses associated with the restructuring program at MAN Truck & Bus. As a result, the Commercial Vehicles business area will see a negative operating return on sales.

We expect the Power Engineering business area's order intake for 2015 to be slightly below the prior-year level, which was dominated by a major order. Sales revenue should remain roughly unchanged as against the previous year. Operating profit and the operating return on sales will improve slightly. Ongoing high competitive pressure in the currently flat markets will continue to have a negative impact in 2015. As a consequence, we are assuming a higher single-digit operating return on sales.

This means a slight year-on-year decline in the MAN Group's sales revenue. Operating profit will be significantly impacted primarily by restructuring expenses. The operating return on sales will more than halve year-on-year.

It is of course no easy task to initiate fundamental and cost-intensive measures to safeguard future growth in economically difficult times. However, we are convinced that we have to act here and now to get MAN in shape for the future.

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 compliance with IAS 34 in accordance with the International Financial Reporting Standards (IFRSs) and related Interpretations issued by the International Accounting Standards Board (IASB) that were effective at the end of the reporting period and endorsed by the European Union (EU). The Group interim financial report should be read in conjunction with the annual report for fiscal year 2014 and the additional information on the Company contained in it.

At a Glance

€ million	2015 H1	2014 H1	Change in %	2015 Q2	2014 Q2	Change in %
Order intake	7,469	7,674	–3	3,708	3,976	–7
Germany	1,849	1,610	15	913	860	6
Other countries	5,621	6,064	–7	2,795	3,116	–10
Order backlog[1]	6,712	6,244	7	6,712	6,244	7
Headcount[1]	55,196	55,903	–1	55,196	55,903	–1
Germany	31,650	32,309	–2	31,650	32,309	–2
Other countries	23,546	23,594	0	23,546	23,594	0
Sales revenue	6,719	6,699	0	3,631	3,561	2
Germany	1,613	1,367	18	853	712	20
Other countries	5,106	5,333	–4	2,778	2,849	–2
			€ million			€ million
Operating profit before special items[2]	185	222	–37	151	154	–3
Special items[2]	–170	–	–170	–170	–	–170
Operating profit/loss	15	222	–207	–19	154	–173
Operating return on sales (%)	0.2	3.3	–3.1	–0.5	4.3	–4.8
Profit/loss before tax from continuing operations	–68	158	–226	–53	116	–168
as a % of sales revenue	–1.0	2.4	–3.4	–1.5	3.2	–4.7
Profit/loss after tax	–46	92	–137	–35	63	–99
Profit/loss attributable to shareholders of MAN SE	–52	86	–139	–40	61	–101
Gross cash flow	482	175	307	213	215	–2
Net cash provided by/used in operating activities	322	–908	1,230	79	–220	299
Net cash provided by/used in investing activities attributable to operating activities	–229	225	–454	–142	–113	–29
of which: from acquisitions and divestments	–23	412	–435	–22	–5	–17
of which: investments in property, plant, and equipment	–108	–112	4	–62	–68	7
as a % of sales revenue	1.6	1.7	–0.1	1.7	1.9	–0.2
capitalized development costs	–107	–85	–22	–61	–43	–17
as a % of sales revenue	1.6	1.3	0.3	1.7	1.2	0.5
Net cash flow	93	–684	776	–64	–333	270
Depreciation, amortization, and impairment losses of noncurrent assets	482	440	42	245	221	25
R&D expenditures	305	278	27	155	150	4
Cash and cash equivalents[1]	828	525	303	828	525	303
Net financial debt[1]	–1,732	–1,360	–372	–1,732	–1,360	–372
Total equity[1]	5,718	5,485	233	5,718	5,485	233

Any differences in this Group interim financial report are due to rounding.
1) As of June 30, 2015, vs. December 31, 2014.
2) Special items comprise restructuring expenses of €170 million at MAN Truck & Bus.

Interim Management Report as of June 30, 2015

Economic environment

The robust growth in the global economy lost momentum in the first half of 2015. While the economic recovery continued in many industrialized nations, growth in some emerging economies remained below average. Although comparatively low energy and raw materials prices had a negative impact on individual countries' economies, they served to boost the global economy as a whole.

Western Europe's economic recovery continued in the reporting period. The northern European countries recorded solid growth, while there were increasing signs that the recession is coming to an end in the majority of southern European countries. Economic growth was also positive in Central Europe in the reporting period. The conflict between Russia and Ukraine contributed substantially to the recessionary trend in these two economies and led to an overall deterioration in the situation in Eastern Europe.

Growth in the German economy again remained stable in the first half of 2015, thanks to positive consumer sentiment and the strong labor market.

The US economy averaged solid growth in the period from January to June 2015. The easing unemployment rate and positive consumer sentiment, together with the continuing very loose monetary policy, stimulated the economy.

The situation in Brazil remained tense in the first six months of 2015. Growth remained negative, in particular as a result of weak domestic demand and low global commodity prices. Economic output in Argentina also declined in the reporting period, while the very high rate of inflation persisted.

Despite some economic uncertainties, the Chinese economy continued to see high, if slightly weaker, growth over the first six months of 2015. India recorded stable, high economic growth.

Results of operations, financial position, and net assets

The MAN Group's results of operations

The MAN Group's order intake in the first half of the current fiscal year was €7.5 billion, down slightly on the prior-year level.

Order intake by business area

€ million	2015 H1	2014 H1	Change in %	2015 Q2	2014 Q2	Change in %
Commercial Vehicles	5,637	5,784	–3	2,850	2,984	–4
Power Engineering	1,852	1,906	–3	866	1,001	–14
Others	–20	–16	–	–7	–9	–
MAN Group	**7,469**	**7,674**	**–3**	**3,708**	**3,976**	**–7**

Order intake in the Commercial Vehicles business area declined by 3% year-on-year to €5.6 billion in the first six months (previous year: €5.8 billion). Measured in terms of units, order intake declined significantly, decreasing by 7,369 vehicles to a total of 55,277.

MAN Truck & Bus received orders worth €5.1 billion in the first six months of fiscal 2015, an increase of 9% as against the previous year. However, the prior-year period was dominated by buyer reluctance following the introduction of the Euro 6 emission standard. The number of vehicles ordered rose by 12% to 43,484 vehicles.

MAN Latin America's order intake halved to €0.6 billion in the first six months of 2015 (previous year: €1.2 billion) due to the strong deterioration in the market environment in Brazil. Unit sales also decreased by 50% to 12,481 vehicles (previous year: 25,197 vehicles).

In the Power Engineering business area, order intake declined by approximately 3% year-on-year to €1.9 billion. MAN Diesel & Turbo's orders decreased by 7% to €1.6 billion, due in particular to the Power Plants strategic business unit. Renk recorded an order intake of €293 million in the first six months (previous year: €226 million). The increase is mainly attributable to the Vehicle Transmissions and Standard Gear Units businesses.

The MAN Group's order intake in Germany increased by 15% year-on-year to €1.8 billion, while international orders declined by 7%. The proportion of order intake generated outside Germany was 75% (previous year: 79%).

The order backlog amounted to €6.7 billion as of June 30, 2015, up 7% compared with December 31, 2014 (€6.2 billion). The Commercial Vehicles business area recorded an increase of 18% and the Power Engineering business area an increase of 2%.

The MAN Group's sales revenue for the first six months of fiscal 2015 was on a level with the previous year, at €6.7 billion.

Sales revenue by business area						
€ million	**2015 H1**	**2014 H1**	**Change in %**	**2015 Q2**	**2014 Q2**	**Change in %**
Commercial Vehicles	4,917	5,071	–3	2,625	2,735	–4
Power Engineering	1,813	1,634	11	1,013	830	22
Others	–12	–6	–	–7	–4	–
MAN Group	**6,719**	**6,699**	**0**	**3,631**	**3,561**	**2**

The Commercial Vehicles business area reported sales revenue of €4.9 billion in the first half of the year, 3% less than in the previous year (€5.1 billion). Unit sales decreased by 13% to 49,876 vehicles. MAN Truck & Bus generated sales revenue of €4.4 billion, up 12% on the prior-year figure of €3.9 billion. Unit sales rose by 15% to 38,024 vehicles. MAN Latin America's sales revenue declined to €0.6 billion in the first half of 2015 (previous year: €1.2 billion) due to the strong deterioration in the market environment. Unit sales halved to 12,481 vehicles.

Sales revenue in the Power Engineering business area rose by 11% year-on-year in the first six months to €1.8 billion (previous year: €1.6 billion). At €1.6 billion, MAN Diesel & Turbo's sales revenue was up 11% year-on-year in the first six months; only the Turbomachinery strategic business unit reported a slight 3% decrease in sales revenue. Renk generated sales revenue of €240 million (previous year: €216 million).

The MAN Group's domestic sales revenue rose by 18% year-on-year to almost €1.6 billion. International sales revenue declined by 4%. The proportion of sales revenue generated outside Germany was 76% (previous year: 80%).

The MAN Group recorded a modest operating profit of €15 million in the first half of 2015 (previous year: €222 million). The deterioration was primarily due to restructuring expenses of €170 million at MAN Truck & Bus and the decrease in operating profit in Brazil due to volume-related factors. Excluding restructuring expenses, operating profit was down slightly year-on-year.

Operating profit/loss by business area						
€ million	**2015 H1**	**2014 H1**	**Change in € million**	**2015 Q2**	**2014 Q2**	**Change in € million**
Commercial Vehicles	–74	150	–224	–85	107	–192
Power Engineering	135	114	21	83	67	16
Others	–46	–41	–4	–17	–20	3
MAN Group	**15**	**222**	**–207**	**–19**	**154**	**–173**

The year-on-year decline is primarily attributable to the Commercial Vehicles business area, which reported an operating loss of €74 million as against the operating profit of €150 million recorded in the prior-year period.

By contrast, operating profit in the Power Engineering business area rose to €135 million (previous year: €114 million). The operating loss attributable to Others was €46 million (previous year: €41 million).

The MAN Group's operating return on sales in the first six months was 0.2%, after 3.3% in the prior-year period. The operating return on sales for the Commercial Vehicles business area declined to –1.5% (previous year: 3.0%). In the Power Engineering business area, the operating return on sales rose to 7.4% (previous year: 7.0%).

MAN Truck & Bus recorded an operating loss of €49 million in the first six months (previous year: operating profit of €79 million). This was mainly attributable to restructuring expenses associated with the future growth program to strengthen its competitiveness for the long term. MAN Truck & Bus's operating return on sales for the first six months declined from 2.0% in the previous year to –1.1%. Excluding the restructuring expenses, operating profit improved on the back of increased volumes.

