



# News service MAN Group

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## MAN Group: Continuing double-digit growth in orders

**The positive business performance recorded by the MAN Group during the first four months of 2004 continued to gather speed in May with a 34% rise in order intakes. This means that between January and May, new orders increased by 22% compared with the same period last year, to reach 6.2 billion euros, while sales rose by 10% to 5.2 billion euros, announced MAN's Executive Board Chairman, Dr. Rudolf Rupprecht, at the Annual General Meeting held in Munich on 9 June.**

Between the beginning of the year and the end of May, the order backlog climbed by 14% to 8.4 billion euros. Both domestic and foreign business contributed to the encouraging rates of growth during the first five months, the intake of new orders rising by 21% to 1.7 billion euros in Germany and orders received from abroad increasing by 22% to 4.5 billion euros.

According to Dr. Rupprecht, this accelerated growth is partially due to a marked increase in major orders, which climbed by 43% to reach a total of 554 million euros. Yet on-going operations, which clearly dominated business activities, were also up 20%, reaching almost 5.7 billion euros, after rising 18% during the first four months. During the month of May 2004 alone, order intakes in the MAN Group reached 1,261 million euros, 34% more than the 2003 figure, with sales rising by 16% to 1,121 million euros.

Practically all MAN divisions contributed to this upward trend during the first five months.

Commercial Vehicles recorded a 20% rise in orders to 3.2 billion euros, Printing Machines improving by 14% to 645 million euros, Diesel Engines by 28% to 679 million euros and Turbomachines by 13% to 276 million euros. New orders in the Further Industrial Holdings Division reached the same level as 2003, with RENK and SHW increasing their figures, while MAN Technologie and MAN DWE recorded lower order intakes.

The Industrial Services Division continued to show a clearly positive trend, the volume of incoming orders reaching almost 1.3 billion euros. Thanks to a recovery in the steel-trading sector and several major orders, this division recorded the highest rate of growth with a rise of 39%. MAN Financial Services increased its new order volume by 16% to 288 million euros.

With regard to the outlook for 2004, Dr. Rupprecht said that in the case of new orders, he expected the MAN Group to come close to reaching double-digit growth in percentage terms compared with 2003, whereby a somewhat lower rise was anticipated in the case of sales. On the earnings side, he confirmed that, "We are still adhering to the positive statements which exceed our forecast in the Annual Report, namely that, provided a more friendly economic climate continues to prevail, we are confident of reaching earnings before taxes in the order of 400 million euros." This would represent an increase of more than 50% compared with 2003.

Dr. Rupprecht announced increasing expansion of the Group's market presence in the growth markets of Asia and Eastern Europe. In China especially, the Executive Board is currently considering a concerted effort on the part of Group members and targeted increases in investment in the relevant markets.

MAN is already well represented in China. Activities there include a joint venture in the bus sector between the Commercial Vehicles Division and



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the local company Yutong, several facilities manufacturing under licence, sales, servicing and component purchasing. MAN Nutzfahrzeuge is in the process of forming a subsidiary company to co-ordinate these various activities. The Diesel Engines Division produces turbochargers and is expanding its service offerings. It is also continuing to develop the licensing business for heavy two-stroke engines and auxiliary engines, which has been established for many years, and is increasing supplies of medium-speed four-stroke engines. Business in China is also of great significance for the Printing Machines Division and this country even represents the largest single market for Turbomachines. China will also be playing a principal role as a location for producing under licence on behalf of MAN's manufacturing companies.

Other countries mentioned by Dr. Rupprecht as offering above-average rates of growth and market opportunities which the Executive Board would be addressing included the new EU members in Eastern Europe, as well as Russia and the other CIS states, Iran and the Arab countries.

MAN Aktiengesellschaft  
The Executive Board

The speech given by Dr. Rupprecht at the annual press conference will be available in the internet at [www.man-group.com](http://www.man-group.com) from 10.00 a.m. onwards.

The MAN Group's image database can be accessed at <http://bildarchiv.man.de>.