

# TRATON

## MAN with strong focus on execution in its transformation

TRATON Capital Markets Day  
Alexander Vlaskamp, CEO MAN Truck & Bus

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NAVISTAR



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# MAN executing consistently in its transformation

## Significant milestones reached



Launch of the NewMAN Strategy as driver of future success



Realignment program well on track, important measures implemented



Full revised product portfolio on the market with increasing customer satisfaction



Vehicle Services business offering as focus area of growth, resilience and customer loyalty

## Topics for further progressing



Finalizing implementation of the realignment program in 2023



Transformation to zero-emission transport solutions and smart products



Leveraging TRATON GROUP Modular System

# New MAN strategy lays foundation for future success

**ROBUST  
COMPANY**



**STRONG  
TEAM**



**MAN**  
*new*

**SMART  
INNOVATOR**

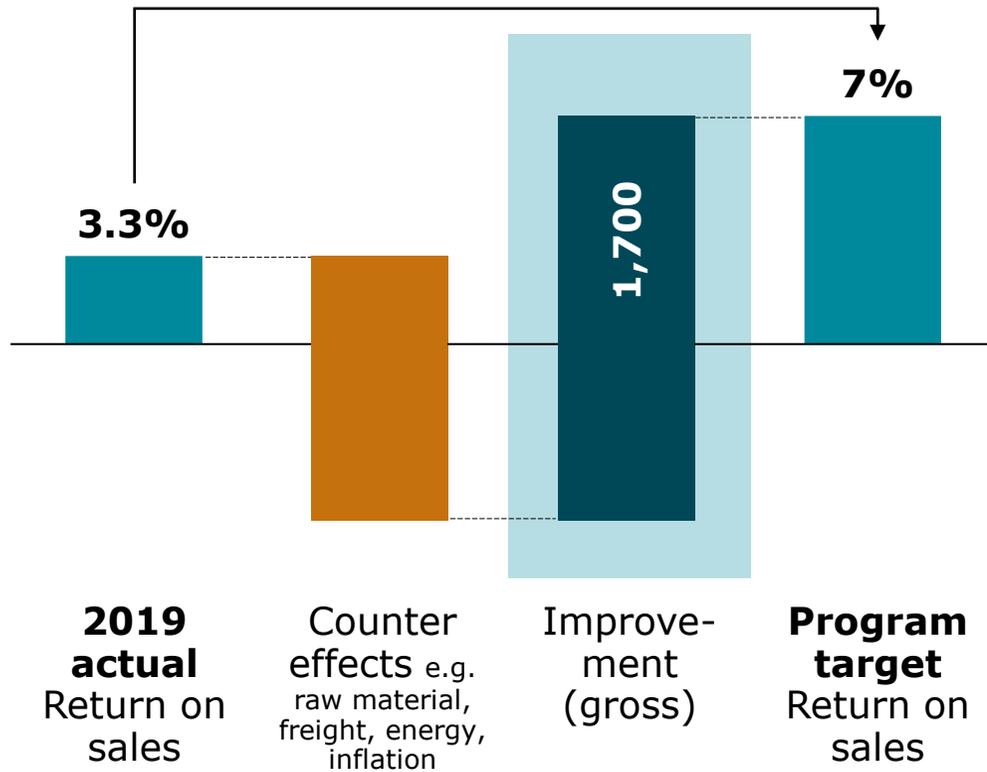


**Simplifying customer business  
through leading sustainable solutions**

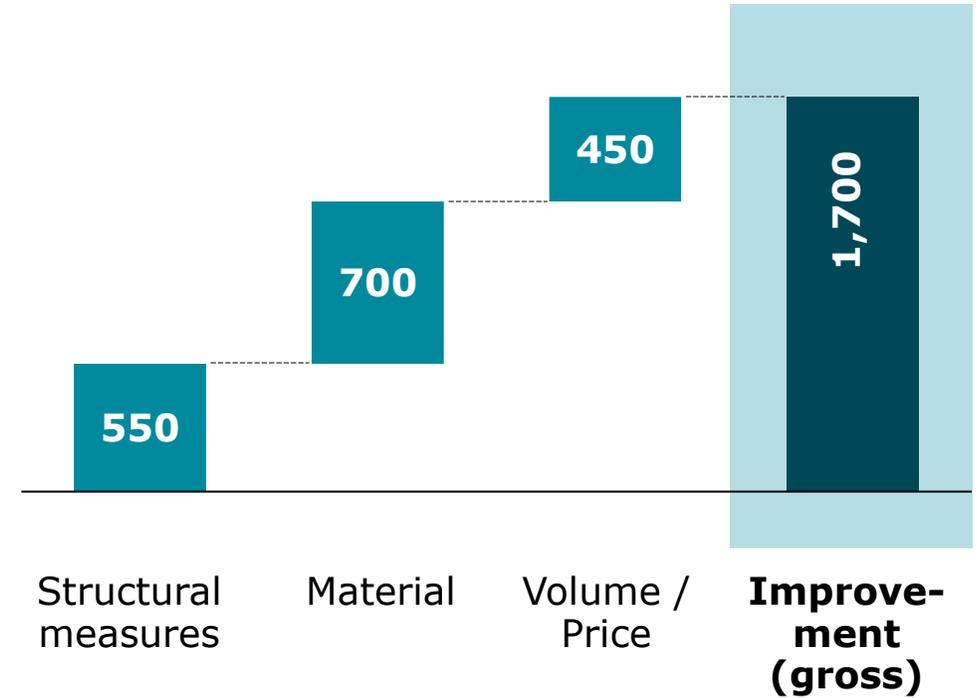


# Realignment program well on track

**Ambition** (€ mn)



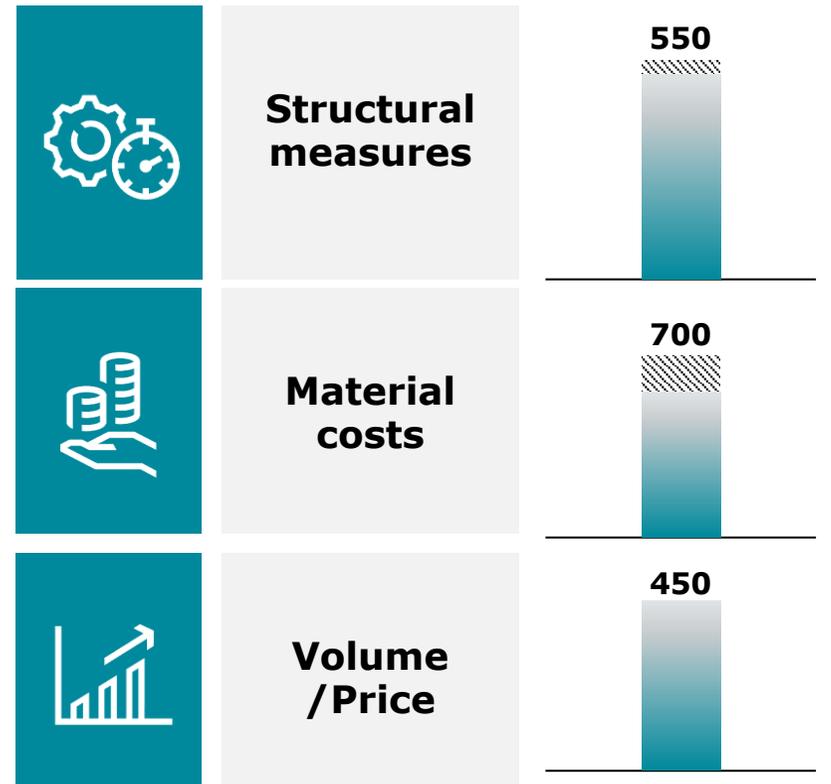
**Dimensions** (€ mn)