MAN Latin America generated an operating loss of €21 million in the reporting period (previous year: operating profit of €67 million). The decrease was primarily due to sales revenue, which halved as against the prior-year period. The operating return on sales amounted to –3.5% (previous year: 5.6%).

MAN Diesel & Turbo generated an operating profit of €93 million, after €88 million in the previous year. This increase was due to the Engines & Marine Systems strategic business unit. MAN Diesel & Turbo's operating return on sales was 5.9% (previous year: 6.2%). Renk recorded an operating profit of €43 million in the first half of 2015 (previous year: €26 million). Its operating return on sales was 17.8% (previous year: 11.9%).

The financial result of €–83 million (previous year: €–64 million) includes the net interest expense of €63 million (previous year: €68 million). The €19 million year-on-year deterioration in the financial result is primarily due to higher expenses for financial instruments and increased currency losses.

Overall, the MAN Group's loss before tax amounted to €68 million in the first six months (previous year: profit before tax of €158 million). The loss after tax in the reporting period was €46 million, compared with profit after tax of €92 million in the previous year. The tax rate was 33% (previous year: 42%).

Earnings per share from continuing operations were €–0.36, as against €0.59 in the prior-year period.

The MAN Group's financial position

Net cash flow from the MAN Group's operating and investing activities attributable to operating activities amounted to €93 million after the first six months (previous year: €–684 million).

Net cash flow by business area						
€ million	2015 H1	2014 H1	Change € million	2015 Q2	2014 Q2	Change € million
Commercial Vehicles	14	–468	483	64	–84	148
Power Engineering	79	–117	196	–58	–57	0
Others	0	–98	98	–70	–192	122
MAN Group	**93**	**–684**	**776**	**–64**	**–333**	**270**

The MAN Group's gross cash flow amounted to €482 million in the first six months (previous year: 175 million). While the loss before tax widened to €68 million (previous year: profit before tax of €158 million), the prior-year period was negatively impacted by additional tax payments of €256 million including interest for discontinued operations, as well as a prepayment of €130 million on the expected tax liability for fiscal 2013 that was subsequently assessed.

At €160 million, the increase in the MAN Group's working capital was significantly more moderate in the first half of the fiscal year than in the prior-year period (€1,083 million). The clear year-on-year improvement was due to the €359 million increase in liabilities (previous year: decrease of €384 million). The rise in working capital in the current year was primarily attributable to the rise in inventories in the amount of €289 million (previous year: €351 million). Offsetting effects came from the increase in liabilities, the €78 million rise in provisions (previous year: decrease of €76 million) and the €36 million decline in receivables (previous year: increase of €37 million).

Within working capital, the €345 million increase in assets leased out (previous year: €235 million) was largely offset by the depreciation of assets leased out and by offsetting effects within other liabilities in cash flows from operating activities.

As a result, net cash provided by operating activities amounted to €322 million in the first six months, a significant year-on-year improvement (previous year: net cash used in operating activities of €908 million).

Cash flow from investing activities attributable to operating activities was €–229 million (previous year: €225 million). The prior-year figure includes the net cash inflow from the sale of MAN Finance International GmbH, Munich, of €415 million. Excluding this effect, investments were up slightly on the prior-year level.

In the Commercial Vehicles business area, net cash flow amounted to €14 million (previous year: €–468 million), due primarily to the lower level of funds tied up in working capital in the first half of the year. The Power Engineering business area generated a net cash flow of €79 million (previous year: € –117 million). The net cash flow attributable to Others was neutral (previous year: €–98 million).

Net cash provided by financing activities amounted to €85 million in the reporting period (previous year: net cash used in financing activities of €166 million). This includes the transfer of €486 million in profit for 2014 to Volkswagen Truck & Bus GmbH, Braunschweig, formerly Truck & Bus GmbH, Wolfsburg (Truck & Bus GmbH), (previous year: cash inflow of €724 million due to loss absorption) and the repayment of bonds in the amount of €120 million (previous year: €520 million). By contrast, financial liabilities rose by €695 million after declining by €346 million in the previous year.

The MAN Group's net financial debt was €1,732 million on June 30, 2015, a deterioration of €372 million as against December 31, 2014.

MAN consolidated statement of cash flows (key figures) Reporting period January 1 to June 30		
€ million	**2015**	**2014**
Cash and cash equivalents at beginning of period	**525**	**1,208**
Profit/loss before tax of continuing operations	–68	158
Income taxes paid/refunded	82	–387
Depreciation and amortization of, and impairment losses on, intangible assets, property, plant, and equipment, and investment property[1)]	185	183
Amortization of, and impairment losses on, capitalized development costs[1)]	46	46
Depreciation of assets leased out[1)]	251	211
Change in provisions for pensions and other post-employment benefits	–8	–23
Gain on disposal of noncurrent assets	–5	–6
Share of profits or losses of equity-method investments	–1	–1
Other noncash income and expense	1	–5
Gross cash flow	**482**	**175**
Change in working capital	**–160**	**–1,083**
Change in inventories	–289	–351
Change in receivables	36	–37
Change in liabilities and prepayments received (excluding financial liabilities)	359	–384
Change in other provisions	78	–76
Change in assets leased out	–345	–235
Net cash provided by/used in operating activities	**322**	**–908**
Payments to acquire property, plant, and equipment, investment property, and intangible assets (excluding capitalized development costs)	–108	–112
Additions to capitalized development costs	–107	–85
Payments to acquire other investees	–23	–5
Proceeds from the disposal of subsidiaries, net of cash disposed of	–	417
Proceeds from asset disposals (other than assets leased out)	9	10
Net cash provided by/used in investing activities attributable to operating activities	**–229**	**225**
Net cash flow	**93**	**–684**
Change in investments in securities and loans	112	411
Net cash provided by/used in investing activities	**–117**	**636**
Dividend payments	–3	–24
Profit transferred/loss absorbed	–486	724
Repayment of bonds	–120	–520
Change in other financial liabilities	695	–346
Net cash provided by/used in financing activities	**85**	**–166**
Effect of exchange rate changes on cash and cash equivalents	13	6
Change in cash and cash equivalents	**303**	**–432**
Cash and cash equivalents at June 30	**828**	**775**
Composition of net liquidity/net financial debt at June 30, 2015 and December 31, 2014		
Cash and cash equivalents	828	525
Securities, loans, and time deposits	488	600
Gross liquidity	**1,316**	**1,125**
Total third-party borrowings	–3,048	–2,485
Net financial debt	**–1,732**	**–1,360**

1) Net of impairment reversals.

Structure of the MAN Group's balance sheet

The MAN Group's total assets amounted to €18,500 million at the end of the reporting period, 5.5% higher than on December 31, 2014 (€17,538 million).

Noncurrent assets rose as against December 31, 2014, due primarily to the €208 million increase in the carrying amount of the investment in Scania AB, Södertälje/Sweden (Scania), as of June 30, 2015. Overall, noncurrent assets rose by 3.1% in the period under review. Current assets were up 9.0% on the figure as of the end of 2014. Inventories increased by €323 million in the first half of the fiscal year. Cash and cash equivalents amounted to €828 million as of the reporting date (previous year: €525 million). Current liabilities and provisions rose by a total of 14.3% as against December 31, 2014. Within this figure, the increase in financial liabilities was attributable in particular to growth in liabilities to affiliated companies and the reclassification of noncurrent liabilities to current liabilities due to their shorter maturities. Other noncurrent and current provisions included a total of €170 million in provisions for restructuring measures at MAN Truck & Bus as of June 30, 2015.

The MAN Group's equity increased to €5,718 million as of June 30, 2015, compared with €5,485 million as of December 31, 2014. This rise as against the end of 2014 is primarily attributable to the measurement of the investment in Scania. The equity ratio was 30.9% (previous year 31.3%). Noncontrolling interests are primarily attributable to Renk AG.

€ million	**6/30/2015**	**3/31/2015**	**12/31/2014**
Noncurrent assets	10,865	11,177	10,534
Current assets	7,635	7,361	7,004
Total assets	**18,500**	**18,537**	**17,538**
Total equity	5,718	6,008	5,485
Noncurrent liabilities and provisions	4,900	5,318	5,158
Current liabilities and provisions	7,883	7,211	6,894

Headcount

The MAN Group had 51,785 active employees on June 30, 2015, compared with 51,995 on December 31, 2014. A further 619 (previous year: 596) employees were in the passive phase of partial retirement, while 2,792 young people (previous year: 3,312) were in vocational traineeships. The MAN Group employed a total of 55,196 people (previous year: 55,903) worldwide at the end of the reporting period. The decrease of 707 employees or 1% as against December 31, 2014, was primarily the result of our restrictive hiring policy and the workforce adjustment to match capacity utilization levels. The proportion of employees in Germany was on a level with December 31, 2014, at 57% or 31,650 people (previous year: 32,309).

The MAN Group also had 1,328 subcontracted employees at the end of the second quarter, compared with 879 as of December 31, 2014.

Report on expected developments

For 2015, the MAN Group's Management anticipates that the global economy will match the previous year's growth rate despite a number of uncertainties. In our view, structural deficits and geopolitical conflicts are the main risks to the continued growth of the global economy. The current volatility of currencies of significance to MAN is also a source of uncertainty. Assuming that the moderate growth trend is not negatively impacted by unforeseen events, MAN SE's Executive Board currently expects the following:

In the Commercial Vehicles business area, we expect unit sales for 2015 to be significantly below the previous year due to the market situation in Brazil, with sales revenue falling slightly short of the prior-year figure. An operating loss is expected here, primarily as a result of expenses associated with the restructuring program at MAN Truck & Bus. As a result, the Commercial Vehicles business area will see a negative operating return on sales.

We expect the Power Engineering business area's order intake for 2015 to be slightly below the prior-year level, which was dominated by a major order. Sales revenue should remain roughly unchanged as against the previous year. Operating profit and the operating return on sales will improve slightly. Ongoing high competitive pressure in the currently flat markets will continue to have a negative impact in 2015. As a consequence, we are assuming a higher single-digit operating return on sales.

This means a slight year-on-year decline in the MAN Group's sales revenue. Operating profit will be significantly impacted primarily by restructuring expenses. The operating return on sales will more than halve year-on-year.

Report on risks and opportunities

The Report on Risks and Opportunities should be read in conjunction with our disclosures in the 2014 consolidated financial statements. The MAN Group's risk position has not changed significantly as against the assessment contained in that 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 sales revenue and earnings, please see the sections entitled "Economic environment" and "Report on expected developments," 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

The equity markets remained volatile in the first half of 2015. The central banks' loose monetary policy, which led European exchanges in particular to stage a record rally at the beginning of the year, continued to provide support. In the second quarter, the European equity markets were dominated more than ever by the dispute between Greece and its international creditors. The markets were weighed down by anxieties about a Greek exit from the eurozone and at times by the further strengthening of the euro against the dollar.

Despite this, the German benchmark index, the Dax, closed the first half of 2015 up almost 12% at 10,945 points on the back of the floods of liquidity from the European Central Bank, persistently low interest rates, low energy prices, and the economic recovery in the eurozone. The Dax recorded an all-time high of 12,375 points on April 10, 2015. The MDax also gained ground in the reporting period, increasing by almost 16% to 19,622 points. The price of MAN common shares remained virtually constant over the same period, starting from a closing price of €92.16 on December 31, 2014 to close at €92.39 on June 30, 2015.

Starting in fiscal year 2014, MAN SE no longer distributes any dividends as a result of the domination and profit and loss transfer agreement (DPLTA). Instead, Truck & Bus GmbH has agreed to make annual cash compensation payments of €3.07 per common or preferred share for each full fiscal year as reasonable compensation to MAN SE free float shareholders for the duration of the DPLTA, starting in fiscal 2014. The compensation was paid on May 7, 2015, the first bank working day after MAN SE's 135th Annual General Meeting on May 6, 2015.

Key data by division

Order intake by division

€ million	2015 H1	2014 H1	Change in %	2015 Q2	2014 Q2	Change in %
MAN Truck & Bus	5,095	4,656	9	2,566	2,390	7
MAN Latin America	593	1,195	–50	303	625	–52
MAN Diesel & Turbo	1,576	1,687	–7	749	901	–17
Renk	293	226	30	129	102	27
Others	–20	–16	–	–7	–9	–
Consolidation within the business areas	–68	–74	–	–32	–33	–
MAN Group	**7,469**	**7,674**	**–3**	**3,708**	**3,976**	**–7**

Sales revenue by division

€ million	2015 H1	2014 H1	Change in %	2015 Q2	2014 Q2	Change in %
MAN Truck & Bus	4,367	3,913	12	2,347	2,131	10
MAN Latin America	593	1,195	–50	303	625	–52
MAN Diesel & Turbo	1,582	1,426	11	885	726	22
Renk	240	216	11	133	108	23
Others	–12	–6	–	–7	–4	–
Consolidation within the business areas	–51	–45	–	–30	–25	–
MAN Group	**6,719**	**6,699**	**0**	**3,631**	**3,561**	**2**

Operating profit/loss by division

€ million	2015 H1	2014 H1	Change in € million	2015 Q2	2014 Q2	Change in € million
MAN Truck & Bus	–49	79	–128	–76	68	–144
MAN Latin America	–21	67	–88	–9	36	–45
MAN Diesel & Turbo	93	88	5	53	55	–2
Renk	43	26	17	30	12	18
Others	–46	–41	–4	–17	–20	3
Consolidation within the business areas	–5	3	–8	–1	3	–4
Operating profit/loss	**15**	**222**	**–207**	**–19**	**154**	**–173**
Financial result	–83	–64	–19	–34	–39	5
Profit/loss before tax	**–68**	**158**	**–226**	**–53**	**116**	**–168**
Income tax expense/income	22	–66	89	17	–52	70
Profit/loss after tax	**–46**	**92**	**–137**	**–35**	**63**	**–99**

In this Group interim financial report, the breakdown of order intake, sales 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	2015 H1	2014 H1	Change in %	2015 Q2	2014 Q2	Change in %
Order intake	5,095	4,656	9	2,566	2,390	7
of which: Trucks	4,390	3,938	11	2,176	2,063	5
of which: Buses	705	718	–2	390	327	19
Order intake (units)	43,484	38,854	12	21,681	20,657	5
of which: Trucks	40,741	36,159	13	20,122	19,558	3
of which: Buses	2,743	2,695	2	1,559	1,099	42
Sales revenue	4,367	3,913	12	2,347	2,131	10
of which: Trucks	3,649	3,301	11	1,951	1,748	12
of which: Buses	717	612	17	396	383	3
Vehicle sales (units)	38,024	33,093	15	21,782	18,827	16
of which: Trucks	35,141	30,834	14	20,112	17,295	16
of which: Buses	2,883	2,259	28	1,670	1,532	9
Production (units)	38,807	35,410	10	21,048	19,961	5
of which: Trucks	35,753	33,040	8	19,486	18,648	4
of which: Buses	3,054	2,370	29	1,562	1,313	19
Headcount[1]	35,904	36,450	–1	35,904	36,450	–1
			€ million			€ million
Operating profit/loss before special items[2]	121	79	42	94	68	26
of which: Trucks	114	112	2	79	77	2
of which: Buses	7	–33	40	15	–9	24
Operating return on sales (%) before special items[2]	2.8	2.0	–	4.0	3.2	–
Operating profit/loss	–49	79	–128	–76	68	–144
Operating return on sales (%)	–1.1	2.0	–	–3.2	3.2	–

1) Headcount as of June 30, 2015, vs. December 31, 2014.
2) Special items comprise restructuring expenses in the amount of €170 million.

The European truck market was up sharply on the prior-year level in the first six months of the current fiscal year. However, the prior-year period was dominated by buyer reluctance following the introduction of the Euro 6 emission standard. MAN Truck & Bus is expecting a tangible year-on-year upturn in the European market for full-year 2015 due to the improved economic outlook, despite the negative effects of the Ukraine conflict. The European bus market was also up significantly on the prior-year level in the first half of 2015. Growth for full-year 2015 is expected to be slightly higher than in the previous year.

Order intake at MAN Truck & Bus rose by 9% year-on-year in the first half of 2015 to €5,095 million. Measured in terms of units, order intake was up 12% on the previous year, at 43,484 vehicles (previous year: 38,854).

The Trucks business recorded an order intake of €4,390 million (previous year: €3,938 million). The unit figure rose by 13% compared with the first half of 2014 to 40,741 trucks (previous year: 36,159). This was mainly driven by the year-on-year rise in order intake in Europe, particularly in Germany, the United Kingdom, and France. Order intake in these countries also rose quarter-on-quarter in Q2 2015. By contrast, Russia and Uzbekistan in particular saw declines in order intake compared with H1 2014.

At €705 million, order intake in the Buses business was down 2% on the previous year in the first half of 2015; this was mainly due to prices and the product mix. Measured in unit terms, the order intake figure of 2,743 was slightly above the 2,695 recorded in the previous year. This was primarily due to the rise in order intake in Europe and particularly in Germany, Hungary, and France, compared with the previous year. The significant year-on-year increase in order intake in the second quarter of 2015 was primarily attributable to major orders for city buses in these countries.

MAN Truck & Bus generated sales revenue of €4,367 million, a 12% increase year-on-year from €3,913 million. At 38,024 vehicles, unit sales were also up by 15% on the prior-year figure of 33,093.

The Trucks business recorded an increase in sales revenue to €3,649 million (previous year: €3,301 million). At 35,141 trucks, unit sales were up 14% on the prior-year figure of 30,834. An increase was recorded in Germany, France, and Poland in particular. By contrast, Russia and the United Arab Emirates saw declines in unit sales. Overall, MAN Truck & Bus's share of the European market for trucks over 6 t was 16.2% in the first half of 2015 (previous year: 16.0%).

The Buses business generated sales revenue of €717 million, up on the prior-year figure of €612 million. It sold 2,883 buses (previous year: 2,259), a year-on-year increase of 28%. The main growth drivers were the year-on-year increase in the order backlog at the beginning of 2015 and a rise in unit sales in Germany, Bahrain, and Israel. In the European bus market, MAN Truck & Bus had a market volume of 12.0% six months into the year (previous year: 11.7%).

In the first half of 2015, production volumes were expanded as against the previous year by 2,713 units (+8%) in the Trucks business and by 684 units (+29%) in the Buses business due to the increase in demand. In addition, short-time working ended at all plants at the beginning of the second quarter of 2015.

The headcount declined by 1% compared with December 31, 2014, to 35,904 employees in the first half of 2015. There were 33,330 active employees on the reporting date of June 30, 2015. A total of 460 employees were in the passive phase of partial retirement, and 2,114 young people were in vocational traineeships.

At €121 million, operating profit before special items in the first half of 2015 was significantly higher than the prior-year figure (€79 million). This corresponds to an operating return on sales of 2.8% (previous year: 2.0%). The Trucks business recorded an operating profit of €114 million, on a level with the previous year (€112 million). In the Buses business, it improved to €7 million (previous year: operating loss of €33 million), mainly due to volume-related factors and the structural changes introduced in the past year. MAN Truck & Bus is continuing its extensive program to strengthen the Company in a competitive market environment with the aim of systematically improving its earnings quality. One focus here is on restructuring its truck production sites and streamlining all administrative areas. In this context, provisions in the amount of €170 million were established for the restructuring measures introduced. Taking into account the restructuring measures, MAN Truck & Bus recorded an operating loss of €49 million in the first half of 2015 (previous year: operating profit of €79 million).

The Management of MAN Truck & Bus expects unit sales and sales revenue for 2015 to slightly exceed the prior-year level. 2015 operating profit before special items is also expected to be up slightly on the previous year. Operating profit and the operating return on sales will improve slightly despite the restructuring expenses.

MAN Latin America

€ million	2015 H1	2014 H1	Change in %	2015 Q2	2014 Q2	Change in %
Order intake	593	1,195	–50	303	625	–52
Order intake (units)	12,481	25,197	–50	6,443	12,806	–50
Sales revenue	593	1,195	–50	303	625	–52
Vehicle sales (units)	12,481	25,197	–50	6,443	12,806	–50
Production (units)	14,769	24,537	–40	7,725	10,063	–23
Headcount[1)]	1,934	1,999	–3	1,934	1,999	–3
			€ million			€ million
Operating profit/loss	–21	67	–88	–9	36	–45
Operating return on sales (%)	–3.5	5.6	–	–3.0	5.7	–

1) Headcount as of June 30, 2015, vs. December 31, 2014.

The economic environment in which MAN Latin America operates continued to deteriorate in the first half of the year, leading to a sharp drop in demand. The business climate in Brazil in particular experienced further worsening due to negative growth forecasts for 2015. This was exacerbated by the austerity measures introduced by the Brazilian government to reduce the country's budget deficit and curb inflation. State-subsidized financing for trucks and buses was offered on significantly less favorable terms, which had an additional negative impact on the commercial vehicles market. The uncertainties in the remaining Latin American markets also continued to be felt in the first half of the year.

MAN Latin America received orders of €593 million in the first half of 2015 (previous year: €1,195 million). Order intake was down 50% year-on-year, primarily due to the drop in demand in the Brazilian commercial vehicles market.