# Significant impact of realignment measures to be effective from 2023 onwards

## Dimensions (€ mn)



## Achievements until today

- ▶ Production & Engineering **footprint** MAN structurally drastically **changed**
  - ▶ **Headcount** cost reduction and head count **reduction** according **plan**
- 
- ▶ Cross-functional program realizing **material cost savings** from commercial negotiations, technical product cost optimization and other measures
  - ▶ Headwinds from supply chain disruptions/semiconductor shortage  
→ **Compensation** of **higher raw material prices** through **price measures**
- 
- ▶ **Successful launch** of **new truck** and **bus** generation incl. electric bus
  - ▶ **Price & margin optimization** achieved in a **double-digit** range for new **TGX**
  - ▶ **Turnaround Used Business** achieved across all KPIs
  - ▶ Overall **volume down** due to market (COVID-19)/semiconductor shortage
  - ▶ Strong **focus** and **leverage** on **Customer Services Management**

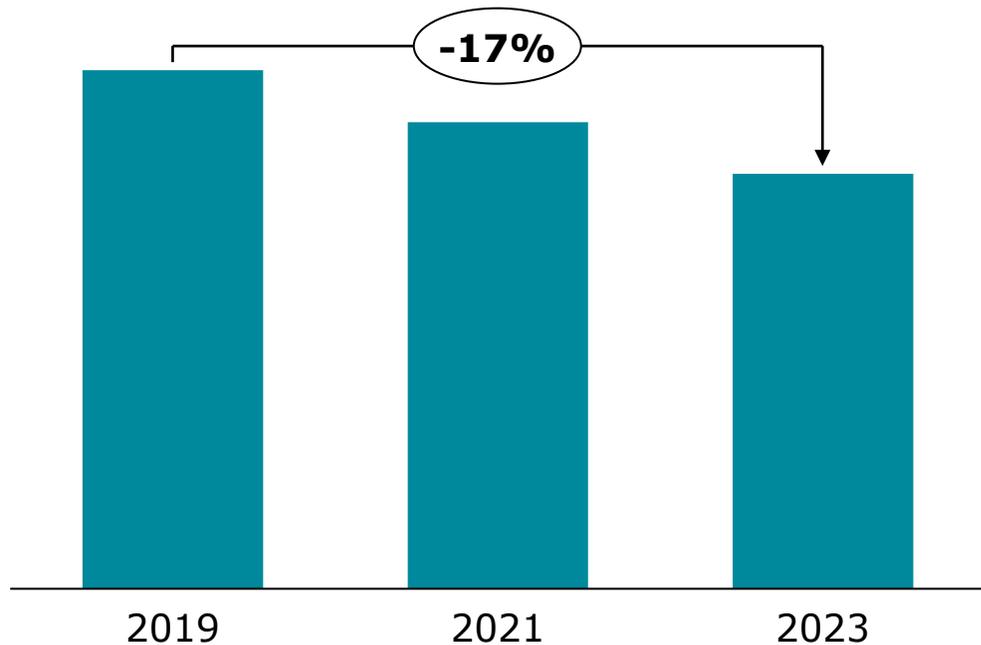
Concrete measures tbd  
Backed up with measures

# Significant staff cost reductions will be reached



## Structural measures

### Global staff costs<sup>1</sup> (in €)



### Staff program deliverables

- ▶ Structural shift from high-cost to best-cost countries
- ▶ Higher level of flexibility on staff
- ▶ Improved direct vs. indirect staff ratio
- ▶ Full earnings impact from 2024 onwards

<sup>1</sup> Gross



# Significantly improved competitiveness through change in global footprint of truck production



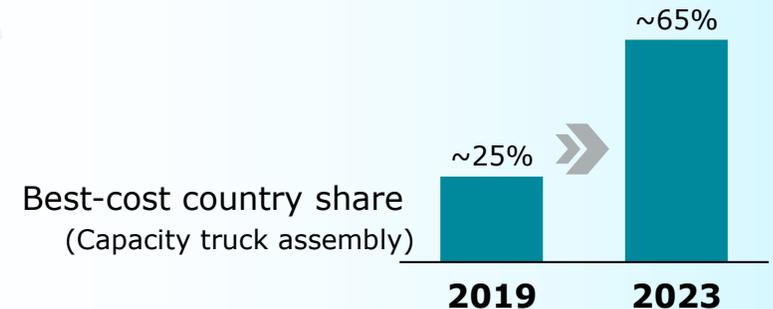
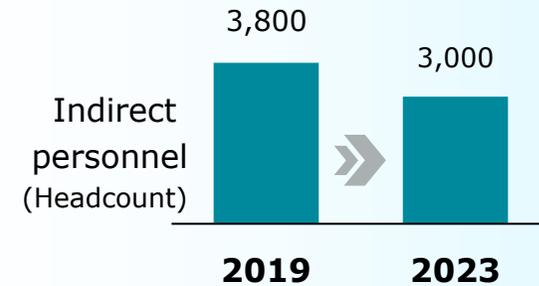
## Structural measures