New registrations for trucks weighing 5 t and over in Brazil decreased by 42% to 36,881 units. MAN Latin America sold 7,979 trucks in the Brazilian truck market. This corresponds to a decline of 57% as against the prior-year period. At a total of 10,226 new truck registrations (previous year: 16,984), MAN Latin America maintained its twelve-year market leadership, achieving a market share of 27.7% (previous year: 26.7%).

New registrations in the Brazilian bus market decreased by 28% to 9,665 vehicles. MAN Latin America sold 1,198 bus chassis (previous year: 3,652) and achieved a market share of 22.0% (previous year: 26.1%) in the declining market, with 2,126 new bus registrations (previous year: 3,499). The company again occupied the number two position in the Brazilian bus market.

Brazil's commercial vehicles exports increased by 12% year-on-year in spite of the currently weak economy in the other Latin American markets. Despite this challenge, MAN Latin America sold 3,304 vehicles outside Brazil (previous year: 3,199), remaining one of Brazil's leading exporters with an 18.9% (previous year: 18.9%) share of the country's commercial vehicle exports.

Production volumes declined by 40% compared with the prior-year period. MAN Latin America produced 11,578 trucks (previous year: 19,967) and 3,191 bus chassis (previous year: 4,570) in the first half of the year. Production was adjusted to match the lower level of demand.

The headcount declined by 3% compared with December 31, 2014, to 1,934 employees in the first half of 2015. The decrease of 65 employees resulted from factors including the restrictive hiring policy and the workforce adjustment to match capacity utilization levels. In addition, MAN Latin America temporarily reduced working hours by 10%, cutting salaries in line with this. This temporary adjustment equates to a capacity adjustment of around 190 additional employees.

The operating loss amounted to €21 million, compared with a €67 million operating profit in the first half of 2014, primarily due to the significantly lower unit sales volumes. MAN Latin America's operating return on sales was –3.5% (previous year: 5.6%).

The Management of MAN Latin America is expecting a considerable drop in full-year unit sales volumes for 2015 and a strong decline in sales revenue. In addition to the decline in unit sales, operating profit will be impacted by continued intense competition and the associated price pressure. Operating profit and the operating return on sales will be negative despite the cost-cutting measures introduced. These forecasts assume that there will be no significant change in exchange rates.

MAN Diesel & Turbo

€ million	2015 H1	2014 H1	Change in %	2015 Q2	2014 Q2	Change in %
Order intake[1]	1,576	1,687	–7	749	901	–17
of which: Engines & Marine Systems	821	865	–5	414	428	–3
of which: Power Plants	136	246	–45	62	139	–55
of which: Turbomachinery	619	576	8	273	334	–18
Sales revenue[1]	1,582	1,426	11	885	726	22
of which: Engines & Marine Systems	769	658	17	403	344	17
of which: Power Plants	276	217	27	182	116	57
of which: Turbomachinery	537	551	–3	299	266	12
Headcount[2]	14,850	14,947	–1	14,850	14,947	–1
			€ million			€ million
Operating profit/loss[1]	93	88	5	53	55	–2
of which: Engines & Marine Systems	110	66	44	55	37	18
of which: Power Plants	–3	4	–7	5	6	–1
of which: Turbomachinery	–14	18	–32	–7	12	–19
Operating return on sales (%)	5.9	6.2	–	6.0	7.5	–

[1] Including consolidation adjustments between the Engines & Marine Systems, Power Plants, and Turbomachinery strategic business units.
[2] Headcount as of June 30, 2015, vs. December 31, 2014.

In the first half of 2015, the marine market saw a continuation of the muted order activity that was already noticeable during the course of 2014. The situation in the various market segments was mixed, in some cases significantly. While there was healthy demand for LNG tankers and cruise ships, the situation for freight and container ships remained strained. Demand in the offshore market also worsened as a result of the low oil prices. Overall, the marine market declined significantly year-on-year.

The energy generation market proved stable overall compared with the same period in the previous year. Demand for energy solutions remains high, with a strong trend toward greater flexibility and decentralized availability. The shift away from heavy oil power plants toward dual-fuel and natural gas power plants continued. Delays in awarding contracts — some of them significant — are being seen due to continuing muted economic growth in the emerging markets and developing countries that are important for MAN Diesel & Turbo, and due to the increasingly difficult financing conditions for customers. These delays affect larger projects in particular.

The turbomachinery market was at a low level, declining again slightly as against the prior-year period. New turbomachinery activities are largely dominated by global investment projects in oil and chemical plants. Project volumes in the oil and gas industry declined due to the significant drop in oil prices. As a result, competitive pressure increased further. Demand for turbomachinery in the processing industry was at a low level overall in the first half of 2015, and here, too, there was an increase in competitive pressure.

MAN Diesel & Turbo's order intake was €1,576 million in the first half of 2015, down 7% on the prior-year figure of €1,687 million. At €821 million, order intake in the Engines & Marine Systems strategic business unit was down 5% on the prior-year figure of €865 million. The decline in the license business in particular had a negative effect, while there was year-on-year growth in the new construction business and after-sales businesses. Order intake in the Power Plants strategic business unit amounted to €136 million, down 45% as against the prior-year figure of €246 million due to extremely low volumes in the new construction business. At €619 million, order volumes in the Turbomachinery strategic business unit were up 8% year-on-year (previous year: €576 million), due in particular to two major new construction orders from Oman and Hong Kong.

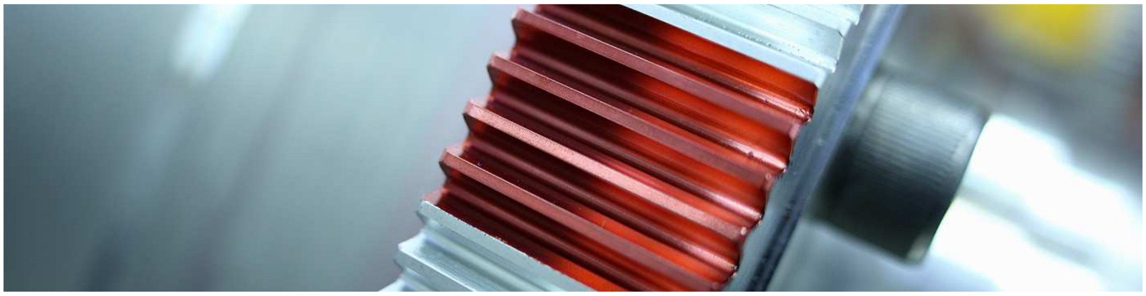
Sales revenue amounted to €1,582 million in the first half of 2015, up 11% on the prior-year figure of €1,426 million. At €769 million, sales revenue in the Engines & Marine Systems strategic business unit was up 17% on the prior-year figure of €658 million. Sales revenue in the Power Plants strategic business unit was €276 million, a rise of 27% year-on-year (previous year: €217 million) for billing reasons. The Turbomachinery strategic business unit saw sales revenue decline by 3% year-on-year to €537 million (previous year: €551 million) due to low order levels in the previous years.

MAN Diesel & Turbo recorded an operating profit of €93 million in the first half of 2015 (previous year: €88 million) and an operating return on sales of 5.9% (previous year: 6.2%). Operating profit in the Engines & Marine Systems strategic business unit improved year-on-year to €110 million (previous year: €66 million), due in particular to higher billings in the license and after-sales businesses. The Power Plants strategic business unit posted a slight €3 million operating loss in the first half of 2015 (previous year: €4 million operating profit). This year-on-year deterioration was primarily due to billings of new construction orders with lower margins. The Turbomachinery strategic business unit was also in negative territory, posting an operating loss of €14 million following the €18 million operating profit recorded in the previous year. Here, the decline was due to a drop in sales revenue, lower margin quality in the new construction business, and decreased capacity utilization.

The headcount decreased slightly in the first half of 2015, down from 14,947 employees as of December 31, 2014, to 14,850 as of June 30, 2015.

For fiscal year 2015, the Management of MAN Diesel & Turbo expects order intake to be on a level with the previous year while sales revenue should also be similar to the 2014 figure. Operating profit and the operating return on sales should show a slight improvement, although the continuing fierce competition in all business areas will continue to have a negative impact in the future.

Renk



€ million	2015 H1	2014 H1	Change in %	2015 Q2	2014 Q2	Change in %
Order intake	293	226	30	129	102	27
Sales revenue	240	216	11	133	108	23
Headcount[1]	2,186	2,196	–	2,186	2,196	–
			€ million			€ million
Operating profit	43	26	17	30	12	18
Operating return on sales (%)	17.8	11.9	–	22.6	11.0	–

1) Headcount as of June 30, 2015, vs. December 31, 2014.

Renk recorded an order intake of €293 million in the first half of 2015, up €67 million as against the prior-year period. The Vehicle Transmissions business contributed substantially to this increase, recording growth of €49 million. Order intake in the Standard Gear Units business was also up significantly on the previous year; this figure includes an order for offshore wind power gear units booked in the first quarter, among other things. Order intake for the two other businesses — Slide Bearings and Special Gear Units — remained on a level with the previous year.

Renk's sales revenue in the first six months of 2015 also exceeded the prior-year figure. At €240 million, deliveries also exceeded the prior-year figure, rising by 11% (previous year: €216 million). The Vehicle Transmissions and Special Gear Units businesses were up on the previous year, while Standard Gear Units and Slide Bearings fell short of the prior-year figure.

At €43 million, operating profit in the first half of 2015 was well above the prior-year figure of €26 million. In addition to billings of high-yield orders, a one-time effect from the reorganization of the supplier relationship with a major project customer contributed to this result. The operating return on sales amounted to 17.8% in the first half of the year (previous year: 11.9%). All businesses generated an operating profit.

Renk's Management continues to expect an order intake of around €500 million for 2015, including a number of major projects. The Renk Group's sales revenue should improve slightly in 2015. Despite the intensifying competition and changes to the product mix, operating profit is expected to be over €60 million. The operating return on sales will again be in double-digit territory, but will fall somewhat short of the 2014 figure.

Others

€ million	2015 H1	2014 H1	Change in %	2015 Q2	2014 Q2	Change in %
Headcount[1)]	322	311	4	322	311	4
of which: MAN Shared Services	59	56	5	59	56	5
of which: MAN SE	263	255	3	263	255	3
			in € million			in € million
Operating loss	–46	–41	–4	–17	–20	3
of which: MAN SE and MAN Shared Services	–23	–17	–6	–12	–6	–6
of which: earnings effects from purchase price allocations	–19	–24	6	–7	–12	6
of which: consolidation	–4	0	–4	2	–2	4

1) Headcount as of June 30, 2015, vs. December 31, 2014.

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

The operating loss amounted to €46 million after the first six months, roughly on a level with the previous year (operating loss of €41 million).

Related party disclosures

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

Events after the reporting period

Mr. Jochen Schumm left the Executive Board of MAN SE effective June 30, 2015, when his term of office expired. Mr. Josef Schelchshorn was appointed to replace him as a member of the Executive Board and the *Arbeitsdirektor* (member responsible for employee relations) effective July 1, 2015.

By way of a resolution by the SE Works Council dated July 14, 2015, Athanasios Stimoniaris was appointed to the Supervisory Board of MAN SE to replace Mr. Dorn.

Condensed Interim Consolidated Financial Statements as of June 30, 2015

MAN consolidated income statement

Reporting period January 1 to June 30

€ million	2015	2014
Sales revenue	**6,719**	**6,699**
Cost of sales	–5,379	–5,420
Gross profit	**1,340**	**1,279**
Other operating income	259	287
Distribution expenses	–782	–760
General and administrative expenses	–393	–402
Other operating expenses	–409	–181
Operating profit	**15**	**222**
Share of profits and losses of equity-method investments	4	6
Finance costs	–87	–97
Other financial result	–1	27
Financial result	**–83**	**–64**
Profit/loss before tax	**–68**	**158**
Income tax expense/income	22	–66
Profit/loss after tax	**–46**	**92**
of which attributable to noncontrolling interests	7	5
of which attributable to shareholders of MAN SE	**–52**	**86**
Earnings per share from continuing operations in € (diluted/basic)	**–0.36**	**0.59**
Earnings per share from continuing and discontinued operations in € (diluted/basic)	**–0.36**	**0.59**

MAN consolidated income statement

Reporting period April 1 to June 30

€ million	2015	2014
Sales revenue	**3,631**	**3,561**
Cost of sales	–2,906	–2,860
Gross profit	**725**	**701**
Other operating income	115	148
Distribution expenses	–412	–402
General and administrative expenses	–203	–211
Other operating expenses	–245	–82
Operating profit/loss	**–19**	**154**
Share of profits and losses of equity-method investments	–2	–3
Finance costs	–34	–45
Other financial result	3	9
Financial result	**–34**	**–39**
Profit/loss before tax	**–53**	**116**
Income tax expense/income	17	–52
Profit/loss after tax	**–35**	**63**
of which attributable to noncontrolling interests	5	2
of which attributable to shareholders of MAN SE	**–40**	**61**
Earnings per share from continuing operations in € (diluted/basic)	**–0.27**	**0.42**
Earnings per share from continuing and discontinued operations in € (diluted/basic)	**–0.27**	**0.42**

MAN consolidated reconciliation of comprehensive income for the period

Reporting period January 1 to June 30

€ million	2015	2014
Profit/loss after tax	**–46**	**92**
Items that will not be reclassified to profit or loss		
Remeasurements of pension plans	11	–107
Other comprehensive income from equity-method investments	–2	–3
Deferred taxes	–3	32
Items that will be reclassified subsequently to profit or loss		
Currency translation differences	38	141
Measurement of marketable securities and financial investments	208	880
Change in fair values of derivatives	1	11
Other comprehensive income from equity-method investments	2	–3
Deferred taxes	–2	–17
Other comprehensive income	**253**	**935**
Total comprehensive income	**207**	**1,027**
of which attributable to noncontrolling interests	7	4
of which attributable to shareholders of MAN SE	**200**	**1,022**

The other comprehensive income of €253 million consists of €208 million from the measurement of the investment in Scania AB, Sodertalje/Sweden (Scania), which is classified as an available-for-sale financial asset, and currency translation gains of €38 million from the translation of the financial statements of foreign consolidated Group companies. In addition, pension plan remeasurements amounted to €11 million. These result primarily from the increase in the discount rate for obligations in Germany from 2.3% as of December 31, 2014, to 2.6%. In connection with the sale of MAN Finance International GmbH, Munich (MAN Finance), €–10 million was reclassified from other comprehensive income to profit or loss in the previous year.

MAN consolidated reconciliation of comprehensive income for the period

Reporting period April 1 to June 30

€ million	2015	2014
Profit/loss after tax	**–35**	**63**
Items that will not be reclassified to profit or loss		
Remeasurements of pension plans	187	–57
Other comprehensive income from equity-method investments	0	–3
Deferred taxes	–61	14
Items that will be reclassified subsequently to profit or loss		
Currency translation differences	–18	81
Measurement of marketable securities and financial investments	–414	94
Change in fair values of derivatives	32	2
Other comprehensive income from equity-method investments	–2	2
Deferred taxes	–4	1
Other comprehensive income	**–279**	**134**
Total comprehensive income	**–315**	**197**
of which attributable to noncontrolling interests	7	2
of which attributable to shareholders of MAN SE	**–322**	**196**

MAN consolidated balance sheet as of June 30, 2015

Assets

€ million	6/30/2015	12/31/2014
Intangible assets	2,024	2,020
Property, plant, and equipment	2,160	2,217
Equity-method investments	472	471
Financial investments	2,343	2,113
Assets leased out	2,810	2,677
Income tax receivables	6	5
Deferred tax assets	452	392
Other noncurrent financial assets	399	482
Other noncurrent receivables	199	156
Noncurrent assets	**10,865**	**10,534**
Inventories	3,418	3,095
Trade receivables	2,119	2,234
Current income tax receivables	220	119
Other current financial assets	337	296
Other current receivables	714	735
Cash and cash equivalents	828	525
Current assets	**7,635**	**7,004**
	18,500	**17,538**

MAN consolidated balance sheet as of June 30, 2015

Equity and liabilities

€ million	6/30/2015	12/31/2014
Subscribed capital	376	376
Capital reserves	795	795
Retained earnings	4,057	4,081
Accumulated other comprehensive income	404	152
Equity attributable to shareholders of MAN SE	**5,633**	**5,404**
Noncontrolling interests	86	81
Total equity	**5,718**	**5,485**
Noncurrent financial liabilities	998	1,500
Pensions and other post-employment benefits	578	603
Deferred tax liabilities	254	136
Noncurrent income tax provisions	116	101
Other noncurrent provisions	687	659
Other noncurrent financial liabilities	1,303	1,204
Other noncurrent liabilities	964	956
Noncurrent liabilities and provisions	**4,900**	**5,158**
Current financial liabilities	2,049	985
Trade payables	1,681	1,662
Prepayments received	867	819
Current income tax payables	17	35
Current income tax provisions	42	29
Other current provisions	1,061	1,086
Other current financial liabilities	891	1,169
Other current liabilities	1,274	1,107
Current liabilities and provisions	**7,883**	**6,894**
	18,500	**17,538**

MAN consolidated statement of cash flows

Reporting period January 1 to June 30

€ million	2015	2014
Cash and cash equivalents at beginning of period	**525**	**1,208**
Profit/loss before tax from continuing operations	–68	158
Income taxes paid/refunded	82	–387
Depreciation and amortization of, and impairment losses on, intangible assets, property, plant, and equipment, and investment property[1]	185	183
Amortization of, and impairment losses on, capitalized development costs[1]	46	46
Depreciation of assets leased out[1]	251	211
Change in provisions for pensions and other post-employment benefits	–8	–23
Gain on disposal of noncurrent assets	–5	–6
Share of profits or losses of equity-method investments	–1	–1
Other noncash income and expense	1	–5
Change in inventories	–289	–351
Change in receivables	36	–37
Change in liabilities and prepayments received (excluding financial liabilities)	359	–384
Change in other provisions	78	–76
Change in assets leased out	–345	–235
Net cash provided by/used in operating activities	**322**	**–908**
Payments to acquire property, plant, and equipment, investment property, and intangible assets (excluding capitalized development costs)	–108	–112
Additions to capitalized development costs	–107	–85
Payments to acquire other investees	–23	–5
Proceeds from the disposal of subsidiaries, net of cash disposed of	–	417
Proceeds from asset disposals (other than assets leased out)	9	10
Change in investments in securities and loans	112	411
Net cash provided by/used in investing activities	**–117**	**636**
Dividend payments	–3	–24
Profit transferred/loss absorbed	–486	724
Repayment of bonds	–120	–520
Change in other financial liabilities	695	–346
Net cash provided by/used in financing activities	**85**	**–166**
Effect of exchange rate changes on cash and cash equivalents	13	6
Change in cash and cash equivalents	**303**	**–432**
Cash and cash equivalents at June 30	**828**	**775**
Composition of net liquidity/net financial debt at June 30, 2015, and December 31, 2014		
Cash and cash equivalents	828	525
Securities, loans, and time deposits	488	600
Gross liquidity	**1,316**	**1,125**
Total third-party borrowings	–3,048	–2,485
Net financial debt	**–1,732**	**–1,360**

[1] Net of impairment reversals.

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, 2014	**376**	**795**	**4,081**	**152**	**5,404**	**81**	**5,485**
Profit/loss after tax	–	–	–52	–	**–52**	7	**–46**
Other comprehensive income	–	–	–	252	**252**	1	**253**
Total comprehensive income	–	–	–52	252	**200**	7	**207**
Dividend payments	–	–	–	–	**–**	–3	**–3**
Other changes[1]	–	–	29	–	**29**	–	**29**
Balance at June 30, 2015	**376**	**795**	**4,057**	**404**	**5,633**	**86**	**5,718**
Balance at December 31, 2013	**376**	**795**	**4,329**	**–350**	**5,150**	**77**	**5,227**
Profit after tax	–	–	86	–	**86**	5	**92**
Other comprehensive income	–	–	–	936	**936**	–1	**935**
Total comprehensive income	–	–	86	936	**1,022**	4	**1,027**
Dividend payments	–	–	–21	–	**–21**	–3	**–24**
Other changes[1]	–	–	–397	11	**–386**	0	**–386**
Balance at June 30, 2014	**376**	**795**	**3,996**	**597**	**5,765**	**80**	**5,844**

[1] Retained earnings include the share of profit/loss to which Truck & Bus GmbH is entitled in the event of profit transfer based on profit/loss under German GAAP.

Starting in fiscal year 2014, MAN SE no longer distributes any dividends as a result of the domination and profit and loss transfer agreement.

See page 30 for information on changes in other comprehensive income for the period.

Notes to the Condensed Interim Consolidated Financial Statements

Basis of presentation

In accordance with Regulation No. 1606/2002 of the European Parliament and of the Council, MAN SE, Munich, prepared its consolidated financial statements for 2014 in compliance with the International Financial Reporting Standards (IFRSs), as adopted by the European Union. The accompanying condensed interim consolidated financial statements (interim consolidated financial statements) as of June 30, 2015, were prepared in accordance with IAS 34 and 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 2014. Unless expressly indicated otherwise, the accounting policies applied to 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, 2014. All figures shown are rounded, so minor discrepancies may arise from addition of these amounts.