### Strategic building blocks

- ▶ Reduction of network complexity from 3 truck plants to 2 truck plants
- ▶ Efficient value creation structures
- ▶ Competitive structures achieved, improved ratio direct to indirect headcount

**Optimized  
truck  
production  
footprint**

### Core KPIs Production



# New trucks & buses with highly competitive TCO

## Truck - TG3



- ▶ Successfully launched in 02/2020, updated in 2022
- ▶ Super Test 03/2022: Best-in-class fuel consumption for the new MAN TGX (2022)
- ▶ Platform ready as e-truck (2024)

## Bus - L4C / E4C



- ▶ Launch in 2019 (ICE), Launch in 2020 (BEV)
- ▶ MAN Efficiency Run: 550 km achieved in 24h operation with one battery charge
- ▶ 750 MAN E4C sold since launch 2020/04, 150 units already delivered to customers



# Clear roadmap towards zero-emission transportation

## Truck

(Value share of common parts<sup>1</sup>)

2024/25



65%

**TG (BEV)**

*Electric truck to market*



52%

**TG (ICE)**

*Truck update with new powertrain*

**Common modular system**



**Common modular system**

*New cabin & frame*

## Bus

(Value share of common parts<sup>1</sup>)

2023



40%

**Complete Bus portfolio**

*Bus portfolio enhancement for ADAS features, efficiencies in battery capacities*

2025/26



65%

**City & Intercity Bus (BEV)**

*Portfolio expansion in e-mobility/Update of existing e-bus portfolio*



**Coach (BEV)**

*Electrified long distance vehicle & Common E/E-Architecture*

<sup>1</sup> Average calculation over reference vehicles using TRATON & VW Group components



# Innovative production system for both worlds

## TG (BEV)



- ▶ Series production of e-mobility solutions
- ▶ Extended range of digital solutions



## Efficient assembly on one common production line

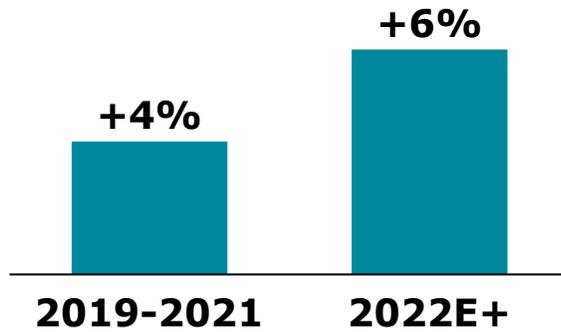


- ▶ Volume flexibility between BEV and ICE trucks
- ▶ Low invest in comparison to new production line
- ▶ Optimized cycle times through modularization



# Vehicle Services business as the main lever of growth

## Vehicle Services business sales revenue (CAGR p.a.)



## 1. Vehicle Services business

- ▶ Increase contract portfolio
- ▶ Increase uptime
- ▶ Sales excellence & digital sales
- ▶ Shift to e-mobility & autonomous driving

## 2. Financial Services

- ▶ Establish captive finance services
- ▶ Provide tailored finance solutions

## 3. Charging Network

- ▶ Provide complete solutions for Truck/Bus/Van
- ▶ Provide depot & en-route charging solutions



# Together as one strong team we deliver on our future success

## Strong Team



## Strong commitment to execute

- ▶ Modern people management
- ▶ Employee engagement
- ▶ Development of leadership



A. Vlaskamp



F. Baumann



M. Kobriger



I. Koljonen



A. Puls



F. Zohm

# MAN Truck & Bus: Key takeaways

**1**



Execution of realignment measures to improve sustainable earnings power

**2**



Product roadmap with consistent leveraging of TRATON Modular System defined

**3**



Lifting growth potential in Vehicle Services business