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 2015 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.

Basis of consolidation

The interim financial statements as of June 30, 2015, include 102 companies (December 31, 2014: 103), including 20 (21) in Germany and 82 (82) outside Germany. The effects of the changes in the basis of consolidation were immaterial.

Income tax expense

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.

Accounting policies

MAN has applied all accounting pronouncements adopted by the EU and required to be applied as from January 1, 2015.
Various requirements have entered into force since January 1, 2015, as part of the annual improvements to IFRSs 2013. These included amendments to IFRS 1, IFRS 3, IFRS 13, and IAS 40 and did not materially affect the net assets, financial position, and results of operations of the MAN Group.

IFRIC 21 has also been applicable since January 1, 2015. IFRIC 21 governs the accounting for levies imposed by governments that are not covered by “IAS 12 Income Taxes.” In particular, the interpretation clarifies the circumstances in which a liability for a levy is to be recognized in the financial statements. This interpretation did not have any material effects on the net assets, financial position, and results of operations of the MAN Group.

In all other respects, the same accounting policies and consolidation principles were generally applied to the preparation of consolidated interim financial statements and the presentation of the prior-year comparative figures as to the consolidated financial statements for 2014. A detailed description of these accounting policies is given in the notes to the 2014 consolidated financial statements.

Income Statement Disclosures

Other operating income

€ million Reporting period January 1 to June 30	2015	2014
Income from foreign exchange gains	125	82
Income from reversal of provisions and accruals	57	75
Income from cost allocations	15	15
Income from reversal of valuation allowances on receivables and other assets	11	8
Income from foreign currency hedging derivatives	8	5
Gains on disposal of property, plant, and equipment, and intangible assets	6	4
Rental and lease income	4	4
Miscellaneous other income	33	93
	259	**287**

Foreign exchange gains comprise gains from changes in exchange rates between the dates of recognition and payment of receivables and liabilities denominated in foreign currencies, as well as exchange rate gains resulting from measurement at the closing rate. Foreign exchange losses from these items are included in other operating expenses.

The decline in miscellaneous other income is primarily attributable to the income of €46 million in the previous year from the settlement with D&O insurers and the individual settlements with former members of MAN SE's Executive Board and individual Group companies.

Miscellaneous other income includes government grants of €6 million (previous year: €13 million) for expenses incurred.

Other operating expenses

€ million Reporting period January 1 to June 30	2015	2014
Foreign exchange losses	132	68
Losses from foreign currency hedging derivatives	42	11
Valuation allowances on receivables and other assets	13	5
Losses on disposal of noncurrent assets	1	2
Miscellaneous other expenses	222	95
	409	**181**

Other operating expenses comprise those expenses that are not allocated to the function expenses, and in particular to cost of sales.

The increase in miscellaneous other expenses is primarily due to provisions for restructuring measures at MAN Truck & Bus in the amount of €170 million. For further information on restructuring measures, see "Other provisions."

Research and development costs

€ million		
Reporting period January 1 to June 30	**2015**	**2014**
Total research and development costs	366	317
of which: capitalized development costs	–107	–85
Capitalization ratio in %	29.2	26.7
Amortization of and impairment losses on capitalized development costs	46	46
Research and development costs reported in the income statement	**305**	**278**

Finance costs

€ million		
Reporting period January 1 to June 30	**2015**	**2014**
Interest expense	**66**	**86**
Net interest on the net liability for pensions and other post-employment benefits	7	7
Unwinding of discount and effect of change in discount rate on liabilities and other provisions	14	4
Interest cost on liabilities and provisions	**21**	**11**
Finance costs	**87**	**97**

The finance costs primarily contain interest expenses for financial liabilities and the interest cost from unwinding of discounts on liabilities.

Earnings per share

€ million (unless otherwise stated)		
Reporting period January 1 to June 30	**2015**	**2014**
Profit/loss after tax attributable to shareholders of MAN SE	–52	86
Profit/loss from continuing operations attributable to shareholders of MAN SE	**–52**	**86**
Number of shares outstanding (weighted average, million)	147.0	147.0
Earnings per share from continuing operations in €	**–0.36**	**0.59**

Earnings per share are calculated by dividing consolidated profit/loss 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 2015, as in the previous year.

There were no outstanding options on shares as of June 30, 2015, and June 30, 2014, that dilute earnings per share.

Balance Sheet Disclosures

Intangible assets

€ million	6/30/2015	12/31/2014
Licenses, software, similar rights, customer relationships, brands, and other assets	320	357
Capitalized development costs	925	877
Goodwill	778	786
	2,024	**2,020**

Property, plant, and equipment

€ million	6/30/2015	12/31/2014
Land and buildings	927	939
Production plant and machinery	615	622
Other plant, operating and office equipment	409	432
Prepayments and construction in progress	192	208
Investment property	17	17
	2,160	**2,217**

Equity-method investments

The most significant equity-method investment is Sinotruk Ltd., Hong Kong/China (Sinotruk). As of June 30, 2015, the equity interest in this associate amounted to 25% plus one share. The 49% interest in the Rheinmetall MAN Military Vehicles GmbH, Munich, associate is also accounted for using the equity method.

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 tables:

Balance sheet		
€ million	**2015[1)]**	**2014[2)]**
Noncurrent assets	2,119	1,922
Current assets	3,758	4,112
Total assets	**5,878**	**6,034**
Noncurrent liabilities and provisions	359	168
Current liabilities and provisions	2,700	3,377
Total liabilities and provisions	**3,058**	**3,545**
Net assets	**2,819**	**2,490**

1) Fiscal 2015: Amounts shown relate to the reporting period ended December 31, 2014.
2) Fiscal 2014: Amounts shown relate to the reporting period ended June 30, 2014.

Statement of comprehensive income		
€ million	**2015[1)]**	**2014[2)]**
Sales revenue	2,027	1,904
Profit after tax from continuing operations	23	22
Other comprehensive income	–1	–1
Total comprehensive income	**22**	**21**

1) Fiscal 2015: Amounts shown relate to the reporting period from July 1, 2014, to December 31, 2014.
2) Fiscal 2014: Amounts shown relate to the reporting period from July 1, 2013, to December 31, 2013.

The carrying amounts of other associates amounted to €53 million as of June 30, 2015 (December 31, 2014: €56 million). The following table contains summarized financial information on the other associates; the disclosures relate in all cases to the Group's share of the investees:

€ million	**2015[1)]**	**2014[2)]**
Profit after tax from continuing operations	0	3
Other comprehensive income	–2	–3
Total comprehensive income	**–2**	**0**

1) Fiscal 2015: Amounts shown relate to the reporting period from October 1, 2014, to March 31, 2015.
2) Fiscal 2014: Amounts shown relate to the reporting period from October 1, 2013, to March 31, 2014.

Inventories

€ million	**6/30/2015**	**12/31/2014**
Raw materials, consumables, and supplies	474	445
Work in progress	1,040	908
Finished goods and purchased merchandise	1,799	1,632
Prepayments	105	110
	3,418	**3,095**

There was no requirement to recognize or reverse significant impairment losses on inventories in the reporting period.

Trade receivables

€ million	**6/30/2015**	**12/31/2014**
Customer receivables	1,850	1,983
PoC receivables	203	180
Receivables from investees	67	71
	2,119	**2,234**

Financial liabilities

€ million	6/30/2015	12/31/2014
Bonds	1,748	1,866
Liabilities to banks	605	469
Loans and other liabilities	692	146
Liabilities under finance leases	3	4
	3,048	**2,485**

Financial liabilities are reported in the following balance sheet items:

€ million	6/30/2015	12/31/2014
Noncurrent financial liabilities	998	1,500
Current financial liabilities	2,049	985

Other provisions

€ million	6/30/2015	12/31/2014
Warranties	802	875
Outstanding costs	205	233
Obligations to employees	141	140
Other obligations arising from operating activities	146	176
Miscellaneous provisions	455	320
	1,748	**1,745**

The miscellaneous provisions relate to obligations in the single-digit millions arising from the restructuring measures for the bus plants in Plauen and Poznan announced in 2014. They also include provisions for restructuring expenses of €170 million relating to the restructuring of the truck production sites and the streamlining of all administrative areas at MAN Truck & Bus.

Other provisions are reported in the following balance sheet items:

€ million	6/30/2015	12/31/2014
Other noncurrent provisions	687	659
Other current provisions	1,061	1,086

Contingent liabilities

The maximum total potential contingent liability for Ferrostaal under MAN's obligations from guarantees as of June 30, 2015, is €36 million (December 31, 2014: €54 million). MAN's guarantees for Ferrostaal are largely covered by indemnities, depending on the origination date of the guarantee.

Most of the contingent liabilities under buyback guarantees relate to MAN Finance, which operates the sales financing business for MAN Truck & Bus. The maximum expenses under buyback guarantees amounted to €1,591 million as of June 30, 2015 (December 31, 2014: €1,398 million). However, based on experience, the majority of these guarantees expire without being drawn upon.

Litigation/legal proceedings

MAN SE's Annual Report for fiscal 2014 contains detailed information on litigation and legal proceedings. There have been no other significant developments for MAN since the publication of the Annual Report.

Fair value disclosures

Financial instruments are divided into the following classes:

- financial instruments measured at fair value,
- financial instruments measured at amortized cost, and
- financial instruments not falling within the scope of IFRS 7.

The following table shows the reconciliation of the balance sheet items to the relevant classes of financial instruments, broken down by the carrying amount and fair value of the financial instruments. 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.

€ million	Measured at fair value Carrying amount	Measured at amortized cost Carrying amount	Measured at amortized cost Fair value	Not within the scope of IFRS 7 Carrying amount	Balance sheet item at 6/30/2015
Noncurrent assets					
Equity-method investments	–	–	–	472	472
Financial investments	2,279	65	–	–	2,343
Other financial assets	29	370	370	–	399
Current assets					
Trade receivables	–	2,119	2,119	–	2,119
Other financial assets	46	291	291	–	337
Cash and cash equivalents	–	828	828	–	828
Noncurrent liabilities					
Financial liabilities	–	998	1,061	–	998
Other financial liabilities	21	1,282	1,282	–	1,303
Current liabilities					
Financial liabilities	–	2,049	2,049	–	2,049
Trade payables	–	1,681	1,681	–	1,681
Other financial liabilities	70	821	821	–	891

€ million	Measured at fair value Carrying amount	Measured at amortized cost Carrying amount	Measured at amortized cost Fair value	Not within the scope of IFRS 7 Carrying amount	Balance sheet item at 12/31/2014
Noncurrent assets					
Equity-method investments	–	–	–	471	471
Financial investments	2,071	42	–	–	2,113
Other financial assets	42	440	440	–	482
Current assets					
Trade receivables	–	2,234	2,234	–	2,234
Other financial assets	14	282	282	–	296
Cash and cash equivalents	–	525	525	–	525
Noncurrent liabilities					
Financial liabilities	–	1,500	1,587	–	1,500
Other financial liabilities	24	1,179	1,179	–	1,204
Current liabilities					
Financial liabilities	–	985	985	–	985
Trade payables	–	1,662	1,662	–	1,662
Other financial liabilities	47	1,122	1,122	–	1,169

The following table contains an overview of the financial assets and liabilities measured at fair value:

€ million	6/30/2015	Level 1	Level 2	Level 3
Noncurrent assets				
Financial investments	2,279	–	–	2,279
Other financial assets	29	–	29	–
Current assets				
Other financial assets	46	–	46	–
Noncurrent liabilities				
Other financial liabilities	21	–	21	–
Current liabilities				
Other financial liabilities	70	–	70	–

€ million	12/31/2014	Level 1	Level 2	Level 3
Noncurrent assets				
Financial investments	2,071	–	–	2,071
Other financial assets	42	–	42	–
Current assets				
Other financial assets	14	–	14	–
Noncurrent liabilities				
Other financial liabilities	24	–	24	–
Current liabilities				
Other financial liabilities	47	–	47	–

Fair value hierarchy:
Measurement and presentation of the fair values of financial instruments are based on a fair value hierarchy that reflects the availability 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. This level includes 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.

Level 3: Unobservable inputs for the asset or liability.

The transfers between the levels of the fair value hierarchy are reported at the respective reporting dates. During the six months to June 30, 2015, 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. See the 2014 Annual Report for the recognition of the investment in Scania in fiscal 2014.

The following table shows the development of the balance sheet items measured at fair value classified in Level 3, which relate solely to the investment in Scania. The €208 million change in fair value (previous year: €880 million) recognized in other comprehensive income impacted the “Measurement of marketable securities and financial investments” item within “Other comprehensive income.”

€ million	**Financial assets measured at fair value**	**Financial liabilities measured at fair value**
Balance at January 1, 2015	2,071	–
Fair value changes recognized in other comprehensive income	208	–
Balance at June 30, 2015	2,279	–

The inputs used to measure fair value are largely unchanged compared with those used as of December 31, 2014, with the exception of the cost of capital. The pretax cost of capital declined from 9.3% as of December 31, 2014, to 9.1% as of June 30, 2015. As of June 30, 2015, there were no material changes to the assessment of the impact on equity or profit after tax of changes in the significant unobservable inputs, either in isolation or in combination with each other, compared with the assessment presented in the 2014 Annual Report.

Other investments and shares classified as available for sale are measured at cost and have a carrying amount of €65 million (December 31, 2014: €42 million). These are mainly investments in and shares of unlisted entities. These investments and shares are recognized at cost if it is not possible to reliably measure their fair value without undue effort. The Company currently has no intention to sell these shares.

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, 2014.

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**	
	2015	**2014**	**2015**	**2014**
Truck & Bus GmbH, Volkswagen AG, and Porsche Stuttgart[1)]	2	3	17	7
Other subsidiaries and equity investments of Volkswagen AG that are not part of the MAN Group	653	536	71	15
Unconsolidated subsidiaries of the MAN Group	28	23	2	1
MAN Group associates and joint ventures	46	66	123	87

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

Receivables from related parties amounted to €898 million as of June 30, 2015 (December 31, 2014: €876 million). This includes the share of profit/loss to which Volkswagen Truck & Bus GmbH, Braunschweig, formerly Truck & Bus GmbH, Wolfsburg (Truck & Bus GmbH), is entitled. Liabilities to related parties increased in the same period from €2,411 million to €2,590 million. The liabilities include a new loan from Volkswagen AG in the amount of €550 million. In addition, there are liabilities to MAN Finance in the amount of €1,765 million. Furthermore, customer liabilities to MAN Finance are covered by standard industry buyback guarantees. See “Contingent liabilities” for further information on buyback guarantees.

Based on the domination and profit and loss transfer agreement between Truck & Bus GmbH and MAN SE, the profit of €486 million for fiscal 2014 was transferred on February 9, 2015 (previous year: loss absorption of €724 million).

On June 30, 2015, Truck & Bus GmbH, a wholly owned direct subsidiary of Volkswagen Aktiengesellschaft, Wolfsburg, held 75.28% of MAN SE’s voting rights and 74.04% 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" mainly comprises MAN's Corporate Center. Companies with no operating activities and the Scania and Sinotruk investments are allocated to the Corporate Center. Consolidation adjustments between a business area's segments are presented in the business area itself. Other consolidation adjustments and the earnings effects of purchase price allocations in the event of the acquisition of an individual segment are reported in the "Others" item.

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

Operating profit is used as the earnings measure for calculating a segment's results of operations. Operating profit is calculated as profit before tax and before the financial result. Earnings effects relating to tangible and intangible assets resulting from the acquisition of an individual segment are eliminated from the operating profit of that segment.
Net cash flow comprises cash flows from operating activities and cash flows from investing activities attributable to operating activities.

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

The following table contains segment-related information and a reconciliation from operating profit to profit before tax.

Segment information (1/3)

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

	Commercial Vehicles					
	MAN Truck & Bus		MAN Latin America		Commercial Vehicles	
€ million	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Segment order intake	**5,095**	**4,656**	**593**	**1,195**	**5,637**	**5,784**
of which: Germany	1,593	1,395	0	0	1,593	1,395
of which: other countries	3,502	3,261	593	1,195	4,045	4,389
Intersegment order intake	–63	–79	–7	–4	–21	–16
Group order intake	5,032	4,577	586	1,191	5,617	5,768
Segment sales revenue	**4,367**	**3,913**	**593**	**1,195**	**4,917**	**5,071**
of which: Germany	1,429	1,157	0	0	1,429	1,157
of which: other countries	2,937	2,756	593	1,195	3,488	3,915
Intersegment sales revenue	–46	–39	–7	–4	–11	–7
Group sales revenue	4,320	3,874	586	1,191	4,906	5,065
Order backlog at June 30, 2015, and December 31, 2014	**2,624**	**2,212**	**–**	**–**	**2,608**	**2,204**
Segment assets at June 30, 2015, and December 31, 2014	**9,574**	**9,143**	**1,763**	**1,773**	**11,240**	**10,807**
Segment liabilities at June 30, 2015, and December 31, 2014	**6,945**	**6,674**	**1,026**	**948**	**7,872**	**7,509**
Segment profit or loss (operating profit or loss)	**–49**	**79**	**–21**	**67**	**–74**	**150**
Share of profits and losses of equity-method investments	–4	0	–	–	–4	0
Net interest expense and other financial result	–32	–11	–24	–33	–55	–41
Profit/loss before tax of continuing operations	**–84**	**69**	**–45**	**35**	**–133**	**108**
of which: depreciation and amortization	–384	–342	–19	–21	–401	–360
of which: impairment losses	–3	–	0	0	–3	0
Net cash flow	**225**	**–366**	**–211**	**–109**	**14**	**–468**
of which: net cash provided by/used in operating activities	322	–267	–175	–81	150	–342
of which: net cash used in investing activities attributable to operating activities	–96	–100	–36	–28	–135	–126
Capital expenditures	**102**	**105**	**38**	**28**	**140**	**132**
Operating return on sales (%)	**–1.1**	**2.0**	**–3.5**	**5.6**	**–1.5**	**3.0**

Segment information (2/3)

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

	Power Engineering					
	MAN Diesel & Turbo		Renk		Power Engineering	
€ million	2015	2014	2015	2014	2015	2014
Segment order intake	**1,576**	**1,687**	**293**	**226**	**1,852**	**1,906**
of which: Germany	131	165	133	54	256	215
of which: other countries	1,446	1,522	160	173	1,596	1,691
Intersegment order intake	–4	–2	–15	–7	–1	–1
Group order intake	1,573	1,685	278	220	1,851	1,905
Segment sales revenue	**1,582**	**1,426**	**240**	**216**	**1,813**	**1,634**
of which: Germany	126	145	61	69	184	210
of which: other countries	1,456	1,281	178	147	1,629	1,424
Intersegment sales revenue	–2	–2	–7	–7	–1	–1
Group sales revenue	1,580	1,424	232	209	1,812	1,633
Order backlog at June 30, 2015, and December 31, 2014	**3,257**	**3,225**	**870**	**827**	**4,113**	**4,047**
Segment assets at June 30, 2015, and December 31, 2014	**3,731**	**3,614**	**626**	**589**	**4,345**	**4,196**
Segment liabilities at June 30, 2015, and December 31, 2014	**2,318**	**2,228**	**284**	**262**	**2,588**	**2,481**
Segment profit (operating profit)	**93**	**88**	**43**	**26**	**135**	**114**
Share of profits and losses of equity-method investments	4	3	–	–	4	3
Net interest income/expense and other financial result	–2	1	–1	1	–4	2
Profit before tax of continuing operations	**94**	**92**	**41**	**27**	**135**	**119**
of which: depreciation and amortization	–44	–43	–8	–8	–52	–51
of which: impairment losses	–	–	–3	–	–3	–
Net cash flow	**55**	**–115**	**24**	**–1**	**79**	**–117**
of which: net cash provided by/used in operating activities	139	–57	36	6	175	–55
of which: net cash used in investing activities attributable to operating activities	–84	–59	–12	–7	–97	–62
Capital expenditures	**85**	**60**	**12**	**7**	**98**	**67**
Operating return on sales (%)	**5.9**	**6.2**	**17.8**	**11.9**	**7.4**	**7.0**

Segment information (3/3)

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

	Others						Group	
	Corporate Center[1]		Cons./Reconcil.		Total			
€ million	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Segment order intake	**7**	**8**	**–27**	**–24**	**–20**	**–16**	**7,469**	**7,674**
of which: Germany	7	8	–7	–8	0	0	1,849	1,610
of which: other countries	0	0	–20	–16	–20	–16	5,621	6,064
Intersegment order intake	–6	–7	27	24	21	17	–	–
Group order intake	1	1	0	0	1	1	7,469	7,674
Segment sales revenue	**7**	**8**	**–18**	**–14**	**–12**	**–6**	**6,719**	**6,699**
of which: Germany	7	8	–7	–8	0	0	1,613	1,367
of which: other countries	0	0	–11	–6	–11	–6	5,106	5,333
Intersegment sales revenue	–6	–7	18	14	12	7	–	–
Group sales revenue	1	1	0	0	1	1	6,719	6,699
Order backlog at June 30, 2015, and December 31, 2014	**–**	**–**	**–9**	**–7**	**–9**	**–7**	**6,712**	**6,244**
Segment assets at June 30, 2015, and December 31, 2014	**7,565**	**7,081**	**–4,649**	**–4,547**	**2,916**	**2,534**	**18,500**	**17,538**
Segment liabilities at June 30, 2015, and December 31, 2014	**4,466**	**4,237**	**–2,143**	**–2,175**	**2,323**	**2,063**	**12,782**	**12,053**
Segment profit/loss (operating profit/loss)	**–23**	**–17**	**–23**	**–24**	**–46**	**–41**	**15**	**222**
Share of profits and losses of equity-method investments	3	2	1	1	4	3	4	6
Net interest income/expense and other financial result	–59	41	31	–72	–29	–31	–88	–70
Profit/loss before tax of continuing operations	**–79**	**27**	**9**	**–96**	**–70**	**–69**	**–68**	**158**
of which: depreciation and amortization	–4	–4	–19	–24	–23	–28	–475	–439
of which: impairment losses	0	0	–	–	0	0	–6	–1
Net cash flow	**25**	**–66**	**–25**	**–33**	**0**	**–98**	**93**	**–684**
of which: net cash provided by/used in operating activities	22	–552	–25	41	–3	–511	322	–908
of which: net cash provided by/used in investing activities attributable to operating activities	3	487	–	–74	3	413	–229	225
Capital expenditures	**0**	**3**	**–**	**0**	**0**	**4**	**238**	**202**
Operating return on sales (%)	**–**	**–**	**–**	**–**	**–**	**–**	**0.2**	**3.3**

[1] Corporate Center: MAN SE, Shared Services companies, and equity investments held directly by MAN SE.

Review by the Group auditors

The interim financial statements as of June 30, 2015, and 2014, were not reviewed by auditors.

Supervisory Board

Dr. Leif Östling stepped down from his position as a member of the Company's Supervisory Board, effective as of the end of this year's Annual General Meeting of MAN SE on May 6, 2015. The Annual General Meeting elected Mr. Andreas Renschler to replace Dr. Östling on the Supervisory Board for the remainder of his term of office, i.e., until the end of the Annual General Meeting 2016.

Prof. Ferdinand Piëch stepped down from his position as Chairman of the Supervisory Board of MAN SE on April 25, 2015, with immediate effect. The Supervisory Board elected Mr. Renschler as Chairman of the Supervisory Board at its meeting on May 6, 2015. By way of a court decision dated May 19, 2015, Prof. Horst Neumann was appointed to the Supervisory Board position vacated by the resignation of Prof. Piëch.

Mr. Jürgen Dorn left the Supervisory Board of MAN SE effective June 2, 2015.

Events after the reporting period

Mr. Jochen Schumm left the Executive Board of MAN SE effective June 30, 2015, when his term of office expired. Mr. Josef Schelchshorn was appointed to replace him as a member of the Executive Board and the *Arbeitsdirektor* (member responsible for employee relations) effective July 1, 2015.

By way of a resolution by the SE Works Council dated July 14, 2015, Athanasios Stimoniaris was appointed to the Supervisory Board of MAN SE to replace Mr. Dorn.

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the condensed interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group in accordance with German accepted accounting principles, 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 24, 2015

MAN SE
The Executive Board

Overview by Quarter (1/3)

	2015			2014				
€ million	Q1–Q2	Q2	Q1	Total 2014	Q4	Q3	Q2	Q1
Order intake by division								
MAN Truck & Bus	5,095	2,566	2,529	9,269	2,499	2,114	2,390	2,267
MAN Latin America	593	303	290	2,253	524	534	625	570
Commercial Vehicles	5,637	2,850	2,788	11,429	3,010	2,636	2,984	2,800
MAN Diesel & Turbo	1,576	749	827	3,280	840	753	901	786
Renk	293	129	164	666	345	95	102	125
Power Engineering	1,852	866	987	3,929	1,180	843	1,001	905
Others	–20	–7	–13	–26	–4	–6	–9	–6
Order intake	**7,469**	**3,708**	**3,761**	**15,332**	**4,186**	**3,473**	**3,976**	**3,699**
Commercial Vehicles order intake (units)								
MAN Truck & Bus	43,484	21,681	21,803	75,402	20,352	16,196	20,657	18,197
MAN Latin America	12,481	6,443	6,038	48,161	11,993	10,971	12,806	12,391
Intersegment order intake	–688	–239	–449	–1,815	–224	–186	–589	–816
Group order intake	55,277	27,885	27,392	121,748	32,121	26,981	32,874	29,772
Sales revenue by division								
MAN Truck & Bus	4,367	2,347	2,020	8,412	2,482	2,017	2,131	1,782
MAN Latin America	593	303	290	2,253	524	534	625	570
Commercial Vehicles	4,917	2,625	2,292	10,577	2,991	2,514	2,735	2,336
MAN Diesel & Turbo	1,582	885	697	3,273	964	883	726	700
Renk	240	133	106	480	134	130	108	108
Power Engineering	1,813	1,013	800	3,732	1,090	1,008	830	804
Other	–12	–7	–5	–23	–9	–7	–4	–2
Sales revenue	**6,719**	**3,631**	**3,088**	**14,286**	**4,072**	**3,515**	**3,561**	**3,138**
Commercial Vehicles unit sales (units)								
MAN Truck & Bus	38,024	21,782	16,242	73,622	22,635	17,894	18,827	14,266
MAN Latin America	12,481	6,443	6,038	48,161	11,993	10,971	12,806	12,391
Intersegment sales	–629	–399	–230	–1,695	–218	–822	–384	–271
Group sales	49,876	27,826	22,050	120,088	34,410	28,043	31,249	26,386
Order backlog[1]	**6,712**	**6,712**	**6,934**	**6,244**	**6,244**	**6,394**	**6,583**	**6,297**
Commercial Vehicles production (units)								
MAN Truck & Bus	38,807	21,048	17,759	72,708	19,318	17,980	19,961	15,449
MAN Latin America	14,769	7,725	7,044	44,970	9,046	11,387	10,063	14,474
Intersegment production	–642	–299	–343	–1,606	–122	–461	–657	–366
Group production	52,934	28,474	24,460	116,072	28,242	28,906	29,367	29,557

[1] As of the reporting date.
This information is reported on a voluntary basis.

Overview by Quarter (2/3)

	2015			2014				
€ million	Q1–Q2	Q2	Q1	Total 2014	Q4	Q3	Q2	Q1
Operating profit/loss by division								
MAN Truck & Bus	–49	–76	28	152	63	9	68	11
MAN Latin America	–21	–9	–12	65	–11	9	36	32
Commercial Vehicles	–74	–85	11	221	53	18	107	42
MAN Diesel & Turbo	93	53	39	206	59	59	55	33
Renk	43	30	13	72	23	24	12	14
Power Engineering	135	83	52	278	81	83	67	47
Others	–46	–17	–29	–116	–54	–20	–20	–21
Operating profit/loss	**15**	**–19**	**34**	**384**	**80**	**82**	**154**	**68**
Financial result	**–83**	**–34**	**–49**	**–142**	**–40**	**–37**	**–39**	**–26**
Profit/loss before tax	**–68**	**–53**	**–15**	**242**	**39**	**45**	**116**	**42**
Income tax expense/income	22	17	5	–100	–14	–19	–52	–14
Income from discontinued operations, net of tax	–	–	–	124	124	–	–	–
Profit/loss after tax	**–46**	**–35**	**–10**	**267**	**150**	**26**	**63**	**28**
Operating return on sales (%)	**0.2**	**–0.5**	**1.1**	**2.7**	**2.0**	**2.3**	**4.3**	**2.2**
MAN Truck & Bus	–1.1	–3.2	1.4	1.8	2.6	0.4	3.2	0.6
MAN Latin America	–3.5	–3.0	–4.1	2.9	–2.1	1.6	5.7	5.5
Commercial Vehicles	–1.5	–3.2	0.5	2.1	1.8	0.7	3.9	1.8
MAN Diesel & Turbo	5.9	6.0	5.7	6.3	6.1	6.7	7.5	4.8
Renk	17.8	22.6	11.9	15.0	16.9	18.4	11.0	12.8
Power Engineering	7.4	8.2	6.5	7.5	7.5	8.3	8.0	5.9

This information is reported on a voluntary basis.

Overview by Quarter (3/3)

€ million	2015 Q1–Q2	2015 Q2	2015 Q1	Total 2014	2014 Q4	2014 Q3	2014 Q2	2014 Q1
Net cash provided by/used in operating activities	322	79	243	–695	406	–194	–220	–688
Net cash provided by/used in investing activities attributable to operating activities	–229	–142	–86	–154	–264	–115	–113	338
Net cash flow	**93**	**–64**	**156**	**–849**	**142**	**–308**	**–333**	**–350**
Net financial debt[1)]	**–1,732**	**–1,732**	**–1,663**	**–1,360**	**–1,360**	**–1,517**	**–1,225**	**–864**
Headcount[1) 2)]	**55,196**	**55,196**	**55,143**	**55,903**	**55,903**	**55,983**	**55,480**	**55,462**
Capital markets information								
Earnings per share from continuing operations (€)	**–0.36**	**–0.27**	**–0.08**	**0.88**	**0.14**	**0.15**	**0.42**	**0.17**
MAN share price (in €)[3]								
High	99.02	99.02	98.00	93.80	92.49	90.80	93.30	93.80
Low	91.75	92.39	91.75	87.99	88.91	87.99	89.75	89.25
Quarter-end	92.39	92.39	98.00	92.16	92.16	89.10	90.25	92.50
MAN share performance (%)								
Performance of MAN shares	0.2	–5.7	6.3	3.3	3.4	–1.3	–2.4	3.6
Dax performance	11.6	–8.5	22.0	2.7	3.5	–3.6	2.9	0.0
MDax performance	15.9	–5.1	22.1	2.2	5.9	–4.9	2.1	–0.7

1) As of the reporting date.
2) Including employees in the passive phase of partial retirement and vocational trainees, excluding subcontracted employees.
3) Xetra closing prices, Frankfurt.

This information is reported on a voluntary basis.

MAN SE Financial Dates*

Report on Q1/2015	*April 28, 2015*
Annual General Meeting for fiscal 2014	*May 6, 2015*
Half-yearly report 2015	*July 28, 2015*
Report on Q3/2015	October 27, 2015

*The latest information can be found on MAN's website at
→ www.man.eu/corporate under "Investor Relations".

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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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